

August 2012

Presentation for Investors

Mizuho Investment Conference in Asia 2012

**Sponsored by Mizuho Securities
in Hong Kong and Singapore on August 27-29, 2012**

Nissan Chemical Industries (NCI)

◆ R&D oriented chemical company

- *FY2011 R&D expenses/sales: NCI **9.2%**
(1st among 31 chemical companies)
31 companies average **4.2%**
*FY2011 = 1 Apr 2011 ~ 31 Mar 2012

- 41% of profession staff assigned to R&D centers

◆ Core business

- Electronic Materials, Organic/Inorganic Materials, Agrochemicals, Pharmaceuticals
- Diversified product portfolio, products holding strong market positions

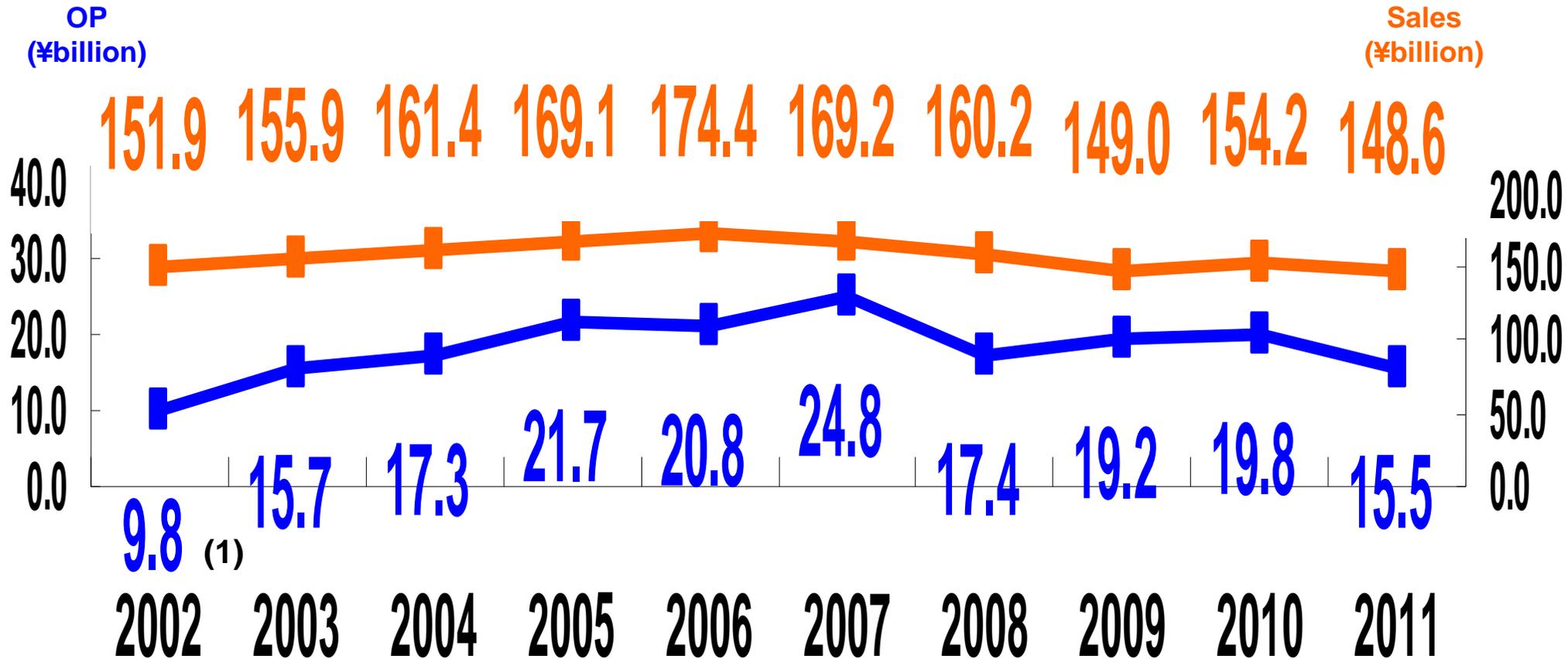
◆ Priority on OP margin and ROE

- OP margin (FY2011) **10.4%**
- ROE (FY2011) **9.5%**

◆ Recording stable profits despite cyclical nature of chemical sector

- Only two companies recorded more than 10% OP margin
in nine consecutive years (FY2003-2011) among 31 companies
- FY2007-2011 Average ROE **12.0%**

Long-term Financial Performance Trend



(1) 2002 = From April 1, 2002 to March 31, 2003

Long Term Financial Performance Trend

(¥ billion)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Sales	151.9	155.9	161.4	169.1	174.4	169.2	160.2	149.0	154.2	148.6
Operating Profit	9.8	15.7	17.3	21.7	20.8	24.8	17.4	19.2	19.8	15.5
Ordinary Income	8.6	14.6	17.4	21.3	21.2	24.4	16.9	19.2	19.4	15.9
Net Income	4.0	8.7	11.3	13.7	14.0	15.5	10.1	12.8	13.0	11.0
EBITDA	20.7	26.1	26.9	31.6	30.5	34.5	27.6	30.1	30.2	25.9
OP Margin	6.5%	10.0%	10.7%	12.8%	12.0%	14.6%	10.9%	12.8%	12.9%	10.4%
ROE(%)	6.7%	13.4%	15.2%	16.1%	14.7%	15.6%	10.3%	12.6%	11.9%	9.5%
EPS(¥)	21.16	46.21	59.77	72.73	75.43	85.15	57.26	74.00	75.94	64.52
Dividend(¥/share)	9	11	11	15	20	20	22	24	24	24
Purches of treasury shares	-	-	-	-	4.7	5.0	8.0	-	2.8	-
Net Assets	60.6	69.2	78.5	92.0	98.1	100.1	95.7	106.5	112.4	119.6
Liabilities with interest	68.5	57.4	44.6	41.5	32.4	34.4	45.5	42.1	39.9	38.9
Equity ratio	35.4%	40.1%	46.4%	50.2%	55.3%	58.0%	55.5%	58.7%	60.7%	62.4%
Capex	18.8	6.6	6.6	9.2	12.1	10.9	13.9	10.1	9.6	8.3
Depreciation	10.9	10.4	9.6	9.9	9.7	9.7	10.2	11.0	10.4	10.5
R&D Expenses	7.5	8.7	8.6	9.2	9.9	12.5	13.7	13.1	12.6	13.6
R&D Expenses/Sales(%)	4.9%	5.6%	5.3%	5.4%	5.7%	7.4%	8.6%	8.8%	8.2%	9.2%
Number of employees (parent company)	1,514	1,505	1,502	1,502	1,558	1,614	1,657	1,710	1,750	1,730

New Segmentation (From 2Q 2011)

◆ Reflecting organizational changes implemented in June 2011

◆ Major organizational change

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

◆ Major changes in segmentation

Creation of Performance Materials → Electronic Materials + Inorganic Materials

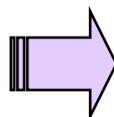
Change in Chemicals

→ Inorganic Materials shifted to Performance Materials

Creation of Fine Chemicals subsegment, abolishment of Organic Materials subsegment

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

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



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Segment	Main Products	
Chem	Fine Chemicals	TEPIC Melamine cyanurate HI-LITE Custom Chemicals
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Performance Materials	SUNEVER, BARC, NHC, Multi layer process materials Micro lens SNOWTEX, Organo sillica sol Alumina sol, SUNCOLLOID CELNAX	
Agro Chem	Agro	Herbicides Insecticides Fungicide
Pharma	LIVALO	
Trading	Nissei Corporation	
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Adjustment	R&D expenses of Advanced Materials & Planning Dept. included	

Diversified Product Portfolio

◆ Consisting of products holding strong position in market

(¥ billion)

NCI's Position

Chem	FY2011 Sales			NCI's Position
Fine Chemicals	11.0 (7.4%)	TEPIC	Epoxy compound for painting, LED sealant, solder resist	Largest (World)
		High purity sulfuric acid	Agents for cleaning semiconductors	Largest (Japan)
Basic Chemicals	25.9 (17.4%)	AdBlue	Urea to reduce NOx for diesel trucks	Among top 3 (Japan)
		SUNEVER	LCD alignment coating	Major (Asia)
Performance Materials	34.0 (22.9%)	BARC	Bottom-anti-reflective coating for semiconductor	Largest (Asia)
		SNOWTEX	Silica sol for polishing silicon wafer, catalyst, non-chrome electrical steel sheet, etc.	Largest (Japan)
Agro	33.8 (22.7%)	ROUNDUP	Non-selective herbicide	Largest (Japan)
Pharma	10.0 (6.8%)	SIRIUS	Paddy rice herbicide	No.3 (Japan)
		LIVALO	Anti-cholesterol drug	No.3 (Japan)
Trading	44.8 (30.2%)			
Others	20.0 (13.4%)			

Sales and Operating Profit by New Segmentation (¥ billion)

		FY2010		FY2011		FY2012E	
SALES (A)	Chemicals	38.1	24.7%	36.9	24.8%	38.5	25.2%
	Performance Materials	38.0	24.6%	34.0	22.9%	37.2	24.3%
	Agrochemicals	34.4	22.3%	33.8	22.7%	34.6	22.6%
	Pharmaceuticals	9.6	6.2%	10.0	6.7%	9.0	5.9%
	Trading	44.1	28.6%	44.8	30.1%	47.2	30.8%
	Others	27.0	17.5%	20.0	13.5%	22.7	14.8%
	Adjustment	-37.0	-24.0%	-30.9	-20.8%	-36.2	-23.7%
	Total	154.2	100%	148.6	100%	153.0	100%

OP (B)	Chemicals	2.4	12.1%	1.6	10.3%	2.3	13.4%
	Performance Materials	7.9	39.9%	4.8	31.0%	6.3	36.6%
	Agrochemicals	4.8	24.2%	4.4	28.4%	4.2	24.4%
	Pharmaceuticals	4.4	22.2%	4.6	29.7%	4.0	23.3%
	Trading	1.4	7.1%	1.3	8.4%	1.4	8.1%
	Others	1.0	5.1%	0.3	1.9%	0.4	2.3%
	Adjustment	-2.1	-10.6%	-1.5	-9.7%	-1.4	-8.1%
	Total	19.8	100%	15.5	100%	17.2	100%

OP Margin (C) = (B)/(A)	Chemicals	6.3%	4.3%	6.0%
	Performance Materials	20.8%	14.1%	16.9%
	Agrochemicals	14.0%	13.0%	12.1%
	Pharmaceuticals	45.8%	46.0%	44.4%
	Trading	3.2%	2.9%	3.0%
	Others	3.7%	1.5%	1.8%
	Total	12.9%	10.4%	11.2%

		March 31, 2012	
Segment Assets (D)	Chemicals	31.6	16.6%
	Performance Materials	31.5	16.6%
	Agrochemicals	44.6	23.5%
	Pharmaceuticals	12.4	6.5%
	Trading	16.5	8.7%
	Others	9.5	5.0%
	Adjustment (Common Assets)	44.0	23.1%
	Total	190.1	100%

ROA (E) = (B)/(D)	Chemicals	5.1%
	Performance Materials	15.2%
	Agrochemicals	9.9%
	Pharmaceuticals	37.1%
	Trading	7.9%
	Others	3.2%
	Total	8.1%

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

(¥ billion)

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

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

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

FY2011 PL⁽¹⁾

	FY2010			FY2011			Change			FY2011 Outlook				
	1H	2H	Total	1H	2H	Total	1H	2H	Total	1H	2H(A) as of Oct.2011	2H(B) as of Mar.2012	Total(A) as of Oct.2011	Total(B) as of Mar.2012
Sales	72.1	82.1	154.2	69.8	78.8	148.6	-2.3	-3.3	-5.6	69.8	86.2	78.2	156.0	148.0
Operating Profit	8.3	11.5	19.8	6.6	8.9	15.5	-1.7	-2.6	-4.3	6.6	11.9	8.4	18.5	15.0
Non-Operating Income/Expenses	-0.5	0.1	-0.4	-0.1	0.5	0.4	0.4	0.4	0.8	-0.1	0.1	0.1	0.0	0.0
Ordinary Income	7.8	11.6	19.4	6.5	9.4	15.9	-1.3	-2.2	-3.5	6.5	12.0	8.5	18.5	15.0
Extraordinary Profit/Loss	-	-0.5	-0.5	-	0.7	0.7	-	1.2	1.2	-	0.2	/	0.2	/
Net Income	5.6	7.4	13.0	4.4	6.6	11.0	-1.2	-0.8	-2.0	4.4	8.3	5.9	12.7	10.3
EBITDA (2)	13.2	17.0	30.2	11.5	14.4	25.9	-1.7	-2.6	-4.3	11.5	17.7	/	29.2	/
EPS (¥)	32.81	43.13	75.94	25.88	38.64	64.52	-6.93	-4.49	-11.42	25.88	48.78	34.67	74.66	60.55
Dividend (¥/share)	¥12	¥12	¥24	¥12	¥12	¥24	¥0	¥0	¥0	¥12	¥12	/	¥24	/
Total amount of Dividend	2.1	2.0	4.1	2.1	2.0	4.1	0	0	0	2.1	2.0	/	4.1	/
OP Margin(%)	11.6%	14.0%	12.9%	9.4%	11.3%	10.4%	-2.2%	-2.7%	-2.5%	9.4%	13.7%	10.7%	11.9%	10.1%
ROE (%)	/	/	11.9%	/	/	9.5%	/	/	-2.4%	/	/	/	/	/
FX Rate (¥/\$)	89	82		80	82					80	80			
Naphtha(¥/KL)	46,900	48,500		57,000	52,800					57,000	54,000			
Comprehensive Income	/	/	12.1	/	/	11.5								

(1) FY2011 = April 1, 2011 ~ March 31, 2012

(2) EBITDA = Operating Profit + Depreciation

2H FY2011 Review

<vs. 2H FY2010>

(Sales) ◆Down ¥3.3 billion (±) Pharmaceuticals
(-) Chemicals, Performance Materials, Agrochemicals, Trading

(OP) ◆Down ¥2.6 billion (-) Chemicals, Performance Materials, Agrochemicals,
Pharmaceuticals, Trading

(Ordinary Income) ◆Down ¥2.2 billion

(Net Income) ◆Down ¥0.8 billion

<vs. 2H FY2011 Outlook as of October 2011>

(Sales) ◆Down ¥7.4 billion (+) Pharmaceuticals
(-) Chemicals, Performance Materials, Agrochemicals, Trading

