

For the Fiscal Year Ended March 31, 2024

Annual Select[®] 2024

Tayca Corporation

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(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)

	154 th term Fiscal year ended March 31, 2020	155 th term Fiscal year ended March 31, 2021	156 th term Fiscal year ended March 31, 2022	157 th term Fiscal year ended March 31, 2023	158 th term Fiscal year ended March 31, 2024
Net sales (Millions of yen)	45,435	38,402	46,362	54,773	52,993
Ordinary profit (Millions of yen)	5,798	2,740	4,156	4,717	2,802
Profit attributable to owners of parent (Millions of yen)	3,830	1,927	2,845	2,986	1,866
Comprehensive income (Millions of yen)	3,056	4,222	1,876	3,239	5,216
Net assets (Millions of yen)	46,940	50,230	51,263	53,658	57,764
Total assets (Millions of yen)	63,554	69,177	72,128	75,717	82,709
Net assets per share (Yen)	2,010.70	2,152.62	2,196.16	2,296.45	2,489.06
Basic earnings per share (Yen)	163.70	83.16	122.79	128.86	80.60
Diluted earnings per share (Yen)	—	—	—	—	—
Equity-to-asset ratio (%)	73.3	72.1	70.6	70.3	69.3
Rate of return on equity (ROE) (%)	8.4	4.0	5.6	5.7	3.4
Price-earnings ratio (PER) (Times)	8.7	17.8	10.5	9.1	18.8
Net cash provided by (used in) operating activities (Millions of yen)	5,165	4,953	4,841	581	4,978
Net cash provided by (used in) investing activities (Millions of yen)	(5,498)	(4,905)	(2,807)	(2,980)	(3,949)
Net cash provided by (used in) financing activities (Millions of yen)	(2,346)	2,519	(2,363)	825	1,453
Cash and cash equivalents at end of period (Millions of yen)	10,713	13,250	12,981	11,582	14,229
Number of employees (Persons)	793	834	825	832	815

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) and subsequent terms are those after applying the new accounting standards.

II. Top Message



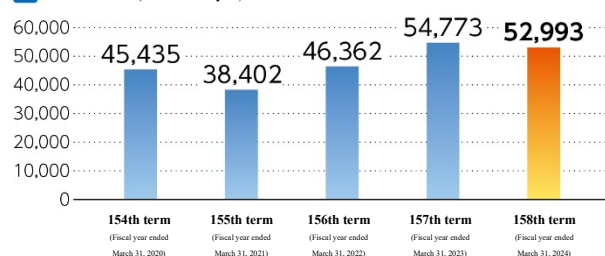
Tayca Corporation's 158th term (from April 1, 2023 to March 31, 2024) has ended and as such we hereby offer the following report regarding the settlement of accounts, etc.

Shunji Idei

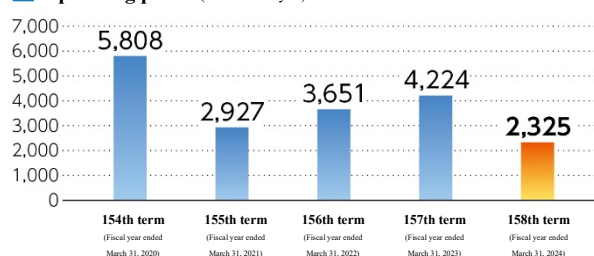
Representative Director, President Executive Officer

During the fiscal year ended March 31, 2024, the Group posted net sales of ¥52,993 million (down 3.3% from the previous fiscal year), operating profit of ¥2,325 million (down 45.0% from the previous fiscal year), ordinary profit of ¥2,802 million (down 40.6% from the previous fiscal year) and profit attributable to owners of parent of ¥1,866 million (down 37.5% from the previous fiscal year). This was mainly due to an increase in costs such as persistently high raw material and fuel prices as well as weak sales for conductive polymers and related products, despite a recovery in sales of functional fine particle products for cosmetics, particularly in the domestic market.

