

Brilliance through

Chemistry

Financial Result Summary for the Nine Months of the Fiscal Year Ended March 31, 2022

Nippon Soda Co., Ltd.
February 4, 2022

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Consolidated Financial Results for the Nine Months of the Fiscal Year Ended March 31, 2022 (Overview)

(Billions of yen)	2021/3 3Q	2022/3 3Q	Change (amount)	Change (%)
Net sales	93.05	100.60	7.55	8.1%
Operating profit	4.90	6.44	1.53	31.2%
Share of profit of entities accounted for using equity method	0.23	1.19	0.96	
Ordinary profit	5.50	8.58	3.07	55.9%
Profit attributable to owners of parent	2.14	5.69	3.55	165.8%
Exchange rate (JPY/USD)	106.0	110.9	4.9	
Exchange rate (JPY/EUR)	122.1	130.5	8.4	

- Increase in sales in the Chemicals and Trading Businesses
- Rise in raw materials and fuel costs
- Increase in share of profit of entities accounted for using equity method and exchange rate changes for the weak yen

- Impact of applying the "Accounting Standard for Revenue Recognition"

Net sales : 0.13

Operating profit : 0.38 (of which, Agro Products : 0.32)

- Operating profit difference : 1.53 breakdown

Price difference : 1.29 (of which, rate difference: 1.24)

Volume difference : 1.93

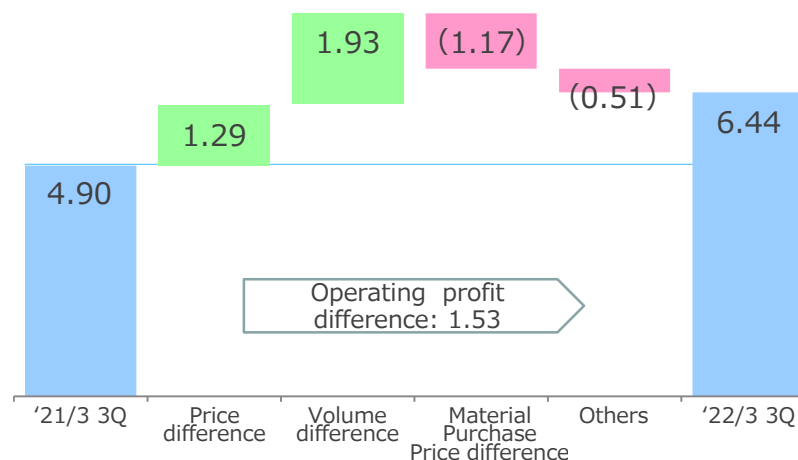
Material purchase price difference : (1.17)

(of which, rate difference : (0.37))

Others : (0.51)

【Operating profit (year on year)】

(Billions of yen)



Consolidated Financial Results for the Nine Months of the Fiscal Year Ended March 31, 2022 (Performance by segment)

(Billions of yen)	2021/3 3Q		2022/3 3Q		Change (amount)	
	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit
Chemicals	26.81	1.46	30.18	2.24	3.37	0.78
Agro Products	27.31	0.74	28.46	1.17	1.15	0.43
Trading	23.60	0.59	26.52	0.94	2.93	0.36
Transportation and Warehousing	3.11	0.49	3.35	0.54	0.24	0.05
Construction	6.18	0.92	4.95	0.85	(1.23)	(0.07)
Others	6.04	0.52	7.14	0.78	1.09	0.26
Adjustments		0.19		(0.08)		(0.27)
Total	93.05	4.90	100.60	6.44	7.55	1.53

