



Nissan Chemical
CORPORATION

Presentation for Investors

3Q FY2021 (April 1- December 31, 2021) Financial Results

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**Institutional
Investor**
2021 JAPAN EXECUTIVE TEAM
MOST HONORED COMPANY
NISSAN CHEMICAL CORPORATION

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3Q vs. 3Q FY2020

- Sales up ¥5.8 billion (+13%)
- OP up ¥7.0 billion (+124%) (Including changes in accounting policies ¥4.0 billion¹)
- Net Income up ¥4.8 billion (+108%)

1-3Q Total² vs. 1-3Q FY2020

- Sales up ¥3.1 billion (+2%)
- OP up ¥10.3 billion (+44%) (Including changes in accounting policies ¥3.1 billion¹)
- Net Income up ¥7.2 billion (+39%)
- OP, Ordinary Income and Net Income set a new record

3Q vs. 3Q Outlook
as of Nov 2021

- Sales above target ¥2.8 billion
- OP above target ¥3.2 billion
- Net Income above target ¥2.0 billion

Shareholder Returns

- 1H dividend ¥50(¥4 up vs. 1H FY2020 Actual)
- Completed a ¥7.0 billion share repurchase program in July 2021 (1,262 thousand shares)

1. Effects of changes in accounting policies (see p5, p51) 2. Hereinafter referred to as 1-3Q

3Q FY2021 Financial Summary YOY Change

(¥billion)

	FY2020 Actual			FY2021 Actual ¹			YOY Change		
	1H	3Q	1-3Q	1H	3Q	1-3Q	1H	3Q	1-3Q
Sales	94.5	43.7	138.2	91.8	49.5	141.3	-2.7 (-3%)	+5.8 (+13%)	+3.1 (+2%)
Operating Profit ²	18.0	5.6	23.6	21.3	12.6	33.9	+3.3 (+19%)	+7.0 (+124%)	+10.3 (+44%)
Non-Operating Income/Expenses	0.2	0.2	0.4	1.0	0.9	1.9	+0.8	+0.7	+1.5
Ordinary Income ²	18.2	5.8	24.0	22.3	13.5	35.8	+4.1	+7.7	+11.8
Extraordinary Income/Loss	1.1	0.0	1.1	0.0	0.2	0.2	-1.1	+0.2	-0.9
Net Income ²⁻³	13.9	4.5	18.4	16.3	9.3	25.6	+2.4	+4.8	+7.2
EBITDA ⁴	22.8	8.3	31.1	26.0	15.2	41.2	+3.2	+6.9	+10.1
EPS (¥/share) ²	95.96	30.97	126.93	113.94	65.64	179.58	+17.98	+34.67	+52.65
OP Margin ²	19.0%	12.9%	17.1%	23.2%	25.5%	24.0%	+4.2%	+12.6%	+6.9%
FX Rate (¥/\$)	107	105	106	110	114	111	-	-	-
Crude Oil (JCC) (\$/bbl) ⁵	36	44	38	70	80	74	-	-	-

1. FY2021 Actual: Including effects of changes in accounting policies (see p51)

2. FY2020 Actual: Amortization expense of the fungicide DITHANE (MANCOZEB) business, which was provisionally calculated with an amortization period of 5 years at that time, was revised to the final value of 15.6 years (weighted average) amortization after the accounting audit. As a result, OP and ordinary income have been revised by about +60 million yen and net income has been revised by about +40 million yen from the figures announced in 3Q FY2020. The only affected segment is Adjustment. Only the breakdown of 3Q and 4Q FY2020 has been revised, and there is no effect on 1H FY2020 and full year FY2020.

3. Net Income = Profit Attributable to Owners of Parent

4. EBITDA = Operating Profit + Depreciation and amortization

5. Based on Trade Statistics of Japan Ministry of Finance

Impact of Changes in Accounting Policies

(¥billion)

(YOY Change) (see p51)	FY2021 Actual		
	1H	3Q	1-3Q
Sales Impact ⁶	-10.9	-1.7	-12.6
OP Impact ⁷	-0.9	+4.0	+3.1

6. Agent transactions, Fluralaner royalties increase/decrease due to changes in recognized timing and sales discount cost increase/decrease

7. Fluralaner royalties increase/decrease due to changes in recognized timing and sales discount cost increase/decrease

3Q FY2021 Financial Summary Compared to Outlook

(¥billion)

	FY2021 Outlook		FY2021 Actual ¹		vs. Outlook
	3Q	1-3Q	3Q	1-3Q	3Q
Sales	46.7	138.5	49.5	141.3	+2.8
Operating Profit	9.4	30.7	12.6	33.9	+3.2
Non-Operating Income/Expenses	0.4	1.4	0.9	1.9	+0.5
Ordinary Income	9.8	32.1	13.5	35.8	+3.7
Extraordinary Income/Loss	0.0	0.0	0.2	0.2	+0.2
Income taxes and non-controlling interests ²	-2.5	-8.5	-4.4	-10.4	-1.9
Net Income ²	7.3	23.6	9.3	25.6	+2.0
EBITDA ²⁻³	-	-	15.2	41.2	-
EPS (¥/share)	-	-	65.64	179.58	-
OP Margin	20.1%	22.2%	25.5%	24.0%	-
FX Rate (¥/\$)	107	109	114	111	-
Crude Oil (JCC) (\$/bbl) ⁵	75	72	80	74	-

1. FY2021 Actual: Including effects of changes in accounting policies (see p5, p51)

2. Income taxes and non-controlling interests in 3Q FY2021 Outlook is revised due to incorrect figures.

3Q FY2021 Outlook before the revision was -1.0 billion yen for 3Q and -7.0 billion yen for 1-3Q.

Net income is revised as well. 3Q FY2021 Outlook before the revision was 8.8 billion yen for 3Q and 25.1 billion yen for 1-3Q.

3. Net Income = Profit Attributable to Owners of Parent 4. EBITDA = Operating Profit + Depreciation and amortization 5. Based on Trade Statistics of Japan Ministry of Finance

Analysis of Changes in OP

(¥)

3Q

FY2021 Actual		FY2020 Actual		YOY Change	Outlook	vs. Outlook
12.6 billion		5.6 billion		+7.0 billion(+124%)	9.4 billion	+3.2 billion
Chemicals	YOY Change +0.6 billion	Sales increase in melamine, TEPIC and environmental related products				
	vs. Outlook +0.3 billion	Sales increase in melamine and TEPIC				
Performance Materials	YOY Change +1.3 billion	Sales increase in Display Materials and Semis Materials				
	vs. Outlook +1.0 billion	Sales increase in Display Materials and Semis Materials, and recovery of Inorganic Materials				
Agro	YOY Change +4.4 billion	Effects of changes in accounting policies (Fluralaner royalties recognized and sales discount cost down), sales increase in QUINTEC, DITHANE and GRACIA				
	vs. Outlook +1.1 billion	Fluralaner royalties above target, sales increase in QUINTEC, ROUNDUP and GRACIA				
Pharma	YOY Change +0.4 billion	Custom Chemicals sales increase despite LIVALO sales decrease				
	vs. Outlook +0.1 billion	Custom Chemicals sales above target				

1-3Q

FY2021 Actual		FY2020 Actual		YOY Change	
33.9 billion		23.6 billion		+10.3 billion(+44%)	
Chemicals	YOY Change +1.9 billion	Sales increase in melamine, TEPIC and environmental related products			
Performance Materials	YOY Change +3.8 billion	Sales increase in Display Materials and Semis Materials			
Agro	YOY Change +3.6 billion	Effects of changes in accounting policies (Fluralaner royalties sales increase and sales discount cost down), sales increase in QUINTEC and DITHANE			
Pharma	YOY Change +0.9 billion	Custom Chemicals sales increase despite LIVALO sales decrease			

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

(¥billion)

	FY2020 Actual			FY2021 Actual			YOY Change		
	1H	3Q	1-3Q	1H	3Q	1-3Q	1H	3Q	1-3Q
Non-Operating Income	0.95	0.64	1.59	1.36	1.05	2.41	+0.41	+0.41	+0.82
Interest income, dividend income	0.35	0.36	0.71	0.32	0.23	0.55	-0.03	-0.13	-0.16
Foreign exchange gains	0.00	0.00	0.00	0.10	0.21	0.31	+0.10	+0.21	+0.31
Equity in earnings of affiliates, others	0.60	0.28	0.88	0.94	0.61	1.55	+0.34	+0.33	+0.67
Non-Operating Expenses	0.76	0.42	1.18	0.42	0.15	0.57	-0.34	-0.27	-0.61
Interest expense	0.05	0.01	0.06	0.05	0.01	0.06	0.00	0.00	0.00
Foreign exchange losses	0.26	0.19	0.45	0.00	0.00	0.00	-0.26	-0.19	-0.45
Loss on disposal of non-current assets, others	0.45	0.22	0.67	0.37	0.14	0.51	-0.08	-0.08	-0.16
Non-Operating Income/Expenses	0.19	0.22	0.41	0.94	0.90	1.84	+0.75	+0.68	+1.43
Extraordinary Income	1.09	-0.03	1.06	2.82	0.50	3.32	+1.73	+0.53	+2.26
Extraordinary Loss	0.00	0.00	0.00	2.79	0.30	3.09	+2.79	+0.30	+3.09
Extraordinary Income/Loss	1.09	-0.03	1.06	0.03	0.20	0.23	-1.06	+0.23	-0.83

1. 1-3Q FY2020 Actual:

Extraordinary Income ¥1.06 billion (Gain on sales of investment securities ¥1.06 billion, sales amount ¥2.31 billion, sold 13 listed companies shares, sold 100% of our shareholdings of 10 listed companies)

2. 1-3Q FY2021 Actual:

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

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

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

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

Free cash flow in 1-3Q FY2021 was ¥28.2 billion, an increase of ¥4.5 billion from 1-3Q FY2020

(¥billion)

	FY2020 Actual	FY2021 Actual	YOY Change
	1-3Q	1-3Q	
CF from operating activities	34.6	35.0	+0.4
Income before income taxes & non-controlling interests ¹	25.1	36.0	+10.9
Extraordinary loss (income)	-1.1	-0.2	+0.9
Depreciation & amortization ¹⁻²	7.5	7.3	-0.2
Income taxes paid	-10.8	-12.8	-2.0
Working capital, others ¹	13.9	4.7	-9.2
CF from investing activities	-10.9	-6.8	+4.1
Purchase of PPE	-6.0	-6.2	-0.2
Purchase and sales of investment securities	2.2	4.0	+1.8
Others ³	-7.1	-4.6	+2.5
Free cash flow	23.7	28.2	+4.5
CF from financing activities	-33.8	-35.5	-1.7
Payout to shareholders (dividend)	-13.6	-15.5	-1.9
Payout to shareholders (share repurchase)	-7.0	-7.0	0.0
Borrowings	-13.2	-13.0	+0.2
Others	0.0	0.0	0.0
Effect of exchange rate change on cash & cash equivalents	0.0	0.1	+0.1
Change in cash & cash equivalents	-10.1	-7.2	+2.9
Cash & cash equivalents at end of period	20.6	25.2	+4.6

1. 1-3Q FY2020 Actual: Figures are revised due to the impact of recalculation of DITHANE amortization (see p5) 2. Including amortization of goodwill

3. 1-3Q FY2020 Actual: Payments for acquisition of the DITHANE business -5.4 , Others -1.7

1-3Q FY2021 Actual: Payments of long-term loans receivable to NBR -3.3, Others -1.3

(¥billion)

	2020/12	2021/3	2021/12	vs. 2021/3
Current assets	130.5	159.6	151.0	-8.6
Cash	20.6	32.4	25.2	-7.2
Accounts receivable	47.3	73.9	60.6	-13.3
Inventories	54.8	46.7	58.1	+11.4
Others	7.8	6.6	7.1	+0.5
Fixed assets	103.3	105.9	103.7	-2.2
Total PPE	51.5	51.8	51.9	+0.1
Intangible assets	12.3	12.1	11.9	-0.2
Investment securities	34.3	35.9	30.8	-5.1
Others	5.2	6.1	9.1	+3.0
Total assets	233.8	265.5	254.7	-10.8

	2020/12	2021/3	2021/12	vs. 2021/3
Liabilities	46.9	64.9	55.3	-9.6
Accounts payable	17.3	16.3	19.6	+3.3
Borrowings	11.3	22.7	9.8	-12.9
Others	18.3	25.9	25.9	0.0
Net assets	186.9	200.6	199.4	-1.2
Shareholders' equity ³	174.8	186.9	188.6	+1.7
Valuation difference on available-for-sale securities	10.8	11.4	8.3	-3.1
Foreign currency translation adjustment	-0.4	0.1	0.1	0.0
Non-controlling interests	1.7	1.7	2.0	+0.3
Remeasurements of defined benefit plans	0.0	0.5	0.4	-0.1
Total liabilities & net assets	233.8	265.5	254.7	-10.8

Breakdown of Investment Securities

	2020/12	2021/3	2021/12	vs. 2021/3
Listed shares¹	23.8	24.4	19.1	-5.3
(Number of stocks held²)	(35)	(31)	(30)	(-1)
Unlisted shares	2.7	2.7	2.5	-0.2
Subsidiaries/Associate shares	7.8	8.8	9.2	+0.4
Total	34.3	35.9	30.8	-5.1

Equity Ratio	79.2%	74.9%	77.5%
D/E Ratio⁴	-5.3%	-5.2%	-8.1%

- 2021/3 24.4 + Acquisition 0 – Sales and valuation difference 5.3 = 2021/12 19.1
- Non-consolidated basis
- Change in shareholders' equity +1.7 = Net Income 25.6 - Dividend and others 23.9
- D/E Ratio = (Borrowings - Cash) / Shareholders' equity
- 2020/12: Figures are revised due to the impact of recalculation of DITHANE amortization (see p5)

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3Q FY2021 Financial Results YOY Change by Segment

(¥billion)

		FY2020 Actual			FY2021 Actual			YOY Change		
		1H	3Q	1-3Q	1H	3Q	1-3Q	1H	3Q	1-3Q
Chemicals	Sales	14.7	8.3	23.0	17.1	10.5	27.6	+2.4 (+16%)	+2.2 (+26%)	+4.6 (+20%)
	OP	-0.1	0.7	0.6	1.2	1.3	2.5	+1.3 (-)	+0.6 (+81%)	+1.9 (+329%)
Performance Materials	Sales	34.6	19.2	53.8	39.6	20.9	60.5	+5.0 (+14%)	+1.7 (+9%)	+6.7 (+12%)
	OP	10.7	6.3	17.0	13.2	7.6	20.8	+2.5 (+23%)	+1.3 (+21%)	+3.8 (+22%)
Agrochemicals	Sales	25.7	6.3	32.0	25.0	11.9	36.9	-0.7 (-3%)	+5.6 (+92%)	+4.9 (+15%)
	OP	7.8	-1.3	6.5	7.0	3.1	10.1	-0.8 (-10%)	+4.4 (-)	+3.6 (+55%)
Pharmaceuticals	Sales	3.0	1.4	4.4	3.3	2.0	5.3	+0.3 (+10%)	+0.6 (+38%)	+0.9 (+19%)
	OP	0.0	0.0	0.0	0.5	0.4	0.9	+0.5 (-)	+0.4 (-)	+0.9 (-)
Trading	Sales	33.7	17.8	51.5	36.4	22.2	58.6	+2.7	+4.4	+7.1
	OP	1.2	0.7	1.9	1.3	0.8	2.1	+0.1	+0.1	+0.2
Others	Sales	9.4	6.8	16.2	10.4	6.1	16.5	+1.0	-0.7	+0.3
	OP	0.0	0.4	0.4	0.0	0.2	0.2	0.0	-0.2	-0.2
Adjustment	Sales	-26.6	-16.1	-42.7	-40.0	-24.1	-64.1	-13.4	-8.0	-21.4
	OP	-1.6	-1.2	-2.8	-1.9	-0.8	-2.7	-0.3	+0.4	+0.1
Total	Sales	94.5	43.7	138.2	91.8	49.5	141.3	-2.7 (-3%)	+5.8 (+13%)	+3.1 (+2%)
	OP	18.0	5.6	23.6	21.3	12.6	33.9	+3.3 (+19%)	+7.0 (+124%)	+10.3 (+44%)

