

**For the Fiscal Year Ended March 31, 2022**

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**Annual Select<sup>®</sup> 2022**

# **Tayca Corporation**

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**4-11-6 Tanimachi, Chuo-ku, Osaka**

**(Securities Code: 4027)**

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## **Corporate Profile**

The history of Tayca Corporation began with the establishment of Teikoku Jinzo Fertilizer Co., Ltd. in 1919. Since our founding, we have continued to build upon our expertise in sulfuric acid technologies to expand our business while researching, manufacturing, and selling a variety of products demanded by the chemical industry. Our principal products include titanium dioxide, surfactants, functional fine particle products, and piezoelectric materials, all of which we have adapted to the evolving needs of society and to the changing times. In 2019, we took pride in celebrating our company's centennial.

As we continue to prosper under the slogan "Creating Inspiring Materials with Earnest," our Group recently formulated the "MOVING-10" plan, our long-term management vision targeting the completion year of 2030. By making full use of our organic and inorganic synthesis technology, surface treatment technology, and dispersion and stabilization technology that we have cultivated over many years, we are actively engaged in expanding our businesses into the fields of life sciences and environmental energy, which hold the promise of benefitting human health and helping to protect the global environment. Moreover, by diligently and proactively addressing current management challenges such as the implementation of environmental, social, and governance (ESG) management principles and the pursuit of the UN's sustainable development goals (SDGs), we aim to enhance our corporate value even as we contribute to the emergence of a society committed to sustainability.

In an era in which we are witnessing significant changes in society and shifts in personal values, we at Tayca remain committed to providing inspiration to all as we continue to focus on driving the future growth of the Tayca Group.

## I. Summary of Selected Financial Data (Consolidated)

	152 <sup>nd</sup> term Fiscal year ended March 31, 2018	153 <sup>rd</sup> term Fiscal year ended March 31, 2019	154 <sup>th</sup> term Fiscal year ended March 31, 2020	155 <sup>th</sup> term Fiscal year ended March 31, 2021	156 <sup>th</sup> term Fiscal year ended March 31, 2022
Net sales (Millions of yen)	42,521	47,385	45,435	38,402	46,362
Ordinary profit (Millions of yen)	6,108	6,033	5,798	2,740	4,156
Profit attributable to owners of parent (Millions of yen)	3,624	4,007	3,830	1,927	2,845
Comprehensive income (Millions of yen)	4,422	3,029	3,056	4,222	1,876
Net assets (Millions of yen)	43,043	45,356	46,940	50,230	51,263
Total assets (Millions of yen)	58,843	63,916	63,554	69,177	72,128
Net assets per share (Yen)	1,819.24	1,916.26	2,010.70	2,152.62	2,196.16
Basic earnings per share (Yen)	154.13	170.47	163.70	83.16	122.79
Diluted earnings per share (Yen)	—	—	—	—	—
Equity-to-asset ratio (%)	72.7	70.5	73.3	72.1	70.6
Rate of return on equity (ROE) (%)	8.9	9.1	8.4	4.0	5.6
Price-earnings ratio (PER) (Times)	18.3	14.9	8.7	17.8	10.5
Net cash provided by (used in) operating activities (Millions of yen)	4,002	4,830	5,165	4,953	4,841
Net cash provided by (used in) investing activities (Millions of yen)	(4,992)	(3,787)	(5,498)	(4,905)	(2,807)
Net cash provided by (used in) financing activities (Millions of yen)	(536)	1,270	(2,346)	2,519	(2,363)
Cash and cash equivalents at end of period (Millions of yen)	11,086	13,388	10,713	13,250	12,981
Number of employees (Persons)	702	758	793	834	825

Notes: 1. “Diluted earnings per share” is not provided since there are no potential shares.  
2. Tayca Corporation and its subsidiaries (the “Group”) have applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) and relevant ASBJ regulations effective from the beginning of the 156th term (fiscal year ended March 31, 2022). The selected financial data shown for the 156th term (fiscal year ended March 31, 2022) are those after applying the new accounting standards.

