

Briefings on Financial Results

For the 1st half Of the Fiscal 2015

Nov 24, 2015

ADEKA Corporation
(Securities code: 4401)

First Half of the Fiscal 2015 Second Quarter Financial Results Overview

[April 1, 2015 – September 30, 2015]

Representative Director and President Akio Kohri

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1. The 1st Half of the Fiscal 2015 Consolidated Performance

The 1st Half of the Fiscal 2015 Consolidated Performance

Consolidated
data

(Unit: 100 million yen)

| | 1 st half FY2014 | 1 st half FY2015 | Increase/ decrease | Increase/ decrease ratio (%) |
|---|-----------------------------|-----------------------------|-----------------------|---------------------------------|
| Sales | 1,003 | 1,096 | 93 | 9.3 |
| Operating profit | 68 | 89 | 21 | 31.3 |
| Current profit | 72 | 87 | 14 | 19.6 |
| Profit attributable to owners of parent | 50 | 58 | 8 | 16.9 |
| 2nd-quarter net profit per share (yen/share) | ¥48.6 | ¥56.8 | ¥8.2 | |
| Dividend (yen/share) | ¥12 | ¥14 | ¥2 | |

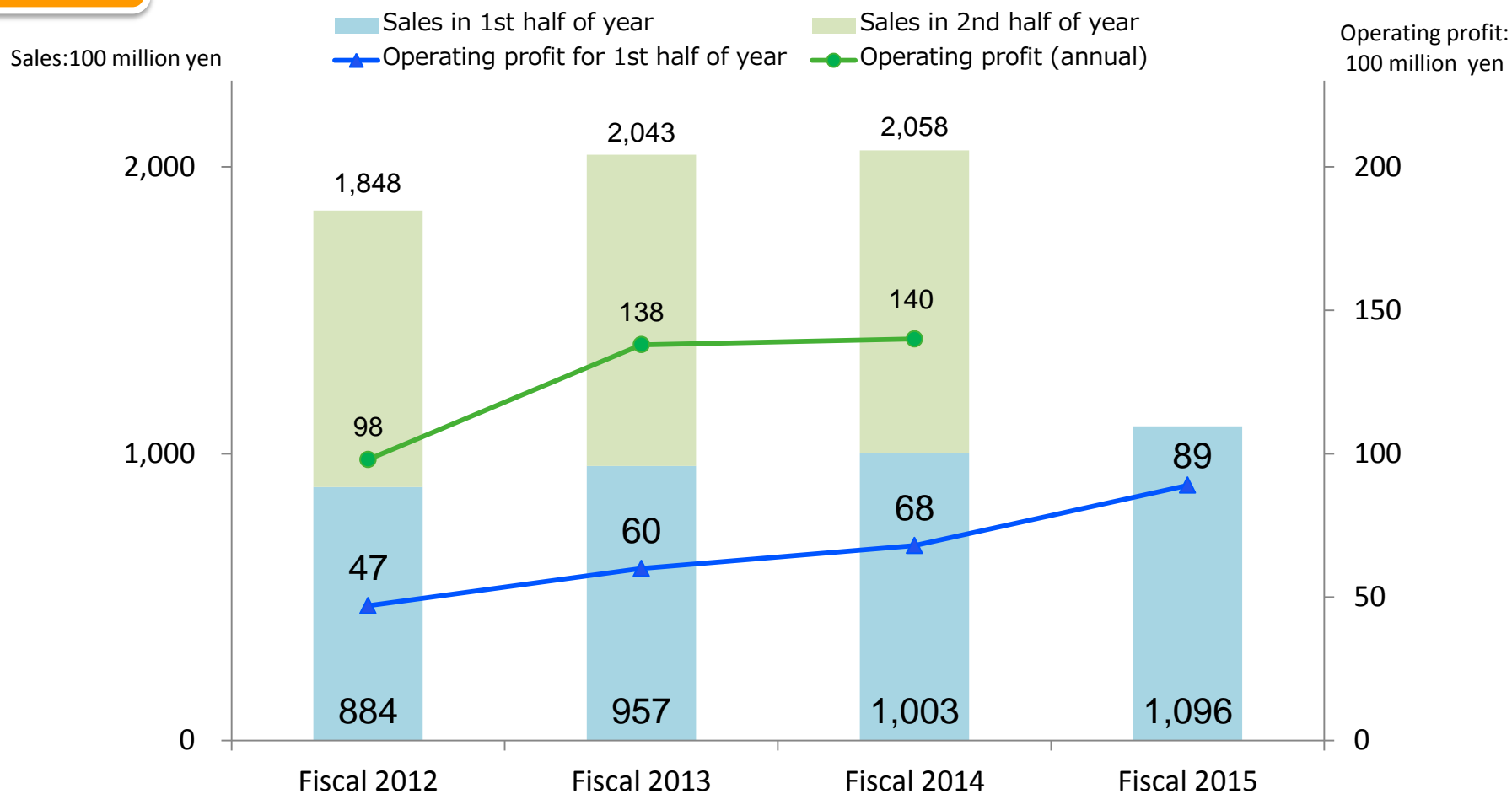
- Sales increased year-on-year driven by growth in overseas subsidiaries.
- Operating profit marked a significant increase year-on-year due to robust performance in China and the rest of Asia as well as efforts to improve profitability.
- Current profit and net income grew also due to the increase in operating income.
- Change in accounting methods
In order to better reflect the performance of overseas subsidiaries in consolidated financial statements, we changed the method of converting the revenue and expenses of overseas subsidiaries into Japanese yen; instead of the end-of-term exchange rate, applied the average exchange rate for the term starting in FY 2015

Note 1 : The data for the first half of FY 2014 has been readjusted by applying the accounting method change retroactively.

Note 2 : Figures are expressed in units of 100 million yen and have been rounded off.

Trends in Consolidated Performance

Consolidated data



Note 1 : The data for the first half of FY 2014 has been readjusted by applying the accounting method change retroactively.

Note 2 : Figures are expressed in units of 100 million yen and have been rounded off.

The 1st Half of the Fiscal 2015 Consolidated Performance (By segment)

(Unit: 100 million yen)

Consolidated
data

| | 1 st half FY 2014 | 1 st half FY 2015 | Increase/ decrease | Increase/ decrease ratio (%) |
|-------------------------------------|---------------------------------|---------------------------------|-----------------------|---------------------------------|
| Sales | 1,003 | 1,096 | 93 | 9.3 |
| Chemicals | 704 | 768 | 63 | 9.0 |
| <i>Electronics and IT materials</i> | 99 | 103 | 4 | 4.0 |
| <i>Functional chemicals</i> | 530 | 570 | 40 | 7.6 |
| <i>Commodity chemicals</i> | 75 | 94 | 19 | 25.6 |
| Food products | 265 | 294 | 29 | 11.2 |
| Other | 33 | 33 | 0 | 1.7 |
| Operating profit | 68 | 89 | 21 | 31.3 |
| Chemicals | 61 | 81 | 20 | 33.4 |
| <i>Electronics and IT materials</i> | 19 | 22 | 3 | 16.2 |
| <i>Functional chemicals</i> | 40 | 49 | 8 | 21.9 |
| <i>Commodity chemicals</i> | 1 | 9 | 8 | 597.7 |
| Food products | 3 | 5 | 1 | 41.9 |
| Other | 3 | 2 | △ 0 | △ 22.1 |

Note 1: The data for the first half of FY 2014 has been readjusted by applying the accounting method change retroactively.

Note 2: Figures are expressed in units of 100 million yen and have been rounded off.

