

## Summary of Consolidated Financial Statements for the First Quarter Fiscal 2025 (JPGAAP)

July 29, 2025

### Tokuyama Corporation

(URL <https://www.tokuyama.co.jp/eng/>)

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Stock exchange listings:

Tokyo

Local Code :

4043

Scheduled date of dividends payout : -

Preparation of supplementary quarterly explanatory materials: Yes

Quarterly business results IR briefing to be held: Yes (for institutional investors and analysts)

### 1. Consolidated results for fiscal first quarter ended Jun. 30, 2025 (Apr. 1, 2025 – Jun. 30, 2025)

#### (1) Performance

Note: All amounts are rounded down to the nearest million yen.

	Net sales		Operating profit		Ordinary profit	
	(millions of yen)	Year-on-year change [%]	(millions of yen)	Year-on-year change [%]	(millions of yen)	Year-on-year change [%]
First Quarter Fiscal 2025	81,828	(0.8)	7,884	5.1	7,602	(9.8)
First Quarter Fiscal 2024	82,524	(2.8)	7,502	45.9	8,424	49.0

(Note) Comprehensive income: 1stQ FY25: 4,912 million yen [(48.8)%] 1stQ FY24: 9,601 million yen [36.3%]

	Profit attributable to owners of parent		Basic earnings per share	Diluted earnings per share
	(millions of yen)	Year-on-year change [%]	(yen)	(yen)
First Quarter Fiscal 2025	4,911	(33.6)	68.27	-
First Quarter Fiscal 2024	7,402	72.0	102.89	-

#### (2) Consolidated financial position

	Total assets (millions of yen)	Net assets (millions of yen)	Shareholders' Equity ratio (%)	Net assets per share (yen)
June 30, 2025	474,436	276,697	55.3	3,644.06
March 31, 2025	476,207	273,858	54.9	3,635.62

(Reference) Shareholders' equity: Jun. 30, 2025: 262,171 million yen Mar. 31, 2025: 261,562 million yen

### 2. Dividends

(Period)	Annual dividends per share				
	1st quarter	2nd quarter	3rd quarter	Year-end	Total
Fiscal 2024, ended Mar 31, 2025	(yen) -	(yen) 50.00	(yen) -	(yen) 50.00	(yen) 100.00
Fiscal 2025, ending Mar 31, 2026	-				
Fiscal 2025 (Forecast)		60.00	-	60.00	120.00

(Note) Revision of the latest dividends forecast: No

### 3. Consolidated performance forecast for fiscal 2025 (April 1, 2025 - March 31, 2026)

(% indicates the rate of change over the corresponding previous periods respectively)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	(millions of yen)	[%]	(millions of yen)	[%]	(millions of yen)	[%]	(millions of yen)	[%]	(yen)
Fiscal 2025	364,500	6.2	41,500	38.5	41,500	40.3	29,000	24.0	403.09

(Note) Revision of the latest consolidated performance forecast: No

**\*Notes**

**(1) Significant changes in the scope of consolidation during this period**

: Yes

**Addition to the scope of consolidation:** 1 (Company Name: A&T Suzhou Co., Ltd.)

**Reduction from the scope of consolidation:** 1 (Company Name: FL Tokuyama Corporation)

(Note) For more details, please refer to “2. Quarterly Consolidated Financial Statements and (4) Notes on Quarterly Consolidated Financial Statements (Significant changes in the scope of consolidation during this period)” on page 14 of the Accompanying Materials to this Summary of Quarterly Consolidated Financial Statement.

