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November 7, 2025

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

Company name: Dai Nippon Toryo Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 4611
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 Scheduled date to file semi-annual securities report: November 10, 2025
 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors and analysts)

(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	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2025	45,965	27.2	1,817	(28.0)	2,124	(23.2)	1,405	(48.3)
September 30, 2024	36,135	(0.6)	2,524	(7.0)	2,764	(6.6)	2,716	38.8

Note: Comprehensive income For the six months ended September 30, 2025: ¥390 million [(84.3)%]
 For the six months ended September 30, 2024: ¥2,483 million [(31.2)%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2025	49.32	49.09
September 30, 2024	95.42	94.89

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2025	134,195	75,049	47.8
March 31, 2025	133,344	76,170	48.8

Reference: Equity
 As of September 30, 2025: ¥64,086 million
 As of March 31, 2025: ¥65,027 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	—	0.00	—	49.00	49.00
Fiscal year ending March 31, 2026	—	0.00			
Fiscal year ending March 31, 2026 (Forecast)			—	58.00	58.00

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

3. Consolidated earnings forecasts 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
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2026	92,000	26.9	4,100	(13.1)	4,300	(17.3)	2,900	(69.3)	101.75

Note: Revisions to the consolidated 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)

- (i) Total number of issued shares at the end of the period (including treasury shares)

As of September 30, 2025	29,710,678 shares
As of March 31, 2025	29,710,678 shares

- (ii) Number of treasury shares at the end of the period

As of September 30, 2025	1,155,324 shares
As of March 31, 2025	1,213,777 shares

- (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2025	28,500,285 shares
Six months ended September 30, 2024	28,469,316 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

The earnings forecasts and other forward-looking statements in these materials are based on information currently available to the Company and on certain assumptions deemed reasonable, and the Company does not intend to guarantee their achievement. Furthermore, actual results, etc. may differ significantly due to various factors. Please refer to “1. Summary of Business Results, Etc., (3) Explanation of forward-looking information such as consolidated earnings forecasts” on page 4 of the attached materials for the suppositions that form the assumptions for earnings forecasts and cautions concerning the use thereof.

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1. Summary of Business Results, Etc.

(1) Summary of business results for current period

In the first six months of the fiscal year ending March 31, 2026, the Japanese economy was on a gradual recovery trend, supported by factors such as improved employment conditions. However, amid increasing uncertainty in the external environment, the outlook remains uncertain as trends in U.S. trade policy, along with the ongoing depreciation of the yen and persistently high energy and logistics costs leading to rising prices, are putting downward pressure on corporate earnings and personal consumption.

As for the Group's business results, net sales were ¥45,965 million (a 27.2% year-on-year increase), operating profit was ¥1,817 million (a 28.0% year-on-year decrease), ordinary profit was ¥2,124 million (a 23.2% year-on-year decrease), and profit attributable to owners of parent was ¥1,405 million (a 48.3% year-on-year decrease).

While sales remained sluggish due to the impact of the temporary suspension of displaying the JIS mark on some products (hereinafter the "JIS impact"), net sales increased significantly year on year due to the new consolidation of the profit or loss of SHINTO PAINT CO., LTD., which became a consolidated subsidiary in the previous fiscal year, from the current period.

On the profit front, operating profit and ordinary profit decreased year on year due to a decline in profitability caused by sluggish sales growth and the significant impact of increased expenses, mainly due to higher personnel expenses for the purpose of strengthening our human resources. Profit attributable to owners of parent decreased year on year partly due to the absence of the gain on sale of shares of subsidiaries recorded in the same period of the previous fiscal year.

The business results by segment were as follows.

[Domestic coatings business]

Net sales were ¥35,466 million (a 38.5% year-on-year increase), and operating profit was ¥542 million (a 51.9% year-on-year decrease).

In the general-use field, sales remained sluggish due to the continued JIS Impact, resulting in a year-on-year decrease in net sales. In the industrial-use field, net sales decreased year on year due to weak market conditions in some areas, such as automotive parts applications. In ink and dispersion technology-related business, net sales increased year on year due to firm demand and the acquisition of new customers. Overall net sales for this segment increased significantly year on year due to the contribution of SHINTO PAINT CO., LTD. to the consolidated results.

