

# Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 [Japanese GAAP]



May 14, 2026

Company name: TOPPAN Holdings Inc.

Stock exchange listing: Tokyo Stock Exchange

Code number: 7911

URL: <https://www.holdings.toppan.com/en/>

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Scheduled date of Annual General Meeting of Shareholders: June 26, 2026

Scheduled date of commencing dividend payments: June 30, 2026

Scheduled date of filing annual securities report: June 24, 2026

Availability of supplementary briefing material on annual financial results: Available

Schedule of annual financial results briefing session: Scheduled (for securities analysts and institutional investors)

(Amounts of less than one million yen are rounded down.)

## 1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (April 1, 2025 to March 31, 2026)

### (1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended								
March 31, 2026	1,805,033	5.0	67,108	(21.1)	75,724	(15.5)	64,801	(28.1)
March 31, 2025	1,719,512	—	85,066	—	89,578	—	90,144	—

(Note) Comprehensive income: Fiscal year ended March 31, 2026: ¥105,230 million [—%]

Fiscal year ended March 31, 2025: ¥1,718 million [—%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets	Operating profit to net sales
	Yen	Yen	%	%	%
Fiscal year ended					
March 31, 2026	227.07	—	4.9	3.0	3.7
March 31, 2025	298.62	—	6.7	3.6	4.9

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2026: ¥7,913 million

Fiscal year ended March 31, 2025: ¥2,073 million

	EBITDA		Non-GAAP operating profit		Non-GAAP profit attributable to owners of parent		Non-GAAP return on equity
	Million yen	%	Million yen	%	Million yen	%	%
Fiscal year ended							
March 31, 2026	154,858	(6.9)	94,177	(3.5)	71,274	5.9	5.4
March 31, 2025	166,339	—	97,615	—	67,288	—	5.0

(Note) EBITDA is a profit indicator that indicates cash generating ability, obtained by adjusting operating profit for “depreciation of property, plant and equipment” and “amortization of goodwill and intangible assets.”

Non-GAAP operating profit is a profit indicator that indicates the ability to generate earnings from the core business, obtained by adjusting operating profit for one-time expenses or expenses with little relationship to the core business, such as “amortization of goodwill and intangible assets related to acquisitions,” “M&A-related expenses,” and “stock compensation-related expenses.”

Non-GAAP profit attributable to owners of parent is a profit indicator obtained by adjusting profit attributable to owners of parent for “amortization of goodwill and intangible assets related to acquisitions,” “M&A-related expenses,” “stock compensation-related expenses,” “restructuring-related expenses,” “gain or loss on sale of investment securities,” and other related tax expenses and non-controlling interests.

(Note) Figures for the fiscal year ended March 31, 2025 have been retrospectively adjusted due to changes in accounting policies, and those calculated retrospectively are presented. Accordingly, changes from the previous corresponding period are not presented.

## (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
March 31, 2026	2,558,184	1,410,067	52.3	4,742.83
March 31, 2025	2,515,087	1,418,608	51.4	4,471.44

(Reference) Equity: As of March 31, 2026: ¥1,337,193 million As of March 31, 2025: ¥1,293,555 million

## (3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2026	86,122	(382,156)	(28,933)	411,178
March 31, 2025	66,330	45,876	121,508	753,125

(Note) Figures for the fiscal year ended March 31, 2025 have been retrospectively adjusted due to changes in accounting policies, and those calculated retrospectively are presented.

## 2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
March 31, 2025	—	24.00	—	32.00	56.00	16,678	18.8	1.2
March 31, 2026	—	28.00	—	30.00	58.00	16,640	25.5	1.3
Fiscal year ending March 31, 2027 (Forecast)	—	29.00	—	29.00	58.00		29.2	

(Note) Figures for the fiscal year ended March 31, 2025 have been retrospectively adjusted due to changes in accounting policies, and those calculated retrospectively are presented.

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2027 (April 1, 2026 to March 31, 2027)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
Full year	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	1,925,000	6.6	80,000	19.2	83,500	10.3	55,000	(15.1)	198.57

  

	EBITDA		Non-GAAP operating profit		Non-GAAP profit attributable to owners of parent	
Full year	Million yen	%	Million yen	%	Million yen	%
	175,000	13.0	101,000	7.2	75,000	5.2

(Note) As it is difficult to make a reasonable estimate of the impact of the recent situation in the Middle East on the Company's business performance at this time, it has not been incorporated into this forecast. If any events arise that are deemed to have a significant impact on our performance, such information will be promptly disclosed.

**\* Notes:**

- (1) Significant changes in the scope of consolidation during the period: Yes  
Newly included: 27 companies (TOPPAN Packaging USA Inc. and 26 other companies)  
Excluded: 14 companies (Tekscend Photomask Corp. and 13 other companies)  
(Note) For details, please refer to “Business Combinations, Etc.” on page 25.
  
- (2) Changes in accounting policies, changes in accounting estimates and retrospective restatement
  - 1) Changes in accounting policies due to the revision of accounting standards: No
  - 2) Changes in accounting policies other than 1) above: Yes
  - 3) Changes in accounting estimates: No
  - 4) Retrospective restatement: No
  
- (3) Total number of issued shares (common shares)
  - 1) Total number of issued shares at the end of the period (including treasury shares):  
March 31, 2026: 294,706,240 shares  
March 31, 2025: 318,706,240 shares
  
  - 2) Total number of treasury shares at the end of the period:  
March 31, 2026: 12,766,325 shares  
March 31, 2025: 29,413,723 shares
  
  - 3) Average number of shares during the period:  
Fiscal year ended March 31, 2026: 285,384,016 shares  
Fiscal year ended March 31, 2025: 301,870,021 shares

(Note) The number of treasury shares subtracted for calculating the total number of treasury shares at the end of the period and the average number of shares during the period includes the Company’s shares owned by the ESOP trust.

(Reference) Summary of Non-consolidated Financial Results

**Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (April 1, 2025 to March 31, 2026)**

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2026	80,159	14.5	21,272	77.1	15,218	20.5	34,096	(49.8)
March 31, 2025	69,998	(82.3)	12,011	301.4	12,623	(55.2)	67,886	10.3

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2026	118.73	—
March 31, 2025	223.50	—

(2) Non-consolidated Financial Position

As of	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
March 31, 2026	1,564,443	913,250	58.4	3,220.84
March 31, 2025	1,590,820	934,587	58.7	3,210.52

(Reference) Equity: As of March 31, 2026: ¥913,250 million As of March 31, 2025: ¥934,587 million

\* These consolidated financial results are outside the scope of audit by certified public accountants or audit firms.

\* Explanation of the proper use of financial results forecast and other notes

The earnings forecasts and other forward-looking statements herein are based on certain assumptions relating to economic situations and market trends deemed reasonable as of the date of publication of this document. Actual results may differ significantly from these forecasts due to a wide range of factors.

For matters regarding the financial results forecast, please refer to “Future Outlook” on page 6.

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## 1. Overview of Operating Results, Etc.

Effective from the beginning of the consolidated fiscal year under review, the Company changed the method of currency conversion into Japanese yen for income and expenses of foreign subsidiaries and associates from the method that applies the spot exchange rate on the financial closing date to the method that applies the average exchange rate during the period. Comparisons with the previous consolidated fiscal year are made using figures after retrospective application.

### (1) Overview of Operating Results

(Profit margin) (Millions of yen)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended March 31, 2026	1,805,033		(3.7%)	67,108	(4.2%)	75,724	(3.6%)	64,801
Fiscal year ended March 31, 2025	1,719,512		(4.9%)	85,066	(5.2%)	89,578	(5.2%)	90,144
Year-on-year change (% and amount)	5.0%	85,521	(21.1)%	(17,957)	(15.5)%	(13,853)	(28.1)%	(25,342)

(Profit margin) (Millions of yen)

		Information & Communication		Living & Industry		Electronics		Adjustment	Consolidated
Fiscal year ended March 31, 2026	Net sales		923,295		723,000		186,310	(27,573)	1,805,033
	Operating profit	(4.9%)	45,001	(4.6%)	33,053	(18.1%)	33,693	(44,639)	67,108
Fiscal year ended March 31, 2025	Net sales		925,529		550,114		283,360	(39,492)	1,719,512
	Operating profit	(4.9%)	45,504	(6.1%)	33,411	(18.7%)	53,063	(46,913)	85,066
Year-on-year change (% and amount)	Net sales	(0.2)%	(2,233)	31.4%	172,886	(34.2)%	(97,050)	11,918	85,521
	Operating profit	(1.1)%	(502)	(1.1)%	(358)	(36.5)%	(19,370)	2,273	(17,957)

During the fiscal year under review (from April 1, 2025 to March 31, 2026), the business outlook remained uncertain given the emergence of geopolitical risks, persistent inflation worldwide and foreign exchange fluctuations. Meanwhile, public awareness of sustainability increased, and advances in digital technologies including artificial intelligence (AI) and Internet of Things (IoT) technologies led to growth in the semiconductor market. Factors including those mentioned above are expected to further increase market opportunities.

Amid this environment, under the key concept of “Digital & Sustainable Transformation,” the Group developed its operations worldwide mainly through digital transformation (DX), which uses digital technologies as a starting point to transform society and the business of customers and the TOPPAN Group, and sustainable transformation (SX), which aims for management focused on sustainability together with the resolution of social issues through business.

As a result, for the fiscal year ended March 31, 2026, net sales increased by 5.0% from the previous year to ¥1,805.0 billion. Operating profit decreased by 21.1% to ¥67.1 billion. Ordinary profit decreased by 15.5% to ¥75.7 billion. Profit attributable to owners of parent was down 28.1% to ¥64.8 billion.

