



The 1st Half of the 148th Term [April 1, 2009 – September 30, 2009]

The 1st Half of the Fiscal 2009

Overview of Closing Accounts and Prospective Performance

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Nov. 2009

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The 1st Half of the Fiscal 2009 Consolidated Performance

Consolidated
data

(Unit: 100 million yen)

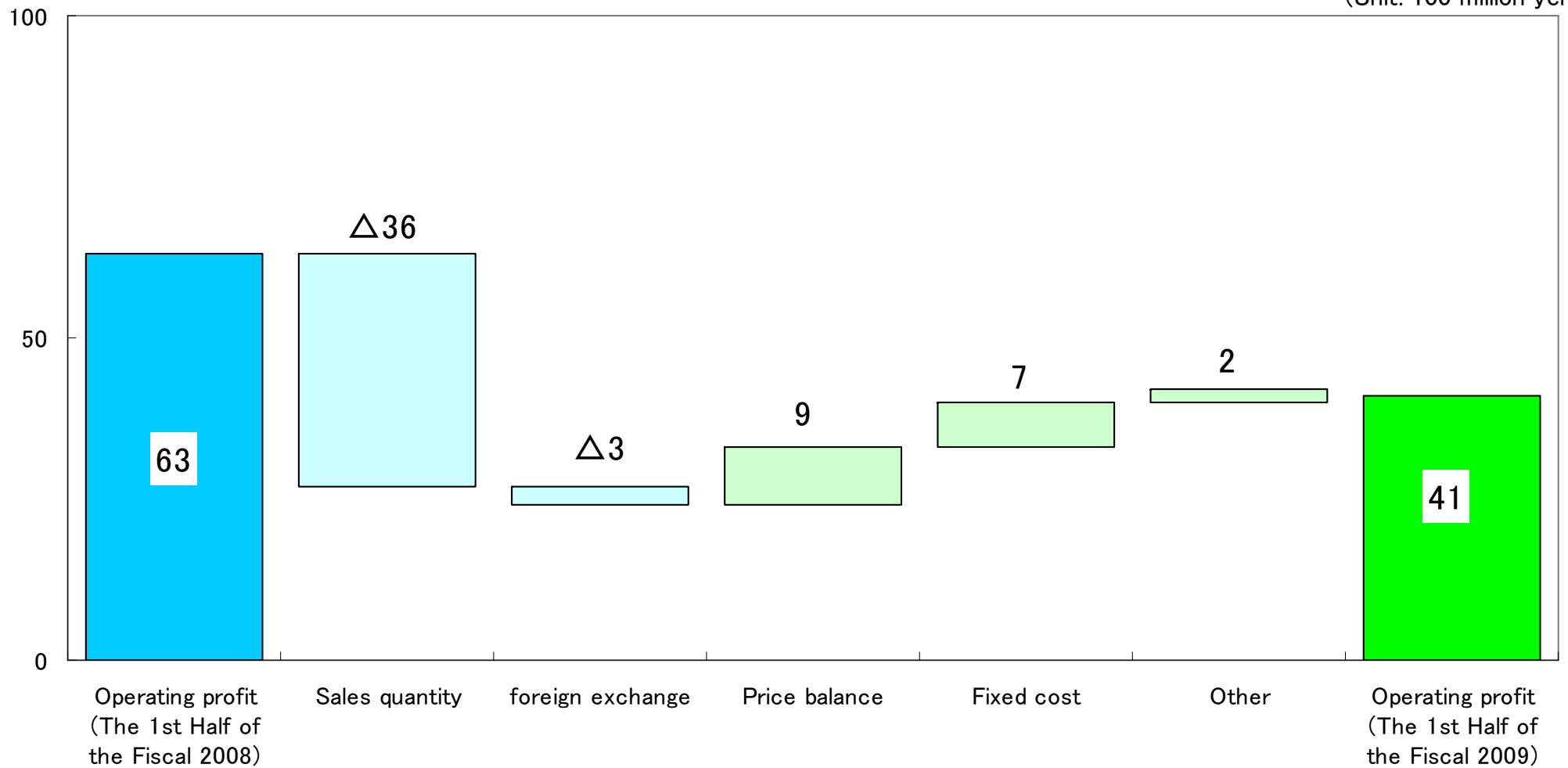
	(Unit: 100 million yen)				For Your Reference	
	The 1st Half of the Fiscal 2009	The 1st Half of the Fiscal 2008	Increase/Decrease	Increase/Decrease ratio (%)	Original plan [announced on August 7, 2009]	Change to plan (%)
Sales	768	1,004	△ 235	△ 23.4	720	107%
Operating profit	41	63	△ 21	△ 34.2	22	190%
Current profit	37	62	△ 24	△ 39.4	20	188%
NET profit of the Term	20	31	△ 10	△ 34.2	11	186%
NET profit per share of the Term (yen/share)	19.8	30.0				
Dividend	¥9.00	¥11.00				

