

4631.T : Tokyo Stock Exchange

DIC Corporation

Consolidated Financial Results
FY2024: Six Months Ended June 30

August 2024



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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.



DIC Corporation

Highlights

FY2024 six months results

Net sales

¥538.8 billion

YoY **+4.6%**

Operating income

¥21.9 billion

YoY **+120.3%**

FY2024 forecasts

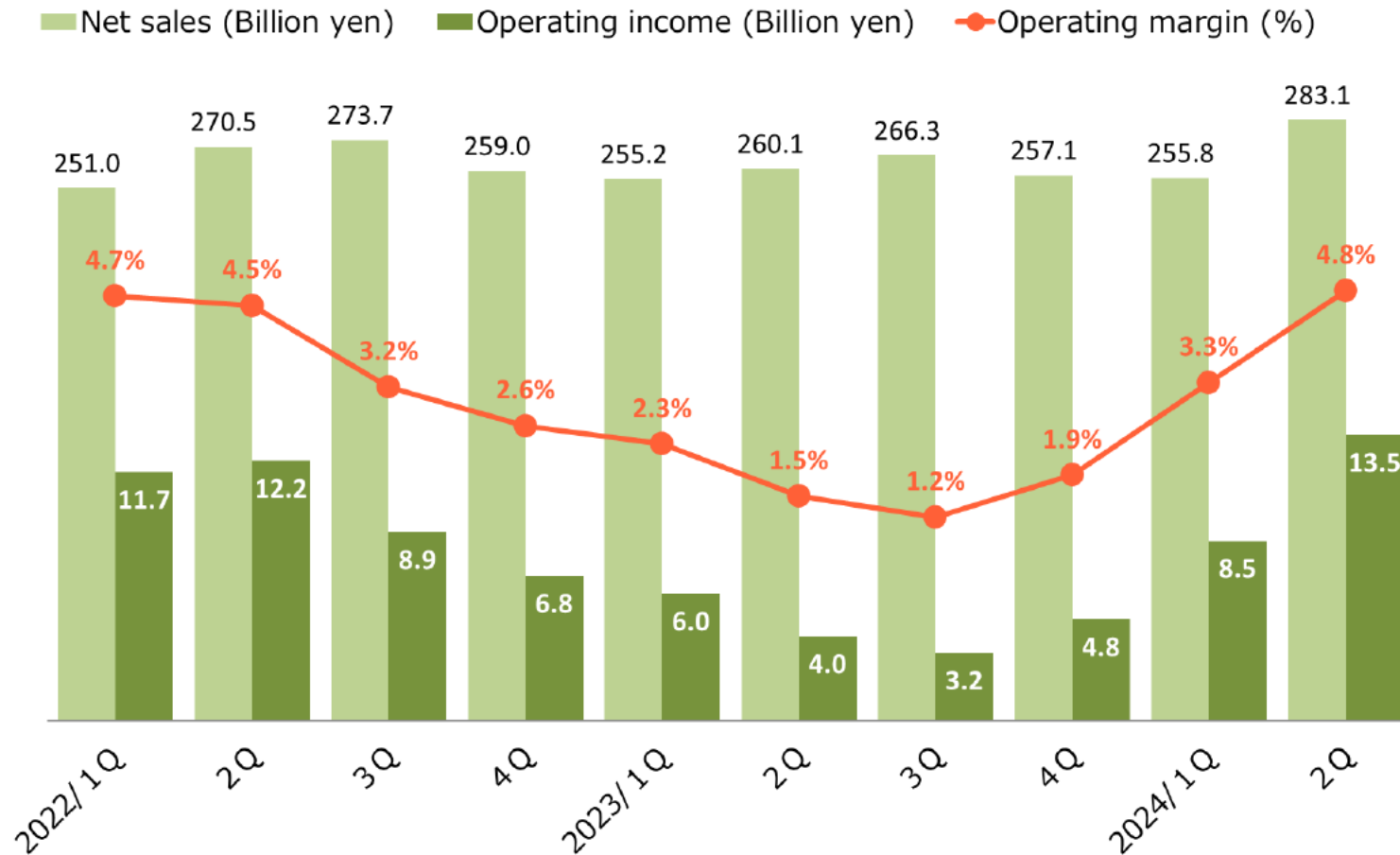
Forecast for profit has been revised up.

- 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 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.
- The forecast for net sales was left untouched, but forecasts for operating income, ordinary income and net income attributable to owners of the parent were revised upward.
- The forecast for annual dividends remains unchanged at ¥100 per share.

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 six months of fiscal year 2024, ended June 30, 2024.

Quarterly trends in operating results

- Operating income has recovered since bottoming out in the third quarter of fiscal year 2023.



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
-8%	-10%	-8%	-4%	-1%	+2%

Color & Display (Pigments)

