DATA BOOK

FY2026 1Q

(1st Quarter ended June 30,2026)

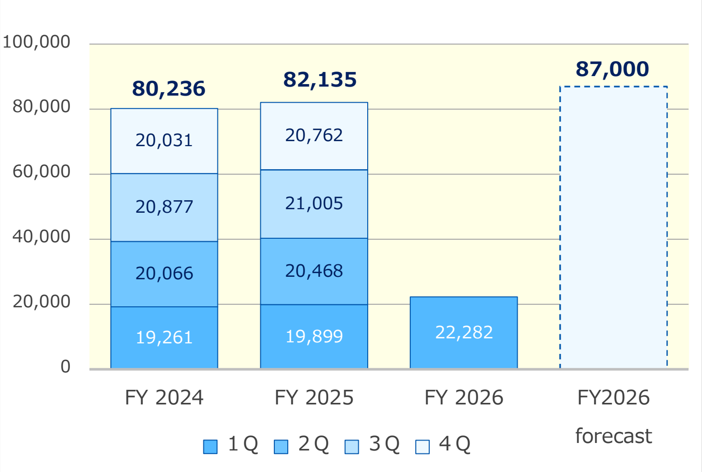
INDEX

August 5th, 2026

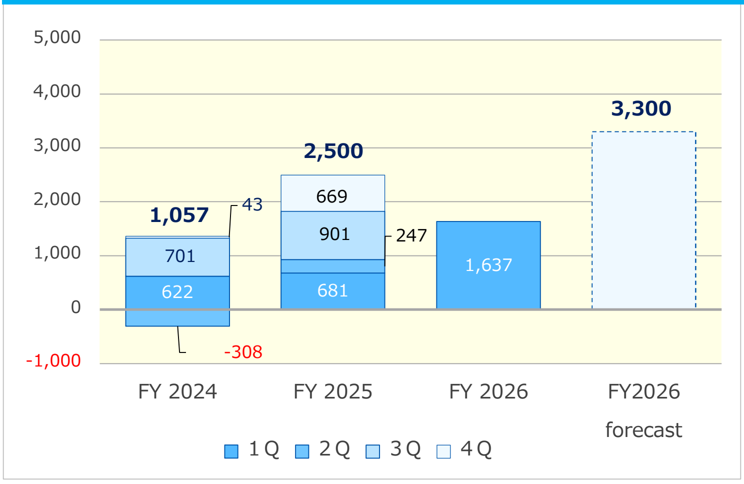
ARAKAWA CHEMICAL INDUSTRIES, LTD.

Achievement Transition (Consolidated)

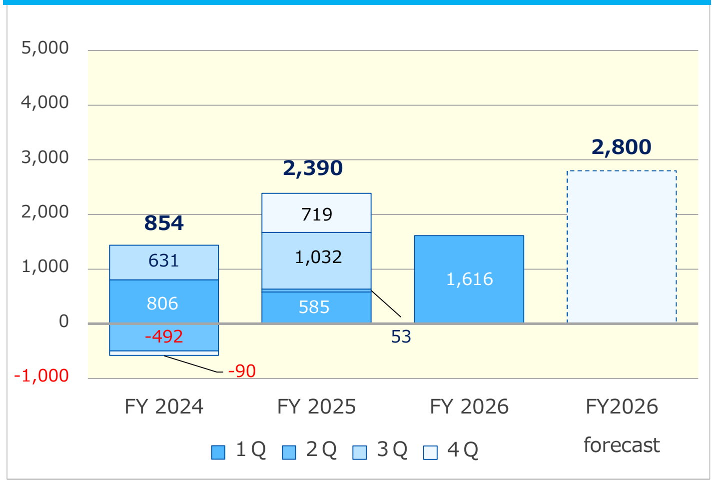
Net sales (Millions of yen)



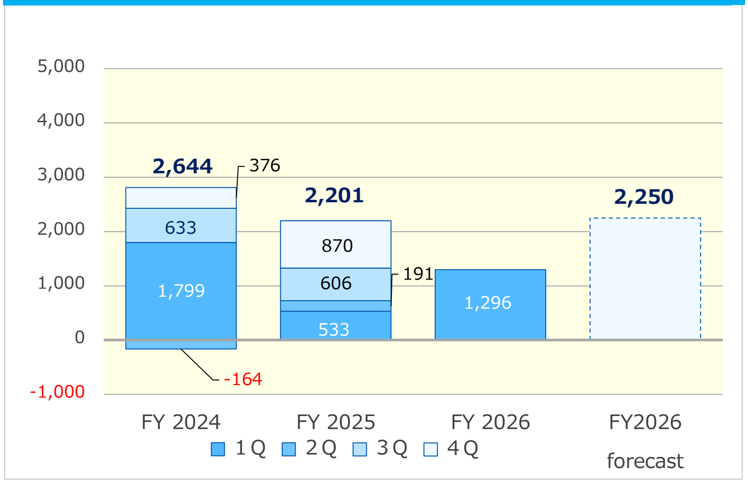
Operating income (Millions of yen)



