Overview of Financial Results for First Six Months of Fiscal Year 2026 (Ending March 31, 2027) Briefing Materials

November 13, 2026

Dai Nippon Printing Co., Ltd.

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1. FY2026 (Ending March 31, 2027) H1 Financial Results Overview
2. Progress of the Medium-Term Management Plan

Overview of Financial Results for FY2026 H1

(Unit: ¥bn)

	FY2025 H1	FY2026 H1	YoY Change	FY2026 Initial Full-year Forecast	Progress Rate
Sales	738.7	762.8	+3.3%	1,530.0	49.9%
Operating Profit	46.6	55.2	+18.4%	108.0	51.2%
Ordinary Profit	51.9	66.2	+27.5%	124.0	53.5%
Net Profit Attributable to Parent Company Shareholders	59.4	47.3	(20.3%)	95.0	49.9%
Capital Expenditures	47.8	26.6	(44.2%)	77.0	34.6%
R&D Expenditures	20.2	19.7	(2.9%)	43.0	45.8%
Depreciation	23.7	26.5	+11.4%	57.0	46.5%

Overview of FY2026 H1

- ✓ Sales increased year on year, driven mainly by growth in our Focus Businesses.
- ✓ Operating profit increased, as earnings-structure improvements centered on the Stable Business and business structure reforms both contributed steadily.
- ✓ Net profit decreased, mainly reflecting lower gains on the sales of investment securities, but progress remained in line with our initial full-year forecast.

Note: We have raised our full-year forecast (see pages 9 and 10).

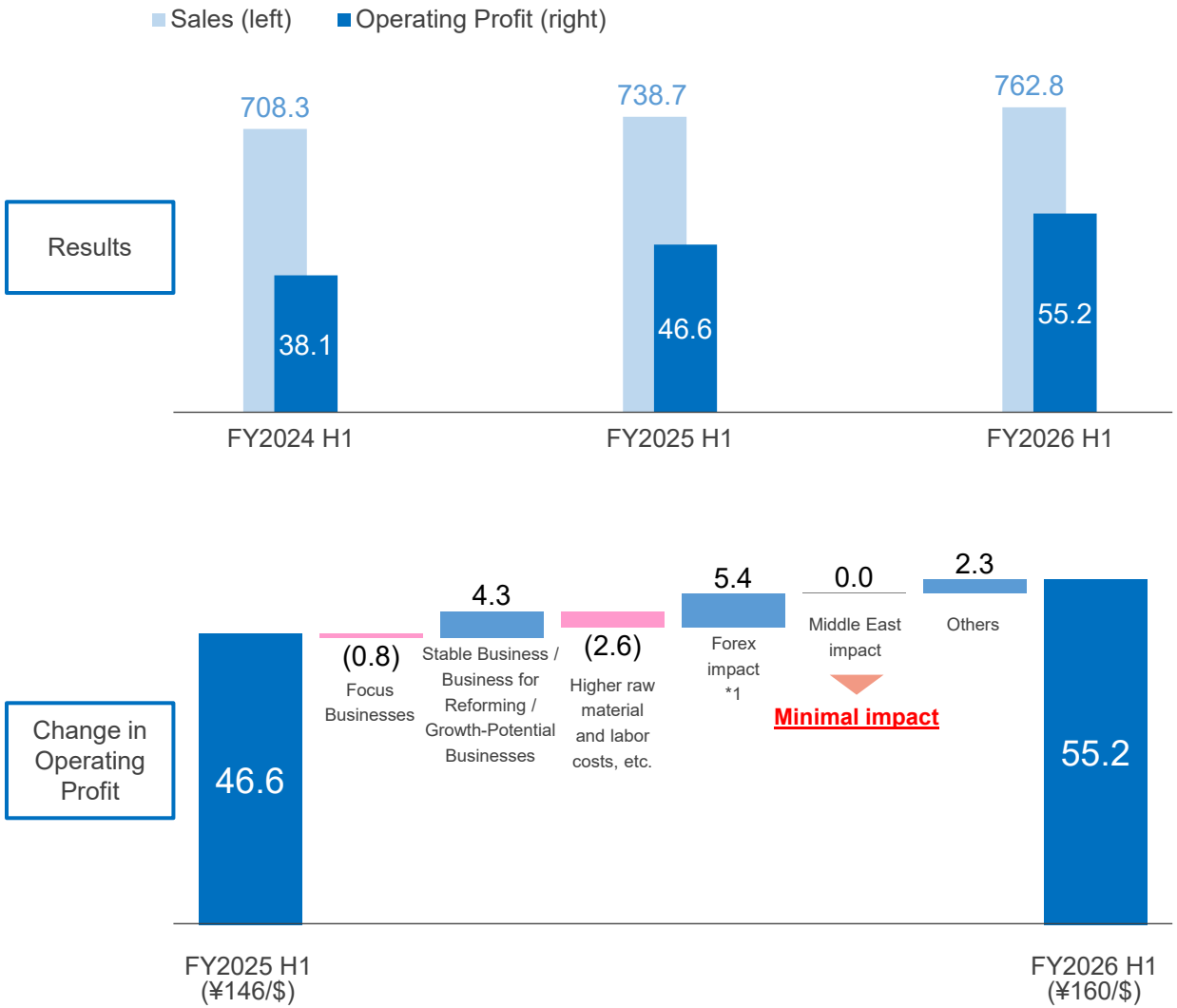
FY2026 H1 Segment Performance Overview

(Unit: ¥bn)

		FY2025 H1 Results	FY2026 H1 Results	YoY Change (%)	YoY Change (amount)	FY2026 Initial Full-year Forecast	Progress Rate
Smart Communication	Sales	358.1	355.4	(0.8%)	(2.7)	742.0	47.9%
	Operating Profit	14.7	13.2	(10.5%)	(1.5)	43.0	30.8%
Life and Healthcare	Sales	258.1	263.7	+2.2%	+5.6	516.0	51.1%
	Operating Profit	18.1	23.3	+28.8%	+5.2	39.0	59.9%
Electronics	Sales	123.7	143.7	+16.1%	+20.0	274.0	52.5%
	Operating Profit	26.6	31.9	+19.7%	+5.3	54.0	59.1%
Adjustment	Sales	(1.3)	(0.2)	-	+1.1	(2.0)	-
	Operating Profit	(12.9)	(13.2)	-	(0.3)	(28.0)	-
Total	Sales	738.7	762.8	+3.3%	+24.1	1,530.0	49.9%
	Operating Profit	46.6	55.2	+18.4%	+8.6	108.0	51.2%

FY2026 H1 Factors Affecting Operating Profit

(Unit: ¥bn)



Main Factors Behind the Change (H1)

Focus Businesses	✓ Profit decreased, as the memory chip shortage weighed on sales of metal masks for OLED display production and battery pouches for IT devices, more than offsetting strong performance in semiconductor-related products such as photomasks.
Stable Business / Business for Reforming	✓ Profit increased, driven by business expansion in Packaging, where customers valued our reliable supply capabilities, and by steady contributions from business structure reforms in Interior Decorative Materials and other businesses.
Growth-Potential Businesses	✓ We are expanding our Medical & Healthcare business, including making Kyowa Pharma Chemical Co., Ltd. a consolidated subsidiary in October 2026.*2
Other	✓ Includes a positive impact from lower retirement benefit expenses (+5.0), partly offset by higher one-time expenses such as M&A-related costs.
Middle East	✓ Despite higher raw material prices, mainly for petrochemical products, we secured a stable supply and passed cost increases on to customers. As a result, the impact on H1 operating profit was minimal.

