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Consolidated Financial Results for the Six Months Ended June 30, 2026 [Japanese GAAP]

August 7, 2026

Company name: SAKATA INX CORPORATION
Stock exchange listing: Tokyo
Code number: 4633
URL: https://www.inx.co.jp/english/
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Scheduled date of filing semi-annual securities report: August 7, 2026
Scheduled date of commencing dividend payments: September 4, 2026
Availability of supplementary briefing material on financial results: Yes
Schedule of financial results briefing session: Yes (For institutional investors and analysts)

(Amounts of less than one million yen are rounded down)

1. Consolidated Financial Results for the Six Months Ended June 30, 2026 (January 1, 2026 to June 30, 2026)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
Six months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
June 30, 2026	142,031	12.4	9,023	18.0	9,934	14.9	6,694	7.1
June 30, 2025	126,396	4.4	7,645	5.4	8,649	21.0	6,249	17.5

(Note) Comprehensive income: Six months ended June 30, 2026: ¥ 11,039 million [–%]
Six months ended June 30, 2025: ¥ (649)million [–%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
June 30, 2026	136.94	–
June 30, 2025	126.22	–

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
As of	Million yen	Million yen	%
June 30, 2026	242,576	134,134	52.0
December 31, 2025	225,864	126,519	52.8

(Note) Equity: As of June 30, 2026: ¥ 126,087million
As of December 31, 2025: ¥ 119,158million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2025	–	45.00	–	50.00	95.00
Fiscal year ending December 31, 2026	–	50.00			
Fiscal year ending December 31, 2026 (Forecast)			–	50.00	100.00

(Note) Revision to the forecast for dividends announced most recently: No

3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2026 (January 1, 2026 to December 31, 2026)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	286,500	11.2	17,000	11.6	17,800	15.8	11,800	1.6	241.84

(Note) Revision to the financial results forecast announced most recently: Yes

* Notes:

(1) Significant changes in the scope of consolidation during the six months ended June 30, 2026: Yes
Included: 1 company (SAKATA INX SPLIT PREPARATION CORPORATION)
Excluded: –

(2) Accounting policies adopted specially for the preparation of semi-annual consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards:	No
2) Changes in accounting policies other than 1) above:	No
3) Changes in accounting estimates:	No
4) Retrospective restatement:	No

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

1) Total number of issued shares at the end of the period (including treasury shares):

June 30, 2026:	50,000,000 shares
December 31, 2025:	54,172,361 shares

2) Total number of treasury shares at the end of the period:

June 30, 2026:	1,248,862 shares
December 31, 2025:	5,043,947 shares

3) Average number of shares outstanding during the period:

Six months ended June 30, 2026:	48,888,395 shares
Six months ended June 30, 2025:	49,514,261 shares

* The semi-annual consolidated financial results are not subject to review procedures by certified public accountants or an audit firm.

* Explanation of appropriate use of financial forecasts and other special notes

1. Forward-looking statements contained in this document, including forecasts of business performance, are based on information currently available to the Company and on certain assumptions deemed reasonable by the Company, and are not intended as a guarantee of future results. Actual results may differ materially from such statements due to various factors.
   For information regarding the financial results forecast, please refer to "1. Overview of Operating Results, etc. (3) Consolidated forecast and other forward-looking statements" on page 5 of Attachments.
2. Supplementary briefing material on financial results will be disclosed on TDnet at a later date and will also be posted on the Company's website.

Contents of Attachments

* The Company plans to hold a briefing session for investors as follows. All materials to be distributed at the briefing session will be disclosed at the same time as this financial report.
  ・Financial results briefing session for institutional investors and securities analysts: Friday, August 7, 2026

1. Overview of Operating Results, etc.

(1) Overview of operating results for the period under review

During the six months ended June 30, 2026 (the "period under review"), the global economy maintained solid growth, led by the United States; however, inflation pressure mounted again due to rising energy prices and disruptions in the logistics network driven by the intensifying situation in the Middle East. In addition, the uncertainty surrounding the global economy remained high, as delays in maritime transportation and soaring transportation costs affected supply chains, among other factors.

