

## Dai Nippon Printing (7912, Corporate)

Positioned for recovery

17<sup>th</sup> June 2026

Share price: ¥2,644

Market cap: ¥1,162.0bn

**With FY 3/27 headwinds reflected in guidance, DNP expects a recovery from 2H 3/27 & high single-digit OP growth over the medium term.**

## Company sector

Printing Services

## Stock data

Price (¥)	2,644
Mkt cap (¥bn)/(\$m)	1,162.0 / 7,256.5
52-week range (¥)	2,090 – 3,300
Shares O/S (m)	439.5
Average daily value (\$m)	29.0
Free float (%)	90.0
Foreign shareholding (%)	28.5
Ticker	7912
Exchange	Tokyo Prime
Net Debt/Equity (x)	-2.7



Source: Bloomberg

- Equity story:** FY 3/27 represents a transition year as smartphone production cuts due to memory shortages, rising raw material costs from Middle East tensions & fading Osaka-Kansai Expo demand weigh on earnings. With these **headwinds fully reflected in guidance**, downside risk appears limited. Continued **strength in Photo Imaging & BPO, demand expansion for ESS** for data centres & renewable energy & **a recovery in semiconductor photomasks** are expected **to drive a return to growth from 2H 3/27 into FY 3/28**.
- FY 3/26 results:** FY sales were broadly in line with plan whilst OP was slightly below guidance despite +7.9%YoY growth & OPM expansion. Within Electronics, the photomask recovery was slower than anticipated, whilst mid-low end smartphone manufacturers cut production in 4Q, reducing demand for high-margin OLED metal masks business. Conversely, photographic printing materials expansion due to new photo printer demand, Large BPO contract wins & Maruzen's Expo-related demand exceeded expectations & **lifted Smart Communication OP above plan**. Structural reforms across Packaging & Living Spaces drove Life & Healthcare OP improvement materially above expectations.
- FY 3/27 outlook:** DNP expects a modest OP decline, excluding one-off factors, with Maruzen up against difficult YoY hurdles, metal masks facing an earnings headwind in the high single-digit billions of yen. **Photo imaging, BPO, optical films & semiconductor photomask sales are set to expand**, with ESS demand picking up from 2H.
- MTP:** DNP upgraded Photo Imaging & BPO to focus businesses, reclassified Packaging as a foundation business & added aseptic filling systems & digital marketing as growth potential businesses. These changes sharpen portfolio positioning at the product category level. Management targets **segment OP CAGR of +7-9% across FY 3/26-3/29**, with OP returning to a clear growth trajectory from FY 3/28.
- Conclusion:** With downside risks largely reflected in earnings expectations & an optimised portfolio driving high single-digit OP growth from FY 3/28, DNP appears well positioned to deliver sustained earnings improvement alongside further expansion of shareholder returns. On ~12x FY 3/27 company estimates, we recommend investors schedule time with senior management: [here](#).

## BUSINESS OVERVIEW

Dai Nippon Printing Co., Ltd. (DNP) is a diversified technology company providing printing-based solutions across information communication, lifestyle & industrial supplies, & electronics. Leveraging core printing & processing technologies, DNP supports publishing, packaging, display materials, & advanced functional materials globally.

## Next event

1Q 3/27 results in August 2026

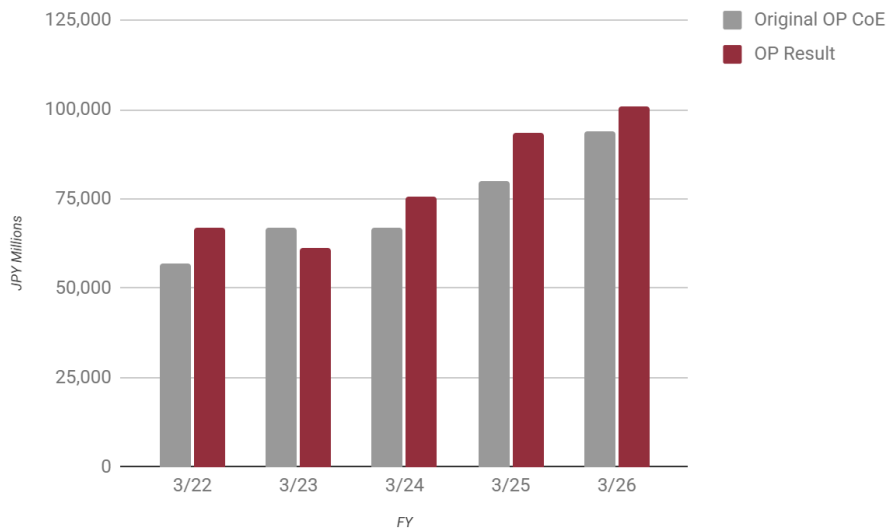
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**Dai Nippon Printing is a research client of Storm Research**

Year end	3/2024	3/2025	3/2026	3/2027E
Sales (¥bn)	1,424.8	1,457.6	1,512.6	1,530.0
OP (¥bn)	75.5	93.6	101.0	108.0
NP (¥bn)	110.9	110.7	104.0	95.0
EPS (¥)	221.6	238.9	235.5	224.2
DPS (¥)	32.0	38.0	40.0	41.0
Sales growth YoY (%)	3.8	2.3	3.8	1.2
OP growth YoY (%)	23.2	24.1	7.9	6.9
NP growth YoY (%)	29.5	-0.2	-6.1	-8.6
EPS growth YoY (%)	n/a	7.8	-1.4	-4.8
PER (x)	10.5	8.9	12.0	12.4
EV/EBITDA (x)	8.6	6.5	8.1	7.4
PBR (x)	1.0	0.8	1.0	1.0
ROE (%)	9.9	9.6	8.9	n/a
ROIC (%)	3.0	2.2	4.4	n/a
FCF yield (%)	1.1	7.7	n/a	n/a
Dividend yield (%)	2.3	3.0	1.4	1.6

Financial metrics source: Company &amp; Bloomberg

RESULTS VS  
FORECAST

## EARNINGS

## FY 3/26 results

- **Sales:** Sales increased +3.8%YoY to ¥1,512.6bn, in line with plan. Within Smart Communication, **photo printing media performed above expectations due to new photo printer demand.** Progress on large BPO contracts & higher sales at consolidated subsidiary Maruzen CHI Holdings (3159), boosted by one-off Osaka Expo demand, enabled the division to slightly exceed plan.

Within Life & Healthcare, weaker automotive battery pouch sales due to slowing US EV demand was offset by growth in IT-use battery pouches & solar cell encapsulants, leaving the segment broadly in line with plan.

In Electronics, optical film strength continued to benefit from the shift toward larger LCD TV panels. However, OLED metal mask sales fell sharply in the 4Q as memory shortages prompted certain manufacturers to cut production, resulting in shortfall versus plan.

4Q sales increased +1.5%YoY versus +4.6%YoY in the 1-3Q. The deceleration reflected the normalisation of Osaka Expo-related demand at Maruzen following its 3Q peak, weaker automotive battery pouch sales, & reduced OLED metal mask demand due to smartphone production cuts.

- **GP:** FY 3/26 GP increased +8.2%YoY to ¥366.0bn, with the GPM improving +1.0ppt YoY to 24.2%. **Growth in high value-added products (new printers & photo printing media) alongside large BPO contracts, as well as pricing & selective order-taking initiatives in Packaging** (including withdrawal from low-margin products) contributed to the GPM improvement.

Conversely, 4Q GP declined -1.1%YoY, with the GPM contracting -0.6ppt YoY to 23.8% from 25.1% in the 3Q. This decrease reflected the normalisation of Expo-related demand & weaker sales of high-margin metal masks .

- **OP:** OP increased +7.9%YoY to ¥101.0bn, -1.9% below the ¥103.0bn forecast, with the OPM improving +0.3ppt YoY to 6.7%. The shortfall was primarily attributable to weak sales of OLED metal masks in the 4Q, with OP declining -20.0%YoY & the OPM deteriorating -1.7ppt YoY to 6.4%.

Conversely, growth in photo print media driven by the new printer launch, large BPO contracts & Expo-related demand at Maruzen, alongside **structural reform benefits across Printing, Marketing, Packaging & Living Spaces, contributed to OP growth.**

- NP: FY 3/26 NP declined -6.1%YoY to ¥104.0bn. The primary reason was a reduction in gains from policy shareholding disposals, which fell from ¥93.8bn in FY 3/25 to ¥44.8bn.

### FY 3/27 outlook

DNP targets ¥1,530bn sales +1.2%YoY, ¥108.0bn OP +6.9%YoY & OPM of 7.1% +0.4ppt YoY. Growth in **Information Security & Photo Imaging – both now designated as Focus businesses – alongside continued semiconductor photomask expansion**, is set to drive earnings growth. The forecast assumes a decline in OLED metal masks as smartphone production cuts continue to weigh on demand.

As one-off items, DNP expects a -¥10.2bn reduction in retirement benefit costs to be an earnings tailwind. The company also assumes a ¥2.0bn earnings headwind in the 1Q from higher raw material, logistics & energy costs due to Middle East tensions. Management plans to recover these costs through price pass-throughs from the 2Q onwards.

