ARAKAWA CHEMICAL

DATA BOOK

FY2026 (3rd Quarter ended Dec 31,2025)

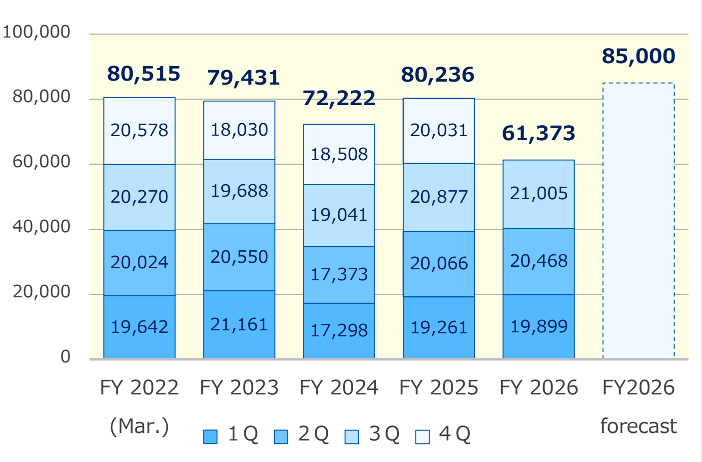
INDEX

February 5th,2026

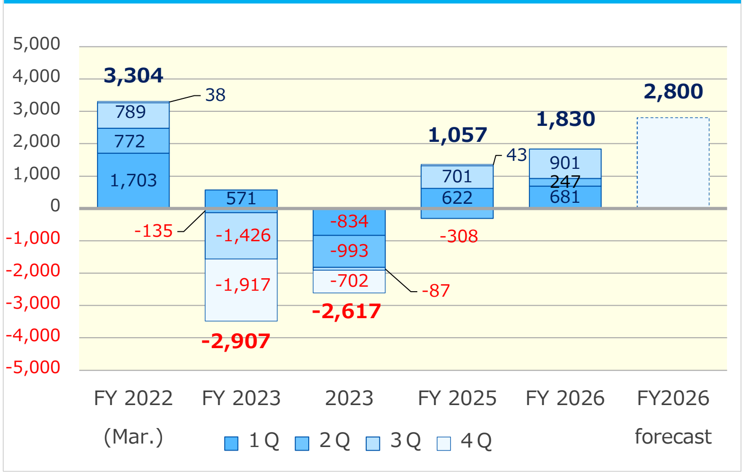
ARAKAWA CHEMICAL INDUSTRIES, LTD.

Achievement Transition (Consolidated)

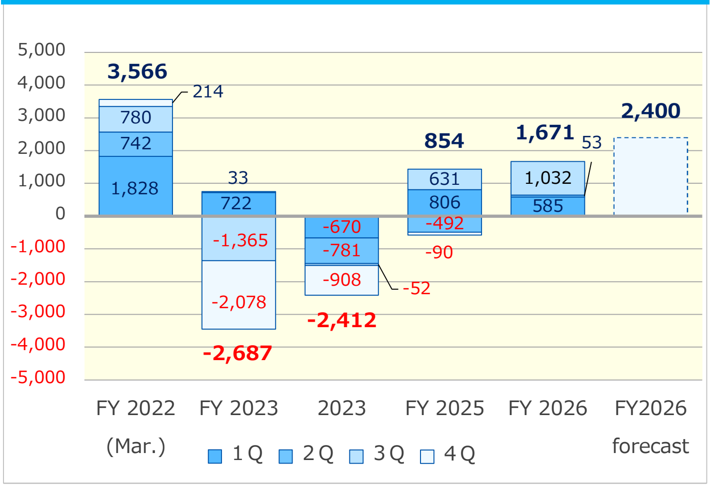
Net sales (Millions of yen)



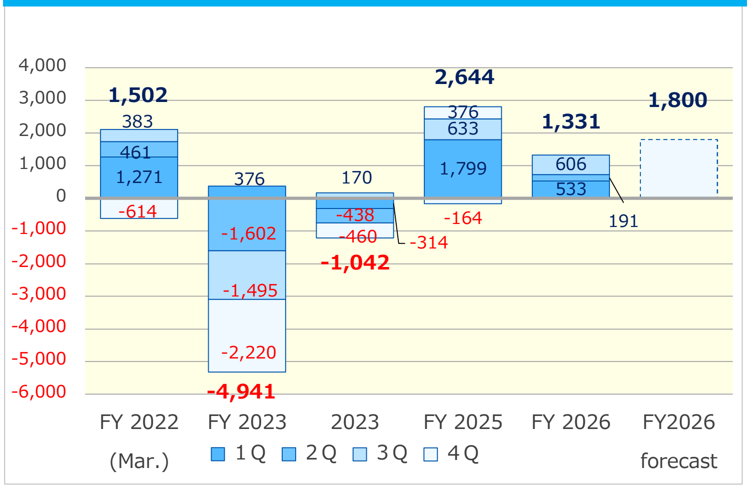
Operating income (Millions of yen)