Ordinary income (Millions of yen)



Profit attributable to owners of parent (Millions of yen)



Consolidated	FY 2024 (1Q)		FY 2025 (1Q)		FY 2026 (1Q)		FY2024		FY2025		FY 2026 forecast	
	Millions of yen	% Change	Millions of yen	% Change	Millions of yen	% Change	Millions of yen	% Change	Millions of yen	% Change	Millions of yen	% Change
Net sales	19,261	11.3	19,899	3.3	**22,282**	**12.0**	80,236	11.1	82,135	2.4	87,000	5.9
Operating income	622	–	681	9.6	**1,637**	**140.3**	1,057	–	2,500	136.4	3,300	32.0
Ordinary income	806	–	585	△ 27.4	**1,616**	**176.0**	854	–	2,390	179.7	2,800	17.1
Profit attributable to owners of parent	1,799	–	533	△ 70.4	**1,296**	**143.2**	2,644	–	2,201	△ 16.8	2,250	2.2

Capital expenditure, etc.

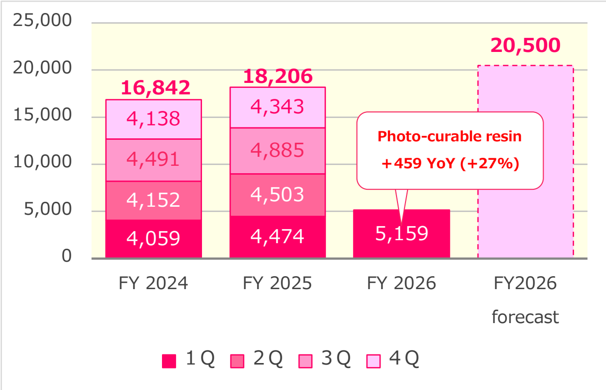
Consolidated	FY 2024 (1Q)		FY 2025 (1Q)		FY 2026 (1Q)		FY2024		FY2025		FY 2026 forecast	
	Millions of yen	Increase /Decrease	Millions of yen	Increase /Decrease	Millions of yen	Increase /Decrease	Millions of yen	Increase /Decrease	Millions of yen	Increase /Decrease	Millions of yen	Increase /Decrease
Capital expenditure	384	△ 113	441	57	**776**	**334**	5,429	△ 627	3,300	△ 2,129	5,000	1,699
Depreciation	1,294	△ 76	1,318	24	**1,226**	**△ 92**	5,720	△ 87	5,588	△ 132	5,300	△ 288
R&D expenses	759	28	757	△ 1	**754**	**△ 3**	3,058	93	3,043	△ 15	3,300	256
Interest-bearing debt	41,130	4,284	40,952	△ 177	**39,931**	**△ 1,021**	39,381	△ 3,007	40,624	1,243	40,500	△ 124
EBITDA	1,916	1,379	2,000	84	**2,864**	**864**	6,778	3,587	8,088	1,310	8,600	511

[**EBITDA**] Operating profit before amortization = Operating profit + Depreciation expense + Amortization of goodwill

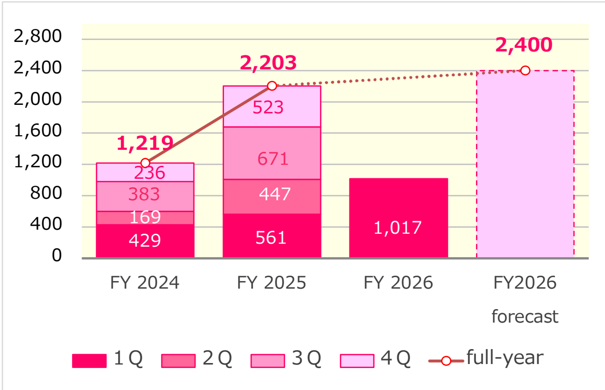
Segment Information (Consolidated)

