

Balance Sheets (Annual)

Resonac Holdings Corporation

(Unit : millions of yen)

	2020	2021	2022	2023	2024
Assets					
Current assets					
Cash and deposits	198,982	236,237	187,126	190,318	295,757
Notes and accounts receivable - trade	271,628	278,641	265,466	266,122	280,995
Merchandise and finished goods	93,947	96,805	121,238	115,123	110,559
Work in process	28,383	27,993	34,186	23,687	23,329
Raw materials and supplies	67,877	79,080	95,151	86,383	90,916
Deferred tax assets	-	-	-	-	-
Other	62,917	81,201	86,272	72,019	74,034
Allowance for doubtful accounts	(1,092)	(1,426)	(1,254)	(1,731)	(2,148)
Total current assets	722,644	798,531	788,183	751,922	873,441
Non-current assets					
Property, plant and equipment					
Buildings and structures, net	142,300	136,541	138,242	154,659	150,562
Machinery, equipment and vehicles, net	222,036	199,209	214,718	218,346	217,963
Tools, furniture and fixtures, net	29,601	23,276	24,280	25,021	25,557
Land	264,589	242,556	234,425	230,806	213,523
Leased assets	29,613	19,157	19,389	12,403	15,211
Construction in progress	38,980	38,782	50,866	37,351	60,335
Total property, plant and equipment	727,119	659,521	681,918	678,586	683,151
Intangible assets					
Goodwill	359,200	311,766	295,355	285,199	267,860
Customer related assets	152,564	141,141	133,639	128,908	121,145
Other	86,679	69,582	65,352	56,482	38,831
Total intangible assets	598,443	522,489	494,346	470,589	427,836
Investments and other assets					
Investment securities	106,408	103,798	84,041	72,503	71,628
Net defined benefit asset	21,184	33,088	18,046	28,038	38,554
Deferred tax assets	15,883	15,207	17,169	14,965	15,695
Other	19,671	10,223	17,340	16,513	16,127
Allowance for doubtful accounts	(7,747)	(466)	(622)	(1,163)	(1,465)
Total investments and other assets	155,399	161,850	135,973	130,856	140,539
Total non-current assets	1,480,962	1,343,859	1,312,238	1,280,031	1,251,525
Total assets	2,203,606	2,142,390	2,100,421	2,031,953	2,124,966
Liabilities					
Current liabilities					
Notes and accounts payable - trade	164,356	207,745	195,356	177,375	177,082
Short-term loans payable	62,645	59,451	72,419	52,489	55,291
Current portion of long-term loans payable	31,387	52,858	42,677	23,552	23,645
Commercial papers	10,000	15,000	-	10,000	-
Current portion of bonds	25,000	19,999	-	40,000	60,000
Provision for repairs	28	4,848	19	794	53
Provision for bonuses	8,815	8,815	9,489	10,593	13,678
Provision for bonuses for directors	-	71	47	109	148
Provision for stock benefits	13	39	21	81	7
Provision for business structure improvement	1,748	-	-	621	3,281
Other	108,078	119,824	142,524	146,267	153,237
Total current liabilities	412,071	488,650	462,551	461,881	486,422
Non-current liabilities					
Bonds payable	66,929	146,945	259,954	250,000	315,000
Long-term loans payable	839,436	536,503	672,446	625,840	549,895
Deferred tax liabilities	63,372	60,144	51,416	36,321	37,050
Deferred tax liabilities for land revaluation	30,241	30,128	29,525	28,448	25,594
Provision for repairs	3,168	96	1,260	2,430	3,982
Provision for stock benefits long term	204	196	302	353	697
Provision for business structure improvement	654	812	772	577	276

