4631.T : Tokyo Stock Exchange

DIC Corporation

Consolidated Financial Results
FY2024: Nine Months Ended September 30

November 2024



ENGLISH TRANSLATION OF JAPANESE-LANGUAGE DOCUMENT
This is a translation of the original Japanese-language document and is provided for convenience only.
In all cases, the Japanese-language original shall take precedence.

Color & Comfort

DIC Corporation

COPYRIGHT © DIC CORPORATION ALL RIGHTS RESERVED.

Highlights

FY2024 nine months results

Net sales

¥807.7billion

YoY +**3.3**%

- Shipments of packaging inks were up, bolstered by rising demand for consumer goods overseas, underpinned by the easing of inflationary pressures.
- Shipments of high-value-added products for use in electronics equipment and in mobility solutions increased.

Operating income

¥34.0 billion

YoY +**158.5**%

- Operating income advanced. This was due to higher shipments of high-value-added products for use in electronics equipment and in mobility solutions and an improved product mix, as well as to efforts to maintain sales prices for printing inks in the Americas and Europe amid price-cutting pressure.
- The Color & Display segment returned to profitability, reflecting structural reforms and efforts to reduce costs.

FY2024 forecasts

No change

- The operating income forecast for fiscal year 2024 (¥40.0 billion) is unchanged from that announced in August 2024.

COPYRIGHT © DIC CORPORATION ALL RIGHTS RESERVED.

Year-on-year changes in quarterly shipments of principal products by segment

Packaging & Graphic（Packaging inks, Publication inks*）

2023				2024		
Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep
-8%	-10%	-8%	-4%	-1%	+2%	+3%

- Shipments of packaging inks were up in the Americas and Europe, as an easing of inflationary pressures underpinned a revival in demand for consumer goods.
- Shipments of printing inks increased overall in Asia, despite a slowdown in demand in the PRC in the third quarter (July–September), as demand remained robust in Southeast Asia and India.
- In Japan, shipments continued to stagnate despite a short-lived increase during the summer, as consumer sentiment failed to improve.

* Includes news inks

Color & Display（Pigments）

2023				2024		
Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep
-18%	-17%	-11%	-9%	-4%	+15%	+14%

- While demand failed to recover fully, the completion of inventory adjustments by customers continued to encourage moves to secure new inventories, particularly of pigments for coatings and for plastics.
- Shipments of pigments for color filters used in displays flagged in the third quarter as a consequence of production adjustments by display manufacturers, but are expected to pick up from November.

Functional Products（Products for which volume is measured in kg）

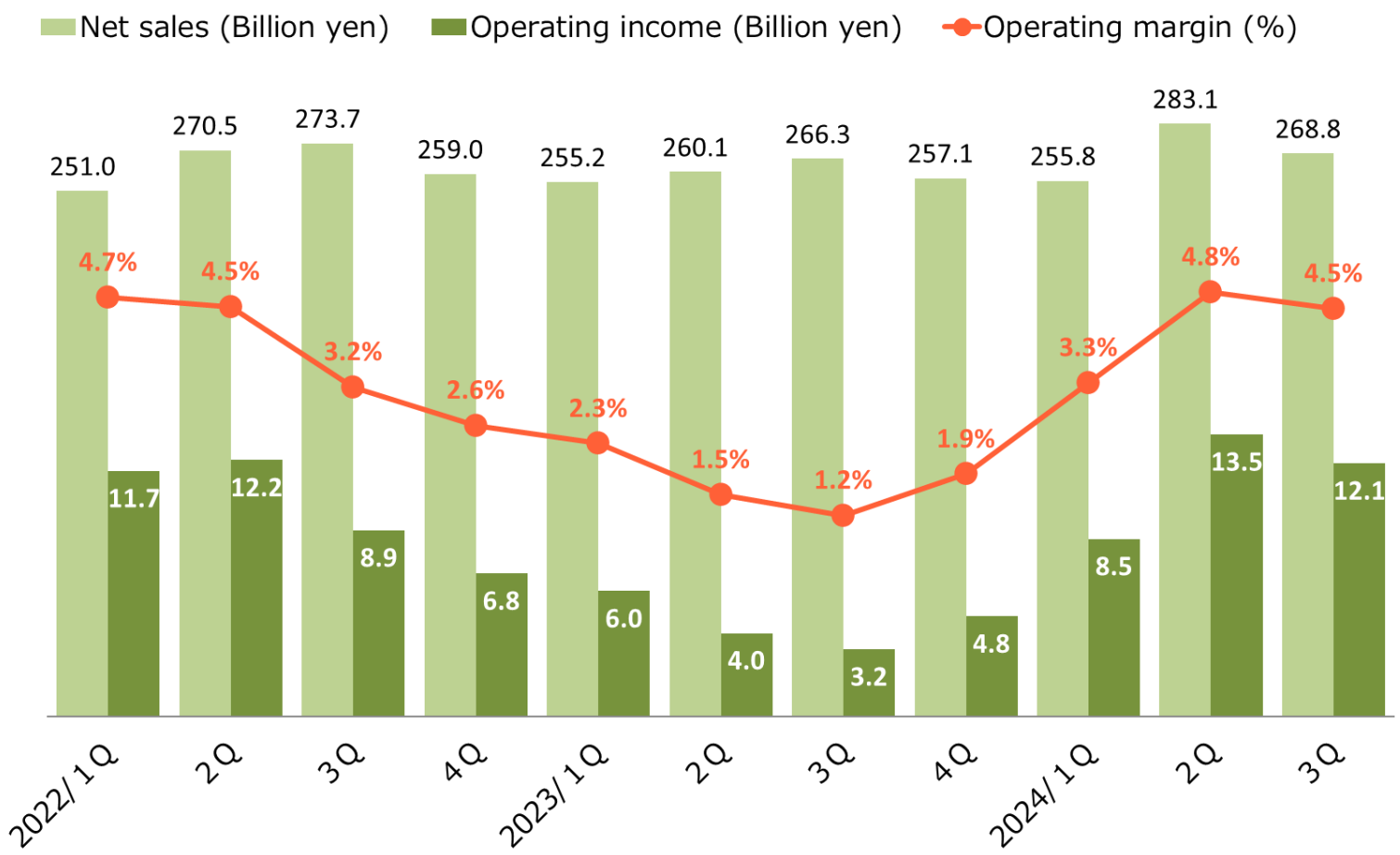
2023				2024		
Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep
-15%	-10%	-4%	0%	-1%	+5%	-3%

- Shipments of epoxy resins—the foremost application for which is electronics equipment—advanced, driven by demand in growth areas such as generative AI.
- Shipments of products for housing construction, and for infrastructure-related and general industrial applications, slowed, owing to decreased demand in the PRC.

COPYRIGHT © DIC CORPORATION ALL RIGHTS RESERVED.

