

ADEKA CORPORATION (TSE 1st Section/4401)

FACTBOOK 2020

For the fiscal year ended March 31, 2020

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Corporate Profile

Company Outline (as of March 31, 2020)

Company name	ADEKA CORPORATION
URL	https://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	¥22.9 billion
Representative	Hidetaka Shirozume, President and Chief Executive Officer Haruhiko Tomiyasu, Director and Senior Managing Executive Officer
No. of employees	5,189 (consolidated)

Management Policies

“To be a company that is progressive and dynamic with a keen attitude towards the new changing tide”
“Creating a better future for the people of the world”

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.

CSR Priority Issues

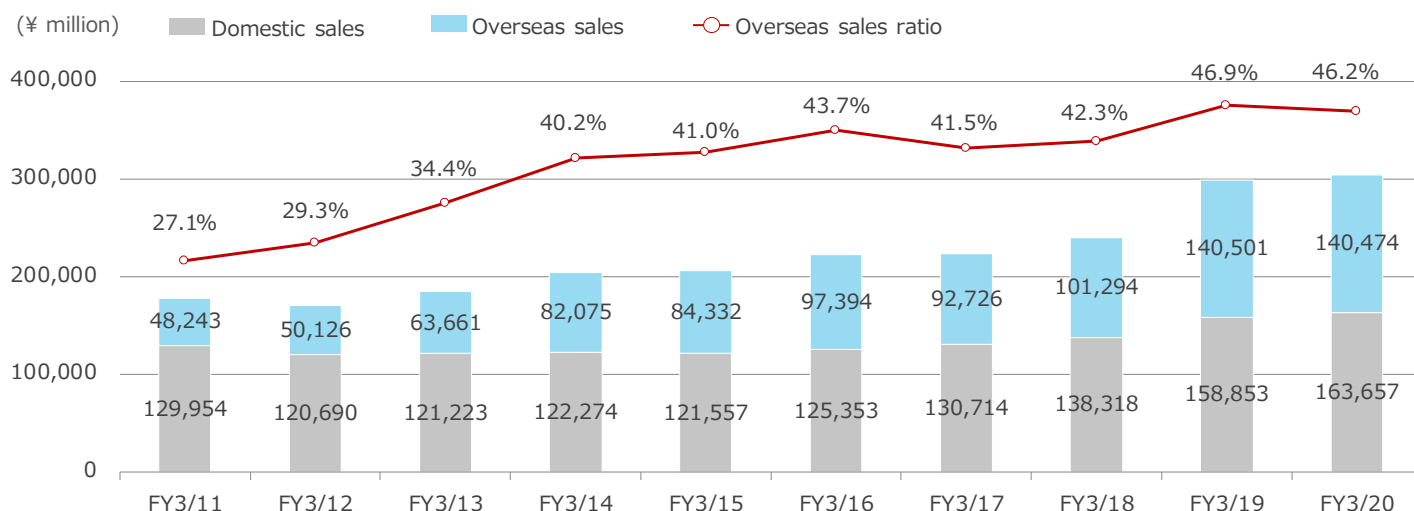
Priority Domain		Priority Issue
E	Environment	Conserve global environment 
		Supply of eco-friendly products 
S	Better living conditions communication	Create value that meets society's expectations 
		Conduct dialogue with stakeholders 
	Human rights, human resources	Respect human rights 
Expand the opportunities for utilizing human resources 		
G	Governance	Enhance group governance and risk management 

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 (now ADEKA POLYMER ADDITIVES EUROPE SAS)
- 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 (now ADEKA AL OTAIBA MIDDLE EAST LLC)
- 2012** AMFINE CHEMICAL CORP. established AM STABILIZERS CORP. in the U.S.A.
Established ADEKA BRASIL LTDA. in Brazil
Established ADEKA FOODS (ASIA) SDN. BHD. in Malaysia
- 2017** ADEKA (CHINA) CO., LTD. established ADEKA FINE CHEMICAL (ZHEJIANG) CO., LTD. in China
- 2018** Reorganized NIHON NOHYAKU CO., LTD. as a consolidated subsidiary

Trend of Business Performance



Corporate Profile

Business Segments

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

Chemicals

Polymer additives

Core products:
Additives for polyolefins, PVC plasticizers/stabilizers, flame retardants, and others

Electronics and IT materials

Core products:
High-purity materials for semiconductors, AFES System and etching agents, photo(Light)/heat curing materials, photoinitiators, imaging materials, and others

Functional chemicals

Core products:
Epoxy resins, polyurethanes, water-borne resins, surfactants, lubricant additives, kitchen detergents, cosmetic ingredients, polypropylene glycol, hydrogen peroxide and derivative products, water-swelling sealing materials, and others

Food Products

Core products:
Margarines, shortenings, oils and fats for chocolate, oils and fats for frying, whipping cream, creams for mixing, fillings, frozen pie crusts, mayonnaise dressings, functional foods, and others



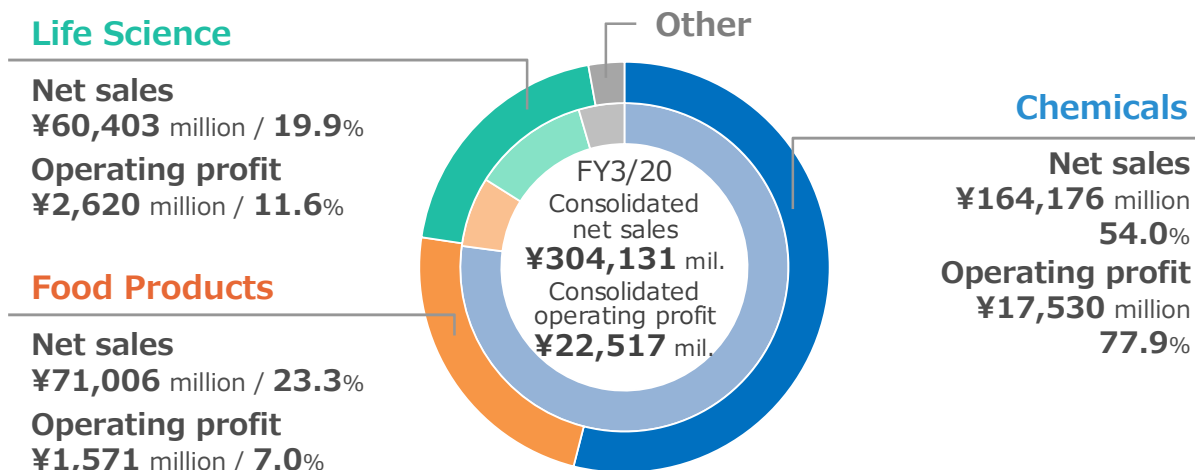
Life Science

Core products:
Agrochemicals, agricultural materials, pharmaceuticals & veterinary products, wood preservative, 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.

