

ENGLISH TRANSLATION OF JAPANESE-LANGUAGE DOCUMENT

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Color & Comfort



MEMBERSHIP

Consolidated Financial Results for the Nine Months Ended September 30, 2025 (Japan GAAP)

(The fiscal year ending December 31, 2025)

November 13, 2025

Stock Exchange: Tokyo

Head Office: Tokyo

Tel: +81 (3) 6733-3000

Company Name: DIC Corporation

Listing Code Number: 4631

Dividend Payment: —

URL: <https://www.dic-global.com/en/>

Representative: Takashi Ikeda, Representative Director, President and CEO

Contact Person: Shigeki Takata, General Manager, Accounting Department

Preparation of Supplemental Explanatory Materials: Yes

Holding of Financial Results Meeting: Yes (for security analysts and institutional investors)

(Yen amounts are rounded to the nearest million, except for per share information)

1. Consolidated Financial Results for the Nine Months Ended September 30, 2025 (January 1, 2025 – September 30, 2025)

(1) Consolidated operating results

(Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent	
	JPY (million)	%	JPY (million)	%	JPY (million)	%	JPY (million)	%
Nine months ended September 30, 2025	785,874	-2.7	40,473	18.9	32,829	19.1	21,731	104.4
Nine months ended September 30, 2024	807,666	3.3	34,031	158.5	27,571	201.6	10,631	—

Note: Comprehensive income (JPY million): Nine months ended September 30, 2025 18,971 (90.8%)

Nine months ended September 30, 2024 9,945 (-76.7%)

	Earnings per share (basic)	Earnings per share (diluted)
	JPY	JPY
Nine months ended September 30, 2025	229.52	—
Nine months ended September 30, 2024	112.29	—

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio to total assets
	JPY (million)	JPY (million)	%
As of September 30, 2025	1,226,490	429,673	33.5
As of December 31, 2024	1,226,433	420,615	32.7

Reference: Shareholders' equity (JPY million): As of September 30, 2025 410,506 As of December 31, 2024 401,420

2. Cash Dividends

	Cash dividends per share				
(Record date)	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	Year-end	Annual
	JPY	JPY	JPY	JPY	JPY
FY2024	—	50.00	—	50.00	100.00
FY2025	—	50.00	—		
FY2025 (Plan)				150.00	200.00

Note: Revision of the forecasts for the dividends payment: None

3. Forecasts for Consolidated Operating Results for the Fiscal Year Ending December 31, 2025 (January 1, 2025 - December 31, 2025)

(Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent		Earnings per share (basic)
	JPY (million)	%	JPY (million)	%	JPY (million)	%	JPY (million)	%	JPY
FY2025	1,060,000	-1.0	50,000	12.3	40,000	5.5	24,000	12.6	253.48

Note: Revision of the forecasts for the consolidated operating results: None

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Notes

(1) Significant changes in the scope of consolidation during the nine months ended September 30, 2025: Yes

Newly included: — (Company name) —

Excluded: 2 (Company name) Qingdao DIC Fine Chemicals Co., Ltd., Qingdao DIC Liquid Crystal Co., Ltd.

(2) Adoption of accounting methods which are exceptional for quarterly consolidated financial statements: Yes

For details, please refer to page 10, “3. Quarterly Consolidated Financial Statements, (3) Notes to Quarterly Consolidated Financial Statements, (Notes on Accounting Methods Which Are Exceptional for Quarterly Consolidated Financial Statements).

(3) Changes in accounting policies and accounting estimates, and restatements

1) Changes in accounting policies arising from revision of accounting standards: Yes

2) Changes in accounting policies other than 1): None

3) Changes in accounting estimates: None

4) Restatements: None

For details, please refer to page 10, “3. Quarterly Consolidated Financial Statements, (3) Notes to Quarterly Consolidated Financial Statements, (Notes on Changes in Accounting Policies).

(4) Number of shares issued (common stock)

1) Number of shares issued at the end of the period, including treasury shares

As of September 30, 2025 95,156,904 shares, As of December 31, 2024 95,156,904 shares

2) Number of treasury shares at the end of the period

As of September 30, 2025 476,537 shares, As of December 31, 2024 474,948 shares

3) Average number of shares issued during the period, excluding treasury shares

For the nine months ended September 30, 2025 94,681,177 shares, For the nine months ended September 30, 2024 94,677,082 shares

* The Company has introduced the Board Benefit Trust (BBT), and the shares held by the trust are included in the number of treasury shares.

