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# Consolidated Financial Result Digest

## FY2017 Q2 (Fiscal Year Ended March 31, 2017)

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TAIYO HOLDINGS CO., LTD

October 31, 2016



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.

Term	Definition
PWB	Printed wiring boards
SR	“Solder resist ink” or “solder mask”
PKG	Semiconductor packages

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## Classification of product

Group	Category		Type	Remarks
PWB insulating materials	Rigid	high-end	Liquid	<ul style="list-style-type: none"> <li>•SR materials for insulation and surface protection use</li> </ul>
		regular		
	PKG		Liquid/Dry Film	
	FPC		Liquid/Dry Film	
	Build-up		Liquid/Dry Film	
Other related products	Other		Liquid	<ul style="list-style-type: none"> <li>•marking, etching, plating materials</li> <li>•flux, solvent etc.</li> <li>•conductive silver paste</li> </ul>

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**Depreciation of the yen against U.S. dollar**

\*Estimated exchange rate:1USD=105yen / Actual exchange rate : 1USD=106yen

2

**A year-on-year slight increase in FY2017 Q2 sales volume while negative growth forecast\* in worldwide main consumer electronics and semiconductor market in 2016**

\*source: Mizuho Bank, Gartner

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**Increased costs due to completion of Kitakyushu Plant in September 2015**

4

**Consolidating Taiyo Green Energy Co., Ltd from April 2016**

\*The main businesses are sale of electricity generated by solar power and plant factory operation

## Results summary

JPY millions

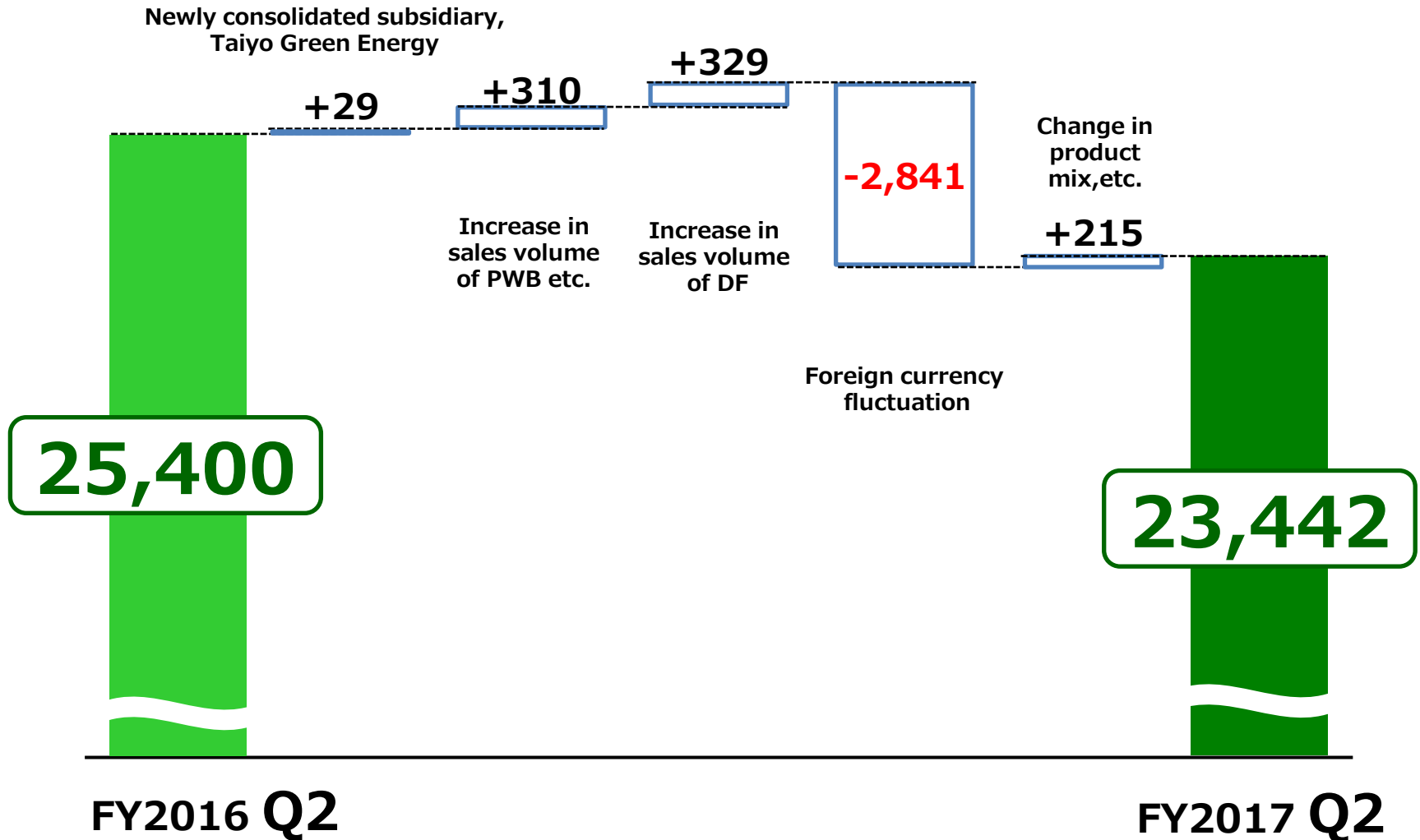
	FY2016 Q2	FY2017 Q2	YoY	%	FY2017 H1 forecasts	progress rate	FY2017 forecasts
Net sales	25,400	<b>23,442</b>	-1,958	-8%	23,000	102%	45,700
Operating income	5,807	<b>4,557</b>	-1,250	-22%	4,100	111%	8,000
Ordinary income	5,889	<b>4,602</b>	-1,287	-22%	3,950	117%	7,800
Net income	4,088	<b>3,623</b>	-465	-11%	2,800	129%	5,500
Exchange rate of JPY/USD	121.48	106.39			105.00		105.00

