FASF MEMBERSHIP

August 6, 2026

Consolidated Financial Results for the Three Months Ended June 30, 2026 (Under Japanese GAAP)

Company name: DAINICHISEIKA COLOR & CHEMICALS MFG. CO., LTD.
Listing: Tokyo Stock Exchange
Securities code: 4116
URL: https://www.daicolor.co.jp
Representative: Koji Takahashi, Representative Director, President, Chief Executive Officer
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Scheduled date to commence dividend payments: -
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 three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	34,584	9.1	3,242	30.1	3,675	33.9	2,898	16.1
June 30, 2025	31,709	1.1	2,493	46.8	2,745	31.2	2,495	63.6

Note: Comprehensive income For the three months ended June 30, 2026: ¥4,273 million [863.7%]
For the three months ended June 30, 2025: ¥443 million [(88.1)%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2026	42.46	-
June 30, 2025	36.36	-

Note: The Company conducted a stock split on April 1, 2026, whereby each share of common stock was split into four shares. “Basic earnings per share” is calculated on the assumption that the stock split was conducted at the beginning of year ended March 31, 2025.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2026	210,749	143,160	66.7
March 31, 2026	205,444	141,210	67.5

Reference: Equity
As of June 30, 2026: ¥140,552 million
As of March 31, 2026: ¥138,629 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, 2026	-	87.00	-	133.00	220.00
Fiscal year ending March 31, 2027	-				
Fiscal year ending March 31, 2027 (Forecast)		27.50	-	27.50	55.00

Note1: Revisions to the forecast of cash dividends most recently announced: None
Note2: Breakdown of interim dividends for the fiscal year ended March 31, 2026: Ordinary dividend 72.00 yen, Special dividend 15.00 yen
Breakdown of year-end dividends for the fiscal year ended March 31, 2026: Ordinary dividend 118.00 yen, Special dividend 15.00 yen
Breakdown of interim dividends for the fiscal year ending March 31, 2027 (forecast): Ordinary dividend 23.75 yen, Special dividend 3.75 yen
Breakdown of year-end dividends for the fiscal year ending March 31, 2027 (forecast): Ordinary dividend 23.75 yen, Special dividend 3.75 yen
Note3: The Company conducted a stock split on April 1, 2026, whereby each share of common stock was split into four shares. However, for the years ended March 31, 2026, the actual dividend amounts before the stock split are presented.

3. Forecast of consolidated financial results 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
Six months ending September 30, 2026	68,000	10.2	7,000	70.5	7,400	64.8	5,200	38.1	76.19
Fiscal year ending March 31, 2027	131,800	6.0	11,500	51.1	12,400	46.1	8,700	7.4	127.46

Note: Revisions to the earnings forecasts most recently announced: Yes

*** Notes**

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

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

(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 June 30, 2026	72,452,440 shares
As of March 31, 2026	72,452,440 shares

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

As of June 30, 2026	4,198,352 shares
As of March 31, 2026	4,190,600 shares

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

Three months ended June 30, 2026	68,256,907 shares
Three months ended June 30, 2025	68,644,684 shares

Note: The Company conducted a stock split on April 1, 2026, whereby each share of common stock was split into four shares. “Total number of issued shares at the end of the period,” “Number of treasury shares at the end of the period,” and “Average number of shares outstanding during the period” have been calculated on the assumption that the stock split was conducted at the beginning of the year ended March 31, 2025.

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

• The forward-looking statements, including forecasts of financial results, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual financial results, etc. may differ substantially due to various factors. For the conditions on which earnings forecasts are predicated and precautions for using earnings forecasts, 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 Three-month Period

During the three months ended June 30, 2026, major customer trends of the Group remained strong overall, although some were affected by the worsening situation in the Middle East, such as accelerated orders and constraints on raw materials procurement. The results are as follows:

Transport equipment industry	In the domestic market, sales of compounds and colorants were steady due to increased automobile production. In the overseas markets, while compounds performed strongly in Thailand and India, polyurethanes were sluggish due to poor automotive sales affecting water-based surface treatment agents in North America.
Information/electronics industry	For LCD products, sales of pigments were continuously favorable from the previous year, and coatings were also strong. Sales of pigments and colorants for office equipment and commercial printing were steady.
Packaging materials industry	Sales of gravure ink remained at the same level as the previous year throughout the period, despite some orders being brought forward due to the worsening situation in the Middle East, for both flexible packaging applications for food products and beverage labels. Overseas, sales of a local subsidiary in Indonesia were favorable from the third quarter of the previous year, when it began to recover.
Building materials industry	Sales of colorants and coatings for new construction housing are supported by demand for renovations amid a slowdown in the number of housing starts.

