

The Fiscal Year ending March 2021 (2020 April- 2020 June)

Business Results

August 2020



1. Business Results for the 1st QT FY ending 2021 March

2. 2021 March ending Projection

Business Highlight for FY2021 1QT

- The revenue was 6,589million yen (Comparison with previous year +631 million yen、 +11%)
- Although labor cost and depression for photosensitive material capacity expansion increased, advanced products sales growth well more than compensating cost increase, operation profit increased +128% YOY, ordinary profit increased +47% YOY, net profit increased +48% YOY thanks to good electronics materials market.

(Million yen)	Prev. Year1Q Result	FY20211Q Result	I/D AMT	YOY I/D %
Revenue	5,958	6,589	+631	+11%
Operation profit	594	760	+166	+28%
Ordinary Profit	531	781	+249	+47%
Net Profit	366	542	+175	+48%
Net profit per share	46.21	68.38		
FX Rate (USD)	¥108/\$	¥108/\$		

The summary of the Business Result FY2021 1QT

■ Revenue

- ✓ 6,589million yen (YOY+631million yen,+11%)
- ✓ Photosensitive Materials Segment: Sales growth mainly thanks to advanced product such as PAG and polymer
- Chemicals Segment: Solvent sales for Electronic application and aroma chemical increased. Logistic business kept high tank operation, but less movement of goods.

■ Operation profit

- ✓ 760million yen (YOY+166million yen, +28%)
- ✓ Although fix cost (YOY +64million yen) for the capacity improvement in photosensitive materials segment increased, the profit increases as contribution from high-end application

■ Ordinary profit

- ✓ 781million yen (YOY+249million yen, +47%)
- ✓ Non-operating profit: FX impact, insurance income, less interest cost