Note: Review of the attached quarterly consolidated financial statements by certified public accountants or audit firms: None

Note: **Explanation of the appropriate use of performance forecasts, and other special items**

Caution concerning forward-looking statements

The above forecasts of future performance are based on information available to the Company at the present time and are subject to potential risks and uncertainty. Accordingly, the users should be aware that actual results may differ from any expressed future performance herein due to various factors.

For information regarding the assumptions used to prepare the forecasts, please refer to page 5.

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1. Analysis of Results of Operations

(1) Overview of Operating Results

(Billions of yen)

	Nine months ended September 30, 2024	Nine months ended September 30, 2025	Change (%)	Change (%) [Local currency basis]
Net sales	807.7	785.9	-2.7%	-1.6%
Operating income	34.0	40.5	18.9%	21.7%
Ordinary income	27.6	32.8	19.1%	—
Net income attributable to owners of the parent	10.6	21.7	104.4%	—
EBITDA*	65.1	77.9	19.7%	—
¥/US\$1.00 (Average rate)	150.43	148.42	-1.3%	—
¥/EUR1.00 (Average rate)	163.44	166.02	1.6%	—

* EBITDA: Net income attributable to owners of the parent + Total income taxes + (Interest expenses - Interest income) + Depreciation and amortization + Amortization of goodwill

In the nine months ended September 30, 2025, consolidated net sales slipped 2.7%, to ¥785.9 billion.

- Looking at key global economies in recent months, a slide into recession was avoided thanks to progress in tariff negotiations between various countries and territories and the United States, combined with the implementation of monetary and fiscal policies tailored to local conditions. However, concerns regarding rising prices and a resurgence of trade friction between the United States and the People's Republic of China (PRC) persisted, as a result of which an uncertain outlook lingered for both corporate entities and consumers.
- In this environment, demand trends in customer industries identified as key growth areas diverged. In digital materials, used principally in electrical and electronics equipment and in displays, the operating rates of display manufacturers remained on the road to recovery after an adjustment phase, while the semiconductor market remained robust, propelled by growing demand for use in AI applications and semiconductor devices, among others. In industrial materials,* used primarily in mobility solutions, the potential impact of the U.S. tariff policy was a cause of anxiety in the automobile market, but sales in the United States remained firm, as a consequence of which no sudden shift in demand was seen.
- Against this backdrop, results varied for different products. Shipments of jet inks, used in digital printing, and of other high-value-added products, including core chemitronics offerings such as epoxy resins and industrial-use adhesive tapes, remained solid, while polyphenylene sulfide (PPS) compounds and other products used in mobility solutions, were steady. In contrast, sales of packaging inks, pigments for coatings and for plastics and other mass-market consumer-adjacent products trended downward, owing to rising prices and fears over the economic outlook.

Operating income advanced 18.9%, to ¥40.5 billion. This was despite the decline in sales and was due mainly to increased shipments of high-value-added products, ongoing across-the-board sales price revisions and exhaustive cost management efforts. Among factors behind the operating income gain also was an improvement in the Color & Display segment, underpinned by sales price revisions implemented to boost margins, and by a return to profitability in overseas after an operating loss in the corresponding period of the previous fiscal year, thanks to ongoing structural reforms in the pigments business in the United States and Europe, which helped trim costs.

Ordinary income, at ¥32.8 billion, was up 19.1%. While foreign exchange losses mounted, reflecting the application of hyperinflationary accounting and the appreciation of the yen against emerging market currencies, interest expenses fell as a result of U.S. and European interest rate cuts.

Net income attributable to owners of the parent climbed 104.4%, to ¥21.7 billion. This was a consequence of multiple factors, including higher extraordinary income, thanks to, among others, a gain on sales of shares and investments in capital of subsidiaries and affiliates arising from withdrawal from the liquid crystal (LC) materials business, and a decrease in extraordinary losses.

Earnings before interest, taxes, depreciation and amortization (EBITDA) rose 19.7%, to ¥77.9 billion.

*DIC uses the term “industrial materials” to describe products for use in mobility solutions, namely, automobiles, railroads and shipping, and for general industrial applications such as construction equipment and industrial machinery.

