

June 4, 2014

## Notice of Convocation of Asahi Kasei Corporation Shareholders

To Shareholders:

The 123rd Ordinary General Meeting of Shareholders of Asahi Kasei Corporation (the Company) will be convened as described below.

Time: Friday, June 27, 2014, 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, 2014  
Consolidated Balance Sheets as of March 31, 2014  
Consolidated Statements of Income for the fiscal year ended March 31, 2014  
Consolidated Statements of Changes in Net Assets for the fiscal year ended March 31, 2014  
Non-consolidated Balance Sheets as of March 31, 2014  
Non-consolidated Statements of Income for the fiscal year ended March 31, 2014  
Non-consolidated Statements of Changes in Net Assets for the fiscal year ended March 31, 2014

Proposals:

Proposal 1	Partial Amendment to Articles of Incorporation
Proposal 2	Election of Directors (9 candidates for election)
Proposal 3	Election of Corporate Auditor (1 candidate for election)
Proposal 4	Grant of Retirement Bonus to Retiring Directors and Provision of Discontinuation Allowance to Directors and Corporate Auditors in Connection with Discontinuation of System of Retirement Bonuses for Directors and Corporate Auditors
Proposal 5	Revision of Amount of Remuneration for 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 26, 2014.

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, 2014

(millions of yen, rounded to the nearest million)

		(reference) Previous year
Assets		
Current assets	890,401	819,469
Cash and deposits	151,474	109,513
Notes and accounts receivable—trade	316,705	306,222
Short-term investment securities	—	124
Merchandise and finished goods	151,156	145,470
Work in progress	112,243	100,513
Raw materials and supplies	65,141	63,695
Deferred tax assets	27,469	21,945
Other	68,106	73,619
Allowance for doubtful accounts	(1,894)	(1,631)
Noncurrent assets	1,024,689	980,702
Property, plant and equipment	480,535	461,581
Buildings and structures	202,866	187,425
Machinery, equipment and vehicles	163,074	153,631
Land	58,067	58,176
Lease assets	4,472	6,806
Construction in progress	35,216	41,482
Other	16,841	14,060
Intangible assets	258,419	255,417
Goodwill	137,679	134,303
Other	120,740	121,114
Investments and other assets	285,735	263,704
Investment securities	238,419	224,903
Long-term loans receivable	9,173	5,248
Net defined benefit asset	2,369	—
Deferred tax assets	16,278	8,487
Other	19,751	25,311
Allowance for doubtful accounts	(256)	(245)
Total assets	1,915,089	1,800,170

Liabilities	989,323	975,719
Current liabilities	576,782	602,864
Notes and accounts payable—trade	159,925	172,630
Short-term loans payable	103,605	113,043
Commercial paper	10,000	70,000
Current portion of bonds	—	5,000
Lease obligations	1,784	2,415
Accrued expenses	93,313	91,646
Income taxes payable	48,520	13,978
Advances received	80,164	61,953
Provision for periodic repairs	7,964	2,359
Provision for product warranties	2,503	2,143
Provision for removal cost of property, plant and equipment	2,893	1,910
Asset retirement obligations	806	722
Other	65,305	65,064
Noncurrent liabilities	412,541	372,855
Bonds payable	40,000	40,000
Long-term loans payable	146,037	146,929
Lease obligations	2,445	4,051
Deferred tax liabilities	43,441	39,985
Provision for retirement benefits	—	107,776
Provision for directors' retirement benefits	818	767
Net defined benefit liability	143,523	—
Provision for periodic repairs	173	4,255
Provision for removal cost of property, plant and equipment	9,526	2,960
Asset retirement obligations	3,244	2,834
Long-term guarantee deposited	18,899	18,396
Other	4,434	4,902
Net assets	925,766	824,451
Shareholders' equity	815,605	733,918
Capital stock	103,389	103,389
Capital surplus	79,404	79,403
Retained earnings	635,403	553,557
Treasury stock	(2,591)	(2,431)
Accumulated other comprehensive income	97,095	78,162
Net unrealized gain on other securities	75,626	62,622
Deferred gains or losses on hedges	(171)	(900)
Foreign currency translation adjustments	46,734	16,440
Remeasurements of defined benefit plans	(25,094)	—
Minority interests	13,067	12,371
Total liabilities and net assets	1,915,089	1,800,170

