

# TOKYO OHKA KOGYO CO., LTD.

## Supplemental Data of Business Results

-The 3rd quarter of Fiscal Year ending Dec. 2023-

November 10, 2023  
TOKYO OHKA KOGYO CO.,LTD.

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## Summary for 3Q of FY2023

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### FY2023 3Q Results

- **Revised down** the full-year earnings forecast.
- Net sales were **down 11.8 billion yen or 9.1% YoY to 118.6 billion yen**. In contrast, a few electronic functional materials, and high purity chemicals in Asia and emerging market had signs of recovery.
- Operating income, **down 7.2 billion yen or 31.9% YoY to 15.4 billion yen**, significant **decreased due to reduced sales and increased expense**.

### FY2023 Consolidated Forecasts

- Assumptions:  
Customers will possibly start full-fledged inventory digestion in the 2H of the year. Also, **some technological areas will recover with generative AI and the latest smartphone models** coming into the market.
- Revised down the full-year earnings forecast based on the financial results for the 1H and the current market situation. **Forecast that both revenue and profit will decrease.**  
**Net sales: 164 billion yen (down 6.5%), operation income: 23.5 billion yen (down 22.1%)**

### Shareholder Returns

- The interim dividend is **82 yen** under the dividend policy targeting 4.0% of a consolidated dividend on equity ratio, DOE. The annual dividend will be forecasted to be **164 yen**.
- Expected firmly maintain **dividend growth of consecutive 6 years**.

• The majority of the equipment business was transferred to AIMECHATEC, Ltd. on March 1, 2023.

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(Millions of yen, %)

	FY2022 Q3	FY2023 Q3	Change	%
Net Sales	130,463	118,620	(11,843)	(9.1)
Operating income	22,665	15,446	(7,219)	(31.9)
Ordinary income	23,572	16,589	(6,983)	(29.6)
Profit attribute to owners of parent	15,215	7,520	(7,695)	(50.6)
EBITDA	27,561	21,148	(6,413)	(23.3)

Average exchange rate (US\$) : ¥127.1/\$ (FY2022/ 3Q) ⇒ ¥137.5/\$ (FY2023/ 3Q)

- **Net sales** : Down 9.1% YoY due to the slowdown in semiconductor demand in the first half. In contrast, some electronic functional materials, and high purity chemicals in Asia and emerging market had signs of recovery.
- **Operating income / Ordinary income** : Decreased due to drop in sales and rise in personnel cost and depreciation cost resulting from investments for the future.
- **Profit attribute to owners of parent** : Down 50.6% YoY due to the decrease in operating income and business restructuring costs.



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# Progress (Results)

(Millions of yen, %)

	FY2022 3Q	FY2023 3Q	Change	%	FY2023	
					Revised forecast	Progress (%)
Net sales	130,463	118,620	(11,843)	(9.1)	164,000	72.3
Electronic functional materials*	68,853	64,162	(4,691)	(6.8)	88,500	72.5
High purity chemicals*	57,705	53,195	(4,510)	(7.8)	73,600	72.3
Other*	3,905	1,262	(2,643)	(67.7)	1,900	66.4
Operating income	22,665	15,446	(7,219)	(31.9)	23,500	65.7

Average exchange rate (US\$) : ¥127.1/\$ (FY2022/ 3Q) ⇒ ¥137.5/\$ (FY2023/ 3Q) \* Adjusted under the new segmentation for 2022/12.

- **Net sales** : Progress 72.3% due to a decrease of both electronic functional materials and high purity chemicals despite the positive effect of yen depreciation.
- **Electronic functional materials (Net sales)** : Progress 72.5% due to a decrease of photoresists for semiconductor despite the progress of materials for packaging process.
- **High purity chemicals (Net sales)** : Progress 72.3% due to a decrease in emerging markets despite the progress in Asia.
- **Operating income** : Progress 65.7% due to lower sales and higher fixed costs.



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(Millions of yen, %)

	FY2022 3Q	FY2023 3Q	Change	%	FY2023	
					Forecast	Progress (%)
Capital investment	11,021	10,570	(451)	(4.1)	17,400	60.7
Depreciation	4,896	5,702	+806	+16.4	7,800	73.1
R&D	8,063	9,373	+1,310	+16.2	12,600	74.4

- Capital investment : Proceed as scheduled, with a few delays.
- Depreciation : Proceed as scheduled.
- R&D : Proceed as scheduled.



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(Note)

This presentation material contains forward-looking statements that describe future prospects of TOKYO OHKA KOGYO CO., LTD. (the Company) in terms of business planning, earnings and management strategies. Such statements are based on management's judgement, derived from information available to it at the time such information was prepared. Readers are cautioned not to rely solely on these forward-looking statements, as actual results and strategies may differ substantially according to changes in the Company's business environment.

