

May 14, 2013

Presentation for Investors

FY2012 (April 1 – March 31, 2013)
Financial Results

Translation of presentation material for the investor meeting held in Tokyo on May 14, 2013

FY2012 PL⁽¹⁾

(¥billion)

	FY2011			FY2012			Change			FY2012 Outlook as of October 2012		
	1H	2H	Total	1H	2H	Total	1H	2H	Total	1H	2H E	Total
Sales	69.8	78.8	148.6	71.1	82.7	153.8	1.3	3.9	5.2	71.1	83.9	155.0
Operating Profit	6.6	8.9	15.5	8.6	10.9	19.5	2.0	2.0	4.0	8.6	10.0	18.6
Non-Operating Income/Expenses	-0.1	0.5	0.4	-0.2	1.2	1.0	-0.1	0.7	0.6	-0.2	0.2	0.0
Ordinary Income	6.5	9.4	15.9	8.4	12.1	20.5	1.9	2.7	4.6	8.4	10.2	18.6
Extraordinary Profit/Loss	-	0.7	0.7	-	-	-	-	-0.7	-0.7	-	-	-
Net Income	4.4	6.6	11.0	5.6	8.3	13.9	1.2	1.7	2.9	5.6	7.0	12.6
EBITDA (2)	11.5	14.4	25.9	13.0	16.0	29.0	1.5	1.6	3.1	13.0	15.1	28.1
EPS (¥)	25.88	38.64	64.52	33.63	50.11	83.74	7.75	11.47	19.22	33.63	43.32	76.95
Dividend (¥/share)	¥12	¥12	¥24	¥12	¥14	¥26	¥0	¥2	¥2	¥12	¥12	¥24
Total amount of Dividend	2.1	2.0	4.1	2.0	2.3	4.3	-0.1	0.3	0.2	2.0	2.0	4.0
OP Margin(%)	9.4%	11.3%	10.4%	12.1%	13.3%	12.7%	2.7%	2.0%	2.3%	12.1%	11.9%	12.0%
ROE(%)	/	/	9.5%	/	/	11.4%	/	/	1.9%	/	/	/
FX Rate (¥/\$)	80	82		79	87					79	79	
Naphtha(¥/KL)	57,000	52,800		54,800	59,800					55,500	49,000	
Comprehensive Income	/	/	11.5	/	/	16.1						

(1) FY2012 = April 1, 2012 - March 31, 2013

(2) EBITDA = Operating Profit + Depreciation

2H FY2012 Review

<vs. 2H FY2011>

(Sales) ◆Up ¥3.9 billion (+5.0 %) (+) All Segments

(OP) ◆Up ¥2.0 billion (+23.1%) (+) All Segments

(Ordinary Income) ◆Up ¥2.7 billion (+29.4 %)

(Net Income) ◆Up ¥1.7 billion (+25.5%)

<vs. 2H FY2012 Outlook as of October 2012>

(Sales) ◆Down ¥1.2 billion (+) Agrochemicals, Pharmaceuticals
(-) Chemicals, Performance Materials, Trading

(OP) ◆Up ¥0.9 billion (+) Performance Materials, Agrochemicals, Pharmaceuticals
(-) Chemicals, Trading

(Ordinary Income) ◆Up ¥1.9 billion

(Net Income) ◆Up ¥1.3 billion

<Dividend> ◆¥14/share (up ¥2 vs. Outlook as of October 2012 and 2H FY2011)

FY2012 Review

<vs. FY2011>

(Sales) ◆Up ¥5.2 billion (+3.5%) (+) Performance Materials , Agrochemicals, Pharmaceuticals, Trading
(-) Chemicals

(OP) ◆Up ¥4.0 billion (+26.3%) (+) All Segments

(OP Margin) ◆12.7% More than 10% OP Margin in 10 consecutive years since FY2003

(Non-Operating Income and Expenses) ◆Up ¥0.6 billion Foreign exchange profits +0.4
Equity in earnings of affiliates +0.2

(Ordinary Income) ◆Up ¥4.6 billion (+29.1%)

(Net Income) ◆Up ¥2.9 billion (+26.5%)

(ROE) ◆11.4% (FY2011 9.5%)

<Dividend and Purchase of Treasury Shares>

(Dividend) ◆¥26/share Dividend payout ratio 31.0%

(Purchase of Treasury Shares) ◆¥5.0 billion Between May and August 2012

FY2012

Non-Operating Income/Expenses, Extraordinary Profit/Loss, Comprehensive Income

(¥billion)

	FY2011	FY2012	Change
Non-Operating Income	2.28	2.60	0.32
Interest income	0.03	0.02	-0.01
Dividend income	0.56	0.58	0.02
Others	1.69	2.00	0.31
Non-Operating Expenses	1.89	1.66	-0.23
Interest expense	0.45	0.34	-0.11
Loss on disposal of fixed assets	0.24	0.36	0.12
Others	1.20	0.96	-0.24
Extraordinary Profit (1)	0.65	0.00	-0.65
Extraordinary Loss	0.00	0.00	0.00
Comprehensive Income	11.48	16.13	4.65
Net income	10.98	13.88	2.90
Minority interests	0.08	0.14	0.06
Unrealized gains or losses on investment securities	0.58	1.52	0.94
Foreign currency translation adjustments	-0.16	0.59	0.75

(1) FY2011 : Gain on sales of business 0.65

FY2012 Cash Flows

(¥billion)

	FY2011			FY2012			Change			FY2012 Outlook as of October 2012		
	1H	2H	Total	1H	2H	Total	1H	2H	Total	1H	2H E	Total
CF from operating activities	20.4	0.9	21.3	21.9	0.9	22.8	1.5	0.0	1.5	21.9	0.8	22.7
Profit before income tax	6.5	10.0	16.5	8.4	12.1	20.5	1.9	2.1	4.0	8.4	10.2	18.6
Depreciation & Amortization	4.9	5.6	10.5	4.4	5.1	9.5	-0.5	-0.5	-1.0	4.4	5.1	9.5
Tax	-3.1	-2.9	-6.0	-1.9	-2.5	-4.4	1.2	0.4	1.6	-1.9	-2.6	-4.5
Working capital, others	12.1	-11.8	0.3	11.0	-13.8	-2.8	-1.1	-2.0	-3.1	11.0	-11.9	-0.9
CF from investing activities	-6.3	-3.0	-9.3	-4.8	-4.5	-9.3	1.5	-1.5	0.0	-4.8	-6.2	-11.0
Purchase of investments in securities	-0.9	0.1	-0.8	-0.1	0.0	-0.1	0.8	-0.1	0.7	-0.1	0.0	-0.1
Purchase of PPE	-4.9	-3.8	-8.7	-3.9	-4.1	-8.0	1.0	-0.3	0.7	-3.9	-6.5	-10.4
Others	-0.5	0.7	0.2	-0.8	-0.4	-1.2	-0.3	-1.1	-1.4	-0.8	0.3	-0.5
CF from financing activities	-9.6	4.5	-5.1	-22.6	12.8	-9.8	-13.0	8.3	-4.7	-22.6	12.5	-10.1
Dividends paid	-2.0	-2.1	-4.1	-2.0	-2.0	-4.0	0.0	0.1	0.1	-2.0	-2.0	-4.0
Borrowings	-7.5	6.5	-1.0	-15.5	14.7	-0.8	-8.0	8.2	0.2	-15.5	14.5	-1.0
Purchase of treasury shares	0.0	0.0	0.0	-5.0	0.0	-5.0	-5.0	0.0	-5.0	-5.0	0.0	-5.0
Others	-0.1	0.1	0.0	-0.1	0.1	0.0	0.0	0.0	0.0	-0.1	0.0	-0.1
Effect of FX rate changes on cash & cash equivalents	-0.4	0.3	-0.1	-0.1	0.4	0.3	0.3	0.1	0.4	-0.1	0.0	-0.1
Change in cash & cash equivalents	4.1	2.7	6.8	-5.6	9.6	4.0	-9.7	6.9	-2.8	-5.6	7.1	1.5
Cash & cash equivalents at end of period	25.2	27.9		22.3	31.9		-2.9	4.0		22.3	29.4	

FY2012 Balance Sheets

(¥billion)

	2012/3	2013/3	Change
Current assets	118.4	125.9	7.5
Cash	27.9	31.9	4.0
Accounts receivable	55.5	56.7	1.2
Inventories	29.4	30.6	1.2
Others	5.6	6.7	1.1
Fixed assets	71.7	73.3	1.6
Total PPE	44.7	44.0	-0.7
Intangible assets	2.8	2.0	-0.8
Investment securities	22.3	24.9	2.6
Others	1.9	2.4	0.5
Total assets	190.1	199.2	9.1

	2012/3	2013/3	Change
Liabilities	70.5	72.5	2.0
Accounts payable	17.3	17.4	0.1
Borrowings	38.9	38.1	-0.8
Others	14.3	17.0	2.7
Net assets	119.6	126.7	7.1
Shareholders' equity	118.0	122.9	4.9
Unrealized gains or losses on investment securities	2.0	3.5	1.5
Foreign currency translation adjustments	-1.4	-0.8	0.6
Minority interests	1.0	1.1	0.1
Total liabilities & Net assets	190.1	199.2	9.1

(D/E Ratio)(1)

9.3% 5.0%

(Equity Ratio)

62.4% 63.0%

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(1)D/E Ratio = (Borrowings - Cash) / Shareholders' equity

FY2013 Outlook

(¥billion)

	FY2012			FY2013 E			Change		
	1H	2H	Total	1H	2H	Total	1H	2H	Total
Sales	71.1	82.7	153.8	72.0	84.0	156.0	0.9	1.3	2.2
Operating Profit	8.6	10.9	19.5	8.7	11.7	20.4	0.1	0.8	0.9
Non-Operating Income/Expenses	-0.2	1.2	1.0	0.1	0.5	0.6	0.3	-0.7	-0.4
Ordinary Income	8.4	12.1	20.5	8.8	12.2	21.0	0.4	0.1	0.5
Extraordinary Profit/Loss	-	-	-	-	-	-	-	-	-
Net Income	5.6	8.3	13.9	6.3	8.6	14.9	0.7	0.3	1.0
EBITDA (1)	13.0	16.0	29.0	12.9	16.3	29.2	-0.1	0.3	0.2
EPS (¥)	33.63	50.11	83.74	38.48	52.52	91.00	4.85	2.41	7.26
Dividend (¥/share)	¥12	¥14	¥26	¥12	¥14	¥26	¥0	¥0	¥0
Total amount of Dividend	2.0	2.3	4.3	2.0	2.3	4.3	0.0	0.0	0.0
OP Margin(%)	12.1%	13.3%	12.7%	12.1%	13.9%	13.1%	0.0%	0.6%	0.4%
ROE(%)	/	/	11.4%	/	/	11.4%	/	/	0.0%
FX Rate (¥/\$)	79	87		85	85				
Naphtha(¥/kl)	54,800	59,800		61,000	61,000				
Comprehensive income	/	/	16.1						

