

Non-Consolidated Financial Statements for the Financial Year ended March 31, 2024 (Under Japanese GAAP)

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 Listing: Tokyo Stock Exchange
 Securities code: 5726
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 Scheduled date of Annual General Meeting of Shareholders: June 25, 2024
 Scheduled date to commence dividend payments: June 4, 2024
 Scheduled date to file Annual Securities Report: June 26, 2024
 Preparation of supplementary material on Financial Results: Yes
 Holding of Financial Results Briefing: Yes (for Securities Analysts)

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

1. Financial Results for the Financial Year ended March 31, 2024

(1) Operating Results

(Japanese Yen in millions)

	Net sales		Operating profit		Ordinary profit		Net profit	
FY 2023	55,322	28.4%	8,288	73.4%	9,360	98.2%	9,689	120.8%
FY 2022	43,074	50.9%	4,780	—	4,723	—	4,388	—

Percentages indicate year-on-year changes

(Japanese Yen)

	Net profit per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
FY 2023	263.30	—	28.1%	10.7%	15.0%
FY 2022	119.27	—	15.4%	6.0%	11.1%

Reference: Equity in earnings of affiliates

Financial Year ended March 31, 2024: JPY — million

Financial Year ended March 31, 2023: JPY — million

(2) Financial Position

(Japanese Yen in millions, except per share amounts)

	Total assets	Net assets	Capital-to-asset ratio	Net assets per share
FY 2023	92,986	38,507	41.4%	1,046.45
FY 2022	81,544	30,474	37.4%	828.15

Reference: Equity

Financial Year ended March 31, 2024: JPY 38,507 million

Financial Year ended March 31, 2023: JPY 30,474 million

(3) Cash Flows

(Japanese Yen in millions)

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
FY 2023	2,098	(3,016)	(524)	5,975
FY 2022	741	(2,693)	(369)	6,971

2. Cash Dividends

(Japanese Yen in millions, except per share amounts)

	Annual dividends per share					Total cash dividends (Total)	Payout ratio	Ratio of dividends to net assets
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
FY 2022	—	10.00	—	25.00	35.00	1,287	29.3%	4.5%
FY 2023	—	20.00	—	50.00	70.00	2,575	26.6%	7.5%
FY 2024 Forecast	—	25.00	—	25.00	50.00		25.9%	

3. Earnings Forecast for the Financial Year ending March 31, 2025

(Japanese Yen in millions, except per share amounts)

	Net sales		Operating profit		Ordinary profit		Net profit		earnings per share
6 months ending September 30, 2023	26,300	(2.6)%	5,000	26.9 %	4,700	(12.1)%	3,200	(28.9)%	86.96
12 months ending March 31, 2024	57,000	3.0 %	11,000	32.7 %	10,600	13.2 %	7,100	(26.7)%	192.94

Note. Percentage figures are the change from the previous year for the 12 months and the changes from the same period of the previous year for the 6 months.

Notes

(1) 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: Yes
- (iv) Restatement: None

(2) Number of issued shares (common shares)

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

As of March 31, 2024	36,800,000 shares
As of March 31, 2023	36,800,000 shares

(ii) Number of treasury shares at the end of the Financial Year

As of March 31, 2024	1,518 shares
As of March 31, 2023	1,495 shares

(iii) Average number of shares outstanding during the Financial Year

Year ended March 31, 2024	36,798,502 shares
Year ended March 31, 2023	36,798,576 shares

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

* Proper use of earnings forecast and other special matters

Forward-looking statements in this document include projections based on assumptions, outlook and plans regarding the future as at the date of publication of this document. Actual results may differ significantly in the future due to a number of factors.

* Special matters on translation

This document is a partial machine translation of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the Japanese original shall prevail.

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1. Summary of Operating Results

(1) Analysis of Operating Results

① Operating Results for the Financial Year Under Review (financial year ended March 31, 2024)

During the financial year under review, the Japanese economy showed a gradual recovery trend as companies recorded good business results, the flow of people improved due to an easing of immigration restrictions by many countries, and employment and income environment also improved leading to a pick-up in domestic consumption. However, Japanese economy also experienced high prices for resources and raw materials with the impact of weaker yen, and the problems of higher cost of living and labour shortages rose up to the surface. While overseas economy also showed a gradual recovery trend, there were still concerns about the economic downturn against the backdrop of global inflation, monetary tightening measures in some countries, and stagnation in Chinese property market, as well as the instability in foreign exchange market.

