

DIC Corporation

Consolidated Financial Results
FY2021: Full-Term Ended December 31

February 2022



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DIC Corporation

Highlights

FY2021 results

- In the fiscal year ended December 31, 2021, consolidated net sales advanced 22.0%, to ¥855.4 billion. If the results of the C&E pigments business (formerly BASF SE's Colors & Effects business), included in the scope of consolidation since July 2021, were discounted, the increase would have been 15.3%. Shipments remained robust, including those of high-value-added products such as materials for use in semiconductor devices and in electrical and electronics equipment. Shipments of materials for use in daily necessities such as food packaging stayed firm. While certain products and regions felt the brunt of falling automobile production, a result of semiconductor device shortages, shipments of materials for automotive applications were steady overall.
- Operating income, at ¥42.9 billion, was up 8.1%. If the impact of the C&E pigments business was excluded, the gain would have been 31.6%. This was despite the impact of elevated raw materials costs, a consequence of rising crude oil prices, among others, and was due to ongoing efforts to reduce the influence of escalating costs by adjusting sales. Nonetheless, operating income growth was hindered by flagging sales in the C&E pigments business, as well as by one-time costs associated with the integration of the C&E pigments business.
- Net income attributable to owners of the parent fell. The principal factor behind this result was the reversal of deferred tax assets in the United States, which has a tax consolidation regime, and the recording of an equivalent amount as income taxes—deferred.

FY2022 forecasts

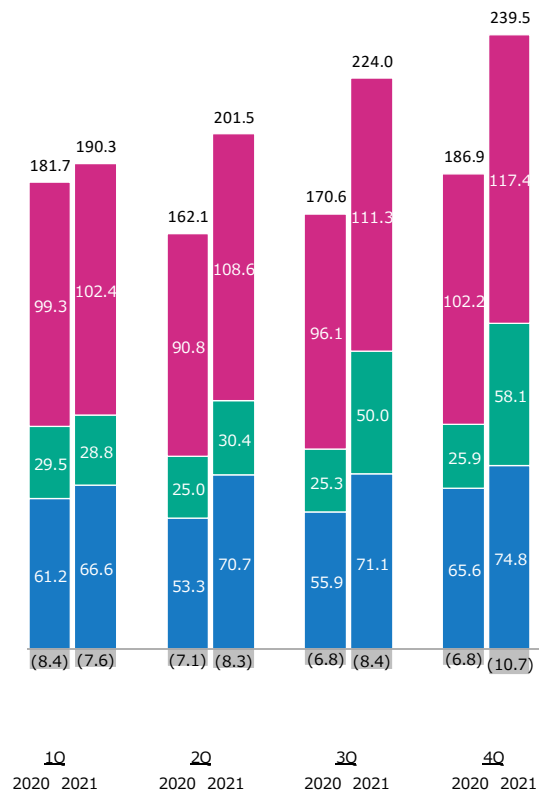
- The DIC Group forecasts consolidated net sales of ¥950.0 billion and operating income of ¥54.0 billion in fiscal year 2022, ending December 31, 2022. This reflects an expected improvement in results in the C&E pigments business, expanding sales of high-value-added products and ongoing efforts to revise sales prices in response to rising raw materials costs.

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

Quarterly trends in segment results

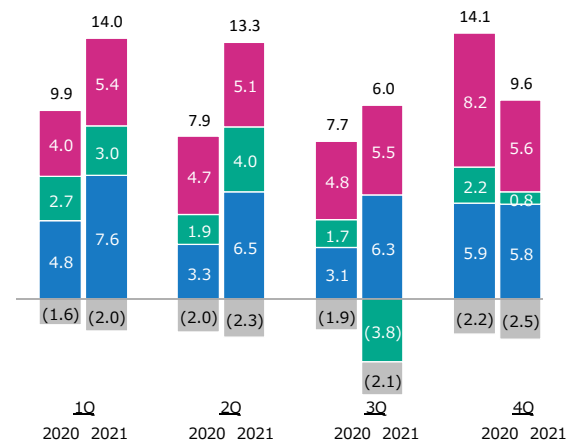
Net sales

(Billion yen)



Operating income

(Billion yen)



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

Note: The figure above each graph bar includes Others and Corporate and eliminations and thus differs from the height of the bar.

Summary of financial results

	2020	2021	% Change	% Change on a local currency basis	2022 Forecasts	% Change	% Change on a local currency basis
(Billion yen)							
Net sales	701.2	855.4	+22.0%	+18.2%	950.0	+ 11.1%	+ 11.1%
[excluding C&E]	[701.2]	[808.7]	[+15.3%]	—	—	—	—
Operating income	39.7	42.9	+8.1%	+7.1%	54.0	+ 25.9%	+ 26.1%
[excluding C&E]	[39.7]	[52.2]	[+31.6%]	—	—	—	—
Operating margin	5.7%	5.0%	—		5.7%	—	
Ordinary income	36.5	43.8	+20.0%		53.5	+ 22.3%	
Net income*	13.2	4.4	-67.0%		28.0	+ 541.4%	
EPS (Yen)	139.81	46.12	—		295.81	—	
EBITDA**	55.6	69.0	+24.1%		88.0	+ 27.5%	
Average rate	YEN/US\$	106.37	109.75	+3.2%	110.00	+ 0.2%	
	YEN/EUR	121.43	129.73	+6.8%	130.00	+ 0.2%	

* 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	2021	Change
Net sales	701.2	855.4	154.2
Cost of sales	(544.4)	(678.1)	-133.6
Selling, general and administrative expenses	(117.1)	(134.4)	-17.3
Operating income	39.7	42.9	3.2
Interest expenses	(1.0)	(1.0)	0.0
Equity in earnings (losses) of affiliates	0.8	2.9	2.2
Foreign exchange gains (losses)	(1.4)	0.3	1.6
Other, net	(1.6)	(1.4)	0.3
Ordinary income	36.5	43.8	7.3
Extraordinary income	7.1	1.3	-5.8
Extraordinary losses	(18.4)	(12.9)	5.5
Income before income taxes	25.1	32.1	7.0
Income taxes*	(8.7)	(25.7)	-17.0
Net income	16.4	6.5	-10.0
Net income attributable to non-controlling interests	(3.2)	(2.1)	1.1
Net income attributable to owners of the parent	13.2	4.4	-8.9