1. Including inter-segment sales/transfers

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

3Q FY2021 Financial Results Compared to Outlook by Segment

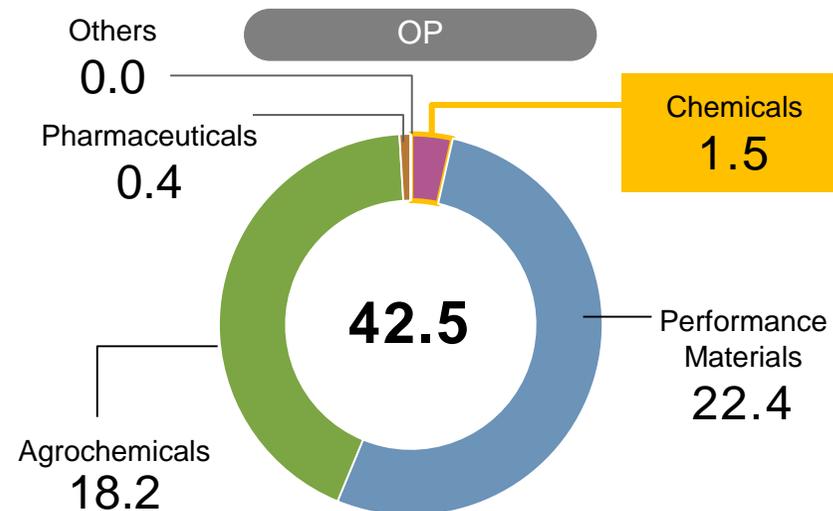
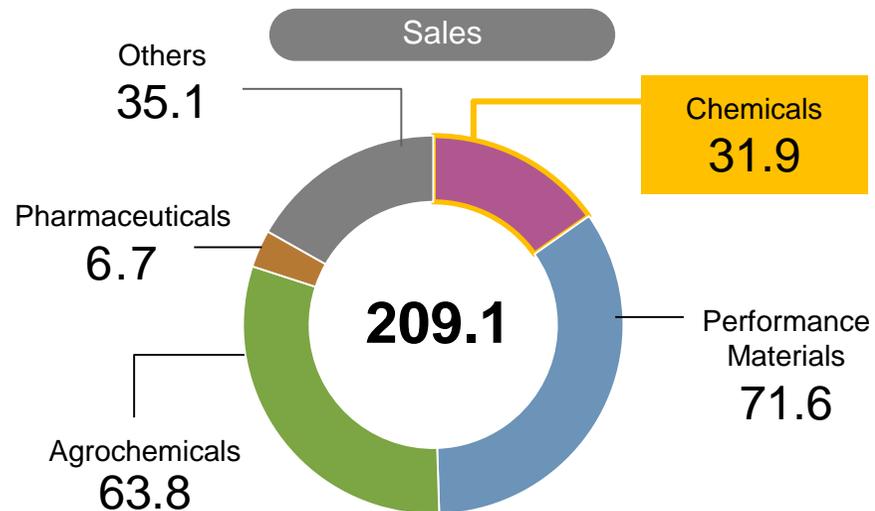
(¥billion)

		FY2021 Outlook		FY2021 Actual		vs. Outlook
		3Q	1-3Q	3Q	1-3Q	3Q
Chemicals	Sales	9.6	26.7	10.5	27.6	+0.9
	OP	1.0	2.2	1.3	2.5	+0.3
Performance Materials	Sales	20.5	60.1	20.9	60.5	+0.4
	OP	6.6	19.8	7.6	20.8	+1.0
Agrochemicals	Sales	11.2	36.2	11.9	36.9	+0.7
	OP	2.0	9.0	3.1	10.1	+1.1
Pharmaceuticals	Sales	1.9	5.2	2.0	5.3	+0.1
	OP	0.3	0.8	0.4	0.9	+0.1
Trading	Sales	20.0	56.4	22.2	58.6	+2.2
	OP	0.6	1.9	0.8	2.1	+0.2
Others	Sales	5.3	15.7	6.1	16.5	+0.8
	OP	0.1	0.1	0.2	0.2	+0.1
Adjustment	Sales	-21.8	-61.8	-24.1	-64.1	-2.3
	OP	-1.2	-3.1	-0.8	-2.7	+0.4
Total	Sales	46.7	138.5	49.5	141.3	+2.8
	OP	9.4	30.7	12.6	33.9	+3.2

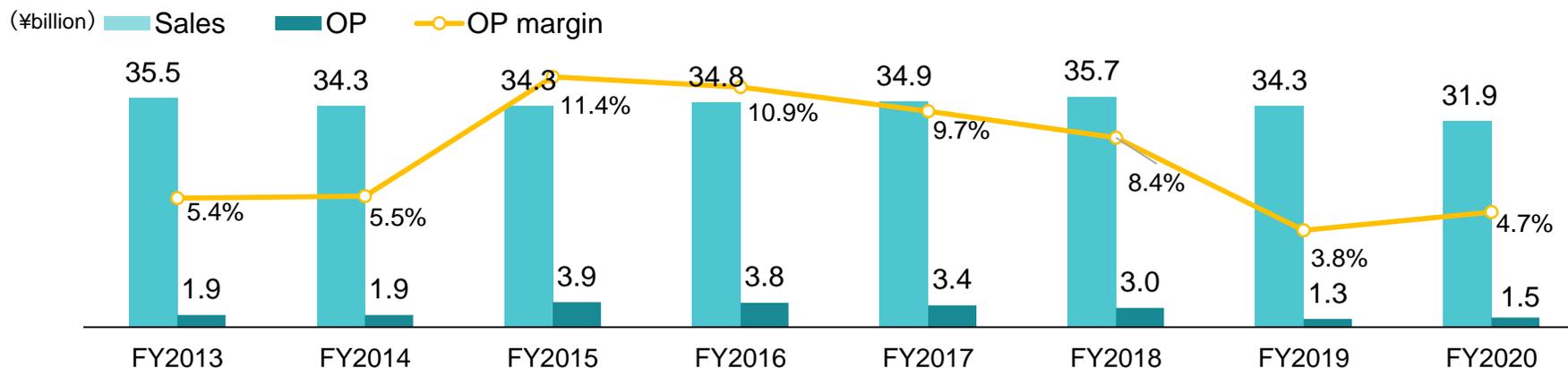
1. Including inter-segment sales/transfers

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

FY2020 Actual by Segment (¥billion)



Chemicals – Recent Financial Performance



- Fine Chemicals: 【1-3Q】Sales YOY +19%, Sales above target
- Basic Chemicals: 【1-3Q】Sales YOY +20%, Sales above target

Main Products		YOY Change		vs. Outlook as of Nov 2021 (undisclosed)
		3Q	1-3Q	
TEPIC	【Features】 Epoxy compounds with excellent heat resistance, weather resistance and transparency. World largest manufacturer. 【Usage】 General applications: powder coating agent for paint Electronic materials: solder resist, LED materials	+20%	+23%	Above
Environmental related products	【Features】 Made from chlorinated isocyanuric acid 【Usage】 Sterilizer, disinfectant for pool and water purification tank	+30%	+16%	Above
Total Fine Chemicals		+27%	+19%	Above

Two products account for 74% of total consolidated subsegment sales (1-3Q FY2021)

Main Products		YOY Change		vs. Outlook as of Nov 2021 (undisclosed)
		3Q	1-3Q	
Melamine	【Features】 Resin material with high-grade texture and robust properties 【Usage】 Adhesive agent for plywood, decorative plate	+99%	+65%	Above
Urea/AdBlue	【Features】 Nitrogen oxides (NOX) are decomposed into harmless nitrogen and water when injected into the exhaust gas. Contribute to reduce impact to environment 【Usage】 High-grade urea solution for purification of diesel vehicle emissions, adhesive agent	+23%	+18%	Above
High purity sulfuric acid	【Features】 Domestic largest manufacturer 【Usage】 Semiconductor cleaners	+8%	+9%	Above
Nitric acid products	【Features】 Strongly acidic chemical obtained by oxidizing ammonia and used in a wide range of fields 【Usage】 Metal dissolution, surface treatment, antifoam agent	+12%	+17%	Above
Total Basic Chemicals		+25%	+20%	Above

Four products account for 56% of total consolidated subsegment sales (1-3Q FY2021)

[3Q] Sales up ¥2.2 billion, OP up ¥0.6 billion

[1-3Q] Sales up ¥4.6 billion, OP up ¥1.9 billion

(¥billion)

	FY2020 Actual			FY2021 Actual			YOY Change		
	1H	3Q	1-3Q	1H	3Q	1-3Q	1H	3Q	1-3Q
Sales	14.7	8.3	23.0	17.1	10.5	27.6	+2.4	+2.2	+4.6
Fine Chemicals	5.4	2.8	8.2	6.2	3.7	9.9	+0.8	+0.9	+1.7
Basic Chemicals	9.3	5.5	14.8	10.9	6.8	17.7	+1.6	+1.3	+2.9
OP	-0.1	0.7	0.6	1.2	1.3	2.5	+1.3	+0.6	+1.9

Fine Chemicals

[3Q] Sales up, OP up [1-3Q] Sales up, OP up

TEPIC for general applications

[3Q]&[1-3Q] Sales up (price up)

TEPIC for electronic materials

**[3Q] Sales down (semiconductor shortage)
[1-3Q] Sales up**

Environmental related products

[3Q]&[1-3Q] Sales up (isocyanuric acid capacity expansion completed)

**[3Q] Feedstock and raw materials cost up, shipping cost up
[1-3Q] Feedstock and raw materials cost up, shipping cost up, fixed cost up**

Basic Chemicals

[3Q] Sales up, OP up [1-3Q] Sales up, OP up

Melamine

[3Q]&[1-3Q] Sales up

Urea/AdBlue

[3Q]&[1-3Q] Sales up

High purity sulfuric acid

[3Q]&[1-3Q] Sales up

Nitric acid products

[3Q]&[1-3Q] Sales up

**[3Q] Feedstock and raw materials cost up
[1-3Q] Feedstock and raw materials cost up, shipping cost up**

【3Q】 Sales above target ¥0.9 billion, OP above target ¥0.3 billion

(¥billion)

	FY2021 Outlook as of Nov 2021		FY2021 Actual		vs. Outlook
	3Q	1-3Q	3Q	1-3Q	3Q
Sales	9.6	26.7	10.5	27.6	+0.9
Fine Chemicals	3.4	9.6	3.7	9.9	+0.3
Basic Chemicals	6.2	17.1	6.8	17.7	+0.6
OP	1.0	2.2	1.3	2.5	+0.3

【3Q】 Sales above target, OP below target

TEPIC for
general applications

Sales above target

TEPIC for
electronic materials

Sales below target
(semiconductor shortage)

Environmental
related products

Sales above target

Feedstock and raw materials cost above expectations

Fine
Chemicals

【3Q】 Sales above target, OP above target

Melamine

Sales above target

Urea/AdBlue

Sales above target

High purity
sulfuric acid

Sales above target

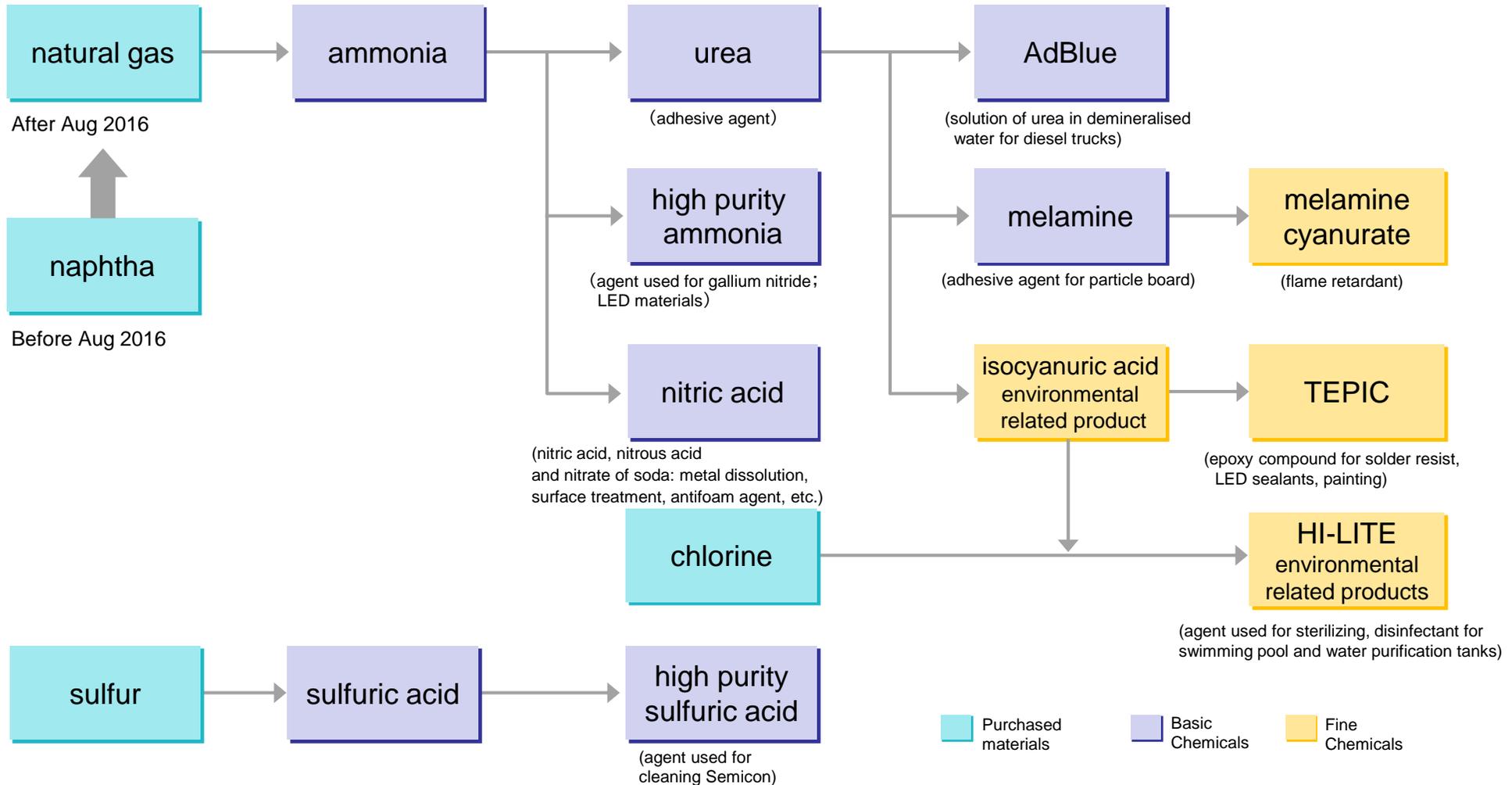
Nitric acid
products

Sales above target

Basic
Chemicals

Core products are ammonia related products and sulfuric acid related products.

FY2020 ammonia domestic production capacity share 11%. Focus on high value-added products, such as high purity sulfuric acid and TEPIC, instead of pursuing scale.



Restructure based on Shutdown of Melamine Plant

No change from 1Q FY2021 Presentation Materials announced in Aug 2021. From both financial and non-financial benefits, shutdown of melamine plant was decided. Continue to concentrate its management resources on high value-added products and products with a high market share.

