

May 12, 2015

**Nissan Chemical,
-where unique & solution meet**

Presentation for Investors

FY2014 (April 1 – March 31, 2015) Financial Results

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Translation of presentation materials for the investor meeting held in Tokyo on May 12, 2015

NISSAN CHEMICAL INDUSTRIES, LTD.

FY2014 PL (1)

(¥billion)

	FY2013			FY2014			Change			Change (%)	FY2014 Outlook as of Nov 2014		
	1H	2H	Total	1H	2H	Total	1H	2H	Total	Total	1H Actual	2H	Total
Sales	76.4	87.3	163.7	79.9	91.3	171.2	+3.5	+4.0	+7.5	+5%	79.9	91.1	171.0
Operating Profit	10.6	11.6	22.2	12.5	12.8	Record 25.3	+1.9	+1.2	+3.1	+14%	12.5	11.6	24.1
Non-Operating Income/Expenses	0.5	1.0	1.5	0.2	0.9	1.1	-0.3	-0.1	-0.4	-29%	0.2	0.5	0.7
Ordinary Income	11.1	12.6	23.7	12.7	13.7	Record 26.4	+1.6	+1.1	+2.7	+11%	12.7	12.1	24.8
Extraordinary Profit/Loss (2)	-	-	-	-0.4	-0.7	-1.1	-0.4	-0.7	-1.1	-	-0.4	-	-0.4
Net Income	8.0	8.7	16.7	8.9	9.3	Record 18.2	+0.9	+0.6	+1.5	+9%	8.9	8.9	17.8
EBITDA (3)	14.6	16.2	30.8	16.2	17.6	33.8	+1.6	+1.4	+3.0	+10%	16.2	16.5	32.7
EPS (¥/share)	48.62	53.49	102.11	55.15	58.84	113.99	+6.53	+5.35	+11.88	+12%	55.15	55.77	110.92
Dividend (¥/share)	14	16	30	14	22	36	0	+6	+6		14	16	30
Total amount of Dividend	2.3	2.6	4.9	2.2	3.5	5.7	-0.1	+0.9	+0.8		2.2	2.6	4.8
OP Margin	13.8%	13.4%	13.6%	15.6%	14.1%	14.8%	+1.8%	+0.7%	+1.2%		15.6%	12.7%	14.1%
ROE (4)	-	-	12.7%	-	-	12.7%	-	-	-0.0%		-	-	12.4%
FX Rate (¥/\$)	99	100		103	117						103	103	
Naphtha (¥/kl) (5)	64,700	69,900		70,400	56,700						70,400	70,000	
Comprehensive Income	10.0	10.4	20.4	10.2	13.9	24.1					10.2		

(1) FY2014 = April 1, 2014 - March 31, 2015

(2) 1H FY2014 -0.4: Product compensation expenses related to caking problems of PULSOR (agrochemical product)
 2H FY2014 -0.7: Cost for dismantling the naphtha pipeline after completion of ammonia feedstock change project

(3) EBITDA = Operating Profit + Depreciation

(4) FY2014 Outlook excluding effects of FY2014 share repurchase

(5) Based on Trade Statistics of Japan Ministry of Finance

2H FY2014 Review

<vs. 2H FY2013>

(Sales) ◆Up ¥4.0 billion (+4.6%)

(OP) ◆Up ¥1.2 billion (+10.0%)

(Non-Operating Income and Expenses) ◆Down ¥0.1 billion

(Ordinary Income) ◆Up ¥1.1 billion (+8.4%)

(Extraordinary Profit/Loss) ◆Down ¥0.7 billion

(Net Income) ◆Up ¥0.6 billion (+7.0%)

(EPS) ◆Up ¥5.35 yen (+10.0%)

(+) Performance Materials, Agrochemicals, Trading
(±) Chemicals

(-) Pharmaceuticals

(+) Chemicals, Performance Materials, Agrochemicals
(±) Trading

(-) Pharmaceuticals

<vs. 2H FY2014 Outlook as of November 2014>

(Sales) ◆Up ¥0.2 billion

(OP) ◆Up ¥1.2 billion

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

(Ordinary Income) ◆Up ¥1.6 billion

(Extraordinary Profit/Loss) ◆Down ¥0.7 billion

(Net Income) ◆Up ¥0.4 billion

(EPS) ◆Up ¥3.07 yen

(+) Performance Materials, Agrochemicals
(±) Pharmaceuticals

(-) Chemicals, Trading

(+) Chemicals, Performance Materials,
Agrochemicals, Pharmaceuticals

(-) Trading

Cost for dismantling the naphtha pipeline

<Dividend>

◆1H ¥14/share, 2H ¥22/share, total ¥36/share (2H up ¥6 vs. Outlook as of November 2014)
(FY2013:1H ¥14/share, 2H ¥16/share, total ¥30/share)

FY2014 Review

<vs. FY2013>

(Sales) ◆Up ¥7.5 billion (+4.6%) (+) Performance Materials, Agrochemicals, Trading
(-) Chemicals, Pharmaceuticals

(OP) ◆Up ¥3.1 billion (+13.9%) (+) Performance Materials, Agrochemicals, Trading
(±) Chemicals
(-) Pharmaceuticals

(OP Margin) ◆14.8% More than 10% OP Margin in 12 consecutive years since FY2003

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

(Ordinary Income) ◆Up ¥2.7 billion (+11.2%)

(Extraordinary Profit/Loss) ◆Down ¥1.1 billion ¥0.4billion Product compensation expenses
¥0.7billion Cost for dismantling the naphtha pipeline

(Net Income) ◆Up ¥1.5 billion (+9.0%)

(EPS) ◆Up ¥11.88 yen (+11.6%)

(ROE) ◆12.7% (FY2013: 12.7%)

OP, Ordinary Income, Net Income renewed the highest results of a full year

<Dividend and Share Repurchases>

(Dividend) ◆¥36/share Dividend payout ratio 31.6% vs. ¥30/share in FY2013

(Share Repurchases) ◆¥6.0 billion, 2.8 million shares completed in January 2015
(Cancelled 3 million shares in January 2015)

FY2014

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

	FY2013	FY2014	Change	(¥billion)
Non-Operating Income	3.00	2.90	-0.10	
Interest income, dividend income	0.66	0.63	-0.03	
Equity in earnings of affiliates	0.96	1.09	+0.13	
Gain on foreign exchange	0.41	0.48	+0.07	
Others	0.97	0.70	-0.27	
Non-Operating Expenses	1.53	1.86	+0.33	
Interest expense	0.28	0.21	-0.07	
Loss on disposal of fixed assets	0.28	0.33	+0.05	
Plant stop loss	0.60	0.42	-0.18	
Others	0.37	0.90	+0.53	
Extraordinary Profit	0.00	0.00	0.00	
Extraordinary Loss	0.00	1.10	+1.10	
Comprehensive Income	20.41	24.09	+3.68	
Net income	16.70	18.20	+1.50	
Minority interests	0.19	0.18	-0.01	
Unrealized gains or losses on investment securities	2.60	4.54	+1.94	
Foreign currency translation adjustments	0.92	0.95	+0.03	
Remeasurements of defined benefit plans	-	0.22	+0.22	

FY2014 Cash Flows

(¥billion)

	FY2013			FY2014			Change			FY2014 Outlook as of Nov 2014		
	1H	2H	Total	1H	2H	Total	1H	2H	Total	1H Actual	2H	Total
CF from operating activities	22.7	1.1	23.8	22.9	-2.5	20.4	+0.2	-3.6	-3.4	22.9	-0.2	22.7
Profit before income tax	11.1	12.6	23.7	12.3	13.0	25.3	+1.2	+0.4	+1.6	12.3	12.1	24.4
Provision for business structure improvement	0.0	0.0	0.0	0.0	0.7	0.7	0.0	+0.7	+0.7	0.0	0.0	0.0
Depreciation & Amortization	4.0	4.5	8.5	3.7	4.8	8.5	-0.3	+0.3	-0.0	3.7	4.9	8.6
Tax	-3.9	-3.1	-7.0	-3.7	-3.3	-7.0	+0.2	-0.2	+0.0	-3.7	-3.1	-6.8
Working capital, others	11.5	-12.9	-1.4	10.6	-17.7	-7.1	-0.9	-4.8	-5.7	10.6	-14.1	-3.5
CF from investing activities	-7.7	-5.8	-13.5	-2.8	-5.3	-8.1	+4.9	+0.5	+5.4	-2.8	-5.9	-8.7
Purchase of PPE	-4.1	-4.9	-9.0	-3.8	-4.8	-8.6	+0.3	+0.1	+0.4	-3.8	-6.1	-9.9
Others	-3.6	-0.9	-4.5	1.0	-0.5	0.5	+4.6	+0.4	+5.0	1.0	0.2	1.2
CF from financing activities	-19.1	7.3	-11.8	-23.3	11.2	-12.1	-4.2	+3.9	-0.3	-23.3	11.5	-11.8
Dividends paid	-2.3	-2.3	-4.6	-2.6	-2.2	-4.8	-0.3	+0.1	-0.2	-2.6	-2.2	-4.8
Borrowings	-16.7	14.6	-2.1	-20.7	19.5	-1.2	-4.0	+4.9	+0.9	-20.7	19.7	-1.0
Purchase of treasury shares	0.0	-5.0	-5.0	0.0	-6.0	-6.0	0.0	-1.0	-1.0	0.0	-6.0	-6.0
Others	-0.1	0.0	-0.1	0.0	-0.1	-0.1	+0.1	-0.1	+0.0	0.0	0.0	0.0
Effect of FX rate changes on cash & cash equivalents	0.2	0.2	0.4	0.1	0.2	0.3	-0.1	+0.0	-0.1	0.1	-0.1	0.0
Change in cash & cash equivalents	-3.9	2.8	-1.1	-3.1	3.6	0.5	+0.8	+0.8	+1.6	-3.1	5.3	2.2
Cash & cash equivalents at end of period	28.0	30.8		27.6	31.3		-0.4	+0.5		27.6	33.0	

FY2014 Balance Sheets

(¥billion)

	2014/3	2015/3	Change
Current assets	125.4	133.5	+8.1
Cash	30.8	31.3	+0.5
Accounts receivable	54.0	58.1	+4.1
Inventories	33.2	36.1	+2.9
Others	7.4	8.0	+0.6
Fixed assets	82.6	90.4	+7.8
Total PPE	45.0	47.1	+2.1
Intangible assets	1.3	0.7	-0.6
Investment securities	33.6	38.7	+5.1
Others	2.7	3.9	+1.2
Total assets	208.0	223.9	+15.9

	2014/3	2015/3	Change
Liabilities	70.2	72.6	+2.4
Accounts payable	16.1	15.1	-1.0
Borrowings	36.1	35.1	-1.0
Others	18.0	22.4	+4.4
Net assets	137.8	151.3	+13.5
Shareholders' equity	130.0	137.6	+7.6
Unrealized gains or losses on investment securities	6.1	10.7	+4.6
Foreign currency translation adjustments	0.0	0.9	+0.9
Minority interest	1.3	1.5	+0.2
Remeasurements of defined benefit plans	0.4	0.6	+0.2
Total liabilities & Net assets	208.0	223.9	+15.9

• D/E Ratio (1) 4.1% 2.7%

• Equity Ratio 65.7% 66.9%

• Change in shareholders' equity +7.6

= Net Income 18.2 - Dividend and others 10.6

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

FY2015 Outlook

(¥billion)

	FY2014 Actual			FY2015 Outlook			Change			Change (%)
	1H	2H	Total	1H	2H	Total	1H	2H	Total	Total
Sales	79.9	91.3	171.2	85.0	96.0	Record 181.0	+5.1	+4.7	+9.8	+6%
Operating Profit	12.5	12.8	25.3	12.9	13.6	Record 26.5	+0.4	+0.8	+1.2	+5%
Non-Operating Income/Expenses	0.2	0.9	1.1	0.7	0.4	1.1	+0.5	-0.5	+0.0	+5%
Ordinary Income	12.7	13.7	26.4	13.6	14.0	Record 27.6	+0.9	+0.3	+1.2	+5%
Extraordinary Profit/Loss (1)	-0.4	-0.7	-1.1	-	-	-	+0.4	+0.7	+1.1	-
Net Income (2)	8.9	9.3	18.2	10.1	10.5	Record 20.6	+1.2	+1.2	+2.4	+13%
EBITDA (3)	16.2	17.6	33.8	17.6	19.3	36.9	+1.4	+1.7	+3.1	+9%
EPS (¥/share) (4)	55.15	58.84	113.99	64.55	67.11	131.66	+9.40	+8.27	+17.67	+16%
Dividend (¥/share)	14	22	36	18	22	40	+4	0	+4	
Total amount of Dividend (4)	2.2	3.5	5.7	2.8	3.4	6.2	+0.6	-0.1	+0.5	
OP Margin	15.6%	14.1%	14.8%	15.2%	14.2%	14.6%	-0.4%	+0.1%	-0.2%	
ROE (4)	-	-	12.7%	-	-	13.4%	-	-	+0.7%	
FX Rate (¥/\$)	103	117		120	120					
Naphtha (¥/kl)	70,400	56,700		54,800	54,800					
Comprehensive income	10.2	13.9	24.1							

- (1) 1H FY2014 -0.4: Product compensation expenses related to caking problems of PULSOR (agrochemical product)
 2H FY2014 -0.7: Cost for dismantling the naphtha pipeline after completion of ammonia feedstock change project
- (2) FY2015 Outlook: Net income = Profit Attributable to Owners of Parent
- (3) EBITDA = Operating Profit + Depreciation
- (4) FY2015 Outlook including effects of FY2015 share repurchase program announced on May 12, 2015