Trends by business segment during the fiscal year ended March 31, 2026 are as follows.

## **Information & Communication**

In the digital business, sales rose, reflecting the positive impact of the acquisition in January 2025 of the Citizen Identity Solutions (CID) business of HID, which is a leading government identity solutions company based in northern Europe, and the acquisition of dzcard Group, an entity based in Thailand that provides smart card solutions across Asia, as well as expansion of government identity solutions in the security business, including countries in Africa and other regions of the Global South, in addition to increased sales in the marketing DX business, which includes business transformation support tailored to the characteristics of customers' industries.

In the business process outsourcing (BPO) business, sales declined in the absence of one-time projects handled in the previous fiscal year, despite the acquisition of new projects, particularly in the financial and government sectors.

Sales in the secure media business increased owing to growth in data printing services.

In the communication media business, sales decreased due to declines in publication and commercial printing. Publication printing operations were consolidated into TOPPAN Colorer Inc., resulting in enhanced profitability of the business. The Company is promoting further structural reforms including the integration of business form sites.

As a result, net sales in the Information & Communication segment decreased by 0.2% from the previous year to ¥923.2 billion, and operating profit decreased by 1.1% to ¥45.0 billion.

## **Living & Industry**

In the packaging business, amidst the full-scale shift toward environmentally friendly packaging materials as the Packaging and Packaging Waste Regulation (PPWR) came into effect in the EU in February 2025, the Company is strengthening the global supply system for SX packaging, including barrier film manufacturing. Overseas sales increased, reflecting the impact of the acquisition of the thermoformed and flexible packaging business from Sonoco Products Company and the acquisition of Ioplast S.p.A., a seller of high-environmental-performance films, in addition to expansion of sales of packaging for food and other applications and mono-material GL BARRIER transparent barrier films following the start of full-scale operations at the new plant in the Czech Republic. In Japan, sales of SX packaging employing films manufactured using recycled materials marketed under the sustainable brand "SMARTS" grew, resulting in increased sales in this business as a whole.

In the décor materials business, overseas, the Company expanded sales of decorative sheets in Europe and North America and cultivated markets in emerging countries, while in Japan, the Company expanded sales of environmentally friendly decorative sheets and the "expace" brand for spatial design, resulting in increased sales in this business as a whole. Furthermore, in order to expand the spatial design business, we acquired Arrowers Corp., a company with a proven track record in office design and construction, in January 2026.

As a result, net sales in the Living & Industry segment increased by 31.4% from the previous year to ¥723.0 billion, and operating profit decreased by 1.1% to ¥33.0 billion.

## Electronics

In the semiconductor business, against a backdrop of advancements in AI and other digital technologies and the resulting growth of the semiconductor market, we have acquired multiple customer qualifications for our advanced FC-BGAs, a high-density semiconductor packaging substrates, and demand for telecommunications-related applications has also increased. To further strengthen competitiveness, the Company is preparing for the startup of a pilot production line for advanced semiconductor packaging at the Ishikawa Plant, which is a new site for technology development and mass production. In addition, to meet the demand for large-scale, multilayer, high-end products for cutting-edge semiconductors, we have constructed a new manufacturing line at our Niigata Plant, which is our production base for FC-BGA substrates, and commenced operations. Furthermore, to contribute to technological advancement and create new business opportunities, the Company is participating in US-JOINT, a U.S.-Japan consortium, and is promoting the creation of a platform for the evaluation of advanced semiconductor packaging and the development of cutting-edge technologies in the United States.

Overall sales for this business decreased due to the transition of Tekscend Photomask Corp. to an equity-method associate, although sales increased when excluding this factor.

In the display-related business, sales decreased, affected partly by right-sizing of customers' inventories of anti-reflective films and the transition of Giantplus Technology Co., Ltd. to an equity-method associate.

As a result, net sales for the Electronics segment decreased by 34.2% year on year to ¥186.3 billion, and operating profit decreased by 36.5%, to ¥33.6 billion.

## (2) Overview of Financial Position

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Change
Total assets	2,515,087	2,558,184	43,096
Liabilities	1,096,479	1,148,116	51,637
Net assets	1,418,608	1,410,067	(8,540)

Total assets as of the end of the fiscal year under review increased by ¥43.0 billion from the end of the previous fiscal year, to ¥2,558.1 billion. This is attributable mainly to increases of ¥112.7 billion in other under intangible assets, ¥81.4 billion in goodwill, ¥38.7 billion in notes and accounts receivable – trade, and contract assets, ¥29.4 billion in investment securities, ¥28.4 billion in machinery, equipment and vehicles, ¥17.6 billion in merchandise and finished goods, ¥17.1 billion in raw materials and supplies, and ¥16.4 billion in buildings and structures, despite a decrease of ¥330.1 billion in cash and deposits.

Liabilities increased by ¥51.6 billion from the end of the previous fiscal year, to ¥1,148.1 billion. This primarily reflects increases of ¥140.3 billion in long-term borrowings, ¥80.0 billion in bonds payable, and ¥72.0 billion in deposits received, which is included in other under current liabilities, despite decreases of ¥187.6 billion in short-term borrowings and ¥57.6 billion in income taxes payable.

Net assets decreased by ¥8.5 billion from the end of the previous fiscal year to ¥1,410.0 billion. This is attributable to decreases of ¥56.7 billion in retained earnings and ¥52.1 billion in non-controlling interests, despite a decrease of ¥69.0 billion in treasury shares and an increase of ¥35.4 billion in foreign currency translation adjustment.

### (3) Overview of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Change
Cash flow from operating activities	66,330	86,122	19,792
Cash flow from investing activities	45,876	(382,156)	(428,032)
Cash flow from financing activities	121,508	(28,933)	(150,441)
Foreign currency translation adjustments on cash and cash equivalents	(3,407)	13,728	17,135
Increase (decrease) in cash and cash equivalents	230,307	(311,238)	(541,546)
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	—	(30,708)	(30,708)
Cash and cash equivalents at end of period	753,125	411,178	(341,947)

Cash and cash equivalents as of the end of the fiscal year decreased by ¥341.9 billion from the end of the previous fiscal year to ¥411.1 billion. The status of each cash flow for the fiscal year under review is as follows.

Net cash provided by operating activities was ¥86.1 billion, after adjusting for non-cash items such as depreciation, and changes in operating receivables and payables, based on the operating profit before income taxes of ¥105.3 billion.

Net cash used in investing activities was ¥382.1 billion as a result of the purchase of shares of subsidiaries resulting in change in scope of consolidation, capital investment and other cash outflows that exceeded proceeds from sale and redemption of investment securities.

Net cash used in financing activities was ¥28.9 billion due to purchase of treasury shares, repayments of long-term borrowings and dividends paid that exceeded proceeds from issuance of bonds.

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Equity ratio (%)	58.2	51.4	52.3
Equity ratio based on market value (%)	50.0	46.6	45.2
Period of debt repayment (years)	1.3	7.0	5.7
Interest coverage ratio	29.4	12.5	12.7

(Notes) Equity ratio: Shareholders' equity / Total assets

Equity ratio based on fair value: Market capitalization / Total assets

Years of debt redemption: Interest-bearing debt / Cash flows from operating activities

\*Interest coverage ratio: Cash flows from operating activities / Interest payment

\*Each indicator is calculated based on consolidated financial data.

\*Market capitalization is the closing stock price at the end of the fiscal year multiplied by the number of shares outstanding (treasury shares and the Company's shares owned by the ESOP trust are not included) at the end of the fiscal year.

\*Operating cash flow is cash flows from operating activities in the Consolidated Statements of Cash Flows.

\*Interest-bearing debt is all liabilities posted in the Consolidated Balance Sheets for which interest is paid.

\*Interest payment is interest paid posted in the Consolidated Statements of Cash Flows.

\*We have restated figures for the fiscal year ended March 31, 2025 due to a change in accounting policy. The figures post-restatement are as presented above.

#### (4) Future Outlook

Regarding the business environment in the fiscal year ending March 31, 2027, the Company must continue to closely monitor factors such as raw material price increases and concerns over their supply due to the situation in Iran, fluctuations in exchange rates, the need to address sustainability issues throughout the entire supply chain, including decarbonization and resource circularity, and the slowdown in economic growth caused by the declining domestic population and labor shortages. In addition, the acceleration of the social implementation of next-generation digital technologies, including AI, and the structural growth of the AI semiconductor and digital infrastructure markets that support such technologies are expected to further expand market opportunities. In this environment, the Group has adopted “True Value Transformation” as the key concept of its Medium Term Plan starting in the fiscal year ending March 31, 2027, and will refine our business, human resources, and capital to provide true value to the world.

Furthermore, with the objective of executing a strategy that integrates management resources and customer bases, and accelerating the creation of synergies and the enhancement of competitiveness, the Company merged TOPPAN Inc., TOPPAN Edge Inc., and TOPPAN Digital Inc. in April 2026.

In addition, we have introduced a business unit structure with three objectives: strengthen individual businesses by aligning operations and organizations and clarifying strategies for each business; implement business specific-management to enable optimal allocation of business resources; and create further synergies. By transitioning from the previous area-based divisional structure to a business-based management framework, we will reinforce our businesses and expand our solution offerings into adjacent domains.

In connection with the integration of the three companies, the names and definitions of the Information segment have been revised in accordance with the growth strategy as of the beginning of the fiscal year ending March 31, 2027, and the forecasts are based on the revised classifications. There has been no change to the treatment of reportable segments.