- Both sales and profit decreased reflecting the significant impact of production adjustments on our major customers' side in the IT, digital home appliance and automotive fields.

Consolidated data

The 1st Half of the Fiscal 2008 and 2009 Analysis of increase/decrease in operational profit

(Unit: 100 million yen)



1-03 The 1st Half of the Fiscal 2009 Consolidated Performance (Figures)

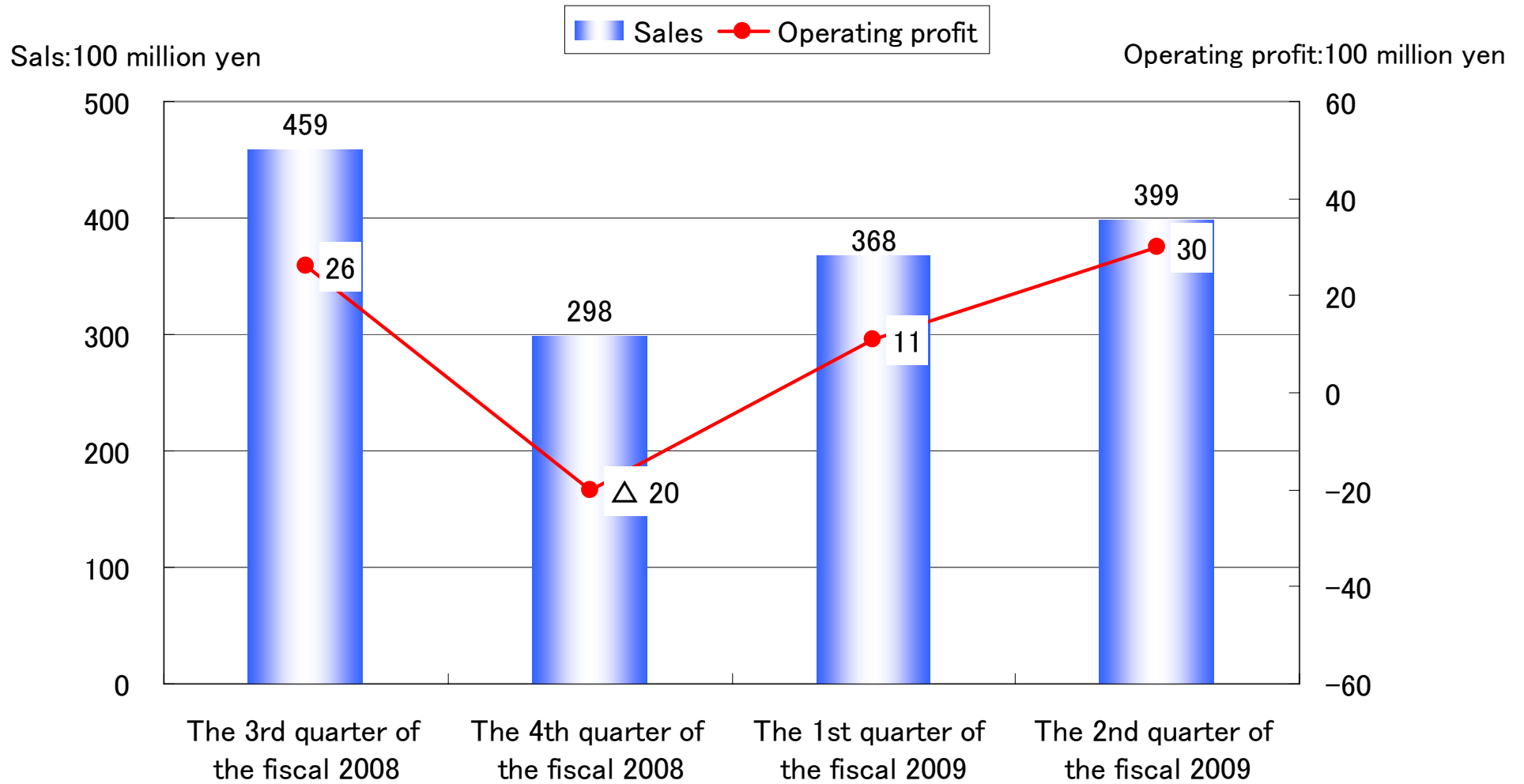
Consolidated data

(Unit: 100 million yen)

	Consolidated closing of accounts			
	The 1st Half of the Fiscal 2009	The 1st Half of the Fiscal 2008	Increase/Decrease	Increase/Decrease ratio(%)
Sales	768	1,004	△ 235	△ 23.4
Electronics and IT materials	55	88	△ 33	△ 37.7
Functional chemicals	332	443	△ 111	△ 25.0
Commodity chemicals	101	150	△ 48	△ 32.4
Food products	250	277	△ 27	△ 9.8
Others	28	43	△ 14	△ 34.2
Operating profit	41	63	△ 21	△ 34.2
Electronics and IT materials	3	17	△ 13	△ 78.9
Functional chemicals	15	34	△ 19	△ 56.3
Commodity chemicals	4	1	2	188.6
Food products	16	5	10	179.2
Others	1	3	△ 1	△ 49.6

The amounts are indicated after rounding off figures less than 100 million yen.

1-04 Trends in Quarterly Consolidated Performance



Consolidated data

Electronics and IT materials

Functional chemicals

commodity chemicals

Food products

Overview (decreased income and profit)

- ① Exports of etching agents for forming circuits, photo cationic initiator and high-purity chlorine showed favorable growth owing to the increase in demand for LCD TVs in China.
- ② While the quantity of sales of semiconductor-related materials increased backed by the recovery seen in the semiconductor memory market, sale prices declined due to the harsh price competition with competitors.

(Unit: 100 million yen)

	The 1st Half of the Fiscal 2009	The 1st Half of the Fiscal 2008	Increase/Decrease
Sales	55	88	△33
Operating profit	3	17	△13

**Consolidated
data**

Electronics and
IT materials

