

Overview of the artience Group

We will not only work to create products that increase convenience for society, we will also surprise and excite consumers in an effort to build a future where all people can live enriched lives.

Colorants and Functional Materials Business

By merging colorant design and dispersion technology, we develop functional materials in a variety of fields, including Color Resist Inks for displays and sensors, conductive carbon nanotube dispersions for cathode materials of lithium-ion batteries, and more.



Polymers and Coatings Business

Drawing on our strengths in integrated production from raw materials to end-products by way of our polymer design technologies and coating technologies, we provide cutting-edge products in the electronics, semiconductor, and medical sector. In addition, we also focus on development of environmentally friendly products.



Packaging Materials Business

We offer a variety of environmentally friendly products, such as water-based, solvent-free, and biomass items, as well as promoting recycling. We do our part to achieve a more sustainable society by enriching people's lives with our products while ensuring their safety and at the same time by caring for the natural environment.



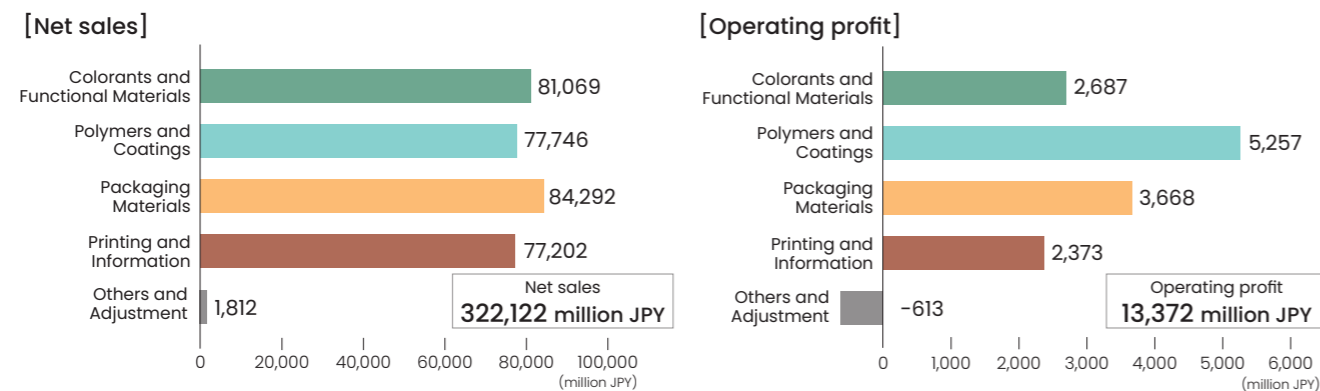
Printing and Information Business

The artience Group has been engaged in the printing ink business since its very beginning, and the sector is an important one in support of information infrastructure. By applying the technologies we have developed over many years in the business, we continue to challenge ourselves to new possibilities in printing, such as the development of functional inks for use in electronics.



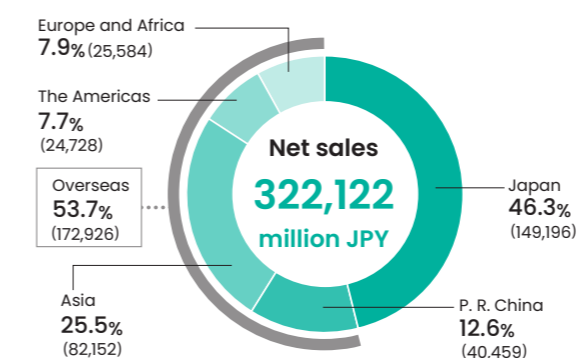
Numerical Information (As of December 31, 2023)

Net sales and operating profit by business segment

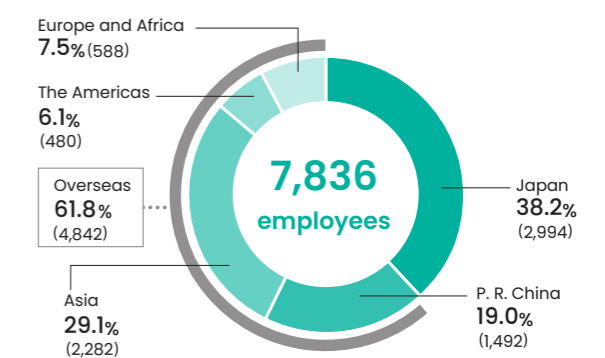


Ordinary profit: 12,880 million JPY | Profit attributable to owners of parent: 9,737 million JPY | Operating margin: 4.2% | ROE: 4.2%

