



Briefings on Financial Results

For the 1st Half of the fiscal year ended Mar. 31,2024

Nov.27,2023

【TSE 4401】





Financial Results Overview

FY2023 1st Half

Apr. 1, 2023 – Sep. 30, 2023

President and Chief Executive Officer,
Representative Director

Hidetaka Shirozume

1. **FY2023/1H Consolidated Results** ... P 3
2. **Revision of FY2023 Consolidated Financial Forecasts** ... P13
3. **For Reference** ... P23
 - Progress of MTMP *ADX 2023*
 - Capital Investment Plan
 - Reconstruction of R&D Structure
 - Overseas Sales

A decorative border composed of various geometric shapes in red and blue, including triangles, squares, circles, and rectangles, arranged in a pattern around the edges of the slide.

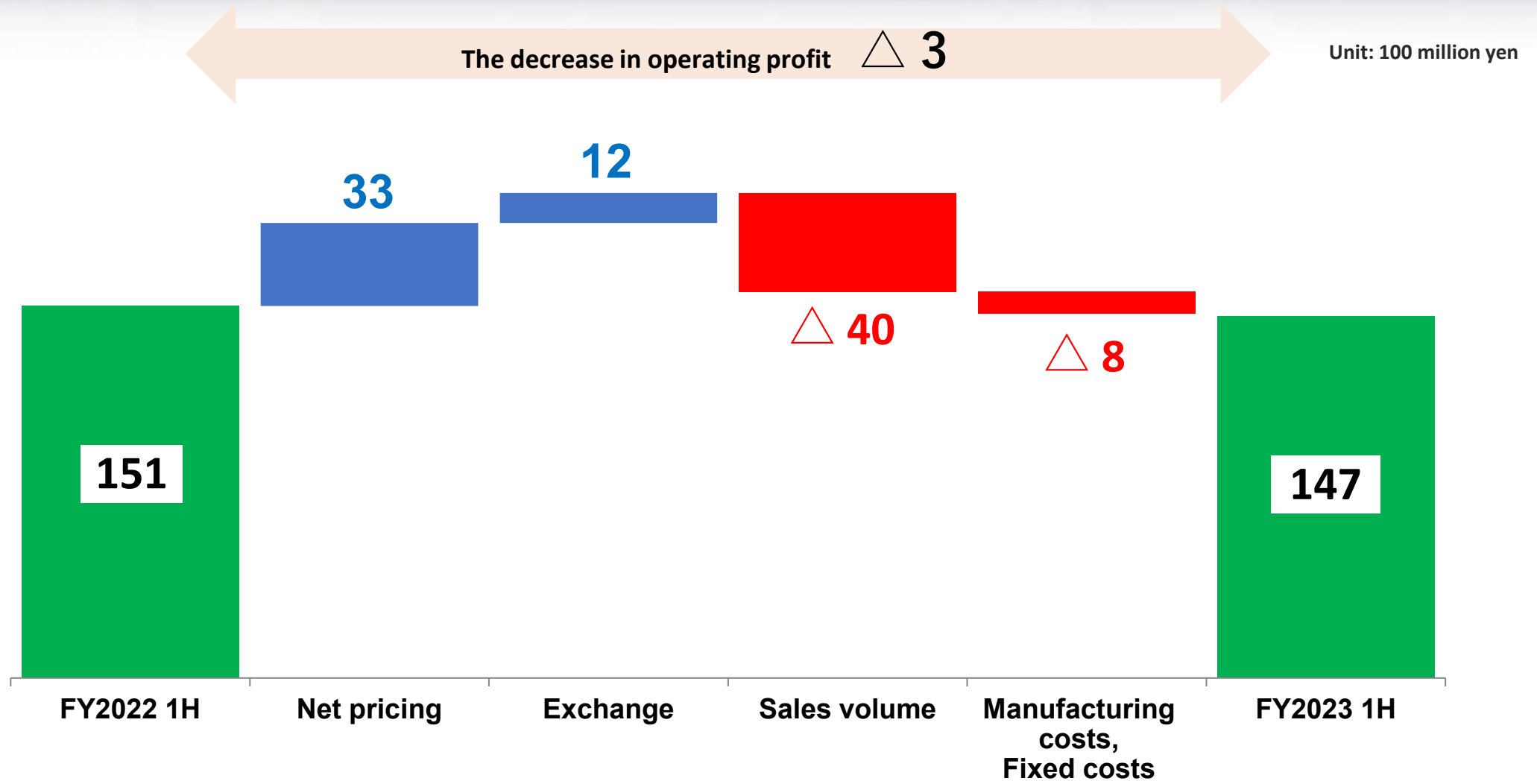
1. FY2023/1H Consolidated Results

Unit: 100 million yen

	FY2022 1H	FY2023 1H	Change	Rate (%)
Net sales	1,964	1,876	△ 88	△ 4.5
Operating profit	151	147	△ 3	△ 2.1
Current profit	164	155	△ 9	△ 5.5
Profit attributable to owners of parent	99	105	5	5.7
Net profit per share (yen/share)	¥ 97.0	¥ 103.2	¥ 6.2	

Note : Amounts are expressed in units of 100 million yen and have been rounded off and net profit per share are rounded to the second decimal place.

Analysis of Operating Profit

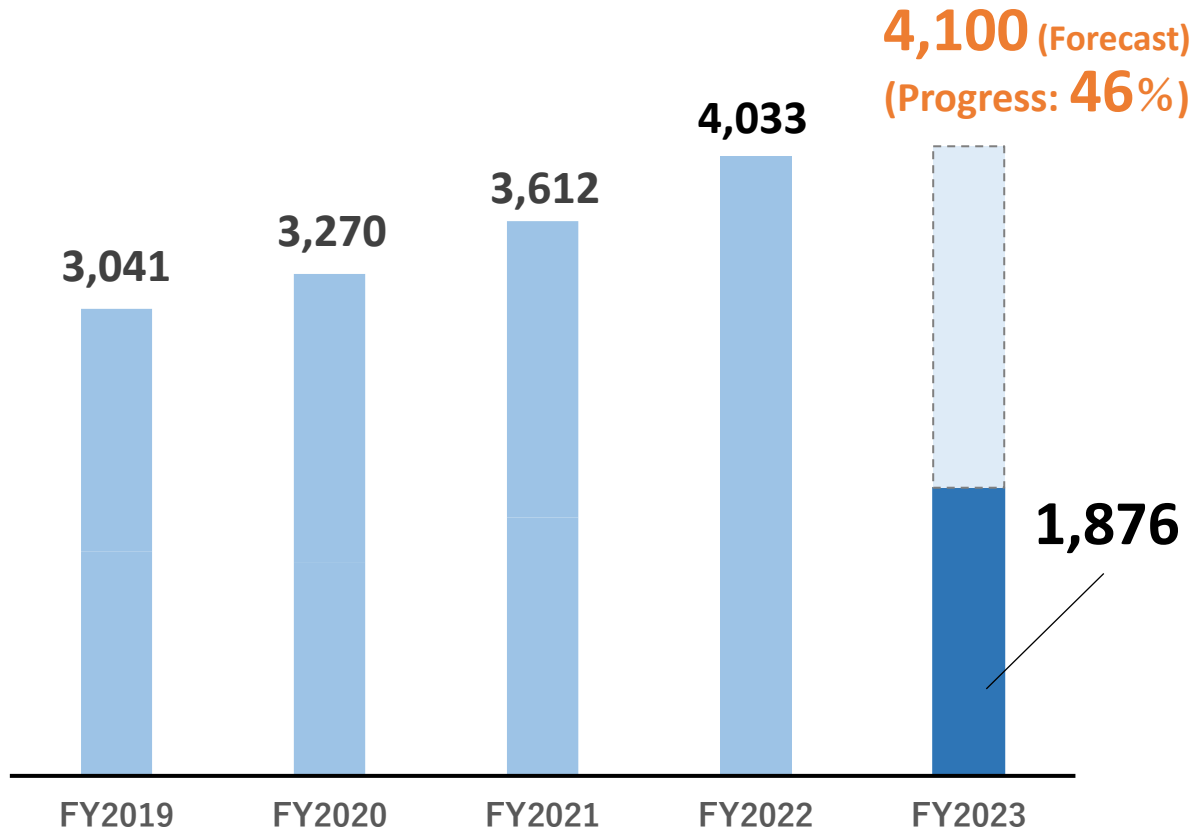


Note : Amounts are expressed in units of 100 million yen and have been rounded off.

