

For the Fiscal Year Ended March 31, 2020

Annual Select[®] 2020

Tayca Corporation

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(Securities Code: 4027)

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Corporate Profile

The history of “Tayca Corporation” dates back to 1919, when the company was founded as “Teikoku Jinzo Fertilizer Co., Ltd.,” with sulfuric acid and superphosphate fertilizer as its key products. Ever since its foundation, based on the sulfuric acid-related technology, we have devoted ourselves to the production and marketing of various industrial chemical products, adapting ourselves to the changing needs of time and society. These products include items such as titanium dioxide, surfactants, and various types of phosphates.

At present, we utilize sulfonation, surface treatment, and dispersion technologies that we have perfected over many years to create specialty products, including conductive polymers and related products for high performance capacitors, and surface treatment products and micro titanium dioxide for cosmetics. We are likewise working actively to extend these technologies to expand our business. At the same time, we are striving to construct new businesses that will support Tayca in the future. Our targets include the environment and energy sector, the electrical and electronics sector, and the medical and health care sector, and we are working towards the early commercialization of new products in these sectors.

Thanks to your support, we at Tayca celebrated our centenary of foundation on December 22, 2019. The reason that we have survived through so much change in society and the market environment over those 100 years is primarily thanks to the support of our stakeholders. From the fiscal year ending March 31, 2021, we will be moving forward under MOVING-10, which we have formulated as our 10-year long-term management vision for the start of a new history. Under this vision, we are working to further expand our business and strengthen our revenue foundation by conducting activities that are more focused on profitability and accelerating our portfolio shift from general goods to functional goods.

I. Summary of Selected Financial Data (Consolidated)

	150 th term Fiscal year ended March 31, 2016	151 st term Fiscal year ended March 31, 2017	152 nd term Fiscal year ended March 31, 2018	153 rd term Fiscal year ended March 31, 2019	154 th term Fiscal year ended March 31, 2020
Net sales (Millions of yen)	36,618	38,241	42,521	47,385	45,435
Ordinary profit (Millions of yen)	4,873	5,969	6,108	6,033	5,798
Profit attributable to owners of parent (Millions of yen)	3,218	4,070	3,624	4,007	3,830
Comprehensive income (Millions of yen)	1,852	5,560	4,422	3,029	3,056
Net assets (Millions of yen)	34,344	39,224	43,043	45,356	46,940
Total assets (Millions of yen)	48,198	53,975	58,843	63,916	63,554
Net assets per share (Yen)	723.07	1,659.21	1,819.24	1,916.26	2,010.70
Basic earnings per share (Yen)	67.64	172.41	154.13	170.47	163.70
Diluted earnings per share (Yen)	–	–	–	–	–
Equity-to-asset ratio (%)	70.9	72.3	72.7	70.5	73.3
Rate of return on equity (ROE) (%)	9.6	11.1	8.9	9.1	8.4
Price-earnings ratio (PER) (Times)	7.8	8.8	18.3	14.9	8.7
Net cash provided by (used in) operating activities (Millions of yen)	5,743	7,375	4,002	4,830	5,165
Net cash provided by (used in) investing activities (Millions of yen)	(2,881)	(1,749)	(4,992)	(3,787)	(5,498)
Net cash provided by (used in) financing activities (Millions of yen)	(1,708)	(1,459)	(536)	1,270	(2,346)
Cash and cash equivalents at end of period (Millions of yen)	8,461	12,614	11,086	13,388	10,713
Number of employees (Persons)	628	645	702	758	793

- Notes:
1. “Net sales” does not include consumption taxes.
 2. “Diluted earnings per share” is not provided since there are no potential shares.
 3. Tayca Corporation conducted a share consolidation of common stock at a ratio of 1 share for every 2 shares on October 1, 2017. Accordingly, “Net assets per share” and “Basic earnings per share” have been calculated on the assumption that the share consolidation was conducted at the beginning of the 151st term (fiscal year ended March 31, 2017).
 4. Tayca Corporation and its subsidiaries (the “Group”) have applied the “Partial Amendments to Accounting Standard for Tax Effect Accounting” (ASBJ Statement No. 28, February 16, 2018) and relevant Guidances effective from the beginning of the 153rd term (fiscal year ended March 31, 2019). The selected financial data shown for the 152nd term (fiscal year ended March 31, 2018) has been adjusted retrospectively to reflect the new accounting standards.

