

Presentation Material

Current Status of Management

May 13, 2020

 **NOF CORPORATION**

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(From April 1, 2017 to March 31, 2020)

OVERVIEW

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(From April 1, 2020 to March 31, 2023)

REVIEW



MID-TERM MANAGEMENT PLAN (2019)

(From April 1, 2017 to March 31, 2020)

Mid-term management plan (2019)

Comparative income statement

(¥100 million)(%)

| | FY2016 Actual | FY2017 Actual | FY2018 Actual | FY2019 Actual | FY2019 Plan |
|--|------------------|------------------|------------------|------------------|----------------|
| Net sales | 1,741 | 1,799 | 1,892 | 1,809 | 1,810 |
| Operating income | 243 | 258 | 284 | 269 | 255 |
| Ordinary income | 250 | 274 | 301 | 288 | — |
| Ratio of operating income to net sales | 14.0 | 14.3 | 15.0 | 14.9 | Over 14 |
| Ratio of ordinary income to net sales | 14.4 | 15.2 | 15.9 | 15.9 | — |
| ROA ※1 | 12.1 | 12.2 | 12.5 | 12.0 | — |
| ROE ※2 | 12.3 | 12.4 | 12.7 | 11.9 | — |

FY2017: Moderate economic growth in Japan, Europe, US, Asia, etc.

FY2018: Moderate economic growth in Japan, Europe, US, Asia, etc. / Trade issues become apparent

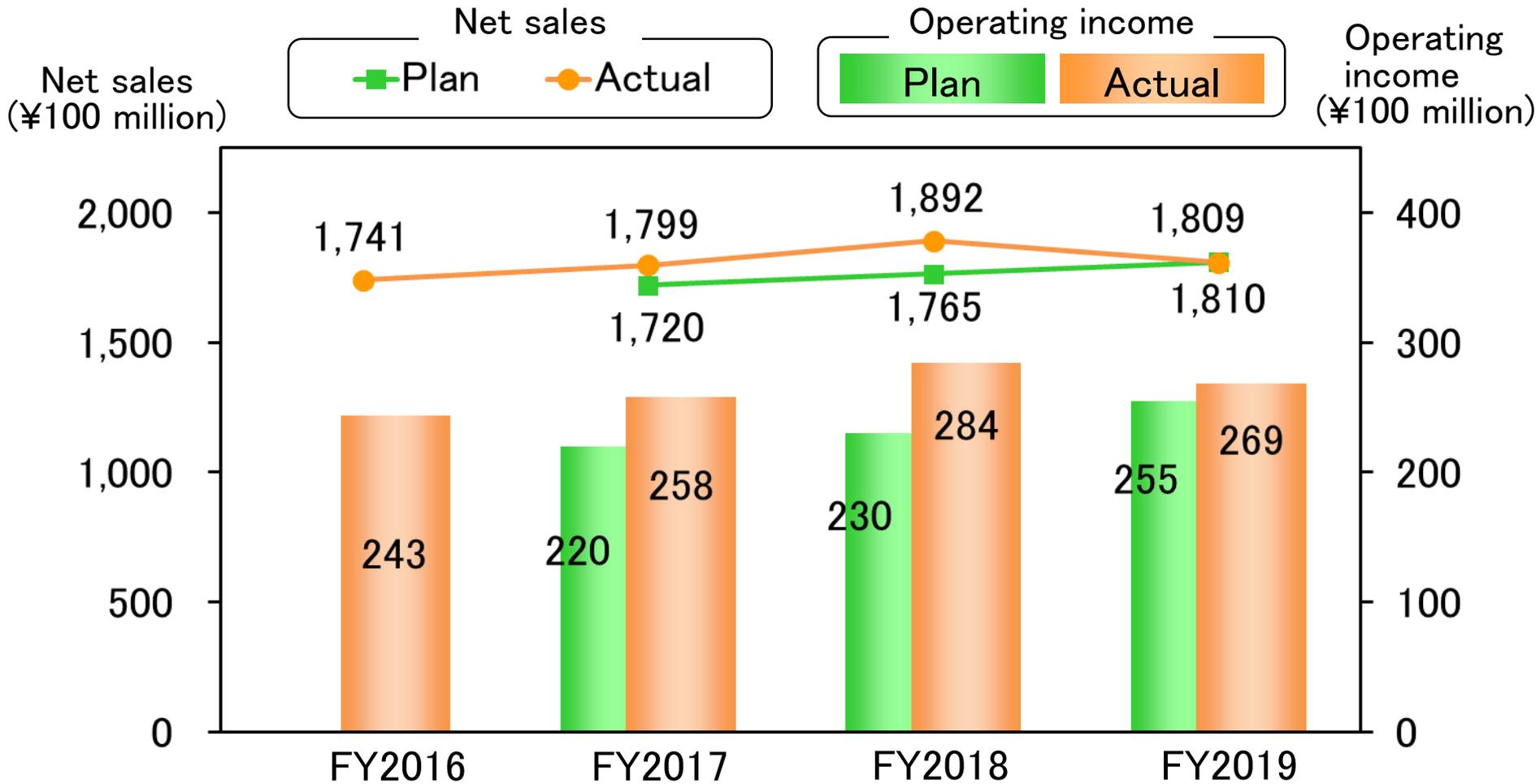
FY2019: Slowdown in economic growth in China / Consumption tax increase / Expansion of new coronavirus infection

