Tokuyama Corporation

Q1 Fiscal 2026

Presentation for IR Meeting

July 29, 2026

TOKUYAMA

Key Points of the First Quarter Fiscal 2026

- While net sales were negatively impacted by the downturn in sales of chemicals owing to a temporary shortage of raw materials, overall net sales increased compared with the corresponding period of the previous fiscal year due to such factors as the inclusion of the Tokuyama Life Science (TLS) Group in the Company’s scope of consolidation and growth in semiconductor-related product sales
- Operating profit decreased year on year owing to such factors as the downturn in sales of chemicals and increase in raw material and fuel prices
- Performance and dividend forecasts for FY2026 have been announced. Full-year net sales are expected to increase, while profits are projected to decline mainly due to higher raw material and fuel costs. The annual dividend is forecast at ¥132 per share (interim: ¥60, year-end: ¥72), extending the streak of annual dividend increases to four consecutive years

* Figures for the fiscal year ended March 2026 have been retroactively restated following determination of the amount of TLS Group goodwill. Figures for the fiscal year ended March 2026 in the presentation materials are revised figures

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Financial Highlights Income Statements

(Billions of yen)

	Q1 FY2025	Q1 FY2026	Changes Amount	Changes %	Main changing factors
Net sales	**81.8**	**85.6**	**+3.8**	**+5**	Inclusion of TLS Group in the company's scope of consolidation (+) Firm sales of semiconductor-related products (+) Decline in sales of chemicals due to a temporary shortage of raw materials (-)
Cost of sales	53.8	55.6	(1.8)	(3)	Decline in sales of chemicals (-) Increase in costs including raw material and fuel prices (-)
Selling, general and administrative expenses	20.0	23.8	(3.7)	(19)	
Operating profit	**7.8**	**6.0**	**(1.8)**	**(23)**	
Non-operating income/expenses	(0.2)	0.6	+0.9	-	Decrease in operating profit (-) Improvement in foreign exchange gains and losses (+)
Ordinary profit	**7.6**	**6.7**	**(0.8)**	**(12)**	
Extraordinary income/expenses	0.0	0.6	+0.5	+748	Decrease in ordinary profit (-) Increase in gain on sale of investment securities (+)
Profit/loss before income taxes	7.6	7.3	(0.3)	(5)	
Profit attributable to owners of parent	**4.9**	**5.2**	**+0.2**	**+6**	
Basic earnings per share (yen)	68.27	72.34	-	-	-
Exchange rate (yen/USD)	145	159	-	-	
Domestic naphtha price (yen/kl)	66,000	116,500	-	-	

(Note) Regarding changes, income or profit is shown as positive and expenses or losses are shown as negative amount

Financial Highlights Balance Sheets

(Billions of yen)

	As of Mar 31,2026	**As of Jun 30,2026**	Changes	Main changing factors
Total assets	569.6	**577.9**	+8.2	Increase in inventories
Shareholders' equity	283.0	**287.0**	+3.9	Posting profit attributable to owners of parent
Shareholders' equity ratio	49.7%	**49.7%**	(0.0pts)	-
Interest-bearing debt	162.0	**164.7**	+2.6	Increase in commercial papers and long-term borrowings
D/E ratio	0.57	**0.57**	+0.00	-
Net D/E ratio*	0.41	**0.40**	(0.01)	-
Net assets per share (yen)	3,934.76	**3,988.96**	-	-

*Net D/E ratio: (Interest-bearing debt – Cash and deposits, Cash equivalents, Money in trust)/Shareholders' equity

Net Sales / Operating Profit by Business Segment (Year-on-year change)

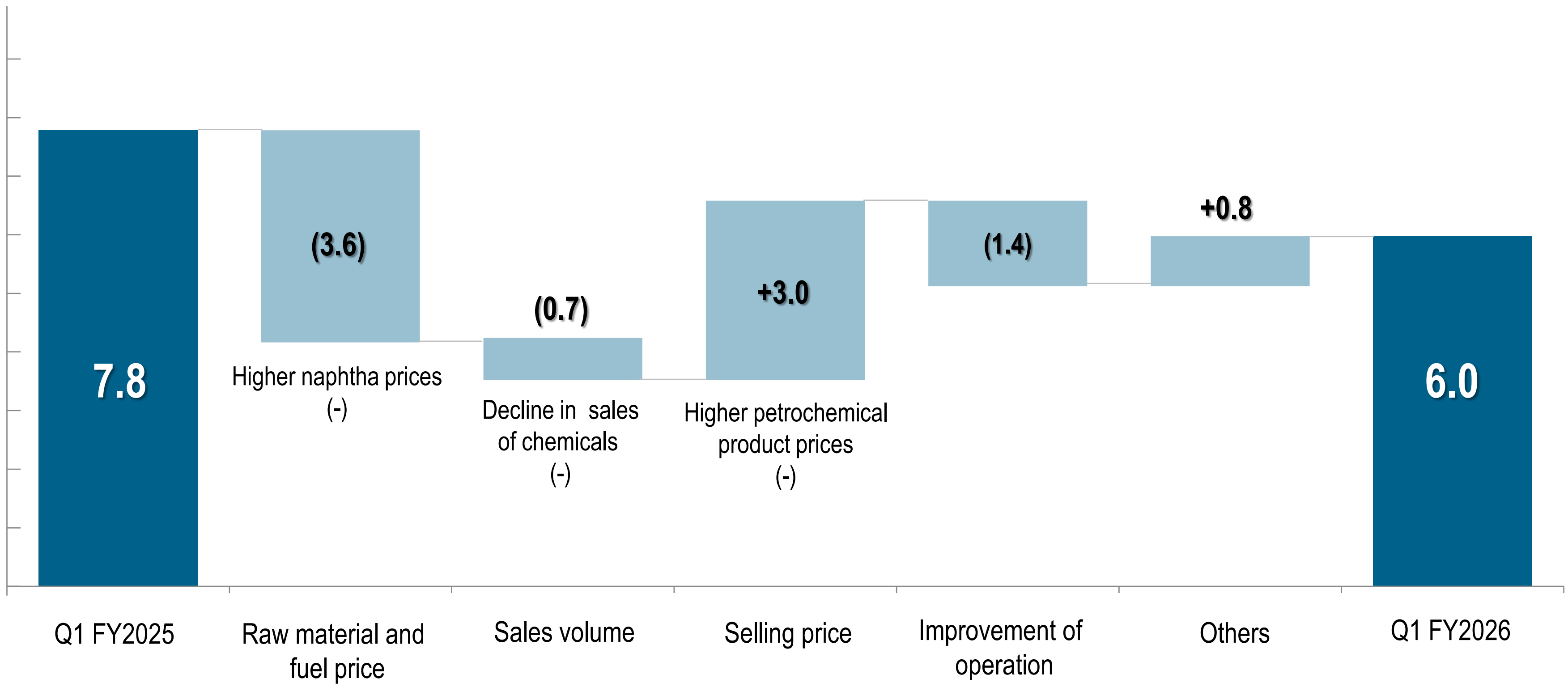
(Billions of yen)

