Press Release



DIC Corporation

DIC Corporation
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DIC Group to Build New Liquid Inks for Packaging Production Facility in Indonesia

—New Plant to Help the Group Respond to Expanding Demand and
Expand its Global Market Share—

Tokyo, Japan – DIC Corporation announced today that Jakarta-based wholly owned subsidiary PT.DIC Graphics will build a new blending facility for liquid inks for food and beverage packaging in Surabaya, Indonesia, to which it will shift operations from its existing plant, located on the outskirts of Surabaya, which has become too small as a consequence of increases in production volume. The new facility, investment in which is estimated at around JPY 600 million, is scheduled to begin operating in May 2016, will approximately double the company's production capacity.

As a key production base for printing inks, PT. DIC Graphics has a main production facility in Jakarta, which manufactures inks from raw materials, and its blending facility in Surabaya, which transforms these inks into commercial products. Thanks to efforts to bolster its share of the Indonesian market, which resulted in the expansion of its sales volume, the company has had to contend with a shortage of both production capacity and storage space.

Located in the southwestern end of Indonesia's second-largest city, the new facility is in Ngoro Industrial Park, which boasts superb accessibility, the new facility will have a floor space around three times that of the company's existing Surabaya facility.

In recent years, a rising standard of living and other factors have driven up demand for packaging materials in Indonesia. According to DIC estimates, demand for liquid inks for packaging, approximately 80,000 tons in 2015, is likely to surpass 120,000 tons in 2024. The new facility and its main facility will give PT. DIC Graphics a two-pronged production configuration that will position it to respond to demand growth and will also ensure a level of safety and productivity worthy of the trust of global brand owners and other customers.

Under its current medium-term management plan, DIC105, the DIC Group is working to reinforce the earnings foundation of its printing inks by shifting its focus from inks for publishing to those for packaging applications and by reinforcing its production configuration in Asia. The Group will continue promoting efforts to strengthen its capabilities in the area of printing inks for packaging with the aim of increasing its global market share to 30%, from 25% at present, by 2020.

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Profile of New Facility

Facility location: Ngoro Industrial Park, Jl. Raya Ngoro, Kec.Ngoro, Kab.Mojokerto, Indonesia

Products: Liquid inks for packaging, others

Total investment: Undisclosed



Artist's conception of the completed New Facility