

Translation

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Summary of Consolidated Financial Results for the Six Months Ended September 30, 2025 (Under Japanese GAAP)

October 31, 2025

Company name CHUGOKU MARINE PAINTS, LTD. Stock exchange listings: Tokyo Prime
Securities code 4617 URL <https://www.cmp.co.jp/>
Representative (Title) President (Name)Kenshi Date
Managing Executive Officer /
Inquiries (Title) Chief of Administration (Name)Shinji Nakamura Tel 03-6457-9025
Headquarter
Semi-annual statement filing date (as planned) November 12, 2025 Dividend payable date (as planned) December 2, 2025
Supplemental material of results : Yes
Convening briefing of results : Yes (for analysts and institutional investors)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2025	68,507	8.9	9,051	14.1	8,815	3.6	5,914	(29.0)
September 30, 2024	62,935	13.6	7,929	54.6	8,507	45.6	8,332	88.7

Note:Comprehensive income For the six months ended September 30, 2025 5,156 Millions of yen ((64.0)%) For the six months ended September 30, 2024 14,339 Millions of yen (55.4%)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2025	119.26	—
September 30, 2024	168.08	—

(2) Consolidated financial position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2025	143,015	90,561	59.9	1,725.42
March 31, 2025	144,777	89,435	57.7	1,684.84

Reference:Owner's equity As of September 30, 2025 85,605 Millions of yen As of March 31, 2025 83,531Millions of yen

2. Cash dividends

	Annual dividend				
	First quarter	Second quarter	Third quarter	Year end	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	—	40.00	—	57.00	97.00
Fiscal year ending March 31, 2026	—	48.00			
Fiscal year ending March 31, 2026 (Forecast)			—	49.00	97.00

Note:Revisions to the forecast of cash dividends most recently announced : None

3. Consolidated financial forecast for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
Fiscal year ending	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
March 31, 2026	137,000	4.5	17,500	13.8	17,700	7.4	11,500	(16.2)	231.88

Note:Revisions to the earnings forecasts most recently announced : Yes

* Notes

(1) Significant changes in the scope of consolidation during the period : None

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements : None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations : None

(ii) Changes in accounting policies due to other reasons : None

(iii) Changes in accounting estimates : None

(iv) Restatement : None

(4) Number of issued shares (common shares)

① Number of issued and outstanding shares at the period end (including treasury stock)

② Number of treasury stock at the period end

③ Average number of shares

As of September 30, 2025	55,000,000 shares	As of March 31, 2025	55,000,000 shares
As of September 30, 2025	5,385,577 shares	As of March 31, 2025	5,421,656 shares
Six months ended September 30, 2025	49,593,810 shares	Six months ended September 30, 2024	49,572,653 shares

These financial results are not subject to review by certified public accountants or auditing firms.

Explanation regarding the appropriate use of forecasts of business results and other special instructions

These forecasts are based on various assumptions made at the date of release of these materials, including the information available at the date of release of these materials and uncertain factors that may affect future results, and the Company makes no representations as to their achievability. Actual results may differ materially from these forecasts as a consequence of various factors.

Semi-annual consolidated financial statements

Consolidated balance sheets

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	36,768	30,700
Notes and accounts receivable - trade	36,032	38,635
Electronically recorded monetary claims - operating	4,148	4,948
Securities	954	321
Merchandise and finished goods	15,697	15,584
Work in process	813	803
Raw materials and supplies	11,758	11,990
Other	2,776	2,541
Allowance for doubtful accounts	(575)	(608)
Total current assets	108,373	104,918
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	5,470	5,915
Machinery, equipment and vehicles, net	4,199	4,383
Land	12,635	12,606
Other, net	2,294	2,453
Total property, plant and equipment	24,599	25,358
Intangible assets	440	425
Investments and other assets		
Investment securities	8,229	9,507
Retirement benefit asset	1,113	913
Deferred tax assets	1,316	1,258
Other	1,311	1,104
Allowance for doubtful accounts	(607)	(469)
Total investments and other assets	11,363	12,313
Total non-current assets	36,403	38,097
Total assets	144,777	143,015