(OP) ◆Down ¥3.0 billion (+) Agrochemicals, Pharmaceuticals
(-) Chemicals, Performance Materials, Trading

(Ordinary Income) ◆Down ¥2.6 billion

(Net Income) ◆Down ¥1.7 billion

<vs. 2H FY2011 Outlook as of March 2012 >

(Sales) ◆Up ¥0.6 billion (+) Performance Materials, Agrochemicals
(±) Chemicals, Pharmaceuticals, Trading

(OP) ◆Up ¥0.5 billion (+) Chemicals, Performance Materials, Agrochemicals
(±) Pharmaceuticals, Trading

(Ordinary Income) ◆Up ¥0.9 billion Non-Operating Income and Expenses up 0.4

(Net Income) ◆Up ¥0.7 billion

<Dividend> ◆¥12 Same as 2H FY2011 Outlook as of October 2011

FY2011 Review

<vs. FY2010>

(Sales) ◆Down ¥5.6 billion(-3.6%) (+) Pharmaceuticals, Trading
(-) Chemicals, Performance Materials, Agrochemicals

(OP) ◆Down ¥4.3 billion(-21.9%) (+) Pharmaceuticals
(-) Chemicals, Performance Materials, Agrochemicals, Trading

(OP Margin) ◆10.4% More than 10% OP Margin in 9 consecutive years

(Non-Operating
Income and Expenses) ◆Up ¥0.8 billion

Foreign exchange losses down 0.6
Equity in earnings of affiliates up 0.6, Others down 0.4

(Ordinary Income) ◆Down ¥3.5 billion(-18.1%)

(Net Income) ◆Down ¥2.0 billion(-15.2%)

(ROE) ◆9.5%

<Dividend>

(Dividend) ◆¥24/share Dividend payout ratio 37.2%

FY2011

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

(¥billion)

	FY2010	FY2011	Change
Non-Operating Income	2.03	2.28	0.25
Interest income	0.04	0.03	-0.01
Dividend income	0.55	0.56	0.01
Others	1.44	1.69	0.25
Non-Operating Expenses	2.48	1.89	-0.59
Interest expense	0.50	0.45	-0.05
Loss on disposal of fixed assets	0.45	0.24	-0.21
Others	1.53	1.20	-0.33
Extraordinary Profit (1)	0.11	0.65	0.54
Extraordinary Loss (2)	-0.63	0.00	0.63
Comprehensive Income	12.05	11.48	-0.57
Net income	12.95	10.98	-1.97
Minority interests	0.07	0.08	0.01
Unrealized gains or losses on investment securities	-0.45	0.58	1.03
Foreign currency translation adjustments	-0.52	-0.16	0.36

(1) FY2010: Reversal of provision for loss on business liquidation 0.11

FY2011: Gain on sales of business 0.65

(2) FY2010: One-time losses caused by a change in employees' retirement benefit plan -0.63

FY2011 Cash Flows

(¥billion)

	FY2010			FY2011			Change			FY2011 Outlook as of October 2011		
	1H	2H	Total	1H	2H	Total	1H	2H	Total	1H	2H	Total
CF from operating activities	21.8	2.9	24.7	20.4	0.9	21.3	-1.4	-2.0	-3.4	20.4	-1.4	19.0
Profit before income tax	7.8	11.1	18.9	6.5	10.0	16.5	-1.3	-1.1	-2.4	6.5	12.2	18.7
Depreciation & Amortization	4.9	5.5	10.4	4.9	5.6	10.5	0.0	0.1	0.1	4.9	5.8	10.7
Tax	-3.7	-2.8	-6.5	-3.1	-2.9	-6.0	0.6	-0.1	0.5	-3.1	-3.0	-6.1
Working capital, others	12.8	-10.9	1.9	12.1	-11.8	0.3	-0.7	-0.9	-1.6	12.1	-16.4	-4.3
CF from investing activities	-2.9	-5.4	-8.3	-6.3	-3.0	-9.3	-3.4	2.4	-1.0	-6.3	-6.3	-12.6
Purchase of investments in securities	0.6	0.0	0.6	-0.9	0.1	-0.8	-1.5	0.1	-1.4	-0.9	0.0	-0.9
Purchase of PPE	-2.7	-5.8	-8.5	-4.9	-3.8	-8.7	-2.2	2.0	-0.2	-4.9	-6.3	-11.2
Others	-0.8	0.4	-0.4	-0.5	0.7	0.2	0.3	0.3	0.6	-0.5	0.0	-0.5
CF from financing activities	-18.3	8.7	-9.6	-9.6	4.5	-5.1	8.7	-4.2	4.5	-9.6	3.6	-6.0
Dividends paid	-2.4	-2.1	-4.5	-2.0	-2.1	-4.1	0.4	0.0	0.4	-2.0	-2.0	-4.0
Borrowings	-13.0	10.8	-2.2	-7.5	6.5	-1.0	5.5	-4.3	1.2	-7.5	5.6	-1.9
Purchase of treasury shares	-2.8	0.0	-2.8	0.0	0.0	0.0	2.8	0.0	2.8	0.0	0.0	0.0
Others	-0.1	0.0	-0.1	-0.1	0.1	0.0	0.0	0.1	0.1	-0.1	0.0	-0.1
Effect of FX rate changes on cash & cash equivalents	-0.3	-0.2	-0.5	-0.4	0.3	-0.1	-0.1	0.5	0.4	-0.4	0.0	-0.4
Change in cash & cash equivalents	0.3	6.0	6.3	4.1	2.7	6.8	3.8	-3.3	0.5	4.1	-4.1	0.0
Cash & cash equivalents at end of period	15.1	21.1		25.2	27.9		10.1	6.8		25.2	21.1	

FY2011 Balance Sheets

(¥billion)

	2011/3	2012/3	Change
Current assets	110.5	118.4	7.9
Cash	21.1	27.9	6.8
Accounts receivable	55.2	55.5	0.3
Inventories	28.4	29.4	1.0
Others	5.8	5.6	-0.2
Fixed assets	72.9	71.7	-1.2
Total PPE	46.4	44.7	-1.7
Intangible assets	3.4	2.8	-0.6
Investment securities	20.3	22.3	2.0
Others	2.8	1.9	-0.9
Total assets	183.4	190.1	6.7

	2011/3	2012/3	Change
Liabilities	71.0	70.5	-0.5
Accounts payable	15.4	17.3	1.9
Borrowings	39.9	38.9	-1.0
Others	15.7	14.3	-1.4
Net assets	112.4	119.6	7.2
Shareholders' equity	111.1	118.0	6.9
Unrealized gains or losses on investment securities	1.4	2.0	0.6
Foreign currency translation adjustments	-1.2	-1.4	-0.2
Minority interests	1.1	1.0	-0.1
Total liabilities & Net assets	183.4	190.1	6.7

(D/E Ratio)⁽¹⁾ 16.9% 9.3%
 (Equity Ratio) 60.7% 62.4%

FY2012 Outlook as of May 2012

(¥billion)

	FY2011			FY2012E			Change		
	1H	2H	Total	1HE	2HE	Total	1HE	2HE	Total
Sales	69.8	78.8	148.6	69.4	83.6	153.0	-0.4	4.8	4.4
Operating Profit	6.6	8.9	15.5	6.3	10.9	17.2	-0.3	2.0	1.7
Non-Operating Income/Expenses	-0.1	0.5	0.4	-0.2	0.4	0.2	-0.1	-0.1	-0.2
Ordinary Income	6.5	9.4	15.9	6.1	11.3	17.4	-0.4	1.9	1.5
Extraordinary Profit/Loss	-	0.7	0.7	-	-	-	-	-0.7	-0.7
Net Income	4.4	6.6	11.0	3.6	7.8	11.4	-0.8	1.2	0.4
EBITDA (1)	11.5	14.4	25.9	10.8	16.4	27.2	-0.7	2.0	1.3
EPS (¥) (2)	25.88	38.64	64.52	20.93	46.26	67.19	-4.95	7.62	2.67
Dividend (¥/share)	¥12	¥12	¥24	¥12	¥12	¥24	¥0	¥0	¥0
Total amount of Dividend (2)	2.1	2.0	4.1	2.0	1.9	3.9	-0.1	-0.1	-0.2
OP Margin(%)	9.4%	11.3%	10.4%	9.1%	13.0%	11.2%	-0.3%	1.7%	0.8%
ROE(%) (2)	/	/	9.5%	/	/	9.5%	/	/	0.0%
FX Rate (¥/\$)	80	82		77	77				
Naphtha(¥/kl)	57,000	52,800		53,000	53,000				
Comprehensive income	/	/	12.1						

(1) EBITDA = Operating Profit + Depreciation

(2) EPS, Total amount of Dividend, ROE based on purchase of treasury shares announced on May 15, 2012

FY2012 Outlook as of May 2012

< vs. FY2011 >

(Sales) ◆ Up ¥4.4 billion (+2.9%) (+) Chemicals, Performance Materials, Agrochemicals, Trading
(-) Pharmaceuticals

(OP) ◆ Up ¥1.7 billion (+10.9%) (+) Chemicals, Performance Materials, Trading
(-) Agrochemicals, Pharmaceuticals

(Non-Operating Income and Expenses) ◆ Down ¥0.2 billion
Foreign exchange losses down 0.1
Equity in earnings of affiliates down 0.1
Others down 0.2

(Ordinary Income) ◆ Up ¥1.5 billion(+9.4%)

(Net Income) ◆ Up ¥0.4 billion(+3.6%) Extraordinary Profit/Loss down 0.7

< Dividend > ◆ ¥12 both 1H and 2H, same as FY2011

FY2012 Cash Flows Outlook as of May 2012

(¥billion)

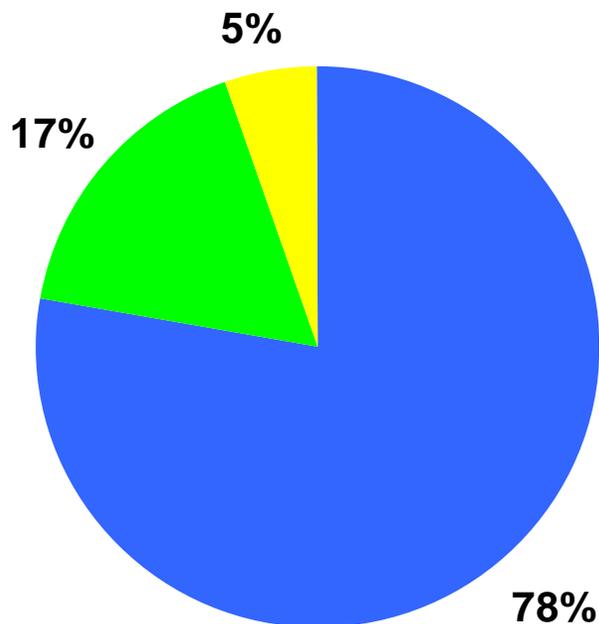
	2011	2012E
CF from operating activities	21.3	22.4
Profit before income tax	16.5	17.4
Depreciation & Amortization	10.5	10.0
Tax	-6.0	-4.8
Working capital, others	0.3	-0.2
CF from investing activities	-9.3	-11.0
Purchase of investments in securities	-0.8	0.0
Purchase of PPE	-8.7	-11.0
Others	0.2	0.0
CF from financing activities	-5.1	-10.0
Dividends paid	-4.1	-4.0
Borrowings	-1.0	-1.0
Purchase of treasury shares	0.0	-5.0
Others	0.0	0.0
Effect of FX rate changes on cash & cash equivalents	-0.1	0.0
Change in cash & cash equivalents	6.8	1.4
Cash & cash equivalents at end of period	27.9	29.3

FY2011 Global Sales Distribution

< Company Total* >

*before elimination of intersegment transactions

Sales: ¥179.4 billion



Japan



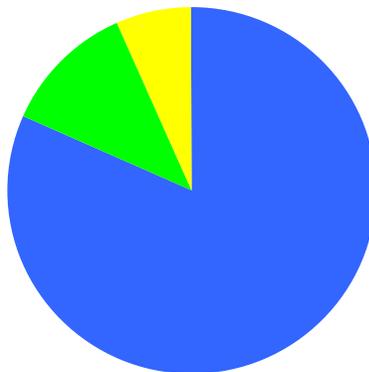
Asia, Oceania



America, Europe,
Middle East, Africa

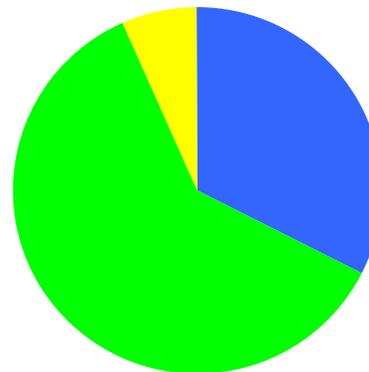
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Sales: ¥36.9 billion



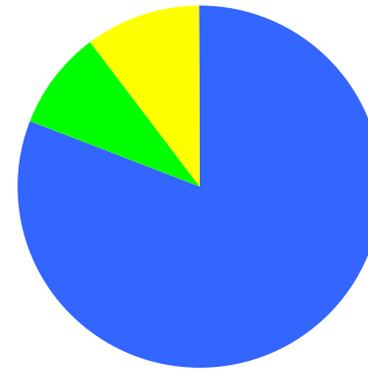
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Sales: ¥34.0 billion



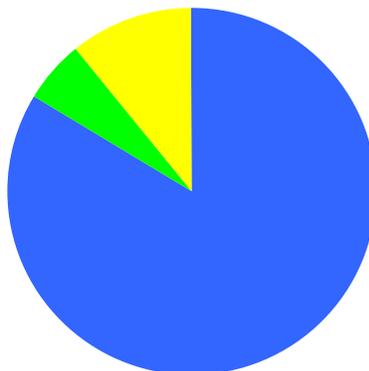
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Sales: ¥33.8 billion



