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August 8, 2025

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

Company name: Dai Nippon Toryo Co., Ltd.  
 Listing: Tokyo Stock Exchange  
 Securities code: 4611  
 URL: <https://www.dnt.co.jp/english/>  
 Representative: Takayuki Sato, Representative Director and President  
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 Scheduled date to commence dividend payments: —  
 Preparation of supplementary material on financial results: Yes  
 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	22,300	27.6	705	(35.4)	848	(38.6)	381	(67.2)
June 30, 2024	17,483	(1.9)	1,091	(9.2)	1,382	1.4	1,162	27.7

Note: Comprehensive income For the three months ended June 30, 2025: ¥(556) million [—%]  
 For the three months ended June 30, 2024: ¥1,114 million [(44.5)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2025	13.40	13.34
June 30, 2024	40.85	40.62

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2025	133,274	74,172	47.4	2,218.10
March 31, 2025	133,344	76,170	48.8	2,281.92

Reference: Equity  
 As of June 30, 2025: ¥63,214 million  
 As of March 31, 2025: ¥65,027 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	—	49.00	49.00
Fiscal year ending March 31, 2026	—				
Fiscal year ending March 31, 2026 (Forecast)		0.00	—	58.00	58.00

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

## 3. Consolidated earnings forecasts 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 (Cumulative)	45,300	25.4	2,150	(14.8)	2,350	(15.0)	1,400	(48.5)	49.18
Fiscal year ending March 31, 2026	92,000	26.9	5,000	6.0	5,300	1.9	3,400	(64.0)	119.31

Note: Revisions to the consolidated 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	29,710,678 shares
As of March 31, 2025	29,710,678 shares

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

As of June 30, 2025	1,211,377 shares
As of March 31, 2025	1,213,777 shares

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

Three months ended June 30, 2025	28,498,230 shares
Three months ended June 30, 2024	28,464,245 shares

- \* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit corporation: None

- \* Proper use of earnings forecasts, and other special matters

The earnings forecasts and other forward-looking statements in these materials are based on information currently available to the Company and on certain assumptions deemed reasonable, and the Company does not intend to guarantee their achievement. Furthermore, actual results, etc. may differ significantly due to various factors. Please refer to “1. Summary of Business Results, Etc., (3) Explanation of forward-looking information such as consolidated earnings forecasts” on page 4 of the attached materials for the suppositions that form the assumptions for earnings forecasts and cautions concerning the use thereof.

○ Table of Contents of Attached Materials

**Index**

1. Summary of Business Results, Etc. ....	2
(1) Summary of business results for current period .....	2
(2) Summary of financial position for current period .....	3
(3) Explanation of forward-looking information such as consolidated earnings forecasts .....	4
2. Quarterly Consolidated Financial Statements and Major Notes .....	5
(1) Quarterly consolidated balance sheet .....	5
(2) Quarterly consolidated statement of income and consolidated statement of comprehensive income .....	7
Quarterly consolidated statement of income (cumulative) .....	7
Quarterly consolidated statement of comprehensive income (cumulative) .....	8
(3) Notes on quarterly consolidated financial statements .....	9
(Significant changes in the scope of consolidation during the period) .....	9
(Notes on segment information, etc.) .....	9
(Note when there is a significant change in the amount of shareholders' equity) .....	11
(Notes on the premise of a going concern) .....	11
(Notes on quarterly consolidated statement of cash flows) .....	11
(Significant subsequent events) .....	11

## **1. Summary of Business Results, Etc.**

### **(1) Summary of business results for current period**

In the first three months of the fiscal year ending March 31, 2026, the Japanese economy was on a gradual recovery trend, supported by factors such as improved employment conditions. However, amid increasing uncertainty in the external environment, the outlook remains uncertain as trends in U.S. trade policy, along with the ongoing depreciation of the yen and persistently high energy and logistics costs leading to rising prices, are putting downward pressure on corporate earnings and personal consumption.

