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# Consolidated Financial Result Digest

## FY2015 Q2 (Fiscal Year Ended March 31, 2015)

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TAIYO HOLDINGS CO., LTD

October 31, 2014



Any information incorporated in this document is not intended for suggestion of purchase or sale of equity share of the company. All the description and projection are based on the company's own analysis at the time of compilation, and their accuracy is not guaranteed. These data may be revised without prior announcement. The company will neither assume nor compensate any loss of anybody resulting from decision based on information provided here.

# Terminology

Term	Definition
PWB Materials	Chemical products for printed wiring boards
FPD Materials	Chemical products for flat panel displays
PDP Materials	Chemical products for plasma display panels
SR	“Solder resist ink” or “solder mask”
PKG Materials	Chemical products for semiconductor packages

# Classification of product

Group	Category	Type	Remarks
PWB insulating materials	Rigid	Liquid	for protecting surface and insulating SR materials
	PKG/FPC	Liquid/Dry Film	
	Build-up	Liquid/Dry Film	for interlayer insulating and hole plugging build-up materials
FPD conductive materials	FPD	Liquid	for PDP, touch panel, and shielding silver paste
Other related products	Other	Liquid	for marking, etching and plating flux, solvent etc.

# FY2015 Q2 Topics

- 1** Consolidated subsidiary, Onstatic Technology Co., Ltd.(OTC)  
※ Statements of income of OTC, whose profit and loss was accounted under the equity method in the FY2014 Q1, is consolidated from the FY2015 Q1.
- 2** JPY was slightly weaker than estimated exchange rate of 100yen/USD
- 3** China market continuously remained strong from the previous fiscal year
- 4** Increase in sales volume of Dry Film Type SR
- 5** Fall in silver prices and shrinkage in PDP market  
(production of PDP discontinued in the end of Sept.)
- 6** Market entry into photovoltaic business
- 7** Giving consideration to build domestic production base from the viewpoint of BCP

