To our shareholders:

Items Not Included in Documents Delivered Concerning the Notice of Convocation of the 127th Annual General Meeting of Shareholders

<Consolidated Financial Statements>

Consolidated Statement of Changes in Net Assets
Notes to Consolidated Financial Statements

<Non-Consolidated Financial Statements>

Non-Consolidated Statement of Changes in Net Assets
Notes to Non-Consolidated Financial Statements

The items listed above are posted on each website on the Internet, which are described on page 3 of "Notice of Convocation" pursuant to the applicable laws and regulations and Article 15, Paragraph 2 of the Articles of Incorporation of the Company.

DIC Corporation

Consolidated Statement of Changes in Net Assets

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at January 1, 2024	**96,557**	**94,234**	**173,292**	**(1,586)**	**362,497**
Change in FY 2024					
Dividends from surplus			(7,597)		(7,597)
Net income attributable to owners of the parent			21,313		21,313
Purchase of treasury shares				(8)	(8)
Disposal of treasury shares				96	96
Net changes of items other than shareholders' equity					
Total change in FY 2024	―	―	**13,716**	**88**	**13,804**
Balance at December 31, 2024	**96,557**	**94,234**	**187,008**	**(1,498)**	**376,301**

	Accumulated other comprehensive income					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 January 1, 2024	**5,542**	**248**	**12,559**	**(16,910)**	**1,440**	**35,330**	**399,267**
Change in FY 2024							
Dividends from surplus							(7,597)
Net income attributable to owners of the parent							21,313
Purchase of treasury shares							(8)
Disposal of treasury shares							96
Net changes of items other than shareholders' equity	(1,618)	267	22,028	3,002	23,679	(16,136)	7,543
Total change in FY 2024	**(1,618)**	**267**	**22,028**	**3,002**	**23,679**	**(16,136)**	**21,348**
Balance at December 31, 2024	**3,924**	**515**	**34,587**	**(13,907)**	**25,119**	**19,194**	**420,615**

Notes to Consolidated Financial Statements

I. Notes to Significant Accounting Policies

1. Scope of Consolidation
   Number of consolidated subsidiaries 152
   (Sun Chemical Group Coöperatief U.A., DIC (CHINA) CO., LTD., DIC Asia Pacific Pte Ltd, Colors & Effects USA LLC, DIC INVESTMENTS JAPAN, LLC., DIC Graphics Corporation, and others)

   Change in scope of consolidation
   Increase: 1 company Qingdao DIC Innovation Technology, Co., Ltd. (establishment)
   Decrease: 15 companies SEIKO PMC CORPORATION and others (sale of shares, etc.)

2. Scope of Equity Method
   Number of companies accounted for by the equity method 18
   (TAIYO HOLDINGS CO. LTD. and others)

   Change in scope of equity method
   Increase: None
   Decrease: None

3. Accounting Period of Consolidated Subsidiaries
   The closing date of the consolidated subsidiaries is the same as the consolidated closing date.

4. Accounting Policies

(1) Methods and Standards for Valuation of Significant Assets

(a) Securities

Other securities

Securities with a readily determinable market value:
Stated at fair market value (with any unrealized gains or losses being reported directly as a component of shareholder’s equity and the cost of any securities sold being computed by the moving-average method).

Securities with no readily determinable market value:
Stated at cost, with cost being determined by the moving-average method.

(b) Derivatives

Derivatives are carried at fair value.

(c) Inventories

Inventories are principally stated at cost, determined by the first-in, first-out method, which evaluates the amount of the inventories shown in the consolidated balance sheet by writing them down based on their decrease in profitability.

(2) Method for Depreciation of Non-Current Assets

(a) Property, plant and equipment (excluding leased assets)

DIC Corporation (the "Company") and its consolidated domestic subsidiaries:

Depreciation of buildings (other than facilities attached to buildings) is calculated principally by the straight-line method. Depreciation of other property, plant and equipment is calculated by the declining-balance method. However, depreciation of facilities attached to buildings and structures acquired on or after April 1, 2016, is also calculated by the straight-line method.

Consolidated foreign subsidiaries:

Depreciation of property, plant and equipment is calculated principally by the straight-line method.

The principal useful lives are as follows:

Buildings and structures	8 - 50 years
Machinery, equipment and vehicles	3 - 11 years

(b) Intangible assets (excluding leased assets)

Intangible assets are amortized by the straight-line method.

(c) Leased assets

Leased assets related to finance leases that do not transfer ownership of the leased property to the lessee are depreciated on a straight-line basis, with the lease periods used as their useful lives and no residual value.

(d) Right-of-use assets

Right-of-use assets are depreciated using the straight-line method with a useful life determined from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term and no residual value.

(3) Standards for Provisions

(a) Allowance for doubtful accounts

Allowance for doubtful accounts is provided mainly based on historical experience for normal receivables and on an estimate of collectability of receivables from companies in financial difficulty.

(b) Provision for bonuses

Provision for bonuses is provided based on the estimated payments of bonuses to employees and executive officers by the Company and its consolidated domestic subsidiaries.

(4) Retirement and Pension Plans

Net defined benefit asset/liability is recognized for employees' and executive officers' retirement benefits. Pension assets are deducted from retirement benefit obligations, and the net amount is recognized based on the estimated amount of payment as of the balance sheet date. In calculating retirement benefit obligations, the Company and its consolidated subsidiaries (the "Group") apply a method of attributing expected retirement benefits to each period on a benefit formula basis.

The Company and its consolidated domestic subsidiaries amortize actuarial gains and losses in the succeeding years primarily by the straight-line method over the stated years that do not exceed the average remaining service period of the eligible employees (13 years). Past service costs are expensed in the accounting periods when they are incurred.
Consolidated foreign subsidiaries amortize actuarial gains and losses in the succeeding years primarily by the straight-line method over the stated years that do not exceed the average remaining service period of the eligible employees (3-19 years). Past service costs are amortized over 9-23 years.

Unrecognized actuarial gains and losses and unrecognized past service costs are recorded in "Remeasurements of defined benefit plans" in net assets after adjusting income tax effect.

(5) Revenue and expense recognition standards

The Group conducts business activities in three segments, "Packaging & Graphic," "Color & Display" and "Functional Products," and mainly provide merchandise and products to domestic and overseas customers.
With regard to the sales of merchandise and products in these business fields, the Group recognizes revenue at the time of delivery of merchandise or products because it considers that the customer obtains control over the merchandise or products and performance obligations are satisfied at the time of delivery of the merchandise or products.
Revenue is recognized at the amount of consideration promised in the contract with the customer, less consideration such as returns, rebates and others, to the extent that there is a high probability of no material reversal of revenue. Also, regarding buy-sell transactions that fall under the buyback agreement, the amount of raw materials at the end of the fiscal period, which are provided to transaction partners, is continually recognized as inventory, and the amount of supplied materials at the end of fiscal period that remain at transaction partners is recognized as buyback obligations at the same time.
Furthermore, transaction consideration is generally received within one year after performance obligations are satisfied, and important financing components are not included in the contract.

