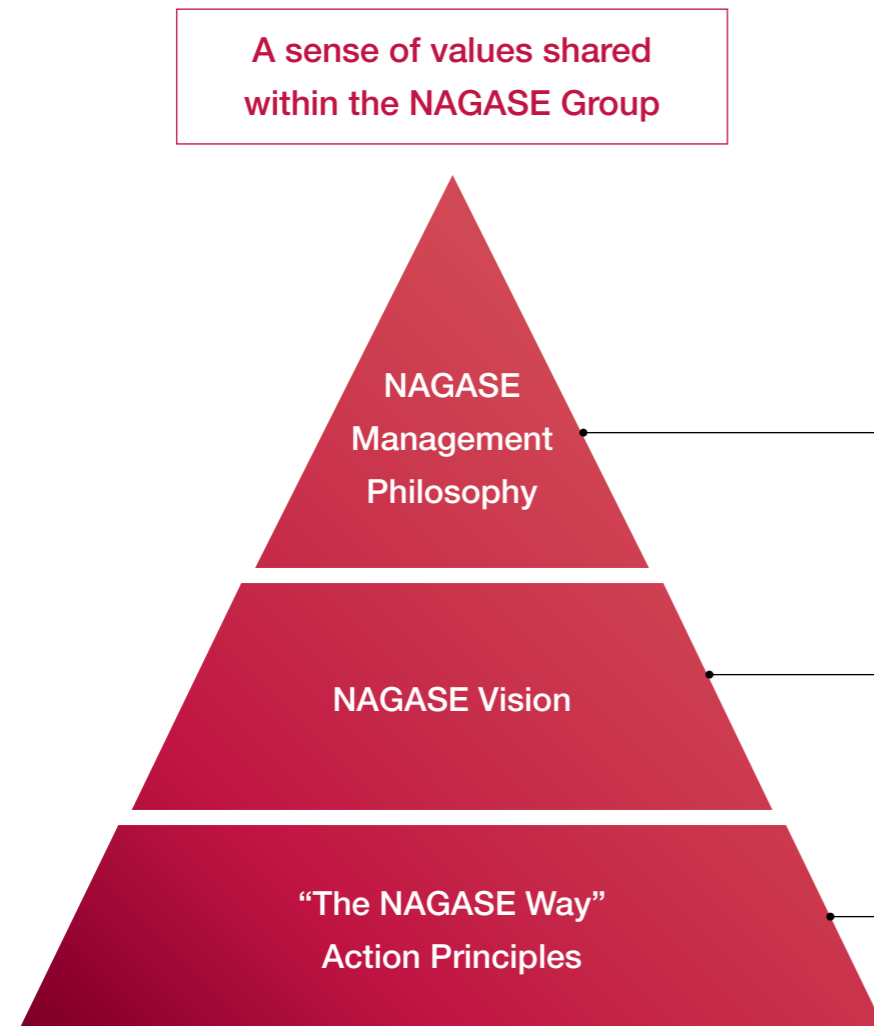


Management Philosophy and the NAGASE Vision



NAGASE Management Philosophy

We recognize our responsibility to society and offer beneficial products and services while maintaining the highest standards of integrity. Through our growth, we will contribute to society and enrich the lives of our employees.

NAGASE Vision

To realize a sustainable world where people live with peace of mind, each of us embodies our value proposition, Identify, Develop and Expand through daily activities.

Strengths/ Characteristics

- Maintaining the highest standards of integrity for almost 200 years
- Working with partners to enable new businesses
- Driving new technologies with knowledge and experience
- Staying a step ahead of the market to actively offer solutions

Value Proposition

- We “Identify, Develop and Expand” new businesses
- 1. Identify : We discover untapped business opportunities
- 2. Develop : We convert opportunities into customer value
- 3. Expand : We deliver solutions to multiple fields and regions

Vision for the Future

- We will contribute to a sustainable world where people live with peace of mind

“The NAGASE Way”

- Always be customer-oriented.
- Always be a creative challenger.
- Always use the power of the NAGASE Group.
- Always think globally and act locally.
- Always think systematically and act speedily.

