

DIC Corporation

Consolidated Financial Results FY2021: Three Months Ended March 31

May 2021

Color & Comfort



FY2021 three months results

- Consolidated net sales were up. Despite the persistent spread of the COVID-19 pandemic, the global economy picked up, led by the United States and the People's Republic of China (PRC). In Japan, economic activity recovered in multiple areas, notably automobile manufacturing, as a result of which shipments of a variety of high-value-added products, including materials for use in semiconductor devices, electrical and electronics equipment, and automobiles, rallied. Shipments of materials for use in daily necessities such as food packaging were also firm, particularly in overseas markets.
- Operating income increased. In addition to expanded shipments of high-value-added products, the sharp increase in operating income reflected broad-based efforts to curb costs and successful efforts to address elevated raw materials costs, particularly in the Americas and Europe, by adjusting sales prices.
- Net income attributable to owners of the parent increased, owing to a decline in non-operating expenses and extraordinary income from a gain on sales of subsidiaries' and affiliates' securities.

FY2021 forecasts

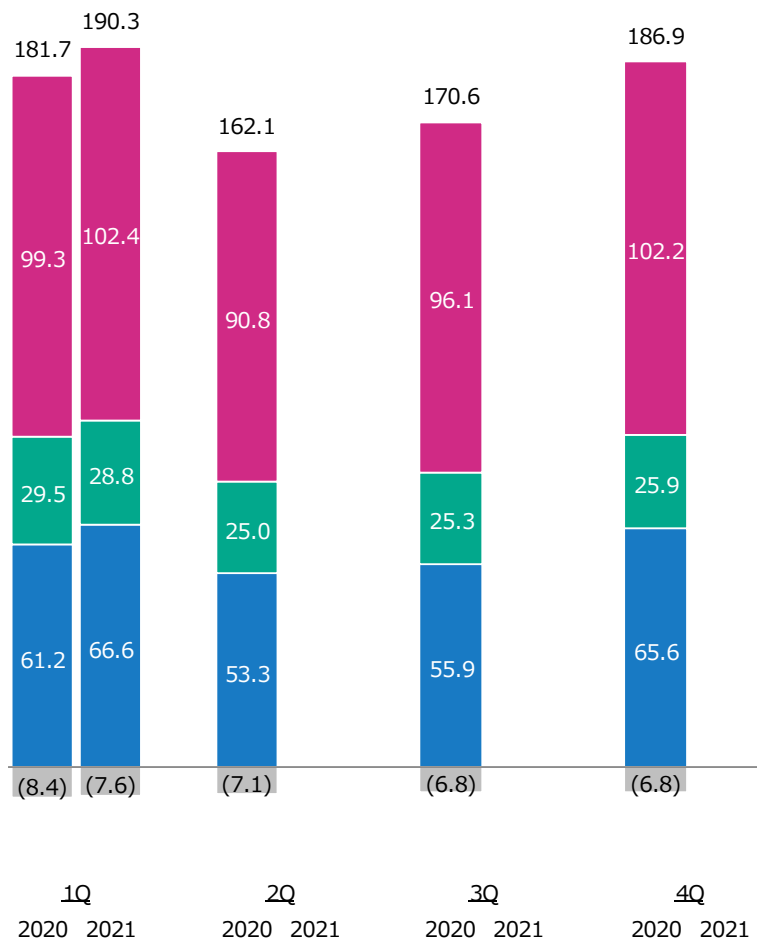
- DIC has revised its operating results forecasts for the first half of fiscal year 2021, but given the likelihood of sharp increases in raw materials prices its full-term forecasts are currently unchanged. Operating results forecasts are scheduled for revision following the completion of DIC's acquisition of BASF SE's Colors & Effects business.
- The Company's annual dividend forecast of ¥100 per share has not been revised.

The fiscal year of all overseas and domestic companies in the DIC Group ends on December 31. This document presents consolidated results for the first quarter of fiscal year 2021, ended March 31, 2021.

Quarterly trends in segment results

Net sales

(Billion yen)

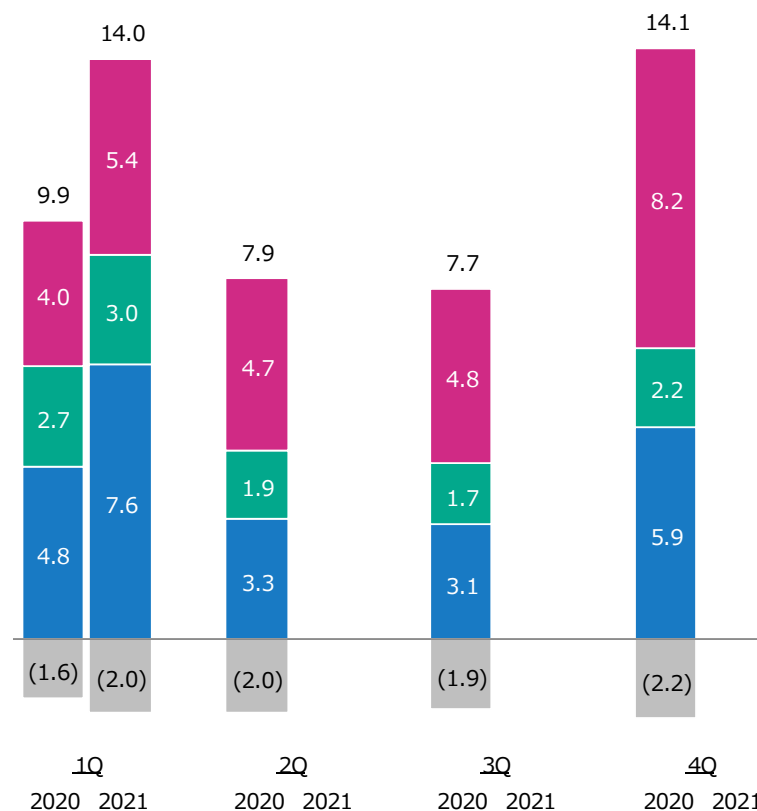


Operating income

(Billion yen)

Progress rate as per the full year operating income forecasts

	3M	6M	9M	FY
2021 (%)	31.0			
2020 (%)	28.4	51.0	73.1	113.3



■ Packaging & Graphic
 ■ Color & Display
 ■ Functional Products
 ■ Others, Corporate and eliminations