**(2) Application of accounting methods specific to the preparation of the quarterly consolidated financial statements**

: Yes

**(3) Changes of accounting policies, changes in accounting estimates, and retrospective restatements**

- |  |    |
|--|----|
| i. Changes in accounting policy by revision of accounting standards: | No |
| ii. Changes in accounting policy other than the above:               | No |
| iii. Changes in accounting estimates:                                | No |
| iv. Retrospective restatements:                                      | No |

**(4) Number of shares issued (in common stock)**

- |   |                             |            |                             |            |
|---|-----------------------------|------------|-----------------------------|------------|
| i. Number of shares issued at end of period (including treasury stock): | 1st Quarter<br>Fiscal 2025: | 72,088,327 | Fiscal 2024:                | 72,088,327 |
| ii. Number of treasury stock at end of period:                          | 1st Quarter<br>Fiscal 2025: | 143,418    | Fiscal 2024:                | 144,095    |
| iii. Average number of shares over period:                              | 1st Quarter<br>Fiscal 2025: | 71,944,361 | 1st Quarter<br>Fiscal 2024: | 71,945,819 |

**Review of the accompanying quarterly consolidated financial statements by certified public accountants or audit corporation**

: No

**(Note) Cautions pertaining to appropriate use of performance forecast and other particular items**

(Cautions related to Forward-looking statement)

The performance forecast and other forward-looking statements contained in this material have been prepared on the basis of information available at this point and certain assumptions which are judged to be rational, and may be substantially different from the actual performance because of various factors that may arise from now on.

(Access to supplementary explanations on business results)

The Company also has disclosed supplementary materials “Presentation for IR Meeting” through Company Announcement Service provided by Tokyo Stock Exchange at the same date.

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## 1. Qualitative information on consolidated results for this quarter

### (1) Explanation concerning business results

Consolidated results for the first quarter fiscal 2025 (April 1, 2025 – June 30, 2025) are summarized as follows:

(Unit: Millions of yen)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent
<b>First Quarter Fiscal 2025</b>	<b>81,828</b>	<b>7,884</b>	<b>7,602</b>	<b>4,911</b>
First Quarter Fiscal 2024	82,524	7,502	8,424	7,402
Rate of change (%)	(0.8)	5.1	(9.8)	(33.6)

#### Net sales

Despite steady semiconductor-related product sales, consolidated net sales came in at ¥ 81,828 million, down 0.8%, or ¥ 696 million, compared with the corresponding period of the previous consolidated fiscal year on the back of the decline in caustic soda export volumes and the deterioration in overseas vinyl chloride product prices.

#### Cost of sales

Cost of sales decreased 3.3%, or ¥ 1,816 million compared with the corresponding period of the previous year, to ¥ 53,852 million. This was mainly due to progress in manufacturing cost improvements.

#### SG&A expenses

SG&A expenses increased 3.8%, or ¥ 737 million compared with the corresponding period of the previous year, to ¥ 20,091 million mainly due to the increase in logistics costs.

#### Operating profit

Operating profit increased 5.1%, or ¥ 382 million, compared with the corresponding period of the previous consolidated fiscal year, to ¥ 7,884 million largely on the back of such factors as firm trends in semiconductor-related product sales and progress in improving manufacturing costs.

**Non-operating income/expenses, Ordinary profit**

Non-operating income/expenses deteriorated by ¥ 1,204 million compared with the corresponding period of the previous consolidated fiscal year mainly due to a change from foreign exchange gains recorded in the corresponding period of the previous consolidated fiscal year to foreign exchange losses.

As a result of the above, ordinary profit decreased 9.8%, or ¥ 822 million compared with the corresponding period of the previous consolidated fiscal year, to ¥ 7,602 million.

**Extraordinary income/losses, Profit before income taxes, Profit, Profit attributable to owners of parent**

Extraordinary income/losses deteriorated ¥ 3,143 million compared with the corresponding period of the previous consolidated fiscal year owing to a variety of factors, including the reaction to a gain on share exchange of affiliated companies, which was posted during the corresponding period of the previous consolidated fiscal year.

As a result of the above, profit before income taxes decreased 34.1%, or ¥ 3,965 million compared with the corresponding period of the previous consolidated fiscal year, to ¥ 7,674 million.

Profit after deducting income taxes calculated in an appropriate way decreased 30.5%, or ¥ 2,217 million compared with the corresponding period of the previous consolidated fiscal year, to ¥ 5,055 million.