※1 ROA: Return on assets, ratio of ordinary income to total assets

※2 ROE: Return on Equity, ratio of net income to shareholders equity

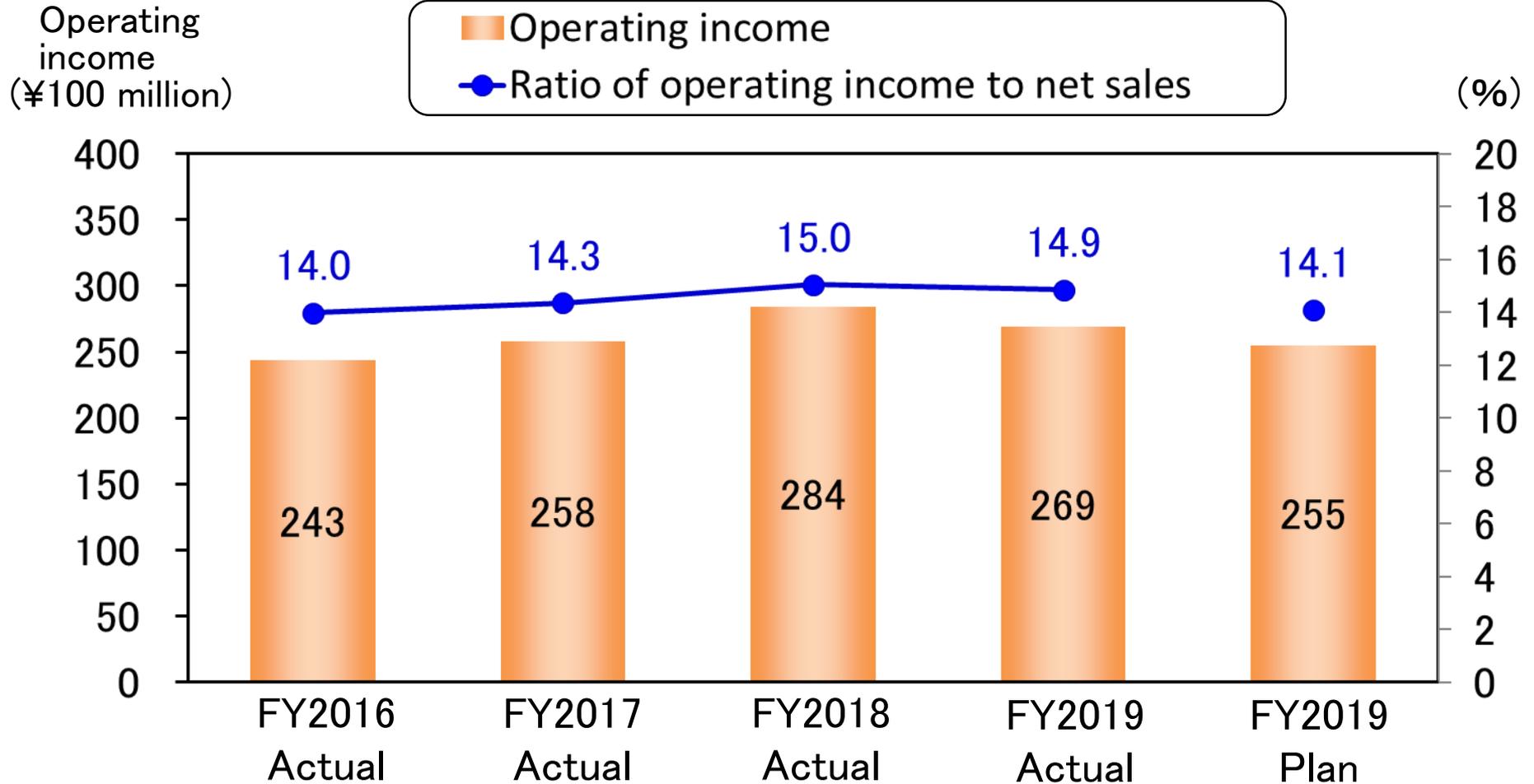
Net sales and Operating income

◆ Achieved operating income of Mid-term management plan (each year)



