
Consolidated Financial Result Digest

FY13/14 (Fiscal Year Ended March 31, 2014)



TAIYO HOLDINGS CO., LTD

May 2, 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 IC package substrates

Classification of Product

Group	Category	Type	Remarks
PWB	SR	Liquid	for Rigid PWBs, PKG PWBs, Flexible PWBs
		Dry Film	for PKG PWBs, Flexible PWBs
		Other	Marking Materials etc.
	Build-up	Liquid	for PKG PWBs
		Dry Film	for PKG PWBs
		Other	THP (Hole Plugging Materials) etc.
Others			
FPD	PDP・Touch Panel	Silver Paste	
	Conductive Material	Silver Paste	
Other			Related Products

1. Summary of FY13/14 Financial Results
2. Forecasts for FY14/15 Financial Results

1. Summary of FY13/14 Financial Results

1. Summary of FY13/14 Financial Results

- 1 Consolidated subsidiary of Onstatic Technology Co., Ltd.(OTC)
※consolidated from FY13/14 2nd Quarter
- 2 Weak JPY which is beyond expectation
- 3 China market remains strong throughout the year
- 4 Increase in sales volume of Dry Film Type
- 5 Silver price falls and the shrinkage in PDP market

FY13/14 Financial Results

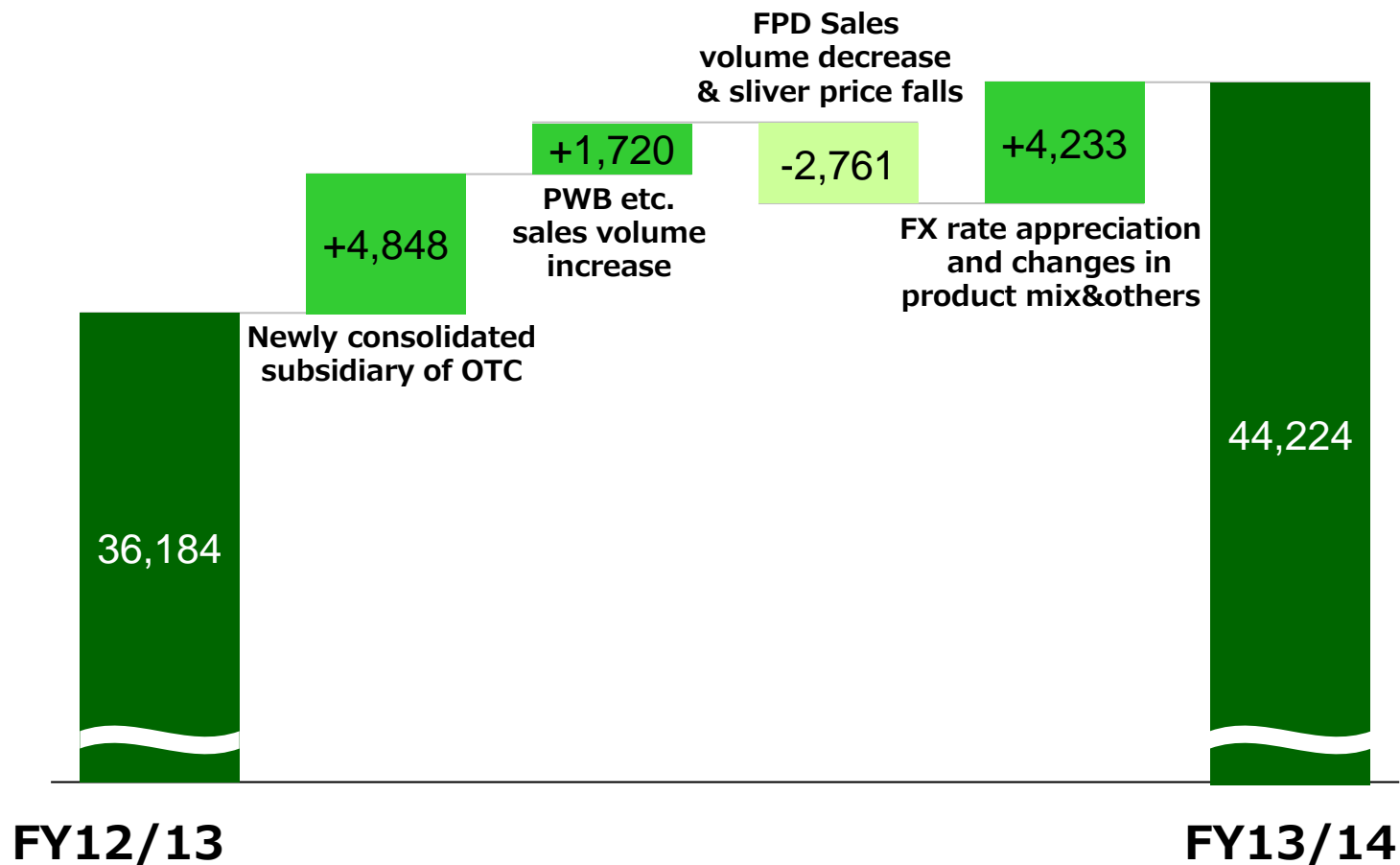
Results Summary

JPY millions

	FY12/13	FY13/14	YoY	%	FY13/14 Forecasts	Actual vs.	%
Sales	36,184	44,224	+8,040	+22%	44,000	+224	+1%
Operating Income	4,385	7,568	+3,183	+73%	7,000	+568	+8%
Ordinary Income	4,743	7,827	+3,084	+65%	7,000	+827	+12%
Net Income	3,367	4,930	+1,563	+46%	4,700	+230	+5%
Exchange Rate of JPY/USD	83.2	100.0			95.0		

