

Segment Overview (Fiscal 2021)

The Company’s reportable segments were revised effective 2022 to more accurately display the benefits of the strategic allocation of management resources and ongoing revision and asset replacement of business portfolios.

 The defined Core Growth businesses, Fundamental Technologies/Materials businesses, Stable Earnings businesses, and Next-Generation businesses all have a distinctive role within our portfolio. By fulfilling this role with a high degree of competitiveness, these businesses will help us continue to supply the market with new functions and thereby achieve ongoing growth.

Business category

Core Growth: Invests massively in businesses with huge growth potential

Fundamental Technologies/Materials: Technology platform business to support innovation of other businesses

Stable Earnings: Earns a stable profit and generates investment capital for the entire Group

Next-Generation: Promotes investment while verifying viability to develop next-generation pillar businesses

Prior Segments	New Segments						(Reference) Prior Segments
			Net Sales	Operating Income (Loss)	Subsegment Sales		Net Sales / Operating Income
Showa Denko Materials	Information and communication	Semiconductor materials (front-end/back-end)	¥391.8 billion 31.1%	¥46.9 billion	Front-end semiconductor materials	¥81.2 billion	Showa Denko Materials Net sales ¥635.0 billion Operating income ¥20.3 billion
	Mobility	Device solutions (HD)			Back-end semiconductor materials	¥185.3 billion	
	Life science	Device solutions (SiC)			Device solutions	¥98.5 billion	
Petrochemicals	Olefins	Automotive products	¥173.8 billion 13.8%	(¥2.0 billion)	Automotive products	¥131.3 billion	Petrochemicals Net sales ¥283.1 billion Operating income ¥20.7 billion
	Organic chemicals				Lithium-ion battery materials	¥39.5 billion	
Chemicals	Industrial gases	Functional chemicals	¥141.3 billion 11.2%	¥13.8 billion			Chemicals Net sales ¥186.9 billion Operating income ¥21.6 billion
	Basic chemicals						
	Electronic chemicals						
	Functional chemicals						
	Coating materials						
Electronics	Device solutions (HD, SiC)	Aluminum specialty components	¥431.0 billion 34.2%	¥37.9 billion			Electronics Net sales ¥120.9 billion Operating income ¥16.2 billion
	Electronic materials (LED)						
	Advanced battery materials						
Inorganics	Carbon	Petrochemicals	¥121.4 billion 9.6%	(¥3.6 billion)	Petrochemicals	¥277.7 billion	Inorganics Net sales ¥102.3 billion Operating income ¥14.4 billion
	Ceramics						
Aluminum	Aluminum specialty components	Basic chemicals and Industrial gases			Basic chemicals and Industrial gases	¥72.0 billion	Aluminum Net sales ¥76.2 billion Operating income ¥6.9 billion
Others		Graphite electrodes			Graphite electrodes	¥81.3 billion	
		Life science					Others Net sales ¥44.1 billion Operating loss (¥0.04 billion)
	Building materials, etc.						
	Headquarters						

Notes:

 1. Segment data figures have not been audited by a certified public accountant and are provided as reference figures that exclude the aluminum can and sheet, plastic food wrap, printed wiring board, and electricity storage device operations transferred in 2021.

 2. Segment performance figures on subsequent pages only reflect retained businesses.