Ordinary income (Millions of yen)



Profit attributable to owners of parent (Millions of yen)



Consolidated	FY 2024 (3Q)		FY 2025 (3Q)		FY 2026 (3Q)		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	53,713	△ 12.5	60,205	12.1	**61,373**	**1.9**	72,222	△ 9.1	80,236	11.1	85,000	5.9
Operating income	△ 1,914	–	1,014	–	**1,830**	**80.4**	△ 2,617	–	1,057	–	2,800	164.7
Ordinary income	△ 1,503	–	945	–	**1,671**	**76.9**	△ 2,412	–	854	–	2,400	180.7
Profit attributable to owners of parent	△ 582	–	2,267	–	**1,331**	**△ 41.3**	△ 1,042	–	2,644	–	1,800	△ 31.9

Capital expenditure, etc.

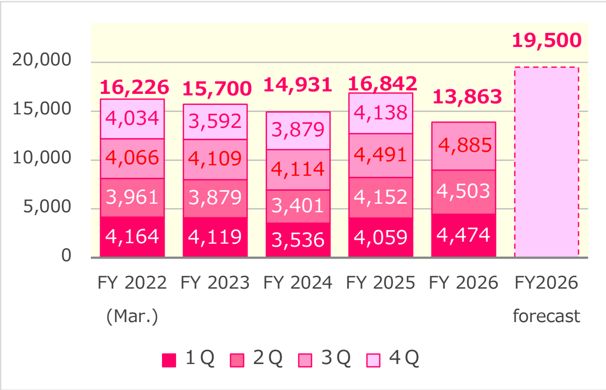
Consolidated	FY 2024 (3Q)		FY 2025 (3Q)		FY 2026 (3Q)		FY2024		FY2025		FY 2026 forecast	
	Millions of yen	Increase /Decrease	Millions of yen	Increase /Decrease	Millions of yen	Increase /Decrease	Millions of yen	Increase /Decrease	Millions of yen	Increase /Decrease	Millions of yen	Increase /Decrease
Capital expenditure	3,260	306	2,045	△ 1,215	**2,274**	**229**	6,057	2,031	5,429	△ 627	4,000	△ 1,429
Depreciation	4,242	1,283	4,157	△ 85	**4,126**	**△ 30**	5,808	1,330	5,720	△ 87	5,500	△ 220
R&D expenses	2,183	△ 72	2,252	68	**2,272**	**20**	2,965	△ 59	3,058	93	3,300	241
Interest-bearing debt	41,769	3,329	41,178	△ 591	**42,723**	**1,544**	42,388	7,335	39,381	△ 3,007	40,500	1,118
EBITDA	2,327	359	5,172	2,844	**5,957**	**784**	3,190	1,621	6,778	3,587	8,300	1,521

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

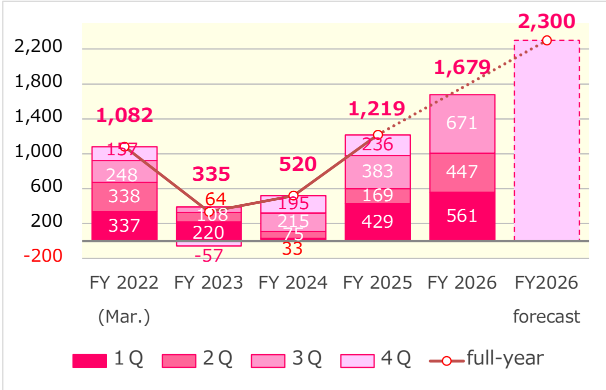
Segment Information (Consolidated)

