

Brilliance through

Chemistry

Consolidated Financial Results Summary for the Fiscal Year Ended March 31, 2022

Nippon Soda Co., Ltd.
May 10, 2022

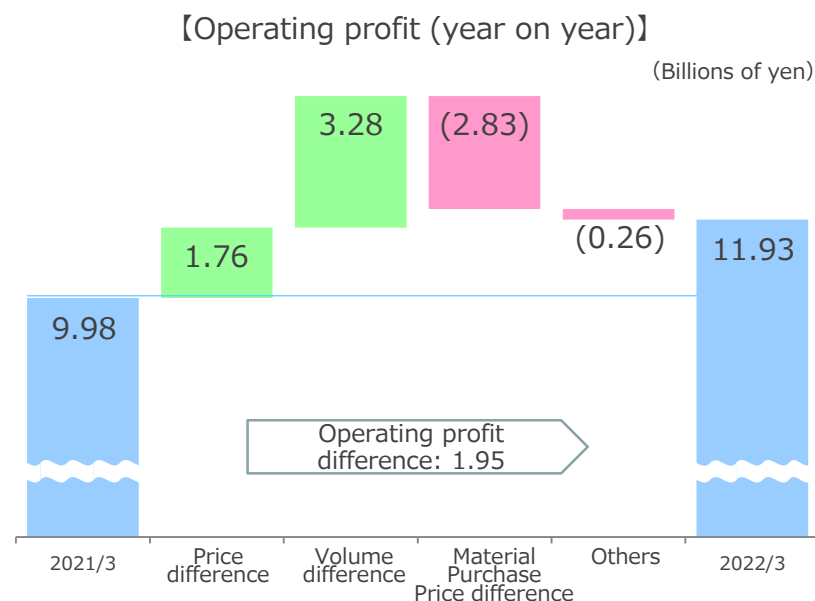
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Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (Overview)

(Billions of yen)	2021/3	2022/3	Change (amount)	Change (%)
Net sales	139.36	152.54	13.17	9.5%
Operating profit	9.98	11.93	1.95	19.5%
Share of profit of entities accounted for using equity method	1.86	3.06	1.21	
Ordinary profit	12.74	16.51	3.77	29.6%
Profit attributable to owners of parent	7.36	12.68	5.32	72.3%
Exchange rate (JPY/USD)	106.1	112.5	6.4	
Exchange rate (JPY/EUR)	123.4	130.4	7.0	

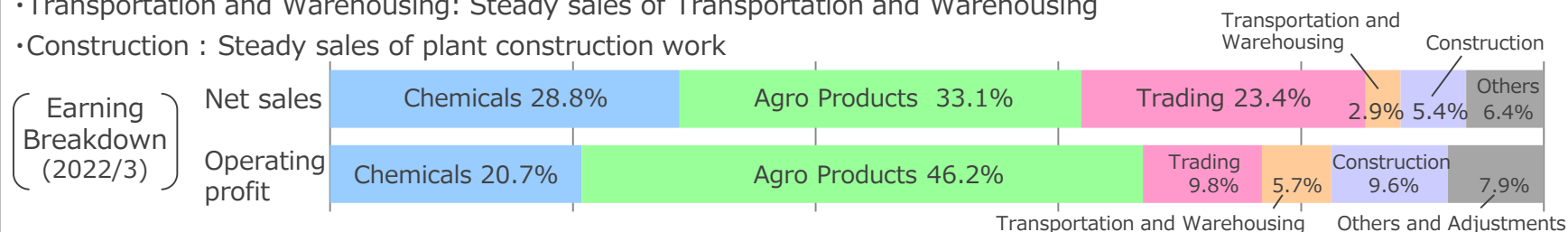
- Increased sales of the Chemicals, Trading and Agro Products Businesses
- Rose raw materials and fuel costs
- Increased share of profit of entities accounted for using equity method
- Exchange rate changed for the weak yen
- Recorded gain on exchange of subsidiaries and affiliates' stock as extraordinary income, due to business integration of "Certis Europe" that was equity-method affiliate
- Recorded extraordinary losses due to impairment loss related to structural reforms in the previous fiscal year
- Operating profit difference : 1.95 breakdown
 - Price difference : 1.76 (of which, rate difference : 1.80)
 - Volume difference : 3.28
 - Material purchase price difference : (2.83) (of which, rate difference : (0.66))
 - Others : (0.26)



