

# Business Results for the Fiscal Year Ended December 2023

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February 14, 2024

**Nippon Aqua Co., Ltd.**

Tokyo Stock Exchange Prime Section #1429



Fiscal Year Ended December 2023

## Financial Highlights

- ✓Net sales and various profits have been updated to their highest ever
- ✓Dealing with the "2024 problem" in the construction industry ahead of schedule, and expanding the construction system
- ✓Single-family Homes Division: Increase in construction unit price due to higher insulation class
- ✓Buildings Division: Increase in construction unit price due to robust demand and non-flammable insulation needs

Net sales

**28,341** Million yen

YoY +10.4 %

Ordinary profit

**2,917** Million yen

YoY +23.6 %

Dividend per share

**32.0** yen

Previous period 24.0 yen  
vs Forecast +2.0 yen

Fiscal Year Ending December 2024

# Financial Forecasts

- ✓ Continuing to update net sales and various profits to their highest ever
- ✓ Developing aggressive sales based on the expansion of the construction system
- ✓ Single-family Homes Division: Utilizing competitive advantages to capture share from competitors
- ✓ Buildings Division: Capturing robust demand and continuing to increase significantly
- ✓ Waterproofing Division: Moving towards profitability with increased sales

Net sales

**31,005** Million yen

YoY +9.4 %

Ordinary profit

**3,100** Million yen

YoY +6.3 %

Dividend per share

**34.0** yen

Previous period 32.0 yen

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# Agenda

**01** Overview of Financial Highlights for the Fiscal Year Ended December 30, 2023

02 Financial Forecasts for the Fiscal Year Ending December 30, 2024

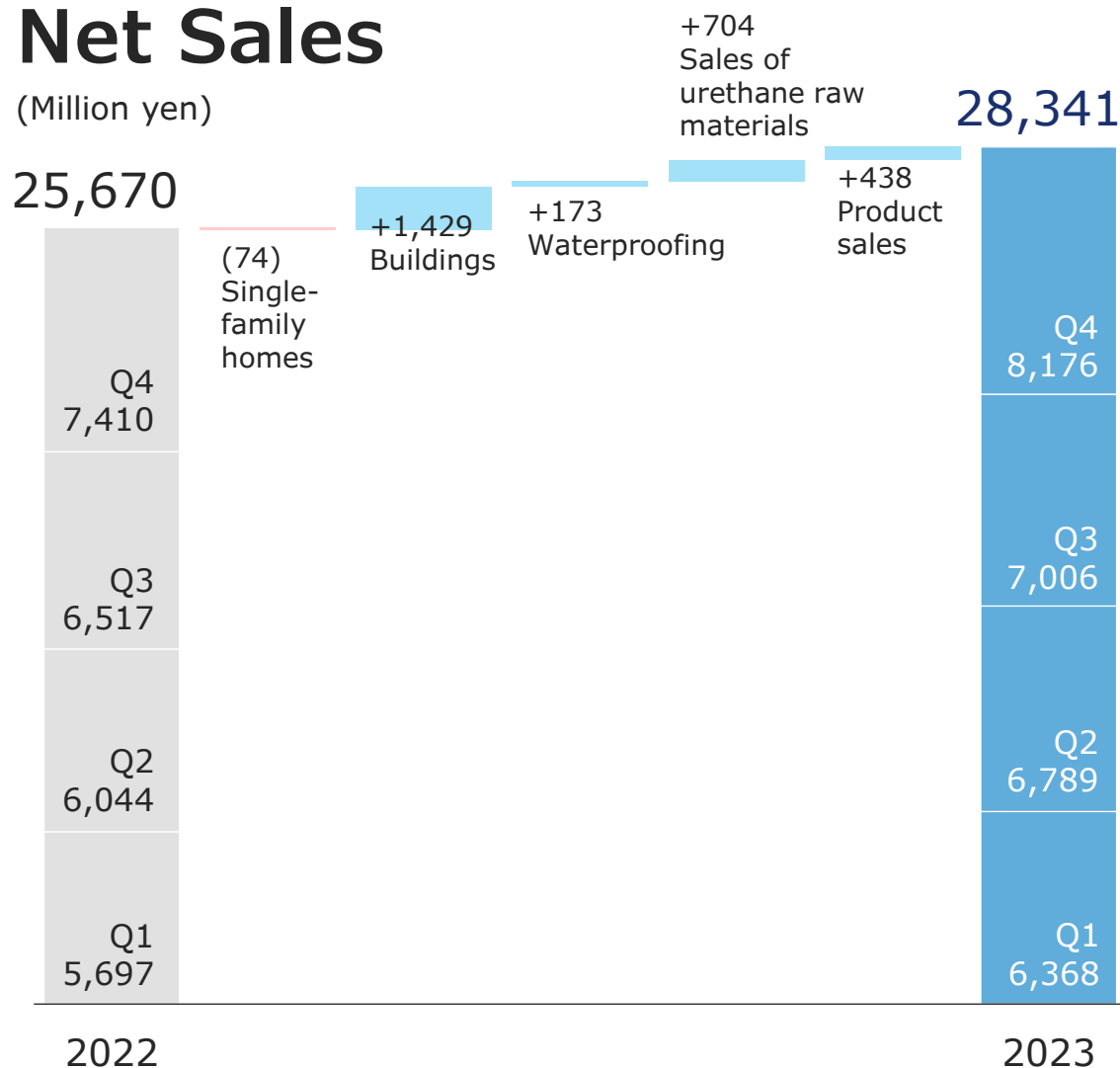
03 Market Environment

04 Nippon Aqua's Initiatives

05 Appendix

# Net Sales

(Million yen)



YoY **+2,671** Million yen **+10.4%**

QoQ **+1,169** Million yen **+16.7%**



Key management indicators

	FY2022	FY2023
Return on equity	19.5%	23.2%
Net profit margin	6.0%	7.1%
Asset turnover	1.28	1.34
Equity multiplier	2.53	2.45
Dividend payout ratio	50.0%	50.1%
Sustainable growth rate	9.7%	11.6%

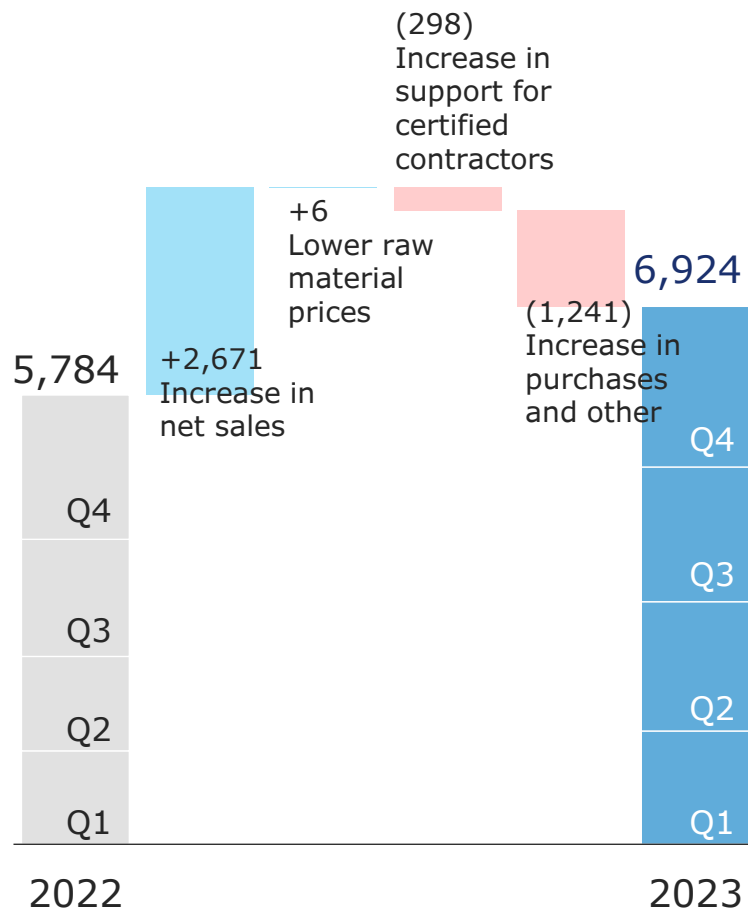
# Gross Profit

(Million yen)

YoY **+1,139** Million yen **+19.7%**

QoQ **+ 331** Million yen **+19.1%**

Gross Profit M **22.2%** ▶ **24.4%**



Raw material price

✓ Despite the strengthening of the dollar, the procurement environment remains stable due to global demand stagnation



Support fee for Certified Contractors

✓ Review of unit prices considering regional characteristics  
 ✓ Implementation of support costs for the Buildings Division

	FY2022 Q1	Q2	Q3	Q4	FY2023 Q1	Q2	Q3	Q4
Gross Profit	1,201	1,215	1,508	1,858	1,457	1,666	1,734	2,066
Increase (Decrease) in net sales	+596	+433	+195	+541	+671	+745	+489	+765
Lower (Higher) raw material prices	(417)	(326)	(429)	(364)	(190)	(52)	+31	+217
Decrease (Increase) in support for certified contractors	—	—	(260)	(78)	(109)	(55)	(9)	(125)
Decrease (Increase) in purchases and other	+22	+135	+664	+332	(117)	(187)	(286)	(650)
YoY	+201	+242	+170	+431	+255	+451	+225	+207

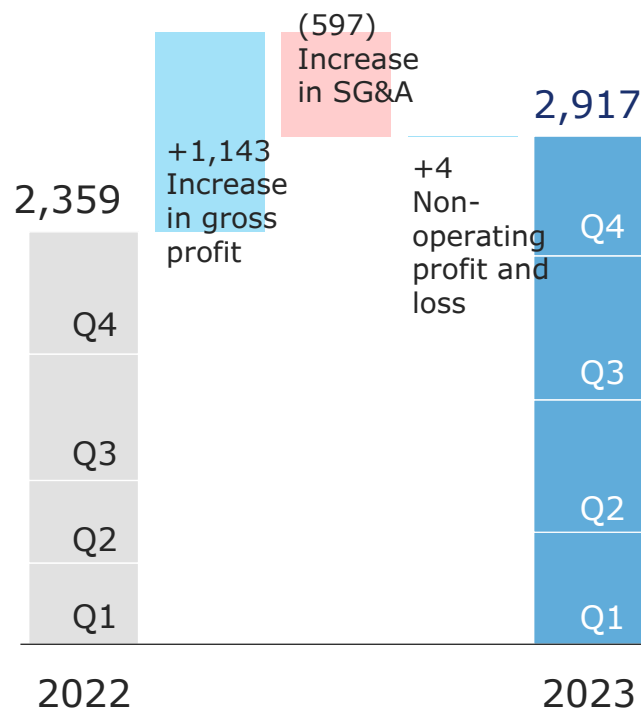
# Ordinary Profit

(Million yen)

YoY + 557 Million yen +23.6%

QoQ ( 133) Million yen (16.2)%

Ordinary Profit M 9.2% ▶ 10.3%



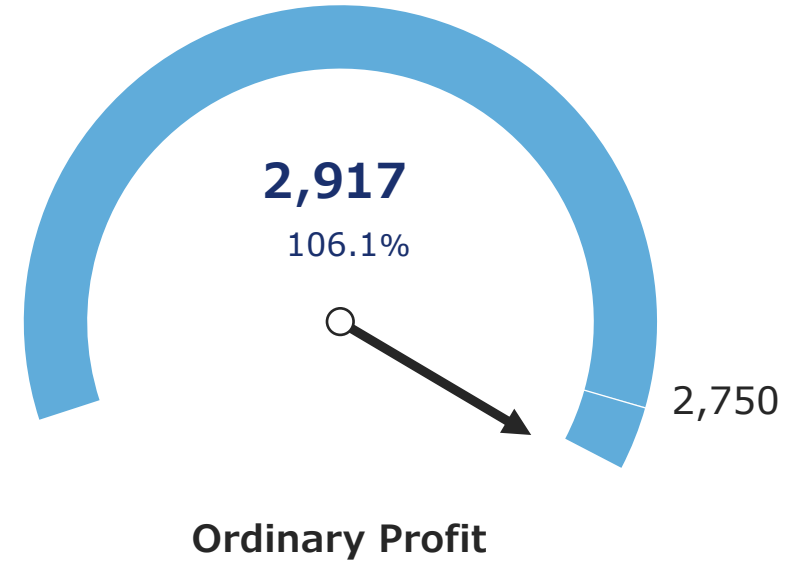
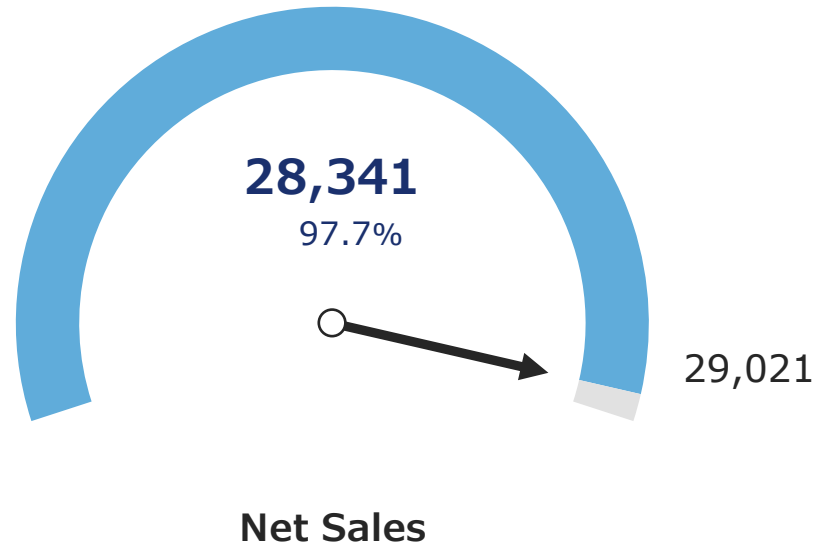
SG&A

	FY2022	FY2023
SG&A	3,455	4,042
Payroll cost	1,996	2,396
Travel expenses	171	250
Rent expenses	161	190
Depreciation expenses	158	164
Special incentives for certified contractors	99	150

	FY2022 Q1	Q2	Q3	Q4	FY2023 Q1	Q2	Q3	Q4
Ordinary Profit	464	472	724	699	641	758	824	691
Increase (Decrease) in gross profit	+201	+242	+170	+431	+255	+451	+225	+207
Decrease (Increase) in SG&A	+79	+61	+48	(317)	(79)	(162)	(121)	(222)
Non-operating profit and loss	+12	+4	+3	(6)	+1	(1)	(3)	(27)
YoY	+292	+308	+222	+107	+177	+286	+100	(7)