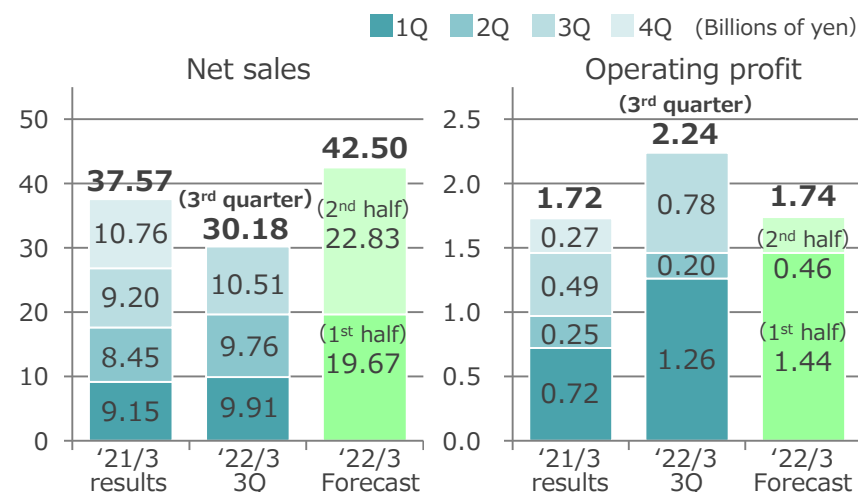
- Chemicals Business : Increases in Secondary battery materials, pharmaceutical additive "NISSO HPC" and resin additive "NISSO-PB" and steady sales of consolidated subsidiaries Alkaline SAS
- Agro Products Business : Increase in sales for exports of acaricide "NISSORUN" and insecticide "MOSPILAN", launched in new acaricide "DANIYOTE" and decrease in sales for exports of fungicide "TOPSIN-M"
- Trading Business : Increase in various inorganic and organic chemicals and nonferrous metals, urethane materials
- Transportation and Warehousing : Increase in transportation business
- Construction Business : decrease in plant construction works
- The impact of the application of the "Accounting Standard for Revenue Recognition"
 Net sales : 0.13
 Operating profit : 0.38 (of which, Agro Products: 0.32)

Consolidated Financial Results for the Nine Months of the Fiscal Year Ended March 31, 2022 (Net sales by sub-segments of Chemicals)

(Billions of yen)		2021/3 3Q	2022/3 3Q	Change (amount)	Main factors of change
Non-consolidated	Industrial chemicals	9.68	9.92	0.25	Caustic soda ↑, Caustic potash ↓
	Fine chemicals	4.28	6.33	2.05	Secondary battery materials ↑, Color developers for thermal paper ↑
	Specialty chemicals	4.50	4.95	0.44	NISSO-PB ↑, VP-POLYMER ↑
	Eco-business	4.45	4.59	0.14	
	Pharmaceuticals & intermediates, Biocides	5.99	6.05	0.06	NISSO HPC ↑, Pharmaceutical ingredient ↓
	Subtotal	28.90	31.84	2.94	
Subsidiaries sales, elimination of transactions, etc.		(2.09)	(1.65)	0.44	
Net sales of Chemicals		26.81	30.18	3.37	

- Industrial chemicals : Increase in caustic soda and decrease in caustic potash
- Fine chemicals : Increase in secondary battery materials and color developers for thermal paper
- Specialty chemicals : Increase in resin additive "NISSO-PB" and KrF photo resist material "VP-POLYMER"
- Pharmaceuticals : Increase in pharmaceutical additive "NISSO HPC", and decrease in pharmaceutical ingredient

[Chemicals : Progress in quarterly net sales and operating profit]

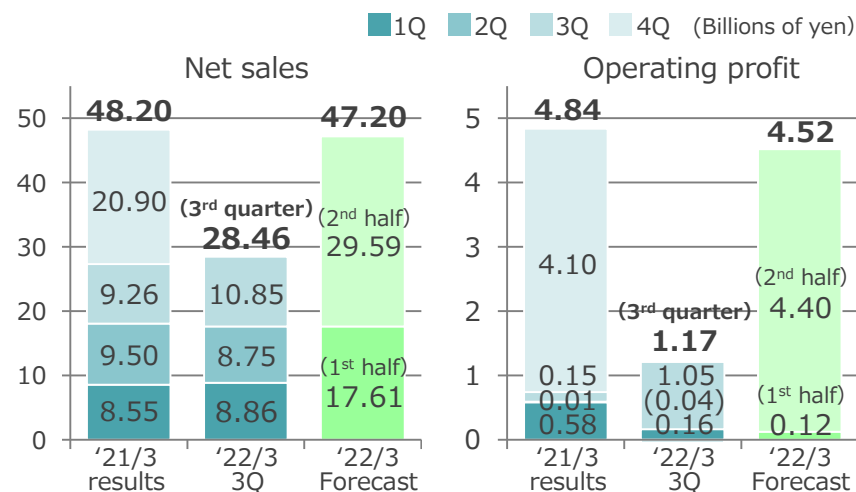


Consolidated Financial Results for the Nine Months of the Fiscal Year Ended March 31, 2022 (Net sales by sub-segments of Agro Products)

