



## Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending December 31, 2024 [J-GAAP]

November 12, 2024

Company name: Tokyo Ohka Kogyo Co., Ltd.  
 Listing: Tokyo Stock Exchange (Prime Market)  
 Securities Code: 4186 URL: <https://www.tok.co.jp/eng>  
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 Scheduled date to commence dividend payments: —  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results briefing: No

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending December 31, 2024 (January 1, 2024 to September 30, 2024)

#### (1) Consolidated Operating Results

(% indicates the rate of increase/decrease year-on-year.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
First nine months ended September 30, 2024	146,547	23.5	23,243	50.5	24,034	44.9	15,636	107.9
September 30, 2023	118,620	(9.1)	15,446	(31.9)	16,589	(29.6)	7,520	(50.6)

(Note) Comprehensive income: First nine months ended September 30, 2024 ¥17,721 million [2.1%]  
 First nine months ended September 30, 2023 ¥17,360 million [-17.1%]

	Basic earnings per share	Diluted earnings per share
First nine months ended	Yen	Yen
September 30, 2024	129.08	128.94
September 30, 2023	62.19	62.11

(Note) The Company conducted a 3-for-1 stock split for common shares on January 1, 2024. “Basic earnings per share” and “Diluted earnings per share” are calculated assuming the stock split had been conducted on January 1, 2023.

#### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
As of	Millions of yen	Millions of yen	%
September 30, 2024	266,152	202,783	72.1
December 31, 2023	251,864	195,480	72.9

(Reference) Equity: As of September 30, 2024: ¥191,821 million As of December 31, 2023: ¥183,654 million

### 2. Cash Dividends

	Annual dividends per share				
	1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	Year-end	Total
Fiscal year ended December 31, 2023	— Yen	82.00 Yen	— Yen	86.00 Yen	168.00 Yen
Fiscal year ending December 31, 2024	—	29.00	—		
Fiscal year ending December 31, 2024 (Forecast)				29.00	58.00

(Note) Revisions to the most recently disclosed dividend forecasts: None

(Note) In light of the above stock split, the amounts for the fiscal year ended December 31, 2023 are on a pre-split basis and for the fiscal year ending December 31, 2024 (forecast) reflect the effect of the stock split.

### 3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2024 (January 1, 2024 to December 31, 2024)

(% indicates the rate of increase/decrease year-on-year)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Basic earnings per share	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	Yen
Full year	193,400	19.2	29,300	29.0	30,400	25.3	19,800	55.8	163.24	

(Note) Revisions to the most recently disclosed financial results forecast: None

There has been no change in the financial results forecast announced on July 26, 2024.

**\* Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Application of special accounting treatment in preparing the quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
  - (ii) Changes in accounting policies due to other reasons: None
  - (iii) Changes in accounting estimates: None
  - (iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of September 30, 2024	127,800,000 shares
As of December 31, 2023	127,800,000 shares

(ii) Number of treasury shares at the end of the period

As of September 30, 2024	6,602,358 shares
As of December 31, 2023	6,735,402 shares

(iii) Average number of shares outstanding during the period

First nine months ended September 30, 2024	121,132,013 shares
First nine months ended September 30, 2023	120,930,196 shares

(Note): In light of the above stock split, “Total number of issued shares at the end of the period (including treasury shares),” “Number of treasury shares at the end of the period,” and “Average number of shares outstanding during the period” are calculated assuming the stock split had been conducted on January 1, 2023.

\* Review of the accompanying quarterly consolidated financial statements by certified public accountants or an audit firm: No

\* Explanation of the proper use of financial results forecast and other special notes

The financial results forecast stated in this report is based on the information available as of the date of the release of this report, and actual results may differ from the forecast due to a variety of factors.

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.
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## **1. Overview of Operating Results, Etc.**

### **(1) Overview of Operating Results for the First Nine Months Ended September 30, 2024**

During the nine months ended September 30, 2024, the electronics market, which is the main customers for the Group's products, saw a year-on-year increase in demand for semiconductors due to a recovery in the PC and smartphone markets and an expansion of the generative AI market.

Under these circumstances, the Group has made an all-out effort to promote the company-wide strategies set out in the "tok Medium-Term Plan 2024," a three-year medium-term plan with FY2024 as the final year.

As a result, for the nine months ended September 30, 2024, the Group recorded net sales of ¥146,547 million (up 23.5% year-on-year), operating income of ¥23,243 million (up 50.5% year-on-year), ordinary income of ¥24,034 million (up 44.9% year-on-year), and profit attributable to owners of parent of ¥15,636 million (up 107.9% year-on-year).

Operating results by business segment is not disclosed, but net sales by division are as follows.

Net sales in the Electronic Functional Materials Division amounted to ¥79,099 million (up 23.3% year-on-year), in the High-Purity Chemicals Division amounted to ¥65,915 million (up 23.9% year-on-year) and in other divisions amounted to ¥1,532 million (up 21.4% year-on-year).

### **(2) Overview of Financial Position as of September 30, 2024**

#### **(Assets)**

Total assets as of September 30, 2024 increased by ¥14,287 million from December 31, 2023 to ¥266,152 million.