II. Top Message



Tayca Corporation's 154th term (from April 1, 2019 to March 31, 2020) has ended and as such we hereby offer the following report regarding the settlement of accounts, etc.

Hirofumi Yamazaki
Representative Director, President Executive Officer

III. Performance for the Current Fiscal Year

During the fiscal year ended March 31, 2020 (the "current fiscal year"), the Group posted net sales of ¥45,435 million (down 4.1% from the previous fiscal year). This reflected weak sales both in Japan and abroad for general usage titanium dioxide and surfactants despite firm sales of functional fine particle products for cosmetics and conductive polymers and related products for capacitors.

Meanwhile, mainly owing to an increased depreciation burden accompanying extension work for the manufacturing facility for functional fine particle products, operating profit was ¥5,808 million (up 0.1% from the previous fiscal year) and ordinary profit was ¥5,798 million (down 3.9% from the previous fiscal year). Profit attributable to owners of parent was ¥3,830 million (down 4.4% from the previous fiscal year) as a result of extraordinary loss including the recognition of impairment loss, etc. associated with the Vietnam subsidiary, despite the recording of a gain on sales of investment securities.

For the current fiscal year, Tayca plans to pay a year-end dividend of ¥22 per share, bringing the annual dividend to ¥40 per share when combined with the interim dividend, which was ¥18 per share.

Business Related to Titanium Dioxide

In regard to general usage titanium dioxide, both sales volume and net sales fell year on year owing to weak sales for paints both in Japan and abroad.

In regard to specialty use micro titanium dioxide and surface treatment products, demand for cosmetics products both in Japan and abroad were strong and both sales volume and net sales increased year on year.

As a result of the above, net sales for this business were ¥24,564 million (up 0.3% from the previous fiscal year) and segment profit was ¥3,331 million (down 7.1% from the previous fiscal year).

Other Business

Meanwhile, in regard to surfactants, sales volume and net sales decreased year on year as sales in Japan for detergents were weak and sales by consolidated subsidiaries in Thailand and Vietnam were also weak.

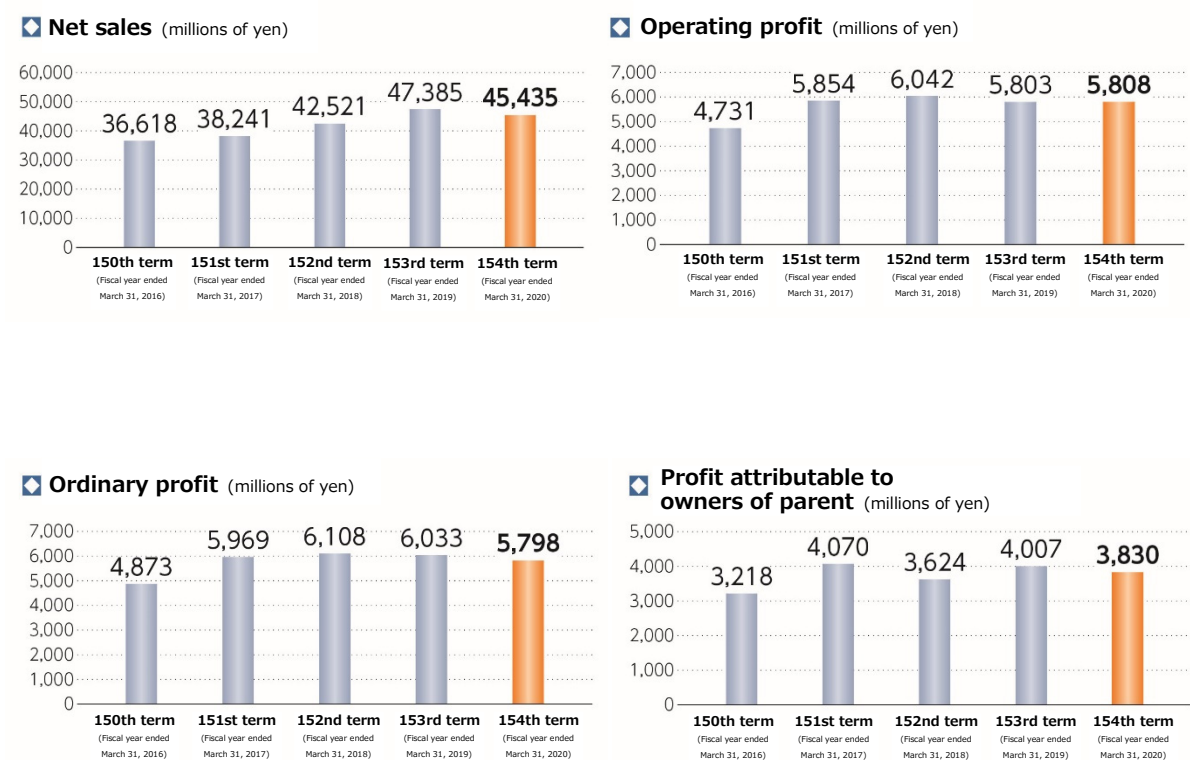
In regard to conductive polymers and related products for capacitors, sales were robust, which led to year-on-year increases for both sales volume and net sales.

