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November 9, 2023

## Summary of Consolidated Financial Results for the Six Months Ended September 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

Phone: +81-3-3662-1638

Scheduled date to submit the Quarterly Securities Report: November 10, 2023

Scheduled date to commence dividend payments: December 8, 2023

Availability of supplementary briefing material on quarterly results: Yes

Holding of Quarterly Results Briefing Session: Yes

(Figures are rounded down to the nearest million yen)

### 1. Consolidated Financial Results for the Six Months Ended September 30, 2023 (From April 1, 2023 to September 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	%
Six months ended September 30, 2023	59,512	(4.1)	1,708	(4.7)	2,144	(12.7)	2,544	57.0
Six months ended September 30, 2022	62,087	3.0	1,791	(61.1)	2,457	(51.0)	1,620	(52.5)

(Note) Comprehensive income: Six months ended September 30, 2023: ¥5,454 million [(14.7)%]  
Six months ended September 30, 2022: ¥6,394 million [26.3%]

	Profit per share		Fully diluted profit per share	
	Yen		Yen	
Six months ended September 30, 2023	140.98		—	
Six months ended September 30, 2022	87.68		—	

### (2) Consolidated Financial Position

	Total assets		Net assets		Equity ratio	
	Millions of yen		Millions of yen		%	
As of September 30, 2023	195,107		116,068		58.3	
As of March 31, 2023	192,765		114,301		58.1	

(Reference) Equity: As of September 30, 2023: ¥113,712 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	–	40.00			
Year ending March 31, 2024 (Forecast)			–	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
Full year	120,400	(1.3)	4,400	66.9	4,500	33.4	4,100	104.3	238.97

(Note) Revisions of forecast of financial results from recently announced figures: Applicable

**\* Notes**

- (1) Changes in significant subsidiaries during the six months ended September 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 September 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 September 30, 2023	1,456,124 shares	As of March 31, 2023	122,030 shares
3) Average number of shares during the period (cumulative):	Six months ended September 30, 2023	18,047,909 shares	Six months ended September 30, 2022	18,485,326 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.
- The Company plans to hold a quarterly results briefing session as follows. We also plan to disclose and publish the documents, etc. to be distributed at this session to the Tokyo Stock Exchange and on the Company's website by the day before the session.

Date: Thursday, December 7, 2023, 13:00 (JST)

Outline: Quarterly results briefing session for institutional investors and analysts

Date: Thursday, January 18, 2024, 13:00 (JST)

Outline: Quarterly results briefing session for individual investors

## Quarterly Consolidated Financial Statements

### (1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2023	As of September 30, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	24,756	24,180
Notes and accounts receivable - trade	49,352	54,000
Inventories	33,994	32,725
Other	2,219	1,483
Allowance for doubtful accounts	(79)	(91)
Total current assets	110,243	112,298
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	21,451	21,371
Land	13,871	13,914
Other, net	14,451	15,069
Total property, plant and equipment	49,774	50,355
Intangible assets		
Other	1,394	1,250
Total intangible assets	1,394	1,250
Investments and other assets		
Investment securities	18,018	17,951
Retirement benefit asset	10,492	10,676
Other	2,857	2,589
Allowance for doubtful accounts	(15)	(15)
Total investments and other assets	31,353	31,202
Total non-current assets	82,522	82,808
Total assets	192,765	195,107
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	28,771	28,812
Short-term borrowings	12,431	14,466
Current portion of long-term borrowings	5,502	4,642
Income taxes payable	548	835
Provision for bonuses	1,661	1,871
Provision for environmental measures	13	2,867
Other	4,611	5,238
Total current liabilities	53,539	58,733
Non-current liabilities		
Long-term borrowings	12,507	10,441
Provision for environmental measures	2,967	101
Retirement benefit liability	7,619	7,797
Other	1,829	1,964
Total non-current liabilities	24,924	20,304
Total liabilities	78,464	79,038

(Millions of yen)

	As of March 31, 2023	As of September 30, 2023
Net assets		
Shareholders' equity		
Share capital	10,039	10,039
Capital surplus	9,768	9,768
Retained earnings	81,791	83,593
Treasury shares	(287)	(3,130)
Total shareholders' equity	101,312	100,272
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,113	6,203
Foreign currency translation adjustment	3,201	5,920
Remeasurements of defined benefit plans	1,431	1,315
Total accumulated other comprehensive income	10,745	13,439
Non-controlling interests	2,243	2,356
Total net assets	114,301	116,068
Total liabilities and net assets	192,765	195,107

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

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Net sales	62,087	59,512
Cost of sales	50,921	48,988
Gross profit	11,165	10,523
Selling, general and administrative expenses	9,373	8,814
Operating profit	1,791	1,708
Non-operating income		
Interest income	53	108
Dividend income	221	213
Foreign exchange gains	246	257
Other	419	340
Total non-operating income	940	921
Non-operating expenses		
Interest expenses	149	138
Share of loss of entities accounted for using equity method	3	257
Rental expenses on non-current assets	28	29
Other	92	59
Total non-operating expenses	275	485
Ordinary profit	2,457	2,144
Extraordinary income		
Gain on sale of non-current assets	45	1
Gain on sale of investment securities	13	1,559
Total extraordinary income	58	1,561
Extraordinary losses		
Loss on retirement of non-current assets	79	37
Loss on valuation of investment securities	13	6
Loss on COVID-19	112	-
Other	3	0
Total extraordinary losses	208	44
Profit before income taxes	2,306	3,661
Income taxes - current	493	968
Income taxes - deferred	155	100
Total income taxes	648	1,068
Profit	1,658	2,593
Profit attributable to non-controlling interests	37	49
Profit attributable to owners of parent	1,620	2,544

(Quarterly Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Profit	1,658	2,593
Other comprehensive income		
Valuation difference on available-for-sale securities	335	90
Foreign currency translation adjustment	4,111	2,723
Remeasurements of defined benefit plans, net of tax	21	(116)
Share of other comprehensive income of entities accounted for using equity method	267	163
Total other comprehensive income	4,735	2,860
Comprehensive income	6,394	5,454
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,052	5,238
Comprehensive income attributable to non-controlling interests	341	215