**Functional
chemicals**

commodity
chemicals

Food products

Overview (decreased income and profit)

- ① A recovery was seen in demand in the automotive and home appliance-related fields and accordingly the quantity of polymer additives shipped, mainly to Asia, began to increase in the middle of the first half of fiscal 2009. However, demand remained at low levels due to the effects of product adjustments in the first half of the term.
- ② Engine oil additives marked good results owing to an increase in environmental awareness mainly in overseas markets.

(Unit: 100 million yen)

	The 1st Half of the Fiscal 2009	The 1st Half of the Fiscal 2008	Increase/Decrease
Sales	332	443	△111
Operating profit	15	34	△19

1-05 Segmental Information: commodity Chemicals

Consolidated data

Electronics and IT materials

Functional chemicals

commodity chemicals

Food products

Overview (decreased income and Increased profit)

- ① Sales declined due to the effects of product adjustments made by customers during the first three months of fiscal 2009 and deterioration of market conditions.
- ② Profit increased resulting from efforts to improve profitability such as cost reduction.

(Unit: 100 million yen)

	The 1st Half of the Fiscal 2009	The 1st Half of the Fiscal 2008	Increase/Decrease
Sales	101	150	△48
Operating profit	4	1	2

1-03 Segmental Information: Food Products

Consolidated data

Electronics and IT materials

Functional chemicals

commodity chemicals

Food products

Overview (decreased income and Increased profit)

- ① Although shipments of new products such as the rich-butter-flavored margarine, "AROMARDE," to strengthen our product lineup increased favorably, revenue decreased due to a decline in sales prices and sluggish sales growth.
- ② Profit increased owing to the efforts of subsidiaries to improve profitability in addition to efforts to reduce costs such as improving the efficiency of production and logistics.