As for the Group's business results, net sales were ¥22,300 million (a 27.6% year-on-year increase), operating profit was ¥705 million (a 35.4% year-on-year decrease), ordinary profit was ¥848 million (a 38.6% year-on-year decrease), and profit attributable to owners of parent was ¥381 million (a 67.2% year-on-year decrease).

Net sales increased significantly year on year due to the new consolidation of SHINTO PAINT CO., LTD., despite the ongoing impact on sales from the temporary suspension of displaying the JIS mark on some products (hereinafter the "JIS Impact").

On the profit front, operating profit and ordinary profit decreased year on year due to a decline in profitability caused by sluggish sales growth and the significant impact of increased expenses, mainly due to higher personnel expenses for the purpose of strengthening our human resources. Profit attributable to owners of parent decreased year on year partly due to the absence of the gain on sale of shares of subsidiaries recorded in the same period of the previous fiscal year.

The business results by segment were as follows.

The consolidated profit or loss of the SHINTO PAINT CO., LTD. is divided into segment profits for the domestic coatings business and the overseas coatings business, based on the location of the company.

#### **[Domestic coatings business]**

Net sales were ¥17,287 million (a 39.4% year-on-year increase), and operating profit was ¥149 million (a 65.8% year-on-year decrease).

In the general-use field, sales remained sluggish due to the continued JIS Impact, resulting in a year-on-year decrease in net sales. In the industrial-use field, net sales decreased year on year due to weak market conditions in some areas, such as automotive parts applications. In ink and dispersion technology-related business, net sales increased year on year due to firm demand and the acquisition of new customers. Overall net sales for this segment increased significantly year on year due to the new consolidation of the SHINTO PAINT CO., LTD.

Operating profit decreased year on year. This was due to a decline in profitability caused by sluggish sales growth, despite continued efforts to improve the product mix and implement price adjustments. Additionally, increased expenses, including higher personnel expenses aimed at strengthening human resources, led to the decrease.

#### **[Overseas coatings business]**

Net sales were ¥2,034 million (a 3.5% year-on-year increase), and operating profit was ¥112 million (a 48.2% year-on-year increase).

In Southeast Asia, net sales increased year on year due to the new consolidation of the SHINTO PAINT CO., LTD., despite a decrease in demand due to the impact of production slowdown by Japanese automobile manufacturers. In Mexico, net sales increased year on year due to increased production by Japanese automobile manufacturers. In China, however, net sales decreased year on year due to a decline in demand for various industrial applications.

Operating profit increased year on year due to an increase in revenue in Mexico.

### **[Lighting business]**

Net sales were ¥2,274 million (a 3.9% year-on-year decrease), and operating profit was ¥344 million (a 26.4% year-on-year decrease).

In the LED lighting field, net sales increased year on year, supported by firm demand from commercial facilities and accommodation facilities, especially for redevelopment projects. On the other hand, a decrease in demand from specific customers in the UV lamp field, along with a decrease in demand due to market contraction in the fluorescent lamp field, led to a year-on-year decrease in overall net sales for this segment.

Operating profit decreased year on year, due to an increase in depreciation associated with the head office relocation implemented in the previous fiscal year and higher personnel expenses to strengthen human resources, despite efforts to further improve profitability through pricing strategies.

### **[Fluorescent color material business]**

Net sales were ¥279 million (a 4.3% year-on-year decrease), and operating profit was ¥12 million (an 8.5% year-on-year decrease).

In the pigments field, net sales increased year on year due to recovery in demand from overseas, such as the EU region. On the other hand, in the processed products field, net sales decreased year on year due to the absence of large-lot orders in the previous fiscal year.

Operating profit decreased year on year due to the decline in net sales, despite efforts to reduce expenses.

### **[Other businesses]**

Net sales were ¥425 million (a 6.4% year-on-year decrease), and operating profit was ¥18 million (an 11.7% year-on-year increase).

