



**Nissan Chemical**  
CORPORATION  
WHERE IT ALL BEGINS

**May 13, 2024**

# Presentation for Investors

**FY2023 (April 1, 2023 - March 31, 2024) Financial Results**

Translation of presentation materials for the conference call held on May 13, 2024

## Part1

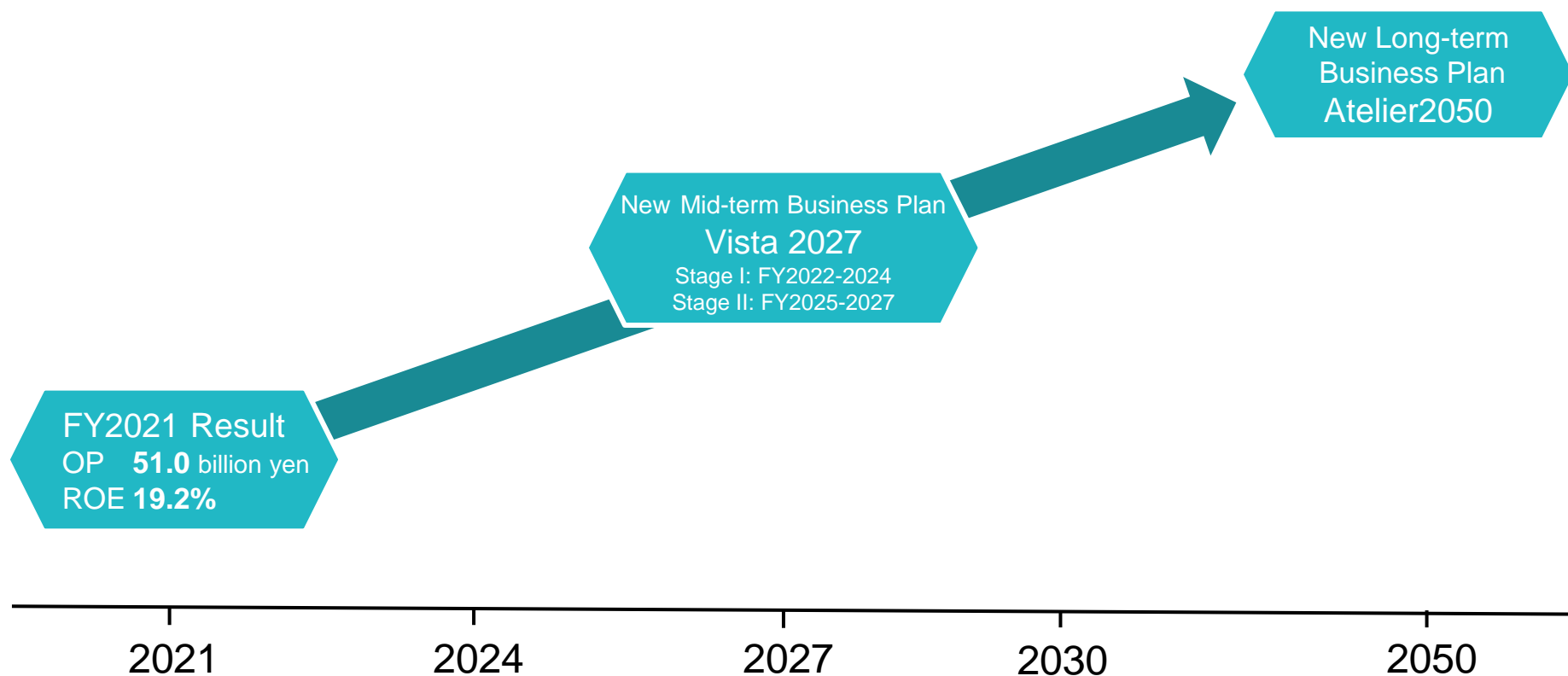
**Presented by YAGI Shinsuke**

**Representative Director, President & COO**



# Long-term Business Plan “Atelier2050” and Mid-term Business Plan “Vista2027”

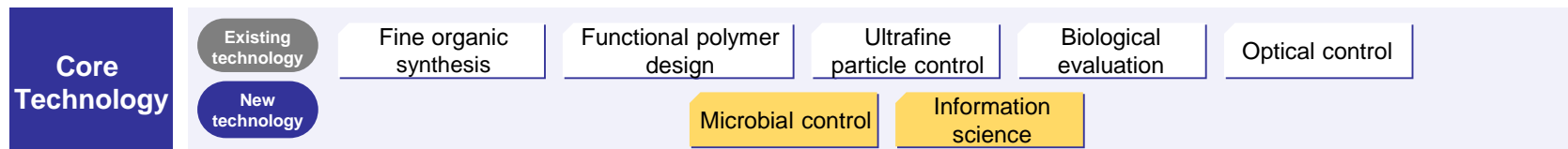
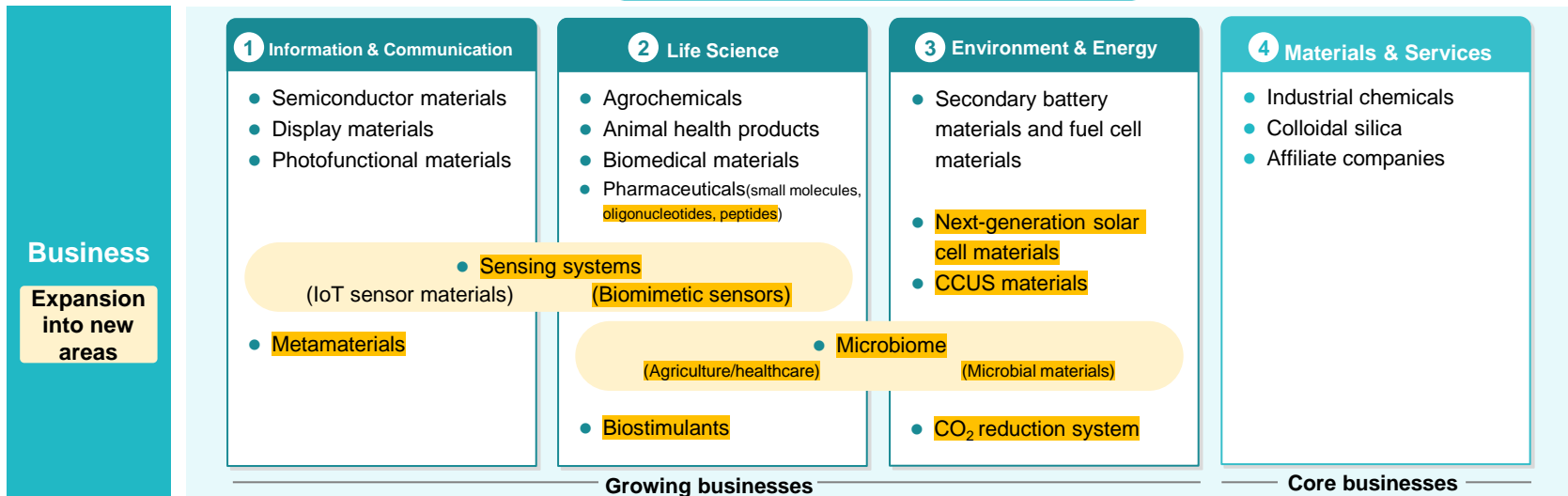
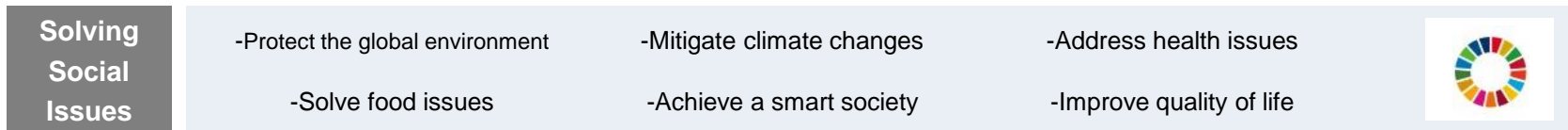
As the business environment drastically changed from the time Progress 2030 was formulated, we formulated “Vista2027” as a backcast, discussing social issues and changes anticipating 2050.



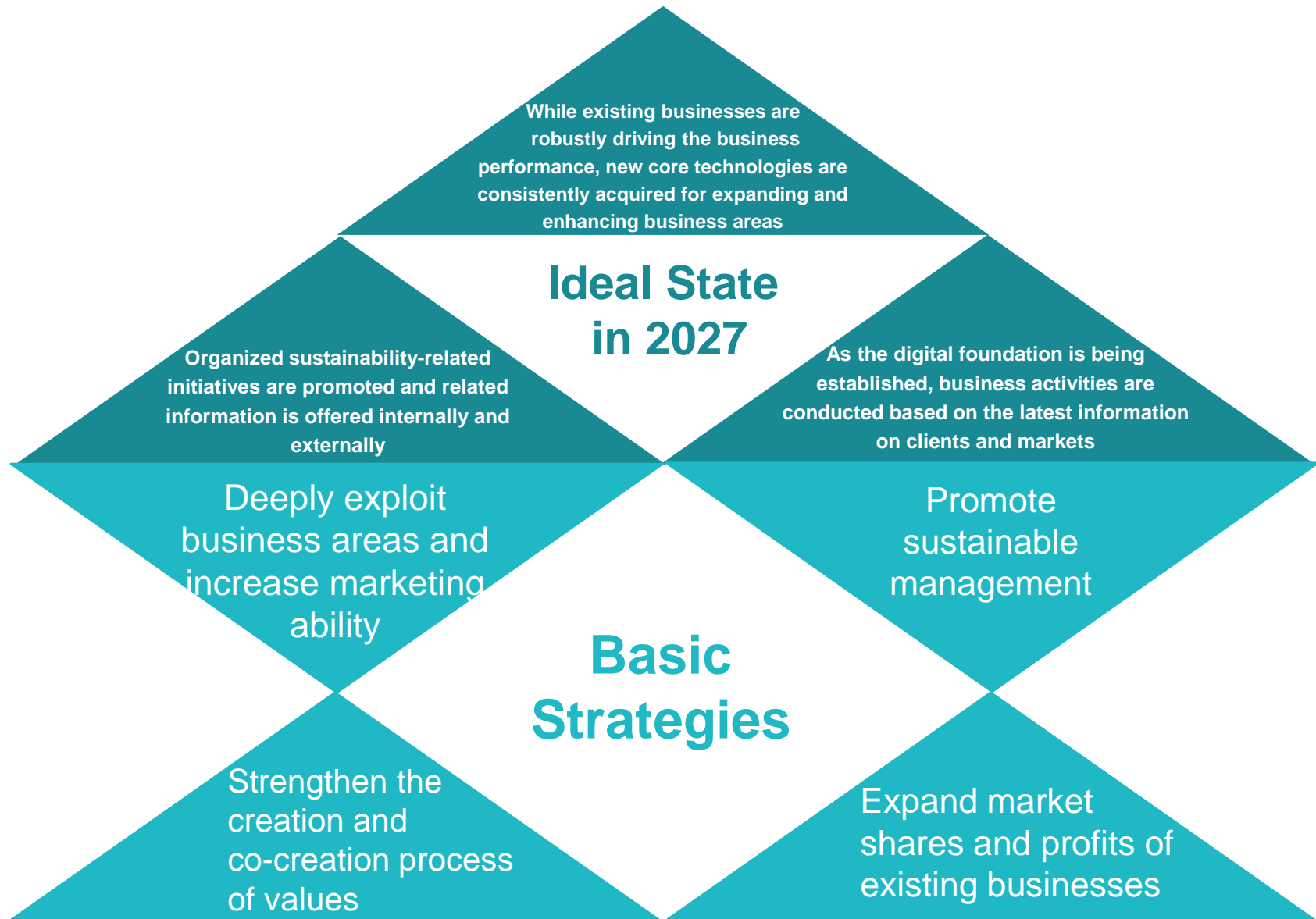
# Long-term Business Plan “Atelier2050”

## Ideal State in 2050: Business Areas

- Besides existing core technologies, we will acquire new technologies and expand into new areas related to the three growing businesses
- We will accelerate growth in each business area by improving and combining core technologies to contribute to solving social issues



# Mid-term Plan “Vista2027” – Ideal State and Basic Strategies -



Incubate new core technology - microbial control -

- Develop and evaluate bio agrochemicals for full scaling R&D

Promote R&D by utilizing digital technology

- Promote programs for cultivating data scientists in laboratories
- Continue to verify MI (Materials Informatics) on actual themes and narrow down target themes

Develop materials for secondary battery

- Adapted in Secondary battery materials for electric vehicle

### Initiatives of ESG (Environment)

- Deepened scenario analysis (quantitative evaluation on 1.5°C/4°C scenario) and disclosed

### Initiatives of ESG (Society)

- Set strategy, indicator and objective on human capitals and disclosed

### Initiatives of ESG (Government)

- A female outside director was appointed in June 2023 (two female directors in total)
- Conducted effectiveness evaluation of board directors by an external organization

### Initiatives of Digital Transformation (DX)

- Established a plant DX platform and started to utilize some data in five domestic plants

### Chemicals

- Toyama Plant : Capacity expansion of high purity sulfuric acid progressed steadily to meet the increasing demand for semiconductor
- VOC<sup>1</sup>: Adopted in several companies for food factory wastewater treatment (decomposing oils and fats), Started exploring new applications other than decomposing oils and fats

1. VOC: Venus Oilclean

### Performance Materials -Display Materials-

- Develop materials for the next generation display (QD-EL,  $\mu$ LED)

### Performance Materials -Semiconductor Materials-

- NCK: Completed a semis new plant construction,  
Started the production to achieve customers' approval
- Promote R&D activity on EUV lithography materials for high NA

### Performance Materials -Inorganic Materials-

- CCS materials : Participated in a consortium

### Agrochemicals

- NBR : Started manufacturing and shipping API of LEIMAY (fungicide) and GRACIA (insecticide)
- Onoda plant : Completed construction of facilities for manufacturing API of NC-653 (herbicide) and start pilot production

### Healthcare

- Oligonucleotide Therapeutics : Signed a strategic collaboration agreement with Sanwa Kagaku Kenkyusho Co., Ltd.
- Custom Chemicals : Signed a technology cooperate agreement with a partner company for the manufacture of our generic API



# FY2024 Outlook vs FY2024 Mid-term Plan Stage I (as of May 2022)

(¥billion)

		FY2024 Mid-Term Plan(A)	FY2024 Outlook(B)	vs. Mid-Term Plan (B)-(A)
Chemicals	Sales	37.6	37.7	+0.1
	Operating Profit	3.5	0.6	-2.9
Performance Materials	Sales	102.9	91.9	-11.0
	Operating Profit	32.1	24.4	-7.7
Agrochemicals	Sales	77.8	84.9	+7.1
	Operating Profit	21.7	24.1	+2.4
Healthcare	Sales	7.2	6.4	-0.8
	Operating Profit	2.1	2.3	+0.2
Trading, Others, Adjustment	Sales	29.5	13.2	-16.3
	Operating Profit	-0.9	-1.4	-0.5
Total	Sales	255.0	234.1	-20.9
	Operating Profit	58.5	50.0	-8.5

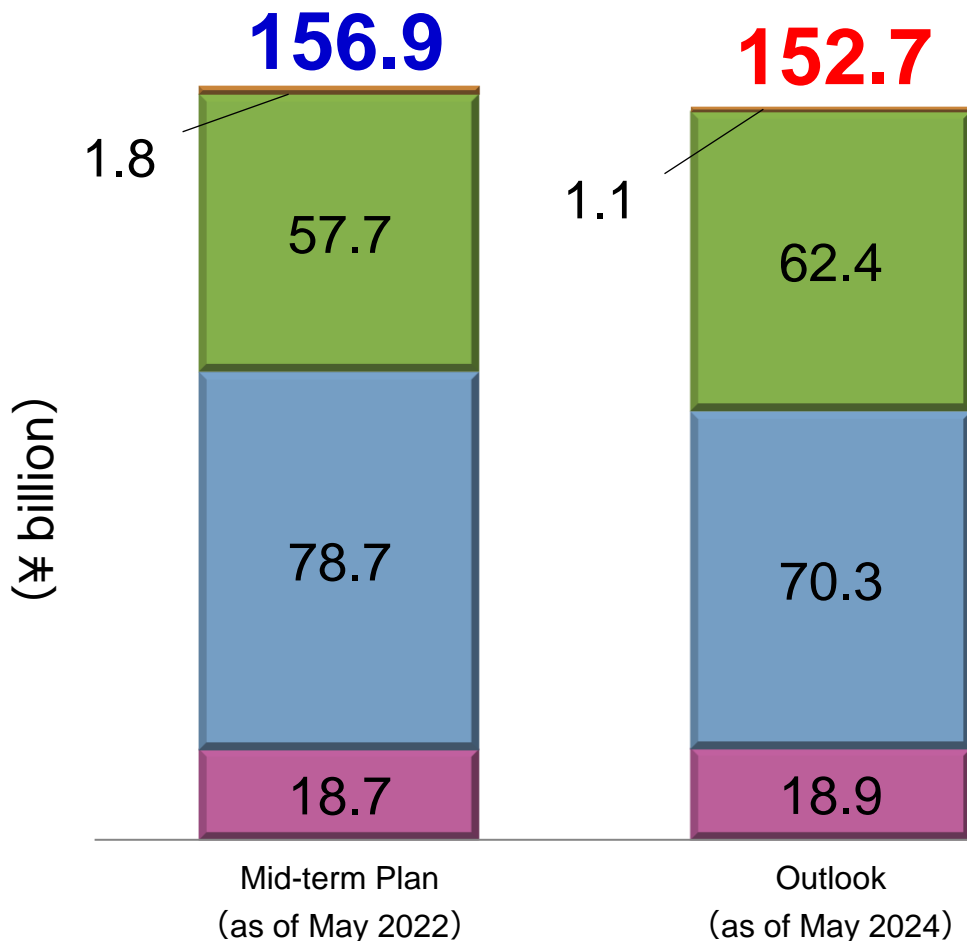
# Main Growing Existing Products

## Sales of FY2024 Mid-term Plan and Outlook

### Sales of Main Growing Existing Products<sup>※</sup>

※As of May 2022, selected from the existing products in terms of sales growth by 0.5 billion yen and more in FY2024 compared to FY2021

Mid-term Plan 156.9 billion yen  
 Outlook 152.7 billion yen



**Sales -4.2 (vs. Mid-term Plan)**

#### Healthcare -0.7

Below target significantly in Maxacalcitol

#### Agrochemicals +4.7<sup>1</sup>

Below target significantly : LEIMAY

Above target significantly : GRACIA and Fluralaner

#### Performance Materials -8.4

7.6 billion yen below target in semiconductor materials

#### Chemicals +0.2

Below target significantly : TEPIC for

electronic materials

Above target : urea and sulfuric acid related products

■ Chemicals ■ Performance Materials ■ Agrochemicals ■ Healthcare

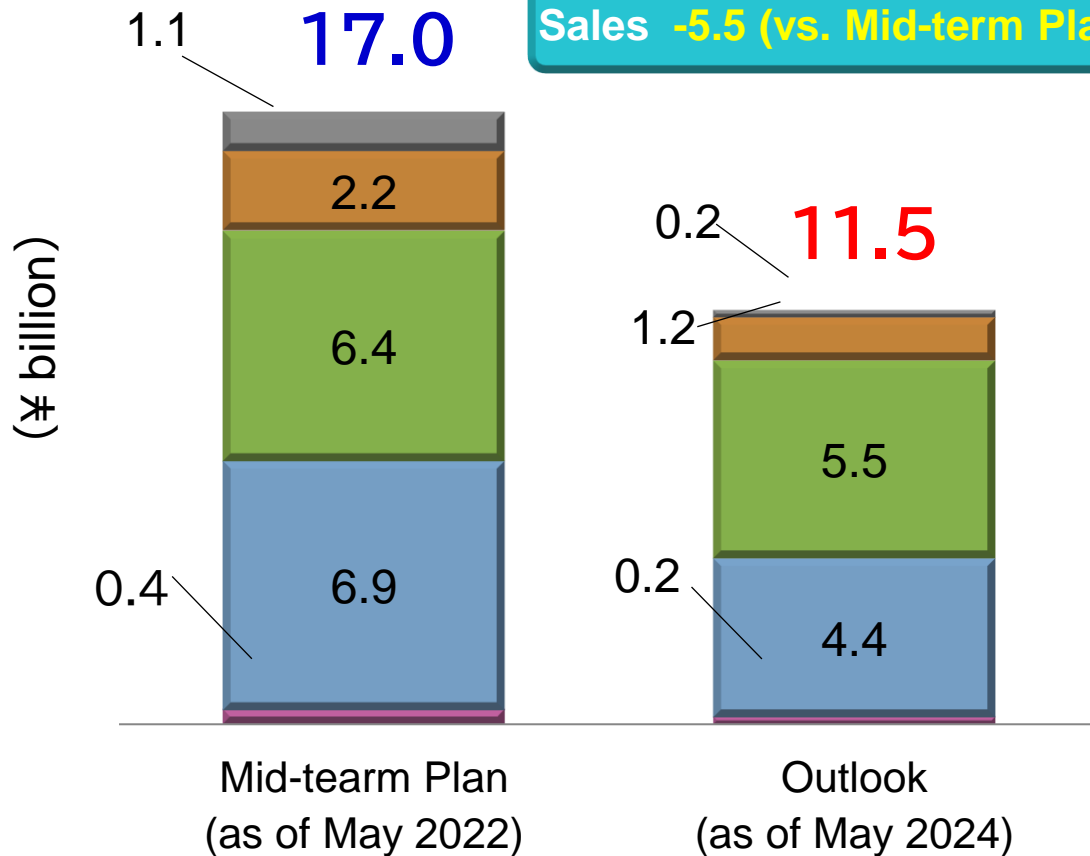
1. Before discounts

# New Products

## Sales of FY2024 Mid-term Plan and Outlook

Sales of **new products**

Mid-term Plan **17.0 billion yen**  
 Outlook **11.5 billion yen**



**Planning and Development -0.9**  
 Below target : RDL materials and optical interconnect materials etc.  
 Above target : thermal interface materials and secondary battery

