



ANNUAL REPORT 2017

For the fiscal year ended March 31, 2017



NIPPON SODA CO., LTD.

Creating new value through the power of chemistry

Working on diverse themes to create new value through the power of chemistry

Since our founding in 1920, Nippon Soda has accumulated unique technologies and know-how, and provided highly functional and high-value-added chemical products in such diverse fields as agriculture, pharmaceuticals and specialty chemicals.

Furthermore, as a company that handles chemical substances, we have always been mindful of the doctrine of responsible care and have driven business activities with attention to the environment, safety and health.

Additionally, amid desires for environmental protection and a safe, comfortable lifestyle, we have responded to the varied needs of society as a trusted company.

Going forward, Nippon Soda will contribute to the building of a rich society that realizes the dreams of the next generation through innovative technologies and products.



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Disclaimer Regarding Forward-Looking Statements

Statements made in this annual report with respect to Nippon Soda Co., Ltd.'s current plans, strategies and beliefs are not historical facts. Rather, they are forward-looking statements based on the Company's estimates and beliefs, which management formed through analysis of currently available information. Many factors could cause actual results to differ from these forward-looking statements. These factors include the potential risks and uncertainties of all business environments, as well as the changing consumer preferences and demands, the acceptance of our products and our ability to continue providing necessary services in the face of stiff competition in the Japanese chemical field, the Company's main line of business.



**We will push ahead with efforts to
bolster our business foundation and
further increase our corporate value.**



Akira Ishii
President



Operating environment and results for the fiscal year under review (fiscal 2017, ended March 31, 2017)

During fiscal 2017, the Japanese economy continued to recover at a moderate pace, supported by an improvement in the employment situation. Nevertheless, the outlook remained uncertain in part because of the growing unpredictability about the direction of overseas economies, reflecting the slowdown in emerging economies and the Brexit issue, among other factors.

In this environment, the Nippon Soda Group worked aggressively to boost sales activities and to cut costs.

However, sales were lackluster, reflecting the effect of the yen's appreciation compared with the previous fiscal year. In the Chemicals Division, an additional factor was the decline in industrial chemicals due to stagnant demand, weakness in the market, and the ending of sales for some pharmaceutical raw materials. The Agro Products Division saw a decline in exports of agrochemicals due to a drop in grain prices and the effect of inventory adjustments in some regions. Also in this division, R&D expenses for new agrochemicals that we plan to gradually start selling from 2017 remained at a high level, putting pressure on revenue.

As a result, consolidated net sales declined 9.9% year on year to ¥128,647 million, and operating profit slid 27.7% to ¥5,365 million.

Ordinary profit dropped 47.7% to ¥9,908 million, affected by a drop in profit at Novus International, Inc., an affiliated company accounted for by the equity method, and a change in the percentage of ownership of that company from 35% to 20%. Profit attributable to owners of parent fell 38.6% to ¥8,785 million.

With respect to shareholder return, we implemented a purchase of approximately ¥2,000 million in treasury shares during the fiscal year under review. We set a year-end dividend of ¥6 per share. Combined with the already-paid interim dividend of ¥6 per share, the annual dividend per share totaled ¥12, the same as in the previous fiscal year.

Review of the previous medium-term business plan (April 2013 to March 2017) and challenges

The previous medium-term business plan represented the second step (Stage II) of Nippon Soda's long-term vision, *Chemigress to 100*.

Under this plan, we implemented measures focused on three priority initiatives: (1) increase the driving force for growth, (2) strengthen and restructure our business foundation, and (3) enhance the Group's comprehensive capabilities.

Looking at the main results of our efforts, in the Agro Products Division we saw smooth progress in the development of three new agrochemicals. In the cellulose derivatives business, we moved ahead with the enhancement of our business structure, including sales promotion of NISSO HPC pharmaceutical additive and investment in a medium-sized testing facility. In the functional polymer business, we established a system to boost sales of NISSO-PB resin additive and the semiconductor photo resist material VP-Polymer. Alkaline SAS (France) launched an alcoholates business and lithium electrolysis business alongside its conventional metallic sodium business, and is conducting sales smoothly.

In addition, we strengthened our overseas production system for our main agrochemicals and worked to establish a global sales promotion

system for agrochemicals. Efforts in this area included underwriting an increase in capital at IHARABRAS S/A. INDÚSTRIAS QUÍMICAS (Brazil), investment in Summit Agro Vietnam LLC., and conversion of Certis Europe B.V. (Netherlands) into an affiliated company accounted for by the equity method.

In terms of income and expenditure, we achieved steady progress in expanding the operations of affiliated companies accounted for by the equity method. However, in fiscal 2017, the last year of the previous medium-term business plan, we did not reach our goal due to continuing appreciation of the yen and delays in the expansion of operations through M&A. Under our new medium-term business plan, we will reinforce our ability to respond to external factors and work to establish a corporate foundation that makes it possible to maintain stable revenue.



Outlook for the next fiscal year

For fiscal 2018, we are forecasting consolidated net sales of ¥133,000 million (up 3.4% year on year), ordinary profit of ¥7,900 million (down 20.3%), and profit attributable to parent of ¥5,500 million (down 37.4%).

This forecast assumes exchange rates of ¥110 to the U.S. dollar and ¥115 to the euro. Although

the business environment includes a number of uncertainties, such as currency movements and product market conditions, we will continue striving to achieve our plan through steady efforts to boost our earning capacity and steady implementation of the measures of our new medium-term business plan.

New medium-term business plan (April 2017 to March 2020)

(1) Basic initiatives

Our new medium-term business plan is a three-year plan from April 2017 to March 2020, with the final year marking our 100th anniversary.

The plan's central themes are to boost earning capacity and to generate new business. Under the plan we will expand existing business, create new business, promote development, and strengthen the Group's business foundation with the aim of achieving an operating margin of at least 6.5% (and at least 8.0%, excluding trading business) as well as ordinary profit of ¥13,000 million. We intend to invest ¥50,000 million over the three years to contribute to future growth.

To strengthen our business foundation, we will

use improvement in return on invested capital (ROIC) as an indicator, aiming to achieve a return on equity (ROE) of at least 7.0% in the plan's final year by steadily improving profitability and efficiency in every division.

In our efforts to raise our earning capacity, we will strive to expand sales around our core businesses of cellulose derivatives, functional polymers and agro products, which are the growth drivers. In the Agro Products Division, we will launch the new fungicide NF-171 and the new acaricide NA-89 with the aim of winning market share at an early stage.

With respect to the creation of new business, we will commercialize a new secondary battery

material, which we plan to start selling during the period of the new medium-term business plan.

We also intend to enter into new domains through the use of our distinctive technology, including pushing ahead with research into the mass production of biodegradable polymers.

Investment to implement a range of initiatives will take priority, resulting in a large level of expenses during the three years covered by the new plan. For this reason, we anticipate earnings growth to slow, but we will do everything we can to achieve our goal of raising profitability.

(2) Vision for the Group after our 100th anniversary

Our vision for the Nippon Soda Group after its 100th anniversary is to leap into a new growth stage. We will do this by renewing and enhancing our product portfolio, centered on new agrochemicals, in our Agro Products Division to set the stage for significant enhancement in profitability, and by creating further added value in the product mix of our Chemicals Division.

Taking the period covered by the new medium-term business plan as a time to “strengthen our structure” for new growth, we will push ahead with efforts to bolster our business foundation and further increase our corporate value.

Message to investors

The environment surrounding the Nippon Soda Group is expected to grow increasingly severe. Accordingly, we will deepen our management of corporate social responsibility (CSR); give proper consideration to the environment, quality, and safety; ensure that corporate behavior is based on legal compliance and corporate ethics; and strive to further enhance compliance. At the same time, we will follow the Corporate Governance Code and continue working to improve our governance system to meet stakeholder expectations.

Fiscal 2018 is the first year of our new medium-term business plan. During this period for “strengthening our structure” to put us on a new growth path from 2020—when we mark our 100th anniversary—the entire Group will work as one to achieve its goals and push ahead to the new stage of development from 2020 onward.

We look forward to the ongoing support of all our investors.