In the logistics business, net sales decreased year on year due to a decline in the volume of cargo handled. In the painting business, net sales decreased year on year as orders for work declined. Operating profit increased year on year, driven by a rise in orders for highly profitable painting work.

## **(2) Summary of financial position for current period**

Total assets at the end of the first quarter of the fiscal year ending March 31, 2026 were ¥133,274 million, a decrease of ¥69 million from the end of the previous fiscal year. Current assets totaled ¥52,702 million, a decrease of ¥363 million from the end of the previous fiscal year, mainly due to a decrease in cash and deposits. Non-current assets totaled ¥80,571 million, an increase of ¥294 million from the end of the previous fiscal year, mainly due to an increase in property, plant and equipment.

Liabilities totaled ¥59,102 million, an increase of ¥1,928 million from the end of the previous fiscal year. Current liabilities totaled ¥41,439 million, an increase of ¥1,797 million from the end of the previous fiscal year, mainly due to an increase in short-term borrowings. Non-current liabilities totaled ¥17,662 million, an increase of ¥130 million from the end of the previous fiscal year, mainly due to an increase in lease liabilities.

Net assets were ¥74,172 million, a decrease of ¥1,998 million from the end of the previous fiscal year. The main reasons for this were a decrease in retained earnings, a decrease in valuation difference on available-for-sale securities, a decrease in foreign currency translation adjustment, a decrease in remeasurements of defined benefit plans, and a decrease in non-controlling interests.

**(3) Explanation of forward-looking information such as consolidated earnings forecasts**

The consolidated earnings forecasts for the first six months of the fiscal year ending March 31, 2026, and the full year are unchanged from the forecasts provided in the “Consolidated Financial Results for the Fiscal Year Ended March 31, 2025” announced on May 15, 2025.

## 2. Quarterly Consolidated Financial Statements and Major Notes

### (1) Quarterly consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
<b>Assets</b>		
Current assets		
Cash and deposits	12,649	11,754
Notes and accounts receivable - trade, and contract assets	15,709	15,768
Electronically recorded monetary claims - operating	8,073	8,034
Merchandise and finished goods	8,423	8,598
Work in process	1,010	965
Raw materials and supplies	5,238	5,418
Other	1,984	2,186
Allowance for doubtful accounts	(22)	(23)
Total current assets	53,066	52,702
Non-current assets		
Property, plant and equipment		
Buildings and structures	37,877	37,736
Accumulated depreciation	(28,112)	(28,201)
Buildings and structures, net	9,764	9,534
Machinery, equipment and vehicles	38,801	38,722
Accumulated depreciation	(34,347)	(34,416)
Machinery, equipment and vehicles, net	4,454	4,305
Land	27,737	27,719
Leased assets	1,210	1,049
Accumulated depreciation	(1,118)	(1,000)
Leased assets, net	91	49
Construction in progress	2,006	3,076
Other	10,421	10,445
Accumulated depreciation	(8,436)	(8,560)
Other, net	1,985	1,885
Total property, plant and equipment	46,040	46,571
Intangible assets		
Leased assets	5	4
Other	1,404	1,337
Total intangible assets	1,410	1,342
Investments and other assets		
Investment securities	9,447	9,229
Deferred tax assets	1,477	1,369
Retirement benefit asset	21,215	21,367
Other	704	709
Allowance for doubtful accounts	(19)	(18)
Total investments and other assets	32,826	32,657
Total non-current assets	80,277	80,571
Total assets	133,344	133,274