1. Sales・OP distribution (Total FY2018-2020)

(¥billion)

	Sales	OP	Main products
Ammonia-related products	67.4(66%)	0.7(12%)	ammonia, urea/AdBlue, high purity ammonia, melamine, nitric acid, isocyanuric acid, Hi-LITE, TEPIC, melamine cyanurate
Sulfuric acid-related products	34.5(34%)	5.1(88%)	sulfuric acid, purified sulfuric acid, high purity sulfuric acid
Others			FINEOXOCOL etc.
Total Chemicals	101.9(100%)	5.8(100%)	

*Among ammonia-related products, melamine has the highest sales but is in the red

*Total profit of ammonia-related products other than melamine is in the black

2. Current status and prospects of melamine

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

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

3. Actions to be taken

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

4. Estimated PL effects of actions

- (1) The effects of related costs were minor as such costs were compensated by gain on sales of investment securities (recorded in 2Q FY2021, see p8)

5. ESG

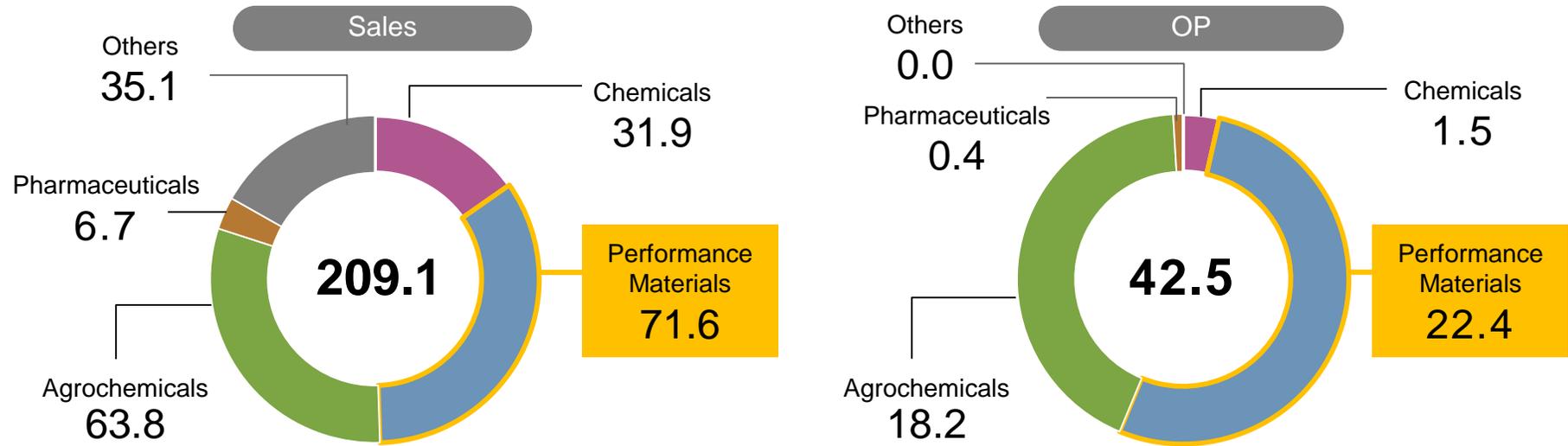
By shutdown of melamine, 26,000 GHG (t-CO₂) or equivalent to about 7% of FY2018 GHG (see p48) estimated to be reduced

(2) PL image of Chemicals segment in FY2023

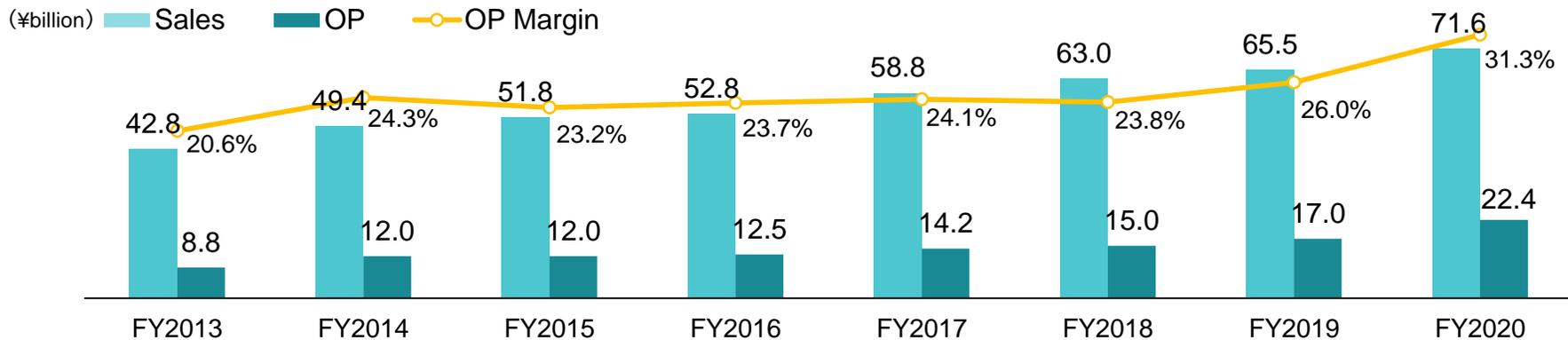
(¥billion)

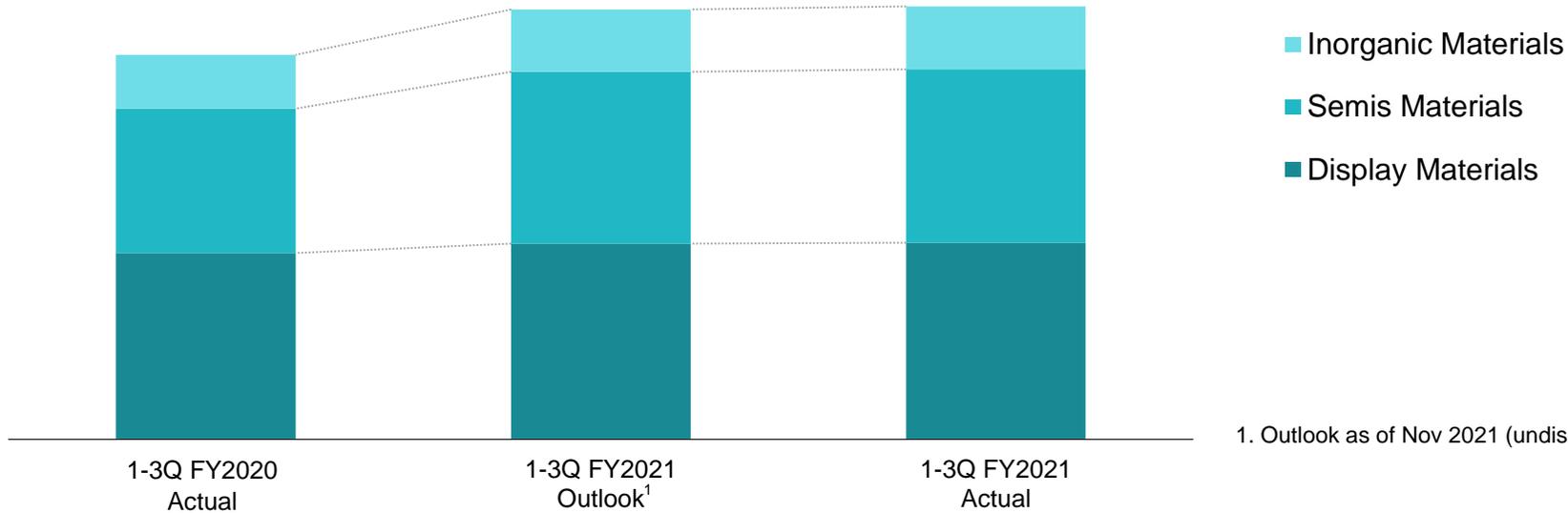
	FY2021 Outlook as of May 2021	Difference between FY2023 and FY2021 Outlook Effects of Melamine stop and countermeasures	FY2023 PL Image
Sales	34.6	+1.6	36.2
OP	2.4	+1.0	3.4

FY2020 Actual by Segment (¥billion)



Performance Materials – Recent Financial Performance





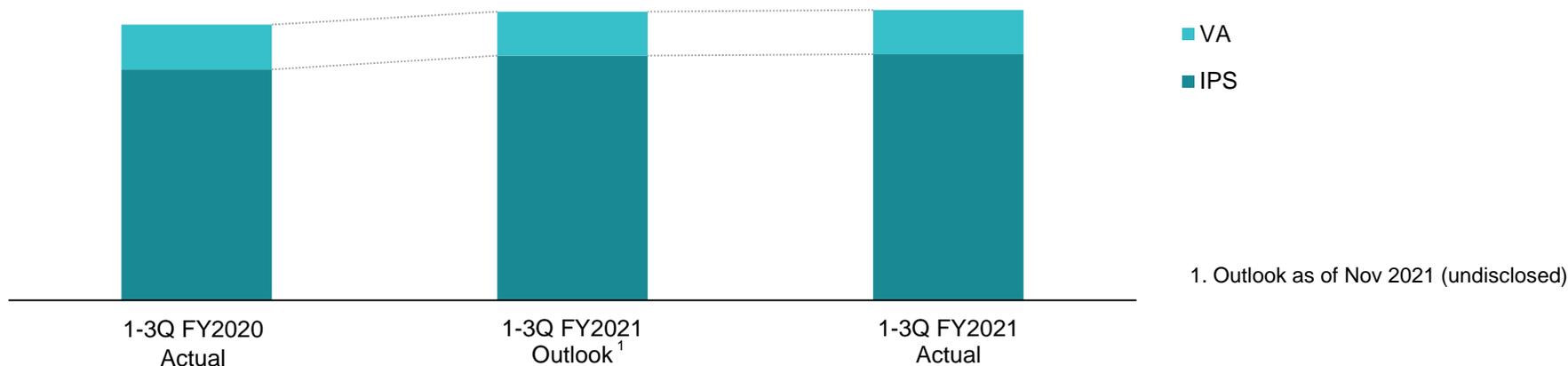
1. Outlook as of Nov 2021 (undisclosed)

Main Products

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

Sales increased in IPS mode.

In particular, sales of photo IPS (photo alignment materials for IPS LCDs) increased in IPS mode.



Main Applications

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

Sales Growth Rate by Mode

	YOY Change		vs. Outlook as of Nov 2021 (undisclosed)
	3Q	1-3Q	
VA	+0 ~ +9%	-9 ~ -0%	Above
IPS	+0 ~ +9%	+0 ~ +9%	Above
Total SUNEVER (including TN ²)	+2%	+5%	Above

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

- DP Materials: 【1-3Q】Sales YOY +6%, Sales above target
- Semis Materials: 【1-3Q】Sales YOY +20%, Sales above target
- Inorganic Materials: 【1-3Q】Sales YOY +17%, Sales above target

Main Products		YOY Change		vs. Outlook as of Nov 2021 (undisclosed)	Main Products		YOY Change		vs. Outlook as of Nov 2021 (undisclosed)
		3Q	1-3Q				3Q	1-3Q	
Total SUNEVER		+2%	+5%	Above	SNOWTEX		+10%	+16%	Below
Total Display Materials		+2%	+6%	Above	Organo/Monomer Sol		+7%	+19%	Above
	KrF (ARC®)	+25%	+23%	Above	Oilfield Materials		-71%	-16%	Below
	ArF (ARC®)	+20%	+21%	Above	Total Inorganic Materials		+6%	+17%	Above
Total ARC®		+22%	+22%	Above					
Other Semis Materials ¹		+14%	+16%	Above					
Total Semis Materials		+20%	+20%	Above					

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

3Q FY2021 Financial Results

YOY Change

【3Q】Sales up ¥1.7 billion, OP up ¥1.3 billion,

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

【1-3Q】 Sales up ¥6.7 billion, OP up ¥3.8 billion,

Fixed cost up ¥0.7 billion in total (including common expenses up ¥0.1 billion)

(¥billion)

	FY2020 Actual			FY2021 Actual			YOY Change		
	1H	3Q	1-3Q	1H	3Q	1-3Q	1H	3Q	1-3Q
Sales	34.6	19.2	53.8	39.6	20.9	60.5	+5.0	+1.7	+6.7
OP	10.7	6.3	17.0	13.2	7.6	20.8	+2.5	+1.3	+3.8

Display Materials

【3Q】 Sales up, OP up 【1-3Q】 Sales up, OP up

Photo IPS

【3Q】& 【1-3Q】 Sales up
(non-smartphone up)

Rubbing IPS

【3Q】& 【1-3Q】 Sales down

VA

【3Q】 Sales up 【1-3Q】 Sales down

【3Q】 Fixed cost down ¥0.2 billion

【1-3Q】 Fixed cost down ¥0.1 billion

Semis Materials

【3Q】 Sales up, OP up 【1-3Q】 Sales up, OP up

ARC®

【3Q】&【1-3Q】 Sales up

Other semis materials

【3Q】&【1-3Q】 Sales up
(multi layer materials and other new materials¹ up)

【3Q】 Semis market overall good performance

【1-3Q】 Semis market overall good performance,
fixed cost up ¥0.4 billion

1. other new materials: EUV materials, CMOS image sensor materials, 3D packaging process materials total

Inorganic Materials

【3Q】 Sales up, OP up 【1-3Q】 Sales up, OP up

SNOWTEX

【3Q】&【1-3Q】 Sales up
(non-polishing and polishing up)

Organo/Monomer Sol

【3Q】&【1-3Q】 Sales up

Oilfield materials

【3Q】&【1-3Q】 Sales down

【1-3Q】 Fixed cost up ¥0.3 billion

3Q FY2021 Financial Results Compare to Outlook

【3Q】Sales above target ¥0.4 billion, OP above target ¥1.0 billion, Fixed cost below expectations ¥0.4 billion in total

(¥billion)

	FY2021 Outlook as of Nov 2021		FY2021 Actual		vs. Outlook
	3Q	1-3Q	3Q	1-3Q	3Q
Sales	20.5	60.1	20.9	60.5	+0.4
OP	6.6	19.8	7.6	20.8	+1.0

【3Q】 Sales above target, OP above target

Display Materials

Photo IPS Sales above target (non-smartphone up)

Rubbing IPS Sales below target

VA Sales above target

Fixed cost below expectations ¥0.1 billion

【3Q】 Sales above target, OP above target

Semis Materials

ARC® Sales above target

Other semis materials Sales above target (multi layer materials and other new materials¹ above target)

Semis market overall good performance,
Fixed cost below expectations ¥0.2 billion

1. other new materials: EUV materials, CMOS image sensor materials, 3D packaging process materials total

