

FY ending March 2019 1st Quarter
Consolidated Financial Results

Aug. 2, 2018

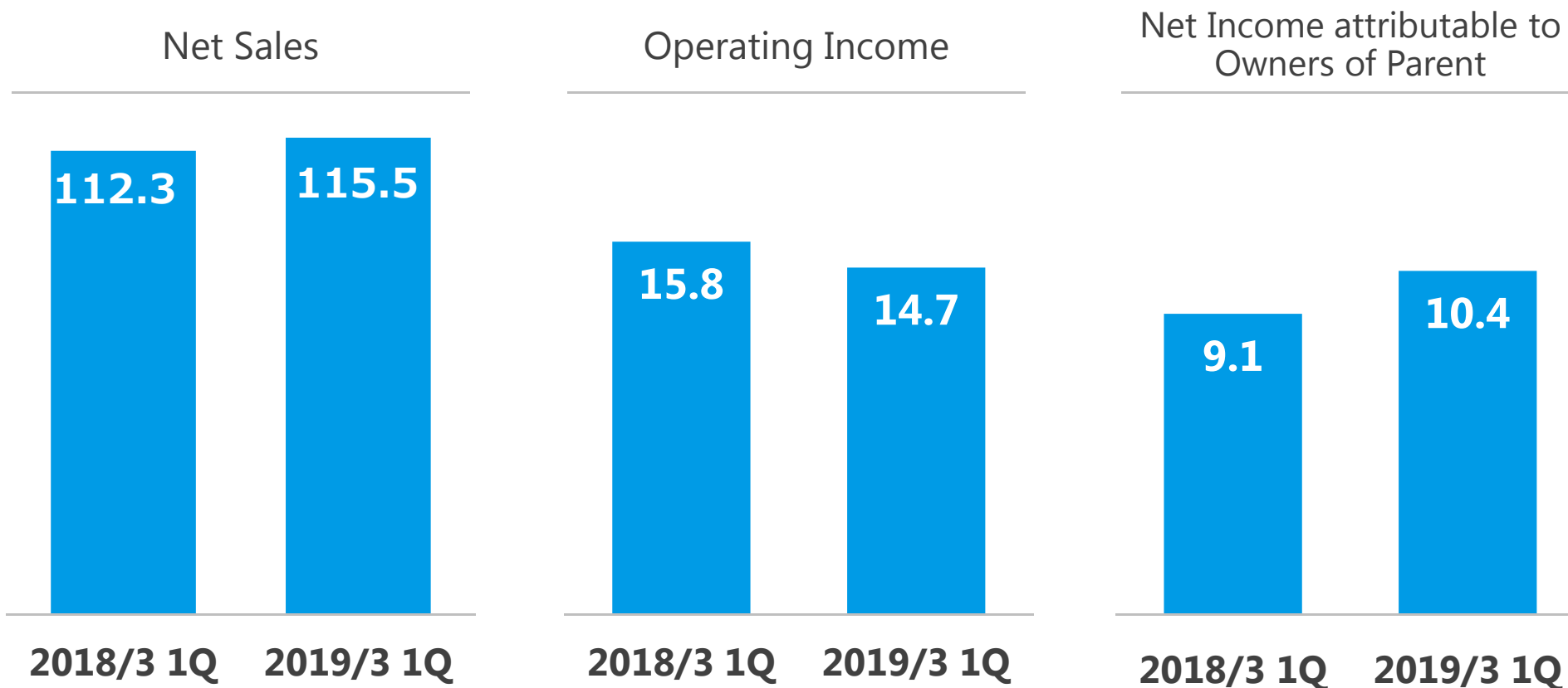
DAICEL CORPORATION

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Highlights

(billion yen)



- Increase in Net Sales, due mainly to an increase in sales volume of Organic Chemicals and Plastics, as well as the revision of selling prices
- Decrease in Operating Income, due mainly to rising raw material and fuel prices, softening of the market of Acetate Tow for Cigarette Filters and the impact of the change in inflator sales product mix


 Consolidated Profit and Loss Statement

(billion yen)