Corporate Profile

ADEKA's Domestic Bases

Offices/Sales Offices			Plants		
Head Office	■ ■	Tokyo	Kashima Plant	■ ■	Ibaraki Pref.
Osaka Main Branch	■ ■	Osaka Pref.	Chiba Plant	■	Chiba Pref.
Nagoya Branch	■	Aichi Pref.	Mie Plant	■	Mie Pref.
Fukuoka Branch	■	Fukuoka Pref.	Fuji Plant	■	Shizuoka Pref.
Sapporo Regional Office	■	Hokkaido Pref.	Akashi Plant	■	Hyogo Pref.
Sendai Regional Office	■	Miyagi Pref.	Soma Plant	■	Fukushima Pref.

R&D Laboratories		
Ogu R&D Laboratory	■ ■	Tokyo
Urawa R&D Laboratory	■	Saitama Pref.
Kuki R&D Laboratory	■	Saitama Pref.
Kansai Food Development Section	■	Osaka Pref.

■	: Chemicals
■	: Food Products

Consolidated Subsidiaries

Chemicals

Japan	ADEKA CHEMICAL SUPPLY CORP.
Japan	ADEKA CLEAN AID CORP.
Japan	OXIRANE CHEMICAL CORP.
U.S.A.	ADEKA USA CORP.
U.S.A.	AMFINE CHEMICAL CORP.
U.S.A.	AM STABILIZERS CORP.
Germany	ADEKA EUROPE GmbH
France	ADEKA POLYMER ADDITIVES EUROPE SAS
China	ADEKA (CHINA) CO., LTD.
China	ADEKA FINE CHEMICAL (SHANGHAI) CO., LTD.
China	ADEKA FINE CHEMICAL (CHANGSHU) CO., LTD.
Taiwan	CHANG CHIANG CHEMICAL CO., LTD.
Taiwan	ADEKA FINE CHEMICAL TAIWAN CORP.
South Korea	ADEKA KOREA CORP.
Thailand	ADEKA FINE CHEMICAL (THAILAND) CO., LTD.
Singapore	ADEKA (ASIA) PTE. LTD.

Food Products

Japan	ADEKA FOOD SALES CORP.
Japan	YONGO CO., LTD.
Japan	ADEKA FINE FOODS CORP.
Japan	UEHARA FOOD INDUSTRY CO., LTD.
Japan	CROWN CO., LTD.
China	ADEKA FOODS (CHANGSHU) CO., LTD.
Singapore	ADEKA (SINGAPORE) PTE. LTD.
Malaysia	ADEKA FOODS (ASIA) SDN. BHD.

Life Science

Japan	NIHON NOHYAKU CO., LTD.
Japan	NICHINO RYOKKA CO., LTD.
Japan	NICHINO SERVICE CO., LTD.
Japan	NIHON ECOTECH CO., LTD.
Japan	AGRIMART CORP.
U.S.A.	NICHINO AMERICA, INC.
Brazil	SIPCAM NICHINO BRASIL S.A.
Taiwan	TAIWAN NIHON NOHYAKU CO., LTD.
India	NICHINO INDIA PVT. LTD.
India	NICHINO CHEMICAL INDIA PVT. LTD.

Other

Japan	ADEKA LOGISTICS CORP.
Japan	ADEKA ENGINEERING & CONSTRUCTION CORP.
Japan	ADEKA LIFE-CREATE CORP.

Following 4 companies are accounted for using equity method;
CO-OP CLEAN CO., LTD., SHOWA KOSAN CO.,LTD.,
AGRICULTURAL CHEMICALS (MALAYSIA) SDN. BHD.
and SIPCAM EUROPE S.P.A.