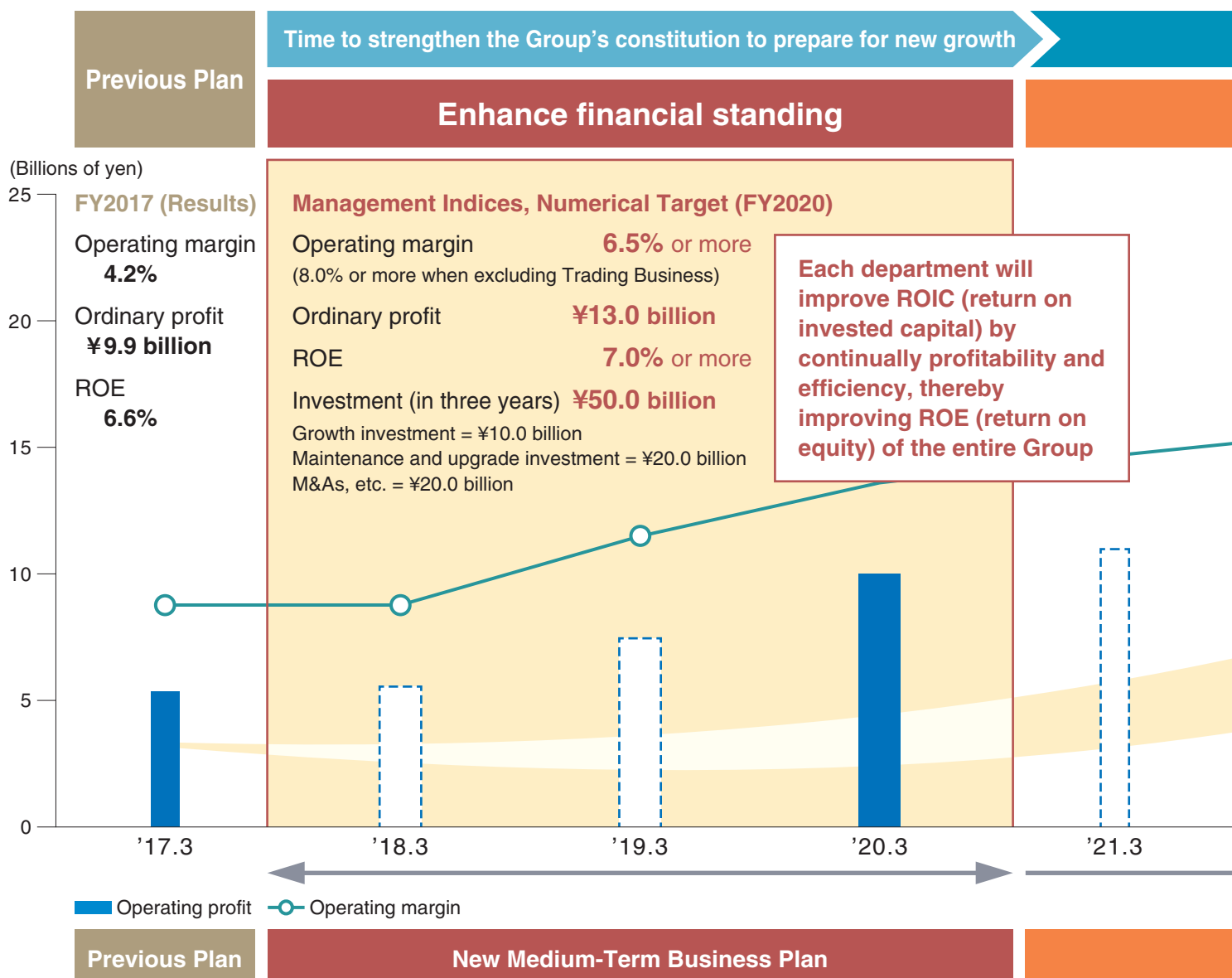
Approach of the New Medium-Term Business Plan

Looking ahead to a vision of the Group following the 100th anniversary in 2020, Nippon Soda has launched initiatives to boost corporate value even further under the

Main objectives of the new medium-term business plan

“Increase business earning power” and “Create new businesses”

- Expansion of existing businesses centered on growth drivers
- Creation of new businesses and promotion of development
- Enhancement of the Group’s business foundation



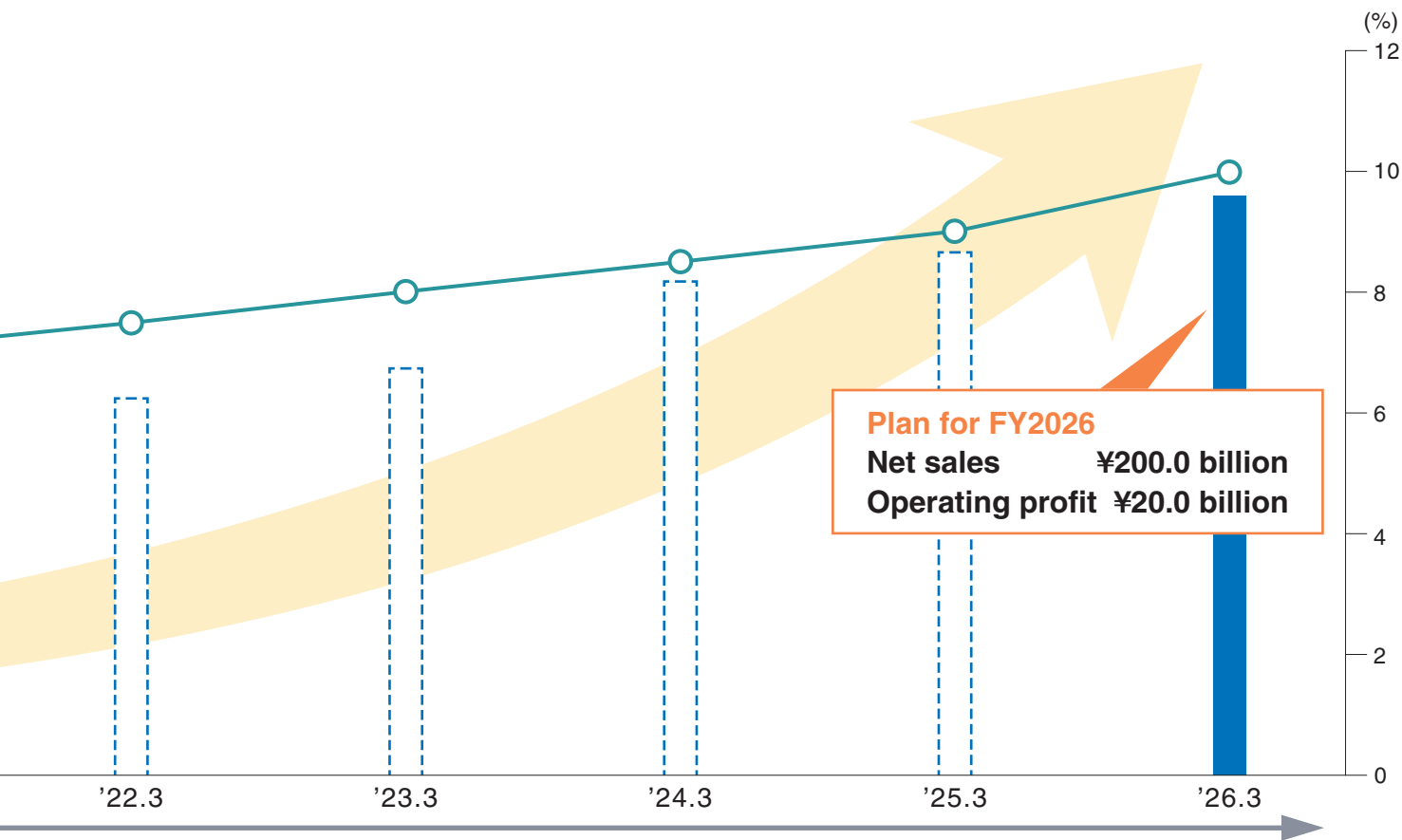
new medium-term business plan. We will deepen the growth strategy we have followed thus far and push ahead with the establishment of a solid business foundation.

Snapshot of the Group advancing to the 100th anniversary year and beyond

Agro products	Significantly improve profitability through innovation and strengthening of product portfolio centered on new agrochemicals
Chemicals	Continually increase share of high-value-added products among product composition

Advance to new stage of growth

Further increase corporate value



100th anniversary and beyond

Priority initiatives in the new medium-term business plan

Expansion of Existing Businesses Centered on Growth Drivers

Chemicals

Measures focused on improving profitability

Expansion of growth business areas

- Further expanding sales of cellulose derivatives (pharmaceutical additive HPC) and functional polymer (resin additive NISSO-PB) whose demands are growing
- Making specific plans for next-stage production increases of above two products
- Ramping up production capacity of KrF photoresist material VP-polymer to support demand growth in the future
- Planning and executing sales expansion strategy for inorganic metal alcoholate products through Alkaline SAS in France in consideration of the mercury laws and regulations in Europe

Upgrading of foundational businesses (Chlor-Alkali business)

- Making appropriate maintenance and upgrade investments to maintain a structure for stable and inexpensive supply of consumable materials within the Group
- Completion of sweeping business structural improvements and initiatives to reduce business operating costs while increasing earning capability from external product sales

Agro Products

Expansion of earnings from new and existing agents from enhancement of production and sales framework

Creation of new agents developed in-house

- Launch of new fungicide NF-171 and acaricide NA-89 to acquire market share early
- Development to launch the new fungicide NF-180

Sales expansion of existing products

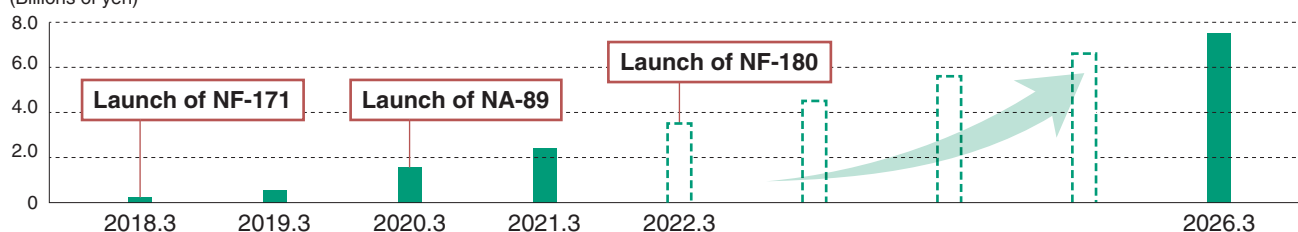
- Leveraging of global sales expansion framework (established under previous medium-term business plan) to expand market share of Company's products
- Expansion of sales of biological agrochemicals in overseas markets

Enhancement of production framework

- Higher sales volume of main projects achieved through greater price competitiveness from enhancements in overseas production and strengthened cooperation with Group's manufacturing companies

Forecast of sales transition of three newly developed agrochemicals

(Billions of yen)