Quarterly trends in operating results

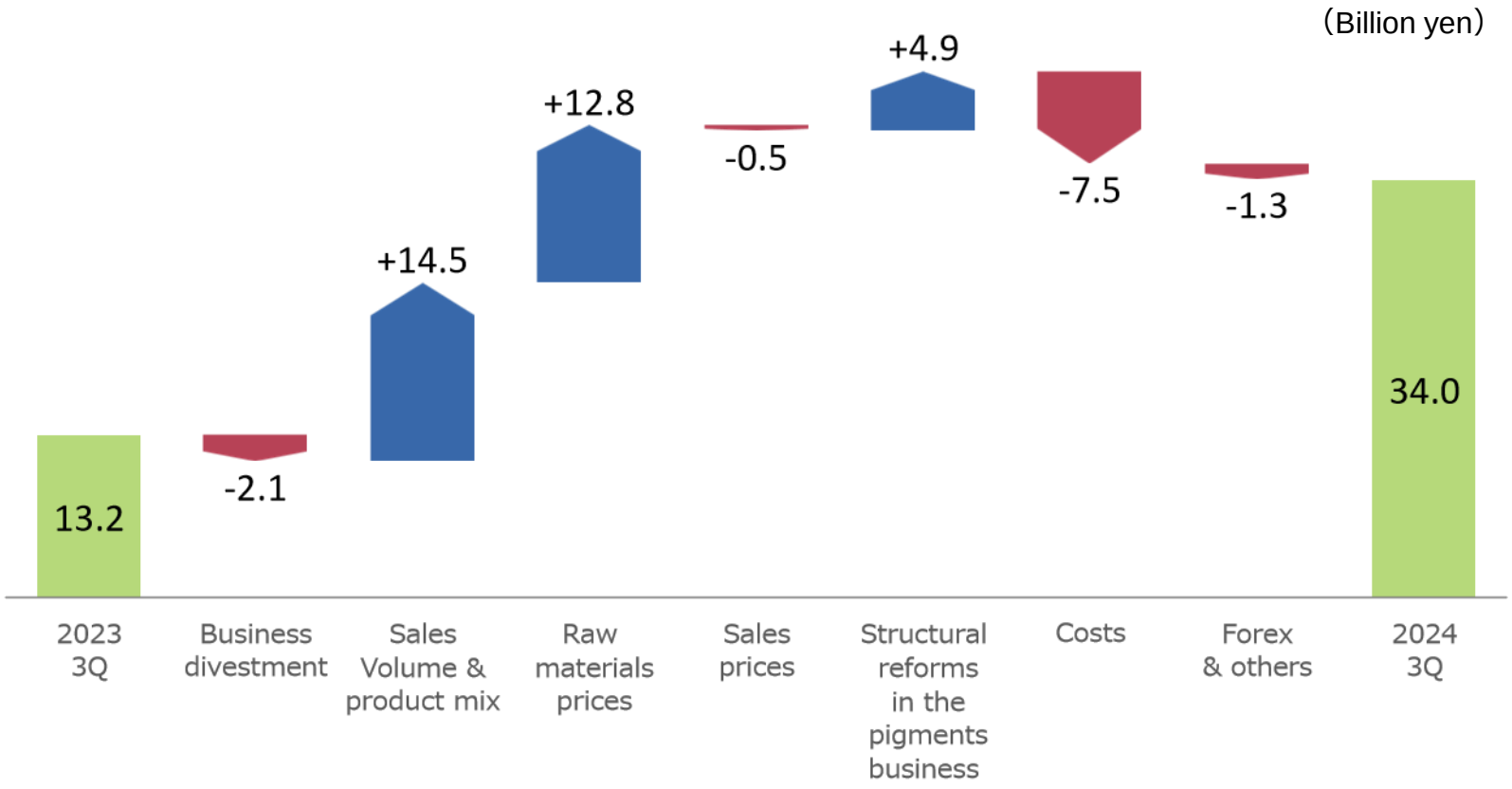
- Quarterly operating income has improved since bottoming out in the third quarter of fiscal year 2023 and remains stable.



COPYRIGHT © DIC CORPORATION ALL RIGHTS RESERVED.

Operating income variance

- Shipments of packaging inks, pigments and of high-value-added products for use in electronics equipment and in mobility solutions, were up, contributing to an improved sales volume and product mix.
- The increase in operating income also reflected efforts to maintain sales prices overseas, particularly for printing inks, amid year-on-year declines in raw materials prices.



COPYRIGHT © DIC CORPORATION ALL RIGHTS RESERVED.

Segment results

(Billion yen)

	Net sales					Operating income					Operating margin	
	2023 9 Months	2024 9 Months	Change	% Change	% Change on a local currency basis	2023 9 Months	2024 9 Months	Change	% Change	% Change on a local currency basis	2023 9 Months	2024 9 Months
Packaging & Graphic	405.0	428.3	23.3	+ 5.8%	+ 2.1%	13.9	24.7	10.8	+ 78.1%	+ 85.1%	3.4%	5.8%
Japan	91.7	95.3	3.6	+ 4.0%	+ 4.0%	2.9	5.1	2.2	+ 77.7%	+ 77.7%	3.1%	5.4%
The Americas and Europe	262.6	278.4	15.7	+ 6.0%	+ 1.7%	8.2	15.3	7.0	+ 85.5%	+ 100.2%	3.1%	5.5%
Asia and Oceania	60.8	66.9	6.1	+ 10.1%	+ 3.6%	2.8	4.6	1.8	+ 64.8%	+ 57.4%	4.5%	6.8%
Eliminations	(10.2)	(12.3)	-2.1	-	-	0.0	(0.2)	-0.2	-	-	-	-
Color & Display	175.6	199.4	23.8	+ 13.6%	+ 6.4%	(4.4)	0.9	5.3	Into the black	Into the black	-	0.5%
Japan	24.3	26.6	2.3	+ 9.5%	+ 9.5%	3.4	4.2	0.8	+ 23.5%	+ 23.5%	14.1%	15.9%
Overseas	162.4	184.7	22.3	+ 13.7%	+ 5.7%	(7.9)	(3.2)	4.6	Pared loss	Pared loss	-	-
Eliminations	(11.1)	(11.9)	-0.8	-	-	(0.0)	(0.1)	-0.1	-	-	-	-
Functional Products	228.8	211.7	-17.1	-7.5%	-10.1%	11.2	15.9	4.7	+ 41.8%	+ 36.7%	4.9%	7.5%
Japan	151.4	133.3	-18.1	-12.0%	-12.0%	4.6	9.0	4.4	+ 96.6%	+ 96.6%	3.0%	6.8%
Overseas	97.4	103.5	6.2	+ 6.3%	-0.3%	6.6	6.9	0.3	+ 4.8%	-2.5%	6.8%	6.7%
Eliminations	(20.0)	(25.2)	-5.1	-	-	0.0	(0.0)	-0.1	-	-	-	-
Others, Corporate and eliminations	(27.7)	(31.7)	-4.0	-	-	(7.5)	(7.5)	-0.0	-	-	-	-
Total	781.6	807.7	26.0	+ 3.3%	-0.6%	13.2	34.0	20.9	+ 158.5%	+ 164.1%	1.7%	4.2%
Yen/US$	138.81	150.43		+ 8.4%		138.81	150.43		+ 8.4%			
Yen/EUR	150.37	163.44		+ 8.7%		150.37	163.44		+ 8.7%			

COPYRIGHT © DIC CORPORATION ALL RIGHTS RESERVED.

Packaging & Graphic

Net sales

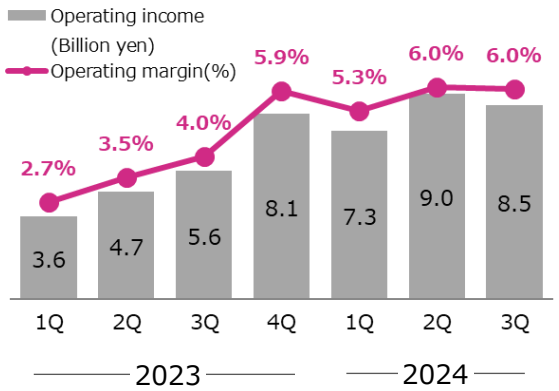
- Shipments in Japan declined as rising prices continued to dampen demand for consumer goods, but sales were buoyed by efforts to adjust sales prices.
- Sales also increased overseas, underpinned by healthy shipments of packaging inks.