2. Consolidated Statements of Income for the fiscal year ended March 31, 2014

(millions of yen, rounded to the nearest million)

		(reference) Previous year
Net sales	1,897,766	1,666,640
Cost of sales	1,385,704	1,239,452
Gross profit	512,062	427,188
Selling, general and administrative expenses	368,715	335,228
Operating income	143,347	91,960
Non-operating income	10,578	13,821
Interest income	1,183	1,301
Dividends income	3,681	2,949
Foreign exchange gains	425	4,285
Insurance income	1,132	1,661
Other	4,157	3,623
Non-operating expenses	11,060	10,656
Interest expense	3,375	3,339
Equity in losses of affiliates	1,756	166
Costs associated with idle portion of facilities	1,366	2,190
Other	4,563	4,961
Ordinary income	142,865	95,125
Extraordinary income	55,534	328
Gain on sales of investment securities	330	81
Gain on sales of noncurrent assets	1,672	247
Income from compensation for damage	53,532	—
Extraordinary loss	34,539	13,151
Loss on valuation of investment securities	1,223	511
Loss on disposal of noncurrent assets	5,575	4,011
Impairment loss	441	2,069
Environmental expenses	—	206
Business structure improvement expenses	22,546	6,355
Loss on discontinuation of development project	4,753	—
Income before income taxes and minority interests	163,860	82,302
Income taxes—current	68,166	27,873
Income taxes—deferred	(6,399)	526
Income before minority interests	102,093	53,903
Minority interests in income	796	191
Net income	101,296	53,712

### 3. Consolidated Statements of Changes in Net Assets for the fiscal year ended March 31, 2014

(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	79,403	553,557	(2,431)	733,918
Changes during the fiscal year					
Dividends from surplus			(19,566)		(19,566)
Net income			101,296		101,296
Purchase of treasury stock				(162)	(162)
Disposal of treasury stock		1		2	3
Change of scope of consolidation			1,323		1,323
Change of scope of equity method			(1,208)		(1,208)
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	1	81,845	(160)	81,687
Balance at end of fiscal year	103,389	79,404	635,403	(2,591)	815,605

	Accumulated other comprehensive income					Minority interests	Total net assets
	Net unrealized gain on other securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of fiscal year	62,622	(900)	16,440	—	78,162	12,371	824,451
Changes during the fiscal year							
Dividends from surplus							(19,566)
Net income							101,296
Purchase of treasury stock							(162)
Disposal of treasury stock							3
Change of scope of consolidation							1,323
Change of scope of equity method							(1,208)
Net changes of items other than shareholders' equity	13,004	729	30,294	(25,094)	18,932	696	19,628
Total changes of items during the period	13,004	729	30,294	(25,094)	18,932	696	101,315
Balance at end of fiscal year	75,626	(171)	46,734	(25,094)	97,095	13,067	925,766

4. Non-consolidated Balance Sheets as of March 31, 2014

(millions of yen, rounded to the nearest million)

		(reference) Previous year
<b>Assets</b>		
Current assets	352,647	359,171
Cash and deposits	82,647	50,380
Supplies	216	233
Prepaid expenses	1,662	1,528
Deferred tax assets	697	716
Accounts receivable—other	37,697	13,016
Short-term loans receivable	36	—
Short-term loans receivable from subsidiaries and affiliates	183,046	238,210
Advances paid	46,549	54,975
Other	99	112
Noncurrent assets	732,235	723,872
Property, plant and equipment	70,053	71,845
Buildings	18,475	18,967
Structures	2,251	2,477
Machinery and equipment	1,540	2,040
Vehicles	18	27
Tools, furniture and fixtures	1,829	1,935
Land	45,370	45,799
Lease assets	2	3
Construction in progress	567	597
Intangible assets	15,633	15,506
Software	15,065	14,986
Lease assets	62	93
Patent rights and others	507	428
Investments and other assets	646,549	636,521
Investment securities	127,433	112,311
Stocks of subsidiaries and affiliates	427,802	421,263
Investments in capital	12	12
Long-term loans receivable	—	36
Long-term loans receivable from subsidiaries and affiliates	85,988	97,952
Long-term prepaid expenses	342	350
Other	4,971	4,597
<b>Total assets</b>	<b>1,084,883</b>	<b>1,083,043</b>