## II. Top Message

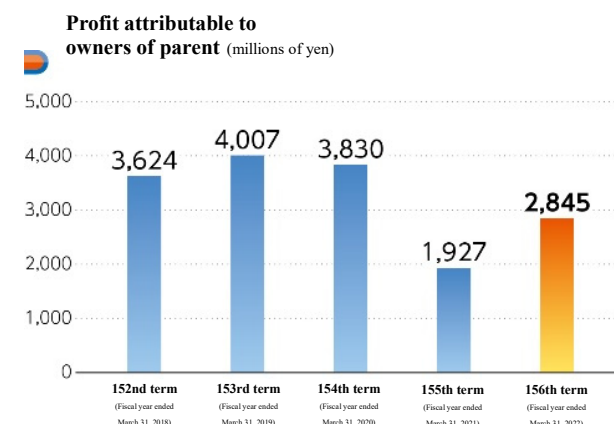
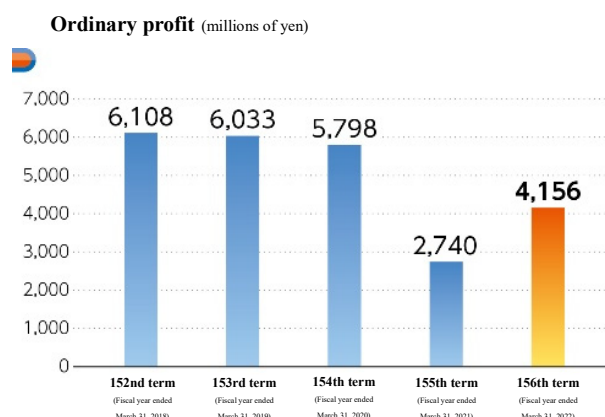
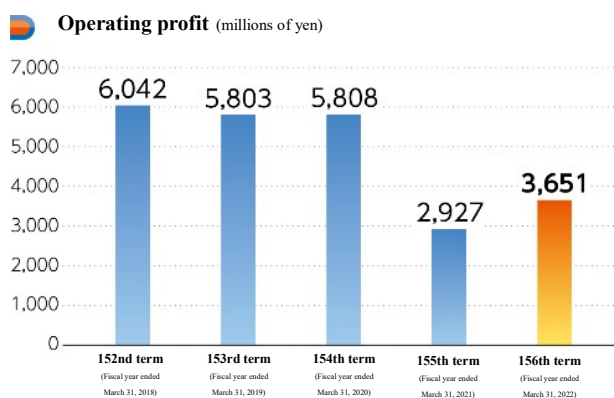
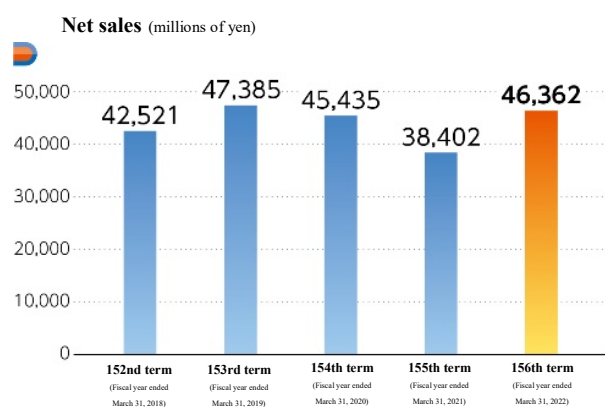


Tayca Corporation's 156th term (from April 1, 2021 to March 31, 2022) has ended and as such we hereby offer the following report regarding the settlement of accounts, etc.