(1) EBITDA = Operating Profit + Depreciation

FY2013 Outlook

<vs. FY2012>

(Sales) ◆ Up ¥2.2 billion (+1.4%)

(+) Chemicals, Performance Materials,
Agrochemicals, Trading

(-) Pharmaceuticals

(OP) ◆ Up ¥0.9 billion (+4.4%)

(+) Chemicals, Agrochemicals

(±) Performance Materials, Trading

(-) Pharmaceuticals

**(Non-Operating
Income and Expenses)** ◆ Down ¥0.4 billion

(Ordinary Income) ◆ Up ¥0.5 billion (+2.5%)

(Net Income) ◆ Up ¥1.0 billion (+7.4%)

<Dividend> ◆ ¥12/share for 1H, ¥14/share for 2H (same as FY2012)

FY2013 Cash Flows Outlook

(¥billion)

	FY2012	FY2013 E
CF from operating activities	22.8	20.0
Profit before income tax	20.5	21.0
Depreciation & Amortization	9.5	8.8
Tax	-4.4	-6.7
Working capital, others	-2.8	-3.1
CF from investing activities	-9.3	-11.6
Purchase of PPE	-8.0	-9.5
Others	-1.3	-2.1
CF from financing activities	-9.8	-6.3
Dividends paid	-4.0	-4.3
Borrowings	-0.8	-2.0
Purchase of treasury shares	-5.0	0.0
Others	0.0	0.0
Effect of FX rate changes on cash & cash equivalents	0.3	0.0
Change in cash & cash equivalents	4.0	2.1
Cash & cash equivalents at end of period	31.9	34.0

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New Segmentation (From 2Q 2011)

◆ Reflecting organizational changes implemented in June 2011

◆ Major organizational change

Creation of Performance Materials Division to consolidate Electronic Materials Division and Inorganic Materials Division aiming to strengthen performance materials business which is identified as our major growth engine

◆ Major changes in segmentation

Creation of Performance Materials → Electronic Materials + Inorganic Materials

Change in Chemicals → Inorganic Materials shifted to Performance Materials

Creation of Fine Chemicals subsegment, abolishment of Organic Materials subsegment

Environmental Chemicals (HI-LITE) shifted from basic Chemicals to Fine Chemicals

Former Segmentation		
Segment	Main Products	
Chem	Organic Materials	TEPIC Melamine cyanurate Custom Chemicals
	Inorganic Materials	SNOWTEX Organo sillica sol Alumina sol SUNCOLLOID CELNAX
	Basic Chemicals	Melamine Urea, AdBlue HI-LITE Ammonia, Sulfuric acid, Nitric acid High purity chemicals
Electronic Materials	SUNEVER, BARC NHC Multi layer process materials Micro lens	
Agro Chem	Agro	Herbicides Insecticides Fungicide
Pharma	LIVALO	
Trading	Nissei Corporation	
Others	Nissan Butsuryu, Nissan Green & Landscape, Nissan Engineering, Fertilizer	
Adjustment	R&D expenses of Advanced Materials & Planning Dept. included	



New Segmentation		
Segment	Main Products	
Chem	Fine Chemicals	TEPIC Melamine cyanurate HI-LITE Custom Chemicals
	Basic Chemicals	Melamine Urea, AdBlue Ammonia, Sulfuric acid, Nitric acid High purity chemicals
Performance Materials	SUNEVER, BARC, NHC, Multi layer process materials Micro lens SNOWTEX, Organo sillica sol Alumina sol, SUNCOLLOID CELNAX	
Agro Chem	Agro	Herbicides Insecticides Fungicide
Pharma	LIVALO	
Trading	Nissei Corporation	
Others	Nissan Butsuryu, Nissan Green & Landscape, Nissan Engineering, Fertilizer	
Adjustment	R&D expenses of Advanced Materials & Planning Dept. included	

Diversified Product Portfolio

◆ Consisting of products holding strong position in market

(¥ billion)

NCI's Position

	FY2012 Sales			NCI's Position
Chem		TEPIC	Epoxy compound for painting, LED sealant, solder resist	Largest (World)
Fine Chemicals	11.2 (7.3%)	High purity sulfuric acid	Agents for cleaning semiconductors	Largest (Japan)
Basic Chemicals	25.4 (16.5%)	AdBlue	Urea to reduce NOx for diesel trucks	Among top 3 (Japan)
Performance Materials	37.4 (24.3%)	SUNEVER	LCD alignment coating	Major (Asia)
		BARC	Bottom-anti-reflective coating for semiconductor	Largest (Asia)
Agro	35.4 (23.0%)	SNOWTEX	Silica sol for polishing silicon wafer, catalyst, non-chrome electrical steel sheet, etc.	Largest (Japan)
Pharma	10.6 (6.9%)	ROUNDUP	Non-selective herbicide	Largest (Japan)
		SIRIUS	Paddy rice herbicide	No.3 (Japan)
Trading	46.6 (30.3%)			
Others	21.2 (13.8%)	LIVALO	Anti-cholesterol drug	No.3 (Japan)

FY2012 Sales by Segment

(¥billion)

	FY2011			FY2012			Change			FY2012 Outlook as of October 2012		
	1H	2H	Total	1H	2H	Total	1H	2H	Total	1H	2HE	Total
Chem	18.6	18.3	36.9	17.9	18.7	36.6	-0.7	0.4	-0.3	17.9	19.6	37.5
Fine Chemicals	5.9	5.0	10.9	5.6	5.6	11.2	-0.3	0.6	0.3	5.6	6.2	11.8
Basic Chemicals	12.7	13.3	26.0	12.3	13.1	25.4	-0.4	-0.2	-0.6	12.3	13.4	25.7
Performance Materials	17.0	17.0	34.0	18.8	18.6	37.4	1.8	1.6	3.4	18.8	18.9	37.7
Agro	12.5	21.3	33.8	13.4	22.0	35.4	0.9	0.7	1.6	13.4	21.7	35.1
Pharma	5.2	4.8	10.0	5.3	5.3	10.6	0.1	0.5	0.6	5.3	4.3	9.6
Trading	22.5	22.3	44.8	22.7	23.9	46.6	0.2	1.6	1.8	22.7	25.3	48.0
Others	9.3	10.7	20.0	10.2	11.0	21.2	0.9	0.3	1.2	10.2	11.5	21.7
Adjustment	-15.3	-15.6	-30.9	-17.2	-16.8	-34.0	-1.9	-1.2	-3.1	-17.2	-17.4	-34.6
Total	69.8	78.8	148.6	71.1	82.7	153.8	1.3	3.9	5.2	71.1	83.9	155.0

FY2012 OP by Segment

(¥billion)

	FY2011			FY2012			Change		
	1H	2H	Total	1H	2H	Total	1H	2H	Total
Chem	0.8	0.8	1.6	0.8	1.1	1.9	0.0	0.3	0.3
Performance Materials	2.6	2.2	4.8	4.1	3.1	7.2	1.5	0.9	2.4
Agro	0.8	3.6	4.4	1.3	3.7	5.0	0.5	0.1	0.6
Pharma	2.6	2.0	4.6	2.6	2.6	5.2	0.0	0.6	0.6
Trading	0.7	0.6	1.3	0.7	0.7	1.4	0.0	0.1	0.1
Others	0.0	0.3	0.3	0.1	0.6	0.7	0.1	0.3	0.4
Adjustment	-0.9	-0.6	-1.5	-1.0	-0.9	-1.9	-0.1	-0.3	-0.4
Total	6.6	8.9	15.5	8.6	10.9	19.5	2.0	2.0	4.0

FY2012 Outlook as of October 2012		
1H	2H E	Total
0.8	1.7	2.5
4.1	2.6	6.7
1.3	3.5	4.8
2.6	1.7	4.3
0.7	0.8	1.5
0.1	0.4	0.5
-1.0	-0.7	-1.7
8.6	10.0	18.6

FY2013 Sales Outlook by Segment

(¥billion)

	FY2012			FY2013 E			Change		
	1H	2H	Total	1H	2H	Total	1H	2H	Total
Chem	17.9	18.7	36.6	17.9	19.7	37.6	0.0	1.0	1.0
Fine Chemicals	5.6	5.6	11.2	5.8	6.2	12.0	0.2	0.6	0.8
Basic Chemicals	12.3	13.1	25.4	12.1	13.5	25.6	-0.2	0.4	0.2
Performance Materials	18.8	18.6	37.4	19.6	20.3	39.9	0.8	1.7	2.5
Agro	13.4	22.0	35.4	13.4	22.8	36.2	0.0	0.8	0.8
Pharma	5.3	5.3	10.6	5.6	4.5	10.1	0.3	-0.8	-0.5
Trading	22.7	23.9	46.6	23.7	25.0	48.7	1.0	1.1	2.1
Others	10.2	11.0	21.2	9.8	11.5	21.3	-0.4	0.5	0.1
Adjustment	-17.2	-16.8	-34.0	-18.0	-19.8	-37.8	-0.8	-3.0	-3.8
Total	71.1	82.7	153.8	72.0	84.0	156.0	0.9	1.3	2.2