Consolidated Balance Sheet

(¥ million)	FY3/16	FY3/17	FY3/18	FY3/19	FY3/20
Assets					
Current assets					
Cash and deposits	48,367	51,374	49,669	58,585	62,827
Notes and accounts receivable - trade	45,444	50,250	55,397	93,416	84,765
Securities	4,733	5,822	7,763	3,006	1,500
Merchandise and finished goods	20,702	20,244	22,833	40,330	41,312
Work in process	4,323	4,707	4,928	6,395	5,715
Raw materials and supplies	14,944	16,251	18,452	23,379	22,023
Deferred tax assets	1,710	1,694	-	-	-
Other	5,057	5,827	6,250	8,420	9,921
Allowance for doubtful accounts	(207)	(270)	(341)	(447)	(430)
Total current assets	145,076	155,901	164,953	233,087	227,635
Non-current assets					
Property, plant and equipment					
Buildings and structures	60,418	61,276	64,255	83,826	86,619
Accumulated depreciation	(36,922)	(37,921)	(39,151)	(51,484)	(53,153)
Buildings and structures, net	23,496	23,354	25,104	32,341	33,465
Machinery, equipment and vehicles	125,663	128,529	135,376	160,760	169,816
Accumulated depreciation	(99,396)	(101,856)	(105,493)	(124,519)	(129,558)
Machinery, equipment and vehicles, net	26,266	26,672	29,882	36,240	40,258
Land	21,210	21,184	21,282	29,802	29,397
Leased assets	1,872	1,748	2,017	2,342	1,459
Accumulated depreciation	(1,097)	(1,080)	(1,155)	(1,559)	(927)
Leased assets, net	774	668	861	782	532
Construction in progress	1,941	3,586	3,733	4,829	2,873
Other	26,675	27,097	28,010	33,002	36,298
Accumulated depreciation	(21,835)	(22,442)	(23,329)	(28,325)	(29,595)
Other, net	4,840	4,655	4,681	4,676	6,702
Total property, plant and equipment	78,529	80,121	85,546	108,672	113,230
Intangible assets					
Technical assets	-	-	-	9,450	8,455
Customer-related assets	-	-	-	3,131	2,971
Goodwill	155	89	29	-	-
Software	1,508	1,402	1,208	1,771	1,757
Leased assets	53	40	227	179	110
Other	2,101	2,449	2,615	3,063	3,074
Total intangible assets	3,818	3,982	4,080	17,596	16,370
Investments and other assets					
Investment securities	33,472	42,060	46,123	37,293	31,335
Long-term loans receivable	1,613	1,551	1,194	4,328	5,844
Retirement benefit asset	-	-	-	431	1,086
Deferred tax assets	4,319	3,347	3,904	4,438	5,980
Other	3,450	3,756	6,589	9,251	8,527
Allowance for doubtful accounts	(241)	(237)	(240)	(551)	(558)
Total investments and other assets	42,613	50,479	57,571	55,193	52,216
Total non-current assets	124,962	134,583	147,198	181,462	181,816
Total assets	270,038	290,485	312,152	414,549	409,452

* The Company applied the "Partial Amendments to Accounting Standard for Tax Effect Accounting" (Accounting Standards Board of Japan Statement No. 28, February 16, 2018) from FY3/19. The figures for FY3/18 are adjusted retrospectively to reflect the aforementioned standard.

Consolidated Balance Sheet

(¥ million)	FY3/16	FY3/17	FY3/18	FY3/19	FY3/20
Liabilities					
Current liabilities					
Notes and accounts payable - trade	33,505	33,145	38,599	56,296	46,125
Current portion of bonds	–	8	300	–	–
Short-term borrowings	17,406	18,015	15,567	21,718	21,823
Lease obligations	225	212	332	401	303
Income taxes payable	2,551	3,435	3,040	4,197	3,700
Provision for bonuses	2,133	2,239	2,355	3,079	3,145
Provision for bonuses for directors	69	78	75	85	79
Provision for environmental measures	–	–	–	595	–
Other	10,099	10,711	15,545	20,782	17,525
Total current liabilities	65,991	67,845	75,815	107,156	92,704
Non-current liabilities					
Bonds payable	–	300	–	11,812	12,249
Long-term borrowings	10,814	11,467	7,349	19,617	20,297
Lease obligations	598	494	781	843	600
Deferred tax liabilities	665	788	388	4,940	4,474
Deferred tax liabilities for land revaluation	3,424	3,424	3,424	3,414	3,414
Provision for retirement benefits for directors	160	255	274	225	260
Retirement benefit liability	15,707	15,910	16,959	18,853	20,072
Other	2,091	2,041	2,068	3,185	4,742
Total non-current liabilities	33,461	34,682	31,248	62,893	66,114
Total liabilities	99,452	102,528	107,063	170,049	158,818
Net assets					
Shareholders' equity					
Share capital	22,899	22,899	22,944	22,944	22,994
Capital surplus	19,926	19,926	19,985	20,023	19,986
Retained earnings	110,764	124,520	135,988	148,630	158,872
Treasury shares	(227)	(590)	(554)	(825)	(441)
Total shareholders' equity	153,363	166,755	178,363	190,772	201,412
Accumulated other comprehensive income					
Valuation difference on available-for-sale securities	4,490	8,919	12,002	10,098	6,541
Revaluation reserve for land	4,276	4,276	4,276	4,253	4,253
Foreign currency translation adjustment	4,082	2,604	4,346	1,867	155
Remeasurements of defined benefit plans	(2,904)	(2,477)	(2,368)	(2,411)	(2,096)
Total accumulated other comprehensive income	9,945	13,321	18,256	13,807	8,854
Non-controlling interests	7,276	7,879	8,468	39,919	40,367
Total net assets	170,586	187,956	205,088	244,500	250,634
Total liabilities and net assets	270,038	290,485	312,152	414,549	409,452

Consolidated Statement of Income

(¥ million)	FY3/16	FY3/17	FY3/18	FY3/19	FY3/20
Net sales	222,746	223,440	239,612	299,354	304,131
Cost of sales	170,144	167,576	181,834	224,828	224,575
Gross profit	52,602	55,863	57,777	74,526	79,555
Selling, general and administrative expenses	33,301	34,822	36,442	47,888	57,038
Operating profit	19,300	21,041	21,335	26,638	22,517
Non-operating income					
Interest income	286	254	252	342	491
Dividend income	516	432	548	628	799
Share of profit of entities accounted for using equity method	750	914	555	419	534
Other	597	618	607	728	718
Total non-operating income	2,151	2,220	1,963	2,117	2,544
Non-operating expenses					
Interest expenses	448	379	372	666	1,116
Foreign exchange losses	767	577	128	468	1,216
Other	666	458	460	1,018	752
Total non-operating expenses	1,881	1,415	961	2,153	3,085
Ordinary profit	19,569	21,846	22,337	26,602	21,976
Extraordinary income					
Gain on step acquisitions	–	–	–	67	–
Gain on bargain purchase	–	–	–	205	–
Gain on sales of non-current assets	–	–	–	–	530
Gain on sales of investment securities	–	167	–	–	1,291
Total extraordinary income	–	167	–	272	1,822
Extraordinary losses					
Loss on abandonment of non-current assets	560	263	590	336	344
Loss on sales of non-current assets	–	–	–	–	128
Loss on valuation of investment securities	29	–	–	–	98
Environmental expenses	–	–	–	–	278
Loss on valuation of investments in capital of subsidiaries and associates	–	146	–	–	–
Impairment loss	222	19	–	–	–
Total extraordinary losses	813	429	590	336	851
Profit before income taxes	18,756	21,585	21,747	26,539	22,947
Income taxes - current	4,646	5,596	5,729	6,888	5,923
Income taxes - deferred	28	(253)	(226)	252	(276)
Total income taxes	4,675	5,343	5,503	7,140	5,646
Profit	14,081	16,241	16,244	19,398	17,300
Profit attributable to non-controlling interests	821	916	897	2,342	2,084
Profit attributable to owners of parent	13,259	15,325	15,346	17,055	15,216

