TOPICS

TOPIC 1

Enhancing Corporate Value by Making CEMEDINE CO., LTD. a Consolidated Subsidiary

On January 20, 2016, Kaneka Corporation made CEMEDINE CO., LTD. a consolidated subsidiary. With this move, the two companies will



Cemedine's Super-X series adhesives

endeavor to enhance corporate value by further solidifying their capital and business alliance, in conjunction with accelerating initiatives aimed at capturing synergies that will spearhead the development of new businesses.

Looking ahead, Kaneka will expand its functional plastics business by making more effective use of Cemedine's brand power and product development capabilities in the sealant and adhesives industry. Moreover, Kaneka and Cemedine plan to explore the possibilities of harnessing the technologies and sales channels of both companies to develop new adhesivesrelated businesses, especially for industrial use, and to promote collaboration aimed at expanding business overseas, particularly in Europe and the Americas.

TOPIC 2

Accelerating R&D by Opening an R&D Base for Regenerative Medicine and Cell Therapy



R&D base on Kobe Port Island

Kaneka established an R&D base specializing in regenerative medicine and cell therapy within the Kobe MI R&D Center on Kobe Port Island, commencing activities in earnest in November 2015. To advance the clinical implementation of regenerative medicine and cell therapy, Kaneka will accelerate R&D focused on the following three specific themes:

Cell processing (formulation)

Kaneka will formulate and supply safe and reliable cells for people undergoing cell therapy for various diseases. (First, we will formulate and supply amniotic mesenchymal stem cells (amniotic

Various devices and equipment Kaneka will develop and supply devices and equipment that are able to perform simple processing with closed systems (separation, harvesting and collection) of cells used in regenerative medicine and cell therapy, as well as testing, diagnosis and other purposes.



Kaneka will expand the development of cell processing and the development of various devices and equipment by strengthening highly differentiated platform technologies, including technologies related to medical functional materials and drug discovery-related technologies using iPS cells.

* Amniotic MSC are stem cells found in the amniotic membrane, which is a fetal appendage These stem cells have the ability to differentiate into the cells of various mesenchymal tissues, such as muscle, bone, cartilage and fat, and have an immunosuppressive action



Cell collection device



A researcher replaces



MSC separation device

TOPIC 3

Measures to Realize Net Zero Energy Housing (ZEH)

At COP21, held in December 2015, 150 countries adopted a global agreement on the reduction of climate change (the Paris Agreement). One issue faced by Japan is a lack of progress on reducing household CO2 emissions.

In response, the Japanese government has embraced the goal of making net zero energy housing (hereafter, ZEH) the standard for newly built houses by 2020, and is working to promote widespread adoption of ZEH. ZEH refers to a house that achieves zero annual net energy consumption by generating energy through solar power and other means, along with saving energy.

Kaneka has commercialized insulation materials which are crucial for energy savings, organic EL lighting, and

photovoltaic modules. Kaneka also has expertise in building houses with excellent environmental performance, such as Solar Circuit™. Moreover, the Company will enter the home energy storage business in the fiscal year ending March 31, 2017.

Although the ZEH market offers strong future growth prospects, ZEH design requires support for energy balance calculations for each home, subsidy applications and so on, in addition to specialized knowledge. Accordingly, Kaneka launched the J-Project in 2015 not only to have a sales structure for each product, but also to propose solutions across the organization. Kaneka aims to expand sales in the ZEH market.