Summary of financial results

(Billion yen)	2020 3 Months	2021 3 Months	% Change	% Change on a local currency basis
Net sales	181.7	190.3	+4.7%	+4.2%
Operating income	9.9	14.0	+40.7%	+40.4%
Operating margin	5.5%	7.3%	—	—
Ordinary income	8.3	14.8	+78.6%	—
Net income*	4.6	10.2	+121.4%	—
EPS (Yen)	48.65	107.73	—	—
EBITDA**	14.4	21.4	+48.9%	—
Average rate	YEN/US\$	108.72	106.17	-2.3%
	YEN/EUR	119.68	127.88	+6.9%

* Net income attributable to owners of the parent

** EBITDA: Net income attributable to owners of the parent + Total income taxes + (Interest expenses – Interest income) + Depreciation and amortization

Consolidated statement of income

(Billion yen)	2020 3 Months	2021 3 Months	Change
Net sales	181.7	190.3	8.6
Cost of sales	(140.6)	(145.0)	-4.4
Selling, general and administrative expenses	(31.1)	(31.3)	-0.2
Operating income	9.9	14.0	4.0
Interest expenses	(0.3)	(0.2)	0.1
Equity in earnings (losses) of affiliates	(0.2)	0.2	0.4
Foreign exchange gains (losses)	(0.2)	0.4	0.6
Other, net	(0.9)	0.4	1.4
Ordinary income	8.3	14.8	6.5
Extraordinary income	-	0.8	0.8
Extraordinary loss	(1.7)	(1.7)	-0.1
Income before income taxes	6.6	13.9	7.2
Income taxes	(1.5)	(2.9)	-1.4
Net income	5.1	11.0	5.8
Net income attributable to non-controlling interests	(0.5)	(0.8)	-0.2
Net income attributable to owners of the parent	4.6	10.2	5.6
Average rate	YEN/US\$	108.72	106.17
	YEN/EUR	119.68	127.88

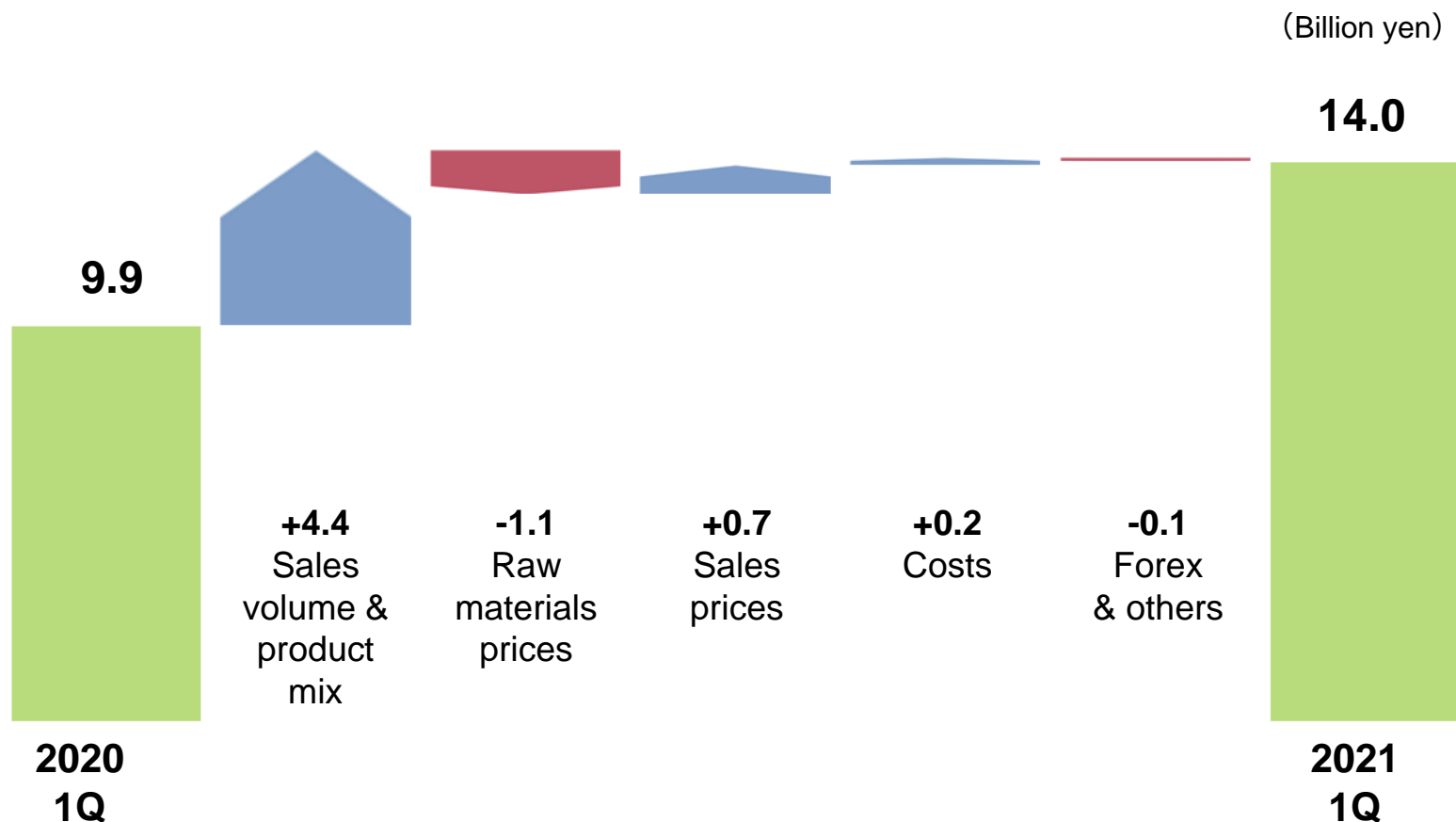
Extraordinary income and loss

	2020 3 Months	2021 3 Months
Extraordinary income		
Gain on sales of subsidiaries' and affiliates' securities	-	0.8
Extraordinary loss		
Acquisition-related expenses*	(1.0)	(1.2)
Loss on disposal of non-current assets	(0.5)	(0.5)
Severance costs	(0.1)	(0.0)