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(2) Segment Results

(Billions of yen)

	Net sales				Operating income (loss)			
	Nine months ended September 30, 2024	Nine months ended September 30, 2025	Change (%)	Change (%) [Local currency basis]	Nine months ended September 30, 2024	Nine months ended September 30, 2025	Change (%)	Change (%) [Local currency basis]
Packaging & Graphic	420.6	406.1	-3.4%	-1.6%	23.2	21.3	-8.3%	-3.1%
Color & Display	199.4	192.8	-3.3%	-2.8%	0.9	6.9	7.7 times	5.0 times
Functional Products	219.4	215.8	-1.6%	-1.4%	16.3	16.9	4.0%	3.8%
Others, Corporate and eliminations	(31.7)	(28.9)	—	—	(6.4)	(4.6)	—	—
Total	807.7	785.9	-2.7%	-1.6%	34.0	40.5	18.9%	21.7%

Note: Beginning from the first quarter of the current fiscal year, the Group revised its segment classification for certain net sales and operating income in “Packaging & Graphic”, “Functional Products” and “Others, Corporate and eliminations”.

Accordingly, certain figures for the nine months ended September 30, 2024 have been restated.

Packaging & Graphic

	Nine months ended September 30, 2024	Nine months ended September 30, 2025	Change (%)	Change (%) [Local currency basis]
Net sales	¥420.6 billion	¥406.1 billion	-3.4%	-1.6%
Operating income	¥23.2 billion	¥21.3 billion	-8.3%	-3.1%

Segment sales declined 3.4%, to ¥406.1 billion. In the area of packaging inks, used chiefly on packaging for food products, shipments deteriorated in Japan, and in the Americas and Europe—the former due to rising prices, which dampened consumption, and the latter particularly reflecting a fall in Europe, which saw an economic slowdown—but sales were up, bolstered by ongoing efforts to adjust sales prices. Shipments and sales prices in Asia and Oceania, and in other regions, were buffeted by flagging market conditions and sales price competition, as a result of which sales waned everywhere except in the PRC, which reported an increase attributable to initiatives aimed at fostering new customers. Sales of publication inks, which center on inks for commercial printing and news inks, decreased, with ongoing structural demand declines worldwide and intensifying sales price competition, notably in the Americas and Europe, pushing down shipments dramatically. Sales of jet inks, used in digital printing, rose, as shipments remained firm amid burgeoning digitization. Shipments of polystyrene, applications for which include food trays, dipped, as higher consumer prices continued to encourage consumer restraint in food purchases.

Segment operating income fell 8.3%, to ¥21.3 billion. Operating income in Japan weakened, as steps taken to modify sales prices for packaging inks and publication inks were insufficient to counter elevated costs. Operating income overseas was also down, tumbling in Asia and Oceania, where sales flagged, as well as in the Americas and Europe, where diminished shipments and exchange rate fluctuations arising from the depreciation of emerging market currencies, among others, undermined ongoing efforts to maintain sales prices by ensuring stable supplies and services.

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Color & Display

	Nine months ended September 30, 2024	Nine months ended September 30, 2025	Change (%)	Change (%) 〔Local currency basis〕
Net sales	¥199.4 billion	¥192.8 billion	-3.3%	-2.8%
Operating income	¥0.9 billion	¥6.9 billion	7.7 times	5.0 times

Segment sales slipped 3.3%, to ¥192.8 billion. Although shipments of pigments for coatings, as well as those for plastics—which together account for a significant share of sales—remained on a downtrend, as the uncertain economic outlook encouraged inventory adjustments by customers, particularly in the United States and Europe, sales of these products expanded, buttressed by ongoing efforts to revise sales prices. Among high-value-added products, shipments of pigments for color filters dwindled, as the operating rates of display manufacturers remained on the road to recovery, although sales were up, thanks to changes in the product mix. Sales of pigments for cosmetics fell, as shipments were hindered by listless demand from cosmetics manufacturers in the Americas and Europe, the principal customers for these products, and other factors. Sales of pigments for specialty applications rose, as shipments of products for agricultural use recovered following the completion of inventory adjustments, and shipments of products used in building materials were up. Lower overall segment sales were also due to the absence of sales of LC materials as a result of withdrawal from this business.