## SMART COMMUNICATION

(JPY Millions)	1-3Q 3/26		FY 3/26		FY 3/26		3/26		3/27	
	Results	YoY	Original CoE	YoY	Revised CoE*	YoY	Results	YoY	CoE	YoY
<b>Sales</b>	549,028	5.4%	730,000	2.2%	745,000	4.3%	748,674	4.9%	742,000	-0.9%
<b>OP</b>	26,499	29.8%	33,000	-4.8%	38,000	9.6%	40,002	15.4%	43,000	7.5%
<b>OPM</b>	4.8%	0.9%	4.5%	-0.4%	5.1%	0.2%	5.3%	0.4%	5.8%	0.5%

\* Revised on 3Q results

### Smart Communication – FY 3/26 results

- **Sales:** Sales increased +4.9%YoY to ¥748.7bn, slightly above the ¥745.0bn forecast. Stronger-than-expected new photo printer demand lifted photo printing media sales. Large BPO contracts & sales expansion at consolidated subsidiary Maruzen CHI Holdings, boosted by Osaka Expo demand, offset weakness in Publication Printing.

4Q sales rose +3.5%YoY, slowing from +9.7%YoY in the 3Q as Expo-related demand peaked out & Maruzen growth narrowed from double-digits in 2-3Q to low single-digits in the 4Q. The new photo printer & large BPO contracts continued to contribute in the 4Q.

- **OP:** OP increased +15.4%YoY to ¥40.0bn, +5.3% above the ¥38.0bn plan, with the OPM improving +0.4ppt YoY to 5.3%. **Strength in Imaging Communication & Information Security**, Expo-driven contribution from Maruzen, & structural reforms in Publication & Marketing more than offset higher raw material & labour costs (-¥1.8bn) & other factors (-¥4.5bn).

4Q OP declined -5.3%YoY to ¥13.5bn, with the OPM declining -0.6ppt YoY to 6.8%. YoY hurdles were tough given prior-year contributions from large BPO contracts & Expo benefits. **Standalone 4Q OP remained elevated, improving from ¥11.7bn OP & a 6.1% OPM in the 3Q.**

## Smart Communication – highlights by sub-segment

- *Imaging Communication*: Penetration of the new DS820DX photo printer (launched Jun 2024) has progressed, supported by trade-in adoption, rising brand awareness & customer appreciation of its value proposition. **Sales of consumables – such as ink ribbons & photo print paper – driven by stronger-than-expected demand from the new photo printer, exceeded expectations in North America**, its primary market. The Oct-Dec period is consolidated in DNP's 4Q, & benefits from seasonal holiday demand, making it a key driver of 4Q growth.

Europe & Asia remain a smaller share of sales, but both regions delivered YoY growth. DNP aims to **expand into emerging markets, including Asia, the Middle East & Africa, supported by production & supply capacity build-out**. Wet (silver halide) printing remains dominant in emerging markets, but environmental & health concerns are driving a shift to dry-process printing, where DNP's dye-sublimation thermal transfer printers are positioned to benefit.

ID card ink ribbons previously saw excess inventory following post COVID-19 over-ordering, with inventory adjustments continuing through 1H 3/25. **Inventory normalisation has since supported a continued market recovery**.

- *Information Security*: IC cards declined YoY, whilst BPO benefited from progress on large end-to-end process outsourcing contracts.

A large government-related BPO contract that began in Apr peaked in 2-3Q, but continued execution in the 4Q supported sustained double-digit YoY growth, with only a limited sequential decline from the 3Q.

IC cards declined by high single digits YoY. Credit card volumes – a large component of DNP's IC card demand – remained weak, reflecting a cyclical trough as the card replacement cycle extends from 5 to 7 years, which is viewed as a temporary demand reduction. DNP expects this trough associated with lengthening replacement cycles to continue into FY 3/27.

- *BPO services & IC cards*:



Source: Company

- *Publication Printing*: Ongoing contraction in print media markets such as magazines continued to weigh on results, although the pace of decline narrowed from the 1H through the 3Q & 4Q.

- *Publication Distribution*: Consolidated subsidiary Maruzen CHI Holdings (3159) recorded strong sales of official licensed merchandise & other goods at official stores in & around the 2025 Osaka-Kansai Expo, driving double-digit YoY growth in 2-3Q. In the 4Q, Expo-related sales wound down & growth slowed to low single-digits.

- *Marketing*: The print media market continues to contract, resulting in a low single-digit FY decline. As part of its structural reform, DNP reorganised its marketing-related businesses in

Oct 2025, merging 2 subsidiaries to build an integrated capability spanning planning & design, production, field marketing & sales. The company views digital marketing as a growth market & aims **to provide solutions that maximise marketing impact by combining physical manufacturing with digital marketing.**

- *Content/XR Communication:* This segment, positioned as a new business, was broadly flat. In Content, the company is leveraging popular IP (manga, characters, etc.) for events & overseas expansion. In XR Communication, DNP is enriching regionally linked XR services for education & local government & rolling these out to local authorities.

### Smart Communication – FY 3/27 outlook

DNP expects sales to decrease -0.9%YoY to ¥742bn, whilst forecasting +7.5%YoY OP growth to ¥43.0bn, with OPM improving +0.5ppt YoY to 5.8%. The absence of Maruzen's Expo-related demand in FY 3/26 is expected to be a headwind in FY 3/27, but new photo printer & associated photo printing media sales are set to continue growing.

The large BPO contract that contributed to FY 3/26 results is set to roll off, but a **new large contract secured by DNP is expected to start contributing from 1Q 3/27**, likely leaving BPO broadly flat YoY.

Of the +¥3.0bn assumed OP increase, a +¥5.0bn tailwind from lower retirement benefit costs is included, implying an underlying -¥2.0bn decline. **Photo printing media strength due to new photo printer demand & BPO expansion are expected to continue to contribute positively to OP.** Structural reform benefits in Marketing are forecast to contribute +¥1.0bn in the 1H, partially offset by the reversal of Expo-related demand at Maruzen.

## LIFE & HEALTHCARE

(JPY Millions)	1-3Q 3/26		FY 3/26		FY 3/26		3/26		3/27	
	Results	YoY	Original CoE	YoY	Revised CoE*	YoY	Results	YoY	CoE	YoY
<b>Sales</b>	390,306	4.2%	517,000	4.3%	517,000	4.3%	512,092	3.3%	516,000	0.8%
<b>OP</b>	28,453	69.9%	28,000	17.7%	35,000	47.1%	37,260	56.6%	39,000	4.7%
<b>OPM</b>	7.3%	2.8%	5.4%	0.6%	6.8%	2.0%	7.3%	2.5%	7.6%	0.3%

\* Revised on 3Q results

### Life & Healthcare earnings – FY 3/26 results

- *Sales:* Sales increased +3.3%YoY to ¥512.1bn, modestly below plan. 3Q & 4Q sales were +0.3%YoY & +0.4%YoY respectively, slowing from +6.3%YoY in the 1H. 1H growth was driven by automotive & IT battery pouch sales, alongside price pass-through initiatives in Packaging & beverages. In the 2H, a sharp decline in automotive battery pouches following the expiry of US EV subsidies & a gradual volume decline in Packaging due to cost-of-living pressures led to broadly flat YoY 2H performance.

- *OP:* OP rose +56.6%YoY to ¥37.3bn, with the OPM improving +2.5ppt YoY to 7.3%, exceeding plan by +0.5ppt. 4Q OP increased +25.0%YoY, with OPM +1.4ppt YoY to 7.2%. **Structural reform & profitability initiatives in Packaging (classified as a restructuring business) & consolidation of Living Spaces & Mobility contributed more than expected.**

Conversely, focus business OP was broadly flat, as a sharp decline in automotive battery pouches offset growth in IT battery pouches & solar cell encapsulants.

## Life & Healthcare earnings – highlights by sub-segment

- *Mobility*: The consolidation of DNP Hikari Kinzoku drove double-digit FY sales growth. Decorative films for automotive use, particularly interior applications, performed steadily. DNP Tamura Plastic, which handles automotive side visors, recorded a sales decline. The company aims to leverage synergies with DNP Hikari Kinzoku to expand high value-added materials for the high-end HMI segment, including light-transmissive decorative films.

- *High Performance*: IT battery pouches & solar cell encapsulants recorded double-digit sales growth, whilst automotive battery pouches declined following the expiry of US EV subsidies, leaving overall High-Performance sales growth in the low single-digits.

1H Automotive battery pouches expanded significantly YoY, but **EV production cuts following the US subsidy expiry & associated inventory adjustments drove double-digit declines in the 3Q & 4Q**, resulting in a double-digit decline for the FY. The company notes the inventory situation improved versus the 3Q, suggesting the worst has passed.

IT battery pouches expanded into new smartphone models, delivering a significant YoY increase, though results were partly flattered by the Resonac acquisition. On an organic basis, demand softened in the 2H as Chinese government subsidy programmes ended.

- *Battery pouches for lithium-ion batteries*:



Source: Company

Solar cell encapsulants recorded double-digit FY growth, driven by demand expansion from European & US manufacturers, alongside contributions from the new production line at the Izumizaki plant, which commenced in Oct 2025. The new line at Izumizaki doubled capacity, with full production expected in FY 3/27-3/28. **The company expects continued encapsulant demand growth & is evaluating additional capex.**

- *Packaging*: Sales increased YoY in the 2Q & 3Q but turned slightly negative in the 4Q, resulting in a flat FY. Price hikes contributed positively, but volumes have gradually declined from the 3Q as higher consumer prices weighed on demand. Aseptic filling systems for PET bottles (~10% of Packaging sales) remained solid domestically & overseas, with particularly strong expansion in China, **where DNP's aseptic filling system, which avoids heat sterilisation that can impair tea flavour, continues to gain traction.**

- Aseptic filling systems for PET plastic bottles:



Source: Company

Packaging contributed significantly to earnings improvement through structural reform, representing ~80% of the ¥16.6bn earnings improvement in foundation/restructuring businesses. Gains were driven by impairment-related fixed cost reductions, facility consolidation, raw material procurement reviews, productivity gains & price increases.

