



Consolidated Financial Results for the First Six Months of the Fiscal Year Ending March 31, 2025 [J-GAAP]

November 11, 2024

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 Holding of results briefing: Yes (for institutional investors and analysts)

(Amounts under one million yen have been rounded down.)

1. Consolidated financial results for the first six months ended September 30, 2024 (April 1, 2024 – September 30, 2024)

(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	%
Six months ended September 30, 2024	708,352	2.1	38,161	38.6	50,001	33.5	89,702	17.7
Six months ended September 30, 2023	693,752	3.8	27,532	(0.2)	37,465	2.1	76,230	172.9

Note: Comprehensive income: For the first six months ended September 30, 2024: ¥62,446 million (-3.7%)
 For the first six months ended September 30, 2023: ¥64,860 million (-%)

	Net Income per Share	Diluted Net Income per Share
	Yen	Yen
Six months ended September 30, 2024	191.12	191.11
Six months ended September 30, 2023	148.93	148.92

* 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
	Million yen	Million yen	%
As of September 30, 2024	1,941,748	1,248,404	60.7
As of March 31, 2024	1,955,629	1,236,687	59.6

Note: Stockholders' equity: As of September 30, 2024: ¥1,177,672 million As of March 31, 2024: ¥1,165,927 million

2. Dividends

	Annual Dividends (Yen)				
	First Quarter-end	Second Quarter-end	Third Quarter-end	Year-end	Total
Year ended March 31, 2024	–	32.00	–	32.00	64.00
Year ending March 31, 2025	–	32.00			
Year ending March 31, 2025 (Forecasts)			–	16.00	–

Note: Revisions to the most recently announced dividend forecasts during the period: No

* The Company conducted a 2-for-1 stock split of shares of common stock, effective October 1, 2024, the year-end dividend per share for the fiscal year ending March 31, 2025 (forecasts) is stated after taking into account the effect of this stock split, and the total annual dividend per share is “–.”

The year-end dividend per share for the fiscal year ending March 31, 2025 (forecasts) without considering the stock split would be 32.00 yen. For details, please refer to “Explanation regarding appropriate use of earnings forecasts and other special notes.”

3. Consolidated earnings forecasts for the year ending March 31, 2025 (April 1, 2024 – March 31, 2025)

(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
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	1,455,000	2.1	80,000	6.0	100,000	1.3	90,000	(18.9)	193.48

Note: Revisions to the most recently announced earnings forecasts during the period: No

* “Net income per share” in the consolidated forecasts takes into account the effect of the stock split. Without considering the stock split, net income per share in the consolidated earnings forecasts for the fiscal year ending March 31, 2025 (full year) would be 386.95 yen. For details, please refer to “Explanation regarding appropriate use of earnings forecasts and other special notes.”

Other information

(1) Significant changes in scope of consolidation during the first six months: No

(2) Application of accounting procedures peculiar to interim consolidated financial statement preparation: No

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

- 1) Changes in accounting policies with revision of accounting standards: Yes
- 2) Changes in accounting policies other than the 1) above: No
- 3) Changes in accounting estimates: No
- 4) Restatement of revisions: No

Note: For more information, see the section titled, “2. Interim consolidated financial statements and notes (4) Notes regarding interim consolidated financial statements [Changes in accounting policies],” on page 11.

(4) Number of common shares issued and outstanding

1) Number of common shares outstanding at end of each period (including treasury shares)	As of September 30, 2024	554,480,692 shares	As of March 31, 2024	554,480,692 shares
2) Number of treasury shares at end of each period	As of September 30, 2024	94,181,430 shares	As of March 31, 2024	75,284,422 shares
3) Average number of shares outstanding during the period (cumulative from the start of the fiscal year)	Six months ended September 30, 2024	469,350,060 shares	Six months ended September 30, 2023	511,862,424 shares

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

* These interim 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

1. 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. (3) Explanation of the consolidated earnings forecasts and other projections," on page 4.