Sales volume and net sales of sulfuric acid and pollution-free anti-corrosive pigment were on lower than the previous fiscal year due to the effects of a lull in demand.

Net sales in the warehousing business exceeded those of the previous fiscal year due to year-on-year rises in the quantity of items in storage.

In regard to piezoelectric materials, net sales decreased year on year due to inventory adjustments by customers of those for medical devices and those for washing machines.

As a result of the above, net sales for this business were ¥20,870 million (down 8.8% from the previous fiscal year), and segment profit was ¥2,500 million (up 10.9% from the previous fiscal year).



IV. Forecasts for the Next Fiscal Year

Regarding the economic outlook, while it remains difficult to predict when the novel coronavirus disease (COVID-19) will clear up, there is an ever-rising risk of a sudden economic downturn both in Japan and abroad and we expect the economic environment to become more severe.

The spread of COVID-19 is affecting the economy in a broad range of ways. The Group expects those effects to continue for a certain part of the fiscal year ending March 31, 2021, based on the external information, etc.

Regarding general usage titanium dioxide, due to an expected decline in demand for automotive paints, the situation is expected to become more difficult on the earnings front. In regard to specialty use micro titanium dioxide, micro zinc oxide, and surface treatment products, as there is concern over the effects on demand for ultra-violet (UV) radiation protection, which is a primary use for the above-mentioned products, we are closely watching future developments and working to maintain and further expand sales of these products.

Regarding surfactants, due to an expected rise in demand for daily goods such as detergents, sales are expected to strengthen. As for conductive polymers and related products for capacitors and piezoelectric materials for medical devices, we will work to expand sales to respond to an expected increase in demand.

Under these circumstances, the Group will work together unitedly to further raise corporate value while adequately and flexibly responding with speed to the rapidly changing environment.

