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May 11, 2026

## Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Under Japanese GAAP)



Company name: Kansai Paint Co., Ltd.  
 Listing: Tokyo Stock Exchange  
 Securities code: 4613  
 URL: <https://www.kansai.co.jp/>  
 Representative: MORI Kunishi, Representative Director of the Board, President  
 Inquiries: TOMIOKA Takashi, Director of the Board, Managing Executive Officer, Chief Financial Officer  
 Telephone: +81-6-7178-5531  
 Scheduled date of annual general meeting of shareholders: June 26, 2026  
 Scheduled date to commence dividend payments: June 29, 2026  
 Scheduled date to file annual securities report: June 25, 2026  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results briefing: Yes

(Yen amounts are rounded down to millions.)

### 1. Consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

#### (1) Consolidated operating results

(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                         | %      |
| Fiscal year ended |                 |     |                  |       |                 |        |   |        |
| March 31, 2026    | 589,795         | 0.2 | 49,726           | (4.5) | 54,713          | 11.4   | 31,641                                  | (17.4) |
| March 31, 2025    | 588,825         | 4.7 | 52,050           | 0.9   | 49,103          | (14.9) | 38,306                                  | (42.9) |

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥ 47,310 million [ (14.7)%]  
 For the fiscal year ended March 31, 2025: ¥ 55,447 million [ (34.9)%]

|                   | Basic earnings per share | Diluted earnings per share | Rate of return on equity | Ordinary profit to total assets ratio | Operating profit to net sales ratio |
|-------------------|--------------------------|----------------------------|--------------------------|---------------------------------------|-------------------------------------|
| Fiscal year ended | Yen                      | Yen                        | %                        | %                                     | %                                   |
| March 31, 2026    | 179.65                   | 148.44                     | 11.1                     | 7.0                                   | 8.4                                 |
| March 31, 2025    | 202.02                   | 169.25                     | 13.2                     | 6.8                                   | 8.8                                 |

Reference: Share of profit (loss) of entities accounted for using equity method

For the fiscal year ended March 31, 2026: ¥ 4,160 million  
 For the fiscal year ended March 31, 2025: ¥ 1,829 million

#### (2) Consolidated financial position

|                | Total assets    | Net assets      | Equity-to-asset ratio | Net assets per share |
|----------------|-----------------|-----------------|-----------------------|----------------------|
| As of          | Millions of yen | Millions of yen | %                     | Yen                  |
| March 31, 2026 | 801,693         | 381,203         | 37.4                  | 1,703.16             |
| March 31, 2025 | 750,699         | 350,009         | 35.9                  | 1,527.55             |

Reference: Equity

As of March 31, 2026: ¥ 299,834 million  
 As of March 31, 2025: ¥ 269,189 million

#### (3) Consolidated cash flows

|                   | Cash flows from operating activities | Cash flows from investing activities | Cash flows from financing activities | Cash and cash equivalents at end of period |
|-------------------|--------------------------------------|--------------------------------------|--------------------------------------|--|
| Fiscal year ended | Millions of yen                      | Millions of yen                      | Millions of yen                      | Millions of yen                            |
| March 31, 2026    | 52,616                               | (27,026)                             | (22,182)                             | 67,230                                     |
| March 31, 2025    | 34,966                               | (39,200)                             | (8,006)                              | 63,147                                     |

## 2. Cash dividends

|  | Annual dividends per share |                    |                   |                 |        | Total cash dividends (Total) | Payout ratio (Consolidated) | Ratio of dividends to net assets (Consolidated) |
|--|----------------------------|--------------------|-------------------|-----------------|--------|------------------------------|-----------------------------|---|
|  | First quarter-end          | Second quarter-end | Third quarter-end | Fiscal year-end | Total  |                              |                             |   |
|  | Yen                        | Yen                | Yen               | Yen             | Yen    | Millions of yen              | %                           | %   |
| Fiscal year ended March 31, 2025             | —                          | 22.00              | —                 | 28.00           | 50.00  | 9,095                        | 24.8                        | 3.3   |
| Fiscal year ended March 31, 2026             | —                          | 55.00              | —                 | 55.00           | 110.00 | 19,577                       | 61.2                        | 6.8   |
| Fiscal year ending March 31, 2027 (Forecast) | —                          | 55.00              | —                 | 55.00           | 110.00 |                              | 71.7                        |   |

## 3. Consolidated financial result forecasts for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(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                      |
| Full year | 610,000         | 3.4 | 53,000           | 6.6 | 55,000          | 0.5 | 27,000                                  | (14.7) | 153.37                   |

### \* Notes

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

(2) 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

(3) Number of issued shares (common shares)

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

|                      |                    |
|----------------------|--------------------|
| As of March 31, 2026 | 177,976,280 shares |
| As of March 31, 2025 | 177,976,280 shares |

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

|                      |                  |
|----------------------|------------------|
| As of March 31, 2026 | 1,929,971 shares |
| As of March 31, 2025 | 1,753,087 shares |

(iii) Average number of shares outstanding during the period

|                                  |                    |
|----------------------------------|--------------------|
| Fiscal Year ended March 31, 2026 | 176,127,516 shares |
| Fiscal Year ended March 31, 2025 | 189,617,252 shares |

