



## Consolidated Financial Results for the Fiscal Year Ended December 31, 2025 [J-GAAP]

February 9, 2026

Company name: Tokyo Ohka Kogyo Co., Ltd.

Securities Code: 4186

Listing: Tokyo Stock Exchange (Prime Market)

URL: <https://www.tok.co.jp/eng>

Representative: Noriaki Taneichi, President and Chief Executive Officer

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Scheduled date of ordinary general meeting of shareholders: March 27, 2026

Scheduled date to commence dividend payments: March 30, 2026

Scheduled date to file annual securities report: March 24, 2026

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Consolidated Financial Results for the Fiscal Year Ended December 31, 2025 (January 1, 2025 to December 31, 2025)

#### (1) Consolidated Operating Results

(% indicates the rate of increase/decrease year-on-year.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2025	237,029	17.9	47,386	43.2	49,274	42.6	33,345	47.0
December 31, 2024	200,966	23.8	33,090	45.7	34,554	42.4	22,683	78.4

(Note) Comprehensive income: FY2025: ¥41,830 million [25.8%] FY2024: ¥33,259 million [37.3%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary income to total assets	Operating margin
Fiscal year ended	Yen	Yen	%	%	%
December 31, 2025	278.42	278.21	15.6	16.0	20.0
December 31, 2024	187.29	187.10	11.8	12.9	16.5

(Reference) Share of profit (loss) of investments accounted for using equity method : FY2025: ¥471 million FY2024: ¥(116) million

#### (2) Consolidated Financial Position

	Total assets		Net assets		Equity ratio		Net assets per share	
As of	Millions of yen		Millions of yen		Millions of yen		Yen	
December 31, 2025	335,292		242,299		67.9		1,898.90	
December 31, 2024	281,930		213,473		71.1		1,671.82	

(Reference) Equity: As of December 31, 2025: ¥227,636 million As of December 31, 2024: ¥200,533 million

#### (3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
December 31, 2025	35,194	(25,291)	3,172	69,228
December 31, 2024	30,146	(2,733)	(15,424)	56,361

### 2. Cash Dividends

	Annual dividends per share					Total cash dividends	Payout ratio	Dividend on equity ratio
	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
December 31, 2024	—	29.00	—	34.00	63.00	7,599	33.5	4.0
December 31, 2025	—	35.00	—	37.00	72.00	8,631	25.9	4.0
FY2026 (Forecast)	—	40.00	—	40.00	80.00		27.4	

### 3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2026 (January 1, 2026 to December 31, 2026)

(% indicates the rate of increase/decrease against the same period of the previous year.)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Basic earnings per share
First half	Millions of yen	%	Millions of yen	%	Yen
First half	125,000	12.0	24,300	22.4	133.47

Full year	Millions of yen	%	Millions of yen	%	Yen
Full year	261,000	10.1	52,200	10.2	291.62

\* Notes

(1) Significant changes in the scope of consolidation during the period: None

(2) Changes in accounting policies, changes in accounting estimates, and restatement

- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None

(3) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of December 31, 2025	127,800,000 shares
As of December 31, 2024	127,800,000 shares

(ii) Number of treasury shares at the end of the period

As of December 31, 2025	7,922,099 shares
As of December 31, 2024	7,851,327 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended December 31, 2025	119,763,425 shares
Fiscal year ended December 31, 2024	121,108,160 shares

(Reference) Overview of Non-Consolidated Financial Results

**Non-Consolidated Financial Results for the Fiscal Year Ended December 31, 2025 (from January 1, 2025 to December 31, 2025)**

(1) Non-Consolidated Operating Results

(% indicates year-on-year changes.)

	Net sales		Operating income		Ordinary income		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended December 31, 2025	128,009	12.6	21,677	42.7	32,256	30.7	27,556	31.3
December 31, 2024	113,707	24.5	15,189	79.5	24,686	85.1	20,987	103.8

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Fiscal year ended December 31, 2025	230.09	229.91
December 31, 2024	173.29	173.11

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2025	237,803	175,628	73.8	1,464.39
December 31, 2024	196,093	154,907	78.9	1,290.43

(Reference) Equity: As of December 31, 2025: ¥175,548 million As of December 31, 2024: ¥154,786 million

\* The Financial Results report is outside the scope of an audit by certified public accountants or an audit firm.

