

Results for Years Ended March 31, 2014 through 2023

Million Yen Thousand U.S. dollars

	2014.3	2015.3	2016.3	2017.3	2018.3	2019.3	2020.3	2021.3	2022.3	2023.3	2023.3
For the year											
Net sales	113,962	123,365	118,414	116,311	133,362	140,951	114,599	110,788	140,316	161,881	1,212,325
Operating income (loss)	4,933	5,122	2,179	3,338	5,818	5,137	(2,891)	2,971	8,798	12,939	96,906
Operating income margin (%)	4.3	4.2	1.8	2.9	4.4	3.6	(2.5)	2.7	6.3	8.0	8.0
Ordinary income (loss)	4,304	6,207	1,165	2,002	4,416	4,833	(4,245)	2,091	8,038	10,994	82,334
Ordinary income margin (%)	3.8	5.0	1.0	1.7	3.3	3.4	(3.7)	1.9	5.7	6.8	6.8
Profit (loss) attributable to owners of parent	3,315	5,362	(6,905)	840	(16,056)	917	(5,926)	2,038	(12,124)	2,273	17,022
Profit attributable to owners of parent margin (%)	2.9	4.3	(5.8)	0.7	(12.0)	0.7	(5.2)	1.8	(8.6)	1.4	1.4
Capital investment	3,067	5,203	4,354	4,590	7,525	9,553	5,620	3,477	5,858	7,704	57,696
Depreciation and amortization	7,951	7,373	7,127	6,220	6,105	6,496	7,199	5,747	5,885	5,933	44,436
Research and development (R&D) expenses	3,872	4,160	4,321	4,272	4,208	4,288	4,161	3,710	4,156	4,383	32,828
Proportion of net sales (%)	3.4	3.4	3.6	3.7	3.2	3.0	3.6	3.3	3.0	2.7	2.7
At year end											
Current assets	76,619	81,689	78,775	83,799	83,659	78,254	80,380	81,523	96,434	97,758	732,105
Fixed assets	63,149	64,968	58,341	55,968	59,052	60,030	59,234	57,925	59,706	64,983	486,659
Current liabilities	32,730	42,106	40,377	29,442	61,425	47,389	52,748	54,278	69,223	59,181	443,204
Long-term liabilities	43,194	26,405	33,875	46,754	31,875	42,980	47,084	33,265	42,201	52,881	396,029
Net assets	63,844	78,146	62,864	63,571	49,410	47,914	39,781	51,904	44,715	50,678	379,531
Total assets	139,769	146,657	137,117	139,768	142,711	138,284	139,615	139,448	156,140	162,741	1,218,765
Cash flows											
Cash flows from operating activities	12,161	10,730	10,970	6,443	5,305	(13,856)	3,925	2,067	5,105	(4,862)	(36,415)
Cash flows from investing activities	(1,620)	(4,269)	(2,878)	(4,334)	(7,265)	(8,771)	(5,447)	(3,034)	(5,208)	(6,834)	(51,186)
Free cash flow	10,541	6,460	8,091	2,108	(1,960)	(22,627)	(1,521)	(967)	(102)	(11,697)	(87,602)
Cash flows from financing activities	(6,143)	(7,675)	(4,712)	710	(1,759)	17,128	10,478	(3,470)	(218)	12,049	90,237

Results for Years Ended March 31, 2014 through 2023

	2014.3	2015.3	2016.3	2017.3	2018.3	2019.3	2020.3	2021.3	2022.3	Million Yen 2023.3	U.S. dollars 2023.3
Per share data											
Profit (loss) per share Basic	223.38	329.09	(423.82)	51.57	(985.77)	56.36	(363.96)	114.76	(597.88)	112.09	0.84
Profit (loss) per share Diluted	—	—	—	—	—	—	—	114.63	—	—	—
Cash dividends	0.00	30.00	30.00	30.00	30.00	30.00	0.00	0.00	0.00	0.00	0.00
Net assets	3,901.56	4,772.25	3,834.26	3,877.73	3,012.97	2,921.53	2,422.68	2,544.62	2,190.33	2,478.43	18.56
Financial indicators											
Return on assets (ROA; %)	2.4	3.7	(4.9)	0.6	(11.4)	0.7	(4.3)	1.5	(8.2)	1.4	
Return on equity (ROE; %)	5.8	7.6	(9.8)	1.3	(28.6)	1.9	(13.6)	4.5	(25.3)	4.8	
Shareholders' equity ratio (%)	45.5	53.0	45.6	45.2	34.4	34.4	28.3	37.0	28.4	30.9	
Average exchange rate (Yen)											
US\$	100.24	109.93	120.13	108.38	110.85	110.91	108.74	106.06	112.38	135.47	
EUR	134.37	138.77	132.57	118.79	129.70	128.41	120.82	123.70	130.56	140.97	

Notes : 1. Amounts are rounded off to the nearest 1 million yen.

