

Notice of Conclusion of a Capital and Business Alliance Agreement

With ADEKA Corporation

Nihon Nohyaku Co., Ltd.

Dear customers and partners,

Thank you very much for your continued support of Nihon Nohyaku.

On August 21, 2018, Nihon Nohyaku Co., Ltd. (hereinafter referred to as Nihon Nohyaku) has signed a capital and business alliance agreement with ADEKA Corporation (hereinafter referred to as ADEKA) to support the tender offer of our shares and to allot new shares to ADEKA, with the aim of strengthening our capital base and creating synergies with ADEKA.

As a result, we will be a consolidated subsidiary of ADEKA, and as a member of the ADEKA group, we will make a new start.

Originally, we were founded in 1928 as a separate and independent company from the agrochemical division of Asahi Denka Kogyo KK. (current ADEKA). Since then, we have built good relationships through technological cooperation and personnel exchanges for many years. In recent years, ADEKA has been working to strengthen its business in the life science field as a growing area. Under this capital and business alliance agreement, we have agreed to work together to achieve further growth in the agrochemical and other life science businesses, and to take various measures to enable Nihon Nohyaku to make a leap forward. In addition, under the capital and business alliance agreement, Nihon Nohyaku will be a 51% owned subsidiary of ADEKA, but we both have agreed that Nihon Nohyaku will maintain secure independent management, listing on the First Section of the Tokyo Stock Exchange, and the name of the company.

As an R&D-focused company, Nihon Nohyaku will continue to create high-quality products created through cutting-edge science and technology, and will continue to be a company that is trusted and needed by customers as a partner.

Through this capital and business alliance agreement, we will further stabilize our management base and to pursue more aggressive management strategies and grow as a global company.

We ask for your continued support.

Best regards,



Yosuke Tomoi
Representative Director, President

August 21, 2018

Outline of ADEKA

(1)	Company Name	ADEKA Corporation		
(2)	Location of Head Office	7-2-35 Higashi-ogu, Arakawa-ku, Tokyo 116-8554, Japan		
(3)	Name and Title of Representative	President and Chief Operating Officer Hidetaka Shirozume		
(4)	Business Description	Manufacturing and sales of IT chemicals, Advanced Chemicals, Basic Chemicals, and food products		
(5)	Capital	22.9 billion yen (As of June 30, 2018)		
(6)	Date of Establishment	January 27, 1917		
(7)	Number of Share Issued	103,651,442(As of June 30, 2018)		
(8)	Fiscal Year End	March		
(9)	Number of Employees	(Consolidated) 3,551 (As of March 31, 2018)		
(10)	Operating Results and Financial Position for the Past 3 Years			
	Fiscal Year End	FY Ending in March, 2016	FY Ending in March, 2017	FY Ending in March, 2018
	Consolidated Net Assets (mil. yen)	170,586	187,956	205,088
	Consolidated Net Total Assets (mil. yen)	270,038	290,485	312,920
	Consolidated Net Assets per Share (yen)	1,646	1,813	1,979
	Consolidated Net Sales (mil. yen)	222,746	223,440	239,612
	Consolidated Operating Profit (mil. yen)	19,300	21,041	21,335
	Consolidated Ordinary Profit (mil. yen)	19,569	21,846	22,337
	Profit Attribute to Owners of Parent (mil. yen)	13,259	15,323	15,346
	Consolidated Earnings Per Share (yen)	127.9	147.9	148.1
	Dividends Per Share (yen)	28	31	37