FY2013 OP Outlook by Segment

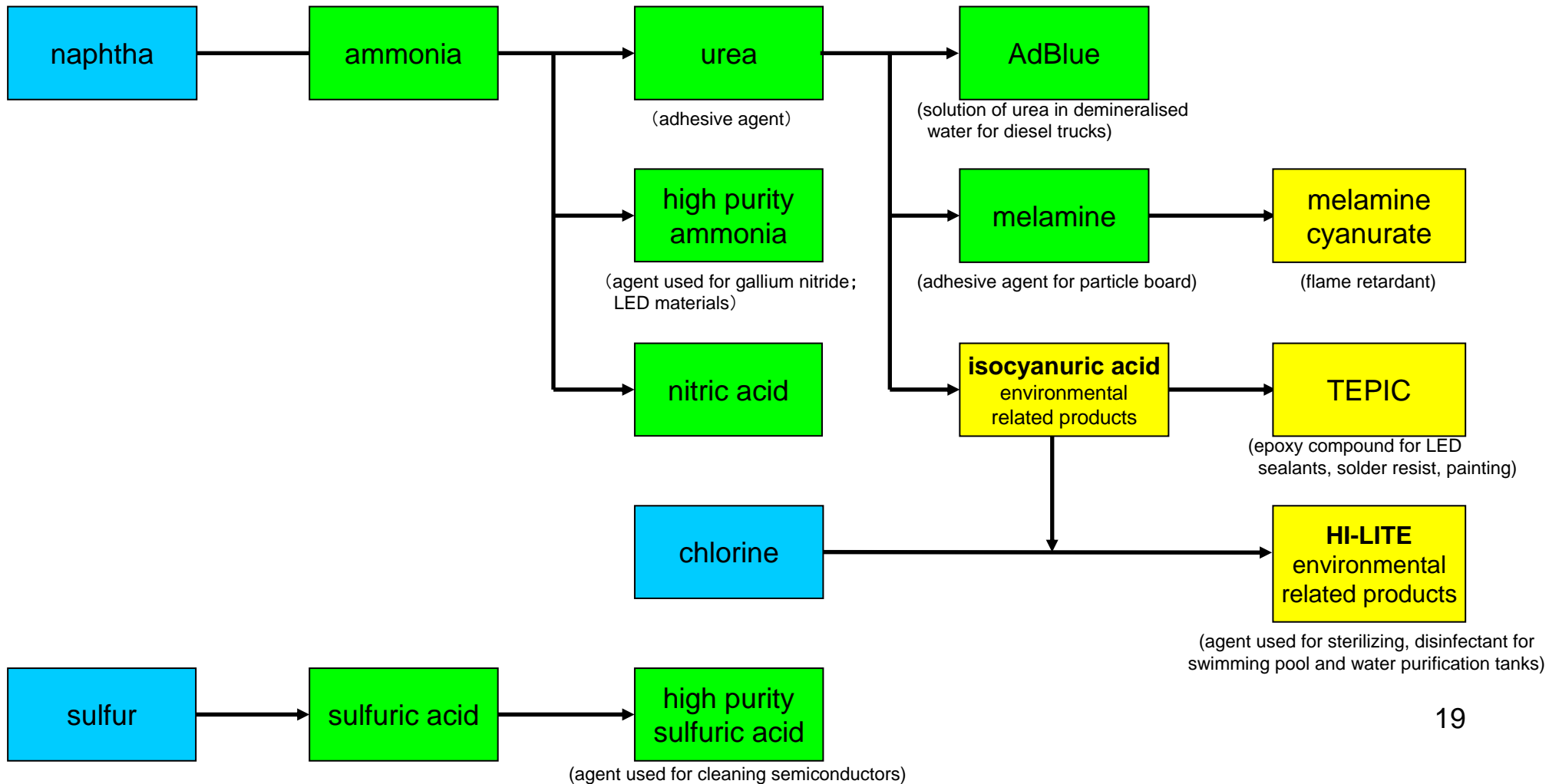
(¥billion)

	FY2012			FY2013 E			Change		
	1H	2H	Total	1H	2H	Total	1H	2H	Total
Chem	0.8	1.1	1.9	0.9	1.7	2.6	0.1	0.6	0.7
Performance Materials	4.1	3.1	7.2	3.5	3.7	7.2	-0.6	0.6	0.0
Agro	1.3	3.7	5.0	1.4	3.8	5.2	0.1	0.1	0.2
Pharma	2.6	2.6	5.2	2.9	2.0	4.9	0.3	-0.6	-0.3
Trading	0.7	0.7	1.4	0.6	0.8	1.4	-0.1	0.1	0.0
Others	0.1	0.6	0.7	0.0	0.4	0.4	-0.1	-0.2	-0.3
Adjustment	-1.0	-0.9	-1.9	-0.6	-0.7	-1.3	0.4	0.2	0.6
Total	8.6	10.9	19.5	8.7	11.7	20.4	0.1	0.8	0.9

Chemicals – ① Flow Chart of Selected Basic and Fine Chemicals Products

- ◆ Core products of Basic Chemicals : Ammonia related products and sulfuric acid related products
- ◆ FY2012 ammonia domestic market share 9%, high percentage of self-consumption of ammonia

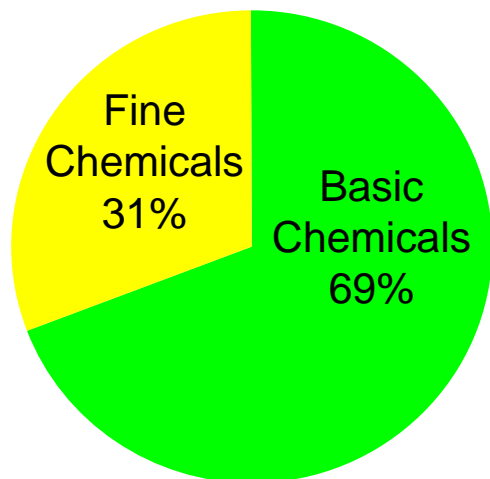
= Purchased materials
 = Basic Chemicals
 = Fine Chemicals



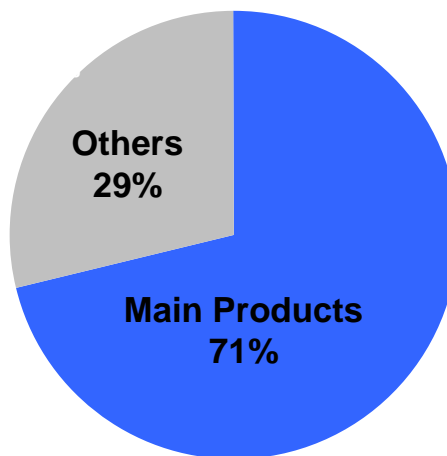
Chemicals – ② FY2012 Sales Distribution

< Total Segment >

Sales: ¥36.6 billion

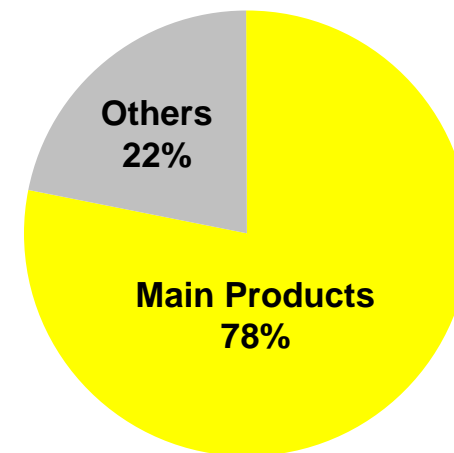


< Total Segment >



< Fine Chemicals >

Sales: ¥11.2 billion



◆ Main Products (in order of sales amount)

< Total Segment >

Melamine
 Environmental related products
 TEPIC
 Ammonia
 High purity sulfuric acid
 Sulfuric acid
 Custom Chemicals
 Urea including AdBlue
 Nitric acid
 FINEOXOCOL

< Fine Chemicals >

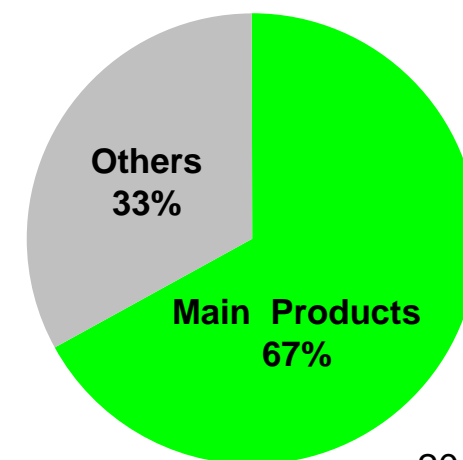
Environmental related products
 TEPIC
 Custom Chemicals

< Basic Chemicals >

Melamine
 Ammonia
 High purity sulfuric acid
 Sulfuric acid
 Urea including AdBlue
 Nitric acid
 FINEOXOCOL

< Basic Chemicals >

Sales: ¥25.4 billion



Chemicals – ③ Fine Chemicals Subsegment

Product	Characteristics and Trend	Sales YOY Change								
		FY2012 Outlook as of October 2012			FY2012			FY2013 E		
		1H	2H E	Total	1H	2H	Total	1H	2H	Total
Total Subsegment		-5%	+24%	+8%	-5%	+12%	+3%	+3%	+11%	+7%
TEPIC	<p>◆ Epoxy compound for :</p> <p>(A) electronic materials (solder resist, LED sealant), (B) general applications such as powder coating agent for paint (automobiles, electric appliances)</p> <p>◆ World largest producer</p> <p>(1H FY2012) Sales for general applications down due to strong yen, sales for electronic materials slightly up v.s. 1H FY2011</p> <p>(2H FY2012) Sales for both general applications and electronic materials down v.s. 2H FY2011</p> <p>(FY2013 Outlook) Sales for both general applications and electronic materials up due to weak yen</p>	-5%	+16%	+5%	-5%	-5%	-5%	+8%	+18%	+13%
Environmental related products	<p>◆ HI-LITE : made from chlorinated isocyanuric acid, used for sterilizing, disinfectant for swimming pool as well as water purification tank</p> <p>(1H FY2012) Weak domestic demand and decrease in export due to strong yen v.s. 1H FY2011</p> <p>(2H FY2012) Domestic sales down, export up v.s. 2H FY2011</p> <p>(FY2013 Outlook) Domestic sales up, export flat v.s. FY2012</p>	-16%	+16%	-3%	-16%	+10%	-5%	+11%	+2%	+7%
Custom Chemicals	<p>◆ Custom manufacturing and process researching services for pharmaceutical ingredients and intermediaries from pre-clinical to commercial production stages</p> <p>◆ New plant completed in July 2010 (¥ 2.0 billion capex)</p> <p>◆ Increase in work on awarded contracts in FY2012 v.s. FY2011</p> <p>(FY2012 Outlook) Sales down due to volume decrease in certain products</p>	+3%	+48%	+23%	+3%	+46%	+22%	-25%	+12%	-5%

Three products account for 78% of total consolidated subsegment sales (FY2012)

Chemicals – ④ Basic Chemicals Subsegment

Product	Characteristics and Trend	Sales YOY Change								
		FY2012 Outlook as of October 2012			FY2012			FY2013 E		
		1H	2H E	Total	1H	2H	Total	1H	2H	Total
Total Subsegment		-3%	+1%	-1%	-3%	-1%	-2%	-1%	+3%	+1%
Melamine	<ul style="list-style-type: none"> ◆ Mainly used as adhesive agent for particle board, medium density fiberboard, plywood (1H FY2012) Domestic sales slightly up, export declined due to strong yen and weak Asian market v.s. 1H 2011 (2H FY2012) Domestic demand up, export up due to weak yen and recovery of Asian market v.s. 1H FY2011 (FY2013 Outlook) Domestic sales up, export up due to weak yen and recovery in Asian market (weaker Asian market expected in 2H) 	-25%	-14%	-20%	-25%	+28%	+0%	+24%	-10%	+4%
Urea including AdBlue	<ul style="list-style-type: none"> ◆ Urea: mainly used for urea formaldehyde resin, adhesive agent ◆ AdBlue: solution of urea in demineralised water for diesel trucks to reduce NOx ◆ Sales increase continuing in FY2012 and FY2013 	+35%	+26%	+30%	+35%	+20%	+27%	+15%	+17%	+16%
High purity sulfuric acid	<ul style="list-style-type: none"> ◆ Used to clean semiconductors ◆ Largest in domestic market ◆ Capacity expansion (+15%) completed in May 2011 ◆ Sales up in 1H FY2012, down in 2H FY2012 ◆ Increase in demand expected in 2H FY2013 	+10%	+13%	+12%	+10%	-3%	+3%	-2%	+13%	+5%