#### **Information Solutions**

In the security businesses, the Group will focus on the personal authentication field as a core area, expanding card manufacturing and issuance globally, while developing and deploying high-value-added solutions tailored to specific industry needs in the domestic market.

In the area of IoT solutions, we will develop industry-oriented common solutions centered on device authentication and data management, and aim to enhance profitability by transitioning to a recurring-revenue-based, or “stock,” business model that integrates tangible and intangible offerings.

In the marketing domain, we will enhance customer experience value by providing marketing support that integrates real-world customer points of contact with digital technologies, thereby contributing to the sustainable business growth and strengthened competitiveness of our clients.

In the BPO business, the Company offers services that securely, accurately, and efficiently undertake the execution of complex industry-specific business processes, based on a robust operational and management framework premised on the utilization of AI.

In the securities and business printing business and information-related printing business, the Company will select and concentrate on priority areas with a focus on profitability. We will reduce costs by automating routine tasks and standardizing specifications, while improving capital efficiency.

#### **Living & Industry**

In the packaging business, we will generate full-scale profitability from our vertically integrated model, which spans film extrusion, barrier processing, and packaging manufacturing, and aim to capture SX demand tailored to regional characteristics. Overseas, we will capitalize on the increasing demand for mono-materials, spurred by the EU’s Packaging and Packaging Waste Regulation (PPWR), and expand barrier product supply from optimized production bases, including the Czech Republic. In Japan, we will accelerate the transition toward SX packages by shifting away from aluminum and utilizing recycled materials, driven by our sustainable brand, “SMARTS.”

In the décor materials field, the Company aims to expand decorative sheet business by strengthening our proposal capabilities through the utilization of consumer sensibility data and by developing non-residential markets. We will increase our market share through environmentally friendly products, both in Japan and overseas, and in our domestic spatial design business, we will shift our positioning by participating in the customer's decision-making process from the initial stages.

### **Electronics**

In the semiconductor business, we will accurately assess the AI semiconductor market, where demand is expected to expand, and achieve high-margin business growth by leveraging our technological advantages to achieve expansion in the high-end FC-BGA substrates segment. We will also promote the development and early commercialization of advanced semiconductor packaging to establish a competitive advantage. In addition, with the launch of operations at the new plant in Singapore, established in partnership with Broadcom Inc. for FC-BGA substrates production, we will expand production capacity through a three-site structure comprising the Singapore plant, the Ishikawa plant, and the Niigata plant.

In the display business, the Company will promote structural reforms in response to market changes, and concentrate management resources on next-generation fields in order to commercialize new products and achieve a shift toward higher-profit business structure. In the anti-reflective films business, we will accelerate the acquisition of advanced products by launching new production lines and strengthening thin-film coating technology.

#### **(5) Basic Policy on Profit Distribution and Dividends for the Period Under Review and the Next Period**

For expeditious profit distribution to shareholders, the Company determines dividends of surplus by resolution of the Board of Directors under the Articles of Incorporation.

The Company's policy on distributing profit to shareholders is to pay consistent dividends in comprehensive consideration of the consolidated results in the fiscal year, the payout ratio, cash on hand, retained earnings, investment plans, and other factors. In addition, the Company flexibly acquires treasury stock to maintain a consolidated total payout ratio of 30% or more.

Under this policy, the Company plans an increase in the year-end dividend for the fiscal year under review of ¥2 per share from the initial forecast, to ¥30 per share. As a result, the annual dividend will be ¥58 per share. When the acquisition of treasury stock is taken into account, the consolidated total payout ratio for the fiscal year under review will be 72.0%.

On May 14, 2026, the Company announced that it will acquire treasury shares up to a maximum total acquisition price of ¥50 billion in the period from May 15, 2026 to May 14, 2027.

In accordance with its basic policy, the Company plans to pay a dividend of ¥58 per share for the next fiscal year.

#### **2. Basic Considerations Regarding the Selection of Accounting Standards**

The Company prepares consolidated financial statements under Japanese GAAP, considering the comparability of consolidated financial statements between different fiscal years and comparability between different companies. The Company is making preparations to adopt International Financial Reporting Standards (IFRS). The Company will determine the appropriate timing for the adoption of IFRS, considering the situations in Japan and overseas.

### 3. Consolidated Financial Statements and Primary Notes

#### (1) Consolidated Balance Sheets

(Million yen)

	As of March 31, 2025	As of March 31, 2026
<b>Assets</b>		
Current assets		
Cash and deposits	768,989	438,866
Notes and accounts receivable - trade, and contract assets	439,703	478,429
Securities	9,600	2,500
Merchandise and finished goods	61,782	79,401
Work in process	31,707	37,824
Raw materials and supplies	47,138	64,312
Other	55,084	79,833
Allowance for doubtful accounts	(7,100)	(7,523)
<b>Total current assets</b>	<b>1,406,905</b>	<b>1,173,644</b>
Non-current assets		
Property, plant and equipment		
Buildings and structures	589,029	592,845
Accumulated depreciation	(393,513)	(380,846)
Buildings and structures, net	195,516	211,998
Machinery, equipment and vehicles	867,894	722,697
Accumulated depreciation	(694,481)	(520,842)
Machinery, equipment and vehicles, net	173,413	201,854
Land	137,210	136,539
Construction in progress	83,210	64,354
Other	116,795	123,941
Accumulated depreciation	(85,146)	(84,926)
Other, net	31,649	39,014
<b>Total property, plant and equipment</b>	<b>620,999</b>	<b>653,763</b>
Intangible assets		
Goodwill	22,363	103,844
Other	64,898	177,636
<b>Total intangible assets</b>	<b>87,261</b>	<b>281,481</b>
Investments and other assets		
Investment securities	310,633	340,051
Long-term loans receivable	7,765	16,066
Long-term loans receivable from employees	158	23
Deferred tax assets	43,180	38,352
Retirement benefit asset	11,301	18,692
Other	27,116	36,308
Allowance for doubtful accounts	(235)	(199)
<b>Total investments and other assets</b>	<b>399,920</b>	<b>449,295</b>
<b>Total non-current assets</b>	<b>1,108,181</b>	<b>1,384,540</b>
<b>Total assets</b>	<b>2,515,087</b>	<b>2,558,184</b>

(Million yen)

	As of March 31, 2025	As of March 31, 2026
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable – trade	131,553	142,871
Electronically recorded obligations – operating	47,135	18,297
Short-term borrowings	312,764	125,066
Current portion of long-term borrowings	27,160	17,814
Income taxes payable	71,222	13,614
Provision for bonuses	30,287	38,409
Provision for bonuses for directors (and other officers)	699	672
Provision for share awards	—	7,420
Other provisions	2,014	7,786
Other	200,046	257,300
<b>Total current liabilities</b>	<b>822,884</b>	<b>629,253</b>
Non-current liabilities		
Bonds payable	50,000	130,000
Long-term borrowings	77,672	218,039
Lease liabilities	14,529	31,319
Deferred tax liabilities	36,494	43,050
Provision for retirement benefits for directors (and other officers)	1,522	1,557
Retirement benefit liability	52,625	41,412
Provision for share awards	4,623	—
Other provisions	10,535	8,920
Other	25,590	44,561
<b>Total non-current liabilities</b>	<b>273,594</b>	<b>518,862</b>
<b>Total liabilities</b>	<b>1,096,479</b>	<b>1,148,116</b>
Net assets		
Shareholders' equity		
Share capital	104,986	104,986
Capital surplus	119,984	119,211
Retained earnings	1,047,468	990,765
Treasury shares	(114,304)	(45,227)
<b>Total shareholders' equity</b>	<b>1,158,135</b>	<b>1,169,735</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	73,145	55,987
Deferred gains or losses on hedges	(3,700)	(690)
Foreign currency translation adjustment	58,963	94,443
Remeasurements of defined benefit plans	7,011	17,717
<b>Total accumulated other comprehensive income</b>	<b>135,419</b>	<b>167,457</b>
Share acquisition rights	4	—
Non-controlling interests	125,049	72,874
<b>Total net assets</b>	<b>1,418,608</b>	<b>1,410,067</b>
<b>Total liabilities and net assets</b>	<b>2,515,087</b>	<b>2,558,184</b>

(2) Consolidated Statements of Income and Comprehensive Income  
Consolidated Statements of Income

(Million yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Net sales	1,719,512	1,805,033
Cost of sales	1,306,208	1,380,783
Gross profit	413,304	424,250
Selling, general and administrative expenses		
Freight costs	28,702	29,475
Provision of allowance for doubtful accounts	152	735
Remuneration, salaries and allowances for directors (and other officers)	117,443	120,392
Provision for bonuses	15,172	16,533
Provision for bonuses for directors (and other officers)	490	557
Retirement benefit expenses	4,768	5,198
Provision for retirement benefits for directors (and other officers)	303	304
Travel expenses	6,416	7,062
Research and development expenses	20,509	19,633
Other	134,279	157,248
Total selling, general and administrative expenses	328,237	357,141
Operating profit	85,066	67,108
Non-operating income		
Interest income	7,598	6,971
Dividend income	4,211	3,603
Share of profit of entities accounted for using equity method	2,073	7,913
Foreign exchange gains	3,209	7,456
Gain on valuation of derivatives	—	2,193
Other	5,435	3,498
Total non-operating income	22,528	31,637
Non-operating expenses		
Interest expenses	5,398	8,877
Dismantlement expenses	4,262	1,399
Other	8,355	12,745
Total non-operating expenses	18,016	23,021
Ordinary profit	89,578	75,724