Liabilities	621,679	645,075
Current liabilities	405,458	426,945
Notes payable—trade	9	16
Short-term loans payable	64,000	64,000
Commercial paper	10,000	70,000
Current portion of bonds	—	5,000
Current portion of long-term loans payable	17,366	32,732
Short-term loans payable to subsidiaries and affiliates	233,600	179,903
Current portion of long-term loans payable to subsidiaries and affiliates	—	300
Lease obligations	32	31
Accounts payable—other	27,936	39,910
Accrued expenses	9,894	10,928
Income taxes payable	28,074	6,582
Advances received	32	30
Deposits received	3,213	3,137
Notes payable—alternative payment	3,925	4,264
Other	7,377	10,111
Noncurrent liabilities	216,222	218,130
Bonds payable	40,000	40,000
Long-term loans payable	128,496	132,377
Lease obligations	33	65
Deferred tax liabilities	35,307	28,080
Provision for retirement benefits	11,450	16,842
Provision for directors' retirement benefits	253	261
Long-term guarantee deposited	457	462
Other	225	44
Net assets	463,203	437,968
Shareholders' equity	404,406	389,113
Capital stock	103,389	103,389
Capital surplus	79,404	79,403
Legal capital surplus	79,396	79,396
Other capital surplus	8	7
Retained earnings	224,204	208,752
Legal retained earnings	25,847	25,847
Other retained earnings	198,357	182,905
Reserve for special depreciation	41	77
Reserve for advanced depreciation of noncurrent assets	11,715	11,837
Reserve for dividend equalization	7,000	7,000
General reserve	82,000	82,000
Retained earnings brought forward	97,601	81,991
Treasury stock	(2,591)	(2,431)
Valuation and translation adjustments	58,798	48,855
Net unrealized gain on other securities	58,798	48,855
Total liabilities and net assets	1,084,883	1,083,043

5. Non-consolidated Statements of Income for the fiscal year ended March 31, 2014

(millions of yen, rounded to the nearest million)

		(reference) Previous year
Operating revenue	45,408	29,827
Dividends income from subsidiaries and affiliates	39,083	23,145
Rent income of real estate from subsidiaries and affiliates	6,325	6,681
Operating expenses	13,383	10,406
General and administrative expenses	13,383	10,406
Operating income	32,026	19,420
Non-operating income	6,105	5,835
Interest and dividends income	5,314	4,926
Other	791	909
Non-operating expenses	3,988	4,620
Interest expenses	2,743	2,793
Miscellaneous loss	1,245	1,827
Ordinary income	34,142	20,635
Extraordinary income	1,446	1,094
Gain on sales of noncurrent assets	1,446	1,094
Extraordinary loss	1,974	1,716
Loss on valuation of investment securities	960	—
Loss on disposal of noncurrent assets	1,014	587
Impairment loss	—	1,129
Income before income taxes	33,614	20,013
Income taxes—current	(3,187)	796
Income taxes—deferred	1,782	(1,389)
Net income	35,018	20,607

6. Non-consolidated Statements of Changes in Net Assets for the fiscal year ended March 31, 2014

(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	7	79,403	25,847	77	11,837	7,000
Changes during the fiscal year								
Reversal of reserve for special depreciation						(36)		
Reversal of reserve for advanced depreciation of noncurrent assets							(122)	
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	—	(36)	(122)	—
Balance at end of fiscal year	103,389	79,396	8	79,404	25,847	41	11,715	7,000

	Shareholders' equity					Valuation and translation adjustments		Total net assets
	Retained earnings			Treasury stock	Total shareholders' equity	Net unrealized gain on other securities	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	81,991	208,752	(2,431)	389,113	48,855	48,855	437,968
Changes during the fiscal year								
Reversal of reserve for special depreciation		36	—		—			—
Reversal of reserve for advanced depreciation of noncurrent assets		122	—		—			—
Dividends from surplus		(19,566)	(19,566)		(19,566)			(19,566)
Net income		35,018	35,018		35,018			35,018
Purchase of treasury stock				(162)	(162)			(162)
Disposal of treasury stock				2	3			3
Net changes of items other than shareholders' equity						9,942	9,942	9,942
Total changes of items during the period	—	15,610	15,452	(160)	15,293	9,942	9,942	25,235
Balance at end of fiscal year	82,000	97,601	224,204	(2,591)	404,406	58,798	58,798	463,203

## Exhibit 1: Reference Materials for the General Meeting of Shareholders

### Proposal 1 Partial Amendment to Articles of Incorporation

The Board of Directors recommends that the Articles of Incorporation be amended as shown in *Proposed Amendment to Articles of Incorporation* (below).