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

(Billions of yen)	2021/3		2022/3		Change (amount)	
	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit
Chemicals	37.57	1.72	43.89	2.47	6.32	0.75
Agro Products	48.20	4.84	50.56	5.51	2.36	0.68
Trading	32.32	0.73	35.68	1.17	3.37	0.44
Transportation and Warehousing	4.22	0.60	4.46	0.69	0.24	0.09
Construction	8.51	1.10	8.22	1.14	(0.29)	0.04
Others	8.54	0.78	9.72	1.06	1.18	0.28
Adjustments	-	0.21	-	(0.12)	-	(0.33)
Total	139.36	9.98	152.54	11.93	13.17	1.95

- Chemicals : Increased Fine Chemicals, Industrial Chemicals and Specialty Chemicals due to the recovery of economic activity that had been stagnant by COVID pandemic
Started the operation of expanded production facility of pharmaceutical additive "NISSO HPC", which provided sales growth
- Agro products : Increased sales for export of insecticide and acaricide, sales of new internally developed agrochemicals contributed to earnings, and decreased sales for export of herbicide and fungicide
- Trading : Increased sales of various organic and inorganic chemicals, nonferrous metals and urethane materials
- Transportation and Warehousing: Steady sales of Transportation and Warehousing
- Construction : Steady sales of plant construction work

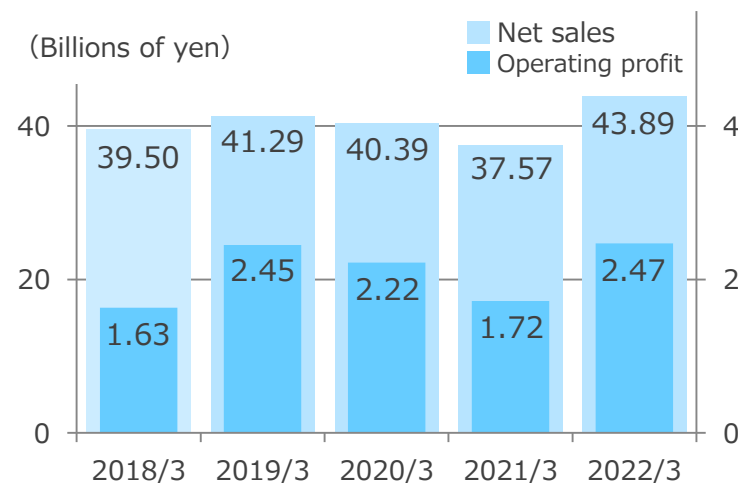


Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (Net sales by sub-segments of Chemicals)

(Billions of yen)		2021/3	2022/3	Change (amount)	Main factors of change
Non-consolidated	Industrial chemicals	12.98	13.55	0.57	Phosphorus chloride ↑, Caustic soda ↑, Caustic potash ↓
	Fine chemicals	7.44	9.63	2.19	Color developers for thermal paper ↑, Specialty isocyanates ↑
	Specialty chemicals	6.23	6.62	0.40	VP-POLYMER ↑, NISSO-PB ↑
	Eco-business	5.77	5.74	(0.03)	
	Pharmaceuticals & industrial fungicides	8.16	9.51	1.35	NISSO HPC ↑, Active pharmaceutical ingredients ↑
	Subtotal	40.58	45.05	4.47	
Subsidiaries sales, elimination of transactions, etc.		(3.01)	(1.16)	1.85	
Net sales of Chemicals		37.57	43.89	6.32	

- Industrial chemicals : Rose sales price of phosphorus chloride due to the soaring raw material price
Increased Caustic soda, and decreased Caustic potash
- Fine chemicals : Growth in Color developers for thermal paper and Specialty isocyanates
- Specialty chemicals : Increased KrF photo resist material "VP-POLYMER" and resin additive "NISSO-PB"
- Pharmaceuticals : Growth in pharmaceutical additive "NISSO HPC", and active pharmaceutical ingredients