**[Reference] Overview of non-consolidated financial results**

**1. Non-consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)**

**(1) Non-consolidated operating results**

(Percentages indicate year-on-year changes.)

|                   | Net sales       |       | Operating profit |     | Ordinary profit |      | Profit          |        |
|-------------------|-----------------|-------|------------------|-----|-----------------|------|-----------------|--------|
|                   | Millions of yen | %     | Millions of yen  | %   | Millions of yen | %    | Millions of yen | %      |
| Fiscal year ended |                 |       |                  |     |                 |      |                 |        |
| March 31, 2026    | 147,189         | (0.1) | 16,941           | 3.0 | 39,144          | 0.8  | 35,091          | (1.7)  |
| March 31, 2025    | 147,342         | 0.1   | 16,450           | 9.0 | 38,844          | 37.8 | 35,681          | (27.9) |

|                   | Basic earnings per share | Diluted earnings per share |
|-------------------|--------------------------|----------------------------|
|                   | Yen                      | Yen                        |
| Fiscal year ended |                          |                            |
| March 31, 2026    | 197.54                   | 163.54                     |
| March 31, 2025    | 186.72                   | 156.67                     |

**(2) Non-consolidated financial position**

|                | Total assets    | Net assets      | Equity-to-asset ratio | Net assets per share |
|----------------|-----------------|-----------------|-----------------------|----------------------|
|                | Millions of yen | Millions of yen | %                     | Yen                  |
| As of          |                 |                 |                       |                      |
| March 31, 2026 | 387,141         | 112,694         | 29.1                  | 634.57               |
| March 31, 2025 | 377,584         | 91,799          | 24.3                  | 516.53               |

Reference: Equity

|                       |   |                 |
|-----------------------|---|-----------------|
| As of March 31, 2026: | ¥ | 112,694 million |
| As of March 31, 2025: | ¥ | 91,799 million  |

\* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

\* Proper use of earnings forecasts, and other special matters

The forward-looking statements such as operational forecasts contained in this document are based on information currently available to the Company and certain assumptions which are regarded as legitimate. However, it does not mean that we guarantee its achievement. Actual results may differ from such forward-looking statements for a variety of reasons.

## Overview of financial results

In the fiscal year under review, despite a gradual recovery trend, the outlook for the global economy remained uncertain due to heightened geopolitical risks, U.S. trade policies, and escalating tensions in the Middle East toward the end of the fiscal year. Under these circumstances, the overall Japanese economy continued a gradual recovery trajectory, reflecting signs of a pick-up in personal consumption and capital investment. In India, the economy was supported by both fiscal and monetary policies, and domestic demand-led steady growth, centered on personal consumption and capital investment, continued. In Europe, while exports slowed due to the effects of tariff policies with the U.S. and production activities were pushed down, the economy showed signs of recovery, primarily driven by personal consumption. In China, the economy was stagnant due to trade problems between the U.S. and China and the stagnant real estate market.

The Group's net sales for the fiscal year were 589,795 million yen (up 0.2% year on year). Operating profit was 49,726 million yen (down 4.5% year on year) mainly due to increased fixed costs, despite the promotion of measures to improve selling prices and reduce costs. Ordinary profit was 54,713 million yen (up 11.4% year on year) mainly due to the increase in foreign exchange gains and share of profit of entities accounted for using equity method. Profit attributable to owners of parent was 31,641 million yen (down 17.4% year on year) reflecting the absence of the impact of one-time extraordinary gains recorded in the previous fiscal year, as well as the recording of one-time extraordinary losses such as extra payments for early retirements and loss on withdrawal from business.

Segment overviews are as follows.

### <Japan>

In the automotive coatings sector, although the number of automobiles manufactured remained at the same level as the previous fiscal year, net sales increased from the previous fiscal year due to efforts to improve selling prices. Also, in the industrial coatings sector, net sales increased from the previous fiscal year due to the success of sales promotion activities. Meanwhile, in the decorative coatings and protective coatings sector, net sales fell below the previous fiscal year due to sluggish market conditions. In the marine coatings sector, although conditions remained steady, net sales fell below the previous fiscal year due to the recent decline in demand from the previous fiscal year. Segment profit decreased from the previous fiscal year, mainly due to higher profit in the industrial coatings sector and lower profit in the decorative coatings and marine coatings sector.

As a result of those factors, the segment's net sales and segment profit were 159,888 million yen (down 2.4% year on year) and 21,968 million yen (down 8.2% year on year), respectively.

### <India>

In the decorative coatings sector, net sales fell below the previous fiscal year due to sluggish overall market demand and the shift to lower-priced products. In the automotive coatings sector, the number of automobiles manufactured increased partly due to the impact of GST (Goods and Services Tax) reductions, and net sales were higher than the previous fiscal year. However, overall net sales in India fell below the previous fiscal year due to the impact of foreign currency translation caused by the appreciation of the yen. Segment profit decreased from the previous fiscal year due to a decrease in sales and an increase in personnel expenses.

As a result of those factors, the segment's net sales and segment profit were 138,358 million yen (down 2.8% year on year) and 13,566 million yen (down 4.4% year on year), respectively.