(Billions of yen)		2021/3 3Q	2022/3 3Q	Change (amount)	Main factors of change
Non-consolidated	Fungicides	12.03	11.92	(0.11)	PYTHILOCK ↑, PANCHO ↑, TOPSIN-M ↓
	Insecticides / acaricides	11.38	12.37	0.99	NISSORUN ↑, DANYOTE ↑, MOSPILAN ↑
	Herbicides	2.37	1.70	(0.67)	NABU ↓, Intermediate ↓
	Others	(0.11)	0.08	0.19	
	Subtotal	25.67	26.06	0.40	
Subsidiaries sales, elimination of transactions, etc.		1.64	2.39	0.76	
Net sales of Agro Products		27.31	28.46	1.15	
Overseas sales ratio		68.4%	68.4%		

- Fungicides : Increase in sales for export of "PYTHILOCK" and "PANCHO", and decrease in sales for export of "TOPSIN-M"
- Insecticides / acaricides : Launch of new acaricide "DANYOTE", and increase in sales for export of acaricide "NISSORUN" and insecticide "MOSPILAN"
- Herbicides : Decrease in sales for export of "NABU", in intermediate

【Agro products: Progress in quarterly net sales and operating profit】



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Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2022

(Revised on February 4, 2022)

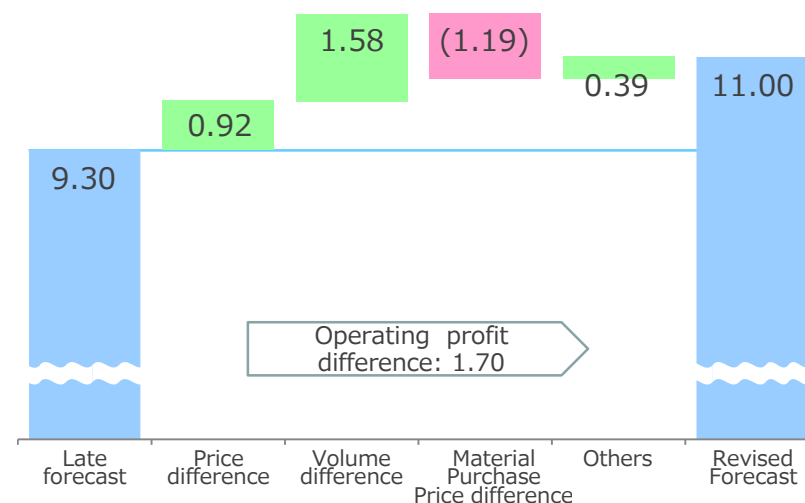
Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2022 (Overview)

(Billions of yen)	Previous forecast	Revised forecast	Change (amount)	Change (%)	2021/3 Results
Net sales	146.00	149.00	3.00	2.1%	139.36
Operating profit	9.30	11.00	1.70	18.3%	9.98
Share of profit of entities accounted for using equity method	1.90	2.60	0.70		1.86
Ordinary profit	11.80	14.00	2.20	18.6%	12.74
Profit attributable to owners of parent	7.70	9.00	1.30	16.9%	7.36
Exchange rate (JPY/USD)	105.0	110.0	5.0		106.1
Exchange rate (JPY/EUR)	130.0	128.0	(2.0)		123.4

