Placing high priority on communication with shareholders and investors, who expect continued growth and profitability, the ADEKA Group strives to disclose corporate information in a timely and appropriate manner and maximize corporate value through business activities.

Dialogue with Shareholders and Investors

Proper Disclosure of Information
ADEKA strives to disclose accurate corporate information in a fair and timely manner to all stakeholders under its disclosure policy. Moreover, the Group actively discloses important information pertaining to company management, including business plans, to enhance understanding of ADEKA.

However, it will disclose information should it determine that the content of its financial results could significantly impact shareholders and investors.

Information Disclosure through Website
ADEKA strives to practice timely and appropriate information disclosure to all stakeholders through its website. In fiscal 2018, ADEKA began streaming the president’s presentation at the earnings briefing sessions to reach a wider audience with its information disclosure.

Returning Profits to Shareholders
ADEKA redistributes its profits to shareholders based on an overall consideration of the management environment, business performance and financial condition. With the understanding of its shareholders, ADEKA applies its internal reserves by placing priority on strengthening its management base and investing in growth businesses from a mid- to long-term perspective.

IR Activities
ADEKA actively conducts IR activities such as briefings and issuing materials on its financial results for institutional investors and analysts. In fiscal 2018, ADEKA held briefing sessions for the first-half and full-year earnings, and conducted its 98th investor relations meeting. ADEKA actively discloses important management-related information such as business plans so that stakeholders can better understand the Company. Feedback and requests collected through investor dialogue are reviewed by management and used to implement improvements and maximize corporate value.

General Shareholders Meeting
We put great effort into maintaining an environment in which all our shareholders can properly exercise their rights. This includes early disclosure on the company’s website and avoidance of holding our shareholder meeting on the same day as many other Japanese companies hold theirs, which facilitates productive dialogue with shareholders.

To make easier the review of the agenda by overseas shareholders, we posted an English notice of invitation to the shareholders meeting to be held in June 2018.

The 157th Ordinary General Shareholders Meeting

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Annual Cash dividends

<table>
<thead>
<tr>
<th>Year</th>
<th>1H (yen)</th>
<th>2H (yen)</th>
<th>Dividend payout ratio (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>16</td>
<td>14</td>
<td>23.4</td>
</tr>
<tr>
<td>2016</td>
<td>20</td>
<td>15</td>
<td>23.5</td>
</tr>
<tr>
<td>2017</td>
<td>22</td>
<td>17</td>
<td>26.1</td>
</tr>
<tr>
<td>2018</td>
<td>24</td>
<td>21</td>
<td>27.1</td>
</tr>
<tr>
<td>2019 (FY)</td>
<td>24</td>
<td>24</td>
<td>33.4</td>
</tr>
</tbody>
</table>

Distribution of ADEKA’s Public Share by Investor Type

- Financial Institution: 42%
- Non-Japanese investors: 26%
- Other Japanese entities: 21%
- Individual investors, other: 10%
- Securities firms: 1%