



# Briefings on Financial Results

For the fiscal year ended Mar. 31, 2021

June. 2, 2021

【TSE 4401】





# Financial Results Overview

FY2020

April 1, 2020 – March 31, 2021

President and Chief Executive Officer

**Hidetaka Shirozume**



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# 1. FY2020 Consolidated Results

# FY2020 Consolidated Results

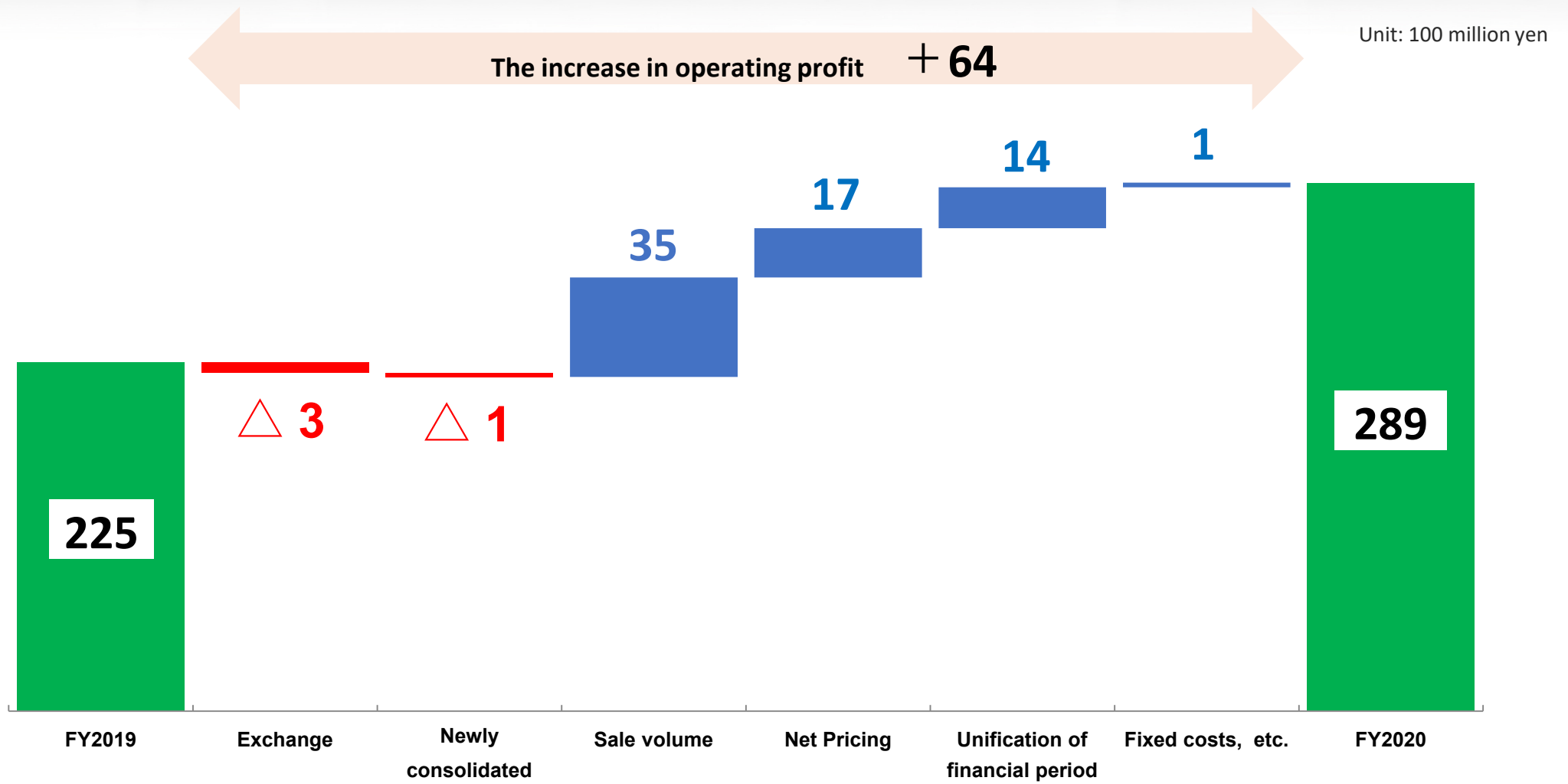
Unit: 100 million yen

	FY2019	FY2020	Amounts	Rate (%)
Sales	3,041	<b>New record high</b> 3,270	229	7.5
Operating profit	225	<b>New record high</b> 289	64	28.7
Current profit	219	<b>New record high</b> 292	72	33.2
Profit attributable to owners of parent	152	164	12	7.9
Net profit per share (yen/share)	147.7yen	159.0yen	11.3yen	

Note : Figures are expressed in units of 100 million yen and have been rounded off.



# Analysis of Operating Profit



Note : Figures are expressed in units of 100 million yen and have been rounded off.

# Impact of Unification of financial period

## Advanced Group Management

- Changed the fiscal year end of 10 overseas consolidated subsidiaries from **December 31** to **March 31**
- Included **15 months** of the results of the 10 companies in the consolidated results for FY2020

Unit: 100 million yen

	influence amount
Sales	<b>252</b>
Operating profit	<b>16</b>

## Segment affected the most: **polymer additives**

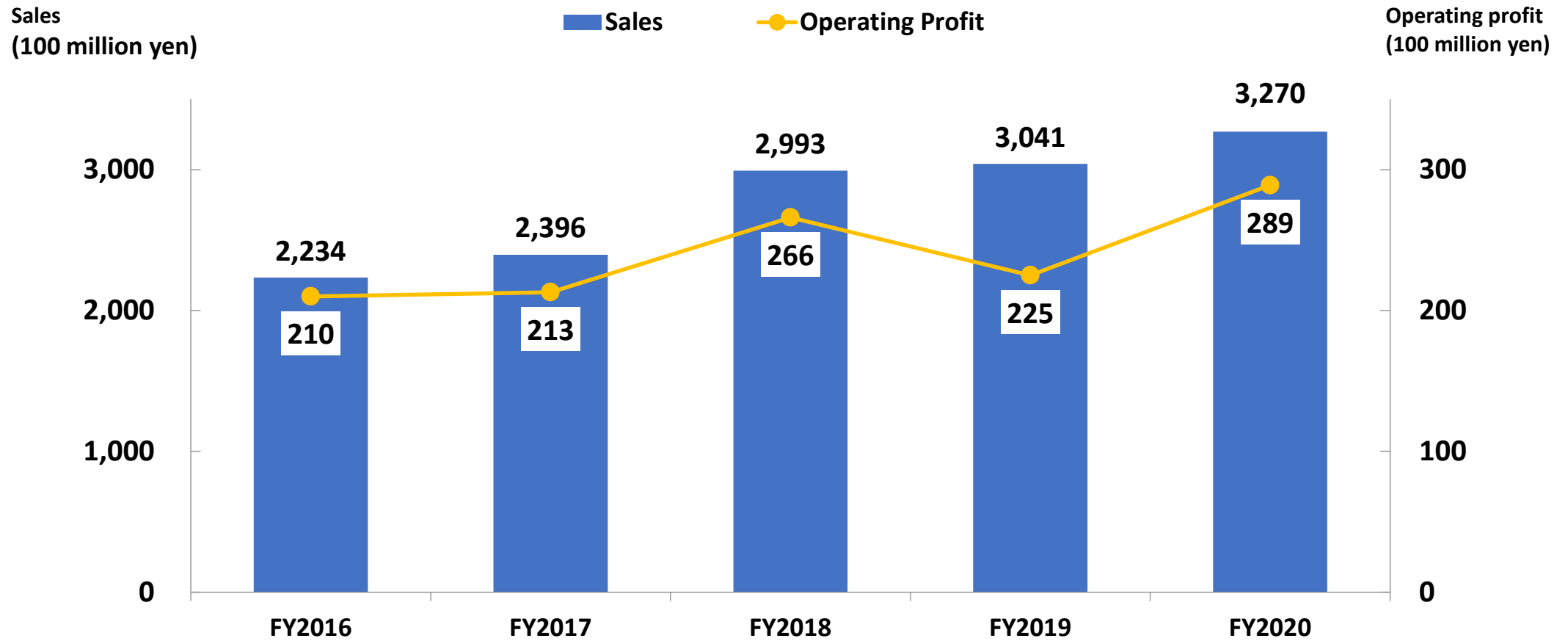
	Polymer additives	Electronics and IT materials	Functional chemicals	Food Products
Sales	<b>198</b>	<b>9</b>	<b>26</b>	<b>17</b>
Operating profit	<b>13</b>	<b>0</b>	<b>1</b>	<b>0</b>

Note1 : Figures are expressed in units of 100 million yen and have been rounded off.

