

ENGLISH TRANSLATION OF JAPANESE-LANGUAGE DOCUMENT

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Color & Comfort



MEMBERSHIP

Consolidated Financial Results for the Three Months Ended March 31, 2025 (Japan GAAP)

(The fiscal year ending December 31, 2025)

May 15, 2025
Stock Exchange: Tokyo
Head Office: Tokyo
Tel: +81 (3) 6733-3000

Company Name: DIC Corporation

Listing Code Number: 4631

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

Representative: Takashi Ikeda, Representative Director, President and CEO Dividend Payment: —

Contact Person: Shigeki Takata, General Manager, Accounting Department

Preparation of Supplemental Explanatory Materials: Yes

Holding of Quarterly Financial Results Meeting: Yes (for security analysts and institutional investors, etc.)

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

1. Consolidated Financial Results for the Three Months Ended March 31, 2025 (January 1, 2025 - March 31, 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)	%
Three months ended March 31, 2025	262,111	2.5	13,057	54.0	9,881	48.6	6,099	—
Three months ended March 31, 2024	255,788	0.2	8,477	41.7	6,648	45.3	(2,778)	—

Note: Comprehensive income (JPY million): Three months ended March 31, 2025 (7,394) (—%)

Three months ended March 31, 2024 18,227 (237.3%)

	Earnings per share (basic)	Earnings per share (diluted)
	JPY	JPY
Three months ended March 31, 2025	64.41	—
Three months ended March 31, 2024	(29.35)	—

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio to total assets
	JPY (million)	JPY (million)	%
As of March 31, 2025	1,210,897	408,340	32.2
As of December 31, 2024	1,226,433	420,615	32.7

Reference: Shareholders' equity (JPY million): As of March 31, 2025 389,424 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	—	—	—	—	—
FY2025(Plan)	—	50.00	—	50.00	100.00

Note: Revision of the latest 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
First half of FY2025	550,000	2.1	23,000	4.8	22,000	9.8	10,000	55.9	105.62
FY2025	1,110,000	3.6	48,000	7.8	44,000	16.1	24,000	12.6	253.48

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

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Notes

(1) Significant changes in the scope of consolidation during the three months ended March 31, 2025: None

Newly included: — (Company name) — Excluded: — (Company name) —

(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 March 31, 2025	95,156,904 shares,	As of December 31, 2024	95,156,904 shares
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2) Number of treasury shares at the end of the period

As of March 31, 2025	475,500 shares,	As of December 31, 2024	474,948 shares
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3) Average number of shares issued during the period, excluding treasury shares

For the three months ended March 31, 2025	94,681,704 shares,	For the three months ended March 31, 2024	94,667,944 shares
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* 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)

	Three months ended March 31, 2024	Three months ended March 31, 2025	Change (%)	Change (%) [Local currency basis]
Net sales	255.8	262.1	2.5%	2.4%
Operating income	8.5	13.1	54.0%	58.5%
Ordinary income	6.6	9.9	48.6%	—
Net income attributable to owners of the parent	(2.8)	6.1	Into the black	—
EBITDA *	13.0	24.4	87.3%	—
¥/US\$1.00 (Average rate)	147.58	152.46	3.3%	—
¥/EUR1.00 (Average rate)	160.12	160.52	0.2%	—

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

In the three months ended March 31, 2025, consolidated net sales rose 2.5%, to ¥262.1 billion. Looking at key global economies in recent months, the outlook in the Americas and Europe is showing heightened uncertainty, as consumer spending and other key indicators weaken amid concerns regarding the imposition of increased tariffs, while in the People's Republic of China (PRC) a protracted real estate slump and trade friction with the United States is casting a cloud over consumer spending and investment trend forecasts. Against such a backdrop, demand trends in core customer industries diverged in the period under review. In the area of digital materials, used principally in electrical and electronics equipment and in displays, the display market saw stable operating rates among display manufacturers and the semiconductor market continued to be driven by demand for use in generative AI, among others, although a full-scale revival in demand for general-purpose products remained elusive. In industrial materials,* used primarily in mobility solutions, no sudden shift was seen in demand in the automobile market, but the potential impact of a tariff hike was a cause of significant anxiety. In this environment, shipments varied for different products. In the Color & Display segment, shipments of pigments for color filters, a high-value-added product, climbed sharply from the first quarter of fiscal year 2024 (January–March 2024), while those of pigments for plastics were firm. The Functional Products segment reported firm shipments of high-value-added products for use in electronics equipment. In the Packaging & Graphic segment, shipments of jet inks—used in digital printing—expanded, particularly for commercial printing applications.