Average rate	YEN/US\$	106.37	109.75
	YEN/EUR	121.43	129.73

Extraordinary income and loss

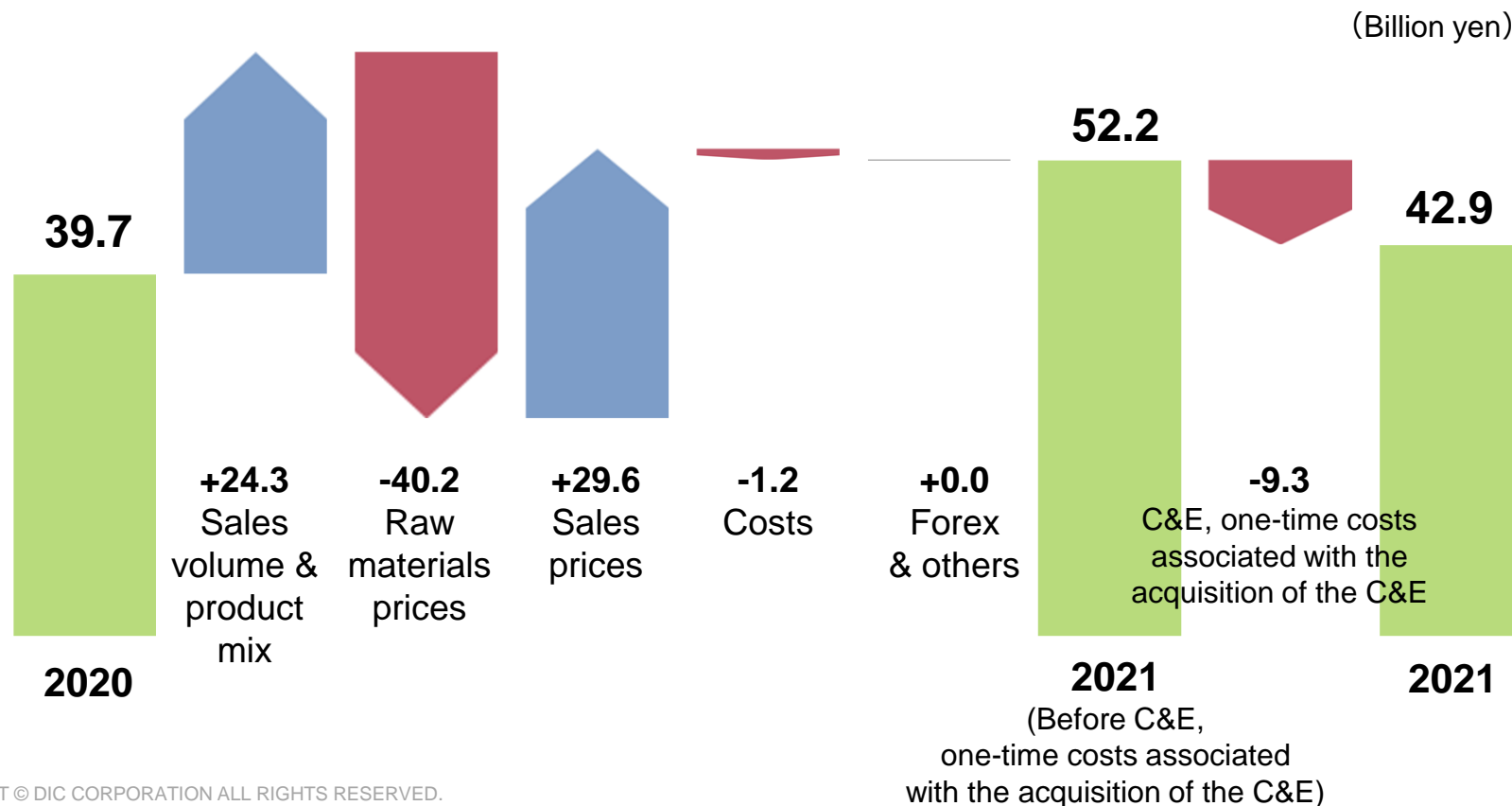
	2020	2021
Extraordinary income		
Gain on sales of subsidiaries' and affiliates' securities	-	0.8
Gain on sales of non-current assets	5.2	0.5
Gain on bargain purchase	1.3	-
Insurance income	0.5	-
Extraordinary losses		
Acquisition-related expenses**	(4.6)	(6.9)
Loss on disposal of non-current assets	(2.9)	(3.1)
Impairment losses	(1.3)	(1.6)
Severance costs	(0.9)	(0.5)
Loss on disaster	-	(0.5)
Provision for environmental measures	-	(0.3)
Loss on business liquidation	(8.8)	-

* Income taxes—deferred recorded as a result of the reversal of deferred tax assets in the United States

