
Consolidated Financial Result Digest

FY2021 Q3 (Fiscal Year Ending March 31, 2021)



TAIYO HOLDINGS CO., LTD.

February 5, 2021



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.

Our Reporting Segments

Electronics Materials

Manufactures, purchases and sells chemicals for PWBs and other electronic components



Medical and Pharmaceuticals

Develops, manufactures, and sells pharmaceuticals and quasi-drugs



Other

Manufactures and sells dyes, pigments and other chemical products, supplies renewable energy, software development



Electronics
Material
Business

Sales increased YoY by 5%、 a record high on a quarterly basis

Main reason

- Increase in remote working and online classes due to COVID-19 led to higher demand for electronic devices for data centers and PCs
- Due to the recovery of the automobile market , the sales of our Rigid- high end products for automobiles increased

Electronics
Material
Business

Operating income increased YoY by 18%

Main reason

- Increase in sales ratio of DF products for Semiconductor Package Substrates

Medical and
Pharmaceutical
Business

Sales increased YoY by 53% (EBITDA increased YoY by 149%)

Main reason

- Revenue from Taiyo Pharma Tech set up in October 2019
- Revenue from 4 long-term listed drugs acquired from AstraZeneca in April 2020

Consolidated Financial Results

Results Summary

Unit : JPY Million

	①	②	②-①	(②-①) ÷①	③	②÷③
	Fiscal year ending March 2020	Fiscal year ending March 2021			Fiscal year ending March 2021 Announced on Nov 6, 2020	
	3Q Cumulative Result	3Q Cumulative Result	YoY	%	Full year Earnings forecast	%
Net Sales	52,312	60,460	+8,148	+16%	79,700	76%
Operating Income	6,840	10,926	+4,086	+60%	12,000	91%
Ordinary Income	6,701	10,816	+4,115	+61%	11,600	93%
Net Income	4,964	7,706	+2,742	+55%	7,500	103%
Exchange rate of JPY/USD	109.1	105.9	-3.2		105.0	
EBITDA	10,588	16,482	+5,894	+56%	19,200	
Operating Income Margin	13%	18%			15%	
EBITDA Margin	20%	27%			24%	