### <Europe>

In Turkey, net sales increased from the previous fiscal year due to an increase in the number of automobiles manufactured by major customers compared to the previous fiscal year. In other European countries, net sales increased from the previous fiscal year, partly due to the contribution of bolt-on M&A conducted in the previous fiscal year. Segment profit increased from the previous fiscal year due to an improvement in share of loss of entities accounted for using equity method, despite increases in personnel expenses and other costs.

As a result of those factors, the segment's net sales and segment profit were 162,738 million yen (up 4.0% year on year) and 945 million yen, respectively.

### <Asia>

In China, the number of automobiles manufactured increased from the previous fiscal year, and net sales increased from the previous fiscal year. Meanwhile, in Thailand, Malaysia, and Indonesia, the number of automobiles manufactured declined. As a result, overall net sales in Asia fell below the previous fiscal year. Segment profit fell below the previous fiscal year due to a decrease in share of profit of entities accounted for using equity method, despite improved profitability resulting from efforts to reduce total costs.

As a result of those factors, the segment's net sales and segment profit were 68,064 million yen (down 0.9% year on year) and 9,082 million yen (down 1.2% year on year), respectively.

### <Africa>

In South Africa and neighboring countries, net sales increased from the previous fiscal year, partly due to the contribution from the acquisition of new customers in the decorative coatings sector, despite the continued political instability. In East Africa, net sales were firm in the industrial coatings sector as well as in the mainstay decorative coatings sector. Segment profit increased from the previous fiscal year due to the expansion of the decorative coatings sector business and progress in structural reforms.

As a result of those factors, the segment's net sales and segment profit were 51,748 million yen (up 9.1% year on year) and 6,337 million yen (up 45.7% year on year), respectively.

### <Others>

In North America, the number of automobiles manufactured was lower than the previous fiscal year, and net sales fell below the previous fiscal year. Segment profit decreased from the previous fiscal year due to the impact of lower sales and a decrease in share of profit of entities accounted for using equity method.

As a result of those factors, the segment's net sales and segment profit were 8,996 million yen (down 10.3% year on year) and 1,983 million yen (down 38.1% year on year).

# Consolidated Financial Statements

## (1) Consolidated Balance Sheet

(Millions of yen)

|  | As of March 31, 2025 | As of March 31, 2026 |
|--|----------------------|----------------------|
| <b>Assets</b>  |                      |                      |
| Current assets   |                      |                      |
| Cash and deposits  | 76,656               | 78,661               |
| Notes and accounts receivable - trade, and contract assets | 120,858              | 129,542              |
| Securities   | 32,489               | 40,380               |
| Merchandise and finished goods                             | 59,053               | 55,996               |
| Work in process  | 8,642                | 9,912                |
| Raw materials and supplies                                 | 44,233               | 48,072               |
| Other  | 19,588               | 19,314               |
| Allowance for doubtful accounts                            | (5,992)              | (5,639)              |
| <b>Total current assets</b>                                | <b>355,530</b>       | <b>376,241</b>       |
| Non-current assets   |                      |                      |
| Property, plant and equipment                              |                      |                      |
| Buildings and structures, net                              | 76,498               | 83,341               |
| Machinery, equipment and vehicles, net                     | 44,699               | 48,940               |
| Tools, furniture and fixtures, net                         | 12,758               | 13,108               |
| Land   | 31,800               | 33,833               |
| Construction in progress                                   | 18,041               | 24,609               |
| <b>Total property, plant and equipment</b>                 | <b>183,798</b>       | <b>203,833</b>       |
| Intangible assets  |                      |                      |
| Leasehold interests in land                                | 3,203                | 3,129                |
| Software   | 3,362                | 15,019               |
| Software in progress                                       | 8,193                | 1,173                |
| Goodwill   | 35,711               | 34,046               |
| Other  | 30,051               | 28,785               |
| <b>Total intangible assets</b>                             | <b>80,522</b>        | <b>82,154</b>        |
| Investments and other assets                               |                      |                      |
| Investment securities                                      | 57,907               | 58,285               |
| Investments in capital                                     | 31,401               | 33,647               |
| Long-term loans receivable                                 | 2,748                | 2,931                |
| Retirement benefit asset                                   | 26,962               | 32,459               |
| Deferred tax assets  | 6,791                | 7,219                |
| Other  | 10,303               | 10,406               |
| Allowance for doubtful accounts                            | (5,267)              | (5,487)              |
| <b>Total investments and other assets</b>                  | <b>130,847</b>       | <b>139,463</b>       |
| <b>Total non-current assets</b>                            | <b>395,168</b>       | <b>425,451</b>       |
| <b>Total assets</b>  | <b>750,699</b>       | <b>801,693</b>       |