Consolidated Statement of Changes in Equity

FY3/19

(¥ million)	Shareholders' equity					Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Share capital	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 period	22,944	19,985	135,988	(554)	178,363	12,002	4,276	4,346	(2,368)	18,256	8,468	205,088
Changes during period												
Issuance of new shares					-							-
Dividends of surplus			(4,436)		(4,436)							(4,436)
Profit attributable to owners of parent			17,055		17,055							17,055
Change in scope of consolidation				56	56							56
Reversal of revaluation reserve for land			22		22							22
Purchase of treasury shares				(787)	(787)							(787)
Disposal of treasury shares		(0)		459	458							458
Change in ownership interest of parent due to transactions with non-controlling interests		39			39							39
Net changes in items other than shareholders' equity					-	(1,904)	(22)	(2,478)	(43)	(4,448)	31,451	27,002
Total changes during period	-	38	12,642	(271)	12,409	(1,904)	(22)	(2,478)	(43)	(4,448)	31,451	39,412
Balance at end of period	22,944	20,023	148,630	(825)	190,772	10,098	4,253	1,867	(2,411)	13,807	39,919	244,500

FY3/20

(¥ million)	Shareholders' equity					Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Share capital	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 period	22,944	20,023	148,630	(825)	190,772	10,098	4,253	1,867	(2,411)	13,807	39,919	244,500
Changes during period												
Issuance of new shares	50	50			100							100
Dividends of surplus			(4,973)		(4,973)							(4,973)
Profit attributable to owners of parent			15,216		15,216							15,216
Change in scope of consolidation					-							-
Reversal of revaluation reserve for land					-							-
Purchase of treasury shares				(3)	(3)							(3)
Disposal of treasury shares		(100)		387	286							286
Change in ownership interest of parent due to transactions with non-controlling interests		12		0	13							13
Net changes in items other than shareholders' equity					-	(3,556)	-	(1,712)	315	(4,953)	447	(4,505)
Total changes during period	50	(37)	10,242	384	10,639	(3,556)	-	(1,712)	315	(4,953)	447	6,133
Balance at end of period	22,994	19,986	158,872	(441)	201,412	6,541	4,253	155	(2,096)	8,854	40,367	250,634

Consolidated Statement of Cash Flows

(¥ million)	FY3/16	FY3/17	FY3/18	FY3/19	FY3/20
Cash flows from operating activities					
Profit before income taxes	18,756	21,585	21,747	26,539	22,947
Depreciation	9,459	9,230	9,666	11,659	14,248
Impairment loss	222	19	–	–	–
Interest and dividend income	(803)	(687)	(818)	(970)	(1,291)
Interest expenses	448	380	389	666	1,116
Share of loss (profit) of entities accounted for using equity method	(750)	(914)	(555)	(419)	(534)
Loss on abandonment of non-current assets	560	263	590	336	344
Decrease (increase) in trade receivables	(1,511)	(4,714)	(4,219)	(16,143)	7,283
Decrease (increase) in inventories	(583)	(1,787)	(4,337)	(4,780)	(151)
Increase (decrease) in trade payables	(213)	542	4,774	6,185	(9,371)
Other, net	1,716	2,454	500	1,283	(1,034)
Subtotal	27,302	26,372	27,737	24,356	33,557
Interest and dividends received	1,058	989	1,080	1,188	1,449
Interest paid	(461)	(371)	(396)	(674)	(1,006)
Income taxes paid	(4,093)	(4,807)	(6,200)	(6,538)	(6,601)
Net cash provided by (used in) operating activities	23,806	22,183	22,221	18,331	27,398
Cash flows from investing activities					
Purchase of securities	(6,200)	(18,099)	(17,500)	(10,600)	(6,000)
Proceeds from sales and redemption of securities	5,200	14,999	15,601	15,198	7,500
Purchase of property, plant and equipment	(8,345)	(10,615)	(13,616)	(16,425)	(16,806)
Proceeds from sales of property, plant and equipment	–	–	–	76	1,498
Purchase of intangible assets	(932)	(1,053)	(839)	(916)	(1,217)
Purchase of investment securities	(120)	(677)	(216)	(825)	(38)
Proceeds from sales of investment securities	–	–	–	29	1,964
Purchase of shares of subsidiaries and associates	–	(379)	(268)	(7)	(0)
Long-term loan advances	–	–	–	(3,159)	(1,622)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	–	–	–	(1,543)	–
Payments for investments in capital of subsidiaries and associates	–	–	(3,517)	–	–
Other, net	(274)	(840)	1,216	(85)	(505)
Net cash provided by (used in) investing activities	(10,673)	(16,666)	(19,139)	(18,258)	(15,228)
Cash flows from financing activities					
Net increase (decrease) in short-term borrowings	51	719	(2,349)	2,924	474
Proceeds from long-term borrowings	5,708	2,115	2,431	9,421	5,594
Repayments of long-term borrowings	(6,972)	(2,940)	(1,792)	(7,956)	(7,979)
Proceeds from issuance of bonds	–	–	–	10,100	2,446
Redemption of bonds	–	–	–	(300)	(1,630)
Dividends paid	(2,897)	(3,205)	(3,826)	(4,433)	(4,972)
Dividends paid to non-controlling interests	(183)	(262)	(369)	(724)	(1,095)
Other, net	(272)	(232)	80	(35)	(333)
Net cash provided by (used in) financing activities	(4,566)	(3,805)	(5,825)	8,995	(7,496)
Effect of exchange rate change on cash and cash equivalents	(860)	(1,019)	883	(1,465)	(290)
Net increase (decrease) in cash and cash equivalents	7,706	692	(1,860)	7,602	4,383
Cash and cash equivalents at beginning of period	41,697	49,981	50,762	48,902	56,504
Increase in cash and cash equivalents from newly consolidated subsidiary	577	89	–	–	–
Cash and cash equivalents at end of period	49,981	50,762	48,902	56,504	60,888