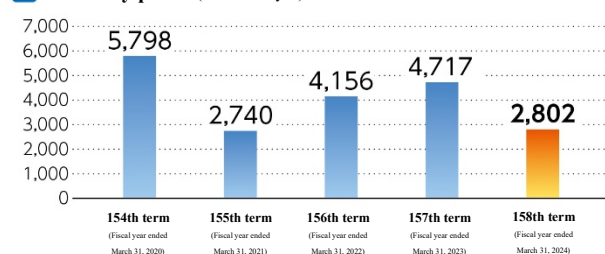
Net sales (millions of yen)



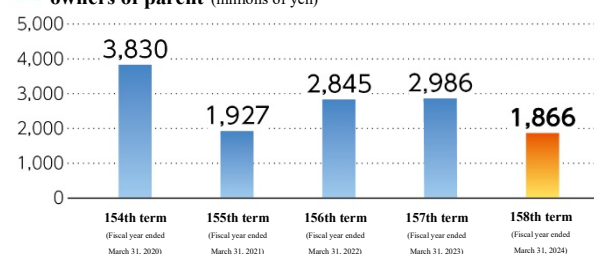
Operating profit (millions of yen)



Ordinary profit (millions of yen)



Profit attributable to owners of parent (millions of yen)

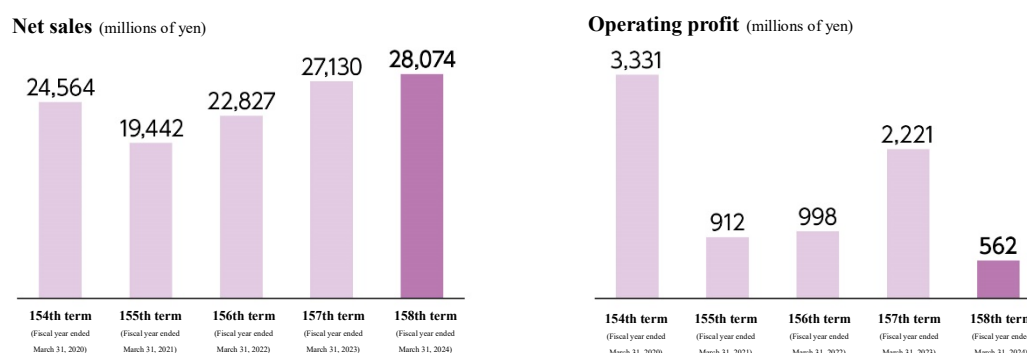


Functional Chemical Business

Net sales for general usage titanium dioxide increased year on year due to the implementation of sales price revisions, despite falling sales of general purpose paints in Japan as well as a decline in sales volume mainly due to the impact of intensifying competition from overseas manufacturers.

In regard to specialty use micro titanium dioxide, micro zinc oxide, and surface treatment products, both sales volume and net sales increased year on year due to recovery in sales for cosmetic ingredients, primarily in the domestic market.

As a result of the above, net sales for this business were ¥28,074 million (up 3.5% from the previous fiscal year), and segment profit was ¥562 million (down 74.7% from the previous fiscal year).



Electronic Material and Basic Chemical Business

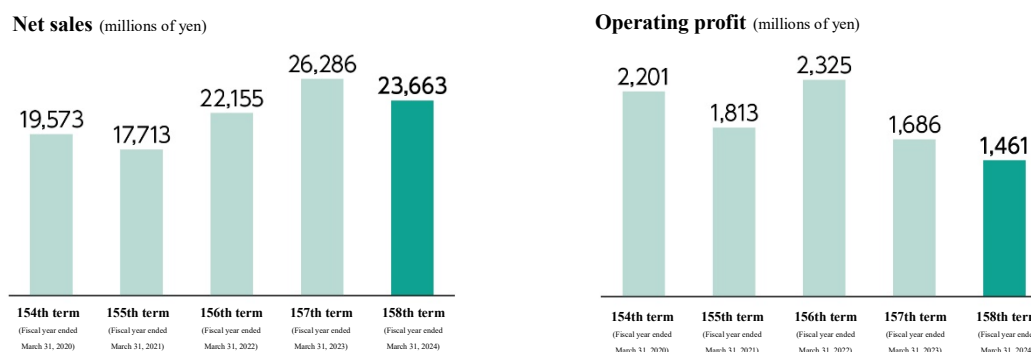
In regard to surfactants, both sales volume and net sales fell year on year owing to weak sales for daily detergents.

Sales volume and net sales of conductive polymers and related products were lower than the previous fiscal year due to sluggish demand for smartphones and personal computers, despite the adoption of new applications.