\* Explanation of the proper use of financial results forecast and other special notes

The financial results forecast stated in this report are based on the information available as of the date of the release of this report, and actual results may differ from the forecast due to a variety of factors.

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

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## 1. Overview of Operating Results, Etc.

### (1) Overview of Operating Results for the Fiscal Year Ended December 31, 2025

#### (i) Operating results for the fiscal year ended December 31, 2025

For the fiscal year ended December 31, 2025, the electronics market, which is the main customers for the Group's products, saw steady growth in demand for generative AI-related products and for PCs backed by replacement trends while smartphone demand remained soft.

Amid such circumstances, the Group, with an aim to gain No.1 global market share of cutting-edge photoresists, has continued to pursue a thorough customer perspective. We also promoted strategic investments in anticipation of future growth in semiconductor demand, including the construction of a new photoresist manufacturing building in Koriyama Plant in Japan, while overseas, a new inspection building in Incheon, South Korea, was completed and construction of a new high-purity chemical manufacturing building was commenced at a site purchased in Pyeongtaek.

In addition, as part of our all-out effort to attain our long-term vision, "tok Vision 2030," we made micro resist technology GmbH in Germany our wholly-owned subsidiary to strengthen our customer-oriented strategy in the European market and enhance our product portfolio by integrating the company's technologies.

As a result, sales of both electronic functional materials and high-purity chemicals increased significantly, and for the fiscal year ended December 31, 2025, the Group posted net sales of ¥237,029 million (up 17.9% year-on-year). Also, driven primarily by higher sales of high value-added products and a one-off profit recorded in connection with the recognition of inventories such as development-related materials, the Group recorded operating income of ¥47,386 million (up 43.2% year-on-year) and ordinary income of ¥49,274 million (up 42.6% year-on-year). Profit attributable to owners of parent increased to ¥33,345 million (up 47.0% year-on-year) due to higher operating income and the recording of extraordinary income associated with the transfer of Equipment Business, and both net sales and profit have hit a record high.

Operating results by business segment are not disclosed, but net sales by division are as follows.

Net sales in the Electronic Functional Materials Division amounted to ¥124,700 million (up 16.0% year-on-year), net sales in the High-Purity Chemicals Division amounted to ¥109,400 million (up 19.6% year-on-year), and net sales in Other amounted to ¥2,928 million (up 48.3% year-on-year).

### (2) Overview of Financial Position as of December 31, 2025

#### (Assets)

Total assets as of December 31, 2025 increased by ¥53,362 million from December 31, 2024 to ¥335,292 million.

Total current assets increased by ¥21,003 million from December 31, 2024 to ¥172,773 million mainly due to increases in cash and deposit of ¥11,915 million and in accounts receivable - trade of ¥5,321 million.

Total non-current assets increased by ¥32,358 million from December 31, 2024 to ¥162,518 million mainly due to an increase of ¥20,251 million in property, plant and equipment associated with capital investments.

#### (Liabilities)

Total liabilities as of December 31, 2025 increased by ¥24,536 million from December 31, 2024 to ¥92,993 million mainly due to increases in bonds payable of ¥10,000 million and in long-term borrowings of ¥10,000 million.

#### (Net assets)

Total net assets as of December 31, 2025 increased by ¥28,826 million from December 31, 2024 to ¥242,299 million mainly due to increases in retained earnings of ¥25,071 million and in valuation difference on available-for-sale securities of ¥1,982 million.

As a result, the equity ratio as of December 31, 2025 stood at 67.9%.

### (3) Overview of Cash Flows for the Fiscal Year Ended December 31, 2025

#### (Cash flows from operating activities)

Net cash provided by operating activities during the fiscal year ended December 31, 2025 increased by ¥5,048 million from a year earlier to ¥35,194 million mainly because cash inflow increased due to an increase in profit before income taxes despite an increase in income taxes paid.