In terms of the business environment in which the Company operated, demand for titanium sponge in the Titanium Business further increased, as aircraft demand shifted from the recovery stage to the growth stage, and the impact of restructuring of the global titanium supply chain as a result of Russia's invasion of Ukraine continued to exist. In the High-Performance Materials Business, on the other hand, the semiconductor market was in a sluggish and adjusting phase that began in autumn 2022.

In these business contexts, sales for the financial year under review amounted to JPY 55,322 million (up 28.4% year-on-year), operating profit to JPY 8,288 million (up 73.4% year-on-year), ordinary profit to JPY 9,360 million (up 98.2% year-on-year) and net profit to JPY 9,689 million (up 120.8% year-on-year), partly due to a recording of deferred tax assets of JPY 1,555 million at the end of the financial year under review.

Titanium Business

For the Titanium Business in the financial year under review, sales of export titanium sponge, mainly for aircraft applications, increased by 38.4% year-on-year due to increased volumes, improved product prices and a weaker yen. Domestic titanium sponge sales, which are mainly for general industrial applications, also remained firm, resulting in a 23.9% year-on-year increase. As a result, sales in the Titanium Business amounted to JPY 52,299 million (up 33.2% year-on-year).

In terms of profit in the Titanium Business, the operating profit amounted to JPY 8,414 million (up 90.2% year-on-year) due to increased sales and production volumes, improved profitability such as improved product prices and operations, softening ocean freight and the effect of a weaker yen, despite the impact of higher energy and resource prices.

High-Performance Materials Business

Sales in the High-Performance Materials Business during the financial year under review amounted to JPY 3,023 million (down 20.5% year-on-year) due to a decrease in sales of high-purity titanium for sputtering targets for semiconductor-related applications.

In terms of loss in the High-Performance Business, the operating loss was JPY 126 million (compared to a profit of JPY 356 million a year earlier) due to a significant impact of lower sales of high-purity titanium.

(Reference) Sales by Business Segment

(Japanese Yen in millions)

		Financial Year ended		Percentage change (%)
		March 31, 2024	March 31, 2023	
	Domestic	17,419	14,061	23.9
	Export	34,880	25,211	38.4
Titanium Business		52,299	39,273	33.2
High-Performance Materials Business		3,023	3,801	(20.5)
Total		55,322	43,074	28.4

(Reference) Operating Profit by Business Segment

(Japanese Yen in millions)

		Financial Year ended		Percentage change (%)
		March 31, 2024	March 31, 2023	
Titanium Business		8,414	4,424	90.2
High-Performance Materials Business		(126)	356	-
Total		8,288	4,780	73.4

② Forecast for the Following Financial Year (ending March 31, 2025)

In the Titanium Business, demand for aircraft is expected to continue to grow steadily, as demand for aircraft has shifted from the recovery stage to the growth stage, and the impact of restructuring of the global titanium supply chain is expected to continue for the time being, resulting in a tight supply and demand balance for titanium sponge at the moment. Demand for general industrial applications is also expected to remain firm, and sales in the Titanium Business for the following financial year are forecast at JPY 52,500 million (up 0.4% from the financial year under review).

In the High-Performance Materials Business, sales are expected to be JPY 4,500 million (up 48.9% from the financial year under review) due to an expected recovery of high-purity titanium for semiconductor-related sputtering targets from the second half of the following financial year and due to an expanded sales of spherical titanium alloy powder (alloy TILOP).

In these business contexts, the Company will pursue high utilisation rates for titanium sponge production and continue to implement measures to improve profitability, such as improving production parameters through increased productivity and operational efficiency and thorough cost reductions as a company-wide initiative. The Company is diligently working on improvement of product prices, while obtaining consent from customers to secure business continuity and Company's future growth and to cope with the high level of energy and resource prices.

The results for the following financial year are expected to be sales of JPY 57,000 million (up 3.0% from the financial year under review), operating profit of JPY 11,000 million (up 32.7% from the financial year under review), ordinary profit of JPY 10,600 million (up 13.2% from the financial year under review) and net profit of JPY 7,100 million (down 26.7% from the financial year under review).

The current forecast for the financial year ending March 31, 2025, is based on an exchange rate of USD 1=JPY 145.

As demand for titanium mill products for aircraft applications is expected to grow steadily in the medium to long term, and demand for general industrial applications is also expected to remain firm, titanium mill product manufacturers (the Company's customers) are beginning to implement their plans to increase their production capacity. In view of a possible tight supply-and-demand balance in the medium to long term, the titanium supply chain is strongly demanding a stable supply of high-quality titanium sponge, and the

Company is accelerating a feasibility study to expand its titanium sponge production capacity from the perspective of contributing to the growth of the Company's Titanium Business and the development of titanium industry.

