



ADEKA CORPORATION (TSE 1st Section/4401)

FACTBOOK 2017

For the fiscal year ended March 31, 2017

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Corporate Profile

Company Outline (as of March 31, 2017)

Company name	ADEKA CORPORATION
URL	http://www.adeka.co.jp/en/
Head office	7-2-35 Higashi-ogu, Arakawa-ku, Tokyo 116-8554, Japan
Established	January 27, 1917
Paid-in capital	¥22.8 billion
Representative	Akio Kohri, President and Chief Executive Officer
No. of employees	3,375 (consolidated)

Management Policies

**Work hard to be a forward-looking organization by staying on the cutting edge
Be a respected member of the world community**

Aim for larger global presence by focusing on highly competitive and technologically superior product groups in the world market.

While focusing on growing markets with unique excellent technology, we are striving to be the leader in the specific market categories where our group is strongly competitive and contributing to promoting global welfare by providing the market with state-of-the-art products and products truly responding to needs of our customers.

Fundamental CSR Policy



Perceiving changes in trends sharply and constantly, the ADEKA Group aims to create new products and technologies, taking into account their impacts on the environment and society.

While required to provide socially demanded and valuable things, the Group believes that it should put priority on **“gentle harmony between people and technology”** as a company aiming to develop a better community.

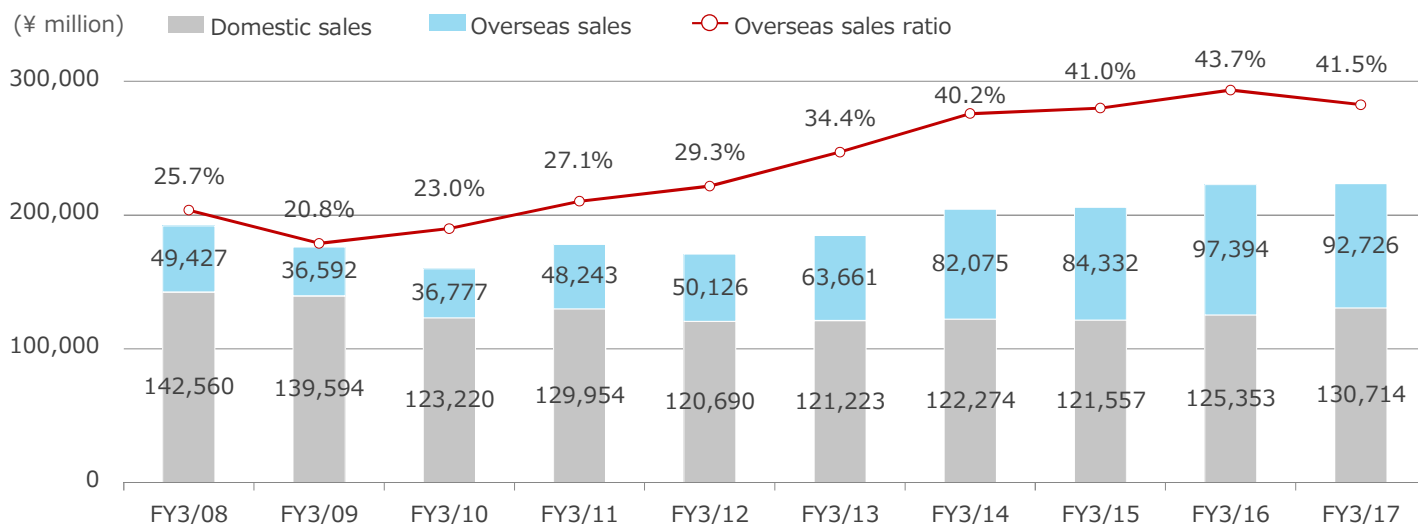
Furthermore, the Group considers it necessary to continue corporate efforts to create common values in partnership with stakeholders, striving to achieve **“harmony with society”** in terms of various environmental and social issues, in addition to social contribution through provision of products and technologies, as a respected member of the world community.

Corporate Profile

History

- 1917** Asahi Denka Kogyo K.K. (now ADEKA CORPORATION) was established to produce chlorine and caustic soda by salt electrolysis
- 1929** Started the manufacture of RISU BRAND margarine
- 1949** Listed its stock on the first section of the Tokyo Stock Exchange
- 1988** Established Asahi Denka (Singapore) Pte. Ltd. in Singapore (now ADEKA (SINGAPORE) PTE. LTD.)
- 2000** Established Asahi Denka Korea Corp. in South Korea (now ADEKA KOREA CORP.)
Established ADEKA PALMAROLE SAS in France
- 2001** Established Asahi Denka Shanghai Co., Ltd. in China (now ADEKA (CHINA) CO., LTD.)
- 2002** Established Asahi Fine Chemical (Shanghai) Co., Ltd. in China
(now ADEKA FINE CHEMICAL (SHANGHAI) CO., LTD.)
- 2003** Established ADEKA FINE CHEMICAL (CHANGSHU) CO., LTD. in China
Established Asahi Denka (Asia) Pte. Ltd. in Singapore (now ADEKA (ASIA) PTE. LTD.)
- 2004** Established Asahi Denka U.S.A., Inc. (now ADEKA USA CORP.)
Established Asahi Foods (Changshu) Co., Ltd. in China (now ADEKA FOODS (CHANGSHU) CO., LTD.)
Established ADEKA FINE CHEMICAL (THAILAND) CO., LTD. in Thailand
Established ADEKA FINE CHEMICAL TAIWAN CORP. in Taiwan
- 2006** Changed company name to ADEKA CORPORATION
Built head office building in Arakawa-ku, Tokyo
- 2007** ADEKA INDIA PVT. LTD. established in India
- 2011** Established ADEKA AL GHURAIR ADDITIVES LLC in UAE (manufacturing and sales of polymer additives)
- 2012** AMFINE CHEMICAL CORP. established AM STABILIZERS CORP. in the U.S.A.
(manufacturing and sales of polymer additives)
AM STABILIZERS CORP. acquired the PVC stabilizer business from Hammond Group Inc. in the U.S.A.
Established ADEKA BRASIL LTDA. in Brazil (sales support and market development of ADEKA Group's products)
Established ADEKA FOODS (ASIA) SDN. BHD. in Malaysia (manufacturing and sales of food processing oils and fats)
- 2016** ADEKA (CHINA) CO., LTD. established ADEKA FINE CHEMICAL (ZHEJIANG) CO., LTD. in China
(manufacturing and sales of chemical products including polymer additives)

Trend of Business Performance



Corporate Profile

Consolidated Subsidiaries

(in order of consolidation)

