(This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.)

# Consolidated Financial Results for the First Six Months of the Fiscal Year Ending March 31, 2027 [J-GAAP]

November 13, 2026


**Company Name:** **Dai Nippon Printing Co., Ltd.**
Stock exchange listing: Tokyo
Stock code: 7912 URL: https://www.global.dnp
Representative: Yoshinari Kitajima, President
Contact person: Naoki Wakabayashi,
General Manager, IR and Public Relations Division
Telephone: +81-3-6735-0124

Securities report issuing date: November 13, 2026
Dividend payment date: December 10, 2026
Preparation of earnings presentation material: Yes
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, 2026 (April 1, 2026 – September 30, 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 | % |
| Six months ended September 30, 2026 | 762,800 | 3.3 | 55,253 | 18.4 | 66,297 | 27.5 | 47,395 | (20.3) |
| Six months ended September 30, 2025 | 738,701 | 4.3 | 46,648 | 22.2 | 51,983 | 4.0 | 59,430 | (33.7) |

Note: Comprehensive income: For the first six months ended September 30, 2026: ¥93,179 million (226.9%)
For the first six months ended September 30, 2025: ¥28,506 million (-54.3%)

| | Net Income per Share | Diluted Net Income per Share |
|---|---|---|
| | Yen | Yen |
| Six months ended September 30, 2026 | 110.49 | 110.48 |
| Six months ended September 30, 2025 | 132.94 | 132.92 |

* Figures for the first six months ended September 30, 2025 reflect the finalization of the provisional accounting treatment for equity-method affiliates.

### (2) Consolidated financial position

| | Total Assets | Net Assets | Equity Ratio |
|---|---|---|---|
| | Million yen | Million yen | % |
| As of September 30, 2026 | 2,169,718 | 1,332,790 | 57.8 |
| As of March 31, 2026 | 2,034,110 | 1,267,106 | 58.5 |

Note: Stockholders' equity: As of September 30, 2026: ¥1,254,652 million As of March 31, 2026: ¥1,190,504 million

## 2. Dividends

| | Annual Dividends (Yen) | | | | |
|---|---|---|---|---|---|
| | First Quarter-end | Second Quarter-end | Third Quarter-end | Year-end | Total |
| Year ended March 31, 2026 | – | 18.00 | – | 22.00 | 40.00 |
| Year ending March 31, 2027 | – | 22.00 | | | |
| Year ending March 31, 2027 (Forecasts) | | | – | 22.00 | 44.00 |

Note: Revisions to the most recently announced dividend forecasts during the period: Yes

## 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 |
|---|---|---|---|---|---|---|---|---|---|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % | Yen |
| Full year | 1,564,000 | 3.4 | 113,000 | 11.8 | 134,000 | 12.4 | 105,000 | 1.0 | 247.34 |

Note: Revisions to the most recently announced earnings forecasts during the period: Yes

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

(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, 2026 | 439,480,692 shares | As of March 31, 2026 | 439,480,692 shares |
| 2) Number of treasury shares at end of each period | As of September 30, 2026 | 13,890,502 shares | As of March 31, 2026 | 8,047,828 shares |
| 3) Average number of shares outstanding during the period (cumulative from the start of the fiscal year) | Six months ended September 30, 2026 | 428,939,867 shares | Six months ended September 30, 2025 | 447,041,836 shares |

* The Company has established a Board Incentive Plan trust for compensating executives, and an Employee Stock Ownership Plan trust. Company shares held by these trusts are included in the number of treasury shares at the end of each period, and in the number of treasury shares deducted in calculating the average number of shares outstanding during the period.

* 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 5.
2. The DNP Group will hold a results briefing (online conference) for institutional investors and analysts on November 13, 2026. Supplementary briefing materials for financial results will be posted on TDnet and the Company’s website on the same day.