	2018/3 1Q	2019/3 1Q	Change	Rate of change
Net sales	112.3	115.5	+3.2	+2.9%
Operating income	15.8	14.7	△1.0	△6.6%
Non-operating income and expenses	0.8	1.9	+1.1	+129.2%
Ordinary income	16.6	16.6	+0.0	+0.3%
Extraordinary income and losses	△0.2	△0.1	+0.1	+66.9%
Net Income before income taxes	16.4	16.6	+0.2	+0.9%
Net Income attributable to owners of parent	9.1	10.4	+1.3	+14.3%
Exchange rate (USD/JPY)	111	109		

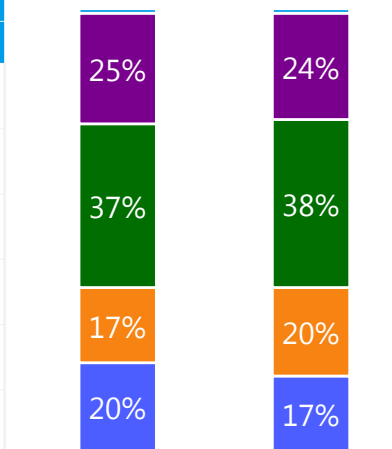
Net Sales and Operating Income by Segment

(billion yen)

Net Sales		2018/3 1Q	2019/3 1Q	Change	Rate of change	Analysis	
						Quantity	Prices
	Cellulosic Derivatives	22.1	19.9	△2.2	△10.1%	△1.3	△0.9
	Organic Chemicals	19.6	22.7	+3.1	+15.9%	+0.9	+2.2
	Plastics	41.2	44.1	+3.0	+7.2%	+2.0	+1.0
	Pyrotechnic Devices	28.0	27.3	△0.7	△2.5%	△1.0	+0.2
	Others	1.3	1.4	+0.1	+7.7%	+0.1	
	Total	112.3	115.5	+3.2	+2.9%	+0.7	+2.6※1

※1 Including Exchange rate impact △1.2.

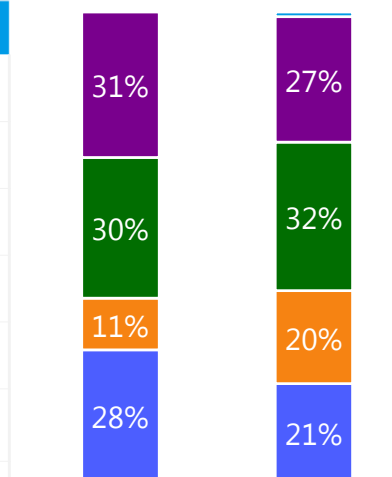
Composition ratio



Operating Income		2018/3 1Q	2019/3 1Q	Change	Rate of change	Analysis		
						Quantity	Prices	Other
	Cellulosic Derivatives	5.5	3.9	△1.6	△29.1%	△0.2	△1.3	△0.1
	Organic Chemicals	2.1	3.8	+1.7	+81.0%	+0.8	+1.4	△0.5
	Plastics	5.7	5.9	+0.2	+3.1%	+0.3	△0.3	+0.2
	Pyrotechnic Devices	6.0	5.0	△1.0	△17.4%	△1.1	△0.1	+0.1
	Others	0.0	0.1	+0.1	+404.3%	+0.1	0.0	0.0
	Corporate and elimination	△3.6	△4.0	△0.4	△10.4%	0.0	0.0	△0.4
	Total	15.8	14.7	△1.0	△6.6%	△0.1	△0.3※2	△0.6

※2 Including Exchange rate impact △0.4.