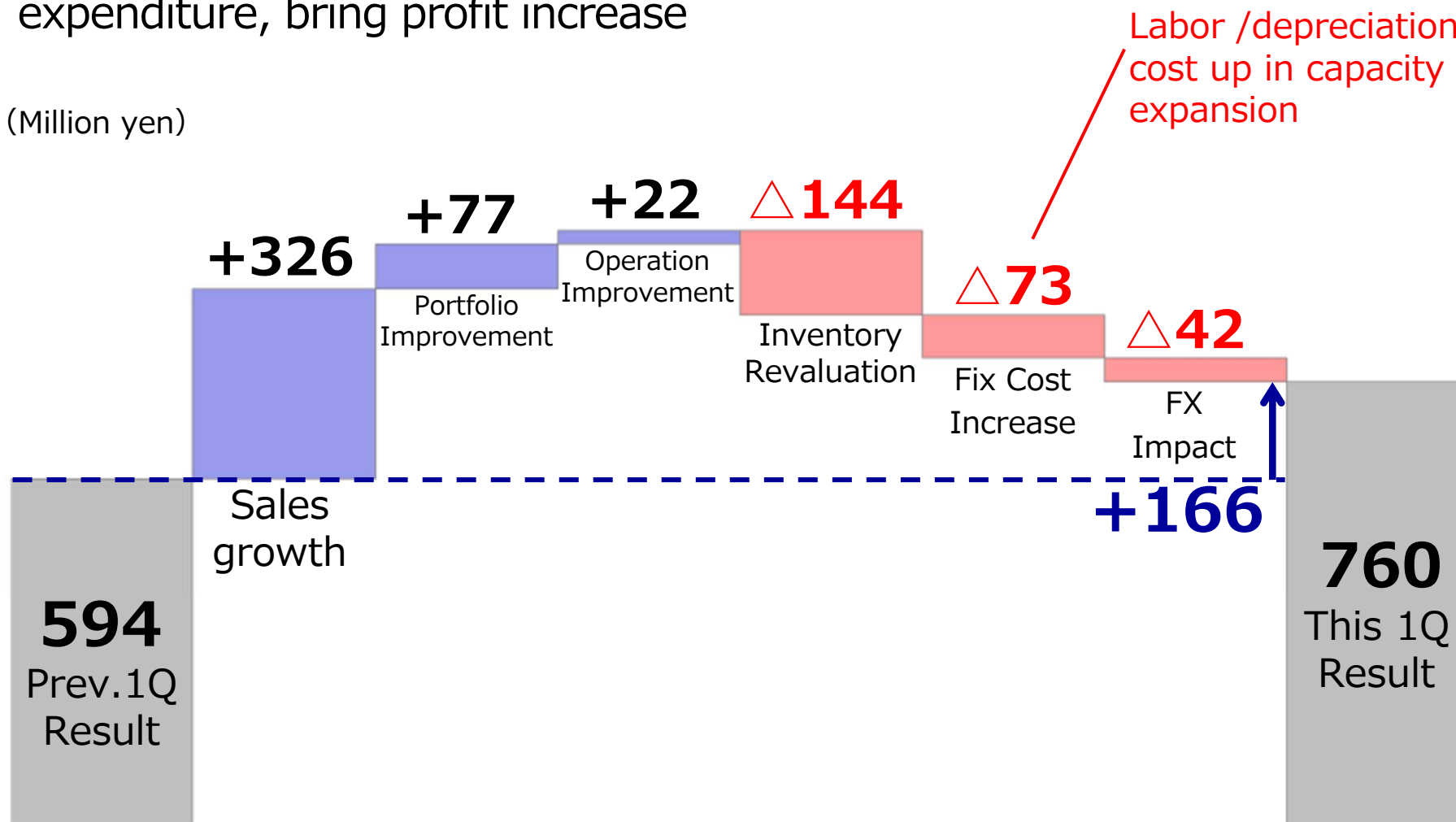
■ Net profit

- ✓ 542million yen (YOY+175million yen, +48%)

Operating profit: factors for increase/decrease

- Sales growth more than compensating capacity up investment cost and expenditure, bring profit increase

(Million yen)

