Translation

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Summary of Consolidated Financial Results for the Six Months Ended September 30, 2026 (Under Japanese GAAP)

October 30, 2026

Company name	CHUGOKU MARINE PAINTS, LTD.			Stock exchange listings: Tokyo Prime
Securities code	4617	URL https://www.cmp.co.jp/		
Representative	(Title)	President	(Name)Kenshi Date	
Inquiries	(Title)	Managing Executive Officer / Chief of Administration Headquarter	(Name)Shinji Nakamura	Tel 03-6457-9025
Semi-annual statement filing date (as planned)		November 12, 2026	Dividend payable date (as planned)	December 2, 2026

Supplemental material of results : Yes

Convening briefing of results : Yes (for analysts and institutional investors)

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

1. Consolidated financial results for the six months ended September 30, 2026 (from April 1, 2026 to September 30, 2026)

(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, 2026	79,342	15.8	11,437	26.4	12,023	36.4	7,892	33.5
September 30, 2025	68,507	8.9	9,051	14.1	8,815	3.6	5,914	(29.0)

Note:Comprehensive income For the six months ended September 30, 2026 12,052Millions of yen (133.7%) For the six months ended September 30, 2025 5,156Millions of yen ((64.0)%)

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2026	159.03	—
September 30, 2025	119.26	—

(2) Consolidated financial position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
September 30, 2026	169,233	109,908	61.0	2,080.20
March 31, 2026	157,560	101,780	60.6	1,924.33

Reference:Owner's equity As of September 30, 2026 103,293Millions of yen As of March 31, 2026 95,473Millions of yen

2. Cash dividends

	Annual dividend				
	First quarter	Second quarter	Third quarter	Year end	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	—	48.00	—	63.00	111.00
Fiscal year ending March 31, 2027	—	50.00			
Fiscal year ending March 31, 2027 (Forecast)			—	50.00	100.00

Notes:1. Revisions to the forecast of cash dividends most recently announced : None

2. Breakdown of year-end dividend for the fiscal year ended March 31, 2026

Ordinary dividend: 49.00 yen Special dividend: 14.00 yen

3. Consolidated financial forecast 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
Fiscal year ending	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
March 31, 2027	160,000	14.8	20,000	14.7	20,500	14.9	13,000	18.2	261.93

Note:Revisions to the earnings forecasts most recently announced : Yes

* Notes

(1) Significant changes in the scope of consolidation during the period : Yes
Excluded: 1 company (Company name) BUNSEI TRADING Co. Ltd.

(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)

① Number of issued and outstanding shares at the period end (including treasury stock)	As of September 30, 2026	55,000,000shares	As of March 31, 2026	55,000,000shares
② Number of treasury stock at the period end	As of September 30, 2026	5,344,749shares	As of March 31, 2026	5,386,184shares
③ Average number of shares	Six months ended September 30, 2026	49,631,555shares	Six months ended September 30, 2025	49,593,810shares

These financial results are not subject to review by certified public accountants or auditing firms.

Explanation regarding the appropriate use of forecasts of business results and other special instructions

These forecasts are based on various assumptions made at the date of release of these materials, including the information available at the date of release of these materials and uncertain factors that may affect future results, and the Company makes no representations as to their achievability.Actual results may differ materially from these forecasts as a consequence of various factors.

1. Summary of Business Results

(1) Summary of Business Results for the Six Months Ended September 30, 2026

During the six months ended September 30, 2026, the Group recorded a substantial increase in sales in its mainstay marine coatings category. Shipment volumes of new ship coatings remained robust in China as shipbuilding output increased. In Japan, the Group adjusted selling prices of new ship coatings to secure reliable supplies of raw materials and fulfill its responsibility to maintain product supply, amid heightened concerns over procurement and surging material prices caused by escalating tensions in the Middle East. Sales of ship repair coatings increased overall. Global demand for high-performance antifouling coatings continued to grow as efforts to reduce CO_2 emissions from ships gained momentum, driven in part by the need to comply with fuel-efficiency regulations imposed by the International Maritime Organization (IMO). Against this backdrop, the Group actively promoted sales of high-value-added products and adjusted selling prices to appropriately reflect raw material costs. Sales of industrial coatings also increased, primarily reflecting a recovery in demand for heavy-duty coatings in Southeast Asia, the Group's principal market for these products, as well as Group-wide selling price adjustments implemented to reflect raw material costs.