Shunji Idei

Representative Director, President Executive Officer

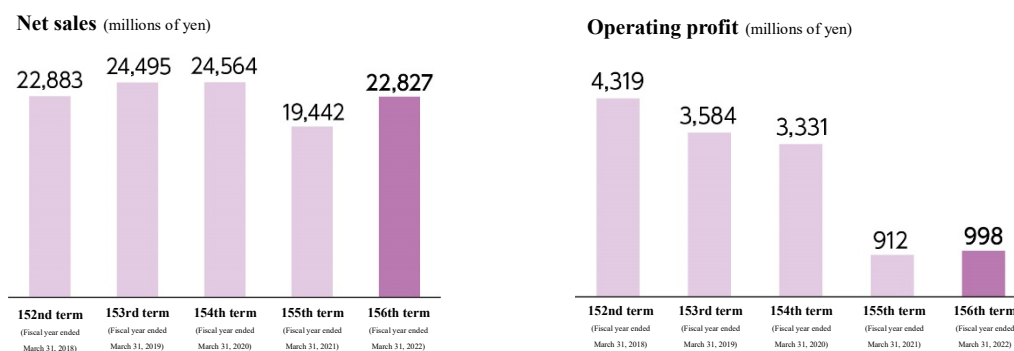
During the fiscal year ended March 31, 2022 (the “current fiscal year”), the Group posted net sales of ¥46,362 million (up 20.7% from the previous fiscal year), operating profit of ¥3,651 million (up 24.7% from the previous fiscal year), ordinary profit of ¥4,156 million (up 51.6% from the previous fiscal year) and profit attributable to owners of parent of ¥2,845 million (up 47.6% from the previous fiscal year). This was mainly due to a recovery in sales of general usage titanium dioxide, particularly for export, and functional fine particle products, as well as strong sales of electronic materials such as piezoelectric materials.



### Functional Chemical Business

Demand for general usage titanium dioxide recovered following a downturn caused by the COVID-19 pandemic and we carried out sales price revisions to reflect rising fuel prices, resulting in year on year growth in both sales volume and net sales. Sales of specialty use micro titanium dioxide, micro zinc oxide, and surface treatment products recovered, particularly overseas sales to regions such as the United States and China, resulting in year-on-year growth in both sales volume and net sales.

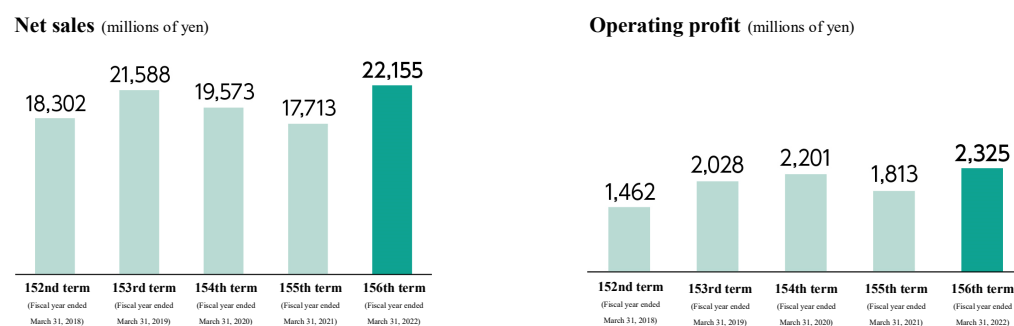
As a result of the above, net sales for this business were ¥22,827 million (up 17.4% from the previous fiscal year), and segment profit was ¥998 million (up 9.4% from the previous fiscal year).



### Electronic Material and Basic Chemical Business

The sales volume of surfactants remained level with the previous fiscal year, but sales price revisions and an increase in sales at overseas consolidated subsidiaries meant that net sales grew year on year. In regard to conductive polymers and related products, demand related to ICT and 5G infrastructure was robust, which led to year-on-year increases for both sales volume and net sales. Sales of pollution-free anti-corrosive pigments to overseas customers were steady, leading to year-on-year increases for both sales volume and net sales. Net sales of piezoelectric materials increased year on year due to strong sales for medical equipment applications, including sales at overseas consolidated subsidiaries.

As a result of the above, net sales for this business were ¥22,155 million (up 25.1% from the previous fiscal year), and segment profit was ¥2,325 million (up 28.2% from the previous fiscal year).



#### *Other*

In the warehousing business, net sales grew year on year, mainly due to the acquisition of new projects and profit revisions.