Operating profit decreased year on year. This was due to a decline in profitability caused by sluggish sales growth, despite continued efforts to improve the product mix and implement price adjustments. Additionally, increased expenses, including higher personnel expenses aimed at securing and developing human resources, led to the decrease.

[Overseas coatings business]

Net sales were ¥4,155 million (a 0.8% year-on-year increase), and operating profit was ¥239 million (a 55.8% year-on-year increase).

In Southeast Asia, net sales increased year on year due to the contribution of SHINTO PAINT CO., LTD. to the consolidated results, despite a decrease in demand due to the impact of production slowdown by Japanese automobile manufacturers. In Mexico, despite an increase in production by Japanese automobile manufacturers, sales decreased year on year due to curbs on sales of low-margin products. In China, net sales decreased year on year due to a decline in demand for various industrial applications.

Operating profit increased year on year due to improved profitability in Mexico.

[Lighting business]

Net sales were ¥4,877 million (a 1.1% year-on-year decrease), and operating profit was ¥844 million (a 18.1% year-on-year decrease).

In the LED lighting field, net sales increased year on year, supported by firm demand from commercial facilities and accommodation facilities, especially for redevelopment projects. On the other hand, a decrease in demand from specific customers in the UV lamp field, along with a decrease in demand due to market contraction in the fluorescent lamp field, led to a year-on-year decrease in overall net sales for this segment.

Operating profit decreased year on year, due to an increase in depreciation associated with the head office relocation implemented in the previous fiscal year and higher personnel expenses to secure and develop human resources, despite progress in further improving product profitability through pricing strategies.

[Fluorescent color material business]

Net sales were ¥539 million (a 3.7% year-on-year decrease), and operating profit was ¥18 million (a 44.1% year-on-year decrease).

In the pigments field, net sales increased year on year due to recovery in demand from overseas, such as the EU region, as well as new adoption for stationery applications. On the other hand, in the processed products field, net sales decreased year on year due to the absence of large-lot orders in the previous fiscal year.

Operating profit decreased year on year due to the decline in net sales and soaring raw material costs, despite efforts to reduce expenses.

[Other businesses]

Net sales were ¥926 million (a 1.0% year-on-year increase), and operating profit was ¥28 million (a 71.0% year-on-year increase).

In the logistics business, net sales decreased year on year due to a decline in the volume of cargo handled. In the painting business, net sales increased year on year as orders for work recovered. Operating profit increased year on year, driven by a rise in orders for highly profitable painting work.

(2) Summary of financial position for current period

Total assets at the end of the current period were ¥134,195 million, an increase of ¥851 million from the end of the previous fiscal year. Current assets totaled ¥52,974 million, a decrease of ¥92 million from the end of the previous fiscal year, mainly due to a decrease in cash and deposits and a decrease in notes and accounts receivable - trade, and contract assets. Non-current assets totaled ¥81,221 million, an increase of ¥943 million from the end of the previous fiscal year, mainly due to an increase in property, plant and equipment.

Liabilities totaled ¥59,145 million, an increase of ¥1,971 million from the end of the previous fiscal year. Current liabilities totaled ¥39,100 million, a decrease of ¥541 million from the end of the previous fiscal year, mainly due to a decrease in notes and accounts payable - trade, a decrease in short-term borrowing. Non-current liabilities were ¥20,045 million, an increase of ¥2,513 million from the end of the previous fiscal year, mainly due to an increase in long-term borrowings, an increase in deferred tax liabilities.

Net assets were ¥75,049 million, a decrease of ¥1,120 million from the end of the previous fiscal year. The main reasons for this were a decrease in foreign currency translation adjustment, a decrease in remeasurements of defined benefit plans, and a decrease in non-controlling interests.

(3) Explanation of forward-looking information such as consolidated earnings forecasts

Taking into account the recent business environment, the consolidated earnings forecasts for the fiscal year ending March 31, 2026 have been revised as follows from the forecasts provided in the “Consolidated Financial Results for the Fiscal Year Ended March 31, 2025” announced on May 15, 2025.