The segment reported operating income of ¥6.9 billion, up 7.7 times. This gain was bolstered primarily by increased sales of high-value-added products such as pigments for color filters and of specialty pigments, as well as by price revisions aimed at improving margins and by ongoing structural reforms in the pigments business in the United States and Europe, which helped trim costs, underpinning a return to profitability overseas.

Functional Products

	Nine months ended September 30, 2024	Nine months ended September 30, 2025	Change (%)	Change (%) 〔Local currency basis〕
Net sales	¥219.4 billion	¥215.8 billion	-1.6%	-1.4%
Operating income	¥16.3 billion	¥16.9 billion	4.0%	3.8%

Segment sales edged down 1.6%, to ¥215.8 billion. In the area of digital materials, sales of epoxy resins, the foremost application for which is electronics equipment—including semiconductors—increased, as demand for semiconductors fueled firm shipments overall. Sales of industrial-use adhesive tapes, used mainly in smartphones and other mobile devices, rose owing to steady efforts to lock in demand, among others, which led to broader adoption. In the area of industrial materials, sales of materials for mobility solutions, including PPS compounds, remained solid, despite concerns regarding a rebound from the last-minute demand rush ahead of the U.S. tariffs. The decrease in segment sales also resulted from reduced sales of architectural interior materials stemming from the April 2025 divestiture of consolidated subsidiary DIC Decor, Inc.

Segment operating income, at ¥16.9 billion, was up 4.0%. This was despite higher costs due to advance investments in the area of chemitronics, and reflected factors such as expanded marketing of high-value-added products for use in electronics equipment and in mobility solutions and successful efforts to maintain sales prices for all products.

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(3) Operating Results Forecasts for Fiscal Year 2025

(Billions of yen)

	FY2024	FY2025	Change (%)
Net sales	1,071.1	1,060.0	-1.0%
Operating income	44.5	50.0	12.3%
Ordinary income	37.9	40.0	5.5%
Net income attributable to owners of the parent	21.3	24.0	12.6%
EBITDA	95.7	99.0	3.5%
¥/US\$1.00 (Average rate)	151.04	145.00	-4.0%
¥/EUR1.00 (Average rate)	163.34	158.00	-3.3%

Note: Forecasts are unchanged from those published on August 8, 2025.

Disclaimer Regarding Forward-Looking Statements

Statements herein, other than those of historical fact, are forward-looking statements that reflect management's projections based on information available as of the publication date. These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ from such statements. These risks and uncertainties include, but are not limited to, economic conditions in Japan and overseas, market trends, raw materials prices, interest rate trends, currency exchange rates, conflicts, litigations, disasters and accidents, as well as the possibility the Company will incur special losses related to the restructuring of its operations.

2. Analysis of Financial Position

(Analysis of assets, liabilities and net assets)

Total assets increased ¥0.1 billion from the end of the previous consolidated fiscal year, to ¥1,226.5 billion, mainly due to increase in inventories, despite progress in depreciation and amortization of property, plant and equipment and intangible assets. Total liabilities decreased ¥9.0 billion from the end of the previous consolidated fiscal year, to ¥796.8 billion, mainly due to a decrease in notes and accounts payable - trade. In addition, net assets increased ¥9.1 billion from the end of the previous consolidated fiscal year, to ¥429.7 billion, mainly due to an increase in retained earnings caused by recording net income attributable to owners of parent.

3. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheet

(Millions of yen)

	Previous Fiscal Year as of December 31, 2024	Third Quarter of Current Fiscal Year as of September 30, 2025
Assets		
Current assets		
Cash and deposits	61,869	66,486
Notes and accounts receivable - trade	229,744	226,485
Merchandise and finished goods	169,546	187,101
Work in process	11,819	12,550
Raw materials and supplies	99,218	99,650
Other	40,229	35,636
Allowance for doubtful accounts	(4,919)	(4,998)
Total current assets	607,506	622,910
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	133,918	134,176
Machinery, equipment and vehicles, net	135,666	133,767
Tools, furniture and fixtures, net	16,446	14,082
Land	57,780	55,774
Construction in progress	20,330	19,472
Total property, plant and equipment	364,141	357,272
Intangible assets		
Goodwill	17,394	16,406
Software	14,142	12,012
Customer-related assets	10,676	10,304
Other	25,281	22,463
Total intangible assets	67,494	61,186
Investments and other assets		
Investment securities	60,085	59,235
Net defined benefit asset	88,774	90,021
Other	38,499	35,932
Allowance for doubtful accounts	(65)	(65)
Total investments and other assets	187,293	185,123
Total non-current assets	618,927	603,581
Total assets	1,226,433	1,226,490