【3Q】 Sales above target, OP above target

Inorganic Materials

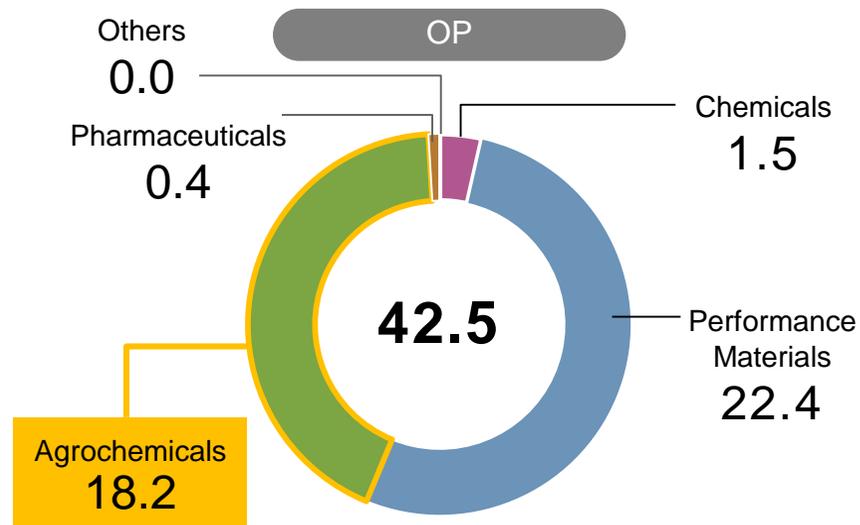
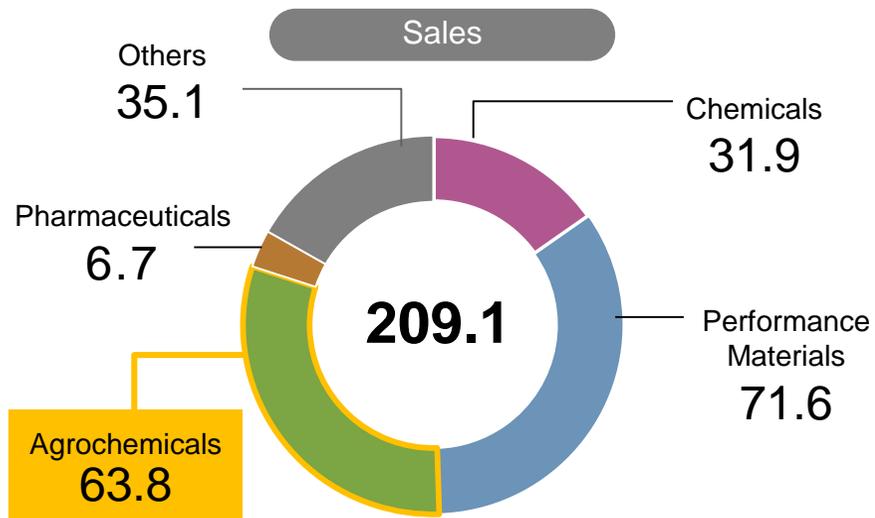
SNOWTEX Sales below target (non-polishing down, polishing up)

Organo/Monomer Sol Sales above target

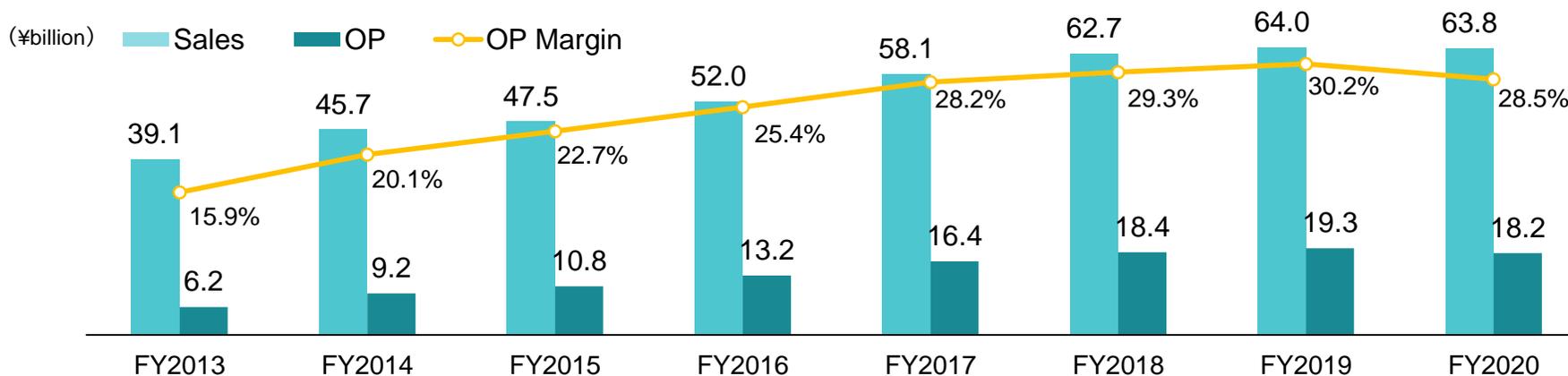
Oilfield materials Sales below target

Fixed cost below expectations ¥0.1 billion

FY2020 Actual by Segment (¥billion)



Agrochemicals – Recent Financial Performance



【1-3Q】 Sales YOY +11%, Sales above target

Main Products (in order of FY2020 Sales amount)	Types	YOY Change (1-3Q)	vs. Outlook as of Nov 2021 (undisclosed)
ROUNDUP ¹	Herbicide	+9%	Above
Fluralaner	Animal Health products	+15%	Above
ALTAIR	Herbicide	-17%	Above
TARGA	Herbicide	+23%	Below
GRACIA	Insecticide	-32%	Above
PERMIT	Herbicide	+3%	Above
LEIMAY	Fungicide	+4%	Below
QUINTEC	Fungicide	Over +300%	Above
DITHANE	Fungicide	-	Below
Total segment	-	+11%	Above

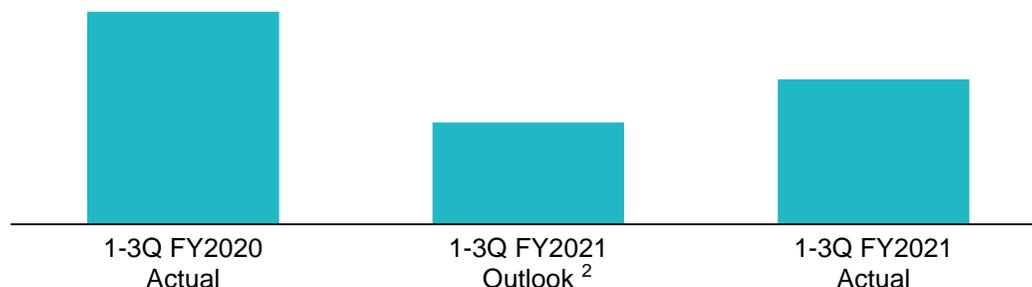
Reference

- No.1 in the domestic agrochemicals sales ranking (Oct 2018- Sep 2019)

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

1. ROUNDUP AL for general household accounting for 30% of 1-3Q FY2021 ROUNDUP sales

GRACIA Sales



Reference

2Q FY2021 Presentation Materials
(announced on Nov 11, 2021)
p30 GRACIA Sales Growth forecast

2. Outlook as of Nov 2021 (undisclosed)

【3Q】Sales up ¥5.6 billion, OP up ¥4.4 billion, Fixed cost up ¥0.3 billion

(sales up ¥4.0 billion, OP up ¥4.0 billion due to changes in accounting policies)

【1-3Q】Sales up ¥4.9 billion, OP up ¥3.6 billion, Fixed cost up ¥0.9 billion (including DITHANE amortization ¥0.2 billion)

(sales up ¥3.1 billion, OP up ¥3.1 billion due to changes in accounting policies)

(¥billion)

	FY2020 Actual			FY2021 Actual			YOY Change		
	1H	3Q	1-3Q	1H	3Q	1-3Q	1H	3Q	1-3Q
Sales	25.7	6.3	32.0	25.0	11.9	36.9	-0.7	+5.6	+4.9
OP	7.8	-1.3	6.5	7.0	3.1	10.1	-0.8	+4.4	+3.6

Main products	ROUNDUP(Herbicide)	【3Q】 Sales up (ML: rush demand following the announcement of price hikes in December) 【1-3Q】 Sales up (ML: rush demand following the announcement of price hikes in December, AL: strong sales)
	Fluralaner(Animal health product)	【3Q】 Sales up (royalties recorded due to changes in accounting policies) 【1-3Q】 Sales up (royalties recorded due to changes in accounting policies, although API down)
	ALTAIR(Herbicide)	【3Q】 Sales up 【1-3Q】 Sales down
	TARGA(Herbicide)	【3Q】&【1-3Q】 Sales up (launch of mixture product for India)
	GRACIA(Insecticide)	【3Q】 Sales up (domestic: sales up due to decrease in distribution inventory and increase pest control needs, export: sales up due to launch in new countries) 【1-3Q】 Sales down (domestic: down, export: down)
	PERMIT(Herbicide)	【3Q】 Sales down 【1-3Q】 Sales up
	LEIMAY(Fungicide)	【3Q】 Sales down 【1-3Q】 Sales up
	QUINTEC(Fungicide)	【3Q】 Sales up (shipment shifted from 4Q FY2021) 【1-3Q】 Sales up (shipment shifted from 4Q FY2020 to 1Q FY2021 and shipment shifted from 4Q FY2021)
	DITHANE(Fungicide)	【3Q】&【1-3Q】 Sales up (sales start from 4Q FY2020)

1. FY2021 Actual : including effects of changes in accounting policies

(Fluralaner royalties increase/decrease due to changes in recognized timing and sales discount cost increase/decrease) (see p51)

[3Q] Sales above target ¥0.7 billion, OP above target ¥1.1 billion,
Fixed cost below expectations ¥0.1 billion, Inventory adjustment cost below expectations ¥0.2 billion

(¥billion)

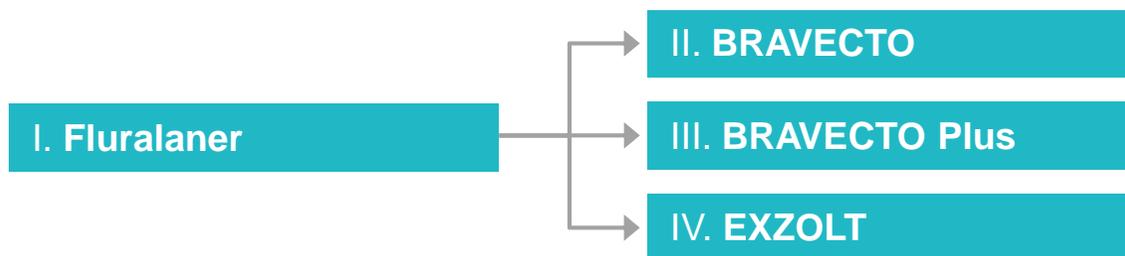
	FY2021 Outlook as of Nov 2021		FY2021 Actual		vs. Outlook
	3Q	1-3Q	3Q	1-3Q	3Q
Sales	11.2	36.2	11.9	36.9	+0.7
OP	2.0	9.0	3.1	10.1	+1.1

Main products	ROUNDUP(Herbicide)	Sales above target (ML: rush demand following the announcement of price hikes in December)
	Fluralaner(Animal health product)	Sales above target (API: in line with target, royalties above target)
	ALTAIR(Herbicide)	Sales above target
	TARGA(Herbicide)	Sales below target (shipment shifted to 4Q FY2021)
	GRACIA(Insecticide)	Sales above target (domestic: above due to decrease in distribution inventory and increase pest control needs, export: due to launch in new countries)
	PERMIT(Herbicide)	Sales above target
	LEIMAY(Fungicide)	Sales below target (production and shipping delays)
	QUINTEC(Fungicide)	Sales above target (shipment shifted from 4Q FY2021)
	DITHANE(Fungicide)	Sales below target

1. FY2021 Actual & Outlook : including effects of changes in accounting policies

(Fluralaner royalties increase/decrease due to changes in recognized timing and sales discount cost increase/decrease) (see p51)

BRAVECTO series and Exzolt, which contains the active pharmaceutical ingredient of fluralaner invented by NCC, are currently available in more than 100 countries.



I. Fluralaner

- Invented by NCC and supplied to MSD¹ as the active pharmaceutical ingredient of BRAVECTO and EXZOLT
- Currently, BRAVECTO series and EXZOLT are available in more than 100 countries
- Compound patent
 - Fluralaner's compound patent expires in March 2025, but many countries have a patent term extension system
 - Some EU countries including UK, France, Germany – already extended to February 2029
 - USA, etc. – applications under examination

II. BRAVECTO

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

III. BRAVECTO Plus

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

IV. EXZOLT

- A poultry medicine against red mite launched by MSD (administered via drinking water)
 - September 2017 EU, June 2018 Korea and Middle East etc., July 2021 Japan

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

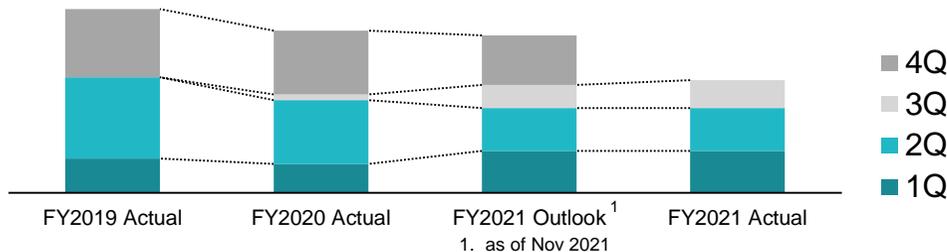
NCC's Revenues are Consisted from Following Two Factors

- Sales of Fluralaner to MSD as API¹ of BRAVECTO and EXOLT products
- Running royalties received from MSD

1. API: Active Pharmaceutical Ingredient

FY2019-FY2021 Fluralaner Quarterly Sales (including royalties)

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

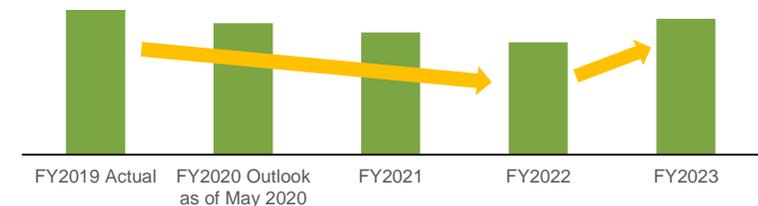


Revenue recognition policy changed (see p51)

- (until FY2020)
Royalties revenue on MSD's sales for
Jan-Jun: recognized in Aug, Jul-Dec: recognized in Feb
- (from FY2021)
Royalties revenue on MSD's sales for
Jan-Mar: recognized in May, Apr-Jun: recognized in Aug,
Jul-Sep: recognized in Nov, Oct-Dec: recognized in Feb

FY2019-FY2023 Fluralaner Pro-forma Sales (including royalties) Image (Announced in May 2020)

BRAVECTO sales expected to grow steadily. But NCC's Fluralaner sales expected to decrease until FY2022 due to continuing inventory adjustment and recover in FY2023.



Although inventory adjustment has been proceeding, no change in the above scenario at this moment.

BRAVECTO and EXZOLT R&D

Several pipeline products being developed by MSD (including new type of BRAVECTO for pets and spot-on solution for livestock)

No change from FY2020 Presentation Materials announced in May 2021.

Expand product portfolio through acquisition and introduction of new pesticides

QUINTEC (QUINOXYFEN)

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

DITHANE (MANCOZEB)

- DITHANE is NCC's main product of fungicides containing MANCOZEB (active ingredient)
- Acquired the MANCOZEB product line of fungicides in Japan and Korea including DITHANE brand from Corteva in December 2020
- Started to sell in January 2021 in Japan
- Protective fungicide with significant efficacy against various plant diseases in fruits (especially apples and citrus) and vegetables. Excellent rain fastness
- Average amortized period fixed at 5 or 16 years(straight-line method)(weighted average 15.6 years) after the accounting audit. (tentatively calculated under the condition of 5-year amortization period before audit)

DITHANE Acquisition's Estimated PL Impact (¥billion)

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

No change from FY2019 Presentation Materials announced in May 2020.