Net defined benefit liability	24,750	17,523	9,981	9,961	10,087
Other	44,701	42,941	37,538	37,474	37,569
Total non-current liabilities	1,073,455	835,287	1,063,192	991,404	980,149
Total liabilities	1,485,526	1,323,937	1,525,744	1,453,285	1,466,571
Net assets					
Shareholders' equity					
Capital stock	140,564	182,146	182,146	182,146	182,146
Capital surplus	78,190	119,772	108,140	108,140	108,378
Retained earnings	165,572	143,335	163,425	137,269	152,332
Treasury shares	(11,657)	(11,655)	(11,612)	(11,593)	(13,172)
Total shareholders' equity	372,669	433,598	442,100	415,963	429,684
Accumulated other comprehensive income					
Valuation difference on available-for-sale securities	3,728	2,838	559	194	108
Deferred gains or losses on hedges	908	1,167	1,461	1,196	(224)
Revaluation reserve for land	29,034	28,928	27,915	26,113	54,686
Foreign currency translation adjustment	(506)	38,421	72,008	99,217	132,088
Remeasurements of defined benefit plans	128	9,036	6,211	10,154	15,132
Total accumulated other comprehensive income	33,292	80,391	108,154	136,875	201,791
Non-controlling interests	312,119	304,463	24,423	25,830	26,921
Total net assets	718,080	818,452	574,677	578,668	658,395
Total liabilities and net assets	2,203,606	2,142,390	2,100,421	2,031,953	2,124,966

Note: For the year ended December 31.

IFRS Balance Sheets (Annual)

Resonac Holdings Corporation

(Unit : millions of yen)

	2020	2021	2022	2023	2024
Assets					
Current assets					
Cash and cash equivalents	-	-	-	190,642	294,656
Trade receivables	-	-	-	265,511	274,485
Inventories	-	-	-	224,571	220,812
Income taxes receivable	-	-	-	7,574	3,674
Other financial assets	-	-	-	27,572	28,735
Other current assets	-	-	-	35,214	36,184
Subtotal	-	-	-	751,084	858,546
Assets held for sale	-	-	-	14,346	28,002
Total current assets	-	-	-	765,430	886,548
Non-current assets					
Property, plant and equipment	-	-	-	668,686	670,776
Intangible assets	-	-	-	461,422	442,417
Retirement benefit asset	-	-	-	28,038	38,514
Deferred tax assets	-	-	-	14,174	17,867
Investments accounted for using the equity method	-	-	-	68,707	70,396
Other financial assets	-	-	-	22,127	23,640
Other non-current assets	-	-	-	26,011	22,468
Total non-current assets	-	-	-	1,289,164	1,286,078
Total assets	-	-	-	2,054,594	2,172,626
Liabilities					
Current liabilities					
Trade payables	-	-	-	177,776	171,433
Bonds and borrowings	-	-	-	123,343	137,862
Accrued expenses	-	-	-	37,766	38,157
Income taxes payable	-	-	-	3,779	8,344
Lease liabilities	-	-	-	5,228	4,837
Provisions	-	-	-	927	3,358
Other financial liabilities	-	-	-	93,445	96,934
Other current liabilities	-	-	-	21,695	17,707
Subtotal	-	-	-	463,959	478,632
Liabilities directly associated with assets held for sale	-	-	-	-	16,541
Total current liabilities	-	-	-	463,959	495,173

Non-current liabilities					
Bonds and borrowings	-	-	-	875,377	858,399
Retirement benefit liability	-	-	-	10,513	10,300
Provisions	-	-	-	6,106	5,970
Lease liabilities	-	-	-	26,197	22,608
Other financial liabilities	-	-	-	14,685	10,731
Deferred tax liabilities	-	-	-	65,647	71,273
Other non-current liabilities	-	-	-	5,599	6,166
Total non-current liabilities	-	-	-	1,004,124	985,447
Total liabilities	-	-	-	1,468,083	1,480,620
Equity					
Share capital	-	-	-	182,146	182,146
Capital surplus	-	-	-	104,692	108,863
Treasury shares	-	-	-	△ 11,593	△ 13,172
Retained earnings	-	-	-	249,838	318,643
Accumulated other comprehensive income	-	-	-	35,046	68,136
Total equity attributable to owners of the parent	-	-	-	560,129	664,616
Non-controlling interests	-	-	-	26,382	27,390
Total equity	-	-	-	586,511	692,006
Total liabilities and equity	-	-	-	2,054,594	2,172,626

