



Briefings on Financial Results

For the 1st Half of the fiscal year ended Mar. 31,2023

Nov. 25, 2022

【TSE 4401】





Financial Results Overview

FY2022 1st Half

Apr. 1, 2022 – Sep. 30, 2022

President and Chief Executive Officer

Hidetaka Shirozume

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 - Progress of MTMP ADX 2023
 - Capital Investment Plan
 - CSR Priority Domains “Human rights and human resources”
 - Overseas Sales

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 slide.

1. FY2022/1H Consolidated Results

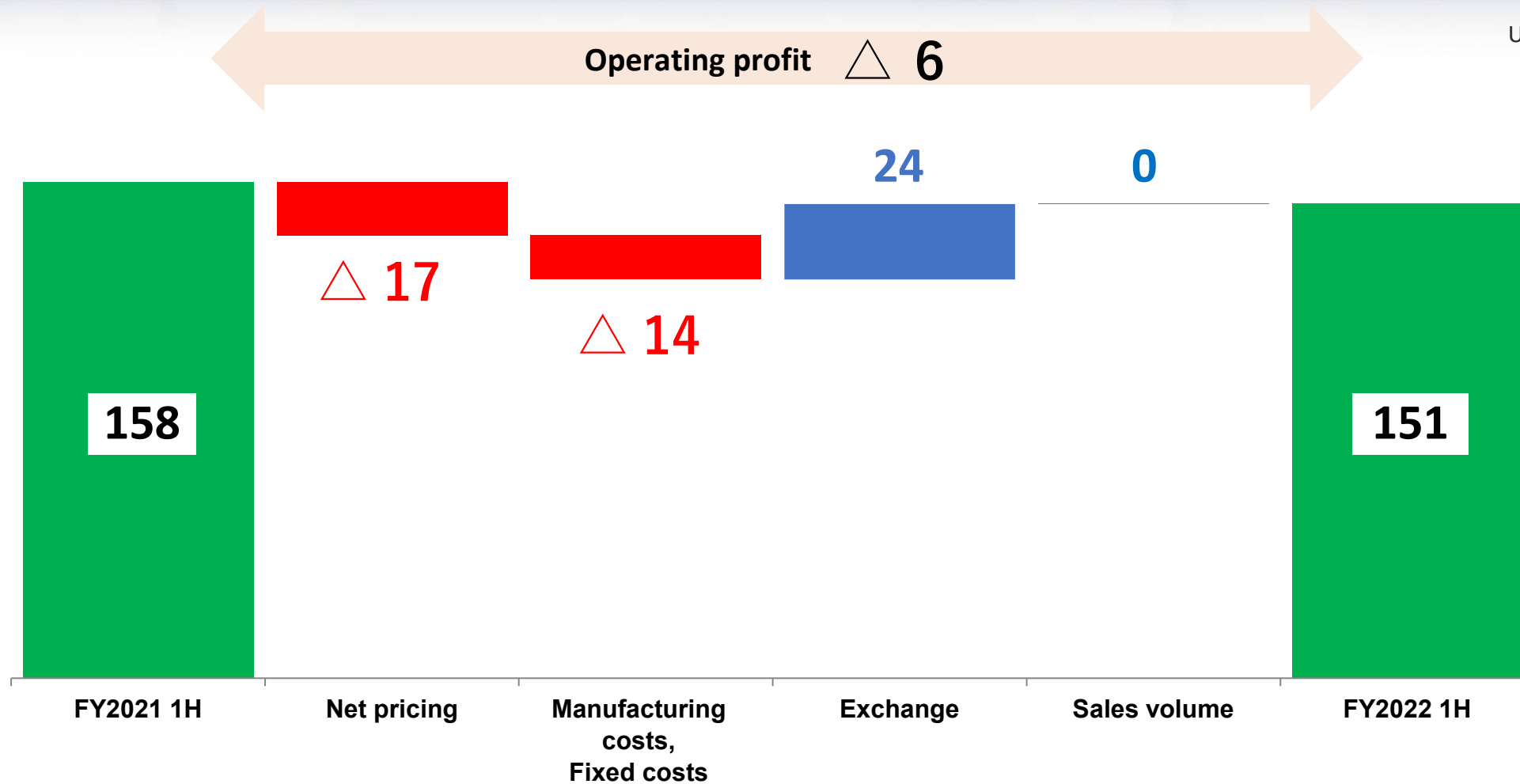
Unit: 100 million yen

	FY2021 1H	FY2022 1H	Change	Rate (%)
Net sales	1,679	1,964	285	17.0
Operating profit	158	151	△ 6	△ 4.4
Current profit	161	164	2	1.6
Profit attributable to owners of parent	106	99	△ 7	△ 6.7
Net profit per share (yen/share)	103.6	97.0	△ 6.6	

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

Note 2 : FY2021 1H are the figures after retrospective application of a change in accounting policy.