Despite increases in raw material prices and various other outlays, including transportation and personnel costs, the Group continued its efforts to improve profitability by expanding sales of high-value-added and environmentally friendly products. Although raw material costs rose due to heightened tensions in the Middle East, the Group was able to implement selling price adjustments in most regions and product categories, contributing to higher profit. In addition, cost of sales for the six-month period under review included raw material inventories procured before prices surged, which further supported profit growth.

As a result, for the six months ended September 30, 2026, the Group reported net sales of ¥79,342 million (up 15.8% year on year), operating profit of ¥11,437 million (up 26.4% year on year), ordinary profit of ¥12,023 million (up 36.4% year on year), and profit attributable to owners of parent of ¥7,892 million (up 33.5% year on year).

Operating results by segment for the six months ended September 30, 2026 were as follows.

1) Japan

In the marine coatings category, sales increased amid strong shipments of new ship coatings, supported by temporary price adjustments implemented in response to heightened tensions in the Middle East. Sales of industrial coatings also increased, reflecting similar price adjustments and higher shipment volumes of heavy-duty coatings. As a result, segment sales amounted to ¥27,096 million (up 21.5% year on year). Segment profit increased ¥2,099 million year on year to ¥3,990 million (up 111.1% year on year), mainly reflecting selling price adjustments implemented in response to heightened tensions in the Middle East.

2) China

In the marine coatings category, sales of new ship coatings increased substantially, driven by a significant rise in shipment volumes. Although the number of docked ships during the six-month period under review remained level year on year, sales of ship repair coatings also increased as the Group focused on selling high-value-added products. As a result, segment sales amounted to ¥14,586 million (up 34.5% year on year). Although sales rose substantially, higher raw material costs stemming from heightened tensions in the Middle East weighed on profit. Segment profit fell ¥59 million year on year to ¥1,548 million (down 3.7% year on year).

3) South Korea

In the marine coatings category, sales of new ship coatings—a core product line in South Korea—declined, reflecting both the high comparison base created by a concentration of large projects at major shipyards during the same period of the previous fiscal year and slower shipments during the six months under review due to temporary delays in shipyard production schedules. Sales of ship repair coatings remained steady. As a result, segment sales amounted to ¥9,007 million (down 6.0% year on year). Although the Group promoted sales of high-value-added products, segment profit decreased ¥144 million year on year to ¥1,206 million (down 10.7% year on year), mainly reflecting higher raw material costs associated with heightened tensions in the Middle East.

4) Southeast Asia

In the marine coatings category, sales increased substantially, supported by robust demand for ship repair coatings. In the industrial coatings category, shipment volume increased in Thailand—the Group's key market in the region—thanks to strong demand from projects requiring heavy-duty coatings. As a result, segment sales amounted to ¥12,469 million (up 34.9% year on year). Despite higher raw material costs associated with heightened tensions in the Middle East, selling price adjustments implemented to reflect manufacturing costs contributed to a ¥1,437 million year-on-year increase in segment profit, which rose to ¥3,300 million (up 77.2% year on year).

5) Europe and the US

In the marine coatings category, the Group focused on selling high-value-added, environmentally friendly ship repair coatings as demand for such products increased, partly due to the need to comply with CO_2 emissions regulations in Europe. Sales nevertheless declined, primarily because the number of docked ships during the six-month period under review decreased year on year. Sales of industrial coatings increased, supported by robust demand for heavy-duty coatings. As a result, segment sales amounted to ¥16,182 million (down 2.2% year on year). Due to lower shipment volumes and reduced profitability in Europe as the euro appreciated against the US dollar—the principal currency used for transactions in Europe—segment profit decreased ¥707 million year on year to ¥213 million (down 76.8% year on year).

(2) Summary of Financial Position

(Assets)

As of September 30, 2026, current assets stood at ¥127,822 million, up ¥10,105 million from March 31, 2026. The rise was mainly attributable to increases of ¥6,592 million in notes and accounts receivable–trade, ¥2,543 million in merchandise and finished goods, and ¥1,742 million in electronically recorded monetary claims–operating.

Non-current assets totaled ¥41,411 million, up ¥1,566 million from March 31, 2026. The rise primarily reflected increases of ¥1,567 million in investment securities and ¥202 million in deferred tax assets, partially offset by a ¥267 million decrease in property, plant and equipment.