Statements of Income (Annual)

Resonac Holdings Corporation

(Unit : millions of yen)

	2020	2021	2022	2023	2024
Net sales	973,700	1,419,635	1,392,621	1,288,869	1,389,277
Cost of sales	814,378	1,081,642	1,089,639	1,042,252	1,055,295
Gross profit	159,322	337,994	302,983	246,617	333,982
Selling, general and administrative expenses	178,771	250,796	243,611	250,380	255,232
Operating income (loss)	(19,449)	87,198	59,371	(3,764)	78,750
Non-operating income					
Interest income	882	741	1,068	1,840	2,223
Dividend income	1,523	1,527	766	400	517
Share of profit of entities accounted for using equity method	1,245	5,251	3,630	3,589	4,548
Foreign exchange gains	-	4,281	10,632	1,967	1,696
Rent income on non-current assets	1,522	-	-	1,599	-
Subsidy income	1,388	-	-	-	-
Miscellaneous income	4,992	6,840	6,465	4,859	5,879
Total non-operating income	8,642	18,640	22,561	14,253	14,864
Non-operating expenses					
Interest expenses	6,986	10,006	15,744	13,370	13,555
Financing expenses	16,075	-	-	-	2,550
Environmental expenses	-	-	-	-	-
Loss on mothballing of operation	-	-	-	-	-
Miscellaneous expenses	10,103	8,971	6,822	11,893	7,817
Total non-operating expenses	33,164	18,977	22,565	25,263	23,922
Ordinary income	(43,971)	86,861	59,367	(14,773)	69,692
Extraordinary income					
Gain on sales of non-current assets	2,974	1,255	13,578	3,720	28,444
Gain on sales of investment securities	4,959	5,967	5,187	-	-
Gain on liquidation of subsidiaries	-	-	-	-	-
Gain on sale of businesses	-	-	-	24,638	-
Other	497	15,811	4,515	5,976	3,576
Total extraordinary income	8,430	23,033	23,280	34,335	32,020
Extraordinary losses					
Loss on sales and retirement of non-current assets	2,956	4,988	6,153	5,889	4,400
Impairment loss	16,602	11,564	10,091	26,183	24,480
Special retirement expenses	-	-	-	6,573	-
Provision for business structure improvement	-	-	-	-	3,516
Loss on sale of businesses	-	12,078	3,504	-	-
Business structuring expenses	5,908	32,767	-	-	-
Loss related to the Antimonopoly Act	-	-	5,579	-	-
Other	7,253	25,571	8,737	7,100	2,672
Total extraordinary losses	32,720	86,968	34,064	45,746	35,068
Profit (loss) before income taxes	(68,260)	22,926	48,583	(26,184)	66,644
Income taxes - current	6,891	26,957	18,617	9,483	15,114
Income taxes - deferred	(10,051)	(6,688)	(8,092)	(17,642)	(5,238)
Total income taxes	(3,160)	20,270	10,525	(8,159)	9,876
Net income (loss)	(65,101)	2,657	38,058	(18,026)	56,768
Net income (loss) attributable to non-controlling interests	11,203	14,751	7,265	929	1,347
Net income attributable to owners of the parent	(76,304)	(12,094)	30,793	(18,955)	55,422

Consolidated Statements of Comprehensive Income					
Net income (loss)	(65,101)	2,657	38,058	(18,026)	56,768
Other comprehensive income					
Valuation difference on available-for-sale securities	(6,101)	(949)	(2,246)	(255)	(5)
Deferred gains or losses on hedges	474	259	294	(265)	(1,419)
Foreign currency translation adjustment	(4,770)	39,074	32,932	27,695	33,356
Remeasurements of defined benefit plans, net of tax	5,257	8,927	(2,805)	6,190	4,978
accounted for using equity method	54	958	1,763	887	1,223
Total other comprehensive income	(5,087)	48,268	29,937	34,252	38,132
Comprehensive income	(70,188)	50,925	67,995	16,227	94,900
(Comprehensive income attributable to)					
Comprehensive income attributable to owners of the parent	(81,294)	35,111	59,569	14,003	91,765
Comprehensive income attributable to non-controlling interests	11,107	15,814	8,426	2,223	3,135

Note: For the year ended December 31.