Transportation and Warehousing

Enhancement of earning capacity by further development of existing technologies and expansion into peripheral businesses areas

- Maintenance of high operating margins based on expertise in storage and transportation of hazardous items, poisonous materials and pharmaceuticals
- Execution of investments of ¥1.0 billion to enhance functionality and high added value, aiming to expand business scale even further
- Construction of stable logistics system as the Group's logistics center

Construction

Enhancement of earning capacity by further development of existing technologies and expansion into peripheral businesses areas

- Differentiation through increased sophistication of core technologies such as powdered chemical handling technology and pharmaceutical GMP validation to increase earnings potential

Creation of New Businesses and Promotion of Development

Creation of new businesses with awareness for speed through selection and concentration of core competencies

Creation of new businesses

- Commercialization of new secondary battery materials and start of sales during the period of this medium-term business plan
- Promotion of research and development for mass production of environmentally friendly biodegradable polymer (polyamide 4)
- Use of Group's distinctive materials and existing technologies to drive advancement into new fields
- Consideration of acquisitions as a means of entry into new businesses

Promotion of research and development

- Positioning of agro products, cellulose derivatives, functional polymers, color developer for thermal paper, and chemicals related to environment as priority business fields and strong promotion of new product development and new commercialization
- Rational and swift identification of focus themes in research theme management to streamline research and development

Enhancement of the Group's business foundation

Continual improvement of profitability and efficiency of each department to enhance business foundation
Improvement in ROIC (Return on Invested Capital)

Enhancement of the Group's comprehensive capabilities

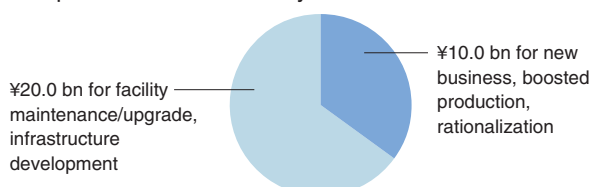
- Coordinated upgrade of each Group company's accounting system
- Streamlining of profit management
- Revision of current functions/organizations

M&As/Business alliances

- Planned financing of ¥20.0 bn

Capital investments

- Capex of ¥30.0 bn over 3 years



Enhanced business management of equity-method affiliates

- Appropriate response to business plans and capital policies (Novus International, Inc., IHARABRAS S/A, etc.)

Further Development of CSR Management

Balanced implementation of CSR activities to protect corporate value and CSR activities to improve corporate value

Shareholder Return Policy

- Stable and continuous dividend distribution, while maintaining financial resources for growth investment
- Flexible stance on repurchasing treasury shares as a shareholder return measure to supplement dividends

Indicator

Numerical Target

Total Return Ratio

30%

* Total return ratio = (total amount of dividends + total amount of purchase of treasury shares) / consolidated profit

Growth Drivers of the Company

Pharmaceutical additive HPC (Hydroxypropyl cellulose)



Features

- Extremely high functionality (binding strength, moisture resistance, etc.)
- One of the few additives soluble in water and alcohol, and has a wide choice of manufacturing method

Purpose

- Molding of pharmaceuticals and supplements
- Thickener in food and personal care products

Outlook

- Demand for HPC is expected to increase due to the growth of emerging markets, the pharmaceutical market, and food applications as well as expansion in generic products.

Resin additive NISSO-PB



Features

- Nippon Soda's proprietary liquid polybutadiene, derived by means of living anionic polymerization
- Superior water-resistance, good chemical resistance, and electrical properties

Purpose

- Used in a wide variety of products, such as resin modifiers, electronic materials and adhesives
- Demand is increasing for use as an additive in flexographic printing plate materials

Outlook

- Demand for NISSO-PB continues to grow due to an increase in the adoption of new applications for electronic materials as well as the worldwide spreading of flexo printing.

Semiconductor photo resist material VP-Polymer



Features

- Nippon Soda's proprietary polymer product, derived by means of living anionic polymerization
- Excellent solubility

Purpose

- KrF photoresist material for semiconductors

Outlook

- The market for VP-polymer is anticipated to grow in tandem with increasing demand for KrF photoresist on the back of change in semiconductors requirements, such as growing demand for 3D NAND flash memory.

Agrochemicals (New agents)

Product (Scheduled year of launching)	Features	Sales target
Fungicide NF-171 (2017)	<ul style="list-style-type: none"> • New class of fungicide • Effective against existing fungicide-resistant fungi • Potential for development of business in the field of seed disinfection overseas (corn, soybeans, wheat and barley, rapeseed, etc.) • Aiming to further expand sales by increasing applications through the development of combination products 	¥3.0 billion
Acaricide NA-89 (2019)	<ul style="list-style-type: none"> • New action mechanism: no cross-resistance with existing agents • No effect on beneficial insects and natural enemies • Under development in Japan and South Korea • Plans for expanding into other overseas markets under consideration 	¥3.0 billion
Fungicide NF-180 (2021)	<ul style="list-style-type: none"> • New action mechanism: effective against existing fungicide-resistant • Expected to be a large agent given its effectiveness against a broad spectrum of diseases 	¥4.0 billion



Corporate Governance

Basic Concept

Nippon Soda places primary importance on sound and transparent business management in compliance with the law. Its management philosophy is to contribute to social development by providing superior products through chemistry, to meet expectations from stakeholders, including shareholders, business partners, employees and local communities, and to promote environmentally conscious business practices and activities. Under this philosophy, Nippon Soda is committed to growing into a technology-oriented group that develops high value-added products by making best use of its proprietary technologies and expands its business internationally with a focus on chemistry. Nippon Soda recognizes the importance of good corporate governance in order to achieve its philosophy and respond promptly and effectively to sudden changes in the business environment.

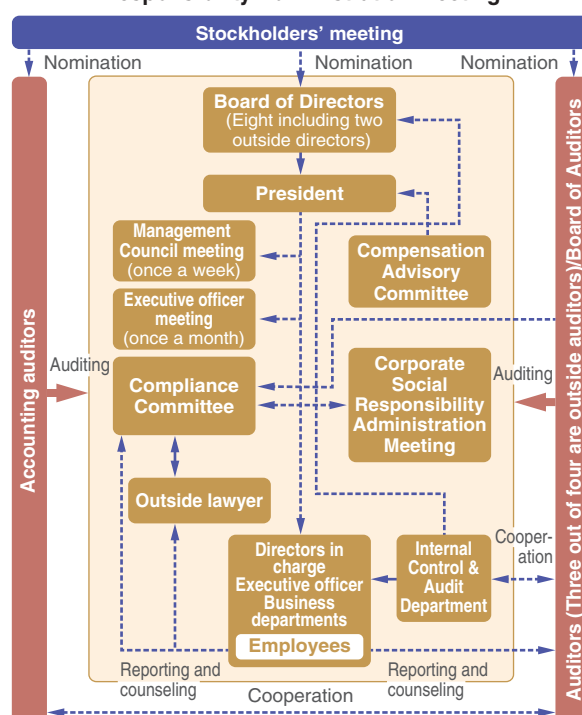
Corporate Governance Status

Board Structure	Traditional Two-Tier Board with Auditors
Directors	
Term	1 year
Minimum/Maximum Number	3/10
Reduction or Release of Responsibilities	Outsiders only
Removal of Directors	Ordinary resolution
Auditors	
Term	4 years
Minimum/Maximum Number	3/5
Reduction or Release of Responsibilities	Outsiders only
Removal of Directors	Special resolution
Shareholder Rights	
Share Buybacks	The Board of Directors can make decisions without shareholder approval
Appropriation of Surplus Shareholder Proposals on Dividends	Matters to be resolved at General Meeting of Shareholders

Directors

Name	Position	Classification	Gender	Tenure (years)
Akira Ishii	President (Representative)	Insider	Male	8
Hirofumi Adachi	(Representative)	Insider	Male	2
Noriyuki Haketa		Insider	Male	1
Tsutomu Sakuma		Insider	Male	1
Akio Morii		Insider	Male	New
Yasuko Takayama		Outsider	Female	2
Tetsuo Narukawa		Outsider	Male	1
Hirofumi Uryu		Insider	Male	New
		25.0% Outsiders	12.5% Females	1.87 (Average)

Corporate governance system and Corporate Social Responsibility Administration Meeting



Effectiveness Assessment of the Board of Directors

The Board of Directors conducts an annual self-assessment questionnaire on all directors and auditors to determine proper business management and improve supervisory functions. Based on questionnaire results, the company analyzes and evaluates the effectiveness of the Board of Directors.

The assessment results have confirmed that the Board of Directors of Nippon Soda maintains overall effectiveness as of 2016. At the same time, however, some issues that need to be improved to achieve a better process for developing medium- and long-term business plans and better functioning of outside directors were identified. With this in mind, we will continue our efforts to improve the Board's effectiveness.