**Healthcare -1.0** Below target in Custom Chemicals new contract and biomedical materials

**Agrochemicals -0.9**  
 Below target: delay of NC-653 and QUINTEC etc.  
 Above target: DITHANE

**Performance Materials -2.5**  
 Below target : OLED materials and photo VA  
 Above target significantly : EUV materials

**Chemicals -0.2** Below target in all new products (TEPIC and FINEOXOCOL)

- Chemicals
- Performance Materials
- Agrochemicals
- Healthcare
- Planning and Development

**Stage II (FY2025-2027) is under reformulating from FY2023 with the following main items to be considered.**

## **(1) Accelerate new business and products**

- 1) Select and concentrate research theme along with the establishment of its framework**
- 2) Enhance M&A activities, introduce new technologies and promote cooperation with partner companies**

## **(2) Expand existing businesses and enhance profitability**

- 1) Structurally reform the business model of Chemicals**
- 2) Enhance core growing business by deepening our presence in business area**



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**FY2023 (April 1, 2023 - March 31, 2024) Financial Results**

Translation of presentation materials for the conference call held on May 13, 2024

## Part 2

**Presented by DAIMON Hideki**

**Director, Senior Managing Executive Officer & CFO**



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## 2H vs. 2H FY2022

- Sales up ¥2.4 billion (+2%)
- OP flat
- Net Income up ¥1.1 billion (+7%)

## Full-Year vs. FY2022

- Sales down ¥1.4 billion (-1%)
- OP down ¥4.1 billion (-8%)
- Net Income down ¥3.1 billion (-7%)

## Full-Year vs. Outlook as of Nov 2023

- Sales below target ¥0.8 billion
- OP below target ¥0.4 billion
- Net Income below target ¥0.4 billion

## Shareholder Returns

- Dividend ¥164 (flat vs. FY2022)
- Completed a ¥10.0 billion share repurchase program (1.7 million shares)
- Dividend Payout Ratio 60.1%, Total Payout Ratio 86.2%  
(Mid-Term Plan Target: Dividend Payout Ratio 55%, Total Payout Ratio 75%)



# FY2023 Financial Summary YOY Change

(¥billion)

	FY2022 Actual					FY2023 Actual					YOY Change				
	1H	3Q	4Q	2H	Total	1H	3Q	4Q	2H	Total	1H	3Q	4Q	2H	Total
<b>Sales</b>	109.5	49.7	68.9	118.6	228.1	105.7	49.6	71.4	121.0	226.7	-3.8 (-4%)	-0.1 (0%)	+2.5 (+4%)	+2.4 (+2%)	-1.4 (-1%)
<b>Operating Profit</b>	28.2	10.6	13.5	24.1	52.3	24.1	9.3	14.8	24.1	48.2	-4.1 (-14%)	-1.3 (-12%)	+1.3 (+10%)	0.0 (0%)	-4.1 (-8%)
<b>Non-Operating Income/Expenses</b>	3.8	-1.3	1.0	-0.3	3.5	2.1	-0.5	1.8	1.3	3.4	-1.7	+0.8	+0.8	+1.6	-0.1
Foreign exchange Gains/Losses	3.0	-2.1	0.4	-1.7	1.3	1.9	-0.8	1.1	0.3	2.2	-1.1	+1.3	+0.7	+2.0	+0.9
<b>Ordinary Income</b>	32.0	9.3	14.5	23.8	55.8	26.2	8.8	16.6	25.4	51.6	-5.8 (-18%)	-0.5 (-5%)	+2.1 (+15%)	+1.6 (+7%)	-4.2 (-7%)
<b>Extraordinary Income/Losses</b>	0.0	0.0	0.8	0.8	0.8	0.6	0.0	-0.4	-0.4	0.2	+0.6	0.0	-1.2	-1.2	-0.6
<b>Net Income<sup>1</sup></b>	23.7	7.1	10.3	17.4	41.1	19.5	6.5	12.0	18.5	38.0	-4.2 (-18%)	-0.6 (-8%)	+1.7 (+17%)	+1.1 (+7%)	-3.1 (-7%)
<b>EBITDA<sup>2</sup></b>	33.3	13.5	16.5	30.0	63.3	30.0	12.9	19.1	32.0	62.0	-3.3	-0.6	+2.6	+2.0	-1.3
<b>EPS (¥/share)</b>	167.74	50.25	73.37	123.62	291.36	139.55	46.47	86.80	133.27	272.82	-28.19	-3.78	+13.43	+9.65	-18.54
<b>Dividend (¥/share)</b>	70	-	-	94	164	70	-	-	94	164	0	-	-	0	0
<b>Dividend payout ratio</b>	-	-	-	-	56.3%	-	-	-	-	60.1%	-	-	-	-	+3.8pt
<b>Total amount of Dividend</b>	9.9	-	-	13.2	23.1	9.8	-	-	13.0	22.8	-0.1	-	-	-0.2	-0.3
<b>OP Margin</b>	25.7%	21.4%	19.6%	20.4%	22.9%	22.8%	18.8%	20.7%	19.9%	21.3%	-2.9pt	-2.6pt	+1.1pt	-0.5pt	-1.6pt
<b>ROE</b>	-	-	-	-	19.4%	-	-	-	-	17.1%	-	-	-	-	-2.3pt
<b>FX Rate (¥/\$)</b>	134	141	132	137	136	141	148	149	148	145	-	-	-	-	-
<b>Crude Oil (JCC) (\$/bbl)<sup>3</sup></b>	112	100	87	94	103	83	91	84	88	86	-	-	-	-	-

# FY2023 Financial Summary Compared to Outlook

(¥billion)

	FY2023 Outlook as of Nov 2023			FY2023 Actual			vs. Outlook
	1H	2H	Total	1H	2H	Total	2H·Total
Sales	105.7	121.8	227.5	105.7	121.0	226.7	-0.8
Operating Profit	24.1	24.5	48.6	24.1	24.1	48.2	-0.4
Non-Operating Income/Expenses	2.1	0.6	2.7	2.1	1.3	3.4	+0.7
Foreign exchange Gains/Losses	1.9	0.0	1.9	1.9	0.3	2.2	+0.3
Ordinary Income	26.2	25.1	51.3	26.2	25.4	51.6	+0.3
Extraordinary Income/Losses	0.6	0.6	1.2	0.6	-0.4	0.2	-1.0
Net Income <sup>1</sup>	19.5	18.9	38.4	19.5	18.5	38.0	-0.4
EBITDA <sup>2</sup>	30.0	33.0	63.0	30.0	32.0	62.0	-1.0
EPS (¥/share)	139.55	136.21	275.76	139.55	133.27	272.82	-2.94
Dividend (¥/share)	70	94	164	70	94	164	0
Dividend payout ratio	-	-	59.5%	-	-	60.1%	+0.6pt
Total amount of Dividend	9.8	13.1	22.9	9.8	13.0	22.8	-0.1
OP Margin	22.8%	20.1%	21.4%	22.8%	19.9%	21.3%	-
ROE <sup>3</sup>	-	-	17.3%	-	-	17.1%	-0.2pt
FX Rate (¥/\$)	141	142	142	141	148	145	-
Crude Oil (JCC) (\$/bbl) <sup>4</sup>	83	88	86	83	88	86	-

1. Net Income = Profit Attributable to Owners of Parent 2. EBITDA = Operating Profit + Depreciation and amortization

3. FY2023E as of Nov 2023. ROE, EPS, and dividend payout ratio are included share repurchase (¥10.0 billion, completed in February 2024)

4. Based on Trade Statistics of Japan Ministry of Finance

(¥)

	FY2023 Actual	FY2022 Actual	YOY Change	Outlook as of Nov 2023	vs. Outlook
<b>2H</b>	<b>24.1 billion</b>	<b>24.1 billion</b>	<b>0.0 billion</b>	<b>24.5 billion</b>	<b>-0.4 billion</b>
Chemicals	YOY Change -0.2 billion vs. Outlook -0.8 billion	OP decrease due to sales decrease in melamine(end of sales) and environmental related products and effect of Noto Peninsula Earthquake OP decrease due to sales decrease in environmental related products and TEPIC and effect of Noto Peninsula Earthquake			
Performance Materials	YOY Change -0.1 billion vs. Outlook -0.8 billion	OP decrease due to fixed cost etc. <sup>1</sup> up 2.6 billion(including Semis Materials 1.6 billion) despite sales increase in Display Materials and Semis Materials OP decrease due to sales decrease in Display Materials and fixed cost etc. up 0.7 billion despite sales increase in Semis Materials			
Agrochemicals	YOY Change +0.8 billion vs. Outlook +0.1 billion	OP increase due to sales increase in Fluralaner, ROUNDUP and GRACIA despite fixed cost etc. up 0.7 billion OP increase due to sales increase in Fluralaner despite sales decrease in GRACIA and LEIMAY and fixed cost etc. up 0.3 billion			
Healthcare	YOY Change -0.5 billion vs. Outlook +0.2 billion	Sales decrease in Custom Chemicals Sales increase in LIVALO and Custom Chemicals			

	FY2023 Actual	FY2022 Actual	YOY Change
<b>Full-Year</b>	<b>48.2 billion</b>	<b>52.3 billion</b>	<b>-4.1 billion(-8%)</b> <b>(Semis Materials -4.4 billion)</b>
Chemicals	YOY Change -1.4 billion	OP decrease due to sales decrease in melamine(end of sales) and TEPIC and effect of Noto Peninsula Earthquake	
Performance Materials	YOY Change -2.9 billion	OP decrease due to sales decrease in Semis Materials and fixed cost etc. up 4.1 billion (including Semis Materials 3.0 billion) despite sales increase in Display Materials	
Agrochemicals	YOY Change +0.3 billion	OP increase due to sales increase in GRACIA and Fluralaner despite sales decrease in LEIMAY and fixed cost etc. up 1.7 billion	
Healthcare	YOY Change -0.2 billion	Sales decrease in Custom Chemicals	

1. Fixed cost etc.: including inventory adjustment cost

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## FY2024 Full-Year Outlook

1H vs. 1H FY2023

- Sales up ¥3.9 billion (+4%)
- OP down ¥0.1 billion (-0%)
- Net Income down ¥1.4 billion (-7%)  
(Foreign exchange gains/losses (Non-Operating Income/Expenses) down ¥1.9 billion<sup>1</sup>)

Full-Year vs. FY2023

- Sales up ¥7.4 billion (+3%)
- OP up ¥1.8 billion (+4%)
- Net Income up ¥0.4 billion (+1%)  
(Foreign exchange gains/losses (Non-Operating Income/Expenses) down ¥2.2 billion)
- ROE Outlook for FY2024 is 16.5%

1. see p12

## Shareholders Return

- Based on Mid-Term Plan, Total Payout Ratio Target is 75% and Dividend Payout Ratio Target is 55%
- Announced a ¥5.0 billion share repurchase

<b>Dividend</b>	¥164/share (1H ¥70/share, 2H ¥94/share), Dividend Payout Ratio 58.9% (flat vs. FY2023)
<b>Share Repurchase</b>	¥5.0 billion (announced on May 13, 2024, Period: May - July 2024) (FY2023 actual: ¥10.0 billion, 1.7 million shares)
<b>Total Payout Ratio Target</b>	75% (71.8% based on ¥164/share dividend and ¥5.0 billion share repurchase)

# FY2024 Outlook Summary YOY Change

(¥billion)

	FY2023 Actual					FY2024 Outlook					YOY Change				
	1Q	2Q	1H	2H	Total	1Q	2Q	1H	2H	Total	1Q	2Q	1H	2H	Total
<b>Sales</b>	54.9	50.8	105.7	121.0	226.7	56.2	53.4	109.6	124.5	234.1	+1.3 (+2%)	+2.6 (+5%)	+3.9 (+4%)	+3.5 (+3%)	+7.4 (+3%)
<b>Operating Profit</b>	15.0	9.1	24.1	24.1	48.2	11.9	12.1	24.0	26.0	50.0	-3.1 (-21%)	+3.0 (+33%)	-0.1 (0%)	+1.9 (+8%)	+1.8 (+4%)
<b>Non-Operating Income/Expenses</b>	2.0	0.1	2.1	1.3	3.4	0.3	-1.0	-0.7	1.2	0.5	-1.7	-1.1	-2.8	-0.1	-2.9
Foreign exchange Gains/Losses	1.5	0.4	1.9	0.3	2.2	0.0	0.0	0.0	0.0	0.0	-1.5	-0.4	-1.9	-0.3	-2.2
<b>Ordinary Income</b>	17.0	9.2	26.2	25.4	51.6	12.2	11.1	23.3	27.2	50.5	-4.8 (-28%)	+1.9 (+21%)	-2.9 (-11%)	+1.8 (+7%)	-1.1 (-2%)
<b>Extraordinary Income/Losses</b>	0.0	0.6	0.6	-0.4	0.2	0.0	0.7	0.7	0.7	1.4	0.0	+0.1	+0.1	+1.1	+1.2
<b>Net Income<sup>1</sup></b>	12.2	7.3	19.5	18.5	38.0	9.3	8.8	18.1	20.3	38.4	-2.9 (-24%)	+1.5 (+21%)	-1.4 (-7%)	+1.8 (+10%)	+0.4 (+1%)
<b>EBITDA<sup>2</sup></b>	17.8	12.2	30.0	32.0	62.0	-	-	31.3	34.3	65.6	-	-	+1.3	+2.3	+3.6
<b>EPS (¥/share)</b>	87.40	52.15	139.55	133.27	272.82	-	-	131.15	147.52	278.67	-	-	-8.40	+14.25	+5.85
<b>Dividend (¥/share)</b>	-	-	70	94	164	-	-	70	94	164	-	-	0	0	0
<b>Dividend Payout Ratio (%)</b>	-	-	-	-	60.1%	-	-	-	-	58.9%	-	-	-	-	-1.2pt
<b>Total amount of Dividend</b>	-	-	9.8	13.0	22.8	-	-	9.7	13.0	22.7	-	-	-0.1	0.0	-0.1
<b>OP Margin</b>	27.3%	17.9%	22.8%	19.9%	21.3%	21.2%	22.7%	21.9%	20.9%	21.4%	-6.1pt	+4.8pt	-0.9pt	+1.0pt	+0.1pt
<b>ROE</b>	-	-	-	-	17.1%	-	-	-	-	16.5%	-	-	-	-	-0.6pt
<b>FX Rate (¥/\$)</b>	137	145	141	148	145	145	145	145	140	143	-	-	-	-	-
<b>Crude Oil (JCC) (\$/bbl)<sup>3</sup></b>	83	83	83	88	86	82	82	82	82	82	-	-	-	-	-

# Analysis of Changes in OP

(¥)

1H

	FY2024 Outlook	FY2023 Actual	YOY Change
	<b>24.0</b> billion	<b>24.1</b> billion	<b>-0.1</b> billion(-0%)
Chemicals	YOY Change -0.1 billion	OP decrease due to fixed cost etc. <sup>1</sup> up despite sales increase in high purity sulfuric acid	
Performance Materials	YOY Change +1.2 billion	OP increase due to sales increase in Semis Materials despite fixed cost etc. up	
Agrochemicals	YOY Change +0.8 billion	OP increase due to sales increase in Fluralaner, GRACIA and ALTAIR despite fixed cost etc. up	
Healthcare	YOY Change -0.9 billion	OP decrease due to sales decrease in LIVALO and fixed cost etc. up	

Full-Year

	FY2024 Outlook	FY2023 Actual	YOY Change
	<b>50.0</b> billion	<b>48.2</b> billion	<b>+1.8</b> billion(+4%)
Chemicals	YOY Change +0.6 billion	OP increase due to sales increase in high purity sulfuric acid and environmental related products and no effect of Noto Peninsula Earthquake in FY2023	
Performance Materials	YOY Change +1.9 billion	OP increase due to sales increase in Semis Materials and Display Materials despite fixed cost etc. up 2.8 billion(including Semis Materials 2.2 billion)	
Agrochemicals	YOY Change +0.7 billion	OP increase due to sales increase in GRACIA, Fluralaner and ALTAIR despite fixed cost etc. up 2.5 billion	
Healthcare	YOY Change -0.5 billion	OP decrease due to sales decrease in LIVALO and fixed cost etc. up despite sales increase in Custom Chemicals	

1. Fixed cost etc.: including inventory adjustment cost

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

(¥billion)

	FY2022 Actual			FY2023 Actual			YOY Change			FY2023 Outlook <sup>4</sup>	FY2024 Outlook		
	1H	2H	Total	1H	2H	Total	1H	2H	Total	Total	1H	2H	Total
Interest income, dividend income	0.45	1.08	1.53	0.44	1.28	1.72	-0.01	+0.20	+0.19	1.55	0.41	1.30	1.71
Equity in earnings of affiliates	0.62	0.87	1.49	0.40	0.14	0.54	-0.22	-0.73	-0.95	0.68	0.19	0.68	0.87
Foreign exchange gains/losses <sup>1</sup>	3.02	-1.72	1.30	1.88	0.33	2.21	-1.14	+2.05	+0.91	1.88	0.00	0.00	0.00
Interest expense	-0.09	-0.16	-0.25	-0.26	-0.27	-0.53	-0.17	-0.11	-0.28	-0.66	-0.40	-0.39	-0.79
Loss on disposal of non-current assets, others	-0.17	-0.39	-0.56	-0.36	-0.15	-0.51	-0.19	+0.24	+0.05	-0.79	-0.82	-0.51	-1.33
<b>Non-Operating Income/Expenses</b>	<b>3.83</b>	<b>-0.32</b>	<b>3.51</b>	<b>2.10</b>	<b>1.33</b>	<b>3.43</b>	<b>-1.73</b>	<b>+1.65</b>	<b>-0.08</b>	<b>2.66</b>	<b>-0.62</b>	<b>1.08</b>	<b>0.46</b>
Extraordinary Income	0.00	1.46	1.46	0.60	0.73	1.33	+0.60	-0.73	-0.13	1.20	0.70	0.70	1.40
Extraordinary Losses	0.00	-0.65	-0.65	0.00	-1.18	-1.18	0.00	-0.53	-0.53	0.00	0.00	0.00	0.00
<b>Extraordinary Income/Losses<sup>2·3·4·5</sup></b>	<b>0.00</b>	<b>0.81</b>	<b>0.81</b>	<b>0.60</b>	<b>-0.45</b>	<b>0.15</b>	<b>+0.60</b>	<b>-1.26</b>	<b>-0.66</b>	<b>1.20</b>	<b>0.70</b>	<b>0.70</b>	<b>1.40</b>

1. FX Rate (¥/\$): 2022/3 122.41, 2022/9 144.81, 2023/3 133.54, 2023/9 149.58, 2024/3 151.40

2. FY2022 Actual:

Extraordinary Income ¥1.46 billion (Gain on sales of investment securities ¥1.46 billion)

Extraordinary Losses ¥0.65 billion (impairment loss of unlisted stock ¥0.65 billion)

3. FY2023 Actual:

Extraordinary Income ¥1.33 billion (Gain on sales of investment securities ¥1.33 billion)

Extraordinary Losses ¥1.18 billion (impairment loss ¥0.82 billion, impairment loss of unlisted stock ¥0.35 billion)

4. FY2023 Outlook as of Nov 2023: Extraordinary Income ¥1.20 billion (Gain on sales of investment securities ¥1.20 billion)

5. FY2024 Outlook: Extraordinary Income ¥1.40 billion (Gain on sales of investment securities ¥1.40 billion)



Free cash flow in FY2023 was ¥15.0 billion, a decrease of ¥0.5 billion from FY2022

(¥billion)

	FY2022 Actual	FY2023 Actual	YOY Change	FY2023 Outlook as of Nov 2023	FY2024 Outlook
<b>CF from operating activities</b>	<b>35.2</b>	<b>33.7</b>	<b>-1.5</b>	<b>35.1</b>	<b>49.5</b>
Income before income taxes & non-controlling interests	56.6	51.8	-4.8	52.5	51.9
Extraordinary losses (income)	-0.8	-0.2	+0.6	-1.2	-1.4
Depreciation & amortization <sup>1</sup>	11.0	13.8	+2.8	14.4	16.1
Income taxes paid	-15.4	-15.9	-0.5	-16.0	-12.4
Working capital, others	-16.2	-15.8	+0.4	-14.6	-4.7
<b>CF from investing activities</b>	<b>-19.7</b>	<b>-18.7</b>	<b>+1.0</b>	<b>-19.9</b>	<b>-20.3</b>
Purchase of PPE <sup>2</sup>	-19.4	-20.2	-0.8	-22.5	-22.1
Purchase and sales of investment securities	2.0	1.6	-0.4	1.6	1.9
Others	-2.3	-0.1	+2.2	1.0	-0.1
<b>Free cash flow</b>	<b>15.5</b>	<b>15.0</b>	<b>-0.5</b>	<b>15.2</b>	<b>29.2</b>
<b>CF from financing activities</b>	<b>-25.0</b>	<b>-22.1</b>	<b>+2.9</b>	<b>-18.8</b>	<b>-24.5</b>
Payout to shareholders (dividend)	-20.1	-23.0	-2.9	-29.0	-29.2
Payout to shareholders (share repurchase)	-9.0	-10.0	-1.0		
Liabilities with interest	4.2	10.9	+6.7	10.2	4.7
Others	-0.1	0.0	+0.1	0.0	0.0
Effect of exchange rate change on cash & cash equivalents	1.3	0.2	-1.1	0.0	0.0
Change in cash & cash equivalents	-8.2	-6.9	+1.3	-3.6	4.7
Increase in cash and cash equivalents resulting from change in scope of consolidation	3.1	0.0	-3.1	0.0	0.0
Cash & cash equivalents at end of period	29.6	22.7	-6.9	26.0	27.4