V. Consolidated Financial Statements

(1) Consolidated Balance Sheets

	(Millions of yen)	(Thousands of U.S. dollars)	
	As of March 31, 2019	As of March 31, 2020	As of March 31, 2020
Assets			
Current assets			
Cash and deposits	13,467	10,792	99,163
Notes and accounts receivable - trade	14,768	13,302	122,227
Merchandise and finished goods	5,043	6,913	63,521
Work in process	775	982	9,023
Raw materials and supplies	3,119	3,728	34,255
Other	438	546	5,016
Allowance for doubtful accounts	(2)	(2)	(18)
Total current assets	37,609	36,261	333,189
Non-current assets			
Property, plant and equipment			
Buildings and structures, net	4,447	5,151	47,330
Machinery, equipment and vehicles, net	4,962	5,646	51,879
Land	1,291	1,699	15,611
Construction in progress	2,362	2,959	27,189
Other, net	468	444	4,079
Total property, plant and equipment	13,532	15,901	146,108
Intangible assets			
Goodwill	2,117	1,858	17,072
Other	74	274	2,517
Total intangible assets	2,191	2,133	19,599
Investments and other assets			
Investment securities	9,736	8,435	77,506
Long-term prepaid expenses	444	481	4,419
Deferred tax assets	64	71	652
Other	361	292	2,683
Allowance for doubtful accounts	(23)	(23)	(211)
Total investments and other assets	10,583	9,258	85,068
Total non-current assets	26,307	27,293	250,785
Total assets	63,916	63,554	583,975

	(Millions of yen)	(Thousands of U.S. dollars)
	As of March 31, 2019	As of March 31, 2020
(Thousands of U.S. dollars)		
Liabilities		
Current liabilities		
Notes and accounts payable - trade	5,343	4,787
Short-term borrowings	630	605
Current portion of long-term borrowings	777	754
Income taxes payable	878	1,034
Provision for bonuses	384	405
Other	3,690	3,346
Total current liabilities	11,704	10,934
Non-current liabilities		
Long-term borrowings	2,408	1,652
Lease obligations	120	89
Deferred tax liabilities	981	608
Long-term accounts payable - other	16	16
Provision for environmental measures	1	1
Retirement benefit liability	3,327	3,236
Other	-	75
Total non-current liabilities	6,856	5,679
Total liabilities	18,560	16,613
Net assets		
Shareholders' equity		
Share capital	9,855	9,855
Capital surplus	6,766	6,766
Retained earnings	25,520	28,551
Treasury shares	(1,791)	(2,458)
Total shareholders' equity	40,351	42,714
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,856	4,008
Deferred gains or losses on hedges	33	(85)
Foreign currency translation adjustment	48	112
Remeasurements of defined benefit plans	(241)	(151)
Total accumulated other comprehensive income	4,698	3,885
Non-controlling interests	306	340
Total net assets	45,356	46,940
Total liabilities and net assets	63,916	63,554

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

(Consolidated Statements of Income)

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2020
Net sales	47,385	45,435	417,485
Cost of sales	35,290	33,072	303,886
Gross profit	12,095	12,362	113,590
Selling, general and administrative expenses	6,291	6,554	60,222
Operating profit	5,803	5,808	53,367
Non-operating income			
Interest income	3	3	27
Dividend income	221	225	2,067
Foreign exchange gains	14	–	–
Other	63	68	624
Total non-operating income	302	296	2,719
Non-operating expenses			
Interest expenses	42	45	413
Loss on abandonment of inventories	9	81	744
Foreign exchange losses	–	87	799
Compensation for damage	9	36	330
Other	11	55	505
Total non-operating expenses	73	307	2,820
Ordinary profit	6,033	5,798	53,275
Extraordinary income			
Gain on sales of investment securities	–	425	3,905
Total extraordinary income	–	425	3,905
Extraordinary losses			
Impairment loss	–	309	2,839
Loss on retirement of non-current assets	173	162	1,488
Loss on valuation of investments in capital	–	25	229
Loss on valuation of investment securities	–	14	128
Loss on sales of golf club memberships	–	4	36
Total extraordinary losses	173	515	4,732
Profit before income taxes	5,860	5,708	52,448
Income taxes - current	1,795	1,864	17,127
Income taxes - deferred	11	(8)	(73)
Total income taxes	1,806	1,855	17,044
Profit	4,053	3,852	35,394
Profit attributable to non-controlling interests	45	22	202
Profit attributable to owners of parent	4,007	3,830	35,192

(Consolidated Statements of Comprehensive Income)

