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May 14, 2026

Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Under Japanese GAAP)

Company name: NIHON KAGAKU SANGYO CO.,LTD.
Listing: Tokyo Stock Exchange
Securities code: 4094
URL: https://www.nihonkagakusangyo.co.jp/
Representative: KADOYA Hiroki President
Inquiries: YOSHIDA Yutaka Operating Officer and General Manager of Corporate Planning Office
Telephone: +81-3-5246-3544
Scheduled date of annual general meeting of shareholders: June 26, 2026
Scheduled date to commence dividend payments: June 8, 2026
Scheduled date to file annual securities report: June 23, 2026
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes

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

1. Consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	28,032	10.2	3,404	19.0	3,818	18.8	2,281	(3.2)
March 31, 2025	25,441	13.4	2,860	31.4	3,212	25.5	2,357	35.3

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥ 6,123 million [211.3%]
For the fiscal year ended March 31, 2025: ¥ 1,967 million [(40.1) %]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2026	117.25	-	4.7	6.6	12.1
March 31, 2025	121.17	-	5.1	6.0	11.2

Reference: Share of profit (loss) of entities accounted for using equity method
For the fiscal year ended March 31, 2026: ¥ - million
For the fiscal year ended March 31, 2025: ¥ - million

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2026	61,693	50,824	82.4	2,611.65
March 31, 2025	54,303	46,478	85.6	2,388.36

Reference: Equity
As of March 31, 2026: ¥ 50,824 million
As of March 31, 2025: ¥ 46,478 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	3,393	4,122	(2,032)	15,779
March 31, 2025	3,304	(11,450)	(1,270)	10,218

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2025	-	30.00	-	45.00	75.00	1,475	61.9	3.2
Fiscal year ended March 31, 2026	-	45.00	-	45.00	90.00	1,778	76.8	3.6
Fiscal year ending March 31, 2027 (Forecast)	-	45.00	-	45.00	90.00		-	

Note: Breakdown of the year-end dividend for the fiscal year ended March 31, 2026 :

Commemorative dividend - yen

Special dividend - yen

3. Consolidated financial result forecasts for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(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
Full year	28,640	2.2	1,310	(61.5)	1,800	(52.9)	1,250	(45.2)	64.23

*** Notes**

(1) Significant changes in the scope of consolidation during the period: None

Newly included: - companies( )

Excluded: - companies( )

(2) 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

(3) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2026	20,280,000 shares
As of March 31, 2025	20,280,000 shares

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

As of March 31, 2026	819,213 shares
As of March 31, 2025	819,409 shares

(iii) Average number of shares outstanding during the period

Fiscal Year ended March 31, 2026	19,460,660 shares
Fiscal Year ended March 31, 2025	19,454,496 shares

* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

Consolidated Financial Statements and Primary Notes

Consolidated Balance Sheet

(Thousands of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	15,418,395	20,779,933
Notes receivable - trade	928,452	116,375
Electronically recorded monetary claims - operating	943,277	2,032,052
Accounts receivable - trade	6,020,255	6,607,770
Merchandise and finished goods	2,062,624	1,976,376
Work in process	1,242,391	1,510,818
Raw materials and supplies	1,722,980	1,730,417
Other	165,141	198,257
Allowance for doubtful accounts	(1,200)	(1,270)
Total current assets	28,502,318	34,950,731
Non-current assets		
Property, plant and equipment		
Buildings and structures	7,607,349	7,566,419
Accumulated depreciation	(5,419,570)	(5,645,427)
Buildings and structures, net	2,187,778	1,920,991
Machinery, equipment and vehicles	14,403,308	14,445,636
Accumulated depreciation	(12,065,830)	(12,670,517)
Machinery, equipment and vehicles, net	2,337,477	1,775,119
Tools, furniture and fixtures	2,076,745	2,209,334
Accumulated depreciation	(1,907,940)	(1,975,142)
Tools, furniture and fixtures, net	168,805	234,192
Land	2,681,294	2,701,967
Construction in progress	1,049,111	2,589,816
Total property, plant and equipment	8,424,467	9,222,087
Intangible assets	112,037	163,668
Investments and other assets		
Investment securities	8,854,753	13,620,086
Long-term time deposits	7,100,000	2,100,000
Retirement benefit asset	456,769	859,572
Deferred tax assets	7,100	8,846
Other	848,039	768,619
Allowance for doubtful accounts	(1,570)	-
Total investments and other assets	17,265,092	17,357,125
Total non-current assets	25,801,598	26,742,881
Total assets	54,303,916	61,693,613

