

April 30, 2026

Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 <Under Japanese GAAP>

Company name: **TAIYO HOLDINGS CO., LTD.**
 Listing: Prime Market of the Tokyo Stock Exchange
 Stock code: 4626
 URL: <https://www.taiyo-hd.co.jp/en>
 Representative: Hitoshi Saito, President and CEO
 Inquiries: Sayaka Tomioka, Managing Executive Officer, CFO
 Tel: +81-3-5953-5200

Scheduled date of ordinary general meeting of shareholders: June 20, 2026
 Scheduled date to commence dividend payments: —
 Scheduled date to file annual securities report: June 16, 2026
 Preparation of supplementary results briefing material on financial results: Yes
 Holding of financial results presentation meeting: Yes (for institutional investors and analysts)

(Millions of yen with fractional amounts discarded, unless otherwise noted)

1. Consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Operating results

(Millions of yen, % year on year)

Fiscal year ended	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
		%		%		%		%
March 31, 2026	137,851	15.8	32,529	47.4	32,244	49.4	24,011	122.7
March 31, 2025	119,010	13.6	22,067	21.2	21,577	24.6	10,780	24.6

Note: Comprehensive income
 For the fiscal year ended March 31, 2026: 29,815 millions of yen(221.5%)
 For the fiscal year ended March 31, 2025: 9,272 millions of yen(25.7%)

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ordinary income/total assets	Operating income/net sales
	Yen	Yen	%	%	%
March 31, 2026	215.92	—	22.0	16.4	23.6
March 31, 2025	96.59	—	10.6	10.7	18.5

Reference: Share of (profit) loss of entities accounted for using equity method
 For the fiscal year ended March 31, 2026: - millions of yen
 For the fiscal year ended March 31, 2025: - millions of yen

Note: We performed a stock split with effect from December 1, 2025 whereby each of our common stock was divided into two shares. We calculated basic earnings per share under the assumption that this stock split was performed at the beginning of the previous consolidated fiscal year.

(2) Financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2026	201,928	115,757	57.3	1,040.16
March 31, 2025	192,022	102,978	53.6	927.34

Reference: Equity (Net assets excluding non-controlling interests)

As of March 31, 2026: 115,745 millions of yen

As of March 31, 2025: 102,973 millions of yen

Note: We performed a stock split with effect from December 1, 2025 whereby each common stock of Taiyo Holdings was divided into two shares. We calculated the net assets per share under the assumption that this stock split was performed at the beginning of the previous consolidated fiscal year.

(3) Cash flows

(Millions of yen)

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at the end of period
March 31, 2026	30,742	(7,667)	(26,002)	42,542
March 31, 2025	23,713	(8,307)	(29,216)	44,052

2. Cash dividends

	Annual cash dividends					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter- end	Second quarter- end	Third quarter- end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2025	—	40.00	—	150.00	190.00	10,652	98.4	10.4
Fiscal year ended March 31, 2026	—	165.00	—	0.00	165.00	9,259	38.2	8.4
Fiscal year ended March 31, 2027 (Forecast)	—	—	—	—	—		—	

Note 1: We performed a stock split with effect from December 1, 2025 whereby each common stock of Taiyo Holdings was divided into two shares. The cash dividends per share for the fiscal year ended March 31, 2026 are presented without reflecting the effect of this stock split.

Note 2: At the Board of Directors meeting on March 31, 2026, we revised the year-end dividend forecast for the fiscal year ended March 31, 2026 and resolved not to declare a year-end dividend for the fiscal year ended March 31, 2026. For more information, see “1. Overview of Operating Results (5) Basic policy concerning returns to shareholders and dividends for the fiscal years ended March 31, 2026 and March 31, 2027.

3. Consolidated earnings forecasts for the fiscal year ended March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Millions of yen, % year on year)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Basic earnings per share
		%		%		%		%	Yen
Six months ended September 30, 2026	73,100	7.8	16,800	10.6	16,300	8.1	11,800	7.1	106.11
Fiscal year ended March 31, 2027	146,300	6.1	34,300	5.4	33,400	3.6	24,100	0.4	216.72

* Notes

(1) Changes in significant subsidiaries during the period: Yes
Excluded: 3 company (Company name) Onstatic Ink (Shenzhen) Co., Ltd., Good Advance Group Limited, Peace Sea Investments Limited

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections

- a. Changes in accounting policies due to revisions to accounting standards and other regulations: None
b. Changes in accounting policies due to other reasons: None
c. Changes in accounting estimates: None
d. Restatement of prior period financial statements after error corrections: None

(3) Number of issued shares

a. Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2026	116,839,616 shares
As of March 31, 2025	116,739,010 shares

b. Number of treasury shares at the end of the period

As of March 31, 2026	5,562,934 shares
As of March 31, 2025	5,696,898 shares

c. Average number of outstanding shares during the period

Fiscal year ended March 31, 2026	111,202,932 shares
Fiscal year ended March 31, 2025	111,608,498 shares

Notes1: The number of treasury shares includes the Company's shares held by The Master Trust Bank of Japan, Ltd. (trust account for shares granted under the Employee Stock Ownership Plan (ESOP)).

