

April 30, 2021

Consolidated Financial Results
for the Fiscal Year Ended March 31, 2021
<under Japanese GAAP>

Company name: **TAIYO HOLDINGS CO., LTD.**
Listing: First Section of the Tokyo Stock Exchange
Stock code: 4626
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Scheduled date of ordinary general meeting of shareholders: June 19, 2021
Scheduled date to commence dividend payments: June 21, 2021
Scheduled date to file annual securities report: June 21, 2021
Preparation of supplementary results briefing material on financial results: Yes
Holding of financial results presentation meeting: Yes (for institutional investors and analysts)

(Millions of yen with fractional amounts discarded, unless otherwise noted)

1. Consolidated financial results for the fiscal year ended March 31, 2021
(from April 1, 2020 to March 31, 2021)

(1) Operating results

(Millions of yen, % year on year)

Fiscal year ended	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
		%		%		%		%
March 31, 2021	80,991	14.7	13,943	52.6	13,819	55.3	9,529	154.1
March 31, 2020	70,627	18.9	9,136	12.8	8,898	11.0	3,749	(14.7)

Note: Comprehensive income

For the fiscal year ended March 31, 2021:

12,012 millions of yen

380.6 %

For the fiscal year ended March 31, 2020:

2,499 millions of yen

(35.4) %

(Yen)

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ordinary income/total assets	Operating income/net sales
March 31, 2021	334.97	—	13.1	8.6	17.2
March 31, 2020	131.99	—	5.4	7.2	12.9

Reference: Share of (profit) loss of entities accounted for using equity method

For the fiscal year ended March 31, 2021:

— millions of yen

For the fiscal year ended March 31, 2020:

— millions of yen

(2) Financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	millions of yen	millions of yen	%	Yen
March 31, 2021	179,001	76,497	42.5	2,696.84
March 31, 2020	142,192	69,523	48.7	2,434.23

Reference: Equity (Net assets excluding non-controlling interests)

As of March 31, 2021: 76,139 millions of yen

As of March 31, 2020: 69,222 millions of yen

(3) Cash flows

(Millions of yen)

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at the end of period
March 31, 2021	16,312	(11,603)	19,755	54,309
March 31, 2020	13,739	(45,912)	31,593	29,115

2. Cash dividends

	Annual cash dividends					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter- end	Second quarter- end	Third quarter- end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	millions of yen	%	%
Fiscal year ended March 31, 2020	—	65.10	—	65.10	130.20	3,722	98.6	5.3
Fiscal year ended March 31, 2021	—	65.10	—	95.10	160.20	4,561	47.8	6.2
Fiscal year ending March 31, 2022 (Forecast)	—	65.10	—	65.10	130.20		44.3	

Note: Breakdown of year-end dividends for the fiscal year ended March 31, 2021:

Dividend per common share: 65.10 yen Commemorative dividend: 30.00 yen

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

(Millions of yen, % year on year)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Basic earnings per share
		%		%		%		%	Yen
Six months ending September 30, 2021	43,800	—	6,500	—	6,500	—	4,500	—	159.39
Fiscal year ending March 31, 2022	86,500	—	12,100	—	12,000	—	8,300	—	293.98

Note: The Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, revised 2020) and related implementation guidance will be applied from the beginning of the fiscal year ending March 31, 2022. The consolidated earnings forecasts noted above therefore show the amounts after application of the standard and implementation guidance, and the comparative year on year percentage changes from the previous fiscal year and the first six months of the previous fiscal year are not provided.

* Notes

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): Yes

Newly consolidated companies: 1; Company name: TAIYO ADVANCED MATERIALS CO., LTD.

Companies excluded from consolidation: 1; Company name: TAIYO ADVANCED MATERIALS CO., LTD.

Note: The newly established company TAIYO ADVANCED MATERIALS CO., LTD. is included in the scope of consolidation from the first quarter of the fiscal year ended March 31, 2021.

TAIYO ADVANCED MATERIALS CO., LTD. was dissolved during the fourth quarter of the consolidated fiscal year and has been excluded from the scope of consolidation.