IFRS Statements of Income (Annual)

Resonac Holdings Corporation

(Unit : millions of yen)

	2020	2021	2022	2023	2024
Revenue	-	-	-	1,295,395	1,391,480
Cost of sales	-	-	-	(1,066,822)	(1,080,381)
Gross profit	-	-	-	228,573	311,099
Selling, general and administrative expenses	-	-	-	(246,476)	(242,936)
Other income	-	-	-	37,319	38,713
Other expenses	-	-	-	(28,823)	(17,840)
Operating profit (loss)	-	-	-	(9,407)	89,036
Finance income	-	-	-	4,151	4,755
Finance costs	-	-	-	(14,869)	(15,942)
Share of profit of investments accounted for using the equity method	-	-	-	5,907	6,798
Profit (loss) before tax	-	-	-	(14,218)	84,647
Income tax expense	-	-	-	7,701	(9,875)
Profit (loss)	-	-	-	(6,517)	74,772
Profit (loss) attributable to	-	-	-		
Owners of the parent	-	-	-	(6,505)	73,503
Non-controlling interests	-	-	-	(12)	1,269
Other comprehensive income					
Items that will not be reclassified to profit or loss					
Net changes in fair value of financial assets measured at fair value through other comprehensive income	-	-	-	(400)	1,646
Remeasurements of defined benefit plans	-	-	-	7,781	6,997
Share of other comprehensive income of investments accounted for using the equity method	-	-	-	118	(83)
Total	-	-	-	7,499	8,560
Items that may be reclassified to profit or loss					
Exchange differences on translation of foreign operations	-	-	-	29,538	33,519
Net changes in fair value of cash flow hedges	-	-	-	(269)	(1,418)
Share of other comprehensive income of investments accounted for using the equity method	-	-	-	796	1,309
Total	-	-	-	30,065	33,410
Total other comprehensive income	-	-	-	37,564	41,970
Comprehensive income	-	-	-	31,047	116,742
Comprehensive income attributable to					
Owners of the parent	-	-	-	29,141	113,682
Non-controlling interests	-	-	-	1,906	3,060

Note: For the year ended December 31.

Statements of Cash Flows (Annual)

Resonac Holdings Corporation

(Unit : millions of yen)

