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Consolidated Financial Results [Japanese GAAP] for the First Quarter of the Fiscal Year Ending March 31, 2026 (April 1, 2025 — June 30, 2025)



August 8, 2025

Company name: Kansai Paint Co., Ltd.
 Stock listing: Tokyo Stock Exchange
 Code number: 4613
 URL: <https://www.kansai.co.jp/>
 Representative: MORI Kunishi, Representative Director of the Board, President
 Contact: TOMIOKA Takashi, Director of the Board, Managing Executive Officer,
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 Scheduled date of dividend payment: —
 Supplemental information: No
 Financial results briefing: No

(Amounts are rounded down to the nearest million yen)

1. Consolidated financial results for the First Quarter Fiscal Year Ending March 31, 2026 (April 1, 2025 — June 30, 2025)

(1) Consolidated operating results

(The percentages represent the rates of increase (decrease) compared to the corresponding prior period.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2025	144,680	(0.5)	12,241	(19.0)	14,378	(27.8)	8,481	(28.6)
Three months ended June 30, 2024	145,397	6.6	15,114	24.9	19,924	17.4	11,873	(68.4)

(Note) Comprehensive income:

Three months ended June 30, 2025:	(6,844) million yen	—%
Three months ended June 30, 2024:	28,167 million yen	8.6%

	Net income per share	Diluted net income per share
	Yen	Yen
Three months ended June 30, 2025	48.13	39.80
Three months ended June 30, 2024	57.45	48.82

(2) Consolidated financial positions

	Total assets	Net assets	Shareholders' equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2025	744,941	335,482	34.9
As of March 31, 2025	750,699	350,009	35.9

(Reference) Shareholders' equity: As of June 30, 2025: 260,220 million yen
 As of March 31, 2025: 269,189 million yen

2. Dividends

	Dividends per share				
	1st Quarter	2nd Quarter	3rd Quarter	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal Year ended March 31, 2025	—	22.00	—	28.00	50.00
Fiscal Year ending March 31, 2026	—				
Fiscal Year ending March 31, 2026 (Forecast)		55.00	—	55.00	110.00

(Note) Revisions to the latest dividend forecast announced : Yes

Regarding the revision of the dividend forecast, please refer to the announcement titled "Notice of Revision to Dividend Forecast for the Fiscal Year Ending March 2026", which was released on August 8, 2025.

3. Consolidated financial forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 — March 31, 2026)

(The percentages represent the rates of increase (decrease) compared to the corresponding prior period.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full Year	600,000	1.9	54,000	3.7	58,000	18.1	36,000	(6.0)	204.29

(Note) Revisions to the latest consolidated financial forecast announced: No

***Notes**

(1) Significant changes in the scope of consolidation during the period:	No
(2) Application of accounting treatment specific to preparation of quarterly consolidated financial statements:	Yes
(3) Changes in accounting policies, changes in accounting estimates, and retrospective restatement	
1. Changes in accounting policies in accordance with revision of accounting standards:	None
2. Changes in accounting policies other than 1. above:	None
3. Changes in accounting estimates:	None
4. Retrospective restatement:	None
(4) Number of shares of common stock issued	
1. Number of shares of common stock issued at period-end (including treasury stock):	
As of June 30, 2025:	177,976,280 shares
As of March 31, 2025:	177,976,280 shares
2. Number of shares of treasury stock at period-end:	
As of June 30, 2025:	1,753,464 shares
As of March 31, 2025:	1,753,087 shares
3. Average number of shares during the period:	
Three months ended June 30, 2025:	176,223,018 shares
Three months ended June 30, 2024:	206,684,150 shares

***Status of the implementation of audit procedures**

Review procedures on the quarterly consolidated financial statements contained in this report by certified public accountants or an audit firm: No

***Explanation for appropriate use of forecasts and other notes**

The forward-looking statements such as operational forecasts contained in this document are based on information currently available to the Company and certain assumptions which are regarded as legitimate. However, it does not mean that we guarantee its achievement. Actual results may differ from such forward-looking statements for a variety of reasons.