Notes2: We performed a stock split effect from December 1, 2025 whereby each common stock of Taiyo Holdings was divided into two shares. We calculated the total number of issued shares at the end of the period, the number of treasury shares at the end of the period and the average number of outstanding shares during the period under the assumption that this stock split was performed at the beginning of the previous consolidated fiscal year.

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Non-consolidated operating results

(Millions of yen, % year on year)

Fiscal year ended	Operating revenue		Operating income		Ordinary income		Profit	
		%		%		%		%
March 31, 2026	27,149	14.8	17,961	18.3	18,622	32.0	18,298	80.0
March 31, 2025	23,650	52.9	15,188	109.9	14,109	104.7	10,166	67.8

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2026	164.55	—
March 31, 2025	91.09	—

Note: We performed a stock split with effect from December 1, 2025 whereby each common stock of Taiyo Holdings was divided into two shares.
We calculated basic earnings per share under the assumption that this stock split was performed at the beginning of the previous consolidated fiscal year.

(2) Non-consolidated financial position

Fiscal year ended	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2026	113,828	63,069	55.4	566.78
March 31, 2025	117,962	59,577	50.5	536.53

Reference: Equity (Net assets excluding non-controlling interests)

As of March 31, 2026: 63,069 millions of yen

As of March 31, 2025: 59,577 millions of yen

Note: We performed a stock split with effect from December 1, 2025 whereby each common stock of Taiyo Holdings was divided into two shares.
We calculated the net assets per share under the assumption that this stock split was performed at the beginning of the previous consolidated fiscal year.

*** Summary financial statements are not subject to review by a certified public accountant or audit firm.**

*** Proper use of earnings forecasts and other special matters**

(Disclaimer concerning forward-looking statements)

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. The Company makes no promise regarding the achievement of any content in the forward-looking statements. Actual business and other results may differ substantially due to various factors. See “1. Overview of Operating Results (4) Future forecasts” on page 5 of the attached materials for precautions on the use of earnings forecasts and the assumptions underlying earnings forecasts.

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1. Overview of Operating Results

(1) Overview of operating results for the fiscal year ended March 31, 2026

Net sales for the consolidated fiscal year ended March 31, 2026 were 137,851 million yen (up 15.8% year on year). Operating income was 32,529 million yen (up 47.4% year on year), and ordinary income was 32,244 million yen (up 49.4% year on year). Profit attributable to owners of the parent was 24,011 million yen (up 122.7% year on year), which reflects a gain on liquidation of subsidiaries and associates recorded as extraordinary income and corporate action expenses recorded as extraordinary losses.

Results by segment were as follows.

The Group consists of segments based on operating subsidiaries and has two reportable segments: the Electronics and Medical and Pharmaceuticals businesses.

Electronics

In semiconductor package products (PKG), sales volume for liquid materials and dry film (DF) materials increased from the previous fiscal year. The increasing demand from the proliferation of AI seen throughout the fiscal year under review boosted sales volume, mainly for dry Film (DF) materials for memory products.

Sales volume for rigid board materials increased year on year, mainly from strong demand in China for automotive products and smartphone-related products. A decline in demand for our display-related materials due to fluctuations in demand for the final products resulted in a year on year decline in sales volume for dry Film (DF) materials.

Because overseas sales account for more than 90% of net sales for this business, the strong yen was a factor in the decline in both sales and income. Throughout the fiscal year under review, the JPY/USD exchange rate averaged JPY 150.9/USD, 1.6 yen stronger than the previous period's average rate of JPY 152.5/USD. As a result, net sales amounted to 95,285 million yen (up 16.6% year on year), and segment profit came to 29,177 million yen (up 36.0% year on year).

Medical and Pharmaceuticals

Taiyo Pharma Tech Co., Ltd.'s ethical pharmaceuticals contract development and manufacturing business recorded year on year growth in net sales due to an increase in the volume contracted by existing customers in addition to the increase in volume contracted as contract manufacturing for new customers got fully underway.

Taiyo Pharma Co., Ltd.'s ethical pharmaceuticals manufacturing and marketing business recorded a year on year decline in net sales due to a decline in sales volume of drugs affected by the introduction of the elective care scheme for long-listed products in October 2024. This decline occurred despite the increase in the price of some drugs due to unprofitable drug price reforms as part of NHI drug price revisions, in addition to the increase in demand from a supply shortage of other companies' products with the same efficacy.

The dental prosthetics manufacturing and selling business of mystar Co., Ltd., saw a year on year increase in net sales.

As a result, net sales amounted to 36,490 million yen (up 15.6% year on year), and segment profit came to 5,063 million yen (up 147.1% year on year.)