Forecast for the full year ending March 2021

Consolidated full-year earnings forecast by segment

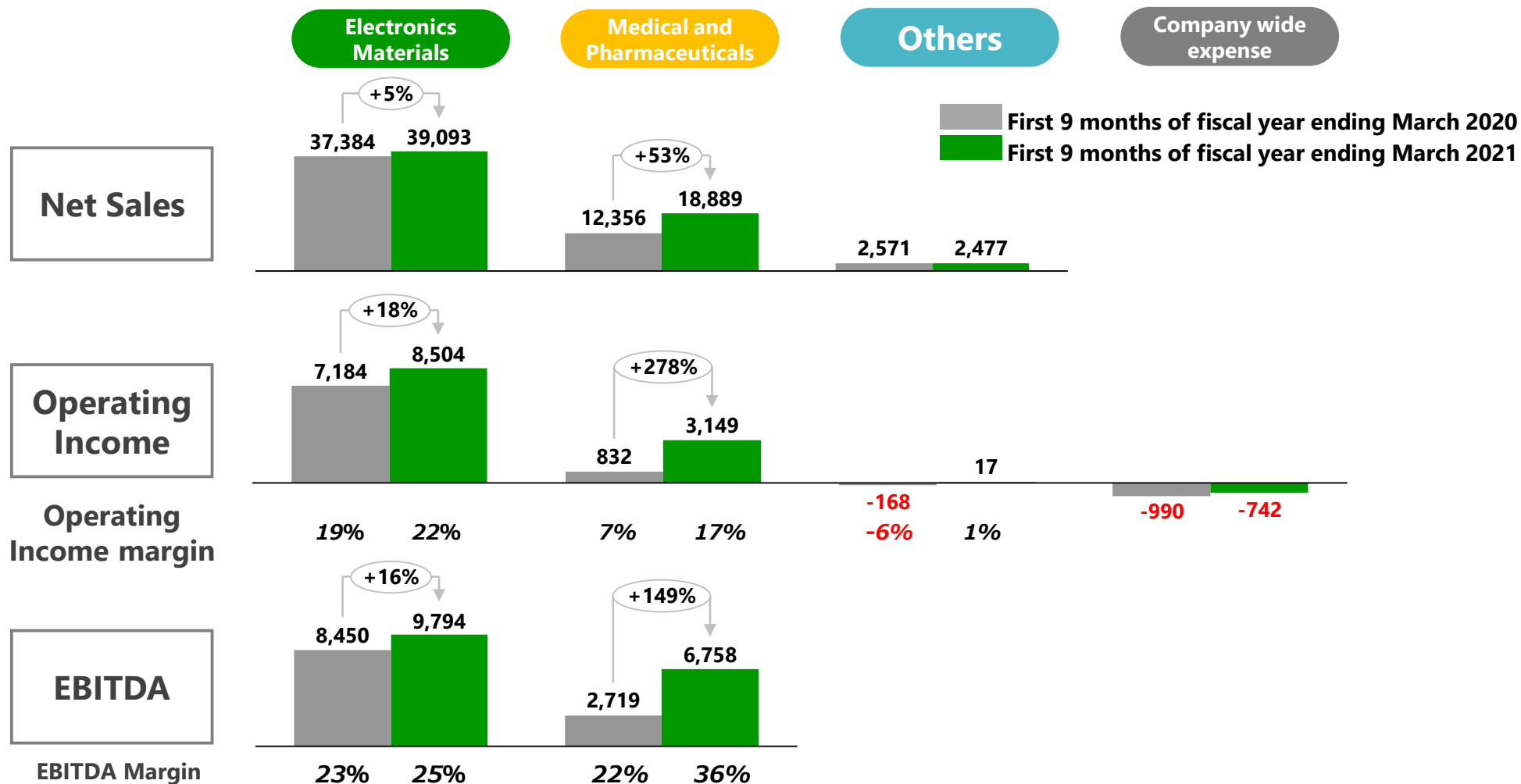
Unit : JPY Million

※JPY/USD rate 105 Yen

	Forecast for the fiscal year ending March 2021 Announced this time			Forecast for the fiscal year ending March 2021 Announced on Nov 6, 2020		
	Consolidated	Electronics Materials	Medical and pharmaceuticals	Consolidated	Electronics Materials	Medical and Pharmaceuticals
Net Sales	80,500	51,600	25,200	79,700	50,400	25,600
Operating Income	13,300	10,700	3,500	12,000	9,500	3,600
EBITDA	20,700	12,400	8,300	19,200	11,100	8,300
Operating Income margin	16%	21%	14%	15%	19%	14%
EBITDA Margin	26%	24%	33%	24%	22%	32%