Composition ratio

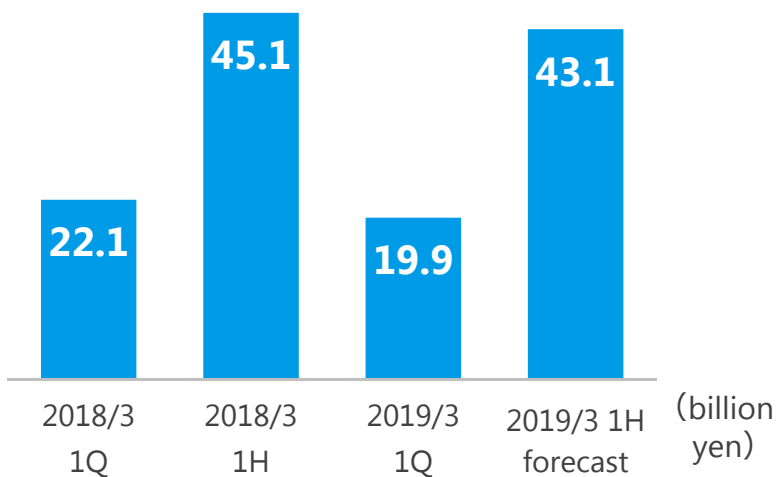


2018/3 1Q 2019/3 1Q

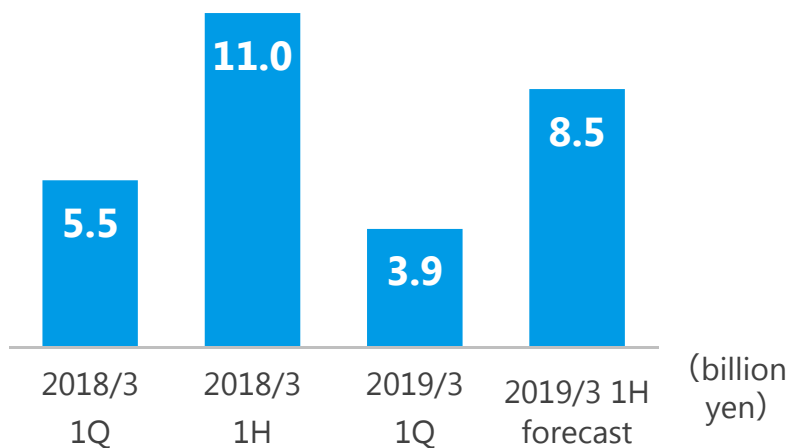
Cellulosic Derivatives



Net Sales



Operating Income



Net Sales $\Delta 2.2$ billion yen (Exchange rate impact $\Delta 0.3$ billion yen)

(Cellulose Acetate : Decrease)

- Decrease in sales volume for LCD film applications

(Acetate Tow for Cigarette Filters : Decrease)

- Softening of the market

- Decrease in sales volume due to shipment of some products ahead of schedule

Operating Income $\Delta 1.6$ billion yen

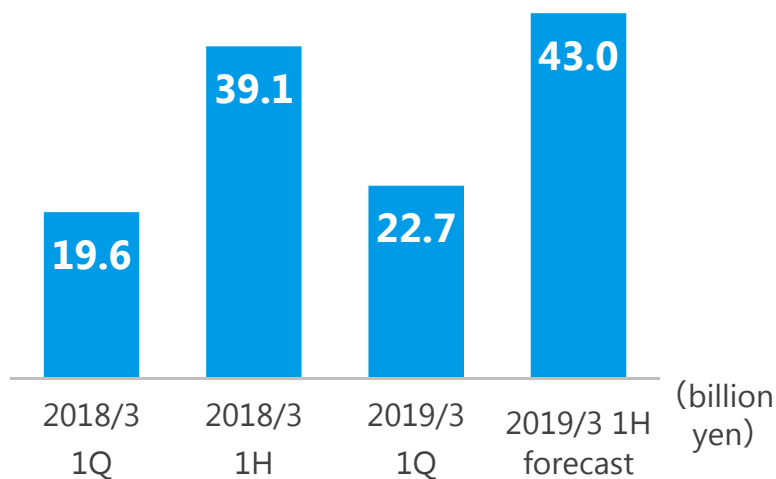
- Decrease due mainly to the negative impact of rising raw material and fuel prices and the softening of the market on acetate tow for cigarette filters.

Note: Forecast is not revised from the previous forecast announced on May 10, 2018.