Operating income

- Operating income in Japan rose, bolstered by higher shipments of high-value-added jet inks and progress in delayed moves to pass on higher costs in printing inks by modifying sales prices.
- Operating income overseas was also up, buttressed by efforts to maintain sales prices amid falling raw materials prices by ensuring stable supplies and services.

(Billion yen)	Net sales					Operating income					Operating margin	
	2023 9 Months	2024 9 Months	Change	% Change	% Change on a local currency basis	2023 9 Months	2024 9 Months	Change	% Change	% Change on a local currency basis	2023 9 Months	2024 9 Months
Packaging & Graphic	405.0	428.3	23.3	+ 5.8%	+ 2.1%	13.9	24.7	10.8	+ 78.1%	+ 85.1%	3.4%	5.8%
Japan	91.7	95.3	3.6	+ 4.0%	+ 4.0%	2.9	5.1	2.2	+ 77.7%	+ 77.7%	3.1%	5.4%
The Americas and Europe	262.6	278.4	15.7	+ 6.0%	+ 1.7%	8.2	15.3	7.0	+ 85.5%	+ 100.2%	3.1%	5.5%
Asia and Oceania	60.8	66.9	6.1	+ 10.1%	+ 3.6%	2.8	4.6	1.8	+ 64.8%	+ 57.4%	4.5%	6.8%
Eliminations	(10.2)	(12.3)	-2.1	-	-	0.0	(0.2)	-0.2	-	-	-	-

Operating income/margin



Sales of principal products

	% Change	
Packaging inks*	+ 4%	Sales rose, bolstered by higher shipments overseas.
Publication inks*	-6%	Sales were up in Asia, underpinned by efforts to cultivate customers, but down in other region.
Jet inks	+ 30%	Demand rose, as customers completed inventory adjustments.
Polystyrene	+ 2%	Demand for use in food packaging materials declined, owing to rising food prices, but sales were bolstered by the adjustment of sales prices.
Multilayer films	-2%	Demand for use in food packaging materials declined, owing to rising food prices.

*Change on a local currency basis

COPYRIGHT © DIC CORPORATION ALL RIGHTS RESERVED.

Color & Display

Net sales

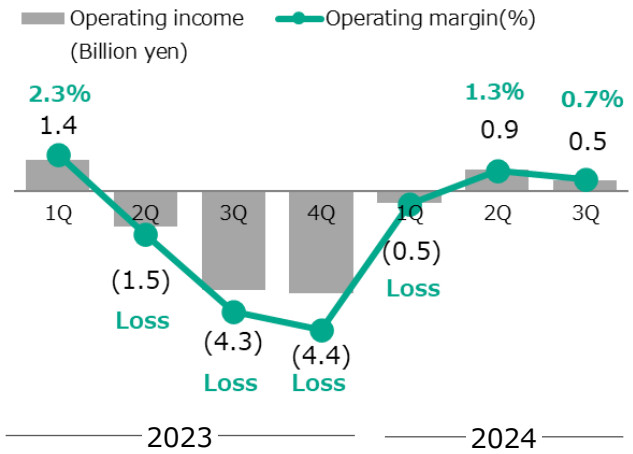
- Sales were up, as the completion of inventory adjustments by customers continued to encourage moves to secure new inventories, particularly of pigments for coatings and for plastics.

Operating income

- The segment returned to profitability, reflecting higher shipments and the progress of structural reforms, which lowered costs.

(Billion yen)	Net sales					Operating income					Operating margin	
	2023 9 Months	**2024 9 Months**	Change	% Change	% Change on a local currency basis	2023 9 Months	**2024 9 Months**	Change	% Change	% Change on a local currency basis	2023 9 Months	**2024 9 Months**
Color & Display	175.6	**199.4**	23.8	+ 13.6%	+ 6.4%	(4.4)	**0.9**	5.3	Into the black	Into the black	-	**0.5%**
Japan	24.3	**26.6**	2.3	+ 9.5%	+ 9.5%	3.4	**4.2**	0.8	+ 23.5%	+ 23.5%	14.1%	**15.9%**
Overseas	162.4	**184.7**	22.3	+ 13.7%	+ 5.7%	(7.9)	**(3.2)**	4.6	Pared loss	Pared loss	-	**-**
Eliminations	(11.1)	**(11.9)**	-0.8	-	-	(0.0)	**(0.1)**	-0.1	-	-	-	**-**

Operating income/margin



Sales of principal products

		% Change*	
Pigments for	coatings	+ 11%	While demand failed to recover fully, sales rose, rebounding from the impact of inventory adjustments in the previous fiscal year.
	plastics	+ 11%	While demand failed to recover fully, sales rose, rebounding from the impact of inventory adjustments in the previous fiscal year.
	printing inks	+ 7%	Sales remained robust for use in packaging inks.
	cosmetics	-3%	Sales declined as customers stepped up efforts to adjust inventories.
	displays	+ 1%	Shipments stagnated in the third quarter (July–September), but have remained firm on an annual basis.
	specialty applications	-5%	Sales declined, owing to ongoing inventory adjustments by customers for products for agricultural use.

*Change on a local currency basis

COPYRIGHT © DIC CORPORATION ALL RIGHTS RESERVED.

Functional Products

Net sales

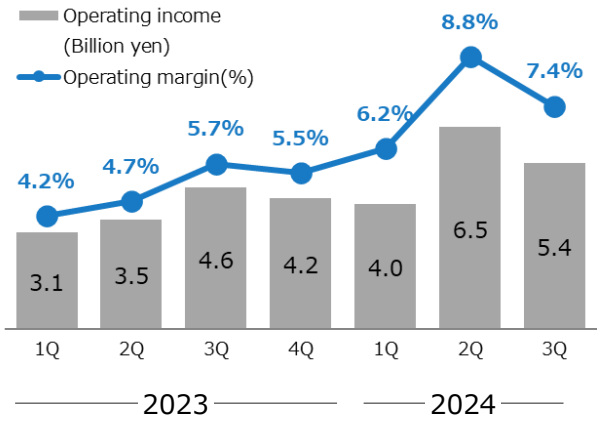
- Excluding the impact of business withdrawals, including the divestiture of SEIKO PMC CORPORATION, sales would have been up 7.4%.
- Shipments of high-value-added products for use in electronics equipment and in mobility solutions increased.

Operating income

- Operating income increased, as shipments of high-value-added products for use in electronics equipment and in mobility solutions rose, contributing to an improved product mix.