Information by Business Segment, Region and Other

(¥100 million)	FY3/16	FY3/17	FY3/18	FY3/19	FY3/20
By business segment					
Net sales	2,227	2,234	2,396	2,993	3,041
Chemicals	1,538	1,476	1,585	1,807	1,641
Polymer additives	–	–	825	946	821
Electronics and IT materials	–	–	232	301	264
Functional chemicals	–	–	528	559	556
Electronic and IT materials	217	197	–	–	–
Functional chemicals	1,136	1,104	–	–	–
Commodity chemicals	184	174	–	–	–
Food products	611	664	698	717	710
Life science	–	–	–	344	604
Other	77	93	111	123	85
Operating profit	193	210	213	266	225
Chemicals	171	183	197	215	175
Polymer additives	–	–	73	69	66
Electronics and IT materials	–	–	52	82	59
Functional chemicals	–	–	71	64	49
Electronic and IT materials	47	29	–	–	–
Functional chemicals	98	122	–	–	–
Commodity chemicals	24	31	–	–	–
Food Products	16	22	13	12	15
Life science	–	–	–	33	26
Other	5	4	2	4	7

* As a result of the reclassification of business segments for FY3/19, the figures for FY3/18 have been restated to reflect the new segments.

The figures presented for Life Science for FY3/19 are the performance for the six months from the third quarter.

(¥ million)	FY3/16	FY3/17	FY3/18	FY3/19	FY3/20
By region					
Net sales	222,746	223,440	239,612	299,354	304,131
Japan	125,353	130,714	138,318	158,853	163,657
Asia	66,845	64,237	70,122	89,049	83,948
Other	30,548	28,489	31,171	51,451	56,525
Composition ratio					
Net sales	100.0%	100.0%	100.0%	100.0%	100.0%
Japan	56.3%	58.5%	57.7%	53.1%	53.8%
Asia	30.0%	28.7%	29.3%	29.7%	27.6%
Other	13.7%	12.8%	13.0%	17.2%	18.6%

(¥ million)	FY3/16	FY3/17	FY3/18	FY3/19	FY3/20
Other information					
Capital investment	10,829	12,077	15,122	17,419	17,281
Chemicals	6,991	9,318	11,875	12,519	12,336
Food products	3,954	3,036	3,456	4,337	3,883
Life science	–	–	–	783	1,323
Other	17	24	119	27	77
Adjustment	(134)	(302)	(328)	(247)	(339)
Depreciation and amortization	9,459	9,230	9,666	11,659	14,248
Chemicals	7,218	6,799	7,219	7,797	8,791
Food products	2,222	2,443	2,497	2,667	2,972
Life science	–	–	–	1,289	2,634
Other	83	73	75	77	71
Adjustment	(63)	(85)	(125)	(171)	(221)
Research and development expenses	8,588	8,735	9,327	11,829	14,398
R&D ratio	3.9%	3.9%	3.9%	4.0%	4.7%

Profitability Indicators

(¥ million)	FY3/16	FY3/17	FY3/18	FY3/19	FY3/20
Net sales	222,746	223,440	239,612	299,354	304,131
Gross profit	52,602	55,863	57,777	74,526	79,555
SG&A expenses	33,301	34,822	36,442	47,888	57,038
Operating profit	19,300	21,041	21,335	26,638	22,517
Ordinary profit	19,569	21,846	22,337	26,602	21,976
Profit attributable to owners of parent	13,259	15,325	15,346	17,055	15,216

(%)	FY3/16	FY3/17	FY3/18	FY3/19	FY3/20
Gross profit margin	23.6	25.0	24.1	24.9	26.2
SG&A expenses ratio	15.0	15.6	15.2	16.0	18.8
Operating profit margin	8.7	9.4	8.9	8.9	7.4
Ordinary profit margin	8.8	9.8	9.3	8.9	7.2
Net profit margin	6.0	6.9	6.4	5.7	5.0

(%)	FY3/16	FY3/17	FY3/18	FY3/19	FY3/20
Return on assets (ROA)	7.4	7.8	7.4	7.3	5.3
Return on equity (ROE)	8.3	8.9	8.1	8.5	7.3

