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## Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 [J-GAAP]

May 13, 2026

**Company Name:** Dai Nippon Printing Co., Ltd.  
**Stock exchange listing:** Tokyo  
**Stock code:** 7912 URL: <https://www.global.dnp>  
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**General meeting of shareholders:** June 26, 2026  
**Dividend payment date:** June 29, 2026  
**Securities report issuing date:** June 23, 2026  
**Preparation of earnings presentation material:** Yes  
**Holding of earnings announcement:** Yes (for institutional investors and analysts)

\*Amounts under one million yen have been rounded down.

### 1. Consolidated financial results for the year ended March 31, 2026

(April 1, 2025 – March 31, 2026)

#### (1) Consolidated financial results

(Percentages show change from corresponding year-ago period.)

	Net Sales		Operating Income		Ordinary Income		Net Income Attributable to Parent Company Shareholders	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Year ended March 31, 2026	1,512,571	3.8	101,039	7.9	119,239	2.9	103,959	(6.1)
Year ended March 31, 2025	1,457,609	2.3	93,612	24.1	115,920	17.4	110,682	(0.2)

Note: Comprehensive income: Year ended March 31, 2026: ¥126,630 million (157.1%)  
Year ended March 31, 2025: ¥49,255 million (-73.3%)

	Net Income per Share	Diluted Net Income per Share	ROE	Ordinary Income to Total Assets	Operating Income to Net Sales
	Yen	Yen	%	%	%
Year ended March 31, 2026	235.49	235.45	8.9	6.0	6.7
Year ended March 31, 2025	238.90	238.88	9.6	6.0	6.4

Reference: Equity in earnings of affiliates: Year ended March 31, 2026: ¥12,561 million  
Year ended March 31, 2025: ¥15,839 million

\* The Company conducted a 2-for-1 stock split of shares of common stock, effective October 1, 2024. Accordingly, net income per share and diluted net income per share are calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

#### (2) Consolidated financial position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	Million yen	Million yen	%	Yen
As of March 31, 2026	2,034,110	1,267,106	58.5	2,759.42
As of March 31, 2025	1,917,838	1,208,778	59.2	2,514.77

Reference: Stockholders' equity: As of March 31, 2026: ¥1,190,504 million As of March 31, 2025: ¥1,135,847 million

\* The Company conducted a 2-for-1 stock split of shares of common stock, effective October 1, 2024. Accordingly, net assets per share is calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

### (3) Consolidated cash flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at End of the Year
	Million yen	Million yen	Million yen	Million yen
Year ended March 31, 2026	40,367	(73,641)	23,331	243,564
Year ended March 31, 2025	132,729	(36,740)	(87,429)	250,633

### 2. Dividends

	Dividends per Share					Total Dividends (Annual)	Dividend Payout Ratio (Consolidated)	Dividends to Net Assets Ratio (Consolidated)
	First Quarter-end	Second Quarter-end	Third Quarter-end	Year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Year ended March 31, 2025	–	32.00	–	22.00	–	17,302	15.9	1.5
Year ended March 31, 2026	–	18.00	–	22.00	40.00	17,436	17.0	1.5
Year ending March 31, 2027 (Forecast)	–	19.00	–	22.00	41.00		18.3	

\* The Company conducted a 2-for-1 stock split of shares of common stock, effective October 1, 2024. Accordingly, the year-end dividend per share for the fiscal year ended March 31, 2025 is stated after taking into account the effect of this stock split, and the total annual dividend per share is shown as “–.” The year-end dividend per share for the fiscal year ended March 31, 2025 without considering the stock split would be 44.00 yen and the annual dividend per share would be 76.00 yen.

### 3. Consolidated earnings forecasts for the year ending March 31, 2027 (April 1, 2026 – March 31, 2027)

(Percentages show change from corresponding year-ago period.)

	Net Sales		Operating Income		Ordinary Income		Net Income Attributable to Parent Company Shareholders		Net Income per Share
Full year	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	1,530,000	1.2	108,000	6.9	124,000	4.0	95,000	(8.6)	224.24

#### \* Notes

(1) Significant changes in scope of consolidation during the period: Yes

Newly included: Rubicon SEZC and its seven subsidiaries Excluded: –

Note: For more information, see the section titled, “5. Consolidated financial statements and key notes (5) Notes regarding consolidated financial statements [Basis of presenting consolidated financial statements],” on page 27.

(2) Changes in accounting policies, changes in accounting estimates, and restatement of revisions

1) Changes in accounting policies with revision of accounting standards: No

2) Changes in accounting policies other than the 1) above: No

3) Changes in accounting estimates: No

4) Restatement of revisions: No

(3) Number of common shares issued and outstanding

1) Number of common shares outstanding at end of each period (including treasury shares)	As of March 31, 2026	439,480,692 shares	As of March 31, 2025	524,480,692 shares
2) Number of treasury shares at end of each period	As of March 31, 2026	8,047,828 shares	As of March 31, 2025	72,810,712 shares
3) Average number of shares outstanding during the period	Year ended March 31, 2026	441,461,063 shares	Year ended March 31, 2025	463,291,512 shares

\* The Company conducted a 2-for-1 stock split of shares of common stock, effective October 1, 2024. Accordingly, average number of shares outstanding during the period is calculated on the assumption that the stock split was conducted beginning of the previous fiscal year.

## (Reference) Non-consolidated financial results

### Non-consolidated financial results for the year ended March 31, 2026 (April 1, 2025 – March 31, 2026)

#### (1) Non-consolidated financial results

(Percentages show change from corresponding year-ago period.)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Year ended March 31, 2026	925,693	(3.2)	(2,617)	–	54,305	(23.2)	81,427	(12.6)
Year ended March 31, 2025	956,437	(0.3)	3,731	137.9	70,710	18.2	93,151	(9.0)

	Net Income per Share	Diluted Net Income per Share
	Yen	Yen
Year ended March 31, 2026	184.44	–
Year ended March 31, 2025	201.05	–

\* The Company conducted a 2-for-1 stock split of shares of common stock, effective October 1, 2024. Accordingly, net income per share is calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

#### (2) Non-consolidated financial position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	Million yen	Million yen	%	Yen
As of March 31, 2026	1,292,967	621,941	48.1	1,441.49
As of March 31, 2025	1,275,607	638,478	50.1	1,413.52

Reference: Stockholders' equity: As of March 31, 2026: ¥621,941 million As of March 31, 2025: ¥638,478 million

\* The Company conducted a 2-for-1 stock split of shares of common stock, effective October 1, 2024. Accordingly, net assets per share is calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

\* These financial results are exempt from auditing by a certified public accountant or an auditing company.

\* Explanation regarding appropriate use of earnings forecasts and other special notes

Forward-looking statements in this report, including earnings forecasts, are based on assumptions about economic conditions, market trends, and other factors at the time the report was published. Actual results may differ significantly due to a variety of factors.

For information about earnings forecasts, see the section titled, "1. Overview of operating results, etc., (4) Forecasts," on pages 5-8.

DNP will hold a briefing (conference call) for institutional investors and analysts on May 15, 2026. Materials used at the briefing are posted on TDnet and the DNP website today.

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## **1. Overview of operating results, etc.**

### **(1) Overview of operating results for the year ended March 31, 2026**

The environment surrounding the DNP Group during the fiscal year ended March 31, 2026 showed gradual economic recovery driven by factors including increased inbound tourism-related demand and a pickup in personal consumption. However, the economic outlook remains difficult to forecast due to factors such as prolonged and increasing geopolitical risks, policy trends in the United States and other countries and regions, and fluctuations in the cost of raw materials, labor, and goods. In addition, there is even stronger demand throughout the supply chain for solutions to global environment and human rights issues.

The DNP Group does not merely respond to these types of environmental, social, and economic changes and risks, but rather takes the initiative to instigate its own changes based on a long-term perspective, and to engage in business activities aimed at creating a better future. We strive to expand our business domains and improve performance by combining our unique strengths in “P&I” (printing and information) and making the most of advanced technologies like generative AI as we further increase collaboration with diverse business partners.

Since the year ended March 2026 was the final year of our Medium-Term Management Plan covering the period from April 2023 to March 2026, we focused on continuous generation of business value and shareholder value through initiatives based on business strategies, financial strategies and non-financial strategies. Our business strategies called for building a business portfolio that leverages our strengths over the medium to long term while accelerating value creation, especially in business areas with potential for strong growth and high profitability. Our financial strategies aimed to appropriately allocate the cash that we generated between investment in further business growth and shareholder returns, so we sold strategically held shares and systematically acquired our own shares. Regarding non-financial strategies, we strengthened the business base that supports DNP’s sustainable growth, mainly by expanding human capital, enhancing intellectual capital, and addressing environmental concerns.

As a result, the DNP Group’s net sales for the fiscal year ended March 2026 were ¥1,512.5 billion (up 3.8% from the previous year), operating income was ¥101.0 billion (up 7.9%), ordinary income was ¥119.2 billion (up 2.9%) and net income attributable to parent company shareholders amounted to ¥103.9 billion (down 6.1%) due partly to the recognition of extraordinary gains from the sale of investment securities.

#### **· Smart Communication**

Imaging Communications outperformed the previous year. Sales of photo printing materials were robust in European, American, and Asian markets, thanks largely to increased demand for new printer models. Sales of ink ribbons for ID cards also remained steady, supported by a recovering market.

Regarding information security, despite a year-on-year decline in sales of dual-interface smart cards that support both contact and contactless standards on a single IC chip, overall sales surpassed the previous year’s, largely thanks to contracts for large-scale business process outsourcing (BPO) projects. In July 2025, we acquired shares in Rubicon SEZC, making it a consolidated subsidiary of the DNP Group, and commenced collaborative operations. Under its Laxton brand, Rubicon provides ID solutions for governments, primarily in Africa, by registering and authenticating personal information.

In Marketing, we strove to provide value by combining our strength in digital technologies with our track record and knowledge of corporate marketing measures. Nevertheless, sales fell short of the

previous year, partly due to the shrinking market for paper media. In October 2025 we restructured our sales promotion sector in order to strengthen the functions of the entire Group, streamline business operations, strengthen competitiveness, and achieve sustainable growth by consolidating and integrating DNP's unique expertise and functions.

Publishing outperformed the previous year despite the shrinking market for magazines and other paper media, thanks to the completion of more large-scale projects entailing design and interior finishing of educational/research facilities, libraries, etc. Steady sales of library management services also contributed to this sector's growth.

In Content & XR Communication, our Content business focused on creating new value in a variety of ways, such as conducting touring events and merchandise sales based on popular intellectual property (IP) both in Japan and overseas, and overseas development of IP that originated in Japan. Our XR Communication business focused on educational and government services as we worked to expand regional XR services and provide them to all local governments. Going forward, we intend to continue working with the various regions of Japan to build communication models that co-create and disseminate new value.

As a result of the above, overall segment sales increased by 4.9% year on year, to ¥750.3 billion. Operating income increased 15.4% from the previous term to ¥40.0 billion due to the business restructuring, including the optimization of human capital and fixed assets.

#### · Life & Healthcare

In Mobility and Industrial High-Performance Supplies, Industrial High-Performance Supplies saw year-on-year growth in sales due to greater demand for battery pouches for lithium-ion batteries, mainly for use in new models of IT devices such as smartphones and tablet devices. However, sales of pouches for automotive applications declined year on year amid stagnant battery demand caused in part by a drop in EV sales following U.S. policy changes. Amid expectations for continued increase in worldwide adoption of renewable energy sources including photovoltaic cells, DNP introduced new production lines that roughly doubled our production capacity for encapsulants, which protect solar cell electrodes and cells. The new lines began operation at our Izumizaki Plant in Fukushima Prefecture in October 2025, and the resulting increase in production helped to boost sales above the previous fiscal-year level.

Our Mobility business enjoyed a year-on-year increase in sales, thanks largely to strong sales of decorative films used in automobile interiors. We also focused on sales of highly aesthetic, environmentally friendly exterior products that help shorten painting processes. Additionally, we are expanding in the high-end Human Machine Interface (HMI) domain, primarily through DNP Hikari Kinzoku Co., Ltd., where we target decorative molded parts used for automotive controls and displays, which must meet strict requirements for design and precision. Furthermore, through a capital and business alliance with Turing Inc., we are advancing the development of products and services necessary for fully autonomous driving, and thereby contributing to the realization of a smart society with a focus on mobility.