	(Millions of yen)	(Thousands of U.S. dollars)	
	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2020
Profit	4,053	3,852	35,394
Other comprehensive income			
Valuation difference on available-for-sale securities	(859)	(848)	(7,791)
Deferred gains or losses on hedges	22	(118)	(1,084)
Foreign currency translation adjustment	(160)	81	744
Remeasurements of defined benefit plans, net of tax	(27)	90	826
Total other comprehensive income	(1,024)	(795)	(7,304)
Comprehensive income	3,029	3,056	28,080
Comprehensive income attributable to			
Comprehensive income attributable to owners of parent	2,987	3,017	27,722
Comprehensive income attributable to non-controlling interests	41	39	358

(3) Consolidated Statements of Changes in Equity

Fiscal year ended March 31, 2019

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	9,855	6,766	22,217	(1,788)	37,052
Changes during period					
Dividends of surplus			(705)		(705)
Profit attributable to owners of parent			4,007		4,007
Purchase of treasury shares				(2)	(2)
Net changes in items other than shareholders' equity					
Total changes during period	–	–	3,302	(2)	3,299
Balance at end of period	9,855	6,766	25,520	(1,791)	40,351

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	5,716	11	205	(213)	5,718	272	43,043
Changes during period							
Dividends of surplus							(705)
Profit attributable to owners of parent							4,007
Purchase of treasury shares							(2)
Net changes in items other than shareholders' equity	(859)	22	(156)	(27)	(1,020)	33	(987)
Total changes during period	(859)	22	(156)	(27)	(1,020)	33	2,312
Balance at end of period	4,856	33	48	(241)	4,698	306	45,356

Fiscal year ended March 31, 2020

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	9,855	6,766	25,520	(1,791)	40,351
Changes during period					
Dividends of surplus			(799)		(799)
Profit attributable to owners of parent			3,830		3,830
Purchase of treasury shares				(667)	(667)
Disposal of treasury shares				0	0
Net changes in items other than shareholders' equity					
Total changes during period	-	-	3,030	(667)	2,363
Balance at end of period	9,855	6,766	28,551	(2,458)	42,714

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	4,856	33	48	(241)	4,698	306	45,356
Changes during period							
Dividends of surplus							(799)
Profit attributable to owners of parent							3,830
Purchase of treasury shares							(667)
Disposal of treasury shares							0
Net changes in items other than shareholders' equity	(848)	(118)	64	90	(812)	34	(778)
Total changes during period	(848)	(118)	64	90	(812)	34	1,584
Balance at end of period	4,008	(85)	112	(151)	3,885	340	46,940

Fiscal year ended March 31, 2020

(Thousands of U.S. dollars)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	90,554	62,170	234,494	(16,456)	370,770
Changes during period					
Dividends of surplus			(7,341)		(7,341)
Profit attributable to owners of parent			35,192		35,192
Purchase of treasury shares				(6,128)	(6,128)
Disposal of treasury shares				0	0
Net changes in items other than shareholders' equity					
Total changes during period	-	-	27,841	(6,128)	21,712
Balance at end of period	90,554	62,170	262,344	(22,585)	392,483

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	44,620	303	441	(2,214)	43,168	2,811	416,760
Changes during period							
Dividends of surplus							(7,341)
Profit attributable to owners of parent							35,192
Purchase of treasury shares							(6,128)
Disposal of treasury shares							0
Net changes in items other than shareholders' equity	(7,791)	(1,084)	588	826	(7,461)	312	(7,148)
Total changes during period	(7,791)	(1,084)	588	826	(7,461)	312	14,554
Balance at end of period	36,828	(781)	1,029	(1,387)	35,697	3,124	431,314