The NAGASE Group works toward sustainable growth and improving corporate value with an eye toward 2032—its 200th anniversary—and beyond. In the 187 years since our founding, our business fields and operating regions have expanded, and the diversity of our employees has steadily grown. Amidst these changes, we have defined the NAGASE Management Philosophy, NAGASE Vision, and The NAGASE Way as a set of common values for all Group employees. By embodying these common values in our daily activities, each of us helps realize a sustainable world where people live with peace of mind.

Evolving Our Business Model –The Group’s Changes and Challenges–

NAGASE & CO., LTD. is a chemicals trading firm, founded in Kyoto, Japan in 1832. The NAGASE Group began as a specialized sales agent securing exclusive contracts to sell industry-leading products from around the world in Japan. This enabled us to acquire leading-edge technology and information gathering expertise—as well as our global network—to transform our business into a hybrid model offering superior manufacturing, processing, and R&D functions as well as trading company services. We will continue tackling new challenges as we look ahead toward 2032—our 200th anniversary—and beyond.

Net Sales (FY2018)
807.7 Billion Yen

(Non-consolidated)		(Non-consolidated)		(Consolidated)		(Consolidated)	
Total Assets	Operating Income	Total Assets	Operating Income	Total Assets	Operating Income	Total Assets	Operating Income
27.5 Billion Yen	1.8 Billion Yen	193.6 Billion Yen	6.4 Billion Yen	422.8 Billion Yen	21.6 Billion Yen	567.3 Billion Yen	25.2 Billion Yen
(FY1966)		(FY1986)		(FY2006)		(FY2018)	

Initiatives with Leading Overseas Manufacturers

In the 1900s, we signed sales representative agreements with Eastman Kodak and General Electric

- 1832** Founded in Kyoto as a dyestuffs trading concern
Sales of dyestuffs, starches and funori seaweed
- 1898** Head office moved to Osaka
- 1900** Established business ties with Basel Chemical Co. of Switzerland (now Ciba Specialty Chemicals Ltd.)
- 1901** Opened office in Lyon
- 1911** Established Tokyo branch office
- 1913** Opened offices in London and New York
- 1917** Established Nagase Shoten Company (from sole proprietor to corporation)
- 1923** Established business ties with Eastman Kodak Co. of the United States
- 1930** Concluded an exclusive distributorship agreement with Union Carbide and Carbon Corp. of the United States
- 1938** Established Teikoku Chemical Industries Co., Ltd.
- 1964** Listed Company shares on the Osaka Securities Exchange
- 1968** Concluded an exclusive distributorship agreement with General Electric Co. of the United States



Osaka head office at incorporation in December 1917



General Electric Co. of the United States

Overseas Network

We established branches and local entities in Japan and overseas, building the foundations of our business

- 1970** Established Nagase-CIBA Ltd. (now Nagase ChemteX Corporation) jointly with Ciba-Geigy Ltd. Listed Company shares on the Tokyo Stock Exchange
- 1971** Established Nagase (Hong Kong) Ltd. and Nagase America Corporation
Established Engineering Plastics, Ltd. jointly with General Electric Co.
- 1972** Established Nagase Medicals Co., Ltd.
- 1975** Established Nagase Singapore (Pte) Ltd.
- 1977** Established Nagase Biochemicals, Ltd.
- 1980** Established Nagase Chemicals, Ltd.
Established Nagase (Europa) GmbH
- 1981** Established Nagase (Malaysia) Sdn. Bhd.
- 1985** Established Seoul branch office
- 1988** Established Nagase (Taiwan) Co., Ltd.
- 1989** Established Nagase (Thailand) Co., Ltd.
Established Nagase Science and Technology Foundation
Tokyo branch office became a head office; adoption of Osaka/Tokyo two head office system