Electronics and IT materials

Consolidated
data

Electronics and IT materials (increase in both sales and profit)

1. Semiconductor materials: sales of novel high dielectric constant materials available in cutting-edge miniaturized processes increased, especially in overseas.
2. Electronic circuit materials: overall sales remained low due to the domestic market shrinking and overseas customers adjusting their production.
3. Concerning photosensitive materials used for optical films and photoresists, against the backdrop of the enhancement of display resolutions and semiconductor miniaturization, our highly competitive proprietary products achieved sales growth in markets at home and abroad.

(Unit: ¥100 million)

| | 1 st half fiscal 2014 | 1 st half fiscal 2015 | Increase/decrease |
|------------------|----------------------------------|----------------------------------|-------------------|
| Sales | 99 | 103 | 4 |
| Operating profit | 19 | 22 | 3 |

Note 1 : The data for the first half of FY 2014 has been readjusted by applying the accounting method change retroactively.

Note 2 : Figures are expressed in units of 100 million yen and have been rounded off.

Functional Chemicals

Consolidated
data

Functional chemicals (increase in both sales and profit)

1. Polymer additives: while the domestic demand for automobiles and building materials improved toward the end of the 2nd quarter, it did not recover in full and the sales volume decreased compared with the same period last year. high-functional products such as Nucleating agents, ultraviolet absorber and general-purpose antioxidants is extended abroad.
2. Surfactants: reactive type emulsifiers for architectural paints increased both in the domestic and overseas markets, while the sales volume of cosmetic raw materials decreased due to inventory adjustments by users.
3. Lubricants: automobile fuel economy improvement and CO₂ emissions reduced to contribute to engine oil for additives were strong at home and abroad.
4. Functional polymer: highly-functional special epoxy resin for the car was extended response to the expansion of the market needs.

(Unit: ¥100 million)

| | 1 st half fiscal 2014 | 1 st half fiscal 2015 | Increase/decrease |
|------------------|----------------------------------|----------------------------------|-------------------|
| Sales | 530 | 570 | 40 |
| Operating profit | 40 | 49 | 8 |

Note 1 : The data for the first half of FY 2014 has been readjusted by applying the accounting method change retroactively.

Note 2 : Figures are expressed in units of 100 million yen and have been rounded off.

Commodity Chemicals

Consolidated
data

Commodity chemicals (increase in both sales and profit)

1. Propylene glycols: those for daily necessities such as toiletries remained firm partially due to the expansion of inbound demand.
2. Propylene glycols, hydrogen peroxide and its derivatives: we continued striving for cost reduction by revising sales prices and reviewing productions and logistics bases.

(Unit: ¥100 million)

| | 1 st half fiscal 2014 | 1 st half fiscal 2015 | Increase/decrease |
|------------------|----------------------------------|----------------------------------|-------------------|
| Sales | 75 | 94 | 19 |
| Operating profit | 1 | 9 | 8 |

Note 1: The data for the first half of FY 2014 has been readjusted by applying the accounting method change retroactively.

Note 2: Figures are expressed in units of 100 million yen and have been rounded off.

Segmental Information : Food products

Consolidated
data

Food products (increase in both sales and profit)

1. Sales of margarine, whipping cream, and fillings for bakery products, western confectioneries, and desserts remained strong.
2. Both the sales and profit of food products increased overseas as a result of increase in sales of processed oil and fat products and fillings.

(Unit: ¥100 million)

| | 1 st half fiscal 2014 | 1 st half fiscal 2015 | Increase/decrease |
|------------------|----------------------------------|----------------------------------|-------------------|
| Sales | 265 | 294 | 29 |
| Operating profit | 3 | 5 | 1 |

Note 1: The data for the first half of FY 2014 has been readjusted by applying the accounting method change retroactively.

Note 2: Figures are expressed in units of 100 million yen and have been rounded off.

2. Fiscal 2015 Prospective Performance

FY2015 Prospective performance

(Unit: ¥ 100 million)

Consolidated
data

| | Fiscal 2015 | | | Increase /decrease Note1 | Increase/ decrease ratio (%) |
|---|---------------------------|------------------------|------------------------|--------------------------------|------------------------------------|
| | 1st half (performance) | 2st half (forecast) | Whole FY (forecast) | | |
| Sales | 1,096 | 1,173 | 2,270 | 211 | 10.3 |
| Operating profit | 89 | 88 | 178 | 37 | 27.1 |
| Current profit | 87 | 92 | 180 | 14 | 9.0 |
| Profit attributable to owners of parent | 58 | 63 | 122 | 10 | 9.1 |
| 2nd-quarter net profit per share (yen/share) | ¥56.8 | ¥61.4 | ¥118.2 | ¥9.8 | |
| Dividend (yen/share) | ¥14 | ¥14 | ¥28 | ¥2 | |

| | | Fiscal 2015 assumption | | Fiscal 2014 Performance |
|-------------------|------|----------------------------|----------------------|----------------------------|
| | | Beginning of the period | 2 nd Half | |
| Exchange rates | ¥/\$ | 118.00 | 123.00 | 109.93 |
| | ¥/€ | 135.00 | 132.00 | 138.77 |
| Naphtha | ¥/KL | 50,000 | 50,000 | 63,450 |

Note 1: Increase or decrease are expressed the calculated value in comparison with the performance FY 2014 has been readjusted by applying the accounting method change retroactively.

Note 2: Figures are expressed in units of 100 million yen and have been rounded off.

Point of FY2015 Prospective performance

■ Modification of the full-year earnings forecast

- Business was robust in the first half of FY 2015 and although sales for the six-month period fell short of the forecast, operating income exceeded the forecast by a wide margin. For the full year to March 2016, we are downgrading our sales forecast by 7 billion yen due to market uncertainty for the second half, while upgrading our operating income forecast by 1.3 billion yen on the outperformance by 2 billion yen over the initial projection in the first half.
- As for current income, we are keeping our forecast unchanged as we are expecting a decrease in equity method investment income.

■ Updating of record performance

We are expecting record highs for all levels of sales, operating income, current income and net income for the full year.

* the highest past profits : Operating profit 17.2 billion yen, Current profit 17.3 billion yen (Both FY2005)

Fiscal 2015 Prospective performance (By segment)

(Unit:¥ 100 million)

Consolidated
data

| | the 1st half (a) | the 2nd half (b) | Forecast for fiscal 2015 (a)+(b) | Fiscal 2014 performance (c) | Increase/ Decrease (a+b-c) | Increase/ decrease ratio (%) |
|-------------------------------------|------------------------|------------------------|--|-----------------------------------|----------------------------------|------------------------------------|
| Sales | 1,096 | 1,173 | 2,270 | 2,058 | 211 | 10.3 |
| Chemicals | 768 | 806 | 1,575 | 1,424 | 150 | 10.6 |
| <i>Electronics and IT materials</i> | 103 | 126 | 230 | 192 | 37 | 19.6 |
| <i>Functional chemicals</i> | 570 | 604 | 1,175 | 1,074 | 100 | 9.4 |
| <i>Commodity chemicals</i> | 94 | 75 | 170 | 158 | 11 | 7.5 |
| Food products | 294 | 330 | 625 | 570 | 54 | 9.6 |
| Other | 33 | 36 | 70 | 63 | 6 | 9.6 |
| Operating profit | 89 | 88 | 178 | 140 | 37 | 27.1 |
| Chemicals | 81 | 78 | 160 | 123 | 36 | 29.7 |
| <i>Electronics and IT materials</i> | 22 | 29 | 52 | 33 | 18 | 54.3 |
| <i>Functional chemicals</i> | 49 | 44 | 94 | 81 | 12 | 15.3 |
| <i>Commodity chemicals</i> | 9 | 4 | 14 | 8 | 5 | 71.4 |
| Food products | 5 | 7 | 13 | 11 | 1 | 13.8 |
| Other | 2 | 2 | 5 | 5 | △ 0 | △ 4.8 |

Note 1: The data for FY 2014 has been readjusted by applying the accounting method change retroactively.

