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February 13, 2026

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

Company Name: DAINICHISEIKA COLOR & CHEMICALS MFG. CO., LTD.
 Stock Code: 4116
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 Scheduled date to commence dividend payments: –
 Availability of supplementary briefing material on results: Yes
 Holding of Results Briefing Session: None

(Figures are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Nine Months Ended December 31, 2025 (From April 1, 2025 to December 31, 2025)

(1) Consolidated Results of Operations (cumulative) (% indicates changes from the previous corresponding term)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2025	93,077	(1.4)	6,182	2.4	6,933	6.8	6,699	(34.0)
Nine months ended December 31, 2024	94,362	4.2	6,037	68.3	6,489	64.9	10,152	171.3

(Note) Comprehensive income: Nine months ended December 31, 2025: ¥6,462 million [(43.6)%]
 Nine months ended December 31, 2024: ¥11,449 million [56.1%]

	Profit per share	Fully diluted profit per share
	Yen	Yen
Nine months ended December 31, 2025	390.99	–
Nine months ended December 31, 2024	591.65	–

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2025	199,510	133,344	65.6
As of March 31, 2025	196,784	130,497	65.0

(Reference) Equity: As of December 31, 2025: ¥130,955 million
 As of March 31, 2025: ¥128,008 million

2. Dividends

	Annual cash dividends per share				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2025	–	66.00	–	90.00	156.00
Year ending March 31, 2026	–	87.00	–		
Year ending March 31, 2026 (Forecast)				121.00	208.00

(Note 1) Revisions of dividend forecast from recently announced figures: Applicable

(Note 2) Breakdown of Interim dividend for Year ended March 31, 2025: Ordinary dividend: ¥51.00; Extraordinary dividend: ¥15.00

Breakdown of Year-end dividend for Year ended March 31, 2025: Ordinary dividend: ¥75.00; Extraordinary dividend: ¥15.00

Breakdown of Interim dividend for Year ending March 31, 2026: Ordinary dividend: ¥72.00; Extraordinary dividend: ¥15.00

Breakdown of Year-end dividend for Year ending March 31, 2026 (Forecast): Ordinary dividend: ¥106.00; Extraordinary dividend: ¥15.00

(Note 3) The Company shall conduct a stock split at a ratio of four shares for every one share of common stock held by shareholders recorded on the final shareholder register on Tuesday March 31, 2026, the record date.

The effective date of this stock split is Wednesday April 1, 2026. Consequently, the year-end dividend for the fiscal year ending Tuesday March 31, 2026, which is the record date, shall be paid based on the number of shares before the stock split.

For details, please refer to “Notice Concerning Stock Split, Related Partial Amendment to the Articles of Incorporation, and Further Revisions to the Shareholder Return Policy” announced on November 10, 2025.

3. Earnings Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2026

(From April 1, 2025 to March 31, 2026)

(% indicates changes from the previous corresponding term)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	123,000	(1.4)	7,600	8.5	8,500	9.5	7,500	(27.1)	439.40

(Note) Revisions of forecast of financial results from recently announced figures: Applicable

*** Notes**

- (1) Significant changes in the scope of consolidation during the nine months ended December 31, 2025:
 Applicable
 Included: – (–)
 Excluded: Two companies Dainichiseika Kako Hanbai Co., Ltd., Dainichiseika Insurance Services Co., Ltd.
- (2) Adoption of specific accounting treatments to the preparation of quarterly consolidated financial statements: Not applicable
- (3) Changes in accounting policies, changes in accounting estimates and restatements
 1) Changes in accounting policies due to the revision of accounting standards: Not applicable
 2) Changes in accounting policies other than 1): Not applicable
 3) Changes in accounting estimates: Not applicable
 4) Restatements: Not applicable

(4) Total number of issued shares (common stock)

1) Total number of issued shares at the end of the period (including treasury shares):	As of December 31, 2025	18,113,110 shares	As of March 31, 2025	18,113,110 shares
2) Total number of treasury shares at the end of the period:	As of December 31, 2025	1,044,270 shares	As of March 31, 2025	951,919 shares
3) Average number of shares during the period (cumulative):	Nine months ended December 31, 2025	17,135,282 shares	Nine months ended December 31, 2024	17,159,797 shares

* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants and audit corporations: Not applicable

* Explanation for the appropriate use of performance forecasts and other special notes:

- The statements regarding forecast of financial results in this report are based on the information that is available to the Company, as well as certain assumptions that are deemed to be reasonable by management, and they are not meant to be a commitment by the Company. Therefore, there might be cases in which actual results differ materially from forecast values due to various factors. For the suppositions that form the assumptions for earnings forecasts and cautions concerning the use thereof, please refer to “1. Overview of Business Results, etc. (3) Explanation of Forecast of Consolidated Financial Results and Other Forward-Looking Information” on page 3 of this report.

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1. Overview of Business Results, etc.

(1) Overview of Business Results for the Nine-month Period

Trends among the main customers of the Group in the nine months ended December 31, 2025 were as follows.

Transport equipment industry	In the domestic market, sales of compounds and colorants for automobiles continued to show a recovery trend after the impact of declining production among automobile manufacturers subsided. Sales of polyurethanes were weak due to sluggish performance of the adopted vehicle models. In overseas markets, sales to China and North America were weak.
Information-electronics industry	For LCDs products, sales of pigments were favorable due to an increase in sales of new products. Sales of coatings were steady after bottoming out in the second quarter. Sales of pigments and colorants for office equipment were strong during the third quarter due to stockpiling for new models.
Packaging materials industry	Sales of gravure ink for flexible packaging applications, such as for food products, were below the level of the previous year mainly as a result of conservative spending amid high prices, but profits were secured through price adjustments. Despite the impact of beverage price increases, sales of the ink for beverage labels were at the same level as the previous year.
Building materials industry	Sales of colorants and coatings for new construction housing were weak against the backdrop of a slowdown in the number of housing starts, but demand for renovations provided underlying support.

As a result of the above, net sales decreased to ¥93,077 million, down by 1.4% compared to the same period of the previous fiscal year. However, operating profit increased to ¥6,182 million and ordinary profit increased to ¥6,933 million, up by 2.4% and 6.8% respectively compared with the same period of the previous fiscal year, securing profit growth, mainly due to efforts to improve profitability. Profit attributable to owners of parent was ¥6,699 million, down by 34.0% compared with the same period of the previous fiscal year. This decrease was due to the recording of ¥7,760 million as a gain on sale of non-current assets, including the former site of the Kawaguchi Production Plant, in extraordinary income in the nine months ended December 31, 2024, despite a ¥2,225 million gain on sale of investment securities as a result of systematically proceeding with the sale of shares held as cross-shareholdings, which was recorded in extraordinary income in the current period.

Operating results by reportable segment are as follows:

(Color & Functional Products)

In the Color & Functional Products segment, the Group primarily manufactures and sells pigments and related secondary processed products, including pigments, colorants for fabrics, colorants used in plastics, resin compounds, pigment dispersion and functional materials.

Net sales of pigments and dispersion for the information-electronics industry were favorable for LCD applications and products for transportation machinery in Japan also showed a recovery trend due to the upturn in operations of automobile manufacturers. Meanwhile, some overseas sales of compounds and colorants were impacted by stagnant demand.

As a result, net sales in the segment stood at ¥51,417 million, up by 1.6% compared with the same period of the previous fiscal year, while operating profit was ¥3,335 million, up by 22.1% compared with the same period of the previous fiscal year.

(Polymer & Coating Materials)

In the Polymer & Coating Materials segment, the Group primarily manufactures and sells synthetic resins and specialty coatings, including polyurethanes, polymers derived from natural substances, and UV and EB coating materials.

Sales of polyurethanes were weak overall due to the impact of sluggish performance of major vehicle models adopting them.

Additionally, although sales for outdoor clothing applications in the clothing and accessories industry and coating materials for the information-electronics industry were steady, they fell short of supporting the overall segment.

As a result, net sales in the segment stood at ¥18,214 million, down by 5.8% compared with the same period of the previous fiscal year, while operating profit was ¥2,095 million, down by 22.4% compared with the same period of the previous fiscal year.