Unit: 100 million yen

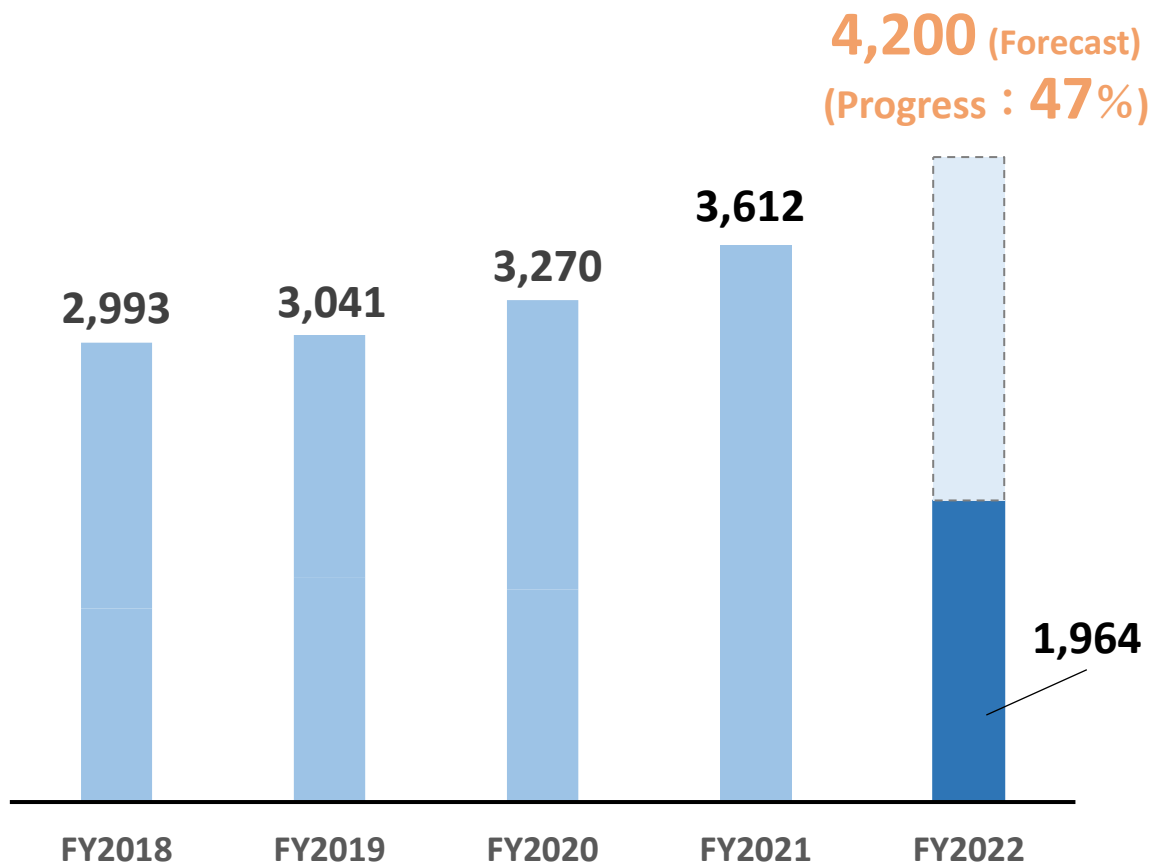


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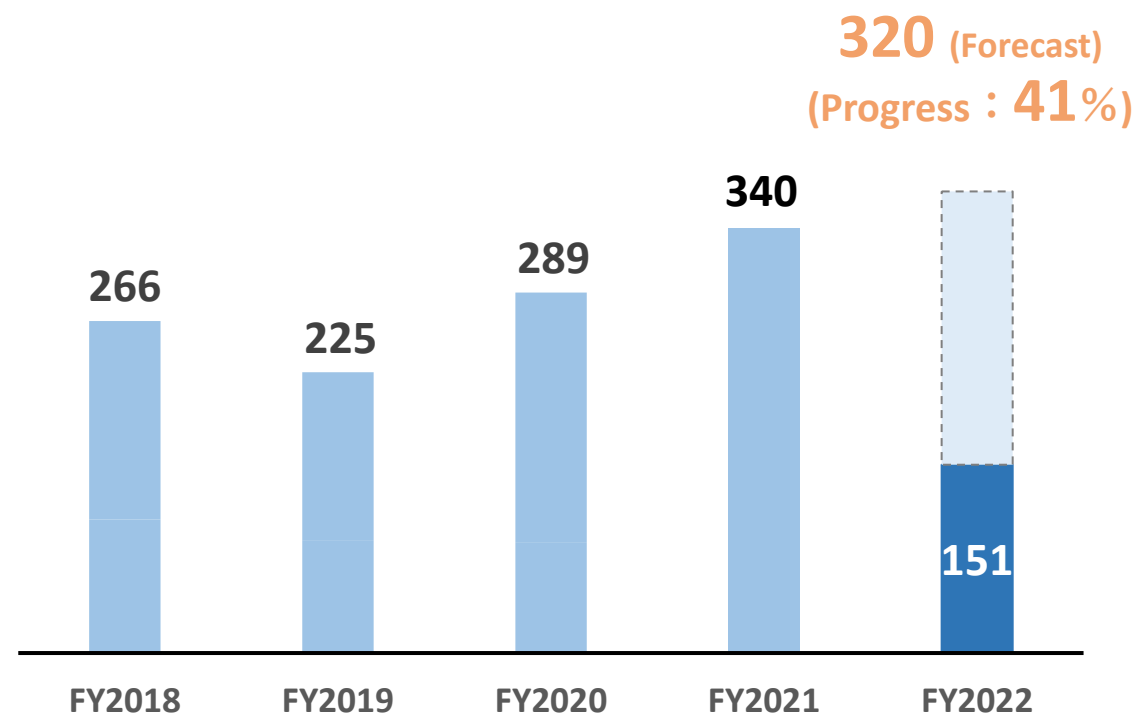
Note 2 : FY2021 1H are the figures after retrospective application of a change in accounting policy.

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.

Unit: 100 million yen

	FY2021 1H	FY2022 1H	Change	Rate (%)
Sales	1,679	1,964	285	17.0
Chemicals	963	1,098	135	14.0
<i>Polymer Additives</i>	<i>510</i>	<i>594</i>	<i>83</i>	<i>16.4</i>
<i>Electronics and IT materials</i>	<i>179</i>	<i>179</i>	<i>0</i>	<i>0.1</i>
<i>Functional chemicals</i>	<i>273</i>	<i>325</i>	<i>51</i>	<i>18.8</i>
Food products	359	398	38	10.8
Life Science	314	431	116	37.1
Other	41	35	△ 5	△ 14.0
Operating profit	158	151	△ 6	△ 4.4
Chemicals	142	139	△ 2	△ 1.8
<i>Polymer Additives</i>	<i>50</i>	<i>53</i>	<i>3</i>	<i>7.1</i>
<i>Electronics and IT materials</i>	<i>56</i>	<i>52</i>	△ 4	△ 7.4
<i>Functional chemicals</i>	<i>35</i>	<i>33</i>	△ 1	△ 5.5
Food products	1	▲ 18	△ 20	-
Life Science	9	25	15	163.4
Other	4	4	0	6.2

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

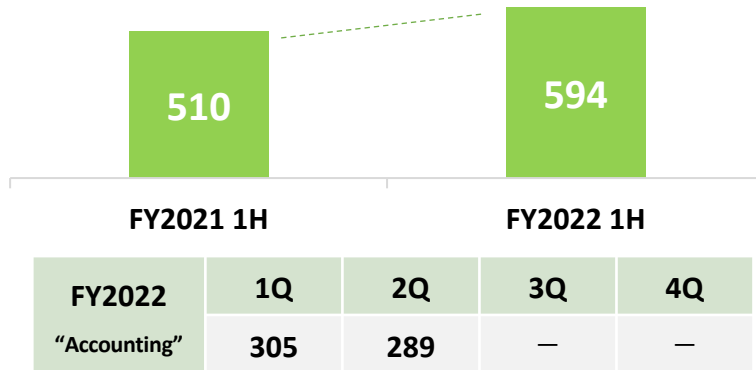
Note 2 : FY2021 1H are the figures after retrospective application of a change in accounting policy.

Chemicals “Polymer additives”

◆ Sales

Unit: 100 million yen

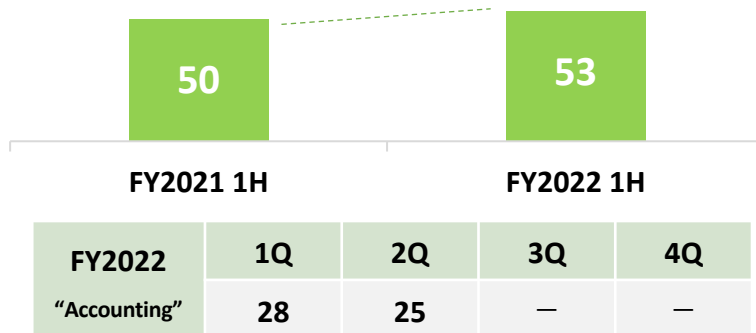
16.4%



◆ Operating profit

Unit: 100 million yen

7.1%



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

Main factor (YoY)

- Sales increased due to sales price revisions and exchange rates, despite a decrease in the sales volume of items for automobiles.
- Expansion of sales of environmentally friendly heavy metal-free stabilizers owing to a tightening of environmental regulations in SOUTHEAST ASIA.

◆ All plastic products

strong

One-pack granule additive

◆ Building material

strong

PVC Stabilizers, Heavy-metal-free stabilizers

◆ Food packaging, Medical use

strong

Clarifying Agents

◆ Automobile

growth

Nucleating Agents, Plasticizers for Rubbers

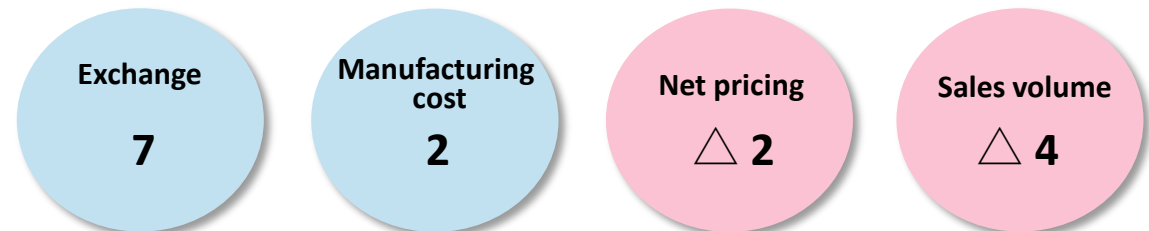
◆ Home appliances frame

weak

Flame retardants for Engineering plastics

Main factor (YoY)

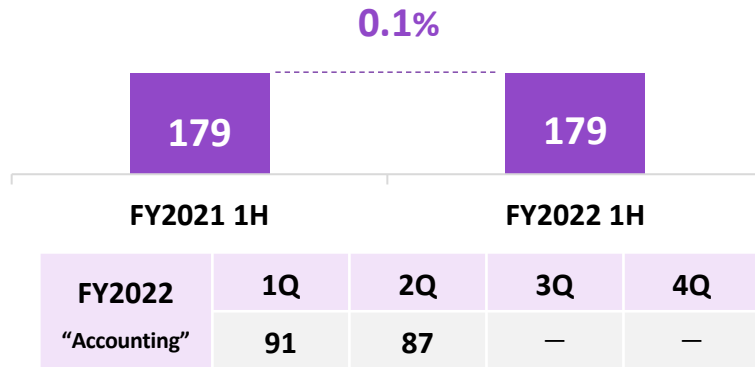
Unit: 100 million yen



Chemicals “Electronics and IT materials”

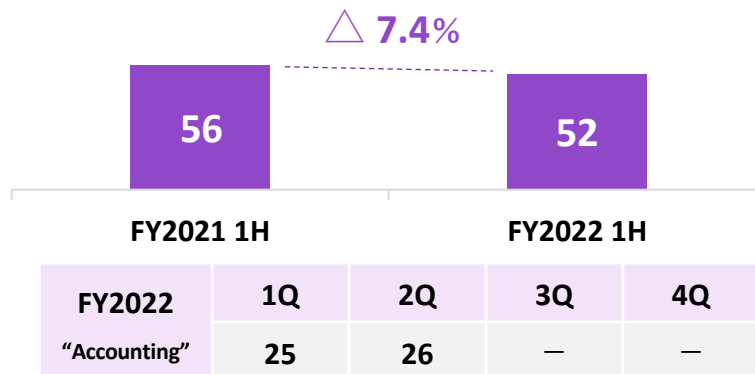
◆ Sales

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 of high-k materials for cutting-edge semiconductors, among other items, grew against the background of accelerating digitalization.
- Sales of display-related materials decreased significantly because of the impact of production adjustments implemented by panel manufacturers.