Note2 : See pages 33 and 34 for information about the ten companies that adopted the uniform accounting period.

Note3 : In FY2019, the fiscal year end of four overseas subsidiaries was changed to March 31 (financial impact: net sales of 320 million yen and operating profit of 200 million yen)

# Trends in FY2020 Consolidated Results



Note : Figures are expressed in units of 100 million yen and have been rounded off.



# FY2020 Consolidated Results - By segment -

Unit: 100 million yen

	FY2019	FY2020	Amounts	Rate (%)
<b>Sales</b>	<b>3,041</b>	<b>3,270</b>	<b>229</b>	<b>7.5</b>
<b>Chemicals</b>	<b>1,641</b>	<b>1,758</b>	<b>116</b>	<b>7.1</b>
<i>Polymer Additives</i>	<i>821</i>	<i>938</i>	<i>116</i>	<i>14.2</i>
<i>Electronics and IT materials</i>	<i>264</i>	<i>297</i>	<i>32</i>	<i>12.4</i>
<i>Functional chemicals</i>	<i>556</i>	<i>522</i>	<i>△33</i>	<i>△6.0</i>
<b>Food products</b>	<b>710</b>	<b>700</b>	<b>△9</b>	<b>△1.4</b>
<b>Life Science</b>	<b>604</b>	<b>714</b>	<b>110</b>	<b>18.3</b>
<b>Other</b>	<b>85</b>	<b>97</b>	<b>11</b>	<b>13.9</b>
<b>Operating profit</b>	<b>225</b>	<b>289</b>	<b>64</b>	<b>28.7</b>
<b>Chemicals</b>	<b>175</b>	<b>203</b>	<b>28</b>	<b>16.1</b>
<i>Polymer Additives</i>	<i>66</i>	<i>75</i>	<i>8</i>	<i>13.4</i>
<i>Electronics and IT materials</i>	<i>59</i>	<i>76</i>	<i>16</i>	<i>27.6</i>
<i>Functional chemicals</i>	<i>49</i>	<i>52</i>	<i>2</i>	<i>5.7</i>
<b>Food products</b>	<b>15</b>	<b>13</b>	<b>△1</b>	<b>△11.1</b>
<b>Life Science</b>	<b>26</b>	<b>60</b>	<b>34</b>	<b>130.4</b>
<b>Other</b>	<b>7</b>	<b>11</b>	<b>3</b>	<b>50.2</b>

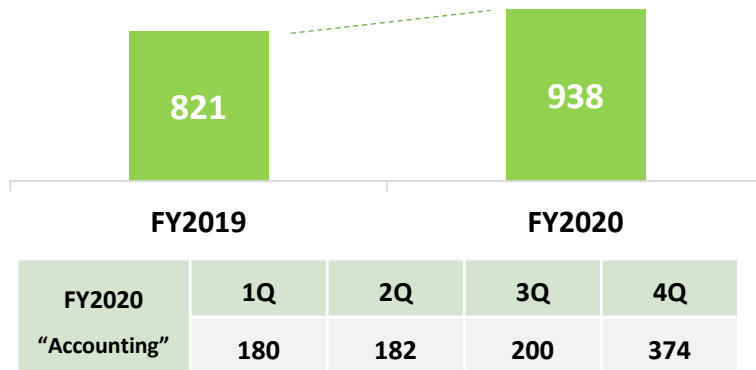
Note : Figures are expressed in units of 100 million yen and have been rounded off.

# Chemicals “Polymer additives”

## ◆ Sales

Unit: 100 million yen

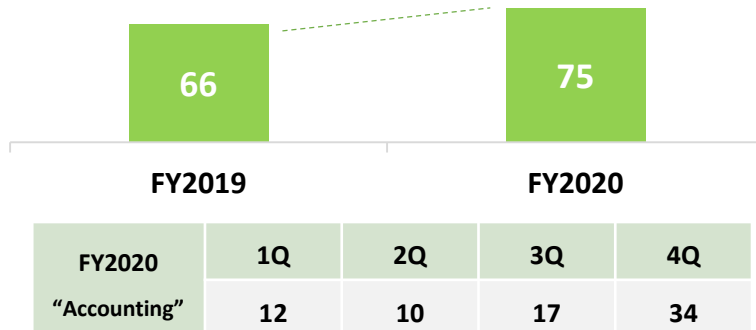
14.2%



## ◆ Operating profit

Unit: 100 million yen

13.4%



Note : Figures are expressed in units of 100 million yen and have been rounded off.

### Main factor (YoY)

- Rapid recovery of automobile production from the third quarter
- Growth in demand for PCs due to an increase in the number of people telecommuting

#### ◆ Automobile

weak

Nucleating Agents, Light Stabilizers, Plasticizers for Rubbers

#### ◆ Building material

steady

PVC Stabilizers

#### ◆ Food packaging, Medical use

steady

Clarifying Agents

#### ◆ All plastic products

weak

Antioxidants

#### ◆ Home appliances frame

strong

Flame retardants for Engineering plastics

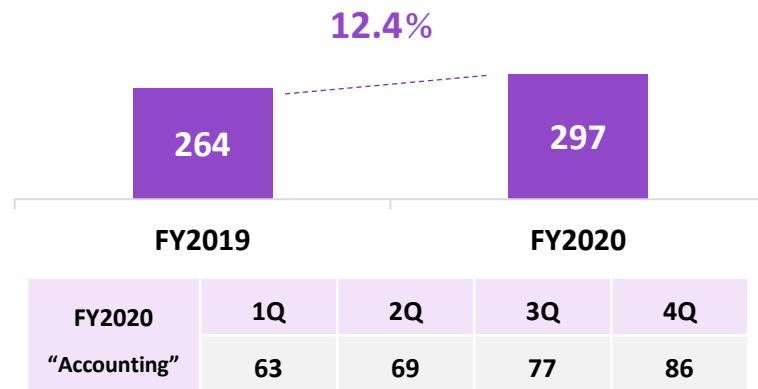
### Main factor (YoY)



# Chemicals “Electronics and IT materials”

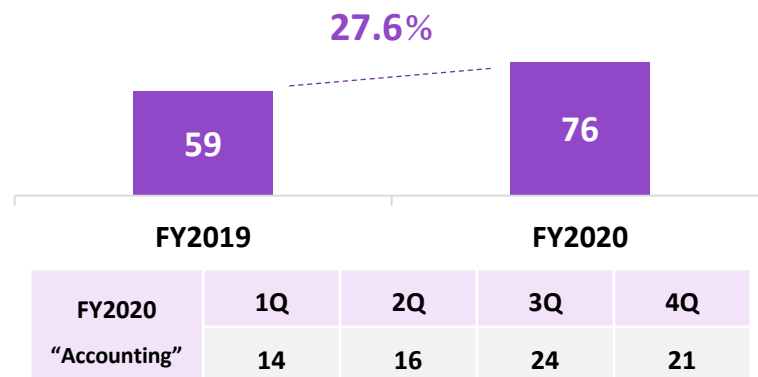
## ◆ Sales

Unit: 100 million yen



## ◆ Operating profit

Unit: 100 million yen



Note : Figures are expressed in units of 100 million yen and have been rounded off.