# FY2015 Q2 Consolidated financial results

## Results summary

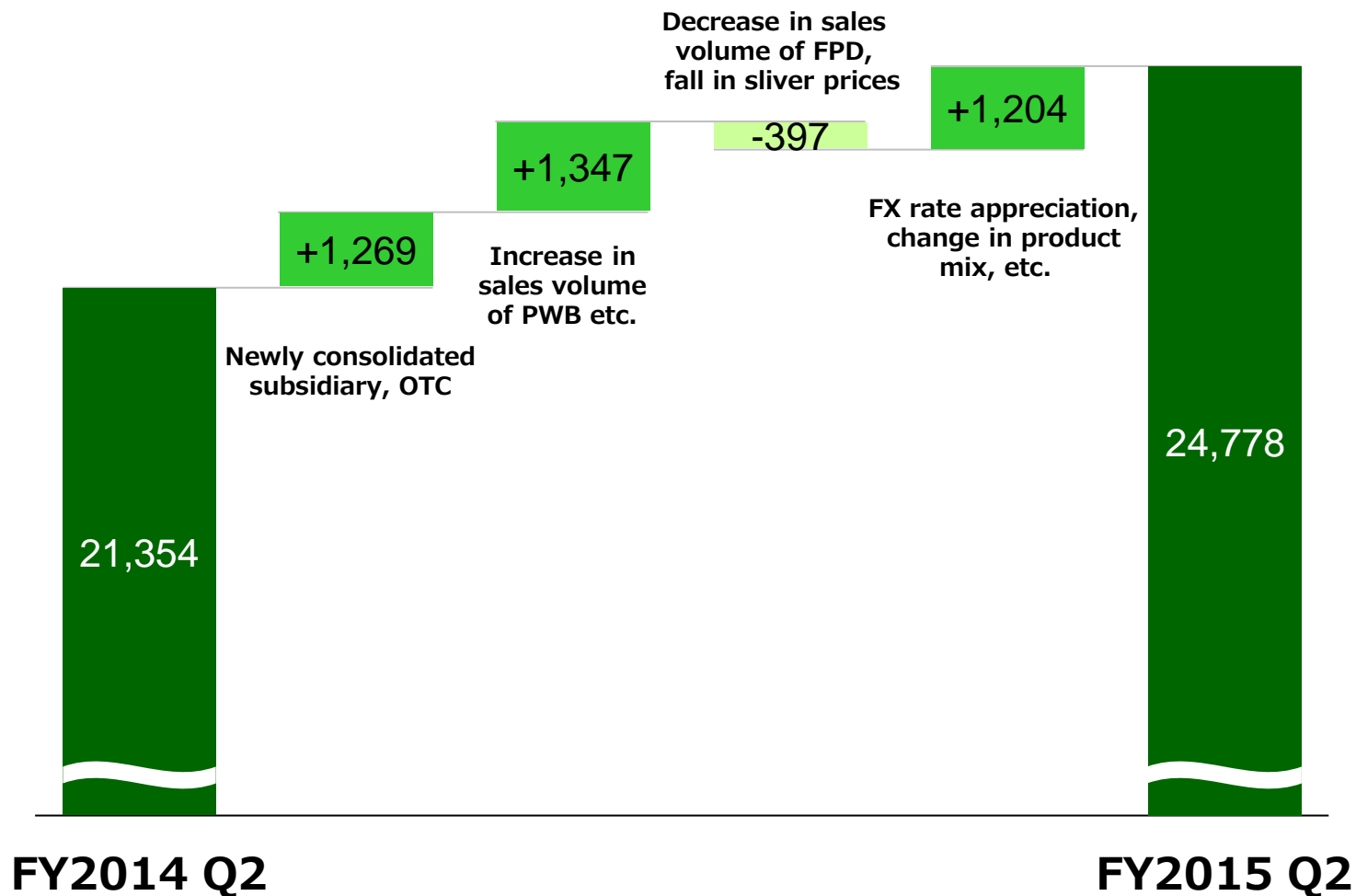
JPY millions

	FY2014 Q2	FY2015 Q2	YoY	%	FY2015 Q2 forecast	change	%
Sales	21,354	<b>24,778</b>	+3,424	+16%	<b>23,000</b>	+1,778	108%
Operating Income	3,783	<b>4,755</b>	+972	+26%	<b>3,900</b>	+855	122%
Ordinary Income	3,863	<b>4,878</b>	+1,015	+26%	<b>3,900</b>	+978	125%
Net Income	2,469	<b>3,337</b>	+868	+35%	<b>2,530</b>	+807	132%
Exchange Rate of JPY/USD	98.0	103.5			100.0		