Breakdown of Sales

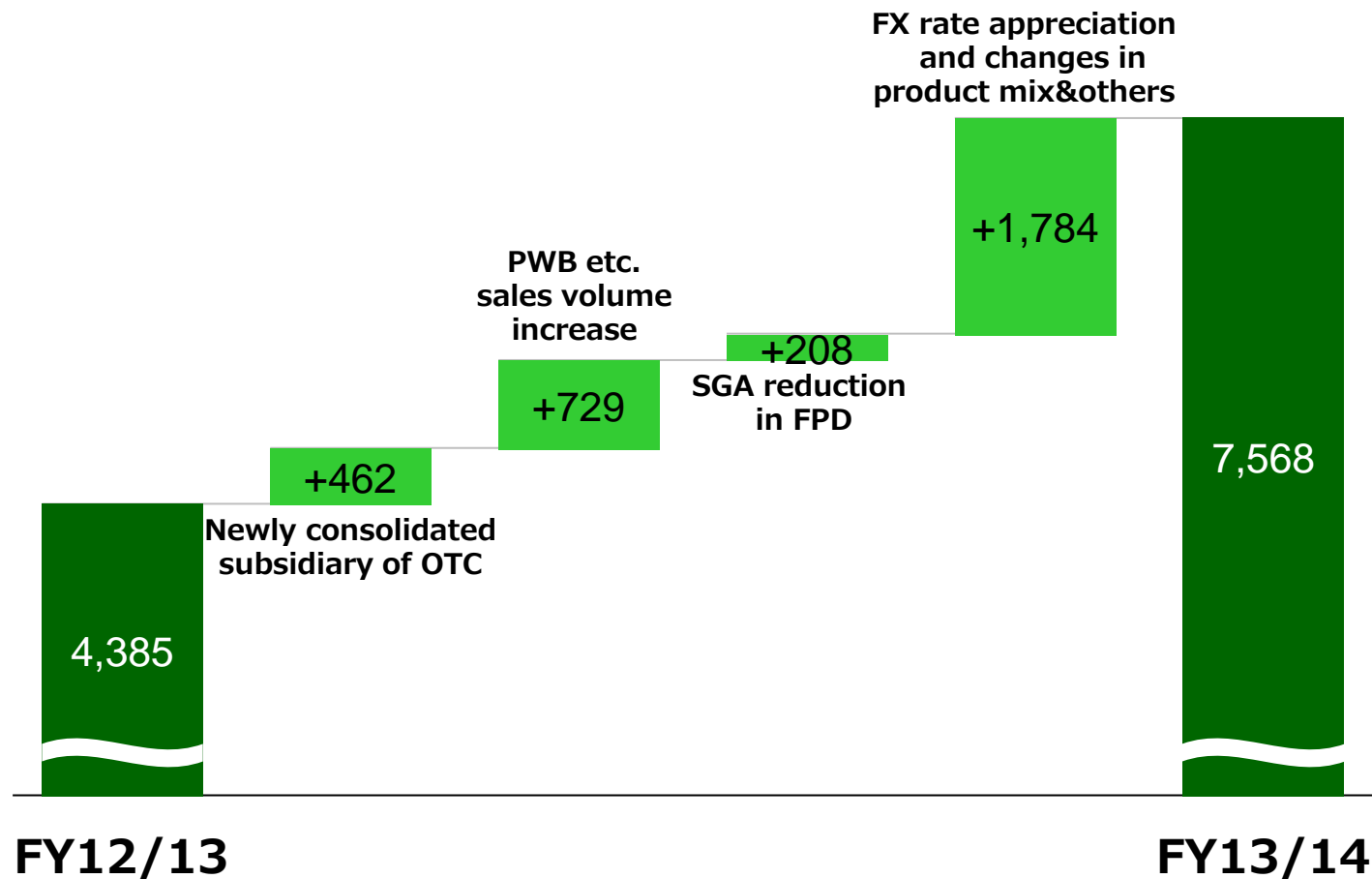
JPY millions



FY13/14 Operating Income (YoY)

Breakdown of Operating Income

JPY millions

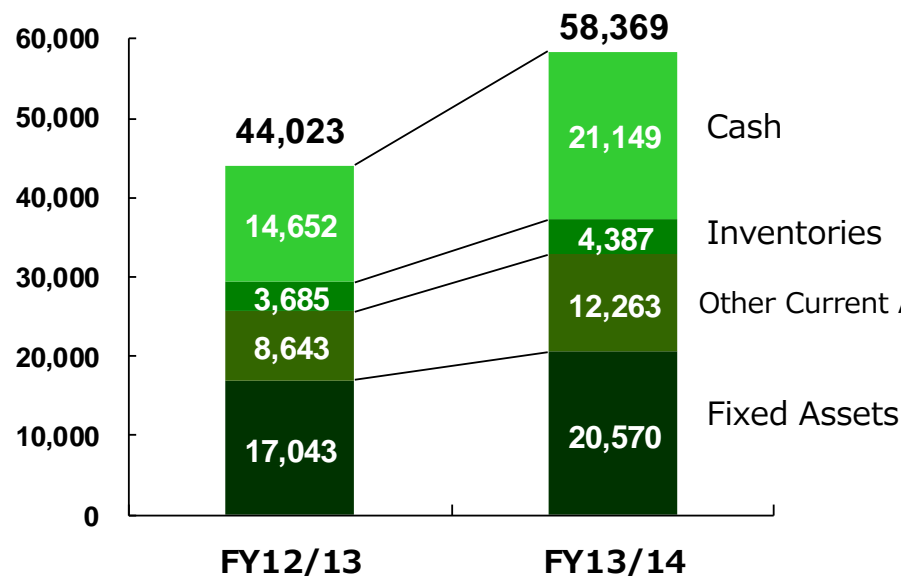


FY13/14 BS Highlights

BS (YoY)