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## FY2017 Q2 Net sales (YoY)

## Analysis of net sales

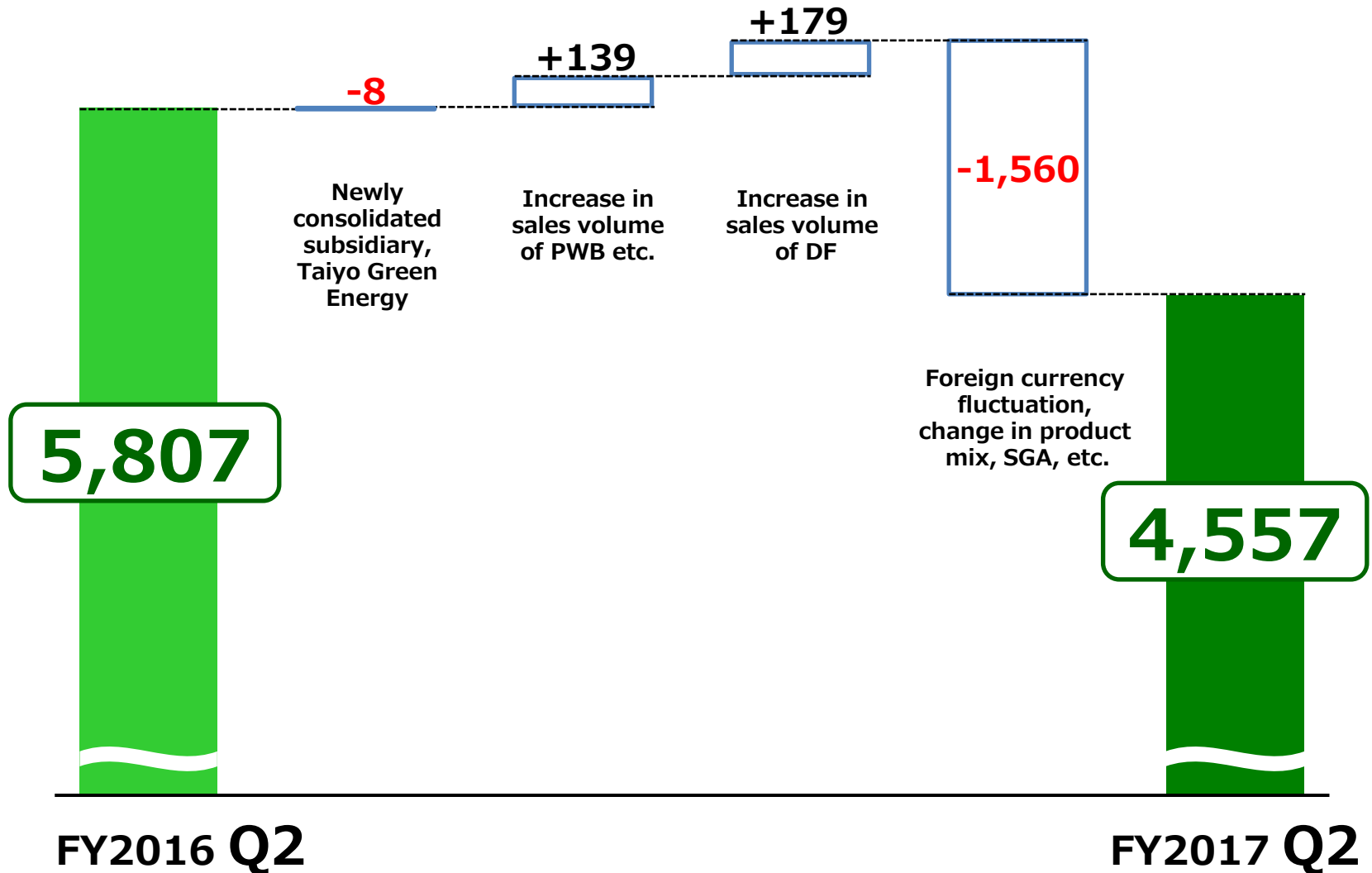
JPY millions



# 6 FY2017 Q2 Operating income (YoY)

## Analysis of operating income

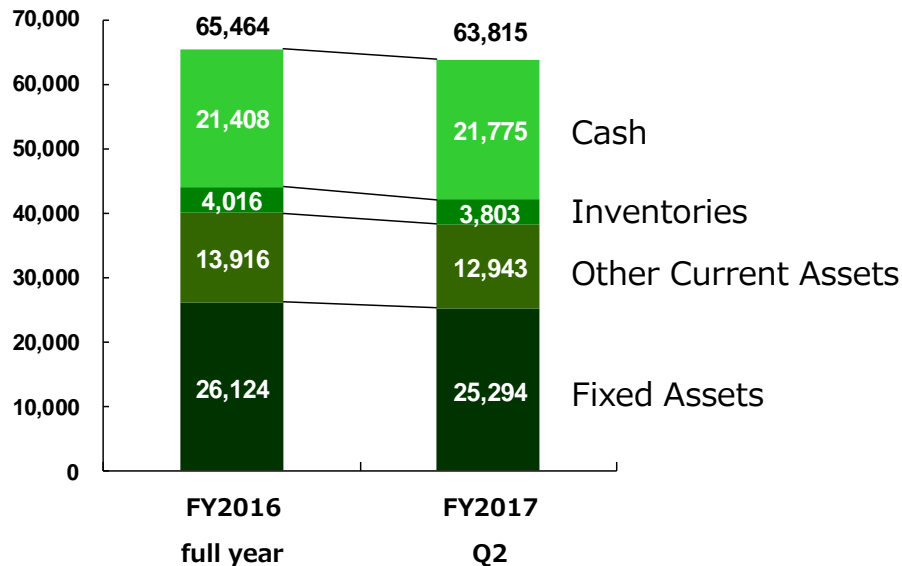
JPY millions



## BS (YoY)

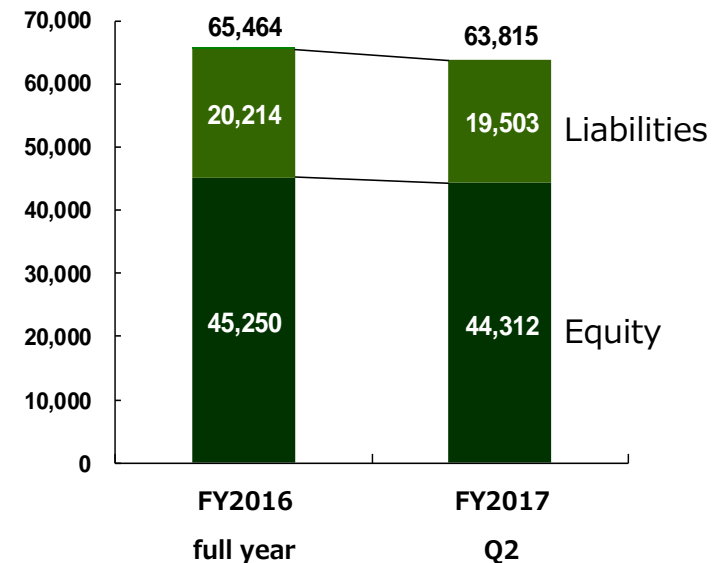