# Results Compared to Full-Year Financial Forecast

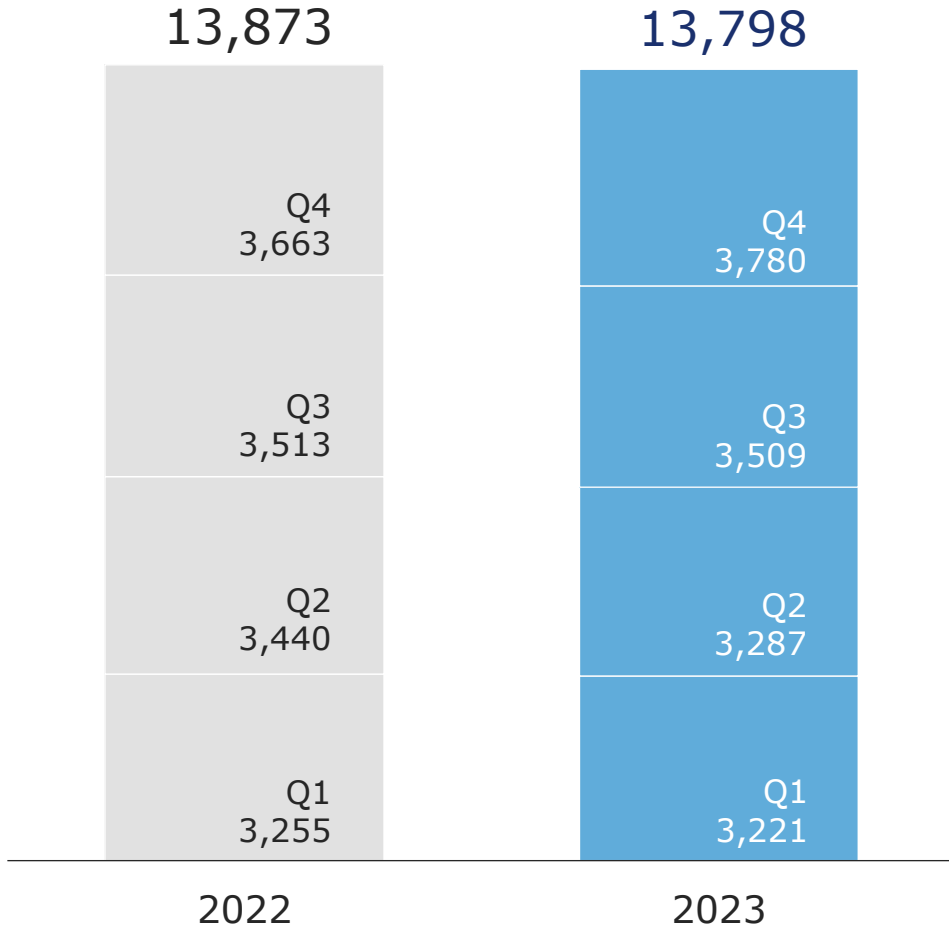
(Million yen)





# Single-family Homes Division

(Million yen)



YoY (74) Million yen (0.5)%

QoQ + 271 Million yen + 7.7%

Gross Profit M 25.5% ▶ 26.7%

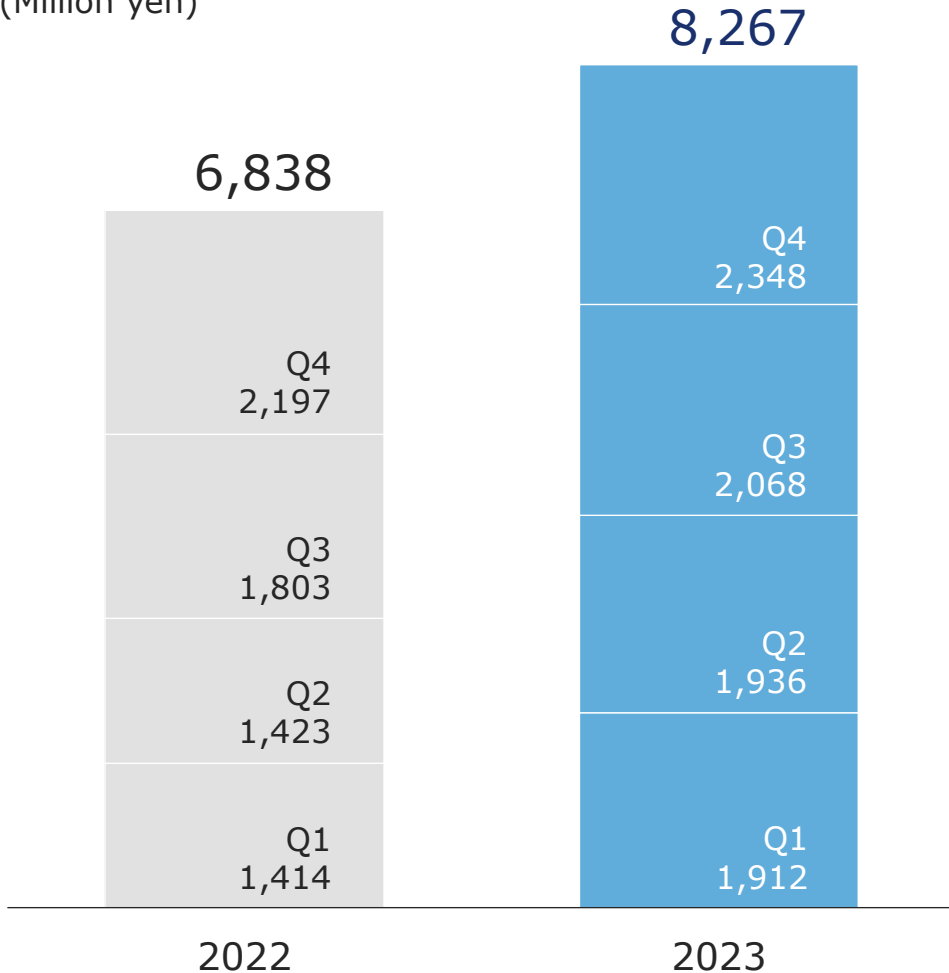


YoY

- ✓ Construction unit price (per building) increased by about 10%
- ✓ The factors for the increase are the spread of Insulation Class 5 and higher classes and price revisions, etc.
- ✓ The number of construction buildings decreased by about 10%
- ✓ The reasons for the decrease are delays in building the construction system, reduced operation due to intense heat, market downturn, etc.

# Buildings Division

(Million yen)



YoY +1,429 Million yen +20.9%

QoQ + 282 Million yen +13.6%

Gross Profit M 17.6% ▶ 23.7%



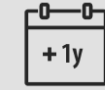
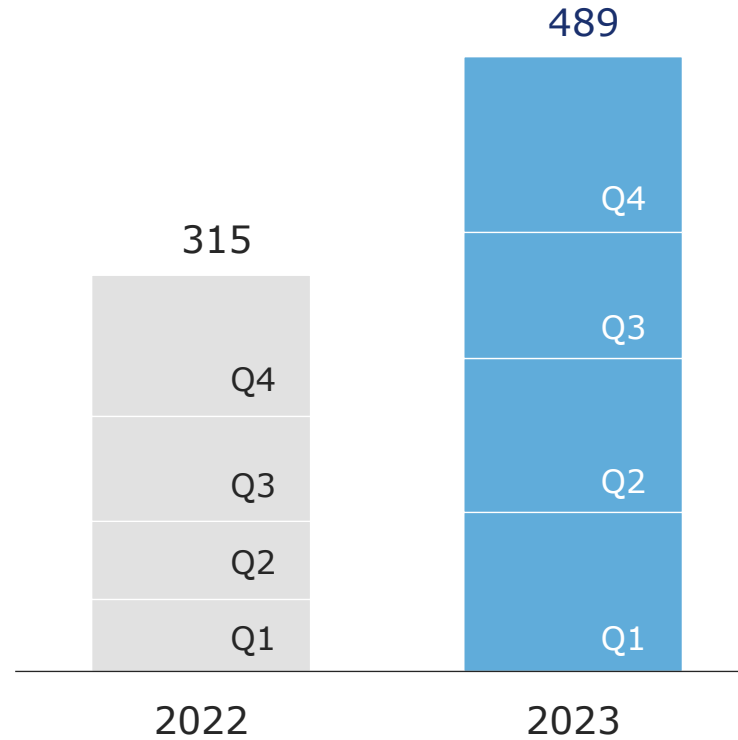
YoY

- ✓ Construction unit price (per square meter) increased by about 30%
- ✓ The factors for the increase are the increase in AQUA MOEN NEO construction (sales mix) and price revisions, etc.
- ✓ Construction area decreased by about 10%
- ✓ The reasons for the decrease are the extension of the construction period due to the increase in AQUA MOEN NEO construction, etc.  
(We are prioritizing AQUA MOEN NEO construction strategically, so we do not see it as a problem)

# Waterproofing Division

(Million yen)

**YoY + 178 Million yen +54.9%**  
**QoQ + 38 Million yen +38.6%**



YoY

Single-family homes

✓Expansion of switching from existing methods in collaboration with the Single-family Homes Division

Buildings and large-scale facilities

✓Implemented wave slate roof renovation as a measure against asbestos scattering

	FY2022 Q1	Q2	Q3	Q4	FY2023 Q1	Q2	Q3	Q4
Waterproofing division sales	57	62	83	112	126	122	100	139
Single-family homes	26	41	64	85	90	107	91	123
Buildings and large-scale facilities	30	20	19	26	36	14	9	15

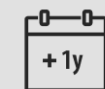
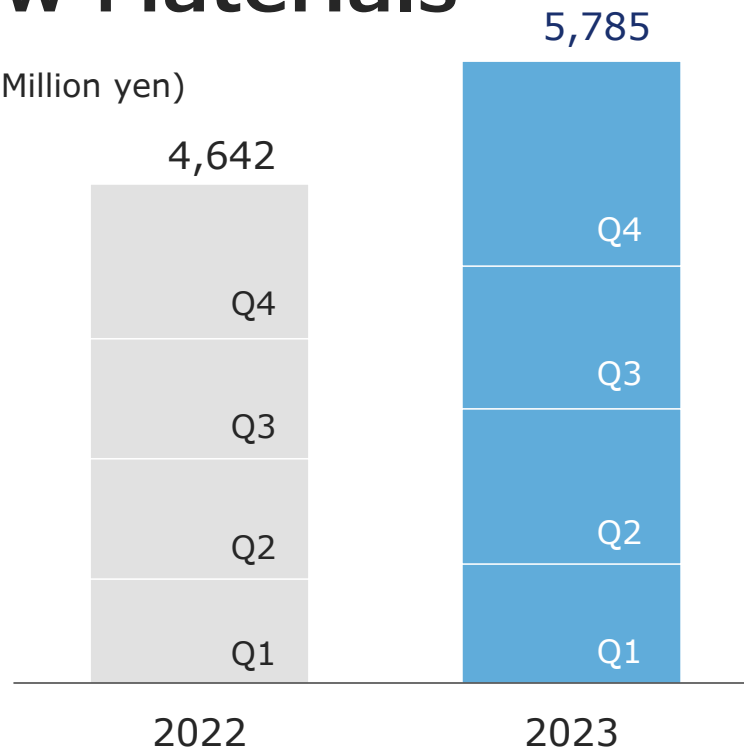
# Sales of Urethane Raw Materials Other Product Sales (Million yen)

## Sales of urethane raw materials

YoY + 704 Million yen +58.2%  
 QoQ + 128 Million yen +25.1%  
 Gross Profit M 29.9% ▶ 17.9%

## Other product sales

YoY + 438 Million yen +12.8%  
 QoQ + 449 Million yen +55.0%  
 Gross Profit M 20.1% ▶ 25.0%



YoY

Sales of urethane raw materials

- ✓ Both for single-family homes and buildings are in good shape
- ✓ Received good reviews for quality and price
- ✓ Speeding up delivery due to the establishment of nationwide sales bases

Sales of urethane foam blowing equipment

- ✓ Increase in sales due to increase in external installation work personnel
- ✓ Switching to direct transactions from April 2023
- ✓ Replacement demand due to new product launch

	FY2022 Q1	Q2	Q3	Q4	FY2023 Q1	Q2	Q3	Q4
Total product sales	969	1,118	1,116	1,437	1,108	1,444	1,327	1,905
Sales of urethane raw materials	273	238	264	434	337	428	510	638
Other product sales	696	879	852	1,002	770	1,015	817	1,266

# Income Statement

(Million yen,%)

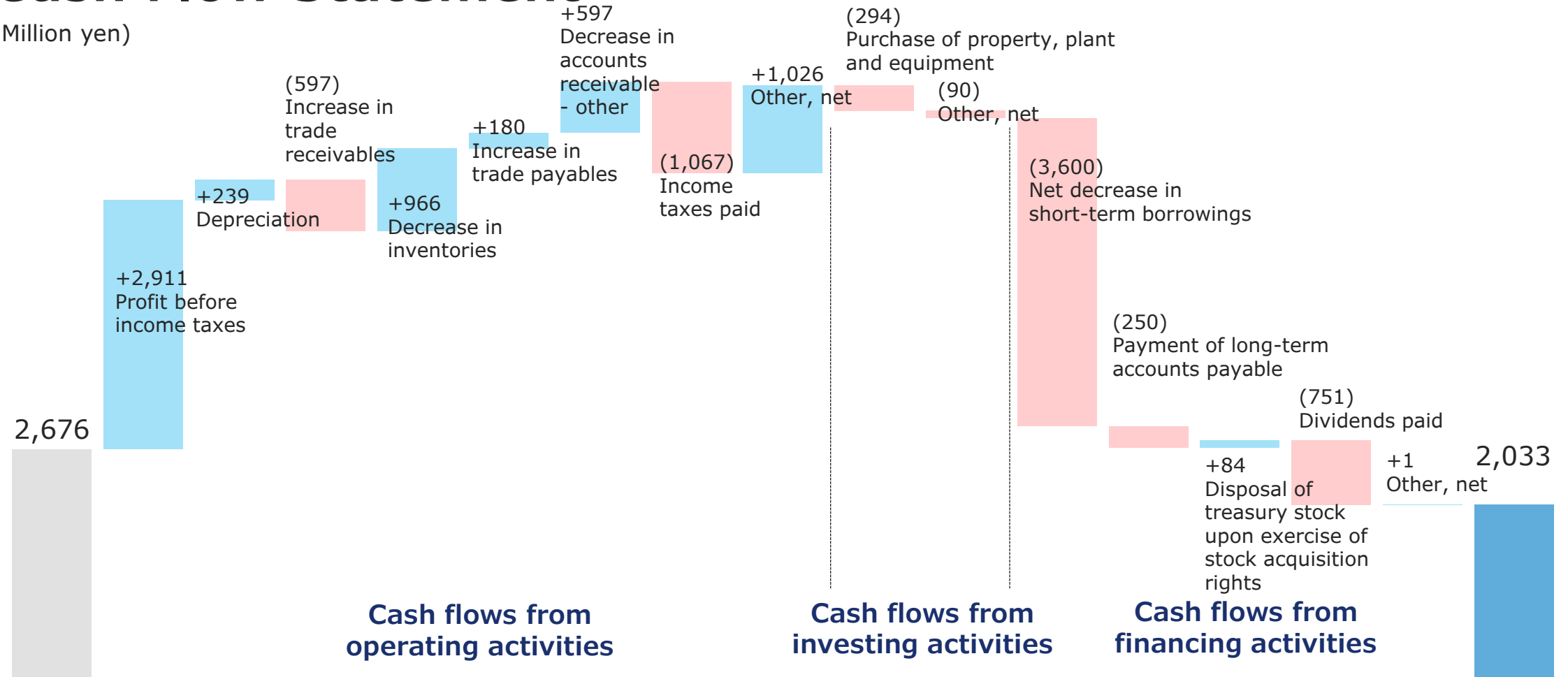
	FY 2022 Jan-Dec	FY 2023 Jan-Dec	YoY		FY 2023	vs Forecast	
			Amount	Change(%)		Amount	Change(%)
Net sales	25,670	28,341	+2,671	+10.4	29,021	(679)	(2.3)
Single-family homes	13,873	13,798	(74)	(0.5)	16,115	(2,316)	(14.4)
Buildings	6,838	8,267	+1,429	+20.9	7,600	+667	+8.8
Waterproofing	315	489	+173	+54.9	539	(49)	(9.2)
Sales of urethane raw materials	1,211	1,916	+704	+58.2	1,436	+480	+33.4
Product sales	3,430	3,869	+438	+12.8	3,330	+539	+16.2
Cost of sales	19,885	21,417	+1,532	+7.7	22,773	(1,356)	(6.0)
Gross profit	5,784	6,924	+1,139	+19.7	6,248	+676	+10.8
Single-family homes	3,542	3,685	+143	+4.0	4,028	(342)	(8.5)
Buildings	1,206	1,963	+756	+17.0	1,333	+629	+15.6
Waterproofing	(16)	(35)	(19)	—	11	(47)	—
Sales of urethane raw materials	361	+342	(19)	(5.3)	168	+174	+103.4
Product sales	690	+968	+278	+40.3	706	+262	+37.1
SG&A expenses	3,455	4,042	+586	+17.0	3,497	+544	+15.6
Operating profit	2,329	2,881	+552	+23.6	2,750	+131	+6.1
Ordinary profit	2,359	2,917	+557	+23.6	2,750	+166	+6.1
Profit	1,549	2,004	+455	+29.4	1,828	+175	+9.6
Dividend per share (yen)	24.0	32.0	+8.0	+33.3	30.0	+2.0	+6.0