In Living Spaces, sales were little changed from the previous year for ARTTECH® interior and exterior materials—which combine aesthetically pleasing designs with high durability—and other interior materials for domestic use. However, overseas sales of interior materials declined, largely due to less favorable market conditions, and sales declined for the sector overall.

As part of our business restructuring, we integrated our Living Spaces and Mobility businesses in October 2025, thereby establishing a platform for building a smart society that connects mobility and living spaces. Going forward, we will continue to combine “All DNP” advantages in ways that further enhance our ability to compete effectively and our responsiveness to society and consumers.

Packaging as a whole outperformed the previous year, led by strong sales of paper cups, tubes

and other containers, as well as increased sales of aseptic filling systems for PET plastic bottles despite the impact of consumer restraint amid sharp price increases beginning in January 2026. We continued to focus on the development and sale of functional packaging materials, including DNP's eco-friendly GREEN PACKAGING®.

In the Medical and Healthcare field, sales exceeded the previous year thanks to strong sales of medical packaging products and a solid performance by the pharmaceutical manufacturing business, which includes active ingredients and formulations.

In Beverages, despite a downtrend in the vending machine industry, favorable summer weather and the effects of price revisions contributed to sales growth through mass retailers, restaurants, and online channels, resulting in sales that exceeded the previous fiscal year.

As a result, overall segment sales amounted to ¥512.3 billion, up 3.3% from a year earlier. Thanks to cost reductions such as fixed cost reductions, and the business restructuring, including the optimization of fixed assets, operating income grew by 56.6% from a year earlier to ¥37.2 billion.

## · **Electronics**

Our Digital Interface business exceeded the previous year's performance. Demand declined in the fourth quarter due to reduced production of mid- to low-end smartphones as a result of semiconductor memory shortages, but this was outweighed by the contribution of large metal masks that we started producing at our Kurosaki Plant in Fukuoka Prefecture in May 2024 for the manufacture of 8th-generation glass substrates used in organic EL (OLED) displays, along with solid sales of optical films. Film sales were bolstered by greater shipping area as LCD TV panels have grown larger, and also by the start of operation in September 2025 of new, 2,500mm-wide coating equipment at our Mihara Plant in Hiroshima Prefecture, also in response to the increasing size of LCD displays.

Amid a solid semiconductor market, our active investment resulted in business expansion and sales that exceeded those of the previous fiscal year. We will continue to pursue business development in cutting-edge technologies such as extreme ultraviolet (EUV) lithography photomasks and nanoimprinting.

As a result, overall Electronics sales grew 1.6% year on year to ¥251.8 billion, while operating income fell 11.6% year on year to ¥50.7 billion. Operating income was weighed down by changes in foreign exchange rates and increased fixed costs resulting from facility and development investments in the manufacture of semiconductor photomasks.

In addition, in December 2025, DNP began operating a pilot production line at its Kuki Plant in Saitama Prefecture, making Through Glass Via (TGV) glass core substrates for next-generation semiconductor packages. The Company conducted mass-production verification tests, and began providing high-quality samples in January 2026.

## **(2) Overview of financial position for the year ended March 31, 2026**

Total assets at the end of the fiscal year increased by 116.2 billion yen from the end of the previous fiscal year to ¥2,034.1 billion due mainly to increases in cash and time deposits, goodwill, net defined benefit asset and a decrease in investment securities.

Total liabilities increased by ¥57.9 billion from the end of the previous fiscal year to ¥767.0 billion due mainly to increases in bonds and deferred tax liabilities and decreases in notes and trade payables and income taxes payable.

Net assets increased by ¥58.3 billion from the end of the previous fiscal year to ¥1,267.1 billion, due mainly to increases in net income and remeasurements of defined benefit plans and decreases resulting from dividends paid, purchases of treasury stock, and valuation difference on available-for-sale securities.

### (3) Overview of cash flows for the year ended March 31, 2026

Cash and cash equivalents at the end of the current fiscal year decreased by ¥7.0 billion from the end of the previous fiscal year to ¥243.5 billion.

Cash flow provided by operating activities totaled ¥40.3 billion (¥132.7 billion in the previous fiscal year), due mainly to ¥155.5 billion in income before income taxes and non-controlling interests and ¥52.8 billion in depreciation.

Cash flow used in investing activities totaled ¥73.6 billion (¥36.7 billion in the previous fiscal year), due mainly to ¥60.0 billion in payments for purchases of property, plant and equipment, ¥22.7 billion in payments for purchase of stock in subsidiaries resulting in change in scope of consolidation and ¥57.8 billion in proceeds from sales of investment securities.

Cash flow provided by financing activities totaled ¥23.3 billion (versus used in ¥87.4 billion in the previous fiscal year), due mainly to ¥50.7 billion in payments for purchases of treasury stock, ¥17.8 billion in dividends paid, and ¥100.0 billion in proceeds from the issuance of corporate bonds.

The trends in the DNP Group's cash flow indicators are shown below.

	Year ended March 2022	Year ended March 2023	Year ended March 2024	Year ended March 2025	Year ended March 2026
Equity ratio (%)	58.2	59.4	59.6	59.2	58.5
Market value-based equity ratio (%)	41.3	52.9	57.2	49.9	60.0
Debt-to-cash flow ratio (year)	1.9	3.9	2.3	1.2	6.5
Interest coverage ratio (times)	111.7	54.4	81.6	133.6	20.3

Notes: Equity ratio: Total stockholders' equity/Total assets  
Market value-based equity ratio: Market capitalization/Total assets  
Debt-to-cash flow ratio: Interest-bearing debt/Cash flow  
Interest coverage ratio: Cash flow/Interest paid

- \* The above indicators are calculated based on consolidated financial figures.
- \* Market capitalization is calculated as: Fiscal year-end share price × fiscal year-end number of shares outstanding (excluding treasury stock)
- \* Cash flow: Cash flow provided by/used in operating activities on the consolidated statements of cash flows  
Interest-bearing debt: All liabilities on the consolidated balance sheet that accrue interest charges  
Interest paid: Interest paid on the consolidated statements of cash flows

### (4) Forecasts

Regarding the outlook for the business environment, a gradual recovery is expected in Japan thanks to improvements in employment and income conditions, as well as the effects of various governmental policies. However, uncertainty is expected to continue due to changes in policy trends in many countries and regions, as well as heightened geopolitical risks.

Amid these circumstances, the DNP Group will create its own idea of a better future, based on a long-term perspective and in line with the Group's Basic Management Policy. In the year through March 2026, DNP marked a major milestone with the 150th anniversary of its 1876 founding. In April 2026, we began implementing the strategies\* prescribed in our new three-year Medium-term Management Plan in order to accelerate our corporate growth.

\* Described in detail in "3. Management policies (2) New Medium-term Management Plan".



Our consolidated earnings forecasts, earnings forecasts by segment, and initiatives for each segment for the fiscal year ending March 2027 are as follows.

**<Consolidated earnings forecasts>**

(Million yen)

	Fiscal year ending March 31, 2027	
		Year-on-year change
Net Sales	1,530,000	1.2%
Operating Income	108,000	6.9%
Ordinary Income	124,000	4.0%
Net Income Attributable to Parent Company Shareholders	95,000	(8.6)%

**<Earnings forecasts by segment>**

(Million yen)

	Fiscal year ending March 31, 2027			
	Net Sales		Operating Income	
		Year-on-year change		Year-on-year change
Smart Communication	742,000	(1.1)%	43,000	7.5%
Life & Healthcare	516,000	0.7%	39,000	4.7%
Electronics	274,000	8.8%	54,000	6.5%
Total	1,532,000	1.2%	136,000	6.3%
Adjustment	(2,000)	—	(28,000)	—
Total	1,530,000	1.2%	108,000	6.9%

**< Initiatives for each segment >**

**Smart Communication**

In the field of imaging communication, DNP holds the world's top share in the market for dye-sublimation thermal transfer printing media, which use precision coating and other precision application technologies. Armed with a variety of photo printing products and services, we are further expanding our photo imaging businesses in Japan and abroad. The way people enjoy photography has changed with the times, especially in recent years with the spread of smartphones and social networking services. DNP seeks to anticipate consumers' changing needs as they increasingly demand intangible, experiential value in addition to tangible, printed photos. The DNP Group will continue to develop and provide a wide range of services—from photo capture and processing to print sales, including cloud-based image sales—all while protecting personal information through the use of highly secure information infrastructure and management systems.

Concerning information security, DNP will strive to expand its BPO business against a backdrop of demand from companies and organizations that want to streamline operations, reduce labor costs, and boost cost competitiveness. Additionally, we will leverage the unique security-related strengths that DNP has cultivated as Japan's top provider of smart cards in order to safely and securely provide the authentication services and diverse payment methods that are essential to a global information society.

On the content side of content and XR communication, DNP's assets include a network of diverse IP holders and creators in Japan and overseas, a digital archiving business, high-definition image processing technologies, and a track record and reputation for copyright management. We will continue to leverage these assets in the development of exhibitions and other events, and in the development of gaming equipment and other products both in Japan and internationally. The main strengths that we will leverage in XR communication include the secure authentication of personal

data and other important information—which is essential to every type of service—and the integration and optimization of business processes. By securely and seamlessly connecting large amounts of data in both the real and digital realms, we intend to contribute to the evolution of information society and the enhancement of people's experiential value, in the metaverse and beyond.

The DNP Group will further promote its businesses in the fields of publishing and education, including the “honto” brand hybrid bookstore network, electronic libraries, and educational information and communications technology (ICT). In April 2025, we transitioned to a business format that integrates the manufacturing and sales functions of our publishing and printing businesses, thereby speeding up decision-making and improving interdepartmental coordination. This structure has enabled swift and appropriate responses to changes in the market environment, leading to steady results.

### **Life & Healthcare**

Looking at mobility and industrial high-performance materials, the DNP Group already holds the top share of the world market for lithium-ion battery pouches. Although demand for pouches for automotive applications is currently sluggish, primarily in North America, DNP will expand its product portfolio into the ESS (Energy Storage System) sector to enhance its market presence and competitiveness. Moreover, we will seek medium- to long-term growth by leveraging the material design and processing technologies that we cultivated through our battery pouch business to develop technologies, products and services for next-generation batteries, including solid-state and semi-solid batteries. We will also focus on the development and commercialization of automotive-related products and services that support a safe and comfortable next-generation mobility society.

In the medical and healthcare sectors, we will focus mainly on pharmaceutical support businesses including production of active pharmaceutical ingredients and medical packaging, and drug formulation. We will also combine strengths within the DNP Group and collaborate with external partners in order to accelerate growth in such businesses as pharmaceutical value enhancement, clinical trials, and diagnostic imaging businesses.

The DNP Group intends to continuously pursue structural reforms and enhance profitability while accelerating its shift toward attractive, high-value-added products with strong potential for market growth and high profitability. Such products include living space products with enhanced functionalities like resistance to bacteria, viruses or weather damage in addition to superior design; various types of environmentally friendly packaging materials that keep out oxygen, water vapor, and other gases; and encapsulants that help prolong the lifespan of solar cells.

### **Electronics**

DNP's Electronics segment already boasts the top global market share for many products, and will further accelerate the expansion of each of its businesses through active capital investment. We will strive for sustainable business expansion by leveraging DNP's unique strengths to develop industry-leading products, and by collaborating with businesses in Japan and overseas to develop new services.

Regarding digital interfaces, the DNP Group holds the world's top share of metal masks used in the manufacture of OLED displays, and we intend to stay ahead by meeting expanding demand as OLED displays become used in more types of information devices. We have already made progress toward more than doubling production capacity by activating a new, large-scale metal mask manufacturing line at our Kurosaki Plant in Fukuoka Prefecture, which will enable us to stably grow our business amid expanding demand. We will also leverage our strength in anti-reflection surface

films and other optical films where we also hold the world's top market share. In response to the increasing size of televisions and other displays, the DNP Group installed ultra-wide production equipment at its Mihara Plant in Hiroshima Prefecture. This capacity enhancement will enable further increases in production volume and market share.