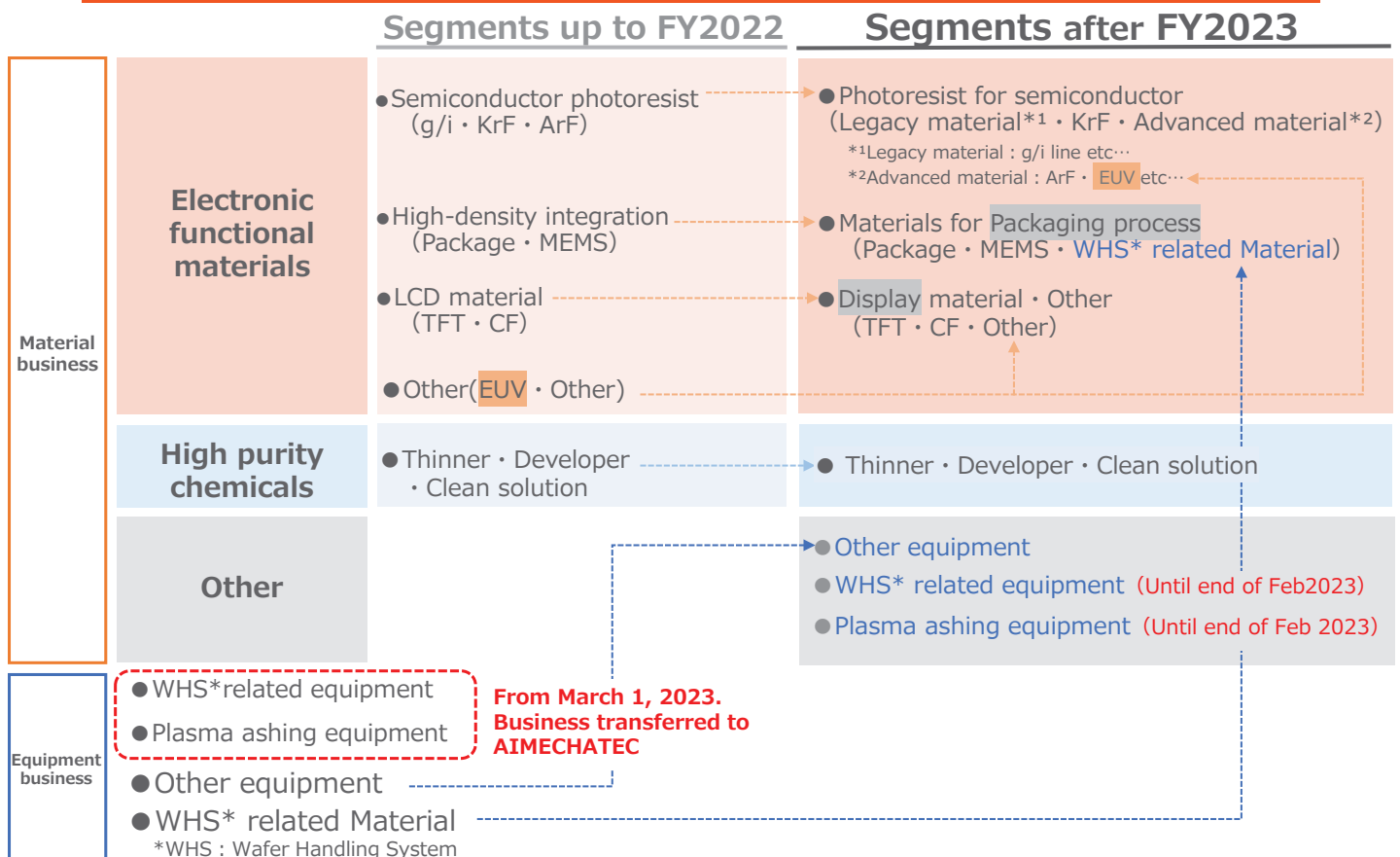


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# Appendix



## Changes to segment disclosures following the transfer of the equipment business



# Regarding Stock Split

(Released on October 6, 2023)

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## 1. Purpose of Stock Split

By undertaking the stock split to lower the price of share-trading units, we intend to make shares more affordable for investors, with a view to improving the liquidity of the Company's stock and expanding its shareholder base.

## 2. Method of stock split

The record date of the stock split will be Sunday, December 31, 2023 (since this day falls on a non-business day of the shareholder registry administrator, the substantial record date will be Friday, December 29, 2023) . **Each share of common stock** owned by a shareholder whose name appears or is recorded in the shareholder registry as of the end of the record date, **will be split for 3 shares**.

· Effective date : January 1, 2024    · Record date : December 31, 2023

## 3. Partial Amendment to the Articles of Incorporation following the Stock Split

The total number of shares authorized by the Company    197,000,000 → 500,000,000

## 4. Others

① There will be no change in the amount of stated capital as a result of the stock split.

② Dividends

The year-end dividend for the fiscal year ending December 31, 2023, which has a dividend record date of December 31, 2023, will be paid based on the shares before the stock split.