### Main factor (YoY)

Brisk demand for 5G communication,

miniaturization of semiconductors through EUV exposure

Growing demand for LCD and OLED panels due to changing lifestyles

### ◆ Semiconductor

strong

New products for advanced DRAM (High-k materials)

Photoacid generator used for semiconductor lithography

steady

Products for NAND

### ◆ Display

strong

Photo(Light) Curing Resins for Optical film

Photoinitiator for color filter

Etchants for printed circuit boards

### Main factor (YoY)

Sales volume

19

Net pricing

△ 3

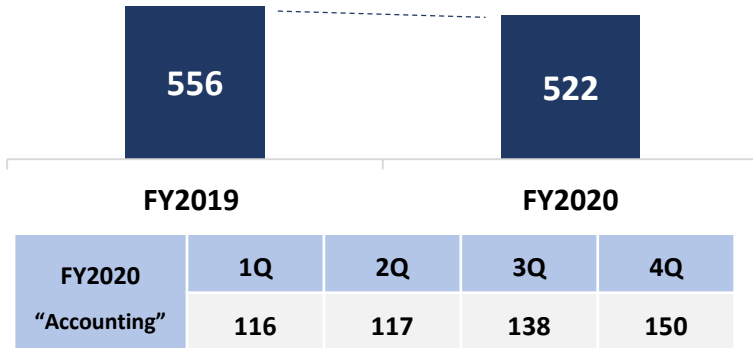
Fixed costs, etc.

2

## ◆ Sales

Unit: 100 million yen

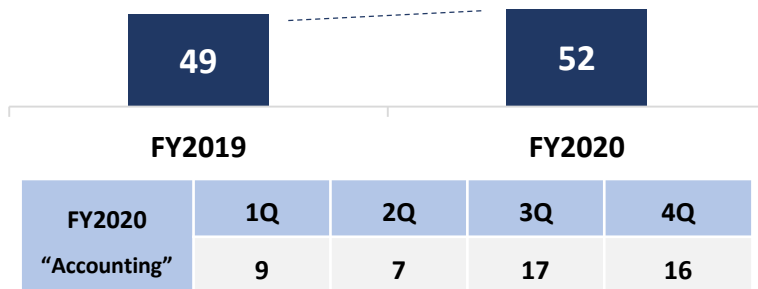
△ 6.0%



## ◆ Operating profit

Unit: 100 million yen

5.7%



Note : Figures are expressed in units of 100 million yen and have been rounded off.

### Main factor (YoY)

- Rapid recovery of automobile production from the third quarter and recovery of demand for general industrial products
- Decrease in demand for products for inbound tourism and the restaurant industry

### ◆ Automobile

weak

Lubricant additive for engine oil,  
Special-type epoxy resins, epoxy resin adhesives

### ◆ Chemicals for general industrial use

strong

Polypropylene glycol

weak

Surfactants for cosmetics and detergents

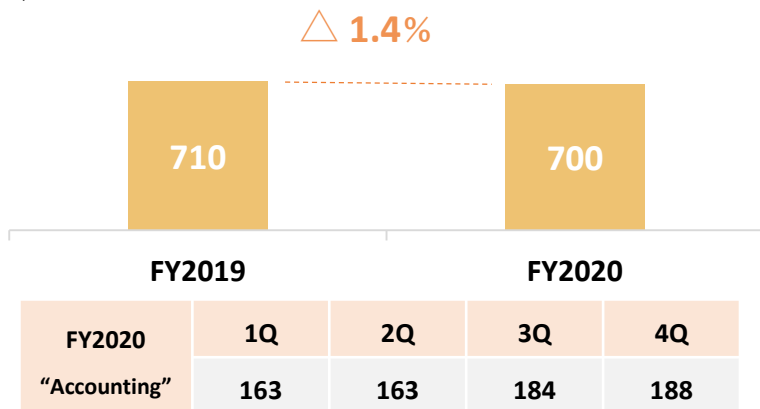
### Main factor (YoY)





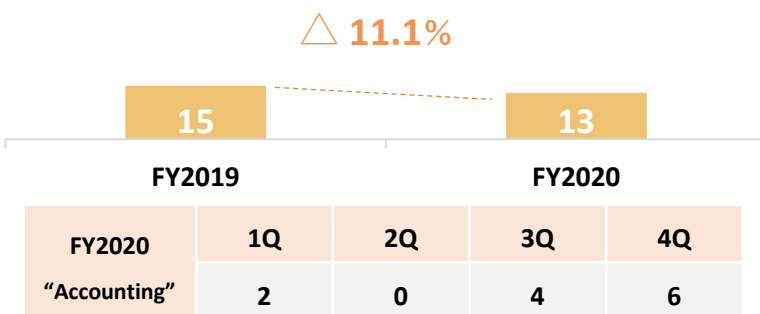
## ◆ Sales

Unit: 100 million yen



## ◆ Operating profit

Unit: 100 million yen



Note : Figures are expressed in units of 100 million yen and have been rounded off.

### Main factor (YoY)

- Steady sales in Japan thanks to demand for bulk buying and home cooking despite sluggish sales at convenience stores
- Recovery of demand in China and Southeast Asia towards the end of the third quarter

### ◆ Bread, confectionery

**weak** Margarines, shortening

**steady** Margarine for kneading "Marvelous"

### ◆ Souvenir sweets

**weak** Margarines, shortening, fillings

### ◆ Western confectionery, dessert

**strong** Whipping cream

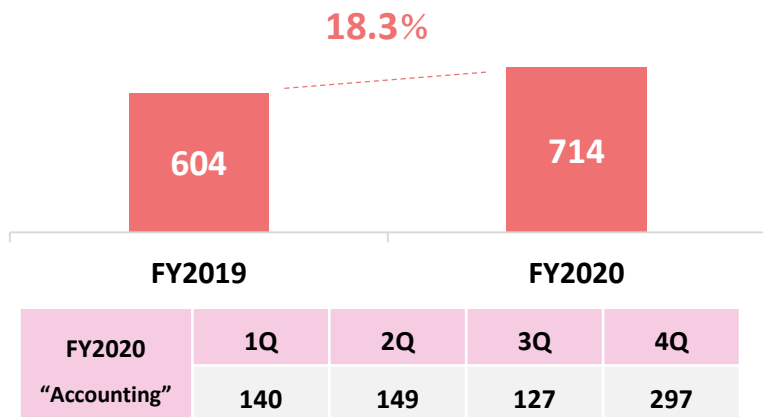
### Main factor (YoY)





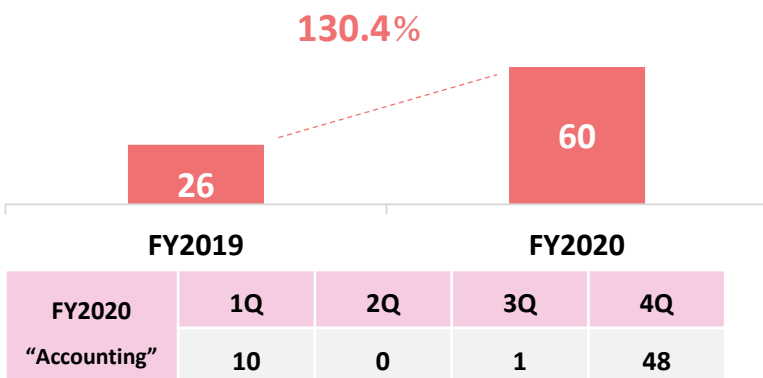
## ◆ Sales

Unit: 100 million yen



## ◆ Operating profit

Unit: 100 million yen



Note : Figures are expressed in units of 100 million yen and have been rounded off.

### Main factor (YoY)

- Growth in sales of agrochemicals both in Japan and abroad, growth in demand for fungicides in North America thanks to expansion of peanut planting areas

### ◆ Agrochemicals

**strong** JAPAN, EUROPE, INDIA

**weak** BRAZIL

### ◆ Pharmaceuticals, others

**strong** Field of Nail Athlete's foot  
Topical antifungal agent *Luliconazole*

### Main factor (YoY)



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## 2. FY2021 Consolidated Forecasts

# World economy and Impact of COVID-19 on Our Business

## World economy

The world economy is moderately trending towards recovery backed by financial assistance measures in developed countries and progress in vaccination.