Note 2: Figures are expressed in units of 100 million yen and have been rounded off.

3. Business Strategy

Electronics and IT materials

➤ **Chemicals for IT**

■ Optical materials

For photo curing resins and photoinitiators, as well as expanding sales of liquid crystal display areas where growth continues, focus on market development of semiconductor resist.

■ Imaging materials

Review the sales, development, and production systems of materials for black matrix and developing solution for liquid crystal displays to increase our market share.

➤ **Electronic materials**

■ Semiconductor materials

To expand sales of new products and existing products for DRAM and NAND memory. We aim to further strengthen sales for logic semiconductors to expand business operations.

■ Electronic circuit materials

We aim to expand the use of our etchant products by responding to the increasing functionality of mobile devices such as smartphones.

■ High purity gases

We aim to increase the sales volume for liquid crystal display panels and optical fibers to increase our market share.

Electronics and IT materials

- High sensitivity photoinitiator ADEKA ARKLS NCI series

Display Market and Direction of Our Development

Market Trends

- Next-generation TV (8k)
- Smartphone
- Wearable device
- Energy Conservation
- Cost reduction production



Technology Trends

- High definition
- High brightness
- High color producibility
- Making thinner products
- Improving yield

Performance required for photoinitiator

High sensitivity

- High transparency
- High solubility
- Low outgassing

- Photoinitiators are compounds that start polymerization when irradiated with ultraviolet rays, and can cure resins.

Use : Resist for a color filter, Black matrix, Insulating film, etc.

- Our products include characteristic photoinitiators having properties such as high sensitivities and transparencies for cutting-edge liquid crystal displays, which require improvement in accuracy, luminance, etc.

Functional chemicals

➤ Polymer additives

- Accelerate global sales of high functional products.

In collaboration with production and sales offices in 11 overseas countries 14 offices, to expand sales of a high-functional products such as nucleating agent, light stabilizers.

- Expand the premium market segment by expanding sales of general-purpose additives.

We aim to increase sales by strengthening the supply system of general-purpose antioxidants and targeting emerging markets expected to have high growth rates.

- Promote the development of new products

Stabilizer for PVC : We aim to strengthen the sales of environmentally friendly products free of lead, tin, and phenol—which are under development—to increase use in Japan and overseas.

High-functional additive : We have been releasing unique new products that have never been seen in conventional markets, including long-wavelength ultraviolet absorbers and hindered amine light stabilizers.

<Topics>

- The research system (experimental/product evaluation facilities) of ADEKA FINE CHEMICAL (THAILAND) was strengthened in 2015.
- The packaged granular additives plant of UAE expanded its capacity in 2014 and continues to operate at a high rate.



▲ ADEKA FINE CHEMICAL(THAILAND)

Functional chemicals

➤ **Surface active agents**

■ Lubricant

We aim to strengthen the sales of engine oil additives in Asia and to adopt expansion in domestic and European automobile manufacturer.

At the same time, We aim to promote sales for diesel engine application.

■ Cosmetic raw materials

We aim to increase the sales of gelling agents for cosmetics manufacturers in Japan and overseas and expand their use of novel glycols.

■ Reactive type emulsifiers

Focus on increasing sales in global markets by making comprehensive proposals of combinations of reactive emulsifiers and various additives such as thickeners and defoamers in response to the increased need for high functionality in the field of paints and adhesion.

➤ **Functional polymers**

■ Waterborne resins

In addition to existing fields such as steel and glass fiber , to promote the expansion of the sales of resin products into new application areas such as automobile interiors/exterior, film and coating agents.

■ Epoxy resins

Intend to expand the sales of epoxy resin for electronic materials by responding to market needs, such as smaller sizes of electronics materials and low chlorine concentration.

Moreover, we aim to increase the use of epoxy resins by developing the use of epoxy resin adhesives for automobiles and electric materials.

Commodity chemicals

■ Propylene glycols

While corresponding to the fluctuation of raw material prices, We will maintain the steady supply of high quality products and also promote sales of derivatives for cosmetics and toiletries.

■ Hydrogen peroxide

We will ensure cost down measures and expand the application areas with persulfuric acid salts, peracetic acid, and sodium percarbonate to ensure stable profits.

■ Civil engineering and construction materials

We aim to promote new products in Japan and additionally increase sales of water expansible sealing materials overseas.

Food products

■ Reinforcement of Domestic Business Bases

Focus on expanding sales of strategic products, to increase our market share in the bread-baking, baking and confectionery industries. At the same time, we plan to implement cost reduction efforts, such as the consolidation of product lines.

- Marche' bretagne gateau

Plenty of high quality butter made in Brittany is mixed to provide butter flavor comparable to natural butter without relying on artificial flavoring. This is a compound product having properties not found in butter, such as providing continuing supple texture to baked confectioneries.



▲ Marche' bretagne gateau and applications

- Sociel

This is a vegetable margarine enhancing the natural flavors of materials, such as wheat and butter flavor.



▲ Sociel

- Pure blend whip

When this product, whipping cream for blending with fresh cream, is added, It makes the flavor and melting smooth texture last a long time, while maintaining the good taste of pure whipping cream.



▲ Pure blend whip

■ Acceleration of Overseas Business Expansion

In cooperation with business bases in Malaysia, China and Singapore, We aim to expansion the scale of our business by developing products suited to the needs and tastes of overseas markets including China and Southeast Asia and boosting sales in those markets.

<Topic>

ADEKA FOODS (ASIA) SDN. BHD.

- April 2015 Obtained certification for HACCP from the Ministry of Health Malaysia.



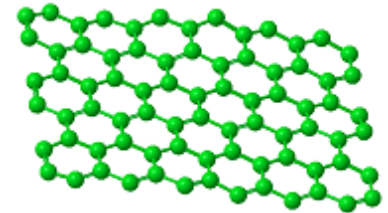
4. Fostering New Businesses

Fostering New Businesses

➤ Development of mass production methods of graphene

The graphene

It is a type of nanocarbon represented by fullerene and carbon nanotube. It has properties of being highly electrically conductive, light and strong, etc. and is expected to be material for fuel cells, semiconductors, touch panels, etc. in the future.



- Obtaining an Exclusive license for graphene manufacturing technology that developed by a research group of professor Takuzo Aida at Tokyo University Graduate School to provide full-scale samples.
- Our manufacturing process is characterized in that it can produce a high concentration of high quality graphene at a high yield in a short time. We aim to start producing commercially by 2020.



▲ Samples of our graphene (Dispersion liquid/powdered)

Fostering New Businesses

➤ Adjuvant for Nasal Vaccine for Influenza

- Protection against infection of Influenza virus was confirmed.