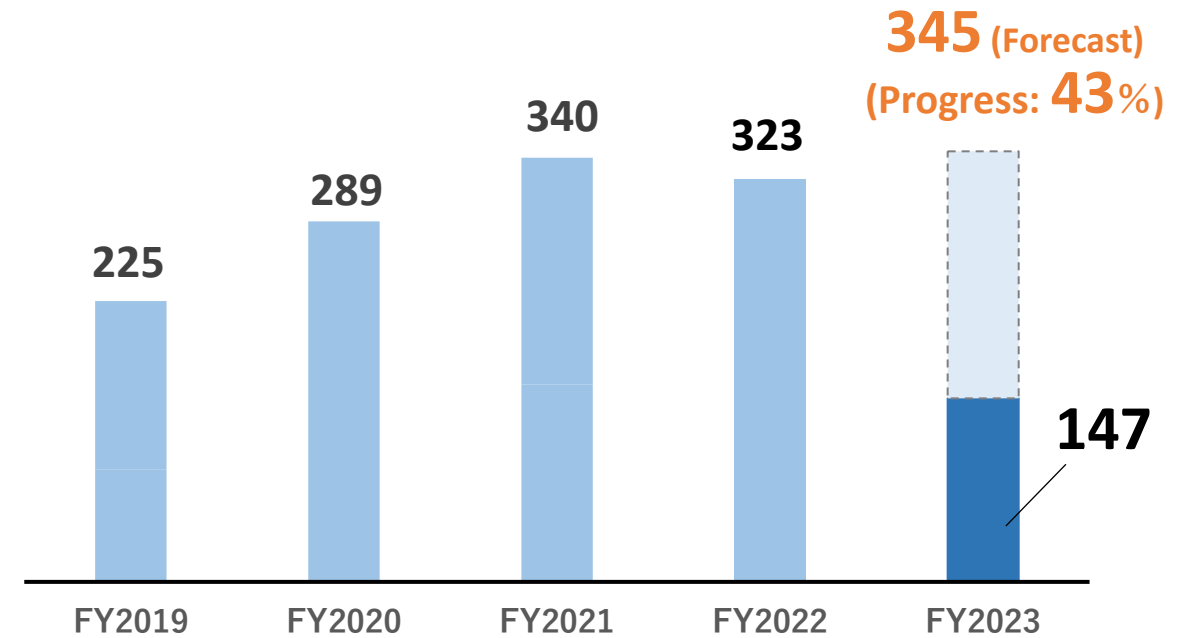
Trends in Consolidated Performance

Unit: 100 million yen

Net sales



Operating profit



Note 1 : Figures are expressed in units of 100 million yen and have been rounded off.

Note 2 : FY2021 are the figures after retrospective application of a change in accounting policy.

FY2023/1H Consolidated Results - By segment

FY2023/1H Consolidated Results

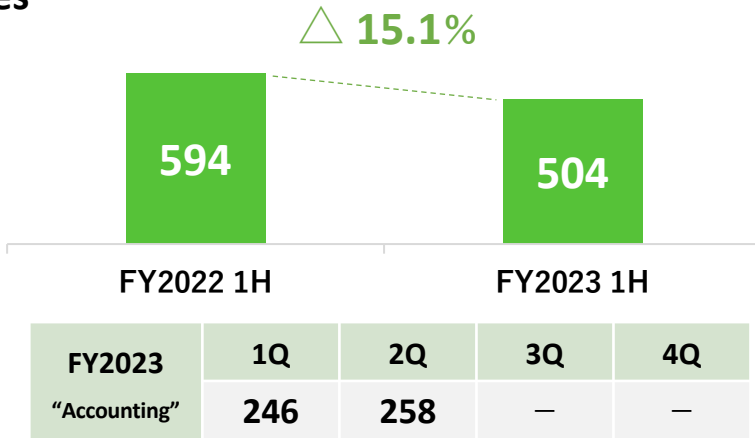
Unit: 100 million yen	FY2022/1H	FY2023/1H	Change	Rate (%)
Sales	1,964	1,876	△ 88	△ 4.5
Chemicals	1,098	1,015	△ 83	△ 7.6
<i>Polymer Additives</i>	594	504	△ 89	△ 15.1
<i>Electronics and IT materials</i>	179	192	12	7.0
<i>Functional chemicals</i>	325	318	△ 6	△ 1.9
Food products	398	413	15	3.8
Life Science	431	406	△ 24	△ 5.8
Other	35	40	5	14.1
Operating profit	151	147	△ 3	△ 2.1
Chemicals	139	120	△ 19	△ 13.7
<i>Polymer Additives</i>	53	40	△ 13	△ 24.4
<i>Electronics and IT materials</i>	52	52	△ 0	△ 0.5
<i>Functional chemicals</i>	33	27	△ 5	△ 17.3
Food products	▲ 18	13	31	-
Life Science	25	6	△ 18	△ 72.7
Other	4	7	2	56.1

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

Chemicals “Polymer additives”

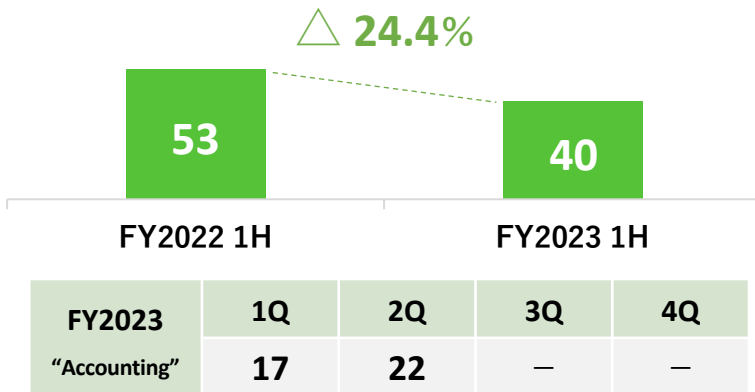
◆ Sales

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)

- Sales of one-pack granule additives and antioxidants struggled amid weak demand in the Middle East and Europe.
- Sales of flame retardants for engineering plastics used in home appliances frames and other products were sluggish.

◆ All plastic products

Struggling One-pack granule additive, Antioxidants

◆ Home appliances frame

weak Flame retardants for Engineering plastics

◆ Building material

weak PVC Stabilizers

◆ Food packaging

weak Clarifying Agents

◆ Automobile

steady Nucleating Agents, Light Stabilizers, Plasticizer for Rubber

Main factor (YoY)

Unit: 100 million yen

Sales volume

△ 16

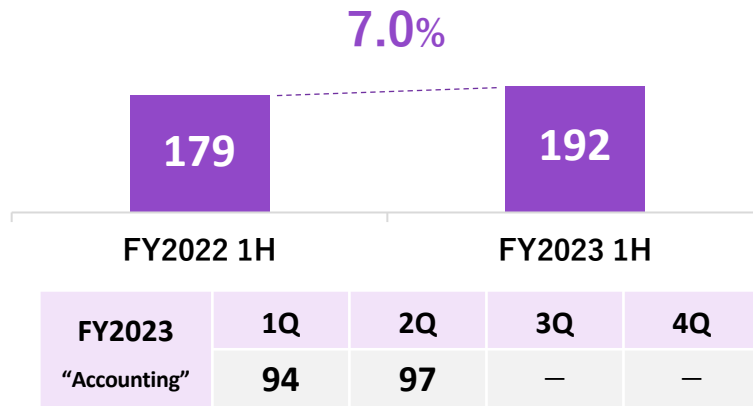
Exchange

2

Chemicals “Electronics and IT materials”

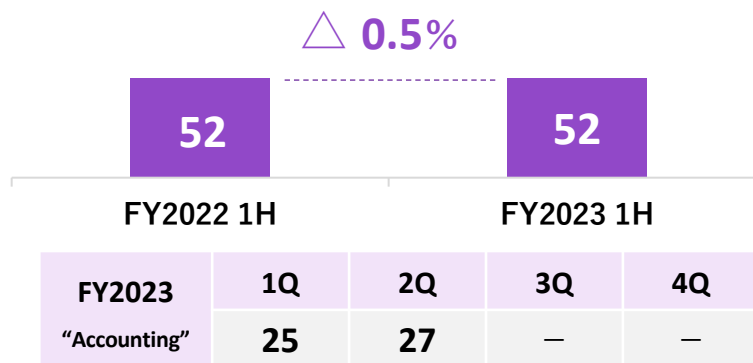
◆ Sales

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)

Sales increased YoY due to brisk sales of products for advanced semiconductors and rallying sales of display-related materials despite the negative impact of semiconductor manufacturers reducing production until the end of 2Q.

◆ Semiconductor

strong

High-k materials for advanced DRAM

steady

Photoacid generator used for semiconductor lithography

weak

Commodity Products

◆ Display

steady

Photoinitiator for color filter

Black Matrix Resist、 Etching Materials for LCD panels

weak

Photo(Light) Curing Resins for Optical film

Main factor (YoY)

Unit: 100 million yen

Fixed costs, etc.

