

For Immediate Release

July 29, 2021

**Taoka Chemical Reports Consolidated Financial Results
For the Three Months Ended June 30, 2021**

The Taoka Chemical Group's consolidated sales revenue for the three months ended June 30, 2021 increased by ¥1,084 million compared with the same period of the previous fiscal year, to ¥8,917 million. The Group posted operating income of ¥819 million, ordinary income of ¥840 million and net income attributable to owners of the parent of ¥605 million, all of which exceeded the results for the previous fiscal year.

The financial results of Taoka Chemical by business segment for the three month period were as follows:

Chemicals Segment

Sales revenue of this segment was ¥8,769 million, a ¥1,046 million increase compared to the same period of the previous fiscal year.

Fine chemicals sector

Though shipments of pharmaceutical intermediates decreased, shipments of monomers for optical resins, agrochemical intermediates and electronic materials increased. As a result, the sector sales revenue increased by ¥251 million, to ¥5,481 million.

Functional chemicals sector

Operation of the customers of adhesives and rubber additives recovered. As a result, the sector sales revenue increased by ¥398 million to ¥1,001 million.

Specialty polymers and varnish sector

Operation of the customers of paper chemicals recovered and demand of varnish steadily increased. As a result, the sector sales revenue increased by ¥268 million, to ¥1,170 million.

Plasticizers sector

In addition to steady shipment, owing to an increase of sales price in conjunction with a steep rise in raw material prices, sales of plasticizers in the first quarter increased. As a result, the sector sales revenue increased by ¥127 million, to ¥1,116 million.

Others (Analytical Services)

Increases in sales of soil analysis and of measurement and evaluation for working environment brought up sales of contracted chemical analytical services. As a result, the segment sales revenue increased by ¥37 million, to ¥147 million.

Dividend

(Yen)

| Annual dividend per share | | | | | |
|---------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|---------|
| | 1 st Quarter Jun. 2021 | 2 nd Quarter Sep. 2021 | 3 rd Quarter Dec. 2021 | 4 th Quarter Mar. 2022 | Total |
| FY Ended Mar. 31, 2021 (Result) | | ¥70.00 | | ¥90.00 | ¥160.00 |
| FY Ending Mar. 31, 2022 (Result) | | | | | |
| FY Ending Mar. 31, 2022 (Forecast) | | ¥90.00 | | ¥18.00 | - |

The Company resolved to conduct a share split at the meeting of the board of directors held on June 24, 2021. Effective on October 1, 2021, the Company will split one ordinary share into five shares. Forecasts of dividend per share and net income per share, without factoring in the effects of the share split, are as follows.

(Yen)

| | Dividend per share | Net income per share |
|-----------------------------------|--------------------|----------------------|
| 2 nd Quarter Sep. 2021 | ¥90.00 | ¥348.92 |
| 4 th Quarter Mar. 2022 | ¥90.00 | ¥907.20 |

Summary of Consolidated Results

(1) Results of Operation

| | 3 Months ended June 30, 2021 | | 3 Months ended June 30, 2020 |
|--|---------------------------------|--------------------|---------------------------------|
| | Yen (Millions) | USD (Thousands) | Yen (Millions) |
| Sales Revenue | 8,917 | 80,639 | 7,832 |
| Operating Income | 819 | 6,991 | 773 |
| Income before Taxes | 840 | 7,588 | 790 |
| Net Income | 605 | 5,478 | 517 |
| Net Income attributable to owners of the parent | 605 | 5,478 | 517 |
| Comprehensive Income | 601 | 5,477 | 529 |
| Net Income per share | Yen 211.40 | USD 1.91 | Yen 180.46 |

(2) Financial Position

| | As of June 30, 2021 | | As of Mar. 31, 2021 |
|--------------|---------------------|--------------------|------------------------|
| | Yen (Millions) | USD (Thousands) | Yen (Millions) |
| Total Assets | 28,098 | 254,101 | 27,958 |
| Total Equity | 15,581 | 140,908 | 15,237 |

(3) Results of Operation by Business Segment

| Sales Revenue | 3 Months Ended June 30, 2021 | | 3 Months Ended June 30, 2020 |
|------------------------------|---------------------------------|--------------------|---------------------------------|
| | Yen (Millions) | USD (Thousands) | Yen (Millions) |
| Fine Chemicals | 5,481 | 49,571 | 5,229 |
| Functional Materials | 1,001 | 9,055 | 602 |
| Specialty Polymers & Varnish | 1,170 | 10,584 | 901 |
| Plasticizers | 1,116 | 10,095 | 988 |
| Chemicals Segment | 8,769 | 79,307 | 7,723 |
| Others | 147 | 1,331 | 109 |
| Total | 8,917 | 80,639 | 7,822 |

(Note)

U.S.Dollar amounts are translated from yen for convenience only at the rate of ¥110.58= \$ 1 prevailing on June 30, 2021.