【Chemicals : Net sales and operating profit】

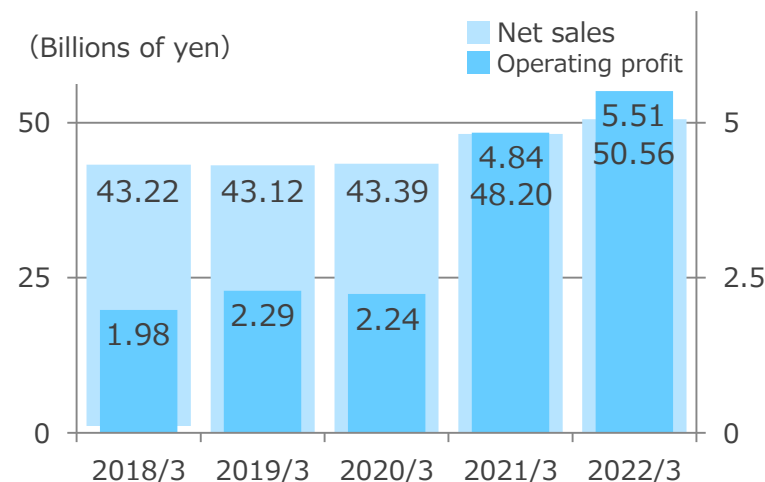


Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (Net sales by sub-segments of Agro Products)

(Billions of yen)		2021/3	2022/3	Change (amount)	Main factors of change
Non-consolidated	Fungicides	19.62	19.11	(0.50)	PYTHILOCK ↑, PANCHO ↓, TOPSIN-M ↓
	Insecticides/acaricides	18.34	19.83	1.49	DANYOTE ↑, MOSPILAN ↑, NISSORUN ↑
	Herbicides	4.26	3.11	(1.15)	NABU ↓, Intermediates ↓
	Others	(0.24)	(0.39)	(0.15)	
	Subtotal	41.97	41.66	(0.31)	
Subsidiaries sales, elimination of transactions, etc.		6.24	8.91	2.67	
Net sales of Agro Products		48.20	50.56	2.36	
Overseas sales ratio		61.4%	62.3%		

- Fungicides : Increased sales for export of "PYTHILOCK", and decreased sales for export of "PANCHO" and "TOPSIN-M"
- Insecticides / acaricides : Launched new acaricide "DANYOTE", increased sales for export of insecticide "MOSPILAN" and acaricide "NISSORUN"
- Herbicides : Decreased sales for export of "NABU", in Intermediates

【Agro products : Net sales and operating profit】



Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (Non-operating income/expenses and Extraordinary income/losses)

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(Billions of yen)	2021/3	2022/3	Change (amount)	Remarks
Share of profit of entities accounted for using equity method	1.86	3.06	1.21	
Novus International	(0.77)	0.09	0.86	Fiscal year-end: March 31 Percentage of shares held: 20.0%
IHARABRAS	2.52	2.83	0.31	Fiscal year-end: December 31 Percentage of shares held: 29.1%
Others	0.10	0.14	0.04	
Other non-operating income/expenses	0.91	1.52	0.61	
Foreign exchange gain/losses	0.14	0.84	0.70	
Others	0.77	0.67	(0.09)	
Non-operating income/expenses (loss)	2.76	4.58	1.82	
Extraordinary income	0.14	1.80	1.66	
Gain on exchange of subsidiaries and affiliates' stock	0.00	1.76	1.76	Business integration of Certis Europe B.V.
Others	0.14	0.04	(0.10)	
Extraordinary losses	3.53	0.85	(2.67)	
Impairment loss	1.74	0.15	(1.59)	Recorded impairment loss related to structural reforms in the previous fiscal year
Others	1.79	0.70	(1.08)	Provision for environmental measure: recorded 0.63 in the previous fiscal year
Extraordinary income/losses	(3.39)	0.94	4.34	

- Exchange rate changed for weak yen
- Recorded gain on exchange of subsidiaries and affiliates' stock as extraordinary income, due to business integration of "Certis Europe" that was equity-method affiliate
- Recorded extraordinary losses due to impairment loss in relation to structural reforms in the previous fiscal year

Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (Balance Sheet)

(Billions of yen)	2021/3	2022/3	Change	Main factors of change
Current assets	100.35	109.01	8.66	¥5.61 billion of notes and accounts receivable-trade ¥2.75 billion of inventories
Non-current assets	127.62	136.57	8.95	¥5.97 billion of investment securities, ¥3.44 billion of property, plant and equipment
Total assets	227.98	245.59	17.61	
Current liabilities	44.56	57.28	12.72	¥6.40 billion of short-term borrowings, ¥4.33 billion of notes and accounts payable - trade
Non-current liabilities	34.21	30.00	(4.21)	¥(5.12) billion of long-term borrowings
Total liabilities	78.77	82.79	8.52	
Shareholders' equity	140.33	148.41	8.07	¥7.04 billion of retained earnings
Accumulated other comprehensive income	5.43	7.54	2.10	¥1.43 billion of valuation difference on available-for- sale securities
Non-controlling interests	3.43	2.35	(1.08)	
Total net assets	149.20	158.30	9.09	
Total liabilities and net assets	227.98	245.59	17.61	

•Equity ratio : 63.5% (equity ratio at previous fiscal year-end : 63.9%)

(Billion of yen)	2018/3	2019/3	2020/3	2021/3	2022/3
Amount of capital investment	8.59	8.03	8.82	7.72	※1 13.11
Depreciation	6.53	6.97	7.58	7.66	※2 8.58
R&D expenses	7.25	6.24	6.13	5.79	5.84

※1 Expanded production facility of
pharmaceutical additive "NISSO HPC"

※2 Expanded production facility of
pharmaceutical additive "NISSO HPC"
IT related investment (updated software)

Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (Statement of Cash Flows)

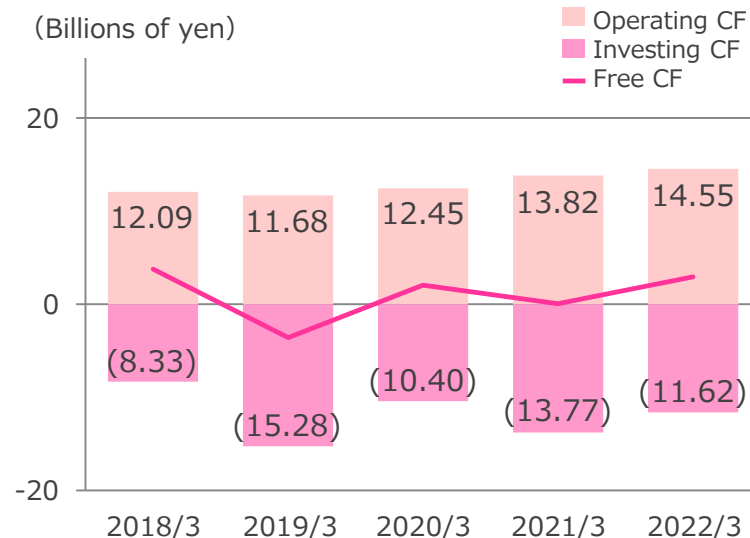
(Billions of yen)	2021/3	2022/3	Change (amount)
Cash flows from operating activities	13.82	14.55	0.72
Cash flows from investing activities	(13.77)	(11.62)	2.15
Cash flows from financing activities	1.72	(4.80)	(6.53)
Effect of exchange rate change on cash and cash equivalents	0.28	0.52	0.24
Net increase (decrease) in cash and cash equivalents	2.05	(1.36)	(3.41)
Cash and cash equivalents at beginning of period	17.20	19.25	2.05
Cash and cash equivalents at end of period	19.25	17.90	(1.36)

- Operating CF : ¥17.46 billion of profit before income taxes
¥(6.80) billion of decrease in trade receivables
¥4.15 billion of increase in trade payables
- Investing CF : ¥(11.36) billion of purchase of property, plant and equipment
- Financing CF : ¥1.22 billion of increase in borrowings
¥(3.50) billion of dividends paid
¥(1.24) billion of purchase of treasury shares

