

Consolidated Financial Results
for the Fiscal Year Ended March 31, 2023
[Under Japanese GAAP]

May 10, 2023

Company name: Dexerials Corporation Listing: Tokyo Stock Exchange
Security code: 4980 URL: <https://www.dexerials.jp/en>
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Date of annual general meeting of shareholders: June 23, 2023
Date of payment of year-end dividends: June 26, 2023
Annual Securities Report (*Yukashoken Hokokusho*) filing date: June 23, 2023
Preparation of supplementary briefing material on financial results: Yes
Investors meeting presentation for financial results: Yes (for securities analysts and institutional investors)

(Note) Amounts less than one million yen have been omitted.

1. Consolidated financial results for the fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(1) Consolidated operating results (Percentage indicates year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2023	106,167	10.9	32,288	21.2	30,174	20.6	20,685	24.1
March 31, 2022	95,712	45.4	26,642	135.0	25,023	130.8	16,669	212.8

Note: Comprehensive income

For the fiscal year ended March 31, 2023: ¥21,419 million [19.6%]
For the fiscal year ended March 31, 2022: ¥17,909 million [199.6%]

Note: EBITDA

For the fiscal year ended March 31, 2023: ¥39,101 million [20.4%]
For the fiscal year ended March 31, 2022: ¥32,478 million [84.6%]

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on capital	Ordinary profit to total assets	Operating profit to net sales
	Yen	Yen	%	%	%
March 31, 2023	350.62	348.78	30.3	23.7	30.4
March 31, 2022	274.61	272.78	28.5	22.3	27.8

Reference: Share of profit or loss of entities accounted for using equity method

For the fiscal year ended March 31, 2023: ¥16 million
For the fiscal year ended March 31, 2022: ¥(431) million

Note: For the purpose of calculating the amounts of earnings per share, the number of shares of the Company held by the Trust was included in the number of treasury shares, which was to be deducted from the calculation of the average number of shares of common stock during the period.

(2) Consolidated financial position

As of	Total assets	Net assets	Capital to asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2023	126,379	73,774	57.7	1,257.14
March 31, 2022	128,785	64,576	49.5	1,063.24

Reference: Capital (Shareholders' equity + Accumulated other comprehensive income)

As of March 31, 2023: ¥72,896 million As of March 31, 2022: ¥63,735 million

Note: For the purpose of calculating the amounts of net assets per share, the number of shares of the Company held by the Trust was included in the number of treasury shares, which was to be deducted from the number of shares issued at the end of the period.

(3) Consolidated cash flows

Fiscal year ended	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2023	21,339	(9,447)	(12,535)	29,286
March 31, 2022	25,804	(12,434)	(5,783)	29,363

2. Dividends

	Cash dividends per share					Total dividends (Annual)	Dividend payout ratio (Consolidated)	Dividend on equity (Consolidated)
	First quarter- end	Second quarter- end	Third quarter- end	Fiscal year- end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2022	–	30.00	–	30.00	60.00	3,810	21.8	6.2
March 31, 2023	–	30.00	–	35.00	65.00	3,993	18.5	5.6
Fiscal year ending March 31, 2024 (forecast)	–	35.00	–	40.00	75.00		24.6	

Reference: Total payout ratio (consolidated) before amortization of goodwill

For the fiscal year ended March 31, 2023: 56.6% (For more details, please see page 6 of the Attached Materials.)

- Notes: 1. Breakdown of fiscal year-end dividends for the fiscal year ended March 31, 2023: 30.00 yen for ordinary dividend and 5.00 yen for commemorative dividend
2. The amounts of total dividends (annual) include the dividends (of ¥179 million for the fiscal year ended March 31, 2022 and ¥178 million for the fiscal year ended March 31, 2023) for the shares of the Company held by the Trust.
3. For the purpose of calculating the amounts of dividend on equity for the fiscal years ended March 31, 2022 and 2023, the number of shares of the Company held by the Trust was included in the number of treasury shares.