Despite an increase in domestic demand due to recovery of automotive production, sales volume and net sales of pollution-free anti-corrosive pigments were lower than the previous fiscal year due to sluggish exports.

Net sales of piezoelectric materials fell year on year as a result of the impact of inventory adjustments by overseas customers and other factors, despite steady sales to domestic medical equipment customers.

As a result of the above, net sales for this business were ¥23,663 million (down 10.0% from the previous fiscal year), and segment profit was ¥1,461 million (down 13.4% from the previous fiscal year).



Other

Net sales in the warehousing business declined from the previous fiscal year as freight movement has still not recovered to the pre-pandemic level.

As a result of the above, net sales for this business were ¥1,255 million (down 7.4% from the previous fiscal year), and segment profit was ¥327 million (up 1.8% from the previous fiscal year).

III. Forecasts for the Next Fiscal Year

The future economic outlook is expected to remain uncertain due to persistently high raw material and fuel prices, as well as concerns about the impact on supply chains caused by the heightening of geopolitical risks including the situation in the Middle East.

The business environment surrounding the Group is as follows.

Functional Chemical Business

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

Specialty use micro titanium dioxide, micro zinc oxide, and surface treatment products are expected to see an increase in demand, not only in Europe and the United States, but also in Asia, so we will watch the markets of each country carefully as we strive to maintain and grow sales.

Electronic Material and Basic Chemical Business

We expect demand for electronic materials to remain strong both in Japan and overseas. In particular, we will strive to further expand sales of piezoelectric materials through the stable and efficient supply of products from our manufacturing bases in Japan and the U.S. to countries 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 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 ¥57,500 million, operating profit of ¥3,200 million, ordinary profit of ¥3,500 million, and profit attributable to owners of parent of ¥2,300 million.

In addition, in regard to the dividend for the next fiscal year, we plan to bring the annual dividend to ¥38 per share: a combination of an interim dividend of ¥18 per share and a year-end dividend of ¥20 per share.

IV. Consolidated Financial Statements

(1) Consolidated Balance Sheets

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	As of March 31, 2024	As of March 31, 2024
Assets			
Current assets			
Cash and deposits	11,661	14,308	94,504
Notes and accounts receivable - trade	14,792	15,731	103,903
Electronically recorded monetary claims - operating	358	536	3,540
Merchandise and finished goods	11,015	9,625	63,573
Work in process	1,837	2,401	15,858
Raw materials and supplies	6,344	6,193	40,904
Other	624	298	1,968
Allowance for doubtful accounts	(3)	(5)	(33)
Total current assets	46,631	49,089	324,233
Non-current assets			
Property, plant and equipment			
Buildings and structures, net	6,580	6,755	44,616
Machinery, equipment and vehicles, net	7,088	6,323	41,763
Land	1,717	1,734	11,453
Construction in progress	1,031	2,075	13,705
Other, net	542	506	3,342
Total property, plant and equipment	16,960	17,395	114,894
Intangible assets			
Goodwill	1,407	1,203	7,945
Other	119	206	1,360
Total intangible assets	1,526	1,410	9,313
Investments and other assets			
Investment securities	9,279	13,365	88,276
Long-term prepaid expenses	995	1,110	7,331
Deferred tax assets	76	94	620
Other	266	264	1,743
Allowance for doubtful accounts	(20)	(20)	(132)
Total investments and other assets	10,597	14,814	97,846
Total non-current assets	29,085	33,619	222,054
Total assets	75,717	82,709	546,294

	(Millions of yen)		(Thousands of U.S. dollars)
	As of March 31, 2023	As of March 31, 2024	As of March 31, 2024
Liabilities			
Current liabilities			
Notes and accounts payable - trade	6,627	6,118	40,409
Short-term borrowings	971	705	4,656
Current portion of long-term borrowings	2,079	3,114	20,568
Income taxes payable	688	407	2,688
Provision for bonuses	386	379	2,503
Other	3,475	3,384	22,351
Total current liabilities	14,228	14,110	93,196
Non-current liabilities			
Long-term borrowings	3,805	5,710	37,714
Deferred tax liabilities	870	2,194	14,491
Retirement benefit liability	3,144	2,928	19,339
Other	9	0	0
Total non-current liabilities	7,829	10,834	71,558
Total liabilities	22,058	24,944	164,755
Net assets			
Shareholders' equity			
Share capital	9,855	9,855	65,092
Capital surplus	6,766	6,477	42,780
Retained earnings	33,714	34,746	229,498
Treasury shares	(2,460)	(2,416)	(15,957)
Total shareholders' equity	47,876	48,663	321,420
Accumulated other comprehensive income			
Valuation difference on available-for-sale securities	4,554	7,389	48,804
Deferred gains or losses on hedges	20	—	—
Foreign currency translation adjustment	716	1,056	6,974
Remeasurements of defined benefit plans	51	176	1,162
Total accumulated other comprehensive income	5,342	8,622	56,948
Non-controlling interests	438	478	3,157
Total net assets	53,658	57,764	381,532
Total liabilities and net assets	75,717	82,709	546,294