FY2015 Outlook

<vs. FY2014>

(Sales) ◆Up ¥9.8 billion (+5.7%) (+) Chemicals, Performance Materials, Agrochemicals, Trading
(-) Pharmaceuticals

(OP) ◆Up ¥1.2 billion (+4.5%) (+) Chemicals, Agrochemicals, Trading
(-) Performance Materials, Pharmaceuticals

(Non-Operating Income and Expenses) ◆Up ¥0.0 billion

(Ordinary Income) ◆Up ¥1.2 billion (+4.6%)

(Net Income) ◆Up ¥2.4 billion (+13.2%)

(EPS) ◆Up ¥17.67 yen (+15.5%)

(ROE) ◆13.4% (FY2014 12.7%)

FY2015 Mid-Term Business Plan ROE Target : 13.4%

Sales, OP, Ordinary Income, Net Income expected to renew the highest results of a full year and to achieve the FY2015 Mid-term Business Plan targets (p49)

<Dividend >

(Dividend) ◆1H ¥18/share, 2H ¥22/share, Total ¥40/share (Total up ¥4 vs. FY2014)
(FY2014: 1H ¥14/share, 2H ¥22/share, Total ¥36/share)

FY2015 Outlook

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

	FY2014 Actual	FY2015 Outlook	Change	(¥billion)
Non-Operating Income	2.90	2.19	-0.71	
Interest income, dividend income	0.63	0.53	-0.10	
Equity in earnings of affiliates	1.09	0.89	-0.20	
Gain on foreign exchange	0.48	0.00	-0.48	
Others	0.70	0.77	+0.07	
Non-Operating Expenses	1.86	1.09	-0.77	
Interest expense	0.21	0.25	+0.04	
Loss on disposal of fixed assets	0.33	0.45	+0.12	
Plant stop loss	0.42	0.36	-0.06	
Others	0.90	0.03	-0.87	
Extraordinary Profit	0.00	0.00	0.00	
Extraordinary Loss	1.10	0.00	-1.10	
Comprehensive Income	24.09	-	-	
Net income	18.20	-	-	
Minority interests	0.18	-	-	
Unrealized gains or losses on investment securities	4.54	-	-	
Foreign currency translation adjustments	0.95	-	-	
Remeasurements of defined benefit plans	0.22	-	-	

FY2015 Cash Flows Outlook

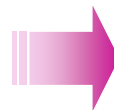
(¥billion)

	FY2014 Actual	FY2015 Outlook
CF from operating activities	20.4	28.9
Profit before income tax	25.3	27.6
Provision for business structure improvement	0.7	0.0
Depreciation & Amortization	8.5	10.4
Tax	-7.0	-7.5
Working capital, others	-7.1	-1.6
CF from investing activities	-8.1	-15.2
Purchase of PPE	-8.6	-12.7
Others	0.5	-2.5
CF from financing activities	-12.1	-13.3
Dividends paid	-4.8	-6.3
Borrowings	-1.2	-1.0
Purchase of treasury shares	-6.0	-6.0
Others	-0.1	0.0
Effect of FX rate changes on cash & cash equivalents	0.3	0.0
Change in cash & cash equivalents	0.5	0.4
Cash & cash equivalents at end of period	31.3	31.7

New Segmentation (From October 1, 2013)

Former 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, NHC, ARC@(KrF, ArF, Multi layer process materials) Micro lens SNOWTEX, Organo silica sol Alumina sol, SUNCOLLOID CELNAX	
Agro	Agro	Herbicides Insecticides Fungicide
	Active substance of Veterinary medical product	
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
	Basic Chemicals	Melamine Urea, AdBlue Ammonia, Sulfuric acid, Nitric acid High purity chemicals
Performance Materials	SUNEVER, NHC, ARC@(KrF, ArF, Multi layer process materials) Micro lens SNOWTEX, Organo silica sol Alumina sol, SUNCOLLOID CELNAX	
Agro	Agro	Herbicides Insecticides Fungicide
	Active substance of Veterinary medical product	
Pharma	LIVALO	
	Custom Chemicals	
Trading	Nissei Corporation	
Others	Nissan Butsuryu, Nissan Green & Landscape, Nissan Engineering, Fertilizer	
Adjustment	R&D expenses of Advanced Materials & Planning Dept. included	

FY2014 Sales by Segment (1)

(¥billion)

	FY2013			FY2014			Change			Change (%)	FY2014 Outlook as of Nov 2014		
	1H	2H	Total	1H	2H	Total	1H	2H	Total	Total	1H Actual	2H	Total
Chem	17.9	17.6	35.5	16.7	17.6	34.3	-1.2	-0.0	-1.2	-3%	16.7	17.9	34.6
Fine Chemicals	5.3	4.6	9.9	5.3	5.3	10.6	-0.0	+0.7	+0.7	+6%	5.3	4.9	10.2
Basic Chemicals	12.6	13.0	25.6	11.4	12.3	23.7	-1.2	-0.7	-1.9	-7%	11.4	13.0	24.4
Performance Materials	20.6	22.2	42.8	24.2	25.2	49.4	+3.6	+3.0	+6.6	+15%	24.2	24.1	48.3
Agro	16.0	23.1	39.1	18.5	27.2	45.7	+2.5	+4.1	+6.6	+17%	18.5	26.8	45.3
Pharma	6.4	5.2	11.6	5.0	3.8	8.8	-1.4	-1.4	-2.8	-24%	5.0	3.8	8.8
Trading	24.5	26.2	50.7	27.3	27.1	54.4	+2.8	+0.9	+3.7	+7%	27.3	28.3	55.6
Others	9.7	11.7	21.4	8.5	12.4	20.9	-1.2	+0.7	-0.5	-3%	8.5	13.0	21.5
Adjustment	-18.7	-18.7	-37.4	-20.3	-22.0	-42.3	-1.6	-3.3	-4.9	-	-20.3	-22.8	-43.1
Total	76.4	87.3	163.7	79.9	91.3	171.2	+3.5	+4.0	+7.5	+5%	79.9	91.1	171.0

(1) Including inter-segment sales/transfers

(2) FY2013 are restated based on new segmentation

FY2014 OP by Segment (1)

(¥billion)

	FY2013			FY2014			Change			Change (%)
	1H	2H	Total	1H	2H	Total	1H	2H	Total	Total
Chem	0.8	1.1	1.9	0.4	1.5	1.9	-0.4	+0.4	-0.0	-0%
Performance Materials	4.4	4.4	8.8	6.7	5.3	12.0	+2.3	+0.9	+3.2	+36%
Agro	2.4	3.8	6.2	4.0	5.2	9.2	+1.6	+1.4	+3.0	+48%
Pharma	3.1	1.8	4.9	1.6	0.7	2.3	-1.5	-1.1	-2.6	-53%
Trading	0.7	0.8	1.5	0.9	0.8	1.7	+0.2	-0.0	+0.2	+12%
Others	0.2	0.6	0.8	-0.1	0.7	0.6	-0.3	+0.1	-0.2	-23%
Adjustment	-1.0	-0.9	-1.9	-1.0	-1.4	-2.4	-0.0	-0.5	-0.5	-
Total	10.6	11.6	22.2	12.5	12.8	25.3	+1.9	+1.2	+3.1	+14%

FY2014 Outlook as of Nov 2014		
1H Actual	2H	Total
0.4	1.2	1.6
6.7	4.6	11.3
4.0	5.1	9.1
1.6	0.3	1.9
0.9	0.9	1.8
-0.1	0.6	0.5
-1.0	-1.1	-2.1
12.5	11.6	24.1

(1) FY2013 are restated based on new segmentation

FY2015 Sales Outlook by Segment (1)

(¥billion)

	FY2014 Actual				FY2015 Outlook				Change				Change (%)
	1H	(1Q)	2H	Total	1H	(1Q)	2H	Total	1H	(1Q)	2H	Total	Total
Chem	16.7	8.5	17.6	34.3	17.6	8.9	18.2	35.8	+0.9	+0.4	+0.6	+1.5	+4%
Fine Chemicals	5.3	2.7	5.3	10.6	5.6	3.0	5.4	11.0	+0.3	+0.3	+0.1	+0.4	+4%
Basic Chemicals	11.4	5.8	12.3	23.7	12.0	5.9	12.8	24.8	+0.6	+0.1	+0.5	+1.1	+5%
Performance Materials	24.2	11.8	25.2	49.4	24.9	12.3	26.8	51.7	+0.7	+0.5	+1.6	+2.3	+5%
Agro	18.5	12.3	27.2	45.7	20.9	13.1	27.6	48.5	+2.4	+0.8	+0.4	+2.8	+6%
Pharma	5.0	2.5	3.8	8.8	4.5	1.8	4.0	8.5	-0.5	-0.7	+0.2	-0.3	-4%
Trading	27.3	14.1	27.1	54.4	28.9	14.7	31.2	60.1	+1.6	+0.6	+4.1	+5.7	+10%
Others	8.5	3.8	12.4	20.9	9.4	4.9	11.8	21.2	+0.9	+1.1	-0.6	+0.3	+2%
Adjustment	-20.3	-10.5	-22.0	-42.3	-21.2	-11.4	-23.6	-44.8	-0.9	-0.9	-1.6	-2.5	-
Total	79.9	42.5	91.3	171.2	85.0	44.3	96.0	181.0	+5.1	+1.8	+4.7	+9.8	+6%

(1) Including inter-segment sales/transfers

FY2015 OP Outlook by Segment

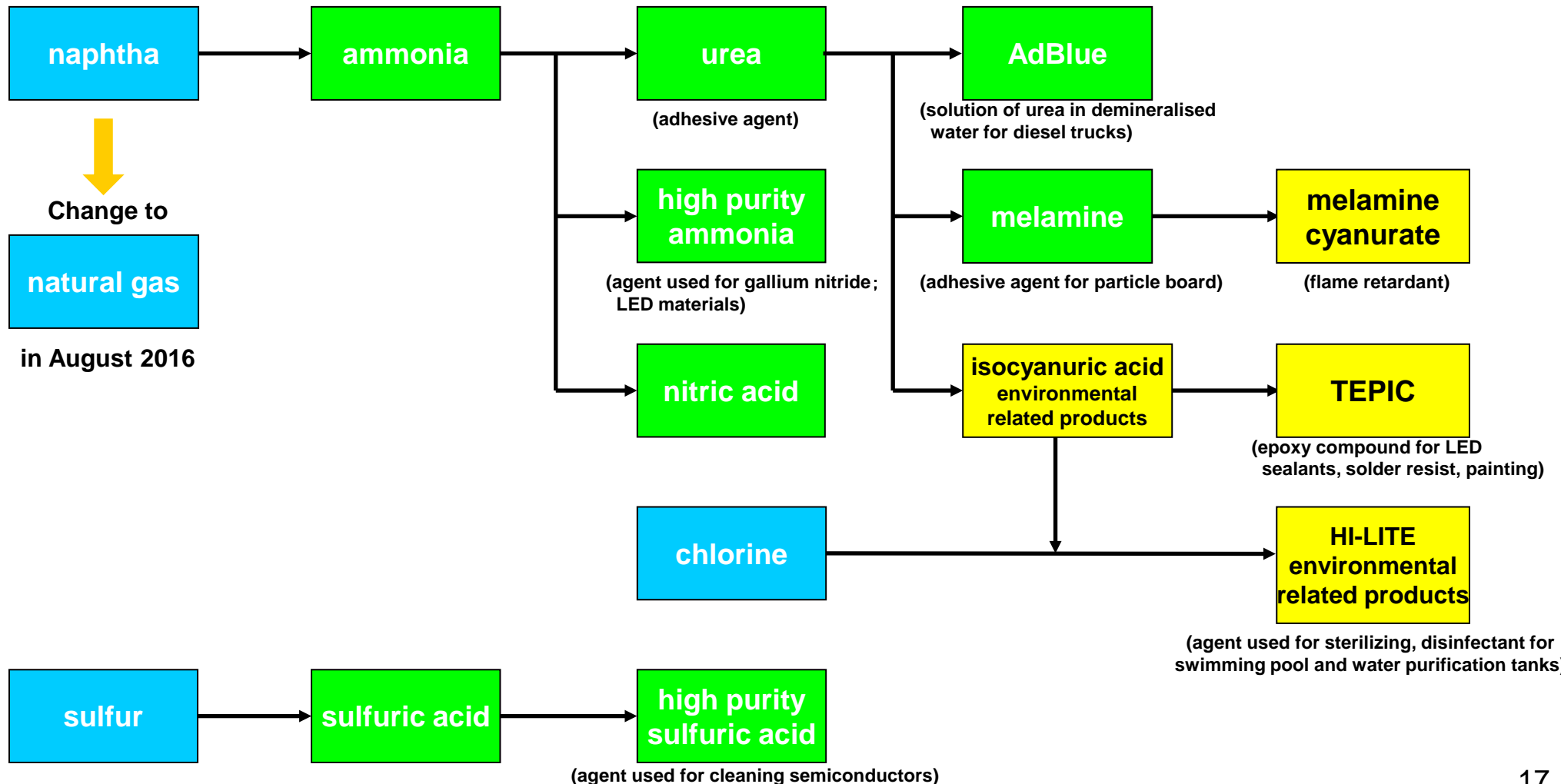
(¥billion)