Functional Coating Chemicals

Net sales（Millions of yen）

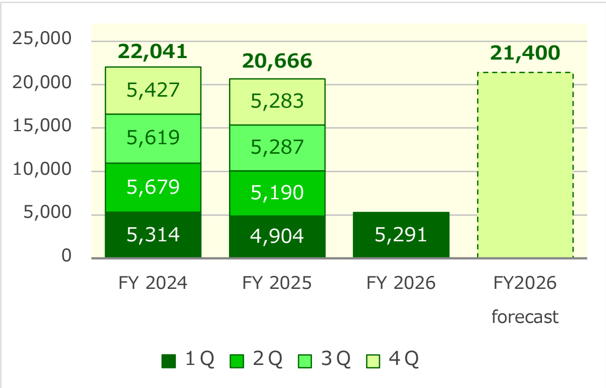


Segment income（Millions of yen）

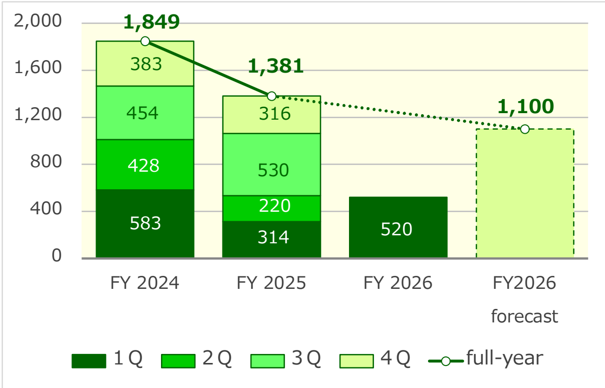


Paper Chemicals & Environmental Business

Net sales（Millions of yen）

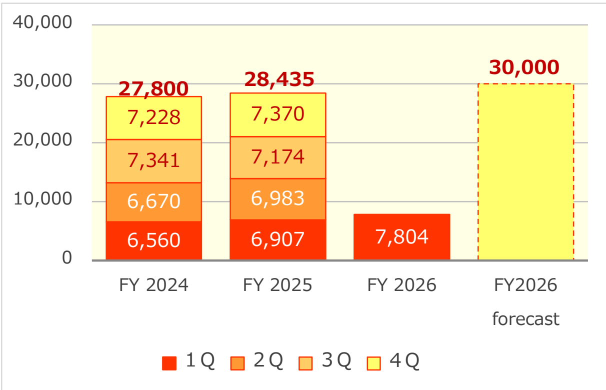


Segment income（Millions of yen）

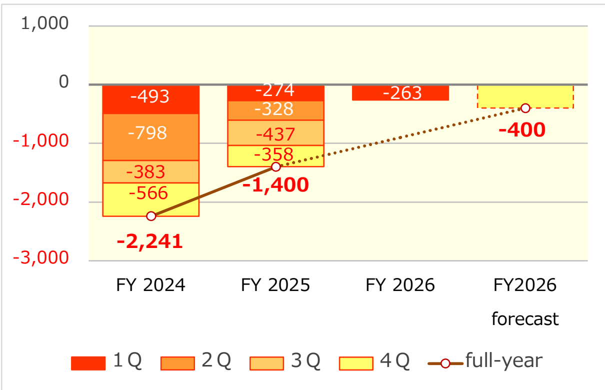


Adhesive & Biomass Materials

Net sales（Millions of yen）

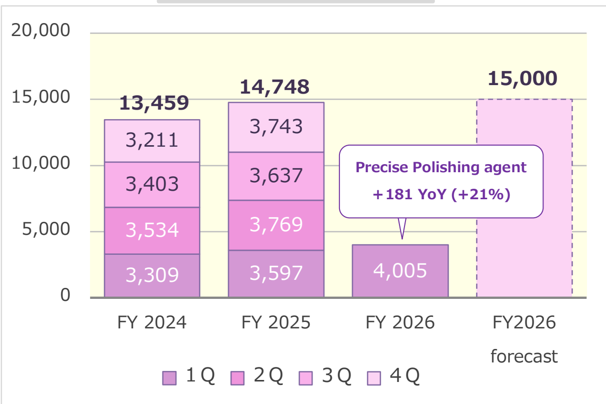


Segment income（Millions of yen）

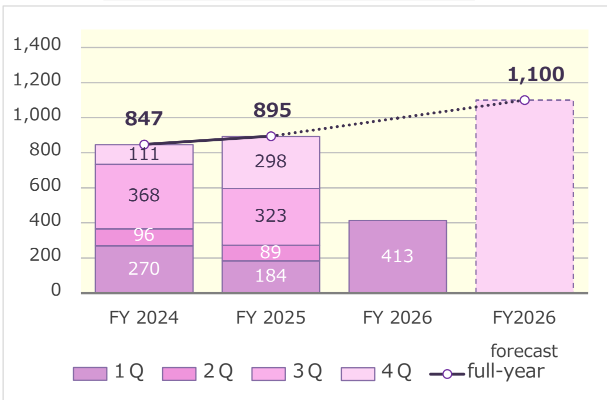


Fine Chemicals & Electronics

Net sales（Millions of yen）



Segment income（Millions of yen）



Segment Information (Consolidated)