(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	20,286	20,045
Short-term borrowings	10,536	13,486
Lease liabilities	295	119
Income taxes payable	856	276
Provision for bonuses	198	92
Provision for bonuses for directors (and other officers)	82	0
Provision for product warranties	252	251
Provision for loss related to quality	320	315
Provision for loss on discontinuation of development	80	80
Other	6,732	6,771
Total current liabilities	39,641	41,439
Non-current liabilities		
Long-term borrowings	1,040	1,040
Lease liabilities	351	471
Deferred tax liabilities	11,903	11,900
Deferred tax liabilities for land revaluation	1,215	1,215
Retirement benefit liability	2,242	2,255
Provision for retirement benefits for directors (and other officers)	11	11
Provision incurred from business combination	659	659
Other	107	108
Total non-current liabilities	17,532	17,662
Total liabilities	57,173	59,102
<b>Net assets</b>		
Shareholders' equity		
Share capital	8,827	8,827
Capital surplus	2,440	2,440
Retained earnings	44,642	43,627
Treasury shares	(1,394)	(1,391)
Total shareholders' equity	54,515	53,503
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,318	3,209
Revaluation reserve for land	1,669	1,669
Foreign currency translation adjustment	2,275	1,750
Remeasurements of defined benefit plans	3,248	3,081
Total accumulated other comprehensive income	10,512	9,711
Share acquisition rights	138	136
Non-controlling interests	11,003	10,821
Total net assets	76,170	74,172
Total liabilities and net assets	133,344	133,274

**(2) Quarterly consolidated statement of income and consolidated statement of comprehensive income**  
**Quarterly consolidated statement of income (cumulative)**

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net sales	17,483	22,300
Cost of sales	12,082	16,128
Gross profit	5,400	6,172
Selling, general and administrative expenses	4,309	5,467
Operating profit	1,091	705
Non-operating income		
Interest income	25	16
Dividend income	134	140
Foreign exchange gains	121	–
Other	64	148
Total non-operating income	346	305
Non-operating expenses		
Interest expenses	25	54
Foreign exchange losses	–	51
Other	30	56
Total non-operating expenses	55	162
Ordinary profit	1,382	848
Extraordinary income		
Gain on sale of investment securities	16	44
Gain on sale of shares of subsidiaries	271	–
Other	1	–
Total extraordinary income	289	44
Extraordinary losses		
Loss on disposal of non-current assets	10	18
Total extraordinary losses	10	18
Profit before income taxes	1,661	873
Income taxes - current	173	203
Income taxes - deferred	276	225
Total income taxes	449	429
Profit	1,211	444
Profit attributable to non-controlling interests	48	62
Profit attributable to owners of parent	1,162	381

# Quarterly consolidated statement of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Profit	1,211	444
Other comprehensive income		
Valuation difference on available-for-sale securities	(300)	(107)
Foreign currency translation adjustment	424	(725)
Remeasurements of defined benefit plans, net of tax	(219)	(167)
Share of other comprehensive income of entities accounted for using equity method	(0)	–
Total other comprehensive income	(96)	(1,000)
Comprehensive income	1,114	(556)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,017	(419)
Comprehensive income attributable to non-controlling interests	97	(137)

**(3) Notes on quarterly consolidated financial statements****(Significant changes in the scope of consolidation during the period)**

Not applicable.

**(Notes on segment information, etc.)**

[Segment information]

I First three months of the fiscal year ended March 31, 2025 (April 1, 2024 to June 30, 2024)

1. Information on net sales and the amount of profit or loss by reportable segment

(Millions of yen)

	Reportable segments				
	Domestic coatings	Overseas coatings	Lighting	Fluorescent color materials	Total
Net sales					
Net sales to external customers	12,404	1,965	2,366	292	17,029
Intersegment internal net sales or transfers	375	3	0	22	401
Total	12,780	1,969	2,366	314	17,430
Segment profit	436	75	467	13	994

	Other <sup>1</sup>	Total	Amount of adjustment <sup>2</sup>	Quarterly consolidated statement of income <sup>3</sup>
Net sales				
Net sales to external customers	454	17,483	—	17,483
Intersegment internal net sales or transfers	581	983	(983)	—
Total	1,035	18,466	(983)	17,483
Segment profit	16	1,010	80	1,091

- (Notes) 1. “Other” refers to business segments not included in the reportable segments, such as the painting business and logistics business.
2. The adjustment of segment profit of ¥80 million refers to the elimination of intersegment transactions.
3. Segment profit is adjusted to be consistent with operating profit shown on the quarterly consolidated statement of income.