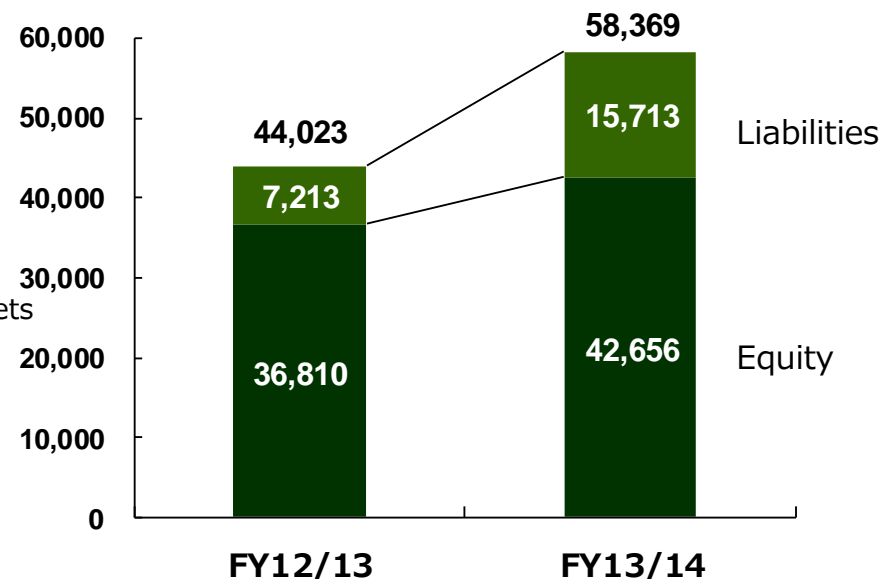
JPY millions

Assets



- Increase in cash due to loans payable
- Increase in assets from newly consolidated subsidiary of OTC

Liabilities and Equity

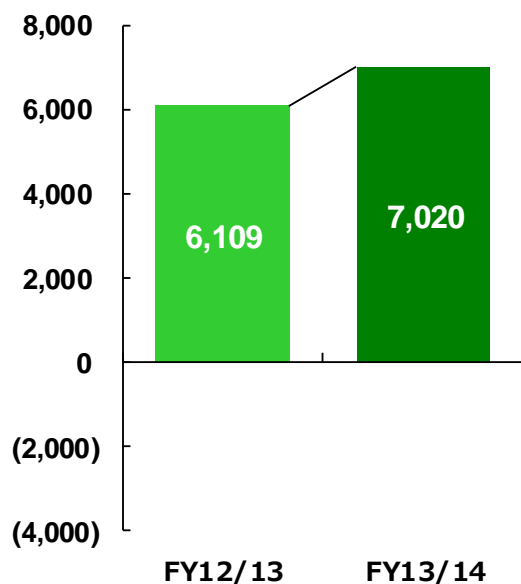


- Increase in liabilities due to loans payable
- Foreign currency translation adjustment improved

CF (YoY)

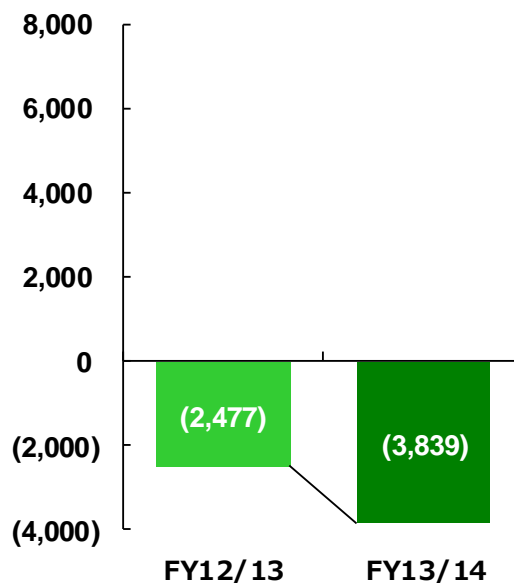
JPY millions

Operating CF



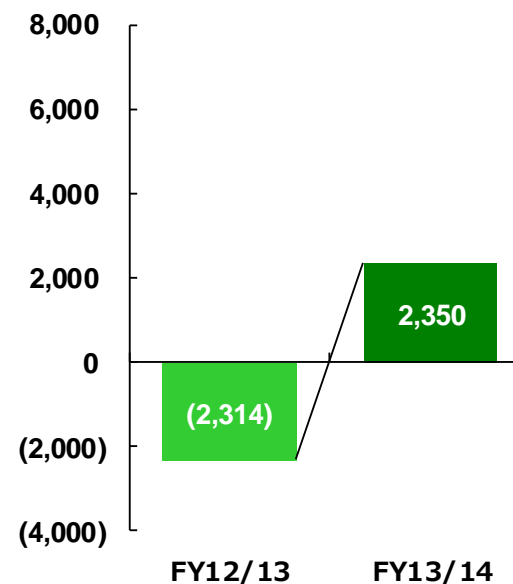
- Profit increased
- Amortization of goodwill of OTC

