

# Financial and Non-Financial Highlights

## Financial Analysis of FY2023

In FY2023, sales decreased from the previous year due to the sluggish semiconductor market and the exclusion of Excel Shanon Corporation from the scope of consolidation. Meanwhile, operating profit increased due to domestic sales price adjustments for cement and chemical products and improved manufacturing costs, and profit attributable to owners of parent increased accordingly, resulting in an improvement in ROE.

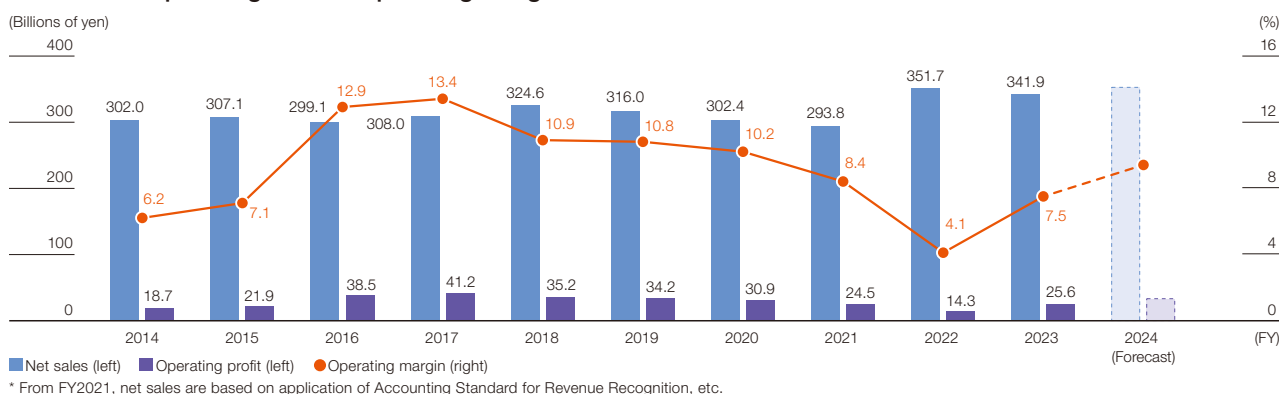
In FY2024, we anticipate that the semiconductor market will enter a recovery phase, and we expect increased revenue and improved earnings, based on factors such as

the ongoing improvement in manufacturing costs. In addition, we expect an increase in expenses associated with capital investment and research and development expenses in order to achieve the goals of Medium-Term Management Plan 2025.

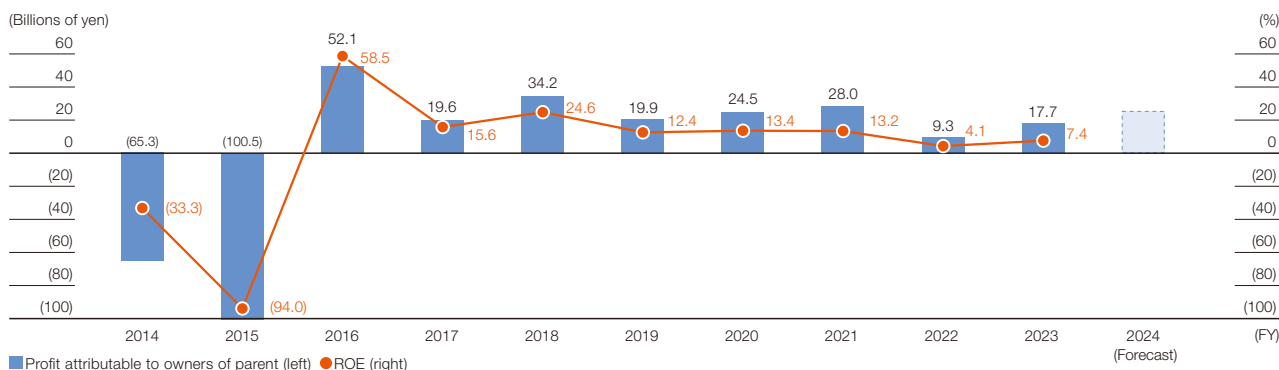
For dividends in FY2024 and beyond, we will target a dividend on equity (DOE) ratio of 3% and a payout ratio of 30% or more. In FY2023, we increased the annual dividend by ¥10 per share compared to the previous year. In FY2024 as well, we plan to increase the annual dividend by ¥20 per share compared to the previous year.