Overview of financial results

In the fiscal year under review, despite a gradual recovery trend, the outlook for the global economy remained uncertain due to heightened geopolitical risks and U.S. trade policies. Under these circumstances, the overall Japanese economy continued to recover moderately, reflecting signs of a pick-up in personal consumption and capital investment. In India, steady economic growth continued, supported by domestic demand centered on personal consumption and capital investment. In Europe, despite last-minute demand for some export items in anticipation of an increase in tariffs by the U.S., the overall economic recovery in Europe remained weak. In China, the economy was stagnant due to trade problems between the U.S. and China and the stagnant real estate market.

Under these circumstances, the Group's net sales for the first quarter of the current fiscal year were 144,680 million yen (down 0.5% year on year). Operating income was 12,241 million yen (down 19.0% year on year), mainly due to an increase in fixed costs, despite cost reduction and other efforts to improve profits. Ordinary income was 14,378 million yen (down 27.8% year on year) mainly due to a decrease in foreign exchange gains. Profit attributable to owners of the parent decreased to 8,481 million yen (down 28.6% year on year).

Segment overviews are as follows.

<Japan>

In the automotive coatings sector, net sales increased from the previous year due to an increase in the number of automobiles manufactured compared to the previous year and efforts to improve selling prices. Meanwhile, in the industrial coatings, decorative coatings, and protective coatings sector, net sales fell below the previous year due to sluggish market conditions. In the marine sector, net sales fell below the previous year due to the recent decline in demand from the previous year. Segment income decreased from the previous year due to the impact of lower sales mainly in the decorative coatings, protective coatings and marine sector.

As a result of those factors, the segment's net sales and segment income were 39,270 million yen (down 4.9% year on year) and 5,094 million yen (down 14.7% year on year), respectively.

<India>

In the decorative coatings sector, net sales fell below the previous year due to intensifying market competition and the shift to lower-priced products. In the automotive coatings sector, net sales on a local currency basis were higher than the previous year due to an increase in the number of automobiles manufactured. However, overall net sales in India fell below the previous year due to the impact of foreign currency translation caused by the appreciation of the yen. Segment income decreased from the previous year due to the impact of lower sales, despite efforts to reduce selling, general and administrative expenses.

As a result of those factors, the segment's net sales and segment income were 36,964 million yen (down 8.2% year on year) and 4,421 million yen (down 18.4% year on year), respectively.

<Europe>

In Turkey, the number of automobiles manufactured was lower than the previous year, and net sales fell below the previous year. In other European countries, net sales increased from the previous year, partly due to the contribution of bolt-on M&A conducted in the previous year. As a result, overall net sales in Europe increased from the previous year. Segment income declined from the previous year due to an increase in fixed costs such as personnel expenses caused by inflation, as well as a deterioration in equity in the earnings of affiliates, despite stable raw material prices.

As a result of those factors, the segment's net sales and segment income were 37,887 million yen (up 12.8% year on year) and 26 million yen (down 97.0% year on year), respectively.

<Asia>

In China, the number of automobiles manufactured increased from the previous year, and net sales increased from the previous year. Meanwhile, in Thailand, Indonesia and Malaysia, the number of automobiles manufactured declined. As a result, overall net sales in Asia fell below the previous year. Segment income decreased from the previous year due to the impact of lower sales in the automotive coatings sector.

As a result of those factors, the segment's net sales and segment income were 16,616 million yen (down 3.9% year on year) and 2,500 million yen (down 14.4% year on year), respectively.

<Africa>

In South Africa and neighboring countries, net sales increased from the previous year, partly due to the contribution from the acquisition of new customers last year, despite ongoing chronic power shortages and continued political instability. In East Africa, net sales were firm in the industrial coatings sector as well as in the mainstay decorative coatings sector. Segment income increased from the previous year due to stable raw material prices and efforts to improve the sales mix.

As a result of those factors, the segment's net sales and segment income were 11,492 million yen (up 12.4% year on year) and 1,081 million yen (up 35.8% year on year) , respectively.