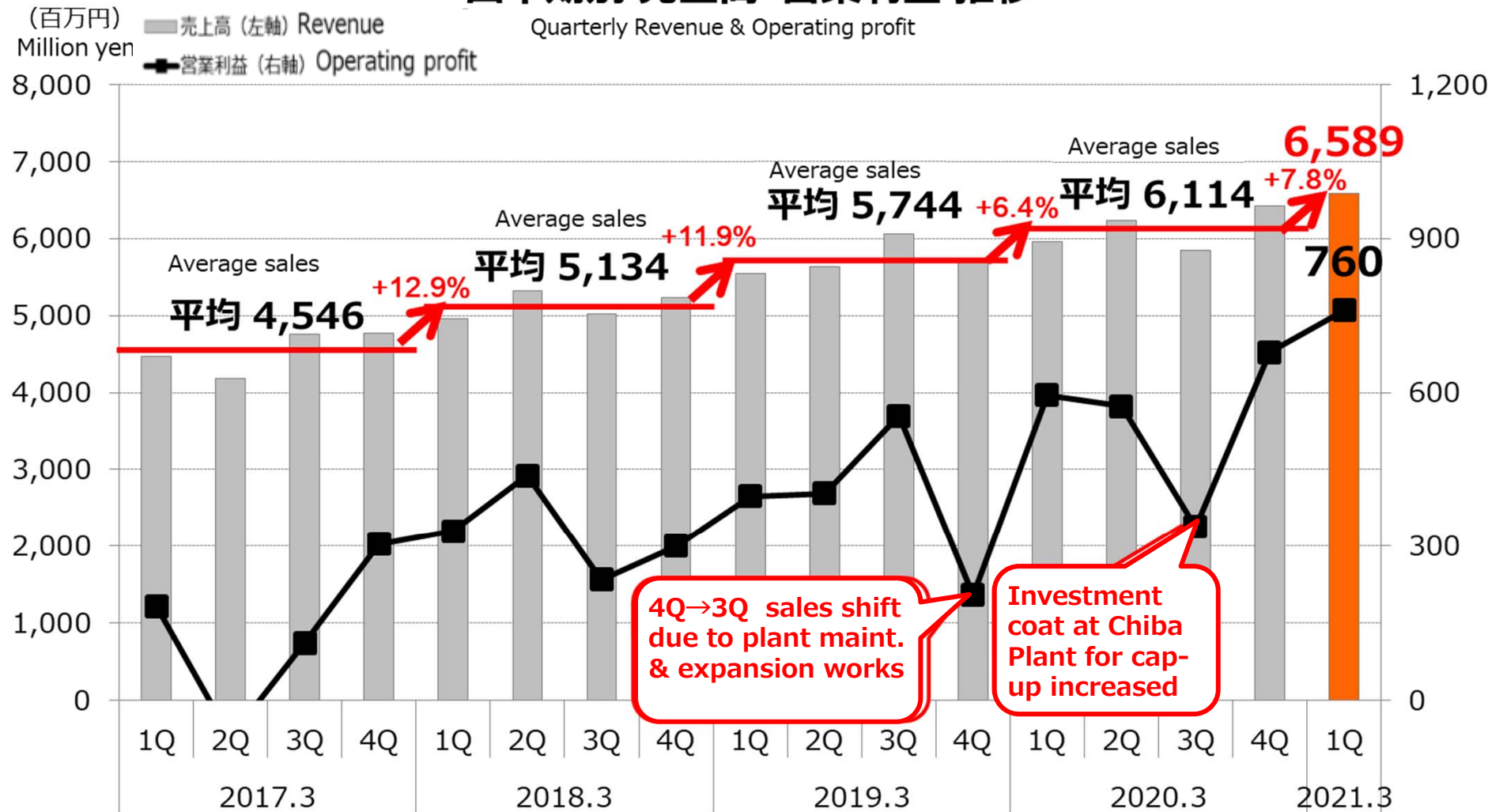


Quarterly Sales & Operating profit trend

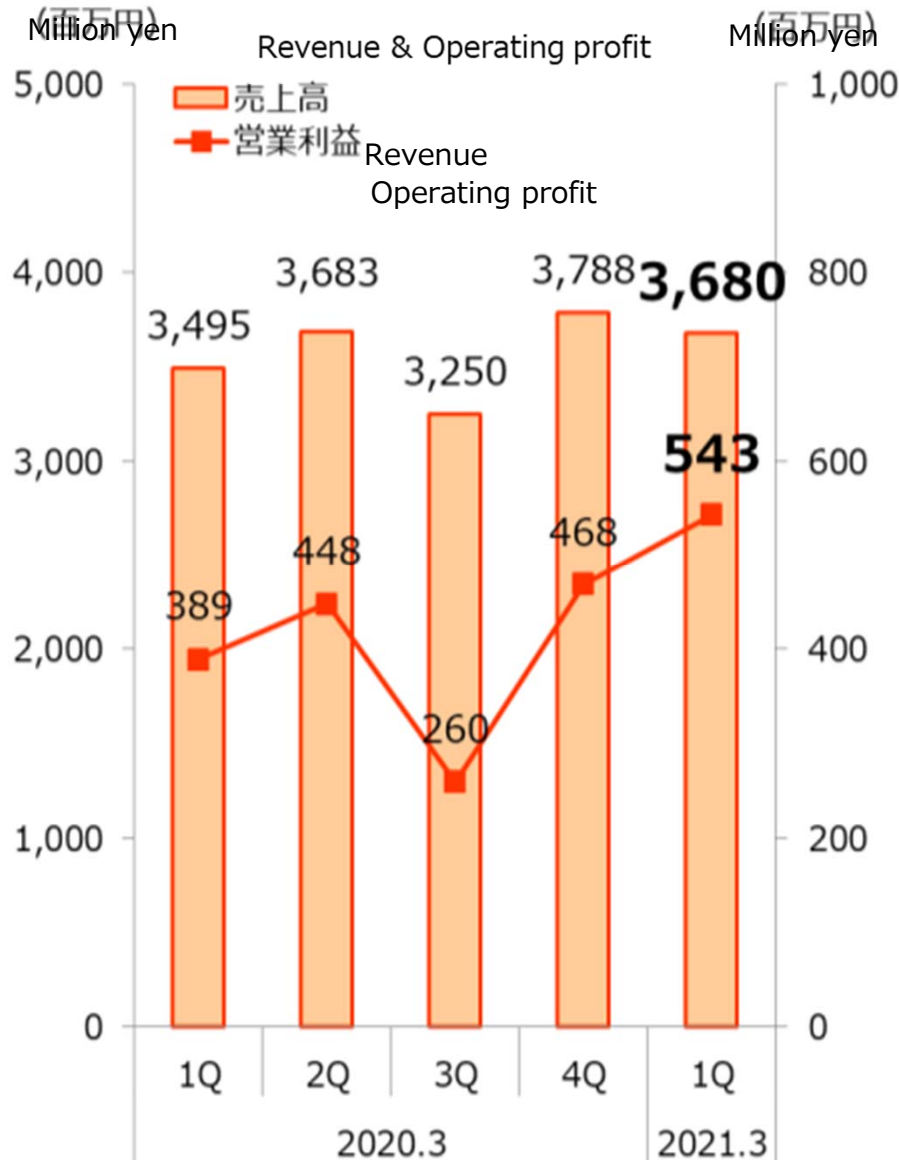
- Quarterly sales & operating profit steadily increasing, achieve historical sales & operating profit record