1. Including amortization of goodwill 2. Including intangible assets

(¥billion)

	2023/3	2024/3	vs. 2023/3
<b>Current assets</b>	<b>189.4</b>	<b>202.0</b>	<b>+12.6</b>
Cash	29.6	22.7	-6.9
Accounts receivable	82.7	88.8	+6.1
Inventories	64.7	78.2	+13.5
Others	12.4	12.3	-0.1
<b>Fixed assets</b>	<b>109.3</b>	<b>121.5</b>	<b>+12.2</b>
Total PPE	64.7	77.4	+12.7
Intangible assets	11.5	10.7	-0.8
Investment securities	27.3	26.1	-1.2
Others	5.8	7.3	+1.5
<b>Total assets</b>	<b>298.7</b>	<b>323.5</b>	<b>+24.8</b>

	2023/3	2024/3	vs. 2023/3
<b>Liabilities</b>	<b>77.2</b>	<b>92.6</b>	<b>+15.4</b>
Accounts payable	19.9	20.4	+0.5
Borrowings	27.3	41.0	+13.7
Others	30.0	31.2	+1.2
<b>Net assets</b>	<b>221.5</b>	<b>230.9</b>	<b>+9.4</b>
Shareholders' equity <sup>1</sup>	208.8	213.9	+5.1
Valuation difference on available-for-sale securities	7.7	8.3	+0.6
Foreign currency translation adjustment	1.7	4.2	+2.5
Non-controlling interests	3.1	3.4	+0.3
Remeasurements of defined benefit plans	0.2	1.1	+0.9
<b>Total liabilities &amp; net assets</b>	<b>298.7</b>	<b>323.5</b>	<b>+24.8</b>

Equity Ratio	73.1%	70.3%
D/E Ratio <sup>2</sup>	-1.1%	8.5%

## Breakdown of Investment Securities

	2022/3	2023/3	2024/3	vs. 2023/3
<b>Listed shares<sup>3</sup></b> (Number of stocks held, Non-consolidated basis)	<b>18.9</b> <b>(30)</b>	<b>16.9</b> <b>(26)</b>	<b>17.1</b> <b>(24)</b>	<b>+0.2</b> <b>(-2)</b>
<b>Unlisted shares</b>	<b>2.6</b>	<b>2.4</b>	<b>2.3</b>	<b>-0.1</b>
<b>Subsidiaries/Associate shares</b>	<b>8.7</b>	<b>8.0</b>	<b>6.7</b>	<b>-1.3</b>
<b>Total</b>	<b>30.2</b>	<b>27.3</b>	<b>26.1</b>	<b>-1.2</b>
<b>Strategic shareholdings on net assets<sup>4</sup></b>	<b>9.5%</b>	<b>7.9%</b>	<b>7.7%</b>	

## Reference

<b>2018/3</b>
<b>30.0</b>
<b>(55)</b>
<b>1.7</b>
<b>6.8</b>
<b>38.5</b>
<b>17.0%</b>

1. Change in shareholders' equity +5.1 = Net Income 38.0 – Dividend and others 32.9

3. 2023/3 16.9 + Acquisition 0.0 + Sales and valuation difference 0.2 = 2024/3 17.1

4. Strategic shareholdings on net assets = strategic shareholdings (Non-consolidated basis, Listed shares + Unlisted shares) / Net assets (Consolidated basis)

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

# Capex/Depreciation/R&D by Segment

Capex and Depreciation increased in recent years due to manufacturing capacity expansion (mainly overseas) in core growth businesses.

R&D expenses recovered since FY2023 even though it decreased in FY2020 and FY2021 due to reduced business travel activities caused by COVID-19.

(¥billion)

	Capex <sup>1</sup>					Depreciation <sup>2</sup>					R&D expenses				
	2020	2021	2022	2023	2024E	2020	2021	2022	2023	2024E	2020	2021	2022	2023	2024E
Chemicals <sup>3</sup>	3.3	4.3	2.8	4.6	5.9	2.2	2.5	2.5	2.7	3.1	0.3	0.3	0.3	0.3	0.3
Performance M. <sup>4</sup>	3.0	5.4	9.0	9.1	6.5	4.5	3.9	4.6	6.0	6.6	7.0	7.0	7.6	8.2	8.4
NCK <sup>4</sup>	0.2	1.3	5.0	5.7	0.3	0.7	0.5	0.7	2.3	3.0	0.5	0.5	0.5	0.8	0.6
Agrochemicals <sup>5</sup>	6.4	1.7	5.9	5.1	5.4	2.6	2.7	2.8	3.4	4.1	4.4	4.2	4.3	4.3	4.7
Healthcare <sup>6</sup>	0.3	0.7	0.5	0.5	0.7	0.5	0.4	0.4	0.4	0.4	2.4	0.6	0.4	0.4	0.5
Trading	0.2	0.0	0.1	0.0	0.8	0.1	0.1	0.0	0.1	0.1	0.0	0.0	0.0	0.0	0.0
Others	1.1	0.3	1.1	0.9	2.8	0.5	0.6	0.7	1.2	1.3	2.4	3.9	4.2	4.1	4.3
<b>Total</b>	<b>14.3</b>	<b>12.4</b>	<b>19.4</b>	<b>20.2</b>	<b>22.1</b>	<b>10.4</b>	<b>10.2</b>	<b>11.0</b>	<b>13.8</b>	<b>15.6</b>	<b>16.5</b>	<b>16.0</b>	<b>16.8</b>	<b>17.3</b>	<b>18.2</b>

1. Capex: Cash flows basis

2. Depreciation Method

Domestic: Display Materials and Semis Materials: 4 year declining balance method (50% of initial capex amount in the 1st year)

Other products : 8 year declining balance method (25% of initial capex amount in the 1st year)

International: NCK: 6 year declining balance method (33% of initial capex amount in the 1st year), NBR: 10 year straight-line method

3. Capex FY2024E: including production facilities at Toyama plant (¥0.9 billion)

4. Capex FY2022: including NCK Semis new plant (¥4.6 billion), FY2023: including NCK Semis new plant (¥4.7 billion)

5. Capex FY2020: including the acquisition of DITHANE (¥5.4 billion), FY2022: including NBR 1st phase construction (¥4.3 billion)

FY2023: including production facilities at Onoda plant (¥2.6 billion), FY2024E: including production facilities at Onoda plant (¥1.9 billion)

6. Organizational changes were implemented in April 2022. (see p67)

Capex: FY2020-2021 figures are based on old segmentation

Depreciation, R&D expenses: FY2020 figures are based on old segmentation, FY2021 has been revised to reflect organizational changes in April 2022.

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# FY2023 Financial Results YOY Change by Segment

(¥billion)

		FY2022 Actual					FY2023 Actual					YOY Change				
		1H	3Q	4Q	2H	Total	1H	3Q	4Q	2H	Total	1H	3Q	4Q	2H	Total
Chemicals	Sales	19.8	10.1	9.1	19.2	39.0	17.9	9.6	8.1	17.7	35.6	-1.9 (-10%)	-0.5 (-4%)	-1.0 (-13%)	-1.5 (-8%)	-3.4 (-9%)
	OP	1.1	0.4	-0.1	0.3	1.4	-0.1	0.4	-0.3	0.1	0.0	-1.2 (-)	0.0 (-14%)	-0.2 (-)	-0.2 (-58%)	-1.4 (-96%)
Performance Materials	Sales	42.0	20.6	20.0	40.6	82.6	40.5	21.4	22.7	44.1	84.6	-1.5 (-4%)	+0.8 (+4%)	+2.7 (+13%)	+3.5 (+8%)	+2.0 (+2%)
	OP	13.9	6.9	4.6	11.5	25.4	11.1	6.3	5.1	11.4	22.5	-2.8 (-20%)	-0.6 (-10%)	+0.5 (+10%)	-0.1 (-2%)	-2.9 (-11%)
Agrochemicals	Sales	35.7	13.1	32.8	45.9	81.6	35.3	13.2	33.6	46.8	82.1	-0.4 (-1%)	+0.1 (+1%)	+0.8 (+3%)	+0.9 (+2%)	+0.5 (+1%)
	OP	12.1	3.1	7.9	11.0	23.1	11.6	2.9	8.9	11.8	23.4	-0.5 (-4%)	-0.2 (-8%)	+1.0 (+12%)	+0.8 (+6%)	+0.3 (+1%)
Healthcare	Sales	3.2	1.6	1.9	3.5	6.7	3.5	1.3	1.5	2.8	6.3	+0.3 (+9%)	-0.3 (-19%)	-0.4 (-20%)	-0.7 (-20%)	-0.4 (-6%)
	OP	1.5	0.6	0.9	1.5	3.0	1.8	0.5	0.5	1.0	2.8	+0.3 (+24%)	-0.1 (-29%)	-0.4 (-38%)	-0.5 (-34%)	-0.2 (-6%)
Trading, Others, Adjustment	Sales	8.8	4.3	5.1	9.4	18.2	8.5	4.1	5.5	9.6	18.1	-0.3	-0.2	+0.4	+0.2	-0.1
	OP	-0.4	-0.4	0.2	-0.2	-0.6	-0.3	-0.8	0.6	-0.2	-0.5	+0.1	-0.4	+0.4	0.0	+0.1
Total	Sales	109.5	49.7	68.9	118.6	228.1	105.7	49.6	71.4	121.0	226.7	-3.8 (-4%)	-0.1 (0%)	+2.5 (+4%)	+2.4 (+2%)	-1.4 (-1%)
	OP	28.2	10.6	13.5	24.1	52.3	24.1	9.3	14.8	24.1	48.2	-4.1 (-14%)	-1.3 (-12%)	+1.3 (+10%)	0.0 (0%)	-4.1 (-8%)

1. Including inter-segment sales/transfers

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

Adjustment: Planning & Development Division and others (see p64, p65 for breakdown)

3. Sales and OP for Planning & Development Division in FY2022 and FY2023 are disclosed on p49

# FY2023 Financial Results Compared to Outlook by Segment

(¥billion)

		FY2023 Outlook as of Nov 2023					FY2023 Actual					vs. Outlook		
		1H	3Q	4Q	2H	Total	1H	3Q	4Q	2H	Total	3Q	4Q	2H·Total
Chemicals	Sales	17.9	10.5	10.2	20.7	38.6	17.9	9.6	8.1	17.7	35.6	-0.9	-2.1	-3.0
	OP	-0.1	0.4	0.5	0.9	0.8	-0.1	0.4	-0.3	0.1	0.0	0.0	-0.8	-0.8
Performance Materials	Sales	40.5	21.2	22.8	44.0	84.5	40.5	21.4	22.7	44.1	84.6	+0.2	-0.1	+0.1
	OP	11.1	5.8	6.4	12.2	23.3	11.1	6.3	5.1	11.4	22.5	+0.5	-1.3	-0.8
Agrochemicals	Sales	35.3	13.9	34.8	48.7	84.0	35.3	13.2	33.6	46.8	82.1	-0.7	-1.2	-1.9
	OP	11.6	2.9	8.8	11.7	23.3	11.6	2.9	8.9	11.8	23.4	0.0	+0.1	+0.1
Healthcare	Sales	3.5	1.1	1.3	2.4	5.9	3.5	1.3	1.5	2.8	6.3	+0.2	+0.2	+0.4
	OP	1.8	0.3	0.5	0.8	2.6	1.8	0.5	0.5	1.0	2.8	+0.2	0.0	+0.2
Trading, Others, Adjustment	Sales	8.5	1.3	4.7	6.0	14.5	8.5	4.1	5.5	9.6	18.1	+2.8	+0.8	+3.6
	OP	-0.3	-1.5	0.4	-1.1	-1.4	-0.3	-0.8	0.6	-0.2	-0.5	+0.7	+0.2	+0.9
Total	Sales	105.7	48.0	73.8	121.8	227.5	105.7	49.6	71.4	121.0	226.7	+1.6	-2.4	-0.8
	OP	24.1	7.9	16.6	24.5	48.6	24.1	9.3	14.8	24.1	48.2	+1.4	-1.8	-0.4

1. Including inter-segment sales/transfers

2. Trading: Nissei Corporation, Others: Nissan Butsuryu, Nissan Green & Landscape, Nissan Engineering, NC Tokyo Bay, Nihon Hiryo, and others  
Adjustment: Planning & Development Division and others (see p64, p65 for breakdown)

3. Sales and OP for Planning & Development Division in FY2023 Outlook as of Nov 2023 are disclosed on p66 of the Presentation for Investors for 2Q FY2023 (announced in Nov 2023)  
FY2023 Actual are disclosed on p49

# FY2024 Financial Outlook YOY Change by Segment

(¥billion)

		FY2023 Actual					FY2024 Outlook					YOY Change				
		1Q	2Q	1H	2H	Total	1Q	2Q	1H	2H	Total	1Q	2Q	1H	2H	Total
Chemicals	Sales	9.1	8.8	17.9	17.7	35.6	9.1	9.0	18.1	19.6	37.7	0.0 (0%)	+0.2 (+2%)	+0.2 (+1%)	+1.9 (+11%)	+2.1 (+6%)
	OP	0.9	-1.0	-0.1	0.1	0.0	-0.1	-0.1	-0.2	0.8	0.6	-1.0 (-)	+0.9 (-)	-0.1 (-)	+0.7 (-)	+0.6 (-)
Performance Materials	Sales	20.8	19.7	40.5	44.1	84.6	22.1	22.6	44.7	47.2	91.9	+1.3 (+6%)	+2.9 (+15%)	+4.2 (+10%)	+3.1 (+7%)	+7.3 (+9%)
	OP	6.5	4.6	11.1	11.4	22.5	5.5	6.8	12.3	12.1	24.4	-1.0 (-15%)	+2.2 (+45%)	+1.2 (+11%)	+0.7 (+6%)	+1.9 (+8%)
Agrochemicals	Sales	18.8	16.5	35.3	46.8	82.1	19.9	16.9	36.8	48.1	84.9	+1.1 (+6%)	+0.4 (+3%)	+1.5 (+4%)	+1.3 (+3%)	+2.8 (+3%)
	OP	6.6	5.0	11.6	11.8	23.4	7.0	5.4	12.4	11.7	24.1	+0.4 (+7%)	+0.4 (+7%)	+0.8 (+7%)	-0.1 (-1%)	+0.7 (+3%)
Healthcare	Sales	2.0	1.5	3.5	2.8	6.3	1.8	1.2	3.0	3.4	6.4	-0.2 (-8%)	-0.3 (-25%)	-0.5 (-15%)	+0.6 (+23%)	+0.1 (+2%)
	OP	1.1	0.7	1.8	1.0	2.8	0.6	0.3	0.9	1.4	2.3	-0.5 (-45%)	-0.4 (-58%)	-0.9 (-50%)	+0.4 (+39%)	-0.5 (-18%)
Trading, Others, Adjustment	Sales	4.2	4.3	8.5	9.6	18.1	3.3	3.7	7.0	6.2	13.2	-0.9	-0.6	-1.5	-3.4	-4.9
	OP	-0.1	-0.2	-0.3	-0.2	-0.5	-1.1	-0.3	-1.4	0.0	-1.4	-1.0	-0.1	-1.1	+0.2	-0.9
Total	Sales	54.9	50.8	105.7	121.0	226.7	56.2	53.4	109.6	124.5	234.1	+1.3 (+2%)	+2.6 (+5%)	+3.9 (+4%)	+3.5 (+3%)	+7.4 (+3%)
	OP	15.0	9.1	24.1	24.1	48.2	11.9	12.1	24.0	26.0	50.0	-3.1 (-21%)	+3.0 (+33%)	-0.1 (0%)	+1.9 (+8%)	+1.8 (+4%)

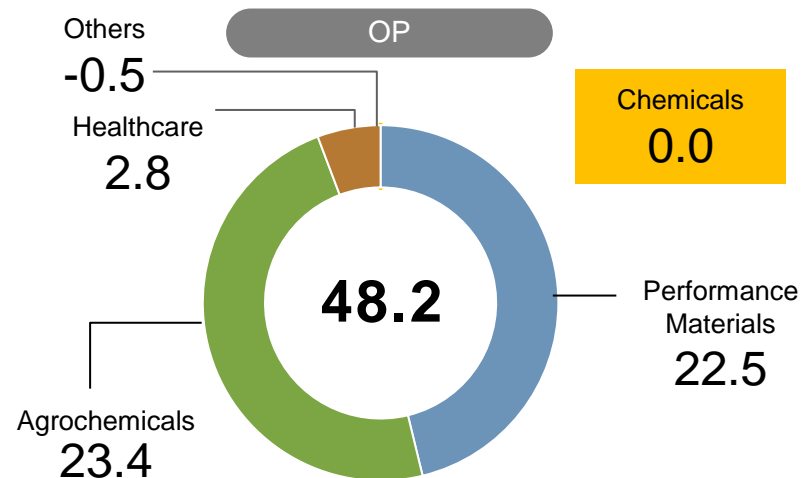
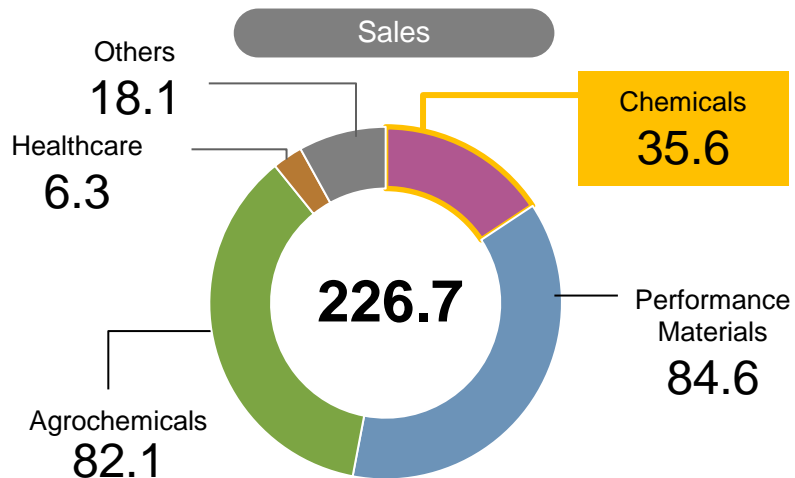
1. Including inter-segment sales/transfers

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

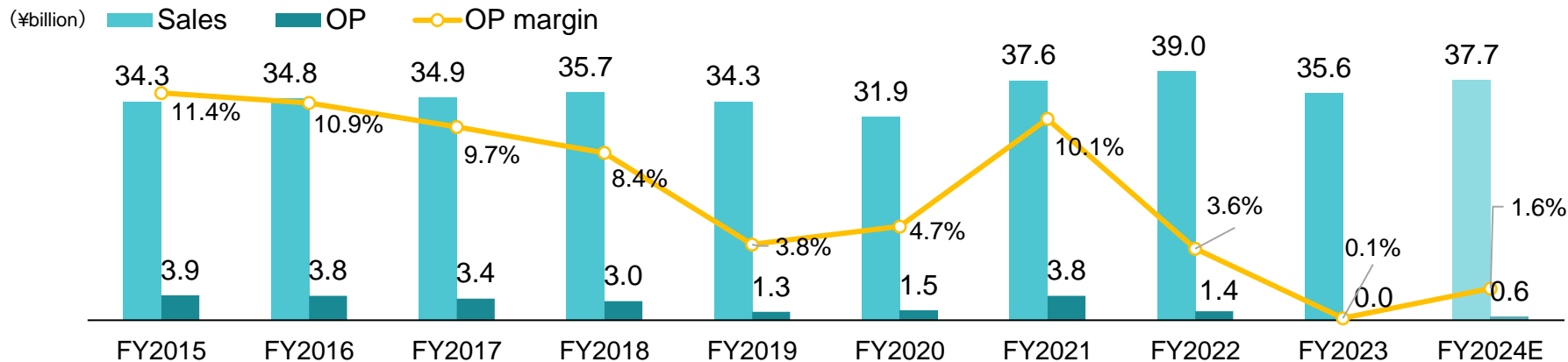
Adjustment: Planning & Development Division and others (see p64, p65 for breakdown)

3. Sales and OP for Planning & Development Division in FY2023 Actual and FY2024 Outlook are disclosed on p49

FY2023 Actual by Segment (¥billion)



