

June 5, 2012

Notice of Convocation of Asahi Kasei Corporation Shareholders

To Shareholders:

The 121st Ordinary General Meeting of Shareholders of Asahi Kasei Corporation (the Company) will be convened as described below.

Time: Thursday, June 28, 2012, 10:00 a.m.
Place: Rose Room, 9th floor, Tokyo Kaikan
2-1 Marunouchi 3-chome, Chiyoda-ku, Tokyo, Japan

Agenda

Reports:

Report of Operating Results for the fiscal year ended March 31, 2012
Consolidated Balance Sheets as of March 31, 2012
Consolidated Statements of Income for the fiscal year ended March 31, 2012
Consolidated Statements of Changes in Net Assets for the fiscal year ended March 31, 2012
Non-consolidated Balance Sheets as of March 31, 2012
Non-consolidated Statements of Income for the fiscal year ended March 31, 2012
Non-consolidated Statements of Changes in Net Assets for the fiscal year ended March 31, 2012

Proposals:

Proposal 1 Election of Directors (10 candidates for election)
Proposal 2 Election of Alternate Corporate Auditor (1 candidate for election)
Proposal 3 Grant of Retirement Bonus to Retiring Directors

Please read the attachment and exhibit accompanying this notice carefully. If you will be unable to attend, please exercise your voting right by filling in, signing, and returning the enclosed form by post. In order to be effective, forms to exercise voting rights by post must be received no later than 5:00 p.m. JST, June 27, 2012.

Ichiro Itoh
Chairman & Representative Director

Note: Translation of Japanese document, some notes and reference information omitted.

Attachment 1: Materials pertaining to items to be reported

1. Consolidated Balance Sheets as of March 31, 2012

(millions of yen, rounded to the nearest million)

Assets	
Current assets	721,770
Cash and deposits	102,875
Notes and accounts receivable, trade	266,056
Short-term investment securities	360
Merchandise and finished goods	138,133
Work in progress	87,450
Raw materials and supplies	53,623
Deferred tax assets	19,454
Other	54,835
Allowance for doubtful accounts	(1,017)
Noncurrent assets	688,798
Property, plant and equipment	416,119
Buildings and structures	174,997
Machinery, equipment and vehicles	128,237
Land	55,667
Lease assets	6,890
Construction in progress	37,787
Other	12,542
Intangible assets	45,189
Goodwill	8,502
Other	36,687
Investments and other assets	227,489
Investment securities	177,513
Long-term loans receivable	5,559
Deferred tax assets	18,965
Other	25,692
Allowance for doubtful accounts	(240)
Total assets	1,410,568

Liabilities	691,283
Current liabilities	449,600
Notes and accounts payable, trade	143,194
Short-term loans payable	74,490
Commercial paper	15,000
Lease obligations	2,207
Income taxes payable	8,380
Accrued expenses	92,663
Advances received	49,950
Provision for repairs	6,045
Provision for product warranties	2,151
Provision for noncurrent assets removal cost	1,818
Asset retirement obligations	460
Other	53,242
Noncurrent liabilities	241,683
Bonds payable	25,000
Long-term loans payable	62,710
Lease obligations	4,707
Deferred tax liabilities	11,402
Provision for retirement benefits	106,277
Provision for directors' retirement benefits	806
Provision for repairs	1,977
Provision for noncurrent assets removal cost	4,204
Asset retirement obligations	3,242
Long-term guarantee deposited	18,286
Other	3,072
Net assets	719,285
Shareholders' equity	696,805
Capital stock	103,389
Capital surplus	79,404
Retained earnings	516,401
Treasury stock	(2,388)
Accumulated other comprehensive income	10,040
Valuation difference on available-for-sale securities	40,148
Deferred gains or losses on hedges	(1,734)
Foreign currency translation adjustment	(28,374)
Minority interests	12,439
Total liabilities and net assets	1,410,568

2. Consolidated Statements of Income for the fiscal year ended March 31, 2012

(millions of yen, rounded to the nearest million)