#### (Cash flows from investing activities)

Net cash used in investing activities increased by ¥22,558 million from a year earlier to ¥25,291 million mainly because cash outflow increased due to purchase of property, plant and equipment.

#### (Cash flows from financing activities)

Net cash provided by financing activities was ¥3,172 million because cash inflow increased by ¥18,597 million from a year earlier mainly due to proceeds from long-term borrowings and proceeds from issuance of bonds.

As a result, cash and cash equivalents increased by ¥12,867 million from December 31, 2024 to ¥69,228 million.

#### (Reference) Cash flow indicators

	FY2021	FY2022	FY2023	FY2024	FY2025
Equity ratio (%)	71.7	71.3	72.9	71.1	67.9
Equity ratio at market value (%)	125.7	101.3	149.6	150.3	207.6
Interest-bearing debt to cash flow ratio (%)	58.4	59.2	64.5	36.8	77.1
Interest coverage ratio (times)	272.3	258.8	210.1	348.4	208.8

Equity ratio: Equity/Total assets

Equity ratio at market value: Market capitalization/Total assets

Interest-bearing debt to cash flow ratio: Interest-bearing debt/Cash flow

Interest coverage ratio: Cash flow/Interest payment

(Note 1) All ratios are calculated based on the financial figures on a consolidated basis.

(Note 2) Market capitalization is calculated based on the number of shares issued and outstanding excluding treasury shares.

(Note 3) Cash flow is derived from cash flows from operating activities.

(Note 4) Interest-bearing debt includes all liabilities recorded on the consolidated balance sheet that are subject to interest payment.

### (4) Future Outlook

For FY2026, with the continued strong demand in the electronics market for generative AI-related products, particularly for data centers, we expect a significant year-on-year increase in both revenue and profit based on the anticipated growth in materials for advanced semiconductors, the usage status of the Group's products, and the launch of operations of customers' new plants.

In FY2026, toward the realization of tok Vision 2030 to become "The e-Material Global Company<sup>TM</sup>" contributing to a sustainable future through chemistry, the Group will accelerate the growth under "tok Medium-Term Plan 2027" launched in FY2025 by further promoting "Gain No.1 global market share of cutting-edge photoresists," "Increase global share in all business fields with an eye on tok Vision 2030," "Create businesses in new fields," "Secure stable supplies of high-quality products," "Improve employee engagement," and "Establish a robust management foundation to realize tok Vision 2030."

The foreign exchange rate is assumed to be \$1=¥150.

	Fiscal year ended December 31, 2025 (Results)	Fiscal year ending December 31, 2026 (Forecast)	<Reference> (Millions of yen, %)
Net sales	237,029	261,000	10.1
Operating income	47,386	52,200	10.2
Ordinary income	49,274	53,800	9.2
Profit attributable to owners of parent	33,345	35,000	5.0

## 2. Basic Policy for Selection of Accounting Standards

The Group has adopted Japanese GAAP.

The Group is currently examining the potential application of International Financial Reporting Standards (IFRS) in light of the trend in convergence of Japanese GAAP and revisions to IFRS by taking into account the impact of the transition to IFRS and the response thereto on the management.