## Financial Highlights

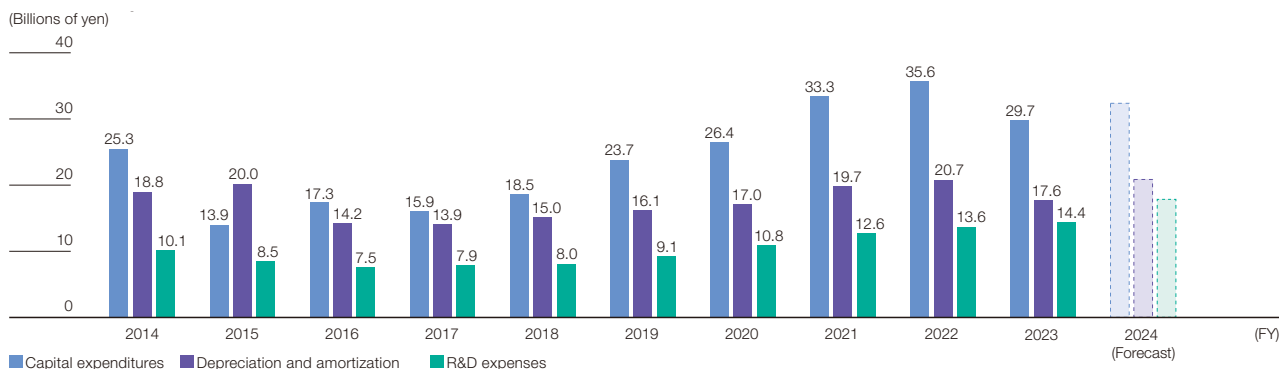
### Net Sales / Operating Profit / Operating Margin



### Profit Attributable to Owners of Parent / ROE

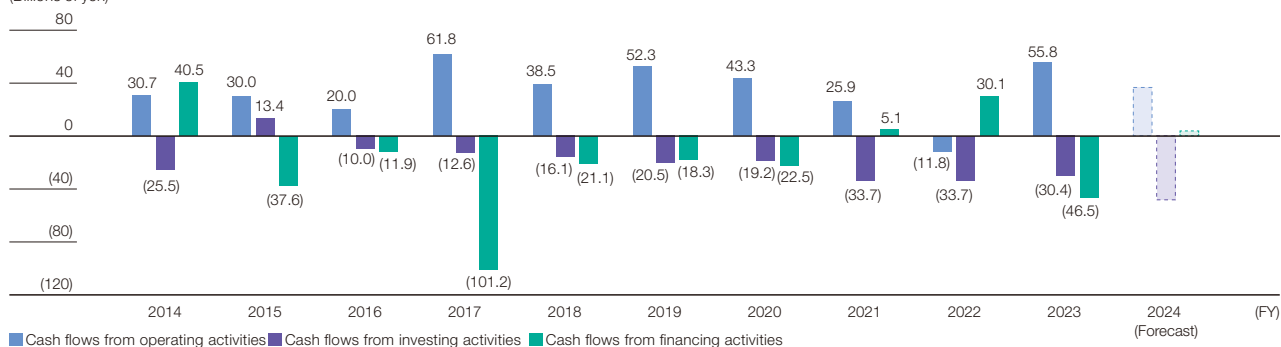


### Capital Expenditures / Depreciation and Amortization / R&D Expenses



## Cash Flows

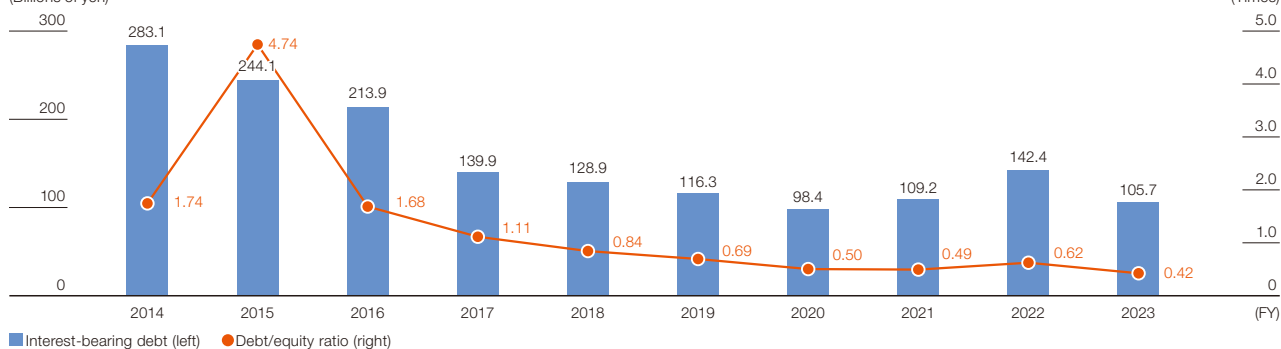
(Billions of yen)