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

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

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

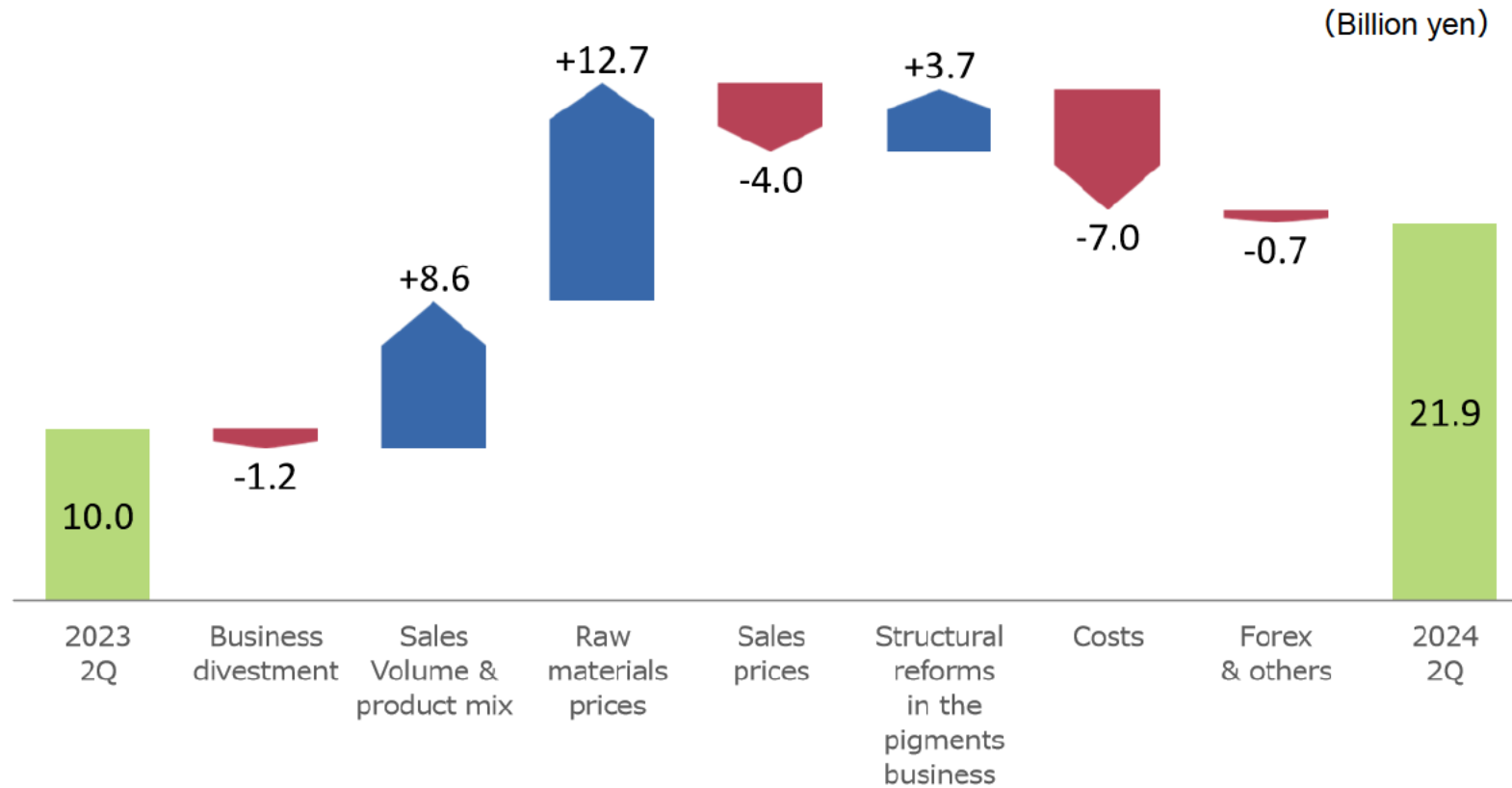
- Shipments of packaging inks were up in the Americas and Europe, as an easing of inflationary pressures underpinned a revival in demand for consumer goods.
- In Asia, shipments were boosted by efforts to cultivate customers in the People's Republic of China (PRC) and a recovery in demand in Southeast Asia and India.
- In Japan, shipments of packaging inks were sluggish as rising prices continued to dampen demand for consumer goods.

* Includes news inks

- Customer inventory adjustments have been completed and shipments are increasing, but the pace of demand recovery is slower than the initially expected.
- Shipments of pigments used in displays recovered from the second quarter (April–June), owing to improved operating rates at display manufacturers.
- Shipments of products for mobility-related solutions were up.
- In digital materials, used principally in electrical and electronics equipment and in displays, shipments are recovering, particularly for epoxy resins, sales of which were brisk for use in servers, computers and smartphones, but a full-scale recovery is likely to take until at least the second half of fiscal year 2024.

Operating income variance

- Shipments of high-value-added products for use in electronics equipment and in mobility solutions increased and the product mix improved.
- 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.



Segment results

(Billion yen)	Net sales					Operating income					Operating margin	
	2023 6 Months	2024 6 Months	Change	% Change	% Change on a local currency basis	2023 6 Months	2024 6 Months	Change	% Change	% Change on a local currency basis	2023 6 Months	2024 6 Months
Packaging & Graphic	266.6	286.4	19.8	+ 7.4%	+ 1.3%	8.3	16.3	8.0	+ 96.4%	+ 99.3%	3.1%	5.7%
Japan	61.4	63.2	1.8	+ 2.9%	+ 2.9%	1.6	3.6	2.0	+ 122.2%	+ 122.2%	2.7%	5.7%
The Americas and Europe	173.5	187.0	13.5	+ 7.8%	+ 0.1%	5.5	9.9	4.4	+ 80.7%	+ 88.3%	3.2%	5.3%
Asia and Oceania	38.9	44.3	5.4	+ 13.9%	+ 4.9%	1.3	3.0	1.7	+ 123.7%	+ 109.9%	3.4%	6.8%
Eliminations	(7.3)	(8.1)	-0.8	-	-	(0.2)	(0.3)	-0.1	-	-	-	-
Color & Display	117.8	134.3	16.4	+ 13.9%	+ 3.9%	(0.1)	0.4	0.6	Into the black	Into the black	-	0.3%
Japan	16.5	17.0	0.5	+ 3.2%	+ 3.2%	2.4	2.8	0.4	+ 14.7%	+ 14.7%	14.6%	16.2%
Overseas	108.8	125.0	16.2	+ 14.9%	+ 3.6%	(2.6)	(2.2)	0.4	Pared loss	Pared loss	-	-
Eliminations	(7.4)	(7.7)	-0.3	-	-	0.0	(0.2)	-0.2	-	-	-	-
Functional Products	149.4	139.1	-10.3	-6.9%	-10.3%	6.7	10.6	3.9	+ 58.3%	+ 50.4%	4.5%	7.6%
Japan	100.8	87.8	-13.0	-12.9%	-12.9%	2.5	6.3	3.8	+ 152.1%	+ 152.1%	2.5%	7.1%
Overseas	61.7	67.6	5.9	+ 9.5%	+ 0.5%	4.0	4.3	0.3	+ 7.3%	-2.7%	6.5%	6.4%
Eliminations	(13.2)	(16.3)	-3.2	-	-	0.1	(0.1)	-0.2	-	-	-	-
Others, Corporate and eliminations	(18.5)	(20.9)	-2.5	-	-	(4.8)	(5.3)	-0.5	-	-	-	-
Total	515.3	538.8	23.5	+ 4.6%	-1.5%	10.0	21.9	12.0	+ 120.3%	+ 116.7%	1.9%	4.1%
Yen/US\$	135.88	152.13		+ 12.0%		135.88	152.13		+ 12.0%			
Yen/EUR	146.91	164.43		+ 11.9%		146.91	164.43		+ 11.9%			

Packaging & Graphic

Net sales

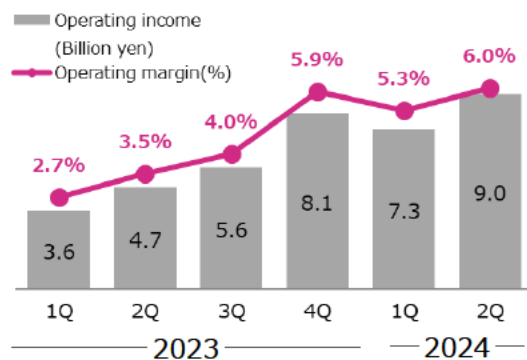
- Shipments in Japan declined as rising prices continued to dampen demand for consumer goods, but sales were buoyed by efforts to adjust sales prices.
- Despite an increase in shipments of packaging inks, sales in the Americas and Europe remained level on a local currency basis due to price reductions implemented in response to falling raw materials prices.
- Sales in Asia increased, bolstered by efforts to cultivate customers in the PRC and a recovery in demand in Southeast Asia and India.