Chemicals – Recent Financial Performance<sup>1</sup>

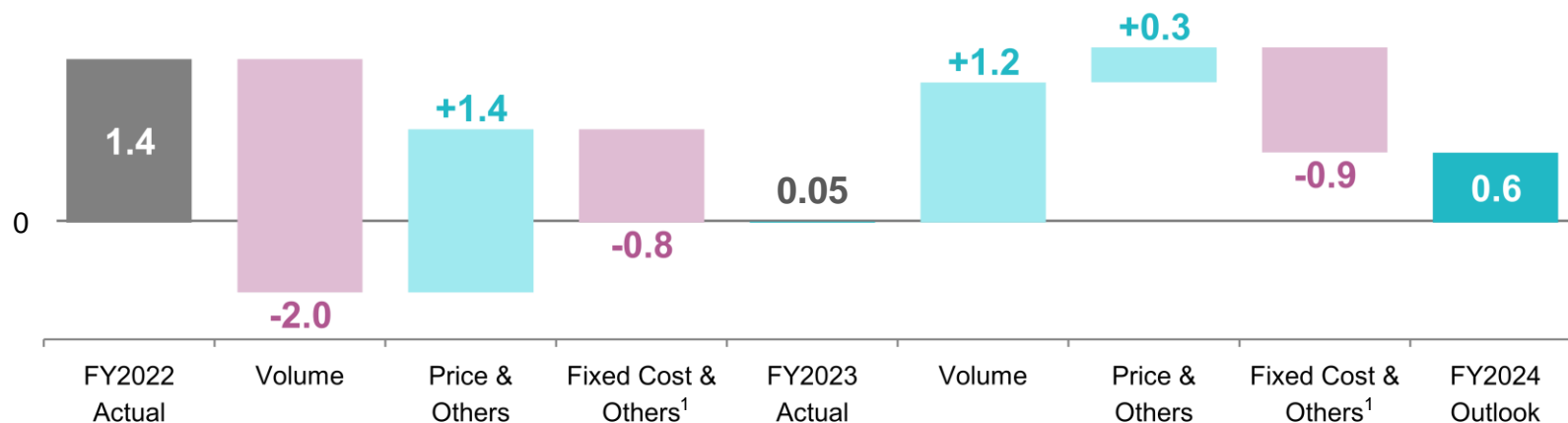


1. Organizational changes were implemented in April 2022. FY2015-2020 Actual figures are based on old segmentation. FY2021 actual has been revised to reflect organizational changes in April 2022 (see p67)



- In FY2023, sales and OP down due to significant decrease in volume caused by price decline of Chinese competitors' products and the effect of Noto Peninsula Earthquake (impact of ¥0.5 billion in operating loss)
- In FY2024 outlook, sales and OP up due to increased sales of high purity sulfuric acid and no effect of the earthquake in FY2023

### Analysis of Changes in OP (¥billion)



1. Fixed cost & others: including inventory adjustment cost



【2H】 Sales below target ¥3.0 billion, OP below target ¥0.8 billion

(¥billion)

	FY2023 Outlook as of Nov 2023			FY2023 Actual			vs. Outlook		
	3Q	4Q	2H	3Q	4Q	2H	3Q	4Q	2H
Sales	10.5	10.2	20.7	9.6	8.1	17.7	-0.9	-2.1	-3.0
Fine Chemicals	3.7	3.5	7.2	3.0	2.6	5.6	-0.7	-0.9	-1.6
Basic Chemicals	6.8	6.7	13.5	6.6	5.5	12.1	-0.2	-1.2	-1.4
OP	0.4	0.5	0.9	0.4	-0.3	0.1	0.0	-0.8	-0.8

### 【2H】 Sales below target, OP above target

Fine  
Chemicals

TEPIC for general applications	Sales below target
TEPIC for electronic materials	Sales below target
Environmental related products	Sales below target
FINEOXOCOL	Sales below target

Fixed cost & others below expectations (positive impact)

### 【2H】 Sales & OP below target

Basic  
Chemicals

Urea/AdBlue®	Sales below target (Noto Peninsula Earthquake)
High purity sulfuric acid	Sales in line with target
Nitric acid products	Sales below target (Noto Peninsula Earthquake)

【Full-Year】 Sales up ¥2.1 billion, OP up ¥0.6 billion

(¥billion)

	FY2023 Actual					FY2024 Outlook					YOY Change				
	1Q	2Q	1H	2H	Total	1Q	2Q	1H	2H	Total	1Q	2Q	1H	2H	Total
Sales	9.1	8.8	17.9	17.7	35.6	9.1	9.0	18.1	19.6	37.7	0.0	+0.2	+0.2	+1.9	+2.1
Fine Chemicals	3.0	3.0	6.0	5.6	11.6	3.1	3.0	6.1	6.1	12.2	+0.1	0.0	+0.1	+0.5	+0.6
Basic Chemicals	6.1	5.8	11.9	12.1	24.0	6.0	6.0	12.0	13.5	25.5	-0.1	+0.2	+0.1	+1.4	+1.5
OP	0.9	-1.0	-0.1	0.1	0.0	-0.1	-0.1	-0.2	0.8	0.6	-1.0	+0.9	-0.1	+0.7	+0.6

### 【Full-Year】 Sales up, OP down

TEPIC for general applications    Sales flat

TEPIC for electronic materials    Sales up +10%

Environmental related products    Sales up +14%

FINEOXOCOL    Sales down -6%

Fixed cost & others up (negative impact)

Fine  
Chemicals

### 【Full-Year】 Sales & OP up

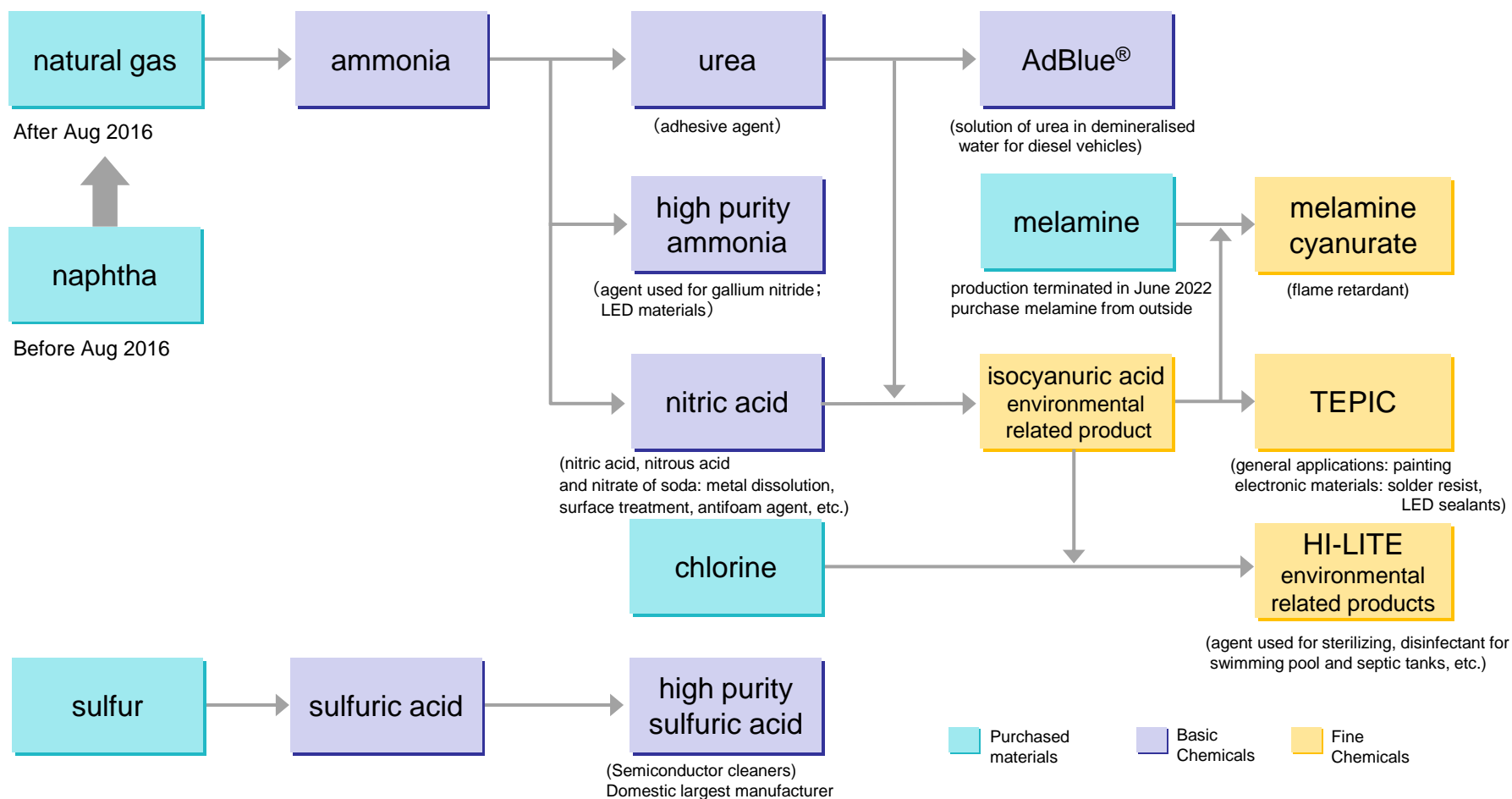
Urea/AdBlue®    Sales flat

High purity sulfuric acid    Sales up +24% (volume up)

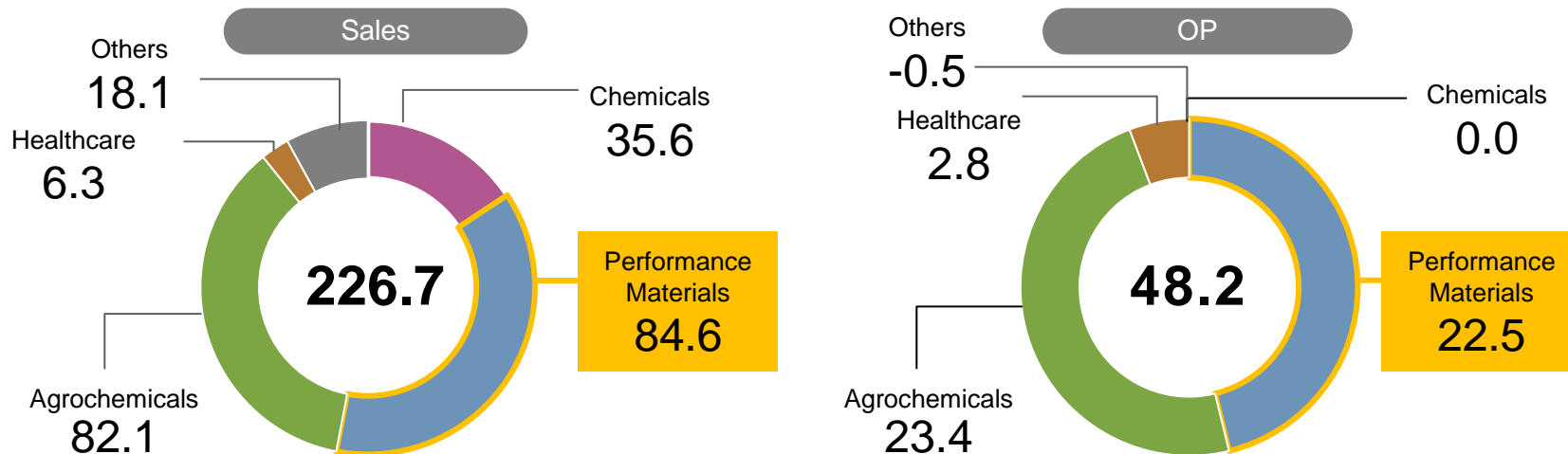
Nitric acid products    Sales up +7%  
(no effect of the earthquake in FY2023)

Basic  
Chemicals

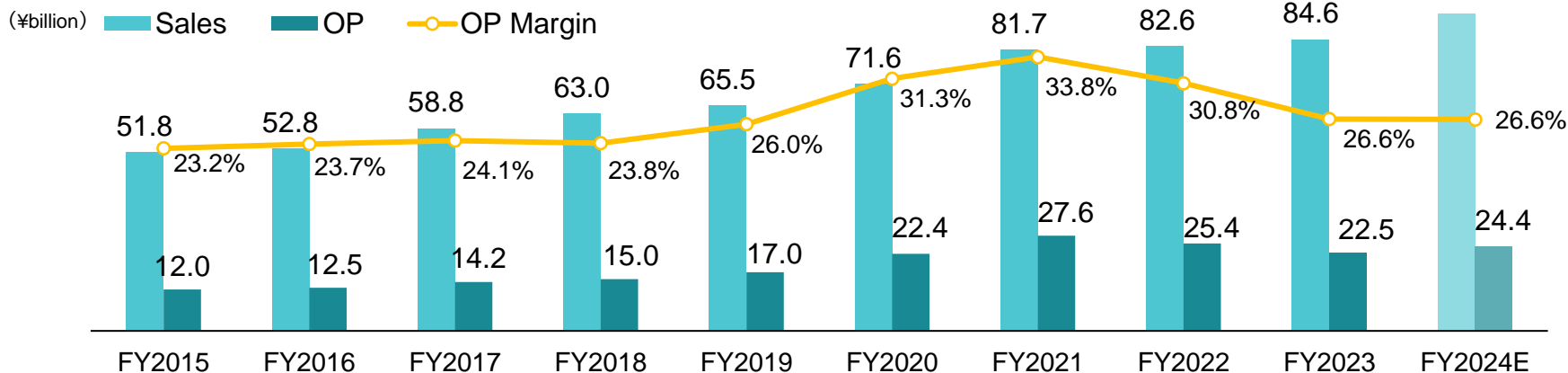
- Core products are ammonia related products and sulfuric acid related products
- FY2023 ammonia domestic production capacity share 11%
- Focus on high value-added products, such as high purity sulfuric acid and TEPIC, instead of pursuing scale



## FY2023 Actual by Segment (¥billion)



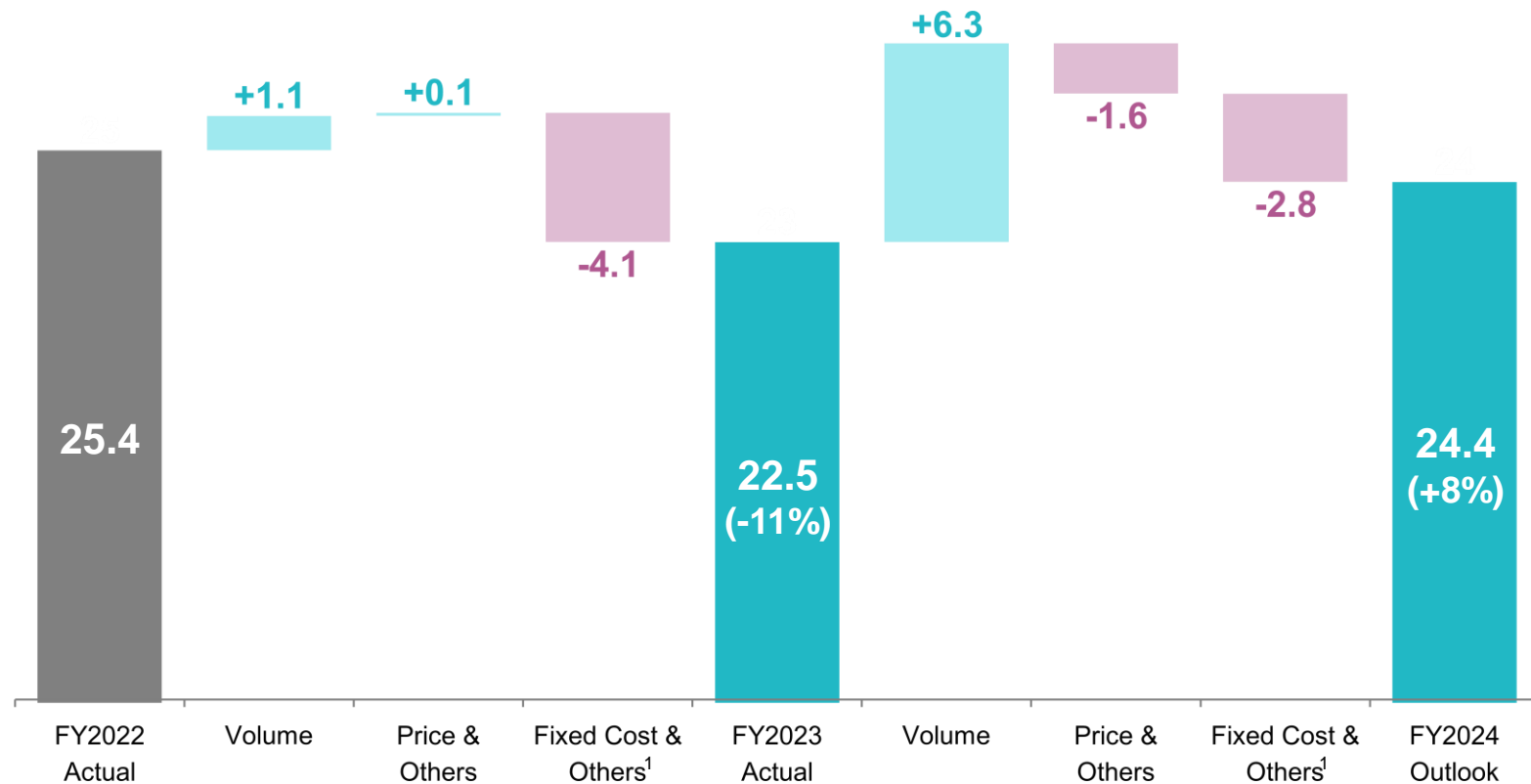
## Performance Materials – Recent Financial Performance<sup>1</sup>



1. Organizational changes were implemented in April 2022. FY2015-2020 Actual figures are based on old segmentation. FY2021 actual has been revised to reflect organizational changes in April 2022 (see p67)

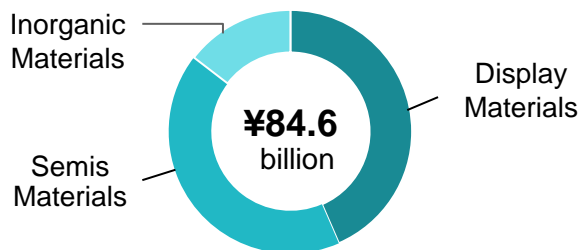
- In FY2023, sales up and OP down due to increase in fixed costs from investment for growth of Semis Materials, despite increase in volume due to recovery of Display Materials.
- In FY2024 outlook, sales and OP up due to volume increase from Display Materials and Semis Materials recovery, as well as increased amount of fixed cost is gradually decreasing.

### Analysis of Changes in OP (¥billion)

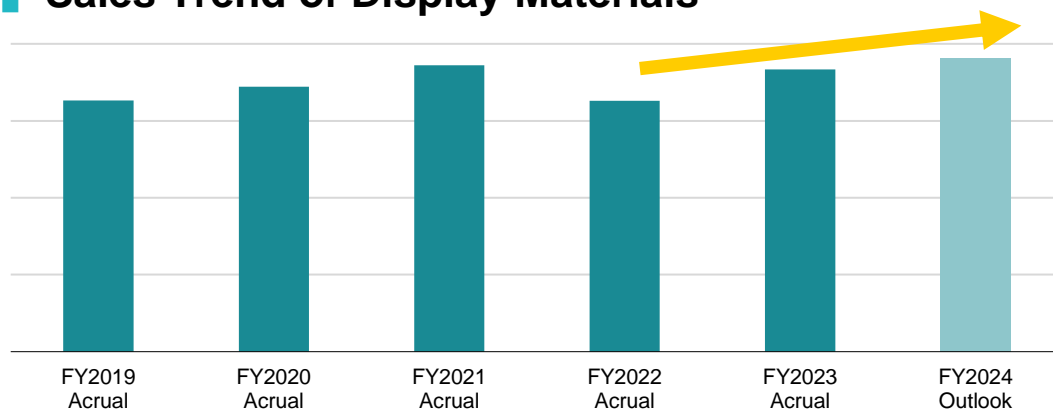


1. Fixed cost & others: including inventory adjustment cost

## Sales by subsegment (FY2023 Actual)

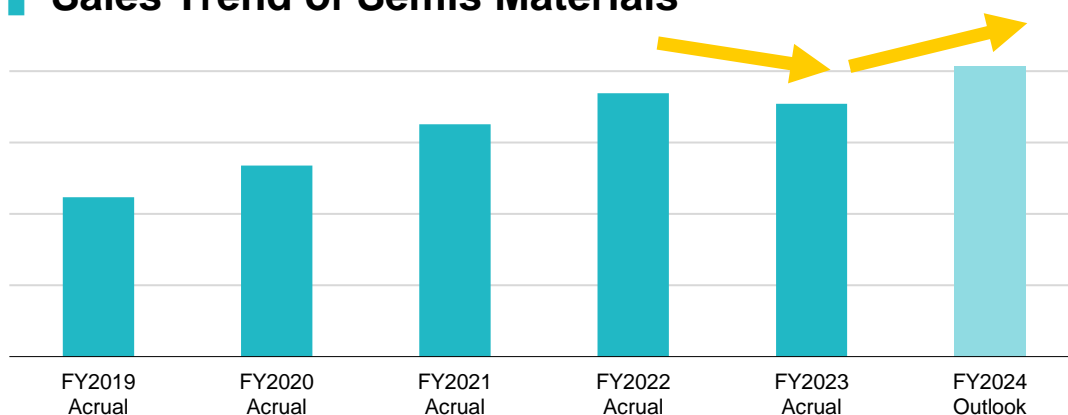


## Sales Trend of Display Materials



- Market Recovering after bottom-out in FY2022
- The shift from other modes (rubbing IPS, etc.) to photo IPS is progressing steadily

## Sales Trend of Semis Materials



- Full recovery is expected in the second half of FY2024 or later
- Growth trend in mid-long terms is still unchanged despite the current temporary adjustment in FY2023
- Sales grow in EUV materials due to increased customer production



- DP Materials: 【2H FY2023】 Sales YOY +9% 【FY2024 Full-Year Outlook】 Sales YOY +4%
- Semis Materials: 【2H FY2023】 Sales YOY +14% 【FY2024 Full-Year Outlook】 Sales YOY +15%
- Inorganic Materials: 【2H FY2023】 Sales YOY -2% 【FY2024 Full-Year Outlook】 Sales YOY +3%