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previously announced forecasts (A)	92,000	5,000	5,300	3,400	119.31
Revised forecast (B)	92,000	4,100	4,300	2,900	101.75
Change (B-A)	—	(900)	(1,000)	(500)	
Change (%)	—	(18.0)	(18.9)	(14.7)	
(Reference) Previous fiscal year results (fiscal year ended March 31, 2025)	72,511	4,716	5,199	9,437	331.40

In the current period, while sales continued to be sluggish due to the JIS impact, the strong performance of sales from consolidated subsidiaries resulted in achieving the initially expected level. However, operating profit and ordinary profit fell short of initial expectations, primarily due to decreased profitability stemming from stagnant sales in the domestic coatings business.

In addition to the situation in the current period, considering that the timing for the lifting of the temporary suspension of the JIS mark display is currently undetermined, the full-year consolidated earnings are expected to fall short of the previous forecasts in terms of profit.

2. Semi-annual Consolidated Financial Statements and Major Notes

(1) Semi-annual consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	12,649	12,535
Notes and accounts receivable - trade, and contract assets	15,709	15,472
Electronically recorded monetary claims - operating	8,073	8,047
Merchandise and finished goods	8,423	8,720
Work in process	1,010	947
Raw materials and supplies	5,238	5,279
Other	1,984	2,005
Allowance for doubtful accounts	(22)	(35)
Total current assets	53,066	52,974
Non-current assets		
Property, plant and equipment		
Buildings and structures	37,877	38,033
Accumulated depreciation	(28,112)	(28,377)
Buildings and structures, net	9,764	9,656
Machinery, equipment and vehicles	38,801	39,185
Accumulated depreciation	(34,347)	(34,669)
Machinery, equipment and vehicles, net	4,454	4,516
Land	27,737	27,650
Leased assets	1,210	935
Accumulated depreciation	(1,118)	(896)
Leased assets, net	91	39
Construction in progress	2,006	3,236
Other	10,421	10,537
Accumulated depreciation	(8,436)	(8,523)
Other, net	1,985	2,013
Total property, plant and equipment	46,040	47,112
Intangible assets		
Leased assets	5	2
Other	1,404	1,271
Total intangible assets	1,410	1,274
Investments and other assets		
Investment securities	9,447	9,194
Deferred tax assets	1,477	1,410
Retirement benefit asset	21,215	21,511
Other	704	736
Allowance for doubtful accounts	(19)	(18)
Total investments and other assets	32,826	32,834
Total non-current assets	80,277	81,221
Total assets	133,344	134,195

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	20,286	20,177
Short-term borrowings	10,536	10,186
Lease liabilities	295	132
Income taxes payable	856	762
Provision for bonuses	198	196
Provision for bonuses for directors (and other officers)	82	1
Amends for product warranties	252	185
Provision for quality related loss	320	368
Provision for loss on discontinuation of development	80	80
Other	6,732	7,009
Total current liabilities	39,641	39,100
Non-current liabilities		
Long-term borrowings	1,040	3,240
Lease liabilities	351	500
Deferred tax liabilities	11,903	12,059
Deferred tax liabilities for land revaluation	1,215	1,215
Retirement benefit liability	2,242	2,231
Provision for retirement benefits for directors (and other officers)	11	12
Provision incurred from business combination	659	659
Other	107	126
Total non-current liabilities	17,532	20,045
Total liabilities	57,173	59,145
Net assets		
Shareholders' equity		
Share capital	8,827	8,827
Capital surplus	2,440	2,440
Retained earnings	44,642	44,650
Treasury shares	(1,394)	(1,327)
Total shareholders' equity	54,515	54,590
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,318	3,266
Revaluation reserve for land	1,669	1,669
Foreign currency translation adjustment	2,275	1,647
Remeasurements of defined benefit plans	3,248	2,913
Total accumulated other comprehensive income	10,512	9,496
Share acquisition rights	138	131
Non-controlling interests	11,003	10,831
Total net assets	76,170	75,049
Total liabilities and net assets	133,344	134,195

(2) Semi-annual consolidated statement of income and consolidated statement of comprehensive income