Investing CF



- Capital investment increased

Financing CF



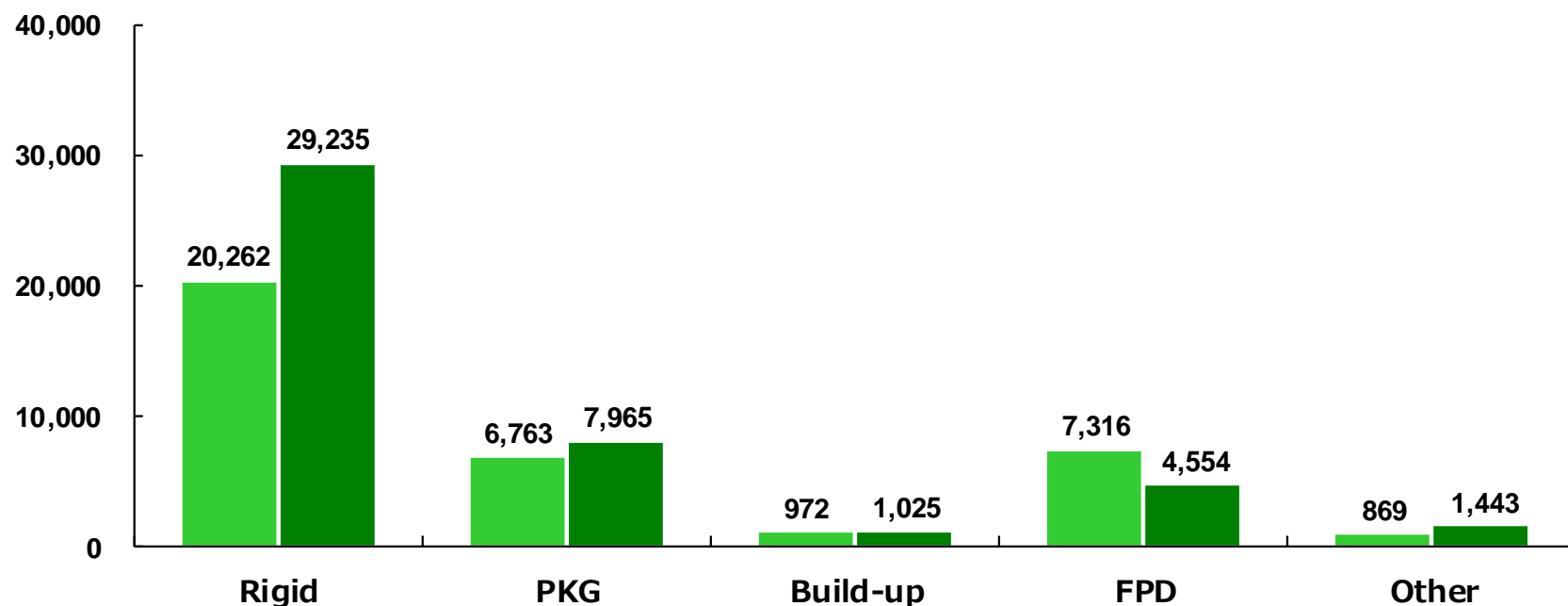
- USD 55 millions of financing
- Commemorative dividend