Operating income advanced 54.0%, to ¥13.1 billion. This was due mainly to higher sales in the Color & Display segment, bolstered by a recovery in market conditions, as well as to a return to profitability overseas after an operating loss in the corresponding period of the previous fiscal year, as ongoing structural reforms in the pigments business in the United States and Europe, which pushed down costs.

Ordinary income, at ¥9.9 billion, was up 48.6%.

Net income attributable to owners of the parent was ¥6.1 billion, up from a loss attributable to owners of the parent of ¥2.8 billion from the same period of the fiscal year 2024. This reflected multiple factors, including a steep decrease in extraordinary losses from the previous period, when extraordinary losses soared as a consequence of escalating severance costs arising from restructuring measures, and a loss on sale of shares and investment in capital of subsidiaries and affiliates, led to a net loss attributable to owners of the parent.

Earnings before interest, taxes, depreciation and amortization (EBITDA) soared 87.3%, to ¥24.4 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 (losses)			
	Three months ended March 31, 2024	Three months ended March 31, 2025	Change (%)	Change (%) [Local currency basis]	Three months ended March 31, 2024	Three months ended March 31, 2025	Change (%)	Change (%) [Local currency basis]
Packaging & Graphic	134.5	134.0	-0.3%	0.3%	6.8	6.7	-1.1%	4.3%
Color & Display	63.5	68.9	8.6%	7.8%	(0.5)	2.8	Into the black	Into the black
Functional Products	68.1	70.8	4.0%	3.0%	4.2	5.1	22.0%	20.0%
Others, Corporate and eliminations	(10.2)	(11.6)	—	—	(2.0)	(1.6)	—	—
Total	255.8	262.1	2.5%	2.4%	8.5	13.1	54.0%	58.5%

Note: Effective from the three months ended March 31, 2025, 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 three months ended March 31, 2024 have been restated.

Packaging & Graphic

	Three months ended March 31, 2024	Three months ended March 31, 2025	Change (%)	Change (%) [Local currency basis]
Net sales	¥134.5 billion	¥134.0 billion	-0.3%	0.3%
Operating income	¥6.8 billion	¥6.7 billion	-1.1%	4.3%

Segment sales slipped 0.3%, to ¥134.0 billion. On a local currency basis, however, sales rose 0.3%. In the area of packaging inks, used chiefly on packaging for food products, sales declined in Asia, as both shipments and sales prices faced an uphill battle as a result of various factors, including sluggish market conditions and pricing competition. Nonetheless, overall sales of these products were up, bolstered by increases in Japan, as well as in the Americas and Europe, thanks to efforts to adjust sales prices. Sales of publication inks, which center on inks for commercial printing and news inks, fell, with dwindling demand pushing down shipments worldwide, notably in the Americas and Europe. Sales of jet inks, used in digital printing, advanced significantly, as shipments expanded, mainly for commercial printing applications, in line with market growth underpinned by a continuing shift to digital printing.

Segment operating income edged down 1.1%, to ¥6.7 billion. On a local currency basis, however, operating income was up 4.3%. Operating income in Japan decreased, as steps taken to modify sales prices for packaging inks and publication inks were insufficient to counter elevated costs. Despite tumbling in Asia as a consequence of flagging sales, operating income overseas rose, buttressed by gains in the Americas and Europe attributable to ongoing efforts to maintain sales prices by ensuring stable supplies and services, which countered the impact of exchange rate fluctuations arising from the depreciation of emerging market currencies.

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Color & Display

	Three months ended March 31, 2024	Three months ended March 31, 2025	Change (%)	Change (%) [Local currency basis]
Net sales	¥63.5 billion	¥68.9 billion	8.6%	7.8%
Operating income	¥(0.5) billion	¥2.8 billion	Into the black	Into the black

Segment sales rose 8.6%, to ¥68.9 billion. Sales of pigments for coatings expanded, notwithstanding deteriorating shipments, thanks to efforts to improve the product mix and revise product prices. Sales of pigments for plastics were firm, owing to steady demand overall and an increase in shipments, as well as by moves to modify sales prices. Among high-value-added products, shipments of pigments for color filters, used in displays, climbed sharply year on year, reflecting stable operating rates among display manufacturers. Shipments of pigments for cosmetics declined, hindered by listless demand from cosmetics manufacturers in the Americas and Europe, the principal customers for these products, and other factors. In pigments for specialty applications, shipments of products used in building materials were solid, while those of products for agricultural use advanced, boosted by signs of a market rally.

The segment reported operating income of ¥2.8 billion, as sales remained steady amid a market recovery and ongoing structural reforms in the pigments business in the United States and Europe helped trim costs, underpinning a return to profitability overseas.