*Acquisition of BASF SE's Colors & Effects business

Operating income variance

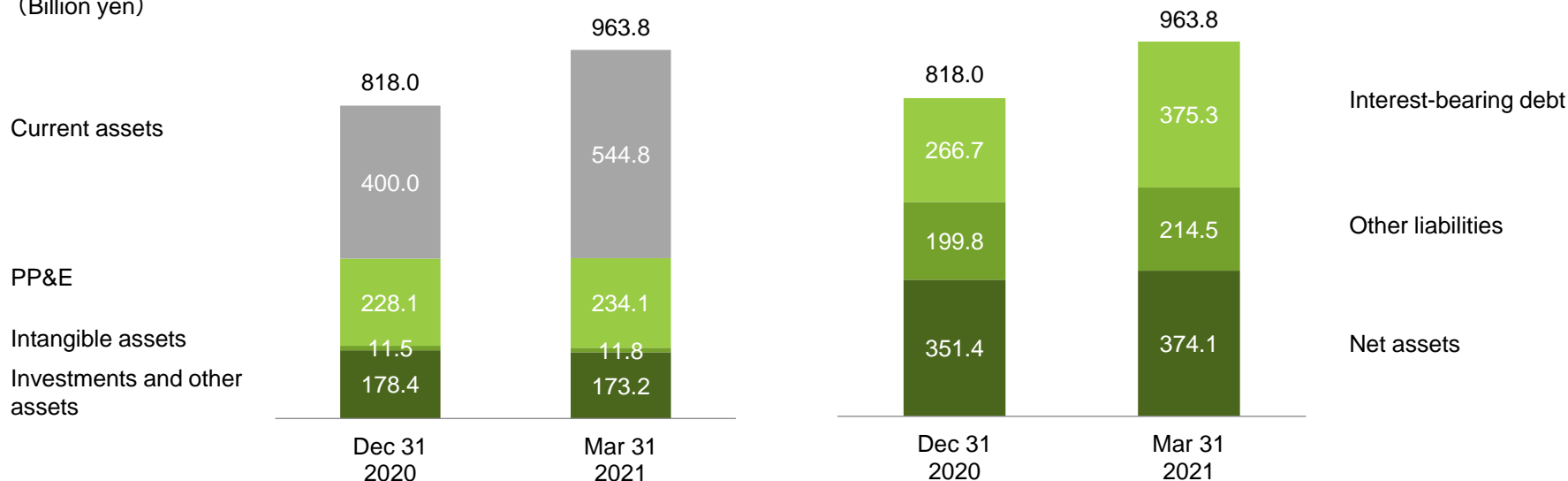
- Sales volume increased, as the recovery in shipments that began in the fourth quarter of fiscal year 2020 (October 1–December 31, 2020) continued. Sales of high-value-added products were brisk, and the product mix improved. Other factors behind the increase in volume included the receipt of orders placed in advance in anticipation of shipping delays and increases in raw materials prices.
- Raw materials prices are rising sharply overseas. The full impact of this is expected to be felt in Japan from the second quarter (April 1–June 30, 2021) forward.



Financial health

Balance sheet

(Billion yen)



Financial health

(Billion yen)	Dec 31 2020	Mar 31 2021	Change
Interest-bearing debt	266.7	375.3	108.5
Net interest-bearing debt	221.9	204.5	-17.3
Net assets	351.4	374.1	22.7
D/C ratio *	43.2%	50.1%	
Net D/C ratio **	38.7%	35.4%	
Equity ratio	38.9%	35.3%	
BPS (Yen)	3,364.92	3,598.55	
Closing rate (YEN/US\$)	103.14	110.85	



Cash on hand was increased in preparation for the closing of DIC's acquisition of BASF SE's Colors & Effects business.

* D/C ratio: Interest-bearing debt / (Interest-bearing debt + Net assets)

**Net D/C ratio: Net Interest-bearing debt / (Net Interest-bearing debt + Net assets)

Segment results

(Billion yen)

	Net sales					Operating income					Operating margin	
	2020 3 Months	2021 3 Months	Change	% Change	% Change on a local currency basis	2020 3 Months	2021 3 Months	Change	% Change	% Change on a local currency basis	2020 3 Months	2021 3 Months
Packaging & Graphic	99.3	102.4	3.1	+ 3.1%	+ 3.0%	4.0	5.4	1.4	+ 34.7%	+ 36.7%	4.0%	5.3%
Japan	26.5	26.4	-0.1	-0.4%	-0.4%	1.2	1.4	0.2	+ 13.2%	+ 13.2%	4.5%	5.1%
The Americas and Europe	60.8	62.5	1.7	+ 2.8%	+ 3.3%	2.0	3.2	1.2	+ 60.2%	+ 63.8%	3.3%	5.2%
Asia and Oceania	15.0	16.9	1.9	+ 12.7%	+ 10.3%	0.9	0.9	0.1	+ 8.8%	+ 7.8%	5.8%	5.6%
Eliminations	(3.0)	(3.4)	-0.4	-	-	(0.1)	(0.1)	-0.1	-	-	-	-
Color & Display	29.5	28.8	-0.8	-2.6%	-2.2%	2.7	3.0	0.3	+ 9.2%	+ 8.6%	9.2%	10.4%
Japan	6.6	6.4	-0.2	-3.4%	-3.4%	1.2	1.5	0.3	+ 27.8%	+ 27.8%	17.7%	23.4%
Overseas	24.5	24.1	-0.4	-1.7%	-1.4%	1.6	1.5	-0.1	-5.2%	-6.5%	6.4%	6.1%
Eliminations	(1.6)	(1.7)	-0.1	-	-	(0.0)	0.0	0.0	-	-	-	-
Functional Products	61.2	66.6	5.4	+ 8.9%	+ 7.6%	4.8	7.6	2.8	+ 58.6%	+ 56.6%	7.8%	11.4%
Japan	46.7	47.9	1.2	+ 2.6%	+ 2.6%	3.0	4.7	1.7	+ 55.6%	+ 55.6%	6.5%	9.9%
Overseas	19.9	25.5	5.7	+ 28.5%	+ 24.7%	1.8	3.0	1.2	+ 67.4%	+ 62.3%	8.9%	11.6%
Eliminations	(5.4)	(6.8)	-1.4	-	-	(0.0)	(0.1)	-0.1	-	-	-	-
Others, Corporate and eliminations	(8.4)	(7.6)	0.8	-	-	(1.6)	(2.0)	-0.4	-	-	-	-
Total	181.7	190.3	8.6	+ 4.7%	+ 4.2%	9.9	14.0	4.0	+ 40.7%	+ 40.4%	5.5%	7.3%
YEN/US\$	108.72	106.17		-2.3%		108.72	106.17		-2.3%			
YEN/EUR	119.68	127.88		+ 6.9%		119.68	127.88		+ 6.9%			