Net sales	1,573,230
Cost of sales	1,178,968
Gross profit	394,261
Selling, general and administrative expenses	290,003
Operating income	104,258
Non-operating income	10,817
Interest income	1,434
Dividends income	2,744
Equity in earnings of affiliates	669
Gain on reversal of provision for noncurrent assets removal cost	2,236
Other	3,734
Non-operating expenses	7,507
Interest expense	2,685
Foreign exchange losses	162
Contribution	979
Other	3,681
Ordinary income	107,567
Extraordinary income	2,961
Gain on sales of investment securities	191
Gain on sales of noncurrent assets	494
Gain on step acquisitions	2,277
Extraordinary loss	15,662
Loss on valuation of investment securities	1,898
Loss on disposal of noncurrent assets	3,546
Impairment loss	460
Environmental expenses	277
Loss on disaster	1,027
Business structure improvement expenses	8,454
Income before income taxes	94,866
Income taxes—current	31,152
Income taxes—deferred	6,829
Income before minority interests	56,885
Minority interests in income	1,119
Net income	55,766

3. Consolidated Statements of Changes in Net Assets for the fiscal year ended March 31, 2012

(millions of yen, rounded to the nearest million)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of fiscal year	103,389	79,402	478,681	(2,115)	659,357
Changes during the fiscal year					
Dividends from surplus			(18,173)		(18,173)
Net income			55,766		55,766
Purchase of treasury stock				(291)	(291)
Disposal of treasury stock		1		18	19
Change of scope of equity method			(111)		(111)
Increase by corporate division			71		71
Effect of change in accounting period of subsidiaries and affiliates			168		168
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	1	37,720	(273)	37,448
Balance at end of fiscal year	103,389	79,404	516,401	(2,388)	696,805

	Accumulated other comprehensive income				Minority interest	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of fiscal year	29,647	(140)	(25,299)	4,209	12,036	675,602
Changes during the fiscal year						
Dividends from surplus						(18,173)
Net income						55,766
Purchase of treasury stock						(291)
Disposal of treasury stock						19
Change of scope of equity method						(111)
Increase by corporate division						71
Effect of change in accounting period of subsidiaries and affiliates						168
Net changes of items other than shareholders' equity	10,501	(1,594)	(3,075)	5,832	403	6,235
Total changes of items during the period	10,501	(1,594)	(3,075)	5,832	403	43,683
Balance at end of fiscal year	40,148	(1,734)	(28,374)	10,040	12,439	719,285

4. Non-consolidated Balance Sheets as of March 31, 2012

(millions of yen, rounded to the nearest million)

Assets	
Current assets	368,110
Cash and deposits	47,270
Supplies	192
Prepaid expenses	1,602
Deferred tax assets	1,334
Accounts receivable, other	13,082
Income taxes receivable	1,290
Short-term loans receivable	36
Short-term loans receivable from subsidiaries and affiliates	249,371
Advances paid	53,996
Other	331
Allowance for doubtful accounts	(393)
Noncurrent assets	499,883
Property, plant and equipment	72,807
Buildings	19,626
Structures	2,517
Machinery and equipment	1,760
Vehicles	38
Tools, furniture and fixtures	1,843
Land	46,238
Construction in progress	785
Intangible assets	8,101
Software	6,942
Lease assets	124
Patent rights and others	1,035
Investments and other assets	418,975
Investment securities	84,063
Stocks of subsidiaries and affiliates	273,176
Investments in capital	12
Long-term loans receivable from subsidiaries and affiliates	56,474
Long-term prepaid expenses	386
Other	4,863
Total assets	867,993