Right: Nagase-CIBA Ltd. in 1971
Left: Newly completed Tokyo branch office building (October 1969)

Stronger Manufacturing, Processing, and R&D Functions

A chemicals trading company building a strong reputation in manufacturing, processing, and research and development

- 1990** Established Sofix Corporation, a U.S.-based color former production joint venture
Set up the Nagase R&D Center in Kobe
Established joint venture Nagase Wahlee Plastics Corporation (Taiwan)
- 1997** Established Nagase Philippines Corporation
Established Shanghai Nagase Trading Co., Ltd.
Established Nagase Engineering Service Korea Co., Ltd.
- 1998** Established PT. Nagase Impor-Ekspor Indonesia
Established Shanghai Hua Chang Trading Co., Ltd.
- 2000** Changed the name of Nagase-CIBA, Ltd. to Nagase ChemteX Corporation
- 2001** Nagase ChemteX, Nagase Chemicals, Teikoku Chemical Industries, and Nagase Biochemicals merged to Nagase ChemteX Corporation
Closed the Seoul branch office and established Nagase Korea Corporation
- 2002** Established Guangzhou Nagase Trading Ltd.
Established Nagase ChemteX (Wuxi) Corporation
- 2004** Established NWP International Trading (Shenzhen) Co., Ltd.
- 2005** Established Totaku Industries Suzhou Co., Ltd.
Established Nagase Electronics Technology Co., Ltd.
Established Nagase Philippines International Services Corporation
- 2006** Acquired stock of semiconductor manufacturing equipment maker Pac Tech-Packaging Technologies GmbH
Established Nagase India Private Ltd.
- 2007** Established Nagase Application Workshop
- 2008** Established Sakai Sales Office
Established Nagase Vietnam Co., Ltd.
- 2012** Acquired stock of Engineered Materials Systems, Inc., U.S.-based maker of formulated epoxy resins
Acquired stock of Hayashibara Co., Ltd. (Okayama, Japan)
Established local entity in Brazil
- 2014** Completion of NAGASE Global HR Development Center

Beyond the Traditional Trading Firm Framework

Beyond the trading firm business offering new value as a “Business Designer”

- 2015** Created NAGASE Long-Term Management Policy
- 2016** Start of Mid-Term Management Plan ACE-2020
- 2017** Established New Value Creation Office
Converted Inkron Oy into a subsidiary
Launch of Nagase Business Expert Co., Ltd.
Acquired stock of DAITAI KAKO CO., LTD.
Acquired stock of Fitz Chem LLC (USA)
- 2019** Established the regional headquarters of Nagase Holdings America Corporation and Nagase (China) Co., Ltd. in the United States and China, respectively