Gross profit margin=Gross profit/Net sales

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

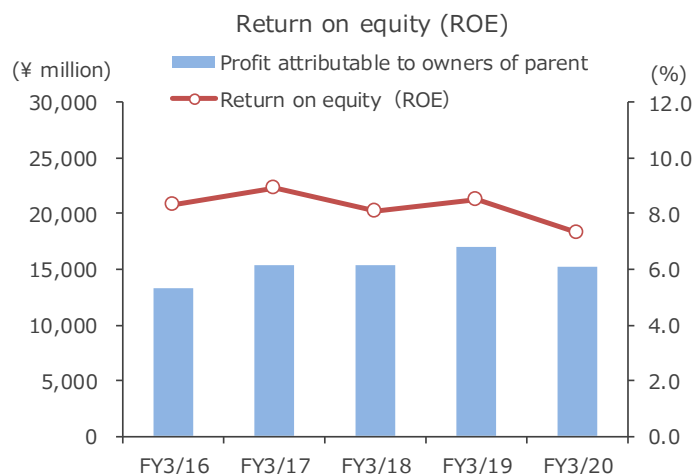
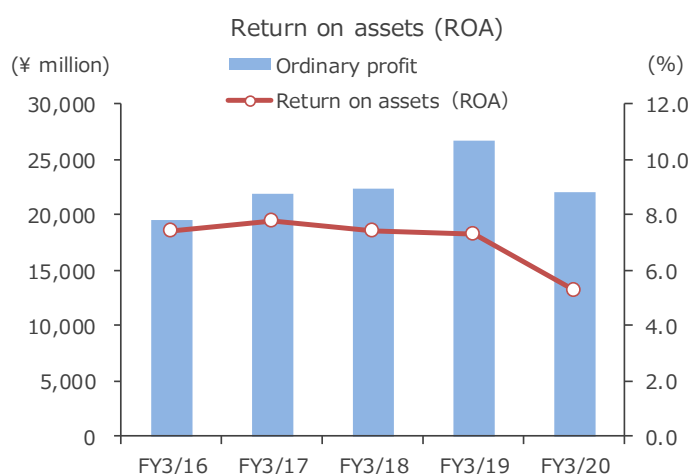
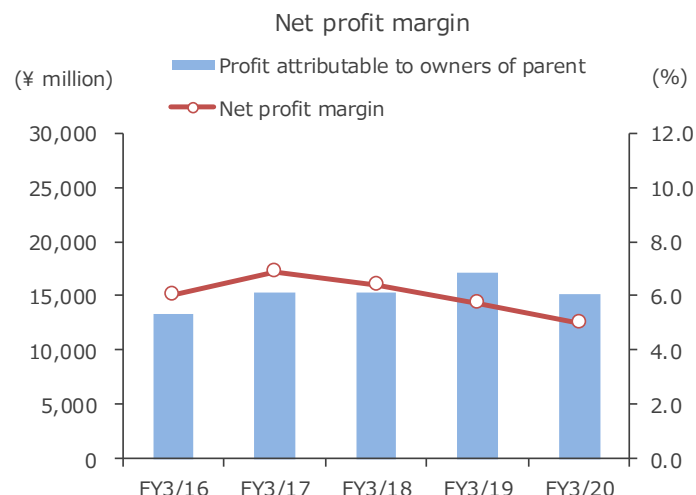
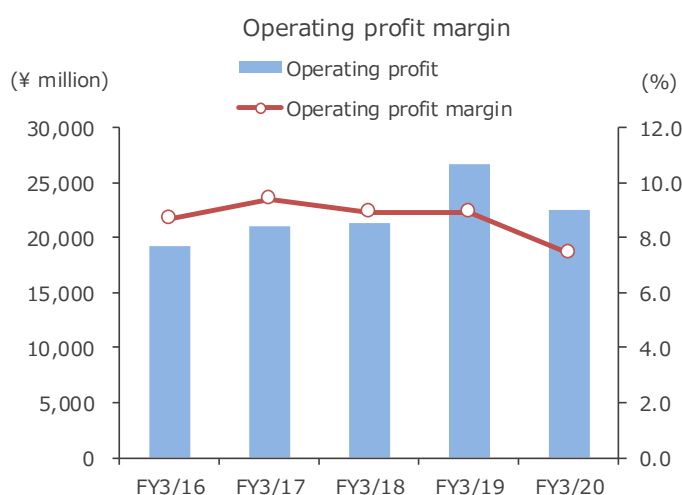
Operating profit margin=Operating profit/Net sales

Ordinary profit margin=Ordinary profit/Net sales

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

ROA=Ordinary profit/Average total assets

ROE=Profit attributable to owners of parent/Average equity



Efficiency Indicators

(¥ million)	FY3/16	FY3/17	FY3/18	FY3/19	FY3/20
Net sales	222,746	223,440	239,612	299,354	304,131
Cost of sales	170,144	167,576	181,834	224,828	224,575
Total assets	270,038	290,485	312,152	414,549	409,452
Inventories	39,969	41,202	46,213	70,104	69,050
Trade receivables	45,444	50,250	55,397	93,416	84,765
Trade payables	33,505	33,145	38,599	56,296	46,125