2. Information on impairment losses or goodwill, etc. of non-current assets for each reportable segment

During the first three months of the fiscal year ended March 31, 2025, there was no recognition of significant impairment losses on non-current assets, no significant fluctuations in the amount of goodwill, and no recognition of significant gain on bargain purchase.

## II First three months of the fiscal year ending March 31, 2026 (April 1, 2025 to June 30, 2025)

### 1. Information on net sales and the amount of profit or loss by reportable segment

(Millions of yen)

	Reportable segments				
	Domestic coatings	Overseas coatings	Lighting	Fluorescent color materials	Total
Net sales					
Net sales to external customers	17,287	2,034	2,274	279	21,875
Intersegment internal net sales or transfers	240	3	7	31	282
Total	17,527	2,037	2,281	311	22,157
Segment profit	149	112	344	12	618

	Other <sup>1</sup>	Total	Amount of adjustment <sup>2</sup>	Quarterly consolidated statement of income <sup>3</sup>
Net sales				
Net sales to external customers	425	22,300	–	22,300
Intersegment internal net sales or transfers	589	871	(871)	–
Total	1,014	23,172	(871)	22,300
Segment profit	18	637	67	705

- (Notes) 1. “Other” refers to business segments not included in the reportable segments, such as the painting business and logistics business.
2. The adjustment of segment profit of ¥67 million refers to the elimination of intersegment transactions.
3. Segment profit is adjusted to be consistent with operating profit shown on the quarterly consolidated statement of income.

### 2. Information on impairment losses or goodwill, etc. of non-current assets for each reportable segment

During the first three months of the fiscal year ending March 31, 2026, there was no recognition of significant impairment losses on non-current assets, no significant fluctuations in the amount of goodwill, and no recognition of significant gain on bargain purchase.

**(Note when there is a significant change in the amount of shareholders' equity)**

Not applicable.

**(Notes on the premise of a going concern)**

Not applicable.

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

Quarterly consolidated statement of cash flows has not been prepared for the three months ended June 30, 2025. Depreciation (including amortization related to intangible assets) for the first three months of the fiscal year is as follows.

	(Millions of yen)	
	Three months ended June 30, 2024	Three months ended June 30, 2025
Depreciation	598	698

**(Significant subsequent events)**

Disposal of treasury shares as restricted stock compensation

At the Board of Directors meeting held on June 24, 2025, the Company resolved to dispose of its own treasury shares as restricted stock compensation, and the payment procedures were completed as follows on July 18, 2025.

1. Overview of disposal

(1) Payment due date	July 18, 2025
(2) Type and number of shares disposed of	50,690 shares of the Company's common stock
(3) Disposal value	¥1,150 per share
(4) Total amount of disposal	¥58,293,500
(5) Disposal destination	Directors of the Company 6 persons 33,922 shares (Excludes Outside Directors) Executive Officers of the Company 5 persons 16,768 shares (Excludes those who concurrently serve as Directors)

2. Purpose and reason for disposal

The purpose and reason for disposal of treasury shares as restricted stock compensation are to introduce the compensation plan for granting restricted stock to the Company's Directors (excluding Outside Directors) and Executive Officers (excluding those who concurrently serve as Directors) in order to provide an incentive to the Company's Directors (excluding Outside Directors) and Executive Officers (excluding those who concurrently serve as Directors) to sustainably improve its medium- to long-term business performance and corporate value as well as to further share the benefits and risks of stock price fluctuations with shareholders and increase their motivation to contribute to increases in the stock price more than ever.