(Billion yen)	Net sales					Operating income					Operating margin	
	2023 9 Months	2024 9 Months	Change	% Change	% Change on a local currency basis	2023 9 Months	2024 9 Months	Change	% Change	% Change on a local currency basis	2023 9 Months	2024 9 Months
Functional Products	228.8	211.7	-17.1	-7.5%	-10.1%	11.2	15.9	4.7	+ 41.8%	+ 36.7%	4.9%	7.5%
Japan	151.4	133.3	-18.1	-12.0%	-12.0%	4.6	9.0	4.4	+ 96.6%	+ 96.6%	3.0%	6.8%
Overseas	97.4	103.5	6.2	+ 6.3%	-0.3%	6.6	6.9	0.3	+ 4.8%	-2.5%	6.8%	6.7%
Eliminations	(20.0)	(25.2)	-5.1	-	-	0.0	(0.0)	-0.1	-	-	-	-

Operating income/margin



Sales of principal products

	% Change
Epoxy resins	+ 4%
Industrial-use adhesive tapes	+ 40%
UV-curable resins	+ 9%

	% Change
polyphenylene sulfide (PPS) compounds	+ 6%
Acrylic resins	0%
Polyurethane resins	+ 6%
Waterborne resins	+ 10%
Polyester resins	+ 8%
Hollow-fiber membrane modules	+ 15%

Shipments of epoxy resins— notably high-value-added products used in generative AI servers, computers and smartphones—were strong. Sales of industrial-use adhesive tapes were bolstered by steady efforts to lock in demand for use in smartphones and other mobile devices.
Shipments of products for use in mobility solutions, including polyphenylene sulfide (PPS) compounds, waterborne resins and polyurethane resins, were firm. Shipments of acrylic resins flagged, owing to sluggish demand in the PRC.

COPYRIGHT © DIC CORPORATION ALL RIGHTS RESERVED.

Functional Products (Supplementary materials)

- Results adjusted to account for the impact of business withdrawals, including from SEIKO PMC

(Billion yen)	Net sales				Operating income				Operating margin	
	2023 9 Months	**2024 9 Months**	Change	% Change	2023 9 Months	**2024 9 Months**	Change	% Change	2023 9 Months	**2024 9 Months**
Functional Products	228.8	**211.7**	-17.1	-7.5%	11.2	**15.9**	4.7	+ 41.8%	4.9%	**7.5%**
impact of business withdrawals	31.7				2.1					
Functional Products after adjustment	197.1	**211.7**	14.6	+ 7.4%	9.1	**15.9**	6.8	+ 74.4%	4.6%	**7.5%**

- Results for the Chemitronics Business Division (accounted for in the Functional Products segment)

(Billion yen)	Net sales				Operating income				Operating margin	
	2023 9 Months	**2024 9 Months**	Change	% Change	2023 9 Months	**2024 9 Months**	Change	% Change	2023 9 Months	**2024 9 Months**
Chemitronics Business Division	39.3	**44.7**	5.4	+ 13.9%	4.6	**6.2**	1.6	+ 34.9%	11.7%	**13.9%**

Principal products: Epoxy and other thermosetting resins for packaging substrates and printed circuit boards, industrial-use adhesive tapes, ultraviolet (UV)-curable resins, photoresist polymers and compounds, surfactants

COPYRIGHT © DIC CORPORATION ALL RIGHTS RESERVED.

Consolidated statement of income

(Billion yen)	2023 9 Months	2024 9 Months	Change	% Change	% Change on a local currency baisis
Net sales	**781.6**	**807.7**	**26.0**	+ 3.3%	-0.6%
Cost of sales	(640.0)	(637.7)	2.3		
Selling, general and administrative expenses	(128.5)	(136.0)	-7.5		
Operating income	**13.2**	**34.0**	**20.9**	+ 158.5%	+ 164.1%
Operating margin	**1.7%**	**4.2%**	-		
Interest expenses	(4.0)	(4.0)	0.0		
Equity in earnings (losses) of affiliates	1.8	2.2	0.5		
Foreign exchange gains (losses)	(1.1)	(3.9)	-2.8		
Other, net	(0.6)	(0.8)	-0.2		
Ordinary income	**9.1**	**27.6**	**18.4**	+ 201.6%	
Extraordinary income	1.9	4.9	2.9		
Extraordinary losses	(4.1)	(10.3)	-6.2		
Income before income taxes	7.0	22.1	15.1		
Income taxes	(9.1)	(10.7)	-1.6		
Net income	(2.1)	11.4	13.5		
Net income attributable to non-controlling interests	(0.7)	(0.8)	-0.1		
Net income attributable to owners of the parent	**(2.8)**	**10.6**	**13.4**	Into the black	
EBITDA*	**49.3**	**65.1**	**15.7**	+ 31.9%	

Extraordinary income and losses	2023 9 Months	2024 9 Months
Extraordinary income		
Gain on sales of non-current assets	1.0	3.8
Gain on sales of shares and investments in capital of subsidiaries and affiliates	-	0.9
Gain on sales of investment securities	0.6	0.1
Insurance claim income	0.3	-
Extraordinary losses		
Loss on sales of shares and investments in capital of subsidiaries and affiliates	-	(4.5)
Severance costs	(1.5)	(3.5)
Loss on disposal of non-current assets	(1.6)	(2.1)
Impairment losses	(1.0)	(0.2)

■Average rate

	2023 9 Months	2024 9 Months
Yen/US$	138.81	**150.43**
Yen/EUR	150.37	**163.44**

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

COPYRIGHT © DIC CORPORATION ALL RIGHTS RESERVED.

Financial health

(Billion yen)	Dec 31 2023	Sep 30 2024	Change
Net interest-bearing debt	441.4	**436.2**	-5.2
Shareholders' equity	363.9	**365.6**	1.7
Net D/E ratio *1 (Times)	1.21	**1.19**	
Equity ratio	29.2%	**30.5%**	
BPS (Yen)	3,844.70	**3,861.19**	

*1 Net D/E ratio: Net Interest-bearing debt / Shareholders' equity

■Closing rate

	Dec 31 2023	Sep 30 2024
Yen/US$	141.32	**141.71**

COPYRIGHT © DIC CORPORATION ALL RIGHTS RESERVED.

FY2024 forecasts: Full-term operating results

- The outlook for exchange rates has changed. However, forecasts for net sales and income remain unchanged from that announced in August 2024.

(Billion yen)		2023	2024 Forecasts	% Change	Old forecasts
Net sales		1,038.7	**1,100.0**	+ 5.9%	1,100.0
Operating income		17.9	**40.0**	+ 122.9%	40.0
Operating margin		1.7%	**3.6%**	–	3.6%
Ordinary income		9.2	**35.0**	+ 279.8%	35.0
Net income attributable to owners of the parent		(39.9)	**16.0**	Into the black	16.0
EPS (Yen)		(421.06)	**168.99**	–	168.99
EBITDA*1		30.8	**93.0**	+ 201.7%	93.0
Capital expenditure and investment		73.3	**51.8**	-29.3%	58.6
Depreciation and amortization		53.1	**55.2**	+ 4.0%	55.2
Average rate	Yen/US$	140.51	**148.00**	+ 5.3%	156.00
	Yen/EUR	151.98	**160.00**	+ 5.3%	169.00

	2023	2024 Forecasts
ROIC*2	1.5%	**3.4%**
Net D/E ratio *3 (times)	1.21	**1.13**
Annual dividends per share (Yen)	80.0	**100.0**
Payout ratio	-	**59.2%**

*2 ROIC: Operating income x (1–tax rate 28%) / (Net interest-bearing debt + Net assets)
*3 Net D/E ratio: Net interest-bearing debt / Shareholders' equity

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

COPYRIGHT © DIC CORPORATION ALL RIGHTS RESERVED.

FY2024 forecasts: Full-term segment results

- The outlook for exchange rates has changed. However, full-term segment results forecasts published in August 2024 remain unchanged.

