
Consolidated Financial Result Digest

FY2016 (Fiscal Year Ended March 31, 2016)



TAIYO HOLDINGS CO., LTD

May 2, 2016



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Terminology

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

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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 touch panel, and shielding silver paste
Other related products	Other	Liquid	for marking, etching and plating flux, solvent etc.

1

Consolidating Chugai Kasei Co., Ltd from May 2015
(11 months of consolidated period in this fiscal year)

2

Depreciation of the yen against U.S. dollar
(estimated exchange rate : 1 USD=110yen)

3

Decrease in sales volume mainly in Greater China

4

Negative growth in worldwide main consumer electronics and semiconductor market in 2015 source: Mizuho Bank, Gartner

5

Cost improvement by promoting local procurement of raw materials

6

Increased costs due to completion of Kitakyushu Plant in September 2015

Results summary

JPY millions

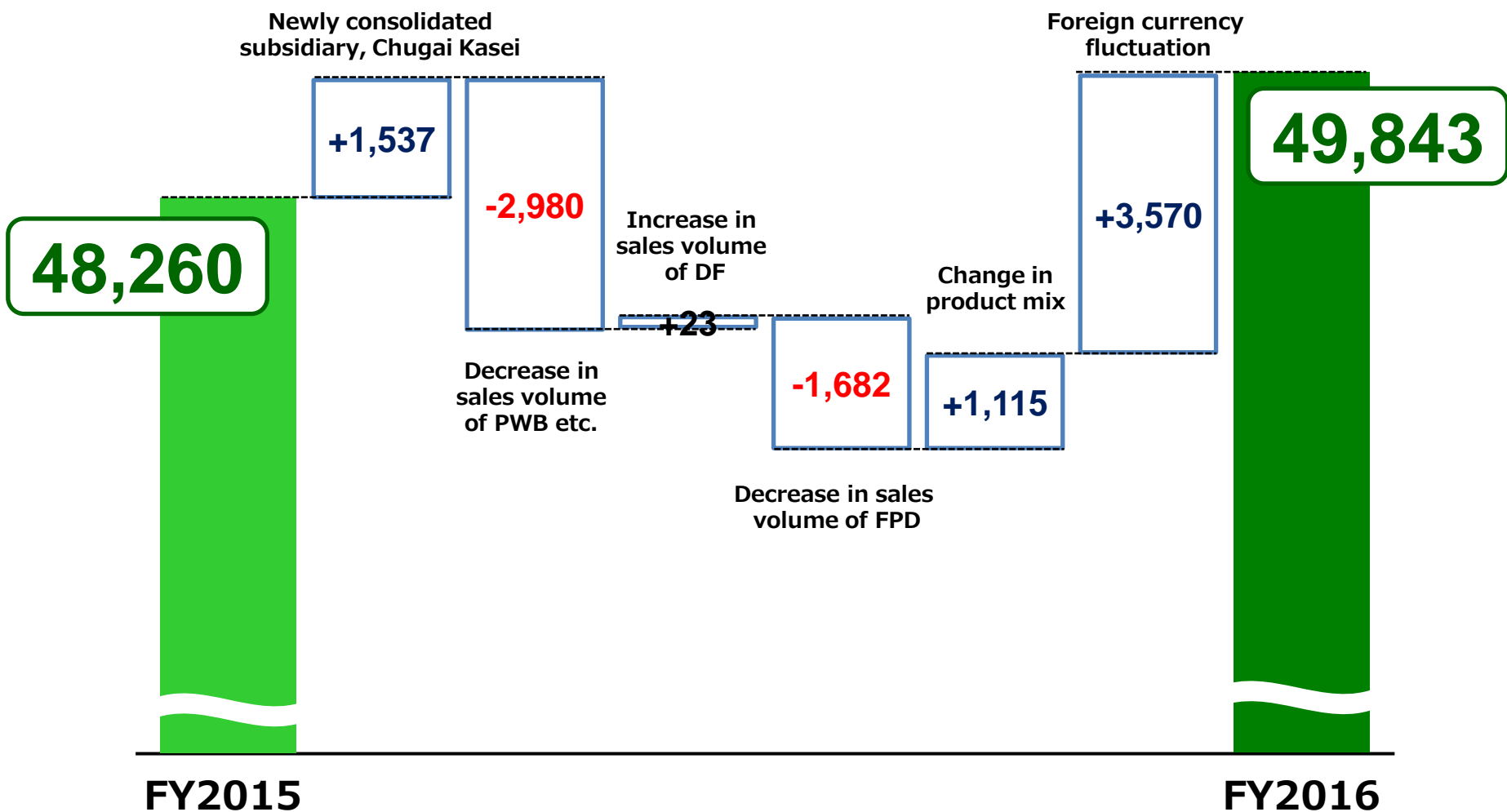
	FY2015 results	FY2016 results	YoY	%	FY2016 forecasts	vs. forecasts	
Net sales	48,260	49,843	+1,583	+3%	51,500	-1,657	97%
Operating income	9,254	10,964	+1,710	+18%	10,200	+764	107%
Ordinary income	9,529	11,129	+1,600	+17%	10,300	+829	108%
Net income	6,667	7,796	+1,129	+17%	7,000	+796	111%
Exchange rate of JPY/USD	110.01	120.12			110.00		

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FY2016 Net sales (YoY)

