

August 8, 2025

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

Company name: SK KAKEN CO.,LTD.
 Listing: Tokyo Stock Exchange
 Securities code: 4628
 URL: <https://www.sk-kaken.co.jp/>
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 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on financial results: None
 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, 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	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2025	26,208	(0.2)	2,820	(14.4)	2,361	(60.0)	2,038	(50.7)
June 30, 2024	26,249	6.9	3,294	10.9	5,898	6.6	4,130	7.3

Note: Comprehensive income For the three months ended June 30, 2025: ¥902 million [(81.9)%]
 For the three months ended June 30, 2024: ¥4,987 million [22.3%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2025	151.11	-
June 30, 2024	306.42	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of June 30, 2025	189,354	162,804	86.0
March 31, 2025	191,106	163,520	85.6

Reference: Equity
 As of June 30, 2025: ¥162,804 million
 As of March 31, 2025: ¥163,520 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, 2025	-	0.00	-	120.00	120.00
Fiscal year ending March 31, 2026	-				
Fiscal year ending March 31, 2026 (Forecast)		0.00	-	120.00	120.00

Note: Revisions to the forecast of cash dividends most recently announced: None
 Breakdown of year-end dividends for the fiscal year ending March 31, 2025 Ordinary dividend 120.00 yen
 Breakdown of year-end dividends for the fiscal year ending March 31, 2026 (forecast) Ordinary dividend 120.00 yen

3. Forecast of consolidated financial results 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
Six months ending September 30, 2025	52,670	1.1	6,170	0.4	6,800	9.8	4,930	6.8	365.45
Fiscal year ending March 31, 2026	109,000	2.7	12,800	2.9	14,900	0.2	10,800	0.7	800.58

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)

- (i) Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2025	15,673,885 shares
As of March 31, 2025	15,673,885 shares

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

As of June 30, 2025	2,183,692 shares
As of March 31, 2025	2,183,635 shares

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

Three months ended June 30, 2025	13,490,211 shares
Three months ended June 30, 2024	13,481,460 shares

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

* 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 available to the Company and on certain assumptions deemed to be reasonable. Actual financial results may differ from the results anticipated in the statements due to various factors.

Quarterly consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	108,790	105,178
Notes and accounts receivable - trade	17,933	17,618
Electronically recorded monetary claims - operating	3,797	3,949
Merchandise and finished goods	2,471	2,483
Work in process	1,453	1,532
Costs on construction contracts in progress	279	447
Raw materials and supplies	4,410	4,524
Other	1,383	1,583
Allowance for doubtful accounts	(20)	(19)
Total current assets	140,500	137,296
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,319	3,405
Machinery, equipment and vehicles, net	284	279
Land	9,132	9,105
Construction in progress	471	1,208
Other, net	788	731
Total property, plant and equipment	13,996	14,732
Intangible assets	844	788
Investments and other assets		
Investment securities	11,369	11,251
Deferred tax assets	114	5
Long-term time deposits	20,010	21,010
Retirement benefit asset	1,812	1,818
Other	2,458	2,450
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	35,765	36,536
Total non-current assets	50,606	52,057
Total assets	191,106	189,354

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	7,610	7,650
Short-term borrowings	3,000	3,000
Accounts payable - other	6,693	6,940
Income taxes payable	1,314	304
Provision for bonuses	1,931	680
Provision for bonuses for directors (and other officers)	107	26
Provision for product warranties	60	53
Other	2,552	3,488
Total current liabilities	23,270	22,144
Non-current liabilities		
Deferred tax liabilities	64	169
Provision for retirement benefits for directors (and other officers)	1,315	1,310
Retirement benefit liability	144	142
Other	2,790	2,782
Total non-current liabilities	4,316	4,405
Total liabilities	27,586	26,549
Net assets		
Shareholders' equity		
Share capital	2,662	2,662
Capital surplus	3,170	3,170
Retained earnings	161,354	161,773
Treasury shares	(9,480)	(9,480)
Total shareholders' equity	157,705	158,124
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	15	15
Foreign currency translation adjustment	5,569	4,449
Remeasurements of defined benefit plans	230	215
Total accumulated other comprehensive income	5,815	4,679
Total net assets	163,520	162,804
Total liabilities and net assets	191,106	189,354

