

October 31, 2025

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

Company name: NIPPON FINE CHEMICAL CO., LTD.
 Listing: Tokyo Stock Exchange
 Securities code: 4362
 URL: <https://www.nipponseika.co.jp/>
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 Scheduled date to file semi-annual securities report: November 12, 2025
 Scheduled date to commence dividend payments: December 1, 2025
 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	17,495	0.7	2,980	24.2	3,101	22.4	2,507	39.8
September 30, 2024	17,378	7.4	2,400	22.4	2,533	19.3	1,793	19.6

Note: Comprehensive income For the six months ended September 30, 2025: ¥3,706 million [82.7%]
 For the six months ended September 30, 2024: ¥2,028 million [0.9%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2025	113.59	-
September 30, 2024	79.74	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2025	59,555	49,932	82.3
March 31, 2025	59,796	49,069	80.5

Reference: Equity

As of September 30, 2025: ¥48,994 million
 As of March 31, 2025: ¥48,160 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	-	37.00	-	37.00	74.00
Fiscal year ending March 31, 2026	-	47.00			
Fiscal year ending March 31, 2026 (Forecast)				47.00	94.00

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

3. Forecast of consolidated financial results 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	%	
Fiscal year ending March 31, 2026	35,000	(1.9)	5,500	12.4	5,730	10.0	4,500	16.3	Yen 207.51

Note: Revisions to the 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	25,372,447 shares
As of March 31, 2025	25,372,447 shares

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

As of September 30, 2025	3,686,920 shares
As of March 31, 2025	2,873,681 shares

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

Six months ended September 30, 2025	22,077,399 shares
Six months ended September 30, 2024	22,494,320 shares

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

* Proper use of earnings forecasts, and other special matters

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual financial results, etc. may differ substantially due to various factors.

The Company plans to hold a briefing for institutional investors and analysts on Friday, November 14, 2025. The financial results briefing materials to be distributed at this briefing will be posted on the Company's website on the same day.

Semi-annual consolidated balance sheet

(Thousands of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	12,300,114	11,122,494
Notes and accounts receivable - trade	8,221,391	8,896,859
Securities	2,000,000	2,000,000
Merchandise and finished goods	3,936,295	3,223,443
Work in process	2,338,767	2,225,852
Raw materials and supplies	2,977,438	3,047,942
Other	440,612	273,576
Allowance for doubtful accounts	(691)	(681)
Total current assets	32,213,928	30,789,487
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	7,759,819	7,557,542
Machinery, equipment and vehicles, net	2,756,601	2,607,820
Land	3,719,989	3,719,989
Construction in progress	546,762	642,237
Other, net	826,040	832,129
Total property, plant and equipment	15,609,213	15,359,720
Intangible assets	656,213	592,360
Investments and other assets		
Investment securities	10,871,513	12,405,184
Retirement benefit asset	154,385	157,035
Other	290,920	251,551
Total investments and other assets	11,316,818	12,813,771
Total non-current assets	27,582,246	28,765,851
Total assets	59,796,175	59,555,339

(Thousands of yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,049,348	3,181,988
Short-term borrowings	300,000	-
Accounts payable - other	1,107,412	747,523
Income taxes payable	273,417	782,721
Provision for bonuses	691,839	789,994
Provision for bonuses for directors (and other officers)	54,345	36,008
Provision for environmental measures	43,000	-
Accounts payable - facilities	1,307,609	290,202
Asset retirement obligations	18,000	-
Other	571,841	775,430
Total current liabilities	7,416,814	6,603,869
Non-current liabilities		
Long-term borrowings	800,000	-
Deferred tax liabilities	2,278,735	2,801,016
Retirement benefit liability	114,044	100,267
Long-term accounts payable - other	4,059	4,059
Long-term guarantee deposits	88,550	89,142
Asset retirement obligations	5,730	5,730
Other	18,937	18,696
Total non-current liabilities	3,310,058	3,018,912
Total liabilities	10,726,872	9,622,781
Net assets		
Shareholders' equity		
Share capital	5,933,221	5,933,221
Capital surplus	6,882,189	6,890,174
Retained earnings	32,619,943	34,295,302
Treasury shares	(4,105,592)	(6,090,344)
Total shareholders' equity	41,329,762	41,028,354
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,919,432	6,995,981
Deferred gains or losses on hedges	(2,729)	-
Foreign currency translation adjustment	869,415	929,089
Remeasurements of defined benefit plans	44,627	40,696
Total accumulated other comprehensive income	6,830,746	7,965,766
Non-controlling interests	908,794	938,436
Total net assets	49,069,302	49,932,557
Total liabilities and net assets	59,796,175	59,555,339