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 6 Months	2024 6 Months	Change	% Change	% Change on a local currency basis	2023 6 Months	2024 6 Months	Change	% Change	% Change on a local currency basis	2023 6 Months	2024 6 Months
Packaging & Graphic	266.6	286.4	19.8	+ 7.4%	+ 1.3%	8.3	16.3	8.0	+ 96.4%	+ 99.3%	3.1%	5.7%
Japan	61.4	63.2	1.8	+ 2.9%	+ 2.9%	1.6	3.6	2.0	+ 122.2%	+ 122.2%	2.7%	5.7%
The Americas and Europe	173.5	187.0	13.5	+ 7.8%	+ 0.1%	5.5	9.9	4.4	+ 80.7%	+ 88.3%	3.2%	5.3%
Asia and Oceania	38.9	44.3	5.4	+ 13.9%	+ 4.9%	1.3	3.0	1.7	+ 123.7%	+ 109.9%	3.4%	6.8%
Eliminations	(7.3)	(8.1)	-0.8	-	-	(0.2)	(0.3)	-0.1	-	-	-	-

Operating income/margin



Sales of principal products

	% Change	
Packaging inks*	+ 3%	Sales rose, bolstered by higher shipments overseas.
Publication inks*	-7%	Sales were up in Asia, underpinned by efforts to cultivate customers, but down in other region.
Jet inks	+ 31%	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	-6%	Demand for use in food packaging materials declined, owing to rising food prices.

*Change on a local currency basis

Color & Display

Net sales

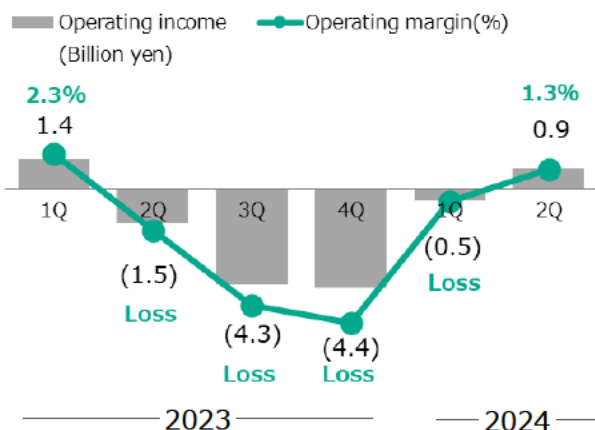
- While customer demand failed to recover fully, shipments increased, as the completion of inventory adjustments by customers pushed up sales.

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 6 Months	2024 6 Months	Change	% Change	% Change on a local currency basis	2023 6 Months	2024 6 Months	Change	% Change	% Change on a local currency basis	2023 6 Months	2024 6 Months
Color & Display	117.8	134.3	16.4	+ 13.9%	+ 3.9%	(0.1)	0.4	0.6	Into the black	Into the black	-	0.3%
Japan	16.5	17.0	0.5	+ 3.2%	+ 3.2%	2.4	2.8	0.4	+ 14.7%	+ 14.7%	14.6%	16.2%
Overseas	108.8	125.0	16.2	+ 14.9%	+ 3.6%	(2.6)	(2.2)	0.4	Pared loss	Pared loss	-	-
Eliminations	(7.4)	(7.7)	-0.3	-	-	0.0	(0.2)	-0.2	-	-	-	-

Operating income/margin



Sales of principal products

Product	% Change*	Description
Pigments for coatings	+ 9%	Shipments rose owing to the completion of customer inventory adjustment, but the pace of recovery is slow.
plastics	+ 6%	Shipments rose owing to the completion of customer inventory adjustment, but the pace of recovery is slow.
printing inks	+ 4%	Shipments rose owing to the completion of customer inventory adjustment, but the pace of recovery is slow.
cosmetics	0%	Customer demand flagged in the United States and Europe.
displays	-1%	Shipments rallied in the second quarter (April–June) with the conclusion of production adjustments by display manufacturers.
specialty applications	-3%	Sales declined, owing to ongoing inventory adjustments by customers for products for agricultural use.

*Change on a local currency basis

Functional Products

Net sales

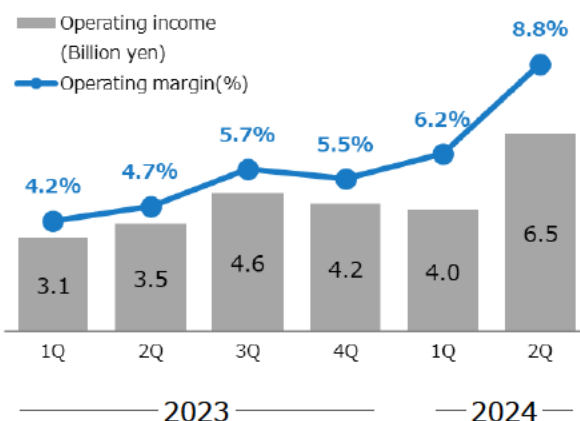
- Excluding the impact of business withdrawals, including the divestiture of SEIKO PMC CORPORATION, sales would have been up 8.1%.
- Shipments of high-value-added products for use in electronics equipment and in mobility solutions increased.

Operating income

- Operating income rose, thanks to a recovery in shipments of high-value-added products for use in electronics equipment and in mobility solution and resulting improvement in the product mix, as well as to successful efforts to revise sales prices.

