

Consolidated Financial Results
for the Fiscal Year Ended March 31, 2024
[Under Japanese GAAP]

May 13, 2024

Company name: Dexerials Corporation Listing: Tokyo Stock Exchange
Security code: 4980 URL: <https://www.dexerials.jp/en>
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Date of annual general meeting of shareholders: June 25, 2024
Date of payment of year-end dividends: June 26, 2024
Annual Securities Report (*Yukashoken Hokokusho*) filing date: June 25, 2024
Preparation of supplementary briefing material on financial results: Yes
Investors meeting presentation for financial results: Yes (for securities analysts and institutional investors)

Note: Amounts less than one million yen have been omitted.

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

(1) Consolidated operating results (Percentage indicates year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2024	105,198	(0.9)	33,421	3.5	30,028	(0.5)	21,382	3.4
March 31, 2023	106,167	10.9	32,288	21.2	30,174	20.6	20,685	24.1

Note: Comprehensive income

For the fiscal year ended March 31, 2024: ¥23,425 million [9.4%]

For the fiscal year ended March 31, 2023: ¥21,419 million [19.6%]

Note: EBITDA

For the fiscal year ended March 31, 2024: ¥40,024 million [2.4%]

For the fiscal year ended March 31, 2023: ¥39,101 million [20.4%]

	Basic earnings per share	Diluted earnings per share	Return on capital	Ordinary profit to total assets	Operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2024	368.71	367.38	27.1	22.7	31.8
March 31, 2023	350.62	348.78	30.3	23.7	30.4

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

For the fiscal year ended March 31, 2024: ¥11 million

For the fiscal year ended March 31, 2023: ¥16 million

Note: For the purpose of calculating the amounts of basic earnings per share and diluted earnings per share, the number of shares of the Company held by the Trust was included in the number of treasury shares, which was to be deducted from the calculation of the average number of shares of common stock during the period.

(2) Consolidated financial position

	Total assets	Net assets	Capital to asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2024	138,016	84,953	61.6	1,485.96
March 31, 2023	126,379	73,774	57.7	1,257.14

Reference: Capital (Shareholders' equity + Accumulated other comprehensive income)

As of March 31, 2024: ¥84,953 million As of March 31, 2023: ¥72,896 million

Note: For the purpose of calculating the amounts of net assets per share, the number of shares of the Company held by the Trust was included in the number of treasury shares, which was to be deducted from the number of shares issued at the end of the period.

(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	27,457	(10,866)	(10,343)	37,410
March 31, 2023	21,339	(9,447)	(12,535)	29,286

2. Dividends

	Cash dividends per share					Total dividends (Annual)	Dividend payout ratio (Consolidated)	Dividend on equity (Consolidated)
	First quarter- end	Second quarter- end	Third quarter- end	Fiscal year- end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2023	–	30.00	–	35.00	65.00	3,993	18.5	5.6
March 31, 2024	–	35.00	–	65.00	100.00	6,022	27.1	7.3
Fiscal year ending March 31, 2025 (forecast)	–	78.00	–	26.00	–		39.3	

Reference: Total payout ratio (consolidated) before amortization of goodwill

For the fiscal year ended March 31, 2024: 50.8% (For more details, please see page 6 of the Attached Materials.)

- Notes:
1. Breakdown of fiscal year-end dividends for the fiscal year ended March 31, 2023: 30.00 yen for ordinary dividend and 5.00 yen for commemorative dividend
 2. The amounts of total dividends (annual) include the dividends (of ¥178 million for the fiscal year ended March 31, 2023 and ¥272 million for the fiscal year ended March 31, 2024) for the shares of the Company held by the Trust.
 3. For the purpose of calculating the amounts of dividend on equity for the fiscal years ended March 31, 2023 and 2024, the number of shares of the Company held by the Trust was included in the number of treasury shares.
 4. As stated in “3. Forecast of consolidated financial results for the fiscal year ending March 31, 2025” below, dividend payout ratio for the fiscal year ending March 31, 2025 (forecast) was computed based on basic earnings per share calculated under International Financial Reporting Standards (IFRS).
 5. At the Board of Directors’ meeting held on May 13, 2024, the Company resolved to conduct a 3-for-1 stock split of common stock, effective on October 1, 2024. For dividends for the fiscal year ending March 31, 2025 (forecast), second quarter-end dividends per share represents the amount before the stock split, while the amount of fiscal year-end dividends per share reflects the stock split. Without reflecting the stock split, fiscal year-end dividends and annual dividends for the fiscal year ending March 31, 2025 (forecast) would be 78.0 yen per share and 156.0 yen per share, respectively.

