

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

Company name: NIPPON FINE CHEMICAL CO., LTD.
 Listing: Tokyo
 Securities code: 4362
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 Scheduled date of annual general meeting of shareholders: June 24, 2026
 Scheduled date to commence dividend payments: June 25, 2026
 Scheduled date to file annual securities report: June 17, 2026
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

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.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	33,796	(5.2)	5,341	9.1	5,570	6.9	4,428	14.4
March 31, 2025	35,663	6.4	4,895	16.6	5,210	17.0	3,870	16.3

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥7,231 million [127.3%]
 For the fiscal year ended March 31, 2025: ¥3,181 million [(18.9)%]

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
March 31, 2026	202.38	-	8.9	8.9	15.8
March 31, 2025	172.06	-	8.2	8.7	13.7

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

For the fiscal year ended March 31, 2026: ¥-million
 For the fiscal year ended March 31, 2025: ¥-million

(2) Consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2026	65,421	52,390	78.5	2,369.46
March 31, 2025	59,796	49,069	80.5	2,140.58

Reference: Equity

As of March 31, 2026: ¥51,381 million
 As of March 31, 2025: ¥48,160 million

(3) Consolidated cash flows

Fiscal year ended	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	6,814	(2,227)	(4,001)	13,341
March 31, 2025	4,087	(1,768)	(602)	12,638

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	-	37.00	-	37.00	74.00	1,664	43.0	3.5
Fiscal year ended March 31, 2026	-	47.00	-	51.00	98.00	2,125	48.4	4.3
Fiscal year ending March 31, 2027 (Forecast)	-	52.00	-	52.00	104.00		43.4	

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	17,700	1.2	2,600	(12.8)	2,750	(11.3)	2,400	(4.3)	110.67
Fiscal year ending March 31, 2027	37,400	10.7	5,700	6.7	6,000	7.7	5,200	17.4	239.80

* **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	23,822,447 shares
As of March 31, 2025	25,372,447 shares

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

As of March 31, 2026	2,137,447 shares
As of March 31, 2025	2,873,681 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2026	21,881,874 shares
Fiscal year ended March 31, 2025	22,496,643 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	20,254	5.3	4,163	15.6	4,899	9.1	4,102	14.0
March 31, 2025	19,238	12.2	3,602	33.0	4,490	25.2	3,597	22.2

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2026	187.46	-
March 31, 2025	159.92	-

(2) Non-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	58,473	40,300	68.9	1,858.46
March 31, 2025	51,584	37,773	73.2	1,678.90

Reference: Equity

As of March 31, 2026: ¥40,300 million

As of March 31, 2025: ¥37,773 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, 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.

The Company plans to hold a financial results briefing for institutional investors and analysts on Thursday, May 14, 2026.

The materials to be distributed at this financial results briefing will be posted on the Company's website on the same day.

Consolidated balance sheet

(Thousands of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	12,300,114	13,196,122
Notes and accounts receivable - trade	8,221,391	8,111,604
Securities	2,000,000	2,000,000
Merchandise and finished goods	3,936,295	3,484,460
Work in process	2,338,767	2,298,379
Raw materials and supplies	2,977,438	2,934,721
Other	440,612	191,775
Allowance for doubtful accounts	(691)	(1,191)
Total current assets	32,213,928	32,215,872
Non-current assets		
Property, plant and equipment		
Buildings and structures	16,363,157	16,936,976
Accumulated depreciation	(8,603,338)	(9,178,391)
Buildings and structures, net	7,759,819	7,758,584
Machinery, equipment and vehicles	15,909,863	16,322,126
Accumulated depreciation	(13,153,261)	(13,693,079)
Machinery, equipment and vehicles, net	2,756,601	2,629,046
Land	3,719,989	3,719,989
Construction in progress	546,762	3,355,633
Other	3,937,964	4,133,627
Accumulated depreciation	(3,111,923)	(3,353,881)
Other, net	826,040	779,745
Total property, plant and equipment	15,609,213	18,243,000
Intangible assets	656,213	574,910
Investments and other assets		
Investment securities	10,871,513	13,892,959
Retirement benefit asset	154,385	252,493
Other	290,920	241,913
Total investments and other assets	11,316,818	14,387,366
Total non-current assets	27,582,246	33,205,277
Total assets	59,796,175	65,421,149