Semi-annual consolidated statement of income

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Net sales	36,135	45,965
Cost of sales	24,985	33,338
Gross profit	11,149	12,626
Selling, general and administrative expenses	8,625	10,808
Operating profit	2,524	1,817
Non-operating income		
Interest income	59	38
Dividend income	171	165
Share of profit of entities accounted for using equity method	—	136
Other	185	244
Total non-operating income	416	584
Non-operating expenses		
Interest expenses	41	108
Foreign exchange losses	—	86
Product amends drawing	73	—
Other	60	83
Total non-operating expenses	175	278
Ordinary profit	2,764	2,124
Extraordinary income		
Gain on sale of non-current assets	2	155
Gain on sale of investment securities	975	602
Gain on sale of shares of subsidiaries	274	—
Total extraordinary income	1,252	757
Extraordinary losses		
Loss on disposal of non-current assets	77	37
Impairment losses	29	—
Loss related to quality	—	152
Total extraordinary losses	107	190
Profit before income taxes	3,910	2,691
Income taxes - current	751	700
Income taxes - deferred	325	389
Total income taxes	1,076	1,089
Profit	2,833	1,601
Profit attributable to non-controlling interests	117	196
Profit attributable to owners of parent	2,716	1,405

Semi-annual consolidated statement of comprehensive income

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Profit	2,833	1,601
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,184)	(44)
Foreign currency translation adjustment	1,273	(801)
Remeasurements of defined benefit plans, net of tax	(438)	(334)
Share of other comprehensive income of entities accounted for using equity method	-	(30)
Total other comprehensive income	(350)	(1,211)
Comprehensive income	2,483	390
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,210	389
Comprehensive income attributable to non-controlling interests	273	0

(3) Semi-annual consolidated statement 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	3,910	2,691
Depreciation	1,195	1,468
Increase (decrease) in provision for bonuses	—	(1)
Increase (decrease) in provision for bonuses for directors (and other officers)	(58)	(81)
Increase/decrease in net defined benefit asset/liability	(1,109)	(798)
Increase (decrease) in amends for product	42	(66)
Increase (decrease) in provision for quality related loss	—	47
Increase (decrease) in provision for retirement benefits for directors (and other officers)	—	1
Increase (decrease) in allowance for doubtful accounts	(4)	11
Interest and dividend income	(230)	(203)
Interest expenses	41	108
Share of loss (profit) of entities accounted for using equity method	1	(136)
Loss (gain) on sale of non-current assets	(2)	(155)
Loss (gain) on disposal of non-current assets	77	37
Impairment losses	29	—
Loss related to quality	—	152
Loss (gain) on sale of investment securities	(975)	(602)
Loss (gain) on sale of shares of subsidiaries	(274)	—
Decrease (increase) in trade receivables	1,468	189
Decrease (increase) in inventories	(80)	(375)
Increase (decrease) in trade payables	(961)	(54)
Other, net	114	(39)
Subtotal	3,184	2,194
Interest and dividends received	230	367
Interest paid	(41)	(107)
Payments of loss related to quality	(54)	(158)
Settlement paid	—	(70)
Income taxes refund	26	64
Income taxes paid	(915)	(897)
Net cash provided by (used in) operating activities	2,430	1,393
Cash flows from investing activities		
Payments into time deposits	(231)	(471)
Proceeds from withdrawal of time deposits	117	295
Purchase of property, plant and equipment	(1,419)	(2,199)
Proceeds from sale of property, plant and equipment	5	221
Payments for retirement of property, plant and equipment	(49)	(41)
Purchase of intangible assets	(80)	(47)
Purchase of investment securities	(4)	(2)
Proceeds from sale of investment securities	1,267	745
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	529	—
Other, net	20	(16)
Net cash provided by (used in) investing activities	155	(1,517)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(700)	(350)
Proceeds from long-term borrowings	1,000	2,200
Repayments of long-term borrowings	(300)	—
Repayments of lease liabilities	(187)	(116)
Dividends paid	(996)	(1,396)

