



**Nissan Chemical**  
CORPORATION  
WHERE IT ALL BEGINS

**February 10, 2023**

# Presentation for Investors

**3Q FY2022 (April 1- December 31, 2022) Financial Results**

Translation of presentation materials for the conference call held on February 10, 2023

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2022 JAPAN EXECUTIVE TEAM  
MOST HONORED COMPANY  
NISSAN CHEMICAL CORP.



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3Q vs. 3Q FY2021

- Sales up ¥0.2 billion (+0%)
- OP down ¥2.0 billion (-16%)
- Net Income down ¥2.2 billion (-24%)

1-3Q Total<sup>1</sup> vs. 1-3Q FY2021

- Sales up ¥17.9 billion (+13%)
- OP up ¥4.9 billion (+14%)
- Net Income up ¥5.2 billion (+20%)
- **OP, Ordinary Income and Net Income set a new record for 2 consecutive years**

3Q vs. 3Q Outlook  
as of Nov 2022

- Sales in line with target
- OP above target ¥0.7 billion
- Net Income in line with target

Shareholder Returns

- Dividend 1H ¥70/share (¥20/share up vs. 1H FY2021)
- Completed a ¥5.0 billion share repurchase program (period: May – June 2022, 683 thousand shares)

1. Hereinafter referred to as 1-3Q

# 3Q FY2022 Financial Summary YOY Change

(¥billion)

	FY2021 Actual			FY2022 Actual			YOY Change		
	1H	3Q	1-3Q	1H	3Q	1-3Q	1H	3Q	1-3Q
Sales	91.8	49.5	141.3	109.5	49.7	159.2	+17.7 (+19%)	+0.2 (0%)	+17.9 (+13%)
Operating Profit	21.3	12.6	33.9	28.2	10.6	38.8	+6.9 (+32%)	-2.0 (-16%)	+4.9 (+14%)
Non-Operating Income/Expenses	1.0	0.9	1.9	3.8	-1.3	2.5	+2.8	-2.2	+0.6
Ordinary Income	22.3	13.5	35.8	32.0	9.3	41.3	+9.7 (+44%)	-4.2 (-31%)	+5.5 (+16%)
Extraordinary Income/Loss	0.0	0.2	0.2	0.0	0.0	0.0	0.0	-0.2	-0.2
Net Income <sup>1</sup>	16.3	9.3	25.6	23.7	7.1	30.8	+7.4 (+45%)	-2.2 (-24%)	+5.2 (+20%)
EBITDA <sup>2</sup>	26.0	15.2	41.2	33.3	13.5	46.8	+7.3	-1.7	+5.6
EPS (¥/share)	113.94	65.64	179.58	167.74	50.25	217.99	+53.80	-15.39	+38.41
Dividend (¥/share)	50	-	50	70	-	70	+20	-	+20
Total amount of Dividend	7.1	-	7.1	9.9	-	9.9	+2.8	-	+2.8
OP Margin	23.2%	25.5%	24.0%	25.7%	21.4%	24.4%	+2.5pt	-4.1pt	+0.4pt
FX Rate (¥/\$)	110	114	111	134	141	137	-	-	-
Crude Oil (JCC) (\$/bbl) <sup>3</sup>	70	80	74	112	100	108	-	-	-

1. Net Income = Profit Attributable to Owners of Parent

2. EBITDA = Operating Profit + Depreciation and amortization

3. Based on Trade Statistics of Japan Ministry of Finance

# 3Q FY2022 Financial Summary Compared to Outlook

(¥billion)

	FY2022 Outlook as of Nov 2022		FY2022 Actual		vs. Outlook
	3Q	1-3Q	3Q	1-3Q	3Q
<b>Sales</b>	<b>49.7</b>	<b>159.2</b>	<b>49.7</b>	<b>159.2</b>	<b>0.0</b>
<b>Operating Profit</b>	<b>9.9</b>	<b>38.1</b>	<b>10.6</b>	<b>38.8</b>	<b>+0.7</b>
<b>Non-Operating Income/Expenses</b>	<b>-0.1</b>	<b>3.7</b>	<b>-1.3</b>	<b>2.5</b>	<b>-1.2</b>
<b>Ordinary Income</b>	<b>9.8</b>	<b>41.8</b>	<b>9.3</b>	<b>41.3</b>	<b>-0.5</b>
<b>Extraordinary Income/Loss</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Net Income<sup>1</sup></b>	<b>7.1</b>	<b>30.8</b>	<b>7.1</b>	<b>30.8</b>	<b>0.0</b>
<b>EBITDA<sup>2</sup></b>	<b>-</b>	<b>-</b>	<b>13.5</b>	<b>46.8</b>	<b>-</b>
<b>EPS (¥/share)</b>	<b>-</b>	<b>-</b>	<b>50.25</b>	<b>217.99</b>	<b>-</b>
<b>Dividend (¥/share)</b>	<b>-</b>	<b>70</b>	<b>-</b>	<b>70</b>	<b>0</b>
<b>Total amount of Dividend</b>	<b>-</b>	<b>9.9</b>	<b>-</b>	<b>9.9</b>	<b>0.0</b>
<b>OP Margin</b>	<b>19.9%</b>	<b>23.9%</b>	<b>21.4%</b>	<b>24.4%</b>	<b>-</b>
<b>FX Rate (¥/\$)</b>	<b>135</b>	<b>134</b>	<b>141</b>	<b>137</b>	<b>-</b>
<b>Crude Oil (JCC) (\$/bbl)<sup>3</sup></b>	<b>110</b>	<b>111</b>	<b>100</b>	<b>108</b>	<b>-</b>

1. Net Income = Profit Attributable to Owners of Parent

2. EBITDA = Operating Profit + Depreciation and amortization

3. Based on Trade Statistics of Japan Ministry of Finance

# Analysis of Changes in OP

(¥)

	FY2022 Actual	FY2021 Actual	YOY Change	Outlook	vs. Outlook
<b>3Q</b>	<b>10.6 billion</b>	<b>12.6 billion</b>	<b>-2.0 billion (-16%)</b>	<b>9.9 billion</b>	<b>+0.7 billion</b>
Chemicals	YOY Change -0.9 billion	Sales decrease in melamine(end of sales) and TEPIC, feedstock and raw materials cost up			
	vs. Outlook -0.5 billion	Sales decrease in TEPIC and environmental related products, feedstock and raw materials cost up			
Performance Materials	YOY Change -0.7 billion	Sales decrease in Display Materials and fixed cost up			
	vs. Outlook -1.2 billion	Sales decrease in Semis Materials			
Agro	YOY Change +0.1 billion	Sales increase in Fluralaner and GRACIA			
	vs. Outlook +1.5 billion	Sales increase in Fluralaner(shipment shifted from 4Q and royalties above target), GRACIA and PERMIT			
Healthcare	YOY Change -0.3 billion	Sales decrease in LIVALO and Custom Chemicals			
	vs. Outlook -0.1 billion	Sales decrease in Custom Chemicals			

	FY2022 Actual	FY2021 Actual	YOY Change	
<b>1-3Q</b>	<b>38.8 billion</b>	<b>33.9 billion</b>	<b>+4.9 billion (+14%)</b>	
Chemicals	YOY Change -1.0 billion	Sales decrease in melamine(end of sales), feedstock and raw materials cost up		
Performance Materials	YOY Change +0.1 billion	OP increase due to strong sales in Semis Materials until 1H despite sales decrease in Display Materials and fixed cost up		
Agro	YOY Change +5.3 billion	Sales increase due to strong sales of main products		
Healthcare	YOY Change -0.2 billion	Sales decrease in LIVALO and Custom Chemicals		

# Breakdown of Non-Operating Income/Expenses and Extraordinary Income/Loss

(¥billion)

	FY2021 Actual			FY2022 Actual			YOY Change		
	1H	3Q	1-3Q	1H	3Q	1-3Q	1H	3Q	1-3Q
<b>Non-Operating Income</b>	<b>1.36</b>	<b>1.05</b>	<b>2.41</b>	<b>4.43</b>	<b>-0.87</b>	<b>3.56</b>	<b>+3.07</b>	<b>-1.92</b>	<b>+1.15</b>
Interest income, dividend income	0.32	0.23	0.55	0.45	0.31	0.76	+0.13	+0.08	+0.21
Foreign exchange gains	0.10	0.21	0.31	3.02	-2.11	0.91	+2.92	-2.32	+0.60
Equity in earnings of affiliates, others	0.94	0.61	1.55	0.96	0.93	1.89	+0.02	+0.32	+0.34
<b>Non-Operating Expenses</b>	<b>0.42</b>	<b>0.15</b>	<b>0.57</b>	<b>0.60</b>	<b>0.43</b>	<b>1.03</b>	<b>+0.18</b>	<b>+0.28</b>	<b>+0.46</b>
Interest expense	0.05	0.01	0.06	0.09	0.08	0.17	+0.04	+0.07	+0.11
Foreign exchange losses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loss on disposal of non-current assets, others	0.37	0.14	0.51	0.51	0.35	0.86	+0.14	+0.21	+0.35
<b>Non-Operating Income/Expenses</b>	<b>0.94</b>	<b>0.90</b>	<b>1.84</b>	<b>3.83</b>	<b>-1.30</b>	<b>2.53</b>	<b>+2.89</b>	<b>-2.20</b>	<b>+0.69</b>
Extraordinary Income	2.82	0.50	3.32	0.00	0.00	0.00	-2.82	-0.50	-3.32
Extraordinary Loss	2.79	0.30	3.09	0.00	0.00	0.00	-2.79	-0.30	-3.09
<b>Extraordinary Income/Loss<sup>1</sup></b>	<b>0.03</b>	<b>0.20</b>	<b>0.23</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>-0.03</b>	<b>-0.20</b>	<b>-0.23</b>

## 1. 1-3Q FY2021 Actual:

Extraordinary Income ¥3.32 billion (Gain on sales of investment securities ¥3.32 billion, sales amount ¥4.25 billion, sold 7 listed companies shares, sold 100% of our shareholdings of 1 listed company)

Extraordinary Loss ¥3.09 billion (melamine restructuring costs ¥2.16 billion, plant equipment removal cost of Nippon Phosphoric Acid\* ¥0.63 billion, Impairment loss of unlisted stock ¥0.3 billion)

\*Nippon Phosphoric Acid: affiliated company (our share: 35%), Manufacturing and selling sulfuric acid and phosphoric acid liquid.

In accordance with the decision to stop the production of phosphoric acid liquid, the company will bear the costs of removing facilities according to its investment ratio.



Free cash flow in 1-3Q FY2022 was ¥24.3 billion, a decrease of ¥3.9 billion from 1-3Q FY2021

(¥billion)

	FY2021 Actual	FY2022 Actual	YOY Change
	1-3Q	1-3Q	
<b>CF from operating activities</b>	<b>35.0</b>	<b>37.8</b>	<b>+2.8</b>
Income before income taxes & non-controlling interests	36.0	41.3	+5.3
Extraordinary loss (income)	-0.2	0.0	+0.2
Depreciation & amortization <sup>1</sup>	7.3	8.0	+0.7
Income taxes paid	-12.8	-15.0	-2.2
Working capital, others	4.7	3.5	-1.2
<b>CF from investing activities</b>	<b>-6.8</b>	<b>-13.5</b>	<b>-6.7</b>
Purchase of PPE	-6.2	-11.8	-5.6
Purchase and sales of investment securities	4.0	0.0	-4.0
Others <sup>2</sup>	-4.6	-1.7	+2.9
<b>Free cash flow</b>	<b>28.2</b>	<b>24.3</b>	<b>-3.9</b>
<b>CF from financing activities</b>	<b>-35.5</b>	<b>-37.5</b>	<b>-2.0</b>
Payout to shareholders (dividend)	-15.5	-20.1	-4.6
Payout to shareholders (share repurchase)	-7.0	-5.0	+2.0
Borrowings	-13.0	-12.3	+0.7
Others	0.0	-0.1	-0.1
Effect of exchange rate change on cash & cash equivalents	0.1	1.4	+1.3
Change in cash & cash equivalents	-7.2	-11.8	-4.6
Increase in cash and cash equivalents resulting from change in scope of consolidation	0.0	3.1	+3.1
Cash & cash equivalents at end of period	25.2	25.9	+0.7

1. Including amortization of goodwill    2. 1-3Q FY2021 Actual: Payments of long-term loans receivable to NBR -3.3, Others-1.3

(¥billion)

	2021/12	2022/3	2022/12	vs. 2022/3
<b>Current assets</b>	<b>151.0</b>	<b>175.3</b>	<b>167.4</b>	<b>-7.9</b>
Cash	25.2	34.7	25.9	-8.8
Accounts receivable	60.6	80.0	61.2	-18.8
Inventories	58.1	52.2	70.2	+18.0
Others	7.1	8.4	10.1	+1.7
<b>Fixed assets</b>	<b>103.7</b>	<b>104.4</b>	<b>109.2</b>	<b>+4.8</b>
Total PPE	51.9	53.2	62.0	+8.8
Intangible assets	11.9	11.8	11.8	0.0
Investment securities	30.8	30.2	29.6	-0.6
Others	9.1	9.2	5.8	-3.4
<b>Total assets</b>	<b>254.7</b>	<b>279.7</b>	<b>276.6</b>	<b>-3.1</b>

	2021/12	2022/3	2022/12	vs. 2022/3
<b>Liabilities</b>	<b>55.3</b>	<b>71.7</b>	<b>60.4</b>	<b>-11.3</b>
Accounts payable	19.6	19.0	23.8	+4.8
Borrowings	9.8	22.7	10.8	-11.9
Others	25.9	30.0	25.8	-4.2
<b>Net assets</b>	<b>199.4</b>	<b>208.0</b>	<b>216.2</b>	<b>+8.2</b>
Shareholders' equity <sup>2</sup>	188.6	196.7	202.5	+5.8
Valuation difference on available-for-sale securities	8.3	8.3	8.3	0.0
Foreign currency translation adjustment	0.1	0.9	2.0	+1.1
Non-controlling interests	2.0	2.1	3.0	+0.9
Remeasurements of defined benefit plans	0.4	0.0	0.4	+0.4
<b>Total liabilities &amp; net assets</b>	<b>254.7</b>	<b>279.7</b>	<b>276.6</b>	<b>-3.1</b>

<b>Equity Ratio</b>	<b>77.5%</b>	<b>73.6%</b>	<b>77.1%</b>
<b>D/E Ratio<sup>3</sup></b>	<b>-8.1%</b>	<b>-6.1%</b>	<b>-7.5%</b>

## Breakdown of Investment Securities

	2021/3	2021/12	2022/3	2022/12	vs. 2022/3
<b>Listed shares<sup>1</sup> (Number of stocks held, Non-consolidated basis)</b>	<b>24.4 (31)</b>	<b>19.1 (30)</b>	<b>18.9 (30)</b>	<b>18.3 (29)</b>	<b>-0.6 (-1)</b>
<b>Unlisted shares</b>	<b>2.7</b>	<b>2.5</b>	<b>2.6</b>	<b>3.0</b>	<b>+0.4</b>
<b>Subsidiaries/Associate shares</b>	<b>8.8</b>	<b>9.2</b>	<b>8.7</b>	<b>8.3</b>	<b>-0.4</b>
<b>Total</b>	<b>35.9</b>	<b>30.8</b>	<b>30.2</b>	<b>29.6</b>	<b>-0.6</b>

- 2022/3 18.9 + Acquisition 0.0 – Sales and valuation difference 0.6 = 2022/12 18.3
- Change in shareholders' equity +5.8 = Net Income 30.8 - Dividend and others 25.0
- D/E Ratio = (Borrowings - Cash) / Shareholders' equity
- Strategic shareholdings on net assets = strategic shareholdings (Non-consolidated basis, Listed shares + Unlisted shares) / Net assets (Consolidated basis)  
Strategic shareholdings (Non-consolidated basis, ¥billion): 2021/3 24.8, 2021/12 19.8, 2022/3 19.8, 2022/12 19.7

<b>Strategic shareholdings on net assets<sup>4</sup></b>	<b>12.4%</b>	<b>9.9%</b>	<b>9.5%</b>	<b>9.1%</b>
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# Summary of FY2022 Outlook

## Full-Year Outlook is Revised downward (FY2022 OP:¥53.4 billion)

The Outlook is revised based on 1-3Q results and current 4Q outlook

Full-Year	vs. FY2021	<ul style="list-style-type: none"> <li>Sales up ¥21.5 billion (+10%)</li> <li>OP up ¥2.4 billion (+5%), Net Income up ¥3.3 billion (+9%)</li> <li>OP and Ordinary Income expected to renew the highest results of a full year for 9 consecutive years. Net Income expected to renew the highest results of a full year for 10 consecutive years.</li> <li>ROE Outlook for FY2022 is 19.7%</li> </ul>
Full-Year	vs. Outlook as of Nov 2022	<ul style="list-style-type: none"> <li>Sales below target ¥4.7 billion (-2%)</li> <li>OP below target ¥2.1 billion (-4%)</li> <li>Net Income in line with target</li> </ul>
2H	vs. 2H FY2021	<ul style="list-style-type: none"> <li>Sales up ¥3.8 billion (+3%)</li> <li>OP down ¥4.5 billion (-15%), Net Income down ¥4.1 billion (-18%)</li> </ul>
2H	vs. 2H Outlook as of Nov 2022	<ul style="list-style-type: none"> <li>Sales below target ¥4.7 billion (-4%)</li> <li>OP below target ¥2.1 billion (-8%), Net Income in line with target</li> </ul>

## Shareholders Return

- Based on Mid-Term Plan, Total Payout Ratio Target is 75% and Dividend Payout Ratio Target is 55% (unchanged from May 2022)
- Announced a ¥4.0 billion share repurchase (Total Payout Ratio 76.1%)**

<b>Dividend</b>	¥164/share (Full-Year) 1H ¥70/share, 2H ¥94/share (Dividend Payout Ratio : 54.9%) 【vs. FY2021】1H up ¥20/share, 2H up ¥22/share 【vs. Outlook as of Nov 2022】2H no change
<b>Share Repurchase</b>	¥9.0 billion (Full-Year) (FY2021 Actual: ¥12.0 billion, 2,033 thousand shares) <ul style="list-style-type: none"> <li>¥5.0 billion, 683 thousand shares (period: May – June 2022)</li> <li>¥4.0 billion, 1,000 thousand shares (period: February – April 2023)</li> </ul> 【vs. FY2021】¥3.0 billion down 【vs. Outlook as of Nov 2022】¥4.0 billion up
<b>Share Cancellation</b>	Cancelled 1.7 million shares in May and August 2022
<b>Total Payout Ratio</b>	76.1% based on ¥164/share dividend and ¥9.0 billion share repurchase (FY2021 Actual: 75.6%)

# FY2022 Financial Summary YOY Change

(¥billion)

	FY2021 Actual					FY2022 Outlook as of Feb 2023					YOY Change				
	1H	3Q	4Q	2H	Total	1H Actual	3Q Actual	4Q	2H	Total	1H	3Q	4Q	2H	Total
<b>Sales</b>	91.8	49.5	66.7	116.2	208.0	109.5	49.7	70.3	120.0	229.5	+17.7 (+19%)	+0.2 (0%)	+3.6 (+5%)	+3.8 (+3%)	+21.5 (+10%)
<b>Operating Profit</b>	21.3	12.6	17.1	29.7	51.0	28.2	10.6	14.6	25.2	53.4	+6.9 (+32%)	-2.0 (-16%)	-2.5 (-14%)	-4.5 (-15%)	+2.4 (+5%)
<b>Non-Operating Income/Expenses</b>	1.0	0.9	0.8	1.7	2.7	3.8	-1.3	-0.4	-1.7	2.1	+2.8	-2.2	-1.2	-3.4	-0.6
Foreign exchange Gains/Losses	0.1	0.2	0.8	1.0	1.1	3.0	-2.1	-1.2	-3.3	-0.3	+2.9	-2.3	-2.0	-4.3	-1.4
<b>Ordinary Income</b>	22.3	13.5	17.9	31.4	53.7	32.0	9.3	14.2	23.5	55.5	+9.7 (+44%)	-4.2 (-31%)	-3.7 (-21%)	-7.9 (-25%)	+1.8 (+3%)
<b>Extraordinary Income/Loss</b>	0.0	0.2	0.3	0.5	0.5	0.0	0.0	1.5	1.5	1.5	0.0	-0.2	+1.2	+1.0	+1.0
<b>Net Income<sup>1</sup></b>	16.3	9.3	13.2	22.5	38.8	23.7	7.1	11.3	18.4	42.1	+7.4 (+45%)	-2.2 (-24%)	-1.9 (-14%)	-4.1 (-18%)	+3.3 (+9%)
<b>EBITDA<sup>2</sup></b>	26.0	15.2	20.0	35.2	61.2	33.3	13.5	18.1	31.6	64.9	+7.3	-1.7	-1.9	-3.6	+3.7
<b>EPS (¥/share)</b>	113.94	65.64	92.30	157.94	271.88	167.74	50.25	80.62	130.87	298.61	+53.80	-15.39	-11.68	-27.07	+26.73
<b>Dividend (¥/share)</b>	50	-	-	72	122	70	-	-	94	164	+20	-	-	+22	+42
<b>Dividend Payout Ratio (%)</b>	-	-	-	-	44.9%	-	-	-	-	54.9%	-	-	-	-	+10.0pt
<b>Total amount of Dividend</b>	7.1	-	-	10.2	17.3	9.9	-	-	13.2	23.1	+2.8	-	-	+3.0	+5.8
<b>OP Margin</b>	23.2%	25.5%	25.5%	25.5%	24.5%	25.7%	21.4%	20.8%	21.0%	23.3%	+2.5pt	-4.1pt	-4.7pt	-4.5pt	-1.2pt
<b>ROE</b>	-	-	-	-	19.2%	-	-	-	-	19.7%	-	-	-	-	+0.5pt
<b>FX Rate (¥/\$)</b>	110	114	116	115	112	134	141	130	136	135	-	-	-	-	-
<b>Crude Oil (JCC) (\$/bbl)<sup>3</sup></b>	70	80	86	83	77	112	100	100	100	106	-	-	-	-	-

# FY2022 Financial Summary Compared to Outlook as of Nov 2022

(¥billion)