### ADEKA's sales trend (outlook)

segment	market	FY2020 FY19→FY20	FY2021 FY20→FY21	Related businesses and products
Chemicals	Automobile、 Building material			<b>Polymer additives</b> (Additives, Plasticizers, PVC Stabilizers) <b>Functional chemicals</b> (Lubricant Additives, Special Type Epoxy Resins, Painting materials, Industrial Agents)
	Hand wash, Disinfectant			<b>Functional chemicals</b> (Surfactants)
	Cosmetics			<b>Functional chemicals</b> (Cosmetic ingredients、 Industrial Agents)
	Electronic device (PCs・TVs)			<b>Electronics and IT materials</b> (Photo(Light) Curing Resins, Photoinitiator, Photoacid generator, Semiconductor peripheral materials)
Food Products	Tourism and restaurant industry (souvenir confectioneries)			<b>Food Products</b> (Margarines, shortening, fillings)
	Stay-at-home demand (breads, sweets in large bags)			<b>Food Products</b> (Margarines, shortening, fillings)
Life Science	agriculture			<b>Agrochemicals</b> (insecticide, fungicide, herbicide)

# FY2021 Consolidated Forecasts<sup>①</sup>

	FY2021			FY2020 Results	Amounts	Rate (%)
	1H (Forecasts)	2H (Forecasts)	FY2021 (Forecasts)			
Sales	1,530	1,760	3,290	3,270	19	0.6
Operating profit	98	158	256	289	△ 33	△ 11.7
Current profit	99	161	260	292	△ 32	△ 11.2
Profit attributable to owners of parent	67	97	164	164	△ 0	△ 0.1
Net profit per share - yen/share -	64.9	93.9	158.8	159.0	△ 0.2	
Dividend- yen/share -	25	25	50	48	2	

Unit: 100 million yen

		FY2021 Assumption	FY2020 Results
Exchange rate	¥/\$	104.00	106.06
	¥/€	125.00	123.70
Naphtha	¥/KL	36,000	31,325

Note : Figures are expressed in units of 100 million yen and have been rounded off.



## Negative factors

- Reactionary fall from the adoption of a uniform accounting period

inclusion of financial results  
(10 overseas consolidated subsidiaries)

15 months  12 months

- Fall in profit from the life science business

Outlook for the agrochemical business in Japan  
(operating profit: year-on-year decrease of 2,800 million yen)

- Increase in SG&A expenses
- Decrease in expert technical fees, etc.

- Sharp increase of raw materials prices

Polymer additives

Functional chemicals

Food Products

## Positive factors

Sales growth of highly competitive products

### Automobile

- Automobile body weight reduction

Polymer additives

Nucleating Agents

- CO2 emissions reduction, energy-conservation (engine oil)

Functional chemicals

Lubricant additive

### Semiconductor

- Increased speed and capacity of semiconductor memory

Electronics and IT materials

High-k materials

- Advanced photolithography (EUVs, ArF)

Electronics and IT materials

Photoacid generator

### Bread, confectionery

- Frozen and chilled bread (e-commerce, stocking up)

Food Products

Margarine for functional kneading

### Agrochemicals

- Japan

Life Science

Sale of Corteva's agrochemical products

(Sign sales agreement in May 2021 and start sale in October 2021)



# FY2021 Consolidated Forecasts- By segment -

Unit: 100 million yen

	1H(Forecasts) (a)	2H(Forecasts) (b)	FY2021 (a)+(b)	FY2020 Results (c)	Amounts (a)+(b)-(c)	Rate (%)
<b>Sales</b>	<b>1,530</b>	<b>1,760</b>	<b>3,290</b>	<b>3,270</b>	<b>19</b>	<b>0.6</b>
<b>Chemicals</b>	<b>855</b>	<b>889</b>	<b>1,744</b>	<b>1,758</b>	<b>△ 14</b>	<b>△ 0.8</b>
<i>Polymer Additives</i>	<b>433</b>	<b>454</b>	<b>887</b>	<b>938</b>	<b>△ 51</b>	<b>△ 5.5</b>
<i>Electronics and IT materials</i>	<b>161</b>	<b>173</b>	<b>334</b>	<b>297</b>	<b>36</b>	<b>12.4</b>
<i>Functional chemicals</i>	<b>261</b>	<b>262</b>	<b>523</b>	<b>522</b>	<b>0</b>	<b>0.0</b>
<b>Food products</b>	<b>356</b>	<b>379</b>	<b>735</b>	<b>700</b>	<b>34</b>	<b>4.9</b>
<b>Life Science</b>	<b>284</b>	<b>453</b>	<b>737</b>	<b>714</b>	<b>22</b>	<b>3.1</b>
<b>Other</b>	<b>35</b>	<b>39</b>	<b>74</b>	<b>97</b>	<b>△ 23</b>	<b>△ 24.0</b>
<b>Operating profit</b>	<b>98</b>	<b>158</b>	<b>256</b>	<b>289</b>	<b>△ 33</b>	<b>△ 11.7</b>
<b>Chemicals</b>	<b>96</b>	<b>110</b>	<b>206</b>	<b>203</b>	<b>2</b>	<b>1.2</b>
<i>Polymer Additives</i>	<b>33</b>	<b>36</b>	<b>69</b>	<b>75</b>	<b>△ 6</b>	<b>△ 8.1</b>
<i>Electronics and IT materials</i>	<b>44</b>	<b>50</b>	<b>94</b>	<b>76</b>	<b>17</b>	<b>23.0</b>
<i>Functional chemicals</i>	<b>19</b>	<b>24</b>	<b>43</b>	<b>52</b>	<b>△ 9</b>	<b>△ 17.3</b>
<b>Food products</b>	<b>4</b>	<b>10</b>	<b>14</b>	<b>13</b>	<b>0</b>	<b>0.2</b>
<b>Life Science</b>	<b>▲ 4</b>	<b>35</b>	<b>31</b>	<b>60</b>	<b>△ 30</b>	<b>△ 48.7</b>
<b>Other</b>	<b>2</b>	<b>3</b>	<b>5</b>	<b>11</b>	<b>△ 6</b>	<b>△ 58.1</b>

Note : Figures are expressed in units of 100 million yen and have been rounded off.

April 1, 2021

Renewed Action Plan to Support Development of Next Generation and Action Plan to Promote Success of Women in the Workplace

■ Plan period **5 years**  
(April 1, 2021 ~ March 31, 2026)

Target 1: Increase the percentage of women in management positions to 5% or higher.  
Target 2: Establish flexible working styles with the goal of achieving balance between work and raising children  
Target 3: Increase the number of male employees taking a childcare leave to 10 or more.

April 6, 2021

Joined the United Nations Global Compact (UNGC)

- Registered as a company participating in the United Nations Global Compact
- Joined Global Compact Network Japan

▶ Support the Ten Principles of the UN Global Compact related to the protection of human rights, the elimination of forced and compulsory labor, environmental measures and the prevention of corruption and continue working to achieve these goals.



June 18, 2021  
(scheduled)

Shift to a company with an Audit and Supervisory Committee

- The Board of Directors passed the resolution (May 13th) on the assumption of approval at the Ordinary General Meeting of Shareholders.
- ADEKA will shift to a company with an Audit and Supervisory Committee upon its shareholders' approval of the revision of the Articles of Incorporation.

Planned number and percentage of independent outside directors

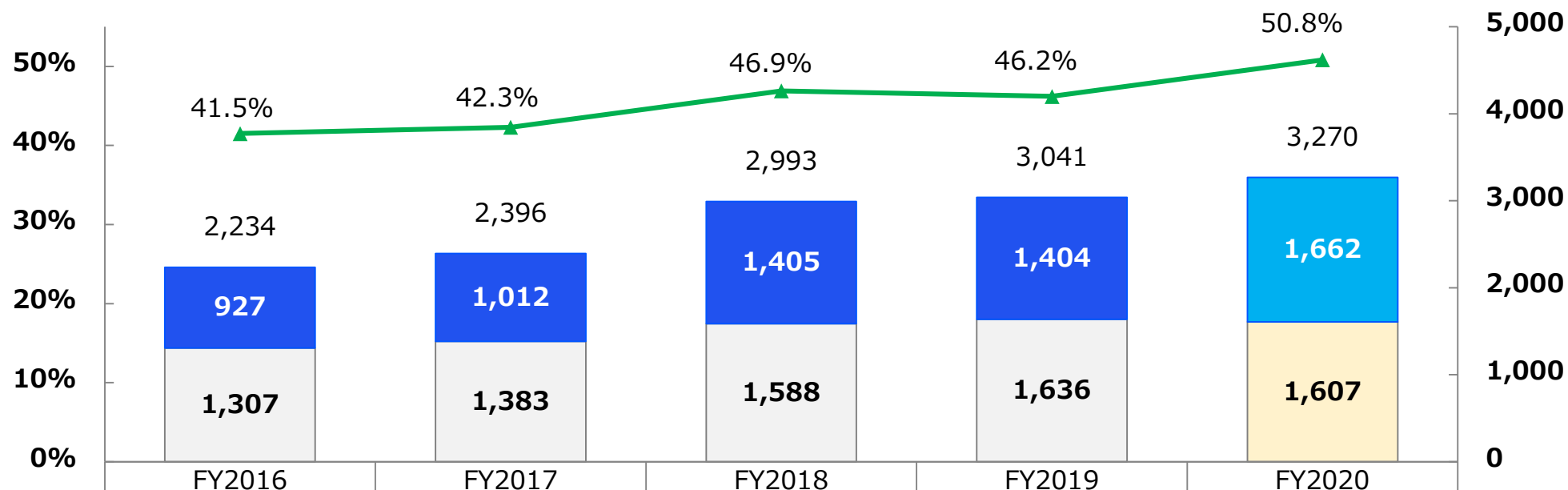
As of March 31, 2021: two (18.2%); after the shift: six (35.3%)