四半期別 売上高・営業利益 推移

Quarterly Revenue & Operating profit



Photosensitive Materials Segment



Revenue : 3,680 Million yen

(YOY+185 mio yen、+5%)

- high-end semiconductor application keep good sales
- Sales for FPD increase a little

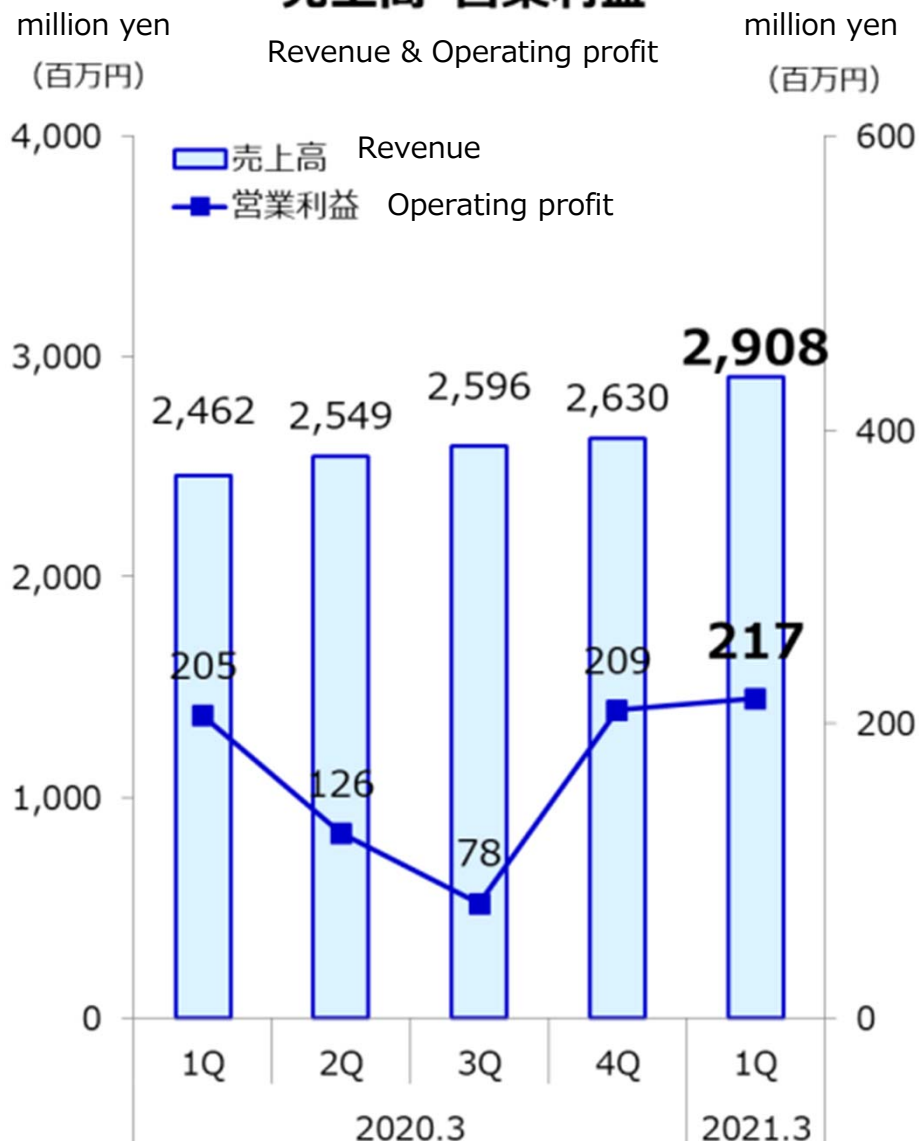
Operating profit : 543 Million yen

(YOY+154 mio yen、+40%)

- Although investment cost (labor, depreciation etc.) for the capacity improvement increased, the profit increases as contribution of sales expansion especially high valued products

Chemicals Segment

売上高・営業利益



Revenue : 2,908 million yen

(YOY+445mio yen、+18%)

- EL solvent for high-end application and aroma chemicals keep good sales.
- Logistic business (Chemical Tank Terminal) has less movement of good, but keep high tank operation.