**Acquisition of the C&E pigments business

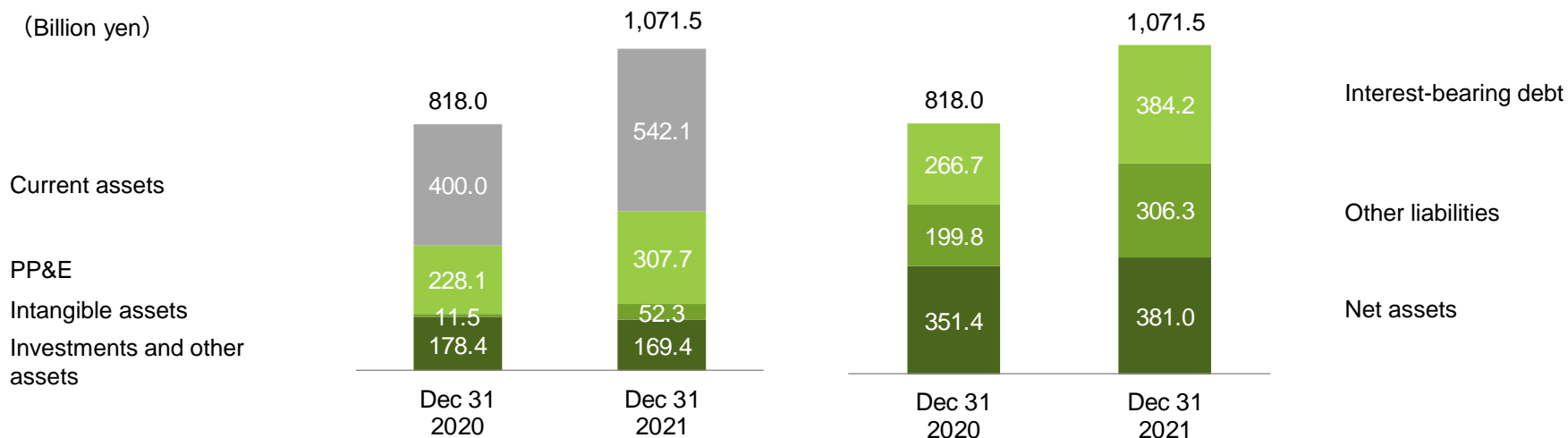
Operating income variance

- In addition to a higher sales volume, sales of high-value-added products were brisk, resulting in an improved product mix.
- Raw materials costs continued to rise sharply in all regions, but DIC pressed ahead with efforts to adjust sales prices.
- The C&E pigments business reported an operating loss of ¥9.3 billion, factors behind which included one-time acquisition-related costs. The business' sales flagged, reflecting shipment delays attributable to a tight supply–demand situation in the area of maritime shipping arising from a global container shortage, as well as to the fact that it took some time to build a logistics configuration following integration.



Financial health

Balance sheet



Financial health

(Billion yen)	Dec 31 2020	Dec 31 2021	Change
Net interest-bearing debt	221.9	346.0	124.1
Shareholder's equity	318.5	345.9	27.4
Net D/E ratio * (times)	0.7	1.0	
[Net D/C ratio **]	[38.7%]	[47.6%]	
Equity ratio	38.9%	32.3%	
BPS (Yen)	3,364.92	3,654.61	
Closing rate (YEN/US\$)	103.14	115.10	



Interest-bearing debt was increased due to the acquisition of the C&E pigments business.

* Net D/E ratio: Net Interest-bearing debt / Shareholder's equity

** 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	2021	Change	% Change	% Change on a local currency basis	2020	2021	Change	% Change	% Change on a local currency basis	2020	2021
Packaging & Graphic	388.4	439.8	51.4	+ 13.2%	+ 9.8%	21.8	21.6	-0.1	-0.7%	-0.2%	5.6%	4.9%
Japan	102.3	114.7	12.3	+ 12.0%	+ 12.0%	5.3	4.8	-0.4	-8.2%	-8.2%	5.2%	4.2%
The Americas and Europe	235.4	265.1	29.7	+ 12.6%	+ 8.8%	12.2	13.2	1.0	+ 8.4%	+ 10.2%	5.2%	5.0%
Asia and Oceania	62.0	73.1	11.1	+ 17.9%	+ 10.4%	4.4	3.8	-0.6	-14.1%	-18.7%	7.1%	5.2%
Eliminations	(11.4)	(13.0)	-1.7	-	-	(0.1)	(0.2)	-0.1	-	-	-	-
Color & Display	105.8	167.2	61.4	+ 58.0%	+ 51.7%	8.4	4.0	-4.5	-53.2%	-49.3%	8.0%	2.4%
Japan	27.9	32.6	4.7	+ 16.8%	+ 16.8%	5.6	6.9	1.3	+ 22.9%	+ 22.9%	20.0%	21.1%
Overseas	85.2	145.7	60.5	+ 71.0%	+ 62.7%	2.8	(2.8)	-5.6	Loss	Loss	3.3%	-
Eliminations	(7.4)	(11.2)	-3.8	-	-	0.0	(0.2)	-0.2	-	-	-	-
Functional Products	236.0	283.3	47.3	+ 20.1%	+ 17.1%	17.1	26.2	9.1	+ 53.2%	+ 49.4%	7.2%	9.2%
Japan	176.1	201.3	25.1	+ 14.3%	+ 14.3%	8.3	16.1	7.8	+ 93.7%	+ 93.7%	4.7%	8.0%
Overseas	80.9	108.3	27.5	+ 34.0%	+ 25.3%	8.7	10.1	1.3	+ 15.3%	+ 7.5%	10.8%	9.3%
Eliminations	(21.0)	(26.3)	-5.3	-	-	0.1	0.0	-0.0	-	-	-	-
Others, Corporate and eliminations	(29.0)	(34.9)	-5.9	-	-	(7.6)	(8.9)	-1.2	-	-	-	-
Total	701.2	855.4	154.2	+ 22.0%	+ 18.2%	39.7	42.9	3.2	+ 8.1%	+ 7.1%	5.7%	5.0%
YEN/US\$	106.37	109.75		+ 3.2%		106.37	109.75		+ 3.2%			
YEN/EUR	121.43	129.73		+ 6.8%		121.43	129.73		+ 6.8%			

Note: The addition of six months' worth of sales of the C&E pigments business are incorporated into results for the Color & Display segment.

Packaging & Graphic

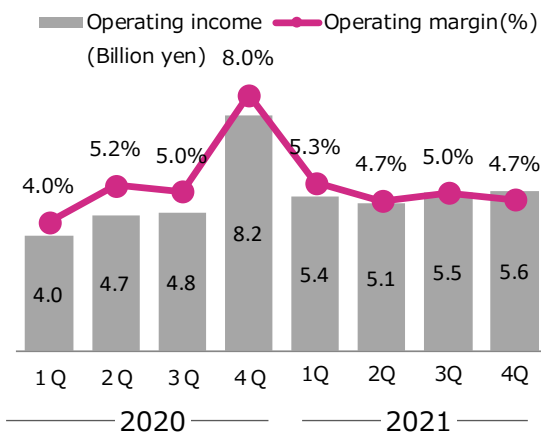
Net sales

Operating income

- Shipments of packaging inks, which account for approximately 70% of DIC's printing inks portfolio, were firm for food packaging.
- Shipments of jet inks for digital printing were robust, underpinned by rising demand attributable to a recovery in economic activity.
- Efforts to adjust sales prices to counter the heightened influence of escalating raw materials costs—a result of rising raw materials prices—continued worldwide. Despite being down in Japan and Asia, owing to the delayed impact of such measures, segment operating income remained essentially level with the previous fiscal year.

