



Dainichiseika

Nine Months Ended December 31, 2025 Supplemental Materials of Financial Results



Dainichiseika Color & Chemicals Mfg. Co., Ltd.

February 13, 2026

Consolidated Financial Results for the Nine Months Ended December 31, 2025

Consolidated Statements of Income



Dainichiseika

Net sales | Automotive compounds and colorants have recovered as the impact of production cuts by automobile manufacturers has dissipated. Polyurethanes performed weakly due to poor sales of vehicle models adopted. For LCDs, pigments performed strongly by increased sales of new products, while coating materials performed steadily.

Operating profit | Domestically, profit increased due to growth in sales volume and progress in revising selling prices. Internationally, local subsidiaries in China and the United States performed weakly.

Profit attributable to owners of parent | A gain on sale of investment securities totaling 2,200 million yen.

100 million yen (Truncated)	Results for the Nine Months Ended December 31, 2024	Results for the Nine Months Ended December 31, 2025	Amount of Change (YoY)	Ratio of Change (YoY)	Forecast for the FYE March 31, 2026 (Disclosed on February 13)	Ratio of Achievement
Net Sales*1	943	930	(12)	(1.4%)	1,230	75.7%
Operating profit	60	61	1	2.4%	76	80.8%
Ordinary profit	64	69	4	6.8%	85	81.6%
Profit attributable to owners of parent	101	66	(34)	(34.0%)	75	89.3%
EBITDA*2	96	99	3	3.4%	127	78.4%
Research and development expenses*3	8(14)	8(13)	-	-	-	-
Ratio of overseas sales	27.2%	25.3%	(1.9 pt)	-	-	-
Profit per share	¥591.65	¥390.99	(¥200.66)	-	¥439.40	-
Foreign exchange rates	\$1/¥152.02 €1/¥163.05	\$1/¥150.62 €1/¥166.53	¥1.40 stronger ¥3.48 weaker	-	\$1/¥148.00 €1/¥159.00	-
Naphtha price	¥76,500	¥67,125	(¥9,375)	-	¥67,000	-

*1 Amounts of materials supplied for a fee included in net sales and offset against cost of sales as a result of the adoption of the Accounting Standard for Revenue Recognition: ¥30.0 billion for the nine months ended Dec. 31, 2024 and ¥29.5 billion for the nine months ended Dec. 31, 2025

*2 EBITDA = Operating profit + Depreciation

*3 Figures in () represent technology related expenses incurred for improvements to existing products, etc.

Consolidated Financial Results for the Nine Months Ended December 31, 2025

Consolidated Statements of Income by Segments



Dainichiseika

100 million yen (Truncated)		Results for the Nine Months Ended December 31, 2024	Results for the Nine Months Ended December 31, 2025	Amount of Change (YoY)	Ratio of Change (YoY)	Forecast for the FYE March 31, 2026 (Disclosed on February 13)	Ratio of Achievement
	Color & Functional Products (C&F)	505	514	8	1.6%	679	75.7%
	Polymer & Coating Materials (P&C)	193	182	(11)	(5.8%)	239	76.0%
	Graphic & Printing Materials (G&P)	243	234	(9)	(4.0%)	310	75.4%
Sales		943	930	(12)	(1.4%)	1,230	75.7%
	Color & Functional Products (C&F)	27	33	6	22.1%	40	81.6%
	Polymer & Coating Materials (P&C)	27	20	(6)	(22.4%)	26	79.3%
	Graphic & Printing Materials (G&P)	6	7	1	21.4%	8	82.4%
Operating profit		60	61	1	2.4%	76	80.8%

Consolidated Financial Results for the Nine Months Ended December 31, 2025

Factors for Changes in Consolidated Operating Profit



Dainichiseika

- Sales volumes** | Automotive compounds and colorants have recovered as the impact of production cuts by automobile manufacturers has dissipated. Polyurethanes performed weakly due to poor sales of vehicle models adopted. For LCDs, pigments and coating materials performed at the same level as the previous year.
- Raw materials and sales prices** | Selling prices were revised to reflect the hike in raw material costs since the previous period.
- Expenses** | Depreciation expenses due to capital investment and labor costs increased.
- Overseas subsidiaries** | Local subsidiaries in China and the United States performed weakly.