Operating profit : 217 million yen

(YOY+12million yen、+6%)

- High valued product kept good sales

Profit & Loss Statement

- Revenue 6,589 million yen (+631million yen, +11%)
- Gross profit 1,518 million yen (+175million yen, +13%) thanks to high valued product sales increase as more than compensating fix cost up for capacity expansion
- Op. profit 760 million yen (+166百万円, +28%) thanks to a little selling expense increase (+1%)。

(Million yen)	2020.Mar 1Q	2021.Mar 1Q	I/D AMT	I/D %
Revenue	5,958	6,589	+631	+11%
COGS	4,615	5,070	+455	+10%
Gross Profit	1,342	1,518	+175	+13%
Selling Exp.	748	757	+9	+1%
Op. Profit	594	760	+166	+28%
Non-Op profit	20	59	+39	+192%
Non-Op Exp.	83	39	△44	△53%
Ordinary profit	531	781	+249	+47%
Extraordinary P&L	△2	△11	△8	△301%
Profit before Tax	528	769	+241	+46%
Tax	161	226	+65	+40%
Net Profit	366	542	+175	+48%

[Gross profit +175]
High values product sales expansion contributed profitability (22.5%→23.0%)

[Non Op profit +39,
Non Op exp △44]
Insurance income +35,
FX loss △42

Balance Sheet

- Tangible asset increased +949 million yen due to capacity up investment for photosensitive materials
- In accordance with investment, interest-bearing debt increased +1,616

(million yen)	2020 Mar end	2020 June end	I/D AMT
Current asset	15,503	16,718	1,215
Cash	3,582	4,031	449
Account receivable	4,654	4,886	231
Inventories	7,019	7,111	92
Others	246	688	442
Fixed assets	23,627	24,564	937
tangible assets	22,112	23,062	949
Intangible assets	407	499	91
Invest/others	1,107	1,002	△104
Assets total	39,130	41,282	2,152
Liabilities	28,561	30,245	1,684
Account payable	3,000	3,482	482
Interest-bearing debt	18,188	19,804	1,616
Other	7,372	6,957	△414
Net assets	10,569	11,037	467
Shareholders' equity	10,563	11,026	463
Revaluation & others	5	10	4
Liabilities & Net assets total	39,130	41,282	2,152

[Tangible asset +949]
Increased due to investment for photosensitive materials

[Equity ratio]
26.7% (Compared to previous QT△0.3pt)

1. Business Results for the 1st QT FY ending 2021 March

2. 2021 March ending Projection

FY2021 Mar ending Projection

- Raised earnings forecast as consideration of high valued product sales increase and updated business impact by COVID-19
- Original planned FX rate is ¥105/\$, dividend keep as 20 yen per share

2Q Cumulative (Million yen)	2020.Sept end Original	2020.Sept end Revised	I/D AMT	I/D %
Revenue	12,500	12,500	0	0%
Op Profit	1,000	1,150	+150	+15%
Ordinary Profit	950	1,120	+170	+18%
Net profit	620	780	+160	+26%

Full Year (Million yen)	2021.March end Original	2021.March end Revised	I/D AMT	I/D %
Revenue	25,000	25,000	0	0%
Op Profit	1,800	1,950	+150	+ 8%
Ordinary Profit	1,700	1,870	+170	+10%
Net profit	1,100	1,260	+160	+15%