Liabilities	450,542
Current liabilities	329,714
Notes payable, trade	22
Short-term loans payable	32,000
Commercial paper	15,000
Current portion of long-term loans payable	28,520
Short-term loans payable to subsidiaries and affiliates	184,875
Current portion of long-term loans payable to subsidiaries and affiliates	600
Lease obligations	31
Accounts payable, other	38,645
Accrued expenses	11,603
Advances received	46
Deposits received	2,930
Notes payable, alternative payment	4,641
Other	10,803
Noncurrent liabilities	120,828
Bonds payable	25,000
Long-term loans payable	57,460
Long-term loans payable to subsidiaries and affiliates	6,300
Lease obligations	92
Deferred tax liabilities	19,525
Provision for retirement benefits	11,698
Provision for directors' retirement benefits	246
Long-term guarantee deposited	463
Other	44
Net assets	417,450
Shareholders' equity	388,117
Capital stock	103,389
Capital surplus	79,404
Legal capital surplus	79,396
Other capital surplus	7
Retained earnings	207,712
Legal retained earnings	25,847
Other retained earnings	181,865
Reserve for special depreciation	89
Reserve for advanced depreciation of noncurrent assets	12,363
Reserve for dividend equalization	7,000
General reserve	82,000
Retained earnings brought forward	80,413
Treasury stock	(2,388)
Valuation and translation adjustments	29,334
Valuation difference on available-for-sale securities	30,631
Deferred gains or losses on hedges	(1,298)
Total liabilities and net assets	867,993

5. Non-consolidated Statements of Income for the fiscal year ended March 31, 2012

(millions of yen, rounded to the nearest million)

Operating revenue	59,528
Dividends income from subsidiaries and affiliates	52,716
Rent income of real estate from subsidiaries and affiliates	6,811
Operating expenses	17,269
General and administrative expenses	17,269
Operating income	42,259
Non-operating income	4,804
Interest and dividends income	3,924
Other	880
Non-operating expenses	3,303
Interest expenses	1,964
Miscellaneous loss	1,339
Ordinary income	43,760
Extraordinary income	476
Gain on sales of noncurrent assets	476
Extraordinary loss	2,649
Loss on valuation of investment securities	1,520
Loss on disposal of noncurrent assets	824
Impairment loss	127
Environmental expenses	178
Income before income taxes	41,586
Income taxes—current	(3,137)
Income taxes—deferred	(140)
Net income	44,864

6. Non-consolidated Statements of Changes in Net Assets for the fiscal year ended March 31, 2012

(millions of yen, rounded to the nearest million)

	Shareholders' equity							
	Capital stock	Capital surplus			Retained earnings			
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		
						Reserve for special depreciation	Reserve for advanced depreciation of noncurrent assets	Reserve for dividend equalization
Balance at beginning of fiscal year	103,389	79,396	6	79,402	25,847	115	11,533	7,000
Changes during the fiscal year								
Reversal of reserve for special depreciation						(27)		
Provision of reserve for advanced depreciation of noncurrent assets							1,542	
Reversal of reserve for advanced depreciation of noncurrent assets							(712)	
Dividends from surplus								
Net income								
Purchase of treasury stock								
Disposal of treasury stock			1	1				
Net changes of items other than shareholders' equity								
Total changes of items during the period	—	—	1	1	—	(27)	830	—
Balance at end of fiscal year	103,389	79,396	7	79,404	25,847	89	12,363	7,000

	Shareholders' equity					Valuation and translation adjustments			Total net assets
	Retained earnings			Treasury stock	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	
	Other retained earnings		Total retained earnings						
	General reserve	Retained earnings brought forward							
Balance at beginning of fiscal year	82,000	54,527	181,022	(2,115)	361,698	21,253	—	21,253	382,952
Changes during the fiscal year									
Reversal of reserve for special depreciation		27	—		—				—
Provision of reserve for advanced depreciation of noncurrent assets		(1,542)	—		—				—
Reversal of reserve for advanced depreciation of noncurrent assets		712	—		—				—
Dividends from surplus		(18,173)	(18,173)		(18,173)				(18,173)
Net income		44,864	44,864		44,864				44,864
Purchase of treasury stock				(291)	(291)				(291)
Disposal of treasury stock				18	19				19
Net changes of items other than shareholders' equity						9,378	(1,298)	8,080	8,080
Total changes of items during the period	—	25,887	26,690	(273)	26,418	9,378	(1,298)	8,080	34,499
Balance at end of fiscal year	82,000	80,413	207,712	(2,388)	388,117	30,631	(1,298)	29,334	417,450

Exhibit 1: Reference Materials for the General Meeting of Shareholders

Proposal 1 Election of Directors

The term of office of the following ten Directors shall expire at the close of this Ordinary General Meeting of Shareholders: Messrs. Ichiro Itoh, Taketsugu Fujiwara, Koji Fujiwara, Yasuyuki Yoshida, Tsutomu Inada, Yuji Mizuno, Masanori Mizunaga, Yukiharu Kodama, Morio Ikeda, and Norio Ichino.