◆ Semiconductor

strong

New products for advanced DRAM (High-k materials)

steady

Products for NAND

Photoacid generator used for semiconductor lithography

◆ Display

weak

Photo(Light) Curing Resins for Optical film

Photoinitiator for color filter

Black matrix resists and Etching materials for LCD panels

Main factor (YoY)

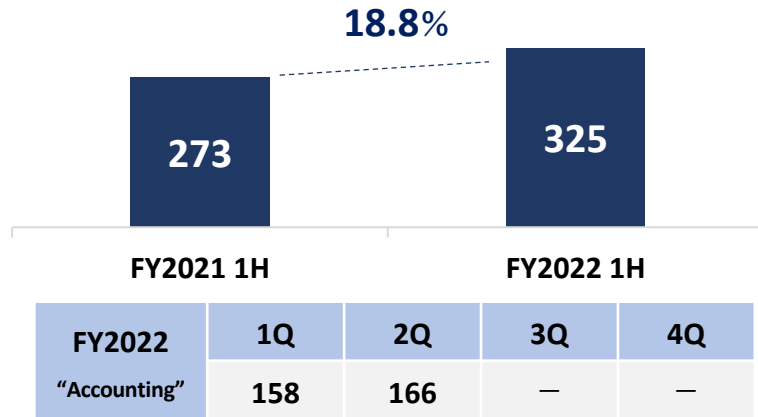
Unit: 100 million yen



Chemicals “Functional chemicals”

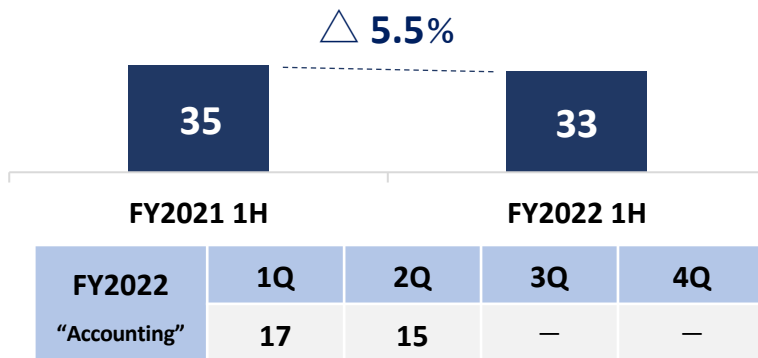
◆ Sales

Unit: 100 million yen



◆ Operating profit

Unit: 100 million yen



Main factor (YoY)

- Sales of lubricant additives for engine oils expanded mainly due to the adoption by new customers overseas.
- Sales of surfactants recovered, reflecting a pick-up in the cosmetics market in both JAPAN and overseas.

◆ Automobile

strong

Lubricant additive for engine oil,
Special epoxy resins for structural bonding

◆ Building material

strong

Reactive emulsifier for paint

◆ Cosmetics

steady

Surfactants

◆ Chemicals for general industrial use

steady

Polypropylene glycol, peroxide products

Main factor (YoY)

Unit: 100 million yen

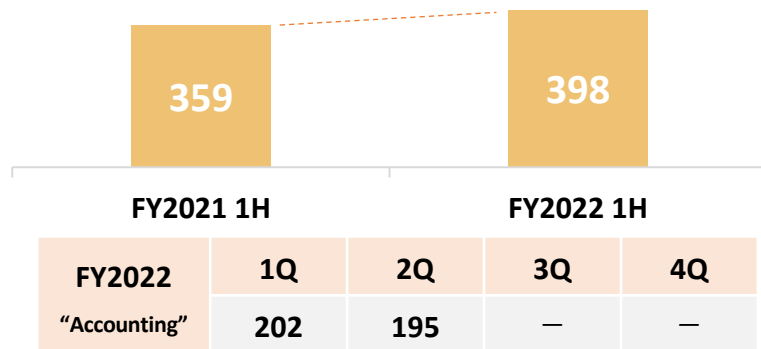


Note : Figures are expressed in units of 100 million yen and have been rounded off.

◆ Sales

10.8%

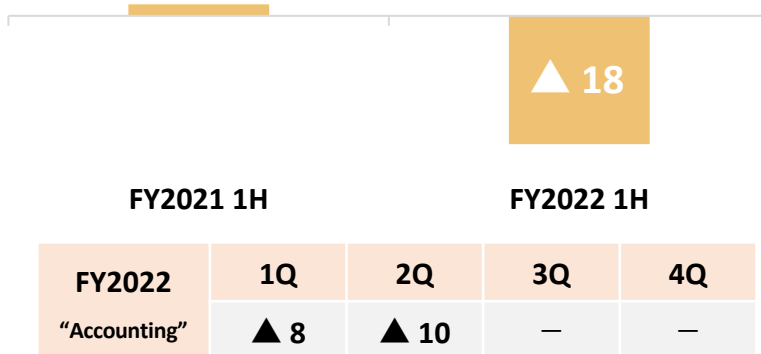
Unit: 100 million yen



◆ Operating profit

1

Unit: 100 million yen



Main factor (YoY)

- Demand of pastries and assorted sweets increased in JAPAN, although sales were affected by the lockdown in CHINA. Sales of margarines and shortening, among other food products, remained steady.
- Sales increased, reflecting the expansion of sales in Japan and the revision of prices that the Company started to implement in the previous year.

◆ Bread, confectionery

steady

Margarines, shortening, fillings

growth

Functional Margarine for kneading "Marvelous"

◆ souvenir confections

steady

Fillings

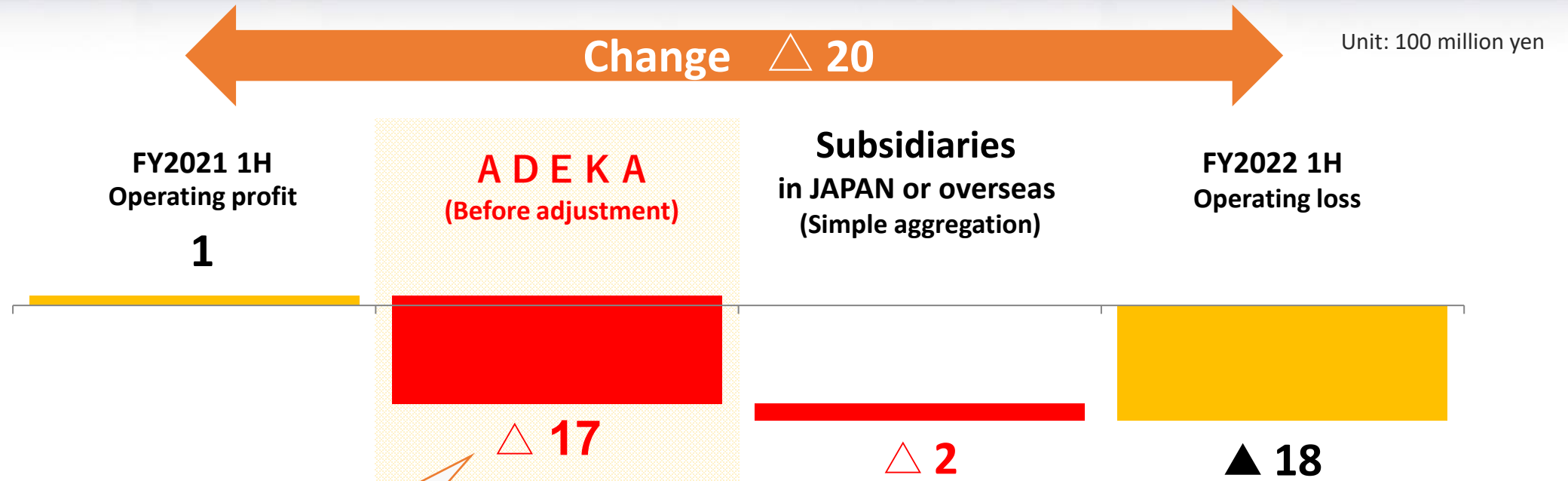
Main factor (YoY)

Unit: 100 million yen



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

Food Products “Analysis of Operating Profit”



Bread, confectionery, Western-style confectionery and desserts constitute main markets



Mainly related to import

- Raw material procurement
- The weakening of the yen has a negative impact.

(-) Purchase price of palm oil (Surging)

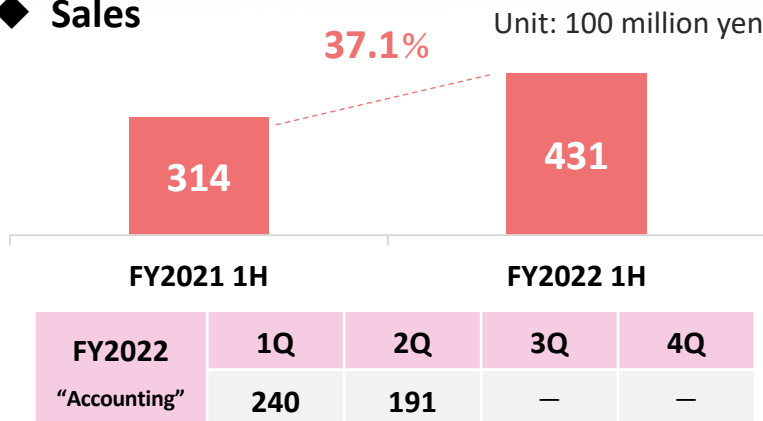
(-) Animal fats and oils (Surging)

(-) Processed foods

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

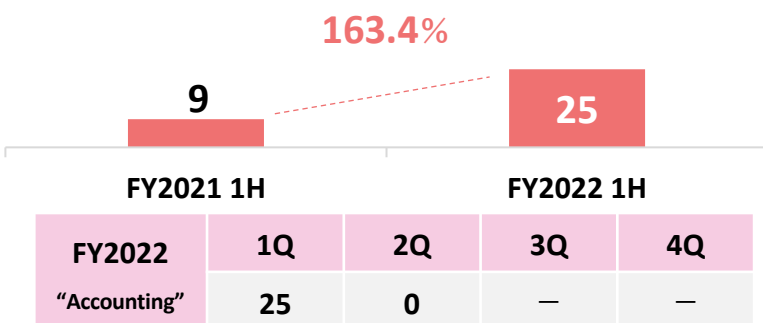
◆ Sales

Unit: 100 million yen



◆ Operating profit

Unit: 100 million yen



Main factor (YoY)

- Sales increased significantly but fell short of the initial results forecast due to the impact of bad weather in INDIA and NORTH AMERICA.
- Sales increased, reflecting the expansion of plant areas for major crops in BRAZIL, the world’s largest agrochemical market.
- Sales of fungicide for peanuts increased in NORTH AMERICA.

