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November 7, 2025

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

Company name: NIHON KAGAKU SANGYO CO.,LTD.
Listing: Tokyo Stock Exchange
Securities code: 4094
URL: https://www.nihonkagakusangyo.co.jp/
Representative: KADOYA Hiroki President
Inquiries: YOSHIDA Yutaka Operating Officer and General Manager of Corporate Planning Office
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Scheduled date to file semi-annual securities report: November 14, 2025
Scheduled date to commence dividend payments: December 8, 2025
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: None

(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	13,289	6.2	1,517	(0.6)	1,734	(1.2)	1,253	0.8
September 30, 2024	12,514	15.8	1,526	60.7	1,755	53.0	1,243	61.5

Note: Comprehensive income For the six months ended September 30, 2025: ¥ 2,687 million [174.6%]
For the six months ended September 30, 2024: ¥ 978 million [(9.0) %]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2025	64.43	-
September 30, 2024	63.94	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2025	56,559	48,277	85.4
March 31, 2025	54,303	46,478	85.6

Reference: Equity
As of September 30, 2025: ¥ 48,277 million
As of March 31, 2025: ¥ 46,478 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	-	30.00	-	45.00	75.00
Fiscal year ending March 31, 2026	-	45.00			
Fiscal year ending March 31, 2026 (Forecast)			-	45.00	90.00

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

Note: Breakdown of the second quarter dividend for the fiscal year ending March 31, 2026 :

Commemorative dividend - yen

Special dividend - yen

3. Consolidated financial result 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
Full year	26,200	3.0	2,680	(6.3)	3,100	(3.5)	2,220	(5.8)	114.08

Note: Revisions to the financial result forecast most recently announced: Yes

*** Notes**

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

Newly included: - companies( )

Excluded: - companies( )

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: Yes

(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	20,280,000 shares
As of March 31, 2025	20,280,000 shares

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

As of September 30, 2025	819,359 shares
As of March 31, 2025	819,409 shares

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

Six months ended September 30, 2025	19,460,593 shares
Six months ended September 30, 2024	19,448,436 shares

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

* Proper use of earnings forecasts, and other special matters

Semi-annual Consolidated Financial Statements and Primary Notes

Semi-annual Consolidated Balance Sheet

(Thousands of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	15,418,395	20,259,134
Notes and accounts receivable - trade	6,948,707	6,980,788
Electronically recorded monetary claims - operating	943,277	1,255,840
Merchandise and finished goods	2,062,624	1,741,258
Work in process	1,242,391	1,542,009
Raw materials and supplies	1,722,980	1,662,052
Other	165,141	76,346
Allowance for doubtful accounts	(1,200)	(1,220)
Total current assets	28,502,318	33,516,211
Non-current assets		
Property, plant and equipment		
Machinery, equipment and vehicles, net	2,337,477	2,136,484
Other, net	6,086,989	6,232,486
Total property, plant and equipment	8,424,467	8,368,971
Intangible assets	112,037	104,046
Investments and other assets		
Investment securities	8,854,753	11,162,822
Deferred tax assets	7,100	6,009
Long-term time deposits	7,100,000	2,100,000
Other	1,304,808	1,303,242
Allowance for doubtful accounts	(1,570)	(1,570)
Total investments and other assets	17,265,092	14,570,503
Total non-current assets	25,801,598	23,043,521
Total assets	54,303,916	56,559,733
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,743,976	2,732,144
Electronically recorded obligations - operating	437,955	408,347
Short-term borrowings	263,800	80,000
Income taxes payable	446,982	467,573
Provision for bonuses	420,000	440,000
Provision for bonuses for directors (and other officers)	40,000	13,750
Other	1,310,888	1,184,579
Total current liabilities	5,663,603	5,326,394
Non-current liabilities		
Deferred tax liabilities	1,627,281	2,384,183
Retirement benefit liability	350,728	350,899
Provision for share awards for directors (and other officers)	95,689	106,801
Provision for employee stock ownership plan trust	-	26,583
Asset retirement obligations	40,735	40,864
Other	47,006	46,895
Total non-current liabilities	2,161,442	2,956,229
Total liabilities	7,825,045	8,282,624

(Thousands of yen)

	As of March 31, 2025	As of September 30, 2025
Net assets		
Shareholders' equity		
Share capital	1,034,000	1,034,000
Capital surplus	856,908	856,908
Retained earnings	40,905,658	41,270,455
Treasury shares	(920,903)	(920,830)
Total shareholders' equity	41,875,663	42,240,533
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,272,862	4,923,936
Foreign currency translation adjustment	1,173,651	985,255
Remeasurements of defined benefit plans	156,692	127,384
Total accumulated other comprehensive income	4,603,206	6,036,575
Total net assets	46,478,870	48,277,109
Total liabilities and net assets	54,303,916	56,559,733

