

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

April 28, 2026

### Tokuyama Corporation

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

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Stock exchange listings:

Tokyo

Local code:

4043

Scheduled date for the Ordinary General Meeting of Shareholders: June 26, 2026

Scheduled date of year-end dividends payout: June 29, 2026

Scheduled date for the filing of the consolidated financial statements: June 19, 2026

Preparation of supplementary quarterly explanatory materials: Yes

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

### 1. Consolidated results for fiscal year ended Mar. 31, 2026 (Apr. 1, 2025 – Mar. 31, 2026)

(1) Performance Note: All amounts are rounded down to the nearest million yen.  
% indicates year-on-year changes.

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	(millions of yen)	[%]	(millions of yen)	[%]	(millions of yen)	[%]	(millions of yen)	[%]
Fiscal 2025	349,476	1.9	37,017	23.5	38,203	29.1	22,205	(5.1)
Fiscal 2024	343,073	0.3	29,968	16.9	29,588	12.5	23,388	31.8

(Note) Comprehensive income: FY25: 30,355 million yen [(57.6)%] FY24: 19,261 million yen [(25.2)%]

	Basic earnings per share	Diluted net income per share	Net income to shareholders' equity	Ordinary profit to total assets	Operating profit to net sales
	(yen)	(yen)	[%]	[%]	[%]
Fiscal 2025	308.64	—	8.2	7.4	10.6
Fiscal 2024	325.08	—	9.2	6.3	8.7

(Reference) Share of profit of entities accounted for using equity method: FY25: 1,611 million yen FY24: 442 million yen

### (2) Financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	(millions of yen)	(millions of yen)	[%]	(yen)
Mar 31, 2026	557,432	297,811	50.8	3,934.72
Mar 31, 2025	476,207	273,858	54.9	3,635.62

(Reference) Shareholders' equity: FY25: 283,086 million yen FY24: 261,562 million yen

### (3) Cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the year
	(millions of yen)	(millions of yen)	(millions of yen)	(millions of yen)
Fiscal 2025	50,985	(122,975)	41,792	46,466
Fiscal 2024	52,368	(23,478)	(1,106)	74,926

## 2. Dividends

(Period)	Annual dividends					Total dividends paid (Total)	Dividend payout ratio (Consolidated)	Dividend on net assets ratio (Consolidated)
	1st quarter	2nd quarter	3rd quarter	Year-end	Total			
	(yen)	(yen)	(yen)	(yen)	(yen)	(millions of yen)	[%]	[%]
Fiscal 2024	--	50.00	--	50.00	100.00	7,206	30.8	2.8
Fiscal 2025	--	60.00	--	60.00	120.00	8,647	38.9	3.2
Fiscal 2026 (Forecast)	--	--	--	--	--		--	

(Note) As of now, the dividend forecast for the fiscal year ending March 31, 2027 has not yet been determined.

Prompt notification will be provided when the dividend forecast has been decided based on business trends.

## 3. Consolidated performance forecast for fiscal 2026 (April 1, 2026 - March 31, 2027)

Consolidated performance forecasts for fiscal 2026, the fiscal year ending March 31, 2027, are yet to be determined because of the difficulties associated with making a reasonable estimate at this time. Tokuyama will promptly disclose forecasts going forward when a reasonable estimate can be made. For details, please refer to “[1] Outlook for operating forecasts for fiscal 2026” in “1. Analysis of Operating Results and Financial Position” on page 6 of the corresponding Japanese Summary of Consolidated Financial Statements for the Fiscal 2025 (JPGAAP).

### \*Notes

#### (1) Changes in significant subsidiaries during this period

: Yes

**Addition to the scope of consolidation:** 6 (Company Name: Tokuyama Life Science Corporation (“TLS”), MEDICAL & BIOLOGICAL LABORATORIES CO., LTD. (“MBL”), MBL Shenzhen Biotech Co., Ltd., MBL Beijing Biotech Co., Ltd., MBL Materials Co., Ltd., and one other company)

**Reduction from the scope of consolidation:** 2 (Company Name: FL Tokuyama Corporation, Shanghai Tokuyama Plastics Co., Ltd.)

(Note) For more details, please refer to “2. Consolidated Financial Statements and (5) Notes on Consolidated Financial Statements (Significant Changes in the Scope of Consolidation During This Period)” on page 17 of the Accompanying Materials to this Summary of Consolidated Financial Statement.

#### (2) 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:                                | Yes |
| iv. Retrospective restatements:                                      | No  |

(Note) For more details, please refer to “2. Consolidated Financial Statements and (5) Notes on Consolidated Financial Statements (Changes in Accounting Estimates)” on page 17 of the Accompanying Materials to this Summary of Consolidated Financial Statement.

#### (3) Number of shares issued (in common stock)

- |   |              |            |              |            |
|---|--------------|------------|--------------|------------|
| i. Number of shares issued at end of period (including treasury stock): | Fiscal 2025: | 72,088,327 | Fiscal 2024: | 72,088,327 |
| ii. Number of treasury stock at end of period:                          | Fiscal 2025: | 143,164    | Fiscal 2024: | 144,095    |
| iii. Average number of shares over period:                              | Fiscal 2025: | 71,945,560 | Fiscal 2024: | 71,945,158 |

## (Reference) Summary of Non-Consolidated Operating Results

### 1. Non-consolidated results for fiscal year ended March 31, 2026 (April 1, 2025 – March 31, 2026)

#### (1) Performance

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

% indicates year-on-year changes.