## Interest-Bearing Debt and Debt/Equity Ratio

(Billions of yen)

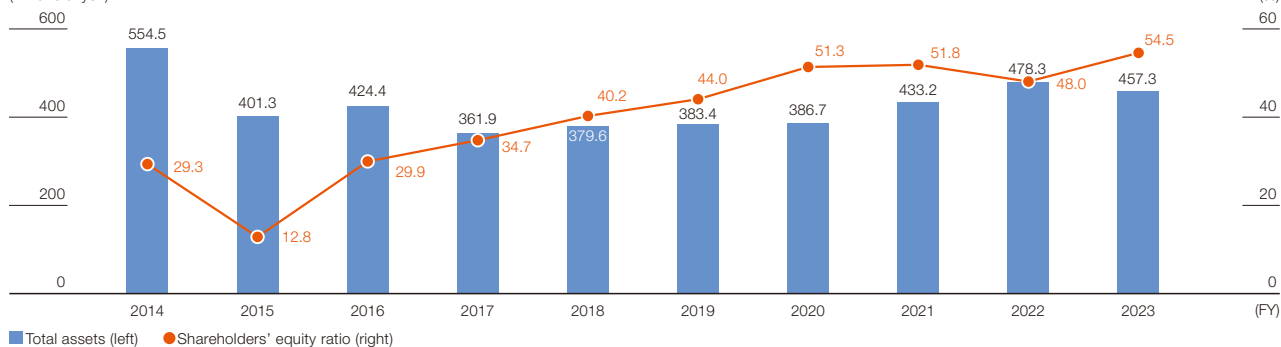
(Times)



## Total Assets / Shareholders' Equity Ratio

(Billions of yen)

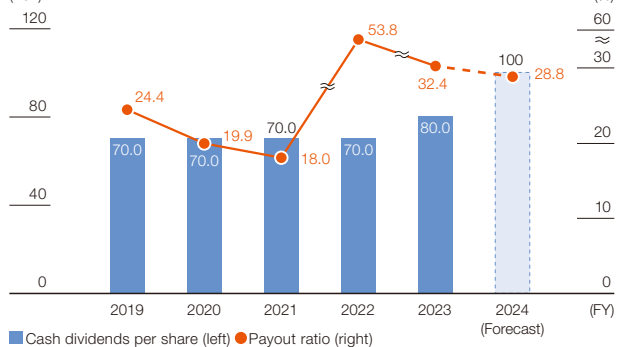
(%)



## Cash Dividends per Share / Payout Ratio

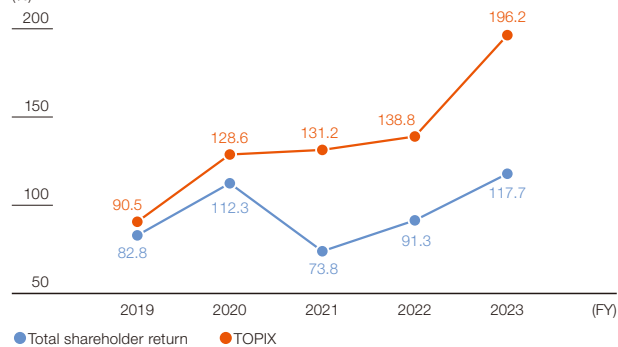
(Yen)

(%)



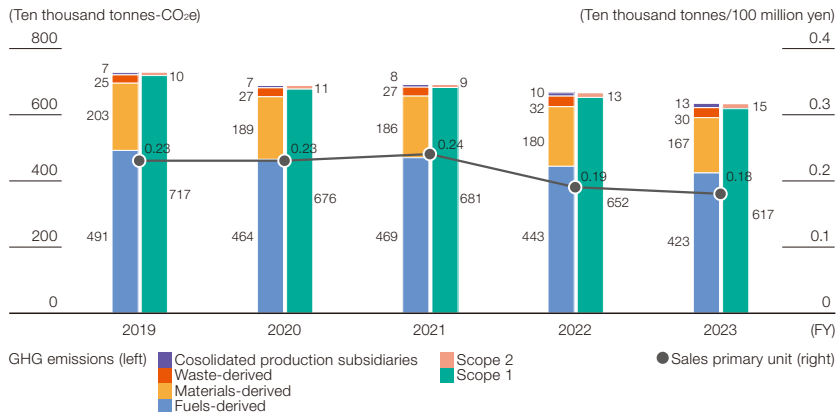
## Total Shareholder Return (TSR)

(%)