(4) Consolidated Statements of Cash Flows

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2020
Cash flows from operating activities			
Profit before income taxes	5,860	5,708	52,448
Depreciation	2,054	2,590	23,798
Amortization of goodwill	235	232	2,131
Loss (gain) on sales of investment securities	–	(425)	(3,905)
Impairment loss	–	309	2,839
Loss on retirement of non-current assets	173	162	1,488
Increase (decrease) in retirement benefit liability	57	38	349
Interest and dividend income	(224)	(228)	(2,095)
Interest expenses	42	45	413
Decrease (increase) in trade receivables	(1,421)	1,577	14,490
Decrease (increase) in inventories	(318)	(2,672)	(24,552)
Increase (decrease) in trade payables	148	(590)	(5,421)
Increase (decrease) in accrued consumption taxes	63	(168)	(1,543)
Other, net	(24)	116	1,065
Subtotal	6,645	6,693	61,499
Interest and dividends received	224	228	2,095
Interest paid	(42)	(45)	(413)
Income taxes paid	(1,997)	(1,711)	(15,721)
Net cash provided by (used in) operating activities	4,830	5,165	47,459
Cash flows from investing activities			
Purchase of property, plant and equipment	(3,458)	(5,534)	(50,849)
Purchase of investment securities	(11)	(11)	(101)
Proceeds from sales of investment securities	0	536	4,925
Other, net	(317)	(489)	(4,493)
Net cash provided by (used in) investing activities	(3,787)	(5,498)	(50,519)
Cash flows from financing activities			
Net increase (decrease) in short-term borrowings	(119)	(66)	(606)
Proceeds from long-term borrowings	3,177	–	–
Repayments of long-term borrowings	(1,046)	(777)	(7,139)
Purchase of treasury shares	(2)	(667)	(6,128)
Dividends paid	(701)	(798)	(7,332)
Dividends paid to non-controlling interests	(8)	(5)	(45)
Other, net	(27)	(31)	(284)
Net cash provided by (used in) financing activities	1,270	(2,346)	(21,556)
Effect of exchange rate change on cash and cash equivalents	(11)	4	36
Net increase (decrease) in cash and cash equivalents	2,301	(2,675)	(24,579)
Cash and cash equivalents at beginning of period	11,086	13,388	123,017
Cash and cash equivalents at end of period	13,388	10,713	98,437

VI. Segment Information

1. Overview of reportable segments

The reportable segments are constituent units of Tayca for which separate financial information is available. The Board of Directors periodically examines these segments for the purpose of deciding the allocation of management resources and evaluating operating performance.

Tayca's reportable segments are its core businesses: Business Related to Titanium Dioxide and Other Business. Business Related to Titanium Dioxide involves the production of products related to titanium dioxide, etc., at the factory in the Okayama region, and Other Business primarily involves the production of products, etc., centered on sulfonation at the Osaka Factory.

Main products belonging to each segment are as follows:

(1) Business Related to Titanium Dioxide:

Titanium dioxide, micro titanium dioxide, micro zinc oxide, surface treatment products, photocatalytic titanium dioxide, etc.

(2) Other Business:

Surfactants, sulfuric acid, pollution-free anti-corrosive pigment, conductive polymers and related products, piezoelectric materials, etc.

2. Calculation method for net sales, profit or loss, assets, liabilities, and other items by reportable segment

Segment profit of reportable segment is calculated on an operating profit basis.

Inter-segment sales or transfers are based on actual market prices.

3. Information about net sales, profit or loss, assets, liabilities, and other items by reportable segment

Fiscal year ended March 31, 2019

	Reportable segment			Adjustment (Notes)	Amount recorded on the consolidated financial statements
	Business Related to Titanium Dioxide	Other Business	Total		
Net sales					
Net sales to external customers	24,495	22,890	47,385	–	47,385
Inter-segment sales or transfers	–	855	855	(855)	–
Total	24,495	23,746	48,241	(855)	47,385
Segment profit	3,584	2,254	5,839	(35)	5,803
Segment assets	23,426	18,061	41,488	22,428	63,916
Other items					
Depreciation	1,197	866	2,064	(9)	2,054
Amortization of goodwill	–	235	235	–	235
Increase in property, plant and equipment and intangible assets	3,741	895	4,637	(43)	4,593

Notes: 1. Details of "Adjustment" are as follows:

- (1) The adjustment of negative ¥35 million on segment profit represents inter-segment transaction eliminations.
 - (2) The adjustment of ¥22,428 million on segment assets includes negative ¥532 million of elimination of inter-segment receivables by offsetting, etc. and ¥22,960 million of corporate assets that are not allocated to reportable segments.
2. Segment profit is adjusted to operating profit in the consolidated financial statements.

