

Consolidated 11-Year Summary

For details of the data, please refer to the relevant website.



Resonac made former Hitachi Chemical a consolidated subsidiary, and started on July 1, 2020 to incorporate Hitachi Chemical's sales figures and income/losses into its consolidated financial statements.

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 ⁵	2023
Financial Highlights (Consolidated) Millions of yen											
For the year											
Net sales	847,803	872,785	775,732	671,159	780,387	992,136	906,454	973,700	1,419,635	1,392,621	1,288,869
Operating income (loss)	25,953	20,551	33,508	42,053	77,708	180,003	120,798	(19,449)	87,198	61,726	(3,764)
Ratio of operating income (loss) to sales (%)	3.1	2.4	4.3	6.3	10.0	18.1	13.3	(2.0)	6.1	4.4	(0.3)
Net income (loss) attributable to owners of the parent	9,065	2,929	921	12,305	37,404	111,503	73,088	(76,304)	(12,094)	32,422	(18,955)
Net cash provided by operating activities	63,565	66,996	61,170	68,949	67,235	149,785	78,554	109,286	115,283	99,376	118,686
Net cash provided by (used in) investing activities	(55,203)	(46,876)	(42,497)	(53,754)	(29,866)	(49,338)	(48,156)	(930,047)	28,606	(54,667)	(61,869)
Free cash flow	8,362	20,120	18,674	15,195	37,369	100,447	30,397	(820,761)	143,889	44,709	56,817
Net cash provided by (used in) financing activities	(6,805)	(24,856)	(21,336)	(13,220)	(18,370)	(61,061)	(18,546)	896,521	(121,741)	(103,267)	(62,880)
R&D expenditures	20,435	20,362	20,289	17,313	18,539	19,735	20,605	34,379	46,750	47,135	42,697
Capital expenditures	44,370	47,318	44,059	39,276	41,787	41,727	50,216	69,052	78,647	107,074	96,633
Depreciation and amortization	39,779	40,673	42,137	38,761	38,565	39,459	37,704	68,643	97,726	91,964	92,516
At year-end											
Total assets	985,771	1,009,843	940,494	932,698	1,026,999	1,074,983	1,076,381	2,203,606	2,142,390	2,093,744	2,031,953
Total net assets	345,811	319,087	308,142	311,231	368,994	465,340	519,433	718,080	818,452	574,718	578,668
Shareholders' equity ratio (%)	30.6	29.7	31.5	31.8	34.3	41.5	46.4	18.4	24.0	26.3	27.2
Return on equity (ROE) (%)	3.2	1.0	0.3	4.1	11.5	27.9	15.5	(16.9)	(2.6)	6.1	(3.4)
Interest-bearing debt ¹	353,686	383,124	368,835	359,929	346,726	287,968	303,192	1,060,146	850,603	1,062,637	1,016,532
Debt/equity ratio (gross, times) ¹	1.02	1.20	1.20	1.16	0.94	0.62	0.60	1.84	1.15	1.07	1.00
Per share² (yen)											
Net income (loss)—primary ³	6.06	1.99	6.45	86.27	262.44	758.15	501.03	(523.06)	(77.40)	179.02	(104.65)
Net assets	201.27	209.76	2,076.05	2,080.85	2,473.06	3,057.16	3,423.25	2,782.79	2,838.51	3,038.35	3,052.07
Cash dividends (applicable to the period)	3.00	3.00	3.00	—	80.00 ⁴	120.00	130.00	65.00	65.00	65.00	65.00