(6) Foreign Currency Translation

Receivables and payables denominated in foreign currencies are translated into Japanese yen at the exchange rates as of the balance sheet date and any difference arising from the translation is recognized in the consolidated statement of income.

The balance sheet accounts of the consolidated foreign subsidiaries are translated into Japanese yen at the exchange rates as of the balance sheet date. Revenue and expense accounts are translated at the average rate of exchange in effect during the year. Translation differences are included in foreign currency translation adjustment and non-controlling interests in the section of net assets.

(7) Method for Hedge Accounting

Hedge accounting, under which unrealized gain or loss is deferred, is adopted for derivatives that qualify as hedges. The receivables and payables denominated in foreign currencies are translated at the contracted rates if the forward contracts qualify for hedge accounting. If interest rate swaps qualify for hedge accounting and meet certain specific matching criteria, they will not be measured at market value; rather the differential paid or received under the swap agreements will be recognized in interest expense or income.

(8) Group tax sharing system

The Company and some of its subsidiaries have adopted the group tax sharing system.

5. Amortization of Goodwill

Goodwill is amortized by the straight-line method within 20 years.

6. 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 has introduced a new performance-based stock compensation plan called BBT (the “Plan”) since 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 Target Officers’ awareness of their contributions to the medium- to long-term improvement of corporate performance and 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” (PITF No. 30, March 26, 2015).

(1) Outline of the transactions

The trust established under the Plan acquires the Company’s shares with 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 were ¥925 million and 303 thousand as of December 31, 2023, respectively, and ¥829 million and 277 thousand as of December 31, 2024, respectively.

II. Notes to Accounting Estimates

1. Valuation of Non-Current Assets Related to Sun Chemical Color Materials

(1) Amount recorded in the consolidated financial statements for the fiscal year ended December 31, 2024

(Millions of yen)

	Previous Fiscal Year Ended December 31, 2023	Current Fiscal Year Ended December 31, 2024
Property, plant and equipment	111,326	113,814
Intangible assets	20,088	20,464
Goodwill	—	—
Impairment losses	22,469	—

(2) Information on significant accounting estimates for the identified items

(a) Method of calculating the amounts recognized in the consolidated financial statements for the fiscal year ended December 31, 2024

The Sun Chemical Group, a subsidiary of the Group, applies accounting principles generally accepted in the United States and performs recoverability tests whenever there are indications that an asset group may be impaired. If as a result the aggregate undiscounted future cash flows from the use, and ultimate disposal, of an asset group are less than its carrying value, the asset group is assessed to be not recoverable. If the carrying value of an asset group is not recoverable, the difference between carrying value and fair value is recognized as an impairment loss.

While demand for pigments, the core product of the Sun Chemical Color Materials business, failed to recover fully in the fiscal year ended December 31, 2024, owing to economic stagnation in Europe, a leading market for these products, notably in Germany, shipments have recovered since the completion of inventory adjustments by customer, particularly of pigments for use in building materials and for industrial applications. Additionally, the operating loss in this business shrank significantly, thanks to the progress of structural reforms aimed at, among others, optimizing production configurations, as well as to efforts to lower costs. Accordingly, because the Group anticipates a return to profitability in this business, the Group has determined that there are no indications of impairment.

(b) Significant assumptions used in calculating the amounts recognized in the consolidated financial statements for the fiscal year ended December 31, 2024

When formulating operating income and loss estimates for the subsequent fiscal year and beyond, the Group uses business plans and significant assumptions regarding forecasts for sales volume and the degree to which structural reforms will contribute to the improvement of operating income. Forecasts for sales volume are based on market growth projections and reflect an anticipated increase in sales of high-performance products. The Group expects structural reforms implemented in the fiscal year ended December 31, 2024—including production configuration optimization and labor force rationalization—will continue to positively impact operating income going forward, and that operating income and loss results will improve further with the promotion of various measures, including the merger and shuttering of production facilities.

(c) Impact on the consolidated financial statements for the fiscal year ending December 31, 2025

Although calculations for business plans are made based on management's best estimates, if the assumptions used in estimates formulated in the fiscal year ended December 31, 2024, differ as a consequence of changes in the market or other factors, there is a risk that this could have a significant impact on the valuation of the non-current assets of the Sun Chemical Color Materials business in the fiscal year ending December 31, 2025.

2. Valuation of Goodwill and Other Non-Current Assets Related to the Group of Cash-Generating Units including Guangdong DIC TOD Resins Co., Ltd. ("Guangdong TOD")

(1) Amount recorded in the consolidated financial statements for the fiscal year ended December 31, 2024

(Millions of yen)

	Previous Fiscal Year Ended December 31, 2023	Current Fiscal Year Ended December 31, 2024
Property, plant and equipment	9,966	12,864
Intangible assets	4,808	4,773
Investments and other assets	—	263
Goodwill	7,340	7,462
Impairment losses	2,518	—

(2) Information on significant accounting estimates for the identified items

(a) Method of calculating the amounts recognized in the consolidated financial statements for the fiscal year ended December 31, 2024

Goodwill related to the acquisition of Guangdong TOD is allocated to a group of cash-generating units that are expected to benefit from synergies arising from business combinations and is tested for impairment on an annual basis. If the recoverable amount of the group of cash-generating units is less than the carrying value, an impairment loss is recognized. The recoverable amount is based on value in use, which is determined by discounting estimated future cash flows to present value.

In the fiscal year ended December 31, 2024, the shift in market demand from oil-based to waterborne resin products has been slower than expected when the Group acquired Guangdong TOD, and price competition with other manufacturers has started. The expansion of sales of waterborne resins has lagged behind expectations at the time of the acquisition.

However, as a result of considering factors such as the progress of actual achievement of the business plan revised in the fiscal year ended December 31, 2023, because the recoverable amount of the group of cash generating unit was assessed to be greater than its carrying value, an impairment loss on the unamortized balance of goodwill and other non-current assets was not recognized in the fiscal year ended December 31, 2024.