Profit attributable to owners of parent decreased 33.6%, or ¥ 2,490 million compared with the corresponding period of the previous consolidated fiscal year, to ¥ 4,911 million.

(Operating results by segment)

(Unit: Millions of yen)

	First Quarter Fiscal 2025		First Quarter Fiscal 2024		Rate of change (%)	
	Net sales	Operating Profit (loss)	Net sales	Operating Profit (loss)	Net sales	Operating profit
Chemicals	27,471	2,808	30,538	2,772	(10.0)	1.3
Cement	16,080	2,517	16,366	1,782	(1.7)	41.2
Electronic & Advanced Materials	21,234	2,822	17,868	1,940	18.8	45.5
Life Science	9,097	1,705	10,062	2,074	(9.6)	(17.8)
Eco Business	1,479	159	867	(159)	70.6	-
Others	9,351	(67)	9,233	1,208	1.3	-
Total	84,713	9,945	84,936	9,620	(0.3)	3.4
Adjustment	(2,885)	(2,061)	(2,412)	(2,117)	-	-
Figures in quarterly consolidated profit statement	81,828	7,884	82,524	7,502	(0.8)	5.1

(Note) Sales and operating profit (loss) in each segment include inter-segment transactions.

## Chemicals

Caustic soda earnings decreased owing to such factors as the decline in export volumes.

Despite deterioration in overseas market conditions, vinyl chloride monomer and vinyl chloride resin earnings increased mainly due to revise sales prices of vinyl chloride resin in Japan and progress in reducing manufacturing costs.

Soda ash sales volumes held steady, and business performance remained in line with the corresponding period of the previous consolidated fiscal year.

As a result of the above, segment net sales decreased 10.0% compared with the corresponding period of the previous consolidated fiscal year, to ¥ 27,471 million and operating profit increased 1.3% to ¥ 2,808 million. The segment reported higher earnings on lower sales.

## **Cement**

Despite a decrease in sales volume year-on-year in Japan, cement earnings grew on the back of such factors as successful efforts to revise domestic sales prices at an appropriate level and progress in reducing manufacturing costs.

As a result of the above, segment net sales decreased 1.7% compared with the corresponding period of the previous consolidated fiscal year, to ¥ 16,080 million and operating profit increased 41.2% to ¥ 2,517 million. The segment reported higher earnings on lower sales.

## **Electronic & Advanced Materials**

Despite growth in semiconductor-grade polycrystalline sales volumes, earnings declined due to the posting of a loss on valuation of inventories.

IC chemical earnings improved. This mainly reflected the increase in sales volumes of high-purity isopropyl alcohol for electronic manufacturing.

Fumed silica earnings declined due to lower sales accounted for by the ongoing sluggishness in economic conditions in China.

Thermal management material earnings increased. This reflected robust sales volumes of such applications used for semiconductor production equipment.

As a result of the above, segment net sales increased 18.8% compared with the corresponding period of the previous consolidated fiscal year, to ¥ 21,234 million and operating profit increased 45.5% to ¥ 2,822 million. The segment reported higher earnings on higher sales.

## **Life Science**

Dental materials earnings grew thanks to an increase in shipments to overseas.

Plastic lens-related materials earnings declined owing to the impact of changes in the product mix and other factors.

API and intermediate earnings declined due to a decrease in the sales volume of generic pharmaceutical.

As a result of the above, segment net sales decreased 9.6% compared with the corresponding period of the previous consolidated fiscal year, to ¥ 9,097 million and operating profit decreased 17.8% to ¥ 1,705 million. The segment reported lower earnings on lower sales.

## **Eco Business**

Ion exchange membrane earnings increased owing to an increase in membrane and equipment shipments.

Waste gypsum board recycling earnings deteriorated owing to such factors as weak trends in waste gypsum board collected.

As a result of the above, segment net sales increased 70.6% compared with the corresponding period of the previous consolidated fiscal year, to ¥ 1,479 million and operating profit amounted to ¥ 159 million (posted operating loss of ¥ 159 million in the corresponding period of the previous year).