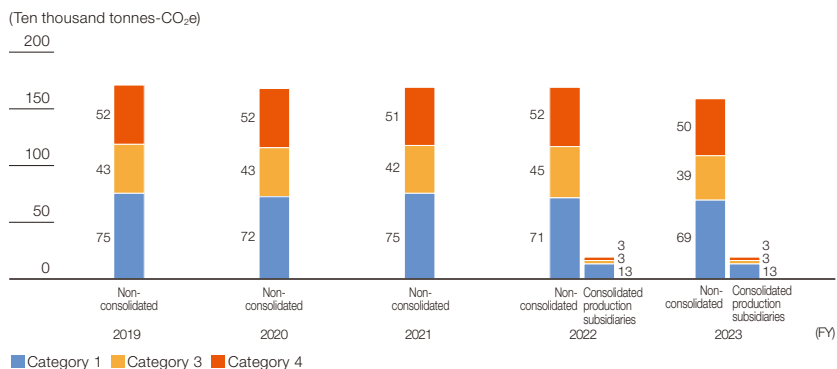
## Non-Financial Highlights

### GHG Emissions (Scope 1 and 2)



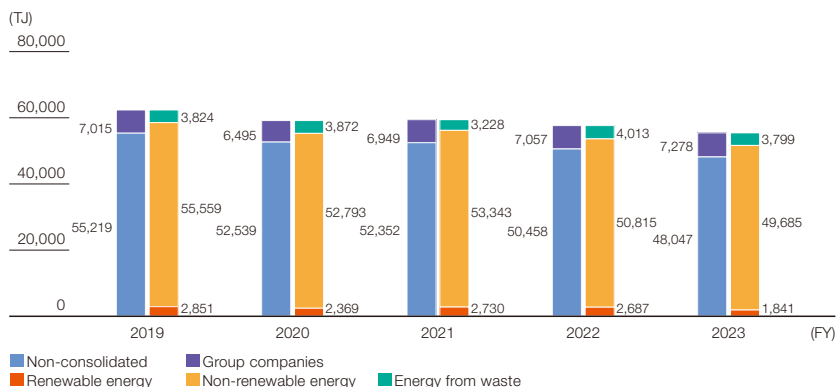
We recognize that the mitigation of global warming is one of the most critical issues today and are working hard to curb greenhouse gas (GHG) emissions. GHG emissions are the total emissions of gases such as CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O; of these, CO<sub>2</sub> emissions account for approximately 99.8% of the volume of emissions. GHGs are generated mainly by the combustion of fossil fuels in captive power plants, as well as by the decarboxylation of limestone (raw material) in the cement manufacturing process. GHG emissions in FY2023 were 6,320 thousand tonnes-CO<sub>2</sub>e.

### Supply Chain Emissions (Scope 3)



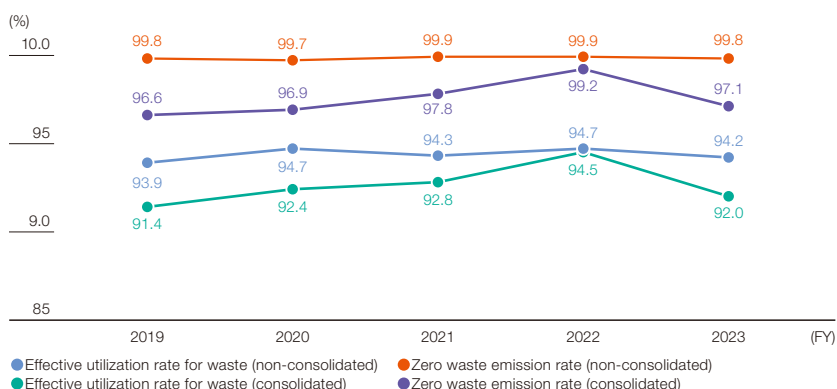
Tokuyama has set new emission reduction targets for Scope 3 this year in order to challenge the achievement of carbon neutrality across the entire supply chain. Since categories 1, 3, and 4 account for more than 90% of Tokuyama's Scope 3 emissions, we aim to achieve a 10% reduction by FY2030 (compared to FY2022) relative to the total amount of these categories. The total amount for categories 1, 3, and 4 of Scope 3 in FY2023 was 1.77 million tonnes-CO<sub>2</sub>e.

### Energy Usage



We encourage energy conservation as a way to mitigate global warming. Through process improvements and equipment upgrades, etc., we are promoting the use of less electric power and steam in production, and we are encouraging the further adoption of renewable energy. In FY2023, the percentage of renewable energy use throughout the entire Group was approximately 3.3%.