- (2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections

a. Changes in accounting policies due to revisions to accounting standards and other regulations: None

b. Changes in accounting policies due to other reasons: None

c. Changes in accounting estimates: None

d. Restatement of prior period financial statements after error corrections: None

- (3) Number of issued shares

- a. Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2021	28,998,502 shares
As of March 31, 2020	28,969,647 shares

- b. Number of treasury shares at the end of the period

As of March 31, 2021	765,719 shares
As of March 31, 2020	532,649 shares

- c. Average number of outstanding shares during the period

Fiscal year ended March 31, 2021	28,449,105 shares
Fiscal year ended March 31, 2020	28,410,957 shares

Notes: 1. Series II Class A Shares possess the same rights as common shares in regard to the right to receive dividends of surplus and the right to receive distribution of residual assets. They are therefore included in the average number of outstanding shares during the period.

2. The number of treasury shares includes the Company's shares held by The Master Trust Bank of Japan, Ltd. (trust account for shares granted under the Employee Stock Ownership Plan (ESOP)).

*** Summary financial statements are not subject to review by a certified public accountant or audit firm.**

*** Proper use of earnings forecasts, and other special matters**

(Disclaimer concerning forward-looking statements)

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. The Company makes no promise regarding achievement of any content in the forward-looking statements. Actual business and other results may differ substantially due to various factors. See "1. Overview of Operating Results (4) Future Forecasts" on P. 2 of the attached materials for precautions on the use of earnings forecasts and the assumptions underlying earnings forecasts.

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1. Overview of Operating Results

(1) Overview of operating results for fiscal year ended March 31, 2021

Net sales for the consolidated fiscal year ended March 31, 2021 were 80,991 million yen (up 14.7% year on year). Operating income was 13,943 million yen (up 52.6% year on year), ordinary income was 13,819 million yen (up 55.3% year on year), and profit attributable to owners of parent was 9,529 million yen (up 154.1% year on year).

Results by segment were as follows.

The Group divides its business into two segments, Electronics Materials and Medical and Pharmaceuticals, based on operating subsidiaries.

Electronics Materials

Despite the negative impact on sales of rigid board materials from the slump in vehicle sales due to the COVID-19 pandemic, overall sales were steady as demand for automotive related products rebounded, mainly in the Chinese market from the third quarter. Sales volume also outperformed the previous fiscal year due to strong sales of materials for consumer electronics and materials for servers and smartphones.

Sales volume for semiconductor package board materials outperformed the previous fiscal year due to growth in the semiconductor market stemming from an increase in demand for servers and data centers, and for PC and tablet devices owing to commercial application of 5th-generation mobile communication systems (5G) and the expansion of global telecommuting and other new workstyles. As a result, net sales amounted to 53,096 million yen (up 8.6% year on year), and segment profit came to 11,208 million yen (up 20.3% year on year.)

Medical and Pharmaceuticals

The 14 long-listed products handled by Taiyo Pharma Co., Ltd. performed in generally line with expectations overall. However, sales declined for some products as a decrease in the number of patients was seen due to changes in the willingness of people to seek medical care and restrictions on access to medical institutions resulting from the COVID-19 pandemic. Sales of 4 new long-listed products transferred from AstraZeneca K.K. in April 2020 also trended as expected. The contracted manufacturing sales of Taiyo Pharma Tech Co., Ltd., which took over the pharmaceuticals contracting manufacturing business from Daiichi Sankyo Company Limited in October 2019, were generally in line with expectations overall, despite a greater than expected decline in volume consigned for some products due to the COVID-19 pandemic.

These additions resulted in net sales of 24,553 million yen (up 34.8% year on year), and segment profit of 3,837 million yen (up 200.5% year on year.)

(2) Overview of financial position as of March 31, 2021

The following shows the status of assets, liabilities and net assets as of March 31, 2021.