(Billion yen)

	Net sales				Operating income				Operating margin	
	2023	2024 Forecast	Change	% Change	2023	2024 Forecast	Change	% Change	2023	2024 Forecast
Packaging & Graphic	541.9	581.5	39.6	+ 7.3%	22.0	30.9	8.9	+ 40.5%	4.1%	5.3%
Japan	124.0	131.2	7.2	+ 5.8%	4.6	6.2	1.6	+ 34.3%	3.7%	4.7%
The Americas and Europe	349.0	370.9	21.9	+ 6.3%	13.1	18.3	5.2	+ 39.7%	3.8%	4.9%
Asia and Oceania	82.5	95.1	12.6	+ 15.3%	4.2	6.3	2.2	+ 52.2%	5.1%	6.7%
Eliminations	(13.5)	(15.7)	-2.2	-	0.1	0.0	-0.1	-	-	-
Color & Display	227.3	268.2	40.9	+ 18.0%	(8.9)	0.1	9.0	Into the black	-	0.0%
Japan	32.0	35.8	3.7	+ 11.6%	4.1	6.4	2.3	+ 56.3%	12.8%	17.9%
Overseas	209.5	249.4	40.0	+ 19.1%	(13.0)	(6.3)	6.7	Pared loss	-	-
Eliminations	(14.2)	(17.0)	-2.8	-	0.0	0.0	-0.0	-	-	-
Functional Products	305.9	293.1	-12.8	-4.2%	15.4	19.5	4.1	+ 26.2%	5.0%	6.7%
Japan	202.9	180.7	-22.3	-11.0%	7.0	10.7	3.7	+ 53.6%	3.4%	5.9%
Overseas	130.2	140.9	10.7	+ 8.2%	8.5	8.8	0.3	+ 4.0%	6.5%	6.3%
Eliminations	(27.2)	(28.5)	-1.2	-	0.0	0.0	-0.0	-	-	-
Others, Corporate and eliminations	(36.4)	(42.8)	-6.4	-	(10.6)	(10.4)	0.1	-	-	-
Total	1,038.7	1,100.0	61.3	+ 5.9%	17.9	40.0	22.1	+ 122.9%	1.7%	3.6%
Yen/US$	140.51	148.00		+ 5.3%	140.51	148.00		+ 5.3%		
Yen/EUR	151.98	160.00		+ 5.3%	151.98	160.00		+ 5.3%		

COPYRIGHT © DIC CORPORATION ALL RIGHTS RESERVED.

Functional Products (Supplementary materials)

- Forecasts published in August 2024 remain unchanged.

- Results adjusted to account for the impact of business withdrawals, including from SEIKO PMC

(Billion yen)	Net sales				Operating income				Operating margin	
	2023	**2024 Forecast**	Change	% Change	2023	**2024 Forecast**	Change	% Change	2023	**2024 Forecast**
Functional Products	305.9	**293.1**	-12.8	-4.2%	15.4	**19.5**	4.1	+ 26.2%	5.0%	**6.7%**
impact of business withdrawals	40.4				2.8					
Functional Products after adjustment	265.5	**293.1**	27.7	+ 10.4%	12.7	**19.5**	6.8	+ 54.0%	4.8%	**6.7%**

- Results for the Chemitronics Business Division (accounted for in the Functional Products segment)

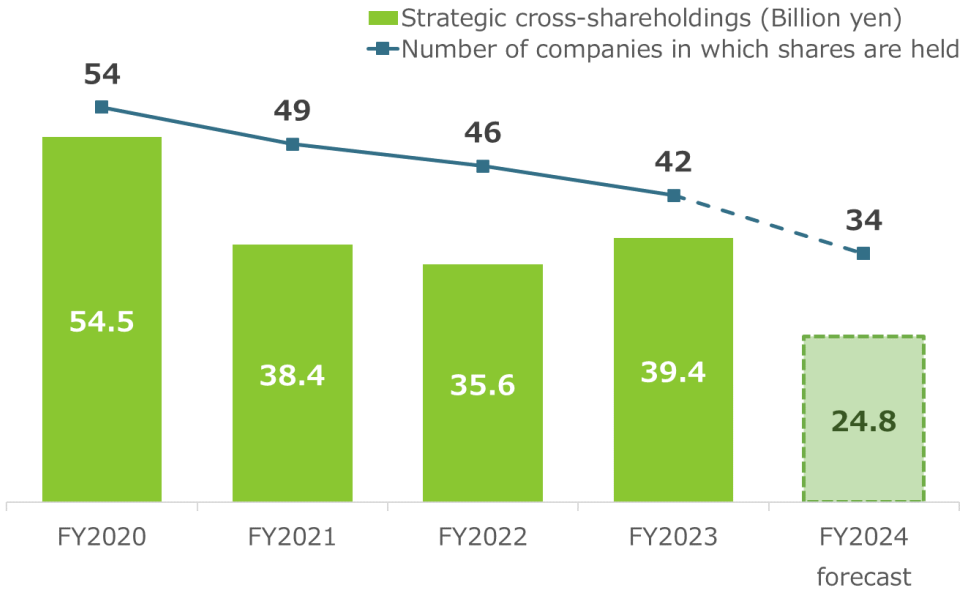
Sales of epoxy resins have advanced, thanks to efforts to lock in demand for use in generative AI. The forecast is now for the revised long-term management plan target for operating income of ¥8.0 billion in fiscal year 2025 to be achieved earlier than expected.

(Billion yen)	Net sales				Operating income				Operating margin	
	2023	**2024 Forecast**	Change	% Change	2023	**2024 Forecast**	Change	% Change	2023	**2024 Forecast**
Chemitronics Business Division	53.3	**61.4**	8.1	+ 15.2%	6.0	**8.0**	2.0	+ 32.4%	11.3%	**13.0%**

COPYRIGHT © DIC CORPORATION ALL RIGHTS RESERVED.

Initiatives to improve corporate value : Reduction of cross-shareholdings

- The Board of Directors annually reviews the significance of cross-shareholdings and works continuously to shrink such holdings.
- Efforts continue with the goal of reducing cross-shareholdings to 4% or less of net assets (based on market capitalization) by fiscal year 2026.



	FY2020	FY2021	FY2022	FY2023	FY2024 forecast
Percentage of net assets	16%	10%	8%	10%	6 %

- ✓ As of the fiscal year 2024 third quarter, strategic shareholdings had been reduced by three stocks (¥6.8 billion).
- ✓ **Expectations for the fiscal year 2024 full term are a total reduction of eight stocks (¥14.6 billion).**
- ✓ Efforts to further reduce cross-shareholdings will continue with the aim of reaching the target of 4% or less of net assets (based on market capitalization) .

Notes:

1. Strategic shareholdings include deemed shareholdings.
2. Strategic shareholdings do not include unlisted stocks.
3. The value of strategic shareholdings divested in fiscal year 2024 and the projected balance as of the end of the period are estimates based on market value as of the end of fiscal year 2023.

COPYRIGHT © DIC CORPORATION ALL RIGHTS RESERVED.

Major topics (August to November 2024)

News Releases
https://www.dic-global.com/en/news/2024/

Aug	Italy-based DIC Group company Sapici S.p.A.'s POLURGREEN™ ultra low monomer (ULM) polyisocyanates are launched in Japan, providing customers in the Japanese market access to safe, high-grade, environment-friendly products that comply with European standards
Aug	DIC is named an Asia–Pacific Climate Leader for the first time —One of 350 outstanding companies contributing to the reduction of greenhouse gas emissions recognized by the Financial Times (United Kingdom) and Statista (Germany)—
Aug	Interim report on advice from the corporate value improvement committee regarding operation of the Kawamura Memorial DIC Museum of Art, matters discussed by the board of directors and the board's future actions
Sep	Notice regarding postponement of the temporary closure of the Kawamura Memorial DIC Museum of Art to late March 2025
Oct	DIC organized a small group meeting between outside directors and representative of a number of institutional investors in September 2024 IR Library Other events materials "Dialogue between outside directors and shareholders (Institutional Investors)"
Nov	DIC resolves to divest all shares held in DIC Decor, Inc., which manufactures and sells interior housing products and decorative boards, among others, on April 1, 2025
Nov	DIC and FP Corporation announce the achievement of closed-loop recycling of colored and/or patterned foamed polystyrene food trays using material recycling and intention to commence full-scale operation of a polystyrene dissolution and separation recycling facility in November 2024

COPYRIGHT © DIC CORPORATION ALL RIGHTS RESERVED.