JPY millions

### Assets



- Decrease in foreign currency denominated assets due to appreciation of the yen

### Liabilities and Equity

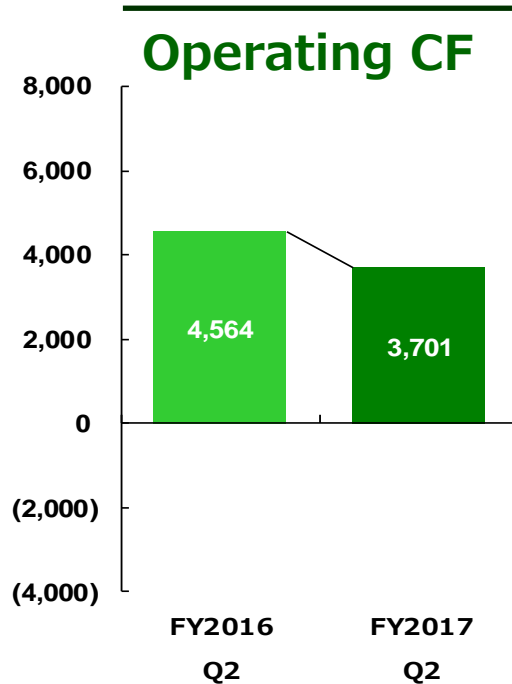


- Increase in retained earnings
- Negative impact of foreign currency translation adjustments due to appreciation of the yen

