

Toyo Ink SC Holdings Co., Ltd.

Feb. 14, 2019

FY2018 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 Feb.14, 2019. 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.

(Unit: 1 billion yen)

	FY2017 (*1)	FY2018	Increase/ decrease (%)	FY2019 Forecast
Net sales	280.1	290.2	3.6	300.0
Operating income	20.5	15.3	▲25.3	17.5
Recurring income	21.3	15.5	▲27.3	18.0
Net income	14.8	11.9	▲19.4	12.0
Operating margin	7.3%	5.3%	▲2.0 (point)	5.8%
Overseas sales ratio	44.2%	46.4%	2.7 (point)	47%

(Unit: 1 billion yen)

	As at December 31, 2017	As at December 31, 2018	Increase/ decrease (%)
Current assets	196.5	206.0	4.8
Fixed assets	183.2	168.6	▲8.0
Total assets	379.7	374.5	▲1.4
Current liabilities	93.3	99.1	6.2
Long-term liabilities	55.3	51.6	▲6.6
Total liabilities	148.6	150.7	1.4
Total net assets	231.1	223.8	▲3.1
Total of liabilities and net assets	379.7	374.5	▲1.4

	As at December 31, 2017	As at December 31, 2018
Interest-bearing debt (1 billion yen)	60.5	58.8
Net worth ratio (%)	59.0	57.9
D/E ratio	0.30	0.29

	FY2018 (forecast)	FY2019 (forecast)
Dividend (yen/year)	85	90

	As at December 31, 2017	As at December 31, 2018
Consolidated subsidiaries	66	64
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.

Performance by Segment

	FY2018 4 th 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	10.9	1.4	3.2	8.2	15.3	64.6	40.6	4.3	▲1.2	▲11.8
	Overseas	12.9	0.4	10.6	69.7	4.2	287.4	48.8	1.1	11.0	▲20.9
	Total	19.2	1.6	2.0	13.1	1.0	45.6	74.7	5.4	3.9	▲17.3
Polymers and Coatings	Japan	13.3	1.1	3.5	▲32.3	6.5	19.6	49.6	4.0	3.8	▲27.4
	Overseas	6.7	0.5	1.0	▲19.5	▲8.8	▲12.2	26.7	2.1	9.2	▲17.5
	Total	17.4	1.6	3.4	▲25.8	3.3	9.0	66.1	6.0	4.1	▲23.3
Packaging	Japan	10.9	0.3	6.0	▲26.0	7.8	225.3	40.8	0.7	3.8	▲57.4
	Overseas	7.4	0.2	9.1	51.2	3.2	▲16.0	28.2	0.8	13.2	2.1
	Total	18.0	0.5	7.1	▲11.0	5.7	53.8	68.0	1.5	7.2	▲38.4
Printing and Information	Japan	13.2	▲0.2	8.4	-	20.0	-	46.7	▲0.8	▲3.1	-
	Overseas	9.4	0.4	▲2.7	▲47.7	2.7	2.1	37.0	1.7	0.2	▲24.8
	Total	21.5	0.2	3.9	▲76.3	12.2	757.4	79.4	0.9	▲1.4	▲63.8
Others	2.2	0.6	16.7	149.7	27.2	162.1	7.2	1.5	9.7	31.0	
Adjustment	▲1.5	▲0	-	-	-	-	▲5.2	0	-	-	
Total consolidated	76.7	4.5	4.6	▲15.0	5.8	42.2	290.2	15.3	3.6	▲25.3	

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

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Performance by Region

FY2018	FY2018 4 th 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	49.7	3.2	5.9	▲12.9	13.0	89.3	181.7	9.6	1.0	▲27.9
Asia	27.4	1.4	5.5	▲8.1	▲1.8	4.6	106.5	5.5	10.6	▲11.2
Europe	5.3	0.2	0.9	▲44.3	19.9	—	20.2	0.4	1.1	▲60.5
The Americas	3.7	▲0.1	9.6	—	▲4.1	—	14.3	▲0.1	8.4	—
Adjustment	▲9.4	▲0.2	—	—	—	—	▲32.4	▲0	—	—
Total consolidated	76.7	4.5	4.6	▲15.0	5.8	42.2	290.2	15.3	3.6	▲25.3
(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	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	▲8.2	▲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