(Reference)

(Japanese Yen in millions)

	Financial Year ended		Percentage change (%)
	March 31, 2025	March 31, 2024	
Titanium	52,500	52,299	0.4
High-Performance Materials	4,500	3,023	48.9
Sales	57,000	55,322	3.0
Titanium	10,800	8,414	28.4
High-Performance Materials	200	(126)	-
Operating Profit (Loss)	11,000	8,288	32.7

(2) Analysis of Financial Position

① Assets, Liabilities, and Net Assets

(i) Assets

The balance of total assets at the end of the financial year under review was JPY 92,986 million, an increase of JPY 11,441 million yen compared to the end of the preceding financial year. This was mainly due to an increase in accounts receivable, raw materials and supplies, which was partly offset by a decrease in cash and deposits.

(ii) Liabilities

The balance of liabilities at the end of the financial year under review was JPY 54,478 million, an increase of JPY 3,408 million compared to the end of the preceding financial year. This was mainly due to an increase in accounts payable and trade notes payable, which was partly offset by a decrease in short-term bank loans.

(iii) Net Assets

The balance of net assets at the end of the financial year under review was JPY 38,507 million, an increase of JPY 8,033 million compared to the end of the preceding financial year. This was mainly due to an increase in retained earnings as a result of net profit for the financial year under review.

② Cash Flows

The balance of cash and cash equivalents at the end of the financial year under review decreased by JPY 996 million to JPY 5,975 million compared with the end of the preceding financial year.

(i) Cash Flows from Operating Activities

Net cash provided by operating activities amounted to JPY 2,098 million, mainly due to profits before income tax (compared to a net cash of JPY 741 million provided in the preceding financial year).

(ii) Cash Flows from Investing Activities

Net cash used in investing activities amounted to JPY 3,016 million, mainly due to expenditures on the acquisition of property, plant and equipment (compared to a net cash of JPY 2,693 million used in the preceding financial year).

(iii) Cash Flows from Financing Activities

Net cash used in financing activities amounted to JPY 524 million, mainly due to dividend payments (compared to a net cash of JPY 369 million used in the preceding financial year).

(Reference) Cash Flow-related Indexes

	FY2019	FY2020	FY2021	FY2022	FY2023
Capital to asset ratio (%)	45.6	38.2	34.6	37.4	41.4
Capital to asset ratio on market value (%)	45.0	45.4	69.1	144.0	104.1
Ratio of interest-bearing debt to cash flow (%)	1,978.6	—	642.4	5,461.3	1,910.5
Interest coverage ratio (times)	16.5	—	35.8	3.9	9.9

Capital to asset ratio : Owned capital / Total assets

Capital to asset ratio on market value : Stock market capitalization / Total assets

Ratio of interest-bearing debt to cash flow : interest-bearing debt / Cash flows from operating activities

Interest coverage ratio : Cash flows from operating activities / Interest expenses

(3) Basic Policy on Profit Distribution and Dividends for the Financial Year Under Review and the Following Financial Year

The Company is committed to strengthening its management base in order to increase its corporate value in the future. At the same time, the Company regards the return of profits to shareholders as a top management priority.

In terms of the distribution of profits, the Company aims to maintain sufficient internal reserves to invest for sustainable growth and to stabilise and strengthen its financial position. The Company's policy is to maintain a dividend pay-out ratio of 25% to 35%, while giving consideration to stability.

The year-end dividend for the financial year under review will be JPY 50 per share, making the annual dividend JPY 70 per share, together with the interim dividend of JPY 20 per share paid earlier.

The annual dividend forecast for the following financial year is JPY 50 per share (interim dividend: JPY 25, year-end dividend: JPY 25).

2. Basic Approach to the Choice of Accounting Standards

The Company applies Japanese GAAP for accounting standards.