Reasons for and contents of amendment:

- Article 3 is amended to change the location of the Head Office to Chiyoda-ku, Tokyo, accompanying an integration of Head Office functions into Chiyoda-ku, Tokyo, on October 1, 2014. Supplementary Provisions are added as required to make the amendment to Article 3 effective on October 1, 2014.
- Considering that the location of the Head Office is being changed and from the perspective of securing sites for the convening of General Meetings of Shareholders, Paragraph 2 of Article 12, which places limitations on the site where such meetings may be held, is deleted.
- Accompanying a reconsideration of the roles of the Chairman and the President, Article 14 is amended so that General Meetings of Shareholders shall be convened and chaired by the President & Director, and Article 22 is amended so that meetings of the Board of Directors shall be convened and chaired by the Chairman & Director.

Proposed Amendment to Articles of Incorporation (changes underlined)

Current Articles of Incorporation (excerpted)	To be amended as below:
<p>Article 3 (Location of Head Office)</p> <p>The Head Office of the Company shall be located in <u>Osaka City</u>, Japan.</p>	<p>Article 3 (Location of Head Office)</p> <p>The Head Office of the Company shall be located in <u>Chiyoda-ku, Tokyo</u>, Japan.</p>
<p>Article 12 (Convocation)</p> <p>(1) An Ordinary General Meeting of Shareholders of the Company shall be convened in June of each year. An Extraordinary General Meeting of Shareholders shall be convened from time to time whenever necessary.</p> <p>(2) <u>The General Meeting of Shareholders shall be convened at the Location of the Head Office, at Chiyoda-ku in Tokyo, or at a place contiguous to either of these two.</u></p>	<p>Article 12 (Convocation)</p> <p style="text-align: center;"><i>[unchanged]</i></p> <p style="text-align: center;"><i>[deleted]</i></p>

<p>Article 14 (Convener and Chair)</p> <p>(1) The General Meeting of Shareholders shall be convened and chaired by the <u>Chairman &amp; Representative Director</u>.</p> <p>(2) Should the office of <u>Chairman &amp; Representative Director</u> be vacant or should the <u>Chairman &amp; Representative Director</u> be prevented from convening or chairing the General Meeting of Shareholders, it shall be convened or chaired by <u>the President &amp; Representative Director</u>, and should the <u>President &amp; Representative Director</u> be prevented from convening or chairing the General Meeting of Shareholders, then another Director shall do so in accordance with a sequence resolved in advance by the Board of Directors.</p>	<p>Article 14 (Convener and Chair)</p> <p>(1) The General Meeting of Shareholders shall be convened and chaired by the <u>President &amp; Director</u>.</p> <p>(2) Should the office of <u>President &amp; Director</u> be vacant or should the <u>President &amp; Director</u> be prevented from convening or chairing the General Meeting of Shareholders, it shall be convened or chaired by another Director in accordance with a sequence resolved in advance by the Board of Directors.</p>
<p>Article 22 (Convener and Chair)</p> <p>(1) Except as otherwise provided by law or ordinance, a meeting of the Board of Directors shall be convened and chaired by the <u>Chairman &amp; Representative Director</u>.</p> <p>(2) Should the office of <u>Chairman &amp; Representative Director</u> be vacant or should the <u>Chairman &amp; Representative Director</u> be prevented from convening or chairing a meeting of the Board of Directors, it shall be convened or chaired by the <u>President &amp; Representative Director</u>, and should the <u>President &amp; Representative Director</u> be prevented from doing so, then by another Director in accordance with a sequence resolved in advance by the Board of Directors.</p>	<p>Article 22 (Convener and Chair)</p> <p>(1) Except as otherwise provided by law or ordinance, a meeting of the Board of Directors shall be convened and chaired by the <u>Chairman &amp; Director</u>.</p> <p>(2) Should the office of <u>Chairman &amp; Director</u> be vacant or should the <u>Chairman &amp; Director</u> be prevented from convening or chairing a meeting of the Board of Directors, it shall be convened or chaired by the <u>President &amp; Director</u>, and should the office of <u>President &amp; Director</u> be vacant or should the <u>President &amp; Director</u> be prevented from doing so, then by another Director in accordance with a sequence resolved in advance by the Board of Directors.</p>