	FY2014 Actual				FY2015 Outlook				Change				Change (%)
	1H	(1Q)	2H	Total	1H	(1Q)	2H	Total	1H	(1Q)	2H	Total	Total
Chem	0.4	1.0	1.5	1.9	1.4	1.3	2.2	3.6	+1.0	+0.3	+0.7	+1.7	+90%
Performance Materials	6.7	3.3	5.3	12.0	5.3	2.6	5.5	10.8	-1.4	-0.7	+0.2	-1.2	-10%
Agro	4.0	4.0	5.2	9.2	5.1	3.8	4.5	9.6	+1.1	-0.2	-0.7	+0.4	+4%
Pharma	1.6	0.8	0.7	2.3	1.2	0.2	0.9	2.1	-0.4	-0.6	+0.2	-0.2	-9%
Trading	0.9	0.5	0.8	1.7	0.9	0.4	1.0	1.9	-0.0	-0.1	+0.2	+0.2	+13%
Others	-0.1	-0.1	0.7	0.6	-0.1	-0.1	0.6	0.5	+0.0	+0.0	-0.1	-0.1	-14%
Adjustment	-1.0	-0.6	-1.4	-2.4	-0.9	-0.7	-1.1	-2.0	+0.1	-0.1	+0.3	+0.4	-
Total	12.5	8.9	12.8	25.3	12.9	7.5	13.6	26.5	+0.4	-1.4	+0.8	+1.2	+5%

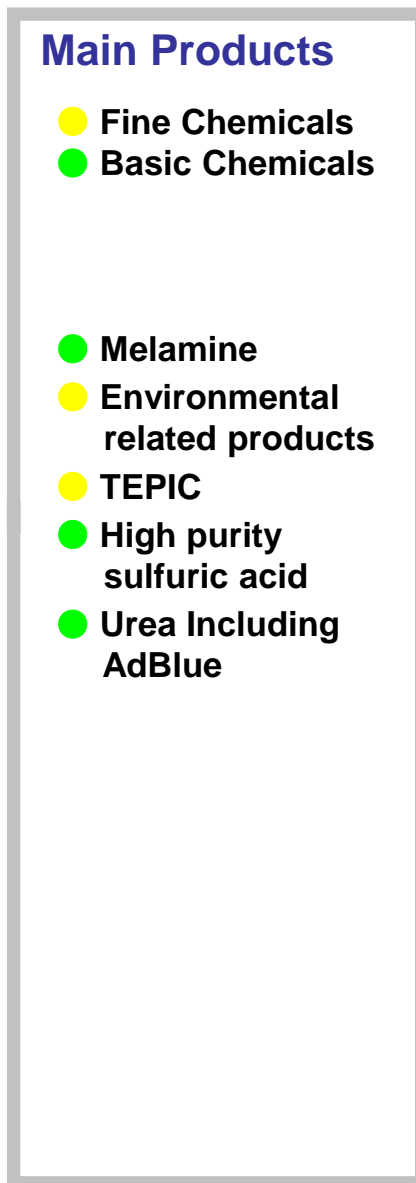
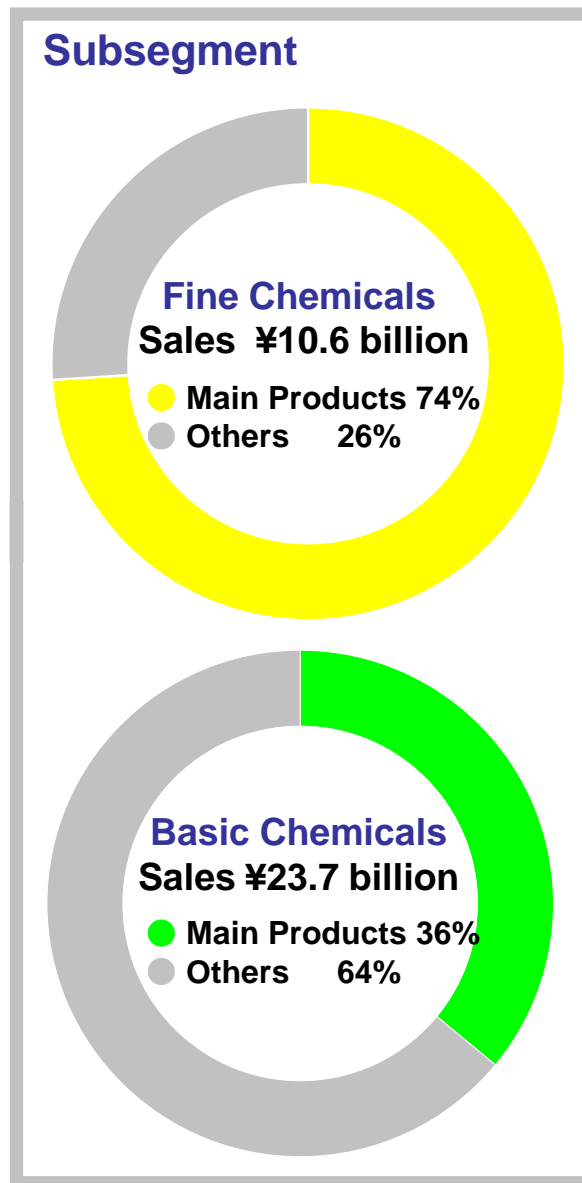
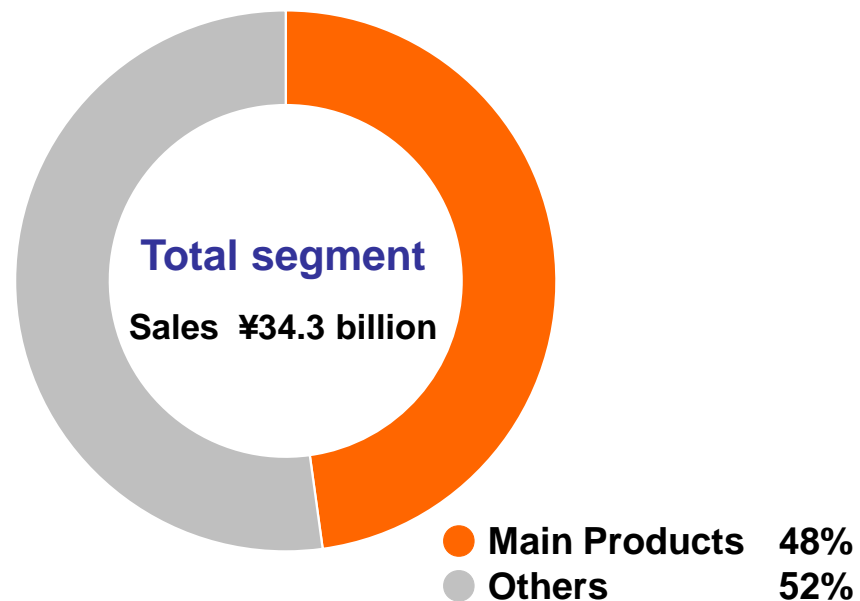
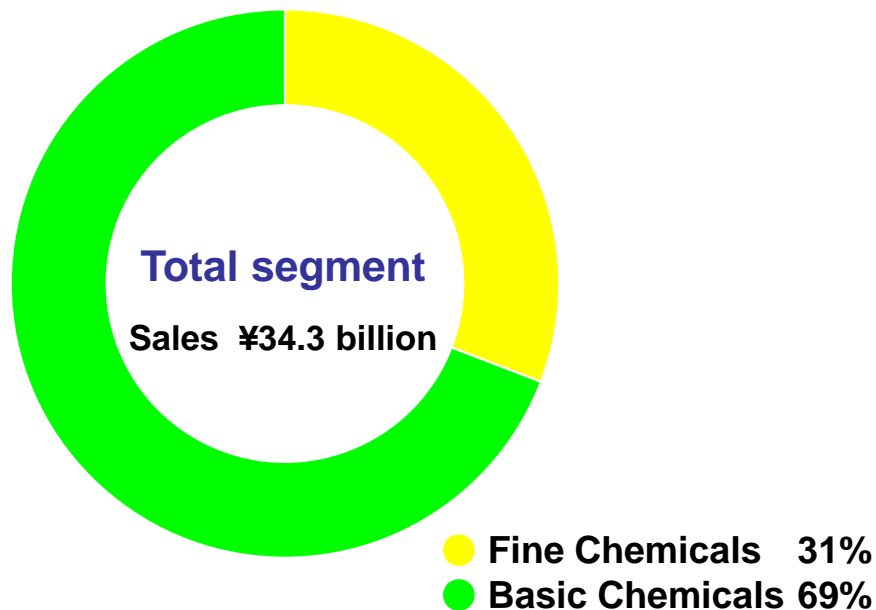
Chemicals – (A) Flow Chart of Selected Basic and Fine Chemicals Products

- ◆ Core products of Basic Chemicals : Ammonia related products and sulfuric acid related products
- ◆ FY2014 ammonia domestic production capacity share 11%, high percentage of self-consumption of ammonia

 = Purchased materials
 = Basic Chemicals
 = Fine Chemicals

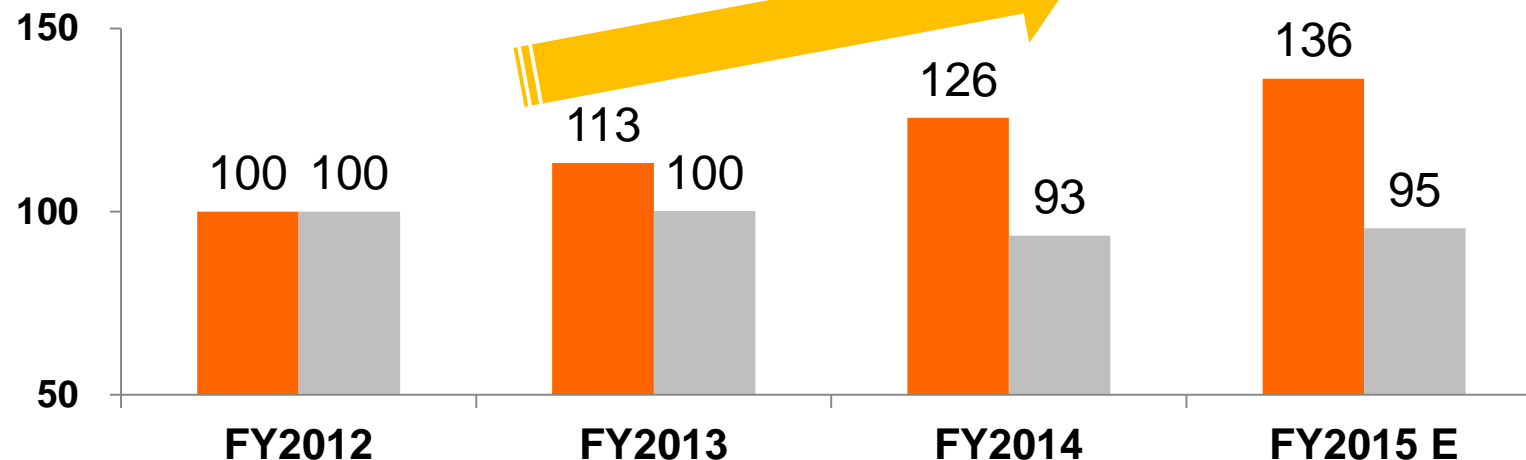


Chemicals – (B) FY2014 Sales Distribution



Chemicals – (C) Growing Products

◆ Sales (FY2012=100)



■ Growing Products

TEPIC
FINEOXCOL
AdBlue
High purity ammonia
Melamine cyanurate
etc.

■ Matured Products

Melamine
Ammonia
Urea
Nitric acid
etc.