Environmental Protection

Basic Concept

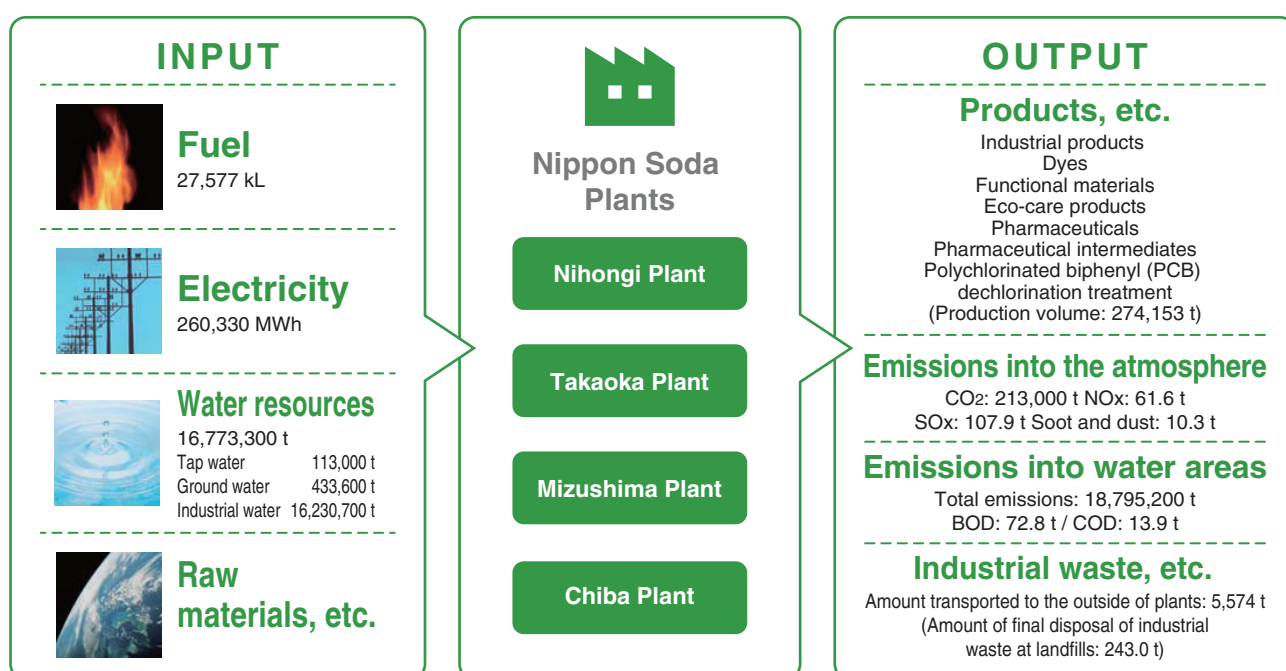
It is our responsibility to protect the global environment and contribute to the sustainable development of society. The Nippon Soda Group will continue its efforts not only in preventing environmental pollution and complying with laws and regulations but also in reducing the environmental impacts associated with its business activities (prevention of global warming, reduction in waste generation and the amount of final disposal of waste in landfills) as well as developing products and processes with less environmental impact.

Policy for FY 2018

Efforts will be focused on energy saving, resource saving, reduction and recycling of waste, and reduction of harmful substance emissions so as to minimize the impact of our business activities on the environment.

Environmental performance indicators (EPIs)

The environmental impacts of Nippon Soda's four major plants in Japan in FY 2017 is shown in the figure below:
(Figure: Major environmental impact data)



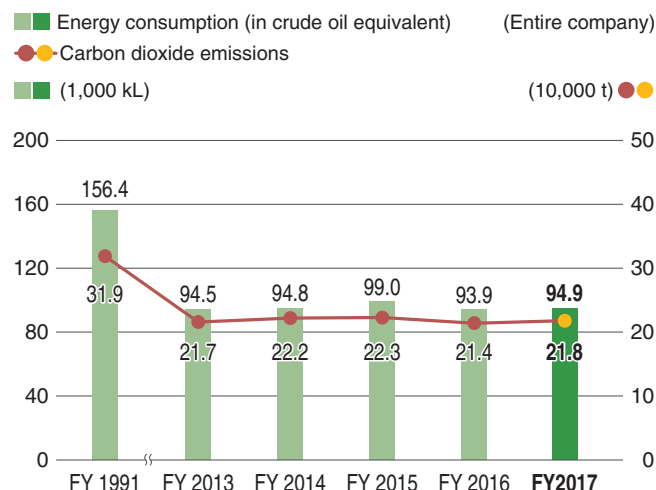
Reduction of energy consumption

Under its policy of energy use rationalization, Nippon Soda is making company-wide efforts to improve its energy use per unit of production, such as the replacement of old and obsolete equipment with highly efficient models, the streamlining and energy consumption reduction of production processes, and the implementation of power-saving measures.

The energy use per unit of production by Nippon Soda for FY 2017 was reduced by 0.5% compared with the previous fiscal year, thanks to the adoption of energy-saving devices, changes in manufacturing conditions, improvement and proper management of air-conditioning and lighting systems, and other measures.

We will continue our efforts from various approaches to enhance energy saving, such as improvement of production processes, adoption of energy-saving devices, visualization of energy consumption, and implementation of power-saving measures.

Changes in energy consumption and CO₂ emissions



* In FY 2010 and later years, the amounts of consumption at the Head Office, branches and other offices were included. The data collection area at Chiba Plant was changed.

Human Rights/Labor Practices

Basic Concept

The Nippon Soda Group respects the dignity and human rights of all people and recognizes the importance and universality of such rights. Recognizing the diversity of cultures, customs and values, we take no actions that result in discrimination.

To build a work environment where employees' individuality is fully respected and all employees can feel comfortable and fulfilled, we proactively develop and review personnel and employment systems to ensure the ongoing improvement of working conditions.

With particular emphasis on promoting diversity and strengthening employee satisfaction in our CSR activities, we allow our diverse team of employees to grow and enjoy fulfilling work.

Policy for FY 2018

Full implementation of the medium-term diversity plan developed in 2016 and steady improvement using a PDCA cycle.

Analysis of the results from the second employee satisfaction survey and development and implementation of an action plan.

Promotion of diversity

Development of the diversity policy

We believe it is essential to embrace different ideas that come from different people, regardless of their personal attributes such as gender, age, nationality and presence or absence of disability, in order for us to continue developing in this rapidly changing business environment. In line with this belief, we developed the Diversity Policy in 2016 with the aim of enhancing and accelerating our efforts in diversity.

Diversity Policy

Nippon Soda considers it necessary for a corporate group to value diversity in order to generate new innovations and increase its global competitiveness. In this context, we recognize the promotion of diversity as an important management strategy.

Efforts to promote diversity include transformation of our personnel systems to make full use of our diverse human resources, improvement of the corporate culture and work environment, and implementation of various other basic support systems. Through these efforts, we aim to become a company where global-minded, motivated, competent employees can enjoy working and continuously grow and develop regardless of gender, age, nationality, etc.

Acceptance of diversity

More emphasis will be placed on hiring and employing diverse candidates regardless of gender, age, nationality, ability or disability, and regardless of whether new graduates or mid-career hires, so as to create a more diverse organization. Moreover, we promote the

exchange of staff between domestic offices and overseas subsidiaries to allow our employees to experience working in different environments and to promote personnel diversification at each worksite.

A group consisting of people with different values should give its members the impetus to broaden their outlook and change their viewpoint. Workplace diversity training programs designed for directors and executive officers, as well as other specific positions, are provided to help participants recognize diverse values and empower individuals and organizations to raise diversity awareness.

Efforts to advance human rights at worksites

Respect for human rights

In accordance with our management philosophy, we are committed to contributing to social development through chemistry. To fulfill this commitment, we comply with laws and regulations as well as ensure sound and transparent business practices.

The Nippon Soda Group Code of Conduct, which sets out the requirements that all employees of the Nippon Soda Group must follow in their daily business activities, clearly states our commitment to respect for human rights and non-discrimination and declares that we respect the individuality and personal characteristics of every employee and do not take any action that would result in discrimination. In FY 2017, we received no complaints or reports about discrimination or the infringement of human rights.

Chemicals Division

Fiscal 2017 Results

In the Chemicals Division, sales of industrial chemicals were lackluster due to such factors as stagnant demand and weakness in the market. Also, sales of several pharmaceutical raw materials were ended. As a result, in the fiscal year under review, the Chemicals Division recorded net sales of ¥37,154 million (down 8.6% year on year) and operating profit, which was affected by foreign exchange rates and other factors, was ¥1,556 million (down 27.3%).

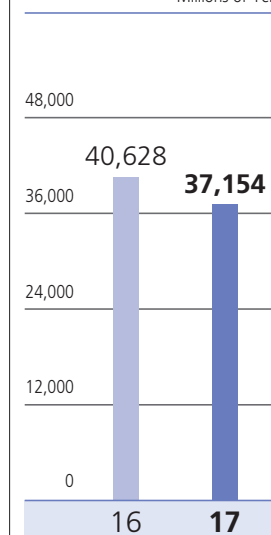
Despite robust sales of caustic potash and other products, industrial chemical sales declined, reflecting a drop in sales of sodium cyanide, caustic soda and other products. Fine chemical sales remained on the same level as the previous year as a result of robust sales of O-tolidine diisocyanate and other products. Sales of Specialty chemicals fell due to lagging sales of NISSO-PB resin additive and other products. Eco-care product sales declined because of a fall in exports of NISSO Hi-Chlon water treatment agent and a fall in sales of HIDION, a chelating agent for heavy metals, and other products. Sales of pharmaceuticals and pharmaceutical intermediates dropped due to the ending of sales of some pharmaceutical raw materials. Industrial fungicide sales declined following a decrease in sales of anti-mold agents for household applications and other products.

Business Description

The Chemicals Division is characterized by a diverse product lineup that draws on the use of proprietary technology. Its extensive array of products is employed in a wide range of areas. These include the liquid polybutadiene NISSO-PB, which is a specialty chemical created with unique technology; the NISSO HPC pharmaceutical additive, which has a solid reputation as a binding agent in the pharmaceuticals field, where needs are growing; and chlor-alkali products, which have been part of Nippon Soda's business since its founding. The Chemicals Division will continue to create high-quality, high-value-added products that are driven by special technology, while focusing on providing stable supplies.