◆ Agrochemicals

strong

NORTH AMERICA Fungicides for peanuts

BRASIL Herbicides for sugar cane, etc.

EUROPE Herbicides

JAPAN Corteva’s products

(Concluded a sales agreement and commenced sales in October 2021)

◆ Pharmaceuticals, others

weak

Field of Nail Athlete's foot

Topical antifungal agent “Luliconazole”

Main factor (YoY)

Unit: 100 million yen



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

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2. FY2022 Consolidated Financial Forecasts

World economy

Concern of a recession is growing against the backdrop of the global energy crisis and prolonged inflation.

Segment	Market	Market trend		Impact on business
		FY2022		
		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)
	Electronic device			Electronics & IT materials (Semiconductor materials, Photoacid generator, Photo(Light) Curing Resins, Photoinitiator)
	Cosmetics			Functional chemicals (Cosmetic ingredients, Industrial agents)
	Hand wash, Disinfectant			Functional chemicals (Surfactants)
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)

Unit: 100 million yen

	FY2022			FY2021 Results	Change	
	1H result	2H forecast	Full Year forecast		Amounts	Rate (%)
Sales	1,964	2,235	4,200	3,612	587	16.3
Operating profit	151	218	370	340	29	8.7
Current profit	164	204	369	356	12	3.5
Profit attributable to owners of parent	99	120	220	236	△ 16	△ 7.1
Net profit per share - yen/share -	¥ 97.0	¥ 116.8	¥ 213.6	¥ 229.7	△ ¥ 16.1	
Dividend - yen/share -	¥ 35	¥ 35	¥ 70	¥ 70	-	

		FY2022/2H Assumption	FY2021 Results
Exchange rate	¥/\$	130.00	112.42
	¥/€	140.00	130.55
Naphtha	¥/KL	85,000	56,625

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

Revision of Consolidated Financial Forecasts by Segment

FY2022 Consolidated
Financial Forecasts

Unit: 100 million yen	FY2022			FY2021 Results (c)	Amounts (a)+(b)-(c)	Rate (%)	Ref. Previous forecast as of Aug. 2022		
	1H result (a)	2H forecast (b)	Full-year (a)+(b)				1H forecast	2H forecast	Full-year forecast
Sales	1,964	2,235	4,200	3,612	587	16.3	2,030	2,170	4,200
Chemicals	1,098	1,221	2,320	2,001	318	15.9	1,136	1,174	2,310
<i>Polymer Additives</i>	594	635	1,230	1,068	161	15.1	610	625	1,235
<i>Electronics and IT materials</i>	179	220	400	364	35	9.7	190	240	430
<i>Functional chemicals</i>	325	364	690	567	122	21.5	336	309	645
Food products	398	421	820	733	86	11.8	394	436	830
Life Science	431	548	980	801	179	22.3	464	516	980
Other	35	44	80	76	3	4.2	36	44	80
Operating profit	151	218	370	340	29	8.7	156	214	370
Chemicals	139	158	298	293	4	1.5	129	161	290
<i>Polymer Additives</i>	53	49	103	108	△ 5	△ 4.9	46	47	94
<i>Electronics and IT materials</i>	52	73	126	119	6	5.9	52	77	130
<i>Functional chemicals</i>	33	35	69	66	2	4.4	30	36	66
Food products	▲ 18	3	▲ 15	▲ 6	△ 8	-	▲ 12	6	▲ 6
Life Science	25	55	81	48	32	68.7	39	42	81
Other	4	1	6	5	0	5.3	0	4	5

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

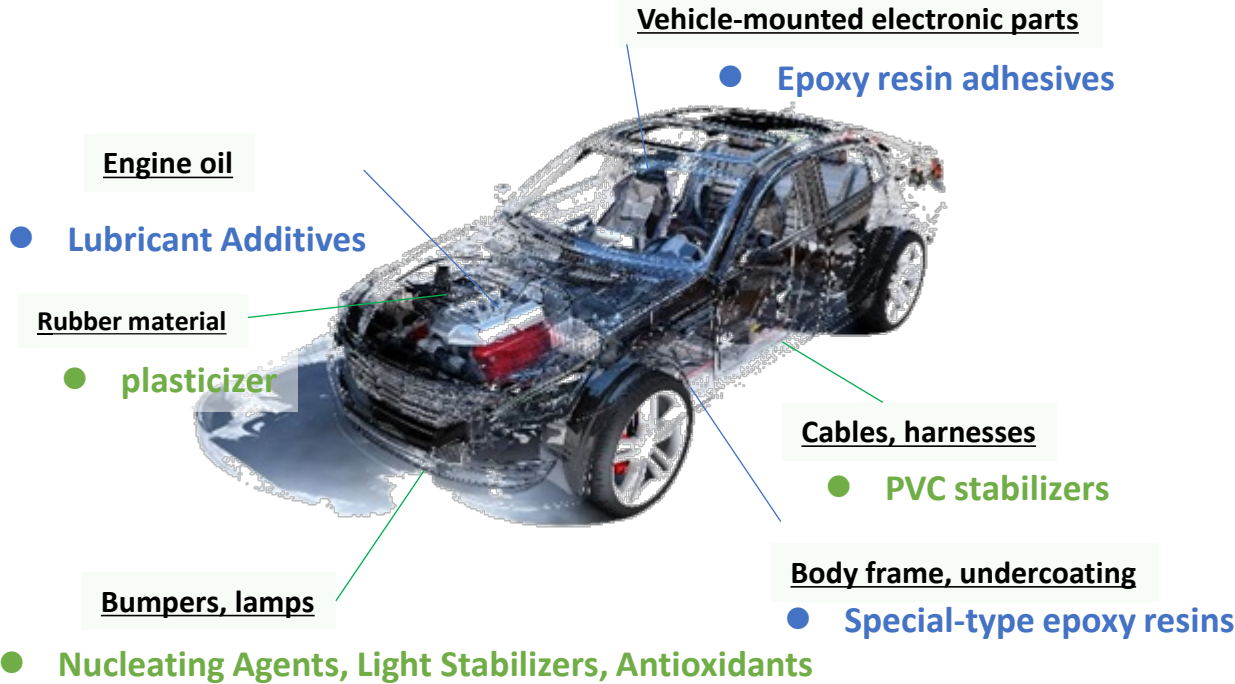
Note 2 : FY2021 are the figures after retrospective application of a change in accounting policy.

Automotive “Polymer Additives, Functional Chemicals”

Market Outlook

Auto production is expected to recover, mainly in overseas countries. However, there is rising concern over the prolongation of semiconductor and material shortages.

Main automobile-related products



Polymer additives

Efforts are being made to increase sales in CHINA where economic stimulus measures (the reduction of vehicle tax) are being implemented and NORTH AMERICA, where a production recovery is on track.



Nucleating Agents, Light Stabilizers

Functional chemicals

- ✓ Demand is growing due to the broader market adoption of the new GF-6 engine oil standard.
- ✓ Efforts are being made to accelerate the development of markets in emerging countries.



Lubricant Additives

U A E ADEKA AL OTAIBA MIDDLE EAST LLC

Enhancement of equipment for one-pack granule additives. (3rd line)

Commencement of commercial operation from Dec. 2022



One-pack granule additive

Antioxidants

Nucleating Agents

Clarifying Agents

UV Absorbers

⋮

Blending for deliveries in one pack (granulated) according to customers' applications



Prevention of blending errors and powder scattering

Customers

Plastic manufacturing

Polyolefin etc.

One-pack granule additive

Compound
~
Injection molding

Applications

All plastic products



Electronic Devices “Electronics and IT materials”

Display

While the production of panels is not likely to be adjusted any longer, the recovery is expected to be slower than initially expected.

Electronics and IT materials

- ✓ A decrease in demand due to the production adjustment of panels
 - Photo(Light) Curing Resins for Optical film
 - Photoinitiator for color filter
 - Black matrix resists & Etching materials for LCD panels
- ✓ Efforts will be made to develop markets for display-related materials in CHINA and TAIWAN and to expand sales of materials for OLED.

Semiconductor

While the adjustment phase continues for certain products (PCs, smartphones, etc.), demand for advanced semiconductors is expected to remain firm.

Electronics and IT materials

- ✓ Semiconductors miniaturization
+ Rise in the No. of manufacturing processes
 - High-k materials for advanced DRAM
- ✓ Expansion of EUV-related applications
 - Photoacid generator used for photoresist

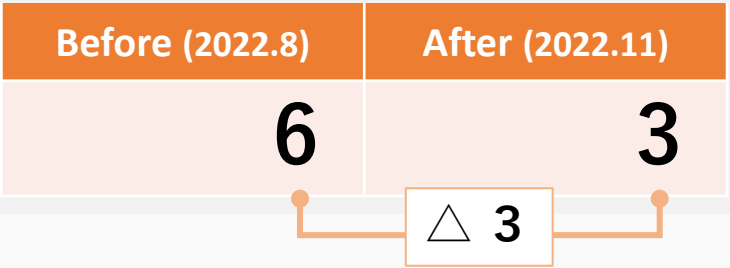


Foodstuffs, Groceries “Food products”

◆ Operating profit

Unit: 100 million yen

2H (forecast) has been reviewed.