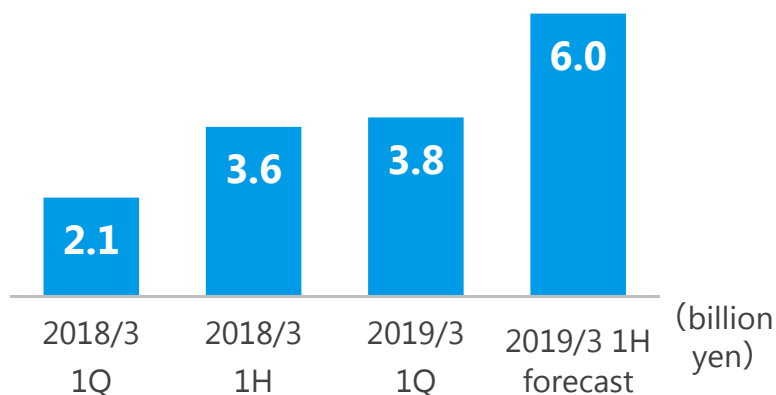
Organic Chemicals



Net Sales



Operating Income



Net Sales +3.1 billion yen (Exchange rate impact Δ 0.1 billion yen)

(Acetic Acid : Increase)

- Solid demand and an upward trend in the market

(Organic Chemicals : Increase)

- The revision of selling prices following the rise in raw material and fuel prices

(Performance Chemicals : Increase)

- Decrease in sales volume of some products
- The revision of selling prices following the rise in raw material and fuel prices

- Solid demand for some products in cosmetics / health care

(Chiral Separation business : Increase)

- Increase in column and chiral stationary phase (CSP) sales.
- Growth of new business in India.

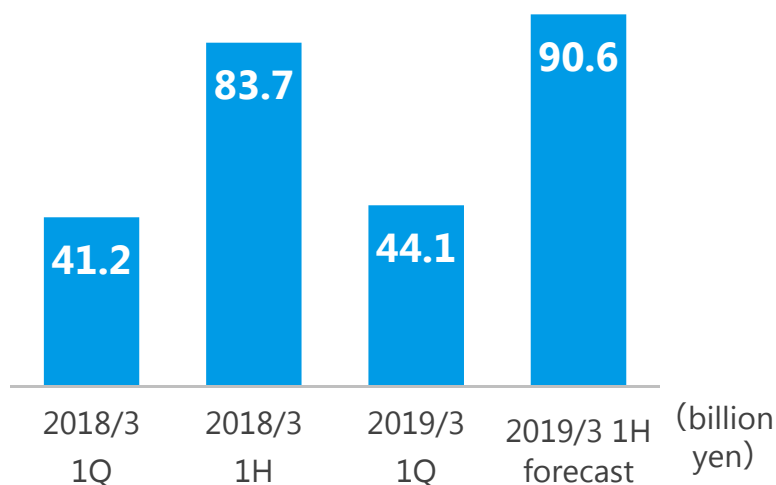
Operating Income +1.7 billion yen

- Increase due mainly to the increase in sales volume and a positive impact of the revision of selling prices following the rise in raw material and fuel prices.

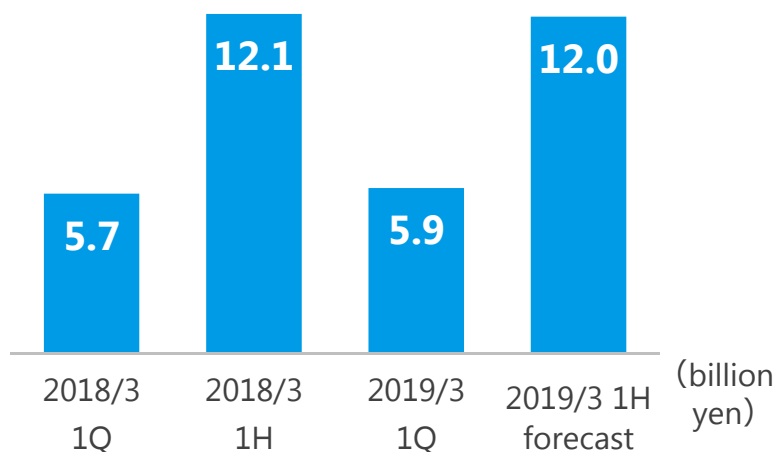
Plastics



Net Sales



Operating Income



Net Sales +3.0 billion yen (Exchange rate impact Δ 0.5 billion yen)