### 3. Consolidated Financial Statements and Major Notes

#### (1) Consolidated Balance Sheet

	FY12/24 (As of December 31, 2024)	FY12/25 (As of December 31, 2025)	(Millions of yen)
<b>Assets</b>			
<b>Current assets</b>			
Cash and deposits	59,047	70,962	
Notes receivable - trade	1,001	1,479	
Accounts receivable - trade	41,845	47,166	
Securities	3,999	—	
Merchandise and finished goods	12,602	14,910	
Work in process	9,539	10,849	
Raw materials and supplies	14,744	18,246	
Other	9,079	9,248	
Allowance for doubtful accounts	(90)	(90)	
<b>Total current assets</b>	<u>151,770</u>	<u>172,773</u>	
<b>Non-current assets</b>			
Property, plant and equipment			
Buildings and structures	92,964	98,853	
Accumulated depreciation	(52,696)	(55,469)	
Buildings and structures, net	40,267	43,383	
Machinery, equipment and vehicles	70,271	76,212	
Accumulated depreciation	(61,680)	(64,487)	
Machinery, equipment and vehicles, net	8,591	11,724	
Tools, furniture and fixtures	28,949	32,636	
Accumulated depreciation	(21,959)	(24,092)	
Tools, furniture and fixtures, net	6,989	8,543	
Right-of-use assets	915	1,025	
Accumulated depreciation	(480)	(498)	
Right-of-use assets, net	434	527	
Land	10,890	13,989	
Construction in progress	22,769	32,025	
<b>Total property, plant and equipment</b>	<u>89,942</u>	<u>110,193</u>	
Intangible assets	1,811	1,834	
Investments and other assets			
Investment securities	22,146	31,912	
Investments in capital	84	81	
Long-term loans receivable	34	61	
Retirement benefit asset	9,404	10,083	
Deferred tax assets	1,333	1,635	
Other	5,408	6,715	
Allowance for doubtful accounts	(5)	—	
<b>Total investments and other assets</b>	<u>38,406</u>	<u>50,490</u>	
<b>Total non-current assets</b>	<u>130,160</u>	<u>162,518</u>	
<b>Total assets</b>	<u>281,930</u>	<u>335,292</u>	

	(Millions of yen)	
	FY12/24 (As of December 31, 2024)	FY12/25 (As of December 31, 2025)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	26,869	29,544
Short-term borrowings	4,442	383
Accounts payable - other	7,929	11,015
Income taxes payable	5,020	6,863
Advances received	150	242
Provision for bonuses	3,479	4,575
Provision for bonuses for directors (and other officers)	501	304
Other	5,709	6,443
<b>Total current liabilities</b>	<b>54,104</b>	<b>59,373</b>
<b>Non-current liabilities</b>		
Bonds payable	—	10,000
Long-term borrowings	6,100	16,100
Deferred tax liabilities	5,021	5,082
Retirement benefit liability	280	359
Asset retirement obligations	82	69
Other	2,868	2,007
<b>Total non-current liabilities</b>	<b>14,352</b>	<b>33,619</b>
<b>Total liabilities</b>	<b>68,456</b>	<b>92,993</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	14,640	14,640
Capital surplus	15,612	15,899
Retained earnings	159,313	184,384
Treasury shares	(15,796)	(16,586)
<b>Total shareholders' equity</b>	<b>173,769</b>	<b>198,337</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	9,509	11,492
Foreign currency translation adjustment	13,649	14,103
Remeasurements of defined benefit plans	3,605	3,703
<b>Total accumulated other comprehensive income</b>	<b>26,764</b>	<b>29,299</b>
<b>Share acquisition rights</b>	<b>121</b>	<b>79</b>
<b>Non-controlling interests</b>	<b>12,818</b>	<b>14,583</b>
<b>Total net assets</b>	<b>213,473</b>	<b>242,299</b>
<b>Total liabilities and net assets</b>	<b>281,930</b>	<b>335,292</b>

**(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income**  
**(Consolidated Statement of Income)**

(Millions of yen)

	FY 12/24 (January 1, 2024 – December 31, 2024)	FY 12/25 (January 1, 2025 – December 31, 2025)
Net sales	200,966	237,029
Cost of sales	*1, *3 127,521	*1, *3 147,588
Gross profit	73,444	89,440
Selling, general and administrative expenses	*2, *3 40,353	*2, *3 42,054
Operating income	33,090	47,386
Non-operating income		
Interest income	397	406
Dividend income	580	653
Share of profit of investments accounted for using equity method	—	471
Foreign exchange gains	—	289
Subsidy income	328	403
Other	589	540
Total non-operating income	1,895	2,765
Non-operating expenses		
Interest expenses	86	168
Commission expenses	24	230
Share of loss of investments accounted for using equity method	116	—
Loss on valuation of derivatives	35	360
Foreign exchange losses	98	—
Other	68	117
Total non-operating expenses	431	876
Ordinary income	34,554	49,274
Extraordinary income		
Gain on change in equity	198	—
Gain on sale of non-current assets	22	11
Gain on sale of investment securities	508	245
Gain on receipt of contingent consideration	—	*41,422
Total extraordinary income	730	1,679
Extraordinary losses		
Loss on change in equity	—	12
Impairment losses	—	283
Loss on retirement of non-current assets	122	364
Other	4	0
Total extraordinary losses	126	661
Profit before income taxes	35,158	50,292
Income taxes - current	8,343	12,291
Income taxes - deferred	(237)	(1,187)
Total income taxes	8,105	11,104
Profit	27,052	39,188
Profit attributable to non-controlling interests	4,369	5,843
Profit attributable to owners of parent	22,683	33,345