(Million yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
<b>Extraordinary income</b>		
Gain on sale of non-current assets	2,757	1,187
Gain on sale of investment securities	173,340	54,248
Gain on valuation of investment securities	41	—
Gain on sale of shares of subsidiaries and associates	1,351	—
Gain on change in equity	—	5,303
Subsidy income	6,211	759
Insurance claim income	120	62
Reversal of special retirement expenses	5	39
Gain on step acquisitions	32	—
<b>Total extraordinary income</b>	<b>183,860</b>	<b>61,601</b>
<b>Extraordinary losses</b>		
Loss on sale and retirement of non-current assets	3,083	3,345
Loss on tax purpose reduction entry of non-current assets	5,526	745
Loss on sale of investment securities	517	1,196
Loss on valuation of investment securities	1,937	611
Impairment losses	67,013	14,006
Extra retirement payments	874	8,011
Environmental expenses	7,029	2,104
Provision for loss on cancellation	—	931
Product compensation loss	—	414
Provision for compensation for products	—	293
Estimated Loss on liquidation of subsidiaries and associates	—	100
Loss on sale of shares of subsidiaries and associates	320	89
Loss on liquidation of subsidiaries and associates	200	89
Loss on disaster	232	22
Provision of allowance for loss on sales of shares of subsidiaries and associates	873	—
Business structure reform expenses	592	—
Loss on change in equity	5	—
<b>Total extraordinary losses</b>	<b>88,207</b>	<b>31,963</b>
<b>Profit before income taxes</b>	<b>185,231</b>	<b>105,362</b>
Income taxes – current	92,397	35,996
Income taxes – deferred	(7,242)	(1,834)
<b>Total income taxes</b>	<b>85,154</b>	<b>34,162</b>
<b>Profit</b>	<b>100,077</b>	<b>71,200</b>
Profit attributable to non-controlling interests	9,932	6,398
<b>Profit attributable to owners of parent</b>	<b>90,144</b>	<b>64,801</b>

## Consolidated Statements of Comprehensive Income

(Million yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Profit	100,077	71,200
Other comprehensive income		
Valuation difference on available-for-sale securities	(97,466)	(17,317)
Deferred gains or losses on hedges	(3,657)	3,009
Foreign currency translation adjustment	1,626	29,661
Remeasurements of defined benefit plans, net of tax	1,908	10,878
Share of other comprehensive income of entities accounted for using equity method	(769)	7,799
Total other comprehensive income	(98,358)	34,030
Comprehensive income	1,718	105,230
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(6,524)	96,839
Comprehensive income attributable to non-controlling interests	8,243	8,391

### (3) Consolidated Statements of Changes in Shareholders' Equity

For the fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	104,986	121,069	1,004,868	(46,207)	1,184,716
Cumulative effects of changes in accounting policies			(290)		(290)
Cumulative effects of Hyperinflation			868		868
Restated balance	104,986	121,069	1,005,446	(46,207)	1,185,294
Changes during period					
Dividends of surplus			(14,830)		(14,830)
Profit attributable to owners of parent			90,144		90,144
Purchase of treasury shares				(102,653)	(102,653)
Disposal of treasury shares		14		280	295
Cancellation of treasury shares		(34,276)		34,276	—
Transfer from retained earnings to capital surplus		34,261	(34,261)		—
Change in ownership interest of parent due to transactions with non-controlling interests		(1,084)			(1,084)
Change in scope of consolidation			(11)		(11)
Changes in liabilities for written put options over non-controlling interests			535		535
Increase in retained earnings related to hyperinflation Adjustment			444		444
Increase/decrease due to change in fiscal year end of consolidated subsidiaries					—
Net changes in items other than shareholders' equity					
Total changes during period	—	(1,084)	42,021	(68,096)	(27,159)
Balance at end of period	104,986	119,984	1,047,468	(114,304)	1,158,135

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	170,812	(42)	55,733	5,296	231,799	2	150,523	1,567,041
Cumulative effects of changes in accounting policies			290		290			—
Cumulative effects of Hyperinflation								868
Restated balance	170,812	(42)	56,023	5,296	232,089	2	150,523	1,567,909
Changes during period								
Dividends of surplus								(14,830)
Profit attributable to owners of parent								90,144
Purchase of treasury shares								(102,653)
Disposal of treasury shares								295
Cancellation of treasury shares								—
Transfer from retained earnings to capital surplus								—
Change in ownership interest of parent due to transactions with non-controlling interests								(1,084)
Change in scope of consolidation								(11)
Changes in liabilities for written put options over non-controlling interests								535
Increase in retained earnings related to hyperinflation Adjustment								444
Increase/decrease due to change in fiscal year end of consolidated subsidiaries								—
Net changes in items other than shareholders' equity	(97,666)	(3,657)	2,939	1,715	(96,669)	1	(25,474)	(122,141)
Total changes during period	(97,666)	(3,657)	2,939	1,715	(96,669)	1	(25,474)	(149,300)
Balance at end of period	73,145	(3,700)	58,963	7,011	135,419	4	125,049	1,418,608

For the fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	104,986	119,984	1,047,468	(114,304)	1,158,135
Cumulative effects of changes in accounting policies					—
Cumulative effects of Hyperinflation					—
Restated balance	104,986	119,984	1,047,468	(114,304)	1,158,135
Changes during period					
Dividends of surplus			(17,343)		(17,343)
Profit attributable to owners of parent			64,801		64,801
Purchase of treasury shares				(30,030)	(30,030)
Disposal of treasury shares		(2)		451	448
Cancellation of treasury shares		(98,656)		98,656	—
Transfer from retained earnings to capital surplus		98,658	(98,658)		—
Change in ownership interest of parent due to transactions with non-controlling interests		(0)			(0)
Change in scope of consolidation		(773)	(218)		(992)
Changes in liabilities for written put options over non-controlling interests			(404)		(404)
Increase in retained earnings related to hyperinflation Adjustment					—
Increase/decrease due to change in fiscal year end of consolidated subsidiaries			(4,878)		(4,878)
Net changes in items other than shareholders' equity					
Total changes during period	—	(773)	(56,703)	69,077	11,600
Balance at end of period	104,986	119,211	990,765	(45,227)	1,169,735

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	73,145	(3,700)	58,963	7,011	135,419	4	125,049	1,418,608
Cumulative effects of changes in accounting policies								—
Cumulative effects of Hyperinflation								—
Restated balance	73,145	(3,700)	58,963	7,011	135,419	4	125,049	1,418,608
Changes during period								
Dividends of surplus								(17,343)
Profit attributable to owners of parent								64,801
Purchase of treasury shares								(30,030)
Disposal of treasury shares								448
Cancellation of treasury shares								—
Transfer from retained earnings to capital surplus								—
Change in ownership interest of parent due to transactions with non-controlling interests								(0)
Change in scope of consolidation			(3,219)	26	(3,192)	(4)	(62,711)	(66,900)
Changes in liabilities for written put options over non-controlling interests								(404)
Increase in retained earnings related to adjustments in inflation								—
Increase/decrease due to change in fiscal year end of consolidated subsidiaries								(4,878)
Net changes in items other than shareholders' equity	(17,157)	3,009	38,699	10,679	35,230	—	10,536	45,766
Total changes during period	(17,157)	3,009	35,479	10,706	32,037	(4)	(52,174)	(8,540)
Balance at end of period	55,987	(690)	94,443	17,717	167,457	—	72,874	1,410,067

## (4) Consolidated Statements of Cash Flows

(Million yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	185,231	105,362
Depreciation	77,994	79,224
Impairment losses	67,013	14,006
Amortization of goodwill	3,674	8,525
Increase (decrease) in retirement benefit liability	1,503	6,536
Decrease (increase) in retirement benefit asset	(2,089)	(5,592)
Increase (decrease) in allowance for doubtful accounts	(232)	(157)
Interest and dividend income	(11,810)	(10,574)
Interest expenses	5,399	8,877
Share of loss (profit) of entities accounted for using equity method	(2,073)	(7,913)
Loss (gain) on sale of investment securities	(172,823)	(53,052)
Loss (gain) on valuation of investment securities	1,895	149
Loss (gain) on sale and retirement of non-current assets	326	2,158
Loss on tax purpose reduction entry of non-current assets	5,526	745
Subsidy income	(6,211)	(759)
Loss (gain) on sale of shares of subsidiaries and associates	(1,030)	89
Gain on step acquisition	(32)	—
Loss (gain) on change in equity	—	(5,303)
Environmental expenses	7,029	2,104
Decrease (increase) in accounts receivable - trade, and contract assets	2,612	(32,238)
Decrease (increase) in inventories	3,715	(1,258)
Increase (decrease) in trade payables	(21,541)	(36,840)
Increase/decrease in consumption taxes payable/consumption taxes refund receivable	(2,471)	1,122
Increase (decrease) in deposits received	(56,179)	73,316
Increase (decrease) in contract liabilities	13,236	(2,710)
Increase (decrease) in leasehold and guarantee deposits received	2,934	17,175
Other, net	8,938	18,422
Subtotal	110,533	181,417
Interest and dividends received	11,966	10,379
Interest paid	(5,315)	(6,771)
Income taxes refund (paid)	(50,853)	(98,902)
Net cash provided by (used in) operating activities	66,330	86,122