¹ From the third quarter of 2020, due to former Hitachi Chemical, becoming a consolidated subsidiary, the D/E ratio reflects the following situation: regarding preferred shares issued by HC Holdings K.K., a subsidiary, posted under non-controlling interests on the consolidated balance sheets, the value equivalent to 50% is added to each of interest-bearing debt, and shareholders' equity, in consideration of the characteristics of the capital structure. For interest-bearing debt, net value is indicated after excluding cash and deposits and adding debt on lease. For Determination of the 50/50 allocation for preferred shares in light of the characteristics of the capital structure is based on the rating of Japan Credit Rating Agency, dated April 21, 2020. This change in accounting standards for the D/E ratio from 2020 has been retroactively reflected in 2019 figures. Furthermore, in regard to the subordinated loans taken out in order to purchase preferred stock, 50% of this amount is deducted from interest-bearing debt and added to shareholders' equity. Determination of the 50/50 allocation for the subordinated loan in light of the characteristics of the capital structure is based on the rating of Japan Credit Rating Agency, dated October 4, 2022.

² Resonac consolidated every 10 shares of common stock into one share on July 1, 2016. "Per share" indicators for 2015 and 2016 (except for cash dividends) are calculated on the basis of the number of outstanding

shares after this consolidation.

³ Net income (loss) per share has been computed based on the average number of shares of common stock outstanding during the respective fiscal year.

⁴ Resonac resolved payment of dividends of ¥30.00 per share based on the record date of May 11, 2017 at the extraordinary general meeting of shareholders held in June 2017. Cash dividends applicable to 2017 include this amount.

⁵ Our subsidiary former Hitachi Chemical (current Resonac Corporation) and its Japanese subsidiaries previously adopted the International Financial Reporting Standards (IFRS), but switched to Japanese Generally Accepted Accounting Principles (JGAAP) from fiscal 2023. This change has been applied retroactively and the figures for fiscal 2022 have been retroactively adjusted.

Non-financial data	Scope up to 2017	2014	2015	2016	2017	Scope in and after 2018	2018	2019	2020	2021	2022	2023
		Number of employees (persons)	2014-2017: Former Showa Denko (consolidated)	10,577	10,561		10,146	10,864	Consolidated	33,465	33,908	33,684
Ratio of employees working outside Japan (%)		43.9	44.4	40.1	44.0		54.2	54.5	54.6	51.2	50.8	50.0
Number of female managers (persons)	2014-2017: Former Showa Denko (non-consolidated)	18	23	26	28	2018-2021: Resonac (non-consolidated) + Subsidiaries of former Showa Denko in and outside Japan	162	170	170	148	397	404
Ratio of female managers (%)		2.3	3.0	3.4	3.7	2022-: Consolidated	7.0	7.1	7.1	7.3	12.6	12.4
Greenhouse gas emissions (Scope 1 + Scope 2) (kt-CO ₂) [*]		3,667	3,699	3,818	3,785	Consolidated	4,827	4,657	4,266	4,483	4,360	4,226
Amount of water withdrawals (excluding seawater; thousand m ³)	2014-2017: Former Showa Denko (consolidated in Japan)	62,620	60,040	58,720	59,470	2018-2021: Resonac (consolidated in Japan) and former Hitachi Chemical subsidiaries (outside Japan)	67,306	68,060	67,522	64,261	68,292	73,361
Ratio of industrial waste sent to landfills (%)		1.08	0.95	0.32	0.38	Resonac (consolidated in Japan) and former Hitachi Chemical subsidiaries (outside Japan)	1.8	1.8	1.0	1.4	2.5	1.2

Note: For non-financial data, boundaries (scope of data) differ depending on the item and time period. Upon the integration of the former Showa Denko and the former Hitachi Chemical, we have re-examined boundaries and figures for past fiscal years, making some adjustments in our disclosures. Additionally, water withdrawals data up until 2017 is expressed in units of 10,000 m³.