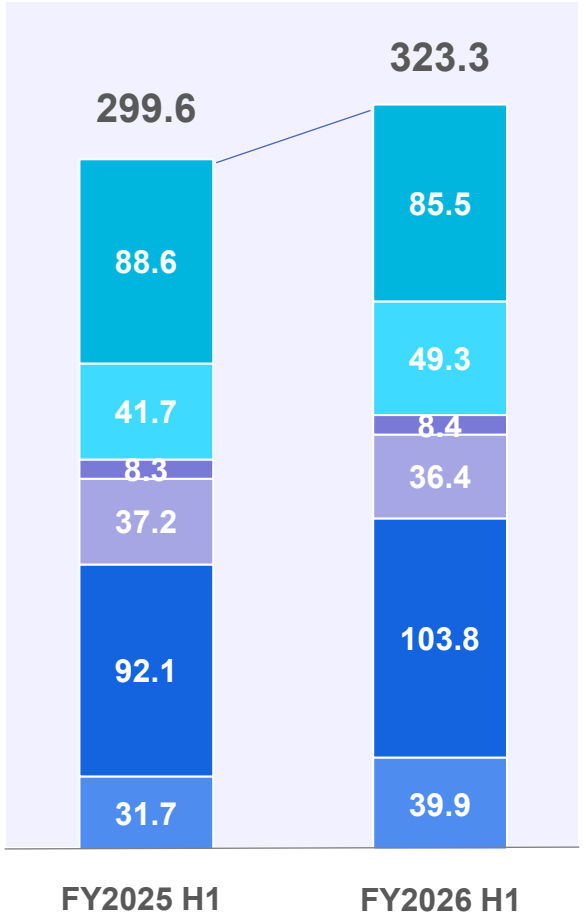
*1 A ¥1 depreciation against the U.S. dollar increases annual operating profit by approx. ¥0.5–0.6bn.

*2 In October 2026, we acquired 100% of the shares of Kyowa Pharma Chemical Co., Ltd. and made it a consolidated subsidiary.

FY2026 H1 Sales of Focus Businesses

(Unit: ¥bn)

Sales approx. +8% YoY



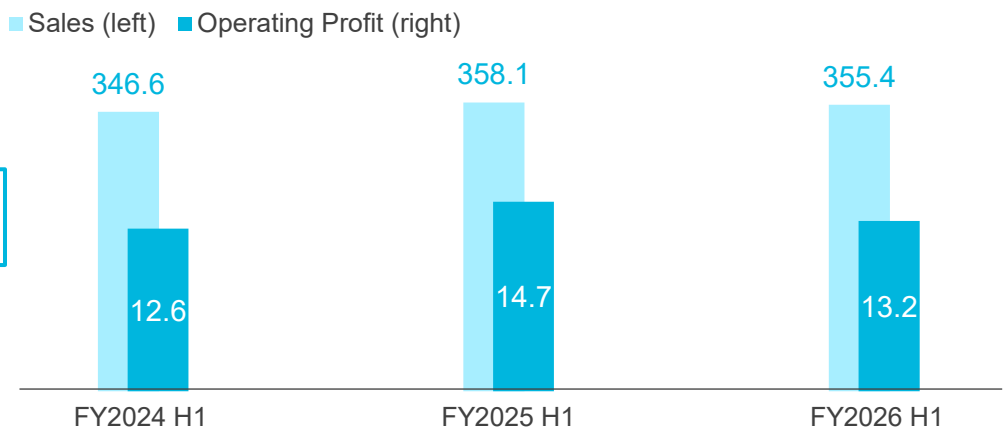
	Focus Businesses	Sales Overview
Smart Communication	Information Security (3.6%)	✓ Sales decreased year on year due to lower sales volume of dual-interface smart cards, as well as lower sales in Information Processing Services.
	Photo Imaging +18.2%	✓ Sales increased year on year as materials for photo prints performed well, mainly in Europe, the U.S. and Asia, and photo services grew in Europe and the U.S.
Life and Healthcare	Mobility & Living +1.1%	✓ Sales were flat year on year as sales of decorative films for automotive interiors (Mobility) and ART TECH® exterior aluminum panels (Living) remained solid.
	Industrial High-performance Materials (2.1%)	✓ Sales decreased year on year as battery pouches for lithium-ion batteries declined for both IT devices and automotive applications, although encapsulants for photovoltaic modules performed well amid strong electricity demand.
Electronics	Digital Interface +12.8%	✓ Sales increased year on year as optical films for displays performed well, with shipment area rising as LCD TV panels became larger, although metal masks for OLED display production declined due to the memory chip shortage.
	Semiconductors (Front-end) +25.8%	✓ Sales increased year on year as sales of advanced photomasks for semiconductor manufacturing grew and volume zone (mainstream products) also remained solid.

Overview of FY2026 H1: By Segment

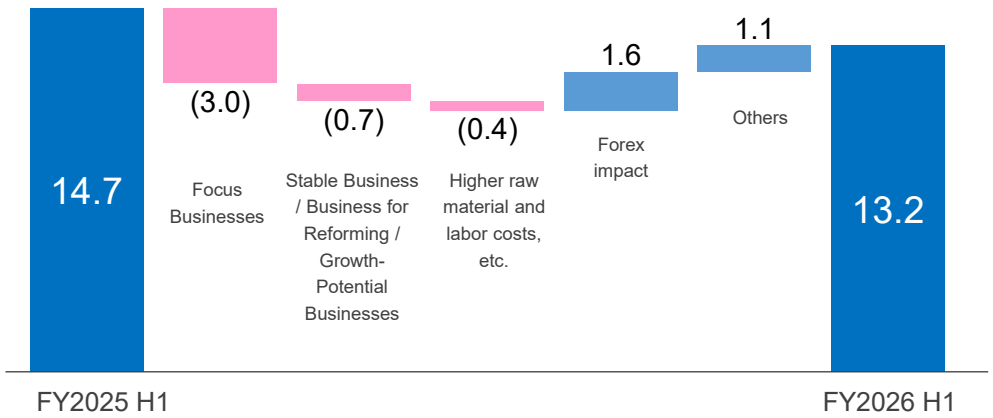
(Unit: ¥bn)

Smart Communication

Results



Change in Operating Profit



Main Factors Behind the Change (H1)

Focus Businesses	✓ **Information Security:** Profit decreased due to lower Information Processing Service sales and higher goodwill-related costs associated with acquisitions. ✓ We decided to acquire AUSTRIACARD HOLDINGS AG to strengthen our competitiveness in global markets (initial tender offer completed in August 2026; approx. ¥65.2bn*).
	✓ **Photo Imaging:** Profit decreased due to higher costs, mainly overseas, although materials for photo prints performed well, mainly in Europe, the U.S. and Asia.
Business for Reforming	✓ **Existing Printing:** Profit decreased, as the continued contraction of the paper-based printing market and the absence of last year's one-off Expo-related demand more than offset gains from business structure reforms.
Other	✓ Includes a positive impact from lower retirement benefit expenses (+2.5), partly offset by higher one-time expenses such as M&A-related costs.

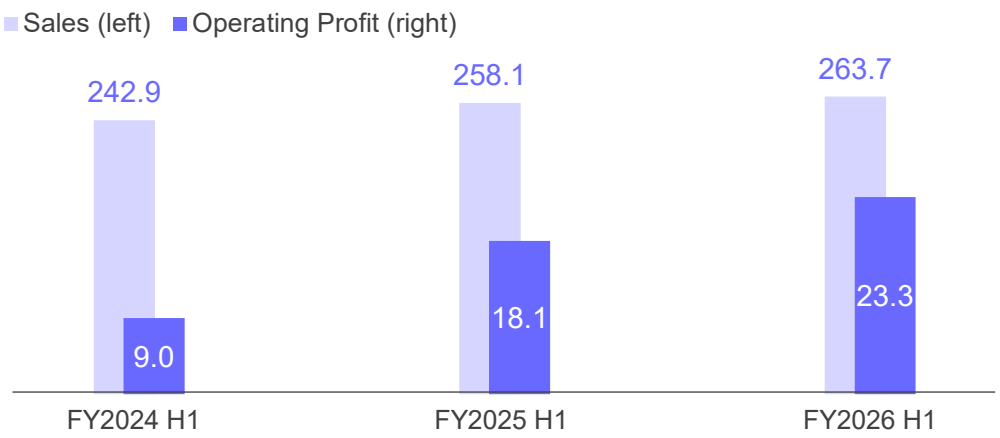
* In accordance with Austrian law, an additional acceptance period has been set until November 26, 2026 (Vienna time) to allow remaining shareholders to tender their shares.