# FY2015 Q2 Sales (YoY)

## Breakdown of sales

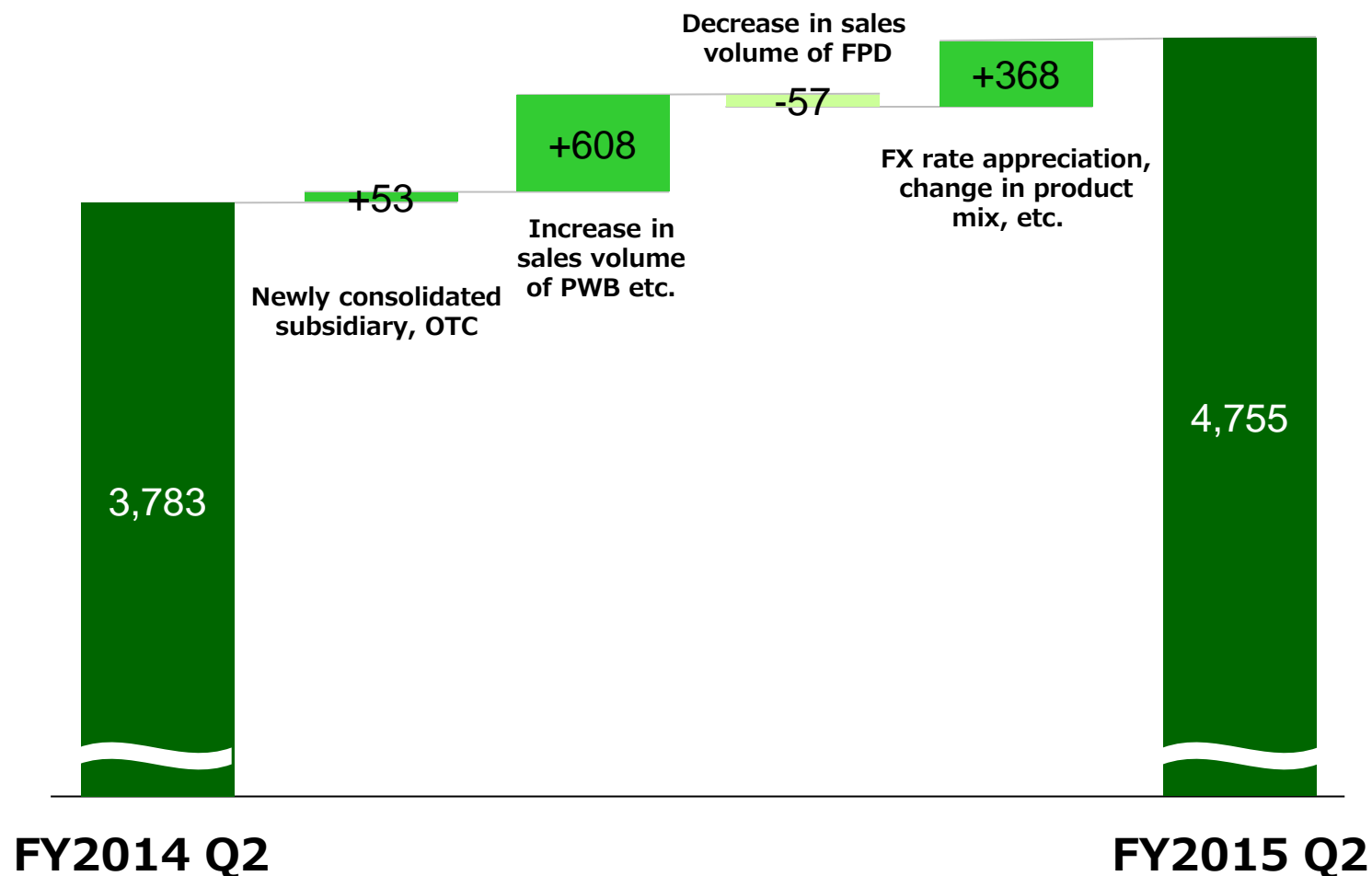
JPY millions



# FY2015 Q1 Operating income (YoY)

## Breakdown of operating income

JPY millions

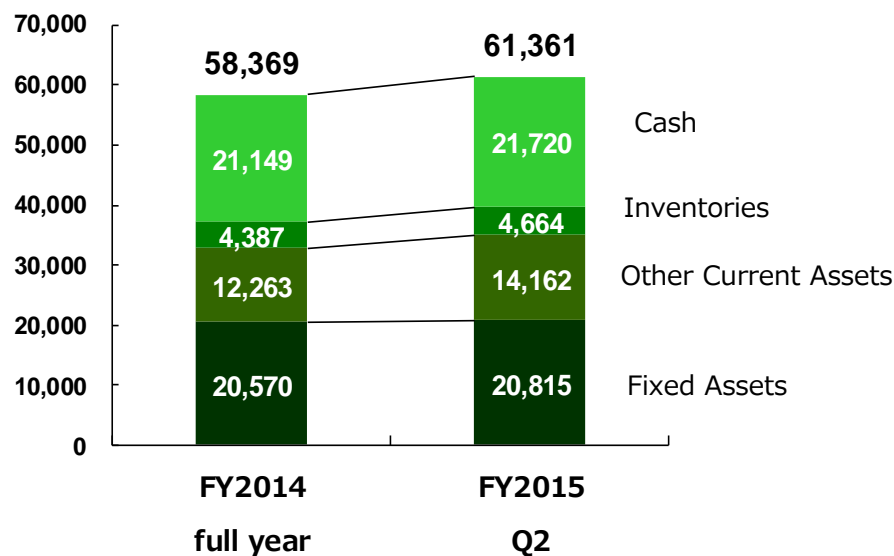