2032 200th Anniversary



Osaka Head Office

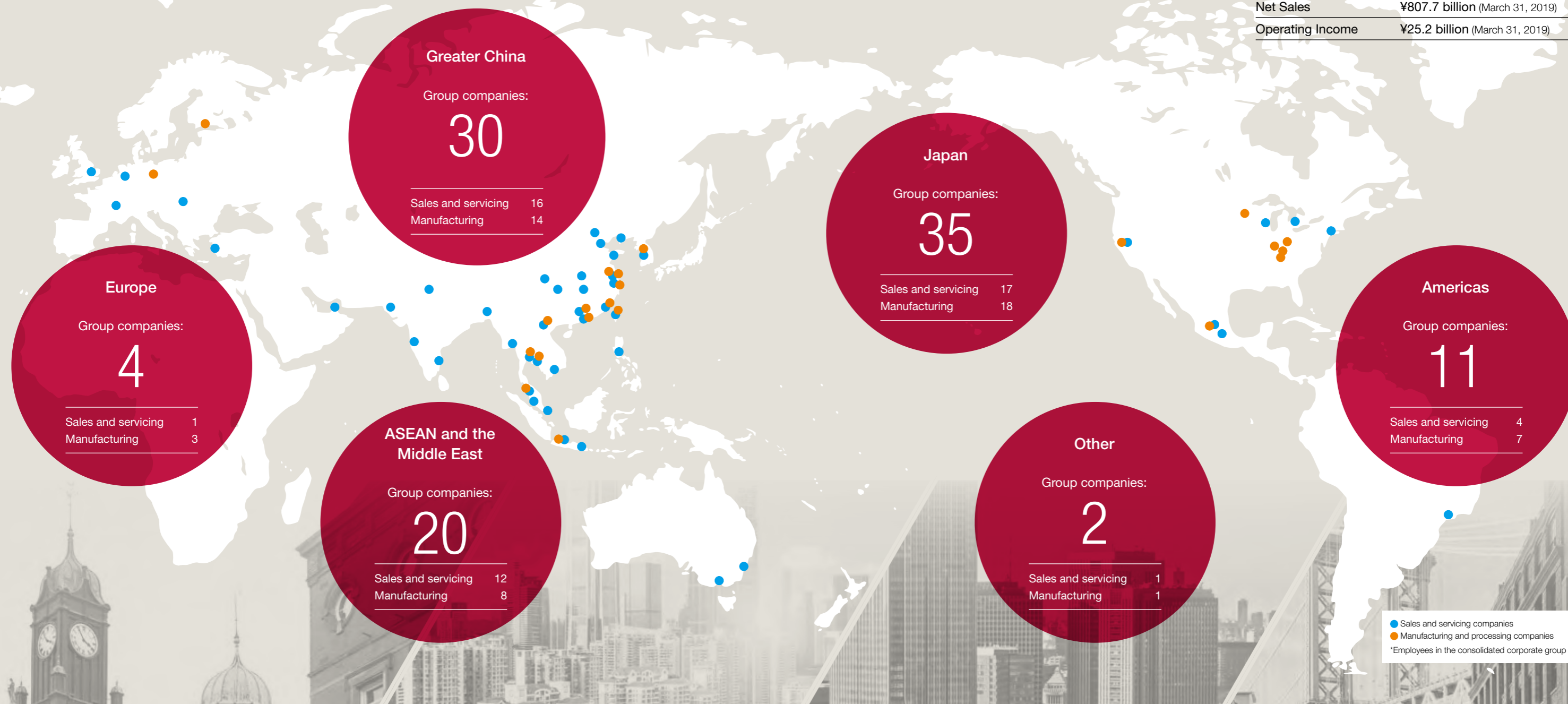


Tokyo Head Office

Overview of the NAGASE Group

Built on a foundation of chemistry, the NAGASE Group handles merchandise that underpin a broad range of fields. With 102 Group companies in 27 countries and regions, we provide a diverse array of value in global markets, including dyes/pigments, coating materials/inks, plastic materials, electronic materials, automotive parts, functional food ingredients, and active pharmaceutical ingredients/intermediates.

Company Name	NAGASE & CO., LTD.
Founded	June 18, 1832
Establishment	December 9, 1917
Capital	¥9.6 billion
Employees	851 (Consolidated: 6,143)
Net Sales	¥807.7 billion (March 31, 2019)
Operating Income	¥25.2 billion (March 31, 2019)