As for photomasks used in semiconductor manufacturing, the spread of generative AI and other technological developments is expected to bolster medium- to long-term demand for semiconductors used in cloud environments and data centers. Our Medium-term Management Plan covering fiscal 2026–2028 calls for capital investments of some ¥30.0 billion to expand production and increase sales. We are also promoting the manufacture of photomasks compatible with extreme ultra-violet (EUV) lithography, an advanced manufacturing process used in making logic chips and other cutting-edge products.

DNP is participating as a subcontractor in Research and Development Project of the Enhanced Infrastructures for Post-5G Information and Communication Systems (initiated by Japan's New Energy and Industrial Technology Development Organization or NEDO), by supplying production processes and assurance-related technologies with the aim of establishing production technologies for mass production slated to commence in fiscal 2027. We will also continue to cooperate with imec (Interuniversity Microelectronics Centre), a cutting-edge international research institution headquartered in Belgium, to develop photomask manufacturing technologies for the 1nm\* generation. By strengthening alliances with external partners, we strive to increase the value that DNP brings to the overall semiconductor supply chain, for example through collaborative development of important components of next-generation semiconductor packages, such as TGV glass core substrates, and development of businesses that use next-generation technologies like optoelectronic integration. In recent years, major semiconductor manufacturers have announced the adoption of glass core substrates, and next-generation semiconductor technologies such as chiplets have been attracting attention. DNP intends to anticipate market needs related to these developments, and accelerate its provision of new value.

\* 1nm (nanometer) is one-billionth of a meter.

The DNP Group intends to expand its businesses in all segments and accelerate its building of a better future by combining its unique “P&I” (printing and information) capabilities while strengthening cooperation with its partners. DNP's hybrid strengths encompass both ends of various spectrums—for example real and virtual, analog and digital, manufacturing and services. By further combining and expressing these strengths, DNP can evince even more of the “All DNP” synergy that makes us unique and enhances our competitiveness. We intend to take maximum advantage of these strengths as we catch the tailwinds of technological innovations like XR, metaverses, AI, and autonomous driving. We will find business opportunities in social issues like information security, Japan's shrinking birth rate/aging population, environmental and energy challenges, and in the changes brought by megatrends. We will respond to these opportunities by developing new value and providing it to consumers in Japan and around the world.

#### **(5) Basic policies regarding the allocation of profits and dividends for the year ended March 31, 2026 and year ending March 31, 2027**

Among the key management policies established by the DNP Group are the achievement of long-term growth through the realization of a better, more sustainable society and the enrichment of people's lives, and a commitment to meeting the expectations of shareholders and other stakeholders by providing stable returns of profits.

Our basic policy regarding profit distribution is to provide stable and continuous returns to shareholders. Based on a medium- to long-term management perspective, we seek to maintain the

stability of our financial base, balance between investments in growth businesses and shareholder returns, and implement payments based on comprehensive consideration of factors including business performance and dividend payout ratio.

We also intend to secure an appropriate level of retained earnings and strengthen our management base to prepare for future business development. We keep an eye on our capital requirements and market trends as we allocate retained earnings to investments in the development of new products, services, and technologies, capital investments for new business development, strategic alliances including M&As, and investments in human resources that support these various initiatives. We acquire treasury stock in an appropriate and timely manner in order to return profits to shareholders and optimize capitalization.

We believe that these policies will contribute to increasing profits, which can then be returned to shareholders in the future.

Based on this policy, the DNP Group will pay a year-end dividend of ¥22 per share. Combined with the interim dividend of ¥18 per share, the annual dividend will be ¥40, an increase of ¥2 from the previous year's ¥38<sup>(Note 1)</sup>. As a result, the consolidated dividend payout ratio for the fiscal year through March 2026 will be 17.0%.

Under the shareholder returns policy set forth in our new three-year Medium-term Management Plan, which was announced on May 13, 2026 and covers fiscal 2026–2028, DNP aims to improve dividend levels by paying progressive dividends based on sustained profit growth, and by raising the dividend payout ratio<sup>(Note 2)</sup>. Regarding treasury stock, the Company's policy is to implement acquisitions in a timely and proactive manner, with consideration for maintaining adequate capital for investment, share price levels, and capital efficiency, in order to optimize the balance between investment in business growth and shareholder returns.

Based on the above policy, the DNP Group forecasts payment of an interim dividend of ¥19 and a year-end dividend of ¥22 for the fiscal year ending March 2027, resulting in an annual dividend of ¥41, an increase of ¥1 over the year ended March 2026.

Note 1: The annual dividend for the fiscal year ended March 2025 was ¥54 per share. However, when we consider that the Company conducted a 2-for-1 stock split of common shares effective October 1, 2024, the annual dividend for that fiscal year was equivalent to ¥38 per share.

Note 2: The dividend payout ratio is based on net income attributable to parent company shareholders, excluding extraordinary and other non-recurring items.

## 2. Information on the DNP Group

The DNP Group includes the Company, 145 subsidiaries, and 27 affiliated companies. The Group's business activities are related to Smart Communication, Life & Healthcare and Electronics.

The businesses and segments of the DNP Group are broadly outlined below. The three business segments cited below are the same as the reporting segment categories.

### <<Smart Communication>>

Books including standard books, dictionaries, commemorative and memorial editions, all types of magazines including weekly, monthly and quarterly, corporate PR magazines, textbooks, e-books, Digital marketing support from sales promotions to customer analysis, BPR consulting and BPO services related to corporate business processes and sales processes, Contact center business, IPS, smart cards, payment-related services, card-related equipment, Authentication and security services and related products, IC tags, holograms, business forms, Catalogs, leaflets, brochures, calendars, point-of-purchase (POP) materials, digital (electronic) signage, Planning/development/production/construction/operations related to events/stores/products/ contents, etc., Services using generative AI, planning/development/production/operations of virtual space, Dye-sublimation thermal transfer media (color ink ribbons, receiver paper, and dye-sublimation photo printer), Thermal resin-type transfer printing media (monochrome ink ribbons), ID photo business, portrait photograph and ID solutions, Entertainment and amusement imaging solutions, E-book distribution and sales, book sales, library management, etc.

### [Major companies]

(Production)	DNP Imagingcomm Co., Ltd., DNP Communication Design Co., Ltd. DNP Data Techno Co., Ltd., DNP Marcom Products Co., Ltd.
(Production and sales)	OGUCHI BOOK BINDING & PRINTING CO., LTD. DNP Publication Products Co., Ltd., DNP Media Support Co., Ltd. DNP Imagingcomm Asia Sdn. Bhd., DNP Imagingcomm Europe B.V. DNP Imagingcomm America Corporation *MK Smart Joint Stock Company
(Sales and services)	Maruzen CHI Holdings Co., Ltd., INTELLIGENT WAVE INC. DNP ID System Co., Ltd., DNP Art Communications Co., Ltd. DNP CoArise Co., Ltd., DNP Digital Solutions Co., Ltd. DNP HyperTech Co., Ltd., DNP Photo Imaging Japan Co., Ltd. DNP PLANNING NETWORK Co., Ltd., DNP hollyhock Co., Ltd. 2Dfacto, Inc., Hacosco Inc., mobilebook.jp, Inc. MARUZEN-YUSHODO Company, LimitedMARUZEN PUBLISHING CO., LTD. MaruzenJunkudo Bookstores Co., Ltd. TRC Library Service Inc.Maruzen Research Services Co.,Ltd., DNP Photo Imaging Europe SAS DNP Photo Imaging Russia, LLC, DNP Photo Imaging Spain S.L.U. DNP Photo Imaging Belgium SA, Rubicon SEZC * BIPROGY Inc., Kyoiku Shuppan Co., Ltd.

The shares of Maruzen CHI Holdings Co., Ltd., INTELLIGENT WAVE INC., and BIPROGY Inc. are traded on the Tokyo Stock Exchange.

## <<Life & Healthcare>>

Lithium-ion battery pouches, photovoltaic module components, transparent barrier film products, industrial high-performance materials, various types of packaging materials for products such as foods, beverages, snacks, household items and medical supplies; cups, plastic bottles, laminated tubes, molded plastic containers, aseptic filling systems, interior and exterior materials for homes, stores, offices, vehicles, home appliances, and furniture, etc.; molded parts for automobiles, metallic veneers, contract manufacturing of bulk pharmaceutical intermediates, pharmaceutical contract formulation, carbonated drinks, coffee beverages, tea beverages, fruit juices, functional beverages, mineral water, alcoholic beverages, etc.

### [Major companies]

(Production)	DNP Technopack Co., Ltd., N-Tech CO., Ltd. Tomoe Plastech Co., Ltd., Sagami Yoki Co., Ltd., DNP Ellio Co., Ltd. DNP High-performance Materials Co., Ltd., Ltd., DNP Hosono Co., Ltd. DNP Mobility & Living Co., Ltd.
(Production and sales)	Hokkaido Coca-Cola Bottling Co., Ltd., CMIC CMO Co., Ltd. DNP High-Performance Materials Hikone Co., Ltd. DNP Tamura Plastic Co., Ltd., Aseptic Systems Co., Ltd. DNP Hikari Kinzoku Co., Ltd. DNP Fine Chemicals Utsunomiya Co., Ltd. PT DNP Indonesia, DNP Vietnam Co., Ltd.
(Sales and services)	LIFESCAPE MARKETING CORPORATION DNP • SIG Combibloc Co., Ltd.

The shares of Hokkaido Coca-Cola Bottling Co., Ltd. are traded on the Tokyo Stock Exchange and Sapporo Securities Exchange.

## <<Electronics>>

Optical films for displays, metal masks for organic EL displays, large photomasks for liquid crystal displays, electric shades, photomasks for semiconductor products, lead frames for small semiconductor packages, LSI design, hard disk drive suspensions, camera module components for smartphones, etc.

### [Major companies]

(Production)	DNP LSI Design Co., Ltd., DNP Fine Optronics Co., Ltd.
(Production and sales)	DT Fine Electronics Co., Ltd., DNP Photomask Europe S.p.A. * SHINKO ELECTRIC INDUSTRIES CO., LTD. Photronics DNP Mask Corporation Photronics DNP Mask Corporation Xiamen
(Sales)	DNP Taiwan Co., Ltd.

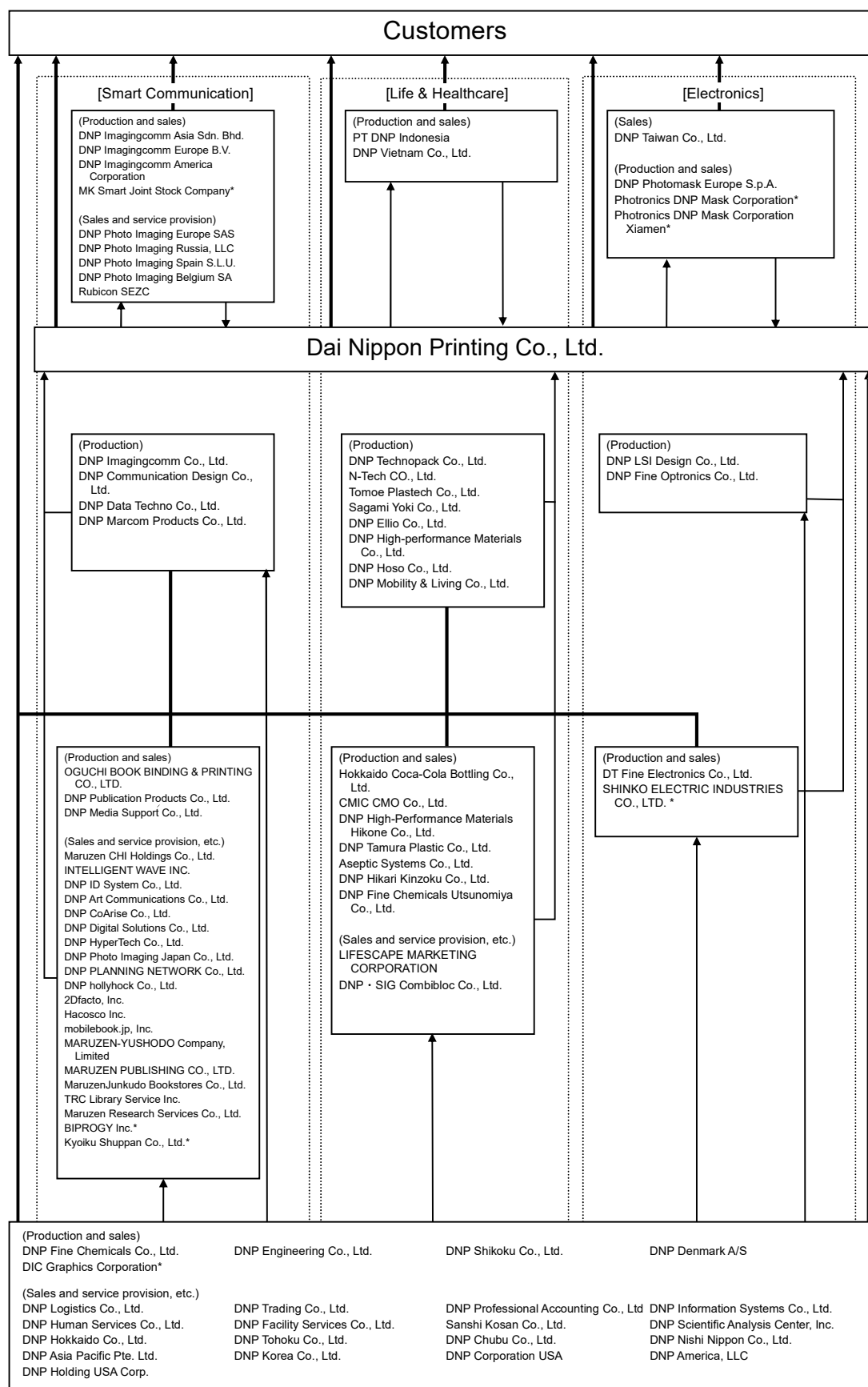
**<Companies with multiple types of businesses>**