Revision of Consolidated Financial Forecasts for the FYE March 31, 2026

- Net sales** | Net sales are expected to decrease due to sluggish sales of polyurethanes for the transport equipment industry at domestic and United States subsidiaries and compounds and colorants at the Chinese subsidiaries, as well as a decline in sales at overseas subsidiaries caused by the yen's appreciation in the average exchange rate during the period.
- Operating profit** | Depreciation expenses and labor costs increased; however, profits are expected to increase driven by the growth of high value-added products and progress in adjusting selling prices to reflect rising raw material costs and various costs.
- Profit attributable to owners of parent** | Recording extraordinary income from the sale of cross-shareholdings.

100 million yen (Truncated)	Results for the Nine Months Ended December 31, 2025	Initial Forecast for the FYE March 31, 2026 (Disclosed on May 15)	Forecast for the FYE March 31, 2026 (Disclosed on November 10)	Forecast for the FYE March 31, 2026 (Disclosed on February 13)	Amount of Change (Vs. November 10 Forecast)	Ratio of Change (Vs. November 10 Forecast)
Color & Functional Products (C&F)	514	696	696	679	(16)	(2.3%)
Polymer & Coating Materials (P&C)	182	252	252	239	(12)	(4.9%)
Graphic & Printing Materials (G&P)	234	325	325	310	(14)	(4.5%)
Sales	930	1,273	1,273	1,230	(43)	(3.4%)
Color & Functional Products (C&F)	33	31	31	40	9	31.8%
Polymer & Coating Materials (P&C)	20	32	32	26	(5)	(17.4%)
Graphic & Printing Materials (G&P)	7	8	8	8	0	11.1%
Operating profit	61	72	72	76	4	5.6%
Ordinary profit	69	82	82	85	3	3.7%
Profit attributable to owners of parent	66	61	69	75	6	8.7%

Consolidated Financial Results for the Nine Months Ended December 31, 2025

Consolidated Balance Sheets



Dainichiseika

Assets

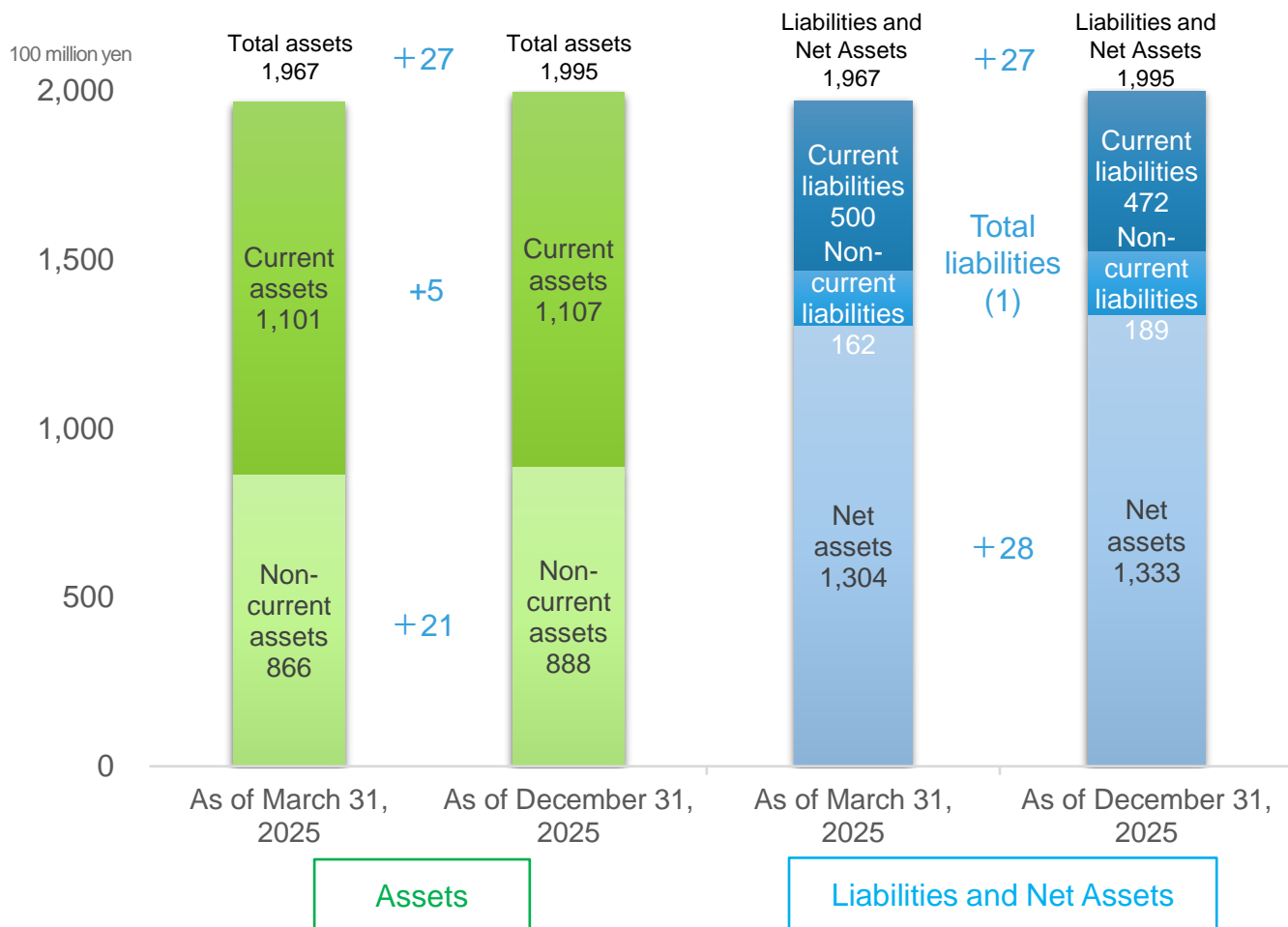
Total Assets Increased: Although "Notes and Accounts Receivable" and "Inventories" increased, "Cash and Deposits" decreased due to dividend payments, etc.

