



1st Half of Fiscal Year ending March 2021
Consolidated Financial Results

November 6, 2020



DAICEL CORPORATION

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Financial Results

(billion yen)

	20/3 1H Results	21/3 1H Forecasts*	21/3 1H Results	Y o Y		vs Forecasts	
				Change	%	Change	%
Net Sales	210.7	172.0	175.3	-35.3	-16.8%	+3.3	+1.9%
Operating Income	17.9	5.0	9.1	-8.8	-49.0%	+4.1	+82.1%
Ordinary Income	18.7	6.0	10.2	-8.5	-45.5%	+4.2	+69.4%
Income Attributable to Owners of Parent	11.7	1.5	3.3	-8.4	-72.0%	+1.8	+118.2%
Exchange Rate USD/JPY	109	106	107				

The business environment for the first half of the consolidated financial results deteriorated significantly because demand decreased in various industries including vehicle production due to the impact of COVID-19.

Amid such circumstances, sales revenue and operating income decreased year-on-year, due to a decrease in sales volume of main products such as automobile airbag inflator and engineering plastics, despite conducting thorough cost reduction.

Compared to the forecasts, sales revenue were almost in line with forecasts, and operating income exceeded forecasts due to steady implementation of thorough cost reduction in addition to conventional cost reduction in response to COVID-19.

* The forecasts were announced on July 31, 2020.

Net Sales and Operating Income by Segment

(billion yen)

Net Sales	20/3 1H Results	21/3 1H Forecasts*	21/3 1H Results	Y o Y		vs Forecasts	
				Change	%	Change	%
Medical / Healthcare	7.8	7.0	7.8	-0.1	-0.8%	+0.8	+11.2%
Smart	12.9	10.0	10.3	-2.6	-20.0%	+0.3	+3.2%
Safety	39.8	27.0	27.2	-12.7	-31.8%	+0.2	+0.7%
Materials	55.1	49.0	49.3	-5.8	-10.5%	+0.3	+0.6%
Engineering Plastics	89.9	73.0	74.7	-15.2	-16.9%	+1.7	+2.3%
Others	5.2	6.0	6.1	+0.9	+17.7%	+0.1	+1.7%
Total	210.7	172.0	175.3	-35.3	-16.8%	+3.3	+1.9%

Operating Income	20/3 1H Results	21/3 1H Forecasts*	21/3 1H Results	Y o Y		vs Forecasts	
				Change	%	Change	%
Medical / Healthcare	1.0	0.5	0.8	-0.2	-21.8%	+0.3	+63.2%
Smart	2.3	0.6	1.0	-1.3	-55.0%	+0.4	+72.7%
Safety	2.4	-2.7	-1.7	-4.0	-170.9%	+1.0	+38.2%
Materials	7.9	6.7	7.5	-0.4	-5.6%	+0.8	+11.7%
Engineering Plastics	12.0	7.0	8.2	-3.8	-31.6%	+1.2	+17.5%
Others	0.3	0.8	0.9	+0.6	+179.4%	+0.1	+17.0%
Corporate	-8.1	-7.9	-7.7	+0.4	+5.1%	+0.2	+2.2%
Total	17.9	5.0	9.1	-8.8	-49.0%	+4.1	+82.1%

* The forecasts were announced on July 31, 2020.

Net Sales and Operating Income by Segment (Y o Y Analysis)

(billion yen)

Net Sales	20/3 1H Results	21/3 1H Results	Change	%	Analysis		
					Quantity	Prices	Exchange rate Impact
Medical / Healthcare	7.8	7.8	-0.1	-0.8%	+0.6	-0.6	-0.1
Smart	12.9	10.3	-2.6	-20.0%	-2.5	-0.1	-0.0
Safety	39.8	27.2	-12.7	-31.8%	-11.7	-1.0	-0.3
Materials	55.1	49.3	-5.8	-10.5%	-2.4	-3.3	-0.5
Engineering Plastics	89.9	74.7	-15.2	-16.9%	-12.8	-2.4	-0.7
Others	5.2	6.1	+0.9	+17.7%	+0.9	-	-
Total	210.7	175.3	-35.3	-16.8%	-27.9	-7.4	-1.6

Operating Income	20/3 1H Results	21/3 1H Results	Change	%	Analysis			
					Quantity	Prices	Exchange rate Impact	Others
Medical / Healthcare	1.0	0.8	-0.2	-21.8%	+0.1	-0.4	-0.0	+0.1
Smart	2.3	1.0	-1.3	-55.0%	-1.1	+1.0	-0.0	-1.1
Safety	2.4	-1.7	-4.0	-170.9%	-8.3	-0.3	+0.0	+4.6
Materials	7.9	7.5	-0.4	-5.6%	-1.5	-0.1	-0.3	+1.1
Engineering Plastics	12.0	8.2	-3.8	-31.6%	-5.0	+1.5	-0.3	-0.3
Others	0.3	0.9	+0.6	+179.4%	+0.6	-	-	-
Corporate	-8.1	-7.7	+0.4	+5.1%	-	-	-	+0.4
Total	17.9	9.1	-8.8	-49.0%	-15.1	+1.6	-0.6	+4.7

*Exchange rate impact is included in price impact.

Business Situation

During the first half, each business segment was significantly affected by COVID-19.

Medical / Healthcare	<ul style="list-style-type: none"> • Consumer demand for cosmetics declined. • In the chiral separation business, although the sales revenue in US and Europe decreased, business in China and India was favorable.
Smart	<ul style="list-style-type: none"> • Demand in flat panel display market decreased. • Firm demand in semiconductor market.
Safety	<ul style="list-style-type: none"> • Vehicle production decreased.
Materials	<ul style="list-style-type: none"> • Demand for acetic acid decreased, and market prices fell. Prices of acetic acid derivatives fell due to fall in acetic acid market • Cigarette filter tow was affected by a decrease in tobacco sales due to the impact of coronavirus, but there was movement to secure raw materials by major overseas customers. • Demand for caprolactone derivatives and alicyclic-epoxy-resin declined in the European market and for LED applications.
Engineering Plastics	<ul style="list-style-type: none"> • Vehicle production decreased. • Sales of smartphones were sluggish.