It had been previously confirmed that nasal inhalation of influenza vaccine mixed with an adjuvant (an augmentation agent that increases the effect of vaccine) developed by us leads to mucosal production of antibodies. * 1

The protective effect against influenza infection was confirmed anew this time in virus infection experiments with mice. * 2

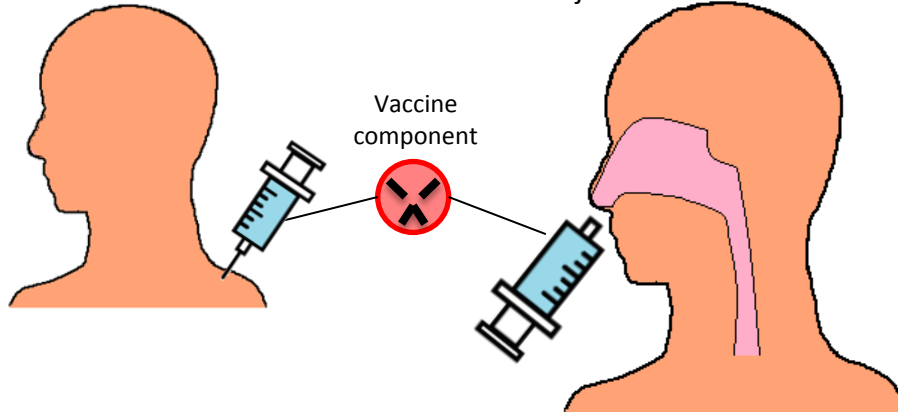
* 1: Reported in European Journal of Pharmaceutics and Biopharmaceutics.92 (2015) 56-54

* 2: Published as a result of a competitive funding program of A-STEP 2014 by the Japan Science and Technology Agency (JST)

Method of administration of influenza vaccine

Nasal administration

Injection administration



Nasal administration :

Prevents viruses from entering and is helpful in preventing influenza infection. It has garnered attention because the vaccine can be administered without injection and exhibits excellent protection against infection even if the type of virus has changed.

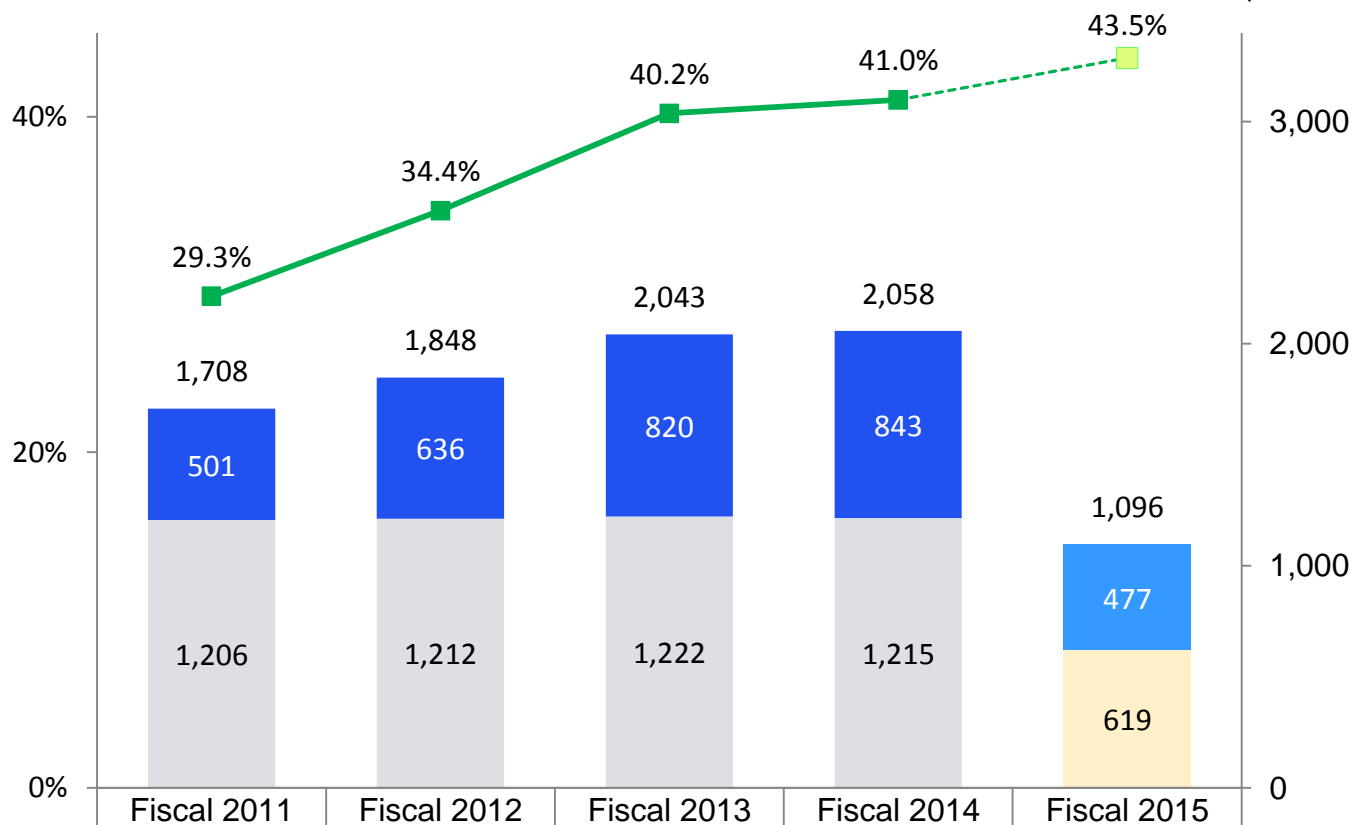
Injection administration :

The vaccine cannot prevent virus from entering, but is helpful to alleviate symptoms.

5. For Reference

Overseas Sales (for reference purposes)

(Unit: ¥100 million)



Note 1: The data for the first half of FY 2014 has been readjusted by applying the accounting method change retroactively.

Note 2: Figures are expressed in units of 100 million yen and have been rounded off.

Supplemental Documents for Financial Results Overview

- I. Supplemental documents for consolidated financial performance
- II. Management indexes
- III. For information purposes:
 - Overview of information on financial results of single-base and consolidated subsidiaries
 - Overview of ADEKA Group
(consolidated subsidiaries/affiliated company accounted for by the equity-method)
 - Major products by the business segments

Director and Managing Operating Officer Haruhiko Tomiyasu

I . Supplementary Data for the Consolidated Closing of Accounts

1. Consolidated Balance Sheet

| | As of Mar 31, 2015 | As of Sep 30, 2015 | increase/ decrease |
|---|--------------------|--------------------|-----------------------|
| Assets | | | |
| Current assets ① | 135,558 | 141,623 | 6,064 |
| Fixed assets | 125,553 | 125,559 | 5 |
| Tangible fixed assets ② | 76,640 | 78,617 | 1,976 |
| Intangible fixed assets | 3,460 | 3,857 | 396 |
| Investment and other assets ③ | 45,452 | 43,084 | △ 2,367 |
| Total assets | 261,112 | 267,182 | 6,070 |
| Liabilities | | | |
| Current liabilities ④ | 69,493 | 66,875 | △ 2,617 |
| Long-term liabilities ⑤ | 28,385 | 32,152 | 3,767 |
| Total liabilities | 97,878 | 99,028 | 1,149 |
| Net assets | | | |
| Shareholders' equity | 143,251 | 147,415 | 4,163 |
| Capital stock | 22,899 | 22,899 | — |
| Capital surplus | 19,925 | 19,925 | — |
| Retained earnings | 100,652 | 104,816 | 4,164 |
| Treasury stock | △ 226 | △ 227 | △ 0 |
| Accumulated other comprehensive income | 13,667 | 13,476 | △ 190 |
| Valuation difference on available-for-sale securities | 6,363 | 5,572 | △ 791 |
| Reserve for land revaluation | 4,095 | 4,095 | — |
| Translation adjustment | 5,316 | 5,795 | 479 |
| Adjustments for retirement Benefits | △ 2,108 | △ 1,986 | 121 |
| Minority interests | 6,314 | 7,262 | 947 |
| Total net assets | 163,233 | 168,153 | 4,920 |
| Total liabilities and net assets | 261,112 | 267,182 | 6,070 |

(Unit: ¥ million)

POINT①

Increase in current assets

Increase in Notes and accounts receivable 3,128

Increase in inventories 1,345

POINT②

Increase in tangible fixed assets

Increase in buildings and structures 2,739

POINT③

Decrease in investments and other assets

Decrease in investment securities △1,557

POINT④

Decrease in current liabilities

Decrease in short-term debts payable △3,121

POINT⑤

Increase in long-term liabilities

Increase in long-term debts payable 3,295

Note1: Figures are expressed in units of 100 million yen and have been rounded off.