External environment
Negative

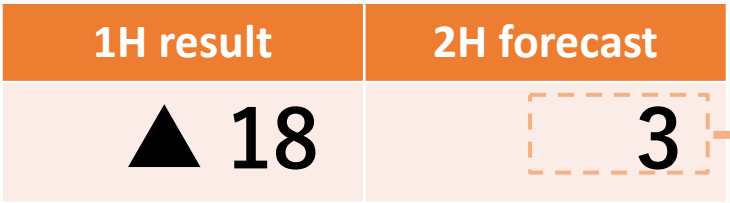
Sharp rises in service and raw material costs

Yen depreciation and inflation

Revisions have been made to the forecast based on the assumption that results for the 2H will be affected.

◆ Operating profit (loss)

The plan for restoring profitability in 2H will be continued.



Unit: 100 million yen

Breakdown
Sales volume*
2

Breakdown
Improved Manufacturing costs, Fixed costs and net pricing
1

Existing target markets

Bread, confectionery, Western-style confectionery and desserts

Expansion of domain

○ Souvenir confections
○ Fillings

○ Plant-Based Foods
○ The Deli-PLANTS series

Cost reductions

Increase of raw material procurement sources, review of unprofitable processes, etc.

Rationalization of sales prices

Revision of prices to cover sharp rises in service and raw material costs

Reclassification of items for food loss reductions

Approximately 1,000 items will be classified into 600 items. (Mar. 2023)

By Dec. 31, 2022 (plan)

Classification into approximately 800 items

Enhancement of production capacity through the reclassification of items

Expansion of sales of items that make environmental contributions
The Marvelous series, etc.

* Expand sales of strategic items and new items launched in FY2022.

Topics “Development of the plant-based food *The Deli Plants series*”



Provision of sustainable food

Food crisis

Environment

Health

The global population and starving population are on an increasing trend.

↕ Issues that may occur

Lack of supply



Animal ingredients

cow's milk, cream, cheese, butter, beef tallow, etc.

A D E K A

Make delicious plant-based food* the norm

Delicious and Easy to use

The Deli-PLANTS series

*Products that do not directly contain animal ingredients into raw materials and food additives

Overseas

Accelerate launches in CHINA, SOUTHEAST ASIA, EUROPE and the U.S.

CHINA, SOUTHEAST ASIA (INDONESIA, etc.)

Promote sales mainly through overseas sales bases*

* CHINA, SINGAPORE, MALAYSIA

EUROPE, NORTH AMERICA

Commence market development in Europe

JAPAN

Market development in new fields

- Hotel
- Dining facilities, Restaurant
- High-end supermarkets
- Distribution-related etc.

□ Focus Measures

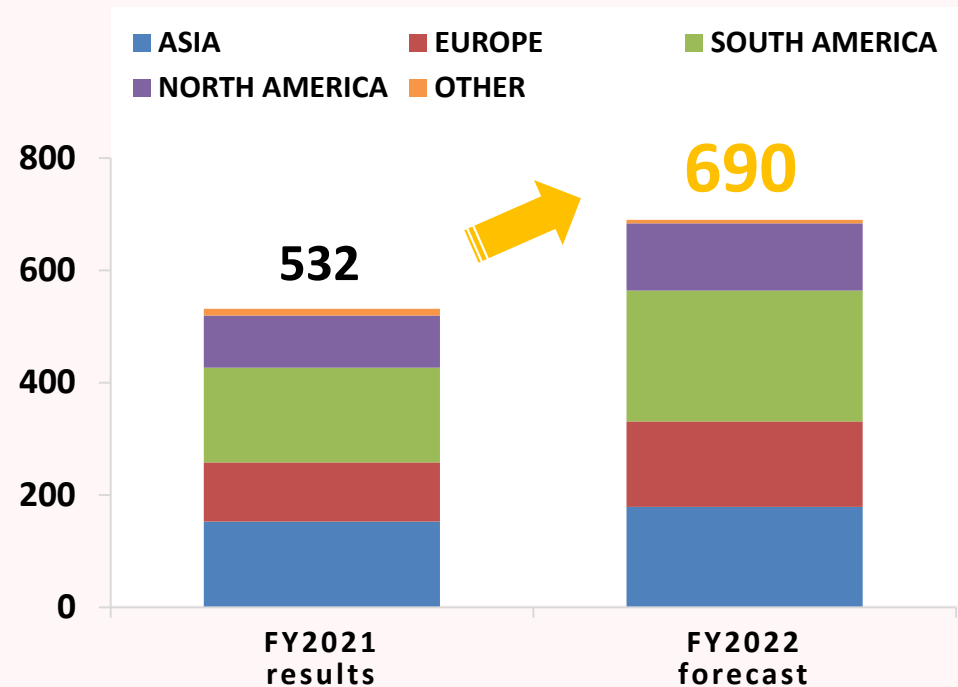
- ✓ High ends-oriented approach with an eye on demand from inbound tourism and a weak yen.
- ✓ Food for restaurants in response to demand for sustainable accommodation and food diversity.

Agrochemicals

Aim to expand sales with a focus on overseas markets

Unit: 100 million yen

Overseas sales



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



Sales for the sterilization of peanuts

Continue to increase

Fungicide



Flutolanil

Soybeans and corn

Increased plant areas

Insecticide



Flubendiamide
Tolfenpyrad

A sufficient amount of rainfall despite the delayed start of the monsoon

Successful planting in the dry season is expected.

Insecticides for paddy rice



Benzpyrimoxan

A multi-purpose plant that produces multiple active ingredients is under construction.

Scheduled for completion in FY2022

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3. For Reference

Progress of Medium-Term Management Plan ADX 2023

		FY2021 result <small>1st year of ADX 2023</small>	FY2022 forecast <small>2nd year of ADX 2023</small>	FY2023 target <small>Final-year of ADX 2023</small>
Financial Indicators	Operating profit	34.0 billion yen	37.0 billion yen	42 billion yen
	R O E	9.9%	8.8%	9%
Capital investment		14.6 billion yen/Year	16.0 billion yen/Year	50 billion yen/3 years
Dividend Payout Ratio		30.5%	30% or higher	30% or higher

Annual dividend forecast	70 yen/share	70 yen/share	Interim dividend 35 yen/share <small>As originally planned</small>
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Capital Investment Plan

Polymer additives

UAE

Enhancement of equipment for one-pack granule additives.

Scheduled to start commercial operation in Dec. 2022

Electronics and IT materials

TAIWAN

Build a new plant for cutting-edge logic semiconductor materials.

Scheduled to start commercial operation in Apr. 2024

Electronics and IT materials

KOREA

Enhancement of equipment for High dielectric materials for advanced semiconductor memories.

Scheduled to start commercial operation in FY2024

Capital Investments

Plan **50.0** billion yen (3-year total)

(billion yen)

Investment base

FY2022 plan

50.0

16.0

14.6

3-year total (ADX 2023 Plan)

Results & plan (FY2021 / 2022)

Life Science

INDIA

Reinforce facilities for wet-paddy insecticides.

Scheduled for completion in FY2022

JAPAN

Electronics and IT materials Chiba Plant

Invest in increased production of photoacid generators for advanced photo resists and other peripheral semiconductor materials.

Scheduled to start commercial operation in FY2023

Functional chemicals Mie Plant

Reinforce facilities for epoxy resin adhesives.

Scheduled to start commercial operation in FY2023

CSR Priority Domains “Human rights and human resources”

CSR Priority Issues

Expand opportunities for utilizing human resources

Promote Diversity and Inclusion (D&I)

2030
KPI

- Human Resource Portfolio
Female manager percentage of 10% (non-consolidated), etc.
- Increase employee satisfaction, D&I-related educational training, etc.

Promote Health Management

2030
KPI

Obtain certification for Health & Productivity Management Outstanding Organization (White 500)

Jun. 2022

The D&I Project Team was set up under the CSR Committee (Chairperson: President)

Sep. 2022

The Health and Productivity Management Strategy Map was prepared and announced.

present state analysis

Nine measures were formulated and launched.

- ◆ Communication of message from the top management
- ◆ Career development
- ◆ Diversity training
- ◆ Review of personnel evaluation items, etc.