- *Living Spaces*: Sales declined throughout the year, resulting in low single-digit decline for the FY. Domestic interior materials & ArtTech®, which combines durability & design for interior & exterior applications, were broadly flat YoY, whilst overseas interior materials declined on softer market conditions.

The integration with the Mobility division in Oct 2025 generated ¥1.0bn of OP improvement in the 2H, **with a further ¥1.0bn expected in the 1H 3/27**. The integration is likely to support synergies through resource sharing across film & moulding/module combinations.

- *Beverages*: This segment maintained YoY growth throughout the year, with mid single-digit growth for the FY. Price increases & strong summer demand drove sales across supermarkets, vending machines & online channels.

- *Medical & Healthcare*: Whilst 4Q sales were flat, the segment maintained mid single-digit FY growth, supported by strength in the 1-3Q. Medical packaging performed well & the domestic formulation business at subsidiary CMIC CMO remained robust.

### Life & Healthcare earnings - FY 3/27 outlook

DNP targets sales of ¥516bn +0.8%YoY, OP of ¥39.0bn +4.7%YoY, & an OPM of 7.6% +0.3ppt YoY. Excluding a ¥2.7bn retirement benefit tailwind, the underlying plan implies a -¥0.9bn earnings decline.

Packaging is highly sensitive to naphtha, its main raw material, exposing the segment to Middle East-related volatility. Given this uncertainty, **DNP has reflected only a 1Q impact from rising raw material costs (-¥2.0bn) in the OP plan**, with recovery expected through price pass-through. Naphtha procurement remains unstable & the company plans to provide updates on the procurement situation going forward.

IT battery pouches, which grew significantly in FY 3/26, may be affected by production cuts at certain manufacturers due to memory shortages, leading to an expected sales decline. DNP anticipates EV battery pouches to recover in Europe following subsidy reinstatements, whilst recovery in the US is likely to remain limited given sluggish EV demand.

The company is strengthening its ESS (energy storage systems) business to offset weakness in US EV battery pouches, **with order growth expected from 2H & meaningful earnings contributions anticipated from FY 3/28**, targeting AI data centres, renewable energy storage & residential storage batteries.

In Packaging, the FY 3/27 plan assumes continued price pass-through & cost reduction initiatives to offset volume declines, alongside further expansion of aseptic filling systems. DNP forecasts Beverages sales to expand on continued price hikes, though higher planned capex is likely to raise fixed costs & pressure profitability. Living Spaces & Mobility are expected to generate ¥1.0bn of OP improvement from integration benefits in the 1H 3/27.

## ELECTRONICS

(JPY Millions)	1-3Q 3/26		FY 3/26		3/26		3/27	
	Results	YoY	Original CoE	YoY	Results	YoY	CoE	YoY
<b>Sales</b>	188,884	3.0%	255,000	2.9%	251,804	1.6%	274,000	8.8%
<b>OP</b>	41,636	-2.4%	57,000	-0.6%	50,702	-11.6%	54,000	6.5%
<b>OPM</b>		22.0%		-1.2%		22.4%		-0.8%
						20.1%		-3.1%
								19.7%
								-0.4%

### Electronics – FY 3/26 results

- *Sales*: Sales increased +1.6%YoY to ¥251.8bn, -1.3% below the forecast of ¥255.0bn. 4Q sales declined -2.2%YoY, reversing from +3.0%YoY in the 1-3Q. **Polarising plate surface films achieved high single-digit growth, supported by the shift towards larger LCD TV panels & Chinese government subsidies**, but OLED metal masks fell sharply in the 4Q due to smartphone production cuts linked to semiconductor memory shortages, missing the company plan.

- *OP*: OP declined -11.6%YoY to ¥50.7bn, -¥6.3bn below the forecast of ¥57.0bn, with the OPM deteriorating -3.1ppt YoY to 20.1%. 4Q OP decreased -38.3%YoY & the OPM fell -8.5ppt YoY to 14.4%. ~2/3s of the ¥6.3bn of the shortfall versus plan was attributable to the decline in OLED metal masks due to smartphone production cuts caused by semiconductor memory shortages. The remaining 1/3 reflects slower-than-expected recovery in photomask sales despite active investment.

### Electronics – highlights by sub-segment

- *Optical films*: Polarising films (~80% of the sub-segment) maintained YoY sales growth throughout the FY, **achieving high single-digit growth driven by large LCD TV panels & Chinese government stimulus subsidies**.

In response to the trend towards larger display sizes, DNP installed a new wide-format (2,500mm) coating line at the Mihara plant (Hiroshima) to improve production efficiency, commencing operation in Sept 2025.

OLED retardation films (~10% of optical films) decreased sharply, particularly in the 4Q. Film makers have been developing films with retardation functionality built in from the outset, reducing demand for DNP's post-processing retardation treatment. The company expects continued demand for DNP's retardation films in high performance applications.

- *OLED metal masks*: DNP supplies metal masks primarily for smartphone OLED production. **Several smartphone manufacturers cut production due to surging memory prices & procurement shortages**. Given DNP's near-monopoly in metal masks, the production cuts directly translated into weaker sales.

- Metal mask image (G8 at left, G6 in the centre & right):



Source: Company

- Semiconductor photomasks: 1Q sales declined due to delayed market recovery & the annual statutory inspection, but a broad-based recovery across end markets progressed through the year, **with the 2H recording high single-digit growth** & the FY sales turning positive YoY. However, the pace of recovery was slower than the company plan, contributing to OP shortfall.

### Electronics – FY 3/27 outlook

DNP targets ¥274bn sales +8.8% YoY, ¥54.0bn OP +6.5%YoY, implying the OPM -0.4ppt YoY. Excluding a ¥1.4bn retirement benefit tailwind, expected underlying OP growth is +3.7%YoY.

The muted OP improvement reflects continued decline in metal mask sales due to smartphone production cuts by Chinese manufacturers linked to memory shortages. Given the high profitability of metal masks, the company assumes an **OP headwind from the smartphone production cuts in the high single-digit billions of yen**, whilst metal masks for G8 are expected to contribute in line with plan.

Optical films & semiconductor photomasks are both expected to increase solidly. **The ongoing trend toward larger displays & the relaunch of Chinese government appliance subsidies are set to support another year of optical film growth.** For photomasks in particular, the statutory inspection impact that weighed on the 1Q of the prior year is likely to provide an additional YoY tailwind in 1Q 3/27.

## MTP

DNP disclosed details of its new MTP covering FY 3/27–3/29, which was announced on 17<sup>th</sup> Mar 2026.

### New MTP quantitative targets

DNP already announced targets of ¥130bn OP & 9.0% ROE for FY 3/29, & >¥150bn OP & >10% ROE for FY 3/32. The new disclosure added the FY 3/27 plan (current year guidance) & FY 3/28 plan: DNP targets ¥108bn OP & 8.0% ROE (7.4% excluding extraordinary items) in FY 3/27, & ¥120bn OP in FY 3/28.

DNP also added underlying ROE targets (excluding extraordinary items) for FY 3/29 & FY 3/32 of >8% & >9% respectively.

**OP growth is driven by +¥27bn from Focus businesses & +¥11.5bn from improvements across foundation, restructuring & growth potential businesses.** This should more than

offset a -¥8.0bn headwind from higher raw material & labour costs, driving OP to ¥130bn in FY 3/29.

In the prior MTP (FY 3/24–3/26), large-scale structural reforms contributed ¥21.5bn to OP over 3 years. The company plans to continue reviewing its portfolio, optimising sites & right-sizing fixed assets in low-growth areas, assuming **a further ¥5.0bn of restructuring-related OP improvement in the current MTP.**

**Further portfolio optimisation & segment initiatives**

DNP updated its business portfolio, reclassifying several businesses based on progress under the prior MTP.

Within Smart Communication, Photo Imaging was upgraded to a Focus business, reflecting stronger growth potential driven by the continued rollout of the new photo printer & the global shift towards dye-sublimation printing in emerging markets. DNP plans **to strengthen global production capacity & accelerate emerging market penetration.**

BPO was also reclassified as a focus business. The company aims to accelerate global expansion, supported by the acquisitions of Rubicon & AUSTRIACARD HOLDINGS, & targets growth in government ID authentication services in emerging markets, alongside rising corporate outsourcing demand.

Within Marketing, paper-based channels such as flyers & catalogues remain classified as restructuring businesses, whilst digital marketing was reclassified as a growth potential business given its ability to deliver incremental value when combined with events & experiential marketing.

Against this backdrop, DNP targets segment OP increasing from ¥40bn in FY 3/26 to ¥50bn in FY 3/29, implying an OP CAGR of +7.7%.

- Smart Communication business portfolio:



\* Source: Company

Within Life & Healthcare, Packaging, previously classified as a restructuring business, has been reclassified following significant profitability improvement achieved through large-scale structural reform, with flexible packaging, paper cartons & related businesses moved to foundation business status.

**Aseptic filling systems for PET bottles (~10% of Packaging sales) were designated as a growth potential business,** reflecting strong overseas expansion prospects. This category is

defined as high-growth business with ROE below 10%. The company notes aseptic filling systems are broadly at the 10% threshold rather than below it.

Mobility & Industrial High-Performance Materials remain classified as focus businesses. In Mobility, the company aims to expand high-end HMI materials through synergies with the acquired DNP Hikari Kinzoku.

In Industrial High-Performance Materials, **battery pouches are targeting expansion into next-generation batteries such as all-solid-state & semi-solid-state batteries**. Following the capacity expansion investment for solar cell encapsulants in Oct 2025, the company is also evaluating additional capex given robust demand.

