

Q1 FY12/2026 Results Briefing

artience Co.,Ltd.
TSE Code: 4634

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(Reference)

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FY12/2026 Earnings Forecast and Outlook

Changes in the External Environment and Raw Materials Market Conditions

< Changes in the External Environment >

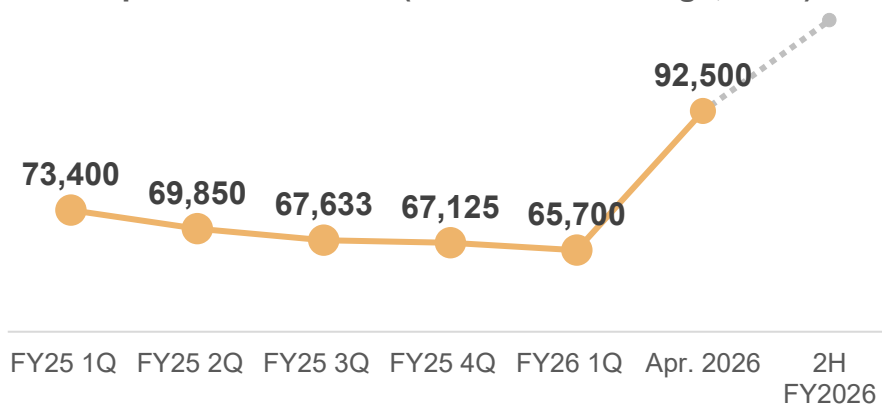
- Raw materials and logistics markets remain uncertainty due to geopolitical tensions in the Middle East.
- The impact is expected to continue at least through H1 FY12/2026. Although no material changes in demand have been identified at this time, we continue monitoring market conditions and developments in related industries.

< Impact of Raw Material Market Conditions and Price Trends >

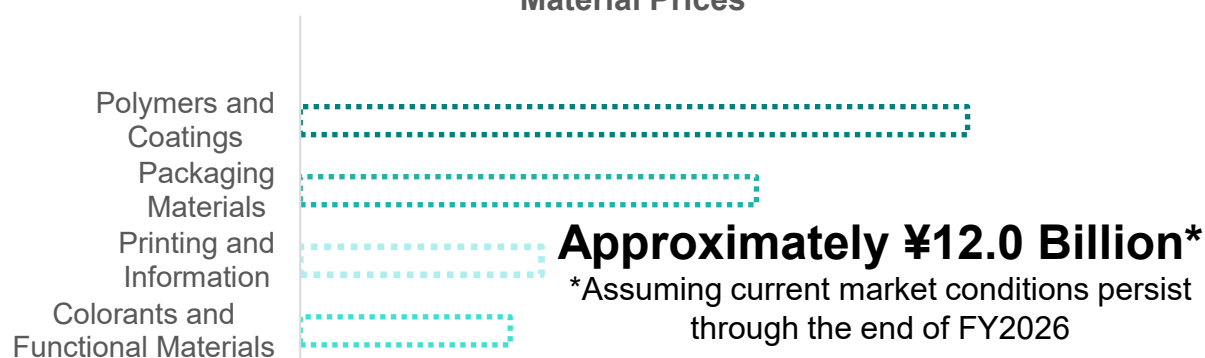
- In 1Q FY12/2026, the naphtha price averaged ¥65,700/KL, broadly unchanged from 4Q FY12/2025, although prices rose to around ¥92,500/KL in April amid heightened market uncertainty.
- Assuming naphtha prices remain at around ¥110,000–120,000/KL going forward, the impact of higher raw material costs is estimated to be approximately ¥12.0 billion in FY2026.

(Reference) Naphtha price sensitivity: ¥1,000/KL increase in naphtha prices is expected to raise costs by approximately ¥0.15 billion. The actual impact on earnings may vary depending on market conditions.

Naphtha Price Trend (Cumulative Average, ¥/KL)

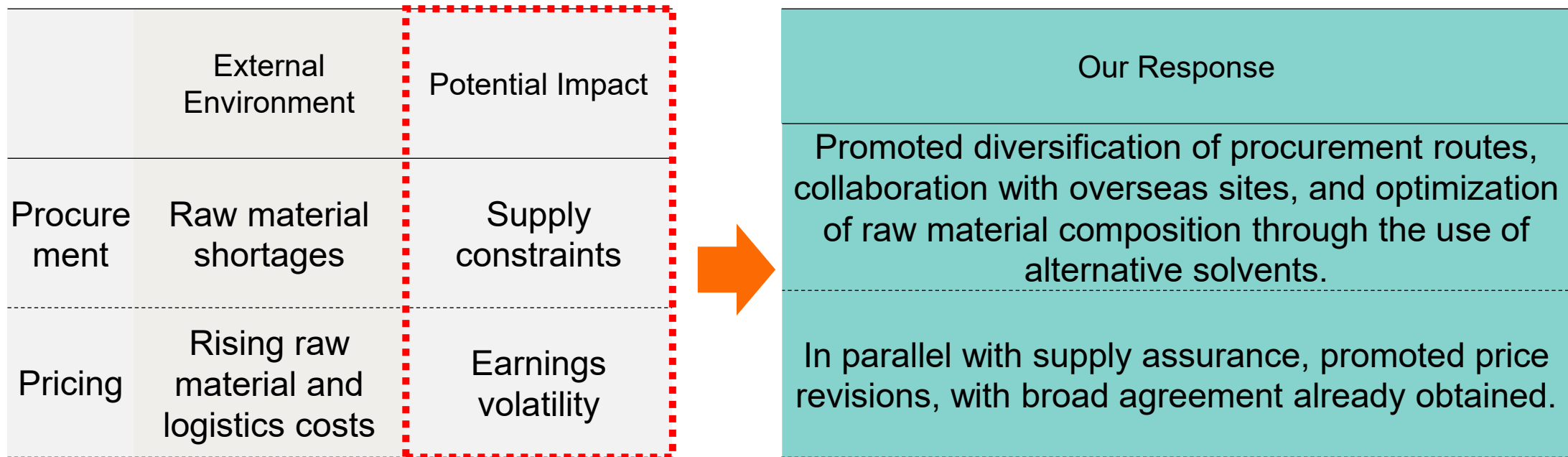


Illustrative Impact of Domestic and Overseas Raw Material Prices



Impact of the Middle East Situation and Our Response

- Strengthened collaboration across domestic and overseas group companies, diversified raw material procurement sources, and continuously updated and shared the latest information.
- Through collaboration with suppliers and customers, implemented the use of alternative solvents and SCM optimization, **achieving supply volumes broadly in line with the previous year.**



FY12/2026 Earnings Forecast

■ We will continue to closely monitor market conditions. At present, we maintain our full-year earnings and dividend forecasts and continue to expect increases in both net sales and profits.