Growing Products'

% of Total Sales

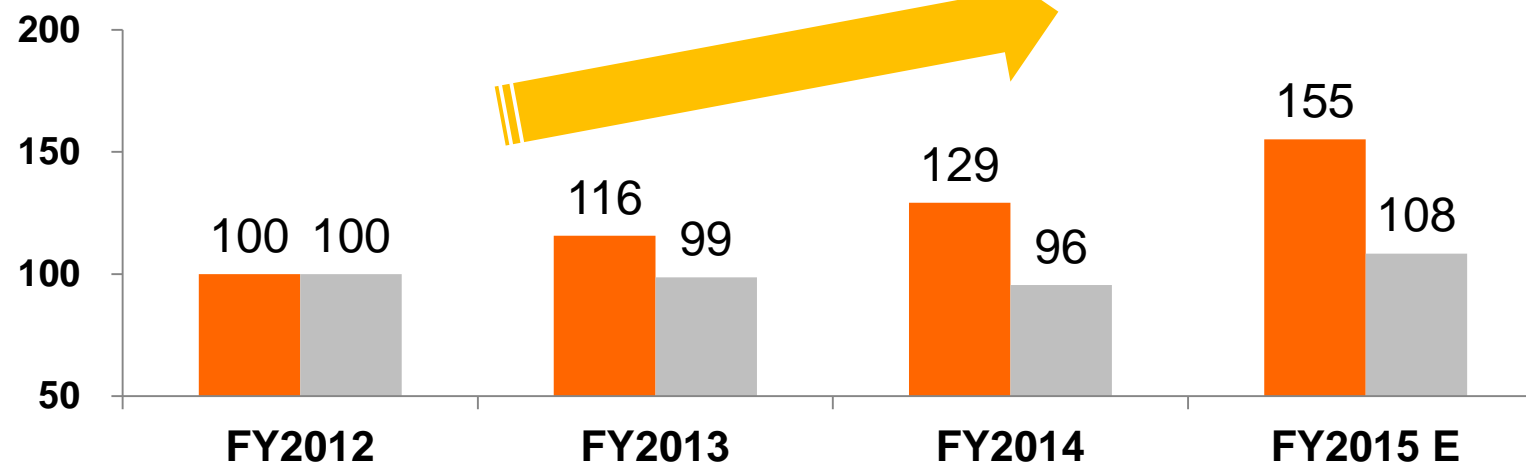
21

23

26

27

◆ Marginal Profit (1) (FY2012=100)



(1) Marginal Profit : Sales – Variable Cost

Chemicals – (D-1) Production Capacity

◆ Production Capacity (FY2012 Production Capacity = 100)

		FY2012	FY2013	FY2014	FY2015E
Growing Products	TEPIC	100	→ 120		
	AdBlue [Number of Plants(1)]	100 [2]	→	150 [4]	→ 160 [5]
	High purity ammonia	100	→	250	
Matured Products	Ammonia	100	→	80	
	Nitric acid	100	→	80	

} Increasing
} Decreasing

(1) Including subcontractors

◆ Completed Cost Saving Investments at Toyama Ammonia Related Plants

Construction Cost: ¥0.5 billion

Cost Savings: ¥0.2-0.3billion/year

Contents: Utility and manpower savings

◆ Ammonia Feedstock Change Project

See Page D-2 (p21)

Chemicals – (D-2)

Ammonia Feedstock Change Project

◆Project:

Change of feedstock for ammonia production at Toyama Plant from naphtha to natural gas

◆Purpose:

To pursue more stable profitability from ammonia and its derivative products by using natural gas

◆Construction Cost:

¥ 1.09 billion

◆Completion Period:

August 2016

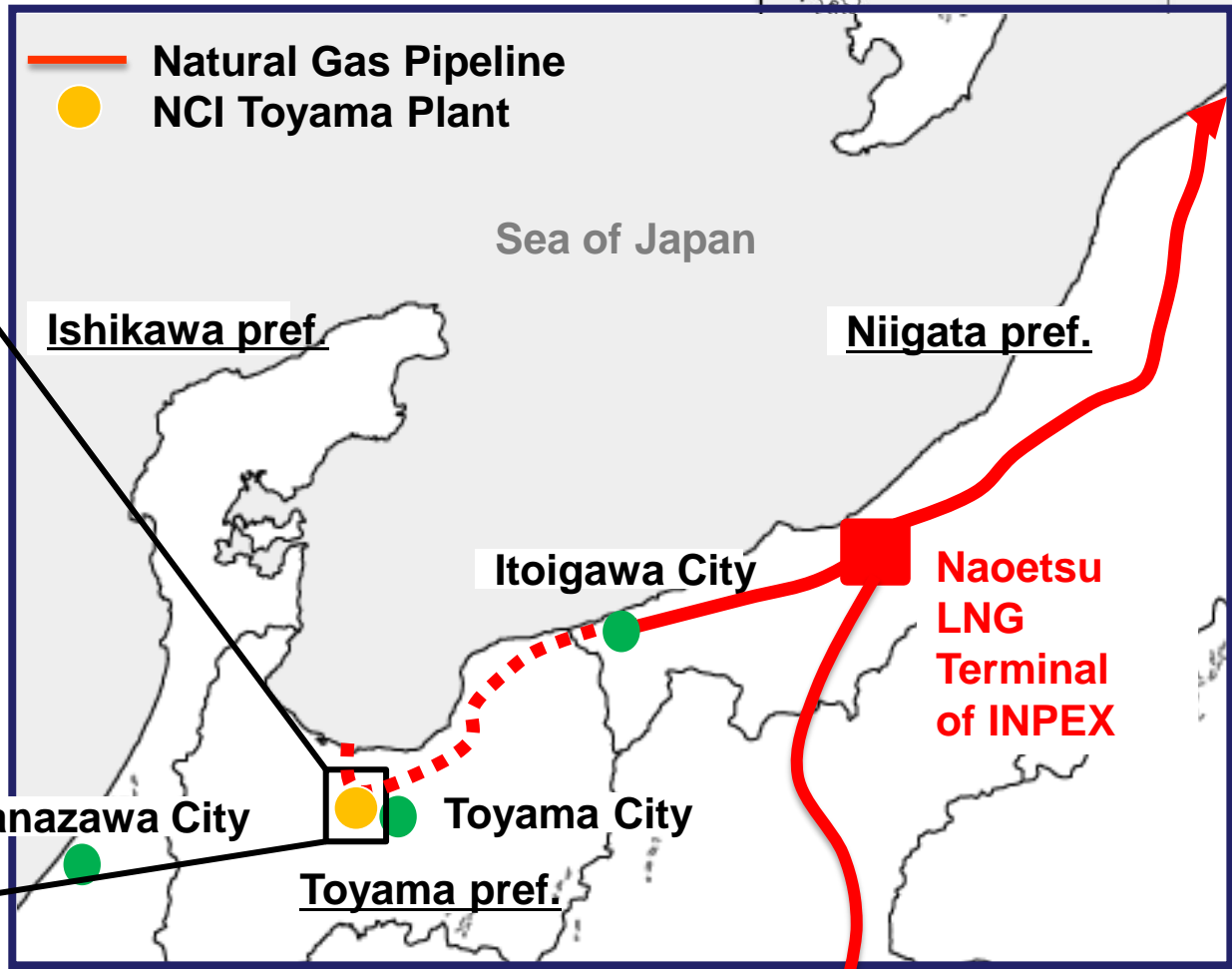
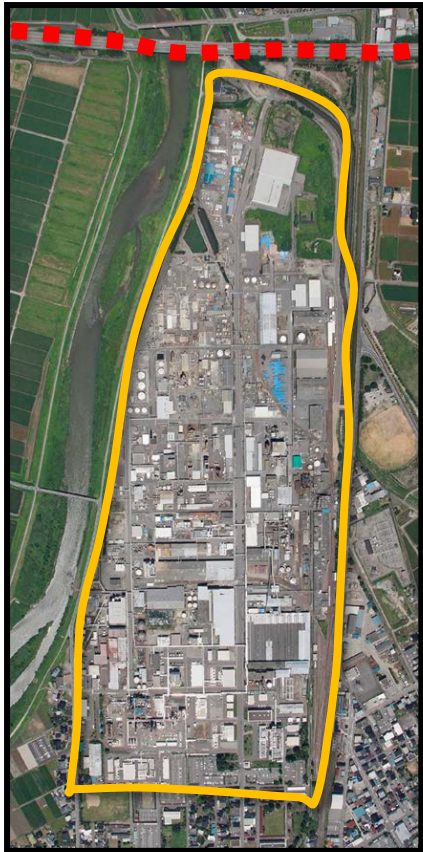
◆Extraordinary Loss:

Extraordinary loss of ¥ 704 million incurred in 3Q FY2014 (fiscal year ending in March 2015)
as cost for dismantling the existing naphtha pipeline after completion of the project

Chemicals – (D-3)

Ammonia Feedstock Change Project

— Natural Gas Pipeline
— NCI Toyama Plant



Chemicals – (E) Fine Chemicals Subsegment

Main Products		Sales YOY Change								
		FY2014 Outlook as of Nov. 2014			FY2014 Actual			FY2015 Outlook		
		1H Actual	2H	Total	1H	2H	Total	1H	2H	Total
Total Subsegment		-1%	+8%	+3%	-1%	+15%	+6%	+7%	+2%	+4%
TEPIC	◆ Epoxy compound for : (A) electronic materials (solder resist, LED materials), (B) general applications such as powder coating agent for paint ◆ World largest producer	+8%	+4%	+6%	+8%	+25%	+17%	+4%	-9%	-3%
Environmental related products	◆ HI-LITE : made from chlorinated isocyanuric acid, used for sterilizing, disinfectant for swimming pool as well as water purification tank	-15%	-0%	-9%	-15%	-3%	-10%	+11%	+9%	+10%

Two products account for 74% of total consolidated subsegment sales (FY2014)

FY2014 Sales Review

<1H FY2014 vs. 1H FY2013>

- ◆ TEPIC : Due to weak yen, sales for general applications up, sales for electronic materials up
- ◆ Environmental related products : Sluggish domestic and export sales, reverse impact by FY2013 consumer tax increase on domestic sales

<2H FY2014 vs. 2H FY2013>

- ◆ TEPIC : Due to weak yen, sales for general applications up, sales for electronic materials up
- ◆ Environmental related products : down (domestic sales down due to reverse impact by FY2013 consumer tax increase, export sales up)

<2H FY2014 vs. 2H FY2014 Outlook as of Nov. 2014>

- ◆ TEPIC : Sales for general applications above target, sales for electronic materials above target
- ◆ Environmental related products : Below target (domestic sales below target, export sales above target)

FY2015 Sales Outlook

<vs. FY2014>

- ◆ TEPIC : Sales for general applications down (shipment adjustment), Sales for electronic materials flat
- ◆ Environmental related products : Both domestic and export sales up

Chemicals – (F) Basic Chemicals Subsegment

Main Products		Sales YOY Change								
		FY2014 Outlook as of Nov. 2014			FY2014 Actual			FY2015 Outlook		
		1H Actual	2H	Total	1H	2H	Total	1H	2H	Total
Total Subsegment		-9%	-1%	-5%	-9%	-6%	-7%	+5%	+5%	+5%
Melamine	◆ Mainly used as adhesive agent for particle board, medium density fiberboard, plywood	-13%	+3%	-5%	-13%	-0%	-6%	+12%	+5%	+8%
Urea including AdBlue	◆ Urea: mainly used for urea formaldehyde resin, adhesive agent ◆ AdBlue: solution of urea in demineralised water for diesel trucks to reduce Nox	-3%	+8%	+3%	-3%	+0%	-1%	+14%	+13%	+13%
High purity sulfuric acid	◆ Used to clean semiconductors ◆ Largest in domestic market	-12%	+3%	-5%	-12%	-11%	-12%	-4%	+8%	+2%

Three products account for 36% of total consolidated subsegment sales (FY2014)

FY2014 Sales Review

<1H FY2014 vs. 1H FY2013>

- ◆ Melamine : Domestic sales down due to weaker housing construction, export down due to continuing weak Asian market
- ◆ Urea including AdBlue : Urea down, AdBlue up
- ◆ High purity sulfuric acid : Down due to lower consumption by domestic semiconductors customers

<2H FY2014 vs. 2H FY2013>

- ◆ Melamine : Flat (domestic sales down, export sales up)
- ◆ Urea including AdBlue : Flat
- ◆ High purity sulfuric acid : Down due to lower consumption by domestic semiconductors customers

<2H FY2014 vs. 2H FY2014 Outlook as of Nov. 2014>

- ◆ Melamine : Below target (domestic sales below target, export sales above target)
- ◆ Urea including AdBlue : Below target
- ◆ High purity sulfuric acid : Below target due to lower consumption by domestic semiconductors customers

FY2015 Sales Outlook

<vs. FY2014>

- ◆ Melamine : Up (domestic sales flat <price down, volume up>, export sales up)
- ◆ Urea including AdBlue : Up (especially AdBlue due to (a)establishment of nationwide distribution network, (b)adoption by construction/agro machines and small-medium sized trucks)
- ◆ High purity sulfuric acid : Up due to increasing in domestic semiconductor capacity expected

Chemicals – (F) Profit Overview

(¥billion)

	FY2013 Actual			2H FY2014 E as of Nov. 2014	FY2014 Actual (A)				FY2015 Outlook (B)				Change (B) - (A)				Change(%) (B) - (A)			
	1H	2H	Total	2H	1H	(1Q)	2H	Total	1H	(1Q)	2H	Total	1H	(1Q)	2H	Total	1H	(1Q)	2H	Total
Sales ⁽¹⁾	17.9	17.6	35.5	17.9	16.7	8.5	17.6	34.3	17.6	8.9	18.2	35.8	+0.9	+0.4	+0.6	+1.5	+5%	+5%	+4%	+4%
Fine	5.3	4.6	9.9	4.9	5.3	2.7	5.3	10.6	5.6	3.0	5.4	11.0	+0.3	+0.3	+0.1	+0.4	+7%	+11%	+2%	+4%
Basic	12.6	13.0	25.6	13.0	11.4	5.8	12.3	23.7	12.0	5.9	12.8	24.8	+0.6	+0.1	+0.5	+1.1	+5%	+2%	+5%	+5%
OP ⁽¹⁾	0.8	1.1	1.9	1.2	0.4	1.0	1.5	1.9	1.4	1.3	2.2	3.6	+1.0	+0.3	+0.7	+1.7	+236%	+30%	+49%	+90%

(1) FY2013 are restated based on new segmentation

2H FY2014 Review

<vs. 2H FY2013>

(Fine Chemicals)

- ◆ Sales of TEPIC up
- ◆ Sales of environmental related products down
- ◆ Sales up, OP up

(Basic Chemicals)

- ◆ Sales of melamine, urea including AdBlue flat
- ◆ Sales of high purity sulfuric acid down
- ◆ Sales of high purity ammonia up
- ◆ Naphtha cost down, low margin trading sales down
- ◆ Sales down, OP up

(Total Segment)

- ◆ Sales flat, OP up ¥0.4billion(+32%)

FY2014 Review

<vs. FY2013>

(Fine Chemicals)

- ◆ Sales of TEPIC up
- ◆ Sales of environmental related products down
- ◆ Sales up, OP up

(Basic Chemicals)

- ◆ Sales of melamine, urea including AdBlue, high purity sulfuric acid down
- ◆ Sales of high purity ammonia up
- ◆ Naphtha cost down, low margin trading sales down
- ◆ Sales down, OP down