<i>[no corresponding section]</i>	SUPPLEMENTARY PROVISIONS
<i>[no corresponding article]</i>	<u>Article 1</u>  <u>The amendment of Article 3 shall take effect on October 1, 2014.</u>
<i>[no corresponding article]</i>	<u>Article 2</u>  <u>These Supplementary Provisions shall be effective until September 30, 2014, and shall be deleted on October 1, 2014.</u>

## Proposal 2 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, Hideki Kobori, Hiroshi Kobayashi, Masafumi Nakao, Hiroshi Sawayama, Yoshihiro Wada, Yukiharu Kodama, and Norio Ichino, and Ms. Masumi Shiraishi.

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

Candidates Messrs. Norio Ichino and Kenyu Adachi, and Ms. Masumi Shiraishi 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	107,000	<ul style="list-style-type: none"> <li>• April 1966: joined Asahi Kasei</li> <li>• June 2001: Director</li> <li>• February 2003: Managing Director</li> <li>• June 2003: Director</li> <li>• June 2003: Primary Executive Officer</li> <li>• April 2006: Vice-Presidential Executive Officer</li> <li>• April 2010: Representative Director*</li> <li>• April 2010: Chairman &amp; Director*</li> </ul> <p><i>Notable concurrent offices</i></p> <ul style="list-style-type: none"> <li>• Director, Asahi Group Holdings, Ltd.</li> </ul>
2	Toshio Asano December 4, 1952	40,060	<ul style="list-style-type: none"> <li>• April 1975: joined Asahi Kasei</li> <li>• October 2003: Asahi Kasei Pharma Executive Officer</li> <li>• April 2008: Asahi Kasei Pharma Director</li> <li>• April 2008: Asahi Kasei Pharma Senior Executive Officer</li> <li>• April 2009: Asahi Kasei Pharma General Manager, Pharmaceutical Business Administration Division</li> <li>• April 2010: Asahi Kasei Pharma President &amp; Representative Director</li> <li>• April 2010: Asahi Kasei Pharma Presidential Executive Officer</li> <li>• April 2010: Asahi Kasei Kuraray Medical Director</li> <li>• April 2010: Asahi Kasei Medical Director</li> <li>• April 2011: Executive Officer</li> <li>• May 2013: ZOLL Medical Director</li> <li>• April 2014: Presidential Executive Officer*</li> </ul>
3	Masahito Hirai March 12, 1951	32,000	<ul style="list-style-type: none"> <li>• April 1975: joined Asahi Kasei</li> <li>• April 2007: Asahi Kasei Homes Executive Officer</li> <li>• April 2008: Asahi Kasei Homes Director</li> <li>• April 2008: Asahi Kasei Homes Senior Executive Officer</li> <li>• April 2009: Asahi Kasei Homes Primary Executive Officer</li> <li>• April 2009: Asahi Kasei Homes General Manager, Tokyo Housing Division</li> <li>• April 2010: Asahi Kasei Homes President &amp; Representative Director</li> <li>• April 2010: Asahi Kasei Homes Presidential Executive Officer</li> <li>• April 2010: Executive Officer</li> <li>• April 2010: Asahi Kasei Construction Materials Director</li> <li>• April 2014: Vice-Presidential Executive Officer*</li> </ul>

\* Position held at present.

