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August 9, 2023

## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2023 [JGAAP]

Company Name: DAINICHISEIKA COLOR & CHEMICALS MFG. CO., LTD.

Stock Code: 4116

(URL: <https://www.daicolor.co.jp>)

Stock Exchange Listing: Tokyo

Representative: Koji Takahashi, Representative Director and President

Contact: Tatsuhiko Komada, Senior Managing Executive Officer, Chief Financial Officer

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Scheduled date to submit the Quarterly Securities Report: August 9, 2023

Scheduled date to commence dividend payments: –

Availability of supplementary briefing material on quarterly results: Yes

Holding of Quarterly Results Briefing Session: None

(Figures are rounded down to the nearest million yen)

### 1. Consolidated Financial Results for the Three Months Ended June 30, 2023 (From April 1, 2023 to June 30, 2023)

#### (1) Consolidated Results of Operations (cumulative) (% indicates changes from the previous corresponding term)

	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, 2023	30,339	(4.6)	937	(19.2)	1,261	(21.4)	1,583	30.1
Three months ended June 30, 2022	31,790	4.9	1,160	(53.7)	1,604	(42.4)	1,217	(37.1)

(Note) Comprehensive income: Three months ended June 30, 2023: ¥2,531 million [(19.9)%]  
Three months ended June 30, 2022: ¥3,158 million [(3.6)%]

	Profit per share	Fully diluted profit per share
	Yen	Yen
Three months ended June 30, 2023	85.66	–
Three months ended June 30, 2022	65.87	–

#### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2023	194,631	116,054	58.5
As of March 31, 2023	192,765	114,301	58.1

(Reference) Equity: As of June 30, 2023: ¥113,803 million  
As of March 31, 2023: ¥112,058 million

## 2. Dividends

	Annual cash dividends per share				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2023	–	40.00	–	40.00	80.00
Year ending March 31, 2024	–				
Year ending March 31, 2024 (Forecast)		40.00	–	40.00	80.00

(Note) Revisions of dividend forecast from recently announced figures: Not applicable

## 3. Earnings Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2024 (From April 1, 2023 to March 31, 2024)

(% indicates changes from the previous corresponding term)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	63,500	2.3	2,400	33.9	2,700	9.9	2,500	54.2	135.20
Full year	128,000	4.9	5,200	97.3	5,600	66.0	4,300	114.2	232.54

(Note) Revisions of forecast of financial results from recently announced figures: Not applicable

### \* Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2023 (changes in specific subsidiaries involving changes in the scope of consolidation): Not applicable
- (2) Adoption of specific accounting treatments to the preparation of quarterly consolidated financial statements: Not applicable
- (3) Changes in accounting policies, changes in accounting estimates and restatements
  - 1) Changes in accounting policies due to the revision of accounting standards: Not applicable
  - 2) Changes in accounting policies other than 1): Not applicable
  - 3) Changes in accounting estimates: Not applicable
  - 4) Restatements: Not applicable
- (4) Total number of issued shares (common stock)

1) Total number of issued shares at the end of the period (including treasury shares):	As of June 30, 2023	18,613,110 shares	As of March 31, 2023	18,613,110 shares
2) Total number of treasury shares at the end of the period:	As of June 30, 2023	122,119 shares	As of March 31, 2023	122,030 shares
3) Average number of shares during the period (cumulative):	Three months ended June 30, 2023	18,490,991 shares	Three months ended June 30, 2022	18,479,537 shares

\* These quarterly consolidated financial results are outside the scope of quarterly review by certified public accountants and audit corporations.

\* Explanation for the appropriate use of performance forecasts and other special notes:

- The statements regarding forecast of financial results in this report are based on the information that is available to the Company, as well as certain assumptions that are deemed to be reasonable by management, and they are not meant to be a commitment by the Company. Therefore, there might be cases in which actual results differ materially from forecast values due to various factors.

Quarterly Consolidated Financial Statements  
(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	24,756	24,641
Notes and accounts receivable - trade	49,352	51,751
Inventories	33,994	33,646
Other	2,219	2,027
Allowance for doubtful accounts	(79)	(83)
Total current assets	110,243	111,984
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	21,451	21,290
Land	13,871	13,885
Other, net	14,451	14,586
Total property, plant and equipment	49,774	49,762
Intangible assets		
Other	1,394	1,316
Total intangible assets	1,394	1,316
Investments and other assets		
Investment securities	18,018	18,168
Retirement benefit asset	10,492	10,602
Other	2,857	2,813
Allowance for doubtful accounts	(15)	(15)
Total investments and other assets	31,353	31,568
Total non-current assets	82,522	82,647
Total assets	192,765	194,631
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	28,771	29,275
Short-term borrowings	12,431	11,435
Current portion of long-term borrowings	5,502	5,270
Income taxes payable	548	902
Provision for bonuses	1,661	2,558
Provision for environmental measures	13	2,868
Other	4,611	4,966
Total current liabilities	53,539	57,278
Non-current liabilities		
Long-term borrowings	12,507	11,865
Provision for environmental measures	2,967	104
Retirement benefit liability	7,619	7,693
Other	1,829	1,635
Total non-current liabilities	24,924	21,298
Total liabilities	78,464	78,576

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Net assets		
Shareholders' equity		
Share capital	10,039	10,039
Capital surplus	9,768	9,768
Retained earnings	81,791	82,635
Treasury shares	(287)	(288)
Total shareholders' equity	101,312	102,156
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,113	6,330
Foreign currency translation adjustment	3,201	3,943
Remeasurements of defined benefit plans	1,431	1,373
Total accumulated other comprehensive income	10,745	11,646
Non-controlling interests	2,243	2,251
Total net assets	114,301	116,054
Total liabilities and net assets	192,765	194,631

(2) Quarterly Consolidated Statements of Income and Comprehensive Income  
(Quarterly Consolidated Statements of Income)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Net sales	31,790	30,339
Cost of sales	25,949	24,928
Gross profit	5,841	5,410
Selling, general and administrative expenses	4,680	4,473
Operating profit	1,160	937
Non-operating income		
Interest income	20	46
Dividend income	177	175
Share of profit of entities accounted for using equity method	6	–
Foreign exchange gains	190	138
Other	156	119
Total non-operating income	550	479
Non-operating expenses		
Interest expenses	72	70
Share of loss of entities accounted for using equity method	–	59
Rental expenses on non-current assets	15	14
Other	19	11
Total non-operating expenses	107	156
Ordinary profit	1,604	1,261
Extraordinary income		
Gain on sale of non-current assets	3	1
Gain on sale of investment securities	0	1,038
Total extraordinary income	3	1,040
Extraordinary losses		
Loss on retirement of non-current assets	37	15
Loss on valuation of investment securities	13	–
Other	1	0
Total extraordinary losses	52	16
Profit before income taxes	1,555	2,284
Income taxes - current	562	963
Income taxes - deferred	(219)	(273)
Total income taxes	342	690
Profit	1,212	1,594
Profit (loss) attributable to non-controlling interests	(4)	10
Profit attributable to owners of parent	1,217	1,583

## (Quarterly Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Profit	1,212	1,594
Other comprehensive income		
Valuation difference on available-for-sale securities	(101)	217
Foreign currency translation adjustment	1,946	799
Remeasurements of defined benefit plans, net of tax	10	(58)
Share of other comprehensive income of entities accounted for using equity method	91	(22)
Total other comprehensive income	1,946	936
Comprehensive income	3,158	2,531
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,037	2,485
Comprehensive income attributable to non-controlling interests	121	46