2. At a meeting of the Board of Directors held on August 8, 2024, the Company resolved to conduct a stock split, whereby each share of common stock was divided into 2 shares effective October 1, 2024. The Company's dividend forecasts and consolidated earnings forecasts for the fiscal year ending March 31, 2025, without taking the stock split into consideration, are as follows.

- (1) Dividend forecasts for the fiscal year ending March 31, 2025

Year-end dividend per share: 32.00 yen

- (2) Consolidated earnings forecasts for the year ending March 31, 2025

Net income per share Full year: 386.95 yen

3. The DNP Group will hold a results briefing (online conference) for institutional investors and analysts on November 13, 2024. Materials used at the briefing will be uploaded to the DNP website at around 10:00 JST the same day.

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1. Overview of operating results, etc.

(1) Overview of operating results

The environment surrounding the DNP Group during the first six months of the fiscal year ending March 31, 2025 showed gradual economic recovery due to factors including a pickup in personal consumption resulting from improvement in the domestic employment/income situation and expansion of inbound tourism-related demand. However, the future of the economy remains difficult to predict amid such factors as high volatility in stock prices and currency exchange rates, prolonged geopolitical risks, persistence of high costs for raw materials and fuel, and rising prices and labor shortages in Japan. In addition to ongoing concerns about natural disasters and climate change, including earthquakes and torrential rains, there is a need to conform to various environmental regulations. Furthermore, doing business has become more complicated and competition has intensified as a result of increasing digitalization, use of AI, and other technological changes.

Even amid rapid changes in the surrounding environment, society, and economy, the DNP Group does not merely respond to changes and risks, but rather takes the initiative to instigate change based on a long-term perspective, and to engage in business activities aimed at creating a better future. The DNP Group works to expand its business arena and improve its performance by combining its unique strengths in “P&I” (printing and information) and increasing collaboration with diverse external partners.

The year through March 2025 is the second year covered by our current Medium-term Management Plan for the three years from April 2023 to March 2026. By implementing concrete initiatives based on business strategies, financial strategies and non-financial strategies, we are focusing on the continuous generation of business value and shareholder value.

In terms of business strategies, we are building a business portfolio that allows us to leverage our strengths over the medium to long term while we also accelerate the creation of new value, primarily in focus business areas. Regarding financial strategies, we will continue to appropriately allocate the cash flow that we generate between investment in further business growth and shareholder returns. As for non-financial strategies, we are strengthening the business base that supports DNP’s sustainable growth, mainly by increasing investment in human capital, enhancing intellectual capital, and addressing environmental concerns.

In addition, we will promote various corporate activities on an ongoing basis in order to prepare for natural disasters and other unpredictable circumstances, including thorough and Group-wide business continuity management (BCM).

As a result of these efforts, consolidated net sales for the first six months grew 2.1% year on year to ¥708.3 billion, consolidated operating income grew 38.6% to ¥38.1 billion, consolidated ordinary income grew 33.5% to ¥50.0 billion, and net income attributable to parent company shareholders grew 17.7% to ¥89.7 billion due mainly to the recording of extraordinary gains on the sale of investment securities.

Smart Communication

In Imaging Communication, photo printing materials performed well in the U.S., European, and Asian markets, and thermal transfer printing media used for printing barcodes, etc., also sold well, mainly in the Southeast Asian market. Growth in domestic ID photo services and photography services also helped to boost sales above the previous year’s level.

Regarding information security, dual-interface cards that support both contact and contactless standards on a single IC chip contributed to sales, but overall sales declined from the previous year due to a decrease in large business process outsourcing (BPO) projects.

In marketing, we strove to provide value by combining our strength in digital technologies with the experience and knowledge of marketing measures that we have cultivated over many years. Nevertheless, sales fell below the previous year, largely due to the shrinking market for paper media.

Our Publishing business enjoyed solid sales of library management services, but overall sales

declined year on year due to shrinkage in the market for magazines and other paper media. We resolved to reorganize our publishing and printing businesses as of April 2025 by shifting to a business structure that integrates manufacturing and sales in order to speed up decision-making, strengthen collaboration between departments, and respond appropriately to changes in the market environment.