**(Consolidated Statement of Comprehensive Income)**

(Millions of yen)

	FY 12/24 (January 1, 2024 – December 31, 2024)	FY 12/25 (January 1, 2025 – December 31, 2025)
Profit	27,052	39,188
Other comprehensive income		
Valuation difference on available-for-sale securities	(249)	1,982
Foreign currency translation adjustment	2,495	561
Remeasurements of defined benefit plans	3,959	97
Total other comprehensive income	6,206	2,641
Comprehensive income	33,259	41,830
Comprehensive income attributable to:		
Owners of parent	28,440	35,880
Non-controlling interests	4,818	5,950

**(3) Consolidated Statement of Changes in Equity**

For the fiscal year ended December 31, 2024 (January 1, 2024 – December 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	14,640	15,315	143,630	(10,940)	162,646
Changes during period					
Dividends of surplus			(7,001)		(7,001)
Profit attributable to owners of parent			22,683		22,683
Purchase of treasury shares				(5,507)	(5,507)
Disposal of treasury shares		296		650	947
Net changes in items other than shareholders' equity					
Total changes during period	—	296	15,682	(4,856)	11,122
Balance at end of period	14,640	15,612	159,313	(15,796)	173,769

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	9,759	11,603	(354)	21,007	140	11,684	195,480
Changes during period							
Dividends of surplus							(7,001)
Profit attributable to owners of parent							22,683
Purchase of treasury shares							(5,507)
Disposal of treasury shares					(19)		927
Net changes in items other than shareholders' equity	(249)	2,046	3,959	5,756	—	1,133	6,890
Total changes during period	(249)	2,046	3,959	5,756	(19)	1,133	17,993
Balance at end of period	9,509	13,649	3,605	26,764	121	12,818	213,473

For the fiscal year ended December 31, 2025 (January 1, 2025 – December 31, 2025)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	14,640	15,612	159,313	(15,796)	173,769
Changes during period					
Dividends of surplus			(8,274)		(8,274)
Profit attributable to owners of parent			33,345		33,345
Purchase of treasury shares				(1,502)	(1,502)
Disposal of treasury shares		286		712	999
Net changes in items other than shareholders' equity					
Total changes during period	—	286	25,071	(789)	24,568
Balance at end of period	14,640	15,899	184,384	(16,586)	198,337

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	9,509	13,649	3,605	26,764	121	12,818	213,473
Changes during period							
Dividends of surplus							(8,274)
Profit attributable to owners of parent							33,345
Purchase of treasury shares							(1,502)
Disposal of treasury shares					(42)		957
Net changes in items other than shareholders' equity	1,982	454	97	2,534	—	1,765	4,300
Total changes during period	1,982	454	97	2,534	(42)	1,765	28,826
Balance at end of period	11,492	14,103	3,703	29,299	79	14,583	242,299

**(4) Consolidated Statement of Cash Flows**

(Millions of yen)