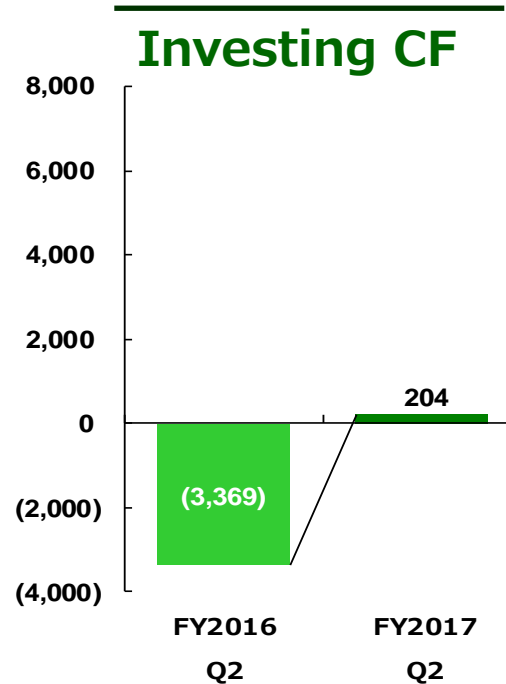


## CF (YoY)

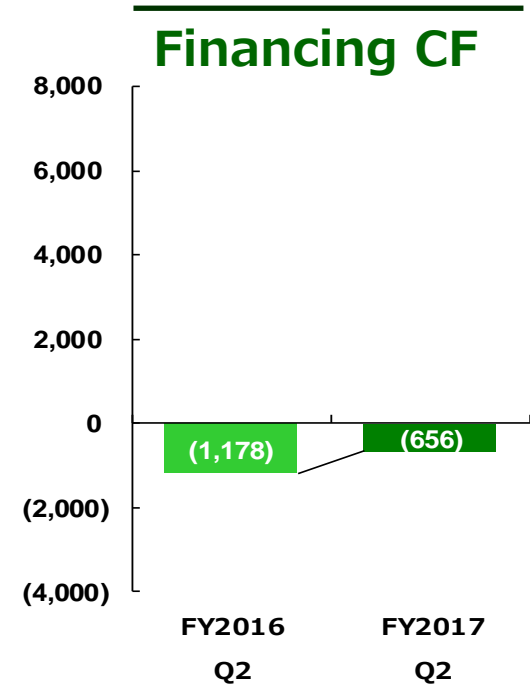
JPY millions



- Decrease in net income before income taxes