(Total Segment)

- ◆ Sales down ¥1.2billion(-3%), OP flat

2H FY2014 Review

<vs. 2H FY2014 Outlook as of Nov. 2014>

(Fine Chemicals)

- ◆ Sales of TEPIC above target
- ◆ Sales of environmental related products below target
- ◆ Sales above target, OP above target

(Basic Chemicals)

- ◆ Sales of melamine below target
- ◆ Sales of urea including AdBlue below target
- ◆ Sales of high purity sulfuric acid below target
- ◆ Lower naphtha cost
- ◆ Sales below target, OP above target

(Total Segment)

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

FY2015 Outlook

<vs. FY2014>

(Fine Chemicals)

- ◆ Sales of TEPIC down, environmental related products up
- ◆ Sales up, OP up

(Basic Chemicals)

- ◆ Sales of melamine, urea including AdBlue, high purity ammonia up
- ◆ Sales of high purity sulfuric acid up
- ◆ Naphtha cost down
- ◆ Sales up, OP up

(Total Segment)

- ◆ Sales up ¥1.5billion(+4%), OP up ¥1.7billion(+90%)

(Blank)

Performance Materials – (A) Display Materials

Main Products	Sales YOY Change								
	FY2014 Outlook as of Nov. 2014			FY2014 Actual			FY2015 Outlook		
	1H Actual	2H	Total	1H	2H	Total	1H	2H	Total
Total SUNEVER	+22%	+16%	+19%	+22%	+26%	+24%	+7%	+4%	+5%
Other Display Materials (1)	-58%	-31%	-48%	-58%	-43%	-52%	+19%	+475%	+238%
Total Display Materials	+19%	+15%	+17%	+19%	+25%	+22%	+7%	+8%	+8%

(1) NHC(protective coating for touch panels), 3D TV materials, Elsource (hole injection layer materials for OLED),etc

FY2014 Sales Review

<1H FY2014 vs. 1H FY2013>

◆ Total Display Materials up 19%

IPS/FFS up, VA flat, TN down

Photo-alignment IPS SUNEVER (mainly for smartphones) launched

<2H FY2014 vs. 2H FY2013>

◆ Total Display Materials up 25%

IPS/FFS up, VA up, TN down

<2H FY2014 vs. 2H FY2014 Outlook as of Nov. 2014 >

◆ Total Display Materials above target

IPS/FFS, VA, TN above target

FY2015 Sales Outlook

<vs. FY2014>

◆ Total Display Materials up 8%

IPS/FFS up, VA down, TN down

Volume and customers of Photo-alignment IPS SUNEVER increasing
OLED materials (printing type including Elsource) up

◆ FY2012 capex program of NCK (Korean subsidiary) Started operation in October 2014

Display Materials :Expansion of SUNEVER production facilities, warehouses, R&D center

Semiconductors Materials :Expansion of ARC® production facilities, warehouses

Performance Materials – (B) Semiconductors Materials

Main Products	Sales YOY Change								
	FY2014 Outlook as of Nov. 2014			FY2014 Actual			FY2015 Outlook		
	1H Actual	2H	Total	1H	2H	Total	1H	2H	Total
KrF (ARC®)	+15%	+8%	+11%	+15%	+19%	+17%	-4%	+3%	-0%
ArF (ARC®)	+19%	+5%	+12%	+19%	+8%	+13%	+7%	+14%	+11%
Total	+17%	+6%	+11%	+17%	+12%	+14%	+2%	+9%	+6%
Other Semiconductors Materials (1)	+42%	+20%	+30%	+42%	+10%	+25%	-10%	+7%	-2%
Total Semiconductors Materials	+23%	+10%	+16%	+23%	+12%	+17%	-1%	+8%	+4%

(1) Multi layer process materials (ARC®), microlens, etc

FY2014 Sales Review

<1H FY2014 vs. 1H FY2013>

◆ Total Semiconductors Materials sales up 23%

KrF up 15%, ArF up 19%
Other Semiconductors Materials up 42%

<2H FY2014 vs. 2H FY2013>

◆ Total Semiconductors Materials sales up 12%

KrF up 19%, ArF up 8%
Other Semiconductors Materials up 10%

<2H FY2014 vs. 2H FY2014 Outlook as of Nov. 2014 >

◆ Total Semiconductors Materials above target

KrF above target, ArF above target
Other Semiconductors Materials below target

FY2015 Sales Outlook

<vs. FY2014>

◆ Total Semiconductors Materials sales up 4%

KrF flat, ArF up 11%
Other Semiconductors Materials sales down 2%

◆ 100% Acquisition of Thin Materials AG (TMAT)

Full Acquisition Date:

June 28, 2013

Location:

Munich, Germany

Purpose of Acquisition:

To adopt TMAT's advanced processing and material development technologies
(temporary bonding materials) for 3D packaging for semiconductors

◆ Semiconductor analyzing and evaluation R&D equipment purchasing plan to capture long-term future business:

Total about ¥2.5 billion (FY2015 ¥2.0 billion)

Performance Materials – (C-1) Inorganic Materials

High performance
inorganic colloidal materials

SNOWTEX

colloidal silica
(water dispersed
silica sol)

Alumina sol

water dispersed
alumina hydrate sol

SUNCOLLOID

high-refractive index
metal oxide sol

Celnax

zinc antimonate sol

Organo sol

organic solvent dispersed
silica sol

< SNOWTEX Characteristics >

High transparency
High hydrophilicity
High heat resistance
High electro-conductivity
High hardness
Control refractive index
Increase friction
Increase bonding
Increase viscosity

< SNOWTEX Key functions >

Polishing

Coating

Binding

< Application Examples >

•Polishing

silicon wafer,
aluminum/glass
hard discs

•Coating for

special steel sheet,
plastic optical
lenses,
metals, plastic films

•Binding

catalyst carrier,
ceramics

Performance Materials – (C-2) SNOWTEX, Organo sol

Main Products		Sales YOY Change (1)								
		FY2014 Outlook as of Nov. 2014			FY2014 Actual			FY2015 Outlook		
		1H Actual	2H	Total	1H	2H	Total	1H	2H	Total
SNOWTEX	◆ Mainly Used for : (A) polishing materials (silicon wafer, aluminum and glass hard disk), (B) non-polishing materials (NOx reduction catalyst, automobile catalyst, special steel sheet)	+3%	+7%	+5%	+3%	+7%	+5%	-3%	+3%	-0%
Organo sol	◆ Used for : hard coating materials, electronic information materials	-10%	+2%	-4%	-10%	+7%	-2%	+3%	-15%	-6%

(1) Non-consolidated basis

FY2014 Sales Review

<1H FY2014 vs. 1H FY2013>

- ◆ SNOWTEX : Up (sales for polishing materials up, sales for non-polishing materials down)
- ◆ Organo sol : Down due to sluggish demand

<2H FY2014 vs. 2H FY2013>

- ◆ SNOWTEX : Up (sales for polishing materials up, sales for non-polishing materials flat)
- ◆ Organo sol : Up

< 2H FY2014 vs. 2H FY2014 Outlook as of Nov. 2014>

- ◆ SNOWTEX : In line with target (polishing materials above target, non-polishing materials below target)
- ◆ Organo sol : Above target

FY2015 Sales Outlook

<vs. FY2014>

- ◆ SNOWTEX : Flat (sales for polishing materials down, sales for non-polishing materials up)
- ◆ Organo sol : Down

Performance Materials – (D) Profit Overview

(¥billion)

	FY2013 Actual			2H FY2014 E as of Nov. 2014	FY2014 Actual (A)				FY2015 Outlook (B)				Change (B) - (A)				Change(%) (B) - (A)			
	1H	2H	Total	2H	1H	(1Q)	2H	Total	1H	(1Q)	2H	Total	1H	(1Q)	2H	Total	1H	(1Q)	2H	Total
Sales	20.6	22.2	42.8	24.1	24.2	11.8	25.2	49.4	24.9	12.3	26.8	51.7	+0.7	+0.5	+1.6	+2.3	+3%	+4%	+7%	+5%
OP	4.4	4.4	8.8	4.6	6.7	3.3	5.3	12.0	5.3	2.6	5.5	10.8	-1.4	-0.7	+0.2	-1.2	-21%	-21%	+3%	-10%

2H FY2014 Review

<vs. 2H FY2013>

- ◆ SUNEVER sales up (IPS/FFS up, VA up, TN down)
- ◆ Semiconductors Materials sales up
(KrF up, ArF up, other materials up)
- ◆ Inorganic Materials sales down
(SNOWTEX up, Organo sol up)
- ◆ Sales up ¥3.0billion(+13%), OP up ¥0.9billion(+20%)

2H FY2014 Review

<vs. 2H FY2014 Outlook as of Nov. 2014>

- ◆ All SUNEVER products sales above target
- ◆ Semiconductors Materials sales above target
(KrF & ArF above target, other materials below target)
- ◆ Inorganic Materials sales in line with target
(SNOWTEX in line with target, Organo sol above target)
- ◆ Sales up ¥1.1billion, OP up ¥0.7billion

FY2014 Review

<vs. FY2013>

- ◆ SUNEVER sales up (IPS/FFS up, VA up, TN down)
- ◆ Semiconductors Materials sales up
(KrF up, ArF up, other materials up)
- ◆ Inorganic Materials sales up (SNOWTEX up, Organo sol down)
- ◆ Fixed cost up ¥0.4billion (non-consolidated)
 - Display & Semiconductor R&D equipment
 - New Materials Research Lab. (see p45)
- ◆ Sales up ¥6.6billion(+15%), OP up ¥3.2 billion(+36%)

FY2015 Outlook

<vs. FY2014>

- ◆ SUNEVER sales up (IPS/FFS up, VA down, TN down)
- ◆ Semiconductors Materials sales up
(KrF flat, ArF up, other materials down)
- ◆ Amortization of TMAT goodwill started
- ◆ Substantial fixed cost up ¥2.8billion
 - FY2014 Display & Semiconductor R&D equipment, New Materials Research Lab.
 - FY2015 Semiconductor R&D equipment (see p28), Amortization of TMAT goodwill
- ◆ Sales up ¥2.3billion(+5%), OP down ¥1.2billion(-10%)

(Blank)

Agrochemicals – (A) Sales YOY Change (Before Discount)

		Non-consolidated Sales YOY Change		
Main Products (in order of FY2014 sales amount)		FY2013 /FY2012	FY2014 /FY2013	FY2015E /FY2014
ROUNDUP	herbicide	↘	↗↗↗↗	↗
ALTAR (NC-620)	herbicide	↗↗↗↗	↗↗↗↗	↗↗↗↗
PERMIT	herbicide	↗↗	↗↗	↗↗↗
TARGA	herbicide	↗↗↗↗	↗↗↗↗	↘↘
SIRIUS	herbicide	↗	↘↘↘↘	↗↗↗↗
PULSOR (THIFLUZAMIDE)	fungicide	↘↘↘	↗↗↗↗	↗↗↗↗
STARMITE	miticide	↗↗	↗	↗
LEIMAY	fungicide	↗↗↗↗	↗↗	↗↗↗↗
SANMITE	insecticide	↘↘↘	↘	↘

YOY Change

+15%~	↗↗↗↗
+10~+15%	↗↗↗
+5~+10%	↗↗
+0~+5%	↗
-0~-5%	↘
-5~-10%	↘↘
-10~-15%	↘↘↘
-15%~	↘↘↘↘

Agrochemicals – (B) Overview

- ◆ Transforming from a stable profit sector into a high growth sector driven by ALTAIR (new paddy rice herbicide), ROUNDUP and FLURALANER
- ◆ Strengthening product portfolio by: in-house developed products, acquired products, licensed-in products

(launch)	(products)
FY2002	ROUNDUP (herbicide, acquired domestic business from Monsanto)
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, in-house) launched in Korea
FY2012	ALTAIR(NC-620) (paddy rice herbicide, in-house) launched in Japan
FY2013	Shipment of fluralaner to MSD started in July as scheduled
FY2014	BRAVECTO launched in several countries in EU in April and in the USA in May Fruits/vegetables/tea insecticide (licensed-in product)
FY2015-16	Fruits/vegetables/paddy rice insecticide (licensed-in product), Fruits/vegetables fungicide (licensed-in product)
FY2019-	Insecticide (in-house)

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

- ◆ Full reconstruction of Biological Research Laboratories for Agro and Pharma segments
FY2010-2017 Total capex ¥6.4 billion (FY2015-2017 last phase ¥1.3 billion)
- ◆ 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
- ◆ Established a subsidiary in China in April 2014 for sales support and technical/marketing services
- ◆ Export sales account for 28% of FY2014 non-consolidated segment sales
(Asia:31%, Europe,Africa:47%, North/Central/South America:22%) *Including Fluralaner

Agrochemicals – (C) Fluralaner

◆ Fluralaner

Invented by NCI and supplied to MSD as the active substance of BRAVECTO

◆ BRAVECTO

*Developed by MSD Animal Health

*Veterinary medical product (chewable tablets) providing unique immediate and persistent tick and flea killing activity for dogs for 12 weeks, longer than currently available once-monthly commercialized products

*Launched by MSD in Germany, Spain, Italy, France, the Netherlands and the United Kingdom in April 2014, and in the USA in May 2014 (at present, launched in more than 30 countries)