Semi-annual consolidated statement of income and comprehensive income

(Thousands of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Net sales	17,378,116	17,495,822
Cost of sales	12,111,146	11,617,339
Gross profit	5,266,969	5,878,482
Selling, general and administrative expenses	2,866,671	2,897,669
Operating profit	2,400,297	2,980,812
Non-operating income		
Interest income	6,708	9,014
Dividend income	161,020	182,866
Interest on securities	-	6,167
Miscellaneous income	25,338	22,419
Total non-operating income	193,067	220,467
Non-operating expenses		
Interest expenses	500	579
Foreign exchange losses	6,897	11,912
Depreciation	42,956	16,236
Commission for purchase of treasury shares	-	60,971
Miscellaneous losses	10,010	10,411
Total non-operating expenses	60,363	100,111
Ordinary profit	2,533,001	3,101,169
Extraordinary income		
Gain on sale of non-current assets	9	547
Gain on sale of investment securities	35,651	299,759
Total extraordinary income	35,660	300,306
Extraordinary losses		
Loss on sale of non-current assets	45	-
Loss on retirement of non-current assets	28,133	48,894
Total extraordinary losses	28,178	48,894
Profit before income taxes	2,540,483	3,352,581
Income taxes - current	431,920	749,371
Income taxes - deferred	265,809	50,994
Total income taxes	697,729	800,366
Profit	1,842,753	2,552,214
Profit attributable to		
Profit attributable to owners of parent	1,793,735	2,507,813
Profit attributable to non-controlling interests	49,017	44,401
Other comprehensive income		
Valuation difference on available-for-sale securities	360,935	1,076,548
Deferred gains or losses on hedges	(26,710)	3,032
Foreign currency translation adjustment	(146,194)	78,938
Remeasurements of defined benefit plans, net of tax	(2,337)	(3,930)
Total other comprehensive income	185,691	1,154,588
Comprehensive income	2,028,445	3,706,803
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,016,921	3,642,834
Comprehensive income attributable to non-controlling interests	11,523	63,969

Semi-annual consolidated statement of cash flows

(Thousands of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	2,540,483	3,352,581
Depreciation	680,602	743,658
Increase (decrease) in allowance for doubtful accounts	(83)	(9)
Increase (decrease) in retirement benefit liability	(6,343)	(13,777)
Decrease (increase) in retirement benefit asset	(3,226)	(2,650)
Increase (decrease) in provision for environmental measures	(426,000)	(43,000)
Interest and dividend income	(167,728)	(198,048)
Interest expenses	500	579
Commission for purchase of treasury shares	-	60,971
Foreign exchange losses (gains)	4,827	(3,658)
Loss (gain) on sale of investment securities	(35,651)	(299,759)
Loss (gain) on sale and retirement of non-current assets	27,958	48,347
Decrease (increase) in trade receivables	559,099	(1,040,962)
Decrease (increase) in inventories	174,245	280,019
Increase (decrease) in guarantee deposits received	(3,797)	591
Increase (decrease) in trade payables	(788,679)	164,662
Decrease (increase) in consumption taxes refund receivable	(119,220)	-
Increase (decrease) in accrued consumption taxes	(310,730)	203,595
Other, net	(206,134)	111,925
Subtotal	1,920,120	3,365,065
Interest and dividends received	167,728	198,048
Interest paid	(500)	(579)
Income taxes paid	(1,271,967)	(226,076)
Net cash provided by (used in) operating activities	815,381	3,336,458