Four products account for 34% of total consolidated subsegment sales(FY2012)

Chemicals – ⑤ Profit Overview

(¥billion)

	FY2011			2H E as of Oct.2012	FY2012			FY2013 E		
	1H	2H	Total	2H E	1H	2H	Total	1H	2H	Total
Sales	18.6	18.3	36.9	19.6	17.9	18.7	36.6	17.9	19.7	37.6
Fine Chemicals	5.9	5.0	10.9	6.2	5.6	5.6	11.2	5.8	6.2	12.0
Basic Chemicals	12.7	13.3	26.0	13.4	12.3	13.1	25.4	12.1	13.5	25.6
OP	0.8	0.8	1.6	1.7	0.8	1.1	1.9	0.9	1.7	2.6

2H FY2012 Review

<vs. 2H FY2011>

(Fine Chemicals)

- ◆ Sales of environmental related products and Custom Chemicals up, sales of TEPIC down
- ◆ Fixed cost down, Sales up, OP up

(Basic Chemicals)

- ◆ Sales of melamine, urea, AdBlue up, sales of high purity sulfuric acid down
- ◆ Fixed cost down, naphtha cost up, Sales down, OP up

(Total Segment)

- ◆ Sales up ¥0.4billion, OP up ¥0.3billion

FY2012 Review

<vs. FY2011>

(Fine Chemicals)

- ◆ Sales of Custom Chemicals and other minor products up, sales of environmental related products and TEPIC down
- ◆ Fixed cost down, Sales up, OP up

(Basic Chemicals)

- ◆ Sales of urea, AdBlue, high purity sulfuric acid up, sales of melamine flat
- ◆ Fixed cost down, Sales up, OP slightly up

(Total Segment)

- ◆ Sales down ¥0.3billion, OP up ¥0.3billion

2H FY2012 Review

<vs. 2H FY2012 Outlook as of October 2012>

(Fine Chemicals)

- ◆ Sales of TEPIC and environmental related products below expectations
- ◆ Sales down, OP down

(Basic Chemicals)

- ◆ Sales of melamine above expectations, sales of other products below expectations
- ◆ Naphtha cost up, Sales down, OP down

(Total Segment)

- ◆ Sales down ¥0.9billion, OP down ¥0.6billion

FY2013 Outlook

<vs. FY2012>

(Fine Chemicals)

- ◆ Sales of environmental related products, TEPIC, other minor products up, sales of Custom Chemicals down
- ◆ Fixed cost of Custom Chemicals down, Sales up, OP up

(Basic Chemicals)

- ◆ Sales of melamine, urea, AdBlue, high purity sulfuric acid up
- ◆ Low margin transactions cut, higher naphtha cost, Sales up, OP up

(Total Segment)

- ◆ Sales up ¥1.0billion, OP up ¥0.7billion

(Blank)

Performance Materials – ① Display Materials

2H FY2012 Review

<vs. 2H FY2011>

- ◆ Total Display Materials sales up 32%, SUNEVER sales up 36%
- ◆ Substantial sales increase in IPS/FFS as well as VA, TN sales down
- ◆ 3D TV materials sales down due to customers' production cut

<vs. 2H FY2012 Outlook

as of October 2012>

- ◆ VA, IPS/FFS, 3D sales above expectations
- ◆ TN sales below expectations

FY2013 Outlook

<vs. FY2012>

- ◆ Total Display Materials sales down 1%, SUNEVER sales down 4%
- ◆ IPS/FFS sales up, VA and TN sales down
- ◆ 3D TV materials sales up

	Major Use	Sales YOY Change								
		FY2012 Outlook as of October 2012			FY2012			FY2013 E		
		1H	2H E	Total	1H	2H	Total	1H	2H	Total
Total SUNEVER										
TN (twisted nematic)	PC, monitor	+34%	+14%	+24%	+34%	+36%	+35%	-3%	-5%	-4%
IPS/FFS (in plane switching / fringe field switching)	TV, Tablet PC, smartphone									
VA (vertical alignment)										
Other Display Materials (1)		-23%	-37%	-31%	-23%	-21%	-22%	+55%	+61%	+58%
Total Display Materials		+31%	+10%	+20%	+31%	+32%	+31%	-1%	-2%	-1%

(1) NHC(protective coating for touch panels), 3D TV materials, etc

Performance Materials – ② Semiconductors Materials

2H FY2012 Review

<vs. 2H FY2011>

- ◆ Total Semiconductors Materials sales up 8%, BARC sales down 4%(KrF up, ArF down)
- ◆ Other semiconductors materials (including multi layer process materials) sales up 171%

<vs. 2H FY2012 Outlook
as of October 2012>

- ◆ Sales of KrF and other semiconductors materials (including multi layer process materials) above expectations, ArF below expectations

FY2013 Outlook

<vs. FY2012>

- ◆ Total Semiconductors Materials sales up 6%, BARC sales up 3%
- ◆ KrF sales flat, ArF sales up 4%
- ◆ Other semiconductors materials (including multi layer process materials) sales up 24%

	Sales YOY Change								
	FY2012 Outlook as of October 2012			FY2012			FY2013 E		
	1H	2H E	Total	1H	2H	Total	1H	2H	Total
BARC	+1%	-2%	-1%	+1%	-4%	-1%	-2%	+7%	+3%
KrF	-2%	-4%	-3%	-2%	+4%	+1%	+0%	+1%	+0%
ArF (1)	+3%	-1%	+1%	+3%	-8%	-3%	-2%	+10%	+4%
Other Semiconductors Materials (2)	+139%	+155%	+148%	+139%	+171%	+156%	+37%	+14%	+24%
Total Semiconductors Materials	+9%	+9%	+9%	+9%	+8%	+9%	+3%	+8%	+6%

(1) Including Non-BARC application (2) Multi layer process materials, microlens, etc

- ◆ FY2012 capex program of NCK (Korean subsidiary) (approval basis)

<Display Materials>

Expansion of SUNEVER production facilities, warehouses, R&D center

<Semiconductors Materials>

Expansion of BARC and multi layer process materials production facilities, warehouses

Performance Materials – ③ SNOWTEX, Organo sol

◆ Inorganic Materials (SNOWTEX, Organo sol)

Product	Characteristics and Trend	Sales YOY Change (1)								
		FY2012 Outlook as of October 2012			FY2012			FY2013 E		
		1H	2H E	Total	1H	2H	Total	1H	2H	Total
SNOWTEX	<ul style="list-style-type: none"> ◆ Silica sol mainly for : (A) polishing materials (silicon wafer, aluminum and glass hard disk), (B) non-polishing materials (NOx reduction catalyst, automobile catalyst, chrome-free electrical steel sheet) ◆ Largest domestic producer ◆ New second plant in Toyama completed in March 2011(capacity +20%) <p>(1H FY2012) Sales down due to sluggish demand for both polishing and non-polishing materials</p> <p>(2H FY2012) Polishing materials sales up, non-polishing materials sales down</p> <p>(FY2013 Outlook) Recovery of demand expected for both applications</p>	-8%	+31%	+9%	-8%	+1%	-4%	+8%	+28%	+17%
Organo sol	<ul style="list-style-type: none"> ◆ Used for hard coating materials, electronic information materials ◆ World largest producer <p>(1H and 2H FY2012) Sales down due to sluggish demand</p> <p>(FY2013 Outlook) Sluggish demand expected to continue, focusing on developing new applications</p>	-12%	+10%	-2%	-12%	-24%	-18%	-13%	+6%	-5%

(1) Non-consolidated basis

Advanced Materials Research Lab. (*tentative name) focusing on developing new applications

- ◆ To be completed in July 2014 (¥3.4 billion capex)
- ◆ Integration of R&D function for new products and applications of Performance Materials

Performance Materials – ④ Profit Overview

(¥billion)

	FY2011			2H E as of Oct.2012	FY2012			FY2013 E		
	1H	2H	Total	2H E	1H	2H	Total	1H	2H	Total
Sales	17.0	17.0	34.0	18.9	18.8	18.6	37.4	19.6	20.3	39.9
OP	2.6	2.2	4.8	2.6	4.1	3.1	7.2	3.5	3.7	7.2

2H FY2012 Review

<vs. 2H FY2011>

- ◆ Sales of SUNEVER up (VA, IPS/FFS)
- ◆ Sales of Semiconductors Materials up (BARC down, other materials including multi layer process materials up substantially)
- ◆ Sales of Inorganic Materials down (SNOWTEX up, organo sol down)
- ◆ Sales up ¥1.6billion, OP up ¥0.9billion

2H FY2012 Review

<vs. 2H FY2012 Outlook as of October 2012>

- ◆ Sales of VA, and IPS/FFS above expectations
- ◆ Sales of Semiconductors Materials above expectations except ArF
- ◆ Sales of Inorganic Materials below expectations
- ◆ Sales down ¥0.3billion, OP up ¥0.5billion

FY2012 Review

<vs. FY2011>

- ◆ Sales of VA, and IPS/FFS up, sales of TN and 3D TV materials down
- ◆ Sales of Semiconductors Materials up (BARC down slightly, other materials including multi layer process materials up substantially)
- ◆ Sales of Inorganic Materials down (SNOWTEX, organo sol)
- ◆ Fixed cost down
- ◆ Sales up ¥3.4billion, OP up ¥2.4billion