# Balance Sheet (Million yen)

	As of Dec 31 2022	As of Dec 31 2023		As of Dec 31 2022	As of Dec 31 2023
<b>Assets</b>			<b>Liabilities</b>		
<b>Current assets</b>			<b>Current liabilities</b>		
Cash and deposits	2,676	2,033	Accounts payable - trade	6,272	6,453
Notes and accounts receivable - trade, and contract assets	6,898	7,496	Short-term borrowings	6,000	2,400
Accounts receivable - other	4,216	3,648	<b>Total current liabilities</b>	<b>13,902</b>	<b>10,927</b>
<b>Total current assets</b>	<b>17,136</b>	<b>15,472</b>	<b>Non-current liabilities</b>		
<b>Non-current assets</b>			<b>Total non-current liabilities</b>	<b>101</b>	<b>159</b>
Total property, plant and equipment	4,346	4,367	<b>Total liabilities</b>	<b>14,003</b>	<b>11,087</b>
Total intangible assets	96	85	<b>Net assets</b>		
Total investments and other assets	391	466	Share capital	1,903	1,903
<b>Total non-current assets</b>	<b>4,833</b>	<b>4,919</b>	Capital surplus	1,885	1,912
			Retained earnings	6,270	7,523
			Treasury shares	(2,093)	(2,035)
			<b>Total net assets</b>	<b>7,966</b>	<b>9,304</b>
<b>Total assets</b>	<b>21,969</b>	<b>20,392</b>	<b>Total liabilities and net assets</b>	<b>21,969</b>	<b>20,392</b>

# Cash Flow Statement

(Million yen)



Cash and cash equivalents at beginning of period

Cash and cash equivalents at end of period

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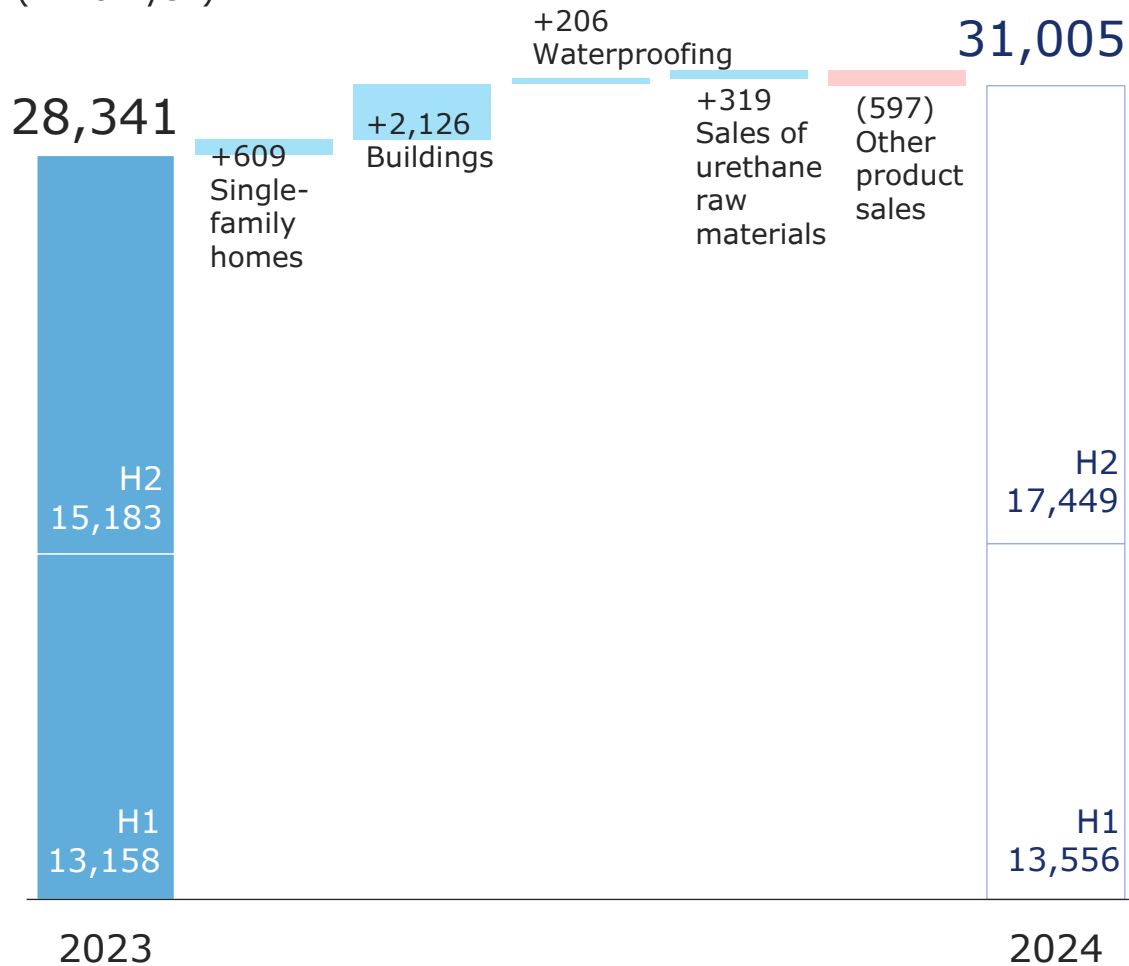
04 Nippon Aqua's Initiatives

05 Appendix



# Net Sales

(Million yen)



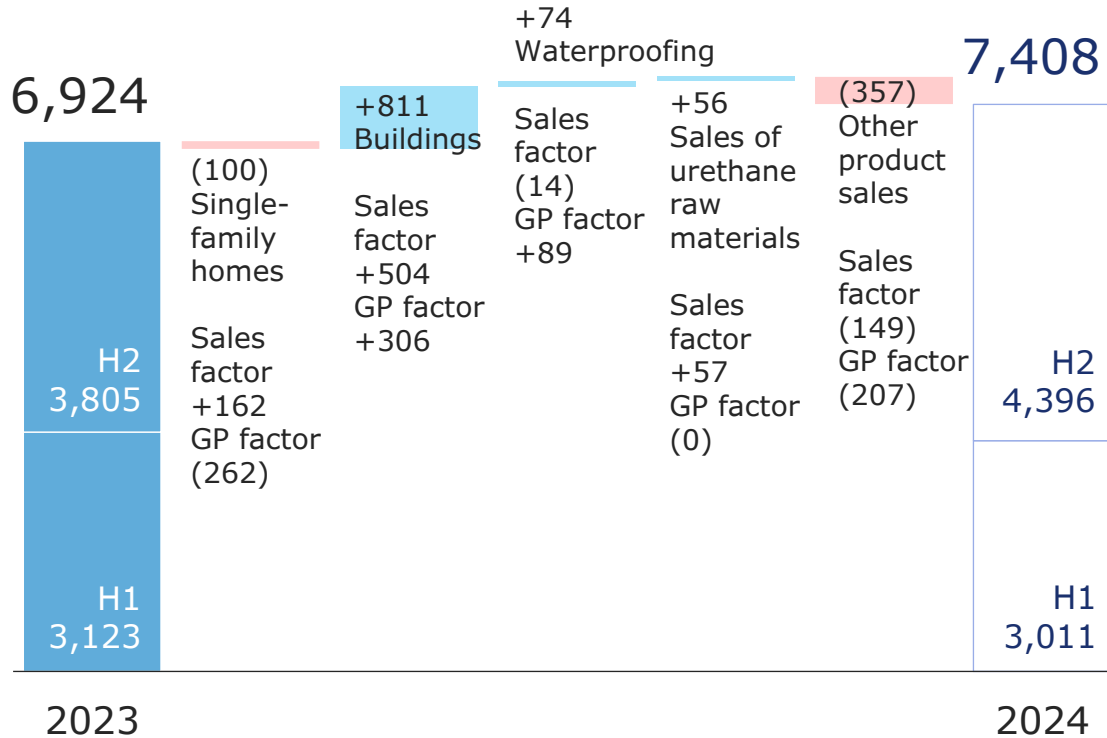
YoY +2,663 Million yen + 9.4%

Average annual growth rate since public listing (2013-2023) +11.2%

# Gross Profit (Million yen)

YoY + 484 Million yen + 7.0%

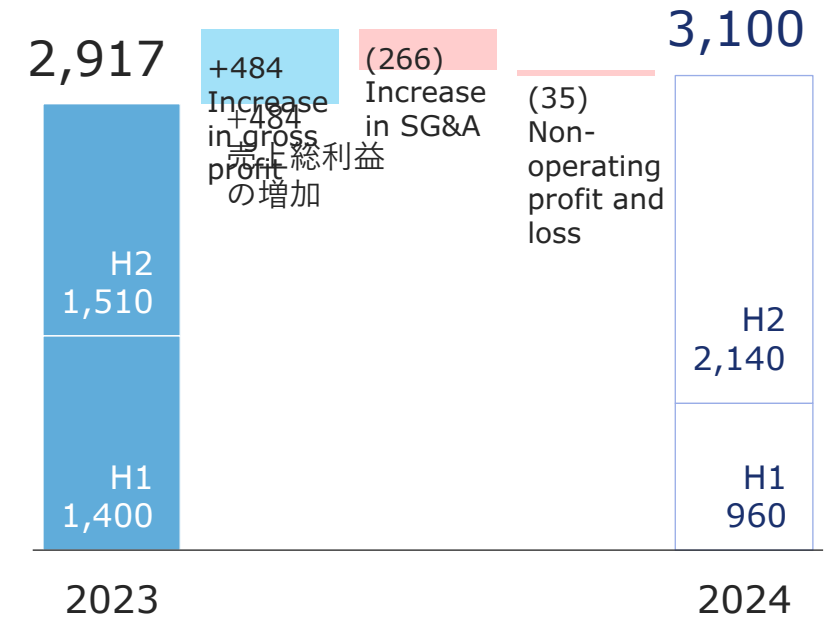
Gross Profit M 24.4% ▶ 23.9%



# Ordinary Profit (Million yen)

YoY + 183 Million yen + 6.3%

Ordinary Profit M 10.3% ▶ 10.0%



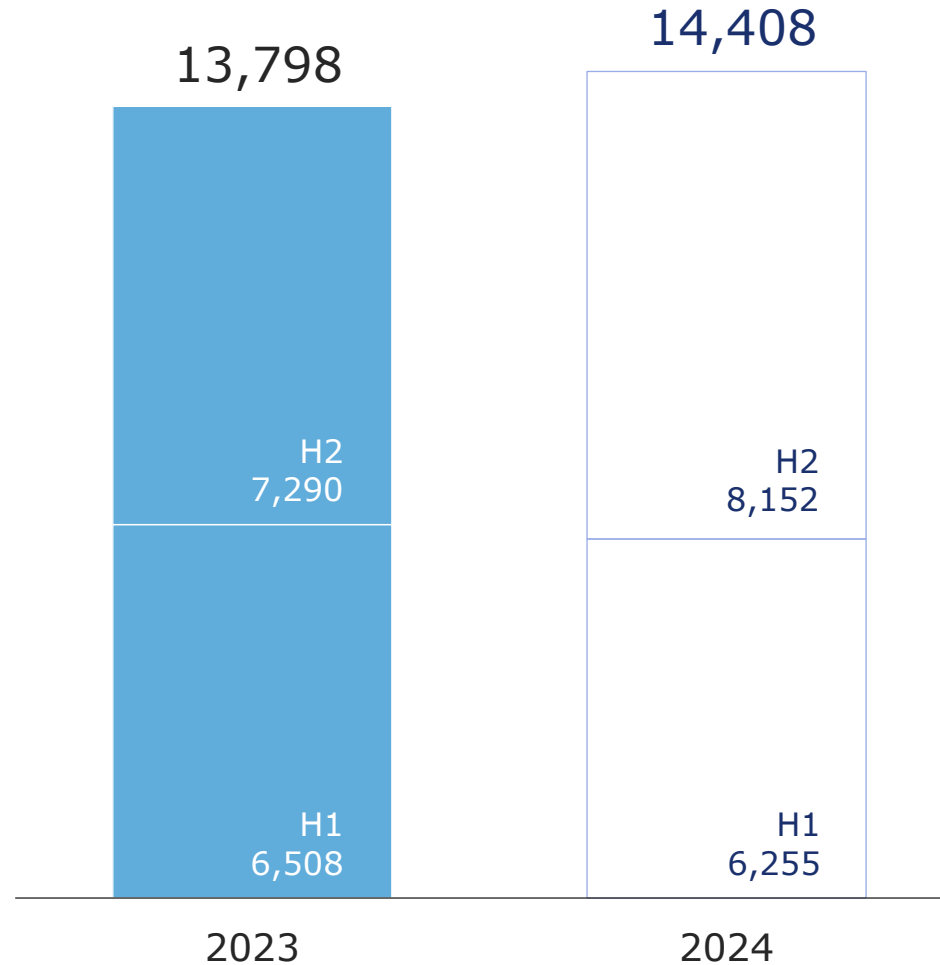
# Single-family Homes Division

(Million yen)



## Basic Strategy

- ✓ Efforts to expand market share
- ✓ Introduction of improved products with enhanced insulation performance
- ✓ Founding aspiration to improve Japan's living environment
- ✓ Full-scale deployment of airtightness measurement sales for product appeal and increased ancillary sales
- ✓ Increase in sales unit price through high-grade proposals and bundle sales