## (2) Explanation concerning financial position

### (Status of assets, liabilities and net assets)

#### Summary of Consolidated Balance Sheets

(Unit: Millions of yen)

	Mar 31, 2025	Jun. 30, 2025	Amount of change	Rate of change (%)
Assets	476,207	474,436	(1,771)	(0.4)
Liabilities	202,349	197,738	(4,610)	(2.3)
(Interest-bearing debt)	110,691	111,745	1,053	1.0
Net assets	273,858	276,697	2,839	1.0
(Shareholders' equity)	261,562	262,171	609	0.2

#### Assets

Total assets amounted to ¥ 474,436 million, a decrease of ¥ 1,771 million compared with those as of March 31, 2025.

Despite the increase of cash and deposits of ¥ 4,293 million, this decrease primarily reflects the decrease of accounts receivable - trade of ¥ 6,291 million.

#### Liabilities

Total liabilities amounted to ¥ 197,738 million, down ¥ 4,610 million compared with those as of March 31, 2025.

This decrease primarily reflects the decrease of notes and accounts payable - trade of ¥ 2,493 million and provision for bonuses of ¥ 1,872 million.

#### Net assets

Net assets totaled ¥ 276,697 million, an increase of ¥ 2,839 million compared with those as of March 31, 2025.

This increase primarily reflects the increase of non-controlling interests of ¥ 2,230 million and retained earnings of ¥ 1,308 million as a result of posting profit attributable to owners of parent.

### **(Analysis of financial indicators for the quarter under review)**

Tokuyama Group has set the following targets for the final year of its Medium-Term Management Plan 2025.

KPI	FY2025 Target
Net Sales	¥ 400.0 billion
Operating Profit	¥ 45.0 Billion
Growth Business Net Sales Growth Rate (CAGR)	Over 10%
ROE	Over 11%

These forward-looking statements are based on expectations and certain assumptions at the time this report was prepared and accordingly do not represent a guarantee of achievement or future performance. Meanwhile, plans are in place to report of the progress of financial indicators as of the end of the consolidated fiscal year.

## **(3) Explanation concerning capital resources and funding liquidity**

### **(Analysis of capital resources)**

The Tokuyama Group recognizes the need to retain a certain level of funds in order to secure the working capital required to finance its business activities, for priority investments in growth fields for the purpose of transforming its business portfolio and capital investments for the purpose of contributing to the mitigation of global warming, such as rationalization, energy saving, and measures to reduce GHG emissions, as well as to promote strategic investments. While the principal method of procuring these funds is to accumulate cash on hand through the continuous posting of business earnings, the Group will also pursue other avenues. These include borrowing from financial institutions and the issuing of unsecured bonds. Furthermore, the Tokuyama Group's intended capital investment amount for the consolidated fiscal year under review is ¥ 35,106 million. Plans are in place to utilize cash on hand, borrowings from financial institutions, and the issuance of unsecured bonds.

### **(Analysis of funding liquidity)**

Cash and cash equivalents stood at ¥ 78,811 million as of June 30, 2025. On this basis, the Tokuyama Group is confident that it maintains more than ample liquidity to promote its business activities. In addition, Tokuyama has executed revolving credit facility, overdraft, and credit liquidation agreements with a financial institution. Accounting for these factors, the Company is more than capable of maintaining a certain level of liquidity should any impediment arise. To secure liquidity funds in preparation for unforeseen circumstances, we will also set up commitment lines on an as needed basis.

#### **(4) Research and Development (R&D) activities**

Total R&D expenses for the first quarter of the consolidated fiscal year under review amounted to ¥ 4,062 million.

#### **(5) Explanation concerning information related to future prediction such as consolidated performance forecast**

Based on the current performance trend, the Company has not revised the performance forecasts, announced on April 28, 2025. Details will be disclosed in a timely manner should the need to revise performance forecasts.