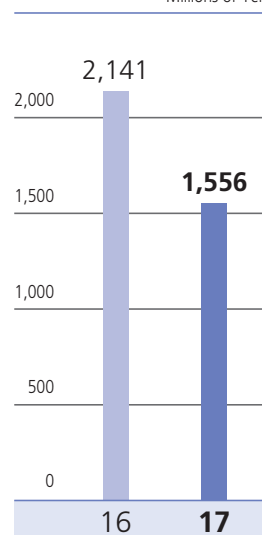
Net Sales

Millions of Yen



Operating Profit

Millions of Yen



Industrial Chemicals

Caustic soda (liquid, solid, flake)
Chlorine (liquid)
Hydrochloric acid
Caustic potash (liquid, flake)
Potassium carbonate
Sodium cyanide
Potassium cyanide
Aluminum chloride anhydrous
Phosphorus oxychloride
Phosphorus trichloride

Fine Chemicals

Sodium metal
O-tolidine diisocyanate
Sodium alcoholates (sodium methylate, sodium ethylate)
Organic Titanate (TPT, TBT, TST, etc.)
PCB detoxification treatment agent
Sulfur derivatives
Developer for thermal paper

Specialty Chemicals

NISSO-PB (liquid-1, 2-polybutadiene)
VP-Polymer (photo resist base resin)
TITA BOND (adhesive agent for film lamination)
BISTRAITER (photocatalyst)

Eco Business

NISSO HI-CHLON (calcium hypochlorite, AC70%, 65% min)
NISSO MELSAN (trichloroisocyanuric acid)
TAKE-ONE (uroliths remover)
HIDION (the chelating agent for heavy metal)
NUMERITORI (slime inhibitor for kitchens)

Pharmaceuticals/Intermediates

NISSO-HPC, CELNY (hydroxypropyl cellulose)
DAMN (diaminomaleonitril)
FAROPENEM-Sodium

Biocides (Industrial fungicide)

Besticide (bactericides)
Biocut (fungicides/algaecides)
Millcut (fungicides for wood)

Agro Products Division

Fiscal 2017 Results

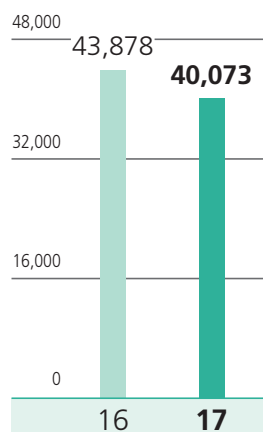
In the Agro Products Division, exports were weak due to the impact of foreign exchange rates (yen appreciation), a drop in grain prices, and inventory adjustments in some regions, despite the expectation of a rise in demand for agrochemicals over the medium term as a result of climbing food demand stemming from population growth and economic development in emerging countries. (The percentage of overseas sales was 56.7%.) Additionally, R&D costs remained at a high level for the development of the new agrochemicals that we plan to gradually start selling from 2017 onward. As a result, in the fiscal year under review, the Agro Products Division posted net sales of ¥40,073 million (down 8.7% year on year) and operating profit, which was affected by foreign exchange rates and other factors, was ¥1,801 million (down 24.3%). Fungicide sales fell on a drop in exports of Torifumine and Topjin M, despite robust sales of Befran and other products. Sales of insecticide and acaricide declined with a fall in exports of Mospilan. Herbicide sales decreased on lower exports of Hoenest.

Business Description

Since expanding business into the agrochemical field in the 1950s, Nippon Soda has provided a range of agrochemical products, focused on effectiveness and safety. Topsin-M fungicide, which has become a long-seller since its launch in 1971, is currently used widely in some 90 countries, mainly for fruits and vegetables. In the field of insecticides and acaricides, the insecticide Mospilan, which we began selling in 1995, has found favor in about 100 countries, including Japan, thanks to its effectiveness in exterminating numerous pests, including ones that are difficult to control otherwise. We will continue to focus on the development of distinctive agrochemicals that find support around the world for their combination of effectiveness and safety.

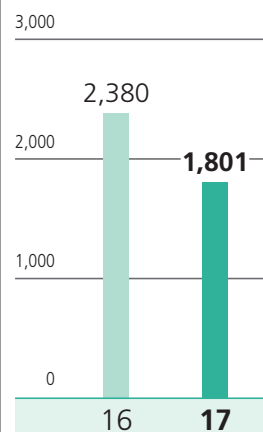
Net Sales

Millions of Yen



Operating Profit

Millions of Yen



Fungicides

TOPSIN-M (thiophanate-methyl)
 BEFRAN (iminocyclotriacetate)
 BELLKUTE (iminocyclotriacetate)
 TRIFMINE (triflumizole)
 PANCHO TF (cyflufenamid-triflumizole)
 AGROCARE (bacillus subtilis)
 MASTERPIECE (pseudomonas rhodesiae)
 FANTASISTA (pyribencarb)
 ETHOFIN (ethaboxam)
 MONSIEUR BORDEAUX (basic copper sulfate)

Insecticides-Acaricides

MOSPILAN (acetamiprid)
 NISSORUN (hexythiazox)
 ROMDAN (tebufenozide)
 KOTETSU (chlorfenapyr)
 PHOENIX (flubendiamide)
 VERIMARK (cyantraniliprole)

Herbicides-Plant Growth Regulator

NABU (sethoxydim)
 HOENEST (tepaloxymid)
 CLETHODIM
 EIGEN (pyributicarb)
 CONCLUDE (flupoxam)
 ALPHARD (topramezone)

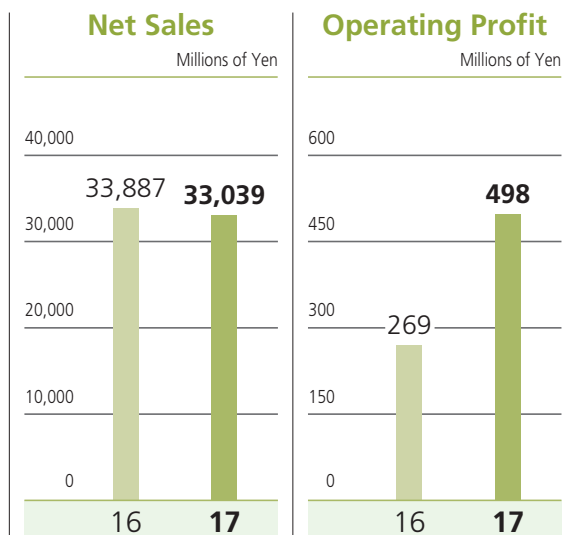
Others

Fumigants

Trading Division

Fiscal 2017 Results

The Trading Division, recorded net sales of ¥33,039 million (down 2.5% year on year) and operating profit of ¥498 million (up 85.2%) due to robust sales of feed additives, machinery and equipment, and other products, despite a decline in sales of organic and inorganic chemicals, urethane materials and other products.



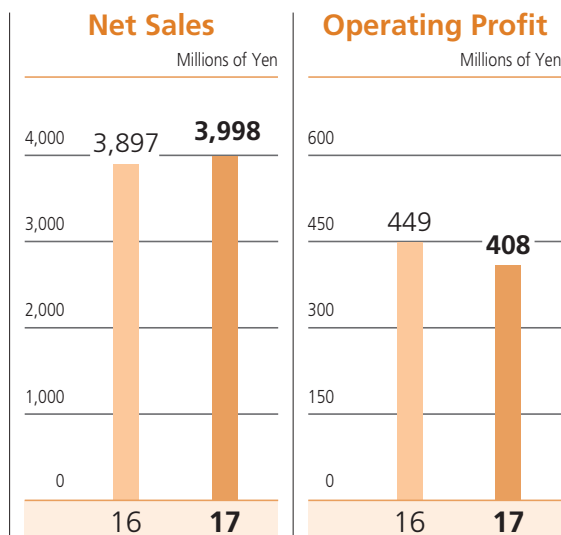
Business Description

Chemical products, functional products, synthetic resins, industrial machines and devices, construction products

Transportation/Warehousing Division

Fiscal 2017 Results

The Transportation/Warehousing Division, recorded net sales of ¥3,998 million (up 2.6% year on year) and operating profit of ¥408 million (down 9.1%) due to higher fixed costs associated with the operation of new warehouses, despite strong performances in both the transportation and warehousing businesses.



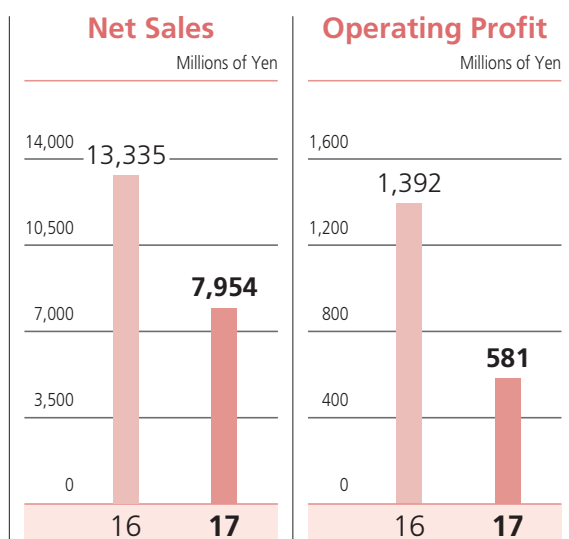
Business Description

Transportation and warehousing of chemicals and hazardous items

Construction Division

Fiscal 2017 Results

The Construction Division posted net sales of ¥7,954 million (down 40.3% year on year) and operating profit of ¥581 million (down 58.2% year on year) due to a decline in sales for plant construction.