## YoY

+ 612 M yen + 4.4%

## Gross Profit M

26.7% ▶ 24.9%



Number of construction buildings

- ✓ Number of construction buildings increasing by about 5%



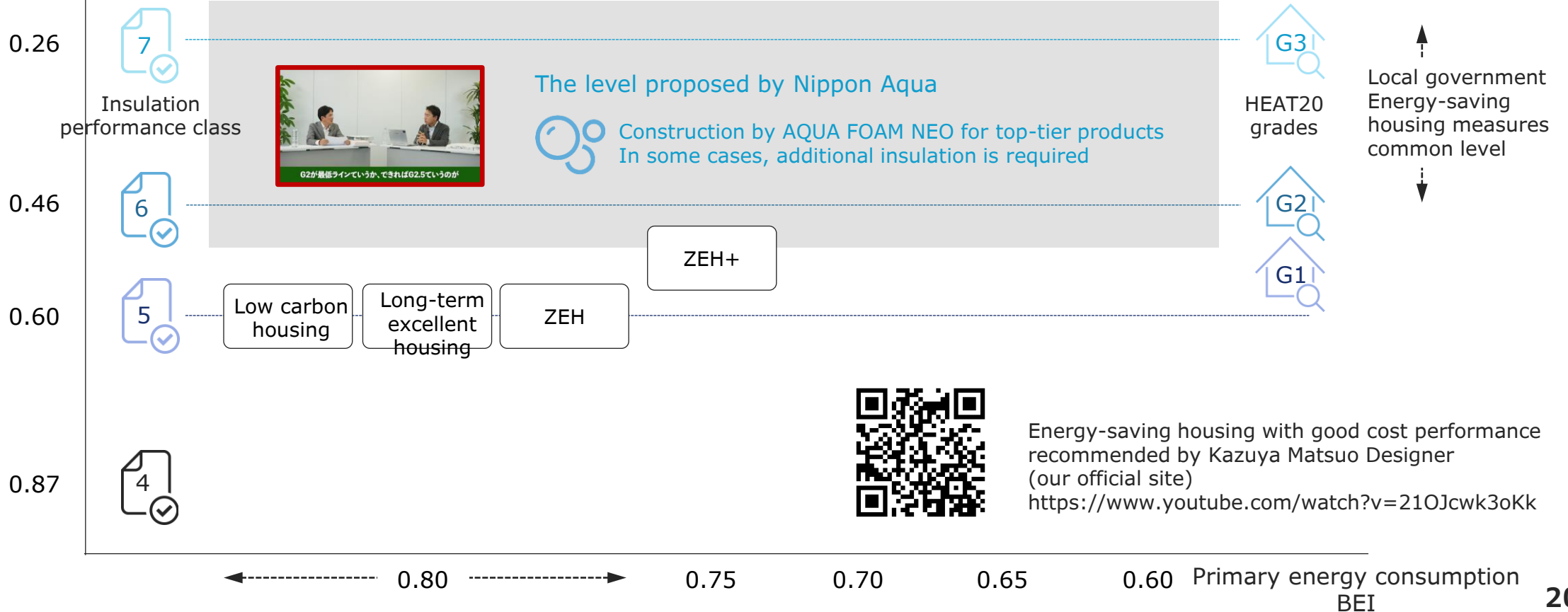
Construction unit price (per building)

- ✓ Strategically keeping construction unit prices low to expand market share
- ✓ Standardization of Insulation Class 5 (ZEH level)
- ✓ Increase in "thickness of insulation material"
- ✓ Increase associated with the upgrade of Insulation Class
- ✓ Price strategy also implemented for the purpose of expanding new transactions

# Proposing Energy-Saving Housing with Excellent Cost Performance

(UA value is the value of Region 6 to 7 such as Tokyo)

Insulation performance  
UA Value



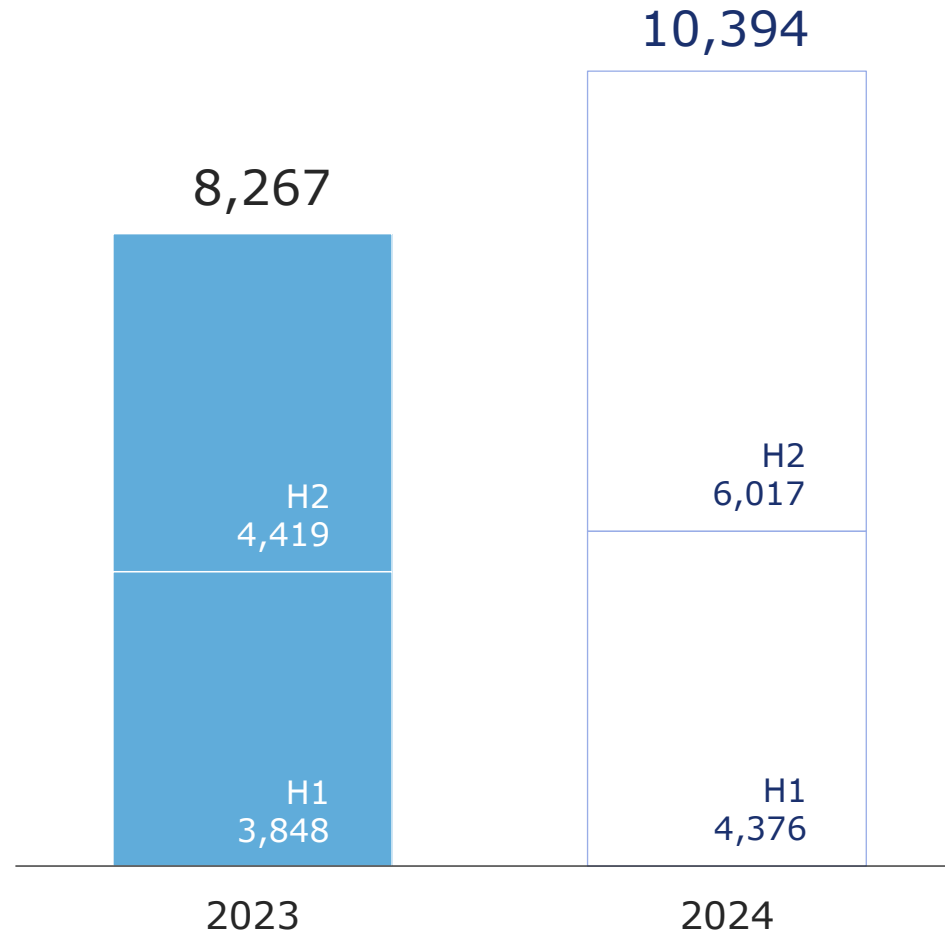
# Buildings Division

(Million yen)



## Basic Strategy

- ✓ Capturing market expansion and leading business performance growth
- ✓ Differentiation through AQUA MOEN NEO
- ✓ Expansion of product lineup through promotion of AQUA BARRIER



## YoY

+2,116 M yen +25.7%

## Gross Profit M

23.7% ▶ 26.7%



## Construction area

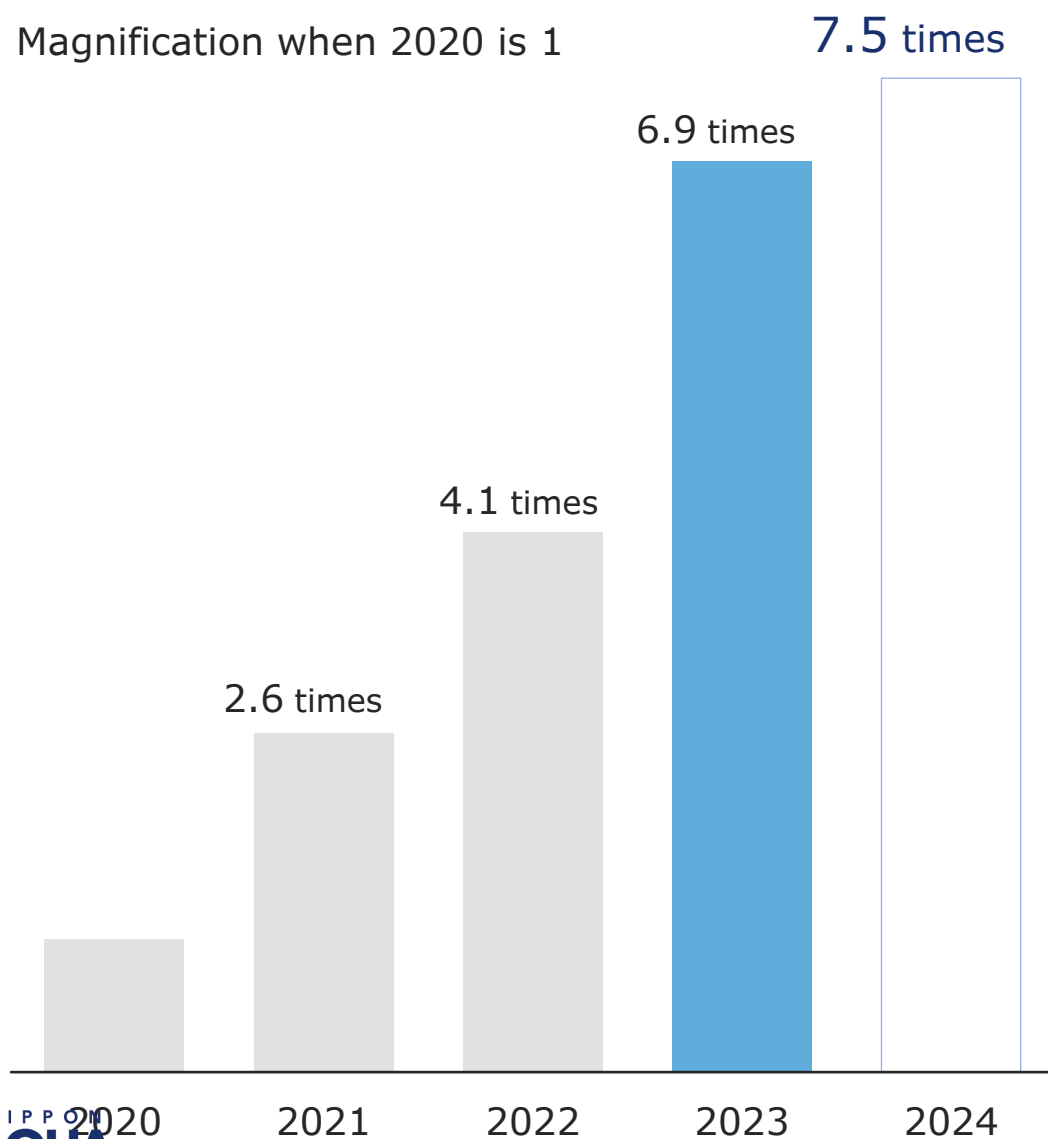
- ✓ Construction area increasing by about 20%
- ✓ Proactively securing construction projects such as semiconductor factories and urban redevelopment



## Construction unit price (per square meter)

- ✓ Construction unit price increasing by about 10%
- ✓ Increase in "thickness of insulation material" due to growing demand for high insulation performance
- ✓ Increase in construction unit price due to increased proportion of AQUA MOEN NEO construction

Magnification when 2020 is 1



Nippon Aqua's Initiatives

## Net sales of non-flammable insulation during FY2023



What is non-flammable insulation?

High-performance insulation that is non-flammable and approved by the Minister of Land, Infrastructure, Transport and Tourism

Born from the need for construction sites to eliminate fire risks, it demonstrates a high level of flame-retardant performance when exposed to welding, steel cutting, welding sparks, etc. at construction sites



# Waterproofing Division

(Million yen)

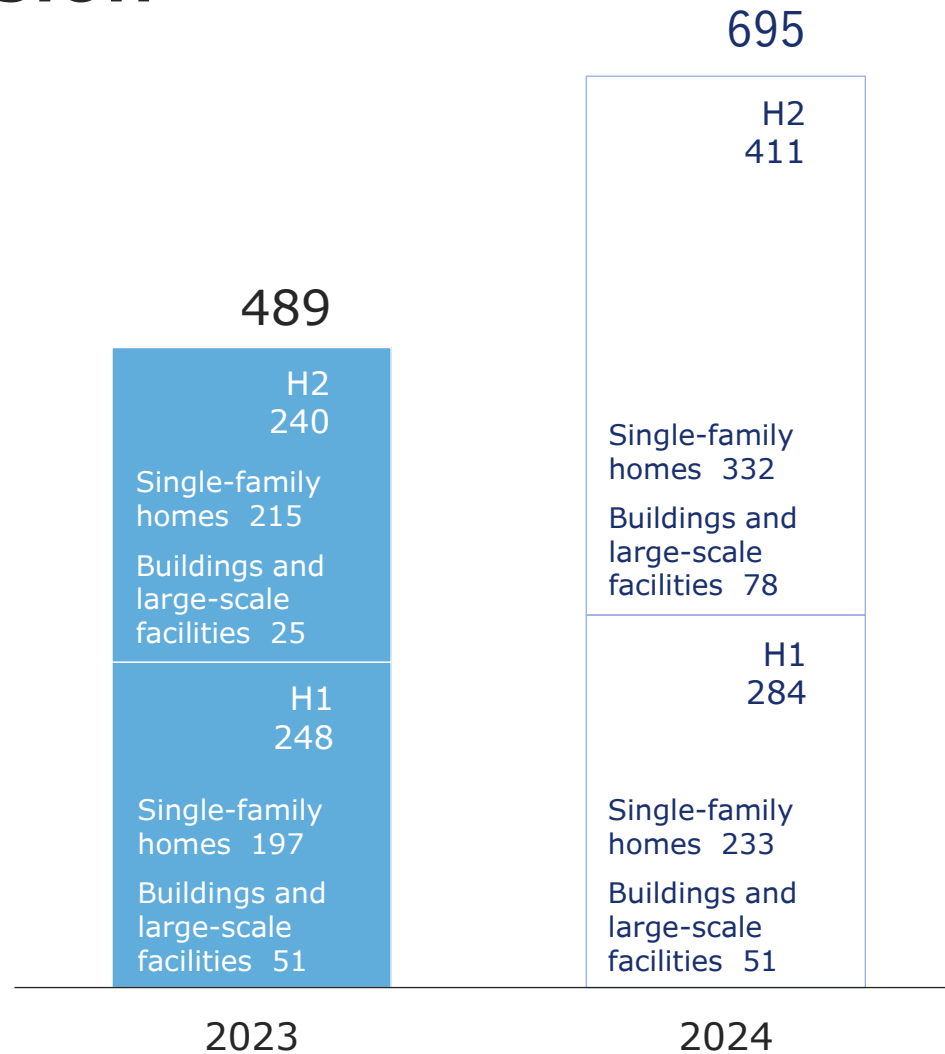


## Basic Strategy

- ✓ Differentiation with product appeal that is easy to understand
- ✓ Improvement in profitability through expansion of non-residential construction
- ✓ Increase in construction volume through bundle sales with Single-family Homes Division
- ✓ Expansion of projects through strengthening alliances with waterproofing construction companies



- ✓ Received store renovation orders from Plant (Tokyo Stock Exchange Standard 7646)



## YoY

+ 206 M yen +42.2%



Early monetization

✓ Profitability by FY2024



Single-family homes

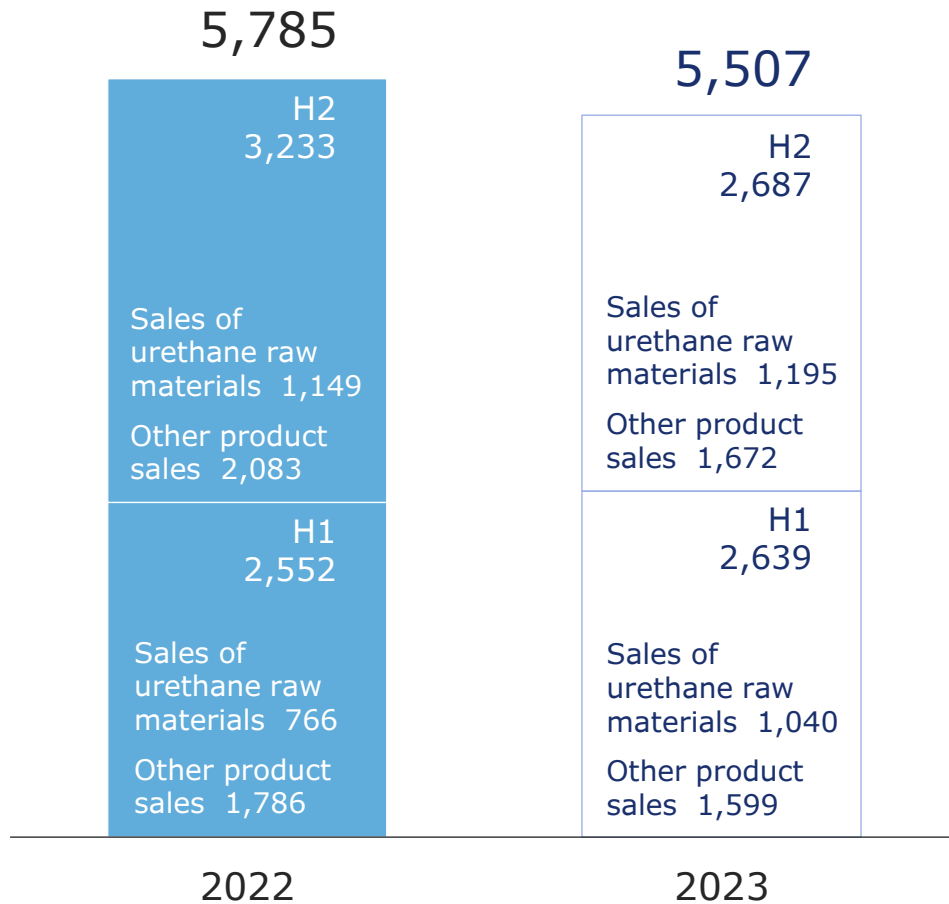
✓ Orders received from intimate builders of the Single-family Homes Division