Consolidated		FY 2024 (1Q)		FY 2025 (1Q)		FY 2026 (1Q)		FY 2024		FY 2025		FY 2026 forecast	
		Millions of yen	% Change	Millions of yen	% Change	Millions of yen	% Change	Millions of yen	% Change	Millions of yen	% Change	Millions of yen	% Change
Functional Coating Chemicals	Net sales ※1	4,059	14.8	4,474	10.2	**5,159**	**15.3**	16,842	12.8	18,206	8.1	20,500	12.6
	Segment income	429	–	561	30.7	**1,017**	**81.2**	1,219	134.2	2,203	80.6	2,400	8.9
	Segment income/sales	10.6%		12.5%		**19.7%**		7.2%		12.1%		11.7%	
Paper Chemicals & Environmental Business	Net sales ※1	5,314	12.9	4,904	△ 7.7	**5,291**	**7.9**	22,041	4.4	20,666	△ 6.2	21,400	3.6
	Segment income	583	555.0	314	△ 46.1	**520**	**65.4**	1,849	38.1	1,381	△ 25.3	1,100	△ 20.4
	Segment income/sales	11.0%		6.4%		**9.8%**		8.4%		6.7%		5.1%	
Adhesive & Biomass Materials	Net sales ※1	6,560	5.4	6,907	5.3	**7,804**	**13.0**	27,800	10.6	28,435	2.3	30,000	5.5
	Segment income	△ 493	–	△ 274	–	**△ 263**	**–**	△ 2,241	–	△ 1,400	–	△ 400	–
	Segment income/sales	△7.5%		△4.0%		**△3.4%**		△8.1%		△4.9%		△1.3%	
Fine Chemicals & Electronics	Net sales ※1	3,309	17.6	3,597	8.7	**4,005**	**11.3**	13,459	22.9	14,748	9.6	15,000	1.7
	Segment income	270	–	184	△ 32.0	**413**	**124.8**	847	–	895	5.7	1,100	22.8
	Segment income/sales	8.2%		5.1%		**10.3%**		6.3%		6.1%		7.3%	
Others	Net sales ※1	18	6.6	15	△ 14.4	**20**	**27.7**	93	15.9	79	△ 15.1	100	25.9
	Segment income	8	15.7	6	△ 17.9	**12**	**84.6**	56	46.1	40	△ 29.2	40	△ 0.7
	Segment income/sales	44.4%		42.6%		**61.6%**		60.8%		50.7%		40.0%	
Subtotal	Net sales ※1	19,261	11.3	19,899	3.3	**22,282**	**12.0**	80,236	11.1	82,135	2.4	87,000	5.9
	Segment income	798	–	791	△ 0.9	**1,700**	**114.7**	1,732	–	3,121	80.2	4,240	35.8
	Segment income/sales	4.1%		4.0%		**7.6%**		2.2%		3.8%		4.9%	
Consolidated total	Investment for New Business ※2	△ 93	–	△ 119	–	**△ 121**	**–**	△ 384	–	△ 496	–	△ 740	–
	Segment income	704	–	672	△ 4.6	**1,578**	**134.6**	1,347	–	2,625	94.8	3,500	33.3
	Segment income/sales	3.7%		3.4%		**7.1%**		1.7%		3.2%		4.0%	

※1 The sales of business segmentation do not include intersegment sales.

※2 Corporate R&D expenses represent new R&D costs and life science business-related expenses, which are the source of medium- to long-term growth.

[Functional Coating Chemicals] Photo-curable resin,Thermosetting resin,Resins for paint and printing ink,etc.

[Paper chemicals & Environmental Business] Paper strengthening agent,Sizing agent,New water-based polymer,etc.