【Main factors of change】

- Investing CF : ¥1.01 billion of decrease in purchase of property, plant and equipment and intangible assets
- Financing CF : ¥(8.49) billion of decrease in borrowings and increase in repayment

【Changes in cash flows】

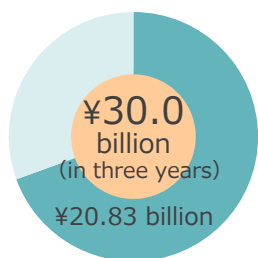


Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (Progress of Medium-Term Business Plan and Long-Term Vision)

	2020/3 Results	2021/3 Results	2022/3 Results	Medium-Term Business Plan (2023/3 target)	Long-Term Vision KPI (2030/3)
Net profit (Billions of yen)	6.76	7.36	12.68	7.0	
ROE (%)	4.8%	5.1%	※ 8.4%	5%	8% or more
Shareholder returns (Dividend payout ratio %) (Dividend)	35.7% ¥80	43.1% ¥110	39.6% ¥180	40% Minimum of ¥80	
Capital investment (Billions of yen)	8.82	7.72	13.11	30.0 (in 3 years)	
ROS (%)	5.6%	7.2%	7.8%		10% or more
ROA (%)	3.8%	4.6%	5.0%		7% or more

※ ROE excluding on-time extraordinary income (¥1.76 billion in gain on exchange of subsidiaries and affiliates' stock): 7.2%

Progress of capital investment

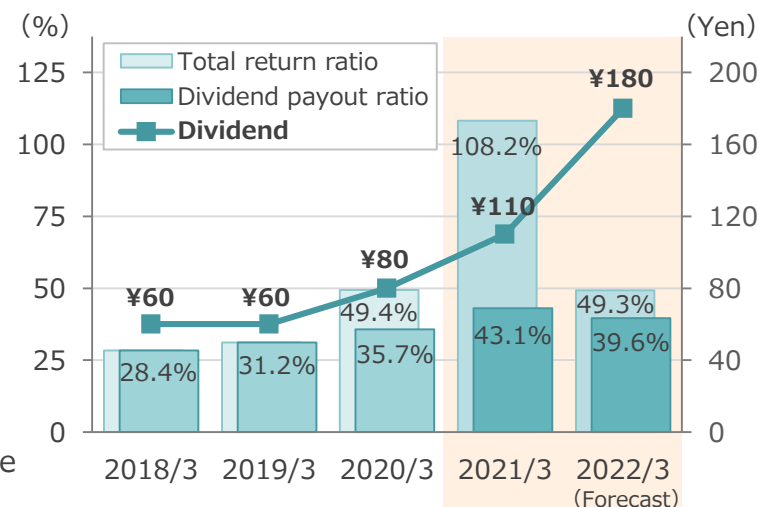


'21/3 to '22/3 results : ¥20.83 billion
Of which growth investment: ¥6.90 billion
(New businesses and increase production, etc.)

- Expanded production facility of pharmaceutical additive "NISSO HPC"
- Expanded production facility of magnesium ethylate
- Testing Facility of new specialty polymer "Liquid 1,2-SBS"
- New warehouse for hazardous materials (Transportation and Warehousing), etc.

• In FY2023, capital investment is scheduled for construction of production facility of new fungicide "MIGIWA" as growth investment, and new production technology research facility at the Nihongi plant, etc.

Changes in shareholder returns



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Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2023