	FY2022 Outlook as of Nov 2022					FY2022 Outlook as of Feb 2023					vs. Outlook as of Nov 2022		
	1H Actual	3Q	4Q	2H	Total	1H Actual	3Q Actual	4Q	2H	Total	3Q	4Q	2H·Total
Sales	109.5	49.7	75.0	124.7	234.2	109.5	49.7	70.3	120.0	229.5	0.0	-4.7	-4.7
Operating Profit	28.2	9.9	17.4	27.3	55.5	28.2	10.6	14.6	25.2	53.4	+0.7	-2.8	-2.1
Non-Operating Income/Expenses	3.8	-0.1	-0.9	-1.0	2.8	3.8	-1.3	-0.4	-1.7	2.1	-1.2	+0.5	-0.7
Foreign exchange Gains/Losses	3.0	-1.0	-1.0	-2.0	1.0	3.0	-2.1	-1.2	-3.3	-0.3	-1.1	-0.2	-1.3
Ordinary Income	32.0	9.8	16.5	26.3	58.3	32.0	9.3	14.2	23.5	55.5	-0.5	-2.3	-2.8
Extraordinary Income/Loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.5	1.5	1.5	0.0	+1.5	+1.5
Net Income <sup>1</sup>	23.7	7.1	11.3	18.4	42.1	23.7	7.1	11.3	18.4	42.1	0.0	0.0	0.0
EBITDA <sup>2</sup>	33.3	-	-	33.7	67.0	33.3	13.5	18.1	31.6	64.9	-	-	-2.1
EPS (¥/share)	167.74	-	-	130.85	298.59	167.74	50.25	80.62	130.87	298.61	-	-	+0.02
Dividend (¥/share)	70	-	-	94	164	70	-	-	94	164	-	0	0
Dividend payout ratio (%)	-	-	-	-	54.9%	-	-	-	-	54.9%	-	-	-
Total amount of Dividend	9.9	-	-	13.2	23.1	9.9	-	-	13.2	23.1	-	-	-
OP Margin	25.7%	19.9%	23.2%	21.9%	23.7%	25.7%	21.4%	20.8%	21.0%	23.3%	-	-	-
ROE	-	-	-	-	19.7%	-	-	-	-	19.7%	-	-	-
FX Rate (¥/\$)	134	135	135	135	135	134	141	130	136	135	-	-	-
Crude Oil (JCC) (\$/bbl) <sup>3</sup>	112	110	110	110	110	112	100	100	100	106	-	-	-

1. Net Income = Profit Attributable to Owners of Parent 2. EBITDA = Operating Profit + Depreciation and amortization 3. Based on Trade Statistics of Japan Ministry of Finance

# Analysis of Changes in OP

(¥)

		FY2022 Outlook as of Feb 2023	FY2021 Actual	YOY Change	Outlook as of Nov 2022	vs. Outlook
<b>2H</b>		<b>25.2 billion</b>	<b>29.7 billion</b>	<b>-4.5 billion(-15%)</b>	<b>27.3 billion</b>	<b>-2.1 billion</b>
Chemicals	YOY Change	-2.0 billion	Sales decrease in melamine(end of sales) and TEPIC, feedstock and raw materials cost up			
	vs. Outlook	-0.8 billion	Sales decrease in high purity sulfuric acid, TEPIC and environmental related products			
Performance Materials	YOY Change	-2.2 billion	Sales decrease in Display Materials and fixed cost up			
	vs. Outlook	-4.1 billion	Sales decrease in Display Materials and Semis Materials			
Agro	YOY Change	+0.2 billion	Sales increase due to strong sales of main products			
	vs. Outlook	+1.6 billion	Sales increase due to strong sales of main products and fixed cost down			
Healthcare	YOY Change	flat				
	vs. Outlook	+0.1 billion	Sales increase in Custom Chemicals			

		FY2022 Outlook as of Feb 2023	FY2021 Actual	YOY Change
<b>Full-Year</b>		<b>53.4 billion</b>	<b>51.0 billion</b>	<b>+2.4 billion(+5%)</b>
Chemicals	YOY Change	-2.1 billion	Sales decrease in melamine(end of sales) and TEPIC, feedstock and raw materials cost up	
Performance Materials	YOY Change	-1.4 billion	Sales decrease in Display Materials and fixed cost up	
Agro	YOY Change	+5.4 billion	Sales increase due to strong sales of main products	
Healthcare	YOY Change	+0.1 billion	Sales increase in Custom Chemicals	

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# FY2022 Financial Outlook YOY Change by Segment

(¥billion)

		FY2021 Actual					FY2022 Outlook as of Feb 2023					YOY Change				
		1H	3Q	4Q	2H	Total	1H Actual	3Q Actual	4Q	2H	Total	1H	3Q	4Q	2H	Total
Chemicals	Sales	17.1	10.5	10.0	20.5	37.6	19.8	10.1	9.8	19.9	39.7	+2.7 (+16%)	-0.4 (-4%)	-0.2 (-2%)	-0.6 (-3%)	+2.1 (+5%)
	OP	1.2	1.3	1.3	2.6	3.8	1.1	0.4	0.2	0.6	1.7	-0.1 (-9%)	-0.9 (-67%)	-1.1 (-84%)	-2.0 (-76%)	-2.1 (-55%)
Performance Materials	Sales	39.6	20.9	21.2	42.1	81.7	42.0	20.6	20.9	41.5	83.5	+2.4 (+6%)	-0.3 (-1%)	-0.3 (-1%)	-0.6 (-1%)	+1.8 (+2%)
	OP	13.1	7.6	6.9	14.5	27.6	13.9	6.9	5.4	12.3	26.2	+0.8 (+6%)	-0.7 (-8%)	-1.5 (-22%)	-2.2 (-15%)	-1.4 (-5%)
Agrochemicals	Sales	25.0	11.9	28.9	40.8	65.8	35.7	13.1	32.6	45.7	81.4	+10.7 (+43%)	+1.2 (+10%)	+3.7 (+13%)	+4.9 (+12%)	+15.6 (+24%)
	OP	6.9	3.0	8.2	11.2	18.1	12.1	3.1	8.3	11.4	23.5	+5.2 (+75%)	+0.1 (+3%)	+0.1 (+1%)	+0.2 (+2%)	+5.4 (+30%)
Healthcare	Sales	3.3	2.0	1.3	3.3	6.6	3.2	1.6	1.8	3.4	6.6	-0.1 (-3%)	-0.4 (-17%)	+0.5 (+35%)	+0.1 (+4%)	0.0 (+1%)
	OP	1.4	0.9	0.5	1.4	2.8	1.5	0.6	0.8	1.4	2.9	+0.1 (+5%)	-0.3 (-27%)	+0.3 (+45%)	0.0 (-2%)	+0.1 (+2%)
Trading, Others, Adjustment	Sales	6.8	4.2	5.3	9.5	16.3	8.8	4.3	5.2	9.5	18.3	+2.0	+0.1	-0.1	0.0	+2.0
	OP	-1.3	-0.2	0.2	0.0	-1.3	-0.4	-0.4	-0.1	-0.5	-0.9	+0.9	-0.2	-0.3	-0.5	+0.4
Total	Sales	91.8	49.5	66.7	116.2	208.0	109.5	49.7	70.3	120.0	229.5	+17.7 (+19%)	+0.2 (0%)	+3.6 (+5%)	+3.8 (+3%)	+21.5 (+10%)
	OP	21.3	12.6	17.1	29.7	51.0	28.2	10.6	14.6	25.2	53.4	+6.9 (+32%)	-2.0 (-16%)	-2.5 (-14%)	-4.5 (-15%)	+2.4 (+5%)

1. Including inter-segment sales/transfers

2. Trading: Nissei Corporation, Others: Nissan Butsuryu, Nissan Green & Landscape, Nissan Engineering, Nihon Hiryo, and others  
Adjustment: Planning & Development Division and others (see p65, p66 for breakdown)

3. Sales and OP for Planning & Development Division in FY2021 Actual, FY2022 Outlook as of Feb 2023 are disclosed on p55

4. FY2021 actual has been revised to reflect organizational change in April 2022 (see p68, p69)

# FY2022 Financial Outlook

## Compared to Outlook as of Nov 2022 by Segment

(¥billion)

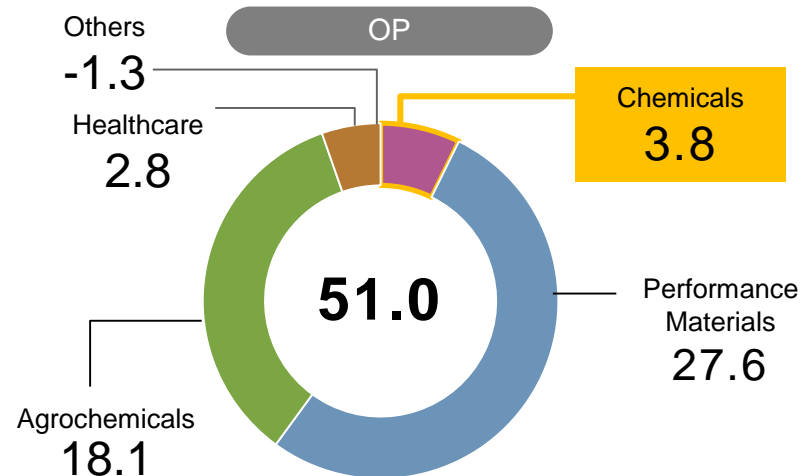
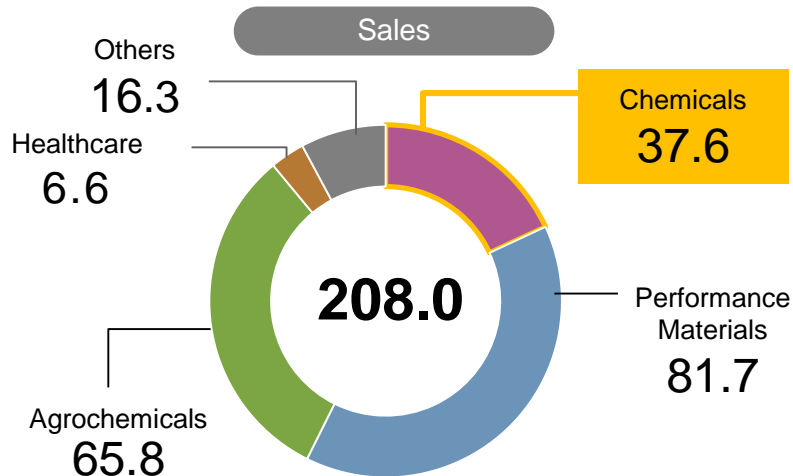
		FY2022 Outlook as of Nov 2022					FY2022 Outlook as of Feb 2023					vs. Outlook as of Nov 2022		
		1H Actual	3Q	4Q	2H	Total	1H Actual	3Q Actual	4Q	2H	Total	3Q	4Q	2H·Total
Chemicals	Sales	19.8	11.0	11.6	22.6	42.4	19.8	10.1	9.8	19.9	39.7	-0.9	-1.8	-2.7
	OP	1.1	0.9	0.5	1.4	2.5	1.1	0.4	0.2	0.6	1.7	-0.5	-0.3	-0.8
Performance Materials	Sales	42.0	22.7	24.5	47.2	89.2	42.0	20.6	20.9	41.5	83.5	-2.1	-3.6	-5.7
	OP	13.9	8.1	8.3	16.4	30.3	13.9	6.9	5.4	12.3	26.2	-1.2	-2.9	-4.1
Agrochemicals	Sales	35.7	11.3	32.2	43.5	79.2	35.7	13.1	32.6	45.7	81.4	+1.8	+0.4	+2.2
	OP	12.1	1.6	8.2	9.8	21.9	12.1	3.1	8.3	11.4	23.5	+1.5	+0.1	+1.6
Healthcare	Sales	3.2	1.7	1.7	3.4	6.6	3.2	1.6	1.8	3.4	6.6	-0.1	+0.1	0.0
	OP	1.5	0.7	0.6	1.3	2.8	1.5	0.6	0.8	1.4	2.9	-0.1	+0.2	+0.1
Trading, Others, Adjustment	Sales	8.8	3.0	5.0	8.0	16.8	8.8	4.3	5.2	9.5	18.3	+1.3	+0.2	+1.5
	OP	-0.4	-1.4	-0.2	-1.6	-2.0	-0.4	-0.4	-0.1	-0.5	-0.9	+1.0	+0.1	+1.1
Total	Sales	109.5	49.7	75.0	124.7	234.2	109.5	49.7	70.3	120.0	229.5	0.0	-4.7	-4.7
	OP	28.2	9.9	17.4	27.3	55.5	28.2	10.6	14.6	25.2	53.4	+0.7	-2.8	-2.1

1. Including inter-segment sales/transfers

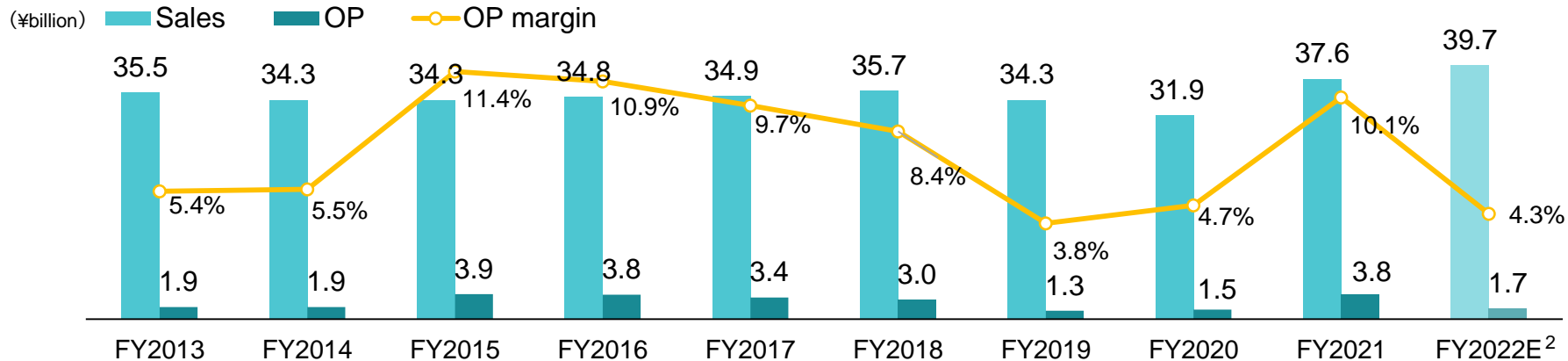
2. Trading: Nissei Corporation, Others: Nissan Butsuryu, Nissan Green & Landscape, Nissan Engineering, Nihon Hiryo, and others  
Adjustment: Planning & Development Division and others (see p65, p66 for breakdown)

3. Sales and OP for Planning & Development Division in FY2022 Outlook as of Nov 2022 are disclosed on p69 of the Presentation for Investors for 2Q FY2022 (announced on Nov 11, 2022)  
FY2022 Outlook as of Feb 2023 are disclosed on p55

FY2021 Actual by Segment (¥billion)<sup>1</sup>



Chemicals – Recent Financial Performance



1. Organizational changes were implemented in April, 2022. FY2013-2020 Actual figures are based on old segmentation. FY2021 actual has been revised to reflect organizational change in April 2022 (see p68, p69)

2. Outlook as of Feb 2023

# FY2022 Financial Outlook

## Sales Growth Rate of Main Products

- Fine Chemicals: 【2H Outlook】 Sales YOY -5%, Sales below target 【Full-Year Outlook】 Sales YOY +8%
- Basic Chemicals: 【2H Outlook】 Sales YOY -2%, Sales below target 【Full-Year Outlook】 Sales YOY +4%

Main Products	FY2022 Outlook as of Nov 2022			FY2022 Outlook as of Feb 2023				
	YOY Change			YOY Change				
	1H Actual	2H	Total	3Q Actual	1-3Q Actual	4Q	2H	Total
TEPIC	+25%	+22%	+23%	-33%	+2%	-24%	-29%	-4%
Environmental related products	+17%	+36%	+26%	+4%	+13%	+29%	+17%	+17%
FINEOXOCOL	+36%	-4%	+13%	+8%	+25%	-28%	-10%	+10%
Total Fine Chemicals <sup>1</sup>	+23%	+24%	+24%	-8%	+12%	0%	-5%	+8%
Melamine <sup>2</sup>	+28%	-96%	-51%	-85%	-27%	-100%	-92%	-49%
Urea/AdBlue <sup>®</sup>	+56%	+75%	+67%	+70%	+62%	+65%	+68%	+63%
High purity sulfuric acid	+1%	+8%	+4%	-10%	-3%	-10%	-10%	-5%
Nitric acid products	-14%	+24%	+6%	+15%	-4%	+13%	+14%	+1%
Total Basic Chemicals <sup>3,4</sup>	+11%	+3%	+7%	0%	+6%	-2%	-2%	+4%
	(+8%)	(+28%)	(+19%)	(+22%)	(+13%)	(+21%)	(+21%)	(+15%)
Total Segment <sup>3</sup>	+16%	+10%	+13%	-4%	+8%	-2%	-3%	+5%
	(+14%)	(+27%)	(+21%)	(+10%)	(+13%)	(+12%)	(+11%)	(+13%)

1. TEPIC, Environmental related products, and FINEOXOCOL account for 85% of total Fine Chemicals sales (1-3Q FY2022 Actual)

2. The production of melamine terminated in June 2022 (see p24, Restructure based on Shutdown of Melamine Plant)

3. Growth rate in parentheses excludes melamine for both FY2021 Actual and FY2022 Outlook.

4. Melamine, Urea/AdBlue<sup>®</sup>, High purity sulfuric acid, and Nitric acid products account for 54% of total Basic Chemical sales (1-3Q FY2022 Actual)

**[3Q Actual]** Sales down ¥0.4 billion (melamine sales down ¥1.3 billion), OP down ¥0.9 billion

**[2H Outlook]** Sales down ¥0.6 billion (melamine sales down ¥2.6 billion), OP down ¥2.0 billion

(¥billion)

	FY2021 Actual					FY2022 Outlook as of Feb 2023					YOY Change				
	1H	3Q	4Q	2H	Total	1H Actual	3Q Actual	4Q	2H	Total	1H	3Q	4Q	2H	Total
Sales	17.1	10.5	10.0	20.5	37.6	19.8	10.1	9.8	19.9	39.7	+2.7	-0.4	-0.2	-0.6	+2.1
Fine Chemicals	6.2	3.7	3.2	6.9	13.1	7.7	3.3	3.2	6.5	14.2	+1.5	-0.4	0.0	-0.4	+1.1
Basic Chemicals	10.9	6.8	6.8	13.6	24.5	12.1	6.8	6.6	13.4	25.5	+1.2	0.0	-0.2	-0.2	+1.0
OP	1.2	1.3	1.3	2.6	3.8	1.1	0.4	0.2	0.6	1.7	-0.1	-0.9	-1.1	-2.0	-2.1

1. FY2021 actual has been revised to reflect organizational change in April 2022 (see p68, p69)

**[3Q] Sales down, OP down [2H] Sales down, OP down**

TEPIC for general applications [3Q]&[2H] Sales down (demand decrease)

TEPIC for electronic materials [3Q]&[2H] Sales down

Environmental related products [3Q]&[2H] Sales up (price up)

FINEOXOCOL [3Q] Sales up (price up)  
[2H] Sales down

[3Q] Feedstock and raw materials cost up  
[2H] Feedstock and raw materials cost up

**[3Q] Sales flat, OP down [2H] Sales down, OP down**

Melamine [3Q]&[2H] Sales down (end of sales (see p24))

Urea/AdBlue® [3Q]&[2H] Sales up (price up)

High purity sulfuric acid [3Q]&[2H] Sales down (semis market slowdown)

Nitric acid products [3Q]&[2H] Sales up (price up)

[3Q] Feedstock and raw materials cost up  
[2H] Feedstock and raw materials cost up

# FY2022 Financial Outlook Compared to Outlook as of Nov 2022

**[3Q Actual]** Sales below target ¥0.9 billion (melamine sales above target ¥0.1 billion),  
OP below target ¥0.5 billion

**[2H Outlook]** Sales below target ¥2.7 billion (melamine sales above target ¥0.1 billion),  
OP below target ¥0.8 billion

(¥billion)

	FY2022 Outlook as of Nov 2022			FY2022 Outlook as of Feb 2023			vs. Outlook as of Nov 2022		
	3Q	4Q	2H	3Q Actual	4Q	2H	3Q	4Q	2H
Sales	11.0	11.6	22.6	10.1	9.8	19.9	-0.9	-1.8	-2.7
Fine Chemicals	4.0	4.6	8.6	3.3	3.2	6.5	-0.7	-1.4	-2.1
Basic Chemicals	7.0	7.0	14.0	6.8	6.6	13.4	-0.2	-0.4	-0.6
OP	0.9	0.5	1.4	0.4	0.2	0.6	-0.5	-0.3	-0.8

**[3Q]** Sales below target, OP below target  
**[2H]** Sales below target, OP below target

Fine Chemicals

TEPIC for  
general applications[3Q]&[2H] Sales below target  
(demand decrease)TEPIC for  
electronic materials

[3Q]&amp;[2H] Sales below target

Environmental  
related products

[3Q]&amp;[2H] Sales below target

FINEOXOCOL

[3Q]Sales above target (price up)  
[2H]Sales below target

[3Q]&amp;[2H] Feedstock and raw materials cost above expectations

**[3Q]** Sales below target, OP below target  
**[2H]** Sales below target, OP below target

Basic Chemicals

Melamine

[3Q]&[2H] Sales above target  
(postponement of the end of sales)