FY13/14 Sales results by product group category

Sales results by product group category

JPY millions

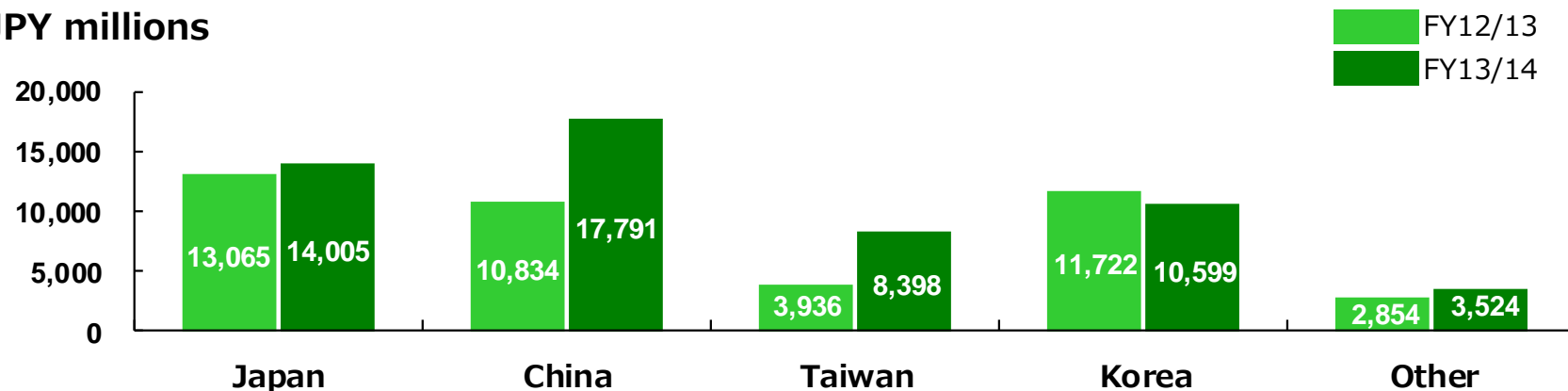
FY12/13
FY13/14



FY13/14 Segment Information

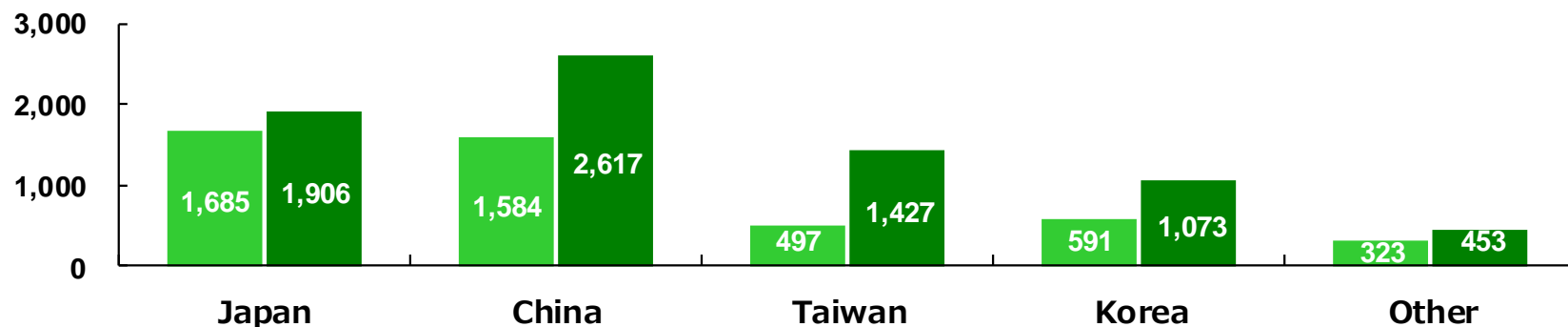
Sales by segment

JPY millions



Operating Income by segment

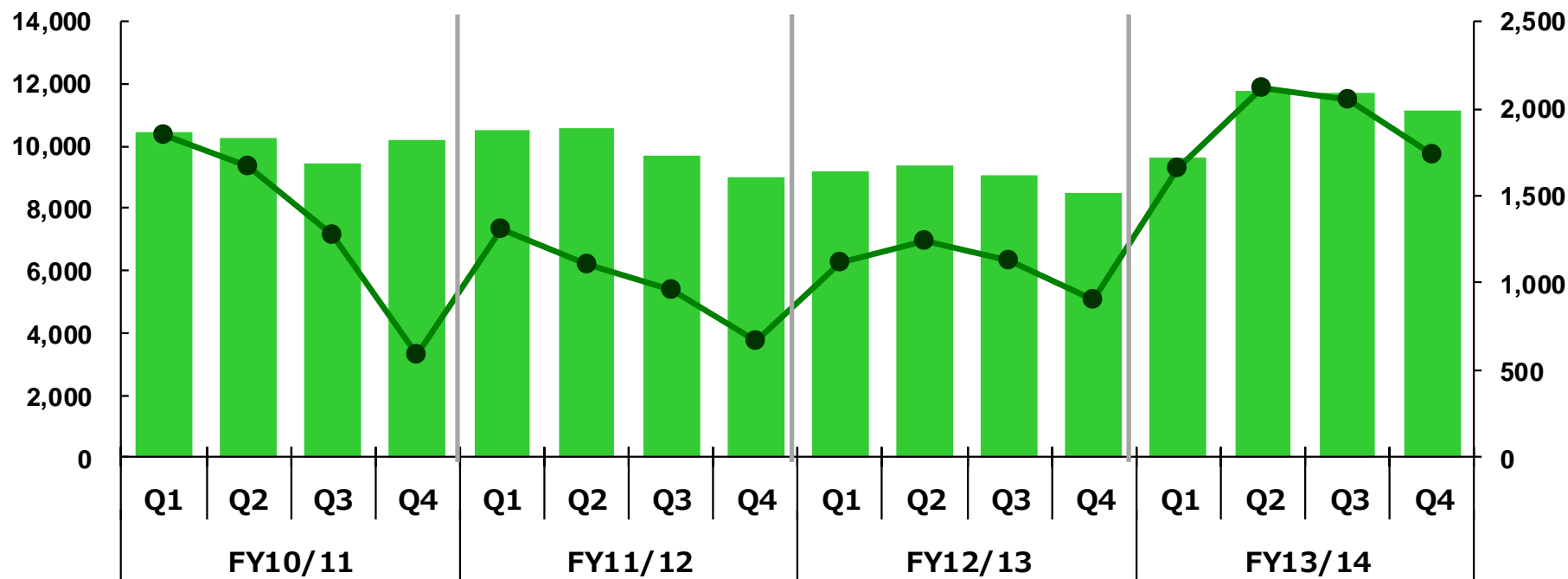
JPY millions



Sales vs. Operating Income Quarterly Performance

JYP millions

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

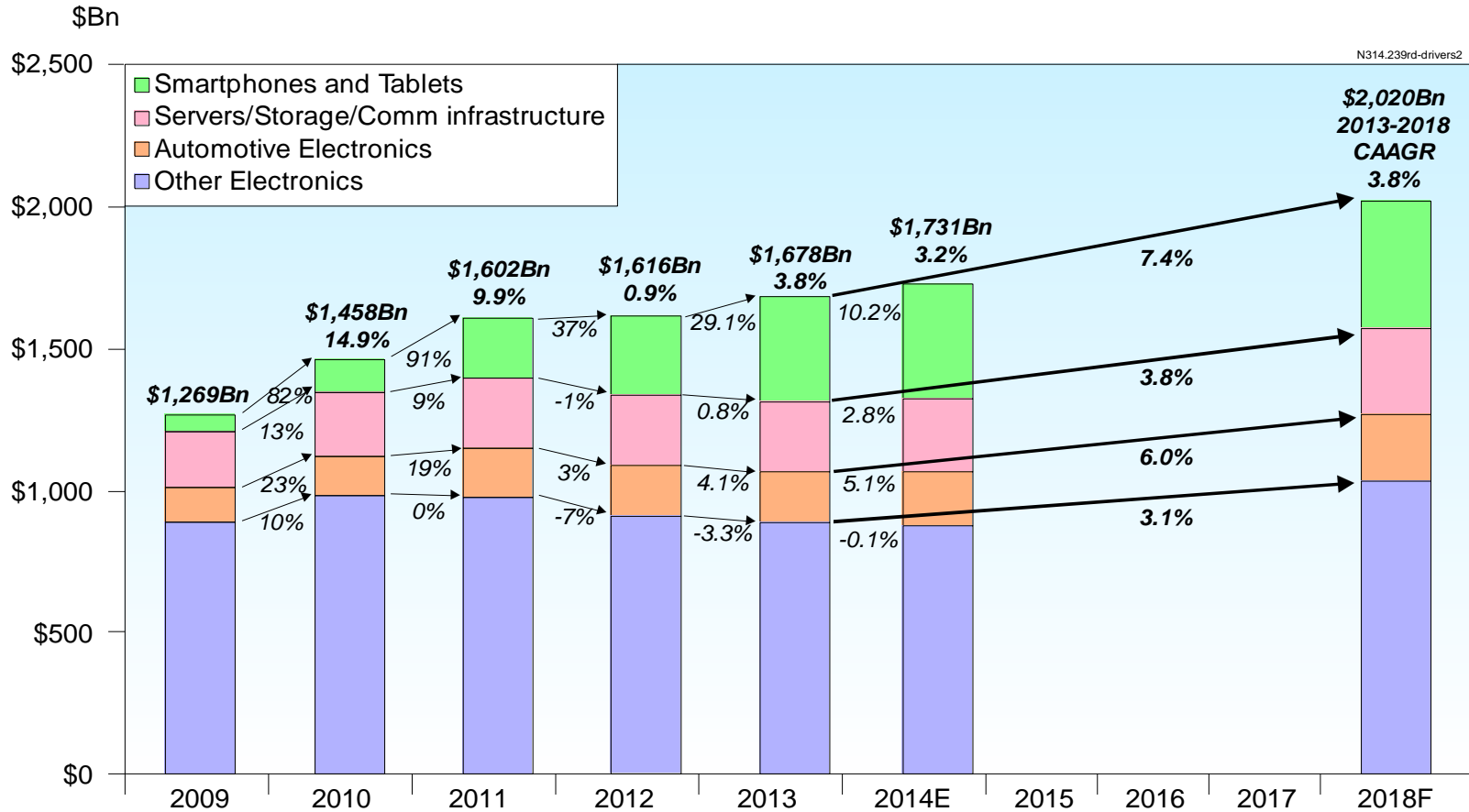


2. Forecasts for FY14/15 Financial Results

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Electronics Market Forecasts