	As of March 31, 2020 (Millions of yen)	As of March 31, 2021 (Millions of yen)	Change (Millions of yen)	Main factors (Comparison with the end of the previous fiscal year)
Current assets	62,380	92,937	30,556	Increases of 25,514 million yen in cash and deposits, 3,014 million yen in notes and accounts receivable - trade, and 1,708 million yen in merchandise and finished goods
Non-current assets	79,811	86,063	6,252	Increases of 1,702 million yen in buildings & structures in progress, and 4,291 million yen in sales rights Decreases of 925 million yen in machinery, equipment and vehicles, 442 million yen in goodwill, and 476 million yen in customer-related assets
Total assets	142,192	179,001	36,809	
Total liabilities	72,668	102,504	29,835	An increase of 14,515 million yen in long-term borrowings
Total net assets	69,523	76,497	6,973	Positive factors: Recorded 9,529 million yen in profit attributable to owners of parent 2,196 million yen increase in the foreign currency translation adjustment account Negative factor: 3,724 million yen decrease in dividends of surplus
Total liabilities and net assets	142,192	179,001	36,809	

(3) Consolidated statements of cash flows

The following is the status of cash flows for the fiscal year ended March 31, 2021.

	Fiscal year ended March 31, 2021 (Millions of yen)	Main factors
Net cash provided by (used in) operating activities	16,312	Cash inflows included 13,374 million yen in profit before income taxes, depreciation of 6,994 million yen, Increase in inventories (1,679) million yen, increase in trade receivables (1,650) million yen
Net cash provided by (used in) investing activities	(11,603)	Cash outflows included 4,080 million yen for acquisition of property, plant and equipment, 6,994 million yen for acquisition of intangible assets.
Net cash provided by (used in) financing activities	19,755	The cash inflow resulted from 28,795 million yen in long-term borrowings. Cash outflows included 8,658 million yen in repayment of long-term borrowings and 3,724 million yen in dividends paid.
Net increase (decrease) in cash and cash equivalents	25,194	

Cash and cash equivalents at end of period	54,309	
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(4) Future forecasts

During fiscal year ending March 31, 2022, a steep rise in raw materials prices and shipping costs is anticipated in the Electronics Materials business due to a shortage of containers and other necessities. We anticipate growth in sales and profit despite this as investment in semiconductors increases due to the global semiconductor shortage, investment in the areas of communications infrastructure and data centers continues, and demand for PCs and mobile devices grows.

In the Medical and Pharmaceuticals business, vaccines and other factors are expected to ease the decline in the number of outpatients caused by the COVID-19 pandemic next fiscal year. However, we anticipate a decline in sales and profit owing to the negative impact of the COVID-19 pandemic on the manufacturing volume and sales volume of some products continuing into next fiscal year, and to the decline in sales prices from drug price revisions in fiscal 2021, among other factors.

The forecasts in these materials are based on information available at the time results were announced. Actual results may differ from the forecasts due to various future factors.

	Net sales (Millions of yen)	Operating income (Millions of yen)	Ordinary income (Millions of yen)	Profit attributable to owners of parent (Millions of yen)	Basic earnings per share (Yen)
For the fiscal year ending March 31, 2022 (Forecast)	86,500	12,100	12,000	8,300	293.98
For the fiscal year ended March 31, 2021 (Actual results)	80,991	13,943	13,819	9,529	334.97
Rate of change (%)	—	—	—	—	

Notes: 1. The outlook for the fiscal year ending March 2022 is based on an average exchange rate of 108 yen against the US dollar. The average exchange rate for the fiscal year ending March 2021 is 106.15 yen against the US dollar.

2. Since the "Accounting Standard for Revenue Recognition" (Corporate Accounting Standard No. 29), etc. will be applied from the beginning of the fiscal year ending March 2022, the above future outlook is the amount after applying the accounting standard. Also, the rate of increase / decrease from the previous period is not shown.

2. Basic Policy Concerning the Selection of Accounting Standards

The Group adopts the Japanese GAAP as the accounting standards in order to ensure comparability among other domestic companies in the same industry.