Consolidated Net Sales

807.7 billion yen

Overseas 395.1 billion yen

Overseas Sales to Net Sales

48.9%

Number of Bases

27 102

Countries and Areas

Companies

Number of Manufacturing Companies

14 51

Countries and Areas

Companies

Number of Sales and Servicing Companies

25 51

Countries and Areas

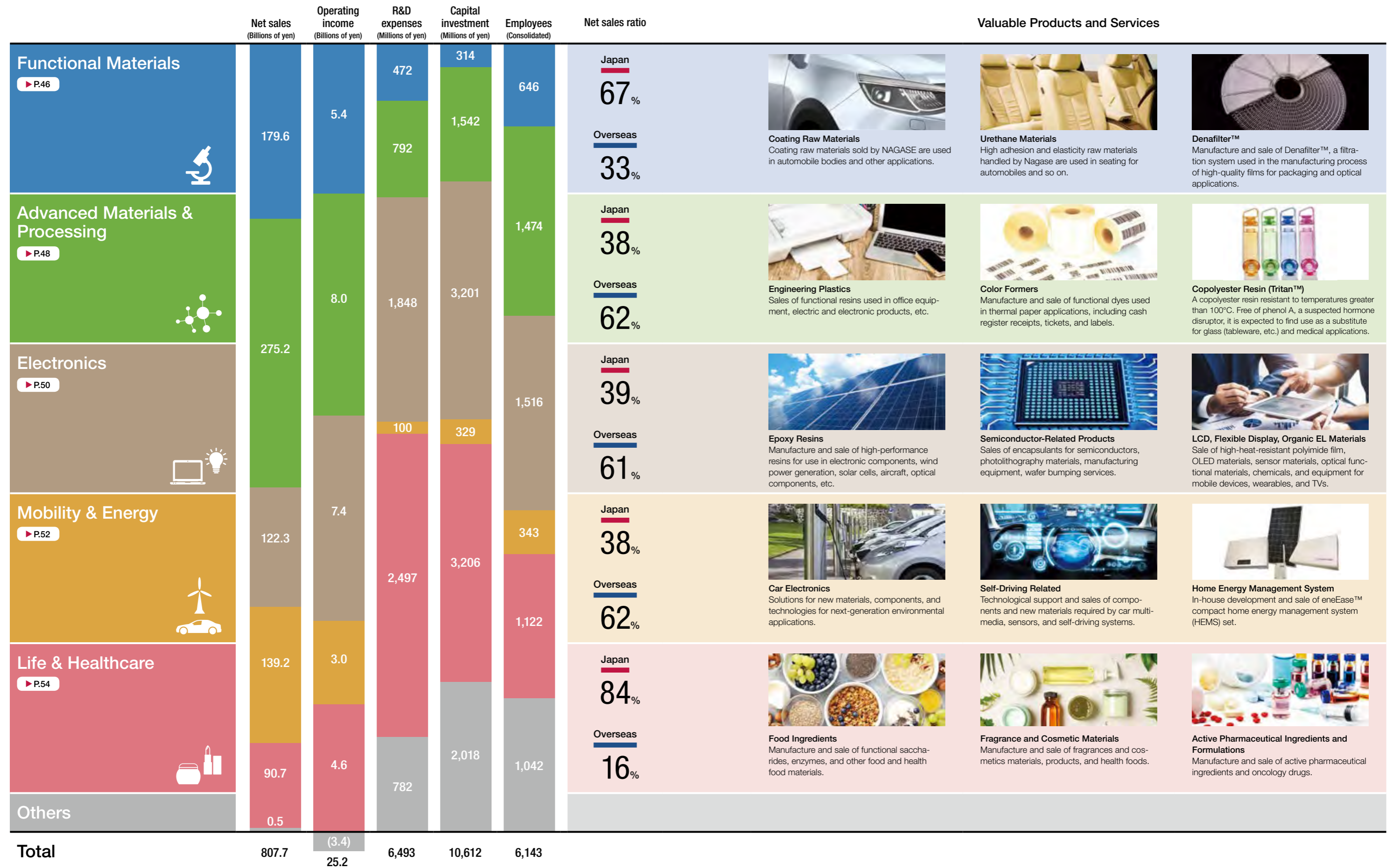
Companies

Number of Employees (Consolidated)

6,143

Overseas 2,313

At a Glance



Note: Others includes eliminated inter-segment transactions and business not included in reportable segments.