In the U.S., personal consumption and capital investment remained solid, and the economy remained generally firm. Meanwhile, increasing inflation pressure heightened uncertainty over the outlook for monetary policy. In Europe, while a recovery in personal consumption was observed, the pace of economic recovery lacked momentum due to rising energy costs and stagnant industrial activities. In Asia, solid growth driven by expanding domestic demand continued, centered on India and Vietnam, while divergences in economic sentiment across countries and regions widened due to factors such as a delayed recovery in the Chinese economy and the effects of inflation and currency depreciation in some regions. In Japan, the economic recovery remained modest due in part to uncertainty over the outlook for overseas economies in addition to rising raw material and energy costs although personal consumption recovered gradually against the backdrop of improvements in the employment and income conditions.

Under these circumstances, this year is the final year of the Medium-term Management Plan 2026 (CCC-II), which is the phase of business growth, stronger earnings capabilities, to achieve the long-term strategic vision "SAKATA INX VISION 2030," which is targeted for the year 2030. The Group has promoted aggressive expansion of sustainable products centered on environmentally friendly products, such as the BOTANICAL INK series, while also working to enhance the competitiveness of the functional coatings business, where demand is expected to grow. Particularly, in the packaging field, the Group continued to expand sales in growing regions where the middle class is expanding due to its population growth and economic development. Along with this, the Group promoted global management cooperation by enhancing and expanding strategic products for global accounts and streamlining purchasing, production and logistics through regional collaboration. In the Digital and Specialty Product business, the Group expanded sales of inkjet inks, in addition to existing products, in emerging markets of apparel, food, and home furnishings. Furthermore, the Group promoted sales expansion of high-quality products of image display materials.
In addition, with raw material prices rising globally due to the impact of the situation in the Middle East, the Group prioritized the stable supply of products and worked on emergency selling price revisions across the Group to reflect the increase in raw material costs.

Net sales amounted to 142,031 million yen (up 12.4% YoY), mainly due to factors such as strong sales of printing inks and the Digital and Specialty Products, the effects of selling price revisions, and the impact of foreign exchange rates due to the depreciation of the yen.

In terms of profit, operating income amounted to 9,023 million yen (up 18.0% YoY). The increase was primarily driven by higher sales volume, and the impact arising from a time lag in reflecting raw material costs in prices in some areas, despite rising raw material prices stemming from the situation in the Middle East, and a continued increase in personnel and other expenses in the Americas. Ordinary income amounted to 9,934 million yen (up 14.9% YoY). Net income attributable to owners of parent amounted to 6,694 million yen (up 7.1% YoY).

(Reference) Average exchange rate of the US dollar during the period

	1st quarter	2nd quarter	1st half
FY12/26	156.86 yen	159.49 yen	158.18 yen
FY12/25	152.60 yen	144.59 yen	148.60 yen

(Note) The average exchange rate during the 1st half is calculated as the simple average of monthly exchange rates from January through June.

The operating results by segment are as follows.

Beginning with the second quarter of the fiscal year under review, the Company has reclassified some segments of consolidated subsidiaries previously included in “Other” into the “Digital and Specialty Products” segment. Accordingly, the segment information for the first six months of the previous fiscal year has been restated based on the revised segment classification.

(Million yen, unless otherwise stated)

	Net sales					Operating income			
	Previous period	Current period	Change	Change [%]	Real* [%]	Previous period	Current period	Change	Change [%]
Printing Inks and Graphic Arts Materials (Japan)	24,913	26,900	1,986	8.0	8.0	448	2,181	1,733	386.6
Printing Inks (Asia)	26,817	30,412	3,595	13.4	7.6	3,128	3,350	222	7.1
Printing Inks (Americas)	50,398	56,272	5,873	11.7	3.8	3,090	2,262	(828)	(26.8)
Printing Inks (Europe)	10,530	12,862	2,331	22.1	9.8	175	547	371	211.2
Digital and Specialty Products	13,048	15,112	2,063	15.8	11.8	1,106	1,208	102	9.3
Reportable Segment total	125,709	141,559	15,849	12.6	6.8	7,949	9,550	1,601	20.1
Other	4,048	3,637	(411)	(10.2)	(10.2)	208	83	(125)	(59.9)
Adjustments	(3,361)	(3,164)	196	–	–	(512)	(610)	(98)	–
Total	126,396	142,031	15,635	12.4	6.6	7,645	9,023	1,378	18.0

* “Real” represents a real percentage change excluding the impact of foreign currency translation of overseas consolidated subsidiaries

Printing Inks and Graphic Arts Materials (Japan)