	Q1 FY2025		**Q1 FY2026**		Changes			
	Net sales	Operating profit	**Net sales**	**Operating profit**	Net sales	%	Operating profit	%
Chemicals	27.4	2.8	**24.6**	**0.5**	(2.7)	(10)	(2.2)	(81)
Cement	16.0	2.5	**16.0**	**2.5**	(0.0)	(0)	+0.0	+1
Electronic & Advanced Materials	21.2	2.8	**22.3**	**3.1**	+1.0	+5	+0.3	+11
Life Science	9.0	1.7	**14.6**	**2.6**	+5.5	+61	+0.9	+55
Eco Business	1.4	0.1	**1.0**	**(0.0)**	(0.3)	(26)	(0.1)	-
Others	9.3	(0.0)	**9.7**	**0.2**	+0.3	+4	+0.3	-
Total	84.7	9.9	**88.5**	**9.0**	+3.8	+5	(0.8)	(9)
Inter-segment eliminations and corporate-wide expenses	(2.8)	(2.0)	**(2.9)**	**(3.0)**	(0.0)	-	(0.9)	-
Consolidated Results	81.8	7.8	85.6	6.0	+3.8	+5	(1.8)	(23)

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

Changes in Operating Profit (Year-on-year change / By factor)

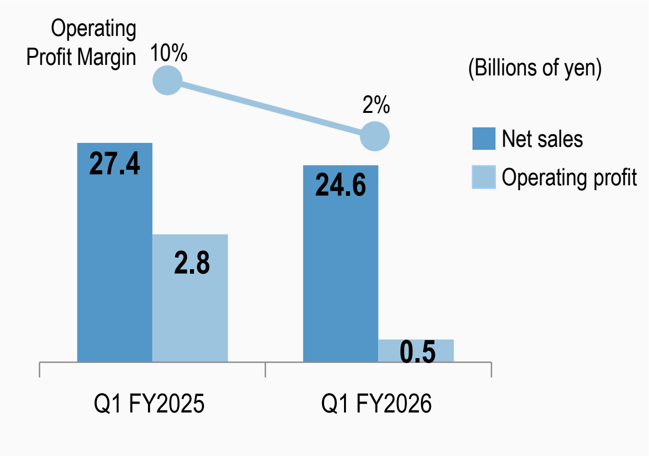
(Billions of yen)

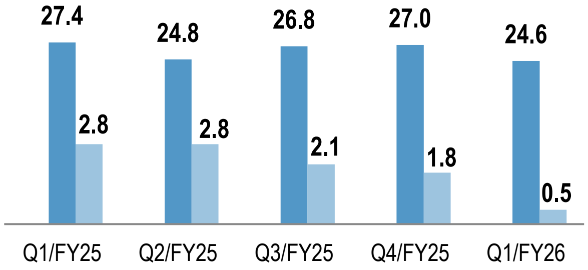


Changes in Net Sales / Operating Profit by Business Segment

Chemicals

Lower earnings on lower sales





Qualitative information

(Caustic soda)
- Earnings decreased mainly due to a decline in sales volumes and the increase in manufacturing costs

(Vinyl chloride monomer (VCM))
- Earnings decreased owing to such factors as an increase in manufacturing cost

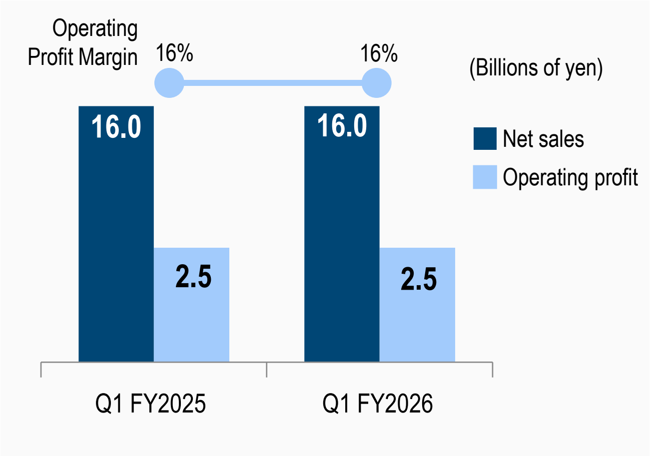
(Vinyl chloride resin)
- Despite the increase in manufacturing costs, performance were in line with the successful efforts to revise domestic sales prices at an appropriate level

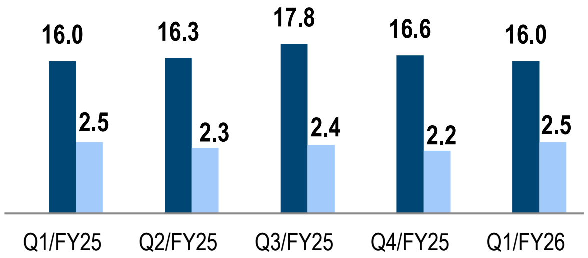
(Soda ash / Calcium chloride)
- Earnings declined mainly due to increase in manufacturing and logistics costs

Changes in Net Sales / Operating Profit by Business Segment

Cement

In line with the corresponding period of the previous fiscal year





Qualitative information

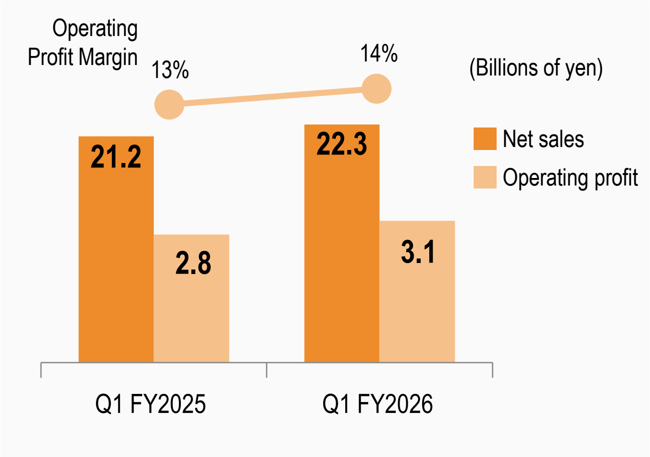
(Cement)