As a result of the above, net sales for this business were ¥1,379 million (up 10.8% from the previous fiscal year), and segment profit was ¥329 million (up 54.0% from the previous fiscal year).

### **III. Forecasts for the Next Fiscal Year**

Regarding the economic outlook, we expect that the future will remain uncertain due to concerns regarding a resurgence of infections because of new COVID-19 variants and the impact of the situation in Ukraine on supply chains.

Regarding the impact of the spread of COVID-19, although it is difficult to accurately estimate when the situation will come under control, the Group assumes that the economic environment will move toward a certain degree of recovery by the end of the next fiscal year. Regarding the Group's earnings forecast for the fiscal year ending March 31, 2023, revenue and profits are expected to increase year on year because of the positive effects of increased sales and sales price revisions on profits, despite the cost to sales ratio getting worse due to rising fuel prices and an increase in depreciation.

Despite general usage titanium dioxide showing signs of recovery, we expect that the difficult situation on the earnings front will continue due to rising fuel prices.

Specialty use micro titanium dioxide, micro zinc oxide, and surface treatment products were impacted by a significant fall in demand for ultra-violet (UV) radiation protection, which is a primary use for the above-mentioned products, due to the global spread of COVID-19. However, we anticipate that the gradual resuming of economic activity due to the spread of COVID-19 vaccines will lead to a recovery in demand, not only in Europe and the United States, but also in Asia, so we will watch the market carefully as we strive to maintain and grow sales.

Regarding electronic materials, we forecast strong demand both in Japan and overseas. For piezoelectric materials in particular, the start of operations at our plant for the mass production of piezoelectric single-crystal materials, which was completed in January 2022, means that we have established production locations in both Japan and the United States. We will work to further expand sales by providing a stable supply of products around the world. Regarding the Basic Chemical Business, robust demand is expected for daily goods such as detergents and we will focus on responding to demand in regions across the globe together with our overseas consolidated subsidiaries in Thailand and Vietnam.

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.

In regard to the forecasts of consolidated performance for the next fiscal year, we expect net sales of ¥54,000 million, operating profit of ¥3,900 million, ordinary profit of ¥4,200 million, and profit attributable to owners of parent of ¥2,900 million.

In addition, in regard to the dividend for the next fiscal year, we plan to bring the annual dividend to ¥36 per share: a combination of an interim dividend of ¥18 per share and a year-end dividend of ¥18 per share.

## IV. Consolidated Financial Statements

### (1) Consolidated Balance Sheets

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2021	As of March 31, 2022	As of March 31, 2022
<b>Assets</b>			
Current assets			
Cash and deposits	13,329	13,060	106,690
Notes and accounts receivable - trade	11,202	13,738	112,229
Electronically recorded monetary claims - operating	193	350	2,859
Merchandise and finished goods	7,164	8,044	65,713
Work in process	1,116	1,279	10,448
Raw materials and supplies	3,342	4,997	40,821
Other	634	831	6,788
Allowance for doubtful accounts	(2)	(2)	(16)
Total current assets	36,979	42,300	345,560
Non-current assets			
Property, plant and equipment			
Buildings and structures, net	6,724	6,421	52,454
Machinery, equipment and vehicles, net	7,774	7,028	57,413
Land	1,695	1,695	13,846
Construction in progress	936	1,662	13,577
Other, net	493	438	3,578
Total property, plant and equipment	17,624	17,246	140,887
Intangible assets			
Goodwill	1,536	1,463	11,951
Other	230	164	1,339
Total intangible assets	1,767	1,628	13,299
Investments and other assets			
Investment securities	11,797	9,786	79,944
Long-term prepaid expenses	637	800	6,535
Deferred tax assets	71	80	653
Other	323	305	2,491
Allowance for doubtful accounts	(23)	(20)	(163)
Total investments and other assets	12,806	10,953	89,477
Total non-current assets	32,198	29,827	243,664
Total assets	69,177	72,128	589,232