The Board of Directors recommends that the following ten candidates be elected Director.

Candidates Messrs. Yukiharu Kodama, Morio Ikeda, and Norio Ichino meet the requirements for Outside Director as stipulated in relevant law and regulation.

Candidate No.	Name, date of birth	Asahi Kasei shares held	Career summary
1	Ichiro Itoh July 6, 1942	86,000	<ul style="list-style-type: none"> • April 1966: joined Asahi Kasei • June 2001: Director • February 2003: Managing Director • June 2003: Director • June 2003: Primary Executive Officer • April 2006: Vice-Presidential Executive Officer • April 2010: Representative Director* • April 2010: Chairman* <p><i>Notable concurrent offices</i></p> <ul style="list-style-type: none"> • Director, Asahi Group Holdings, Ltd.
2	Taketsugu Fujiwara February 19, 1947	34,000	<ul style="list-style-type: none"> • April 1969: joined Asahi Kasei • June 2000: Director • April 2003: Asahi Kasei Chemicals President and Representative Director • June 2003: retired as Director • June 2003: Senior Executive Officer • September 2003: retired as Senior Executive Officer • October 2003: Asahi Kasei Chemicals Presidential Executive Officer • April 2009: Vice-Presidential Executive Officer • June 2009: Director • April 2010: Representative Director* • April 2010: President* • April 2010: Presidential Executive Officer*
3	Koji Fujiwara May 9, 1949	49,000	<ul style="list-style-type: none"> • April 1972: joined Asahi Kasei • April 2004: Executive Officer • June 2007: Director • April 2008: Asahi Kasei Chemicals Director • April 2008: Asahi Kasei Chemicals Primary Executive Officer • April 2010: Senior Executive Officer • June 2010: Director* • April 2011: Primary Executive Officer*

* Position held at present.

Candidate No.	Name, date of birth	Asahi Kasei shares held	Career summary
4	Yasuyuki Yoshida February 14, 1948	17,000	<ul style="list-style-type: none"> • April 1971: joined Asahi Kasei • October 2003: Asahi Kasei Life & Living Director • October 2003: Asahi Kasei Life & Living Executive Officer • April 2005: Asahi Kasei Pharma Director • April 2005: Asahi Kasei Pharma Senior Executive Officer • April 2005: Asahi Kasei Medical President & Representative Director • April 2006: Asahi Kasei Pharma Primary Executive Officer • June 2006: Asahi Kasei Medical Presidential Executive Officer • October 2007: Asahi Kasei Kuraray Medical President & Representative Director • October 2007: Asahi Kasei Kuraray Medical Presidential Executive Officer • April 2010: Executive Officer • April 2011: Primary Executive Officer* • June 2011: Director*
5	Hideki Kobori February 2, 1955	16,000	<ul style="list-style-type: none"> • April 1978: joined Asahi Kasei • April 2008: Asahi Kasei Microdevices Director • April 2008: Asahi Kasei Microdevices Senior Executive Officer • April 2009: Asahi Kasei Microdevices Primary Executive Officer • April 2010: Asahi Kasei Microdevices President & Representative Director • April 2010: Asahi Kasei Microdevices Presidential Executive Officer • April 2012: Senior Executive Officer*
6	Hiroshi Kobayashi March 1, 1955	11,000	<ul style="list-style-type: none"> • April 1979: joined Asahi Kasei • June 2004: Asahi Kasei Construction Materials Director • June 2004: Asahi Kasei Construction Materials Senior Executive Officer • April 2007: Asahi Kasei Construction Materials President & Representative Director • April 2007: Asahi Kasei Construction Materials Presidential Executive Officer • April 2008: Asahi Kasei Homes Director • April 2012: Lead Executive Officer*
7	Masafumi Nakao November 1, 1952	17,000	<ul style="list-style-type: none"> • April 1978: joined Asahi Kasei • April 2009: Asahi Kasei Microdevices Director • April 2009: Asahi Kasei Microdevices Executive Officer • April 2012: Lead Executive Officer*

* Position held at present.

