

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2025 (Under Japanese GAAP)

July 31, 2025

Company name CHUGOKU MARINE PAINTS, LTD. Stock exchange listings: Tokyo Prime
Securities code 4617 URL <https://www.cmp.co.jp/>
Representative (Title) President (Name)Kenshi Date
Managing Executive Officer
Inquiries (Title) / Chief of Administration (Name)Shinji Nakamura Tel 03-6457-9025
Headquarter
Dividend payable date (as planned) —
Supplemental material of results : Yes
Convening briefing of results : None

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

1. Consolidated financial results for the three months ended June 30, 2025 (from April 1, 2025 to June 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	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2025	32,589	12.1	3,922	16.5	3,966	2.4	2,531	(48.9)
June 30, 2024	29,080	9.8	3,367	62.4	3,871	61.9	4,949	186.2

Note:Comprehensive income For the three months ended June 30, 2025 224 Millions of yen ((97.3)%) For the three months ended June 30, 2024 8,168 Millions of yen (175.3%)

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2025	51.06	—
June 30, 2024	99.85	—

(2) Consolidated financial position

	Total assets	Net assets	Capital adequacy ratio	1株当たり純資産
As of	Millions of yen	Millions of yen	%	Yen
June 30, 2025	138,344	86,084	58.5	1,633.04
March 31, 2025	144,777	89,435	57.7	1,684.84

Reference:Owner's equity As of June 30, 2025 80,963 Millions of yen As of March 31, 2025 83,531 Millions of yen

2. Cash dividends

	Annual dividend				
	First quarter	Second quarter	Third quarter	Year end	Annual
Fiscal year ended March 31, 2025	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	—	40.00	—	57.00	97.00
Fiscal year ending March 31, 2026	—				
Fiscal year ending March 31, 2026 (Forecast)		48.00	—	49.00	97.00

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

3. Consolidated financial forecast 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
Fiscal year ending March 31, 2026	133,000	1.4	16,000	4.0	16,500	0.1	11,000	(19.8)	221.87

Note:Revisions to the earnings forecasts most recently announced : None

* 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)

① Number of issued and outstanding shares at the period end (including treasury stock)

② Number of treasury stock at the period end

③ Average number of shares (quarterly period-YTD)

As of June 30, 2025	55,000,000shares	As of March 31, 2025	55,000,000shares
As of June 30, 2025	5,422,009shares	As of March 31, 2025	5,421,656shares
Three months ended June 30, 2025	49,578,200shares	Three months ended June 30, 2024	49,568,014shares

Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm : Yes (voluntary)

Explanation regarding the appropriate use of forecasts of business results and other special instructions

These forecasts are based on various assumptions made at the date of release of these materials, including the information available at the date of release of these materials and uncertain factors that may affect future results, and the Company makes no representations as to their achievability. Actual results may differ materially from these forecasts as a consequence of various factors.

Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	36,768	29,028
Notes and accounts receivable - trade	36,032	36,244
Electronically recorded monetary claims - operating	4,148	4,526
Securities	954	610
Merchandise and finished goods	15,697	16,601
Work in process	813	787
Raw materials and supplies	11,758	11,811
Other	2,776	3,011
Allowance for doubtful accounts	(575)	(621)
Total current assets	108,373	102,000
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	5,470	5,480
Machinery, equipment and vehicles, net	4,199	4,160
Land	12,635	12,576
Other, net	2,294	2,220
Total property, plant and equipment	24,599	24,438
Intangible assets	440	436
Investments and other assets		
Investment securities	8,229	8,427
Retirement benefit asset	1,113	1,047
Deferred tax assets	1,316	1,262
Other	1,311	1,194
Allowance for doubtful accounts	(607)	(462)
Total investments and other assets	11,363	11,468
Total non-current assets	36,403	36,344
Total assets	144,777	138,344

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	14,630	13,776
Electronically recorded obligations - operating	1,910	2,180
Short-term borrowings	17,086	15,541
Current portion of long-term borrowings	1,700	1,700
Accounts payable - other	3,870	3,354
Income taxes payable	1,647	1,142
Provision for bonuses	265	516
Provision for product warranties	141	127
Other	5,016	4,608
Total current liabilities	46,268	42,947
Non-current liabilities		
Long-term borrowings	1,000	1,039
Deferred tax liabilities	2,586	2,889
Deferred tax liabilities for land revaluation	1,975	1,975
Retirement benefit liability	2,190	2,137
Other	1,321	1,270
Total non-current liabilities	9,073	9,312
Total liabilities	55,342	52,259
Net assets		
Shareholders' equity		
Share capital	11,626	11,626
Retained earnings	58,787	58,493
Treasury shares	(4,891)	(4,891)
Total shareholders' equity	65,522	65,227
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,867	4,007
Deferred gains or losses on hedges	—	0
Revaluation reserve for land	3,125	3,125
Foreign currency translation adjustment	10,770	8,267
Remeasurements of defined benefit plans	245	333
Total accumulated other comprehensive income	18,009	15,735
Non-controlling interests	5,903	5,121
Total net assets	89,435	86,084
Total liabilities and net assets	144,777	138,344