(Millions of yen)

|  | As of March 31, 2025 | As of March 31, 2026 |
|--|----------------------|----------------------|
| <b>Liabilities</b>   |                      |                      |
| Current liabilities  |                      |                      |
| Notes and accounts payable - trade                                   | 85,218               | 83,170               |
| Short-term borrowings  | 11,895               | 19,604               |
| Short-term borrowings from subsidiaries and associates               | 72                   | 20                   |
| Current portion of long-term borrowings                              | 132                  | 167                  |
| Short-term bonds payable   | 31,985               | 29,981               |
| Lease liabilities  | 1,677                | 1,955                |
| Accrued expenses   | 14,483               | 15,880               |
| Income taxes payable   | 5,348                | 7,765                |
| Provision for bonuses  | 5,932                | 6,484                |
| Other  | 20,301               | 30,717               |
| Total current liabilities  | 177,049              | 195,748              |
| Non-current liabilities  |                      |                      |
| Bonds payable  | 60,000               | 60,000               |
| Convertible-bond-type bonds with share acquisition rights            | 100,472              | 100,352              |
| Long-term borrowings   | 7,595                | 2,646                |
| Lease liabilities  | 4,589                | 4,697                |
| Deferred tax liabilities   | 41,248               | 46,047               |
| Retirement benefit liability   | 7,331                | 9,126                |
| Provision for retirement benefits for directors (and other officers) | 456                  | 356                  |
| Provision for share awards for directors (and other officers)        | 331                  | 312                  |
| Other  | 1,614                | 1,200                |
| Total non-current liabilities  | 223,639              | 224,741              |
| Total liabilities  | 400,689              | 420,489              |
| Net assets   |                      |                      |
| Shareholders' equity   |                      |                      |
| Share capital  | 25,658               | 25,658               |
| Capital surplus  | 18,343               | 18,414               |
| Retained earnings  | 186,659              | 205,135              |
| Treasury shares  | (2,101)              | (2,584)              |
| Total shareholders' equity   | 228,560              | 246,625              |
| Accumulated other comprehensive income                               |                      |                      |
| Valuation difference on available-for-sale securities                | 12,451               | 16,105               |
| Deferred gains or losses on hedges                                   | (0)                  | (1)                  |
| Foreign currency translation adjustment                              | 19,615               | 26,828               |
| Remeasurements of defined benefit plans                              | 8,562                | 10,277               |
| Total accumulated other comprehensive income                         | 40,628               | 53,209               |
| Share acquisition rights   | 224                  | 223                  |
| Non-controlling interests  | 80,595               | 81,145               |
| Total net assets   | 350,009              | 381,203              |
| Total liabilities and net assets                                     | 750,699              | 801,693              |

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

## Consolidated Statement of Income

(Millions of yen)

|   | For the fiscal year<br>ended March 31, 2025 | For the fiscal year<br>ended March 31, 2026 |
|---|---|---|
| Net sales   | 588,825                                     | 589,795                                     |
| Cost of sales   | 403,117                                     | 398,449                                     |
| Gross profit  | 185,708                                     | 191,345                                     |
| Selling, general and administrative expenses                  | 133,657                                     | 141,618                                     |
| Operating profit  | 52,050                                      | 49,726                                      |
| Non-operating income  |   |   |
| Interest income   | 1,900                                       | 1,928                                       |
| Dividend income   | 667   | 560   |
| Share of profit of entities accounted for using equity method | 1,829                                       | 4,160                                       |
| Foreign exchange gains  | -   | 5,268                                       |
| Miscellaneous income  | 2,980                                       | 2,785                                       |
| Total non-operating income                                    | 7,378                                       | 14,704                                      |
| Non-operating expenses  |   |   |
| Interest expenses   | 3,239                                       | 3,093                                       |
| Loss on abandonment of inventories                            | 412   | 576   |
| Foreign exchange losses                                       | 1,556                                       | -   |
| Loss on net monetary position                                 | 3,268                                       | 3,922                                       |
| Miscellaneous expenses  | 1,848                                       | 2,124                                       |
| Total non-operating expenses                                  | 10,325                                      | 9,716                                       |
| Ordinary profit   | 49,103                                      | 54,713                                      |
| Extraordinary income  |   |   |
| Gain on sale of non-current assets                            | 12,197                                      | 5,017                                       |
| Reversal of impairment loss                                   | 188   | -   |
| Gain on sale of investment securities                         | 7,023                                       | 2,602                                       |
| Gain on sale of shares of subsidiaries and associates         | -   | 148   |
| Gain on liquidation of subsidiaries and associates            | -   | 202   |
| Total extraordinary income                                    | 19,409                                      | 7,972                                       |
| Extraordinary losses  |   |   |
| Loss on sale and retirement of non-current assets             | 350   | 477   |
| Impairment losses   | 106   | 1,069                                       |
| Loss on sale of investment securities                         | -   | 0   |
| Loss on valuation of investment securities                    | 0   | 999   |
| Loss on sale of shares of subsidiaries and associates         | 56  | 216   |
| Loss on disaster  | -   | 219   |
| Loss on withdrawal from business                              | 1,094                                       | -   |
| Extra payments for early retirements                          | 1,636                                       | 2,059                                       |
| Loss on revision of retirement benefit plan                   | -   | 627   |
| Total extraordinary losses                                    | 3,244                                       | 5,670                                       |
| Profit before income taxes                                    | 65,268                                      | 57,016                                      |
| Income taxes - current  | 18,841                                      | 20,638                                      |
| Income taxes - deferred                                       | 1,193                                       | 1,776                                       |
| Total income taxes  | 20,034                                      | 22,414                                      |
| Profit  | 45,234                                      | 34,601                                      |
| Profit attributable to non-controlling interests              | 6,927                                       | 2,960                                       |
| Profit attributable to owners of parent                       | 38,306                                      | 31,641                                      |