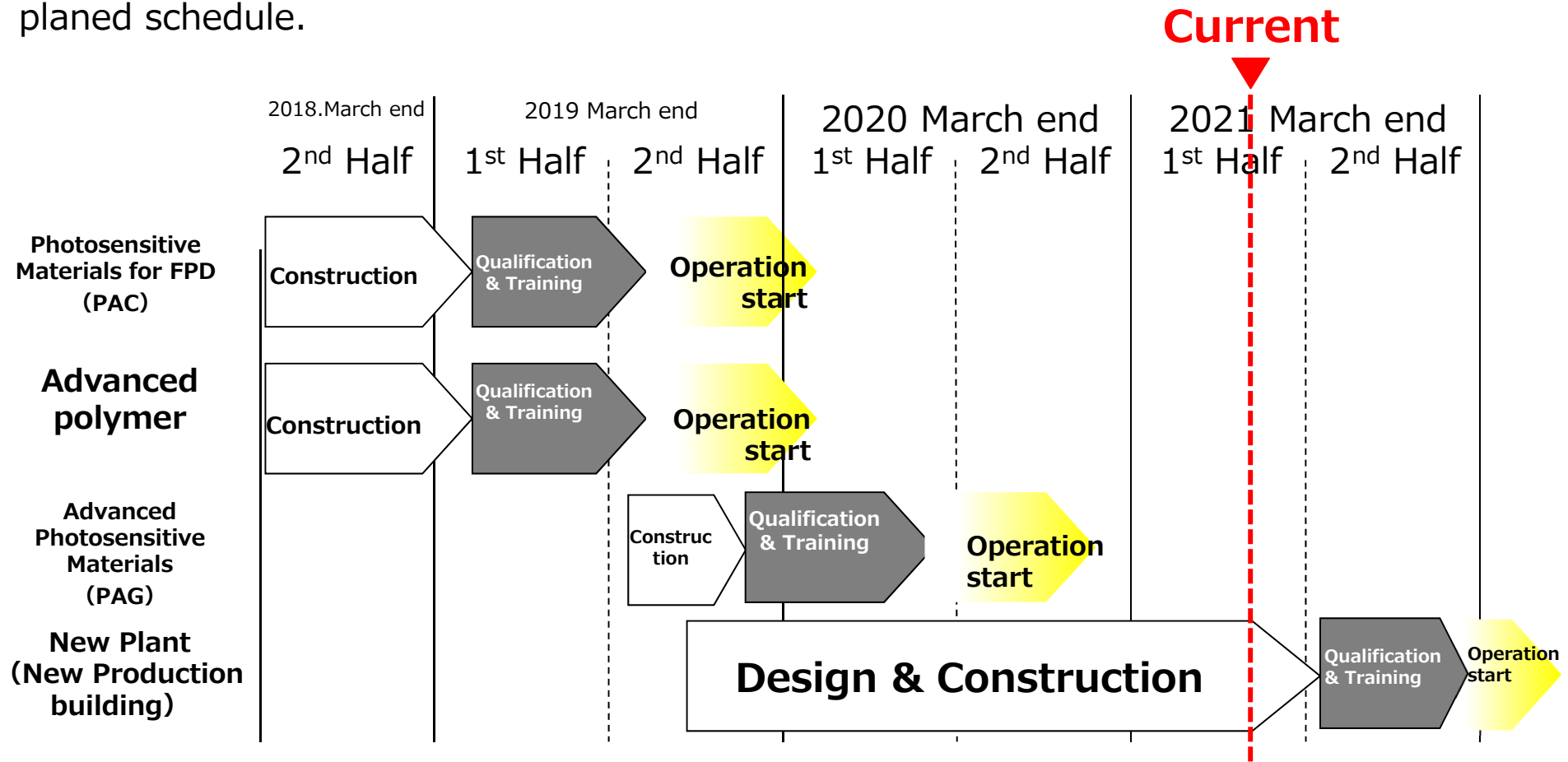
FY ending 2021 March Business Progress

- Keep good progress for original planned 2Q cumulative projection

(Million yen)	Sept end for FY 2021 March Original projection	June end For FY2021 March Result	Progress %
Revenue	12,500	6,589	53%
Op Profit	1,150	760	66%
Ordinary Profit	1,120	781	70%
Net profit	780	542	70%