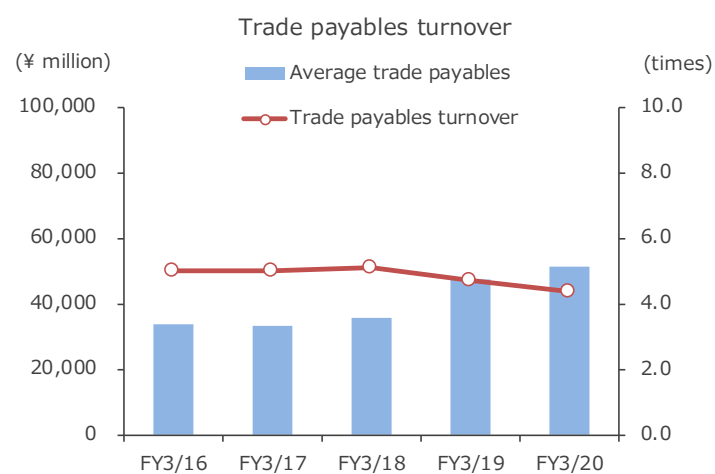
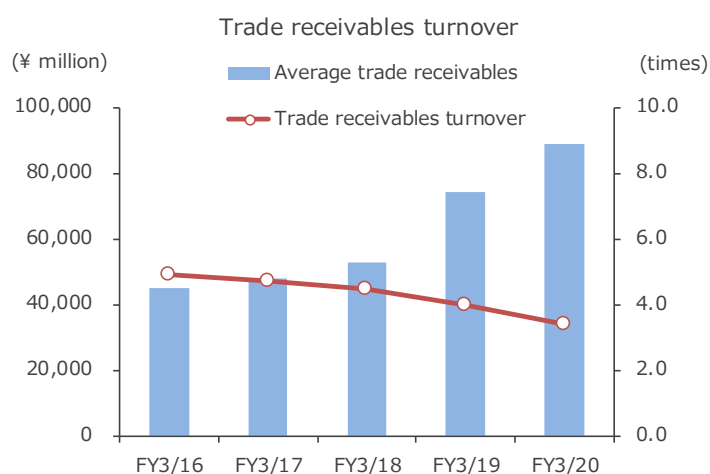
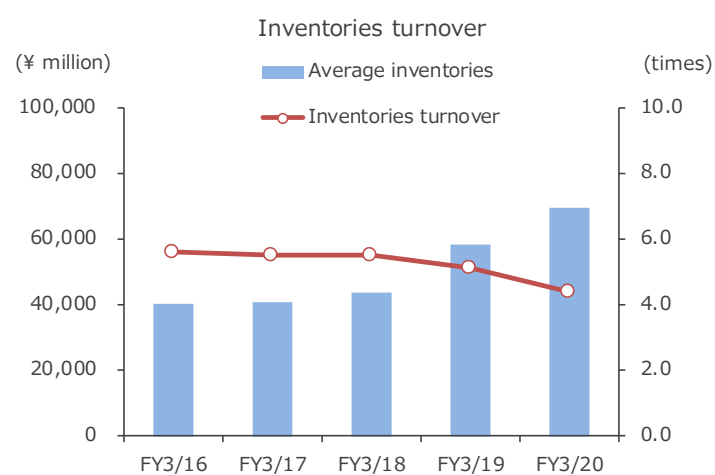
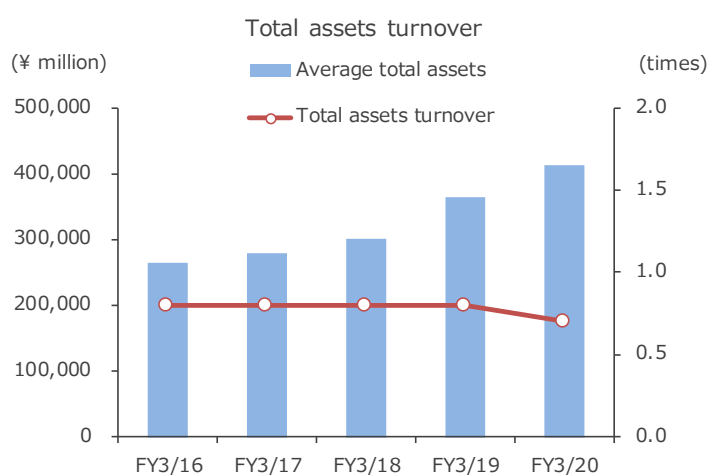
(times)	FY3/16	FY3/17	FY3/18	FY3/19	FY3/20
Total assets turnover	0.8	0.8	0.8	0.8	0.7
Inventories turnover	5.6	5.5	5.5	5.1	4.4
Trade receivables turnover	4.9	4.7	4.5	4.0	3.4
Trade payables turnover	5.0	5.0	5.1	4.7	4.4

Total assets turnover=Net sales/Average total assets

Inventories turnover=Net sales/Average inventories

Trade receivables turnover=Net sales/Average trade receivables

Trade payables turnover=Cost of sales/Average trade payables



Stability Indicators

(¥ million)	FY3/16	FY3/17	FY3/18	FY3/19	FY3/20
Equity	163,309	180,077	196,619	204,580	210,266
Total assets	270,038	290,485	312,152	414,549	409,452
Non-current assets	124,962	134,583	147,198	181,462	181,816
Current assets	145,076	155,901	164,953	233,087	227,635
Current liabilities	65,991	67,845	75,815	107,156	92,704
Interest-bearing debt	32,003	32,108	30,828	60,993	60,852

	FY3/16	FY3/17	FY3/18	FY3/19	FY3/20
Equity ratio (%)	60.5	62.0	63.0	49.4	51.4
Non-current ratio (%)	76.5	74.7	74.9	88.7	86.5
Current ratio (%)	219.8	229.8	217.6	217.5	245.6
Interest-bearing debt ratio (%)	11.9	11.1	9.9	14.7	14.9
Interest coverage ratio (times)	51.6	59.7	56.0	27.2	27.2

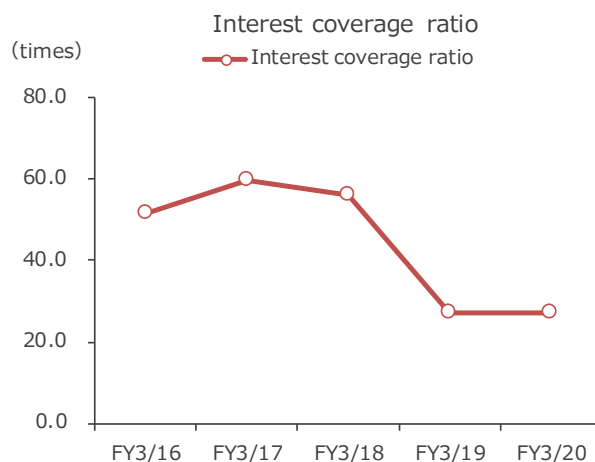
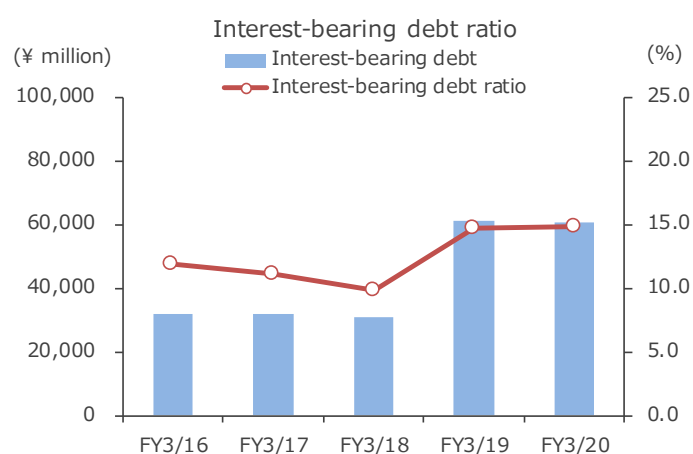
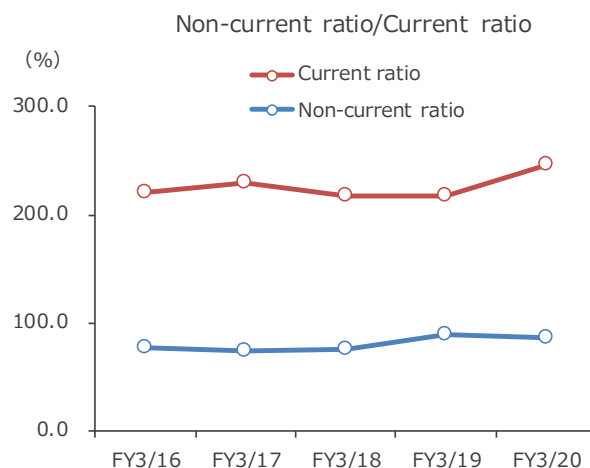
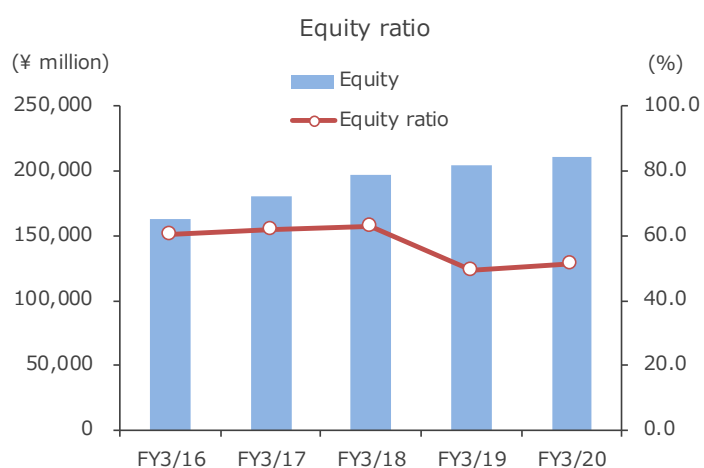
Equity ratio=Equity/Total assets

