

Overview of Financial Results  
for First Three Months of Fiscal Year 2024 (Ending March 31, 2025)  
Supplementary Briefing Materials

**DNP**

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August 8, 2024

Dai Nippon Printing Co., Ltd.

# [Overview of Financial Results for First Three Months of FY2024]



(Unit: ¥billions)

	First Three Months FY2023	First Three Months FY2024	Year-on-year Change	Earnings Forecast for FY2024	Rate of Progress
Sales	345.0	356.6	+3.3%	1,455.0	24.5%
Operating Income	13.2	18.4	+38.9%	80.0	23.1%
Ordinary Income	19.3	25.6	+32.1%	100.0	25.6%
Net Income Attributable to Parent Company Shareholders	58.0	63.2	+9.0%	90.0	70.3%

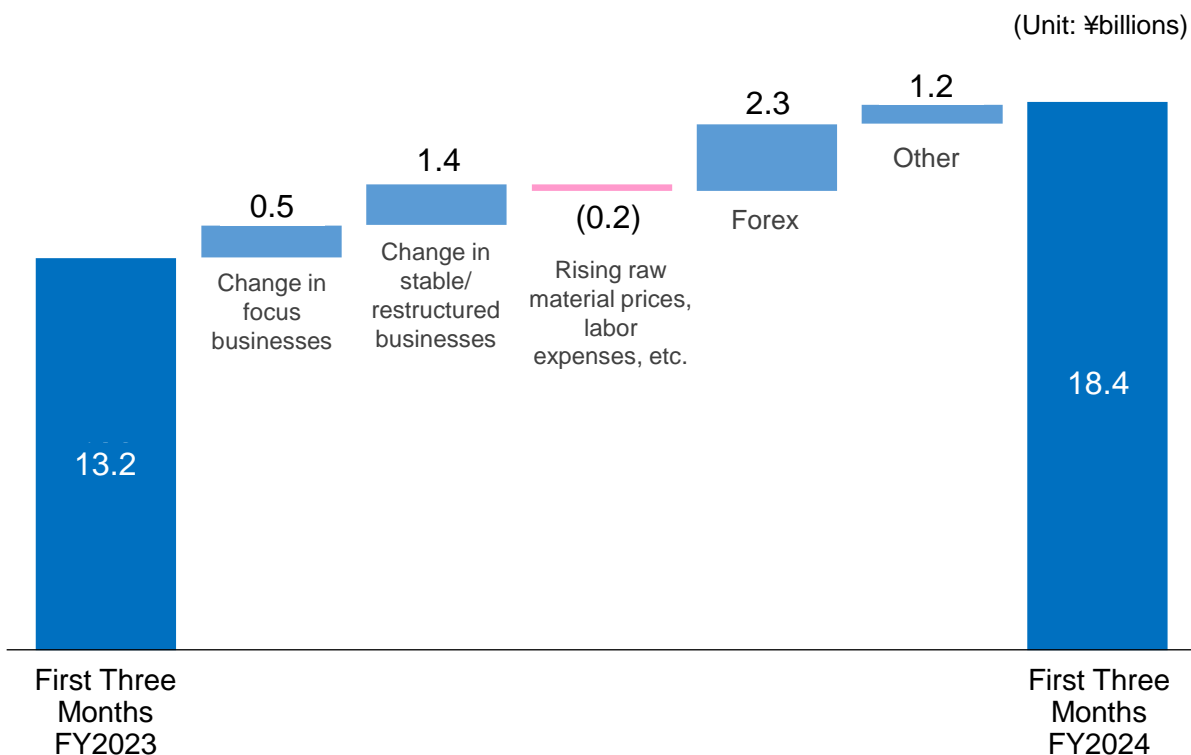
Capital Expenditures	13.9	12.6	(8.9%)	74.0	17.1%
R&D Expenditures	8.8	9.2	+3.9%	36.0	25.6%
Depreciation	12.3	12.6	+2.7%	56.0	22.7%

## Overview

- ✓ **We accelerated creation of new value, primarily in focus business areas, resulting in net sales growing year on year**
- ✓ The expansion of focus businesses in Digital Interfaces and improvement of earnings in restructured businesses contributed, and we succeeded in increasing operating income from the previous-year level
- ✓ In addition to strong performance at equity-method affiliates, gains on sales of strategic shareholdings also contributed to increases in ordinary income and net income from the previous year