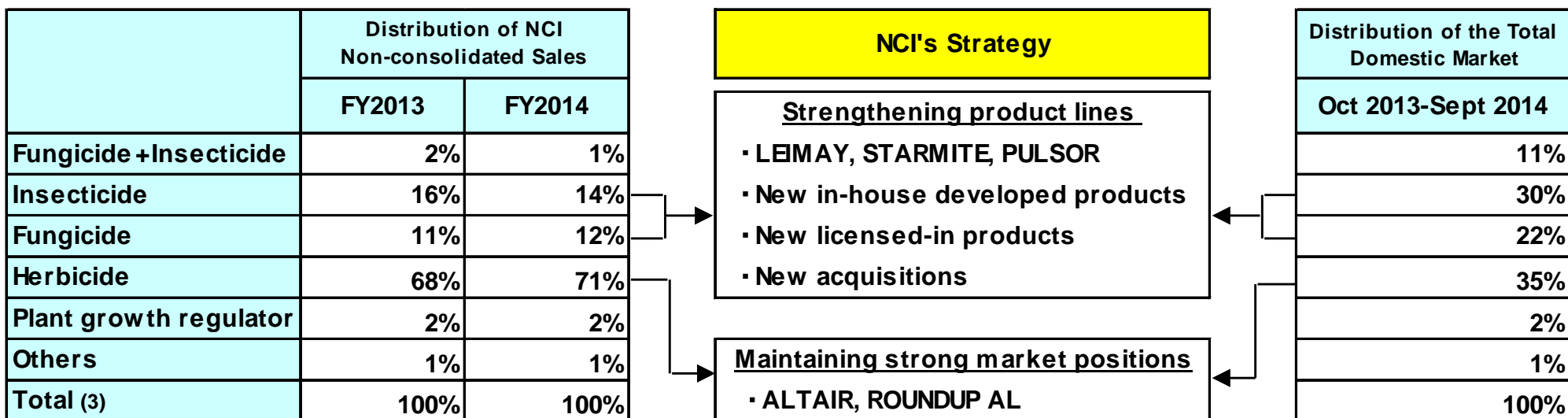
*MSD endeavors to obtain marketing authorization in the other countries including Japan

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

	Non-consolidated Sales YOY Change						
	FY2014 Outlook as of Nov. 2014			FY2014 Actual			FY2015 Outlook
	1H Actual	2H	Total	1H	2H	Total	Total
ROUNDUP	+30%	+13%	+20%	+30%	+9%	+17%	+3%
(ROUNDUP AL(1))	(+61%)	(+13%)	(+49%)	(+61%)	(+52%)	(+59%)	(+20%)
Others(2)	+7%	+12%	+10%	+7%	+16%	+13%	+8%
Total Segment	+13%	+13%	+13%	+13%	+14%	+14%	+7%

(1) ROUNDUP for general household, launched in FY2010, accounting for 10% of FY2014 ROUNDUP sales

(2) Including Fluralaner



(3) Excluding Fluralaner

Agrochemicals – (E) Profit Overview

(¥billion)

	FY2013 Actual			2H FY2014 E as of Nov. 2014	FY2014 Actual (A)				FY2015 Outlook (B)				Change (B) - (A)				Change(%) (B) - (A)			
	1H	2H	Total	2H	1H	(1Q)	2H	Total	1H	(1Q)	2H	Total	1H	(1Q)	2H	Total	1H	(1Q)	2H	Total
Sales	16.0	23.1	39.1	26.8	18.5	12.3	27.2	45.7	20.9	13.1	27.6	48.5	+2.4	+0.8	+0.4	+2.8	+13%	+7%	+2%	+6%
OP	2.4	3.8	6.2	5.1	4.0	4.0	5.2	9.2	5.1	3.8	4.5	9.6	+1.1	-0.2	-0.7	+0.4	+29%	-5%	-15%	+4%

2H FY2014 Review

<vs. 2H FY2013>

- ◆ Sales up : ROUNDUP, ALTAIR, Export(PERMIT, PULSOR, TARGA)
- ◆ Sales down : post-consumer-tax-hike fallback including SIRIUS
- ◆ Fluralaner sales up
- ◆ R&D expenses up
- ◆ Sales up ¥4.1billion(+17%), OP up ¥1.4billion(+37%)

2H FY2014 Review

<vs. 2H FY2014 Outlook as of Nov. 2014>

- ◆ Sales above target : TARGA(export), fluralaner
- ◆ Sales below target : ROUNDUP, SIRIUS
- ◆ Sales up ¥0.4billion, OP up ¥0.1billion

FY2014 Review

<vs. FY2013>

- ◆ Sales up : ROUNDUP, ALTAIR, New licensed-in product, Export(PERMIT, PULSOR, TARGA)
- ◆ Sales down : post-consumer-tax-hike fallback including SIRIUS
- ◆ Fluralaner sales up
- ◆ Sales up ¥6.6billion(+17%), OP up ¥3.0billion(+48%)

FY2015 Outlook

<vs. FY2014>

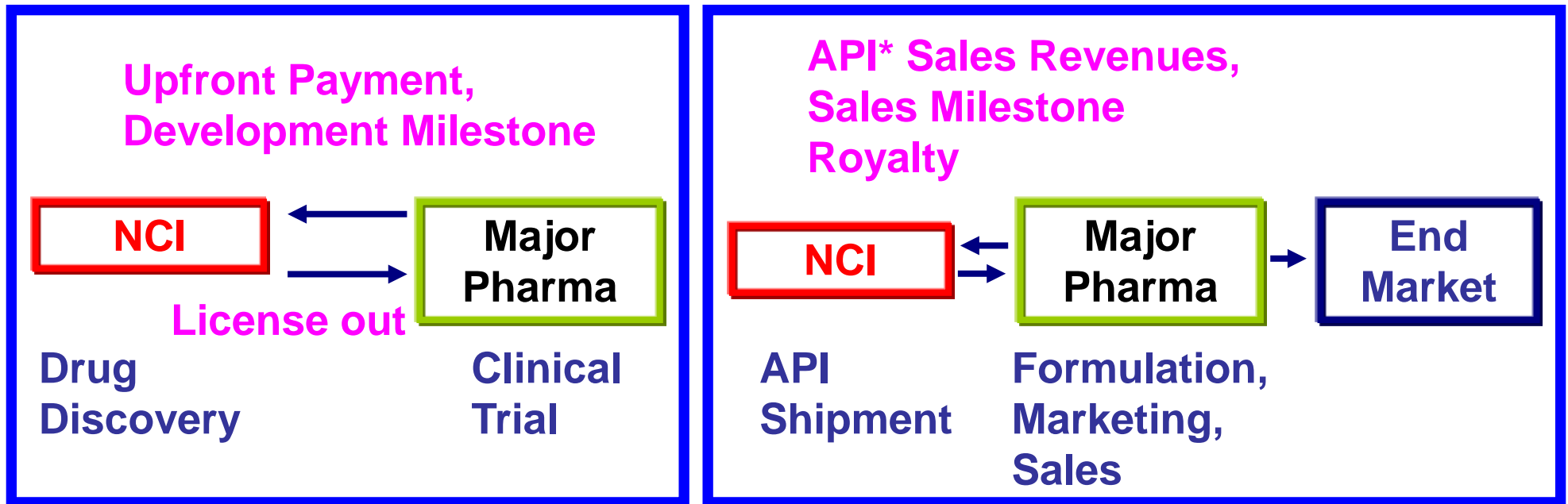
- ◆ Sales up : ROUNDUP, ALTAIR, SIRIUS, Export(PERMIT, PULSOR)
- ◆ Sales down : TARGA(export)
- ◆ Absence of post-consumer-tax-hike fallback
- ◆ R&D expenses up
- ◆ Sales up ¥2.8billion(+6%), OP up ¥0.4billion(+4%)

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Pharmaceuticals – (A) NCI Business Model

- ◆ Unique ethical pharma business model without sales force

< Before Launch > → < After Launch >



API*: Active Pharmaceutical Ingredient

Pharmaceuticals – (B) LIVALO (Anti-Cholesterol Drug)

	FY2013 Actual	FY2014 Outlook as of Nov. 2014	FY2014 Actual	FY2015 Outlook
Domestic End Market Sales (NHI drug price basis, ¥billion)	52.6	-	34.5	-
Domestic End Market Share (1)	21%	-	16%	-
Our Domestic and Export API Sales (¥billion)	10.2	6.8	6.9	5.7
Our Domestic and Export API Sales YOY Change (Our Domestic API Sales YOY Change)	-2% (-2%)	-33% (-46%)	-32% (-46%)	-17% (-28%)

(1) Excluding generic

- ◆ Domestic market share 16% in FY2014
- ◆ Full reconstruction of Biological Research Laboratories (FY2010-2017)
- ◆ January - February 2013, crystalline form patents approved
- ◆ August 2013, domestic compound patent expired
- ◆ FY2014 NHI drug price cut about 5%

FY2014 Domestic Market Share(1)	
Crestor	48%
Lipitor	21%
LIVALO	16%
Mevalotin	9%

- ◆ Filed complaints against 16 entities which are generic drug marketing authorization holders of LIVALO, seeking injunctive relief to cease and desist from infringing upon the crystalline form patent rights owned by NCI
- ◆ Filed complaints against certain companies in USA which had submitted Abbreviated New Drug Application(ANDA) with FDA

Pharmaceuticals – (C) LIVALO World Wide Strategy

Region	Country	Launch	Business Partner
Asia	Japan	Sep 2003	Kowa
	Korea	Jul 2005	JW Pharmaceutical
	Thailand	Jan 2008	Biopharm Chemicals
	China	Jul 2009	Kowa (Shanghai) Pharma
	Indonesia	May 2012	Tanabe Indonesia
	Taiwan	Jun 2012	Taiwan Tanabe
North America	USA	Jun 2010	Kowa (KPA)
Latin America	Mexico, Brazil, Colombia, Venezuela	Feb 2012-	Eli Lilly
Europe	Spain, Portugal, Ukraine, Greece	May 2011-	Recordati
	Switzerland	Jan 2013	Eli Lilly
Middle and Near East	Lebanon, Jordan, UAE, Kuwait, Saudi Arabia	Mar 2011-	Algorithm SAL

Selling in total 21 countries

Pharmaceuticals – (D) Pipeline

Product	Market		Developing Status	Licensee	Expected Market Size
NT-702	Japan	Intermittent claudication	•Discontinuation of Phase II	<ul style="list-style-type: none"> •Terminated the license agreement with Taisho •Under consideration regarding seeking new partners 	¥20-30 billion
		Asthma			¥20 billion
NTC-801	Japan	Arrhythmia	<ul style="list-style-type: none"> •Discontinuation of clinical development •No further plans for development at this time 	<ul style="list-style-type: none"> •Under discussion regarding termination of the license agreement with Teijin and BMS 	1 million patients (2015)
	World wide (except Japan)				8.4 million patients (2015)
NIP-022	World wide	Thrombocytopenia	<ul style="list-style-type: none"> •Completion of Phase I (healthy individuals) •Discontinuation of a clinical trial (cancer patients with CIT *) 	<ul style="list-style-type: none"> •Terminated the license agreement with Ono as of April, 2014 •Under consideration regarding seeking new partners 	0.35million cancer patients with CIT* (2015 in Japan)

CIT *: chemotherapy induced thrombocytopenia

- ◆ Strengthening R&D activities for innovative medicines by using the strategic chemical library, the state-of-the-art evaluation technology and precise organic synthesis technology
- ◆ Focusing on five research fields of the drug discovery (metabolic disease, cardiovascular disease, immunological disease, hematopoiesis and pain)

Pharmaceuticals – (E) Custom Chemicals

Sales YOY Change								
FY2014 Outlook as of Nov. 2014			FY2014 Actual			FY2015 Outlook		
1H Actual	2H	Total	1H	2H	Total	1H	2H	Total
+44%	+45%	+44%	+44%	+45%	+45%	+15%	+22%	+18%

- ◆ Custom manufacturing and process researching services for pharmaceutical ingredients and intermediaries from pre-clinical to commercial production stages
- ◆ October 2013, Custom Chemicals shifted from Chemicals Segment to Pharma Segment to seek synergy of the two divisions (organic synthesis technology, R&D/manufacturing/quality control systems)

FY2014 Sales Review

<1H FY2014 vs. 1H FY2013>

- ◆ Up due to a new contract and volume gain on existing contracts

<2H FY2014 vs. 2H FY2013>

- ◆ Up due to volume gain on existing contracts

<2H FY2014 vs. 2H FY2014 Outlook as of Nov. 2014>

- ◆ In line with target

FY2015 Sales Outlook

<vs. FY2014>

- ◆ Up due to volume gain on existing contracts and custom manufacturing of generic API

Pharmaceuticals – (F) Profit Overview

(¥billion)

	FY2013 Actual			2H FY2014 E as of Nov. 2014	FY2014 Actual (A)				FY2015 Outlook (B)				Change (B) - (A)				Change(%) (B) - (A)			
	1H	2H	Total	2H	1H	(1Q)	2H	Total	1H	(1Q)	2H	Total	1H	(1Q)	2H	Total	1H	(1Q)	2H	Total
Sales (1)	6.4	5.2	11.6	3.8	5.0	2.5	3.8	8.8	4.5	1.8	4.0	8.5	-0.5	-0.7	+0.2	-0.3	-10%	-28%	+5%	-4%
OP (1)	3.1	1.8	4.9	0.3	1.6	0.8	0.7	2.3	1.2	0.2	0.9	2.1	-0.4	-0.6	+0.2	-0.2	-25%	-75%	+27%	-9%

