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May 14, 2024

Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (Under Japanese GAAP)

Company name: Taoka Chemical Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 4113
 URL: <https://www.taoka-chem.co.jp>
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 Scheduled date of annual general meeting of shareholders: June 24, 2024
 Scheduled date to commence dividend payments: June 4, 2024
 Scheduled date to file annual securities report: June 24, 2024
 Preparation of supplementary material on financial results: None
 Holding of financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Sales revenue		Operating income		Ordinary income		Net income attributable to owners of the parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2024	28,544	(5.4)	1,074	138.3	1,141	149.4	820	164.1
March 31, 2023	30,166	(6.8)	451	(83.3)	457	(83.6)	310	(84.9)

Note: Comprehensive income

For the fiscal year ended March 31, 2024: ¥898 million [166.3%]

For the fiscal year ended March 31, 2023: ¥337 million [(83.8)%]

Fiscal year ended	Net income per share	Diluted net income per share	Return on equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
	Yen	Yen	%	%	%
March 31, 2024	57.26	—	4.9	3.8	3.8
March 31, 2023	21.68	—	1.9	1.4	1.5

Reference: Share of profit (loss) of entities accounted for using equity method

For the fiscal year ended March 31, 2024: ¥ — million

For the fiscal year ended March 31, 2023: ¥ — million

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2024	29,719	17,210	57.9	1,201.14
March 31, 2023	31,069	16,570	53.3	1,156.45

Reference: Equity

As of March 31, 2024: ¥17,210 million

As of March 31, 2023: ¥16,570 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2024	3,628	(1,142)	(2,389)	972
March 31, 2023	1,478	(4,339)	2,995	853

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2023	—	18.00	—	9.00	27.00	386	124.5	2.3
Fiscal year ended March 31, 2024	—	9.00	—	9.00	18.00	257	31.4	1.5
Fiscal year ending March 31, 2025 (Forecast)	—	9.00	—	9.00	18.00		28.7	

3. Consolidated financial forecasts for the fiscal year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Percentages indicate year-on-year changes.)

	Sales revenue		Operating income		Ordinary income		Net income attributable to owners of the parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
Second quarter-end (Cumulative)	15,000	1.3	700	22.1	720	16.0	500	8.7	34.89
Full year	30,000	5.1	1,200	11.6	1,250	9.5	900	9.7	62.81

* **Notes**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None
- (3) Number of issued shares (common shares)

- (i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2024	14,440,000 shares
As of March 31, 2023	14,440,000 shares

- (ii) Number of treasury shares at the end of the period

As of March 31, 2024	111,235 shares
As of March 31, 2023	111,140 shares

- (iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2024	14,328,845 shares
Fiscal year ended March 31, 2023	14,328,860 shares

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(1) Non-consolidated operating results

Fiscal year ended	Sales revenue		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2024	25,950	(5.7)	852	218.3	947	201.5	689	214.8
March 31, 2023	27,520	(11.8)	267	(89.7)	314	(88.5)	219	(89.1)

Fiscal year ended	Net income per share	Diluted net income per share
	Yen	Yen
March 31, 2024	48.14	—
March 31, 2023	15.29	—

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2024	28,843	16,728	58.0	1,167.46
March 31, 2023	30,277	16,283	53.8	1,136.42

Reference: Equity

As of March 31, 2024: ¥16,728 million

As of March 31, 2023: ¥16,283 million

* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters
(Caution regarding forward-looking statements and others)

The forward-looking statements, including financial forecasts, contained in this report are based on information currently available to the Company and certain assumptions deemed to be reasonable. Accordingly, they are not intended to be construed as assurance that they will be accomplished in the future. Note that actual results may differ materially from the forecasts for a number of reasons.

Sales revenue of monomers for optical resins and varnish decreased. As a result, the Taoka Chemical Group's consolidated sales revenue for the fiscal year ended March 31, 2024, decreased by ¥1,622 million compared with the previous fiscal year, to ¥28,544 million. The Group posted operating income of ¥1,074 million, ordinary income of ¥1,141 million, and net income attributable to owners of the parent of ¥820 million.

The financial results of Taoka Chemical by business segment for the fiscal year were as follows:

Division	Fiscal year Ended March 31, 2023		Fiscal year Ended March 31, 2024		Change	
	Millions of yen	Composition ratio (%)	Millions of yen	Composition ratio (%)	Millions of yen	Year-on-year rate (%)
Fine Chemicals	13,856	45.9	12,672	44.4	(1,183)	(8.5)
Functional Chemicals	3,285	10.9	3,388	11.9	103	3.1
Functional Polymers and Additives	12,403	41.1	11,865	41.6	(537)	(4.3)
Chemicals Segment	29,545	97.9	27,927	97.8	(1,618)	(5.5)
Analytical Services	620	2.1	617	2.2	(3)	(0.6)
Total	30,166	100.0	28,544	100.0	(1,622)	(5.4)

Chemicals Segment

Sales revenue of this segment was ¥27,927 million, a ¥1,618 million decrease compared to the previous fiscal year.

Fine Chemicals Division

Shipments of monomers for optical resins and electronic materials decreased. As a result, the division sales revenue decreased by ¥1,183 million, to ¥12,672 million.

Functional Chemicals Division

Sales revenue of adhesives and rubber additives increased. As a result, the division sales revenue increased by ¥103 million, to ¥3,388 million.

Functional Polymers and Additives Division

Shipments of paper chemicals and varnish decreased, as did sales prices of varnish, reflecting a decline in raw material prices. As a result, the division sales revenue decreased by ¥537 million, to ¥11,865 million.

Analytical Services Segment

Although sales of soil analysis increased, sales of asbestos analysis and composition and structural analysis decreased. As a result, the segment sales revenue decreased by ¥3 million, to ¥617 million.