



Notice Concerning the Establishment of a Wholly Owned Subsidiary and a Company Split (Simplified Absorption-type Split) Following the Transfer of the Domestic Sales Business for Cement and Solidification Agents and Shares in Certain Consolidated Subsidiaries as well as the Change in a Subsidiary due to the Transfer of Shares in the Aforementioned Wholly Owned Subsidiary

March 25, 2026

Tokuyama Corporation

Address priority issues identified in Medium-Term Management Plan 2025

Transform business portfolio



Priority investments in the “Electronics,” “Healthcare,” and “Environment” growth businesses

Contribute to mitigation of global warming



Reduce greenhouse gas emissions

Practice socially responsible management



Realize our “Vision”

Decline in demand for cement in Japan owing to such factors as the shrinking population

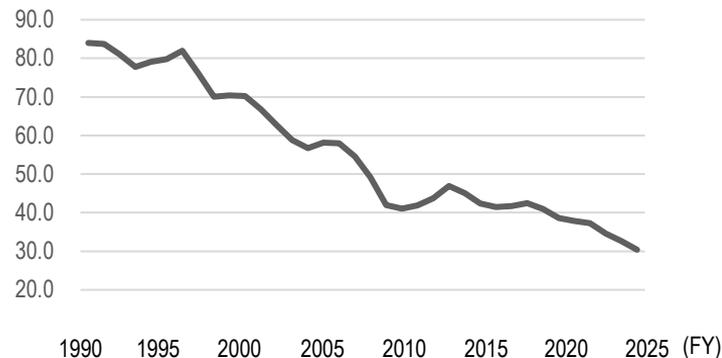
Shrinking domestic population
Downturn in public investment
Transition to a stock-based society, etc.



Difficulty in maintaining a stable supply system through independent operations

Demand for cement in Japan (million tonnes)

*Source: Materials issued by the Japan Cement Association



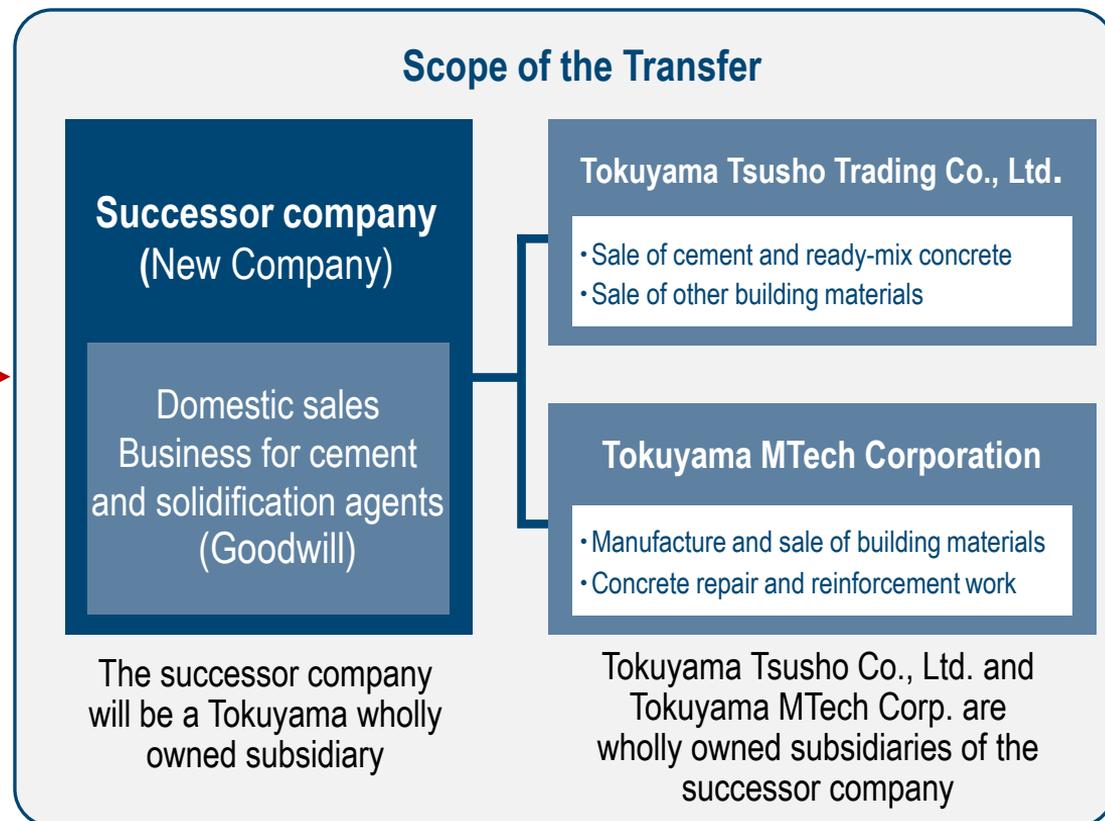
Overview of the Business to be Transferred