Company name	Country	Company name	Country
ADEKA CHEMICAL SUPPLY CORP.	Japan	ADEKA FINE CHEMICAL TAIWAN CORP.	Taiwan
ADEKA CLEAN AID CORP.	Japan	ADEKA PALMAROLE SAS	France
ADEKA FINE FOODS CORP.	Japan	ADEKA (CHINA) CO., LTD.	China
ADEKA ENGINEERING & CONSTRUCTION CORP.	Japan	ADEKA FINE CHEMICAL (SHANGHAI) CO., LTD.	China
AMFINE CHEMICAL CORP.	USA	ADEKA FINE CHEMICAL (CHANGSHU) CO., LTD.	China
ADEKA (SINGAPORE) PTE. LTD.	Singapore	ADEKA LIFE-CREATE CORP.	Japan
OXIRANE CHEMICAL CORP.	Japan	UEHARA FOODS INDUSTRY CO., LTD.	Japan
ADEKA FOODS SALES CORP.	Japan	ADEKA FINE CHEMICAL (THAILAND) CO., LTD.	Thailand
ADEKA LOGISTICS CORP.	Japan	ADEKA FOODS (CHANGSHU) CO., LTD.	China
CHANG CHIANG CHEMICAL CO., LTD.	Taiwan	AM STABILIZERS CORP.	USA
YONGO CO., LTD.	Japan	ADEKA FOODS (ASIA) SDN. BHD.	Malaysia
ADEKA KOREA CORP.	South Korea	ADEKA USA CORP. *1	USA
ADEKA (ASIA) PTE. LTD.	Singapore	CROWN CO., LTD. *2	Japan
ADEKA EUROPE GmbH	Germany		

*1 became a consolidated subsidiary in the 1Q of FY3/17

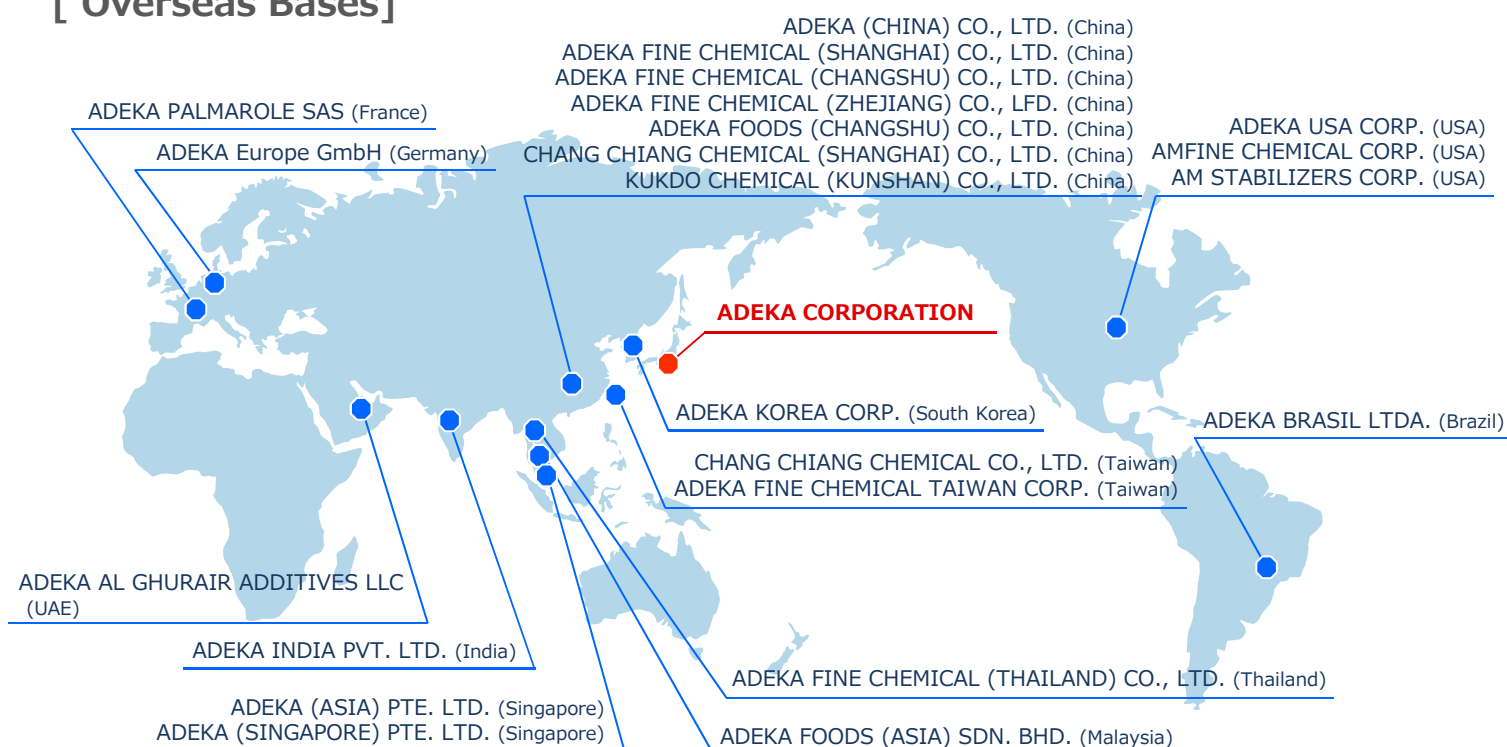
*2 became a consolidated subsidiary in the 2Q of FY3/17

Global Network

[Domestic Bases]

Office/Main Branch/Branch/Regional Office	Plants	R&D Laboratories
Head Office Tokyo	Kashima Plant Ibaraki Pref.	Ogu R&D Laboratory Tokyo
Osaka Main Branch Osaka Pref.	Chiba Plant Chiba Pref.	Urawa R&D Laboratory Saitama Pref.
Nagoya Branch Aichi Pref.	Mie Plant Mie Pref.	Kuki R&D Laboratory Saitama Pref.
Fukuoka Branch Fukuoka Pref.	Fuji Plant Shizuoka Pref.	Kansai Food Development Section Osaka Pref.
Sapporo Regional Office Hokkaido Pref.	Akashi Plant Hyogo Pref.	
Sendai Regional Office Miyagi Pref.	Soma Plant Fukushima Pref.	

[Overseas Bases]



Corporate Profile

Business Segments

ADEKA's core business consists of Chemicals and Food products.