Candidate No.	Name, date of birth	Asahi Kasei shares held	Career summary
8	Yukiharu Kodama May 9, 1934	22,000	<ul style="list-style-type: none"> • April 1957: joined Ministry of International Trade and Industry (MITI) • June 1989: MITI Administrative Vice-Minister • June 1991: retired from MITI • June 1993: President, Shoko Chukin Bank • July 2001: President, Japan Information Processing Development Corp. • June 2007: Director, the Company* • November 2007: President, The Mechanical Social Systems Foundation* <p><i>Notable concurrent offices</i></p> <ul style="list-style-type: none"> • Director, Hoya Corp. • Corporate Auditor, Yomiuri Land Co., Ltd. • Corporate Auditor, Tokyo Dome Corp.
9	Morio Ikeda December 25, 1936	10,000	<ul style="list-style-type: none"> • April 1961: joined Shiseido Corp. • June 1990: Director, Shiseido Corp. • June 2001: President and Representative Director, Shiseido Corp. • June 2005: Chairman, Shiseido Corp. • June 2006: Senior Adviser, Shiseido Corp.* • June 2008: Director, the Company* <p><i>Notable concurrent offices</i></p> <ul style="list-style-type: none"> • Director, Isetan Mitsukoshi Holdings Ltd. • Director, Wacoal Holdings Corp.
10	Norio Ichino January 1, 1941	6,000	<ul style="list-style-type: none"> • April 1964: joined Tokyo Gas Co., Ltd. • June 1996: Director, Tokyo Gas Co., Ltd. • June 2003: President and Representative Director, Tokyo Gas Co., Ltd. • June 2003: Executive President, Tokyo Gas Co., Ltd. • April 2006: Director and Vice Chairman of the Board, Tokyo Gas Co., Ltd. • April 2007: Director and Chairman of the Board, Tokyo Gas Co., Ltd. • April 2010: Director and Executive Advisor, Tokyo Gas Co., Ltd. • June 2010: Executive Advisor, Tokyo Gas Co., Ltd.* • June 2011: Director, the Company*

* Position held at present.

Notes:

- Messrs. Hideki Kobori, Hiroshi Kobayashi, and Masafumi Nakao are new candidates for election as Director.
- There is no special interest between each candidate and the Company.
- Mr. Yukiharu Kodama is a candidate for the position of Outside Director in accordance with relevant law and regulation. The term of his office as Outside Director of the Company will be five years at the close of this Ordinary General Meeting of Shareholders. Although he has not been involved in corporate management other than formerly as Outside Director or Outside Corporate Auditor, the Board of Directors recommends his election as Outside Director so that his wealth of experience and broad range of insight into the world of business may be reflected in the Company's operations.
- Mr. Morio Ikeda is a candidate for the position of Outside Director in accordance with relevant law and regulation. The term of his office as Outside Director of the Company will be four years at the close of this Ordinary General Meeting of Shareholders. The Board of Directors recommends his election as Outside Director so that his wealth of business management experience and broad range of insight may be reflected in the Company's operations.

Between December 2007 and July 2008 Isetan Co., Ltd, subsidiary of Isetan Mitsukoshi Holdings Ltd., where Mr. Morio Ikeda has served as Outside Director since April 2008, marketed a women's stole product labeled "50% cashmere, 50% silk" despite the fact that the product contained no cashmere. On December 10, 2008, Japan's Fair Trade Commission issued an abatement order to said subsidiary based on Article 4, Paragraph 1, of the Act against Unjustifiable Premiums and Misleading Representations. Mr. Morio Ikeda has

regularly made recommendations from the perspective of legal compliance, and through deliberation at meetings of Isetan Mitsukoshi Holding's Board of Directors after said incident came to light he promoted the enhancement of compliance and internal control systems and the thorough education of employees to prevent similar incidents.