	(Millions of yen)	(Thousands of U.S. dollars)	
	As of March 31, 2021	As of March 31, 2022	As of March 31, 2022
Liabilities			
Current liabilities			
Notes and accounts payable - trade	3,914	6,873	56,147
Short-term borrowings	465	963	7,867
Current portion of long-term borrowings	1,950	1,942	15,864
Income taxes payable	442	864	7,058
Provision for bonuses	350	360	2,940
Other	2,875	3,485	28,469
Total current liabilities	9,999	14,490	118,372
Non-current liabilities			
Long-term borrowings	4,038	2,100	17,155
Lease liabilities	56	—	—
Deferred tax liabilities	1,692	1,112	9,084
Long-term accounts payable - other	9	9	73
Retirement benefit liability	3,152	3,152	25,749
Total non-current liabilities	8,948	6,374	52,070
Total liabilities	18,947	20,865	170,451
Net assets			
Shareholders' equity			
Share capital	9,855	9,855	80,508
Capital surplus	6,766	6,766	55,273
Retained earnings	29,551	31,562	257,838
Treasury shares	(2,459)	(2,460)	(20,096)
Total shareholders' equity	43,714	45,725	373,539
Accumulated other comprehensive income			
Valuation difference on available-for-sale securities	6,370	4,912	40,127
Deferred gains or losses on hedges	61	181	1,478
Foreign currency translation adjustment	(187)	72	588
Remeasurements of defined benefit plans	(71)	4	32
Total accumulated other comprehensive income	6,173	5,170	42,235
Non-controlling interests	341	367	2,998
Total net assets	50,230	51,263	418,781
Total liabilities and net assets	69,177	72,128	589,232

## (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, 2021	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2022
Net sales	38,402	46,362	378,743
Cost of sales	29,377	36,709	299,885
Gross profit	9,025	9,653	78,857
Selling, general and administrative expenses	6,097	6,001	49,023
Operating profit	2,927	3,651	29,825
Non-operating income			
Interest income	1	5	40
Dividend income	213	208	1,699
Compensation income	162	—	—
Income on compensation	119	—	—
Subsidies for employment adjustment	118	43	351
Foreign exchange gains	24	251	2,050
Other	92	61	498
Total non-operating income	732	570	4,656
Non-operating expenses			
Interest expenses	50	34	277
Loss on abandonment of inventories	19	11	89
Costs related to the suspension of operations	826	—	—
Other	23	19	155
Total non-operating expenses	918	65	531
Ordinary profit	2,740	4,156	33,951
Extraordinary income			
Gain on sales of investments in capital	—	67	547
Gain on cancellation of leases	—	21	171
Gain on sale of investment securities	129	5	40
Compensation for forced relocation	180	—	—
Total extraordinary income	309	94	767
Extraordinary losses			
Loss on retirement of non-current assets	261	157	1,282
Loss on valuation of investments in capital	48	—	—
Head office relocation expenses	12	—	—
Total extraordinary losses	321	157	1,282
Profit before income taxes	2,728	4,093	33,436
Income taxes - current	829	1,244	10,162
Income taxes - deferred	(49)	(31)	(253)
Total income taxes	779	1,212	9,901
Profit	1,949	2,880	23,527
Profit attributable to non-controlling interests	22	34	277
Profit attributable to owners of parent	1,927	2,845	23,241



## (Consolidated Statements of Comprehensive Income)

	(Millions of yen)	(Thousands of U.S. dollars)	
	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2022
Profit	1,949	2,880	23,527
Other comprehensive income			
Valuation difference on available-for-sale securities	2,362	(1,458)	(11,910)
Deferred gains or losses on hedges	146	120	980
Foreign currency translation adjustment	(316)	258	2,107
Remeasurements of defined benefit plans, net of tax	79	75	612
Total other comprehensive income	2,272	(1,003)	(8,193)
Comprehensive income	4,222	1,876	15,325
Comprehensive income attributable to			
Comprehensive income attributable to owners of parent	4,215	1,842	15,047
Comprehensive income attributable to non-controlling interests	6	33	269