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net sales	29,080	32,589
Cost of sales	19,595	21,679
Gross profit	9,485	10,910
Selling, general and administrative expenses	6,117	6,988
Operating profit	3,367	3,922
Non-operating income		
Interest income	138	150
Dividend income	184	170
Royalty income	31	46
Technical advisory fee income	11	19
Foreign exchange gains	228	—
Other	66	102
Total non-operating income	660	490
Non-operating expenses		
Interest expenses	129	115
Foreign exchange losses	—	308
Other	27	22
Total non-operating expenses	156	446
Ordinary profit	3,871	3,966
Extraordinary income		
Gain on sale of non-current assets	2,443	3
Gain on sale of investment securities	—	0
Total extraordinary income	2,443	3
Extraordinary losses		
Loss on sale of non-current assets	0	0
Loss on sale of investment securities	—	3
Total extraordinary losses	0	3
Profit before income taxes	6,314	3,966
Income taxes - current	651	838
Income taxes - deferred	236	306
Total income taxes	887	1,144
Profit	5,427	2,821
Profit attributable to non-controlling interests	478	290
Profit attributable to owners of parent	4,949	2,531

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Profit	5,427	2,821
Other comprehensive income		
Valuation difference on available-for-sale securities	573	140
Deferred gains or losses on hedges	—	0
Foreign currency translation adjustment	2,178	(2,826)
Remeasurements of defined benefit plans, net of tax	(10)	88
Total other comprehensive income	2,740	(2,597)
Comprehensive income	8,168	224
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	7,569	257
Comprehensive income attributable to non-controlling interests	599	(32)

Consolidated statements of cash flows

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Cash flows from operating activities		
Profit before income taxes	6,314	3,966
Depreciation	401	432
Increase (decrease) in allowance for doubtful accounts	(43)	(48)
Increase (decrease) in other provisions	188	262
Decrease (increase) in retirement benefit asset	(495)	55
Increase (decrease) in retirement benefit liability	496	36
Interest and dividend income	(323)	(321)
Interest expenses	129	115
Foreign exchange losses (gains)	(122)	47
Loss (gain) on sale and retirement of non-current assets	(2,443)	(3)
Loss (gain) on sale of investment securities	-	3
Decrease (increase) in trade receivables	(373)	(1,367)
Decrease (increase) in inventories	(1,013)	(1,876)
Increase/decrease in consumption taxes payable/consumption taxes refund receivable	30	(260)
Increase (decrease) in trade payables	108	(123)
Other, net	(408)	(421)
Subtotal	2,446	497
Interest and dividends received	344	318
Interest paid	(126)	(110)
Income taxes paid	(800)	(1,213)
Net cash provided by (used in) operating activities	1,864	(508)
Cash flows from investing activities		
Payments into time deposits	(1,983)	(2,160)
Proceeds from withdrawal of time deposits	2,677	4,329
Net decrease (increase) in short-term loans receivable	5	10
Purchase of non-current assets	(296)	(612)
Proceeds from sale of non-current assets	1,358	5
Purchase of investment securities	(0)	(0)
Proceeds from sale of investment securities	-	9
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(377)
Other, net	(269)	(58)
Net cash provided by (used in) investing activities	1,490	1,145
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(1,605)	(1,221)
Proceeds from long-term borrowings	-	1
Repayments of long-term borrowings	-	(3)
Purchase of treasury shares	(0)	(0)
Dividends paid	(2,206)	(2,745)
Dividends paid to non-controlling interests	(319)	(746)
Other, net	(58)	(67)
Net cash provided by (used in) financing activities	(4,189)	(4,782)
Effect of exchange rate change on cash and cash equivalents	1,347	(1,537)
Net increase (decrease) in cash and cash equivalents	512	(5,682)
Cash and cash equivalents at beginning of period	27,705	32,174
Cash and cash equivalents at end of period	28,218	26,492