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March 26, 2025

To Whom It May Concern,

Company name : DAINICHISEIKA COLOR & CHEMICALS MFG. CO., LTD.

Representative : Koji Takahashi, Representative Director and President

(Code number: 4116, Tokyo Stock Exchange Prime Market)

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Senior Managing Executive Officer, Chief Financial Officer

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**Notice Concerning Recording of Loss on Sale of Investments in Capital of Subsidiaries and Associates
and Revision of Earnings Forecast of Consolidated Financial Results**

DAINICHISEIKA COLOR & CHEMICALS MFG. CO., LTD. (the "Company") has disclosed separately today ("Notice Concerning Change in Equity Method Affiliate (Transfer of Investment Interests)"), due to the transfer of all investment interests in Plalloy MTD B.V. (hereinafter referred to as "Plalloy"), an equity method affiliate of the Company, the Company expects to record a "Loss on Sale of Investments in Capital of Subsidiaries and Associates" in the fourth quarter of the fiscal year ending March 2025.

As a result, the Company has revised its earnings forecast of consolidated financial results for the fiscal year ending March 2025, which was announced on November 8, 2024.

1. Recording of loss on sale of investments in capital of subsidiaries and associates

With regard to Plalloy, an equity method affiliate of the Company, the Company expects to record an extraordinary loss of approximately 1.1 billion yen as consolidated base and approximately 2 billion yen as non-consolidated base as a "Loss on Sale of Investments in Capital of Subsidiaries and Associates" in connection with the transfer of all of the Company's investments in Plalloy.

2. Revision of earnings forecast of consolidated financial results

(1) Revision of earnings forecast of consolidated financial results for the fiscal year ending March 31, 2025

(From April 1, 2024 to March 31, 2025)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Profit per share
Previously announced forecast (A)	Million Yen 124,000	Million Yen 6,900	Million Yen 7,500	Million Yen 10,600	yen 617.67
Revised forecasts (B)	124,000	6,900	7,500	10,000	582.75
Amount of increase/decrease (B-A)	-	-	-	△600	-
Rate of increase/decrease (%)	-	-	-	△5.7	-
(Reference) Previous period consolidated results (Year ended March, 2024)	119,824	4,550	5,003	3,660	207.95

(2) Reasons for the Revision

As stated in 1 above, taking into account the expectation of recording a "Loss on Sale of Investments in Capital of Subsidiaries and Associates" the above revision has been made.

3. Dividend Forecast

There is no change to the dividend forecast for 90 yen per share (ordinary dividend 75 yen and extraordinary dividend 15 yen) for the fiscal year ending March 2025, as announced timely disclosure "Notice Concerning Revision of Dividend Forecast (Dividend Increase)" at February 14, 2025.

(Note) The performance forecasts and other forward-looking statements contained in this document are calculated based on currently available information, and actual results may differ depending on various factors in the future.

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