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### 3. For reference

# Overseas Sales - For reference -

Unit: 100 million yen



Overseas sales	927	1,012	1,405	1,404	1,662
Domestic sales	1,307	1,383	1,588	1,636	1,607
Overseas sales ratio	41.5%	42.3%	46.9%	46.2%	50.8%
sales	2,234	2,396	2,993	3,041	3,270

Note : Figures are expressed in units of 100 million yen and have been rounded off.





FY2020

## Supplemental Documents for Financial Results Overview

Director and Operating Officer

**Youji Shiga**

- 1. Supplementary Data for consolidated Closing of Accounts**
- 2. Management indexes, etc.**
- 3. For Reference**



# 1 Consolidated Balance Sheet

## 1. Supplementary Data for consolidated Closing of Accounts

科目	As of Mar. 31, 2020	As of Mar. 31, 2021	increase/ decrease
<b>Assets</b>			
Current assets ①	2,276	2,555	278
Fixed assets	1,818	1,821	3
Tangible fixed assets	1,132	1,189	56
Intangible fixed assets	163	161	△ 2
Investment and other assets	522	470	△ 51
Total assets	4,094	4,376	282
<b>Liabilities</b>			
Current liabilities ②	927	1,072	145
Long-term liabilities	661	588	△ 72
Total liabilities	1,588	1,661	73
<b>Net assets</b>			
Shareholders' equity	2,014	2,120	106
Capital stock	229	229	-
Capital surplus	199	200	0
Retained earnings	1,588	1,694	105
Treasury stock	△ 4	△ 4	0
Accumulated other comprehensive income	88	159	71
Valuation difference on available-for-sale securities	65	99	33
Reserve for land revaluation	42	42	-
Translation adjustment	1	33	32
Adjustments for retirement Benefits	△ 20	△ 15	5
Minority interests	403	434	30
Total net assets ③	2,506	2,714	208
Total liabilities and net assets	4,094	4,376	282

Unit: 100 million yen

### POINT①

<u>Decrease in Current assets</u>	278
<u>Increase in cash and deposits</u>	214

### POINT②

<u>Increase in Current liabilities</u>	145
<u>Increase in notes and accounts payable - trade</u>	41

### POINT③

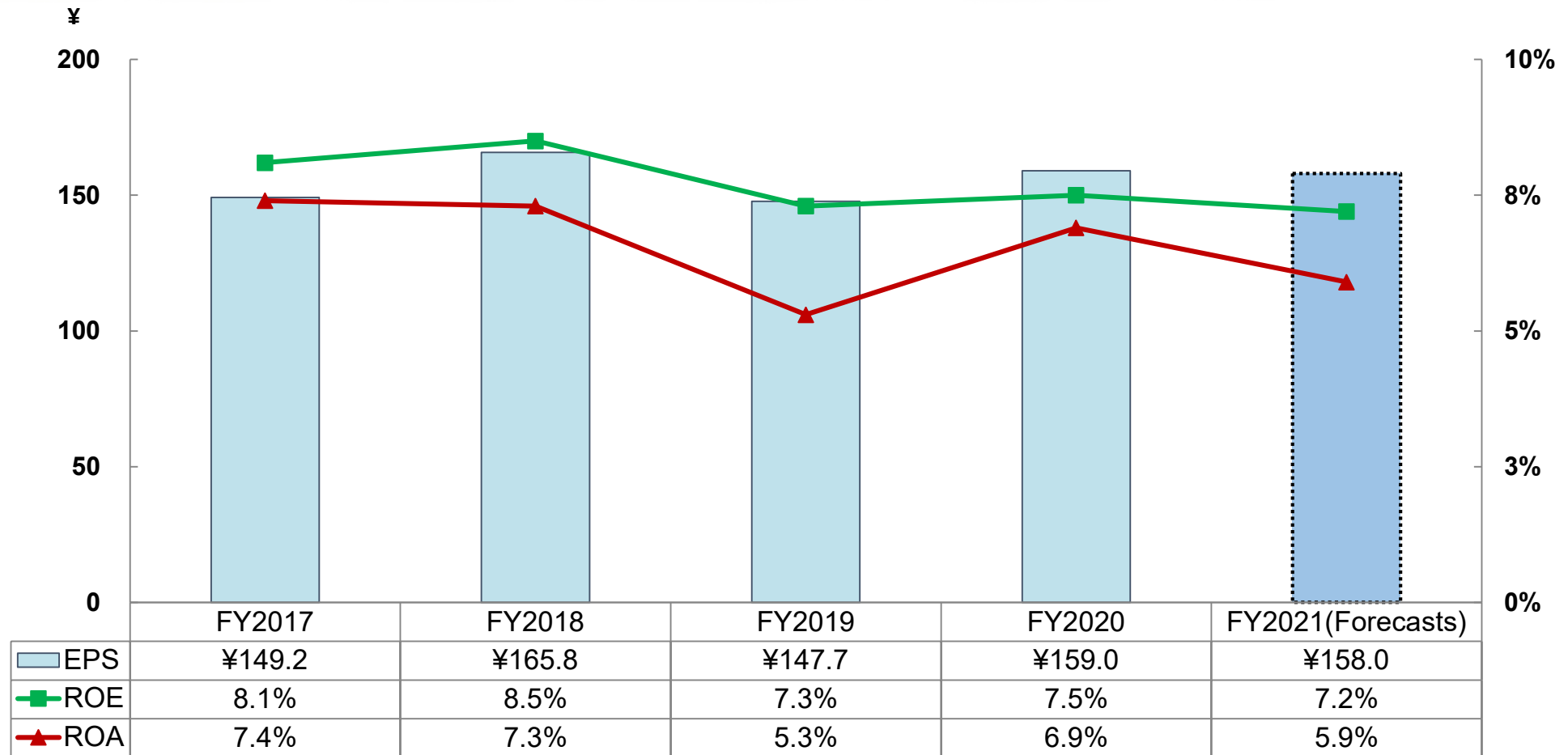
<u>Increase in Total net assets</u>	208
<u>Increase in retained earnings</u>	105

Note : Figures are expressed in units of 100 million yen and have been rounded off.