As a result of the above, overall segment sales fell 1.1% year on year to ¥346.6 billion. Despite the impact of the reduced sales resulting from shrinking markets, particularly regarding paper media, operating income surged 48.0% from the same period last year to 12.6 billion yen, thanks to such positive factors as favorable currency exchange rates and the contributions of business structure reforms, including optimization of human capital and fixed assets.

Life & Healthcare

The Mobility and High-Performance Industrial Supplies businesses saw growth in sales of pouches for lithium-ion batteries for IT applications, thanks to higher demand for use in new models of smartphones and tablet devices, but automotive applications were affected by stagnation in demand for electric vehicles. Thanks to rising global demand for photovoltaic cell-related products, sales in this sector were strong and there was a particularly notable increase in sales of encapsulants. Concerning decorative films for automotive use, in addition to films for interior use, we have been focusing on selling exterior-use films that shorten painting times and reduce environmental impact while offering superior aesthetic appeal. In August 2024, we signed a capital and business alliance agreement with MICWARE CO, LTD. By combining MICWARE's strengths in the development of software and connected infrastructure for in-vehicle devices with both companies' digital technologies, the two partners will work together to expand DX business in the mobility field and accelerate the expansion of their businesses.

DNP's Packaging business was affected by higher raw material prices, but made progress in passing on higher costs through price increases, and enjoyed solid orders for packaging for snacks and household items. Sales of aseptic PET bottle filling systems also increased. In addition, we focused on the development and sales of functional packaging materials, including environmentally friendly DNP GREEN PACKAGING®. Overall, Packaging sales exceeded those of the previous year.

In the Medical and Healthcare field, we focused on the development and sales of medical packaging. In addition, in order to expand our support for drug discovery and development, we plan to increase and promote research and development by cultivating cardiomyocytes through a technical partnership with NEXEL Co., Ltd., a South Korean biotechnology company that specializes in human-induced pluripotent stem cell (iPSC) technology.

Both in Japan and overseas, our Living Spaces business enjoyed solid sales of ARTTEC®, an exterior material that combines high durability with strong aesthetic appeal. However, sales of interior materials for residential use decreased, largely due to a drop in the number of new owner-occupied housing starts in Japan, resulting in a year-on-year decline in overall sector sales.

DNP's Beverages business increased its sales relative to a year earlier. In addition to strong sales through vending machines, convenience stores and online channels, price revisions in effect since last year in major sales channels helped to boost sales.

As a result of the above, segment sales grew 4.8% year on year to ¥242.9 billion. Operating income soared by 76.8% over the same period last year to 9.0 billion yen. In addition to a slowdown in the pace of raw material and logistics cost increases, we made progress in price pass-throughs and enjoyed increased sales of packaging products.

Electronics

In our Digital Interface business, sales of optical films remained strong, partly because of a shift to larger liquid crystal TV panels that resulted in an increase in display area shipped. Sales of metal masks used for manufacturing organic electroluminescent displays (OLEDs) increased in line with the growing use of OLEDs in smartphones, and overall sales in this business exceeded those of the previous year. In response to the increasing adoption of OLEDs for tablets, notebook PCs, and in-vehicle devices, in May 2024 we began operating a new metal mask production line that we installed at our Kurosaki Plant in Kitakyushu City, Fukuoka Prefecture.

Thanks to a recovery in the semiconductor market, our semiconductors business enjoyed steady shipments of photomasks used in semiconductor manufacturing. Overall, sales by this business exceeded those of the previous year.

As a result of the above, overall segment sales grew 6.3% year on year to ¥119.7 billion. Operating income increased 11.0% year on year to 27.8 billion yen, as the positive effects of favorable foreign exchange rates and increased digital interface sales outweighed the increased capital costs connected with the addition of our new metal mask production line.

(2) Overview of financial position

Total assets as of the end of the first six months decreased by ¥13.8 billion from the end of the previous fiscal year to ¥1,941.7 billion, due mainly to an increase of cash and time deposits and declines in notes, trade receivables, and contract assets and investment securities.