As stated in "Notice Concerning Expression of Opinion in Support of the Planned Commencement of the Tender Offer for Company Shares by KJ005 Co., Ltd. and Neutral Position Regarding Tendering of Shares" released on March 31, 2026, at the Board of Directors meeting on the same date, we resolved to express our opinion as of March 31, 2026 regarding the tender offer ("Tender Offer") by KJ005 Co., Ltd. ("Tender Offeror") for our common shares. We expressed the opinion that, in the event the Tender Offer is commenced, we will support the

Tender Offer and leave the matter of whether to tender their shares in the Tender Offer to the judgment of our shareholders.

For more information on the Tender Offer, see “Notice Concerning Expression of Opinion in Support of the Planned Commencement of the Tender Offer for Company Shares by KJ005 Co., Ltd. and Neutral Position Regarding Tendering of Shares” posted on our website ([https://www.taiyohd.co.jp/en/investor/irnews/news2026040300001/main/0/link/\(en\)20260331_02.pdf](https://www.taiyohd.co.jp/en/investor/irnews/news2026040300001/main/0/link/(en)20260331_02.pdf)).

(2) Overview of financial position as of March 31, 2026

The following shows the status of assets, liabilities, and net assets as of March 31, 2026.

	As of March 31, 2025 (Millions of yen)	As of March 31, 2025 (Millions of yen)	Change (Millions of yen)	Main factors (Comparison with the end of the previous fiscal year)
Current assets	98,008	103,115	5,106	Increase of ... 6,420 million yen in notes and accounts receivable - trade, and contract assets 749 million yen in raw materials and supplies Decrease of ... 1,699 million yen in cash and deposits
Non-current assets	94,014	98,813	4,798	Increase of ... 4,085 million yen in investment securities 2,933 million yen in construction in progress Decrease of ... 830 million yen in deferred tax assets 659 million yen in sales right 476 million yen in customer-related assets
Total assets	192,022	201,928	9,905	
Total liabilities	89,043	86,170	(2,873)	Decrease of... 8,638 million yen in long-term borrowings (including current portion of long-term borrowings) Increase of... 1,838 million yen in income taxes payable 968 million yen in short-term borrowings 445 million yen in accounts payable – other 441 million yen in provision for bonuses
Total net assets	102,978	115,757	12,779	Positive factors: Recorded 24,011 million yen in profit attributable to owners of parent Negative factors: 17,668 million yen in dividends of surplus Increase of 3,527 million yen in foreign currency translation adjustment account, 2,277 million yen in valuation difference on available-for-sale securities
Total liabilities and net assets	192,022	201,928	9,905	

(3) Consolidated statements of cash flows

The following is the status of cash flows for the fiscal year ended March 31, 2026.

	Fiscal year ended March 31, 2026 (Millions of yen)	Main factors
Net cash provided by (used in) operating activities	30,742	Cash inflows: 32,136million yen in profit before income taxes 8,361 million yen in depreciation Cash outflows: (4,426) million yen in increase in trade receivables (6,221) million yen in income taxes paid
Net cash provided by (used in) investing activities	(7,667)	Cash inflows: 1,593 million yen in proceeds from withdrawal of time deposits Cash outflows: (7,335) million yen in purchase of property, plant and equipment (1,376) million yen in purchase of payments into time deposits
Net cash provided by (used in) financing activities	(26,002)	Cash inflows: 9,340 million yen in proceeds from long Cash outflows: (18,389) million yen in repayment of long-term borrowings (17,662) million yen in dividends paid
Net increase (decrease) in cash and cash equivalents	(1,510)	
Cash and cash equivalents at end of period	42,542	

(4) Future forecasts

As vigorous investment in AI-related areas continues, we expect growth of the global economy to slow due to surging energy prices accompanying heightened geopolitical risks, rising inflation rates, and growing uncertainty over the direction of exchange rates. The risks of a prolonged shortage in semiconductor memory resulting from expansion of AI-related demand and steep price increases and difficulty in procuring materials stemming from escalating tensions in the Middle East are also a concern. Nevertheless, we forecast growth in both sales and income in the next fiscal year amid this challenging environment.

Electronics

As we mentioned in “(1) Overview of operating results for fiscal year ended March 31, 2026,” a high percentage of sales in this segment are overseas sales. Exchange rate fluctuations therefore have a significant impact. The segment forecasts for the fiscal year ended March 31, 2027 are calculated based on an average exchange rate of JPY 150.0 /USD, which is JPY 0.9 /USD stronger than the average exchange rate of JPY 150.9 /USD for the fiscal year ended March 31, 2026.

In semiconductor package products (PKG), we expect continued demand from the proliferation of AI and growth in sales volume, mainly in products for memory, and project an increase in sales volume compared to the fiscal year under review.

In rigid board materials, we forecast a gradual increase in demand, mainly in automotive products, and expect sales volume for liquid materials to be roughly on par with the fiscal year ended March 31, 2026 mainly due to the revision of core product areas. In display-related materials, we expect a decline in demand for our products due to changes in the specifications of final products and therefore forecast a decline in sales volume for dry film (DF) materials from the fiscal year ended March 31, 2026.

