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February 14, 2024

## Summary of Consolidated Financial Results for the Nine Months Ended December 31, 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: February 14, 2024

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 Nine Months Ended December 31, 2023 (From April 1, 2023 to December 31, 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	%
Nine months ended December 31, 2023	90,578	(2.4)	3,586	44.2	3,935	22.4	3,742	53.9
Nine months ended December 31, 2022	92,806	1.6	2,487	(60.8)	3,216	(54.1)	2,432	(54.0)

(Note) Comprehensive income: Nine months ended December 31, 2023: ¥7,336 million [(0.5%)]  
Nine months ended December 31, 2022: ¥7,372 million [16.9%]

	Profit per share	Fully diluted profit per share
	Yen	Yen
Nine months ended December 31, 2023	210.85	—
Nine months ended December 31, 2022	131.58	—

#### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2023	197,241	117,264	58.2
As of March 31, 2023	192,765	114,301	58.1

(Reference) Equity: As of December 31, 2023: ¥114,823 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: Not applicable

**\* Notes**

- (1) Changes in significant subsidiaries during the nine months ended December 31, 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 December 31, 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 December 31, 2023	1,456,314 shares	As of March 31, 2023	122,030 shares
3) Average number of shares during the period (cumulative):	Nine months ended December 31, 2023	17,750,883 shares	Nine months ended December 31, 2022	18,487,247 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 December 31, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	24,756	24,983
Notes and accounts receivable - trade	49,352	54,794
Inventories	33,994	32,875
Other	2,219	1,486
Allowance for doubtful accounts	(79)	(91)
Total current assets	110,243	114,048
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	21,451	21,313
Land	13,871	13,797
Other, net	14,451	15,405
Total property, plant and equipment	49,774	50,516
Intangible assets		
Other	1,394	1,233
Total intangible assets	1,394	1,233
Investments and other assets		
Investment securities	18,018	18,116
Retirement benefit asset	10,492	10,789
Other	2,857	2,581
Allowance for doubtful accounts	(15)	(44)
Total investments and other assets	31,353	31,443
Total non-current assets	82,522	83,193
Total assets	192,765	197,241
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	28,771	29,882
Short-term borrowings	12,431	14,898
Current portion of long-term borrowings	5,502	4,509
Income taxes payable	548	668
Provision for bonuses	1,661	1,051
Provision for environmental measures	13	2,867
Other	4,611	5,747
Total current liabilities	53,539	59,625
Non-current liabilities		
Long-term borrowings	12,507	9,891
Provision for environmental measures	2,967	98
Retirement benefit liability	7,619	7,843
Other	1,829	2,518
Total non-current liabilities	24,924	20,352
Total liabilities	78,464	79,977

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Net assets		
Shareholders' equity		
Share capital	10,039	10,039
Capital surplus	9,768	9,768
Retained earnings	81,791	84,105
Treasury shares	(287)	(3,130)
Total shareholders' equity	101,312	100,784
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,113	6,341
Foreign currency translation adjustment	3,201	6,440
Remeasurements of defined benefit plans	1,431	1,257
Total accumulated other comprehensive income	10,745	14,039
Non-controlling interests	2,243	2,441
Total net assets	114,301	117,264
Total liabilities and net assets	192,765	197,241

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

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Net sales	92,806	90,578
Cost of sales	76,205	73,707
Gross profit	16,601	16,871
Selling, general and administrative expenses	14,114	13,284
Operating profit	2,487	3,586
Non-operating income		
Interest income	99	176
Dividend income	380	359
Foreign exchange gains	138	173
Other	500	423
Total non-operating income	1,119	1,133
Non-operating expenses		
Interest expenses	215	208
Share of loss of entities accounted for using equity method	22	351
Rental expenses on non-current assets	42	45
Other	109	178
Total non-operating expenses	389	784
Ordinary profit	3,216	3,935
Extraordinary income		
Gain on sale of non-current assets	45	2
Gain on sale of investment securities	542	1,633
Total extraordinary income	588	1,635
Extraordinary losses		
Loss on sale of non-current assets	2	40
Loss on retirement of non-current assets	94	92
Loss on valuation of investment securities	10	6
Loss on COVID-19	115	—
Other	10	25
Total extraordinary losses	232	165
Profit before income taxes	3,573	5,406
Income taxes - current	421	1,062
Income taxes - deferred	639	519
Total income taxes	1,061	1,581
Profit	2,511	3,824
Profit attributable to non-controlling interests	79	81
Profit attributable to owners of parent	2,432	3,742

(Quarterly Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Profit	2,511	3,824
Other comprehensive income		
Valuation difference on available-for-sale securities	(98)	227
Foreign currency translation adjustment	4,729	3,271
Remeasurements of defined benefit plans, net of tax	31	(174)
Share of other comprehensive income of entities accounted for using equity method	196	187
Total other comprehensive income	4,860	3,512
Comprehensive income	7,372	7,336
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,935	7,036
Comprehensive income attributable to non-controlling interests	436	300