

Apr. 2, 2018
ADEKA Corporation

Mid-term Management Plan “BEYOND 300” (FY2018-FY2020)

The ADEKA Group has formulated “BEYOND 300”, a Mid-term management plan for the period from FY2018 to FY2020, and begins implementing the plan in April this year.

“BEYOND 300” is the second stage of ADEKA VISION 2025, which is the vision that the ADEKA Group wants to achieve by the year 2025. In this three-year period, we aim to exceed sales of JPY 300 billion via organic growth and strive for further expansion.

I. ADEKA VISION 2025

The ADEKA Group will develop a wide range of businesses around the world, including the chemical and food businesses that currently provide the operating basis of our group. We will strive to become a global company that contributes to society (and affluent lifestyles) through our business operations while playing a leading role as a manufacturer in the development of global technology.

ADEKA VISION 2025

A global company that creates value for tomorrow and contributes to affluent lifestyles through innovative technologies

II. Mid-term Management Plan (FY2018-FY2020)

1) Name:

“BEYOND 300”

2) Overview:

Under the basic policy of "become an excellent company with sales exceeding JPY 300 billion" , we targets **"Consolidated sales exceeding JPY 300 billion (via organic growth), Operating income margin 10%, ROE 10%"** for the final year of the plan(FY2020).

We will also actively pursue M&A growth, aiming to expand our business domains and develop new businesses.

3) Basic strategies:

· **Global expansion of three main businesses**

Globally expand sales of strategic products defined for each of our three main businesses; Polymer additives, Chemical products, and Food products.

· **Entering new domains**

Build business models and promote commercialization in the target domains of Life sciences, Environment, and Energy.

· **Enhancing our management foundation**

Promote CSR to increase our contribution to society and trust from society.

Enhance mutual cooperation within the ADEKA Group to leverage our comprehensive ability.

4) Five measures:

1. Corporate management: Enhancing group corporate management

Cultivate common values for the ADEKA Group, establish systems and structures, etc., and enhance group corporate management.

2. Global business development: Expanding globalization and accelerating localization

Further expand globalization of procurement, production, and sales, while accelerating growth of individual overseas subsidiaries.

3. Technology: Creating innovation and enhancing competitiveness

In order to perpetually create products required by society, enhance R&D, promote new business development, and intensify/inherit production technologies.

4. Human resources: Expanding global human resources and leaders

Continuously invest in the human resources as our corporate asset to expand global human resources and leaders.

5. Corporate value: Promoting CSR and developing together with society

Improve our CSR promotion system, contribute to the solving of problems in society via our business, and utilize these efforts to achieve continuous growth.

5) Investments and finance plans

Three-year total: JPY 100 billion

(JPY 50 billion in capital investment, JPY 50 billion in M&A funds)

Detailed explanations about “BEYOND 300” will be provided in the FY2017 financial results briefing session (May 25, 2018)

■Contacts

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