Main Products	FY2023 Actual					FY2024 Outlook				
	YOY Change					YOY Change				
	1H	3Q	4Q	2H	Total	1Q	2Q	1H	2H	Total
SUNEVER	+17%	+7%	+10%	+8%	+13%	+1%	+1%	+1%	+5%	+3%
Total Display Materials	+17%	+7%	+10%	+9%	+12%	+2%	+2%	+2%	+6%	+4%
ARC®	-22%	+3%	+11%	+7%	-9%	+3%	+24%	+13%	+5%	+9%
Multi layer process materials	-24%	-7%	+45%	+20%	-3%	+31%	+51%	+41%	+11%	+24%
EUV materials <sup>1</sup>	+15%	+29%	+51%	+39%	+26%	+39%	+32%	+35%	+38%	+37%
Total Semis Materials	-19%	+4%	+23%	+14%	-4%	+13%	+30%	+22%	+10%	+15%
Total Inorganic Materials	-6%	-5%	+2%	-2%	-4%	+3%	+11%	+7%	0%	+3%
Total Segment	-4%	+4%	+13%	+8%	+2%	+6%	+15%	+10%	+7%	+9%

1. EUV materials: Total of Under Layer and Si-HM for EUV

【2H】 Sales up ¥3.5 billion, OP down ¥0.1 billion, Fixed cost & others up ¥2.6 billion in total

【Full-Year】 Sales up ¥2.0 billion, OP down ¥2.9 billion, Fixed cost & others up ¥4.1 billion in total

(¥billion)

	FY2022 Actual					FY2023 Actual					YOY Change				
	1H	3Q	4Q	2H	Total	1H	3Q	4Q	2H	Total	1H	3Q	4Q	2H	Total
Sales	42.0	20.6	20.0	40.6	82.6	40.5	21.4	22.7	44.1	84.6	-1.5	+0.8	+2.7	+3.5	+2.0
OP	13.9	6.9	4.6	11.5	25.4	11.1	6.3	5.1	11.4	22.5	-2.8	-0.6	+0.5	-0.1	-2.9

### 【2H】 Sales & OP up 【Full-Year】 Sales & OP up

Display Materials

Photo IPS

【2H】&【Full-Year】 Sales up  
(large monitor, smartphone,  
and automobile up)

Rubbing  
IPS

【2H】 Sales down  
【Full-Year】 Sales flat

VA

【2H】 Sales flat  
【Full-Year】 Sales up  
(partly market share up)

【2H】 Display market recovering,  
Fixed cost & others up ¥0.5 billion

【Full-Year】 Display market recovering,  
Fixed cost & others up ¥0.4 billion

Semis  
Materials

### 【2H】 Sales up, OP down 【Full-Year】 Sales & OP down

ARC®

【2H】 Sales up 【Full-Year】 Sales down

Multi layer  
process materials

【2H】 Sales up 【Full-Year】 Sales down

EUV  
materials

【2H】&【Full-Year】 Sales up (EUV Under Layer: sales up  
due to maintained strong performance)

【2H】 Semis market gradually recovering, Fixed cost & others up ¥1.6 billion  
【Full-Year】 Semis market slowdown in 1H FY2023,  
Fixed cost & others up ¥3.0 billion

Inorganic  
Materials

### 【2H】 Sales & OP down 【Full-Year】 Sales down, OP up

【Full-Year】 Sales down in SNOWTEX (polishing) and Oilfield materials

【2H】 Sales above target ¥0.1 billion, OP below target ¥0.8 billion,  
Fixed cost & others above expectations ¥0.7 billion in total (negative impact)

(¥billion)

	FY2023 Outlook as of Nov 2023			FY2023 Actual			vs. Outlook		
	3Q	4Q	2H	3Q	4Q	2H	3Q	4Q	2H
Sales	21.2	22.8	44.0	21.4	22.7	44.1	+0.2	-0.1	+0.1
OP	5.8	6.4	12.2	6.3	5.1	11.4	+0.5	-1.3	-0.8

### 【2H】 Sales & OP below target

Photo IPS	Sales in line with target
Rubbing IPS	Sales below target
VA	Sales below target (production adjustments for TV)

Fixed cost & others below target ¥0.1 billion  
(positive impact)

### 【2H】 Sales above target, OP below target

ARC®	Sales above target
Multi layer process materials	Sales above target
EUV materials	Sales in line with target

Fixed cost & others above target ¥0.9 billion (negative impact)

### 【2H】 Sales in line with target, OP above target

Inorganic  
Materials

Display  
Materials

Semis  
Materials

【Full-Year】 Sales up ¥7.3 billion, OP up ¥1.9 billion, Fixed cost & others up ¥2.8 billion in total

(¥billion)

	FY2023 Actual					FY2024 Outlook					YOY Change				
	1Q	2Q	1H	2H	Total	1Q	2Q	1H	2H	Total	1Q	2Q	1H	2H	Total
Sales	20.8	19.7	40.5	44.1	84.6	22.1	22.6	44.7	47.2	91.9	+1.3	+2.9	+4.2	+3.1	+7.3
OP	6.5	4.6	11.1	11.4	22.5	5.5	6.8	12.3	12.1	24.4	-1.0	+2.2	+1.2	+0.7	+1.9

### 【Full-Year】 Sales & OP up

Photo IPS Sales up (non-smartphone up)

Rubbing IPS Sales down

VA Sales up  
(increased production for TV)

Display market recovery,  
Fixed cost & others up ¥0.3 billion

Display  
Materials

### 【Full-Year】 Sales & OP up

ARC® Sales up

Multi layer  
process materials Sales up

EUV  
materials Sales up

Semis market gradually recovering, Fixed cost & others up ¥2.2 billion

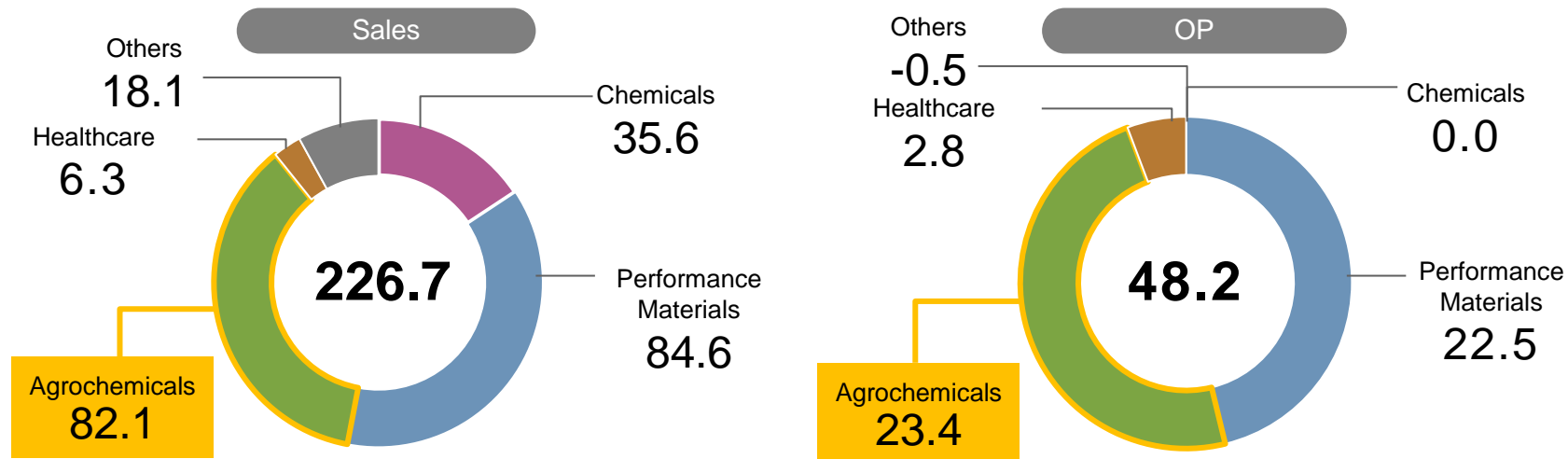
Semis  
Materials

### 【Full-Year】 Sales up, OP down

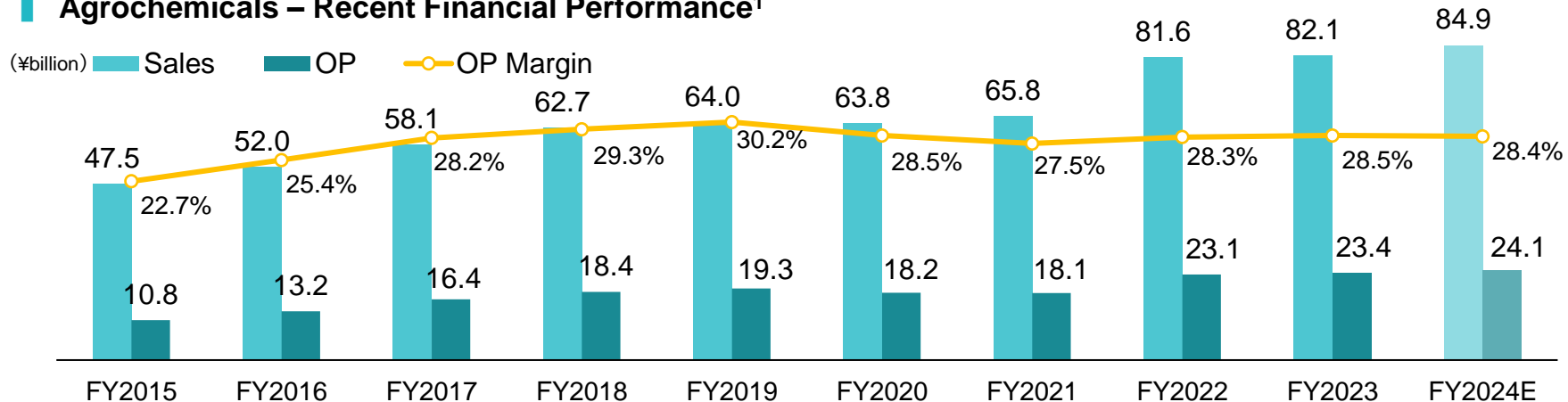
【Full-Year】 Sales up in SNOWTEX (polishing) and Oilfield materials

Inorganic  
Materials

FY2023 Actual by Segment (¥billion)



Agrochemicals – Recent Financial Performance<sup>1</sup>

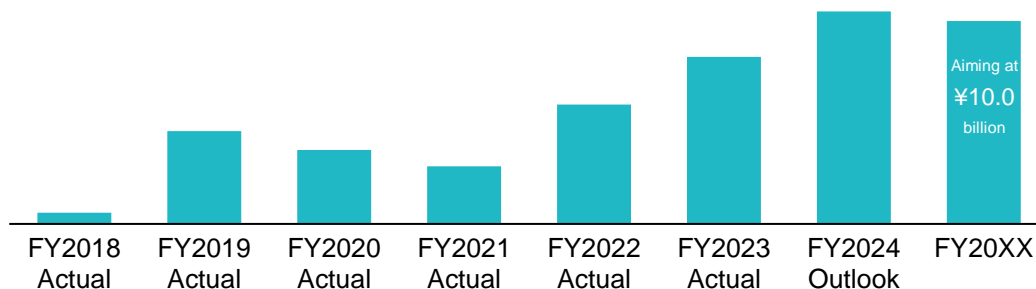


1. Organizational changes was implemented in April 2022. FY2015-2020 Actual figures are based on old segmentation. FY2021 actual has been revised to reflect organizational changes in April 2022 (see p67)

【2H FY2023】 Sales YOY +2% 【FY2024 Full-Year Outlook】 Sales YOY +3%

Main Products (Agro: in order of FY2023 Sales amount)		Types	FY2023 Actual					FY2024 Outlook				
			YOY					YOY				
			1H	3Q	4Q	2H	Total	1Q	2Q	1H	2H	Total
Agro	ROUNDUP <sup>1</sup>	Herbicide	-10%	-28%	+8%	+3%	-3%	0%	+3%	+1%	+2%	+2%
	ALTAIR	Herbicide	-17%	-9%	+1%	-1%	-4%	+9%	+96%	+17%	+2%	+5%
	GRACIA	Insecticide	+113%	-7%	+15%	+6%	+40%	+11%	+6%	+9%	+45%	+27%
	TARGA	Herbicide	+1%	+41%	-5%	+5%	+3%	-23%	-44%	-30%	-24%	-27%
	DITHANE	Fungicide	-3%	+16%	+3%	+6%	+3%	-6%	-9%	-8%	-7%	-7%
	PERMIT	Herbicide	+28%	-63%	+40%	-23%	+3%	+29%	-5%	+3%	-16%	-4%
	LEIMEY	Fungicide	-47%	-33%	-27%	-28%	-35%	+81%	-3%	+39%	+4%	+14%
Animal Health	Fluralaner	Animal Health products	+5%	+10%	+30%	+19%	+11%	+11%	0%	+6%	+4%	+5%
<b>Total Segment<sup>2</sup></b>		-	-1%	+1%	+3%	+2%	+1%	+6%	+3%	+4%	+3%	+3%

## GRACIA Sales



### Reference

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

[Agrochemicals Business Briefing](#) (September 28, 2022)

1. ROUNDUP AL for general household account for 21% of total ROUNDUP sales (FY2023 Actual)
2. Total segment sales YOY include discount

【2H】 Sales up ¥0.9 billion, OP up ¥0.8 billion, Fixed cost & others up ¥0.7 billion

【Full-Year】 Sales up ¥0.5 billion, OP up ¥0.3 billion, Fixed cost & others up ¥1.7 billion

(¥billion)

	FY2022 Actual					FY2023 Actual					YOY Change				
	1H	3Q	4Q	2H	Total	1H	3Q	4Q	2H	Total	1H	3Q	4Q	2H	Total
Sales	35.7	13.1	32.8	45.9	81.6	35.3	13.2	33.6	46.8	82.1	-0.4	+0.1	+0.8	+0.9	+0.5
OP	12.1	3.1	7.9	11.0	23.1	11.6	2.9	8.9	11.8	23.4	-0.5	-0.2	+1.0	+0.8	+0.3

Main products

ROUNDUP(Herbicide)

【2H】 Sales up (ML: sales flat, AL: sales up)  
【Full-Year】 Sales down (ML: sales down, AL: sales flat)

ALTAIR(Herbicide)

【2H】 Sales flat  
【Full-Year】 Sales down (domestic: sales down, rush demand before price hikes in FY2022)

GRACIA(Insecticide)

【2H】 Sales up  
【Full-Year】 Sales up (export: sales expansion in Asia)

TARGA(Herbicide)

【2H】&【Full-Year】 Sales up (export: shipment shifted from FY2024)

DITHANE(Fungicide)

【2H】&【Full-Year】 Sales up (export: sales up in Korea)

PERMIT(Herbicide)

【2H】 Sales down (shipment skewed to 1H in FY2023)  
【Full-Year】 Sales up

LEIMAY(Fungicide)

【2H】&【Full-Year】 Sales down (volume down in Europe due to distribution inventory adjustment)

Fluralaner(Animal health product)

【2H】&【Full-Year】 Sales up (API sales & royalties: sales up, partly affected by JPY depreciation)

【2H】 Sales below target ¥1.9 billion, OP above target ¥0.1 billion,  
Fixed cost & others above expectations ¥0.3 billion (negative impact)

(¥billion)

	FY2023 Outlook as of Nov 2023			FY2023 Actual			vs. Outlook		
	3Q	4Q	2H	3Q	4Q	2H	3Q	4Q	2H
Sales	13.9	34.8	48.7	13.2	33.6	46.8	-0.7	-1.2	-1.9
OP	2.9	8.8	11.7	2.9	8.9	11.8	0.0	+0.1	+0.1

Main  
products

ROUNDUP(Herbicide)	Sales below target (ML: below target, AL: in line with target)
ALTAIR(Herbicide)	Sales below target
GRACIA(Insecticide)	Sales below target (export: volume down due to unfavorable weather in India)
TARGA(Herbicide)	Sales above target (export: shipment shifted from FY2024)
DITHANE(Fungicide)	Sales in line with target
PERMIT(Herbicide)	Sales above target
LEIMAY(Fungicide)	Sales below target (export: below target in Europe due to distribution inventory adjustment)
Fluralaner(Animal health product)	Sales above target (API sales & royalties: sales above target, partly affected by JPY depreciation)



【Full-Year】 Sales up ¥2.8 billion, OP up ¥0.7 billion, Fixed cost & others up ¥2.5 billion

(¥billion)

	FY2023 Actual					FY2024 Outlook					YOY Change				
	1Q	2Q	1H	2H	Total	1Q	2Q	1H	2H	Total	1Q	2Q	1H	2H	Total
Sales	18.8	16.5	35.3	46.8	82.1	19.9	16.9	36.8	48.1	84.9	+1.1	+0.4	+1.5	+1.3	+2.8
OP	6.6	5.0	11.6	11.8	23.4	7.0	5.4	12.4	11.7	24.1	+0.4	+0.4	+0.8	-0.1	+0.7

Main products

ROUNDUP(Herbicide)	Sales up (ML&AL: volume up)
ALTAIR(Herbicide)	Sales up (domestic: sales expansion)
GRACIA(Insecticide)	Sales up (domestic: sales up, export: sales expansion in Asia)
TARGA(Herbicide)	Sales down (export: shipment shifted to FY2023, sales down in Europe due to distribution inventory adjustment)
DITHANE(Fungicide)	Sales down
PERMIT(Herbicide)	Sales down
LEIMAY(Fungicide)	Sales up (export: expected to recover from distribution inventory adjustment)
Fluralaner(Animal health product)	Sales up (API shipment steadily)

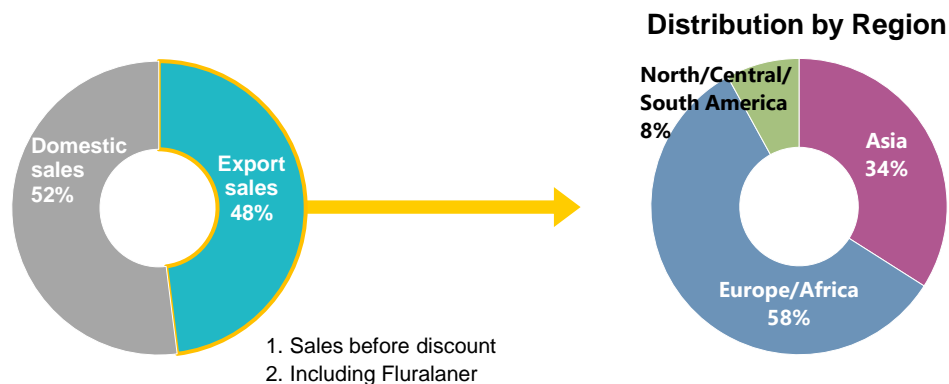
	Launch	Products	Application	Product development type	Notes
Existing products	2002	ROUNDUP	Herbicide	Acquired	Acquired domestic business from Monsanto, continuing to grow
	2008	LEIMAY	Fungicide	In-house	
	2008	STARMITE	Insecticide	In-house	
	2009	PULSOR (THIFLUZAMIDE)	Fungicide	Acquired	Acquired world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

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

1. MSD: MSD Animal Health, the global animal health business unit of Merck 2. BRAVECTO<sup>®</sup>: the product name developed by MSD, containing the active substance Fluralaner

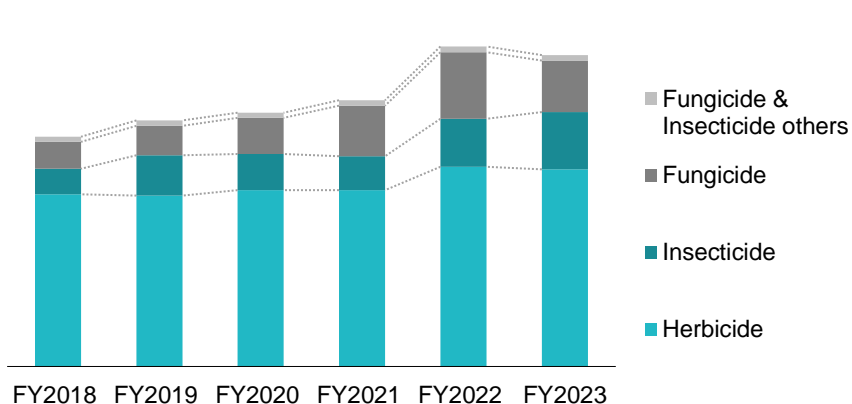
No.1 in the domestic agrochemicals sales ranking (Oct 2021- Sep 2022)  
 In our Agrochemical sales, domestic sales are larger than overseas sales

### Export ratio of agrochemicals business (FY2023 Actual)<sup>1,2</sup>

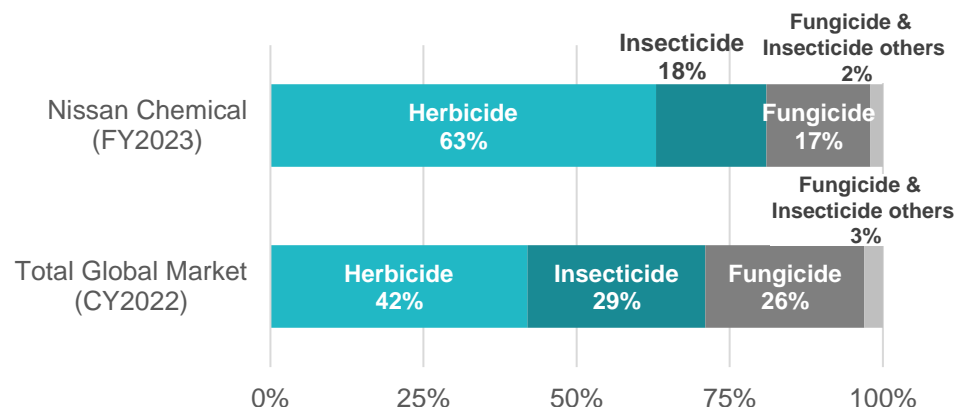


Expand product portfolio through sales expansion of existing products, launching in-house developed products, acquisition and introduction of pesticides

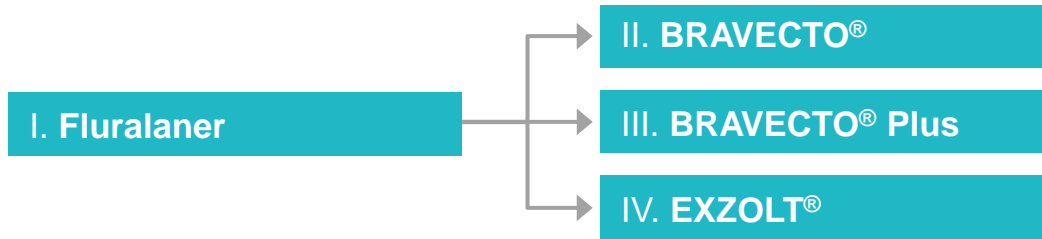
### Nissan Chemical Sales Trend



### Nissan Chemical Sales Distribution



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



## I. Fluralaner

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

## II. BRAVECTO®

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

## III. BRAVECTO® Plus

- Broad-spectrum combination spot-on solution for cats to treat internal and external parasite infestations
  - July 2018 EU, thereafter, USA, Japan, etc.