Although the wave of price revisions across necessities, food, and beverages have largely run their course, personal consumption continued to lack momentum due to a continued more cost-conscious spending stance among consumers amid prolonged price increases. In the packaging related business, sales exceeded those of the same period of the previous year, as demand for both gravure and flexographic inks continued to recover and temporary demand in some areas arose due to concerns about the outlook for the situation in the Middle East. In the printing information related business, sales fell significantly below those of the same period of the previous year, reflecting the impact of reducing unprofitable items in offset inks to improve profitability, although newspaper inks remained relatively solid, amid the structural contraction of the market caused by digitalization. Under such circumstances, the sales of printing inks as a whole exceeded those for the same period of the previous year thanks to the continued efforts to price revisions as well as the effects of emergency selling price revisions, despite a decrease in sales volume as a whole. The graphic arts materials saw a slight increase due to an increase in the sales of machinery from the same period of the previous year, despite the impact of the reduction of unprofitable items in materials for printmaking. As a result, net sales amounted to 26,900 million yen (up 8.0% YoY).

In terms of profit, despite the impact of rising raw material prices, operating income amounted to 2,181 million yen (up 386.6% YoY) primarily due to improved profitability reflecting reduction of unprofitable items and the effects of selling price revisions, as well as a time lag in reflecting raw material costs in prices in some areas.

Printing Inks (Asia)

Against a backdrop of divergences in economic sentiment within the region, the sales of packaging-related gravure inks, which are the Group’s mainstay products, remained solid in Vietnam, and sales also exceeded those of the same period of the previous year in India, Indonesia, and Thailand, among other countries. In the printing information-related business, sales remained solid in India.Net sales amounted to 30,412 million yen (up 13.4% YoY), due to strong sales, the effects of selling price revisions, and the impact of foreign exchange translation effects.

In terms of profit, operating income amounted to 3,350 million yen (up 7.1% YoY), primarily due to strong sales, despite the impact of rising raw material prices.

Printing Inks (Americas)

The sales of flexo inks and gravure inks in the mainstay packaging-related business remained strong due to continued gradual recovery of demand in North America as well as sales expansion in South America including Brazil. Sales of coatings also continued to expand steadily. The sales of metal inks were strong, backed by a continued expansion of demand for aluminum cans from the perspective of environmental impact, along with steady sales expansion driven by the ongoing shift from glass bottles to aluminum cans in Central and South America. The sales of offset inks, which are related to printing information, remained at the same level as the same period of the previous year, despite the structural contraction of the market.

Net sales amounted to 56,272 million yen (up 11.7% YoY) primarily due to the growth in sales volume, the effects of selling price revisions, and the impact of foreign exchange translation.

In terms of profit, operating income amounted to 2,262 million yen (down 26.8% YoY), primarily due to the impact of rising raw material prices and a continued increase in personnel expenses, an increase in various expenses related to the renewal of logistics and core systems, and depreciation expenses associated with the new plant in Brazil, despite the growth in sales volume and the effects of selling price revisions.

Printing Inks (Europe)

Sales of metal inks were strong, particularly to major customers, and sales in the packaging-related business also increased. Net sales amounted to 12,862 million yen (up 22.1% YoY) primarily due to strong sales and foreign exchange translation effects.

In terms of profit, operating income amounted to 547 million yen (up 211.2% YoY) primarily due to the positive impact of increased profit driven by strong sales.

Digital and Specialty Products

The sales of inkjet inks exceeded those of the same period of the previous year, partly due to strong sales in the U.S. The sales of pigment dispersions for color filters also exceeded those of the same period of the previous year due to strong sales, despite a continued adjustment to operating rates at panel manufacturers. The sales of toner exceeded those of the same period of the previous year due to strong sales. As a result, net sales amounted to 15,112 million yen (up 15.8% YoY).

In terms of profit, operating income amounted to 1,208 million yen (up 9.3% YoY) primarily due to an increase in sales, despite an increase in expenses.

(2) Overview of financial position for the period under review

(i) Assets, liabilities and net assets

Total assets at the end of the period under review increased 16,712 million yen (7.4%) from the end of the previous fiscal year to 242,576 million yen. This was due to increases in notes and accounts receivable – trade and inventories as well as the impact of foreign exchange translation resulting from the depreciation of the yen against foreign currencies compared with the end of the previous fiscal year.

Liabilities increased 9,098 million yen (9.2%) from the end of the previous fiscal year to 108,442 million yen. This was mainly due to increases in notes and accounts payable – trade and loans payable as well as the impact of foreign currency translation.