Total current assets increased by ¥10,433 million mainly due to increases in cash and deposits of ¥4,360 million and in notes and accounts receivable - trade of ¥5,480 million.

Total non-current assets increased by ¥3,853 million mainly due to an increase in property, plant and equipment of ¥13,439 million associated with capital investments despite a decrease in investments and other assets of ¥10,004 million due to withdrawals of long-term time deposits.

#### **(Liabilities)**

Total liabilities as of September 30, 2024 increased by ¥6,984 million from December 31, 2023 to ¥63,368 million mainly due to an increase in notes and accounts payable - trade of ¥4,167 million.

#### **(Net assets)**

Total net assets as of September 30, 2024 increased by ¥7,303 million from December 31, 2023 to ¥202,783 million mainly because retained earnings increased by ¥8,635 million due to securing of profit.

As a result, the equity ratio as of September 30, 2024 stood at 72.1%.

### **(3) Explanation about Future Forecast Information Including Consolidated Financial Results Forecast**

There has been no change in the financial results forecast announced in "Notice on Revisions of Forecasts" dated July 26, 2024. The foreign exchange rate is assumed to be \$1=¥145.

In the event that we need to revise, we will disclose promptly.

## 2. Quarterly Consolidated Financial Statements and Major Notes

### (1) Quarterly Consolidated Balance Sheet

(Millions of yen)

	FY12/23 (As of December 31, 2023)	First nine months of FY12/24 (As of September 30, 2024)
<b>Assets</b>		
Current assets		
Cash and deposits	56,816	61,176
Notes and accounts receivable - trade	33,898	39,379
Securities	3,999	3,999
Merchandise and finished goods	11,060	12,217
Work in process	7,397	8,121
Raw materials and supplies	14,624	13,212
Other	6,604	6,735
Allowance for doubtful accounts	(74)	(80)
<b>Total current assets</b>	<b>134,328</b>	<b>144,762</b>
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	40,665	39,260
Other, net	32,569	47,413
<b>Total property, plant and equipment</b>	<b>73,235</b>	<b>86,674</b>
Intangible assets	1,389	1,808
Investments and other assets		
Retirement benefit asset	4,267	4,374
Long-term time deposits	12,000	—
Other	26,652	28,538
Allowance for doubtful accounts	(7)	(5)
<b>Total investments and other assets</b>	<b>42,912</b>	<b>32,907</b>
<b>Total non-current assets</b>	<b>117,536</b>	<b>121,389</b>
<b>Total assets</b>	<b>251,864</b>	<b>266,152</b>

(Millions of yen)

	FY12/23 (As of December 31, 2023)	First nine months of FY12/24 (As of September 30, 2024)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	20,331	24,498
Short-term borrowings	486	4,389
Income taxes payable	1,391	3,993
Provision for bonuses	2,537	4,381
Other	13,881	13,334
Total current liabilities	38,627	50,598
Non-current liabilities		
Long-term borrowings	10,000	6,100
Retirement benefit liability	809	833
Other	6,947	5,836
Total non-current liabilities	17,756	12,770
Total liabilities	56,384	63,368
<b>Net assets</b>		
Shareholders' equity		
Share capital	14,640	14,640
Capital surplus	15,315	15,410
Retained earnings	143,630	152,265
Treasury shares	(10,940)	(10,746)
Total shareholders' equity	162,646	171,569
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	9,759	9,787
Foreign currency translation adjustment	11,603	10,738
Remeasurements of defined benefit plans	(354)	(273)
Total accumulated other comprehensive income	21,007	20,252
Share acquisition rights	140	121
Non-controlling interests	11,684	10,840
Total net assets	195,480	202,783
Total liabilities and net assets	251,864	266,152

**(2) Quarterly Consolidated Statement of Income and Quarterly Consolidated Statement of Comprehensive Income**  
**(Quarterly Consolidated Statement of Income)**  
**(First Nine Months Ended September 30, 2023 and 2024)**

(Millions of yen)

	First nine months of FY 12/23 (January 1, 2023 – September 30, 2023)	First nine months of FY 12/24 (January 1, 2024 – September 30, 2024)
Net sales	118,620	146,547
Cost of sales	77,030	93,575
Gross profit	41,589	52,972
Selling, general and administrative expenses	26,143	29,728
Operating income	15,446	23,243
Non-operating income		
Interest income	210	260
Dividend income	387	363
Foreign exchange gains	399	—
Gain on valuation of derivatives	—	32
Subsidy income	—	327
Other	339	375
Total non-operating income	1,336	1,359
Non-operating expenses		
Interest expenses	60	64
Share of loss of investments accounted for using equity method	—	77
Loss on valuation of derivatives	76	—
Foreign exchange losses	—	350
Other	57	75
Total non-operating expenses	193	567
Ordinary income	16,589	24,034
Extraordinary income		
Gain on change in equity	—	183
Gain on sale of non-current assets	220	15
Gain on sale of investment securities	103	508
Other	45	—
Total extraordinary income	369	707
Extraordinary losses		
Loss on retirement of non-current assets	79	89
Loss on sale of shares of subsidiaries and associates	837	—
Loss on sale of businesses	1,720	—
Other	1	0
Total extraordinary losses	2,638	89
Profit before income taxes	14,319	24,652
Income taxes - current	4,427	7,040
Income taxes - deferred	(64)	(1,013)
Total income taxes	4,362	6,027
Profit	9,957	18,625
Profit attributable to non-controlling interests	2,436	2,989
Profit attributable to owners of parent	7,520	15,636