(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, 2023	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2024
Net sales	54,773	52,993	350,019
Cost of sales	44,337	44,301	292,608
Gross profit	10,436	8,691	57,404
Selling, general and administrative expenses	6,211	6,366	42,047
Operating profit	4,224	2,325	15,356
Non-operating income			
Interest income	7	27	178
Dividend income	229	262	1,730
Income on compensation	80	—	—
Foreign exchange gains	130	145	957
Other	126	149	984
Total non-operating income	574	584	3,857
Non-operating expenses			
Interest expenses	52	86	568
Other	28	20	132
Total non-operating expenses	81	107	706
Ordinary profit	4,717	2,802	18,507
Extraordinary income			
Gain on sale of investment securities	102	25	165
Gain on sale of non-current assets	—	48	317
National subsidies	—	184	1,215
Total extraordinary income	102	257	1,697
Extraordinary losses			
Loss on retirement of non-current assets	549	189	1,248
Loss on tax purpose reduction entry of non-current assets	—	184	1,215
Total extraordinary losses	549	373	2,463
Profit before income taxes	4,270	2,685	17,734
Income taxes - current	1,290	776	5,125
Income taxes - deferred	(51)	4	26
Total income taxes	1,239	781	5,158
Profit	3,030	1,904	12,575
Profit attributable to non-controlling interests	44	37	244
Profit attributable to owners of parent	2,986	1,866	12,324

(Consolidated Statements of Comprehensive Income)

(Millions of yen) (Thousands of U.S. dollars)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2024
Profit	3,030	1,904	12,575
Other comprehensive income			
Valuation difference on available-for-sale securities	(358)	2,835	18,725
Deferred gains or losses on hedges	(160)	(20)	(132)
Foreign currency translation adjustment	681	371	2,450
Remeasurements of defined benefit plans, net of tax	47	125	825
Total other comprehensive income	209	3,312	21,875
Comprehensive income	3,239	5,216	34,451
Comprehensive income attributable to			
Comprehensive income attributable to owners of parent	3,158	5,146	33,989
Comprehensive income attributable to non-controlling interests	81	69	455

(3) Consolidated Statements of Changes in Equity

Fiscal year ended March 31, 2023

(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	31,562	(2,460)	45,725
Changes during period					
Dividends of surplus			(834)		(834)
Profit attributable to owners of parent			2,986		2,986
Purchase of treasury shares				(0)	(0)
Net changes in items other than shareholders' equity					
Total changes during period	—	—	2,152	(0)	2,151
Balance at end of period	9,855	6,766	33,714	(2,460)	47,876

	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	4,912	181	72	4	5,170	367	51,263
Changes during period							
Dividends of surplus							(834)
Profit attributable to owners of parent							2,986
Purchase of treasury shares							(0)
Net changes in items other than shareholders' equity	(358)	(160)	643	47	171	71	243
Total changes during period	(358)	(160)	643	47	171	71	2,395
Balance at end of period	4,554	20	716	51	5,342	438	53,658

Fiscal year ended March 31, 2024

(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	33,714	(2,460)	47,876
Changes during period					
Dividends of surplus			(834)		(834)
Profit attributable to owners of parent			1,866		1,866
Purchase of treasury shares				(252)	(252)
Disposal of treasury shares		2		4	7
Cancellation of treasury shares		(291)		291	—
Net changes in items other than shareholders' equity					
Total changes during period	—	(289)	1,032	43	786
Balance at end of period	9,855	6,477	34,746	(2,416)	48,663