Dividends paid to non-controlling interests	(116)	(166)
Purchase of treasury shares	(0)	(0)
Net cash provided by (used in) financing activities	(1,300)	170
Effect of exchange rate change on cash and cash equivalents	216	(297)
Net increase (decrease) in cash and cash equivalents	1,502	(251)
Cash and cash equivalents at beginning of period	7,867	11,469
Cash and cash equivalents at end of period	9,370	11,218

(4) Notes on semi-annual consolidated financial statements**(Notes on segment information, etc.)**

[Segment information]

I First six months of the fiscal year ended March 31, 2025 (April 1, 2024 to September 30, 2024)

1. Information on net sales and the amount of profit or loss by reportable segment

(Millions of yen)

	Reportable segments				
	Domestic coatings	Overseas coatings	Lighting	Fluorescent color materials	Total
Net sales					
Net sales to external customers	25,602	4,121	4,933	560	35,217
Intersegment internal net sales or transfers	631	6	24	46	708
Total	26,233	4,128	4,957	606	35,926
Segment profit	1,128	154	1,030	32	2,346

	Other ¹	Total	Amount of adjustment ²	Semi-annual consolidated statement of income ³
Net sales				
Net sales to external customers	917	36,135	—	36,135
Intersegment internal net sales or transfers	1,186	1,895	(1,895)	—
Total	2,103	38,030	(1,895)	36,135
Segment profit	16	2,362	161	2,524

(Notes) 1. “Other” refers to business segments not included in the reportable segments, such as the painting business and logistics business.

2. The adjustment of segment profit of ¥161 million refers to the elimination of intersegment transactions.

3. Segment profit is adjusted to be consistent with operating profit shown on the semi-annual consolidated statement of income.

2. Information on impairment losses or goodwill, etc. of non-current assets for each reportable segment

The amount of impairment losses on non-current assets for each segment during the period under review was ¥29 million for “Domestic coatings.”

In addition, there is no significant fluctuation in the amount of goodwill or recognition of significant gain on bargain purchase.

II First six months of the fiscal year ending March 31, 2026 (April 1, 2025 to September 30, 2025)

1. Information on net sales and the amount of profit or loss by reportable segment

(Millions of yen)

	Reportable segments				
	Domestic coatings	Overseas coatings	Lighting	Fluorescent color materials	Total
Net sales					
Net sales to external customers	35,466	4,155	4,877	539	45,038
Intersegment internal net sales or transfers	463	3	35	60	562
Total	35,930	4,159	4,912	599	45,601
Segment profit	542	239	844	18	1,645

	Other ¹	Total	Amount of adjustment ²	Semi-annual consolidated statement of income ³
Net sales				
Net sales to external customers	926	45,965	—	45,965
Intersegment internal net sales or transfers	1,187	1,750	(1,750)	—
Total	2,113	47,715	(1,750)	45,965
Segment profit	28	1,673	144	1,817

- (Notes) 1. “Other” refers to business segments not included in the reportable segments, such as the painting business and logistics business.
2. The adjustment of segment profit of ¥144 million refers to the elimination of intersegment transactions.
3. Segment profit is adjusted to be consistent with operating profit shown on the semi-annual consolidated statement of income.
4. From beginning of this fiscal year, the domestic coatings segment and the overseas coatings segment include SHINTO PAINT CO., LTD. sales and profit, because Dai Nippon Toryo Co., Ltd. acquired stock at 18th march 2025.

2. Information on impairment losses or goodwill, etc. of non-current assets for each reportable segment

During the first six months of the fiscal year ending March 31, 2026, there is no recognition of significant impairment losses on non-current assets, significant fluctuations in the amount of goodwill, or significant gain on bargain purchase.

(Note when there is a significant change in the amount of shareholders' equity)

The Company has disposed of 50,690 of its own treasury shares as restricted stock compensation, based on the resolution passed at the Board of Directors meeting held on June 24, 2025. Additionally, the Company has disposed of 7,800 of its own treasury shares in conjunction with the exercise of stock options. As a result, during the first six months of the fiscal year ending March 31, 2026, treasury shares decreased by ¥67 million to ¥1,327 million as of September 30, 2025.

(Notes on the premise of a going concern)

Not applicable.

(Significant changes in the scope of consolidation during the period)

Not applicable.

(Significant subsequent events)

Not applicable.