	FY 12/24 (January 1, 2024 – December 31, 2024)	FY 12/25 (January 1, 2025 – December 31, 2025)
<b>Cash flows from operating activities</b>		
Profit before income taxes	35,158	50,292
Depreciation	8,333	8,807
Impairment losses	—	283
Increase (decrease) in allowance for doubtful accounts	14	(5)
Increase in provision for bonuses	930	1,089
Increase (decrease) in provision for bonuses for directors (and other officers)	306	(197)
Increase in retirement benefit asset	(73)	(331)
Increase (decrease) in retirement benefit liability	85	(76)
Interest and dividend income	(977)	(1,059)
Interest expenses	86	168
Foreign exchange gains	(658)	(364)
Loss on valuation of derivatives	35	360
Share of loss (profit) of investments accounted for using equity method	116	(471)
Gain on sale of non-current assets	(22)	(11)
Loss on retirement of non-current assets	122	364
Gain on sale of investment securities	(508)	(245)
Gain on receipt of contingent consideration	—	(1,422)
(Gain) loss on change in equity	(198)	12
Increase in trade receivables	(7,842)	(5,207)
Increase in inventories	(3,115)	(6,809)
Increase in trade payables	5,874	2,208
(Decrease) increase in advances received	(53)	89
Other	(3,970)	(2,760)
<b>Subtotal</b>	<b>33,642</b>	<b>44,712</b>
Interest and dividends received	1,008	1,105
Interest paid	(86)	(158)
Income taxes paid	(4,418)	(10,465)
<b>Net cash provided by operating activities</b>	<b>30,146</b>	<b>35,194</b>
<b>Cash flows from investing activities</b>		
Purchase of securities	(12,000)	—
Proceeds from redemption of securities	12,000	3,000
Purchase of property, plant and equipment	(24,570)	(24,762)
Proceeds from sale of property, plant and equipment	56	56
Purchase of intangible assets	(936)	(613)
Purchase of investment securities	(107)	(6,672)
Proceeds from sale of investment securities	921	393
Net decrease in time deposits	11,516	2,000
Proceeds from withdrawal of long-term time deposits	12,000	—
Proceeds from settlement of contingent consideration	—	1,422
Other	(1,614)	(116)
<b>Net cash used in investing activities</b>	<b>(2,733)</b>	<b>(25,291)</b>

(Millions of yen)

	FY 12/24 (January 1, 2024 – December 31, 2024)	FY 12/25 (January 1, 2025 – December 31, 2025)
<b>Cash flows from financing activities</b>		
Proceeds from short-term borrowings	520	366
Repayments of short-term borrowings	(520)	(513)
Proceeds from long-term borrowings	—	10,000
Repayments of long-term borrowings	—	(3,900)
Proceeds from issuance of bonds	—	10,000
Purchase of treasury shares	(5,520)	(44)
Proceeds from sale of treasury shares	927	0
Dividends paid	(6,996)	(8,268)
Dividends paid to non-controlling interests	(3,685)	(4,184)
Other	(150)	(282)
Net cash (used in) provided by financing activities	(15,424)	3,272
Effect of exchange rate change on cash and cash equivalents	1,585	(208)
Net increase in cash and cash equivalents	13,572	12,867
Cash and cash equivalents at beginning of period	42,788	56,361
Cash and cash equivalents at end of period	*56,361	*69,228

**(5) Notes to Consolidated Financial Statements**  
**(Notes Concerning Going Concern Assumption)**

Not applicable.

**(Notes Concerning Consolidated Statement of Income)**

\*1 Inventories as of December 31 are stated at written-down value to reflect a decline in profitability, and the following loss on valuation of inventories (gain on reversal of loss) is included in cost of sales.

	FY12/24 (January 1, 2024 - December 31, 2024)	FY12/25 (January 1, 2025 - December 31, 2025)
Loss on valuation of inventories	¥152 million	¥132 million

\*2 Major components and amounts of selling, general and administrative expenses are as follows.

	FY12/24 (January 1, 2024 - December 31, 2024)	FY12/25 (January 1, 2025 - December 31, 2025)
Storage and transportation costs	¥4,222 million	¥4,454 million
Salaries and allowances	9,536	10,743
Provision for bonuses	1,837	2,361
Retirement benefit expenses	442	151
Research supplies expense	5,493	5,635
Depreciation	3,187	3,355

\*3 R&D costs included in general and administrative expenses and manufacturing costs are as follows.

	FY12/24 (January 1, 2024 - December 31, 2024)	FY12/25 (January 1, 2025 - December 31, 2025)
General and administrative expenses	¥14,379 million	¥15,474 million
Manufacturing costs	140	199
Total R&D costs	14,519	15,673

\*4 Gain on receipt of contingent consideration

A share transfer agreement previously entered into by the Company contained a clause stipulating that additional consideration may be received if certain conditions are met. During the fiscal year ended December 31, 2025, the Company met the conditions and received additional consideration, which was recorded in extraordinary income.