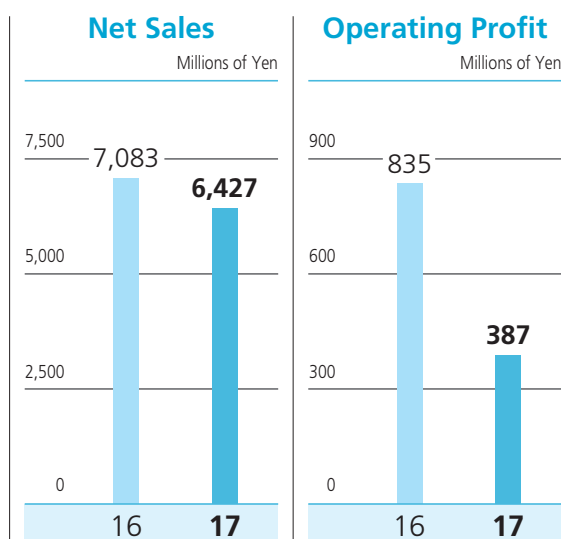
Business Description

Plant construction, civil engineering

Other Divisions

Fiscal 2017 Results

The Other Division recorded net sales of ¥6,427 million (down 9.3% year on year) and operating profit of ¥387 million (down 53.6% year on year).



Business Description

Non-ferrous metals, industrial waste treatment



Consolidated Financial Highlights

Nippon Soda Co., Ltd. and its consolidated subsidiaries
Years ended March 31

	Millions of Yen				Thousands of U.S. Dollars	
	2013	2014	2015	2016	2017	2017
Net sales	¥ 127,581	¥ 140,649	¥ 148,062	¥ 142,711	¥ 128,647	\$ 1,148,642
Gross profit	30,681	35,325	36,285	37,036	33,892	302,607
Selling, general and administrative expenses	26,586	28,926	29,000	29,620	28,526	254,704
Operating profit	4,094	6,399	7,285	7,415	5,365	47,903
Profit before income taxes	7,346	8,196	13,070	18,992	10,506	93,809
Profit attributable to owners of parent	5,303	5,833	10,945	14,313	8,785	78,437
Net assets	100,246	108,224	127,181	131,489	138,069	1,232,764
Total assets	193,344	204,297	221,285	220,587	217,302	1,940,200

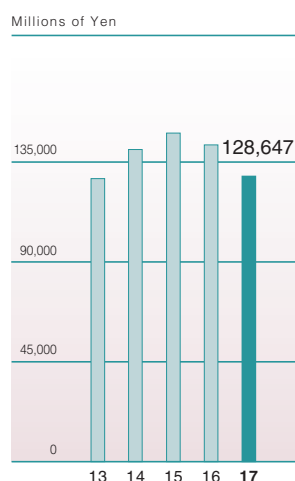
Return on equity (%)	5.9	5.9	9.9	11.5	6.6	
Return on assets (%)	2.8	2.9	5.1	6.5	4.0	
Operating margin (%)	3.2	4.5	4.9	5.2	4.2	

Per Share Data

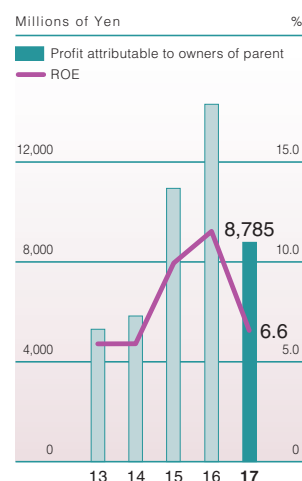
	Yen				U.S. Dollars	
Earnings per share	¥ 34.87	¥ 38.36	¥ 72.00	¥ 92.81	¥ 57.41	\$ 0.5
Shareholders' equity	621.16	672.41	794.87	828.91	897.02	8.0

Note: The U.S. dollar amounts represent translations of Japanese yen, for convenience only, at the rate of ¥112=U.S. \$1.00.

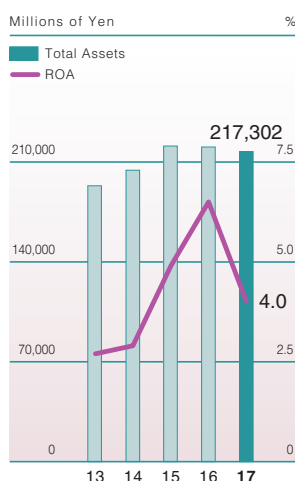
Net Sales



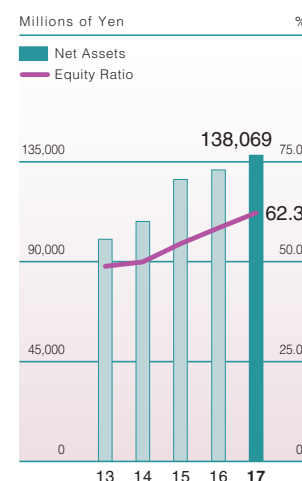
Profit attributable to owners of parent & ROE



Total Assets & ROA



Net Assets & Equity Ratio





Consolidated Balance Sheets (Unaudited)

Nippon Soda Co., Ltd. and its consolidated subsidiaries

As of March 31, 2017

Millions of Yen

Thousands of
U.S. Dollars

ASSETS	2016	2017	2017
Current assets			
Cash and deposits	¥ 14,517	¥ 33,171	\$ 296,174
Notes and accounts receivable-trade	42,005	38,153	340,652
Electronically recorded monetary claims - operating	784	2,018	18,023
Inventories	27,913	28,484	254,325
Deferred tax assets	2,001	1,996	17,822
Other	2,974	3,509	31,334
Allowance for doubtful accounts	(214)	(196)	(1,751)
Total current assets	89,982	107,137	956,581
Non-current assets			
Property, plant and equipment			
Buildings and structures	17,079	16,694	149,055
Machinery, equipment and vehicles	18,076	18,284	163,256
Tools, furniture and fixtures	1,626	1,610	14,383
Land	15,341	15,338	136,950
Leased assets	286	238	2,126
Construction in progress	1,144	2,515	22,462
Total property, plant and equipment	53,553	54,682	488,235
Intangible assets			
Goodwill	939	704	6,288
Other	1,140	877	7,838
Total intangible assets	2,079	1,582	14,127
Investments and other assets			
Investment securities	63,096	41,186	367,740
Net defined benefit asset	7,030	7,597	67,832
Deferred tax assets	2,319	2,469	22,046
Other	2,623	2,673	23,874
Allowance for doubtful accounts	(98)	(26)	(238)
Total investments and other assets	74,971	53,900	481,256
Total non-current assets	130,605	110,165	983,618
Total assets	¥ 220,587	¥ 217,302	\$ 1,940,200

The financial statements are a translation of the Japanese annual securities report's financial statements.

As of March 31, 2017

Millions of Yen

Thousands of
U.S. Dollars

LIABILITIES	2016	2017	2017
Current liabilities			
Notes and accounts payable-trade	¥ 14,670	¥ 15,445	\$ 137,908
Electronically recorded obligations-operating	3,376	1,917	17,119
Short-term loans payable	35,712	31,634	282,450
Income taxes payable	905	1,468	13,109
Provision for bonuses	3,449	3,017	26,944
Other	5,897	6,847	61,134
Total current liabilities	64,011	60,330	538,666
Non-current liabilities			
Long-term loans payable	14,019	7,569	67,583
Deferred tax liabilities	5,251	4,797	42,836
Net defined benefit liability	2,564	2,563	22,884
Provision for environmental measures	322	1,119	9,997
Other	2,928	2,852	25,467
Total non-current liabilities	25,086	18,902	168,769
Total liabilities	89,097	79,232	707,435
NET ASSETS			
Shareholders' equity			
Capital stock	29,166	29,166	260,416
Capital surplus	29,359	29,359	262,136
Retained earnings	64,806	71,592	639,222
Treasury shares	(20)	(2,232)	(19,929)
Total shareholders' equity	123,311	127,886	1,141,847
Accumulated other comprehensive income			
Valuation difference on available-for-sale securities	4,605	7,083	63,243
Deferred gains or losses on hedges	(166)	(139)	(1,245)
Foreign currency translation adjustment	1,525	616	5,501
Remeasurements of defined benefit plans	(291)	(75)	(678)
Total accumulated other comprehensive income	5,672	7,483	66,821
Non-controlling interests	2,505	2,698	24,096
Total net assets	131,489	138,069	1,232,764
Total liabilities and net assets	¥ 220,587	¥ 217,302	\$ 1,940,200

The financial statements are a translation of the Japanese annual securities report's financial statements.