(Billion yen)	Net sales					Operating income					Operating margin	
	2020	2021	Change	% Change	% Change on a local currency basis	2020	2021	Change	% Change	% Change on a local currency basis	2020	2021
Packaging & Graphic	388.4	439.8	51.4	+ 13.2%	+ 9.8%	21.8	21.6	-0.1	-0.7%	-0.2%	5.6%	4.9%
Japan	102.3	114.7	12.3	+ 12.0%	+ 12.0%	5.3	4.8	-0.4	-8.2%	-8.2%	5.2%	4.2%
The Americas and Europe	235.4	265.1	29.7	+ 12.6%	+ 8.8%	12.2	13.2	1.0	+ 8.4%	+ 10.2%	5.2%	5.0%
Asia and Oceania	62.0	73.1	11.1	+ 17.9%	+ 10.4%	4.4	3.8	-0.6	-14.1%	-18.7%	7.1%	5.2%
Eliminations	(11.4)	(13.0)	-1.7	-	-	(0.1)	(0.2)	-0.1	-	-	-	-

Operating income/margin



Sales of principal products

	% Change	
Packaging inks*	+ 8%	Shipments were firm in the Americas and Europe.
Publication inks*	+ 12%	Market shares rose in North America and Europe as shipments increased against a backdrop of stable supply.
Jet inks	+ 20%	Shipments were robust, bolstered by a recovery in demand for industrial applications, including outdoor signage (billboards and posters), and banners, as well as for direct mail and other commercial applications.
Polystyrene	+ 42%	Sales rose sharply, owing to brisk sales for use in supermarket and takeout food packaging and unit price increases, bolstered by successful efforts to adjust sales prices.
Multilayer films	+ 2%	Shipments were firm, owing to demand for packaging applications designed to reduce food loss.

*Change on a local currency basis

Color & Display

Net sales

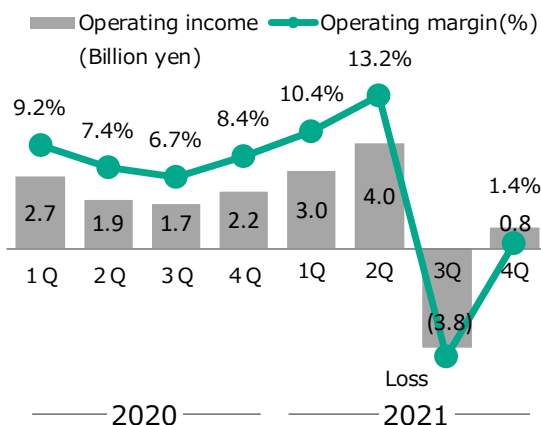
- Shipments of pigments for coatings and plastics were steady. Shipments of pigments for color filters and effect pigments, particularly for specialty applications, remained brisk.
- Sales of thin-film transistor liquid crystals (TFT LCs) fell, owing to intensified competition with manufacturers in the People's Republic of China (PRC).

Operating income

- Segment operating income fell, owing to one-time costs associated with the acquisition of the C&E pigments business and shipment delays in this business.

(Billion yen)	Net sales					Operating income					Operating margin	
	2020	2021	Change	% Change	% Change on a local currency basis	2020	2021	Change	% Change	% Change on a local currency basis	2020	2021
Color & Display	105.8	167.2	61.4	+ 58.0%	+ 51.7%	8.4	4.0	-4.5	-53.2%	-49.3%	8.0%	2.4%
Japan	27.9	32.6	4.7	+ 16.8%	+ 16.8%	5.6	6.9	1.3	+ 22.9%	+ 22.9%	20.0%	21.1%
Overseas	85.2	145.7	60.5	+ 71.0%	+ 62.7%	2.8	(2.8)	-5.6	Loss	Loss	3.3%	-
Eliminations	(7.4)	(11.2)	-3.8	-	-	0.0	(0.2)	-0.2	-	-	-	-

Operating income/margin



Sales of principal products

	% Change	
General-purpose pigments	+ 72%	Shipments of pigments for coatings and plastics rose sharply, thanks to the acquisition of the C&E pigments business.
Functional pigments	+ 39%	Shipments of pigments for color filters remained brisk. Sales of pigments for specialty applications, notably effect pigments, and pigments for cosmetics increased significantly, bolstered by the acquisition of the C&E pigments business.
Liquid crystal (LC) materials	-20%	Sales of TFT LCs declined, owing to intense competition with manufacturers in the PRC.
Health foods	+ 11%	Shipments of natural blue colorants rose.

Color & Display (supplementary information)

Break down of 2021 full-term results for the Color & Display segment (Billion yen)

	Net sales				Operating income			
	2020	2021	Change	% Change	2020	2021	Change	% Change
Color & Display	105.8	167.2	61.4	+58.0%	8.4	4.0	-4.5	-53.2%
Existing Businesses	113.2	131.7	18.5	-	8.4	13.2	4.8	-
C&E	-	46.7	46.7	-	-	(5.3)	-5.3	-
One-time costs	-	-	-	-	-	(4.0)	-4.0	-
Eliminations	(7.4)	(11.2)	-3.8	-	0.0	0.0	0.0	-

- Sales in the C&E pigments business were below predictions, reflecting shipment delays attributable to a tight supply–demand situation in the area of maritime shipping arising from a global container shortage, as well as to the fact that it took some time to build a logistics configuration following the integration of this new business.
- Efforts to address shipping delays originating in the C&E pigments business' logistics configuration are currently under way and resolution of the issue is expected.
- One-time costs incurred as a result of inventory step-up added ¥4.0 billion to cost of sales. No further incurrence is expected going forward.

Functional Products

Net sales

- Shipments in Asia flagged, owing to falling automobile production. In Japan, the impact of this factor was limited and shipments remained robust, led by products for use in automobiles and electronics equipment.