Overview of FY2026 H1: By Segment

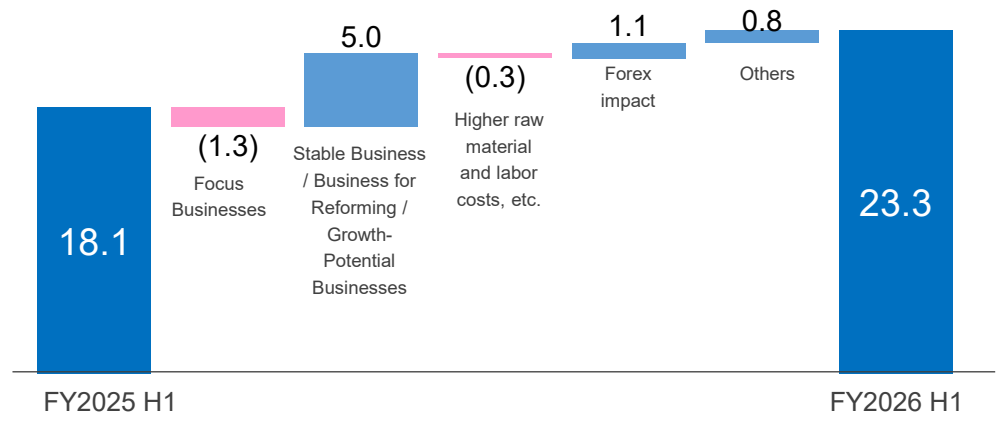
(Unit: ¥bn)

Life and Healthcare

Results



Change in Operating Profit



Main Factors Behind the Change (H1)

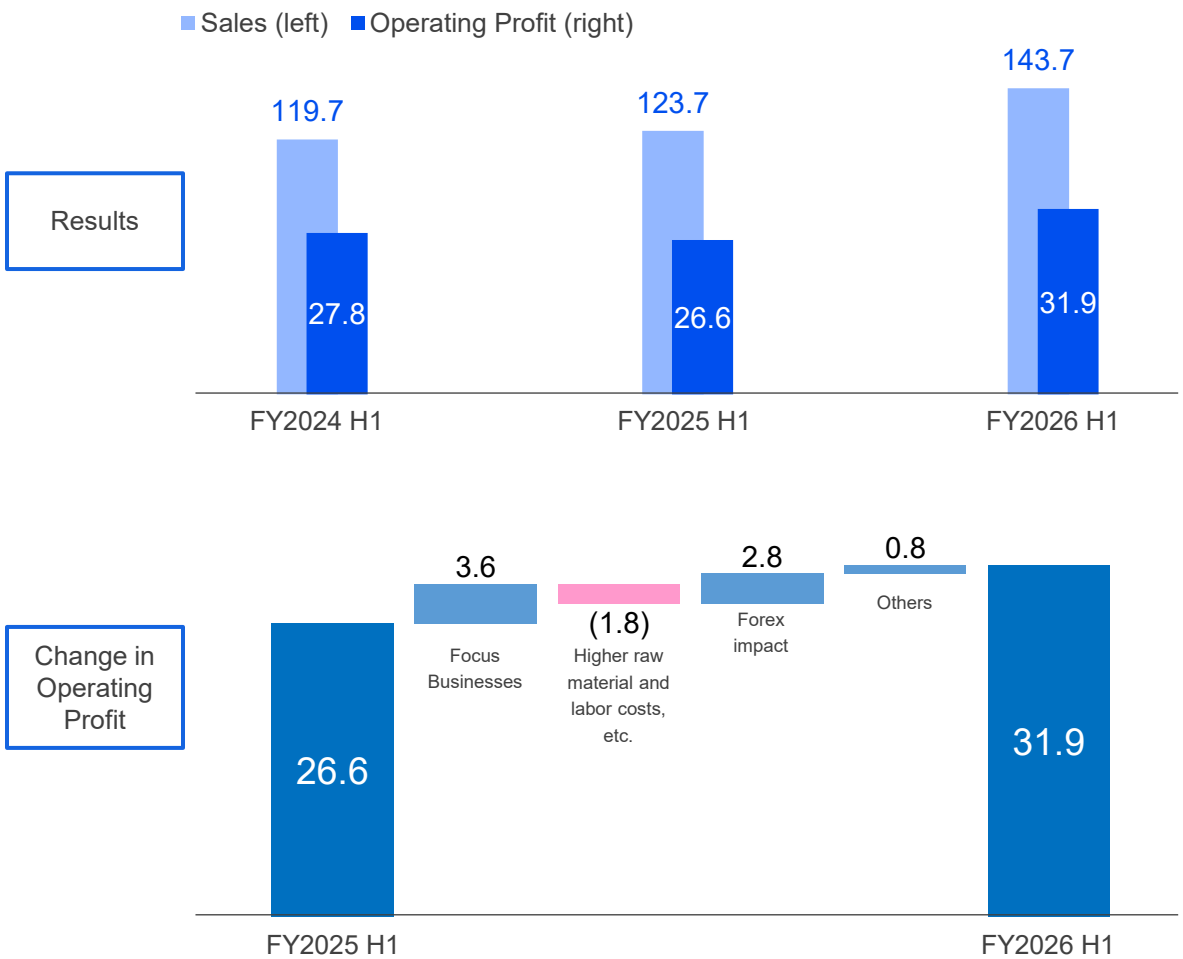
Focus Businesses	✓ **Industrial High-performance Materials:** Profit decreased as battery pouches for lithium-ion batteries declined for both automotive applications and IT devices, the latter hit by a weak mobile device market due to the memory chip shortage, despite strong demand for encapsulants for photovoltaic modules amid robust electricity demand.
Growth-Potential Businesses	✓ **Medical & Healthcare:** In October 2026, we made Kyowa Pharma Chemical Co., Ltd. a consolidated subsidiary. We are expanding our CDMO* business, offering one-stop services from active pharmaceutical ingredients (APIs) to formulation and packaging.
Stable Business	✓ **Packaging:** Profit increased as we minimized the impact of the Middle East situation through stable procurement of raw materials and price pass-through, and expanded our business as customers valued our reliable supply capabilities. ✓ **Interior Decorative Materials:** Profit increased as sales of interior materials and Decorative Steel Sheets remained solid, with business structure reforms also contributing.
Other	✓ Includes a positive impact from lower retirement benefit expenses (+1.3), partly offset by higher one-time expenses such as M&A-related costs.

* CDMO (Contract Development and Manufacturing Organization): a company that specializes in contract development and manufacturing of pharmaceuticals

Overview of FY2026 H1: By Segment

(Unit: ¥bn)

Electronics



Main Factors Behind the Change (H1)

Focus Businesses	✓ **Digital Interface:** Profit from optical films for displays increased, driven by higher shipment area as LCD TV panels grew larger and by contributions from the wide-width coating line that started operating at the Mihara Plant (Hiroshima Prefecture) last fiscal year. ✓ Profit from metal masks for OLED display production decreased due to lower production of mid-range and low-end smartphones caused by the memory chip shortage, although sales of G6 (6th generation) masks for high-end models and G8 (8th generation) masks increased.
	✓ **Semiconductors:** Profit increased as sales of advanced photomasks for semiconductor manufacturing grew and mainstream products also remained solid.
Other	✓ Includes a positive impact from lower retirement benefit expenses (+0.7).

FY2026 Full-year Forecast by Segment

(Unit: ¥bn)

		FY2026			YoY Change (amount)		
		H1	H2	Full Year	H1	H2	Full Year
Smart Communication	Sales	355.4	376.5	732.0	(2.7)	(16.0)	(18.7)
	Operating Profit	13.2	24.7	38.0	(1.5)	(0.5)	(2.0)
Life and Healthcare	Sales	263.7	284.2	548.0	+5.6	+30.4	+36.1
	Operating Profit	23.3	21.6	45.0	+5.2	+2.6	+7.8
Electronics	Sales	143.7	142.2	286.0	+20.0	+14.2	+34.2
	Operating Profit	31.9	26.0	58.0	+5.3	+2.0	+7.3
Adjustment	Sales	(0.2)	(1.7)	(2.0)	+1.1	(1.2)	(0.1)
	Operating Profit	(13.2)	(14.7)	(28.0)	(0.3)	(0.8)	(1.1)
Total	Sales	762.8	801.2	1,564.0	+24.0	+27.4	+51.5
	Operating Profit	55.2	57.7	113.0	+8.6	+3.4	+12.0

Full-year Outlook

Smart Communication

✓ We expect H2 profit to improve from H1, led by Information Security, although higher M&A-related expenses, rising overseas costs and the shrinking existing printing market will continue to weigh. For the full year, sales and operating profit are now likely to fall short of the initial forecast.