3. Financial Statements and Significant Notes

(1) Balance Sheet

(Japanese Yen in millions)

	March 31, 2023	March 31, 2024
Assets		
Current assets		
Cash and deposits	6,971	5,975
Trade accounts receivable	16,139	21,829
Merchandise and finished goods	11,001	10,744
Work in process	3,932	3,859
Raw materials and supplies	7,957	12,983
Advance payments to suppliers	9	10
Prepaid expenses	150	133
Accounts receivable - other	36	86
Other	9	8
Allowance for doubtful accounts	(3)	(3)
Total current assets	46,205	55,629
Fixed assets		
Property, plant and equipment		
Buildings, net	8,755	8,404
Structures, net	205	330
Machinery and equipment, net	7,795	8,584
Vehicles, net	8	7
Tools, furniture and fixtures, net	145	219
Land	14,823	14,823
Construction in progress	1,324	1,126
Total property, plant and equipment	33,058	33,496
Intangible assets	937	969
Investments and other assets		
Long-term prepaid expenses	204	102
Prepaid pension costs	1,024	1,124
Deferred tax assets	85	1,640
Other	29	24
Total investments and other assets	1,344	2,891
Total fixed assets	35,339	37,357
Total assets	81,544	92,986

(Japanese Yen in millions)

	March 31, 2023	March 31, 2024
Liabilities		
Current liabilities		
Trade accounts payable	4,730	5,317
Short-term bank loans	16,000	5,800
Accounts payable - other	159	1,708
Accrued expenses	283	394
Income taxes payable	714	1,012
Accrued consumption taxes	—	715
Deposits received	34	34
Accounts payable - facilities	902	1,161
Provision for bonuses	315	401
Other	12	—
Total current liabilities	23,152	16,547
Long-term liabilities		
Long-term bank loans	24,500	34,300
Asset retirement obligations	1,515	1,540
Provision for retirement benefits	1,833	2,020
Other	69	69
Total long-term liabilities	27,917	37,930
Total liabilities	51,070	54,478
Net assets		
Shareholders' equity		
Share capital	8,739	8,739
Capital surplus	8,943	8,943
Retained earnings	12,802	20,835
Treasury shares	(10)	(10)
Total shareholders' equity	30,474	38,507
Total net assets	30,474	38,507
Total liabilities and net assets	81,544	92,986

(2) Profit and Loss Statement

(Japanese Yen in millions)

	Financial Year ended	
	March 31, 2023	March 31, 2024
Net sales	43,074	55,322
Cost of sales	34,099	41,878
Gross profit	8,975	13,443
Selling, general and administrative expenses	4,195	5,154
Operating profit	4,780	8,288
Non-operating income		
Interest income	21	103
Dividend income	7	—
Foreign exchange gains	—	717
Unnecessary thing clearance profit	170	256
Rental income	41	46
Insurance claim income	29	—
Subsidy income	—	154
Other	46	46
Total non-operating income	316	1,325
Non-operating expenses		
Interest expenses	192	212
Foreign exchange losses	129	—
Depreciation of inactive fixed assets	5	0
Extra retirement payments	39	27
Commission for syndicated loans	3	2
Other	2	11
Total non-operating expenses	373	254
Ordinary profit	4,723	9,360
Extraordinary income		
Gain on sale of investment securities	93	—
Total extraordinary income	93	—
Extraordinary losses		
Loss on retirement of fixed assets	103	69
Impairment losses	260	—
Total extraordinary losses	364	69
Profit before income taxes	4,451	9,290
Income taxes - current	578	1,156
Income taxes - deferred	(515)	(1,555)
Profit	4,388	9,689

(3) Statement of Changes in Shareholders' Equity
26th Financial Period (Year ended March 31, 2023)

(Japanese Yen in millions)

	Shareholders' equity					
	Share capital	Capital surplus		Retained earnings		
		Legal capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings	Total retained earnings
				Retained earnings brought forward		
Balance at beginning of period	8,739	8,943	8,943	38	8,743	8,781
Changes during period						
Dividends of surplus					(367)	(367)
Net profit					4,388	4,388
Purchase of treasury shares						
Net changes in items other than shareholders' equity						
Total changes during period	-	-	-	-	4,020	4,020
Balance at end of period	8,739	8,943	8,943	38	12,764	12,802

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	(10)	26,454	55	55	26,509
Changes during period					
Dividends of surplus		(367)			(367)
Net profit		4,388			4,388
Purchase of treasury shares	(0)	(0)			(0)
Net changes in items other than shareholders' equity			(55)	(55)	(55)
Total changes during period	(0)	4,020	(55)	(55)	3,964
Balance at end of period	(10)	30,474	-	-	30,474

27th Financial Period (Year ended March 31, 2024)

(Japanese Yen in millions)