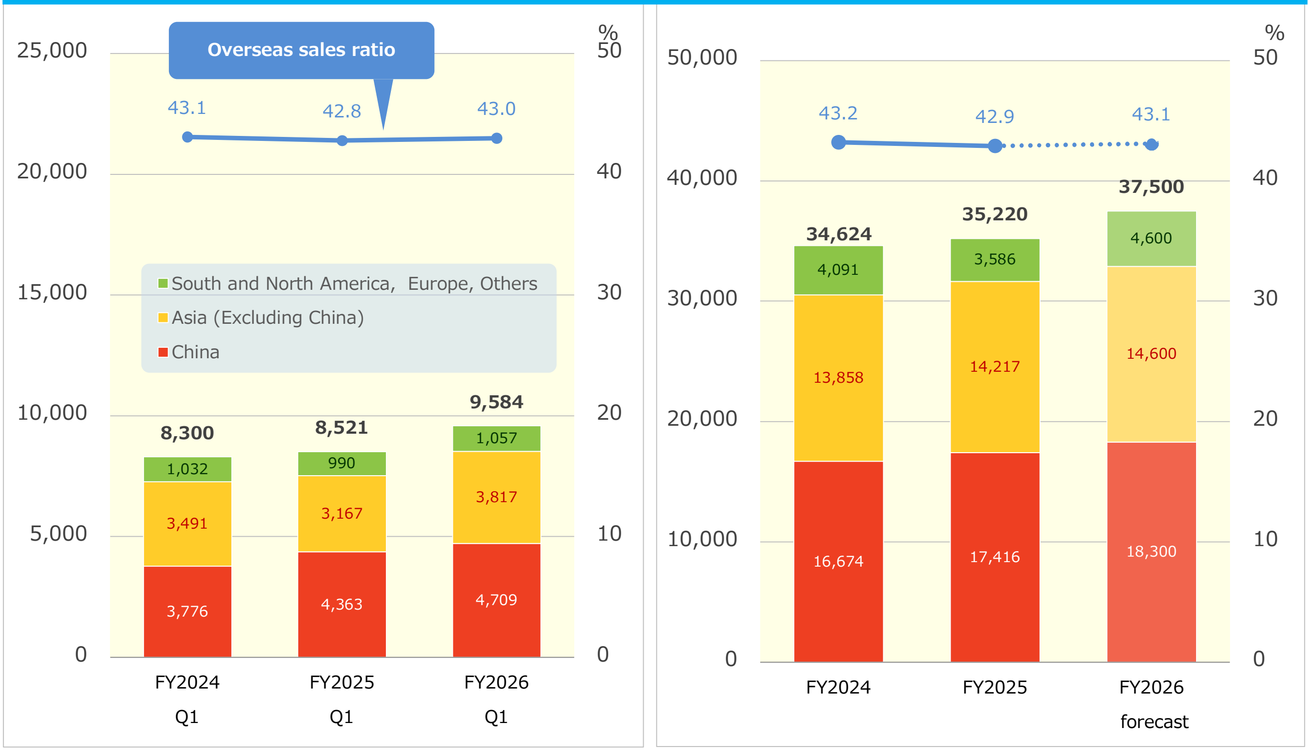
[Adhesive & Biomass Materials] Hydrogenated hydrocarbon resin,Adhesive resin,Colorless rosin derivative,Synthetic rubber polymerization emulsifier,etc.

[Fine Chemicals & Electronics] Precise parts cleaning agent and Cleaning system and its peripheral equipment,Thermoplastic Polyimide Solution,Fine chemical Products,Compounded Products for electronic material,Polishing agent for hard disk subst

[Others] Insurance business, Real estate management, Life Science, etc.

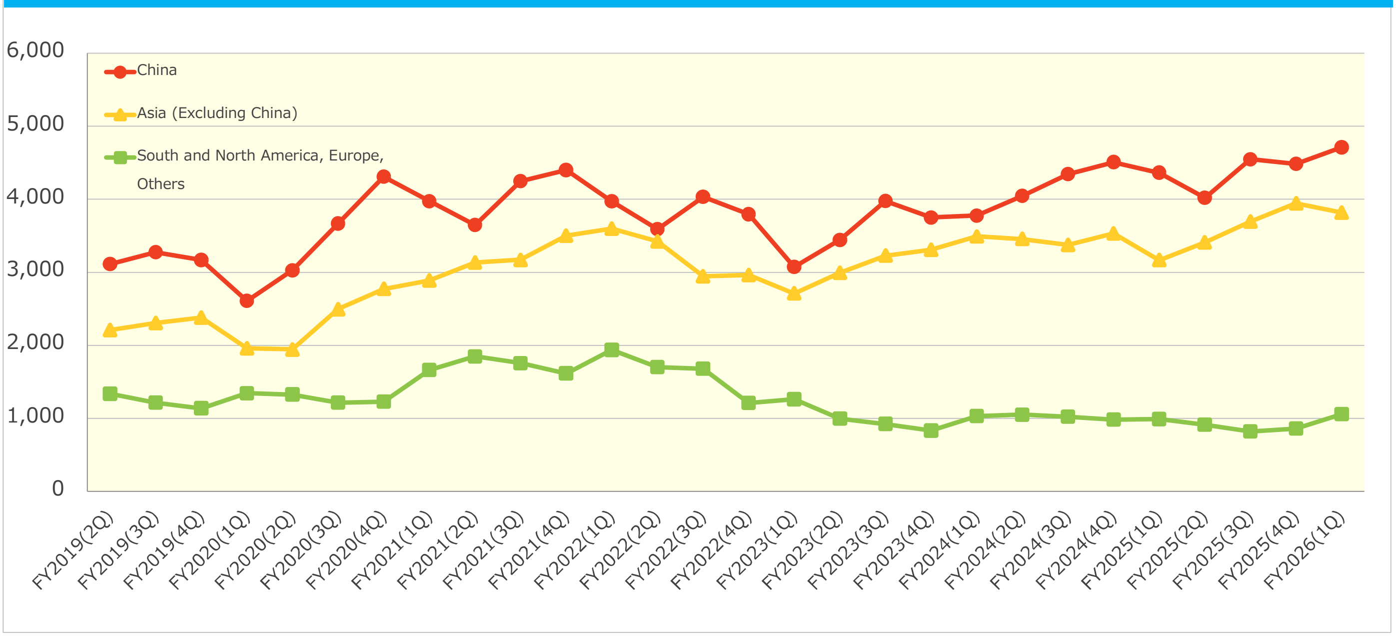
Overseas Sales (Consolidated)