Life and Healthcare

✓ Packaging should keep expanding steadily in H2, while business structure reforms continue to lift earnings in Interior Decorative Materials. With the consolidation of Kyowa Pharma Chemical, we now forecast full-year sales and operating profit above the initial forecast.

Electronics

✓ Although the memory chip shortage will continue to affect metal masks for OLED displays, we see solid H2 demand for optical films for displays and semiconductor photomasks. As a result, we expect full-year sales and operating profit to exceed the initial forecast.

FY2026 Full-year Forecast (Revised)

(Unit: ¥bn)

Consolidated	FY2025 Results	FY2026 Initial Full-year Forecast	Revised	YoY Change*
Sales	1,512.5	1,530.0	1,564.0	+3.4%
Operating Profit	101.0	108.0	113.0	+11.8%
OP Margin	6.7%	7.1%	7.2%	+0.5pt
Ordinary Profit	119.2	124.0	134.0	+12.4%
Net Profit Attributable to Parent Company Shareholders	103.9	95.0	105.0	+1.0%
ROE	8.9%	8.0%	8.6%	(0.3)pt
Capital Expenditures	87.7	77.0	77.0	(12.2%)
R&D Expenditures	42.2	43.0	43.0	+1.7%
Depreciation	52.8	57.0	57.0	+7.9%

By Segment		FY2025 Results	FY2026 Initial Full-year Forecast	Revised	YoY Change (amount)	Estimated full-year profit impact of special factors (YoY): Retirement Benefit Expenses (Decrease)	Estimated full-year profit impact of special factors (YoY): Middle East Impact
Smart Communication	Sales	750.7	742.0	732.0	(18.7)	+5.0	(0.5)
	OP	40.0	43.0	38.0	(2.0)		
Life and Healthcare	Sales	511.9	516.0	548.0	+36.1	+2.7	(1.4)
	OP	37.2	39.0	45.0	+7.8		
Electronics	Sales	251.8	274.0	286.0	+34.2	+1.4	(0.1)
	OP	50.7	54.0	58.0	+7.3		
Adjustment	Sales	(1.9)	(2.0)	(2.0)	(0.1)	+1.1	-
	OP	(26.9)	(28.0)	(28.0)	(1.1)		
Total	Sales	1,512.5	1,530.0	1,564.0	+51.5	+10.2	(2.0)
	OP	101.0	108.0	113.0	+12.0		

* Revised FY2026 forecast vs. FY2025 results (% change or pt difference)

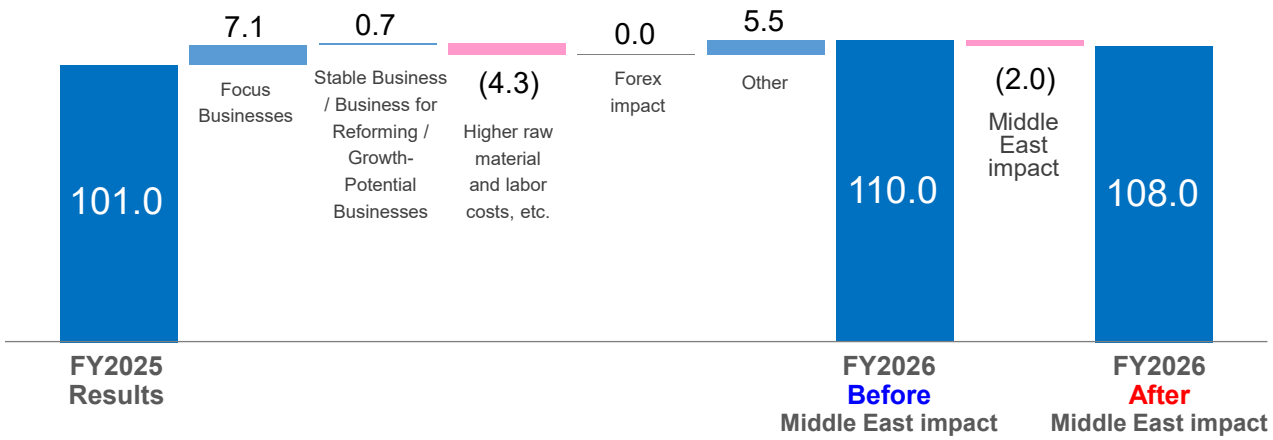
About the FY2026 Forecast

- Our August forecast assumed a ¥2.0bn negative impact from the Middle East situation for Q2–Q4. As H1 operating profit was barely affected, the revised forecast now assumes the same ¥2.0bn impact for Q3–Q4.

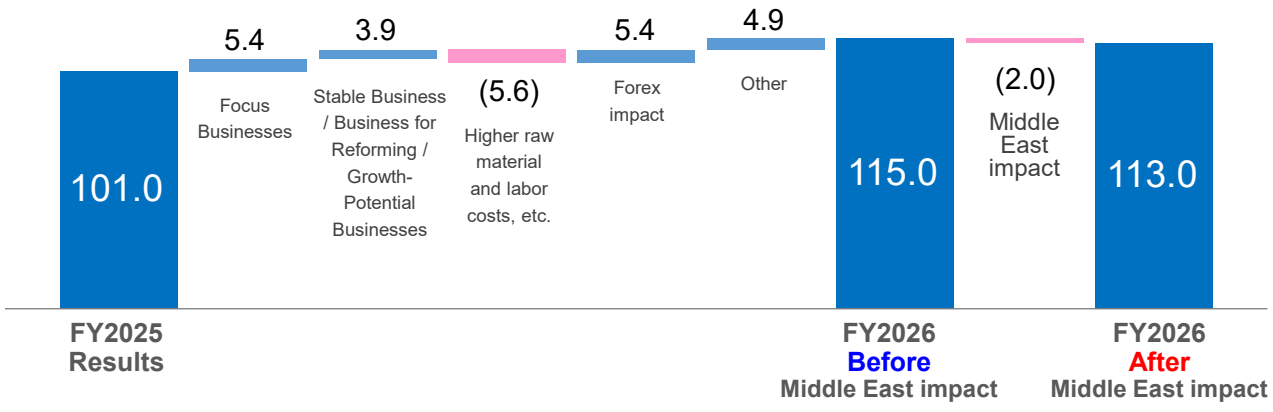
FY2026 OP: Initial vs. Revised Forecast

(Unit: ¥bn)

Initial Forecast (YoY Factors, May 13)



Revised Forecast (YoY Factors)



Main Revisions from the Initial Forecast

Focus Businesses	✓ **Information Security:** Profit revised down, as benefits from overseas acquisitions are now expected to materialize later than initially anticipated. ✓ **Metal masks and battery pouches for IT devices:** Profit revised down as the memory chip shortage hit harder than expected.
Stable / Reforming / Growth-Potential Businesses	✓ Profit revised up, as business expansion in Packaging and business structure reforms in Interior Decorative Materials and other businesses progressed beyond our initial forecast.
Forex Impact	✓ Positive impact from a weaker yen. (initial: ¥150/US$ → revised: ¥157/US$)
Other	✓ Increase in one-time costs, including M&A-related expenses.
Middle East	✓ Impact unchanged at ¥2.0bn negative; only the assumed timing has been updated.