## Contents


1. Overview of operating results, etc. ....2
   (1) Overview of operating results ....2
   (2) Overview of financial position ....5
   (3) Explanation of the consolidated earnings forecasts and other projections ....5

2. Interim consolidated financial statements and notes ....6
   (1) Interim consolidated balance sheets ....6
   (2) Interim consolidated statements of income and interim consolidated statements of comprehensive income ....8
   (3) Interim consolidated statements of cash flows ....10
   (4) Notes regarding interim consolidated financial statements ....12
      [Notes on premise of a going concern] ....12
      [Interim consolidated statements of income] ....12
      [Interim consolidated statements of cash flows] ....12
      [Shareholders' equity, etc.] ....13
      [Segment information, etc.] ....14
      [Revenue recognition] ....15
      [Per share information] ....15

3. Other ....15

## 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, 2027 showed continued gradual recovery in the domestic economy due to factors including improvements in the employment and income picture and a pick-up in personal consumption. Going forward, various government policies are expected to support ongoing economic recovery in Japan. On the other hand, the future of the economy remains difficult to predict in light of such factors as the situation in the Middle East and other geopolitical risks, increasingly frequent natural disasters, policy developments in various countries and regions, fluctuations in financial and capital markets, and rising costs of raw materials and labor as well as the threat of cyberattacks that result in unauthorized access, information leaks, and system failures. Furthermore, there is growing demand for solutions to environmental and human rights issues throughout the supply chain.

In addition to responding appropriately to environmental, social and economic changes and threats, the DNP Group works to convert them into new business opportunities. Based on a long-term perspective, DNP takes the initiative to drive transformation, and also combines advanced technologies like generative AI with the strengths of a diverse range of partners. The Group aims to achieve continuous growth by generating new value that is indispensable to creating a better future.

The DNP Group is currently implementing a Medium-Term Management Plan that covers the three years from April 2026 to March 2029. The plan is aimed at achieving continuous enhancement of corporate value and shareholder value by implementing initiatives based on business strategies, financial strategies and non-financial strategies. The business strategies include expanding focus businesses and advancing structural reforms. Leveraging DNP's unique strengths in "P&I" (Printing and Information), the Group is expanding its business through active investment in focus businesses, boosting profitability through new value creation and structural reforms, and nurturing new businesses that will drive future growth. Regarding financial strategies, the Group is working to improve capital efficiency by balancing growth investment with shareholder returns while maintaining a sound financial base. As for non-financial strategies, we aim to increase corporate value over the medium to long term as a result of building a resilient business foundation by enhancing human capital and intellectual capital, and by addressing environmental concerns.

As a result of these efforts, consolidated net sales for the first six months grew 3.3% year on year to ¥762.8 billion, consolidated operating income grew 18.4% to ¥55.2 billion, consolidated ordinary income grew 27.5% to ¥66.2 billion, but net income attributable to parent company shareholders fell 20.3% to ¥47.3 billion.

**Smart Communication**

Imaging Communication sales exceeded the previous year’s level, supported by solid sales of photo printing materials mainly in the U.S., European, and Asian markets, and by growth in photo-taking services in Europe and the U.S.

In the information security sector, business process outsourcing (BPO) performance was steady, but overall sales fell below the previous year’s level, largely due to a decline in the sales volume of dual-interface IC cards that support both contact and contactless standards on a single IC chip. The DNP Group is working to strengthen its competitive position in the global information security market. For example, the Company conducted a public tender offer for the shares of AUSTRIACARD HOLDINGS AG, whose main businesses are providing smart payment cards and citizen identity solutions on a global scale. Since the offer was announced in June 2026, tenders reached the minimum required level of 75%, and, once the necessary approvals are obtained, DNP plans to make the company a consolidated subsidiary. The Group will enhance its ability to deliver value and will accelerate DNP’s expansion in the global information security

market by combining AUSTRIACARD's business base with that of Rubicon SEZC, which became a consolidated subsidiary in July 2025, and with DNP's technologies and know-how.