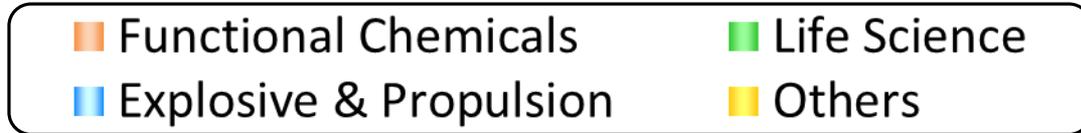
Operating income and Ratio of operating income

◆ Achieved operating income ratio of 14% or more (each year)

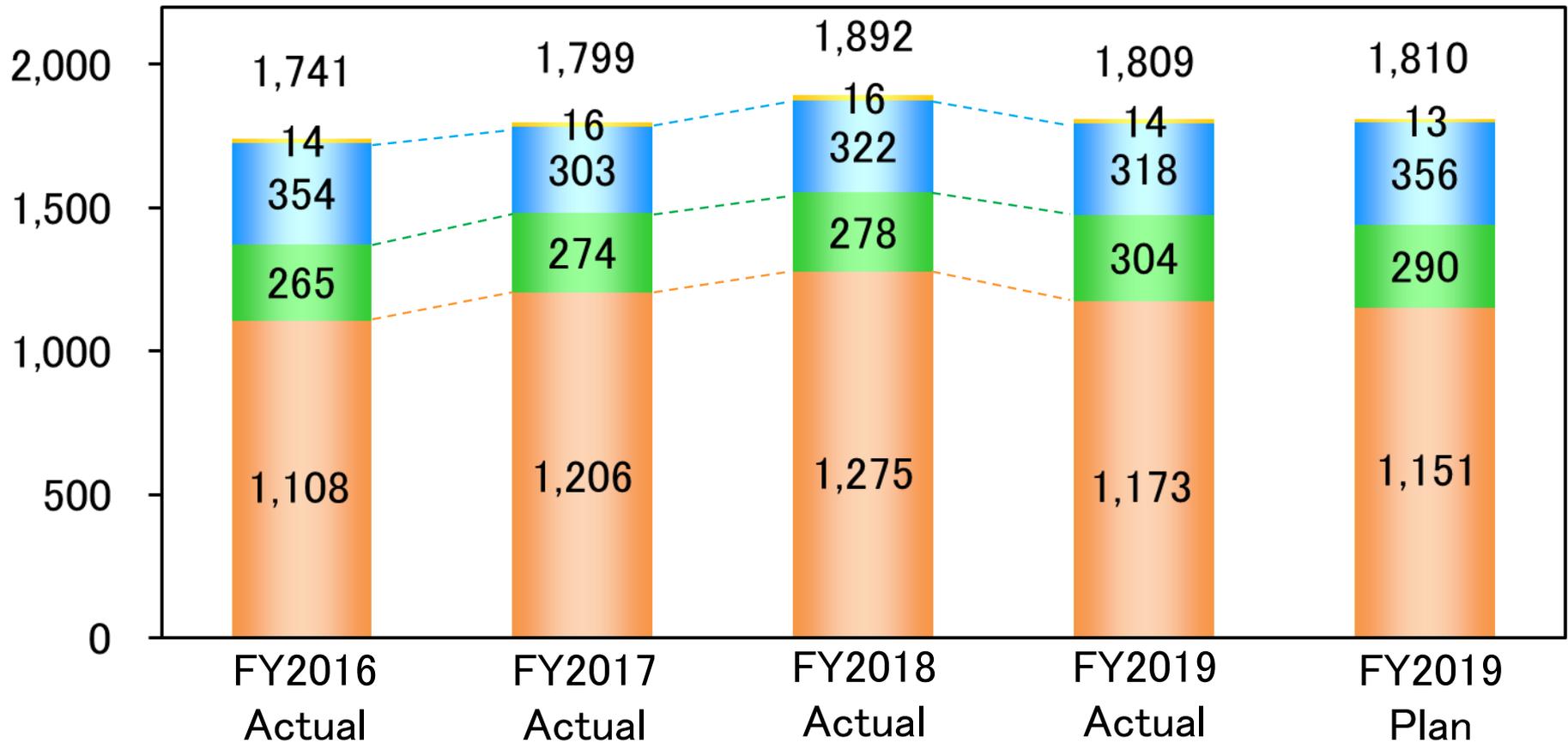