**(Notes Concerning Consolidated Statement of Cash Flows)**

\* Reconciliation between the ending balance of cash and cash equivalents and the balance in the consolidated balance sheet

	FY12/24 (January 1, 2024 – December 31, 2024)	FY12/25 (January 1, 2025 – December 31, 2025)
Cash and deposits	¥59,047 million	¥70,962 million
Securities	999	—
Term deposits with maturities over three months	(3,686)	(1,734)
Cash and cash equivalents	56,361	69,228

**(Notes Concerning Segment Information, Etc.)**

[Segment Information]

The Group segments its business based on products and services, with each business unit developing the comprehensive strategy on their respective products and services in Japan and overseas and conducting business activities.

The Group engages in manufacturing and sales of mainly electronic functional materials and high-purity chemicals.

The disclosure is omitted as the Group operates a single business segment.

[Related Information]

Fiscal year ended December 31, 2024 (January 1, 2024 - December 31, 2024)

1. Information by product and service

The disclosure is omitted as the corresponding information is disclosed in Segment Information.

2. Information by geographic region

(1) Net sales

(Millions of yen)

Japan	Taiwan	South Korea	The U.S.	China	Other	Total
32,539	68,623	26,314	19,567	42,770	11,150	200,966

Fiscal year ended December 31, 2025 (January 1, 2025 - December 31, 2025)

1. Information by product and service

The disclosure is omitted as the corresponding information is disclosed in Segment Information.

2. Information by geographic region

(1) Net sales

(Millions of yen)

Japan	Taiwan	South Korea	The U.S.	China	Other	Total
36,638	85,604	30,447	24,019	48,611	11,708	237,029

**(Per Share Information)**

	FY12/24 (January 1, 2024 – December 31, 2024)	FY12/25 (January 1, 2025 – December 31, 2025)
Net assets per share	¥1,671.82	¥1,898.90
Basic earnings per share	¥187.29	¥278.42
Diluted earnings per share	¥187.10	¥278.21

(Notes) 1. Basis for calculation of net assets per share is as follows.

	FY12/24 (As of December 31, 2024)	FY12/25 (As of December 31, 2025)
Total net assets (millions of yen)	213,473	242,299
Amount deducted from net assets (millions of yen)	12,939	14,662
(of which, share acquisition rights) (millions of yen)	(121)	(79)
(of which non-controlling interest) (millions of yen)	(12,818)	(14,583)
Net assets as of year-end related to common shares (millions of yen)	200,533	227,636
Number of common shares issued and outstanding (thousand shares)	127,800	127,800
Number of treasury shares out of common shares (thousand shares)	7,851	7,922
Number of common shares at year-end used to calculate net assets per share (thousand shares)	119,948	119,877

2. Basis for calculation of basic and diluted earnings per share is as follows.

	FY12/24 (January 1, 2024 – December 31, 2024)	FY12/25 (January 1, 2025 – December 31, 2025)
(1) Basic earnings per share		
Profit attributable to owners of parent (millions of yen)	22,683	33,345
Amount not attributable to common shareholders (millions of yen)	—	—
Profit attributable to owners of parent related to common shares (millions of yen)	22,683	33,345
Average number of common shares during the period (thousand shares)	121,108	119,763
(2) Diluted earnings per share		
Adjustment to profit attributable to owners of parent (millions of yen)	—	—
Increase in number of common shares (thousand shares)	126	92
(of which, share acquisition rights) (thousand shares)	(126)	(92)
Dilutive shares not included in the calculation of diluted earnings per share because of their anti-dilutive effect	—	—

(Note) The Company's shares owned by "Tokyo Ohka Employees Stockholding Association Trust" are included in treasury shares which is excluded in the calculation of the average number of shares during the period to calculate "Basic earnings per share" and "Diluted earnings per share." (211 thousand shares and — thousand share for the fiscal years ended December 31, 2024 and 2025, respectively).