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Percentage indicates year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year	100,000	(5.8)	25,000	(22.6)	26,300	(12.8)	18,000	(13.0)	305.09

Notes: For the purpose of calculating the amount of basic earnings per share, the number of shares of the Company held by the Trust as of the end of the fiscal year ended March 31, 2023 was included in the number of treasury shares, which was to be deducted from the calculation of the average number of shares of common stock during the period.

For more information on the consolidated financial results for the fiscal year ended March 31, 2023, please refer to the supplementary briefing material on financial results, Annual Securities Report (available in Japanese only) to be filed on June 23, 2023, and other materials, which you can find on our website at <https://www.dexerials.jp/en/ir/library/index.html>.

[Notes]

- (1) Changes in significant subsidiaries during the current period (Changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Changes in accounting policies, changes in accounting estimates and restatements of prior period financial statements
- (a) Changes in accounting policies due to application of new or revised accounting standards: Yes
- (b) Changes in accounting policies due to reasons other than above (a): None
- (c) Changes in accounting estimates: None
- (d) Restatements of prior period financial statements: None
- Note: For further details, please see “3. Consolidated Financial Statements and Notes, (5) Notes to consolidated financial statements (Changes in accounting policies)” on page 16 of the Attached Materials.

- (3) Number of shares of common stock issued
- (a) Number of shares issued (including treasury shares)
- As of March 31, 2023: 64,575,000 shares
- As of March 31, 2022: 64,493,400 shares
- (b) Number of treasury shares
- As of March 31, 2023: 6,589,029 shares
- As of March 31, 2022: 4,548,709 shares
- (c) Average number of shares of common stock during the period
- Fiscal year ended March 31, 2023: 58,997,371 shares
- Fiscal year ended March 31, 2022: 60,700,276 shares

- Notes: 1. As a result of the exercise of stock options during the fiscal year ended March 31, 2023, the number of shares issued as of March 31, 2023 has increased by 81,600 shares.
2. As the Company has introduced a stock compensation plan which delivers shares with restrictions on transfer, the Company’s shares are included in the number of treasury shares at the end of the period (293,800 shares as of March 31, 2023 and 293,800 shares as of March 31, 2022) mainly for the purpose of allotting them as restricted shares.
3. As the Company has introduced an Employee Stock Ownership Plan (“J-ESOP”) and a Board Benefit Trust (BBT), the number of shares of the Company held by the trust account is included in the number of treasury shares as of the end of the period. In addition, the number of shares of the Company held by the Trust (an average of 5,533,989 shares for the fiscal year ended March 31, 2023 and an average of 3,682,050 shares for the fiscal year ended March 31, 2022) was included in the number of treasury shares to be deducted in the calculation of the average number of shares of common stock during the period.

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(1) Non-consolidated operating results (Percentage indicates year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2023	94,003	6.6	28,495	27.2	26,447	15.4	18,274	25.3
March 31, 2022	88,189	45.6	22,405	145.1	22,918	104.5	14,579	133.1

(2) Non-consolidated financial position

	Total assets	Net assets	Capital to asset ratio
As of	Millions of yen	Millions of yen	%
March 31, 2023	108,399	59,935	55.3
March 31, 2022	111,751	53,497	47.9

Reference: Capital (Shareholders’ equity + Valuation and translation adjustments)

As of March 31, 2023: ¥59,935 million As of March 31, 2022: ¥53,497 million

* This consolidated financial results report is not subject to audit procedures to be performed by certified public accountants or an audit firm.

* [Proper use of earnings forecast, and other special notes]
(Disclaimer with respect to earnings and other forecasts)

The forward-looking statements including results forecasts contained in this document are based on information currently available to the Company and certain assumptions that the Company deems reasonable. Accordingly, the Company does not intend to promise their achievement. Actual results may differ from these forecasts and forward-looking statements due to various factors.