△ 2

Net pricing

△ 1

Exchange

1

Sales volume

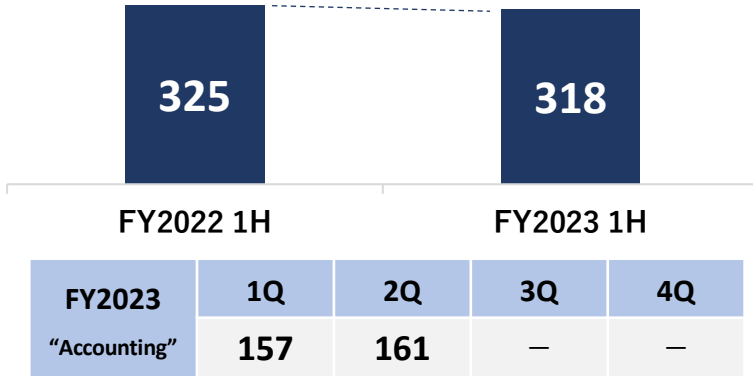
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Chemicals “Functional chemicals”

◆ Sales

Unit: 100 million yen

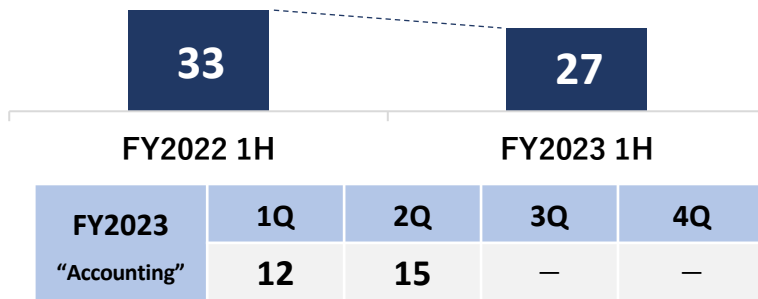
△ 1.9%



◆ Operating profit

Unit: 100 million yen

△ 17.3%



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

Main factor (YoY)

- Sales of lubricant additives for engine oils were buoyant mainly in the United States.
- Sales propylene glycol and peroxide products for general industrial use were poor amid lingering market weakness.

◆ Chemicals for general industrial use

weak Polypropylene glycol, Peroxide products

◆ Cosmetics

weak Surfactants

◆ Home appliances, smartphones, PCs

weak Water Borne Resins, Epoxy Resins

◆ Automobile

strong Lubricant additive for engine oil

steady Special epoxy resins for structural bonding

steady Epoxy resin adhesives for automotive electronic components

◆ Architectural coatings and others

strong Reactive Emulsifiers

Main factor (YoY)

Unit: 100 million yen

Sales volume

△ 12

Fixed costs, etc.

△ 1

Net pricing

4

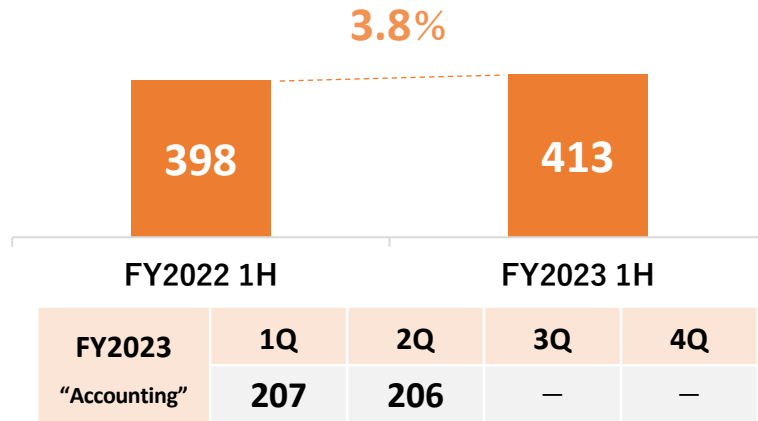
Exchange

4

Food Products

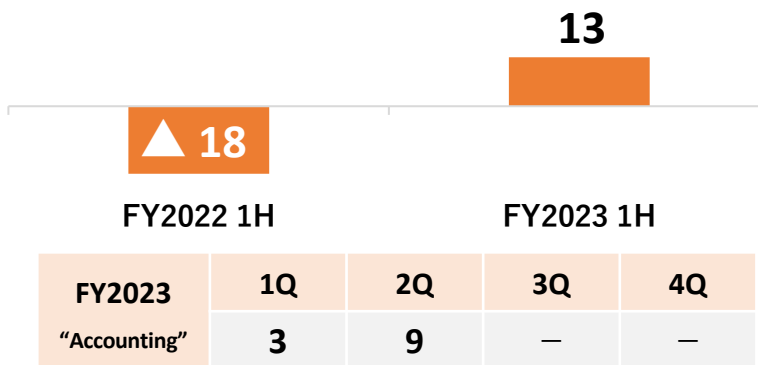
◆ Sales

Unit: 100 million yen



◆ Operating profit/loss

Unit: 100 million yen



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

Main factor (YoY)

- In the Marvelous series of functional margarines, which contributes to keeping bread and other products fresher for longer and extending their used-by date, new products released in FY2023 achieved healthy sales.
- Outside Japan, demand was turning around in China and sales were buoyant in Southeast Asia.

◆ Souvenir confections

steady Margarines, fillings

◆ Bread, confectionery

steady Functional Margarine for kneading "Marvelous" series

weak General-purpose fats and oils (Margarines, shortening etc.)

◆ Plant-Based Foods

Increased adoption Plant-Based Foods "Deli-PLANTS" series

Main factor (YoY)

Unit: 100 million yen

Net pricing

28

Sales volume

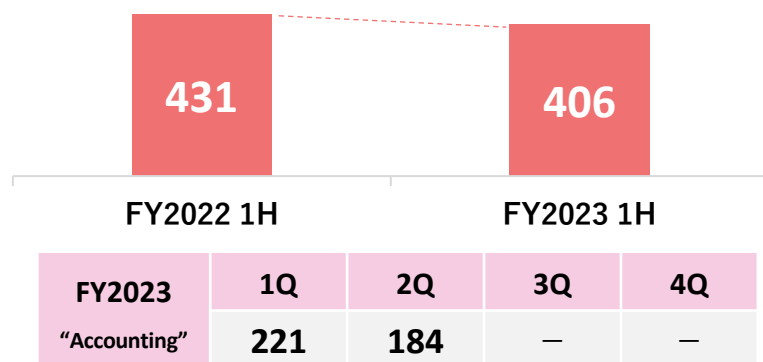
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Life Science “NIHON NOHYAKU”

◆ Sales

Unit: 100 million yen

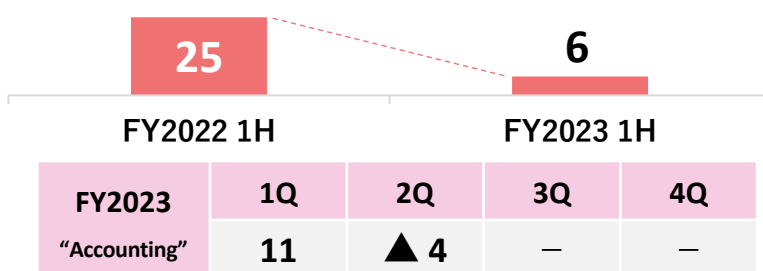
△ 5.8%



◆ Operating profit

Unit: 100 million yen

△ 72.7%



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

Main factor (YoY)

- Insecticides sales were slow due to prolonged colder weather and fewer pests than usual in North America.
- Agricultural chemicals sales stagnated in Japan due to unfavorable weather conditions and the circulation of inventories in the past fiscal year.

◆ Agrochemicals

weak

NORTH AMERICA (Insecticide)
JAPAN (Agrochemicals in general)

steady

BRASIL (Sugarcane herbicides)
INDIA (Independently developed products including insecticides sold in the areas of cotton and vegetables)

◆ Pharmaceuticals, others

weak

Field of Nail Athlete's foot
Topical antifungal agent “Luliconazole”

Main factor (YoY)

Unit: 100 million yen

Sales volume

△ 20

Fixed costs, etc.

△ 3

Exchange

3

Net pricing

















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A decorative border consisting of various geometric shapes in red and blue, including triangles, squares, circles, and rectangles, arranged in a pattern around the edges of the page.

2. Revision of FY2023 Consolidated Financial Forecasts

World economy

The economic recovery is expected to slow as geopolitical risks and monetary policies are beginning to have a negative impact.