DNP is developing high value-added industry films, including materials for sealing carrier tapes used for transporting electronic components & semiconductors, & clean packaging materials for products requiring high-level particle & contamination control. It is also exploring applications of its existing TV-use film capabilities to various industrial applications.

Supported by these initiatives, DNP targets OP growth from ¥37.2bn in FY 3/26 to ¥46bn in FY 3/29, implying a +7.3% OP CAGR.

- Life & Healthcare business portfolio:



\* Source: Company

Within Electronics, the Digital Interface-related businesses (such as optical films) & Semiconductor-related businesses (such as photomasks) remain classified as focus businesses.

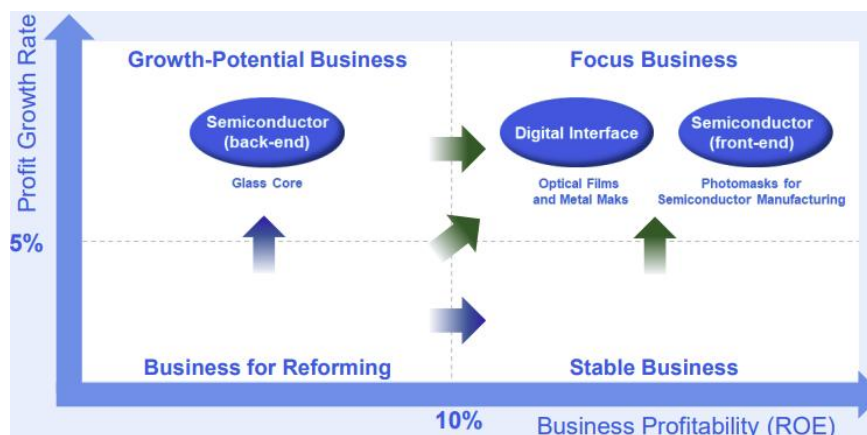
DNP plans to accelerate payback on investments in the wide-format optical film line (commenced FY 3/26) & the 8<sup>th</sup> generation large metal mask production line (commenced FY 3/25) through volume expansion.

In Semiconductors, the company targets photomask sales growth as it continues to build production capacity, & **plans to start mass production of EUV (extreme ultraviolet) photomasks & Nano-Imprint Lithography (NIL) templates in 2027**.

**TGVB glass core substrates for next-generation semiconductor packages**, currently in the process of commercialisation, were newly added as a growth potential business.

DNP targets OP rising from ¥50.7bn in FY 3/26 to ¥65bn in FY 3/29, implying +8.6% OP CAGR.

- Electronics business portfolio:



\* Source: Company

### Capital allocation

DNP targets total cash inflows of >¥810bn, comprising operating cash flow of >¥510bn & >¥300bn from policy-holding share sales, reduction of cash on hand & utilisation of interest-bearing debt.

DNP plans ¥300bn of capex over FY 3/27–3/29, comprising ¥100bn for investment in foundation & restructuring businesses & ¥200bn for focus & growth potential businesses. Adding R&D investment of ¥120bn & human capital investment of ¥35bn brings total planned investment to ¥455bn, with M&A pursued on top of this.

The breakdown of the ¥300bn in growth capex by business is as follows:

- Information Security: active investment in attractive global markets
- Photo Imaging: development of dye-sublimation thermal transfer printers & media & strengthening of production capacity to target emerging market growth
- Industrial High-Performance Materials: development of functional film-related products & global expansion
- Mobility: new domains in automotive software & services & global business expansion
- Digital Interface: investment in production equipment for 8th-generation OLED metal masks & productivity improvement for optical film surface materials
- Semiconductors: mass production of EUV photomasks & NIL templates, strengthening production capacity across leading-edge & volume zones.

In addition, DNP targets **>¥140bn of shareholder returns through dividends & share buybacks**. DNP introduced a progressive dividend policy with a ¥40 per share floor, targeting a rising payout ratio, with >¥60bn of total dividend payments planned over the 3 years. DNP also plans ¥50bn share buyback in FY 3/27 & >¥30bn in FY 3/28, for a minimum of ¥80bn of share buyback over FY 3/27–3/28.

Against >¥810bn of total inflows, DNP allocates ¥455bn to investment & ¥140bn to returns, with the remaining ¥215bn designated as 'flexible allocation' to be deployed into M&A & other investment opportunities as they arise, with any surplus returned to shareholders. The acquisition of AUSTRIACARD HOLDINGS for ~¥50.8bn–¥67.7bn has already been announced, leaving ~¥147.3bn–¥164.2bn of flexible allocation headroom.

## SHAREHOLDER RETURNS

The FY 3/26 dividend was ¥40 per share, +¥2 YoY, with a payout ratio of 17.0%. DNP plans a ¥41 dividend in FY 3/27, +¥1 YoY, in line with its progressive dividend policy & rising payout ratio framework.

The payout ratio increases to 18.3%, marking a 3<sup>rd</sup> consecutive year of dividend growth. DNP also targets a ¥50bn share buyback in FY 3/27, in line with MTP guidance.

## PREVIOUS REPORTS

- 31<sup>st</sup> Mar 2026: [‘MTP in focus’](#)
- 16<sup>th</sup> Mar 2026: [Margin uplift](#)
- 5<sup>th</sup> Jan 2026: [Initiating coverage: Portfolio optimisation](#)

## COMPANY INFORMATION

### Company Timeline

<b>Oct 1876</b>	Founded in Kyobashi-ku, Tokyo Prefecture, as Shueisha
<b>Nov 1886</b>	Opened the First Plant (Ichigaya Plant).
<b>Apr 1888</b>	Revised company rules and changed to a limited liability company.
<b>Jan 1894</b>	Changed to a joint-stock company in line with the enforcement of the Commercial Code.
<b>Oct 1923</b>	Relocated headquarters to current location. Established Morohoshi Ink Co., Ltd. (now DNP Fine Chemical Co., Ltd.: currently a consolidated subsidiary).
<b>Dec 1931</b>	
<b>Feb 1935</b>	Merged with Nisshin Printing Co., Ltd. and renamed Dai Nippon Printing Co., Ltd.
<b>Sep 1946</b>	Rebuilt and resumed operations at the Enokicho Plant.
<b>Oct 1946</b>	Opened Kyoto Plant.
<b>May 1949</b>	Listed on the Tokyo Stock Exchange.
<b>Nov 1951</b>	Opened Osaki Plant.
<b>Sep 1956</b>	Merged with Nippon Seihan Co., Ltd., launching as the Osaka Plant.
<b>Aug 1957</b>	Opened Oji Plant.
<b>Sep 1957</b>	Opened Nagoya Sales Office.
<b>Jan 1958</b>	Opened Sendai Sales Office. Established Dai Nippon Packing & Transport Co., Ltd. (now DNP Logistics Co., Ltd.: currently a consolidated subsidiary).
<b>Oct 1958</b>	
<b>Mar 1961</b>	Opened Fukuoka Sales Office.
<b>Sep 1961</b>	Opened Sapporo Sales Office.
<b>Sep 1962</b>	Established Dai Nippon Trading Co., Ltd. (currently a consolidated subsidiary).
<b>Jan 1963</b>	Established Hokkaido Coca-Cola Bottling Co., Ltd. (currently a consolidated subsidiary).
<b>Jul 1966</b>	Completed Central Research Institute.
<b>Sep 1967</b>	Opened Yokohama Plant.
<b>Dec 1968</b>	Merged with Dai Nippon Micro Co., Ltd., launching as Micro Plant (now Kamifukuoka Plant).
<b>Jan 1972</b>	Opened Akabane Plant.
<b>Jun 1972</b>	Merged with Futaba Printing Co., Ltd.
<b>Dec 1972</b>	Opened Warabi Plant.
<b>Apr 1973</b>	Opened Sayama Plant.
<b>May 1973</b>	Opened Tsuruse Plant.
<b>Oct 1973</b>	Opened Nara Plant.
<b>July 1975</b>	Established Comprehensive Production Research Institute.
<b>Sep 1983</b>	Opened Kuki Plant.
<b>Jul 1985</b>	Completed Central Research Institute Kashiwa Research Facility.
<b>Nov 1990</b>	Opened Ono Plant.
<b>Oct 1991</b>	Opened Okayama Plant.
<b>Jul 1993</b>	Opened Mihara Plant.
<b>Oct 1994</b>	Opened Ohtone Plant.
<b>Sep 1995</b>	Opened Tanabe Plant.
<b>Nov 1996</b>	Opened Izumisaki Plant.
<b>Mar 1998</b>	Opened Utsunomiya Plant.
<b>Jan 1999</b>	Opened Ushiku Plant. Established DNP Hokkaido Co., Ltd. and DNP Tohoku Co., Ltd. (currently consolidated subsidiaries).
<b>Oct 2004</b>	
<b>May 2005</b>	Opened Kurosaki Plant.
<b>Oct 2005</b>	Established DNP Nishi Nippon Co., Ltd. (currently a consolidated subsidiary).
<b>Jul 2006</b>	Acquired the ID photo business, etc., from Konica Minolta Holdings, Inc.
<b>Sep 2006</b>	Completed DNP Gotanda Building. Opened DNP Kamiya Solution Center.
<b>Aug 2008</b>	Acquired shares of Maruzen Co., Ltd., making it a consolidated subsidiary.
<b>Mar 2009</b>	Acquired shares of Junkudo Bookstore Co., Ltd., making it a consolidated subsidiary. Integrated the management of Maruzen Co., Ltd. and TRC (Library Distribution Center) Co., Ltd., establishing an intermediate holding company, CHI Group Co., Ltd. (now Maruzen CHI Holdings Co., Ltd.: currently a consolidated subsidiary).
<b>Feb 2010</b>	
<b>Apr 2010</b>	Acquired shares of INTELLIGENT WAVE INC., making it a consolidated subsidiary. Integrated DNP Offset Co., Ltd. and DNP Seihon Co., Ltd. to establish DNP Book Factory Co., Ltd.
<b>Oct 2010</b>	
	Integrated Chubu Division and DNP Tokai Co., Ltd. to establish DNP Chubu Co., Ltd. (currently a consolidated subsidiary).
<b>Apr 2011</b>	Opened Tobata Plant.