Buildings and large-scale facilities

- ✓ Received factory renovation orders from Japan's leading manufacturers
- ✓ Focusing on repairs of asbestos-containing building materials
- ✓ Organizational sales to Japan's leading infrastructure companies are underway

# Sales of Urethane Raw Materials Other Product Sales (Million yen)



## Sales of urethane raw materials

YoY + 319 Million yen +16.7%

Gross Profit M 17.9% ▶ 17.9%

## Other product sales

YoY ( 597) Million yen (15.4)%

Gross Profit M 25.0% ▶ 18.7%



Sales of urethane raw materials

✓Gross profit margin is flat in order to increase sales



Other product sales

✓Considering discount sales of auxiliary supplies as part of the price strategy of the Single-family Homes Division

✓Decrease in Sales of urethane foam blowing equipment due to replacement demand following the launch of new products



# Financial Forecast (Million yen,%)

	FY 2023 Jan-Dec	Forecast FY 2024		YoY		ref. Medium-term Mgt Plan	
		6M Jan-Jun	FY Jan-Dec	Amount	Change(%)	FY 2025	FY 2026
Net sales	28,341	13,556	31,005	+2,663	+9.4	35,632	41,021
Single-family homes	13,798	6,255	14,408	+609	+4.4	15,367	16,503
Buildings	8,267	4,376	10,394	+2,126	+25.7	12,510	15,119
Waterproofing	489	284	695	+206	+42.2	1,500	2,500
Sales of urethane raw materials	1,916	1,040	2,235	+319	+16.7	2,578	2,964
Product sales	3,869	1,599	3,271	(597)	(15.4)	3,677	3,935
Cost of sales	21,417	10,543	23,596	+2,179	+10.2	27,081	31,176
Gross profit	6,924	3,012	7,408	+484	+7.0	8,551	9,845
Single-family homes	3,685	1,492	3,585	(99)	(2.7)	3,688	3,960
Buildings	1,963	1,024	2,774	+811	+6.6	3,377	4,082
Waterproofing	(35)	13	38	+74	—	150	250
Sales of urethane raw materials	342	193	398	+56	+16.4	464	533
Product sales	968	289	611	(357)	(36.9)	872	1,020
SG&A expenses	4,042	2,051	4,308	+266	+6.6	4,809	5,332
Operating profit	2,881	960	3,100	+218	+7.6	3,741	4,512
Ordinary profit	2,917	960	3,100	+183	+6.3	3,741	4,512
Profit	2,004	648	2,092	+88	+4.4	2,525	3,045
Dividend per share (yen)	32.0		34.0	+3.0	+9.4	40.0	49.0

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- 03 Market Environment**
- 04 Nippon Aqua's Initiatives
- 05 Appendix



# The Vision for Housing and Buildings in 2030

## Carbon Neutral Target for Fiscal Year 2030

- ✓46% Reduction in Greenhouse Gas Emissions Compared to Fiscal Year 2013
- ✓100% of New Housing and Buildings to be Energy Efficient at ZEH/ZEB Level
- ✓Raising the Energy Efficiency Standard for Housing to Insulation Class 5

**Low Penetration Rate  
Further Promotion is Necessary**



ZEH  
Custom-Built Homes

**26.8%** (FY2021)



ZEH  
Spec Homes

**2.6%** (FY2021)



ZEH-M  
Apartment Buildings

**7.4%** (FY2021)



ZEB  
Buildings and large-scale facilities

**0.4%** (FY2021)

% is the penetration rate of each

# The Revisions to the Building Energy Efficiency Act \*1

## Plans for 2024 and Beyond

Gradually Raising Energy Efficiency Standards with the Aim of Ensuring ZEH/ZEB Level Energy Performance for Housing and Buildings

Energy Efficiency Standards:  
Primary Energy Consumption Standard (BEI)\*2 + Envelope Standard\*3

\*1 "Act Partially Revising the Act on the Improvement of the Energy Consumption Performance of Buildings in Order to Contribute to the Realization of a Carbon Neutral Society"

\*2 BEI=

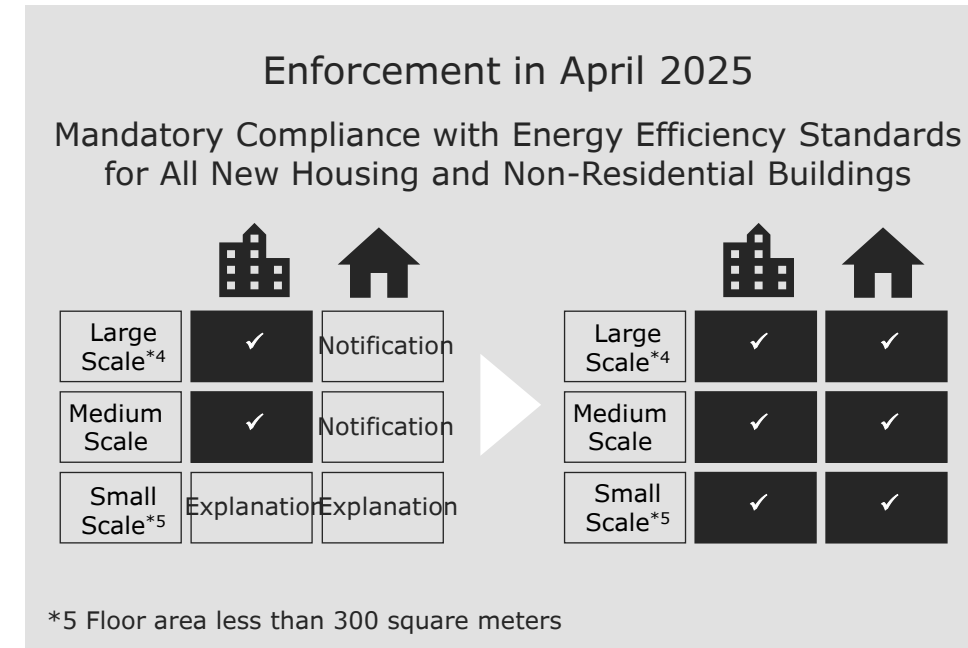
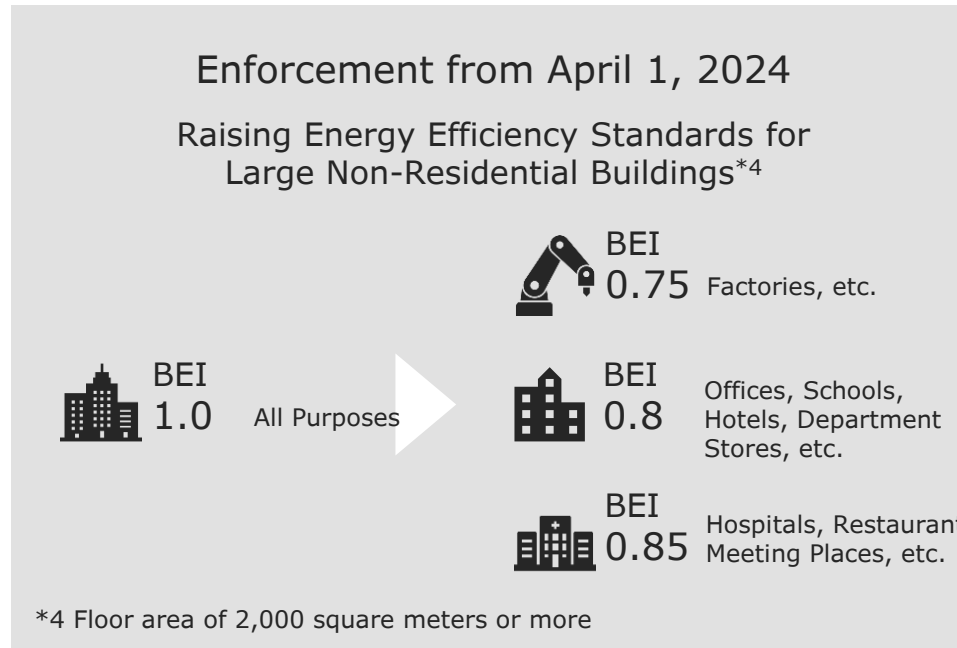
Design primary energy consumption

Standard primary energy consumption

\*3 Envelope Standard

Housing:  
UA Value + Eta AC Value  
(Insulation Class 4)

Building:  
Annual heat load factor of perimeter zone



# Spread of regulations related to airtightness performance

$$C \text{ value} = \frac{\text{Total gap area of the house (cm}^2\text{)}}{\text{Total floor area (m}^2\text{)}}$$

The lower the C value, the higher the airtightness.

- ✓ With the revision of the Energy Conservation Law in 2009, the standard of C value  $\leq 5.0$  was abolished, and there is currently no clear standard defining "high airtightness".
- ✓ However, the number of cases where it is stipulated in the energy-saving housing measures by local governments (requirements for subsidy grants) is increasing.



Sapporo	Yamagata	Miyagi	Nagano	Tokyo	Yokohama	Tottori	Kitakyushu
Sapporo version of next-generation housing	YAMAGATA Energy-saving healthy housing	MIYASUMA Healthy energy-saving housing	Shinshu Healthy energy-saving housing	TOKYO Zero emission houses	YOKOHAMA energy-saving housing	TOTTORI Healthy energy-saving housing	kitaQ ZEH
C value 0.5 or less	C value 1.0 or less	Strive for high airtightness	C value 1.0 or less	—	C value 1.0 or less	C value 1.0 or less	C value 1.0 or less



# Redevelopment in the metropolitan area Semiconductor factories in regional areas

- ✓The ratio of city names is the increase rate of the standard land price for fiscal 2023
- ✓Large-scale equipment investment related to semiconductors after 2024  
(It does not promise our orders)



✓Urban redevelopment is accelerating nationwide

✓The three major metropolitan areas and four cities in the regions are particularly noticeable



✓Investment in cutting-edge fields as a national policy

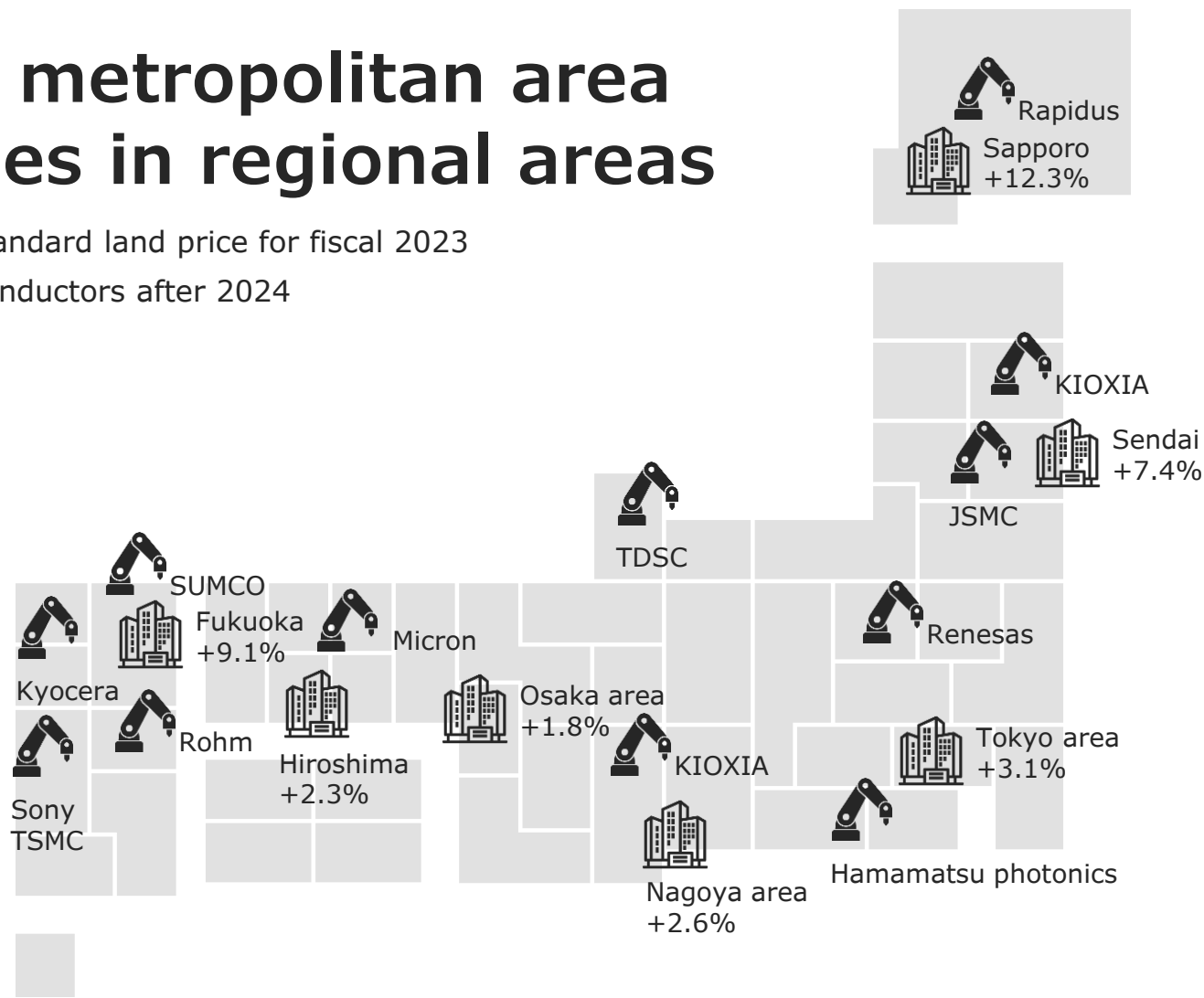
✓Domestic return of manufacturing facilities



✓Development of infrastructure, commercial facilities, housing, etc. in the surrounding areas in line with the construction of semiconductor factories is also progressing



✓Large data centers (about 20 locations expected to open) are also promising targets



Source: The standard land prices are from the Ministry of Land, Infrastructure, Transport and Tourism, and the semiconductor factories are based on the public materials of each company, compiled by Nippon Aqua.