Establish an API production site to ensure a stable global supply and reduce manufacturing costs

Nissan Bharat Rasayan Private Limited (NBR)

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

Bharat Rasayan Ltd (BRL)

Foundation	1989 (one of major Indian agrochemical companies)
Listing	National Stock Exchange of India(NSE), Bombay Stock Exchange (BSE)
Major Shareholders	Founders families including Sat Narain Gupta, Chairman 74.8%
2020 PL	Sales INR 10,920 million, Net Income after Taxes INR 1,639 million
Plant Location	2 plants: (A) Dahej, Gujarat (B) Rohtak, Haryana
Relationship with NCC	BRL manufactures active ingredients and intermediates of NCC's products. Bharat Insecticides Ltd (BIL), a related company of Bharat group, distributes certain NCC's products(TARGA, PULSOR, PERMIT) in India

Funding Plan

(¥billion)			
Plant	4.3	Capital (INR 1.5 billion)	2.3
Working capital and others	2.4	Borrowings provided by NCC	3.3
		Borrowings provided by local banks	1.1
Total required funds	6.7	Total funding plan	6.7

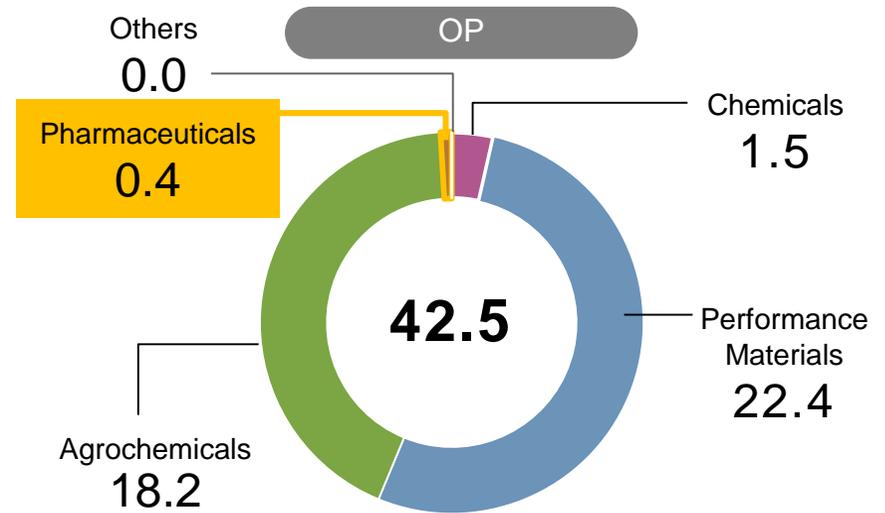
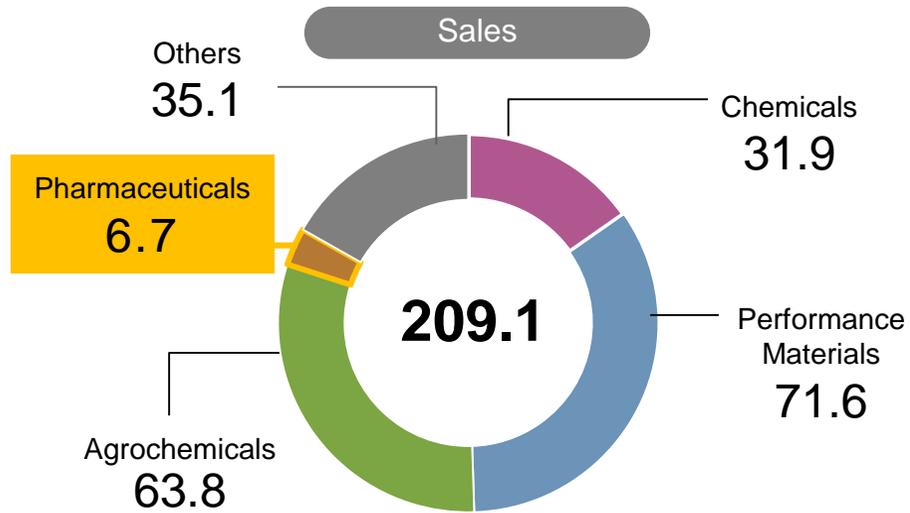
Expected Net Contribution to NCC's Consolidated PL

(¥billion)					
FY	2021	2022	2023	2024	2025
OP	-0.3	0.5	1.2	2.0	3.2

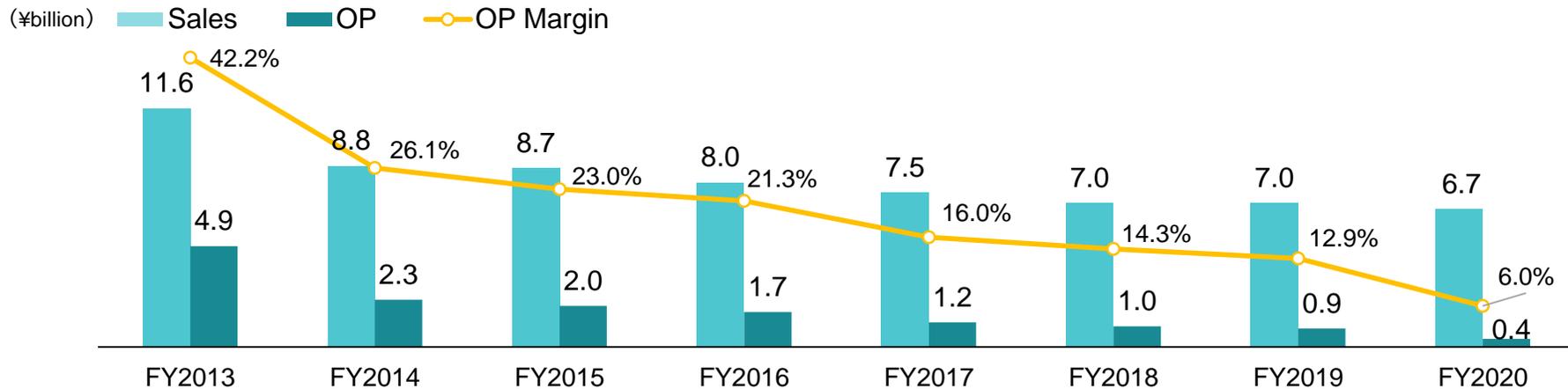
Advantages to NCC

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

FY2020 Actual by Segment (¥billion)



Pharmaceuticals – Recent Financial Performance



[3Q] Sales up ¥0.52 billion, OP up ¥0.48 billion

[1-3Q] Sales up ¥0.84 billion, OP up ¥0.90 billion

(¥billion)

	FY2020 Actual			FY2021 Actual			YOY Change		
	1H	3Q	1-3Q	1H	3Q	1-3Q	1H	3Q	1-3Q
Sales	3.02	1.40	4.42	3.34	1.92	5.26	+0.32	+0.52	+0.84
Drug Discovery	1.53	0.58	2.11	1.41	0.48	1.89	-0.12	-0.10	-0.22
Custom Chemicals	1.49	0.82	2.31	1.93	1.44	3.37	+0.44	+0.62	+1.06
OP	0.03	-0.04	-0.01	0.45	0.44	0.89	+0.42	+0.48	+0.90
Drug Discovery	-0.36	-0.36	-0.72	-0.44	-0.34	-0.78	-0.08	+0.02	-0.06
Custom Chemicals	0.39	0.32	0.71	0.89	-0.78	1.67	+0.50	+0.46	+0.96

1. Figures in p12, p13, p40, p41, p56, p57 may not match the numbers on this page due to rounding.

Drug Discovery

[3Q] Sales down, OP up

[1-3Q] Sales down, OP down

LIVALO

[3Q] Sales down (domestic and export down)
[1-3Q] Sales down (domestic up, export down)

Inventory adjustment cost down ¥0.1 billion

Custom Chemicals

[3Q] Sales up, OP up

[1-3Q] Sales up, OP up

[3Q]&[1-3Q] Strong sales of generic APIs,
Shipment shifted from 4Q FY2021

Sales Growth Rate of Main Products

	YOY Change		vs. Outlook as of Nov 2021 (undisclosed)
	3Q	1-3Q	
LIVALO	-25%	-12%	Below
Custom Chemicals	+77%	+46%	Above
Total segment	+38%	+19%	Above

【3Q】Sales above target ¥0.06 billion, OP above target ¥0.13 billion

(¥billion)

	FY2021 Outlook as of Nov 2021		FY2021 Actual		vs. Outlook
	3Q	1-3Q	3Q	1-3Q	3Q
Sales	1.86	5.20	1.92	5.26	+0.06
Drug Discovery	0.61	2.02	0.48	1.89	-0.13
Custom Chemicals	1.25	3.18	1.44	3.37	+0.19
OP	0.31	0.76	0.44	0.89	+0.13
Drug Discovery	-0.34	-0.78	-0.34	-0.78	0.00
Custom Chemicals	0.65	1.54	0.78	1.67	+0.13

1. Figures in p12, p13, p40, p41, p56, p57 may not match the numbers on this page due to rounding.

Drug
Discovery

【3Q】Sales below target, OP in line with target

LIVALO

Sales below target
(domestic below target, export above target)

Fixed cost below expectations ¥0.1 billion

Custom
Chemicals

【3Q】Sales above target, OP above target

Generic APIs above target

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Appendix P50

Summary of FY2021 Outlook

Full-Year Outlook is Revised Upward (FY2021 OP:¥50.0 billion)

The Outlook is calculated by adding up the results for 1-3Q and the outlook for 4Q based on the figures announced in Nov 2021

Full-Year

vs. FY2020

- Sales down ¥0.8 billion (-0%)
- OP up ¥7.5 billion (+18%)
- Net Income up ¥3.8 billion (+11%)
- **OP and Ordinary Income expected to renew the highest results of a full year for 8 consecutive years. Net Income expected to renew the highest results of a full year for 9 consecutive years.**
- **ROE Outlook for FY2021 is 18.6%**

Full-Year

vs. Outlook
as of Nov 2021

- Sales above target ¥2.8 billion
- OP above target ¥2.6 billion
- Net Income above target ¥0.9 billion

Shareholders Return (Full-Year Outlook)

Revised 2H dividend Outlook to ¥68/share and announced ¥5.0 billion share repurchase (Total Payout Ratio 77.1%)

Dividend	¥118/share (Full-Year) 1H ¥50/share, 2H ¥68/share (Dividend Payout Ratio : 45.1%) 【vs. FY2020】1H up ¥4/share, 2H up ¥10/share 【vs. Outlook as of Nov 2021】2H up ¥4/share
Share Repurchase	¥12.0 billion (Full-Year) <ul style="list-style-type: none"> ● ¥7.0 billion, 1,262 thousand shares completed in July 2021 ● ¥5.0 billion, 1,000 thousand shares announced in February 2022 【vs. FY2020】¥2.0 billion up 【vs. Outlook as of Nov 2021】¥5.0 billion up
Share Cancellation	Cancelled 2.0 million shares in May and August 2021
Total Payout Ratio	77.1% based on ¥118/share dividend and ¥12.0 billion share repurchase (FY2020 Actual: 74.6%)

Full Year FY2021 Outlook

(¥billion)

	FY2020 Actual					FY2021 Outlook as of Nov 2021					FY2021 Outlook as of Feb 2022				
	1H	3Q	4Q	2H	Total	1H Actual	3Q	4Q	2H	Total	1H Actual	3Q Actual	4Q	2H	Total
Sales	94.5	43.7	70.9	114.6	209.1	91.8	46.7	67.0	113.7	205.5	91.8	49.5	67.0	116.5	208.3
Operating Profit ¹	18.0	5.6	18.9	24.5	42.5	21.3	9.4	16.7	26.1	47.4	21.3	12.6	16.1	28.7	50.0
Non-Operating Income/Expenses	0.2	0.2	1.0	1.2	1.4	1.0	0.4	0.0	0.4	1.4	1.0	0.9	-0.1	0.8	1.8
Ordinary Income ¹	18.2	5.8	19.9	25.7	43.9	22.3	9.8	16.7	26.5	48.8	22.3	13.5	16.0	29.5	51.8
Extraordinary Income/Loss	1.1	0.0	0.5	0.5	1.6	0.0	0.0	1.0	1.0	1.0	0.0	0.2	0.0	0.2	0.2
Income taxes and non- controlling interests ²	-5.4	-1.3	-5.3	-6.6	-12.0	-6.0	-2.5	-4.9	-7.4	-13.4	-6.0	-4.4	-4.3	-8.7	-14.7
Net Income ^{1,2,3}	13.9	4.5	15.1	19.6	33.5	16.3	7.3	12.8	20.1	36.4	16.3	9.3	11.7	21.0	37.3
EBITDA ⁴	22.8	8.3	21.9	30.2	53.0	26.0	-	-	31.9	57.9	26.0	15.2	19.3	34.5	60.5
EPS (¥/share) ¹	95.96	30.97	104.80	135.77	231.73	113.94	-	-	141.16	255.10	113.94	65.64	82.02	147.66	261.60
Dividend (¥/share)	46	-	-	58	104	50	-	-	64	114	50	-	-	68	118
Dividend payout ratio (%)	-	-	-	-	44.9	-	-	-	-	44.7	-	-	-	-	45.1
Total amount of Dividend	6.6	-	-	8.4	15.0	7.1	-	-	9.1	16.2	7.1	-	-	9.7	16.8
OP Margin ¹	19.0%	12.9%	26.7%	21.4%	20.3%	23.2%	20.1%	24.9%	22.9%	23.1%	23.2%	25.5%	24.0%	24.6%	24.0%
ROE	-	-	-	-	17.5%	-	-	-	-	18.1%	-	-	-	-	18.6%
FX Rate (¥/\$)	107	105	106	105	106	110	107	107	107	108	110	114	107	110	110
Crude Oil (JCC) (\$/bbl) ⁵	36	44	56	50	43	70	75	75	75	73	70	80	75	78	74

1. 3Q-4Q FY2020 Actual: figures are revised due to the impact of recalculation of DITHANE amortization (see p5)

2. Income taxes and non-controlling interests announced in Nov 2021 are revised due to incorrect figures in 3Q and 4Q. Net income is revised as well. (see p6)

3. Net income = Profit Attributable to Owners of Parent 4. EBITDA = Operating Profit + Depreciation and amortization 5. Based on Trade Statistics of Japan Ministry of Finance

FY2021 Financial Outlook YOY Change by Segment

(¥billion)