<b>Oct 2012</b>	Integrated DNP Techno Pack Yokohama, DNP Techno Pack Tokai, DNP Techno Pack Kansai, and DNP Technopolymer into DNP Techno Pack Co., Ltd. (currently a consolidated subsidiary).
<b>Jan 2013</b>	Opened consumer-oriented facility "Communication Plaza dot DNP" (Tokyo).
<b>Apr 2013</b>	Opened consumer-oriented facility "CAFE Lab." (Osaka).
<b>May 2013</b>	Opened Vietnam Plant.
<b>Jul 2013</b>	Opened Organic Synthesis Plant in Utsunomiya.
<b>Dec 2013</b>	Opened Malaysia Plant. Opened DNP Kashiwa Data Center.
<b>Jul 2014</b>	Split DNP Hokkaido, DNP Tohoku, DNP Chubu, and DNP Nishi Nippon into separate companies, integrating their sales divisions into the Company. Integrated commercial printing and business form manufacturing divisions of the Company and the above four companies into DNP Graphica Co., Ltd. (currently a consolidated subsidiary) and DNP Data Techno Co., Ltd. (currently a consolidated subsidiary), and integrated their commercial printing-related planning, production, and prepress divisions into DNP Media Create Co., Ltd.
<b>Aug 2015</b>	Acquired shares of Tamura Plastic Products Co., Ltd., making it DNP Tamura Plastic Co., Ltd., a consolidated subsidiary. Completed redevelopment of Ichigaya district, "DNP Ichigaya Kaga-cho Building".
<b>Oct 2016</b>	Integrated DNP Media Create, DNP Digitalcom, and DNP Eizo Center to establish DNP Communication Design Co., Ltd. (currently a consolidated subsidiary). Opened "Tokyo Anime Center in DNP Plaza" (now "Tokyo Anime Center in DNP PLAZA SHIBUYA").
<b>Oct 2017</b>	
<b>Apr 2022</b>	Transitioned to the Tokyo Stock Exchange Prime Market.
<b>Jan 2023</b>	Established DNP CoArise Co., Ltd. (currently a consolidated subsidiary).
<b>Mar 2024</b>	Acquired shares of UBE Scientific Analysis Laboratory, Inc. (now DNP Scientific Analysis Center Co., Ltd.), making it a consolidated subsidiary.
<b>Jan 2025</b>	Acquired shares of HK Holdings Co., Ltd., which operates Hikari Metal Industries Co., Ltd., making it a consolidated subsidiary.
<b>Feb 2025</b>	Acquired shares of Resonac Packaging Co., Ltd., making it DNP High-Performance Materials Hikone Co., Ltd., a consolidated subsidiary.
<b>Apr 2025</b>	Integrated the Company's publishing printing business with DNP Book Factory Co., Ltd. and DNP Media Art Co., Ltd. to establish DNP Publishing Products Co., Ltd. (currently a consolidated subsidiary).

#### Company Contact Details

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Major Shareholders	Stake (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	16.93
Custody Bank of Japan, Ltd. (Trust Account)	5.54
The Dai-ichi Life Insurance Co., Ltd.	3.03
Employees' Shareholding Association	2.90
STATE STREET BANK AND TRUST COMPANY 505001	2.30
Nippon Life Insurance Company	2.15
STATE STREET BANK AND TRUST COMPANY 505234	2.04
Mizuho Bank, Ltd.	1.74
GOVERNMENT OF NORWAY	1.52
JP MORGAN CHASE BANK 385781	1.35

Source: Company as of Sep 2025

## MANAGEMENT

<b>Yoshinari Kitajima</b>	<b>President</b>
<b>Career History</b>	
<b>Apr 1987</b>	Joined The Fuji Bank Ltd.
<b>Mar 1995</b>	Joined the Company
<b>Jun 2001</b>	Director of the Company
<b>Jun 2003</b>	Managing Director of the Company
<b>Jun 2005</b>	Senior Managing Director of the Company
<b>Jun 2009</b>	Executive Vice President of the Company
<b>Jun 2018</b>	President of the Company
<b>Apr 2022</b>	President, Chairperson of Sustainability Committee of the Company

<b>Kenji Miya</b>	<b>Executive Vice President</b>
<b>Career History</b>	
<b>Apr 1978</b>	Joined the Company
<b>Jul 2003</b>	General Manager of Personnel Dept. of the Company
<b>Jun 2010</b>	Corporate Officer, General Manager of Personnel Dept. of the Company
<b>Jun 2018</b>	Managing Director of the Company
<b>Jun 2020</b>	Senior Managing Director of the Company
<b>Jun 2021</b>	Senior Managing Director of the Company
<b>Jun 2024</b>	Executive Vice President, managing Smart Communications Sector, Human Capital Sector and Corporate Sector of the Company and Chairman of BCM Promotion Committee of the Company

<b>Masafumi Kuroyanagi</b>	<b>Senior Managing Director</b>
<b>Career History</b>	
<b>Apr 1983</b>	Joined the Company
<b>Apr 2004</b>	General Manager of Finance & Accounting 1st Dept., Finance & Accounting Division of the Company
<b>Jun 2010</b>	President and Representative Director of DNP Total Process Warabi Co., Ltd. Corporate Officer, General Manager of Finance & Accounting Division of the Company
<b>Jun 2015</b>	Senior Corporate Officer, in charge of Finance & Accounting Division of the Company
<b>Apr 2019</b>	Managing Director, in charge of Finance & Accounting Division of the Company
<b>Jun 2021</b>	Senior Managing Director, in charge of Finance & Accounting Div., Legal Affairs Dept. and Internal Auditing Div. of the Company
<b>Jun 2024</b>	Senior Managing Director, in charge of Finance & Accounting Div., Legal Affairs Dept. and Internal Auditing Div. of the Company

<b>Kazuhiko Sugita</b>	<b>Senior Managing Director</b>
<b>Career History</b>	
<b>Apr 1982</b>	Joined the Company
<b>Jun 1997</b>	General Manager of Sales and Control Dept., Kyushu Operations of the Company
<b>Apr 2008</b>	General Manager of Planning and Control Dept., Ichigaya Operations of the Company
<b>Jun 2015</b>	Corporate Officer, in charge of Corporate Communication Div. of the Company
<b>Jun 2018</b>	Senior Corporate Officer, in charge of Corporate Communication Div. of the Company
<b>Jun 2024</b>	Senior Managing Director, in charge of Corporate Communication Div. and IR and Public Relations Div. and Corporate Administration Dept. of the Company
<b>Jun 2025</b>	Senior Managing Director, in charge of Corporate Communication Div., IR and Public Relations Div., and Corporate Administration Dept. and Chairperson of Corporate Ethics Committee of the Company

<b>Toru Miyake</b>	<b>Senior Managing Director</b>
<b>Career History</b>	
<b>Apr 1982</b>	Joined the Company
<b>Oct 2005</b>	General Manager of R&D Div., Display Components Operations of the Company
<b>Jun 2011</b>	General Manager of Corporate R&D Div. of the Company
<b>Jun 2018</b>	Corporate Officer, General Manager of Purchasing Div. of the Company
<b>Jun 2020</b>	Senior Corporate Officer, in charge of Purchasing Div. of the Company
<b>Jun 2023</b>	Managing Director, in charge of Purchasing Div. of the Company
<b>Jun 2025</b>	Senior Managing Director, in charge of Purchasing Div., Strategic Business Planning & Development Div., and Intellectual Property Div. of the Company

<b>Osamu Nakamura</b>	<b>Senior Managing Director</b>
<b>Career History</b>	
<b>Apr 1985</b>	Joined the Company
<b>Apr 2001</b>	General Manager of Technology 1 <sup>st</sup> Dept., 1 <sup>st</sup> Business Div., Display Components Operations of the Company
<b>Apr 2014</b>	Deputy General Manager of Fine Optronics Operations of the Company
<b>Jun 2017</b>	Corporate Officer, Deputy General Manager of Fine Optronics Operations of the Company
<b>Jun 2020</b>	Senior Corporate Officer, in charge of R&D Div. (General Manager of R&D and Business Development Center since Oct. 2021)
<b>Jul 2022</b>	Senior Corporate Officer, in charge of Fine Optronics Operations (currently Fine Device Operations and Optoelectronics Operations)
<b>Aug 2022</b>	Chairman and Representative Director of DT Fine Electronics Co., Ltd. (current)
<b>Oct 2022</b>	President and Representative Director of DNP Fine Optronics Co., Ltd. (current)
	Senior Managing Director, in charge of Fine Device Operations, Optoelectronics Operations, R&D and Business Development Center, and Fine Packaging Div. of the Company
<b>Jun 2025</b>	