Selling, general, and administrative (SG&A) expenses are expected to increase, mainly due to an increase in R&D expenses.

As a result, we assume growth in both sales and segment profit in the electronics business for the next fiscal year.

Medical and Pharmaceuticals

We expect sales to grow and income to decline in Taiyo Pharma Tech Co., Ltd.’s ethical pharmaceuticals contract development and manufacturing business due to the negative impact from an increase in cost of sales and selling, general and administrative expenses, despite expected growth in the volume contracted by customers.

In Taiyo Pharma Co., Ltd.’s ethical pharmaceuticals manufacturing and marketing business, we project growth in sales and a decline in income stemming from an increase in the cost of sales and selling, general and administrative expenses resulting from a steep rise in raw material prices, despite increases in the price of some drugs, mainly due to NHI drug price revisions in April 2026.

As a result, we assume there will be an increase in sales and a decrease in segment profit in the medical and pharmaceuticals business in the next fiscal year.

The forecasts in these materials are based on information available when the results were announced. Because it is hard to calculate reasonable estimates for a steep rise in raw material prices and difficulties in procuring them and other factors accompanying escalating tensions in the Middle East at present, we have not incorporated them in our forecasts. In addition, actual results may differ from the forecasts due to various future factors, including the potential occurrence of additional expenses related to the Tender Offer.

Consolidated earnings forecasts

	Net sales (Millions of yen)	Operating income (Millions of yen)	Ordinary income (Millions of yen)	Profit attributable to owners of parent (Millions of yen)	Basic earnings per share (Yen)
Fiscal year ended March 31, 2027 Forecast	146,300	34,300	33,400	24,100	216.72
Fiscal year ended March 31, 2026 Actual result	137,851	32,529	32,244	24,011	215.92
Rate of change (%)	6.1	5.4	3.6	0.4	

< Reference: Segment forecasts for net sales and operating income >

	Segment	Fiscal year ended March 31, 2026 Actual result	Fiscal year ended March 31, 2027 Forecast	Change	Rate of change (%)
Net sales (Millions of yen)	Consolidated	137,851	146,300	8,448	6.1
	Electronics	95,285	102,200	6,914	7.3
	Medical and Pharmaceuticals	36,490	37,500	1,009	2.8
Operating income (Millions of yen)	Consolidated	32,529	34,300	1,770	5.4
	Electronics	29,177	31,300	2,122	7.3
	Medical and Pharmaceuticals	5,063	4,000	(1,063)	(21.0)

Note: The outlook for the fiscal year ended March 2027 is based on an average exchange rate of JPY 150.0/USD.
The average exchange rate for the fiscal year ended March 2026 is JPY 150.9/USD.

(5) Basic policy on profit distribution and dividends for the current and next fiscal years

Returning cash profits to shareholders is a top priority for us. Our policy is to deliver high returns to shareholders on a continuous and stable basis. The Dividend on Equity (DOE) ratio in our long-term management plan is to maintain a consolidated DOE ratio of 5% or more, and we have aimed to provide shareholder returns targeting a consolidated total payout ratio of 100% (at least until the fiscal year ended March 31, 2028) to improve Return on Equity (ROE).

Based on the policy described above, we declared interim dividends of 165 yen per share with a record date of September 30, 2025. Please note that while a stock split with an effective date of December 1, 2025 was conducted, the interim dividends were declared on the number of shares prior to the stock split. On the other hand, as disclosed in “Notice Concerning Expression of Opinion in Support of the Planned Commencement of the Tender Offer for Company Shares by KJ005 Co., Ltd. and Neutral Position Regarding Tendering of Shares” on March 31, 2026, according to the Tender Offeror, the purchase price in the Tender Offer is based on the assumption that no dividends with a record date of March 31, 2026 will be paid, a decision made after considering all factors. Hence, at the Board of Directors meeting on March 31, 2026, we therefore revised the year-end dividend forecast for the fiscal year ended March 31, 2026 and resolved not to pay year-end dividends.

We also do not expect to declare interim and year-end dividends in the fiscal year ended March 31, 2027.

2. Basic Policy Concerning the Selection of Accounting Standards

The Group adopts the Japanese GAAP as the accounting standards in order to ensure comparability among other domestic companies in the same industry.