	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	4,554	20	716	51	5,342	438	53,658
Changes during period							
Dividends of surplus							(834)
Profit attributable to owners of parent							1,866
Purchase of treasury shares							(252)
Disposal of treasury shares							7
Cancellation of treasury shares							—
Net changes in items other than shareholders' equity	2,835	(20)	339	125	3,280	39	3,319
Total changes during period	2,835	(20)	339	125	3,280	39	4,106
Balance at end of period	7,389	—	1,056	176	8,622	478	57,764

Fiscal year ended March 31, 2024

(Thousands of U.S. dollars)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	65,092	44,689	222,681	(16,248)	316,221
Changes during period					
Dividends of surplus			(5,508)		(5,508)
Profit attributable to owners of parent			12,324		12,324
Purchase of treasury shares				(1,664)	(1,664)
Disposal of treasury shares		13		26	46
Cancellation of treasury shares		(1,922)		1,922	—
Net changes in items other than shareholders' equity					
Total changes during period	—	(1,908)	6,816	284	5,191
Balance at end of period	65,092	42,780	229,498	(15,957)	321,420

	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	30,079	132	4,729	336	35,284	2,892	354,412
Changes during period							
Dividends of surplus							(5,508)
Profit attributable to owners of parent							12,324
Purchase of treasury shares							(1,664)
Disposal of treasury shares							46
Cancellation of treasury shares							—
Net changes in items other than shareholders' equity	18,725	(132)	2,239	825	21,664	257	21,922
Total changes during period	18,725	(132)	2,239	825	21,664	257	27,120
Balance at end of period	48,804	—	6,974	1,162	56,948	3,157	381,532

(4) Consolidated Statements of Cash Flows

	(Millions of yen)		(Thousands of U.S. dollars)
	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2024
Cash flows from operating activities			
Profit before income taxes	4,270	2,685	17,734
Depreciation	3,138	2,902	19,167
Amortization of goodwill	281	300	1,981
Loss (gain) on sale of investment securities	(102)	(25)	(165)
Gain on sale of non-current assets	—	(48)	(317)
Subsidy income	—	(184)	(1,215)
Loss on retirement of non-current assets	549	189	1,248
Loss on tax purpose reduction entry of non-current assets	—	184	1,215
Increase (decrease) in retirement benefit liability	59	(36)	(237)
Interest and dividend income	(236)	(290)	(1,915)
Interest expenses	52	86	568
Decrease (increase) in trade receivables	(569)	(776)	(5,125)
Decrease (increase) in inventories	(4,736)	1,088	7,186
Increase (decrease) in trade payables	(590)	(748)	(4,940)
Increase (decrease) in accrued consumption taxes	(611)	714	4,715
Other, net	365	(155)	(1,023)
Subtotal	1,870	5,887	38,883
Interest and dividends received	236	290	1,915
Interest paid	(52)	(86)	(568)
Income taxes paid	(1,473)	(1,112)	(7,344)
Net cash provided by (used in) operating activities	581	4,978	32,879
Cash flows from investing activities			
Purchase of property, plant and equipment	(2,687)	(3,617)	(23,890)
Proceeds from sale of property, plant and equipment	—	48	317
Subsidies received	—	184	1,215
Purchase of investment securities	(23)	(7)	(46)
Proceeds from sale of investment securities	131	31	204
Other, net	(401)	(588)	(3,883)
Net cash provided by (used in) investing activities	(2,980)	(3,949)	(26,083)
Cash flows from financing activities			
Net increase (decrease) in short-term borrowings	(165)	(339)	(2,239)
Proceeds from long-term borrowings	4,000	5,155	34,048
Repayments of long-term borrowings	(2,165)	(2,214)	(14,623)
Purchase of treasury shares	(0)	(252)	(1,664)
Dividends paid	(832)	(832)	(5,495)
Dividends paid to non-controlling interests	(9)	(30)	(198)
Other, net	(0)	(31)	(204)
Net cash provided by (used in) financing activities	825	1,453	9,597
Effect of exchange rate change on cash and cash equivalents	173	163	1,076
Net increase (decrease) in cash and cash equivalents	(1,399)	2,647	17,483
Cash and cash equivalents at beginning of period	12,981	11,582	76,499
Cash and cash equivalents at end of period	11,582	14,229	93,982

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, assets, 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, assets, and other items by reportable segment

