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November 7, 2025

Consolidated Financial Results for the Six Months Ended September 30, 2025 (Under Japanese GAAP)

Company name: Dai Nippon Toryo Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 4611
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 Scheduled date to file semi-annual securities report: November 10, 2025
 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the six months ended September 30, 2025 (from April 1, 2025 to September 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 | |
|--------------------|-----------------|-------|------------------|--------|-----------------|--------|---|--------|
| Six months ended | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| September 30, 2025 | 45,965 | 27.2 | 1,817 | (28.0) | 2,124 | (23.2) | 1,405 | (48.3) |
| September 30, 2024 | 36,135 | (0.6) | 2,524 | (7.0) | 2,764 | (6.6) | 2,716 | 38.8 |

Note: Comprehensive income For the six months ended September 30, 2025: ¥390 million [(84.3)%]
 For the six months ended September 30, 2024: ¥2,483 million [(31.2)%]

| | Basic earnings per share | Diluted earnings per share |
|--------------------|--------------------------|----------------------------|
| Six months ended | Yen | Yen |
| September 30, 2025 | 49.32 | 49.09 |
| September 30, 2024 | 95.42 | 94.89 |

(2) Consolidated financial position

| | Total assets | Net assets | Equity-to-asset ratio |
|--------------------|-----------------|-----------------|-----------------------|
| As of | Millions of yen | Millions of yen | % |
| September 30, 2025 | 134,195 | 75,049 | 47.8 |
| March 31, 2025 | 133,344 | 76,170 | 48.8 |

Reference: Equity
 As of September 30, 2025: ¥64,086 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 | — | 0.00 | | | |
| Fiscal year ending March 31, 2026 (Forecast) | | | — | 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 |
| Fiscal year ending March 31, 2026 | 92,000 | 26.9 | 4,100 | (13.1) | 4,300 | (17.3) | 2,900 | (69.3) | 101.75 |

Note: Revisions to the consolidated earnings forecasts most recently announced: Yes

*** Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Adoption of accounting treatment specific to the preparation of semi-annual 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 September 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 September 30, 2025 | 1,155,324 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)

| | |
|-------------------------------------|-------------------|
| Six months ended September 30, 2025 | 28,500,285 shares |
| Six months ended September 30, 2024 | 28,469,316 shares |

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit corporation.

* 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.

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1. Summary of Business Results, Etc.

(1) Summary of business results for current period

In the first six 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 ¥45,965 million (a 27.2% year-on-year increase), operating profit was ¥1,817 million (a 28.0% year-on-year decrease), ordinary profit was ¥2,124 million (a 23.2% year-on-year decrease), and profit attributable to owners of parent was ¥1,405 million (a 48.3% year-on-year decrease).

While sales remained sluggish due to the impact of the temporary suspension of displaying the JIS mark on some products (hereinafter the "JIS impact"), net sales increased significantly year on year due to the new consolidation of the profit or loss of SHINTO PAINT CO., LTD., which became a consolidated subsidiary in the previous fiscal year, from the current period.

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.

[Domestic coatings business]

Net sales were ¥35,466 million (a 38.5% year-on-year increase), and operating profit was ¥542 million (a 51.9% 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 contribution of SHINTO PAINT CO., LTD. to the consolidated results.

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 securing and developing human resources, led to the decrease.

[Overseas coatings business]

Net sales were ¥4,155 million (a 0.8% year-on-year increase), and operating profit was ¥239 million (a 55.8% year-on-year increase).

In Southeast Asia, net sales increased year on year due to the contribution of SHINTO PAINT CO., LTD. to the consolidated results, despite a decrease in demand due to the impact of production slowdown by Japanese automobile manufacturers. In Mexico, despite an increase in production by Japanese automobile manufacturers, sales decreased year on year due to curbs on sales of low-margin products. In China, net sales decreased year on year due to a decline in demand for various industrial applications.

Operating profit increased year on year due to improved profitability in Mexico.

[Lighting business]

Net sales were ¥4,877 million (a 1.1% year-on-year decrease), and operating profit was ¥844 million (a 18.1% 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 secure and develop human resources, despite progress in further improving product profitability through pricing strategies.