(Billion yen)	Net sales					Operating income					Operating margin	
	2023 6 Months	2024 6 Months	Change	% Change	% Change on a local currency basis	2023 6 Months	2024 6 Months	Change	% Change	% Change on a local currency basis	2023 6 Months	2024 6 Months
Functional Products	149.4	139.1	-10.3	-6.9%	-10.3%	6.7	10.6	3.9	+ 58.3%	+ 50.4%	4.5%	7.6%
Japan	100.8	87.8	-13.0	-12.9%	-12.9%	2.5	6.3	3.8	+ 152.1%	+ 152.1%	2.5%	7.1%
Overseas	61.7	67.6	5.9	+ 9.5%	+ 0.5%	4.0	4.3	0.3	+ 7.3%	-2.7%	6.5%	6.4%
Eliminations	(13.2)	(16.3)	-3.2	-	-	0.1	(0.1)	-0.2	-	-	-	-

Operating income/margin



Sales of principal products

	% Change		% Change
Epoxy resins	+ 4%	polyphenylene sulfide (PPS) compounds	+ 7%
Industrial-use adhesive tapes	+ 28%	Acrylic resins	+ 2%
UV-curable resins	+ 10%	Polyurethane resins	+ 6%
		Waterborne resins	+ 16%
		Polyester resins	+ 10%
		Hollow-fiber membrane modules	+ 7%

Shipments of epoxy resins, notably high-value-added products for use in generative AI servers, computers and smartphones, contributing to an improvement in the product mix. Sales of industrial-use adhesive tapes were bolstered by steady efforts to lock in demand for use in smartphones and other mobile devices. In products for mobility solutions, shipments of polyphenylene sulfide (PPS) compounds, waterborne resins and polyurethane resins among others, were firm.

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 6 Months	2024 6 Months	Change	% Change	2023 6 Months	2024 6 Months	Change	% Change	2023 6 Months	2024 6 Months
Functional Products	149.4	139.1	-10.3	-6.9%	6.7	10.6	3.9	+ 58.3%	4.5%	7.6%
impact of business withdrawals	20.7				1.2					
Functional Products after adjustment	128.7	139.1	10.4	+ 8.1%	5.5	10.6	5.1	+ 92.7%	4.3%	7.6%

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

(Billion yen)	Net sales				Operating income				Operating margin	
	2023 6 Months	2024 6 Months	Change	% Change	2023 6 Months	2024 6 Months	Change	% Change	2023 6 Months	2024 6 Months
Chemitronics Business Division	24.8	28.6	3.8	+ 15.4%	2.7	4.0	1.4	+ 50.9%	10.8%	14.1%

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

Consolidated statement of income

(Billion yen)	2023 6 Months	2024 6 Months	Change	% Change	% Change on a local currency basis
Net sales	515.3	538.8	23.5	+ 4.6%	-1.5%
Cost of sales	(420.6)	(425.7)	-5.1		
Selling, general and administrative expenses	(84.7)	(91.2)	-6.5		
Operating income	10.0	21.9	12.0	+ 120.3%	+ 116.7%
Operating margin	1.9%	4.1%	-		
Interest expenses	(2.4)	(2.7)	-0.2		
Equity in earnings (losses) of affiliates	0.9	1.0	0.1		
Foreign exchange gains (losses)	(1.0)	0.3	1.3		
Other, net	(0.3)	(0.6)	-0.3		
Ordinary income	7.1	20.0	12.9	+ 180.4%	
Extraordinary income	0.5	4.8	4.3		
Extraordinary losses	(2.3)	(9.1)	-6.8		
Income before income taxes	5.3	15.7	10.4		
Income taxes	(4.0)	(8.7)	-4.7		
Net income	1.3	7.0	5.7		
Net income attributable to non-controlling interests	(0.3)	(0.6)	-0.3		
Net income attributable to owners of the parent	1.0	6.4	5.4	+ 543.7%	
EBITDA*	32.8	43.8	11.0	+ 33.6%	

	2023 6 Months	2024 6 Months
Extraordinary income and losses		
Extraordinary income		
Gain on sales of non-current assets	0.5	3.9
Gain on sales of shares and investments in capital of subsidiaries and affiliates	-	0.9
Extraordinary losses		
Loss on sales of shares and investments in capital of subsidiaries and affiliates	-	(4.5)
Severance costs	(0.8)	(3.2)
Loss on disposal of non-current assets	(0.6)	(1.2)
Impairment losses	(0.9)	(0.2)

■ Average rate


	2023 6 Months	2024 6 Months
Yen/US\$	135.88	152.13
Yen/EUR	146.91	164.43

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

Financial health

(Billion yen)	Dec 31 2023	Jun 30 2024	Change
Net interest-bearing debt	441.4	442.6	1.2
Shareholders' equity	363.9	410.6	46.7
Net D/E ratio *1 (Times)	1.21	1.08	
Equity ratio	29.2%	30.7%	
BPS (Yen)	3,844.70	4,336.58	

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

 Shareholders' equity rose, as a weak yen led to an increase in foreign currency translation adjustment.

■ Closing rate

	Dec 31 2023	Jun 30 2024
Yen/US\$	141.32	160.95

FY2024 forecasts: Full-term operating results

- The forecast for net sales was left untouched.
- Forecasts for operating income, ordinary income and net income attributable to owners of the parent were revised upward.

(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%	30.0
Operating margin	1.7%	3.6%	—	2.7%
Ordinary income	9.2	35.0	+ 279.8%	25.0
Net income attributable to owners of the parent	(39.9)	16.0	Into the black	10.0
EPS (Yen)	(421.06)	168.99	—	105.64
EBITDA*1	30.8	93.0	+ 201.7%	82.0
Capital expenditure and investment	73.3	58.6	-20.0%	63.1
Depreciation and amortization	53.1	55.2	+ 4.0%	53.9
Average rate				
Yen/US\$	140.51	156.00	+ 11.0%	145.00
Yen/EUR	151.98	169.00	+ 11.2%	156.60

	2023	2024 Forecasts
ROIC*2	1.5%	3.4%
Net D/E ratio *3 (times)	1.21	1.06
Annual dividends per share (Yen)	80.0	100.0
Payout ratio	-	59.2%