(b) Significant assumptions used in calculating the amounts recognized in the consolidated financial statements for the fiscal year ended December 31, 2024

The recoverable amount is measured based on the estimated future cash flows by business plan and discount rates. The significant assumptions are an increase in the sales volume of waterborne resins due to stringent environmental regulations in the PRC, and industrial resins due to increased demand for domestic products because of rising prices, and the effects of cost reductions realized during the fiscal year ended December 31, 2024.

The sales volume of waterborne resins is expected to increase by responding to the growing demand for waterborne resins with the expanded production capacity of a new facility of Guangdong TOD which has completed in the fiscal year ended December 31, 2024.

The sales volume of industrial resins is expected to increase utilizing expanded production capacity by responding to the growing demand for domestic product due to soaring prices for imported raw materials.

In addition, the cost reduction measures are beginning to take effect in the fiscal year ended December 31, 2024, it is expected to contribute the improvement of operating income in the future.

(c) Impact on the consolidated financial statements for the fiscal year ending December 31, 2025

Although recoverable amounts are determined based on management’s best estimates, such estimates may be affected by changes in market conditions. If the assumptions used change as a consequence of changes in the business environment or other factors, this could have a material impact on the valuation of goodwill and other non-current assets related to the group of cash-generating units including Guangdong TOD in the fiscal year ending December 31, 2025.

3. Valuation of Goodwill and Other Non-Current Assets Related to the Group of Assets, including Innovation DIC Chimitroniques Inc. ("IDC")

(1) Amount recorded in the consolidated financial statements for the fiscal year ended December 31, 2024

(Millions of yen)

	Previous Fiscal Year Ended December 31, 2023	Current Fiscal Year Ended December 31, 2024
Property, plant and equipment	6,136	8,538
Intangible assets	2,766	2,696
Goodwill	5,990	5,789

(2) Information on significant accounting estimates for the identified items

(a) Method of calculating the amounts recognized in the consolidated financial statements for the fiscal year ended December 31, 2024

If the goodwill recorded as a result of the acquisition of IDC, when grouped into a larger group of assets related to the business to which goodwill is attributable plus goodwill, showed indication of impairment, estimated future cash flows from larger unit, including goodwill, are compared with the carrying value, to determine the necessity of recognizing an impairment loss. The determination of whether there is an indication of impairment is primarily on whether it continuously operates at a loss or posts negative cash flows from operating activities, or if there is a change in the scope or method of use that significantly reduce the recoverable amount.

In the fiscal year ended December 31, 2024, net sales of IDC expanded at a slower pace than had been expected at the time of the acquisition, a consequence of sluggish conditions in the market for photoresists used in semiconductor photolithography and inventory adjustments by key customers.

However, as a result of considering factors such as the progress of the business plan that was the basis for valuation at the time of acquisition, the Group has determined that there is no indication of impairment of goodwill and other non-current assets related to the group of assets that includes IDC.

(b) Significant assumptions used in calculating the amounts recognized in the consolidated financial statements for the year ended December 31, 2024

Significant assumptions are used in estimating of future business plans used to determine indication of impairment of goodwill and other non-current assets. These include expected sales volumes to key customers, which take into account of market conditions.

Sales volumes are expected to increase bolstered by rising demand from key customers as related markets recover, as well as by the realization of new projects thanks to the incorporation of the IDC's refining technologies from the fiscal year ending December 31, 2025.

(c) Impact on the consolidated financial statements for the year ending December 31, 2025

Although indication of impairment of goodwill and other non-current assets are determined based on management's best estimates, such estimates may be affected by changes in market conditions. If the assumptions used change as a consequence of changes in the business environment or other factors, this could have a material impact on the valuation of goodwill and other non-current assets related to the group of assets including IDC in the fiscal year ending December 31, 2025.

4. Recoverability of Deferred Tax Assets

(1) Amount recorded in the consolidated financial statements for the fiscal year ended December 31, 2024

Deferred Tax Assets	¥16,160 million

(The balance of deferred tax assets before offsetting deferred tax liabilities is ¥46,393 million.)

The amount of net operating loss carryforwards and future deductible temporary difference for which deferred tax assets have not been recognized is ¥65,936 million.

(2) Information on significant accounting estimates for the identified items

(a) Method of calculating the amounts recognized in the consolidated financial statements for the year ended December 31, 2024

In recognizing deferred tax assets, the Group considers the extent to which it is probable that future taxable income will be available against the deductible temporary differences and unused tax loss carryforwards can be utilized.

Among the subsidiaries, Sun Chemical Group, which is mainly based in Americas and Europe, applies the guidance ASC 740, “Income Taxes.” Sun Chemical Group recorded deferred tax assets of ¥34,172 million, before offsetting against deferred tax liabilities. The amount occupies a large percentage of the consolidated total. The amount of net operating loss carryforwards and future deductible temporary differences for which deferred tax assets have not been recognized is ¥60,287 million.

(b) Significant assumptions used in calculating the amounts recognized in the consolidated financial statements for the year ended December 31, 2024

The amount of recoverable deferred tax assets was estimated based not only on past taxable income levels but also on forecasts of future taxable income based on the business plan for the period in which the deductible temporary differences and unused net operating loss carryforwards are deductible.

The estimates for future taxable income are based on the budget for the upcoming fiscal year approved by the Board of Directors. Significant assumptions are used in making the budget, including sales prices are improved by passing on rising prices, new products are successfully commercialized.

(c) Impact on the consolidated financial statements for the year ending December 31, 2025

These assumptions may be affected by such factors as the global trends currency exchange rates, which would be impacted by interest rates fluctuation in Japan, the United States and Europe, economic conditions and prices for raw materials affected by resource price movements. If actual results differ from initial estimates, this could have a significant impact as it would be necessary to additionally record or reverse deferred tax assets in the consolidated financial statements for the following fiscal year.

III. Notes to Consolidated Balance Sheet

	(Millions of yen)
1. Accumulated Depreciation of Property, Plant and Equipment	699,527

2. Assets Pledged for Collateral and Secured Liabilities

(1) Assets pledged for collateral

	(Millions of yen)
Cash and deposits	47
Notes and accounts receivable - trade	4,441
Inventories	2,261
Buildings and structures	285
Land	340
Non-current assets other	649
Total	8,023

(2) Secured liabilities

None.

3. Contingent Liabilities and Others

	(Millions of yen)
Liability for guarantee	1,005

IV. Notes to Consolidated Statement of Changes in Net Assets

(Shares)

1. Number of Common Stock Issued at the End of Period 95,156,904

2. Cash Dividends

(a) Amount of cash dividends paid

Resolution	Type of stock	Dividends in total (Millions of yen)	Cash dividends per share (Yen)	Record date	Dividend payment
March 28, 2024, Annual General Meeting of Shareholders	Common stock	2,849	30	December 31, 2023	March 29, 2024
August 9, 2024, Meeting of the Board of Directors	Common stock	4,748	50	June 30, 2024	September 2, 2024
Total		7,597			

Notes: 1. The total amount of dividends resolved at the annual general meeting of shareholders held on March 28, 2024, includes dividends of ¥9 million for the Company’s shares held by the BBT.