(1) FY2013 are restated based on new segmentation

2H FY2014 Review

<vs. 2H FY2013>

- ◆ LIVALO sales down
 - Domestic down due to generics launched in Dec. 2013 and NHI price cut (about 5%)
 - Export sales up
- ◆ Custom Chemicals sales up due to volume gain on existing contracts
- ◆ LIVALO ANDA related legal cost up
- ◆ Sales down ¥1.4billion(-27%), OP down ¥1.1billion(-60%)

2H FY2014 Review

<vs. 2H FY2014 Outlook as of Nov. 2014>

- ◆ LIVALO sales above target
 - Domestic sales in line with target
 - Export sales above target
- ◆ Custom Chemicals sales in line with target
- ◆ Sales in line with target, OP up ¥0.4billion

FY2014 Review

<vs. FY2013>

- ◆ LIVALO sales down
 - Domestic down due to generics launched in Dec. 2013 and NHI price cut (about 5%)
 - Export sales up
- ◆ Custom Chemicals sales up due to a new contract and volume gain on existing contracts
- ◆ LIVALO ANDA related legal cost up
- ◆ Sales down ¥2.8billion(-24%), OP down ¥2.6billion(-53%)

FY2015 Outlook

<vs. FY2014>

- ◆ LIVALO sales down
 - Domestic down due to generics launched in Dec. 2013
 - Export sales up
- ◆ Custom Chemicals sales up due to volume gain on existing contracts and custom manufacturing of generic API
- ◆ Fixed cost up slightly though ANDA legal cost up
- ◆ Up-front payment on a new pipeline product expected
- ◆ Sales down ¥0.3billion(-4%), OP down ¥0.2billion(-9%)

Capex/Depreciation/R&D by Segment

(¥billion)

	Capex (2)					Depreciation (3)					R&D expenses					% of Sales	
	2011	2012	2013	2014	2015E	2011	2012	2013	2014	2015E	2011	2012	2013	2014	2015E		
Chem (1)	1.6	0.9	1.2	1.4	1.6	2.5	1.6	1.4	1.4	1.5	0.8	0.4	0.4	0.5	0.6	1.7%	
Performance M.	2.2	3.1	4.3	5.2	6.8	4.3	3.7	3.2	3.6	5.9	6.2	6.5	6.3	6.7	7.7	14.9%	
Agro	2.1	2.5	1.3	1.8	1.2	1.8	1.9	2.0	1.8	1.5	2.8	3.0	3.5	3.5	3.7	7.6%	
Pharma (1)	1.7	0.8	0.6	0.4	0.5	1.0	1.5	1.2	0.9	0.9	2.5	2.6	2.9	2.7	2.4	28.2%	
Trading	0.1	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0	-	
Others	0.6	0.8	1.4	0.1	0.6	0.8	0.7	0.6	0.7	0.5	1.3	1.2	1.1	1.6	1.6	-	
Total	8.3	8.1	8.8	9.8	10.8	10.5	9.5	8.5	8.5	10.4	13.6	13.7	14.2	15.0	16.0		
											R&D expenses/Sales	9.2%	8.9%	8.7%	8.7%	8.9%	

(1) New segmentation from October 2013

2011 : Former segmentation

2012-2015 : New segmentation

(2) Capex

Actual - Acceptance basis

Outlook - Production commencement basis

(3) Depreciation Method

SUNEVER, ARC®- 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. 2014) –A	413
Total Professionals (Sept. 2014) –B	1,043
A/B	40%

※Parent company only

◆ New Material Research Laboratory completed in October 2014 (capex ¥3.4 billion)

- Aiming to integrate all resources and activities for new material research, which have been conducted in separate laboratories.

Main Capex Items (Approval Basis)

(¥billion)

FY2013 Actual		FY2014 Actual		FY2015 Outlook	
Chemical Research Lab. (Instruments)	0.8	Reconstruction of Biological Research Lab. The fifth stage (Facilities)	1.3	Material Research Lab. (Instruments)	1.8
Electronic Materials Lab. (Instruments)	0.8	Semiconductors (analyzing and evaluation R&D equipment)	1.1	Semiconductors (analyzing and evaluation R&D equipment)	0.9
Reconstruction of Biological Research Lab. The fourth stage (Facilities)	0.5	Ammonia Feedstock Change Project	1.1	Increasing TEPIC's production capacity	0.3
		Electronic Materials Lab. (Instruments)	0.9	Biological Research Lab. (Instruments)	0.3
		Quality improvement of Inorganic Materials products	0.7	NCK R&D Center (Instruments)	0.2
		Chemical Research Lab. (Instruments)	0.6		
		NCK R&D Center (Instruments)	0.3		

Financial Strategy

(A) Share Repurchases

- ◆ Started repurchase of shares in 2006
- ◆ Repurchased ¥36.5 billion, 28.8 million shares (15.4% of shares issued) in total from FY2006 to FY2014
- ◆ **Cancelled all repurchased shares (FY2006-2014)**

Record of Share Repurchases FY2006 - 2014

	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	Total
Shares purchased (thousand shares)	3,500	3,399	7,355	0	2,167	0	6,372	3,263	2,764	28,820
Purchase costs (¥billion)	4.7	5.0	8.0	0.0	2.8	0.0	5.0	5.0	6.0	36.5
Shares cancelled (thousand shares)	3,000	3,635	7,000	0	3,000	0	6,000	4,000	3,000	29,635
Shares issued at FY end (million shares)	185	181	174	174	171	171	165	161	158	
Treasury share at FY end (thousand shares)	1,367	1,233	1,660	1,709	885	886	1,258	522	287	
Dividend (¥billion)	3.7	3.6	3.8	4.2	4.1	4.1	4.3	4.9	5.7	
Dividend (¥/Share)	20	20	22	24	24	24	26	30	36	
Total payout ratio (dividend + purchase of treasury shares) (%)	60	56	118	32	53	37	67	59	64	

- ◆ FY2015 share repurchase program announced on May 12, 2015
 - Total number of shares repurchased :2.5 million shares
 - Total amount :¥ 6.0 billion
 - Repurchased period :From May 13, 2015 to August 31, 2015

(B) 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

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Mid-Term Business Plan Vista 2015 Stage II (FY2013-2015)

Announced in May 2013 vs FY2015 Outlook - (A-1) Financial Targets

1. PL	Mid-term Plan		FY2014 Actual	FY2015 Outlook	
	FY2012 Actual	FY2015			
Sales	153.8	180.0	171.2	Achieve	181.0
Operating Profit	19.5	26.0	25.3	Achieve	26.5
Ordinary Income	20.5	26.5	26.4	Achieve	27.6
Net Income	13.9	18.5	18.2	Achieve	20.6
EPS(¥)	84.00	113.00	Achieved 113.99	Achieve	131.66
FX Rate (¥/\$)		85	117		120
Naphtha (¥/kl)		61,000	63,100		54,800

(¥billion)

2. Segment (1)	Mid-term Plan				FY2015 Outlook		Variance	
	Sales (2)		OP		Sales	OP	Sales	OP
	FY2012 Actual	FY2015 (C)	FY2012 Actual	FY2015 (D)	FY2015 (E)	FY2015 (F)	(E) - (C)	(F) - (D)
Chem and others (3)	70.4	77.5	2.1	3.6	74.4	4.6	-3.1	+1.0
Performance M.	37.4	53.8	7.2	11.3	51.7	10.8	-2.1	-0.5
Agro	35.4	40.8	5.0	7.6	48.5	9.6	+7.7	+2.0
Pharma	10.6	7.9	5.2	3.5	6.4	1.5	-1.5	-2.0
Total	153.8	180.0	19.5	26.0	181.0	26.5	+1.0	+0.5

(¥billion)

(1) Former segmentation

(2) Including inter-segment sales/transfers

(3) "Chemicals and others" including Chemicals segment, Trading segment, Others segment and Adjustment

Mid-Term Business Plan Vista 2015 Stage II (FY2013-2015)

Announced in May 2013 vs FY2015 Outlook - (A-2) Financial Targets

3. Sales Variance by Segment

	Sales Variance 2. (E) - (C)	FY2015 Outlook > FY2015 Mid-term Plan	FY2015 Outlook < FY2015 Mid-term Plan
Chem and others (3)	-3.1	Melamine(domestic, export) TEPIC(general)	Ammonia, High purity sulfuric acid, TEPIC(electronic, liquid), Urea including AdBlue, Fertilizer, Environmental related products
Performance M.	-2.1	IPS/FFS, Photo-alignment IPS, ARC®(ArF, KrF, Multi layer process materials)	TN, VA, Other display materials, SNOWTEX(polishing, non-polishing), Organo sol, New products
Agro	+7.7	Fluralaner, ROUNDUP, ALTAIR, SIRIUS, Export	LEIMAY
Pharma	-1.5		LIVALO(domestic, export), Up-front payment
Total	+1.0		

Mid-Term Business Plan Vista 2015 Stage II (FY2013-2015) Announced in May 2013 vs FY2015 Outlook - (B) Financial Indicators

◆ Highest importance on ROE as well as OP margin

ROE : FY2015 Target 13.4% vs FY2015 Outlook 13.4%

expecting to achieve the target

OP margin : FY2015 Target 14.4% vs FY2015 Outlook 14.6%

expecting to achieve the target

◆ Dividend payout ratio above 30% vs FY2015 Outlook 30.4%

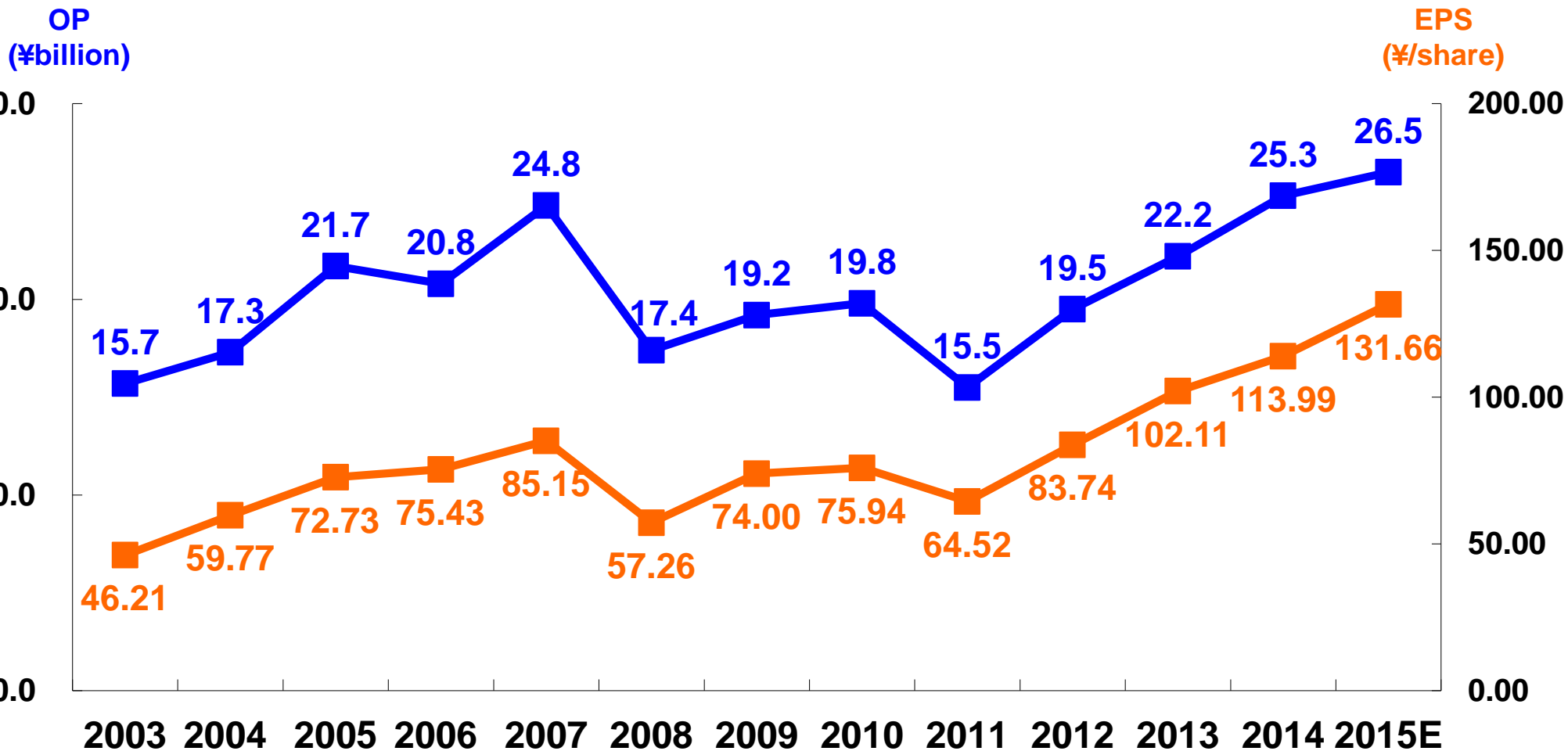
— In addition, continue to repurchase shares timely

expecting to achieve the target

◆ R&D expenses/sales above 9% vs FY2015 Outlook 8.9%

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Long-term Financial Performance Trend