- (Production and sales) DNP Fine Chemicals Co., Ltd., DNP Engineering Co., Ltd.  
DNP Shikoku Co., Ltd., DNP Denmark A/S  
\* DIC Graphics Corporation
- (Sales and services) DNP Logistics Co., Ltd., DNP Trading Co., Ltd.  
DNP Professional Accounting Co., Ltd., DNP Information Systems Co., Ltd.  
DNP Human Services Co., Ltd., DNP Facility Services Co., Ltd.  
Sanshi Kosan Co., Ltd., DNP Scientific Analysis Center, Inc.  
DNP Hokkaido Co., Ltd., DNP Tohoku Co., Ltd., DNP Chubu Co., Ltd.  
DNP Nishi Nippon Co., Ltd.  
DNP Asia Pacific Pte. Ltd., DNP Korea Co., Ltd.  
DNP Corporation USA, DNP America, LLC  
DNP Holding USA Corporation

\* Equity-method affiliated companies

## Organizational chart

The businesses noted above are shown in the organizational chart below.



Notes: \* : Equity-method affiliated companies (Otherwise, subsidiaries)  
 ← : Flow of products, materials and services



### 3. Management policies

#### (1) Core policies

The DNP Group aims to realize a sustainable society, and expresses its corporate philosophy as “DNP connects individuals and society, and provides new value.” In order to realize a better and more sustainable society and more fulfilling lifestyles based on this idea, our core management policy is to maintain a long-term view as we endeavor to develop business activities that will enable us to create a better future through our own efforts.

Through our various activities, we solve social issues and, at the same time, create new value that meets people’s expectations. We strive to make that new value such an integral part of people’s everyday lives that they come to take it for granted. By continually generating value that people find indispensable, the DNP Group strives to make itself an indispensable company. This aspiration is expressed in our brand statement as, “Today’s Innovation is Tomorrow’s Basic.”

Through initiatives aligned with our core management policies, we continually generate corporate value and shareholder value. We use ROE and PBR as indicators for evaluating our business activities. We evaluate and analyze the progress of our value improvement efforts in order to improve the effectiveness of our next measures.

In March 2024, the DNP Group identified the materiality (key issues) that concretize what it should do and what kind of value it should create for the four interrelated societies that it aims to create as a “better future.”

#### < DNP’s Materiality >

- A society where people can live safe, secure, healthy and well-being lives  
The DNP Group boosts environmental, social, and economic sustainability by engendering change of our own volition, as well as accommodating change that comes our way with a flexible stance
- A society where people can communicate comfortably  
The DNP Group improves the quality of experiential value and expands on opportunities for everyone by fusing the real and the digital.
- A society where people mutually respect each other  
The DNP Group strives to create a place where all the people can play an active role by deepening mutual understanding and mutual recognition.
- A society that realizes a balance between economic growth and the global environment  
The DNP Group works to achieve nature-positive value chains by engaging in environmental preservation and reducing negative environmental impacts.

## **(2) New Medium-term Management Plan**

### **1) Plan overview**

The DNP Group began implementing its new three-year Medium-term Management Plan in April 2026. The Plan calls for “expansion of focus businesses and promotion of structural reform” as its business strategies, which are to be supported by “financial strategies” and “non-financial strategies” that enable continuous generation of business value and shareholder value in order to increase corporate value. In the final year of the Plan, the fiscal year ending March 2029, the Plan targets record high operating income of ¥130.0 billion, and ROE of 9.0%.

### **2) Three types of strategies**

#### **[1] Business strategies**

##### **[1-1] The thinking behind DNP’s medium- to long-term business portfolio**

As business strategies, the Group will work to expand focus businesses and promote structural reform through three measures: (1) actively invest in order to expand focus businesses that have evolved from “P&I” (printing and information), (2) improve profitability by creating new value and implementing structural reforms, and (3) nurture new focus businesses that leverage P&I strengths. As we implement these measures, the Medium-term Management Plan divides DNP’s business portfolio into four quadrants: focus businesses\*, stable businesses, businesses for reforming, and growth-potential businesses.

Concerning focus businesses, in which DNP enjoys a high market share, strong profitability, and prospects for sustained growth, we will continue to actively invest and pursue further growth.

\* Our focus businesses are information security, photo imaging, mobility, industrial high-performance materials, digital interfaces and semiconductors.

Compared to focus businesses, stable businesses and businesses for reforming currently have less growth potential. Nevertheless, even in these areas we will aim to use our P&I technologies to create products and services that can provide society with new value. At the same time, regarding businesses for reforming, we will work to boost overall business profitability by considering the reduction or elimination of products or services when we determine that they have low market growth potential. We position as “growth potential businesses” those areas that can be expected to grow rapidly in the future and may become new focus businesses, and we will promote initiatives aimed at fostering such businesses.

By steadily implementing these measures, the DNP Group intends to transform its business portfolio and promote growth in all three of our business segments. As a result, in the final year of the Medium-term Management Plan, the year ending March 2029, we intend to achieve a new record of ¥130.0 billion in operating income. Thanks to this operating income growth along with the timely and continuous shareholder returns prescribed among our financial strategies, the Group will maximize corporate value and pursue continuous improvement in PBR.

##### **[1-2] Strategies for each segment**

###### **○ Smart Communication**

In this segment, we position information security and photo imaging as focus businesses in which we will actively invest in order to expand them in the medium- to long-term.

Given that digitalization is progressing throughout society and demand for information security and reliability are increasing, the Group will expand the value it provides in these areas where DNP already has strengths, with emphasis on major businesses including smart cards, authentication services, and BPO services. Additionally, by synergizing with newly consolidated subsidiary Rubicon SEZC, the Group will accelerate the global deployment of businesses related to ID information, such as cards and card printers.

In photo imaging, the Group will continue to provide products and services that are distinguished by high quality and high added value, which is especially true of core products like dye-sublimation thermal transfer media. At the same time, we will strengthen global production and supply systems and develop emerging markets as we pursue even greater growth.

Concerning publishing and printing, we will work to strengthen the foundation of this sector by improving the profitability of existing businesses while also expanding new ones. In marketing, the Group will leverage its strengths in both the real and digital realms in order to provide maximum value beginning with the upper portion of the supply chain. Additionally, we will develop new focus businesses by pursuing the global expansion of content (such as intellectual property rights for anime) businesses formed by combining the strengths of various business units, and we will create new services that contribute to solving social issues by combining information processing and conversion technologies with AI and XR.

## ○ **Life & Healthcare**

This segment's focus businesses are Mobility and Industrial High-Performance Supplies.

In Mobility, we anticipate structural changes in the automotive industry. We aim to boost our competitiveness and achieve continuous growth by developing materials with high added value and proposing new applications for them. Additionally, by synergizing with DNP Hikari Kinzoku Co., Ltd., the Group will expand HMI-related components while broadening our business scope with an eye toward the global market.

In Industrial High-Performance Supplies, we aim to grow from making battery pouches for lithium-ion batteries to making pouches for the next generation of batteries, expand production of solar cell-related components, and find new applications for various functional film products in other industries.

For Packaging and Living Spaces, the Group will reorganize manufacturing bases, review cost structures, and implement other ongoing structural reforms in order to firmly establish profitability. In Packaging, the Group aims to create new value by developing high-added value film products with an eye toward the global market. We will also move forward with global deployment of our aseptic filling systems, which hold the top share of the Japanese market.

Medical and Healthcare is an area that we position as a growth potential business, with good prospects for achieving rapid growth and becoming a new focus business. DNP aims to expand this business by synergizing with CMIC CMO Co., Ltd. to provide integrated services ranging from active pharmaceutical ingredient manufacturing and drug formulation to medical packaging.

## ○ **Electronics**

In this segment we expect to see expansion of global demand for both digital interfaces and semiconductors. These are the segment's focus businesses, and we will continue to actively invest in capital equipment and R&D in order to increase their scale and bolster their competitiveness.

We will work to expand our digital interfaces business by making 8th-generation large-format metal masks and taking advantage of our new wide-format optical film production lines, which can accommodate today's larger panel sizes.

We will support our semiconductor business by constructing an optimal framework for responding to growth in the photomask market, allowing us to achieve continuous growth. We will also expand into cutting-edge areas like EUV masks and nanoimprint technology, and accelerate the commercialization of TGV (Through Glass Via) glass core substrates for next-generation semiconductor packages.

## **[2] Financial strategies**

In order to continuously generate corporate value and shareholder value, we will maintain a stable financial base from which we allocate cash both for investment in business growth and for appropriate returns to shareholders.

### **○ Cash allocation strategies**

We will strive to maximize capital efficiency by generating funds for investment in growth through a variety of means, including expansion of operating cash flows, reduction of strategic share holdings and other assets, compression of cash on hand, and active use of interest-bearing debt. Cash thus generated will mainly be allocated for capital investment in focus businesses or for M&As related to focus businesses or adjacent fields. We will also invest in R&D and human capital that support continuous growth.

As for shareholder returns, we will strive to improve dividend levels through progressive dividends that reflect profit growth, and increases in the dividend payout ratio. Our policy regarding treasury stock acquisitions is to implement share buybacks flexibly and continuously while taking into consideration the need for growth investment funds, share price maintenance, and capital efficiency.

## **[3] Non-financial strategies**

Non-financial strategies are to be implemented in coordination with business and financial strategies, in order to continuously generate value by reinforcing management capital that provides a source of competitiveness. In particular, the Group will work to maximize sources of value creation by strengthening human capital, acquire and expand competitive advantages by strengthening intellectual capital, and establish business sustainability and growth opportunities through environmental initiatives.

### **○ Strengthening human capital**

Based on its Human Capital Policy, the Group will expand investment in people and enhance human creativity worldwide in order to maximize added value created through business activities. The Group aims to create a virtuous cycle in which the results of these efforts are reinvested in further investment in people.

In practice, we will use career and skill maps for each job category to visually represent employees' skills and experience, as an aid to the strategic allocation of talent and development of employees in line with management strategies. DNP will also work to strengthen its organizational capabilities by enhancing the DNP Value Objectives (DVO) system and various training and reskilling programs. Furthermore, we will reinforce our management foundation's ability to support continuous corporate value enhancement by closing gender gaps to enable more diverse decision-making, and by promoting "DNP Well-being" (health, safety, and happiness) among employees.

### **○ Enhancing intellectual capital**

DNP aims to take advantage of the combination of its own unique strengths with the strengths of external partners in order to improve its global competitiveness and the sustainability of its business activities.