## IV. EXZOLT®

- Poultry medicine against red mite launched by MSD (administered via drinking water)
  - September 2017 in EU, thereafter, Korea and Middle East etc., July 2021 in Japan
- Cattle medicine
  - September 2022 launched in Brazil, April 2023 launched in Mexico
- Sheep medicine
  - Launched in Australia and New Zealand in 2023

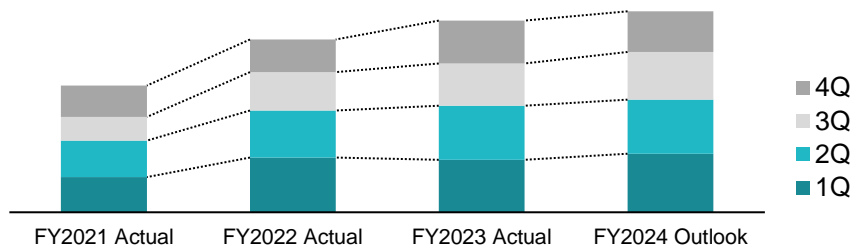
1. MSD: MSD Animal Health, the global animal health business unit of Merck

2. 8 weeks for *Rhipicephalus sanguineus* ticks

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

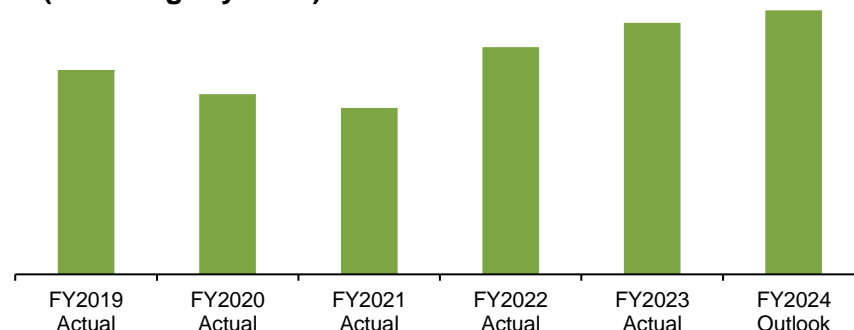
- Sales of Fluralaner to MSD as API<sup>1</sup> of BRAVECTO<sup>®</sup> and EXZOLT<sup>®</sup> products
  - Running royalties received from MSD
1. API: Active Pharmaceutical Ingredient

## FY2021-FY2024 Fluralaner Quarterly Sales (including royalties)



Royalties revenue used to be recognized in 2Q and 4Q until FY2020. Due to changes in accounting policies, it has been recognized in each quarter since FY2021 (see p66).

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



- Inventory adjustments for Fluralaner were completed in FY2021.
- A large sales increase in FY2022 due to the shipments shifted from FY2021 to FY2022 and JPY depreciation. Actual exchange rate is ¥136/\$.
- Actual exchange rate for FY2023 is ¥145/\$.
- Assumed exchange rate for 1H FY2024 is ¥145/\$, 2H for FY2024 is ¥140/\$.

## BRAVECTO<sup>®</sup> series and EXZOLT<sup>®</sup> R&D

- MSD is developing several pipeline products which contain the API of Fluralaner (including new types of BRAVECTO<sup>®</sup> for pets and spot-on solution for livestock)
  - BRAVECTO Quantum<sup>™</sup> injectable solution for dogs has approved in AUS and EU etc. in May 2023 and Jan 2024 respectively (Advantage: providing 12 months<sup>1</sup> of continuous protection)
1. 11 months for *Rhipicephalus sanguineus* ticks

- New API production site to ensure a stable global supply and reduce manufacturing costs
- Completed establishment as planned, NBR is added as a consolidated subsidiary from FY2022.
- Started commercial operation (March 2023)
- NBR is profitable on non-consolidated basis in FY2023 as planned

## 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, etc.) and exporting them to Nissan Chemical
Number of Operators	About 150 (as of April 1, 2024)
Plant Operating	Started from 4Q FY2022
Shareholders	Nissan Chemical 70%, Bharat Rasayan Ltd (BRL)30%
Board of Directors	Nissan Chemical 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 74.99%
2022 PL	Sales INR 12,343 million, Net Income after Taxes INR 1,246 million
Plant Location	2 plants: (A) Dahej, Gujarat (B) Rohtak, Haryana
Relationship with Nissan Chemical	BRL manufactures active ingredients and intermediates of Nissan Chemical's products. Bharat Certis Agriscience, a related company of Bharat group, distributes certain Nissan Chemical's products(TARGA, PULSOR, PERMIT) in India

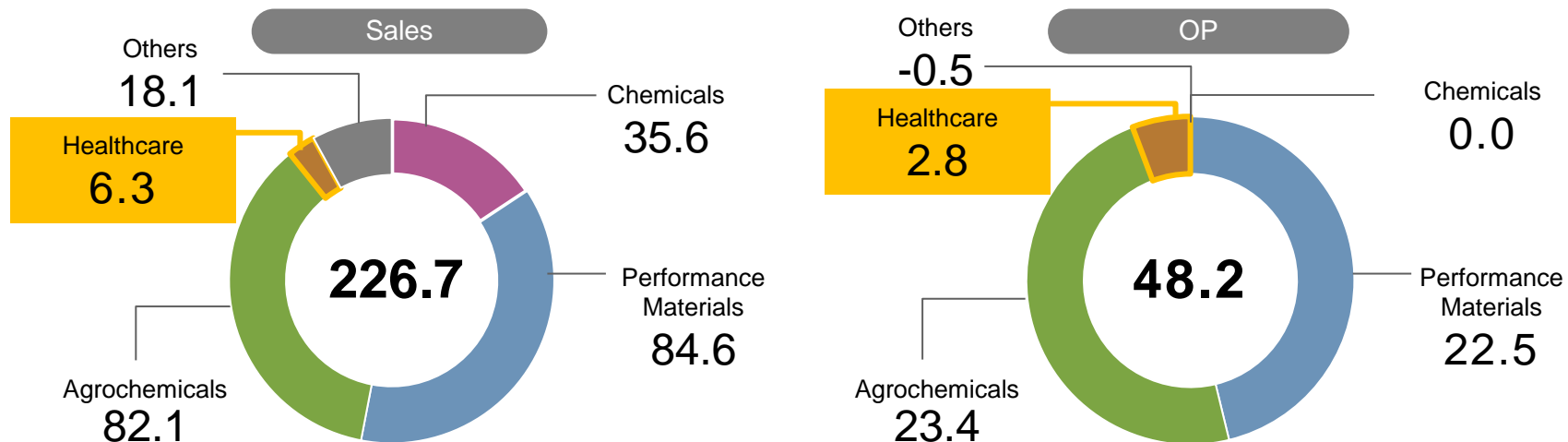
## Funding Plan (as of May 2022)

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

## Advantages to Nissan Chemical

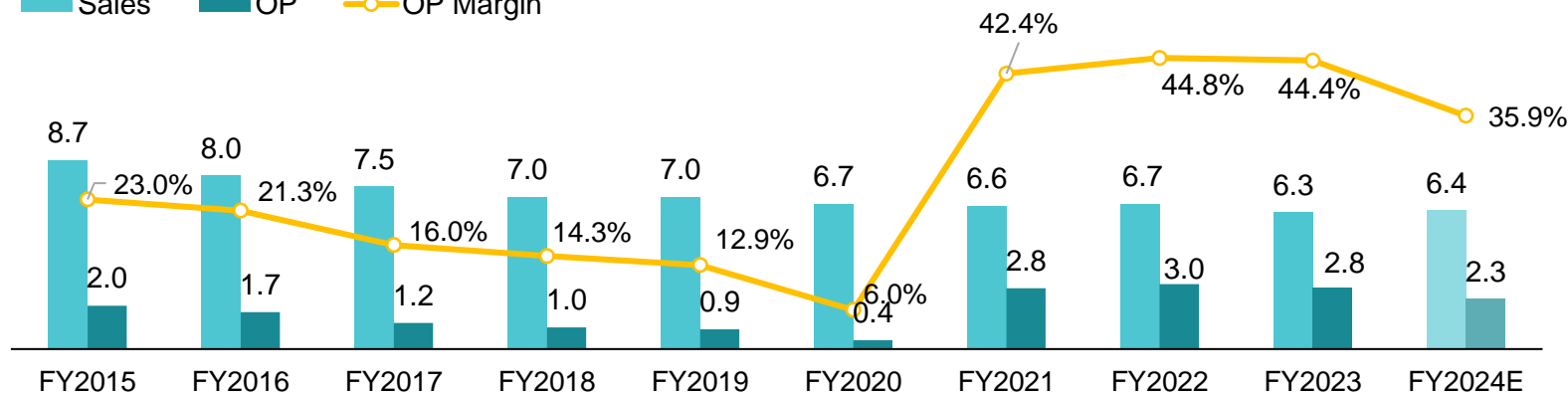
- Reliable and experienced local partner
- Diversify and secure sources of active ingredients and decrease materials shortage risks
- Lower production costs compared to plants in Japan
- Readily available plant site (official approval process for land lease already completed)
- Much less management and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

FY2023 Actual by Segment (¥billion)



Healthcare – Recent Financial Performance<sup>1</sup>

(¥billion) Sales OP OP Margin



1. Organizational changes was implemented in April 2022. FY2015-2020 Actual figures are based on old segmentation. FY2021 actual has been revised to reflect organizational changes in April 2022 (see p67)

## LIVALO

Anti-hyperlipidemia drug launched by Kowa in 2003.

Currently sold in more than 30 countries. (Nissan provides API)

API Sales Growth Rate	FY2020 Actual <sup>2</sup>	FY2021 Actual	FY2022 Actual	F2023 Actual <sup>3</sup>	FY2024 Outlook
API Sales YoY Change	-30%	-17%	0%	-5%	-23%
Domestic YoY Change	+6%	+30%	-17%	-3%	-38%
Export YoY Change	-35%	-28%	+7%	-6%	-18%
Change from FY2012 <sup>1</sup>	-73%	-78%	-78%	-79%	-84%

1. August 2013, domestic compound patent expired. LIVALO sales (domestic and export total) peaked in FY2012.

2. August 2020, market exclusivity expired in EU

3. November 2023, generic drug makers entered the US market

## Custom Chemicals

- Custom manufacturing and solution proposal business for new drug pharmaceutical ingredients and intermediates from pre-clinical to commercial production stages
- In recent years, focusing on new business mainly for high potent and high value-added GE API
  - High value-added GE API

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

### Custom Chemicals Sales Trend (FY2014-FY2024)

FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024 Outlook
1.8	2.3	2.4	2.5	2.6	2.9	3.8	4.2	4.3	4.0	4.5

(¥billion)



【2H】 Sales down ¥0.67 billion, OP down ¥0.53 billion

【Full-Year】 Sales down ¥0.37 billion, OP down ¥0.18 billion

(¥billion)

	FY2022 Actual					FY2023 Actual					YOY Change				
	1H	3Q	4Q	2H	Total	1H	3Q	4Q	2H	Total	1H	3Q	4Q	2H	Total
Sales	3.25	1.59	1.83	3.42	6.67	3.55	1.29	1.46	2.75	6.30	+0.30	-0.30	-0.37	-0.67	-0.37
Healthcare	1.42	0.35	0.58	0.93	2.35	1.29	0.59	0.43	1.02	2.31	-0.13	+0.24	-0.15	+0.09	-0.04
Custom Chemicals	1.83	1.24	1.25	2.49	4.32	2.26	0.70	1.03	1.73	3.99	+0.43	-0.54	-0.22	-0.76	-0.33
OP	1.46	0.66	0.87	1.53	2.99	1.81	0.47	0.53	1.00	2.81	+0.35	-0.19	-0.34	-0.53	-0.18
Healthcare	0.63	0.10	0.20	0.30	0.93	0.57	0.18	0.18	0.36	0.93	-0.06	+0.08	-0.02	+0.06	0.00
Custom Chemicals	0.83	0.56	0.67	1.23	2.06	1.24	0.29	0.35	0.64	1.88	+0.41	-0.27	-0.32	-0.59	-0.18

1. Figures in p7, p11, p17, p18, p19, p49, p50, p63, p64, p65 may not match the numbers on this page due to rounding.

### 【2H】 Sales & OP up

### 【Full-Year】 Sales down, OP flat

Healthcare

LIVALO

【2H】 Sales up (domestic up, export flat)

【Full-Year】 Sales down

(domestic & export both down)

【Full-Year】 Fixed cost & others down

### 【2H】 Sales & OP down

### 【Full-Year】 Sales & OP down

Custom  
Chemicals

【2H】&【Full-Year】 Sales down

(shipment shifted from FY2023 to FY2024)

【2H】 Sales above target ¥0.36 billion, OP above target ¥0.22 billion

(¥billion)

	FY2023 Outlook as of Nov 2023			FY2023 Actual			vs. Outlook		
	3Q	4Q	2H	3Q	4Q	2H	3Q	4Q	2H
Sales	1.06	1.33	2.39	1.29	1.46	2.75	+0.23	+0.13	+0.36
Healthcare	0.58	0.29	0.87	0.59	0.43	1.02	+0.01	+0.14	+0.15
Custom Chemicals	0.48	1.04	1.52	0.70	1.03	1.73	+0.22	-0.01	+0.21
OP	0.33	0.45	0.78	0.47	0.53	1.00	+0.14	+0.08	+0.22
Healthcare	0.20	0.06	0.26	0.18	0.18	0.36	-0.02	+0.12	+0.10
Custom Chemicals	0.13	0.39	0.52	0.29	0.35	0.64	+0.16	-0.04	+0.12

1. Figures in p7, p11, p17, p18, p19, p49, p50, p63, p64, p65 may not match the numbers on this page due to rounding.

### 【2H】 Sales & OP above target

Healthcare

LIVALO

Sales above target  
(domestic & export both above target)

### 【2H】 Sales & OP above target

Custom  
Chemicals

Sales above target

【Full-Year】 Sales up ¥0.07 billion, OP down ¥0.53 billion

(¥billion)

	FY2023 Actual					FY2024 Outlook					YOY Change				
	1Q	2Q	1H	2H	Total	1Q	2Q	1H	2H	Total	1Q	2Q	1H	2H	Total
Sales	1.95	1.60	3.55	2.75	6.30	1.77	1.21	2.98	3.39	6.37	-0.18	-0.39	-0.57	+0.64	+0.07
Healthcare	0.61	0.68	1.29	1.02	2.31	0.26	0.50	0.76	1.12	1.88	-0.35	-0.18	-0.53	+0.10	-0.43
Custom Chemicals	1.34	0.92	2.26	1.73	3.99	1.51	0.71	2.22	2.27	4.49	+0.17	-0.21	-0.04	+0.54	+0.50
OP	1.09	0.72	1.81	1.00	2.81	0.61	0.29	0.90	1.38	2.28	-0.48	-0.43	-0.91	+0.38	-0.53
Healthcare	0.28	0.29	0.57	0.36	0.93	0.05	0.12	0.17	0.28	0.45	-0.23	-0.17	-0.40	-0.08	-0.48
Custom Chemicals	0.81	0.43	1.24	0.64	1.88	0.56	0.17	0.73	1.10	1.83	-0.25	-0.26	-0.51	+0.46	-0.05

1. Figures in p7, p11, p17, p18, p19, p49, p50, p63, p64, p65 may not match the numbers on this page due to rounding.

### 【Full-Year】 Sales & OP down

Healthcare

LIVALO

Sales down (domestic & export both down)

Fixed cost & others up

### 【Full-Year】 Sales up, OP down

Custom  
Chemicals

Sales up (shipment shifted from FY2023 to FY2024)

Fixed cost & others up

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

## Sales and Income Targets by Segment

(¥billion)

		FY2021 Actual <sup>1</sup>	FY2022 Actual	FY2023 Actual	FY2024 Outlook	FY2024 Mid-Term Plan	FY2027 Mid-Term Plan
Chemicals	Sales	37.6	39.0	35.6	37.7	37.6	40.1
	OP	3.8	1.4	0.0	0.6	3.5	3.9
Performance Materials	Sales	81.7	82.6	84.6	91.9	102.9	117.2
	OP	27.6	25.4	22.5	24.4	32.1	38.0
Agrochemicals	Sales	65.8	81.6	82.1	84.9	77.8	82.3
	OP	18.1	23.1	23.4	24.1	21.7	21.0
Healthcare	Sales	6.6	6.7	6.3	6.4	7.2	11.5
	OP	2.8	3.0	2.8	2.3	2.1	4.3
Trading, Others, Adjustment	Sales	16.3	18.2	18.1	13.2	29.5	33.9
	OP	-1.3	-0.6	-0.5	-1.4	-0.9	-0.2
Planning and Development <sup>2</sup>	Sales	0.0	0.0	0.0	0.0	1.3	4.4
	OP	-4.9	-5.5	-5.3	-5.7	-4.7	-4.7
Total	Sales	208.0	228.1	226.7	234.1	255.0	285.0
	OP	51.0	52.3	48.2	50.0	58.5	67.0
FX Rate (¥/\$)		112	136	145	143	110	
(Financial Target)							
OP Margin		24.5%	22.9%	21.3%	21.4%	Above 20%	
ROE		19.2%	19.4%	17.1%	16.5%	Above 18%	
Dividend Payout Ratio		44.9%	56.3%	60.1%	58.9%	55%	
Total Payout Ratio		75.6%	78.0%	86.2%	75%Target	75%	

1. FY2021 actual has been revised to reflect organizational changes in April 2022 (see p67)

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

# FY2024 Outlook vs. FY2024 Mid-Term Plan (announced in May 2022)

		FY2024 Mid-Term Plan (A)	FY2024 Outlook (B)	(B) – (A)	Difference factors
Chemicals	Sales	37.6	37.7	+0.1	<b>Fine Chemicals</b> <b>below target(-15%)</b> [Above target] Environmental related products [Below target] TEPIC (general applications & electronic materials)
	OP	3.5	0.6	-2.9	<b>Basic Chemicals</b> <b>above target(+10%)</b> [Above target] Urea/AdBlue®, High purity sulfuric acid, Nitric acid products  <b>Fine Chemicals OP below target, Basic Chemicals OP in line with target</b> [Positive factors] Sales up (price hikes) [Negative factors] Fixed cost & others above expectations, feedstock and raw materials cost up
Performance Materials	Sales	102.9	91.9	-11.0	<b>DP</b> <b>below target(-12%)</b> [Above target] VA [Below target] Photo IPS, rubbing IPS, Photo VA, TN, other display materials  <b>Semis</b> <b>below target(-14%)</b> [Above target] EUV materials [Below target] ARC®, multi layer process materials  <b>Inorganic</b> <b>above target(+3%)</b> [Above target] SNOWTEX (non-polishing, price hikes), Oilfield materials [Below target] Organo/Monomer sol,
	OP	32.1	24.4	-7.7	<b>OP below target (DP, Semis, Inorganic)</b> [Positive factors] Fixed cost & others below expectations(DP) [Negative factors] sales below due to market adjustment(DP, Semis), fixed cost & others above expectations(Semis, Inorganic)
Agro- Chemicals	Sales	77.8	84.9	+7.1	<b>Domestic</b> <b>above target(+3%)</b> [Above target] Fluralaner, GRACIA, PERMIT, DITHANE, TARGA, ALTAIR <b>Export</b> <b>above target(+17%)</b> [Below target] LEIMAY <b>Animal Health</b> <b>above target(+13%)</b>
	OP	21.7	24.1	+2.4	[Positive factors] Sales above target, fixed cost & others below expectations
Healthcare	Sales	7.2	6.4	-0.8	<b>Healthcare</b> <b>above target(+20%)</b> [Above target] LIVALO (export) [Below target] New products  <b>Custom Chemicals</b> <b>below target(-21%)</b> [Below target] GE API products, new products
	OP	2.1	2.3	+0.2	<b>Drug Discovery OP above target, Custom Chemicals OP below target</b> [Positive factors] Fixed cost & others below expectations [Negative factors] Sales below target (new products)
Trading, Others, Adjustment	Sales	29.5	13.2	-16.3	<b>Adjustment etc.</b> <b>below target</b>
	OP	-0.9	-1.4	-0.5	<b>Trading</b> <b>above target +0.6</b> <b>Other domestic subsidiaries</b> <b>below target -0.2</b> <b>Adjustment</b> <b>below target -0.9 (-1.0 in Planning and Development Division)</b>
Total	Sales	255.0	234.1	-20.9	
	OP	58.5	50.0	-8.5	