3. Consolidated Financial Statements and Explanatory Notes

(1) Consolidated balance sheet

(Millions of yen)

	As of March 31, 2020	As of March 31, 2021
Assets		
Current assets		
Cash and deposits	29,191	54,705
Notes and accounts receivable - trade	19,513	22,527
Merchandise and finished goods	4,912	6,621
Work in process	1,839	1,530
Raw materials and supplies	4,656	5,297
Other	2,353	2,332
Allowance for doubtful accounts	(86)	(77)
Total current assets	62,380	92,937
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	16,555	16,458
Machinery, equipment and vehicles, net	12,057	11,131
Tools, furniture and fixtures, net	1,274	1,332
Land	11,814	11,827
Construction in progress	2,762	4,464
Other	296	1,134
Total property, plant and equipment	44,761	46,348
Intangible assets		
Goodwill	6,846	6,404
Sales rights	15,216	19,508
Customer-related assets	6,904	6,428
Other	1,801	2,608
Total intangible assets	30,769	34,949
Investments and other assets		
Investment securities	2,420	2,766
Shares of subsidiaries and associates	281	166
Deferred tax assets	196	272
Retirement benefit asset	314	305
Other	1,218	1,427
Allowance for doubtful accounts	(150)	(171)
Total investments and other assets	4,280	4,765
Total non-current assets	79,811	86,063
Total assets	142,192	179,001

(Millions of yen)

	As of March 31, 2020	As of March 31, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	7,231	7,907
Short-term borrowings	5,168	10,494
Current portion of long-term borrowings	5,725	11,391
Accounts payable - other	3,596	3,936
Income taxes payable	874	1,434
Provision for bonuses	801	907
Other provisions	72	139
Other	1,270	1,894
Total current liabilities	24,740	38,107
Non-current liabilities		
Deferred tax liabilities	1,959	2,862
Long-term borrowings	44,818	59,333
Retirement benefit liability	193	150
Other provisions	67	87
Asset retirement obligations	715	853
Other	174	1,110
Total non-current liabilities	47,928	64,397
Total liabilities	72,668	102,504
Net assets		
Shareholders' equity		
Share capital	9,428	9,499
Capital surplus	14,913	14,985
Retained earnings	47,260	53,065
Treasury shares	(1,950)	(3,365)
Total shareholders' equity	69,651	74,184
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	8	203
Foreign currency translation adjustment	(444)	1,751
Remeasurements of defined benefit plans	7	(0)
Total accumulated other comprehensive income	(429)	1,954
Non-controlling interests	301	357
Total net assets	69,523	76,497
Total liabilities and net assets	142,192	179,001

(2) Consolidated statement of income and consolidated statement of comprehensive income

Consolidated statement of income

(Millions of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Net sales	70,627	80,991
Cost of sales	41,574	46,125
Gross profit	29,053	34,865
Selling, general and administrative expenses	19,917	20,922
Operating profit	9,136	13,943
Non-operating income		
Interest income	57	47
Dividend income	25	25
Subsidy income	44	74
Outsourcing service income	7	41
Gain on investments in investment partnerships	—	43
Other	106	160
Total non-operating income	240	393
Non-operating expenses		
Interest expenses	226	228
Commission expenses	32	10
Loss on retirement of non-current assets	75	90
Foreign exchange losses	108	118
Loss on investments in investment partnerships	7	—
Other	29	70
Total non-operating expenses	478	517
Ordinary profit	8,898	13,819
Extraordinary losses		
Loss on valuation of investment securities	14	246
Impairment losses	3,540	199
Other	82	—
Total extraordinary losses	3,636	445
Profit before income taxes	5,261	13,374
Income taxes - current	2,425	3,031
Income taxes - deferred	(970)	745
Total income taxes	1,455	3,777
Profit	3,806	9,597
Profit attributable to non-controlling interests	56	67
Profit attributable to owners of parent	3,749	9,529