Total liabilities decreased by ¥25.5 billion from the end of the previous fiscal year to ¥693.3 billion, due mainly to an increase in accrued income taxes and decreases in Notes and trade payables and deferred tax liabilities.

Net assets increased by ¥11.7 billion from the end of the previous fiscal year to ¥1,248.4 billion due mainly to an increase in net income and decreases in dividends from surplus, the acquisition of treasury shares, and the valuation difference on available-for-sale securities.

Cash and cash equivalents at the end of the first six months of the fiscal year increased by ¥51.3 billion from the end of the previous fiscal year to ¥285.9 billion.

Cash flows from operating activities resulted in income of ¥64.7 billion (versus ¥38.4 billion in the same period of the previous year), mostly due to ¥123.7 billion in income before income taxes and non-controlling interests and ¥26.0 billion of depreciation.

Cash flows from investing activities resulted in an income of ¥39.2 billion (versus ¥35.7 billion in the same period of the previous year), mostly due to the expenditure of ¥30.0 billion for the acquisition of property, plant and equipment and proceeds from sales of investment securities of 64.9 billion yen.

Cash flows from financing activities resulted in an outlay of ¥59.6 billion (versus ¥64.5 billion in the same period of the previous year) due to such factors as the expenditure of ¥45.6 billion for the acquisition of treasury shares, and dividend payments of ¥7.6 billion.

(3) Explanation of the consolidated earnings forecasts and other projections

Our earnings forecasts for the fiscal year ending March 2025 are unchanged from the forecasts announced on May 13, 2024.

2. Interim consolidated financial statements and notes
(1) Interim consolidated balance sheets

(Million yen)

	As of March 31, 2024	As of September 30, 2024
ASSETS		
Current assets		
Cash and time deposits	228,765	286,814
Notes, trade receivables, and contract assets	348,430	313,212
Marketable securities	7,500	4,500
Merchandise and finished products	88,301	87,422
Work in progress	36,607	39,343
Raw materials and supplies	39,588	42,010
Other	50,789	34,316
Allowance for doubtful accounts	(664)	(504)
Total current assets	799,318	807,115
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	178,611	177,841
Machinery and equipment, net	76,614	73,167
Land	142,404	142,103
Construction in progress	23,751	29,874
Other, net	31,758	34,471
Total property, plant and equipment	453,139	457,458
Intangible fixed assets		
Other	30,697	34,984
Total intangible fixed assets	30,697	34,984
Investments and other assets		
Investment securities	374,659	336,116
Net defined benefit asset	248,389	252,098
Other	52,311	56,446
Allowance for doubtful accounts	(2,885)	(2,470)
Total investments and other assets	672,474	642,190
Total fixed assets	1,156,310	1,134,632
TOTAL ASSETS	1,955,629	1,941,748

(Million yen)

	As of March 31, 2024	As of September 30, 2024
LIABILITIES		
Current liabilities		
Notes and trade payables	223,873	205,695
Short-term bank loans	38,261	30,435
Accrued income taxes	11,642	40,960
Reserve for bonuses	21,290	20,824
Repair reserve	7,157	5,307
Other	106,703	102,217
Total current liabilities	408,928	405,440
Long-term liabilities		
Bonds	100,000	100,000
Long-term debt	23,403	24,642
Net defined benefit liability	56,190	56,791
Deferred tax liabilities	111,654	87,058
Other	18,765	19,410
Total long-term liabilities	310,013	287,903
TOTAL LIABILITIES	718,941	693,343
NET ASSETS		
Stockholders' equity		
Common stock	114,464	114,464
Capital surplus	145,118	145,176
Retained earnings	782,000	866,088
Treasury stock	(126,367)	(171,853)
Total stockholders' equity	915,215	953,876
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	161,863	130,391
Net deferred gains (losses) on hedges	26	(47)
Foreign currency translation adjustments	20,850	31,984
Remeasurements of defined benefit plans	67,971	61,467
Total accumulated other comprehensive income	250,711	223,795
Non-controlling interests	70,760	70,732
TOTAL NET ASSETS	1,236,687	1,248,404
TOTAL LIABILITIES AND NET ASSETS	1,955,629	1,941,748

