

# APTSIS 10 Progress

After the formulation of the mid-term management plan, *APTSIS 10* in May 2008, our business environment has been drastically changed, owing to violent fluctuation of raw material and fuel prices, abrupt appreciation of the yen, and extremely deteriorated demand situation by a global financial crisis. In response to the change, the MCHC Group will review allocation of resources such as capital expenditure, investment & loan, and R&D expenditure. Also, the Group will prioritize the next-generation growth businesses, aiming for the early commercialization, and accelerate further reformation of petrochemicals business structure, in order to pursue its profit recovery. There is no change in the basic strategy of *APTSIS 10* at this point.

## Revised Resource Allocation (FY2008-FY2010)

	May 2008			June 2009		(Billions of yen)
<b>Capital expenditure, Investment &amp; loan</b>	Performance Products	210		Performance Products	150	<b>Prioritize the next-generation growth businesses</b>
	Health Care	75		Health Care	75	
	Chemicals	155		Chemicals	85	
	Others (Corporate)	150		Others (Corporate)	70	
	<b>Total</b>	<b>590</b>		<b>Total</b>	<b>380</b>	
<b>Strategic investment</b>	<b>250</b>		<b>250+ α</b>	<b>Study proactively</b>		
<b>R&amp;D expenditure</b>	<b>425</b>		<b>407</b>	<b>Execute thorough selection of focus</b>		