(Million yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
<b>Cash flows from investing activities</b>		
Payments into time deposits	(21,323)	(12,129)
Proceeds from withdrawal of time deposits	18,577	8,910
Proceeds from sale of securities	12,037	—
Purchase of property, plant and equipment	(124,168)	(128,790)
Proceeds from sale of property, plant and equipment	10,563	4,366
Purchase of intangible assets	(20,546)	(19,166)
Purchase of investment securities	(3,852)	(3,244)
Proceeds from sale and redemption of investment securities	201,597	79,855
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(15,194)	(294,019)
Payments for sale of shares of subsidiaries resulting in change in scope of consolidation	(6,411)	—
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	1,483	236
Purchase of shares of associates	(2,406)	(1,430)
Proceeds from sales of shares of associates	—	111
Purchase of shares of unconsolidated subsidiaries	(666)	—
Short-term loan advances	(271)	(703)
Long-term loan advances	(7,867)	(16,071)
Subsidies received	6,211	759
Other, net	(1,884)	(841)
Net cash provided by (used in) investing activities	45,876	(382,156)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	292,138	(182,260)
Proceeds from long-term borrowings	5,817	157,772
Repayments of long-term borrowings	(40,107)	(27,229)
Proceeds from issuance of bonds	—	80,000
Purchase of treasury shares	(102,653)	(30,030)
Expense by acquisition of repurchased stock of consolidated subsidiary	(9,379)	—
Dividends paid	(14,918)	(17,440)
Dividends paid to non-controlling interests	(705)	(1,601)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(592)	(31)
Other, net	(8,090)	(8,112)
Net cash provided by (used in) financing activities	121,508	(28,933)
Effect of exchange rate change on cash and cash equivalents	(3,407)	13,728
Net increase (decrease) in cash and cash equivalents	230,307	(311,238)
Cash and cash equivalents at beginning of period	522,818	753,125
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	—	(30,708)
Cash and cash equivalents at end of period	753,125	411,178

(5) Notes to Consolidated Financial Statements

(Notes on Going Concern Assumption)

There is no relevant information.

(Notes in the Case of Significant Changes in Shareholders' Equity)

(Purchase of treasury shares)

The Company acquired 7,582,500 shares of treasury stock in accordance with resolutions of the Board of Directors at its meeting held on May 14, 2025. This resulted in an increase of ¥29,999 million in treasury stock during the fiscal year under review.

(Cancellation of treasury shares)

The Company retired 24,000,000 shares of treasury stock on May 26, 2025, in accordance with a resolution of the Board of Directors at its meeting held on May 14, 2025. As a result, retained earnings and treasury shares decreased by ¥98,656 million and ¥98,656 million respectively, in the fiscal year under review.

The resulting capital surplus, retained earnings and treasury shares at the end of the fiscal year under review were ¥119,211 million, ¥990,765 million, and ¥45,227 million, respectively.

(Notes on Changes in Accounting Policies)

(Change in the method of currency conversion into Japanese yen for income and expenses of foreign subsidiaries and associates)

Income and expenses of foreign subsidiaries and associates were previously converted into Japanese yen using the spot exchange rate on the financial closing date. Taking into consideration the increasing significance of foreign subsidiaries and associates, and recent sharp fluctuations of currency exchange rates, the Company changed the method of currency conversion into Japanese yen to the one that applies the average exchange rate during the period in order to appropriately reflect the business results of foreign subsidiaries and associates in the consolidated financial statements from the beginning of the fiscal year under review.

This accounting policy change was applied retrospectively and the consolidated financial statements for the fiscal year ended March 31, 2025 were restated.

As a result, compared with the figures before the retrospective application, for the fiscal year ended March 31, 2025, net sales, operating profit, ordinary profit, profit before income taxes, and profit attributable to owners of parent increased by ¥1,551 million, ¥980 million, ¥995 million, ¥1,096 million, and ¥795 million, respectively. Moreover, for the fiscal year ended March 31, 2025, the beginning balance of retained earnings decreased by ¥290 million and that of foreign currency translation adjustment increased by the same amount.

The effect on segment information and per share information is described in the relevant sections.

(Application of accounting treatment under International Financial Reporting Standards for equity-method associate)

As described in "Business Combinations, Etc.," Tekscend Photomask Corp. ("TPC"), which was a consolidated subsidiary of the Company, was listed on the Tokyo Stock Exchange Prime Market on October 16, 2025. Consequently, the Company's voting rights in TPC fell below 50%, resulting in the loss of a controlling interest. Therefore, effective from the beginning of the third quarter of the fiscal year under review, TPC transitioned from a consolidated subsidiary to an equity-method associate.

In preparing consolidated financial statements, TPC previously prepared its financial statements in accordance with Japanese GAAP, while its overseas subsidiaries prepared their financial statements in accordance with U.S. GAAP and International Financial Reporting Standards (IFRS). However, following its listing, TPC now discloses its consolidated financial statements prepared in accordance with IFRS. Accordingly, from the beginning of the third quarter of the fiscal year under review, the Company has prepared its consolidated financial statements based on TPC's consolidated financial statements in accordance with IFRS.

The effect of this change in accounting policy is negligible, and therefore, no retrospective application has been implemented.

(Notes on Changes in Presentation Methods)

(Consolidated Balance Sheets)

Due to their increased financial importance, lease liabilities, which were included in “Other” in non-current liabilities in the fiscal year ended March 31, 2025, have been presented as a separate line item from the fiscal year under review. Consolidated financial statements for the fiscal year ended March 31, 2025, have been reclassified accordingly to reflect this change in presentation method.

As a result, the ¥40,120 million presented in “Other” in non-current liabilities in the consolidated balance sheets for the fiscal year ended March 31, 2025, has been reclassified into ¥14,529 million under “Lease liabilities” and ¥25,590 million under “Other.”

(Notes on Consolidated Statements of Income)

\* Impairment loss

For the fiscal year ended March 31, 2025

The Group, as a general rule, groups operating assets by major product category and idle assets on an individual asset basis. In calculating recoverable amounts, as a general rule, the Group uses the net realizable value for idle assets and the value in use or the net realizable value for other assets. The discount rate used for calculating the value in use is from 2.2% to 15.5%. The net realizable values are market values after deducting estimated disposal expenses. The calculation of market values uses observable market transactions, appraisal value, or other reasonably calculated values.

As a result, in the period under review, the book values of the following asset groups were reduced primarily to the recoverable amounts, and the amount of the reduction, ¥67,013 million, was recorded as impairment loss under extraordinary losses.

Effective from the beginning of the consolidated fiscal year under review, the Company changed the method of currency conversion into Japanese yen for income and expenses of foreign subsidiaries and associates from the method that applies the spot exchange rate on the financial closing date to the method that applies the average exchange rate during the period. This accounting policy change was applied retrospectively and the consolidated financial statements for the fiscal year ended March 31, 2025 were restated.

Location		Use	Category
Nordrhein-Westfalen, Germany, etc.	*1	Assets for décor materials business	Goodwill, etc.
Kawaguchi City, Saitama, etc.	*2	Facilities related to information-related printing business	Buildings, etc.
Fukuroi City, Shizuoka Prefecture	*3	Plant for secure media business	Buildings, etc.
Minato Ward, Tokyo	*4	Assets for secure solutions business	Software, etc.
Aisai City, Aichi Prefecture	*5	Plant for secure media business	Buildings, etc.
Itabashi Ward, Tokyo	*6	Idle assets	Buildings, etc.
Taito Ward, Tokyo	*7	Assets for frontier business	Software, etc.

\*1. The loss on the assets for décor materials business in Nordrhein-Westfalen, Germany, etc., was due to INTERPRINT GmbH, which is a consolidated subsidiary of the Company. The decline in stay-at-home demand following the COVID-19 pandemic, weakened housing and furniture demand due to persistently high mortgage rates in Western markets—triggered by Russia's invasion of Ukraine—and China's economic slowdown, along with rising raw material costs and personnel expenses driven by inflation, have significantly impacted the subsidiary's profitability. Consequently, the realization of excess earnings power anticipated at the time of the subsidiary's acquisition is delayed, leading to the recognition of an impairment loss. The breakdown of the impairment loss is ¥11,314 million for machinery, equipment and vehicles, ¥5,180 million for buildings and structures, ¥4,608 million for other intangible assets, ¥3,801 million for goodwill, and ¥976 million for other property, ¥138 million for construction in progress, plant and equipment. The recoverable amount of this asset group is measured at value in use.

- \*2. The loss on the facilities related to information-related printing business in Kawaguchi City, Saitama, etc., was due to a decline in profitability. This decline was driven by a contraction in the printing industry market, which, in turn, has created a more challenging business environment for information-related printing operations. The recoverable amount of this asset group is measured at value in use, and its book value has been reduced to memorandum value.
- \*3. The loss on the plant for secure media business in Fukuroi City, Shizuoka Prefecture, was due to a decline in profitability associated with the deterioration of the business environment. The recoverable amount of this asset group is measured at net realizable value.
- \*4. The loss on the assets for secure solutions business in Minato Ward, Tokyo, was recognized because it became difficult to pursue the initial plan and execute the planned development. The recoverable amount of this asset group is measured at value in use, and its book value has been reduced to memorandum value.
- \*5. The loss on the plant for secure media business in Aisai City, Aichi Prefecture, was due to a decline in profitability associated with the deterioration of the business environment. The recoverable amount of this asset group is measured at value in use, and its book value has been reduced to memorandum value.
- \*6. The loss on the idle assets in Itabashi Ward, Tokyo, was recognized due to the decision to withdraw from the relevant business, which entails demolishing the building and clearing the land, leading to reduced profitability. The recoverable amount of this asset group is measured at value in use.
- \*7. The loss on the assets for frontier business in Taito Ward, Tokyo, was due to the time spent on expanding services being longer than expected, which resulted in an expected inability to recoup the investment in the short term. The recoverable amount of this asset group is measured at value in use, and its book value has been reduced to memorandum value.