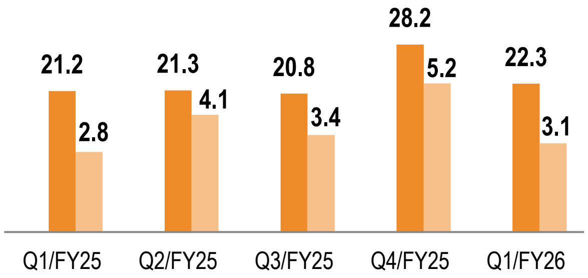
- Despite a decrease in sales volume year-on-year in Japan, performance were in line with the corresponding period of the previous fiscal year, mainly due to improvement of earnings at consolidated subsidiaries

Changes in Net Sales / Operating Profit by Business Segment

Electronic & Advanced Materials

Higher earnings on higher sales





Qualitative information

(Semiconductor-grade polycrystalline silicon)
- Despite a decrease in sales volume year-on-year, earnings grew on the back of such factors as a reduction of a loss on valuation of inventories

(IC Chemicals)
- Earnings decreased mainly due to higher raw material costs ,despite the increase in sales volumes of high-purity isopropyl alcohol for electronic manufacturing.

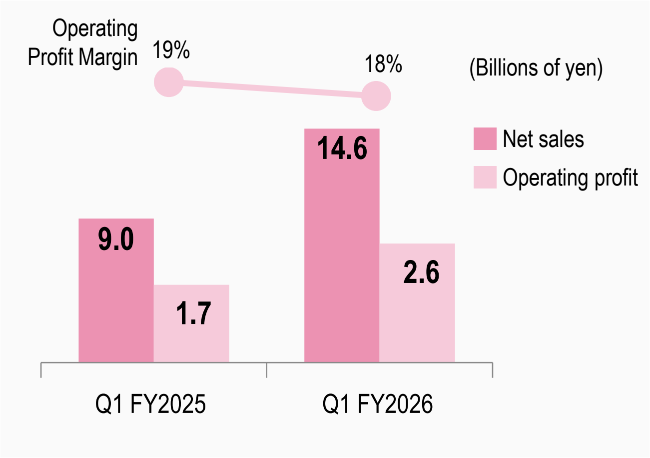
(Fumed silica)
- Earnings increased. This largely reflected robust sales volumes and successful efforts to reduce manufacturing costs at Tokuyama Chemicals (Zhejiang) Co., Ltd.

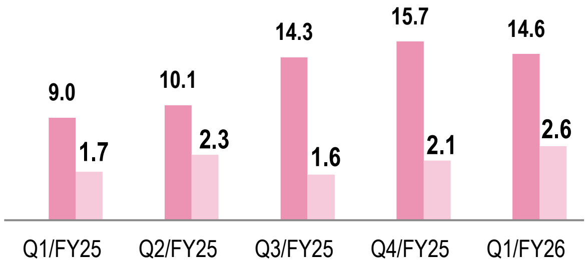
(Thermal management materials)
- Earnings increased owing to robust sales volumes of such applications used for semiconductor production equipment

Changes in Net Sales / Operating Profit by Business Segment

Life Science

Higher earnings on higher sales





Qualitative information

(Dental materials)

- Earnings earnings increased thanks to robust sales volumes and the impact of movements in foreign currency exchange rates as a result of the weak yen

(Diagnostic)

- Earnings increased mainly due to the inclusion of TLS Group in the Company's scope of consolidation

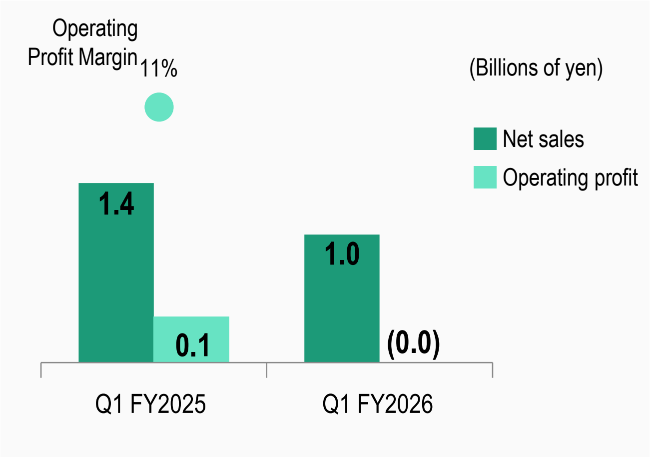
(APIs and intermediates)

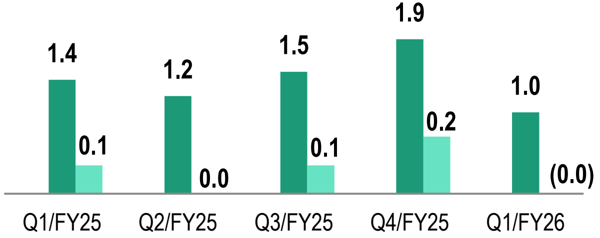
- Earnings increased owing mainly to a robust sales volume of generic pharmaceuticals

Changes in Net Sales / Operating Profit by Business Segment

Eco Business

Loss on lower sales





Qualitative information

(Ion exchange membranes)
- Earnings decreased owing to a weak in membrane and equipment shipments.

(Waste gypsum board recycling)
- Earnings improved, as a result of steady acceptance of waste gypsum board

CONTENTS

Key points of Performance Forecasts

Reason for announcing the performance forecasts

At the end of FY2025, visibility regarding olefin procurement, including volumes and prices, was extremely limited. However, as uncertainties surrounding the procurement environment have been alleviated to a certain extent, the Company determined that it was able to make reasonable estimates of the assumptions underlying its performance forecasts

- Assumptions of performance forecasts for fiscal 2026 are as follows;

Exchange rate	160 yen / USD
Domestic naphtha price	Q1 results : 116,500 yen / kℓ Q2-4 forecasts : 86,000 yen / kℓ

- Performance forecasts for fiscal 2026 excludes the impact of the transfer of the domestic sales business for cement and solidification agents

Business Environment

While the impact of the Middle East situation is unavoidable, we are securing earnings mainly in the Life Science and the Electronic & Advanced Materials segment