^{*}Actual greenhouse gas emissions (Scope 1 + Scope 2) in 2013 (consolidated) were 4,634 kt. [P97](#)

Consolidated Financial Statements

Consolidated Balance Sheets	Millions of yen	
	2022	2023
Assets		
Current assets		
Cash and deposits	186,499	190,318
Notes and accounts receivable-trade	266,093	266,122
Merchandise and finished goods	121,172	115,123
Work in process	34,130	23,687
Raw materials and supplies	95,151	86,383
Other	85,248	72,019
Allowance for doubtful accounts	(1,254)	(1,731)
Total current assets	787,037	751,922
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	138,242	154,659
Machinery, equipment and vehicles, net	214,718	218,346
Tools, furniture and fixtures, net	24,280	25,021
Land	233,987	230,806
Leased assets, net	15,973	12,403
Construction in progress	50,866	37,351
Total property, plant and equipment	678,064	678,586
Intangible assets		
Goodwill	295,355	285,199
Customer related assets	133,639	128,908
Other	64,695	56,482
Total intangible assets	493,689	470,589
Investments and other assets		
Investment securities	83,341	72,503
Net defined benefit asset	18,046	28,038
Deferred tax assets	16,671	14,965
Other	17,517	16,513
Allowance for doubtful accounts	(622)	(1,163)
Total investments and other assets	134,953	130,856
Total noncurrent assets	1,306,706	1,280,031
Total assets	2,093,744	2,031,953

Consolidated Balance Sheets	Millions of yen	
	2022	2023
Liabilities		
Current liabilities		
Notes and accounts payable-trade	194,054	177,375
Short-term loans payable	72,419	52,489
Current portion of long-term loans payable	42,677	23,552
Commercial papers	—	10,000
Current portion of bonds	—	40,000
Provision for repairs	19	794
Provision for bonuses	9,489	10,593
Provision for bonuses for directors	47	109
Provision for stock payments	21	81
Provision for business structure improvement	—	621
Other	140,152	146,267
Total current liabilities	458,877	461,881
Noncurrent liabilities		
Bonds payable	260,000	250,000
Long-term loans payable	672,446	625,840
Deferred tax liabilities	51,379	36,321
Deferred tax liabilities for land revaluation	29,525	28,448
Provision for repairs	1,260	2,430
Provision for stock payments	302	353
Provision for business structure improvement	772	577
Net defined benefit liability	9,981	9,961
Other	34,484	37,474
Total noncurrent liabilities	1,060,148	991,404
Total liabilities	1,519,026	1,453,285
Net assets		
Shareholders' equity		
Capital stock	182,146	182,146
Capital surplus	108,140	108,140
Retained earnings	165,902	137,269
Treasury stock	(11,612)	(11,593)
Total shareholders' equity	444,576	415,963
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	355	194
Deferred gains or losses on hedges	1,461	1,196
Revaluation reserve for land	27,915	26,113
Foreign currency translation adjustments	72,008	99,217
Remeasurements of defined benefit plans	3,980	10,154
Total accumulated other comprehensive income	105,719	136,875
Non-controlling interests	24,423	25,830
Total net assets	574,718	578,668
Total liabilities and net assets	2,093,744	2,031,953

Consolidated Statements of Income	Millions of yen	
	2022	2023
Net sales	1,392,621	1,288,869
Cost of sales	1,087,775	1,042,252
Gross profit	304,847	246,617
Selling, general and administrative expenses	243,120	250,380
Operating income (loss)	61,726	(3,764)
Non-operating income		
Interest income	1,068	1,840
Dividends income	766	400
Equity in earnings of affiliates	3,630	3,589
Rent income on noncurrent assets	1,516	1,599
Foreign exchange gain	10,632	1,967
Miscellaneous income	4,949	4,859
Total non-operating income	22,561	14,253
Non-operating expenses		
Interest expenses	15,762	13,370
Miscellaneous expenses	6,815	11,893
Total non-operating expenses	22,576	25,263
Ordinary income (loss)	61,711	(14,773)
Extraordinary income		
Gain on sales of noncurrent assets	13,578	3,720
Gain on sale of businesses	251	24,638
Other	9,451	5,976
Total extraordinary income	23,280	34,335
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	6,153	5,889
Impairment loss	10,091	26,183
Extra retirement payments	434	6,573
Loss on sale of businesses	3,504	—
Loss related to the Antimonopoly Act	5,579	—
Other	8,303	7,100
Total extraordinary losses	34,064	45,746
Profit (loss) before income taxes	50,927	(26,184)
Current	18,617	9,483
Deferred	(7,377)	(17,642)
Total income taxes	11,240	(8,159)
Net income (loss)	39,687	(18,026)
Net income attributable to non-controlling interests	7,265	929
Net income (loss) attributable to owners of the parent	32,422	(18,955)