Net assets increased 7,614 million yen (6.0%) from the end of the previous fiscal year to 134,134 million yen. This was due to a decrease in treasury shares, which are presented as a deduction from net assets, and an increase in foreign currency translation adjustments, which more than offset a decrease in retained earnings resulting from dividend payments and the cancellation of treasury shares, despite the recognition of net income attributable to owners of the parent.

(ii) Cash flows

The following is a summary of cash flows for the period under review.

Net cash provided by operating activities totaled 4,006 million yen. This was mainly due to income before income taxes and depreciation and amortization, which were partially offset by an increase in working capital and payments of income taxes. Compared to the same period of the previous fiscal year, net cash provided by operating activities increased by 847 million yen, mainly due to higher income before income taxes.

Net cash used in investing activities totaled 4,052 million yen (compared with 3,609 million yen used in the same period of the previous fiscal year). This was mainly due to purchase of property, plant and equipment, and purchase of intangible assets. The year-on-year increase in net cash used was mainly attributable to increased purchase of intangible assets as well as decreased proceeds from sale of investment securities, which were partially offset by decreased purchase of property, plant and equipment.

Net cash provided by financing activities totaled 178 million yen. This was mainly due to an increase in loans payable, which was partially offset by cash dividends paid and purchase of treasury shares. Compared to the same period of the previous fiscal year, net cash provided by financing activities decreased by 347 million yen. The year-on-year decrease in net cash provided was mainly attributable to the increases in cash dividends paid and purchase of treasury shares, which more than offset the increase in loans payable.

As a result, cash and cash equivalents at the end of the period under review totaled 19,290 million yen, an increase of 508 million yen compared to the end of the previous fiscal year.

(3) Consolidated forecast and other forward-looking statements

Given the ongoing uncertainty surrounding the situation in the Middle East, it is necessary to carefully assess the outlook for the global economy. Although crude oil and naphtha prices have eased following a brief period of sharp increases, they still remain highly volatile against the backdrop of heightened geopolitical risks.

The Group has been taking measures such as sourcing raw materials through leveraging its global network, switching to alternative raw materials, and appropriately passing on cost increases to selling prices. Then, there have been no significant disruptions to product supply for now. However, depending on future developments in the Middle East situation, there is a possibility that the Group's performance could be affected by further increases in raw material prices and logistics costs, fluctuations in foreign exchange rates, as well as impacts on customers' production activities and demand trends.

Based on these assumptions and taking into account the results for the period under review, we have revised our full-year consolidated financial results forecast for the fiscal year ending December 31, 2026, which was announced on February 12, 2026.

Net sales are expected to exceed the initial forecast, primarily due to expanded sales of environmentally friendly products with reduced toluene content, continued sales growth of conventional products, and the anticipated benefits of selling price revisions.

On the other hand, although profits are expected to benefit from the selling price revisions, rising raw material costs and increases in various other expenses are also expected. Accordingly, we have left our initial profit forecast unchanged.

As for the underlying assumptions, the exchange rate for the U.S. dollar, which has a significant impact on the translation of income and expenses of overseas consolidated subsidiaries, is assumed at ¥152.00 per dollar from the third quarter onward, and ¥155.00 for the full year on a simple annual average basis.

Revision of Full-Year Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2026

	Net sales	Operating income	Ordinary income	Net income attributable to owners of parent	Basic earnings per share
	Million yen	Million yen	Million yen	Million yen	Yen
The latest consolidated financial results forecast	276,000	17,000	17,800	11,800	241.84
Revised forecast (B)	286,500	17,000	17,800	11,800	241.84
Change (B-A)	10,500	-	-	-	
Change [%]	3.8	-	-	-	
(Note) Results for the previous fiscal year December 31, 2025	257,668	15,226	15,364	11,609	235.26

2. Semi-annual Consolidated Financial Statements and Principal Notes

(1) Semi-annual consolidated balance sheets

(Million yen)

	As of December 31, 2025	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	20,595	22,111
Notes and accounts receivable – trade	62,526	70,071
Merchandise and finished goods	19,850	20,773
Work in process	1,700	1,715
Raw materials and supplies	18,140	19,898
Other	5,074	5,764
Allowance for doubtful accounts	(618)	(655)
Total current assets	127,269	139,677
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	22,659	23,488
Machinery, equipment and vehicles, net	12,383	13,589
Land	10,389	10,440
Leased assets, net	156	159
Construction in progress	5,115	4,147
Other, net	6,630	7,263
Total property, plant and equipment	57,334	59,087
Intangible assets		
Goodwill	1,315	1,236
Other	5,837	6,338
Total intangible assets	7,152	7,575
Investments and other assets		
Investment securities	30,173	32,268
Other	4,037	4,076
Allowance for doubtful accounts	(104)	(109)
Total investments and other assets	34,107	36,236
Total non-current assets	98,594	102,899
Total assets	225,864	242,576