Full- year Forecasts

(billion yen)

	20/3 Results	21/3 Forecasts*	21/3 Revised Forecasts	Y o Y		vs Forecasts	
				Change	%	Change	%
Net Sales	412.8	386.0	368.0	-44.8	-10.9%	-18.0	-4.7%
Operating Income	29.6	17.5	22.0	-7.6	-25.8%	+4.5	+25.7%
Ordinary Income	31.8	19.5	23.0	-8.8	-27.6%	+3.5	+17.9%
Income Attributable to Owners of Parent	5.0	10.0	14.0	+9.0	+181.2%	+4.0	+40.0%
Exchange Rate USD/JPY	109	106	106				

Full-year sales revenue is expected to decrease year-on-year and operating income is also expected to decrease, but the business environment is expected to gradually recover from the effects of COVID-19. In addition, net income attributable to owners of the parent company is expected to increase due to the acquisition of Polyplastics as a wholly owned subsidiary in October.

Compared to the initial forecast, the impact of the new coronavirus is expected to be longer than initially expected, however we expect profits to exceed the initial forecast by securing the benefits of lowered raw material prices through maintaining and correcting selling prices and thoroughly reducing costs.

* The forecasts were announced on July 31, 2020.

Full-year Forecasts - Net Sales and Operating Income by Segment (billion yen)

Net Sales	20/3 Results	21/3 Forecasts*	21/3 Revised Forecasts	Y o Y		vs Forecasts	
				Change	%	Change	%
Medical / Healthcare	15.1	15.5	15.0	-0.1	-0.6%	-0.5	-3.2%
Smart	25.3	24.5	22.0	-3.3	-13.2%	-2.5	-10.2%
Safety	74.8	61.0	61.0	-13.8	-18.5%	-	+0.0%
Materials	109.4	104.5	99.0	-10.4	-9.5%	-5.5	-5.3%
Engineering Plastics	176.1	166.5	158.0	-18.1	-10.3%	-8.5	-5.1%
Others	12.1	14.0	13.0	+0.9	+7.6%	-1.0	-7.1%
Total	412.8	386.0	368.0	-44.8	-10.9%	-18.0	-4.7%

Operating Income	20/3 Results	21/3 Forecasts*	21/3 Revised Forecasts	Y o Y		vs Forecasts	
				Change	%	Change	%
Medical / Healthcare	1.3	0.5	1.2	-0.1	-10.4%	+0.7	+140.0%
Smart	3.4	2.5	2.2	-1.2	-34.3%	-0.3	-12.0%
Safety	3.3	0.0	1.2	-2.1	-63.7%	+1.2	-
Materials	15.8	13.0	13.3	-2.5	-15.9%	+0.3	+2.3%
Engineering Plastics	20.9	16.0	17.9	-3.0	-14.3%	+1.9	+11.9%
Others	0.8	1.5	1.6	+0.8	+96.6%	+0.1	+6.7%
Corporate	-15.9	-16.0	-15.4	+0.5	+3.0%	+0.6	+3.8%
Total	29.6	17.5	22.0	-7.6	-25.8%	+4.5	+25.7%

* The forecasts were announced on July 31, 2020.

Assumptions of Revised Forecasts

Continuously affected by COVID-19, however, the business environment will steadily recover in 2nd half.

	Market environment	Business situation / Initiatives
Medical / Healthcare	<ul style="list-style-type: none"> • Demand for Cosmetics is expected to continue to decline in 2nd half in Japan and overseas. • The chiral separation business is not expected to be significantly affected by COVID-19. 	<ul style="list-style-type: none"> • Enable stable supply and expand sales by multiple production bases for 1,3-BG, and also, strive to keep our Global No.1 quality. • Aim to increase sales in the Chinese and Indian markets by introducing new products and services in the analysis service business and the standard / reagent business.
Smart	<ul style="list-style-type: none"> • The display market has been on a recovery trend since July and is expected to be \pm 0% year-on-year. • The semiconductor market is expected to be +3% year-on-year through full-scale spread of 5G, investment recovery for data centers and other factors. 	<ul style="list-style-type: none"> • Amid market situation where demand for other film materials is rising, cellulose acetate for display film maintains a high share of existing customers and strives to expand sales for other customers' share by improving competitiveness as a material. • In the IC/Semiconductor business, in addition to evolution of semiconductors and market expansion, we develop and expand sales of high-purity, low metal solvents and resist polymers which require further upgrading, such as for EUV. • Strengthen product proposals for the "coexisting with coronavirus" era, such as anti-virus / antibacterial films, film-type vital sensors, and micro lenses for non-contact sensors / VR devices.

Assumptions of Revised Forecasts

	Market environment	Business situation / Initiatives
Safety	<ul style="list-style-type: none"> • Vehicle production decline is expected to be -20% year-on-year. 	<ul style="list-style-type: none"> • Ensure inflator sales volume decline of less than 10% year-on-year due to the early recovery of the Chinese market and sales expansion due to the acquisition of new order programs for major customers. • Promote profit improvement by steadily implementing cost reduction plans. • Also proceed with Mid-Term Management Strategy efforts, and start selling new inflators for product integration from next year. • Consolidation of production bases is progressing as planned toward completion in 2023. • Conversion of gas generating agent manufacturing method is in progress toward adoption in 2024.

Assumptions of Revised Forecasts

	Market environment	Business situation / Initiatives
Material	<ul style="list-style-type: none"> • No recovery expected in demand and market conditions for acetic acid and acetic acid derivatives in the 2nd half, the forecast will be on par with the first half. • World tobacco sales volume (except China) is expected to be -6~9% year-on-year. • The bioplastic market is expected to gradually recover from the decline in the first half. • Caprolactone derivatives and epoxy compounds will gradually recover in automotive applications in the second half, but the situation in other areas is expected to remain unchanged from the first half. 	<ul style="list-style-type: none"> • Even in market slump for acetic acid derivatives, we will correct the selling price and raise the price as appropriate. • We will maintain sales volume of tobacco filter tow by expanding sales along with high-performance, high-value-added products for heat-not-burn tobacco, for which demand is growing. • As a biomass and biodegradable material, we will collaborate with partner companies to develop new applications and products for cellulose acetate. • Discover promising applications for caprolactone derivatives that take advantage of its properties, also work to expand high value-added markets and applications of epoxy compounds as a leading company.
Engineering plastics	<ul style="list-style-type: none"> • The number of automobiles produced is expected to decrease by about 15% from the previous year, mainly for small passenger cars. • Smartphone production is also expected to decrease from the previous year. 	<ul style="list-style-type: none"> • Currently, while implementing measures to expand sales of POM at strategic prices, we will steadily seize sales opportunities due to the recovery of demand in the spec-in business and shift product supply. • Aggressively sell to markets where demand is expected to grow even with COVID-19, such as LCP's 5G infrastructure and COC for medical use. • Steadily secure the merits of lowering raw material prices and thoroughly reduce costs and expenses to reduce the margin of profit decline.