[Fluorescent color material business]

Net sales were ¥539 million (a 3.7% year-on-year decrease), and operating profit was ¥18 million (a 44.1% 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, as well as new adoption for stationery applications. 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 and soaring raw material costs, despite efforts to reduce expenses.

[Other businesses]

Net sales were ¥926 million (a 1.0% year-on-year increase), and operating profit was ¥28 million (a 71.0% 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 increased year on year as orders for work recovered. 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 current period were ¥134,195 million, an increase of ¥851 million from the end of the previous fiscal year. Current assets totaled ¥52,974 million, a decrease of ¥92 million from the end of the previous fiscal year, mainly due to a decrease in cash and deposits and a decrease in notes and accounts receivable - trade, and contract assets. Non-current assets totaled ¥81,221 million, an increase of ¥943 million from the end of the previous fiscal year, mainly due to an increase in property, plant and equipment.

Liabilities totaled ¥59,145 million, an increase of ¥1,971 million from the end of the previous fiscal year. Current liabilities totaled ¥39,100 million, a decrease of ¥541 million from the end of the previous fiscal year, mainly due to a decrease in notes and accounts payable - trade, a decrease in short-term borrowing. Non-current liabilities were ¥20,045 million, an increase of ¥2,513 million from the end of the previous fiscal year, mainly due to an increase in long-term borrowings, an increase in deferred tax liabilities.

Net assets were ¥75,049 million, a decrease of ¥1,120 million from the end of the previous fiscal year. The main reasons for this were 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

Taking into account the recent business environment, the consolidated earnings forecasts for the fiscal year ending March 31, 2026 have been revised as follows from the forecasts provided in the “Consolidated Financial Results for the Fiscal Year Ended March 31, 2025” announced on May 15, 2025.

| | 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 |
| Previously announced forecasts (A) | 92,000 | 5,000 | 5,300 | 3,400 | 119.31 |
| Revised forecast (B) | 92,000 | 4,100 | 4,300 | 2,900 | 101.75 |
| Change (B-A) | — | (900) | (1,000) | (500) | |
| Change (%) | — | (18.0) | (18.9) | (14.7) | |
| (Reference) Previous fiscal year results (fiscal year ended March 31, 2025) | 72,511 | 4,716 | 5,199 | 9,437 | 331.40 |

In the current period, while sales continued to be sluggish due to the JIS impact, the strong performance of sales from consolidated subsidiaries resulted in achieving the initially expected level. However, operating profit and ordinary profit fell short of initial expectations, primarily due to decreased profitability stemming from stagnant sales in the domestic coatings business.

In addition to the situation in the current period, considering that the timing for the lifting of the temporary suspension of the JIS mark display is currently undetermined, the full-year consolidated earnings are expected to fall short of the previous forecasts in terms of profit.

2. Semi-annual Consolidated Financial Statements and Major Notes

(1) Semi-annual consolidated balance sheet

(Millions of yen)

| | As of March 31, 2025 | As of September 30, 2025 |
|--|----------------------|--------------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 12,649 | 12,535 |
| Notes and accounts receivable - trade, and contract assets | 15,709 | 15,472 |
| Electronically recorded monetary claims - operating | 8,073 | 8,047 |
| Merchandise and finished goods | 8,423 | 8,720 |
| Work in process | 1,010 | 947 |
| Raw materials and supplies | 5,238 | 5,279 |
| Other | 1,984 | 2,005 |
| Allowance for doubtful accounts | (22) | (35) |
| Total current assets | 53,066 | 52,974 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures | 37,877 | 38,033 |
| Accumulated depreciation | (28,112) | (28,377) |
| Buildings and structures, net | 9,764 | 9,656 |
| Machinery, equipment and vehicles | 38,801 | 39,185 |
| Accumulated depreciation | (34,347) | (34,669) |
| Machinery, equipment and vehicles, net | 4,454 | 4,516 |
| Land | 27,737 | 27,650 |
| Leased assets | 1,210 | 935 |
| Accumulated depreciation | (1,118) | (896) |
| Leased assets, net | 91 | 39 |
| Construction in progress | 2,006 | 3,236 |
| Other | 10,421 | 10,537 |
| Accumulated depreciation | (8,436) | (8,523) |
| Other, net | 1,985 | 2,013 |
| Total property, plant and equipment | 46,040 | 47,112 |
| Intangible assets | | |
| Leased assets | 5 | 2 |
| Other | 1,404 | 1,271 |
| Total intangible assets | 1,410 | 1,274 |
| Investments and other assets | | |
| Investment securities | 9,447 | 9,194 |
| Deferred tax assets | 1,477 | 1,410 |
| Retirement benefit asset | 21,215 | 21,511 |
| Other | 704 | 736 |
| Allowance for doubtful accounts | (19) | (18) |
| Total investments and other assets | 32,826 | 32,834 |
| Total non-current assets | 80,277 | 81,221 |
| Total assets | 133,344 | 134,195 |