Packaging & Graphic

Net sales

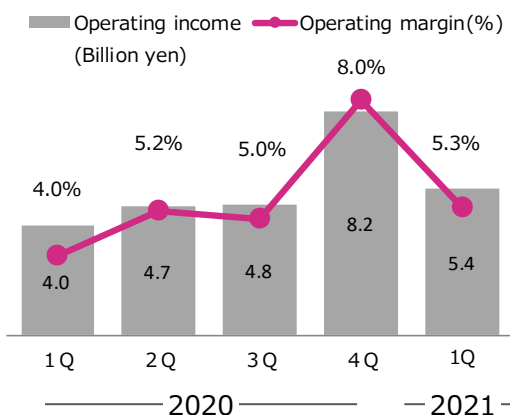
- In Japan, where publication inks account for a large proportion of sales, sales were flat, as a second state-of-emergency declaration from January 8–March 21, 2021, pushed down demand.
- In the Americas and Europe, shipments of packaging inks were firm.
- Sales in Asia, particularly in the PRC, were significantly higher than in the first quarter of fiscal year 2020, which saw sales dwindle as a consequence of COVID-19.

Operating income

- While the impact of higher raw materials prices began to be felt, particularly in overseas, segment operating income increased substantially thanks to successful efforts in the Americas and Europe to address this issue by adjusting sales prices.

(Billion yen)	Net sales					Operating income					Operating margin	
	2020 3 Months	2021 3 Months	Change	% Change	% Change on a local currency basis	2020 3 Months	2021 3 Months	Change	% Change	% Change on a local currency basis	2020 3 Months	2021 3 Months
Packaging & Graphic	99.3	102.4	3.1	+ 3.1%	+ 3.0%	4.0	5.4	1.4	+ 34.7%	+ 36.7%	4.0%	5.3%
Japan	26.5	26.4	-0.1	-0.4%	-0.4%	1.2	1.4	0.2	+ 13.2%	+ 13.2%	4.5%	5.1%
The Americas and Europe	60.8	62.5	1.7	+ 2.8%	+ 3.3%	2.0	3.2	1.2	+ 60.2%	+ 63.8%	3.3%	5.2%
Asia and Oceania	15.0	16.9	1.9	+ 12.7%	+ 10.3%	0.9	0.9	0.1	+ 8.8%	+ 7.8%	5.8%	5.6%
Eliminations	(3.0)	(3.4)	-0.4	-	-	(0.1)	(0.1)	-0.1	-	-	-	-

Operating income/margin



Sales of principal products

	% Change	
Packaging inks*	+ 3%	Shipments rose steeply in Asia—particularly in the PRC, which saw an unequivocal economic recovery—and were firm in the Americas and Europe.
Publication inks*	-1%	Sales of publishing inks for commercial printing rallied in Asia, as well as in the Americas and Europe, but the pace of recovery in sales of news inks remained sluggish as markets continued to shrink.
Jet inks	+ 26%	Sales reflected the positive impact of the acquisition of a U.S. business of jet inks for digital printing on textiles, as well as by more robust shipments, as demand for industrial applications such as outdoor signage, posters and banner rebounded after flagging in fiscal year 2020.
Polystyrene	+ 12%	Sales volume rose sharply, underpinned by healthy demand from supermarkets, among others, for use in food packaging.
Multilayer films	-5%	Despite sales volume being level, sales declined as a result of flagging sales prices.

*Change on a local currency basis

Color & Display

Net sales

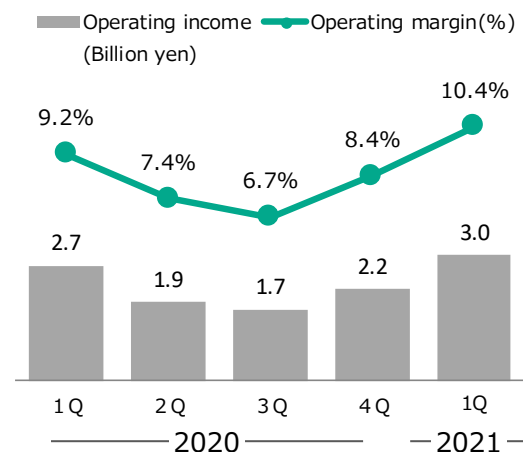
- With economic recovery in multiple areas, notably automobile manufacturing, shipments of mid-tier mass-produced pigments for coatings and plastic colorants rallied.
- Shipments of effect pigments, which are primarily for specialty applications, remained robust.
- Sales of thin-film transistor liquid crystals (TFT LCs) fell, hampered by intense competition with local manufacturers in the PRC.

Operating income

- Segment operating income was up, bolstered by steady shipments of high-value-added products such as pigments for color filters and effect pigments, as well as by rationalization efforts.

(Billion yen)	Net sales					Operating income					Operating margin	
	2020 3 Months	2021 3 Months	Change	% Change	% Change on a local currency basis	2020 3 Months	2021 3 Months	Change	% Change	% Change on a local currency basis	2020 3 Months	2021 3 Months
Color & Display	29.5	28.8	-0.8	-2.6%	-2.2%	2.7	3.0	0.3	+9.2%	+8.6%	9.2%	10.4%
Japan	6.6	6.4	-0.2	-3.4%	-3.4%	1.2	1.5	0.3	+27.8%	+27.8%	17.7%	23.4%
Overseas	24.5	24.1	-0.4	-1.7%	-1.4%	1.6	1.5	-0.1	-5.2%	-6.5%	6.4%	6.1%
Eliminations	(1.6)	(1.7)	-0.1	-	-	(0.0)	0.0	0.0	-	-	-	-

Operating income/margin



Sales of principal products

	% Change	
General-purpose pigments	-7%	Shipments of pigments for printing inks remained listless, but pigments for coatings and plastics recovered to the fiscal year 2019 level.
Functional pigments	+1%	Pigments for cosmetics continued to struggle, but sales of pigments for specialty applications—including effect pigments for autoclaved aerated concrete and agricultural colorants—were robust.
Liquid crystal (LC) materials	-25%	Sales declined, hampered by intense competition with local manufacturers in the PRC.
Health foods	-3%	While drugstore sales of health foods struggled, sales of natural blue colorants, particularly for food products and sweets, were firm.