(2) Interim consolidated statements of income and interim consolidated statements of comprehensive income**Interim consolidated statements of income**

(Million yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Net sales	693,752	708,352
Cost of sales	546,726	548,395
Gross profit	147,025	159,957
Selling, general and administrative expenses	119,493	121,796
Operating income	27,532	38,161
Non-operating income		
Interest and dividend income	3,121	4,046
Equity in earnings of affiliates	7,302	9,288
Other	2,494	1,519
Total non-operating income	12,918	14,855
Non-operating expense		
Interest expense	420	473
Other	2,565	2,542
Total non-operating expenses	2,985	3,015
Ordinary income	37,465	50,001
Extraordinary gains		
Gains on sale of fixed assets	150	10,512
Gain on sale of investment securities	60,667	61,696
Other	–	5,008
Total extraordinary gains	60,818	77,217
Extraordinary losses		
Loss on sale or disposal of fixed assets	817	821
Impairment loss	355	1,960
Other	703	644
Total extraordinary losses	1,877	3,426
Income before income taxes and non-controlling interests	96,405	123,791
Current income taxes	15,314	37,886
Deferred income taxes	3,376	(4,601)
Total income taxes	18,690	33,284
Net income	77,715	90,506
Net income attributable to non-controlling shareholders	1,484	804
Net income attributable to parent company shareholders	76,230	89,702

Interim consolidated statements of comprehensive income

(Million yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Net income	77,715	90,506
Other comprehensive income		
Valuation difference on available-for-sale securities	(17,640)	(31,741)
Net deferred gains (losses) on hedges	59	(88)
Foreign currency translation adjustments	7,653	6,388
Remeasurements of defined benefit plans	(3,137)	(7,702)
Share of other comprehensive income of affiliates accounted for using equity method	210	5,084
Total other comprehensive income	(12,854)	(28,060)
Comprehensive income	64,860	62,446
Attributable to:		
Parent company shareholders	62,421	61,918
Non-controlling shareholders	2,439	527

(3) Interim consolidated statements of cash flows

(Million yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Cash flows from operating activities		
Income before income taxes and non-controlling interests	96,405	123,791
Depreciation	26,294	26,009
Impairment loss	355	1,960
Increase (Decrease) of doubtful accounts	273	(385)
Increase of net defined benefit asset	(8,602)	(16,007)
Increase of net defined benefit liability	2,353	1,758
Equity in gains of affiliates	(7,302)	(9,288)
Amortization of consolidation goodwill, net	328	330
Interest and dividend income	(3,121)	(4,046)
Interest expense	420	473
Net gains on sales of investment securities	(60,666)	(61,658)
Net losses on devaluation of investment securities	528	149
Net (gains) losses on sales or disposal of fixed assets	683	(9,666)
Decrease in trade receivables	4,129	39,120
Increase in inventories	(7,925)	(1,886)
Decrease in trade payables	(3,221)	(23,482)
Other	15,645	8,768
Sub-total	56,580	75,940
Payments for repair costs	(2,794)	(313)
Payments for extra retirement payments	(71)	(568)
Payment of income taxes	(15,255)	(10,304)
Net cash provided by operating activities	38,458	64,753
Cash flows from investing activities		
Net increase in time deposits	(407)	(441)
Net decrease in marketable securities	10,300	—
Payments for purchases of property, plant and equipment	(32,001)	(30,022)
Proceeds from sales of property, plant and equipment	1,225	11,255
Payments for purchases of investment securities	(511)	(1,438)
Proceeds from sales of investment securities	64,218	64,903
Payments for purchase of intangible fixed assets	(6,599)	(7,806)
Payments for purchase of stock in subsidiaries resulting in change in scope of consolidation	(8,459)	—
Interest and dividends received	8,277	5,419
Other	(318)	(2,651)
Net cash provided by investing activities	35,724	39,216