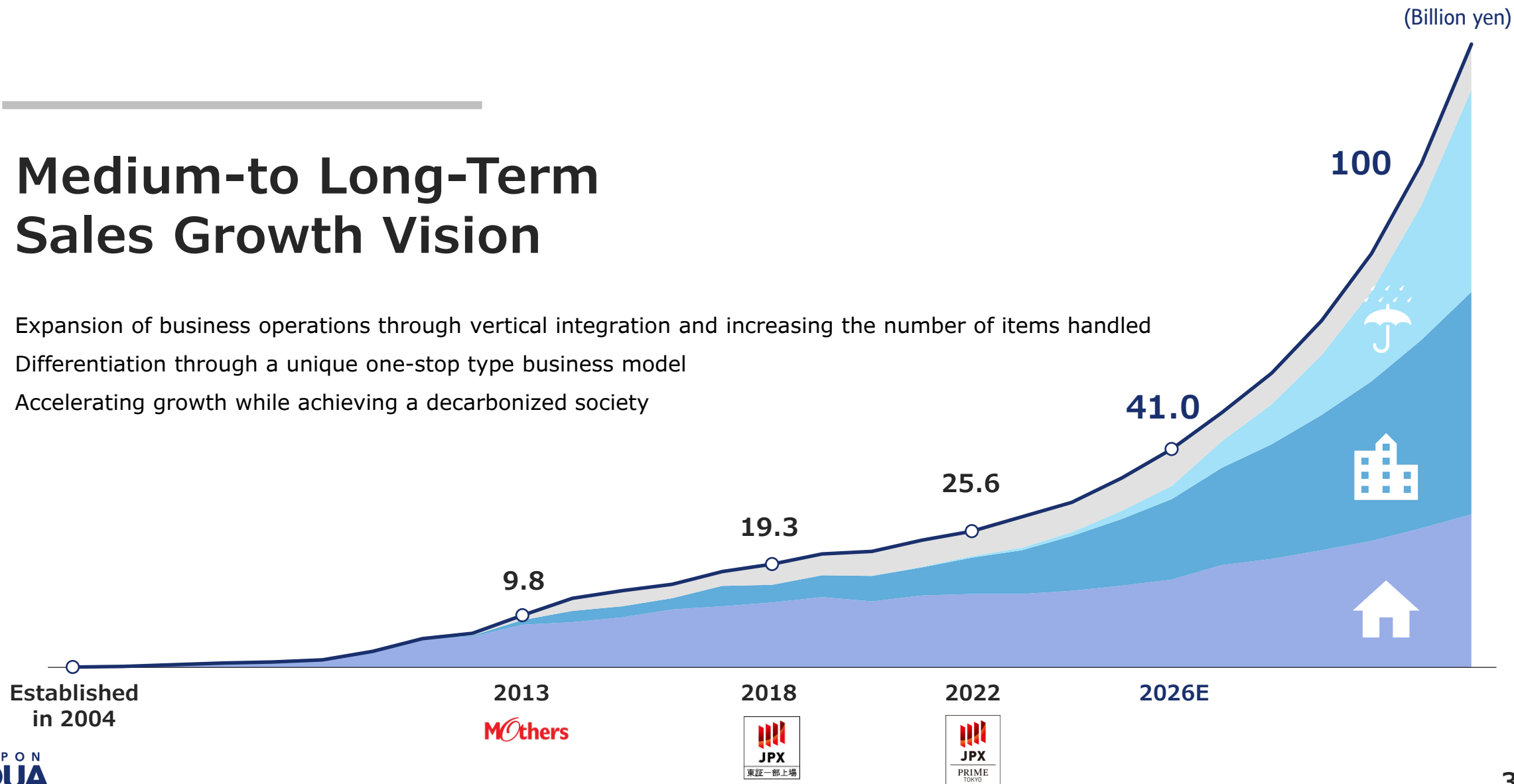
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# Agenda

- 01 Overview of Financial Highlights for the Fiscal Year Ended December 30, 2023
- 02 Financial Forecasts for the Fiscal Year Ending December 30, 2024
- 03 Market Environment
- 04 Nippon Aqua's Initiatives**
- 05 Appendix

# Medium-to Long-Term Sales Growth Vision

Expansion of business operations through vertical integration and increasing the number of items handled  
 Differentiation through a unique one-stop type business model  
 Accelerating growth while achieving a decarbonized society







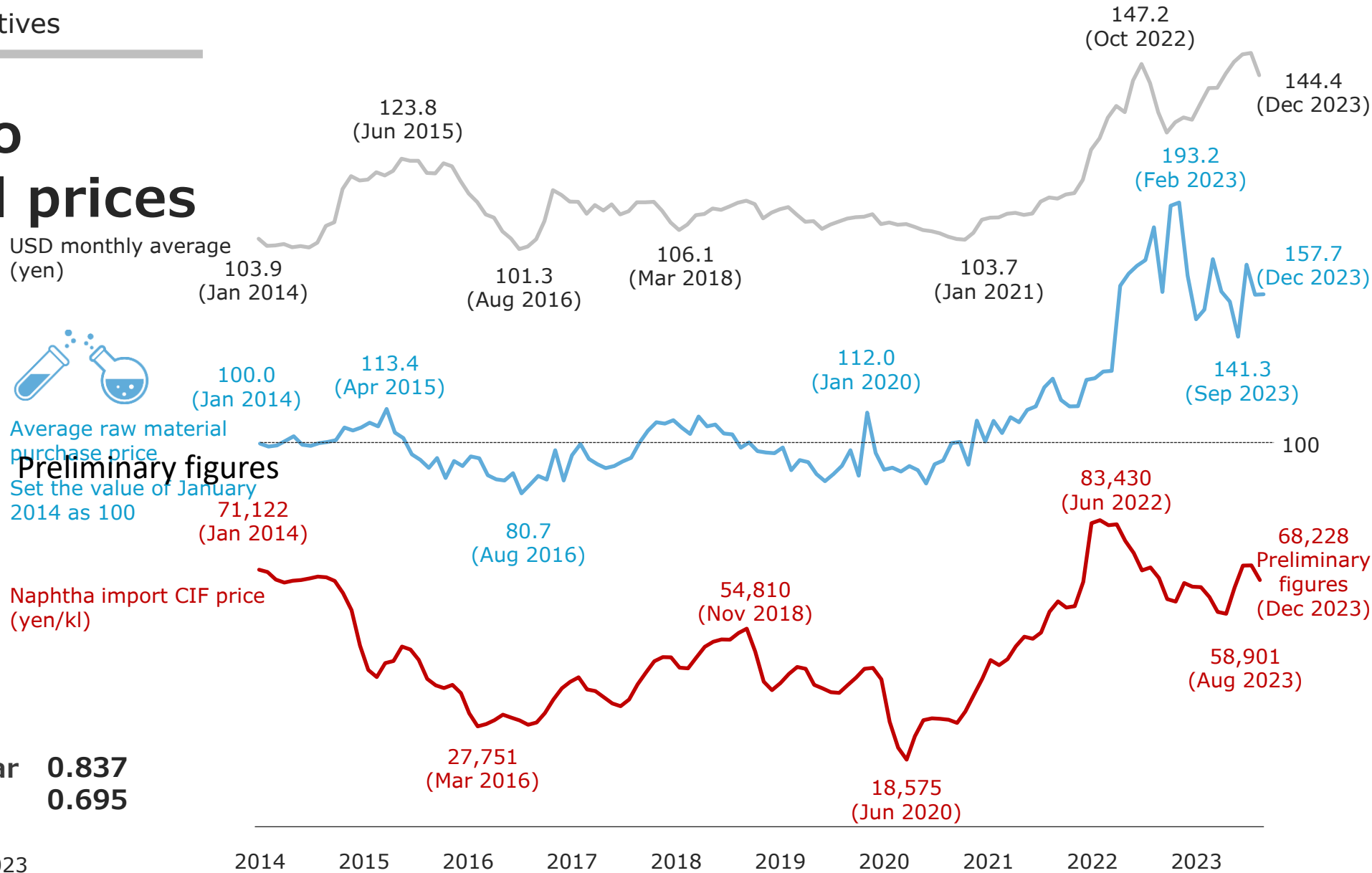
# Sensitivity to raw material prices

It is not a transition under the same conditions due to an increase in the products handled and the purchase volume.

From 2021 onwards, if raw material prices rise, we will respond by passing on to selling prices.

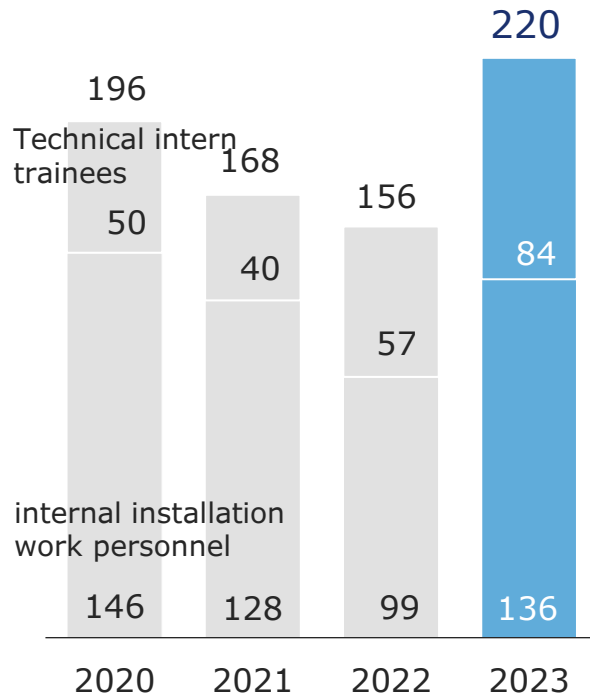
**Sensitivity to the US dollar 0.837**  
**Sensitivity to naphtha 0.695**

Estimated period:  
From January 2014 to December 2023

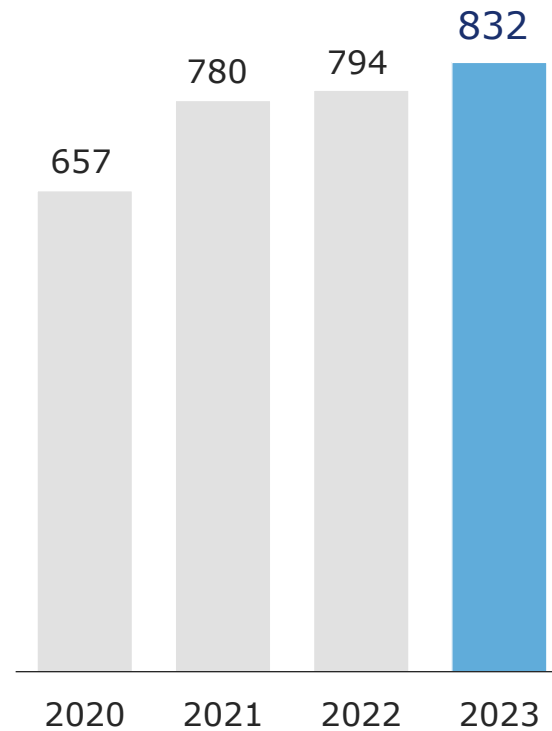




Number of internal installation work personnel (Nippon Aqua)

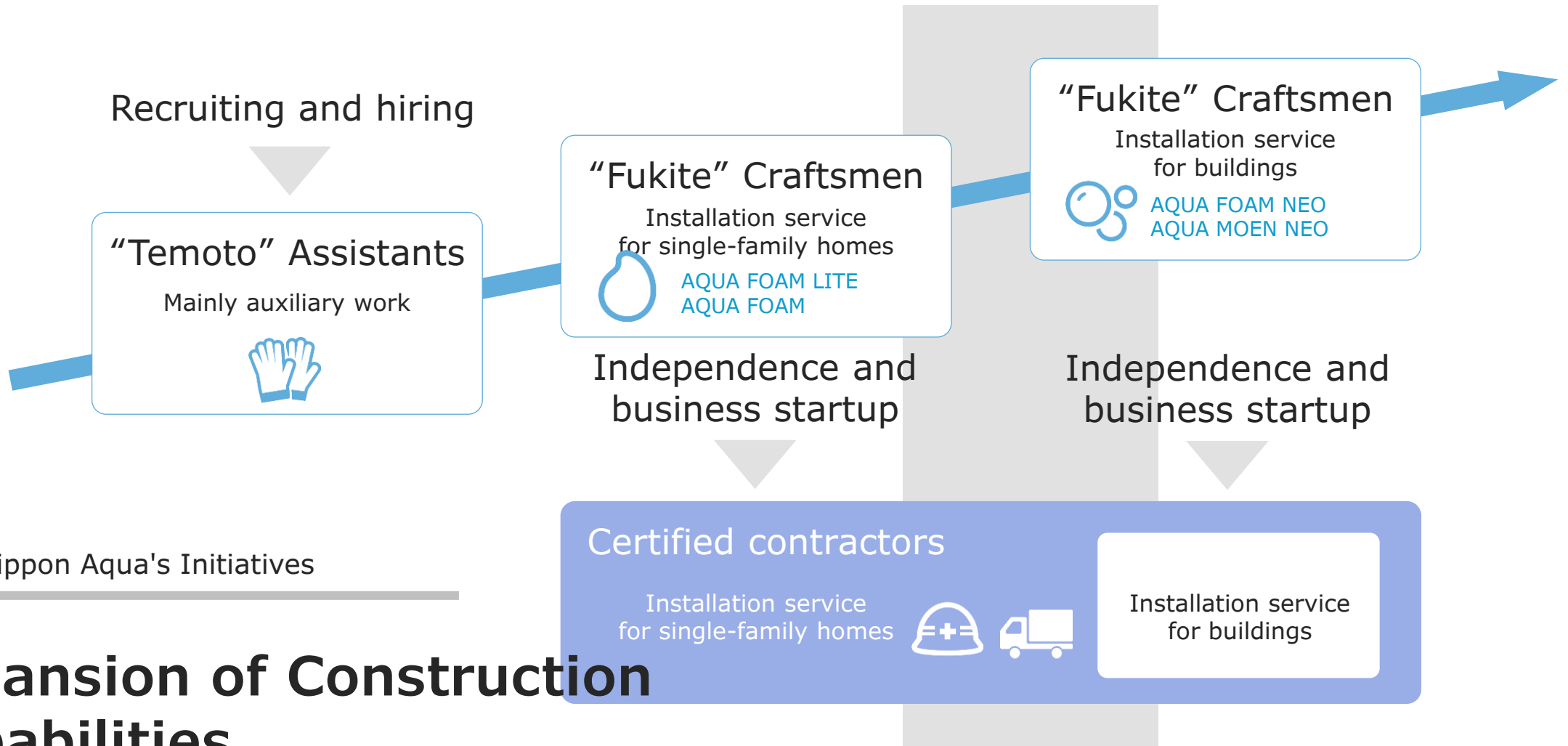



Number of external installation work personnel (Certified contractors)



Nippon Aqua's Initiatives

# Construction Capability Trends



 Nippon Aqua's Initiatives

# Expansion of Construction Capabilities

Fostering all-round players



We will continue aiming to achieve sustainable growth as a TSE Prime-listed company.



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# Corporate Profile

## Management philosophy

Contributing to society by creating a housing environment that is friendly to people and the Earth

## Visions

We exist to reduce total energy demand through innovation in insulation technology, prevent global warming, and at the same time, help people lead healthy and comfortable lives.