- 1Q results showed solid progress against the full-year plan. We continue to closely monitor market conditions and developments related to the situation in the Middle East.
- In response to changes in raw material prices, we are implementing pricing measures, procurement initiatives, and SCM optimization.
- There may be a temporary time lag between increases in raw material prices and the implementation of pricing measures.
- Sales forecasts are being assessed cautiously based on current market conditions.
- Net income attributable to owners of parent is expected to include gains on sales of investment securities.

(¥ billions)

	FY12/2025 Results	FY12/2026 Forecast
Net sales	350.0	360.0
Operating profit	20.8	23.0
Ordinary profit	20.9	22.5
Profit attributable to owners of parent	10.3	21.0
Operating margin	5.9%	6.4%
ROE	3.9%	8.0%

■ Assumed indexes for targets

		2024 Avg.	2025 Avg.	2026 Projections
Exchange rate	1 USD	¥152.2	¥ 149.8	¥150.0
	1 EUR	¥164.4	¥ 169.5	¥170.0
	1 RMB	¥21.1	¥ 20.9	¥20.0

Raw material	2024 Avg.	2025 Avg.	2026 Projections	2026 Q1 Avg.	Apr. 2026 Price Level
Naphtha/(KL)	¥75,400	¥67,125	¥65,000	¥65,700	¥92,500



Q1 FY12/2026 Consolidated Results

Consolidated Results

(¥ billions)

	Q1 FY12/2025	Q1 FY12/2026	YoY Change (%)
Net sales	82.1	88.3	7.5
Operating profit	4.5	5.2	16.1
Ordinary profit	4.2	6.1	45.4
Profit attributable to owners of parent	2.9	6.6	123.0
Operating margin	5.5%	5.9%	+0.4 (point)
Overseas sales ratio	54.5%	56.6%	+2.1 (point)

« Exchange Rates and Raw Material Prices »

		2025 Q1 Avg.	2026 Q1 Avg.
Exchange rate	1 USD	¥ 151.2	¥ 156.5
	1 EUR	¥ 159.3	¥ 183.5
	1 RMB	¥ 20.8	¥ 22.6

		2025 Q1 Avg.	2026 Q1 Avg.
Raw material	Naphtha(/KL)	¥73,400	¥65,700

Consolidated Results Summary

■ Net sales and operating profit increased year on year across all segments. Demand for CF materials for large-size displays recovered, while optical adhesives remained solid.

Net sales

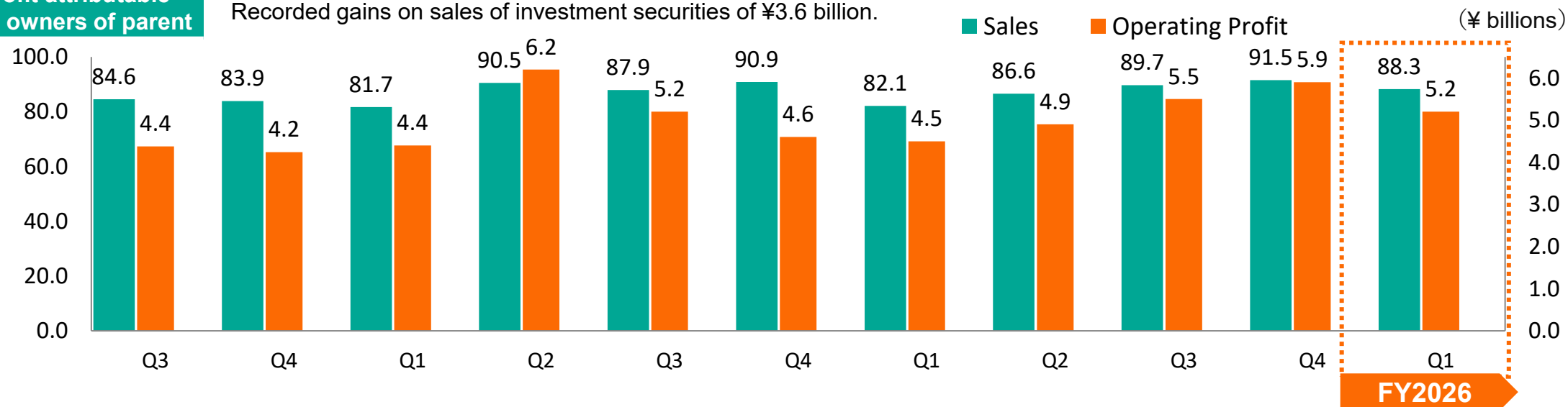
In the Growth and Stable Earnings Base Business, liquid inks, UV inks, adhesives, and can coatings remained solid. In the Strategic High-Priority Business Groups, coating materials for smartphones, CF materials for large-size displays, and CNT dispersions for batteries expanded, contributing to higher sales.