Chemicals

Electronics and IT materials (Information & Electronics materials)

Core products:

High-purity materials for semiconductors, AFES system and etching agents, optical hardening resins, photo-initiators, imaging materials, and others

Functional chemicals (Polymer additives, Surface specialties, Functional polymers)

Core products:

Additives for polyolefins, PVC plasticizers/stabilizers, flame retardants, epoxy resins, polyurethanes, water-borne resins, surfactants, lubricant, kitchen detergents, cosmetic raw materials, and others

Commodity chemicals (Chemicals for industry, Inorganic products, Peroxygen chemicals, Civil engineering & Construction materials)

Core products:

Propylene glycol, hydrogen peroxide, industrial fats and oil-induced products, water-swelling sealing materials, and others

Food Products

Food products (Processed oil and fats, Processed foods)

Core products:

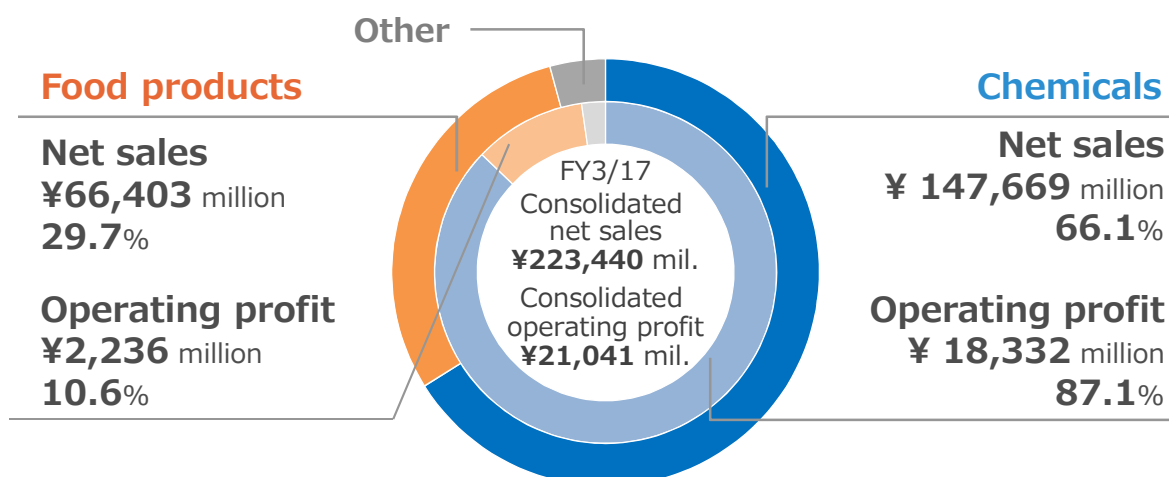
Margarines, shortenings, oils and fats for chocolate, oils and fats for frying, whipping cream, enriched milk products, fillings, frozen pie crusts, mayonnaise dressing, functional foods, and others



Other

Construction and construction management, logistic services, real estate, and others

Consolidated net sales and operating profit by business segment



Note: Operating profit by business segment are before adjustment.

Consolidated Balance Sheet

(¥ million)	FY3/13 end	FY3/14 end	FY3/15 end	FY3/16 end	FY3/17 end
Assets					
Current assets					
Cash and deposits	28,311	37,493	40,625	48,367	51,374
Notes and accounts receivable - trade	39,839	42,912	44,881	45,444	50,250
Securities	7,230	3,232	3,233	4,733	5,822
Merchandise and finished goods	17,095	18,328	21,531	20,702	20,244
Work in process	4,282	4,603	4,451	4,323	4,707
Raw materials and supplies	13,473	13,498	14,064	14,944	16,251
Deferred tax assets	1,806	1,826	1,716	1,710	1,694
Other	4,560	5,036	5,262	5,057	5,827
Allowance for doubtful accounts	(307)	(327)	(208)	(207)	(270)
Total current assets	116,293	126,604	135,558	145,076	155,901
Non-current assets					
Property, plant and equipment					
Buildings and structures	53,565	56,368	58,432	60,418	61,276
Accumulated depreciation	(32,888)	(34,488)	(35,911)	(36,922)	(37,921)
Buildings and structures, net	20,677	21,879	22,520	23,496	23,354
Machinery, equipment and vehicles	108,312	113,601	119,563	125,663	128,529
Accumulated depreciation	(85,551)	(91,626)	(96,357)	(99,396)	(101,856)
Machinery, equipment and vehicles, net	22,761	21,975	23,206	26,266	26,672
Land	20,800	21,310	21,275	21,210	21,184
Leased assets	1,957	2,173	2,003	1,872	1,748
Accumulated depreciation	(797)	(1,042)	(1,004)	(1,097)	(1,080)
Leased assets, net	1,160	1,130	998	774	668
Construction in progress	2,517	2,935	3,817	1,941	3,586
Other	22,445	24,330	25,985	26,675	27,097
Accumulated depreciation	(18,379)	(19,735)	(21,163)	(21,835)	(22,442)
Other, net	4,065	4,595	4,822	4,840	4,655
Total property, plant and equipment	71,983	73,826	76,640	78,529	80,121
Intangible assets					
Goodwill	245	244	217	155	89
Software	1,721	1,324	793	1,508	1,402
Leased assets	111	80	77	53	40
Other	1,393	1,999	2,372	2,101	2,449
Total intangible assets	3,471	3,649	3,460	3,818	3,982
Investments and other assets					
Investment securities	24,429	29,560	36,627	33,472	42,060
Long-term loans receivable	701	1,296	2,399	1,613	1,551
Deferred tax assets	2,755	4,532	3,100	4,319	3,347
Other	3,304	3,598	3,592	3,450	3,756
Allowance for doubtful accounts	(333)	(326)	(267)	(241)	(237)
Total investments and other assets	30,856	38,661	45,452	42,613	50,479
Total non-current assets	106,311	116,137	125,553	124,962	134,583
Total assets	222,604	242,741	261,112	270,038	290,485