Functional Products

Net sales

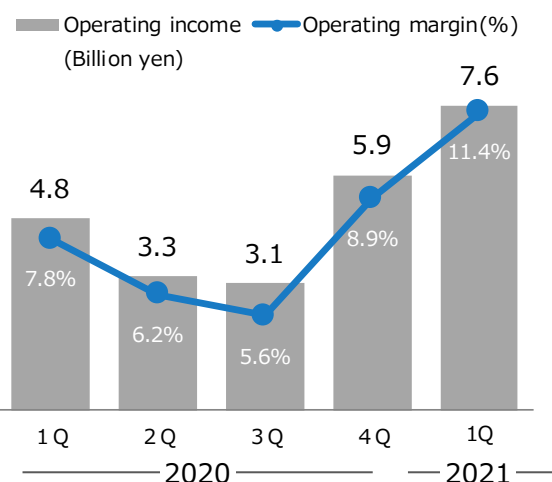
- Shipments were brisk, particularly of products for automotive and electronics-related applications. Segment sales increased, bolstered by a sharp recovery in demand, as well as by moves by customers to secure inventories in advance in anticipation of increases of raw materials prices and the disruption of logistics.

Operating income

- While the impact of higher raw materials prices began to be felt, particularly in overseas, segment operating income climbed as a result of expanded shipments of epoxy resins and other high-value-added products.

(Billion yen)	Net sales					Operating income					Operating margin	
	2020 3 Months	2021 3 Months	Change	% Change	% Change on a local currency basis	2020 3 Months	2021 3 Months	Change	% Change	% Change on a local currency basis	2020 3 Months	2021 3 Months
Functional Products	61.2	66.6	5.4	+ 8.9%	+ 7.6%	4.8	7.6	2.8	+ 58.6%	+ 56.6%	7.8%	11.4%
Japan	46.7	47.9	1.2	+ 2.6%	+ 2.6%	3.0	4.7	1.7	+ 55.6%	+ 55.6%	6.5%	9.9%
Overseas	19.9	25.5	5.7	+ 28.5%	+ 24.7%	1.8	3.0	1.2	+ 67.4%	+ 62.3%	8.9%	11.6%
Eliminations	(5.4)	(6.8)	-1.4	-	-	(0.0)	(0.1)	-0.1	-	-	-	-

Operating income/margin



Sales of principal products


	% Change	
Environment-friendly resins*	+ 15%	Sales increased, owing to a recovery in shipments of resins for use in automobiles.
Epoxy resins	+ 12%	Demand was robust for use in onboard and electronics equipment.
Polyphenylene sulfide (PPS) compounds	+ 14%	Sales were up, boosted by a sharp recovery in demand for use in automobiles.
Industrial tapes	+ 24%	Shipments for use in smartphones were strong.
Hollow-fiber membrane modules	+ 39%	Shipments for use in semiconductor fabrication were healthy.


* DIC uses the term "Environment-friendly resins" to describe strategic resins designed to improve both environmental performance and functionality. These include waterborne, UV-curable, polyester, acrylic and polyurethane resins.

Consolidated balance sheet

(Billion yen)	Dec 31 2020	Mar 31 2021	Change
Current assets	400.0	544.8	144.8
Property, plant and equipment	228.1	234.1	6.0
Intangible assets	11.5	11.8	0.3
Investments and other assets	178.4	173.2	-5.2
Total assets	818.0	963.8	145.8
Current liabilities	197.2	322.5	125.3
Non-current liabilities	269.4	267.2	-2.2
Total liabilities	466.6	589.7	123.1
Shareholders' equity	409.0	414.5	5.5
Accumulated other comprehensive income	(90.5)	(73.9)	16.7
[Foreign currency translation adjustment]	[(82.3)]	[(66.7)]	[15.6]
Non-controlling interests	32.9	33.5	0.6
Total net assets	351.4	374.1	22.7
Total liabilities and net assets	818.0	963.8	145.8
Closing rate (YEN/US\$)	103.14	110.85	
Shareholders' equity to total assets	38.9%	35.3%	
Interest-bearing debt	266.7	375.3	108.5
Cash and deposits	44.9	170.7	125.8

Consolidated statement of cash flows

(Billion yen)	2020 3 Months	2021 3 Months	Change
Cash flows from operating activities	15.5	19.8	4.3
Cash flows from investing activities	(11.8)	3.5 	15.3
Cash flows from financing activities	74.5	99.5	25.0
Cash and cash equivalents at end of the period	96.7	167.1	70.4
Free cash flow	3.7	23.3	19.6
Increase (decrease) in working capital	6.5	6.8	0.2
Capital expenditure and investment	8.0	8.6	0.6
Depreciation and amortization	7.9	8.0	0.1

 Proceeds from sales of subsidiaries' and affiliates' securities

Note: Consolidated statement of cash flows fall outside the scope of required disclosure. Accordingly, figures are provided for reference only.

FY2021 forecasts: First half operating results

- In light of recent business trends, DIC has revised its operating results forecasts for the first half of fiscal year 2021 (January 1–June 30, 2021).

(Billion yen)		2020 1st Half	2021 1st Half Forecast	% Change
Net sales		343.7	375.0	+9.1%
Operating income		17.8	23.5	+31.8%
Operating margin		5.2%	6.3%	—
Ordinary income		15.6	23.0	+47.8%
Net income*		10.3	12.5	+21.0%
EPS (Yen)		109.18	132.06	—
Average rate	YEN/US\$	108.03	105.00	-2.8%
	YEN/EUR	118.99	125.00	+5.1%

* Net income attributable to owners of the parent

FY2021 forecasts: Full-term operating results

- DIC has revised its operating results forecasts for the first half of fiscal year 2021, but given the likelihood of sharp increases in raw materials prices its full-term forecasts are currently unchanged.
- The Company's annual dividend forecast of ¥100 per share has not been revised.

(Billion yen)	2020	2021 Forecast	% Change	% Change on a local currency basis
Net sales	701.2	750.0	+7.0%	+7.1%
Operating income	39.7	45.0	+13.5%	+13.1%
Operating margin	5.7%	6.0%	—	—
Ordinary income	36.5	42.0	+15.2%	—
Net income*	13.2	20.0	+51.1%	—
EPS (Yen)	139.81	211.30	—	—
EBITDA**	55.6	64.8	+16.6%	—
Capital expenditure and investment	37.1	42.5	+14.5%	
Depreciation and amortization	32.6	33.0	+1.3%	
Average rate				
YEN/US\$	106.37	105.00	-1.3%	
YEN/EUR	121.43	125.00	+2.9%	
ROE	4.2%	6.2%		
D/C ratio ***	43.2%	40.0%		
Annual dividends per share (Yen)	100.0	100.0		
Payout ratio	71.5%	47.3%		

* Net income attributable to owners of the parent

** EBITDA: Net income attributable to owners of the parent + Total income taxes + (Interest expenses – Interest income) + Depreciation and amortization

*** D/C ratio: Interest-bearing debt / (Interest-bearing debt + Net assets)

FY2021 forecasts: Full-term segment results

- There have been no changes in segment breakdown.
- In addition to rising crude oil prices, the combined impact of a variety of factors—including cold weather in North America, accidents involving raw materials manufacturers and the disruption of logistics—on the prices of raw materials procured is expected to increase significantly from the second quarter forward.