Consolidated Statements of Comprehensive Income	Millions of yen	
	2022	2023
Net income (loss)	39,687	(18,026)
Other comprehensive income		
Valuation difference on available-for-sale securities, net of tax	(2,035)	(255)
Deferred gains or losses on hedges, net of tax	294	(265)
Foreign currency translation adjustments	32,932	27,695
Remeasurements of defined benefit plans, net of tax	(3,895)	6,190
Share of other comprehensive income of unconsolidated subsidiaries and affiliates accounted for using equity method	1,763	887
Total other comprehensive income	29,058	34,252
Comprehensive income	68,745	16,227
Comprehensive income attributable to:		
Owners of the parent	60,319	14,003
Non-controlling interests	8,426	2,223

Consolidated Statements of Cash Flows

Consolidated Statements of Changes in Net Assets

	Millions of yen												
	Shareholders' equity					Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance as at December 31, 2021	182,146	119,772	143,335	(11,655)	433,598	2,838	1,167	28,928	38,421	9,036	80,391	304,463	818,452
Cumulative effects of changes in accounting policies			847		847	(415)				(1,141)	(1,556)		(709)
Restated balance as at December 31, 2021	182,146	119,772	144,182	(11,655)	434,445	2,423	1,167	28,928	38,421	7,896	78,835	304,463	817,743
Changes of items during the period													
Dividends from surplus			(11,788)		(11,788)								(11,788)
Net income attributable to owners of the parent			32,422		32,422								32,422
Purchase of treasury stock				(3)	(3)								(3)
Disposal of treasury stock		(0)		46	46								46
Increase by decrease of consolidated subsidiaries			72		72								72
Change in treasury shares of the parent arising from transactions with non-controlling shareholders		(29)			(29)								(29)
Changes in liabilities for written put options over non-controlling interests		(11,603)			(11,603)								(11,603)
Reversal of revaluation reserve for land			1,013		1,013								1,013
Net changes of items other than shareholders' equity						(2,068)	294	(1,013)	33,587	(3,916)	26,884	(280,040)	(253,156)
Total changes of items during the period	—	(11,632)	21,720	43	10,131	(2,068)	294	(1,013)	33,587	(3,916)	26,884	(280,040)	(243,025)
Balance as at December 31, 2022	182,146	108,140	165,902	(11,612)	444,576	355	1,461	27,915	72,008	3,980	105,719	24,423	574,718

	Millions of yen												
	Shareholders' equity					Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance as at December 31, 2022	182,146	108,140	165,902	(11,612)	444,576	355	1,461	27,915	72,008	3,980	105,719	24,423	574,718
Cumulative effects of changes in accounting policies					—								—
Restated balance as at December 31, 2022	182,146	108,140	165,902	(11,612)	444,576	355	1,461	27,915	72,008	3,980	105,719	24,423	574,718
Changes of items during the period													
Dividends from surplus			(11,788)		(11,788)								(11,788)
Net income attributable to owners of the parent			(18,955)		(18,955)								(18,955)
Purchase of treasury stock				(4)	(4)								(4)
Disposal of treasury stock		(0)		23	23								23
Increase by decrease of consolidated subsidiaries			309		309								309
Change in treasury shares of the parent arising from transactions with non-controlling shareholders					—								—
Changes in liabilities for written put options over non-controlling interests					—								—
Reversal of revaluation reserve for land			1,801		1,801								1,801
Net changes of items other than shareholders' equity						(160)	(265)	(1,802)	27,209	6,174	31,156	1,406	32,563
Total changes of items during the period	—	(0)	(28,632)	19	(28,613)	(160)	(265)	(1,802)	27,209	6,174	31,156	1,406	3,949
Balance as at December 31, 2023	182,146	108,140	137,269	(11,593)	415,963	194	1,196	26,113	99,217	10,154	136,875	25,830	578,668