Liabilities

Total Liabilities Decreased Slightly: "Notes and Accounts Payable" decreased.

Net assets

Net Assets Increased: "Retained Earnings" increased (due to an increase from Net Income and a decrease from dividend payments), but "Foreign Currency Translation Adjustments" decreased.



	As of March 31, 2025	As of December 31, 2025	Amount of Change
Interest-bearing debt	¥21.0 billion	¥22.1 billion	¥1.0 billion
DE ratio	0.16	0.17	0.01
Equity ratio	65.0%	65.6%	0.6 pt
Net assets per share	¥7,459.16	¥7,672.21	¥213.05

Shareholder Return



Dainichiseika

Stock split

■ Purpose

- To expand our investor base and enhance the liquidity of our shares by lowering the investment unit price of the Company's stock, thereby creating an environment that is more accessible for a wider range of investors

■ Ratio

- Four shares for every one share of common stock

■ Effective date

- Wednesday, April 1, 2026 (scheduled)

Split ratio	1:4
Record date	March 31, 2026
Effective date	April 1, 2026

	FYE Mar. 2026		FYE Mar. 2027	
	Before the split	After the split	Before the split	After the split
Interim Dividend (yen)	72	18	Standard dividend payout ratio	
Year-end Dividend (yen)	72→ 106	18→ 26.5	Standard dividend payout ratio	
Special Dividend (yen)	30	7.5	30	7.5
Total (yen)	174→ 208	43.5→ 52	Standard dividend payout ratio +30	Standard dividend payout ratio +7.5

Shareholder Return



Dainichiseika

Dividend strategy

The Company, based on the perspective of sustainable growth and enhancement of medium- to long-term corporate values, makes it a principle to continuously pursue a dividend policy in which the return of profits to shareholders is regarded as an important management priority, yet with broader consideration to matters such as business development in the future, reinforcement of its operating basis, and enrichment of internal reserves.

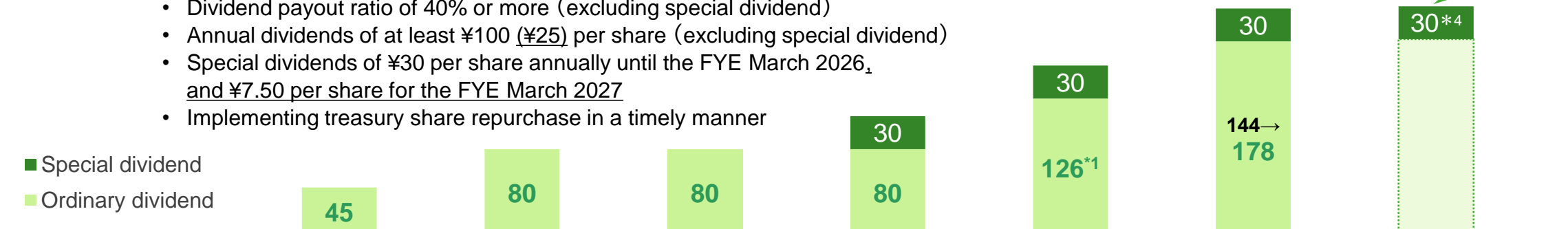
Dividend policy

■ Year-end dividend of the FYE March 2026 (increase, forecast)

- ¥121 per share (ordinary dividend:¥106 + special dividend:¥15)
*¥208 annual dividends per share (forecast) (ordinary dividend:¥178 + special dividend:¥30)

■ Shareholder return policy for the three-year medium-term management plan period (until the FYE March 2027) (The underlined parts reflect the impact of the stock split. There is no substantial change in the policy.)

