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 Security Code: 4980
 Listing: First Section, Tokyo Stock Exchange
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Update of the Medium-term Management Plan “Change for Growth 2018”

Dexerials Corporation (the “Company”) hereby announced update of the Medium-term Management Plan “Change for Growth 2018,” as stated below, based on the progress made during the 1st year of the plan. Please note that there is no change in corporate vision and objective, positioning of the Medium-term Management Plan, 3 focus points as well as management targets aiming for adjusted ROE of 15% and a positive equity spread over the medium- to long-term^(Note 1)

^(Note 1) Adjusted ROE = (Net income + Amortization of goodwill) / Net assets X 100, Equity spread = Adjusted ROE – Cost of equity (assumed to be 9%)

1. Updated Action Plans in the Focus Points

1) Growth strategy: Significantly shift management resources, accelerating business growth in products with potential and in new domains
<ul style="list-style-type: none"> Optical films: Establish as a new pillar for revenue and profit through accelerating growth by an additional increase in production capacity to capture stronger than expected demand.
2) Competitive strategy: By maintaining competitive advantage, continue to secure stable revenue in mainstay products
<ul style="list-style-type: none"> Optical resin materials: Maintain stable revenue by expansion of sales in Smart precision adhesive used for camera modules

2. Updated Numerical Management Targets and Indices, etc.

(Billions of yen, assumed foreign exchange rate remain US\$1=¥110)

	Original Plan		Updated	
	FY17 Fct	FY18 Fct	FY17 Fct	FY18 Fct
Net sales	65.0	71.0	64.0	65.0
Operating income	7.5	10.0	5.3	8.0
Profit attributable to owners of parent	4.7	7.0	3.0	5.0
Adjusted ^(Note2) income / Management indices				
Operating income	9.3	11.8	7.1	9.8
Profit attributable to owners of parent	6.5	8.8	4.8	6.8
ROE	13.2%	16.6%	9.3%	13.3%
Equity spread	4.2%	7.6%	0.3%	4.3%

^(Note 2) Adding back amortization of goodwill

^(Note 3) Total amount during the current Medium-term Management Plan

(Disclaimer)

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