Consolidated Balance Sheet

(¥ million)	FY3/13 end	FY3/14 end	FY3/15 end	FY3/16 end	FY3/17 end
Liabilities					
Current liabilities					
Notes and accounts payable - trade	32,535	32,328	34,407	33,505	33,145
Current portion of bonds	–	–	–	–	8
Short-term loans payable	13,476	16,216	17,585	17,406	18,015
Lease obligations	308	265	262	225	212
Income taxes payable	1,700	2,550	1,973	2,551	3,435
Provision for bonuses	1,948	2,028	2,041	2,133	2,239
Provision for directors' bonuses	48	50	60	69	78
Other	5,081	8,968	13,161	10,099	10,711
Total current liabilities	55,099	62,407	69,493	65,991	67,845
Non-current liabilities					
Bonds payable	–	–	–	–	300
Long-term loans payable	13,377	12,191	7,466	10,814	11,467
Lease obligations	926	950	817	598	494
Deferred tax liabilities	546	588	630	665	788
Deferred tax liabilities for land revaluation	4,021	4,021	3,605	3,424	3,424
Provision for retirement benefits	9,400	–	–	–	–
Provision for directors' retirement benefits	106	132	152	160	255
Net defined benefit liability	–	12,788	13,806	15,707	15,910
Other	1,897	1,863	1,907	2,091	2,041
Total non-current liabilities	30,277	32,535	28,385	33,461	34,682
Total liabilities	85,376	94,943	97,878	99,452	102,528
Net assets					
Shareholders' equity					
Capital stock	22,899	22,899	22,899	22,899	22,899
Capital surplus	19,925	19,925	19,925	19,926	19,926
Retained earnings	85,660	92,438	100,652	110,764	124,520
Treasury shares	(224)	(225)	(226)	(227)	(590)
Total shareholders' equity	128,260	135,038	143,251	153,363	166,755
Accumulated other comprehensive income					
Valuation difference on available-for-sale securities	1,868	3,050	6,363	4,490	8,919
Revaluation reserve for land	3,697	3,794	4,095	4,276	4,276
Foreign currency translation adjustment	(746)	2,441	5,316	4,082	2,604
Remeasurements of defined benefit plans	–	(1,854)	(2,108)	(2,904)	(2,477)
Total accumulated other comprehensive income	4,819	7,431	13,667	9,945	13,321
Non-controlling interests	4,147	5,328	6,314	7,276	7,879
Total net assets	137,227	147,798	163,233	170,586	187,956
Total liabilities and net assets	222,604	242,741	261,112	270,038	290,485

Consolidated Statement of Income

(¥ million)	FY3/13	FY3/14	FY3/15	FY3/16	FY3/17
Net sales	184,885	204,350	205,890	222,746	223,440
Cost of sales	146,331	160,072	160,546	170,144	167,576
Gross profit	38,553	44,278	45,343	52,602	55,863
Selling, general and administrative expenses	28,698	30,467	31,333	33,301	34,822
Operating profit	9,855	13,811	14,009	19,300	21,041
Non-operating income					
Interest income	115	163	262	286	254
Dividend income	318	522	459	516	432
Share of profit of entities accounted for using equity method	883	1,448	1,792	750	914
Foreign exchange gains	490	816	507	–	–
Other	580	310	370	597	618
Total non-operating income	2,388	3,261	3,392	2,151	2,220
Non-operating expenses					
Interest expenses	414	465	433	448	379
Loss on abandonment of inventories	93	223	–	–	–
Foreign exchange losses	–	–	–	767	577
Other	412	424	461	666	458
Total non-operating expenses	919	1,112	895	1,881	1,415
Ordinary profit	11,324	15,959	16,506	19,569	21,846
Extraordinary income					
Gain on sales of investment securities	–	–	–	–	167
Gain on sales of shares of subsidiaries and associates	–	68	–	–	–
Total extraordinary income	–	68	–	–	167
Extraordinary losses					
Loss on abandonment of non-current assets	317	158	179	560	263
Loss on valuation of investment securities	74	–	–	29	–
Loss on valuation of investments in capital of subsidiaries and associates	–	–	–	–	146
Impairment loss	–	3,048	128	222	19
Loss on withdrawal from a joint venture	143	–	–	–	–
Logistic bases closing expenses	–	97	83	–	–
Total extraordinary losses	535	3,304	391	813	429
Profit before income taxes	10,788	12,724	16,115	18,756	21,585
Income taxes - current	2,921	4,392	3,941	4,646	5,596
Income taxes - deferred	(27)	(1,422)	379	28	(253)
Total income taxes	2,894	2,969	4,320	4,675	5,343
Profit	7,894	9,754	11,794	14,081	16,241
Profit attributable to non-controlling interests	277	602	610	821	916
Profit attributable to owners of parent	7,616	9,152	11,183	13,259	15,325

Consolidated Statement of Changes in Equity

FY3/16

(¥ million)	Shareholders' equity					Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	22,899	19,925	100,652	(226)	143,251	6,363	4,095	5,316	(2,108)	13,667	6,314	163,233
Changes of items during period												
Dividends of surplus			(2,897)		(2,897)							(2,897)
Profit attributable to owners of parent			13,259		13,259							13,259
Change of scope of consolidation			(250)		(250)							(250)
Change of scope of equity method												
Purchase of treasury shares				(0)	(0)							(0)
Change in treasury shares of parent arising from transactions with non-controlling shareholders		0			0							0
Net changes of items other than shareholders' equity						(1,872)	180	(1,233)	(796)	(3,721)	962	(2,759)
Total changes of items during period		0	10,112	(0)	10,112	(1,872)	180	(1,233)	(796)	(3,721)	962	7,352
Balance at end of current period	22,899	19,926	110,764	(227)	153,363	4,490	4,276	4,082	(2,904)	9,945	7,276	170,586

FY3/17

(¥ million)	Shareholders' equity					Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	22,899	19,926	110,764	(227)	153,363	4,490	4,276	4,082	(2,904)	9,945	7,276	170,586
Changes of items during period												
Dividends of surplus			(3,204)		(3,204)							(3,204)
Profit attributable to owners of parent			15,325		15,325							15,325
Change of scope of consolidation			244		244							244
Change of scope of equity method			1,390		1,390							1,390
Purchase of treasury shares				(363)	(363)							(363)
Change in ownership interest of parent due to transactions with non-controlling interests												
Net changes of items other than shareholders' equity						4,428		(1,477)	426	3,376	602	3,978
Total changes of items during period			13,755	(363)	13,392	4,428		(1,477)	426	3,376	602	17,370
Balance at end of current period	22,899	19,926	124,520	(590)	166,755	8,919	4,276	2,604	(2,477)	13,321	7,879	187,956