	Net sales		Operating profit		Ordinary profit		Net profit	
	(millions of yen)	[%]	(millions of yen)	[%]	(millions of yen)	[%]	(millions of yen)	[%]
Fiscal 2025	243,095	(3.7)	22,134	18.9	22,647	11.5	12,794	(59.6)
Fiscal 2024	252,439	3.7	18,619	65.8	20,311	39.6	31,677	181.3

	Net profit per share	Diluted net profit per share
	(yen)	(yen)
Fiscal 2025	177.83	—
Fiscal 2024	440.30	—

#### (2) Financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	(millions of yen)	(millions of yen)	[%]	(yen)
Mar 31, 2026	450,905	207,048	45.9	2,877.86
Mar 31, 2025	385,829	199,780	51.8	2,776.89

(Reference) Shareholders' equity:

FY25: 207,048 million yen

FY24: 199,780 million yen

(Note) This summary of consolidated financial statements is not inside the scope of audit procedure by certified public accountants or audit corporations.

(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.

Contents for Accompanying Materials

- 1. Analysis of Operating Results and Financial Position
  - (1) Analysis of Operating Results ..... P. 2
  - (2) Analysis of Financial Position ..... P. 7
  - (3) Achievement of Medium-Term Management Plan ..... P. 10
  - (4) Research and Development (R&D) activities ..... P. 10
  - (5) Basic Policy for Profit Distribution and Dividends for Fiscal 2025 and 2026 ..... P. 10
- 2. Consolidated Financial Statements ..... P. 11
  - (1) Consolidated Balance Sheets ..... P. 11
  - (2) Consolidated Statements of Income ..... P. 13
  - (3) Consolidated Statements of Comprehensive Income ..... P. 14
  - (4) Consolidated Statements of Cash Flows ..... P. 15
  - (5) Notes on Consolidated Financial Statements ..... P. 17

# 1. Analysis of Operating Results and Financial Position

## (1) Analysis of Operating Results

### <1> Operating results for the fiscal year under review

#### [1] Overview of performance for the fiscal year under review

Looking at the global economy throughout the fiscal year under review, geopolitical risks escalated due to a variety of factors, including the prolonged conflict in Ukraine, and growing uncertainty surrounding international trade impacted by such factors as the tariff policies adopted by the U.S. This ongoing instability has in fact been exacerbated by crisis conditions in the supply chain for raw materials and fuels, including crude oil, owing to the conflict in the Middel East that began in February 2026.

As far as the domestic front is concerned, despite corporate sector capital investment and ongoing efforts to lift wages, Japan's economic recovery has been limited due to the impact of high commodity prices and rising interest rates.

Under these circumstances, the Company has been working on the priority measures of its Medium-Term Management Plan 2025: transform business portfolio, contribute to mitigation of global warming, and practice socially responsible management.

In terms of business performance, both net sales and operating profit increased compared with the previous fiscal year, on the back of such factors as firm trends in semiconductor-related product sales and progress in improving manufacturing costs.

(Unit: Millions of yen)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent
<b>Fiscal 2025</b>	<b>349,476</b>	<b>37,017</b>	<b>38,203</b>	<b>22,205</b>
Fiscal 2024	343,073	29,968	29,588	23,388
Rate of change (%)	1.9	23.5	29.1	(5.1)

#### Net sales

Consolidated net sales came in at ¥ 349,476 million, up 1.9%, or ¥ 6,402 million, compared with the previous fiscal year on the back of inclusion of the TLS Group in the Company's scope of consolidation and growth in semiconductor-related product sales.

### **Cost of sales**

Cost of sales decreased 4.4%, or ¥ 10,399 million compared with the previous fiscal year, to ¥ 224,530 million. This was mainly due to progress in manufacturing cost improvements.

### **SG&A expenses**

SG&A expenses increased 12.5%, or ¥ 9,753 million compared with the previous fiscal year, to ¥ 87,928 million largely due to the upswing in general and administrative expenses following inclusion of the TLS Group in the Company's scope of consolidation.

### **Operating profit**

Operating profit increased 23.5%, or ¥ 7,049 million compared with the previous fiscal year, to ¥ 37,017 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 improved by ¥ 1,565 million compared with the previous fiscal year owing to a variety of factors, including the increase in foreign exchange gains and share of profit of entities accounted for using equity method.

As a result of the above, ordinary profit increased 29.1%, or ¥ 8,614 million compared with the previous consolidated fiscal year, to ¥ 38,203 million.

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

Extraordinary income / losses deteriorated ¥ 3,468 million compared with the previous fiscal year owing to a variety of factors, including the posting of a provision for contract loss with respect to non-cancellable long-term power supply contracts with power generation companies, as well as the absence of the gain on share exchange of affiliated companies posted during the previous fiscal year.

As a result of the above, profit before income taxes increased 16.4%, or ¥ 5,146 million compared with the previous fiscal year, to ¥ 36,462 million.

As a result of posting income taxes - deferred of ¥ 8,355 million due to changes in the estimate of deferred tax assets, profit after deducting income taxes calculated in an appropriate way decreased 3.2%, or ¥ 742 million compared with the previous fiscal year, to ¥ 22,536 million.

Profit attributable to owners of parent decreased 5.1%, or ¥ 1,182 million compared with the previous fiscal year, to ¥ 22,205 million.