## Business description

Development, manufacturing, sale, and installation of hard urethane foam for use as building insulation

Development, manufacture, and sale of residential energy conservation-related materials

Company name	Nippon Aqua Co., Ltd.	
Head office	2-16-2 Konan, Minato-ku, Tokyo Taiyo Seimei Shinagawa Building 20th floor	
Established	November 29, 2004	
	President & Representative Director	Fumitaka Nakamura
	Senior Managing Director	Yuka Murakami
	Director	Kazuhisa Nagata
	Director	Koji Fujii
	Director	Keiji Usami
	Outside Director	Yoshiaki Takahashi
	Outside Director	Takeshi Kenmochi
	Outside Director Full-time Audit and Supervisory Committee Member	Noboru Kohara
	Outside Director Audit and Supervisory Committee Member	Yuki Matsuda
	Outside Director Audit and Supervisory Committee Member	Naofumi Higuchi
	Outside Director Audit and Supervisory Committee Member	Hidetaka Nishina
Capital	1,903 Million yen	
No. of employees	501 people (Non-consolidated)	

As of December 31, 2024

# Product Portfolio

Expanding around the core of two-component polyurethane

## Polyol

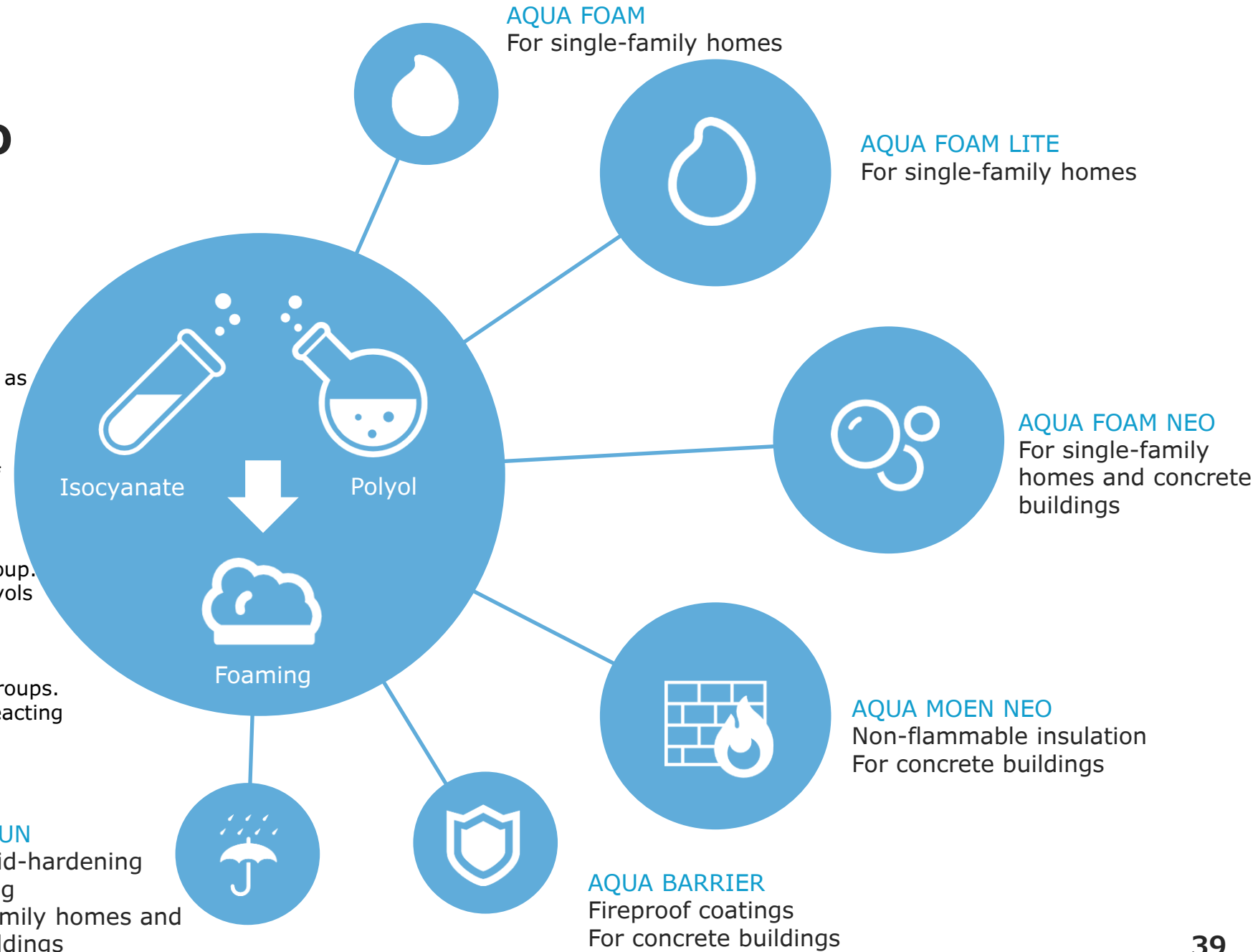
- ✓An organic compound with a hydroxyl group as the main ingredient.
- ✓By changing the molecular structure and molecular weight of polyols, the physical properties such as hardness and flexibility of urethane can be adjusted.

## Isocyanate

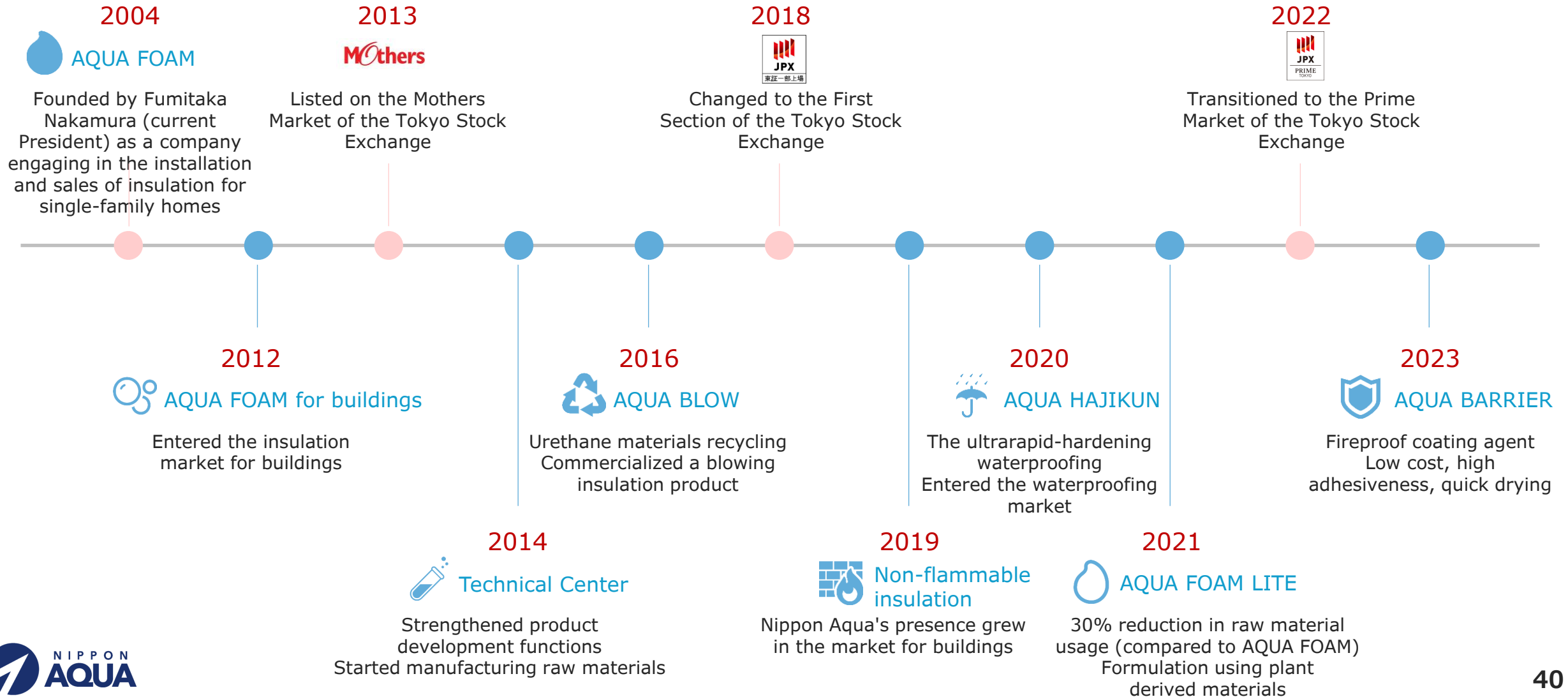
- ✓An organic compound containing an NCO group.
- ✓Forms a urethane bond by reacting with polyols through stirring and other means.

## Polyamine

- ✓An organic compound with multiple amino groups.
- ✓Forms AQUA HAJIKUN (polyurea resin) by reacting with isocyanate.



# Company History





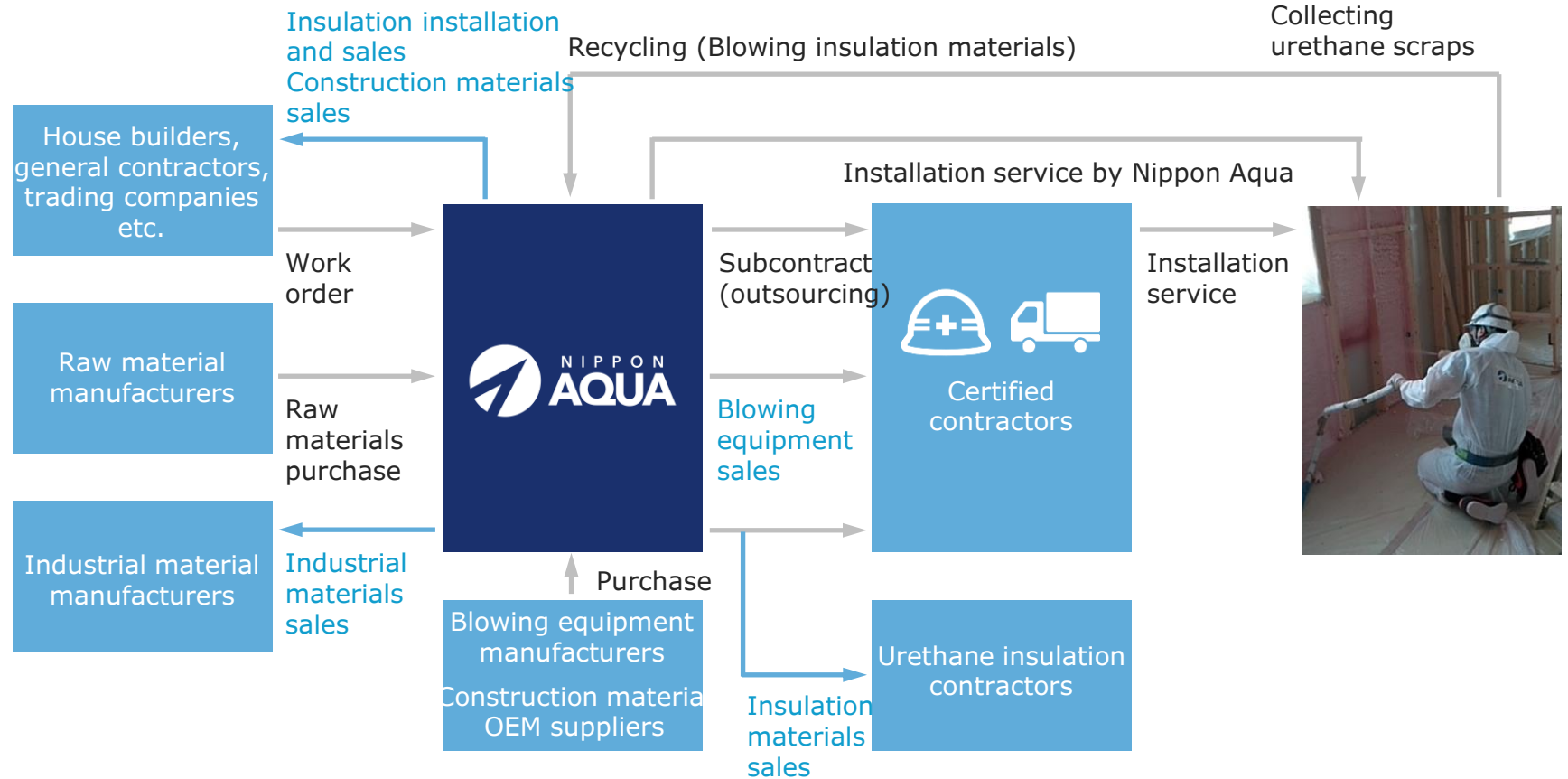
# From Material Development to Installation and Recycling

## Unique Business Model



# Business Scheme

We undertake insulation work projects as the sole contractor and either do them ourselves or subcontract them out to certified contractors



---

# What is Certified Contractors ?

Outsourcing contract  
Full commission-based

Purchase blowing equipment  
(installation tool)  
(a 2-ton truck needed)



No sales  
activities needed

Contractors can take on  
projects appropriate for  
their respective capacities



No royalty

No franchise fee or deposit  
money



Raw materials are  
supplied at cost

Supplying raw materials  
and deducting the cost  
from payment for the  
installation work reduces  
financial burden



Technical training

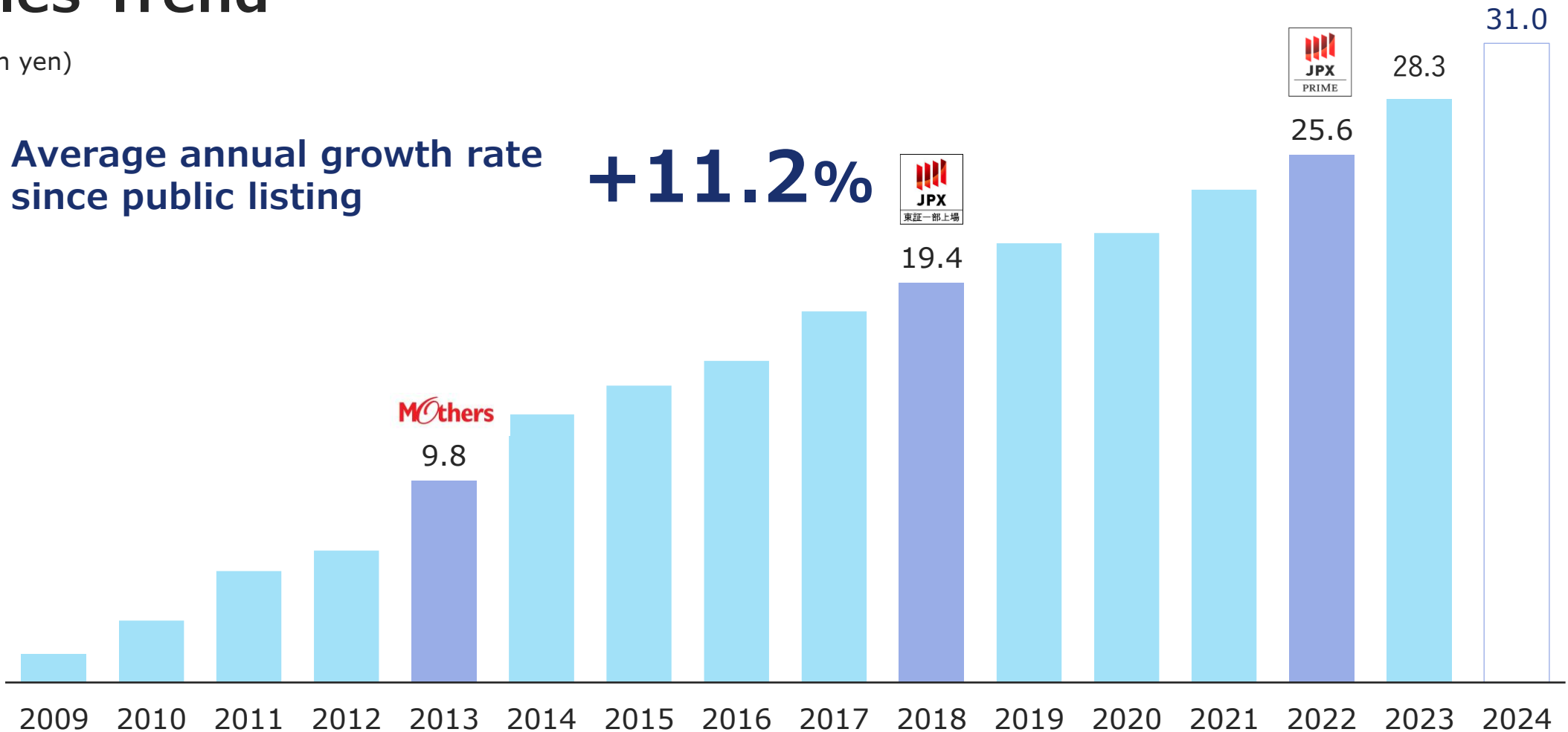
Broad range of support from  
basics to practical skills