DNP's approach to R&D starts with the establishment of focus areas and growth strategies, and the determination of a roadmap for each area. We then pursue the creation of new businesses by fusing our own and other companies' technologies and when desirable, forming strategic partnerships. In addition to refining our own technologies, we will also leverage our new R&D bases in the Netherlands and India to accelerate global deployment of new technologies and businesses.

Moreover, by promoting optimal use of generative AI throughout our corporate Group and transitioning to AI-based business and decision-making processes, the Group will work to improve intellectual productivity and to refine a knowledge circulation model that passes on strengths to the next generation.

#### ○ Environmental protection initiatives

As the effects of climate change intensify and biodiversity declines, environmental challenges are becoming an unavoidable consideration when humans engage in business activities. The DNP Group positions environmental responsibility as one of its key management issues and its DNP Group Environmental Vision 2050 calls for the realization of a decarbonized society, a circular economy, and a society in harmony with nature. In line with this vision, DNP is accelerating initiatives aimed at building a nature-positive value chain.

In order to create a decarbonized society, DNP will promote the introduction of renewable energy and improve the efficiency of its energy usage while working to reduce greenhouse gas emissions throughout the supply chain. The Group will also promote the development of low-carbon products and services and research into next-generation energy, contributing to emission reductions through its business activities.

To contribute to a circular economy, DNP is improving methods of material recycling and chemical recycling, mainly of plastics and composite materials, in order to promote efficient use of resources. In addition, by securing the traceability of raw materials, DNP will enhance supply chain transparency, leading to sustainable resource utilization.

To create a society in harmony with nature, DNP will work to reduce the effects that all of its business activities have on ecosystems, including through more sophisticated management of raw materials and water resources. The Group's goal is to understand and manage environmental consequences at production sites and throughout the supply chain, in order to develop its businesses in harmony with the natural environment.

DNP will manage its various environmental initiatives by continuously investing in environmental improvement, and by using progress indicators such as greenhouse gas emission volumes, resource recycling rates, water usage, and the sales ratio of environmentally responsible products and services. DNP will base its business management on the idea that responding to environmental challenges presents opportunities for business growth.

#### [4] Governance

In recent years, rapid changes in the environment, society, and economy have caused the risks and business opportunities that affect management to become more diverse and complicated. In light of this situation, the DNP Group has been working to strengthen its governance framework in order to increase the sustainability of the environment, society, and economy, as well as to promote continuous growth.

Chaired by the Group's President, DNP's Sustainability Committee evaluates medium- to long-term management risks, identifies business opportunities, and considers how to reflect their findings in management strategies. Matters discussed by the Committee are reported and recommended to the Board of Directors through the Management Committee.

#### 4. Basic approach to selecting accounting standards

The DNP Group uses Japanese GAAP in preparing consolidated financial statements. It plans to consider adopting IFRS going forward and respond appropriately based on domestic and overseas circumstances.

## 5. Consolidated financial statements and key notes

### (1) Consolidated balance sheets

(Million yen)

	Year ended March 31, 2025 (As of March 31, 2025)	Year ended March 31, 2026 (As of March 31, 2026)
<b>ASSETS</b>		
Current assets		
Cash and time deposits	254,995	298,135
Notes receivables	43,657	40,397
Trade receivables	297,305	294,027
Contract assets	612	589
Merchandise and finished products	86,298	87,118
Work in progress	37,733	35,505
Raw materials and supplies	41,695	46,181
Other	62,872	58,159
Allowance for doubtful accounts	(478)	(678)
Total current assets	824,692	859,436
Fixed assets		
Property, plant and equipment		
Buildings and structures	555,618	562,938
Accumulated depreciation	(404,119)	(407,347)
Buildings and structures, net	151,499	155,591
Machinery and equipment	703,763	719,921
Accumulated depreciation	(642,690)	(646,727)
Machinery and equipment, net	61,072	73,194
Land	141,787	142,920
Construction in progress	17,607	13,706
Other	147,351	149,792
Accumulated depreciation	(113,522)	(114,437)
Other, net	33,829	35,355
Total property, plant and equipment	405,795	420,768
Intangible fixed assets		
Goodwill	10,295	30,554
Software	27,068	30,926
Other	9,029	10,347
Total intangible fixed assets	46,393	71,828
Investments and other assets		
Investment securities	393,125	369,504
Net defined benefit asset	194,597	255,583
Deferred income taxes	9,434	8,377
Other	46,188	50,526
Allowance for doubtful accounts	(2,388)	(1,915)
Total investments and other assets	640,956	682,077
Total fixed assets	1,093,145	1,174,674
<b>TOTAL ASSETS</b>	<b>1,917,838</b>	<b>2,034,110</b>

	Year ended March 31, 2025 (As of March 31, 2025)	Year ended March 31, 2026 (As of March 31, 2026)
<b>LIABILITIES</b>		
Current liabilities		
Notes and trade payables	215,474	191,394
Short-term bank loans	31,747	32,963
Current portion of long-term debt	5,819	6,569
Income taxes payable	52,956	11,643
Reserve for bonuses	21,748	22,970
Other	108,034	114,638
Total current liabilities	435,780	380,179
Long-term liabilities		
Bonds	100,000	200,000
Long-term debt	24,441	24,028
Net defined benefit liability	54,607	51,937
Deferred tax liabilities	73,003	90,079
Other	21,226	20,779
Total long-term liabilities	273,278	386,824
<b>TOTAL LIABILITIES</b>	<b>709,059</b>	<b>767,004</b>
<b>NET ASSETS</b>		
Stockholders' equity		
Common stock	114,464	114,464
Capital surplus	145,034	145,036
Retained earnings	824,329	740,585
Treasury stock	(135,347)	(16,116)
Total stockholders' equity	948,481	983,970
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	106,681	89,465
Net deferred gains (losses) on hedges	(16)	6
Foreign currency translation adjustments	30,309	38,272
Remeasurements of defined benefit plans	50,391	78,789
Total accumulated other comprehensive income	187,366	206,534
Non-controlling interests	72,930	76,602
<b>TOTAL NET ASSETS</b>	<b>1,208,778</b>	<b>1,267,106</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>1,917,838</b>	<b>2,034,110</b>

**(2) Consolidated statements of income and comprehensive income**  
**Consolidated statements of income**

(Million yen)

	Year ended March 31, 2025	Year ended March 31, 2026
Net sales	1,457,609	1,512,571
Cost of sales	1,119,330	1,146,587
Gross profit	338,278	365,983
Selling, general and administrative expenses	244,666	264,944
Operating income	93,612	101,039
Non-operating income		
Interest and dividends income	7,154	6,704
Equity in earnings of affiliates	15,839	12,561
Other	3,356	5,107
Total non-operating income	26,350	24,372
Non-operating expenses		
Interest expense	984	2,581
Contributions	1,015	951
Other	2,043	2,638
Total non-operating expenses	4,042	6,172
Ordinary income	115,920	119,239
Extraordinary gains		
Gain on sale of fixed assets	13,497	12,975
Gain on sale of investment securities	93,832	44,809
Other	23,108	168
Total extraordinary gains	130,438	57,952
Extraordinary losses		
Loss on sale or disposal of fixed assets	2,732	1,712
Impairment loss	70,268	13,293
Extra retirement payments	3,773	4,086
Other	918	2,514
Total extraordinary losses	77,692	21,607
Income before income taxes and non-controlling interests	168,665	155,585
Current income taxes	65,705	37,577
Deferred income taxes	(10,595)	11,222
Total income taxes	55,110	48,800
Net income	113,555	106,784
Net income attributable to non-controlling shareholders	2,872	2,825
Net income attributable to parent company shareholders	110,682	103,959



## Consolidated statements of comprehensive income

(Million yen)

	Year ended March 31, 2025	Year ended March 31, 2026
Net income	113,555	106,784
Other comprehensive income		
Valuation difference on available-for-sale securities	(54,876)	(16,590)
Net deferred gains (losses) on hedges	(55)	22
Foreign currency translation adjustments	5,251	5,506
Remeasurements of defined benefit plans	(18,560)	28,800
Share of other comprehensive income of associates accounted for using equity method	3,940	2,106
Total other comprehensive income	(64,299)	19,845
Comprehensive income	49,255	126,630
Attributable to:		
Parent company shareholders	46,470	123,167
Non-controlling shareholders	2,785	3,463

**(3) Consolidated statements of changes in net assets**  
**The year ended March 31, 2025 (April 1, 2024 – March 31, 2025)**

(Million yen)

	Stockholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total stockholders' equity
Balance at the beginning of current period	114,464	145,118	782,000	(126,367)	915,215
Changes of items during the period					
Cash dividends paid			(15,032)		(15,032)
Net income attributable to parent company shareholders			110,682		110,682
Change in scope of consolidation			2,053		2,053
Change of application of equity method			329		329
Change in ownership interest of parent arising from transactions with non-controlling shareholders		(83)			(83)
Change in treasury stock resulting from change in ownership of affiliates accounted for by the equity method				(0)	(0)
Purchases of treasury stock				(64,862)	(64,862)
Disposal of treasury stock			59	118	178
Retirement of treasury stock			(55,763)	55,763	–
Net changes in items other than stockholders' equity					–
Total changes of items during the period	–	(83)	42,329	(8,979)	33,265
Balance at the end of current period	114,464	145,034	824,329	(135,347)	948,481

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Net deferred gains (losses) on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of current period	161,863	26	20,850	67,971	250,711	70,760	1,236,687
Changes of items during the period							
Cash dividends paid							(15,032)
Net income attributable to parent company shareholders							110,682
Change in scope of consolidation							2,053
Change of application of equity method							329
Change in ownership interest of parent arising from transactions with non-controlling shareholders							(83)
Change in treasury stock resulting from change in ownership of affiliates accounted for by the equity method							(0)
Purchases of treasury stock							(64,862)
Disposal of treasury stock							178
Retirement of treasury stock							–
Net changes in items other than stockholders' equity	(55,181)	(42)	9,459	(17,580)	(63,345)	2,170	(61,174)
Total changes of items during the period	(55,181)	(42)	9,459	(17,580)	(63,345)	2,170	(27,908)
Balance at the end of current period	106,681	(16)	30,309	50,391	187,366	72,930	1,208,778

**The year ended March 31, 2026 (April 1, 2025 – March 31, 2026)**

(Million yen)

	Stockholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total stockholders' equity
Balance at the beginning of current period	114,464	145,034	824,329	(135,347)	948,481
Changes of items during the period					
Cash dividends paid			(17,881)		(17,881)
Net income attributable to parent company shareholders			103,959		103,959
Change in scope of consolidation		(3)	(12)		(16)
Change in ownership interest of parent arising from transactions with non-controlling shareholders		5			5
Change in treasury stock resulting from change in ownership of affiliates accounted for by the equity method				(0)	(0)
Purchases of treasury stock				(50,752)	(50,752)
Disposal of treasury stock			21	153	175
Retirement of treasury stock			(169,831)	169,831	–
Net changes in items other than stockholders' equity					–
Total changes of items during the period	–	1	(83,744)	119,231	35,488
Balance at the end of current period	114,464	145,036	740,585	(16,116)	983,970

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Net deferred gains (losses) on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of current period	106,681	(16)	30,309	50,391	187,366	72,930	1,208,778
Changes of items during the period							
Cash dividends paid							(17,881)
Net income attributable to parent company shareholders							103,959
Change in scope of consolidation							(16)
Change in ownership interest of parent arising from transactions with non-controlling shareholders							5
Change in treasury stock resulting from change in ownership of affiliates accounted for by the equity method							(0)
Purchases of treasury stock							(50,752)
Disposal of treasury stock							175
Retirement of treasury stock							–
Net changes in items other than stockholders' equity	(17,215)	22	7,963	28,397	19,167	3,671	22,838
Total changes of items during the period	(17,215)	22	7,963	28,397	19,167	3,671	58,327
Balance at the end of current period	89,465	6	38,272	78,789	206,534	76,602	1,267,106

#### (4) Consolidated statements of cash flows

(Million yen)