(Thousands of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from investing activities		
Payments into time deposits	-	(209,000)
Purchase of property, plant and equipment	(977,751)	(1,485,746)
Proceeds from sale of property, plant and equipment	19	547
Payments for retirement of property, plant and equipment	(52,270)	(110,154)
Payments for asset retirement obligations	(47,149)	(63,249)
Purchase of intangible assets	(27,903)	(4,547)
Purchase of investment securities	(953)	(849)
Proceeds from sale of investment securities	40,859	338,818
Payments for sale of shares of subsidiaries resulting in change in scope of consolidation	-	(313,468)
Net cash provided by (used in) investing activities	(1,065,149)	(1,847,649)
Cash flows from financing activities		
Repayments of lease liabilities	(3,326)	(3,672)
Dividends paid	(787,181)	(832,454)
Dividends paid to non-controlling interests	(30,939)	(33,075)
Purchase of treasury shares	(410)	(2,061,164)
Net cash provided by (used in) financing activities	(821,858)	(2,930,366)
Effect of exchange rate change on cash and cash equivalents	(22,235)	29,163
Net increase (decrease) in cash and cash equivalents	(1,093,861)	(1,412,393)
Cash and cash equivalents at beginning of period	10,937,491	12,638,852
Cash and cash equivalents at end of period	9,843,630	11,226,458

(Notes on segment information, etc.)

Segment Information

I. Previous semi-annual period (April 1, 2024 to September 30, 2024)

Information on net sales and profits or losses for each reporting segment, and information on the decomposition of profits

(Thousands of yen)

	Reporting segments			Other Note: 1	Total	Adjustment amount	Semi-annual consolidated statement of income and comprehensive income amounts Note: 2
	Functional products	Environmen- tal hygiene Products	Total				
Net sales							
Revenue from contracts with customers	13,848,265	3,418,370	17,266,636	-	17,266,636	-	17,266,636
Other revenue	-	-	-	111,479	111,479	-	111,479
Revenues from external customers	13,848,265	3,418,370	17,266,636	111,479	17,378,116	-	17,378,116
Intersegment sales or transfers	78,327	13,632	91,959	65,272	157,232	(157,232)	-
Total	13,926,592	3,432,002	17,358,595	176,752	17,535,348	(157,232)	17,378,116
Segment profit	2,104,377	256,591	2,360,968	39,329	2,400,297	-	2,400,297

Note: 1. The "Other" segment is a business segment that is not included in the reporting segments and includes real estate leasing.

2. Segment profit is consistent with the operating profit in the semi-annual consolidated statement of income and comprehensive income.

II. Current semi-annual period (April 1, 2025 to September 30, 2025)

Information on net sales and profits or losses for each reporting segment, and information on the decomposition of profits

(Thousands of yen)

	Reporting segments			Other Note: 1	Total	Adjustment amount	Semi-annual consolidated statement of income and comprehensive income amounts Note: 2
	Functional products	Environmen- tal hygiene Products	Total				
Net sales							
Revenue from contracts with customers	13,855,723	3,523,173	17,378,896	-	17,378,896	-	17,378,896
Other revenue	-	-	-	116,925	116,925	-	116,925
Revenues from external customers	13,855,723	3,523,173	17,378,896	116,925	17,495,822	-	17,495,822
Intersegment sales or transfers	83,668	6,649	90,318	11,640	101,958	(101,958)	-
Total	13,939,392	3,529,822	17,469,215	128,565	17,597,780	(101,958)	17,495,822
Segment profit	2,689,176	261,100	2,950,276	30,535	2,980,812	-	2,980,812

Note: 1. The "Other" segment is a business segment that is not included in the reporting segments and includes real estate leasing.

2. Segment profit is consistent with the operating profit in the semi-annual consolidated statement of income and comprehensive income.