Note2: Accumulated depreciation of tangible fixed assets 157,721million yen

I . Supplementary Data for the Consolidated Closing of Accounts

2. Cash Flow Statement (Summary)

Consolidated
data

(Unit: ¥ million)

| | 1 st half FY2014 (from Apr 1, 2014 to Sep 30, 2014) | 1 st half FY2015 (from Apr 1, 2015 to Sep 30, 2015) |
|--|---|---|
| Cash flows from operating activities ① | 6,041 | 7,688 |
| Cash flows from investing activities | △5,480 | △5,403 |
| Cash flows from financing activities | △953 | △1,792 |
| Effect of exchange-rate changes on cash and cash equivalents | △377 | 222 |
| Net increase/decrease in cash and cash equivalents (increase) | △769 | 715 |
| Cash and cash equivalents at the beginning of period | 38,670 | 41,697 |
| Cash and cash equivalents from newly consolidated subsidiaries | — | 577 |
| Cash and cash equivalents at the end of period | 37,901 | 42,990 |

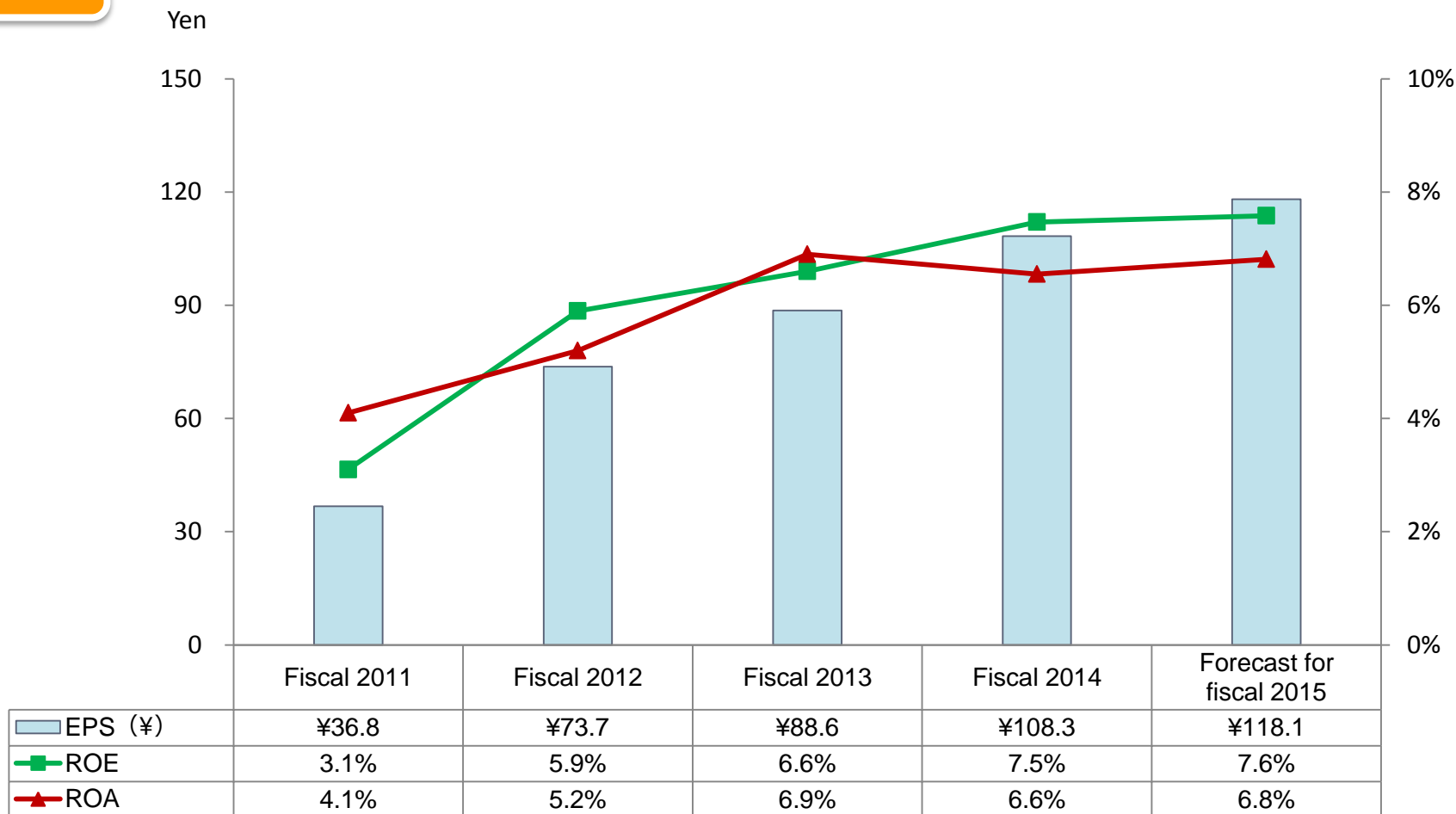
POINT① Increase in Cash flows from operating activities is main factor that increase in income before income taxes.

(Note) values are rounded to the nearest million yen.

II . Management Indexes, etc.

II - 1. Profitability

Consolidated
data



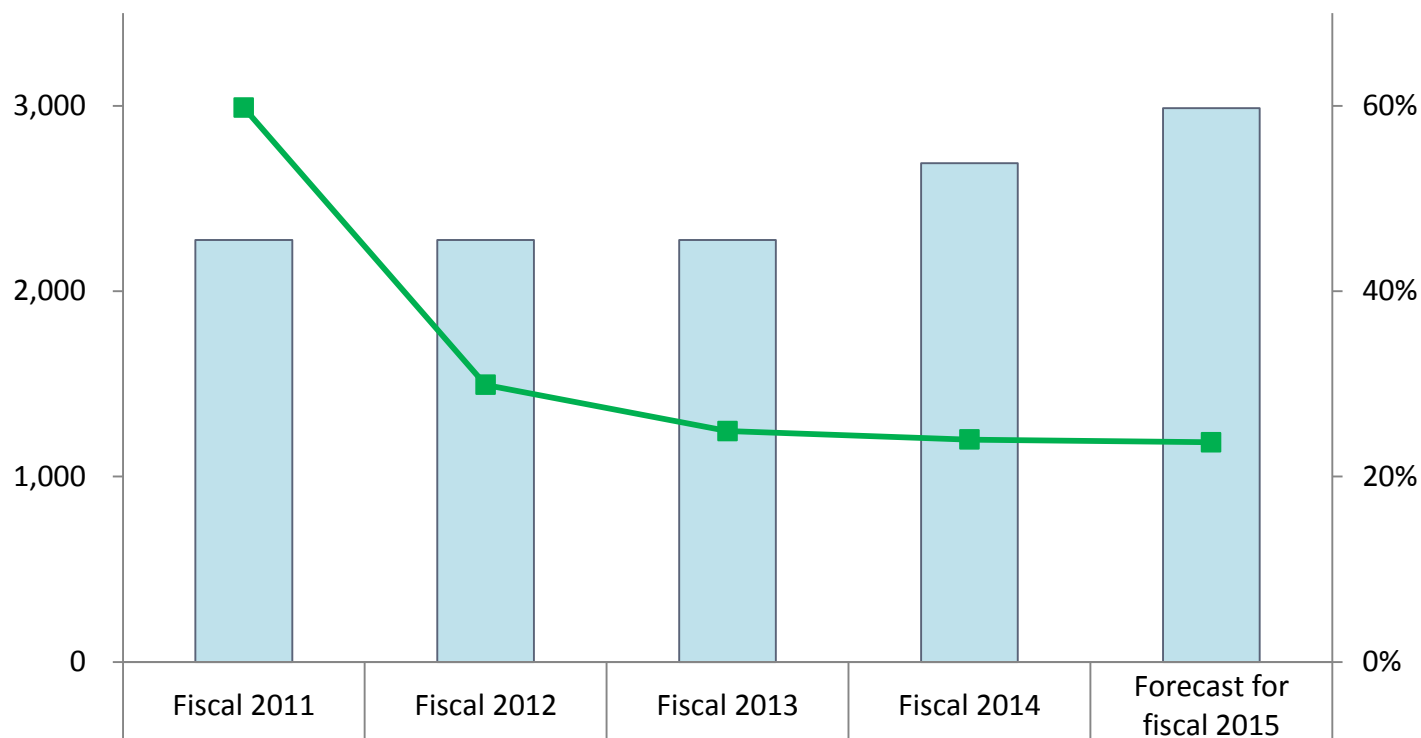
Note : The data for FY 2014 has been readjusted by applying the accounting method change retroactively.