In marketing, we maintained sales at a level similar to the previous year's, despite contraction in the market for paper media and other negative factors, by working to deliver value that combines DNP's track record and expertise in corporate marketing initiatives with our strengths in digital technology. In October 2026, the DNP Group decided to implement an organizational restructuring aimed at boosting our competitiveness in the marketing field by allowing us to anticipate changes in the market and respond to them quickly and flexibly. In April 2027, Dai Nippon Printing Co., Ltd. will succeed to the sales division of DNP Planning Network Co., Ltd. and absorb DNP Digital Solutions Co., Ltd. through a merger, thereby strengthening collaboration, accelerating decision-making, and promoting optimal allocation of talent, technologies and know-how.

Publishing sales declined year on year despite an increase in the number of library management contracts, due to the shrinking market for magazines and other paper media, as well as the relative decline after the previous year's surge in demand related to the operation of an official store connected to Kansai Expo 2025. As an initiative aimed at medium- to long-term growth in its publishing business, in July 2026 the DNP Group joined forces with KODANSHA Ltd. and IJ Kakehashi Services Pvt. Ltd. to establish Kodansha India Private Limited, a joint venture publishing company based in Delhi, India. DNP will manage book production for the new company and will promote the growth of its content business overseas as well as the expansion of other revenue opportunities.

In Content & XR Communication, our Content business organized touring events based on popular intellectual property (IP) in North America, Thailand, South Korea, Taiwan, and other locations. In June 2026, we launched AN-IPPON, a brand designed to appeal to overseas customers by combining Japanese anime IP with regional crafts from a variety of locations, and we began selling these high-value-added products in the North American market. Our XR Communication business promoted the development of DNP's "platform for creating safe spaces," which aims to help local governments address social issues such as chronic school absenteeism, psychological loneliness, and physical isolation. In addition, DNP broadened the scope of these services to support the development of human resources with creativity and problem-solving skills through the provision of inquiry-based learning content.

As a result of the above, overall segment sales fell 0.8% year on year to ¥355.4 billion. Operating income fell 10.5% from the same period last year to ¥13.2 billion. Although business structure reforms including the optimization of fixed assets yielded positive results, this was offset by factors including the shrinkage in the market for paper media related to marketing and publishing businesses.

**Life & Healthcare**

The High-Performance Industrial Supplies sector sales fell year on year due to the continuation of last year's slump in the mobile device market, which resulted from soaring semiconductor memory prices and put a damper on sales of lithium-ion battery pouches for IT applications. Sales of battery pouches for automotive applications also fell below the previous year's level. Going forward, however, battery pouch demand, including demand for energy storage systems (ESS), is expected to grow, and the DNP Group intends to work to capture that demand. Against a backdrop of robust electricity demand, DNP enjoyed increased orders for encapsulant materials that protect electrodes, cells, and other photovoltaic cell components. DNP steadily captured more of this demand by expanding production lines at its Izumizaki Plant in Fukushima Prefecture, which boosted sales above the previous year's level. An expanding semiconductor market supported solid demand for products related to electronic components, such as clean

packaging materials. Products used in inkjet printers also performed well.

DNP's Mobility business enjoyed solid sales of decorative automotive films, especially films used in automobile interiors. We are also focusing on the sale of environmentally friendly exterior products that help shorten automotive painting processes and have strong aesthetic appeal. Additionally, primarily through DNP Hikari Kinzoku Co., Ltd., we are expanding into the high-end Human Machine Interface (HMI) domain by making products that must meet strict requirements for design quality and precision manufacturing, such as decorative molded parts used for automotive controls and displays.

Our Living Spaces business saw strong sales of DNP ARTTECH® printed aluminum panels for both interior and exterior use, which combine aesthetically pleasing designs with high durability. Sales of other interior materials and non-combustible baked-on decorative steel sheets were little changed from the previous year, resulting in overall performance similar to a year earlier.

Packaging as a whole outperformed the previous year. Although the situation in the Middle East led to increases in raw material prices and temporary concerns about the stability of supplies, we worked to ensure stable procurement of raw materials, and passed on increased costs to customers. We also focused on the development and sale of functional packaging materials, including environmentally friendly DNP GREEN PACKAGING®.