	Year ended March 31, 2025	Year ended March 31, 2026
<b>Cash flows from operating activities</b>		
Income before income taxes and non-controlling interests	168,665	155,585
Depreciation	53,709	52,815
Impairment loss	70,268	13,293
Decrease of doubtful receivables, net	(496)	(281)
(Increase) Decrease of net defined benefit asset	1,974	(23,895)
Increase of net defined benefit liability	3,615	2,079
Equity in gains of affiliates	(15,839)	(12,561)
Amortization of consolidation goodwill, net	626	1,952
Interest and dividend income	(7,154)	(6,704)
Interest expense	984	2,581
Net gain on sale of investment securities	(93,718)	(44,497)
Net loss on devaluation of investment securities	269	1,839
Net gain on sale or disposal of fixed assets	(10,699)	(11,197)
Decrease in trade receivables	13,941	11,514
(Increase) Decrease in inventories	3,847	(872)
Decrease in trade payables	(17,344)	(28,886)
Other	(14,895)	16,944
<b>Sub-total</b>	<b>157,754</b>	<b>129,710</b>
Payments for repair costs	(404)	—
Payments for extra retirement payments	(761)	(5,709)
Payment of income taxes	(23,859)	(83,633)
<b>Net cash provided by operating activities</b>	<b>132,729</b>	<b>40,367</b>
<b>Cash flows from investing activities</b>		
Net (increase) decrease in time deposits	328	(49,907)
Payments for purchases of property, plant and equipment	(57,082)	(60,030)
Proceeds from sales of property, plant and equipment	18,329	14,394
Payments for purchases of investment securities	(87,845)	(6,461)
Proceeds from sales of investment securities	119,337	57,803
Payments for purchase of stock in subsidiaries resulting in change in scope of consolidation	(19,619)	(22,782)
Payments for purchase of intangible fixed assets	(15,800)	(12,953)
Interest and dividends received	9,429	9,659
Other	(3,817)	(3,364)
<b>Net cash used in investing activities</b>	<b>(36,740)</b>	<b>(73,641)</b>

(Million yen)

	Year ended March 31, 2025	Year ended March 31, 2026
Cash flows from financing activities		
Net increase (decrease) in short-term bank loans	(6,518)	724
Proceeds from long-term debt	6,886	6,100
Repayments of long-term debt	(4,508)	(6,002)
Proceeds from the issuance of corporate bonds	—	100,000
Payments for purchases of shares of a subsidiary without a change in the scope of consolidation	(0)	(550)
Income from the sale of shares of a subsidiary without a change in the scope of consolidation	153	—
Payments for purchases of treasury stock	(64,862)	(50,752)
Decrease of money trusts for the purpose of purchasing treasury stock	4,865	724
Payments for purchases of treasury stock of subsidiaries	(14)	(1)
Interest paid	(993)	(1,984)
Dividends paid	(15,031)	(17,877)
Dividends paid to non-controlling interests	(868)	(883)
Other	(6,536)	(6,166)
Net cash provided by (used in) financing activities	(87,429)	23,331
Effect of exchange rate changes on cash and cash equivalents	5,618	2,868
Net increase (decrease) in cash and cash equivalents	14,178	(7,074)
Cash and cash equivalents at beginning of year	234,569	250,633
Net increase in cash and cash equivalents resulting from newly consolidated subsidiaries	1,726	5
Net increase in cash and cash equivalents resulting from merger of non-consolidated subsidiaries	159	—
Cash and cash equivalents at end of year	250,633	243,564

## **(5) Notes regarding consolidated financial statements**

### **[Notes on premise of a going concern]**

None

### **[Basis of presenting consolidated financial statements]**

#### **1) Scope of consolidation and application of the equity method of accounting**

##### **Number of consolidated subsidiaries: 116**

Major companies: Maruzen CHI Holdings Co., Ltd.  
Hokkaido Coca-Cola Bottling Co., Ltd., INTELLIGENT WAVE INC.  
CMIC CMO Co., Ltd., DNP Fine Chemicals Co., Ltd.  
DNP Logistics Co., Ltd.  
DNP High-Performance Materials Hikone Co., Ltd.

##### **Number of equity-method affiliated companies: 21**

Major companies: BIPROGY Inc., DIC Graphics Corporation  
Kyoiku Shuppan Co., Ltd.  
SHINKO ELECTRIC INDUSTRIES CO., LTD.  
Photonics DNP Mask Corporation  
MK Smart Joint Stock Company  
Photonics DNP Mask Corporation Xiamen

#### **2) Changes in scope of consolidation and application of the equity method of accounting (Scope of consolidation)**

As of the current fiscal period, Rubicon SEZC and nine other companies have been newly included in the scope of consolidation in accordance with the acquisition of shares. In addition, four companies have been removed from the scope of consolidation due to dissolution related to mergers, etc.

##### **(Application of equity method)**

From the current fiscal period, two companies have been newly included in the scope of application of the equity method in accordance with the acquisition of shares. In addition, SHINKO ELECTRIC INDUSTRIES CO., LTD. changed its name from JICC-04 Co., Ltd. on December 1, 2025.

#### **3) Matters concerning the fiscal years of consolidated subsidiaries**

Of the consolidated subsidiaries, Hokkaido Coca-Cola Bottling Co., Ltd. and 40 others have fiscal years that end on December 31, while Maruzen CHI Holdings Co., Ltd. and 19 others have fiscal years that end on January 31. Their financial statements as of the same date are used in the preparation of these consolidated financial statements.

Additionally, INTELLIGENT WAVE INC.'s fiscal year ends on June 30, CMIC CMO Co., Ltd. and four others have fiscal years that end on September 30, DNP Tamura Plastic Co., Ltd. and one other company have fiscal years that end on October 31, and DNP • SIG Combibloc Co., Ltd.'s fiscal year ends on December 31. Consequently, financial statements based on provisional account settlements are used.

Any material transactions during the time between the foregoing settlement dates or provisional settlement dates and the consolidated settlement date are adjusted for on a consolidated basis.

#### 4) Summary of significant accounting policies

##### (a) Criteria and methods for valuing significant assets

- Marketable securities

- Held-to-maturity debt

- Amortized cost method (straight-line method)

- Other securities

- Non-stock instruments that do not have a market price

- Fair market value

- (The related valuation differences are directly included in net assets and cost of sales is computed mainly by the moving-average method.)

- Stock instruments that do not have a market price

- Mainly cost based on the moving-average method

- Derivatives

- Mainly fair market value

- Inventories

- For figures shown on the balance sheet, the book value write-down method based on the decrease in profitability is used.

- Merchandise

- Mainly cost based on the specific identification method

- Finished products, work in progress

- Mainly cost based on the retail inventory cost method

- Raw materials

- Mainly cost based on the moving-average method

- Supplies

- Mainly cost based on the most recent purchase method

##### (b) Depreciation and amortization of significant assets

- Property, plant and equipment (except for lease assets and right-of-use assets)

- The Company and its domestic consolidated subsidiaries mainly use the declining balance method.

- However, depreciation of buildings (excluding building fixtures) acquired after April 1, 1998 and of building fixtures and structures acquired after April 1, 2016 are computed by the straight-line method.

- Assets with an acquisition cost of at least ¥100,000 and less than ¥200,000 are depreciated mainly over three years by the equal depreciation.

- Foreign consolidated subsidiaries mainly use the straight-line method.

- Intangible fixed assets (except for lease assets and right-of-use assets)

- Mainly the straight-line method

- Software used internally is amortized mainly using the straight-line method over the Company's estimate of the useful life of the assets (five years).

- Lease assets

- Lease assets with transfer of ownership

- These lease assets are depreciated using the same depreciation method used for owned fixed assets.

- Lease assets with no transfer of ownership

- These lease assets are depreciated over the lease period using the straight-line method with no residual value.

- Right-of-use assets

- These right-of-use assets are depreciated over the lease period using the straight-line method with no residual value.

**(c) Basis for recording significant allowances**

- |   |   |
|---|---|
| <ul style="list-style-type: none"><li>• Allowance for doubtful accounts</li></ul> | To cover possible losses on doubtful accounts, including trade receivables and loans, the allowance for doubtful accounts is based on historical default rates for general accounts and on estimates of the amounts that may not be recoverable based on examinations of the recoverability of specific accounts including accounts at risk of default. |
| <ul style="list-style-type: none"><li>• Reserve for bonuses</li></ul>             | To cover payments of employee bonuses in the following fiscal year, the reserve for bonuses is based on the estimated amount that is attributable to the current fiscal year.   |

**(d) Revenue and expense reporting standards**

Details of the major performance obligations in our major businesses related to revenue generated from contracts with customers of the Company or its consolidated subsidiary, and normal times for satisfying those performance obligations (normal times for revenue recognition) are as follows:

- Details of major performance obligations in major businesses

The main performance obligations of the Company and its consolidated subsidiaries are the sale of products or merchandise or the provision of services, etc. by its business segments, which are Smart Communication, Life & Healthcare, and Electronics. Specific products offered by each business segment are listed in “2. Information on the DNP Group.”

- Normal times for fulfilling performance obligations (normal times for recognizing revenue)

**(1) Sale of products or merchandise**

Regarding the domestic sale of products or merchandise, we mainly apply the alternative treatment stipulated in Section 98 of the Guidelines for Applying Accounting Standards for Revenue Recognition. When the amount of time that elapses from shipment until control of the products or merchandise is passed to the customer is a normal period, we recognize revenue based on shipment. With regard to export sales of products or merchandise, we regard the customer as having taken control of the products or merchandise when the burden of risks related to those products or merchandise has transferred to the customer based on the terms of trade established in the contract with the customer. Therefore, at that point we are considered to have fulfilled our performance obligation and at that time we recognize revenue. In addition, regarding merchandise sales that take place at stores operated by some of our consolidated subsidiaries (Smart Communication business segment), we consider the customer to have taken control of the merchandise at the point when it is delivered to the customer, so at that point we consider our performance obligation to have been satisfied and we recognize revenue.

**(2) Provision of services**

Concerning the provision of services, in cases where the performance obligation is fulfilled at a single point in time, the performance obligation is considered to have been fulfilled when the customer accepts the service provision, and we recognize revenue at that point. In cases where the contract with the customer stipulates that the performance obligation be satisfied for the duration of a certain period of time covered by the contract, the performance obligation is considered to have been satisfied with the passage of time, and the revenue is recognized as being evenly apportioned over the contract period.



**(e) Accounting treatment of retirement benefits**

- Method of attributing expected retirement benefits to periods

In calculating retirement benefit obligations, a benefit formula is used to allocate expected retirement benefit payments in the period until the end of the current fiscal year.

- Method of amortizing actuarial gains/losses and prior service costs

Actuarial gains/losses are amortized starting in the next fiscal year after they are incurred using the declining balance method over a certain number of years that is equal to or less than the average future service period of eligible employees in the fiscal year the actuarial gains/losses are incurred (generally nine years).

Prior service costs are amortized using the straight-line method over a certain number of years that is equal to or less than the average future service period of eligible employees at the time the costs are incurred (generally six years).

**(f) Amortization of goodwill**

Goodwill is amortized using the straight-line method for an effective period not more than 20 years.

**(g) Scope of funds in the consolidated statements of cash flows**

Cash and cash equivalents comprise cash on hand, immediately withdrawable funds, and short-term investments that can be easily converted to cash, have insignificant risk of changes in value, and have maturities within three months of the purchase date.

**[Consolidated balance sheets]**

	Year ended March 31, 2025	Year ended March 31, 2026
Contract liabilities (Current liabilities and other in long-term liabilities)	¥31,955 million	¥39,080 million

**[Consolidated statements of income]**

	Year ended March 31, 2025	Year ended March 31, 2026
1. Research and development expenses (Selling, general and administrative expenses)	¥37,561 million	¥42,277 million

## 2. Impairment losses

The DNP Group recorded impairment losses for the following asset groups in the current consolidated fiscal year.

Location	Application	Category
Shinjuku Ward (Tokyo), other	Information Innovation business assets	Buildings and structures, machinery and equipment, construction in progress, software, other
Hikone City (Shiga), other	Industrial High-Performance Materials business assets	Buildings and structures, machinery and equipment, construction in progress, goodwill, software, other
Kuki City (Saitama), other	Publishing business assets	Buildings and structures, machinery and equipment, construction in progress, software, other
Okayama City (Okayama), other	Mobility & Living business assets	Buildings and structures, machinery and equipment, construction in progress, software, other
Other	Business assets other than above	Buildings and structures, machinery and equipment, construction in progress, software, other

In calculating impairment losses, the DNP Group combines assets based mainly on the business groups that serve as profit/loss units. It also considers impairment losses for each individual item for idle assets.