2. The total amount of dividends resolved at the meeting of the board of directors held on August 9, 2024, includes dividends of ¥14 million for the Company’s shares held by the BBT.

(b) Amount of cash dividends to be paid

Resolution	Type of stock	Funds for dividends	Dividends in total (Millions of yen)	Cash dividends per share (Yen)	Record date	Dividend payment
March 27, 2025, Annual General Meeting of Shareholders	Common stock	Retained earnings	4,748	50	December 31, 2024	March 28, 2025

Note: The total amount of dividends to be resolved at the annual general meeting of shareholders held on March 27, 2025, includes dividends of ¥14 million for the Company’s shares held by the BBT.

V. Notes to Financial Instruments

1. Status of Financial Instruments

   The Group is managing funds with safe and secure financial assets. Means of financing include direct financing such as the issuance of bonds and commercial papers and liquidation of receivables, as well as indirect financing such as short-term and long-term bank borrowings, the terms of which are determined based on financial market conditions and balance of account at the time.

   The Group has derivatives which consist of forward foreign currency contracts, currency swaps and interest-swaps. For commodities, commodity swaps are used. Derivatives are not used for trading or speculative purposes, but for risk aversion.

   The Group applies hedge accounting when the derivative qualifies as a hedging instrument.

2. Fair Value of Financial Instruments

   The following table presents the carrying amounts and the fair value of financial instruments at December 31, 2024.

(Millions of yen)

		Carrying amount	Fair value	Difference
①	Investment securities (Note 2)			
	Shares of affiliates	25,756	46,062	20,306
	Available-for-sale securities	7,833	7,833	－
Assets total		33,589	53,895	20,306
①	Current portion of bonds payable	10,000	10,029	29
②	Current portion of long-term loans payable	54,521	54,412	(109)
③	Bonds payable	100,000	96,951	(3,049)
④	Long-term loans payable	277,617	273,897	(3,720)
⑤	Lease liabilities (non-current)	10,301	10,115	(186)
Liabilities total		452,439	445,404	(7,035)
Derivative financial instruments (Note 3)				
①	Hedge accounting - not applied	361	361	－
②	Hedge accounting - applied	(748)	(748)	－
Derivative financial instruments total		(388)	(388)	－

Note 1. Cash and deposits, notes and accounts receivable - trade, notes and accounts payable - trade, short-term loans payable, income taxes payable and lease liabilities (current) are cash and are settled in a short period of time, as a result of which their fair values approximate their book values. Accordingly, they are omitted.

Note 2. Financial instruments that do not have market prices are not included in “Investment securities.” The consolidated balance sheet amount of these financial instruments is as follows:

	As of December 31, 2024 (Millions of yen)
Unlisted stocks	26,496

Note 3. Net receivables and payables arising from derivative transactions are presented as net amounts and any item for which the total becomes a net obligation is indicated in parentheses.

Note 4.The fair value of investment in partnerships is not disclosed as the Group has applied the accounting treatment prescribed in Paragraph 24-16 of the “Implementation Guidance on Accounting Standard for Fair Value

Measurement" (ASBJ Guidance No. 31, issued on June 17, 2021). The consolidated balance sheet amount of these financial instruments is as follows:

	As of December 31, 2024 (Millions of yen)
Investment in partnerships	1,937

3. Details of the Level of Financial Instruments by Fair Value

The fair values of financial instruments are classified using a three-level hierarchy based on the observability and significance of valuation inputs to measure fair value.

Level 1: Fair value is measured using quoted prices for identical assets or liabilities in active markets.

Level 2: Fair value is measured using inputs that are observable either directly or indirectly other than those included in Level 1.

Level 3: Fair value is measured using unobservable inputs to the extent that relevant observable inputs are not available.

If multiple valuation inputs with significant impact are used to measure the fair value measurement of a financial instrument, the instrument is classified based on the lowest level of the fair value hierarchy to which each input belongs.

(1) Financial instruments carried at fair value on the consolidated balance sheet

(Millions of yen)

Category	Market value			
	Level 1	Level 2	Level 3	Total
Investment securities				
Available-for-sale securities Shares	7,833	—	—	7,833
Assets total	7,833	—	—	7,833
Derivative financial instruments				
① Hedge accounting - not applied	—	361	—	361
② Hedge accounting - applied	—	(748)	—	(748)
Derivative financial instruments total	—	(388)	—	(388)

(2) Financial instruments other than those carried at fair value on the consolidated balance sheet

(Millions of yen)

Category	Market value			
	Level 1	Level 2	Level 3	Total
Investment securities				
Shares of affiliates	46,062	—	—	46,062
Assets total	46,062	—	—	46,062
Current portion of bonds payable	—	10,029	—	10,029
Current portion of long-term loans payable	—	54,412	—	54,412
Bonds payable	—	96,951	—	96,951
Long-term loans payable	—	273,897	—	273,897
Lease liabilities (non-current)	—	10,115	—	10,115
Liabilities total	—	445,404	—	445,404

Note: Explanation of the valuation methodology and inputs used to measure fair value

Investment securities

The fair values of listed stocks are measured using quoted market prices for identical securities. Since listed stocks are traded in active markets, their fair values are classified as Level 1.

Derivative transactions

The fair values of foreign currency forward transactions are measured using forward exchange rates and are classified as Level 2. Foreign currency forward contracts subject to appropriation treatment are considered an integral part of the hedged foreign currency-denominated receivables and their fair values are included in the fair value of those receivables. Since these receivables are mostly settled in a short period of time, as a result of which their fair values approximate their book values, they are omitted.

The fair values of interest rate swap transactions are measured based on the price offered by the trading financial institution and are classified as Level 2. Interest rate swaps subject to special treatment are considered an integral part of the relevant hedged loans and their fair values are included in the fair value of those loans.

The fair values of commodity swap transactions are measured using exchange prices and are classified as Level 2.

Bonds payable (including current portion)

The fair values of bonds payable issued by the Company are measured using quoted prices. Since these bonds are not traded in active markets, their fair values are classified as Level 2.

Lease liabilities (non-current)

The fair values of lease liabilities are measured by discounting the present value, that is, the total amount of principal and interest, using the interest rate that would be expected to be applied if similar leases were newly undertaken, and are classified as Level 2.