In the Medical and Healthcare field, sales exceeded the previous year's level thanks to strong sales of packaging for medical applications (pharmaceuticals and medical devices) and a solid performance by our pharmaceutical manufacturing business. In October 2026, the DNP Group acquired all shares of KYOWA PHARMA CHEMICAL CO., LTD., which develops and manufactures active pharmaceutical ingredients (APIs), and made the company a wholly owned subsidiary. By combining the DNP Group's research and development capabilities and development and manufacturing infrastructure for APIs, formulations, and packaging with the advanced API development and manufacturing technologies of KYOWA PHARMA, we aim to promote the establishment of a Contract Development and Manufacturing Organization (CDMO) that can provide one-stop support from API development through the manufacturing and packaging of finished pharmaceutical products. In this way, DNP will contribute to streamlining pharmaceutical companies' drug discovery processes, shortening development periods, and strengthening stable supply systems.

In our Beverages business, sales through chain store and vending machine channels were similar to the previous year despite area-specific promotional activities and the effects of price increases. Meanwhile, there were sharp upticks in sales through restaurants and online channels, resulting in greater sales for Beverages as a whole.

As a result of the above, segment sales grew 2.2% year on year to ¥263.7 billion. Operating income grew by 28.8% over the same period last year to ¥23.3 billion due to the increase in sales as well as the contribution of business restructuring measures such as reducing fixed costs and optimizing fixed assets.

**Electronics**

In our Digital Interface business, metal masks used for manufacturing organic LED (OLED) displays were affected by reduced production of mid- to low-end smartphones as a result of semiconductor memory shortages, but sales of G6 (6th-generation) size masks for high-end products and larger G8 (8th-generation) size masks increased. Sales of optical film used for displays were bolstered by greater shipping area as LCD TV panels have grown larger, and by the start of operation in September 2025 of 2,500mm-wide coating equipment at DNP's Mihara Plant in Hiroshima Prefecture. Overall, this business exceeded the previous year's figures.

In the semiconductor sector, sales of photomasks for semiconductor manufacturing exceeded

the previous year's level, driven by growth in advanced photomasks and solid performance in photomasks for mainstream products. We will continue to expand our business through aggressive investment, and to develop into cutting-edge areas like photomasks for extreme ultraviolet (EUV) lithography and nanoimprinting.

As a result of the above, overall segment sales grew 16.1% year on year to ¥143.7 billion. Operating income grew 19.7% year on year to ¥31.9 billion, thanks to factors such as the expansion of the semiconductor business, which is one of our focus businesses.

### (2) Overview of financial position

Total assets as of the end of the first six months increased by ¥135.6 billion from the end of the previous fiscal year to ¥2,169.7 billion, due mainly to increases in cash and time deposits and investment securities.

Total liabilities increased by ¥69.9 billion from the end of the previous fiscal year to ¥836.9 billion, due mainly to increases in bonds and deferred tax liabilities.

Net assets increased by ¥65.6 billion from the end of the previous fiscal year to ¥1,332.7 billion. This was mainly due to net income and an increase in valuation difference on available-for-sale securities, which offset factors including the repurchase of treasury stock and dividends paid.

Cash and cash equivalents at the end of the first six months of the fiscal year increased by ¥94.5 billion from the end of the previous fiscal year to ¥338.1 billion.

Cash flows from operating activities resulted in an income of ¥72.1 billion (¥25.2 billion in the same period of the previous year), mostly due to ¥72.3 billion in income before income taxes and non-controlling interests and ¥26.5 billion of depreciation.

Cash flows from investing activities resulted in an income of ¥24.8 billion (versus outlay of ¥72.7 billion in the same period of the previous year), mostly due to a decrease of ¥47.2 billion of time deposits, proceeds from sales of investment securities of ¥7.4 billion, and the expenditure of ¥31.0 billion for the acquisition of property, plant and equipment.

Cash flows from financing activities resulted in an outlay of ¥3.4 billion (versus income of ¥56.3 billion in the same period of the previous year) due to such factors as the expenditure of ¥18.4 billion for the acquisition of treasury shares, dividend payments of ¥9.4 billion, and proceeds from issuance of bonds of ¥40.0 billion.