Analysis of net sales

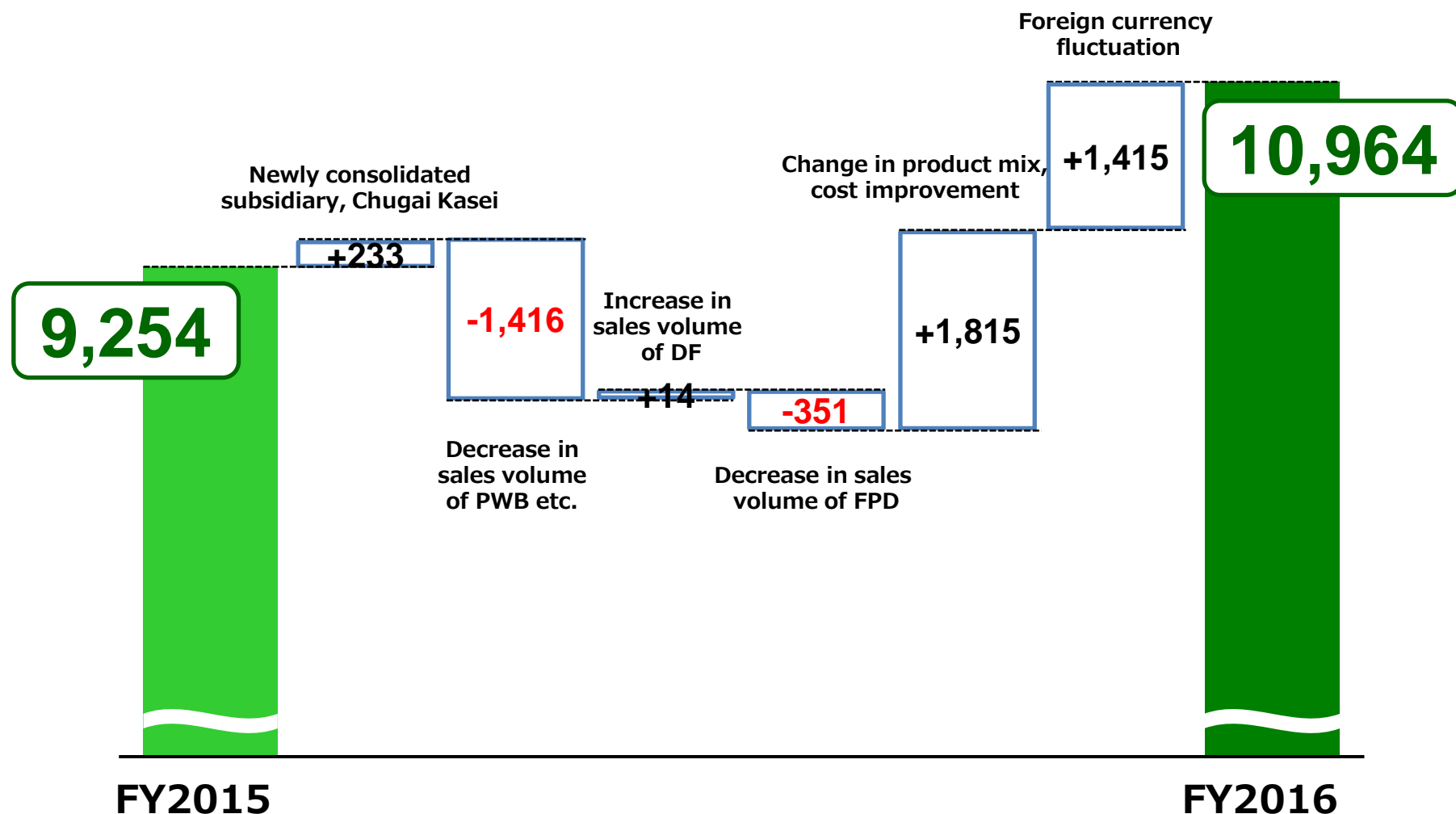
JPY millions



6 FY2016 Operating income (YoY)

Analysis of operating income

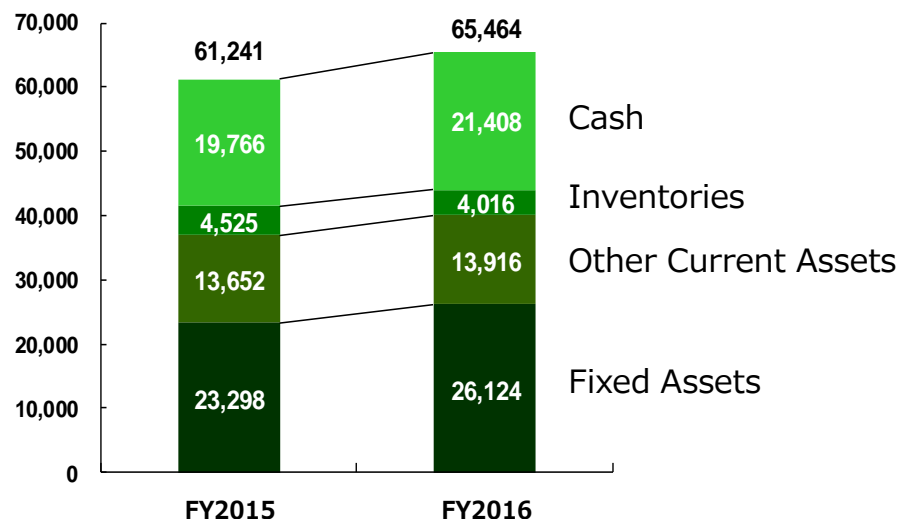
JPY millions



BS (YoY)

JPY millions

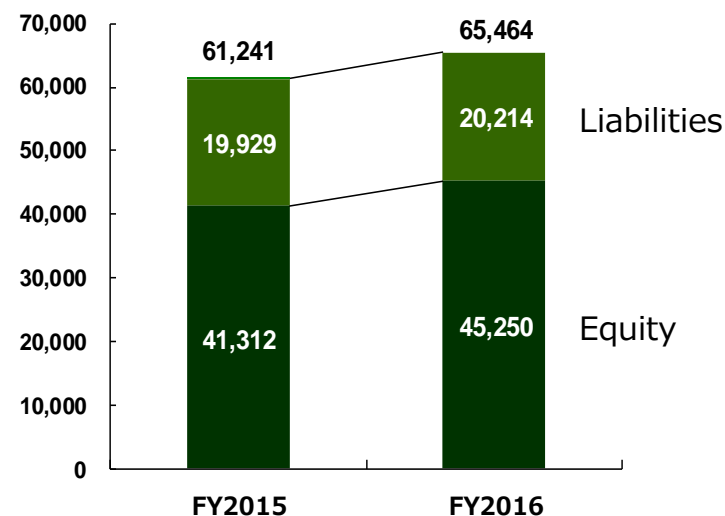
Assets



<Fixed Assets>

- **Increase in capital investment for Kita-Kyushu factory:** approx. 1.9 billion yen
- **Newly consolidated subsidiary, Chugai Kasei:** approx. 1.0 billion yen