<b>Minako Miyama</b>	<b>Managing Director</b>
<b>Career History</b>	
<b>Apr 1986</b>	Joined the Company
<b>Apr 2005</b>	General Manager of VR Planning and Development Office, DB Div., C&I Operations of the Company
<b>Jul 2014</b>	General Manager of Recruiting and Training Dept. of the Company
<b>Jun 2018</b>	Corporate Officer, General Manager of Recruiting and Training Dept., and Diversity Promotion Dept. of the Company
<b>Jun 2021</b>	Director, in charge of Recruiting and Training Dept. and Diversity & Inclusion Promotion Dept. of the Company
<b>Jun 2022</b>	Outside Director of TOKAI RIKA CO., LTD. (current)
<b>Jun 2024</b>	Managing Director, in charge of Recruiting and Training Dept. and Diversity & Inclusion Promotion Dept. of the Company

<b>Takahito Kanazawa</b>	<b>Managing Director</b>
<b>Career History</b>	
<b>Apr 1984</b>	Joined the Company
<b>Oct 2004</b>	General Manager of Warabi Plant, Manufacturing Div. in Business Form Operations of the Company
<b>Apr 2017</b>	President and Representative Director of DNP Data Techno Co., Ltd.
<b>Apr 2018</b>	General Manager of Information System Div. of the Company
<b>Jun 2019</b>	Corporate Officer, General Manager of ICT Business Development Div., Advanced Business Center of the Company
<b>Jun 2021</b>	Director of Nihon Unisys, Ltd. (currently BIPROGY Inc.) (current)
<b>Oct 2021</b>	Corporate Officer, Head of Advanced Business Center, and in charge of Information System Div. of the Company
<b>Jun 2022</b>	Senior Corporate Officer, Head of Advanced Business Center, and in charge of Information System Div. of the Company
<b>Jun 2024</b>	Managing Director, Head of Advanced Business Center, and in charge of Information System Div. of the Company

<b>Tsukasa Miyajima</b>	<b>Director</b>
<b>Career History</b>	
<b>Apr 1990</b>	Professor at Keio University, Faculty of Law
<b>Apr 2003</b>	Registered as an attorney at law at the Daini Tokyo Bar Association (current)
<b>Jul 2012</b>	Outside Director of Hulic Co., Ltd. (current)
<b>Jun 2014</b>	Outside Director of the Company, Outside Audit & Supervisory Board member of Mikuni Corporation (current)
<b>Nov 2015</b>	Advisory Committee Member of the Company
<b>Apr 2016</b>	Emeritus Professor of Keio University (current), Professor of Asahi University, Faculty of Law and Graduate School of Law (current)
<b>Jun 2018</b>	Outside Audit & Supervisory Board member of Daifuku Co., Ltd. (current)

<b>Yoshiaki Tamura</b>	<b>Outside Director</b>
<b>Career History</b>	

<b>Apr 1979</b>	Joined Asahi Glass Co., Ltd. (currently AGC Inc.) Representative Director, Executive Vice President, Overall business management, GM of Technology General Div., Deputy leader of AGC Group Improvement Activities of Asahi Glass Co., Ltd.
<b>Mar 2013</b>	
<b>Mar 2014</b>	Executive Vice President, President of Glass Company of Asahi Glass Co., Ltd.
<b>Mar 2017</b>	Executive Fellow of Asahi Glass Co., Ltd.
<b>Mar 2018</b>	Outside Director of DIC Corporation
<b>Jun 2022</b>	Outside Director of the Company
<b>Jun 2023</b>	Member of Advisory Committee of the Company (current)

#### **Hiroshi Shirakawa**      **Outside Director**

##### **Career History**

<b>Apr 1979</b>	Joined TAISEI CORPORATION Trustee, General Manager, Corporate Planning Dept., Corporate Planning Office of TAISEI CORPORATION
<b>Apr 2011</b>	Executive Officer, Deputy Chief of Corporate Planning Office, General Manager, Corporate Planning Dept. of TAISEI CORPORATION
<b>Apr 2012</b>	
<b>Apr 2015</b>	Managing Executive Officer, Chief of Yokohama Branch of TAISEI CORPORATION Senior Managing Executive Officer, Member of the Board, Chief of Marketing & Sales (Building Construction) Div. II of TAISEI CORPORATION
<b>Jun 2019</b>	
<b>Jun 2022</b>	Outside Director of the Company
<b>Jun 2023</b>	Member of Advisory Committee of the Company

#### **Nobuhiko Sugiura**      **Outside Director**

##### **Career History**

<b>Apr 1989</b>	Joined The Hongkong & Shanghai Banking Corporation Limited Research Fellow at Financial Research and Training Center (FRTC) (currently Financial Research Center (the FSA Institute)), Dept. of Policies, Planning and Coordination Bureau at the Financial Services Agency
<b>Aug 2001</b>	Completed the PhD program at the Graduate School of Law (specialized in Private Law) at Chuo University (PhD in Law)
<b>Mar 2004</b>	
<b>Apr 2006</b>	Senior Legal Advisor at JPMorgan Securities Japan Co., Ltd. Professor of Business School (Chuo Graduate School of Strategic Management) at Chuo University (current)
<b>Apr 2008</b>	
<b>Jun 2014</b>	External Director of SUNDRUG Co., Ltd.
<b>Jun 2024</b>	Outside Director of the Company

#### **Mika Kumahira**      **Outside Director**

##### **Career History**

<b>Apr 1985</b>	Joined Kumahira Co., Ltd.
<b>May 1989</b>	Director of Kumahira Co., Ltd.
<b>Apr 1993</b>	Representative Director of The Bear Group Inc.
<b>Apr 1997</b>	Representative Director of Atech Kumahira Co., Ltd. (current)
<b>Apr 2004</b>	Director of Culture Convenience Club Co., Ltd.
<b>Apr 2011</b>	Representative Director of KUMAHIRA SECURITY FOUNDATION, a General Incorporated Foundation (current) Principal of Institute of Diversity Promotion, Career College of Showa Women's University (current)
<b>Apr 2014</b>	
<b>Sep 2015</b>	Representative Director of Learning-21 Organization (current) Outside Director of NITTAN VALVE CO., LTD. (currently NITTAN Corporation) (current)
<b>Jun 2019</b>	
<b>Feb 2020</b>	Outside Corporate Auditor of Kewpie Corporation (current)
<b>Mar 2024</b>	Outside Director of Cybozu, Inc. (current)
<b>Jun 2025</b>	Outside Director of the Company

## Income statement ・ 連結損益計算書

Income statement - 損益計算書	FY 3/22	FY 3/23	FY 3/24	FY 3/25	FY 3/26
<b>Sales ・ 売上高</b>	<b>1,344,147</b>	<b>1,373,209</b>	<b>1,424,822</b>	<b>1,457,609</b>	<b>1,512,571</b>
COGS ・ 売上原価	1,051,218	1,081,284	1,111,129	1,119,330	1,146,587
<b>Gross Profit ・ 売上総利益</b>	<b>292,928</b>	<b>291,924</b>	<b>313,692</b>	<b>338,278</b>	<b>365,983</b>
Operating expenses ・ 販売費及び一般管理費	226,140	230,691	238,242	244,666	264,944
<b>Operating Profit ・ 営業利益</b>	<b>66,788</b>	<b>61,233</b>	<b>75,450</b>	<b>93,612</b>	<b>101,039</b>
Non-operating income ・ 営業外収益					
Interest and Dividend Income ・ 受取利息及び配当金	4,114	9,016	6,410	7,154	6,704
Equity-method investment income ・ 持分法による投資利益	8,686	13,603	17,529	15,839	12,561
Others ・ その他	5,751	4,076	4,494	3,356	5,107
Total non-operating income ・ 営業外収益合計	18,552	26,695	28,434	26,350	24,372
Non-operating expenses ・ 営業外費用					
Interest expenses ・ 支払利息	735	700	894	984	2,581
Donations ・ 寄付金	1,078	1,179	1,041	1,015	951
Others ・ その他	2,277	2,387	3,246	2,043	2,638
Total non-operating expenses ・ 営業外費用合計	4,091	4,267	5,182	4,042	6,172
<b>Ordinary profit ・ 経常利益</b>	<b>81,249</b>	<b>83,661</b>	<b>98,702</b>	<b>115,920</b>	<b>119,239</b>
Extraordinary income ・ 特別利益					
Gain on sale of fixed assets ・ 固定資産売却益	7,133	17,426	277	13,497	12,975
Gain on sale of investment securities ・ 投資有価証券売却益	12,118	12,871	69,931	93,832	44,809
Reversal of provision for repair measures ・ 補修対策引当金戻入額	14,674	11,388	15,647	6,752	n/a
Others ・ その他	20,652	2,788	46	16,356	168
Total extraordinary income ・ 特別利益合計	54,579	44,474	85,903	130,438	57,952
Extraordinary loss ・ 特別損失					
Loss on disposal/sale of fixed assets ・ 固定資産除売却損	3,918	1,313	1,894	2,732	1,712
Impairment loss ・ 減損損失	3,506	6,286	38,263	70,268	13,293
Others ・ その他	1,513	802	1,436	4,692	6,600
Total extraordinary loss ・ 特別損失合計	8,938	8,402	41,593	77,692	21,607
<b>Profit before income taxes ・ 税引前当期純利益</b>	<b>126,890</b>	<b>119,733</b>	<b>143,012</b>	<b>168,665</b>	<b>155,585</b>
Corporate, inhabitant, and business taxes ・ 法人税、住民税及び事業税	17,998	20,377	31,474	65,705	37,577
Adjustment for corporate and other taxes ・ 法人税等調整額	8,391	9,650	84	△10,595	11,222
Total corporate and other taxes ・ 法人税等合計	26,389	30,028	31,558	55,110	48,800
<b>Net income for the period ・ 当期純利益</b>	<b>100,501</b>	<b>89,704</b>	<b>111,454</b>	<b>113,555</b>	<b>106,784</b>
Net Income to Non-controlling Interests ・ 非支配株主に帰属する当期純利益	3,319	4,011	524	2,872	2,825
<b>Net Income to Owners of the Parent ・ 親会社株主に帰属する当期純利益</b>	<b>97,182</b>	<b>85,692</b>	<b>110,929</b>	<b>110,682</b>	<b>103,959</b>