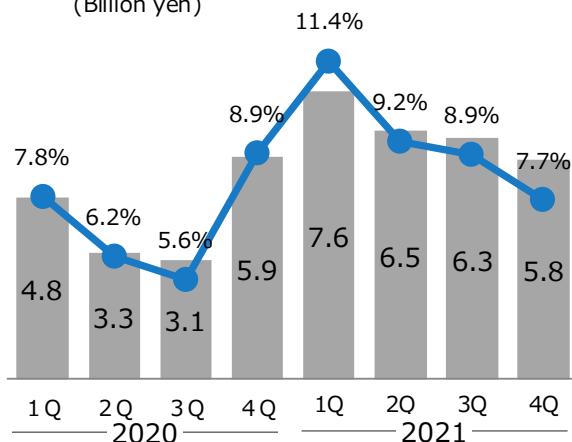
Operating income

- Segment operating income rose sharply, despite elevated raw materials costs in all regions, reflecting continued brisk shipments of epoxy resins and other high-value-added products and efforts to adjust sales prices.

(Billion yen)	Net sales					Operating income					Operating margin	
	2020	2021	Change	% Change	% Change on a local currency basis	2020	2021	Change	% Change	% Change on a local currency basis	2020	2021
Functional Products	236.0	283.3	47.3	+ 20.1%	+ 17.1%	17.1	26.2	9.1	+ 53.2%	+ 49.4%	7.2%	9.2%
Japan	176.1	201.3	25.1	+ 14.3%	+ 14.3%	8.3	16.1	7.8	+ 93.7%	+ 93.7%	4.7%	8.0%
Overseas	80.9	108.3	27.5	+ 34.0%	+ 25.3%	8.7	10.1	1.3	+ 15.3%	+ 7.5%	10.8%	9.3%
Eliminations	(21.0)	(26.3)	-5.3	-	-	0.1	0.0	-0.0	-	-	-	-

Operating income/margin

■ Operating income (Billion yen) ● Operating margin(%)



Sales of principal products

	% Change	
Environment-friendly resins*	+ 21%	The impact of falling automobile production was seen in Asia, but demand in Japan remained firm.
Epoxy resins	+ 23%	Sales were brisk for use in electronics equipment.
Polyphenylene sulfide (PPS) compounds	+ 25%	Shipments were healthy, despite concerns over the impact of a shortage of semiconductor devices.
Industrial tapes	+ 16%	Shipments for use in smartphones and other mobile devices were strong.
Hollow-fiber membrane modules	+ 33%	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	Dec 31 2021	Change
Current assets	400.0	542.1	142.1
Property, plant and equipment	228.1	307.7	79.6
Intangible assets	11.5	52.3	40.8
Investments and other assets	178.4	169.4	-9.0
Total assets	818.0	1,071.5	253.5
Current liabilities	197.2	305.6	108.4
Non-current liabilities	269.4	384.9	115.5
Total liabilities	466.6	690.5	223.9
Shareholders' equity	409.0	403.9	-5.1
Accumulated other comprehensive income	(90.5)	(58.0)	32.5
[Foreign currency translation adjustment]	[(82.3)]	[(55.5)]	[26.9]
Non-controlling interests	32.9	35.1	2.2
Total net assets	351.4	381.0	29.6
Total liabilities and net assets	818.0	1,071.5	253.5
Closing rate (YEN/US\$)	103.14	115.10	
Interest-bearing debt	266.7	384.2	117.5
Cash and deposits	44.9	38.3	-6.6
Net interest-bearing debt	221.9	346.0	124.1

Consolidated statement of cash flows

(Billion yen)	2020	2021	Change
Cash flows from operating activities	54.5	44.8	-9.7
Cash flows from investing activities	(33.0)	(147.6)	-114.6
Cash flows from financing activities	6.3	99.5	93.2
Cash and cash equivalents at end of the period	41.4	37.6	-3.8
Free cash flow	21.4	(102.8)	-124.2
Increase (decrease) in working capital	8.5	(16.1)	-24.5
Capital expenditure and investment	37.1	168.2	131.1
Depreciation and amortization	32.7	38.1	5.3

 The acquisition of the C&E business.

FY2022 forecasts: Full-term operating results

(Billion yen)	2021	2022 Forecasts	% Change	% Change on a local currency basis
Net sales	855.4	950.0	+11.1%	+11.1%
Operating income	42.9	54.0	+25.9%	+26.1%
Operating margin	5.0%	5.7%	—	—
Ordinary income	43.8	53.5	+22.3%	
Net income*¹	4.4	28.0	+541.4%	
EPS (Yen)	46.12	295.81	—	
EBITDA*²	69.0	88.0	+27.5%	
Capital expenditure and investment	168.2	83.0	-50.6%	
Depreciation and amortization	38.1	44.0	+15.6%	
Average rate				
YEN/US\$	109.75	110.00	+0.2%	
YEN/EUR	129.73	130.00	+0.2%	
ROIC* ³	4.8%	5.2%		
Net D/E ratio * ⁴ (times)	1.0	1.0		
[Net D/C ratio * ⁵]	[47.6%]	[48.7%]		
Annual dividends per share (Yen)	100.0	100.0		
Payout ratio	216.8%	33.8%		

*¹ Net income attributable to owners of the parent

*² EBITDA: Net income attributable to owners of the parent + Total income taxes + (Interest expenses – Interest income) + Depreciation and amortization

*³ Operating income x (1–tax rate 28%) / (Net interest-bearing debt + Net assets)

*⁴ Net D/E ratio: Interest-bearing debt / Shareholder's equity

*⁵ Net D/C ratio: Interest-bearing debt / (Interest-bearing debt + Net assets)