## [2] Operating performance by business segment

(Unit: Millions of yen)

	Fiscal 2025		Fiscal 2024		Rate of change (%)	
	Net sales	Operating Profit	Net sales	Operating Profit	Net sales	Operating Profit (loss)
Chemicals	106,226	9,701	115,002	10,832	(7.6)	(10.4)
Cement	66,881	9,536	64,705	7,453	3.4	27.9
Electronic & Advanced Materials	91,675	15,681	87,054	9,583	5.3	63.6
Life Science	49,387	7,828	41,955	7,816	17.7	0.2
Eco Business	6,129	655	5,216	52	17.5	-
Others	41,707	2,029	40,769	2,163	2.3	(6.2)
Total	362,008	45,433	354,702	37,902	2.1	19.9
Adjustment	(12,532)	(8,415)	(11,629)	(7,933)	-	-
Figures in quarterly consolidated profit statement	349,476	37,017	343,073	29,968	1.9	23.5

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

### Chemicals

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

Vinyl chloride monomer and vinyl chloride resin earnings decreased owing to such factors as the deterioration in overseas market conditions of vinyl chloride monomer.

Soda ash and calcium chloride earnings declined. This was mainly due to the decline in sales volumes and the increase in logistics costs.

As a result of the above, segment net sales decreased 7.6% compared with the previous fiscal year, to ¥ 106,226 million and operating profit decreased 10.4% to ¥ 9,701 million. The segment reported lower 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 increased 3.4% compared with the previous fiscal year, to ¥ 66,881 million and operating profit increased 27.9% to ¥ 9,536million. The segment reported higher earnings on higher sales.

## **Electronic & Advanced Materials**

Semiconductor-grade polycrystalline earnings increased due to the manufacturing cost improvements and fluctuations in the product mix.

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

Fumed silica earnings increased. This largely reflected robust sales volumes and successful efforts to reduce manufacturing costs at Tokuyama Chemicals (Zhejiang) Co., Ltd.

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 5.3% compared with the previous fiscal year, to ¥ 91,675 million and operating profit increased 63.6% to ¥ 15,681 million. The segment reported higher earnings on higher sales.

## **Life Science**

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

Medical diagnostic systems earnings declined mainly due to an increase in manufacturing costs.

The Company incurred a goodwill amortization expense following inclusion of the TLS Group, which engages in the in vitro diagnostics and in vitro diagnostic materials businesses, in its scope of consolidation from the third quarter of the fiscal year under review.

Plastic lens-related materials earnings were in line with the previous fiscal year. While fluctuations in the product mix had a negative impact, this was largely offset by such factors as the posting of a reversal of loss on valuation of inventories.

As a result of the above, segment net sales increased 17.7% compared with the previous fiscal year, to ¥ 49,387 million and operating profit increased 0.2% to ¥ 7,828 million. The segment reported higher earnings on higher sales.

## **Eco Business**

Ion exchange membrane earnings decreased owing to the decline in shipments.

In waste gypsum board recycling, earnings increased, as a result of steady acceptance of waste gypsum board.

As a result of the above, segment net sales increased 17.5% compared with the previous fiscal year, to ¥ 6,129 million and operating profit amounted to ¥ 655 million (posted ¥ 52 million in the previous fiscal year). The segment reported higher earnings on higher sales.

### **<2> Outlook for fiscal 2026**

#### **[1] Outlook for operating forecasts for fiscal 2026**

In the next fiscal year, we believe that results will be favorably impacted by a variety of factors, including growth in semiconductor demand, and in particular for cutting-edge products. Having said this, uncertainty regarding the future remains extremely high due to such risks as supply disruptions and rising costs stemming from conditions in the Middle East.

Taking into consideration a comprehensive review of prevailing conditions, consolidated performance forecasts for fiscal 2026 are yet to be determined at this time. Tokuyama will promptly disclose forecasts going forward when a reasonable assessment can be made.

Following Medium-Term Management Plan 2025, details of which were announced on February 25, 2021, we will continue to focus on the growth areas and work to enhance corporate value under our next Medium-Term Management Plan covering the period from fiscal 2026 to fiscal 2030.

## (2) Analysis of Financial Position

### <1> Analysis of assets, liabilities and net assets

#### Summary of Consolidated Balance Sheets

(Unit: Millions of yen)

	Mar 31, 2025	Mar 31, 2026	Amount of change	Rate of change (%)
Assets	476,207	557,432	81,224	17.1
Liabilities	202,349	259,620	57,270	28.3
(Interest-bearing debt)	110,691	162,020	51,328	46.4
Net assets	273,858	297,811	23,953	8.7
(Shareholders' equity)	261,562	283,086	21,523	8.2

#### Financial indicators

	Mar 31, 2025	Mar 31, 2026	Amount of change
D/E ratio	0.42	0.57	0.15
Net D/E ratio	0.13	0.41	0.28
Shareholders' equity ratio (%)	54.9	50.8	(4.1)
Shareholders' equity ratio based on market price (%)	42.1	48.2	6.1

(Note)

\*D/E ratio : interest-bearing debt / shareholders' equity  
 Net D/E ratio : (interest-bearing debt - Cash and cash equivalents) / shareholders' equity  
 Shareholders' equity ratio (%) : interest-bearing debt / total assets  
 Shareholders' equity ratio based on market price (%) : market capitalization / total assets

(Assets)

Total assets amounted to ¥ 557,432 million, an increase of ¥ 81,224 million compared with those as of March 31, 2025.

This increase primarily reflects the increase in goodwill of ¥ 58,576 million, investment securities of ¥ 22,766 million, and property, plant and equipment of ¥ 17,992 million, despite the decrease in cash and deposits of ¥ 28,351 million.

(Liabilities)

Total liabilities amounted to ¥ 259,620 million, up ¥ 57,270 million compared with those as of March 31, 2025.

This increase primarily reflects the increase in long-term borrowings of ¥ 32,804 million and commercial papers of ¥ 18,000 million

(Net assets)

Net assets totaled ¥ 297,811 million, an increase of ¥ 23,953 million compared with those as of March 31, 2025.