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Percentage indicates year-on-year changes.)

Fiscal year	Net sales		Business profit		Profit before income taxes		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
	107,000	–	33,500	–	32,000	–	23,000	–	132.20

- Notes:
1. For the purpose of calculating the amount of basic earnings per share, the number of shares of the Company held by the Trust as of the end of the fiscal year ended March 31, 2024 was included in the number of treasury shares, which was to be deducted from the calculation of the average number of shares of common stock during the period.
 2. The Company will voluntarily adopt International Financial Reporting Standards (IFRS) from the fiscal year ending March 31, 2025. As the forecast of consolidated financial results for the fiscal year ending March 31, 2025 was prepared under IFRS, year-on-year changes against the fiscal year ended March 31, 2024 are not presented.
 3. At the Board of Directors’ meeting held on May 13, 2024, the Company resolved to conduct a 3-for-1 stock split of common stock, effective on October 1, 2024. Basic earnings per share for the fiscal year ending March 31, 2025 was calculated on the assumption that the stock split had been conducted at the beginning of the fiscal year ending March 31, 2025. Without reflecting the stock split, the basic earnings per share would be 396.60 yen.

For more information on the consolidated financial results for the fiscal year ended March 31, 2024, please refer to the supplementary briefing material on financial results, Annual Securities Report (available in Japanese only) to be filed on June 25, 2024, and other materials, which you can find on our website at <https://www.dexerials.jp/en/ir/library/index.html>.

[Notes]

- (1) Significant changes in the scope of consolidation during the current period: None
- (2) Changes in accounting policies, changes in accounting estimates and restatements of prior period financial statements
 - (a) Changes in accounting policies due to application of new or revised accounting standards: None
 - (b) Changes in accounting policies due to reasons other than above (a): None
 - (c) Changes in accounting estimates: None
 - (d) Restatements of prior period financial statements: None
- (3) Number of shares of common stock issued
 - (a) Number of shares issued (including treasury shares)

As of March 31, 2024:	60,192,200 shares
As of March 31, 2023:	64,575,000 shares
 - (b) Number of treasury shares

As of March 31, 2024:	3,021,311 shares
As of March 31, 2023:	6,589,029 shares
 - (c) Average number of shares of common stock during the period

Fiscal year ended March 31, 2024:	57,991,889 shares
Fiscal year ended March 31, 2023:	58,997,371 shares

Notes: 1. The number of shares issued as of March 31, 2024 has decreased by 4,382,800 shares as the number of shares issued increased by 185,100 shares upon the exercise of stock options but decreased by 4,567,900 shares upon the retirement of treasury shares during the fiscal year ended March 31, 2024.

2. As the Company has introduced a stock compensation plan which delivers shares with restrictions on transfer, the Company's shares are included in the number of treasury shares at the end of the period (293,800 shares as of March 31, 2024 and 293,800 shares as of March 31, 2023) mainly for the purpose of allotting them as restricted shares.

3. As the Company has introduced an Employee Stock Ownership Plan ("J-ESOP") and a Board Benefit Trust (BBT), the number of shares of the Company held by the Trust is included in the number of treasury shares as of the end of the period. In addition, the number of shares of the Company held by the Trust (an average of 3,618,809 shares for the fiscal year ended March 31, 2024 and an average of 5,533,989 shares for the fiscal year ended March 31, 2023) was included in the number of treasury shares to be deducted in the calculation of the average number of shares of common stock during the period.

[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 (Percentage indicates year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2024	93,645	(0.4)	29,753	4.4	27,083	2.4	19,401	6.2
March 31, 2023	94,003	6.6	28,495	27.2	26,447	15.4	18,274	25.3

(2) Non-consolidated financial position

	Total assets	Net assets	Capital to asset ratio
As of	Millions of yen	Millions of yen	%
March 31, 2024	119,627	69,199	57.9
March 31, 2023	108,399	59,935	55.3

Reference: Capital (Shareholders' equity + Valuation and translation adjustments)

As of March 31, 2024: ¥69,199 million As of March 31, 2023: ¥59,935 million

* This consolidated financial results report is not subject to audit procedures to be performed by certified public accountants or an audit firm.

* [Proper use of earnings forecast, and other special notes]
(Disclaimer with respect to earnings and other forecasts)

The forward-looking statements including results forecasts contained in this document are based on information currently available to the Company and certain assumptions that the Company deems reasonable. Accordingly, the Company does not intend to promise their achievement. Actual results may differ from these forecasts and forward-looking statements due to various factors.