1. FY2026 (Ending March 31, 2027) H1 Financial Results Overview

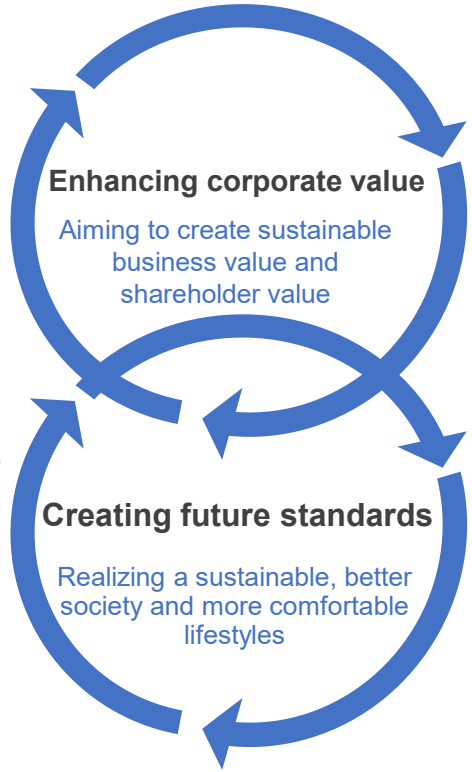
2. Progress of the Medium-Term Management Plan

Strategies for the FY2026–FY2028 Medium-Term Management Plan

DNP

Measures in Each Strategy

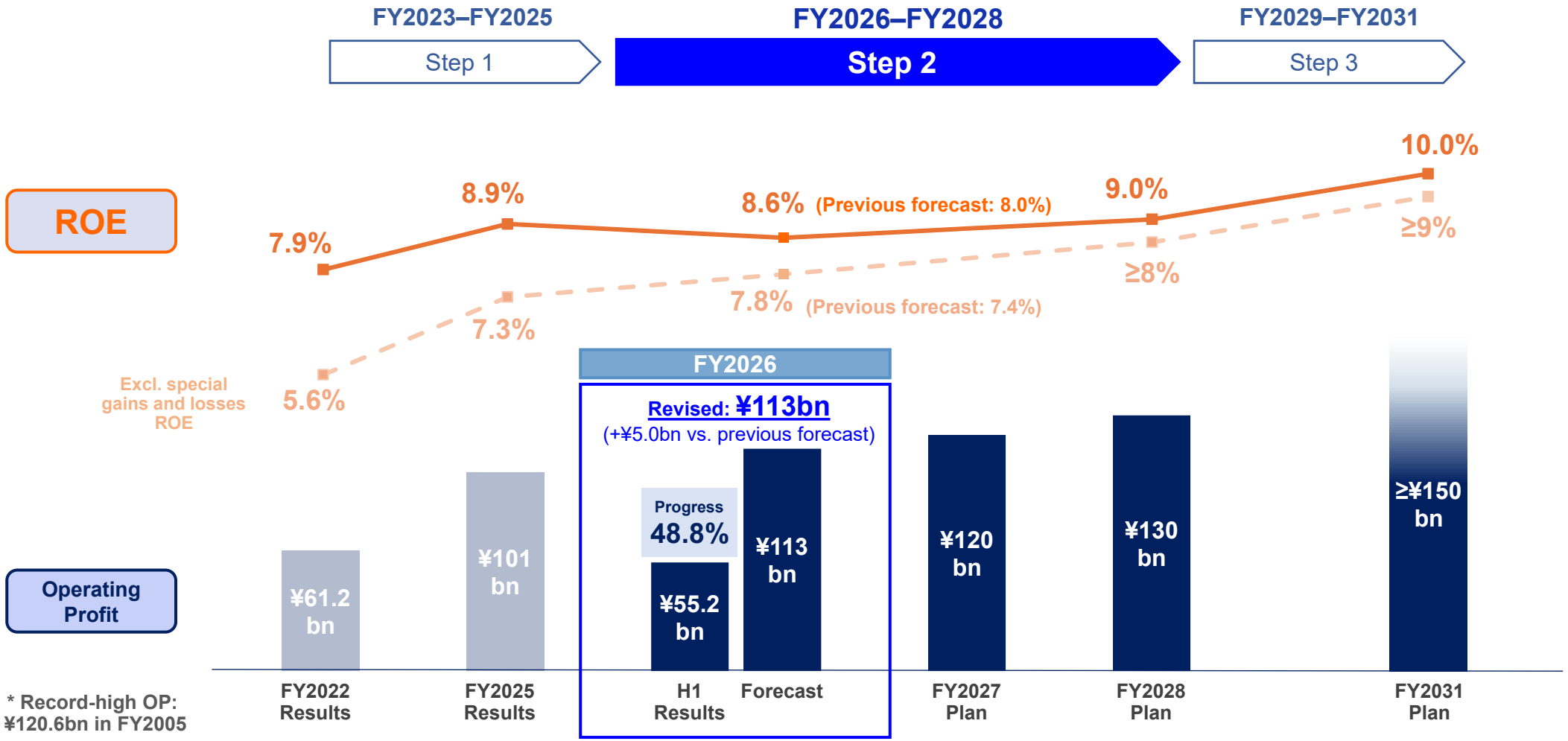
Business Strategy	• Expand business through **proactive investment in focus businesses** born from P&I • Strengthen profitability **through new value creation and structural reforms** • **Develop new focus businesses** by leveraging the strengths of P&I
Financial Strategy	• **Funding for growth investments will be generated by maximizing capital efficiency through expanded operating cash flow**, the **reduction of assets such as strategic shareholdings**, and **the proactive use of interest-bearing debt** • Dividend levels will be enhanced **through progressive dividends aligned with profit growth** and **an increased payout ratio** • **Share buybacks will be carried out in a flexible and ongoing manner,** taking into account the balance with growth investments, share price levels, and capital efficiency
Non-Financial Strategy	• Enhancing human creativity through expanded **investment in people** • Enhancing competitiveness through **the advancement of intellectual capital** • Realizing **a nature-positive value chain**



Performance Plan

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Steady progress against the FY2026 forecast, driven by profit growth in Focus Businesses and structural reforms



* Record-high OP: ¥120.6bn in FY2005

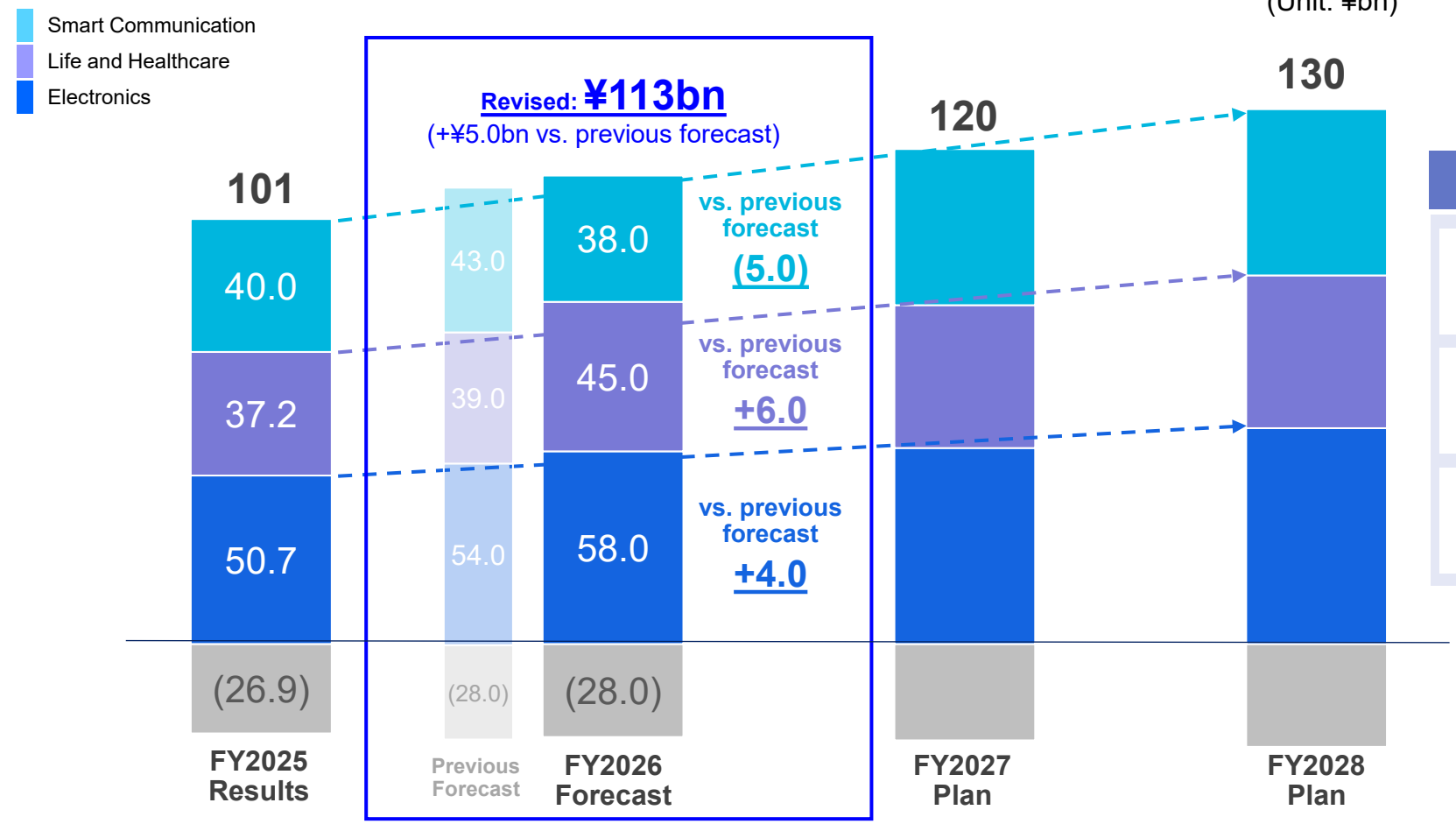
Business Strategy: Profit Growth in All Three Segments

