



# NEWS RELEASE

*Resonac Holdings Corporation*  
Tokyo Shiodome Bldg., 1-9-1, Higashi-Shimbashi  
Minato-ku, Tokyo 105-7325

February 14, 2024

## **Resonac Holdings Decides to Reorganize the Group's Hard Disk Media Business through Simple Absorption-type Company Split to Be Conducted by Its Consolidated Subsidiaries**

Resonac Holdings Corporation (Tokyo: 4004, President: Hidehito Takahashi, hereinafter "REH") decided at its Board of Directors' Meeting held today that the company would conduct a simple absorption-type company split concerning succession of the Resonac Group's hard disk media business (hereinafter "HD media business"), which is now operated by Resonac Corporation (hereinafter "REC"), a consolidated subsidiary of REH. In this simple absorption-type company split (hereinafter "this company split"), REC will be the split company and Resonac HD Yamagata Corporation (hereinafter "RHDY"), which is a consolidated subsidiary of REC and headquartered in Higashine City, Yamagata Prefecture, will be the succeeding company. The details of this company split are as in the following.

Please note that some of the details of this company split is omitted in below because the split company is REH's consolidated subsidiary, and the succeeding company is REC's wholly owned subsidiary and REH's subsidiary's subsidiary.

### **1. Purpose of this company split**

REC has been reforming structure of its HD media business in order to cope with changes in the condition of global hard disk drive market. This reform includes changes in productive capacity and integration and abolishment of business bases. REH aims to renew the chain of command in the Resonac Group's HD media business, which will be compactified through this company split, and produce results of structural reform by integrating organizations to operate the Group's HD media business. Furthermore, REH has decided to execute this company split with the aim of establishing a business system that develops and produces HD media with flexibility and agility, accelerating decision making in its global HD media business, and stabilizing, optimizing and strengthening operation of the Group's HD media business as a whole in the volatile HD media market.

### **2. Outline of this company split**

#### **(1) Schedule of this company split (planned)**

Resolutions at the Board of Director's meetings of REH and REC	February 14, 2024
Conclusion of the contract for absorption-type company split	May 7, 2024
Extraordinary general meeting of shareholders of RHDY to approve conclusion of the contract for absorption-type company split	June 2024 (planned)
Effective date of this company split	July 1, 2024 (planned)

(2) Method of company split

In this company split, REC will be the split company and RHDY will be the succeeding company. At the time of the execution of this company split, RHDY will change its company name into Resonac Hard Disk Corporation (hereinafter "RHDC").

(3) Allotment of shares accompanying this company split

At the time of the execution of this company split, RHDY will issue 2,000 common shares and allot all of them to REC.

(4) Treatment of stock acquisition rights and bonds with stock acquisition rights

Not applicable.

(5) Increase/decrease in capital accompanying this company split

There will be no change in the capital of REH accompanying this company split.

(6) Rights and obligations to be succeeded by the succeeding company

REC's assets, liabilities, contractual statuses, and other rights and obligations concerning REC's HD media business (limited to those determined in the contract for this absorption-type company split), will be succeeded by RHDY.

(7) Expected fulfillment of obligations

REH has judged that there will be no problem in the fulfillment of obligations by REH, REC, and RHDY.

### 3. Outlines of the split company and the succeeding company

	The split company	The succeeding company
(1) Company name	Resonac Corporation	Resonac HD Yamagata Corporation
(2) Location	Tokyo Shiodome Building, 1-9-1, Higashi-Shimbashi, Minato-ku, Tokyo	Higashine City, Yamagata
(3) Representative	Hidehito Takahashi, Director, President & CEO	Yasushi Makabe, Representative Director, President & CEO
(4) Business lineup	R&D, production, sale, and provision of services regarding functional materials, chemicals, processed goods, and systems	Production and sale of hard disk media
(5) Capital	¥15,554 million	¥450 million
(6) Date of foundation	October 10, 1962	May 22, 2009
(7) Number of issued shares	18 shares	18,000 shares
(8) End of the fiscal period	December 31	December 31
(9) Number of employees	8,060 (unconsolidated)	238 (unconsolidated)
(10) Shareholder	Resonac Holdings Corporation (100%)	Resonac Corporation (100%)
(11) Business performance and financial conditions for the latest fiscal year (million yen)		
Fiscal year	Ending in December, 2023	Ending in December 2023
Net assets	263,103	10,562
Total assets	853,264	23,328
Net assets per share (yen)	26,310,348,714	586,769
Net sales	664,886	19,769
Operating income	(985)	1,350
Ordinary income	20,875	1,532
Net income attributable to owners of the parent	22,905	(896)
Net income attributable to owners of the parent per share (yen)	2,290,488,541	(49,784)

### 4. Outline of the business of REC to be split

#### (1) The business of REC to be split

Hard disk media business operated by REC

#### (2) Performance of the business of REC to be split (Net sales for the year ending in December 2023)

Net sales: ¥47,700 million

#### (3) Items to be split from assets and liabilities of the split company

Assets		Liabilities	
Items	Book value	Items	Book value
Current assets	¥7,200 million	Current liabilities	¥200 million
Fixed assets	¥8,800 million	Fixed liabilities	¥0
Total	¥16,000 million	Total	¥200 million

### 5. Outline of the situation after this company split

With regard to REC, there will be no change in the company name, location of the head office, position and name of the representative, capital, and the end of the fiscal period.

With regard to RHDY, company name will be changed into “Resonac Hard Disk Corporation,”

and location of the head office will be changed into Ichihara City, Chiba Prefecture. However, there will be no change in position and name of the representative, capital and the end of the fiscal period.

## **6. Future prospects**

Impact of this company split on the consolidated financial results of REH is expected to be insignificant because this simple absorption-type company split is to be conducted by REH's wholly owned subsidiary and REH's wholly owned subsidiary's wholly owned subsidiary.

For further information, contact:

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