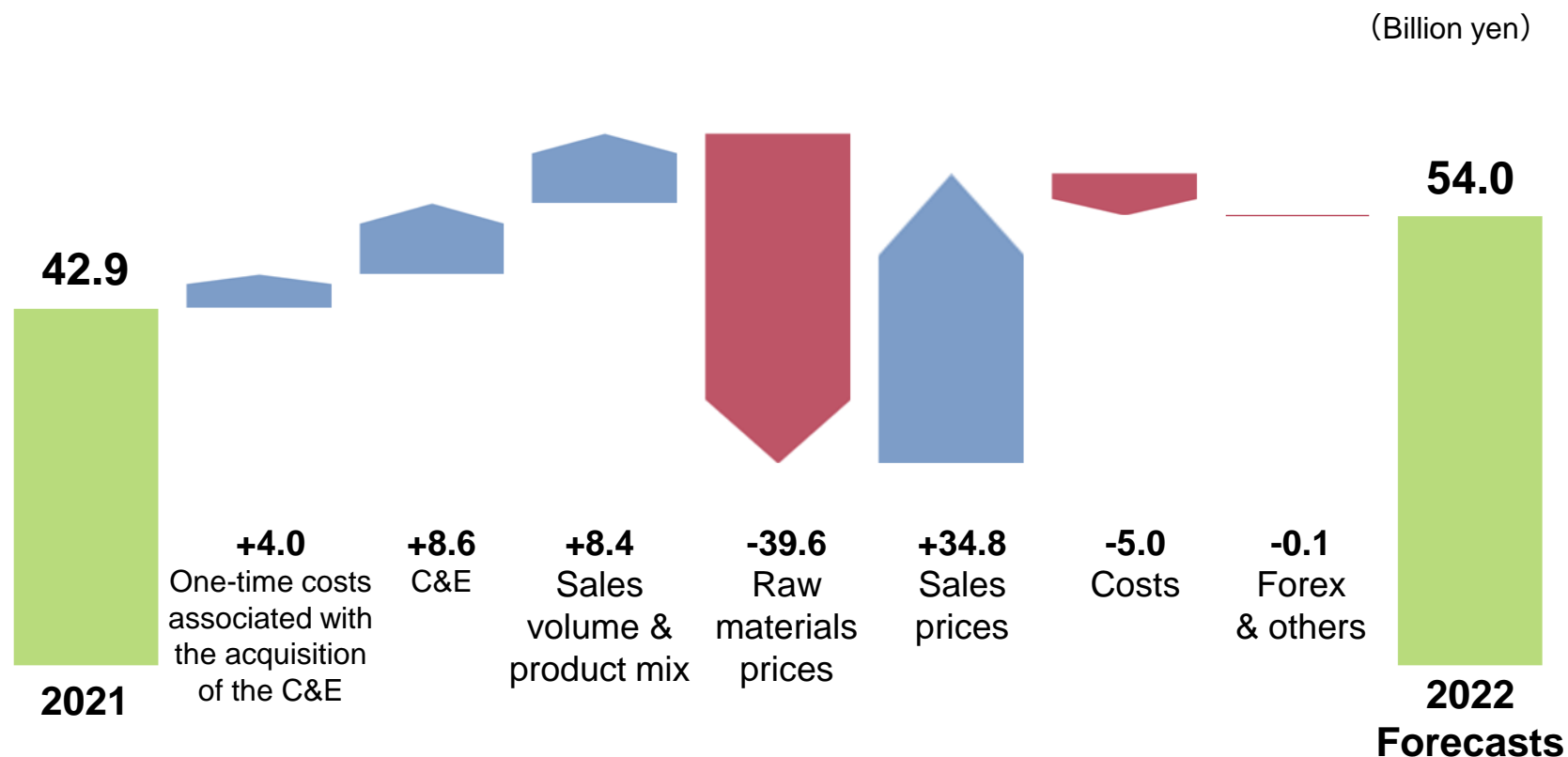
FY2022 forecasts: First half operating results

(Billion yen)		2021 1st Half	2022 1st Half Forecasts	% Change
Net sales		391.8	465.0	+18.7%
Operating income		27.3	26.0	-4.8%
Operating margin		7.0%	5.6%	—
Ordinary income		28.2	25.5	-9.7%
Net income*		16.0	14.0	-12.7%
EPS (Yen)		169.33	147.91	—
Average rate	YEN/US\$	107.68	110.00	+2.2%
	YEN/EUR	129.63	130.00	+0.3%

* Net income attributable to owners of the parent

FY2022 forecasts : Operating income variance

- Forecasts for the C&E pigments business are net sales of ¥115.6 billion and operating income of ¥3.2billion, with contributing factors including the realization of new synergies.
- Forecasts assume a West Texas Intermediate (WTI) price of crude oil of US\$80.00/barrel. In addition to higher crude oil prices, a tightening of the global supply–demand situation is expected to drive raw materials costs up. Efforts to respond by adjusting sales prices will continue.



FY2022 forecasts: Full-term segment results


(Billion yen)	Net sales					Operating income					Operating margin	
	2021	2022 Forecast	Change	% Change	% Change on a local currency basis	2021	2022 Forecast	Change	% Change	% Change on a local currency basis	2021	2022 Forecast
Packaging & Graphic	439.8	480.0	40.2	+ 9.1%	+ 9.1%	21.6	24.0	2.4	+ 11.0%	+ 11.0%	4.9%	5.0%
Japan	114.7	119.2	4.5	+ 3.9%	+ 3.9%	4.8	5.7	0.9	+ 17.6%	+ 17.6%	4.2%	4.8%
The Americas and Europe	265.1	295.2	30.1	+ 11.4%	+ 11.1%	13.2	13.8	0.6	+ 4.6%	+ 4.3%	5.0%	4.7%
Asia and Oceania	73.1	80.2	7.1	+ 9.7%	+ 10.7%	3.8	4.5	0.7	+ 19.2%	+ 20.3%	5.2%	5.6%
Eliminations	(13.0)	(14.6)	-1.6	-	-	(0.2)	(0.1)	0.2	-	-	-	-
Color & Display	167.2	220.0	52.8	+ 31.6%	+ 31.5%	4.0	16.0	12.1	+ 305.1%	+ 308.0%	2.4%	7.3%
Japan	32.6	30.3	-2.4	-7.3%	-7.3%	6.9	7.2	0.3	+ 4.4%	+ 4.4%	21.1%	23.7%
Overseas	145.7	209.3	63.6	+ 43.6%	+ 43.5%	(2.8)	8.8	11.6	Into the black	Into the black	-	4.2%
Eliminations	(11.2)	(19.6)	-8.4	-	-	(0.2)	0.0	0.2	-	-	-	-
Functional Products	283.3	300.0	16.7	+ 5.9%	+ 6.1%	26.2	25.0	-1.2	-4.6%	-4.4%	9.2%	8.3%
Japan	201.3	203.2	1.9	+ 1.0%	+ 1.0%	16.1	14.4	-1.7	-10.7%	-10.7%	8.0%	7.1%
Overseas	108.3	127.3	18.9	+ 17.5%	+ 18.0%	10.1	10.6	0.6	+ 5.5%	+ 5.9%	9.3%	8.3%
Eliminations	(26.3)	(30.5)	-4.2	-	-	0.0	(0.0)	-0.0	-	-	-	-
Others, Corporate and eliminations	(34.9)	(50.0)	-15.1	-	-	(8.9)	(11.0)	-2.1	-	-	-	-
Total	855.4	950.0	94.6	+ 11.1%	+ 11.1%	42.9	54.0	11.1	+ 25.9%	+ 26.1%	5.0%	5.7%
YEN/US\$	109.75	110.00		+ 0.2%		109.75	110.00		+ 0.2%			
YEN/EUR	129.73	130.00		+ 0.2%		129.73	130.00		+ 0.2%			