(Billion yen)	Net sales					Operating income					Operating margin	
	2020	2021 Forecast	Change	% Change	% Change on a local currency basis	2020	2021 Forecast	Change	% Change	% Change on a local currency basis	2020	2021 Forecast
Packaging & Graphic	388.4	408.5	20.1	+ 5.2%	+ 5.2%	21.8	23.2	1.5	+ 6.7%	+ 6.8%	5.6%	5.7%
Japan	102.3	105.5	3.2	+ 3.1%	+ 3.1%	5.3	5.6	0.3	+ 6.3%	+ 6.3%	5.2%	5.3%
The Americas and Europe	235.4	244.6	9.2	+ 3.9%	+ 4.0%	12.2	12.5	0.3	+ 2.5%	+ 2.6%	5.2%	5.1%
Asia and Oceania	62.0	69.4	7.4	+ 12.0%	+ 11.7%	4.4	5.2	0.8	+ 17.2%	+ 18.0%	7.1%	7.5%
Eliminations	(11.4)	(11.0)	0.3	-	-	(0.1)	(0.1)	0.1	-	-	-	-
Color & Display	105.8	111.3	5.5	+ 5.2%	+ 5.6%	8.4	10.6	2.2	+ 25.7%	+ 23.3%	8.0%	9.5%
Japan	27.9	28.4	0.5	+ 1.7%	+ 1.7%	5.6	6.0	0.4	+ 8.0%	+ 8.0%	20.0%	21.3%
Overseas	85.2	93.3	8.1	+ 9.5%	+ 10.0%	2.8	4.6	1.7	+ 61.3%	+ 52.4%	3.3%	4.9%
Eliminations	(7.4)	(10.4)	-3.0	-	-	0.0	0.0	-0.0	-	-	-	-
Functional Products	236.0	259.8	23.8	+ 10.1%	+ 10.4%	17.1	20.2	3.1	+ 17.9%	+ 18.4%	7.2%	7.8%
Japan	176.1	193.8	17.6	+ 10.0%	+ 10.0%	8.3	11.2	2.9	+ 34.7%	+ 34.7%	4.7%	5.8%
Overseas	80.9	85.4	4.6	+ 5.6%	+ 6.5%	8.7	9.0	0.2	+ 2.8%	+ 3.7%	10.8%	10.5%
Eliminations	(21.0)	(19.5)	1.6	-	-	0.1	(0.0)	-0.1	-	-	-	-
Others, Corporate and eliminations	(29.0)	(29.6)	-0.7	-	-	(7.6)	(9.0)	-1.4	-	-	-	-
Total	701.2	750.0	48.8	+ 7.0%	+ 7.1%	39.7	45.0	5.3	+ 13.5%	+ 13.1%	5.7%	6.0%
YEN/US\$	106.37	105.00		-1.3%		106.37	105.00		-1.3%			
YEN/EUR	121.43	125.00		+ 2.9%		121.43	125.00		+ 2.9%			

Compliance with antitrust laws

Because DIC and BASF SE control substantial shares of the global market for pigments for automotive applications, DIC resolved to divest a high-performance pigment manufacturing and sales business based at U.S. subsidiary Sun Chemical Corporation's plant in Bushy Park, South Carolina, to ensure compliance with relevant antitrust laws. The U.S. Federal Trade Commission's approval procedures were completed in March 2021.

Timeline

Efforts to secure approval of the Bushy Park divestiture by antitrust authorities in the European Union are ongoing. DIC expects to secure approval and to complete the closing of its acquisition of BASF SE's Colors & Effects business in the first half of fiscal year 2021. The Company will promptly issue notification when the closing date is determined.

FY2021 Forecasts

The impact of DIC's acquisition of BASF SE's Colors & Effects business is not reflected in the operating results forecasts for fiscal year 2021 published on May 14, 2021. The Company will re-examine its operating results forecasts once closing is completed and promptly disclose any revisions.

Major topics (January to March 2021)

Jan

DIC establishes Data Science Center to facilitate the deployment of AI (MI)

- Objective is to foster human resources with expertise in AI and MI to help realize gradual improvements in the efficiency of Groupwide operations -

* MI means material informatics and is the application of informatics (statistical analysis and other information science practices) to the discovery of new materials from large volumes of related data.

Jan

DIC develops antiviral, antibacterial thermoplastic material for 3D printing applications

- Japan's first such material with antiviral and antibacterial properties confirmed in ISO testing -

Jan

DIC and Jindal Poly Films reached a consensus to collaborate in the area of functional CPP films in India

- Alliance will leverage the competitive resources of both DIC and Jindal to meet rising needs for sustainable food packaging in India -

Feb

DIC becomes first to obtain patent for Spirulina-derived phycocyanin as an active ingredient in skin-beautifying foods

- Patent covers phycocyanin's skin-moisturizing, wrinkle-reducing, firmness- and luster-improving and elasticity-increasing properties -

Mar

Revision of drawdown date for subordinated term loan to any date up to and including June 30, 2021

News Releases
<https://www.dic-global.com/en/news/2021/>



Major topics (January to March 2021)

Mar DIC steps up marketing of the *DICDRY BM* series of biomass-derived adhesives for flexible packaging
 - Vegetable oil-derived adhesives help curb CO₂ emissions -

Mar DIC is certified for the fourth consecutive time in the Large Enterprise category (“White 500”) of the Health & Productivity Outstanding Entities Recognition Program



Mar DIC enters into capital and business alliance with biotech venture company in Japan
 - Alliance will reinforce DIC’s algae cultivation business and position to expand its healthcare and personal care products businesses -

Mar DIC is recognized as a Nadeshiko Brand for the third consecutive year
 - 45 companies, including four chemicals manufacturers, recognized as outstanding in terms of efforts to empower women in the workplace -



Mar Change in status means KANGNAM CHEMICAL CO., LTD. is no longer recognized as an equity-method affiliate of DIC