Business segments and principal products

Note: Fiscal year 2023 actual

Value provided

Packaging & Graphic

Sales ratio	Net sales	Operating income	Operating margin
	¥541.9 bn	¥22.0 bn	4.1%

Packaging materials that bring safety and peace of mind

Color & Display

Sales ratio	Net sales	Operating income	Operating margin
	¥227.3 bn	(¥8.9 bn)	-

Color and display materials that make life colorful

Functional Products

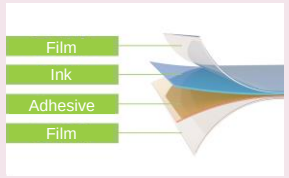
Sales ratio	Net sales	Operating income	Operating margin
	¥305.9 bn	¥15.4 bn	5.0%

Functional products that add comfort

Principal products

Packaging inks





Packaging adhesives



Packaging materials

←Polystyrene

↓Multilayer films



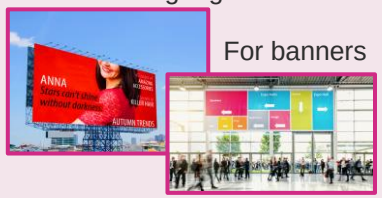


Jet inks

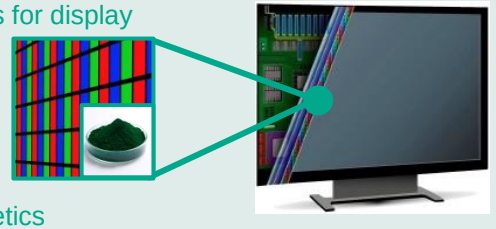


For outdoor signage

For banners



Pigments for display



Pigments for cosmetics



Pigments for specialty applications

Agriculture



Building materials



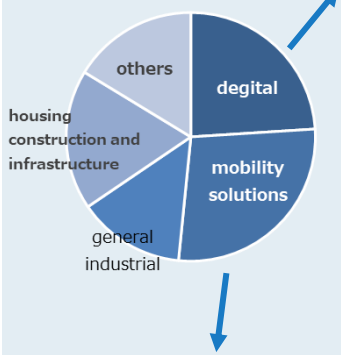
Pigments for coatings

Pigments for plastics

Pigments for inks



Breakdown of Segment Sales by Demand Industry (Reference)



◆ **Digital materials** (used principally in electrical and electronics equipment and displays)◆

UV-curable resins



Epoxy resins



Hollow-fiber membrane modules



Industrial tapes



◆ **Industrial materials** (used primarily in mobility solutions (vehicles, etc.))◆

PPS compounds



Waterborne resins

Acrylic resins

Polyurethane resins

Polyester resins

COPYRIGHT © DIC CORPORATION ALL RIGHTS RESERVED.

Quarterly trends in segment results (Reference)

(Billion yen)

	Net sales							Operating Income						
	2023 Jan-Mar	2023 Apr-Jun	2023 Jul-Sep	2023 Oct-Dec	2024 Jan-Mar	2024 Apr-Jun	**2024 Jul-Sep**	2023 Jan-Mar	2023 Apr-Jun	2023 Jul-Sep	2023 Oct-Dec	2024 Jan-Mar	2024 Apr-Jun	**2024 Jul-Sep**
Packaging & Graphic	131.5	135.0	138.4	136.9	137.4	149.0	**141.9**	3.6	4.7	5.6	8.1	7.3	9.0	**8.5**
Japan	30.4	31.1	30.3	32.2	29.7	33.5	**32.2**	0.5	1.2	1.2	1.7	1.5	2.2	**1.5**
The Americas and Europe	86.2	87.3	89.1	86.4	90.4	96.6	**91.3**	2.6	2.9	2.7	4.9	4.6	5.3	**5.4**
Asia and Oceania	19.0	19.9	21.9	21.7	21.2	23.1	**22.6**	0.7	0.7	1.4	1.4	1.4	1.6	**1.6**
Eliminations	(4.0)	(3.3)	(2.9)	(3.3)	(3.9)	(4.2)	**(4.2)**	(0.1)	(0.1)	0.2	0.1	(0.2)	(0.1)	**0.1**
Color & Display	60.5	57.4	57.7	51.7	63.5	70.8	**65.1**	1.4	(1.5)	(4.3)	(4.4)	(0.5)	0.9	**0.5**
Japan	8.1	8.3	7.9	7.7	7.4	9.5	**9.6**	1.0	1.4	1.0	0.7	1.0	1.7	**1.5**
Overseas	55.5	53.3	53.6	47.1	59.5	65.5	**59.7**	0.4	(2.9)	(5.3)	(5.1)	(1.4)	(0.8)	**(1.1)**
Eliminations	(3.1)	(4.2)	(3.8)	(3.1)	(3.5)	(4.2)	**(4.2)**	0.0	0.0	(0.0)	0.0	(0.1)	(0.0)	**0.1**
Functional Products	73.4	75.9	79.4	77.2	65.1	74.0	**72.5**	3.1	3.5	4.6	4.2	4.0	6.5	**5.4**
Japan	50.0	50.8	50.6	51.5	41.7	46.1	**45.5**	1.1	1.3	2.1	2.4	2.4	3.9	**2.8**
Overseas	29.8	31.9	35.7	32.9	31.0	36.6	**35.9**	1.9	2.1	2.6	1.9	1.7	2.6	**2.6**
Eliminations	(6.4)	(6.8)	(6.9)	(7.2)	(7.6)	(8.8)	**(8.8)**	0.0	0.1	(0.1)	(0.0)	(0.0)	(0.0)	**0.0**
Others, Corporate and eliminations	(10.2)	(8.3)	(9.2)	(8.7)	(10.2)	(10.7)	**(10.8)**	(2.1)	(2.7)	(2.7)	(3.1)	(2.4)	(2.9)	**(2.2)**
Total	255.2	260.1	266.3	257.1	255.8	283.1	**268.8**	6.0	4.0	3.2	4.8	8.5	13.5	**12.1**

COPYRIGHT © DIC CORPORATION ALL RIGHTS RESERVED.

Consolidated balance sheet (Reference)

(Billion yen)	Dec 31 2023	Sep 30 2024	Change
Current assets	620.2	598.1	-22.0
Property, plant and equipment	373.9	351.4	-22.5
Intangible assets	68.9	66.0	-2.9
Investments and other assets	181.9	182.0	0.1
Total assets	**1,244.9**	**1,197.5**	**-47.4**
Current liabilities	348.7	323.6	-25.2
Non-current liabilities	496.9	489.7	-7.2
Total liabilities	**845.6**	**813.3**	**-32.4**
Shareholders' equity	362.5	365.6	3.1
Accumulated other comprehensive income	1.4	(0.0)	-1.5
[Foreign currency translation adjustment]	[12.6]	[12.0]	[-0.6]
Non-controlling interests	35.3	18.6	-16.7
Total net assets	**399.3**	**384.2**	**-15.0**
Total liabilities and net assets	**1,244.9**	**1,197.5**	**-47.4**
Interest-bearing debt	529.0	494.9	-34.0
Cash and deposits	87.5	58.7	-28.8
Net interest-bearing debt	441.4	436.2	-5.2

COPYRIGHT © DIC CORPORATION ALL RIGHTS RESERVED.