Target business	Tokuyama's domestic sales business for cement and solidification agents and shares of the Company's wholly owned subsidiaries listed as follows
Target subsidiaries	Tokuyama Tsusho Trading Co., Ltd. (Stocking and sale of cement, ready-mixed concrete and building materials) Tokuyama MTech Corporation (Manufacture and sale of building materials)
Other party of the Share Transfer	TAIHEIYO CEMENT CORPORATION
Scheme	Please refer page3 and 4
Transfer amount	37 billion yen *The actual transfer amount will take into account adjustments to the subject price specified in the share transfer agreement.
Closing date	Scheduled for October 1, 2026
Post-transfer outlook	Consider shutting down production of Cement by FY2028 *In this regard, Tokuyama will also consider streamlining export transactions and repurposing Nanyo Plant equipment. *Tokuyama will negotiate with each external source of waste currently accepted at Nanyo Plant in good faith

Outlook for Absorption-Type Company Split (from Tokuyama to the Successor Company)

Absorption-type split

Tokuyama Corporation 



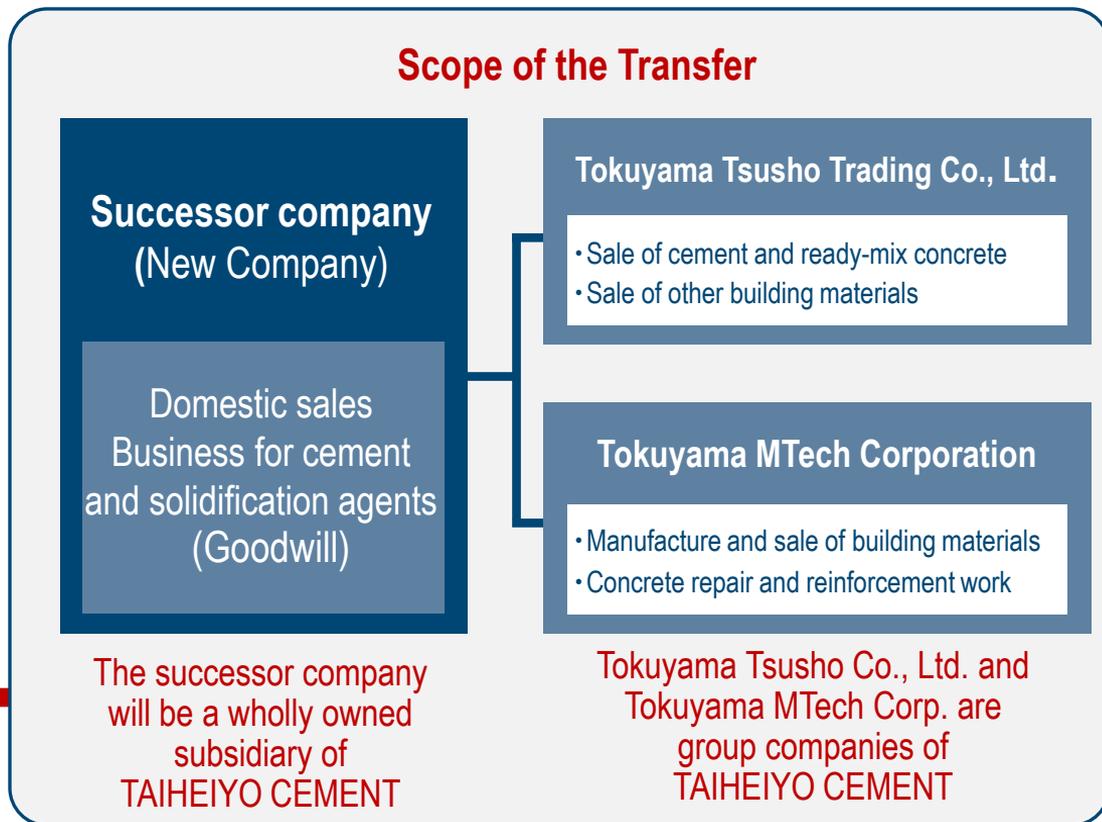
Outlook for the Share Transfer to TAIHEIYO CEMENT