Consolidated Statement of Cash Flows

(¥ million)	FY3/13	FY3/14	FY3/15	FY3/16	FY3/17
Cash flows from operating activities					
Profit before income taxes	10,788	12,724	16,115	18,756	21,585
Depreciation	8,638	9,418	9,237	9,459	9,230
Impairment loss	–	3,048	128	222	19
Loss (gain) on valuation of investment securities	74	–	–	–	–
Interest and dividend income	(433)	(686)	(721)	(803)	(687)
Interest expenses	414	465	433	448	380
Share of (profit) loss of entities accounted for using equity method	(883)	(1,448)	(1,792)	(750)	(914)
Loss on withdrawal from a joint venture	143	–	–	–	–
Loss on abandonment of non-current assets	317	158	179	560	263
Decrease (increase) in notes and accounts receivable - trade	1,671	(504)	(296)	(1,511)	(4,714)
Decrease (increase) in inventories	(1,464)	712	(2,345)	(583)	(1,787)
Increase (decrease) in notes and accounts payable - trade	(1,771)	(2,311)	877	(213)	542
Other, net	582	1,425	(349)	1,716	2,454
Subtotal	18,077	23,002	21,466	27,302	26,372
Interest and dividend income received	585	754	887	1,058	989
Interest expenses paid	(412)	(464)	(429)	(461)	(371)
Proceeds from insurance income for accident and disaster	97	–	–	–	–
Payments for withdrawal from a joint venture	(1,156)	–	–	–	–
Income taxes paid	(2,744)	(3,595)	(4,504)	(4,093)	(4,807)
Net cash provided by (used in) operating activities	14,445	19,696	17,419	23,806	22,183
Cash flows from investing activities					
Purchase of securities	(23,097)	(4,200)	(5,200)	(6,200)	(18,099)
Proceeds from sales and redemption of securities	23,003	8,201	5,200	5,200	14,999
Purchase of property, plant and equipment	(10,146)	(10,881)	(9,942)	(8,345)	(10,615)
Purchase of intangible assets	(549)	(1,106)	(787)	(932)	(1,053)
Purchase of investment securities	–	(1,913)	(712)	(120)	(677)
Purchase of shares of subsidiaries and associates	(376)	(406)	(203)	–	(379)
Payments for transfer of business	(1,220)	–	–	–	–
Other, net	483	(212)	(1,220)	(274)	(840)
Net cash provided by (used in) investing activities	(11,903)	(10,519)	(12,867)	(10,673)	(16,666)
Cash flows from financing activities					
Net increase (decrease) in short-term loans payable	(392)	1,323	439	51	719
Proceeds from long-term loans payable	8,874	876	2,000	5,708	2,115
Repayments of long-term loans payable	(5,915)	(502)	(2,605)	(6,972)	(2,940)
Cash dividends paid	(2,277)	(2,276)	(2,219)	(2,897)	(3,205)
Dividends paid to non-controlling interests	(105)	(113)	(157)	(183)	(262)
Other, net	(10)	(380)	(271)	(272)	(232)
Net cash provided by (used in) financing activities	173	(1,074)	(2,813)	(4,566)	(3,805)
Effect of exchange rate change on cash and cash equivalents	739	1,356	1,288	(860)	(1,019)
Net increase (decrease) in cash and cash equivalents	3,455	9,459	3,027	7,706	692
Cash and cash equivalents at beginning of period	25,755	29,210	38,670	41,697	49,981
Increase in cash and cash equivalents from newly consolidated subsidiary	–	–	–	577	89
Cash and cash equivalents at end of period	29,210	38,670	41,697	49,981	50,762

Information by Business Segment, Region and Other

(¥100 million)	FY3/13	FY3/14	FY3/15	FY3/16	FY3/17
By business segment					
Net sales	1,848	2,043	2,058	2,227	2,234
Chemicals	1,259	1,435	1,424	1,538	1,476
Electronic and IT materials	200	206	192	217	197
Functional chemicals	886	1,047	1,074	1,136	1,104
Commodity chemicals	171	180	158	184	174
Food products	535	553	570	611	664
Other	53	54	63	77	93
Operating profit	98	138	140	193	210
Chemicals	73	108	123	171	183
Electronic and IT materials	27	36	34	47	29
Functional chemicals	49	78	81	98	122
Commodity chemicals	(3)	(7)	8	24	31
Food Products	19	23	11	16	22
Other	5	5	5	5	4

(¥ million)	FY3/13	FY3/14	FY3/15	FY3/16	FY3/17
By region					
Net sales	184,885	204,350	205,890	222,746	223,440
Japan	121,223	122,274	121,557	125,353	130,714
Asia	46,701	56,577	56,230	66,845	64,237
Other	16,960	25,498	28,101	30,548	28,489
Composition ratio					
Net sales	100.0%	100.0%	100.0%	100.0%	100.0%
Japan	65.6%	59.8%	59.1%	56.3%	58.5%
Asia	25.3%	27.7%	27.3%	30.0%	28.7%
Other	9.1%	12.5%	13.6%	13.7%	12.8%

(¥ million)	FY3/13	FY3/14	FY3/15	FY3/16	FY3/17
Other information					
Capital investment	11,448	12,282	10,867	10,829	12,077
Chemicals	8,057	8,491	7,284	6,991	9,318
Food products	2,381	3,077	3,437	3,954	3,036
Other	1,060	808	16	17	24
Adjustment	(51)	(94)	129	(134)	(302)
Depreciation and amortization	8,638	9,418	9,237	9,459	9,230
Chemicals	6,739	7,408	7,218	7,218	6,799
Food products	1,860	1,959	1,978	2,222	2,443
Other	75	87	88	83	73
Adjustment	(37)	(36)	(48)	(63)	(85)
Research and development expenses	7,614	7,988	8,247	8,588	8,735
R&D ratio	4.1%	3.9%	4.0%	3.9%	3.9%

Profitability Indicators

(¥ million)	FY3/13	FY3/14	FY3/15	FY3/16	FY3/17
Net sales	184,885	204,350	205,890	222,746	223,440
Gross profit	38,553	44,278	45,343	52,602	55,863
SG&A expenses	28,698	30,467	31,333	33,301	34,822
Operating profit	9,855	13,811	14,009	19,300	21,041
Ordinary profit	11,324	15,959	16,506	19,569	21,846
Profit attributable to owners of parent	7,616	9,152	11,183	13,259	15,325

(%)	FY3/13	FY3/14	FY3/15	FY3/16	FY3/17
Gross profit margin	20.9	21.7	22.0	23.6	25.0
SG&A expenses ratio	15.5	14.9	15.2	15.0	15.6
Operating profit margin	5.3	6.8	6.8	8.7	9.4
Ordinary profit margin	6.1	7.8	8.0	8.8	9.8
Net profit margin	4.1	4.5	5.4	6.0	6.9

(%)	FY3/13	FY3/14	FY3/15	FY3/16	FY3/17
Return on assets (ROA)	3.5	3.9	4.4	5.0	5.5
Return on equity (ROE)	5.9	6.6	7.5	8.3	8.9