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

We have revised the earnings forecast that we published on May 13, 2026 for the fiscal year ending March 31, 2027.

For details, please refer to “Announcement Regarding the Revision of the Full-Year Consolidated Earnings Forecast, and Interim Dividend (Dividend Increase),” which we released on November 13, 2026.

## 2. Interim consolidated financial statements and notes

### (1) Interim consolidated balance sheets

(Million yen)

| | As of March 31, 2026 | As of September 30, 2026 |
|---|---|---|
| **ASSETS** | | |
| Current assets | | |
| Cash and time deposits | 298,135 | 335,345 |
| Notes, trade receivables, and contract assets | 335,014 | 331,885 |
| Marketable securities | – | 10,000 |
| Merchandise and finished products | 87,118 | 91,394 |
| Work in progress | 35,505 | 47,474 |
| Raw materials and supplies | 46,181 | 52,949 |
| Other | 58,159 | 41,955 |
| Allowance for doubtful accounts | (678) | (622) |
| Total current assets | 859,436 | 910,380 |
| Fixed assets | | |
| Property, plant and equipment | | |
| Buildings and structures, net | 155,591 | 154,741 |
| Machinery and equipment, net | 73,194 | 73,346 |
| Land | 142,920 | 142,923 |
| Construction in progress | 13,706 | 20,221 |
| Other, net | 35,355 | 35,130 |
| Total property, plant and equipment | 420,768 | 426,362 |
| Intangible fixed assets | | |
| Goodwill | 30,554 | 29,799 |
| Other | 41,273 | 41,676 |
| Total intangible fixed assets | 71,828 | 71,475 |
| Investments and other assets | | |
| Investment securities | 369,504 | 443,400 |
| Net defined benefit asset | 255,583 | 257,388 |
| Other | 58,903 | 62,405 |
| Allowance for doubtful accounts | (1,915) | (1,694) |
| Total investments and other assets | 682,077 | 761,499 |
| Total fixed assets | 1,174,674 | 1,259,337 |
| **TOTAL ASSETS** | 2,034,110 | 2,169,718 |

(Million yen)

| | As of March 31, 2026 | As of September 30, 2026 |
|---|---|---|
| **LIABILITIES** | | |
| Current liabilities | | |
| Notes and trade payables | 191,394 | 202,225 |
| Short-term bank loans | 32,963 | 25,332 |
| Reserve for bonuses | 22,970 | 22,289 |
| Other | 132,851 | 139,866 |
| Total current liabilities | 380,179 | 389,714 |
| Long-term liabilities | | |
| Bonds | 200,000 | 240,000 |
| Long-term debt | 24,028 | 21,066 |
| Net defined benefit liability | 51,937 | 52,720 |
| Deferred tax liabilities | 90,079 | 114,341 |
| Other | 20,779 | 19,084 |
| Total long-term liabilities | 386,824 | 447,213 |
| **TOTAL LIABILITIES** | 767,004 | 836,927 |
| **NET ASSETS** | | |
| Stockholders' equity | | |
| Common stock | 114,464 | 114,464 |
| Capital surplus | 145,036 | 145,649 |
| Retained earnings | 740,585 | 778,488 |
| Treasury stock | (16,116) | (34,158) |
| Total stockholders' equity | 983,970 | 1,004,444 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 89,465 | 136,889 |
| Net deferred gains (losses) on hedges | 6 | (1,353) |
| Foreign currency translation adjustments | 38,272 | 44,542 |
| Remeasurements of defined benefit plans | 78,789 | 70,128 |
| Total accumulated other comprehensive income | 206,534 | 250,207 |
| Non-controlling interests | 76,602 | 78,138 |
| **TOTAL NET ASSETS** | 1,267,106 | 1,332,790 |
| **TOTAL LIABILITIES AND NET ASSETS** | 2,034,110 | 2,169,718 |