Fiscal year ended March 31, 2020

(Millions of yen)

	Reportable segment			Adjustment (Notes)	Amount recorded on the consolidated financial statements
	Business Related to Titanium Dioxide	Other Business	Total		
Net sales					
Net sales to external customers	24,564	20,870	45,435	–	45,435
Inter-segment sales or transfers	–	900	900	(900)	–
Total	24,564	21,771	46,336	(900)	45,435
Segment profit	3,331	2,500	5,831	(23)	5,808
Segment assets	28,085	16,640	44,725	18,828	63,554
Other items					
Depreciation	1,652	935	2,587	3	2,590
Amortization of goodwill	–	232	232	–	232
Increase in property, plant and equipment and intangible assets	4,552	845	5,397	155	5,553

Notes: 1. Details of “Adjustment” are as follows:

- (1) The adjustment of negative ¥23 million on segment profit represents inter-segment transaction eliminations.
- (2) The adjustment of ¥18,828 million on segment assets includes negative ¥524 million of elimination of inter-segment receivables by offsetting, etc. and ¥19,352 million of corporate assets that are not allocated to reportable segments.
- (3) The adjustment of ¥3 million on depreciation in other items includes negative ¥46 million of inter-segment transaction eliminations and ¥49 million of corporate assets that are not allocated to reportable segments.
- (4) The adjustment of ¥155 million on increase in property, plant and equipment and intangible assets in other items includes negative ¥64 million of inter-segment transaction eliminations and ¥219 million of corporate assets that are not allocated to reportable segments.

VII. History

December 1919	Teikoku Synthetic Fertilizer Co., Ltd. was founded for the production of superphosphate fertilizers.
November 1920	Osaka Factory was built for the production of superphosphate fertilizers and lead-chamber sulfuric acid.
October 1938	Equipment was installed in Osaka factory to produce sulfuric acid by the Lurgi Contact Process, and production of dilute sulfuric acid began.
June 1939	Production of fluorides, mainly artificial cryolite, began at Osaka Factory.
March 1942	Okayama Factory was built for the production of fluorides.
April 1942	Company was renamed Teikoku Kako Co., Ltd.
June 1944	A plant in Owada, where sulfuric acid was produced by the Monsanto Contact Process, was acquired.
August 1945	Production of fluorides at Osaka and Okayama Factories discontinued.
April 1951	Production of titanium dioxide at Okayama Factory began.
June 1961	Production of surfactants at Osaka Factory began.
July 1965	Production of superphosphate fertilizers discontinued.
April 1967	A warehousing business (Funamachi Warehousing) started in the Osaka Factory premises.
April 1969	Hyakushima Warehouse, now parts of Tayca Warehousing Co., Ltd., was built in the Owada Factory premises, where a warehousing business started.
November 1969	In order to join the Western Japan Sulfuric Acid Center of Dowa Mining Co., Ltd., Owada Factory discontinued its operation.
June 1973	To integrate warehousing operations, Tayca Warehousing Co., Ltd., wholly owned by the company, was established.
October 1981	Production of condensed phosphates (K-White, K-Bond and K-Fresh) at Osaka Factory began.
June 1984	Tayca Trading Co., Ltd., wholly owned by the company, was established with the principal objective of selling chemicals.
August 1989	Company was renamed Tayca Corporation, marking the 70th anniversary of its foundation.
February 1994	Obtains ISO 9002 certification for the production of phosphoric acid (Osaka Factory), titanium dioxide products (Okayama Factory) and related products.
January 1996	In stride with advances in the surface treatment field, Tayca opened its Osafune, Okayama Factory and production commenced.
April 1997	Tayca's development division became a separate entity, and TFT Corporation was established to manufacture and sell electro-ceramic products.
August 2000	Acquires ISO 14001 certification at Osaka Factory and Okayama Factory.
October 2001	TAYCA (Thailand) Co., Ltd. was established in Chonburi, Thailand to manufacture surfactants.
September 2006	To expand a surface treatment business, Tayca opened its Kumayama Factory and production commenced.
February 2014	TAYCA (VIETNAM) CO., LTD. was established in Dong Nai, Vietnam to manufacture surfactants.
April 2017	Established JAPAN SERICITE CORPORATION for the principal objective of selling sericite products, a joint venture with SANSHIN MINING IND. CO., LTD.
January 2018	TRS Technologies, Inc. became a subsidiary in order to expand the piezoelectric materials business.