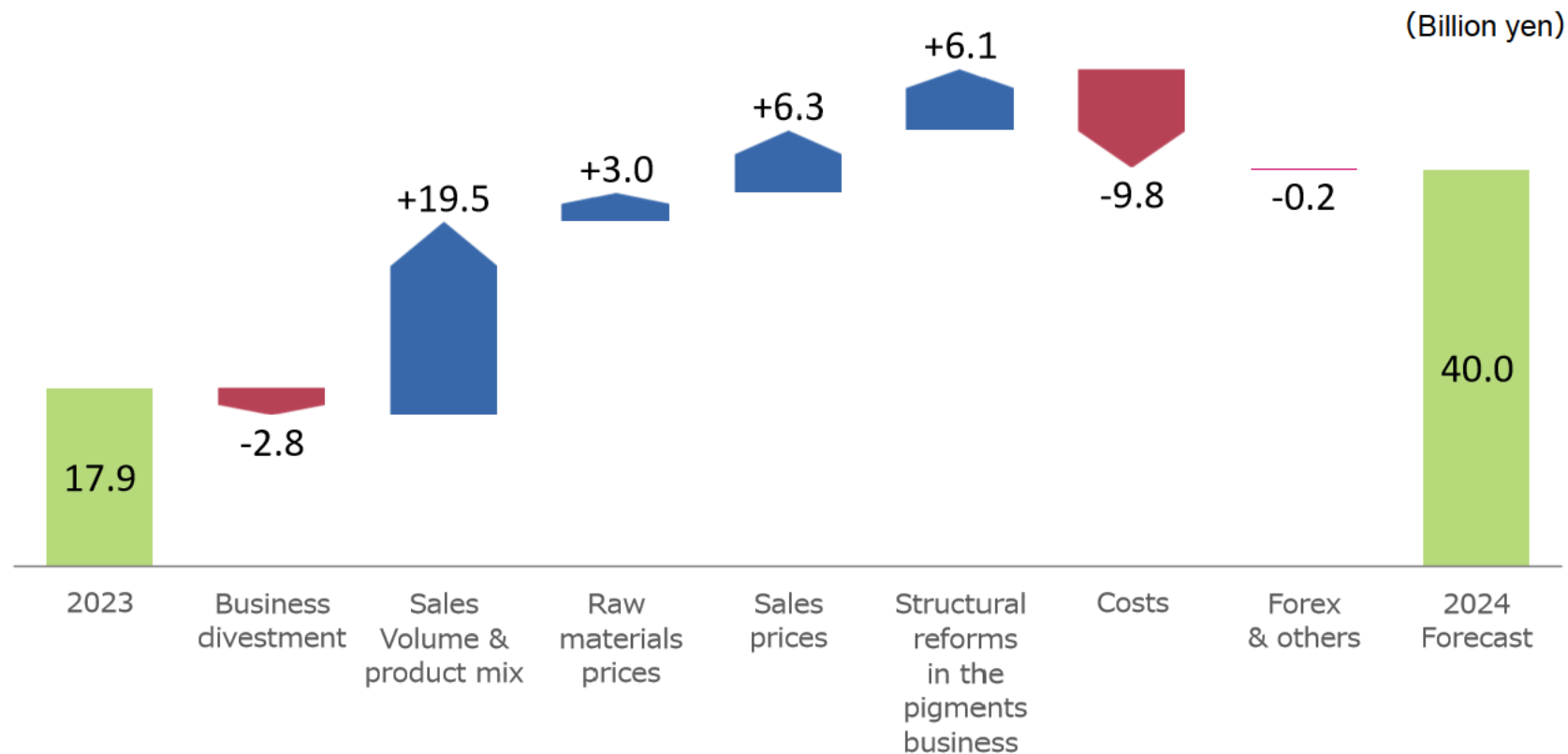
*2 ROIC: Operating income x (1–tax rate 28%) / (Net interest-bearing debt + Net assets)

*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

FY2024 forecasts : Operating income variance

- Shipments of high-value-added products for use in electronics equipment and in mobility solutions are expanding and the product mix has improved.
- In Japan, raw materials prices are expected to rise in the second half, owing to a weak yen and efforts by suppliers to restore profitability by raising prices. Sales price adjustments will be implemented commensurate with raw materials price trends.
- While raw materials prices overseas remain more stable than in Japan, steps will be taken to secure profitability by revising sales prices in response to specific regional and product characteristics.



FY2024 forecasts : Segment operating income revision

(Billion yen)

	FY2024 Original target	FY2024			Difference
		1H Actual	2H Forecasts	Forecasts	
Packaging & Graphic	22.5	16.3	14.6	30.9	8.3
Color & Display	4.0	0.4	(0.4)	0.1	-3.9
Japan	5.2	2.8	3.6	6.4	1.2
Overseas	(1.2)	(2.2)	(4.1)	(6.3)	-5.1
Eliminations	0.0	(0.2)	0.2	0.0	0.0
Functional Products	15.6	10.6	9.0	19.5	3.9
Others, Corporate and eliminations	(12.1)	(5.3)	(5.1)	(10.4)	1.6
Total	30.0	21.9	18.1	40.0	10.0

- Operating income is expected to remain high in the second half, despite the factoring in of sales price reductions overseas.
- With demand recovering and shipments of pigments used in displays expected to be stable, operating income in Japan is likely to exceed the initial forecast.
- Overseas, shipments are likely to be lower than initially anticipated, owing to a delayed recovery in customer demand in Europe. Although overall shipments overseas in the second half are expected to be down from the first half, reflecting seasonal factors, steps will be taken to secure profitability, including increasing sales prices globally and promoting rationalization.
- While shipments of products for use in electronics equipment are expected to continue recovering, operating income in the second half is likely to be down slightly from the first half as a consequence of rising raw materials prices, particularly in Japan.