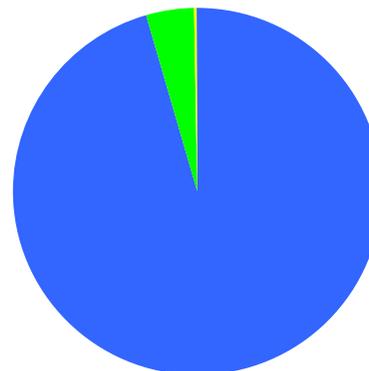
< Pharma >

Sales: ¥10.0 billion



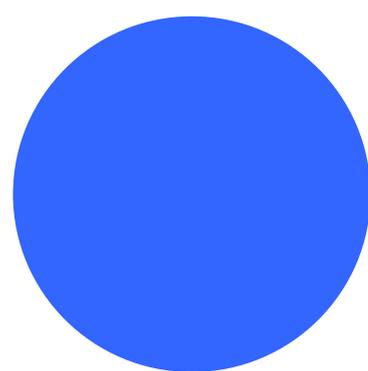
< Trading >

Sales: ¥44.8 billion



< Others >

Sales: ¥20.0 billion



FY2011 Sales by Segment⁽¹⁾

(¥billion)

	FY2010			FY2011			Change			FY2011 Outlook as of October 2011		
	1H	2H	Total	1H	2H	Total	1H	2H	Total	1H	2HE	Total
Chem	18.5	19.6	38.1	18.6	18.3	36.9	0.1	-1.3	-1.2	18.6	20.7	39.3
Fine Chemicals	6.1	5.2	11.3	5.9	5.0	10.9	-0.2	-0.2	-0.4	5.9	5.9	11.8
Basic Chemicals	12.4	14.4	26.8	12.7	13.3	26.0	0.3	-1.1	-0.8	12.7	14.8	27.5
Performance Materials	19.7	18.3	38.0	17.0	17.0	34.0	-2.7	-1.3	-4.0	17.0	20.3	37.3
Agro	12.0	22.4	34.4	12.5	21.3	33.8	0.5	-1.1	-0.6	12.5	22.2	34.7
Pharma	4.8	4.8	9.6	5.2	4.8	10.0	0.4	0.0	0.4	5.2	4.6	9.8
Trading	21.2	22.9	44.1	22.5	22.3	44.8	1.3	-0.6	0.7	22.5	25.8	48.3
Others	11.1	15.9	27.0	9.3	10.7	20.0	-1.8	-5.2	-7.0	9.3	11.1	20.4
Adjustment	-15.2	-21.8	-37.0	-15.3	-15.6	-30.9	-0.1	6.2	6.1	-15.3	-18.5	-33.8
Total	72.1	82.1	154.2	69.8	78.8	148.6	-2.3	-3.3	-5.6	69.8	86.2	156.0

(1) FY2010 are restated based on new segmentation

FY2011 OP by Segment (1)

(¥billion)

	FY2010			FY2011			Change			FY2011 Outlook as of October 2011		
	1H	2H	Total	1H	2H	Total	1H	2H	Total	1H	2HE	Total
Chem	0.6	1.8	2.4	0.8	0.8	1.6	0.2	-1.0	-0.8	0.8	2.1	2.9
Performance Materials	4.9	3.0	7.9	2.6	2.2	4.8	-2.3	-0.8	-3.1	2.6	4.3	6.9
Agro	0.8	4.0	4.8	0.8	3.6	4.4	0.0	-0.4	-0.4	0.8	3.4	4.2
Pharma	2.1	2.3	4.4	2.6	2.0	4.6	0.5	-0.3	0.2	2.6	1.7	4.3
Trading	0.7	0.7	1.4	0.7	0.6	1.3	0.0	-0.1	-0.1	0.7	0.9	1.6
Others	0.1	0.9	1.0	0.0	0.3	0.3	-0.1	-0.6	-0.7	0.0	0.3	0.3
Adjustment	-0.9	-1.2	-2.1	-0.9	-0.6	-1.5	0.0	0.6	0.6	-0.9	-0.8	-1.7
Total	8.3	11.5	19.8	6.6	8.9	15.5	-1.7	-2.6	-4.3	6.6	11.9	18.5

(1) FY2010 are restated based on new segmentation

FY2012 Sales Outlook by Segment as of May 2012

(¥billion)

	FY2011			FY2012E			Change		
	1H	2H	Total	1HE	2HE	Total	1HE	2HE	Total
Chem	18.6	18.3	36.9	18.4	20.1	38.5	-0.2	1.8	1.6
Fine Chemicals	5.9	5.0	10.9	5.7	6.1	11.8	-0.2	1.1	0.9
Basic Chemicals	12.7	13.3	26.0	12.7	14.0	26.7	0.0	0.7	0.7
Performance Materials	17.0	17.0	34.0	17.5	19.7	37.2	0.5	2.7	3.2
Agro	12.5	21.3	33.8	13.0	21.6	34.6	0.5	0.3	0.8
Pharma	5.2	4.8	10.0	4.9	4.1	9.0	-0.3	-0.7	-1.0
Trading	22.5	22.3	44.8	22.3	24.9	47.2	-0.2	2.6	2.4
Others	9.3	10.7	20.0	9.2	13.5	22.7	-0.1	2.8	2.7
Adjustment	-15.3	-15.6	-30.9	-15.9	-20.3	-36.2	-0.6	-4.7	-5.3
Total	69.8	78.8	148.6	69.4	83.6	153.0	-0.4	4.8	4.4

FY2012 OP Outlook by Segment as of May 2012

(¥billion)

	FY2011			FY2012E			Change		
	1H	2H	Total	1HE	2HE	Total	1HE	2HE	Total
Chem	0.8	0.8	1.6	0.6	1.7	2.3	-0.2	0.9	0.7
Performance Materials	2.6	2.2	4.8	2.7	3.6	6.3	0.1	1.4	1.5
Agro	0.8	3.6	4.4	0.8	3.4	4.2	0.0	-0.2	-0.2
Pharma	2.6	2.0	4.6	2.3	1.7	4.0	-0.3	-0.3	-0.6
Trading	0.7	0.6	1.3	0.6	0.8	1.4	-0.1	0.2	0.1
Others	0.0	0.3	0.3	0.1	0.3	0.4	0.1	0.0	0.1
Adjustment	-0.9	-0.6	-1.5	-0.8	-0.6	-1.4	0.1	0.0	0.1
Total	6.6	8.9	15.5	6.3	10.9	17.2	-0.3	2.0	1.7

1Q FY2012 Financial Performance

(¥ billion)

		1Q FY2011	1Q FY2012	Change		
Sales	Chem	9.4	9.1	-0.3		
		Fine Chemicals	3.0	2.9	-0.1	
		Basic Chemicals	6.4	6.2	-0.2	
		Performance Materials	8.7	9.5	0.8	
		Agro	7.1	8.3	1.2	
		Pharma	2.9	3.5	0.6	
		Trading	11.6	11.9	0.3	
		Others	4.6	3.9	-0.7	
		Adjustment	-7.7	-7.8	-0.1	
		Total	36.6	38.4	1.8	+5.1%
OP	Chem	1.0	0.8	-0.2		
	Performance Materials	1.7	2.1	0.4		
	Agro	1.2	1.6	0.4		
	Pharma	1.4	1.9	0.5		
	Trading	0.4	0.4	0.0		
	Others	0.0	-0.1	-0.1		
	Adjustment	-0.5	-0.4	0.1		
	Total	5.2	6.3	1.1	+21.6%	
Non-Operating Income/Expenses	Equity in earnings of affiliates	0.2	0.1	-0.1		
	Others (net)	0.1	0.1	0.0		
	Total	0.3	0.2	-0.1		
Ordinary Income		5.5	6.5	1.0		
Net Income		3.7	4.3	0.6	+16.6%	
EBITDA		7.5	8.4	0.9		
EPS (¥)		21.48	25.14			
OP Margin		14.3%	16.5%			
Naphtha (¥/KL)		58,900	60,600			

1Q FY2012 Balance Sheets

(¥billion)

	2011/6	2012/3	2012/6
Current assets	107.2	118.4	113.3
Cash	20.6	27.9	20.3
Accounts receivable	51.2	55.5	54.8
Inventories	30.2	29.4	30.3
Others	5.2	5.6	7.9
Fixed assets	73.1	71.7	72.0
Total PPE	46.6	44.7	44.9
Intangible assets	3.2	2.8	2.5
Investment securities	20.8	22.3	21.8
Others	2.5	1.9	2.8
Total assets	180.3	190.1	185.3

	2011/6	2012/3	2012/6
Liabilities	66.2	70.5	65.7
Accounts payable	14.1	17.3	16.4
Borrowings	39.5	38.9	35.5
Others	12.6	14.3	13.8
Net assets	114.1	119.6	119.6
Shareholders' equity	112.7	118.0	118.5
Unrealized gains or losses on investment securities	1.6	2.0	1.6
Foreign currency translation adjustments	-1.2	-1.4	-1.4
Minority interests	1.0	1.0	0.9
Total liabilities & Net assets	180.3	190.1	185.3

(D/E Ratio)(1) **16.7%** **9.3%** **12.9%**

(Equity Ratio) **62.7%** **62.4%** **64.0%**

(1)D/E Ratio = (Borrowings - Cash) / Shareholders' equity 24

1H FY2012 Outlook revised on July 31, 2012

(¥billion)

	FY2011	FY2012E		Change	
	1H	1H	1H	1H	1H
		as of May 2012	as of July 2012	as of May 2012	as of July 2012
Sales	69.8	69.4	72.0	-0.4	2.2
Operating Profit	6.6	6.3	8.3	-0.3	1.7
Non-Operating Income/Expenses	-0.1	-0.2	-0.3	-0.1	-0.2
Ordinary Income	6.5	6.1	8.0	-0.4	1.5
Extraordinary Profit/Loss	-	-	-	-	-
Net Income	4.4	3.6	5.1	-0.8	0.7
EPS (¥) (1)	25.88	20.93	30.43	-4.95	4.55
Dividend (¥/share)	¥12	¥12	¥12	¥0	¥0
Total amount of Dividend (1)	2.1	2.0	2.0	-0.1	-0.1
OP Margin(%)	9.4%	9.1%	11.5%	-0.3%	2.1%

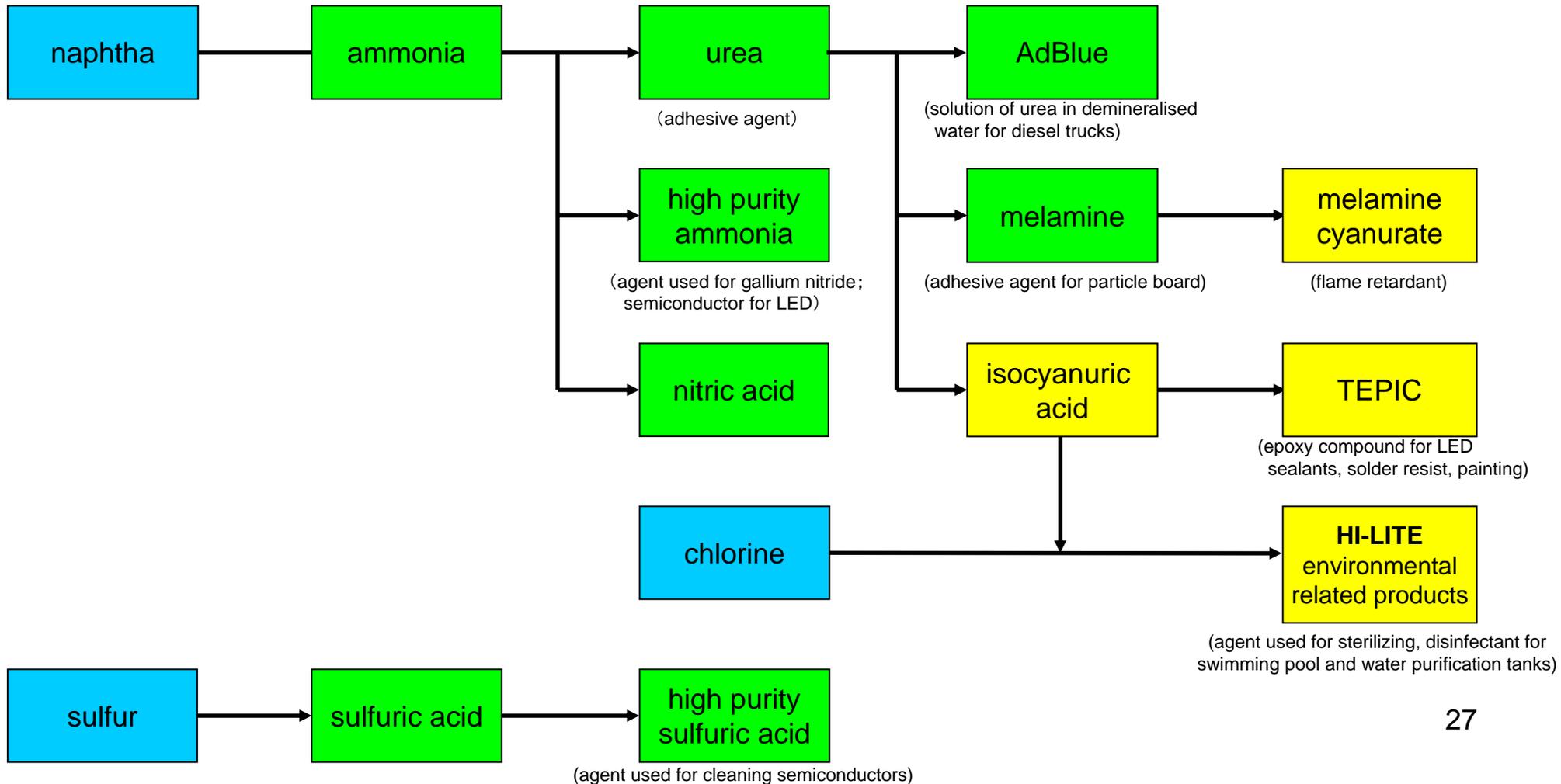
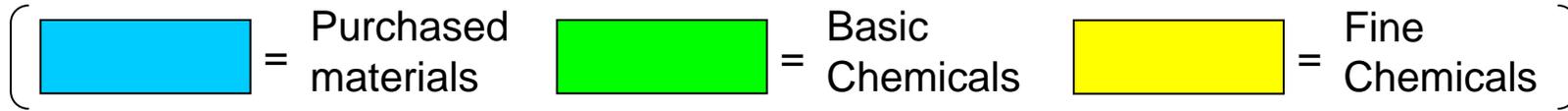
(1) EPS, Total amount of Dividend based on purchase of treasury shares announced on May 15, 2012