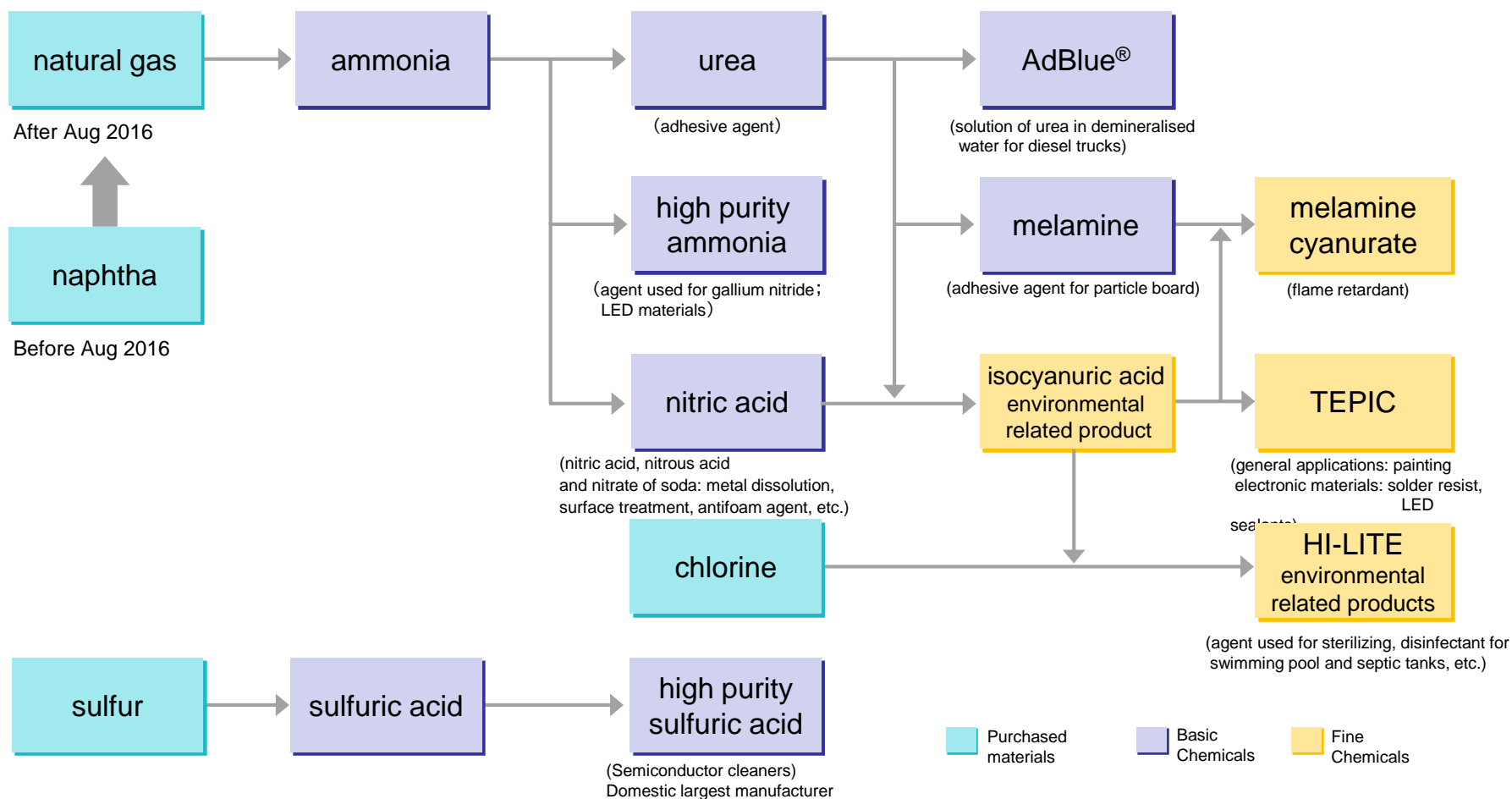
Urea/AdBlue®

[3Q]&amp;[2H] Sales below target

High purity  
sulfuric acid[3Q]&[2H] Sales below target  
(semis market slowdown)Nitric acid  
products

[3Q]&amp;[2H] Sales below target

- Core products are ammonia related products and sulfuric acid related products
- FY2021 ammonia domestic production capacity share 11%
- Focus on high value-added products, such as high purity sulfuric acid and TEPIC, instead of pursuing scale



# Restructure based on Shutdown of Melamine Plant

- As announced in August 2021, the production of melamine terminated in June 2022 and end sales in December 2022
- We will concentrate its management resources on high value-added products and products with a high market share

## 1. Sales・OP distribution (Total FY2018-2021)

(¥billion)

	Sales	OP	Main products
Ammonia-related products	92.5(66%)	1.9(20%)	ammonia, urea/AdBlue®, high purity ammonia, melamine, nitric acid, isocyanuric acid, Hi-LITE, TEPIC, melamine cyanurate
Sulfuric acid-related products	47.0(34%)	7.7(80%)	sulfuric acid, purified sulfuric acid, high purity sulfuric acid
Others			FINEOXOCOL etc.
Total Chemicals	139.5(100%)	9.6(100%)	

\*Among ammonia-related products, melamine has the highest sales but is in the red  
 \*Total profit of ammonia-related products other than melamine is in the black

## 2. Current status and prospects of melamine

Unlikely to secure stable profits in mid-long term, and to expect profit expansion by new investments

- World production capacity is twice of demand (our estimate)
- Domestic production capacity (2 companies including Nissan Chemical) is 3 times of demand (our estimate)
- Prices are on recovery trend, but always unstable due to cheaper Chinese products  
(Chinese production capacity accounts for about 70% of the world)

## 3. Actions to be taken

- (1) Melamine: (A) stop production permanently in June 2022, (B) end sales when inventory eliminated
- (2) Expand sales of Chemicals segment by concentrating on high value and high share products
- (3) Reassign melamine plant operators in Toyama plant
- (4) Continue to sell melamine derivatives by purchasing melamine as raw materials

## 4. Restructuring costs

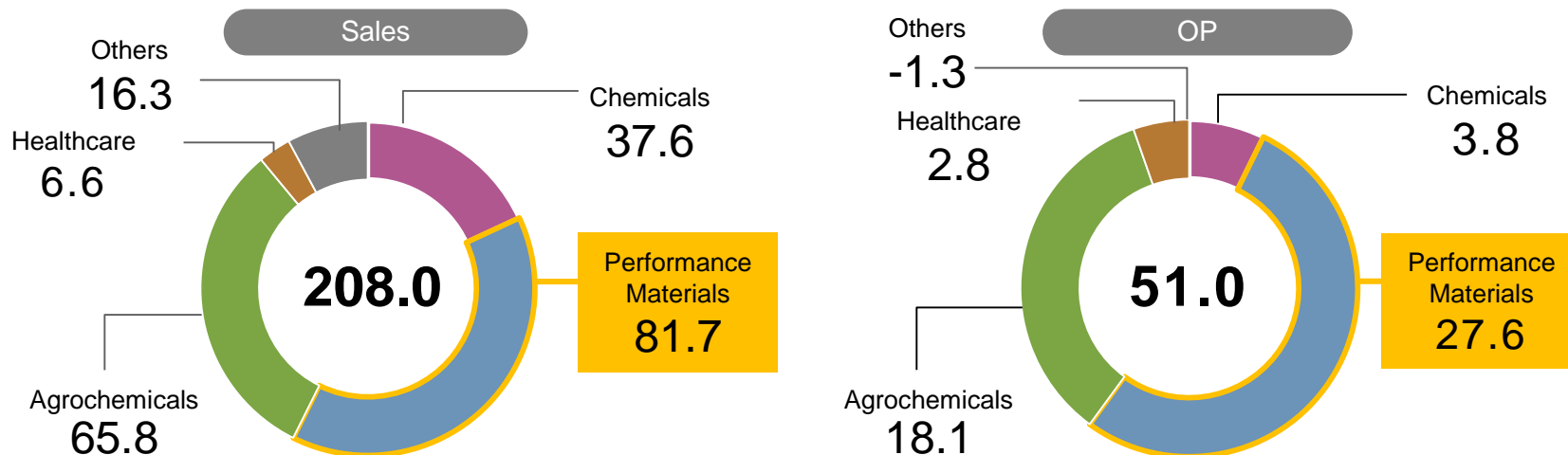
Melamine plant shutdown related costs (extraordinary loss of 1.79 billion yen) were compensated by gain on sales of investment securities (recorded in 2Q FY2021)

## 5. ESG

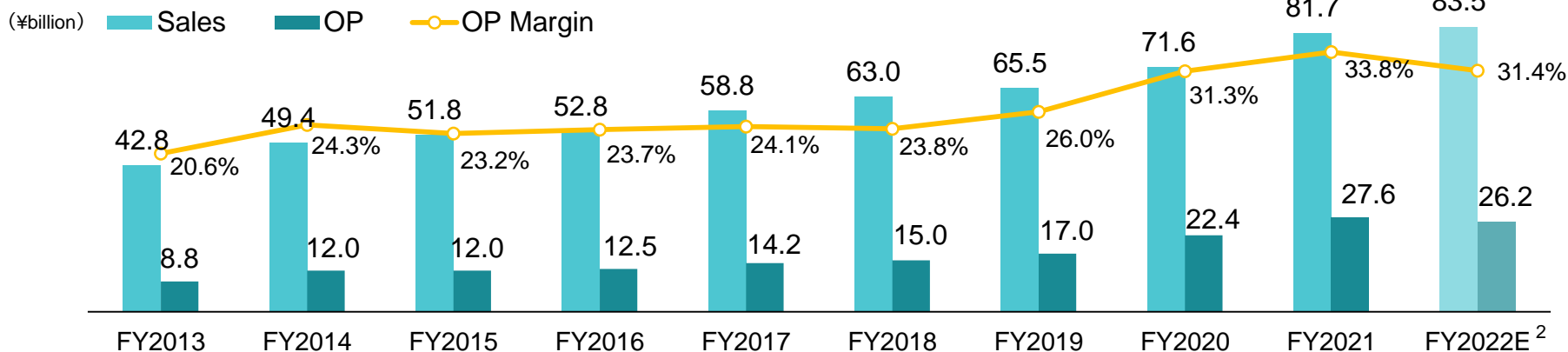
By shutdown of melamine, 26,000 GHG (t-CO<sub>2</sub>) or equivalent to about 7% of FY2018 GHG (see p46) estimated to be reduced



## FY2021 Actual by Segment (¥billion)<sup>1</sup>



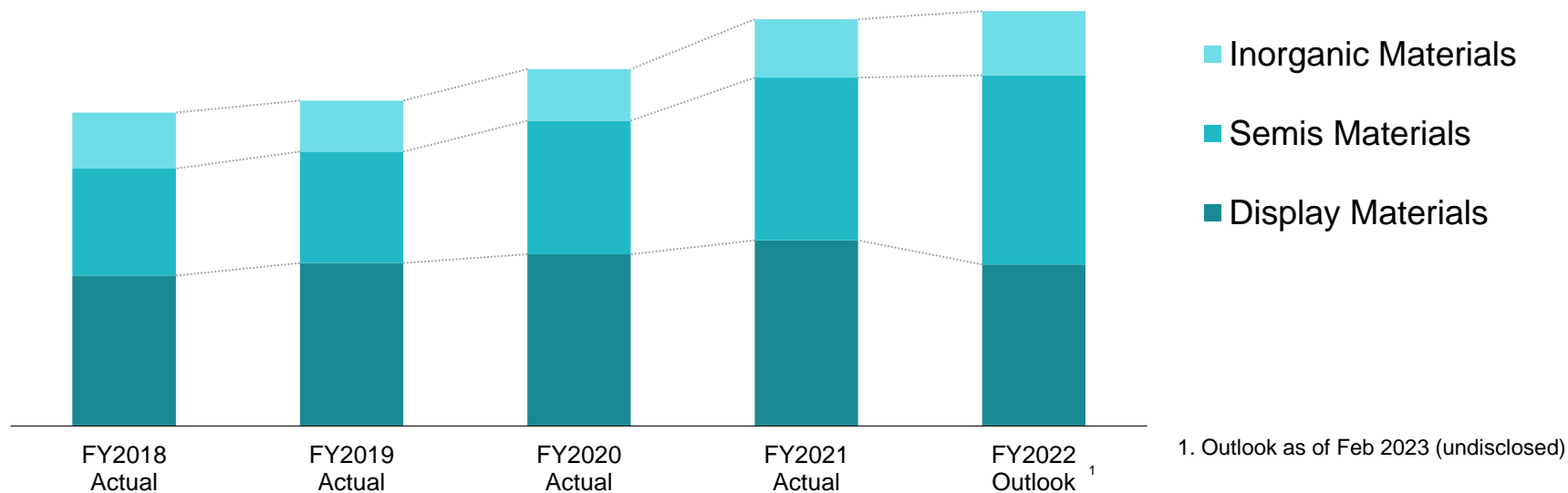
## Performance Materials – Recent Financial Performance



1. Organizational changes were implemented in April, 2022. FY2013-2020 Actual figures are based on old segmentation.

FY2021 actual has been revised to reflect organizational change in April 2022 (see p68, p69)

2. Outlook as of Feb 2023



## Main Products

Display Materials		Semis Materials		Inorganic Materials	
SUNEVER	LCD alignment coating	ARC®	Bottom anti-reflective coating for semis	SNOWTEX	Silica sol for polishing materials (silicon wafer, compound semiconductors, semiconductors CMP and etc.) and non-polishing materials (special steel sheet and etc.)
		Multi layer process materials	Multi layer process materials for Semis (OptiStack®)	Organo/Monomer Sol	Film surface treatment for electronic devices, resin additive
		Other new materials	EUV materials, 3D packaging process materials, CMOS image sensor materials	Oilfield materials	For enhancing oil recovery

# FY2022 Outlook

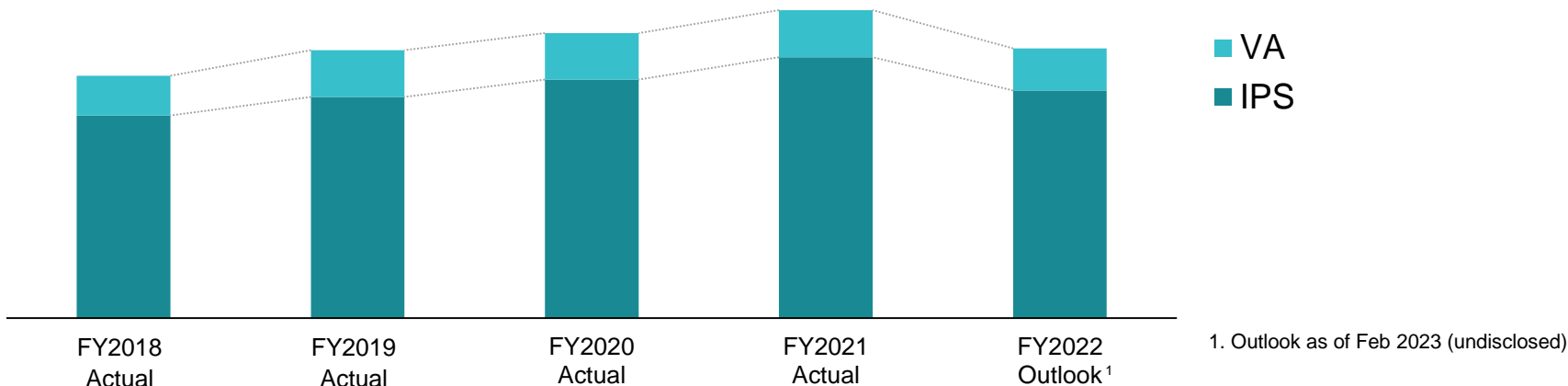
## Sales Growth Rate of Main Products

- DP Materials: 【2H Outlook】 Sales YOY -14%, Sales below target 【Full-Year Outlook】 Sales YOY -13%
- Semis Materials: 【2H Outlook】 Sales YOY +7%, Sales below target 【Full-Year Outlook】 Sales YOY +16%
- Inorganic Materials: 【2H Outlook】 Sales YOY +11%, Sales below target 【Full-Year Outlook】 Sales YOY +10%

Main Products	FY2022 Outlook as of Nov 2022			FY2022 Outlook as of Feb 2023				
	YOY Change			YOY Change				
	1H Actual	2H	Total	3Q Actual	1-3Q Actual	4Q	2H	Total
Total SUNEVER	-12%	-2%	-7%	-6%	-10%	-19%	-13%	-12%
Total Display Materials	-13%	-2%	-7%	-7%	-11%	-20%	-14%	-13%
KrF (ARC®)	+8%	+11%	+10%	-16%	0%	-6%	-11%	-2%
ArF (ARC®)	+26%	+24%	+25%	-2%	+16%	+17%	+7%	+16%
Total ARC®	+23%	+21%	+22%	-5%	+13%	+10%	+3%	+12%
Other Semis Materials <sup>1</sup>	+35%	+37%	+36%	+10%	+26%	+26%	+18%	+26%
Total Semis Materials	+26%	+26%	+26%	0%	+17%	+15%	+7%	+16%
SNOWTEX	+6%	+27%	+16%	+17%	+9%	+18%	+17%	+11%
Organo/Monomer Sol	+10%	-9%	0%	-13%	+2%	-1%	-7%	+1%
Oilfield Materials	+94%	+18%	+52%	+182%	+122%	+19%	+83%	+88%
Total Inorganic Materials	+9%	+17%	+13%	+9%	+9%	+13%	+11%	+10%
Total Segment	+6%	+12%	+9%	-1%	+3%	-1%	-1%	+2%

1. Multi layer process materials (OptiStack®), EUV materials, CMOS image sensor materials, 3D packing process materials

In FY2022 Full-Year outlook, SUNEVER sales -12%, and below target compared to outlook as of Nov 2022. The shift from other modes (rubbing IPS, etc.) to photo IPS is progressing steadily.



### Main Applications

- VA (Vertical Alignment) TV
- IPS (In-Plane Switching) Smartphone, Tablet, PC, Monitor, Automobile

### Sales Growth Rate by Mode

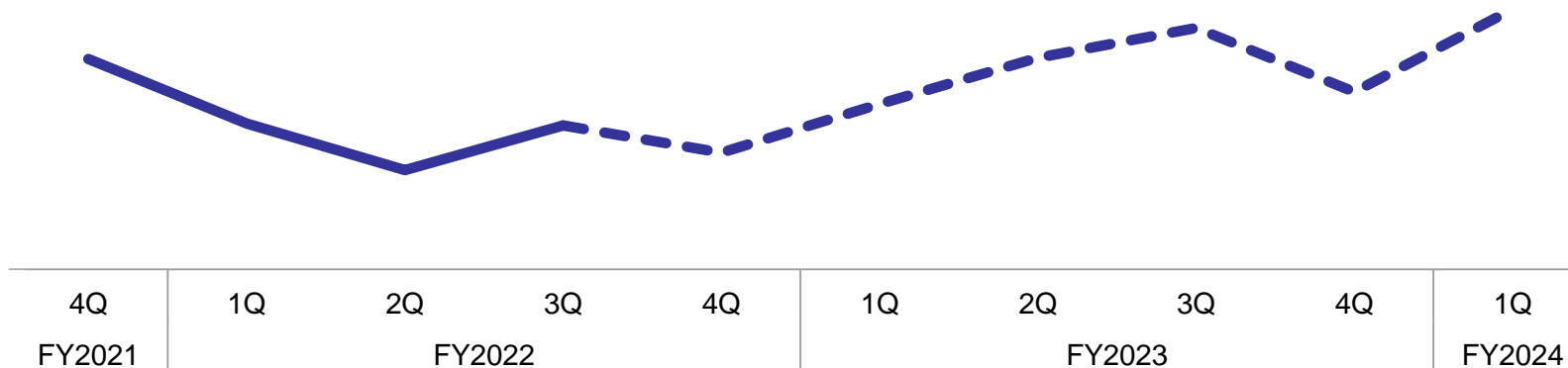
	FY2022 Full-year Outlook as of Nov 2022	FY2022 Full-year Outlook as of Feb 2023
	YOY Change	YOY Change
VA	<b>Down(-10 ~ -19%)</b>	<b>Down(-10 ~ -19%)</b>
IPS	<b>Down(-0 ~ -9%)</b>	<b>Down(-10 ~ -19%)</b>
Total SUNEVER (including TN <sup>2</sup> )	<b>-7%</b>	<b>-12%</b>

2. TN (Twisted Nematic) main applications is PC, Monitor

## Displays Market Forecast Image

Recovery expected from 1H FY2023.

The shift from other modes (rubbing IPS, etc.) to photo IPS is progressing steadily.

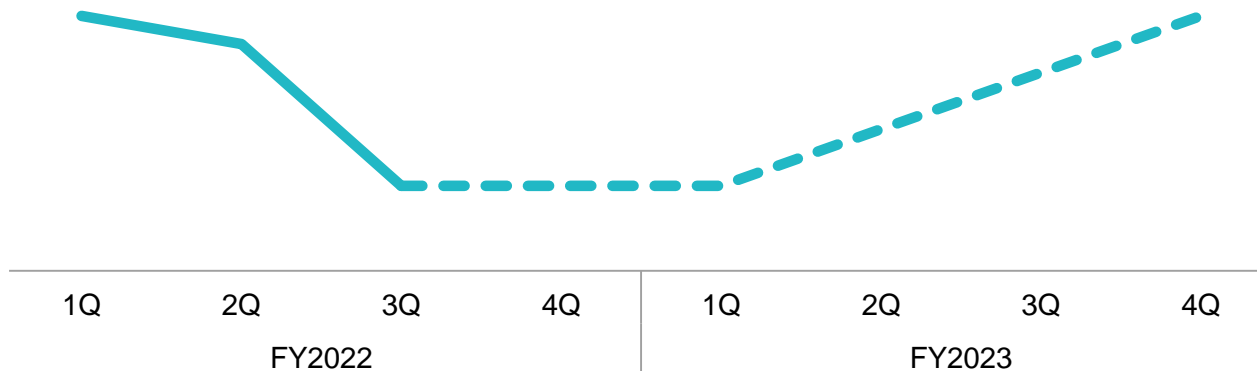


Source: Omdia (Jan 2023), area base

## Semis Market Forecast Image

Recovery expected from 1H FY2023.

No change in being a growth market in the medium to long term.