Candidate No.	Name, date of birth	Asahi Kasei shares held	Career summary
4	Yuji Kobayashi July 17, 1952	37,000	<ul style="list-style-type: none"> <li>• April 1975: joined Asahi Kasei</li> <li>• October 2007: Asahi Kasei Chemicals Executive Officer</li> <li>• April 2008: Asahi Kasei Chemicals Director</li> <li>• April 2008: Asahi Kasei Chemicals Senior Executive Officer</li> <li>• April 2011: Asahi Kasei Chemicals Primary Executive Officer</li> <li>• April 2012: Asahi Kasei Chemicals President &amp; Representative Director*</li> <li>• April 2012: Asahi Kasei Chemicals Presidential Executive Officer*</li> <li>• April 2012: Executive Officer</li> <li>• April 2012: Asahi Kasei Fibers Director*</li> <li>• April 2014: Primary Executive Officer*</li> </ul>
5	Hideki Kobori February 2, 1955	23,000	<ul style="list-style-type: none"> <li>• April 1978: joined Asahi Kasei</li> <li>• April 2008: Asahi Kasei Microdevices Director</li> <li>• April 2008: Asahi Kasei Microdevices Senior Executive Officer</li> <li>• April 2009: Asahi Kasei Microdevices Primary Executive Officer</li> <li>• April 2010: Asahi Kasei Microdevices President &amp; Representative Director</li> <li>• April 2010: Asahi Kasei Microdevices Presidential Executive Officer</li> <li>• April 2012: Senior Executive Officer</li> <li>• June 2012: Director</li> <li>• April 2014: Representative Director*</li> <li>• April 2014: Primary Executive Officer*</li> </ul>
6	Hiroshi Kobayashi March 1, 1955	14,000	<ul style="list-style-type: none"> <li>• April 1979: joined Asahi Kasei</li> <li>• June 2004: Asahi Kasei Construction Materials Director</li> <li>• June 2004: Asahi Kasei Construction Materials Senior Executive Officer</li> <li>• April 2007: Asahi Kasei Construction Materials President &amp; Representative Director</li> <li>• April 2007: Asahi Kasei Construction Materials Presidential Executive Officer</li> <li>• April 2008: Asahi Kasei Homes Director</li> <li>• April 2012: Lead Executive Officer</li> <li>• June 2012: Director*</li> <li>• April 2013: Senior Executive Director*</li> </ul>
7	Norio Ichino January 1, 1941	12,000	<ul style="list-style-type: none"> <li>• April 1964: joined Tokyo Gas Co., Ltd.</li> <li>• June 1996: Director, Tokyo Gas Co., Ltd.</li> <li>• June 2003: President and Representative Director, Tokyo Gas Co., Ltd.</li> <li>• June 2003: Executive President, Tokyo Gas Co., Ltd.</li> <li>• April 2006: Director and Vice Chairman of the Board, Tokyo Gas Co., Ltd.</li> <li>• April 2007: Director and Chairman of the Board, Tokyo Gas Co., Ltd.</li> <li>• April 2010: Director and Executive Advisor, Tokyo Gas Co., Ltd.</li> <li>• June 2010: Executive Advisor, Tokyo Gas Co., Ltd.</li> <li>• June 2011: Director, the Company*</li> <li>• June 2014: Special Advisor, Tokyo Gas Co., Ltd. *</li> </ul>

\* Position held at present.

Candidate No.	Name, date of birth	Asahi Kasei shares held	Career summary
8	Masumi Shiraishi November 6, 1958	4,000	<ul style="list-style-type: none"> <li>• May 1989: joined NLI Research Institute</li> <li>• April 2001: Head Researcher, NLI Research Institute</li> <li>• April 2002: Assistant Professor, Department of Economics, Toyo University</li> <li>• April 2006: Professor, Department of Economics, Toyo University</li> <li>• April 2007: Professor, Faculty of Policy Studies, Kansai University*</li> <li>• June 2013: Director, the Company*</li> </ul> <p><i>Notable concurrent offices</i></p> <ul style="list-style-type: none"> <li>• Director, JP-Holdings, Inc.</li> </ul>
9	Kenyu Adachi July 27, 1952	0	<ul style="list-style-type: none"> <li>• April 1977: joined Ministry of International Trade and Industry</li> <li>• July 2006: Ministry of Economy, Trade and Industry (METI) Director-General for Policy Planning and Coordination</li> <li>• July 2007 Director-General, Trade and Economic Cooperation Bureau</li> <li>• July 2008: Deputy Vice-Minister of Economy, Trade and Industry</li> <li>• July 2010: Director-General, Economic and Industrial Policy Bureau</li> <li>• August 2011: Vice-Minister of Economy, Trade and Industry</li> <li>• June 2013: retired from METI</li> <li>• June 2013: METI Special Advisor to the Minister*</li> </ul>

\* Position held at present.