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	14,630	13,126
Electronically recorded obligations - operating	1,910	2,237
Short-term borrowings	17,086	14,631
Current portion of long-term borrowings	1,700	1,000
Accounts payable - other	3,870	4,225
Income taxes payable	1,647	1,480
Provision for bonuses	265	798
Provision for product warranties	141	140
Other	5,016	4,530
Total current liabilities	46,268	42,172
Non-current liabilities		
Long-term borrowings	1,000	1,739
Deferred tax liabilities	2,586	3,174
Deferred tax liabilities for land revaluation	1,975	1,975
Retirement benefit liability	2,190	2,127
Other	1,321	1,265
Total non-current liabilities	9,073	10,281
Total liabilities	55,342	52,454
Net assets		
Shareholders' equity		
Share capital	11,626	11,626
Capital surplus	—	66
Retained earnings	58,787	61,876
Treasury shares	(4,891)	(4,859)
Total shareholders' equity	65,522	68,709
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,867	4,730
Deferred gains or losses on hedges	—	2
Revaluation reserve for land	3,125	3,125
Foreign currency translation adjustment	10,770	8,686
Remeasurements of defined benefit plans	245	350
Total accumulated other comprehensive income	18,009	16,896
Non-controlling interests	5,903	4,955
Total net assets	89,435	90,561
Total liabilities and net assets	144,777	143,015

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Net sales	62,935	68,507
Cost of sales	42,094	45,139
Gross profit	20,841	23,367
Selling, general and administrative expenses	12,911	14,316
Operating profit	7,929	9,051
Non-operating income		
Interest income	259	245
Dividend income	206	196
Royalty income	59	80
Technical advisory fee income	30	48
Foreign exchange gains	204	—
Other	130	212
Total non-operating income	890	783
Non-operating expenses		
Interest expenses	258	221
Foreign exchange losses	—	754
Other	54	42
Total non-operating expenses	313	1,019
Ordinary profit	8,507	8,815
Extraordinary income		
Gain on sale of non-current assets	2,493	7
Gain on sale of investment securities	0	0
Total extraordinary income	2,494	7
Extraordinary losses		
Loss on sale of non-current assets	0	0
Loss on sale of investment securities	—	3
Loss on valuation of investment securities	19	—
Total extraordinary losses	19	3
Profit before income taxes	10,982	8,819
Income taxes - current	1,502	2,034
Income taxes - deferred	253	269
Total income taxes	1,756	2,303
Profit	9,225	6,515
Profit attributable to non-controlling interests	893	600
Profit attributable to owners of parent	8,332	5,914

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Profit	9,225	6,515
Other comprehensive income		
Valuation difference on available-for-sale securities	(12)	863
Deferred gains or losses on hedges	—	2
Foreign currency translation adjustment	5,148	(2,330)
Remeasurements of defined benefit plans, net of tax	(21)	105
Total other comprehensive income	5,114	(1,358)
Comprehensive income	14,339	5,156
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	13,075	4,801
Comprehensive income attributable to non-controlling interests	1,264	355

Consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	10,982	8,819
Depreciation	815	885
Increase (decrease) in allowance for doubtful accounts	9	(63)
Increase (decrease) in other provisions	321	536
Decrease (increase) in retirement benefit asset	(354)	193
Increase (decrease) in retirement benefit liability	412	37
Interest and dividend income	(465)	(441)
Interest expenses	258	221
Foreign exchange losses (gains)	(205)	325
Loss (gain) on sale and retirement of non-current assets	(2,490)	(5)
Loss (gain) on sale of investment securities	(0)	3
Loss (gain) on valuation of investment securities	19	—
Decrease (increase) in trade receivables	(531)	(3,803)
Decrease (increase) in inventories	(1,129)	(736)
Increase/decrease in consumption taxes payable/consumption taxes refund receivable	32	292
Increase (decrease) in trade payables	(200)	(862)
Other, net	(284)	(564)
Subtotal	7,187	4,837
Interest and dividends received	467	459
Interest paid	(254)	(223)
Income taxes paid	(1,384)	(2,146)
Net cash provided by (used in) operating activities	6,016	2,927
Cash flows from investing activities		
Payments into time deposits	(4,078)	(4,419)
Proceeds from withdrawal of time deposits	4,079	5,274
Net decrease (increase) in short-term loans receivable	10	14
Purchase of non-current assets	(664)	(1,178)
Proceeds from sale of non-current assets	1,394	10
Purchase of investment securities	(17)	(18)
Proceeds from sale of investment securities	0	9
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	(381)
Other, net	(250)	29
Net cash provided by (used in) investing activities	473	(660)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(3,677)	(1,983)
Proceeds from long-term borrowings	—	700
Repayments of long-term borrowings	—	(703)
Proceeds from sale of treasury shares	26	100
Purchase of treasury shares	(0)	(1)
Dividends paid	(2,276)	(2,819)
Dividends paid to non-controlling interests	(448)	(844)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(1,305)	—
Other, net	(123)	(127)
Net cash provided by (used in) financing activities	(7,805)	(5,679)
Effect of exchange rate change on cash and cash equivalents	2,701	(2,167)
Net increase (decrease) in cash and cash equivalents	1,385	(5,579)
Cash and cash equivalents at beginning of period	27,705	32,174
Cash and cash equivalents at end of period	29,091	26,595