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(Millions of yen)

	Previous Fiscal Year as of December 31, 2024	Third Quarter of Current Fiscal Year as of September 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	138,448	127,150
Short-term loans payable	81,253	131,799
Commercial papers	—	15,000
Current portion of bonds payable	10,000	5,000
Income taxes payable	4,485	3,573
Provision for bonuses	5,510	5,372
Other	93,375	102,439
Total current liabilities	333,071	390,334
Non-current liabilities		
Bonds payable	100,000	95,000
Long-term loans payable	277,617	216,200
Net defined benefit liability	32,898	32,711
Asset retirement obligations	9,618	9,952
Other	52,614	52,621
Total non-current liabilities	472,748	406,484
Total liabilities	805,819	796,818
Net assets		
Shareholders' equity		
Capital stock	96,557	96,557
Capital surplus	94,234	94,234
Retained earnings	187,008	199,243
Treasury shares	(1,498)	(1,503)
Total shareholders' equity	376,301	388,531
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,924	3,925
Deferred gains or losses on hedges	515	340
Foreign currency translation adjustment	34,587	31,887
Remeasurements of defined benefit plans	(13,907)	(14,177)
Total accumulated other comprehensive income	25,119	21,975
Non-controlling interests	19,194	19,167
Total net assets	420,615	429,673
Total liabilities and net assets	1,226,433	1,226,490

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(2) Quarterly Consolidated Statement of Income and Quarterly Consolidated Statement of Comprehensive Income

Quarterly Consolidated Statement of Income

(Millions of yen)

	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2025
Net sales	807,666	785,874
Cost of sales	637,677	611,808
Gross profit	169,989	174,065
Selling, general and administrative expenses		
Employees' salaries and allowances	51,703	51,556
Provision of allowance for doubtful accounts	779	740
Provision for bonuses	3,174	3,398
Retirement benefit expenses	133	254
Other	80,170	77,645
Total selling, general and administrative expenses	135,958	133,592
Operating income	34,031	40,473
Non-operating income		
Interest income	2,838	2,088
Dividends income	497	248
Equity in earnings of affiliates	2,231	2,375
Other	1,269	967
Total non-operating income	6,835	5,679
Non-operating expenses		
Interest expenses	6,834	4,816
Foreign exchange losses	3,895	5,114
Other	2,566	3,393
Total non-operating expenses	13,295	13,323
Ordinary income	27,571	32,829
Extraordinary income		
Gain on sales of shares and investments in capital of subsidiaries and affiliates	945	4,813
Insurance claim income	—	1,158
Gain on sales of non-current assets	3,836	1,035
Gain on sales of investment securities	91	380
Total extraordinary income	4,872	7,386
Extraordinary losses		
Severance costs	3,536	1,680
Loss on disposal of non-current assets	2,119	1,465
Provision for environmental measures	—	1,083
Loss on sales of shares and investments in capital of subsidiaries and affiliates	4,513	506
Impairment losses	175	225
Total extraordinary losses	10,342	4,960
Income before income taxes	22,101	35,255
Income taxes	10,701	12,980
Net income	11,399	22,274
Net income attributable to non-controlling interests	769	543
Net income attributable to owners of the parent	10,631	21,731

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Quarterly Consolidated Statement of Comprehensive Income

(Millions of yen)

	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2025
Net income	11,399	22,274
Other comprehensive income		
Valuation difference on available-for-sale securities	940	27
Deferred gains or losses on hedges	130	(175)
Foreign currency translation adjustment	(697)	(3,950)
Remeasurements of defined benefit plans	(1,952)	(257)
Share of other comprehensive income of affiliates accounted for using equity method	125	1,051
Total other comprehensive income	(1,455)	(3,303)
Comprehensive income	9,945	18,971
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	9,158	18,587
Comprehensive income attributable to non-controlling interests	787	385

(3) Notes to Quarterly Consolidated Financial Statements

(Notes on Going Concern Assumption)

Not applicable

(Notes on Significant Changes in Shareholder's Equity)

Not applicable

(Notes on Accounting Methods Which Are Exceptional for Quarterly Consolidated Financial Statements)

Calculation of Tax Expenses

Regarding tax expenses for some consolidated subsidiaries, the tax expenses are calculated by reasonably estimating the effective tax rate after the application of tax effect accounting to income before income taxes for the fiscal year including the nine months ended September 30, 2025, and multiplying income before income taxes by this estimated effective tax rate.