Net sales by business area (Unit: million JPY)



Employees by business area (Unit: employees)



Global Expansion

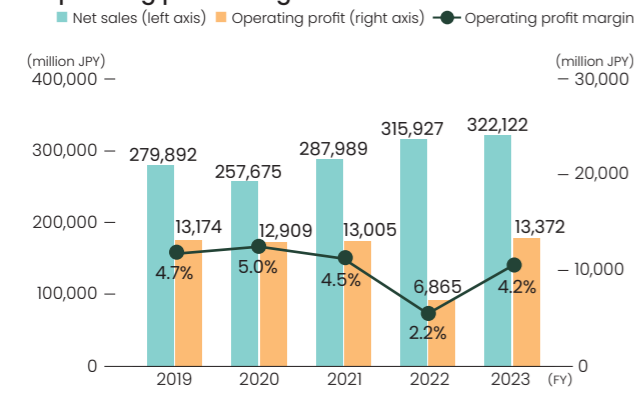
* including holding company

Japan: 13 companies / 32 sites
 Overseas (excluding Japan): 23 country or region / 49 companies / 78 sites

Overview of the artience Group

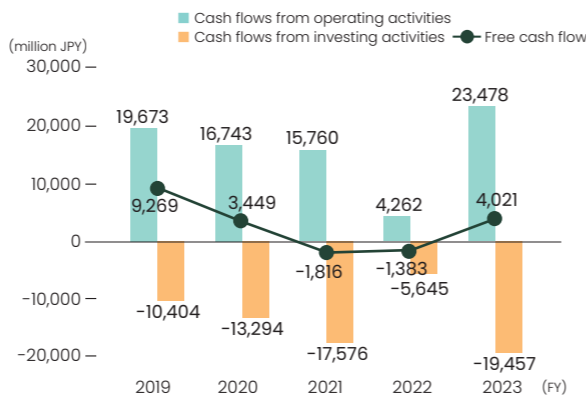
Financial Highlights

Net sales, operating profit, operating profit margin



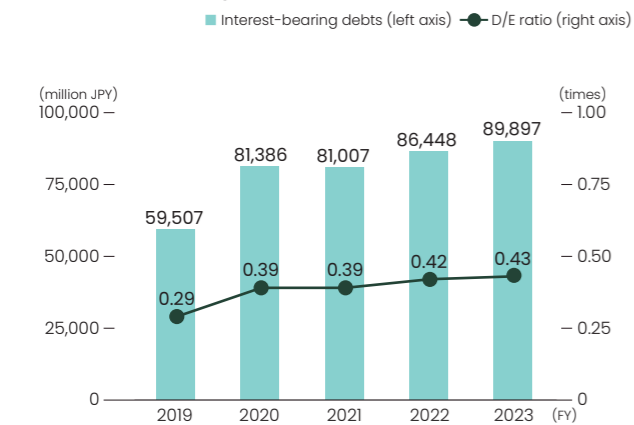
To address the soaring prices of raw materials, we reduced costs, revised prices and structurally reformed to achieve an increase in sales and profit. The operating margin also rallied, even though performance was sluggish in the electronic-related business and in the color filter materials business.

Cash flows



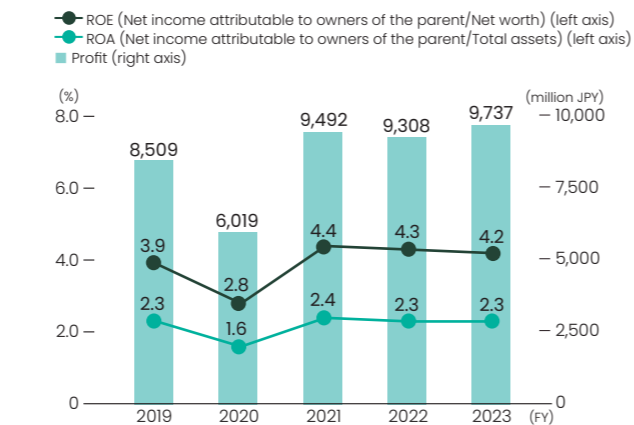
Net cash provided by operating activities increased by a large margin from the previous year due to the increase in operating profit and decrease in inventories. Net cash used in investing activities increased from the previous fiscal year, which included a large sale of investment securities. The increase is explained by the construction of a new overseas plant, the acquisition of a Thailand-based manufacturer of can coatings and other factors.