Functional Coating Chemicals

Net sales（Millions of yen）

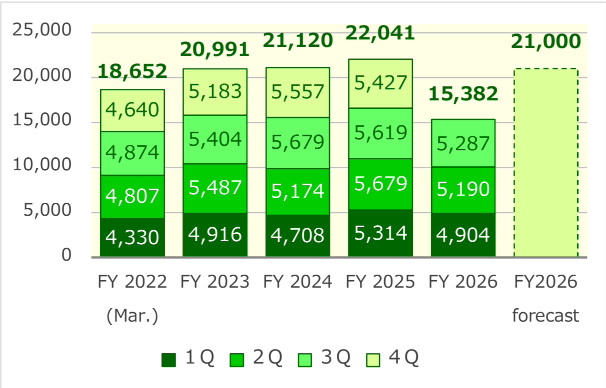


Segment income（Millions of yen）

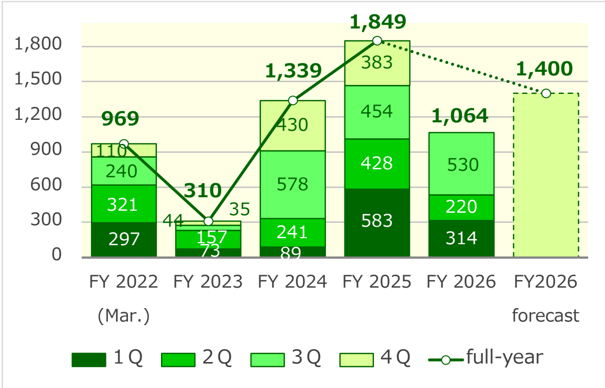


Paper Chemicals & Environmental Business

Net sales（Millions of yen）

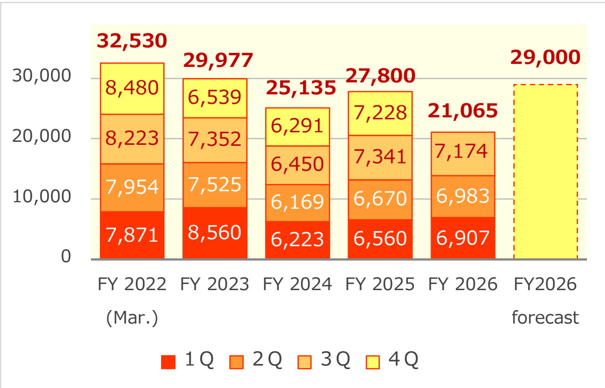


Segment income（Millions of yen）

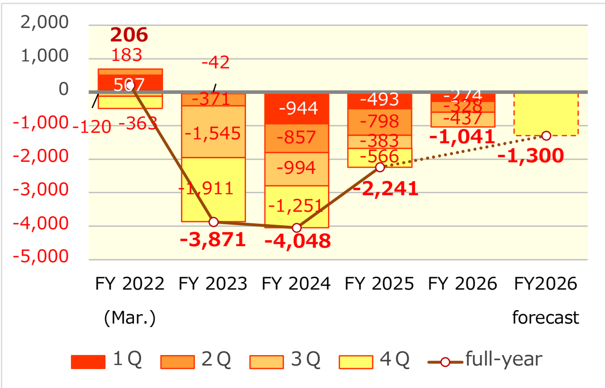


Adhesive & Biomass Materials

Net sales（Millions of yen）

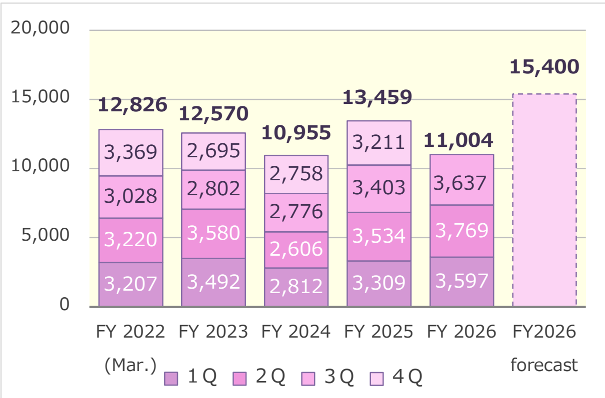


Segment income（Millions of yen）

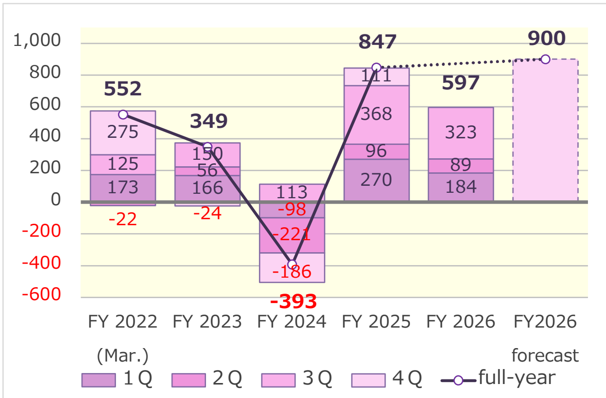


Fine Chemicals & Electronics

Net sales（Millions of yen）



Segment income（Millions of yen）



Segment Information (Consolidated)