3. Consolidated Financial Statements and Explanatory Notes

(1) Consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	44,903	43,203
Notes and accounts receivable - trade, and contract assets	27,896	34,317
Merchandise and finished goods	10,539	10,331
Work in process	1,470	1,239
Raw materials and supplies	9,334	10,083
Other	3,897	3,957
Allowance for doubtful accounts	(34)	(17)
Total current assets	98,008	103,115
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	30,337	30,582
Machinery, equipment and vehicles, net	14,746	14,304
Tools, furniture and fixtures, net	2,637	2,505
Land	15,113	15,182
Construction in progress	3,477	6,410
Other	1,326	1,515
Total property, plant and equipment	67,638	70,501
Intangible assets		
Goodwill	3,032	2,744
Sales rights	5,185	4,525
Customer-related assets	4,523	4,047
Other	3,599	3,147
Total intangible assets	16,341	14,465
Investments and other assets		
Investment securities	4,870	8,956
Shares of subsidiaries and associates	993	1,005
Deferred tax assets	1,450	620
Retirement benefit asset	576	686
Other	2,437	3,075
Allowance for doubtful accounts	(294)	(498)
Total investments and other assets	10,034	13,846
Total non-current assets	94,014	98,813
Total assets	192,022	201,928

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(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	8,505	9,501
Short-term borrowings	305	1,273
Current portion of long-term borrowings	17,328	14,480
Accounts payable - other	5,662	6,108
Income taxes payable	3,168	5,007
Provision for bonuses	1,425	1,867
Other provisions	111	198
Other	1,483	1,879
Total current liabilities	37,991	40,316
Non-current liabilities		
Long-term borrowings	46,888	41,098
Deferred tax liabilities	964	1,159
Other provisions	89	188
Retirement benefit liability	352	352
Asset retirement obligations	1,424	1,428
Other	1,332	1,627
Total non-current liabilities	51,052	45,854
Total liabilities	89,043	86,170
Net assets		
Shareholders' equity		
Share capital	10,031	10,206
Capital surplus	15,153	15,328
Retained earnings	76,932	83,274
Treasury shares	(8,106)	(7,825)
Total shareholders' equity	94,011	100,983
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	913	3,190
Foreign currency translation adjustment	8,027	11,555
Remeasurements of defined benefit plans	21	15
Total accumulated other comprehensive income	8,962	14,761
Non-controlling interests	4	12
Total net assets	102,978	115,757
Total liabilities and net assets	192,022	201,928

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(2) Consolidated statement of income and consolidated statement of comprehensive income
(Consolidated statement of income)

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales	119,010	137,851
Cost of sales	62,823	70,355
Gross profit	56,187	67,496
Selling, general and administrative expenses	34,119	34,967
Operating income	22,067	32,529
Non-operating income		
Interest income	322	302
Subsidy income	261	163
Gain on valuation of investment securities	65	505
Gain on sale of investment securities	0	516
Other	379	206
Total non-operating income	1,029	1,695
Non-operating expenses		
Interest expenses	730	529
Provision of allowance for doubtful accounts	23	209
Foreign exchange losses	55	672
Loss on retirement of non-current assets	59	228
Loss on tax purpose reduction entry of non-current assets	233	—
Other	416	340
Total non-operating expenses	1,519	1,979
Ordinary income	21,577	32,244
Extraordinary income		
Gain on liquidation of subsidiaries and associates	—	*1 951
Total extraordinary losses	—	951
Extraordinary losses		
Impairment losses	7,010	—
Corporate action expenses	—	*2 1,059
Total extraordinary losses	7,010	1,059
Profit before income taxes	14,566	32,136
Income taxes - current	5,338	7,979
Income taxes - deferred	(1,551)	142
Total income taxes	3,786	8,121
Profit	10,779	24,015
Loss attributable to non-controlling interests	(0)	4
Profit attributable to owners of parent	10,780	24,011

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(Consolidated statement of comprehensive income)

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	10,779	24,015
Other comprehensive income		
Valuation difference on available-for-sale securities	203	2,277
Foreign currency translation adjustment	(1,738)	3,527
Remeasurements of defined benefit plans, net of tax	27	(5)
Total other comprehensive income	(1,507)	5,799
Comprehensive income	9,272	29,815
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	9,272	29,810
Comprehensive income attributable to non-controlling interests	(0)	4

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(3) Consolidated statement of changes in equity

Fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	9,903	15,025	70,989	(5,993)	89,925
Changes during period					
Dividends of surplus			(4,594)		(4,594)
Profit attributable to owners of parent			10,780		10,780
Change in scope of consolidation			(242)		(242)
Issuance of new shares	128	128			256
Purchase of treasury shares				(2,219)	(2,219)
Disposal of treasury shares				106	106
Net changes in items other than shareholders' equity					
Total changes during period	128	128	5,943	(2,113)	4,086
Balance at end of period	10,031	15,153	76,932	(8,106)	94,011

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	709	9,766	(6)	10,469	4	100,398
Changes during period						
Dividends of surplus						(4,594)
Profit attributable to owners of parent						10,780
Change in scope of consolidation						(242)
Issuance of new shares						256
Purchase of treasury shares						(2,219)
Disposal of treasury shares						106
Net changes in items other than shareholders' equity	203	(1,738)	27	(1,507)	0	(1,506)
Total changes during period	203	(1,738)	27	(1,507)	0	2,580
Balance at end of period	913	8,027	21	8,962	4	102,978