In addition to the above, due to factors such as passing on the sharp rise in raw material prices to sales prices, net sales reached ¥34,584 million (up by 9.1% compared to the same period of the previous fiscal year). Operating profit increased to ¥3,242 million (up by 30.1%), due to strong sales of high value-added products and a temporary boost in profits from consuming inventory before raw material prices soared. Furthermore, ordinary profit increased to ¥3,675 million (up by 33.9%), and profit attributable to owners of parent increased to ¥2,898 million (up by 16.1%).
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.
Sales of pigments and colorants for the information/electronics industry were favorable for LCD products and office equipment applications. Sales of compounds and colorants for the transport equipment industry were steady.
As a result, net sales in the segment stood at ¥19,436 million, up by 11.5% compared with the same period of the previous fiscal year, while operating profit was ¥1,702 million, up by 21.9% 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 favorable, particularly for products for clothing and fashion accessories, as well as thermal recording coatings in the industrial materials industry. In the transport equipment industry, sales for EVs were sluggish, but sales for HVs in North America remained strong. Sales of coatings for LCD products in the information/electronics industry were favorable.
As a result, net sales in the segment stood at ¥6,161 million, down by 0.3% compared with the same period of the previous fiscal year, while operating profit was ¥855 million, up by 19.8% 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 were strong throughout the period, despite some orders being brought forward due to the worsening situation in the Middle East, for both flexible packaging applications for food products and beverage labels. On the other hand, sales of offset printing ink were weak.
Overseas, sales of a local subsidiary in Indonesia showed recovery and were steady from the third quarter of the previous fiscal year.
As a result, net sales in the segment stood at ¥8,976 million, up by 11.0% compared with the same period of the previous fiscal year, while operating profit was ¥675 million, up by 81.7% compared with the same period of the previous fiscal year.

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

(Assets)

Total assets as of June 30, 2026 increased by ¥5,304 million compared with the end of the previous fiscal year to ¥210,749 million. This is mainly due to increases in “notes and accounts receivable - trade” and “investment securities.”

(Liabilities)

Total liabilities as of June 30, 2026 increased by ¥3,354 million compared with the end of the previous fiscal year to ¥67,588 million. This was mainly due to increases in “notes and accounts payable - trade” and “provision for bonuses.”

(Net assets)

Total net assets as of June 30, 2026 increased by ¥1,949 million compared with the end of the previous fiscal year to ¥143,160 million. This is mainly due to increases in “retained earnings” and “valuation difference on available-for-sale securities.”

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

The Group has revised the forecast of financial results announced on May 15, 2026, in light of the results for the three months ended June 30, 2026 and the future outlook.

For details, please refer to the “Notice Concerning the Revision of Earnings Forecast of Consolidated Financial Results” announced today (August 6, 2026).

2. Quarterly Consolidated Financial Statements and Principal Notes

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	23,436	22,196
Notes and accounts receivable - trade	52,169	55,571
Inventories	32,723	34,225
Other	1,351	1,394
Allowance for doubtful accounts	(106)	(107)
Total current assets	109,573	113,280
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	20,021	19,942
Land	13,237	13,227
Other, net	15,616	15,602
Total property, plant and equipment	48,875	48,773
Intangible assets		
Other	2,164	2,205
Total intangible assets	2,164	2,205
Investments and other assets		
Investment securities	20,630	22,242
Retirement benefit asset	21,711	21,837
Other	2,503	2,424
Allowance for doubtful accounts	(15)	(15)
Total investments and other assets	44,830	46,490
Total non-current assets	95,870	97,468
Total assets	205,444	210,749