Operating profit

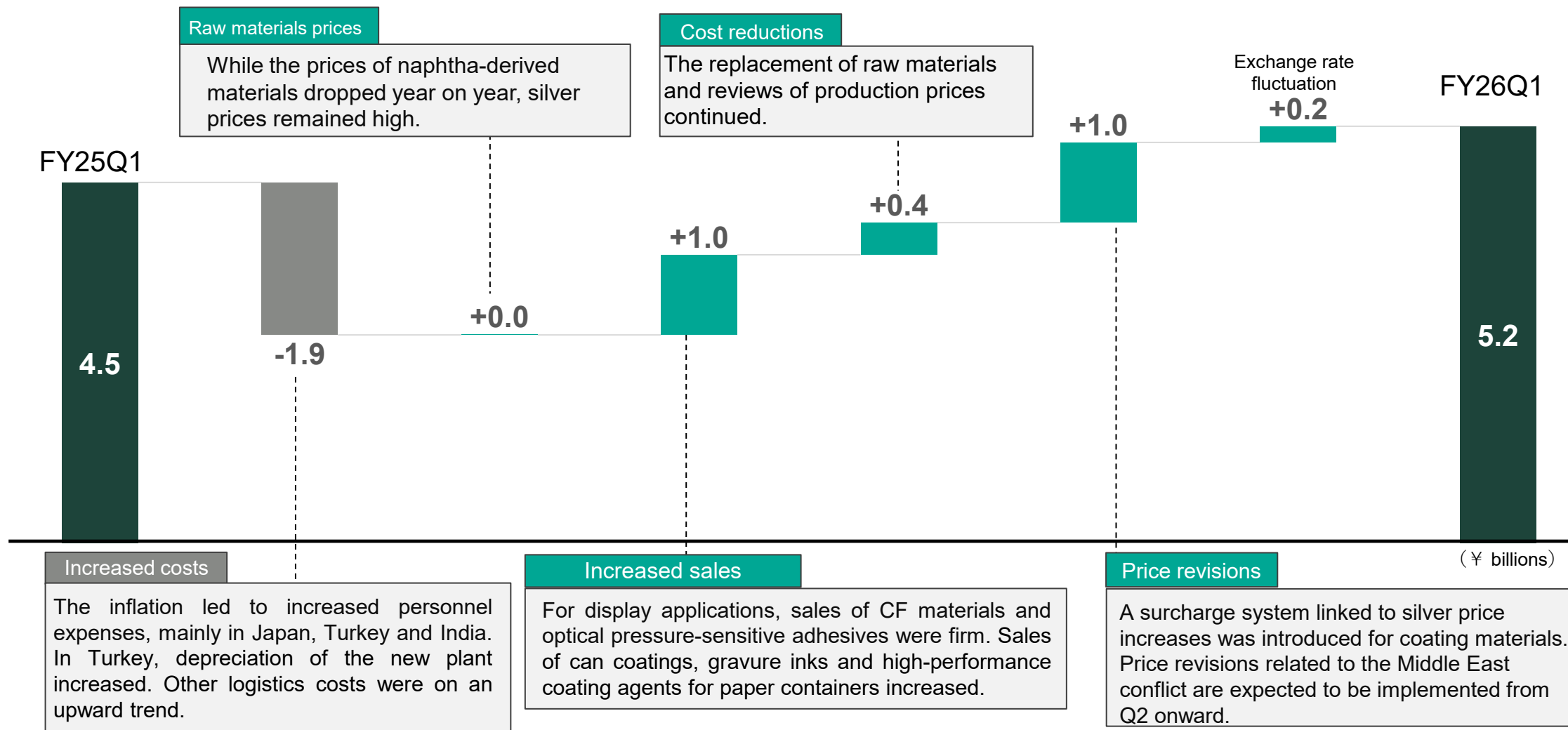
In Japan, continued cost reductions, ongoing pricing revisions, and stabilization in raw material prices drove profit growth. Liquid inks expanded in the domestic market. In large-size display applications, CF materials recovered, supported in part by demand related to global sporting events, while optical pressure sensitive adhesives remained solid. Expansion of coating materials for smartphones also continued.

Profit attributable to owners of parent

Recorded gains on sales of investment securities of ¥3.6 billion.



Operating Profit Bridge (YoY)





Q1 FY12/2026 Segment Performance

Segment Performance

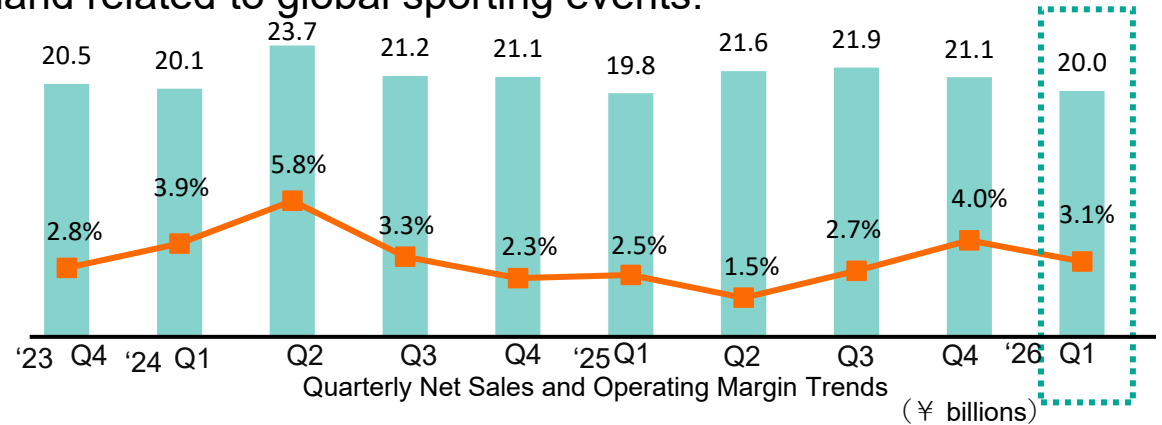
(¥ billions)

	Q1 FY12/2025 Results		Q1 FY12/2026 Results		YoY Change (%)	
	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit
Colorants and Functional Materials	19.8	0.5	20.0	0.6	0.9	26.9
Polymers and Coatings	21.2	1.6	22.4	2.0	5.8	25.8
Packaging Materials	21.6	1.2	23.8	1.3	10.3	14.9
Printing and Information	19.3	1.0	21.5	1.2	11.4	16.6
Others and Adjustments	0.3	0.2	0.6	0.1	-	-
Total (Consolidated)	82.1	4.5	88.3	5.2	7.5	16.1

Colorants and Functional Materials

■ **Net sales/ Operating profit** : Both sales and profit increased. CF materials, including those for sensor applications, remained solid, supported partly by demand related to global sporting events.

Results	Q1 FY12/2025	Q1 FY12/2026	YoY Change (%)
Net sales	19.8	20.0	0.9
Operating profit	0.5	0.6	26.9



	YoY Net Sales Growth	Summary
Color filter materials (for displays)	7.2%	In CF materials, sales of materials for large-size panels remained solid, supported partly by demand related to global sporting events. Market conditions for small and medium-sized panels in Taiwan remained weak. The joint venture in China commenced sales of locally produced products and is proceeding with the transfer of operations from Taiwan. Sales for sensor applications continued to expand steadily.
Plastic colorants	-14.4%	In Japan, sales and profit increased, driven by cost reductions, price revisions, and an improved product mix. In Southeast Asia, demand for home appliance and automotive applications remained firm despite lower sales in some areas due to changes in transaction arrangements. In China, weak demand for solar cell materials and Japanese automotive applications continued, resulting in lower sales and profit overall.
Pigments	10.5%	The sales quantity of pigments for offset inks decreased, but their sales rose following cost reductions and price revisions.
Others	38.7%	Sales of inkjet inks remained weak due to customer inventory adjustments. CNT dispersions for LiBs remained solid in Europe, while shipment volume and sales in China increased significantly year on year. Performance in the United States and Japan remained weak. Product launches by customers for anode applications were slightly delayed.