Health investment

- ◆ Provision of health seminars
- ◆ Reduction of total working hours (Establishment of systems)
- ◆ Mental health training

Management through indicators

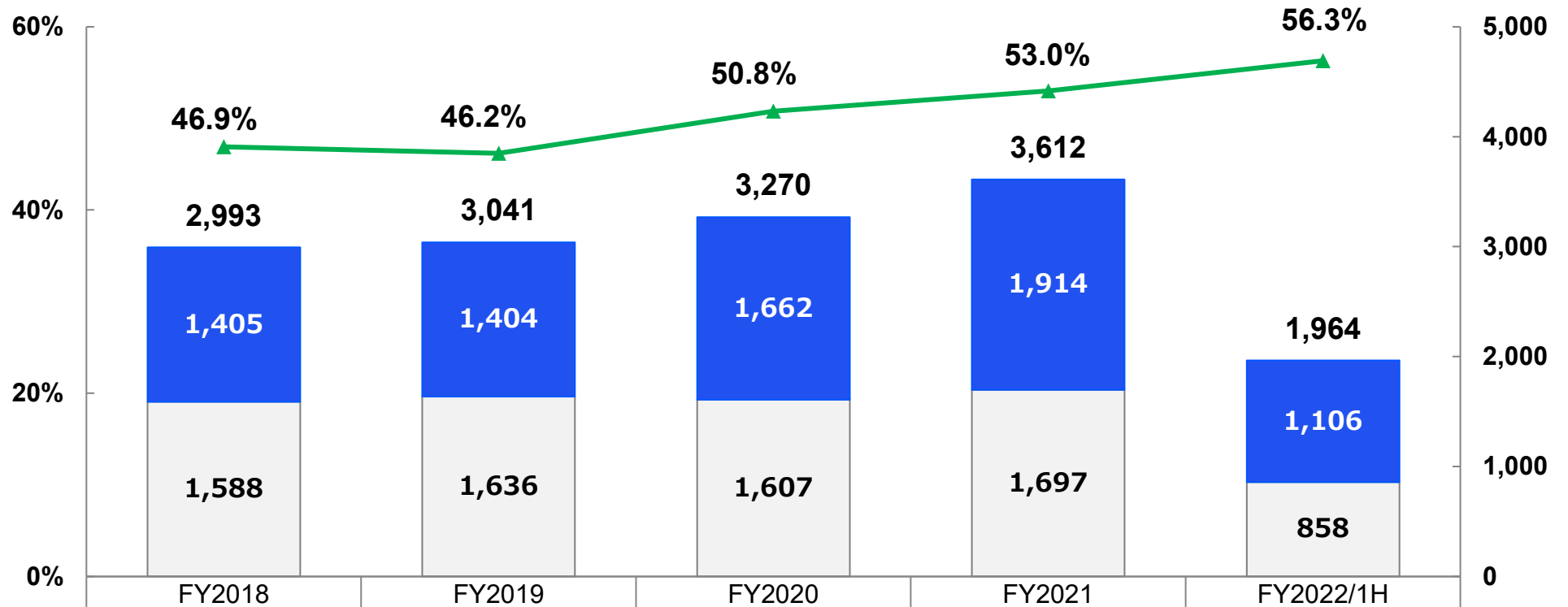
Maintenance and improvement of employees' health

Improvement of a workplace environment (with a focus on safety and activeness)

Productivity improvement (constant performance)

For reference | Overseas Sales

Unit: 100 million yen



Overseas sales	1,405	1,404	1,662	1,914	1,106
Domestics sales	1,588	1,636	1,607	1,697	858
Overseas sales ratio	46.9%	46.2%	50.8%	53.0%	56.3%
sales	2,993	3,041	3,270	3,612	1,964

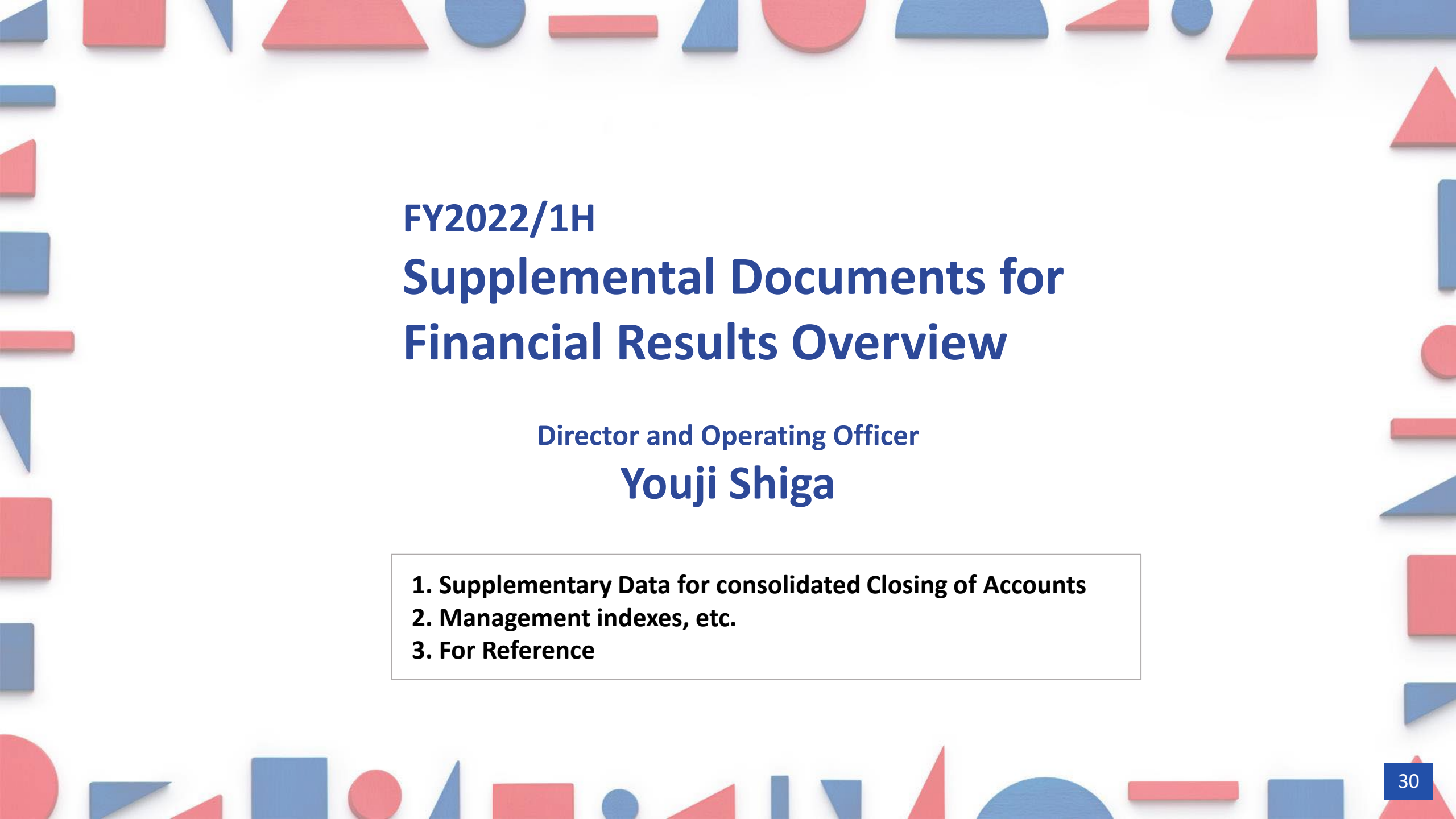
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The logo features a stylized letter 'A' on the left, composed of a red upper half and a blue lower half. To the right of the 'A' is the word 'DEKA' in a bold, red, italicized sans-serif font. The entire logo is centered horizontally.

ADEKA

Add Goodness



FY2022/1H 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. 31,2022	As of Sep. 31,2022	Change		As of Mar. 31,2022	As of Sep. 31,2022	Change
Current assets	2,938	3,082	143	liabilities	1,784	1,841	57
Cash and deposits	842	804	△ 38	Current liabilities	1,148	1,256	108
Notes and accounts receivable – trade, etc.	1,004	910	△ 93	Long-term liabilities	635	584	△ 50
Inventories	960	1,186	225	Net assets	2,968	3,086	117
Other	130	180	49	Shareholders' equity	2,300	2,345	45
Fixed assets	1,814	1,845	30	Capital stock	230	230	–
Tangible fixed assets	1,193	1,206	13	Capital surplus	201	201	△ 0
Intangible fixed assets	168	180	12	Retained earnings	1,880	1,937	56
Investment and other assets	452	458	5	Treasury stock	△ 12	△ 23	△ 10
				Accumulated other comprehensive income	199	243	44
				Minority interests	469	496	27
Total assets	4,753	4,927	174	Total liabilities and net assets	4,753	4,927	174

Note 1 : Figures are expressed in units of 100 million yen and have been rounded off. Note 2 :The figures (as of March 31, 2022) are after retrospective application of a change in accounting policy.