**(Quarterly Consolidated Statement of Comprehensive Income)**  
**(First Nine Months Ended September 30, 2023 and 2024)**

(Millions of yen)

	First nine months of FY 12/23 (January 1, 2023 – September 30, 2023)	First nine months of FY 12/24 (January 1, 2024 – September 30, 2024)
Profit	9,957	18,625
Other comprehensive income		
Valuation difference on available-for-sale securities	2,989	28
Foreign currency translation adjustment	4,467	(1,013)
Remeasurements of defined benefit plans	(53)	81
Other comprehensive income (loss)	7,403	(903)
Comprehensive income	17,360	17,721
Comprehensive income attributable to:		
Owners of parent	14,131	14,880
Non-controlling interests	3,229	2,840



### **(3) Notes to Quarterly Consolidated Financial Statements**

#### **(Notes Concerning Going Concern Assumption)**

Not applicable.

#### **(Significant Changes in Shareholders' Equity)**

Not applicable.

#### **(Additional Information)**

(Transaction to grant the Company's shares to employees, etc. through a trust)

Based on the resolution at the Board of Directors meeting held on August 7, 2019, the Company resolved to introduce "Trust-Type Employee Stock Ownership Plan" ("Plan") with an aim to enhance the Company's welfare program as well as to improve its medium- to long-term corporate value by providing employees with incentives for an increase in stock prices.

##### **(1) Overview of the transaction**

The Plan is an incentive plan for all employees in the "Tokyo Ohka Employees Stockholding Association" ("Stockholding Association"). Under the Plan, the Company sets up the "Tokyo Ohka Employee Stockholding Association Trust" ("Stockholding Trust") at a trust bank, and the Stockholding Trust purchases in advance the number of the Company's shares expected to be purchased by the Stockholding Association over five years from the date the trust is set up and sells the shares to the Stockholding Association every month on a certain date. Any gains on sale of shares accumulated in the trust upon expiry of the Stockholding Trust will be distributed as residual assets to those satisfying the beneficiary eligibility requirements. As the Company provides guarantee for the loans payable made by the Stockholding Trust to purchase the Company's shares, the Company is liable to pay the outstanding balance of the loans payable, equivalent to loss on sale of shares accumulated in the Stockholding Trust due to a decline in stock prices, upon expiry of the Stockholding Trust.

The Plan aims to improve our medium- to long-term corporate value by providing employees with incentives for an increase in stock prices and also to support employees' asset building as a measure to enhance our welfare program by promoting purchase and holding of shares through enhancement of the Stockholding Association.

##### **(2) The Company's shares remaining in the Trust**

The Company's shares remaining in the Trust are recorded as Treasury shares in Net assets at the carrying amount at the Trust (excluding ancillary expenses). The carrying amount and number of treasury shares as of December 31, 2023 and September 30, 2024 were ¥437 million and 315 thousand shares and ¥328 million and 236 thousand shares, respectively.

(Note) The Company conducted a 3-for-1 stock split for common shares on January 1, 2024. The number of shares above reflects the effect of the stock split.

##### **(3) The carrying amount of the loans payable recorded under the gross method**

Not applicable.

**(Quarterly Consolidated Statement of Cash Flows)**

Quarterly consolidated statement of cash flows for the first nine months ended September 30, 2024 is not prepared.

Depreciation (including amortization of intangible assets) for the nine months ended September 30, 2024 is as follows:

	First nine months of FY 12/23 (January 1, 2023 - September 30, 2023)	First nine months of FY 12/24 (January 1, 2024 - September 30, 2024)
Depreciation	5,702	6,199

(Millions of yen)

**(Segment Information, Etc.)**

[Segment information]

I First nine months of the fiscal year ended December 31, 2023 (January 1, 2023 – September 30, 2023)

1. Information about net sales and income or loss by reportable segment

The disclosure is omitted as the Group operates a single business segment.

II First nine months of the fiscal year ending December 31, 2024 (January 1, 2024 – September 30, 2024)

1. Information about net sales and income or loss by reportable segment

The disclosure is omitted as the Group operates a single business segment.

**(Revenue Recognition)**

Information on the breakdown of revenue arising from contracts with customers

The Group operates a single business segment, and the information on the breakdown of revenue arising from contracts with customers is as follows.

	First nine months of FY 12/23 (January 1, 2023 - September 30, 2023)	First nine months of FY 12/24 (January 1, 2024 - September 30, 2024)
Electronic functional materials	64,162	79,099
High-purity chemicals	53,195	65,915
Other	1,262	1,532
Revenue from contracts with customers	118,620	146,547
Other revenue	—	—
Net sales to customers	118,620	146,547

(Millions of yen)