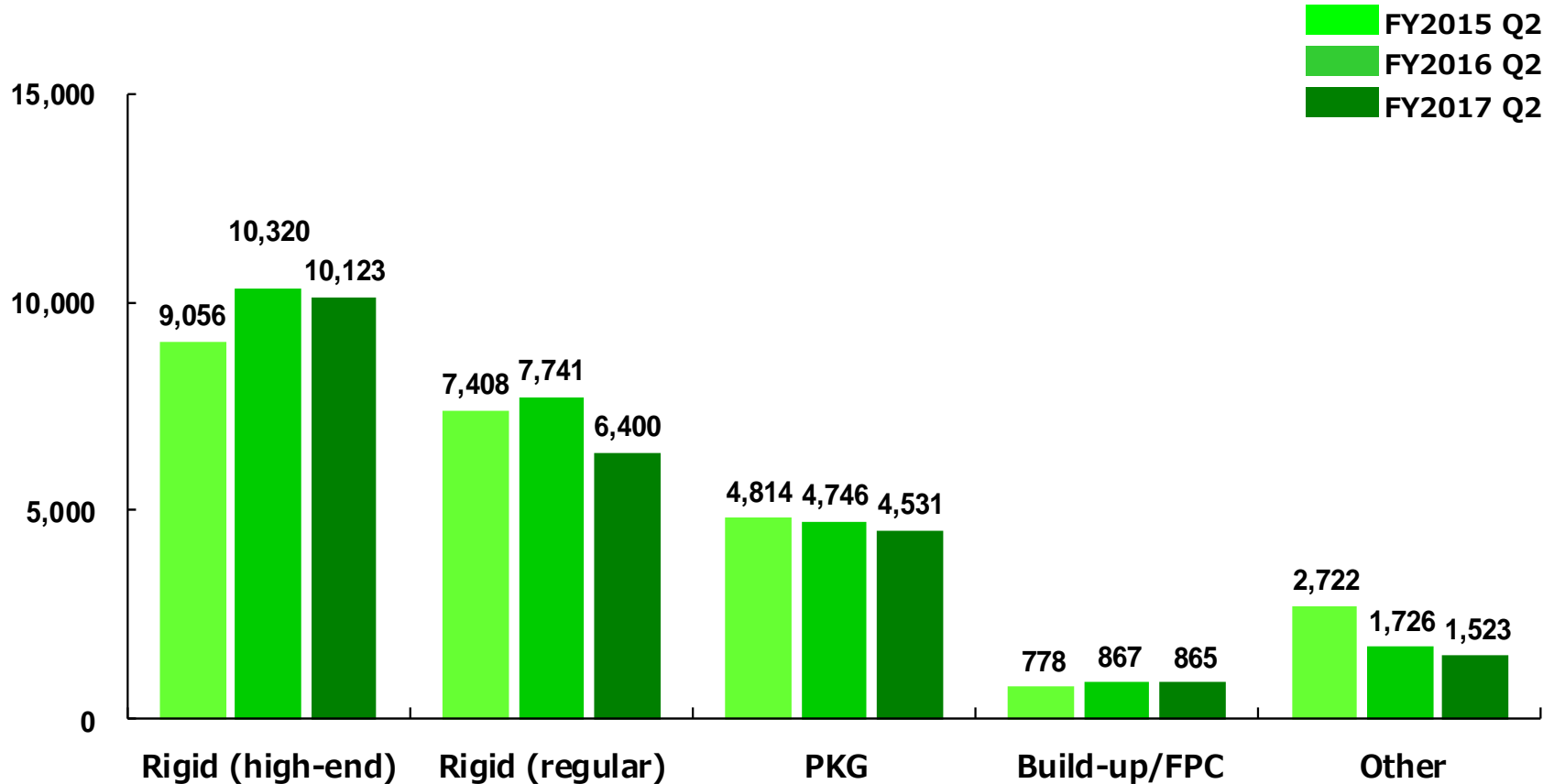
- Capital investment for Kita-Kyushu factory in FY2016
- Cancellation of fixed deposit