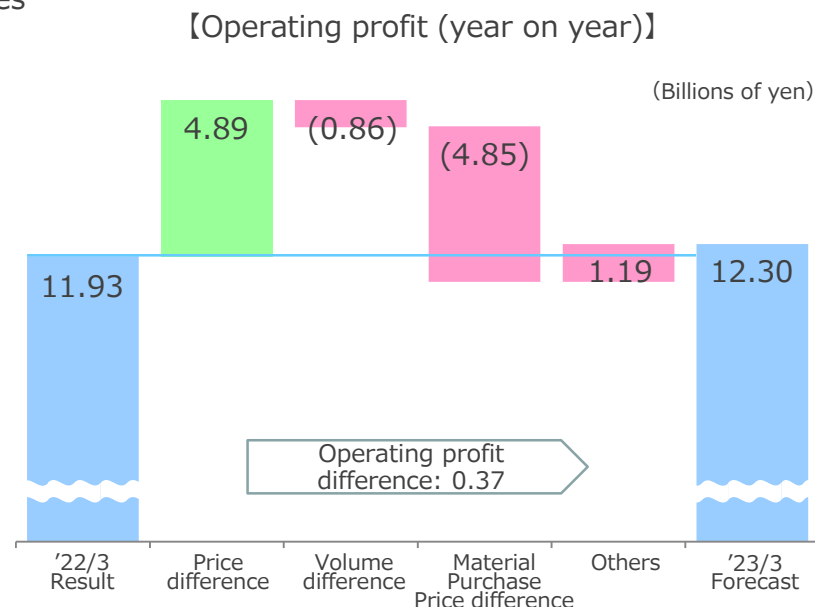
(Announced on May 10, 2022)

Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2023 (Overview)

(Billions of yen)	2022/3 Results	2023/3 Forecast	Change (amount)	Change (%)
Net sales	152.54	162.00	9.46	6.2%
Operating profit	11.93	12.30	0.37	3.1%
Share of profit of entities accounted for using equity method	3.06	4.00	0.94	
Ordinary profit	16.51	16.50	(0.01)	(0.1)%
Profit attributable to owners of parent	12.68	11.00	(1.68)	(13.3)%
Exchange rate (JPY/USD)	112.5	120.0	7.5	
Exchange rate (JPY/EUR)	130.4	130.0	(0.4)	

- Work on revising sales price appropriately for further increases in the high raw materials prices and energy costs
- Recorded ¥17.6 billion in gain on exchange of subsidiaries and affiliates' stock in the previous fiscal year as one-time extraordinary income
- Operating profit difference : 0.37 breakdown
 - Price difference : 4.89 (of which, rate difference : (1.29))
 - Volume difference : (0.86)
 - Material purchase price difference : (4.85) (of which, rate difference (0.88))
 - Others : 1.19

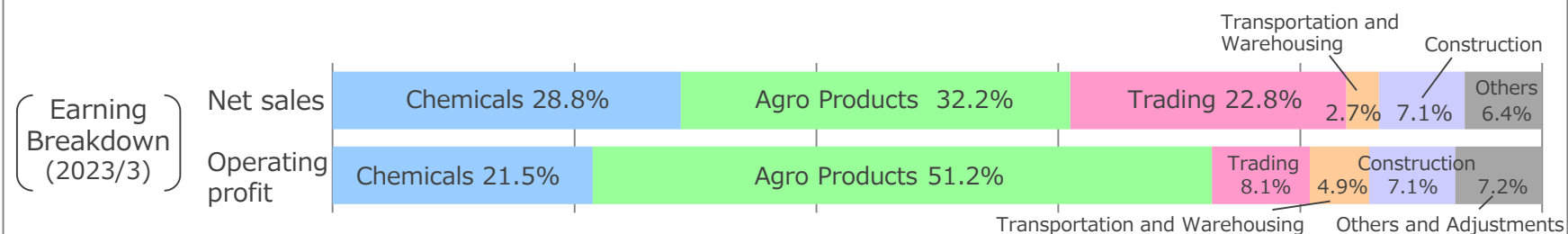
(Billion of yen)	2022/3 Results	2023/3 Forecast	Change
Amount of capital investment	13.11	14.00	0.89
Depreciation	8.58	9.50	0.92
R&D expenses	5.84	6.93	1.09



Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2023 (Forecast of performance by segment)

(Billions of yen)	2022/3 Results		2023/3 Forecast		Change (amount)	
	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit
Chemicals	43.89	2.47	46.60	2.64	2.71	0.17
Agro Products	50.56	5.51	52.10	6.30	1.54	0.79
Trading	35.68	1.17	37.00	1.00	1.32	(0.17)
Transportation and Warehousing	4.46	0.69	4.40	0.60	(0.06)	(0.09)
Construction	8.22	1.14	11.50	0.87	3.28	(0.27)
Others	9.72	1.06	10.40	0.91	0.68	(0.15)
Adjustments	–	(0.12)	–	(0.02)	–	0.10
Total	152.54	11.93	162.00	12.30	9.46	0.37