Long-term loans payable (including current portion)

Long-term loans payable with variable interest rates subject to special treatment for interest rate swaps are measured by discounting the total amount of principal and interest, considered an integral part of the interest rate swap, using the presumed interest rate that would be expected to be applied if similar loans were newly undertaken, and are classified as Level 2.

Since other long-term loans payable with variable interest rates are deemed to reflect market interest rates within a short term, and because the Company's credit rating has not changed significantly since the execution, their fair values approximate their book values and are classified as Level 2.
The fair values of long-term loans payable with fixed interest rates are measured by discounting the present value, that is, the total amount of principal and interest, using the interest rate that would be expected to apply if similar loans were newly undertaken, and are classified as Level 2.

VI. Notes to Revenue Recognition

1. Information that provides a basis for disaggregating revenue from contracts with customers

(Millions of yen)

					Others	Total
	Packaging & Graphic	Color & Display	Functional Products	Subtotal		
Sales to external customers						
Japan	114,650	23,639	131,011	269,299	399	269,698
Overseas	455,113	194,436	151,633	801,182	247	801,429
Total	569,763	218,075	282,644	1,070,481	646	1,071,127

2. Information that provides a basis for understanding revenue from contracts with customers
Basic information for understanding revenue from contracts with customers is described in "(5) Revenue and expense recognition standards" within "4. Accounting Policies" in "I. Notes to Significant Accounting Policies."

3. Information that provides an understanding the amount of revenue in the fiscal year ended December 31, 2024, and in subsequent fiscal years
(1) Receivables from contracts with customers and contract liabilities

(Millions of yen)

	FY2024
Receivables from contracts with customers (beginning balance)	225,148
Receivables from contracts with customers (ending balance)	229,744
Contract liabilities (beginning balance)	649
Contract liabilities (ending balance)	560

Contract liabilities relate primarily to advances received from customers prior to the delivery of goods or services. The contract liabilities are reversed upon recognition of revenue.
Within the opening balance of contract liabilities as of January 1, 2024, the amount recognized as revenue for the fiscal year ended December 31, 2024, was immaterial. Revenue recognized in the fiscal years ended December 31, 2023 and 2024, in relation to performance obligations satisfied (or partially satisfied) in preceding fiscal years was immaterial. There were no significant changes in the balance of contract assets or the balance of contract liabilities.

(2) Transaction prices allocated to remaining performance obligations
Since there are no significant contracts with an initially expected contract period exceeding one year, the Group has applied the practical expedient method and transaction prices allocated to remaining performance obligations are omitted. There are no material considerations arising from contracts with customers that are not included in transaction amounts.

VII. Notes to Amounts Per Share Information

	(Yen)
Shareholders' equity per share	4,239.67
Earnings per share	225.11

(Notes)

1. The Company has introduced the BBT, and the shares held by the trust are recorded under net assets as treasury shares. The number of treasury shares excluded from the number of shares issued as of the balance sheet date used for the calculation of shareholders' equity per share includes the number of shares held by the trust. The number of treasury shares excluded from the weighted-average number of shares issued during the fiscal year used for the calculation of earnings per share includes the number of shares held by the trust.
2. The number of treasury shares excluded from the calculation of shareholders' equity per share was 277,400 as of December 31, 2024, while the weighted-average number of treasury shares issued during the fiscal year excluded from the calculation of earnings per share was 282,438 for the fiscal year ended December 31, 2024.

VIII. Notes to Business Combinations

Business Divestitures

Transfer of subsidiary shares

Effective January 15, 2024, the Company transferred all shares held in the consolidated subsidiary SEIKO PMC CORPORATION ("SEIKO PMC") through the purchase of treasury stock.

(1) Overview of the business divestiture

(a) Name of the successor entity

SEIKO PMC CORPORATION

(b) Description of the divested businesses

Manufacture and sale of papermaking chemicals, resins for printing inks and recording materials

(c) Main reason for the business divestiture

To meet the targets of the DIC Vision 2030 long-term management plan, which was announced in February 2022, following extensive discussions by the Board of Directors regarding how to allocate limited management resources to priority business areas, the Company resolved—as part of a review of the DIC Group's business portfolio—to transfer all shares held in SEIKO PMC. This decision was taken in the belief that it is the best course for SEIKO PMC to seek growth with a new partner better positioned to drive growth and a dramatic advance.

(d) Date of the business divestiture

January 15, 2024 (deemed transfer date: January 1, 2024)

(e) Other matters regarding the outline of the transaction, including the legal form

Transfer of shares for where the consideration received is only asset, such as cash

(2) Overview of the transaction

(a) Amount of gain or loss on transfer

Loss on sales of shares and investments in capital of subsidiaries and affiliates: ¥4,513 million

(b) Fair book values of assets and liabilities pertaining to the transferred business and the breakdown thereof

Current assets	¥26,025 million
Non-current assets	24,884 million
Total assets acquired	¥50,909 million
Current liabilities	¥14,133 million
Non-current liabilities	2,249 million
Total liabilities assumed	¥16,382 million

(c) Accounting treatment

The accounting treatment of the transaction was based on the "Accounting Standard for Business Divestitures" (ASBJ Statement No. 7, issued on September 13, 2013) and the "Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (ASBJ Guidance No. 10, issued on January 16, 2019).

(3) Reportable segment that included the divested business

Functional products

(4) Estimated amount of profit and loss related to the divested business reported in the consolidated statement of income for the current fiscal year ended December 31, 2024

The business divestiture was carried out with the beginning of the current fiscal year as the deemed transfer date, and the profit and loss relating to the divested business are not included in the consolidated statement of income for the current fiscal year ended December 31, 2024.

IX. Others

Japanese yen amounts are rounded to the nearest million.