	2020	2021	2022	2023	2024
Cash flows from operating activities					
Income (loss) before income taxes and minority interests	(68,260)	22,926	48,583	(26,184)	66,644
Depreciation	68,643	97,726	92,716	92,516	94,774
Impairment loss	16,602	11,564	10,091	26,183	24,480
Amortization of goodwill	9,322	17,720	16,843	16,953	17,198
Amortization of negative goodwill	-	-	-	-	-
Increase (decrease) in allowance for doubtful accounts	(791)	-	-	-	-
Increase (decrease) in provision for business structure improvement	(179)	-	-	-	-
Increase (decrease) in provision for loss on guarantees	-	-	-	-	-
Increase (decrease) in net defined benefit liability	2,431	4,038	(2,383)	(10,292)	(10,601)
Interest and dividend income	(2,405)	(2,267)	(1,834)	(2,240)	(2,740)
Interest expenses	6,986	10,006	15,744	13,370	13,555
Financing expenses	16,075	-	-	-	-
Share of (profit) loss of entities accounted for using equity method	(1,245)	(5,251)	(3,630)	(3,589)	(4,548)
Loss (gain) on sales and valuation of investment securities	(2,619)	(5,101)	(4,952)	462	(74)
Loss on retirement of non-current assets	2,627	4,838	6,045	5,803	4,297
Loss (gain) on sales of non-current assets	(2,645)	(1,104)	(13,470)	(3,634)	(28,341)
Loss (gain) on sales of businesses	-	(3,045)	3,504	(24,638)	-
Business structuring expenses	5908	32,767	-	-	-
Loss related to the Antimonopoly Act	-	-	5,579	-	-
Decrease (increase) in notes and accounts receivable - trade	14,879	(51,628)	23,653	1,131	(5,812)
Decrease (increase) in inventories	70,713	(43,739)	(40,083)	28,081	7,660
Increase (decrease) in notes and accounts payable - trade	(22,744)	72,694	(18,592)	(16,570)	(3,361)
Other, net	13,272	(34,230)	1,157	34,077	2,329
Subtotal	127,540	127,914	138,971	131,429	175,458
Interest and dividend income received	6,546	7,266	8,686	7,064	9,184
Interest expenses paid	(5,371)	(9,999)	(15,641)	(12,233)	(12,144)
Income taxes (paid) refund	(19,429)	(9,898)	(31,667)	(7,574)	(7,245)
Net cash provided by (used in) operating activities	109,286	115,283	100,349	118,686	165,254
Cash flows from investing activities					
Payments into time deposits	(885)	(1,666)	(1,606)	(1,146)	(1,107)
Proceeds from withdrawal of time deposits	1,144	1,507	2,570	1,096	1,212
Purchase of property, plant and equipment	(64,500)	(67,741)	(87,857)	(87,105)	(86,403)
Proceeds from sales of property, plant and equipment	7,723	2,223	20,960	6,169	33,608
Purchase of investment securities	(286)	(3,270)	(1,667)	(38)	(76)
Proceeds from sales of investment securities	22,697	9,318	22,019	3,283	459
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(890,230)	-	-	(4,552)	-
Proceeds from sales of investments in subsidiaries resulting in change in scope of consolidation	-	84,133	-	31,692	-
Net decrease (increase) in short-term loans receivable	67	(1,230)	774	(12)	(559)
Payments of long-term loans receivable	(630)	(246)	(410)	(892)	(1,551)
Collection of long-term loans receivable	275	14,271	251	910	1,089
Other, net	(5,425)	(8,693)	(9,701)	(11,274)	1,726
Net cash provided by (used in) investing activities	(930,047)	28,606	(54,667)	(61,869)	(51,601)

Cash flows from financing activities					
Net increase (decrease) in short-term loans payable	(19,226)	6,352	11,838	(20,138)	2,573
Net increase (decrease) in commercial papers	10,000	5,000	(15,000)	10,000	(10,000)
Proceeds from long-term loans payable	702,163	24,300	409,600	65,300	172,436
Repayments of long-term loans payable	(44,134)	(307,247)	(285,642)	(131,665)	(250,708)
Proceeds from issuance of bonds	-	99,539	112,536	29,843	124,791
Redemption of bonds	-	(25,000)	(20,000)	-	(40,000)
Proceeds from issuance of common stock	268,503	82,405	-	-	-
Purchase of treasury shares	(3)	(7)	(3)	(4)	(1,883)
Proceeds from sales of treasury shares	18	0	-	-	23
Cash dividends paid	(11,674)	(9,479)	(11,758)	(11,794)	(11,760)
Proceeds from stock issuance to non controlling shareholders	-	29,766	-	-	-
Cash dividends paid to non controlling shareholders	(1,397)	(16,117)	(13,025)	(1,263)	(1,220)
Purchase of investments in subsidiaries without change in scope of consolidation	(1,987)	(5,293)	(287,635)	-	(538)
Other, net	(5,740)	(5,960)	(4,875)	(3,159)	(3,692)
Net cash provided by (used in) financing activities	896,521	(121,741)	(103,964)	(62,880)	(19,978)
Effect of exchange rate change on cash and cash equivalents	434	14,634	10,027	9,922	11,842
Net increase (decrease) in cash and cash equivalents	76,194	36,782	(48,255)	3,859	105,517
Cash and cash equivalents at beginning of period	121,734	197,928	234,938	186,056	189,915
Increase in cash and cash equivalents from newly consolidated subsidiary	-	229	-	-	-
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	-	-	-	-	-
Cash and cash equivalents at end of period	197,928	234,938	186,683	189,915	295,432

Note: For the year ended December 31.