Functional Products

	Three months ended March 31, 2024	Three months ended March 31, 2025	Change (%)	Change (%) [Local currency basis]
Net sales	¥68.1 billion	¥70.8 billion	4.0%	3.0%
Operating income	¥4.2 billion	¥5.1 billion	22.0%	20.0%

Segment sales increased 4.0%, to ¥70.8 billion. Despite inventory adjustments for certain epoxy resins, the foremost application for which is electronics equipment, notably semiconductors, sales of digital materials were up, bolstered by solid shipments. Sales of industrial-use adhesive tapes, used mainly in smartphones and other mobile devices, rose as broader adoption and other factors pushed up demand. In the area of industrial materials, no sudden shift was seen in demand in the automobile market, but sales of products for mobility solutions were firm, owing to, among others, success in maintaining level shipments of polyphenylene sulfide (PPS) compounds.

Segment operating income climbed 22.0%, to ¥5.1 billion. Factors behind this included higher sales 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 the First Half of Fiscal Year 2025 and Fiscal Year 2025

(Billions of yen)

	First half of FY2024	First half of FY2025	Change (%)	FY2024	FY2025	Change (%)
Net sales	538.8	550.0	2.1%	1,071.1	1,110.0	3.6%
Operating income	21.9	23.0	4.8%	44.5	48.0	7.8%
Ordinary income	20.0	22.0	9.8%	37.9	44.0	16.1%
Net income attributable to owners of the parent	6.4	10.0	55.9%	21.3	24.0	12.6%
EBTIDA	43.8	—	—	95.7	102.0	6.6%

Note: Forecasts are unchanged from those published on February 12, 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 decreased ¥15.5 billion from the end of the previous fiscal year, to ¥1,210.9 billion, mainly due to the impact of decrease in yen equivalent caused by exchange rate fluctuations. Total liabilities decreased ¥3.3 billion from the previous fiscal year to ¥802.6 billion, mainly due to the impact of decrease in yen equivalent caused by exchange rate fluctuations outweighed the increase in interest-bearing debt. In addition, net assets decreased ¥12.3 billion from the previous fiscal year to ¥408.3 billion, mainly due to a decrease in foreign currency translation adjustment.

3. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheet

(Millions of yen)

	Previous Fiscal Year as of December 31, 2024	First Quarter of Current Fiscal Year as of March 31, 2025
Assets		
Current assets		
Cash and deposits	61,869	61,718
Notes and accounts receivable - trade	229,744	226,269
Merchandise and finished goods	169,546	177,715
Work in process	11,819	12,398
Raw materials and supplies	99,218	97,512
Other	40,229	40,340
Allowance for doubtful accounts	(4,919)	(4,863)
Total current assets	607,506	611,089
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	133,918	129,292
Machinery, equipment and vehicles, net	135,666	130,748
Tools, furniture and fixtures, net	16,446	15,521
Land	57,780	56,604
Construction in progress	20,330	21,324
Total property, plant and equipment	364,141	353,489
Intangible assets		
Goodwill	17,394	16,535
Software	14,142	13,484
Customer-related assets	10,676	10,209
Other	25,281	23,621
Total intangible assets	67,494	63,849
Investments and other assets		
Investment securities	60,085	57,002
Net defined benefit asset	88,774	88,837
Other	38,499	36,696
Allowance for doubtful accounts	(65)	(65)
Total investments and other assets	187,293	182,469
Total non-current assets	618,927	599,807
Total assets	1,226,433	1,210,897

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Quarterly Consolidated Balance Sheet

(Millions of yen)

	Previous Fiscal Year as of December 31, 2024	First Quarter of Current Fiscal Year as of March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	138,448	140,175
Short-term loans payable	81,253	99,300
Commercial papers	—	15,000
Current portion of bonds payable	10,000	10,000
Income taxes payable	4,485	3,302
Provision for bonuses	5,510	5,203
Other	93,375	88,427
Total current liabilities	333,071	361,407
Non-current liabilities		
Bonds payable	100,000	100,000
Long-term loans payable	277,617	248,166
Net defined benefit liability	32,898	32,475
Asset retirement obligations	9,618	9,403
Other	52,614	51,106
Total non-current liabilities	472,748	441,150
Total liabilities	805,819	802,556
Net assets		
Shareholders' equity		
Capital stock	96,557	96,557
Capital surplus	94,234	94,234
Retained earnings	187,008	188,359
Treasury shares	(1,498)	(1,500)
Total shareholders' equity	376,301	377,650
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,924	3,752
Deferred gains or losses on hedges	515	553
Foreign currency translation adjustment	34,587	20,888
Remeasurements of defined benefit plans	(13,907)	(13,419)
Total accumulated other comprehensive income	25,119	11,774
Non-controlling interests	19,194	18,916
Total net assets	420,615	408,340
Total liabilities and net assets	1,226,433	1,210,897