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Fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	10,031	15,153	76,932	(8,106)	94,011
Changes during period					
Dividends of surplus			(17,668)		(17,668)
Profit attributable to owners of parent			24,011		24,011
Issuance of new shares	174	174			348
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares				282	282
Net changes in items other than shareholders' equity					
Total changes during period	174	174	6,342	281	6,972
Balance at end of period	10,206	15,328	83,274	(7,825)	100,983

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	913	8,027	21	8,962	4	102,978
Changes during period						
Dividends of surplus						(17,668)
Profit attributable to owners of parent						24,011
Issuance of new shares						348
Purchase of treasury shares						(1)
Disposal of treasury shares						282
Net changes in items other than shareholders' equity	2,277	3,527	(5)	5,799	7	5,807
Total changes during period	2,277	3,527	(5)	5,799	7	12,779
Balance at end of period	3,190	11,555	15	14,761	12	115,757

(4) Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	14,566	32,136
Depreciation	9,090	8,361
Impairment losses	7,010	—
Amortization of goodwill	551	333
Loss (gain) on valuation of investment securities	(65)	(505)
Loss (gain) on sale of investment securities	(0)	(516)
Loss on retirement of non-current assets	59	228
Subsidy income	(235)	(67)
Decrease (increase) in retirement benefit asset	(95)	(98)
Increase (decrease) in retirement benefit liability	3	(0)
Increase (decrease) in allowance for doubtful accounts	82	130
Increase (decrease) in provision for bonuses	219	417
Interest and dividend income	(372)	(364)
Interest expenses	730	529
Decrease (increase) in consumption taxes refund receivable	517	(173)
Increase (decrease) in accrued consumption taxes	90	871
Decrease (increase) in trade receivables	88	(4,426)
Decrease (increase) in inventories	(4,388)	(27)
Increase (decrease) in trade payables	(28)	405
Gain on liquidation of subsidiaries and associates	—	(951)
Other, net	(716)	870
Subtotal	27,108	37,154
Interest and dividends received	365	351
Interest paid	(746)	(543)
Income taxes paid	(3,013)	(6,221)
Net cash provided by (used in) operating activities	23,713	30,742
Cash flows from investing activities		
Payments into time deposits	(875)	(1,376)
Proceeds from withdrawal of time deposits	867	1,593
Purchase of property, plant and equipment	(6,312)	(7,335)
Purchase of intangible assets	(983)	(396)
Purchase of investment securities	(270)	(532)
Proceeds from sale of investment securities	0	526
Purchase of shares of subsidiaries and associates	(339)	—
Other, net	(392)	(146)
Net cash provided by (used in) investing activities	(8,307)	(7,667)

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	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(9,426)	884
Proceeds from long-term borrowings	22,950	9,340
Repayments of long-term borrowings	(35,788)	(18,389)
Purchase of treasury shares	(2,219)	(1)
Dividends paid	(4,594)	(17,662)
Proceeds from issuance of shares	129	155
Other, net	(267)	(329)
Net cash provided by (used in) financing activities	(29,216)	(26,002)
Effect of exchange rate change on cash and cash equivalents	(391)	1,417
Net increase (decrease) in cash and cash equivalents	(14,201)	(1,510)
Cash and cash equivalents at beginning of period	57,664	44,052
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	589	—
Cash and cash equivalents at end of period	44,052	42,542

(5) Notes to consolidated financial statements

(Consolidated statement of income)

***1 Gain on liquidation of subsidiaries and associates**

The gain resulting from the liquidation of Onstatic Ink (Shenzhen) Co., Ltd and Good Advance Group Limited and Peace Sea Investments Limited the consolidated subsidiary, is recorded as extraordinary income of 951 million yen.

***2 Corporate action expenses**

Substantial expenses were incurred, mainly for advisory expenses related to the consideration of various proposals and resolutions at the 79th Ordinary General Shareholders' Meeting held on June 21, 2025. These expenses were related to an extraordinary response that do not normally occur. Therefore, they are recorded as extraordinary losses of 1,059 million yen.

(Premise of going concern)

None.

(Additional information)

As stated in "Notice Concerning Expression of Opinion in Support of the Planned Commencement of the Tender Offer for Company Shares by KJ005 Co., Ltd. and Neutral Position Regarding Tendering of Shares" released on March 31, 2026, at the Board of Directors meeting on the same date, we resolved to express our opinion as of March 31, 2026 regarding the tender offer ("Tender Offer") by KJ005 Co., Ltd. ("Tender Offeror") for our common shares. We expressed the opinion that, in the event the Tender Offer is commenced, we will support the Tender Offer and leave the matter of whether to tender their shares in the Tender Offer to the judgment of our shareholders.

For more information on the Tender Offer, see "Notice Concerning Expression of Opinion in Support of the Planned Commencement of the Tender Offer for Company Shares by KJ005 Co., Ltd. and Neutral Position Regarding Tendering of Shares" posted on our website.