Non-Consolidated Statement of Changes in Net Assets

(Millions of yen)

	Shareholders' equity								
		Capital surplus		Retained earnings					
				Other retained earnings					
	Capital stock	Legal capital surplus	Total capital surplus	Reserve for tax deferment of subsidies	Reserve for tax deferment of insurance gains	Reserve for tax deferment of capital gains from eminent domain	Reserve for reduction entry of replaced property	Retained earnings brought forward	Total retained earnings
Balance at January 1, 2024	**96,557**	**94,156**	**94,156**	**64**	**143**	**773**	**3,679**	**111,404**	**116,062**
Change in FY 2024									
Reversal of reserve for tax deferment of subsidies				(10)				10	—
Reversal of reserve for tax deferment of insurance gains					(7)			7	—
Reversal of reserve for tax deferment of capital gains from eminent domain						(20)		20	—
Reversal of reserve for reduction entry of replaced property							(382)	382	—
Dividends from surplus								(7,597)	(7,597)
Net income								36,176	36,176
Purchase of treasury shares									
Disposal of treasury shares									
Net changes of items other than shareholders' equity									
Total change in FY 2024	**—**	**—**	**—**	**(10)**	**(7)**	**(20)**	**(382)**	**28,999**	**28,579**
Balance at December 31, 2024	**96,557**	**94,156**	**94,156**	**53**	**136**	**753**	**3,296**	**140,403**	**144,642**

	Shareholders' equity		Valuation and translation adjustments			Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at January 1, 2024	**(1,586)**	**305,188**	**4,797**	**(9,782)**	**(4,985)**	**300,203**
Change in FY 2024						
Reversal of reserve for tax deferment of subsidies		—				—
Reversal of reserve for tax deferment of insurance gains		—				—
Reversal of reserve for tax deferment of capital gains from eminent domain		—				—
Reversal of reserve for reduction entry of replaced property		—				—
Dividends from surplus		(7,597)				(7,597)
Net income		36,176				36,176
Purchase of treasury shares	(8)	(8)				(8)
Disposal of treasury shares	96	96				96
Net changes of items other than shareholders' equity			(1,373)	(3,945)	(5,318)	(5,318)
Total change in FY 2024	**88**	**28,667**	**(1,373)**	**(3,945)**	**(5,318)**	**23,350**
Balance at December 31, 2024	**(1,498)**	**333,856**	**3,424**	**(13,726)**	**(10,302)**	**323,553**

Notes to Non-Consolidated Financial Statements

I. Notes to Significant Accounting Policies

1. Methods and Standards for Valuation of Securities

Securities of subsidiaries and affiliates:

Securities of subsidiaries and affiliates are stated at cost calculated by the moving-average method.

Other securities:

Other securities

Securities with a readily determinable market value:

Stated at fair market value (with any unrealized gains or losses being reported directly as a component of shareholder's equity and the cost of any securities sold being computed by the moving-average method).

Securities with no readily determinable market value:

Stated at cost, with cost being determined by the moving average method.

2. Methods and Standards for Valuation of Derivatives

Derivatives are carried at fair value.

3. Methods and Standards for Valuation of Inventories

Inventories are principally stated at cost, determined by the first-in, first-out method, which evaluates the amount of the inventories shown in the non-consolidated balance sheet by writing them down based on their decrease in profitability.

4. Method for Depreciation of Non-Current Assets

(1) Property, plant and equipment (excluding leased assets)

Buildings, tools, and facilities attached to buildings and structures acquired on or after April 1, 2016:	Straight-line method
Furniture and fixtures:	Declining-balance method
Other property, plant and equipment:	Declining-balance method, except for certain assets to which the straight-line method is applied

The principal useful lives are as follows:

Buildings	8 - 50 years
Machinery and equipment	8 years

(2) Intangible assets (excluding goodwill and leased assets)

Intangible assets are amortized by the straight-line method.

With regard to software for internal use, the straight-line method is applied based on a useful life of 5 years.

(3) Goodwill

Goodwill is amortized by the straight-line method within 20 years.

(4) Leased assets

Leased assets related to finance leases that do not transfer ownership of the leased property to the lessee are depreciated on a straight-line basis, with the lease periods used as their useful lives and no residual value.

5. Foreign Currency Translation

Receivables and payables denominated in foreign currencies are translated into Japanese yen at exchange rates as of the balance sheet date. Any difference arising from the translation is recognized in the non-consolidated statement of income.

6. Standards for Provisions

(1) Allowance for doubtful accounts

Allowance for doubtful accounts is provided based on historical experience for normal receivables and on an estimate of collectability of receivables from companies in financial difficulty.

(2) Provision for bonuses

Provision for bonuses is provided based on the estimated payments of bonuses to employees and executive officers.

(3) Provision for directors' bonuses

Provision for directors' bonuses is provided based on the estimated payments of bonuses.

(4) Provision for environmental measures

Provision for environmental measures is provided based on the estimated payments of soil pollution cleanup loss.

(5) Provision for product warranties

Provision for product warranties is provided based on the amount expected to be expensed for warranties of product sold.

(6) Provision for retirement benefits (prepaid pension cost)

Provision for employees' and executive officers' retirement benefits is provided based on the retirement benefit obligations and the fair value of pension plan assets as of the balance sheet date.

(a) Method of attributing expected retirement benefits to each period

In calculating retirement benefit obligations, the Company applies a method of attributing expected retirement benefits to each period on a benefit formula basis.

(b) Accounting for actuarial gains/losses and past service costs

Past service costs are expensed in the accounting periods when they are incurred. Actuarial gains and losses are amortized in the succeeding years by the straight-line method over the average remaining service period of the eligible employees (13 years).

(7) Provision for stock payments

Provision for stock payments is provided based on the estimated amount of stock payment obligations as of the balance sheet date to prepare for the payments of the performance-based stock compensation in accordance with the Rules of Officer Share Benefit.

(8) Provision for loss on business of subsidiaries and affiliates

Provision for loss on business of subsidiaries and affiliates is provided based on the consideration of the asset conditions of subsidiaries and affiliates.

7. Method for deferred assets

Bond issuance cost is expensed upon payment.

8. Method for Hedge Accounting

Hedge accounting, under which unrealized gain or loss is deferred, is adopted for derivatives that qualify as hedges. The receivables and payables denominated in foreign currencies are translated at the contracted rates if the forward contracts qualify for hedge accounting. If interest rate swaps qualify for hedge accounting and meet certain specific matching criteria, they will not be measured at market value; rather the differential paid or received under the swap agreements will be recognized in interest expense or income.

9. Group tax-sharing system

The Company has adopted the group tax-sharing system.

10. Retirement and Pension Plans

The accounting treatment for previously unrecognized actuarial gains and losses on the non-consolidated financial statements is different from the consolidated financial statements. On the non-consolidated balance sheet, pension assets are deducted from retirement benefit obligations adjusted with previously unrecognized actuarial gains and losses, and the net amount is recognized as a provision for retirement benefits or prepaid pension cost.

11. Revenue and expense recognition standards

The Company conducts business activities in three segments, “Packaging & Graphic,” “Color & Display” and “Functional Products,” and mainly provide merchandise and products to domestic and overseas customers.

With regard to the sales of merchandise and products in these business fields, the Company recognizes revenue at the time of delivery of merchandise or products because it considers that the customer obtains control over the merchandise or products and performance obligations are satisfied at the time of delivery of the merchandise or products.