<Others>

In North America, the number of automobiles manufactured was lower than the previous year, and net sales fell below the previous year. Segment income decreased from the previous fiscal year due to the impact of lower sales and a decrease in equity in the earnings of affiliates.

As a result of those factors, the segment's net sales and segment income were 2,449 million yen (down 9.4% year on year) and 601 million yen (down 46.2% year on year).

Consolidated financial statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	76,656	71,036
Trade notes and accounts receivable, and contract assets	120,858	127,432
Securities	32,489	31,159
Finished goods	59,053	57,501
Work-in-process	8,642	8,435
Raw materials and supplies	44,233	45,122
Other	19,588	21,791
Allowance for doubtful receivables	(5,992)	(5,963)
Total current assets	355,530	356,517
Non-current assets		
Property, plant and equipment	183,798	182,927
Intangible assets		
Goodwill	35,711	33,639
Other	44,811	44,559
Total intangible assets	80,522	78,198
Investments and other assets		
Investment securities	57,907	56,370
Other	78,207	76,098
Allowance for doubtful receivables	(5,267)	(5,171)
Total investments and other assets	130,847	127,297
Total non-current assets	395,168	388,423
Total assets	750,699	744,941

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Trade notes and accounts payable	85,218	82,859
Short-term borrowings	11,895	11,996
Short-term bonds payable	31,985	40,982
Income and enterprise taxes payable	5,348	5,326
Provision for bonuses	5,932	3,409
Other	36,668	43,305
Total current liabilities	177,049	187,879
Non-current liabilities		
Bonds payable	60,000	60,000
Convertible bonds with stock acquisition rights	100,472	100,442
Net defined benefit liability	7,331	7,266
Other	55,835	53,870
Total non-current liabilities	223,639	221,579
Total liabilities	400,689	409,459
Net assets		
Shareholders' equity		
Common stock	25,658	25,658
Capital surplus	18,343	18,361
Retained earnings	186,659	190,575
Treasury stock, at cost	(2,101)	(2,102)
Total shareholders' equity	228,560	232,493
Accumulated other comprehensive income		
Net unrealized holding gains on securities	12,451	12,820
Deferred losses on derivatives under hedge accounting	(0)	(0)
Foreign currency translation adjustments	19,615	6,598
Remeasurements of defined benefit plans	8,562	8,307
Total accumulated other comprehensive income	40,628	27,727
Share acquisition rights	224	228
Non-controlling interests	80,595	75,033
Total net assets	350,009	335,482
Total liabilities and net assets	750,699	744,941

(2) Consolidated Statements of Income

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net sales	145,397	144,680
Cost of sales	98,557	98,152
Gross profit	46,839	46,528
Selling, general and administrative expenses	31,725	34,286
Operating income	15,114	12,241
Non-operating income		
Interest income	339	389
Dividend income	351	321
Equity in earnings of unconsolidated subsidiaries and affiliates	2,011	1,485
Foreign currency exchange gain	2,832	576
Miscellaneous income	1,047	1,036
Total non-operating income	6,582	3,810
Non-operating expenses		
Interest expense	566	514
Loss on disposal of inventories	46	50
Loss on net monetary position	817	914
Miscellaneous expenses	343	194
Total non-operating expenses	1,773	1,673
Ordinary income	19,924	14,378
Extraordinary income		
Gain on sale of property, plant and equipment	75	382
Gain on sale of investment securities	123	205
Total extraordinary income	198	587
Extraordinary losses		
Loss on sale or disposal of property, plant and equipment	10	42
Write-down of securities and investment securities	0	—
Early extra retirement payments	4	139
Total extraordinary losses	15	182
Income before income taxes and non-controlling interests	20,107	14,784
Total income taxes	6,576	5,157
Net income	13,531	9,627
Net income attributable to non-controlling interests	1,657	1,146
Net income attributable to owners of the parent	11,873	8,481