Segment	Market	Market trend		Impact on business
		FY2023		
		1H	1H => 2H	
Chemicals	Automobile	UP 		Polymer additives (Additives, Plasticizers, PVC Stabilizers)
	Building material	DOWN 	FLAT 	Functional chemicals (Lubricant Additives, Special Type Epoxy Resins, Painting materials, Industrial Agents)
	Semiconductor			Electronics & IT materials (Semiconductor materials, Photoacid generator, Circuit Materials, Hydrogen Peroxide)
	Display			Electronics & IT materials (Photo(Light) Curing Resins, Photoinitiator, Black matrixes, Low chlorine epoxy resin)
	Cosmetics			Functional chemicals (Cosmetic ingredients, Propylene glycol)
Food	Mass merchants, CVS (Breads, sweets and desserts)			Food Products (Margarines, shortening, fillings, etc.)
	Tourism, Restaurant industry (Souvenir sweets)			
Life Science	Agriculture			Agrochemicals (Insecticide, fungicide, herbicide)

Revision of FY2023 Consolidated Financial Forecasts

FY2023 Consolidated
Financial Forecasts

Unit: 100 million yen	Previous forecast (Nov 10, 2023)			FY2022 Results	Change		Ref. Previous forecast as of Aug. 2023		
	1H	2H	Full Year		Amounts	Rate (%)	1H	2H	Full Year
Sales	1,876	2,223	4,100	4,033	66	1.7	1,910	2,350	4,260
Operating profit	147	197	345	323	21	6.6	133	227	360
Current profit	155	189	345	325	19	5.9	137	218	355
Profit attributable to owners of parent	105	104	210	167	42	25.2	82	128	210
Net profit per share - yen/share -	¥ 103.2	¥ 101.6	¥ 204.8	¥ 163.3	¥ 41.5	-	¥ 80.0	¥ 124.8	¥ 204.8

		Assumption for FY2023/2H	FY2022 Results
Exchange rate	¥/\$	138.00	135.45
	¥/€	149.00	140.99
Naphtha	¥/KL	64,000	76,625

		FY2023	FY2022 Results
Annual Dividend	2Q-end	¥ 40	¥35
	Year-end	(Forecast) ¥ 40	¥35
	Total	(Forecast) ¥ 80	¥70

Note : Amounts are expressed in units of 100 million yen and have been rounded off and net profit per share are rounded to the second decimal place

Revision of FY2023 Consolidated Financial Forecasts - By segment -

FY2023 Consolidated
Financial Forecasts

Unit: 100 million yen	1H result	2H forecast	FY2023 forecast	FY2022 Results	Amounts	Rate (%)	Ref. Previous forecast as of Aug. 2023		
	(a)	(b)	(a)+(b)	(c)	(a)+(b)-(c)		1H forecast	2H forecast	Full-year forecast
Net sales	1,876	2,223	4,100	4,033	66	1.7	1,910	2,350	4,260
Chemicals	1,015	1,134	2,150	2,117	32	1.5	1,004	1,285	2,289
<i>Polymer Additives</i>	<i>504</i>	<i>535</i>	<i>1,040</i>	<i>1,113</i>	<i>△ 73</i>	<i>△ 6.6</i>	<i>474</i>	<i>666</i>	<i>1,140</i>
<i>Electronics and IT materials</i>	<i>192</i>	<i>217</i>	<i>410</i>	<i>363</i>	<i>46</i>	<i>12.7</i>	<i>193</i>	<i>242</i>	<i>435</i>
<i>Functional chemicals</i>	<i>318</i>	<i>381</i>	<i>700</i>	<i>640</i>	<i>59</i>	<i>9.3</i>	<i>337</i>	<i>377</i>	<i>714</i>
Food products	413	416	830	825	4	0.6	420	447	867
Life Science	406	633	1,040	1,020	19	1.9	450	590	1,040
Other	40	39	80	70	9	14.0	36	28	64
Operating profit	147	197	345	323	21	6.6	133	227	360
Chemicals	120	131	252	262	△ 10	△ 4.0	108	154	263
<i>Polymer Additives</i>	<i>40</i>	<i>39</i>	<i>80</i>	<i>92</i>	<i>△ 12</i>	<i>△ 13.2</i>	<i>34</i>	<i>55</i>	<i>90</i>
<i>Electronics and IT materials</i>	<i>52</i>	<i>58</i>	<i>111</i>	<i>110</i>	<i>0</i>	<i>0.1</i>	<i>48</i>	<i>66</i>	<i>115</i>
<i>Functional chemicals</i>	<i>27</i>	<i>33</i>	<i>61</i>	<i>59</i>	<i>1</i>	<i>2.6</i>	<i>25</i>	<i>32</i>	<i>58</i>
Food products	13	11	24	▲ 24	48	-	7	11	19
Life Science	6	54	61	77	△ 16	△ 21.7	14	59	73
Other	7	0	8	7	0	11.1	3	1	5

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

Chemicals “Polymer additives”

Year-on-year

Sales and profit are forecast to decrease due to difficulties in sales of one-pack granule additives and antioxidants although demand for items for automobiles will recover steadily.

Automobiles

Automobile production forecast for FY2023

Around 90% of the FY2019 level
(slower than expected turnaround)

Automotive materials
(exteriors, interiors and
wiring) in process

Decreasing
towards zero

Products for xEV
(Electric vehicles)

Increase sales of
flame retardants

○ Nucleating Agents, Light Stabilizers,
Plasticizer for Rubber, Intumescent flame retardants

▶ Reduce costs to address
the soaring prices of raw materials

All plastic products

The negative impact of
the economic slowdown is taken into account

Weak polymer production
in the Middle East and in Europe
+ Intensifying competition in markets



One-pack granule additive, Antioxidants

▶ Cultivate new markets

A New Nucleating Agent Accelerating Beta-Crystallization of Plastics

New Beta-crystal nucleating agent : ADK STAB NA-B99P

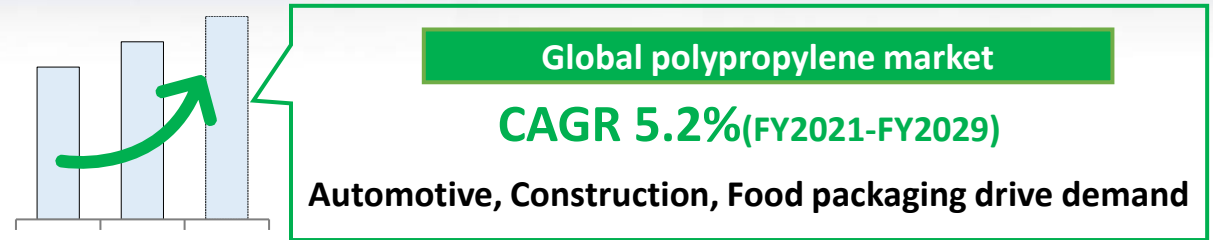
Highly resistant to impact and easily stretchable
An additives that increases the potential of plastics (polypropylene)

- * Nucleating agent: An additive that aligns plastic crystals to improve physical properties such as strength and transparency
- * Beta-crystal: A crystalline form of plastic

Widening of the lineup

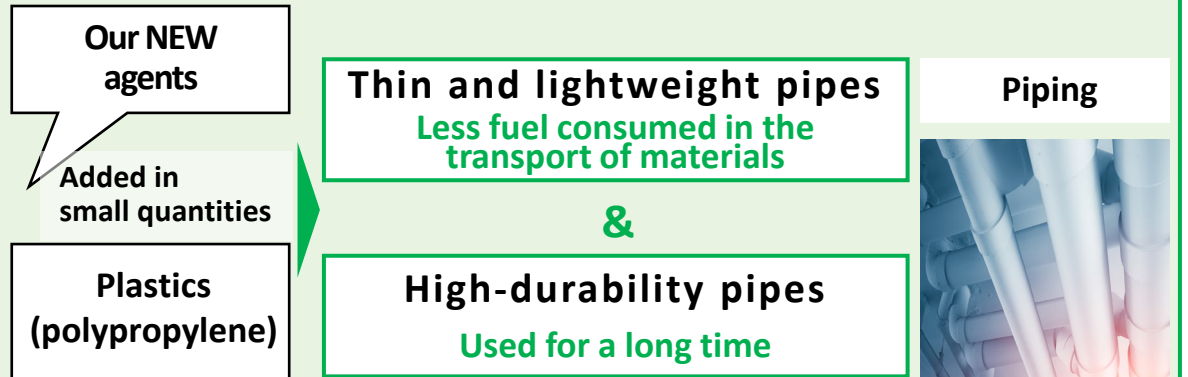
Major physical properties	Existing nucleating agents (ADK STAB NA-11)	New beta-crystal nucleating agents (ADK STAB NA-B99P)
Rigidity	◎	
Forming cycle	◎	○
Impact resistance		◎
Extensibility		◎

* Rigidity: Difficulty of deforming a plastic. * Forming cycle: Speed of the solidification of a plastic.



In building materials, made of plastics will be increasingly used.

Further improvement of the functionality of plastics (polypropylene)



Helping reduce environmental impact

Expand its use to a wide variety of applications including in building materials, automotive materials and food packaging to expand sales globally

Chemicals “Electronics and IT materials”

Demand for products for advanced semiconductors is expected to remain solid.