1H FY2012 Outlook revised on July 31, 2012

- In 1Q, sales of major products above 1Q expectations as of May 2012
- In 2Q, overall performance expected to be flat vs. 2Q expectations as of May 2012
- Revised 1H sales and OP Outlook by Segment not prepared due to limitations on information available
- FY2012 full year Outlook unchanged due to uncertain business environments in 2H

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

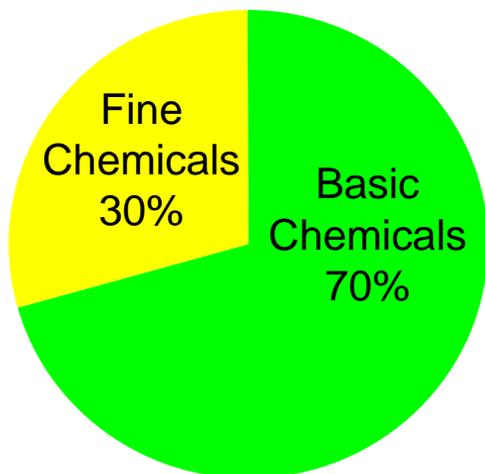
- ◆ Core products of Basic Chemicals : Ammonia related products and sulfuric acid related products
- ◆ FY2011 ammonia domestic market share 8%, large percentage of self-consumption of ammonia



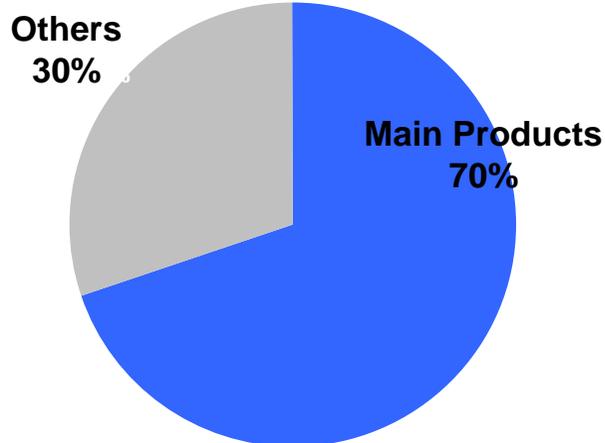
Chemicals – ② FY2011 Sales Distribution

< Total Segment >

Sales: ¥36.9 billion

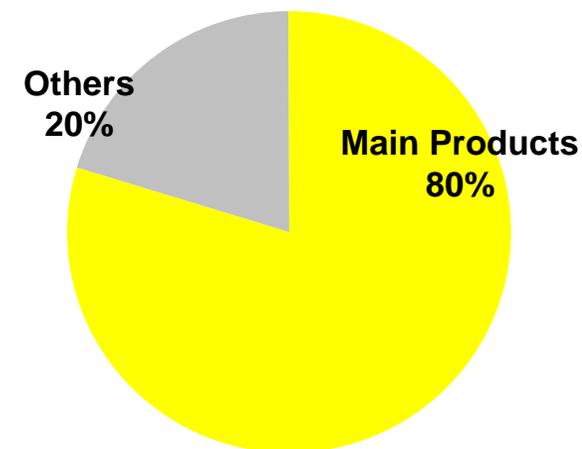


< Total Segment >



< Fine Chemicals >

Sales: ¥10.9 billion



◆ Main Products (in order of sales amount)

< Total Segment >

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

< Fine Chemicals >

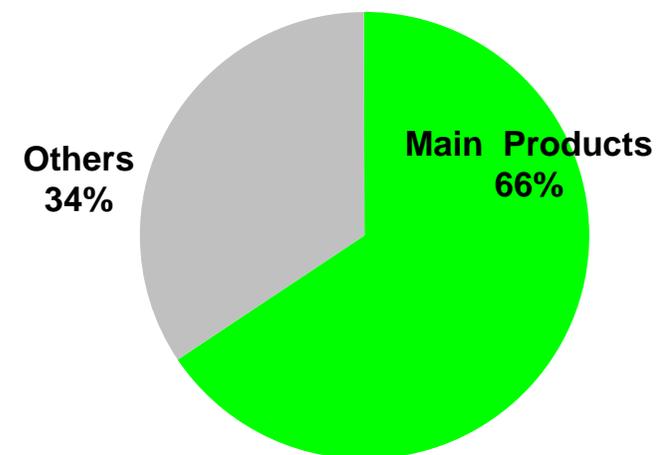
Environmental related products
 TEPIC
 Custom Chemicals

< Basic Chemicals >

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

< Basic Chemicals >

Sales: ¥26.0 billion



Chemicals – ③ Fine Chemicals subsegment

Product	Characteristics and Trend	Sales YOY Change								
		FY2011 Outlook as of Oct. 2011			FY2011 Actual			FY2012E		
		1H Actual	2H E	FY 2011E	1H Actual	2H Actual	FY 2011	1H E	2H E	FY 2012E
Total Subsegment		-3%	+13%	+4%	-3%	-3%	-3%	-4%	+21%	+8%
TEPIC	<p>◆ Epoxy compound mainly for : (A) electronic materials (solder resist, LED sealant) (47% of sales FY2011), (B) general applications such as powder coating agent for paint (automobiles, electric appliances)(53% of sales FY2011)</p> <p>◆ World largest producer</p> <p>(FY2011) Sales down due to strong yen and weak electronics market (FY2012) Demand expected to recover in 2H Focusing on development of new liquid TEPIC</p>	-12%	+4%	-4%	-12%	-13%	-12%	-2%	+18%	+8%
Environmental related products	<p>◆ HI-LITE : made from chlorinated isocyanuric acid, used for sterilizing, disinfectant for swimming pool as well as water purification tank</p> <p>(FY2011) Sales down due to the Earthquake as well as strong yen (FY2012) Demand expected to recover in 2H</p>	-11%	+6%	-4%	-11%	-14%	-12%	-5%	+22%	+6%
Custom Chemicals	<p>◆ Custom manufacturing and process researching services for pharma companies</p> <p>◆ New plant completed in Onoda in July 2010 (capex ¥ 2.0 billion)</p> <p>(FY2011) Sales up due to new contracts (FY2012) Sales up Increase in work on existing contracts New contracts expected Decrease in depreciation cost</p>	+29%	+23%	+27%	+29%	+39%	+33%	-12%	+40%	+11%

Chemicals – ④ Basic Chemicals subsegment

Product	Characteristics and Trend	Sales YOY Change								
		FY2011 Outlook as of Oct. 2011			FY2011 Actual			FY2012E		
		1H Actual	2H E	FY 2011E	1H Actual	2H Actual	FY 2011	1H E	2H E	FY 2012E
Total Subsegment		+2%	+4%	+3%	+2%	-8%	-3%	+0%	+6%	+3%
Melamine	<p>◆ Mainly used as adhesive agent for particle board, medium density fiberboard, plywood</p> <p>(FY2011) Sales for both domestic and export market sluggish due to the Earthquake, strong yen and weak Asian market</p> <p>(FY2012) Sales down 1% v.s. FY2011</p> <p>Weak demand expected to continue in 1H, slight recovery expected in 2H</p>	-4%	-13%	-13%	-12%	-37%	-26%	-10%	+8%	-1%
Urea including AdBlue	<p>◆ Urea: mainly used for urea formaldehyde resin, adhesive agent</p> <p>◆ AdBlue: solution of urea in demineralised water for diesel trucks to reduce NOx</p> <p>(FY2011) Sales up due to strong marketing efforts, supported by new domestic NOx rules on diesel trucks</p> <p>(FY2012) Sales up based on continued marketing efforts</p>	+16%	+52%	+35%	+16%	+28%	+22%	+36%	+26%	+31%
High purity sulfuric acid	<p>◆ Used to clean semiconductors</p> <p>◆ Largest domestic producer</p> <p>◆ Capacity expansion(+15%) completed in May 2011 to accommodate increase in demand</p> <p>(FY2011) Sales up slightly due to weak semiconductors market</p> <p>(FY2012) Weak demand expected to continue in 1H, but sales up in 2H in line with semiconductors recovery</p>	-1%	+21%	+10%	-1%	+2%	+1%	-1%	+13%	+6%

Three products account for 32% of FY2011 subsegment sales

Chemicals – ⑤ Profit Overview

(¥billion)

	FY2010			FY2011			Change		
	1H	2H	Total	1H	2H	Total	1H	2H	Total
Sales	18.5	19.6	38.1	18.6	18.3	36.9	0.1	-1.3	-1.2
Fine Chemicals	6.1	5.2	11.3	5.9	5.0	10.9	-0.2	-0.2	-0.4
Basic Chemicals	12.4	14.4	26.8	12.7	13.3	26.0	0.3	-1.1	-0.8
OP	0.6	1.8	2.4	0.8	0.8	1.6	0.2	-1.0	-0.8

FY2011 Outlook as of October 2011		
1H	2HE	Total
18.6	20.7	39.3
5.9	5.9	11.8
12.7	14.8	27.5
0.8	2.1	2.9

	FY2011			FY2012E			Change		
	1H	2H	Total	1HE	2HE	Total	1HE	2HE	Total
Sales	18.6	18.3	36.9	18.4	20.1	38.5	-0.2	1.8	1.6
Fine Chemicals	5.9	5.0	10.9	5.7	6.1	11.8	-0.2	1.1	0.9
Basic Chemicals	12.7	13.3	26.0	12.7	14.0	26.7	0.0	0.7	0.7
OP	0.8	0.8	1.6	0.6	1.7	2.3	-0.2	0.9	0.7

	FY2011	FY2012	Change
	1Q	1Q	1Q
Sales	9.4	9.1	-0.3
Fine Chemicals	3.0	2.9	-0.1
Basic Chemicals	6.4	6.2	-0.2
OP	1.0	0.8	-0.2

Chemicals – ⑥ Profit Overview

2H FY2011 Review (vs. 2H FY2010)

- (Basic Chemicals) ◆ OP down
 - ◆ Naphtha cost increase, sales decrease in melamine
 - ◆ Urea/AdBlue sales up, fixed cost down
- (Fine Chemicals) ◆ OP flat
 - ◆ Sales down (Custom Chemicals up, but other products down due to strong yen and weak electronic appliances market)
- (Total Segment) ◆ Sales down ¥1.3billion, OP down ¥1.0billion

(vs. 2H FY2011 Outlook as of October 2011)

- (Basic Chemicals) ◆ Demand for melamine and major products below outlook
- (Fine Chemicals) ◆ Except Custom Chemicals, sales below expectations due to strong yen and weak electronic appliances market)
- (Total Segment) ◆ Sales down ¥2.4billion, OP down ¥1.3billion

FY2012 YOY Outlook

- (Basic Chemicals) ◆ OP up
 - ◆ Market conditions weak in 1H
 - ◆ Sales of urea/AdBlue and high purity sulfuric acid up in 2H
 - ◆ Slight recovery in melamine in 2H
 - ◆ Fixed cost down
- (Fine Chemicals) ◆ OP up
 - ◆ Market conditions weak in 1H
 - ◆ Custom Chemicals sales up in 2H, demand for TEPIC up in 2H
 - ◆ Fixed cost down
- (Total Segment) ◆ Sales up ¥1.6billion, OP up ¥0.7billion

FY2011 YOY Review

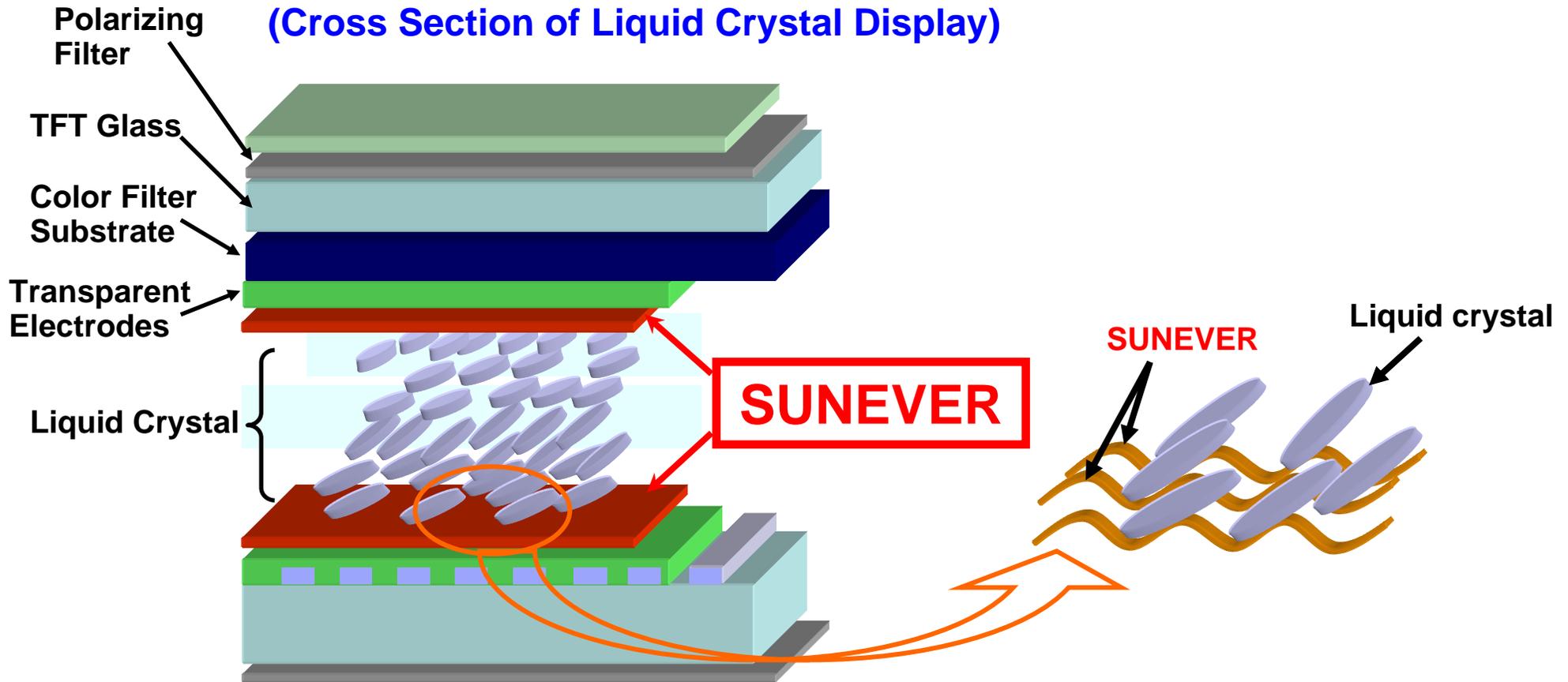
- (Basic Chemicals) ◆ OP down
 - ◆ Slight OP decrease in 1H, large OP decrease in 2H due to sales decrease in melamine though urea/ AdBlue sales up, and fixed cost down
- (Fine Chemicals) ◆ OP up
 - ◆ Custom Chemicals sales up, other products sales down
 - ◆ Fixed cost down
- (Total Segment) ◆ Sales down ¥1.2billion, OP down ¥0.8billion