Performance by Segment

Cumulative 3Q Net Sales / Operating income / EBITDA Unit : JPY Million

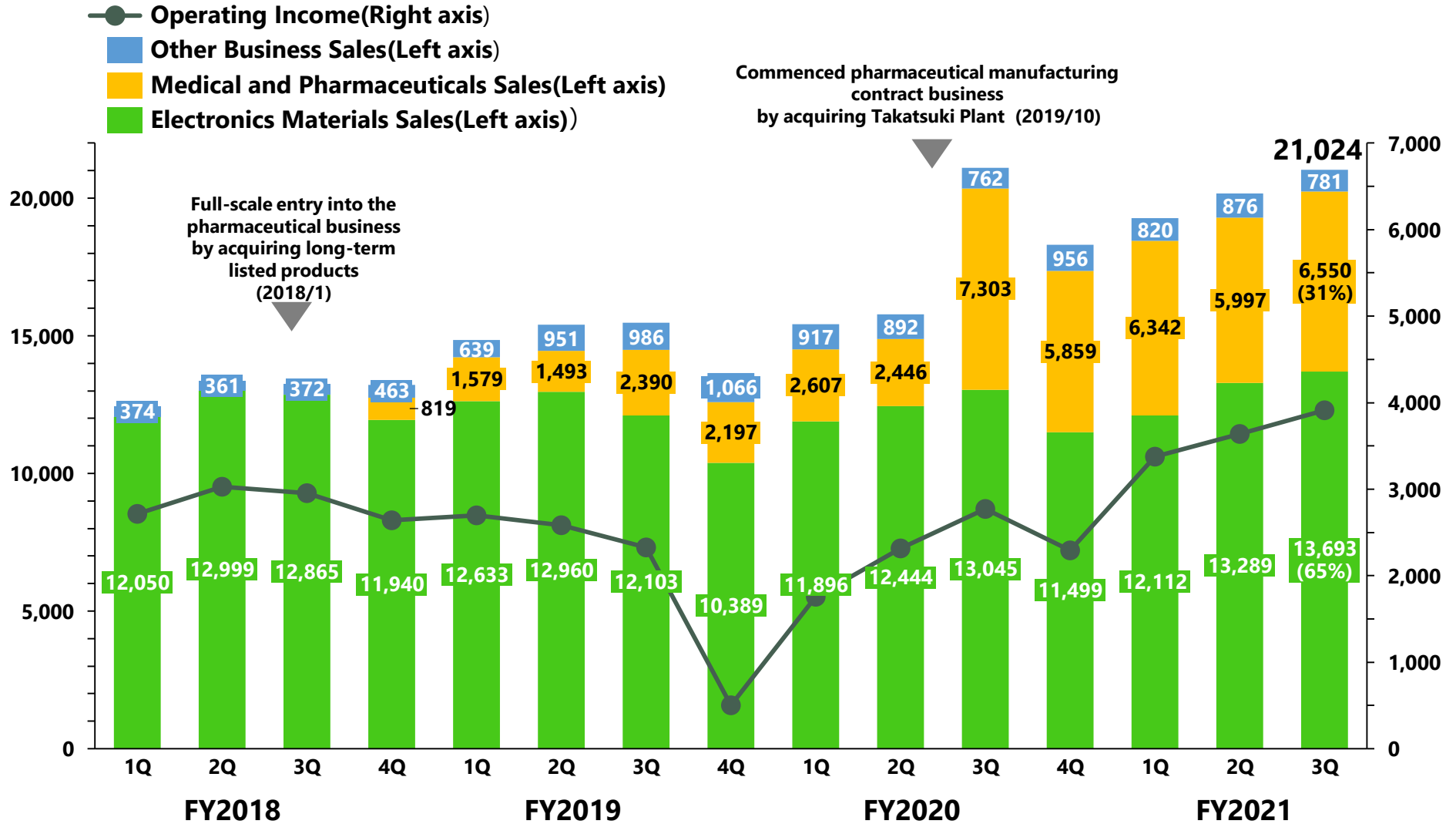


※Since the third quarter of fiscal year ended March 31st 2020, we include Amortization of Goodwill among the each reportable segment. Also, from the first quarter of this year, some expenses that were previously included in company-wide expenses are allocated to each report segment. The segment profit or loss for the first quarter of the previous fiscal year is based on the method for calculating the profit or loss of the reported segment after the change.

Trend of Quarterly Performance

Net sales and Operating Income

Unit : JPY Million



BS- Comparision with the previous term

Unit : JPY Million

	20/3	20/12	Change
Cash and Deposits	29,191	52,507	23,316
Accounts Receivables	19,513	21,386	1,873
Inventory※1	11,408	12,704	1,296
Others	2,267	1,720	▲547
Total Current Assets	62,380	88,317	25,937
Tangible Fixed Assets	44,761	45,161	400
Intangible Fixed Assets	30,769	35,312	4,543
Others	4,280	4,803	523
Total Fixed Assets	79,811	85,277	5,466
Total Assets	142,192	173,595	31,403

	20/3	20/12	Change
Short term borrowings※2	10,893	15,608	4,715
Long term borrowings	44,818	63,847	19,029
Notes and Account payable	7,231	8,044	813
Others	9,726	11,495	1,769
Total Liabilities	72,668	98,994	26,326
Shareholders Equity	69,651	73,869	4,218
Others	▲429	395	824
Non-controlling interest	301	335	34
Total net assets	69,523	74,600	5,077
Total liabilities and net assets	142,192	173,595	31,403

Equity to Asset Ratio	48.7%	42.8%	-5.9%
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※1 Inventories: Goods and products + work in process + raw materials and stored good

※2 Short-term borrowings: Short-term borrowings + long-term borrowings scheduled to be repaid within one year

Electronics Materials Business

Terminology

Term	Definition
PWB	Printed Wiring Board
SR	"Solder resist ink" or "Solder mask"
PKG	Semiconductor packages
DF	Dry Film