This increase primarily reflects the increase in retained earnings of ¥ 14,278 million as a result of posting profit attributable to owners of parent, foreign currency translation adjustment of ¥ 4,053 million, valuation difference on available-for-sale securities of ¥ 2,527 million and non-controlling interests of ¥ 2,430 million.

(Financial indicators)

With regard to the fiscal year under review, the D/E ratio deteriorated 0.15 compared with the previous consolidated fiscal year to 0.57 times due to a ¥ 51,328 million increase in interest-bearing debt.

## <2> Analysis of cash flows

### Summary of Consolidated Statements of Cash Flows

(Unit: Millions of yen)

	Fiscal 2024	Fiscal 2025
Cash flows from operating activities	52,368	50,985
Cash flows from investing activities	(23,478)	(122,975)
Cash flows from financing activities	(1,106)	41,792
Effect of exchange rate changes on cash and cash equivalents	(762)	1,490
Net increase (decrease) in cash and cash equivalents	27,020	(28,706)
Increase/decrease in cash and cash equivalents resulting from change in scope of consolidation	-	247
Cash and cash equivalents at end of year	74,926	46,466

(Cash flows from operating activities)

Net cash provided in operating activities totaled ¥ 50,985 million, a decrease of ¥ 1,382 million compared with the previous fiscal year. This change primarily reflects profit before income taxes of ¥ 36,462 million and depreciation of ¥ 20,948 million despite income taxes paid of ¥ 5,121 million.

(Cash flows from investing activities)

Net cash used in investing activities totaled ¥ 122,975 million, an increase of ¥ 99,496 million compared with the previous fiscal year.

Major contributory factors were payments for purchase of shares of subsidiaries resulting in change in scope of consolidation of ¥ 77,707 million and purchase of investment securities of ¥ 17,650 million.

(Cash flows from financing activities)

Net cash provided in financing activities amounted to ¥ 41,792 million (posted net cash used in financing activities of ¥ 1,106 million in the previous consolidated fiscal year).

This change primarily reflects dividends paid of ¥ 7,921 million, despite proceeds from long-term borrowings of ¥ 36,022 million and increase in commercial papers of ¥ 18,000 million.

### **<3> Procurement of Funds and Liquidity**

(Procurement of Funds)

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.

(Liquidity)

Cash and cash equivalents stood at ¥ 46,466 million as of the end of the fiscal year under review. 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 maintain 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.

### **(3) Achievement of Medium-Term Management Plan 2025**

While the Chemicals segment struggled due to deterioration in market conditions, the Cement segment achieved higher profits, on the back of such factors as successful efforts to revise domestic sales prices. Although the Electronic & Advanced Materials segment achieved a significant increase in profit compared with fiscal 2020, the baseline year when formulating the Medium-Term Management Plan 2025, its performance trended below the initial assumptions due to a temporary slowdown in the growth of the semiconductor market. The Life Science segment achieved a significant increase in profit and has maintained solid performance. For the Tokuyama Group as a whole, due to sluggish performance in the Chemicals and Electronic & Advanced Materials segments, net sales decreased by 12.6% compared to the plan, and operating profit decreased by 17.7%. As a result, ROE was 8.2%, falling short of the target.

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

Total R&D expenses for the fiscal year under review amounted to ¥ 17,706 million.

### **(5) Basic Policy for Profit Distribution and Dividends for Fiscal 2025 and 2026**

The Company has positioned the return of profits to its shareholders as one of its most important management policies. The company will continue to provide stable and continuous returns to shareholders, based on a comprehensive assessment of factors, including maximizing corporate value from a medium- to long-term perspective through investment, financing and research and development for sustainable growth, business performance, financial situation and the cost of capital. Under this policy, after FY2024, the Company aims for a dividend payout ratio of at least 30% with a target of 3% for the dividend on equity ratio (DOE), which is not easily affected by performance during any one fiscal year.

The Company's basic policy is to pay dividends from capital surplus twice a year, an interim dividend and a year-end dividend. The year-end dividend is determined by the General Meeting of Shareholders and the interim dividend by the Board of Directors. The Articles of Incorporation stipulate that interim dividends may be paid by a resolution of the Board of Directors in accordance with Article 454, Paragraph 5 of the Companies Act.

Prior to the application of the aforementioned policy, the Company has decided to pay a year-end dividend of ¥60 per share for the fiscal year under review. This, together with the interim dividend of ¥60 per share paid in December 2025, brings the annual dividend to ¥120 per share, an increase of ¥20 over the previous fiscal year. This in turn brings the dividend payout ratio for the fiscal year under review to 38.9%. Taking into consideration the uncertain outlook caused by escalating tensions in the Middle East and the fact that the dividend amount is calculated based on the assumptions outlined in [1] Outlook for operating forecasts for fiscal 2026" in "<2> Outlook for fiscal 2026" the dividend amount is yet to be determined at this time.

## 2. Consolidated Financial Statements

### (1) Consolidated Balance Sheets

(Millions of yen)