Net sales by segment

◆ Expanding Functional Chemicals and Life Science segment



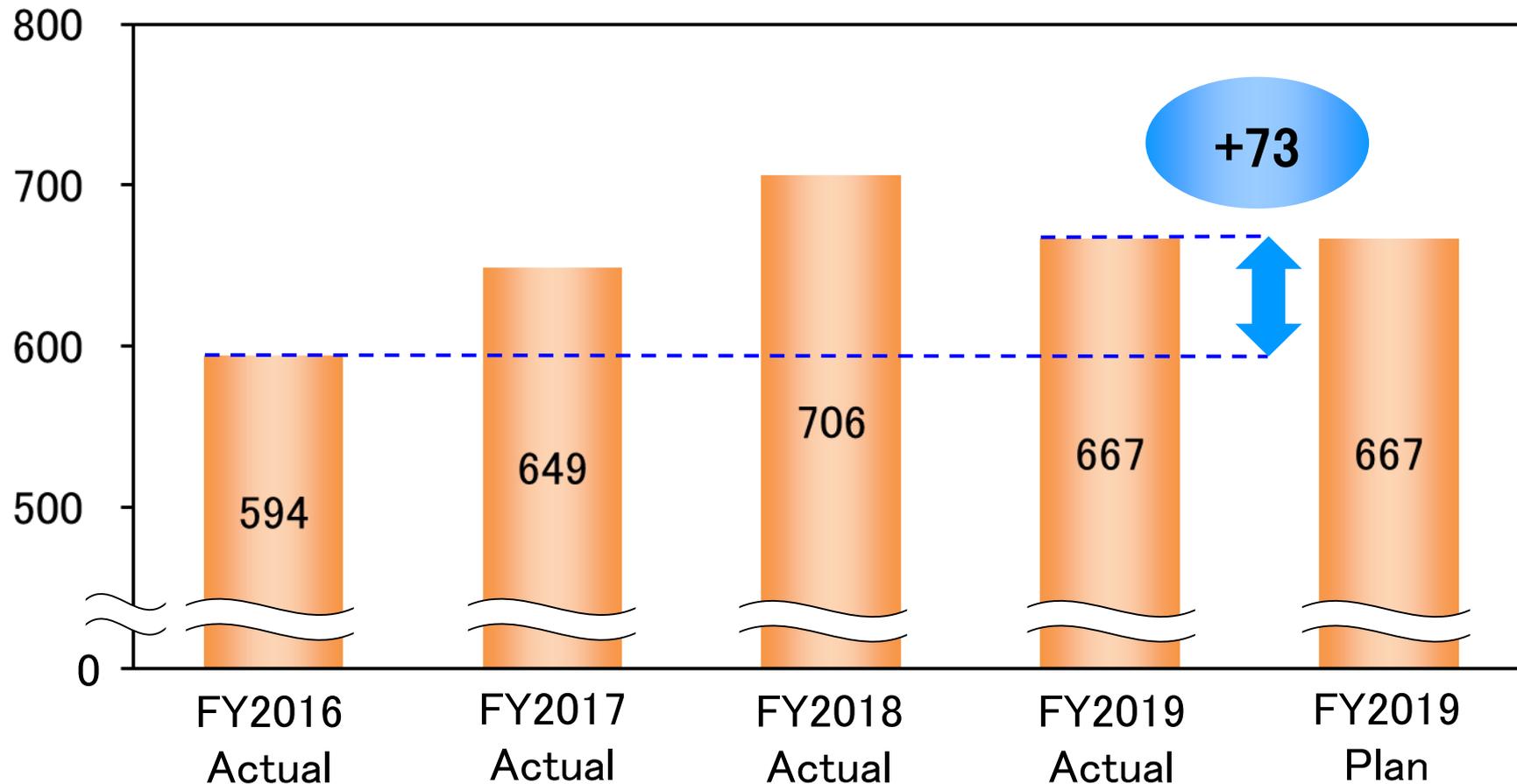
Net sales
(¥100 million)