Segment	Business environment (Updates from the information disclosed for the fiscal year ending March 2026 are in blue)
Chemicals	・Weak domestic demand ・Weak PVC market conditions despite rising costs, due to inflows of lower-priced imported products ・Despite the procurement of such raw materials as ethylene returning to normal from the second quarter of 2026, domestic naphtha prices are projected to remain at high levels throughout fiscal 2026 ・Continued increases in manufacturing costs, logistics expenses, and other costs across a wide range of products, including soda ash and caustic soda
Cement	・Contracting domestic demand (30 million tons/year*) ・Higher coal prices ・Clearance of antitrust review for the transfer of the domestic sales business for cement and solidification agents. Establishment of a new company as the successor entity in the absorption-type company split on July 1, and execution of the absorption-type company split agreement between Tokuyama and the new company on July 24
Electronic & Advanced Materials	・While the semiconductor wafer market has entered a period of stagnation, the cutting-edge fields remains robust. Additionally, as technology advances, the number of manufacturing processes is increasing. ・General-purpose and legacy segments show a weak recovery, while Chinese manufacturers are gaining presence ・Uncertainties regarding procurement of propylene and other raw materials largely resolved, while raw material prices have risen (IPA)
Life Science	・Dental materials: Continued strength led by Europe and North America ・Diagnosis: Growth remains solid amid an aging population and rising prevalence of chronic diseases. Recovery in the Chinese IVDM market ・Contribution from newly launched products expected from the second half of the fiscal year

*Figures released by the Cement Association

Performance Forecasts (Year-on-year change)

(Billions of yen)

	FY2025 Results	**FY2026 Forecasts**	Changes		Main changing factors
			Amount	%	
Net sales	**349.4**	**392.0**	+42.5	+12	Inclusion of TLS Group in the company's scope of consolidation (+) Firm sales of semiconductor-related products (+)
Operating profit	**37.0**	**34.0**	(3.0)	(8)	Increase in costs including raw material and fuel prices (-)
Ordinary profit	**38.2**	**34.0**	(4.2)	(11)	Decrease in operating profit (-)
Profit attributable to owners of parent	**22.2**	**26.0**	+3.7	+17	Improvement in Extraordinary income and losses (+)
Basic earnings per share (yen)	308.66	361.38	-	-	-
Exchange rate (yen/USD)	151	160	-	-	
Domestic naphtha price (yen/kl)	65,300	Q1 results：116,500 Q2-4 forecasts：86,000	-	-	

Performance Forecasts by Business Segment (Year-on-year change)

(Billions of yen)

	FY2025 Results		FY2026 Forecasts		Changes			
	Net sales	Operating profit	**Net sales**	**Operating profit**	Net sales	%	Operating profit	%
Chemicals	106.2	9.7	**120.0**	**10.0**	+13.7	+13	+0.2	+3
Cement	66.8	9.5	**67.0**	**7.0**	+0.1	+0	(2.5)	(27)
Electronic & Advanced Materials	91.6	15.6	**106.5**	**16.0**	+14.8	+16	+0.3	+2
Life Science	49.3	7.8	**63.0**	**11.5**	+13.6	+28	+3.6	+46
Eco Business	6.1	0.6	**6.5**	**0.5**	+0.3	+6	(0.1)	(24)
Others	41.7	2.0	**42.0**	**1.5**	+0.2	+1	(0.5)	(26)
Total	362.0	45.4	**405.0**	**46.5**	+42.9	+12	+1.0	+2
Inter-segment eliminations and corporate-wide expenses	(12.5)	(8.4)	**(13.0)**	**12.5**	(0.4)	-	(4.0)	-
Consolidated Results	349.4	37.0	**392.0**	**34.0**	+42.5	+12	(3.0)	(8)

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

Dividend Forecasts

Policy: Maintain stable and sustainable dividend payments, targeting a DOE of 4% by FY2030

Dividend forecasts for FY2026: Interim dividend of ¥60 per share and year-end dividend of ¥72 per share

Fiscal Year	2021	2022	2023	2024	2025	2026 Forecast
Interim Dividend (Yen)	35.0	35.0	35.0	50.0	60.0	(60.0)
Year-end Dividend (Yen)	35.0	35.0	45.0	50.0	60.0	(72.0)
Payout ratio (%)	18.0	53.8	32.4	30.8	38.9	(36.5)
DOE* (%)	2.4	2.3	2.5	2.9	3.3	(3.4)

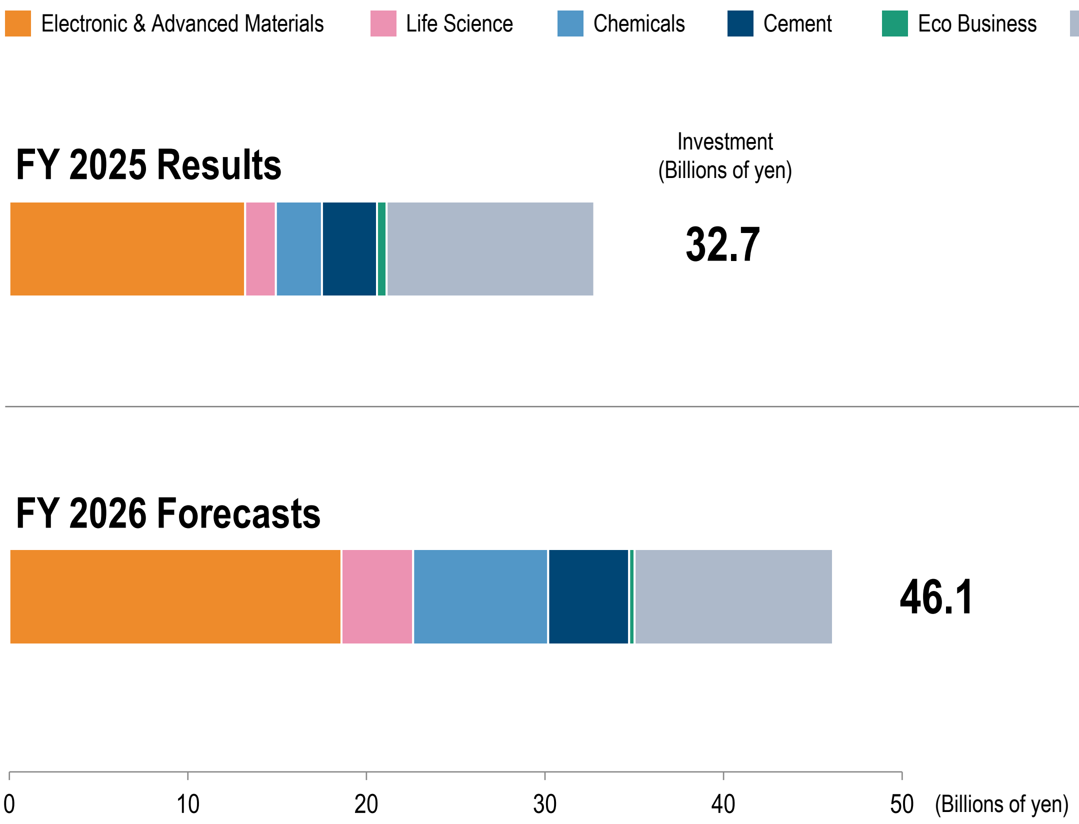
*Figure at the end of the fiscal year

Investment Plan

(Billions of yen)