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Profit	3,806	9,597
Other comprehensive income		
Valuation difference on available-for-sale securities	(86)	195
Foreign currency translation adjustment	(1,205)	2,227
Remeasurements of defined benefit plans, net of tax	(14)	(7)
Total other comprehensive income	(1,306)	2,414
Comprehensive income	2,499	12,012
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,474	11,913
Comprehensive income attributable to non-controlling interests	25	98

(3) Consolidated statement of changes in equity

Fiscal year ended March 31, 2020

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	9,331	14,817	47,229	(2,042)	69,336
Changes during period					
Dividends of surplus			(3,719)		(3,719)
Profit attributable to owners of parent			3,749		3,749
Issuance of new shares	96	96			192
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares				92	92
Net changes in items other than shareholders' equity					
Total changes during period	96	96	30	92	315
Balance at end of period	9,428	14,913	47,260	(1,950)	69,651

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	94	730	22	846	337	70,520
Changes during period						
Dividends of surplus						(3,719)
Profit attributable to owners of parent						3,749
Issuance of new shares						192
Purchase of treasury shares						(0)
Disposal of treasury shares						92
Net changes in items other than shareholders' equity	(86)	(1,175)	(14)	(1,275)	(36)	(1,312)
Total changes during period	(86)	(1,175)	(14)	(1,275)	(36)	(996)
Balance at end of period	8	(444)	7	(429)	301	69,523

Fiscal year ended March 31, 2021

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	9,428	14,913	47,260	(1,950)	69,651
Changes during period					
Dividends of surplus			(3,724)		(3,724)
Profit attributable to owners of parent			9,529		9,529
Issuance of new shares	71	71			143
Purchase of treasury shares				(1,500)	(1,500)
Disposal of treasury shares				85	85
Net changes in items other than shareholders' equity					
Total changes during period	71	71	5,804	(1,415)	4,533
Balance at end of period	9,499	14,985	53,065	(3,365)	74,184

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	8	(444)	7	(429)	301	69,523
Changes during period						
Dividends of surplus						(3,724)
Profit attributable to owners of parent						9,529
Issuance of new shares						143
Purchase of treasury shares						(1,500)
Disposal of treasury shares						85
Net changes in items other than shareholders' equity	195	2,196	(7)	2,384	56	2,440
Total changes during period	195	2,196	(7)	2,384	56	6,973
Balance at end of period	203	1,751	(0)	1,954	357	76,497

(4) Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Cash flows from operating activities		
Profit before income taxes	5,261	13,374
Depreciation	5,283	6,994
Impairment losses	3,540	199
Amortization of goodwill	355	483
Commission expenses	32	10
Loss (gain) on valuation of investment securities	14	246
Loss (gain) on investments in investment partnerships	7	(43)
Loss on retirement of non-current assets	75	90
Subsidy income	—	(45)
Decrease (increase) in retirement benefit asset	(8)	1
Increase (decrease) in retirement benefit liability	75	(45)
Increase (decrease) in allowance for doubtful accounts	(33)	0
Increase (decrease) in provision for bonuses	303	100
Interest and dividend income	(83)	(72)
Interest expenses	226	228
Decrease (increase) in consumption taxes refund receivable	(409)	(764)
Decrease (increase) in trade receivables	(3,571)	(1,650)
Decrease (increase) in inventories	3,930	(1,679)
Increase (decrease) in trade payables	562	(67)
Other, net	670	856
Subtotal	16,231	18,211
Interest and dividends received	80	72
Interest paid	(222)	(229)
Income taxes paid	(2,349)	(1,742)
Net cash provided by (used in) operating activities	13,739	16,312
Cash flows from investing activities		
Payments into time deposits	(843)	(673)
Proceeds from withdrawal of time deposits	1,941	372
Purchase of property, plant and equipment	(7,571)	(4,080)
Purchase of intangible assets	(1,133)	(6,994)
Purchase of investment securities	(557)	(304)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(37,658)	—
Other, net	(88)	77
Net cash provided by (used in) investing activities	(45,912)	(11,603)