Overseas Sales (Consolidated) (Millions of yen)



Consolidated	FY 2024 (1Q)		FY 2025 (1Q)		FY 2026 (1Q)		FY2024		FY2025		FY 2026 forecast	
	Millions of yen	% Change	Millions of yen	% Change	Millions of yen	% Change	Millions of yen	% Change	Millions of yen	% Change	Millions of yen	% Change
Overseas sales	8,300	17.7	8,521	2.7	**9,584**	**12.5**	34,624	13.5	35,220	1.7	37,500	6.5
Overseas sales in Asia	7,268	25.6	7,531	3.6	**8,526**	**13.2**	30,533	15.3	31,634	3.6	32,900	4.0
Overseas sales in China	3,776	22.8	4,363	15.5	**4,709**	**7.9**	16,674	17.1	17,416	4.5	18,300	5.1
Overseas sales ratio	43.1%		42.8%		**43.0%**		43.2%		42.9%		43.1%	

Overseas sales by region (Consolidated) (Millions of yen)



Balance Sheets(Consolidated)

(Unit：Millions of yen)

Item	FY2026 (As of June 30, 2025)		FY2027 (As of June 30, 2026)		FY2026 (As of March 31, 2026)		Increase /Decrease
	Amount	Composition ratio	Amount (A)	Composition ratio	Amount (B)	Composition ratio	(A) — (B)
(Assets)		%		%		%	
Ⅰ Current assets							
1. Cash and deposits	9,104		9,968		10,595		△ 627
2. Notes and accounts receivable - trade	24,893		27,239		25,847		1,392
3. Electronically recorded monetary claims - operating	2,181		2,383		2,358		25
4. Merchandise and finished goods	12,540		13,581		13,351		229
5. Work in process	1,624		1,629		1,412		217
6. Raw materials and supplies	9,457		9,914		10,306		△ 391
7. Other	1,441		1,022		1,140		△ 117
8. Allowance for doubtful accounts	△ 116		△ 119		△ 114		△ 5
Total current assets	61,127	50.8	65,620	51.1	64,897	51.5	723
Ⅱ Non-current assets							
1. Property, plant and equipment							
(1) Buildings and structures, net	18,194		18,135		18,130		4
(2) Machinery, equipment and vehicles, net	12,772		11,801		12,027		△ 225
(3) Land	5,001		5,014		5,017		△ 2
(4) Construction in progress	976		937		1,026		△ 89
(5) Other, net	1,046		948		966		△ 18
Total property, plant and equipment	37,993	31.5	36,837	28.7	37,168	29.5	△ 330
2. Intangible assets							
(1) Other	1,266		1,146		1,180		△ 34
Total intangible assets	1,266	1.0	1,146	0.9	1,180	0.9	△ 34
3. Investments and other assets							
(1) Investment securities	10,609		13,360		11,185		2,174
(2) Retirement benefit asset	7,487		9,968		9,864		103
(3) Deferred tax assets	213		158		207		△ 49
(4) Other	384		455		509		△ 54
(5) Allowance for doubtful accounts	△ 81		△ 92		△ 89		△ 2
Total investments and other assets	18,612	15.5	23,850	18.5	21,678	17.2	2,171
Total non-current assets	57,872	48.0	61,833	48.1	60,027	47.6	1,806
Ⅲ Deferred assets							
1. Business commencement expenses	1,431		1,035		1,134		△ 99
Total deferred assets	1,431	1.2	1,035	0.8	1,134	0.9	△ 99
Total assets	120,431	100.0	128,490	100.0	126,059	100.0	2,430

(Unit : Millions of yen)

