

**TRANSLATION:**

This is an English translation of Consolidated Quarterly Financial Results (Japanese Accounting Standards) for the First Quarter of the Fiscal Year Ending December 31, 2026. This is an English translation of the Japanese original, prepared only for the convenience of shareholders residing outside Japan. The original Japanese version will prevail should there be any difference in the meaning between the English version and the Japanese version.

# artience



## Consolidated Quarterly Financial Results (Japanese Accounting Standards) for the First Quarter of the Fiscal Year Ending December 31, 2026

May 15, 2026

Name of Listed Company: artience Co., Ltd.

Listings: Tokyo Stock Exchange

Code: 4634

URL: <https://www.artiencegroup.com>

Representative: Satoru Takashima, President and Representative Director, Group CEO

Contact: Takeshi Arimura, Managing Operating Officer in charge of Finance & Accounting, IR  
and Information System

Tel: +81-3-3272-6002

Scheduled date of commencement of dividend payments: –

Supplementary documents for financial results: Yes

Financial results briefing: Yes (for institutional investors and securities analysts)

(Amounts of less than million yen are omitted)

### 1. Consolidated business results for the first quarter of fiscal year ending December 31, 2026

(From January 1, 2026 to March 31, 2026)

#### (1) Business results (cumulative totals)

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
First Quarter, Fiscal 2026	88,325	7.5	5,200	16.1	6,115	45.4	6,572	123.0
First Quarter, Fiscal 2025	82,133	0.5	4,479	2.9	4,205	-15.6	2,946	-28.0

(Note) Comprehensive income: First Quarter, Fiscal 2026: 4,196 million yen (–%) First Quarter, Fiscal 2025: -6,355 million yen (–%)

	Profit per share (Basic)		Profit per share (Diluted)	
	Yen		Yen	
First Quarter, Fiscal 2026	139.89		139.88	
First Quarter, Fiscal 2025	58.50		58.48	

#### (2) Financial position

	Total assets		Net assets		Capital Adequacy Ratio	
	Million yen		Million yen		%	
First Quarter, Fiscal 2026	451,003		276,835		58.8	
Fiscal 2025	462,600		277,220		57.5	

(Note) Shareholders' equity: First Quarter, Fiscal 2026: 265,320 million yen

Fiscal 2025: 266,021 million yen

### 2. Dividends

	Dividends per share				
	End of Q1	End of Q2	End of Q3	Year-end	Total
	Yen				
Fiscal 2025	—	50.00	—	50.00	100.00
Fiscal 2026	—				
Fiscal 2026 (Forecast)		60.00	—	60.00	120.00

(Note) Revisions to the most recently announced dividend forecasts: None

### 3. Forecasts for the year ending December 31, 2026 (from January 1, 2026 to December 31, 2026)

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share (Basic)
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full-year	360,000	2.9	23,000	10.8	22,500	7.7	21,000	103.1	447.69

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

\* Notes:

- |  |                   |
|--|-------------------|
| (1) Important changes of subsidiaries during the term:   | No                |
| (2) Application of special accounting treatment to the preparation of quarterly consolidated financial statements: | No                |
| (3) Changes in accounting policies and changes or restatement of accounting estimates                              |                   |
| (i) Changes in accounting policies due to the amendments to accounting standards:                                  | No                |
| (ii) Changes in accounting policies other than (i):  | No                |
| (iii) Changes in accounting estimates:   | No                |
| (iv) Restatement:  | No                |
| (4) Numbers of shares issued (ordinary shares)   |                   |
| (i) Numbers of shares issued at the end of the terms (including treasury shares):                                  |                   |
| First Quarter, Fiscal 2026:  | 50,286,544 shares |
| Fiscal 2025:   | 50,286,544 shares |
| (ii) Number of treasury shares at the end of the terms:  |                   |
| First Quarter, Fiscal 2026:  | 3,404,903 shares  |
| Fiscal 2025:   | 2,862,378 shares  |
| (iii) Average numbers of shares issued during the terms (consolidated cumulative periods):                         |                   |
| First Quarter, Fiscal 2026:  | 46,983,385 shares |
| First Quarter, Fiscal 2025:  | 50,374,002 shares |