(Thousands of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,743,976	3,018,890
Electronically recorded obligations - operating	437,955	380,280
Short-term borrowings	263,800	-
Income taxes payable	446,982	613,181
Provision for bonuses	420,000	460,000
Provision for bonuses for directors (and other officers)	40,000	30,000
Other	1,310,888	2,489,775
Total current liabilities	5,663,603	6,992,129
Non-current liabilities		
Deferred tax liabilities	1,627,281	3,295,078
Retirement benefit liability	350,728	312,137
Provision for share awards for directors (and other officers)	95,689	129,031
Provision for employee stock ownership plan trust	-	52,505
Asset retirement obligations	40,735	40,993
Other	47,006	46,902
Total non-current liabilities	2,161,442	3,876,648
Total liabilities	7,825,045	10,868,777
Net assets		
Shareholders' equity		
Share capital	1,034,000	1,034,000
Capital surplus	856,908	856,908
Retained earnings	40,905,658	41,409,378
Treasury shares	(920,903)	(920,618)
Total shareholders' equity	41,875,663	42,379,668
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,272,862	6,607,183
Foreign currency translation adjustment	1,173,651	1,439,117
Remeasurements of defined benefit plans	156,692	398,865
Total accumulated other comprehensive income	4,603,206	8,445,167
Total net assets	46,478,870	50,824,836
Total liabilities and net assets	54,303,916	61,693,613

Consolidated Statements of Income and Comprehensive Income

Consolidated Statement of Income

(Thousands of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Net sales	25,441,423	28,032,764
Cost of sales	19,296,261	21,114,073
Gross profit	6,145,161	6,918,691
Selling, general and administrative expenses	3,284,245	3,514,332
Operating profit	2,860,915	3,404,358
Non-operating income		
Interest income	16,637	72,361
Dividend income	212,249	242,815
Rental income from real estate	79,341	80,291
Foreign exchange gains	1,866	-
Other	87,041	95,036
Total non-operating income	397,135	490,504
Non-operating expenses		
Interest expenses	6,737	1,019
Rental costs	34,107	31,941
Foreign exchange losses	-	42,237
Other	4,481	1,393
Total non-operating expenses	45,326	76,591
Ordinary profit	3,212,725	3,818,271
Extraordinary income		
Gain on sale of non-current assets	46,611	97
Gain on sale of investment securities	105,500	12,348
Total extraordinary income	152,112	12,446
Extraordinary losses		
Loss on retirement of non-current assets	61,667	41,480
Loss on sale of non-current assets	10,593	188
Impairment losses	-	453,405
Total extraordinary losses	72,260	495,074
Profit before income taxes	3,292,576	3,335,642
Income taxes - current	846,730	1,033,597
Income taxes - deferred	88,541	20,208
Total income taxes	935,271	1,053,805
Profit	2,357,304	2,281,837
Profit attributable to owners of parent	2,357,304	2,281,837

Consolidated Statement of Comprehensive Income

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
		(Thousands of yen)
Profit	2,357,304	2,281,837
Other comprehensive income		
Valuation difference on available-for-sale securities	(723,749)	3,334,321
Foreign currency translation adjustment	398,867	265,466
Remeasurements of defined benefit plans, net of tax	(65,386)	242,172
Total other comprehensive income	(390,268)	3,841,960
Comprehensive income	1,967,036	6,123,798
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,967,036	6,123,798
Comprehensive income attributable to non-controlling interests	-	-

Consolidated Statement of Changes in Equity

For the fiscal year ended March 31, 2025

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,034,000	742,352	39,720,445	(829,450)	40,667,347
Changes during period					
Dividends of surplus			(1,172,091)		(1,172,091)
Profit attributable to owners of parent			2,357,304		2,357,304
Purchase of treasury shares				(331,760)	(331,760)
Disposal of treasury shares		114,555		240,307	354,863
Net changes in items other than shareholders' equity					
Total changes during period	-	114,555	1,185,213	(91,452)	1,208,316
Balance at end of period	1,034,000	856,908	40,905,658	(920,903)	41,875,663