Response to COVID-19 Related Crisis

We believe that COVID-19 will continue to make major changes in people's lifestyles, work styles, corporate activities and Business Continuity Plan. Since the beginning of this fiscal year, we have established the following three policies and have endeavored to implement them with certainty.

Firm Footing Against the Economic Downturn

- **Thorough cost reduction and inventory optimization**
- **Withdrawal of unprofitable businesses/Integration and abolishment of unprofitable production site**
- Challenge of work style reform such as utilization of telework

Contribution to COVID-19 Countermeasures

- Providing **our dosing device** towards future use in new coronavirus vaccine trials
- Development of new products for customers' COVID-19 countermeasure products
- Supply of products and raw materials that contribute to infection prevention

Response to Coexisting with the Coronavirus/Preparation for a New Normal

- Incorporate into the new long-term vision and new medium-term strategy, postponing start by one year
- Reassume management risk toward the realization of a cross-value chain
- **Accelerate the transition to an issue-identifying company** in response to drastic changes in customer needs

Firm Footing Against the Economic Downturn -Thorough Cost Reduction

In the first half, we achieved a cost reduction of 7.5 billion yen (vs. the plan: +56%) from the initial plan of 4.8 billion yen. We will continue to reduce costs by increasing the number of projects.

(billion yen)

	2021/3 1 st Half		2021/3 2 nd Half	
	Initial Plan	Results	Initial Plan	Revised Plan
Medical / Healthcare	0.1	0.1	0.1	0.1
Smart	0.2	0.3	0.3	0.2
Safety	2.6	5.8	3.2	4.6
Materials	1.2	0.8	1.7	1.8
Engineering Plastics	0.7	0.6	0.6	0.5
Total	4.8	7.5	5.9	7.3

In recent years, the impact of lower selling prices has offset the results of cost reductions and put a brake on profit improvement, but this year we are making efforts to minimize the impact by taking the following measures.

- Further cost reduction
- Early implementation of manufacturing method conversion that we have been working on for the past few years
- Started drastic measures against oversupply

Firm Footing Against the Economic Downturn

-Withdrawal of unprofitable businesses/Integration and abolishment of unprofitable production sites

We have decided to withdraw from the defense-related business and are proceeding as planned. We will reduce costs by eliminating “local production for local consumption”, and indirect costs by integrating sites.

◇ Withdrawal of Defense-related Business

- Manpower(secured by business withdrawal) : 145
→ Allotted for expansion of plant at Aboshi, launch of new product line at Harima, etc.

◇ Strengthening Competitiveness by Integrating production sites in Mobility BU

- Manpower reduction:-485 (until the end of March, 2023)
- Impairment loss:14.1 billion yen (FY2020/3) 、 2.4 billion yen (FY2021/3)

<Effect of Integration of sites>

(unit: billion yen, base year of effect:FY2019/3)

		20/3	21/3	22/3	23/3	24/3	25/3	26/3
Profit improvement effect	Without investment	0.0	0.2	0.9	1.0	1.1	1.5	1.6
	With investment	0.1	0.4	0.8	1.8	4.7	4.5	4.4
Total effect		0.1	0.6	1.7	2.8	5.8	6.0	6.0
Depreciation cost		0.0	0.0	0.0	0.5	0.7	0.7	0.7

*Total investment :6.5 billion yen

Contribution to COVID-19 Countermeasures

Towards future use in clinical trials of the new coronavirus vaccine, we provide Actranza™ lab, a dosing device developed by Daicel.



“Pursuit of new functions for pyrotechnics”

Features

Effectiveness improves with a small amount

- Delivers the drug solution to the target location
- Application of our pyrotechnic technology

⇒ New functions:

Instant control, stable operation, new accelerator

Expected applications

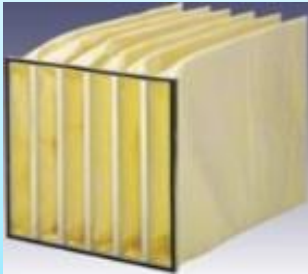
Gene therapy drug, peptide medicine, nucleic acid medicine, cancer DNA vaccine, etc.

Transition to a Issue-identifying Company

We are strengthening our “collaborative innovation” efforts to address customer issues and working as a new style of new business development.

◇ “Collaborative innovation” with Daikin Industries, Ltd.

Development of new air filter



“Doubly clean the air”