- In Chemicals and Trading businesses, recovery from stagnation of economic activity due to COVID-19 pandemic expects to more favorable than an assumption
- In Agro products business, steady sales for export and sales brought forward due to the disruptions in global marine transportation
- Increase in share of profit of entities accounted for using equity method
- Operating profit difference: 1.70 breakdown
 - Price difference : 0.92 (of which, rate difference: 0.57)
 - Volume difference : 1.58
 - Material purchase price difference : (1.19) (of which, rate difference : (0.33))
 - Others : 0.39
- Along with revising the performance forecast, we increased our dividend forecast by 20 yen per share (annual dividend: 130 yen) according to the shareholder return policy with a dividend payout ratio of 40%

【Operating profit (comparison with last forecast)】

(Billions of yen)



Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2022 (Forecast of performance by segment)

(Billions of yen)	2022/3 previous forecast		2022/3 revised forecast		Change (amount)	
	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit
Chemicals	42.50	1.74	43.20	2.48	0.70	0.74
Agro Products	47.20	4.52	48.10	5.05	0.90	0.53
Trading	34.80	0.89	35.70	1.02	0.90	0.13
Transportation and Warehousing	4.20	0.59	4.20	0.60	0.00	0.01
Construction	7.80	0.64	8.00	0.83	0.20	0.19
Others	9.50	0.94	9.80	1.02	0.30	0.08
Adjustments	–	(0.02)	–	0.00	–	0.02
Total	146.00	9.30	149.00	11.00	3.00	1.70

Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2022 (Forecast of performance by segment)

(Billions of yen)	2021/3 results		2022/3 revised forecast		Change (amount)	
	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit
Chemicals	37.57	1.72	43.20	2.48	5.63	0.76
Agro Products	48.20	4.84	48.10	5.05	(0.10)	0.21
Trading	32.32	0.73	35.70	1.02	3.38	0.29
Transportation and Warehousing	4.22	0.60	4.20	0.60	(0.02)	0.00
Construction	8.51	1.10	8.00	0.83	(0.51)	(0.27)
Others	8.54	0.78	9.80	1.02	1.26	0.24
Adjustments	–	0.21	–	0.00	–	(0.21)
Total	139.36	9.98	149.00	11.00	9.64	1.02

[Reference Materials] Business Details

(Billions of yen)		2021/3 3Q		2022/3 3Q		Main Products, etc.
		Net sales	Operating profit	Net sales	Operating profit	
Non-consolidated	Industrial chemicals	9.68		9.92		Caustic soda, Liquid chlorine, Hydrochloric acid, Caustic potash, Potassium carbonate, Sodium cyanide, Potassium cyanide, Aluminum chloride anhydrous, Phosphorus oxychloride and Phosphorus trichloride
	Fine chemicals	4.28		6.33		Metallic sodium, Specialty isocyanates, Alcoholate, Organic titanate, Color developers for thermal paper and Secondary battery materials
	Specialty chemicals	4.50		4.95		NISSO-PB, VP-POLYMER, TITABOND and BISTRATOR
	Eco-business	4.45		4.59		NISSO HI-CHLON, NISSO MELSAN, TAKE-ONE, HIDION and Slime removing agents
	Pharmaceuticals & intermediates, biocides	5.99		6.05		NISSO HPC, NISSO DAMN, Faropenem-sodium antibiotic, NISSO SSF, BESTCIDE, BIOCUT and MILLCUT
	Subtotal	28.90		31.84		
Subsidiaries sales, elimination of transactions, etc.		(2.09)		(1.65)		
1. Chemicals		26.81	1.46	30.18	2.24	
Non-consolidated	Fungicides	12.03		11.92		TOPSIN-M, BEFRAN, BELLKUTE, PYTHILOCK, TRIFMINE, PANCHO, MIGIWA, AGRI-MYCIN AGROCARE (biopesticide), MASTERPIECE (biopesticide), FANTASISTA, MONSIEUR BORDEAUX and LABILITE
	Insecticides / acaricides	11.38		12.37		MOSPILAN, NISSORUN, DANYOTE, ROMDAN, GREENGUARD, KOTETSU and PHOENIX
	Herbicides	2.37		1.70		NABU, HOENEST, CONCLUDE, EIGEN and ALPHARD
	Others	(0.11)		0.08		Smoking agents
	Subtotal	25.67		26.06		
Subsidiaries sales, elimination of transactions, etc.		1.64		2.39		
2. Agro Products		27.31	0.74	28.46	1.17	
3. Trading		23.60	0.59	26.52	0.94	Chemicals, functional products, synthetic resins, industrial devices and construction-related products
4. Transportation and Warehousing		3.11	0.49	3.35	0.54	Warehousing and transportation services
5. Construction		6.18	0.92	4.95	0.85	Plant construction, and civil engineering and construction
6. Others and adjustments		6.04	0.52	7.14	0.70	
Total		93.05	4.90	100.60	6.44	