Mobility & Battery Related Businesses: CNT dispersions for LiB

■ **Site Overview and Outlook** : Production volume and sales expanded. In North America, demand for ESS applications was confirmed.



- Two customers. With production volume and sales exceeding the previous year, customers are experiencing strong demand.
- Local production of products for the second company will start by Q2E of 2026.



- Two customers*. Production volume decreased year on year, but sales increased.
- After the demand related to ESS applications was confirmed, evaluation is underway.

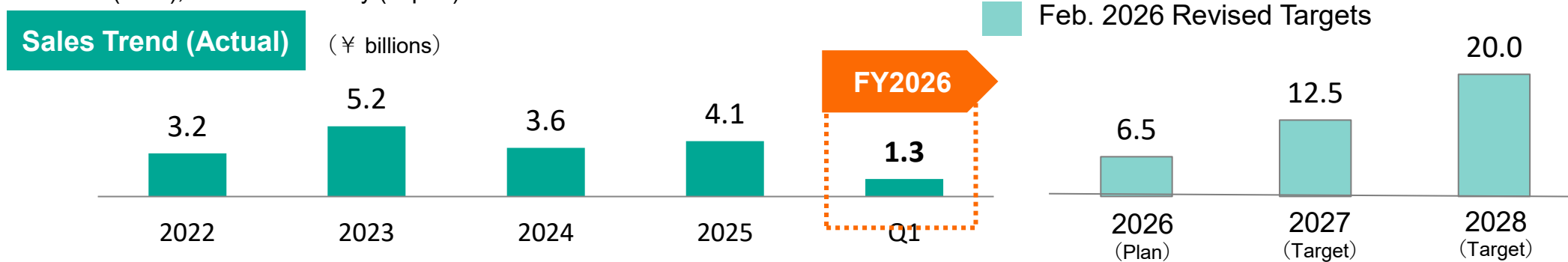


- One customer. End-use vehicle models expanded beyond European automakers, resulting in year-on-year increases in shipment volume and sales. Further growth is expected from Q2 onward.
- Evaluation of materials for anode applications is ongoing at the customer, with mass production targeted from 2027.



- One customer*. Shipments of CNT dispersions for HEVs remain strong.
- Progress is also being made on the development of products for all-solid-state batteries.

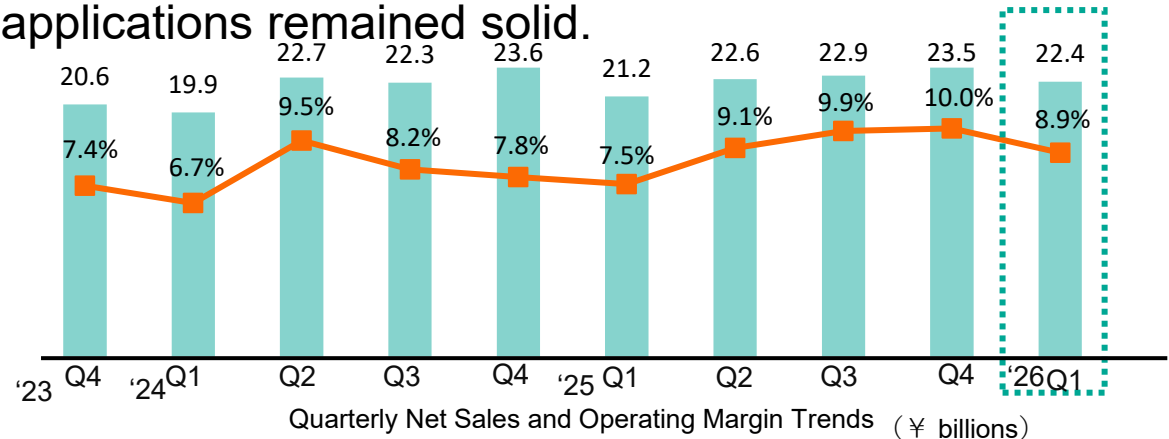
* for SKon(USA), TOYOTA battery (Japan)



Polymers and Coatings

- **Net sales/ Operating profit** : Both sales and profit increased. Performance remained solid overall. In coating materials, functional films for mobile applications remained solid.

Results	Q1 FY12/2025	Q1 FY12/2026	YoY Change (%)
Net sales	21.2	22.4	5.8
Operating profit	1.6	2.0	25.8

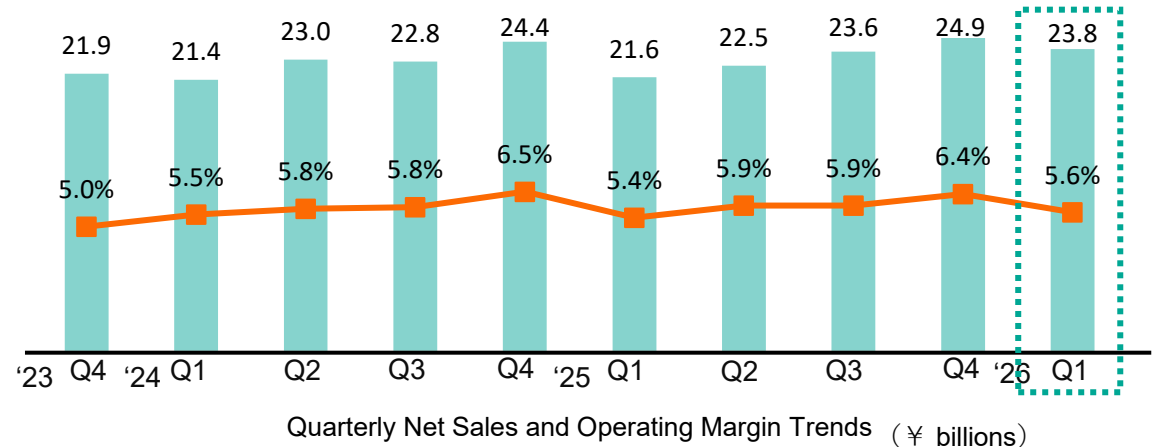


	YoY Net Sales Growth	Summary
Functional films and tapes	9.8%	Functional films for mobile applications remained solid. The impact of rising silver prices, a raw material, was mitigated through the introduction of a surcharge system.
Adhesives	5.0%	Pressure-sensitive adhesives continued to achieve strong sales in optical applications for displays in China and in South Korea. However, the operating margin dropped due to temporary production allocation. In North America, profit increased mainly after price revisions. Sales of laminating adhesives were buoyant in Thailand and Malaysia. They were also bullish for consumer battery and other applications.
Paints and resins	6.5%	Sales of can coatings improved in Japan after sales expansion efforts. Outside Japan, sales of can coatings continued to increase in Thailand for food cans, and they remained strong in Turkey as well.