(Thousands of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,049,348	3,211,109
Short-term borrowings	300,000	-
Accounts payable - other	1,107,412	689,696
Income taxes payable	273,417	1,297,599
Provision for bonuses	691,839	677,467
Provision for bonuses for directors (and other officers)	54,345	66,835
Provision for environmental measures	43,000	-
Accounts payable - facilities	1,307,609	2,507,136
Asset retirement obligations	18,000	56,413
Other	571,841	888,612
Total current liabilities	7,416,814	9,394,871
Non-current liabilities		
Long-term borrowings	800,000	-
Deferred tax liabilities	2,278,735	3,402,445
Retirement benefit liability	114,044	89,265
Long-term accounts payable - other	4,059	339
Long-term guarantee deposits	88,550	123,231
Asset retirement obligations	5,730	5,730
Other	18,937	14,808
Total non-current liabilities	3,310,058	3,635,821
Total liabilities	10,726,872	13,030,693
Net assets		
Shareholders' equity		
Share capital	5,933,221	5,933,221
Capital surplus	6,882,189	6,803,362
Retained earnings	32,619,943	32,724,002
Treasury shares	(4,105,592)	(3,530,604)
Total shareholders' equity	41,329,762	41,929,982
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,919,432	8,143,433
Deferred gains or losses on hedges	(2,729)	-
Foreign currency translation adjustment	869,415	1,207,059
Remeasurements of defined benefit plans	44,627	101,314
Total accumulated other comprehensive income	6,830,746	9,451,807
Non-controlling interests	908,794	1,008,666
Total net assets	49,069,302	52,390,456
Total liabilities and net assets	59,796,175	65,421,149

Consolidated statement of income

(Thousands of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales	35,663,736	33,796,367
Cost of sales	24,785,016	22,661,747
Gross profit	10,878,720	11,134,620
Selling, general and administrative expenses	5,983,336	5,793,048
Operating profit	4,895,383	5,341,571
Non-operating income		
Interest income	37,078	32,984
Dividend income	314,383	346,415
Interest on securities	-	13,298
Miscellaneous income	58,052	45,507
Total non-operating income	409,514	438,205
Non-operating expenses		
Interest expenses	4,992	1,133
Commission for purchase of treasury shares	-	60,971
Foreign exchange losses	5,356	41,960
Depreciation	60,299	88,953
Miscellaneous losses	23,530	16,024
Total non-operating expenses	94,178	209,042
Ordinary profit	5,210,718	5,570,734
Extraordinary income		
Gain on sale of non-current assets	54	1,047
Gain on sale of investment securities	350,408	915,954
Total extraordinary income	350,462	917,001
Extraordinary losses		
Loss on sale of non-current assets	45	-
Loss on retirement of non-current assets	137,488	57,511
Loss on sale of investment securities	-	674
Impairment losses	-	3,309
Provision for environmental measures	43,000	-
Total extraordinary losses	180,534	61,496
Profit before income taxes	5,380,647	6,426,240
Income taxes - current	1,137,995	1,822,032
Income taxes - deferred	274,103	100,022
Total income taxes	1,412,099	1,922,054
Profit	3,968,548	4,504,185

(Thousands of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit attributable to		
Profit attributable to owners of parent	3,870,959	4,428,588
Profit attributable to non-controlling interests	97,588	75,596
Other comprehensive income		
Valuation difference on available-for-sale securities	(694,113)	2,224,000
Deferred gains or losses on hedges	(7,921)	3,032
Foreign currency translation adjustment	(103,235)	443,303
Remeasurements of defined benefit plans, net of tax	17,908	56,687
Total other comprehensive income	(787,361)	2,727,023
Comprehensive income	3,181,186	7,231,209
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,109,089	7,049,650
Comprehensive income attributable to non-controlling interests	72,097	181,558