II . Management Indexes, etc.

II - 2. Dividend payout ratio and dividends

Consolidated
data

¥ million



| | | | | | |
|-----------------------|-------|-------|-------|-------|-------|
| Dividend (¥) | ¥22 | ¥22 | ¥22 | ¥26 | ¥28 |
| Total dividend | 2,276 | 2,276 | 2,276 | 2,690 | 2,987 |
| Dividend payout ratio | 59.8% | 29.9% | 24.9% | 24.0% | 23.7% |

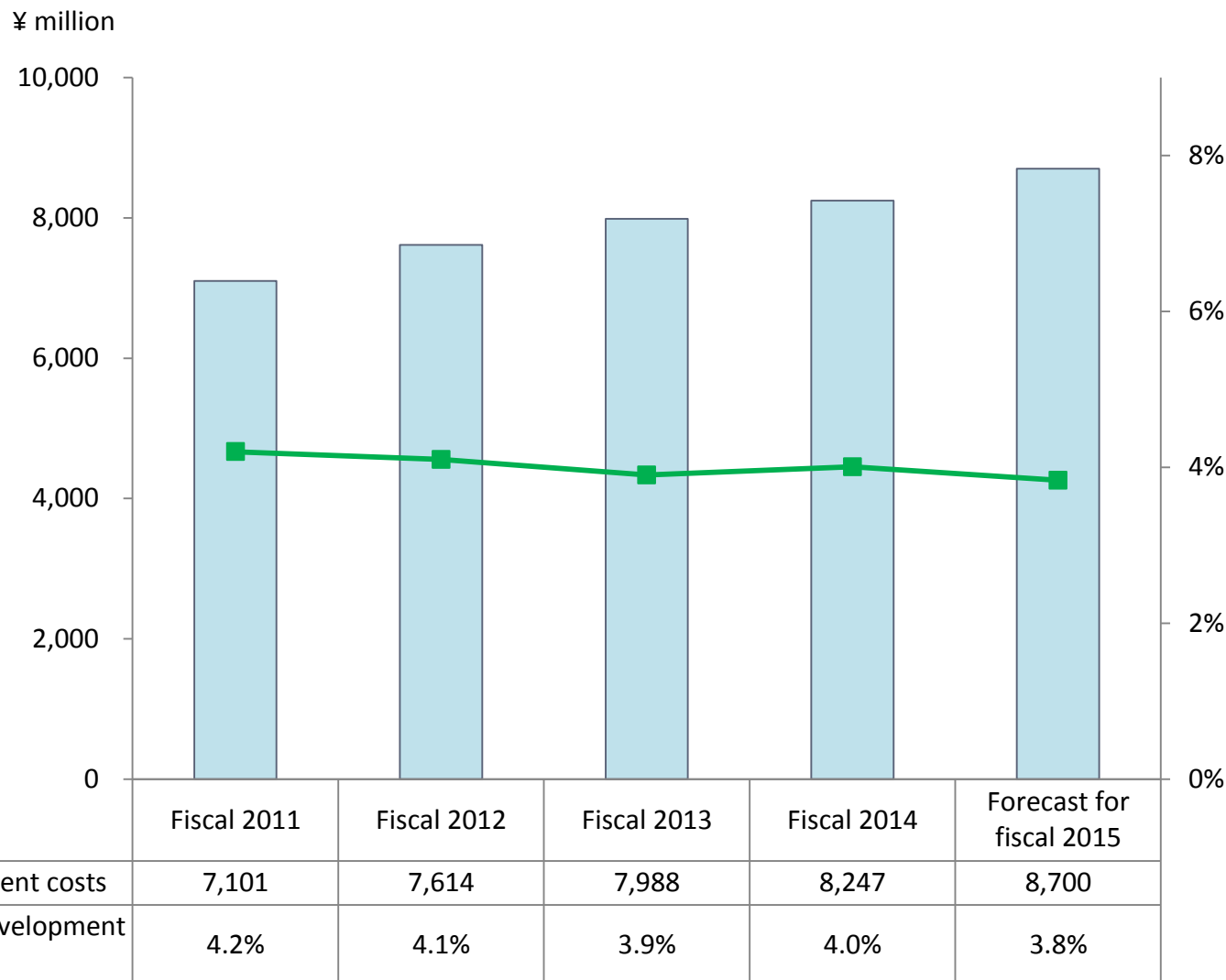
Note 1: The data for FY 2014 has been readjusted by applying the accounting method change retroactively.

Note 2: Total dividends expressed in units of 100 million yen and have been rounded off.

II . Management Indexes, etc.