[Reference Materials] Overview of the Business Group (As of October 1, 2021)

◎ Number of consolidated subsidiaries: 17 ○ Number of equity-method affiliates: 3

Company name	Business activities	Chemicals	Agro Products	Trading	Transportation and Warehousing	Construction	Others
Nippon Soda Co., Ltd.	Manufacturing, processing and marketing of industrial chemicals, synthetic resin and other plastic materials, dyes, pharmaceuticals, agrochemicals, veterinary pharmaceuticals, and various other kinds of chemical industrial products	◎	◎				
Nisso Shoji Co., Ltd.	Sales in Japan and export/import of chemical products, functional products, synthetic resins, industrial devices, construction-related products, etc.			◎			
Sanwa Soko Co, Ltd.	Warehousing, transportation, packaging, customs brokerage, insurance agency services and leasing				◎		
Sanso Unyu Co., Ltd.	Truck transportation and freight forwarding				◎		
Nisso Metallochemical Co., Ltd.	Manufacturing and sales of non-ferrous metals and industrial chemicals, and environmental development business						◎
NISSO Engineering CO., LTD.	Comprehensive planning, design, management, construction, sales and consulting for industrial and other types of facilities and equipment, machinery, piping, civil engineering, construction, etc.					◎	
Nisso Kensetsu Co., Ltd.	Planning and execution of civil engineering and construction projects, earthworks projects, soil and rock mining, and manufacturing and sales of concrete products					◎	
Shin Fuji Kaseiyaku Co., Ltd.	Manufacturing and sales of smoking agents for agrochemicals, pharmaceuticals and veterinary pharmaceuticals, and manufacturing, processing, sales, repackaging into smaller containers and packaging of other agrochemicals, pharmaceuticals and general industrial chemicals		◎				
Nisso Fine Co., Ltd.	Manufacturing, sales and trial production of development products of industrial chemicals, chemical products, functional dyes, pharmaceuticals, agrochemicals and their intermediates, synthetic resin molded products, deoxygenating agents, dehumidifying agents and household general goods	◎	◎				◎
Nisso Green Co., Ltd.	Sales of agrochemicals, agricultural materials and other products		◎				
NISSO AMERICA INC.	Export/import and wholesale sales of various products, manufacturing and sales of various products, and provision of consigned information research services related to technology	◎	◎				
NISSO CHEMICAL EUROPE GmbH	Export/import and wholesale sales of various products, manufacturing and sales of various products, and provision of consigned information research services related to technology	◎	◎				
Nisso Namhae Agro Co., Ltd.	Manufacturing of active agrochemical ingredients		◎				
Alkaline SAS and other 4 companies	Manufacturing and sales of metallic sodium, chlorine and other products	◎					
Novus International, Inc.	Manufacturing and sales of feed additives	○					
IHARABRAS S/A. INDÚSTRIAS QUÍMICAS	Export/import and wholesale sales of insecticides, fungicides, herbicides and other agrochemical products, and manufacturing and formulation of agrochemicals		○				
Certis Europe B.V.	Sales of chemical pesticides and biological pesticides in Europe		○				

The forward-looking statements, including plans, outlook and strategies contained in this material are based on information currently available to the Company and on certain assumptions deemed to be reasonable by the Company, and these statements do not purport to be a promise by the Company to achieve such results.

Actual business and other results may differ from the statements herein due to a number of factors.

This document is not intended to solicit investment.

Please make any investment decisions according to your own judgment.

[Inquiries] Corporate Communications Section

Masahiro Arichika m.arichika@nissogr.com

Kaname Okada ka.okada@nissogr.com