(JPY Millions ・ 百万円)

## Balance sheet ・ 連結貸借対照表

Assets ・ 資産の部	FY 3/22	FY 3/23	FY 3/24	FY 3/25	FY 3/26
<b>Current assets ・ 流動資産</b>					
Cash & deposits ・ 現金及び預金	287,334	246,438	228,765	254,995	298,135
Notes Receivable ・ 受取手形	46,635	46,780	48,590	43,657	40,397
Accounts Receivable ・ 売掛金	277,912	282,560	299,193	297,305	294,027
Contract Assets ・ 契約資産	298	421	646	612	589
Securities ・ 有価証券	17,900	22,800	7,500	n/a	n/a
Inventories ・ 商品および製品	80,385	85,026	88,301	86,298	87,118
Work in Progress ・ 仕掛品	30,980	33,890	36,607	37,733	35,505
Raw Materials and Supplies ・ 原材料及び貯蔵品	30,255	35,946	39,588	41,695	46,181
Other short-term assets ・ その他	33,804	49,819	50,789	62,872	58,159
Allowance for Doubtful Accounts ・ 貸倒引当金	△693	△688	△664	△478	△678
<b>Current assets ・ 流動資産合計</b>	<b>804,813</b>	<b>802,995</b>	<b>799,318</b>	<b>824,692</b>	<b>859,436</b>
<b>Fixed Assets ・ 固定資産</b>					
<b>Tangible Fixed Assets ・ 有形固定資産</b>					
Buildings ・ 建物及び構築物	529,948	555,484	572,978	555,618	562,938
Accumulated depreciation ・ 減価償却累計額	△369,441	△373,274	△394,367	△404,119	△407,347
Buildings and structures (net) ・ 建物及び構築物（純額）	160,506	182,209	178,611	151,499	155,591
Machinery and Equipment ・ 機械及び装置	684,070	678,617	710,091	703,763	719,921
Accumulated depreciation ・ 減価償却累計額	△613,240	△612,663	△633,477	△642,690	△646,727
Machinery, equipment, and transportation equipment (net) ・ 機械装置及び運搬具（純額）	70,830	65,954	76,614	61,072	73,194
Land ・ 土地	139,573	139,907	142,404	141,787	142,920
Construction in Progress ・ 建設仮勘定	25,640	20,284	23,751	17,607	13,706
Other ・ その他	128,372	129,957	141,859	147,351	149,792
Accumulated depreciation ・ 減価償却累計額	△103,046	△101,883	△110,100	△113,522	△114,437
Other (net) ・ その他（純額）	25,325	28,073	31,758	33,829	35,355
<b>Total Tangible Fixed Assets ・ 有形固定資産合計</b>	<b>421,875</b>	<b>436,429</b>	<b>453,139</b>	<b>405,795</b>	<b>420,768</b>
<b>Intangible Fixed Assets ・ 無形固定資産</b>					
Goodwill ・ のれん	2,317	2,423	4,101	10,295	30,554
Software ・ ソフトウエア	23,556	26,109	23,738	27,068	30,926
Others ・ その他	1,873	1,827	2,856	9,029	10,347
<b>Total Intangible Fixed Assets ・ 無形固定資産合計</b>	<b>27,747</b>	<b>30,360</b>	<b>30,697</b>	<b>46,393</b>	<b>71,828</b>
<b>Investments and Other Assets ・ 投資その他の資産</b>					
Investment securities ・ 投資有価証券	410,266	341,215	374,659	393,125	369,504
Retirement benefit assets ・ 退職給付に係る資産	166,130	174,781	248,389	194,597	255,583
Deferred tax assets ・ 繰延税金資産	11,770	7,749	8,718	9,434	8,377
Others ・ その他	36,002	38,882	43,592	46,188	50,526
Allowance for doubtful accounts ・ 貸倒引当金	△1,957	△2,029	△2,885	△2,388	△1,915
Total investments and other assets ・ 投資その他の資産合計	622,210	560,598	672,474	640,956	682,077
<b>Total Fixed Assets ・ 固定資産合計</b>	<b>1,071,834</b>	<b>1,027,389</b>	<b>1,156,310</b>	<b>1,093,145</b>	<b>1,174,674</b>
<b>Total Assets ・ 資産合計</b>	<b>1,876,647</b>	<b>1,830,384</b>	<b>1,955,629</b>	<b>1,917,838</b>	<b>2,034,110</b>

(JPY Millions ・ 百万円)

Liabilities ・ 負債の部	FY 3/22	FY 3/23	FY 3/24	FY 3/25	FY 3/26
<b>Current liabilities ・ 流動負債</b>					
Notes and Accounts Payable ・ 支払手形及び買掛金	236,188	224,418	223,873	215,474	191,394

Short-term Borrowings ・ 短期借入金	33,990	30,301	38,261	31,747	32,963
Current Portion of Long-term Borrowings ・ 1年内返済予定の長期借入金	2,567	1,243	4,478	5,819	6,569
Accrued Income Taxes ・ 未払法人税等	10,051	10,492	11,642	52,956	11,643
Provision for Bonuses ・ 賞与引当金	20,367	20,433	21,290	21,748	22,970
Provision for Repairs ・ 補修対策引当金	17,252	17,549	7,157	n/a	n/a
Other ・ その他	85,689	94,131	102,224	108,034	114,638
<b>Current liabilities ・ 流動負債計</b>	<b>406,108</b>	<b>398,571</b>	<b>408,928</b>	<b>435,780</b>	<b>380,179</b>
<b>Non-current liabilities ・ 固定負債</b>					
Bonds Payable ・ 社債	102,500	100,000	100,000	100,000	200,000
Long-term Borrowings ・ 長期借入金	14,254	13,772	23,403	24,441	24,028
Provision for Repairs ・ 補修対策引当金	28,036	9,506	n/a	n/a	n/a
Liabilities for Retirement Benefits ・ 退職給付に係る負債	55,888	54,740	56,190	54,607	51,937
Deferred Tax Liabilities ・ 繰延税金負債	102,275	84,659	111,654	73,003	90,079
Other ・ その他	19,170	20,888	18,765	21,226	20,779
<b>Non-current liabilities ・ 固定負債合計</b>	<b>322,125</b>	<b>283,567</b>	<b>310,013</b>	<b>273,278</b>	<b>386,824</b>
<b>Total liabilities ・ 負債合計</b>	<b>728,233</b>	<b>682,139</b>	<b>718,941</b>	<b>709,059</b>	<b>767,004</b>

(JPY Millions ・ 百万円)

<b>Net assets ・ 純資産の部</b>	<b>FY 3/22</b>	<b>FY 3/23</b>	<b>FY 3/24</b>	<b>FY 3/25</b>	<b>FY 3/26</b>
<b>Shareholders' equity ・ 株主資本</b>					
Capital Stock ・ 資本金	114,464	114,464	114,464	114,464	114,464
Capital Surplus ・ 資本剰余金	145,143	145,112	145,118	145,034	145,036
Retained Earnings ・ 利益剰余金	740,183	737,699	782,000	824,329	740,585
Treasury stock ・ 自己株式	△133,123	△88,212	△126,367	△135,347	△16,116
Total shareholders' equity ・ 株主資本合計	866,667	909,064	915,215	948,481	983,970
<b>Other equity ・ その他の包括利益累計額</b>					
Unrealized Gains/Losses on Other Securities ・ その他有価証券評価差額金	192,994	138,781	161,863	106,681	89,465
Deferred Hedge Gains/Losses ・ 繰延ヘッジ損益	45	△21	26	△16	6
Foreign Currency Translation Adjustments ・ 為替換算調整勘定	4,220	14,143	20,850	30,309	38,272
Accumulated Adjustments for Retirement Benefits ・ 退職給付に係る調整累計額	27,932	25,535	67,971	50,391	78,789
Total Accumulated Other Comprehensive Income ・ その他の包括利益累計額合計	225,193	178,439	250,711	187,366	206,534
<b>Non-controlling Interests ・ 非支配株主持分</b>	<b>56,552</b>	<b>60,741</b>	<b>70,760</b>	<b>72,930</b>	<b>76,602</b>
<b>Total equity ・ 純資産合計</b>	<b>1,148,413</b>	<b>1,148,245</b>	<b>1,236,687</b>	<b>1,208,778</b>	<b>1,267,106</b>
<b>Total liabilities and equity ・ 負債純資産合計</b>	<b>1,876,647</b>	<b>1,830,384</b>	<b>1,955,629</b>	<b>1,917,838</b>	<b>2,034,110</b>

(JPY Millions ・ 百万円)

## Cash flow statement ・ 連結キャッシュ・フロー計算書

<b>Cash flows from operating activities ・ 営業活動によるキャッシュ・フロー</b>	<b>FY 3/22</b>	<b>FY 3/23</b>	<b>FY 3/24</b>	<b>FY 3/25</b>	<b>FY 3/26</b>
Profit Before Income Taxes ・ 税金等調整前当期純利益	126,890	119,733	143,012	168,665	155,585
Depreciation Expense ・ 減価償却費	51,154	51,769	55,990	53,709	52,815
Impairment Loss ・ 減損損失	3,506	6,286	38,263	70,268	13,293
Change in Allowance for Doubtful Accounts; △ indicates decrease ・ 貸倒引当金の増減額 (△は減少)	△853	38	747	△496	△281
Change in Assets Related to Retirement Benefits; △ indicates increase ・ 退職給付に係る資産の増減額 (△は増加)	△35,003	△16,958	△17,656	1,974	△23,895
Change in Liabilities Related to Retirement Benefits; △ indicates decrease ・ 退職給付に係る負債の増減額 (△は減少)	3,851	3,641	4,748	3,615	2,079