DNP

All three segments to grow profit toward our ¥130bn operating profit target for FY2028

Operating Profit by Segment

(Unit: ¥bn)



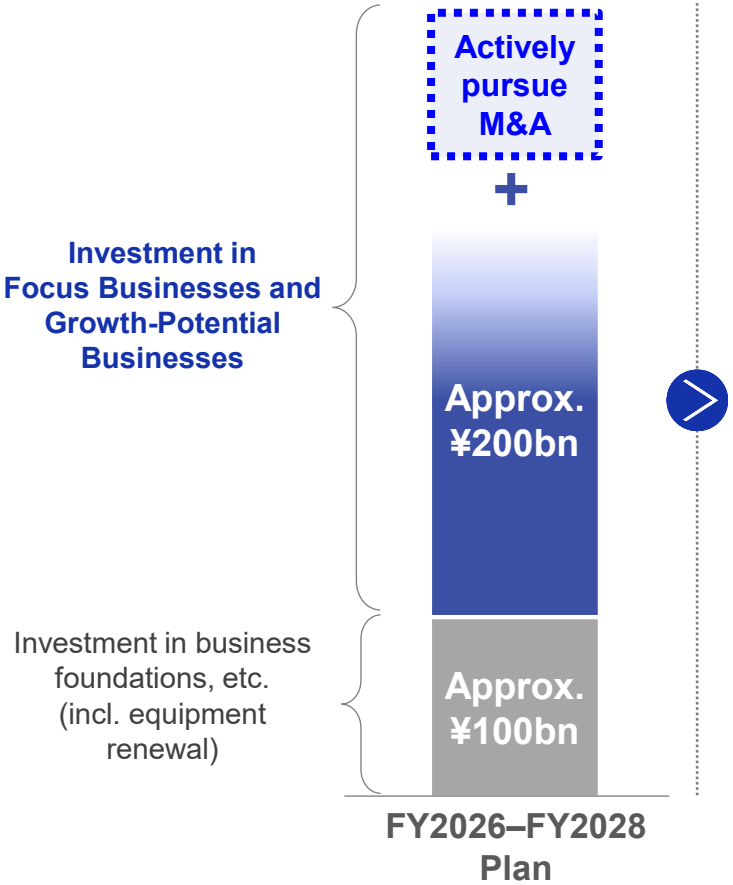
Business Strategy

- Expand business through **proactive investment in Focus Businesses** born from P&I
- **Strengthen profitability through new value creation and structural reforms**
- Develop **new Focus Businesses** by leveraging the strengths of P&I

Business Strategy: Proactive Investment in Focus Businesses

DNP

Capital Expenditures — **Approx. ¥300bn (3-year total, FY2026–FY2028)**



: Smart Communication
: Life and Healthcare
: Electronics

Main Investments in FY2026 H1 (Capital Expenditures and M&A)

Implemented

Medical & Healthcare
- Added tube filling and packaging lines at the Toyama Plant (CMIC CMO Co., Ltd.)

Digital Interface
- Expanded optical film production facilities at the Okayama Plant

Semiconductors (Front-end)
- Expanded photomask production facilities at the Kamifukuoka Plant

Capital Expenditures
FY2026 plan: ¥77.0bn
FY2026 H1: ¥26.6bn
(Progress rate: 34.6%)

Decided

Information Security
- Decided to acquire AUSTRIACARD HOLDINGS AG to strengthen competitiveness in global markets (initial tender offer completed in August 2026; approx. ¥65.2bn*).

Medical & Healthcare
- Decided to acquire Kyowa Pharma Chemical, whose businesses include APIs and contract API manufacturing (became a consolidated subsidiary on October 1, 2026)

* In accordance with Austrian law, an additional acceptance period has been set until November 26, 2026 (Vienna time) to allow remaining shareholders to tender their shares.

Developing New Focus Businesses: Acquisition of Kyowa Pharma Chemical (1)

Kyowa Pharma Chemical Co., Ltd. Joins the DNP Group

DNP 協和ファーマケミカル株式会社

- ✓ Kyowa Pharma Chemical Co., Ltd. became a consolidated subsidiary on October 1, 2026
- ✓ The company plans to change its name to DNP Pharma Chemical in February 2027

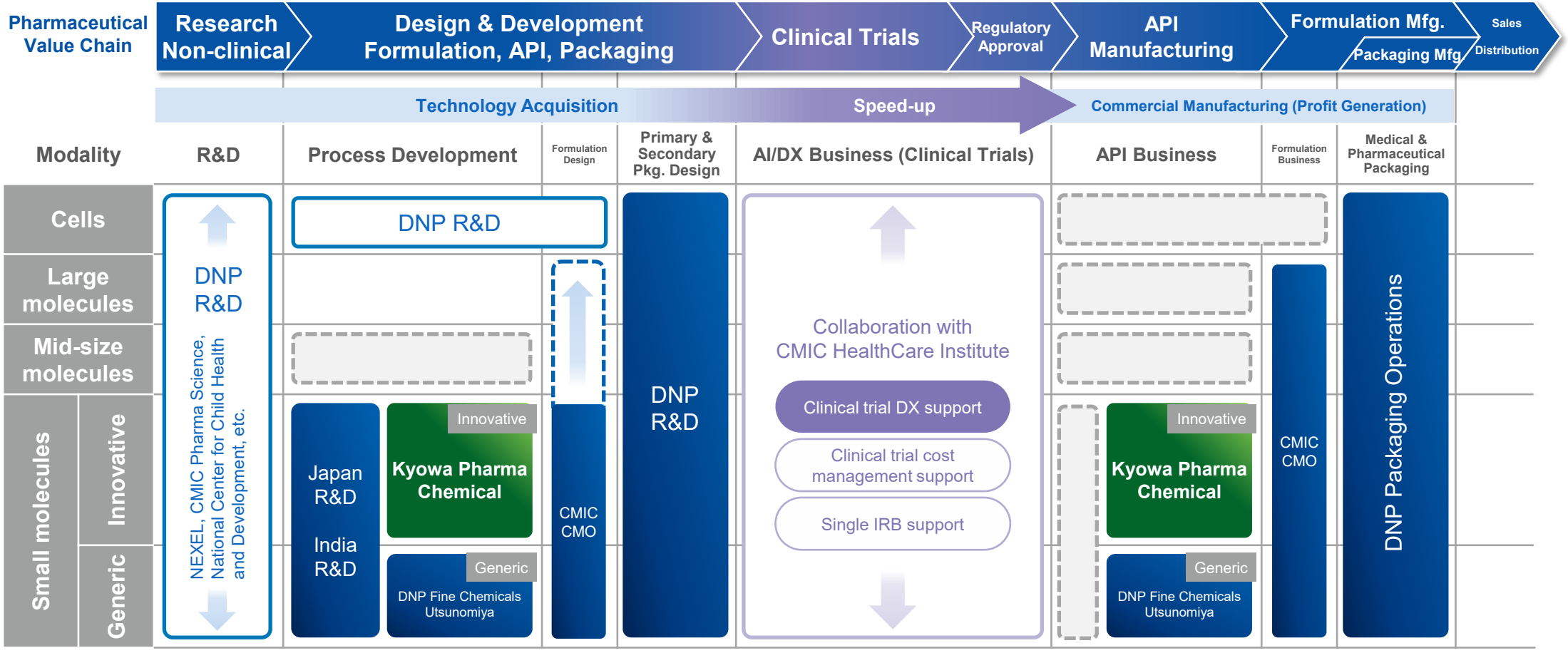
Strengths of Kyowa Pharma Chemical

Advanced Synthesis and Manufacturing	✓ Has facilities that can handle highly potent APIs and supports the development and manufacturing of complex APIs
Quality and Regulatory Expertise	✓ Meets the quality standards required for APIs for new drugs and has extensive experience with global regulations
Strong Business Base and Market Position	✓ Has built trusted relationships with new drug manufacturers in Japan and overseas, and a strong market position in new drugs

Company Overview	
Founded	October 1, 1946
Head office and plant	Takaoka, Toyama Prefecture
Capital	¥6,276 million
Employees	422 (as of October 1, 2026)
Main businesses	API business, contract API manufacturing, etc.