High-function and high-value added products

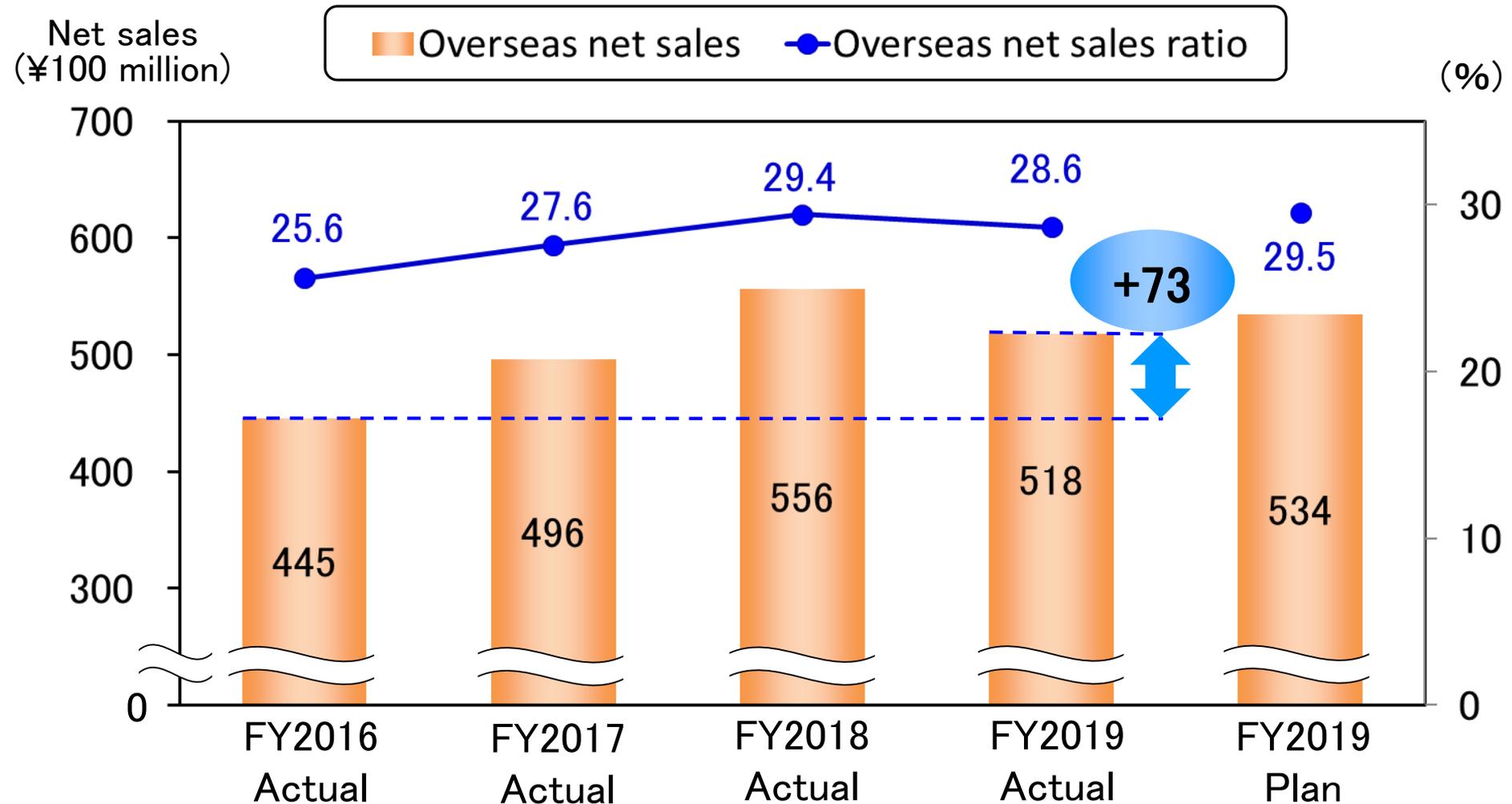
◆ +¥7,300 million against FY2016, growth rate +12%

Net sales
(¥100 million)