Packaging Materials

■ **Net sales/ Operating profit** : Both sales and profit increased. Overall performance remained solid.

Results	Q1 FY12/2025	Q1 FY12/2026	YoY Change (%)
Net sales	21.6	23.8	10.3
Operating profit	1.2	1.3	14.9

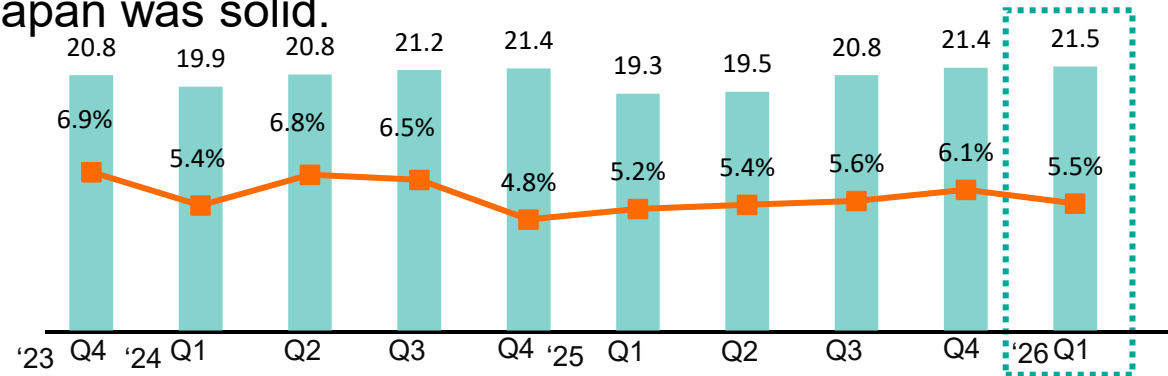


	YoY Net Sales Growth	Summary
Domestic liquid inks	4.5%	Both sales and profit increased. For food packaging applications, supply has been maintained through measures such as securing raw materials by leveraging our global bases in response to the situation in the Middle East. Performance remained solid in March, supported partly by front-loaded orders. We will continue to closely monitor future demand trends.
Overseas liquid inks	19.9%	In China, we reorganized production and sales structures last year to increase performance. In Southeast Asia, sales were bullish in Thailand and Malaysia. In India, profit declined due to inflation affecting raw materials costs, despite shipments being strong. We will optimize our supply chain to reduce costs. In Turkey, where performance was poor in Q1 of the previous year, the revenue that was generated due to brisk shipments was offset by an increase in depreciation and the rise of labor expenses amid inflation.

Printing and Information

■ **Net sales/ Operating profit** : Both sales and profit increased. The performance of offset inks, UV curable inks and functional coating agents in Japan was solid.

Results	Q1 FY12/2025	Q1 FY12/2026	YoY Change (%)
Net sales	19.3	21.5	11.4
Operating profit	1.0	1.2	16.6



Quarterly Net Sales and Operating Margin Trends (¥ billions)

	YoY Net Sales Growth	Summary
Offset inks (General inks)	8.6%	Both sales and profit increased. Performance in Japan remained solid. Positive profitability was maintained through cost reductions and pricing revisions. Overseas sheet-fed inks performed well, supported partly by a recovery in market conditions in Thailand.
Functional inks*	12.5%	Both sales and profit increased. In Japan, sales of UV curable inks for seasonal paper container and card applications were strong. Overseas, the performance of UV-curable inks in China and North America was good, while profit decreased in Europe. Functional coatings for high-grade paper containers performed strongly.

* Functional inks: UV curable inks, metal inks, and screen inks

■ **IR Inquiries** ir@artiencegroup.com

■ **Website** <https://www.artiencegroup.com>

■ **Major News Releases**

- TOYO INK and Lion Corp. jointly develop "horizontal recycling" . (May 19, 2026)

<https://www.artiencegroup.com/en/news/2026/26051901.html>

- TOYO CHEM and Dite sign an agreement to build a partnership on pharmaceuticals. (Apr.9, 2026)

<https://www.artiencegroup.com/en/news/2026/26040901.html>

- Peeling and recycling technology realizes the recycling of aluminum pouches. (Apr.7, 2026)

<https://www.artiencegroup.com/en/news/2026/26040701.html>

■ **IR schedule** * The schedule is subject to change without prior notice.

- Q2 FY12/2026 : Financial results announcement (Aug 7) , Results Briefing (Aug 10)
- Q3 FY12/2026 : Financial results announcement (Nov 13) , Results Briefing (Nov 20)