(Millions of yen)

| | As of March 31, 2025 | As of September 30, 2025 |
|--|----------------------|--------------------------|
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable - trade | 20,286 | 20,177 |
| Short-term borrowings | 10,536 | 10,186 |
| Lease liabilities | 295 | 132 |
| Income taxes payable | 856 | 762 |
| Provision for bonuses | 198 | 196 |
| Provision for bonuses for directors (and other officers) | 82 | 1 |
| Amends for product warranties | 252 | 185 |
| Provision for quality related loss | 320 | 368 |
| Provision for loss on discontinuation of development | 80 | 80 |
| Other | 6,732 | 7,009 |
| Total current liabilities | 39,641 | 39,100 |
| Non-current liabilities | | |
| Long-term borrowings | 1,040 | 3,240 |
| Lease liabilities | 351 | 500 |
| Deferred tax liabilities | 11,903 | 12,059 |
| Deferred tax liabilities for land revaluation | 1,215 | 1,215 |
| Retirement benefit liability | 2,242 | 2,231 |
| Provision for retirement benefits for directors (and other officers) | 11 | 12 |
| Provision incurred from business combination | 659 | 659 |
| Other | 107 | 126 |
| Total non-current liabilities | 17,532 | 20,045 |
| Total liabilities | 57,173 | 59,145 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 8,827 | 8,827 |
| Capital surplus | 2,440 | 2,440 |
| Retained earnings | 44,642 | 44,650 |
| Treasury shares | (1,394) | (1,327) |
| Total shareholders' equity | 54,515 | 54,590 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 3,318 | 3,266 |
| Revaluation reserve for land | 1,669 | 1,669 |
| Foreign currency translation adjustment | 2,275 | 1,647 |
| Remeasurements of defined benefit plans | 3,248 | 2,913 |
| Total accumulated other comprehensive income | 10,512 | 9,496 |
| Share acquisition rights | 138 | 131 |
| Non-controlling interests | 11,003 | 10,831 |
| Total net assets | 76,170 | 75,049 |
| Total liabilities and net assets | 133,344 | 134,195 |

(2) Semi-annual consolidated statement of income and consolidated statement of comprehensive income

Semi-annual consolidated statement of income

(Millions of yen)

| | Six months ended September 30, 2024 | Six months ended September 30, 2025 |
|---|--|--|
| Net sales | 36,135 | 45,965 |
| Cost of sales | 24,985 | 33,338 |
| Gross profit | 11,149 | 12,626 |
| Selling, general and administrative expenses | 8,625 | 10,808 |
| Operating profit | 2,524 | 1,817 |
| Non-operating income | | |
| Interest income | 59 | 38 |
| Dividend income | 171 | 165 |
| Share of profit of entities accounted for using equity method | — | 136 |
| Other | 185 | 244 |
| Total non-operating income | 416 | 584 |
| Non-operating expenses | | |
| Interest expenses | 41 | 108 |
| Foreign exchange losses | — | 86 |
| Product amends drawing | 73 | — |
| Other | 60 | 83 |
| Total non-operating expenses | 175 | 278 |
| Ordinary profit | 2,764 | 2,124 |
| Extraordinary income | | |
| Gain on sale of non-current assets | 2 | 155 |
| Gain on sale of investment securities | 975 | 602 |
| Gain on sale of shares of subsidiaries | 274 | — |
| Total extraordinary income | 1,252 | 757 |
| Extraordinary losses | | |
| Loss on disposal of non-current assets | 77 | 37 |
| Impairment losses | 29 | — |
| Loss related to quality | — | 152 |
| Total extraordinary losses | 107 | 190 |
| Profit before income taxes | 3,910 | 2,691 |
| Income taxes - current | 751 | 700 |
| Income taxes - deferred | 325 | 389 |
| Total income taxes | 1,076 | 1,089 |
| Profit | 2,833 | 1,601 |
| Profit attributable to non-controlling interests | 117 | 196 |
| Profit attributable to owners of parent | 2,716 | 1,405 |