- Chemicals : Expected sales expansion of pharmaceutical additive “NISSO HPC”, KrF photo resist material “VP-POLYMER” and new specialty polymer “Liquid 1,2-SBS”
Expected decrease in caustic potash, potassium carbonate due to implementation of structural reforms in the caustic potash and peripheral businesses
- Agro Products : Expected increase in sales for export fungicide “TOPSIN-M”, insecticide “MOSPILAN” and acaricide “NISSORUN”
Expected sales expansion of new acaricide “DANYOTE” and new fungicide “MIGIWA”



Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2023 (Forecast of performance by segment)

(Billions of yen)	2023/3 1H forecast		2023/3 2H forecast		2023/3 Full-year forecast	
	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit
Chemicals	23.20	1.68	23.40	0.96	46.60	2.64
Agro Products	22.60	3.50	29.50	2.80	52.10	6.30
Trading	18.30	0.51	18.70	0.49	37.00	1.00
Transportation and Warehousing	2.20	0.30	2.20	0.30	4.40	0.60
Construction	4.00	0.07	7.50	0.80	11.50	0.87
Others	5.20	0.55	5.20	0.36	10.40	0.91
Adjustments	-	0.29	-	(0.31)	-	(0.02)
Total	75.50	6.90	86.50	5.40	162.00	12.30

[Reference Materials] Business Details

		2021/3 results		2022/3 results		Main Products, etc.
		Net sales	Operating profit	Net sales	Operating profit	
(Billions of yen)						
Non-consolidated	Industrial chemicals	12.98		13.55		Caustic soda, Liquid chlorine, Hydrochloric acid, Sodium cyanide, Potassium cyanide, Phosphorus oxychloride and Phosphorus trichloride
	Fine chemicals	7.44		9.63		Metallic sodium, Specialty isocyanates, Alcoholate, Organic titanate, Color developers for thermal paper and Secondary battery materials
	Specialty chemicals	6.23		6.62		NISSO-PB, VP-POLYMER, TITABOND and BISTRATOR
	Eco-business	5.77		5.74		NISSO HI-CHLON, NISSO MELSAN, TAKE-ONE, HIDION and Slime removing agents
	Pharmaceuticals & industrial fungicides	8.16		9.51		NISSO HPC, NISSO DAMN, Faropenem-sodium antibiotic, NISSO SSF, BESTCIDE, BIOCUT and MILLCUT
	Subtotal	40.58		45.05		
Subsidiaries sales, elimination of transactions, etc.		(3.01)		(1.16)		
1. Chemicals		37.57	1.72	43.89	2.47	
Non-consolidated	Fungicides	19.62		19.11		TOPSIN-M, BEFRAN, BELLKUTE, PYTHILOCK, TRIFMINE, PANCHO, MIGIWA, AGRI-MYCIN AGROCARE (biological pesticide), MASTERPIECE (biological pesticide), FANTASISTA MONSIEUR BORDEAUX and LABILITE
	Insecticides/acaricides	18.34		19.83		MOSPILAN, NISSORUN, DANYOTE, ROMDAN, GREENGUARD, KOTETSU and PHOENIX
	Herbicides	4.26		3.11		NABU, HOENEST, CONCLUDE, EIGEN and ALPHARD
	Others	(0.24)		(0.39)		Smoking agents
	Subtotal	41.97		41.66		
Subsidiaries sales, elimination of transactions, etc.		6.24		8.91		
2. Agro Products		48.20	4.84	50.56	5.51	
3. Trading		32.32	0.73	35.68	1.17	Chemicals, functional products, synthetic resins, industrial devices and construction-related products
4. Transportation and Warehousing		4.22	0.60	4.46	0.69	Warehousing and transportation services
5. Construction		8.51	1.10	8.22	1.14	Plant construction, and civil engineering and construction
6. Others and adjustments		8.54	0.99	97.2	0.94	
Total		139.36	9.98	152.54	11.93	

[Reference Materials] Overview of the Business Group (as of April 1, 2022)

◎ Number of consolidated subsidiaries: 17 ○ Number of equity-method affiliates: 2

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		○				

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.

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