		FY2020 Actual					FY2021 Outlook as of Feb 2022					YOY Change				
		1H	3Q	4Q	2H	Total	1H Actual	3Q Actual	4Q	2H	Total	1H Actual	3Q Actual	4Q	2H	Total
Chemicals	Sales	14.7	8.3	8.9	17.2	31.9	17.1	10.5	9.7	20.2	37.3	+2.4 (+16%)	+2.2 (+26%)	+0.8 (+10%)	+3.0 (+17%)	+5.4 (+17%)
	OP	-0.1	0.7	0.9	1.6	1.5	1.2	1.3	0.7	2.0	3.2	+1.3 (-)	+0.6 (+81%)	-0.2 (-22%)	+0.4 (+23%)	+1.7 (+116%)
Performance Materials	Sales	34.6	19.2	17.8	37.0	71.6	39.6	20.9	20.8	41.7	81.3	+5.0 (+14%)	+1.7 (+9%)	+3.0 (+16%)	+4.7 (+13%)	+9.7 (+13%)
	OP	10.7	6.3	5.4	11.7	22.4	13.2	7.6	6.5	14.1	27.3	+2.5 (+23%)	+1.3 (+21%)	+1.1 (+20%)	+2.4 (+21%)	+4.9 (+22%)
Agrochemicals	Sales	25.7	6.3	31.8	38.1	63.8	25.0	11.9	29.6	41.5	66.5	-0.7 (-3%)	+5.6 (+92%)	-2.2 (-7%)	+3.4 (+9%)	+2.7 (+4%)
	OP	7.8	-1.3	11.7	10.4	18.2	7.0	3.1	9.2	12.3	19.3	-0.8 (-10%)	+4.4 (-)	-2.5 (-21%)	+1.9 (+18%)	+1.1 (+6%)
Pharmaceuticals	Sales	3.0	1.4	2.3	3.7	6.7	3.3	2.0	1.1	3.1	6.4	+0.3 (+10%)	+0.6 (+38%)	-1.2 (-47%)	-0.6 (-15%)	-0.3 (-4%)
	OP	0.0	0.0	0.4	0.4	0.4	0.5	0.4	-0.3	0.1	0.6	+0.5 (-)	+0.4 (-)	-0.7 (-)	-0.3 (-70%)	+0.2 (+68%)
Trading	Sales	33.7	17.8	18.3	36.1	69.8	36.4	22.2	18.7	40.9	77.3	+2.7	+4.4	+0.4	+4.8	+7.5
	OP	1.2	0.7	0.6	1.3	2.5	1.3	0.8	0.4	1.2	2.5	+0.1	+0.1	-0.2	-0.1	0.0
Others	Sales	9.4	6.8	7.6	14.4	23.8	10.4	6.1	7.8	13.9	24.3	+1.0	-0.7	+0.2	-0.5	+0.5
	OP	0.0	0.4	0.4	0.8	0.8	0.0	0.2	0.5	0.7	0.7	0.0	-0.2	+0.1	-0.1	-0.1
Adjustment	Sales	-26.6	-16.1	-15.8	-31.9	-58.5	-40.0	-24.1	-20.7	-44.8	-84.8	-13.4	-8.0	-4.9	-12.9	-26.3
	OP	-1.6	-1.2	-0.5	-1.7	-3.3	-1.9	-0.8	-0.9	-1.7	-3.6	-0.3	+0.4	-0.4	0.0	-0.3
Total	Sales	94.5	43.7	70.9	114.6	209.1	91.8	49.5	67.0	116.5	208.3	-2.7 (-3%)	+5.8 (+13%)	-3.9 (-6%)	+1.9 (+2%)	-0.8 (0%)
	OP	18.0	5.6	18.9	24.5	42.5	21.3	12.6	16.1	28.7	50.0	+3.3 (+19%)	+7.0 (+124%)	-2.8 (-15%)	+4.2 (+17%)	+7.5 (+18%)

1. Including inter-segment sales/transfers

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

FY2021 Financial Outlook Compared to Outlook(as of Nov 2021) by Segment

(¥billion)

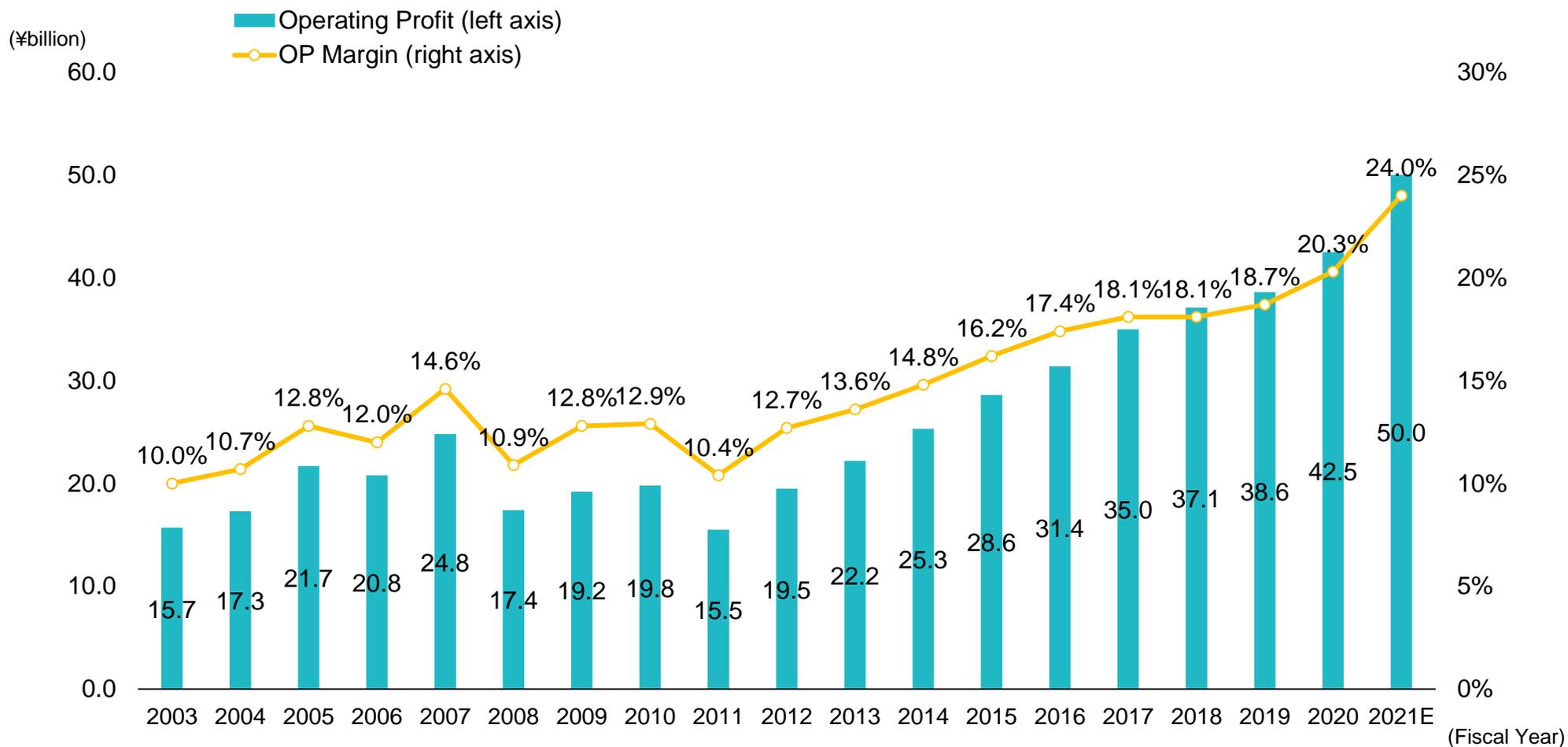
		FY2021 Outlook as of Nov 2021					FY2021 Outlook as of Feb 2022					vs. Outlook as of Nov 2021
		1H Actual	3Q	4Q	2H	Total	1H Actual	3Q Actual	4Q	2H	Total	Total
Chemicals	Sales	17.1	9.6	9.7	19.3	36.4	17.1	10.5	9.7	20.2	37.3	+0.9
	OP	1.2	1.0	0.7	1.7	2.9	1.2	1.3	0.7	2.0	3.2	+0.3
Performance Materials	Sales	39.6	20.5	20.8	41.3	80.9	39.6	20.9	20.8	41.7	81.3	+0.4
	OP	13.2	6.6	6.5	13.1	26.3	13.2	7.6	6.5	14.1	27.3	+1.0
Agrochemicals	Sales	25.0	11.2	29.6	40.8	65.8	25.0	11.9	29.6	41.5	66.5	+0.7
	OP	7.0	2.0	9.2	11.2	18.2	7.0	3.1	9.2	12.3	19.3	+1.1
Pharmaceuticals	Sales	3.3	1.9	1.1	3.0	6.3	3.3	2.0	1.1	3.1	6.4	+0.1
	OP	0.5	0.3	-0.3	0.0	0.5	0.5	0.4	-0.3	0.1	0.6	+0.1
Trading	Sales	36.4	20.0	18.7	38.7	75.1	36.4	22.2	18.7	40.9	77.3	+2.2
	OP	1.3	0.6	0.4	1.0	2.3	1.3	0.8	0.4	1.2	2.5	+0.2
Others	Sales	10.4	5.3	7.8	13.1	23.5	10.4	6.1	7.8	13.9	24.3	+0.8
	OP	0.0	0.1	0.5	0.6	0.6	0.0	0.2	0.5	0.7	0.7	+0.1
Adjustment	Sales	-40.0	-21.8	-20.7	-42.5	-82.5	-40.0	-24.1	-20.7	-44.8	-84.8	-2.3
	OP	-1.9	-1.2	-0.3	-1.5	-3.4	-1.9	-0.8	-0.9	-1.7	-3.6	-0.2
Total	Sales	91.8	46.7	67.0	113.7	205.5	91.8	49.5	67.0	116.5	208.3	+2.8
	OP	21.3	9.4	16.7	26.1	47.4	21.3	12.6	16.1	28.7	50.0	+2.6

1. Including inter-segment sales/transfers

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

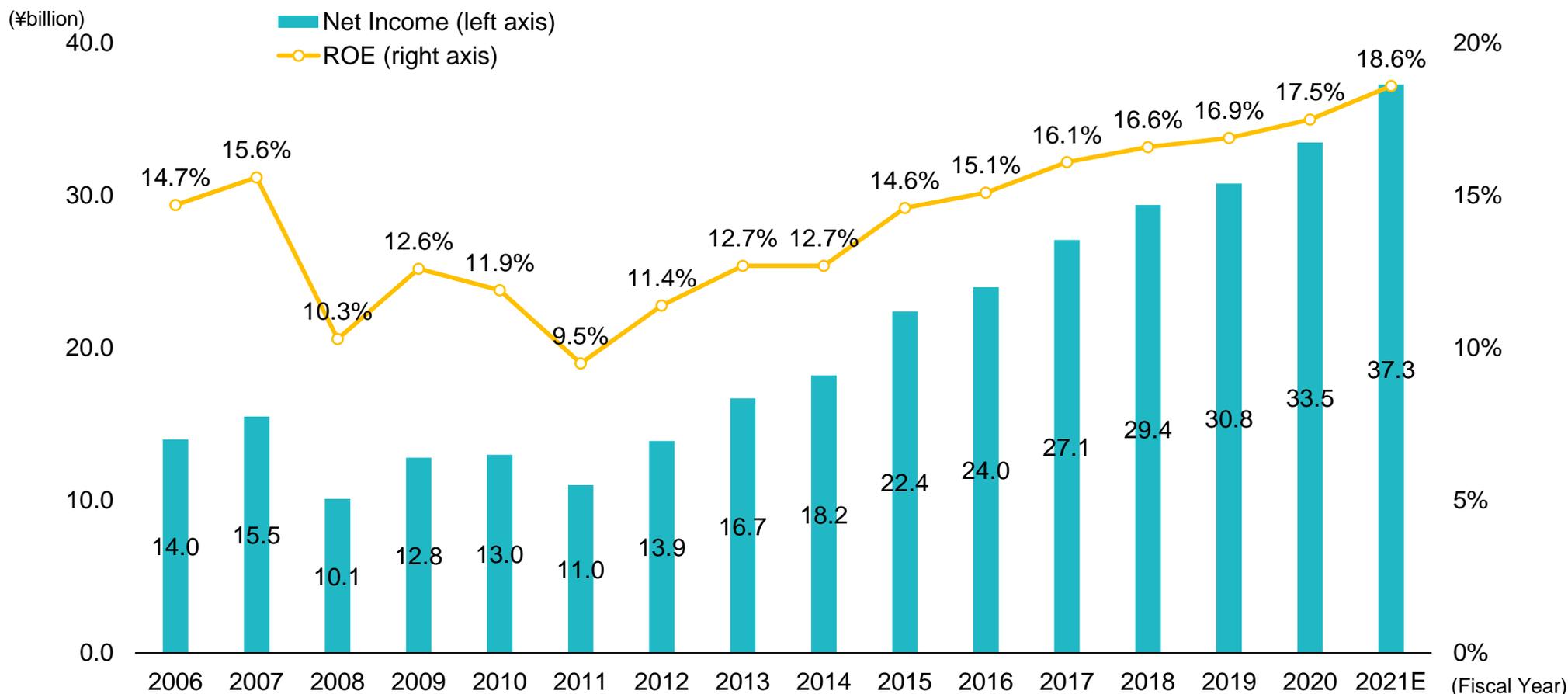
OP Margin Trend

- OP margin has been above 10% for 18 consecutive years (FY2003-2020)
- FY2021 Outlook : 24.0%



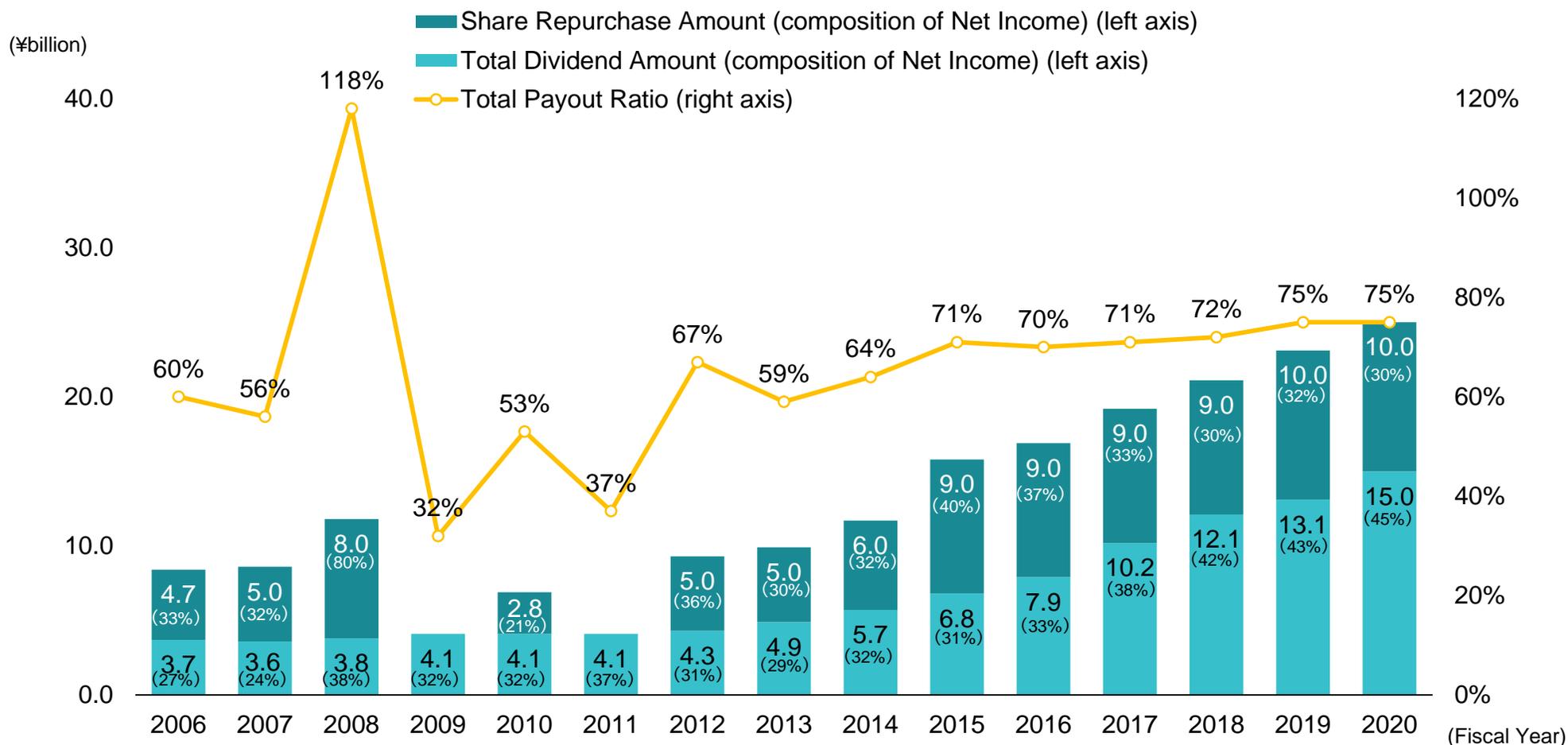
ROE Trend

- Position ROE as the most important financial indicator for a long time
- Mid-Term Plan FY2019-2021 Target : Maintain above 16%
⇒ Achieved in FY2019 (16.9%) and FY2020 (17.5%)
- FY2021 Outlook : 18.6%