(Million yen)

	As of December 31, 2025	As of June 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable – trade	25,437	32,511
Electronically recorded obligations – operating	11,833	7,986
Short-term loans payable	7,098	12,536
Current portion of long-term loans payable	2,903	7,128
Current portion of bonds payable	1,000	–
Lease obligations	905	1,056
Accrued expenses	7,688	7,314
Income taxes payable	1,133	964
Provision for bonuses	766	737
Other	3,509	4,181
Total current liabilities	62,275	74,417
Non-current liabilities		
Long-term loans payable	18,895	14,645
Lease obligations	2,797	3,292
Deferred tax liabilities	5,994	6,414
Retirement benefit liability	4,704	4,723
Asset retirement obligations	76	68
Other	4,600	4,881
Total non-current liabilities	37,068	34,025
Total liabilities	99,344	108,442
Net assets		
Shareholders' equity		
Capital stock	7,472	7,472
Capital surplus	5,828	5,672
Retained earnings	91,590	90,729
Treasury shares	(5,912)	(1,619)
Total shareholders’ equity	98,979	102,255
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,582	1,945
Deferred gains or losses on hedges	1	7
Foreign currency translation adjustment	18,203	21,481
Remeasurements of defined benefit plans	390	398
Total accumulated other comprehensive income	20,178	23,832
Non-controlling interests	7,361	8,046
Total net assets	126,519	134,134
Total liabilities and net assets	225,864	242,576

(2) Semi-annual consolidated statements of income and semi-annual consolidated statements of comprehensive income

Semi-annual consolidated statements of income

(Million yen)

	For the six months ended June 30, 2025	For the six months ended June 30, 2026
Net sales	126,396	142,031
Cost of sales	94,971	106,103
Gross profit	31,424	35,928
Selling, general and administrative expenses	23,778	26,904
Operating income	7,645	9,023
Non-operating income		
Interest income	122	179
Dividend income	101	77
Equity in earnings of associates	751	1,082
Foreign exchange gains	341	–
Other	303	237
Total non-operating income	1,620	1,576
Non-operating expenses		
Interest expenses	520	472
Foreign exchange losses	–	91
Other	96	102
Total non-operating expenses	616	665
Ordinary income	8,649	9,934
Extraordinary income		
Gain on sale of investment securities	680	29
Total extraordinary income	680	29
Extraordinary losses		
Loss on retirement of non-current assets	27	47
Loss on sale of investment securities	–	6
Head office relocation expenses	110	–
Loss on valuation of investment securities	216	0
Compensation for damage	–	327
Total extraordinary losses	355	381
Income before income taxes	8,975	9,582
Income taxes – current	1,834	2,092
Income taxes – deferred	159	268
Total income taxes	1,994	2,361
Net income	6,980	7,221
Net income attributable to non-controlling interests	731	526
Net income attributable to owners of parent	6,249	6,694

Semi-annual consolidated statements of comprehensive income

(Million yen)

	For the six months ended June 30, 2025	For the six months ended June 30, 2026
Net income	6,980	7,221
Other comprehensive income		
Valuation difference on available-for-sale securities	(667)	290
Deferred gains or losses on hedges	(0)	5
Foreign currency translation adjustment	(5,303)	2,709
Remeasurements of defined benefit plans, net of tax	(19)	13
Share of other comprehensive income of associates accounted for using equity method	(1,638)	798
Total other comprehensive income	(7,630)	3,818
Comprehensive income	(649)	11,039
Comprehensive income attributable to:		
Owners of parent	(866)	10,348
Non-controlling interests	216	690

(3) Semi-annual consolidated statements of cash flows

(Million yen)