Consolidated Statements of Cash Flows

	Millions of yen	
	2022	2023
Cash flows from operating activities		
Income (loss) before income taxes	50,927	(26,184)
Depreciation and amortization	91,964	92,516
Impairment loss	10,091	26,183
Amortization of goodwill	16,843	16,953
Increase (decrease) in net defined benefit liability	(2,383)	(10,292)
Interest and dividends income	(1,834)	(2,240)
Interest expenses	15,762	13,370
Equity in (earnings) losses of unconsolidated subsidiaries and affiliates	(3,630)	(3,589)
Loss (gain) on sales and valuation of investment securities	(4,952)	462
Loss on retirement of noncurrent assets	6,045	5,803
Loss (gain) on sales of noncurrent assets	(13,470)	(3,634)
Loss (gain) on sales of businesses	3,504	(24,638)
Loss related to the Antimonopoly Act	5,579	—
Decrease (increase) in notes and accounts receivable-trade	23,377	1,131
Decrease (increase) in inventories	(39,961)	28,081
Increase (decrease) in notes and accounts payable-trade	(19,894)	(16,570)
Other, net	30	34,077
Subtotal	137,998	131,429
Interest and dividends income received	8,686	7,064
Interest expenses paid	(15,641)	(12,233)
Income taxes (paid) refund	(31,667)	(7,574)
Net cash provided by (used in) operating activities	99,376	118,686
Cash flows from investing activities		
Payments into time deposits	(1,606)	(1,146)
Proceeds from withdrawal of time deposits	2,570	1,096
Purchase of property, plant and equipment	(87,857)	(87,105)
Proceeds from sales of property, plant and equipment	20,960	6,169
Purchase of investment securities	(1,667)	(38)
Proceeds from sales of investment securities	22,019	3,283
Purchase of investments in subsidiaries without change in scope of consolidation	—	(4,552)
Proceeds from sales of investments in subsidiaries resulting in change in scope of consolidation	—	31,692
Net decrease (increase) in short-term loans receivable	774	(12)
Payments of long-term loans receivable	(410)	(892)
Collection of long-term loans receivable	251	910
Other, net	(9,701)	(11,274)
Net cash provided by (used in) investing activities	(54,667)	(61,869)

Cash flows from financing activities

	Millions of yen	
	2022	2023
Net increase (decrease) in short-term debt	11,838	(20,138)
Net increase (decrease) in commercial papers	(15,000)	10,000
Proceeds from long-term loans payable	409,600	65,300
Repayments of long-term loans payable	(285,642)	(131,665)
Proceeds from share issuance of bonds	112,536	29,843
Redemption of bonds	(20,000)	—
Purchase of treasury stock	(3)	(4)
Cash dividends paid	(11,758)	(11,794)
Cash dividends paid to non-controlling shareholders	(13,025)	(1,263)
Purchase of investments in subsidiaries without change in scope of consolidation	(287,635)	—
Other, net	(4,178)	(3,159)
Net cash provided by (used in) financing activities	(103,267)	(62,880)
Effect of exchange rate changes on cash and cash equivalents	10,027	9,922
Net increase (decrease) in cash and cash equivalents	(48,531)	3,859
Cash and cash equivalents at the beginning of the year	234,587	186,056
Cash and cash equivalents at the end of the year	186,056	189,915

Corporate Data/Editorial Policies

Corporate Data

(As of December 31, 2023)