## (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, 2025 | Six months ended September 30, 2026 |
|---|---|---|
| Net sales | 738,701 | 762,800 |
| Cost of sales | 561,742 | 571,050 |
| Gross profit | 176,958 | 191,749 |
| Selling, general and administrative expenses | 130,310 | 136,495 |
| Operating income | 46,648 | 55,253 |
| Non-operating income | | |
| Interest and dividend income | 3,539 | 3,797 |
| Equity in earnings of affiliates | 5,391 | 8,713 |
| Other | 2,183 | 2,106 |
| Total non-operating income | 11,113 | 14,617 |
| Non-operating expense | | |
| Interest expense | 1,194 | 1,515 |
| Foreign exchange losses | 2,063 | – |
| Other | 2,519 | 2,059 |
| Total non-operating expenses | 5,777 | 3,574 |
| Ordinary income | 51,983 | 66,297 |
| Extraordinary gains | | |
| Gains on sale of fixed assets | 50 | 4,514 |
| Gain on sale of investment securities | 40,235 | 4,238 |
| Other | 168 | – |
| Total extraordinary gains | 40,453 | 8,752 |
| Extraordinary losses | | |
| Loss on sale or disposal of fixed assets | 751 | 837 |
| Extra retirement payments | 2,662 | 354 |
| Expenses related to founding anniversary | – | 941 |
| Other | 1,196 | 522 |
| Total extraordinary losses | 4,610 | 2,656 |
| Income before income taxes and non-controlling interests | 87,826 | 72,393 |
| Current income taxes | 19,317 | 15,761 |
| Deferred income taxes | 7,844 | 7,080 |
| Total income taxes | 27,162 | 22,842 |
| Net income | 60,663 | 49,551 |
| Net income attributable to non-controlling shareholders | 1,233 | 2,155 |
| Net income attributable to parent company shareholders | 59,430 | 47,395 |

**Interim consolidated statements of comprehensive income**

(Million yen)

| | Six months ended September 30, 2025 | Six months ended September 30, 2026 |
|---|---|---|
| Net income | 60,663 | 49,551 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | (17,389) | 47,839 |
| Net deferred gains (losses) on hedges | 21 | (1,359) |
| Foreign currency translation adjustments | (4,008) | 2,830 |
| Remeasurements of defined benefit plans | (5,240) | (8,849) |
| Share of other comprehensive income of affiliates accounted for using equity method | (5,540) | 3,166 |
| Total other comprehensive income | (32,157) | 43,627 |
| Comprehensive income | 28,506 | 93,179 |
| Attributable to: | | |
| Parent company shareholders | 27,056 | 91,071 |
| Non-controlling shareholders | 1,449 | 2,107 |

### (3) Interim consolidated statements of cash flows

(Million yen)

| | Six months ended September 30, 2025 | Six months ended September 30, 2026 |
|---|---|---|
| Cash flows from operating activities | | |
| Income before income taxes and non-controlling interests | 87,826 | 72,393 |
| Depreciation | 23,796 | 26,518 |
| Increase (Decrease) of doubtful accounts | 1 | (278) |
| Increase of net defined benefit asset | (11,553) | (15,530) |
| Increase of net defined benefit liability | 254 | 1,682 |
| Equity in gains of affiliates | (5,391) | (8,713) |
| Amortization of consolidation goodwill, net | 408 | 1,574 |
| Interest and dividend income | (3,539) | (3,797) |
| Interest expense | 1,194 | 1,515 |
| Net gains on sales of investment securities | (40,234) | (4,238) |
| Net losses on devaluation of investment securities | 801 | 37 |
| Net (gains) losses on sales or disposal of fixed assets | 729 | (3,654) |
| Decrease in trade receivables | 30,385 | 3,877 |
| Increase in inventories | (9,274) | (22,558) |
| Increase (Decrease) in trade payables | (3,379) | 10,467 |
| Other | 7,491 | 21,292 |
| Sub-total | 79,516 | 80,587 |
| Payments for extra retirement payments | (3,481) | (1,681) |
| Payment of income taxes | (50,757) | (6,710) |
| Net cash provided by operating activities | 25,277 | 72,196 |
| Cash flows from investing activities | | |
| Net (increase) decrease in time deposits | (9,268) | 47,229 |
| Net increase in marketable securities | (50,000) | – |
| Payments for purchases of property, plant and equipment | (36,012) | (31,088) |
| Proceeds from sales of property, plant and equipment | 612 | 5,212 |
| Payments for purchases of investment securities | (1,027) | (586) |
| Proceeds from sales of investment securities | 49,157 | 7,478 |
| Payments for purchase of intangible fixed assets | (7,229) | (6,490) |
| Payments for purchase of stock in subsidiaries resulting in change in scope of consolidation | (22,782) | – |
| Interest and dividends received | 5,309 | 5,658 |
| Other | (1,525) | (2,541) |
| Net cash provided by (used in) investing activities | (72,767) | 24,870 |