- Targeting a total payout ratio of 50% or more on the three-year average during the medium-term management plan
- Dividend payout ratio of 40% or more (excluding special dividend)
- Annual dividends of at least ¥100 (¥25) per share (excluding special dividend)
- Special dividends of ¥30 per share annually until the FYE March 2026, and ¥7.50 per share for the FYE March 2027
- Implementing treasury share repurchase in a timely manner



	FYE Mar. 2021	FYE Mar. 2022	FYE Mar. 2023	FYE Mar. 2024	FYE Mar. 2025	FYE Mar. 2026 (Increase, Forecast)	FYE Mar. 2027 (Forecast)
Annual dividend per share (yen)	45	80	80	110	156	174→ 208	Standard dividend payout ratio +30*4
Dividend payout ratio (excluding special dividend)	13.2%	24.0%	73.7%	38.5%	21.0%*1	40.5%*2	40% or more
Dividend payout ratio (including special dividend)	13.2%	24.0%	73.7%	52.9%	26.0%	47.3%*2	40% or more
Treasury share repurchase (millions of yen)	220	0	0	2,864	1	1,114*3	Implementing in a timely manner
Total payout ratio	16.6%	24.0%	73.7%	129.8%	50% or more on the three-year average		

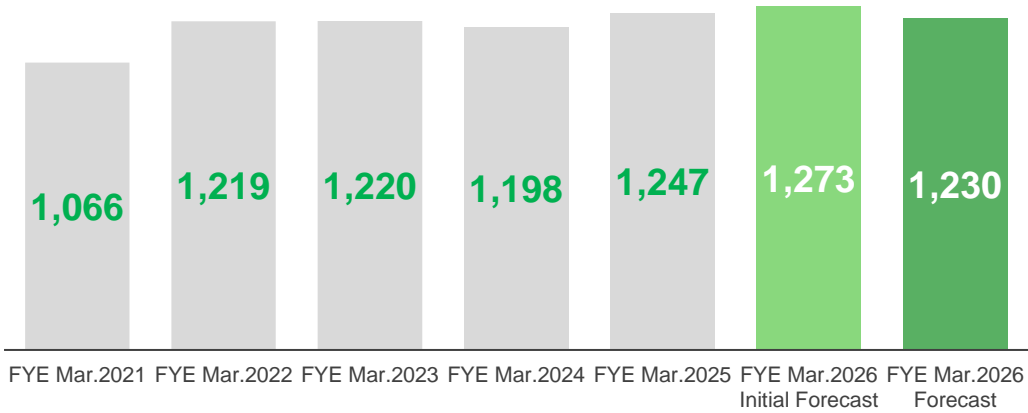
*1 The ordinary dividends of ¥126 for the FYE March 2025 represents a dividend payout ratio of approximately 45% based on profit attributable to owners of the parent, excluding the gain on the sale of the Kawaguchi Production Plant (net of corporate income tax).
 *2 This represents the expected payout ratio against the forecast profit per share of ¥439.40 for the FYE March 2026.
 *3 This is the amount repurchased by the nine months ended December 31, 2025.
 *4 The values shown here are pre-stock split.

Performance Trends (Full year/Quarterly)