Quarterly consolidated statement of income

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net sales	26,249	26,208
Cost of sales	18,197	18,327
Gross profit	8,052	7,881
Selling, general and administrative expenses	4,758	5,061
Operating profit	3,294	2,820
Non-operating income		
Interest income	505	413
Dividend income	0	0
Purchase discounts	10	13
Foreign exchange gains	2,067	-
Miscellaneous income	28	35
Total non-operating income	2,613	463
Non-operating expenses		
Interest expenses	8	13
Foreign exchange losses	-	907
Miscellaneous losses	0	0
Total non-operating expenses	8	921
Ordinary profit	5,898	2,361
Profit before income taxes	5,898	2,361
Income taxes - current	1,168	98
Income taxes - deferred	599	224
Total income taxes	1,767	322
Profit	4,130	2,038
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	4,130	2,038

Quarterly consolidated statement of comprehensive income

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Profit	4,130	2,038
Other comprehensive income		
Valuation difference on available-for-sale securities	1	(0)
Foreign currency translation adjustment	862	(1,120)
Remeasurements of defined benefit plans, net of tax	(7)	(15)
Total other comprehensive income	856	(1,135)
Comprehensive income	4,987	902
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,987	902
Comprehensive income attributable to non-controlling interests	-	-

(Notes on segment information, etc.)

I. the three months of the previous fiscal year (April 1, 2024 to June 30, 2024)

1. Information on sales and the amount of profit or loss for each reported segment, as well as information on the breakdown of revenues

(in millions of yen)

	Reportable segments			Other (Note) 1	Total	Adjustment amount (Note) 2	Quarterly Consolidated Statements of Income (Note)3
	Decorative coatings business	Fireproof, insulated business	Total				
Sales							
Japan	18,671	2,587	21,258	488	21,747	-	21,747
Asia	4,481	20	4,502	0	4,502	-	4,502
Revenue generated from customer contracts	23,152	2,608	25,761	488	26,249	-	26,249
Other Earnings	-	-	-	-	-	-	-
Revenues from external customers	23,152	2,608	25,761	488	26,249	-	26,249
Transactions with other segments	0	-	0	0	1	(1)	-
Total	23,153	2,608	25,761	489	26,250	(1)	26,249
Segment Profit	3,579	366	3,945	29	3,974	(680)	3,294

Note: 1. The "Other" category refers to business segments that are not included in the reporting segments, and includes businesses such as various chemical products and cleaning agents.

2. Adjustments to segment profit are (681) million yen for company-wide expenses that have not been allocated to each reporting segment and 1 million yen for elimination of inter-segment transactions.

3. Segment profit is adjusted to operating income in the quarterly consolidated statements of income.

2. Information on impairment losses or goodwill on fixed assets by reporting segment

Not applicable.

II. the three months of the current fiscal year (April 1, 2025 to June 30, 2025)

1. Information on sales and the amount of profit or loss for each reported segment, as well as information on the breakdown of revenues

(in millions of yen)

	Reportable segments			Other (Note) 1	Total	Adjustment amount (Note) 2	Quarterly Consolidated Statements of Income (Note)3
	Decorative coatings business	Fireproof, insulated business	Total				
Sales							
Japan	19,290	2,772	22,063	445	22,508	-	22,508
Asia	3,689	11	3,700	0	3,700	-	3,700
Revenue generated from customer contracts	22,979	2,783	25,763	445	26,208	-	26,208
Other Earnings	-	-	-	-	-	-	-
Revenues from external customers	22,979	2,783	25,763	445	26,208	-	26,208
Transactions with other segments	1	-	1	1	2	(2)	-
Total	22,981	2,783	25,765	446	26,211	(2)	26,208
Segment Profit	3,101	411	3,512	58	3,571	(751)	2,820

Note: 1. The "Other" category refers to business segments that are not included in the reporting segments, and includes businesses such as various chemical products and cleaning agents.

2. Adjustments to segment profit are as follows: Company-wide expenses that have not been allocated to each reporting segment by (751) million yen and inter-segment transactions eliminated by 0 million yen.

3. Segment profit is adjusted to operating income in the quarterly consolidated statements of income.

2. Information on impairment losses or goodwill on fixed assets by reporting segment

Not applicable.