### (3) Consolidated Statements of Changes in Equity

Fiscal year ended March 31, 2021

(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	28,551	(2,458)	42,714
Changes during period					
Dividends of surplus			(927)		(927)
Profit attributable to owners of parent			1,927		1,927
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares				0	0
Net changes in items other than shareholders' equity					
Total changes during period	—	—	1,000	(0)	999
Balance at end of period	9,855	6,766	29,551	(2,459)	43,714

	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	4,008	(85)	112	(151)	3,885	340	46,940
Changes during period							
Dividends of surplus							(927)
Profit attributable to owners of parent							1,927
Purchase of treasury shares							(0)
Disposal of treasury shares							0
Net changes in items other than shareholders' equity	2,362	146	(300)	79	2,288	0	2,289
Total changes during period	2,362	146	(300)	79	2,288	0	3,289
Balance at end of period	6,370	61	(187)	(71)	6,173	341	50,230

Fiscal year ended March 31, 2022

(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	29,551	(2,459)	43,714
Changes during period					
Dividends of surplus			(834)		(834)
Profit attributable to owners of parent			2,845		2,845
Purchase of treasury shares				(0)	(0)
Net changes in items other than shareholders' equity					
Total changes during period	—	—	2,011	(0)	2,010
Balance at end of period	9,855	6,766	31,562	(2,460)	45,725

	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	6,370	61	(187)	(71)	6,173	341	50,230
Changes during period							
Dividends of surplus							(834)
Profit attributable to owners of parent							2,845
Purchase of treasury shares							(0)
Net changes in items other than shareholders' equity	(1,458)	120	259	75	(1,002)	25	(977)
Total changes during period	(1,458)	120	259	75	(1,002)	25	1,033
Balance at end of period	4,912	181	72	4	5,170	367	51,263

Fiscal year ended March 31, 2022

(Thousands of U.S. dollars)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	80,508	55,273	241,410	(20,088)	357,111
Changes during period					
Dividends of surplus			(6,813)		(6,813)
Profit attributable to owners of parent			23,241		23,241
Purchase of treasury shares				(0)	(0)
Net changes in items other than shareholders' equity					
Total changes during period	–	–	16,428	(0)	16,420
Balance at end of period	80,508	55,273	257,838	(20,096)	373,539

	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	52,038	498	(1,527)	(580)	50,428	2,785	410,342
Changes during period							
Dividends of surplus							(6,813)
Profit attributable to owners of parent							23,241
Purchase of treasury shares							(0)
Net changes in items other than shareholders' equity	(11,910)	980	2,115	612	(8,185)	204	(7,981)
Total changes during period	(11,910)	980	2,115	612	(8,185)	204	8,438
Balance at end of period	40,127	1,478	588	32	42,235	2,998	418,781

#### (4) Consolidated Statements of Cash Flows

	(Millions of yen)	(Thousands of U.S. dollars)	
	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2022
Cash flows from operating activities			
Profit before income taxes	2,728	4,093	33,436
Depreciation	2,737	3,212	26,239
Amortization of goodwill	219	243	1,985
Loss (gain) on sale of investment securities	(129)	(5)	(40)
Loss on retirement of non-current assets	261	157	1,282
Increase (decrease) in retirement benefit liability	31	108	882
Interest and dividend income	(215)	(213)	(1,740)
Interest expenses	50	34	277
Decrease (increase) in trade receivables	1,782	(2,654)	(21,681)
Decrease (increase) in inventories	(48)	(2,646)	(21,615)
Increase (decrease) in trade payables	(794)	2,880	23,527
Increase (decrease) in accrued consumption taxes	50	372	3,038
Other, net	(505)	(89)	(727)
Subtotal	6,168	5,493	44,873
Interest and dividends received	215	213	1,740
Interest paid	(50)	(34)	(277)
Income taxes paid	(1,380)	(831)	(6,788)
Net cash provided by (used in) operating activities	4,953	4,841	39,547
Cash flows from investing activities			
Purchase of property, plant and equipment	(4,857)	(2,473)	(20,202)
Purchase of investment securities	(6)	(106)	(865)
Proceeds from sale of investment securities	175	19	155
Other, net	(216)	(245)	(2,001)
Net cash provided by (used in) investing activities	(4,905)	(2,807)	(22,931)
Cash flows from financing activities			
Net increase (decrease) in short-term borrowings	(107)	493	4,027
Proceeds from long-term borrowings	5,000	—	—
Repayments of long-term borrowings	(1,411)	(1,954)	(15,962)
Purchase of treasury shares	(0)	(0)	(0)
Dividends paid	(924)	(830)	(6,780)
Dividends paid to non-controlling interests	(5)	(8)	(65)
Other, net	(31)	(62)	(506)
Net cash provided by (used in) financing activities	2,519	(2,363)	(19,303)
Effect of exchange rate change on cash and cash equivalents	(29)	60	490
Net increase (decrease) in cash and cash equivalents	2,537	(268)	(2,189)
Cash and cash equivalents at beginning of period	10,713	13,250	108,242
Cash and cash equivalents at end of period	13,250	12,981	106,045