II - 3. Research and development costs

Consolidated
data



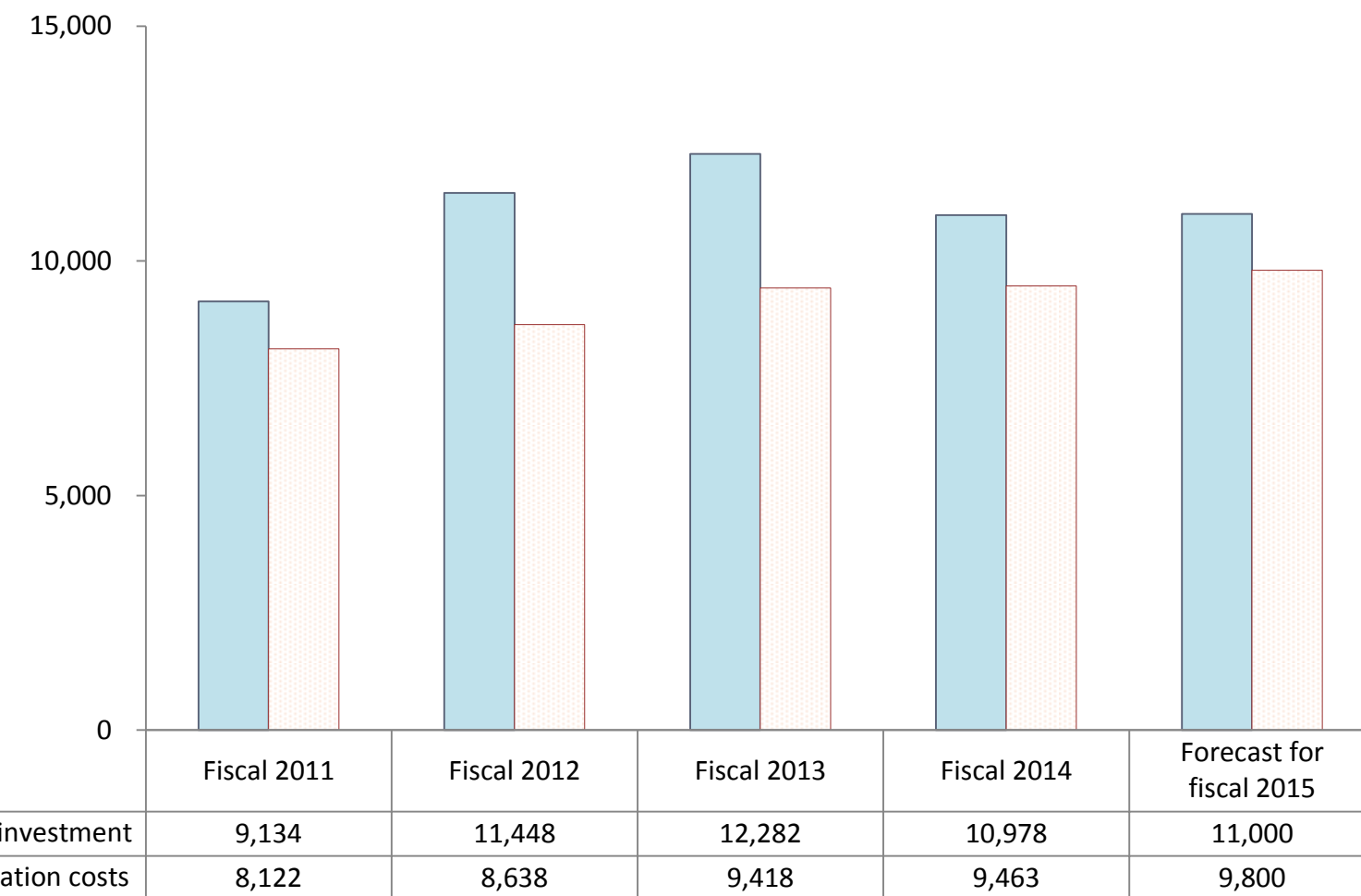
Note : Research and development expense are expressed in units of 100 million yen and have been rounded off.

II . Management Indexes, etc.

II - 4. Capital investment

Consolidated
data

¥ million

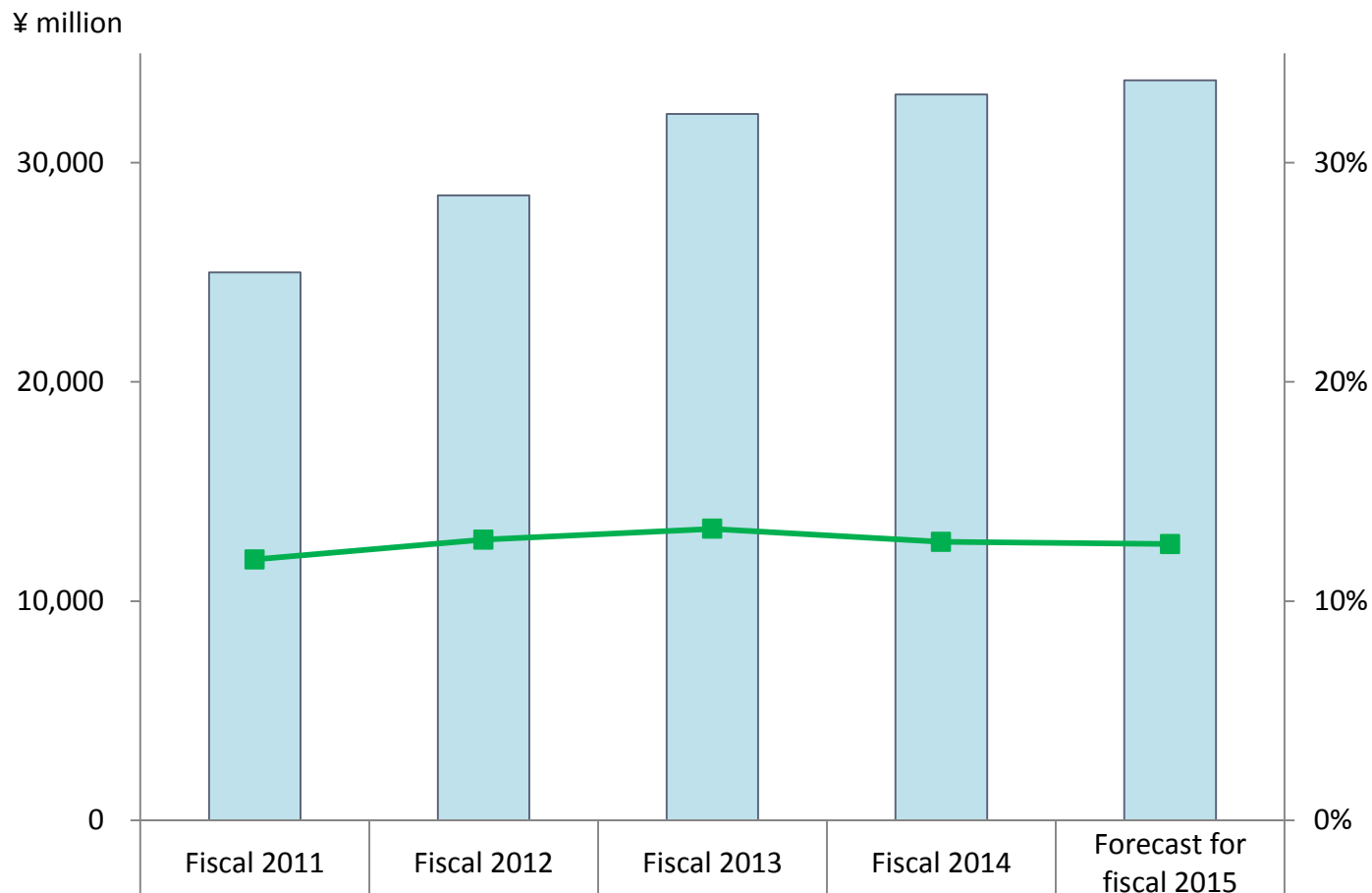


Note : Capital investment and depreciation are expressed in units of 100 million yen and have been rounded off.

II . Management Indexes, etc.

5. Interest-bearing liabilities

Consolidated
data



| | | | | | |
|--|--------|--------|--------|--------|--------|
| Liabilities with interest | 24,992 | 28,513 | 32,222 | 33,123 | 33,767 |
| Degree of dependence on interest-bearing liabilities | 11.9% | 12.8% | 13.3% | 12.7% | 12.6% |

Note : Liabilities with interest are expressed in units of 100 million yen and have been rounded off.

III. for your reference

1. Overview of non-consolidated and consolidated closing accounts

(Unit: ¥100 million)

| Non-consolidated closing of accounts | | | | |
|--------------------------------------|---|---|-----------------------|------------------------------------|
| | Results in 1 st half fiscal 2014 | Results in 1 st half fiscal 2015 | Increase/ decrease | Increase/ decrease ratio (%) |
| Sales | 588 | 610 | 21 | 3.7 |
| Operating profit | 37 | 55 | 17 | 45.4 |
| Current profit | 43 | 56 | 13 | 30.2 |
| NET profit for the Term | 32 | 41 | 9 | 28.7 |
| NET profit per share for the Term | 31.3 | 40.3 | | |

| Domestic companies (10) | | | | |
|-------------------------|---|---|-----------------------|------------------------------------|
| | Results in 1 st half fiscal 2014 | Results in 1 st half fiscal 2015 | Increase/ decrease | Increase/ decrease ratio (%) |
| Sales | 352 | 374 | 21 | 6.0 |
| Operating profit | 6 | 5 | △0 | △10.9 |

| Overseas companies (15) note1 | | | | |
|-------------------------------|---|---|-----------------------|------------------------------------|
| | Results in 1 st half fiscal 2014 | Results in 1 st half fiscal 2015 | Increase/ decrease | Increase/ decrease ratio (%) |
| Sales | 511 | 598 | 87 | 17.1 |
| Operating profit | 25 | 33 | 7 | 30.1 |

| Consolidation adjustment accounts (deleted) | | |
|---|--|--|
| | Results in 1 st half fiscal 2014 | Results in 1 st half fiscal 2015 |
| Sales | △449 | △486 |
| Operating profit | △1 | △4 |

Note 1 : Add ADEKA FOODS (ASIA) of Malaysia in the scope of consolidation from fiscal 2015

Note 2 : Figures are expressed in units of 100 million yen and have been rounded off.