2. As we apply the Accounting Standard for Business Combinations (ASBJ No. 21, September 13, 2013), from fiscal year ended March 2016 net income or net loss is recorded as profit attributable to owners of parent or loss attributable to owners of parent.
3. US dollar amounts are calculated based on currency rate of \$1=¥133.53.
4. Free cash flow = Cash flows from operating activities + Cash flows from investing activities.
5. Diluted earnings per share for the fiscal year from 2013 to 2019, 2021 and 2022 are not presented because there are no dilutive shares.
6. Return on assets (ROA) is calculated by dividing term net income by average total assets.
7. Return on equity (ROE) is calculated by dividing term net income by average shareholder equity.
8. Depreciation and amortization expenses exclude depreciation and amortization related to research and development expenses.
9. On October 1, 2017, we conducted a share consolidation for common stock based on a ratio of 10 to 1. Per share information (EPS, BPS, and DPS) is calculated based on the assumption that said share consolidation was conducted at the beginning of fiscal year ended March 2014.
10. As of the beginning of FY2018, we apply the Partial Amendments to Accounting Standards for Tax Effect Accounting (ASBJ Statement No. 28, February 16, 2018). As a result, we now indicate deferred tax assets under investments and other assets and deferred tax liabilities under non-current liabilities. Figures for FY2017 have been adjusted retroactively to reflect the change in accounting standards.

Corporate Information / Stock Information (As of March 31, 2023)

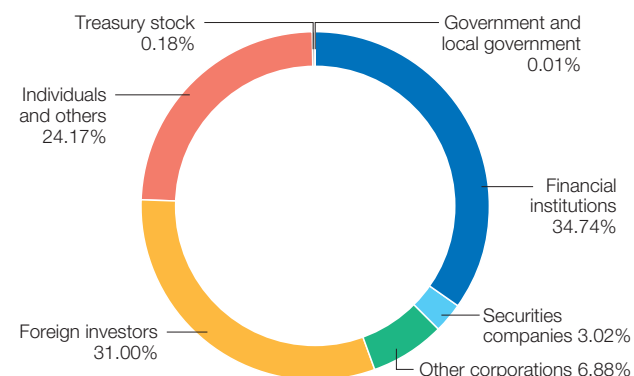
▶ Foundation	August 1931
▶ Establishment	August 1947
▶ Capital	24,310 million yen
▶ Number of Employees	6,339 (Consolidated) (including fixed-term employees)
▶ Common Stock	
• Issued	20,314,833 shares
• Trading Unit	100 shares
• Number of Shareholders	11,519
▶ Stock Listing	Prime Market of the Tokyo Stock Exchange
▶ Securities Code	6997
▶ Fiscal Year-End	March 31
▶ Ordinary General Shareholders' Meeting	June
▶ Shareholder Registry Administrator	Mitsubishi UFJ Trust and Banking Corporation
▶ Head Office	5-6-4, Osaki, Shinagawa-ku, Tokyo 141-8605, Japan TEL: +81-3-5436-7711 FAX: +81-3-5436-7631

▶ Major Shareholders (Top 10)

Name	Percentage of issued shares (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	17.31
Custody Bank of Japan, Ltd. (Trust Account)	5.47
MUFG Bank, Ltd.	2.59
Nippon Life Insurance Company	2.53
SSBTC CLIENT OMNIBUS ACCOUNT	2.42
Sumitomo Mitsui Banking Corporation	1.65
JP JPMSE LUX RE SOCIETE GENERALE EQ CO	1.62
CAPITAL SECURITIES CORP. -LIPERS ENTERPRISE CO., LTD.	1.59
DFA INTL SMALL CAP VALUE PORTFOLIO	1.48
BNP PARIBAS NEW YORK BRANCH-PRIME BROKERAGE CLEARANCE ACCOUNT	1.38

Note: Shareholding ratio is calculated by subtracting treasury stock.