Consolidated Statement of Comprehensive Income

(Millions of yen)

|  | For the fiscal year<br>ended March 31, 2025 | For the fiscal year<br>ended March 31, 2026 |
|--|---|---|
| Profit   | 45,234                                      | 34,601                                      |
| Other comprehensive income   |   |   |
| Valuation difference on available-for-sale securities                                | (5,467)                                     | 1,019                                       |
| Deferred gains or losses on hedges   | (4)   | (1)   |
| Foreign currency translation adjustment  | 13,182                                      | 5,692                                       |
| Remeasurements of defined benefit plans, net of tax                                  | (97)  | 1,715                                       |
| Share of other comprehensive income of entities accounted for<br>using equity method | 2,599                                       | 4,284                                       |
| Total other comprehensive income   | 10,213                                      | 12,709                                      |
| Comprehensive income   | 55,447                                      | 47,310                                      |
| Comprehensive income attributable to   |   |   |
| Comprehensive income attributable to owners of parent                                | 46,592                                      | 44,222                                      |
| Comprehensive income attributable to non-controlling interests                       | 8,854                                       | 3,088                                       |

## (3) Consolidated Statement of Changes in Equity

For the fiscal year ended March 31, 2025

(Millions of yen)

|  | Shareholders' equity |                 |                   |                 |                            |
|--|----------------------|-----------------|-------------------|-----------------|----------------------------|
|  | Share capital        | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginning of period                       | 25,658               | 19,953          | 234,131           | (2,128)         | 277,614                    |
| Effect of hyperinflation                             |                      |                 | 2,972             |                 | 2,972                      |
| Hyperinflation restated balance                      | 25,658               | 19,953          | 237,103           | (2,128)         | 280,587                    |
| Changes during period                                |                      |                 |                   |                 |                            |
| Dividends of surplus                                 |                      |                 | (8,741)           |                 | (8,741)                    |
| Profit attributable to owners of parent              |                      |                 | 38,306            |                 | 38,306                     |
| Purchase of treasury shares                          |                      |                 |                   | (80,062)        | (80,062)                   |
| Disposal of treasury shares                          |                      | 0               |                   | 82              | 82                         |
| Cancellation of treasury shares                      |                      | (0)             | (80,008)          | 80,008          | -                          |
| Purchase of shares of consolidated subsidiaries      |                      | (1,609)         |                   |                 | (1,609)                    |
| Net changes in items other than shareholders' equity |                      |                 |                   |                 |                            |
| Total changes during period                          | -                    | (1,609)         | (50,443)          | 27              | (52,026)                   |
| Balance at end of period                             | 25,658               | 18,343          | 186,659           | (2,101)         | 228,560                    |

|  | Accumulated other comprehensive income                |                                    |   |   |  | Share acquisition rights | Non-controlling interests | Total net assets |
|--|---|------------------------------------|---|---|--|--------------------------|---------------------------|------------------|
|  | Valuation difference on available-for-sale securities | Deferred gains or losses on hedges | Foreign currency translation adjustment | Remeasurements of defined benefit plans | Total accumulated other comprehensive income |                          |                           |                  |
| Balance at beginning of period                       | 22,141  | 3                                  | 1,537                                   | 8,659                                   | 32,341                                       | -                        | 70,291                    | 380,248          |
| Effect of hyperinflation                             |   |                                    |   |   |  |                          | 2,538                     | 5,510            |
| Hyperinflation restated balance                      | 22,141  | 3                                  | 1,537                                   | 8,659                                   | 32,341                                       | -                        | 72,830                    | 385,759          |
| Changes during period                                |   |                                    |   |   |  |                          |                           |                  |
| Dividends of surplus                                 |   |                                    |   |   |  |                          |                           | (8,741)          |
| Profit attributable to owners of parent              |   |                                    |   |   |  |                          |                           | 38,306           |
| Purchase of treasury shares                          |   |                                    |   |   |  |                          |                           | (80,062)         |
| Disposal of treasury shares                          |   |                                    |   |   |  |                          |                           | 82               |
| Cancellation of treasury shares                      |   |                                    |   |   |  |                          |                           | -                |
| Purchase of shares of consolidated subsidiaries      |   |                                    |   |   |  |                          |                           | (1,609)          |
| Net changes in items other than shareholders' equity | (9,689)   | (3)                                | 18,077                                  | (97)                                    | 8,286  | 224                      | 7,765                     | 16,277           |
| Total changes during period                          | (9,689)   | (3)                                | 18,077                                  | (97)                                    | 8,286  | 224                      | 7,765                     | (35,749)         |
| Balance at end of period                             | 12,451  | (0)                                | 19,615                                  | 8,562                                   | 40,628                                       | 224                      | 80,595                    | 350,009          |