\* Review of the attached consolidated quarterly financial statements by certified public accountants or audit firms: Yes (voluntary)

\* Explanations about the proper use of financial forecasts and other important notes

1. The earnings forecasts and other forward-looking statements in this document are based on the information available to the Company at the time of its announcement and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual results may differ significantly due to various factors. Please refer to “(3) Information on the consolidated earnings forecasts and other future forecasts” of “1. Qualitative Information on Financial Results, etc. for the First Quarter Ended March 31, 2026” on page 3 of the attached materials for the assumptions underlying the earnings forecasts and precautions regarding the use thereof.
2. Supplementary documents for financial results will be posted on the Company’s website on May 15, 2026 (Friday).
3. The Company will hold a financial results briefing for institutional investors and securities analysts on May 22, 2026 (Friday). Reference materials for financial results and forecasts used in the briefing will be posted on the Company’s website before the opening of the briefing.

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## 1. Qualitative Information on Financial Results, etc. for the First Quarter Ended March 31, 2026

### (1) Details of operating results

During the first quarter of the fiscal year under review, the global economy improved moderately, but uncertainty rapidly increased due to dramatic changes in the Middle East situation. The artience Group also experienced a worsening environment for sourcing petroleum-based raw materials and the resultant increase in the prices of some raw materials. However, this impact was limited in the first quarter under review. On the other hand, anticipating supply shortages, some customers front-loaded orders for some products using solvents or naphtha-based raw materials, which contributed to the increase in net sales.

In this environment, the Group worked to execute its policies for the fiscal year: transformation of existing business groups into highly profitable ones, creation of strategic, high priority business groups, and transformation of the management foundation. At the same time, the Group endeavored to grasp the impact of changes in the business environment in each region and also prepared measures to cope with these changes.

As a result, net sales and profits for the Group both increased in the first quarter of the fiscal year under review with net sales of 88,325 million yen (up 7.5% year on year), operating profit of 5,200 million yen (up 16.1% year on year), ordinary profit of 6,115 million yen (up 45.4% year on year) and profit attributable to owners of parent of 6,572 million yen (up 123.0% year on year).

Operating results by segment are as follows.

#### (i) Colorants and Functional Materials Related Business

Among the materials for LCD color filters, sales of materials for large panels remained strong in China, mainly due to demand related to events including the FIFA World Cup and the effects of government subsidies. Sales of optical semiconductor materials remained strong due to the wider use of materials for CMOS image sensors etc. by customers.

There was strong demand for plastic colorants for daily goods and containers in Japan. Additionally, some products developed internally began to produce results, and price revisions have proved effective, resulting in strong sales. Overseas, sales of plastic colorants for solar cells and automotive applications were weak.

The sales volume of lithium-ion battery materials for automotive applications increased in Europe, but not enough to cover expenses. The Group continued to develop new customers and next-generation products.

Sales of inkjet inks were strong overseas but weak in Japan, mainly due to inventory adjustments by customers.

As a result, net sales and operating profit for this segment as a whole both increased with net sales of 19,957 million yen (up 0.9% year on year) and operating profit of 628 million yen (up 26.9% year on year).

#### (ii) Polymers and Coatings Related Business

In functional films and tapes, functional films including conductive adhesive sheets sold well for usage in smartphones. On the other hand, semiconductor-related materials were affected by inventory adjustments by customers.

In pressure sensitive adhesives, products for industrial materials remained solid in Japan and products for displays continued to perform strongly in China and South Korea. In adhesives, products for packaging performed strongly in Japan and overseas, and sales expansion of environmentally friendly products also made progress. Products for industrial applications were sold well for usage in lithium-ion batteries.

Sales of can coatings were sluggish in Japan due to a market downturn. Overseas, sales of can coatings for processed food and beverage cans remained strong, mainly in Thailand.

As a result, net sales and operating profit for this segment as a whole both increased with net sales of 22,441 million yen (up 5.8% year on year) and operating profit of 2,006 million yen (up 25.8% year on year).