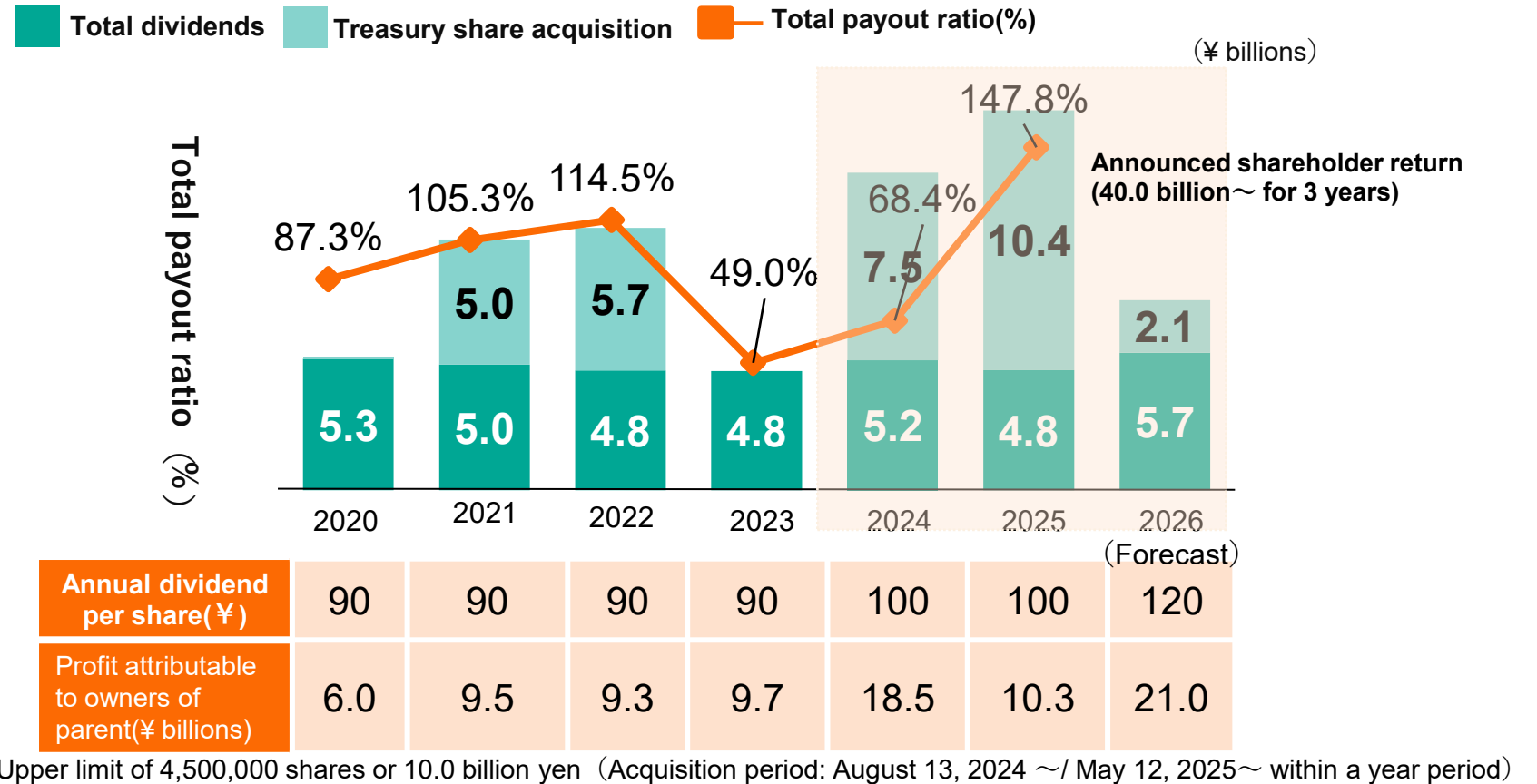
Appendix

Mid-term management plan artience2027 Shareholder Return Policy

- We plan to enhance shareholder returns through increased dividends and flexible share repurchases, supported by profit growth.

In the event of securing a profit, allocate the surplus cash to strategic investments and increased shareholder returns including treasury share acquisition while retaining the basic policy of paying stable dividends.

Set the total payout ratio target at 50% or more.



Business Performance

(¥ billions)

	Q1 FY12/2025	Q1 FY12/2026	Increase/ decrease(%)	FY12/2026 Forecast
Net sales	82.1	88.3	7.5	360.0
Operating profit	4.5	5.2	16.1	23.0
Ordinary profit	4.2	6.1	45.4	22.5
Profit attributable to owners of parent	2.9	6.6	123.0	21.0

Operating margin	5.5%	5.9%	+0.4 (point)	6.4%
Overseas sales ratio	54.5%	56.6%	+2.1 (point)	

	As at Dec.31,2025	As at Mar.31,2026
Interest-bearing debt (¥ billions)	66.7	66.5
Net worth ratio(%)	57.5	58.8
D/E ratio	0.32	0.31

FY12/2026	First Half (forecast)	Year End (forecast)
Dividend (yen/1share)	60	60

(¥ billions)

	As at Dec. 31, 2025	As at Mar. 31, 2026	Increase/ decrease(%)
Current assets	227.7	222.9	-2.1
Fixed assets	234.9	228.1	-2.9
Total assets	462.6	451.0	-2.5

Current liabilities	106.1	102.3	-3.6
Long-term liabilities	79.3	71.9	-9.4
Total liabilities	185.4	174.2	-6.0

Total net assets	277.2	276.8	-0.1
Total of liabilities and net assets	462.6	451.0	-2.5

	As at Dec. 31, 2025	As at Mar. 31, 2026
Consolidated subsidiaries	56	56
Equity method companies	5	5

Performance by Segment

		Q1 FY12/2026 (¥ billions)		Increase/decrease(%) Year on Year		Increase/decrease(%) Quarter on Quarter		Total Results, FY12/2026 (¥ billions)		Increase/decrease(%) Year on Year	
		Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit
Colorants and Functional Materials	Japan	9.9	0.5	9.7	-	-9.9	0.4	9.9	0.5	9.7	-
	Overseas	14.5	0.1	0.7	98.9	-6.5	-91.3	14.5	0.1	0.7	98.9
	Total	20.0	0.6	0.9	26.9	-5.4	-26.5	20.0	0.6	0.9	26.9
Polymers and Coatings	Japan	13.9	0.7	4.4	148.0	-0.2	46.0	13.9	0.7	4.4	148.0
	Overseas	12.2	1.6	12.2	17.2	-2.7	-12.6	12.2	1.6	12.2	17.2
	Total	22.4	2.0	5.8	25.8	-4.7	-15.0	22.4	2.0	5.8	25.8
Packaging	Japan	11.8	0.8	2.0	27.2	-4.2	-8.3	11.8	0.8	2.0	27.2
	Overseas	12.5	0.6	20.0	-1.3	-4.1	-26.7	12.5	0.6	20.0	-1.3
	Total	23.8	1.3	10.3	14.9	-4.3	-16.1	23.8	1.3	10.3	14.9
Printing and Information	Japan	10.2	0.5	8.7	114.3	-8.4	-21.1	10.2	0.5	8.7	114.3
	Overseas	13.1	0.6	14.9	-12.4	10.3	9.8	13.1	0.6	14.9	-12.4
	Total	21.5	1.2	11.4	16.6	0.4	-9.9	21.5	1.2	11.4	16.6
Others		1.7	0.0	34.5	-77.9	1.2	-	1.7	0.0	34.5	-77.9
Adjustment		-1.1	0.0	-	19.7	-	-	-1.1	0.0	-	19.7
Total consolidated		88.3	5.2	7.5	16.1	-3.5	-11.7	88.3	5.2	7.5	16.1

(Note) The segment performance for Japan and overseas does not take into account eliminations between regions.