	FY2025 Results	FY2026 Forecasts	Changes
Capital expenditures	32.7	46.1	+13.3
Depreciation and amortization	20.9	23.8	+2.9
R&D expenses	17.7	21.3	+3.6

Investment Plan



Major Growth Investments

- Construction of the factory in Vietnam for polycrystalline silicon
- Construction of the new recycling facility in FTAC for high-purity IPA
- Production facilities for aluminum nitride filler

<Ongoing projects>

- Construction of the factory in Vietnam for polycrystalline silicon
- Construction of the new recycling facility in FTAC for high-purity IPA

<New projects>

- Construction of a Second Plant at FTAC for high-purity IPA
- Fuel conversion in the production of sodium silicate cullet

For the People of Tomorrow

TOKUYAMA

Appendix

Consolidated Financial Statements Income Statements

(Billions of yen)

	Q1 FY2025	Q1 FY2026	Changes	
			Amount	%
Net sales	**81.8**	**85.6**	**+3.8**	**+5**
Cost of sales	53.8	55.6	(1.8)	(3)
Selling, general and administrative expenses	20.0	23.8	(3.7)	(19)
Operating profit	**7.8**	**6.0**	**(1.8)**	**(23)**
Non-operating income/expenses	(0.2)	0.6	+0.9	-
Ordinary profit	**7.6**	**6.7**	**(0.8)**	**(12)**
Extraordinary income/losses	0.0	0.6	+0.5	+748
Profit/loss before income taxes	**7.6**	**7.3**	**(0.3)**	**(5)**
Income taxes	2.6	2.0	+0.5	+21
Non-controlling interests	0.1	0.0	+0.1	+74
Profit attributable to owners of parent	**4.9**	**5.2**	**+0.2**	**+6**

(Note) Regarding changes, income or profit is shown as positive and expenses or losses are shown as negative amount

Consolidated Financial Statements Balance Sheets

(Billions of yen)

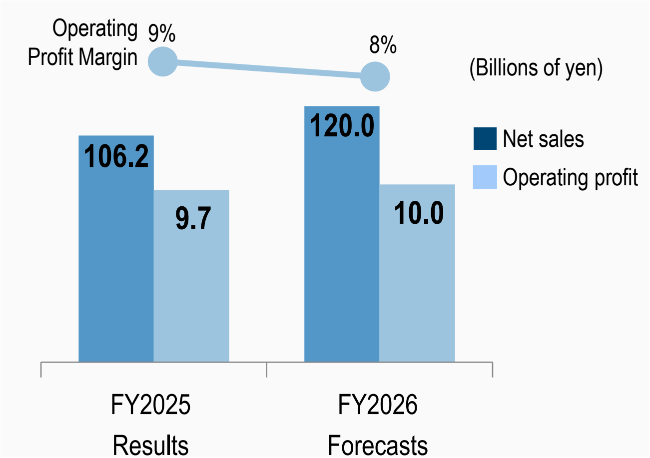
	As of Mar 31,2026	As of Jun 30,2026	Changes	
			Amount	%
Total assets	**569.6**	**577.9**	**+8.2**	**+1**
Current assets	212.0	215.8	+3.7	+2
Tangible fixed assets	190.2	192.8	+2.5	+1
Intangible fixed assets	75.5	75.0	(0.5)	(0)
Investments and other assets	91.7	94.2	+2.5	+3

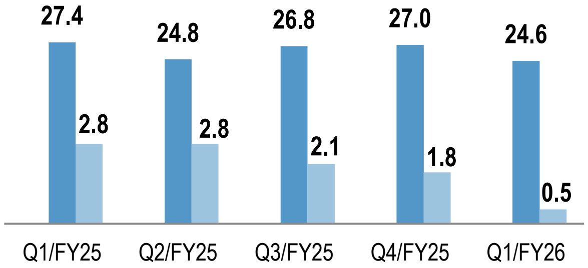
	As of Mar 31,2026	As of Jun 30,2026	Changes	
			Amount	%
Total liabilities	**271.8**	**275.9**	**+4.1**	**+2**
Current liabilities	121.4	124.1	+2.6	+2
Long-term liabilities	150.3	151.8	+1.4	+1
Total net assets	297.8	**301.9**	**+4.1**	**+1**

Performance Forecasts by Business Segment

Chemicals

Higher earnings on higher sales





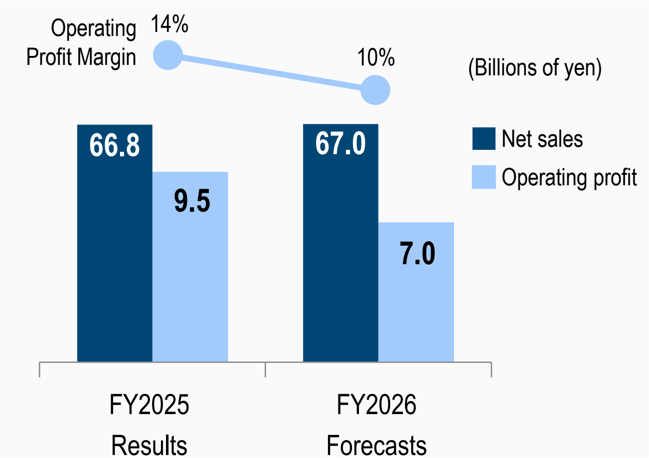
Qualitative information

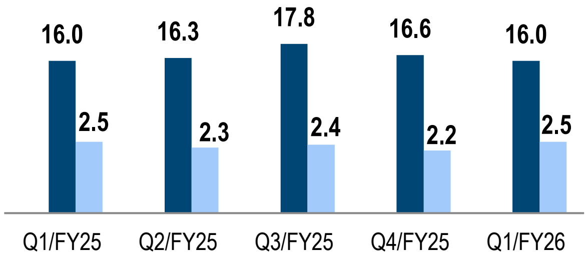
- The business environment expected to remain difficult from a profitability perspective, in light of such factors as trends in raw material and fuel prices, as well as overseas market conditions for the Company's major products
- Under these circumstances, Tokuyama will work diligently to secure earnings in the Chemicals segment by strengthening competitiveness through reductions in manufacturing costs and implementing measures that address changes in the business environment