As a result, total assets as of September 30, 2026 stood at ¥169,233 million, up ¥11,672 million from March 31, 2026.

(Liabilities)

As of September 30, 2026, current liabilities stood at ¥46,780 million, up ¥3,304 million from March 31, 2026. The rise was mainly due to increases of ¥2,063 million in notes and accounts payable–trade, ¥708 million in the current portion of long-term borrowings, and ¥544 million in provision for bonuses. These factors were partially offset by a ¥772 million decrease in short-term borrowings.

Non-current liabilities came to ¥12,544 million, up ¥239 million from March 31, 2026. The rise primarily reflected increases of ¥923 million in other non-current liabilities and ¥121 million in retirement benefit liability, partially offset by a ¥712 million decrease in long-term borrowings.

As a result, total liabilities as of September 30, 2026 stood at ¥59,325 million, up ¥3,544 million from March 31, 2026.

(Net assets)

As of September 30, 2026, net assets stood at ¥109,908 million, up ¥8,128 million from March 31, 2026. The rise mainly reflected increases of ¥4,767 million in retained earnings, ¥1,840 million in foreign currency translation adjustment, and ¥1,119 million in valuation difference on available-for-sale securities.

As a result, the equity ratio increased to 61.0%, up from 60.6% as of March 31, 2026.

(3) Cash flows

As of September 30, 2026, cash and cash equivalents totaled ¥34,929 million, a decrease of ¥3,128 million from March 31, 2026.

(Cash flows from operating activities)

Net cash provided by operating activities totaled ¥772 million, primarily reflecting ¥12,562 million in profit before income taxes, partially offset by a ¥7,897 million increase in trade receivables and income taxes paid of ¥3,715 million.

(Cash flows from investing activities)

Net cash used in investing activities totaled ¥330 million. The main sources of cash were proceeds of ¥3,964 million from withdrawals of time deposits and ¥1,024 million in subsidies received, while the main use of cash was ¥5,245 million in payments into time deposits.

(Cash flows from financing activities)

Net cash used in financing activities totaled ¥4,609 million, primarily reflecting dividend payments of ¥3,564 million (including dividends paid to non-controlling interests) and a ¥1,026 million net decrease in short-term borrowings.

(4) Explanation of Consolidated Earnings Forecast and Other Forward-Looking Statements

For details on the consolidated earnings forecast for the fiscal year ending March 31, 2027, please refer to the “Notice of Revision of Earnings Forecast,” released today.

Semi-annual consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026
Assets		
Current assets		
Cash and deposits	40,259	38,859
Notes and accounts receivable - trade	37,619	44,211
Electronically recorded monetary claims - operating	5,489	7,231
Securities	1,327	914
Merchandise and finished goods	16,921	19,464
Work in process	928	990
Raw materials and supplies	13,104	14,416
Other	2,719	2,370
Allowance for doubtful accounts	(653)	(637)
Total current assets	117,716	127,822
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	5,930	5,897
Machinery, equipment and vehicles, net	4,829	4,792
Land	9,331	9,300
Other, net	2,535	2,367
Total property, plant and equipment	22,625	22,357
Intangible assets	413	492
Investments and other assets		
Investment securities	12,939	14,507
Retirement benefit asset	1,864	1,857
Deferred tax assets	1,278	1,481
Other	1,227	1,208
Allowance for doubtful accounts	(504)	(494)
Total investments and other assets	16,804	18,560
Total non-current assets	39,844	41,411
Total assets	157,560	169,233

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	15,419	17,483
Electronically recorded obligations - operating	2,324	2,404
Short-term borrowings	13,666	12,894
Current portion of long-term borrowings	—	708
Accounts payable - other	3,411	3,813
Income taxes payable	3,138	3,508
Provision for bonuses	262	807
Provision for product warranties	145	133
Other	5,106	5,025
Total current liabilities	43,475	46,780
Non-current liabilities		
Long-term borrowings	2,738	2,025
Deferred tax liabilities	4,825	4,733
Deferred tax liabilities for land revaluation	1,036	1,036
Retirement benefit liability	2,347	2,468
Other	1,357	2,280
Total non-current liabilities	12,305	12,544
Total liabilities	55,780	59,325
Net assets		
Shareholders' equity		
Share capital	11,626	11,626
Capital surplus	—	103
Retained earnings	66,708	71,476
Treasury shares	(4,859)	(4,822)
Total shareholders' equity	73,475	78,383
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,485	7,605
Deferred gains or losses on hedges	2	—
Revaluation reserve for land	984	984
Foreign currency translation adjustment	13,792	15,632
Remeasurements of defined benefit plans	733	687
Total accumulated other comprehensive income	21,998	24,910
Non-controlling interests	6,306	6,615
Total net assets	101,780	109,908
Total liabilities and net assets	157,560	169,233