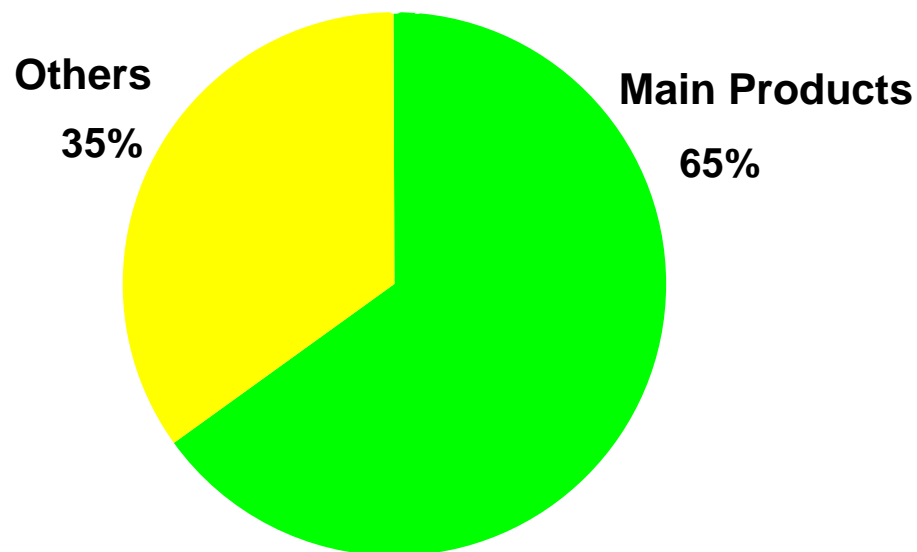
FY2013 Outlook

<vs. FY2012>

- ◆ Sales of SUNEVER down (IPS/FFS up, TN and VA down), 3D up
- ◆ Sales of Semiconductors Materials up (ArF and other materials including multi layer process materials up substantially, KrF flat)
- ◆ Sales of Inorganic Materials up (SNOWTEX and other products including high refractive sol up, organo sol down)
- ◆ Fixed cost up
- ◆ Sales up ¥2.5billion, OP flat

Agrochemicals – ① Sales Distribution (before discount)

FY2012 Non-consolidated
Sales Distribution
(before discount)
< Agrochemicals >



◆ Main Products:

ROUNDUP (herbicide), SIRIUS (herbicide), PERMIT (herbicide), PULSOR (THIFLUZAMIDE, fungicide), TARGA (herbicide), STARMITE (miticide), LEIMAY (fungicide), SANMITE (insecticide), ALTAIR (NC-620) (herbicide)

	Non-consolidated Sales YOY Change (before discount)	
	FY2012 /FY2011	FY2013E /FY2012
ROUNDUP	↗	→
SIRIUS	↘	↘
PERMIT	↗	↗
PULSOR (THIFLUZAMIDE)	↗	↘
TARGA	↘	↗
STARMITE	↗	↗
LEIMAY	↗	↗
SANMITE	↗	↘
ALTAIR (NC-620)	↗	↗

Agrochemicals – ②

- ◆ Stable profit center
- ◆ Strengthening product portfolio by: in-house developed products, acquired products, licensed-in products
 - (launch) (products)
 - (FY2008) **LEIMAY** (fungicide, in-house)
STARMITE (miticide, in-house)
 - (FY2009) **PULSOR (THIFLUZAMIDE)** (fungicide, acquired from Dow)
PREVATHON (insecticide, licensed from DuPont)
 - (FY2010) **AVH** (herbicide, licensed from ZEN-NOH, Bayer and Hokko)
ROUNDUP AL for general household market, growing steadily
 - (FY2011) **ALTAIR(NC-620)** (paddy rice herbicide, launched in Korea, in-house)
 - (FY2012) **ALTAIR(NC-620)** (paddy rice herbicide, launched in Japan, in-house)
 - (FY2013) Bulk shipment of **animal health products** to licensee expected to start (for pets to exterminate tick and flea, licensing product)
 - (FY2014) **Animal Health products** expected to be launched in USA and EU
 - (FY2014-16) **Fruits/vegetables/paddy rice insecticide** (licensed-in product),
Fruits/vegetables/tea insecticide (licensed-in product),
Fruits/vegetables fungicide (licensed-in product),
 - (FY2019-) **Insecticide (in-house) (New addition)**
- ◆ Full reconstruction of Biological Research Laboratories FY2010-2015 (FY2010-12 ¥4.6 billion capex) (Main completed facilities) Fully automated chemical compounds library, weather simulation room
- ◆ Acquired 3% share of IHARABRÁS (leading agro company in Brazil) in September 2011 to strengthen R&D and marketing capabilities in the rapidly growing market in Latin America
- ◆ Export sales account for about 20% of FY2012 non-consolidated segment sales (including sales through Trading segment)(Asia:50%, Europe,Africa:27%, North/Central/South America:23%)

Agrochemicals – ③ Non-consolidated Segment Sales (before discount)

	Non-consolidated Sales YOY Change (before discount)						
	FY2012 Outlook as of October 2012			FY2012			FY2013 E
	1H	2H E	Total	1H	2H	Total	
ROUNDUP	+12%	+3%	+6%	+12%	+5%	+7%	-2%
Except ROUNDUP	+4%	+1%	+2%	+4%	+1%	+2%	+7%
Total Segment	+6%	+2%	+3%	+6%	+2%	+3%	+5%

	Distribution of NCI Non-consolidated Sales	
	FY2011	FY2012
Fungicide +Insecticide	2%	3%
Insecticide	18%	18%
Fungicide	13%	13%
Herbicide	65%	64%
Plant growth regulator	2%	2%
Others	1%	1%

Agrochemicals – ④ Profit Overview

(¥billion)

	FY2011			2H E as of Oct.2012	FY2012			FY2013 E		
	1H	2H	Total	2H E	1H	2H	Total	1H	2H	Total
Sales	12.5	21.3	33.8	21.7	13.4	22.0	35.4	13.4	22.8	36.2
OP	0.8	3.6	4.4	3.5	1.3	3.7	5.0	1.4	3.8	5.2

2H FY2012 Review

<vs. 2H FY2011>

- ◆ Sales of ROUNDUP, STARMITE, ALTAIR up, export up, sales of SIRIUS, PULSOR down
- ◆ Milestones on animal health products received
- ◆ Fixed cost up (depreciation cost of new Biological Research Lab. up, R&D expenses up)
- ◆ Sales up ¥0.7billion, OP up ¥0.1billion

2H FY2012 Review

<vs. 2H FY2012 Outlook as of October 2012>

- ◆ Sales of ROUNDUP, SIRIUS, STARMITE, SANMITE above expectations
- ◆ Sales of TARGA and LEIMAY below expectations
- ◆ R&D expenses above expectations due to accelerated R&D activities
- ◆ Sales up ¥0.3billion, OP up ¥0.2billion

FY2012 Review

<vs. FY2011>

- ◆ Sales of ROUNDUP, PULSOR, STARMITE, ALTAIR up, sales of SIRIUS and TARGA down
- ◆ Milestones on animal health products received
- ◆ Fixed cost up (depreciation cost of new Biological Research Lab. and ALTAIR facilities up, R&D expenses up)
- ◆ Sales up ¥1.6billion, OP up ¥0.6billion

FY2013 Outlook

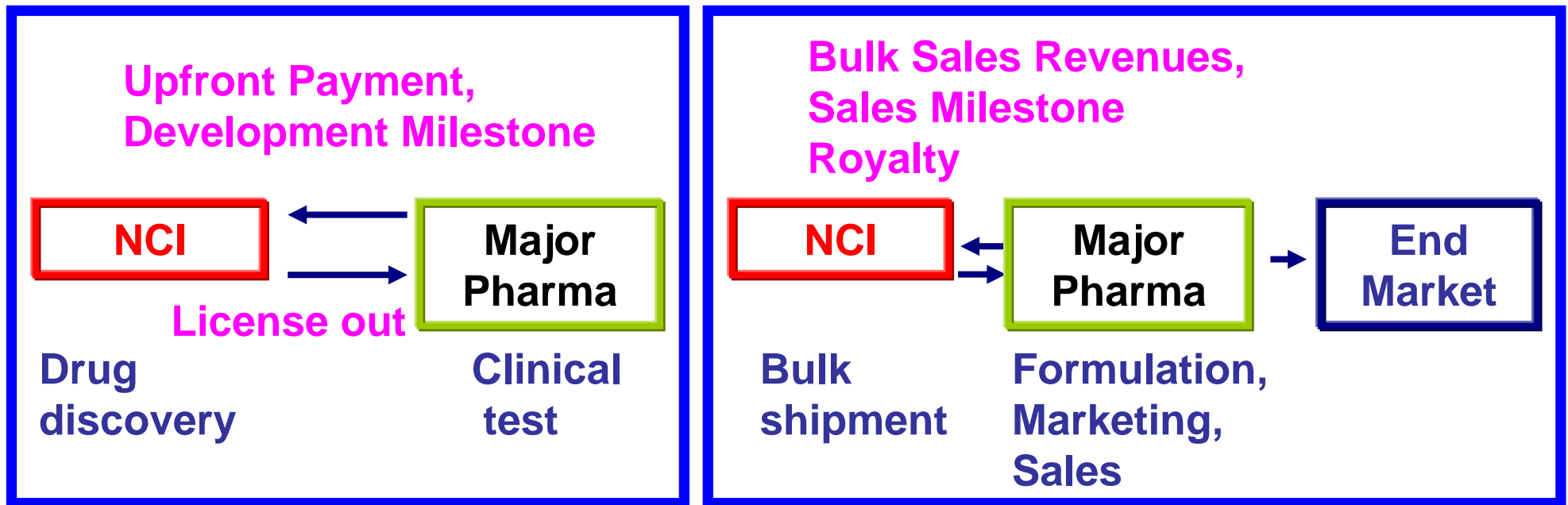
<vs. FY2012>

- ◆ Sales of TARGA, STARMITE, LEIMAY, ALTAIR up, sales of ROUNDUP and SIRIUS down
- ◆ Bulk shipment of animal health products to the licensee expected to start
- ◆ Fixed cost up (depreciation cost of new Biological Research Lab. up, R&D expenses up due to accelerated pipeline development)
- ◆ Sales up ¥0.8billion, OP up ¥0.2billion

Pharmaceuticals – ① NCI Business Model

- ◆ Steadily expanding segment in mid-term perspective
- ◆ Unique ethical pharma business model without sales force