Consolidated statement of cash flows (Reference)

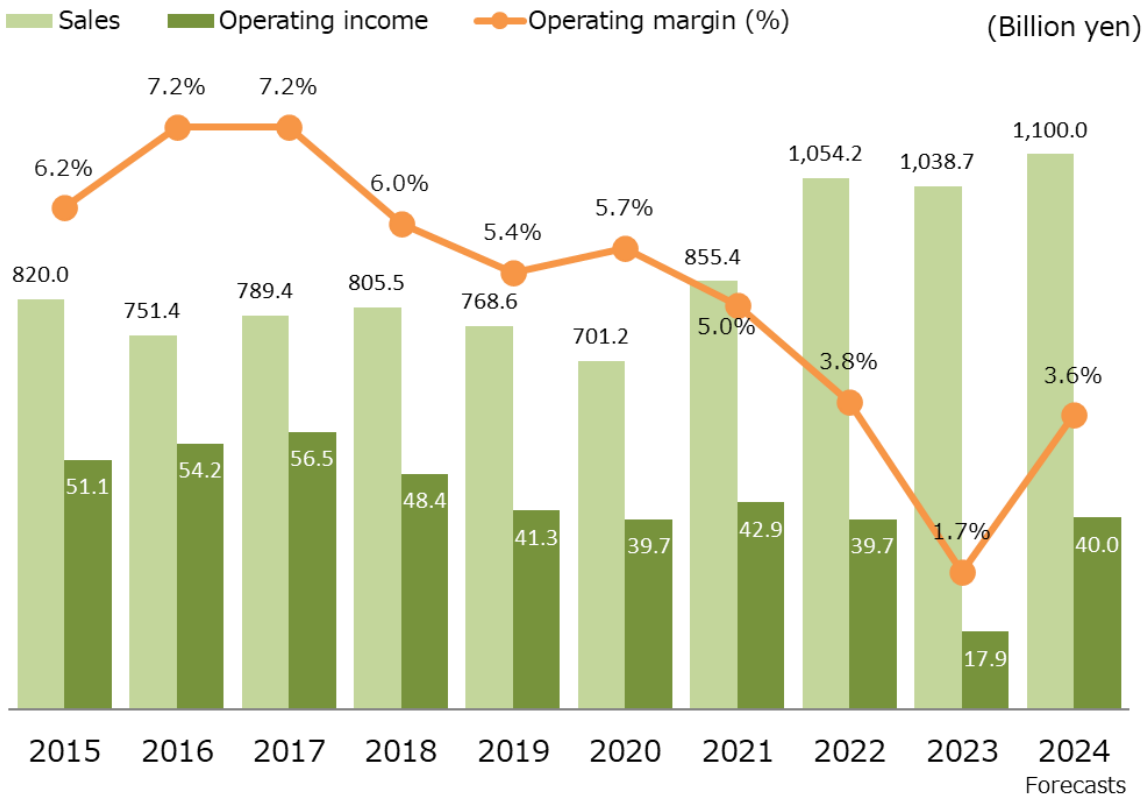
(Billion yen)	2023 9 Months	**2024 9 Months**	Change
Cash flows from operating activities	40.1	30.1	-10.0
Cash flows from investing activities	(59.9)	(19.2)	40.6
Cash flows from financing activities	34.7	(42.9)	-77.6
Cash and cash equivalents at end of the period	82.6	55.6	-27.1
Free cash flow	**(19.8)**	**10.9**	**30.7**
Increase (decrease) in working capital	21.1	(24.8)	-45.9
Capital expenditure and investment	59.8	35.5	-24.3
Depreciation and amortization, Amortization of goodwill	39.0	39.8	0.7

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

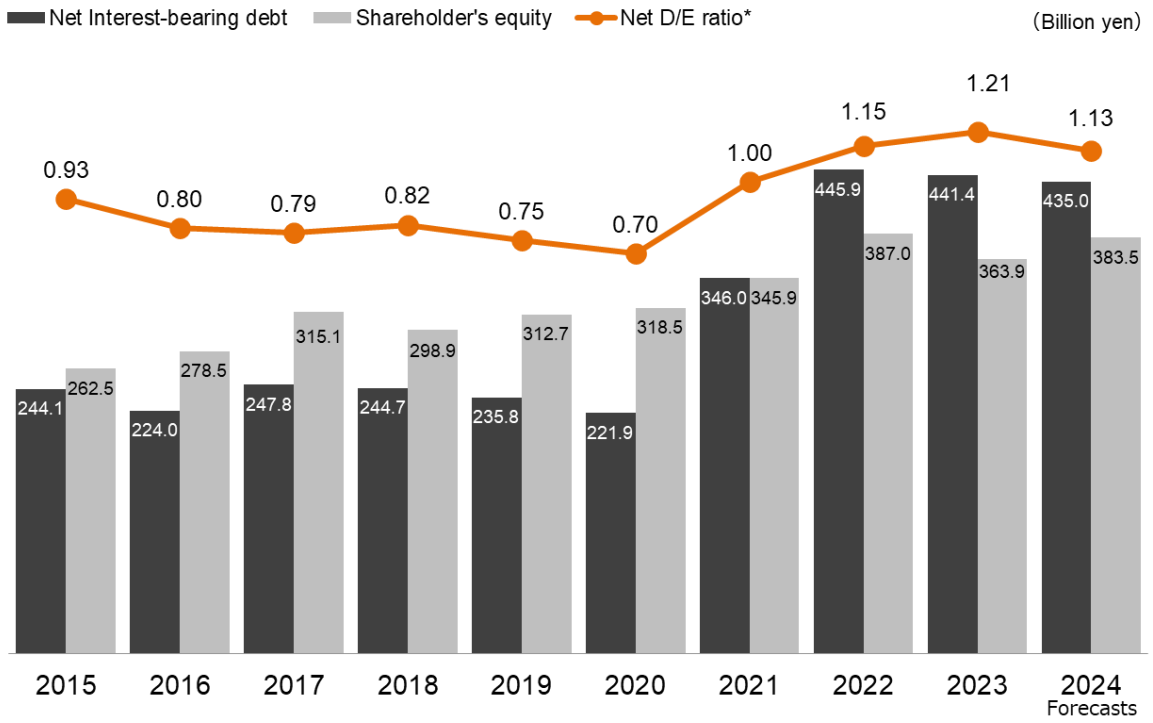
COPYRIGHT © DIC CORPORATION ALL RIGHTS RESERVED.