	For the six months ended June 30,2025	For the six months ended June 30,2026
Cash flows from operating activities		
Income before income taxes	8,975	9,582
Depreciation and amortization	2,964	3,200
Amortization of goodwill	114	131
Increase (decrease) in allowance for doubtful accounts	38	20
Increase (decrease) in retirement benefit liability	(28)	0
Increase (decrease) in provision for bonuses	(111)	(31)
Head office relocation expenses	110	–
Interest and dividend income	(223)	(256)
Interest expenses	520	472
Equity in losses (earnings) of associates	(751)	(1,082)
Loss (gain) on sale of investment securities	(680)	(22)
Loss (gain) on valuation of investment securities	216	0
Loss on compensation for damage	–	327
Loss on retirement of non-current assets	27	47
Decrease (increase) in notes and accounts receivable – trade	(85)	(6,230)
Decrease (increase) in inventories	(1,151)	(1,649)
Increase (decrease) in notes and accounts payable – trade including electronically recorded obligations – operating	(4,104)	2,502
Other, net	(1,601)	(1,273)
Subtotal	4,228	5,738
Interest and dividend income received	486	522
Interest expenses paid	(528)	(482)
Income taxes paid	(1,027)	(1,772)
Net cash provided by (used in) operating activities	3,159	4,006
Cash flows from investing activities		
Purchase of property, plant and equipment	(3,292)	(2,187)
Proceeds from sale of property, plant and equipment	18	10
Purchase of intangible assets	(63)	(943)
Purchase of investment securities	(813)	(89)
Proceeds from sale of investment securities	1,027	66
Payments of loans receivable	(21)	(23)
Collection of loans receivable	28	32
Other, net	(492)	(917)
Net cash provided by (used in) investing activities	(3,609)	(4,052)

(Million yen)

	For the six months ended June 30,2025	For the six months ended June 30,2026
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	4,155	5,139
Proceeds from long-term loans payable	2,722	1,000
Repayments of long-term loans payable	(3,198)	(1,259)
Redemption of bonds	–	(1,000)
Cash dividends paid	(2,237)	(2,462)
Dividends paid to non-controlling interests	(202)	(5)
Purchase of treasury shares	(522)	(1,000)
Proceeds from sale of treasury shares	0	1
Other, net	(190)	(234)
Net cash provided by (used in) financing activities	526	178
Effect of exchange rate change on cash and cash equivalents	352	375
Net increase (decrease) in cash and cash equivalents	428	508
Cash and cash equivalents at beginning of period	14,583	18,782
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	95	–
Cash and cash equivalents at end of period	15,107	19,290

(4) Notes to semi-annual consolidated financial statements

Segment information, etc.

I. For the six months ended June 30, 2025 (From January 1, 2025 to June 30, 2025)

1. Information on amounts of sales and profit or loss and on revenue breakdown by reportable segment

(Million yen)

	Reportable segment						Other (*1)	Total	Adjustment (*2)	Amount recorded in semi-annual consolidated statement of income (*3)
	Printing Inks and Graphic Arts Materials (Japan)	Printing Inks (Asia)	Printing Inks (Americas)	Printing Inks (Europe)	Digital and Specialty Products	Total				
Revenues										
Revenues from contracts with customers	24,450	26,725	50,054	10,239	13,038	124,508	1,887	126,396	–	126,396
Other revenues	–	–	–	–	–	–	–	–	–	–
Sales to external customers	24,450	26,725	50,054	10,239	13,038	124,508	1,887	126,396	–	126,396
Intersegment sales and transfers	462	91	344	291	10	1,200	2,160	3,361	(3,361)	–
Total	24,913	26,817	50,398	10,530	13,048	125,709	4,048	129,757	(3,361)	126,396
Segment income	448	3,128	3,090	175	1,106	7,949	208	8,158	(512)	7,645

(Notes) 1. The “Other” is a business segment not included in the reportable segments and contains the chemical products business, the display service business, and the brand protection solution business in Japan.

2. The adjustment of negative 512 million yen to segment income includes elimination of intersegment transaction of 79 million yen and corporate expenses not allocated to each reportable segment of negative 591 million yen. Corporate expenses mainly consist of general and administrative expenses and research and development expenses that are not attributable to any reportable segment.

3. Segment income is adjusted with operating income in the semi-annual consolidated statement of income.

2. Information on impairment loss or goodwill on non-current assets by reportable segment

During the six months ended June 30, 2025, there are no significant impairment losses recognized on non-current assets, no significant changes recognized in the amount of goodwill, and no significant gains recognized on bargain purchases.