Semi-annual consolidated statement of comprehensive income

(Millions of yen)

| | Six months ended September 30, 2024 | Six months ended September 30, 2025 |
|--|--|--|
| Profit | 2,833 | 1,601 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | (1,184) | (44) |
| Foreign currency translation adjustment | 1,273 | (801) |
| Remeasurements of defined benefit plans, net of tax | (438) | (334) |
| Share of other comprehensive income of entities accounted for using equity method | - | (30) |
| Total other comprehensive income | (350) | (1,211) |
| Comprehensive income | 2,483 | 390 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 2,210 | 389 |
| Comprehensive income attributable to non-controlling interests | 273 | 0 |

(3) Semi-annual consolidated statement of cash flows

(Millions of yen)

| | Six months ended September 30, 2024 | Six months ended September 30, 2025 |
|---|--|--|
| Cash flows from operating activities | | |
| Profit before income taxes | 3,910 | 2,691 |
| Depreciation | 1,195 | 1,468 |
| Increase (decrease) in provision for bonuses | — | (1) |
| Increase (decrease) in provision for bonuses for directors (and other officers) | (58) | (81) |
| Increase/decrease in net defined benefit asset/liability | (1,109) | (798) |
| Increase (decrease) in amends for product | 42 | (66) |
| Increase (decrease) in provision for quality related loss | — | 47 |
| Increase (decrease) in provision for retirement benefits for directors (and other officers) | — | 1 |
| Increase (decrease) in allowance for doubtful accounts | (4) | 11 |
| Interest and dividend income | (230) | (203) |
| Interest expenses | 41 | 108 |
| Share of loss (profit) of entities accounted for using equity method | 1 | (136) |
| Loss (gain) on sale of non-current assets | (2) | (155) |
| Loss (gain) on disposal of non-current assets | 77 | 37 |
| Impairment losses | 29 | — |
| Loss related to quality | — | 152 |
| Loss (gain) on sale of investment securities | (975) | (602) |
| Loss (gain) on sale of shares of subsidiaries | (274) | — |
| Decrease (increase) in trade receivables | 1,468 | 189 |
| Decrease (increase) in inventories | (80) | (375) |
| Increase (decrease) in trade payables | (961) | (54) |
| Other, net | 114 | (39) |
| Subtotal | 3,184 | 2,194 |
| Interest and dividends received | 230 | 367 |
| Interest paid | (41) | (107) |
| Payments of loss related to quality | (54) | (158) |
| Settlement paid | — | (70) |
| Income taxes refund | 26 | 64 |
| Income taxes paid | (915) | (897) |
| Net cash provided by (used in) operating activities | 2,430 | 1,393 |
| Cash flows from investing activities | | |
| Payments into time deposits | (231) | (471) |
| Proceeds from withdrawal of time deposits | 117 | 295 |
| Purchase of property, plant and equipment | (1,419) | (2,199) |
| Proceeds from sale of property, plant and equipment | 5 | 221 |
| Payments for retirement of property, plant and equipment | (49) | (41) |
| Purchase of intangible assets | (80) | (47) |
| Purchase of investment securities | (4) | (2) |
| Proceeds from sale of investment securities | 1,267 | 745 |
| Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation | 529 | — |
| Other, net | 20 | (16) |
| Net cash provided by (used in) investing activities | 155 | (1,517) |
| Cash flows from financing activities | | |
| Net increase (decrease) in short-term borrowings | (700) | (350) |
| Proceeds from long-term borrowings | 1,000 | 2,200 |
| Repayments of long-term borrowings | (300) | — |
| Repayments of lease liabilities | (187) | (116) |
| Dividends paid | (996) | (1,396) |