For the fiscal year ended March 31, 2026

(Millions of yen)

|  | Shareholders' equity |                 |                   |                 |                            |
|--|----------------------|-----------------|-------------------|-----------------|----------------------------|
|  | Share capital        | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginning of period                       | 25,658               | 18,343          | 186,659           | (2,101)         | 228,560                    |
| Effect of hyperinflation                             |                      |                 | 1,606             |                 | 1,606                      |
| Hyperinflation restated balance                      | 25,658               | 18,343          | 188,266           | (2,101)         | 230,167                    |
| Changes during period                                |                      |                 |                   |                 |                            |
| Dividends of surplus                                 |                      |                 | (14,771)          |                 | (14,771)                   |
| Profit attributable to owners of parent              |                      |                 | 31,641            |                 | 31,641                     |
| Purchase of treasury shares                          |                      |                 |                   | (601)           | (601)                      |
| Disposal of treasury shares                          |                      |                 |                   | 118             | 118                        |
| Purchase of shares of consolidated subsidiaries      |                      | 70              |                   |                 | 70                         |
| Net changes in items other than shareholders' equity |                      |                 |                   |                 |                            |
| Total changes during period                          | -                    | 70              | 16,869            | (482)           | 16,457                     |
| Balance at end of period                             | 25,658               | 18,414          | 205,135           | (2,584)         | 246,625                    |

|  | Accumulated other comprehensive income                |                                    |   |   |  | Share acquisition rights | Non-controlling interests | Total net assets |
|--|---|------------------------------------|---|---|--|--------------------------|---------------------------|------------------|
|  | Valuation difference on available-for-sale securities | Deferred gains or losses on hedges | Foreign currency translation adjustment | Remeasurements of defined benefit plans | Total accumulated other comprehensive income |                          |                           |                  |
| Balance at beginning of period                       | 12,451  | (0)                                | 19,615                                  | 8,562                                   | 40,628                                       | 224                      | 80,595                    | 350,009          |
| Effect of hyperinflation                             |   |                                    |   |   |  |                          | 1,878                     | 3,485            |
| Hyperinflation restated balance                      | 12,451  | (0)                                | 19,615                                  | 8,562                                   | 40,628                                       | 224                      | 82,473                    | 353,495          |
| Changes during period                                |   |                                    |   |   |  |                          |                           |                  |
| Dividends of surplus                                 |   |                                    |   |   |  |                          |                           | (14,771)         |
| Profit attributable to owners of parent              |   |                                    |   |   |  |                          |                           | 31,641           |
| Purchase of treasury shares                          |   |                                    |   |   |  |                          |                           | (601)            |
| Disposal of treasury shares                          |   |                                    |   |   |  |                          |                           | 118              |
| Purchase of shares of consolidated subsidiaries      |   |                                    |   |   |  |                          |                           | 70               |
| Net changes in items other than shareholders' equity | 3,653   | (1)                                | 7,213                                   | 1,715                                   | 12,580                                       | (0)                      | (1,328)                   | 11,251           |
| Total changes during period                          | 3,653   | (1)                                | 7,213                                   | 1,715                                   | 12,580                                       | (0)                      | (1,328)                   | 27,708           |
| Balance at end of period                             | 16,105  | (1)                                | 26,828                                  | 10,277                                  | 53,209                                       | 223                      | 81,145                    | 381,203          |

## (4) Consolidated Statement of Cash Flows

(Millions of yen)

|  | For the fiscal year<br>ended March 31, 2025 | For the fiscal year<br>ended March 31, 2026 |
|--|---|---|
| <b>Cash flows from operating activities</b>                                      |   |   |
| Profit before income taxes   | 65,268                                      | 57,016                                      |
| Depreciation   | 20,703                                      | 23,280                                      |
| Impairment losses  | 106   | 1,069                                       |
| Reversal of impairment loss  | (188)                                       | -   |
| Loss on withdrawal from business   | 1,094                                       | -   |
| Amortization of goodwill   | 5,138                                       | 5,344                                       |
| Increase (decrease) in allowance for doubtful accounts                           | 46  | (364)                                       |
| Increase (decrease) in retirement benefit liability                              | (2,989)                                     | (1,444)                                     |
| Interest and dividend income   | (2,568)                                     | (2,488)                                     |
| Interest expenses on borrowings and bonds  | 3,239                                       | 3,093                                       |
| Share of loss (profit) of entities accounted for using equity method             | (1,829)                                     | (4,160)                                     |
| Loss (gain) on sale of investment securities                                     | (7,023)                                     | (2,602)                                     |
| Loss (gain) on valuation of investment securities                                | 0   | 999   |
| Loss (gain) on sale of shares of subsidiaries and associates                     | 56  | 67  |
| Loss (gain) on liquidation of subsidiaries and associates                        | -   | (202)                                       |
| Loss (gain) on sale and retirement of non-current assets                         | (11,847)                                    | (4,539)                                     |
| Decrease (increase) in trade receivables   | (249)                                       | (6,600)                                     |
| Decrease (increase) in inventories   | 3,614                                       | 4,530                                       |
| Increase (decrease) in trade payables  | (5,108)                                     | (3,102)                                     |
| Loss on disaster   | -   | 219   |
| Other, net   | (5,244)                                     | (1,054)                                     |
| <b>Subtotal</b>  | <b>62,219</b>                               | <b>69,059</b>                               |
| Interest and dividends received  | 6,834                                       | 7,146                                       |
| Interest paid  | (2,795)                                     | (4,295)                                     |
| Income taxes paid  | (31,292)                                    | (19,295)                                    |
| <b>Net cash provided by (used in) operating activities</b>                       | <b>34,966</b>                               | <b>52,616</b>                               |
| <b>Cash flows from investing activities</b>                                      |   |   |
| Payments into time deposits  | (15,081)                                    | (8,843)                                     |
| Proceeds from withdrawal of time deposits  | 8,115                                       | 10,886                                      |
| Net decrease (increase) in short-term investment securities                      | (7,514)                                     | (6,960)                                     |
| Purchase of property, plant and equipment  | (20,105)                                    | (26,065)                                    |
| Proceeds from sale of property, plant and equipment                              | 13,238                                      | 6,792                                       |
| Purchase of intangible assets  | (5,231)                                     | (5,622)                                     |
| Purchase of investment securities  | (19)  | (217)                                       |
| Proceeds from sale of investment securities                                      | 7,107                                       | 2,057                                       |
| Purchase of shares of subsidiaries resulting in change in scope of consolidation | (19,400)                                    | -   |
| Proceeds from the liquidation of subsidiaries and associates                     | -   | 757   |
| Loan advances  | (49)  | (54)  |
| Proceeds from collection of loans receivable                                     | 62  | 69  |
| Other, net   | (322)                                       | 175   |
| <b>Net cash provided by (used in) investing activities</b>                       | <b>(39,200)</b>                             | <b>(27,026)</b>                             |