Liabilities and Equity



- **Increase in retained earnings:** approx. 5.5 billion yen
- **Decrease in foreign currency translation adjustments:** approx. 2.1 billion yen

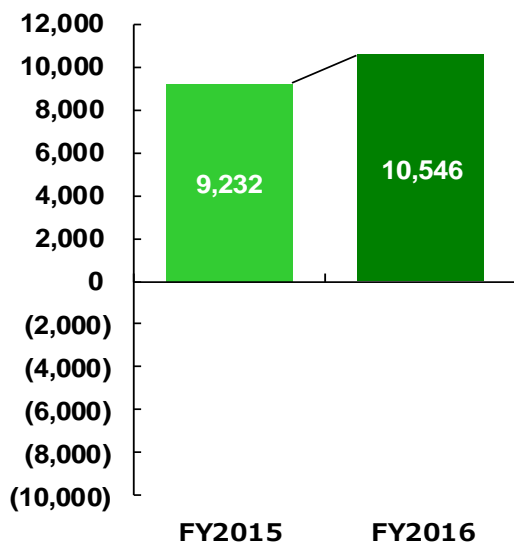
8

FY2016 CF highlights

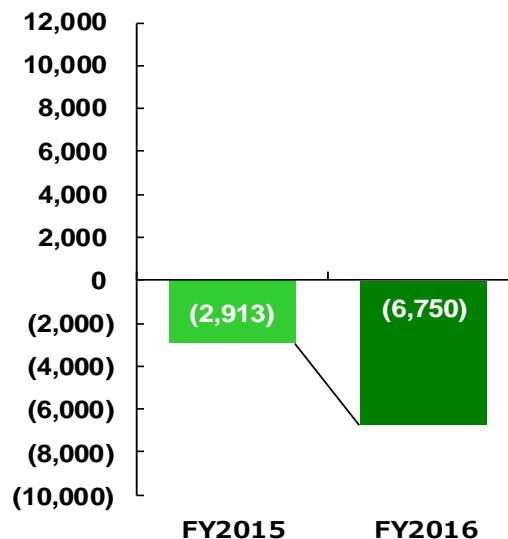
CF (YoY)

JPY millions

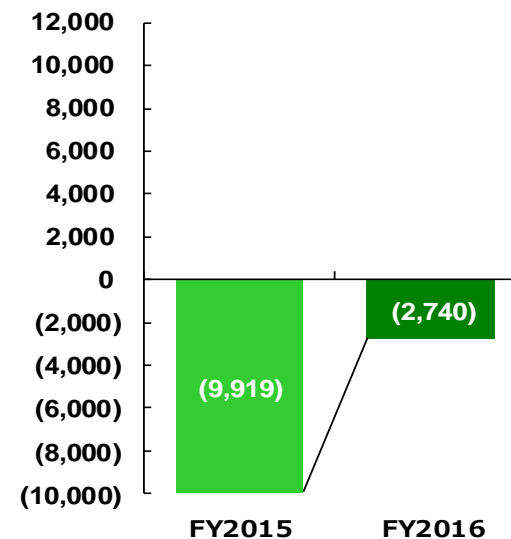
Operating CF



Investing CF



Financing CF



- Increase in net income before income taxes: approx. 1.2 billion yen

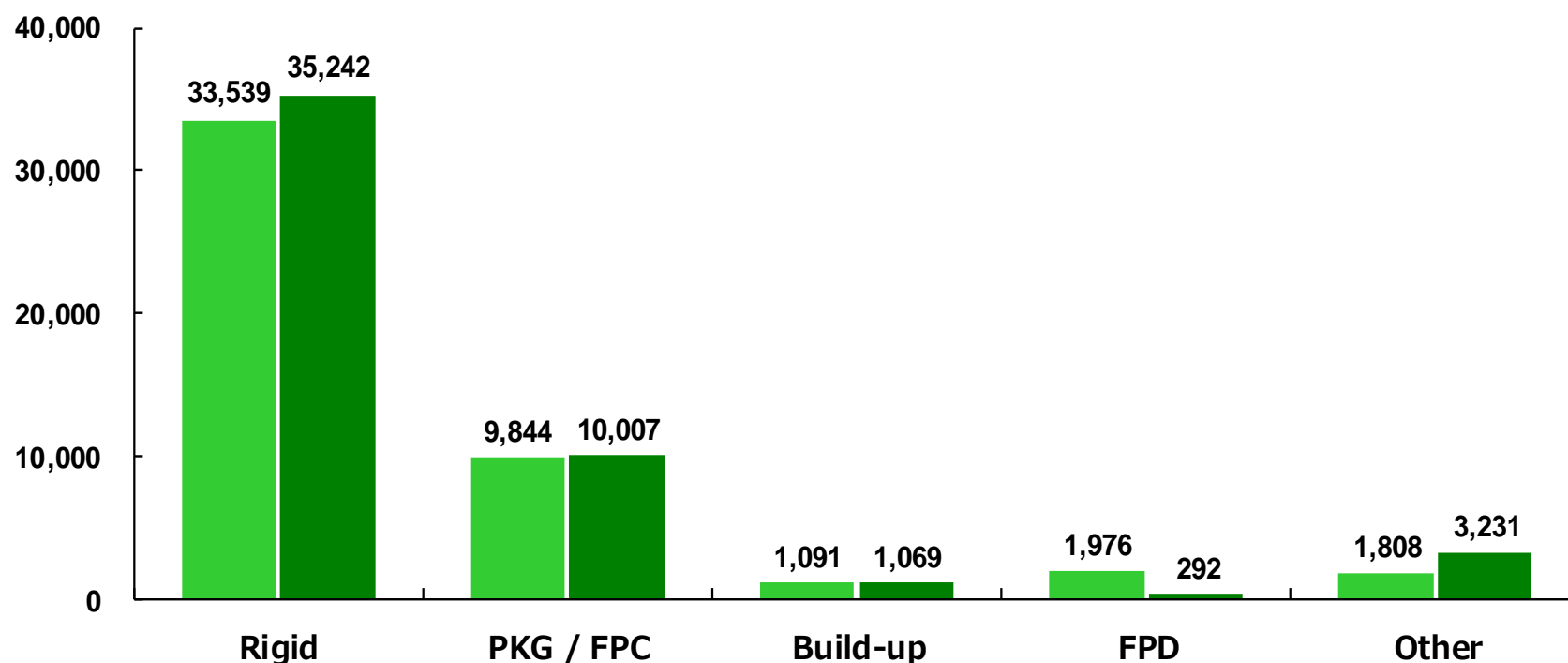
- Capital investment for Kita-Kyushu factory in FY2016: approx. 1.9 billion yen
- Payment into time deposits: approx. 1.7 billion yen