Historical performance data (Reference)

Operating results



Financial health



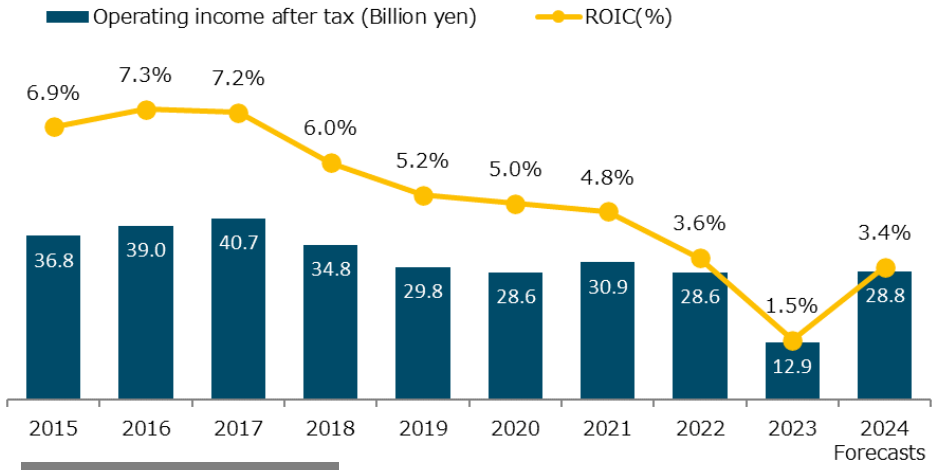
* Net D/E ratio: Net interest-bearing debt / Shareholders' equity

COPYRIGHT © DIC CORPORATION ALL RIGHTS RESERVED.

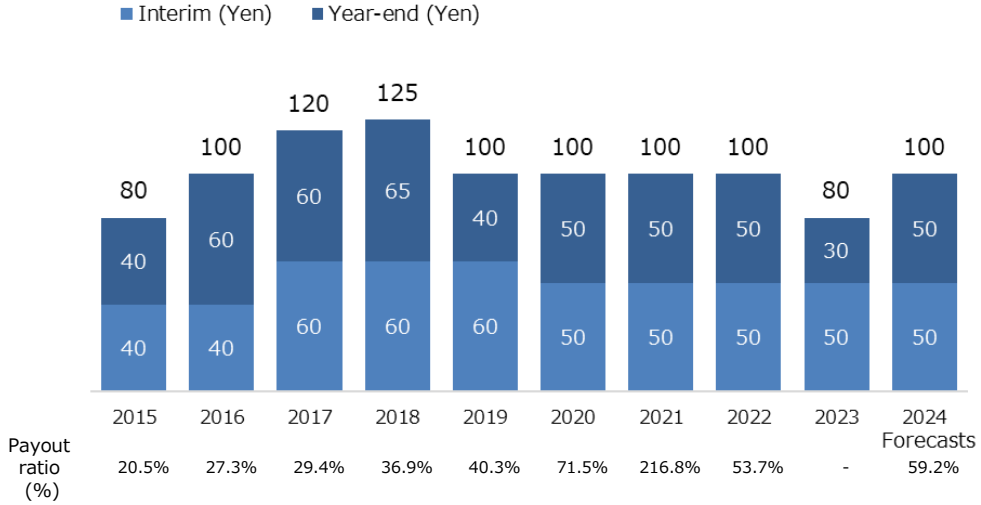
Historical performance data (Reference)

ROIC*

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



Shareholder returns*

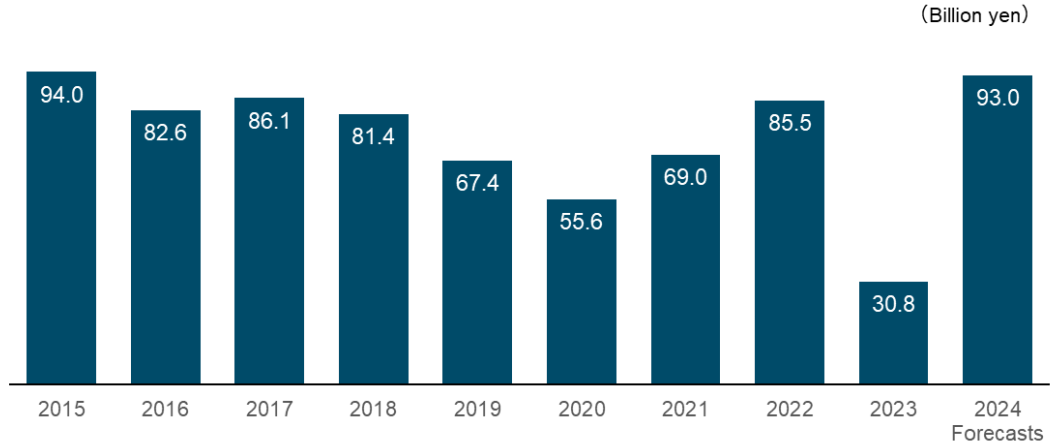


Payout ratio (%)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 Forecasts
	20.5%	27.3%	29.4%	36.9%	40.3%	71.5%	216.8%	53.7%	-	59.2%

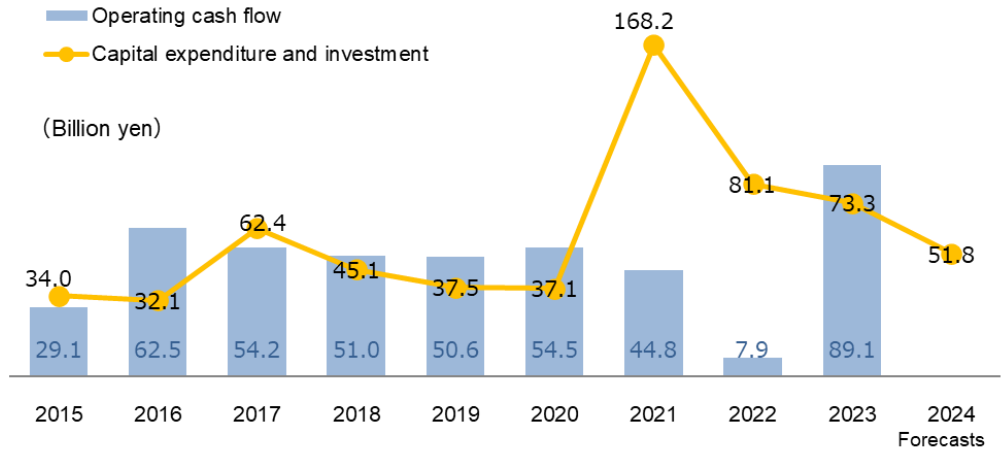
* Adjusted to reflect the impact of the consolidation of shares of common stock

EBITDA*

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



Capital expenditure and investment, operating cash flows



COPYRIGHT © DIC CORPORATION ALL RIGHTS RESERVED.

Assumptions used in the preparation of this document

【FX rate】	2023				2024			Assumptions
	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec	Jan-Mar	Jan-Jun	Jan-Sep	Jan-Dec
Yen/US$ average rate	133.02	135.88	138.81	140.51	147.58	152.13	150.43	**148.00**
Yen/US$ closing rate	132.98	144.68	149.17	141.32	151.36	160.95	141.71	**148.00**

【Raw materials】	2023				2024			Assumptions
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec
Crude oil (West Texas Intermediate) (US$/bbl)	76.10	73.80	82.30	78.30	77.00	80.60	75.10	**70.00-75.00**
Naphtha produced in Japan (¥/kl)	66,500	67,500	63,600	72,800	72,500	79,000	76,900	**73,000**

【Fiscal year】

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 nine months of fiscal year 2024, ended September 30, 2024.

COPYRIGHT © DIC CORPORATION ALL RIGHTS RESERVED.

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.

COPYRIGHT © DIC CORPORATION ALL RIGHTS RESERVED.

Color & Comfort





DIC Corporation

COPYRIGHT © DIC CORPORATION ALL RIGHTS RESERVED.