THE DRIVERS OF THE ELECTRONICS INDUSTRY HAVE CHANGED



Note: Includes value of PV modules in total electronics

Source: Prismark Partners LLC

Forecasts for FY14/15 Financial Results

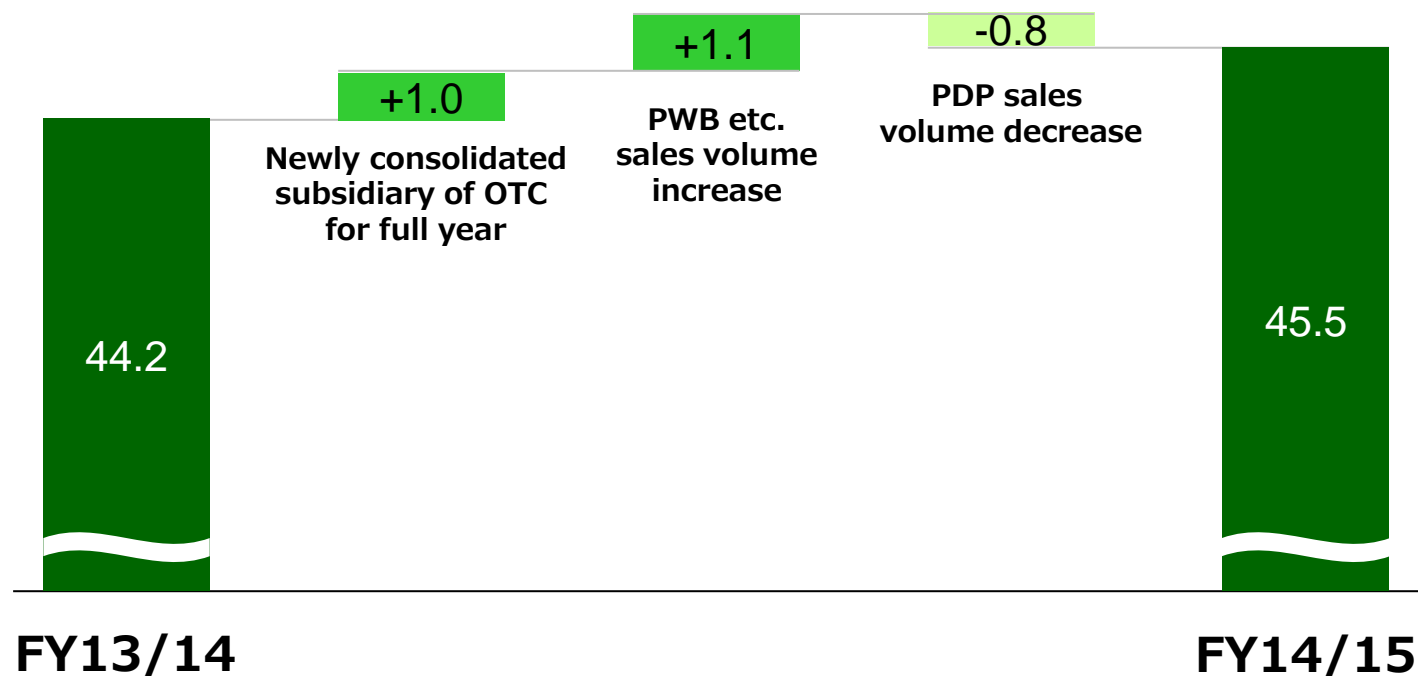
Forecasts of Financial Results

JPY millions

	FY13/14 Results	FY14/15 Forecasts	YoY	%
Sales	44,224	45,500	+1,276	+3%
Operating Income	7,568	7,700	+132	+2%
Ordinary Income	7,827	7,700	-127	-2%
Net Income	4,930	5,000	+70	+1%
Exchange Rate of JPY/USD	100.0	100.0		