(Notes on Changes in Accounting Policies)

Adoption of Accounting Standard for Current Income Taxes, etc.

The Group has adopted the Accounting Standard for Current Income Taxes (ASBJ Statement No. 27, October 28, 2022, hereinafter referred to as the Revised Accounting Standard of 2022) and relevant ASBJ regulations effective as of the beginning of the first quarter of the current fiscal year.

Revisions related to the accounting classification of income taxes (taxation on other comprehensive income) are in accordance with the transitional treatment set forth in the proviso to paragraph 20-3 of the Revised Accounting Standard of 2022 and the transitional treatment set forth in the proviso to paragraph 65-2 (2) of the Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022, hereinafter referred to as the Revised Implementation Guidance of 2022). The change in accounting policy has no effect on the quarterly consolidated financial statements.

The Group has also adopted the Revised Implementation Guidance of 2022 effective as of the beginning of the first quarter of the current fiscal year for revisions related to the change in the treatment in consolidated financial statements when deferring, for tax purposes, gains or losses on sales of shares of subsidiaries and other securities arising from sales between consolidated companies. The change in accounting policy has been applied retrospectively, and the quarterly consolidated financial statements and the consolidated financial statements for the previous fiscal year are presented on a retrospective basis. The change in accounting policy has no effect on the quarterly consolidated financial statements and the consolidated financial statements of the previous fiscal year.

Adoption of Accounting for and Disclosure of Current Taxes Related to the Global Minimum Tax Rules

The Group has adopted the Accounting for and Disclosure of Current Taxes Related to the Global Minimum Tax Rules (ASBJ Practical Solution No. 46, March 22, 2024, hereinafter referred to as Practical Solution No. 46) effective as of the beginning of the first quarter of the current fiscal year.

Due to the adoption of paragraph 7 of Practical Solution No. 46, the consolidated financial statements for the nine months ended September 30, 2025 do not include income taxes related to the global minimum tax rules.

(Additional Information)

Board Benefit Trust (BBT)

With regard to the compensation for executive officers, as well as directors who concurrently serve as executive officers (the “Target Officers”), the Company introduced a new performance-based stock compensation plan called Board Benefit Trust (BBT) (the “Plan”) from the fiscal year ended December 31, 2017. The purpose of the Plan is to further clarify the linkage between the compensation of the Target Officers, and corporate performance and value of the Company’s shares. The intended result is strengthening the Executive Officers’ awareness of the importance of contributing to the medium- to long-term improvement of operating results, as well as to the enhancement of corporate value, and of sharing the same objectives as shareholders.

Accounting treatment related to the trust agreement is in accordance with “Practical Solution on Transactions of Delivering the Company’s Own Stock to Employees, etc., through Trusts” (Practical Issue Task Force (“PITF”) No. 30, March 26, 2015).

(1) Outline of the transactions

The trust established under the Plan acquires the Company’s shares by cash contributed by the Company. The trust provides shares of the Company and the cash equivalent to the market price of the shares of the Company (the “Company’s Shares and Cash Benefits”) to the Target Officers, in accordance with the Rules of Officer Share Benefit established by the Company. The Target Officers shall in principle receive the Company’s Shares and Cash Benefits upon their retirement.

(2) The Company’s shares remaining in the trust

The shares remaining in the trust are recorded under net assets as treasury shares at the book value in the trust (excluding incidental costs). The book value and number of such treasury shares are ¥ 829 million and 277 thousand as of December 31, 2024, respectively, and ¥ 829 million and 277 thousand as of September 30, 2025, respectively.