Tokuyama Corporation

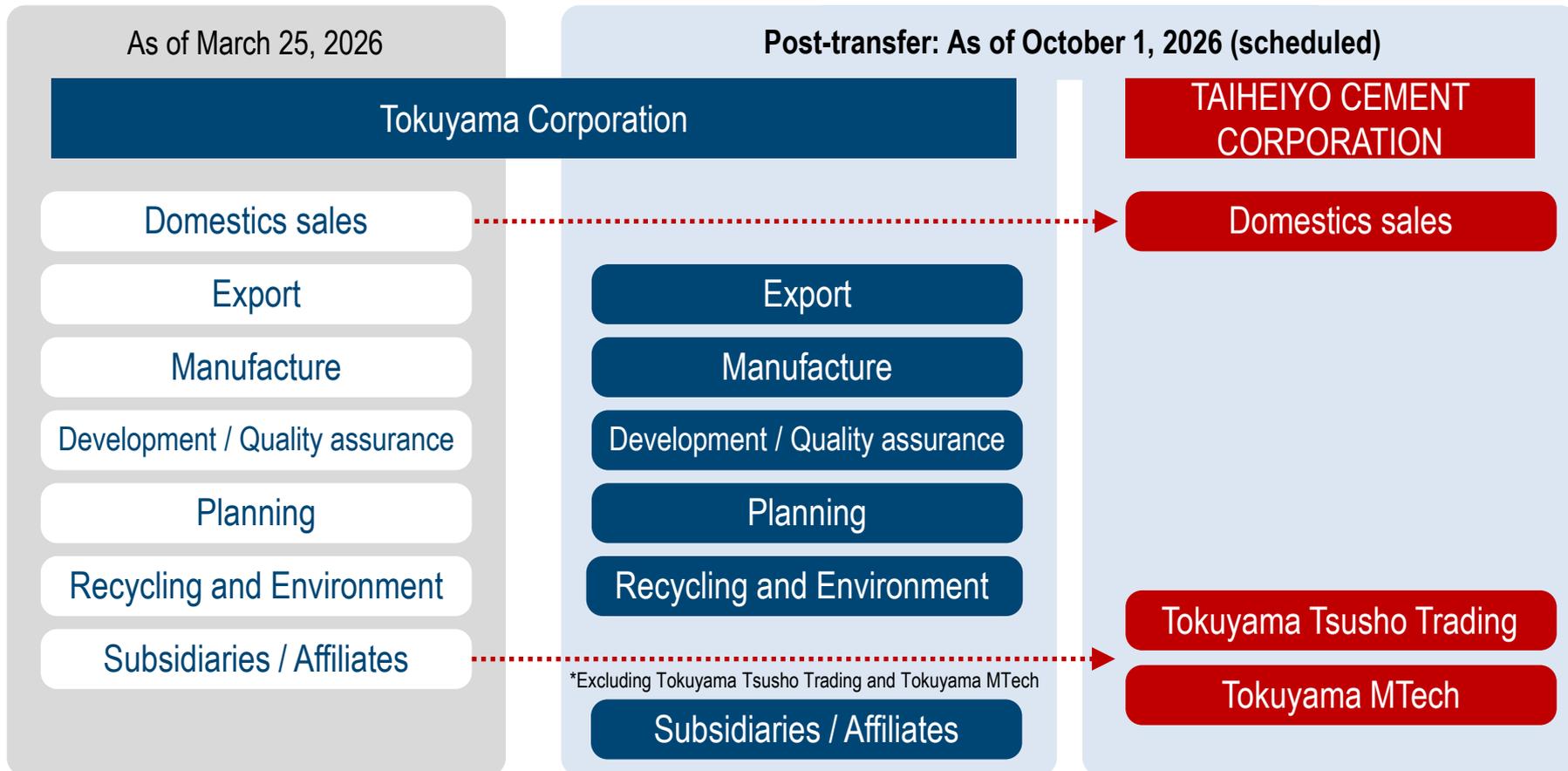


**All shares of the
successor
company will be
transferred**

**TAIHEIYO CEMENT
CORPORATION**

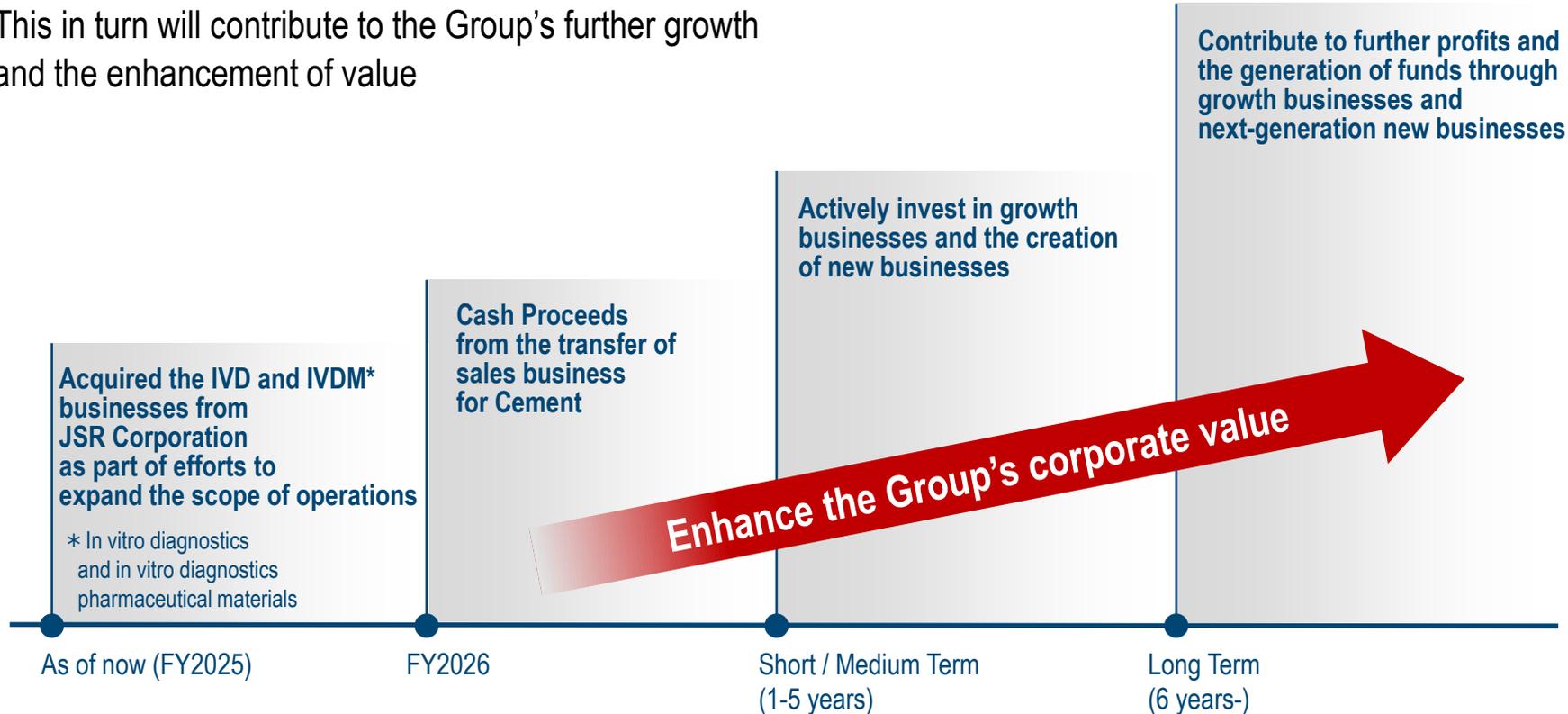


Cement Business Structure Following the Transfer



Tokuyama will actively invest the generated cash to further advance the “Electronics,” “Healthcare,” and “Environment” growth businesses and to create new next-generation businesses.

This in turn will contribute to the Group’s further growth and the enhancement of value



For the People of Tomorrow

TOKUYAMA 