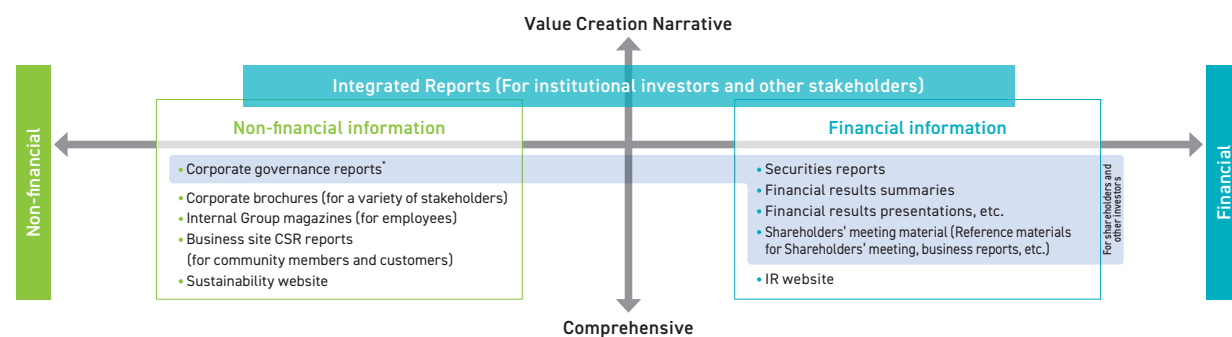
Company Name	Resonac Holdings Corporation	Capital	¥182,146 million
Head Office	Tokyo Shiodome Bldg., 1-9-1, Higashi-Shimbashi, Minato-ku, Tokyo 105-7325, Japan	Consolidated Number of Employee	23,840
Formed	June 1939	Affiliates	Consolidated Subsidiaries: 102 Equity method applied: 12
		Subsidiaries (Japan)	Web
		Subsidiaries (Global)	Web

Editorial Policies

Publication Date	July 2024
Reporting Period	January 1, 2023 to December 31, 2023. Some information on disclosure items and business activities from after January 1, 2024, is also provided.
Scope	Resonac Holdings Corporation and its consolidated subsidiaries (including Resonac Corporation)
Display Methods in This Report	Figures and information in this report refer to the Resonac Group. Official names are used when referring to Resonac Holdings Corporation or Resonac Corporation as a non-consolidated entity. In this report, "non-consolidated" refers to Resonac Holdings Corporation and Resonac Corporation.
Scope for Results Data	Financial: A total of 115 companies consisting of Resonac Holdings Corporation and its 114 consolidated subsidiaries and affiliates accounted for using equity method *The aluminum specialty components business changed its segment from Innovation Enabling Materials to Mobility, effective January 2024. This change has been applied retroactively and the figures for fiscal 2023 have been retroactively adjusted. These retroactively adjusted figures have not yet been audited. Others: Resonac Holdings Corporation and its consolidated subsidiaries *Please refer to the relevant website for details on the scope of environmental and safety data. Web
Third-Party Verification of Environmental and Safety Data	Data disclosed by the Company are submitted to third-party verification each year to ensure reliability. For details, please refer to the relevant website. Web
Caution Regarding Forward-Looking Statements	Performance forecasts and other forward-looking statements are based on information available as of the time of publication of this report and certain assumptions judged to be reasonable. Actual performance may vary materially due to risks, uncertainty, or other factors.

Disclosure Materials

Resonac discloses information through its integrated reports and a variety of other communication tools.