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

(¥)	FY3/16	FY3/17	FY3/18	FY3/19	FY3/20
Stock price at term end	1,643	1,622	1,918	1,623	1,351
Closing stock price range for the last 12 months	1,398-1,863	1,161-1,673	1,543-2,061	1,429-2,107	1,156-1,726
Earnings per share (EPS)	128.38	149.03	149.18	165.78	147.69
Book-value per share (BPS)	1,581.14	1,751.20	1,910.23	1,986.53	2,036.98
Dividend per share (DPS)	30.00	35.00	39.00	45.00	48.00

(times)	FY3/16	FY3/17	FY3/18	FY3/19	FY3/20
Price earnings ratio (PER)	12.80	10.88	12.86	9.79	9.15
Price book-value ratio (PBR)	1.04	0.93	1.00	0.82	0.66

(%)	FY3/16	FY3/17	FY3/18	FY3/19	FY3/20
Dividend payout ratio	23.4	23.5	26.1	27.1	32.5
Dividend on equity (DOE)	1.8	1.9	2.0	1.9	2.0

DOE=Total dividend paid/Net assets

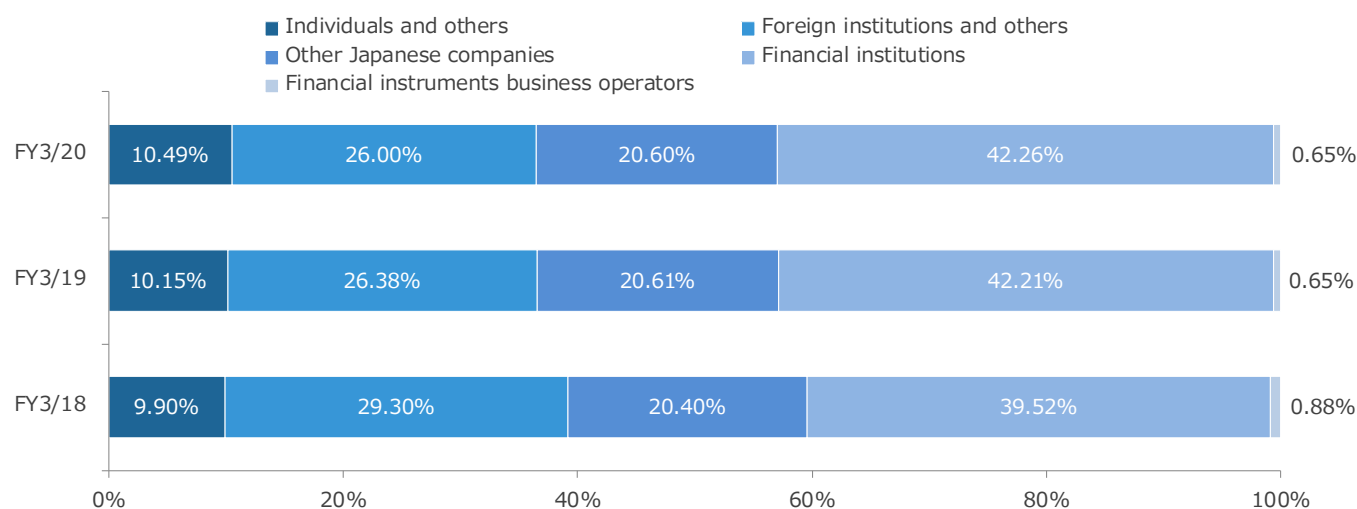
Major Shareholders

as of March 31, 2020

Shareholders	Number of shares (thousand shares)	Shareholding ratio (%)
Japan Trustee Services Bank, Ltd. (Trust Account)	6,663	6.43
The Master Trust Bank of Japan, Ltd. (Trust Account)	6,415	6.19
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	2,945	2.84
National Federation of Agricultural Cooperative Associations	2,334	2.25
The Norinchukin Bank	2,244	2.16
ZEON CORPORATION	2,188	2.11
SHOWA KOSAN Co., Ltd.	1,870	1.80
Japan Trustee Services Bank, Ltd. (Trust Account 5)	1,844	1.78

* Shareholding ratio is calculated excluding treasury shares (60,161 shares).

Breakdown by Type of Shareholders





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