1Q FY2012 YOY Review

- (Basic Chemicals) ◆ OP down mainly due to decrease in melamine export
 - ◆ Sales of urea including AdBlue and high purity sulfuric acid up
- (Fine Chemicals) ◆ OP flat
 - ◆ Sales of TEPIC (for paint) and HI-LITE down, while sales of Custom Chemicals up
- (Total Segment) ◆ Sales down ¥0.3billion and OP down ¥0.2billion, below 1Q projections

Performance Materials – ① SUNEVER

- ◆ Polyimide resin to align liquid crystal molecules in a certain direction
- ◆ Key component to control reaction speed of image, non erasable residual dots



Performance Materials – ② SUNEVER

◆ 2H FY2011 Review

(vs. 2H FY2010) Sales down 7%

Remarkable IPS/FFS sales increase, but large TN and VA sales decrease due to customers' production cut

(vs. 2H FY2011 Outlook as of October 2011) Sales down vs. October 2011 outlook

VA above expectations, but TN and IPS/FFS below expectations because of smaller customers' volume

◆ FY2011 YOY Review

Sales down 15%

Remarkable IPS/FFS sales increase, but large decrease TN and VA sales due to customers' production cut

◆ FY2012 YOY Outlook

Sales up 14%

Recovery in panel market

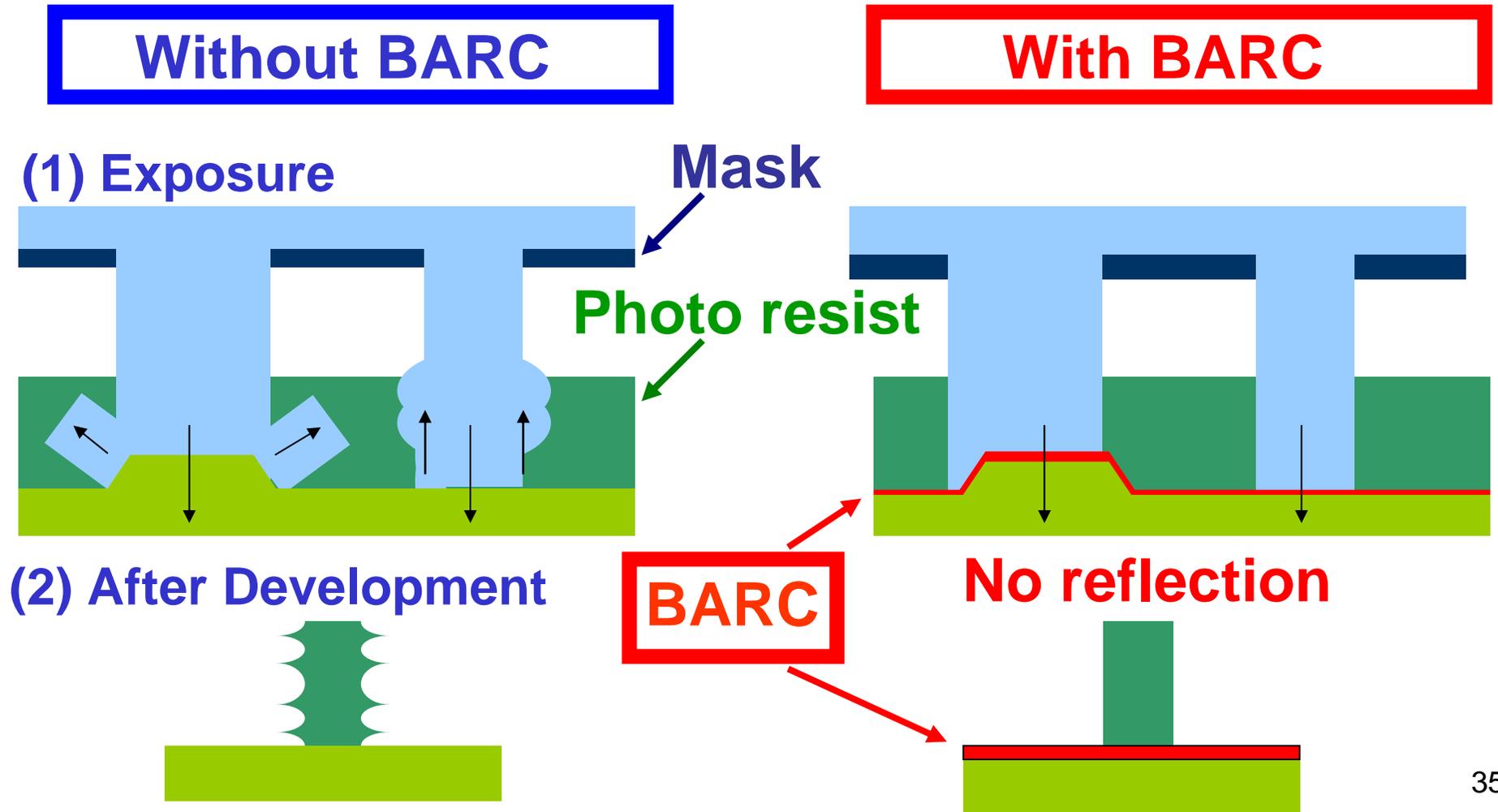
Sales increase in IPS/FFS and VA

◆ Technical Service Center in Taiwan completed in April 2011

	Major Use	Sales YOY Change								
		FY2011 Outlook as of October 2011			FY2011 Actual			FY2012E		
		1H Actual	2H E	FY 2011E	1H Actual	2H Actual	FY 2011	1H E	2H E	FY 2012E
Total SUNEVER		-23%	+4%	-10%	-23%	-7%	-15%	+10%	+18%	+14%
TN (twisted nematic)	PC, monitor	-31%	-16%	-25%	-31%	-25%	-28%	-16%	-4%	-10%
IPS/FFS (in plane switching / fringe field switching)	Tablet PC, smart phone	-13%	+26%	+6%	-13%	+13%	+0%	+36%	+34%	+35%
VA (vertical alignment)	TV									

Performance Materials – ③ BARC (bottom anti-reflective coating for semiconductor)

- ◆ Bottom anti-reflective coating for semiconductor lithography for eliminating reflections
- ◆ Demand for ArF increasing as lithography shifts to fine processing technology



Performance Materials – ④ BARC(bottom anti-reflective coating for semiconductor)

◆ 2H FY2011 Review

(vs. 2H FY2010) Sales down due to sluggish demand for KrF and non-BARC ArF (BARC ArF volume up)

(vs. 2H FY2011 Outlook as of October 2011)

Sales down due to weak demand for KrF and ArF

◆ FY2011 YOY Review

Sales down due to weak demand for KrF and ArF

◆ FY2012 YOY Outlook

Sales down 4%

Continued weak semiconductors market in 1H, recovery in 2H (BARC ArF volume up)

	Line Width	Sales YOY Change								
		FY2011 Outlook as of October 2011			FY2011 Actual (2)			FY2012E		
		1H Actual	2H E	FY 2011E	1H Actual	2H Actual	FY 2011	1H E	2H E	FY 2012E
Total BARC		-15%	-1%	-8%	-15%	-9%	-12%	-5%	-2%	-4%
KrF	130nm~110nm	-19%	-7%	-13%	-19%	-16%	-18%	-12%	-5%	-9%
ArF(1)	90nm>	-12%	+2%	-5%	-12%	-5%	-9%	-2%	+0%	-1%

(1) Including Non-BARC application

(2) FY2011 sales distribution : KrF 31%, BARC ArF 61%, Non-BARC ArF 7%

Performance Materials – ⑤ Inorganic Materials

High performance inorganic colloidal materials

SNOWTEX

colloidal silica
(water dispersed silica sol)

Organo sol

organic solvent dispersed silica sol

Alumina sol

water dispersed alumina hydrate sol

SUNCOLLOID

methanol dispersed tin oxide sol

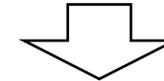
Celnax

zinc antimonate sol

Dominant share in domestic market (SNOWTEX)

< Characteristics >

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

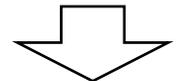
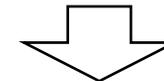
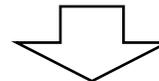


< Key functions >

Coating

Binding

Polishing



< Application Examples >

Coating for plastic optical lenses, metals, plastic films

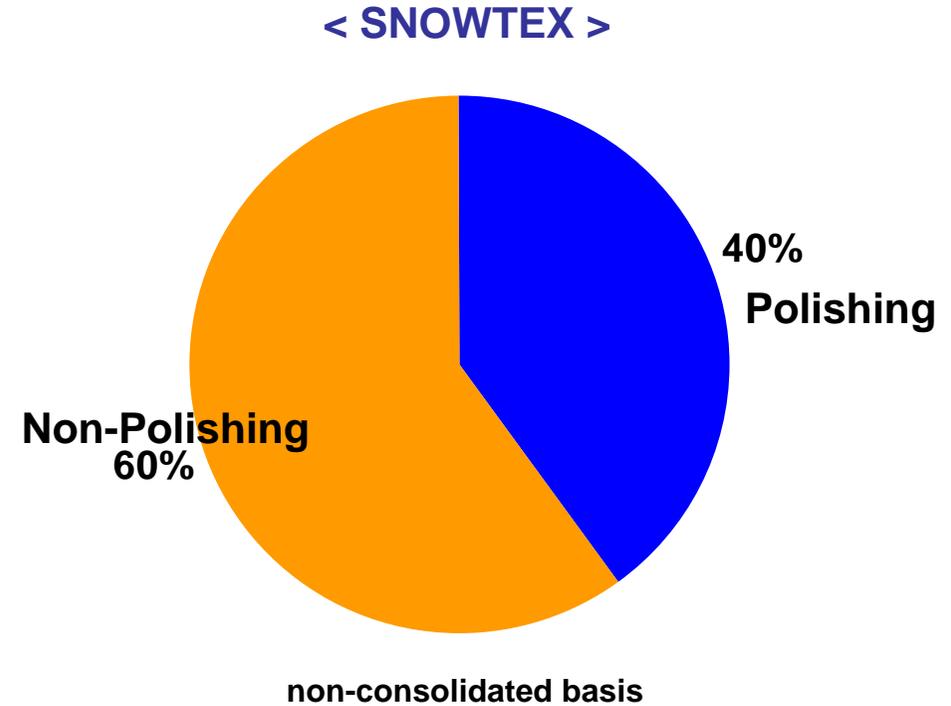
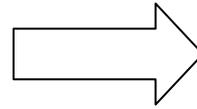
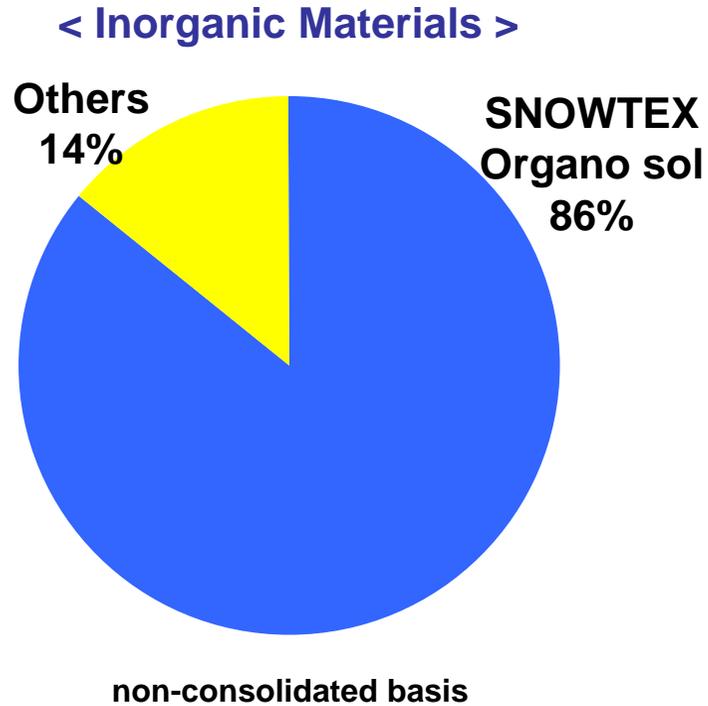
Catalyst carrier, Binder for ceramics

Polishing silicon wafer, aluminum/glass hard discs

NCI's Advantages

- Wide variety of grades to accommodate diversified customer's needs
 - particle diameter, surface treatment, concentration, PH, etc.
- Superiority in quality
 - long-term product stability, large-sized sol, etc.