	3/31/2025	3/31/2026
<b>Assets</b>		
Current assets		
Cash and deposits	75,544	47,193
Notes receivable - trade	3,520	585
Electronically recorded monetary claims - operating	3,433	6,861
Accounts receivable - trade	74,596	75,285
Lease receivables	10	2
Merchandise and finished goods	22,673	26,298
Work in process	21,028	22,934
Raw materials and supplies	25,951	25,120
Other	7,957	7,849
Allowance for doubtful accounts	(85)	(61)
Total current assets	234,630	212,070
Non-current assets		
Property, plant and equipment		
Buildings and structures	126,460	135,775
Accumulated depreciation	(83,476)	(88,584)
Buildings and structures, net	42,983	47,191
Machinery, equipment and vehicles	503,931	516,229
Accumulated depreciation	(443,906)	(449,198)
Machinery, equipment and vehicles, net	60,025	67,031
Tools, furniture and fixtures	25,265	30,441
Accumulated depreciation	(21,254)	(24,491)
Tools, furniture and fixtures, net	4,010	5,950
Land	33,003	33,182
Leased assets	12,105	12,696
Accumulated depreciation	(4,918)	(5,806)
Leased assets, net	7,186	6,890
Construction in progress	25,081	30,038
Total property, plant and equipment	172,291	190,284
Intangible assets		
Goodwill	69	58,646
Leased assets	14	9
Other	4,126	4,567
Total intangible assets	4,210	63,222
Investments and other assets		
Investment securities	36,050	58,816
Long-term loans receivable	1,835	1,602
Deferred tax assets	11,383	13,137
Retirement benefit asset	9,252	11,428
Other	6,635	6,941
Allowance for investment loss	(7)	—
Allowance for doubtful accounts	(74)	(71)
Total investments and other assets	65,074	91,854
Total non-current assets	241,577	345,362
Total assets	476,207	557,432

(Millions of yen)

	3/31/2025	3/31/2026
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	45,742	42,324
Short-term borrowings	6,446	5,883
Commercial papers	—	18,000
Current portion of long-term borrowings	3,028	3,613
Current portion of bonds payable	—	10,000
Lease liabilities	1,377	1,657
Income taxes payable	2,982	4,193
Provision for bonuses	3,744	4,226
Provision for share awards	—	98
Provision for repairs	5,084	7,034
Provision for decommissioning and removal	455	404
Provision for product warranties	121	113
Provision for loss on compensation for damage	21	58
Provision for environmental measures	68	—
Provision for restructuring	526	—
Provision for contract loss	654	499
Allowance for loss on compensation for building materials	—	19
Other	21,083	23,367
Total current liabilities	91,338	121,493
Non-current liabilities		
Bonds payable	35,000	25,000
Long-term borrowings	59,644	92,449
Long-term income taxes payable	84	121
Lease liabilities	5,194	5,417
Deferred tax liabilities	246	1,274
Provision for retirement benefits for directors (and other officers)	159	146
Provision for share awards	80	—
Provision for repairs	1,541	1,196
Provision for decommissioning and removal	16	79
Provision for contract loss	44	3,630
Retirement benefit liability	1,817	2,070
Asset retirement obligations	181	261
Other	7,001	6,480
Total non-current liabilities	111,011	138,126
Total liabilities	202,349	259,620
<b>Net assets</b>		
Shareholders' equity		
Share capital	10,000	10,000
Capital surplus	22,777	22,759
Retained earnings	213,953	228,232
Treasury shares	(428)	(427)
Total shareholders' equity	246,302	260,564
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,187	9,715
Foreign currency translation adjustment	6,883	10,936
Remeasurements of defined benefit plans	1,188	1,869
Total accumulated other comprehensive income	15,259	22,521
Non-controlling interests	12,295	14,725
Total net assets	273,858	297,811
Total liabilities and net assets	476,207	557,432

## (2) Consolidated Statements of Income

(Millions of yen)

	FY2024	FY2025
Net sales	343,073	349,476
Cost of sales	234,929	224,530
Gross profit	108,143	124,946
Selling, general and administrative expenses		
Selling expenses	45,182	48,716
General and administrative expenses	32,993	39,212
Total selling, general and administrative expenses	78,175	87,928
Operating profit	29,968	37,017
Non-operating income		
Interest income	261	360
Dividend income	610	651
Share of profit of entities accounted for using equity method	442	1,611
Outsourcing service income	1,397	979
Trial products income	1,255	844
Other	2,037	3,433
Total non-operating income	6,004	7,880
Non-operating expenses		
Interest expenses	912	1,422
Fiduciary obligation expenses	1,106	876
Trial products expenses	1,181	717
Other	3,183	3,678
Total non-operating expenses	6,384	6,694
Ordinary profit	29,588	38,203
Extraordinary income		
Gain on sale of non-current assets	58	803
Gain on sale of investment securities	1,371	1,875
Gain on share exchange of affiliated companies	2,313	—
Subsidy income	251	347
Gain on insurance claims	44	—
Gain on liquidation of subsidiaries and associates	—	815
Compensation income for damages	—	468
Total extraordinary income	4,038	4,310
Extraordinary losses		
Loss on sale of non-current assets	2	21
Impairment losses	397	1,429
Loss on disaster	30	8
Loss on tax purpose reduction entry of non-current assets	137	45
Loss on disposal of non-current assets	704	582
Loss on sale of shares of subsidiaries and associates	—	2
Provision for contract loss	—	3,630
Provision for restructuring	539	—
Restructuring expenses	499	—
Other	—	331
Total extraordinary losses	2,311	6,052
Profit before income taxes	31,315	36,462
Income taxes - current	4,337	5,570
Income taxes - deferred	3,699	8,355
Total income taxes	8,037	13,925
Profit	23,278	22,536
Profit (loss) attributable to non-controlling interests	(109)	330
Profit attributable to owners of parent	23,388	22,205

### (3) Consolidated Statements of Comprehensive Income

(Millions of yen)

	FY2024	FY2025
Profit	23,278	22,536
Other comprehensive income		
Valuation difference on available-for-sale securities	(2,031)	2,527
Deferred gains or losses on hedges	0	—
Foreign currency translation adjustment	(1,474)	3,303
Remeasurements of defined benefit plans, net of tax	(447)	681
Share of other comprehensive income of entities accounted for using equity method	(63)	1,305
Total other comprehensive income	(4,017)	7,818
Comprehensive income	19,261	30,355
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	19,912	29,470
Comprehensive income attributable to non-controlling interests	(651)	884