# FY2015 Q2 BS highlights

## BS (YoY)

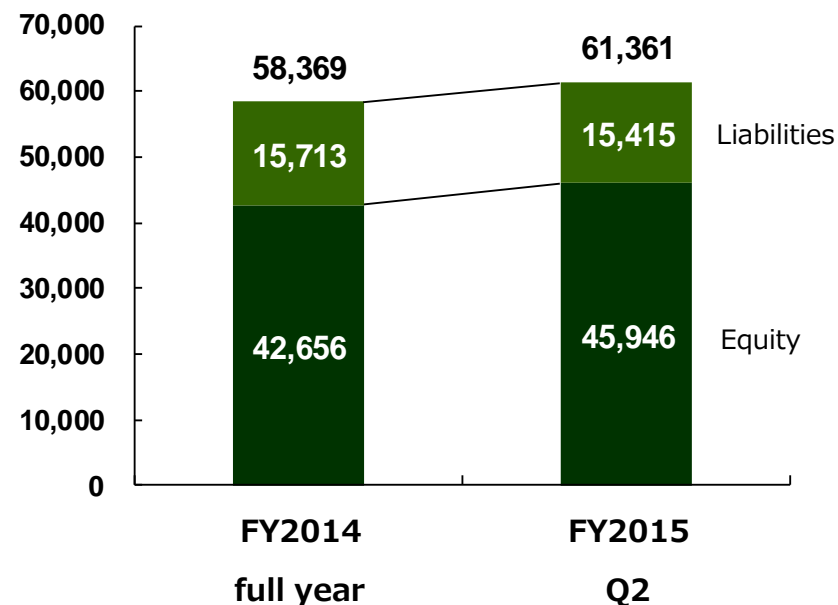
JPY millions

### Assets



- Increase in receivable due to robust sales

### Liabilities and Equity



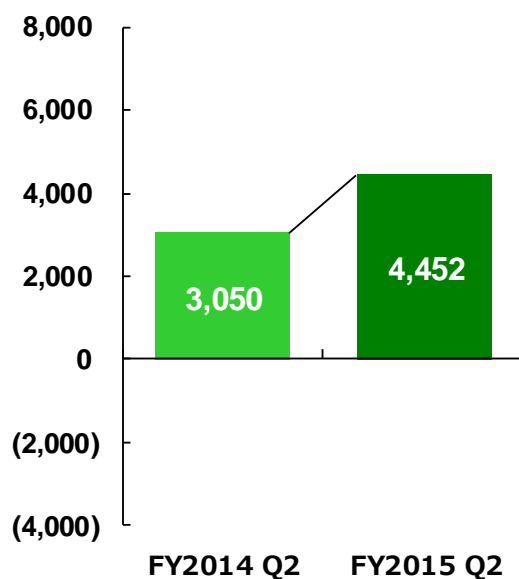
- Increase in profit
- Improvement in foreign currency translation adjustment