Source: Nissan Chemical estimates based on various surveys

**[3Q Actual]** Sales down ¥0.3 billion, OP down ¥0.7 billion, Fixed cost up ¥0.5 billion in total

**[2H Outlook]** Sales down ¥0.6 billion, OP down ¥2.2 billion,

Fixed cost up ¥1.6 billion in total (including common expenses up ¥0.1 billion)

(¥billion)

	FY2021 Actual					FY2022 Outlook as of Feb 2023					YOY Change				
	1H	3Q	4Q	2H	Total	1H Actual	3Q Actual	4Q	2H	Total	1H	3Q	4Q	2H	Total
Sales	39.6	20.9	21.2	42.1	81.7	42.0	20.6	20.9	41.5	83.5	+2.4	-0.3	-0.3	-0.6	+1.8
OP	13.1	7.6	6.9	14.5	27.6	13.9	6.9	5.4	12.3	26.2	+0.8	-0.7	-1.5	-2.2	-1.4

1. FY2021 actual has been revised to reflect organizational change in April 2022 (see p68, p69)

Display Materials	<b>[3Q] Sales down, OP down</b> <b>[2H] Sales down, OP down</b>	Semis Materials	<b>[3Q] Sales flat, OP down</b> <b>[2H] Sales up, OP up</b>
	Photo IPS <b>[3Q] Sales flat (shipment shifted from 4Q to 3Q FY2022)</b> <b>[2H] Sales down</b>		ARC® <b>[3Q] Sales down</b> <b>[2H] Sales up</b>
	Rubbing IPS <b>[3Q]&amp;[2H] Sales down</b>		Other semis materials <b>[3Q]&amp;[2H] Sales up</b> (multi layer materials and EUV materials up) EUV Under Layer: steady growth and market share expansion
	VA <b>[3Q]&amp;[2H] Sales down</b>		<b>[3Q] Fixed cost up ¥0.3 billion</b> <b>[2H] Fixed cost up ¥0.9 billion</b>
	<b>[3Q] Display market slowdown,</b> Fixed cost up ¥0.1 billion <b>[2H] Display market slowdown,</b> Fixed cost up ¥0.3 billion	Inorganic Materials	<b>[3Q] Sales up, OP up</b> <b>[2H] Sales up, OP down</b>
			SNOWTEX <b>[3Q]&amp;[2H] Sales up</b> (non-polishing and polishing up)
			Organo/Monomer Sol <b>[3Q]&amp;[2H] Sales down</b>
			Oilfield materials <b>[3Q]&amp;[2H] Sales up</b>
			<b>[3Q] Fixed cost up ¥0.1 billion</b> <b>[2H] Fixed cost up ¥0.3 billion</b>

# FY2022 Financial Outlook Compared to Outlook as of Nov 2022

**[3Q Actual]** Sales below target ¥2.1 billion, OP below target ¥1.2 billion, Fixed cost below expectations ¥0.2 billion in total

**[2H Outlook]** Sales below target ¥5.7 billion, OP below target ¥4.1 billion, Fixed cost above expectations ¥0.1 billion in total  
(¥billion)

	FY2022 Outlook as of Nov 2022			FY2022 Outlook as of Feb 2023			vs. Outlook as of Nov 2022		
	3Q	4Q	2H	3Q Actual	4Q	2H	3Q	4Q	2H
Sales	22.7	24.5	47.2	20.6	20.9	41.5	-2.1	-3.6	-5.7
OP	8.1	8.3	16.4	6.9	5.4	12.3	-1.2	-2.9	-4.1

**[3Q]** Sales below target, OP in line with target

**[2H]** Sales below target, OP below target

## Display Materials

Photo IPS      **[3Q]** Sales in line with target  
(shipment shifted from 4Q to 3Q FY2022)  
**[2H]** Sales below target

Rubbing IPS    **[3Q]&[2H]** Sales below target

VA                **[3Q]&[2H]** Sales above target

**[3Q]** Fixed cost below expectations ¥0.1 billion

**[2H]** Fixed cost below expectations ¥0.1 billion

## Semis Materials

**[3Q]** Sales below target, OP below target

**[2H]** Sales below target, OP below target

ARC®            **[3Q]&[2H]** Sales below target

Other semis  
materials        **[3Q]** Sales below target (multi layer materials below  
target, EUV materials in line with target)  
**[2H]** Sales below target  
(multi layer materials and EUV materials below target)

**[3Q]** Fixed cost below expectations ¥0.1 billion

**[2H]** Fixed cost above expectations ¥0.2 billion

## Inorganic Materials

**[3Q]** Sales below target, OP below target

**[2H]** Sales below target, OP below target

SNOWTEX        **[3Q]** Sales below target  
(non-polishing down, polishing up)  
**[2H]** Sales below target  
(non-polishing down, polishing flat)

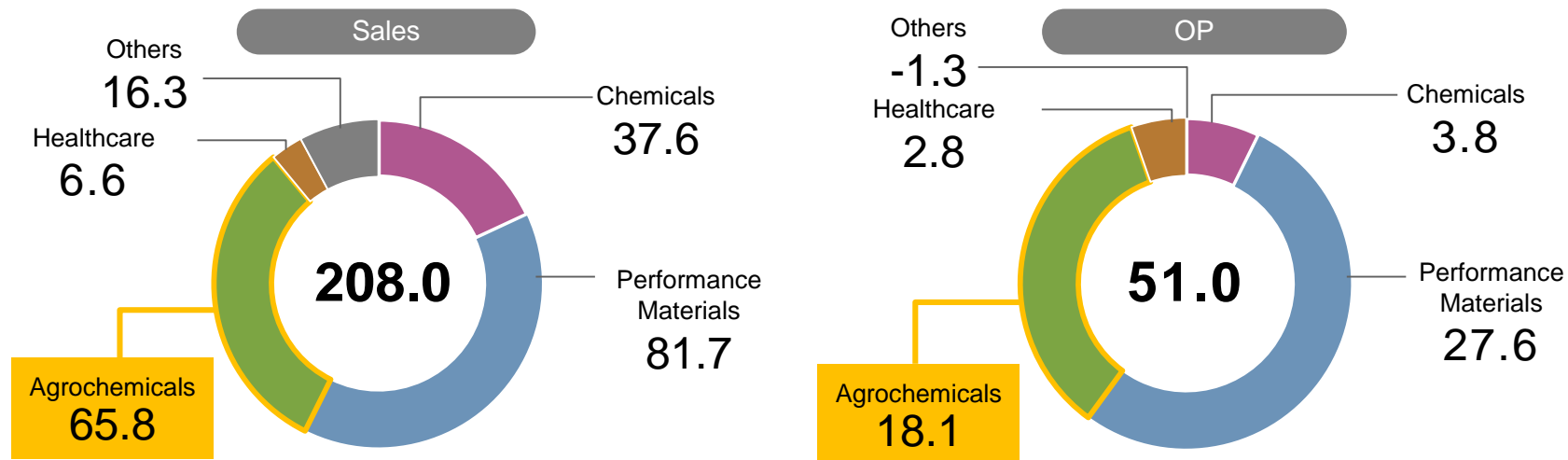
Organo/Monomer Sol    **[3Q]** Sales below target  
(shipment shifted from 3Q to 4Q FY2022)  
**[2H]** Sales above target

Oilfield materials    **[3Q]&[2H]** Sales above target

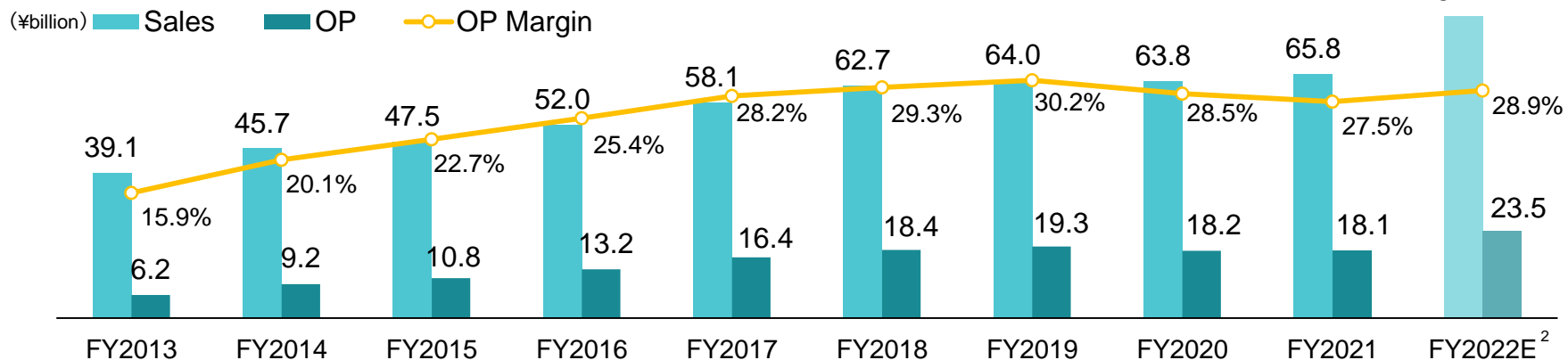
**[3Q]** Fixed cost in line with expectations

**[2H]** Fixed cost in line with expectations

FY2021 Actual by Segment (¥billion)<sup>1</sup>



Agrochemicals – Recent Financial Performance



1. Organizational change was implemented in April, 2022. FY2013-2020 Actual figures are based on old segmentation.

FY2021 actual has been revised to reflect organizational change in April 2022 (see p68, p69)

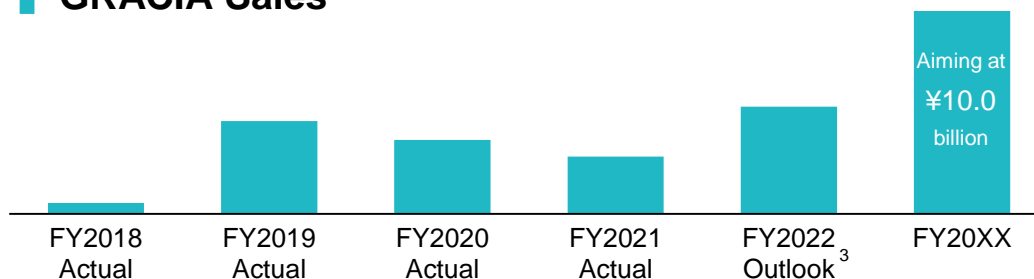
2. Outlook as of Feb 2023



【2H Outlook】 Sales YOY +12%, Sales above target 【Full-Year Outlook】 Sales YOY +24%

Main Products (in order of FY2021 Sales amount)	Types	FY2022 Outlook as of Nov 2022			FY2022 Outlook as of Feb 2023				
		YOY Change			YOY Change				
		1H Actual	2H	Total	3Q Actual	1-3Q Actual	4Q	2H	Total
ROUNDUP <sup>1</sup>	Herbicide	+16%	+3%	+9%	-28%	+7%	+18%	+9%	+12%
Fluralaner	Animal Health products	+42%	+32%	+38%	+62%	+47%	+5%	+29%	+37%
ALTAIR	Herbicide	+31%	+10%	+14%	+18%	+26%	+8%	+9%	+13%
TARGA	Herbicide	+30%	-1%	+13%	+7%	+26%	+8%	+8%	+18%
DITHANE	Fungicide	+38%	+3%	+15%	+24%	+33%	+24%	+24%	+29%
PERMIT	Herbicide	+190%	-45%	+4%	-22%	+45%	-36%	-28%	+18%
LEIMAY	Fungicide	+144%	+71%	+92%	+25%	+110%	+87%	+78%	+97%
GRACIA	Insecticide	+199%	+47%	+81%	+105%	+145%	+25%	+55%	+87%
QUINTEC	Fungicide	+121%	-97%	-26%	-97%	-9%	-96%	-97%	-26%
<b>Total segment<sup>2</sup></b>	-	<b>+43%</b>	<b>+6%</b>	<b>+20%</b>	<b>+10%</b>	<b>+32%</b>	<b>+13%</b>	<b>+12%</b>	<b>+24%</b>

## GRACIA Sales



3. as of Feb 2023

## Reference

- No.1 in the domestic agrochemicals sales ranking (Oct 2020- Sep 2021)

[ROUNDUP Business Briefing](#) (January 22, 2020)

1. ROUNDUP AL for general household account for 28% of total ROUNDUP sales (1-3Q FY2022 Actual)
2. Total segment sales YOY include discount

**[3Q Actual]** Sales up ¥1.2 billion, OP up ¥0.1 billion, Fixed cost up ¥0.2 billion

**[2H Outlook]** Sales up ¥4.9 billion, OP up ¥0.2 billion, Fixed cost up ¥0.6 billion

(¥billion)

	FY2021 Actual					FY2022 Outlook as of Feb 2023					YOY Change				
	1H	3Q	4Q	2H	Total	1H Actual	3Q Actual	4Q	2H	Total	1H	3Q	4Q	2H	Total
Sales	25.0	11.9	28.9	40.8	65.8	35.7	13.1	32.6	45.7	81.4	+10.7	+1.2	+3.7	+4.9	+15.6
OP	6.9	3.0	8.2	11.2	18.1	12.1	3.1	8.3	11.4	23.5	+5.2	+0.1	+0.1	+0.2	+5.4

1. FY2021 actual has been revised to reflect organizational change in April 2022 (see p68, p69)

Main products	ROUNDUP(Herbicide)	[3Q] Sales down (ML: shipment shifted from 3Q to 4Q FY2022, AL: sales down) [2H] Sales up (ML: volume & price up, AL: sales up)
	Fluralaner(Animal health product)	[3Q] Sales up (API: shipment shifted from 4Q to 3Q FY022, royalties: up) [2H] Sales up (API & royalties: up)
	ALTAIR(Herbicide)	[3Q] Sales up (domestic: rush demand following the price hikes in December) [2H] Sales up (domestic: price up)
	TARGA(Herbicide)	[3Q]&[2H] Sales up (mainly up for export)
	DITHANE(Fungicide)	[3Q] Sales up (mainly up for export) [2H] Sales up (domestic: price hikes in December, export: shipment shifted from 2H FY2021 to FY2022)
	PERMIT(Herbicide)	[3Q]&[2H] Sales down (shipment skewed to 3Q in FY2021)
	LEIMAY(Fungicide)	[3Q]&[2H] Sales up (export: sales up for mixture product application in Europe)
	GRACIA(Insecticide)	[3Q]&[2H] Sales up (domestic: sales up due to end of distribution inventory adjustment, export: sales expansion due to newly launched countries)
	QUINTEC(Fungicide)	[3Q]&[2H] Sales down (shipment skewed to 1H in FY2022)

# FY2022 Financial Outlook Compared to Outlook as of Nov 2022

**[3Q Actual]** Sales above target ¥1.8 billion, OP above target ¥1.5 billion,  
Fixed cost below expectations ¥0.3 billion

**[2H Outlook]** Sales above target ¥2.2 billion, OP above target ¥1.6 billion,  
Fixed cost below expectations ¥0.4 billion

(¥billion)

	FY2022 Outlook as of Nov 2022			FY2022 Outlook as of Feb 2023			vs. Outlook as of Nov 2022		
	3Q	4Q	2H	3Q Actual	4Q	2H	3Q	4Q	2H
Sales	11.3	32.2	43.5	13.1	32.6	45.7	+1.8	+0.4	+2.2
OP	1.6	8.2	9.8	3.1	8.3	11.4	+1.5	+0.1	+1.6

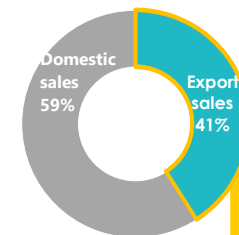
Main products	ROUNDUP(Herbicide)	【3Q】 Sales in line with target (ML: above target, AL: below target) 【2H】 Sales above target (ML: price up, AL: in line with target)
	Fluralaner(Animal health product)	【3Q】 Sales above target (API: shipment shifted from 4Q to 3Q FY2022, royalties: above target) 【2H】 Sales below target (API: in line with target, royalties: slightly below target)
	ALTAIR(Herbicide)	【3Q】 Sales below target (domestic: shipment shifted from 3Q to 4Q) 【2H】 Sales in line with target
	TARGA(Herbicide)	【3Q】&【2H】 Sales above target (mainly up for export)
	DITHANE(Fungicide)	【3Q】&【2H】 Sales above target (domestic: price hikes in December)
	PERMIT(Herbicide)	【3Q】&【2H】 Sales above target (demand increase)
	LEIMAY(Fungicide)	【3Q】 Sales below target (shipment shifted from 3Q to 4Q FY2022) 【2H】 Sales above target (export: sales up for mixture product application in Europe)
	GRACIA(Insecticide)	【3Q】 Sales above target (export: shipment shifted from 4Q to 3Q FY2022) 【2H】 Sales above target (domestic: sales up due to end of distribution inventory adjustment)
QUINTEC(Fungicide)	【3Q】&【2H】 Sales in line with target	

Launch	Products	Application	Product development type	Notes
2002	ROUNDUP	Herbicide	Acquired	Acquired domestic business from Monsanto, continuing to grow
2008	LEIMAY	Fungicide	In-house	
2008	STARMITE	Insecticide	In-house	
2009	PULSOR (THIFLUZAMIDE)	Fungicide	Acquired	Acquired world business from Dow
2009	PREVATHON	Insecticide	Licensed-in	Licensed from DuPont
2010	ROUNDUP AL	Herbicide	In-house	For general household shower-type herbicide market, launched ROUNDUP AL II in FY2016 and AL III in FY2017, growing sharply
2011	ALTAIR	Herbicide	In-house	Launched in Korea in FY2011 and in Japan in FY2012
2013	Fluralaner	Animal health product	In-house	Started to be supplied to MSD <sup>1</sup> in July as scheduled
2014	BRAVECTO <sup>2</sup>	Veterinary medical product for companion animals	-	Launched in several countries in EU in April 2014, in the USA in June 2014 and in Japan in July 2015
2015	TREFANOCIDE	Herbicide	Licensed-in	Acquired by Gowan from Dow, exclusive sales right in Japan transferred to Nissan Chemical
2017	NEXTER	Fungicide	Licensed-in	Licensed from Syngenta
2017	TRANSFORM™ / EXCEED™ / VIRESCO™	Insecticide	Licensed-in	Licensed from Dow
2017	EXZOLT <sup>2</sup>	Veterinary medical product for poultry	-	Launched in EU in September for poultry red mites by MSD
2018	GRACIA	Insecticide	In-house	Effective against a wide range of serious pests, having less negative impact on honeybees. Launched in Korea in FY2018, in Japan in FY2019, and in India and Indonesia in FY2021 (expected peak sales ¥10.0 billion)
2019	QUINTEC (QUINOXYFEN)	Fungicide	Acquired	Acquired world business from Corteva. Protective fungicide highly effective in controlling powdery mildew in fruits and vegetables
2020	DITHANE (MANCOZEB)	Fungicide	Acquired	Acquired Japan and Korea business from Corteva in December 2020. Protective fungicide with significant efficacy against various plant diseases in fruits and vegetables
2024	NC-653 (DIMESULFAZET)	Herbicide	In-house	Effective against resistant weeds, having excellent safety to rice (expected peak sales ¥3.5 billion)
2025	NC-520	Insecticide	Joint development	Insecticide for paddy rice co-developed with other companies. Highly effective against planthoppers (expected peak sales ¥2.5 billion including mixture products)
2027	NC-656 (IPTRIAZOPYRID)	Herbicide	In-house	Our first foliar application rice herbicide with excellent efficacy against resistant grass weeds (expected peak sales ¥10.0 billion)

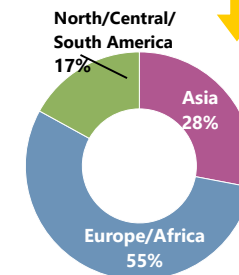
Existing products

New products - Pipeline

### Export ratio of agrochemicals business (FY2021 Actual)<sup>3</sup>



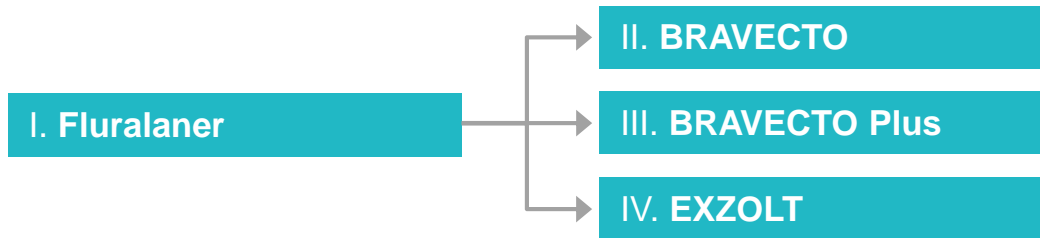
### - Distribution by Region



**Expected peak sales of new products**  
**¥31.0 billion**

1. MSD: MSD Animal Health, the global animal health business unit of Merck 2. BRAVECTO, EXZOLT: the product names developed by MSD, containing the active substance Fluralaner  
 3. Including Fluralaner

- BRAVECTO series and EXZOLT, which contains the active pharmaceutical ingredient of Fluralaner invented by Nissan Chemical, are currently available in more than 100 countries.
- BRAVECRO's greatest feature is its effectiveness, which lasts up to 12 weeks (existing products last up to about 1 month)



## I. Fluralaner

- Invented by Nissan Chemical and supplied to MSD<sup>1</sup> as the active pharmaceutical ingredient of BRAVECTO and EXZOLT
- Currently, BRAVECTO series and EXZOLT are available in more than 100 countries
- Compound patent
  - Fluralaner's compound patent expires in March 2025, but many countries have a patent term extension system
    - Some EU countries including UK, France, Germany – already extended to February 2029
    - USA, etc. – applications under examination

## II. BRAVECTO

- Developed and launched by MSD
- Veterinary medical products providing 12 weeks<sup>2</sup> of continuous protection for dogs and cats against fleas and ticks with immediate effect, nearly 3 times longer than any monthly products in the market.
- Chewable tablet for dogs
  - April 2014 EU, June 2014 USA, July 2015 Japan, July 2019 China
  - July 2020 monthly chews for puppies in USA
- Spot-on solution for dogs and cats
  - for cats: July 2016 EU, December 2016 USA, June 2018 Japan
  - for dogs: January 2017 USA and EU, January 2021 Japan

## III. BRAVECTO Plus

- A broad-spectrum combination spot-on solution for cats to treat internal and external parasite infestations
  - July 2018 EU, December 2019 USA, January 2021 Japan

## IV. EXZOLT

- A poultry medicine against red mite launched by MSD (administered via drinking water)
  - September 2017 EU, June 2018 Korea and Middle East etc., July 2021 Japan
- A cattle medicine
  - March 2022 approved in Brazil, May 2022 approved in Mexico

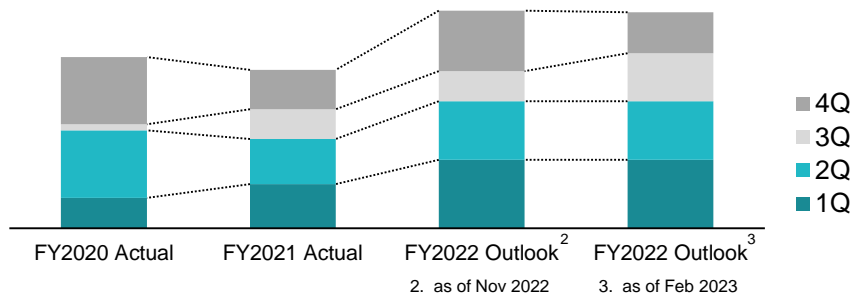
1. MSD: MSD Animal Health, the global animal health business unit of Merck    2. 8 weeks for *Rhipicephalus sanguineus* ticks

## Nissan Chemical's Revenues are Consisted from Following Two Factors

- Sales of Fluralaner to MSD as API<sup>1</sup> of BRAVECTO and EXZOLT products
- Running royalties received from MSD

1. API: Active Pharmaceutical Ingredient

## FY2020-FY2022 Fluralaner Quarterly Sales (including royalties)



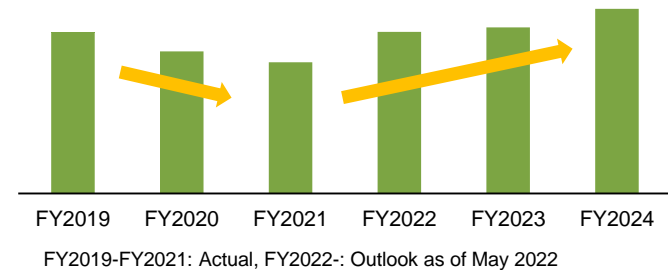
Royalties revenue used to be recognized in 2Q and 4Q until FY2020. Due to changes in accounting policies, it has been recognized in each quarter since FY2021 (see p67).