(iii) Packaging Materials Related Business

In Japan, demand for liquid inks for frozen food and refill packaging remained firm. There was also progress in sales expansion of environmentally friendly products. Products for cardboard boxes also remained solid.

Overseas, sales in Southeast Asia and China were strong, and there was progress in sales expansion in India. There was also progress in sales expansion targeting new customers and surrounding countries in Turkey.

In the gravure cylinder platemaking business, sales were firm due to new demand for printing plates for packaging being captured and demand for precision platemaking related to electronics recovering.

As a result, net sales and operating profit for this segment as a whole both increased with net sales of 23,791 million yen (up 10.3% year on year) and operating profit of 1,333 million yen (up 14.9% year on year).

(iv) Printing and Information Related Business

In Japan, the structural contraction of the information-related printing market continued, and the Group continued to improve business efficiency and revise prices. Sales of offset inks remained firm. For UV curable inks, the Group expanded sales of functional coatings or energy-saving inks.

In overseas markets, performance was weak in Europe due to the stagnation of the information-related printing market and increased competition, but there was progress in sales expansion of functional inks in China and North America.

As a result, net sales and operating profit for this segment as a whole both increased with net sales of 21,512 million yen (up 11.4% year on year) and operating profit of 1,175 million yen (up 16.6% year on year).

(v) Other

This Other segment includes businesses not included in the above segments, services provided by artience as the holding company etc. In the first quarter of the fiscal year under review, sales increased but profit decreased with net sales of 1,680 million yen (up 34.5% year on year) and operating profit of 46 million yen (down 77.9% year on year).

**(2) Details of financial position**

Total assets at the end of the first quarter under review stood at 451,003 million yen, down 11,596 million yen from the end of the previous consolidated fiscal year. Liabilities were 174,168 million yen, down 11,211 million yen from the end of the previous consolidated fiscal year. Net assets came to 276,835 million yen, down 385 million yen from the end of the previous consolidated fiscal year.

Cash and deposits decreased mainly due to the purchase of treasury shares and the payment of income taxes and dividends. The decrease also reflects decrease in notes and accounts payable - trade as payments of certain portion of accounts payable - trade were made in this first quarter under review due to the last day of the previous fiscal year being a bank holiday. Investment securities, deferred tax liabilities, and valuation difference on available-for-sale securities decreased, reflecting the sale of part of shares held and decrease in fair value of shares held. Additionally, some long-term loans payable were restated as short-term loans payable because they will mature within a year.

**(3) Information on the consolidated earnings forecasts and other future forecasts**

At present, the instability of the Middle East situation is having a significant impact on the Group's business environment globally. Many of the Group's major products use solvents, resins and other raw materials that are derived from crude oil or naphtha. Due to the disruption of logistics and the increase in energy prices, the supply of these raw materials has been restricted by their manufacturers and the prices are soaring.

The Group prioritizes the continued stable supply of our products and is taking optimal measures to address the current circumstances such as securing raw materials or procuring them from alternative sources. The Group is also revising the prices of products in response to the surge in raw material prices.

The future of the Middle East situation remains uncertain, but the Group has not changed its full-year consolidated business forecasts for the year ending December 31, 2026, announced on February 13, 2026, in light of its estimates based on the information obtained to date, including information about the increase of raw materials prices, the revision of product prices, and the current economic situation. The Group will immediately disclose any revisions to its forecasts if deemed necessary in light of changing business environment including raw material procurement situation.

## 2. Consolidated Financial Statements and Primary Notes

## (1) Consolidated balance sheet

(Million yen)