Note: The C&E pigments business are incorporated into forecast for the Color & Display segment.

Major topics (October to December 2021)

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



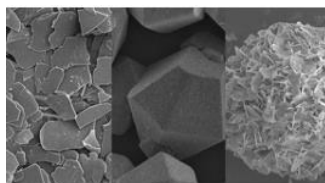
- Oct DIC Developed artificial Intelligence system “Prism” which transfers expert knowledge to the future generation
- Nov DIC expands lineup of antibacterial and antiviral varnishes certified by the Society of International sustaining growth for Antimicrobial Articles (SIAA)
- Nov DIC is selected for inclusion in the Dow Jones Sustainability Indices (DJSI) Asia Pacific Index, a leading benchmark for sustainability initiatives, for the seventh consecutive year
- Dec DIC and Hitachi, Ltd., commence full-scale collaboration aimed at realizing next-generation resin production plants —The two companies will build a highly accurate reaction model for the practical application of digital twins technology to automate production processes.—
- Dec DIC holds first ESG presentation for analysts and investors
[Posted ESG presentation materials on the DIC global website](#) 

New Business / Developed Products

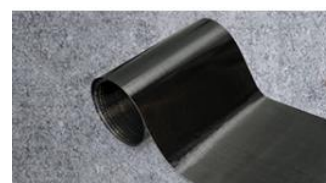
Flexible wireless sensors
Hatte Totte®



Functional inorganic filler
 (Flake alumina filler)
CeramNex™
















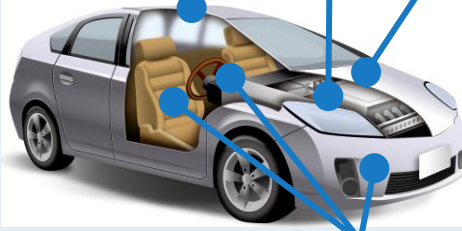


Fast-curable carbon fiber prepreg
DICARBO® LF



Blue green algal polysaccharide
SACRAN®



Business segments and principal products

Value provided	Packaging & Graphic 	Color & Display 	Functional Products 
	 <p>Net sales ¥439.8 bn</p>  <p>Operating income /Margin ¥21.6 bn 4.9%</p> <p>Packaging materials that bring safety and peace of mind</p>	 <p>Net sales ¥167.2 bn</p>  <p>Operating income /Margin ¥4.0 bn 2.4%</p> <p>Color and display materials that make life colorful</p>	 <p>Net sales ¥283.3 bn</p>  <p>Operating income /Margin ¥26.2 bn 9.2%</p> <p>Functional products that add comfort</p>
Principal products	 <p>Packaging inks Packaging adhesives Packaging materials</p> <p>Polystyrene Multilayer films</p> 	<p>Functional pigments</p>  <p>Pigments for color filters</p>  <p>Pigments for cosmetics</p>  <p>Effect pigments</p>	 <p>Industrial tapes PPS compounds</p>  <p>Environment-friendly products*</p>  <p>Epoxy resins</p>  <p>Hollow-fiber membrane modules</p>