Consolidated Statements of Income (Unaudited)

Nippon Soda Co., Ltd. and its consolidated subsidiaries

For the years ended March 31

Millions of Yen

Thousands of
U.S. Dollars

	2016	2017	2017
Net sales	¥ 142,711	¥ 128,647	\$ 1,148,642
Cost of sales	105,675	94,755	846,034
Gross profit	37,036	33,892	302,607
Selling, general and administrative expenses	29,620	28,526	254,704
Operating profit	7,415	5,365	47,903
Non-operating income	13,513	6,733	60,124
Interest income	7	11	101
Dividend income	523	509	4,546
Share of profit of entities accounted for using equity method	11,728	4,898	43,735
Other	1,254	1,314	11,740
Non-operating expenses	1,977	2,190	19,556
Interest expenses	500	403	3,598
Foreign exchange losses	445	—	—
Provision for environmental measures	184	924	8,258
Other	846	862	7,699
Ordinary profit	18,952	9,908	88,470
Extraordinary income	636	1,169	10,440
Gain on changes in equity	—	907	8,106
Gain on sales of investment securities	509	261	2,333
Gain on sales of non-current assets	99	—	—
Other	27	—	—
Extraordinary losses	596	571	5,101
Loss on abandonment of non-current assets	352	537	4,798
Other	244	33	303
Profit before income taxes	18,992	10,506	93,809
Income taxes - current	1,803	3,428	30,607
Income taxes - deferred	2,711	(1,835)	(16,385)
Total income taxes	4,514	1,592	14,222
Profit	14,478	8,913	79,586
Profit attributable to non-controlling interests	165	128	1,148
Profit attributable to owners of parent	¥ 14,313	¥ 8,785	\$ 78,437

The financial statements are a translation of the Japanese annual securities report's financial statements.



Consolidated Statements of Comprehensive Income

Nippon Soda Co., Ltd. and its consolidated subsidiaries

For the years ended March 31

Millions of Yen

Thousands of
U.S. Dollars

	2016	2017	2017
Profit	¥ 14,478	¥ 8,913	\$ 79,586
Other comprehensive income			
Valuation difference on available-for-sale securities	(2,496)	2,550	22,773
Deferred gains or losses on hedges	35	(17)	(153)
Foreign currency translation adjustment	(594)	(191)	(1,712)
Remeasurements of defined benefit plans	(1,007)	106	949
Share of other comprehensive income of entities accounted for using equity method	(3,881)	(535)	(4,782)
Total other comprehensive income	(7,944)	1,912	17,072
Comprehensive income	6,533	10,825	96,659
Comprehensive income attributable to owners of parent	6,555	10,596	94,609
Comprehensive income attributable to non-controlling interests	¥ (21)	¥ 229	\$ 2,050

The financial statements are a translation of the Japanese annual securities report's financial statements.



Consolidated Statements of Changes in Net Assets (Unaudited)

Nippon Soda Co., Ltd. and its consolidated subsidiaries

For the years ended March 31

Millions of Yen

	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	Deferred gains or losses on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance as of April 1,2015	¥ 29,166	¥ 26,095	¥ 52,790	¥ (659)	¥ 107,393	¥ 7,043	¥ 34	¥ 5,663	¥ 689	¥ 13,430	¥ 6,356	¥ 127,181
Changes of items during the period												
Dividends of surplus			(2,298)		(2,298)							(2,298)
Profit attributable to owners of parent			14,313		14,313							14,313
Purchase of treasury shares				(20)	(20)							(20)
Disposal of treasury shares		(152)		247	94							94
Increase by share exchanges		3,416		411	3,828							3,828
Acquisition of treasury share		(0)		(0)	(0)							(0)
Changes in ownership interest of parent due to transactions with non-controlling interests		0			0							0
Net changes of items other than shareholders' equity(net)						(2,438)	(200)	(4,138)	(980)	(7,758)	(3,851)	(11,609)
Total changes of items during period	—	3,264	12,015	638	15,917	(2,438)	(200)	(4,138)	(980)	(7,758)	(3,851)	4,308
Balance as of April 1, 2016	¥ 29,166	¥ 29,359	¥ 64,806	¥ (20)	¥ 123,311	¥ 4,605	¥ (166)	¥ 1,525	¥ (291)	¥ 5,672	¥ 2,505	¥ 131,489
Cumulative effects of changes in accounting policies												
			0		0							0
Restated balance	29,166	29,359	64,806	(20)	123,311	4,605	(166)	1,525	(291)	5,672	2,505	131,490
Changes of items during preiod												
Dividends of surplus			(1,998)		(1,998)							(1,998)
Profit attributable to owners of parent			8,785		8,785							8,785
Purchase of treasury shares				(2,211)	(2,211)							(2,211)
Net changes of items other than shareholders' equity						2,478	27	(909)	215	1,811	193	2,004
Total changes of items during period	—	—	6,786	(2,211)	4,575	2,478	27	(909)	215	1,811	193	6,579
Balance as of March 31, 2017	¥ 29,166	¥ 29,359	¥ 71,592	¥ (2,232)	¥ 127,886	¥ 7,083	¥ (139)	¥ 616	¥ (75)	¥ 7,483	¥ 2,698	¥ 138,069

For the years ended March 31

Thousands of U.S. Dollars

	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	Deferred gains or losses on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance as of April 1, 2016	\$ 260,416	\$ 262,136	\$ 578,626	\$ (186)	\$ 1,100,993	\$ 41,118	\$ (1,487)	\$ 13,619	\$ (2,600)	\$ 50,649	\$ 22,372	\$ 1,174,015
Cumulative effects of changes in accounting policies			2		2							2
Restated balance	260,416	262,136	578,628	(186)	1,100,995	41,118	(1,487)	13,619	(2,600)	50,649	22,372	1,174,018
Changes of items during preiod												
Dividends of surplus			(17,843)		(17,843)							(17,843)
Profit attributable to owners of parent			78,437		78,437							78,437
Purchase of treasury shares				(19,742)	(19,742)							(19,742)
Net changes of items other than shareholders' equity						22,125	242	(8,118)	1,921	16,171	1,723	17,895
Total changes of items during period	–	–	60,594	(19,742)	40,851	22,125	242	(8,118)	1,921	16,171	1,723	58,746
Balance as of March 31, 2017	\$ 260,416	\$ 262,136	\$ 639,222	\$ (19,929)	\$ 1,141,847	\$ 63,243	\$ (1,245)	\$ 5,501	\$ (678)	\$ 66,821	\$ 24,096	\$ 1,232,764

The financial statements are a translation of the Japanese annual securities report's financial statements.



Consolidated Statements of Cash Flows (Unaudited)

Nippon Soda Co., Ltd. and its consolidated subsidiaries

For the years ended March 31, 2017

Millions of Yen

Thousands of
U.S. Dollars

	2016	2017	2017
Cash flows from operating activities			
Profit before income taxes	¥ 18,992	¥ 10,506	\$ 93,809
Depreciation	6,242	6,397	57,118
Amortization of goodwill	234	234	2,096
Share of (profit) loss of entities accounted for using equity method	(11,728)	(4,898)	(43,735)
Increase (decrease) in provision for bonuses	99	(431)	(3,848)
Increase (decrease) in allowance for doubtful accounts	210	(75)	(674)
Decrease (increase) in net defined benefit asset	(1,126)	(615)	(5,491)
Increase (decrease) in net defined benefit liability	(46)	63	567
Increase (decrease) in provision for environmental measures	88	826	7,381
Interest and dividend income	(531)	(520)	(4,647)
Interest expenses	500	403	3,598
Loss on abandonment of non-current assets	357	540	4,825
Loss (gain) on valuation of investment securities	173	9	86
Loss (gain) on sales of investment securities	(509)	(261)	(2,333)
Loss (gain) on change in equity	—	(907)	(8,106)
Decrease (increase) in notes and accounts receivable - trade	907	2,292	20,469
Decrease (increase) in inventories	328	(741)	(6,622)
Increase (decrease) in notes and accounts payable - trade	(2,922)	(304)	(2,720)
Other	(1,051)	392	3,507
Subtotal	10,217	12,911	115,277
Interest and dividend income received	3,364	32,004	285,754
Interest expenses paid	(498)	(406)	(3,630)
Income taxes paid	(2,444)	(3,272)	(29,220)
Net cash provided by (used in) operating activities	10,639	41,236	368,181
Cash flows from investing activities			
Purchase of property, plant and equipment	(6,981)	(7,328)	(65,436)
Proceeds from sales of property, plant and equipment	111	7	64
Purchase of intangible assets	(359)	(138)	(1,233)
Purchase of investment securities	(38)	(173)	(1,548)
Proceeds from sales of investment securities	941	320	2,860
Purchase of shares of subsidiaries and associates	(2,895)	(290)	(2,594)
Payments of loans receivable	(103)	(69)	(616)
Collection of loans receivable	135	103	922
Other	(233)	(289)	(2,581)
Net cash provided by (used in) investing activities	(9,424)	(7,858)	(70,164)
Cash flows from financing activities			
Net increase (decrease) in short-term loans payable	4,697	(2,996)	(26,750)
Proceeds from long-term loans payable	4,822	—	—
Repayments of long-term loans payable	(8,440)	(7,282)	(65,017)
Cash dividends paid	(2,290)	(1,992)	(17,790)
Purchase of treasury shares	(20)	(2,024)	(18,073)
Payments for money held in trust for purchase of treasury share	—	(209)	(1,866)
Other	(91)	(116)	(1,038)
Net cash provided by (used in) financing activities	(1,323)	(14,620)	(130,537)
Translation differences on cash and cash equivalents	(251)	(106)	(950)
Net increase (decrease) in cash and cash equivalents	(358)	18,651	166,530
Cash and cash equivalents at beginning of period	14,853	14,494	129,418
Cash and cash equivalents at end of period	¥ 14,494	¥ 33,146	\$ 295,949

The financial statements are a translation of the Japanese annual securities report's financial statements.



Research and Development Activities

To promote the development of high-value-added products based on distinctive, proprietary technology, the Chemical Division of the Nippon Soda Group—guided by the keywords “fusion of knowledge,” “fusion of technology,” and “global”—is working on the R&D of a number of chemical products that make use of functional materials and fine organic synthesis technology. We also carry out R&D with the aim of developing new agricultural chemicals in our Agro Products Division. In anticipation of changes in our operating environment, we will further strengthen and expand our product lineup and vigorously promote new product development in fields that are peripheral to existing businesses, as well as in priority fields. At the same time, we aim to enhance the technological capability of Group companies through technological cooperation with affiliated companies, advance into new technological fields, and create new businesses through the aggressive use of technologies that we own.