Performance Materials – ⑥ Inorganic Materials FY2011 Sales Distribution



Performance Materials – ⑦ Inorganic Materials

New Products

◆ Inorganic Materials (SNOWTEX, Organo sol)

Product	Characteristics and Trend	Sales YOY Change (1)								
		FY2011 Outlook as of October 2011			FY2011 Actual			FY2012E		
		1H Actual	2H E	FY 2011E	1H Actual	2H Actual	FY 2011	1H E	2H E	FY 2012E
SNOWTEX	<ul style="list-style-type: none"> ◆ Silica sol mainly for : (A) polishing materials (silicon wafer, aluminum and glass hard disk), (B) non-polishing materials (NOx reduction catalyst, automobile catalyst, chrome-free electrical steel sheet) ◆ Largest domestic producer ◆ New second plant in Toyama completed in March 2011(capacity +20%) <p>(2H FY2011) Sluggish demand for polishing applications as well as non-polishing applications (FY2012) Recovery of demand for all applications in 2H</p>	-9%	+17%	+4%	-9%	-24%	-16%	-10%	+29%	+7%
Organo sol	<ul style="list-style-type: none"> ◆ Used for hard coating materials, electronic information materials ◆ World largest producer <p>(2H FY2011) Demand for certain electronic information up (FY2012) Recovery of demand for electronic information materials in 2H</p>	-5%	+42%	+16%	-5%	+12%	+2%	-1%	+28%	+13%

(1) Non-consolidated basis

◆ New Products

Sales of new products such as multi layer process materials, 3D TV materials, NHC (protection layer materials of touch panel) increasing substantially

Sales YOY change: FY2011 Actual +36%, FY2012 Outlook +79%

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Performance Materials – ⑧ Profit Overview

(¥billion)

	FY2010			FY2011			Change		
	1H	2H	Total	1H	2H	Total	1H	2H	Total
Sales	19.7	18.3	38.0	17.0	17.0	34.0	-2.7	-1.3	-4.0
OP	4.9	3.0	7.9	2.6	2.2	4.8	-2.3	-0.8	-3.1

FY2011 Outlook as of October 2011		
1H	2HE	Total
17.0	20.3	37.3

2.6	4.3	6.9
-----	-----	-----

	FY2011			FY2012E			Change		
	1H	2H	Total	1HE	2HE	Total	1HE	2HE	Total
Sales	17.0	17.0	34.0	17.5	19.7	37.2	0.5	2.7	3.2
OP	2.6	2.2	4.8	2.7	3.6	6.3	0.1	1.4	1.5

	FY2011	FY2012	Change
	1Q	1Q	1Q
Sales	8.7	9.5	0.8
OP	1.7	2.1	0.4

Performance Materials – ⑨ Profit Overview

2H FY2011 Review

(vs. 2H FY2010)

- ◆ Sales down ¥1.3billion, OP down ¥0.8billion
- ◆ Sales decrease in TN, VA, BARC(including non-BARC ArF), SNOWTEX
- ◆ Substantial sales increase in IPS/FFS
- ◆ 3D TV materials launched
- ◆ Fixed cost up

(vs. 2H FY2011 Outlook as of October 2011)

- ◆ Sales down ¥3.3billion, OP down ¥2.1billion
- ◆ Except VA, all major products sales below expectations due to weak respective market conditions

FY2011 YOY Review

- ◆ Sales down ¥4.0billion, OP down ¥3.1billion
- ◆ Sales decrease in TN, VA, BARC (including non-BARC ArF), SNOWTEX
- ◆ Substantial sales increase in IPS/FFS
- ◆ BARC ArF volume up
- ◆ New products sales up 36%
- ◆ Fixed cost up (new SNOWTEX plant completed in March 2011)

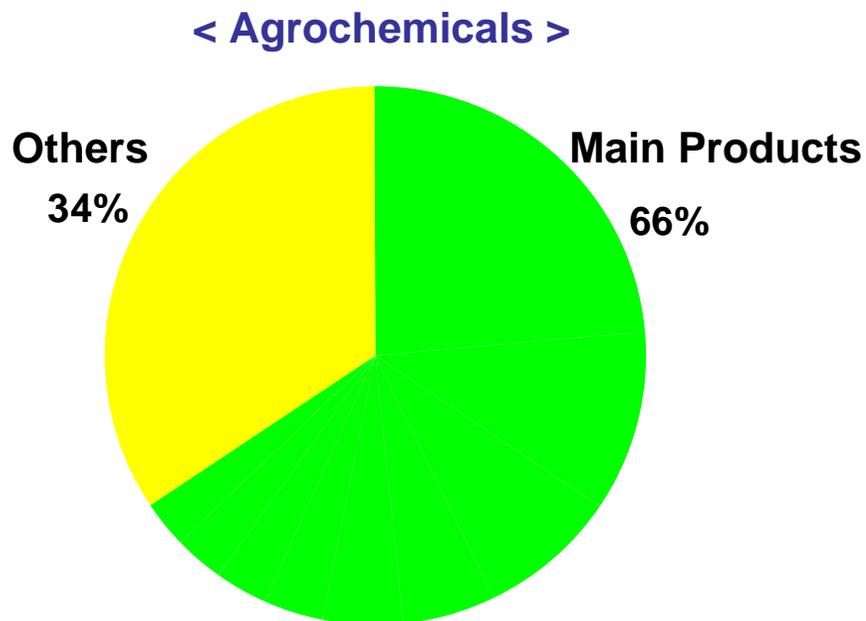
FY2012 YOY Outlook

- ◆ Sales up ¥3.2billion, OP up ¥1.5billion
- ◆ Recovery in demand for SUNEVER, Inorganic Materials
- ◆ New products sales up 79%
- ◆ Recovery of BARC and Inorganic Materials in 2H

1Q FY2012 YOY Review

- ◆ Sales up ¥0.8billion (+9.1%) and OP up ¥0.4billion (+27.3%), above 1Q projections
- ◆ Substantial sales increase in IPS/FFS and VA
- ◆ Sales of BARC (inc. non-BARC applications), SNOWTEX down, but above 1Q projections
- ◆ New products sales up 20%

Agrochemicals – ① FY2011 Sales Distribution (before discount)



◆ Main Products:

ROUNDUP (herbicide), SIRIUS (herbicide), PERMIT (herbicide), TARGA (herbicide), PULSAR (THIFLUZAMIDE, fungicide), STARMITE (miticide), LEIMAY (fungicide), BUTACHLOR (herbicide), SANMITE (insecticide)

	Sales YOY Change	
	FY2011 / FY2010	FY2012E / FY2011
ROUNDUP	↗	→
SIRIUS	↘	→
PERMIT	↗	↗
TARGA	→	↘
PULSAR (THIFLUZAMIDE)	↗	→
STARMITE	↗	↗
LEIMAY	↗	↗
BUTACHLOR	→	↘
SANMITE	→	→
ALTAIR (NC-620)	↗	↗

Agrochemicals – ②

◆ Stable profit center

◆ Strengthening product portfolio by: (a) in-house developed products, (b) acquired products, (c) licensed-in products

(a) In-house developed products : **LEIMAY**(fungicide), **STARMITE**(miticide) in FY2008

(b) Acquired products : **ROUNDUP**(herbicide, acquired from Monsanto) in FY2002,
PULSAR(THIFLUZAMIDE)(fungicide, acquired from Dow) in FY2009

(c) Licensed-in products : **PREVATHON**(insecticide, licensed from DuPont) in FY2009,
AVH(herbicide, licensed from ZEN-NOH, Bayer and Hokko) in FY2010

◆ Pipeline

(a) In-house developed products : **ALTAIR(NC-620)** (paddy rice herbicide, launched FY2011 in Korea, launch FY2012 in Japan, expected peak sales ¥6 billion)

Animal health product (for pets to exterminate tick and flea, licensing product, launch FY2014)

(c) Licensed-in products : **Fruits/vegetables/paddy rice insecticide,**
Fruits/vegetables/tea insecticide,
Fruits/vegetables fungicide

◆ Full reconstruction of Biological Research Laboratories (FY2010-2015)

◆ Acquired 3% share of IHARABRÁS (leading agro company in Brazil) in September 2011 to strengthen R&D and marketing capabilities in the rapidly growing market in Latin America

◆ Export sales account for about 20% of FY2011 non-consolidated segment sales (including sales through Trading segment)

Asia:49%, Europe,Africa:24%, North/Central/South America:27%

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

	Non-consolidated Sales YOY Change (before discount)						
	FY2011 Outlook as of October 2011			FY2011			FY 2012E
	1H Actual	2H E	FY 2011E	1H Actual	2H Actual	FY 2011	
ROUNDUP	+33%	+0%	+9%	+33%	+0%	+9%	+0%
Except ROUNDUP	-2%	+1%	+0%	-2%	-4%	-3%	+4%
Total Segment	+4%	+0%	+2%	+4%	-3%	-1%	+3%



	Non-consolidated Sales YOY Change (before discount)				
	April 2011- September 2011	October 2011- March 2012	April 2012- September 2012E	October 2012- March 2013E	April 2013- September 2013E
ROUNDUP	+33%	+0%	+7%	-3%	+12%

	NCI Non-consolidated Sales Distribution		Domestic Market Distribution
	FY2010	FY2011	October 2010 - September 2011
Fungicide + Insecticide	3%	2%	11%
Insecticide	19%	18%	30%
Fungicide	11%	13%	23%
Herbicide	62%	65%	34%
Plant growth regulator	2%	2%	2%
Others	2%	1%	0%

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Agrochemicals – ④ Profit Overview

(¥billion)

	FY2010			FY2011			Change		
	1H	2H	Total	1H	2H	Total	1H	2H	Total
Sales	12.0	22.4	34.4	12.5	21.3	33.8	0.5	-1.1	-0.6
OP	0.8	4.0	4.8	0.8	3.6	4.4	0.0	-0.4	-0.4

FY2011 Outlook as of October 2011		
1H	2H E	Total
12.5	22.2	34.7

0.8	3.4	4.2
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	FY2011			FY2012E			Change		
	1H	2H	Total	1H E	2H E	Total	1H E	2H E	Total
Sales	12.5	21.3	33.8	13.0	21.6	34.6	0.5	0.3	0.8
OP	0.8	3.6	4.4	0.8	3.4	4.2	0.0	-0.2	-0.2

	FY2011	FY2012	Change
	1Q	1Q	1Q
Sales	7.1	8.3	1.2
OP	1.2	1.6	0.4

Agrochemicals – ⑤ Profit Overview

2H FY2011 Review

(vs. 2H FY2010)

- ◆ Sales down ¥1.1billion, OP down ¥0.4billion
- ◆ Paddy rice herbicide down, some licensed-in contracts discontinued
- ◆ Marketing cost up, depreciation cost up (new Biological Research Laboratories), R&D expenses up

(vs. 2H FY2011 Outlook as of October 2011)

- ◆ Sales down ¥0.9billion, OP up ¥0.2billion
- ◆ Sales of some paddy rice herbicide and licensed-in products below outlook
- ◆ Cost cut, shift to higher margin products

FY2011 YOY Review

- ◆ Sales down ¥0.6billion, OP down ¥0.4billion
- ◆ In-house developed products sales up (ROUNDUP, LEIMAY, STARMITE, PULSAR, etc.)
- ◆ Absence of milestones on the animal health products (¥0.5billion in FY2010)

FY2012 YOY Outlook

- ◆ Sales down ¥0.8billion, OP down ¥0.2billion
- ◆ In-house developed products sales up (STARMITE, LEIMAY, ALTAIR in Korea, etc.)
- ◆ Milestones on the animal health products expected
- ◆ Depreciation cost up (new Biological Research Laboratories), R&D expenses up

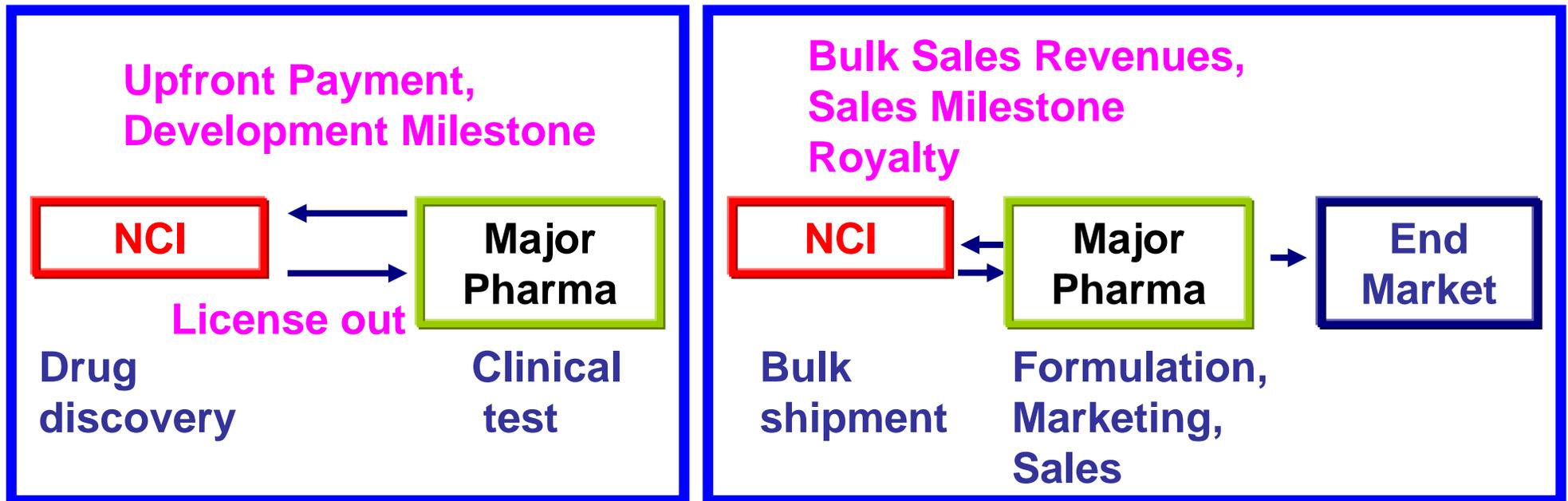
1Q FY2012 YOY Review

- ◆ Sales up ¥1.2billion (+16.0%) and OP up ¥0.4billion (+27.3%), above 1Q projections
- ◆ Sales of ROUNDUP, PULSAR, SANMITE up, export up