# Sales Trend

(Billion yen)

Average annual growth rate  
since public listing

+11.2%



# Performance Trends (Million yen)

Mothers



	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Performance trends</b>													
Net sales	5,475	6,488	9,825	13,020	14,406	15,608	18,052	19,417	21,366	21,872	23,903	25,670	28,341
Gross profit	1,686	1,904	2,444	2,856	3,137	4,027	4,305	3,891	5,403	5,310	4,739	5,784	6,924
Gross profit margin	30.8%	29.3%	24.9%	21.9%	22.3%	25.8%	23.9%	20.0%	25.3%	24.3%	19.8%	22.5%	24.4%
Operating profit	809	662	956	944	1,013	1,404	1,313	766	1,909	1,896	1,412	2,329	2,875
Ordinary profit	807	662	925	937	1,016	1,404	1,419	764	1,909	1,911	1,429	2,359	2,917
Ordinary profit margin	14.7%	10.2%	9.4%	7.2%	7.2%	9.0%	7.9%	3.9%	8.9%	8.7%	6.0%	9.2%	10.3%
Profit	457	364	512	529	137	979	941	489	1,275	1,342	953	1,549	2,004

## Sales by item

Single-family homes		5,830	8,044	8,483	9,414	10,903	11,552	12,257	13,244	12,448	13,521	13,873	13,798
Buildings		440	883	2,392	2,858	2,601	2,715	3,331	4,144	4,848	5,371	6,838	8,267
Waterproofing											128	315	489
Sales of urethane raw materials							613	561	933	1,137	1,098	1,211	1,916
Product sales		218	897	2,144	2,133	2,103	3,171	3,267	3,043	3,438	3,783	3,430	3,869

## Gross profit by item

Single-family homes					2,305	3,038	2,790	2,217	3,544	3,183	2,772	3,542	3,689
Buildings					183	419	526	551	832	1,004	822	1,206	1,963
Waterproofing											20	(16)	(35)
Sales of urethane raw materials							140	113	198	212	177	361	342
Product sales					648	569	848	1,009	830	909	946	690	968

# Other Key Indicators

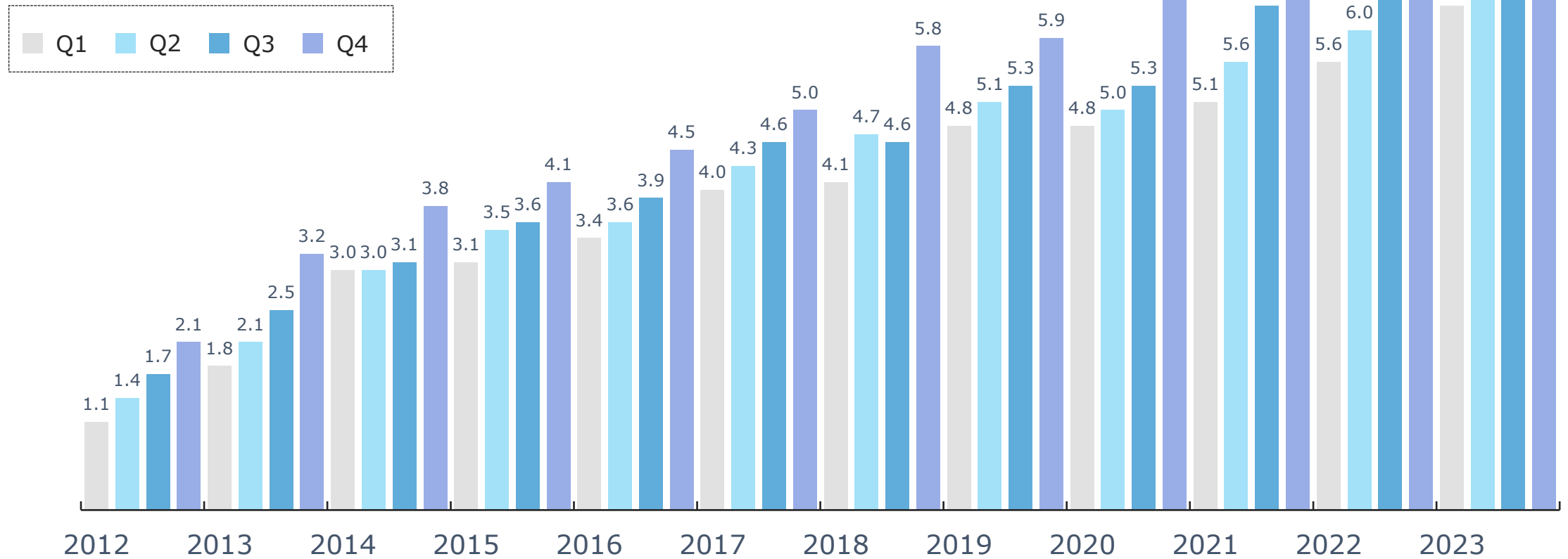
MOthers



	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Assets, liabilities, and equity</b>													
Net assets	715	1,080	5,103	5,529	5,590	6,663	5,508	5,885	6,843	7,638	7,951	7,966	9,304
Return on equity	94.0%	40.6%	16.6%	10.0%	2.5%	16.0%	15.5%	8.6%	20.0%	18.5%	12.2%	19.5%	23.2%
Total assets	1,993	2,787	7,982	9,138	11,254	12,596	12,806	14,381	15,379	16,021	18,279	21,969	20,392
Total assets turnover	3.20	2.71	1.82	1.52	1.38	1.31	1.42	1.43	1.44	1.39	1.39	1.28	1.34
Equity ratio	35.9%	38.8%	63.9%	60.5%	49.7%	52.9%	43.0%	40.9%	44.5%	47.7%	43.5%	36.3%	45.6%
Interest-bearing debt					1,433	834	2,370	2,776	2,136	2,400	3,166	6,033	2,400
<b>No. of employees</b>													
Sales			160	184	182	206	233	208	218	218	189	209	215
Construction			234	246	206	185	132	180	188	196	168	156	220
Management			21	20	35	27	62	57	69	73	81	58	66
Total	194	298	415	450	423	418	427	445	475	487	438	423	501
<b>Stock-related (after reflecting 1:5 stock split on January 1, 2015)</b>													
Stock price at the end of the period (yen)			663	845	438	414	498	437	627	649	687	828	887
Market value			22,892	29,176	15,209	14,960	18,038	15,180	21,792	22,559	23,880	28,781	30,832
Net assets per share (yen)			147.81	160.15	161.01	184.40	171.31	182.36	211.88	236.46	246.09	254.41	296.24
Dividend per share (yen)			3.00	3.00	3.00	3.00	4.00	10.00	17.00	20.00	20.00	24.00	32.00
Basic earnings per share (yen)			20.61	15.33	3.97	27.61	27.84	15.19	39.50	41.57	29.52	47.99	63.83
Price earnings ratio			32.20	55.10	110.30	15.00	17.90	28.80	15.90	15.60	23.30	17.30	13.90

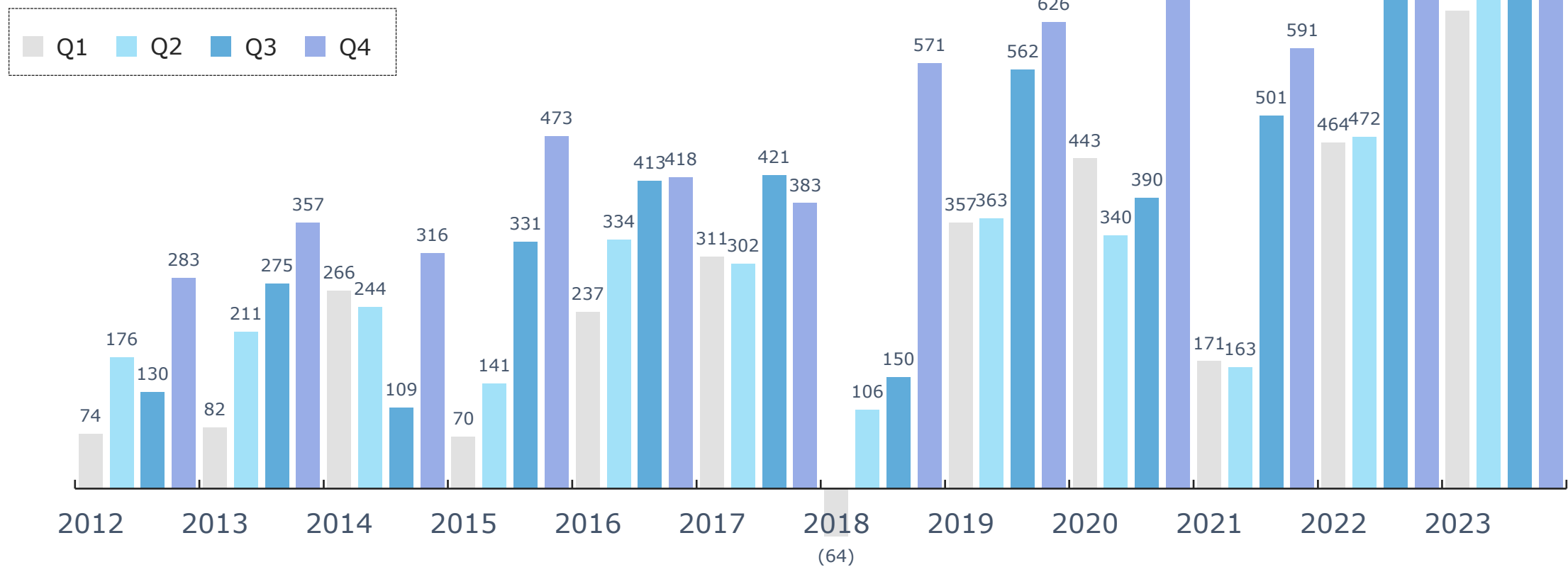
# Quarterly Sales

(Billion yen)



# Quarterly Ordinary Profit

(Million yen)





# Number of housing starts

(year-on-year)



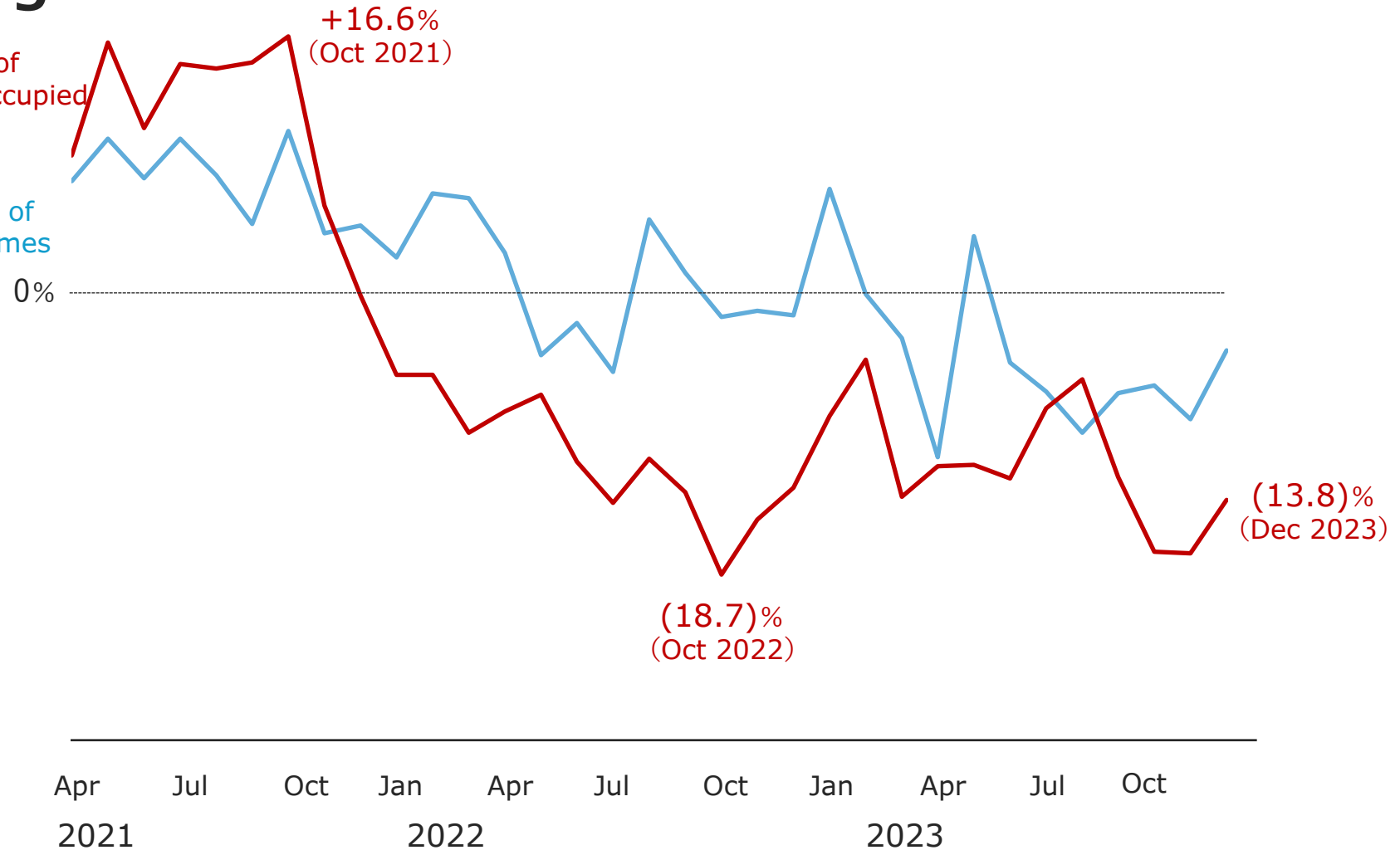
Number of owner-occupied homes



Number of total homes

Our Single-family Homes Division has a high level of affinity with owner-occupied homes, as there are many custom-built houses being constructed

In addition, the Buildings Division also performs construction on new condominiums



## Insulation performance class

UA value is the value of Region 6 to 7 such as Tokyo

	HEAT20 G3	UA value 0.26	7
ZEH+	HEAT20 G2	UA value 0.46	6
	ZEH	UA value 0.60	5
		UA value 0.87	4
		UA value 1.54	3
		UA value 1.67	2
			1

## Primary energy consumption class

$$\text{BEI} = \frac{\text{Design primary energy consumption}}{\text{Standard primary energy consumption}}$$

6	BEI 0.80	ZEH	ZEH+
5	BEI 0.90		
4	BEI 1.00		
3 Existing property only	BEI 1.10		
1			

# Housing Performance Indication System

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## Inquiries

Corporate Planning Dept., Administration Division  
(Person in charge: Masahiko Komuro)  
m.komuro@n-aqua.com

## Disclaimer and Notes Regarding Forward-Looking Statements

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