Semiconductor

Reduced production

Intensifying impact of reduced production

The absence of a sharp recovery in FY2023 is taken into account



Dielectric film and other products (commodities)

Miniaturization of semiconductors and technology development

FY2024



High-k materials for advanced DRAM

Photoacid generator used for semiconductor lithography

* A method of forming a very thin film in the semiconductor manufacturing process

ADEKA

Facilities scheduled to start operation



Logic ICs

ALD Materials*



DRAM

High-k materials

Display

Production adjustments

Recovery mainly in large panels



Photoinitiator for color filter
Etching Materials for LCD panels
Black Matrix Resist

Shift of panel production to China



Photo(Light) Curing Resins for Optical film etc.



Accelerate sales in the Chinese market

Chemicals “Functional chemicals”

Year-on-year

Sales and profit are expected to grow following efforts to expand sales in the fields of automobiles and architectural coatings, where demand is expected to grow.

Automobile

Architectural coatings and others

Industrial production

Cosmetics

- ✓ Rallying automobile market
- ✓ Expand sales for after-market oil applications chiefly in the U.S. and in China

Changes in the housing environment in Asia
Increasing demand for architectural coatings



The electronic devices, articles for daily use and other markets remain dull.

* The television, computer and smartphone markets are expected to recover in FY2024.

Lubricant additive for engine oil
“ADEKA SAKURA-LUBE ” series

Coating additives (Acrylic emulsion)
“ ADEKA REASOAP ” series

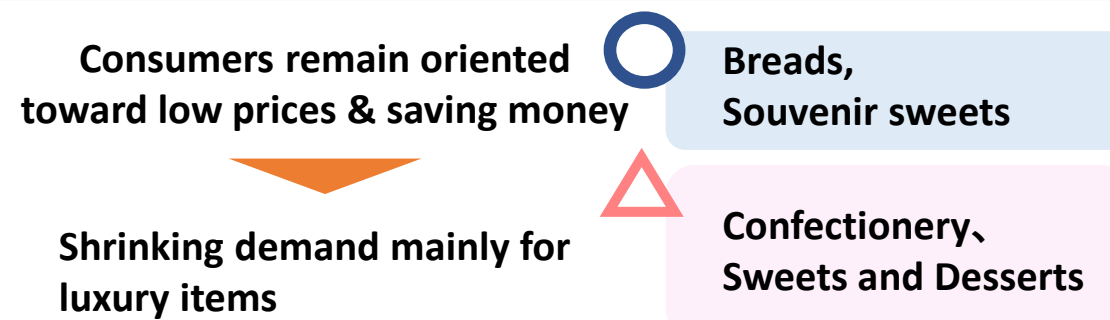
⚠ Peroxide products,
Polypropylene glycol

▶ Strict management of profit margins

Food Products

Continue to focus efforts on the improvement of profitability and the expansion of sales mainly in the areas of food loss reduction products and plant-based foods.

Existing domestic markets



Margarine for professional use helpful in food loss reduction
“Marvelous” series

- ✓ Products that help increase the volume of bread
- ✓ Product that preserve deliciousness after reducing the oil content

Plant-Based Foods

< Target >

JAPAN	Increasingly adopted with many applications Increase recognition and enhance proposals on recipes
ASIA	Release in China and Southeast Asia
Europe & U.S.	Study technologies to address issues related to preferences and functionality

Life Science “NIHON NOHYAKU”

Year-on-year

Sales are expected to rise but profit is expected to fall, amid ongoing downward pressure on the prices of generic agricultural chemicals in Brazil.

Agrochemicals

Net Sales

A year-on-year **increase** in sales is forecast

U.S.

Early release of bactericides

INDIA

Benzpyrimoxan (insecticide for paddy rice)
— Under the commercial name Orchestra —
Release of admixture

BRAZIL, etc.

Yen depreciation in foreign exchange markets

Sales increase

Operating Profit

A year-on-year **decrease** in OP is forecast

BRAZIL

Downward pressure on generic pesticide prices continues

3. For Reference

For Reference | Progress of MTMP ADX 2023

	FY2021 Results 1st year of ADX 2023	FY2022 Results 2nd year of ADX 2023	FY2023 Forecasts Final-year of ADX 2023	FY2023 Target Final-year of ADX 2023
Operating profit	34.0 billion yen	32.3 billion yen	34.5 billion yen	42.0 billion yen
ROE	9.9%	6.6%	8.0%	9%
Capital investment	14.6 billion yen/year	20.4 billion yen/year	15.5 billion yen/year	50.0 billion yen/ three years
		50.5 billion yen/three years		
Dividend payout ratio	30.5%	42.9%	39.1%	30% or higher
Annual dividend forecast	70 yen/share	70 yen/share	80 yen/share	Expected to be fulfilled

Note 1 : Figures are expressed in units of 100 million yen and have been rounded off.

Note 2 : FY2021 are the figures after retrospective application of a change in accounting policy.

For Reference | Capital Investment Plan

Electronics and IT materials

KOREA

High-k materials for advanced semiconductor memory

- ▶ Augmentation of production capacity

Scheduled to start commercial operation in FY2024

- ▶ Facility expansion

Scheduled to start commercial operation in FY2023

Extension and relocation of ADEKA KOREA CORP. R&D Center

Relocation to be finished and operations to begin within FY2023

Proactively invest in the field of semiconductors

Electronics and IT materials

TAIWAN

Construction of a new plant for materials for leading-edge logic semiconductors

Commercial operation scheduled to start in Apr. 2024

JAPAN

Electronics and IT materials

Chiba Plant

Expansion of facilities for semiconductor peripheral materials such as photoacid generators for leading-edge photo resists

Scheduled to start operations in Aug. 2023

Functional chemicals

Mie Plant

Reinforce facilities for epoxy resin adhesives

Scheduled to start commercial operation in FY2024

Life Science

INDIA

Reinforce facilities for wet-paddy insecticides
(Multipurpose plant)