(Segment information and related information)

[Segment information]

1. Overview of reportable segments

The reportable segments of the Group are components of the Group whose separate financial information is available. These segments are periodically evaluated by the Board of Directors in deciding how to allocate management resources and in assessing the performance.

The Group has operating subsidiaries for different products and services. Each operating subsidiary formulates comprehensive domestic and overseas strategies and conducts business activities for the products and services it handles.

Group business segments are, therefore, based on these operating subsidiaries and are divided into two reportable segments: The Electronics and the Medical and Pharmaceuticals business.

The Electronics business develops, manufactures, sells, and procures and sells printed circuit board materials and chemical products for use in electronic components. The Medical and Pharmaceutical business engages in the manufacturing and marketing of ethical pharmaceuticals and provides contract development and manufacturing organization (CDMO) services for ethical pharmaceuticals and manufacturing and selling of dental prosthetics.

2. Information on the calculation of net sales, profit or loss, assets, and other items by reportable segment

The accounting method applied for the reportable segments is complied with the accounting policies adopted for preparation of consolidated financial statements.

Profit by reportable segment represents operating income.

Inter-segment revenue and transfers are based on the market prices.

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

Fiscal year ended March 31, 2025

(Millions of yen)

	Reportable segment			Other (Note 1)	Total
	Electronics	Medical and Pharmaceuticals	Total		
Net sales					
External sales	81,703	31,558	113,261	5,749	119,010
Inter-segment sales or transfers	—	—	—	406	406
Total	81,703	31,558	113,261	6,155	119,417
Segment profit	21,458	2,049	23,508	262	23,771
Segment assets	87,369	64,130	151,500	10,933	162,433
Other items					
Depreciation (Note 2)	3,626	4,526	8,152	436	8,589
Increase in property, plant and equipment, and intangible assets	2,560	1,217	3,778	1,294	5,072

- Notes: 1. The "Other" category represents operating segments not included in reportable segments, and includes ICT business, fine chemicals business, energy business, and food business. These are collectively referred to as ICT and Sustainability business.
2. Depreciation does not include amortization of goodwill.

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Fiscal year ended March 31, 2026

(Millions of yen)

	Reportable segment			Other (Note 1)	Total
	Electronics	Medical and Pharmaceuticals	Total		
Net sales					
External sales	95,285	36,490	131,776	6,075	137,851
Inter-segment sales or transfers	—	—	—	407	407
Total	95,285	36,490	131,776	6,482	138,258
Segment profit	29,177	5,063	34,241	(95)	34,146
Segment assets	97,758	61,895	159,653	10,439	170,093
Other items					
Depreciation (Note 2)	3,738	3,606	7,345	544	7,890
Increase in property, plant and equipment, and intangible assets	5,993	1,818	7,811	556	8,368

Notes: 1. The “Other” category represents operating segments not included in reportable segments, and includes ICT business, fine chemicals business, energy business, and food business. These are collectively referred to as ICT and Sustainability business.

2. Depreciation does not include amortization of goodwill.

4. Differences between total amounts in reportable segments and the amount recorded on consolidated financial statements, and details of thereof (reconciliation)

(Millions of yen)

Net sales	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Reportable segment total	113,261	131,776
“Other” segment net sales	6,155	6,482
Inter-segment eliminations	(406)	(407)
Net sales reported in consolidated statement of income	119,010	137,851

(Millions of yen)

Profit/Loss	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Reportable segment total	23,508	34,241
“Other” segment profit	262	(95)
Inter-segment eliminations	(4)	26
Profit/loss not allocated to business segments (Note)	(1,698)	(1,643)
Operating income in the consolidated statement of income	22,067	32,529

Note: Profit/loss primarily related to the holding company (company filing the consolidated financial statements).

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(Millions of yen)

Assets	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Reportable segment total	151,500	159,653
“Other” segment assets	10,933	10,439
Inter-segment eliminations	(92)	(91)
Assets not allocated to business segments (Note)	29,842	31,926
Reclassification by tax effect conversion	(161)	—
Total assets reported in consolidated balance sheet	192,022	201,928

Note: Assets primarily related to the holding company (company filing the consolidated financial statements).

(Millions of yen)

Other items	Reportable segment total		Other		Adjustments (Note)		Amount on the consolidated financial statements	
	FY ended March 31, 2025	FY ended March 31, 2026	FY ended March 31, 2025	FY ended March 31, 2026	FY ended March 31, 2025	FY ended March 31, 2026	FY ended March 31, 2025	FY ended March 31, 2026
Depreciation	8,152	7,345	436	544	501	471	9,090	8,361
Increase in property, plant and equipment, and intangible assets	3,778	7,811	1,294	556	612	619	5,684	8,987

Note: Primarily related to the holding company (company filing the consolidated financial statements).