As a result, regarding a group of assets used by businesses with reduced profitability, the book value was reduced to the recoverable value and that reduced value was recorded as an extraordinary impairment loss of ¥13,293 million.

The impairment loss breaks down into buildings and structures at ¥3,138 million, machinery and equipment at ¥2,978 million, construction in progress at ¥608 million, goodwill at ¥1,001 million, software at ¥3,578 million, and other at ¥1,988 million.

The recoverable value of assets whose profitability has declined is measured by the value in use or the net salable value. We calculate value in use by discounting the cash flows from future operating activities at a discount rate based on the weighted average cost of capital. However, where cash flows from future operating activities are expected to be negative, value in use is valued as zero. Assets that are measured based on net salable value are calculated according to real estate appraisals, etc. Regarding sites that the Company plans to close or relocate, the book value of assets that will become unnecessary at the time of site closure or relocation is reduced.

**[Consolidated statements of changes in net assets]**

**The year ended March 31, 2025 (April 1, 2024 – March 31, 2025)**

**1. Types and number of shares outstanding and treasury stock**

(Shares)

	Stock type	Number of shares at the beginning of the year ended March 2025	Increase in number of shares during the year ended March 2025	Decrease in number of shares during the year ended March 2025	Number of shares at the end of the year ended March 2025
Outstanding shares	Common stock	277,240,346	277,240,346	30,000,000	524,480,692
Treasury stock	Common stock	37,642,211	65,202,284	30,033,783	72,810,712

- Notes:
- The number of outstanding shares of common stock increased by 277,240,346 shares due to a stock split of 277,240,346 shares.
  - The number of outstanding shares of common stock decreased by 30,000,000 shares due to the retirement of 30,000,000 shares of treasury stock.
  - The breakdown of the increase in the number of common treasury shares by 65,202,284 shares is as follows.  
(Before the stock split)
    - Increase due to acquisition of treasury shares by resolution of the Board of Directors: 9,479,700 shares
    - Increase due to acquisition of treasury shares free of charge under the restricted stock compensation plan: 696 shares
    - Increase due to purchase of odd-lot shares: 1,851 shares
(At the time of and after the stock split)
    - Increase due to stock split: 47,090,714 shares
    - Increase due to acquisition of treasury shares by resolution of the Board of Directors: 8,627,200 shares
    - Increase due to purchase of odd-lot shares: 1,585 shares
    - Increase due to change in ownership interest in equity method affiliates: 538 shares
  - The breakdown of the decrease in the number of common treasury shares by 30,033,783 shares is as follows.  
(Before stock split)
    - Decrease due to disposal of treasury stock as restricted stock compensation: 33,738 shares
    - Decrease due to change in ownership interest in equity method affiliates: 5 shares
(After stock split)
    - Decrease due to retirement of treasury stock: 30,000,000 shares
    - Decrease due to sale of odd-lot shares: 40 shares

**2. Detailed information regarding dividends**

**(1) Dividends paid**

Resolution	Stock type	Total dividends (Million yen)	Dividend per share (Yen)	Dividend record date	Effective date
General meeting of shareholders on June 27, 2024	Common stock	7,667	32	March 31, 2024	June 28, 2024
Board of Directors' meeting on November 11, 2024	Common stock	7,365	32	September 30, 2024	December 10, 2024

Note: The Company conducted a 2-for-1 stock split of its common stock on October 1, 2024. Dividend per share shows the amount before the stock split.

**(2) Of dividends for which the record date belongs to the current fiscal year, those that come into effect in the following fiscal year**

Resolution	Stock type	Total dividends (Million yen)	Source of dividends	Dividend per share (Yen)	Dividend record date	Effective date
General meeting of shareholders on June 27, 2025	Common stock	9,937	Retained earnings	22	March 31, 2025	June 30, 2025

## The year ended March 31, 2026 (April 1, 2025 – March 31, 2026)

### 1. Types and number of shares outstanding and treasury stock

(Shares)

	Stock type	Number of shares at the beginning of the year ended March 2026	Increase in number of shares during the year ended March 2026	Decrease in number of shares during the year ended March 2026	Number of shares at the end of the year ended March 2026
Outstanding shares	Common stock	524,480,692	–	85,000,000	439,480,692
Treasury stock	Common stock	72,810,712	20,318,636	85,081,520	8,047,828

- Notes:
- The number of outstanding shares of common stock decreased by 85,000,000 shares due to the retirement of 85,000,000 shares of treasury stock.
  - The breakdown of the increase in the number of common treasury shares by 20,318,636 shares is as follows.
    - Increase due to acquisition of treasury shares by resolution of the Board of Directors: 20,313,200 shares
    - Increase due to acquisition of treasury shares free of charge under the restricted stock compensation plan: 2,180 shares
    - Increase due to purchase of odd-lot shares: 2,890 shares
    - Increase due to change in ownership interest in equity method affiliates: 366 shares
  - The breakdown of the decrease in the number of common treasury shares by 85,081,520 shares is as follows.
    - Decrease due to disposal of treasury stock as restricted stock compensation: 81,520 shares
    - Decrease due to retirement of treasury stock: 85,000,000 shares

### 2. Detailed information regarding dividends

#### (1) Dividends paid

Resolution	Stock type	Total dividends (Million yen)	Dividend per share (Yen)	Dividend record date	Effective date
General meeting of shareholders on June 27, 2025	Common stock	9,937	22	March 31, 2025	June 30, 2025
Board of Directors' meeting on November 14, 2025	Common stock	7,943	18	September 30, 2025	December 10, 2025

#### (2) Of dividends for which the record date belongs to the current fiscal year, those that come into effect in the following fiscal year

Resolution	Stock type	Total dividends (Million yen)	Source of dividends	Dividend per share (Yen)	Dividend record date	Effective date
General meeting of shareholders on June 26, 2026	Common stock	9,492	Retained earnings	22	March 31, 2026	June 29, 2026

**[Segment information, etc.]**

**(Segment information)**

**1. Overview of the reporting segments**

**(1) Method of determining reporting segments**

DNP's reporting segments are regularly reviewed by the Board of Directors using the segregated financial information available within each segment to determine the allocation of business resources and evaluate business results.

The DNP Group bases its business divisions on the products and services provided and develops its business activities based on a comprehensive domestic and overseas strategy for each business division. The three reporting segments are Smart Communication, Life & Healthcare, and Electronics.

**(2) Products and services in each reporting segment**

Each business segment's specific products are listed under "2. Information on the DNP Group."

**(3) Matters related to changes in reporting segments**

Effective from the current fiscal year, we have reclassified the reporting segment for certain equity-method affiliates from "Adjustments" to "Smart Communication segment" in accordance with a review of our business management segments.

Segment information for the previous fiscal year is presented based on the new classification method and listed in "3. Information on sales, income/loss, assets, and other items by reporting segment and disaggregation of revenue" on the previous fiscal year's financial results.

**2. Method of calculating sales, income/loss, assets, and other items by reporting segment**

The accounting method used for reporting business segments is generally the same as stated in "Basis of presenting consolidated financial statements."

Reporting segment income figures are based on operating income. Inter-segment sales and transfers are based on current market prices.

### 3. Information on sales, income/loss, assets, and other items by reporting segment and disaggregation of revenue

The year ended March 31, 2025 (April 1, 2024 – March 31, 2025)

(Million yen)

	Reporting segment				Adjustment Note 1	Amounts reported on consolidated financial statements <sup>Note 2</sup>
	Smart Communication	Life & Healthcare	Electronics	Total		
Net sales <sup>Note 3</sup>						
Outside customers	713,977	495,855	247,776	1,457,609	–	1,457,609
Inter-segment	1,597	183	0	1,781	(1,781)	–
Total	715,575	496,038	247,777	1,459,391	(1,781)	1,457,609
Segment income	34,667	23,789	57,363	115,820	(22,208)	93,612
Segment assets	788,447	484,742	385,754	1,658,944	258,894	1,917,838
Other items						
Depreciation and amortization	16,247	21,351	14,424	52,023	1,685	53,709
Amortization of goodwill	448	175	2	626	–	626
Impairment loss	9,700	55,843	4,372	69,916	352	70,268
Investments in equity-method affiliates	40,753	217	142,660	183,632	16,716	200,348
Increase in property, plant and equipment and in intangible fixed assets	31,275	19,194	23,068	73,539	3,088	76,627

Notes: 1. Figures are adjusted as follows.

- (1) Segment income is adjusted for costs related to basic research not assignable to a reporting segment or costs of research shared by different segments.
  - (2) Segment assets are adjusted for companywide assets not allocated to reporting segments and the elimination of inter-segment transactions.
  - (3) Impairment loss adjustments are related to companywide assets not allocated to reporting segments.
  - (4) Investments in equity-method affiliates are adjusted for investments not allocated to reporting segments.
  - (5) Increases in property, plant and equipment and in intangible fixed assets are adjusted for capital expenditures for the head office building and other items.
2. Segment income is adjusted to reflect operating income as reported in the consolidated financial statements.
  3. Sales include revenues generated from contracts with customers as well as other revenues, but because almost all revenues are generated from contracts with customers, the other revenues are insignificant and are therefore not displayed separately.

**The year ended March 31, 2026 (April 1, 2025 – March 31, 2026)**

(Million yen)

	Reporting segment				Adjustment Note 1	Amounts reported on consolidated financial statements <sup>Note 2</sup>
	Smart Communication	Life & Healthcare	Electronics	Total		
Net sales <sup>Note 3</sup>						
Outside customers	748,674	512,092	251,804	1,512,571	–	1,512,571
Inter-segment	1,704	256	–	1,960	(1,960)	–
Total	750,378	512,349	251,804	1,514,532	(1,960)	1,512,571
Segment income	40,002	37,260	50,702	127,965	(26,926)	101,039
Segment assets	785,846	491,439	410,897	1,688,183	345,927	2,034,110
Other items						
Depreciation and amortization	18,000	14,862	17,879	50,741	2,073	52,815
Amortization of goodwill	1,178	772	2	1,952	–	1,952
Impairment loss	6,805	5,454	1,033	13,293	–	13,293
Investments in equity-method affiliates	44,624	274	149,669	194,569	18,376	212,946
Increase in property, plant and equipment and in intangible fixed assets	25,432	22,864	31,223	79,521	8,221	87,743

Notes: 1. Figures are adjusted as follows.

- (1) Segment income is adjusted for costs related to basic research not assignable to a reporting segment or costs of research shared by different segments.
  - (2) Segment assets are adjusted for companywide assets not allocated to reporting segments and the elimination of inter-segment transactions.
  - (3) Investments in equity-method affiliates are adjusted for investments not allocated to reporting segments.
  - (4) Increases in property, plant and equipment and in intangible fixed assets are adjusted for capital expenditures for the head office building and other items.
2. Segment income is adjusted to reflect operating income as reported in the consolidated financial statements.
  3. Sales include revenues generated from contracts with customers as well as other revenues, but because almost all revenues are generated from contracts with customers, the other revenues are insignificant and are therefore not displayed separately.

**(Related information)****The year ended March 31, 2025 (April 1, 2024 – March 31, 2025)**

## 1. Information on products and services

Omitted because similar information is disclosed in segment information.

## 2. Regional information

## (1) Net sales

(Million yen)

Japan	Asia	Other regions	Total
1,105,107	248,763	103,738	1,457,609

- Notes:
1. Sales are classified by country or region, based on the location of customers.
  2. Country and regional segments are based on geographic proximity.
  3. Main countries and regions included in each segment:  
 Asia: China, South Korea, Indonesia, Taiwan  
 Other: United States, Germany, France, Poland

## (2) Property, plant and equipment

Omitted because the value of property, plant and equipment located in Japan is over 90% of the value of property, plant and equipment as reported in the consolidated balance sheets.

## 3. Information on major customers

Not described because sales to specific outside customers are less than 10% of sales as reported in the consolidated statements of income.

**The year ended March 31, 2026 (April 1, 2025 – March 31, 2026)**

## 1. Information on products and services

Omitted because similar information is disclosed in segment information.