Consolidated		FY 2024(3Q)		FY 2025(3Q)		FY 2026(3Q)		FY 2024		FY2025		FY 2026 forecast	
		Miliions of yen	% Change	Miliions of yen	% Change	Miliions of yen	% Change	Miliions of yen	% Change	Miliions of yen	% Change	Miliions of yen	% Change
Functional Coating Chemicals	Net sales ※1	11,051	△ 8.7	12,703	14.9	**13,863**	**9.1**	14,931	△ 4.9	16,842	12.8	19,500	15.8
	Segment income	325	△ 17.4	982	202.4	**1,679**	**70.9**	520	55.2	1,219	134.2	2,300	88.5
	Segment income/sales	2.9%		7.7%		**12.1%**		3.5%		7.2%		11.8%	
Paper Chemicals & Environmental Business	Net sales ※1	15,562	△ 1.6	16,613	6.8	**15,382**	**△ 7.4**	21,120	0.6	22,041	4.4	21,000	△ 4.7
	Segment income	908	229.8	1,466	61.3	**1,064**	**△ 27.4**	1,339	330.9	1,849	38.1	1,400	△ 24.3
	Segment income/sales	5.8%		8.8%		**6.9%**		6.3%		8.4%		6.7%	
Adhesive & Biomass Materials	Net sales ※1	18,843	△ 19.6	20,572	9.2	**21,065**	**2.4**	25,135	△ 16.2	27,800	10.6	29,000	4.3
	Segment income	△ 2,796	–	△ 1,675	–	**△ 1,041**	**–**	△ 4,048	–	△ 2,241	–	△ 1,300	–
	Segment income/sales	△14.8%		△8.1%		**△4.9%**		△16.1%		△8.1%		△4.5%	
Fine Chemicals & Electronics	Net sales ※1	8,196	△ 17.0	10,247	25.0	**11,004**	**7.4**	10,955	△ 12.8	13,459	22.9	15,400	14.4
	Segment income	△ 206	–	735	–	**597**	**△ 18.8**	△ 393	–	847	–	900	6.2
	Segment income/sales	△2.5%		7.2%		**5.4%**		△3.6%		6.3%		5.8%	
Others	Net sales ※1	58	△ 65.7	69	17.6	**57**	**△ 16.1**	80	△ 57.9	93	15.9	100	6.9
	Segment income	27	△ 8.0	41	53.3	**29**	**△ 29.6**	38	△ 7.3	56	46.1	40	△ 29.7
	Segment income/sales	46.1%		60.1%		**50.5%**		48.3%		60.8%		40.0%	
Subtotal	Net sales ※1	53,713	△ 12.5	60,205	12.1	**61,373**	**1.9**	72,222	△ 9.1	80,236	11.1	85,000	5.9
	Segment income	△ 1,742	–	1,550	–	**2,330**	**50.2**	△ 2,542	–	1,732	–	3,340	92.8
	Segment income/sales	△3.2%		2.6%		**3.8%**		△3.5%		2.2%		3.9%	
Consolidated total	Development Investment ※2	△ 294	–	△ 284	–	**△ 365**	**–**	△ 408	–	△ 384	–	△ 490	–
	Segment income	△ 2,036	–	1,266	–	**1,964**	**55.1**	△ 2,950	–	1,347	–	2,850	111.5
	Segment income/sales	△3.8%		2.1%		**3.2%**		△4.1%		1.7%		3.4%	

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

※2 Applied R&D and new business development expenses that will be the source of growth in the medium to long term.

[Functional Coating Chemicals] UV/EB curable resin,Resins for paint and printing ink,etc.

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

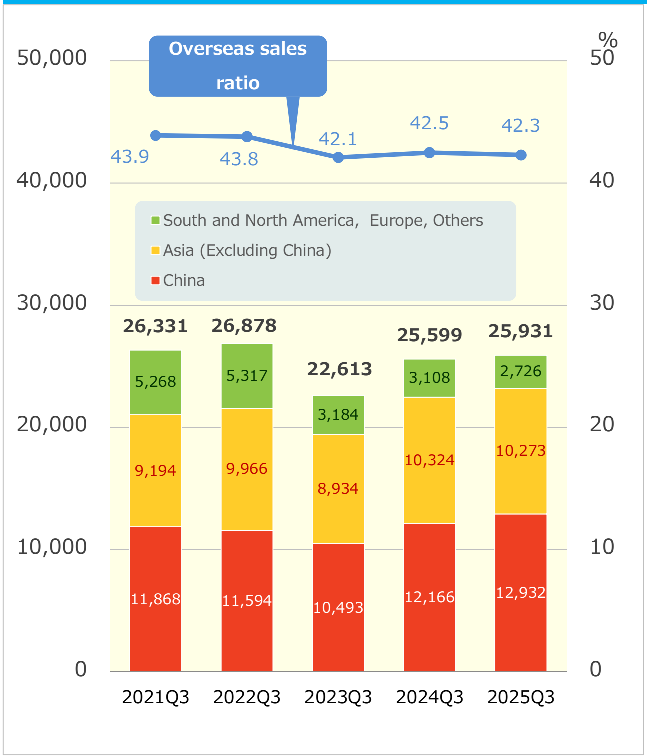
[Adhesive & Biomass Materials] Hydrogenated hydrocarbon resin,Adhesive resin,Colorless rosin derivative,Synthetic rubber polymerization emulsifier,etc.