Business segments and principal products

Packaging & Graphic



Net sales
¥388.4 bn



Operating income /Margin
¥21.8 bn
5.6%

Packaging materials that bring safety and peace of mind

Color & Display



Net sales
¥105.8 bn



Operating income /Margin
¥8.4 bn
8.0%

Color and display materials that make life colorful

Functional Products



Net sales
¥236.0 bn



Operating income /Margin
¥17.1 bn
7.2%

Functional products that add comfort



Packaging inks
Packaging adhesives
Packaging materials

Polystyrene
Multilayer films



Security inks



Jet inks



Publication inks

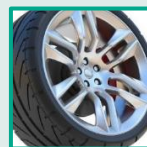
Functional pigments



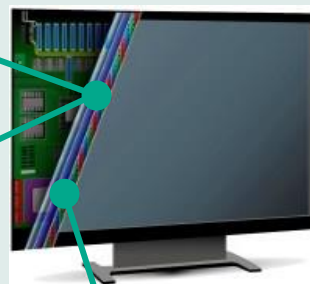
Pigments
for color filters



Pigments
for cosmetics



Effect pigments



Liquid
crystal
materials



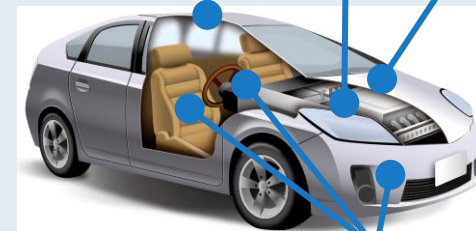
Natural
colorants



Industrial tapes



PPS compounds



Environment-friendly products*



Epoxy resins



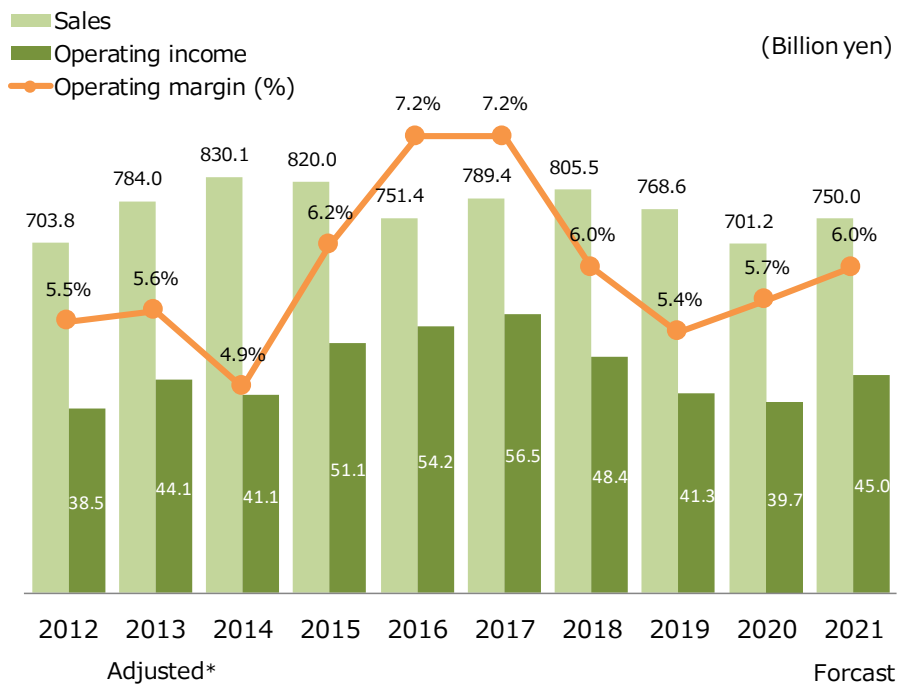
Hollow-fiber
membrane
modules

Note: Fiscal year 2020 actual

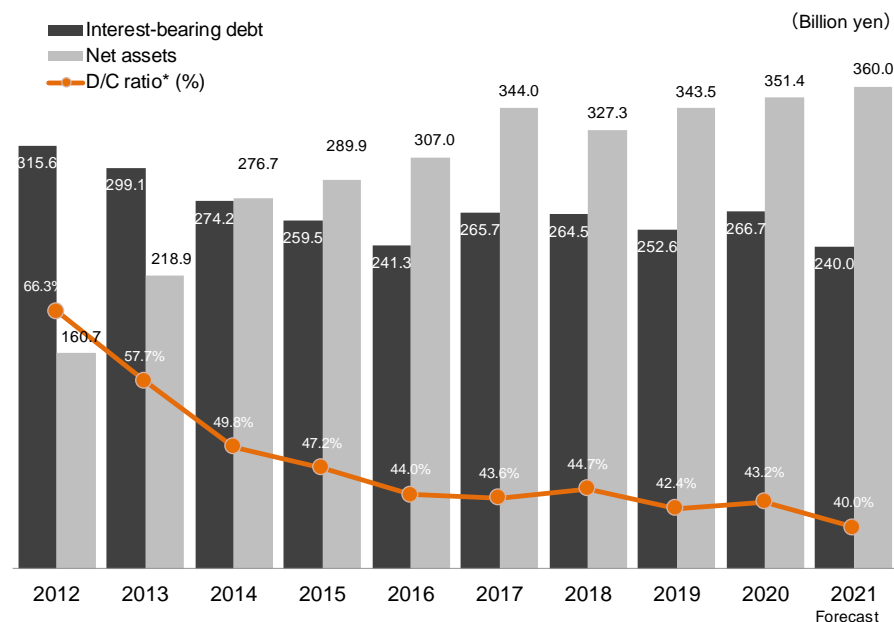
*Waterborne resins, UV-curable resins, Polyester resins, Acrylic resins, Urethane resins

Historical performance data (Reference)