(Graphic & Printing Materials)

In the Graphic & Printing Materials segment, the Group primarily develops, manufactures, and sells inks for packaging, advertising, and publishing, including a wide range of gravure, flexographic, and offset printing inks for various applications.

Domestic sales of gravure ink for flexible packaging applications and beverage labels applications were at the same level as the previous year, remaining solid.

Sales of offset printing ink were weak.

Overseas, at a local subsidiary in Indonesia, sales were weak due to increasingly intense competition and other factors in the second quarter, but they showed recovery and were steady in the third quarter.

As a result, net sales in the segment decreased to ¥23,413 million, down by 4.0% compared with the same period of the previous fiscal year. However, operating profit increased to ¥732 million, up by 21.4% compared with the same period of the previous fiscal year.

(2) Overview of Financial Position for the Nine-month Period

(Assets)

Total assets as of December 31, 2025 increased by ¥2,726 million compared with the end of the previous fiscal year to ¥199,510 million.

This was mainly due to increases in “notes and accounts receivable - trade” and “inventories” despite a decrease in “cash and deposits,” as well as an increase in “investment securities” as the fair value of shares held rose while there was the sale of shares held as cross-shareholdings.

(Liabilities)

Total liabilities as of December 31, 2025 decreased by ¥120 million compared with the end of the previous fiscal year to ¥66,165 million.

This was mainly due to a decrease in “notes and accounts payable - trade,” despite increases in interest-bearing debt and “deferred tax liabilities.”

(Net assets)

Total net assets as of December 31, 2025 increased by ¥2,846 million compared with the end of the previous fiscal year to ¥133,344 million.

This was mainly due to a net increase in “retained earnings,” as a result of an increase in “retained earnings” due to recording “profit attributable to owners of parent” and a decrease in “retained earnings” due to the payment of dividends to shareholders among other factors, as well as an increase in “valuation difference on available-for-sale securities,” despite a decrease in “foreign currency translation adjustment.”

(3) Explanation of Forecast of Consolidated Financial Results and Other Forward-Looking Information

The Group has revised the forecast of financial results announced on November 10, 2025, in light of the results for the nine months ended December 31, 2025 and the future outlook.

For details, please refer to the “Notice Concerning Revisions of Earnings Forecast of Consolidated Financial Results and Dividend Forecast (Dividend Increase)” announced today (February 13, 2026).

2. Quarterly Consolidated Financial Statements and Principal Notes

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025
Assets		
Current assets		
Cash and deposits	24,251	20,183
Notes and accounts receivable - trade	51,565	54,867
Inventories	32,596	33,536
Other	1,838	2,225
Allowance for doubtful accounts	(104)	(104)
Total current assets	110,147	110,709
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	20,540	19,740
Land	13,222	13,202
Other, net	15,188	15,081
Total property, plant and equipment	48,952	48,024
Intangible assets		
Other	1,241	1,987
Total intangible assets	1,241	1,987
Investments and other assets		
Investment securities	18,514	20,214
Retirement benefit asset	15,753	16,008
Other	2,189	2,580
Allowance for doubtful accounts	(15)	(15)
Total investments and other assets	36,442	38,788
Total non-current assets	86,636	88,800
Total assets	196,784	199,510
Liabilities		
Current liabilities		
Notes and accounts payable - trade	28,430	26,880
Short-term borrowings	10,521	11,790
Current portion of long-term borrowings	2,796	1,859
Income taxes payable	1,158	399
Provision for bonuses	1,826	1,026
Other	5,336	5,258
Total current liabilities	50,069	47,214
Non-current liabilities		
Long-term borrowings	7,526	8,263
Retirement benefit liability	3,357	3,462
Deferred tax liabilities	4,724	6,582
Other	608	642
Total non-current liabilities	16,217	18,951
Total liabilities	66,286	66,165