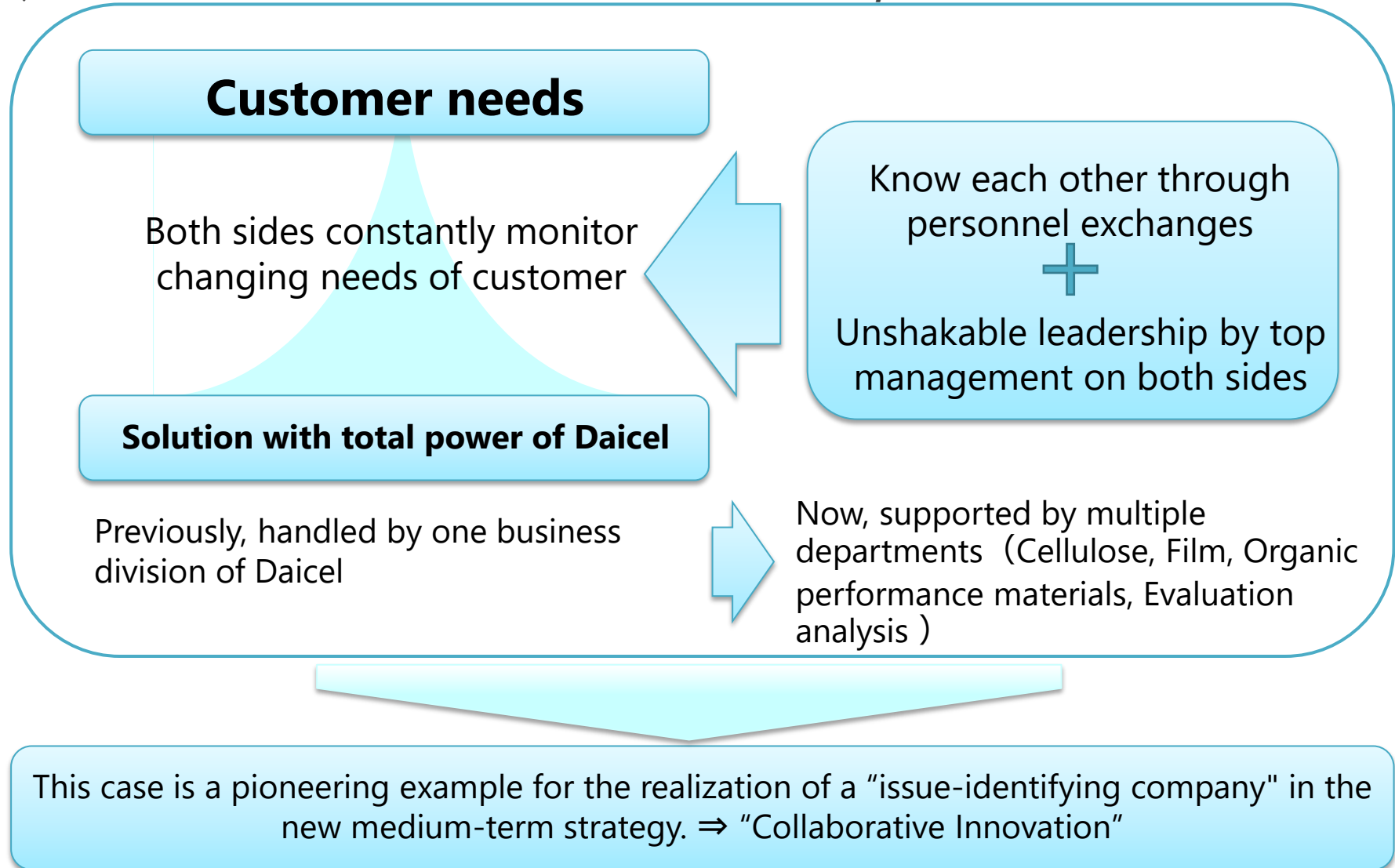
Significantly improved virus removal performance with nanofibers
→Realized with acetate tow manufacturing technology

Development of element materials for ventilation equipment

Under joint development

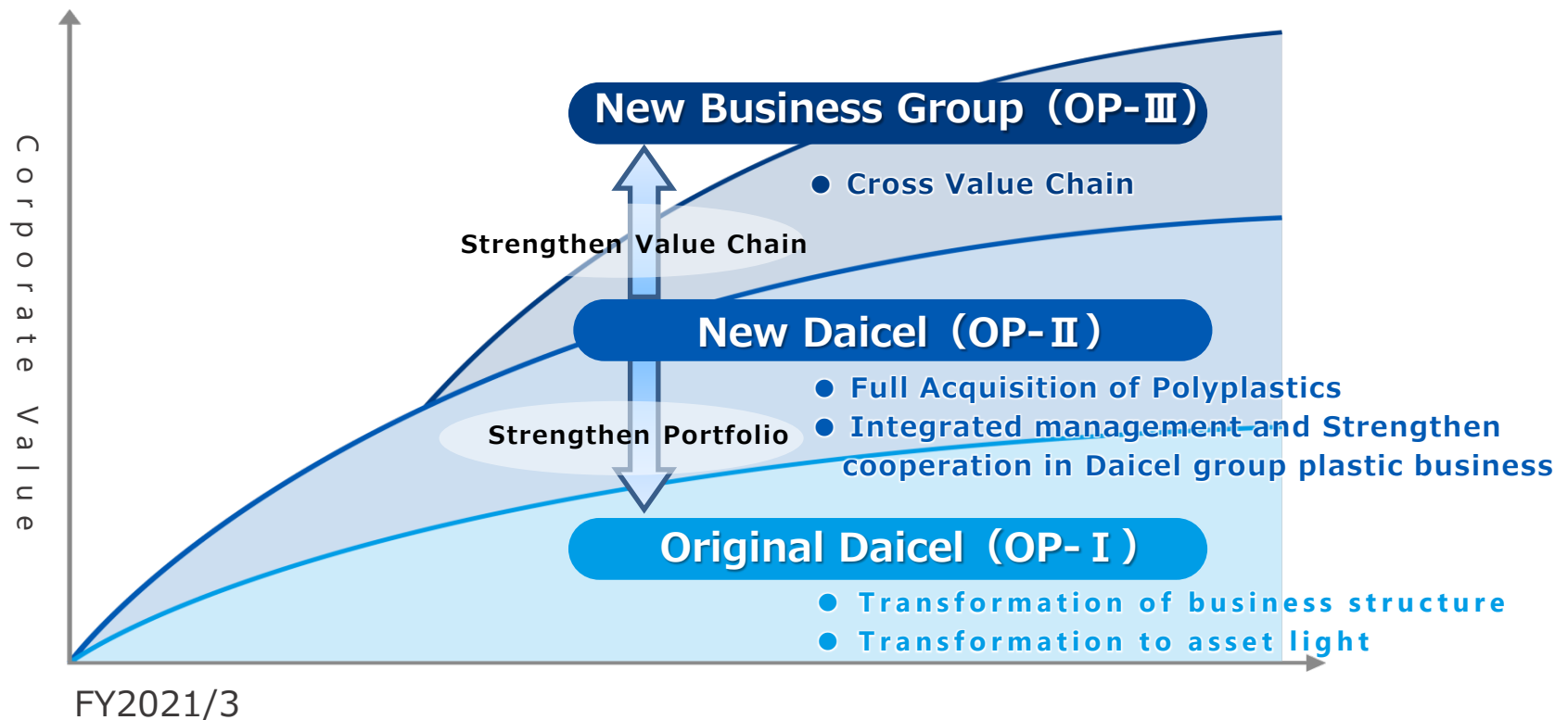
Transition to an Issue-identifying Company

◇ **“Collaborative innovation” with Daikin Industries, Ltd**



New Long-term Vision and Mid-term Strategy

We have defined three operations (Original Daicel (OP-I), New Daicel (OP-II) and New Business Group (OP-III)) for improving corporate value in our long-term vision "DAICEL VISION 4.0". This year is the first year of the medium-term strategy "Accelerate 2025", and we are steadily implementing OP-I and OP-II, and preparing for OP-III.