Developing New Focus Businesses: Acquisition of Kyowa Pharma Chemical (2)

With Kyowa Pharma Chemical—whose businesses include APIs and contract API manufacturing—joining the DNP Group on October 1, 2026, we are expanding our one-stop CDMO business covering APIs, formulation and packaging



* Kyowa Pharma Chemical Co., Ltd. plans to change its name to DNP Pharma Chemical in February 2027.

: Under consideration with partner companies

Developing New Focus Businesses: Acquisition of Kyowa Pharma Chemical (3)

DNP

Our Nine-Site Manufacturing Network in Medical & Healthcare

● API ● Formulation

Korea



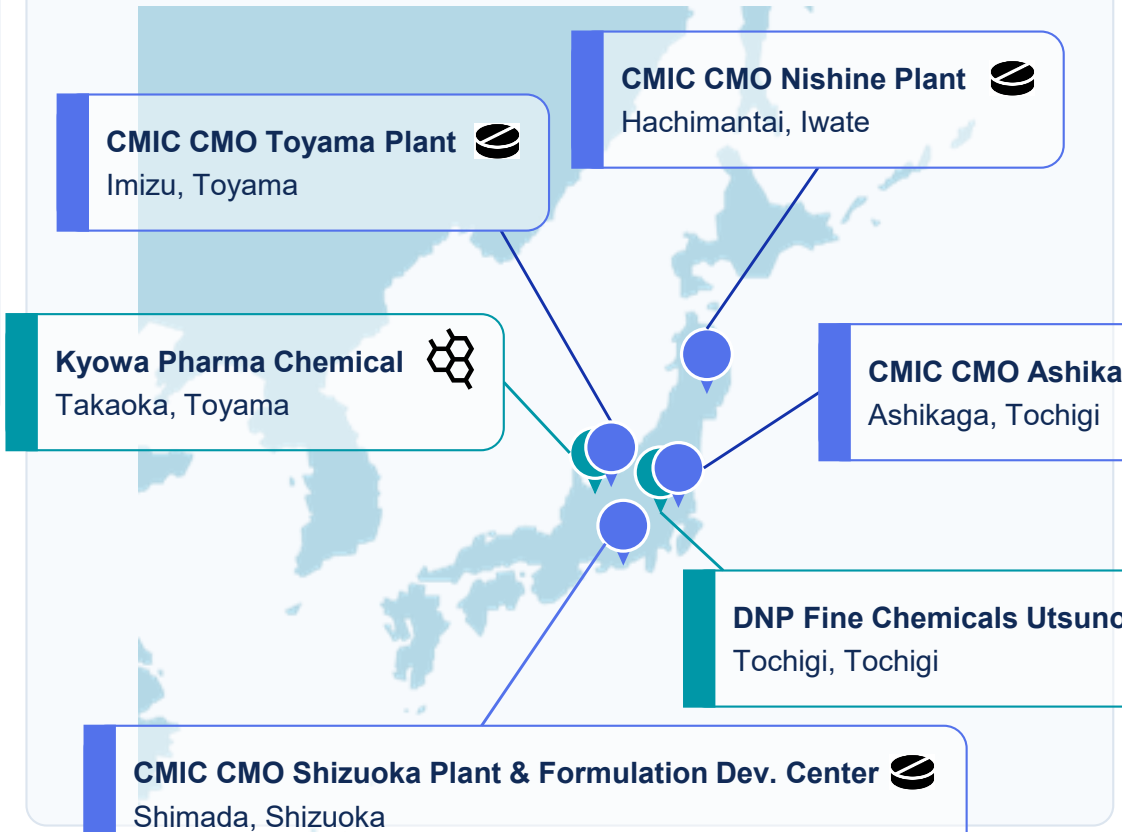
CMIC CMO Korea
Bucheon, Gyeonggi-do

India (R&D site)



R&D site in Indian Institute of Technology Hyderabad (IITH)

Japan (6 sites)