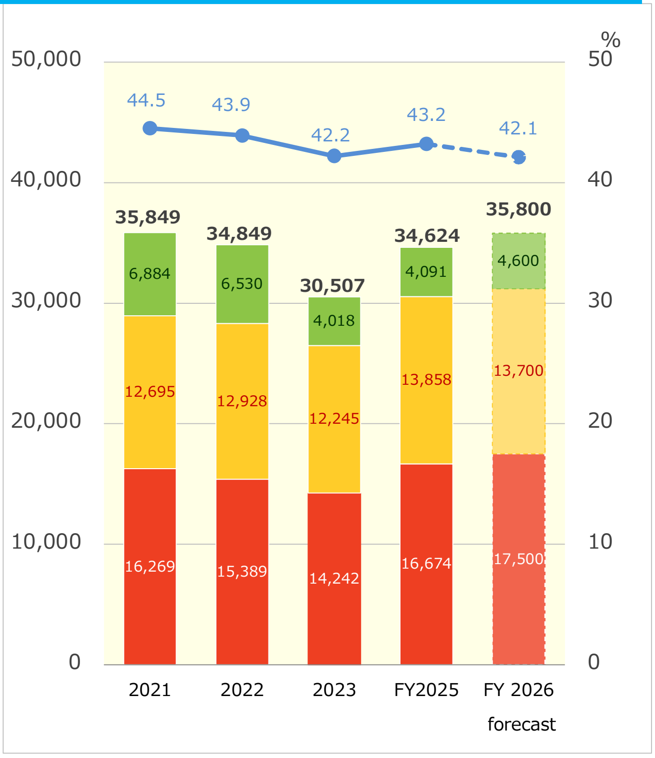
[Fine Chemicals & Electronics] Precise parts cleaning agent and Cleaning system and its peripheral equipment,Thermoplastic Polyimide Solution,Fine chemical Products,Compounded Products for electronic material,Polishing agent for hard disk substrates,etc.

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

Overseas Sales (Consolidated)

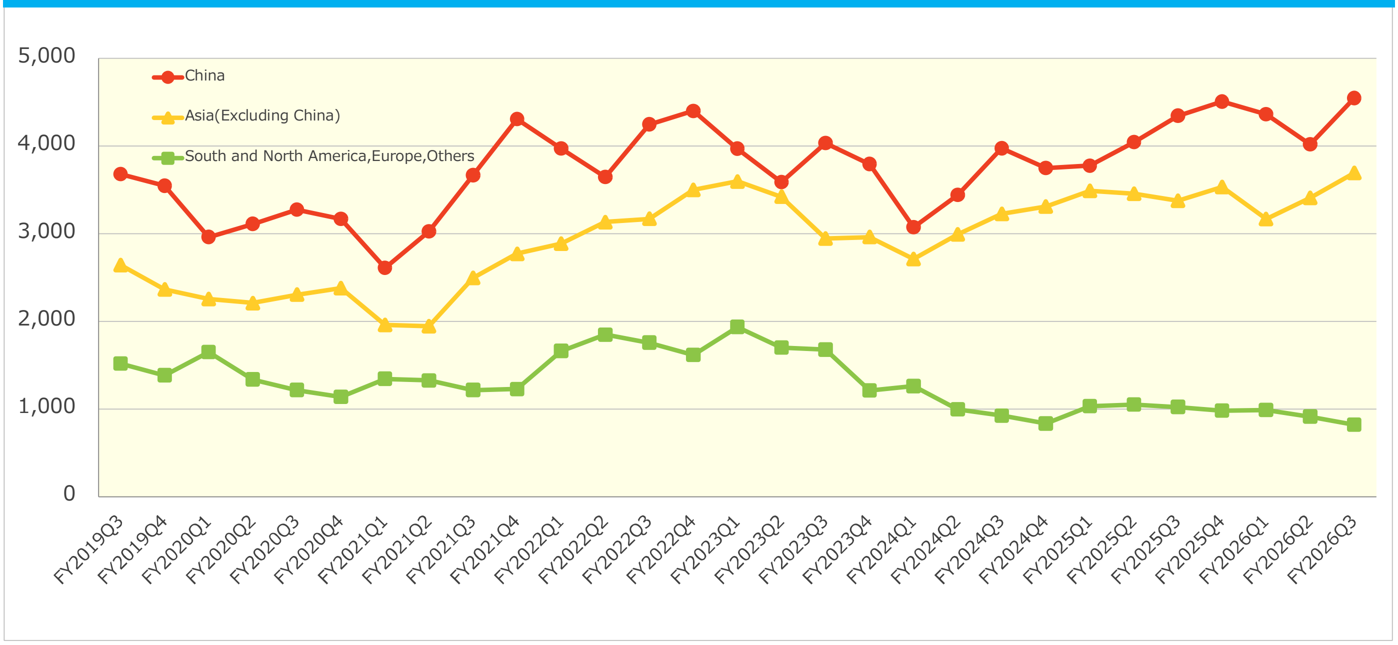
Overseas Sales (Consolidated) (Millions of yen)