Long Term Financial Performance Trend

(¥billion)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015E
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	181.0
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	26.5
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	27.6
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	20.6
EBITDA	26.1	26.9	31.6	30.5	34.5	27.6	30.1	30.2	25.9	29.0	30.8	33.8	36.9
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%	14.6%
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%	13.4%
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	131.66
Dividend(¥/share)	11	11	15	20	20	22	24	24	24	26	30	36	40
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%	30.4%
Share Repurchases	-	-	-	4.7	5.0	8.0	-	2.8	-	5.0	5.0	6.0	6.0
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	-
Net Assets	69.2	78.5	92.0	98.1	100.1	95.7	106.5	112.4	119.6	126.7	137.8	151.3	-
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	-
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	-
D/E Ratio	78.0%	53.7%	38.5%	23.2%	27.2%	37.1%	26.0%	16.9%	9.3%	5.0%	4.1%	2.7%	-
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%	-
Capex	6.6	6.6	9.2	12.1	10.9	13.9	10.1	9.6	8.3	8.1	8.8	9.8	10.8
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	10.4
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	16.0
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%

FY2011-2Q FY2013 Quarterly Sales by Segment ⁽¹⁾

(Former Segmentation)

(¥billion)

	FY2011 Actual					FY2012 Actual					FY2013 Actual	
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q
Chem	9.4	9.2	9.0	9.3	36.9	9.1	8.8	8.9	9.8	36.6	9.5	9.1
Fine	3.0	2.9	2.4	2.6	10.9	2.9	2.7	2.4	3.2	11.2	2.9	3.1
Basic	6.4	6.3	6.6	6.7	26.0	6.2	6.1	6.5	6.6	25.4	6.6	6.0
Performance Materials	8.7	8.3	8.6	8.4	34.0	9.5	9.3	9.5	9.1	37.4	10.3	10.3
Agro	7.1	5.4	3.7	17.6	33.8	8.3	5.1	4.6	17.4	35.4	9.9	6.1
Pharma	2.9	2.3	2.4	2.4	10.0	3.5	1.8	3.1	2.2	10.6	2.9	2.8
Trading	11.6	10.9	10.8	11.5	44.8	11.9	10.8	12.5	11.4	46.6	12.7	11.8
Others	4.6	4.7	4.3	6.4	20.0	3.9	6.3	4.6	6.4	21.2	4.6	5.1
Adjustment	-7.7	-7.6	-7.3	-8.3	-30.9	-7.8	-9.4	-8.6	-8.2	-34.0	-9.7	-9.0
Total	36.6	33.2	31.5	47.3	148.6	38.4	32.7	34.6	48.1	153.8	40.2	36.2

(1) Including inter-segment sales/transfers

FY2011-2Q FY2013 Quarterly OP by Segment

(Former Segmentation)

(¥billion)

	FY2011 Actual					FY2012 Actual					FY2013 Actual	
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q
Chem	1.0	-0.2	0.6	0.2	1.6	0.8	0.0	0.4	0.7	1.9	0.8	0.0
Performance Materials	1.7	0.9	1.1	1.1	4.8	2.1	2.0	1.6	1.5	7.2	2.1	2.3
Agro	1.2	-0.4	-1.5	5.1	4.4	1.6	-0.3	-1.1	4.8	5.0	2.3	0.1
Pharma	1.4	1.2	1.0	1.0	4.6	1.9	0.7	1.6	1.0	5.2	1.6	1.5
Trading	0.4	0.3	0.3	0.3	1.3	0.4	0.3	0.4	0.3	1.4	0.4	0.3
Others	0.0	0.0	-0.1	0.4	0.3	-0.1	0.2	0.1	0.5	0.7	0.1	0.1
Adjustment	-0.5	-0.4	-0.4	-0.2	-1.5	-0.4	-0.6	-0.5	-0.4	-1.9	-0.6	-0.4
Total	5.2	1.4	1.0	7.9	15.5	6.3	2.3	2.5	8.4	19.5	6.7	3.9
OP Margin	14.3%	4.0%	3.4%	16.6%	10.4%	16.5%	6.8%	7.5%	17.4%	12.7%	16.7%	10.6%

FY2012-FY2014 Quarterly Sales by Segment (1)

(New Segmentation)

(¥billion)

	FY2012 Actual					FY2013 Actual					FY2014 Actual				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Chem	8.6	8.3	8.7	8.9	34.5	9.3	8.6	8.8	8.8	35.5	8.5	8.2	9.1	8.5	34.3
Fine	2.4	2.2	2.2	2.3	9.1	2.7	2.6	2.3	2.3	9.9	2.7	2.6	2.8	2.5	10.6
Basic	6.2	6.1	6.5	6.6	25.4	6.6	6.0	6.5	6.5	25.6	5.8	5.6	6.3	6.0	23.7
Performance Materials	9.5	9.3	9.5	9.1	37.4	10.3	10.3	11.1	11.1	42.8	11.8	12.4	13.0	12.2	49.4
Agro	8.3	5.1	4.6	17.4	35.4	9.9	6.1	5.5	17.6	39.1	12.3	6.2	5.7	21.5	45.7
Pharma	4.0	2.3	3.3	3.1	12.7	3.1	3.3	3.0	2.2	11.6	2.5	2.5	2.1	1.7	8.8
Trading	11.9	10.8	12.5	11.4	46.6	12.7	11.8	12.8	13.4	50.7	14.1	13.2	14.1	13.0	54.4
Others	3.9	6.3	4.6	6.4	21.2	4.6	5.1	4.9	6.8	21.4	3.8	4.7	4.6	7.8	20.9
Adjustment	-7.8	-9.4	-8.6	-8.2	-34.0	-9.7	-9.0	-8.9	-9.8	-37.4	-10.5	-9.8	-10.7	-11.3	-42.3
Total	38.4	32.7	34.6	48.1	153.8	40.2	36.2	37.2	50.1	163.7	42.5	37.4	37.9	53.4	171.2

(1) Including inter-segment sales/transfers

FY2012-FY2014 Quarterly OP by Segment

(New Segmentation)

(¥billion)

	FY2012 Actual					FY2013 Actual					FY2014 Actual				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Chem	0.8	0.0	0.4	0.7	1.9	1.0	-0.2	0.6	0.5	1.9	1.0	-0.6	0.6	0.9	1.9
Performance Materials	2.1	2.0	1.6	1.5	7.2	2.1	2.3	2.3	2.1	8.8	3.3	3.4	3.2	2.1	12.0
Agro	1.6	-0.3	-1.1	4.8	5.0	2.3	0.1	-0.8	4.6	6.2	4.0	0.0	-0.5	5.7	9.2
Pharma	1.9	0.7	1.6	1.0	5.2	1.4	1.7	1.4	0.4	4.9	0.8	0.8	0.4	0.3	2.3
Trading	0.4	0.3	0.4	0.3	1.4	0.4	0.3	0.4	0.4	1.5	0.5	0.4	0.5	0.3	1.7
Others	-0.1	0.2	0.1	0.5	0.7	0.1	0.1	0.1	0.5	0.8	-0.1	0.0	0.1	0.6	0.6
Adjustment	-0.4	-0.6	-0.5	-0.4	-1.9	-0.6	-0.4	-0.5	-0.4	-1.9	-0.6	-0.4	-0.7	-0.7	-2.4
Total	6.3	2.3	2.5	8.4	19.5	6.7	3.9	3.5	8.1	22.2	8.9	3.6	3.6	9.2	25.3
OP Margin	16.5%	6.8%	7.5%	17.4%	12.7%	16.7%	10.6%	9.3%	16.4%	13.6%	21.0%	9.6%	9.6%	17.2%	14.8%

Sales and Operating Profit by Segment

(¥billion)

		FY2010		FY2011		FY2012		FY2013		FY2014		FY2015E	
Sales (A)	Chem	38.1	24.7%	36.9	24.8%	34.5	22.4%	35.5	21.7%	34.3	20.0%	35.8	19.8%
	Perf	38.0	24.6%	34.0	22.9%	37.4	24.3%	42.8	26.1%	49.4	28.9%	51.7	28.6%
	Agro	34.4	22.3%	33.8	22.7%	35.4	23.0%	39.1	23.9%	45.7	26.7%	48.5	26.8%
	Pharma	9.6	6.2%	10.0	6.7%	12.7	8.3%	11.6	7.1%	8.8	5.1%	8.5	4.7%
	Trading	44.1	28.6%	44.8	30.1%	46.6	30.3%	50.7	31.0%	54.4	31.8%	60.1	33.2%
	Others	27.0	17.5%	20.0	13.5%	21.2	13.8%	21.4	13.1%	20.9	12.2%	21.2	11.7%
	Adj	-37.0	-24.0%	-30.9	-20.8%	-34.0	-22.1%	-37.4	-22.8%	-42.3	-24.7%	-44.8	-24.8%
	Total	154.2	100%	148.6	100%	153.8	100%	163.7	100%	171.2	100%	181.0	100%

OP (B)	Chem	2.4	12.1%	1.6	10.3%	1.9	9.7%	1.9	8.6%	1.9	7.5%	3.6	13.6%
	Perf	7.9	39.9%	4.8	31.0%	7.2	36.9%	8.8	39.6%	12.0	47.4%	10.8	40.8%
	Agro	4.8	24.2%	4.4	28.4%	5.0	25.6%	6.2	27.9%	9.2	36.4%	9.6	36.2%
	Pharma	4.4	22.2%	4.6	29.7%	5.2	26.7%	4.9	22.1%	2.3	9.1%	2.1	7.9%
	Trading	1.4	7.1%	1.3	8.4%	1.4	7.2%	1.5	6.8%	1.7	6.7%	1.9	7.2%
	Others	1.0	5.1%	0.3	1.9%	0.7	3.6%	0.8	3.6%	0.6	2.4%	0.5	1.9%
	Adj	-2.1	-10.6%	-1.5	-9.7%	-1.9	-9.7%	-1.9	-8.6%	-2.4	-9.5%	-2.0	-7.5%
	Total	19.8	100%	15.5	100%	19.5	100%	22.2	100%	25.3	100%	26.5	100%

		FY2012		FY2013		FY2014	
Segment Assets (D)		27.0	13.6%	25.8	12.4%	25.2	11.3%
		34.3	17.2%	38.0	18.3%	43.9	19.6%
		46.7	23.4%	48.6	23.4%	53.6	23.9%
		14.6	7.3%	12.7	6.1%	11.4	5.1%
		17.3	8.7%	18.1	8.7%	18.5	8.3%
		9.2	4.6%	9.1	4.4%	9.9	4.4%
		50.1	25.2%	55.7	26.8%	61.4	27.4%
	Total	199.2	100%	208.0	100%	223.9	100%

OP Margin (C) = (B)/(A)	Chem	6.3%	4.3%	5.5%	5.4%	5.5%	10.1%
	Perf	20.8%	14.1%	19.3%	20.6%	24.3%	20.9%
	Agro	14.0%	13.0%	14.1%	15.9%	20.1%	19.8%
	Pharma	45.8%	46.0%	40.9%	42.2%	26.1%	24.7%
	Trading	3.2%	2.9%	3.0%	3.0%	3.1%	3.2%
	Others	3.7%	1.5%	3.3%	3.7%	2.9%	2.4%
	Total	12.9%	10.4%	12.7%	13.6%	14.8%	14.6%

ROA (E) = (B)/(D)		7.0%	7.4%	7.5%
		20.9%	23.2%	27.3%
		10.8%	12.8%	17.2%
		36.0%	38.9%	20.2%
		7.8%	8.3%	9.2%
		7.5%	8.3%	6.1%
	Total	9.8%	10.7%	11.3%

FY2010-2011 : Former Segmentation, FY2012-2015E : New Segmentation

Main Products by Segment (New Segmentation)

Segment	Products	Main Applications
Chem	<ul style="list-style-type: none"> ◆ Fine Chemicals TEPIC Melamine cyanurate Environmental product 	<p>epoxy compound for LED sealants, solder resist, painting flame retardant HI-LITE (chlorinated isocyanuric acid for sterilizing)</p>
	<ul style="list-style-type: none"> ◆ Basic Chemicals Melamine AdBlue Ammonia, Sulfuric acid, Nitric acid High purity chemicals 	<p>adhesive agent for plywood solution of urea in demineralised water for diesel trucks to reduce NOx agents used for cleaning semiconductors</p>
Performance Materials	<ul style="list-style-type: none"> ◆ Electronic Materials SUNEVER ARC®(KrF, ArF, Multi layer process materials) NHC OPTIFOCUS ELSOURCE 	<p>LCD alignment coating bottom anti-reflective coating for semiconductors, multi layer process material for semiconductors (Si-HM/SOC) *ARC® is registered trade mark of Brewer Science, Inc. protective coating for touch panel microlens material for image sensor application hole injection layer materials for OLED</p>
	<ul style="list-style-type: none"> ◆ Inorganic Materials SNOWTEX Organo silica sol Alumina sol SUNCOLLOID CELNAX 	<p>water dispersed colloidal silica sol for polishing silicon wafers, special 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</p>
Agro	<ul style="list-style-type: none"> ◆ Herbicide TARGA PERMIT SIRIUS, ALTAIR(NC-620) ROUNDUP ◆ Insecticide STARMITE, SANMITE, MITOKOHNE ◆ Fungicide LEIMAY PULSOR, IKARUGA, GREATAM (THIFLUZAMIDE) ◆ Animal health products Fluralaner (BRAVECTO) 	<p>soybean, rapeseed, sugarbeet corn, sugarcane, rice paddy rice non-selective herbicide for orchard, noncrop land</p> <p>fruits, tea, vegetables</p> <p>potato, grape, turf</p> <p>active substance of BRAVECTO (veterinary medical product for dogs)</p>
Pharma	<ul style="list-style-type: none"> LIVALO Custom Chemicals 	<p>Anti-cholesterol drug custom manufacturing and process services for pharmaceutical companies</p>
Trading	Nissei Corporation	
Others	Transportation, Landscaping, Engineering, Fertilizer	



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