Operating results



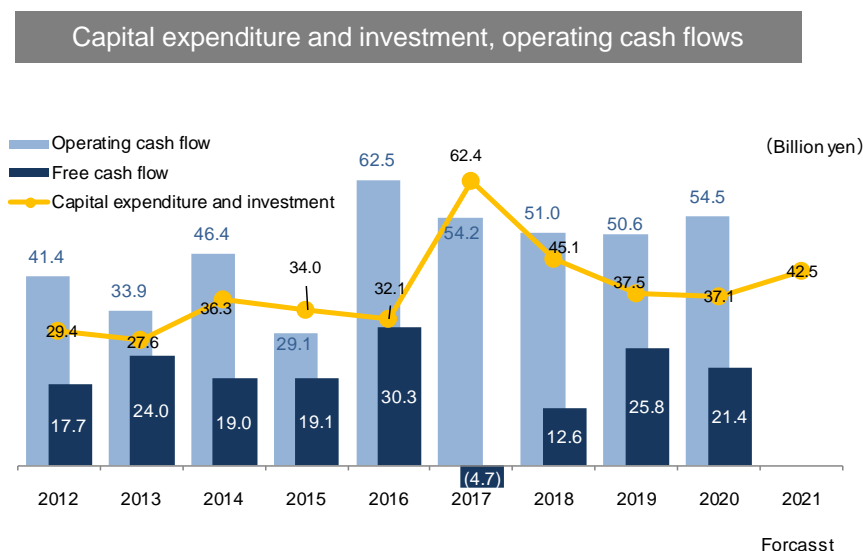
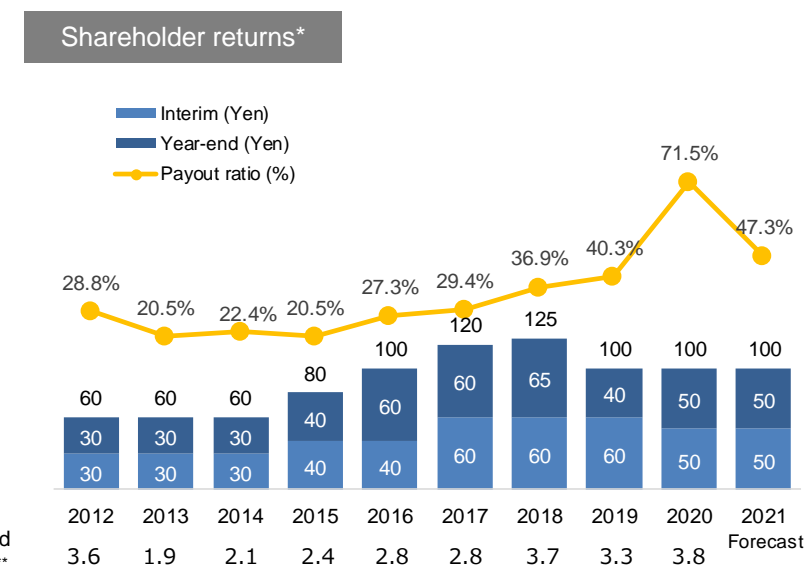
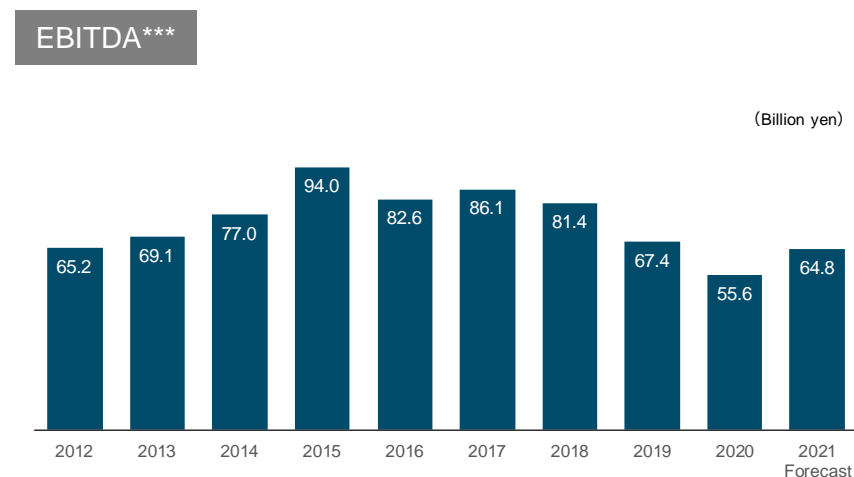
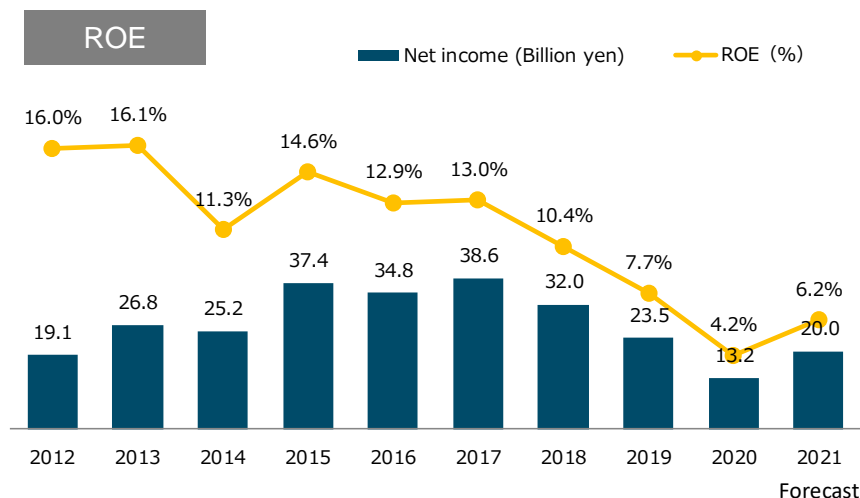
Financial health



* Adjusted to reflect the impact of the changes in the fiscal year-end

* D/C ratio: Interest-bearing debt / (Interest-bearing debt + Net assets)

Historical performance data (Reference)



* Adjusted to reflect the impact of the consolidation of shares of common stock

** Dividend yield: Annual dividends / Closing price per share at fiscal year-end

*** EBITDA: Net income attributable to owners of the parent + Total income taxes + (Interest expenses – Interest income) + Depreciation and amortization

ESG (Reference)

ESG investment indices in which DIC is included



MSCI Japan Empowering
Women Index (WIN)



MSCI Japan ESG
Select Leaders Index



FTSE Blossom
Japan

Member of
**Dow Jones
Sustainability Indices**

Powered by the S&P Global CSA

**S&P/JPX
Carbon
Efficient
Index**



Color & Comfort

Disclaimer Regarding Forward-Looking Statements

Statements herein, other than those of historical fact, are forward-looking statements that reflect management's projections based on information available as of the publication date. These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from such statements. These risks and uncertainties include, but are not limited to, economic conditions in Japan and overseas, market trends, raw materials prices, interest rate trends, currency exchange rates, conflicts, litigations, disasters and accidents, as well as the possibility the Company will incur special losses related to the restructuring of its operations.