## V. 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: Functional Chemical Business and Electronic Material and Basic Chemical Business.

Main products belonging to each segment are as follows:

#### (1) Functional Chemical Business:

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

#### (2) Electronic Material and Basic Chemical Business:

Piezoelectric materials, conductive polymers and related products, surfactants, sulfuric acid, pollution-free anti-corrosive pigment, 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.

The Group has applied the "Accounting Standard for Revenue Recognition" and relevant ASBJ regulations to the consolidated financial statements from the current fiscal year onward. In accordance with this change in the accounting method for recognizing revenue, the method for calculating profit and loss in each reportable segment has also changed.

Looking at adjustments in the net sales of each reportable segment in the current fiscal year as a result of this change, in the Functional Chemical Business, net sales decreased by ¥236 million and in the Electronic Material and Basic Chemical Business, net sales decreased by ¥588 million. Segment profits have not been affected.

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

Fiscal year ended March 31, 2021

(Millions of yen)

	Reportable segment			Other (Note 1)	Adjustment (Note 2)	Amount recorded on the consolidated financial statements (Note 3)
	Functional Chemical Business	Electronic Material and Basic Chemical Business	Total			
Net sales						
Net sales to external customers	19,442	17,713	37,156	1,245	—	38,402
Inter-segment sales or transfers	—	—	—	1,479	(1,479)	—
Total	19,442	17,713	37,156	2,725	(1,479)	38,402
Segment profit	912	1,813	2,725	213	(12)	2,927
Segment assets	28,439	14,337	42,776	2,025	24,375	69,177
Other items						
Depreciation	1,808	819	2,628	75	33	2,737
Amortization of goodwill	—	219	219	—	—	219
Increase in property, plant and equipment and intangible assets	3,363	1,222	4,585	100	124	4,810

- Notes:
1. The classification “Other” refers to business segments not included in reportable segments, and includes the warehousing business, engineering, etc.
  2. Details of “Adjustment” are as follows:
    - (1) The adjustment of negative ¥12 million on segment profit represents inter-segment transaction eliminations.
    - (2) The adjustment of ¥24,375 million on segment assets includes negative ¥532 million of elimination of inter-segment receivables by offsetting, etc. and ¥24,908 million of corporate assets that are not allocated to reportable segments.
    - (3) The adjustment of ¥33 million on depreciation in other items includes negative ¥45 million of inter-segment transaction eliminations and ¥79 million of corporate assets that are not allocated to reportable segments.
    - (4) The adjustment of ¥124 million on increase in property, plant and equipment and intangible assets in other items includes negative ¥40 million of inter-segment transaction eliminations and ¥164 million of corporate assets that are not allocated to reportable segments.
  3. Segment profit is adjusted to operating profit in the consolidated financial statements.