## CF (YoY)

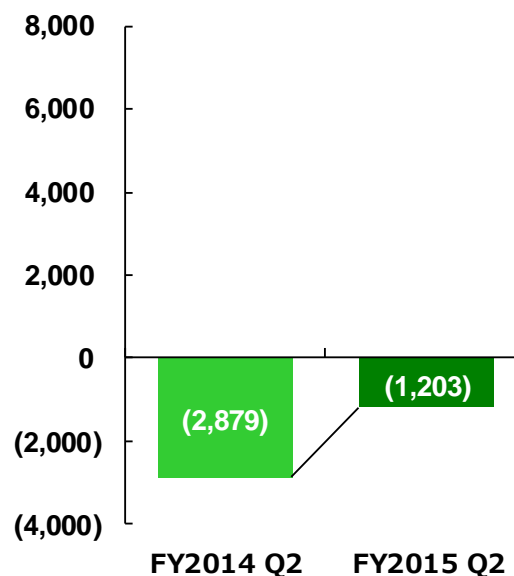
JPY millions

### Operating CF



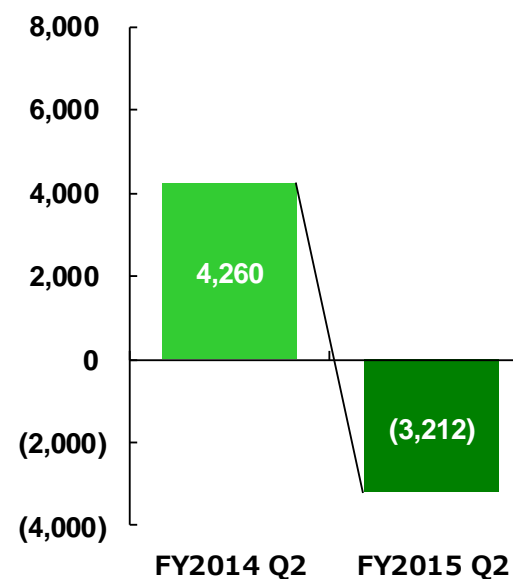
- Increase in profit

### Investing CF



- Acquisition of OTC's stock in the previous fiscal year

### Financing CF

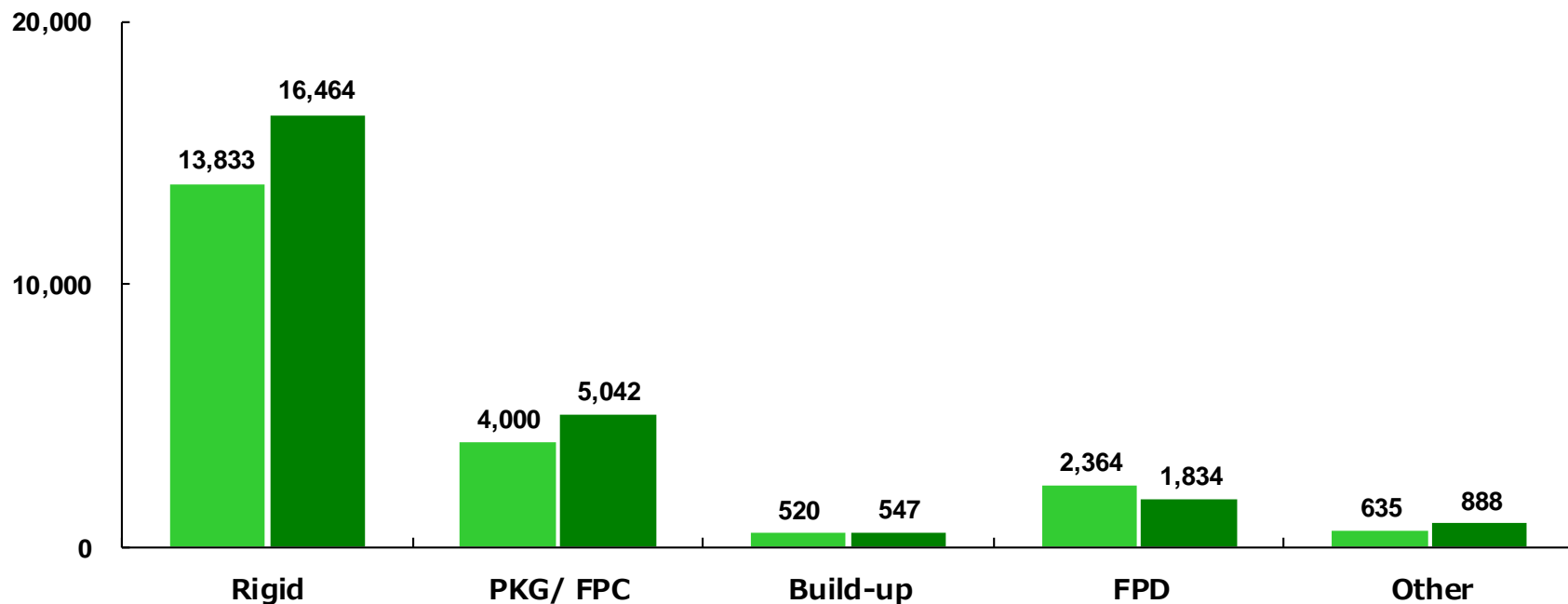


- Partial repayment for long-term loans payable which borrowed in the previous fiscal year