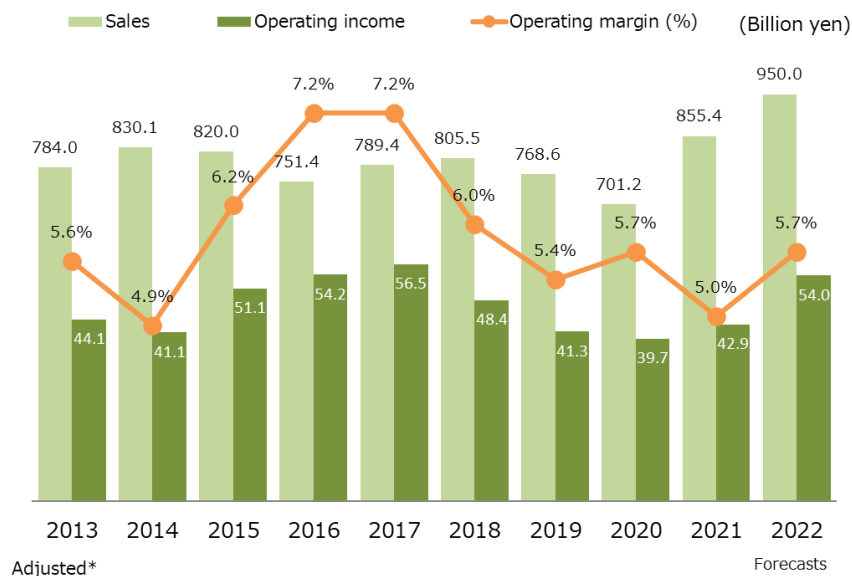
Note: Fiscal year 2021 actual

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

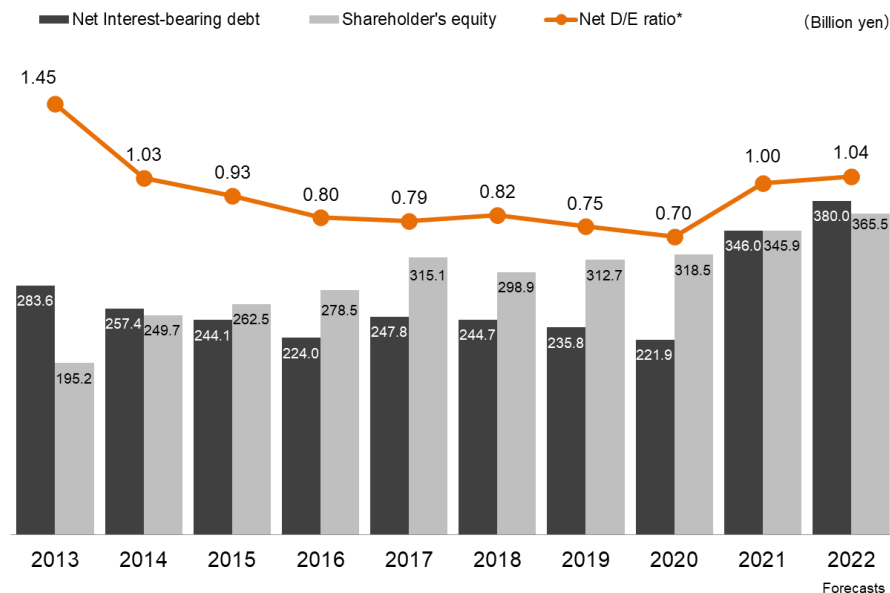
Historical performance data (Reference)

Operating results



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

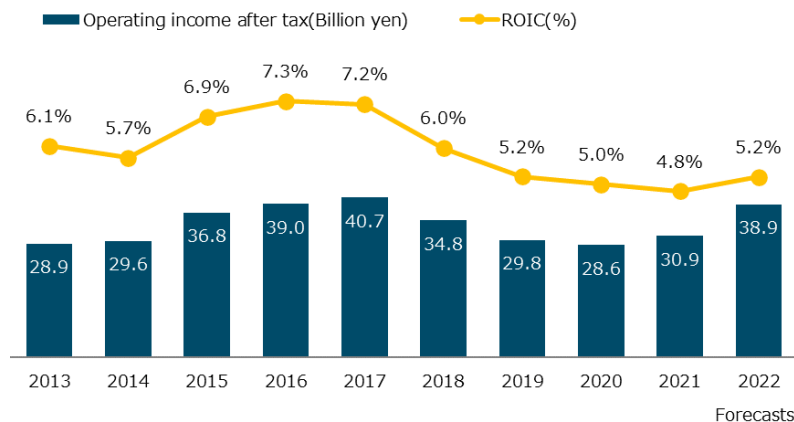
Financial health



* Net D/E ratio: Interest-bearing debt / Shareholder's equity

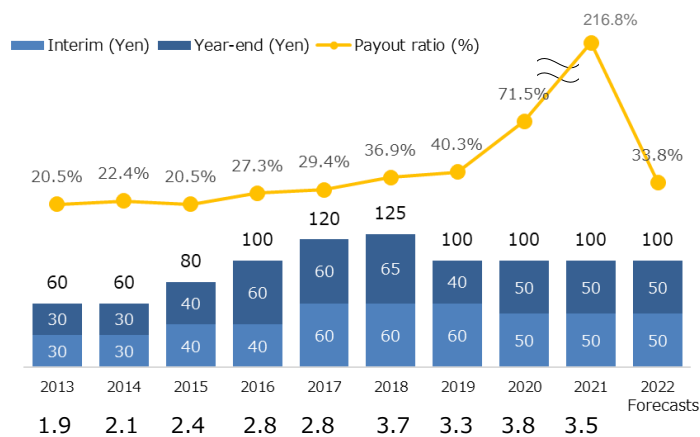
Historical performance data (Reference)

ROIC*



* Operating income x (1–tax rate 28%) / (Net interest-bearing debt + Net assets)

Shareholder returns*

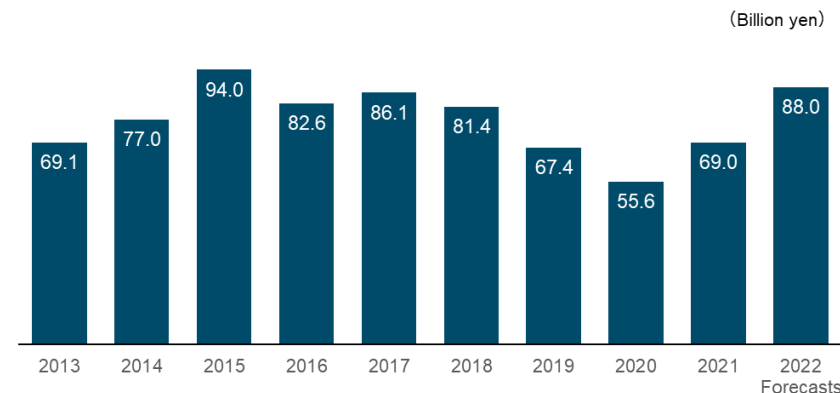


* Adjusted to reflect the impact of the consolidation of shares of common stock

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

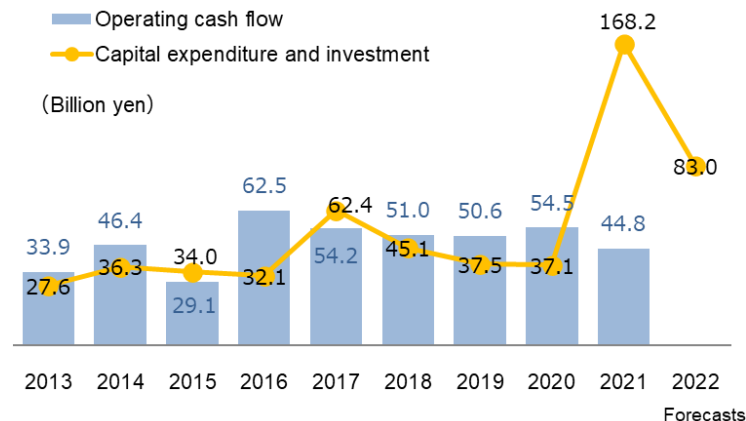
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EBITDA*



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

Capital expenditure and investment, operating cash flows



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.



Color & Comfort



DIC Corporation