(Million yen)

| | Six months ended September 30, 2025 | Six months ended September 30, 2026 |
|---|---|---|
| Cash flows from financing activities | | |
| Net decrease in short-term bank loans | (4,013) | (7,649) |
| Proceeds from long-term debt | 1,300 | – |
| Repayments of long-term debt | (1,162) | (1,173) |
| Proceeds from the issuance of corporate bonds | 100,000 | 40,000 |
| Payments for purchases of treasury stock | (23,807) | (18,492) |
| Increase of money trusts for the purpose of purchasing treasury stock | (1,191) | (1,490) |
| Payments for purchases of treasury stock of subsidiaries | (0) | (78) |
| Interest paid | (600) | (1,477) |
| Dividends paid | (9,934) | (9,486) |
| Dividends paid to non-controlling interests | (575) | (653) |
| Payments for purchases of shares of subsidiaries without a change in the scope of consolidation | (550) | (42) |
| Proceeds from sales of shares of subsidiaries without a change in the scope of consolidation | – | 90 |
| Other | (3,137) | (3,025) |
| Net cash provided by (used in) financing activities | 56,327 | (3,480) |
| Effect of exchange rate changes on cash and cash equivalents | (2,596) | 983 |
| Net increase in cash and cash equivalents | 6,240 | 94,570 |
| Cash and cash equivalents at beginning of year | 250,633 | 243,564 |
| Increase in cash and cash equivalents from newly consolidated subsidiaries | 5 | – |
| Cash and cash equivalents at end of period | 256,879 | 338,135 |

## (4) Notes regarding interim consolidated financial statements

**[Notes on premise of a going concern]**
None

**[Interim consolidated statements of income]**
Major items and amounts of selling, general and administrative expenses are as follows:

| | Six months ended September 30, 2025 | Six months ended September 30, 2026 |
|---|---|---|
| Salary and benefits | ¥33,881 million | ¥35,066 million |
| Provision for bonuses | ¥7,298 million | ¥8,151 million |
| Retirement benefit expenses | ¥(1,641) million | ¥(3,411) 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 interim consolidated balance sheets is made as follows:

| | Six months ended September 30, 2025 | Six months ended September 30, 2026 |
|---|---|---|
| Cash and time deposits | ¥270,693 million | ¥335,345 million |
| Time deposits with deposit terms exceeding three months | ¥(13,813) million | ¥(7,209) million |
| Short-term investments (marketable securities) with maturities of three months or less from acquisition date | ¥– million | ¥10,000 million |
| Cash and cash equivalents | ¥256,879 million | ¥338,135 million |

**[Shareholders' equity, etc.]**

I. First six months of previous fiscal year (April 1, 2025 - September 30, 2025)

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, 2025 | Common stock | 9,937 | 22 | March 31, 2025 | June 30, 2025 | Retained earnings |

2. Dividends for which the record date falls within the first six months of the fiscal year through March 2026, 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 14, 2025 | Common stock | 7,943 | 18 | September 30, 2025 | December 10, 2025 | Retained earnings |

3. Significant changes in shareholders' equity

Treasury stock increased by ¥23,654 million during the first six months of the fiscal year ended March 2026, due mainly to share repurchases based on resolutions passed by the Board of Directors on November 29, 2024 and May 13, 2025.