Gross profit margin=Gross profit/Net sales

SG&A expenses ratio=SG&A expenses/Net sales

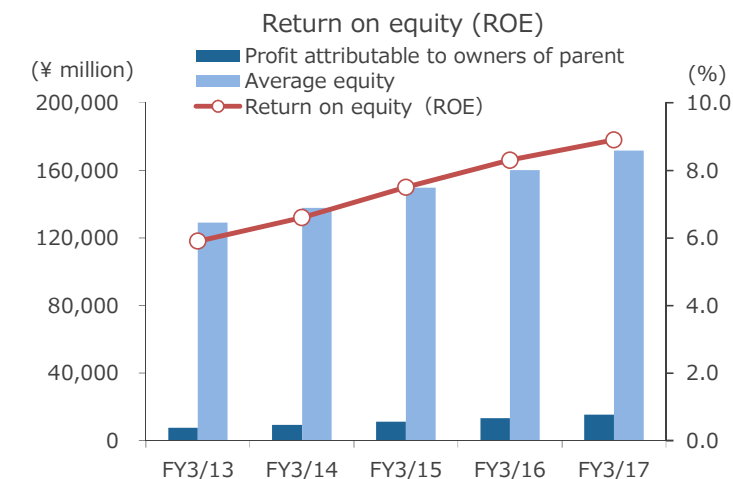
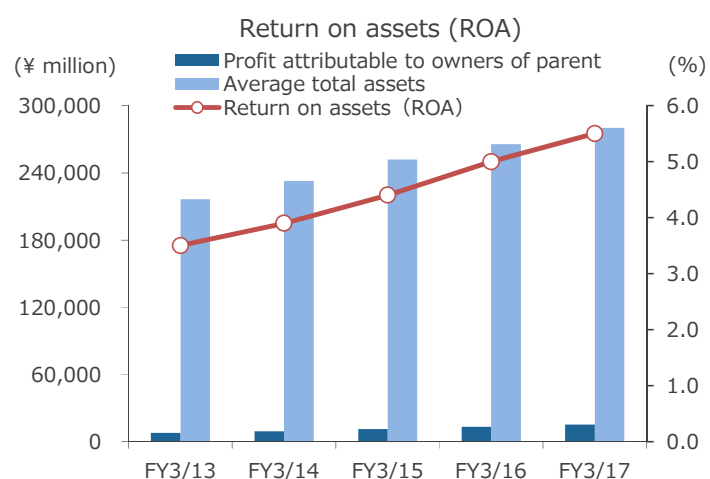
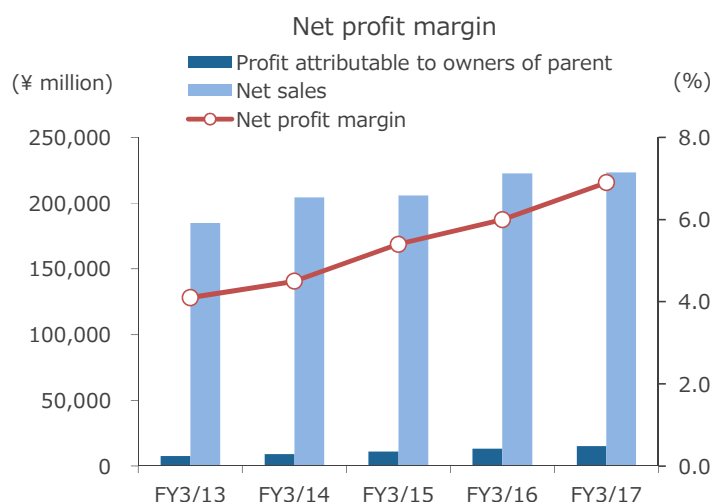
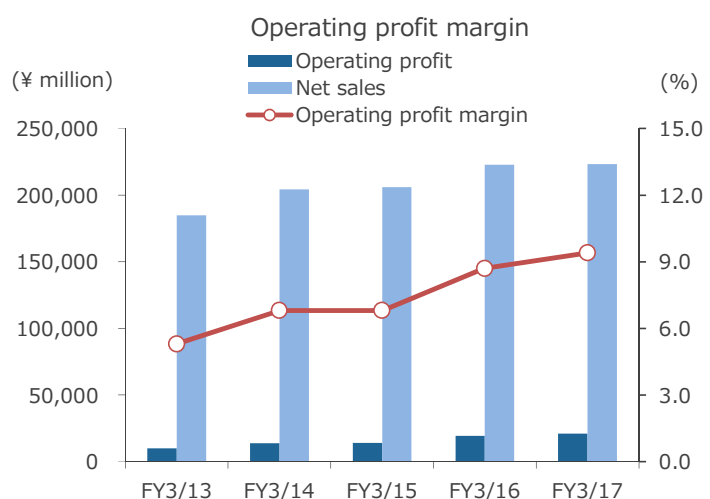
Operating profit margin=Operating profit/Net sales

Ordinary profit margin=Ordinary profit/Net sales

Net profit margin=Profit attributable to owners of parent/Net sales

ROA=Profit attributable to owners of parent/Average total assets

ROE=Profit attributable to owners of parent/Average equity



Efficiency Indicators

(¥ million)	FY3/13	FY3/14	FY3/15	FY3/16	FY3/17
Net sales	184,885	204,350	205,890	222,746	223,440
Cost of sales	146,331	160,072	160,546	170,144	167,576
Total assets	222,604	242,741	261,112	270,038	290,485
Inventories	34,850	36,429	40,046	39,969	41,202
Accounts receivable	39,839	42,912	44,881	45,444	50,250
Accounts payable	32,535	32,328	34,407	33,505	33,145