(Millions of yen)

|  | For the fiscal year<br>ended March 31, 2025 | For the fiscal year<br>ended March 31, 2026 |
|--|---|---|
| <b>Cash flows from financing activities</b>  |   |   |
| Net increase (decrease) in short-term borrowings                                     | 361   | 1,389                                       |
| Proceeds from long-term borrowings   | 1,809                                       | 246   |
| Repayments of long-term borrowings   | (8,709)                                     | (173)                                       |
| Proceeds from issuance of bonds  | 463,907                                     | 407,792                                     |
| Redemption of bonds  | (371,921)                                   | (409,797)                                   |
| Purchase of treasury shares  | (80,008)                                    | (491)                                       |
| Dividends paid   | (8,741)                                     | (14,758)                                    |
| Dividends paid to non-controlling interests  | (4,723)                                     | (4,182)                                     |
| Proceeds from share issuance to non-controlling shareholders                         | 4,313                                       | -   |
| Purchase of shares of subsidiaries not resulting in change in scope of consolidation | (2,370)                                     | (364)                                       |
| Other, net   | (1,924)                                     | (1,843)                                     |
| Net cash provided by (used in) financing activities                                  | (8,006)                                     | (22,182)                                    |
| Effect of exchange rate change on cash and cash equivalents                          | 4,435                                       | 675   |
| Net increase (decrease) in cash and cash equivalents                                 | (7,805)                                     | 4,083                                       |
| Cash and cash equivalents at beginning of period                                     | 70,952                                      | 63,147                                      |
| Cash and cash equivalents at end of period   | 63,147                                      | 67,230                                      |

## Segment information

### (1) General information for reportable segments

The reportable segments of the Kansai Paint Group are defined as components of the Group for which separate financial information is available and reviewed regularly by the Board of Directors in determining how to allocate management resources and evaluate operating performance. The Company and its consolidated subsidiaries and affiliates are primarily engaged in the manufacturing and sale of paints and coatings. The Company is mainly in charge of business activities in Japan while locally incorporated overseas subsidiaries are in charge in each region. Locally incorporated overseas subsidiaries are independent business units that develop their own business activities and establish their own comprehensive strategies in each region. Accordingly, the Kansai Paint Group, being composed of regional segments based on manufacturing and selling systems, has the following five reportable segments: Japan, India, Europe, Asia and Africa.

### (2) Information about sales, profit and loss, assets and other material items by reportable segment

Fiscal year ended March 31, 2025 (April 1, 2024 - March 31, 2025)

(Millions of yen)

|  | Reportable segments |         |         |         |        |         | Other *1 | Total   | Adjustment *2 | Consolidated *3 |
|--|---------------------|---------|---------|---------|--------|---------|----------|---------|---------------|-----------------|
|  | Japan               | India   | Europe  | Asia    | Africa | Total   |          |         |               |                 |
| Net sales  |                     |         |         |         |        |         |          |         |               |                 |
| (1) Sales to customers   | 163,896             | 142,335 | 156,469 | 68,670  | 47,423 | 578,794 | 10,031   | 588,825 | —             | 588,825         |
| (2) Intersegment sales and transfers                                 | 15,367              | 113     | 190     | 3,154   | 180    | 19,005  | —        | 19,005  | (19,005)      | —               |
| Total sales  | 179,263             | 142,448 | 156,659 | 71,824  | 47,603 | 597,800 | 10,031   | 607,831 | (19,005)      | 588,825         |
| Operating profit   | 22,636              | 14,360  | 3,514   | 5,941   | 4,125  | 50,578  | 1,470    | 52,048  | 2             | 52,050          |
| Share of profit (loss) of entities accounted for using equity method | 1,283               | (167)   | (4,493) | 3,247   | 224    | 94      | 1,734    | 1,829   | —             | 1,829           |
| Segment profit (loss)  | 23,919              | 14,193  | (979)   | 9,188   | 4,350  | 50,673  | 3,204    | 53,877  | 2             | 53,879          |
| Segment assets   | 253,880             | 142,878 | 208,041 | 119,039 | 46,278 | 770,117 | 21,176   | 791,294 | (40,594)      | 750,699         |
| Other items  |                     |         |         |         |        |         |          |         |               |                 |
| Depreciation and amortization  | 4,611               | 3,512   | 7,799   | 2,759   | 1,285  | 19,968  | 735      | 20,703  | —             | 20,703          |
| Amortization of goodwill   | —                   | —       | 3,387   | 67      | 1,297  | 4,753   | 384      | 5,138   | —             | 5,138           |
| Interest income  | 2,207               | 170     | 309     | 502     | 458    | 3,649   | 86       | 3,735   | (1,834)       | 1,900           |
| Interest expenses  | 379                 | 575     | 3,191   | 18      | 933    | 5,099   | 0        | 5,099   | (1,859)       | 3,239           |
| Investments in entities accounted for using equity method            | 22,893              | 130     | 10,213  | 33,461  | 2,019  | 68,718  | 5,572    | 74,291  | —             | 74,291          |
| Increase in property, plant and equipment and intangible assets      | 12,755              | 4,976   | 6,222   | 1,111   | 774    | 25,839  | 197      | 26,037  | —             | 26,037          |