- Increase in short-term loans payable

## Sales results by product group category

JPY millions

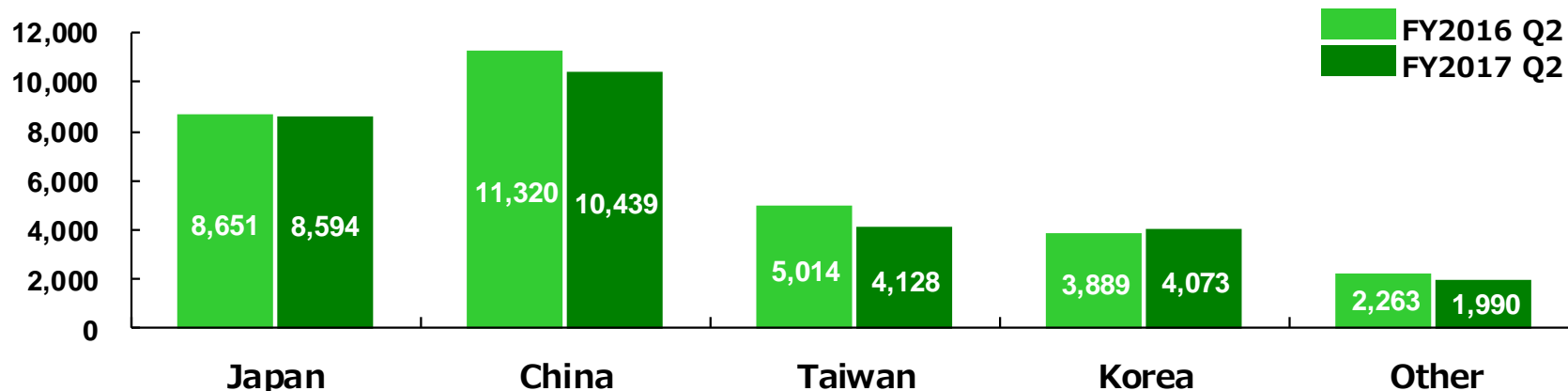


\*This category differs from the classification of "sales results by product group category" mentioned in consolidated financial results and annual securities report, etc.

## Sales by segment

(including inter-segment sales or transactions)

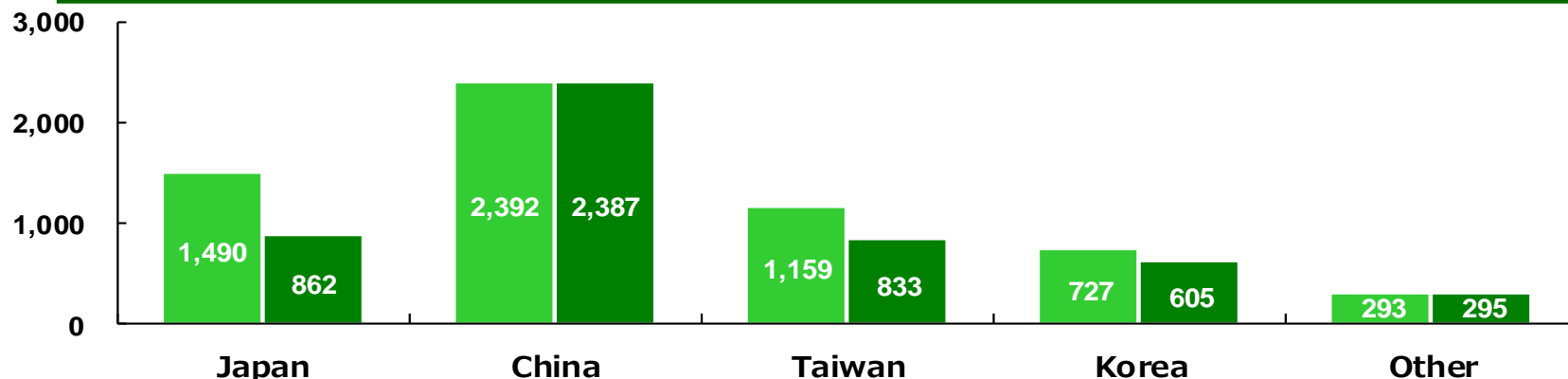
JPY millions



## Operating income by segment

(including inter-segment sales or transactions)