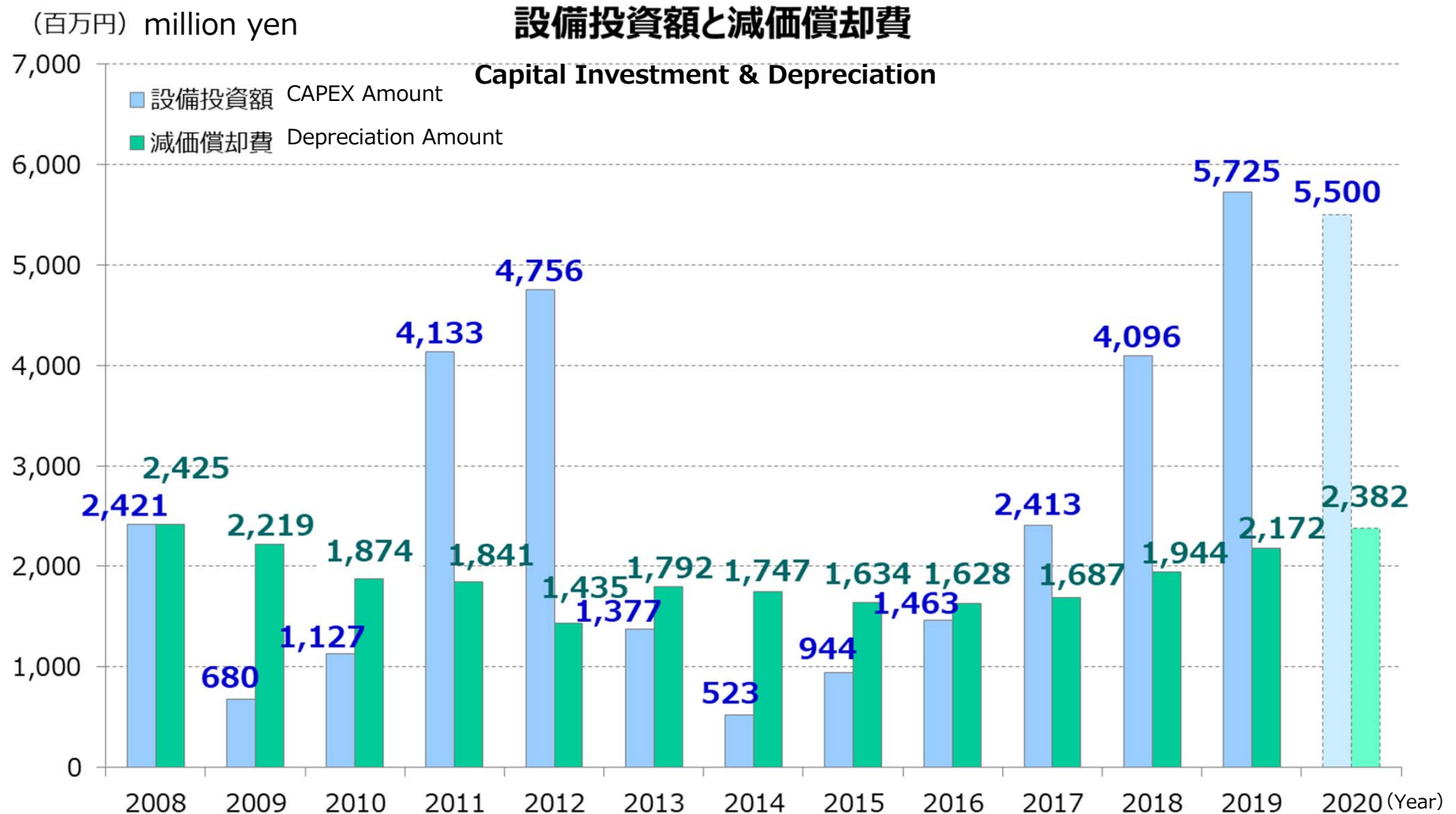
(Ref.) Photosensitive Materials Capacity Up Investment

- On going capacity up project to meet market demand increasing
- Completed capacity up project in the existing plant for FPD and polymer as 1st step and advanced photosensitive material as 2nd step
- New production plant construction to be completed in 2020 Sept as on going in the planned schedule.



(Ref.) Capital Investment & Depreciation History

- In year 2020, capital investment plan is about 5.5 billion yen as same level of previous year
- Depreciation will return to the level for year 2008.



独創的な視点で世界へ

Individual Development, to the global Chemical



(Notes regarding projection)

The earnings forecasts in this document are estimation based on the information currently available and the judgment obtained from the news so far.

Therefore, the actual business results may differ significantly from this business forecast due to various factors and risks.

There is a possibility that it will be, and we do not make any commitments or guarantees.