II. For the six months ended June 30, 2026 (From January 1, 2026 to June 30, 2026)

1. Information on amounts of sales and profit or loss and on revenue breakdown by reportable segment

(Million yen)

	Reportable segment						Other (*1)	Total	Adjustment (*2)	Amount recorded in semi-annual consolidated statement of income (*3)
	Printing Inks and Graphic Arts Materials (Japan)	Printing Inks (Asia)	Printing Inks (Americas)	Printing Inks (Europe)	Digital and Specialty Products	Total				
Revenues										
Revenues from contracts with customers	26,388	30,363	55,809	12,570	15,073	140,205	1,826	142,031	–	142,031
Other revenues	–	–	–	–	–	–	–	–	–	–
Sales to external customers	26,388	30,363	55,809	12,570	15,073	140,205	1,826	142,031	–	142,031
Intersegment sales and transfers	511	49	462	291	38	1,353	1,810	3,164	(3,164)	–
Total	26,900	30,412	56,272	12,862	15,112	141,559	3,637	145,196	(3,164)	142,031
Segment income	2,181	3,350	2,262	547	1,208	9,550	83	9,634	(610)	9,023

(Notes) 1. The “Other” is a business segment not included in the reportable segments and contains the chemical products business, the display service business and the brand protection solution business in Japan.

2. The adjustment of negative 610 million yen to segment income includes elimination of intersegment transaction of 91 million yen and corporate expenses not allocated to each reportable segment of negative 702 million yen. Corporate expenses mainly consist of general and administrative expenses and research and development expenses that are not attributable to any reportable segment.

3. Segment income is adjusted with operating income in the semi-annual consolidated statement of income.

2. Matters relating to change in reportable segments

Beginning with the second quarter of the fiscal year under review, the Company has reclassified some segments of consolidated subsidiaries previously included in “Other” into the “Digital and Specialty Products” segment, following a partial review of internal management classifications within the Group.

The segment information for the first six months of the previous fiscal year has been restated based on the revised segment classification.

3. Information on impairment loss or goodwill on non-current assets by reportable segment

During the six months ended June 30, 2026, there are no significant impairment losses recognized on non-current assets, no significant changes recognized in the amount of goodwill, and no significant gains recognized on bargain purchases.

Significant changes in the amount of shareholders' equity

The Company acquired a total of 396,300 shares of its own stock by June 30, 2026, based on the resolution of the Board of Directors meeting held on February 12, 2026. As a result, treasury shares increased by 999 million yen during the period under review. In addition, the Company disposed of a total of 18,191 treasury shares as restricted stock compensation, based on the resolution of the Board of Directors meeting held on March 26, 2026. Furthermore, the Company resolved to cancel its treasury shares at the Board of Directors meeting held on May 11, 2026, and cancelled a total of 4,172,361 treasury shares on May 29, 2026. As a result, capital surplus decreased by 156 million yen, retained earnings decreased by 5,093 million yen, and treasury shares decreased by 5,291 million yen during the period under review.

As of June 30, 2026, capital surplus, retained earnings and treasury shares amounted to 5,672 million yen, 90,729 million yen, and 1,619 million yen, respectively.

Going concern assumption

Not applicable

Additional information

Employee stock ownership plan

(1) Outline of the plan

The Company resolved at the meeting of the Board of Directors held on November 11, 2024 to introduce an employee stock ownership plan (hereinafter the "Plan") for employees of the Company and its subsidiaries (hereinafter the "Employees"), aiming to enhance the Company's corporate value over the medium to long term.

One of the initiatives in our Medium-term Management Plan is human capital policy, which is the foundation for achieving sustained development. As part of this policy, we intend to foster a sense of participation in management among the Employees, which will lead to the sustained enhancement of the Group's corporate value.

Since the Employees can receive economic benefits from an increase in the Company's share price, the Plan is expected to encourage them to perform their duties with a keen awareness of the share price as well as to motivate them to strive harder.

The Plan delivers the Company's shares acquired as an incentive plan for the Employees by the Employee Stock Ownership Plan Trust to the Employees who fulfill certain requirements based on the terms set forth in the Plan.

(2) The Company's shares remaining in the trust

The Company's shares remaining in the trust are recorded as treasury shares in net assets based on their book value in the trust (excluding the amount of incidental expenses). The book value and number of such treasury shares were 202 million yen and 126,968 shares as of December 31, 2025, and 200 million yen and 125,705 shares as of June 30, 2026, respectively.

(3) Scope of recipients of beneficiary rights and other rights under the Plan

The Employees who satisfy the conditions for stock grant