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## E

(Environment)


## S

(Social)

- April 2021 Announced its Diversity Statement and Diversity Vision
- May 2022 Decided to work on realization of carbon neutrality by 2050  
Established new long-term target for reducing greenhouse gas (GHG) emissions(see p55)
- June 2022 Reduced GHG emissions by melamine production stop (26,000 tons, equivalent to about 7% of FY2018)
- June 2022 Established Climate Change Committee
- October 2023 Published "[Integrated Report 2023](#) 

## G

(Governance)

- April 2019 Established Nomination and Remuneration Advisory Committee as an optional advisory body of the Board of Directors
- June 2019 Introduced a performance-linked stock compensation plan called a Board Benefit Trust for Board of Directors, etc.
- June 2022 Announced incorporating ESG indicators into the officers' remuneration system  
(65% base remuneration, 28% performance-related remuneration, 7% remuneration in stock.  
Out of the 28% performance-related remuneration, 90% is profit-linked and 10% is ESG-linked.)
- June 2023 Two female Outside Directors appointed, as a result, the Board of Directors includes 4 Outside Directors out of 10
- December 2023 Updated and disclosed "[Corporate Governance Report](#) 



# ESG Index and Third-party Recognition

## Dow Jones Sustainability Asia Pacific Index

- December 2023  
Selected as a constituent  
for 6 consecutive years



## S&P/JPX Carbon Efficient Index

- June 2023  
Selected as a constituent  
for 5 consecutive years



## FTSE

- June 2023: Selected as a constituent of FTSE4Good Index Series, FTSE Blossom Japan Index for 4 consecutive years
- June 2023: Selected as a constituent of FTSE Blossom Japan Sector Relative for 2 consecutive years

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



## MSCI

- June 2023: Selected as a constituent for 4 consecutive terms (Japan Empowering Women (WIN) Select Index)
- June 2023: Upgraded from BBB to A (MSCI ESG Rating)

### 2023 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)

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

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

- March 2024 Acquired for 8 consecutive years



## Nikkei Integrated Report Award

- February 2024 won "the Award for Excellence"



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

- August 2020  
Announced its support for recommendations



## Morningstar

- March 2023 Selected as a constituent of Japan ex-REIT Gender Diversity Tilt Index

## "Childcare Support Company" Kurumin

- January 2023 Acquired for 2 consecutive years



## GX League

- February 2023 Announced its support for recommendations
- April 2023 Announced its participation



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

▶▶▶1

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

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

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

**Maintain at least 55%**

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

▶▶▶2

## Strengthening of Nissan Chemical's Business Base

### ▶ Personnel retention and trainings

Positive response rate in survey of employee attitude

**At least 65%**

### ▶ Promote Diversity

Proportion of female researchers

**At least 18%**

▶▶▶3

## Continuous Improvement of Responsible Care Activities

### ▶ GHG Emission Target

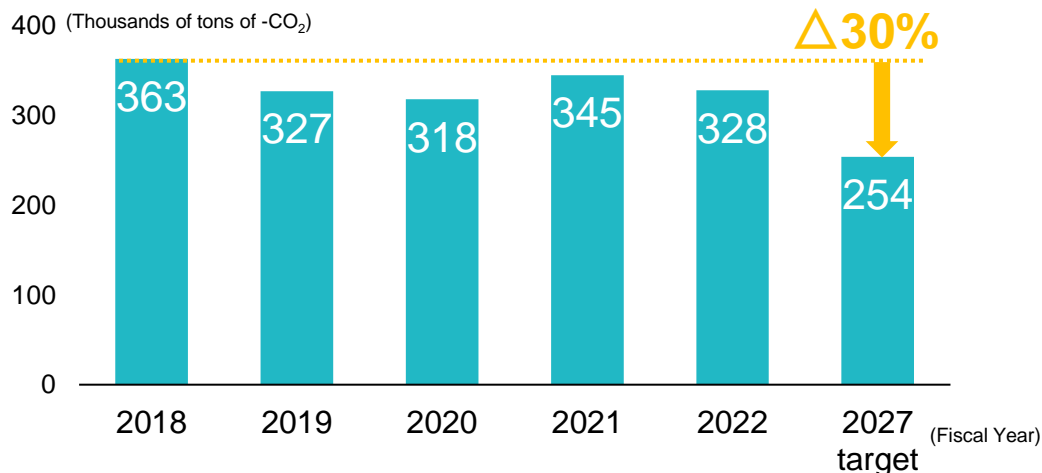
Reduced by **at least 30%** compared to FY2018

## Our Materiality

Strengthening of Corporate Governance, Risk Management and Compliance

# Reduction of GHG Emissions

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



## Comparison of GHG emissions with general chemical manufacturers

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

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

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

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

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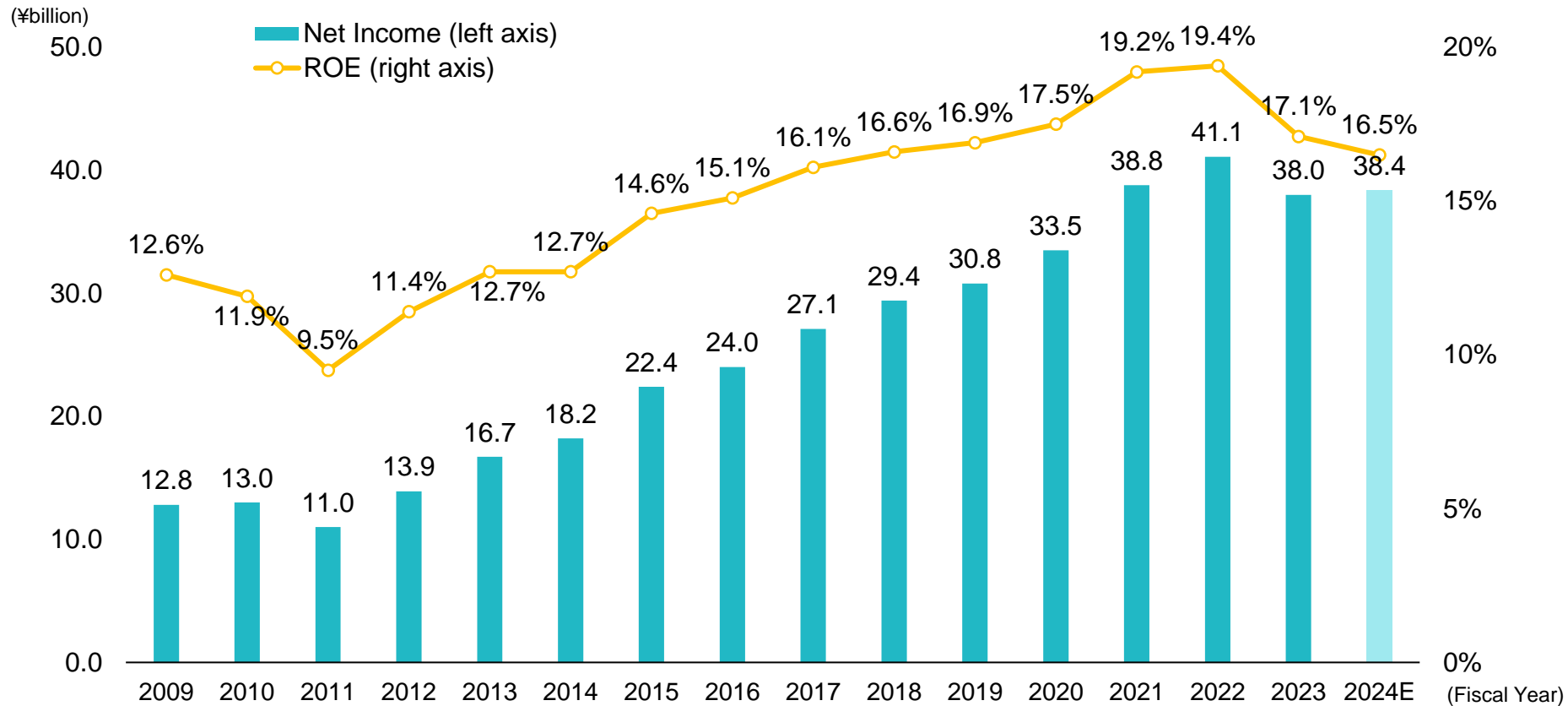
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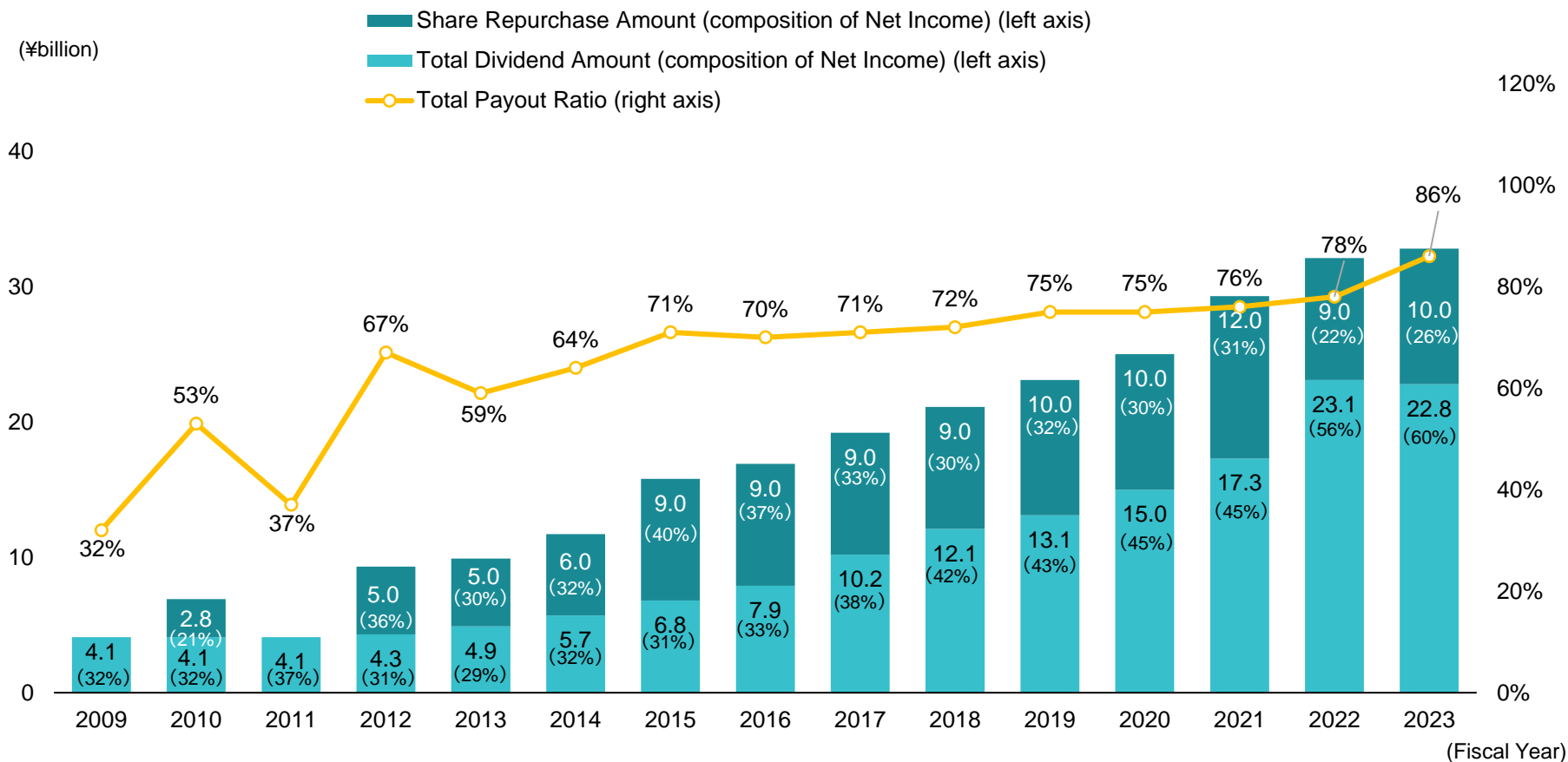
# ROE Trend

- Position ROE as the most important financial indicator for a long time
- Mid-Term Plan FY2019-2021 Target : Maintain above 16% ⇒ Achieved
- New Mid-Term Plan FY2022-2027 Target: above 18%
- FY2023 Actual: 17.1%



# 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
- New Mid-Term Plan FY2022-2027 Target: 75% (FY2023 Actual: 86.2%)



# Shareholders Return Policy - Share Repurchase

- Started share repurchase in FY2006 only to enhance ROE
- Repurchased ¥123.5 billion, 47.77 million shares (25.5% of shares issued) in total from FY2006 to FY2023
- Cancelled all repurchased shares
- Continue to strengthen shareholders return through share repurchase
- Announced a ¥5.0 billion share repurchase in May 2024

## FY2006 - 2023 Shareholders Return (no share repurchase in FY2009 and FY2011)

Fiscal Year	2006	2007	2008	2010	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total
Shares purchased (thousand shares) <sup>1</sup>	3,500	3,399	7,355	2,167	6,372	3,263	2,764	3,333	2,621	2,292	1,682	2,138	1,829	2,033	1,356	1,665	47,769
Purchase costs (¥billion) <sup>1</sup>	4.7	5.0	8.0	2.8	5.0	5.0	6.0	9.0	9.0	9.0	9.0	10.0	10.0	12.0	9.0	10.0	123.5
Shares cancelled (thousand shares)	3,000	3,635	7,000	3,000	6,000	4,000	3,000	2,000	2,000	3,000	2,000	3,000	1,000	2,000	1,700	2,500	48,835
Shares issued at FY end (million shares)	185	181	174	171	165	161	158	156	154	151	149	146	145	143	141	139	-
Treasury shares at FY end (thousand shares) <sup>2</sup>	1,367	1,233	1,660	885	1,258	522	287	1,621	2,242	1,535	1,218	523	1,352	1,384	1,029	187	-
Total payout ratio (dividend + share repurchase) (%)	60	56	118	53	67	59	64	71	70	71	72	75	75	76	78	86	-

## FY2019 - 2024 Share Repurchase and Cancel Program

Fiscal Year	2019			2020			2021			2022			2023 <sup>3</sup>			2024
	1H	2H	Total	1H	2H	Total	1H	2H	Total	1H	2H	Total	1H	2H	Total	1H
Shares purchased (thousand shares) <sup>1</sup>	1,270	868	2,138	1,334	495	1,829	1,262	771	2,033	683	673	1,356	805	860	1,665	up to 1,250
Purchase costs (¥billion) <sup>1</sup>	6.0	4.0	10.0	7.0	3.0	10.0	7.0	5.0	12.0	5.0	4.0	9.0	5.0	5.0	10.0	up to 5.0
Shares cancelled (thousand shares) <sup>3</sup>	2,000	1,000	3,000	1,000	0	1,000	2,000	0	2,000	1,700	0	1,700	1,500	1,000	2,500	-

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

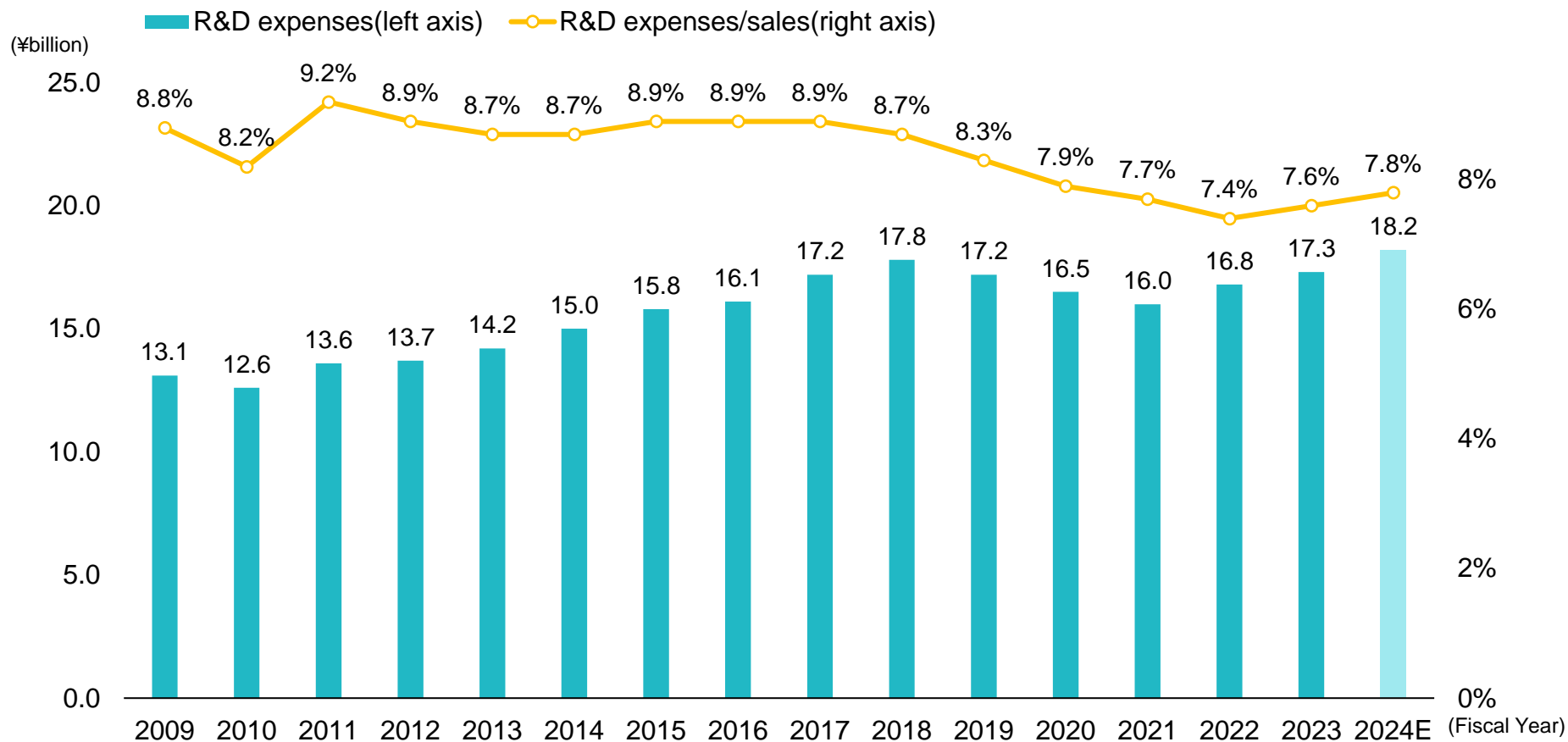
3. Dates of Cancellation in FY2023 are May 12 and Aug 10, 2023, and Mar 13, 2024

## Cash Management Policy (Non-consolidated basis)

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

# R&D Expenses Trend

- Value R&D as a future-creating enterprise that responds to social needs with unique, innovative technologies
- Maintain about 7-9% R&D expenses/sales in recent years
- Temporary decrease in R&D expenses in FY2020 and FY2021 due to COVID-19





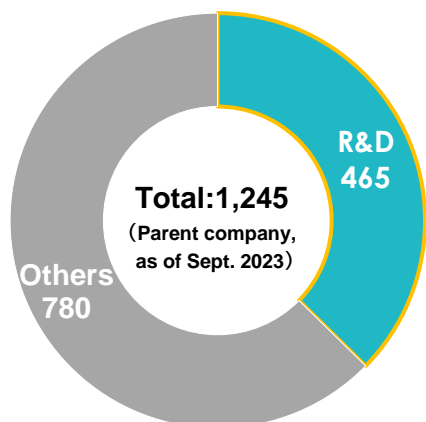
- Achieve high OP margin despite aggressive investment in R&D
- About 40% of professional staff engaged in R&D

## R&D Expenses by Segment

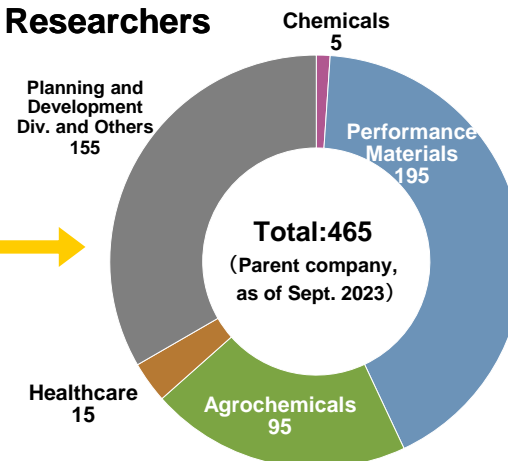
Segments	FY2023 Actual				
	Sales (¥billion)	OP (¥billion)	OP Margin	R&D expenses (¥billion)	R&D Expenses/Sales
Chemicals	35.6	0.0	0.1%	0.3	0.8%
Performance Materials	84.6	22.5	26.6%	8.2	9.7%
Agrochemicals	82.1	23.4	28.5%	4.3	5.2%
Healthcare	6.3	2.8	44.4%	0.4	6.3%
Others <sup>1</sup>	-	-	-	4.1	-
<b>Total (including Others<sup>1</sup>)</b>	<b>226.7</b>	<b>48.2</b>	<b>21.3%</b>	<b>17.3</b>	<b>7.6%</b>