II. First six months of current fiscal year (April 1, 2026 - September 30, 2026)

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 26, 2026 | Common stock | 9,492 | 22 | March 31, 2026 | June 29, 2026 | Retained earnings |

2. Dividends for which the record date falls within the first six months of the fiscal year through March 2027, 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 13, 2026 | Common stock | 9,381 | 22 | September 30, 2026 | December 10, 2026 | Retained earnings |

Note: The total amount of dividends resolved at the Board of Directors meeting on November 13, 2026 includes ¥18 million in dividends on the Company's shares held by the ESOP trust for stock grants and the BIP trust for executive compensation.

3. Significant changes in shareholders' equity

Treasury stock increased by ¥18,042 million during the first six months of the fiscal year ending March 2027, due mainly to share repurchases based on a resolution passed by the Board of Directors on May 13, 2026.

**[Segment information, etc.]**

**(Segment information)**

I. First six months of previous fiscal year (April 1, 2025 – September 30, 2025)

Information on sales and income/loss by reporting segment and disaggregation of revenue

(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 Note3 | | | | | | |
| Outside customers | 356,931 | 257,987 | 123,781 | 738,701 | – | 738,701 |
| Inter-segment | 1,239 | 132 | – | 1,371 | (1,371) | – |
| Total | 358,171 | 258,120 | 123,781 | 740,073 | (1,371) | 738,701 |
| Segment income | 14,784 | 18,133 | 26,682 | 59,600 | (12,952) | 46,648 |

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, 2026 – September 30, 2026)

1. Information on sales and income/loss by reporting segment and disaggregation of revenue

(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 Note3 | | | | | | |
| Outside customers | 355,380 | 263,677 | 143,741 | 762,800 | – | 762,800 |
| Inter-segment | 90 | 115 | – | 206 | (206) | – |
| Total | 355,471 | 263,792 | 143,741 | 763,006 | (206) | 762,800 |
| Segment income | 13,232 | 23,350 | 31,938 | 68,521 | (13,267) | 55,253 |

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.

2. Matters related to changes in reporting segments, etc.

Effective from the current interim period, we have reclassified the reporting segment for certain consolidated subsidiaries from “Life & Healthcare” segment to “Smart Communication” segment in accordance with a review of our business management segments.

Segment information for the first six months of the previous fiscal year is presented based on the new classification method.

**[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, 2025 (April 1, 2025 – September 30, 2025) | Six months ended September 30, 2026 (April 1, 2026 – September 30, 2026) |
|---|---|---|---|
| (1) Net income per share | (Yen) | 132.94 | 110.49 |
| (Basis of calculation) | | | |
| Net income attributable to parent company shareholders | (Million yen) | 59,430 | 47,395 |
| Amounts not attributable to common shareholders | (Million yen) | – | – |
| Net income attributable to parent company common shareholders | (Million yen) | 59,430 | 47,395 |
| Average number of common shares outstanding during the first six months | (Thousand shares) | 447,041 | 428,939 |
| (2) Diluted net income per share | (Yen) | 132.92 | 110.48 |
| (Basis of calculation) | | | |
| Adjustments to net income attributable to parent company shareholders | (Million yen) | (8) | (5) |
| Of which, impact of dilutive stock of consolidated subsidiaries and affiliates | (Million yen) | (8) | (5) |
| Increase in common stock | (Thousand shares) | – | – |

Notes: 1. Figures for the first six months ended September 30, 2025 reflect the finalization of the provisional accounting treatment for equity-method affiliates.

2. Company shares remaining in the ESOP trust for stock grants and the BIP trust for executive compensation, which are recorded as treasury shares in shareholders’ equity, are included in the treasury shares deducted when calculating the average number of shares outstanding during the period for the purpose of determining interim net income per share. The average number of such treasury shares deducted in calculating interim net income per share was 359 thousand shares for the current interim period.

## 3. Other

None