Notes:

- Messrs. Toshio Asano, Masahito Hirai, Yuji Kobayashi, and Kenyu Adachi are new candidates for election as Director.
- There is no special interest between each candidate and the Company.
- 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 three 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.
- Ms. Masumi Shiraishi is a candidate for the position of Outside Director in accordance with relevant law and regulation. The term of her office as Outside Director of the Company will be one year at the close of this Ordinary General Meeting of Shareholders. Although she has not been involved in corporate management other than as Outside Director or Outside Corporate Auditor, the Board of Directors recommends her election as Outside Director so that her wealth of experience and broad range of insight into economics and society as a university professor may be reflected in the Company's operations.
- Mr. Kenyu Adachi is a candidate for the position of Outside Director in accordance with relevant law and regulation. Although he has not been involved in corporate management, the Board of Directors recommends his election as Outside Director so that his wealth of experience and broad range of insight into industrial and economic policy 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 Mr. Norio Ichino and Ms. Masumi Shiraishi 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 Company plans to conclude a similar agreement with Mr. Kenyu Adachi, if elected.
- The relevant financial instruments exchanges have been notified that Mr. Norio Ichino and Ms. Masumi Shiraishi are designated as Independent Director/Auditor in accordance with applicable rules and regulations, and will also be notified of same regarding Mr. Kenyu Adachi.

### Proposal 3 Election of Corporate Auditor

To further strengthen the auditing configuration, the Board of Directors recommends that the following candidate be elected Corporate Auditor.

Prior agreement of the Board of Corporate Auditors has been obtained regarding the submission of this proposal.

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

Name, date of birth	Asahi Kasei shares held	Career summary
Akio Makabe October 21, 1953	0	<ul style="list-style-type: none"><li>• April 1976: joined Dai-Ichi Kangyo Bank</li><li>• February 1998: General Manager, Market Research Dept., DKB Research Institute</li><li>• April 1999: Graduate School Lecturer, Faculty of Economics, Shinshu University</li><li>• September 1999: Lecturer, Faculty of Science and Technology, Keio University*</li><li>• October 1999: Chief Researcher, DKB Research Institute</li><li>• April 2002: Chief Researcher, Research Division, Mizuho Research Institute Ltd.</li><li>• April 2002: Lecturer, Department of Accounting and Finance, Graduate School of Economics, Rikkyo University*</li><li>• April 2003: Project Professor, Graduate School of Management, Shinshu University</li><li>• October 2003: Counsellor, Internal Audit Division, Mizuho Corporate Bank, Ltd.</li><li>• June 2005: Retired from Mizuho Corporate Bank, Ltd.</li><li>• July 2005: Professor, Faculty of Economics, Shinshu University*</li></ul>

\* Position held at present.

#### Notes:

- Mr. Akio Makabe is a new candidate for election as Corporate Auditor.
- There is no special interest between the candidate and the Company.
- Mr. Akio Makabe is a candidate for the position of Outside Corporate Auditor in accordance with relevant law and regulation. The Board of Directors recommends his election as Outside Corporate Auditor as his wealth of experience and broad range of insight into management and finance as a university professor 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 concluded an agreement with Mr. Akio Makabe, if elected, which limits his liability as specified in Article 423, Paragraph 1, of the Corporation Law, the amount of his individual liability being either ¥10 million or the minimum amount stipulated by law or ordinance, whichever is higher.
- The relevant financial instruments exchanges will be notified of Mr. Akio Makabe's designation as Independent Director/Auditor in accordance with applicable rules and regulations.

**Proposal 4** Grant of Retirement Bonus to Retiring Directors and Provision of Discontinuation Allowance to Directors and Corporate Auditors in Connection with Discontinuation of System of Retirement Bonuses for Directors and Corporate Auditors.