The overview of R&D by business segment for the fiscal year under review is as follows.

The aggregate amount of R&D expenses totaled ¥6,495 million (5.0% of consolidated net sales), and there were 368 R&D personnel (13.7% of all employees) in the entire Group.

● Chemicals Division

In the functional materials field, we are proceeding with R&D that leverages our technical expertise in fields such as new polymer materials created through fine polymerization technology, basecoat materials, catalysts for curing epoxy resin, new secondary battery materials, and new absorbents for recovering valuable resources. In addition, we work actively to enter new fields, while striving to enhance the competitiveness of the Group's distinctive products, including cellulose derivatives, polybutadiene products, developer agents, environmental chemistry-related products such as eco-care, biocide and polysilane products, as well as photocatalysts.

In the field of precise synthetics, we develop material intermediates by utilizing our characteristic raw materials, such as phosgene, hydrocyanic acid, and sodium metal. We also aim to create new products by employing new manufacturing technologies.

Our R&D expenses in the Chemicals Division totaled ¥1,456 million.

● Agro Products Division

Given growing concern over the safety and reliability of foods, we are conducting R&D into dry field and fruit farming agrochemicals with strong effects, even in small volumes and with low residuals.

With respect to new agrochemicals developed in-house, Picarbutrazox (NF-171), a fungicide with outstanding effectiveness against downy mildew and Pythium blight, received registration approval for lawn grass in January 2017. We anticipate its approval for use on food before long and plan to launch the this product within the year. In addition, we are proceeding according to plan with production system maintenance and pushing ahead steadily with development outside Japan. We have firmly advanced the development of Acynonapyr (NA-89), an acaricide with new effects; in February 2017, we completed an application in Japan for its registration, aiming to receive approval in 2019. We also decided to pursue development outside Japan. Development of NF-180, a fungicide effective against a broad spectrum of diseases, is proceeding smoothly. In 2016, we completed an application for Alteria, an algaecide for lawn grass, and plan to launch it in 2018.

Moreover, we are conducting research diligently to advance the phase of development of promising compounds to follow the above-mentioned agents.

In addition to chemistry agrochemicals, our biological agrochemicals Agrocure and Masterpiece are selling well. Going forward, we will continue working to enhance our line of biological agrochemicals that capitalize on the diverse abilities of microorganisms.

Our R&D expenses in the Agro Products Division amounted to ¥5,017 million.

● Other Divisions

In the environmental development business, our research seeks to improve processes for resource recycling of a range of refractory industry waste products.

Our R&D expenses in other divisions totaled ¥20 million.

Overseas Group Companies

SUMI AGRO Ltd.

Japan Agro Service (JAS) S.A.
Certis Europe B.V.

NISSO CHEMICAL EUROPE GmbH

Summit Agro Vietnam LLC.

Nisso Chemical India LLP

Nisso Namhae Agro Co., Ltd.

NISSO KOREA Co., Ltd.

NIPPON SODA TRADING
(SHANGHAI) Co., Ltd.

Liling Fine
Chemicals Co., Ltd.

Novus International, Inc.

NISSO AMERICA INC.



Alkaline SAS



IHARABRAS S/A.
INDÚSTRIAS QUÍMICAS

NISSO BRASILEIRA REPRESENTAÇÃO LTDA.

Offices

① Tokyo Head Office

2-2-1, Ohtemachi, Chiyoda-ku,
Tokyo 100-8165, Japan

Osaka Branch Office

3-4-10, Kouraihashi, Chuo-ku,
Osaka 541-0043, Japan

Sapporo Office

Sendai Office

Kanto Office

Nagoya Office

Shinetsu Office

Takaoka Office

Matsuyama Office

Fukuoka Office

Bangkok Representative Office

Domestic Subsidiaries

Chemicals

Nisso Fine Co., Ltd.
Nisso Metallochemical Co., Ltd.
Shin Fuji Kaseiyaku Co., Ltd.
Joetsu Nisso Chemical Co., Ltd.
NISSO BASF Agro Co., Ltd.

Trading

Nisso Shoji Co., Ltd.
Nisso Green Co., Ltd.

Logistics

Sanwa Soko Co., Ltd.
Sanso Unyu Co., Ltd.

Engineering

Nisso Engineering Co., Ltd.

Civil Engineering and Construction

Nisso Construction Co., Ltd.

R&D Consultants

Nisso Chemical Analysis Service Co., Ltd.

Plants



④ Nihongi Plant

950, Fujisawa, Nakago-ku, Joetsu,
Niigata 949-2392, Japan



⑤ Takaoka Plant

300, Mukainohonmachi, Takaoka,
Toyama 933-8507, Japan



⑥ Mizushima Plant

2767-12, Kojima shionasu, Kurashiki,
Okayama 711-0934, Japan



⑦ Chiba Plant

12-8, Goiminamikaigan, Ichihara,
Chiba 290-8530, Japan

Research Centers



② Odawara Research Center

345, Takada, Odawara,
Kanagawa 250-0280, Japan



③ Chiba Research Center

12-54, Goiminamikaigan, Ichihara,
Chiba 290-0045, Japan

Haibara Field Research Center

62-1, Sakabe, Makinohara,
Shizuoka 421-0212, Japan

Bandai Field Research Station

3967, Sarashina bikuniyama, Bandaimachi
Yama-gun, Fukushima 969-3302, Japan

Corporate Data

(as of March 31, 2017)

Name	Nippon Soda Co., Ltd.
Head Office	2-2-1, Ohtemachi, Chiyoda-ku, Tokyo 100-8165, Japan
Phone	+81-3-3245-6054
Fax	+81-3-3245-6238
Website	http://www.nippon-soda.co.jp/e
Established	February 1, 1920
Capital	¥29,166 million
Number of Employees	1,290 (Consolidated: 2,684)



Nippon Soda has published a CSR report

The CSR Report introduces the CSR and responsible care activities of Nippon Soda and its main Group companies.

<http://www.nippon-soda.co.jp/e/environment>

Executives

(as of June 29, 2017)

Representative Director, President

Akira Ishii

Representative Director, Senior Executive Managing Officer

Hiroyuki Adachi

Directors, Executive Managing Officers

Noriyuki Haketa
Tsutomu Sakuma

Director, Senior Executive Officer

Akio Morii

Directors

Yasuko Takayama
Tetsuo Narukawa
Hiroyuki Uryu

Audit & Supervisory Board Members

Mitsuru Kobayashi
Keichi Aoki
Masahiro Murakami
Shigeo Ogi

Senior Executive Officer

Takashi Kishimoto

Executive Officers

Eisaku Okamoto
Akira Kaneko
Masahito Ikeda
Toshimichi Okubo
Izumi Takano
Tateshi Tsujikawa
Nobuyuki Shimoide
Kiyotaka Machii
Hiroshi Hamamura
Atsuo Watanabe
Eiji Aga

Shareholder Information

(as of March 31, 2017)

Common Stock

Authorized: 480,000,000 shares
Issued: 155,636,535 shares
Number of Shareholders: 17,197

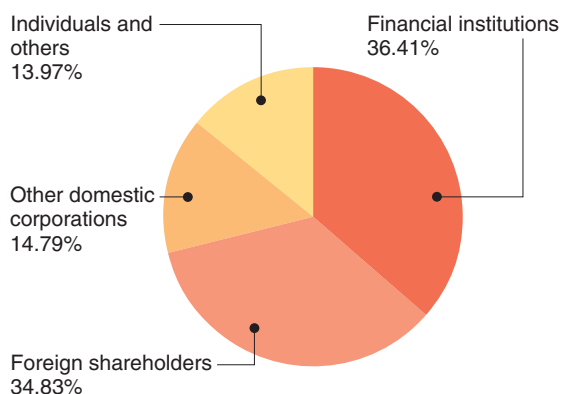
Settlement Period March 31 every year

Stock Listing Tokyo Stock Exchange, First Section

Transfer Agent of Common Stock

Mizuho Trust & Banking Co., Ltd.
2-1, Yaesu 1-chome, Chuo-ku, Tokyo 103-8670, Japan

Ownership among Shareholders



Principal Shareholders

	Number of Shares Owned (Thousands)	Percentage of Total Shares Issued (%)*
CHASE MANHATTAN BANK GTS CLIENTS ACCOUNT ESCROW	6,116	4.04
MITSUI & CO., LTD.	5,075	3.35
Japan Trustee Services Bank, Ltd. (Trust account)	4,913	3.25
JPMorgan Chase Bank, 385632	4,779	3.16
The Master Trust Bank of Japan, Ltd. (Trust account)	4,680	3.09
BNP PARIBAS SECURITIES SERVICES LUXEMBOURG/JASDEC/HENDERSON HHF SICAV	4,432	2.93
The Norinchukin Bank	4,422	2.92
Shareholding Members of Nippon Soda Clients	4,399	2.91
Mizuho Bank, Ltd.	4,082	2.70
Japan Trustee Services Bank, Ltd. (Trust account 9)	3,670	2.43

* The Company's 4,354,709 shares of treasury share were excluded from the calculation of the percentage of total shares issued.

NIPPON SODA CO., LTD.

2-2-1, Ohtemachi, Chiyoda-ku
Tokyo 100-8165, Japan
<http://www.nippon-soda.co.jp/e/>