(Millions of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	1,269	5,030
Proceeds from long-term borrowings	40,117	28,795
Repayments of long-term borrowings	(5,902)	(8,658)
Purchase of treasury shares	(0)	(1,510)
Dividends paid	(3,718)	(3,724)
Dividends paid to non-controlling interests	(61)	(41)
Proceeds from issuance of shares	70	60
Other, net	(181)	(195)
Net cash provided by (used in) financing activities	31,593	19,755
Effect of exchange rate change on cash and cash equivalents	(406)	730
Net increase (decrease) in cash and cash equivalents	(985)	25,194
Cash and cash equivalents at beginning of period	30,101	29,115
Cash and cash equivalents at end of period	29,115	54,309

(5) Notes to consolidated financial statements

(Notes on premise of going concern)

No items to report.

(Segment information and related information)

[Segment information]

1. Overview of reportable segments

The reportable segments of the Group are components of the Group whose separate financial information is available. These segments are periodically evaluated by the Board of Directors in deciding how to allocate management resources and in assessing the performance.

The Group has operating subsidiaries for different products and services. Each operating subsidiary formulates comprehensive domestic and overseas strategies and conducts business activities for the products and services it handles.

Group business segments are therefore based on these operating subsidiaries, and are divided into two reportable segments: The Electronic Materials business and the Medical and Pharmaceuticals business. The Electronics Materials business develops, manufactures, sells, and procures and sells Printed Wiring Board materials and chemical products for use in electronic components. The Medical and Pharmaceuticals business develops, manufactures, and sells pharmaceuticals, quasi-drugs, and other products.

2. Information on the calculation of net sales, profit or loss, assets and liabilities, and other items by reportable segment

The accounting methods used for reportable segments are generally the same methods described in “Significant matters forming the basis of preparing the consolidated financial statements.”

Profit by reportable segment represents operating income.

Inter-segment revenue and transactions are based on the market prices.

(Change in the method of calculation for reportable segment profit or loss)

Personnel expenses and testing and research expenses were previously included in the reconciliation (difference between total profit or loss for reportable segments and consolidated operating income) as a company-wide expense. They have been allocated to the individual reportable segments from fiscal year ended March 31, 2021 to better evaluate and manage performance for each reportable segment.

The segment profit or loss shown for the previous fiscal year was produced based on the new method of calculating profit or loss for reportable segments.

3. Information regarding net sales, profit or loss, assets and liabilities, and other items by reportable segment
Fiscal year ended March 31, 2020

(Millions of yen)

	Reportable segments			Other (Note 1)	Total
	Electronics Materials	Medical and Pharmaceuticals	Total		
Net sales					
External sales	48,884	18,215	67,100	3,527	70,627
Inter-segment sales or transfers	—	—	—	110	110
Total sales	48,884	18,215	67,100	3,637	70,738
Segment profit (loss)	9,320	1,277	10,598	(263)	10,334
Segment assets	48,373	61,028	109,401	8,149	117,551
Other items					
Depreciation (Note 2)	1,661	2,813	4,475	337	4,812
Increase in property, plant and equipment and intangible assets	2,939	14,217	17,156	2,727	19,884

- Notes: 1. The “Other” category represents operating segments not included in reportable segments, and includes the business of manufacturing dyes, pigments, and other chemicals, software development, the business of electric power generation using natural energy, and other businesses.
2. Depreciation does not include amortization of goodwill.

Fiscal year ended March 31, 2021

(Millions of yen)

	Reportable segments			Other (Note 1)	Total
	Electronics Materials	Medical and Pharmaceuticals	Total		
Net sales					
External sales	53,096	24,553	77,650	3,340	80,991
Inter-segment sales or transfers	—	—	—	147	147
Total sales	53,096	24,553	77,650	3,487	81,138
Segment profit (loss)	11,208	3,837	15,046	32	15,079
Segment assets	62,180	62,058	124,239	7,788	132,027
Other items					
Depreciation (Note 2)	1,718	4,402	6,120	380	6,501
Increase in property, plant and equipment and intangible assets	3,415	8,122	11,537	417	11,955

- Notes: 1. The “Other” category represents operating segments not included in reportable segments, and includes the business of manufacturing dyes, pigments, and other chemicals, software development, the business of electric power generation using natural energy, and other businesses.
2. Depreciation does not include amortization of goodwill.