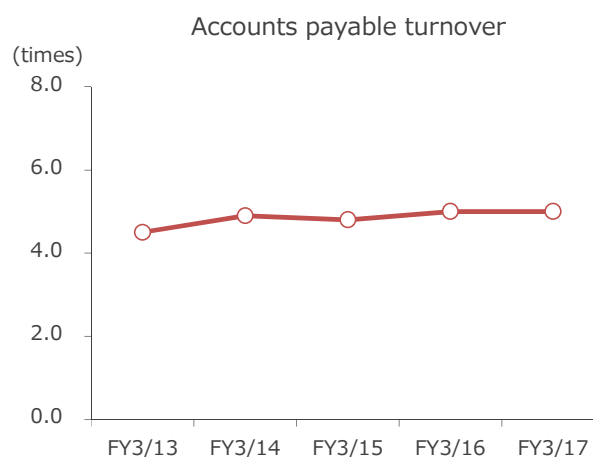
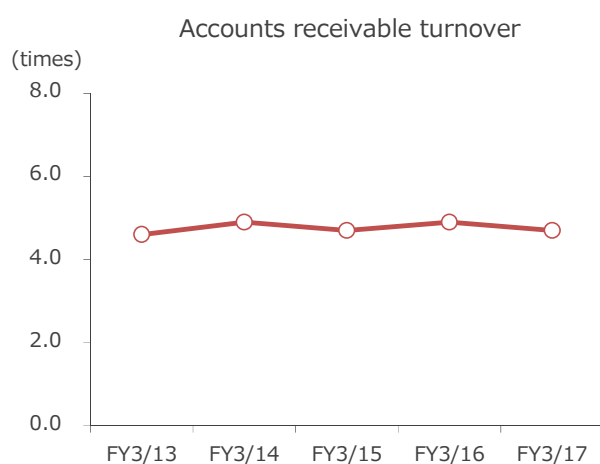
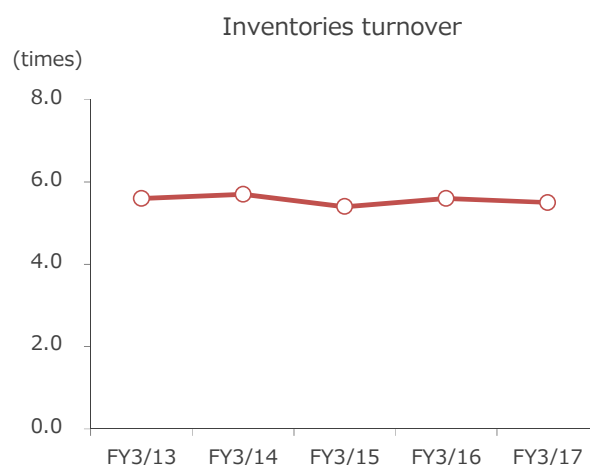
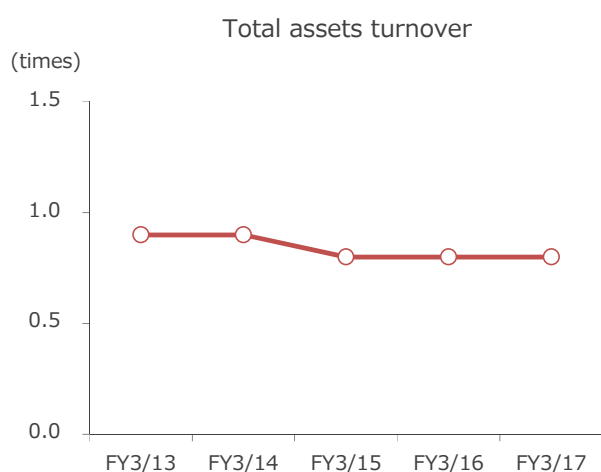
(times)	FY3/13	FY3/14	FY3/15	FY3/16	FY3/17
Total assets turnover	0.9	0.9	0.8	0.8	0.8
Inventories turnover	5.6	5.7	5.4	5.6	5.5
Accounts receivable turnover	4.6	4.9	4.7	4.9	4.7
Accounts payable turnover	4.5	4.9	4.8	5.0	5.0

Total assets turnover=Net sales/Average total assets

Inventories turnover=Net sales/Average inventories

Accounts receivable turnover=Net sales/Average accounts receivable

Accounts payable turnover=Cost of sales/Average accounts payable



Stability Indicators

(¥ million)	FY3/13	FY3/14	FY3/15	FY3/16	FY3/17
Equity	133,080	142,469	156,918	163,309	180,077
Total assets	222,604	242,741	261,112	270,038	290,485
Non-current assets	106,311	116,137	125,553	124,962	134,583
Current assets	116,293	126,604	135,558	145,076	155,901
Current liabilities	55,099	62,407	69,493	65,991	67,845
Interest-bearing debt	28,513	32,222	33,123	32,003	32,108

	FY3/13	FY3/14	FY3/15	FY3/16	FY3/17
Equity ratio (%)	59.8	58.7	60.1	60.5	62.0
Non-current ratio (%)	79.9	81.5	80.0	76.5	74.7
Current ratio (%)	211.1	202.9	195.1	219.8	229.8
Interest-bearing debt ratio (%)	12.8	13.3	12.7	11.9	11.1
Interest coverage ratio (times)	35.0	42.4	40.6	51.6	59.7

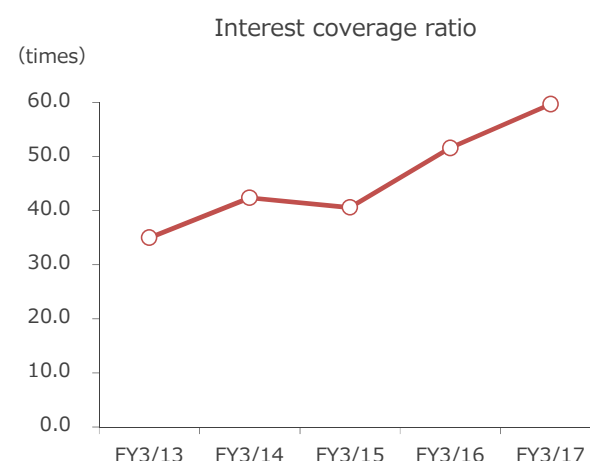
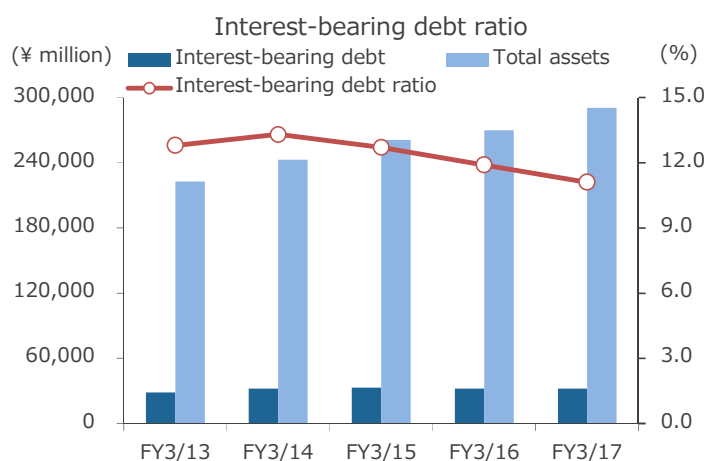
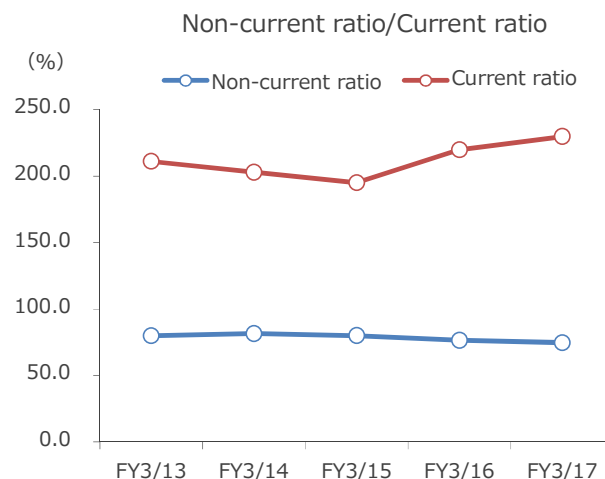
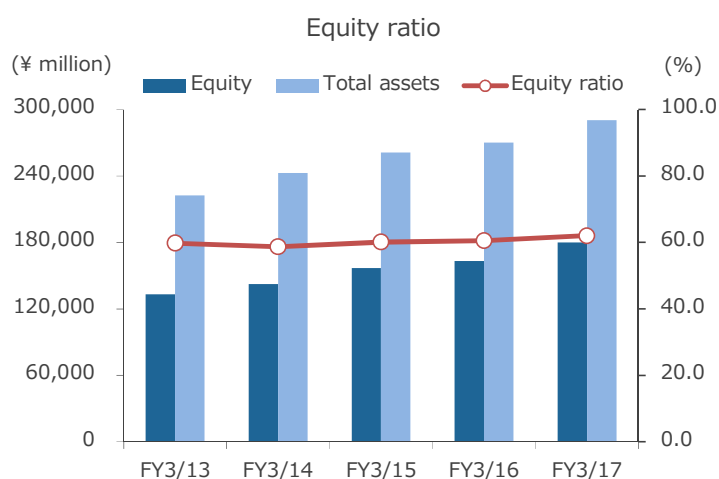
Equity ratio=Equity/Total assets