- Acquisition of own-shares in FY2015 through TOB : approx. 9.2 billion yen

Sales results by product group category

JPY millions

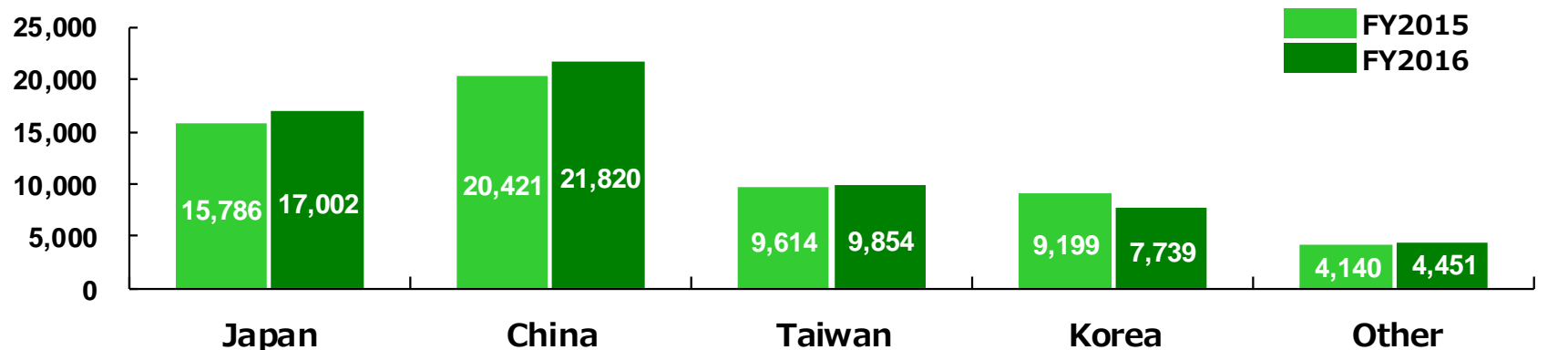
 FY2015
 FY2016



Sales by segment

(including inter-segment sales or transactions)

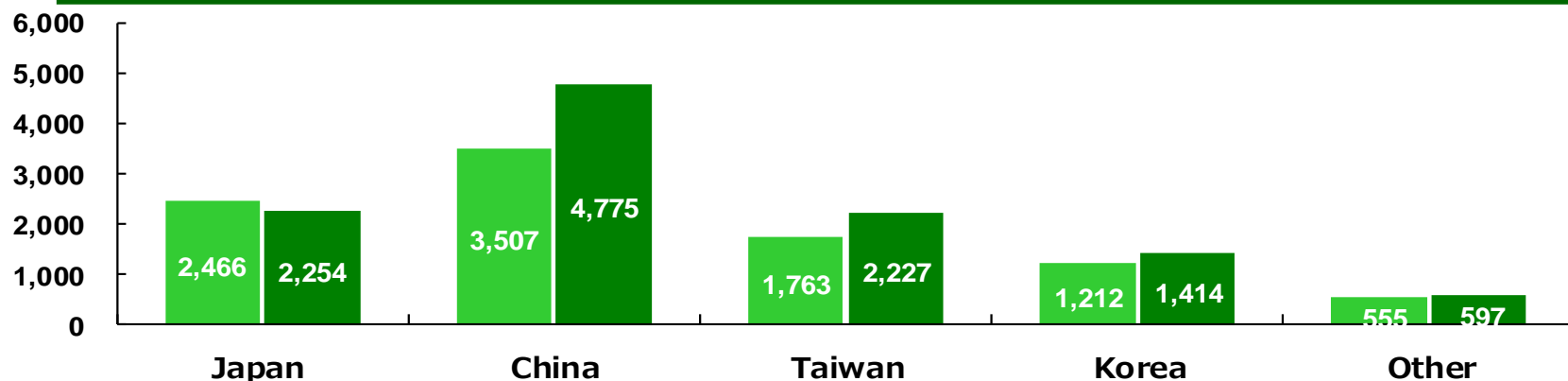
JPY millions



Operating income by segment

(including inter-segment sales or transactions)