Equity in Earnings or Losses of Affiliates; $\Delta$ indicates gain ・ 持分法による投資損益 ( $\Delta$ は益)	$\Delta 8,686$	$\Delta 13,603$	$\Delta 17,529$	$\Delta 15,839$	$\Delta 12,561$
Goodwill Amortization ・ のれん償却額	521	512	735	626	1,952
Interest and Dividends Received ・ 受取利息及び受取配当金	$\Delta 4,114$	$\Delta 9,016$	$\Delta 6,410$	$\Delta 7,154$	$\Delta 6,704$
Interest Paid ・ 支払利息	735	700	894	984	2,581
Gain/Loss on Sale of Investment Securities; $\Delta$ indicates gain ・ 投資有価証券売却損益 ( $\Delta$ は益)	$\Delta 11,942$	$\Delta 12,810$	$\Delta 69,913$	$\Delta 93,718$	$\Delta 44,497$
Valuation Gain/Loss on Investment Securities; $\Delta$ indicates gain ・ 投資有価証券評価損益 ( $\Delta$ は益)	742	337	685	269	1,839
Gain/Loss on Disposal of Fixed Assets; $\Delta$ indicates gain ・ 固定資産除売却損益 ( $\Delta$ は益)	$\Delta 3,168$	$\Delta 16,080$	1,649	$\Delta 10,699$	$\Delta 11,197$
Change in Accounts Receivable; $\Delta$ indicates increase ・ 売上債権の増減額 ( $\Delta$ は増加)	2,461	$\Delta 1,599$	$\Delta 12,844$	13,941	11,514
Change in Inventories; $\Delta$ indicates increase ・ 棚卸資産の増減額 ( $\Delta$ は増加)	$\Delta 13,355$	$\Delta 11,085$	$\Delta 2,598$	3,847	$\Delta 872$
Change in Accounts Payable; $\Delta$ indicates decrease ・ 仕入債務の増減額 ( $\Delta$ は減少)	7,882	$\Delta 13,404$	$\Delta 3,452$	$\Delta 17,344$	$\Delta 28,886$
Others ・ その他	$\Delta 17,644$	$\Delta 19,585$	$\Delta 13,915$	$\Delta 14,895$	16,944
Subtotal ・ 小計	102,977	68,875	102,403	157,754	129,710
Payment for Repair Costs ・ 補修対策費用の支払額	$\Delta 7,215$	$\Delta 6,844$	$\Delta 4,251$	$\Delta 404$	n/a
Payment for Special Retirement Benefits ・ 特別退職金の支払額	$\Delta 197$	$\Delta 141$	$\Delta 89$	$\Delta 761$	$\Delta 5,709$
Payment of Corporate Taxes, etc. ・ 法人税等の支払額	$\Delta 13,535$	$\Delta 23,895$	$\Delta 25,508$	$\Delta 23,859$	$\Delta 83,633$
<b>Cash flows from operating activities ・ 営業活動によるキャッシュ・フロー</b>	<b>82,028</b>	<b>37,993</b>	<b>72,553</b>	<b>132,729</b>	<b>40,367</b>

(JPY Millions ・ 百万円)

Cash flows from investing activities ・ 投資活動によるキャッシュ・フロー	FY 3/22	FY 3/23	FY 3/24	FY 3/25	FY 3/26
Net Increase/Decrease in Time Deposits; $\Delta$ indicates increase ・ 定期預金の純増減額 ( $\Delta$ は増加)	4,502	1,492	$\Delta 703$	328	$\Delta 49,907$
Net Increase/Decrease in Securities; $\Delta$ indicates increase ・ 有価証券の純増減額 ( $\Delta$ は増加)	n/a	n/a	10,300	n/a	n/a
Cash Outflow from Acquisition of Tangible Fixed Assets ・ 有形固定資産の取得による支出	$\Delta 53,614$	$\Delta 50,321$	$\Delta 59,428$	$\Delta 57,082$	$\Delta 60,030$
Proceeds from Sale of Property, Plant & Equipment ・ 有形固定資産の売却による収入	8,120	19,813	1,782	18,329	14,394
Cash Outflow from Acquisition of Investment Securities ・ 投資有価証券の取得による支出	$\Delta 1,571$	$\Delta 1,038$	$\Delta 1,470$	$\Delta 87,845$	$\Delta 6,461$
Cash Inflow from Sale of Investment Securities ・ 投資有価証券の売却による収入	14,747	14,903	81,614	119,337	57,803
Payments for Acquisition of Subsidiary Shares Involving Change in Scope of Consolidation ・ 連結の範囲の変更を伴う子会社株式の取得による支出	$\Delta 50$	$\Delta 1,743$	$\Delta 9,282$	$\Delta 19,619$	$\Delta 22,782$
Cash Outflow for Acquisition of Intangible Fixed Assets ・ 無形固定資産の取得による支出	$\Delta 12,206$	$\Delta 11,804$	$\Delta 15,325$	$\Delta 15,800$	$\Delta 12,953$
Interest and Dividend Received ・ 利息及び配当金の受取額	6,980	6,740	12,632	9,429	9,659
Others ・ その他	$\Delta 6,117$	$\Delta 3,063$	$\Delta 1,763$	$\Delta 3,817$	$\Delta 3,364$
<b>Cash flows from investing activities ・ 投資活動によるキャッシュ・フロー</b>	<b><math>\Delta 39,208</math></b>	<b><math>\Delta 25,021</math></b>	<b>18,355</b>	<b><math>\Delta 36,740</math></b>	<b><math>\Delta 73,641</math></b>

(JPY Millions ・ 百万円)

Cash flows from financing activities ・ 財務活動によるキャッシュ・フロー	FY 3/22	FY 3/23	FY 3/24	FY 3/25	FY 3/26
Net Increase/Decrease in Short-term Borrowings; $\Delta$ indicates decrease ・ 短期借入金の純増減額 ( $\Delta$ は減少)	$\Delta 3,350$	$\Delta 3,693$	7,953	$\Delta 6,518$	724
Cash Inflow from Long-term Borrowings ・ 長期借入れによる収入	4,790	3,100	4,619	6,886	6,100
Cash Outflow for Repayment of Long-term Borrowings ・ 長期借入金の返済による支出	$\Delta 2,009$	$\Delta 2,652$	$\Delta 11,146$	$\Delta 4,508$	$\Delta 6,002$
Proceeds from Bond Issuance ・ 社債の発行による収入	n/a	n/a	n/a	n/a	100,000

Cash Outflow for Redemption of Bonds Payable ・ 社債の償還による支出	△3,570	△1,050	△2,500	n/a	n/a
Acquisition of Subsidiaries (no consol. change) ・ 連結の範囲の変更を伴わない子会社株式の取得による支出	△878	n/a	△169	△0	△550
Cash Inflow from Sale of Subsidiary Shares without Change in Consolidation Scope ・ 連結の範囲の変更を伴わない子会社株式の売却による収入	10	41	982	153	n/a
Cash Outflow for Repurchase of Treasury Stock ・ 自己株式の取得による支出	△30,012	△25,864	△88,564	△64,862	△50,752
Net Increase/Decrease in Trust Funds for Treasury Stock Acquisition ; △ indicates decrease ・ 自己株式取得のための金銭の信託の増減額 (△は増加)	n/a	△127	△5,462	4,865	724
Cash Outflow for Subsidiary's Repurchase of Treasury Stock ・ 子会社の自己株式の取得による支出	△847	△0	△100	△14	△1
Interest Paid ・ 利息の支払額	△734	△698	△889	△993	△1,984
Dividends Paid ・ 配当金の支払額	△17,642	△17,142	△16,431	△15,031	△17,877
Dividends Paid to Non-controlling Interests ・ 非支配株主への配当金の支払額	△509	△592	△1,651	△868	△883
Others ・ その他	△2,997	△3,754	△5,337	△6,536	△6,166
Net Cash Flows from Financing Activities ・ 財務活動によるキャッシュ・フロー	△57,751	△52,435	△118,696	△87,429	23,331
Effect of Exchange Rate Changes on Cash and Cash Equivalents ・ 現金及び現金同等物に係る換算差額	4,054	4,430	3,983	5,618	2,868
<b>Net Increase/Decrease in Cash and Cash Equivalents ; △ indicates decrease ・ 現金及び現金同等物の増減額 (△は減少)</b>	<b>△10,877</b>	<b>△35,032</b>	<b>△23,804</b>	<b>14,178</b>	<b>△7,074</b>
<b>Cash and Cash Equivalents at Beginning of Period ・ 現金及び現金同等物の期首残高</b>	<b>304,223</b>	<b>293,361</b>	<b>258,329</b>	<b>234,569</b>	<b>250,633</b>
Increase in Cash and Cash Equivalents Due to New Consolidation ・ 新規連結に伴う現金及び現金同等物の増加額	n/a	n/a	n/a	1,726	5
Increase in Cash and Cash Equivalents Due to Merger with Non-consolidated Subsidiaries ・ 非連結子会社との合併に伴う現金及び現金同等物の増加額	15	n/a	45	159	n/a
<b>Cash and Cash Equivalents at End of Period ・ 現金及び現金同等物の期末残高</b>	<b>293,361</b>	<b>258,329</b>	<b>234,569</b>	<b>250,633</b>	<b>243,564</b>

(JPY Millions ・ 百万円)

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