For Realization of New Daicel (OP- II)

Full Acquisition of Polyplastics (October 9, 2020)

◇ **Maximize group synergies**

We have set up subcommittees in manufacturing, sales, and corporate field including research, to pursue asset light and share know-how.

◇ **Accelerate growth strategy with speedy decision making**

We have decided to Expand Production Capacity of TOPAS® Cyclic Olefin Copolymer (COC). The new plant to be constructed in Leuna (Germany) is scheduled to start operations in 2023.



For Realization of New Business Group (OP-III)

Development of autonomous production system

We have evolved the "intelligent integrated production system" built by our "DAICEL Production innovation" completed in 2000 by two types of applications equipped with AI jointly developed with Tokyo University.

◇ **Effect of autonomous production system**

- Significant reduction in manufacturing costs
- Build a "virtual company *" that covers the entire supply chain

*The idea is to manage the supply chain that ends in the market as a virtual company, and considers that each supply chain has functions and equipment such as product procurement, production, and sales.

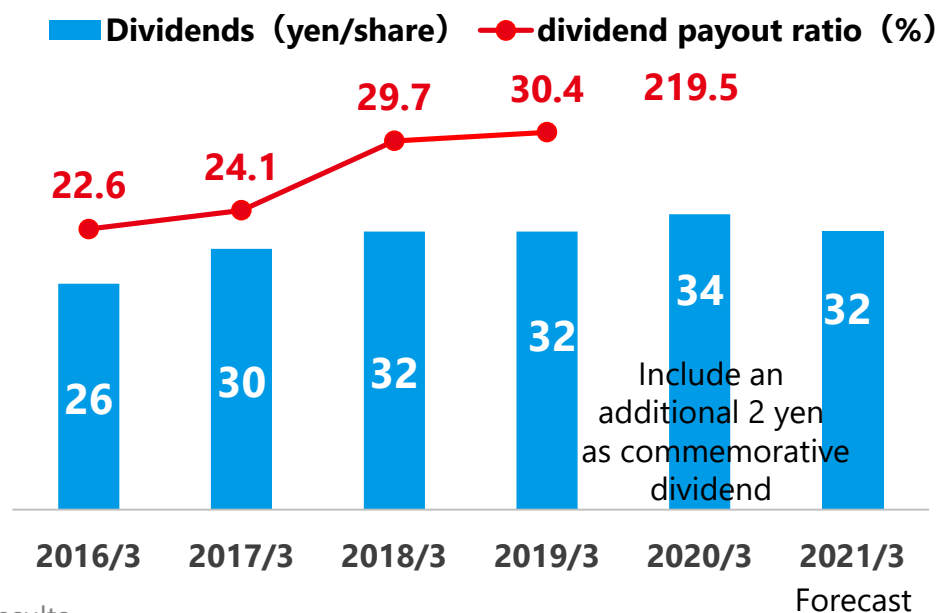
Return to Shareholders

FY ending March 2021

- **Dividend forecast**
 Interim dividends : 16 yen per share (as expected)
 Forecast of Annual dividends : 32 yen per share (Same as the ordinary dividend for the previous term)
- **Purchase of own stocks of 9.68 million shares for 8.3 billion yen.**
 (Period of purchase: From Apr to July 2020. The total amount acquired from Nov 2019 to July 2020 is 21.46 million shares for 20 billion yen)
- **Cancellation of 13 million shares of treasury stock in September 2020.**
 (ratio to the total number of issued shares before cancellation 4.11%)

Dividends (yen/share)	2020/3 (Results)	2021/3
For 1 st Half	16	16
For 2 nd Half	18*	16 (Forecast)
Annual	34	32 (Forecast)

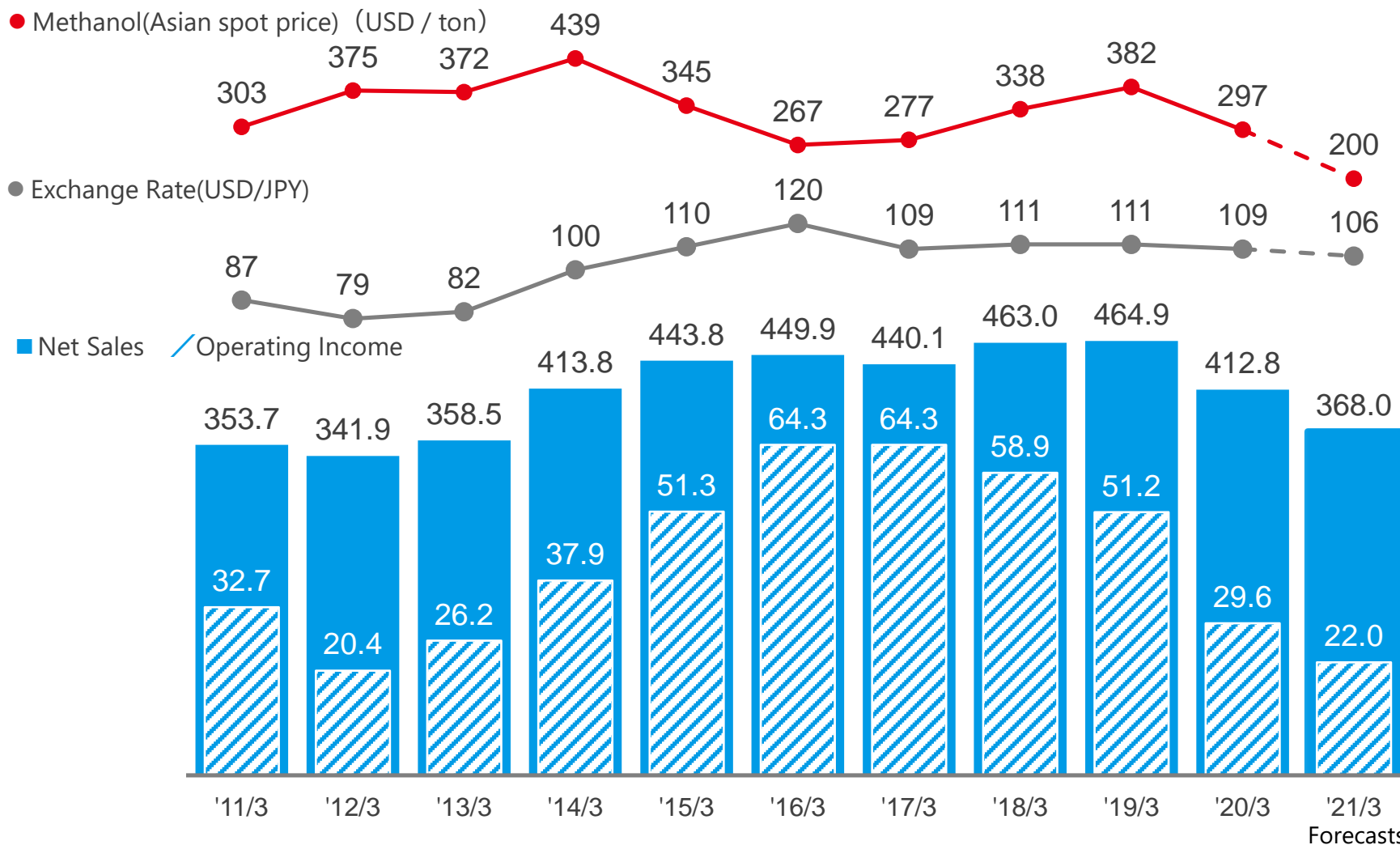
* Ordinary dividend 16 · Commemorative dividend 2