Sales Forecasts

JPY billions

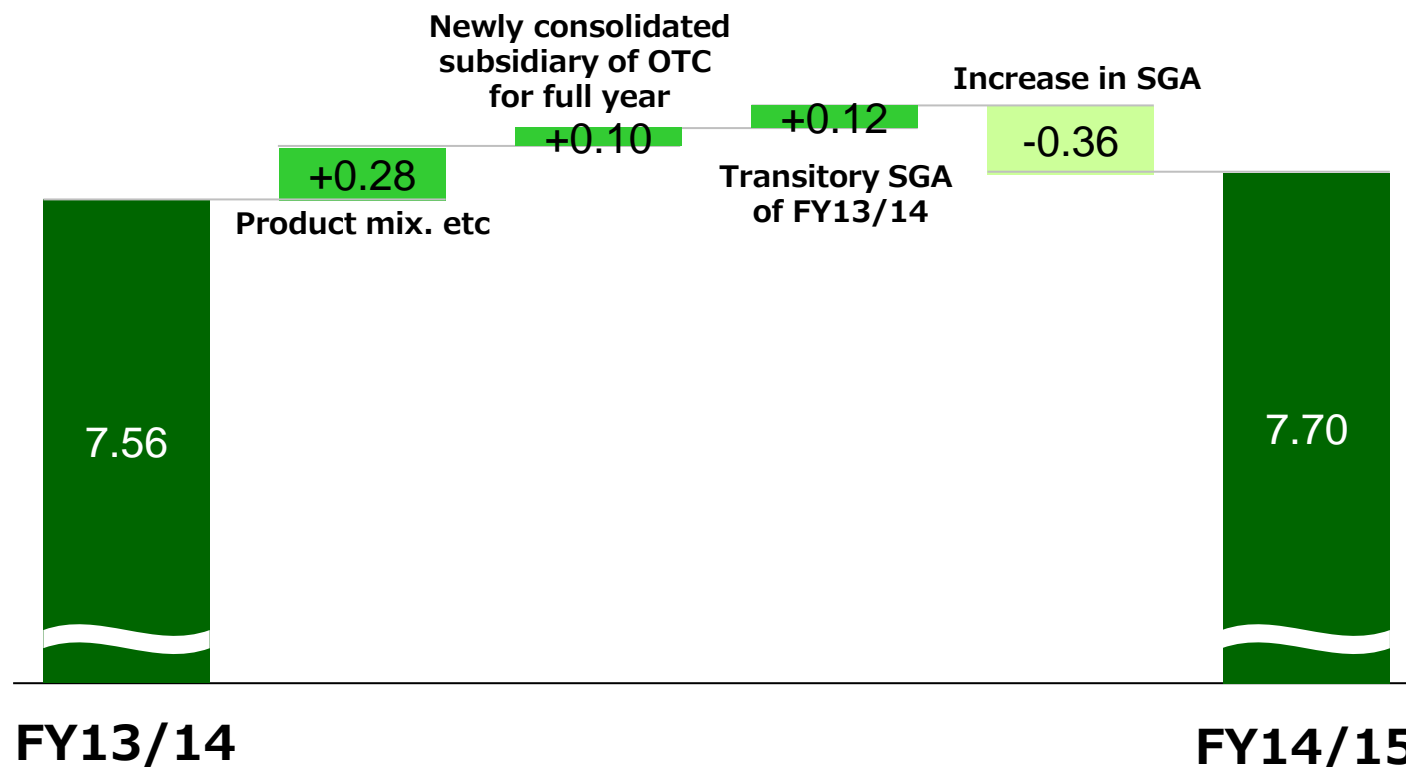


Although 2 increase factors which newly consolidated subsidiary of OTC and PWB etc. sales volume increase have been expected to the forecasts for FY14/15 Sales, it ended up with an increase of 2.9% due to the PDP sales volume decrease.

Forecasts for FY14/15 Operating Income (YoY)

Operating Income Forecasts

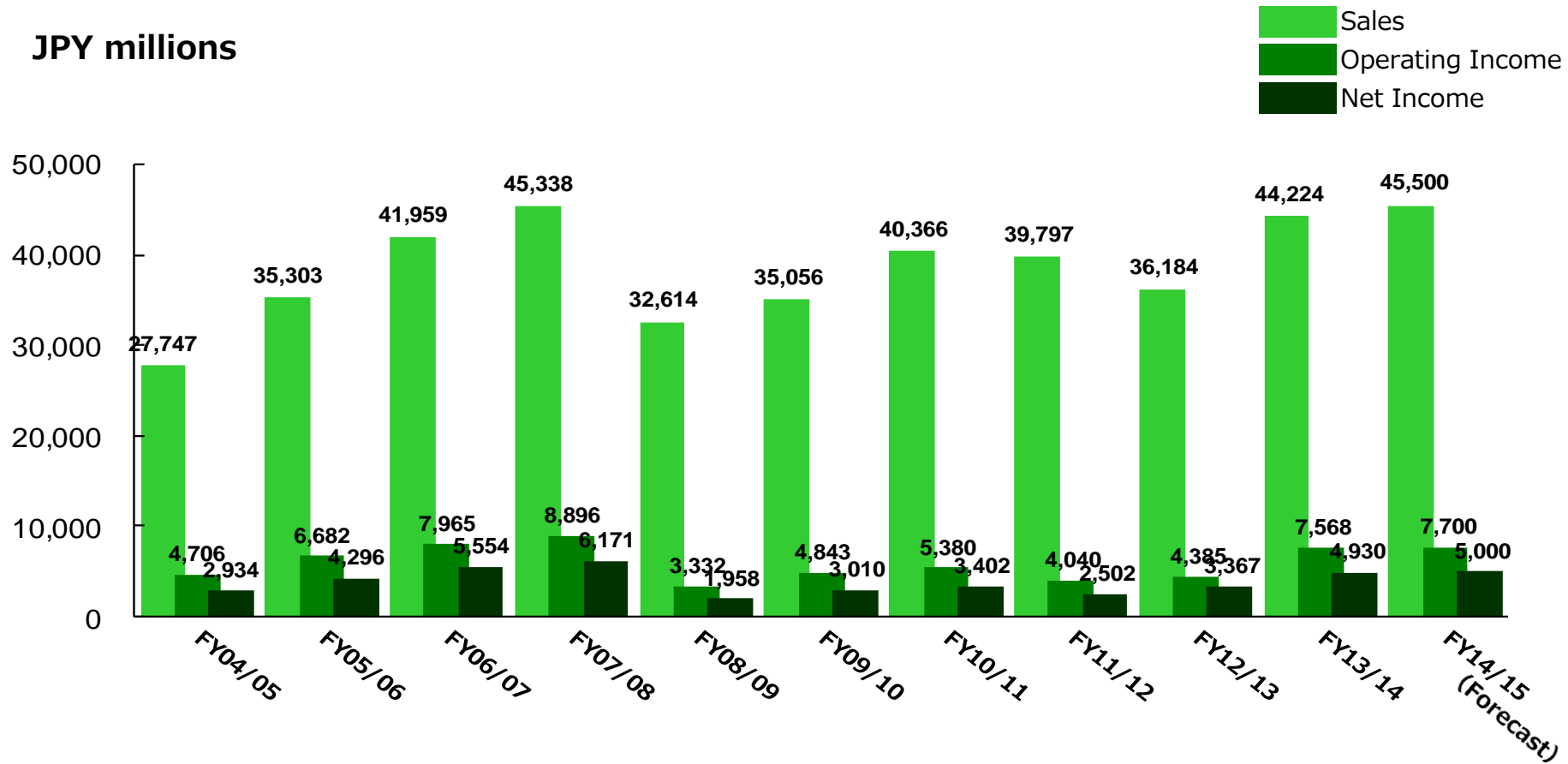
JPY billions



Although 3 increase factors which product mix, newly consolidated subsidiary of OTC, and transitory SGA of FY13/14 have been expected to the forecasts for FY14/15 Operating Income, it ended up with a slight increase due to increased SGA refer to depreciation expenses and labor costs.