Interest-bearing debts, D/E ratio



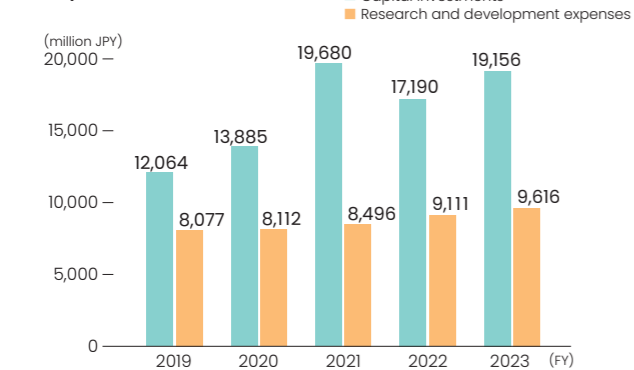
Interest-bearing debt increased 3,449 million yen from the previous fiscal year. This is due to fund procurement ahead of the schedule for repaying long-term loans payable by means of the second issuance of unsecured straight bonds. The D/E ratio has also increased slightly.

ROE, ROA, profit



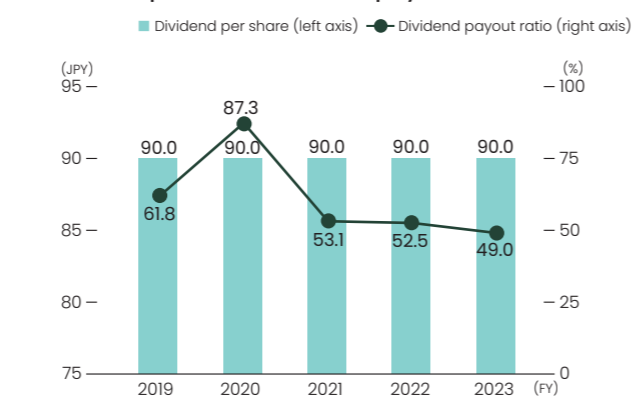
Profit attributable to owners of parent stayed almost flat from the previous fiscal year which included a massive gain on sale of investment securities. Consequently, both ROE and ROA stayed flat.

Capital investments, research and development expenses



As in the previous fiscal year, we continued to invest in the development of a system for supplying materials for automotive lithium-ion batteries. Research and development expenses were also higher than in the previous fiscal year.

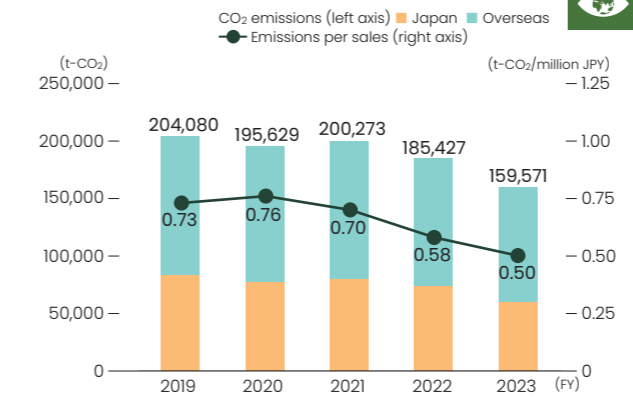
Dividend per share, dividend payout ratio



During the period of the medium-term management plan, we set the total payout ratio target at 50% or more while maintaining the basic principle of providing stable dividends.