CMIC CMO Toyama Plant
Imizu, Toyama

CMIC CMO Nishine Plant
Hachimantai, Iwate

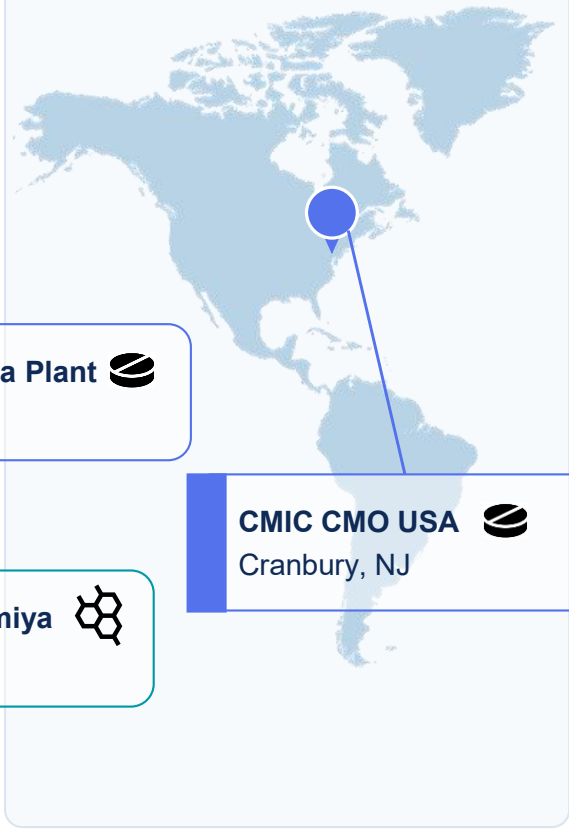
Kyowa Pharma Chemical
Takaoka, Toyama

CMIC CMO Ashikaga Plant
Ashikaga, Tochigi

DNP Fine Chemicals Utsunomiya
Tochigi, Tochigi

CMIC CMO Shizuoka Plant & Formulation Dev. Center
Shimada, Shizuoka

USA



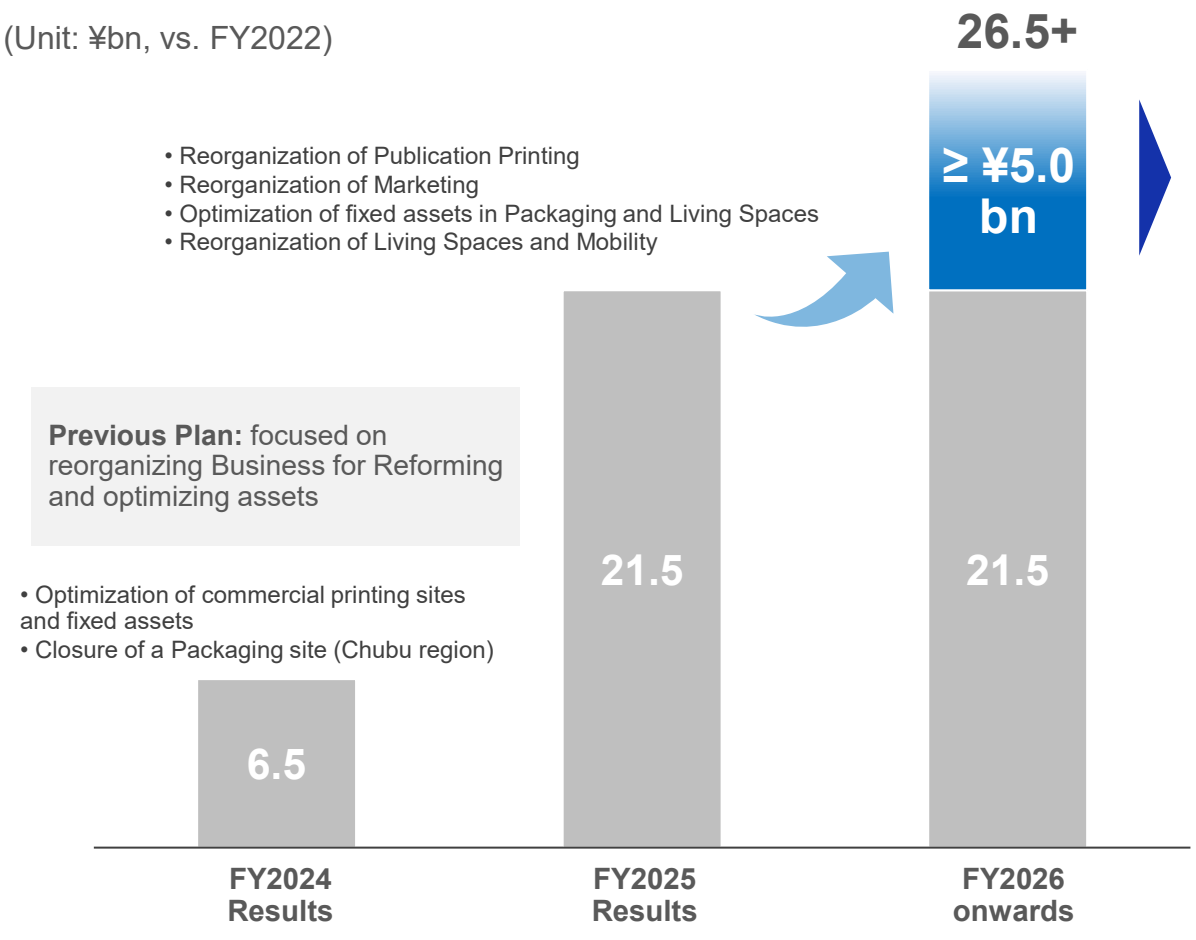
CMIC CMO USA
Cranbury, NJ

Business Strategy: Progress of Structural Reforms

DNP

Structural Reforms | **Cumulative impact of structural reforms on operating profit** | **Approx. ¥26.0bn vs. FY2022**

(Unit: ¥bn, vs. FY2022)



Previous Plan: focused on reorganizing Business for Reforming and optimizing assets

* Only structural reforms decided as of the date of this document are shown. We will continue to pursue structural reforms.

Current Medium-Term Management Plan: Review every business at the sub-segment level for profitability and profit growth, and optimize our business portfolio

= **FY2026 effect ¥4.7bn**

Main Effects of Structural Reforms in FY2026

Focus Businesses

- ✓ Streamlining of domestic Information Security sites (Chubu, etc.) (scheduled for January 2027)

Stable Businesses

- ✓ Reorganization of Living Spaces and Mobility (October 2025)
- ✓ Restructuring of a domestic Packaging manufacturing site (Hokkaido) (October 2026)

Businesses for Reforming

- ✓ Reorganization of Marketing (October 2025)

Financial Strategy: Cash Allocation

	Item	FY2026–FY2028 Targets
Cash Generation	Operating Cash Flow (before R&D and human capital investment)	≥ ¥510bn
Cash Generation	Asset sales incl. strategic shareholdings, reduced cash on hand, use of interest-bearing debt, etc.	≥ ¥300bn
Cash Allocation – Growth Investment	CapEx	Approx. ¥300bn
Cash Allocation – Growth Investment	R&D Investment	Approx. ¥120bn
Cash Allocation – Growth Investment	Human Capital	Approx. ¥35bn
Cash Allocation	Agile Allocation	
Cash Allocation – Shareholder Returns	Share Buybacks	2-yr min. ¥80bn
Cash Allocation – Shareholder Returns	Dividends	≥ ¥60bn

Use of Interest-bearing Debt

Corporate Bond Issuance

Issued straight bonds, incl. Sustainability-Linked Bonds, to meet future funding needs, **curb funding costs and use financial leverage**.

FY2026 Total **¥40bn**

Asset Review

Reducing Strategic Shareholdings

Keep reducing to less than 10% of consolidated net assets

Strategic shareholdings balance as of end of FY2026 H1 **¥235.3bn**

Further Reduction

Shareholder Returns

Share Buybacks

Executed flexibly and proactively, balancing growth investment, share **price levels and capital efficiency**

FY2026 **¥50bn**

Dividends

Reflecting earnings progress and our **progressive dividend** policy, annual dividend forecast **raised**

Per share **¥41 ➡ ¥44**

Financial Strategy: Revision of Dividend Forecast

Annual dividend forecast revised up from ¥41 to ¥44 (+¥4 YoY), based on business progress and our progressive dividend policy

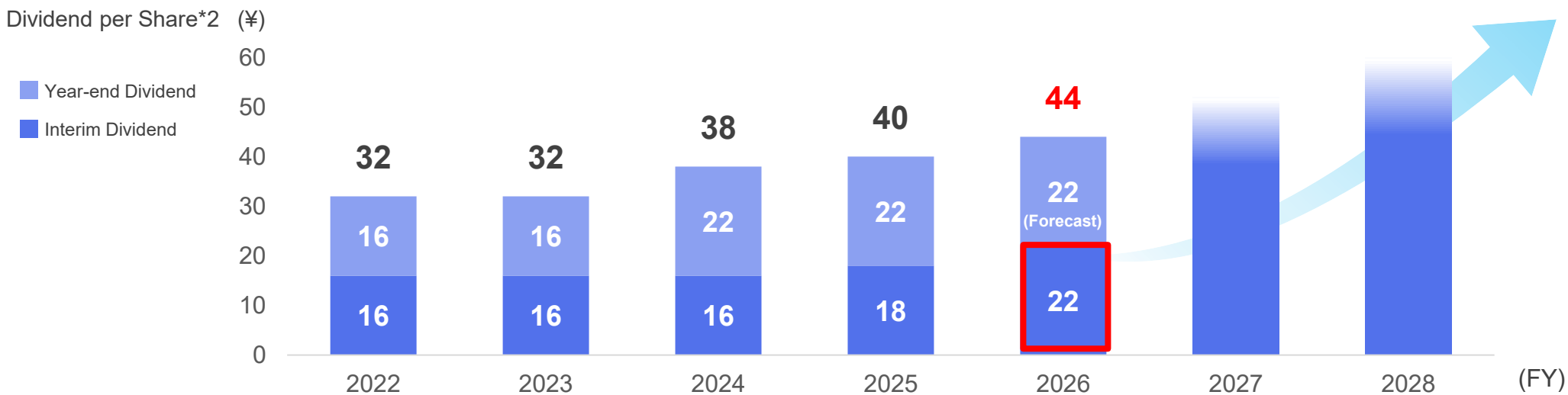
Dividend Policy

Previous Medium-Term Management Plan

- Continuous Dividend Increases
- Exploring higher dividend levels

Current Medium-Term Management Plan

- Profit-linked **Progressive Dividend**
- **Raising the Payout Ratio*1** to lift dividend levels



*1 Payout ratio based on net profit attributable to parent company, excluding one-time factors such as extraordinary income/losses.
*2 A 2-for-1 stock split of common shares was conducted on October 1, 2024. Dividends per share are calculated as if the split had occurred at the beginning of the fiscal year ended March 31, 2023.

DNP

Disclaimer

The earnings forecasts, medium-term management targets, and other forward-looking statements contained in these materials represent DNP’s judgement of the current outlook based on information available at the time of preparation, and involve potential risks and uncertainties.
Actual performance may therefore differ materially from these forward-looking statements due to changes in the various assumptions on which they are based.