REFERENCES

Trend in Net Sales and Operating Income and Forecasts

(billion yen)



Consolidated Balance Sheet

(billion yen)

		Mar. 31, 2020	Sep. 30, 2020	Change	Remarks
Total Current Assets		298.0	283.5	-14.5	
	Cash, Deposits and Short-term Investment Securities	81.4	81.3	-0.1	
	Notes and Accounts Receivable-trade	79.5	73.0	-6.5	
	Inventories	117.4	110.1	-7.3	
	Other	19.7	19.1	-0.6	
Total Non-Current Assets		300.0	305.7	+5.7	
	Property, Plant and Equipment	204.3	206.8	+2.5	Acquisition+15.4, Depreciation-11.4, Impairment loss-1.5
	Intangible Fixed Assets	13.4	12.5	-0.9	
	Investments and Other Assets	82.2	86.3	+4.1	
Total Assets		598.0	589.2	-8.8	
Liabilities		205.4	208.2	+2.8	
	Interest-bearing Liabilities	92.8	108.1	+15.3	
	Other	112.6	100.1	-12.5	
Total Net Assets		392.6	381.0	-11.6	Capital adequacy ratio 60.1%
Total Liabilities and Net Assets		598.0	589.2	-8.8	

Consolidated Statements of Income

(billion yen)

	2020/3 1 st Half	2021/3 1 st Half	Change	%	Remarks
Net Sales	210.7	175.3	-35.3	-16.8%	
Gross Income	58.6	47.4	-11.3	-19.2%	
SG&A Expenses	40.8	38.3	-2.5	-6.1%	
Operating Income	17.9	9.1	-8.8	-49.0%	
Non-operating Income and Expenses	0.8	1.1	+0.3	+32.4%	
Ordinary Income	18.7	10.2	-8.5	-45.5%	
Extraordinary Income and Losses	1.8	-1.8	-3.5	-199.5%	Impairment loss-1.5
Income before Income Taxes	20.4	8.4	-12.0	-58.9%	
Income Attributable to Owners of Parent	11.7	3.3	-8.4	-72.0%	
Operating Income Ratio (%)	8.5%	5.2%	-3.3%		

Consolidated Cash Flow Statement

(billion yen)

	2020/3 1 st Half	2021/3 1 st Half	Change	Remarks
Cash Flows from Operating Activities	35.3	21.9	-13.4	Income before income taxes-12.0
Cash Flows from Investing Activities	-29.2	-18.1	+11.1	Purchase of property, plant and equipment+12.8
Free Cash Flows	6.1	3.7	-2.4	
Cash Flows from Financing Activities	-18.2	-4.3	+13.9	Proceeds from long-term borrowings+14.0
Other	-2.3	0.2	+2.4	
Net Increase (Decrease) in Cash and Cash Equivalents	-14.3	-0.4	+13.9	
Cash and Cash Equivalents at End of Period	105.7	80.3	-25.4	

Revision of Financial Forecast (FY ending March 2021)

(billion yen)

		2021/3 Previous Forecasts			2021/3 Revised Forecasts			Change (B)-(A)
		1 st Half	2 nd Half	Total(A)	1 st Half	2 nd Half	Total(B)	
	Medical / Healthcare	7.0	8.5	15.5	7.8	7.2	15.0	-0.5
	Smart	10.0	14.5	24.5	10.3	11.7	22.0	-2.5
	Safety	27.0	34.0	61.0	27.2	33.8	61.0	-
	Materials	49.0	55.5	104.5	49.3	49.7	99.0	-5.5
	Engineering Plastics	73.0	93.5	166.5	74.7	83.3	158.0	-8.5
	Others	6.0	8.0	14.0	6.1	6.9	13.0	-1.0
Net Sales		172.0	214.0	386.0	175.3	192.7	368.0	-18.0
	Medical / Healthcare	0.5	0.0	0.5	0.8	0.4	1.2	+0.7
	Smart	0.6	1.9	2.5	1.0	1.2	2.2	-0.3
	Safety	-2.7	2.7	0.0	-1.7	2.9	1.2	+1.2
	Materials	6.7	6.3	13.0	7.5	5.8	13.3	+0.3
	Engineering Plastics	7.0	9.0	16.0	8.2	9.7	17.9	+1.9
	Others	0.8	0.7	1.5	0.9	0.7	1.6	+0.1
	Corporate	-7.9	-8.1	-16.0	-7.7	-7.7	-15.4	+0.6
Operating Income		5.0	12.5	17.5	9.1	12.9	22.0	+4.5
Ordinary Income		6.0	13.5	19.5	10.2	12.8	23.0	+3.5
Income Attributable to Owners of Parent		1.5	8.5	10.0	3.3	10.7	14.0	+4.0
(ref.) Exchange rate USD/JPY		106	105	105	107	105	106	