The performance forecast has been prepared on the basis of information available at this point and certain assumptions which are judged to be rational, and may be substantially different from the actual performance because of various factors that may arise from now on.

## 2. Consolidated Financial Statements

### (1) Consolidated Balance Sheets

(Millions of yen)

	3/31/2025	6/30/2025
<b>Assets</b>		
Current assets		
Cash and deposits	75,544	79,837
Notes receivable - trade	3,520	2,161
Electronically recorded monetary claims - operating	3,433	4,612
Accounts receivable - trade	74,596	68,305
Lease receivables	10	8
Merchandise and finished goods	22,673	24,389
Work in process	21,028	20,035
Raw materials and supplies	25,951	22,269
Other	7,957	9,406
Allowance for doubtful accounts	(85)	(84)
Total current assets	234,630	230,941
Non-current assets		
Property, plant and equipment		
Buildings and structures	126,460	128,246
Accumulated depreciation	(83,476)	(84,333)
Buildings and structures, net	42,983	43,912
Machinery, equipment and vehicles	503,931	507,435
Accumulated depreciation	(443,906)	(446,783)
Machinery, equipment and vehicles, net	60,025	60,651
Tools, furniture and fixtures	25,265	25,500
Accumulated depreciation	(21,254)	(21,436)
Tools, furniture and fixtures, net	4,010	4,064
Land	33,003	33,085
Leased assets	12,105	12,573
Accumulated depreciation	(4,918)	(5,219)
Leased assets, net	7,186	7,354
Construction in progress	25,081	25,290
Total property, plant and equipment	172,291	174,358
Intangible assets		
Goodwill	69	23
Leased assets	14	13
Other	4,126	4,193
Total intangible assets	4,210	4,229
Investments and other assets		
Investment securities	36,050	35,506
Long-term loans receivable	1,835	1,824
Deferred tax assets	11,383	11,674
Retirement benefit asset	9,252	9,805
Other	6,635	6,163
Allowance for investment loss	(7)	—
Allowance for doubtful accounts	(74)	(67)
Total investments and other assets	65,074	64,906
Total non-current assets	241,577	243,494
Total assets	476,207	474,436

	(Millions of yen)	
	3/31/2025	6/30/2025
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	45,742	43,249
Short-term borrowings	6,446	6,876
Current portion of long-term borrowings	3,028	3,112
Lease liabilities	1,377	1,405
Income taxes payable	2,982	2,647
Provision for bonuses	3,744	1,871
Provision for repairs	5,084	4,295
Provision for decommissioning and removal	455	441
Provision for product warranties	121	70
Provision for loss on compensation for damage	21	20
Provision for environmental measures	68	—
Provision for restructuring	526	274
Provision for contract loss	654	449
Other	21,083	20,284
Total current liabilities	91,338	85,000
Non-current liabilities		
Bonds payable	35,000	35,000
Long-term borrowings	59,644	59,972
Long-term income taxes payable	84	84
Lease liabilities	5,194	5,377
Deferred tax liabilities	246	263
Provision for retirement benefits for directors (and other officers)	159	157
Provision for share awards	80	95
Provision for repairs	1,541	2,383
Provision for contract loss	44	44
Provision for decommissioning and removal	16	209
Retirement benefit liability	1,817	1,837
Asset retirement obligations	181	209
Other	7,001	7,104
Total non-current liabilities	111,011	112,738
Total liabilities	202,349	197,738
<b>Net assets</b>		
Shareholders' equity		
Share capital	10,000	10,000
Capital surplus	22,777	22,777
Retained earnings	213,953	215,262
Treasury shares	(428)	(426)
Total shareholders' equity	246,302	247,613
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,187	6,788
Foreign currency translation adjustment	6,883	6,679
Remeasurements of defined benefit plans	1,188	1,090
Total accumulated other comprehensive income	15,259	14,557
Non-controlling interests	12,295	14,526
Total net assets	273,858	276,697
Total liabilities and net assets	476,207	474,436