The breakdown of the impairment loss is ¥26,020 million for assets for décor materials business, ¥21,734 million for facilities related to information-related printing business, ¥5,161 million for plants for secure media business, ¥4,366 million for idle assets, ¥1,256 million for assets for frontier business, ¥1,202 million for assets for secure solutions business, and ¥7,272 million for other operating assets. The breakdown by asset category is ¥27,207 million for buildings and structures, ¥20,439 million for machinery, equipment and vehicles, ¥11,107 million for other intangible assets, ¥4,269 million for goodwill, ¥1,616 million for land, ¥1,536 million for other property, plant and equipment, ¥695 million for construction in progress, and ¥141 million for “other” in investments and other assets.

For the fiscal year ended March 31, 2026

The Group, as a general rule, groups operating assets by major product category and idle assets on an individual asset basis. In calculating recoverable amounts, as a general rule, the Group uses the net realizable value for idle assets and the value in use or the net realizable value for other assets. The discount rate used for calculating the value in use is from 1.0% to 29.8%. The net realizable values are market values after deducting estimated disposal expenses. The calculation of market values uses observable market transactions, appraisal value, or other reasonably calculated values.

As a result, in the period under review, the book values of the following asset groups were reduced primarily to the recoverable amounts, and the amount of the reduction, ¥14,006 million, was recorded as impairment loss under extraordinary losses.

Location		Use	Category
Taito Ward, Tokyo	*1	Facilities ancillary to the Akihabara building	Buildings, etc.
Kocaeli Province, Turkey	*2	Assets for décor materials business	Land, etc.
Bogotá City, Colombia	*3	Assets for credit card manufacturing and issuance business	Goodwill

- \*1. The loss on the facilities ancillary to the Akihabara building in Taito Ward, Tokyo, was recognized due to the decision to demolish buildings and other structures that have deteriorated significantly as part of the redevelopment of the Akihabara area. The recoverable amount of this asset group is measured at value in use, and its book value has been reduced to memorandum value.
- \*2. The loss on the assets for décor materials business in Kocaeli Province, Turkey, was recognized as the recoverable amount fell below the book value. The recoverable amount of this asset group is measured at net realizable value.
- \*3. The loss on the assets for credit card manufacturing and issuance business in Bogotá City, Colombia, was recognized due to a delay in achieving the plans anticipated at the time of acquisition, resulting from a decline in profitability caused by rapid fluctuations in supply and demand for raw materials. The recoverable amount of this asset group is measured at value in use.

The breakdown of the impairment loss is ¥4,289 million for facilities ancillary to the Akihabara building, ¥2,136 million for assets for décor materials business, ¥1,262 million for assets for credit card manufacturing and issuance business, and ¥6,317 million for other operating assets. The breakdown by asset category is ¥4,527 million for buildings and structures, ¥2,613 million for goodwill, ¥2,141 million for other intangible assets, ¥2,027 million for construction in progress, ¥1,101 million for land, ¥865 million for machinery, equipment and vehicles, ¥480 million for other property, plant and equipment, and ¥249 million for "other" in investments and other assets.

(Notes on Segment Information, Etc.)

a. Segment information

1. Description of reportable segments

(1) Method of determining reportable segments

Reportable segments of the Group are determined as segments whose separate financial information is accessible from among the constituent units of the Group and are regularly used by management to determine the allocation of management resources and to evaluate performance.

(2) Type of products and services belonging to each reportable segment

The reportable segments of the Group consist of three segments, “Information & Communication,” “Living & Industry,” and “Electronics,” based mainly on product and service characteristics.

Major products and services relating to each segment are as follows:

“Information & Communication”

Securities-related documents, passbooks, cards, business forms, catalogues and other commercial printing, magazines, books and other publication printing, and business process outsourcing (BPO)

“Living & Industry”

Flexible packaging, folding cartons and other packaging products, plastic molded products, ink, transparent barrier film, decorative paper/film, wallpaper and other decorative material

“Electronics”

Color filters for LCDs, TFT-LCDs, anti-reflective films, photomasks, and semiconductor packaging products

2. Method of measurement for the amounts of net sales and profit (loss) for each reportable segment

The accounting methods used for reporting business segments are the same as the accounting principles and procedures used to prepare the consolidated financial statements. Reporting segment profit figures are based on operating profit. Intersegment sales and transfers are mainly based on market prices.

(Change in the method of currency conversion into Japanese yen for income and expenses of foreign subsidiaries and associates)

As described in the Notes on Changes in Accounting Policies, effective from the beginning of the consolidated fiscal year under review, the Company changed the method of currency conversion into Japanese yen for income and expenses of foreign subsidiaries and associates from the method that applies the spot exchange rate on the financial closing date to the method that applies the average exchange rate during the period. This accounting policy change was applied retrospectively, and the segment information for the year ended March 31, 2025, was restated.

Consequently, compared with the figures before the retrospective application, for the previous consolidated fiscal year, net sales to outside customers decreased by ¥3,864 million in the Information & Communication segment, and increased by ¥2,041 million in the Living & Industry segment and ¥3,375 million in the Electronics segment. Segment profit (operating profit) decreased by ¥154 million in the Information & Communication segment, and increased by ¥82 million in the Living & Industry segment and ¥989 million in the Electronics segment.

### 3. Information on net sales and profit (loss) by reportable segment

For the fiscal year ended March 31, 2025

(Million yen)

	Reportable segment				Adjustment (Note)	Amount recorded in Consolidated Financial Statements
	Information & Communication	Living & Industry	Electronics	Total		
Net sales						
Net sales to outside customers	894,540	542,023	282,948	1,719,512	—	1,719,512
Inter-segment net sales or transfers	30,989	8,090	412	39,492	(39,492)	—
Total	925,529	550,114	283,360	1,759,004	(39,492)	1,719,512
Segment income (Operating profit)	45,504	33,411	53,063	131,979	(46,913)	85,066

(Note) The adjustment for segment profit includes corporate expenses in the amount of ¥47,041 million not allocated to the reportable segments. The relevant corporate expenses are mainly costs relating to the Company's head office sections and basic research sections.

For the fiscal year ended March 31, 2026

(Million yen)

	Reportable segment				Adjustment (Note)	Amount recorded in Consolidated Financial Statements
	Information & Communication	Living & Industry	Electronics	Total		
Net sales						
Net sales to outside customers	903,930	715,227	185,875	1,805,033	—	1,805,033
Inter-segment net sales or transfers	19,365	7,772	434	27,573	(27,573)	—
Total	923,295	723,000	186,310	1,832,607	(27,573)	1,805,033
Segment income (Operating profit)	45,001	33,053	33,693	111,748	(44,639)	67,108

(Note) The adjustment for segment profit includes corporate expenses in the amount of ¥43,625 million not allocated to the reportable segments. The relevant corporate expenses are mainly costs relating to the Company's head office sections and basic research sections.

### 4. Information regarding assets for each reportable segment

During the first quarter of the fiscal year under review, TOPPAN Packaging USA Inc. and 26 other companies were included in the scope of consolidation due to the acquisition of shares and businesses. As a result, compared to the end of the previous fiscal year, the amount of assets in the Living & Industry segment increased by ¥251,570 million. The amount of the increase resulting from these acquisitions represents the value of assets recognized as of the business combination date.

During the third quarter of the fiscal year under review, Tekscend Photomask Corp., which was a consolidated subsidiary, became an equity-method associate following the issuance of new shares through public offering. As a result, compared to the end of the previous fiscal year, the amount of assets in the Electronics segment decreased by ¥186,011 million.

b. Related information

For the fiscal year ended March 31, 2025

1. Information by product and service

This is omitted, as similar information is disclosed in Segment Information.

2. Information by geographical area

(1) Net sales

(Million yen)

Japan	Asia	North America	Other	Total
1,089,884	338,499	142,581	148,547	1,719,512

(Note) Net sales are classified by country or area based on the locations of customers.

For the fiscal year ended March 31, 2026

1. Information by product and service

This is omitted, as similar information is disclosed in Segment Information.

2. Information by geographical area

(1) Net sales

(Million yen)

Japan	Asia	North America	Other	Total
1,074,657	292,188	247,371	190,816	1,805,033

(Note) Net sales are classified by country or area based on the locations of customers.

c. Information concerning impairment loss on non-current assets by reportable segment

For the fiscal year ended March 31, 2025

(Million yen)

	Information & Communication	Living & Industry	Electronics	Adjustment	Total
Impairment loss	36,635	26,841	1,973	1,562	67,013

For the fiscal year ended March 31, 2026

(Million yen)

	Information & Communication	Living & Industry	Electronics	Adjustment	Total
Impairment loss	4,898	3,076	1,741	4,289	14,006

d. Information concerning amortization and unamortized balance of goodwill by reportable segment  
For the fiscal year ended March 31, 2025

(Million yen)

	Information & Communication	Living & Industry	Electronics	Adjustment	Total
(Goodwill)					
Amortization during the period	2,184	1,369	120	—	3,674
Balance at the end of period	15,384	6,677	302	—	22,363

For the fiscal year ended March 31, 2026

(Million yen)

	Information & Communication	Living & Industry	Electronics	Adjustment	Total
(Goodwill)					
Amortization during the period	3,522	4,969	33	—	8,525
Balance at the end of period	19,847	83,997	—	—	103,844

(Significant changes in the amount of goodwill)

In the Living & Industry segment, the shares and businesses of TOPPAN Packaging USA Inc. and 26 other companies were acquired during the first quarter of the fiscal year under review. As a result, goodwill increased by ¥77,041 million.