1. Including Planning and Development Div.

## Professional Staff Distribution



## Researchers



2. The staff number indicated is round number

# Long-term Financial Performance Trend

(¥billion)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024E
Sales	169.1	174.4	169.2	160.2	149.0	154.2	148.6	153.8	163.7	171.2	176.9	180.3	193.4	204.9	206.8	209.1	208.0	228.1	226.7	234.1
Operating Profit	21.7	20.8	24.8	17.4	19.2	19.8	15.5	19.5	22.2	25.3	28.6	31.4	35.0	37.1	38.6	42.5	51.0	52.3	48.2	50.0
Ordinary Income	21.3	21.2	24.4	16.9	19.2	19.4	15.9	20.5	23.7	26.4	29.5	31.7	36.2	39.1	40.0	43.9	53.7	55.8	51.6	50.5
Net Income	13.7	14.0	15.5	10.1	12.8	13.0	11.0	13.9	16.7	18.2	22.4	24.0	27.1	29.4	30.8	33.5	38.8	41.1	38.0	38.4
EBITDA	31.6	30.5	34.5	27.6	30.1	30.3	25.9	29.1	30.8	33.8	38.3	40.3	45.5	48.0	49.2	53.0	61.2	63.3	62.0	65.6
OP Margin	12.8%	12.0%	14.6%	10.9%	12.8%	12.9%	10.4%	12.7%	13.6%	14.8%	16.2%	17.4%	18.1%	18.1%	18.7%	20.3%	24.5%	22.9%	21.3%	21.4%
ROE	16.1%	14.7%	15.6%	10.3%	12.6%	11.9%	9.5%	11.4%	12.7%	12.7%	14.6%	15.1%	16.1%	16.6%	16.9%	17.5%	19.2%	19.4%	17.1%	16.5%
EPS (¥/share)	72.73	75.43	85.15	57.26	74.00	75.94	64.52	83.74	102.11	113.99	143.37	156.97	180.30	197.67	210.09	231.73	271.88	291.36	272.82	278.67
Dividend (¥/share)	15	20	20	22	24	24	24	26	30	36	44	52	68	82	90	104	122	164	164	164
Dividend Payout Ratio	20.6%	26.5%	23.5%	38.4%	32.4%	31.6%	37.2%	31.0%	29.4%	31.6%	30.7%	33.1%	37.7%	41.5%	42.8%	44.9%	44.9%	56.3%	60.1%	58.9%
Share Repurchase	-	4.7	5.0	8.0	-	2.8	-	5.0	5.0	6.0	9.0	9.0	9.0	9.0	10.0	10.0	12.0	9.0	10.0	-
Total Assets	183.2	177.3	172.7	172.3	181.4	183.4	190.1	199.2	208.0	223.9	228.2	231.7	246.0	247.0	249.5	265.5	279.7	298.7	323.5	-
Net Assets	93.6	99.3	101.2	96.8	107.7	112.4	119.6	126.7	137.8	151.3	156.9	163.7	176.4	182.1	185.5	200.6	208.0	221.5	230.9	-
Cash	8.5	11.0	7.6	9.7	14.8	21.1	27.9	31.9	30.8	31.3	35.3	35.7	37.7	36.2	30.6	32.4	34.7	29.6	22.7	-
Liabilities with Interest	41.5	32.4	34.4	45.5	42.1	39.9	38.9	38.1	36.1	35.1	33.1	30.8	28.6	26.6	24.6	22.7	22.7	27.3	41.0	-
Equity Ratio	50.2%	55.3%	58.0%	55.5%	58.7%	60.7%	62.4%	63.0%	65.7%	66.9%	68.1%	69.9%	71.0%	73.0%	73.7%	74.9%	73.6%	73.1%	70.3%	-
Capex	11.0	7.7	13.8	10.7	14.4	8.7	8.9	8.1	9.1	8.7	9.5	13.5	14.4	9.9	15.5	14.3	12.4	19.4	20.2	22.1
Depreciation	9.9	9.7	9.7	10.2	11.0	10.4	10.5	9.5	8.5	8.5	9.7	8.9	10.5	10.9	10.5	10.4	10.2	11.0	13.8	15.6
R&D Expenses	9.2	9.9	12.5	13.7	13.1	12.6	13.6	13.7	14.2	15.0	15.8	16.1	17.2	17.8	17.2	16.5	16.0	16.8	17.3	18.2
R&D Expenses/Sales	5.4%	5.7%	7.4%	8.6%	8.8%	8.2%	9.2%	8.9%	8.7%	8.7%	8.9%	8.9%	8.9%	8.7%	8.3%	7.9%	7.7%	7.4%	7.6%	7.8%

1. FY2021- : Including effects of changes in accounting policies (see p66)

2. Capex: Cash flows basis

# Sales and OP Trend by Segment

(¥billion)

Sales (A)	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024E
Chemicals	34.5	35.5	34.3	34.3	34.8	34.9	35.7	34.3	31.9	37.6	39.0	35.6	37.7
Performance Materials	37.4	42.8	49.4	51.8	52.8	58.8	63.0	65.5	71.6	81.7	82.6	84.6	91.9
Agrochemicals	35.4	39.1	45.7	47.5	52.0	58.1	62.7	64.0	63.8	65.8	81.6	82.1	84.9
Healthcare	12.7	11.6	8.8	8.7	8.0	7.5	7.0	7.0	6.7	6.6	6.7	6.3	6.4
Trading	46.6	50.7	54.4	55.6	55.2	59.5	67.9	67.9	69.8	80.4	99.1	103.8	104.1
Others	21.2	21.4	20.9	20.9	24.0	21.5	24.6	22.4	23.8	23.6	26.4	30.1	28.7
Adjustment	-34.0	-37.4	-42.3	-41.9	-46.5	-46.9	-56.0	-54.3	-58.5	-87.7	-107.3	-115.8	-119.6
Total	153.8	163.7	171.2	176.9	180.3	193.4	204.9	206.8	209.1	208.0	228.1	226.7	234.1

OP (B)	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024E
Chemicals	1.9	1.9	1.9	3.9	3.8	3.4	3.0	1.3	1.5	3.8	1.4	0.0	0.6
Performance Materials	7.2	8.8	12.0	12.0	12.5	14.2	15.0	17.0	22.4	27.6	25.4	22.5	24.4
Agrochemicals	5.0	6.2	9.2	10.8	13.2	16.4	18.4	19.3	18.2	18.1	23.1	23.4	24.1
Healthcare	5.2	4.9	2.3	2.0	1.7	1.2	1.0	0.9	0.4	2.8	3.0	2.8	2.3
Trading	1.4	1.5	1.7	1.8	1.7	1.8	2.0	2.1	2.5	2.9	3.7	3.7	3.2
Others	0.7	0.8	0.6	0.5	1.0	0.6	0.9	0.7	0.8	0.7	0.9	0.6	0.7
Adjustment	-1.9	-1.9	-2.4	-2.4	-2.5	-2.6	-3.2	-2.7	-3.3	-4.9	-5.2	-4.8	-5.3
Total	19.5	22.2	25.3	28.6	31.4	35.0	37.1	38.6	42.5	51.0	52.3	48.2	50.0

OP Margin (B)/(A)	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024E
Chemicals	5.5%	5.4%	5.5%	11.4%	10.9%	9.7%	8.4%	3.8%	4.7%	10.1%	3.6%	0.1%	1.6%
Performance Materials	19.3%	20.6%	24.3%	23.2%	23.7%	24.1%	23.8%	26.0%	31.3%	33.8%	30.8%	26.6%	26.6%
Agrochemicals	14.1%	15.9%	20.1%	22.7%	25.4%	28.2%	29.3%	30.2%	28.5%	27.5%	28.3%	28.5%	28.4%
Healthcare	40.9%	42.2%	26.1%	23.0%	21.3%	16.0%	14.3%	12.9%	6.0%	42.4%	44.8%	44.4%	35.9%
Trading	3.0%	3.0%	3.1%	3.2%	3.1%	3.0%	2.9%	3.1%	3.6%	3.6%	3.7%	3.6%	3.1%
Others	3.3%	3.7%	2.9%	2.4%	4.2%	2.8%	3.7%	3.1%	3.4%	3.0%	3.4%	2.0%	2.4%
Total	12.7%	13.6%	14.8%	16.2%	17.4%	18.1%	18.1%	18.7%	20.3%	24.5%	22.9%	21.3%	21.4%

## Segment Assets

(FY2023)(D)

Chemicals	33.2
Performance Materials	70.6
Agrochemicals	119.5
Healthcare	8.6
Trading	40.0
Others	21.1
Adjustment	30.5
Total	323.5

## ROA(FY2023)

(B)/(D)

Chemicals	0.2%
Performance Materials	31.9%
Agrochemicals	19.6%
Healthcare	32.6%
Trading	9.3%
Others	2.8%
Total	14.9%

1. Including inter-segment sales/transfers

3. FY2021: Including Sales decrease due to changes in accounting policies (see p66)

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

Adjustment: Planning & Development Division and others

5. Sales and OP for Planning & Development Division in FY2021 - FY2023 Actual and FY2024 Outlook are disclosed on p49

6. Organizational changes was implemented in April, 2022. Figures are based on an old segmentation until FY2020.

FY2021 actual has been revised to reflect organizational changes in April 2022 (see p67).

2. FY2019- : New OP method

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 (FY2021 - FY2024 Outlook)

(¥billion)

	FY2021 Actual					FY2022 Actual					FY2023 Actual					FY2024 Outlook				FY2023 Outlook as of Nov 2023
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	2H	Total	Total
<b>Chemicals</b>	8.8	8.3	10.5	10.0	37.6	10.4	9.4	10.1	9.1	39.0	9.1	8.8	9.6	8.1	35.6	9.1	9.0	19.6	37.7	<b>38.6</b>
<b>Fine Chemicals</b>	3.2	3.0	3.7	3.2	13.1	4.2	3.5	3.3	2.8	13.8	3.0	3.0	3.0	2.6	11.6	3.1	3.0	6.1	12.2	<b>13.2</b>
<b>Basic Chemicals</b>	5.6	5.3	6.8	6.8	24.5	6.2	5.9	6.8	6.3	25.2	6.1	5.8	6.6	5.5	24.0	6.0	6.0	13.5	25.5	<b>25.4</b>
<b>Performance Materials</b>	20.0	19.6	20.9	21.2	81.7	21.8	20.2	20.6	20.0	82.6	20.8	19.7	21.4	22.7	84.6	22.1	22.6	47.2	91.9	<b>84.5</b>
<b>Agrochemicals</b>	13.4	11.6	11.9	28.9	65.8	19.7	16.0	13.1	32.8	81.6	18.8	16.5	13.2	33.6	82.1	19.9	16.9	48.1	84.9	<b>84.0</b>
<b>Healthcare</b>	1.1	2.2	2.0	1.3	6.6	1.7	1.5	1.6	1.9	6.7	2.0	1.5	1.3	1.5	6.3	1.8	1.2	3.4	6.4	<b>5.9</b>
<b>Healthcare</b>	0.6	0.8	0.5	0.6	2.5	0.8	0.6	0.4	0.6	2.4	0.6	0.7	0.6	0.4	2.3	0.3	0.5	1.1	1.9	<b>2.2</b>
<b>Custom Chemicals</b>	0.4	1.5	1.4	0.8	4.1	0.8	1.0	1.2	1.3	4.3	1.3	0.9	0.7	1.0	4.0	1.5	0.7	2.3	4.5	<b>3.8</b>
<b>Trading</b>	17.8	18.6	22.2	21.8	80.4	23.7	24.0	27.0	24.4	99.1	24.3	24.5	28.3	26.7	103.8	24.1	26.2	53.8	104.1	<b>100.9</b>
<b>Others</b>	4.9	5.5	6.1	7.1	23.6	6.5	5.9	6.7	7.3	26.4	6.4	5.9	6.0	11.8	30.1	6.2	6.2	16.3	28.7	<b>30.5</b>
<b>Adjustment</b>	-19.5	-20.5	-24.1	-23.6	-87.7	-25.5	-25.8	-29.4	-26.6	-107.3	-26.5	-26.1	-30.2	-33.0	-115.8	-27.0	-28.7	-63.9	-119.6	<b>-116.9</b>
<b>Total</b>	<b>46.5</b>	<b>45.3</b>	<b>49.5</b>	<b>66.7</b>	<b>208.0</b>	<b>58.3</b>	<b>51.2</b>	<b>49.7</b>	<b>68.9</b>	<b>228.1</b>	<b>54.9</b>	<b>50.8</b>	<b>49.6</b>	<b>71.4</b>	<b>226.7</b>	<b>56.2</b>	<b>53.4</b>	<b>124.5</b>	<b>234.1</b>	<b>227.5</b>

1. Including inter-segment sales/transfers

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

3. Trading: Nissei Corporation, Others: Nissan Butsuryu, Nissan Green & Landscape, Nissan Engineering, NC Tokyo Bay, Nihon Hiryo, and others,  
Adjustment: Planning & Development Division, and others

4. Sales and OP for Planning & Development Division in FY2021 - FY2023 Actual and FY2024 Outlook are disclosed on p49

5. Organizational changes was implemented in April, 2022. FY2021 actual has been revised to reflect organizational changes in April 2022 (see p67)

# Quarterly OP Trend by Segment (FY2021 - FY2024 Outlook)

(¥billion)

	FY2021 Actual					FY2022 Actual					FY2023 Actual					FY2024 Outlook				FY2023 Outlook as of Nov 2023
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	1Q	2Q	2H	Total	Total
Chemicals	1.3	-0.1	1.3	1.3	3.8	1.7	-0.6	0.4	-0.1	1.4	0.9	-1.0	0.4	-0.3	0.0	-0.1	-0.1	0.8	0.6	0.8
Performance Materials	6.9	6.2	7.6	6.9	27.6	7.9	6.0	6.9	4.6	25.4	6.5	4.6	6.3	5.1	22.5	5.5	6.8	12.1	24.4	23.3
Agrochemicals	4.0	2.9	3.0	8.2	18.1	6.8	5.3	3.1	7.9	23.1	6.6	5.0	2.9	8.9	23.4	7.0	5.4	11.7	24.1	23.3
Healthcare	0.3	1.1	0.9	0.5	2.8	0.8	0.7	0.6	0.9	3.0	1.1	0.7	0.5	0.5	2.8	0.6	0.3	1.4	2.3	2.6
Healthcare	0.2	0.3	0.2	0.2	0.8	0.4	0.2	0.1	0.2	0.9	0.3	0.3	0.2	0.2	0.9	0.1	0.1	0.3	0.5	0.8
Custom Chemicals	0.1	0.8	0.8	0.3	2.0	0.4	0.5	0.6	0.7	2.1	0.8	0.4	0.3	0.4	1.9	0.6	0.2	1.1	1.8	1.8
Trading	0.7	0.6	0.9	0.7	2.9	1.0	0.9	1.0	0.8	3.7	0.9	0.9	1.0	0.9	3.7	0.7	0.8	1.7	3.2	3.3
Others	0.1	-0.1	0.2	0.5	0.7	0.1	0.0	0.2	0.6	0.9	0.2	0.0	-0.3	0.7	0.6	0.0	0.0	0.7	0.7	0.9
Adjustment	-1.4	-1.2	-1.3	-1.0	-4.9	-1.0	-1.4	-1.6	-1.2	-5.2	-1.2	-1.1	-1.5	-1.0	-4.8	-1.8	-1.1	-2.4	-5.3	-5.6
<b>Total</b>	<b>11.9</b>	<b>9.4</b>	<b>12.6</b>	<b>17.1</b>	<b>51.0</b>	<b>17.3</b>	<b>10.9</b>	<b>10.6</b>	<b>13.5</b>	<b>52.3</b>	<b>15.0</b>	<b>9.1</b>	<b>9.3</b>	<b>14.8</b>	<b>48.2</b>	<b>11.9</b>	<b>12.1</b>	<b>26.0</b>	<b>50.0</b>	<b>48.6</b>

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

2. Trading: Nissei Corporation, Others: Nissan Butsuryu, Nissan Green & Landscape, Nissan Engineering, NC Tokyo Bay, Nihon Hiryo, and others, Adjustment: Planning & Development Division, and others

3. Sales and OP for Planning & Development Division in FY2021 - FY2023 Actual and FY2024 Outlook are disclosed on p49

4. Organizational changes was implemented in April, 2022. FY2021 actual has been revised to reflect organizational changes in April 2022 (see p67)

# Changes in Accounting Policies (from FY2021)

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

## 1. Changes in accounting policies:

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

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

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

### A. Agent transactions

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

### B. Royalties based on sales amount

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

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

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

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

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

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

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

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

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

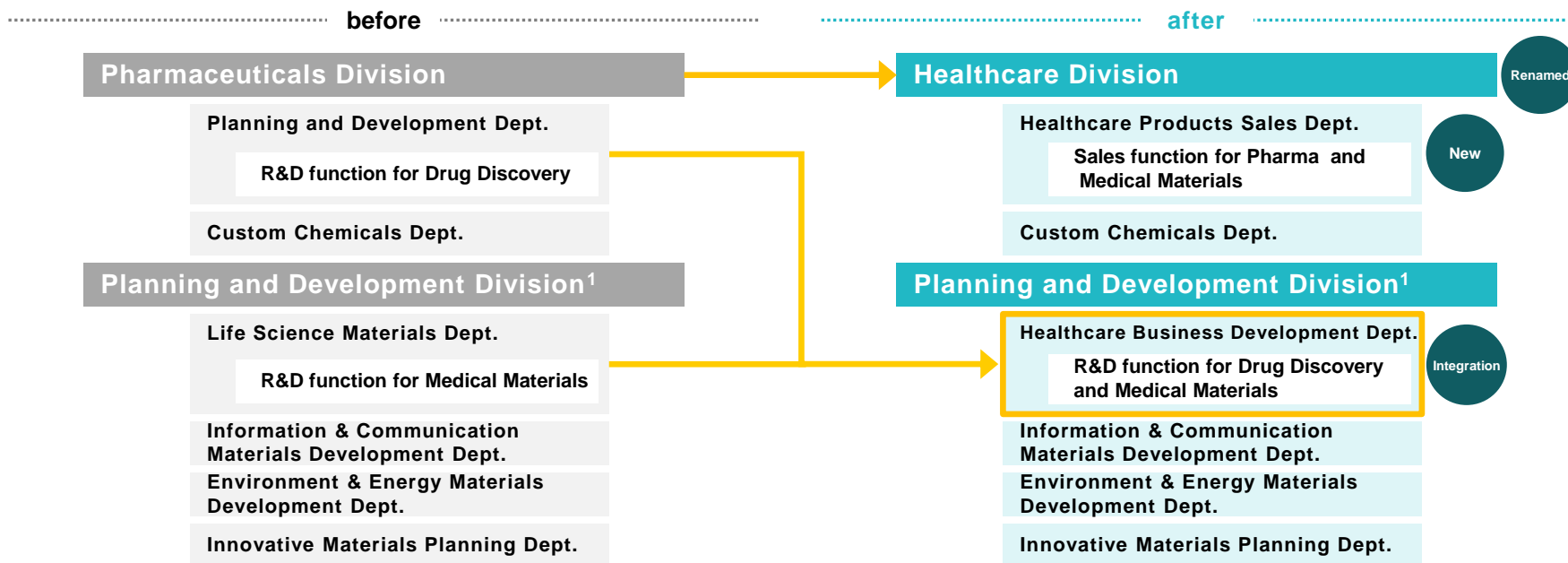
2. Total impact of Royalties based on sales amount and Sales discount subject to change at the selling timing

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

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

**Purpose**

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



1. Planning and Development Division is included in “Adjustment” segment. Sales and OP for Planning & Development Division in FY2021 - FY2023 Actual, FY2024 Outlook and FY2027 Outlook of Mid-Term Plan are disclosed on P49

# 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 related products	agent used for sterilizing, disinfectant for swimming pool and septic tanks, etc.
		FINEOXOCOL	cosmetics, lubricants, adhesive
	Basic Chemicals	Melamine (sales ended in December 2022)	adhesive agent
		AdBlue®	solution of urea in demineralised water for diesel vehicles to reduce NOx
		High purity sulfuric acid	agents used for cleaning semiconductors
		Ammonia, Sulfuric acid, Nitric acid, Urea	
Performance Materials	Display Materials	SUNEVER	LCD alignment coating
		(Main Mode) VA (Vertical Alignment)	TV
		IPS (In-Plane Switching)	Smartphone, Tablet, PC, Monitor, Automobile
	Semis Materials	ARC®(ArF, KrF)	bottom anti-reflective coating for semiconductors
		OptiStack®	multi layer process material for semiconductors (Si-HM/SOC)
		EUV materials	EUV process materials (Under Layer/Si-HM)
	Inorganic Materials	SNOWTEX	water dispersed colloidal silica sol for polishing silicon wafers, special steel sheets
		Organo/Monomer Sol	film coating, antistatic interference shielding, electronic printing materials, resin additive
		Oilfield materials	for enhancing oil recovery
	Agrochemicals	Herbicide	TARGA
PERMIT			corn, sugarcane, rice
ROUNDUP			non-selective herbicide for orchard, noncrop land
ALTAIR			rice
Insecticide		GRACIA	vegetables, tea
Fungicide		LEIMAY	potato, vegetables, grape
		DITHANE (MANCOZEB)	fruits, vegetables
Animal health product		Fluralaner	active substance of BRAVECTO® (veterinary medical product for dogs and cats) and EXZOLT® (for poultry, cattle, and sheep)
Healthcare	LIVALO API	anti-cholesterol drug	
	Custom Chemicals	custom manufacturing and solution proposal business for pharmaceutical companies	

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

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

3. BRAVECTO® and EXZOLT® are registered trade mark of MSD.



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

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.

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