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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)

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2025
Net sales	255,788	262,111
Cost of sales	203,416	203,793
Gross profit	52,372	58,319
Selling, general and administrative expenses		
Employees' salaries and allowances	16,948	17,040
Provision of allowance for doubtful accounts	132	145
Provision for bonuses	989	1,075
Retirement benefit expenses	92	195
Other	25,734	26,806
Total selling, general and administrative expenses	43,895	45,262
Operating income	8,477	13,057
Non-operating income		
Interest income	1,296	626
Dividends income	193	71
Foreign exchange gains	163	—
Other	538	453
Total non-operating income	2,189	1,150
Non-operating expenses		
Interest expenses	2,603	1,546
Foreign exchange losses	—	1,720
Equity in losses of affiliates	101	273
Other	1,315	787
Total non-operating expenses	4,019	4,326
Ordinary income	6,648	9,881
Extraordinary income		
Gain on sales of non-current assets	—	613
Gain on sales of shares and investments in capital of subsidiaries and affiliates	—	310
Total extraordinary income	—	923
Extraordinary losses		
Loss on disposal of non-current assets	410	389
Severance costs	2,323	361
Loss on sales of shares and investments in capital of subsidiaries and affiliates	4,513	—
Impairment losses	125	—
Total extraordinary losses	7,371	750
Income (loss) before income taxes	(723)	10,053
Income taxes	1,758	3,811
Net income (loss)	(2,481)	6,242
Net income attributable to non-controlling interests	298	144
Net income (loss) attributable to owners of the parent	(2,778)	6,099

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Quarterly Consolidated Statement of Comprehensive Income

(Millions of yen)

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2025
Net income (loss)	(2,481)	6,242
Other comprehensive income		
Valuation difference on available-for-sale securities	1,226	(190)
Deferred gains or losses on hedges	68	38
Foreign currency translation adjustment	22,399	(13,844)
Remeasurements of defined benefit plans	(2,485)	504
Share of other comprehensive income of affiliates accounted for using equity method	(500)	(144)
Total other comprehensive income	20,708	(13,636)
Comprehensive income	18,227	(7,394)
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	17,608	(7,246)
Comprehensive income attributable to non-controlling interests	619	(148)

(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 three months ended March 31, 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 for the previous quarter 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 first quarter do not include income taxes related to the global minimum tax rules.

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(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 the 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 March 31, 2025, respectively.

(Notes on Quarterly Consolidated Statement of Cash Flows)

Quarterly consolidated statement of cash flows is not prepared in the three months ended March 31, 2025. Depreciation and amortization (including amortization related to intangible assets apart from goodwill) and amortization of goodwill are as follows:

	Three months ended March 31, 2024 (From January 1, 2024 to March 31, 2024)	Three months ended March 31, 2025 (From January 1, 2025 to March 31, 2025)
Depreciation and amortization	¥12,459 million	¥13,298 million
Amortization of goodwill	289	288

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(Notes on Segment Information, etc.)

[Segment Information]

I. Three months ended March 31, 2024 (From January 1, 2024 to March 31, 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	134,456	53,908	67,280	255,643	145	255,788
Intersegment sales and transfers	—	9,551	803	10,354	—	10,354
Total	134,456	63,458	68,082	265,997	145	266,142
Segment profit (loss)	6,766	(490)	4,195	10,472	97	10,568

(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 financial statements, and the breakdown of the main factors underlying these differences (note on adjusting for differences)

(Millions of yen)

Profit	Amount
Total reportable segments	10,472
Profit in “Others”	97
Corporate expenses	(2,092)
Operating income reported in the quarterly consolidated financial statements	8,477

(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 three months ended March 31, 2024, the Company recorded impairment losses of ¥97 million in the Packaging & Graphic segment and ¥28 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. Three months ended March 31, 2025 (From January 1, 2025 to March 31, 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	134,001	58,095	69,817	261,913	199	262,111
Intersegment sales and transfers	—	10,851	992	11,843	—	11,843
Total	134,001	68,946	70,809	273,756	199	273,955
Segment profit	6,695	2,812	5,119	14,626	19	14,645

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

(Millions of yen)

Profit	Amount
Total reportable segments	14,626
Profit in “Others”	19
Corporate expenses	(1,588)
Operating income reported in the quarterly consolidated financial statements	13,057

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

Beginning from the three months ended March 31, 2025, 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 three months ended March 31, 2024 has been prepared and disclosed based on the revised measurement method.