	As of December 31, 2025	As of March 31, 2026
(Assets)		
Current assets		
Cash and deposits	47,625	42,142
Notes and accounts receivable - trade	106,769	105,418
Securities	291	146
Merchandise and finished goods	40,377	40,865
Work in process	599	1,225
Raw materials and supplies	27,675	28,949
Other	5,681	5,519
Allowance for doubtful accounts	-1,347	-1,395
<b>Total current assets</b>	<b>227,672</b>	<b>222,870</b>
Non-current assets		
Property, plant and equipment		
Buildings and structures	133,334	135,479
Accumulated depreciation	-83,133	-84,457
Buildings and structures, net	50,200	51,022
Machinery, equipment and vehicles	197,682	200,418
Accumulated depreciation	-157,033	-158,703
Machinery, equipment and vehicles, net	40,649	41,715
Tools, furniture and fixtures	30,664	31,189
Accumulated depreciation	-24,867	-25,169
Tools, furniture and fixtures, net	5,796	6,019
Land	31,311	31,394
Leased assets	9,153	9,162
Accumulated depreciation	-3,378	-3,438
Leased assets, net	5,774	5,723
Construction in progress	14,192	13,987
<b>Total property, plant and equipment</b>	<b>147,926</b>	<b>149,863</b>
Intangible assets	6,028	5,966
Investments and other assets		
Investment securities	61,997	54,193
Retirement benefit asset	11,461	11,491
Deferred tax assets	5,019	4,499
Other	2,859	2,484
Allowance for doubtful accounts	-365	-365
<b>Total investments and other assets</b>	<b>80,972</b>	<b>72,303</b>
<b>Total non-current assets</b>	<b>234,927</b>	<b>228,133</b>
<b>Total assets</b>	<b>462,600</b>	<b>451,003</b>

(Million yen)

	As of December 31, 2025	As of March 31, 2026
(Liabilities)		
Current liabilities		
Notes and accounts payable - trade	67,913	58,359
Short-term loans payable	14,336	20,287
Income taxes payable	2,983	3,574
Other	20,837	20,072
Total current liabilities	106,070	102,293
Non-current liabilities		
Bonds payable	15,000	15,000
Long-term loans payable	34,100	28,100
Deferred tax liabilities	17,066	14,341
Provision for environmental measures	79	79
Retirement benefit liability	3,747	3,708
Asset retirement obligations	35	36
Other	9,279	10,609
Total non-current liabilities	79,309	71,874
Total liabilities	185,379	174,168
(Net assets)		
Shareholders' equity		
Capital stock	31,733	31,733
Capital surplus	32,513	32,513
Retained earnings	155,804	160,006
Treasury shares	-9,049	-11,103
Total shareholders' equity	211,002	213,148
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	24,483	19,773
Foreign currency translation adjustment	29,516	31,468
Remeasurements of defined benefit plans	1,020	929
Total accumulated other comprehensive income	55,019	52,171
Subscription rights to shares	8	8
Non-controlling interests	11,189	11,506
Total net assets	277,220	276,835
Total liabilities and net assets	462,600	451,003

**(2) Consolidated statements of income and consolidated statements of comprehensive income**

## Consolidated statements of income

Consolidated first quarter	(Million yen)	
	From January 1, 2025 to March 31, 2025	From January 1, 2026 to March 31, 2026
Net sales	82,133	88,325
Cost of sales	64,478	68,592
Gross profit	17,655	19,733
Selling, general and administrative expenses		
Packing and transportation costs	1,991	2,142
Salaries and allowances	3,391	3,788
Bonuses	720	738
Welfare expenses	853	912
Depreciation	499	590
Research and development expenses	1,053	1,175
Other	4,665	5,184
Total selling, general and administrative expenses	13,176	14,532
Operating profit	4,479	5,200
Non-operating income		
Interest income	102	116
Dividend income	27	29
Share of profit of entities accounted for using equity method	20	6
Foreign exchange gains	—	120
Gain on net monetary position	1,453	913
Other	171	182
Total non-operating income	1,776	1,370
Non-operating expenses		
Interest expenses	475	226
Foreign exchange losses	1,298	—
Other	275	229
Total non-operating expenses	2,050	455
Ordinary profit	4,205	6,115
Extraordinary profit		
Gain on sales of non-current assets	3	14
Gain on sales of investment securities	32	3,556
Other	5	—
Total extraordinary profit	40	3,571
Extraordinary losses		
Loss on sales and retirement of non-current assets	65	63
Business restructuring expenses	83	48
Total extraordinary loss	149	112
Profit before income taxes	4,097	9,574
Income taxes - current	1,069	2,858
Income taxes - deferred	40	34
Total income taxes	1,109	2,892
Profit	2,988	6,681
Profit attributable to non-controlling interests	41	109
Profit attributable to owners of parent	2,946	6,572