# [Overview of Financial Results for First Three Months of FY2024]










## Change in Operating Income



### Overview

- ✓ In focus businesses, automotive battery pouches were affected by stagnant demand for EVs, but businesses related to photovoltaic modules and digital interfaces increased
- ✓ In stable businesses, materials for printing photographs and IC cards were steady
- ✓ In restructured businesses, strong demand for packaging-related products, in addition to promotion of passing on costs and reduction of fixed costs, contributed to performance

## Overview of Focus and Stable Businesses

		First Three Months FY2023	First Three Months FY2024	Overview (Arrow indicates sales relative to previous year)	
Smart Communication	Segment sales	180.0	174.6	Imaging communication 	Strong performance from materials for printing photographs, primarily in European, U.S., and Asian markets
	Segment operating income	4.9	5.8	Secure information 	Dual-interface cards* grew due to the increasing shift to cashless transactions, but business forms declined
				Content & XR communication 	Tokyo Anime Center opened its first overseas site in San Francisco, U.S.A., against the backdrop of the booming market for content originating in Japan
Life and Healthcare	Segment sales	109.2	123.5	Industrial high-performance materials 	Battery pouches for IT applications increased, but those for automotive applications decreased due to the impact of stagnant market conditions
	Segment operating income	1.5	4.7	Mobility 	Focused on sales of decorative films for exterior applications with superior design that contribute to shortening the painting process and reducing environmental impact
				Medical & healthcare 	Announced technical collaboration with South Korea-based NEXEL on cardiomyocyte culture to support drug discovery and development
Electronics	Segment sales	56.2	58.9	Optical films 	Grew due to factors such as an increase in display area shipped resulting from larger panel sizes for televisions
	Segment operating income	12.4	13.6	Metal masks used for manufacturing OLED displays 	Grew as planned against the background of expanded adoption of OLEDs for smartphones
				Semiconductors 	Steady due to progress with inventory adjustment throughout the entire supply chain such as for lead frames for semiconductor packages

\* Cards with two interfaces on one chip (contact and contactless)

# [Overview of Financial Results for First Three Months of FY2024]

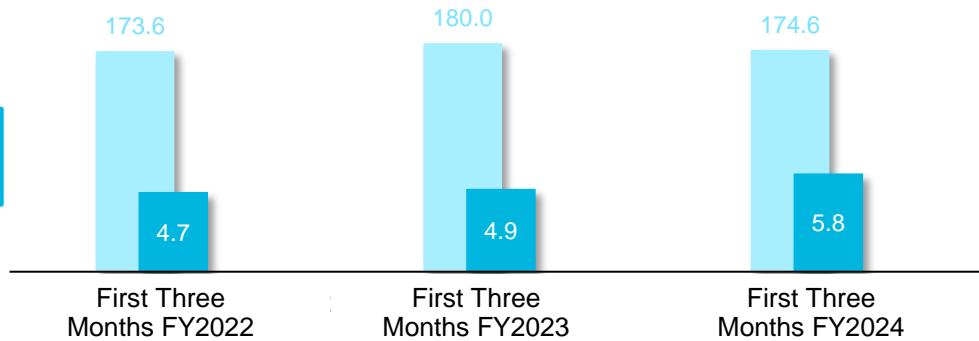
## Results by Segment

(Unit: ¥billions) **DNP**

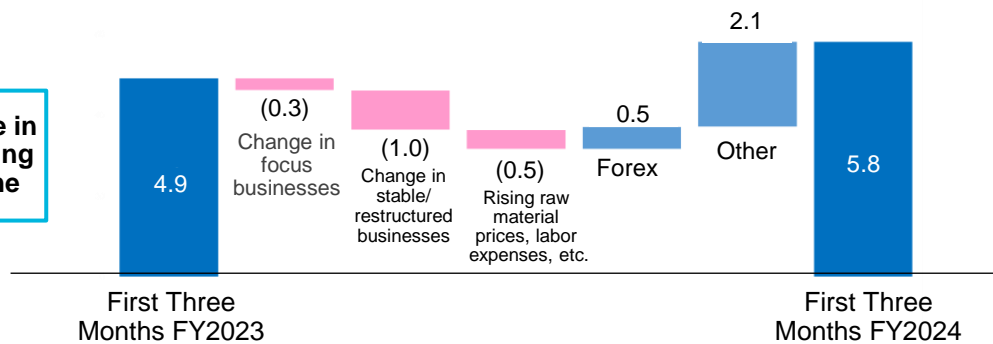
### Smart Communication

■ Sales (left) ■ Operating income (right)