Semi-annual Consolidated Statements of Income and Comprehensive Income

Semi-annual Consolidated Statement of Income

(Thousands of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Net sales	12,514,062	13,289,398
Cost of sales	9,381,821	10,080,558
Gross profit	3,132,241	3,208,839
Selling, general and administrative expenses	1,605,923	1,691,286
Operating profit	1,526,317	1,517,553
Non-operating income		
Interest income	6,630	38,433
Dividend income	107,517	122,434
Rental income from real estate	39,365	40,309
Foreign exchange gains	51,429	-
Other	45,164	56,692
Total non-operating income	250,108	257,871
Non-operating expenses		
Interest expenses	3,366	1,004
Rental costs	17,330	15,840
Foreign exchange losses	-	23,961
Other	90	166
Total non-operating expenses	20,786	40,972
Ordinary profit	1,755,639	1,734,452
Extraordinary income		
Gain on sale of non-current assets	53	2
Gain on sale of investment securities	42,041	12,348
Total extraordinary income	42,095	12,351
Extraordinary losses		
Loss on retirement of non-current assets	11,559	24,204
Total extraordinary losses	11,559	24,204
Profit before income taxes	1,786,175	1,722,598
Income taxes	542,635	468,743
Profit	1,243,539	1,253,855
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	1,243,539	1,253,855

Semi-annual Consolidated Statement of Comprehensive Income

(Thousands of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Profit	1,243,539	1,253,855
Other comprehensive income		
Valuation difference on available-for-sale securities	(416,085)	1,651,073
Foreign currency translation adjustment	175,578	(188,395)
Remeasurements of defined benefit plans, net of tax	(24,467)	(29,308)
Total other comprehensive income	(264,974)	1,433,369
Comprehensive income	978,565	2,687,224
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	978,565	2,687,224
Comprehensive income attributable to non-controlling interests	-	-

Semi-annual Consolidated Statement of Cash Flows

(Thousands of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	1,786,175	1,722,598
Depreciation	499,590	515,933
Increase (decrease) in allowance for doubtful accounts	(80)	20
Increase (decrease) in provision for bonuses	10,000	20,000
Increase (decrease) in provision for bonuses for directors (and other officers)	(15,000)	(26,250)
Decrease (increase) in retirement benefit asset	(5,939)	(4,958)
Increase (decrease) in retirement benefit liability	4,462	998
Increase (decrease) in provision for share awards for directors (and other officers)	(12,898)	11,112
Increase (decrease) in provision for employee stock ownership plan trust	-	26,583
Interest and dividend income	(114,147)	(160,868)
Interest expenses	3,366	1,004
Loss (gain) on sale of non-current assets	(53)	(2)
Loss (gain) on sale of investment securities	(42,041)	(12,348)
Loss on retirement of non-current assets	11,559	24,204
Decrease (increase) in trade receivables	145,521	(385,627)
Decrease (increase) in inventories	(230,216)	48,294
Increase (decrease) in trade payables	18,604	(22,488)
Other, net	16,409	94,226
Subtotal	2,075,310	1,852,433
Interest and dividends received	114,901	161,608
Interest paid	(3,366)	(1,004)
Income taxes paid	(361,333)	(443,483)
Net cash provided by (used in) operating activities	1,825,512	1,569,554
Cash flows from investing activities		
Proceeds from withdrawal of time deposits	200,000	5,100,000
Payments into time deposits	(5,200,000)	(100,000)
Purchase of property, plant and equipment	(522,905)	(1,061,484)
Proceeds from sale of property, plant and equipment	35,568	2
Purchase of intangible assets	(39,566)	(8,915)
Purchase of investment securities	(16,856)	-
Proceeds from sale of investment securities	93,330	114,558
Proceeds from cancellation of life insurance funds	2,613	10,311
Purchase of insurance funds	(16,890)	(16,874)
Subsidies received	-	405,767
Other, net	(765)	(15,869)
Net cash provided by (used in) investing activities	(5,465,471)	4,427,496

(Thousands of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Cash flows from financing activities		
Proceeds from short-term borrowings	469,000	-
Repayments of short-term borrowings	(432,800)	(183,800)
Proceeds from sale of treasury shares	7,489	-
Dividends paid	(581,633)	(885,044)
Other, net	(159)	(171)
Net cash provided by (used in) financing activities	(538,104)	(1,069,015)
Effect of exchange rate change on cash and cash equivalents	31,911	(87,295)
Net increase (decrease) in cash and cash equivalents	(4,146,150)	4,840,739
Cash and cash equivalents at beginning of period	19,487,270	10,218,395
Cash and cash equivalents at end of period	15,341,119	15,059,134