#### Notes:

\*1 The "Other" category includes business activities of subsidiaries and affiliates in the U.S., Mexico and other locations.

\*2 Adjustments for segment profit, segment assets and other items represent the elimination of intersegment transactions.

\*3 Segment profit is adjusted to reflect operating profit recorded in the Consolidated Statement of Income which is adjusted by share of profit (loss) of entities accounted for using equity method.

\*4 Reportable segments other than Japan include the following countries:

India: India, Bangladesh, Nepal and other locations.

Europe: Slovenia, Turkey, Austria and other locations.

Asia: Indonesia, Thailand, China and other locations.

Africa: South Africa, Uganda, Zimbabwe and other locations.

Fiscal year ended March 31, 2026 (April 1, 2025 - March 31, 2026)

(Millions of yen)

|  | Reportable segments |         |         |         |        |         | Other *1 | Total   | Adjustment *2 | Consolidated *3 |
|--|---------------------|---------|---------|---------|--------|---------|----------|---------|---------------|-----------------|
|  | Japan               | India   | Europe  | Asia    | Africa | Total   |          |         |               |                 |
| Net sales  |                     |         |         |         |        |         |          |         |               |                 |
| (1) Sales to customers   | 159,888             | 138,358 | 162,738 | 68,064  | 51,748 | 580,798 | 8,996    | 589,795 | —             | 589,795         |
| (2) Intersegment sales and transfers                                 | 15,741              | 125     | 213     | 2,950   | 130    | 19,162  | —        | 19,162  | (19,162)      | —               |
| Total sales  | 175,630             | 138,484 | 162,952 | 71,014  | 51,879 | 599,961 | 8,996    | 608,957 | (19,162)      | 589,795         |
| Operating profit   | 20,673              | 13,627  | 2,514   | 5,972   | 6,176  | 48,965  | 758      | 49,723  | 2             | 49,726          |
| Share of profit (loss) of entities accounted for using equity method | 1,295               | (60)    | (1,568) | 3,109   | 160    | 2,935   | 1,225    | 4,160   | —             | 4,160           |
| Segment profit   | 21,968              | 13,566  | 945     | 9,082   | 6,337  | 51,901  | 1,983    | 53,884  | 2             | 53,887          |
| Segment assets   | 286,076             | 147,846 | 211,160 | 123,003 | 50,764 | 818,852 | 19,619   | 838,472 | (36,778)      | 801,693         |
| Other items  |                     |         |         |         |        |         |          |         |               |                 |
| Depreciation and amortization  | 5,590               | 3,720   | 9,175   | 2,708   | 1,340  | 22,535  | 744      | 23,280  | —             | 23,280          |
| Amortization of goodwill   | —                   | —       | 3,607   | 71      | 1,285  | 4,963   | 381      | 5,344   | —             | 5,344           |
| Interest income  | 1,973               | 234     | 187     | 444     | 601    | 3,440   | 92       | 3,533   | (1,604)       | 1,928           |
| Interest expenses  | 747                 | 524     | 2,640   | 13      | 754    | 4,681   | 6        | 4,688   | (1,594)       | 3,093           |
| Investments in entities accounted for using equity method            | 26,476              | —       | 8,389   | 35,775  | 2,078  | 72,720  | 4,331    | 77,052  | —             | 77,052          |
| Increase in property, plant and equipment and intangible assets      | 22,520              | 4,285   | 8,027   | 2,445   | 1,441  | 38,719  | 185      | 38,904  | —             | 38,904          |

Notes:

- \*1 The "Other" category includes business activities of subsidiaries and affiliates in the U.S., Mexico and other locations.
- \*2 Adjustments for segment profit, segment assets and other items represent the elimination of intersegment transactions.
- \*3 Segment profit is adjusted to reflect operating profit recorded in the Consolidated Statement of Income which is adjusted by share of profit (loss) of entities accounted for using equity method.
- \*4 Reportable segments other than Japan include the following countries:  
 India: India, Bangladesh, Nepal and other locations.  
 Europe: Slovenia, Turkey, Austria and other locations.  
 Asia: Indonesia, Thailand, China and other locations.  
 Africa: South Africa, Uganda, Zimbabwe and other locations.