Non-current ratio=Non-current assets/Equity

Current ratio=Current assets/Current liabilities

Interest-bearing debt ratio=Interest-bearing debt/Total assets

Interest coverage ratio=Operating CF/Interest expenses paid



Stock Information

Stock Price / Other Indicators

(¥)	FY3/13	FY3/14	FY3/15	FY3/16	FY3/17
Stock price at term end	803	1,190	1,554	1,643	1,622
Closing stock price range for the last 12 months	537-858	752-1,210	1,084-1,571	1,398-1,863	1,161-1,673
Earnings per share (EPS)	73.74	88.61	108.28	128.38	149.03
Book-value per share (BPS)	1,288.44	1,379.36	1,519.25	1,581.14	1,751.20
Dividend per share (DPS)	22.00	22.00	26.00	30.00	35.00

(times)	FY3/13	FY3/14	FY3/15	FY3/16	FY3/17
Price earnings ratio (PER)	10.89	13.43	14.35	12.80	10.88
Price book-value ratio (PBR)	0.62	0.86	1.02	1.04	0.93

(%)	FY3/13	FY3/14	FY3/15	FY3/16	FY3/17
Dividend payout ratio	29.9	24.9	24.1	23.4	23.5
Dividend on equity (DOE)	1.7	1.5	1.6	1.8	1.9

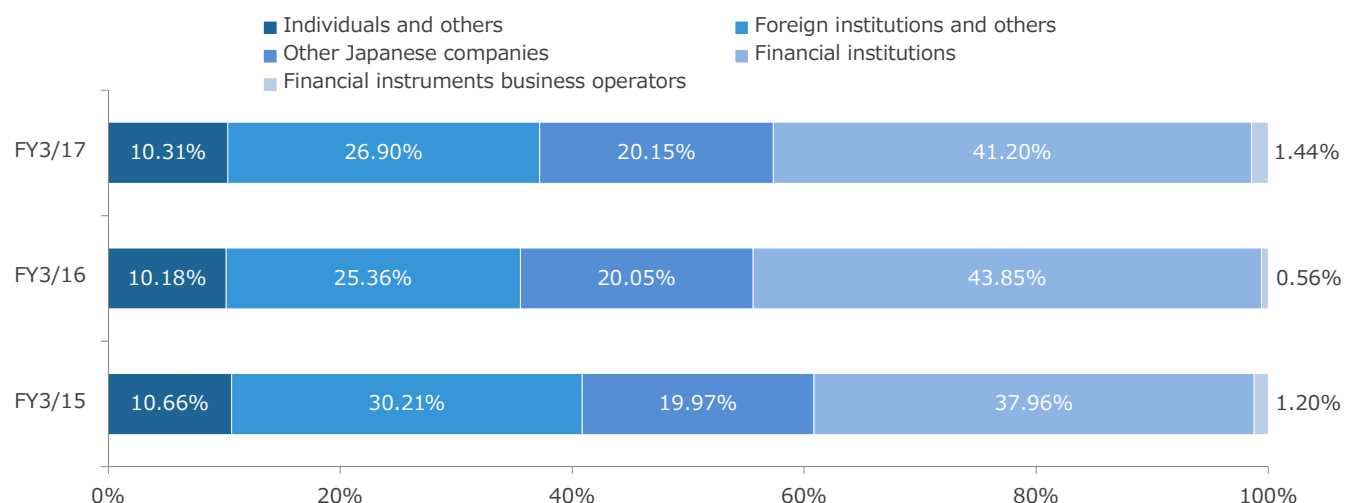
DOE=Total dividend paid/Net assets

Major Shareholders

as of March 31, 2017

Shareholders	Number of shares (thousand shares)	Shareholding ratio (%)
Japan Trustee Services Bank, Ltd. (Trust Account)	7,054	6.80
The Master Trust Bank of Japan, Ltd. (Trust Account)	4,227	4.08
ASAHI MUTUAL LIFE INSURANCE CO.	4,053	3.91
Trust & Custody Services Bank, Ltd. as trustee for Mizuho Bank, Ltd. Retirement Benefit Trust Account re-entrusted by Mizuho Trust and Banking Co., Ltd.	3,770	3.64
ADEKA Business Partners Shareholdings Association	2,667	2.57
JP MORGAN CHASE BANK 380634	2,314	2.23
Japan Trustee Services Bank, Ltd. (Trust Account 9)	2,245	2.17
The Norinchukin Bank	2,244	2.16
ZEON CORPORATION	2,188	2.11
SHOWA KOSAN CO., LTD.	1,870	1.80

Breakdown by Type of Shareholders





ADEKA CORPORATION

LEGAL AFFAIRS & PUBLICITY DEPARTMENT

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