Unit: million yen

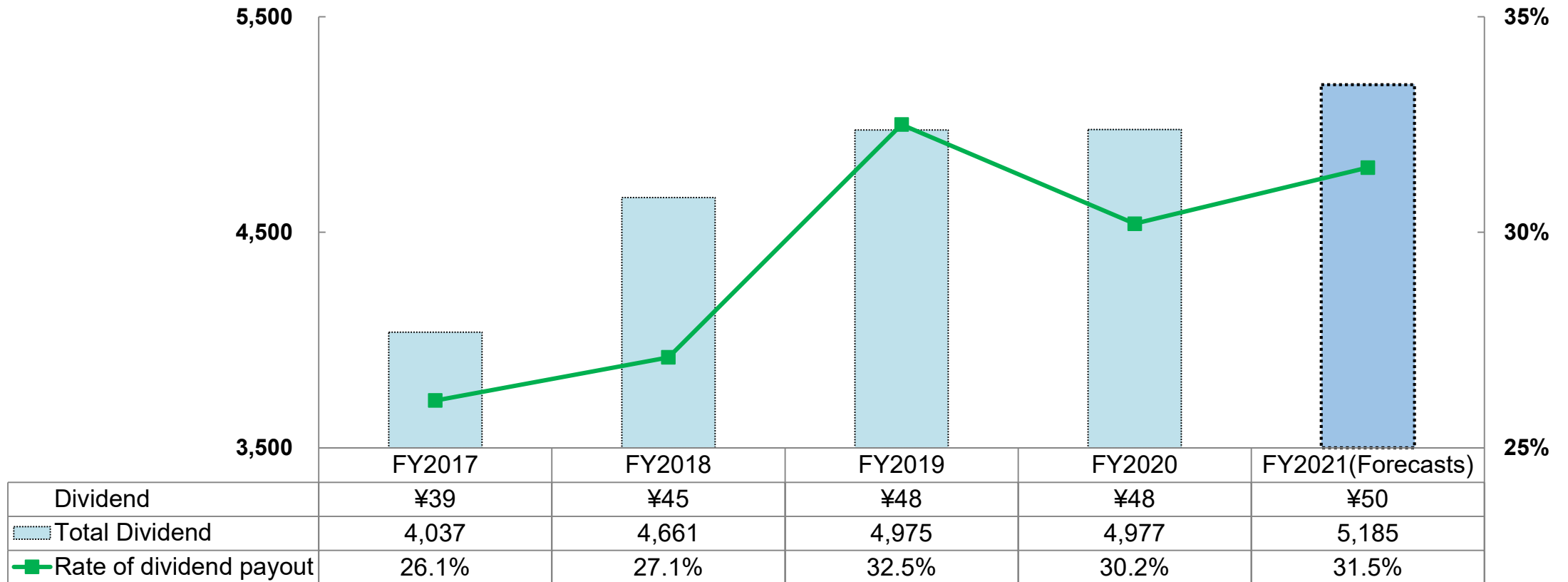
	FY2019 from April 1, 2019 to March 31, 2020	FY2020 from April 1, 2020 to March 31, 2021
Cash flows from operating activities	27,398	36,872
Cash flows from investing activities	△ 15,228	△ 14,189
Cash flows from financing activities	△ 7,496	△ 6,551
Effect of exchange-rate changes on cash and cash equivalents	△ 290	1,119
Net increase/decrease in cash and cash equivalents -increase)	4,383	17,250
Cash and cash equivalents at the beginning of period	56,504	60,888
Increase in cash and cash equivalents resulting from the inclusion of subsidiaries in consolidation	—	3,982
Cash and cash equivalents at the end of period	60,888	82,121

Note : Figures are expressed in units of million yen and have been rounded off.



## 2 - 2 Dividend payout ratio and dividends

¥ million

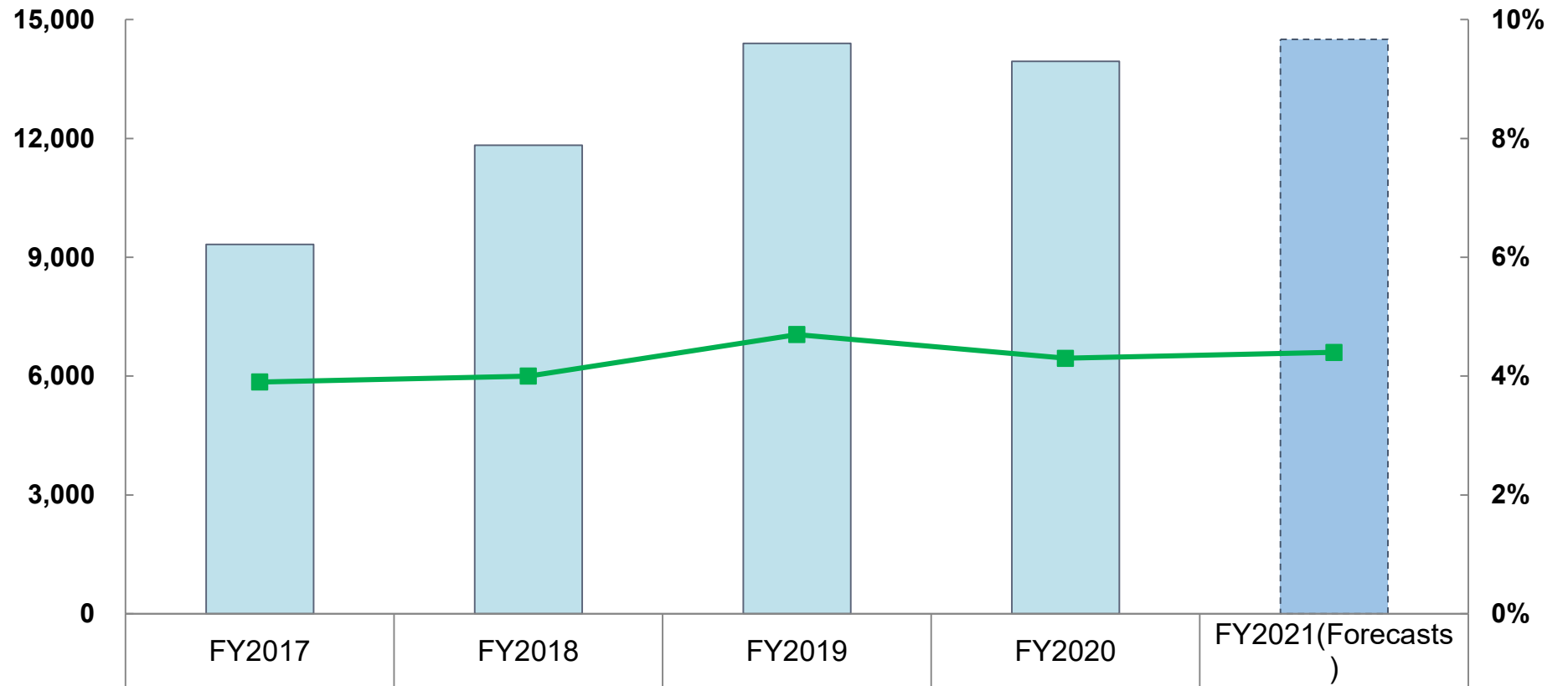


Note : Figures are expressed in units of million yen and have been rounded off.



## 2 - 3 Research and development costs

¥ million

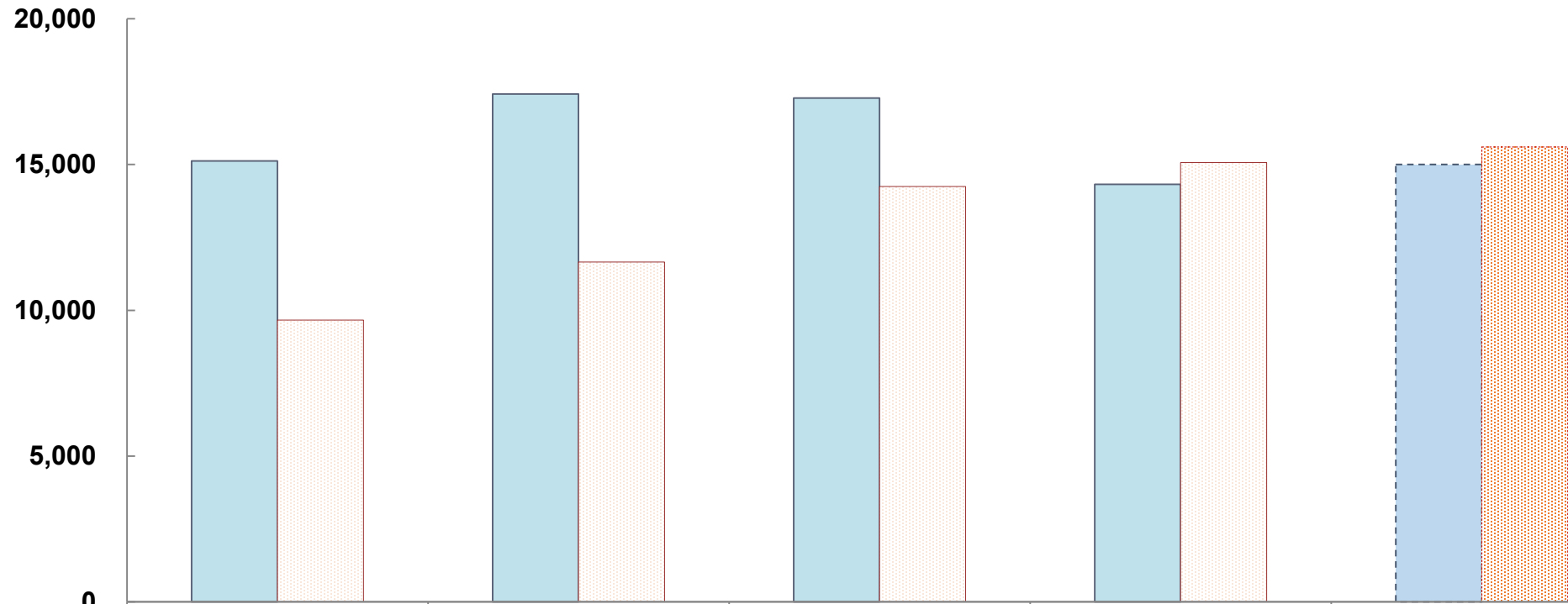


R&D costs	9,327	11,829	14,398	13,945	14,500
Rate of R&D costs to sales	3.9%	4.0%	4.7%	4.3%	4.4%

Note : R&D expense are expressed in units of million yen and have been rounded off.