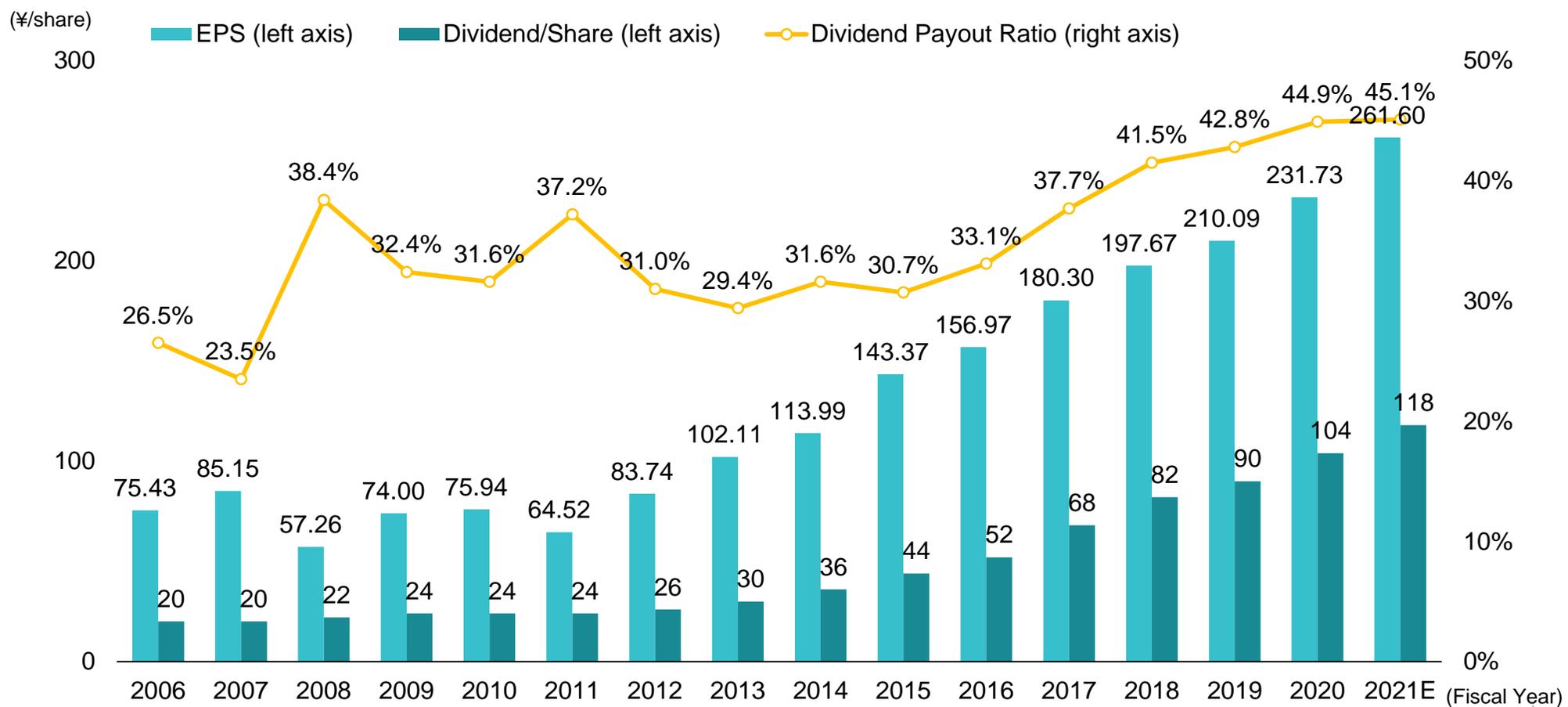
Shareholders Return Policy - Total Payout Ratio

- Maintain an aggressive shareholders return policy
- Mid-Term Plan FY2019-2021 Target : 72.5% in FY2019, 75% after FY2020
⇒ Achieved in FY2019 (75%) and FY2020 (75%)
- FY2021 Total payout ratio target 75%



Shareholders Return Policy – Dividend Payout Ratio

- Gradually increased from 30.7% in FY2015 to 41.5% in FY2018
- Mid-Term Plan FY2019-2021 Target : 42.5% in FY2019, 45% after FY2020
⇒ Achieved in FY2019 (42.8%) and FY2020 (44.9%)
- FY2021 Outlook : 45.1%
- Increased dividend/share for 9 consecutive years until FY2020



Shareholders Return Policy - Share Repurchase

- Started share repurchase in FY2006 only to enhance ROE
- Repurchased ¥92.5 billion, 42.7 million shares (22.8% of shares issued) in total from FY2006 to FY2020
- Cancelled all repurchased shares
- Continue to strengthen shareholders return through share repurchase

FY2006 - 2020 Shareholders Return

Fiscal Year	2006	2007	2008	2010	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
Shares purchased (thousand shares) ¹	3,500	3,399	7,355	2,167	6,372	3,263	2,764	3,333	2,621	2,292	1,682	2,138	1,829	42,715
Purchase costs (¥billion) ¹	4.7	5.0	8.0	2.8	5.0	5.0	6.0	9.0	9.0	9.0	9.0	10.0	10.0	92.5
Shares cancelled (thousand shares)	3,000	3,635	7,000	3,000	6,000	4,000	3,000	2,000	2,000	3,000	2,000	3,000	1,000	42,635
Shares issued at FY end (million shares)	185	181	174	171	165	161	158	156	154	151	149	146	145	
Treasury shares at FY end (thousand shares) ²	1,367	1,233	1,660	885	1,258	522	287	1,621	2,242	1,535	1,218	523	1,352	
Total payout ratio (dividend + share repurchase) (%)	60	56	118	53	67	59	64	71	70	71	72	75	75	

FY2018-2021 Share Repurchase and Cancel Program

Fiscal Year	2018			2019			2020			2021	
	1H	2H	Total	1H	2H	Total	1H	2H	Total	1H	From Feb. 7, 2022 to Apr. 28, 2022 ³
Shares purchased (thousand shares) ¹	976	706	1,682	1,270	868	2,138	1,334	495	1,829	1,262	Up to 1,000
Purchase costs (¥billion) ¹	5.0	4.0	9.0	6.0	4.0	10.0	7.0	3.0	10.0	7.0	Up to 5.0
Shares cancelled (thousand shares)	2,000	0	2,000	2,000	1,000	3,000	1,000	0	1,000	2,000	

1. Excluding share acquisitions for performance-based compensation (166,200 shares) 2. Including share acquisitions for performance-based compensation (166,200 shares)

3. Announced on February 4, 2022 4. No share repurchase in FY2009 and FY2011

Cash Management Policy (Non-consolidated basis)

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

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E
(Environment)

S
(Social)

G
(Governance)

- Established new long-term target for reducing greenhouse gas (GHG) emissions
- Mid-term target in Vista2021(FY2016-2021) :
 - Plan to reduce GHG emissions by 20% from FY2011 levels by FY2021 → Achieved 27% reduction in FY2019 compared to FY2011
- New long-term target: Plan to reduce GHG emissions by 30% from FY2018 levels by FY2030

GHG emission (1,000t-CO²)

Fiscal Year	2011	2018	2019	2020	2021	2030
Mid-term target in Vista2021	-	-	-	-	359	-
Actual	448	363	327	318	-	-
New long-term target	-	-	-	-	-	254
Average of 4 major Japanese chemical companies (non-consolidated basis)	-	-	5,845	5,581	-	-

- January 2021
- April 2021 Announced its Diversity Statement and Diversity Vision
- November 2021 Published [“Integrated Report 2021”](#)
- June 2022 (plan) Plan to reduce GHG emissions by melamine production stop (26,000 tons, equivalent to about 7% of FY2018)
- April 2019 Established Nomination and Remuneration Advisory Committee as an optional advisory body of the Board of Directors
- June 2019 Introduced a performance-linked stock compensation plan called a Board Benefit Trust for Board of Directors, etc.
- June 2021 One female Outside Director added, as a result, the Board of Directors includes 4 Outside Directors out of 10
- December 2021 Updated and disclosed ["Corporate Governance Report"](#) including skills matrix for the board

ESG Index and Third-party Recognition

Dow Jones Sustainability Asia Pacific Index

- November 2021
Selected as a constituent
for 4 consecutive years

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

S&P/JPX Carbon Efficient Index

- March 2021
Selected as a constituent
for 3 consecutive years



FTSE4Good Index Series・FTSE Blossom Japan Index

- July 2021
Selected as a constituent
for 2 consecutive years



MSCI Japan Empowering Women (WIN) Select Index

- December 2021
Selected as a constituent

2022 CONSTITUENT MSCI JAPAN
EMPOWERING WOMEN INDEX (WIN)

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CDP

- December 2021
Listed on Water Security “A List” for 3
consecutive years and Climate Change
“A- List” for 3 consecutive years



Task Force on Climate-related Financial Disclosures (TCFD)

- August 2020
Announced its support for
recommendations



Certified Health & Productivity Management Organization (White 500)

- March 2021
Acquired for 5 consecutive years



Corporate Value Improvement Award hosted by TSE

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

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Changes in Accounting Policies (some figures updated since November 2021)

- Changes in accounting policies:** Adoption of the Accounting Standard for the Revenue Recognition (ASBJ Statement No.29)
- Timing of adoption:** April 1, 2021 (From FY2021)
- Major effects on PL, BS due to the changes:**

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

	FY2021 Outlook as of Feb 2022						
	1Q	2Q	1H	3Q	4Q	2H	Total
Sales Impact ¹	-3.5	-7.4	-10.9	-1.7	-8.2	-9.9	-20.8
OP Impact ²	+1.2	-2.1	-0.9	+4.0	-3.2	+0.8	-0.1

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

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

A. Agent transactions

Mainly effected segments	Chemicals, Agrochemicals, Trading
Before adoption	Sales = gross amount from the customer, Sales expenses = amount paid to the supplier
After adoption	Sales = gross amount from the customer - amount paid to the supplier
Estimated impact on FY2021 PL Outlook	Sales and sales expenses down ¥20.7 billion, only deducted from Sales of Adjustment segment No impact on Operating Profit

B. Royalties based on sales amount

Mainly effected segments	Agrochemicals (Fluralaner running royalties)	3. MSD: MSD Animal Health, the global animal health business unit of Merck
Before adoption (until FY2020)	Royalties revenue on MSD ³ 's sales for Jan-June: recognized in Aug, July-Dec: recognized in Feb	
After adoption (from FY2021)	Royalties revenue on MSD ³ 's sales for Jan-Mar: recognized in May, Apr-June: recognized in Aug, July-Sep: recognized in Nov, Oct-Dec: recognized in Feb	

C. Sales discount subject to change at the selling timing

Mainly effected segments	Agrochemicals
Before adoption	Recognized when discount is finally fixed
After adoption	Recognized corresponding to sales period based on reasonable estimation
Estimated impact on FY2021 BS	■ The cumulative effect (¥1.5 billion)(after reflecting tax effect) of retroactively applying (C) is deducted from the beginning FY2021 retained earnings (BS item)

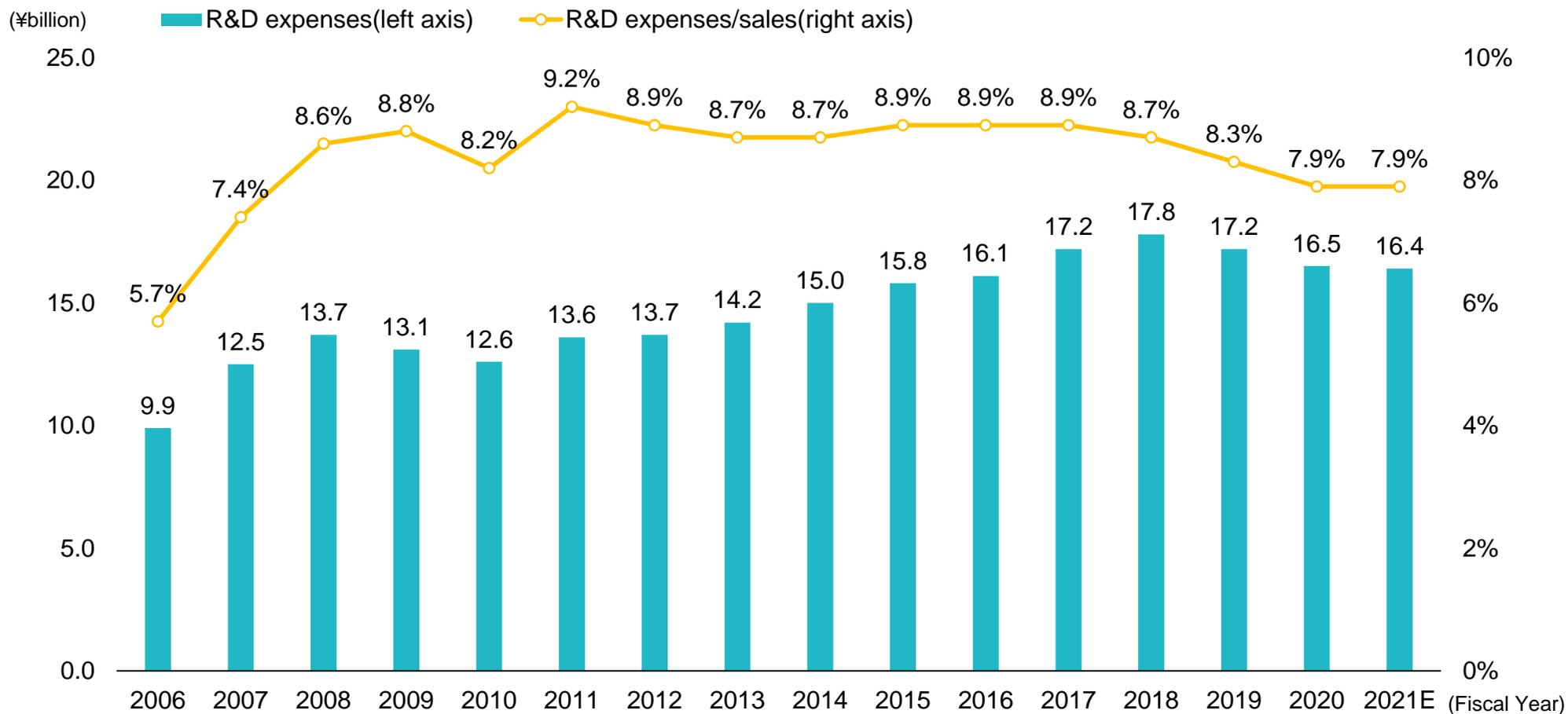
Sales discount amount trend after adoption vs. before adoption: 1Q up(negative impact), 2Q down, 1H up, 2H down, Total almost flat

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

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

R&D Expenses Trend

- Value R&D as a future-creating enterprise that responds to social needs with unique, innovative technologies
- Maintain above 8% R&D expenses/sales in recent years