FY2024 forecasts: Full-term segment results

(Billion yen)	Net sales				Operating income				Operating margin		Old Forecasts	
	2023	2024 Forecast	Change	% Change	2023	2024 Forecast	Change	% Change	2023	2024 Forecast	2024 Net Sales	2024 Operating income forecasts
Packaging & Graphic	541.9	581.5	39.6	+ 7.3%	22.0	30.9	8.9	+ 40.5%	4.1%	5.3%	577.9	22.5
Japan	124.0	131.2	7.2	+ 5.8%	4.6	6.2	1.6	+ 34.3%	3.7%	4.7%	130.1	4.9
The Americas and Europe	349.0	370.9	21.9	+ 6.3%	13.1	18.3	5.2	+ 39.7%	3.8%	4.9%	371.1	12.7
Asia and Oceania	82.5	95.1	12.6	+ 15.3%	4.2	6.3	2.2	+ 52.2%	5.1%	6.7%	90.9	4.9
Eliminations	(13.5)	(15.7)	-2.2	-	0.1	0.0	-0.1	-	-	-	(14.2)	0.0
Color & Display	227.3	268.2	40.9	+ 18.0%	(8.9)	0.1	9.0	Into the black	-	0.0%	275.2	4.0
Japan	32.0	35.8	3.7	+ 11.6%	4.1	6.4	2.3	+ 56.3%	12.8%	17.9%	37.5	5.2
Overseas	209.5	249.4	40.0	+ 19.1%	(13.0)	(6.3)	6.7	Pared loss	-	-	254.5	(1.2)
Eliminations	(14.2)	(17.0)	-2.8	-	0.0	0.0	-0.0	-	-	-	(16.8)	0.0
Functional Products	305.9	293.1	-12.8	-4.2%	15.4	19.5	4.1	+ 26.2%	5.0%	6.7%	292.2	15.6
Japan	202.9	180.7	-22.3	-11.0%	7.0	10.7	3.7	+ 53.6%	3.4%	5.9%	177.8	6.8
Overseas	130.2	140.9	10.7	+ 8.2%	8.5	8.8	0.3	+ 4.0%	6.5%	6.3%	141.9	8.8
Eliminations	(27.2)	(28.5)	-1.2	-	0.0	0.0	-0.0	-	-	-	(27.5)	0.0
Others, Corporate and eliminations	(36.4)	(42.8)	-6.4	-	(10.6)	(10.4)	0.1	-	-	-	(45.4)	(12.1)
Total	1,038.7	1,100.0	61.3	+ 5.9%	17.9	40.0	22.1	+ 122.9%	1.7%	3.6%	1,100.0	30.0
Yen/US\$	140.51	156.00		+ 11.0%	140.51	156.00		+ 11.0%			145.00	145.00
Yen/EUR	151.98	169.00		+ 11.2%	151.98	169.00		+ 11.2%			156.60	156.60

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	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 for use in high-frequency printed circuit boards and semiconductor package substrates are increasing, bolstered by efforts to capitalize on the need for low-dielectric materials. 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%

Major topics (May to July 2024)

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

Jun

DIC is selected for inclusion in the SOMPO Sustainable Index for the ninth consecutive year

Jun

DIC's perfluoroalkyl and polyfluoroalkyl substance (PFAS)-free surfactant wins Excellence Award at Semiconductor of the Year 2024 in the electronic materials for semiconductors category

Jun

DIC announces it will withdraw from the fire extinguishing foam business at the end of December 2025

Jul

DIC publishes DIC Report 2024 integrated report (Japanese version)
 (English version is scheduled for publication in late August 2024)

IR Library
<https://www.dic-global.com/ja/csr/annual/> 

Jul

DIC is selected for inclusion in the FTSE4Good Index Series, a leading global ESG index, for the sixth consecutive year

Jul

HYDRECT water-based coating varnish, which boasts excellent water and oil resistance and is approved as a food contact material, is adopted for use in industry-first paper food cups made without plastic film

Business segments and principal products

Note: Fiscal year 2023 actual

Value provided	Packaging & Graphic	Color & Display	Functional Products
		<p>Sales ratio</p> <p>Net sales ¥541.9 bn</p> <p>Operating income ¥22.0 bn</p> <p>Operating margin 4.1%</p>	<p>Sales ratio</p> <p>Net sales ¥227.3 bn</p> <p>Operating income (¥8.9 bn)</p> <p>Operating margin -</p>
	Packaging materials that bring safety and peace of mind	Color and display materials that make life colorful	Functional products that add comfort
Principal products	<p>Packaging inks</p> <p>Packaging adhesives</p> <p>Jet inks</p> <p>Packaging materials</p> <ul style="list-style-type: none"> Film Ink Adhesive Film <p>← Polystyrene ↓ Multilayer films</p> <p>For outdoor signage</p> <p>For banners</p>	<p>Pigments for display</p> <p>Pigments for cosmetics</p> <p>Pigments for coatings</p> <p>Pigments for plastics</p> <p>Pigments for inks</p> <p>Pigments for specialty applications</p> <ul style="list-style-type: none"> Agriculture Building materials <p>PPS compounds</p>	<p>Breakdown of Segment Sales by Demand Industry (Reference)</p> <p>◆ Digital materials (used principally in electrical and electronics equipment and displays) ◆</p> <ul style="list-style-type: none"> UV-curable resins Epoxy resins Industrial tapes Hollow-fiber membrane modules <p>◆ Industrial materials (used primarily in mobility solutions (vehicles, etc.)) ◆</p> <ul style="list-style-type: none"> Waterborne resins Acrylic resins Polyurethane resins Polyester resins

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

Consolidated balance sheet (Reference)

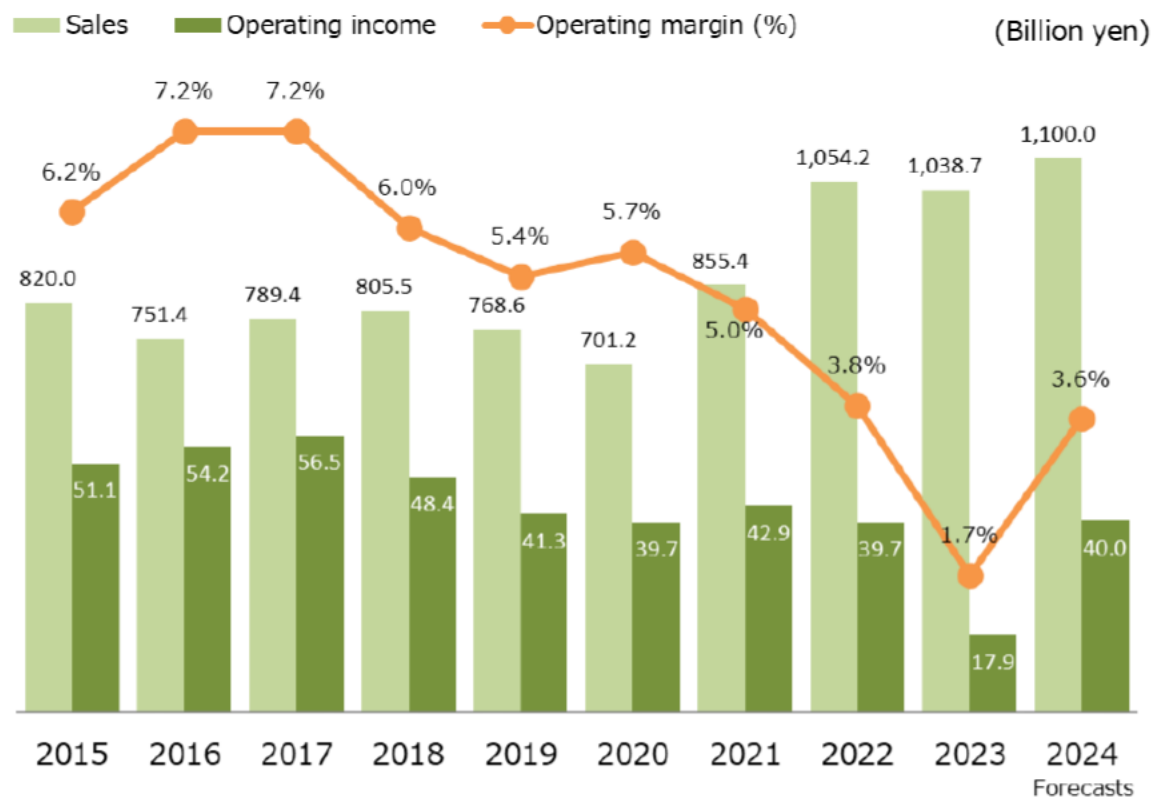
(Billion yen)	Dec 31 2023	Jun 30 2024	Change
Current assets	620.2	700.6	80.4
Property, plant and equipment	373.9	376.3	2.5
Intangible assets	68.9	73.6	4.7
Investments and other assets	181.9	187.8	5.9
Total assets	1,244.9	1,338.3	93.4
Current liabilities	348.7	386.1	37.4
Non-current liabilities	496.9	522.3	25.4
Total liabilities	845.6	908.4	62.8
Shareholders' equity	362.5	366.2	3.7
Accumulated other comprehensive income	1.4	44.4	43.0
[Foreign currency translation adjustment]	[12.6]	[58.4]	[45.8]
Non-controlling interests	35.3	19.3	-16.1
Total net assets	399.3	429.9	30.6
Total liabilities and net assets	1,244.9	1,338.3	93.4
Interest-bearing debt	529.0	564.0	35.0
Cash and deposits	87.5	121.4	33.8
Net interest-bearing debt	441.4	442.6	1.2