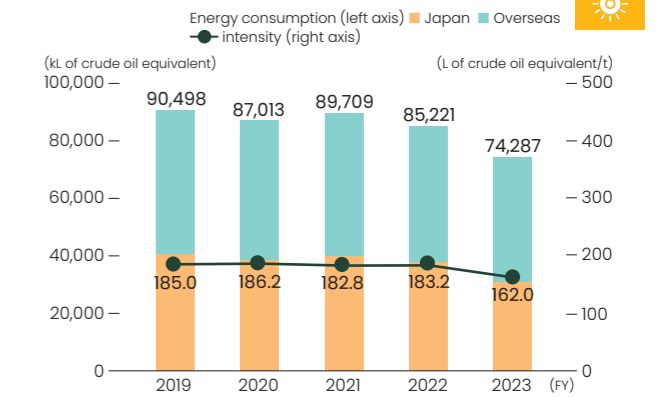
Non Financial Highlights

CO2 emissions



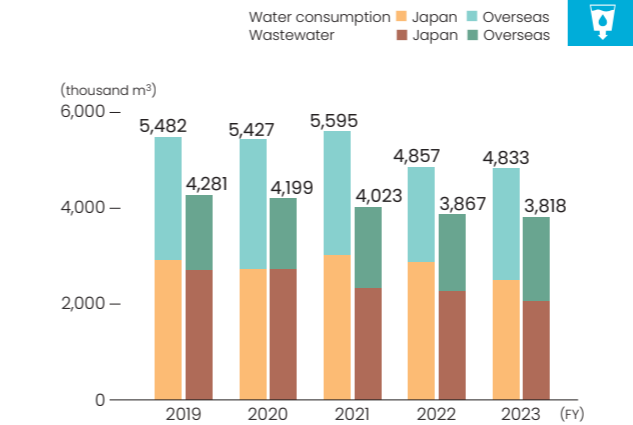
In asv2050/2030, we have set the target of reducing total domestic and overseas CO₂ emissions to 145,000t-CO₂ by FY2030.

Energy consumption



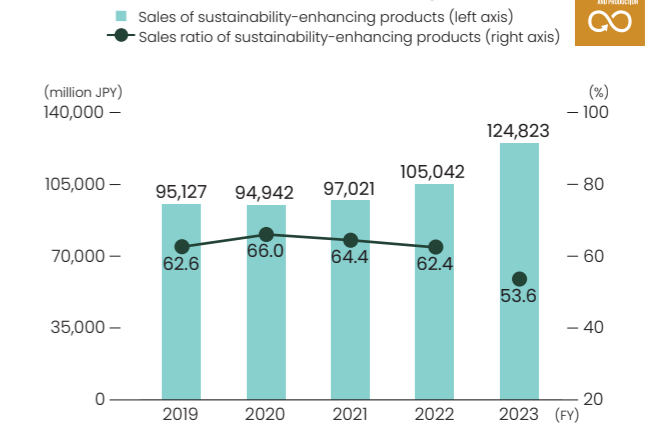
Energy consumption decreased year on year both in Japan and overseas after changes in items and quantity of production. Energy consumption rate dropped slightly.

Water consumption and wastewater



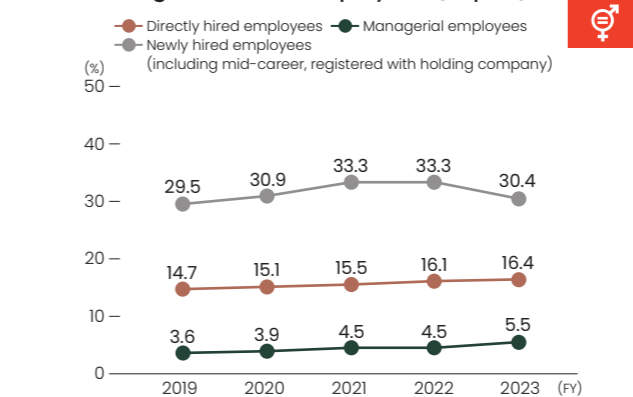
We are striving to reduce the water consumption through measures such as re-using water as process water (reaction solvents, washing water, etc.) after using it as cooling water.

Sales of sustainability-enhancing products



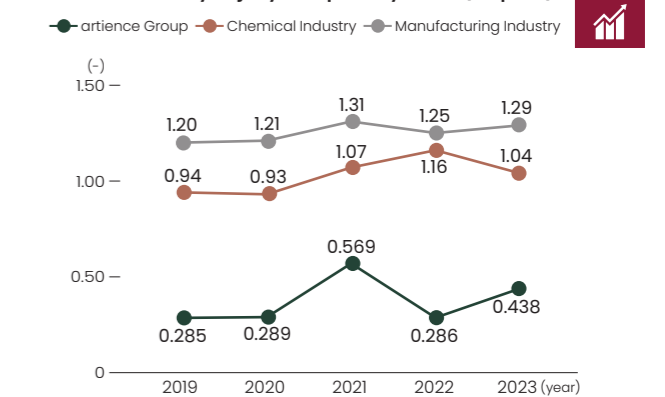
In FY2023, a new definition of sustainability-enhancing products was introduced under asv 2050/2030 and the scope of calculation was expanded to include overseas sales. The figures up to an including FY2022 are net sales and sales composition ratio of conventional environmentally friendly products.

Percentage of female employees (Japan)



Our Declaration of Active Participation of Women stipulates that the ratio of women among newly hired employees in Japan (including mid-career hires) shall be at least 30%, and that the percentage of female managers shall be at least 8% or higher.

Lost-workday injury frequency rate (Japan)



There were one lost-workday injuries and the frequency rate increased from FY2022, but below that of the chemical industry and the manufacturing industry as a whole.