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	3,996,612	774,783	222,079	4,993,475	45,660,822
Changes during period					
Dividends of surplus					(1,172,091)
Profit attributable to owners of parent					2,357,304
Purchase of treasury shares					(331,760)
Disposal of treasury shares					354,863
Net changes in items other than shareholders' equity	(723,749)	398,867	(65,386)	(390,268)	(390,268)
Total changes during period	(723,749)	398,867	(65,386)	(390,268)	818,048
Balance at end of period	3,272,862	1,173,651	156,692	4,603,206	46,478,870

For the fiscal year ended March 31, 2026

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,034,000	856,908	40,905,658	(920,903)	41,875,663
Changes during period					
Dividends of surplus			(1,778,117)		(1,778,117)
Profit attributable to owners of parent			2,281,837		2,281,837
Purchase of treasury shares					-
Disposal of treasury shares				284	284

Net changes in items other than shareholders' equity					
Total changes during period	-	-	503,719	284	504,004
Balance at end of period	1,034,000	856,908	41,409,378	(920,618)	42,379,668

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	3,272,862	1,173,651	156,692	4,603,206	46,478,870
Changes during period					
Dividends of surplus					(1,778,117)
Profit attributable to owners of parent					2,281,837
Purchase of treasury shares					-
Disposal of treasury shares					284
Net changes in items other than shareholders' equity	3,334,321	265,466	242,172	3,841,960	3,841,960
Total changes during period	3,334,321	265,466	242,172	3,841,960	4,345,965
Balance at end of period	6,607,183	1,439,117	398,865	8,445,167	50,824,836

Consolidated Statement of Cash Flows

(Thousands of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	3,292,576	3,335,642
Depreciation	1,075,115	1,104,448
Increase (decrease) in allowance for doubtful accounts	(70)	(1,500)
Increase (decrease) in provision for bonuses	-	40,000
Increase (decrease) in provision for bonuses for directors (and other officers)	5,000	(10,000)
Decrease (increase) in retirement benefit asset	(11,382)	(9,322)
Increase (decrease) in retirement benefit liability	13,274	5,999
Increase (decrease) in provision for share awards for directors (and other officers)	360	33,341
Increase (decrease) in provision for employee stock ownership plan trust	-	52,505
Interest and dividend income	(228,886)	(315,176)
Interest expenses	6,737	1,019
Loss (gain) on sale of non-current assets	(36,018)	91
Loss (gain) on sale of investment securities	(105,500)	(12,348)
Loss on retirement of non-current assets	61,667	41,480
Impairment losses	-	453,405
Decrease (increase) in trade receivables	(84,245)	(806,463)
Decrease (increase) in inventories	(259,562)	(141,171)
Increase (decrease) in trade payables	345,736	190,534
Other, net	(220,971)	(6,184)
Subtotal	3,853,830	3,956,301
Interest and dividends received	230,401	316,677
Interest paid	(6,737)	(1,019)
Income taxes paid	(772,666)	(878,260)
Net cash provided by (used in) operating activities	3,304,828	3,393,697

(Thousands of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Cash flows from investing activities		
Proceeds from withdrawal of time deposits	400,000	5,300,000
Payments into time deposits	(10,400,000)	(100,000)
Purchase of property, plant and equipment	(1,602,929)	(1,556,533)
Proceeds from sale of property, plant and equipment	91,482	345
Purchase of intangible assets	(44,842)	(72,150)
Purchase of investment securities	(16,858)	-
Proceeds from sale of investment securities	187,189	114,558
Proceeds from cancellation of life insurance funds	2,613	89,925
Accumulation of contribution of life insurance	(16,890)	(16,874)
Subsidies received	-	405,767
Other, net	(50,752)	(42,313)
Net cash provided by (used in) investing activities	(11,450,987)	4,122,724
Cash flows from financing activities		
Proceeds from short-term borrowings	938,000	-
Repayments of short-term borrowings	(1,048,000)	(263,800)
Dividends paid	(1,167,235)	(1,768,043)
Other, net	7,144	(389)
Net cash provided by (used in) financing activities	(1,270,090)	(2,032,233)
Effect of exchange rate change on cash and cash equivalents	147,375	77,348
Net increase (decrease) in cash and cash equivalents	(9,268,874)	5,561,537
Cash and cash equivalents at beginning of period	19,487,270	10,218,395
Cash and cash equivalents at end of period	10,218,395	15,779,933