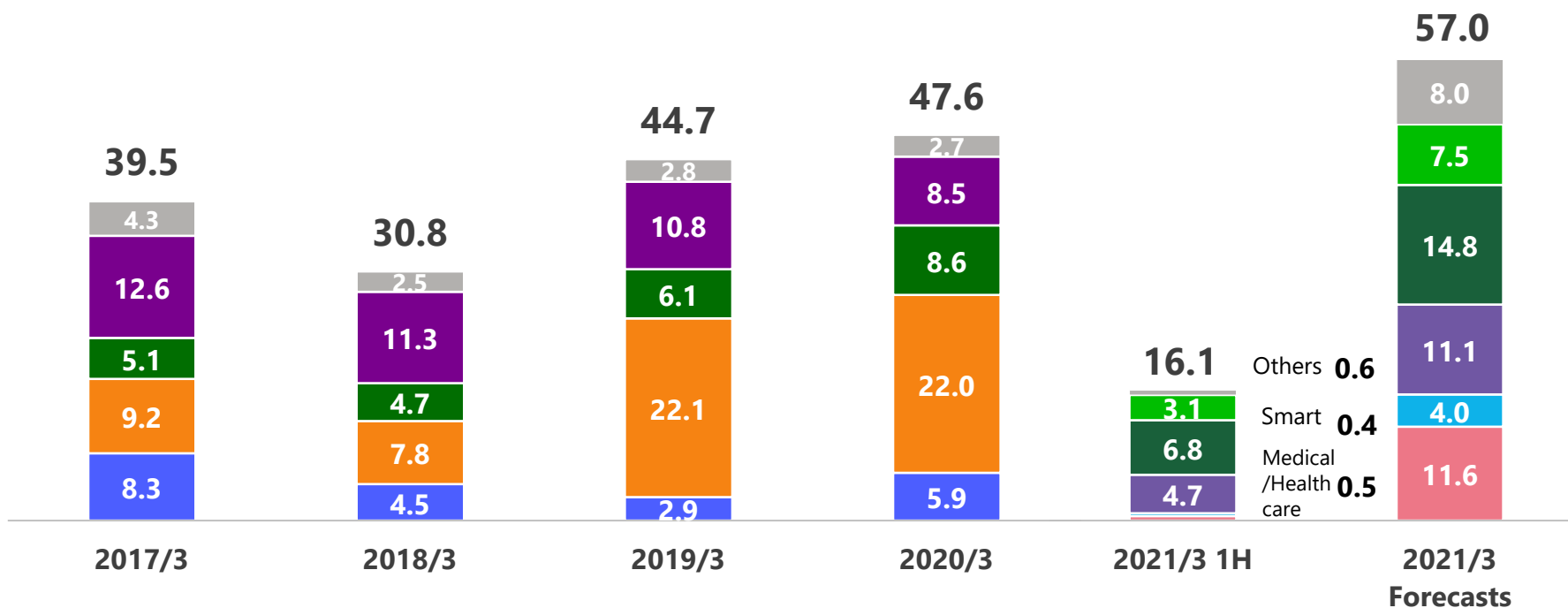
* The previous forecasts were announced on July 31, 2020.



Capital Expenditures

(billion yen)

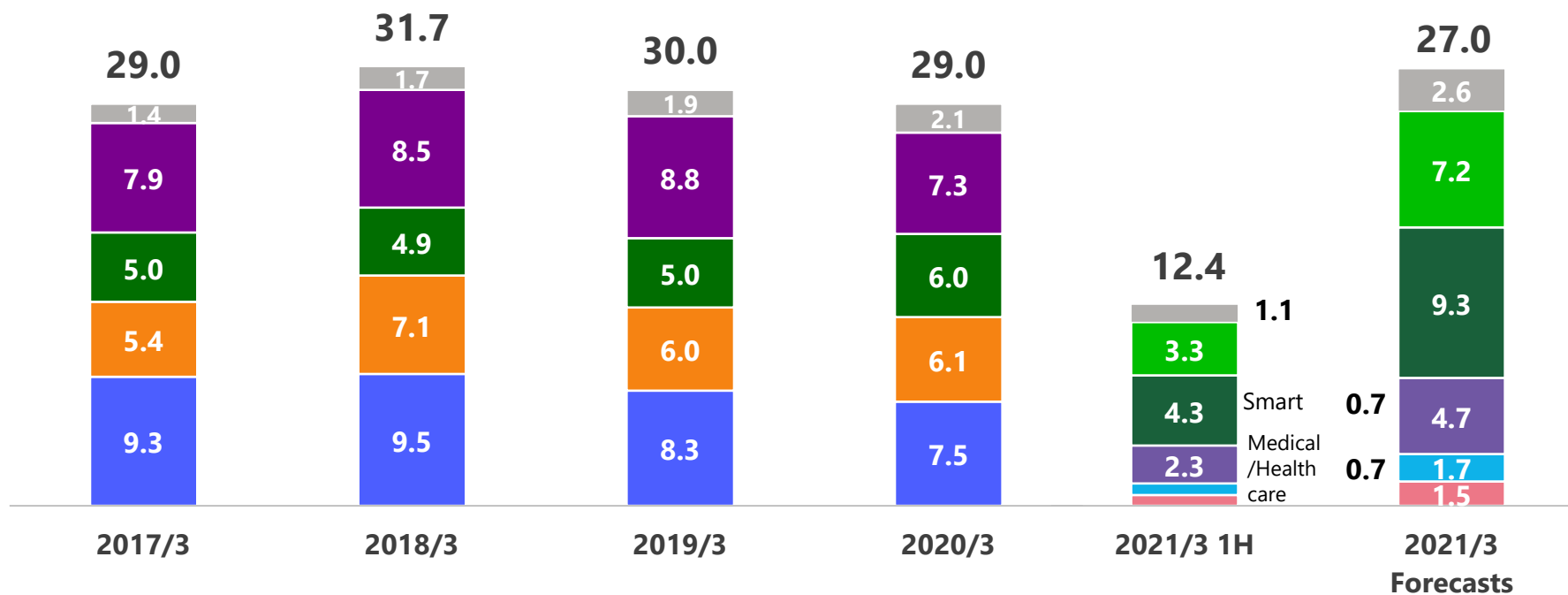
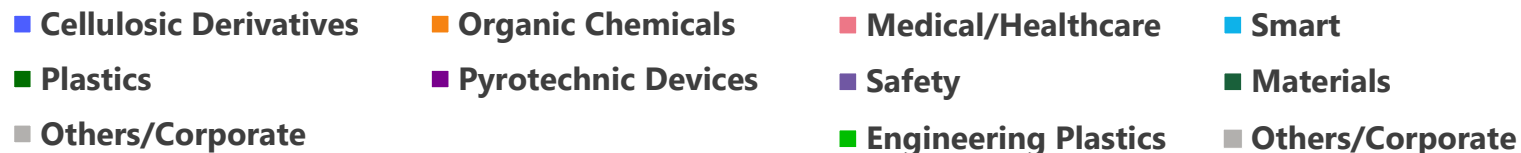
- Cellulosic Derivatives
- Organic Chemicals
- Medical/Healthcare
- Smart
- Plastics
- Pyrotechnic Devices
- Safety
- Materials
- Others/Corporate
- Engineering Plastics
- Others/Corporate