Performance Forecasts by Business Segment

Cement

Lower earnings on higher sales





Qualitative information

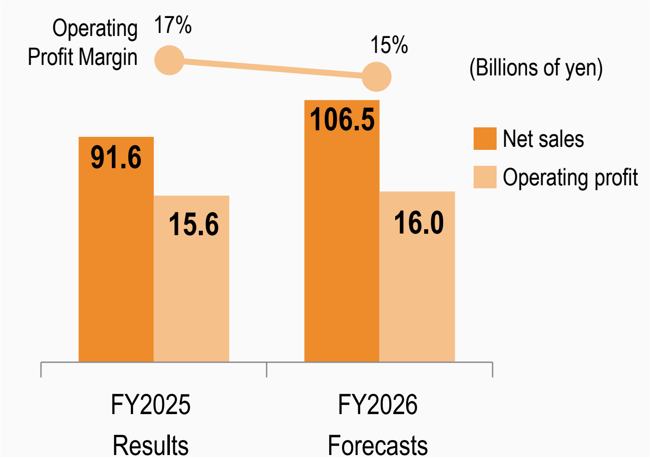
- In light of changes in the business environment, resolved to transfer the domestic sales business for cement and solidification agents; prioritizing efforts aimed at minimizing the impact on the supply chain while moving forward with preparations for closing on October 1, 2026

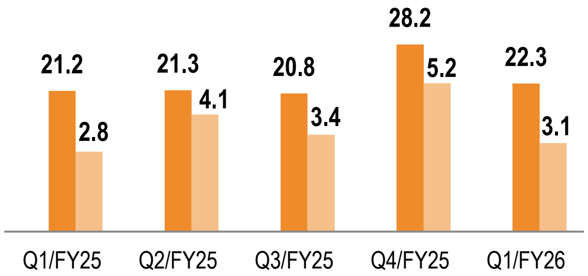
*Forecast data for fiscal 2026 excludes the impact of the transfer of the domestic sales business for cement and solidification agents

Performance Forecasts by Business Segment

Electronic & Advanced Materials

Higher earnings on higher sales





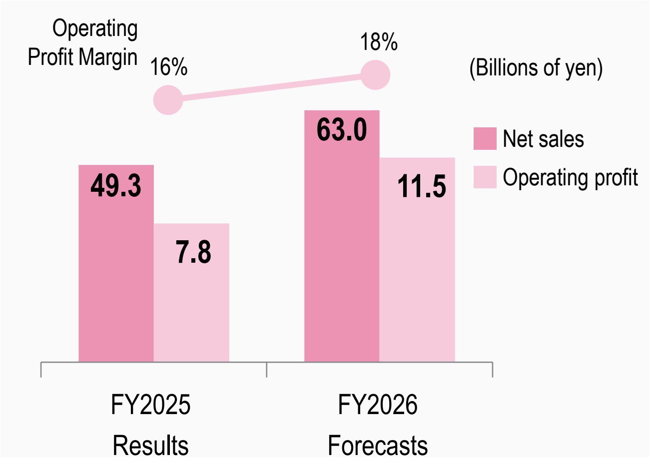
Qualitative information

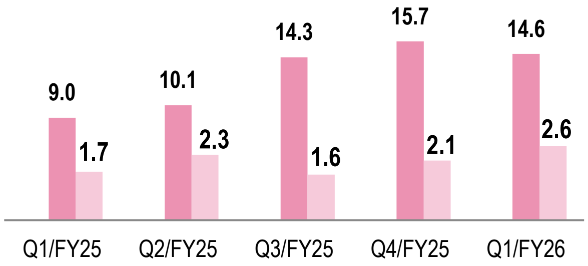
- Despite a full-scale recovery in the general-purpose segment taking a certain amount of time, the semiconductor market is expected to experience growing demand over the medium to long term, driven by such factors as the boom in AI data centers
- Further enhance the Group's significance in cutting-edge fields by strengthening its global network and working to differentiate itself through quality

Performance Forecasts by Business Segment

Life Science

Higher earnings on higher sales





Qualitative information

(Dental materials / Plastic lens-related materials)

- Earnings earnings increased thanks to robust sales volumes and the impact of movements in foreign currency exchange rates as a result of the weak yen

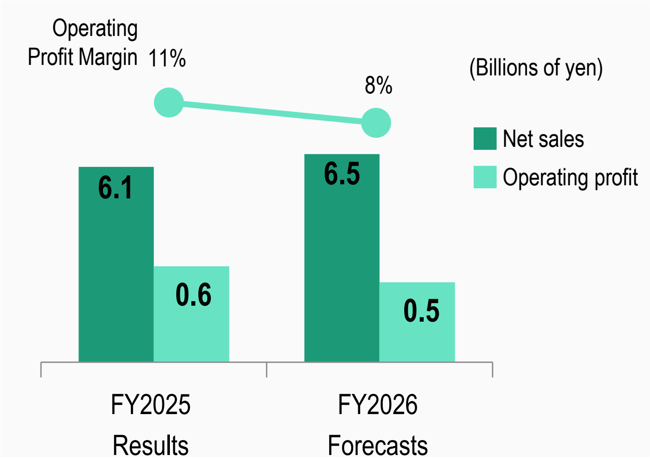
(Diagnostic)

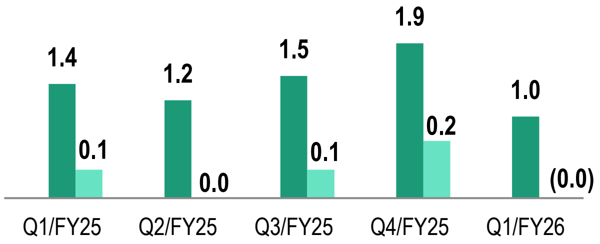
- In addition to expanding earnings following the inclusion of TLS Group in the Company’s scope of consolidation from the second half of fiscal 2025, promote in vitro diagnostic reagents