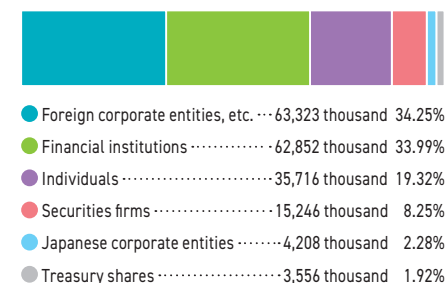


Stock Information

(As of December 31, 2023)

Authorized number of shares	330,000,000
Number of shares outstanding	184,901,292
Number of shareholders	84,100

Shareholders by Sector



Shareholders (Top 10)

(As of December 31, 2023)

Name of shareholders	Stake in the Company	
	Number of shares held (in thousands)	Rate of shareholding (%)
The Master Trust Bank of Japan Ltd. (Trust Account)	31,836	17.22
Custody Bank of Japan, Ltd. (Trust Account)	10,365	5.61
KOREA SECURITIES DEPOSITORY – SAMSUNG	9,063	4.90
JPMorgan Securities Japan Co., Ltd.	5,967	3.23
STATE STREET BANK AND TRUST COMPANY 505223	5,578	3.02
SSBTC CLIENT OMNIBUS ACCOUNT	5,200	2.81
Fukoku Mutual Life Insurance Company	4,517	2.44
Goldman Sachs Japan Co., Ltd.	3,417	1.85
The Dai-ichi Life Insurance Company, Limited	2,700	1.46
STATE STREET LONDON CARE OF STATE STREET BANK AND TRUST. BOSTONSSBTC A/C UK LONDON BRANCH CLIENTS-UNITED KINGDOM	2,553	1.38

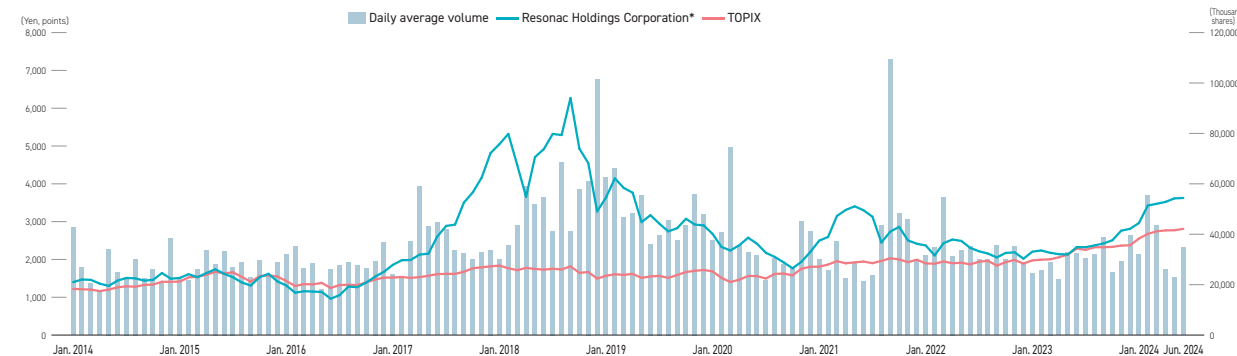
Note: Each rate of shareholding was calculated after deducting the number of treasury shares (3,556 thousand) from the number of shares outstanding.

	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023
Year-end stock price (yen)	2,899	2,197	2,415	2,020	2,810
Dividends per share (yen)	130	65	65	65	65
Payout ratio (%)					
(Non-consolidated)	40.5	34.8	33.1	35.5	284.2
(Consolidated)	29.9	—	—	36.3	—

	Past year	Past 3 years	Past 5 years	Past 10 years
Total shareholder return (TSR)				
Resonac	142.3%	136.8%	97.9%	232.2%
TOPIX (including dividends)	128.3%	141.1%	178.9%	227.8%

*As of the end of 2023
 *TSR: Total shareholder return. The total rate of return on investments, consisting of capital gains and dividend payouts.
 *TSR for Resonac is calculated based on accumulated dividends and stock price fluctuations. TSR for TOPIX is calculated based on dividend included stock index (see Japan Exchange Group's monthly statistics report data).

Stock Price/Volume



*Figures from before 2022 are from Showa Denko.