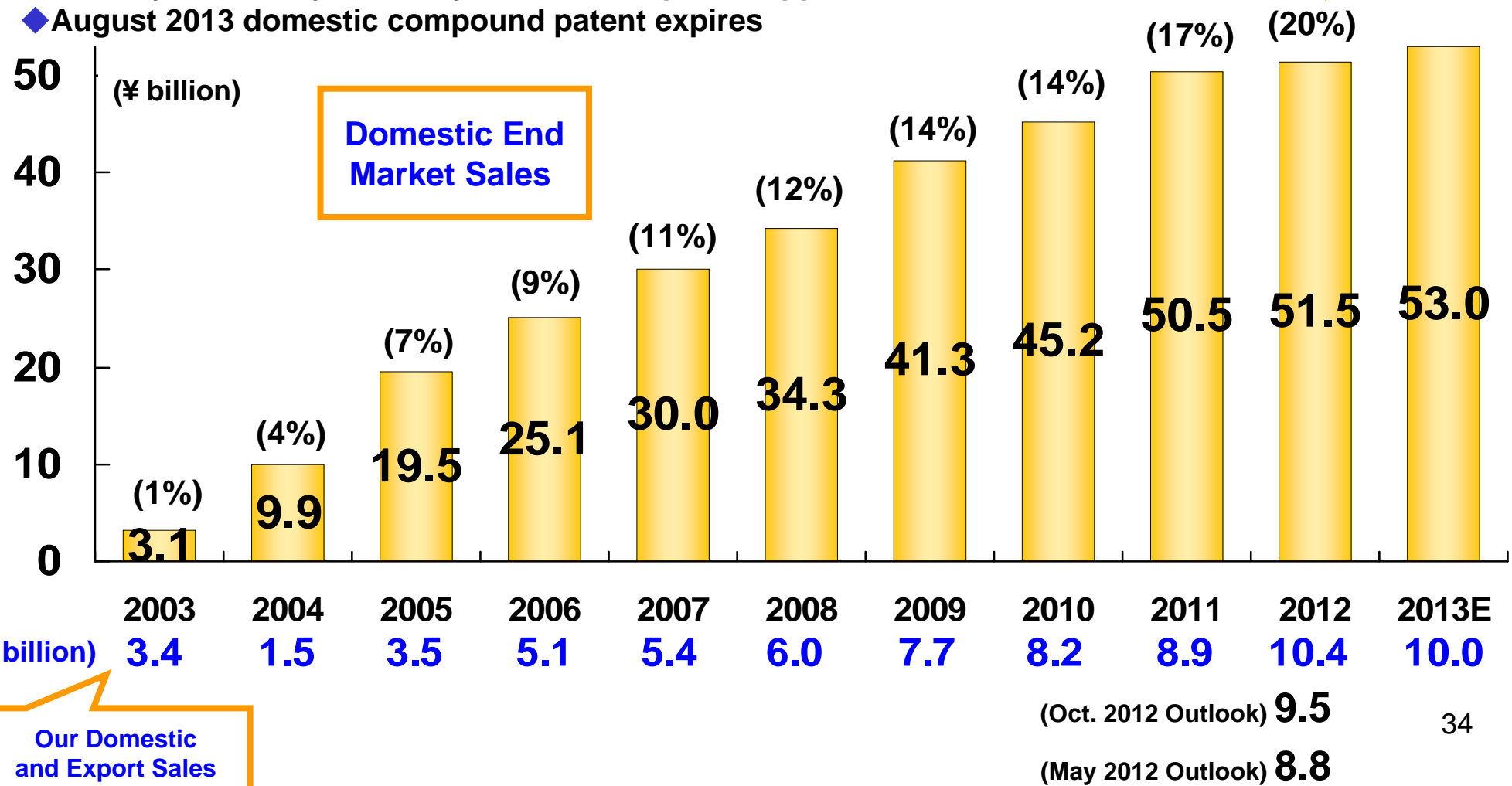
< Before Launch > → < After Launch >



Pharmaceuticals – ② LIVALO (anti-cholesterol drug)

- ◆ Domestic market share up steadily (about 20% in FY2012)
- ◆ FY2012 NHI drug price cut 8%, but sales volume up substantially
- ◆ New plant completed in March 2011, commercial production started in May 2012
- ◆ Full reconstruction of Biological Research Laboratories (FY2010-2015)
- ◆ January - February 2013, crystalline form patent approved
- ◆ August 2013 domestic compound patent expires

FY2012 Market share	
Crestor	34%
Lipitor	27%
Livalo	20%
Mevalotin	12%



Pharmaceuticals – ③ LIVALO World Wide Strategy & Pipeline

◆ LIVALO World Wide Strategy

Country/Region	Developing Status	Launch (schedule)	Business Partner
Japan	Launched	Sep 2003	Kowa, Daiichi-Sankyo (1)
Korea	Launched	Jul 2005	JWP Pharmaceutical
Thailand	Launched	Jan 2008	Biopharm-Chemical
China	Launched	Jul 2009	Kowa Shanghai
USA	Launched	Jun 2010	Kowa(KPA), Eli Lilly
Lebanon	Launched	Mar 2011	Algorithm
Spain	Launched	May 2011	Recordati, Esteve
Portugal	Launched	Jun 2011	Recordati, Delta
Mexico	Launched	Feb 2012	Eli Lilly
Indonesia	Launched	May 2012	Indonesia Tanabe
Taiwan	Launched	Jun 2012	Taiwan Tanabe
Switzerland	Launched	Jan 2013	Eli Lilly
Ukraine	Approved	Jun 2013	Recordati
Brazil	Approved	Jul 2013	Eli Lilly
France	Approved	2013	Recordati
Italy	Approved	2013	Recordati

Other approved countries : Australia, Cyprus, Greece, Ireland, Turkey, Venezuela etc.

(1) From July 2013, Kowa will be the sole partner

◆ Pipeline

Product	Market		Developing Status	Licensee	Expected Market Size (¥ billion)
NT-702	Japan	Intermittent claudication	Phase II	Taisho	20-30
		Asthma			20
NTC-801 (Anti-arrhythmic agent)	Japan	Discontinuation of clinical development No further plans for development at this time (under discussion among three companies)		Teijin	1 million patients (2015)
	World wide (except Japan)			BMS	8.4 million patients (2015)
NIP-022 (Platelet generating stimulator agent)			Phase I	Ono	0.35million patients (2015 in Japan)

Pharmaceuticals – ④ Profit Overview

(¥billion)

	FY2011			2H E as of Oct.2012	FY2012			FY2013 E		
	1H	2H	Total	2H E	1H	2H	Total	1H	2H	Total
Sales	5.2	4.8	10.0	4.3	5.3	5.3	10.6	5.6	4.5	10.1
OP	2.6	2.0	4.6	1.7	2.6	2.6	5.2	2.9	2.0	4.9

2H FY2012 Review

<vs. 2H FY2011>

- ◆ LIVALO
 - NHI drug price cut 8%
 - Domestic and export sales volume up
 - Variable cost down by new plant
- ◆ Absence of milestones
- ◆ Sales up ¥0.5billion (LIVALO+0.7, others-0.2),
OP up ¥0.6billion

FY2012 Review

<vs. FY2011>

- ◆ LIVALO
 - NHI drug price cut 8%
 - Domestic and export sales volume up
 - Variable cost down by new plant
- ◆ Absence of milestones
- ◆ Sales up ¥0.6billion
(LIVALO+1.5, milestones-0.4, others-0.5),
OP up ¥0.6billion

2H FY2012 Review

<vs. 2H FY2012 Outlook as of October 2012>

- ◆ Domestic and export sales of LIVALO above expectations
- ◆ Sales up ¥1.0billion (LIVALO+0.9, others+0.1),
OP up ¥0.9billion

FY2013 Outlook

<vs. FY2012>

- ◆ LIVALO crystalline form patent approved in Japan
(January - February 2013)
- ◆ LIVALO domestic compound patent expires (August 2013)
- ◆ LIVALO export flat
(USA and EU sales up, Korea sales down due to price cut)
- ◆ Absence of milestones
- ◆ Sales down ¥0.5billion (LIVALO-0.4, others-0.1),
OP down ¥0.3billion

Trading – Profit Overview

(¥billion)

	FY2011			2H E as of Oct.2012	FY2012			FY2013 E		
	1H	2H	Total	2H E	1H	2H	Total	1H	2H	Total
Sales	22.5	22.3	44.8	25.3	22.7	23.9	46.6	23.7	25.0	48.7
OP	0.7	0.6	1.3	0.8	0.7	0.7	1.4	0.6	0.8	1.4

2H FY2012 Review

<vs. 2H FY2011>

- ◆ Sales up due to volume increase in electronic materials
- ◆ Sales up ¥1.6billion, OP up ¥0.1billion

2H FY2012 Review

<vs. 2H FY2012 Outlook as of October 2012>

- ◆ Trading volume below expectations
- ◆ Sales down ¥1.4billion, OP down ¥0.1billion

FY2012 Review

<vs. FY2011>

- ◆ Sales and OP up with increase in trading volume
- ◆ Sales up ¥1.8billion, OP up ¥0.1billion

FY2013 Outlook

<vs. FY2012>

- ◆ Trading volume up, operating costs up
- ◆ Sales ¥2.1billion, OP flat

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Capex/Depreciation/R&D by Segment

(¥billion)

	Capex(1)					Depreciation(2)					R&D expenses					% of Sales
	2009	2010	2011	2012	2013E	2009	2010	2011	2012	2013E	2009	2010	2011	2012	2013E	
Chem	-	1.9	1.6	1.0	1.4	-	3.4	2.5	2.0	1.9	-	0.8	0.8	0.7	0.7	1.9%
Performance M.	-	3.7	2.2	3.1	3.3	-	4.1	4.3	3.7	3.4	-	5.6	6.2	6.5	6.5	16.4%
Agro	-	0.4	2.1	2.5	1.3	-	1.9	1.8	1.9	2.2	-	2.6	2.8	3.0	3.5	9.6%
Pharma	-	2.4	1.7	0.7	0.5	-	0.3	1.0	1.1	0.9	-	2.4	2.5	2.3	2.4	23.3%
Trading	-	0.2	0.1	0.0	0.1	-	0.1	0.1	0.1	0.1	-	0.0	0.0	0.0	0.0	0.0%
Others	-	1.0	0.6	0.8	0.6	-	0.6	0.8	0.7	0.3	-	1.2	1.3	1.2	1.2	-
Total	10.1	9.6	8.3	8.1	7.2	11.0	10.4	10.5	9.5	8.8	13.1	12.6	13.6	13.7	14.3	
R&D expenses/Sales (%)											8.8%	8.2%	9.2%	8.9%	9.2%	

(1) Capex

Actual - Acceptance basis

Outlook - Production commencement basis

(2) Depreciation Method

SUNEVER, BARC- 4 year declining balance method
(50.0% of initial capex amount in the 1st year)

Other products - 8 year declining balance method
(25.0% of initial capex amount in the 1st year)

R&D Personnel (Sept. 2012) -①	420
Total Professionals (Sept. 2012) -②	1,026
①/②	41%

※Parent company only

FY2012 and 2013 Main Capex Items (Approval basis)

(¥billion)

FY2012		FY2013 E	
High purity ammonia	0.3	SNOWTEX	0.5
SUNEVER(NCK)	1.4	Chemical Research Lab. (Instruments)	0.8
BARC(NCK)	1.2	Electronic Materials Lab. (Instruments)	0.8
Advanced Materials Research Lab. (Building)	3.4	Biological Research Lab.	0.3
Electronic Materials Lab. (Instruments)	0.8		
Biological Research Lab.	0.9		

Financial Strategy – ① Purchase of Treasury Shares

- ◆ Started purchase of treasury shares in 2006 to enhance ROE
- ◆ Purchased ¥25.5 billion, 22.8 million shares (12.2% of shares issued) in total
- ◆ Cancelled all purchased shares