IFRS Statements of Cash Flows (Annual)

Resonac Holdings Corporation

(Unit : millions of yen)

	2020	2021	2022	2023	2024
Cash flows from operating activities					
Profit (loss)	-	-	-	△ 6,517	74,772
Depreciation and amortization	-	-	-	96,486	98,026
Income tax expense	-	-	-	△ 7,701	9,875
Impairment losses (reversal of impairment losses)	-	-	-	27,790	23,982
Interest and dividend income	-	-	-	△ 2,245	△ 2,743
Interest expenses	-	-	-	13,702	14,268
Share of loss (profit) of investments accounted for using the equity method	-	-	-	△ 5,907	△ 6,798
Decrease (increase) in trade receivables	-	-	-	6,572	△ 5,695
Decrease (increase) in accounts receivable - other	-	-	-	21,972	△ 1,417
Decrease (increase) in inventories	-	-	-	31,592	7,726
Increase (decrease) in trade payables	-	-	-	△ 21,808	△ 3,415
Increase or decrease in retirement benefit asset or liability	-	-	-	△ 10,466	△ 10,966
Other	-	-	-	△ 11,491	△ 23,452
Subtotal	-	-	-	131,979	174,163
Interest received	-	-	-	1,955	2,196
Dividends received	-	-	-	5,265	6,987
Interest paid	-	-	-	△ 12,425	△ 12,390
Income taxes refund (paid)	-	-	-	△ 8,059	△ 7,303
Net cash provided by (used in) operating activities	-	-	-	118,715	163,653
Cash flows from investing activities					
Purchase of property, plant and equipment	-	-	-	△ 85,559	△ 88,312
Proceeds from sale of property, plant and equipment	-	-	-	5,535	32,385
Proceeds from sale of subsidiaries and businesses	-	-	-	31,692	732
Purchase of securities and other investments	-	-	-	△ 358	△ 288
Proceeds from sale and redemption of securities and other investments	-	-	-	3,283	602
Net decrease (increase) in short-term loans receivable	-	-	-	688	36
Other	-	-	-	△ 10,439	2,539
Net cash provided by (used in) investing activities	-	-	-	△ 55,158	△ 52,306
Cash flows from financing activities					
Net increase (decrease) in short-term borrowings	-	-	-	△ 23,721	4,900
Net increase (decrease) in commercial papers	-	-	-	10,000	△ 10,000
Proceeds from long-term borrowings	-	-	-	65,300	172,436
Repayments of long-term borrowings	-	-	-	△ 131,724	△ 250,708
Proceeds from issuance of bonds	-	-	-	29,843	24,887
Redemption of bonds	-	-	-	-	△ 40,000
Proceeds from issuance of convertible bonds with share acquisition rights	-	-	-	-	99,904
Repayments of lease liabilities	-	-	-	△ 5,171	△ 6,411
Payments for acquisition of interests in subsidiaries from non-controlling interests	-	-	-	△ 4,552	△ 538
Purchase of treasury shares	-	-	-	△ 4	△ 1,883
Dividends paid to owners of the parent	-	-	-	△ 11,794	△ 11,760
Dividends paid to non-controlling interests	-	-	-	△ 1,263	△ 1,220
Other	-	-	-	-	△ 75
Net cash provided by (used in) financing activities	-	-	-	△ 73,086	△ 20,468
Effect of exchange rate changes on cash and cash equivalents	-	-	-	11,471	14,593
Net increase (decrease) in cash and cash equivalents	-	-	-	1,942	105,472
Cash and cash equivalents at beginning of period	-	-	-	188,700	190,642
Net increase (decrease) in cash and cash equivalents resulting from transfer to assets held for sale	-	-	-	-	△ 1,458
Cash and cash equivalents at end of period	-	-	-	190,642	294,656

Note: For the year ended December 31.