▶ Ownership and Distribution of Shares

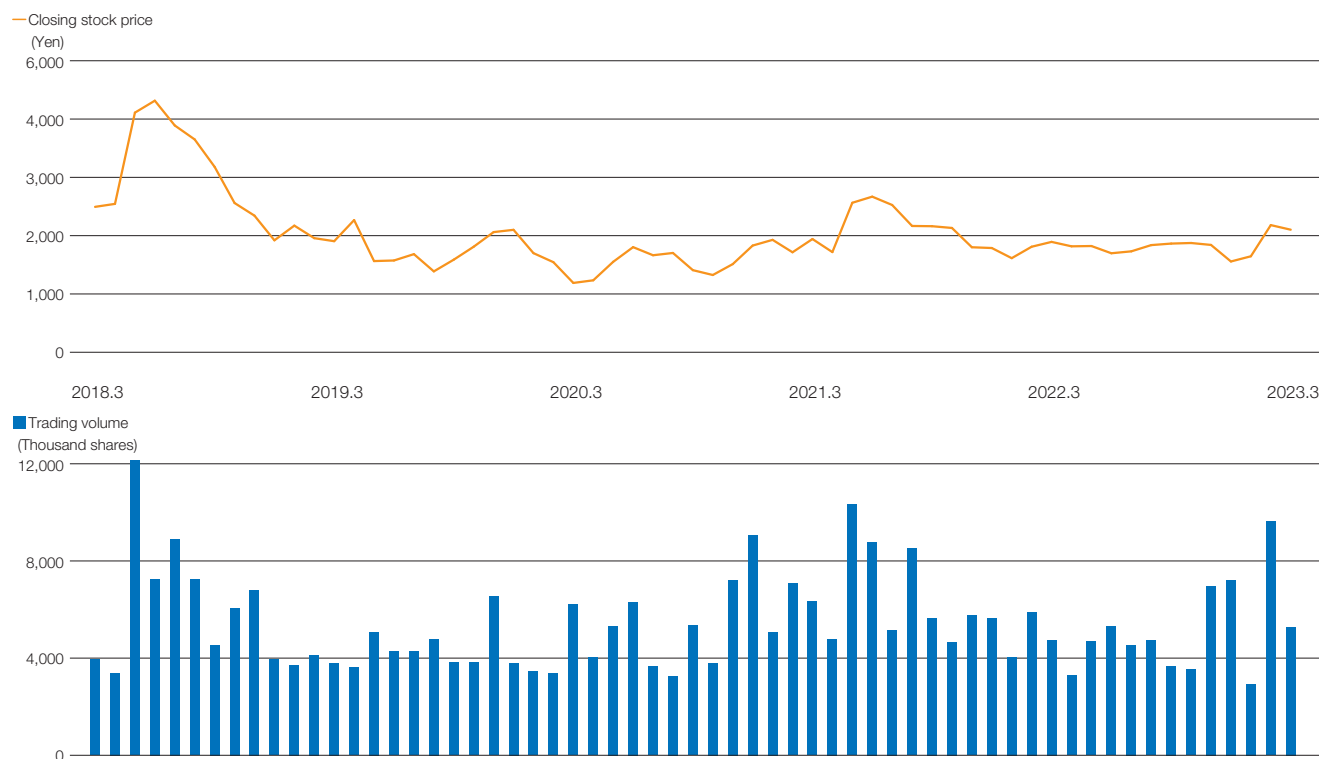


▶ Highest and Lowest Annual Stock Prices

FY	High (¥)	Low (¥)
2018	4,930	1,710
2019	2,442	1,054
2020	2,134	957
2021	2,780	1,513
2022	2,354	1,494

Note: Highest and lowest values for stock price are based on the Tokyo Stock Exchange Prime Market as of April 4, 2022. Prior to that date, values are based on the Tokyo Stock Exchange (First Section).

▶ Stock Price and Volume (Tokyo Stock Exchange)



Global Network (As of October 1, 2023)



Nippon Chemi-Con Group Overseas Network

— Overseas Affiliates —

▶ Manufacturing Bases

- ① UNITED CHEMI-CON, INC. (North Carolina, U.S.A.)
- ② CHEMI-CON MATERIALS CORP. (Washington, U.S.A.)
- ③ QINGDAO SAMYOUNG ELECTRONICS CO., LTD. (Shandong, China)
- ④ TAIWAN CHEMI-CON CORP. (Nantou)
- ⑤ CHEMI-CON(WUXI)CO.,LTD. (Jiangsu, China)
- ⑥ DONG GUANG KDK ALUMINUM FOIL MANUFACTURE LTD. (Guangdong, China)
- ⑦ CHEMI-CON(MALAYSIA) SDN. BHD. (Selangor)