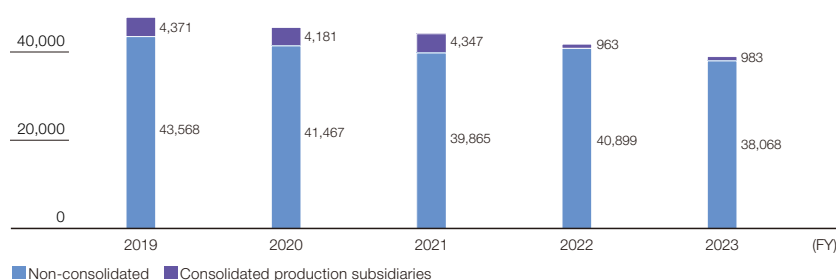
### Effective Utilization Rate for Waste / Zero Waste Emission Rate



The effective utilization rate for waste and the zero waste emission rate remained high in FY2023 due to efforts to reduce the volume of waste and comprehensive recycling efforts. As a result of actively promoting the recycling of waste generated both internally and externally, with a focus on the reuse of waste as feedstock for cement and thermal energy alternatives at the Tokuyama Factory, the effective utilization rate for waste was 92.0% and the zero waste emission rate was 97.1%. The Tokuyama Group, including consolidated subsidiaries, will make further efforts to achieve the targets of an effective utilization rate for waste of 94% or higher and a zero waste emission rate of 99% or higher.

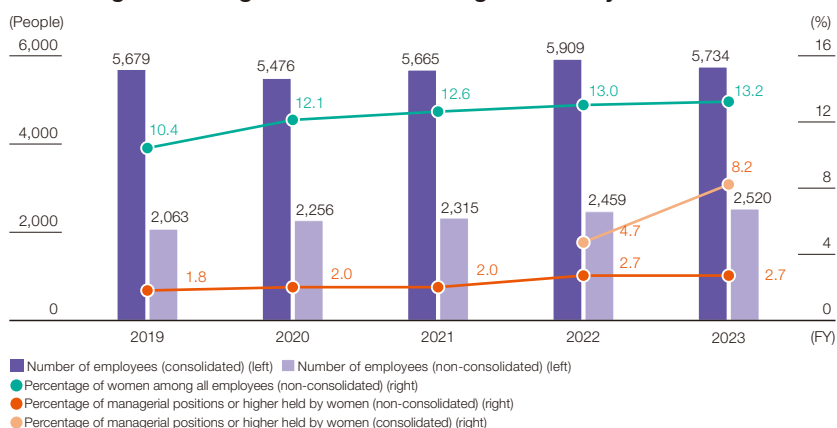
## Water Consumption (Water Intake Excluding Seawater)

(Thousand m<sup>3</sup>)  
60,000



We are striving to conserve water consumption (water intake excluding seawater) with the goal of not exceeding the amount used in FY2019. For industrial water used for cooling water and process water, we check the water storage capacity of the dams we use every day, and set and manage the water conservation rate in accordance with the water storage rate. Water consumption in FY2023 was 39,051 m<sup>3</sup> thousand, an 18.5% decrease compared to FY2019.

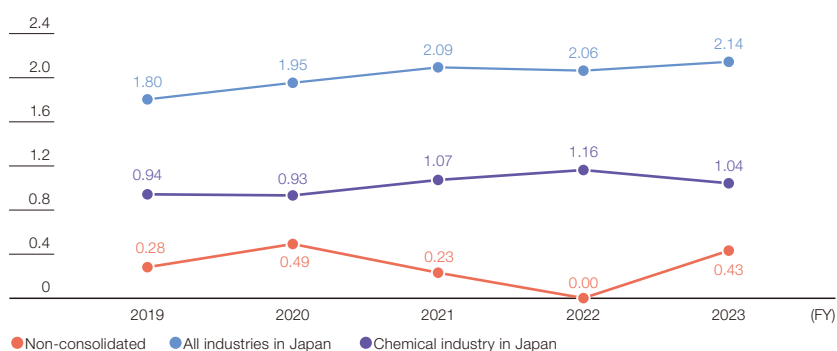
## Number of Employees / Percentage of Women among All Employees / Percentage of Managerial Positions or Higher Held by Women



Tokuyama has “responding to diversity of values and ensuring fairness” as one of the strategic axes in its Human Resources Strategy, and for this reason promotes diversity by utilizing the varied values and perspectives of every employee in corporate activities. We have set a target of at least women with a bachelor's degree or higher accounting for 20% or more\* of new graduate hires every year, are promoting the hiring of female employees, and have also set a target of increasing the percentage of managerial positions or higher held by women to at least 15% by FY2030. The percentage of managerial positions or higher held by women gradually increased to 8.2% in FY2023, and we will continue our efforts to promote diversity in order to achieve our target.