4. Differences between total amounts in reportable segments and the amount recorded on consolidated financial statements, and details of thereof (reconciliation)

(Millions of yen)

Net Sales	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Reportable segments total	67,100	77,650
“Other” segment sales	3,637	3,487
Inter-segment eliminations	(110)	(147)
Net sales in the consolidated statement of income	70,627	80,991

(Millions of yen)

Profit/Loss	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Reportable segments total	10,598	15,046
“Other” segment profit or loss ()	(263)	32
Inter-segment eliminations	(21)	(5)
Profit/loss not allocated to business segments (Note)	(1,176)	(1,130)
Operating income in the consolidated statement of income	9,136	13,943

Note: Profit/loss primarily related to the holding company (company filing the consolidated financial statements).

(Millions of yen)

Assets	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Reportable segments total	109,401	124,239
“Other” segment assets	8,149	7,788
Inter-segment eliminations	(101)	(121)
Assets not allocated to business segments (Note)	24,883	47,206
Reclassification by tax effect accounting	(140)	(111)
Total assets in the consolidated balance sheet	142,192	179,001

Note: Assets primarily related to the holding company (company filing the consolidated financial statements).

(Millions of yen)

Other items	Reportable segments total		Other		Adjustments (Note)		Amount on the consolidated financial statements	
	FY ended March 31, 2020	FY ended March 31, 2021	FY ended March 31, 2020	FY ended March 31, 2021	FY ended March 31, 2020	FY ended March 31, 2021	FY ended March 31, 2020	FY ended March 31, 2021
Depreciation	4,475	6,120	337	380	470	492	5,283	6,994
Increase in property, plant and equipment and intangible assets	17,156	11,537	2,727	417	667	1,168	20,552	13,124

Note: Primarily related to the holding company (company filing the consolidated financial statements).

[Related information]

I Fiscal year ended March 31, 2020

1. Information by product and service

(Millions of yen)

	Electronics Materials	Medical and Pharmaceuticals	Other	Total
External sales	48,884	18,215	3,527	70,627

2. Information by region

(1) Net sales

(Millions of yen)

Japan	China	Taiwan	Korea	Other	Total
26,919	22,680	6,634	9,843	4,549	70,627

Note: Net sales are classified by country or region based on the location of customers.

(2) Property, plant and equipment

(Millions of yen)

Japan	China	Taiwan	Korea	Other	Total
37,559	2,008	3,573	1,459	159	44,761

3. Information by main customer

(Millions of yen)

Customer Name	Net Sales	Name of Related Segment
Daiichi Sankyo Co., Ltd. (Note)	8,166	Medical and Pharmaceutical Business

Note: Shows aggregated net sales posted to Daiichi Sankyo Espha Co., Ltd., which is affiliated with the Daiichi Sankyo Co., Ltd. corporate group.

II Fiscal year ended March 31, 2021

1. Information by product and service

(Millions of yen)

	Electronics Materials	Medical and Pharmaceuticals	Other	Total
External sales	53,096	24,553	3,340	80,991

2. Information by region

(1) Net sales

(Millions of yen)

Japan	China	Taiwan	Korea	Other	Total
32,877	26,259	6,863	10,443	4,546	80,991

Note: Net sales are classified by country or region based on the location of customers.

(2) Property, plant and equipment

(Millions of yen)

Japan	China	Taiwan	Korea	Other	Total
36,852	2,519	3,801	1,667	1,508	46,348

3. Information by main customer

(Millions of yen)

Customer Name	Net Sales	Name of Related Segment
Daiichi Sankyo Co., Ltd. (Note)	13,985	Medical and Pharmaceutical Business

Note: Shows aggregated net sales posted to Daiichi Sankyo Espha Co., Ltd., which is affiliated with the Daiichi Sankyo Co., Ltd. corporate group.