#### (4) Consolidated Statements of Cash Flows

(Millions of yen)

	FY2024	FY2025
<b>Cash flows from operating activities</b>		
Profit before income taxes	31,315	36,462
Depreciation	19,688	20,948
Increase (decrease) in provision for contract loss	199	3,431
Increase (decrease) in provision for loss on business restructure	539	(530)
Increase (decrease) in provisions	941	2,118
Increase (decrease) in retirement benefit liability	28	115
Decrease (increase) in retirement benefit asset	(7)	(1,264)
Interest and dividend income	(871)	(1,012)
Foreign exchange losses (gains)	139	(348)
Loss (gain) on sale of property, plant and equipment	(55)	(782)
Loss (gain) on sale of investment securities	(1,371)	(1,875)
Loss (gain) on sale of shares of subsidiaries and associates	—	2
Gain on share exchange of affiliated companies	(2,313)	—
Share of loss (profit) of entities accounted for using equity method	(442)	(1,611)
Subsidy income	(251)	(347)
Interest expenses	912	1,422
Loss on tax purpose reduction entry of non-current assets	137	45
Impairment losses	397	1,429
Loss (gain) on disposal of non-current assets	704	582
Gain on insurance claims	(44)	—
Gain on liquidation of subsidiaries and associates	—	(815)
Compensation for damage income	—	(468)
Decrease (increase) in trade receivables	5,262	2,221
Decrease (increase) in inventories	2,434	(184)
Decrease (increase) in other current assets	2,049	631
Increase (decrease) in trade payables	(2,071)	(5,175)
Increase (decrease) in other current liabilities	(110)	(1,086)
Other, net	(220)	2,596
Subtotal	56,988	56,505
Interest and dividends received	1,189	1,143
Interest paid	(1,173)	(1,768)
Proceeds from insurance income	44	—
Compensation for damage received	—	359
Compensation paid for damage	—	(133)
Income taxes refund (paid)	(4,680)	(5,121)
Net cash provided by (used in) operating activities	52,368	50,985

	(Millions of yen)	
	FY2024	FY2025
<b>Cash flows from investing activities</b>		
Payments into time deposits	(402)	(1,100)
Proceeds from withdrawal of time deposits	543	1,011
Purchase of property, plant and equipment	(22,598)	(29,111)
Proceeds from sale of property, plant and equipment	75	1,060
Purchase of investment securities	(183)	(17,650)
Proceeds from sale of investment securities	2,580	2,722
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	(77,707)
Long-term loan advances	(2)	(5)
Proceeds from collection of long-term loans receivable	220	229
Subsidies received	184	347
Other, net	(3,896)	(2,770)
Net cash provided by (used in) investing activities	(23,478)	(122,975)
<b>Cash flows from financing activities</b>		
Increase (decrease) in short-term borrowings	2,563	(1,180)
Increase (decrease) in commercial papers	(15,000)	18,000
Proceeds from long-term borrowings	162	36,022
Repayments of long-term borrowings	(2,234)	(3,115)
Proceeds from issuance of bonds	19,909	—
Proceeds from issuance of shares	—	1,619
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(972)	—
Proceeds from sale of shares of subsidiaries not resulting in change in scope of consolidation	2,704	—
Dividends paid	(6,839)	(7,921)
Dividends paid to non-controlling interests	(53)	(94)
Decrease (increase) in treasury shares	(6)	(4)
Other, net	(1,339)	(1,533)
Net cash provided by (used in) financing activities	(1,106)	41,792
Effect of exchange rate change on cash and cash equivalents	(762)	1,490
Net increase (decrease) in cash and cash equivalents	27,020	(28,706)
Cash and cash equivalents at beginning of period	47,905	74,926
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	—	247
Cash and cash equivalents at end of period	74,926	46,466

## **(5) Notes on Consolidated Financial Statements**

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

Not applicable.

### **(Significant Changes in the Scope of Consolidation During This Period)**

Effective from the fiscal year under review, FL Tokuyama Corporation, a wholly owned subsidiary until the end of the previous 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.

Effective from the fiscal year under review, Shanghai Tokuyama Plastics Co., Ltd., a subsidiary, was excluded from the scope of the Company's consolidation owing to the completion of liquidation procedures as of February 6, 2026.

As a result of the Company's acquisition of shares of JSR-01 Corporation, Tokuyama Life Science Corporation (which changed its corporate name from JSR-01 Corporation on October 1, 2025), MEDICAL & BIOLOGICAL LABORATORIES CO., LTD., MBL Shenzhen Biotech Co., Ltd., MBL Beijing Biotech Co., Ltd., MBL Materials Co., Ltd. (which changed its corporate name from JSR Life Sciences Co., Ltd. on October 1, 2025), and one other company have been included in the Company's scope of consolidation effective from the fiscal year under review.

### **(Changes in Accounting Estimates)**

Tokuyama has posted a provision for contract loss in preparation for potential losses that may occur in the future as part of the Company's non-cancellable long-term power purchase transactions based on power purchase contracts with power generation companies. In light of recent electricity market conditions and actual past power supply transactions, however, Tokuyama revised the estimate assumptions at the current consolidated fiscal year.

As a result of these revisions, the Company recorded an amount of ¥3,630 million, the difference from the original estimate, in extraordinary losses as a provision for contract loss in the current consolidated fiscal year. Accordingly, profit before adjustments for income taxes decreased by the same amount.