Performance by Segment (Quarterly Trends)

(¥ billions)

		FY12/2024						FY12/2025						FY12/2026			
		Q2		Q3		Q4		Q1		Q2		Q3		Q4		Q1	
		Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit
Colorants and Functional Materials	Japan	10.8	0.5	9.9	0.0	11.4	0.5	9.0	-0.1	10.3	0.2	9.2	0.0	11.0	0.5	9.9	0.5
	Overseas	17.8	0.9	15.6	0.4	15.7	0.4	14.4	0.0	15.9	0.4	16.2	0.2	15.5	0.8	14.5	0.1
	Total	23.7	1.4	21.2	0.7	21.1	0.5	19.8	0.5	21.6	0.3	21.9	0.6	21.1	0.9	20.0	0.6
Polymers and Coatings	Japan	14.6	0.9	14.3	0.7	14.5	0.4	13.3	0.3	14.2	0.6	13.8	0.7	13.9	0.5	13.9	0.7
	Overseas	12.2	1.2	11.7	1.2	12.0	1.3	10.9	1.3	11.3	1.4	12.2	1.6	12.6	1.8	12.2	1.6
	Total	22.7	2.2	22.3	1.8	23.6	1.8	21.2	1.6	22.6	2.1	22.9	2.3	23.5	2.4	22.4	2.0
Packaging	Japan	11.6	0.6	12.2	0.5	12.6	0.9	11.6	0.6	12.1	0.6	12.2	0.7	12.4	0.8	11.8	0.8
	Overseas	11.8	0.8	11.1	0.8	12.4	0.7	10.4	0.6	10.9	0.7	12.0	0.7	13.1	0.8	12.5	0.6
	Total	23.0	1.3	22.8	1.3	24.4	1.6	21.6	1.2	22.5	1.3	23.6	1.4	24.9	1.6	23.8	1.3
Printing and Information	Japan	10.0	0.5	9.9	0.4	10.7	0.4	9.4	0.3	10.1	0.4	10.1	0.5	11.1	0.7	10.2	0.5
	Overseas	12.3	0.9	13.1	1.1	11.9	0.6	11.4	0.7	11.0	0.7	12.3	0.7	11.9	0.6	13.1	0.6
	Total	20.8	1.4	21.2	1.4	21.4	1.0	19.3	1.0	19.5	1.1	20.8	1.2	21.4	1.3	21.5	1.2
Others		1.4	-0.1	1.4	-0.0	1.6	-0.3	1.2	0.2	1.4	0.1	1.4	0.1	1.7	-0.1	1.7	0.0
Adjustment		-1.1	-0.0	-1.1	0.0	-1.1	-0.0	-1.0	0.0	-0.9	0.0	-0.9	-0.0	-1.0	-0.1	-1.1	0.0
Total consolidated		90.5	6.2	87.9	5.2	90.9	4.6	82.1	4.5	86.6	4.9	89.7	5.5	91.5	5.9	88.3	5.2

(Note) The segment performance for Japan and overseas does not take into account eliminations between regions.

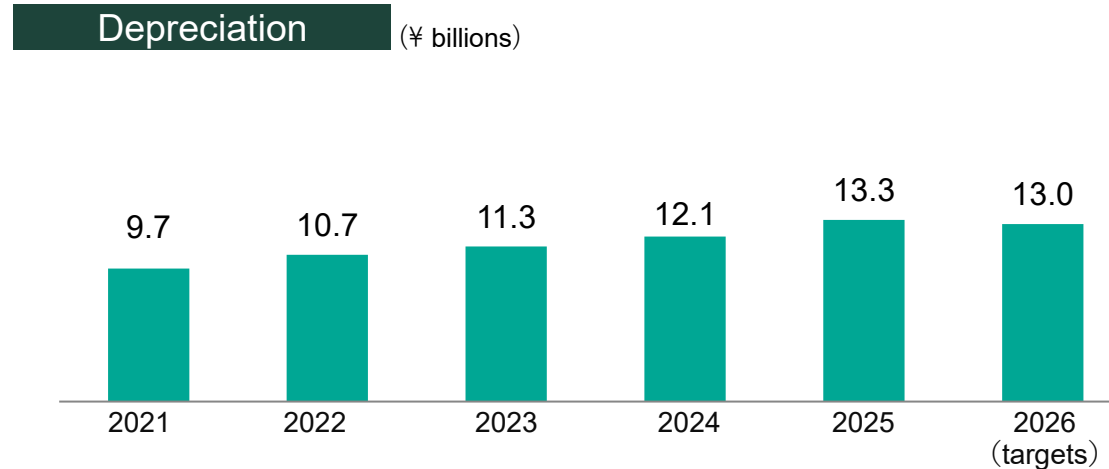
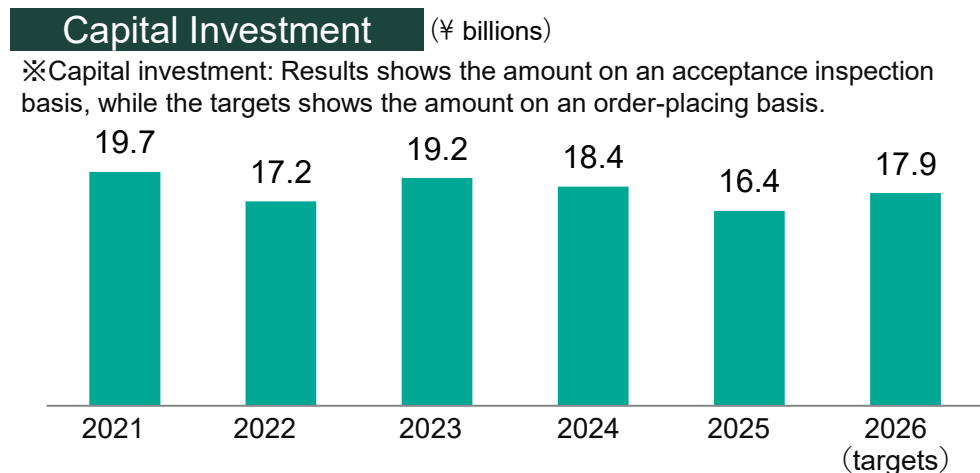
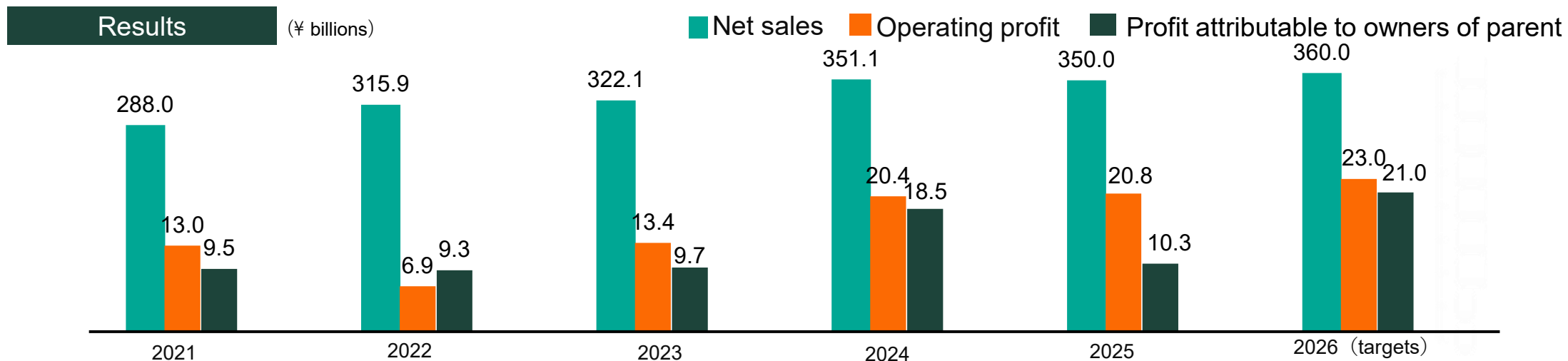
Performance by Location