Consolidated	FY 2024 (3Q)		FY 2025 (3Q)		FY 2026 (3Q)		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	22,613	△ 15.9	25,599	13.2	**25,931**	**1.3**	30,507	△ 12.5	34,624	13.5	35,800	3.4
Overseas sales in Asia	19,428	△ 9.9	22,491	15.8	**23,205**	**3.2**	26,488	△ 6.5	30,533	15.3	31,200	2.2
Overseas sales in China	10,493	△ 9.5	12,166	15.9	**12,932**	**6.3**	14,242	△ 7.5	16,674	17.1	17,500	5.0
Overseas sales ratio	42.1%		42.5%		**42.3%**		42.2%		43.2%		42.1%	

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



Balance Sheets(Consolidated)

(Unit：Millions of yen)

Item	FY2025 (As of December 31, 2024)		FY2026 (As of December 31, 2025)		FY2025 (As of March 31, 2025)		Increase /Decrease
	Amount	Composition ratio	Amount (A)	Composition ratio	Amount (B)	Composition ratio	(A) ― (B)
(Assets)		%		%		%	
Ⅰ Current assets							
1. Cash and deposits	9,900		9,400		9,431		△ 31
2. Notes and accounts receivable - trade	28,429		29,259		25,884		3,374
3. Electronically recorded monetary claims - operating	2,664		2,858		2,258		599
4. Merchandise and finished goods	11,857		12,994		12,619		374
5. Work in process	1,327		1,634		1,468		166
6. Raw materials and supplies	9,675		9,573		9,730		△ 157
7. Other	1,476		1,563		997		566
8. Allowance for doubtful accounts	△ 114		△ 119		△ 126		6
Total current assets	65,218	52.1	67,164	53.0	62,264	50.9	4,899
Ⅱ Non-current assets							
1. Property,plant and equipment							
(1) Buildings and structures, net	17,219		17,987		18,604		△ 617
(2) Machinery, equipment and vehicles, net	12,859		12,159		13,487		△ 1,327
(3) Land	5,002		5,008		5,008		△ 0
(4) Construction in progress	2,913		1,083		846		237
(5) Other, net	998		986		1,092		△ 106
Total property,plant and equipment	38,992	31.1	37,225	29.4	39,039	31.9	△ 1,814
2. Intangible assets							
(1) Other	1,363		1,136		1,374		△ 237
Total intangible assets	1,363	1.1	1,136	0.9	1,374	1.1	△ 237
3. Investments and other assets							
(1) Investment securities	11,162		11,684		10,105		1,578
(2) Retirement benefit asset	6,337		7,675		7,392		283
(3) Deferred tax assets	282		173		288		△ 115
(4) Other	366		414		386		28
(5) Allowance for doubtful accounts	△ 81		△ 83		△ 86		3
Total investments and other assets	18,065	14.4	19,864	15.7	18,086	14.8	1,777
Total non-current assets	58,422	46.6	58,225	46.0	58,500	47.8	△ 274
Ⅲ Deferred assets							
1. Business commencement expenses	1,629		1,232		1,532		△ 299
Total deferred assets	1,629	1.3	1,232	1.0	1,532	1.3	△ 299
Total assets	125,269	100.0	126,623	100.0	122,297	100.0	4,325

(Unit : Millions of yen)

Item	FY2025 (As of December 31, 2024) Amount	FY2025 (As of December 31, 2024) Composition ratio	FY2026 (As of December 31, 2025) Amount (A)	FY2026 (As of December 31, 2025) Composition ratio	FY2025 (As of March 31, 2025) Amount (B)	FY2025 (As of March 31, 2025) Composition ratio	Increase /Decrease (A) − (B)
(Liabilities)		%		%		%	
I Current liabilities							
1. Notes and accounts payable - trade	10,117		9,796		9,200		595
2. Electronically recorded obligations - operating	1,463		1,341		1,172		168
3. Short-term borrowings	18,976		23,752		18,319		5,433
4. Current portion of bonds payable	−		5,000		−		5,000
5. Income taxes payable	553		197		774		△ 577
6. Accrued consumption taxes	183		260		52		207
7. Provision for bonuses	660		725		1,370		△ 644
8. Provision for bonuses for directors (and other officers)	20		22		27		△ 5
9. Provision for repairs	757		957		820		137
10. Provision for loss on business liquidation	72		59		56		3
11. Asset retirement obligations	174		−		26		△ 26
12. Notes payable - facilities	189		133		104		28
13. Other	6,795		6,137		5,682		454
Total current liabilities	39,965	31.9	48,382	38.2	37,608	30.8	10,774
Ⅱ Non-current liabilities							
1. Bonds payable	10,000		5,000		10,000		△ 5,000
2. Long-term borrowings	12,201		8,970		11,061		△ 2,091
3. Deferred tax liabilities	4,157		5,172		4,161		1,011
4. Retirement benefit liability	310		264		259		4
5. Asset retirement obligations	1,751		1,833		1,832		0
6. Other	132		113		135		△ 22
Total non-current liabilities	28,553	22.8	21,354	16.9	27,451	22.4	△ 6,097
Total liabilities	68,518	54.7	69,737	55.1	65,060	53.2	4,676
(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	40,243		40,958		40,619		339
4. Treasury shares	△ 1,211		△ 1,211		△ 1,211		△ 0
Total shareholders' equity	45,939	36.7	46,654	36.8	46,315	37.9	339
Ⅱ Accumulated other comprehensive income							
1. Valuation difference on available-for-sale securities	5,216		5,720		4,384		1,336
2. Foreign currency translation adjustment	3,604		4,060		4,671		△ 611
3. Remeasurements of defined benefit plans	2,571		2,815		3,103		△ 288
Total accumulated other comprehensive income	11,392	9.1	12,597	10.0	12,159	9.9	437
Ⅲ Non-controlling interests	△ 580	△ 0.5	△ 2,365	△ 1.9	△ 1,237	△ 1.0	△ 1,127
Total net assets	56,751	45.3	56,886	44.9	57,237	46.8	△ 351
Total liabilities and net assets	125,269	100.0	126,623	100.0	122,297	100.0	4,325