Pharmaceuticals – ① NCI Business Model

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

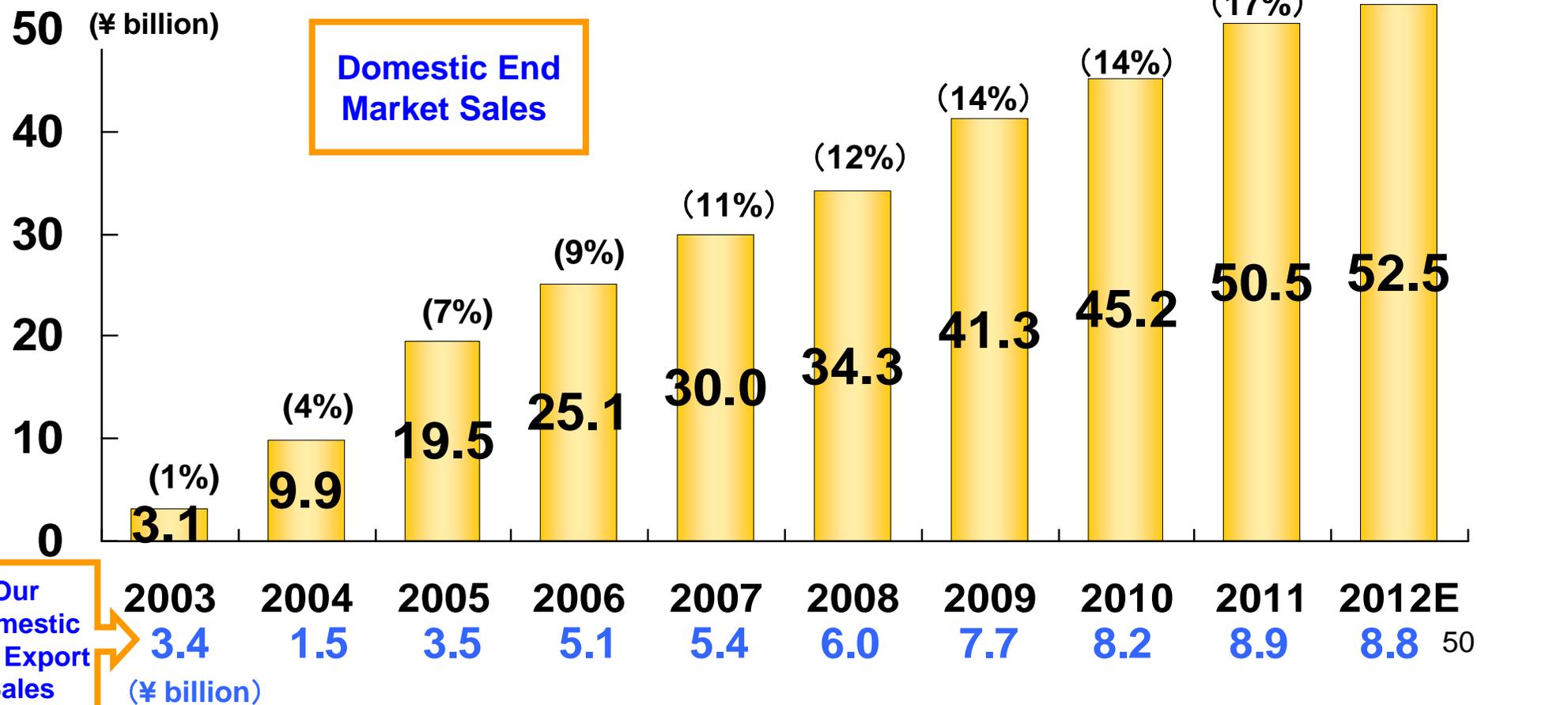
< Before Launch > → < After Launch >



Pharmaceuticals – ② LIVALO (anti-cholesterol drug)

- ◆ Domestic market share up steadily
- ◆ Sales started in USA in June 2010, co-distribution by Kowa and Eli Lilly
- ◆ Sales started in Europe in 2011 (Spain in May, Portugal in June, France and Italy approved in 2012)
- ◆ FY2012 NHI drug price cut 8% (last cut in FY2010)
- ◆ New plant completed in March 2011
- ◆ Full reconstruction of Biological Research Laboratories (FY2010-2015)

FY2011 Market share	
Lipitor	35%
Crestor	27%
Livalo	17%
Mevalotin	13%



Pharmaceuticals – ③ LIVALO World Wide Strategy & Pipeline

◆ LIVALO World Wide Strategy

Country/Region	Developing Status	Launch (schedule)	Business Partner
Japan	Launched	Sep 2003	Kowa, Daiichi-Sankyo
Korea	Launched	Jul 2005	JW Pharmaceutical
Thailand	Launched	Jan 2008	Biopharm-Chemical
China	Launched	Jul 2009	Kowa Shanghai
USA	Launched	Jun 2010	Kowa(KPA), Eli Lilly
Spain	Launched	May 2011	Kowa(KPE), Recordati
Portugal	Launched	June 2011	Kowa(KPE), Recordati
Mexico	Launched	Feb 2012	Eli Lilly
Indonesia	Launched	May 2012	Indonesia Tanabe
Taiwan	Launched	June 2012	Taiwan Tanabe
France	Approved	2012	Kowa(KPE), Recordati
Italy	Approved	2012	Kowa(KPE), Recordati
Australia	Approved	2012	Abbott

Other approved countries : Ireland, Cyprus, Greece, Switzerland, Turkey, Poland, Austria, etc.

◆ Pipeline

Product	Market		Developing Status	Licensee	Expected Market Size (¥ billion)
NM/NT-702 (Anti-platelet agent)	Japan	Intermittent claudication	Phase II	Taisho	20-30
		Asthma			20
NTC-801 (Anti-arrhythmic agent)	Japan		Phase II	Teijin	1 million patients (2015)
	World wide (except Japan)		Phase II	BMS	8.4 million patients (2015)
NIP-022 (Platelet generating stimulator agent)			Phase I	Ono	0.35million patients (2015 in Japan)

Pharmaceuticals – ④ NTC-801 (anti-arrhythmic agent)

- ◆ Licensed global rights to Bristol Myers Squibb in Mar 2009
 - Japan ⇒ Teijin Pharma
 - Global (except Japan) ⇒ Bristol Myers Squibb
- ◆ Innovative new drug that may change existing treatment
 - Selectively acts only on atrium (no effect on ventricle)
 - Used safely without triggering dangerous side effects
- ◆ Expected upfront payment, milestones (total amount for Nissan/Teijin)

(\$ million)

Before Launch		After Launch	Total
Upfront payment (paid in FY2008)	Development milestones	Sales milestones	
40	170	175	385

Pharmaceuticals – ⑤ Profit Overview

(¥billion)

	FY2010			FY2011			Change		
	1H	2H	Total	1H	2H	Total	1H	2H	Total
Sales	4.8	4.8	9.6	5.2	4.8	10.0	0.4	0.0	0.4
OP	2.1	2.3	4.4	2.6	2.0	4.6	0.5	-0.3	0.2

FY2011 Outlook as of October 2011		
1H	2HE	Total
5.2	4.6	9.8
2.6	1.7	4.3

	FY2011			FY2012E			Change		
	1H	2H	Total	1HE	2HE	Total	1HE	2HE	Total
Sales	5.2	4.8	10.0	4.9	4.1	9.0	-0.3	-0.7	-1.0
OP	2.6	2.0	4.6	2.3	1.7	4.0	-0.3	-0.3	-0.6

	FY2011	FY2012	Change
	1Q	1Q	1Q
Sales	2.9	3.5	0.6
OP	1.4	1.9	0.5

Pharmaceuticals – ⑥ Profit Overview

2H FY2011 Review

(vs. 2H FY2010)

- ◆ Sales flat, OP down ¥0.3billion
- ◆ LIVALO sales up ¥0.4billion, milestones down ¥0.5billion
- ◆ Depreciation cost up (new Biological Research Laboratories)

(vs. 2H FY2011 Outlook as of October 2011)

- ◆ Sales up ¥0.2billion, OP up ¥0.3billion
- ◆ Domestic LIVALO sales above expectations
- ◆ Fixed cost below outlook

FY2011 YOY Review

- ◆ Sales up ¥0.4billion (LIVALO market share up with sales increase ¥0.7billion, milestones down ¥0.2billion), OP up ¥0.2billion
- ◆ Depreciation cost up (new plant, new Biological Research Laboratories), cost cut

FY2012 YOY Outlook

- ◆ Sales down ¥1.0billion (LIVALO down ¥0.1billion, milestones down ¥0.4billion, others down ¥0.5billion), OP down ¥0.6billion
- ◆ LIVALO volume up, but National Health Insurance drug price cut 8%

1Q FY2012 YOY Review

- ◆ Sales up ¥0.6billion (+21.6%) and OP up ¥0.5billion (+35.7%), above 1Q projections
- ◆ Strong LIVALO sales, in both domestic and overseas markets
- ◆ No milestones as expected

Trading – Profit Overview

◆ Mainly import raw and intermediate materials and export products for NCI group

	FY2010			FY2011			Change		
	1H	2H	Total	1H	2H	Total	1H	2H	Total
Sales	21.2	22.9	44.1	22.5	22.3	44.8	1.3	-0.6	0.7
OP	0.7	0.7	1.4	0.7	0.6	1.3	0.0	-0.1	-0.1

(¥billion)

FY2011 Outlook as of October 2011		
1H	2HE	Total
22.5	25.8	48.3
0.7	0.9	1.6

	FY2011			FY2012E			Change		
	1H	2H	Total	1HE	2HE	Total	1HE	2HE	Total
Sales	22.5	22.3	44.8	22.3	24.9	47.2	-0.2	2.6	2.4
OP	0.7	0.6	1.3	0.6	0.8	1.4	-0.1	0.2	0.1

	FY2011	FY2012	Change
	1Q	1Q	1Q
Sales	11.6	11.9	0.3
OP	0.4	0.4	0.0

2H FY2011 Review

(vs. 2H FY2010 and vs. 2H FY2011 Outlook as of October 2011)

- ◆ Sales and OP down due to smaller trading activities

FY2012 YOY Outlook

- ◆ Sales up ¥2.4billion, OP up ¥0.1billion
- ◆ Recovery in trading activities expected in 2H

FY2011 YOY Review

- ◆ Sales up ¥0.7billion, OP down ¥0.1billion
- ◆ Recovery in 1H, lower trading activities in 2H

1Q FY2012 YOY Review

- ◆ Sales up ¥0.3billion (+3.0%) and OP flat, both figures above 1Q projections

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Capex/Depreciation/R&D by Segment

(¥billion)

	Capex(1)					Depreciation(2)					R&D expenses					% of Sales
	2008	2009	2010	2011	2012E	2008	2009	2010	2011	2012E	2008	2009	2010	2011	2012E	
Chem	-	-	1.9	1.6	1.1	-	-	3.4	2.5	2.2	-	-	0.8	0.8	0.7	1.8%
Perf. Materials	-	-	3.7	2.2	3.2	-	-	4.1	4.3	4.0	-	-	5.6	6.2	6.6	17.7%
Agro	-	-	0.4	2.1	3.0	-	-	1.9	1.8	2.0	-	-	2.6	2.8	3.0	8.7%
Pharma	-	-	2.4	1.7	0.6	-	-	0.3	1.0	1.2	-	-	2.4	2.5	2.5	27.8%
Trading	-	-	0.2	0.1	0.1	-	-	0.1	0.1	0.1	-	-	0.0	0.0	0.0	0.0%
Others	-	-	1.0	0.6	0.6	-	-	0.6	0.8	0.5	-	-	1.2	1.3	1.4	-
Total	13.9	10.1	9.6	8.3	8.6	10.2	11.0	10.4	10.5	10.0	13.7	13.1	12.6	13.6	14.2	
R&D expenses/Sales (%)											8.6%	8.8%	8.2%	9.2%	9.3%	

(1) Capex

Actual - Acceptance basis

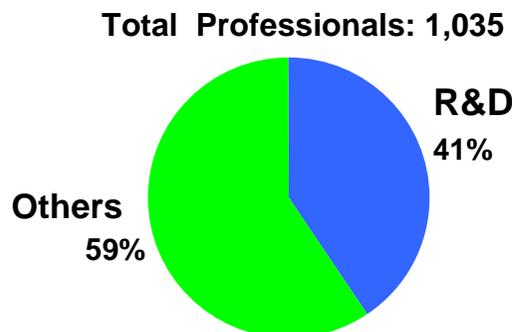
Outlook - Production commencement basis

(2) Depreciation Method

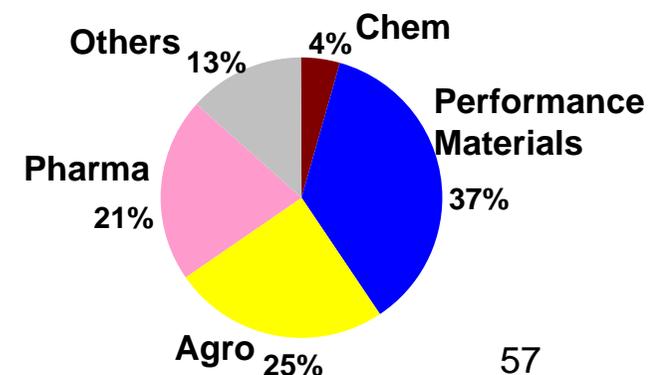
SUNEVER, BARC- 4 year declining balance method
(50.0% of initial capex amount in the 1st year)

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

< Professionals Distribution > (Parent company, Sept. 2011)



< R&D Personnel Distribution > (Including supporting staff, Sept. 2011)



FY2012 Main Capex Items (Approval basis)

(¥billion)

2012E	
High purity ammonia	0.4
SUNEVER(NCK)	0.4
BARC(NCK)	0.9
Electronic Materials Labo (Building)	2.9
Electronic Materials Labo (Instruments)	1.1
Biological Research Labo	0.9