Consolidated statement of changes in equity
Fiscal year ended March 31, 2025

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,933,221	6,870,796	30,368,637	(4,117,485)	39,055,170
Changes during period					
Dividends of surplus			(1,619,653)		(1,619,653)
Profit attributable to owners of parent			3,870,959		3,870,959
Purchase of treasury shares				(823)	(823)
Disposal of treasury shares		11,393		12,716	24,110
Net changes in items other than shareholders' equity					-
Total changes during period	-	11,393	2,251,305	11,892	2,274,591
Balance at end of period	5,933,221	6,882,189	32,619,943	(4,105,592)	41,329,762

	Accumulated other comprehensive income					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	6,613,546	4,400	947,951	26,718	7,592,616	911,493	47,559,280
Changes during period							
Dividends of surplus							(1,619,653)
Profit attributable to owners of parent							3,870,959
Purchase of treasury shares							(823)
Disposal of treasury shares							24,110
Net changes in items other than shareholders' equity	(694,113)	(7,129)	(78,535)	17,908	(761,870)	(2,699)	(764,569)
Total changes during period	(694,113)	(7,129)	(78,535)	17,908	(761,870)	(2,699)	1,510,022
Balance at end of period	5,919,432	(2,729)	869,415	44,627	6,830,746	908,794	49,069,302

Consolidated statement of changes in equity
Fiscal year ended March 31, 2026

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,933,221	6,882,189	32,619,943	(4,105,592)	41,329,762
Changes during period					
Dividends of surplus			(1,851,674)		(1,851,674)
Profit attributable to owners of parent			4,428,588		4,428,588
Purchase of treasury shares				(2,000,882)	(2,000,882)
Disposal of treasury shares		7,984		15,441	23,425
Cancellation of treasury shares		(2,560,429)		2,560,429	-
Transfer from retained earnings to capital surplus		2,473,617	(2,473,617)		-
Other			761		761
Net changes in items other than shareholders' equity					-
Total changes during period	-	(78,827)	104,058	574,988	600,220
Balance at end of period	5,933,221	6,803,362	32,724,002	(3,530,604)	41,929,982

	Accumulated other comprehensive income					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	5,919,432	(2,729)	869,415	44,627	6,830,746	908,794	49,069,302
Changes during period							
Dividends of surplus							(1,851,674)
Profit attributable to owners of parent							4,428,588
Purchase of treasury shares							(2,000,882)
Disposal of treasury shares							23,425
Cancellation of treasury shares							-
Transfer from retained earnings to capital surplus							-
Other							761
Net changes in items other than shareholders' equity	2,224,000	2,729	337,644	56,687	2,621,061	99,872	2,720,933
Total changes during period	2,224,000	2,729	337,644	56,687	2,621,061	99,872	3,321,153
Balance at end of period	8,143,433	-	1,207,059	101,314	9,451,807	1,008,666	52,390,456