**(Additional Information)**

At a meeting of the Board of Directors held on March 25, 2026, Tokuyama resolved to transfer its domestic sales business for cement and solidification agents and shares in certain consolidated subsidiaries to a newly established wholly owned subsidiary (hereinafter referred to as “the New Company”) through an absorption-type split. Tokuyama also resolved to transfer all of the New Company’s issued and outstanding shares to TAIHEIYO CEMENT CORPORATION. On this basis, the Company entered into a share transfer agreement on the same day.

Please note that the Transaction is subject to the completion of all necessary clearances and approvals under domestic competition laws as well as other applicable statutory and regulatory requirements.

Plans are in place for the New Company to be established on July 1, 2026, with the effective date of the absorption-type split and share transfer set for October 1, 2026.

We are currently assessing the impact of this matter on the Company’s consolidated financial statements for the next fiscal year.

## (Segment Information)

### <1> Summary of reportable segments

The reportable segments of the Tokuyama Group are defined as individual units, where separate financial information is available and which are subject to regular review by the Board of Directors of the Company to evaluate their results and decide the allocation of management resources.

The Company has business divisions by product group, and the Tokuyama Group conducts business operations through each business division devising its comprehensive product strategy for domestic and overseas markets.

The Tokuyama Group is, therefore, composed of segments by product group based on business divisions, and has five reportable segments, “Chemicals,” “Cement,” “Electronic & Advanced Materials” “Life Science,” and “Eco Business”.

Main products and services of each reportable segment are as follows:

Reportable segment	Main products and services
Chemicals	Caustic soda, soda ash, calcium chloride, sodium bicarbonate, sodium silicate, hydrogen, vinyl chloride monomer, polyvinyl chloride resin, propylene oxide, and chlorinated solvents
Cement	Cement, ready-mixed concrete, cement-type stabilizer, and resource recycling business
Electronic & Advanced Materials	Polycrystalline silicon, fumed silica, tetrachlorosilane, aluminum nitride, high-purity isopropyl alcohol for electronics manufacturing, photoresist developer and isopropyl alcohol for manufacturing
Life Science	Medical diagnosis systems, in vitro diagnostics, in vitro diagnostics pharmaceutical materials, dental materials and equipment, pharmaceutical ingredients and intermediates, plastic lens-related materials for glasses and microporous film
Eco Business	Ion exchange membranes and waste gypsum board recycling

<2> Information on sales, profit (loss), assets and other items by reportable segment

Fiscal 2024 (April 1, 2024 – March 31, 2025)

(Millions of yen)

	Reportable segments					Others*1	Total	Adjustment *2	Figures in consolidated income statement*3
	Chemicals	Cement	Electronic & Advanced Materials	Life Science	Eco Business				
Sales									
Sales to customers	114,925	64,312	86,218	41,933	4,935	30,748	343,073	-	343,073
Inter-segment sales/transfer	76	392	835	22	280	10,021	11,629	(11,629)	-
Total	115,002	64,705	87,054	41,955	5,216	40,769	354,702	(11,629)	343,073
Segment profit	10,832	7,453	9,583	7,816	52	2,163	37,902	(7,933)	29,968
Segment assets	64,335	66,705	118,175	47,244	7,645	65,925	370,032	106,174	476,207
Other items									
Depreciation expenses*4	2,624	3,745	5,438	1,395	573	3,235	17,012	2,675	19,688
Increase in tangible and intangible fixed assets*5	3,802	2,875	8,011	2,829	193	4,937	22,651	5,132	27,784

\*1 The “Others” segment comprises businesses other than those of the reportable segments. Specifically, the segment includes overseas sales companies, a distribution company, a real estate business, etc.

\*2 Adjustment is as follows:

- (1) The segment profit adjustment amount consists mainly of basic R&D expenses that are not related to specific reportable segments.
- (2) Included in the segment assets adjustment amount are corporate assets that are not allocated to specific reportable segments (¥ 147,149 million).

\*3 With regard to segment profit, operating profit in the consolidated statement of profit has been calculated by making an adjustment to the sum total of the reportable segments’ profit and the “Others” segment’s profit.

\*4 Included in depreciation expenses is the long-term prepaid expense depreciation amount.

\*5 Included in increase in tangible and intangible fixed assets is the long-term prepaid expense increase amount.

\*6 Net sales are not presented separately from earnings derived from contracts with customers and other earnings because the amount of other earnings is insignificant.

**Fiscal 2025 (April 1, 2025 – March 31, 2026)**

(Millions of yen)

	Reportable segments					Others*1	Total	Adjustment*2	Figures in consolidated income statement*3
	Chemicals	Cement	Electronic & Advanced Materials	Life Science	Eco Business				
Sales									
Sales to customers	106,124	66,120	90,892	49,370	5,943	31,024	349,476	-	349,476
Inter-segment sales/transfer	102	761	783	16	185	10,682	12,532	(12,532)	-
Total	106,226	66,881	91,675	49,387	6,129	41,707	362,008	(12,532)	349,476
Segment profit	9,701	9,536	15,681	7,828	655	2,029	45,433	(8,415)	37,017
Segment assets	59,065	68,950	141,206	132,618	7,970	68,968	478,780	78,651	557,432
Other items									
Depreciation expenses*4	2,758	3,523	5,606	2,021	444	3,476	17,831	3,116	20,948
Increase in tangible and intangible fixed assets*5	2,569	3,096	13,275	1,989	547	6,800	28,278	6,038	34,316

\*1 The “Others” segment comprises businesses other than those of the reportable segments. Specifically, the segment includes overseas sales companies, a distribution company, a real estate business, etc.

\*2 Adjustment is as follows:

- (1) The segment profit adjustment amount consists mainly of basic R&D expenses that are not related to specific reportable segments.
- (2) Included in the segment assets adjustment amount are corporate assets that are not allocated to specific reportable segments (¥ 126,999 million).