\* Non-consolidated and domestic consolidated subsidiaries

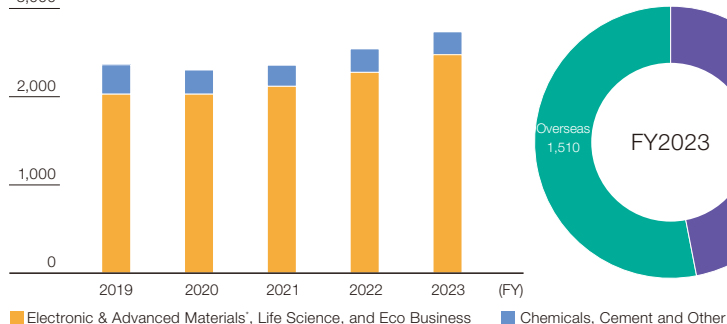
## Accident Frequency Rates



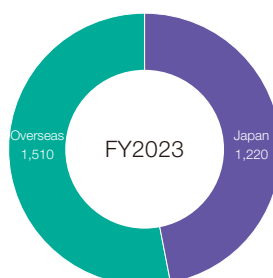
One of our safety management goals is to achieve zero accidents and lost time injuries, and we are working to identify and eliminate risk factors, as well as to understand and recognize the behavioral characteristics of each individual in order to eliminate unsafe behavior. However, the accident frequency rate increased in FY2023 due to the occurrence of two employee lost time injuries. We will continue our efforts aimed at zero lost time injuries.

## Number of Patents Held

(Patents)  
3,000



\* On April 1, 2023, the name was changed to Electronic & Advanced Materials



Toward realizing the transformation of our business portfolio, we are concentrating R&D investment in the Electronic & Advanced Materials, Life Science and Eco Business, which we have positioned as growth businesses, and are acquiring and protecting intellectual property rights for the results of these activities in preparation for commercialization. As a result, the number of patents held in these three businesses has increased. At the same time, the number of patents held outside of Japan increased with a view to global business expansion.

# Corporate Data (as of March 31, 2024)

## Company Overview

Corporate name	Tokuyama Corporation
Established	February 16, 1918
Industry	Chemical manufacturing
Location	<b>Tokyo Head Office</b> Front Place Akihabara 7-5 Sotokanda 1-chome, Chiyoda-ku, Tokyo 101-8618, Japan TEL. +81-3-5207-2500 FAX. +81-3-5207-2580  <b>Tokuyama Factory (Registered Address)</b> 1-1 Mikage-cho, Shunan-shi, Yamaguchi, 745-8648, Japan TEL. +81-834-34-2000 FAX. +81-834-33-3790
Capital	¥10,000 million
Number of employees	5,734 (consolidated basis; 772 working overseas) 2,520 (non-consolidated)
Consolidated subsidiaries	50

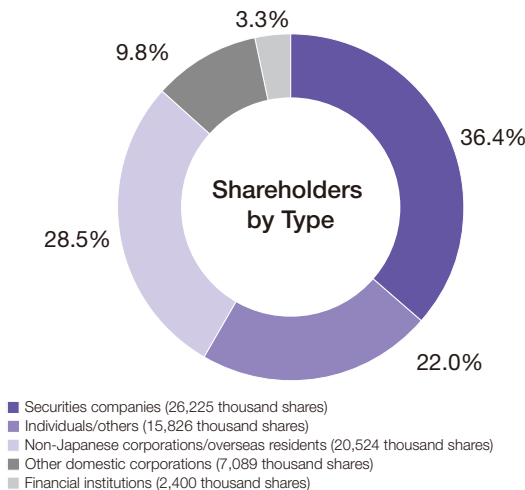
## Stock Information

Total number of shares authorized to be issued	200,000,000 common shares
Number of shares issued	72,065,859 common shares (excluding 22,468 treasury shares)
Stock exchange listing	Tokyo Stock Exchange Prime Market
Securities code	4043
Number of shareholders	Common shares: 28,345 shareholders
Fiscal year	From April 1 to March 31