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025
Net assets		
Shareholders' equity		
Share capital	10,039	10,039
Capital surplus	9,768	9,974
Retained earnings	90,910	94,581
Treasury shares	(2,046)	(2,676)
Total shareholders' equity	108,673	111,919
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,758	8,136
Foreign currency translation adjustment	8,255	6,883
Remeasurements of defined benefit plans	4,321	4,016
Total accumulated other comprehensive income	19,334	19,036
Non-controlling interests	2,489	2,388
Total net assets	130,497	133,344
Total liabilities and net assets	196,784	199,510

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

(Millions of yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Net sales	94,362	93,077
Cost of sales	74,758	73,140
Gross profit	19,604	19,936
Selling, general and administrative expenses	13,566	13,754
Operating profit	6,037	6,182
Non-operating income		
Interest income	334	258
Dividend income	367	442
Share of profit of entities accounted for using equity method	41	133
Other	502	447
Total non-operating income	1,246	1,281
Non-operating expenses		
Interest expenses	185	220
Foreign exchange losses	184	54
Rental expenses on non-current assets	50	67
Loss on compensation of claims	195	62
Other	177	125
Total non-operating expenses	793	530
Ordinary profit	6,489	6,933
Extraordinary income		
Gain on sale of non-current assets	7,760	4
Gain on sale of investment securities	121	2,225
Gain on sale of businesses	60	450
Other	–	3
Total extraordinary income	7,942	2,683
Extraordinary losses		
Loss on sale of non-current assets	1	15
Loss on retirement of non-current assets	120	117
Loss on sale of investment securities	29	–
Loss on closing of plant	79	–
Other	1	1
Total extraordinary losses	232	134
Profit before income taxes	14,199	9,482
Income taxes - current	2,505	1,228
Income taxes - deferred	1,395	1,412
Total income taxes	3,900	2,640
Profit	10,298	6,842
Profit attributable to non-controlling interests	145	142
Profit attributable to owners of parent	10,152	6,699

(Quarterly Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Profit	10,298	6,842
Other comprehensive income		
Valuation difference on available-for-sale securities	498	1,378
Foreign currency translation adjustment	914	(1,442)
Remeasurements of defined benefit plans, net of tax	(231)	(305)
Share of other comprehensive income of entities accounted for using equity method	(29)	(10)
Total other comprehensive income	1,151	(379)
Comprehensive income	11,449	6,462
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	11,247	6,400
Comprehensive income attributable to non-controlling interests	201	61

(3) Notes to Quarterly Consolidated Financial Statements

(Notes to Going Concern Assumption)

Not applicable.

(Notes to Significant Changes in the Amount of Shareholders' Equity)

Based on a resolution of the Board of Directors held on February 14, 2025, the Company disposed of 219,780 treasury shares on July 1, 2025, as restricted share incentives for the employee shareholding association. In addition, based on a resolution of the Board of Directors held on June 27, 2025, the Company disposed of 5,441 treasury shares on July 25, 2025, as restricted share-based remuneration. As a result of these disposals, treasury shares decreased by 225,221 shares.

In addition, based on a resolution of the Board of Directors held on August 7, 2025, the Company acquired 315,300 treasury shares on August 8, 2025.

As a result, including acquisition through the purchase of shares of less than one unit, during the nine months ended December 31, 2025, capital surplus increased by ¥206 million and treasury shares increased by ¥629 million, resulting in capital surplus of ¥9,974 million and treasury shares of ¥2,676 million.

(Notes to Quarterly Consolidated Statements of Cash Flows)

Quarterly consolidated statements of cash flows are not prepared for the nine months ended December 31, 2025. The amounts of depreciation (including amortization of intangible assets) for the nine months ended December 31, 2024 and nine months ended December 31, 2025 are as follows:

	(Millions of yen)	
	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Depreciation	3,623	3,809

(Notes to Segment Information, etc.)

