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For immediate release

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Announcement Regarding Recording of Extraordinary Gains and Revision of Consolidated Earnings Forecasts

Dai Nippon Printing Co., Ltd. announced today that in the third quarter of the fiscal year ending March 2022, the Company recorded extraordinary gains associated with the transition of some of its retirement benefit plans and with the sale of investment securities, as outlined below. The Company also announced that as a result of these gains, it has revised its consolidated earnings forecasts for the fiscal year ending March 2022, which it made public on May 13, 2021.

1. Transition of retirement benefit plans

Since October 1, 2021, the Company and some of its consolidated subsidiaries have transitioned a portion of their retirement benefit plans to defined contribution pension plans.

Regarding accounting treatment associated with this change, we applied Accounting Treatment for Transition between Retirement Benefit Plans (ASBJ Implementation Guidance No. 1, December 16, 2016) and Practical Solution on Accounting for Transfer between Retirement Benefit Plans (Practical Issues Task Force No. 2, February 7, 2007). As a result of this transition, we have recorded ¥18,534 million in retirement benefit plan revision gains as extraordinary gains for the first nine months of the fiscal year ending March 2022.

2. Sale of investment securities

The Company has recorded gains on the sale of investment securities as described below, due to the sale of some of the investment securities it holds.

- 1) Securities sold: Nine listed securities owned by the Company
- 2) Period of sale of investment securities: Fiscal year ending March 2022, third quarter accounting period
- 3) Gains on sales: 11,130 million yen

3. Revisions to consolidated earnings forecasts

(1) Revisions to consolidated earnings forecasts for the fiscal year ending March 31, 2022 (April 1, 2021 – March 31, 2022)

	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
Previous forecast (A)	1,350,000	57,000	65,000	53,000	193.60
Revised forecast (B)	1,350,000	63,000	73,000	70,000	256.31
Change (B–A)	–	6,000	8,000	17,000	
Change (%)	–	10.5	12.3	32.1	
(Reference) Previous year result (fiscal year ended March 31, 2021)	1,335,439	49,529	59,907	25,088	89.32

Operating income forecasts by reporting segments

(Million yen)

	Forecasts announced on May 17, 2021	Revised forecast	Change
Information Communication	23,000	23,000	–
Lifestyle and Industrial Supplies	17,000	17,000	–
Electronics	37,000	43,000	6,000
Beverages	800	800	–
Adjustments	(20,800)	(20,800)	–

(2) Reasons for the revisions

Due to the expansion of “nesting consumption (greater demand for home-use products as people spent more time at home)” and the increasing use of the Internet for various life functions, operating income from our Electronics segment has increased and we now expect to exceed our previously announced earnings forecasts. Net income is also expected to exceed the previously announced forecast due to the recording of extraordinary gains associated with DNP’s transition to a new retirement benefit plan and the sale of investment securities, in addition to the increase in operating income.