Performance Forecasts by Business Segment

Eco Business

Lower earnings on higher sales



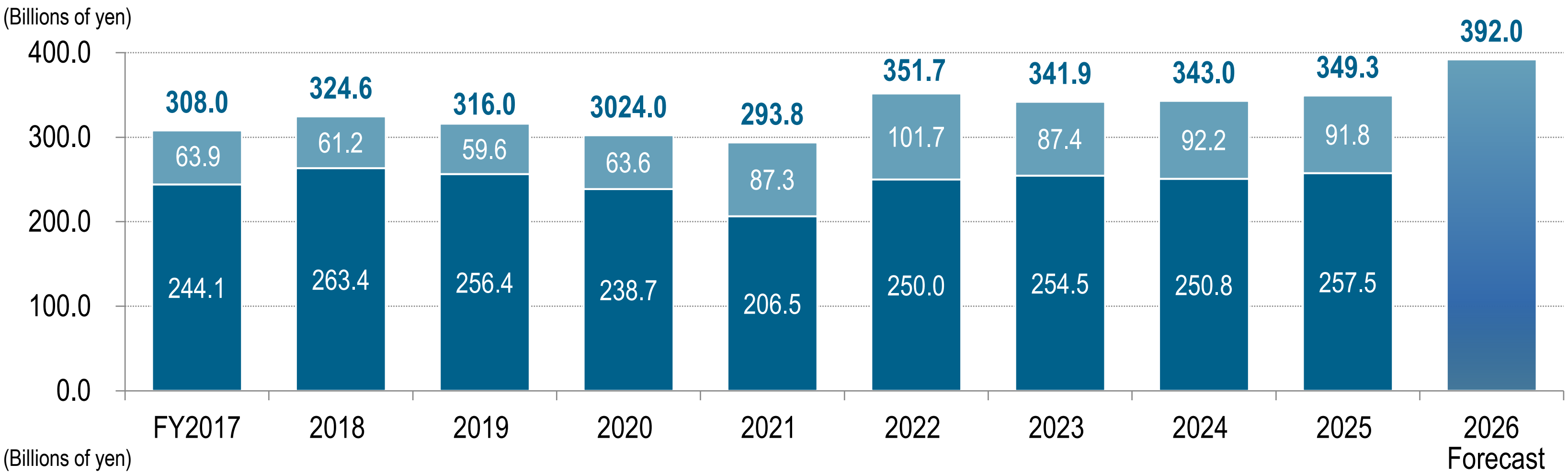


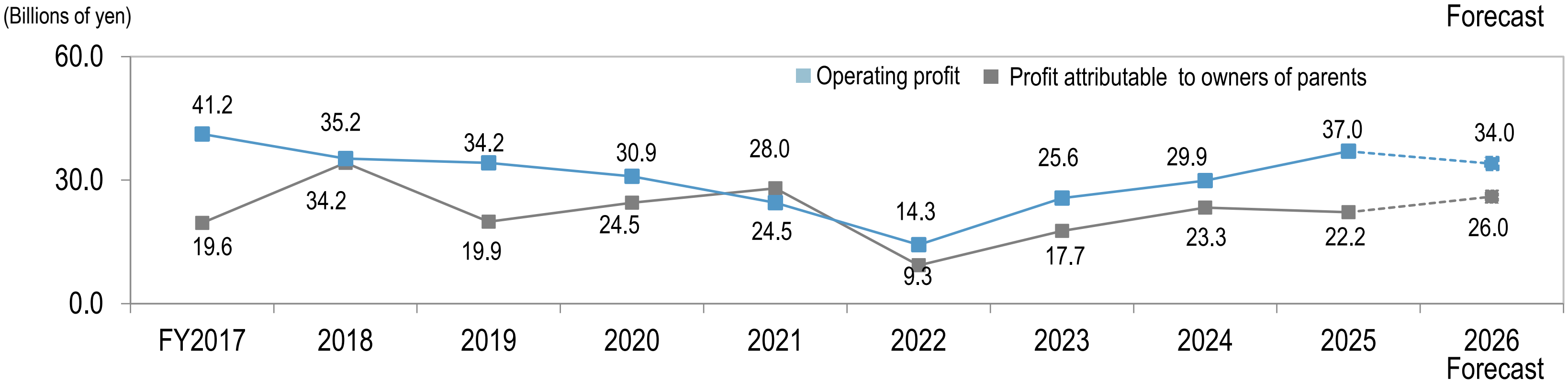
Qualitative information

- We will accelerate the expansion of existing businesses, such as ion-exchange membranes and waste gypsum board recycling, that contribute to the realization of a sustainable society
- Building on a distinctive technology platform toward the Tokuyama Group's next pillar of growth

