

October 29, 2019

DIC Corporation

Notification Regarding Dissolution of Aekyung Chemical Co., Ltd. Joint Venture Agreement

Tokyo, Japan—DIC Corporation today announced that it has reached an agreement with Seoul-based AK Holdings Inc. to dissolve synthetic resins production and sales joint venture Aekyung Chemical Co., Ltd. whereby DIC will return all of its shares in the joint venture to AK Holdings effective today.

Aekyung Chemical was established through joint capital investment by DIC and AK Holdings to manufacture and sell synthetic resins, including unsaturated polyester resins and polyisocyanates, with each company taking a 50% stake.

A key strategy of DIC's current medium-term management plan, DIC111, involves making qualitative reforms of existing businesses. In line with this strategy, DIC is promoting measures to improve efficiency and transform its business portfolio. As a result of repeated candid discussions between DIC and AK Holdings regarding their visions for Aekyung Chemical held to explore the company's future direction, it was concluded that the best option from the perspective of Aekyung Chemical's continued growth and evolution was for the company to continue operating with AK Holdings as its single principal shareholder. Accordingly, DIC and AK Holdings agreed to dissolve the joint venture. All procedures related to the dissolution of the agreement are expected to be completed by the end of December 2019.

In addition to enhancing profitability through the pursuit of improved efficiency in its synthetic resins business, DIC will continue working to reinforce products that offer enhanced environmental and functional features with the aim of both contributing to society and achieving growth.

Outline of Aekyung Chemical

Company name:	Aekyung Chemical Co., Ltd.
Address:	5th Fl., The Secong Misung Bldg., No. 106-3, Guro-5 Dong, Guro-Gu, Seoul 08298, Republic of Korea
Representative:	Heung-Sik Park, CEO
Description of business:	Manufacture and sale of synthetic resins, including unsaturated polyester resins, polyisocyanates and coating resins
Capital:	₩5.42 billion (Approx. ¥500 million)
Date of establishment:	April 18, 1979