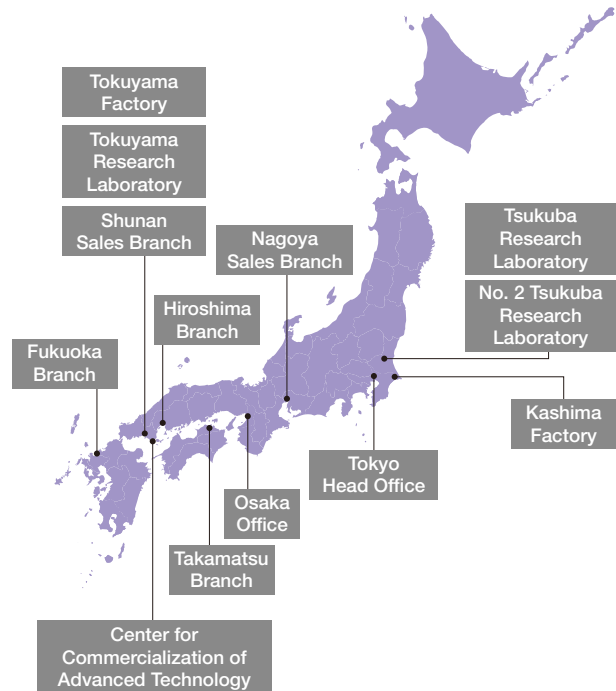
## Dividend Policy

Dividends will be paid to the shareholders stated in the final version of the register of shareholders on March 31 and September 30. As far as the distribution of profits is concerned, Tokuyama's basic policy is to ensure the continuous and stable payment of dividends to shareholders. In carrying out this policy, we take into consideration performance trends, the dividend payout ratio, and the roadmap established under the medium- to long-term business plan.

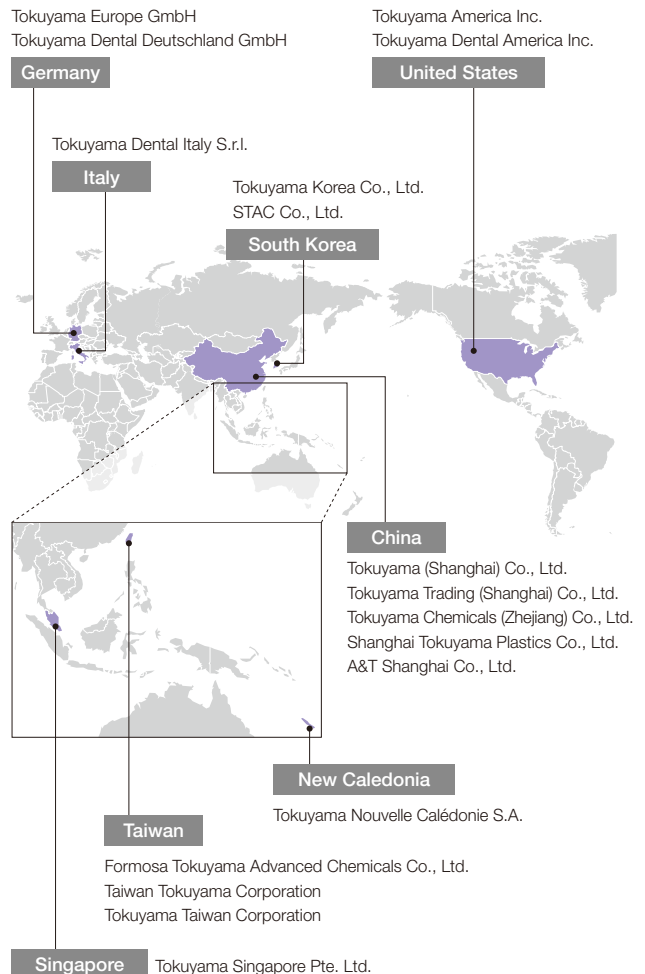
## Shareholders by Type



## Tokuyama Corporation Business Sites in Japan



## Consolidated Subsidiaries Overseas



## Consolidated Subsidiaries

### Electronic & Advanced Materials

#### Tokuyama Chemicals (Zhejiang) Co., Ltd.<sup>1</sup>

Manufacture and sale of fumed silica, high-purity chlorosilane, high-purity chemicals for electronics manufacturing

#### Formosa Tokuyama Advanced Chemicals Co., Ltd.<sup>1</sup>

Manufacture and sale of high-purity IPA for electronics manufacturing

#### Taiwan Tokuyama Corporation

Manufacture and sale of high-purity chemicals for electronics manufacturing

#### STAC Co., Ltd.

Manufacture and sale of high-purity IPA for electronics manufacturing

#### Tokuyama-Dowa Power Materials Co., Ltd.

Manufacture and sale of aluminum nitride substrates

### Life Science

#### Shanghai Tokuyama Plastics Co., Ltd.<sup>1</sup>

Manufacture and sale of microporous film

#### Tokuyama Dental Corporation

Manufacture and sale of dental materials and equipment

#### Tokuyama Dental America Inc.

Sale of dental materials and equipment

#### Tokuyama Dental Deutschland GmbH

Sale of dental materials and equipment

#### Tokuyama Dental Italy S.r.l.

Sale of dental materials and equipment

#### A&T Corporation

Manufacture and sale of diagnostic reagents, analyzers and systems

#### A&T Shanghai Co., Ltd.

Sale of diagnostic reagents, analyzers and systems

#### ASM Inc.

Development, manufacture and sale of polyrotaxane-related products

One other company

### Eco Business

#### ASTOM Corporation

Manufacture, sale and maintenance of ion-exchange membranes and related equipment