Scheduled to start commercial operation in FY2023

Topics | Reconstruction of R&D Structure

Decision on investment made in Nov. 2023

 **KUKI R&D CENTER**

Construction of a new research building



Amount invested

Approx. **10 billion yen**

Total floor area

11,000m²
Seven floors above ground

Dept. Areas

Semiconductors (ALD, package)
Mobility & Electronics

Serving as Our main laboratory

Endeavor to create innovative new products in a rock-solid R&D structure

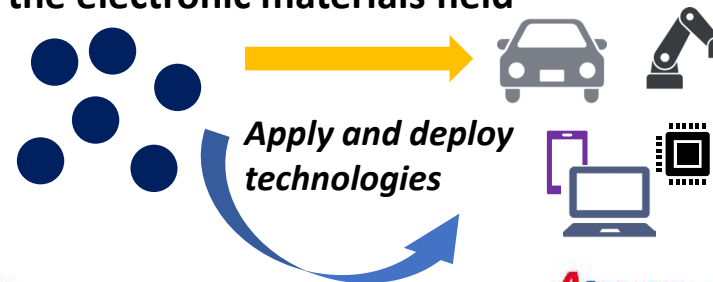
Electronics and IT materials

Develop into a general manufacturer of semiconductor materials



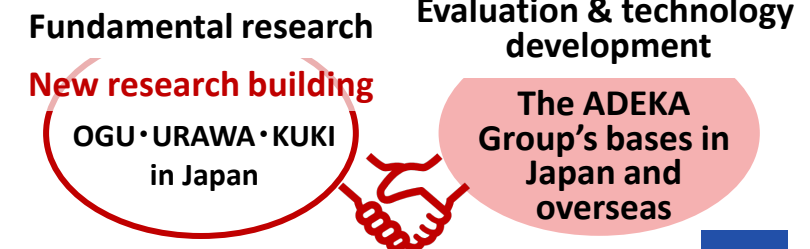
Functional chemicals

Introduce distinctive polymers in the electronic materials field



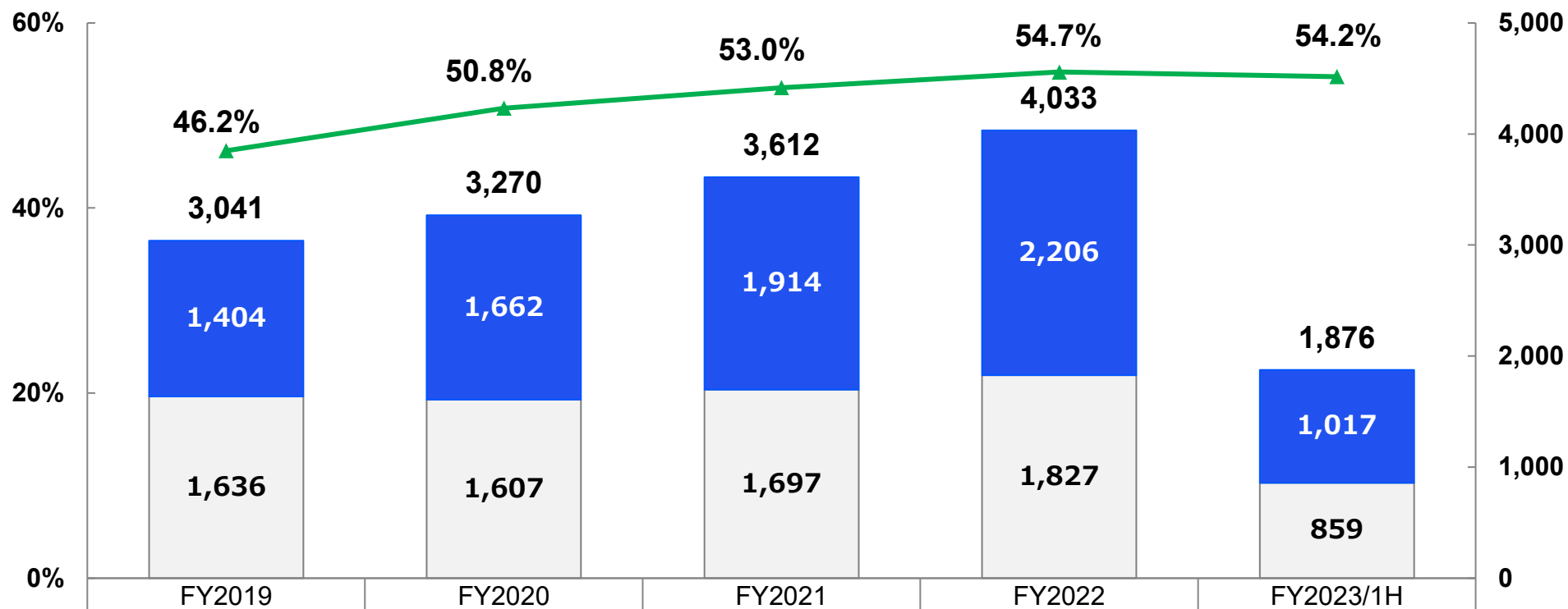
R & D

Construct a more rock-solid R&D structure



For reference | Overseas Sales

Unit: 100 million yen



Overseas sales	1,404	1,662	1,914	2,206	1,017
Domestics sales	1,636	1,607	1,697	1,827	859
Overseas sales ratio	46.2%	50.8%	53.0%	54.7%	54.2%
Net sales	3,041	3,270	3,612	4,033	1,876

Note 1 : Figures are expressed in units of 100 million yen and have been rounded off.

Note 2 : FY2021 are the figures after retrospective application of a change in accounting policy.

The logo features a stylized letter 'A' on the left, composed of a red upper half and a blue lower half. To the right of the 'A' is the word 'DEKA' in a bold, red, italicized sans-serif font. The entire logo is centered horizontally.

ADEKA

Add Goodness



FY2023/1H 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 - 1 Consolidated Balance Sheet

1. Supplementary Data for the Consolidated Closing of Accounts

Unit: 100 million yen

	As of Mar. 31,2023	As of Sep. 30,2023	Change		As of Mar. 31,2023	As of Sep. 30,2023	Change
Current assets	3,154	3,242	88	liabilities	1,883	1,917	34
Cash and deposits	811	836	25	Current liabilities	1,294	1,381	86
Notes and accounts receivable – trade, etc.	996	996	△ 0	Long-term liabilities	588	536	△ 52
Inventories	1,167	1,232	65	Net assets	3,117	3,258	141
Other	179	177	△ 2	Shareholders' equity	2,387	2,446	59
Fixed assets	1,846	1,933	86	Capital stock	230	230	-
Tangible fixed assets	1,194	1,239	44	Capital surplus	201	201	0
Intangible fixed assets	180	177	△ 3	Retained earnings	1,978	2,048	69
Investment and other assets	471	516	45	Treasury stock	△ 23	△ 33	△ 10
				Accumulated other comprehensive income	222	293	71
				Minority interests	507	518	10
Total assets	5,000	5,176	175	Total liabilities and net assets	5,000	5,176	175

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

1 - 2 Cash Flow Statement

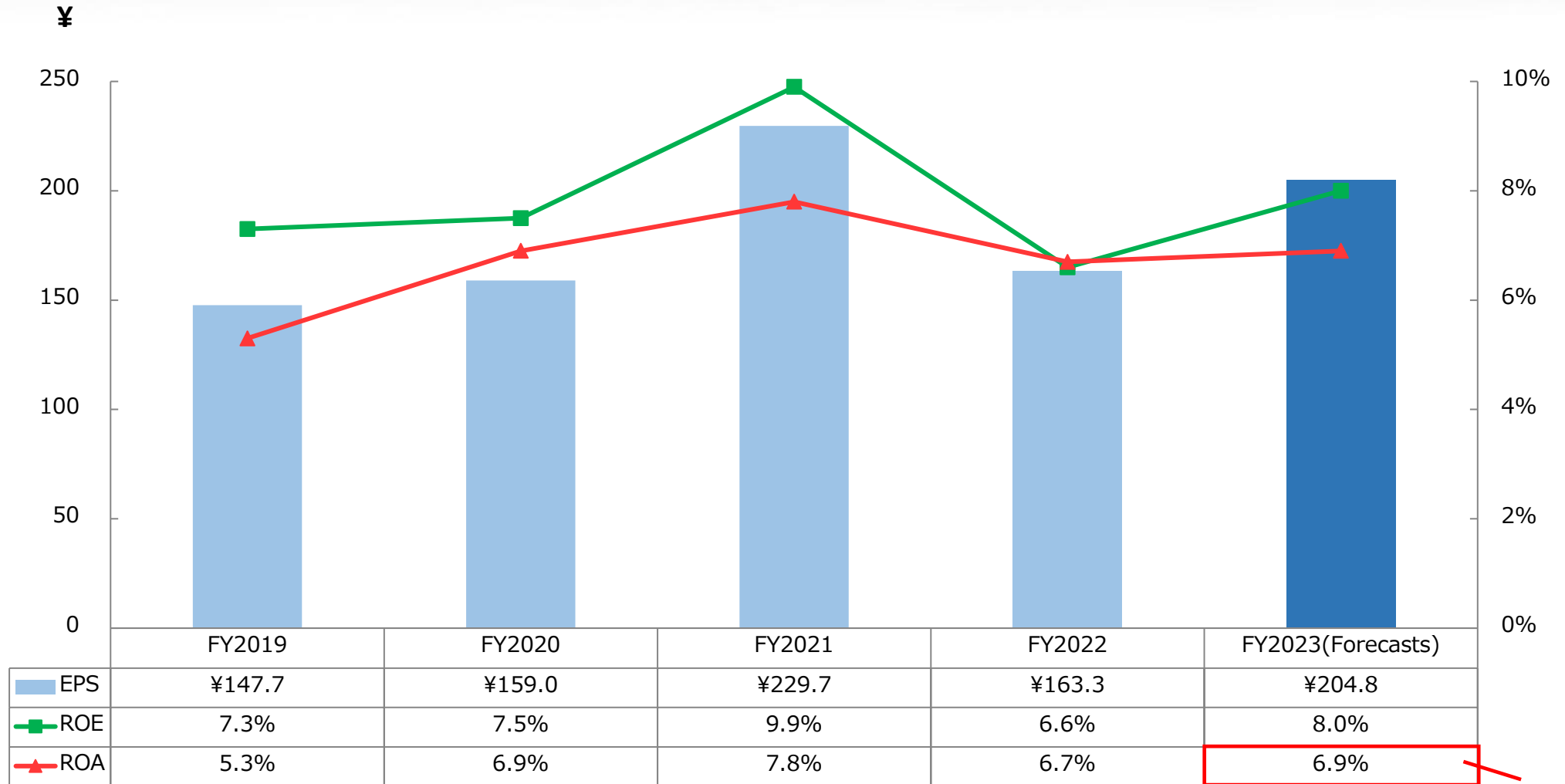
1. Supplementary Data for the Consolidated Closing of Accounts

Unit: 100 million yen

	FY2022/1H from April 1 to September 30, 2022	FY2023/1H from April 1 to September 30, 2023
Cash flows from operating activities	132	266
Cash flows from investing activities	△ 125	△ 152
Cash flows from financing activities	△ 82	△ 113
Effect of exchange-rate changes on cash and cash equivalents	27	24
Net increase/decrease in cash and cash equivalents	△ 47	24
Increase in cash and cash equivalents from inclusion of subsidiaries in consolidation	827	795
Increase in cash and cash equivalents resulting from merger	-	0
Cash and cash equivalents at the end of period	780	820