| | | |
|---|---------|--------|
| Dividends paid to non-controlling interests | (116) | (166) |
| Purchase of treasury shares | (0) | (0) |
| Net cash provided by (used in) financing activities | (1,300) | 170 |
| Effect of exchange rate change on cash and cash equivalents | 216 | (297) |
| Net increase (decrease) in cash and cash equivalents | 1,502 | (251) |
| Cash and cash equivalents at beginning of period | 7,867 | 11,469 |
| Cash and cash equivalents at end of period | 9,370 | 11,218 |

(4) Notes on semi-annual consolidated financial statements**(Notes on segment information, etc.)**

[Segment information]

I First six months of the fiscal year ended March 31, 2025 (April 1, 2024 to September 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 | 25,602 | 4,121 | 4,933 | 560 | 35,217 |
| Intersegment internal net sales or transfers | 631 | 6 | 24 | 46 | 708 |
| Total | 26,233 | 4,128 | 4,957 | 606 | 35,926 |
| Segment profit | 1,128 | 154 | 1,030 | 32 | 2,346 |

| | Other ¹ | Total | Amount of adjustment ² | Semi-annual consolidated statement of income ³ |
|--|--------------------|--------|-----------------------------------|---|
| Net sales | | | | |
| Net sales to external customers | 917 | 36,135 | — | 36,135 |
| Intersegment internal net sales or transfers | 1,186 | 1,895 | (1,895) | — |
| Total | 2,103 | 38,030 | (1,895) | 36,135 |
| Segment profit | 16 | 2,362 | 161 | 2,524 |

(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 ¥161 million refers to the elimination of intersegment transactions.

3. Segment profit is adjusted to be consistent with operating profit shown on the semi-annual consolidated statement of income.

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

The amount of impairment losses on non-current assets for each segment during the period under review was ¥29 million for “Domestic coatings.”

In addition, there is no significant fluctuation in the amount of goodwill or recognition of significant gain on bargain purchase.

II First six months of the fiscal year ending March 31, 2026 (April 1, 2025 to September 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 | 35,466 | 4,155 | 4,877 | 539 | 45,038 |
| Intersegment internal net sales or transfers | 463 | 3 | 35 | 60 | 562 |
| Total | 35,930 | 4,159 | 4,912 | 599 | 45,601 |
| Segment profit | 542 | 239 | 844 | 18 | 1,645 |

| | Other ¹ | Total | Amount of adjustment ² | Semi-annual consolidated statement of income ³ |
|--|--------------------|--------|-----------------------------------|---|
| Net sales | | | | |
| Net sales to external customers | 926 | 45,965 | — | 45,965 |
| Intersegment internal net sales or transfers | 1,187 | 1,750 | (1,750) | — |
| Total | 2,113 | 47,715 | (1,750) | 45,965 |
| Segment profit | 28 | 1,673 | 144 | 1,817 |

- (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 ¥144 million refers to the elimination of intersegment transactions.
3. Segment profit is adjusted to be consistent with operating profit shown on the semi-annual consolidated statement of income.
4. From beginning of this fiscal year, the domestic coatings segment and the overseas coatings segment include SHINTO PAINT CO., LTD. sales and profit, because Dai Nippon Toryo Co., Ltd. acquired stock at 18th march 2025.

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

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

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

The Company has disposed of 50,690 of its own treasury shares as restricted stock compensation, based on the resolution passed at the Board of Directors meeting held on June 24, 2025. Additionally, the Company has disposed of 7,800 of its own treasury shares in conjunction with the exercise of stock options. As a result, during the first six months of the fiscal year ending March 31, 2026, treasury shares decreased by ¥67 million to ¥1,327 million as of September 30, 2025.

(Notes on the premise of a going concern)

Not applicable.

(Significant changes in the scope of consolidation during the period)

Not applicable.

(Significant subsequent events)

Not applicable.