Consolidated statement of cash flows (Reference)

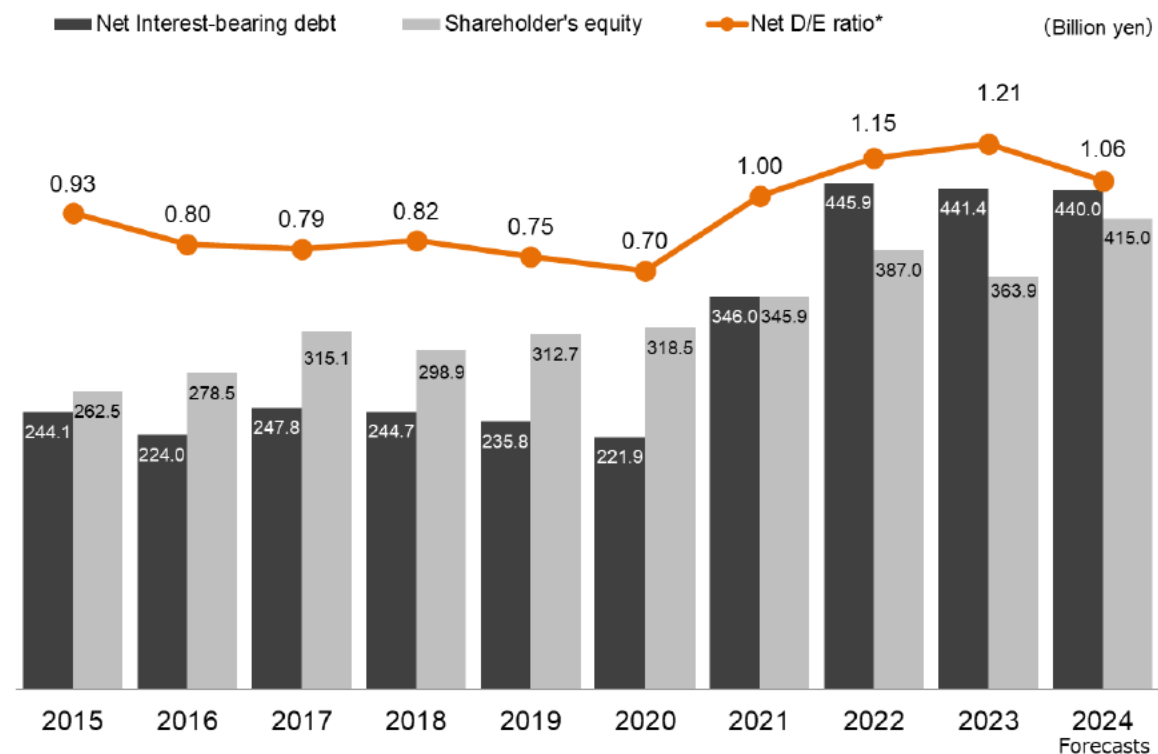
(Billion yen)	2023 6 Months	2024 6 Months	Change
Cash flows from operating activities	7.2	14.5	7.4
Cash flows from investing activities	(45.2)	(7.2)	37.9
Cash flows from financing activities	47.1	18.5	-28.6
Cash and cash equivalents at end of the period	72.5	120.0	47.5
Free cash flow	(38.0)	7.3	45.3
Increase (decrease) in working capital	(4.5)	(18.3)	-13.8
Capital expenditure and investment	45.5	24.5	-21.0
Depreciation and amortization, Amortization of goodwill	25.3	26.1	0.7

Historical performance data (Reference)