(Business Combinations, Etc.)

(Business combination through share acquisition)

On December 18, 2024 (U.S. time), the Company concluded an agreement with Sonoco Products Company (“Sonoco”), an operator of consumer packaging business and industrial paper packaging business mainly in the United States, on the acquisition of shares of certain Sonoco subsidiaries and a business transfer (collectively the “Acquisition”) for the purpose of acquiring the thermoformed and flexible packaging business (the “TFP business”) from Sonoco. The Acquisition was completed as of April 1, 2025.

1. Overview of the Acquisition

(1) Names of companies acquired, names after acquisition, percentage shares of voting rights acquired, and business descriptions

- |       |   |   |
|-------|---|---|
| (i)   | Name of acquired company:                   | Sonoco do Brasil Participações Ltda., and its four subsidiaries   |
|       | Name after acquisition:                     | TOPPAN Packaging do Brasil Ltda.  |
|       | Percentage share of voting rights acquired: | 100.0%  |
|       | Business description:                       | Flexibles including lidding, complex laminations, cold sealing, pouching and special finishing          |
| (ii)  | Name of acquired company:                   | Sonoco Flexible Packaging Canada Corporation  |
|       | Name after acquisition:                     | TOPPAN Packaging Canada Corporation   |
|       | Percentage share of voting rights acquired: | 100.0%  |
|       | Business description:                       | Flexibles including lidding, complex laminations, cold sealing, pouching and special finishing          |
| (iii) | Name of acquired company:                   | Sonoco Flexible Packaging Co., Inc., and its three subsidiaries   |
|       | Name after acquisition:                     | TOPPAN Packaging USA Inc.   |
|       | Percentage share of voting rights acquired: | 100.0%  |
|       | Business description:                       | Flexibles including lidding, complex laminations, cold sealing, pouching and special finishing          |
| (iv)  | Name of acquired company:                   | Sonoco Graphics India Private Limited   |
|       | Name after acquisition:                     | TOPPAN Trident India Graphics Private Limited   |
|       | Percentage share of voting rights acquired: | 91.0%   |
|       | Business description:                       | Design and creative production providing graphic design to food and retail packaging brands             |
| (v)   | Name of acquired company:                   | Sonoco Plastics, Inc., and its eight subsidiaries   |
|       | Name after acquisition:                     | TOPPAN Thermoformed Packaging Inc.  |
|       | Percentage share of voting rights acquired: | 100.0%  |
|       | Business description:                       | Thermoformed packaging including trays, food containers, clamshells, portion control cups and egg packs |
| (vi)  | Name of acquired company:                   | Sonoco TEQ Holdings Limited and its two subsidiaries  |
|       | Name after acquisition:                     | TOPPAN TEQ Holdings Limited   |
|       | Percentage share of voting rights acquired: | 100.0%  |
|       | Business description:                       | Thermoformed packaging including trays, food containers, clamshells, portion control cups and egg packs |
| (vii) | Name of acquired company:                   | Tegant Alloyd Brands, Inc., and its three subsidiaries  |
|       | Name after acquisition:                     | Tegant Alloyd Brands, Inc.  |
|       | Percentage share of voting rights acquired: | 100.0%  |
|       | Business description:                       | Thermoformed packaging specializing in blister packaging and heat seal packaging                        |

(2) Reasons for the business combination

Defining Digital & Sustainable Transformation (“DX” and “SX”) as the key concept of its Medium Term Plan, the Company aims to be a leader in providing solutions to social issues worldwide through DX and SX. In the current Medium Term Plan (fiscal year ended March 2024 to fiscal year ending March 2026), the DX business, the SX and overseas Living & Industry business, and the semiconductor-related business are positioned as growth businesses as the Company pursues transformation of its business portfolio.

In response to heightened global consciousness of environmental conservation in recent years, customers including global blue-chip brands in the overseas Living & Industry business expect the Company to take action focused on the environment, particularly in the growing area of flexible packaging. As part of its global strategy for eco-friendly and sustainable packaging, the Company aims to enhance its technological edge and cost competitiveness by establishing robust global supply chain capabilities. These include film extrusion, barrier processing, and packaging manufacturing in markets across the globe. This approach is designed to strengthen local production and promote local consumption in every region worldwide.

To maintain its growth in the future, the Company examined the creation of opportunities for expanding business in the Americas, which has a large addressable market. The Company decided to acquire the TFP business from Sonoco, a world-leading packaging manufacturer based in the United States that operates worldwide.

Through the Acquisition, the Company will leverage TFP’s robust customer and manufacturing bases centered on the North and South America markets to bolster sustainable packaging operations globally and expand the business by responding to the sustainability needs of CPG clients globally.

(3) Date of the business combination

April 1, 2025

(4) Legal form of the business combination

Acquisition of shares and transfer of business for cash consideration

(5) Primary rationale and background for determining the acquirer for accounting purposes

The primary rationale for determining the acquirer for accounting purposes is that the consolidated subsidiaries, TOPPAN Packaging Americas Holdings Inc. and TOPPAN Thermoformed Packaging Holdings Inc. acquired the shares and business of the acquired companies in exchange for cash consideration.

2. Reporting period during which the acquired companies’ operating results were consolidated into the Consolidated Statements of Income

From April 1, 2025 to December 31, 2025

3. Costs of the acquisition of acquired companies and breakdown by type of consideration

Consideration for acquisition	Cash	1,826 million US dollars
Acquisition cost		1,826 million US dollars

\* The acquisition cost reflects price adjustments made in accordance with the contract.

4. Nature and amount of material acquisition-related costs

Advisory and other expenses ¥6,211 million

5. Method of funding and payment

The funds for the Acquisition were provided through bank borrowings and internal funds.

6. Amount, reasons for recognition, method and period of amortization of goodwill recognized

(1) Amount of goodwill recognized

¥77,041 million

TOPPAN Packaging Americas Holdings Inc. (Flexible Packaging Business): ¥47,363 million

TOPPAN Thermoformed Packaging Holdings Inc. (Thermoformed Packaging Business): ¥29,677 million

\* Goodwill arising from this share acquisition has been allocated to the reporting units TOPPAN Packaging Americas Holdings Inc. and TOPPAN Thermoformed Packaging Holdings Inc. based on the ratio of net assets measured at fair value as of the acquisition date.

\* Provisional accounting treatment was applied from the first quarter to the third quarter of the consolidated fiscal year based on reasonably available information at the time of preparation of the quarterly consolidated financial statements, and was finalized at the end of the fiscal year under review.

(2) Reasons for recognition

Goodwill was recognized on the basis of the anticipated excess earnings power generated by planned business development efforts.

(3) Method and period of amortization

TOPPAN Packaging Americas Holdings Inc. (Flexible Packaging Business):

The straight-line method over a 14-year period

TOPPAN Thermoformed Packaging Holdings Inc. (Thermoformed Packaging Business):

The straight-line method over a 15-year period

\* The amortization period was determined on a tentative basis from the first quarter to the third quarter of the consolidated fiscal year as the adjustment to the acquisition price was still under detailed review, and was finalized at the end of the fiscal year under review.

7. Breakdown of amounts recognized for assets acquired and liabilities assumed as of the business combination date

TOPPAN Packaging Americas Holdings Inc.

	(Million yen)
Current assets	46,807
Non-current assets	<u>110,107</u>
Total assets	<u>156,915</u>
Current liabilities	21,919
Non-current liabilities	<u>12,607</u>
Total liabilities	<u>34,526</u>

TOPPAN Thermoformed Packaging Holdings Inc.

	(Million yen)
Current assets	29,116
Non-current assets	<u>65,538</u>
Total assets	<u>94,655</u>
Current liabilities	10,932
Non-current liabilities	<u>9,954</u>
Total liabilities	<u>20,887</u>

8. Breakdown of amounts allocated to intangible assets (excluding goodwill) and their overall and category-specific amortization period

TOPPAN Packaging Americas Holdings Inc.

(Million yen)		
Category	Amounts	Amortization period
Customer-related intangible assets	48,594	20 years
Technology-related intangible assets	18,390	10 years

TOPPAN Thermoformed Packaging Holdings Inc.

(Million yen)		
Category	Amounts	Amortization period
Customer-related intangible assets	17,194	20 years
Technology-related intangible assets	13,606	10 years

9. Approximate impact on the Consolidated Statements of Income for the fiscal year under review, and the method of calculation thereof, assuming the business combination had been completed on the first day of the fiscal year under review

(Million yen)	
Net sales	49,520
Operating profit	1,633

(Method of calculation of estimated amount)

The estimated impact has been calculated as the difference between the net sales and profit/loss information calculated assuming the business combination had been completed on the first day of the fiscal year under review, and the net sales and profit/loss information in the Consolidated Statements of Income of the acquiring company. In addition, the estimated amount includes adjustments for amortization of goodwill, etc., assuming that goodwill, etc. recognized at the time of the business combination had arisen at the beginning of the fiscal year under review.

This note has not been subject to audit certification.

(Transition of consolidated subsidiary to equity-method associate following public offering of new shares)

Tekscend Photomask Corp. (“TPC”) (securities code: 429A), which was a consolidated subsidiary of the Company, was listed on the Tokyo Stock Exchange Prime Market on October 16, 2025. Consequently, due to the issuance of shares offered in connection with this listing, sales of shares in Japan and overseas underwritten by the underwriters, and the sale of shares through an over-allotment option, the percentage of voting rights of TPC held by the Company fell below 50% and the Company no longer has a controlling interest in TPC. Therefore, TPC has transitioned from a consolidated subsidiary of the Company to an equity-method associate.