Item	FY2026 (As of June 30, 2025)		FY2027 (As of June 30, 2026)		FY2026 (As of March 31, 2026)		Increase /Decrease
	Amount	Composition ratio	Amount (A)	Composition ratio	Amount (B)	Composition ratio	(A) − (B)
(Liabilities)		%		%		%	
I Current liabilities							
1. Notes and accounts payable - trade	8, 272		8, 669		8, 646		23
2. Electronically recorded obligations - operating	1, 149		1, 158		1, 134		24
3. Short-term borrowings	20, 604		22, 726		22, 716		9
4. Current portion of bonds payable	−		5, 000		5, 000		−
5. Income taxes payable	430		564		473		91
6. Accrued consumption taxes	106		146		256		△ 110
7. Provision for bonuses	656		739		1, 370		△ 631
8. Provision for bonuses for directors (and other officers)	9		21		34		△ 13
9. Provision for repairs	521		1, 084		971		113
10. Provision for loss on business liquidation	55		62		62		△ 0
11. Asset retirement obligations	26		−		−		−
12. Notes payable - facilities	84		208		157		51
13. Other	5, 482		5, 780		5, 287		492
Total current liabilities	37, 397	31. 1	46, 161	35. 9	46, 110	36. 6	50
II Non-current liabilities							
1. Bonds payable	10, 000		5, 000		5, 000		−
2. Long-term borrowings	10, 348		7, 205		7, 907		△ 702
3. Deferred tax liabilities	4, 453		6, 476		5, 586		890
4. Retirement benefit liability	262		270		261		9
5. Asset retirement obligations	1, 829		1, 864		1, 842		21
6. Other	120		108		111		△ 2
Total non-current liabilities	27, 013	22. 4	20, 924	16. 3	20, 708	16. 4	216
Total liabilities	64, 411	53. 5	67, 086	52. 2	66, 819	53. 0	266
(Net assets)							
I Shareholders' equity							
1. Share capital	3, 343		3, 343		3, 343		−
2. Capital surplus	3, 564		3, 564		3, 564		−
3. Retained earnings	40, 656		42, 629		41, 829		800
4. Treasury shares	△ 1, 211		△ 1, 211		△ 1, 211		−
Total shareholders' equity	46, 352	38. 5	48, 325	37. 6	47, 524	37. 7	800
II Accumulated other comprehensive income							
1. Valuation difference on available-for-sale securities	4, 720		7, 038		5, 507		1, 531
2. Foreign currency translation adjustment	3, 701		5, 558		5, 174		384
3. Remeasurements of defined benefit plans	3, 009		4, 013		4, 150		△ 137
Total accumulated other comprehensive income	11, 431	9. 5	16, 611	12. 9	14, 832	11. 8	1, 778
III Non-controlling interests	△ 1, 764	△ 1. 5	△ 3, 533	△ 2. 7	△ 3, 117	△ 2. 5	△ 415
Total net assets	56, 020	46. 5	61, 403	47. 8	59, 240	47. 0	2, 163
Total liabilities and net assets	120, 431	100. 0	128, 490	100. 0	126, 059	100. 0	2, 430

Statements of Income (Consolidated)

(Unit : Millions of yen)

Item	FY2026 '25/4-'25/6		FY2026 '26/4-'26/6		Increase /Decrease		FY2026 '25/4-'26/3	
	Amount	Ratio	Amount	Ratio	Amount	Rate of Change	Amount	Ratio
		%		%		%		%
Ⅰ Net sales	19,899	100.0	22,282	100.0	2,382	12.0	82,135	100.0
Ⅱ Cost of sales	15,265	76.7	16,532	74.2	1,267	8.3	64,283	78.3
Gross profit	4,634	23.3	5,749	25.8	1,115	24.1	17,852	21.7
Ⅲ Selling, general and administrative expenses	3,952	19.9	4,111	18.5	158	4.0	15,352	18.7
Operating profit	681	3.4	1,637	7.4	956	140.3	2,500	3.0
Ⅳ Non-operating income								
Interest income	23		22		△ 0		92	
Dividend income	94		108		14		275	
Rental income from real estate	14		14		0		57	
Foreign exchange gains	−		74		74		61	
Other	68		98		29		349	
Total non-operating income	201	1.0	318	1.4	117	58.4	836	1.0
Ⅴ Non-operating expenses								
Interest expenses	112		128		16		479	
Foreign exchange losses	52		−		△ 52		−	
Loss on investments in investment partnerships	−		75		75		−	
Amortization of business commencement expenses	99		99		0		396	
Other	32		36		3		70	
Total non-operating expenses	296	1.5	339	1.5	42	14.3	945	1.1
Ordinary profit	585	2.9	1,616	7.3	1,031	176.0	2,390	2.9
Ⅵ Extraordinary income								
Gain on sale of non-current assets	0		8		7		2	
Gain on sale of investment securities	−		−		−		1,013	
Total extraordinary income	0	0.0	8	0.0	7	−	1,016	1.2
Ⅶ Extraordinary losses								
Loss on sale and retirement of non-current assets	5		33		28		209	
Loss on sale of investment securities	−		−		−		1	
Loss on valuation of investment securities	−		−		−		166	
Loss on liquidation of subsidiaries and associates	−		−		−		470	
Settlement	−		−		−		155	
Total extraordinary losses	5	0.0	33	0.2	28	495.6	1,002	1.2
Profit before income taxes	580	2.9	1,591	7.1	1,010	174.2	2,404	2.9
Income taxes - current	163		409		246		1,237	
Income taxes - deferred	256		296		40		500	
Income taxes	419	2.1	706	3.2	286	68.2	1,738	2.1
Profit	160	0.8	885	3.9	724	451.3	666	0.8
Profit(Loss) attributable to non-controlling interests	△ 372	△ 1.9	△ 411	△ 1.9	△ 39	−	△ 1,535	△ 1.9
Profit attributable to owners of parent	533	2.7	1,296	5.8	763	143.2	2,201	2.7