Fiscal year ended March 31, 2022

(Millions of yen)

	Reportable segment			Other (Note 1)	Adjustment (Note 2)	Amount recorded on the consolidated financial statements (Note 3)
	Functional Chemical Business	Electronic Material and Basic Chemical Business	Total			
Net sales						
Net sales to external customers	22,827	22,155	44,982	1,379	–	46,362
Inter-segment sales or transfers	–	–	–	1,516	(1,516)	–
Total	22,827	22,155	44,982	2,896	(1,516)	46,362
Segment profit	998	2,325	3,323	329	(1)	3,651
Segment assets	30,999	16,787	47,786	2,288	22,052	72,128
Other items						
Depreciation	2,298	801	3,100	77	34	3,212
Amortization of goodwill	–	243	243	–	–	243
Increase in property, plant and equipment and intangible assets	1,621	1,054	2,676	95	(24)	2,747

- Notes: 1. The classification “Other” refers to business segments not included in reportable segments, and includes the warehousing business, engineering, etc.
2. Details of “Adjustment” are as follows:
- (1) The adjustment of negative ¥1 million on segment profit represents inter-segment transaction eliminations.
  - (2) The adjustment of ¥22,052 million on segment assets includes negative ¥594 million of elimination of inter-segment receivables by offsetting, etc. and ¥22,647 million of corporate assets that are not allocated to reportable segments.
  - (3) The adjustment of ¥34 million on depreciation in other items includes negative ¥47 million of inter-segment transaction eliminations and ¥81 million of corporate assets that are not allocated to reportable segments.
  - (4) The adjustment of negative ¥24 million on increase in property, plant and equipment and intangible assets in other items includes negative ¥38 million of inter-segment transaction eliminations and ¥13 million of corporate assets that are not allocated to reportable segments.
3. Segment profit is adjusted to operating profit in the consolidated financial statements.



## VI. 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.
April 1951	Production of titanium dioxide at Okayama Factory began.
June 1961	Production of surfactants at Osaka Factory began.
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	Owada Factory discontinued its operation.
May 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.
March 2019	Expanded manufacturing facility for functional fine particle products at the Kumayama Factory and production commenced.
December 2019	Celebrated 100th anniversary.
July 2020	Completed expanded manufacturing facility for functional fine particle products that correspond to GMP at the Okayama Factory.
September 2020	Relocated head office to Chuo Nittochi Tanimachi Building
January 2022	Completed the mass production of piezoelectric single-crystal materials at the Osaka Factory
April 2022	Transitioned from the First Section of the Tokyo Stock Exchange to the Prime Market due to a review of the Tokyo Stock Exchange's market sections.

## VII. Corporate Data

### Basic Information (as of June 28, 2022)

Trade name:	Tayca Corporation
Established:	December 22, 1919
Listed market:	Prime Market of the Tokyo Stock Exchange (Securities Code: 4027)
Listed:	May 1949
Business year:	From April 1 to March 31 of the following year
Capital stock:	9,855,953,999 yen
Number of employees:	551 persons (as of March 31, 2022)
Head office:	4-11-6 Tanimachi, Chuo-ku, Osaka
Telephone:	+81-6-6943-6401
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 28, 2022)

Representative Director, President Executive Officer	Shunji Idei
Director, Managing Executive Officer	Masahiko Nishino
Director, Managing Executive Officer	Yasuyuki Nakatsuka
Director, Senior Executive Officer	Tamataro Iwasaki
Director, Senior Executive Officer	Yoshihiro Murata
Director	Masao Nagita
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, 2022)**

Total number of authorized shares:	75,000,000 shares
Total number of issued shares:	25,714,414 shares
Number of shareholders:	4,199

**Major shareholders (Top 10)**

Name	Number of shares held (Thousands)	Shareholding ratio (%)
QUINTET PRIVATE BANK (EUROPE) S.A. 107704	2,543	10.97
The Master Trust Bank of Japan, Ltd. (Trust account)	1,829	7.89
MITSUI & CO., LTD.	1,784	7.69
Mitsubishi Corporation	1,630	7.03
Yamada Sangyo Co., Ltd.	1,470	6.34
Custody Bank of Japan, 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	958	4.13
Chuo-Nittochi Group 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 2,539 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 ¥122.41 = U.S. \$1, the approximate rate of exchange at March 31, 2022, 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.