## BRAVECTO series and EXZOLT R&D

MSD is developing several pipeline products which contain the API of Fluralaner (including new type of BRAVECTO for pets and spot-on solution for livestock)

## FY2019-FY2024 Fluralaner Pro-forma Sales Image (including royalties)

(No change from FY2021 Presentation Materials announced in May 2022)



- Inventory adjustments for Fluralaner were completed in FY2021.
- Plan a large sales increase in FY2022, due to the shipments shifted from FY2021 to FY2022. Assumed exchange rate is ¥115/\$ (as of May 2022).
- Assumed exchange rate for FY2023 and beyond: ¥110/\$.
- The mid-term plan for FY2027 includes the forecast of patent extensions and expirations by country (see p37) and does not include the sales increase associated with the launch of newly developed BRAVECTO series and EXZOLT.

Expand product portfolio through acquisition and introduction of new pesticides

## QUINTEC (QUINOXYFEN)

- QUINTEC is Nissan Chemical's main product of fungicides containing QUINOXYFEN (active ingredient)
- Acquired the QUINOXYFEN product line of fungicides including QUINTEC brand from Corteva in November 2019
- Started to sell in December 2019
- Distributed as a fungicide for fruit trees and vegetables. Mainly sold in USA
- Protective fungicide highly effective in controlling powdery mildew in fruits (especially grapes) and vegetables

## DITHANE (MANCOZEB)

- DITHANE is Nissan Chemical's main product of fungicides containing MANCOZEB (active ingredient)
- Acquired the MANCOZEB product line of fungicides in Japan and Korea including DITHANE brand from Corteva in December 2020
- Started to sell in January 2021 in Japan
- Protective fungicide with significant efficacy against various plant diseases in fruits (especially apples and citrus) and vegetables. Excellent rain fastness

- Average amortized period fixed at 5 or 16 years(straight-line method)(weighted average 15.6 years) after the accounting audit. (tentatively calculated under the condition of 5-year amortization period before audit)

### DITHANE Acquisition's Estimated PL Impact<sup>1</sup>

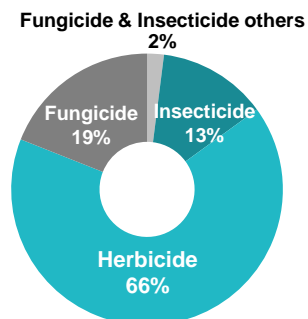
(¥billion)

	OP	OP + Amortization
FY2020	0.3	0.4
FY2021	0.7	1.1
Total FY2022-26	3.6	5.3

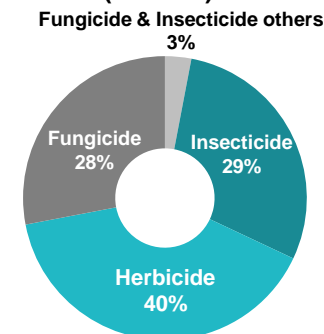
1. No change from FY2020 Presentation Materials announced in May 2021

## Agrochemical Products Portfolio

### Nissan Chemical Sales Distribution (FY2021)



### Total Global Market Distribution (CY2021)



- Establish an API production site to ensure a stable global supply and reduce manufacturing costs
- NBR is added as a consolidated subsidiary from FY2022

## Nissan Bharat Rasayan Private Limited (NBR)

Head Office	Gurgaon, Haryana (near New Delhi)
Plant Location	Newly built in Saykha, Gujarat (land leased by Gujarat Industrial Development Corporation)
Opening of Business	April 1, 2020
Business	Manufacturing active ingredients of agrochemicals (GRACIA, LEIMAY, QUINTEC, etc.) and exporting them to Nissan Chemical
Number of Operators	150-200 (assumptions as of 2022)
Plant Operating	4Q FY2022
Shareholders	Nissan Chemical 70%, Bharat Rasayan Ltd (BRL)30%
Board of Directors	Nissan Chemical 5, BRL 2, Independent1, Total 8

## Bharat Rasayan Ltd (BRL)

Foundation	1989 (one of major Indian agrochemical companies)
Listing	National Stock Exchange of India(NSE), Bombay Stock Exchange (BSE)
Major Shareholders	Founders families including Sat Narain Gupta, Chairman 75.05%
2021 PL	Sales INR 13,012 million, Net Income after Taxes INR 1,760 million
Plant Location	2 plants: (A) Dahej, Gujarat (B) Rohtak, Haryana
Relationship with Nissan Chemical	BRL manufactures active ingredients and intermediates of Nissan Chemical's products. Bharat Certis Agriscience, a related company of Bharat group, distributes certain Nissan Chemical's products(TARGA, PULSOR, PERMIT) in India

## Funding Plan (as of May 2022)

Plant	6.0	Capital	2.3
Working capital and others	2.8	Borrowings provided by Nissan Chemical	6.5
Total required funds	8.8	Total funding plan	8.8

## Expected Net Contribution to Nissan Chemical's Consolidated PL

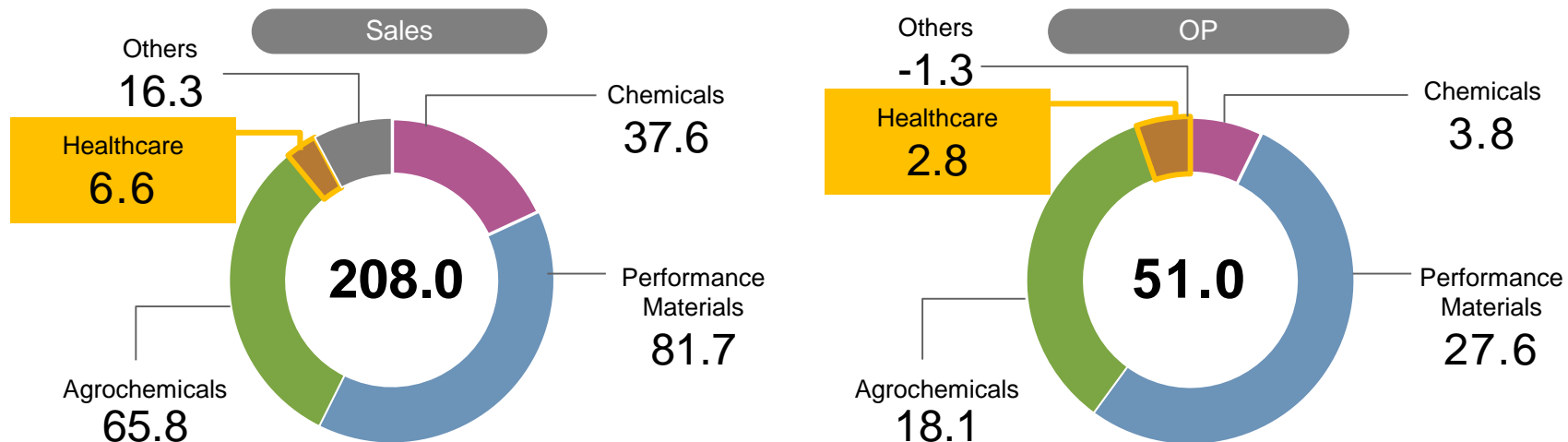
FY	2021	2022	2023	2024	2025
OP	-	-0.2	1.0	2.4	2.9

### Advantages to Nissan Chemical

- Reliable and experienced local partner
- Diversify and secure sources of active ingredients and decrease materials shortage risks
- Lower production costs compared to plants in Japan
- Readily available plant site (official approval process for land lease already completed)
- Much less management and financial risks compared to M&A of an existing local company

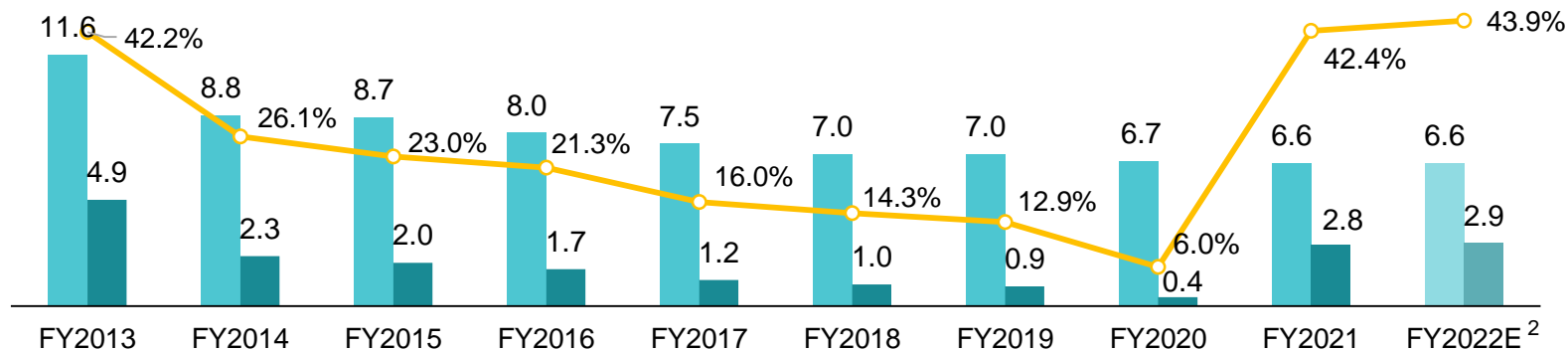


### FY2021 Actual by Segment (¥billion)<sup>1</sup>



### Healthcare – Recent Financial Performance

(¥billion) Sales OP OP Margin



1. Organizational changes were implemented in April, 2022. FY2013-2020 Actual figures are based on old segmentation. FY2021 actual has been revised to reflect organizational change in April 2022 (see p68, p69)  
 2. Outlook as of Feb 2023

**LIVALO** Anti-hyperlipidemia drug launched by Kowa in 2003. Currently sold in 30 countries around the world.

(¥billion)

Sales	FY2013 Actual <sup>1</sup>	FY2020 Actual <sup>2</sup>	FY2021 Actual	FY2022 Outlook as of Nov 2022	FY2022 Outlook as of Feb 2023
Our Domestic and Export API Sales	10.2	2.8	2.3	2.3	2.3
API Sales YoY Change	-2%	-30%	-17%	0%	-1%
Domestic YoY Change	-2%	+6%	+30%	-17%	-17%
Export YoY Change	-1%	-35%	-28%	+8%	+5%

1. August 2013, domestic compound patent expired 2. August 2020, market exclusivity expired in EU

## Custom Chemicals

- Custom manufacturing and solution proposal business for new drug pharmaceutical ingredients and intermediates from pre-clinical to commercial production stages
- In addition, focusing on obtaining new contracts mainly for high potent and high-valued added GE API products

### ■ High-valued added GE API products

Launch	API	Indication
2016	Maxacalcitol	Psoriasis vulgaris / Secondary hyperparathyroidism
2017	Eldecacitol	Osteoporosis

### ■ Custom Chemicals Sales Growth (FY2013-2022)

(¥billion)

FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022 Outlook as of Nov	FY2022 Outlook as of Feb
1.8	2.3	2.4	2.5	2.6	2.9	3.8	4.2	4.2	4.3

**【3Q Actual】** Sales down ¥0.33 billion, OP down ¥0.26 billion

**【2H Outlook】** Sales up ¥0.14 billion, OP down ¥0.03 billion

(¥billion)

	FY2021 Actual					FY2022 Outlook as of Feb 2023					YOY Change				
	1H	3Q	4Q	2H	Total	1H Actual	3Q Actual	4Q	2H	Total	1H	3Q	4Q	2H	Total
Sales	3.34	1.92	1.33	3.25	6.59	3.25	1.59	1.80	3.39	6.64	-0.09	-0.33	+0.47	+0.14	+0.05
Healthcare	1.41	0.48	0.53	1.01	2.42	1.42	0.35	0.57	0.92	2.34	+0.01	-0.13	+0.04	-0.09	-0.08
Custom Chemicals	1.93	1.44	0.80	2.24	4.17	1.83	1.24	1.23	2.47	4.30	-0.10	-0.20	+0.43	+0.23	+0.13
OP	1.38	0.92	0.51	1.43	2.81	1.46	0.66	0.74	1.40	2.86	+0.08	-0.26	+0.23	-0.03	+0.05
Healthcare	0.52	0.15	0.17	0.32	0.84	0.63	0.10	0.12	0.22	0.85	+0.11	-0.05	-0.05	-0.10	+0.01
Custom Chemicals	0.86	0.77	0.34	1.11	1.97	0.83	0.56	0.62	1.18	2.01	-0.03	-0.21	+0.28	+0.07	+0.04

- Figures in p17, p18, p64, p65, p66 may not match the numbers on this page due to rounding.
- FY2021 actual has been revised to reflect organizational change in April 2022 (see p68, p69)

Healthcare

**【3Q】Sales down, OP down**

**【2H】Sales down, OP down**

LIVALO

【3Q】 Sales down (domestic up, export down)  
【2H】 Sales down (domestic down, export up)

Custom  
Chemicals

**【3Q】Sales down, OP down**

**【2H】Sales up, OP up**

【3Q】Sales down due to shipment skewed to 4Q in FY2022  
in some products  
【2H】Sales up

# FY2022 Financial Outlook Compared to Outlook as of Nov 2022

**[3Q Actual]** Sales below target ¥0.09 billion, OP in line with target

**[2H Outlook]** Sales above target ¥0.08 billion, OP above target ¥0.06 billion

(¥billion)

	FY2022 Outlook as of Nov 2022			FY2022 Outlook as of Feb 2023			vs. Outlook as of Nov 2022		
	3Q	4Q	2H	3Q Actual	4Q	2H	3Q	4Q	2H
Sales	1.68	1.63	3.31	1.59	1.80	3.39	-0.09	+0.17	+0.08
Healthcare	0.43	0.53	0.96	0.35	0.57	0.92	-0.08	+0.04	-0.04
Custom Chemicals	1.25	1.10	2.35	1.24	1.23	2.47	-0.01	+0.13	+0.12
OP	0.66	0.68	1.34	0.66	0.74	1.40	0.00	+0.06	+0.06
Healthcare	0.17	0.12	0.29	0.10	0.12	0.22	-0.07	0.00	-0.07
Custom Chemicals	0.49	0.56	1.05	0.56	0.62	1.18	+0.07	+0.06	+0.13

1. Figures in p17, p18, p64, p65, p66 may not match the numbers on this page due to rounding.

Healthcare

**[3Q]Sales below target, OP below target**  
**[2H]Sales below target, OP below target**

LIVALO

[3Q]Sales below target  
(domestic above target, export below target)  
[2H]Sales below target  
(domestic in line with target, export below target)

Custom  
Chemicals

**[3Q]Sales in line with target, OP above target**  
**[2H]Sales above target, OP above target**

[3Q]Sales in line with target  
[2H]Sales Generic APIs above target

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## E

(Environment)


## S

(Social)

- April 2021 Announced its Diversity Statement and Diversity Vision
- May 2022 Decided to work on realization of carbon neutrality by 2050  
Established new long-term target for reducing greenhouse gas (GHG) emissions(see p53)
- June 2022 Reduced GHG emissions by melamine production stop (26,000 tons, equivalent to about 7% of FY2018)
- July 2022 Established Climate Change Committee
- October 2022 Published "[Integrated Report 2022](#)  "

## G

(Governance)

- April 2019 Established Nomination and Remuneration Advisory Committee as an optional advisory body of the Board of Directors
- June 2019 Introduced a performance-linked stock compensation plan called a Board Benefit Trust for Board of Directors, etc.
- June 2021 One female Outside Director added, as a result, the Board of Directors includes 4 Outside Directors out of 10
- June 2022 Announced incorporating ESG indicators into the officers' remuneration system  
(65% base remuneration, 28% performance-related remuneration, 7% remuneration in stock.  
Out of the 28% performance-related remuneration, 90% is profit-linked and 10% is ESG-linked.)
- June 2022 Updated and disclosed "[Corporate Governance Report](#)  " including skills matrix for the board

## Dow Jones Sustainability Asia Pacific Index

- December 2022  
Selected as a constituent  
for 5 consecutive years

Member of  
**Dow Jones  
Sustainability Indices**  
Powered by the S&P Global CSA

## S&P/JPX Carbon Efficient Index

- March 2022  
Selected as a constituent  
for 4 consecutive years



## FTSE

- June 2022: Selected as a constituent of FTSE4Good Index Series, FTSE Blossom Japan Index for 3 consecutive years
- June 2022: Selected as a constituent of FTSE Blossom Japan Sector Relative

1. FTSE Russell confirms that Nissan Chemical has been independently assessed according to the index criteria, and has satisfied the requirements to become a constituent of the FTSE Blossom Japan Sector Relative Index. The FTSE Blossom Japan Sector Relative Index is used by a wide variety of market participants to create and assess responsible investment funds and other products.



## Certified Health & Productivity Management Organization (White 500)

- March 2022  
Acquired for 6 consecutive years



## Corporate Value Improvement Award hosted by TSE

- January 2020  
Selected as one of the 50 candidates among all listed companies by the Tokyo Stock Exchange for 2 consecutive years

## MSCI Japan Empowering Women (WIN) Select Index

- June 2022  
Selected as a constituent  
**2022 CONSTITUENT MSCI JAPAN  
EMPOWERING WOMEN INDEX (WIN)**

2. THE INCLUSION OF NISSAN CHEMICAL CORPORATION IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF NISSAN CHEMICAL CORPORATION BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.

## Task Force on Climate-related Financial Disclosures (TCFD)

- August 2020  
Announced its support for  
recommendations



Specified materiality that we should engage to realize corporate image of 2027.  
Aim to have sustainable growth with society by promoting initiatives.

▶▶▶1

## Provision of New Value for Helping to Enrich People's Lives

### ▶ Nissan Chemical Sustainable Agenda<sup>1</sup>

Rate of total sales of products and services that contribute to solving social issues in consolidated net sales

**Maintain at least 55%**

1. A plan to pursue "what we can do for the future of the globe and human" by providing products and services that contribute to solving social issues

▶▶▶2

## Strengthening of Nissan Chemical's Business Base

### ▶ Personnel retention and trainings

Positive response rate in survey of employee attitude

**At least 65%**

### ▶ Promote Diversity

Proportion of female researchers

**At least 18%**

▶▶▶3

## Continuous Improvement of Responsible Care Activities

### ▶ GHG Emission Target

Reduced by **at least 30%** compared to FY2018

## Our Materiality

Strengthening of Corporate Governance, Risk Management and Compliance



Provide products and services that contribute to solving social issues through four businesses, with the refining and fostering of core technologies

Materiality Factor	Major Initiatives
<b>Supply of environmental-friendly products and services</b>	<ul style="list-style-type: none"> <li>■ Develop materials that contribute to the expansion of renewable energy</li> <li>■ Develop materials that contribute to the achievement of a circular economy</li> <li>■ Reduce the application amount of agrochemicals</li> <li>■ Introduce recyclable packaging materials</li> <li>■ Supply exhaust gas removal materials</li> <li>■ Supply disinfectants and water treatment for septic tanks</li> <li>■ Supply materials that enable reduction of oil and fat waste</li> </ul>
<b>Contribution to smart society</b>	<ul style="list-style-type: none"> <li>■ Supply materials that contribute to higher capacity/speed of data communication and sensing</li> </ul>
<b>Contribution to food issues</b>	<ul style="list-style-type: none"> <li>■ Supply agrochemicals to increase crop yields and conserve agricultural labor in food production</li> <li>■ Contribution to the maintenance of health of livestock</li> </ul>
<b>Contribution to improvement of the quality of life</b>	<ul style="list-style-type: none"> <li>■ Supply disinfectants for drinking water</li> <li>■ Contribute to maintaining the health of companion animals</li> </ul>
<b>Contribution to health issues</b>	<ul style="list-style-type: none"> <li>■ Supply generic drugs</li> <li>■ Offer contracted manufacturing and service for pharmaceuticals</li> <li>■ Develop materials for regenerative medicine market</li> <li>■ Develop drugs for intractable diseases</li> </ul>

# Provision of New Value for Helping to Enrich People's Lives

Provide products and services that contribute to solving social issues through four businesses, with the refining and fostering of core technologies