## Sales results by product group category

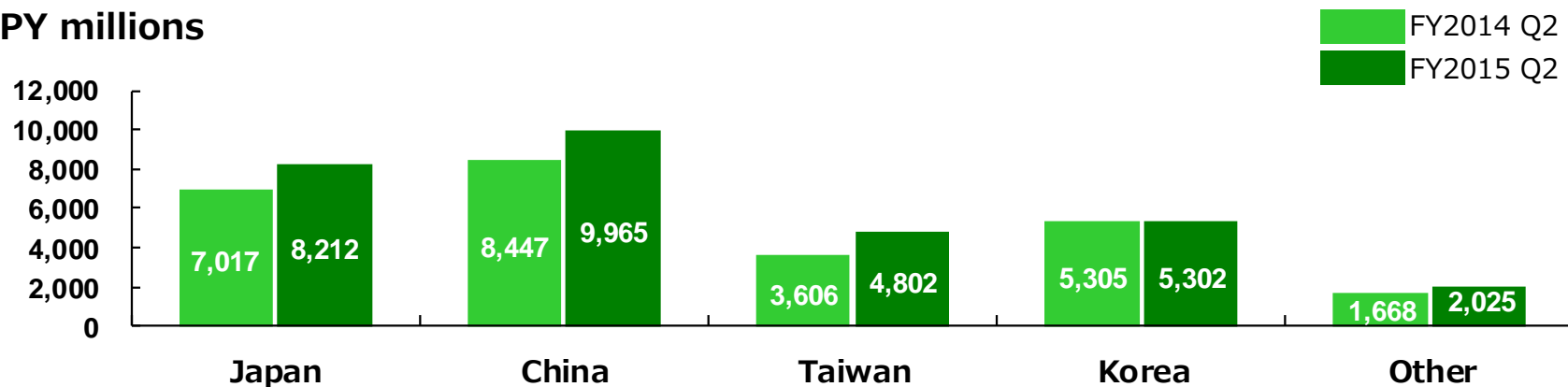
JPY millions

FY2014 Q2  
FY2015 Q2



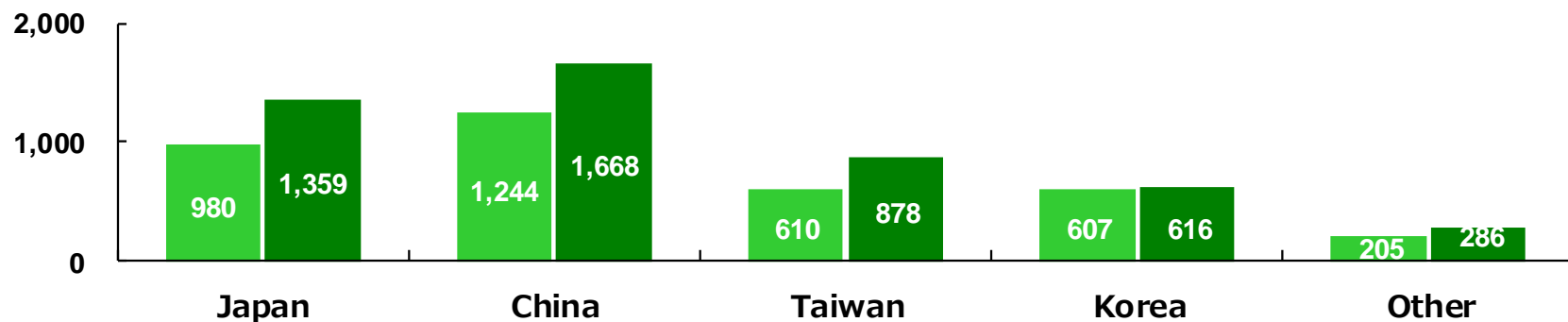
## Sales by segment

JPY millions