JPY millions

Operating
profit ratio

16%

13%

17%

22%

18%

23%

13%

18%

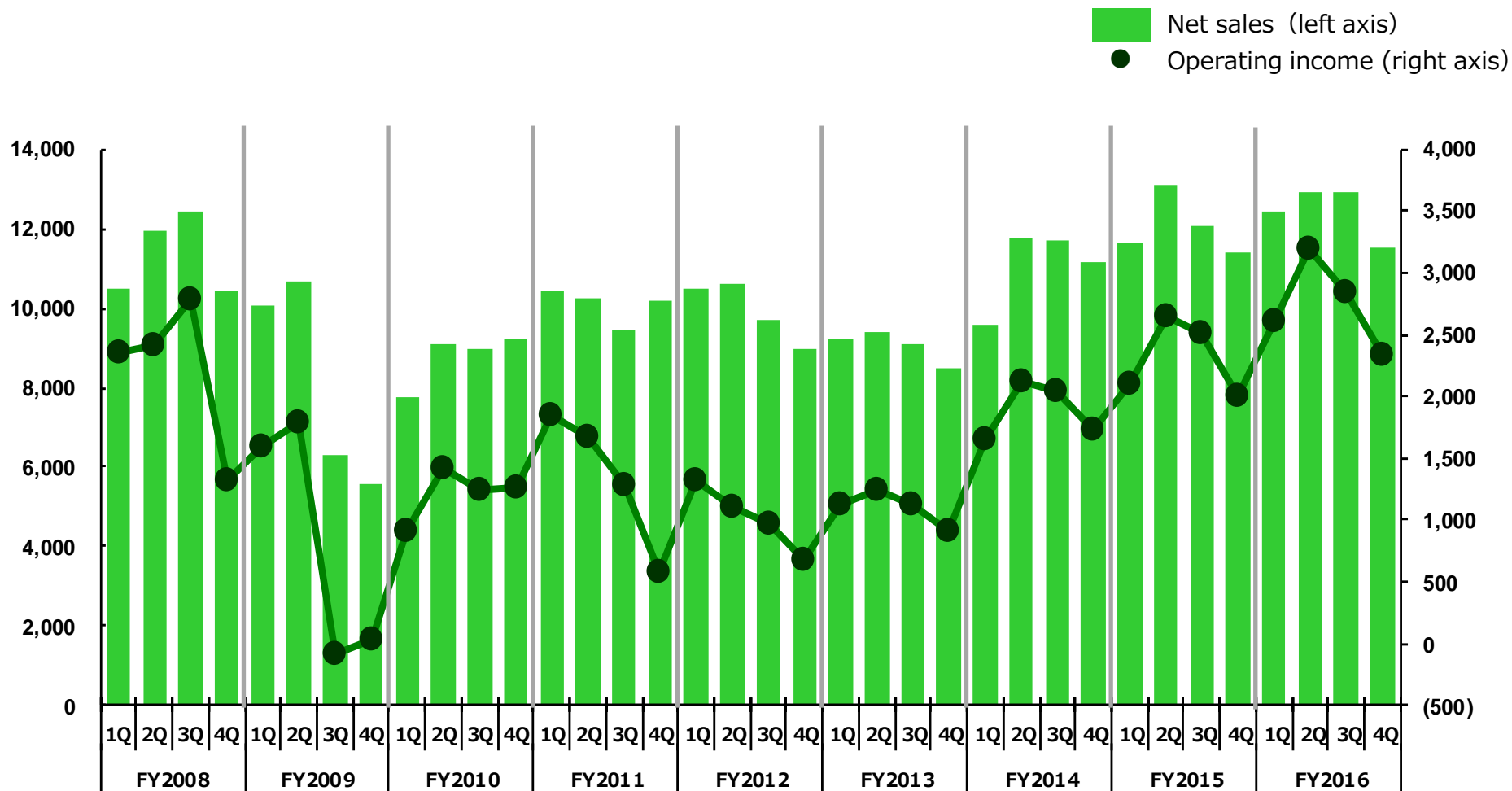
13%

13%

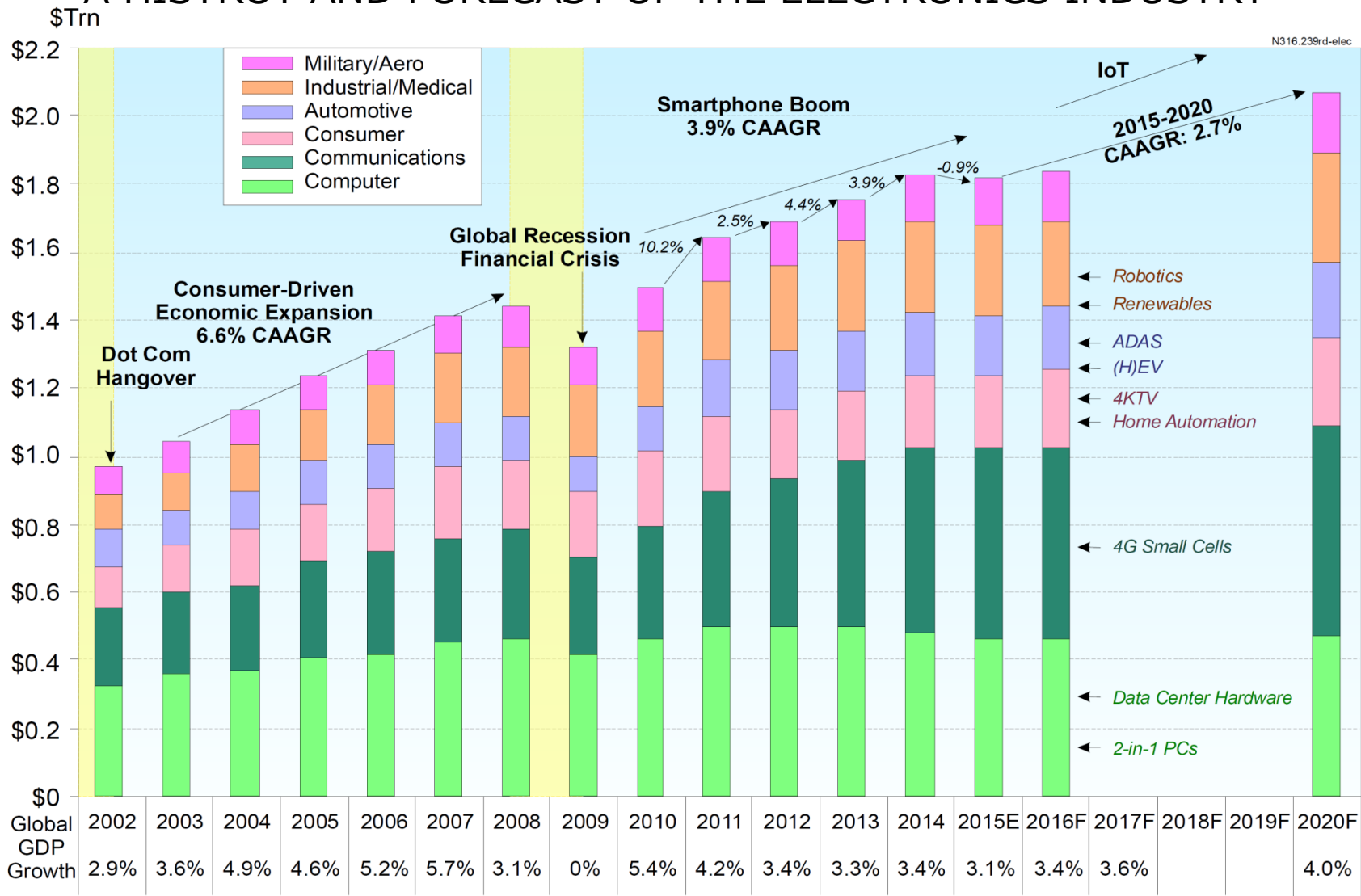


Net sales & operating income

JPY millions



A HISTROY AND FORECAST OF THE ELECTRONICS INDUSTRY



Source: Prismark Partners LLC

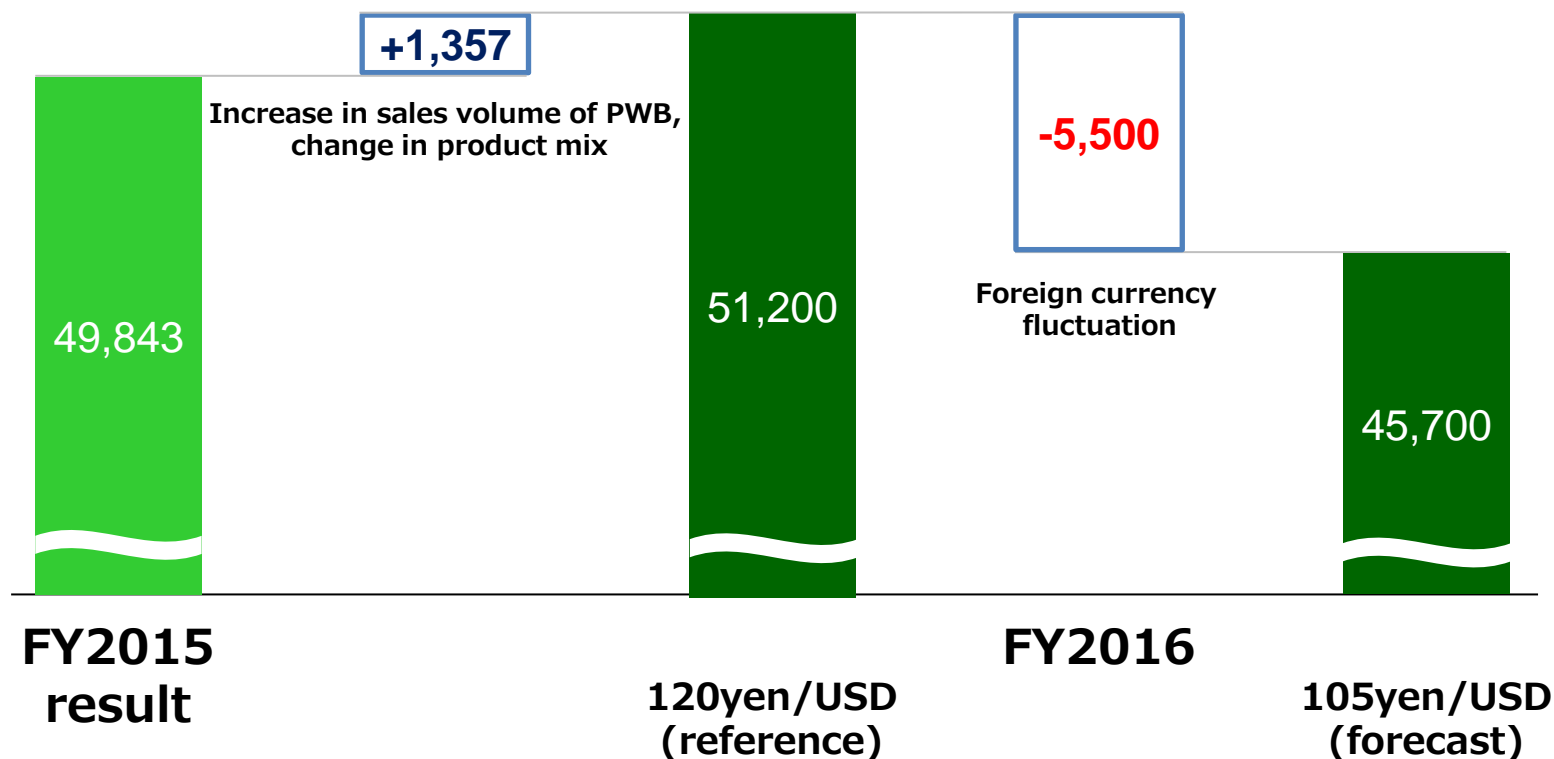
Financial results forecasts

JPY millions

	FY2015 results	FY2016 (reference)	<i>vs. reference</i>		FY2016 forecasts	<i>vs. forecasts</i>	
Net sales	49,843	51,200	+1,357	+3%	45,700	-4,143	-8%
Operating income	10,964	10,100	-864	-8%	8,000	-2,964	-27%
Ordinary income	11,129	9,900	-1,229	-11%	7,800	-3,329	-30%
Extraordinary income	40	-	-	-	-	-	-
Extraordinary losses	32	-	-	-	-	-	-
Net income	7,796	7,000	-796	-10%	5,500	-2,296	-29%
Exchange rate of JPY/USD	120.12	120.00			105.00		