(Engineering Plastics business : **Increase**)

- Increase in sales volume resulting from increased demand for automobile parts and progress in new parts adoption
- The revision of selling prices following the rise in raw material and fuel prices

(Plastic Compound business : **Increase**)

- Decrease in sales volume registered by overseas sites
- Increase in domestic sales volume
- The revision of selling prices following the rise in raw material and fuel prices

(Plastic Processing business : **Increase**)

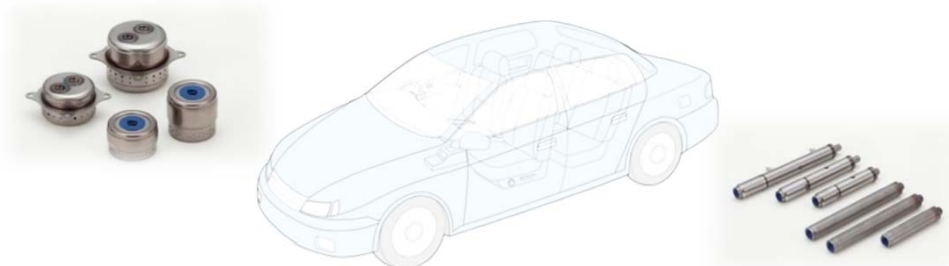
- Increase in film sales

Operating Income +0.2 billion yen

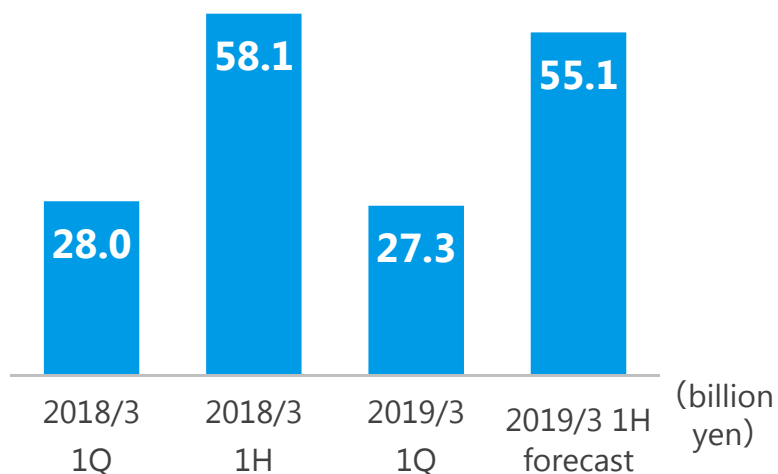
- Increase due mainly to the increase in sales volume, despite the impact of rising raw material and fuel prices

Note: Forecast is not revised from the previous forecast announced on May 10, 2018.

Pyrotechnic Devices



Net Sales



Net Sales $\Delta 0.7$ billion yen (Exchange rate impact $\Delta 0.3$ billion yen)

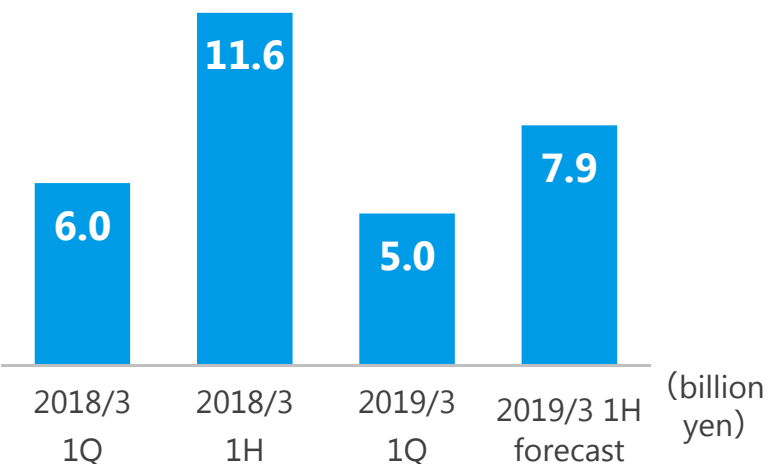
(Automobile Safety Parts business : Flat)