## Operating income by segment

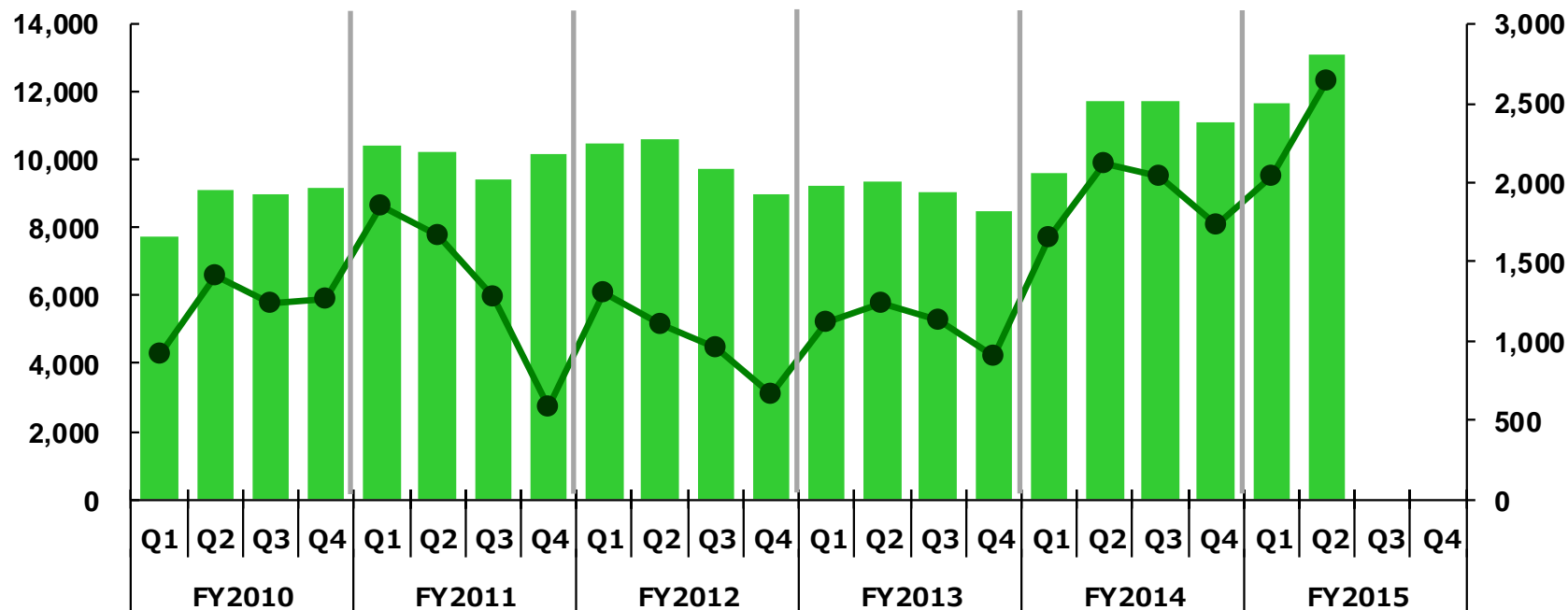
JPY millions



## Sales vs. operating income

JYP millions

■ Sales (left axis)  
● Operating Income (right axis)



