



June 1, 2020

To whom it may concern:

Company Name:  **TAIYO HOLDINGS CO., LTD.**
Representative: Eiji Sato, President and CEO
(Code: 4626, Listed on First Section of Tokyo Stock Exchange)
Inquiries: Sayaka Tomioka, Executive Officer,
General Manager of Corporate Planning Department
Tel: +81-3-5953-5200 (main line)

Notification of the Borrowing of Funds

TAIYO HOLDINGS CO., LTD.(hereinafter, “the Company”), would like to inform you that it has decided to borrow funds.

1. Reason for borrowing the funds

The Company is primarily engaged in electronic materials business, whose main products are solder resists, which are critical to the printed circuit boards used in all types of electronics ,including IT devices such as smartphones ,digital home appliances and vehicle electronics.The Company is also engaged in the medical and pharmaceutical business that manufactures and sells long-listed products and carries out contract manufacturing of pharmaceuticals.

In the electronic materials business, we are aiming to expand our business by establishing new manufacturing plants in Vietnam and the Republic of Korea in anticipation of further increase in demand of our products.

In the medical and pharmaceutical business, we are making continuous efforts to grow this second pillar of our business. Hence, as part of these efforts, we are considering acquiring long-term listed products and establishing manufacturing plants overseas. On April 28, 2020, we completed the asset transfer of 4 long-listed products from AstraZeneca PLC.

For the purpose of procuring funds for these investments for the growth of the Company and in order to secure cash on hand in case of prolonged economic stagnation, this time we take loan of 27.6 billion yen from financial institutions.

2. Overview of the borrowing of funds

(1) Lenders	Sumitomo Mitsui Banking Corporation Mizuho Bank, .Ltd Resona Bank, .Ltd The NorinChukin Bank Bank of Kyoto, .Ltd 2 other lenders
(2) Borrowing Amount	27.6 billion yen
(3) Date of Borrowing	June 2020 (Planned)
(4) Secured/unsecured	Unsecured

3. Future forecasts

The impact of this borrowing of funds on FY2021 consolidated earnings is minor but the Company will provide immediate notification in the event of any matters requiring disclosure.