## (2) Consolidated Statements of Income

	(Millions of yen)	
	Q1 FY2024 YTD	Q1 FY2025 YTD
Net sales	82,524	81,828
Cost of sales	55,669	53,852
Gross profit	26,855	27,975
Selling, general and administrative expenses		
Selling expenses	11,181	11,623
General and administrative expenses	8,171	8,468
Total selling, general and administrative expenses	19,353	20,091
Operating profit	7,502	7,884
Non-operating income		
Interest income	55	79
Dividend income	342	373
Share of profit of entities accounted for using equity method	286	389
Foreign exchange gains	744	—
Other	973	972
Total non-operating income	2,403	1,814
Non-operating expenses		
Interest expenses	221	259
Foreign exchange losses	—	414
Other	1,259	1,422
Total non-operating expenses	1,480	2,096
Ordinary profit	8,424	7,602
Extraordinary income		
Gain on sale of non-current assets	4	15
Gain on sale of investment securities	1,130	198
Gain on share exchange of affiliated companies	2,313	—
Subsidy income	1	—
Total extraordinary income	3,449	214
Extraordinary losses		
Loss on sale of non-current assets	—	9
Impairment losses	96	40
Loss on tax purpose reduction entry of non-current assets	—	21
Loss on disposal of non-current assets	64	69
Loss on sale of investment securities	—	2
Provision for loss on compensation for damage	72	—
Total extraordinary losses	234	142
Profit before income taxes	11,640	7,674
Income taxes	4,366	2,618
Profit	7,273	5,055
Profit (loss) attributable to non-controlling interests	(128)	144
Profit attributable to owners of parent	7,402	4,911

### (3) Consolidated Statements of Comprehensive Income

(Millions of yen)

	Q1 FY2024 YTD	Q1 FY2025 YTD
Profit	7,273	5,055
Other comprehensive income		
Valuation difference on available-for-sale securities	155	(399)
Deferred gains or losses on hedges	0	—
Foreign currency translation adjustment	2,176	624
Remeasurements of defined benefit plans, net of tax	(99)	(98)
Share of other comprehensive income of entities accounted for using equity method	94	(270)
Total other comprehensive income	2,327	(143)
Comprehensive income	9,601	4,912
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	9,374	4,212
Comprehensive income attributable to non-controlling interests	227	700

#### **(4) Notes on Quarterly Consolidated Financial Statements**

##### **(Going Concern Assumption)**

Not applicable.

##### **(Major Changes in Shareholders' Equity)**

Not applicable.

##### **(Significant changes in the scope of consolidation during this period)**

At the start of the consolidated fiscal year under review, FL Tokuyama Corporation, a wholly owned subsidiary until the end of the previous consolidated fiscal year, was dissolved as the result of an absorption-type merger with the Company as the surviving company, and has been removed from the Company's scope of consolidation.

At the start of the consolidated fiscal year under review, A&T Suzhou Co., Ltd., a non-consolidated company under Tokuyama until the end of the previous consolidated fiscal year, was included in the Company's scope of consolidation as a subsidiary owing to its increasing importance.

##### **(Consolidated Balance Sheets)**

Long-term power purchase contracts

As of March 31, 2025

The Company has entered into a long-term purchase contract with a power generation company for the receipt of electricity. Such contract is noncancelable before maturity, and losses may be incurred depending on future market conditions and other factors.

As of June 30, 2025

The Company has entered into a long-term purchase contract with a power generation company for the receipt of electricity. Such contract is noncancelable before maturity, and losses may be incurred depending on future market conditions and other factors.



**(Notes on Statements of Cash Flows)**

Quarterly consolidated statements of cash flows have not been prepared for the first quarter of the consolidated fiscal year under review. Meanwhile, depreciation (including amortization of intangible assets excluding goodwill) and amortization of goodwill for the first quarter of the fiscal year under review are as follows.

	First Quarter Fiscal 2024	First Quarter Fiscal 2025
Depreciation	4,760 million yen	4,839 million yen
Amortization of goodwill	20	6