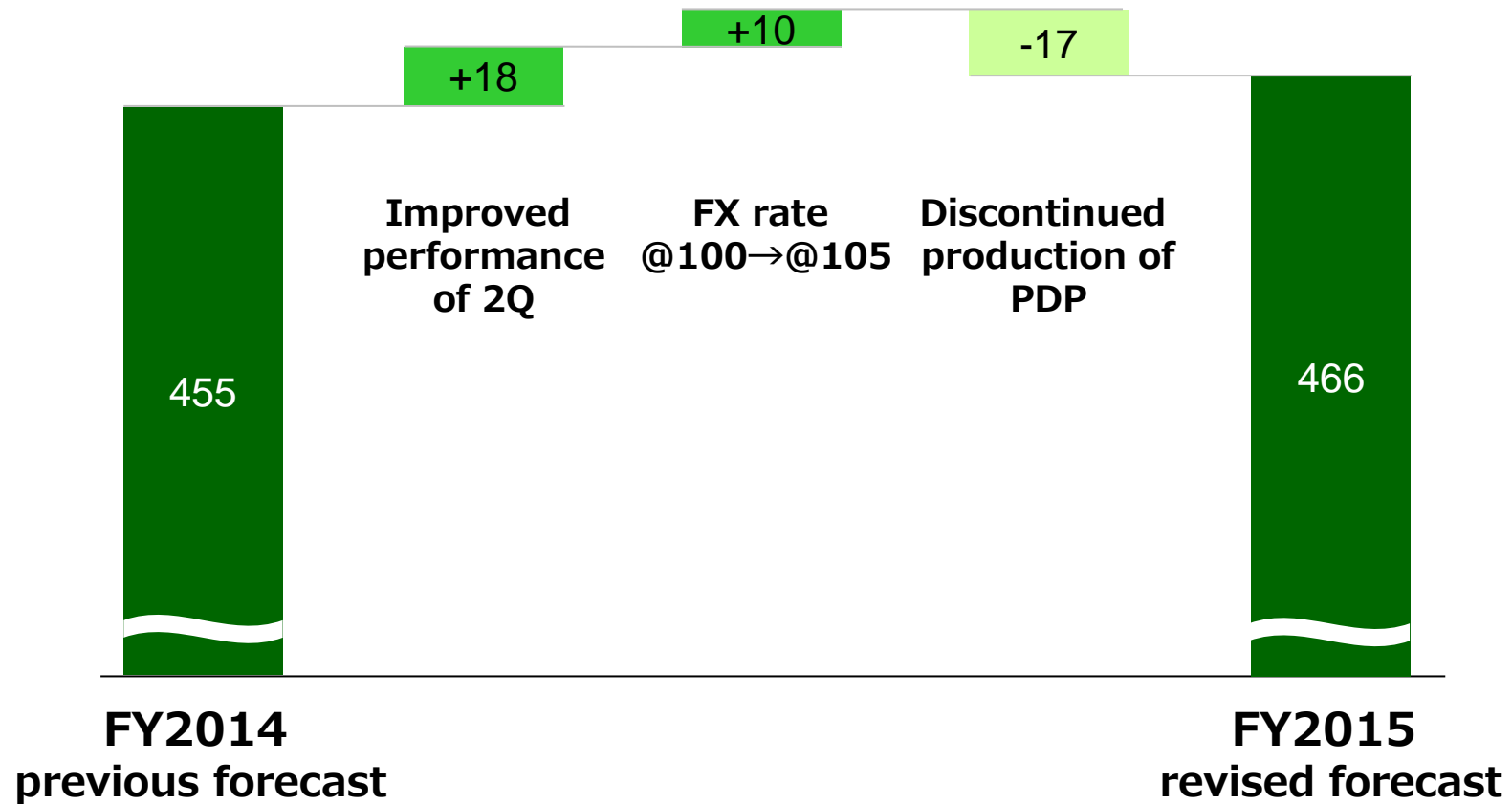
# Revision of Consolidated Earnings Forecasts for FY2015

	Sales (JPY millions)	Operating Income (JPY millions)	Ordinary Income (JPY millions)	Net Income (JPY millions)
Previous forecast (A)	45,500	7,700	7,700	5,000
Revised forecast (B)	46,600	8,700	8,800	5,900
Change (B-A)	1,100	1,000	1,100	900
Change (%)	2.4	13.0	14.3	18.0
(Reference) FY 2014	44,224	7,568	7,827	4,930

# Revision of Consolidated Earnings Forecasts for FY2015

## Sales

JYP millions





NEXT STAGE - 新たな展開へ -

明日の地球に出来ること  
For Tomorrow