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Net sales	68,507	79,342
Cost of sales	45,139	51,609
Gross profit	23,367	27,732
Selling, general and administrative expenses	14,316	16,295
Operating profit	9,051	11,437
Non-operating income		
Interest income	245	188
Dividend income	196	300
Royalty income	80	80
Technical advisory fee income	48	42
Foreign exchange gains	—	117
Other	212	167
Total non-operating income	783	896
Non-operating expenses		
Interest expenses	221	234
Foreign exchange losses	754	—
Other	42	77
Total non-operating expenses	1,019	311
Ordinary profit	8,815	12,023
Extraordinary income		
Gain on sale of non-current assets	7	12
Gain on sale of investment securities	0	526
Total extraordinary income	7	539
Extraordinary losses		
Loss on sale of non-current assets	0	0
Loss on sale of investment securities	3	—
Total extraordinary losses	3	0
Profit before income taxes	8,819	12,562
Income taxes - current	2,034	4,001
Income taxes - deferred	269	(723)
Total income taxes	2,303	3,277
Profit	6,515	9,285
Profit attributable to non-controlling interests	600	1,392
Profit attributable to owners of parent	5,914	7,892

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Profit	6,515	9,285
Other comprehensive income		
Valuation difference on available-for-sale securities	863	1,119
Deferred gains or losses on hedges	2	(2)
Foreign currency translation adjustment	(2,330)	1,694
Remeasurements of defined benefit plans, net of tax	105	(43)
Total other comprehensive income	(1,358)	2,767
Comprehensive income	5,156	12,052
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,801	10,804
Comprehensive income attributable to non-controlling interests	355	1,247

Consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Cash flows from operating activities		
Profit before income taxes	8,819	12,562
Depreciation	885	1,006
Increase (decrease) in allowance for doubtful accounts	(63)	(53)
Increase (decrease) in other provisions	536	536
Decrease (increase) in retirement benefit asset	193	(1)
Increase (decrease) in retirement benefit liability	37	(21)
Interest and dividend income	(441)	(489)
Interest expenses	221	234
Foreign exchange losses (gains)	325	(70)
Loss (gain) on sale and retirement of non-current assets	(5)	8
Loss (gain) on sale of investment securities	3	(526)
Decrease (increase) in trade receivables	(3,803)	(7,897)
Decrease (increase) in inventories	(736)	(3,411)
Increase/decrease in consumption taxes payable/consumption taxes refund receivable	292	563
Increase (decrease) in trade payables	(862)	2,222
Other, net	(564)	(449)
Subtotal	4,837	4,212
Interest and dividends received	459	507
Interest paid	(223)	(232)
Income taxes paid	(2,146)	(3,715)
Net cash provided by (used in) operating activities	2,927	772
Cash flows from investing activities		
Payments into time deposits	(4,419)	(5,245)
Proceeds from withdrawal of time deposits	5,274	3,964
Net decrease (increase) in short-term loans receivable	14	4
Purchase of non-current assets	(1,178)	(641)
Proceeds from sale of non-current assets	10	29
Subsidies received	—	1,024
Purchase of investment securities	(18)	(20)
Proceeds from sale of investment securities	9	583
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(381)	—
Other, net	29	(27)
Net cash provided by (used in) investing activities	(660)	(330)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(1,983)	(1,026)
Proceeds from long-term borrowings	700	—
Repayments of long-term borrowings	(703)	(4)
Proceeds from sale of treasury shares	100	140
Purchase of treasury shares	(1)	(0)
Dividends paid	(2,819)	(3,118)
Dividends paid to non-controlling interests	(844)	(445)
Other, net	(127)	(155)
Net cash provided by (used in) financing activities	(5,679)	(4,609)
Effect of exchange rate change on cash and cash equivalents	(2,167)	1,038
Net increase (decrease) in cash and cash equivalents	(5,579)	(3,128)
Cash and cash equivalents at beginning of period	32,174	38,058
Cash and cash equivalents at end of period	26,595	34,929