FY12/2026	Q1 FY12/2026 (¥ billions)		Increase/decrease(%) Year on Year		Increase/decrease(%) Quarter on Quarter		FY12/2026 Total Results (¥ billions)		Increase/decrease(%) Year on Year	
	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit
Japan	47.2	2.5	6.4	114.1	-5.6	8.3	47.2	2.5	6.4	114.1
Asia	36.6	2.9	6.9	26.0	-1.0	-4.5	36.6	2.9	6.9	26.0
Europe	9.1	-0.5	36.6	-	-9.4	-	9.1	-0.5	36.6	-
The Americas	6.6	0.4	9.8	1.8	11.2	-27.5	6.6	0.4	9.8	1.8
Adjustment	-11.2	-0.2	-	-	-	-	-11.2	-0.2	-	-
Total consolidated	88.3	5.2	7.5	16.1	-3.5	-11.7	88.3	5.2	7.5	16.1





(Note) FY12/2025 (¥ billions)	Q1		Q2		Q3		Q4		Total	
	Net sales	Operating profit	Net sales	Operating income	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit
Japan	44.4	1.2	48.0	2.0	46.7	2.0	50.1	2.3	189.2	7.5
Asia	34.3	2.3	35.3	2.6	37.8	2.8	37.0	3.1	144.4	10.8
Europe	6.7	-0.1	8.0	0.3	8.6	0.0	10.0	0.3	33.3	0.5
The Americas	6.0	0.4	5.7	0.4	6.1	0.3	5.9	0.6	23.7	1.6
Adjustment	-9.1	0.6	-10.5	-0.3	-9.6	0.3	-11.4	-0.4	-40.6	0.3
Total consolidated	82.1	4.5	86.6	4.9	89.7	5.5	91.5	5.9	350.0	20.8

(Note) Inter-regional transactions and Company-wide expenses have not been deducted from the figures for each geographical area above.





Supplemental Financial Data






Colorants and Functional Materials Subsegments

Subsegments		Major Products	Major Applications	
CF Materials	High functional pigments	High performance pigments Pastes for color filter	Pastes for color filter Resist inks	
	Materials for displays	Resist inks	Display panels, Sensor for imaging	
Pigments		Pigments, Pigment dispersions	Printing inks, Paints for automobiles	
Plastic colorants		Master-batches Compounds	Containers, Automobiles Home electronics OA building materials	
Others		Inkjet inks	Billboards, Labels, Cartons	
		Functional dispersions	Lithium ion batteries	

Polymers and Coatings Subsegments

Subsegment	Major Products	Major Applications	
Functional films and tapes	Adhesive tapes, Functional films	Smartphones	
	Marking films	Signboards	
Adhesives	Pressure sensitive adhesives	Labels, Displays	
	Laminating adhesives	Packaging films, lithium ion batteries, solar cells	
	Hot-melt adhesives	bookbinding, Body-wrapping labels for PET bottle	
Paints and resins	Can coatings	Beverage cans, food cans	
	resins, hard coatings	Printing Inks, Architectural paints, Display	
Others	Medical	Transdermal patches	
	Natural extracts	feeds, foods	

Packaging Materials, Printing and Information Subsegments

	Subsegments	Major Products	Major Applications	
Packaging Materials	Liquid inks	Gravure inks	Flexible packaging (Food packaging, Refill pouches)	
		Flexographic inks	Buildings Diapers, Cartons, Paper bag	
	Gravure printing systems and prepress	Gravure printing systems, Gravure and flexographic plate making		
Printing & Information	Offset inks (General inks)	Offset inks, Newspaper inks	Books, Newspaper, Flyers, Paper containers	
	Functional inks	UV curable inks	Paper containers, Cards, Labels, Books	
		Metal decorating ink	Beverage cans, Food can	
	Screen inks	Screen inks	Electronics, Stickers	
	Printing materials and machinery	Offset printing materials, printing inspection equipment		

Caution:

The information disclosed by the Group may contain information on business forecasts or future projections. This information is based on information available at the time of disclosure and certain assumptions that the Group deems reasonable. It may differ from actual results due to various risk factors and other uncertain factors.

The information disclosed by the Group is intended to provide information for deepening stakeholders' understanding about the Group, and it is not intended to solicit investment. Please note that the Group accepts no liability whatsoever for any monetary or non-monetary damages arising in connection with the information disclosed by the Group.

All amounts are rounded to the nearest 100 million yen.