Consolidated statement of cash flows

(Thousands of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	5,380,647	6,426,240
Depreciation	1,375,531	1,563,755
Impairment losses	-	3,309
Increase (decrease) in allowance for doubtful accounts	79	500
Increase (decrease) in retirement benefit liability	(13,730)	(24,779)
Decrease (increase) in retirement benefit asset	(36,954)	(98,108)
Increase (decrease) in provision for environmental measures	(383,000)	(43,000)
Interest and dividend income	(351,462)	(392,698)
Interest expenses	4,992	1,133
Commission for purchase of treasury shares	-	60,971
Foreign exchange losses (gains)	1,089	(12,773)
Loss (gain) on sale of investment securities	(350,408)	(915,279)
Loss (gain) on sale and retirement of non-current assets	137,268	56,464
Decrease (increase) in trade receivables	939,300	(214,206)
Decrease (increase) in inventories	537,449	115,352
Increase (decrease) in guarantee deposits received	(3,649)	34,680
Increase (decrease) in trade payables	(849,349)	186,256
Decrease (increase) in consumption taxes refund receivable	(154,502)	163,047
Increase (decrease) in accrued consumption taxes	(336,583)	328,580
Other, net	27,808	(22,359)
Subtotal	5,924,527	7,217,084
Interest and dividends received	351,462	392,698
Interest paid	(4,992)	(1,133)
Income taxes paid	(2,183,148)	(794,484)
Net cash provided by (used in) operating activities	4,087,848	6,814,164

(Thousands of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from investing activities		
Payments into time deposits	-	(462,000)
Proceeds from withdrawal of time deposits	206,800	462,000
Purchase of property, plant and equipment	(2,282,758)	(2,815,252)
Proceeds from sale of property, plant and equipment	65	1,047
Payments for retirement of property, plant and equipment	(55,327)	(145,922)
Payments for asset retirement obligations	(47,519)	(63,249)
Purchase of intangible assets	(39,722)	(26,991)
Purchase of investment securities	(1,310)	(1,208)
Proceeds from sale of investment securities	451,276	1,137,461
Payments for sale of shares of subsidiaries resulting in change in scope of consolidation	-	(313,468)
Net cash provided by (used in) investing activities	(1,768,496)	(2,227,584)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	300,000	-
Proceeds from long-term borrowings	800,000	-
Dividends paid	(1,619,653)	(1,851,674)
Dividends paid to non-controlling interests	(74,796)	(80,434)
Purchase of treasury shares	(823)	(2,061,853)
Other, net	(6,887)	(7,560)
Net cash provided by (used in) financing activities	(602,161)	(4,001,522)
Effect of exchange rate change on cash and cash equivalents	(15,829)	117,369
Net increase (decrease) in cash and cash equivalents	1,701,360	702,427
Cash and cash equivalents at beginning of period	10,937,491	12,638,852
Cash and cash equivalents at end of period	12,638,852	13,341,279

(Notes on segment information, etc.)
Segment information

1. Description of reporting segments

The Group's reporting segments are subject to periodic review by the Board of Directors in order to determine the allocation of management resources and evaluate performance, with separate financial statements available among the constituent units of the Company and its subsidiaries.

The Company is developing comprehensive domestic and overseas strategies and business activities for its business units, which are organized by product and service, based on financial statements that are segregated into the constituent units of the Company and its subsidiaries. The Company's reporting segments are "Functional products" and "Environmental hygiene products."

The "Functional products" segment conducts manufacturing and sales, and stocking and sales of cosmetic ingredients, wool grease derivatives, phospholipids, functional coating agents, resin additives, vegetable oils and fats, synthetic resin products, and other products, and entrusts pharmacology and safety tests. In "Environmental hygiene products," we manufacture and sell commercial detergents, medicinal soap solutions, disinfectants, and fungicides.

2. Method for calculating the amount of net sales, profits or losses, assets and other items by reporting segment

The accounting method for the reported business segments is the same as the accounting method used for the preparation of consolidated financial statements.

Profit of the reporting segment is based on operating profit. Internal revenue and transfer volumes between segments are based on actual market prices.