Statements of Income(Consolidated)

(Unit：Millions of yen)

Item	FY2025 '24/4-'24/12 Amount	FY2025 '24/4-'24/12 Ratio	FY2026 '25/4-'25/12 Amount	FY2026 '25/4-'25/12 Ratio	Increase /Decrease Amount	Increase /Decrease Rate of Change	FY2025 '24/4-'25/3 Amount	FY2025 '24/4-'25/3 Ratio
		%		%		%		%
Ⅰ Net sales	60,205	100.0	61,373	100.0	1,167	1.9	80,236	100.0
Ⅱ Cost of sales	47,765	79.3	48,124	78.4	359	0.8	63,743	79.4
Gross profit	12,440	20.7	13,248	21.6	808	6.5	16,493	20.6
Ⅲ Selling, general and administrative expenses	11,425	19.0	11,418	18.6	△ 7	△ 0.1	15,436	19.2
Operating profit (loss)	1,014	1.7	1,830	3.0	815	80.4	1,057	1.3
Ⅳ Non-operating income								
Interest income	75		65		△ 9		102	
Dividend income	201		239		37		239	
Rental income from real estate	42		43		1		57	
Foreign exchange gains	124		3		△ 121		151	
Other	145		204		58		200	
Total non-operating income	589	1.0	555	0.9	△ 33	△ 5.7	752	1.0
Ⅴ Non-operating expenses								
Interest expenses	281		351		70		393	
Bond issuance costs	24		−		△ 24		24	
Loss on investments in investment partnerships	17		11		△ 5		28	
Amortization of business commencement expenses	297		297		△ 0		396	
Other	39		54		15		112	
Total non-operating expenses	659	1.1	715	1.2	55	8.5	955	1.2
Ordinary profit (loss)	945	1.6	1,671	2.7	726	76.9	854	1.1
Ⅵ Extraordinary income								
Gain on sale of non-current assets	984		2		△ 981		984	
Gain on sale of investment securities	478		377		△ 100		1,268	
Total extraordinary income	1,462	2.4	379	0.6	△ 1,082	△ 74.0	2,252	2.8
Ⅶ Extraordinary losses								
Loss on sale and retirement of non-current assets	72		129		56		239	
Loss on valuation of shares of subsidiaries and associates	−		305		305		−	
Settlement	−		155		155		−	
Total extraordinary losses	72	0.1	590	0.9	517	710.1	239	0.3
Profit(Loss) before income taxes	2,334	3.9	1,460	2.4	△ 873	△ 37.4	2,867	3.6
Income taxes - current	961		656		△ 304		1,418	
Income taxes - deferred	401		645		243		386	
Income taxes	1,362	2.3	1,301	2.1	△ 60	△ 4.5	1,805	2.3
Profit(Loss)	971	1.6	159	0.3	△ 812	△ 83.6	1,062	1.3
Profit(Loss) attributable to non-controlling interests	△ 1,296	△ 2.2	△ 1,172	△ 1.9	124	−	△ 1,582	△ 2.0
Profit(Loss) attributable to owners of parent	2,267	3.8	1,331	2.2	△ 936	△ 41.3	2,644	3.3

<Reference> Statements of Comprehensive Income(Consolidated)