Performance Trend

Net sales





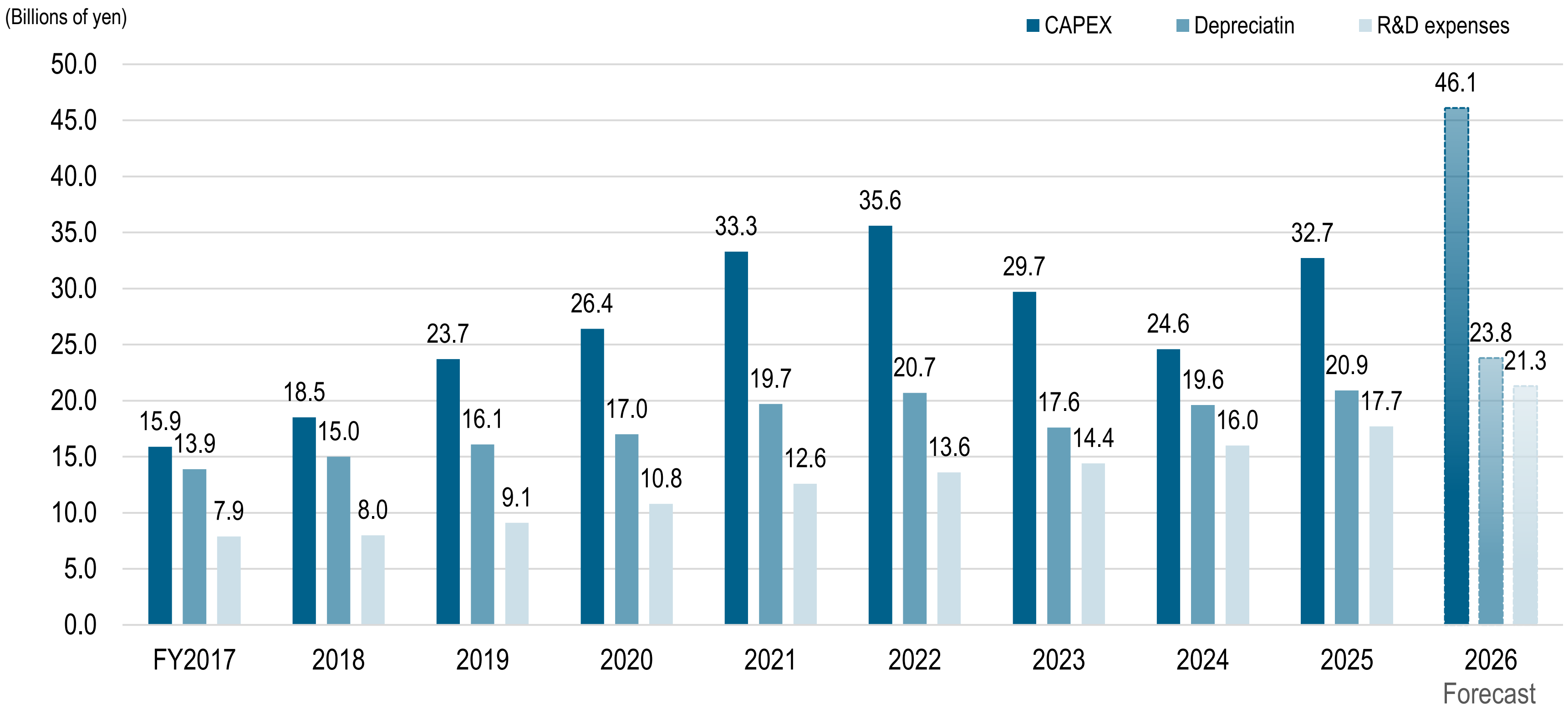
Performance Trend by Business Segment

(Billions of yen)

Net sales	FY2025				FY2026
	Q1	Q2	Q3	Q4	Q1
Consolidated Results	81.8	81.9	87.7	97.9	85.6
Chemicals	27.4	24.8	26.8	27.0	24.6
Cement	16.0	16.3	17.8	16.6	16.0
Electronic & Advanced Materials	21.2	21.3	20.8	28.2	22.3
Life Science	9.0	10.1	14.3	15.7	14.6
Eco Business	1.4	1.2	1.5	1.9	1.0

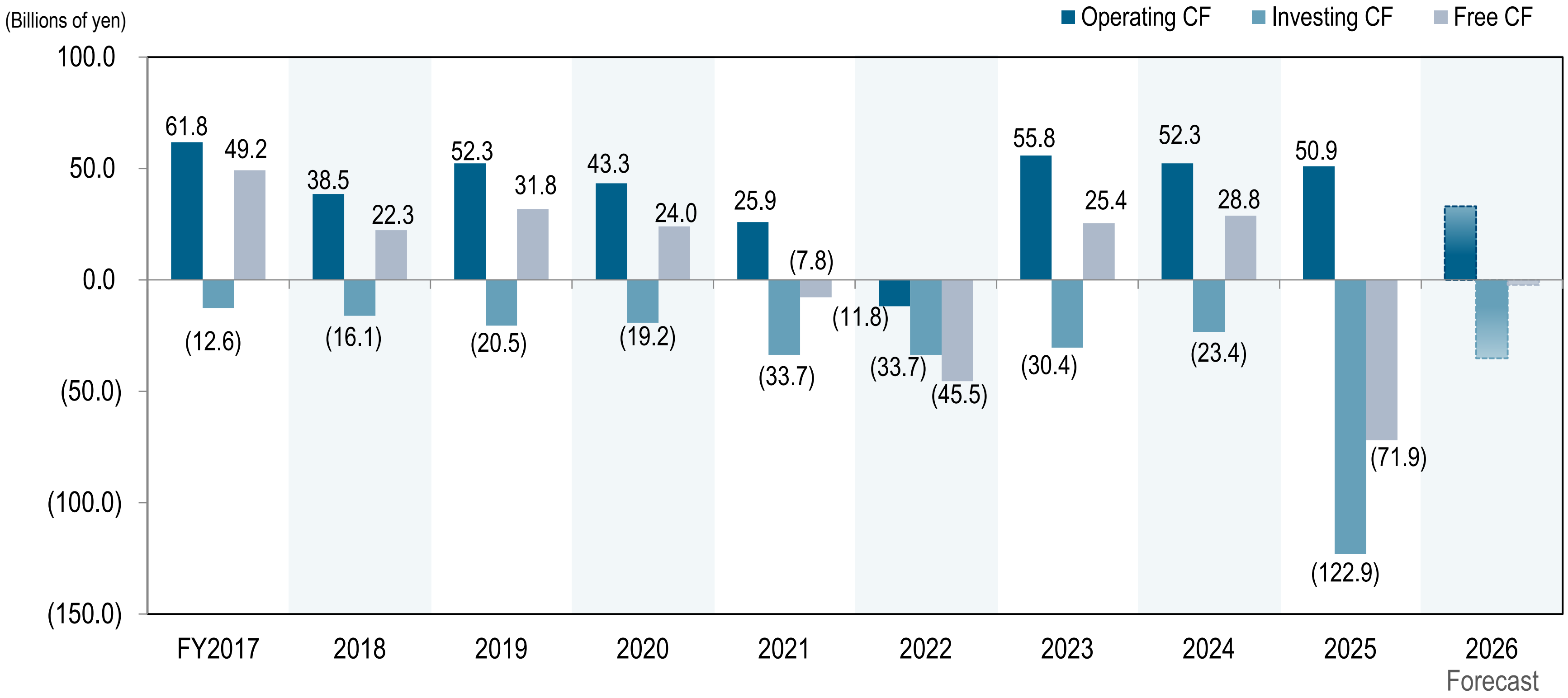
Operating profit	FY2025				FY2026
	Q1	Q2	Q3	Q4	Q1
Consolidated Results	7.8	11.2	5.5	12.3	6.0
Chemicals	2.8	2.8	2.1	1.8	0.5
Cement	2.5	2.3	2.4	2.2	2.5
Electronic & Advanced Materials	2.8	4.1	3.4	5.2	3.1
Life Science	1.7	2.3	1.6	2.1	2.6
Eco Business	0.1	0.0	0.1	0.2	(0.0)

CAPEX, Depreciation and R&D Expenses Trend



*The depreciation method for property, plant and equipment was changed from the declining balance method to the straight-line method from fiscal year 2023

Cash Flow Trend



*Forecast data for fiscal 2026 excludes the impact of the transfer of the domestic sales business for cement and solidification agents

For the People of Tomorrow

TOKUYAMA

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