The term of office of Messrs. Taketsugu Fujiwara, Masafumi Nakao, Hiroshi Sawayama, and Yoshihiro Wada 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
Taketsugu Fujiwara	¥76,920 thousand	<ul style="list-style-type: none"> <li>• June 2009: elected Director</li> <li>• April 2010: Representative Director</li> <li>• April 2010: President &amp; Director</li> <li>• April 2014: Vice Chairman &amp; Director*</li> </ul>
Masafumi Nakao	¥14,450 thousand	<ul style="list-style-type: none"> <li>• June 2012: elected Director*</li> </ul>
Hiroshi Sawayama	¥7,605 thousand	<ul style="list-style-type: none"> <li>• June 2013: elected Director*</li> </ul>
Yoshihiro Wada	¥7,020 thousand	<ul style="list-style-type: none"> <li>• June 2013: elected Director*</li> </ul>

\* Position held at present.

Furthermore, in connection with a reconsideration of the system of remuneration for Directors and Corporate Auditors, the Company decided to discontinue its system of retirement bonuses for Directors and Corporate Auditors at the close of this Ordinary General Meeting of Shareholders. The Board of Directors recommends that an allowance (Discontinuation Allowance) be provided to Discontinuation Allowance Recipients (defined below), who would have been eligible to receive a retirement bonus in recognition of the services they performed in the offices of Director and Corporate Auditor until the close of this Ordinary General Meeting of Shareholders if the system of retirement bonuses for Directors and Corporate Auditors were not discontinued, in the amounts shown below. Discontinuation Allowance Recipients are Messrs. Ichiro Itoh, Hideki Kobori, and Hiroshi Kobayashi among the nine Directors elected in accordance with Proposal 2 except the three newly elected Directors and the three Outside Directors, and Messrs. Toshiyuki Kawasaki and Hajime Nagahara among the four current Corporate Auditors except the two Outside Corporate Auditors.

The amounts shown below regarding service as Director are determined in accordance with the Company's internal rules regarding provision of retirement bonuses for Directors, and the amounts shown below regarding service as Corporate Auditor are determined in accordance with the Company's internal rules regarding provision of retirement bonuses for Corporate Auditors and deliberation among the Corporate Auditors.

It is proposed that determination of the specific times and methods of provision of Discontinuation Allowances to Directors be entrusted to the Board of Directors, and that determination of the specific times and methods of provision of Discontinuation Allowances to Corporate Auditors be entrusted to deliberation among the Corporate Auditors.

Name	Amount	Career summary
Ichiro Itoh	¥163,800 thousand	<ul style="list-style-type: none"> <li>• June 2001: elected Director</li> <li>• February 2003: Managing Director</li> <li>• June 2003: Director</li> <li>• April 2010: Representative Director*</li> <li>• April 2010: Chairman &amp; Director*</li> </ul>
Hideki Kobori	¥16,445 thousand	<ul style="list-style-type: none"> <li>• June 2012: elected Director</li> <li>• April 2014: Representative Director*</li> </ul>
Hiroshi Kobayashi	¥15,600 thousand	<ul style="list-style-type: none"> <li>• June 2012: elected Director*</li> </ul>
Toshiyuki Kawasaki	¥21,645 thousand	<ul style="list-style-type: none"> <li>• June 2011: elected Corporate Auditor*</li> </ul>
Hajime Nagahara	¥7,020 thousand	<ul style="list-style-type: none"> <li>• June 2013: elected Corporate Auditor*</li> </ul>

**Proposal 5** Revision of Amount of Remuneration for Directors

Presently, remuneration for Directors is ¥500 million or less per year as approved at the 115th Ordinary General Meeting of Shareholders held June 29, 2006. The Board of Directors recommends revising this amount to ¥650 million or less per year (of which, ¥50 million or less per year for Outside Directors) in consideration of various circumstances including subsequent changes in the economic situation, discontinuation of the system of retirement bonuses for Directors and Corporate Auditors in connection with a reconsideration of the system of remuneration for Directors and Corporate Auditors, and enhancement of the correlation between operating performance and remuneration of Directors.

As before, the amount of remuneration for Directors is not inclusive of remuneration for duties performed in the capacity of employee in the case of persons serving as both Director and employee.

Currently there are ten Directors (including three Outside Directors); adoption of Proposal 2 as proposed would result in nine Directors (including three Outside Directors).

The Articles of Incorporation provide for a maximum of twelve Directors.