\*3 With regard to segment profit, operating profit in the consolidated statement of profit has been calculated by making an adjustment to the sum total of the reportable segments’ profit and the “Others” segment’s profit.

\*4 Included in depreciation expenses is the long-term prepaid expense depreciation amount.

\*5 Included in increase in tangible and intangible fixed assets is the long-term prepaid expense increase amount.

\*6 Net sales are not presented separately from earnings derived from contracts with customers and other earnings because the amount of other earnings is insignificant.

## **(Business Combinations, etc.)**

At a meeting of the Board of Directors held on April 22, 2025, Tokuyama resolved to acquire all of the shares of a company established by JSR Corporation (“JSR”) and to include the company in its scope of consolidation as a subsidiary. Accordingly, the shares were acquired on October 1, 2025.

### <1> Overview of business combination

#### 1. Name and business of acquired company

Name : JSR-01 Corporation

\* The company’s name was changed to Tokuyama Life Science Corporation on October 1, 2025.

Business: In vitro diagnostics business, in vitro diagnostic materials business  
and stock management business

#### 2. Purpose of business combination

Under its Medium-Term Management Plan 2025, Tokuyama has identified the “Electronics,” “Healthcare,” and “Environment” fields as growth businesses. As a part of efforts to transform our business portfolio, our plan is to increase the proportion of consolidated sales generated from growth businesses to more than 60% by FY2030. Taking the aforementioned into consideration, our intention is to position the newly acquired businesses at the heart of our healthcare domain.

In the Company’s existing diagnosis systems business, our wholly owned subsidiary A&T Corporation is working to expand its in vitro diagnostics endeavors and is engaged in the research and development of new in vitro diagnostics reagents. In order to further accelerate the pace of healthcare domain growth, we recognize the need to generate high levels of additional revenue on a sustainable basis by entering new business areas.

In bringing the aforementioned new businesses into the Tokuyama Group fold and complementing our ability to commercialize immunoassay reagents that utilize particles and antibodies, we expect to significantly shorten the time required to develop new products and to generate synergies with our fundamental technologies. In this manner, we anticipate building a highly profitable reagent business within the Group. At the same time, we believe that the acquisition of new businesses will enable us to cross-sell both the Company’s and A&T’s electrolyte analyzer electrodes, reagents, and other products to our existing customer base of hospitals in Japan and Korea as well as to customers in China.

In a bid to accelerate the pace of business portfolio transformation, we will work diligently to develop the in vitro diagnostics business as the cornerstone of the healthcare domain centered on the newly acquired businesses going forward.

Meanwhile, Tokuyama undertook the following process when acquiring the subject business.

- (1) JSR newly established JSR-01 Corporation (hereinafter the “newly established company”)
- (2) JSR transferred a portion of its in vitro diagnostics business to its wholly owned subsidiary, MBL, through an absorption-type split; the remaining portion of the business and all issued and outstanding shares of the company were transferred to the newly established company through an absorption-type split.
- (3) JSR transferred a portion of its in vitro diagnostic pharmaceutical materials business to its wholly owned subsidiary, JSR Life Sciences Co., Ltd., through an absorption-type split; the remaining portion of the business and all issued and outstanding shares of the company were transferred to the newly established company through an absorption-type split.
- (4) Tokuyama acquired all issued and outstanding shares of the newly established company and then included the newly established company in its scope of consolidation as a wholly owned subsidiary.

3. Date of business combination

October 1, 2025

4. Legal form of business combination

Share acquisition

5. Company name after combination

Tokuyama Life Science Corporation

6. Ratio of voting rights to be acquired

100%

7. Principal basis for determining the acquiring company

To enable the Company to acquire shares in consideration for cash.

<2> Financial results period of the acquired company that is included in consolidated statements of income for this period

October 1, 2025 to March 31, 2026

<3> Acquisition cost and breakdown by type of consideration

Consideration for acquisition: Cash ¥80,637 million

Note: The aforementioned acquisition cost is a current estimate. The actual acquisition cost may differ from the aforementioned. Although the acquisition cost stated above has been verified and reasonably estimated based on the results of valuation, legal, financial, tax and separation due diligence, the final transfer price is expected to be the price adjusted in accordance with the price adjustment clause stipulated in the share transfer agreement executed.

<4> Breakdown and amount of major acquisition-related expenses

Fees and commissions for advisory services, etc. : ¥ 341 million

<5> Amount of goodwill generated, cause of occurrence, amortization method and amortization period

- (1) Amount of goodwill generated: ¥60,139 million  
The amount of goodwill is calculated provisionally as the allocation of the of the acquisition cost has yet to be completed as of the end of the fiscal year under review.
- (2) Source of goodwill  
The principal source is the future excess earnings power that is expected from business operations going forward.
- (3) Amortization method and amortization period  
Straight-line method over 20 years

<6> Amount of assets accepted and liabilities assumed on the date of the business combination, and major breakdown

Current assets	:	9,485 million
<u>Non-current assets</u>	:	<u>14,235</u>
<u>Total assets</u>	:	<u>23,720</u>
Current liabilities	:	2,731
<u>Non-current liabilities</u>	:	<u>491</u>
<u>Total liabilities</u>	:	<u>3,222</u>

<7> Allocation of acquisition cost

As of the end of the fiscal year ended March 31, 2026, the identification of identifiable assets and liabilities as of the business combination date and the determination of their fair values had not been completed. Moreover, the allocation of the acquisition cost had not been finalized. Accounting for each of these factors, steps have been taken to apply provisional accounting treatment based on the reasonable information available at that time.