VIII. Corporate Data

Basic Information (as of June 25, 2020)

Trade name:	Tayca Corporation
Established:	December 22, 1919
Listed market:	The First Section of the Tokyo Stock Exchange (Securities Code: 4027)
Listed:	May 1924
Business year:	From April 1 to March 31 of the following year
Capital stock:	9,855,953,999 yen
Number of employees:	525 persons (as of March 31, 2020)
Head office:	3-6-13 Kitahama, Chuo-ku, Osaka
Telephone:	+81-6-6208-6400
Consolidated subsidiaries:	Tayca Warehousing Co., Ltd. Tayca Trading Co., Ltd. TFT Corporation Tayca M&M Corporation JAPAN SERICITE CORPORATION TAYCA (Thailand) Co., Ltd. TAYCA (VIETNAM) CO., LTD. TRS Technologies, Inc.

Directors and Audit & Supervisory Board Members (as of June 25, 2020)

Chairman	Masao Nagita
Representative Director, President Executive Officer	Hirofumi Yamazaki
Director, Managing Executive Officer	Masahiko Nishino
Director, Managing Executive Officer	Shunji Idei
Director, Senior Executive Officer	Tamataro Iwasaki
Director, Audit and Supervisory Committee Member (Standing)	Akira Miyazaki
Director*, Audit and Supervisory Committee Member**	Hiroyuki Yamada
Director*, Audit and Supervisory Committee Member**	Hitoshi Tanaka
Director*, Audit and Supervisory Committee Member**	Koji Yamamoto
Director*, Audit and Supervisory Committee Member**	Mamiko Ozaki

* Outside Director ** Outside Audit and Supervisory Committee Member

Stock Status (as of March 31, 2020)

Total number of authorized shares:	75,000,000 shares
Total number of issued shares:	25,714,414 shares
Number of shareholders:	3,995

Major shareholders (Top 10)

Name	Number of shares held (Thousands)	Shareholding ratio (%)
KBL EPB S.A. 107704	2,918	12.59
MITSUI & CO., LTD.	1,784	7.69
Mitsubishi Corporation	1,630	7.03
Yamada Sangyo Co., Ltd.	1,470	6.34
Trust & Custody Services Bank, Ltd. as trustee for Mizuho Bank Retirement Benefit Trust Account re- entrusted by Mizuho Trust and Banking Co., Ltd.	1,009	4.35
Tayca Corporation Trading-Partner Shareholding Association	976	4.21
The Master Trust Bank of Japan, Ltd. (Trust account)	864	3.73
NIPPON TOCHI-TATEMONO Co., Ltd.	694	2.99
Kansai Paint Co., Ltd.	612	2.64
SUMITOMO CORPORATION	500	2.15

* In addition to shares described above, Tayca Corporation holds 2,538 thousand shares as treasury shares.

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* The financial statements in this Annual Select are stated in Japanese yen with amounts of less than one million yen omitted. As a result, the totals shown do not necessarily agree with the sums of the individual amounts. The translation of Japanese yen amounts into U.S. dollar amounts is included solely for the convenience of investors outside Japan. Such translation is carried out at the rate of ¥108.83 = U.S. \$1, the approximate rate of exchange at March 31, 2020, and the resultant amounts are shown with amounts of less than 1,000 U.S. dollars omitted.

* While every best effort has been made to provide a translation meeting the quality standards required of professionals, the Company does not guarantee it is 100% accurate. Therefore, please verify the original Japanese text for any final judgments made based on this information.