[Information regarding impairment loss on non-current assets by reportable segment]

Fiscal year ended March 31, 2020

(Millions of yen)

	Reportable segments			Other	Corporate and Elimination	Total
	Electronics Materials	Medical and Pharmaceuticals	Total			
Impairment loss	—	3,146	3,146	393	—	3,540

Note: The figure for “Other” is the impairment loss on operating segments not included in reportable segments.

Fiscal year ended March 31, 2021

(Millions of yen)

	Reportable segments			Other	Corporate and Elimination	Total
	Electronics Materials	Medical and Pharmaceuticals	Total			
Impairment loss	—	199	199	—	—	199

[Information on amortization of goodwill and the unamortized balance by reportable segment]

Fiscal year ended March 31, 2020

(Millions of yen)

	Reportable segments			Other	Corporate and Elimination	Total
	Electronics Materials	Medical and Pharmaceuticals	Total			
Amortization for fiscal year ended March 31, 2020	41	214	256	98	—	355
Remaining balance as of March 31, 2020	557	6,232	6,790	55	—	6,846

Note: The figure for “Other” is the amount for the software development business.

Fiscal year ended March 31, 2021

(Millions of yen)

	Reportable segments			Other	Corporate and Elimination	Total
	Electronics Materials	Medical and Pharmaceuticals	Total			
Amortization for fiscal year ended March 31, 2021	42	429	472	10	—	483
Remaining balance as of March 31, 2021	556	5,803	6,359	45	—	6,404

Note: The figure for “Other” is the amount for the software development business.

[Information on negative goodwill by reportable segment]

Fiscal year ended March 31, 2020

No items to report.

Fiscal year ended March 31, 2021

No items to report.

(Per share information)

	Fiscal year ended March 31, 2020 (From April 1, 2019 to March 31, 2020)	Fiscal year ended March 31, 2021 (From April 1, 2020 to March 31, 2021)
Net assets per share	2,434.23 yen	2,696.84 yen
Basic earnings per share	131.99 yen	334.97 yen

- Notes: 1. Diluted earnings per share is not presented because there are no dilutive shares.
2. In calculating net assets per share, treasury shares are deducted, and shares held in the trust account for shares granted under the Employee Stock Ownership Plan (ESOP) are included in the treasury shares. (previous consolidated fiscal year: 157,240 shares; current consolidated fiscal year: 133,830 shares).
3. Basis for calculating basic earnings per share is shown below.

	Fiscal year ended March 31, 2020 (From April 1, 2019 to March 31, 2020)	Fiscal year ended March 31, 2021 (From April 1, 2020 to March 31, 2021)
Profit attributable to owners of parent (Millions of yen)	3,749	9,529
Amount not attributable to common shareholders and shareholders equivalent to common shareholders (Millions of yen)	—	—
Profit attributable to owners of parent concerning common shares and common share-equivalents (Millions of yen)	3,749	9,529
Average number of outstanding common shares and common share-equivalents during the period (Shares)	28,410,957	28,449,105
(of which common shares)	(28,401,057)	(28,449,105)
(of which Series II Class A shares)	(9,900)	(—)

- Notes: 1. In calculating the average number of outstanding common shares during the period, treasury shares are deducted and shares held in the trust account for shares granted under the Employee Stock Ownership Plan are included in the treasury shares (previous consolidated fiscal year: 165,137 shares; current consolidated fiscal year: 141,135 shares).
2. Series II Class A shares possess the same rights as common shares in regard to the right to claim dividends of surplus and the right to claim residual property distribution and are therefore included in calculating the number of common shares and per share information.
3. The Company acquired all Series II Class A shares on June 27, 2019, the three-year anniversary date after the shares were first issued, based on Article 12-2 of the Company's Articles of Incorporation, and delivered one common share in exchange for each Series II Class A share to the shareholders who held the Series II Class A shares. The Series II Class A shares were all retired upon acquisition.

(Significant subsequent events)

Not applicable