Financial Strategy – ① Purchase of Treasury Shares

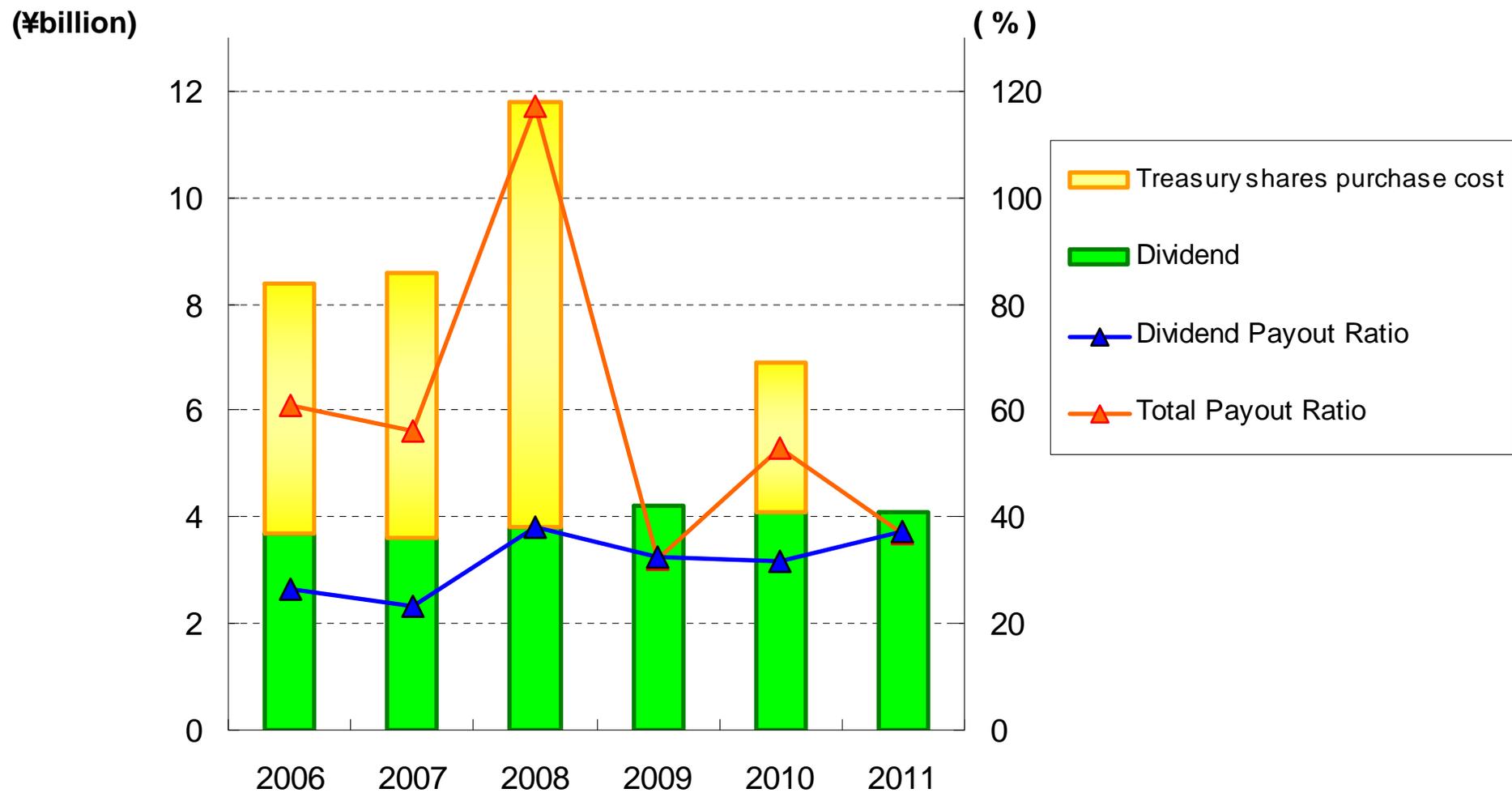
- ◆ Started purchase of treasury shares in 2006 to enhance ROE
- ◆ Purchased ¥20.5 billion, 16.4 million shares (8.8% of shares issued) in total
- ◆ Cancelled purchased shares

Record of purchase of treasury shares FY2006 - 11

	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2006- FY2011 Total
Shares purchased (thousand shares)	3,500	3,399	7,355	0	2,167	0	16,421
Purchase costs (¥ billion)	4.7	5.0	8.0	0	2.8	0	20.5
Shares cancelled (thousand shares)	3,000	3,635	7,000	0	3,000	0	16,635
Shares issued at FY end (thousand shares)	184,635	181,000	174,000	174,000	171,000	171,000	
Treasury stock at FY end (thousand shares)	1,367	1,233	1,660	1,709	885	886	
Dividend (¥ billion)	3.7	3.6	3.8	4.2	4.1	4.1	23.5
Dividend (¥ / Share)	20	20	22	24	24	24	
Total payout ratio (dividend + purchase of treasury shares) (%)	61	56	117	32	53	37	58

- ◆ Notification on May 15, 2012
 - (1) Total number of shares to be purchased : Up to 7 million shares
 - (2) Total amount of purchase costs of share : Up to ¥ 5 billion
 - (3) Purchase period : From May 16, 2012 to October 31, 2012
- ◆ Estimated FY2012 total payout ratio 78%
- ◆ From May 16 to August 15 2012, 5,400,000 shares purchased with ¥ 4,108 million

Financial Strategy – ② Payout Ratio (FY2006-2011)



Financial Strategy – ③ Cash Management Policy

- Aiming to control cash balance around the level of:

Minimum required level

+

1/3 of annual scheduled long-term borrowings repayment

+

1/3 of short-term borrowings outstanding

+

Contingent risk reserves (added for FY2011)

(non-consolidated basis)

Growth Engine Candidates

< Performance Materials >

< Display >

Photo alignment
VA, IPS/FFS

3D- LCD

NHC for
touch panel

Hole injection layer
material for OLED

Planarizing and
insulating layer
material for OLED

< Semiconductor >

Multi layer
Process material
(SiHM, SOC)

Molded
interconnect device

Under layer
for EUV

< Other areas >

Optical
nano-imprinting
related material

Printed silicon

Microlens material

Solar battery
related material

< Agrochemicals >

< Products to be launched within 2-3 years >

Herbicide
ALTAIR(NC-620)

Animal
health Products

< Following pipeline >

Fruits / Vegetable
Insecticide

Paddy rice
Herbicide

< Licensed-In products >

Fruits / Vegetable
/ paddy rice
insecticide

Fruits / Vegetable / tea
insecticide

Fruits / Vegetable
fungicide

< Pharmaceuticals >

< Following pipeline >

NTC-801

NIP-022

NM / NT-702

FY2010- 1Q FY2012 Quarterly Sales by Segment

(New Segmentation)(1)

(¥billion)

	FY2010					FY2011					FY2012
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q
Chem	9.6	8.9	9.8	9.8	38.1	9.4	9.2	9.0	9.3	36.9	9.1
Fine Chemicals	3.3	2.8	2.5	2.7	11.3	3.0	2.9	2.4	2.6	10.9	2.9
Basic Chemicals	6.3	6.1	7.3	7.1	26.8	6.4	6.3	6.6	6.7	26.0	6.2
Performance Materials	10.4	9.3	9.0	9.3	38.0	8.7	8.3	8.6	8.4	34.0	9.5
Agro	6.9	5.1	4.4	18.0	34.4	7.1	5.4	3.7	17.6	33.8	8.3
Pharma	2.5	2.3	2.1	2.7	9.6	2.9	2.3	2.4	2.4	10.0	3.5
Trading	10.7	10.5	11.8	11.1	44.1	11.6	10.9	10.8	11.5	44.8	11.9
Others	6.5	4.6	4.3	11.6	27.0	4.6	4.7	4.3	6.4	20.0	3.9
Adjustment	-7.6	-7.6	-8.7	-13.1	-37.0	-7.7	-7.6	-7.3	-8.3	-30.9	-7.8
Total	39.0	33.1	32.7	49.4	154.2	36.6	33.2	31.5	47.3	148.6	38.4

(1) FY2010 are restated based on new segmentation

FY2010- 1Q FY2012 Quarterly OP by Segment

(New Segmentation)(1)

(¥billion)

	FY2010					FY2011					FY2012
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q
Chem	1.1	-0.5	0.9	0.9	2.4	1.0	-0.2	0.6	0.2	1.6	0.8
Performance Materials	2.6	2.3	1.6	1.4	7.9	1.7	0.9	1.1	1.1	4.8	2.1
Agro	0.8	0.0	-1.4	5.4	4.8	1.2	-0.4	-1.5	5.1	4.4	1.6
Pharma	1.2	0.9	1.1	1.2	4.4	1.4	1.2	1.0	1.0	4.6	1.9
Trading	0.4	0.3	0.4	0.3	1.4	0.4	0.3	0.3	0.3	1.3	0.4
Others	0.1	0.0	-0.1	1.0	1.0	0.0	0.0	-0.1	0.4	0.3	-0.1
Adjustment	-0.4	-0.5	-0.3	-0.9	-2.1	-0.5	-0.4	-0.4	-0.2	-1.5	-0.4
Total	5.8	2.5	2.2	9.3	19.8	5.2	1.4	1.0	7.9	15.5	6.3

(1) FY2010 are restated based on new segmentation

FY2009- 10 Quarterly Sales by Segment

(Former Segmentation)

(¥billion)

	FY2009					FY2010				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Chem	11.3	10.8	12.0	12.0	46.1	12.7	11.8	12.4	12.7	49.6
Organic/Inorganic Materials	4.5	4.5	5.0	5.2	19.2	5.4	5.0	4.8	5.1	20.3
Basic Chemicals	6.8	6.3	7.0	6.8	26.9	7.3	6.8	7.6	7.6	29.3
Electronic Materials	6.4	6.8	6.8	6.6	26.6	7.3	6.4	6.3	6.2	26.2
Agro	8.0	3.7	3.7	18.4	33.8	6.9	5.1	4.4	18.0	34.4
Pharma	2.2	2.8	2.9	1.6	9.5	2.5	2.3	2.1	2.7	9.6
Trading	10.3	9.8	10.4	10.8	41.3	10.7	10.5	11.8	11.1	44.1
Others	8.2	5.1	7.0	7.1	27.4	6.5	4.6	4.3	11.6	27.0
Adjustment	-11.1	-7.5	-9.1	-8.0	-35.7	-7.6	-7.6	-8.6	-12.9	-36.7
Total	35.3	31.5	33.7	48.5	149.0	39.0	33.1	32.7	49.4	154.2

FY2009- 10 Quarterly OP by Segment

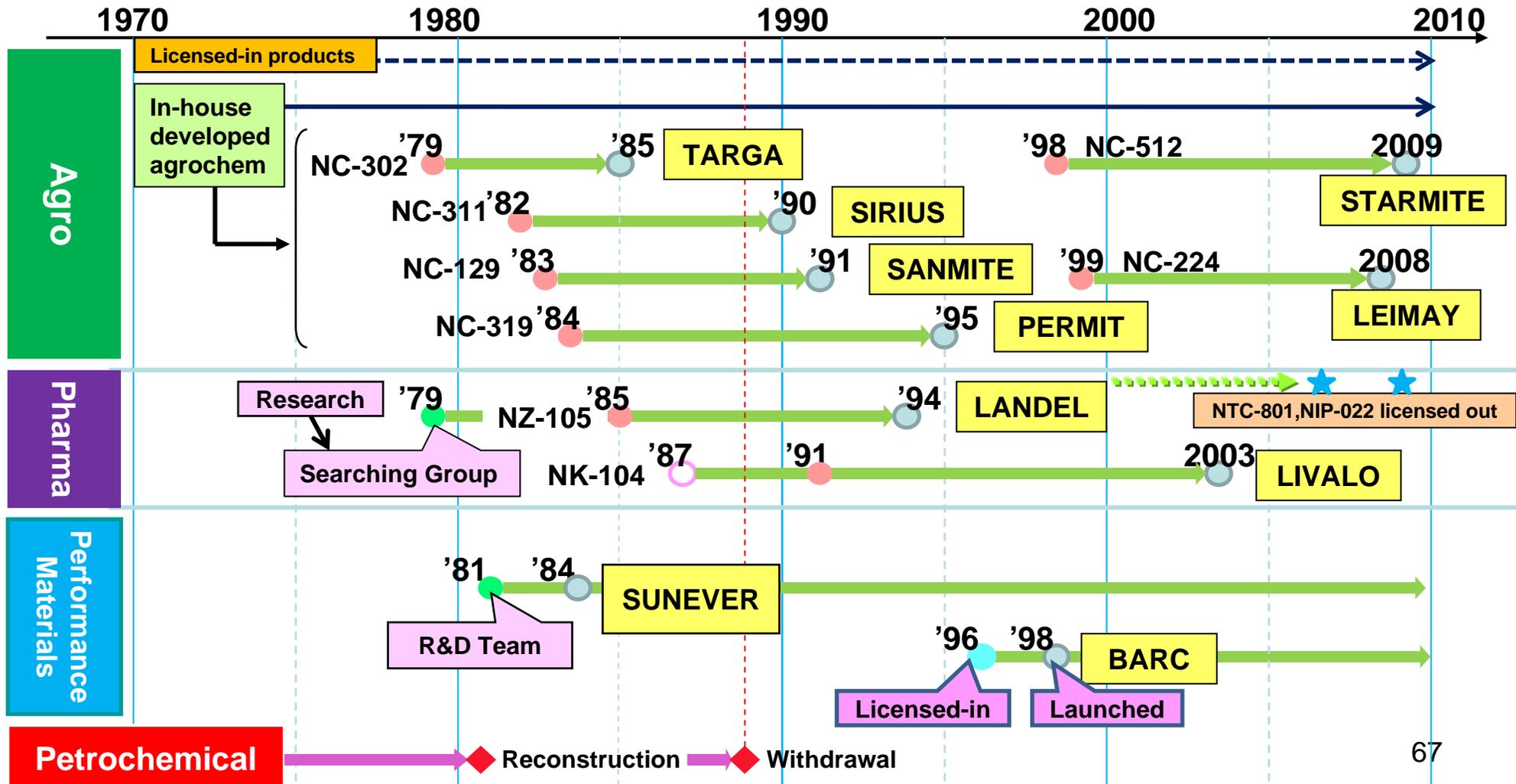
(Former Segmentation)

(¥billion)

	FY2009					FY2010				
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total
Chem	1.2	-0.7	1.0	1.1	2.6	1.6	0.2	1.1	1.2	4.1
Electronic Materials	2.1	2.6	1.3	1.3	7.3	2.1	1.7	1.4	1.0	6.2
Agro	1.0	-0.7	-1.3	5.7	4.7	0.8	0.0	-1.3	5.3	4.8
Pharma	1.2	1.5	1.5	0.4	4.6	1.2	0.9	1.0	1.3	4.4
Trading	0.2	0.3	0.3	0.3	1.1	0.4	0.3	0.4	0.3	1.4
Others	0.5	-0.1	0.2	0.4	1.0	0.1	0.0	-0.1	1.0	1.0
Adjustment	-0.9	-0.4	-0.6	-0.2	-2.1	-0.4	-0.6	-0.3	-0.8	-2.1
Total	5.3	2.5	2.4	9.0	19.2	5.8	2.5	2.2	9.3	19.8

Brief History of NCI's R&D

Fiscal Year	'80	'85	'90	'95	2000	2005	2011
R&D Expenses (¥billion)	2.2	3.6	5.3	5.8	6.2	9.2	13.6
R&D Expenses/Sales (%)	1.3	2.6	4.7	4.3	4.6	5.4	9.2



Main Products by Segment (New Segmentation)

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

Main Products by Segment (Former Segmentation)

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

Forward Looking Statements

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

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