Depreciation and Amortization

(billion yen)

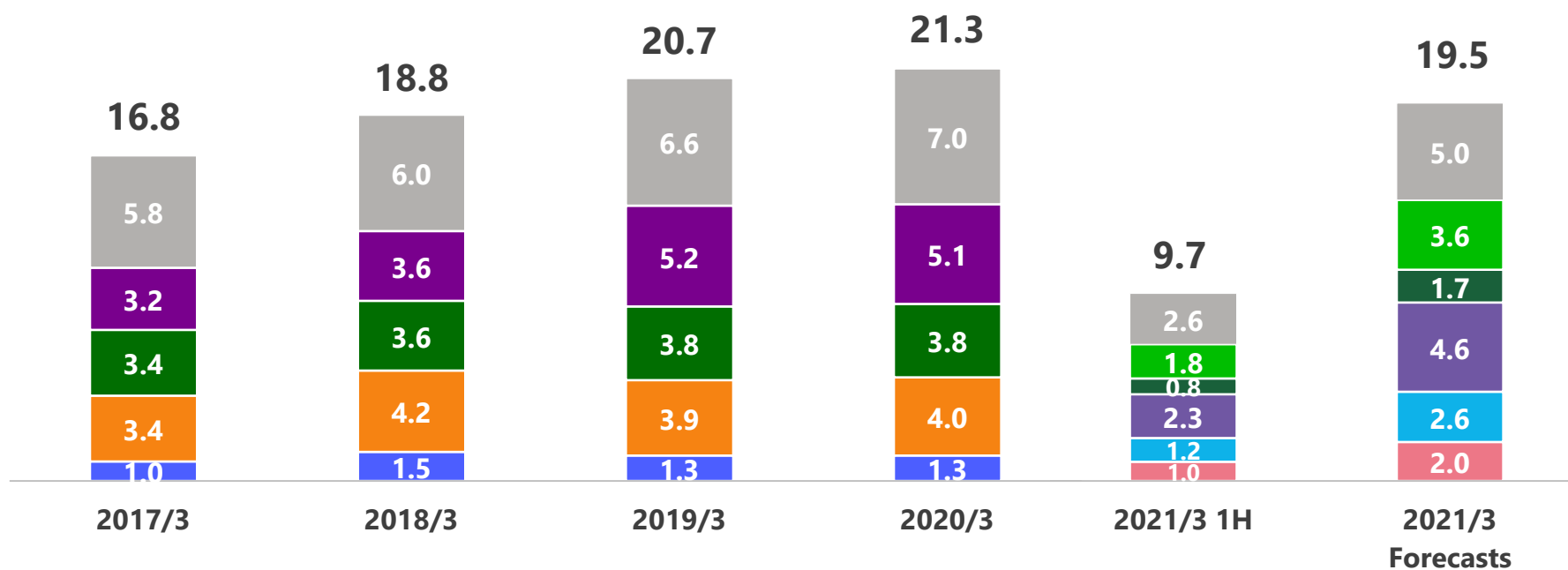




R&D

(単位：億円)

- Cellulosic Derivatives
- Organic Chemicals
- Medical/Healthcare
- Smart
- Plastics
- Pyrotechnic Devices
- Safety
- Materials
- Others/Corporate
- Engineering Plastics
- Others/Corporate





Assumptions

		2020/3 Results		2021/3 Initial Plan		2021/3 Revised Plan	
		1 st Half	2 nd Half	1 st Half	2 nd Half	1 st Half (Results)	2 nd Half
Exchange rate (USD/JPY)		109	109	105	105	107	105
Raw Materials	Methanol Asian spot price (USD/ton)	277	245	220	220	205	200
	Crude Oil Dubai (USD/bbl.)	64	56	25	25	37	45
	Domestic Naphtha (JPY/kl)	42,800	42,700	19,000	19,000	27,500	30,000



Overview of New Segments

New Segments	Divisions / Companies		Main Products	Previous Segments
Medical / Healthcare	Healthcare SBU	Cosmetics BU	Cosmetic ingredients such as 1,3-butylene glycol, low-irritation surfactants	Organic Chemicals
		Health Foods BU	Naturally derived ingredients and supplements such as equol and konjac ceramide	
	CPI Company	Analytical Tools BU	Chiral columns, High-purity chiral reagents, etc.	
	Innovation and Business Development	New Business Development	Co-processed excipients Such as orally disintegrating tablets	Others
Smart	Smart SBU	Display BU	Cellulose acetate for optical films	Cellulosic Derivatives
			High-performance optical films	Plastics
		IC/Semiconductor BU	Resist materials, Solvents for printed electronics	Organic Chemicals
		Sensing BU	Optical devices, Semiconductor devices	Others
Safety	Safety SBU	Mobility BU	High-performance resin materials for automotive parts	Plastics
			Automobile Airbag Inflators	Pyrotechnic Devices
		Industry BU	Pyrotechnic goods for civilian uses such as PGG, Pyro-fuse	
Materials	Material SBU	Acetyl BU	Cellulose acetate for applications other than optical films	Cellulosic Derivatives
			Acetate tow for cigarette filters	
			Acetic acid, Acetic acid derivatives	Organic Chemicals
		Chemical BU	Organic chemicals such as Alicyclic-epoxy-resin, Caprolactone derivatives	
Engineering Plastics	Polyplastics Daicel Miraizu DM Novafoam Daicel Pack Systems		Engineering Plastics such as POM, PBT, LCP, PPS, COC	Plastics
			Resin compound products such as SAN, MS, ABS resin, Polymer alloys	
			Plastics processing products such as Polystyrene sheet, Coating films	
			Water-soluble polymer	Cellulosic Derivatives
Others	Daicen Membrane-Systems		Membrane separation systems	Others
	Safety SBU	Aerospace & Defense Systems	Defense-related products	Pyrotechnic Devices

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