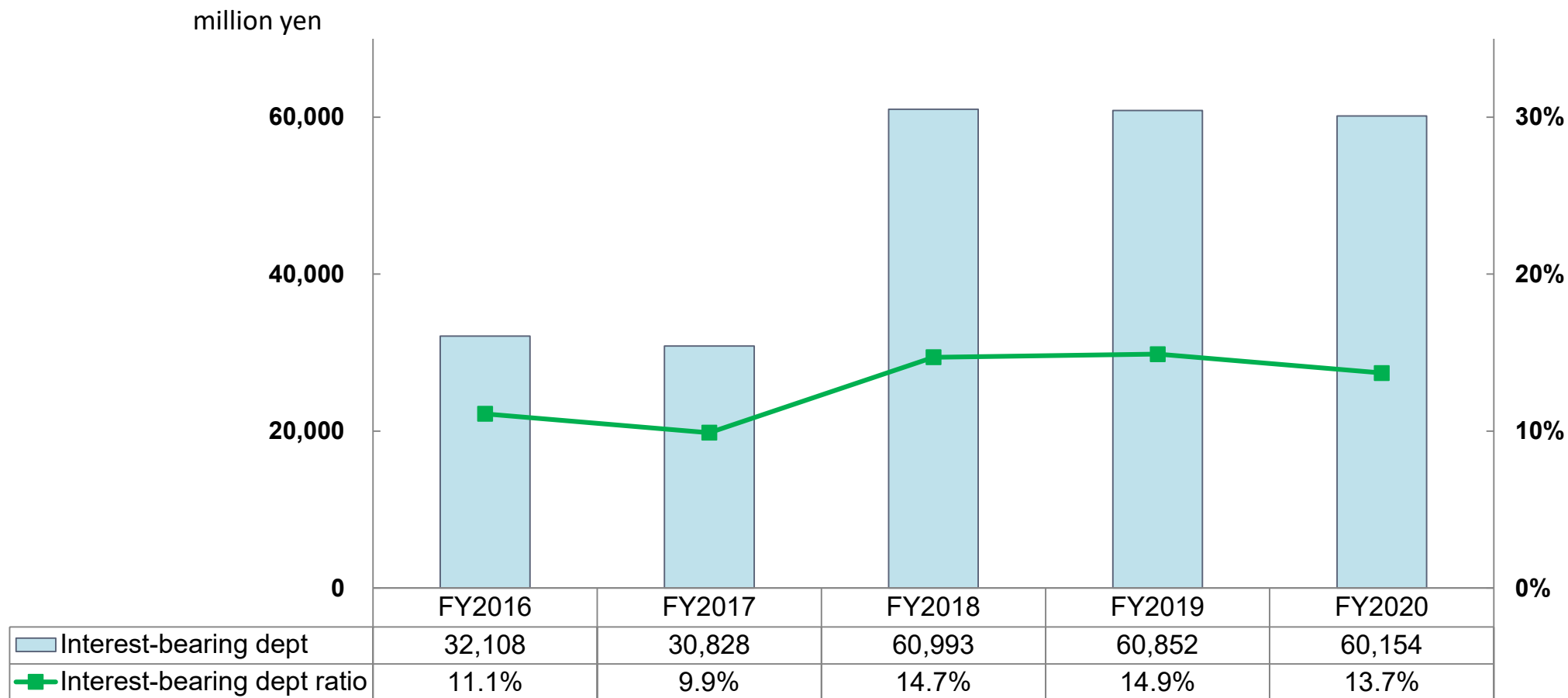


¥ million



	FY2017	FY2018	FY2019	Fy2020	FY2021(Forecasts)
Capital investment	15,122	17,419	17,281	14,320	15,000
Depreciation costs	9,666	11,659	14,248	15,069	15,600

Note : Capital investment and depreciation are expressed in units of million yen and have been rounded off.



Note : Liabilities with interest are expressed in units of million yen and have been rounded off.

# 3 - 1 Overview of non-consolidated and consolidated closing accounts

3. For Reference

■ Non-consolidated  
■ Consolidated

Unit: 100 million yen

## Non-consolidated closing of accounts

	FY2019	FY2020	Amounts	Rate (%)
Sale	1,286	1,262	△ 23	△ 1.8
Operating profit	99	120	20	20.3
Current profit	131	161	30	22.8
Profit attributable to owners of parent	118	123	4	4.2
Net profit per share - yen/share -	114.5	119.2		

## Domestic companies (11)

	FY2019	FY2020	Amounts	Rate (%)
Sale	901	840	△ 60	△ 6.7
Operating profit	15	14	△ 1	△ 8.6

## Overseas companies (18)

	FY2019	FY2020	Amounts	Rate (%)
Sale	1,364	1,564	200	14.7
Operating profit	92	96	3	3.7

## NIHON NOHYAKU (11)

	FY2019	FY2020	Amounts	Rate (%)
Sale	604	715	111	18.4
Operating profit	34	69	35	105.1

## Consolidation adjustment accounts (deleted)

	FY2019	FY2020
Sale	△ 1,114	△ 1,112
Operating profit	△ 17	△ 10

Note : Figures are expressed in units of 100 million yen and have been rounded off.

## 3 - 2 Consolidated Subsidiaries - 16 companies in Japan① -

3. For Reference

Segment	Consolidated subsidiary	Capital	Controlling Share : %	Line of business
Chemicals	ADEKA CHEMICAL SUPPLY CORP.	¥ 104million	100.00 (Indirect ownership: 5.57)	Sales of chemical products, and the development, manufacturing and sales of metal processing oils, etc.
Chemicals	ADEKA CLEAN AID CORP.	¥ 140million	100.00	Development and sales of kitchen detergents for commercial use, industrial detergents, etc.
Chemicals	OXIRANE CHEMICAL CORP.	¥ 600million	51.00	Manufacturing and sales of epoxy plasticizers, etc.
Food products	ADEKA FOOD SALES CORP.	¥ 42million	100.00	Sales of edible processed oils and fats for confectionary and breads, and sales of other foodstuffs, etc.
Food products	YONGO CO.,LTD.	¥ 18million	92.64	Wholesaling of ingredients for confectionary and bakery business use.
Food products	ADEKA FINE FOODS CORP.	¥ 50million	100.00	Manufacturing and sales of mayonnaise products, oil and fat processed food products and processed products using seafood.
Food products	UEHARA FOOD INDUSTRY CO.,LTD.	¥ 70million	100.00	Manufacturing and sales of flour paste products, bean-jams and retort pouch foods.
Food products	CROWN CO.,LTD.	¥ 10million	100.00	Wholesale business of food materials such as fatty oils, flour milling and flavors and processed foods.