#### Tokuyama Chiyoda Gypsum Co., Ltd.

Collection of waste gypsum board, manufacture and sale of gypsum dihydrate, operation of waste gypsum board recycling business

#### FL Tokuyama Corporation

Sale of plaster sheets and items made from plaster sheets

### Chemicals

#### Shin Dai-ichi Vinyl Corporation<sup>1,2</sup>

Manufacture and sale of PVC resin

#### Tokuyama Soda Trading Co., Ltd.

Stocking and sale of soda ash and calcium chloride

#### Sun Arrow Kasei Co., Ltd.

Manufacture and sale of PVC resin compounds

### Cement

#### Tokuyama Nouvelle Calédonie S.A.

Manufacture and sale of cement

#### Tokuyama MTech Corporation

Manufacture and sale of building materials and chemical products

#### Tokuyama Tsusho Trading Co., Ltd.

Stocking and sale of cement and ready-mixed concrete

#### Tokuyama Art Block LABO Co., Ltd.

Manufacture and sale of interlocking blocks

#### Tokyo Tokuyama Concrete Co., Ltd.

Manufacture and sale of ready-mixed concrete and concrete products

#### Kawasaki Tokuyama Ready Mixed Concrete Co., Ltd.

Manufacture and sale of ready-mixed concrete

#### Chugoku Ready Mixed Concrete Co., Ltd.

Manufacture and sale of ready-mixed concrete

#### Hiroshima Tokuyama Ready Mixed Concrete Co., Ltd.

Manufacture and sale of ready-mixed concrete

#### Seibu Tokuyama Ready Mixed Concrete Co., Ltd.

Manufacture and sale of ready-mixed concrete

#### Shirokawa Co., Ltd.

Manufacture and sale of ready-mixed concrete

#### Kagawa Tokuyama Co., Ltd.

Sale of cement and construction materials, manufacture and sale of ready-mixed concrete

#### Kyushu Tokuyama Ready Mixed Concrete Co., Ltd.

Manufacture and sale of ready-mixed concrete

#### Toyomi Co., Ltd.

Manufacture and sale of ready-mixed concrete

#### Notsuharu Co., Ltd.

Manufacture and sale of ready-mixed concrete

### Other

#### Tokuyama (Shanghai) Co., Ltd.

Management company to provide services for other group companies in China

#### Tokuyama Trading (Shanghai) Co., Ltd.

Sale of Tokuyama Group products

#### Tokuyama Taiwan Corporation

Marketing and R&D of growth businesses

#### Tokuyama Korea Co., Ltd.

Sale of Tokuyama Group products

#### Tokuyama Singapore Pte. Ltd.

Manufacture and sale of high-purity chemicals for electronics manufacturing  
Sale of Tokuyama Group products

#### Tokuyama America Inc.

Sale of Tokuyama Group products

#### Tokuyama Europe GmbH

Sale of Tokuyama Group products

#### Shunan System Sangyo Co., Ltd.

Civil engineering, construction work and planning; on-site contracted factory work; stocking and sale of construction materials

#### Shunan Swimming Club Co., Ltd.

Operation of health promotion facilities including swimming and fitness clubs

#### Tokuyama Kairiku Unso K.K.

Shipping, transportation and warehousing

#### Kyoeiseikiyu Corporation

Petroleum-related business

#### Yamaguchi Kisen Corporation

Marine transportation

#### Shunan Bulk Terminal Co., Ltd.

Warehouse operations for bulk cargoes of coal, etc.

#### Tomitec Co., Ltd.

Manufacture of household dehumidifiers and molding of synthetic resin products

#### Super Nano Design Co., Ltd.

Design, manufacture and sale of nanomaterials

#### Tokuyama You You Farm Co., Ltd.

Cultivation of leaf lettuce

1. Specified subsidiary

2. Absorbed by Tokuyama Corporation on April 1, 2024

Note: Excel Shanon Corporation became an equity-method affiliate on July 3, 2023.

Shunan Kairiku Unso Limited was absorbed by Tokuyama Kairiku Unso K.K. on October 1, 2023  
Tokuyama METEL Corporation was excluded from the scope of consolidated subsidiaries on December 28, 2023.