Results



Change in operating income



### Overview

- ✓ In secure information, sales of IC cards remained strong, but BPO sales declined due to the absence of the large projects of the previous year
- ✓ In imaging communication, materials for printing photographs performed well, and ID photo services in Japan increased
- ✓ In restructured businesses, the market for magazines, commercial printing and other paper media continued to contract

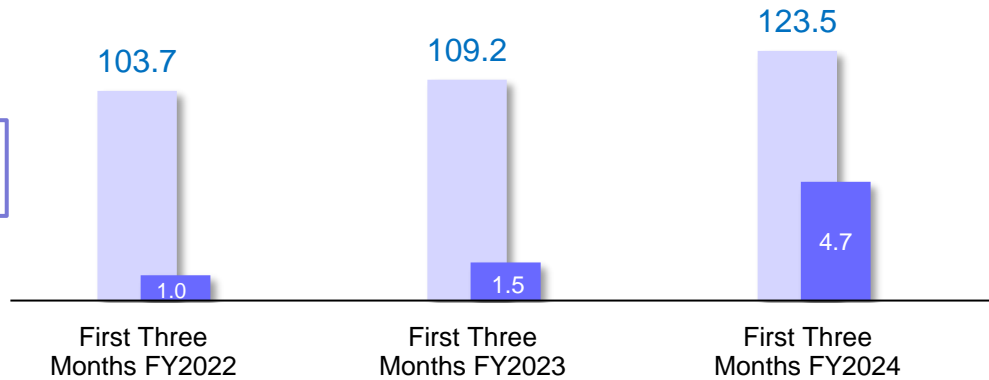
# [Overview of Financial Results for First Three Months of FY2024] Results by Segment

(Unit: ¥billions) **DNP**

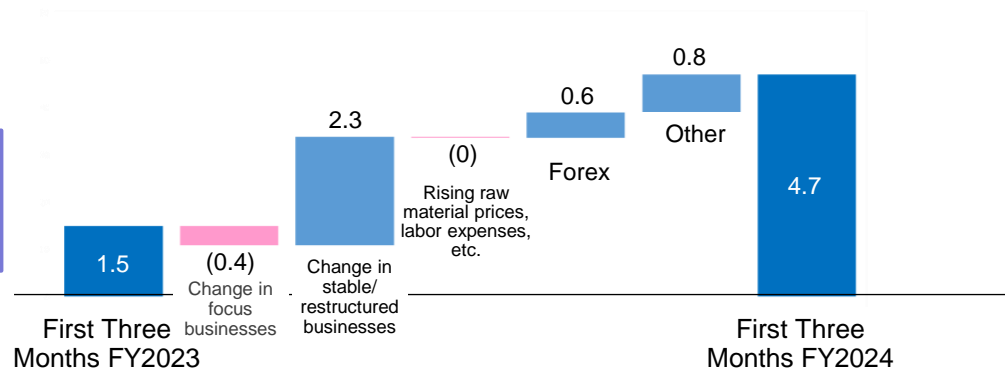
## Life and Healthcare

■ Sales (left) ■ Operating income (right)