- Increase in inflator sales volume
- Change in sales product mix

(Aerospace & Defense business : Decrease)

- Decrease in volume of some products procured by the Ministry of Defense

Operating Income



Operating Income $\Delta 1.0$ billion yen

- Decrease due mainly to the impact of the change in sales product mix

Note: Forecast is not revised from the previous forecast announced on May 10, 2018.

REFERENCES

Consolidated Balance Sheet

(billion yen)

	Mar. 31, 2018	June 30, 2018	Change	Remarks
Total current assets	349.2	342.6	△6.6	
Cash, deposits and securities	129.3	116.6	△12.7	
Notes and accounts receivable-trade	93.3	93.8	+0.5	
Inventories	109.3	113.6	+4.3	
Other	17.4	18.5	+1.2	
Total non-current assets	291.1	297.0	+6.0	
Property, plant and equipment	184.0	191.9	+7.9	Acquisition+14.7, Depreciation△6.7, Retirement△0.1
Intangible assets	8.6	8.8	+0.2	
Investments and other assets	98.4	96.3	△2.1	
Total assets	640.3	639.6	△0.7	
Liabilities	226.7	223.3	△3.5	
Interest-bearing liabilities	99.7	100.6	+0.9	Interest-bearing liabilities ratio 15.7%
Other	127.0	122.7	△4.3	
Total net assets	413.5	416.3	+2.8	Capital adequacy ratio 60.8%
Total liabilities and net assets	640.3	639.6	△0.7	

Note: To adapt to the "Partial Amendments to Accounting Standard for Tax Effect Accounting" and other standards, the column "Mar. 31, 2018" in this figure is changed from the Announcement on May 10, 2018.

Financial Forecast

Note: Forecast is not revised from the previous forecast announced on May 10, 2018.

(billion yen)

		FY ending March 2018 (Results)			FY ending March 2019 (Forecast)			Change (B)-(A)
		1st half	2nd half	Total(A)	1st half	2nd half	Total(B)	
	Cellulosic Derivatives	45.1	44.0	89.1	43.1	43.5	86.6	△2.5
	Organic Chemicals	39.1	42.9	82.0	43.0	44.0	87.0	+5.0
	Plastics	83.7	84.5	168.3	90.6	92.5	183.1	+14.8
	Pyrotechnic Devices	58.1	59.1	117.2	55.1	58.9	114.0	△3.2
	Others	3.0	3.4	6.4	3.2	4.1	7.3	+0.9
Net sales		229.0	233.9	463.0	235.0	243.0	478.0	+15.0
	Cellulosic Derivatives	11.0	8.3	19.4	8.5	7.0	15.5	△3.9
	Organic Chemicals	3.6	4.3	7.9	6.0	6.0	12.0	+4.1
	Plastics	12.2	11.1	23.3	12.0	11.7	23.7	+0.4
	Pyrotechnic Devices	11.6	10.5	22.2	7.9	7.6	15.5	△6.7
	Others	0.3	0.5	0.8	0.3	0.5	0.8	+0.0
	Corporate and eliminations	△7.2	△7.3	△14.5	△8.2	△8.3	△16.5	△2.0
Operating income		31.5	27.4	58.9	26.5	24.5	51.0	△7.9
Ordinary income		33.1	27.9	61.1	27.5	25.5	53.0	△8.1
Income attributable to owners of parent		19.6	17.5	37.1	19.0	18.0	37.0	△0.1
(ref.) Exchange rate USD/JPY		111	111	111	110	110	110	

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