JPY millions



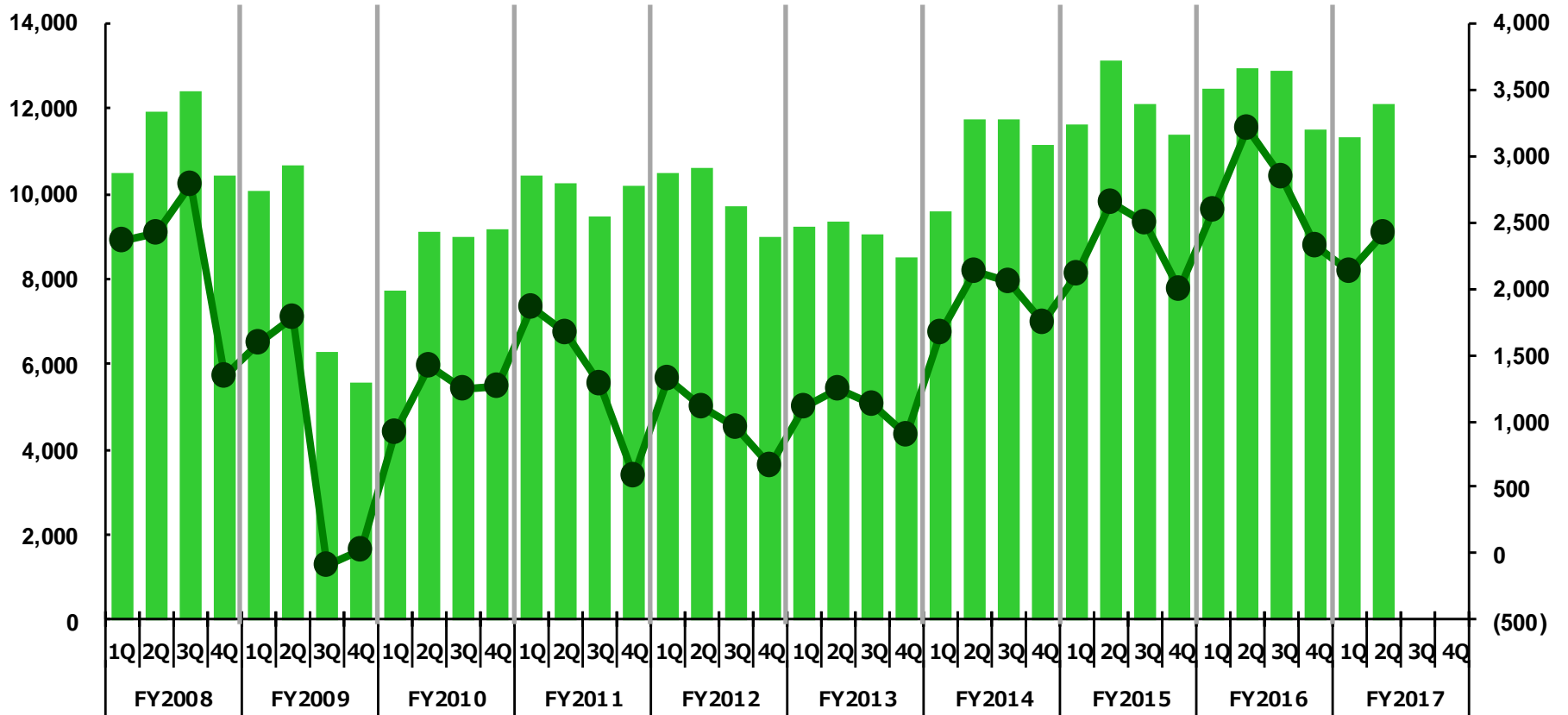
Operating profit ratio



## Net sales & operating income

JPY millions

Net sales (left axis)  
Operating income (right axis)





NEXT STAGE - 新たな展開へ -

明日の地球に出来ること  
For Tomorrow