

March 26, 2020
DIC Corporation

Notice Regarding Transfer of Real Estate Owned by DIC Graphics

Tokyo, Japan— DIC Corporation announced today that majority owned subsidiary DIC Graphics Corporation has signed a real estate sales contract and will transfer real estate it owns to a third party. Details are as follows.

1. Reasons for transfer

In fiscal year 2019, the DIC Group kicked off a new medium-term management plan, DIC111, which is guiding Groupwide efforts to optimize production of and build a more efficient management structure for publication and news inks. DIC Graphics' Kansai Plant has operated for many years as a principal domestic production facility for publication, news and packaging inks. However, with the aim of creating a more efficient production configuration for the Group's domestic printing inks business as a whole, production at the plant will cease on June 30, 2020, and be shifted to other DIC Group facilities. Owing to the cessation of operations at the plant, DIC Graphics resolved to transfer the plant site to a third party by the end of fiscal year 2020, ending December 31, 2020.

2. Overview of real estate to be transferred

Name: Kansai Plant site, DIC Graphics Corporation

Address: 31-1, Kasugakita-cho 1-chome, Hirakata, Osaka 573-0137, Japan

Land area: 21,144.34 m²

Transfer price: Undisclosed

3. Transferee

The transferee, the name of which cannot be disclosed, is a Japan-based real estate company. Based on the transferee's past performance and evaluations conducted by third-party companies, the DIC Group believes that this real estate company engages in sound business activities and has no connection with antisocial activities or forces, thus making it an appropriate transferee. No material capital, personal or business relationships exist between DIC, its related parties or DIC Group companies and the transferee or any of its related companies. In addition, neither the transferee nor any of its related parties are a related party of DIC.

4. Schedule of transfer

Signing of real estate sales contract: March 26, 2020

Cessation of plant operations: June 30, 2020

Transfer: December 2020 (scheduled)

5. Outlook

The reassignment of employees from the Kansai Plant, primarily to other production facilities, has commenced and is scheduled for completion by June 30, 2020.

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