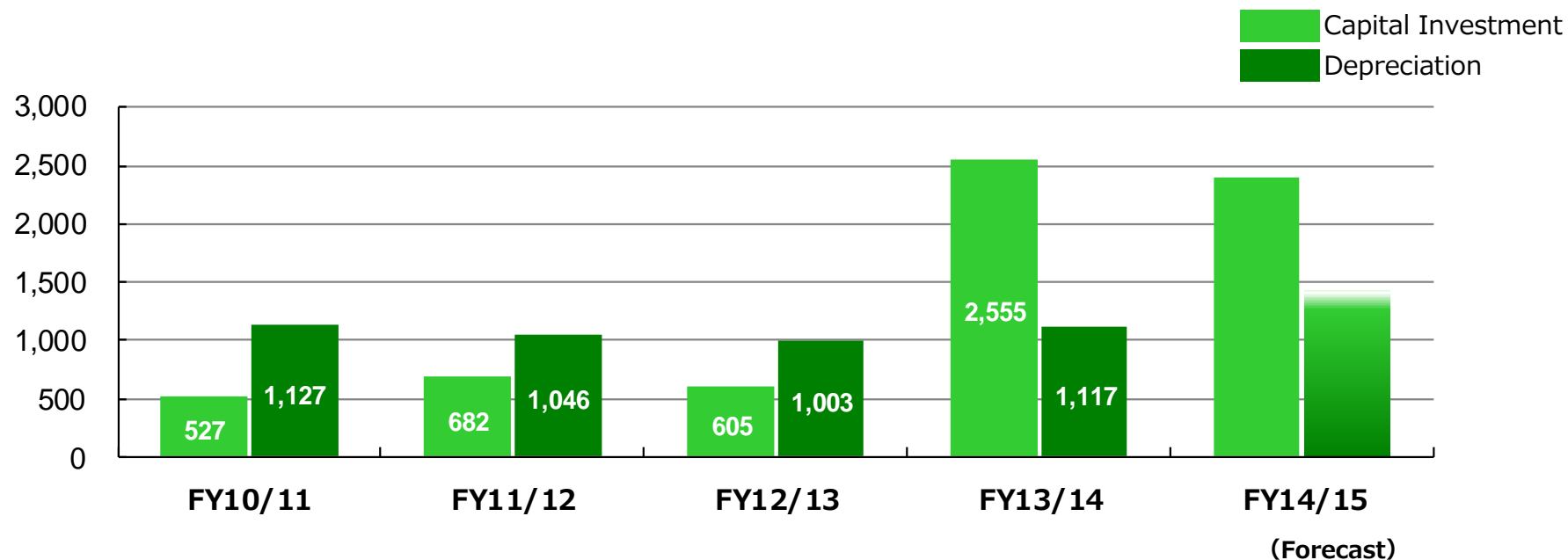
Trend of Financial Results

JPY millions



Trend of Capital Investment vs. Depreciation

JPY millions



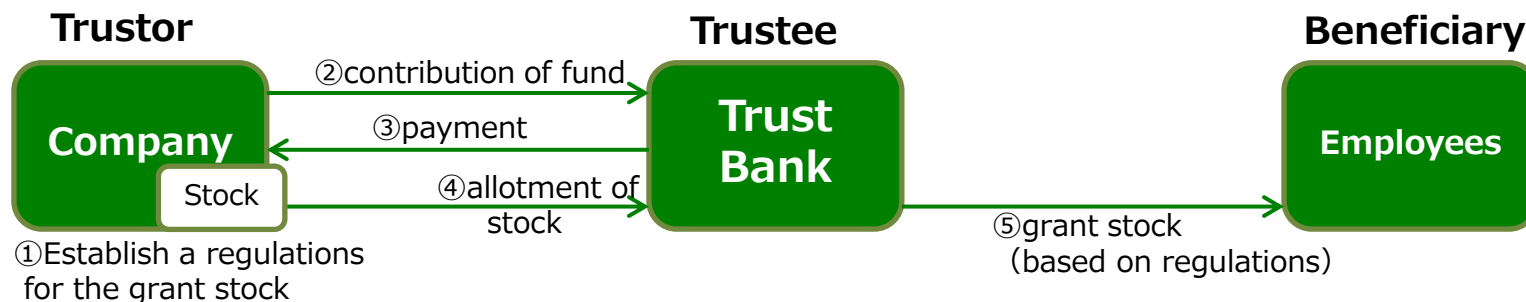
For FY14/15, we make the capital investment positively as FY13/14 with the aim of strengthening current business and building new business.

ESOP (Employee Stock Ownership Plan)

An incentive plan “ESOP” for granting company’s stock to our employees was resolved at the Board of Directors which held on May 2, 2014.

<Scheme>

- Company will grant stock to employees via trust, as a part of compensation.
- A contribution of fund to trust will be made by trustor(company), and the trust will acquire the stock with the fund.



Trust Amount : JPY 318millions (104,500shares@3,048yen)

※ The stock price is calculated using the average closing price of most recent one month

※ approx. 0.38% of number of issued shares

Trust Period : May 26, 2014~July 31, 2018 (plan)

Grant Stock Outline : Points will be given on every April 1 based on job position or rank. The part over the unit will be granted by stock.

Yearly Expenses : approx. JPY 70millions



NEXT STAGE - 新たな展開へ -

明日の地球に出来ること
For Tomorrow