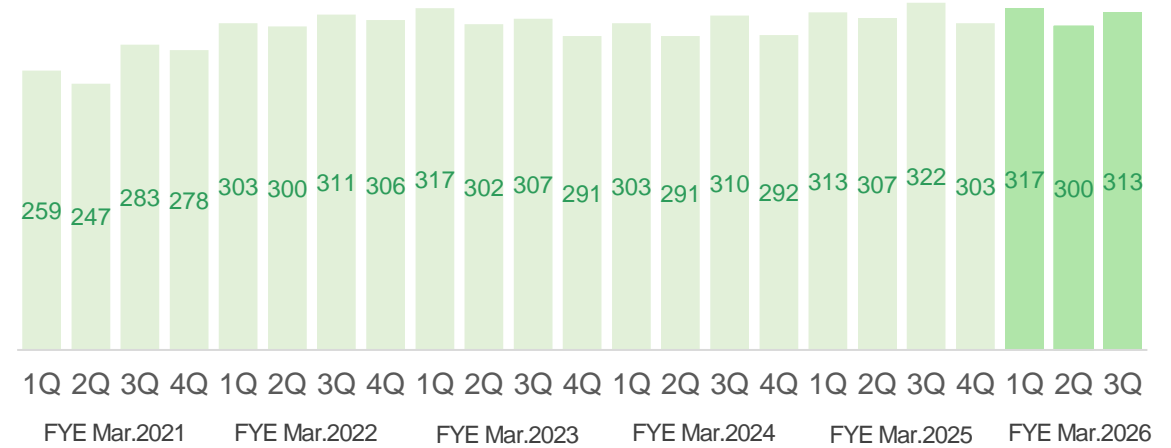


Dainichiseika

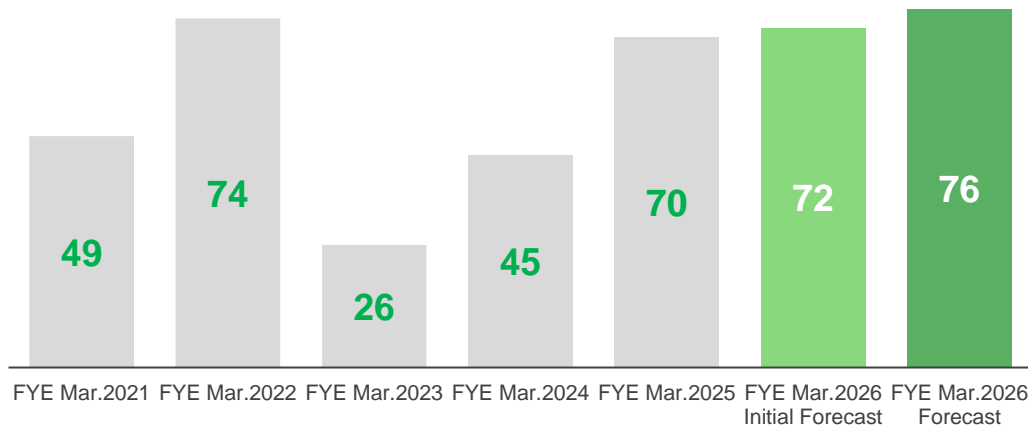
Net sales: Full year (100 million yen)



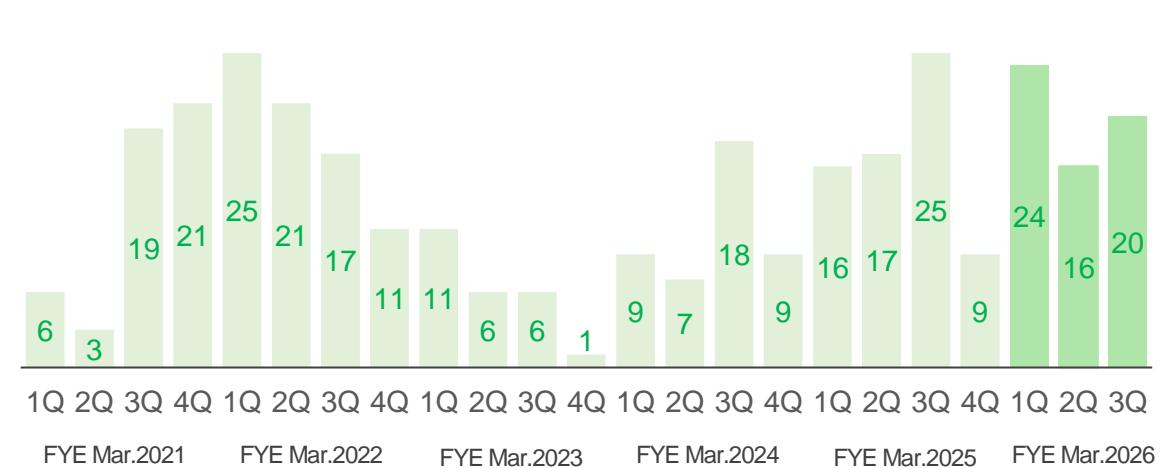
Net sales: Quarterly (100 million yen)



Operating profit: Full year (100 million yen)



Operating profit: Quarterly (100 million yen)





Disclaimer on the Use of This Document

- Descriptions related to future predictions included in this document are based upon current information. These may change as a result of economic trends, the market environment, industry trends related to our company, and other internal and external factors. Accordingly, please be advised that actual performance may differ from the forward-looking statements presented in this document due to risks and uncertainties.
- Although the Company takes the utmost care with regard to the information contained in this document, it is not responsible for any errors in the information contained therein, or for any failure caused by data tampering or data downloading by third parties, regardless of the cause.
- This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.