Consolidated statements of comprehensive income

Consolidated first quarter

(Million yen)

	From January 1, 2025 to March 31, 2025	From January 1, 2026 to March 31, 2026
Profit	2,988	6,681
Other comprehensive income		
Valuation difference on available-for-sale securities	-1,689	-4,709
Foreign currency translation adjustment	-7,499	2,334
Remeasurements of defined benefit plans, net of tax	-101	-90
Share of other comprehensive income of entities accounted for using equity method	-53	-19
Total other comprehensive income	-9,343	-2,485
Comprehensive income	-6,355	4,196
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	-5,804	3,724
Comprehensive income attributable to non-controlling interests	-550	471

**(3) Notes to consolidated quarterly financial statements****(Basic and important matters in preparing the quarterly consolidated financial statements)**

The quarterly consolidated financial statements have been prepared, conforming to the Tokyo Securities Exchange's General Principles for Preparing Quarterly Consolidated Financial Statements, Article 4 paragraph (i) and accounting standards for quarterly financial statements generally accepted in Japan (however, when matters stipulated under Article 4 paragraph (ii) apply, there is no need for adoption).

**(Notes on assumption of going concern)**

Not applicable.

**(Notes on significant changes in the amount of shareholders' equity)**

The Company acquired 542,400 treasury shares in accordance with a resolution passed at the meeting of the Board of Directors held on May 9, 2025. As a result, treasury shares increased by 2,054 million yen during the first quarter under review, and treasury shares amounted to 11,103 million yen as of March 31, 2026.

**(Notes on statement of cash flows)**

Quarterly consolidated statements of cash flows for the first quarter under review have not been prepared. Depreciation (and amortization) figures relating to the first quarter under review (including amortization relating to intangible assets, but excluding goodwill) are as follows.

	From January 1, 2025 to March 31, 2025	From January 1, 2026 to March 31, 2026
Depreciation	3,126 million yen	3,488 million yen

**(Segment information, etc.)**

I. From January 1, 2025 to March 31, 2025

Information on net sales and profits or losses by reportable segment

(Million yen)

	Reportable segments					Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in consolidated statements of income (Note 3)
	Colorants and Functional Materials Related Business	Polymers and Coatings Related Business	Packaging Materials Related Business	Printing and Information Related Business	Total				
Net sales									
Sales to customers	19,267	21,134	21,329	19,295	81,027	1,106	82,133	—	82,133
Intersegment sales	507	78	243	9	838	142	981	-981	—
Total	19,775	21,213	21,573	19,304	81,866	1,248	83,115	-981	82,133
Segment profits	495	1,595	1,161	1,008	4,260	211	4,471	7	4,479

(Notes) 1. The “Other” segment comprises business segments that are not included in the reportable segments, which include sales of raw materials, other profit-earning business activities carried out by the Company as a parent, and delivery of services.

2. An adjustment of 7 million yen in segment profits mainly represents the deduction of intersegment transactions.

3. Segment profits have been adjusted with operating profit recorded in the consolidated quarterly income statement.

II. From January 1, 2026 to March 31, 2026

Information on net sales and profits or losses by reportable segment

(Million yen)

	Reportable segments					Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in consolidated statements of income (Note 3)
	Colorants and Functional Materials Related Business	Polymers and Coatings Related Business	Packaging Materials Related Business	Printing and Information Related Business	Total				
Net sales									
Sales to customers	19,289	22,379	23,620	21,509	86,799	1,526	88,325	—	88,325
Intersegment sales	668	61	170	2	903	153	1,056	-1,056	—
Total	19,957	22,441	23,791	21,512	87,702	1,680	89,382	-1,056	88,325
Segment profits	628	2,006	1,333	1,175	5,144	46	5,191	9	5,200

(Notes) 1. The “Other” segment comprises business segments that are not included in the reportable segments, which include sales of raw materials, other profit-earning business activities carried out by the Company as a parent, and delivery of services.

2. An adjustment of 9 million yen in segment profits mainly represents the deduction of intersegment transactions.

3. Segment profits have been adjusted with operating profit recorded in the consolidated quarterly income statement.