Revenue is recognized at the amount of consideration promised in the contract with the customer, less consideration such as returns, rebates and others, to the extent that there is a high probability of no material reversal of revenue. Also, regarding buy-sell transactions that fall under the buyback agreement, the amount of raw materials at the end of the fiscal period, which are provided to transaction partners, is continually recognized as inventory, and the amount of supplied materials at the end of fiscal period that remain with transaction partners is recognized as buyback obligation at the same time.

Furthermore, transaction consideration is generally received within one year after performance obligations are satisfied, and important financing components are not included in the contract.

12. Additional Information

(Board Benefit Trust (BBT))

The notes concerning the transaction of delivering the Company's own stock to executive officers as well as directors who concurrently serve as executive officers through the BBT are omitted, as "6. Additional Information within I. Notes to Significant Accounting Policies" of the notes to consolidated financial statements contains the same description.

II. Notes to Accounting Estimates

1. Valuation of shares of subsidiaries and affiliates

(1) Amount recorded in the non-consolidated financial statements for the fiscal year ended December 31, 2024

Shares of subsidiaries and affiliates ¥492,464 million

(2) Information on the significant accounting estimate for the identified items

(a) Method of calculating the amounts recognized in the non-consolidated financial statements for the fiscal year ended December 31, 2024

Of the ¥492,464 million in shares of subsidiaries and affiliates recorded in the non-consolidated balance sheet as of December 31, 2024, ¥400,696 million represents investments in DIC INVESTMENTS JAPAN, LLC., which accounts for 46% of total assets. DIC INVESTMENTS JAPAN, LLC. aims to invest in and extend loans efficiently to Group companies, and its assessment of the cost of such an investment is impacted by the operating results of the target company. The Company assesses the cost of investments in subsidiaries and affiliates by comparing cost of acquisition with the actual value of shares. In principle, an impairment loss is recognized to reduce the cost to its substantial value if the substantial value is significantly lower than the cost, unless sufficient evidence indicates that a recovery is likely.

(b) Impact on the non-consolidated financial statements for the fiscal year ending December 31, 2025

The fair value of the share of DIC INVESTMENTS JAPAN, LLC., did not fall substantially below the cost of acquisition as of December 31, 2024. However, if the fair value decreases significantly compared to the cost of acquisition, due to the sharp deterioration of economic conditions or the operating environment, it may have a significant impact on the non-consolidated financial statements of the Company for the fiscal year ending December 31, 2025.

2. Recoverability of deferred tax assets

(1) Amount recorded in the non-consolidated financial statements for the fiscal year ended December 31, 2024

Deferred tax assets before offsetting deferred tax liabilities ¥14,265 million

(The balance of deferred tax liabilities after offsetting deferred tax liabilities is ¥933 million.)

The amount of deferred tax assets relating to future deductible temporary differences is ¥18,318 million, from which valuation allowance of ¥4,053 million was deducted. Of this amount, deferred tax assets relating to net operating loss carryforwards was ¥2,800 million, from which valuation allowance of ¥280 million was deducted.

(2) Information on significant accounting estimates for the identified items.

(a) Method of calculating the amounts recognized in the non-consolidated financial statements for the fiscal year ended December 31, 2024

The Company applies the group tax sharing system. Judgements on the recoverability of deferred tax assets with regard to corporate taxes and local income taxes are based on future taxable income of the entire tax-sharing system. Whereas, judgements on the recoverability of deferred tax assets with regard to inhabitants' tax and enterprise tax are based on future taxable income of the Company only. Taxable income before temporary differences was expected in a certain period in the future. Deferred tax assets were recognized in the range of amount considered recoverable from taxable income in a reasonably estimable period in the future, and the amount exceeding that range was deducted.

(b) Significant assumptions used in calculating the amounts recorded in the non-consolidated financial statements for the fiscal year ended December 31, 2024

The amount of recoverable deferred tax assets was estimated based not only on past taxable income levels, but also on forecasts of future taxable income based on the business plan for the period in which the deductible temporary differences and unused net operating loss carryforwards are deductible

The estimates for future taxable income are based on the budget for the upcoming fiscal year approved by the Board of Directors. Significant assumptions are used in making the budget, including sales prices are improved by passing on rising prices, new products are successfully commercialized.

(c) Impact on the non-consolidated financial statements for the fiscal year ending December 31, 2025

These assumptions may be affected by global economic conditions, market trends, prices for raw materials and interest and currency exchanges rates. If actual results differ from initial estimates, this could have a significant impact as it would be necessary to additionally record or reverse deferred tax assets in the non-consolidated financial statements for the following fiscal year.

III. Notes to Non-Consolidated Balance Sheet

		(Millions of yen)
1. Accumulated Depreciation of Property, Plant and Equipment		314,070

2. Contingent Liabilities and Others

(Millions of yen)

Guaranteed party	Amount	Contents of guarantee
Sun Chemical Group Coöperatief U.A.	6,000	Loans from financial institutions
DIC Graphics Corporation	2,026	Purchase liabilities
CAST FILM JAPAN CO., LTD.	1,000	Loans from financial institutions
DIC Plastics, Inc.	631	Purchase liabilities
DIC Decor, Inc.	545	Purchase liabilities
Two companies and others	360	Purchase liabilities and others
Total	10,562	

	(Millions of yen)
3. Short-term receivables from subsidiaries and affiliates	40,105
Long-term receivables from subsidiaries and affiliates	3,920
Short-term liabilities to subsidiaries and affiliates	68,639
Long-term liabilities to subsidiaries and affiliates	151

IV. Notes to Non-Consolidated Statement of Income

Transactions with subsidiaries and affiliates

	(Millions of yen)
Sales	61,598
Purchases	43,008
Other transactions	16,060

V. Notes to Non-Consolidated Statement of Changes in Net Assets

Type and number of treasury stock

(Shares)

	As of January 1, 2024	Increase in FY 2024	Decrease in FY 2024	As of December 31, 2024
Common stock	497,680	2,568	25,300	474,948
Total	497,680	2,568	25,300	474,948

(Notes)

1. The shares held by the BBT (277,400 shares) are included in the number of treasury shares as of December 31, 2024.
2. The increase in treasury shares of common stock (2,568 shares) was due to purchase of odd-lot shares.
3. The decrease in treasury shares of common stock (25,300 shares) was due to the benefit of the Company's shares by the BBT.