	Shareholders' equity					
	Share capital	Capital surplus		Retained earnings		
		Legal capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings	Total retained earnings
				Retained earnings brought forward		
Balance at beginning of period	8,739	8,943	8,943	38	12,764	12,802
Changes during period						
Dividends of surplus					(1,655)	(1,655)
Net profit					9,689	9,689
Purchase of treasury shares						
Net changes in items other than shareholders' equity						
Total changes during period	—	—	—	—	8,033	8,033
Balance at end of period	8,739	8,943	8,943	38	20,797	20,835

	Shareholders' equity		Total net assets
	Treasury shares	Total shareholders' equity	
Balance at beginning of period	(10)	30,474	30,474
Changes during period			
Dividends of surplus		(1,655)	(1,655)
Net profit		9,689	9,689
Purchase of treasury shares	(0)	(0)	(0)
Net changes in items other than shareholders' equity			—
Total changes during period	(0)	8,033	8,033
Balance at end of period	(10)	38,507	38,507

(4) Cash Flow Statement

(Millions of yen)

	March 31, 2023	March 31, 2024
Cash flows from operating activities		
Profit before income taxes	4,451	9,290
Depreciation	2,478	2,781
Increase (decrease) in provision for bonuses	100	86
Increase (decrease) in provision for retirement benefits	(75)	187
Decrease (increase) in prepaid pension costs	(78)	(100)
Interest and dividend income	(28)	(103)
Subsidy income	—	(154)
Interest expenses	192	212
Foreign exchange losses (gains)	1,373	(445)
Loss (gain) on sale of investment securities	(93)	-
Loss on retirement of fixed assets	103	69
Impairment losses	260	-
Decrease (increase) in trade receivables	(2,632)	(5,690)
Decrease (increase) in inventories	(5,770)	(4,696)
Decrease (increase) in other current assets	18	(33)
Increase (decrease) in trade payables	2,002	586
Increase (decrease) in other current liabilities	263	135
Increase (decrease) in accrued consumption taxes	(1,279)	715
Other, net	(234)	133
Subtotal	1,053	2,976
Interest and dividends received	28	103
Subsidy received	—	154
Interest paid	(191)	(212)
Income taxes refund (paid)	(101)	(877)
Expense by fixed removal	(47)	(44)
Net cash provided by (used in) operating activities	741	2,098
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,357)	(2,717)
Proceeds from sale of investment securities	168	-
Other, net	(504)	(299)
Net cash provided by (used in) investing activities	(2,693)	(3,016)
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	5,200	(1,900)
Proceeds from long-term borrowings	6,000	9,900
Repayments of long-term borrowings	(11,200)	(8,400)
Purchase of treasury shares	(0)	(0)
Dividends paid	(368)	(1,660)
Accounts payable of increase	—	1,536
Net cash provided by (used in) financing activities	(369)	(524)
Effect of exchange rate change on cash and cash equivalents	(1,373)	445
Net increase (decrease) in cash and cash equivalents	(3,694)	(996)
Cash and cash equivalents at beginning of period	10,666	6,971
Cash and cash equivalents at the end of period	6,971	5,975

(5) Notes to Financial Statements

(Notes to Going Concern)

Not applicable.

(Significant Accounting Policies)

1 Basis and Method of Evaluation of Inventories

Cost accounting method based on the periodic average method (the method of reducing book value when the contribution of inventories to profitability declines).

2 Depreciation Methods for Fixed Assets

Property, plant and equipment (excluding leased assets) : straight-line method

The useful lives of major fixed assets are as follows.

Buildings (including facilities attached to buildings): 3-50 years.

Machinery and equipment: 5-14 years.

3 Basis for Recording Revenues and Expenses

Revenue Recognition Standards

The Company manufactures and sells titanium sponge and various other products made from titanium sponge. For the sale of such products, a performance obligation to deliver the product to the customer is assumed under the sales contract with the customer. The performance obligation is deemed to be satisfied when the customer acquires control over the product at the point of delivery to the customer and revenue is recognised at the point of delivery.

The consideration for these performance obligations is generally received within approximately one year after fulfilment of the performance obligation, according to payment terms determined separately. They do not contain any significant financial elements.

(Notes to Change in Accounting Estimates)

<Change in Accounting Treatment of Actuarial Gains/Losses and Past Service Costs>

Previously, actuarial gains and losses on retirement benefits were amortised over a period of 13 years, which is within the average remaining service period of employees at the Company. However, as the average remaining service period has become lower than 13 years, the number of years for amortisation has been changed to 11 years from the financial year under review. The impact of this change on operating profit, ordinary profit and net profit before income tax for the financial year under review is negligible.