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	26,908	29,347
Short-term borrowings	9,022	9,028
Current portion of long-term borrowings	1,723	1,703
Income taxes payable	1,516	1,089
Provision for bonuses	1,918	2,933
Other	4,543	4,889
Total current liabilities	45,631	48,992
Non-current liabilities		
Long-term borrowings	7,772	7,425
Retirement benefit liability	2,383	2,447
Other	8,445	8,723
Total non-current liabilities	18,602	18,596
Total liabilities	64,233	67,588
Net assets		
Shareholders' equity		
Share capital	10,039	10,039
Capital surplus	9,974	9,974
Retained earnings	95,983	96,611
Treasury shares	(2,676)	(2,676)
Total shareholders' equity	113,321	113,949
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	8,413	9,603
Foreign currency translation adjustment	8,716	9,004
Remeasurements of defined benefit plans	8,178	7,995
Total accumulated other comprehensive income	25,308	26,603
Non-controlling interests	2,580	2,607
Total net assets	141,210	143,160
Total liabilities and net assets	205,444	210,749

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

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Net sales	31,709	34,584
Cost of sales	24,728	26,717
Gross profit	6,981	7,867
Selling, general and administrative expenses	4,488	4,624
Operating profit	2,493	3,242
Non-operating income		
Interest income	92	104
Dividend income	188	199
Share of profit of entities accounted for using equity method	55	57
Foreign exchange gains	-	16
Other	153	172
Total non-operating income	491	551
Non-operating expenses		
Interest expenses	67	73
Foreign exchange losses	78	-
Rental expenses on non-current assets	22	23
Loss on compensation of claims	59	0
Other	10	20
Total non-operating expenses	238	118
Ordinary profit	2,745	3,675
Extraordinary income		
Gain on sale of non-current assets	3	0
Gain on sale of businesses	450	-
Other	18	0
Total extraordinary income	472	0
Extraordinary losses		
Loss on sale of non-current assets	4	0
Loss on retirement of non-current assets	16	32
Other	1	-
Total extraordinary losses	22	33
Profit before income taxes	3,195	3,643
Income taxes - current	451	926
Income taxes - deferred	209	(228)
Total income taxes	661	697
Profit	2,534	2,945
Profit attributable to non-controlling interests	38	46
Profit attributable to owners of parent	2,495	2,898

(Quarterly Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Profit	2,534	2,945
Other comprehensive income		
Valuation difference on available-for-sale securities	186	1,189
Foreign currency translation adjustment	(1,974)	430
Remeasurements of defined benefit plans, net of tax	(101)	(183)
Share of other comprehensive income of entities accounted for using equity method	(201)	(108)
Total other comprehensive income	(2,090)	1,327
Comprehensive income	443	4,273
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	539	4,192
Comprehensive income attributable to non-controlling interests	(96)	80

(3) Notes to Quarterly Consolidated Financial Statements
(Notes to Going Concern Assumption)
Not applicable.

(Notes to Significant Changes in the Amount of Shareholders' Equity)
Not applicable.

(Notes to Quarterly Consolidated Statements of Cash Flows)
Quarterly consolidated statements of cash flows are not prepared for the three months ended June 30, 2026.
The amounts of depreciation (including amortization of intangible assets) for the three months ended June 30, 2025 and three months ended June 30, 2026 are as follows:

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Depreciation	1,260	1,308

(Notes to Segment Information, etc.)
I. For the three months ended June 30, 2025 (April 1, 2025 to June 30, 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	17,431	6,180	8,086	31,697	11	31,709
(2) Intersegment net sales and transfer	36	105	68	209	(209)	-
Total	17,467	6,285	8,154	31,907	(198)	31,709
Segment profit [Operating profit]	1,397	713	372	2,483	9	2,493

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	13,582	4,164	5,832	23,580	11	23,591
Asia (excluding Japan)	2,866	1,282	2,024	6,173	-	6,173
Other	981	732	228	1,943	-	1,943
Total	17,431	6,180	8,086	31,697	11	31,709
Revenue from contracts with customers	17,431	6,180	8,086	31,697	11	31,709
Other revenue	-	-	-	-	0	0
Net sales to external customers	17,431	6,180	8,086	31,697	11	31,709

<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	27,628	6,196	8,086	41,910	11	41,922
Amount of sales offset due to subcontract processing with charged receipt	(10,196)	(15)	(0)	(10,213)	-	(10,213)
Net sales to external customers	17,431	6,180	8,086	31,697	11	31,709