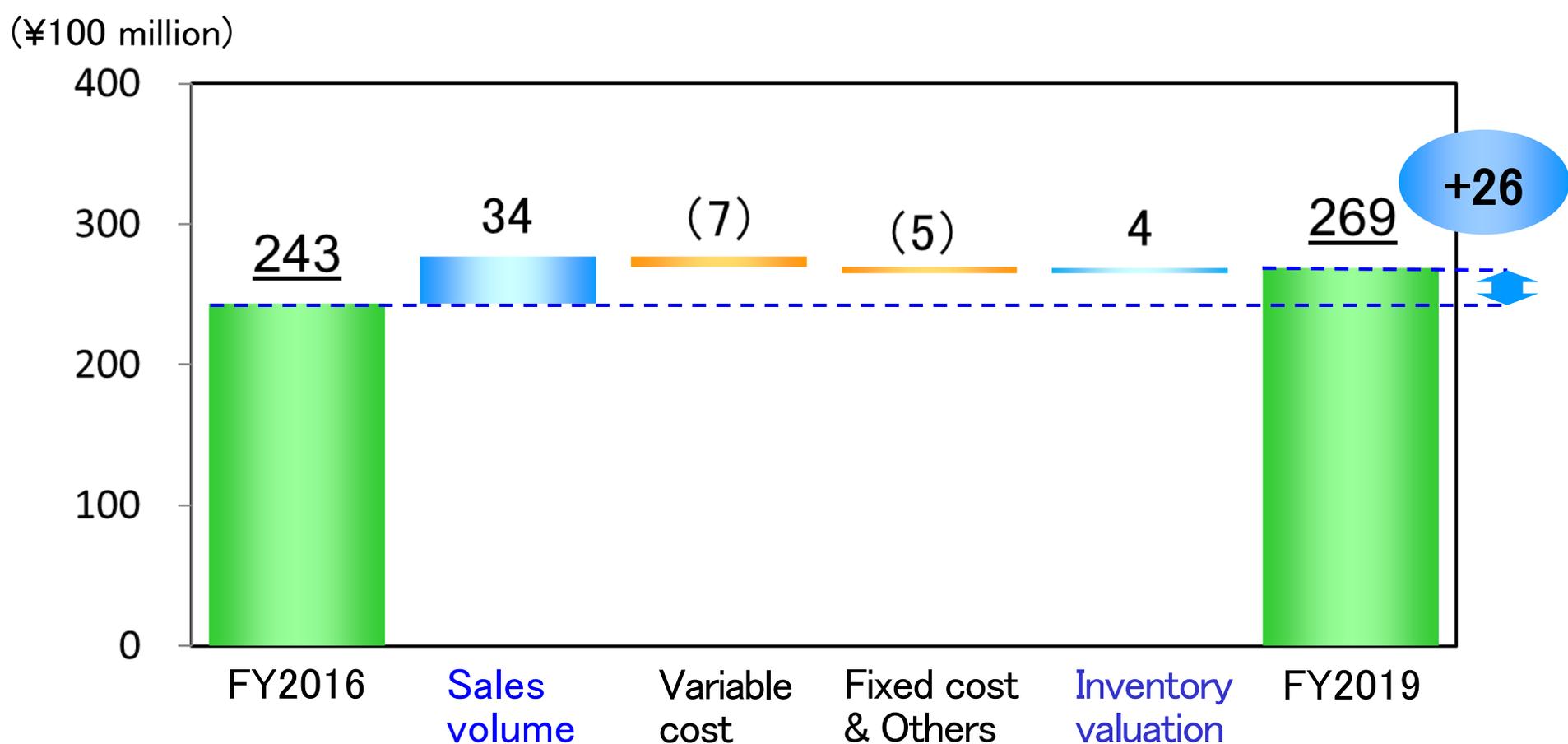
Overseas net sales

◆ +¥7,300 million against FY2016, growth rate +16%



Changes in operating income

- ◆ Positive factor : Sales (Functional Chemicals and Life Science Segment)
- ◆ Negative factor: Variable cost (raw material and fuel) , Fixed cost



OVERVIEW



MID-TERM MANAGEMENT PLAN (2022)

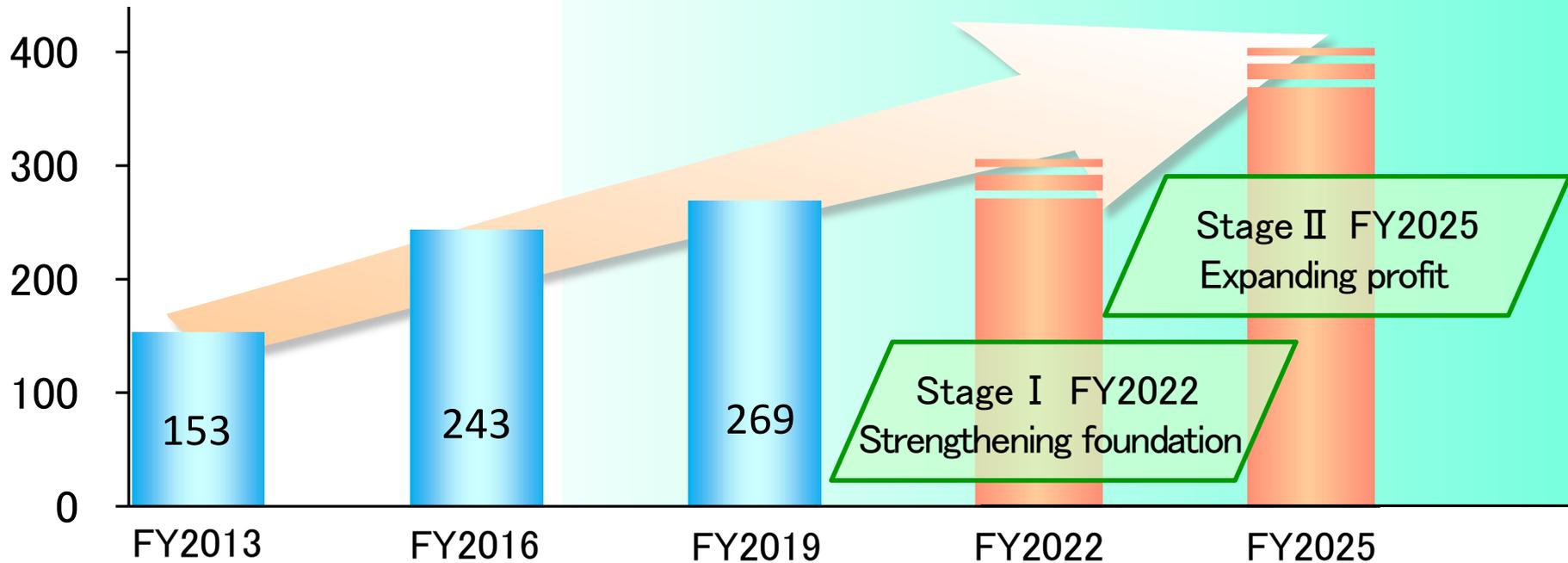
(From April 1, 2020 to March 31, 2023)

