

February 10, 2022

For immediate release

Company Name: Dai Nippon Printing Co., Ltd.
Stock Code: 7912 (TSE1)
Name of Representative: Yoshinari Kitajima, President
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**Notification Regarding the Absorption-type Merger (Simple or Short-form Merger)
of a Consolidated Subsidiary**

At its Board of Directors meeting held today, Dai Nippon Printing Co., Ltd. (DNP) resolved to implement an absorption-type merger (hereinafter, “the merger”) of consolidated subsidiary DNP Social Link Co., Ltd. (Social Link), with April 1, 2022 as the effective date. DNP provides notification of the details as below.

Since this merger is a simple, absorption-type merger targeting a wholly owned subsidiary of DNP, some disclosure items and details have been omitted.

1. Purpose of the merger

Established in 2000, Social Link’s main business is granting “Elne points” to reward registered consumers (members) who click on advertising banners through the “Elne” online customer loyalty point service that the company operates. Elne points that members have earned are convenient in that they can be exchanged for various gifts, and the service is widely used by consumers.

However, DNP believes that it is necessary for the service to have more members in order to provide consumers with even more convenient services, and in order to expand the business.

Toward that end, DNP decided to start using Elne as the loyalty point management base for an information trust bank that DNP is promoting as a new business. DNP has determined that by integrating the operations of both businesses, it can provide more convenient services for members of both services, increase the number of users in the future, and effectively expand both businesses.

2. Main points of merger

(1) Schedule for the merger

Merger agreement approved by Board of Directors	February 10, 2022
Merger agreement signed	February 10, 2022
(Scheduled) effective date for merger	April 1, 2022

Note: For DNP, the merger meets the requirements of a simple merger as stipulated in Article 796, Paragraph 2 of the Companies Act, and for Social Link, it meets the requirements of a short-form merger as stipulated in Article 784, Paragraph 1 of the Companies Act. Therefore, the merger can be implemented without approval of the merger agreement at a general meeting of shareholders.

(2) Merger method

An absorption-type merger will be implemented, with DNP as the surviving company while Social Link will be dissolved.

(3) Details of allocation related to the merger

Since Social Link is DNP's wholly owned subsidiary, no shares will be issued and no money or other property will be delivered on the occasion of the merger.

(4) Stock acquisition rights and bonds with stock acquisition rights associated with the merger

Not applicable

3. Outline of the companies involved in this merger

(1) Company name	Dai Nippon Printing Co., Ltd. (surviving company)	DNP Social Link Co., Ltd. (to be dissolved by merger)
(2) Business details	Printing and Beverages businesses	Internet-based advertising, planning, etc.
(3) Establishment date	January 19, 1894	July 7, 2000
(4) Head office address	1-1-1, Ichigaya-Kagacho, Shinjuku-ku, Tokyo	3-5-20, Nishi-Gotanda, Shinagawa-ku, Tokyo
(5) Representative position and name	Yoshinari Kitajima, President	Katsuya Miyata, President
(6) Capital	114,464 million yen (as of submission date)	10 million yen (as of submission date)
(7) Shares outstanding	317,240,346 shares (as of submission date)	35,926 shares (as of submission date)
(8) Fiscal year-end date	March 31	March 31
(9) Number of Employees	37,062 (consolidated) (as of March 31, 2021)	22 (non-consolidated) (as of March 31, 2021)

(10)	Major shareholders and equity stakes	The Master Trust Bank of Japan, Ltd. (Trust Account)	16.83%	Dai Nippon Printing Co., Ltd. 100.00% (as of submission date)
		Custody Bank of Japan, Ltd. (Trust Account)	5.92%	
		The Dai-ichi Life Insurance Co., Ltd.	3.43%	
		Employees' Shareholding Association	2.97%	
		Mizuho Bank, Ltd.	2.11%	
(as of September 30, 2021)				
(11)	Financial conditions and operating results for the latest fiscal year	Fiscal year ended March 31, 2021 (consolidated)		Fiscal year ended March 31, 2021 (non-consolidated)
	Net assets	1,098,613 million yen		204 million yen
	Total assets	1,825,019 million yen		292 million yen
	Net assets per share	3,716.85 yen		5,705.49 yen
	Net sales	1,335,439 million yen		451 million yen
	Operating income	49,529 million yen		(5) million yen
	Ordinary income	59,907 million yen		(5) million yen
	Net income (loss) attributable to parent company shareholders	25,088 million yen		(5) million yen
	Net income (loss) per share	89.32 yen		(150.50) yen

4. Status after merger

The merger will not change DNP's trade name, head office location, representative's title or name, nature of business, capitalization, or fiscal accounting period.

5. Future outlook

Since the merger targets a wholly owned subsidiary of DNP, its impact on DNP's consolidated business results will be minor.