Item	FY2025 '24/4-'24/12 Amount	FY2025 '24/4-'24/12 Ratio	FY2026 '25/4-'25/12 Amount	FY2026 '25/4-'25/12 Ratio	Increase /Decrease Amount	Increase /Decrease Rate of Change	FY2025 '24/4-'25/3 Amount	FY2025 '24/4-'25/3 Ratio
Profit(Loss)	971		159		△ 812	△ 83.6	1,062	
Other comprehensive income								
Valuation difference on available-for-sale securities	42		1,336		1,294		△ 789	
Foreign currency translation adjustment	6		△ 566		△ 572		1,237	
Remeasurements of defined benefit plans, net of tax	△ 235		△ 288		△ 52		298	
Total other comprehensive income	△ 186		481		668		746	
Comprehensive income	785		640		△ 144	△ 18.4	1,808	

Statements of Cash Flows (Consolidated)

(Unit : Millions of yen)

Item	FY2025 '24/4-'24/12 Amount	FY2026 '25/4-'25/12 Amount	Increase /Decrease	FY2025 '24/4-'25/3 Amount
Ⅰ Cash flows from operating activities				
Profit (loss) before income taxes	2,334	1,460	△ 873	2,867
Depreciation	4,157	4,126	△ 30	5,720
Amortization of business commencement expenses	297	297	△ 0	396
Increase (decrease) in allowance for doubtful accounts	△ 2	△ 5	△ 3	5
Increase (decrease) in provision for bonuses	△ 534	△ 639	△ 104	164
Increase (decrease) in provision for bonuses for directors (and other officers)	20	△ 5	△ 25	27
Increase (decrease) in retirement benefit liability	10	4	△ 5	△ 40
Decrease (increase) in retirement benefit asset	△ 250	△ 282	△ 31	△ 1,301
Increase (decrease) in provision for loss on business liquidation	△ 40	–	40	△ 59
Loss (gain) on sale and retirement of non-current assets	△ 911	127	1,038	△ 743
Loss (gain) on sale of investment securities	△ 478	△ 377	100	△ 1,268
Loss on valuation of shares of subsidiaries and associates	–	305	305	–
Settlement	–	155	155	–
Loss (gain) on investments in investment partnerships	17	11	△ 5	28
Interest and dividend income	△ 277	△ 305	△ 27	△ 342
Interest expenses	281	351	70	393
Decrease (increase) in trade receivables	△ 2,847	△ 4,214	△ 1,367	627
Decrease (increase) in inventories	521	△ 486	△ 1,008	△ 124
Increase (decrease) in trade payables	681	837	156	△ 715
Increase (decrease) in accrued consumption taxes	207	294	87	△ 15
Other	△ 384	△ 262	121	566
Subtotal	2,802	1,393	△ 1,408	6,186
Interest and dividends received	282	309	27	342
Interest paid	△ 276	△ 347	△ 71	△ 372
Settlement paid	–	△ 160	△ 160	–
Income taxes refund (paid)	△ 784	△ 1,301	△ 516	△ 1,036
Net cash provided by (used in) operating activities	2,023	△ 105	△ 2,128	5,119
Ⅱ Cash flows from investing activities				
Decrease (increase) in time deposits	299	1,159	860	△ 471
Purchase of property, plant and equipment	△ 2,383	△ 2,453	△ 69	△ 4,407
Proceeds from sale of property, plant and equipment	772	2	△ 769	773
Purchase of investment securities	△ 47	△ 35	11	△ 303
Proceeds from sale of investment securities	606	470	△ 135	1,578
Purchase of intangible assets	△ 68	△ 40	27	△ 110
Decrease (increase) in investments and other assets	△ 9	△ 33	△ 23	△ 9
Other	△ 174	△ 137	37	△ 292
Net cash provided by (used in) investing activities	△ 1,005	△ 1,067	△ 62	△ 3,243
Ⅲ Cash flows from financing activities				
Net increase (decrease) in short-term borrowings	900	5,414	4,514	△ 243
Proceeds from long-term borrowings	405	–	△ 405	405
Repayments of long-term borrowings	△ 2,633	△ 2,107	526	△ 3,337
Proceeds from issuance of bonds	4,975	–	△ 4,975	4,975
Redemption of bonds	△ 5,000	–	5,000	△ 5,000
Purchase of treasury shares	–	△ 0	△ 0	–
Dividends paid	△ 952	△ 991	△ 39	△ 952
Dividends paid to non-controlling interests	–	–	–	△ 537
Other	△ 11	△ 9	2	△ 14
Net cash provided by (used in) financing activities	△ 2,315	2,305	4,621	△ 4,704
Ⅳ Effect of exchange rate change on cash and cash equivalents	△ 41	△ 4	37	97
Ⅴ Net increase (decrease) in cash and cash equivalents	△ 1,338	1,128	2,467	△ 2,730
Ⅵ Cash and cash equivalents at beginning of period	9,164	6,434	△ 2,730	9,164
Ⅶ Cash and cash equivalents at end of period	7,826	7,563	△ 262	6,434