(3) Consolidated Statements of Comprehensive Income

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net income	13,531	9,627
Other comprehensive income		
Net unrealized holding gains (losses) on securities	(210)	644
Deferred gains (losses) on derivatives under hedge accounting	1	(0)
Foreign currency translation adjustments	13,120	(14,637)
Remeasurements of defined benefit plans	(235)	(254)
Shares in other comprehensive income of equity method affiliates	1,960	(2,224)
Total other comprehensive income	14,636	(16,471)
Comprehensive income	28,167	(6,844)
Comprehensive income attributable to:		
Owners of the parent	23,589	(4,420)
Non-controlling interests	4,578	(2,424)

Segment information

(1) Three months ended June 30, 2024 (April 1, 2024 - June 30, 2024)

Information about sales, profit and loss by reportable segment

(Millions of yen)

	Reportable segments						Other *1	Total	Adjustment *2	Consolidated *3
	Japan	India	Europe	Asia	Africa	Total				
Net sales										
(1) Sales to customers	41,296	40,277	33,601	17,292	10,226	142,693	2,704	145,397	—	145,397
(2) Intersegment sales and transfers	3,224	37	9	717	42	4,032	—	4,032	(4,032)	—
Total sales	44,521	40,315	33,610	18,010	10,268	146,726	2,704	149,430	(4,032)	145,397
Operating income	5,537	5,457	904	1,904	758	14,563	553	15,116	(1)	15,114
Equity in earnings (losses) of unconsolidated subsidiaries and affiliates	437	(38)	(6)	1,016	37	1,445	565	2,011	—	2,011
Segment income	5,975	5,418	898	2,920	796	16,009	1,118	17,127	(1)	17,125

Notes:

- *1 The "Other" category includes business activities of subsidiaries and affiliates in the U.S., Mexico and other locations.
- *2 Adjustments for segment income represent the elimination of intersegment transactions.
- *3 Segment income is adjusted to reflect operating income recorded in the Consolidated Statements of Income which is adjusted by equity in earnings (losses) of unconsolidated subsidiaries and affiliates.
- *4 Reportable segments other than Japan include the following countries:
 India: India, Bangladesh, Nepal and other locations.
 Europe: Slovenia, Turkey, Austria and other locations.
 Asia: Indonesia, Thailand, China and other locations.
 Africa: South Africa, Uganda, Zimbabwe and other locations.

(2) Three months ended June 30, 2025 (April 1, 2025 - June 30, 2025)

Information about sales, profit and loss by reportable segment

(Millions of yen)

	Reportable segments						Other *1	Total	Adjustment *2	Consolidated *3
	Japan	India	Europe	Asia	Africa	Total				
Net sales										
(1) Sales to customers	39,270	36,964	37,887	16,616	11,492	142,231	2,449	144,680	—	144,680
(2) Intersegment sales and transfers	3,805	23	39	739	27	4,635	—	4,635	(4,635)	—
Total sales	43,075	36,987	37,927	17,355	11,520	146,867	2,449	149,316	(4,635)	144,680
Operating income	4,563	4,451	344	1,558	1,043	11,962	278	12,240	0	12,241
Equity in earnings (losses) of unconsolidated subsidiaries and affiliates	530	(29)	(317)	941	37	1,163	322	1,485	—	1,485
Segment income	5,094	4,421	26	2,500	1,081	13,125	601	13,726	0	13,727

Notes:

- *1 The "Other" category includes business activities of subsidiaries and affiliates in the U.S., Mexico and other locations.
- *2 Adjustments for segment income represent the elimination of intersegment transactions.
- *3 Segment income is adjusted to reflect operating income recorded in the Consolidated Statements of Income which is adjusted by equity in earnings (losses) of unconsolidated subsidiaries and affiliates.
- *4 Reportable segments other than Japan include the following countries:
 India: India, Bangladesh, Nepal and other locations.
 Europe: Slovenia, Turkey, Austria and other locations.
 Asia: Indonesia, Thailand, China and other locations.
 Africa: South Africa, Uganda, Zimbabwe and other locations.