3. Information on net sales, profits or losses, assets and other items for each reporting segment and information on the decomposition of profits

Previous fiscal year (April 1, 2024 to March 31, 2025)

(Thousands of yen)

	Reporting segments			Other Note: 1	Total	Adjustment amount Note: 2	Amount recorded in consolidated financial statements Note: 3
	Functional products	Environmen- tal hygiene products	Total				
Net sales							
Revenue from contracts with customers	28,443,575	6,993,933	35,437,509	-	35,437,509	-	35,437,509
Other revenue	-	-	-	226,227	226,227	-	226,227
Revenues from external customers	28,443,575	6,993,933	35,437,509	226,227	35,663,736	-	35,663,736
Intersegment sales or transfers	193,086	26,382	219,468	129,576	349,044	(349,044)	-
Total	28,636,661	7,020,316	35,656,977	355,803	36,012,781	(349,044)	35,663,736
Segment profit	4,314,182	519,317	4,833,500	61,882	4,895,383	-	4,895,383
Segment assets	32,467,743	3,074,361	35,542,105	1,614,072	37,156,178	22,639,997	59,796,175
Other items							
Depreciation	1,165,833	58,544	1,224,378	32,717	1,257,095	118,435	1,375,531
Increase in property, plant and equipment and intangible assets	2,390,947	48,977	2,439,925	8,194	2,448,120	35,778	2,483,899

Note: 1. The "Other" segment is a business segment that is not included in the reporting segments and includes real estate leasing.

2. The amount of adjustment is as follows:

(1) The amount of adjustments for segment assets is (73,315) thousand yen for inter-segment elimination and 22,713,312 thousand yen for company-wide assets that have not been allocated to each reporting segment. The main assets of the Company are the remaining funds under management (cash, deposits, and securities) of the parent company, long-term investment funds (investment securities), and assets related to the management division.

(2) Adjustments for depreciation and amortization and increases in property, plant and equipment and intangible assets for other items pertain to company-wide assets that have not been allocated to each reporting segment.

3. Segment profit is consistent with operating income in the consolidated income and comprehensive income statements.

Current fiscal year (April 1, 2025 to March 31, 2026)

(Thousands of yen)

	Reporting segments			Other Note: 1	Total	Adjustment amount Note: 2	Amount recorded in consolidated financial statements Note: 3
	Functional products	Environmen- tal hygiene products	Total				
Net sales							
Revenue from contracts with customers	26,351,300	7,212,066	33,563,366	-	33,563,366	-	33,563,366
Other revenue	-	-	-	233,000	233,000	-	233,000
Revenues from external customers	26,351,300	7,212,066	33,563,366	233,000	33,796,367	-	33,796,367
Intersegment sales or transfers	170,871	7,565	178,437	23,402	201,839	(201,839)	-
Total	26,522,171	7,219,632	33,741,803	256,403	33,998,207	(201,839)	33,796,367
Segment profit	4,688,992	572,088	5,261,081	80,490	5,341,571	-	5,341,571
Segment assets	34,304,219	2,976,157	37,280,377	1,636,000	38,916,377	26,504,771	65,421,149
Other items							
Depreciation	1,358,848	53,868	1,412,717	32,436	1,445,153	118,601	1,563,755
Increase in property, plant and equipment and intangible assets	3,975,920	21,522	3,997,443	3,450	4,000,893	27,479	4,028,372

Note: 1. The "Other" segment is a business segment that is not included in the reporting segments and includes real estate leasing.

2. The amount of adjustment is as follows:

(1) The amount of adjustments for segment assets is (78,053) thousand yen for inter-segment elimination and 26,582,824 thousand yen for company-wide assets that have not been allocated to each reporting segment. The main assets of the Company are the remaining funds under management (cash, deposits, and securities) of the parent company, long-term investment funds (investment securities), and assets related to the management division.

(2) Adjustments for depreciation and amortization and increases in property, plant and equipment and intangible assets for other items pertain to company-wide assets that have not been allocated to each reporting segment.

3. Segment profit is consistent with operating income in the consolidated income and comprehensive income statements.

4 Information on impairment losses on fixed assets by reporting segment

Previous fiscal year (April 1, 2024 to March 31, 2025)

Not applicable.

Current fiscal year (April 1, 2025 to March 31, 2026)

(Thousands of yen)

	Functional products	Environmental hygiene products	Other	Company-wide elimination	Total
Impairment losses	3,309	-	-	-	3,309