Materiality Factor	Major Products and Services	Target for FY2027 (Compared to FY2021)
<b>Supply of environmental-friendly products and services</b>	<ul style="list-style-type: none"> <li>■ Secondary battery materials</li> <li>■ Photoelectric conversion materials</li> <li>■ CCU and CCUS materials</li> <li>■ ECOPROMOTE</li> <li>■ ROUND NOZZLE ULV5</li> <li>■ GREENDITHANE</li> <li>■ AdBlue®</li> <li>■ HI-LITE, Water treatment for Septic Tank</li> <li>■ Venus Oilclean</li> </ul>	<p>Net Sales + 10%</p>
<b>Contribution to smart society</b>	<ul style="list-style-type: none"> <li>■ Display materials</li> <li>■ Semiconductor materials</li> <li>■ Sensor materials</li> <li>■ Optical interconnect materials</li> </ul>	<p>Net Sales + 55%</p>
<b>Contribution to food issues</b>	<ul style="list-style-type: none"> <li>■ Agrochemicals</li> <li>■ Fluralaner (for livestock)</li> </ul>	<p>Net Sales + 15%</p>
<b>Contribution to improvement of the quality of life</b>	<ul style="list-style-type: none"> <li>■ HI-LITE (for drinking water)</li> <li>■ Fluralaner (for companion animals)</li> </ul>	<p>Net Sales + 15%</p>
<b>Contribution to health issues</b>	<ul style="list-style-type: none"> <li>■ Maxacalcitol and other generic drugs</li> <li>■ Contracted manufacturing and service for pharmaceuticals</li> <li>■ Oigonucleotide therapeutics</li> <li>■ FCeM series</li> <li>■ Prevelex series</li> </ul>	<p>Net Sales + 5%</p>
<b>Rate of total sales of products and services that contribute to solving social issues in consolidated net sales</b>	<h2 style="text-align: center;">Nissan Chemical Sustainable Agenda</h2>	<p style="text-align: center;">Maintain at least <b>55%</b></p>

Strengthen our business foundation, including the enhancement of human capital, in order to enhance our response capability to increasingly diverse and sophisticated demands from the market

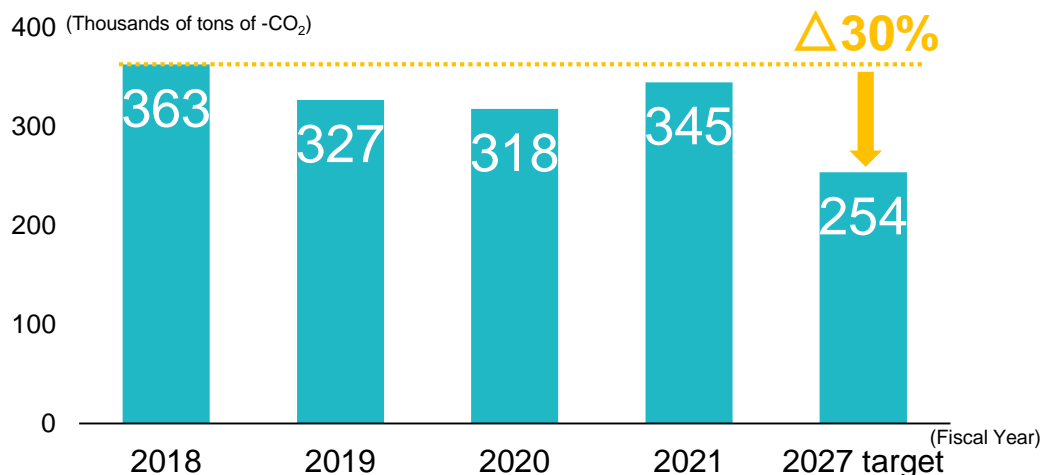
Materiality Factor	Major Initiatives	Target for FY2027
<b>Enhancement of R&amp;D capability</b>	<ul style="list-style-type: none"> <li>Accelerate R&amp;D through the use of AI</li> <li>Expand core technologies</li> <li>Use open innovation further</li> </ul>	Total number of patent applications (FY2022 to 2027): 2,500
<b>Improvement of product quality</b>	<ul style="list-style-type: none"> <li>Prevent serious complaints</li> <li>Prevent quality fraud and data tampering</li> </ul>	<ul style="list-style-type: none"> <li>Number of serious complaints: Zero</li> <li>Attendance rate of quality training: At least 90%</li> </ul>
<b>Maintenance and improvement of employees' health</b>	<ul style="list-style-type: none"> <li>Promote measures against lifestyle-related diseases</li> <li>Implement mental health measures</li> <li>Conduct awareness activities for employees on maintaining their health</li> <li>Promote female's health</li> </ul>	Rate of employees within appropriate weight*: At least 70% *BMI (body mass index): 18.5 to 25.0
<b>Creation of a comfortable workplace</b>	<ul style="list-style-type: none"> <li>Promote work-life balance</li> <li>Implement measures against harassment</li> <li>Provide support for childcare and nursing care, encourage male employees to take parental leaves</li> </ul>	Utilization rate for annual paid leaves: At least 80%
<b>Personnel retention and trainings</b>	<ul style="list-style-type: none"> <li>Introduce a new personnel system (role evaluation system)</li> <li>Strengthen career development</li> <li>Enhance self-development support programs</li> </ul>	<b>Positive response rate in survey of employee attitude on HR development: At least 65%</b>
<b>Promotion of diversity</b>	<ul style="list-style-type: none"> <li>Promote female's activities</li> <li>Recruit international students</li> <li>Promote employment of persons with disabilities</li> </ul>	<ul style="list-style-type: none"> <li>Proportion of females in the regular position: At least 13%</li> <li><b>Proportion of female researchers: At least 18%</b></li> </ul>
<b>Promotion of fair-trading</b>	<ul style="list-style-type: none"> <li>Hold in-house training sessions, and conduct other educational and awareness activities for fair-trading</li> <li>Conduct educational and awareness activities for compliance</li> </ul>	<ul style="list-style-type: none"> <li>Zero violations of antitrust laws</li> <li>Zero bribery of foreign public officials</li> </ul>
<b>Promotion of sustainable procurement</b>	<ul style="list-style-type: none"> <li>Provide feedbacks on results of sustainable procurement survey</li> <li>Provide supports in improvement for suppliers that don't meet the Company's standards</li> </ul>	Provision rate of supports in improvement for suppliers that don't meet the Company's standards: At least 90%
<b>Adaption to climate change</b>	<ul style="list-style-type: none"> <li>Maintain and improve the resilience of business activities in the event of natural disasters</li> </ul>	Update and maintain BCPs for products that account for 50% of ordinary income

Continue our commitment to Responsible Care, with a focus on reducing GHG emissions to achieve carbon neutrality by 2050

Materiality Factor	Major Initiatives	Target for FY2027
Mitigation of climate change	<ul style="list-style-type: none"> <li>Reduce GHG emissions</li> </ul>	<p><b>GHG emissions: Reduce by at least 30% compared to FY2018</b> (3 years ahead of the target for FY2030)</p>
Promotion of occupational health and safety	<ul style="list-style-type: none"> <li>Strengthen occupational safety management</li> </ul>	<ul style="list-style-type: none"> <li>Zero accidents requiring staff time off from work</li> <li>Number of occupational accidents: Reduce by half compared to FY2020</li> </ul>
Biodiversity conservation	<ul style="list-style-type: none"> <li>Promote biodiversity conservation activities</li> </ul>	<p>Establish and operate Bio-Parks at Nissan Chemical's plants</p>
Management of chemical substances	<ul style="list-style-type: none"> <li>Comply with laws and regulations regarding the use of chemical substances</li> </ul>	<p>Continue zero serious violations of laws and regulations</p>
Reduction of industrial waste and pollutant emissions	<ul style="list-style-type: none"> <li>Reduce industrial waste and pollutant emissions for final disposal</li> </ul>	<p>Reduce final disposal ratio at Nissan Chemical's plants (compared to FY2020)</p>
Security and disaster prevention	<ul style="list-style-type: none"> <li>Strengthen the management of security and disaster prevention</li> </ul>	<ul style="list-style-type: none"> <li>Zero fires, explosions and chemical spills</li> <li>Zero security accidents</li> </ul>

# Reduction of GHG Emissions

- Focus on improving production technology and adopting renewable energy etc., in addition to conventional efforts, to achieve carbon neutrality by 2050
- GHG emissions in FY2021 increased by 27,000 tons-CO<sub>2</sub> compared to FY2020 (Factors for increase)
  - Increase in production of ammonia related products (Increase in CO<sub>2</sub> emissions, natural gas consumption, and electricity consumption during production)
  - Increase in production of nitric acid products (Increase in N<sub>2</sub>O emissions during production)
  - Increase in use of non-renewable electricity due to construction work of Toyama Kyodo Jikahatsuden (decrease in hydroelectric power supply)



## Comparison of GHG emissions with general chemical manufacturers

(Thousands of tons -CO<sub>2</sub>)

FY	2011	2018	2019	2020	2021
Nissan Chemical	448	363	327	318	345

Average of 4 major general chemical manufacturers (non-consolidated basis)	-	-	5,845	5,581	-
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## Initiatives in Mid-Term Plan Vista2027 (FY2022-2027)

- Zero N<sub>2</sub>O emissions from nitric acid plants (Planned investment of 500 million yen, variable cost of 50 million yen/year)
- Melamine production shutdown
- Converting fuels at Onoda Plant
- Promoting reduction of GHG emissions through full-scale introduction of ICP
- Reduction of CFC equipment
- Upgrade to energy-efficient equipment

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# Mid-Term Plan Vista2027 (FY2022-2027) announced in May 2022

## Sales and Income Targets by Segment

		FY2021 Actual <sup>1</sup>	FY2022 Outlook as of Feb 2023	FY2024 Mid-Term Plan	FY2027 Mid-Term Plan	(¥billion)	
						FY2024 vs. FY2021	FY2027 vs. FY2021
Chemicals	Sales	37.6	39.7	37.6	40.1	0.0	+2.5
	OP	3.8	1.7	3.5	3.9	-0.3	+0.1
Performance Materials	Sales	81.7	83.5	102.9	117.2	+21.2	+35.5
	OP	27.6	26.2	32.1	38.0	+4.5	+10.4
Agrochemicals	Sales	65.8	81.4	77.8	82.3	+12.0	+16.5
	OP	18.1	23.5	21.7	21.0	+3.6	+2.9
Healthcare	Sales	6.6	6.6	7.2	11.5	+0.6	+4.9
	OP	2.8	2.9	2.1	4.3	-0.7	+1.5
Trading, Others, Adjustment	Sales	16.3	18.3	29.5	33.9	+13.2	+17.6
	OP	-1.3	-0.9	-0.9	-0.2	+0.4	+1.1
Planning and Development <sup>2</sup>	Sales	0.0	0.0	1.3	4.4	+1.3	+4.4
	OP	-4.9	-5.5	-4.7	-4.7	+0.2	+0.2
Total	Sales	208.0	229.5	255.0	285.0	+47.0	+77.0
	OP	51.0	53.4	58.5	67.0	+7.5	+16.0

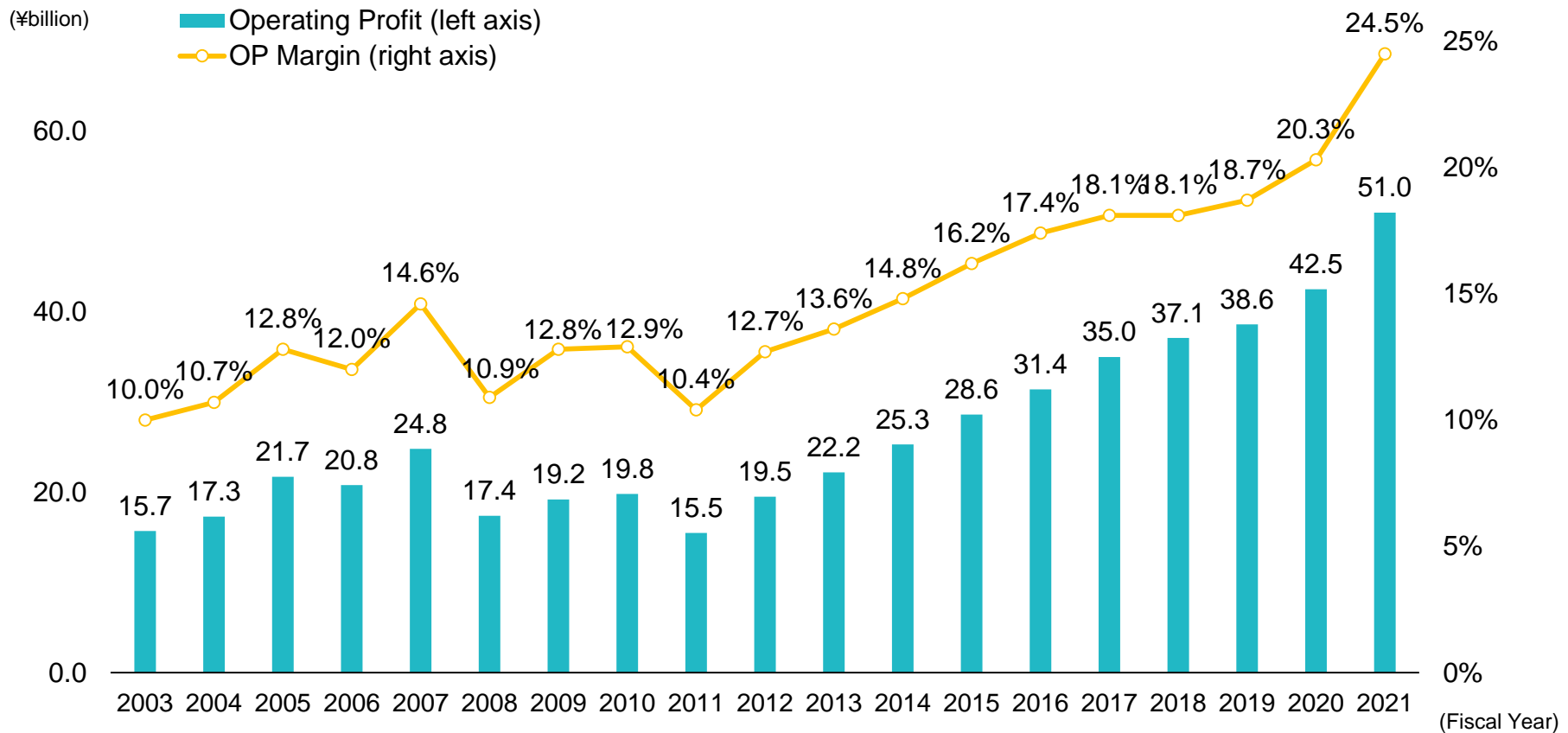
1. FY2021 actual has been revised to reflect organizational change in April 2022 (see p68, p69)

2. The figures of Planning and Development Division are internal figures of Trading, Others, Adjustment

Impact of organizational change regarding Healthcare Div.		(¥billion)	
		FY2024	FY2027
R&D expenses (Impact of transfer to Planning and Development Division)		1.3	1.3

# OP Margin Trend

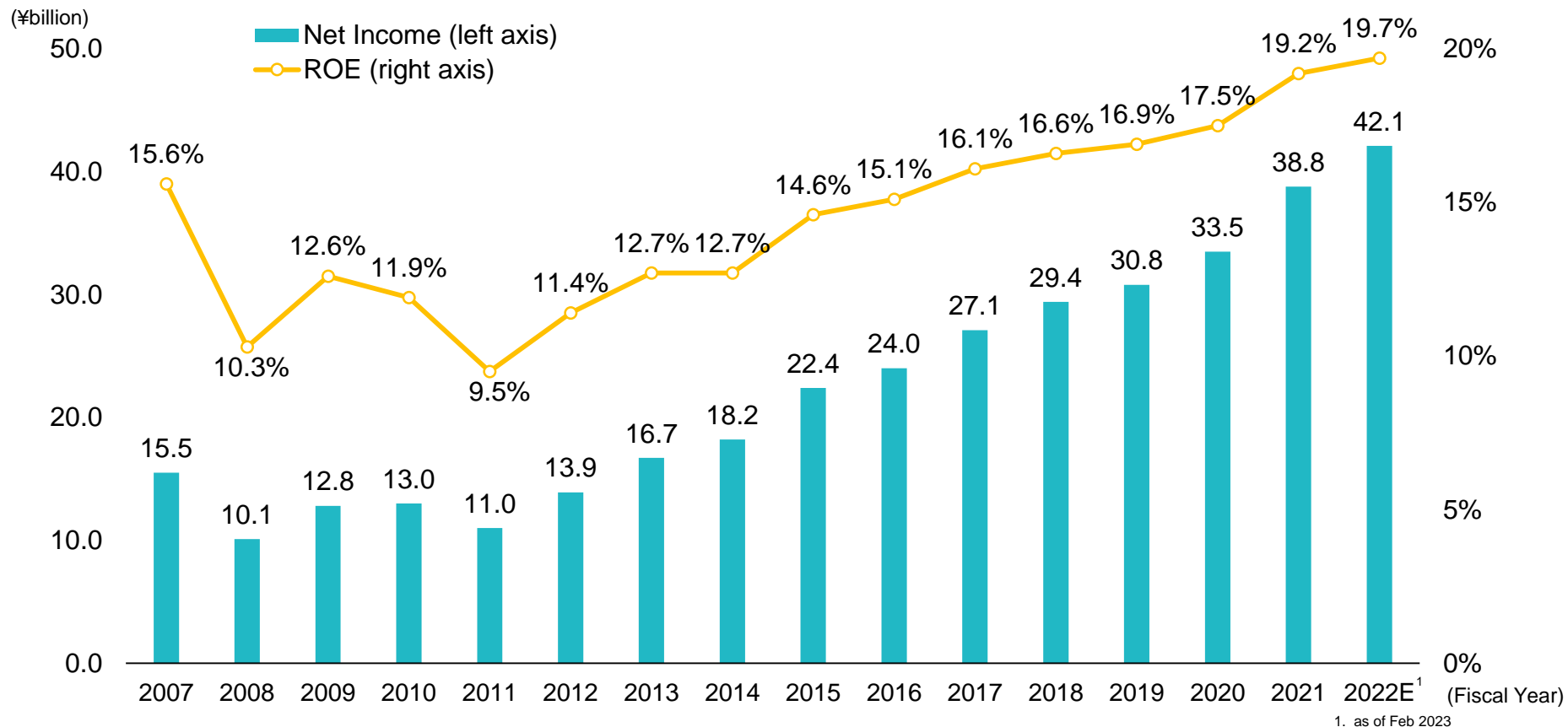
- OP margin has been above 10% for 19 consecutive years (FY2003-2021)
- FY2021 Actual : 24.5%



1. FY2021 Actual: Including effects of changes in accounting policies (see p67)

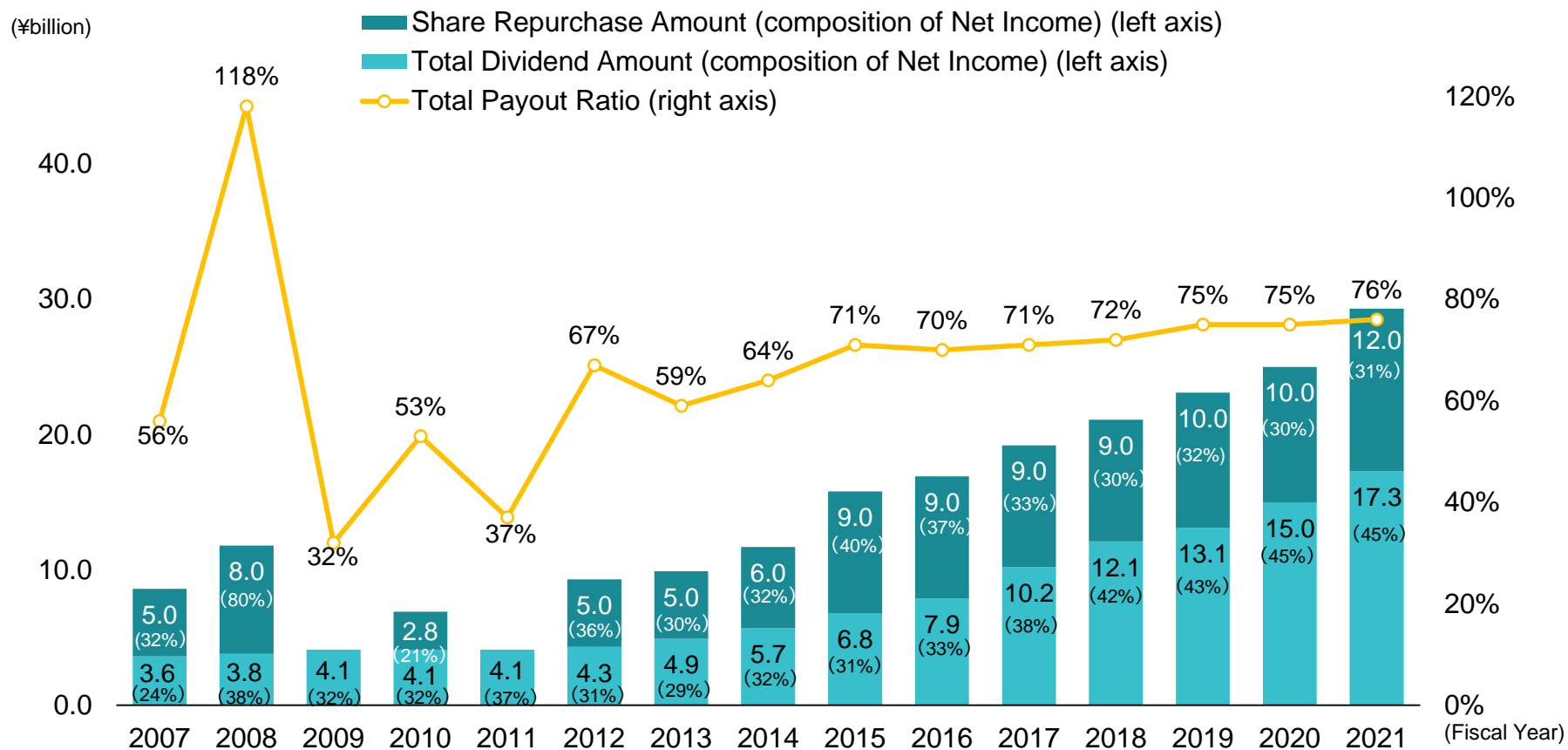


- Position ROE as the most important financial indicator for a long time
- Mid-Term Plan FY2019-2021 Target : Maintain above 16% ⇒ Achieved
- New Mid-Term Plan FY2022-2027 Target: above 18%
- FY2022 Outlook: 19.7%