1 - 2 Cash Flow Statement

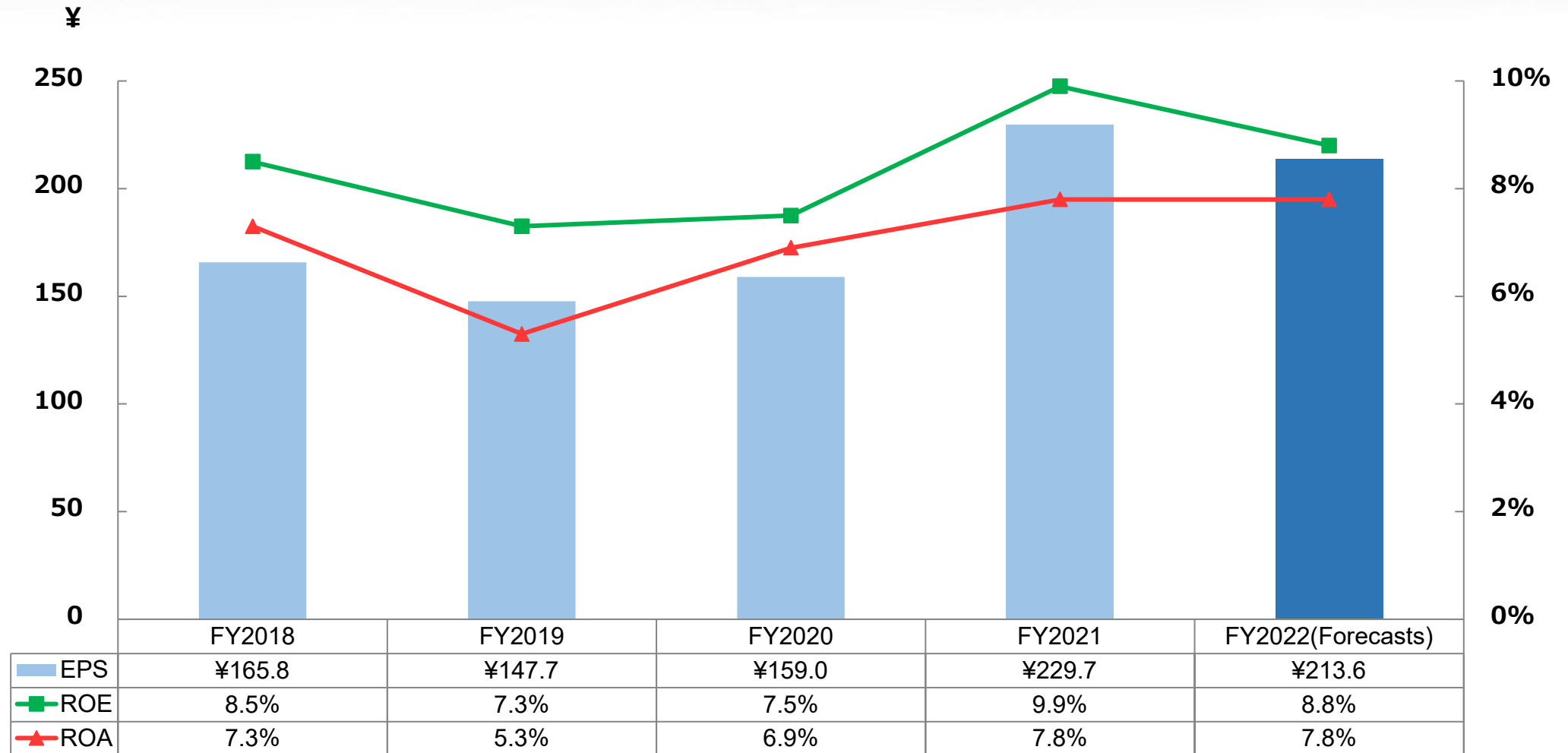
1. Supplementary Data for the Consolidated Closing of Accounts

Unit: 100 million yen

	FY2021/1H from April 1 to September 30, 2021	FY2022/1H from April 1 to September 30, 2022
Cash flows from operating activities	215	132
Cash flows from investing activities	△ 54	△ 125
Cash flows from financing activities	△ 130	△ 82
Effect of exchange-rate changes on cash and cash equivalents	5	27
Net increase/decrease in cash and cash equivalents	36	△ 47
Increase in cash and cash equivalents from inclusion of subsidiaries in consolidation	821	827
Cash and cash equivalents at the end of period	857	780

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

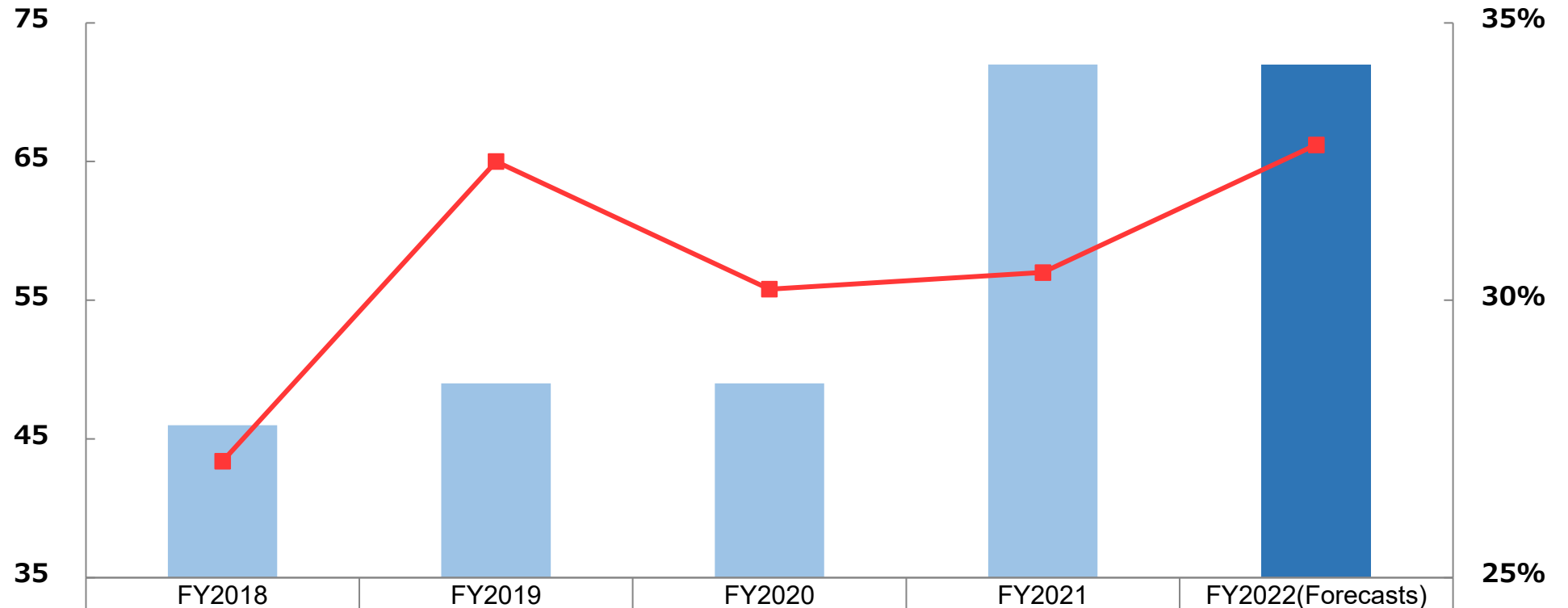
2 - 1 Profitability



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

2 - 2 Dividend payout ratio and dividends

¥ 100 million yen

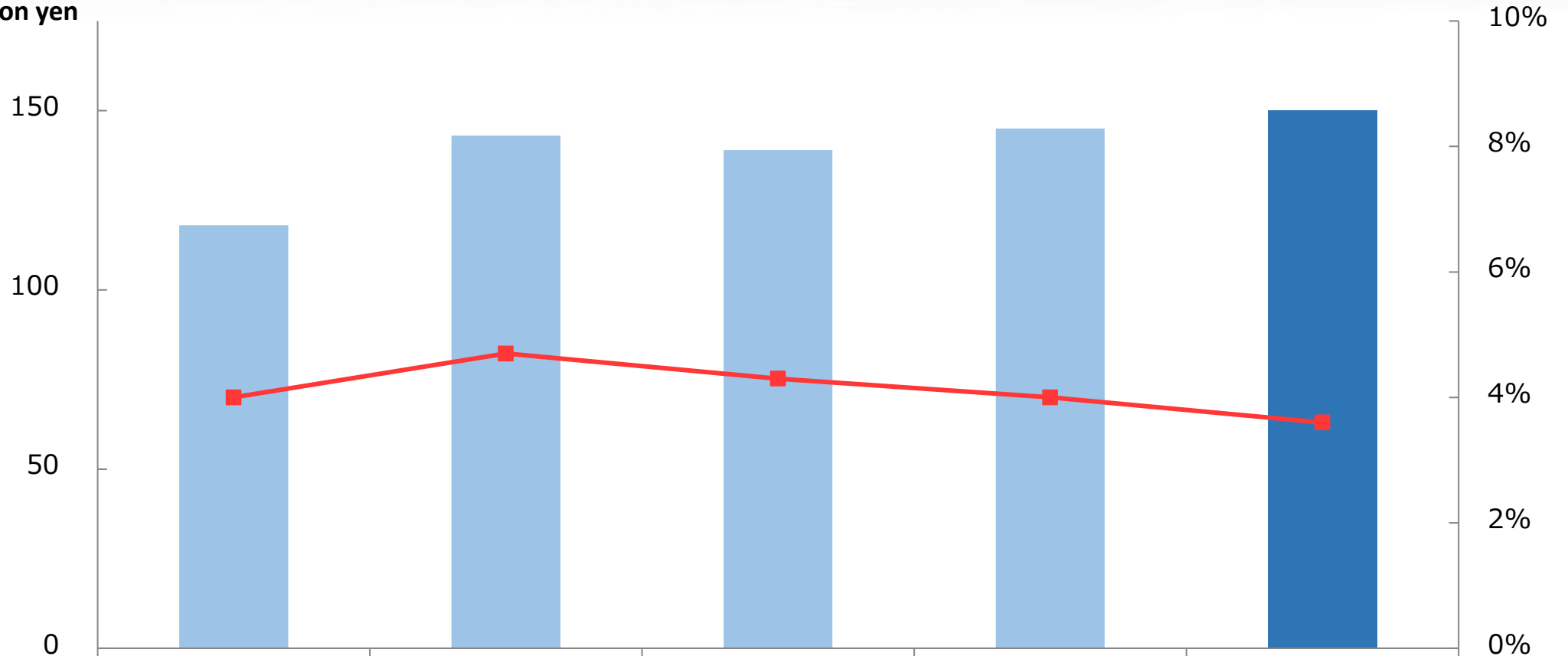


	FY2018	FY2019	FY2020	FY2021	FY2022(Forecasts)
Dividend	¥45	¥48	¥48	¥70	¥70
Total Dividend	46	49	49	72	72
Dividend payout ratio	27.1%	32.5%	30.2%	30.5%	32.8%