## 2. Regional information

## (1) Net sales

(Million yen)

Japan	Asia	Other regions	Total
1,130,423	258,294	123,853	1,512,571

- Notes:
1. Sales are classified by country or region, based on the location of customers.
  2. Country and regional segments are based on geographic proximity.
  3. Main countries and regions included in each segment:  
 Asia: China, South Korea, Taiwan, Indonesia  
 Other: United States, France, Germany, Poland

## (2) Property, plant and equipment

Omitted because the value of property, plant and equipment located in Japan is over 90% of the value of property, plant and equipment as reported in the consolidated balance sheets.

## 3. Information on major customers

Not described because sales to specific outside customers are less than 10% of sales as reported in the consolidated statements of income.



**[Per share information]**

	Year ended March 31, 2025 (April 1, 2024 – March 31, 2025)	Year ended March 31, 2026 (April 1, 2025 – March 31, 2026)
Net assets per share	¥2,514.77	¥2,759.42
Net income per share	¥238.90	¥235.49
Diluted net income per share	¥238.88	¥235.45

- Notes:
1. The Company conducted a 2-for-1 stock split of shares of common stock on October 1, 2024. Accordingly, net assets per share, net income per share and diluted net income per share are calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.
  2. The basis for calculating net income per share and diluted net income per share is as follows.

	Year ended March 31, 2025 (April 1, 2024 – March 31, 2025)	Year ended March 31, 2026 (April 1, 2025 – March 31, 2026)
(1) Net income per share		
Net income attributable to parent company shareholders (Million yen)	110,682	103,959
Amounts not attributable to common shareholders (Million yen)	—	—
Net income attributable to parent company common shareholders (Million yen)	110,682	103,959
Average number of common shares outstanding during the fiscal year (Thousand shares)	463,291	441,461
(2) Diluted net income per share		
Adjustments to net income attributable to parent company shareholders (Million yen)	(12)	(16)
Of which, impact of dilutive stock of consolidated subsidiaries and affiliates (Million yen)	(12)	(16)
Increase in common stock (Thousand shares)	—	—

3. The basis for calculating net assets per share is as follows.

	Year ended March 31, 2025 (As of March 31, 2025)	Year ended March 31, 2026 (As of March 31, 2026)
Total net assets (Million yen)	1,208,778	1,267,106
Amount excluded from total net assets (Million yen)	72,930	76,602
Of which, non-controlling interests (Million yen)	72,930	76,602
Net assets at fiscal year-end pertaining to common stock (Million yen)	1,135,847	1,190,504
Number of common shares outstanding (Thousand shares)	524,480	439,480
Number of common treasury shares (Thousand shares)	72,810	8,047
Number of common shares at fiscal year-end used for the calculation of net assets per share (Thousand shares)	451,669	431,432

**[Significant subsequent events]**

**(Acquisition of treasury stock)**

At the Board of Directors meeting held on May 13, 2026, the Company resolved to acquire treasury stock pursuant to the provisions of Article 156 of the Companies Act of Japan, as applied *mutatis mutandis* to the provisions of Article 165, Paragraph 3 of the Companies Act. For details, please refer to the “Announcement of Share Buyback,” dated May 13, 2026.

## 6. Non-consolidated financial statements and key notes

### (1) Non-consolidated balance sheets

(Million yen)

	Year ended March 31, 2025 (As of March 31, 2025)	Year ended March 31, 2026 (As of March 31, 2026)
<b>ASSETS</b>		
Current assets		
Cash and time deposits	124,966	158,032
Notes receivables	8,837	8,200
Electronically recorded monetary claims	30,847	23,994
Trade receivable	223,237	204,211
Merchandise and finished products	8,267	6,408
Work in progress	13,908	12,866
Raw materials and supplies	5,419	4,131
Other	35,541	33,670
Allowance for doubtful accounts	(209)	(430)
Total current assets	450,817	451,084
Fixed assets		
Property, plant and equipment		
Buildings	401,203	406,554
Accumulated depreciation	(296,384)	(297,494)
Buildings, net	104,818	109,060
Structures	29,948	30,289
Accumulated depreciation	(25,702)	(25,736)
Structures, net	4,246	4,553
Machinery	481,913	473,554
Accumulated depreciation	(458,663)	(435,123)
Machinery, net	23,250	38,430
Vehicles	1,608	1,666
Accumulated depreciation	(1,508)	(1,527)
Vehicles, net	100	138
Equipment	45,393	45,243
Accumulated depreciation	(40,907)	(39,643)
Equipment, net	4,485	5,599
Land	112,981	112,796
Lease assets	6,326	5,939
Accumulated depreciation	(1,618)	(2,369)
Lease assets, net	4,707	3,569
Construction in progress	12,315	7,432
Total property, plant and equipment	266,905	281,582
Intangible fixed assets		
Software	16,166	18,518
Other	960	907
Total intangible fixed assets	17,126	19,426
Investments and other assets		
Investment securities	204,233	170,751
Investments in securities in affiliates	254,377	281,143
Investments in capital of affiliates	1,526	1,477
Prepaid pension costs	68,419	75,223
Other	15,339	14,600
Allowance for doubtful accounts	(3,138)	(2,321)
Total investments and other assets	540,757	540,874
Total fixed assets	824,789	841,883
<b>TOTAL ASSETS</b>	<b>1,275,607</b>	<b>1,292,967</b>

(Million yen)

	Year ended March 31, 2025 (As of March 31, 2025)	Year ended March 31, 2026 (As of March 31, 2026)
<b>LIABILITIES</b>		
Current liabilities		
Notes payables	2,487	105
Electronically recorded debts	5,385	6,265
Trade payables	228,135	204,157
Lease obligations	1,434	1,355
Accounts payable - other	26,424	19,913
Accrued expenses	5,703	3,962
Contract liabilities	6,102	10,636
Deposits payable	156,815	158,942
Reserve for bonuses	8,613	8,762
Reserve for bonuses to directors	249	256
Notes payable for facilities	184	—
Electronically recorded debts for facilities	288	1,252
Income taxes payable	38,669	—
Other	125	284
Total current liabilities	480,620	415,896
Long-term liabilities		
Bonds	100,000	200,000
Lease obligations	4,193	2,841
Asset retirement obligations	1,430	1,444
Provision for retirement benefits	14,502	15,391
Deferred tax liabilities	36,333	34,606
Other	48	845
Total long-term liabilities	156,507	255,130
<b>TOTAL LIABILITIES</b>	<b>637,128</b>	<b>671,026</b>
<b>NET ASSETS</b>		
Stockholders' equity		
Common stock	114,464	114,464
Capital surplus		
Capital reserve	144,898	144,898
Total capital surplus	144,898	144,898
Retained earnings		
Legal reserve	23,300	23,300
Other retained earnings		
Reserve for depreciation reduction of fixed assets	14	13
Other reserves	132,780	132,780
Retained earnings brought forward	254,515	136,283
Total retained earnings	410,610	292,377
Treasury stock	(135,316)	(16,084)
Total stockholders' equity	534,656	535,655
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	103,821	86,286
Total valuation and translation adjustments	103,821	86,286
<b>TOTAL NET ASSETS</b>	<b>638,478</b>	<b>621,941</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>1,275,607</b>	<b>1,292,967</b>

**(2) Non-consolidated statements of income**

(Million yen)

	Year ended March 31, 2025	Year ended March 31, 2026
Net sales	956,437	925,693
Cost of sales	815,801	787,034
Gross profit	140,636	138,659
Selling, general and administrative expenses	136,905	141,277
Operating income (loss)	3,731	(2,617)
Non-operating income		
Interest income	236	289
Dividend income	55,695	35,965
Equipment rental income	33,608	36,437
Other	4,059	6,545
Total non-operating income	93,600	79,236
Non-operating expenses		
Interest expense	368	1,799
Equipment rental expense	23,127	18,054
Other	3,125	2,460
Total non-operating expenses	26,620	22,313
Ordinary income	70,710	54,305
Extraordinary gains		
Gain on sale of fixed assets	4,188	12,876
Gain on sale of investment securities	92,686	44,628
Gain on reversal of repair reserve	6,752	—
Other	16,779	449
Total extraordinary gains	120,407	57,954
Extraordinary losses		
Loss on sale or disposal of fixed assets	2,130	1,080
Impairment loss	66,911	8,126
Other	2,516	2,300
Total extraordinary losses	71,558	11,508
Income before income taxes	119,559	100,750
Current income taxes	39,560	13,810
Deferred income taxes	(13,151)	5,513
Total income taxes	26,408	19,323
Net income	93,151	81,427

**(3) Non-consolidated statements of changes in net assets**  
**The year ended March 31, 2025 (April 1, 2024 – March 31, 2025)**

(Million yen)

	Stockholders' equity							
	Common stock	Capital surplus		Retained earnings				Total retained earnings
		Capital reserve	Total capital surplus	Legal reserve	Other retained earnings			
					Reserve for depreciation reduction of fixed assets	Other reserve	Retained earnings brought forward	
Balance at the beginning of current period	114,464	144,898	144,898	23,300	15	132,780	232,100	388,196
Changes of items during the period								
Reversal of reserve for depreciation reduction of fixed assets					(0)		0	—
Cash dividends paid							(15,032)	(15,032)
Net income							93,151	93,151
Purchases of treasury stock								—
Disposal of treasury stock							59	59
Retirement of treasury stock							(55,763)	(55,763)
Net changes in items other than stockholders' equity								
Total changes of items during the period	—	—	—	—	(0)	—	22,415	22,414
Balance at the end of current period	114,464	144,898	144,898	23,300	14	132,780	254,515	410,610

	Stockholders' equity		Valuation and translation adjustments		Total net assets
	Treasury stock	Total stockholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at the beginning of current period	(126,337)	521,221	158,766	158,766	679,987
Changes of items during the period					
Reversal of reserve for depreciation reduction of fixed assets		–			–
Cash dividends paid		(15,032)			(15,032)
Net income		93,151			93,151
Purchases of treasury stock	(64,862)	(64,862)			(64,862)
Disposal of treasury stock	118	178			178
Retirement of treasury stock	55,763	–			–
Net changes in items other than stockholders' equity			(54,944)	(54,944)	(54,944)
Total changes of items during the period	(8,979)	13,435	(54,944)	(54,944)	(41,508)
Balance at the end of current period	(135,316)	534,656	103,821	103,821	638,478

**The year ended March 31, 2026 (April 1, 2025 – March 31, 2026)**

(Million yen)

	Stockholders' equity							
	Common stock	Capital surplus		Retained earnings				
		Capital reserve	Total capital surplus	Legal reserve	Other retained earnings			Total retained earnings
					Reserve for depreciation reduction of fixed assets	Other reserve	Retained earnings brought forward	
Balance at the beginning of current period	114,464	144,898	144,898	23,300	14	132,780	254,515	410,610
Changes of items during the period								
Reversal of reserve for depreciation reduction of fixed assets					(1)		1	—
Cash dividends paid							(17,881)	(17,881)
Net income							81,427	81,427
Purchases of treasury stock								—
Disposal of treasury stock							21	21
Retirement of treasury stock							(169,831)	(169,831)
Decrease due to company split							(11,970)	(11,970)
Net changes in items other than stockholders' equity								
Total changes of items during the period	—	—	—	—	(1)	—	(118,232)	(118,233)
Balance at the end of current period	114,464	144,898	144,898	23,300	13	132,780	136,283	292,377

	Stockholders' equity		Valuation and translation adjustments		Total net assets
	Treasury stock	Total stockholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at the beginning of current period	(135,316)	534,656	103,821	103,821	638,478
Changes of items during the period					
Reversal of reserve for depreciation reduction of fixed assets		–			–
Cash dividends paid		(17,881)			(17,881)
Net income		81,427			81,427
Purchases of treasury stock	(50,752)	(50,752)			(50,752)
Disposal of treasury stock	153	175			175
Retirement of treasury stock	169,831	–			–
Decrease due to company split		(11,970)			(11,970)
Net changes in items other than stockholders' equity			(17,535)	(17,535)	(17,535)
Total changes of items during the period	119,231	998	(17,535)	(17,535)	(16,537)
Balance at the end of current period	(16,084)	535,655	86,286	86,286	621,941

**(4) Notes regarding non-consolidated financial statements**

**[Notes on premise of a going concern]**

None