▶ Sales Bases

- ① UNITED CHEMI-CON, INC. (Illinois, U.S.A.)
- ② UNITED CHEMI-CON, INC. (California, U.S.A.)
- ③ EUROPE CHEMI-CON (DEUTSCHLAND) GmbH (Bavaria, Germany)
- ④ CHEMI-CON ELECTRONICS (KOREA) CO., LTD.
- ⑤ TAIWAN CHEMI-CON CORP. (Taipei)
- ⑥ SHANGHAI CHEMI-CON TRADING CO.,LTD. (Shanghai, China)
- ⑦ SHANGHAI CHEMI-CON TRADING CO.,LTD. (Dalian, China)
- ⑧ SHANGHAI CHEMI-CON TRADING CO.,LTD. (Beijing, China)
- ⑨ HONG KONG CHEMI-CON LTD.
- ⑩ CHEMI-CON TRADING (SHENZHEN) CO.,LTD. (Shenzhen, China)

- ⑪ SINGAPORE CHEMI-CON (PTE.) LTD.
- ⑫ CHEMI-CON ELECTRONICS (THAILAND) CO., LTD.
- ⑬ CHEMI-CON(MALAYSIA) SDN. BHD. (Penang)

▶ Manufacturing and Sales Bases

- ① SAMYOUNG ELECTRONICS CO., LTD. (Gyeonggi-do, Korea)
- ② P.T.INDONESIA CHEMI-CON

▶ Regional Headquarter

- ① CHEMI-CON AMERICAS HOLDINGS, INC. (Illinois, U.S.A.)

Global Network



Nippon Chemi-Con Group Domestic Network

— NIPPON CHEMI-CON CORPORATION —

● Head Office (Tokyo)

▶ Manufacturing Bases

- 1 Takahagi Plant (Ibaraki)
- 2 Niigata Plant

▶ Sales Bases

- 1 Kita-Kanto Sales Office (Tochigi)
- 2 Japan Sales Department
/ Sales Promotion Department (Tokyo)
- 3 Shizuoka Sales Office
- 4 Nagoya Sales Office (Aichi)
- 5 Osaka Sales Office
- 6 Fukuoka Sales Office

▶ R&D Bases

- 1 Kanagawa Research Center

— Affiliates in Japan —

▶ Manufacturing Bases

- 3 CHEMI-CON EAST JAPAN CORP. Miyagi Plant
- 4 CHEMI-CON EAST JAPAN CORP. Iwate Plant
- 5 CHEMI-CON EAST JAPAN CORP. Fukushima Plant
- 6 CHEMI-CON EAST JAPAN MATERIALS CORP. Kitakata Plant
(Fukushima)
- 7 CHEMI-CON EAST JAPAN MATERIALS CORP. Iwate Waga Plant
- 8 CHEMI-CON DEVICE CORP. Nagai Plant (Yamagata)
- 9 CHEMI-CON DEVICE CORP. Yonezawa Plant (Yamagata)
- 10 CHEMI-CON DEVICE CORP. Nagaoka Plant (Niigata)

▶ Sales Bases

- 7 KDK CORP. (Tokyo)
- 8 CHEMI-CON EAST JAPAN CORP. Sendai Division. (Miyagi)

▶ Manufacturing and Sales Bases

- 1 CHEMI-CON EAST JAPAN CORP. Ome Division (Tokyo)



About the CHEMI-CON REPORT 2023

Director and Senior Managing Executive Officer **Osamu Ishii**

Since 2015, Nippon Chemi-Con has created the CHEMI-CON REPORT as our integrated report. The CHEMI-CON REPORT serves as a tool for communicating with our shareholders and stakeholders by introducing the Company's past, the status of current initiatives, and our future vision in a story-like format. The CHEMI-CON REPORT is made available on our company website.

During editing, we reference materials such as the International Integrated Reporting Framework issued by the International Integrated Reporting Council (IIRC). We also solicit opinions from external entities and experts towards enhancing the content of the Report. Typically, we publish the CHEMI-CON REPORT in November. However, due to the possibility of capital financing, changes in capital stock, and changes in our executive structure, this year we postponed the release timing until February.

In this year's Report, we worked to provide more detailed explanations concerning our climate change initiatives and increased information related to four topics, including governance and strategy. Additionally, we increased ESG information and outlined our enhanced response for the revised corporate governance code, including clarifying our value provision domains and creating a roadmap visualizing the value we provide for society.

We will continue working to enhance the content of the CHEMI-CON REPORT and we welcome your honest opinions regarding this Report.

February 2024

Inquiries regarding the CHEMI-CON REPORT 2023

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[WEB https://www.chemi-con.co.jp/en/company/](https://www.chemi-con.co.jp/en/company/)

Precautions concerning forecasts

This report includes future forecasts related to company plans, strategies, performance, and other matters. These forecasts are based on judgments made using presently available information. Please note that actual performance may differ from these forecasts as a result of various factors.