(Additional Information)

<Accounting Estimates regarding the Impact of Russia's Invasion in Ukraine>

There have been no significant changes to the accounting estimates made at the end of the previous financial year regarding the impact of Russia's invasion in Ukraine.

(Equity in Earnings of Affiliates)

26th financial period (year ended March 31, 2023)

Not applicable.

27th financial period (year ended March 31, 2024)

Not applicable.

(Business Segment Information)

1 Summary of Reported Business Segment

The Company's reported business segments are components of the Company for which separate financial information is available and which are subject to periodic review by the Board of Directors for the purpose of making decisions on the allocation of management resources and evaluating performance. The Company is composed of product and service segments based on business divisions with "Titanium" and "High-Performance Materials" as its reported business segments. Major products for each business segment are as follows:

Business Segment	Major Products
Titanium	Titanium sponge, Titanium ingot, Titanium tetrachloride, Titanium tetrachloride aqueous solution
High-Performance Materials	High-purity titanium, SiO, TILOP (spherical titanium powder), Titanium powder

2 Calculation of Sales, Profit or Loss, Assets and Other Items by Reported Business Segment

The accounting methods of the reported business segment are generally the same as those described in "Significant accounting policies."

Profit or loss for reported business segment is on an operating profit or loss basis.

3 Information on Sales, Profit or Loss, Assets and Other Items by Reported Business Segment 26th financial period (year ended March 31, 2023)

(Japanese Yen in millions)

	Reported Business Segment			Others	Adjustment (*1)	Total
	Titanium	High- Performance Materials	Sub Total			
Sales						
Sales to external customers	39,273	3,801	43,074	—	—	43,074
Inter-segment Sales or transfers	—	—	—	—	—	—
Total	39,273	3,801	43,074	—	—	43,074
Segment profit (*2)	4,424	356	4,780	—	—	4,780
Segment assets	69,376	5,197	74,573	—	6,971	81,544
Other Items						
Depreciation	2,214	258	2,472	—	—	2,472
Increase in fixed assets	2,876	106	2,983	—	—	2,983

Notes

*1 Adjustment of segment assets is corporate assets that do not belong to any reported business segment.

*2 There is no difference between the total segment profit and the operating profit in the Profit and Loss Statement

27th financial period (year ended March 31, 2024)

(Japanese Yen in millions)

	Reported Business Segment			Others	Adjustment (*1)	Total
	Titanium	High Performance Materials	Sub Total			
Sales						
Sales to external customers	52,299	3,023	55,322	—	—	55,322
Inter-segment Sales or transfers	—	—	—	—	—	—
Total	52,299	3,023	55,322	—	—	55,322
Segment profit (loss) (*2)	8,414	(126)	8,288	—	—	8,288
Segment assets	82,045	4,967	87,012	—	5,974	92,986
Other Items						
Depreciation	2,521	259	2,781	—	—	2,781
Increase in fixed assets	3,532	123	3,655	—	—	3,655

Notes

*1 Adjustment of segment assets is corporate assets that do not belong to any reported business segment.

*2 There is no difference between the total segment profit and the operating profit in the Profit and Loss Statement

4 Information on Impairment Losses on Fixed Assets by Reported Business Segment**26th financial Period (year ended March 31, 2023)**

Impairment losses of JPY 260 million have been recorded for corporate assets that do not belong to any reported business segment.

27th financial Period (year ended March 31, 2024)

Not applicable

(Earnings per share)

The Basis for Calculating Net Assets Per Share and Net Profit (Loss) Per Share:

	26th Financial Period (March 31, 2023)	27th Financial Period (March 31, 2024)
(1) Net assets per share	828.15 yen	1,046.45 yen

	26th Financial Period (Year ended March 31, 2023)	27th Financial Period (Year ended March 31, 2024)
(2) Net profit (loss) per share	119.27 Yen	263.30 Yen
	The basis for calculating net profit per share	The basis for calculating net profit per share
	Net profit in the Profit and Loss Statement JPY 4,388 million	Net profit in the Profit and Loss Statement JPY 9,689 million
	Net profit on ordinary shares JPY 4,388 million	Net profit on ordinary shares JPY 9,689 million
	Key breakdown of amounts not attributable to ordinary shareholders Not applicable.	Key breakdown of amounts not attributable to ordinary shareholders Not applicable.
	Average number of ordinary shares during the year 36,798,576 shares	Average number of ordinary shares during the year 36,798,502 shares

Note Diluted net profits per share for the 26th and 27th Financial Periods are not stated because there are no latent shares such as bonds with share options.

(Significant Subsequent Events)

Not applicable.

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