(Notes on Quarterly Consolidated Statement of Cash Flows)

Quarterly consolidated statement of cash flows is not prepared in the nine months ended September 30, 2025. Depreciation and amortization (including amortization related to intangible assets apart from goodwill) and amortization of goodwill are as follows:

	Nine months ended September 30, 2024 (From January 1, 2024 to September 30, 2024)	Nine months ended September 30, 2025 (From January 1, 2025 to September 30, 2025)
Depreciation and amortization	¥38,869 million	¥39,616 million
Amortization of goodwill	882	844

(Notes on Segment Information, etc.)

[Segment Information]

I. Nine months ended September 30, 2024 (From January 1, 2024 to September 30, 2024)

(1) Information about sales and profit (loss) for each reportable segment

(Millions of yen)

	Reportable segments				Others	Total
	Packaging & Graphic	Color & Display	Functional Products	Total		
Net sales:						
Sales to external customers	420,575	169,915	216,700	807,190	476	807,666
Intersegment sales and transfers	—	29,460	2,729	32,189	—	32,189
Total	420,575	199,375	219,429	839,379	476	839,855
Segment profit	23,231	902	16,252	40,384	283	40,667

(2) Information about assets by reportable segments

The Company transferred all shares held in consolidated subsidiary SEIKO PMC CORPORATION through the purchase of treasury stock by the latter in the first quarter (January-March 2024), and SEIKO PMC CORPORATION and seven other companies were excluded from the scope of consolidation. In line with this, the amount of segment assets of Functional Products has decreased by ¥50,298 million from the end of the previous fiscal year.

(3) Differences between total profit (loss) for reportable segments and operating income reported in the quarterly consolidated statement of income, and the breakdown of the main factors underlying these differences (note on adjusting for differences)

(Millions of yen)

Profit	Amount
Total reportable segments	40,384
Profit in “Others”	283
Corporate expenses	(6,636)
Operating income reported in the quarterly consolidated statement of income	34,031

(Note) Corporate expenses substantially consist of expenses incurred by new businesses and the DIC Central Research Laboratories, which are not included in any reportable segment.

(4) Information about impairment losses on non-current assets and goodwill by reportable segment

(Material impairment losses on non-current assets)

In the nine months ended September 30, 2024, the Company recorded impairment losses of ¥112 million in the Packaging & Graphic segment and ¥62 million in the Color & Display segment respectively.

ENGLISH TRANSLATION OF JAPANESE-LANGUAGE DOCUMENT

This is a translation of the original Japanese-language document and is provided for convenience only. In all cases, the Japanese-language original shall take precedence.

II. Nine months ended September 30, 2025 (From January 1, 2025 to September 30, 2025)

(1) Information about sales and profit (loss) for each reportable segment

(Millions of yen)

	Reportable segments				Others	Total
	Packaging & Graphic	Color & Display	Functional Products	Total		
Net sales:						
Sales to external customers	406,082	166,589	212,804	785,475	399	785,874
Intersegment sales and transfers	—	26,256	3,043	29,299	—	29,299
Total	406,082	192,845	215,847	814,775	399	815,174
Segment profit	21,298	6,900	16,897	45,095	47	45,143

(2) Differences between total profit (loss) for reportable segments and operating income reported in the quarterly consolidated statement of income, and the breakdown of the main factors underlying these differences (note on adjusting for differences)

(Millions of yen)

Profit	Amount
Total reportable segments	45,095
Profit in “Others”	47
Corporate expenses	(4,670)
Operating income reported in the quarterly consolidated statement of income	40,473

(Note) Corporate expenses substantially consist of expenses incurred by new businesses and the DIC Central Research Laboratories, which are not included in any reportable segment.

(3) Information about impairment losses on non-current assets and goodwill by reportable segment

(Material impairment losses on non-current assets)

In the nine months ended September 30, 2025, the Company recorded impairment losses of ¥157 million in the “Others” segment and ¥68 million in the “Corporate” segment respectively.

(4) Matters Related to Changes, etc. in Reportable Segments

Beginning from the first quarter of the current fiscal year, certain segments of a consolidated subsidiary previously included in “Packaging & Graphic” segment were recategorized into “Functional Products” segment in accordance with a partial review of management classifications within the Group. In addition, certain expenses previously included in “Corporate expenses” that did not belong to any reportable segment were recategorized into “Packaging & Graphic” segment and “Functional Products” segment.

Segment information for the nine months ended September 30, 2024 has been prepared and disclosed based on the revised measurement method.