Record of purchase of treasury shares FY2006 - 12

	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2006- FY2012 Total
Shares purchased (thousand shares)	3,500	3,399	7,355	0	2,167	0	6,372	22,793
Purchase costs (¥ billion)	4.7	5.0	8.0	0	2.8	0	5.0	25.5
Shares cancelled (thousand shares)	3,000	3,635	7,000	0	3,000	0	6,000	22,635
Shares issued at FY end (thousand shares)	184,635	181,000	174,000	174,000	171,000	171,000	165,000	
Treasury share at FY end (thousand shares)	1,367	1,233	1,660	1,709	885	886	1,258	
Dividend (¥ billion)	3.7	3.6	3.8	4.2	4.1	4.1	4.3	
Dividend (¥ / Share)	20	20	22	24	24	24	26	
Total payout ratio (dividend + purchase of treasury shares) (%)	61	56	117	32	53	37	67	

Financial Strategy – ② Cash Management Policy

- Aiming to control cash balance around the level of:

Minimum required level

+

1/3 of annual scheduled long-term borrowings repayment

+

1/3 of short-term borrowings outstanding

+

Contingent risk reserves (added for FY2011)

(non-consolidated basis)

Vista 2015 Stage II – ① Financial Target

(¥billion)

1. PL	FY2012	FY2015
Sales	153.8	180.0
Operating Profit	19.5	26.0
Ordinary Income	20.5	26.5
Net Income	13.9	18.5
EPS(¥)	84.00	113.00

(¥billion)

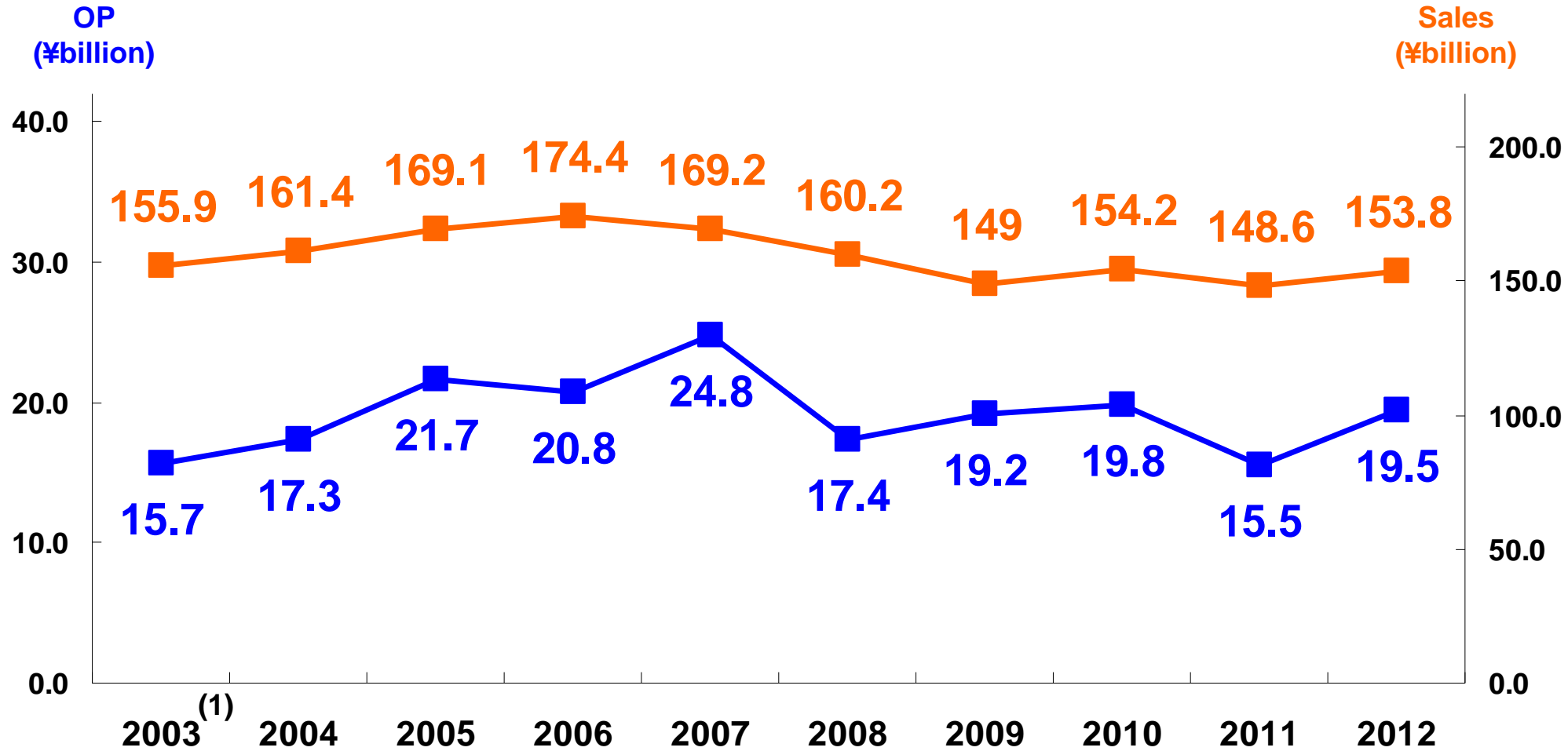
2. Segment	Sales		Operating Profit	
	FY2012	FY2015	FY2012	FY2015
Chemicals and others (1)	70.4	77.5	2.1	3.6
Performance Materials	37.4	53.8	7.2	11.3
Agro	35.4	40.8	5.0	7.6
Pharma	10.6	7.9	5.2	3.5
Total	153.8	180.0	19.5	26.0

(1) Chemicals and others include Trading segment, Others segment and Adjustment

Vista 2015 Stage II – ② Financial Indicators

- ◆ Highest importance on ROE as well as OP margin
 - ROE : FY2015 Target 13.4%
 - OP margin : FY2015 Target 14.4%
- ◆ Dividend payout ratio above 30%
 - In addition, continue to purchase treasury shares timely
- ◆ Maintain R&D expenses/sales above 9%

Long-term Financial Performance Trend



(1) 2003 = From April 1, 2003 to March 31, 2004

Long Term Financial Performance Trend

(¥ billion)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Sales	155.9	161.4	169.1	174.4	169.2	160.2	149.0	154.2	148.6	153.8
Operating Profit	15.7	17.3	21.7	20.8	24.8	17.4	19.2	19.8	15.5	19.5
Ordinary Income	14.6	17.4	21.3	21.2	24.4	16.9	19.2	19.4	15.9	20.5
Net Income	8.7	11.3	13.7	14.0	15.5	10.1	12.8	13.0	11.0	13.9
EBITDA	26.1	26.9	31.6	30.5	34.5	27.6	30.1	30.2	25.9	29.0
OP Margin	10.0%	10.7%	12.8%	12.0%	14.6%	10.9%	12.8%	12.9%	10.4%	12.7%
ROE(%)	13.4%	15.2%	16.1%	14.7%	15.6%	10.3%	12.6%	11.9%	9.5%	11.4%
EPS(¥)	46.21	59.77	72.73	75.43	85.15	57.26	74.00	75.94	64.52	83.74
Dividend(¥/share)	11	11	15	20	20	22	24	24	24	26
Purchases of treasury shares	-	-	-	4.7	5.0	8.0	-	2.8	-	5.0
Net Assets	69.2	78.5	92.0	98.1	100.1	95.7	106.5	112.4	119.6	126.7
Liabilities with interest	57.4	44.6	41.5	32.4	34.4	45.5	42.1	39.9	38.9	38.1
D/E ratio (1)	78.0%	53.7%	38.5%	23.2%	27.2%	37.1%	26.0%	16.9%	9.3%	5.0%
Equity ratio	40.1%	46.4%	50.2%	55.3%	58.0%	55.5%	58.7%	60.7%	62.4%	63.0%
Capex	6.6	6.6	9.2	12.1	10.9	13.9	10.1	9.6	8.3	8.1
Depreciation	10.4	9.6	9.9	9.7	9.7	10.2	11.0	10.4	10.5	9.5
R&D Expenses	8.7	8.6	9.2	9.9	12.5	13.7	13.1	12.6	13.6	13.7
R&D Expenses/Sales(%)	5.6%	5.3%	5.4%	5.7%	7.4%	8.6%	8.8%	8.2%	9.2%	8.9%
Number of employees (parent company)	1,505	1,502	1,502	1,558	1,614	1,657	1,710	1,750	1,730	1,726

(1) D/E ratio = (Borrowings - Cash) / Shareholders' equity (%)

Sales and Operating Profit by New Segmentation

(¥ billion)

		FY2010		FY2011		FY2012		FY2013E	
SALES (A)	Chemicals	38.1	24.7%	36.9	24.8%	36.6	23.8%	37.6	24.1%
	Performance M.	38.0	24.6%	34.0	22.9%	37.4	24.3%	39.9	25.6%
	Agro	34.4	22.3%	33.8	22.7%	35.4	23.0%	36.2	23.2%
	Pharma	9.6	6.2%	10.0	6.7%	10.6	6.9%	10.1	6.5%
	Trading	44.1	28.6%	44.8	30.1%	46.6	30.3%	48.7	31.2%
	Others	27.0	17.5%	20.0	13.5%	21.2	13.8%	21.3	13.7%
	Adjustment	-37.0	-24.0%	-30.9	-20.8%	-34.0	-22.1%	-37.8	-24.2%
	Total	154.2	100%	148.6	100%	153.8	100%	156.0	100%

OP (B)	Chemicals	2.4	12.1%	1.6	10.3%	1.9	9.7%	2.6	12.7%
	Performance M.	7.9	39.9%	4.8	31.0%	7.2	36.9%	7.2	35.3%
	Agro	4.8	24.2%	4.4	28.4%	5.0	25.6%	5.2	25.5%
	Pharma	4.4	22.2%	4.6	29.7%	5.2	26.7%	4.9	24.0%
	Trading	1.4	7.1%	1.3	8.4%	1.4	7.2%	1.4	6.9%
	Others	1.0	5.1%	0.3	1.9%	0.7	3.6%	0.4	2.0%
	Adjustment	-2.1	-10.6%	-1.5	-9.7%	-1.9	-9.7%	-1.3	-6.4%
	Total	19.8	100%	15.5	100%	19.5	100%	20.4	100%

OP Margin (C) = (B)/(A)	Chemicals	6.3%	4.3%	5.2%	6.9%
	Performance M.	20.8%	14.1%	19.3%	18.0%
	Agro	14.0%	13.0%	14.1%	14.4%
	Pharma	45.8%	46.0%	49.1%	48.5%
	Trading	3.2%	2.9%	3.0%	2.9%
	Others	3.7%	1.5%	3.3%	1.9%
	Total	12.9%	10.4%	12.7%	13.1%