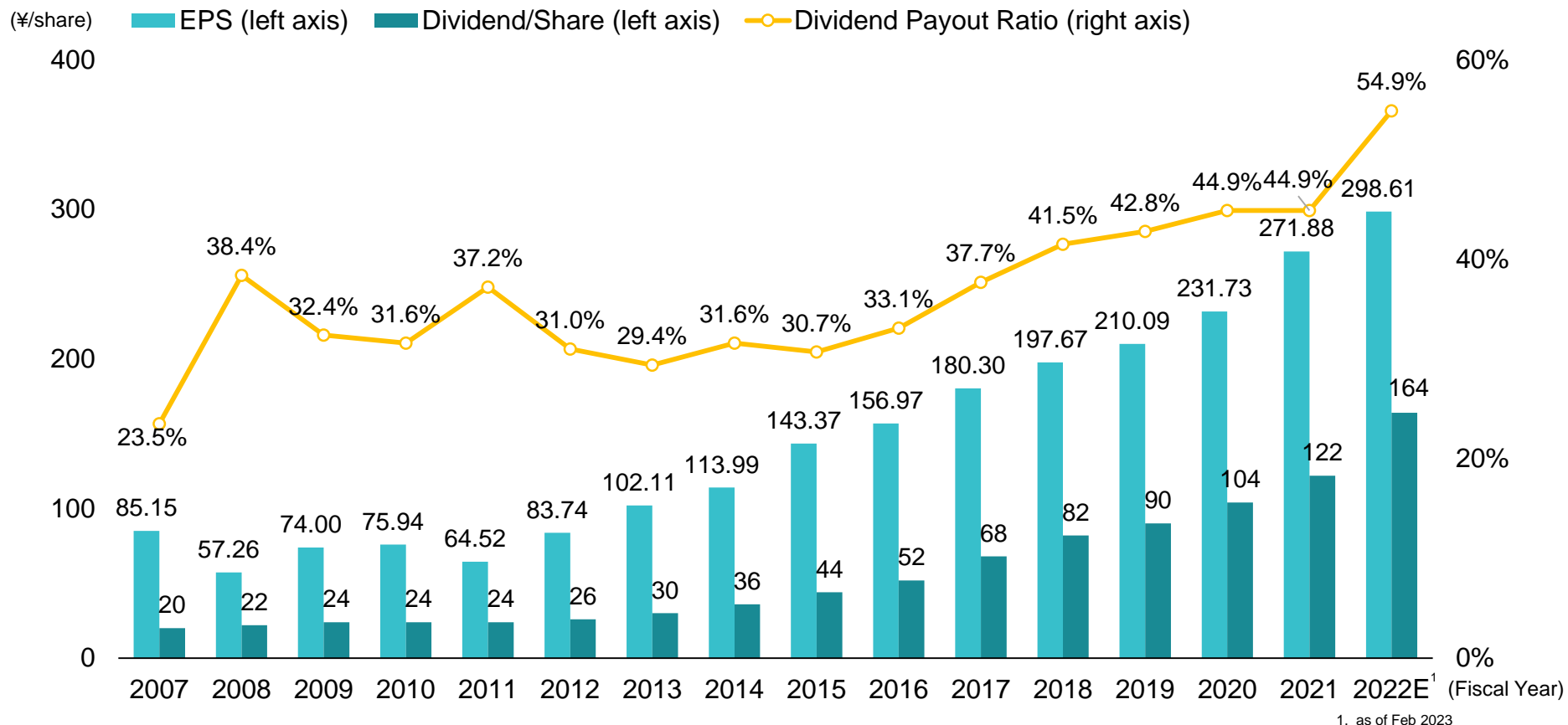
# Shareholders Return Policy - Total Payout Ratio

- Maintain an aggressive shareholders return policy
- Mid-Term Plan FY2019-2021 Target : 72.5% in FY2019, 75% after FY2020 ⇒ Achieved
- FY2021 Actual: 76%
- New Mid-Term Plan FY2022-2027 Target: 75%



# Shareholders Return Policy – Dividend Payout Ratio

- Gradually increased from 30.7% in FY2015 to 44.9% in FY2021
- Increase Dividend Payout Ratio Target to 55% from 45% in New Mid-Term Plan FY2022-2027
- Emphasis on direct shareholder returns
- Increased dividend/share for 10 consecutive years until FY2021



# Shareholders Return Policy - Share Repurchase

- Started share repurchase in FY2006 only to enhance ROE
- Repurchased ¥104.5 billion, 44.75 million shares (23.8% of shares issued) in total from FY2006 to FY2021
- Cancelled all repurchased shares
- Continue to strengthen shareholders return through share repurchase

## FY2006 - 2021 Shareholders Return (no share repurchase in FY2009 and FY2011)

Fiscal Year	2006	2007	2008	2010	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Total
Shares purchased (thousand shares) <sup>1</sup>	3,500	3,399	7,355	2,167	6,372	3,263	2,764	3,333	2,621	2,292	1,682	2,138	1,829	2,033	44,748
Purchase costs (¥billion) <sup>1</sup>	4.7	5.0	8.0	2.8	5.0	5.0	6.0	9.0	9.0	9.0	9.0	10.0	10.0	12.0	104.5
Shares cancelled (thousand shares)	3,000	3,635	7,000	3,000	6,000	4,000	3,000	2,000	2,000	3,000	2,000	3,000	1,000	2,000	44,635
Shares issued at FY end (million shares)	185	181	174	171	165	161	158	156	154	151	149	146	145	143	-
Treasury shares at FY end (thousand shares) <sup>2</sup>	1,367	1,233	1,660	885	1,258	522	287	1,621	2,242	1,535	1,218	523	1,352	1,384	-
Total payout ratio (dividend + share repurchase) (%)	60	56	118	53	67	59	64	71	70	71	72	75	75	76	-

## FY2018 - 2022 Share Repurchase and Cancel Program

Fiscal Year	2018			2019			2020			2021			2022	
	1H	2H	Total	1H	2H	Total	1H	2H	Total	1H	2H	Total	1H Actual	From Feb 13, 2023 to Apr 21, 2023 <sup>4</sup>
Shares purchased (thousand shares) <sup>1</sup>	976	706	1,682	1,270	868	2,138	1,334	495	1,829	1,262	771	2,033	683	Up to 1,000
Purchase costs (¥billion) <sup>1</sup>	5.0	4.0	9.0	6.0	4.0	10.0	7.0	3.0	10.0	7.0	5.0	12.0	5.0	Up to 4.0
Shares cancelled <sup>3</sup> (thousand shares)	2,000	0	2,000	2,000	1,000	3,000	1,000	0	1,000	2,000	0	2,000	1,700	

1. Excluding share acquisitions for performance-based compensation 2. Including share acquisitions for performance-based compensation

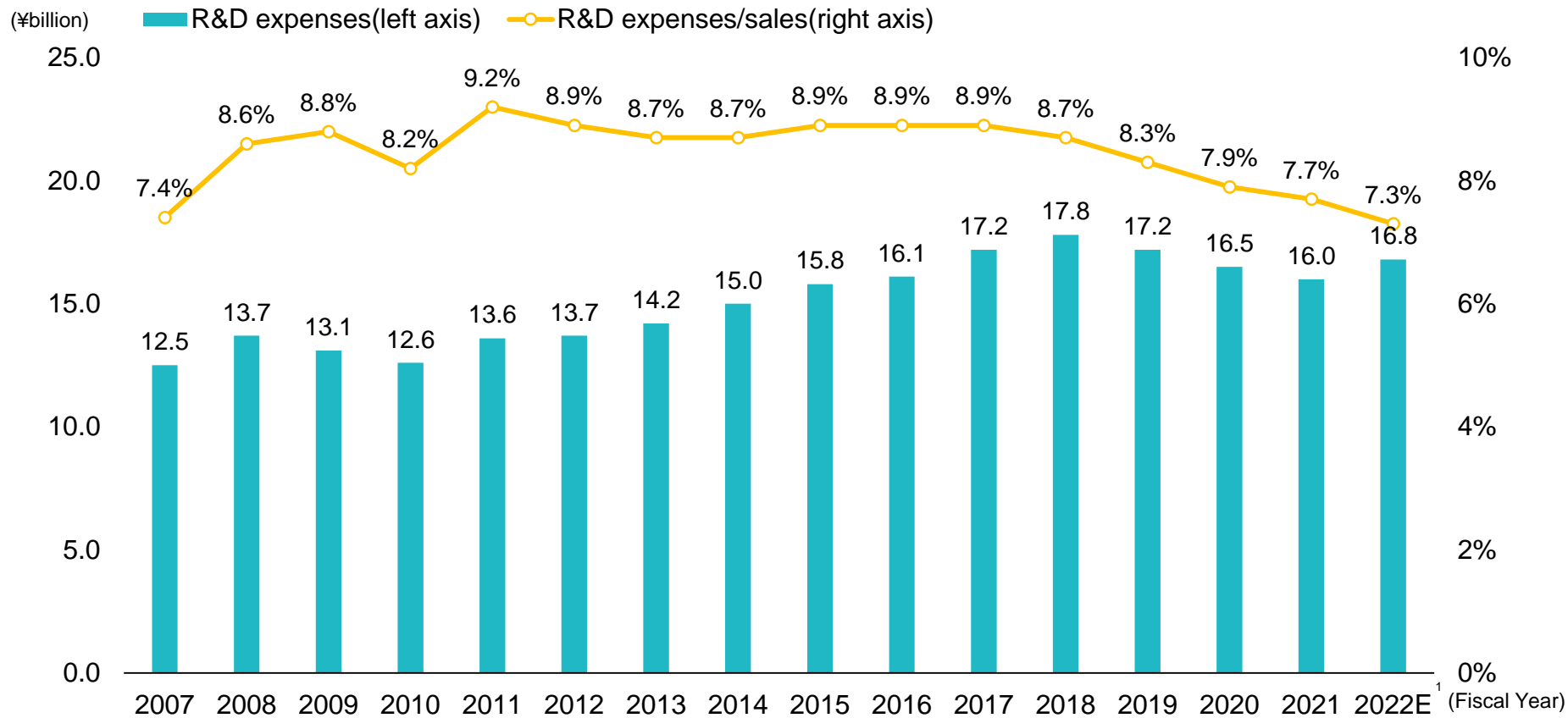
3. Date of Cancellation in 1H FY2022 is May 10 and Aug 31 2022 4. Announced on February 10, 2023

## Cash Management Policy (Non-consolidated basis)

Level of Target Cash Balance= Minimum required level + 1/3 of annual scheduled long-term borrowings repayment  
+ 1/3 of short-term borrowings outstanding + Contingent risk reserves

# R&D Expenses Trend

- Value R&D as a future-creating enterprise that responds to social needs with unique, innovative technologies
- Maintain about 7-9% R&D expenses/sales in recent years



1. as of Feb 2023

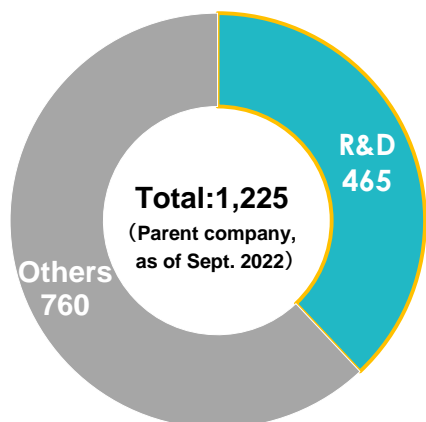
- Achieve high OP margin despite aggressive investment in R&D
- About 40% of professional staff engaged in R&D

## R&D Expenses by Segment

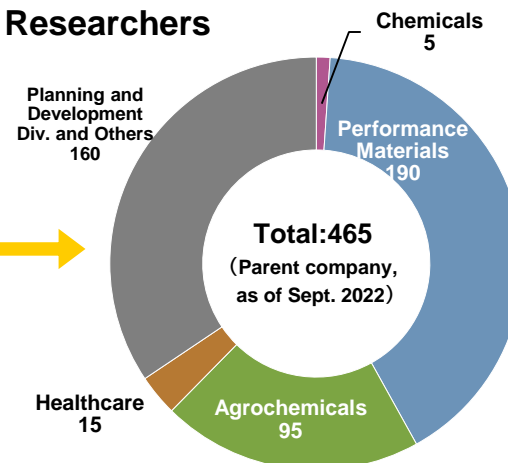
Segments	FY2022 Outlook as of Feb 2023				
	Sales (¥billion)	OP (¥billion)	OP Margin	R&D expenses (¥billion)	R&D Expenses/Sales
Chemicals	39.7	1.7	4.3%	0.3	0.8%
Performance Materials	83.5	26.2	31.4%	7.3	8.7%
Agrochemicals	81.4	23.5	28.9%	4.4	5.4%
Healthcare	6.6	2.9	43.9%	0.6	9.1%
Others <sup>1</sup>	-	-	-	4.2	-
<b>Total (including Others<sup>1</sup>)</b>	<b>229.5</b>	<b>53.4</b>	<b>23.3%</b>	<b>16.8</b>	<b>7.3%</b>

1. Including Planning and Development Div.

## Professional Staff Distribution



## Researchers



2. The staff number indicated is round number

# Long-term Financial Performance Trend

(¥billion)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022E
Sales	155.9	161.4	169.1	174.4	169.2	160.2	149.0	154.2	148.6	153.8	163.7	171.2	176.9	180.3	193.4	204.9	206.8	209.1	208.0	229.5
Operating Profit	15.7	17.3	21.7	20.8	24.8	17.4	19.2	19.8	15.5	19.5	22.2	25.3	28.6	31.4	35.0	37.1	38.6	42.5	51.0	53.4
Ordinary Income	14.6	17.4	21.3	21.2	24.4	16.9	19.2	19.4	15.9	20.5	23.7	26.4	29.5	31.7	36.2	39.1	40.0	43.9	53.7	55.5
Net Income	8.7	11.3	13.7	14.0	15.5	10.1	12.8	13.0	11.0	13.9	16.7	18.2	22.4	24.0	27.1	29.4	30.8	33.5	38.8	42.1
EBITDA	26.1	26.9	31.6	30.5	34.5	27.6	30.1	30.3	25.9	29.1	30.8	33.8	38.3	40.3	45.5	48.0	49.2	53.0	61.2	64.9
OP Margin	10.0%	10.7%	12.8%	12.0%	14.6%	10.9%	12.8%	12.9%	10.4%	12.7%	13.6%	14.8%	16.2%	17.4%	18.1%	18.1%	18.7%	20.3%	24.5%	23.3%
ROE	13.4%	15.2%	16.1%	14.7%	15.6%	10.3%	12.6%	11.9%	9.5%	11.4%	12.7%	12.7%	14.6%	15.1%	16.1%	16.6%	16.9%	17.5%	19.2%	19.7%
EPS (¥/share)	46.21	59.77	72.73	75.43	85.15	57.26	74.00	75.94	64.52	83.74	102.11	113.99	143.37	156.97	180.30	197.67	210.09	231.73	271.88	298.61
Dividend (¥/share)	11	11	15	20	20	22	24	24	24	26	30	36	44	52	68	82	90	104	122	164
Dividend Payout Ratio	23.8%	18.4%	20.6%	26.5%	23.5%	38.4%	32.4%	31.6%	37.2%	31.0%	29.4%	31.6%	30.7%	33.1%	37.7%	41.5%	42.8%	44.9%	44.9%	54.9%
Share Repurchase	-	-	-	4.7	5.0	8.0	-	2.8	-	5.0	5.0	6.0	9.0	9.0	9.0	9.0	10.0	10.0	12.0	-
Total Assets	172.6	169.4	183.2	177.3	172.7	172.3	181.4	183.4	190.1	199.2	208.0	223.9	228.2	231.7	246.0	247.0	249.5	265.5	279.7	-
Net Assets	70.4	80.0	93.6	99.3	101.2	96.8	107.7	112.4	119.6	126.7	137.8	151.3	156.9	163.7	176.4	182.1	185.5	200.6	208.0	-
Cash	5.9	4.3	8.5	11.0	7.6	9.7	14.8	21.1	27.9	31.9	30.8	31.3	35.3	35.7	37.7	36.2	30.6	32.4	34.7	-
Liabilities with Interest	57.4	44.6	41.5	32.4	34.4	45.5	42.1	39.9	38.9	38.1	36.1	35.1	33.1	30.8	28.6	26.6	24.6	22.7	22.7	-
Equity Ratio	40.1%	46.4%	50.2%	55.3%	58.0%	55.5%	58.7%	60.7%	62.4%	63.0%	65.7%	66.9%	68.1%	69.9%	71.0%	73.0%	73.7%	74.9%	73.6%	-
Capex	6.6	6.6	9.2	12.1	10.9	13.9	10.1	9.6	8.3	7.9	8.8	9.8	10.2	14.3	13.7	9.9	15.7	15.8	11.0	20.6
Depreciation	10.4	9.6	9.9	9.7	9.7	10.2	11.0	10.4	10.5	9.5	8.5	8.5	9.7	8.9	10.5	10.9	10.5	10.4	10.2	11.3
R&D Expenses	8.7	8.6	9.2	9.9	12.5	13.7	13.1	12.6	13.6	13.7	14.2	15.0	15.8	16.1	17.2	17.8	17.2	16.5	16.0	16.8
R&D Expenses/Sales	5.6%	5.3%	5.4%	5.7%	7.4%	8.6%	8.8%	8.2%	9.2%	8.9%	8.7%	8.7%	8.9%	8.9%	8.9%	8.7%	8.3%	7.9%	7.7%	7.3%

1. FY2021- : Including effects of changes in accounting policies (see p67)  
2. FY2022E: as of Feb 2023

# Sales and OP Trend by Segment

(¥billion)

Sales (A)	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022E
Chemicals	38.1	36.9	34.5	35.5	34.3	34.3	34.8	34.9	35.7	34.3	31.9	37.6	39.7
Performance Materials	38.0	34.0	37.4	42.8	49.4	51.8	52.8	58.8	63.0	65.5	71.6	81.7	83.5
Agrochemicals	34.4	33.8	35.4	39.1	45.7	47.5	52.0	58.1	62.7	64.0	63.8	65.8	81.4
Healthcare	9.6	10.0	12.7	11.6	8.8	8.7	8.0	7.5	7.0	7.0	6.7	6.6	6.6
Trading	44.1	44.8	46.6	50.7	54.4	55.6	55.2	59.5	67.9	67.9	69.8	80.4	98.9
Others	27.0	20.0	21.2	21.4	20.9	20.9	24.0	21.5	24.6	22.4	23.8	23.6	28.1
Adjustment	-37.0	-30.9	-34.0	-37.4	-42.3	-41.9	-46.5	-46.9	-56.0	-54.3	-58.5	-87.7	-108.7
Total	154.2	148.6	153.8	163.7	171.2	176.9	180.3	193.4	204.9	206.8	209.1	208.0	229.5

OP (B)	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022E
Chemicals	2.4	1.6	1.9	1.9	1.9	3.9	3.8	3.4	3.0	1.3	1.5	3.8	1.7
Performance Materials	7.9	4.8	7.2	8.8	12.0	12.0	12.5	14.2	15.0	17.0	22.4	27.6	26.2
Agrochemicals	4.8	4.4	5.0	6.2	9.2	10.8	13.2	16.4	18.4	19.3	18.2	18.1	23.5
Healthcare	4.4	4.6	5.2	4.9	2.3	2.0	1.7	1.2	1.0	0.9	0.4	2.8	2.9
Trading	1.4	1.3	1.4	1.5	1.7	1.8	1.7	1.8	2.0	2.1	2.5	2.9	3.3
Others	1.0	0.3	0.7	0.8	0.6	0.5	1.0	0.6	0.9	0.7	0.8	0.7	0.9
Adjustment	-2.1	-1.5	-1.9	-1.9	-2.4	-2.4	-2.5	-2.6	-3.2	-2.7	-3.3	-4.9	-5.1
Total	19.8	15.5	19.5	22.2	25.3	28.6	31.4	35.0	37.1	38.6	42.5	51.0	53.4

OP Margin (B)/(A)	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022E
Chemicals	6.3%	4.3%	5.5%	5.4%	5.5%	11.4%	10.9%	9.7%	8.4%	3.8%	4.7%	10.1%	4.3%
Performance Materials	20.8%	14.1%	19.3%	20.6%	24.3%	23.2%	23.7%	24.1%	23.8%	26.0%	31.3%	33.8%	31.4%
Agrochemicals	14.0%	13.0%	14.1%	15.9%	20.1%	22.7%	25.4%	28.2%	29.3%	30.2%	28.5%	27.5%	28.9%
Healthcare	45.8%	46.0%	40.9%	42.2%	26.1%	23.0%	21.3%	16.0%	14.3%	12.9%	6.0%	42.4%	43.9%
Trading	3.2%	2.9%	3.0%	3.0%	3.1%	3.2%	3.1%	3.0%	2.9%	3.1%	3.6%	3.6%	3.3%
Others	3.7%	1.5%	3.3%	3.7%	2.9%	2.4%	4.2%	2.8%	3.7%	3.1%	3.4%	3.0%	3.2%
Total	12.9%	10.4%	12.7%	13.6%	14.8%	16.2%	17.4%	18.1%	18.1%	18.7%	20.3%	24.5%	23.3%

## Segment Assets

(FY2021)(D)	2021
Chemicals	32.0
Performance Materials	55.3
Agrochemicals	90.8
Healthcare	8.3
Trading	31.5
Others	12.2
Adjustment	49.6
Total	279.7

## ROA(FY2021)

(B)/(D)	2021
Chemicals	11.9%
Performance Materials	49.9%
Agrochemicals	19.9%
Healthcare	33.7%
Trading	9.2%
Others	5.7%
Total	18.2%

1. FY2010-2011 : Old Segmentation, FY2012- : New Segmentation(after organizational change in June 2011) 2. Including inter-segment sales/transfers 3. FY2019-2022E : New OP method

4. FY2021: Including Sales decrease due to changes in accounting policies (see p67)

5. Trading: Nissei Corporation, Others: Nissan Butsuryo, Nissan Green & Landscape, Nissan Engineering, Nihon Hiryo, and others

Adjustment: Planning & Development Division and others

6. Sales and OP for Planning & Development Division in FY2021, FY2022 Outlook(as of Feb 2023) are disclosed on p55

7. Organizational change was implemented in April, 2022. FY2010-2020 Actual figures are based on old segmentation, FY2021 actual has been revised

to reflect organizational change in April 2022 (see p68, p69).