Results



Change in operating income



## Overview

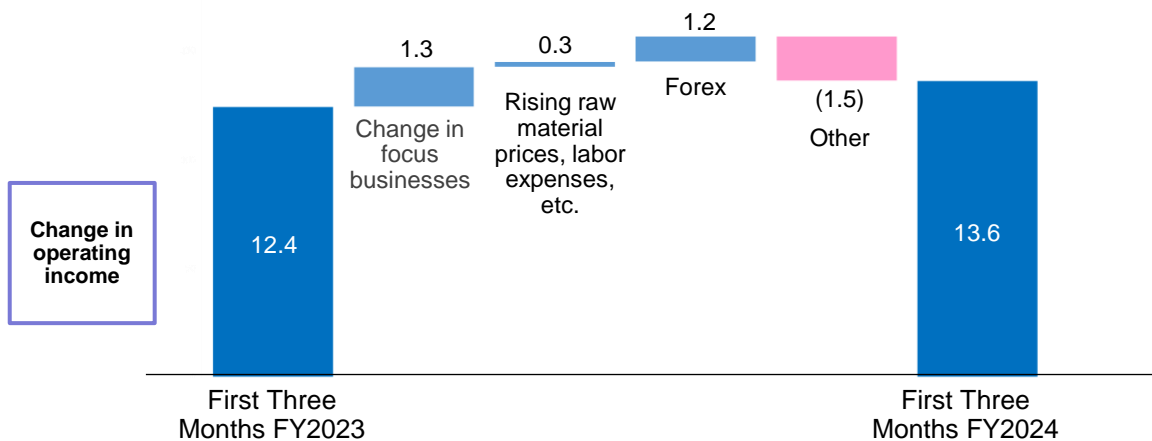
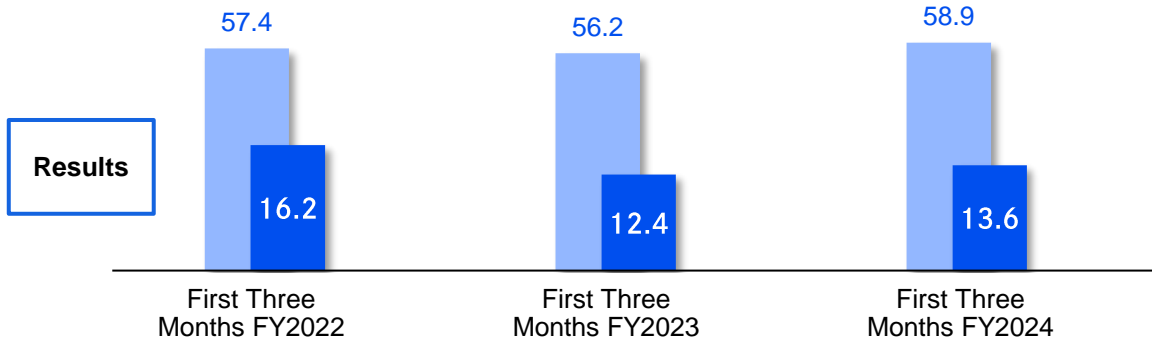
- ✓ In focus businesses, battery pouches for automotive applications decreased, but those for IT applications grew due to increased adoption in new smartphone models, and photovoltaic module components also increased
- ✓ In packaging-related business, orders related to snacks and daily necessities were strong, and the impact of higher raw material costs was mitigated by the promotion of passing on costs
- ✓ In the beverage business, sales were strong in vending machines and convenience stores, as well as online

# [Overview of Financial Results for First Three Months of FY2024] Results by Segment

(Unit: ¥billions) **DNP**

## Electronics

■ Sales (left) ■ Operating income (right)



## Overview

- ✓ Sales of optical films remained strong against the backdrop of larger panel sizes for televisions
- ✓ Metal masks for manufacturing OLED displays grew as planned, following an increase in the adoption rate for smartphones
- ✓ Started operation of a new metal mask line newly built in the Kurosaki Plant in Kitakyushu City, Fukuoka in May 2024

# Earnings Forecast for FY2024

(Unit: ¥billions) **DNP**

No change to our full-year earnings forecast at this time

[Company-wide]	FY2023 Result	Earnings Forecast for FY2024	Year-on-year Change (Difference)
Sales	1,424.8	1,455.0	+2.1%
Operating Income	75.4	80.0	+6.0%
Operating Income Ratio	5.3%	5.5%	+0.2%
Ordinary Income	98.7	100.0	+1.3%
Net Income Attributable to Parent Company Shareholders	110.9	90.0	(18.9%)
ROE	9.8%	8.0%	(1.8%)

Capital Expenditures	68.3	74.0	+8.2%
R&D Expenditures	35.2	36.0	+2.2%
Depreciation	55.9	56.0	+0.0%

[By Segment]		FY2023 Result	Earnings Forecast for FY2024	Year-on-year Change (Difference)	Reference: Medium-term Management Plan
Smart Communication	Sales	719.4	720.0	+0.1%	723.0
	Operating Income	26.1	30.0	+14.7%	29.0
Life and Healthcare	Sales	472.3	500.0	+5.9%	524.0
	Operating Income	13.3	18.0	+34.9%	21.0
Electronics	Sales	235.3	240.0	+2.0%	212.0
	Operating Income	58.1	54.0	(7.1%)	47.0
Adjustment	Sales	(2.2)	(5.0)	-	(4.0)
	Operating Income	(22.2)	(22.0)	-	(22.0)
Total	Sales	1,424.8	1,455.0	+2.1%	1,455.0
	Operating Income	75.4	80.0	+6.0%	75.0



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## Disclaimer

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