[Related information]

I Fiscal year ended March 31, 2025

1. Information by product and service

(Millions of yen)

	Electronics	Medical and Pharmaceuticals	Other	Total
External sales	81,703	31,558	5,749	119,010

2. Information by region

(1) Net sales

(Millions of yen)

Japan	China	Taiwan	Korea	Other	Total
41,128	47,902	8,127	14,749	7,102	119,010

Note: Net sales are classified by country or region based on the location of customers.

(2) Property, plant and equipment

(Millions of yen)

Japan	China	Taiwan	Korea	Other	Total
54,268	5,536	4,008	1,837	1,988	67,638

3. Information by main customer

(Millions of yen)

Customer Name	Net sales	Name of Related Segment
Daiichi Sankyo Co., Ltd. (Note)	11,797	Medical and Pharmaceuticals

Note: Shows aggregated net sales posted to Daiichi Sankyo Chemical Pharma Co., Ltd., which is affiliated with the Daiichi Sankyo Co., Ltd. corporate group. Daiichi Sankyo Co., Ltd. have announced to absorb and merge Daiich Sankyo Chemical Pharma Co., Ltd., with the effective date of the merger being April 1, 2025.

II Fiscal year ended March 31, 2026

1. Information by product and service

(Millions of yen)

	Electronics	Medical and Pharmaceuticals	Other	Total
External sales	95,285	36,490	6,075	137,851

2. Information by region

(1) Net sales

(Millions of yen)

Japan	China	Taiwan	Korea	Other	Total
46,690	57,034	8,406	17,700	8,020	137,851

Note: Net sales are classified by country or region based on the location of customers.

(2) Property, plant and equipment

(Millions of yen)

Japan	China	Taiwan	Korea	Other	Total
56,381	6,226	4,163	1,939	1,790	70,501

3. Information by main customer

(Millions of yen)

Customer Name	Net sales	Name of Related Segment
Daiichi Sankyo Co., Ltd.	13,943	Medical and Pharmaceuticals

[Information regarding impairment loss of non-current assets in each reportable segment]

Fiscal year ended March 31, 2025

(Millions of yen)

	Reportable segment			Other	Corporate and Elimination	Total
	Electronics	Medical and Pharmaceuticals	Total			
Impairment losses	—	7,010	7,010	—	—	7,010

Fiscal year ended March 31, 2026

None.

[Information on amortization of goodwill and unamortized balance in each reportable segment]

Fiscal year ended March 31, 2025

(Millions of yen)

	Reportable segment			Other	Corporate and Elimination	Total
	Electronics	Medical and Pharmaceuticals	Total			
Amortization for fiscal year ended March 31, 2025	54	486	541	10	—	551
Balance as of March 31, 2025	434	2,594	3,028	3	—	3,032

Note: The figure for “Other” is the amount for the ICT and Sustainability business.

Fiscal year ended March 31, 2026

(Millions of yen)

	Reportable segment			Other	Corporate and Elimination	Total
	Electronics	Medical and Pharmaceuticals	Total			
Amortization for fiscal year ended March 31, 2026	56	273	330	3	—	333
Balance as of March 31, 2026	423	2,321	2,744	—	—	2,744

Note: The figure for “Other” is the amount for the ICT and Sustainability business.

[Information on negative goodwill in each reportable segment]

Fiscal year ended March 31, 2025

None.

Fiscal year ended March 31, 2026

None.

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(Per share information)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net assets per share	927.34 yen	1,040.16 yen
Basic earnings per share	96.59 yen	215.92 yen

- Notes:
1. Diluted earnings per share is not presented because there are no dilutive shares.
 2. In calculating net assets per share, treasury shares are deducted, and shares held in the trust account for shares granted under the Employee Stock Ownership Plan (ESOP) are included in the treasury shares (previous consolidated fiscal year: 1,089,120 shares (after stock split); consolidated fiscal year under review: 950,880 shares).
 3. We performed a stock split with effect from December 1, 2025 whereby each common stock of Taiyo Holdings was divided into two shares. We calculated the net assets per share and basic earnings per share under the assumption that this stock split was performed at the beginning of the previous consolidated fiscal year.
 4. Basis for calculating basic earnings per share is shown below.

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit attributable to owners of parent (Millions of yen)	10,780	24,011
Amount not attributable to common shareholders (Millions of yen)	—	—
Profit attributable to owners of parent for common shares (Millions of yen)	10,780	24,011
Average number of outstanding common shares during the period (Shares)	111,608,498	111,202,932

- Note:
1. In calculating the average number of outstanding common shares during the period, treasury shares are deducted and shares held in the trust account for shares granted under the Employee Stock Ownership Plan (ESOP) are included in the treasury shares (previous consolidated fiscal year: 474,870 shares (after stock split); consolidated fiscal year under review: 993,286 shares).
 2. We performed a stock split with effect from December 1, 2025 whereby each common stock of Taiyo Holdings was divided into two shares. We calculated the average number of outstanding common shares during the period under the assumption that this stock split was performed at the beginning of the previous consolidated fiscal year.

(Significant subsequent events)

None.