Fiscal year ended March 31, 2023

(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	27,130	26,286	53,417	1,355	–	54,773
Inter-segment sales or transfers	–	–	–	1,512	(1,512)	–
Total	27,130	26,286	53,417	2,868	(1,512)	54,773
Segment profit	2,221	1,686	3,908	321	(5)	4,224
Segment assets	35,444	18,157	53,602	2,230	19,883	75,717
Other items						
Depreciation	2,159	871	3,030	72	35	3,138
Amortization of goodwill	–	281	281	–	–	281
Increase in property, plant and equipment and intangible assets	2,006	826	2,832	165	41	3,039

- 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 ¥5 million on segment profit represents inter-segment transaction eliminations.
 - (2) The adjustment of ¥19,883 million on segment assets includes negative ¥301 million of elimination of inter-segment receivables by offsetting, etc. and ¥20,185 million of corporate assets that are not allocated to reportable segments.
 - (3) The adjustment of ¥35 million on depreciation in other items includes negative ¥47 million of inter-segment transaction eliminations and ¥82 million of corporate assets that are not allocated to reportable segments.
 - (4) The adjustment of ¥41 million on increase in property, plant and equipment and intangible assets in other items includes negative ¥50 million of inter-segment transaction eliminations and ¥92 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, 2024

(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	28,074	23,663	51,738	1,255	—	52,993
Inter-segment sales or transfers	—	—	—	1,633	(1,633)	—
Total	28,074	23,663	51,738	2,889	(1,633)	52,993
Segment profit	562	1,461	2,024	327	(26)	2,325
Segment assets	35,488	18,855	54,343	2,395	25,969	82,709
Other items						
Depreciation	1,966	808	2,775	78	49	2,902
Amortization of goodwill	—	300	300	—	—	300
Increase in property, plant and equipment and intangible assets	2,654	656	3,310	60	48	3,420

- 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 ¥26 million on segment profit represents inter-segment transaction eliminations.
 - (2) The adjustment of ¥25,969 million on segment assets includes negative ¥313 million of elimination of inter-segment receivables by offsetting, etc. and ¥26,282 million of corporate assets that are not allocated to reportable segments.
 - (3) The adjustment of ¥49 million on depreciation in other items includes negative ¥49 million of inter-segment transaction eliminations and ¥98 million of corporate assets that are not allocated to reportable segments.
 - (4) The adjustment of ¥48 million on increase in property, plant and equipment and intangible assets in other items includes negative ¥45 million of inter-segment transaction eliminations and ¥94 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 26, 2024)

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:	540 persons (non-consolidated) (as of March 31, 2024)
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 Committee Members (as of June 26, 2024)

Representative Director, President Executive Officer	Shunji Idei
Director, Managing Executive Officer	Yasuyuki Nakatsuka
Director, Senior Executive Officer	Tamataro Iwasaki
Director, Senior Executive Officer	Yoshihiro Murata
Director, Audit & Supervisory Committee Member (Standing)	Akira Miyazaki
Director*, Audit & Supervisory Committee Member**	Hitoshi Tanaka
Director*, Audit & Supervisory Committee Member**	Koji Yamamoto
Director*, Audit & Supervisory Committee Member**	Mamiko Ozaki
Director*, Audit & Supervisory Committee Member**	Tsuyoshi Inoue

* Outside Director ** Outside Audit & Supervisory Committee Member

Stock Status (as of March 31, 2024)

Total number of authorized shares:	75,000,000 shares
Total number of issued shares:	25,414,414 shares
Number of shareholders:	4,255

Major shareholders (Top 10)

Name	Number of shares held (Thousands)	Shareholding ratio (%)
CACEIS BANK/QUINTET LUXEMBOURG SUB AC/UCITS CUSTOMERS ACCOUNT	2,437	10.59
The Master Trust Bank of Japan, Ltd. (Trust account)	1,954	8.49
MITSUI & CO., LTD.	1,784	7.75
Mitsubishi Corporation	1,630	7.08
Yamada Sangyo Co., Ltd.	1,470	6.38
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	4.38
Custody Bank of Japan, Ltd. (Trust account)	944	4.10
Tayca Corporation Trading-Partner Shareholding Association	854	3.71
Chuo-Nittochi Group Co., Ltd.	694	3.01
Kansai Paint Co., Ltd.	612	2.66

Note: In addition to shares described above, Tayca Corporation holds 2,399 thousand shares as treasury shares.

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