#### 1. Overview of business divestiture

##### (1) Name of successor company

Omitted due to public offering.

##### (2) Name of divested company and description of its business

Tekscend Photomask Corp. (Manufacture and sale of photomasks for semiconductors)

##### (3) Date of business divestiture

October 16, 2025 (Deemed date of business divestiture: October 1, 2025)

##### (4) Reason for the business divestiture

Since commencing its photomask business in 1961 as one of the Company’s divisions, TPC has leveraged its advanced technological capabilities to expand its manufacturing bases from Japan to Europe, the Americas and Asia, supporting the growth of the semiconductor industry through its spin-off and subsequent development. In recent years, the global semiconductor market has expanded rapidly due to technological advancements like AI and 5G, accelerating digital innovation across various end markets. Photomasks are essential components in the lithography process of semiconductor manufacturing. As the semiconductor market grows, the photomask market is also entering a new phase. To achieve continuous business expansion and growth, it is essential to accurately grasp changes in the market environment and customer needs, enabling even more rapid and flexible R&D investment and capital investment than before. The stock listing aims to enable TPC to continue swiftly executing investments that capture market needs and achieve further growth and enhanced competitiveness as an independent corporate entity. The Company expects that enhancing TPC’s corporate value will ultimately contribute to enhancing the corporate value of the TOPPAN Group.

##### (5) Matters concerning the outline of other transactions, including legal form

As a result of TPC’s issuance of new shares through public offering, the Company no longer has a controlling interest in TPC. Therefore, TPC has been reclassified from a consolidated subsidiary to an equity-method associate.

#### 2. Overview of accounting treatment implemented

##### (1) Amount of gain or loss on transfer

Gain on change in equity: ¥5,303 million

##### (2) Fair book values of assets and liabilities related to the divested company and their breakdown

	(Million yen)
Current assets	67,874
Non-current assets	118,136
Total assets	<u>186,011</u>
Current liabilities	39,573
Non-current liabilities	14,893
Total liabilities	<u>54,467</u>

(3) Accounting treatment

Accounting treatment has been implemented in accordance with the “Accounting Standard for Business Divestitures” (ASBJ Statement No. 7, September 13, 2013) and the “Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures” (ASBJ Guidance No. 10, January 16, 2019). Accordingly, the difference of ¥5,303 million arising between the Company’s equity interest prior to the issuance of new shares through public offering and the Company’s equity interest after the issuance has been recognized as a gain on change in equity under extraordinary income.

3. Reportable segment in which TPC was included

Electronics

4. Estimated amounts of profit/loss related to the divested business recorded in the Consolidated Statement of Income for the fiscal year under review

	(Million yen)
Net sales	61,110
Operating profit	13,230

(Matters Concerning Revenue Recognition)

Information on the breakdown of revenue from contracts with customers

For the fiscal year ended March 31, 2025

(Million yen)

	Reportable segment			Total
	Information & Communication	Living & Industry	Electronics	
Japan	735,071	299,214	54,685	1,088,972
Asia	54,734	107,763	176,000	338,499
North America	67,484	47,852	27,243	142,581
Other	36,336	87,192	25,018	148,547
Revenue from contracts with customers	893,628	542,023	282,948	1,718,600
Other revenue	912	—	—	912
Net sales to outside customers	894,540	542,023	282,948	1,719,512

For the fiscal year ended March 31, 2026

(Million yen)

	Reportable segment			Total
	Information & Communication	Living & Industry	Electronics	
Japan	725,040	304,051	44,451	1,073,544
Asia	62,878	109,543	119,766	292,188
North America	59,055	173,952	14,363	247,371
Other	55,841	127,680	7,294	190,816
Revenue from contracts with customers	902,816	715,227	185,875	1,803,920
Other revenue	1,113	—	—	1,113
Net sales to outside customers	903,930	715,227	185,875	1,805,033

(Notes)

1. As described in the Notes on Changes in Accounting Policies, effective from the beginning of the consolidated fiscal year under review, the Company changed the method of currency conversion into Japanese yen for income and expenses of foreign subsidiaries and associates from the method that applies the spot exchange rate on the financial closing date to the method that applies the average exchange rate during the period. This accounting policy change was applied retrospectively and the consolidated financial statements for the fiscal year ended March 31, 2025 were restated.
2. Net sales for “North America,” which had been included in “Other” in the previous consolidated fiscal year, have been presented as a separate line item starting from the fiscal year under review due to its increased significance. As a result, ¥291,128 million previously presented under “Other” in the previous consolidated fiscal year has been reclassified into ¥142,581 million under “North America” and ¥148,547 million under “Other.”

(Notes on Per Share Information)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Net assets per share	¥4,471.44	¥4,742.83
Basic earnings per share	¥298.62	¥227.07

(Notes) 1. The basis for the calculation of basic earnings per share is as shown below.

2. Diluted earnings per share are not stated because there is no potential share dilution.
3. The number of shares of the Company owned by the ESOP trust is included in the number of treasury shares excluded from the total number of issued shares at the end of the period used to calculate net assets per share. The number of shares of the Company owned by the ESOP trust is also included in the number of treasury shares excluded from the calculation of the average number of shares during the period used to calculate basic earnings per share.  
The number of treasury shares at the end of the period excluded from the calculation of net assets per share was 1,885 thousand shares. The average number of treasury shares during the period excluded from the calculation of basic earnings per share was 1,885 thousand shares.
4. As described in Notes on Changes in Accounting Policies, the accounting policy change effective April 1, 2025, was applied retrospectively, and the consolidated financial statements for the year ended March 31, 2025, were restated. Consequently, basic earnings per share for the year ended March 31, 2025, increased by ¥2.64.

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Basic earnings per share		
Profit attributable to owners of parent (Million yen)	90,144	64,801
Amount not attributable to common shareholders (Million yen)	—	—
Profit attributable to owners of parent relating to common shares (Million yen)	90,144	64,801
Average number of shares of common shares outstanding during each fiscal year (Thousand shares)	301,870	285,384

(Notes on Additional Information)

(Change in estimation period for provision for bonuses)

The Company and certain consolidated subsidiaries have changed the estimation period for the provision for bonuses in the fiscal year under review, from November 21 to May 20 to October 1 to March 31 for summer bonuses, and from May 21 to November 20 to April 1 to September 30 for winter bonuses.

In connection with the transitional measures accompanying this change, in the fiscal year under review, the portion of the provision for bonuses for summer bonuses corresponding to the estimation period previously recognized in the following fiscal year (50 days from April 1 to May 20) has been recognized in the fiscal year under review.

As a result, operating profit, ordinary profit, and profit before income taxes for the fiscal year under review each decreased by ¥5,421 million.

(Notes on Significant Subsequent Events)

(Merger of consolidated subsidiaries)

At its meeting held on March 13, 2025, the Company's Board of Directors resolved to implement an absorption-type merger with TOPPAN Inc. as the surviving company and TOPPAN Edge Inc. and TOPPAN Digital Inc. as the absorbed companies. On September 25, 2025, these wholly owned subsidiaries of the Company concluded an absorption-type merger agreement concerning the said absorption-type merger, and the absorption-type merger was carried out with an effective date of April 1, 2026.

1. Overview of the transaction

(1) Name of subsidiaries to be merged and their business

Name of surviving company: TOPPAN Inc.

Business: Information & Communication, Living & Industry, Electronics, etc.

Name of absorbed company: TOPPAN Edge Inc.

Business: Information solutions, Hybrid BPO, Communication media, and Security products

Name of absorbed company: TOPPAN Digital Inc.

Business: Developing DX business strategies for the entire TOPPAN Group, creating and promoting new DX businesses, DX-related research & development, providing IT infrastructure

(2) Date of the business combination

April 1, 2026

(3) Legal form of the business combination

An absorption-type merger in which TOPPAN Inc. is the surviving company and TOPPAN Edge Inc. and TOPPAN Digital Inc. are the absorbed companies.

(4) Name of the entity after the business combination

TOPPAN Inc.

(5) Other matters

This absorption-type company merger was carried out in order to consolidate the Group's management resources and customer base, generate group-wide synergies, and enhance competitiveness across its information and other business segments, ultimately driving further Group growth.

2. Overview of accounting treatment

The transaction will be processed as a transaction under common control in accordance with the Accounting Standard for Business Combinations (ASBJ Statement No. 21, January 16, 2019) and the Implementation Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures (ASBJ Guidance No. 10, January 16, 2019).

(Purchase of treasury shares)

At the Board meeting held on May 14, 2026, the Company resolved to acquire its own shares in accordance with the provisions of the Articles of Incorporation pursuant to the provisions of Article 459, Paragraph 1 of the Companies Act.

1. The reasons for acquiring treasury stock

The Company will acquire its own shares for the purpose of enhancing shareholder returns and improving capital efficiency.

2. Details of matters concerning the acquisition

- |  |   |
|--|---|
| (1) Class of shares to be acquired:        | Common stock of the Company   |
| (2) Total number of shares to be acquired: | 14,000,000 shares (maximum)<br>(4.90% of total shares outstanding [excluding treasury stock]) |
| (3) Total acquisition price of shares:     | ¥50 billion (maximum)   |
| (4) Acquisition period:                    | From May 15, 2026 to May 14, 2027   |
| (5) Acquisition method:                    | Market purchase on the Tokyo Stock Exchange   |