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

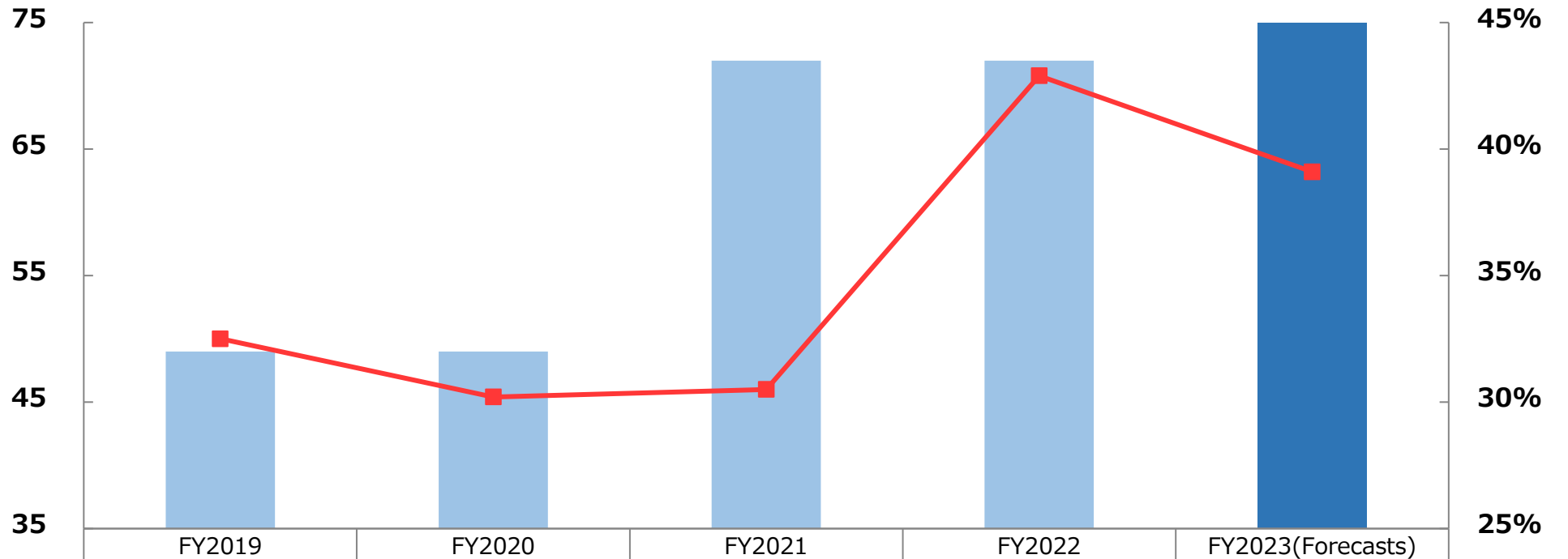
2 - 1 Profitability



Note : FY2021 are the figures after retrospective application of a change in accounting policy

Revised
(7.1% previously)

¥ 100 million

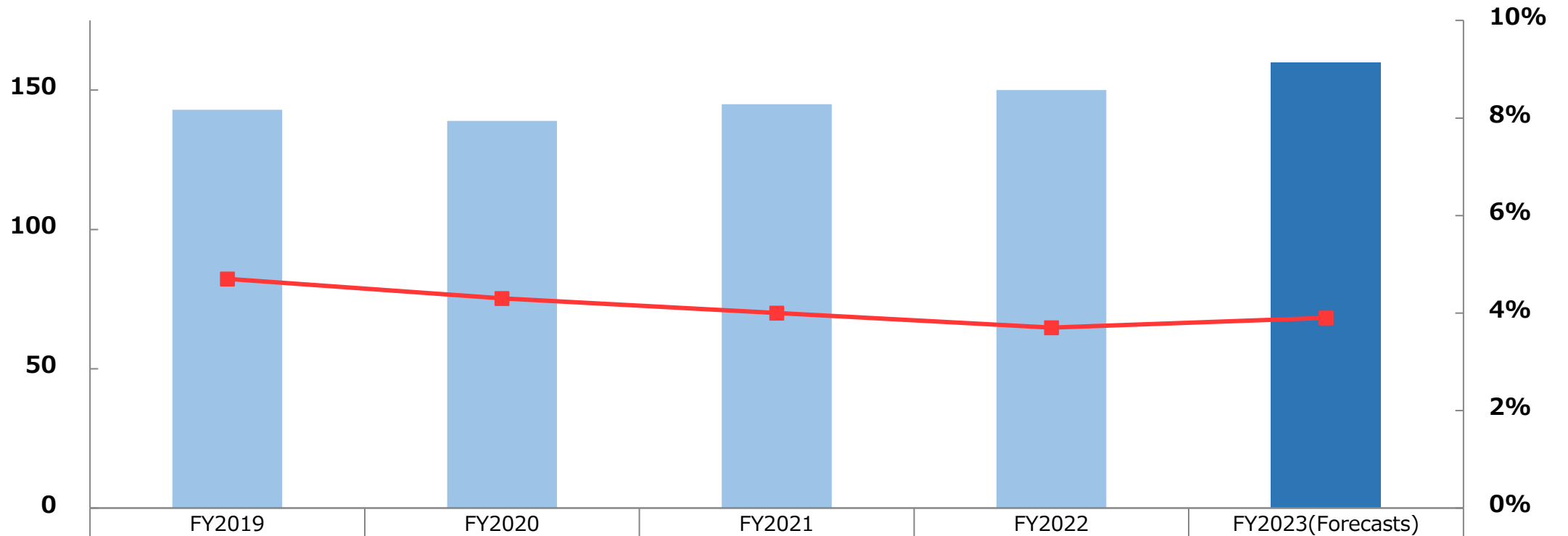


Dividend	¥48	¥48	¥70	¥70	¥80
Total Dividend	49	49	72	72	82
Rate of dividend payout	32.5%	30.2%	30.5%	42.9%	39.1%

Note 1 : Total Dividend are expressed in units of 100 million yen and have been rounded off.

Note 2 : Rate of dividend payout(FY2021) are the figures after retrospective application of a change in accounting policy.

¥ 100 million



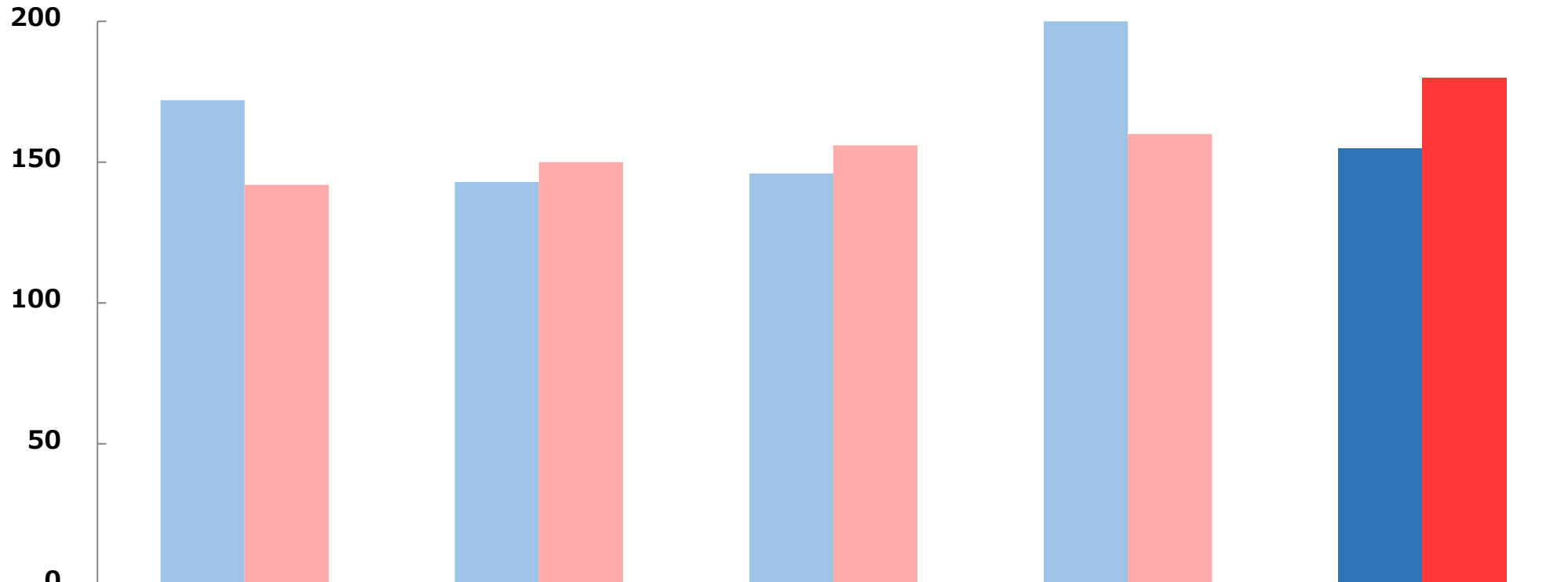
■ R&D costs	143	139	145	150	160
■ R&D costs to sales	4.7%	4.3%	4.0%	3.7%	3.9%

Note 1 : R&D costs are expressed in units of 100 million yen and have been rounded off.