I. For the nine months ended December 31, 2024 (From April 1, 2024 to December 31, 2024)

1. Information regarding net sales and operating profit or loss by the reportable segments

(Millions of yen)

	Reportable segments				Other	Posted amount to the quarterly consolidated statements of income
	Color & Functional Products	Polymer & Coating Materials	Graphic & Printing Materials	Total		
Net sales						
(1) Net sales to external customers	50,586	19,344	24,379	94,309	53	94,362
(2) Intersegment net sales and transfer	83	332	216	632	(632)	-
Total	50,669	19,676	24,595	94,942	(579)	94,362
Segment profit [Operating profit]	2,731	2,701	603	6,036	0	6,037

Note: The "Other" category comprises adjusted amounts and business that is not included in reportable segments, including real estate leasing, non-life insurance agency businesses, and other insurance intermediary agency businesses.

2. Information on disaggregation of revenue from contracts with customers

<By region> <By contract>

(Millions of yen)

	Reportable segments				Other	Posted amount to the quarterly consolidated statements of income
	Color & Functional Products	Polymer & Coating Materials	Graphic & Printing Materials	Total		
Japan	38,703	12,637	17,301	68,642	53	68,695
Asia (excluding Japan)	9,106	4,323	6,486	19,917	–	19,917
Other	2,776	2,382	591	5,750	–	5,750
Total	50,586	19,344	24,379	94,309	53	94,362
Revenue from contracts with customers	50,586	19,344	24,379	94,309	31	94,341
Other revenue	–	–	–	–	21	21
Net sales to external customers	50,586	19,344	24,379	94,309	53	94,362

<Impact of subcontract processing with charged receipt on net sales>

(Millions of yen)

	Reportable segments				Other	Posted amount to the quarterly consolidated statements of income
	Color & Functional Products	Polymer & Coating Materials	Graphic & Printing Materials	Total		
Gross sales to external customers	80,632	19,391	24,382	124,406	53	124,459
Amount of sales offset due to subcontract processing with charged receipt	(30,046)	(47)	(2)	(30,096)	–	(30,096)
Net sales to external customers	50,586	19,344	24,379	94,309	53	94,362

II. For the nine months ended December 31, 2025 (From April 1, 2025 to December 31, 2025)

1. Information regarding net sales and operating profit or loss by the reportable segments

(Millions of yen)

	Reportable segments				Other	Posted amount to the quarterly consolidated statements of income
	Color & Functional Products	Polymer & Coating Materials	Graphic & Printing Materials	Total		
Net sales						
(1) Net sales to external customers	51,417	18,214	23,413	93,045	31	93,077
(2) Intersegment net sales and transfer	77	316	216	609	(609)	–
Total	51,494	18,530	23,629	93,654	(577)	93,077
Segment profit [Operating profit]	3,335	2,095	732	6,163	18	6,182

Note: The “Other” category comprises adjusted amounts and business that is not included in reportable segments, including real estate leasing.

2. Information on disaggregation of revenue from contracts with customers

<By region> <By contract>

(Millions of yen)

	Reportable segments				Other	Posted amount to the quarterly consolidated statements of income
	Color & Functional Products	Polymer & Coating Materials	Graphic & Printing Materials	Total		
Japan	40,098	12,220	17,213	69,532	31	69,564
Asia (excluding Japan)	8,673	4,017	5,658	18,350	–	18,350
Other	2,644	1,976	541	5,162	–	5,162
Total	51,417	18,214	23,413	93,045	31	93,077
Revenue from contracts with customers	51,417	18,214	23,413	93,045	31	93,076
Other revenue	–	–	–	–	0	0
Net sales to external customers	51,417	18,214	23,413	93,045	31	93,077

<Impact of subcontract processing with charged receipt on net sales>

(Millions of yen)

	Reportable segments				Other	Posted amount to the quarterly consolidated statements of income
	Color & Functional Products	Polymer & Coating Materials	Graphic & Printing Materials	Total		
Gross sales to external customers	80,943	18,263	23,415	122,622	31	122,654
Amount of sales offset due to subcontract processing with charged receipt	(29,526)	(49)	(1)	(29,577)	–	(29,577)
Net sales to external customers	51,417	18,214	23,413	93,045	31	93,077

(Notes Related to Revenue Recognition)

Information on disaggregation of revenue from contracts with customers is presented in “(3) Notes to Quarterly Consolidated Financial Statements (Notes to Segment Information, etc).”

(Significant Subsequent Events)

Not applicable.