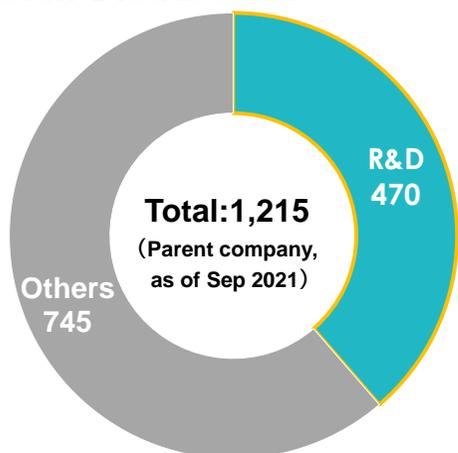
R&D Investment Philosophy

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

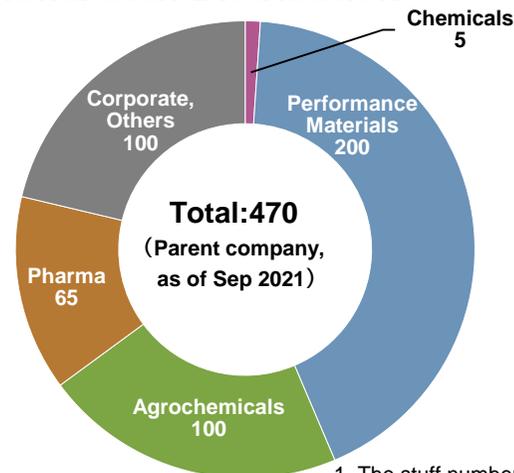
R&D Expenses by Segment

Segments	FY2020 Actual				
	Sales (¥billion)	OP (¥billion)	OP Margin	R&D expenses (¥billion)	R&D Expenses/Sales
Chemicals	31.9	1.5	4.7%	0.3	0.9%
Performance Materials	71.6	22.4	31.3%	7.0	9.8%
Agrochemicals	63.8	18.2	28.5%	4.4	6.9%
Pharmaceuticals	6.7	0.4	6.0%	2.4	35.8%
Corporate, others	-	-	-	2.4	-
Total (including Others, Adjustment)	209.1	42.5	20.3%	16.5	7.9%

Professional Staff Distribution



R&D Professional Staff Distribution



1. The staff number indicated is round number

Long-term Financial Performance Trend

(¥billion)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021E
Sales	155.9	161.4	169.1	174.4	169.2	160.2	149.0	154.2	148.6	153.8	163.7	171.2	176.9	180.3	193.4	204.9	206.8	209.1	208.3
Operating Profit	15.7	17.3	21.7	20.8	24.8	17.4	19.2	19.8	15.5	19.5	22.2	25.3	28.6	31.4	35.0	37.1	38.6	42.5	50.0
Ordinary Income	14.6	17.4	21.3	21.2	24.4	16.9	19.2	19.4	15.9	20.5	23.7	26.4	29.5	31.7	36.2	39.1	40.0	43.9	51.8
Net Income	8.7	11.3	13.7	14.0	15.5	10.1	12.8	13.0	11.0	13.9	16.7	18.2	22.4	24.0	27.1	29.4	30.8	33.5	37.3
EBITDA	26.1	26.9	31.6	30.5	34.5	27.6	30.1	30.3	25.9	29.1	30.8	33.8	38.3	40.3	45.5	48.0	49.2	53.0	60.5
OP Margin	10.0%	10.7%	12.8%	12.0%	14.6%	10.9%	12.8%	12.9%	10.4%	12.7%	13.6%	14.8%	16.2%	17.4%	18.1%	18.1%	18.7%	20.3%	24.0%
ROE	13.4%	15.2%	16.1%	14.7%	15.6%	10.3%	12.6%	11.9%	9.5%	11.4%	12.7%	12.7%	14.6%	15.1%	16.1%	16.6%	16.9%	17.5%	18.6%
EPS (¥/share)	46.21	59.77	72.73	75.43	85.15	57.26	74.00	75.94	64.52	83.74	102.11	113.99	143.37	156.97	180.30	197.67	210.09	231.73	261.60
Dividend (¥/share)	11	11	15	20	20	22	24	24	24	26	30	36	44	52	68	82	90	104	118
Dividend Payout Ratio	23.8%	18.4%	20.6%	26.5%	23.5%	38.4%	32.4%	31.6%	37.2%	31.0%	29.4%	31.6%	30.7%	33.1%	37.7%	41.5%	42.8%	44.9%	45.1%
Share Repurchase	-	-	-	4.7	5.0	8.0	-	2.8	-	5.0	5.0	6.0	9.0	9.0	9.0	9.0	10.0	10.0	12.0
Total Assets	172.6	169.4	183.2	177.3	172.7	172.3	181.4	183.4	190.1	199.2	208.0	223.9	228.2	231.7	246.0	247.0	249.5	265.5	-
Net Assets	70.4	80.0	93.6	99.3	101.2	96.8	107.7	112.4	119.6	126.7	137.8	151.3	156.9	163.7	176.4	182.1	185.5	200.6	-
Cash	5.9	4.3	8.5	11.0	7.6	9.7	14.8	21.1	27.9	31.9	30.8	31.3	35.3	35.7	37.7	36.2	30.6	32.4	-
Liabilities with Interest	57.4	44.6	41.5	32.4	34.4	45.5	42.1	39.9	38.9	38.1	36.1	35.1	33.1	30.8	28.6	26.6	24.6	22.7	-
Equity Ratio	40.1%	46.4%	50.2%	55.3%	58.0%	55.5%	58.7%	60.7%	62.4%	63.0%	65.7%	66.9%	68.1%	69.9%	71.0%	73.0%	73.7%	74.9%	-
Capex	6.6	6.6	9.2	12.1	10.9	13.9	10.1	9.6	8.3	7.9	8.8	9.8	10.2	14.3	13.7	9.9	15.7	15.8	11.8
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	9.7	8.9	10.5	10.9	10.5	10.4	10.5
R&D Expenses	8.7	8.6	9.2	9.9	12.5	13.7	13.1	12.6	13.6	13.7	14.2	15.0	15.8	16.1	17.2	17.8	17.2	16.5	16.4
R&D Expenses/Sales	5.6%	5.3%	5.4%	5.7%	7.4%	8.6%	8.8%	8.2%	9.2%	8.9%	8.7%	8.7%	8.9%	8.9%	8.9%	8.7%	8.3%	7.9%	7.9%

1. 2021E : Including effects of changes in accounting policies (see p51)

Sales and OP Trend by Segment

Sales (A)	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021E	(¥billion)
Chemicals	38.1	36.9	34.5	35.5	34.3	34.3	34.8	34.9	35.7	34.3	31.9	37.3	
Performance Materials	38.0	34.0	37.4	42.8	49.4	51.8	52.8	58.8	63.0	65.5	71.6	81.3	
Agrochemicals	34.4	33.8	35.4	39.1	45.7	47.5	52.0	58.1	62.7	64.0	63.8	66.5	
Pharmaceuticals	9.6	10.0	12.7	11.6	8.8	8.7	8.0	7.5	7.0	7.0	6.7	6.4	
Trading	44.1	44.8	46.6	50.7	54.4	55.6	55.2	59.5	67.9	67.9	69.8	77.3	
Others	27.0	20.0	21.2	21.4	20.9	20.9	24.0	21.5	24.6	22.4	23.8	24.3	
Adjustment	-37.0	-30.9	-34.0	-37.4	-42.3	-41.9	-46.5	-46.9	-56.0	-54.3	-58.5	-84.8	
Total	154.2	148.6	153.8	163.7	171.2	176.9	180.3	193.4	204.9	206.8	209.1	208.3	

OP (B)

Chemicals	2.4	1.6	1.9	1.9	1.9	3.9	3.8	3.4	3.0	1.3	1.5	3.2	
Performance Materials	7.9	4.8	7.2	8.8	12.0	12.0	12.5	14.2	15.0	17.0	22.4	27.3	
Agrochemicals	4.8	4.4	5.0	6.2	9.2	10.8	13.2	16.4	18.4	19.3	18.2	19.3	
Pharmaceuticals	4.4	4.6	5.2	4.9	2.3	2.0	1.7	1.2	1.0	0.9	0.4	0.6	
Trading	1.4	1.3	1.4	1.5	1.7	1.8	1.7	1.8	2.0	2.1	2.5	2.5	
Others	1.0	0.3	0.7	0.8	0.6	0.5	1.0	0.6	0.9	0.7	0.8	0.7	
Adjustment	-2.1	-1.5	-1.9	-1.9	-2.4	-2.4	-2.5	-2.6	-3.2	-2.7	-3.3	-3.6	
Total	19.8	15.5	19.5	22.2	25.3	28.6	31.4	35.0	37.1	38.6	42.5	50.0	

Segment Assets

(FY2020)(D)
30.8
51.0
82.8
9.6
26.2
12.8
52.3
265.5

OP Margin (B)/(A)

Chemicals	6.3%	4.3%	5.5%	5.4%	5.5%	11.4%	10.9%	9.7%	8.4%	3.8%	4.7%	8.6%	
Performance Materials	20.8%	14.1%	19.3%	20.6%	24.3%	23.2%	23.7%	24.1%	23.8%	26.0%	31.3%	33.6%	
Agrochemicals	14.0%	13.0%	14.1%	15.9%	20.1%	22.7%	25.4%	28.2%	29.3%	30.2%	28.5%	29.0%	
Pharmaceuticals	45.8%	46.0%	40.9%	42.2%	26.1%	23.0%	21.3%	16.0%	14.3%	12.9%	6.0%	9.4%	
Trading	3.2%	2.9%	3.0%	3.0%	3.1%	3.2%	3.1%	3.0%	2.9%	3.1%	3.6%	3.2%	
Others	3.7%	1.5%	3.3%	3.7%	2.9%	2.4%	4.2%	2.8%	3.7%	3.1%	3.4%	2.9%	
Total	12.9%	10.4%	12.7%	13.6%	14.8%	16.2%	17.4%	18.1%	18.1%	18.7%	20.3%	24.0%	

ROA(FY2020) (B)/(D)

4.9%
43.9%
22.0%
4.2%
9.5%
6.3%
16.0%

1. FY2010-2011 : Former Segmentation, FY2012- : New Segmentation 2. Including inter-segment sales/transfers 3. FY2019-2021E : New OP method
 4. FY2021E: Including Sales decrease due to changes in accounting policies (see p51)
 5. Trading: Nissei Corporation, Others: Nissan Butsuruyu, Nissan Green & Landscape, Nissan Engineering and Nihon Hiryo
 A. Applied from FY2020 (no change for sales segmentation)
 B. FY2019 restated based on new methods
 C. Consolidation items
 (such as unrealized gain on inventories)
 - (Old method) Included in each segment
 - (New method) Excluded from each segment and included in "Adjustment"

Quarterly Sales Trend by Segment (FY2018 - FY2021 Outlook)

(¥billion)

	FY2018 Actual					FY2019 Actual					FY2020 Actual					FY2021 Outlook as of Feb 2022					FY2021 Outlook as of Nov 2021	
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	3Q	4Q
Chemicals	8.7	8.3	9.6	9.1	35.7	8.4	8.4	8.7	8.8	34.3	7.4	7.3	8.3	8.9	31.9	8.8	8.3	10.5	9.7	37.3	9.6	9.7
Fine Chemicals	2.7	2.4	2.6	2.7	10.4	2.6	2.6	2.6	2.7	10.5	2.7	2.7	2.8	3.2	11.4	3.2	3.0	3.7	3.7	13.6	3.4	3.7
Basic Chemicals	6.0	5.9	7.0	6.4	25.3	5.8	5.8	6.1	6.1	23.8	4.7	4.6	5.5	5.7	20.5	5.6	5.3	6.8	6.0	23.7	6.2	6.0
Performance Materials	15.6	16.4	16.6	14.4	63.0	15.1	16.3	17.0	17.1	65.5	17.1	17.5	19.2	17.8	71.6	20.0	19.6	20.9	20.8	81.3	20.5	20.8
Agrochemicals	16.4	12.3	5.9	28.1	62.7	14.7	13.2	5.5	30.6	64.0	14.6	11.1	6.3	31.8	63.8	13.4	11.6	11.9	29.6	66.5	11.2	29.6
Pharmaceuticals	1.8	1.9	1.9	1.4	7.0	1.9	1.5	1.6	2.0	7.0	1.5	1.5	1.4	2.3	6.7	1.1	2.2	2.0	1.1	6.4	1.9	1.1
Drug Discovery	-	-	-	-	-	1.4	0.7	0.9	1.0	4.1	0.7	0.8	0.6	0.8	2.9	0.6	0.8	0.5	0.4	2.3	0.6	0.4
Custom Chemicals	-	-	-	-	-	0.5	0.8	0.6	1.0	2.9	0.8	0.7	0.8	1.5	3.8	0.4	1.5	1.4	0.7	4.1	1.3	0.7
Trading	17.8	15.6	18.1	16.4	67.9	17.5	15.8	17.5	17.1	67.9	18.2	15.5	17.8	18.3	69.8	17.8	18.6	22.2	18.7	77.3	20.0	18.7
Others	4.6	5.9	7.2	6.9	24.6	4.9	4.9	5.1	7.5	22.4	4.8	4.6	6.8	7.6	23.8	4.9	5.5	6.1	7.8	24.3	5.3	7.8
Adjustment	-14.0	-13.3	-15.4	-13.3	-56.0	-13.8	-12.3	-13.9	-14.3	-54.3	-14.3	-12.3	-16.1	-15.8	-58.5	-19.5	-20.5	-24.1	-20.7	-84.8	-21.8	-20.7
Total	50.9	47.1	43.9	63.0	204.9	48.7	47.8	41.5	68.8	206.8	49.3	45.2	43.7	70.9	209.1	46.5	45.3	49.5	67.0	208.3	46.7	67.0

1. Including inter-segment sales/transfers

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

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

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

Quarterly OP Trend by Segment (FY2018 - FY2021 Outlook)

	FY2018 Actual					FY2019 Actual					FY2020 Actual					FY2021 Outlook as of Feb 2022					FY2021 Outlook as of Nov 2021		
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	3Q	4Q	
Chemicals	1.6	-0.4	1.0	0.8	3.0	0.9	-0.6	0.5	0.5	1.3	0.7	-0.8	0.7	0.9	1.5	1.3	-0.1	1.3	0.7	3.2	1.0	0.7	
Performance Materials	3.9	4.2	4.3	2.6	15.0	4.0	4.4	4.7	3.9	17.0	5.3	5.4	6.3	5.4	22.4	7.0	6.2	7.6	6.5	27.3	6.6	6.5	
Agrochemicals	5.1	4.7	-1.3	9.9	18.4	4.5	4.9	-1.8	11.7	19.3	4.0	3.8	-1.3	11.7	18.2	4.1	2.9	3.1	9.2	19.3	2.0	9.2	
Pharmaceuticals	0.3	0.3	0.4	0.0	1.0	0.4	0.1	0.1	0.3	0.9	-0.1	0.1	0.0	0.4	0.4	-0.2	0.7	0.4	-0.3	0.6	0.3	-0.3	
Drug Discovery	-	-	-	-	-	0.2	-0.2	-0.2	0.0	-0.1	-0.2	-0.1	-0.4	-0.2	-0.9	-0.3	-0.2	-0.3	-0.5	-1.2	-0.3	-0.5	
Custom Chemicals	-	-	-	-	-	0.2	0.3	0.2	0.4	1.1	0.2	0.2	0.3	0.6	1.3	0.1	0.8	0.8	0.3	1.9	0.7	0.3	
Trading	0.6	0.5	0.6	0.3	2.0	0.5	0.5	0.6	0.5	2.1	0.7	0.5	0.7	0.6	2.5	0.7	0.6	0.8	0.4	2.5	0.6	0.4	
Others	0.1	0.1	0.2	0.5	0.9	0.1	0.0	0.1	0.5	0.7	0.0	0.0	0.4	0.4	0.8	0.1	-0.1	0.2	0.5	0.7	0.1	0.5	
Adjustment	-0.9	-0.7	-0.8	-0.8	-3.2	-1.1	-0.6	-0.7	-0.3	-2.7	-0.8	-0.8	-1.2	-0.5	-3.3	-1.1	-0.8	-0.8	-0.9	-3.6	-1.2	-0.3	
Total	10.7	8.7	4.4	13.3	37.1	9.3	8.7	3.5	17.1	38.6	9.8	8.2	5.6	18.9	42.5	11.9	9.4	12.6	16.1	50.0	9.4	16.7	

1. FY2019-2021 : New OP method (see p55)

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

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

Main Products by Segment

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

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