Note 2 : Rate of R&D costs to sales (FY2021) are the figures after retrospective application of a change in accounting policy.

Revised
(3.8% previously)

¥ 100 million

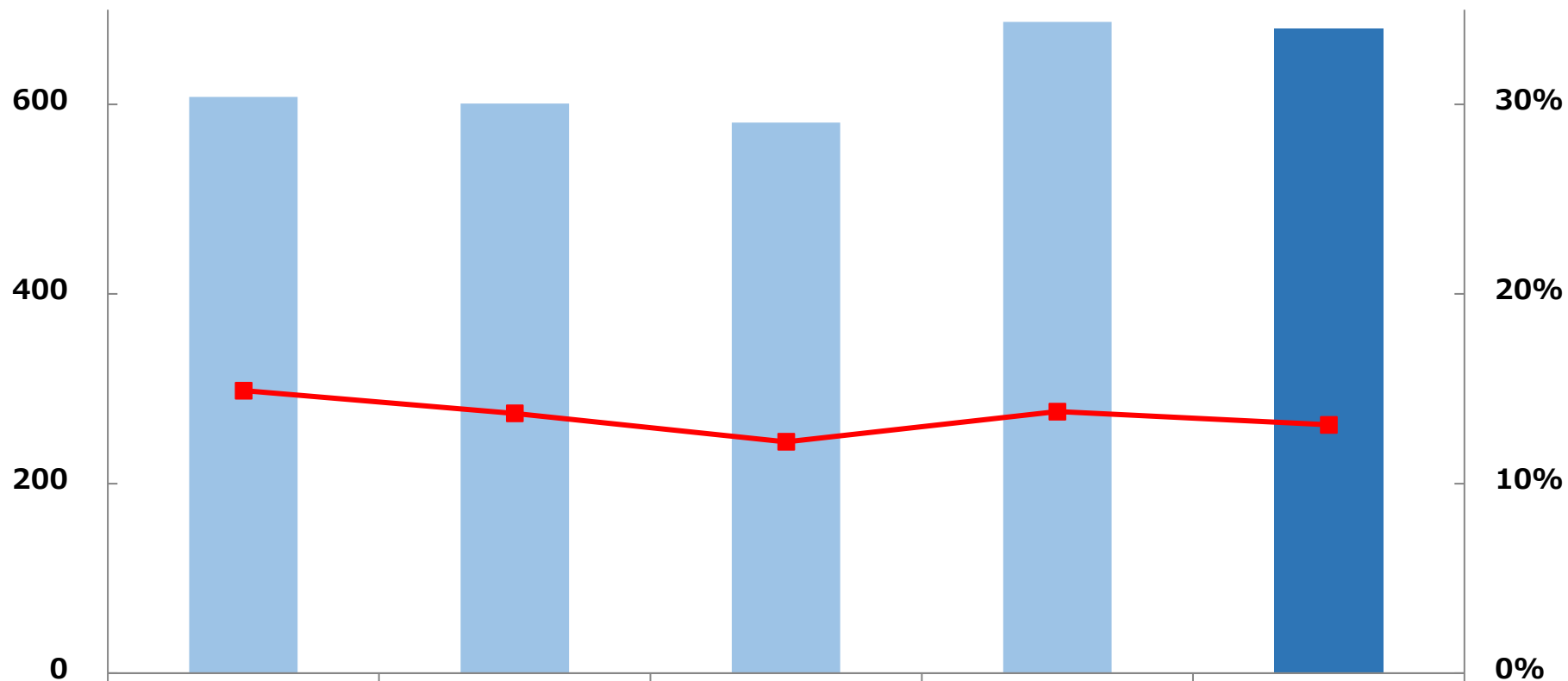


	FY2019	FY2020	FY2021	FY2022	FY2023(Forecasts)
Capital investment	172	143	146	204	155
Depreciation costs	142	150	156	160	180

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

2 - 5 Interest-bearing liabilities

¥ 100 million



Interest-bearing dept	608	601	581	687	680
Interest-bearing dept ratio	14.9%	13.7%	12.2%	13.8%	13.1%

Note : Liabilities with interest are expressed in units of 100 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				
	FY2022 1H	FY2023 1H	Amounts	Rate (%)
Sale	758	748	△ 9	△ 1.3
Operating profit	49	59	9	19.5
Current profit	127	154	26	20.8
Profit attributable to owners of parent	103	130	26	26.0
Net profit per share - yen/share -	100.5	127.5		

Domestic companies (11)				
	FY2022 1H	FY2023 1H	Amounts	Rate (%)
Sale	454	467	12	2.8
Operating profit	7	9	2	38.4

NIHON NOHYAKU (10)				
	FY2022 1H	FY2023 1H	Amounts	Rate (%)
Sale	431	406	△ 24	△ 5.9
Operating profit	30	11	△ 18	△ 61.2

Overseas companies (18)				
	FY2022 1H	FY2023 1H	Amounts	Rate (%)
Sale	1,043	878	△ 164	△ 15.8
Operating profit	72	70	△ 2	△ 2.9

Consolidation adjustment accounts (deleted)		
	FY2022 1H	FY2023 1H
Sale	△ 723	△ 625
Operating profit	△ 8	△ 3

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	100.00	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 – 23 overseas companies① -

3. For Reference

Country	Segment	Consolidated subsidiary	Capital	Controlling Share : %	Line of business
U.S.	Chemicals	ADEKA USA CORP.	US\$1 million	100.00	Sales of chemical products.
U.S.	Chemicals	AMFINE CHEMICAL CORP.	US\$16 million	60.00	Manufacturing and sales of polymer additives.
U.S.	Chemicals	AM STABILIZERS CORP.	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	100.00 (Indirect ownership: 100.00)	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.	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.	US\$21.54 million	50.00	Manufacturing and sales of polymer additives.
CHINA	Food products	ADEKA FOODS (CHANGSHU) CO., LTD.	US\$23 million	70.00	Manufacturing and sales of processed oils and fats, processed foods.
CHINA	Chemicals	ADEKA FINE CHEMICAL (ZHEJIANG) CO.,LTD.	US\$30 million	100.00 (Indirect ownership: 100.00)	Manufacture and sales of chemical products such as polymer additives.

3 - 3 Consolidated Subsidiaries – 23 overseas companies^② -

3. For Reference

Country	Segment	Consolidated subsidiary	Capital	Controlling Share : %	Line of business
TAIWAN	Chemicals	CHANG CHIANG CHEMICAL CO., LTD.	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
SOUTH KOREA	Chemicals	ADEKA KOREA CORP.	₩15 billion	100.00	Manufacturing and sale of chemical products.
THAILAND	Chemicals	ADEKA FINE CHEMICAL (THAILAND) CO.,LTD.	฿ 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	AED45.46 million	49.00	Manufacture and sales of polymer additives, Sales for Chemicals and Foods

3 - 4 Equity method - applicable companies -

3. For Reference

Segment	Equity method-applicable companies	Capital	Controlling Share : %	Line of business
JAPAN	CO-OP CLEAN CO., LTD.	¥80 million	46.88	Development and sales of soap, detergents and similar products.
JAPAN	SHOWA KOSAN CO.,LTD.	¥550 million	21.65	Sale of synthetic resins, chemical products, industrial materials, electronic materials and environmental concerns.
JAPAN	TAMA KAGAKU KOGYO CO., LTD.	¥126 million	31.07 (Indirect ownership: 31.07)	Production and sale of organic synthetic chemicals
U.K.	<u>INTERAGRO (UK) LIMITED and its three affiliates</u>	£33,037	100.00 (Indirect ownership: 100.00)	Production and sale of adjuvants and biostimulants
ITALY	SIPCAM EUROPE S.P.A.	€36.94 million	20.00 (Indirect ownership: 20.00)	Production and sales of agrochemicals in Europe
MALAYSIA	AGRICULTURAL CHEMICALS (MALAYSIA) SDN. BHD.	MYR2.05 million	24.18 (Indirect ownership: 24.18)	Production and sales of agrochemicals in Malaysia
VIETNAM	NICHINO VIETNAM CO.,LTD	VND22,680 million	100.00 (Indirect ownership: 100.00)	Production and sales of agrochemicals in Vietnam

Note : INTERAGRO (UK) LIMITED and its three affiliates have been included in the scope of the equity method from the 1st quarter of FY2023. In the capital column, only the capital of INTERAGRO (UK) LIMITED is listed.

3 - 5 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, Fats and oils for chocolate, frying and cooking fats and oils, Plant-based foods, Whipping cream, Kneading cream, Fillings, 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.	

Notice on Forecast Performance and Business Plans

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.