(Unit: 100 million yen)

	The 1st Half of the Fiscal 2009	The 1st Half of the Fiscal 2008	Increase/Decrease
Sales	250	277	△27
Operating profit	16	5	10

Fiscal 2009 Prospective Performance

2-01 Fiscal 2009 Prospective Consolidated Performance

Consolidated data

(Unit: 100 million yen)

	Forecast for Fiscal 2009		Result in fiscal 2008		Increase/Decrease	Forecast for fiscal 2009 announced on August 7, 2009	Adjustment
	2nd half of the term		2nd half of the term				
Sales	781	1,550	757	1,761	△ 211	1,550	-
Electronics and IT materials	57	113	48	136	△ 23		
Functional chemicals	343	676	301	744	△ 68		
Commodity chemicals	98	200	103	253	△ 53		
Food products	255	506	279	556	△ 50		
Others	26	55	25	69	△ 14		
Operating profit	38	80	6	69	10	60	+ 20
Electronics and IT materials	2	6	△ 7	9	△ 3		
Functional chemicals	21	37	7	42	△ 5		
Commodity chemicals	1	6	△ 2	△ 1	7		
Food products	11	28	5	11	16		
Others	1	3	3	7	△ 5		
Current profit	37	75	△ 1	61	13	55	+ 20
NET profit of the Term	19	40	△ 18	12	27	33	+ 7
NET profit per share of this Term	38.7		11.8				
Dividend	¥9.00	¥18.00	¥9.00	¥20.00			

Prerequisites:

The business areas of our customers as a whole will show a recovery in demand, but the future business environment will still remain uncertain.

- Waning of the effects of economic stimulus easures.
- Consumption stagnant.
- Rise in raw material costs.
- Concerns about further appreciation of the yen against the dollar, etc.

The amounts are indicated after rounding off figures less than 100 million yen.

Fiscal 2009 efforts

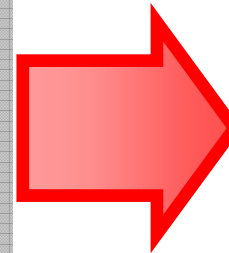
■ Strengthening the base for the growth corresponding to the changes in the business environment

1. Short-term problem

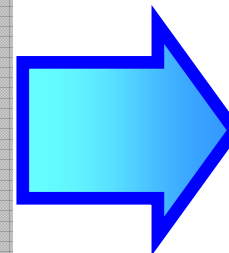
- ① Increasing the market share, without losing any part of it.
- ② Continuing reduction of expense and enhancement of work efficiency.
- ③ Promoting sales of a strategic group of 24 highly competitive products.

2. Focusing on core businesses.

3. Promoting R&D activities with regard to medium- to long-term target areas.



Promote various emergency measures to respond to changes in the economic environment.



Pursue a business strategy that will promptly put the Company on a growth path following an economic recovery.

1. Short-term problem

① Increasing the market share, without losing any part of it.

- Seeking to increase market share, without losing any part of it by further promoting selection and concentration to establish a highly profitable business portfolio.

② Continuing reduction of expense and enhancement of work efficiency.

- Continuing cost reduction efforts.
 - Promoting cost reduction efforts by the Emergency Project Team.
- Changing from a high-cost structure to a streamlined and robust corporate structure through the enhancement of efficiency with regard to all aspects of operations.

③ Promoting sales of a strategic group of 24 highly competitive products.

- Choosing differentiated products with features unique to the Company to be the “strategic group of 24 highly competitive products.”
 - Promoting the sales of products that contribute to making IT and digital home appliances smaller and slimmer (semiconductor memory materials, etching agents, optronic materials, etc.).
 - Increasing our world market share of highly competitive products such as polymer additives, without losing any part of it.
 - Strengthening our product lineup while fully responding to market needs and increasing market share of the rich-butter-flavored margarine, “*AROMARDE*.”

- Aiming to achieve over 30 billion yen of sales in fiscal 2011 through efforts regarding the early obtaining of actual demand for, and promoting sales of, the strategic group of 24 highly competitive products.