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 yen

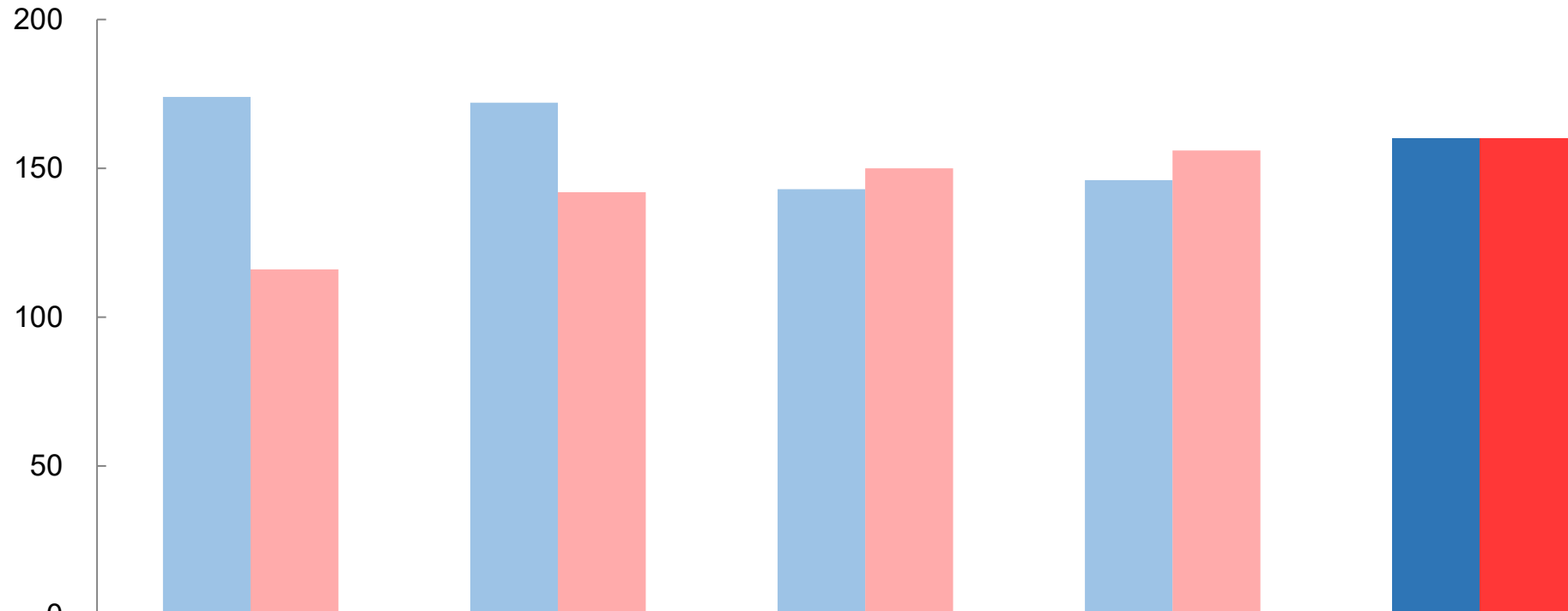


R&D costs	118	143	139	145	150
Rate of R&D costs to sales	4.0%	4.7%	4.3%	4.0%	3.6%

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

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

¥ 100 million yen

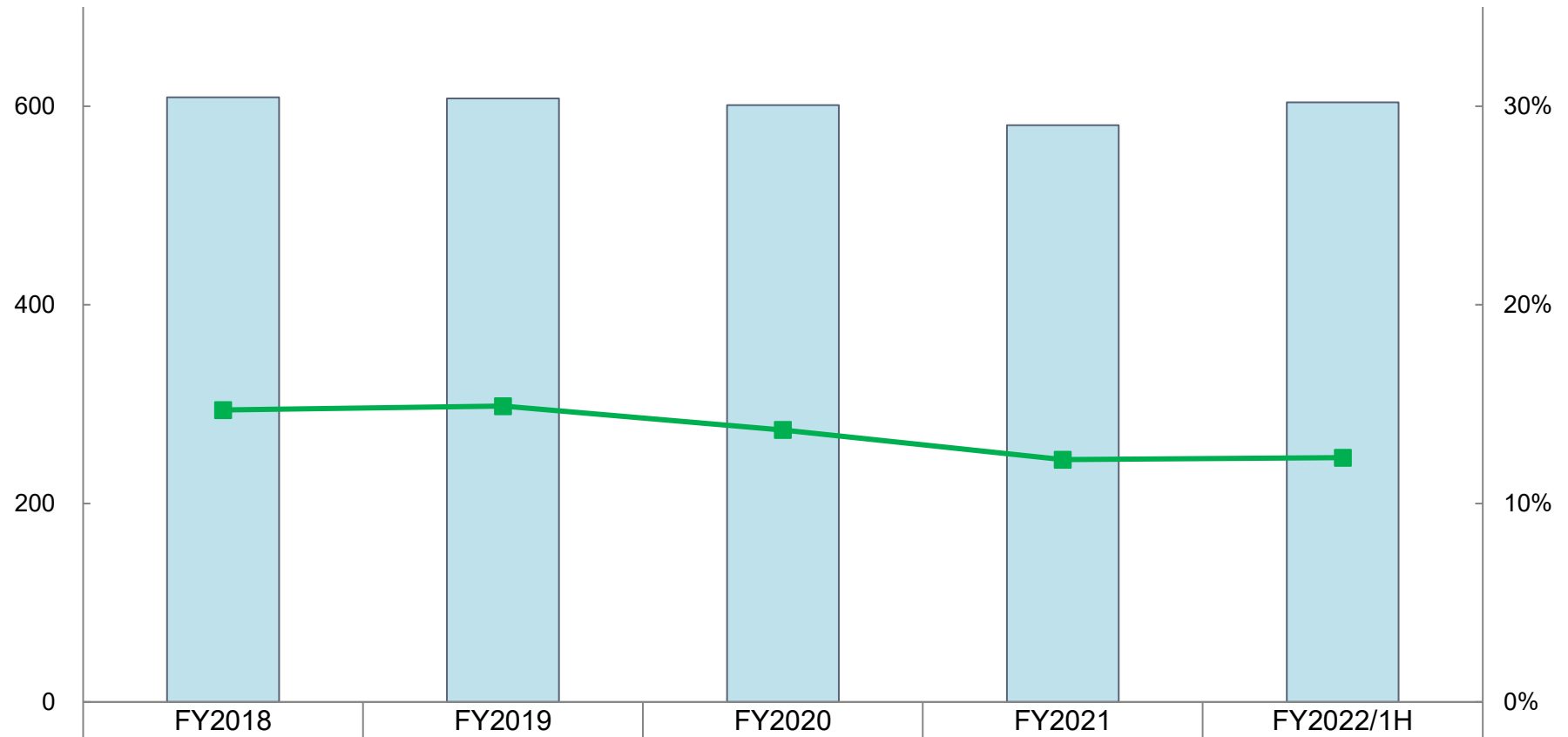


	FY2018	FY2019	FY2020	FY2021	FY2022(Forecasts)
Capital investment	174	172	143	146	160
Depreciation costs	116	142	150	156	160

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 yen



Interest-bearing dept	609	608	601	581	604
Interest-bearing dept ratio	14.7%	14.9%	13.7%	12.2%	12.3%

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				
	FY2021 1H	FY2022 1H	Amounts	Rate (%)
Sale	688	758	69	10.1
Operating profit	82	49	△ 33	△ 40.1
Current profit	130	127	△ 2	△ 2.1
Profit attributable to owners of parent	104	103	△ 0	△ 0.5
Net profit per share - yen/share -	100.7	100.5		

Domestic companies (11)				
	FY2021 1H	FY2022 1H	Amounts	Rate (%)
Sale	430	454	24	5.7
Operating profit	8	7	△ 1	△ 18.3

NIHON NOHYAKU (10)				
	FY2021 1H	FY2022 1H	Amounts	Rate (%)
Sale	314	431	116	37.1
Operating profit	14	30	15	109.8

Overseas companies (18)				
	FY2021 1H	FY2022 1H	Amounts	Rate (%)
Sale	892	1,043	151	17.0
Operating profit	61	72	11	18.7

Consolidation adjustment accounts (deleted)		
	FY2021 1H	FY2022 1H
Sale	△ 646	△ 723
Operating profit	△ 8	△ 8

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 – 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

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	21.65	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: 20.00)	Production and sales of agrochemicals in Europe
NICHINO VIETNAM CO.,LTD	VND22,680 million	100.00 (Indirect ownership: 100.00)	Production and sales of agrochemicals in Vietnam
TAMA KAGAKU KOGYO CO., LTD.	¥126 million	31.07 (Indirect ownership: 31.07)	Production and sale of organic synthetic chemicals

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, 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.	

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.