8. 2022E: as of Feb 2023

A. Applied from FY2020 (no change for sales segmentation)

B. FY2019 restated based on new methods

C. Consolidation items

(such as unrealized gain on inventories)

- (Old method) Included in each segment

- (New method) Excluded from each segment and included in "Adjustment"



# Quarterly Sales Trend by Segment (FY2019 - FY2022 Outlook)

(¥billion)

	FY2019 Actual					FY2020 Actual					FY2021 Actual					FY2022 Outlook as of Feb 2023					FY2022 Outlook as of Nov 2023	
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q Actual	2Q Actual	3Q Actual	4Q	Total	3Q	4Q
<b>Chemicals</b>	8.4	8.4	8.7	8.8	34.3	7.4	7.3	8.3	8.9	31.9	8.8	8.3	10.5	10.0	37.6	10.4	9.4	10.1	9.8	39.7	11.0	11.6
<b>Fine Chemicals</b>	2.6	2.6	2.6	2.7	10.5	2.7	2.7	2.8	3.2	11.4	3.2	3.0	3.7	3.2	13.1	4.2	3.5	3.3	3.2	14.2	4.0	4.6
<b>Basic Chemicals</b>	5.8	5.8	6.1	6.1	23.8	4.7	4.6	5.5	5.7	20.5	5.6	5.3	6.8	6.8	24.5	6.2	5.9	6.8	6.6	25.5	7.0	7.0
<b>Performance Materials</b>	15.1	16.3	17.0	17.1	65.5	17.1	17.5	19.2	17.8	71.6	20.0	19.6	20.9	21.2	81.7	21.8	20.2	20.6	20.9	83.5	22.7	24.5
<b>Agrochemicals</b>	14.7	13.2	5.5	30.6	64.0	14.6	11.1	6.3	31.8	63.8	13.4	11.6	11.9	28.9	65.8	19.7	16.0	13.1	32.6	81.4	11.3	32.2
<b>Healthcare</b>	1.9	1.5	1.6	2.0	7.0	1.5	1.5	1.4	2.3	6.7	1.1	2.2	2.0	1.3	6.6	1.7	1.5	1.6	1.8	6.6	1.7	1.7
<b>Healthcare</b>	1.4	0.7	0.9	1.0	4.1	0.7	0.8	0.6	0.8	2.9	0.6	0.8	0.5	0.6	2.5	0.8	0.6	0.4	0.6	2.3	0.4	0.5
<b>Custom Chemicals</b>	0.5	0.8	0.6	1.0	2.9	0.8	0.7	0.8	1.5	3.8	0.4	1.5	1.4	0.8	4.1	0.8	1.0	1.2	1.2	4.3	1.3	1.1
<b>Trading</b>	17.5	15.8	17.5	17.1	67.9	18.2	15.5	17.8	18.3	69.8	17.8	18.6	22.2	21.8	80.4	23.7	24.0	27.0	24.3	99.0	23.8	24.2
<b>Others</b>	4.9	4.9	5.1	7.5	22.4	4.8	4.6	6.8	7.6	23.8	4.9	5.5	6.1	7.1	23.6	6.5	5.9	6.7	8.9	28.0	6.7	8.9
<b>Adjustment</b>	-13.8	-12.3	-13.9	-14.3	-54.3	-14.3	-12.3	-16.1	-15.8	-58.5	-19.5	-20.5	-24.1	-23.6	-87.7	-25.5	-25.8	-29.4	-28.0	-108.7	-27.5	-28.1
<b>Total</b>	48.7	47.8	41.5	68.8	206.8	49.3	45.2	43.7	70.9	209.1	46.5	45.3	49.5	66.7	208.0	58.3	51.2	49.7	70.3	229.5	49.7	75.0

1. Including inter-segment sales/transfers

2. In the Healthcare segment, figures are rounded to the nearest 100 million yen. Accordingly, some discrepancies may occur among totals.

3. In FY2020, FINEOXOCOL (cosmetic raw materials etc.) was transferred from Basic Chemicals to Fine Chemicals

4. Trading: Nissei Corporation, Others: Nissan Butsuryu, Nissan Green & Landscape, Nissan Engineering, Nihon Hiryo, and others,

Adjustment: Planning & Development Division, and others

5. Sales and OP for Planning & Development Division in FY2021 Actual and FY2022 Outlook as of Feb 2023 are disclosed on p55

FY2022 Outlook as of Nov 2022 are disclosed on p69 of the Presentation for Investors for 2Q FY2022 (announced on Nov 11, 2022)

6. Organizational change was implemented in April, 2022. FY2019-2020 Actual figures are based on old segmentation (see p68, p69)

# Quarterly OP Trend by Segment (FY2019 - FY2022 Outlook)

(¥billion)

	FY2019 Actual					FY2020 Actual					FY2021 Actual					FY2022 Outlook as of Feb 2023					FY2022 Outlook as of Nov 2022	
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q Actual	2Q Actual	3Q Actual	4Q	Total	3Q	4Q
Chemicals	0.9	-0.6	0.5	0.5	1.3	0.7	-0.8	0.7	0.9	1.5	1.3	-0.1	1.3	1.3	3.8	1.7	-0.6	0.4	0.2	1.7	0.9	0.5
Performance Materials	4.0	4.4	4.7	3.9	17.0	5.3	5.4	6.3	5.4	22.4	6.9	6.2	7.6	6.9	27.6	7.9	6.0	6.9	5.4	26.2	8.1	8.3
Agrochemicals	4.5	4.9	-1.8	11.7	19.3	4.0	3.8	-1.3	11.7	18.2	4.0	2.9	3.0	8.2	18.1	6.8	5.3	3.1	8.3	23.5	1.6	8.2
Healthcare	0.4	0.1	0.1	0.3	0.9	-0.1	0.1	0.0	0.4	0.4	0.3	1.1	0.9	0.5	2.8	0.8	0.7	0.6	0.8	2.9	0.7	0.6
Healthcare	0.2	-0.2	-0.2	0.0	-0.1	-0.2	-0.1	-0.4	-0.2	-0.9	0.2	0.3	0.2	0.2	0.8	0.4	0.2	0.1	0.1	0.9	0.2	0.1
Custom Chemicals	0.2	0.3	0.2	0.4	1.1	0.2	0.2	0.3	0.6	1.3	0.1	0.8	0.8	0.3	2.0	0.4	0.5	0.6	0.6	2.0	0.5	0.6
Trading	0.5	0.5	0.6	0.5	2.1	0.7	0.5	0.7	0.6	2.5	0.7	0.6	0.9	0.7	2.9	1.0	0.9	1.0	0.4	3.3	0.5	0.4
Others	0.1	0.0	0.1	0.5	0.7	0.0	0.0	0.4	0.4	0.8	0.1	-0.1	0.2	0.5	0.7	0.1	0.0	0.2	0.6	0.9	0.3	0.6
Adjustment	-1.1	-0.6	-0.7	-0.3	-2.7	-0.8	-0.8	-1.2	-0.5	-3.3	-1.4	-1.2	-1.3	-1.0	-4.9	-1.0	-1.4	-1.6	-1.1	-5.1	-2.2	-1.2
<b>Total</b>	<b>9.3</b>	<b>8.7</b>	<b>3.5</b>	<b>17.1</b>	<b>38.6</b>	<b>9.8</b>	<b>8.2</b>	<b>5.6</b>	<b>18.9</b>	<b>42.5</b>	<b>11.9</b>	<b>9.4</b>	<b>12.6</b>	<b>17.1</b>	<b>51.0</b>	<b>17.3</b>	<b>10.9</b>	<b>10.6</b>	<b>14.6</b>	<b>53.4</b>	<b>9.9</b>	<b>17.4</b>

1. In the Healthcare segment, figures are rounded to the nearest 100 million yen. Accordingly, some discrepancies may occur among totals.
2. Trading: Nissei Corporation, Others: Nissan Butsuryu, Nissan Green & Landscape, Nissan Engineering, Nihon Hiryo, and others, Adjustment: Planning & Development Division, and others
3. Sales and OP for Planning & Development Division in FY2021 Actual and FY2022 Outlook as of Feb 2023 are disclosed on p55  
FY2022 Outlook as of Nov 2022 are disclosed on P69 of the Presentation for Investors for 2Q FY2022 (announced on Nov 11, 2022)
4. Organizational change was implemented in April, 2022. FY2019-2020 Actual figures are based on old segmentation, FY2021 actual has been revised to reflect organizational change in April 2022 (see p68, p69)

# Changes in Accounting Policies (from FY2021)

Changed accounting policies from FY2021. No change from FY2020 Presentation Materials announced in May 2021

## 1. Changes in accounting policies:

Adoption of the Accounting Standard for the Revenue Recognition (ASBJ Statement No.29)

## 2. Timing of adoption: April 1, 2021 (from FY2021)

## 3. Major effects on PL, BS due to the changes:

### A. Agent transactions

<b>Mainly effected segments</b>	Chemicals, Agrochemicals, Trading
<b>Before adoption</b>	Sales = gross amount from the customer, Sales expenses = amount paid to the supplier
<b>After adoption</b>	Sales = gross amount from the customer - amount paid to the supplier
<b>Impact on FY2021 PL</b>	Sales and sales expenses down ¥22.8 billion, only deducted from Sales of Adjustment segment No impact on Operating Profit

### B. Royalties based on sales amount

<b>Mainly effected segments</b>	Agrochemicals (Fluralaner running royalties)
<b>Before adoption (until FY2021)</b>	Royalties revenue on MSD <sup>3</sup> 's sales for Jan-June: recognized in Aug, July-Dec: recognized in Feb
<b>After adoption (from FY2021)</b>	Royalties revenue on MSD <sup>3</sup> 's sales for Jan-Mar: recognized in May, Apr-June: recognized in Aug, July-Sep: recognized in Nov, Oct-Dec: recognized in Feb

3. MSD: MSD Animal Health, the global animal health business unit of Merck

### C. Sales discount subject to change at the selling timing

<b>Mainly effected segments</b>	Agrochemicals
<b>Before adoption</b>	Recognized when discount is finally fixed
<b>After adoption</b>	Recognized corresponding to sales period based on reasonable estimation
<b>Impact on FY2021 BS</b>	<ul style="list-style-type: none"> <li>The cumulative effect (¥1.5 billion)(after reflecting tax effect) of retroactively applying (C) is deducted from the beginning FY2021 retained earnings (BS item)</li> </ul>

**Sales discount amount trend after adoption vs. before adoption:** 1Q up(negative impact), 2Q down, 1H up, 2H down, Total almost flat

<b>Before adoption</b>	<b>FY2020</b>	Discount on AY2020*(Oct 2019 – Sep 2020) sales	
<b>After adoption</b>	<b>FY2020</b>	Discount on AY2020*(Oct 2019 – Sep 2020) sales +	discount for Oct 2020 – Mar 2021 sales = ¥1.5 billion
	<b>FY2021</b>	Discount on Apr 2021 – Mar 2022 sales	

AY2020\* = Agrochemical Year (from Oct 2019 to Sep 2020)

## Impact of Changes in Accounting Policies (YOY Change)(¥billion)

	FY2021 Actual						
	1Q	2Q	1H	3Q	4Q	2H	Total
Sales Impact <sup>1</sup>	-3.5	-7.4	-10.9	-1.7	-10.3	-12.0	-22.9
OP Impact <sup>2</sup>	+1.2	-2.1	-0.9	+4.0	-3.2	+0.8	-0.1

1. Total impact of Agent transaction, Royalties based on sales amount and Sales discount subject to change at the selling timing

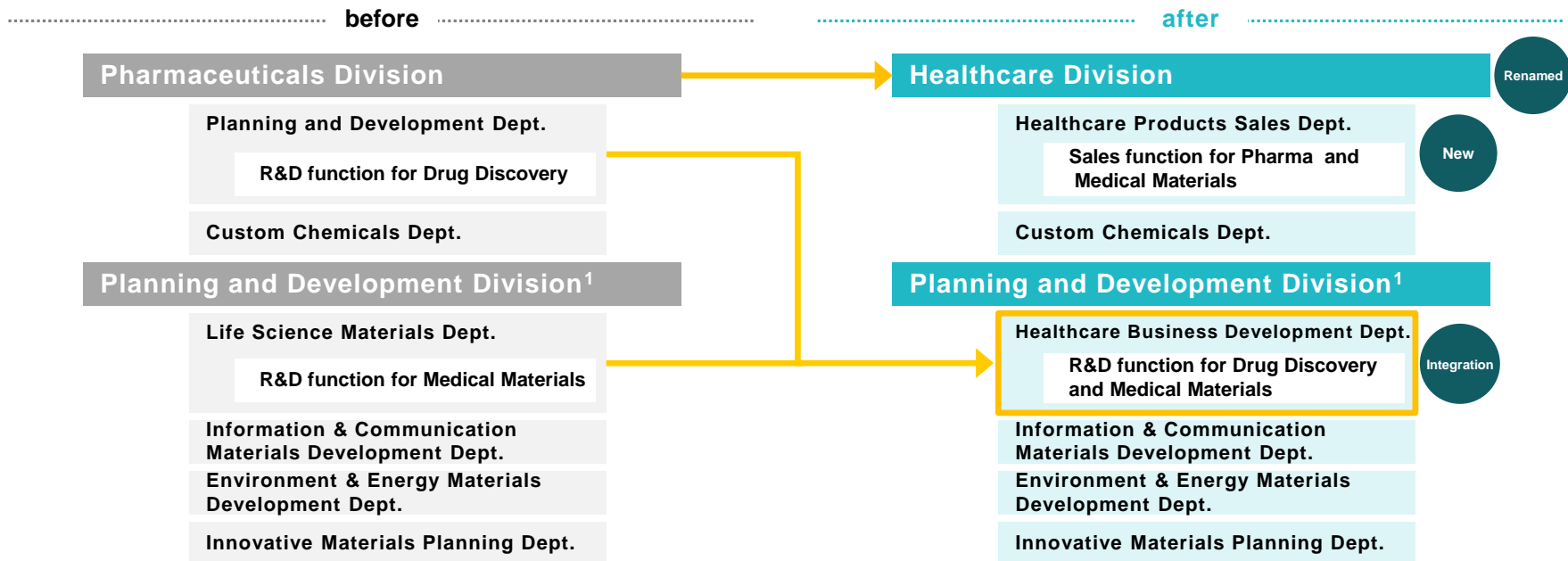
2. Total impact of Royalties based on sales amount and Sales discount subject to change at the selling timing

The following organizational changes were implemented on April 1, 2022, in order to achieve mid- to long-term growth while appropriately capturing changes in the business environment. (No change from 1Q FY2022 Presentation Materials announced in Aug 2022)

## Organizational Change in “Pharmaceuticals Div.” and “Planning and Development Div.”

**Purpose**

Functional integration of Drug Discovery and Medical Materials  
(R&D function in Planning and Development Div., Sales function in Healthcare Div.)



1. Planning and Development Division is included in “Adjustment” segment.  
Sales and OP for Planning and Development Division in FY2021 actual, FY2022, 2024, 2027 Outlook are disclosed on p55

No change from 1Q FY2022 Presentation Materials announced in Aug 2022

(¥billion)

	FY2021 Actual (Before organizational change)					FY2021 Actual (After organizational change)					Change				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Chemicals	1.3	-0.1	1.3	1.3	3.8	1.3	-0.1	1.3	1.3	3.8	0.0	0.0	0.0	0.0	0.0
Performance Materials	7.0	6.2	7.6	6.9	27.7	6.9	6.2	7.6	6.9	27.6	-0.1	0.0	0.0	0.0	-0.1
Agrochemicals	4.1	2.9	3.1	8.2	18.3	4.0	2.9	3.0	8.2	18.1	-0.1	0.0	-0.1	0.0	-0.2
Healthcare	-0.2	0.7	0.4	0.0	0.9	0.3	1.1	0.9	0.5	2.8	+0.5	+0.4	+0.5	+0.5	+1.9
Healthcare	-0.3	-0.2	-0.3	-0.3	-1.1	0.2	0.2	0.2	0.2	0.8	+0.5	+0.4	+0.5	+0.5	+1.9
Custom Chemicals	0.1	0.8	0.8	0.3	2.0	0.1	0.8	0.8	0.3	2.0	0.0	0.0	0.0	0.0	0.0
Trading	0.7	0.6	0.8	0.8	2.9	0.7	0.6	0.8	0.8	2.9	0.0	0.0	0.0	0.0	0.0
Others	0.1	-0.1	0.2	0.5	0.7	0.1	-0.1	0.2	0.5	0.7	0.0	0.0	0.0	0.0	0.0
Adjustment	-1.1	-0.8	-0.8	-0.6	-3.3	-1.4	-1.2	-1.2	-1.1	-4.9	-0.3	-0.4	-0.4	-0.5	-1.6
<b>Total</b>	<b>11.9</b>	<b>9.4</b>	<b>12.6</b>	<b>17.1</b>	<b>51.0</b>	<b>11.9</b>	<b>9.4</b>	<b>12.6</b>	<b>17.1</b>	<b>51.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

- Figures of Healthcare for FY2021 (Before organizational change) are for old segmentation
- In the Healthcare segment, figures are rounded to the nearest 100 million yen. Accordingly, some discrepancies may occur among totals.
- Trading: Nissei Corporation, Others: Nissan Butsuryu, Nissan Green & Landscape, Nissan Engineering, Nihon Hiryo, and others, Adjustment: Planning & Development Division and others
- Sales and OP for Planning & Development Division in FY2021 actual, FY2022 Outlook as of Nov 2022 are disclosed on p55
- No impact of organizational changes on sales

## Narrowing down business areas and future focus areas

(No change from FY2021 Presentation Materials announced in May 2022)

Focus areas		Our initiatives
Healthcare (HC)	Oligonucleotide Therapeutics	<ul style="list-style-type: none"> <li>Application of our unique oligonucleotide therapeutics technology, 80% of resources invested</li> <li>Steady promotion of Joint research and development with pharmaceutical companies and strategic alliance with Luxana Biotech Co. (Secured 7 nucleic acid target themes)</li> </ul>
	Small Molecule Therapeutics	Collaboration with drug discovery ventures (narrowed down from 10 to 3 themes), introduction of AI
	Medical Materials	Biointerface control materials, cosmetic materials, etc.
Custom Chemicals (CC)		In addition to strengthening the existing business model, joint development is also oriented (peptides, etc.)

## Resource allocation

(person, round number)

	FY2021 Actual	FY2022 Outlook as of May 2022	FY2024 Mid-Term Plan	FY2027 Mid-Term Plan
<b>Researchers</b>	75	15	20	20
HC	65	5	5	5
CC	10	10	15	15
<b>Reference</b> Researchers in Healthcare Business Development Dept. Planning & Development Division	35	90	85	90

(¥billion)

	FY2021 Actual	FY2022 Outlook as of May 2022	FY2024 Mid-Term Plan	FY2027 Mid-Term Plan
<b>R&amp;D expenses</b>	2.13	0.74	1.03	1.12
HC	1.80	0.31	0.52	0.53
CC	0.33	0.43	0.51	0.59
<b>Reference</b> Impact of transfer to Planning & Development Division (B)	-	1.45	1.26	1.27

## Quantitative Plan

(¥billion)

	FY2021 Actual	FY2022 Outlook as of May 2022	FY2024 Mid-Term Plan	FY2027 Mid-Term Plan
<b>Sales</b>	6.63	5.94	7.23	11.48
HC Existing	2.42	2.13	1.13	0.90
HC New	0.04	0.00	0.44	2.08
CC Existing	4.17	3.81	5.06	5.79
CC New	0.00	0.00	0.60	2.71
<b>OP (A)</b>	0.95	2.09	2.15	4.29
HC	-1.07	0.53	-0.70	-0.10
CC	2.02	1.56	2.85	4.38
<b>Reference</b> Substantial OP before transfer (A)-(B)	0.95	0.64	0.89	3.02

1. FY2021 Actual figures are based on old segmentation (before organizational changes)

# Main Products by Segment

Segment	Products	Main Applications			
Chemicals	Fine Chemicals	TEPIC	epoxy compound for LED sealants, solder resist, painting		
		Melamine cyanurate	flame retardant		
		Environmental product	HI-LITE (chlorinated isocyanuric acid for sterilizing)		
		FINEOXOCOL	Cosmetics, Lubricants, Adhesive		
	Basic Chemicals	Melamine	adhesive agent for plywood		
		AdBlue® <sup>1</sup>	solution of urea in demineralised water for diesel trucks to reduce NOx		
		High purity Sulfuric acid	agents used for cleaning semiconductors		
		Ammonia, Sulfuric acid, Nitric acid, Urea			
Performance Materials	Electronic Materials	SUNEVER	LCD alignment coating		
		ARC® <sup>2</sup>	bottom anti-reflective coating for semiconductors		
		OptiStack® <sup>2</sup>	multi layer process material for semiconductors (Si-HM/SOC)		
		OPTIFOCUS	microlens material for image sensor application		
		ELSOURCE	hole injection layer materials for OLED		
	Inorganic Materials	SNOWTEX	water dispersed colloidal silica sol for polishing silicon wafers, special steel sheets		
		Organo silica sol	film coating, antistatic interference shielding, electronic printing materials		
		Monomer sol	resin additive		
		Alumina sol	automotive catalyst, electronic printing materials		
		SUNCOLLOID	high refractive sol for lens		
		CELNAX	antistatic sol for film		
		Oilfield materials	for enhancing oil recovery		
		Agrochemicals	Herbicide	TARGA	soybean, rapeseed, sugarbeet
				PERMIT	corn, sugarcane, rice
SIRIUS, ALTAIR	rice				
ROUNDUP	non-selective herbicide for orchard, noncrop land				
Insecticide	SANMITE, MITOKOHNE, STARMITE		fruits, citrus, tea, vegetables		
	GRACIA		vegetables, tea		
Fungicide	PULSOR, IKARUGA, GREATAM (THIFLUZAMIDE)		potato, rice, turf		
	LEIMAY/ORACLE		potato, vegetables, grape		
	QUINTEC (QUINOXYFEN)		fruits, vegetables		
	DITHANE (MANCOZEB)		fruits, vegetables		
Animal health product	Fluralaner		active substance of BRAVECTO (veterinary medical product for dogs and cats) and EXZOLT (for poultry red mites)		
Healthcare	LIVALO API		anti-cholesterol drug		
	Custom Chemicals		custom manufacturing and solution proposal business for pharmaceutical companies		

1. AdBlue® is a registered trademark of German Automobile Industry Association (Verband der Automobilindustrie).

2. ARC® and OptiStack® are registered trade mark of Brewer Science, Inc.

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The forward looking statements in this material are based on information available at the time of preparation of the material. Although they reflect our current expectations, these statements are not guarantees of future performance, but include a number of risks and uncertainties. Actual results may largely differ from these statements due to various factors which may be beyond company control.

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