(Million yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Cash flows from financing activities		
Net decrease in short-term bank loans	(8,105)	(7,831)
Proceeds from long-term debt	3,119	2,441
Repayments of long-term debt	(1,028)	(2,277)
Payments for redemption of bonds	(2,000)	–
Payments for purchases of treasury stock	(37,697)	(45,604)
(Increase) Decrease of money trusts for the purpose of purchasing treasury stock	(7,268)	5,590
Payments for purchases of treasury stock of subsidiaries	(0)	(13)
Interest paid	(417)	(472)
Dividends paid	(8,368)	(7,625)
Dividends paid to non-controlling interests	(1,369)	(542)
Income from the sale of shares of a subsidiary without a change in the scope of consolidation	982	–
Other	(2,379)	(3,312)
Net cash used in financing activities	(64,533)	(59,650)
Effect of exchange rate changes on cash and cash equivalents	3,728	5,179
Net increase in cash and cash equivalents	13,376	49,499
Cash and cash equivalents at beginning of year	258,329	234,569
Increase in cash and cash equivalents from newly consolidated subsidiaries	–	1,726
Increase in cash and cash equivalents resulting from the merger of non-consolidated subsidiaries	45	159
Cash and cash equivalents at end of period	271,751	285,955

(4) Notes regarding interim consolidated financial statements

[Notes on premise of a going concern]

None

[Changes in accounting policies]

As of the beginning of the first six months of the fiscal year through March 2025, the Company adopted the Accounting Standard for Current Income Taxes (ASBJ Statement No. 27, October 28, 2022), Accounting Standard for Presentation of Comprehensive Income (ASBJ Statement No. 25, October 28, 2022), and Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022).

This change had no significant impact on the interim consolidated financial statements.

[Interim consolidated balance sheets]

	As of March 31, 2024	As of September 30, 2024
Discounts on notes receivables	¥89 million	¥55 million

[Interim consolidated statements of income]

Major items and amounts of selling, general and administrative expenses are as follows:

	Six months ended September 30, 2023	Six months ended September 30, 2024
Salary and benefits	¥31,288 million	¥33,562 million
Provision for bonuses	¥6,851 million	¥6,908 million
Retirement benefit expenses	¥(702) million	¥(3,375) million

[Interim consolidated statements of cash flows]

Reconciliation of cash and cash equivalents at the end of the interim period to the accounts reported in the consolidated balance sheets for the interim period is made as follows:

	Six months ended September 30, 2023	Six months ended September 30, 2024
Cash and time deposits	¥265,411 million	¥286,814 million
Time deposits with deposit terms exceeding three months	¥(1,160) million	¥(5,359) million
Short-term investments (marketable securities) with maturities of three months or less from acquisition date	¥7,500 million	¥4,500 million
Cash and cash equivalents	¥271,751 million	¥285,955 million

[Shareholders' equity]

I. First six months of previous fiscal year (April 1, 2023 – September 30, 2023)

1. Dividends paid

Resolution	Stock type	Total dividends (Million yen)	Dividend per share (Yen)	Dividend record date	Effective date	Source of dividends
General meeting of shareholders on June 29, 2023	Common stock	8,368	32	March 31, 2023	June 30, 2023	Retained earnings

2. Dividends for which the record date falls within the first six months of the fiscal year through March 2024, but the effective date is after the end of that same first six months

Resolution	Stock type	Total dividends (Million yen)	Dividend per share (Yen)	Dividend record date	Effective date	Source of dividends
Board of Directors meeting on November 10, 2023	Common stock	8,061	32	September 30, 2023	December 8, 2023	Retained earnings

3. Significant changes in shareholders' equity

Treasury stock increased by ¥37,541 million during the first six months of the fiscal year ended March 2024, due mainly to share repurchases based on a resolution passed by the Board of Directors on March 9, 2023.