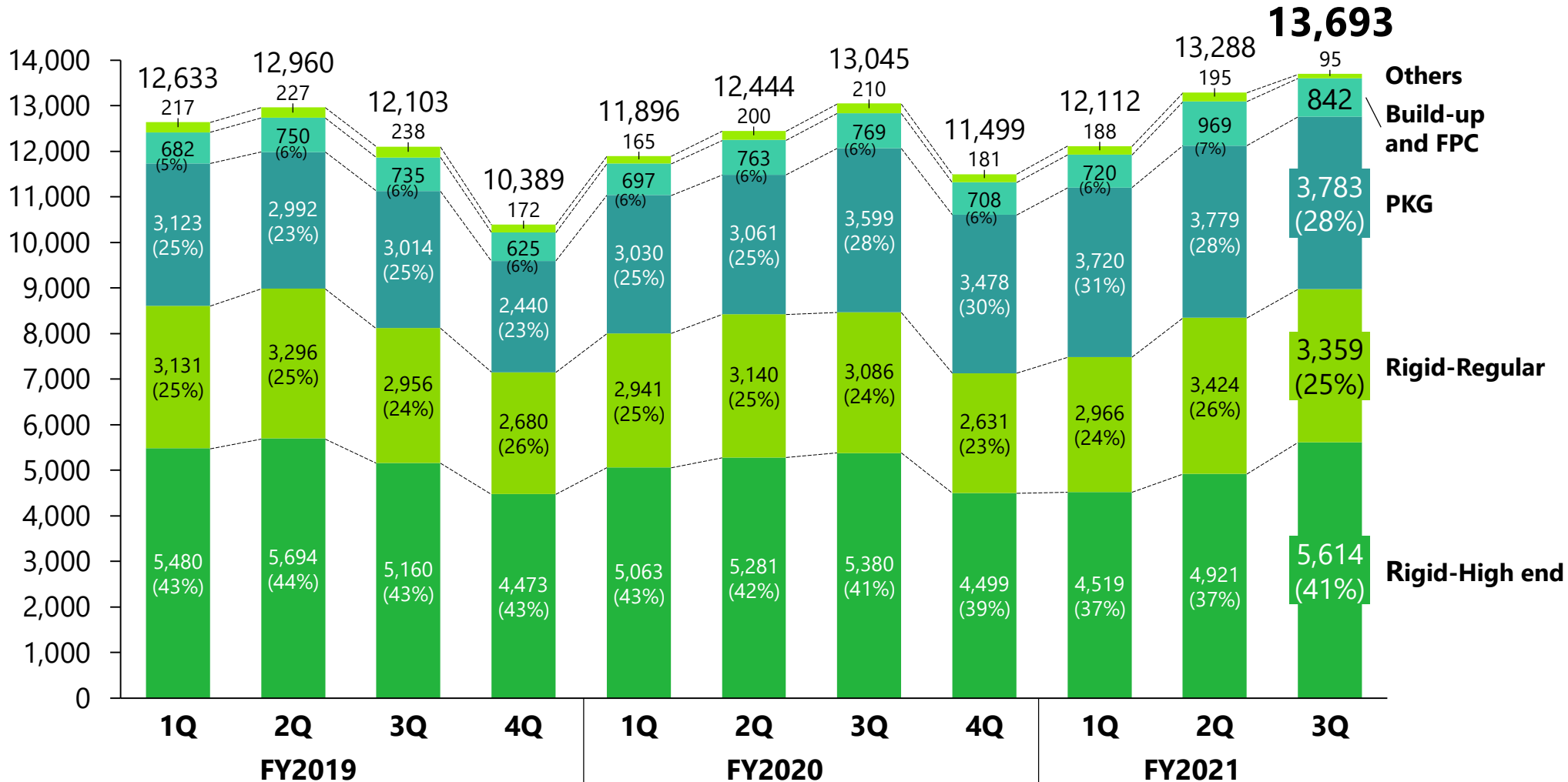
Product Classification for Electronics Material Business

Group	Category		Type	Remarks
PWB insulating materials	Rigid	High end	Liquid	<ul style="list-style-type: none"> •SR materials for insulation and surface protection use •build-up materials for interlayer insulation and hole plugging use
		Regular	Liquid/DF	
	PKG		Liquid/DF	
	FPC (Flexible printed circuit board)		Liquid/DF	
	Build-up		Liquid/DF	
Other related products	Others		Liquid	<ul style="list-style-type: none"> •marking, etching, plating materials •flux, solvent etc. •conductive silver paste

Electronics materials business

Net Sales by product category

Unit : Million yen





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