II. For the three months ended June 30, 2026 (April 1, 2026 to June 30, 2026)

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	19,436	6,161	8,976	34,574	10	34,584
(2) Intersegment net sales and transfer	22	147	64	234	(234)	-
Total	19,459	6,309	9,040	34,809	(224)	34,584
Segment profit [Operating profit]	1,702	855	675	3,233	8	3,242

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	14,883	4,212	6,791	25,886	10	25,896
Asia (excluding Japan)	3,403	1,265	2,081	6,750	-	6,750
Other	1,150	683	103	1,937	-	1,937
Total	19,436	6,161	8,976	34,574	10	34,584
Revenue from contracts with customers	19,436	6,161	8,976	34,574	10	34,584
Other revenue	-	-	-	-	-	-
Net sales to external customers	19,436	6,161	8,976	34,574	10	34,584

<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	28,679	6,182	8,977	43,839	10	43,849
Amount of sales offset due to subcontract processing with charged receipt	(9,243)	(20)	(1)	(9,264)	-	(9,264)
Net sales to external customers	19,436	6,161	8,976	34,574	10	34,584

(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)

(Disposal of Treasury Shares as Restricted Share-Based Remuneration)

At the Board of Directors meeting held on June 26, 2026, the Company has resolved to dispose of treasury shares as restricted share-based remuneration (the "Disposal of Treasury Shares"), and implemented the Disposal of Treasury Shares on July 24, 2026.

1. Outline of the Disposal

(1)	Date of disposal	July 24, 2026
(2)	Class and number of shares to be disposed	19,123 shares of common stock of the Company
(3)	Disposal price	¥1,055 per share
(4)	Total value of disposal	¥20,174,765
(5)	Disposal method	Allotment of restricted shares
(6)	Method of performance of contributions	By way of contribution in kind of monetary remuneration claims
(7)	Allottees, number thereof and number of shares to be disposed of	Directors (excluding Directors who are Audit and Supervisory Committee Members and Outside Directors) 4 persons 15,311 shares Titled Executive Officers (excluding those who concurrently serve as Directors) 4 persons 3,812 shares

2. Purpose and Reason for the Disposal

At a meeting of the Board of Directors held on March 24, 2021, the Company resolved to introduce a restricted share-based remuneration plan (the "Plan"). The purpose of the Plan is to provide an incentive to the Company's Directors (excluding Outside Directors) and its Titled Executive Officers (excluding Executive Officers who concurrently serve as Directors) to sustainably increase the Company's corporate value, and to further share value with its shareholders.

Furthermore, at the 118th Annual General Meeting of Shareholders held on June 29, 2021, approval was granted to provide monetary remuneration claims of up to 50 million yen annually (this amount does not include their salaries as employees) to the Company's Directors (excluding Outside Directors) as the property to be contributed for the acquisition of restricted shares under the Plan, and for the number of shares to be issued or disposed of under the Plan to be a maximum of 30,000 shares per year (provided, however, that in the event of a stock split of the Company's common stock (including a gratis allotment of the Company's common stock) or a reverse stock split, or if any other event occurs that requires an adjustment to the total number of shares of the Company's common stock to be issued or disposed of as restricted shares, such total number shall be adjusted to a reasonable extent).

Furthermore, at the 122nd Annual General Meeting of Shareholders held on June 27, 2025, in connection with the transition to a "Company with an Audit and Supervisory Committee," approval was granted to abolish the previous provisions of the Plan and newly provide monetary remuneration claims of up to 50 million yen annually (this amount does not include their salaries as employees) to the Company's Directors (excluding Directors who are Audit and Supervisory Committee Members and Outside Directors) under the Plan, and for the number of shares to be issued or disposed of under the Plan to be a maximum of 30,000 shares per year (provided, however, that in the event of a stock split of the Company's common stock (including a gratis allotment of the Company's common stock) or a reverse stock split, or if any other event occurs that requires an adjustment to the total number of shares of the Company's common stock to be issued or disposed of as restricted shares, such total number shall be adjusted to a reasonable extent; and as each share of common stock was split into four shares effective April 1, 2026, pursuant to a resolution of the Board of Directors meeting held on November 10, 2025, the number of shares after the split has been changed to a maximum of 120,000 shares).