## 3 - 2 Consolidated Subsidiaries - 16 companies in Japan②-

3. For Reference

Segment	Consolidated subsidiary	Capital	Controlling share : %	Line of business
Life science	NIHON NOHYAKU CO.,LTD.	¥14,939million	51.00	Agrochemicals, Wood Preservative, Agricultural Materials, Pharmaceuticals & Veterinary Products
Life science	NICHINO RYOKKA CO.,LTD.	¥160million	100.00 (Indirect ownership: 100.00)	Sales of Chemical/Pesticides for Professional Turf, Planning for GOLF Courses and Amenity Areas
Life science	NICHINO SERVICE CO.,LTD.	¥3,400million	100.00 (Indirect ownership: 100.00)	Production and Logistic Services of Agrochemical, Cultivation & Management of Experimental Field/Laboratories
Life science	NIHON ECOTECH CO.,LTD.	¥20million	100.00 (Indirect ownership: 100.00)	Agrochemical Residue Analysis, Chemical Substance Safety Testing, and Related Activities
Life science	AGRIMART CORP.	¥50million	100.00 (Indirect ownership: 100.00)	Sales of Termite Control Agents/Devices, Pest Control Agents/Devices
Others	ADEKA LOGISTICS CORP.	¥ 50million	100.00	General and principal contracting of logistics for the company, warehousing, leasing of vehicles, etc.
Others	ADEKA ENGINEERING & CONSTRUCTION CORP.	¥ 130million	100.00	Design, construction, and construction supervision of facility plants, and facilities maintenance.
Others	ADEKA LIFE-CREATE CORP.	¥ 65million	100.00 (Indirect ownership: 20.00)	Trading, brokerage and management of real estate, property and life insurance agency, sales in the OA equipment area, and management of buildings and company-owned apartments

# 3 - 3 Consolidated Subsidiaries - 24overseas companies① -

3. For Reference

Country	Segment	Consolidated subsidiary	Capital	Controlling Share : %	Line of business
U.S.	Chemicals	ADEKA USA CORP. ①	US\$1 million	100.00	Sales of chemical products.
U.S.	Chemicals	AMFINE CHEMICAL CORP. ①	US\$16 million	60.00	Manufacturing and sales of polymer additives.
U.S.	Chemicals	AM STABILIZERS CORP. ①	US\$8.5 million	100.00 (Indirect ownership: 100.00)	Manufacturing and sales of polymer additives.
U.S.	Life science	NICHINO AMERICA, INC.	US\$0.7 million	100.00 (Indirect ownership: 100.00)	Sales and R&D of agrochemicals in America
U.K.	Life science	NICHINO EUROPE CO.,LTD ●	0.03 million	50.00 (Indirect ownership: 50.00)	Sales and R&D of agrochemicals in Europe
BLAZIL	Life science	SIPCAM NICHINO BRASIL S.A.	R\$223.89 million	50.00 (Indirect ownership: 50.00)	Production and sales of agrochemicals in Blazil
GERMANY	Chemicals	ADEKA Europe GmbH	€0.5 million	100.00	Sales of chemical products.
FRANCE	Chemicals	ADEKA POLYMER ADDITIVES EUROPE SAS	€3 million	100.00 (Indirect ownership: 100.00)	Manufacturing and sales of polymer additives.
CHINA	Chemicals	ADEKA (CHINA) CO., LTD. ①	US\$31 million	100.00	Sales of chemical products.
CHINA	Chemicals	ADEKA FINE CHEMICAL (SHANGHAI) CO., LTD.	US\$20.5 million	100.00	Manufacturing and sales of polymer additives, functional resins, electronic materials and similar products.
CHINA	Chemicals	ADEKA FINE CHEMICAL (CHANGSHU) CO., LTD. ①	US\$21.54 million	50.00	Manufacturing and sales of polymer additives.
CHINA	Food products	ADEKA FOODS (CHANGSHU) CO., LTD. ①	US\$23 million	70.00	Manufacturing and sales of processed oils and fats, processed foods.
CHINA	Chemicals	ADEKA FINE CHEMICAL (ZHEJIANG) CO.,LTD. ●①	US\$30 million	100.00 (Indirect ownership: 100.00)	Manufacture and sales of chemical products such as polymer additives.

Note: The blue circles (●) denote companies added to the scope of consolidation in FY2020. The double line circles (①) denote companies whose fiscal year-end changed in FY2020.

## 3 - 3 Consolidated Subsidiaries - 24overseas companies② -

3. For Reference

Country	Segment	Consolidated subsidiary	Capital	Controlling Share : %	Line of business
TAIWAN	Chemicals	CHANG CHIANG CHEMICAL CO., LTD. ②	NT\$30 million	50.50	Sales of polymer additives and plasticizers .
TAIWAN	Chemicals	ADEKA FINE CHEMICAL TAIWAN CORP.	NT\$200 million	100.00	Manufacturing and sale of chemical products.
TAIWAN	Life science	TAIWAN NIHON NOHYAKU CO.,LTD	NT\$40 million	57.00 (Indirect ownership: 57.00)	Sales and R&D of agrochemicals in Taiwan
INDIA	Life science	NICHINO INDIA PVT. LTD.	₹3.85 million	100.00 (Indirect ownership: 100.00)	Production, sales and R&D of agrochemicals in India
INDIA	Life science	NICHINO CHEMICAL INDIA PVT. LTD.	₹10.5 million	100.00 (Indirect ownership: 100.00)	Production and sales of agrochemicals in India
SOUTH KOREA	Chemicals	ADEKA KOREA CORP.	₩15 billion	100.00	Manufacturing and sale of chemical products.
THAILAND	Chemicals	ADEKA FINE CHEMICAL (THAILAND) CO.,LTD. ②	฿ 350 million	81.00	Manufacturing and sale of chemical products.
SINGAPORE	Chemicals	ADEKA (ASIA) PTE.LTD.	US\$ 0.8 million	100.00	Sales of chemical products.
SINGAPORE	Food products	ADEKA (SINGAPORE) PTE.LTD.	S\$8 million	90.00	Manufacturing and sales of processed oils and fats, frozen piecrusts and related food products.
Malaysia	Food products	ADEKA FOODS (ASIA) SDN.BHD.	MYR90 million	60.00	Manufacturing and sales of processed oils and fats.
UAE	Chemicals	ADEKA AL OTAIBA MIDDLE EAST LLC ●②	AED45.46 million	49.00	Manufacture and sales of polymer additives, Sales for Chemicals and Foods

Note: The blue circles (●) denote companies added to the scope of consolidation in FY2020. The double line circles (②) denote companies whose fiscal year-end changed in FY2020.



## 3 - 4 Equity method - applicable companies -

3. For Reference

Equity method-applicable companies	Capital	Controlling Share : %	Line of business
CO-OP CLEAN CO., LTD.	¥80 million	46.88	Development and sales of soap, detergents and similar products.
SHOWA KOSAN CO.,LTD.	¥550 million	21.78	Sale of synthetic resins, chemical products, industrial materials, electronic materials and environmental concerns.
AGRICULTURAL CHEMICALS (MALAYSIA) SDN. BHD.	MYR2.05 million	24.18 (Indirect ownership: 24.18)	Production and sales of agrochemicals in Malaysia
SIPCAM EUROPE S.P.A.	€36.94 million	20.00 (Indirect ownership: 100.00)	Production and sales of agrochemicals in Europe
<u>NICHINO VIETNAM CO.,LTD</u>	VND22,680 million	20.00 (Indirect ownership: 100.00)	Production and sales of agrochemicals in Vietnam

Note: The underlined company was added to the scope of application of the



## 4 Core products of each business segments

Business category		Core products	
Reporting segment	Chemicals	Polymer Additives	Additives for polyolefins, PVC plasticizers/stabilizers, Flame retardants, and others.
		Electronics and IT materials	High-purity materials for semiconductors, AFES System and etching agents, Photo(Light)/heat curing materials, photoinitiators, Imaging materials, and others.
		Functional Chemicals	Epoxy resins, Polyurethanes, Water-borne resins, Surfactants, Lubricant additives, Kitchen detergent, Cosmetic ingredients, Polypropylene glycol, Hydrogen peroxide and derivative products, Water-swelling sealing materials, and others.
	Food products	Margarines, Shortenings, Oil and fats for chocolate, Oils and fats for frying, Whipping cream, Kneading cream, Fillings, Frozen pie crusts, Mayonnaise dressing, functional foods, and others.	
	Life science	Agrochemicals, Agricultural materials, Pharmaceuticals & Veterinary products, Wood preservative, and others.	
Other business		Designing of equipment plants, Construction and construction management, Maintenance of equipment, Logistic services, Warehousing, Leasing of vehicles, Real estate and insurance business, and others.	

The forecast performance and business plans specified in this document have been prepared based on information available as of the date of publication, as well as on various prerequisites; therefore, the actual results may differ from these forecasts or plans depending on various factors that may arise hereafter.

In the event of any discrepancy between the Japanese original and this English translation, the Japanese original shall prevail.