<Reference> Statements of Comprehensive Income (Consolidated)

Item	FY2026 '25/4-'25/6 Amount	Ratio	FY2026 '26/4-'26/6 Amount	Ratio	Increase /Decrease Amount	Rate of Change	FY2026 '25/4-'26/3 Amount	Ratio
Profit	160		885		724	451.3	666	
Other comprehensive income								
Valuation difference on available-for-sale securities	335		1,531		1,195		1,123	
Foreign currency translation adjustment	△ 1,124		380		1,504		587	
Remeasurements of defined benefit plans, net of tax	△ 93		△ 137		△ 43		1,048	
Total other comprehensive income	△ 881		1,774		2,656		2,759	
Comprehensive income	△ 721		2,659		3,380	−	3,425	

Statements of Cash Flows (Consolidated)

(Unit：Millions of yen)

Item	FY2026 '25/4-'25/6 Amount	FY2027 '26/4-'26/6 Amount	Increase /Decrease	FY2026 '25/4-'26/3 Amount
Ⅰ Cash flows from operating activities				
Profit before income taxes	580	1, 591	1, 010	2, 404
Depreciation	1, 318	1, 226	△ 92	5, 588
Amortization of business commencement expenses	99	99	0	396
Increase (decrease) in allowance for doubtful accounts	△ 6	3	10	△ 13
Increase (decrease) in provision for bonuses	△ 701	△ 634	66	△ 10
Increase (decrease) in provision for bonuses for directors (and other officers)	△ 18	△ 13	5	7
Increase (decrease) in retirement benefit liability	3	10	6	△ 0
Decrease (increase) in retirement benefit asset	△ 100	△ 104	△ 3	△ 2, 469
Loss (gain) on sale and retirement of non-current assets	5	25	20	206
Loss (gain) on sale of investment securities	－	－	－	△ 1, 012
Loss on valuation of investment securities	－	－	－	166
Loss on liquidation of subsidiaries and associates	－	－	－	470
Settlement	－	－	－	155
Loss (gain) on investments in investment partnerships	－	75	75	△ 28
Interest and dividend income	△ 117	△ 131	△ 13	△ 367
Interest expenses	112	128	16	479
Decrease (increase) in trade receivables	570	△ 1, 233	△ 1, 804	175
Decrease (increase) in inventories	△ 84	54	138	△ 1, 021
Increase (decrease) in trade payables	△ 791	△ 6	785	△ 693
Increase (decrease) in accrued consumption taxes	142	△ 18	△ 160	284
Other	△ 747	328	1, 075	1, 329
Subtotal	265	1, 402	1, 137	6, 047
Interest and dividends received	122	138	15	364
Interest paid	△ 131	△ 142	△ 10	△ 487
Settlement paid	－	－	－	△ 185
Income taxes refund (paid)	△ 500	△ 310	190	△ 1, 562
Net cash provided by (used in) operating activities	△ 244	1, 087	1, 331	4, 176
Ⅱ Cash flows from investing activities				
Decrease (increase) in time deposits	812	△ 170	△ 983	872
Purchase of property, plant and equipment	△ 890	△ 521	369	△ 3, 680
Proceeds from sale of property, plant and equipment	0	4	4	4
Purchase of investment securities	△ 12	△ 11	1	△ 42
Proceeds from sale of investment securities	－	－	－	1, 331
Purchase of intangible assets	△ 9	△ 25	△ 15	△ 114
Purchase of shares of subsidiaries and associates	－	－	－	△ 157
Decrease (increase) in investments and other assets	△ 2	76	79	△ 106
Other	△ 22	△ 53	△ 31	△ 209
Net cash provided by (used in) investing activities	△ 124	△ 701	△ 576	△ 2, 103
Ⅲ Cash flows from financing activities				
Net increase (decrease) in short-term borrowings	2, 357	△ 40	△ 2, 398	4, 364
Repayments of long-term borrowings	△ 702	△ 702	－	△ 3, 215
Purchase of treasury shares	－	－	－	△ 0
Dividends paid	△ 495	△ 495	0	△ 991
Dividends paid to non-controlling interests	－	－	－	△ 430
Other	△ 3	△ 2	0	△ 12
Net cash provided by (used in) financing activities	1, 156	△ 1, 241	△ 2, 398	△ 286
Ⅳ Effect of exchange rate change on cash and cash equivalents	△ 120	60	180	192
Ⅴ Net increase (decrease) in cash and cash equivalents	666	△ 796	△ 1, 462	1, 978
Ⅵ Cash and cash equivalents at beginning of period	6, 434	8, 413	1, 978	6, 434
Ⅶ Cash and cash equivalents at end of period	7, 100	7, 617	516	8, 413