Corporate Vision for 2025

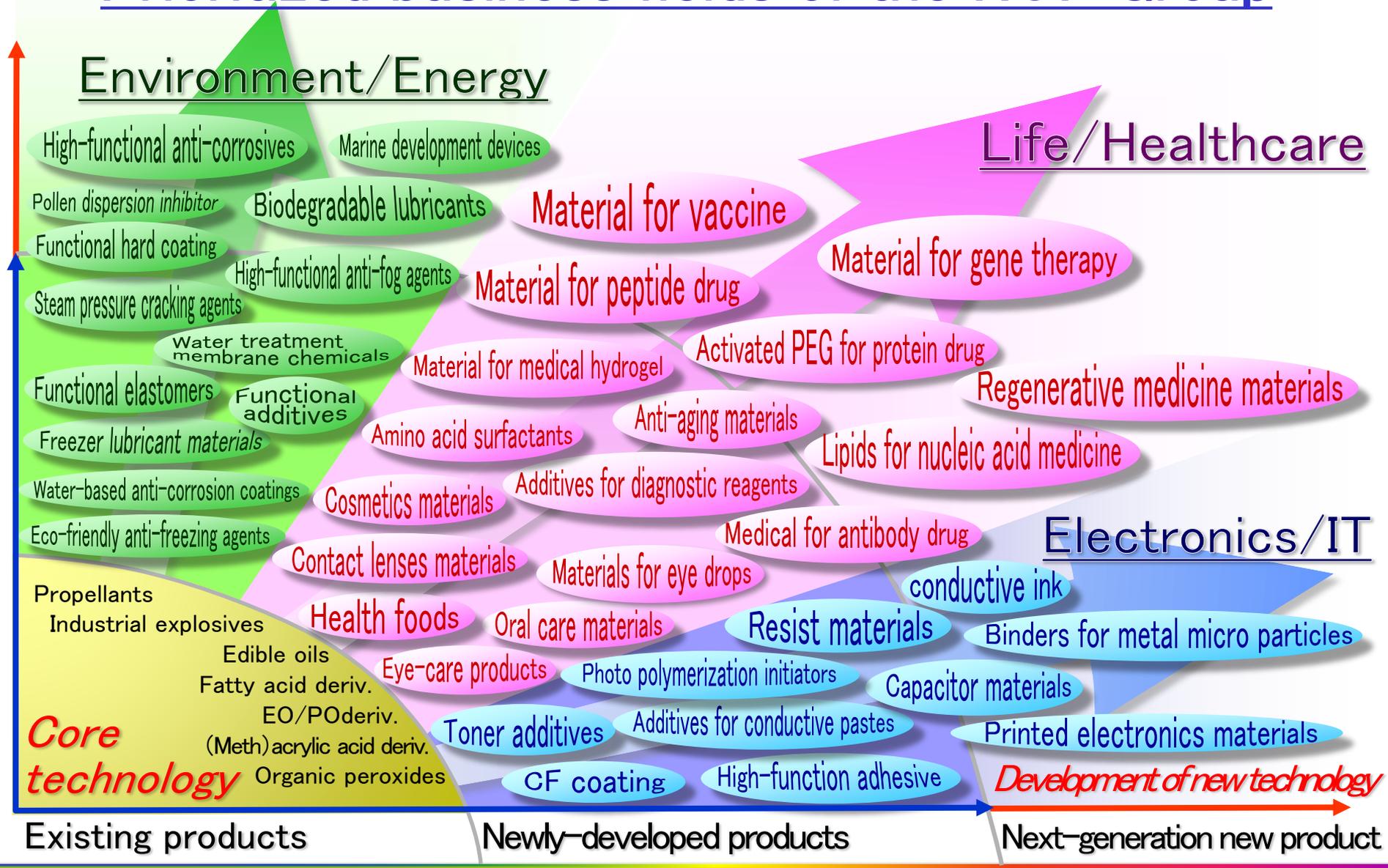
A corporate group that co-creates new value with the power of chemistry in the three business fields of “Life/Healthcare”, “Electronics/IT” and “Environment/Energy” in order to realize a prosperous and sustainable society.

