

Toyo Ink SC Holdings Co., Ltd.
Aug 10, 2018

FY2018 First Half Results Briefing

The forecasts or projections set out in this presentation are based on the assumptions and beliefs of our management in light of the information available to it as of Aug 10, 2018. Changes in global, economic and business conditions could cause actual results to differ materially from these forecasts. All amounts are rounded to the nearest 100 million yen.

FY2018 First Half Business Performance

(Unit: 1 billion yen)

	FY2017 First Half (*1)	FY2018 First Half	Increase/ decrease (%)	FY2018 Forecast
Net sales	135.4	141.0	4.1	300.0
Operating income	10.1	7.8	▲23.1	18.5
Recurring income	10.4	7.5	▲27.7	18.5
Net income	8.9	5.4	▲39.9	13.5
Operating margin	7.4%	5.5%	▲1.9 (point)	6.2%
Overseas sales ratio	43.3%	46.3%	3.0 (point)	46%

	As at December 31, 2017	As at June 30, 2018	FY2018	First Half (forecast)	Year-End (forecast) *2
Interest-bearing debt (1 billion yen)	60.5	60.1			
Net worth ratio (%)	59.0	58.0	Dividend (yen)	8.0	45.0
D/E ratio	0.30	0.30			

(Unit: 1 billion yen)

	As at December 31, 2017	As at June 30, 2018	Increase/ decrease (%)
Current assets	196.5	200.6	2.1
Fixed assets	183.2	176.2	▲3.8
Total assets	379.7	376.8	▲0.8
Current liabilities	93.3	98.5	5.5
Long-term liabilities	55.3	52.8	▲4.5
Total liabilities	148.6	151.2	1.8
Total net assets	231.1	225.6	▲2.4
Total of liabilities and net assets	379.7	376.8	▲0.8

	As at December 31, 2017	As at June 30, 2018
Consolidated subsidiaries	66	66
Equity method companies	9	9

*1: From FY2017, the accounting period was changed to end in December.

As for the increase and decrease, the previous year's results are adjusted according to the current fiscal year.

*2: 5 shares of common stock will be consolidated to 1 share.

Performance by Segment

		FY2018 2 nd Quarter (1 billion yen)		Increase/ decrease (%) Year on Year		Increase/ decrease (%) Quarter on Quarter		FY2018 Total Results (1 billion yen)		Increase/ decrease (%) Year on Year	
		Net sales	Operating income	Net sales	Operating income	Net sales	Operating income	Net sales	Operating income	Net sales	Operating income
Colorants and Functional Materials	Japan	10.3	1.2	2.8	▲4.3	5.2	31.7	20.2	2.2	▲0.9	▲11.8
	Overseas	12.3	0.3	14.9	▲30.6	9.9	27.3	23.6	0.6	12.1	▲29.4
	Total	18.9	1.4	7.4	▲21.6	7.1	13.6	36.6	2.7	5.3	▲18.6
Polymers and Coatings	Japan	12.5	1.1	8.6	▲11.7	11.3	42.9	23.8	1.8	2.6	▲25.2
	Overseas	6.8	0.5	18.4	▲7.1	16.5	18.1	12.6	1.0	11.0	▲15.6
	Total	16.7	1.7	7.8	▲8.3	9.6	36.7	31.9	2.9	3.8	▲20.8
Packaging	Japan	10.3	0.2	6.8	▲50.3	9.8	106.2	19.7	0.3	3.9	▲60.0
	Overseas	7.0	0.2	17.5	21.6	5.0	▲15.0	13.7	0.4	15.7	15.3
	Total	17.1	0.4	10.6	▲32.8	7.8	15.9	32.9	0.7	8.0	▲36.0
Printing and Information	Japan	11.2	▲0.2	0.1	–	▲1.6	–	22.5	▲0.3	▲6.0	–
	Overseas	9.6	0.5	3.4	▲6.8	7.3	27.3	18.5	0.9	3.7	▲2.4
	Total	19.6	0.3	2.3	▲25.4	2.3	▲11.9	38.8	0.7	▲1.4	▲38.0
Others		1.6	0.0	14.4	▲75.2	▲3.4	▲92.2	3.3	0.7	8.6	▲15.7
Adjustment		▲1.2	▲0.0	–	–	–	–	▲2.5	0.0	–	–
Total consolidated		72.7	3.9	7.2	▲20.5	6.5	0.7	141.0	7.8	4.1	▲23.1

(Note) The segment performance for Japan and overseas does not take into account eliminations between regions.

FY2018 First Half Results Briefing

Performance by Region

FY2018	FY2018 2 nd Quarter (1 billion yen)		Increase/decrease (%) Year on Year		Increase/decrease (%) Quarter on Quarter		FY2018 Total Results (1 billion yen)		Increase/decrease (%) Year on Year	
	Net sales	Operating income	Net sales	Operating income	Net sales	Operating income	Net sales	Operating income	Net sales	Operating income
Japan	45.2	2.3	4.7	▲19.8	5.6	▲1.0	87.9	4.7	▲0.2	▲28.8
Asia-Oceania	26.8	1.4	16.0	▲5.9	10.3	3.9	51.1	2.7	13.1	▲6.5
Europe	5.5	0.2	6.5	▲39.6	8.4	197.2	10.5	0.3	7.1	▲43.3
The Americas	3.5	▲0.0	7.6	–	5.7	–	6.8	▲0.1	4.6	–
Adjustment	▲8.2	▲0.1	–	–	–	–	▲15.4	0.1	–	–
Total consolidated	72.7	3.9	7.2	▲20.5	6.5	0.7	141.0	7.8	4.1	▲23.1

(Note) FY2017 (adjusted) (1 billion yen)	1 st Quarter		2 nd Quarter		3 rd Quarter		4 th Quarter		Total	
	Net sales	Operating income	Net sales	Operating income	Net sales	Operating income	Net sales	Operating income	Net sales	Operating income
Japan	45.0	3.7	43.1	2.9	44.8	3.0	47.0	3.7	179.9	13.3
Asia-Oceania	22.1	1.4	23.1	1.5	25.1	1.7	26.0	1.5	96.3	6.2
Europe	4.7	0.2	5.1	0.4	4.9	0.2	5.2	0.3	20.0	1.0
The Americas	3.2	▲0.0	3.2	▲0.0	3.3	0.0	3.3	▲0.1	13.2	▲0.1
Adjustment	▲7.4	▲0.1	▲6.8	0.1	▲6.9	0.2	▲8.1	▲0.2	▲29.3	▲0.1
Total consolidated	67.6	5.2	67.8	4.9	71.3	5.2	73.4	5.2	280.1	20.5