- Mr. Norio Ichino is a candidate for the position of Outside Director in accordance with relevant law and regulation. The term of his office as Outside Director of the Company will be one year at the close of this Ordinary General Meeting of Shareholders. The Board of Directors recommends his election as Outside Director so that his wealth of business management experience and broad range of insight may be reflected in the Company's operations.
- In accordance with Article 427, Paragraph 1, of the Corporation Law, the Company has concluded agreements with Messrs. Yukiharu Kodama, Morio Ikeda, and Norio Ichino which limit their liability as specified in Article 423, Paragraph 1, of the Corporation Law, the amount of their individual liability being either ¥10 million or the minimum amount stipulated by law or ordinance, whichever is higher.
- The relevant financial instruments exchanges have been notified that Messrs. Yukiharu Kodama, Morio Ikeda, and Norio Ichino are designated as Independent Director/Auditor in accordance with applicable rules and regulations.

Proposal 2 Election of Alternate Corporate Auditor

The Board of Directors recommends the election of an Alternate Corporate Auditor to assume the office of Corporate Auditor in case the number of Corporate Auditors falls below the number stipulated in relevant law and regulation or in case the number of Outside Corporate Auditors becomes less than half of the number of Corporate Auditors. Prior agreement of the Board of Corporate Auditors has been obtained regarding the submission of this proposal.

The Board of Directors recommends that the following candidate be elected Alternate Corporate Auditor.

Candidate Mr. Koji Kobayashi meets the requirements for Outside Corporate Auditor as stipulated in relevant law and regulation.

Candidate No.	Name, date of birth	Asahi Kasei shares held	Career summary
1	Koji Kobayashi January 3, 1942	1,000	<ul style="list-style-type: none"> • April 1966: joined Yamada Certified Public Accountant Office • October 1967: joined Price Waterhouse • May 1970: registered Certified Public Accountant • July 1984: Partner (<i>Daihyo-shain</i>), Aoyama Audit Corp.; Partner, Price Waterhouse • April 2000: Partner (<i>Daihyo-shain</i>), Chuo Aoyama Audit Corp.; Partner, PricewaterhouseCoopers • October 2006: Proprietor, Kobayashi Koji Certified Public Accountant Office* • June 2011: Alternate Corporate Auditor, the Company* <p>Notable concurrent offices Corporate Auditor, Felissimo Corp.</p>

* Position held at present.

Notes:

- There is no special interest between Mr. Koji Kobayashi and the Company.
- Mr. Koji Kobayashi is a candidate for the position of Alternate Outside Corporate Auditor. Although he has not been involved in corporate management other than formerly as Outside Director or Outside Corporate Auditor, the Board of Directors recommends his election as Alternate Outside Corporate Auditor as his wealth of experience related to corporate finance and accounting and broad range of insight would enable him to effectively perform the duties of the office of Outside Corporate Auditor.
- In accordance with Article 427, Paragraph 1, of the Corporation Law, the Company plans to conclude an agreement with Mr. Koji Kobayashi, if he assumes the office of Corporate Auditor, which would limit his liability as specified in Article 423, Paragraph 1, of the Corporation Law, the amount of his liability being either ¥10 million or the minimum amount stipulated by law or ordinance, whichever is higher.
- If Mr. Koji Kobayashi assumes the office of Corporate Auditor, the relevant financial instruments exchanges will be notified of his designation as Independent Director/Auditor in accordance with applicable rules and regulations.

Proposal 3 Grant of Retirement Bonus to a Retiring Directors

The term of office of Messrs. Tsutomu Inada, Yuji Mizuno, and Masanori Mizunaga as Director shall expire at the close of this Ordinary General Meeting of Shareholders. In recognition of the services they performed in the office of Director, the Board of Directors recommends that a retirement bonus be granted to each of them as shown below in accordance with the Company's standards. It is proposed that determination of the specific time and method of each of these grants be entrusted to the Board of Directors.

Name	Amount	Career summary
Tsutomu Inada	¥12.5 million	• June 2010: elected Director*
Yuji Mizuno	¥28.8 million	• June 2007: elected Director*
Masanori Mizunaga	¥12.5 million	• June 2010: elected Director*

* Position held at present.