II. First six months of current fiscal year (April 1, 2024 - September 30, 2024)

1. Dividends paid

Resolution	Stock type	Total dividends (Million yen)	Dividend per share (Yen)	Dividend record date	Effective date	Source of dividends
General meeting of shareholders on June 27, 2024	Common stock	7,667	32	March 31, 2024	June 28, 2024	Retained earnings

2. Dividends for which the record date falls within the first six months of the fiscal year through March 2025, but the effective date is after the end of that same first six months

Resolution	Stock type	Total dividends (Million yen)	Dividend per share (Yen)	Dividend record date	Effective date	Source of dividends
Board of Directors meeting on November 11, 2024	Common stock	7,365	32	September 30, 2024	December 10, 2024	Retained earnings

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

3. Significant changes in shareholders' equity

Treasury stock increased by ¥45,485 million during the first six months of the fiscal year ending March 2025, due mainly to share repurchases based on a resolution passed by the Board of Directors on March 8, 2024.

[Segment information, etc.]**(Segment information)****I. First six months of previous fiscal year (April 1, 2023 – September 30, 2023)**

Information on sales and income/loss by reporting segment and income analysis information

(Million yen)

	Reporting segment				Adjustment Note 1	Amounts reported on interim consolidated statements of income ^{Note 2}
	Smart Communication	Life & Healthcare	Electronics	Total		
Net sales ^{Note 3}						
Outside customers	349,452	231,658	112,641	693,752	–	693,752
Inter-segment	1,054	69	–	1,123	(1,123)	–
Total	350,506	231,727	112,641	694,875	(1,123)	693,752
Segment income	8,535	5,122	25,088	38,746	(11,213)	27,532

- Notes:
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 income is adjusted to reflect operating income as reported on the interim consolidated statements of income.
 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.

II. First six months of current fiscal year (April 1, 2024 – September 30, 2024)

Information on sales and income/loss by reporting segment and income analysis information

(Million yen)

	Reporting segment				Adjustment Note 1	Amounts reported on interim consolidated statements of income ^{Note 2}
	Smart Communication	Life & Healthcare	Electronics	Total		
Net sales ^{Note 3}						
Outside customers	345,812	242,810	119,729	708,352	–	708,352
Inter-segment	832	96	–	928	(928)	–
Total	346,645	242,906	119,729	709,281	(928)	708,352
Segment income	12,631	9,054	27,859	49,545	(11,384)	38,161

- Notes:
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 income is adjusted to reflect operating income as reported on the interim consolidated statements of income.
 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.

[Revenue recognition]

Information that breaks down revenues from contracts with customers is presented in the section “Net sales” in “(4) Notes regarding interim consolidated financial statements [Segment information, etc.] (Segment information).”

[Per share information]

Net income per share and basis for calculating net income per share and diluted net income per share and basis for calculating diluted net income per share are as follows.

		Six months ended September 30, 2023 (April 1, 2023 – September 30, 2023)	Six months ended September 30, 2024 (April 1, 2024 – September 30, 2024)
(1) Net income per share	(Yen)	148.93	191.12
(Basis of calculation)			
Net income attributable to parent company shareholders	(Million yen)	76,230	89,702
Amounts not attributable to common shareholders	(Million yen)	–	–
Net income attributable to parent company common shareholders	(Million yen)	76,230	89,702
Average number of common shares outstanding during the first six months	(Thousand shares)	511,862	469,350
(2) Diluted net income per share	(Yen)	148.92	191.11
(Basis of calculation)			
Adjustments to net income attributable to parent company shareholders	(Million yen)	(6)	(6)
Of which, impact of dilutive stock of consolidated subsidiaries and affiliates	(Million yen)	(6)	(6)
Increase in common stock	(Thousand shares)	–	–

Note: The Company conducted a 2-for-1 stock split of shares of common stock, effective October 1, 2024. 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.

[Significant subsequent events]

(Stock split and related partial amendment to Articles of Incorporation)

At the meeting of its Board of Directors held on August 8, 2024, the Company resolved to conduct a stock split and to partially amend its Articles of Incorporation in connection with the stock split (2-for-1 stock split of common stock). A stock split and a partial amendment to the Articles of Incorporation in connection with the stock split were implemented with an effective date of October 1, 2024.

3. Other

None