2. Focusing on core businesses.

- Seeking to achieve global growth and expansion in the polymer additives and food product businesses, positioned as being our core businesses, through the allocation of management resources to these businesses.

Polymer additives	Aggressively carry out an M&A and alliance strategy to achieve business expansion.
Food products	In order to obtain stable earnings from our food business, establish upstream strategies on a global basis and accelerate efforts to develop new products and technologies while prioritizing the increase of market share.

3. Promoting R&D activities with regard to medium- to long-term target areas.

- Medium-term issues
 - Rallying the information chemicals and electronic materials businesses.
 - Branching out into the area of energy.
 - Making approaches to eco-friendly industries.
 - Expanding our life science area.

- Long-term issues
 - Creating and developing new businesses.

3. Promoting R&D activities with regard to medium- to long-term target areas.

▪ Establishing a strategic organization

① Establishing a new Photovoltaic Cell Materials Laboratory (September 1, 2009)

The Company's R&D themes:

- Technology for the effective use of light. (optical wavelength conversion)
- Technology for photoelectric conversion. (organic)
- Sealing technology.

② Establishing a new Cosmetics Project Team (October 1, 2009)

Making a full-scale entry into the market for functional materials such as mevalonolactone and beta-glucan, which are expected to have possible applications in cosmetics.

① Establishing a new Exploration Team (October 1, 2009)

Exploring and investigating themes where market expansion is expected in order to create large-scale business to be our future core business.

For Your Reference

Non-consolidated
closing of
accounts

(Unit: 100 million yen)

	Non-consolidated closing of accounts			
	The 1st Half of the fiscal 2009	The 1st Half of the fiscal 2008	Increase/Decrease	Increase/Decrease rate(%)
Sales	536	698	△ 162	△ 23.2
Operating profit	34	47	△ 12	△ 26.4
Current profit	34	50	△ 16	△ 31.7
NET profit of the Term	20	25	△ 5	△ 20.1
NET profit per share of the Term	19.8	24.8		

(Unit: 100 million yen)

Domestic companies (10)				
	The 1st Half of the fiscal 2009	The 1st Half of the fiscal 2008	Increase/Decrease	Increase/Decrease rate
Sales	323	400	△ 76	△ 19.2%
Operating profit	2	5	△ 3	△ 51.6%

Overseas companies (13)				
	The 1st Half of the fiscal 2009	The 1st Half of the fiscal 2008	Increase/Decrease	Increase/Decrease rate
Sales	177	316	△ 139	△ 43.9%
Operating profit	5	9	△ 3	△ 36.8%

※Starting from fiscal 2009, a subsidiary in China was consolidated.

Consolidation adjustment accounts (deleted)

	The 1st Half of the fiscal 2009	The 1st Half of the fiscal 2008
Sales	△ 268	△ 411
Operating profit	△ 1	0

The amounts are indicated after rounding off figures less than 100 million yen.

4-02 Augmentation of Facilities (1)

▪ Augmentation of Facilities (Investment in carefully selected areas of growth)

【Japan】

- ① Expanding production capacity for etching chemicals for electronic circuits.
【Kashima Factory (April 2009)】
- ② Launching operations for one-pack-type composite polymer additives.
【Mie Factory (April 2009)】
- ③ Expanding production capacity for special additives for the film for liquid crystal displays.
【Mie Factory (targeted for completion in December 2009)】
- ④ Enhancing our prototyping facilities for next-generation semiconductor materials.
【Kashima Factory (July 2009)】

4-02 Augmentation of Facilities (2)

▪ Augmentation of Facilities (Investment in carefully selected areas of growth)

【overseas】

- ① Enhancing our facilities for flame retardants for engineering plastics.
 - Expanded the production capacity
ADEKA FINE CHEMICAL (CHANGSHU) CO., LTD. (April 2009)
 - Improving our quality and production capability in three countries
(Japan, China and Taiwan).
- ② A production facility for polyester specialty plasticizer is under construction.
【ADEKA FINE CHEMICAL (THAILAND) CO., LTD. (to become operational in February 2010)】

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.