VI. Tax Effect Accounting

1. A breakdown of the major components of deferred tax assets and liabilities as of December 31, 2024, is as follows:

	(Millions of yen)
Deferred gains or losses on hedges	6,261
Net operating loss carryforwards	2,800
Shares of subsidiaries and affiliates	2,555
Others	6,701
Subtotal deferred tax assets	18,318
Valuation allowance	(4,053)
Total deferred tax assets	14,265

	(Millions of yen)
Foreign exchange loss from foreign currency borrowings	(6,261)
Net defined benefit asset	(4,112)
Reserve for tax purpose reduction entry of non-current assets	(1,869)
Others	(2,956)
Total deferred tax liabilities	(15,198)
Total deferred tax assets (net)	(933)

2. Accounting treatment of corporate and local corporate taxes and related tax effect accounting

The Company has adopted the group tax-sharing system. As a result, accounting treatment and disclosure of corporate and local corporate taxes and tax effect accounting is in accordance with "Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System" (ASBJ PITF No. 42, August 12, 2021).

VII. Notes to Revenue Recognition

Information that provides a basis for understanding revenue from contracts with customers

The notes concerning the information that provides a basis for understanding revenue from contracts with customers are omitted, as “VI. Notes to Revenue Recognition” of the notes to consolidated financial statements contains the same description.

VIII. Notes to Related Party Transactions

1. Related Companies

(Millions of yen)

<table>
<tr><th rowspan="2">Attribution</th><th rowspan="2">Name of related party</th><th rowspan="2">Ownership of voting rights</th><th rowspan="2">Relation with related parties</th><th rowspan="2">Contents of transaction</th><th rowspan="2">Amount of transaction</th><th colspan="2">Balance at year-end</th></tr>
<tr><th>Account</th><th>Amount</th></tr>
<tr><td rowspan="5">Subsidiaries</td><td rowspan="2">DIC Graphics Corporation</td><td rowspan="2">Owning Direct 66.6%</td><td rowspan="2">Sales of raw materials and others
Dispatch of officer</td><td>Sales of raw materials and others (Note 1)</td><td>19,316</td><td>Accounts receivable - other</td><td>5,239</td></tr>
<tr><td>Loan transaction (Note 2)</td><td>16,441</td><td>Short-term loans payable</td><td>16,229</td></tr>
<tr><td>DIC INVESTMENTS JAPAN, LLC.</td><td>Owning Direct 100%</td><td>Loan transaction
Dispatch of officer</td><td>Loan transaction (Note 2)</td><td>35,415</td><td>Short-term loans payable</td><td>35,525</td></tr>
<tr><td rowspan="2">SEIKO PMC CORPORATION</td><td rowspan="2">—</td><td rowspan="2">Sales of shares</td><td>Transaction amount of sales of shares (Note 3)</td><td>13,205</td><td>—</td><td>—</td></tr>
<tr><td>Gain on sales of shares (Note 3)</td><td>8,939</td><td>—</td><td>—</td></tr>
</table>

(Notes)

1. Transaction terms in “Sales of raw materials and others” are determined on an arm's length transaction.
2. Interest rate applied to “Loan transaction” is reasonably determined based on the market interest rate.
3. Effective January 15, 2024, the Company transferred all shares held in the consolidated subsidiary SEIKO PMC CORPORATION through the purchase of treasury stock. The transaction terms have been determined based on the definitive agreement entered into by the Company and Invisible Holdings Inc., the tender offeror.

2. Directors, Corporate Auditors, Major Individual Stockholders and Others

(Millions of yen)

<table>
<tr><th rowspan="2">Attribution</th><th rowspan="2">Name of related party</th><th rowspan="2">Ownership of voting rights</th><th rowspan="2">Relation with related parties</th><th rowspan="2">Contents of transaction</th><th rowspan="2">Amount of transaction</th><th colspan="2">Balance at year-end</th></tr>
<tr><th>Accounts</th><th>Amount</th></tr>
<tr><td rowspan="6">Companies where directors and their close relatives owned a majority of the voting rights (Note 1)</td><td>Nissei Real-Estate Co., Ltd.</td><td>—</td><td>Rental of buildings and others</td><td>Payment of rent for buildings and others (Note 2)</td><td>1,944</td><td>Security deposit</td><td>1,203</td></tr>
<tr><td rowspan="2">Dainichi Can Co., Ltd.</td><td rowspan="2">—</td><td rowspan="2">Purchase of metallic containers and others</td><td>Purchase of metallic containers and others (Note 3)</td><td>548</td><td>Electronically recorded obligations, accounts payable - trade, and accounts payable - other</td><td>201</td></tr>
<tr><td>Sales of merchandise and finished goods and offering of service (Note 4)</td><td>56</td><td>Electronically recorded monetary claims and accounts receivable - trade</td><td>21</td></tr>
<tr><td rowspan="2">Nissin Trading Co., Ltd.</td><td rowspan="2">—</td><td rowspan="2">Purchase of raw materials and others</td><td>Purchase of raw materials and others (Note 5)</td><td>7,728</td><td>Electronically recorded obligations, accounts payable - trade, and accounts payable - other</td><td>3,714</td></tr>
<tr><td>Sales of merchandise and finished goods and offering of service (Note 4)</td><td>4,355</td><td>Accounts receivable - trade and accounts receivable - other</td><td>1,083</td></tr>
<tr><td>SHANGHAI NISSIN TRADING CO., LTD</td><td>—</td><td>Sales of merchandise and finished goods</td><td>Sales of merchandise and finished goods (Note 4)</td><td>55</td><td>Accounts receivable - trade</td><td>17</td></tr>
</table>

(Notes)

1. Yoshihisa Kawamura, a director of the Company, and his close relatives substantially own a majority of the voting rights of Nissei Real-Estate Co., Ltd. Dainichi Can Co., Ltd. and Nissin Trading Co., Ltd. are fully owned by Nissei Real-Estate Co., Ltd. SHANGHAI NISSIN TRADING CO., LTD. is fully owned by Nissin Trading Co., Ltd.
2. Rental fee of “Rental of buildings and others” is determined based on an arm's length transaction in the neighboring area.
3. Transaction terms in “Purchase of metallic containers and others” are determined based on an arm's length transaction.
4. Transaction terms in “Sales of merchandise and finished goods and offering of service” are determined on an arm's length transaction.
5. Transaction terms in “Purchase of raw materials and others” are determined on an arm's length transaction.

IX. Notes to Amounts Per Share Information

	(Yen)
Net assets per share	3,417.26
Earnings per share	382.10

(Note) As described in “VII Notes to Amounts Per Share Information” of the notes to consolidated financial statements, the number of treasury shares excluded from the number of shares issued as of the balance sheet date or the weighted-average number of shares issued during the fiscal year includes the number of shares held by the BBT.

X. Others

Japanese yen amounts are rounded to the nearest million.