III. for your reference

2. Consolidated Subsidiaries (10 companies in Japan)

| Segment | Consolidated subsidiary | Capital | Controlling share(%) | Line of business |
|---------------|--|--------------|--------------------------------------|--|
| Chemicals | ADEKA CHEMICAL SUPPLY CORP. | ¥ 104million | 98.04 (Indirect ownership: 3.61) | Sales of chemical products, and the development, manufacturing and sales of metal processing oils, etc. |
| Chemicals | ADEKA CLEAN AID CORP. | ¥ 140million | 100.00 | Development and sales of kitchen detergents for commercial use, industrial detergents, etc. |
| Chemicals | OXIRANE CHEMICAL CORP. | ¥ 600million | 50.00 | Manufacturing and sales of epoxy plasticizers, etc. |
| Food products | ADEKA FOOD SALES CORP. | ¥ 42million | 100.00 | Sales of edible processed oils and fats for confectionary and breads, and sales of other foodstuffs, etc. |
| Food products | YONGO CO.,LTD. | ¥ 18million | 92.14 | Wholesaling of ingredients for confectionery and bakery business use |
| Food products | ADEKA FINE FOODS CORP. | ¥ 50million | 100.00 | Manufacturing and sales of mayonnaise products, oil and fat processed food products and processed products using seafood. |
| Food products | UEHARA FOOD INDUSTRY CO.,LTD. | ¥ 70million | 100.00 | Manufacturing and sales of flour paste products, bean-jams and retort pouch foods. |
| Others | ADEKA LOGISTICS CORP. | ¥ 50million | 100.00 | General and principal contracting of logistics for the company, warehousing, leasing of vehicles, etc. |
| Others | ADEKA ENGINEERING & CONSTRUCTION CORP. | ¥ 130million | 100.00 | Design, construction, and construction supervision of facility plants, and facilities maintenance. |
| Others | ADEKA LIFE-CREATE CORP. | ¥ 65million | 90.00 (Indirect ownership: 10.00) | Trading, brokerage and management of real estate, property and life insurance agency, sales in the OA equipment area, and management of buildings and company-owned apartments |

Note : Capitals are expressed in units of 100 million yen and have been rounded off.

III. for your reference

3. Consolidated Subsidiaries (15 overseas companies)

| Segment | Country | Consolidated subsidiary | Capital | Controlling share(%) | Line of business |
|---------------|-------------|--|-------------------|-------------------------------------|--|
| Chemicals | U.S. | AMFINE CHEMICAL CORP. | US\$16 million | 60.00 | Manufacturing and sales of polymer additives. |
| Chemicals | TAIWAN | CHANG CHIANG CHEMICAL CO., LTD. | NT\$30 million | 50.50 | Sales of polymer additives, special elasticizers and similar products. |
| Chemicals | SOUTH KOREA | ADEKA KOREA CORP. | ₩15 billion | 100.00 | Manufacturing and sale of chemical products |
| Chemicals | SINGAPORE | ADEKA (ASIA) PTE.LTD. | US\$0.8 million | 100.00 | Sales of chemical products. |
| Chemicals | GERMANY | ADEKA Europe GmbH | €0.5 million | 100.00 | Sales of chemical products. |
| Chemicals | FRANCE | ADEKA PALMAROLE SAS | €3 million | 90.00 (Indirect ownership:90.00) | Sales of polymer additives. |
| Chemicals | TAIWAN | ADEKA FINE CHEMICAL TAIWAN CORP. | NT\$200 million | 100.00 | sales of ADEKA group products |
| Chemicals | CHINA | ADEKA (SHANGHAI) CO., LTD. | US\$1 million | 100.00 | Sales of chemical products. |
| Chemicals | CHINA | ADEKA FINE CHEMICAL (SHANGHAI) CO., LTD. | US\$20.5 million | 100.00 | Manufacturing and sales of polymer additives, functional resins, electrochemical materials and similar products. |
| Chemicals | CHINA | ADEKA FINE CHEMICAL (CHANGSHU) CO., LTD. | US\$21.54 million | 50.00 | Manufacturing and sales of polymer additives. |
| Chemicals | THAILAND | ADEKA FINE CHEMICAL (THAILAND) CO., LTD. | ฿350 million | 81.00 | Manufacturing and sale of chemical products |
| Chemicals | U.S. | AM STABILIZERS CORP. | US\$8.5 million | 60.00 (Indirect ownership:60.00) | Manufacturing and sales of polymer additives. |
| Food products | SINGAPORE | ADEKA(SINGAPORE)PTE.LTD. | S\$8 million | 90.00 | Manufacturing and sales of edible processed oils and fats, frozen piecrusts and related food products. |
| Food products | CHINA | ADEKA FOODS (CHANGSHU) CO., LTD. | US\$15 million | 70.00 | Manufacturing and sales of edible oil products and processed foods. |
| Food products | Malaysia | ADEKA FOODS(ASIA)SDN.BHD. | RM45million | 60.00 | Manufacturing and sales of Processing oils and fats |

Note : Capitals are expressed in units of 100 million yen and have been rounded off.

III. for your reference

4. Equity method-applicable companies

| Two equity method-applicable companies | Capital | Controlling share | Line of business |
|--|-----------------|-------------------|---|
| NIHON NOHYAKU CO., LTD. | ¥10,939 million | 24.21% | Manufacturing and sales of agrichemicals and other products. |
| CO-OP CLEAN CO., LTD. | ¥80 million | 46.88% | Development and sales of soap, detergents and similar products. |

※ There was no change in the number of equity method-applicable companies.

Note : Capitals are expressed in units of 100 million yen and have been rounded off.

III. for your reference

5. Core products of each business category

| Business category | | Core products |
|--------------------|------------------------------|--|
| Reportable segment | Electronics and IT materials | High-purity materials for semiconductors, AFES System and etching agents, photo curing resins, recording materials, Imaging materials, and others. |
| | Functional chemicals | Additives for polyolefins, PVC plasticizers/stabilizers, Flame retardants, Epoxy resins, Polyurethanes, Water-borne resins, Surfactants, Lubricant, Metal working fluid, Cosmetic materials, and others. |
| | Commodity chemicals | Polypropylene glycol, Hydrogen peroxide, Industrial fats and oil-induced products, Water-swelling sealing materials, and others. |
| | Food products business | Margarines, Shortenings, Oil and fats for chocolate, Oils and fats for frying, Whipping cream, Enriched milk products, Fillings, Frozen pie crusts, Mayonnaise dressing, functional foods, and others. |
| Other business | | Designing of equipment plants, Construction and construction management, Maintenance of equipment, Logistic services, Warehousing, Leasing of vehicles, Real estate and insurance business, and others. |

Notice on Forecast Performance and Business Plans

The forecast performance and business plans specified in this document have been prepared based on information available as of the date of publication, as well as on various prerequisites; therefore, the actual results may differ from these forecasts or plans depending on various factors that may arise hereafter.