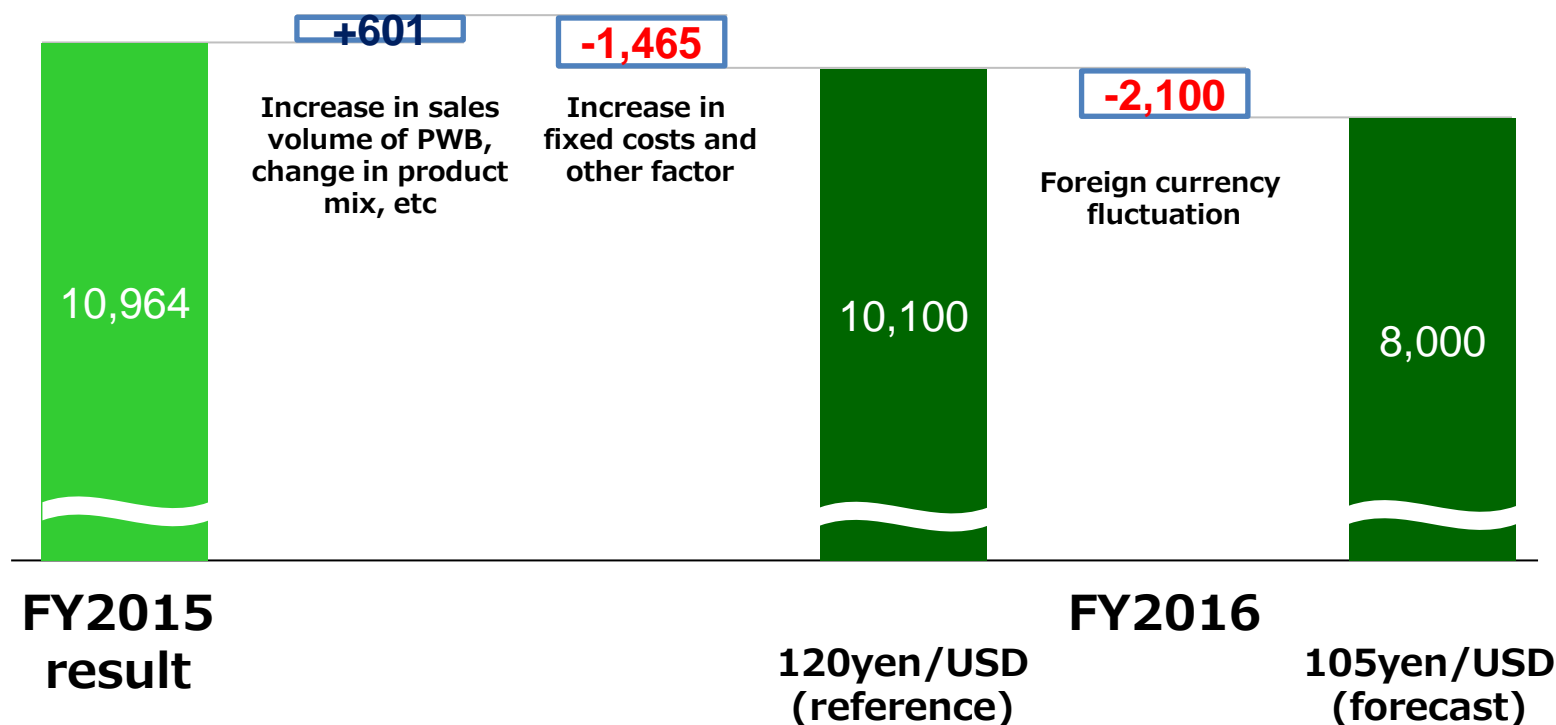
Net sales forecast

JPY millions



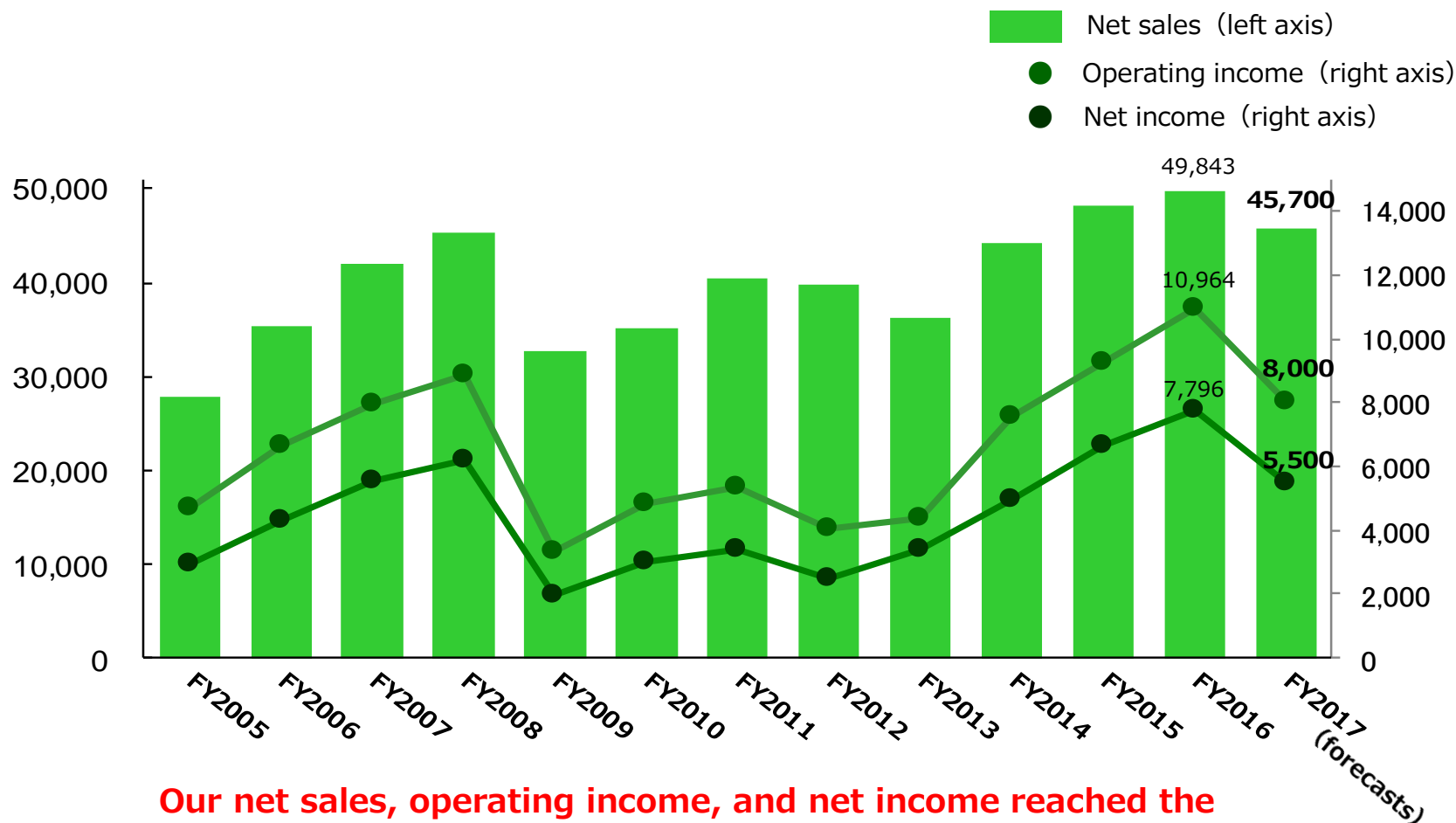
Operating income forecast

JPY millions



Trend of financial results

JPY millions

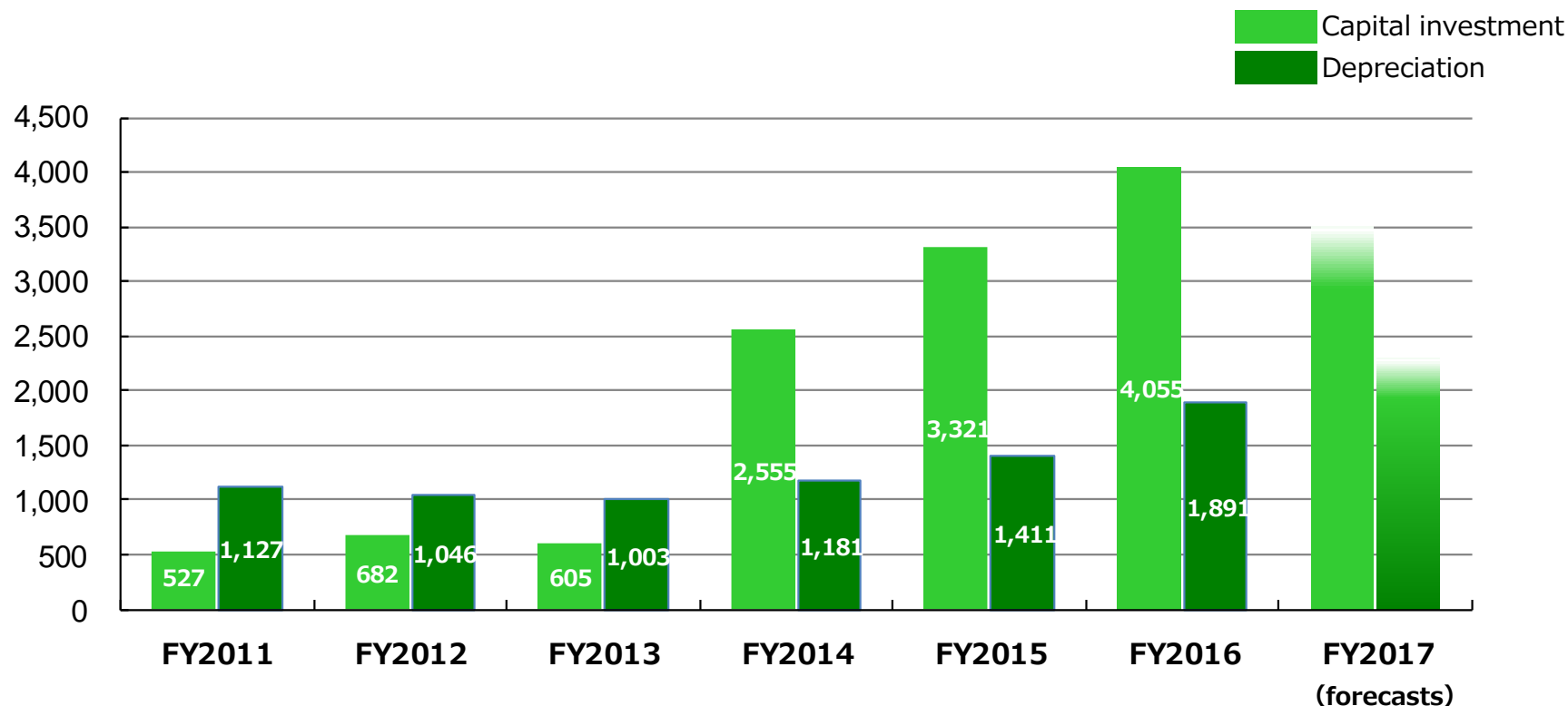


Our net sales, operating income, and net income reached the highest ever results in FY2016.

We forecast that sales and operating profit in FY2017 will decline due to the impact of strong yen.

Trend of capital investment & depreciation

JPY millions



In FY2017, we will continue conducting capital investment for enhancement of existent business and new business creation after construction of Kita-Kyushu factory completed in FY2016.



NEXT STAGE - 新たな展開へ -

明日の地球に出来ること
For Tomorrow