Operating results

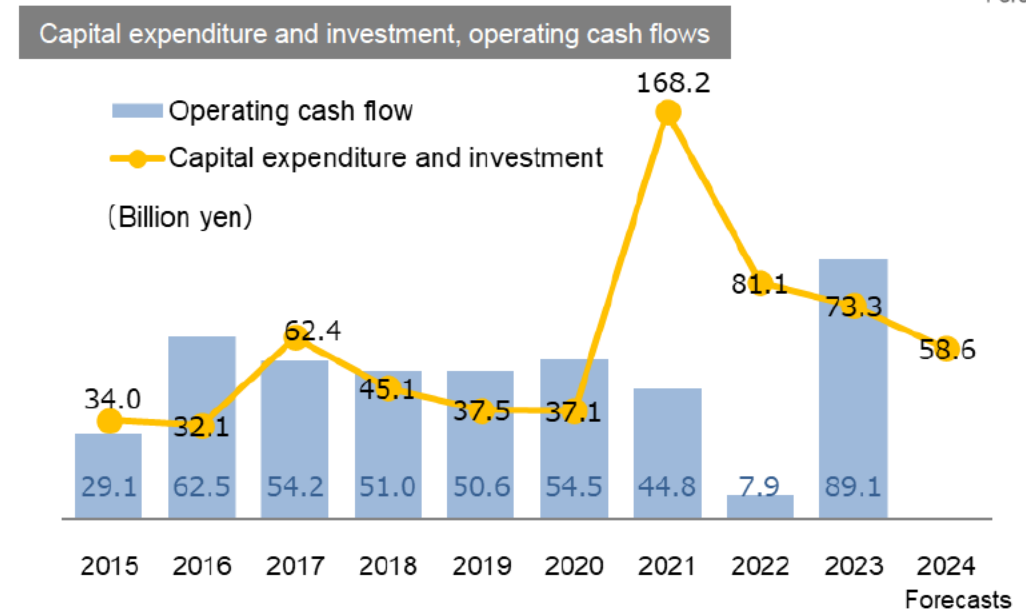
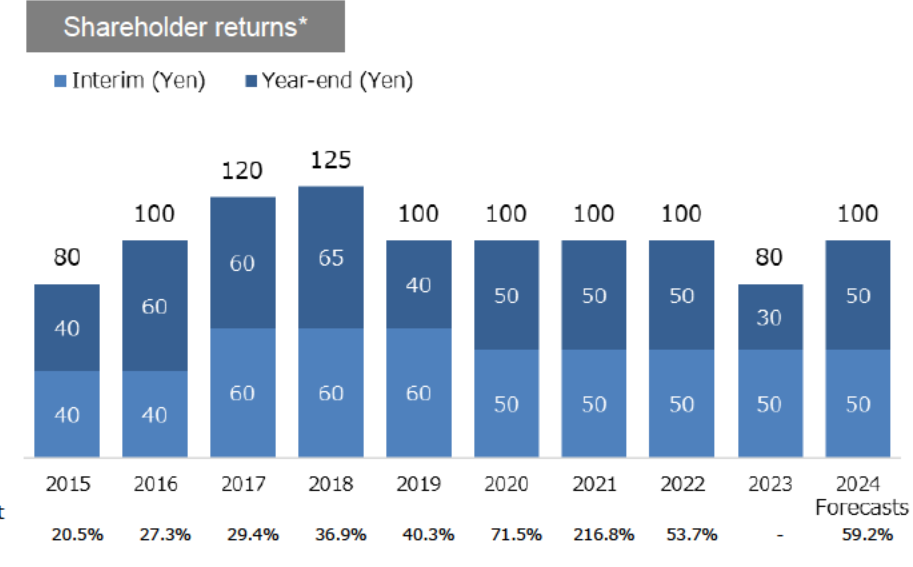
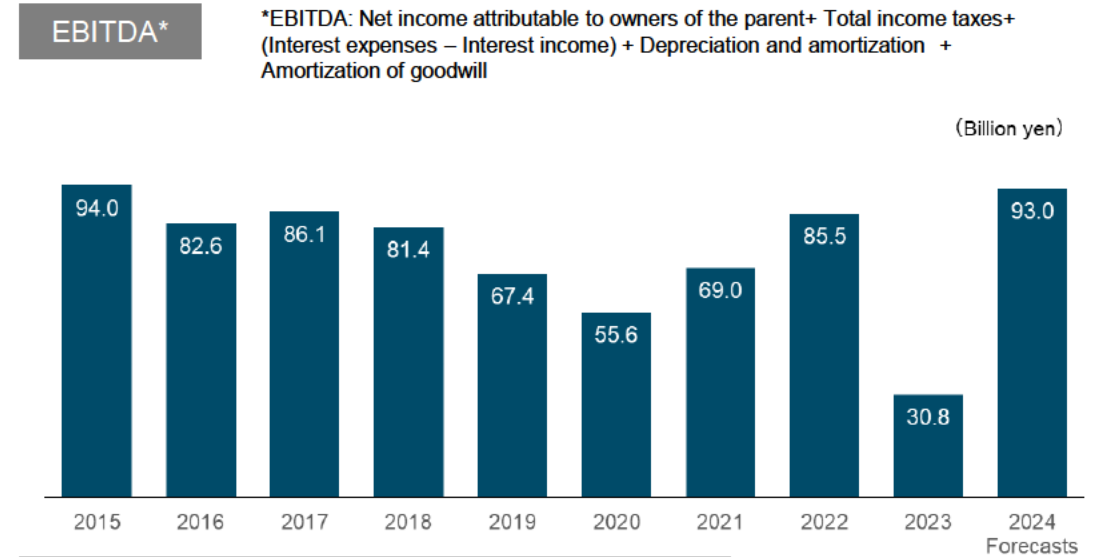
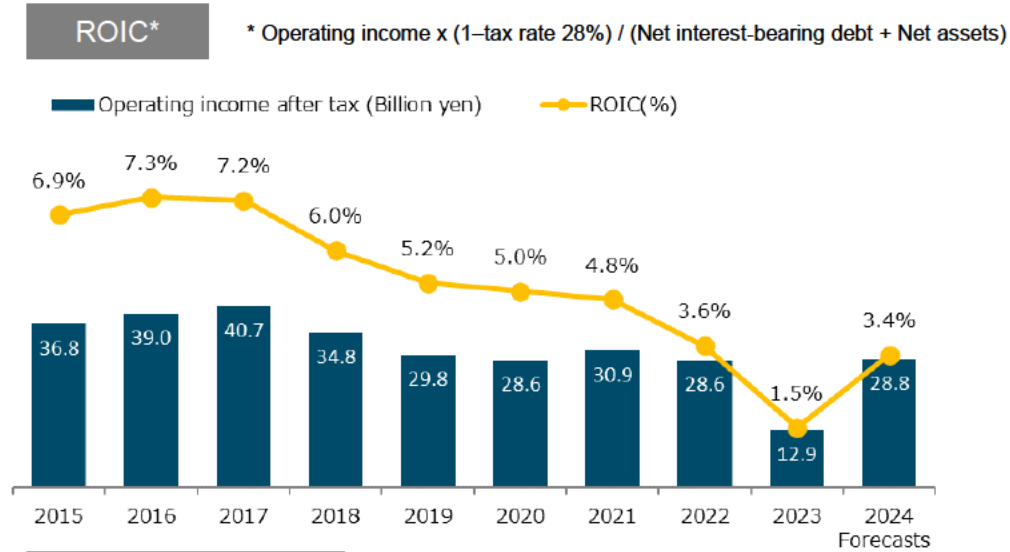


Financial health



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

Historical performance data (Reference)



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

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