		FY2011		FY2012	
Segment Assets (D)	Chemicals	31.6	16.6%	30.3	15.2%
	Performance M.	31.5	16.6%	34.3	17.2%
	Agro	44.6	23.5%	46.7	23.4%
	Pharma	12.4	6.5%	11.3	5.7%
	Trading	16.5	8.7%	17.3	8.7%
	Others	9.5	5.0%	9.2	4.6%
	Adjustment (Common Assets)	44.0	23.1%	50.1	25.2%
	Total	190.1	100%	199.2	100%

ROA (E) = (B)/(D)	Chemicals	5.0%	6.3%
	Performance M.	15.2%	20.9%
	Agro	9.9%	10.8%
	Pharma	37.1%	46.4%
	Trading	7.9%	7.8%
	Others	3.2%	7.5%
	Total	8.1%	9.8%

Pro Forma Sales and Operating Profit by Former Segmentation⁽¹⁾

(¥ billion)

		FY2005		FY2006		FY2007		FY2008		FY2009		FY2010	
SALES	Chemicals	50.2	29.7%	55.2	31.6%	60.7	35.9%	55.4	34.6%	46.1	30.9%	49.6	32.2%
	Electronic Materials	23.4	13.9%	22.8	13.1%	28.1	16.6%	23.2	14.5%	26.6	17.9%	26.2	17.0%
	Agrochemicals	35.8	21.1%	33.5	19.2%	33.2	19.6%	35.4	22.1%	33.8	22.7%	34.4	22.3%
	Pharmaceuticals	5.1	3.0%	6.5	3.7%	8.1	4.8%	9.2	5.7%	9.5	6.4%	9.6	6.2%
	Trading	35.7	21.1%	40.4	23.2%	47.0	27.8%	46.3	28.9%	41.3	27.7%	44.1	28.6%
	Others (2)	53.4	31.6%	53.4	30.6%	28.0	16.5%	28.4	17.7%	27.4	18.4%	27.0	17.5%
	Adjustment	-34.4	-20.3%	-37.4	-21.4%	-35.9	-21.2%	-37.7	-23.5%	-35.7	-24.0%	-36.7	-23.8%
	Total	169.2	100%	174.4	100%	169.2	100%	160.2	100%	149.0	100%	154.2	100%
OP	Chemicals	4.6	21.3%	5.4	25.8%	6.3	25.4%	3.6	20.7%	2.6	13.5%	4.1	20.7%
	Electronic Materials	11.1	51.3%	9.4	45.0%	10.3	41.5%	4.9	28.2%	7.3	38.0%	6.2	31.3%
	Agrochemicals	3.7	17.2%	3.5	16.7%	4.1	16.5%	5.0	28.7%	4.7	24.5%	4.8	24.2%
	Pharmaceuticals	1.2	5.6%	2.1	10.0%	3.9	15.7%	4.5	25.9%	4.6	24.0%	4.4	22.2%
	Trading	0.8	3.8%	1.0	4.6%	1.0	4.0%	1.1	6.3%	1.1	5.7%	1.4	7.1%
	Others	0.9	4.1%	1.1	5.4%	0.8	3.2%	0.7	4.0%	1.0	5.2%	1.0	5.1%
	Adjustment	-0.7	-3.3%	-1.6	-7.4%	-1.6	-6.3%	-2.4	-13.8%	-2.1	-10.9%	-2.1	-10.6%
	Total	21.7	100%	20.8	100%	24.8	100%	17.4	100%	19.2	100%	19.8	100%
OP Margin	Chemicals		9.2%		9.8%		10.3%		6.5%		5.6%		8.3%
	Electronic Materials		47.4%		41.1%		36.8%		21.0%		27.4%		23.7%
	Agrochemicals		10.4%		10.4%		12.3%		14.0%		13.9%		14.0%
	Pharmaceuticals		24.0%		32.2%		48.0%		49.5%		48.4%		45.8%
	Trading		2.3%		2.4%		2.2%		2.4%		2.7%		3.2%
	Others		1.7%		2.1%		2.7%		2.5%		3.6%		3.7%
	Total		12.8%		11.9%		14.6%		10.9%		12.8%		12.9%

(1) FY2005-2008 are restated based on new segmentation

(2) Sales of Others decreased in FY2007 mainly due to spin-off of Nissan Agri (currently "Sun Agro", fertilizer company, FY2006 sales ¥27.7 billion)

FY2011- 12 Quarterly Sales by Segment

(¥ billion)

	FY2011					FY2012				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Chem	9.4	9.2	9.0	9.3	36.9	9.1	8.8	8.9	9.8	36.6
Fine Chemicals	3.0	2.9	2.4	2.6	10.9	2.9	2.7	2.4	3.2	11.2
Basic Chemicals	6.4	6.3	6.6	6.7	26.0	6.2	6.1	6.5	6.6	25.4
Performance Materials	8.7	8.3	8.6	8.4	34.0	9.5	9.3	9.5	9.1	37.4
Agro	7.1	5.4	3.7	17.6	33.8	8.3	5.1	4.6	17.4	35.4
Pharma	2.9	2.3	2.4	2.4	10.0	3.5	1.8	3.1	2.2	10.6
Trading	11.6	10.9	10.8	11.5	44.8	11.9	10.8	12.5	11.4	46.6
Others	4.6	4.7	4.3	6.4	20.0	3.9	6.3	4.6	6.4	21.2
Adjustment	-7.7	-7.6	-7.3	-8.3	-30.9	-7.8	-9.4	-8.6	-8.2	-34.0
Total	36.6	33.2	31.5	47.3	148.6	38.4	32.7	34.6	48.1	153.8

FY2011- 12 Quarterly OP by Segment

(¥ billion)

	FY2011					FY2012				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Chem	1.0	-0.2	0.6	0.2	1.6	0.8	0.0	0.4	0.7	1.9
Performance Materials	1.7	0.9	1.1	1.1	4.8	2.1	2.0	1.6	1.5	7.2
Agro	1.2	-0.4	-1.5	5.1	4.4	1.6	-0.3	-1.1	4.8	5.0
Pharma	1.4	1.2	1.0	1.0	4.6	1.9	0.7	1.6	1.0	5.2
Trading	0.4	0.3	0.3	0.3	1.3	0.4	0.3	0.4	0.3	1.4
Others	0.0	0.0	-0.1	0.4	0.3	-0.1	0.2	0.1	0.5	0.7
Adjustment	-0.5	-0.4	-0.4	-0.2	-1.5	-0.4	-0.6	-0.5	-0.4	-1.9
Total	5.2	1.4	1.0	7.9	15.5	6.3	2.3	2.5	8.4	19.5
OP Margin	14.3%	4.0%	3.4%	16.6%	10.4%	16.5%	6.8%	7.5%	17.4%	12.7%

Main Products by Segment (New Segmentation)

Segment	Products	Main Applications
Chem	◆ Fine Chemicals TEPIC Melamine cyanurate Environmental product Custom Chemicals	epoxy compound for LED sealants, solder resist, painting flame retardant HI-LITE (chlorinated isocyanuric acid for sterilizing) custom manufacturing and process services for pharmaceutical companies
	◆ Basic Chemicals Melamine AdBlue Ammonia, Sulfuric acid, Nitric acid Highpurity chemicals	adhesive agent for plywood solution of urea in demineralised water for diesel trucks to reduce NOx agents used for cleaning semiconductors
Performance Materials	◆ Electronic Materials SUNEVER BARC Multi layer process materials NHC Micro lens	LCD alignment coating bottom anti-reflective coating for semiconductors multi layer process material for semiconductors(Si-HM/SOC) protective coating for touch panel microlens material for image sensor application
	◆ Inorganic Materials SNOWTEX Organo silica sol Alumina sol SUNCOLLOID CELNAX	water dispersed colloidal silica sol for polishing silicon wafers, electrical steel sheets, NOx reduction catalyst, electronic printing materials film coating, antistatic interference shielding, electronic printing materials automotive catalyst, electronic printing materials high refractive sol for lens antistatic sol for film
Agro	◆ Herbicide TARGA PERMIT SIRIUS, ALTAIR(NC-620) ROUNDUP ◆ Insecticide STARMITE, SANMITE, MITOKOHNE ◆ Fungicide LEIMAY PULSOR, IKARUGA, GREATAM (THIFLUZAMIDE)	soybean, rapeseed, sugarbeet corn, sugarcane, rice paddy rice non-selective herbicide for orchard, noncrop land fruits,tea, vegetables potato, grape, turf
Pharma	LIVALO	Anti-cholesterol drug
Trading	Nissei Corporation	
Others	Transportation, Landscaping, Engineering, Fertilizer	

Main Products by Segment (Former Segmentation)

Segment	Products	Main Applications
Chem	◆ Organic Materials TEPIC Custom Chemicals Melamine cyanurate	epoxy compound for LED sealants, solder resist, painting custom manufacturing and process services for pharmaceutical companies flame retardant
	◆ Inorganic Materials SNOWTEX Organo silica sol Alumina sol SUNCOLLOID CELNAX	water dispersed colloidal silica sol for polishing silicon wafers, electrical steel sheets, NOx reduction catalyst, electronic printing materials film coating, antistatic interference shielding, electronic printing materials automotive catalyst, electronic printing materials high refractive sol for lens antistatic sol for film
	◆ Basic Chemicals Melamine AdBlue Environmental product Ammonia, Sulfuric acid, Nitric acid Highpurity chemicals	adhesive agent for plywood solution of urea in demineralised water for diesel trucks to reduce NOx HI-LITE (chlorinated isocyanuric acid for sterilizing) agents used for cleaning semiconductors
Electronic Materials	SUNEVER BARC NHC Micro lens	LCD alignment coating bottom anti-reflective coating for semiconductors protective coating for touch panel microlens material for image sensor application
Agro	◆ Herbicide TARGA PERMIT SIRIUS, ALTAIR(NC-620) ROUNDUP ◆ Insecticide STARMITE, SANMITE, MITOKOHNE ◆ Fungicide LEIMAY PULSOR, IKARUGA, GREATAM (THIFLUZAMIDE)	soybean, rapeseed, sugarbeet corn, sugarcane, rice paddy rice non-selective herbicide for orchard, noncrop land fruits,tea, vegetables potato, grape, turf
Pharma	LIVALO	Anti-cholesterol drug
Trading	Nissei Corporation	
Others	Transportation, Landscaping, Engineering, Fertilizer	

Forward Looking Statements

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.

No information in this material is provided as an offer to buy or sell the shares of the company. We urge users of the material to make investment decision based upon own judgment.