Operating
income
(¥100 million)

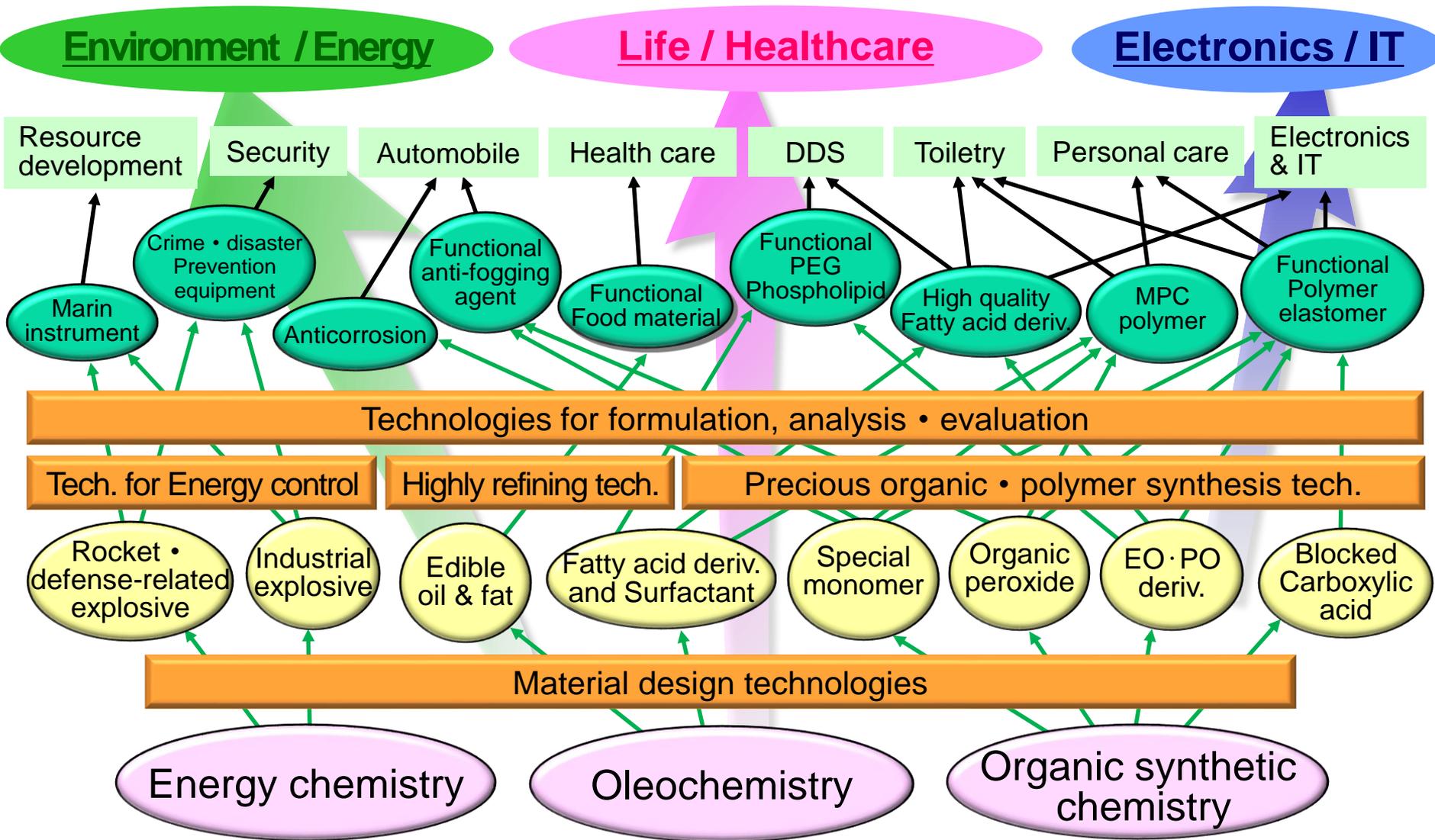
NOF VISION 2025



Prioritized business fields of the NOF Group



Technologies and materials of the NOF Group



Challenge and Co-create

Basic strategies

- 1 Expanding business into the growth market
- 2 Accelerating development of new products and techniques
- 3 Strengthening collaboration internally and externally
- 4 Improving productivity
- 5 Promoting CSR activities

- This material is intended to provide an explanation of the Company and its business, not to induce investment or any other action.
- The results forecasts presented in this document are based upon currently available information and assumptions deemed rational. A variety of factors could cause actual results to differ materially from forecasts.
- Please be aware that decisions regarding investments are the responsibility of the users themselves.
- Please note that, in this material, amounts less than ¥100 million have been rounded off.