

Business Results for the Six Months Ended June 30, 2025

August 8, 2025

Nippon Aqua Co., Ltd.

Tokyo Stock Exchange Prime Section #1429



Financial Highlights

In the Single-family Homes Division, in addition to increased orders from large-scale builders and new major clients, the results of our market share expansion strategy are beginning to emerge. In the Buildings Division and Waterproofing Division, projects have also been progressing steadily, with construction volume surpassing the same period last year.

As a result, net sales showed growth beyond expectations, and profits were maintained at the anticipated level, indicating overall smooth progress.

Net sales			
15,983 M yen	OYA	13,112 M yen	+21.9 %
	Forecast	15,579 M yen	+2.6 %
Gross profit			
3,492 M yen	OYA	2,906 M yen	+20.2 %
	Forecast	3,499 M yen	(0.2 %)
Ordinary profit			
1,102 M yen	OYA	868 M yen	+26.8 %
	Forecast	1,114 M yen	(1.1 %)



Single-family Homes Division

7,548 M yen

OYA	6,261 M yen
	+20.5 %
Forecast	6,606 M yen
	+14.3 %

- ✓The orders from large-scale builders and new major clients exceeded expectations.
- ✓The strategy for expanding market share was successful, leading to an increase in new orders.
- ✓The rush in demand due to the reduction of the No. 4 special exception is limited.
- ✓Growing interest in class 6 and above.



Buildings Division

4,815 M yen

OYA	3,993 M yen
	+20.6 %
Forecast	5,384 M yen
	(10.6 %)

- ✓A wealth of projects and solid demand.
- ✓Delays in design changes and construction decisions occur.
- ✓Profitability improves through acquiring additional work and responding to specification changes.



Waterproofing Division, Others



3,619 M yen

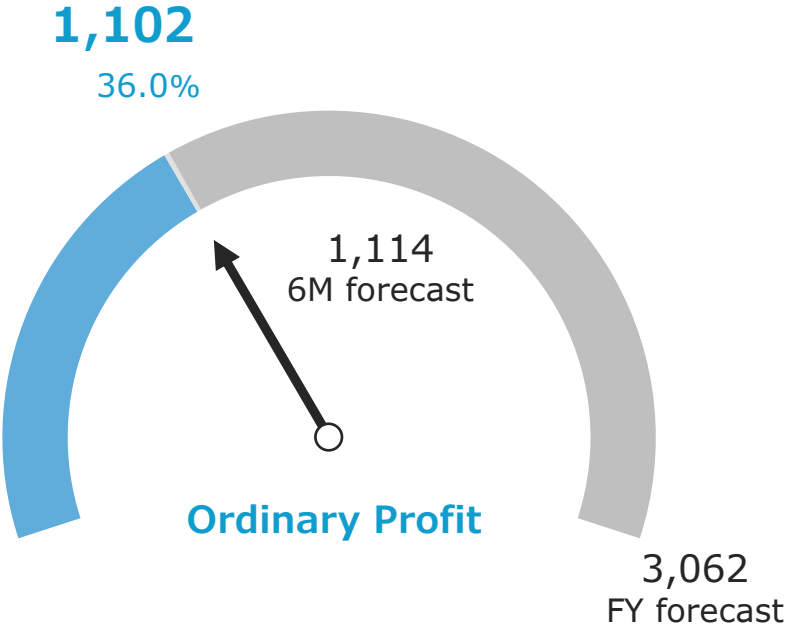
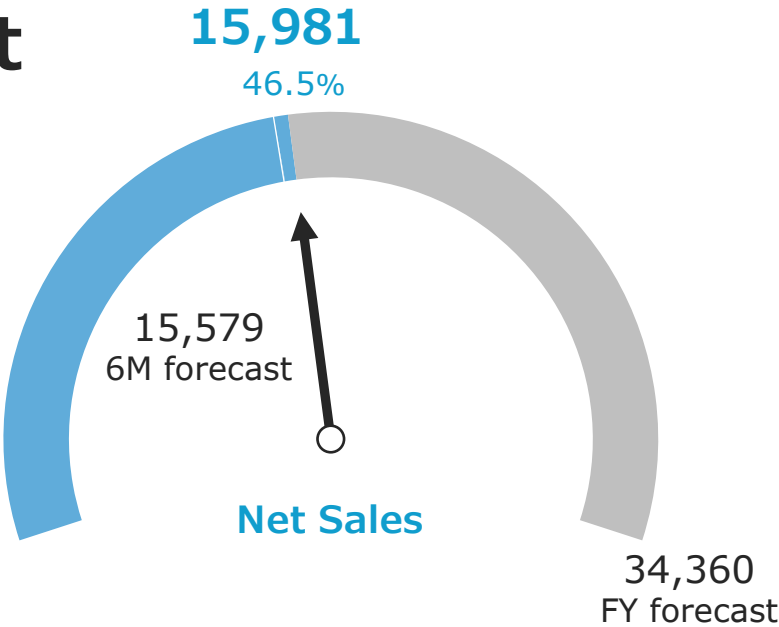
OYA	2,857 M yen
	+26.7 %
Forecast	3,588 M yen
	+0.1 %

Waterproofing Division:

- ✓Strong demand for non-residential renovation projects.
- ✓Increase in construction of new multi-dwelling housing.

Progress towards Full-year Financial Forecast

(Million yen)



	Net sales					Ordinary profit				
	FY2020	FY2021	FY2022	FY2023	FY2024	FY2020	FY2021	FY2022	FY2023	FY2024
6M Results	9,989	10,712	11,742	13,158	13,112	783	335	936	1,400	868
Progress	43.1%	45.6%	44.3%	45.3%	42.3%	37.3%	16.7%	44.1%	50.9%	28.0%
Initial FY Forecast	23,200	23,513	26,490	29,021	31,005	2,100	2,003	2,121	2,750	3,100
FY Results	21,872	23,903	25,670	28,341	30,265	1,911	1,429	2,359	2,917	2,604

Agenda

01 Overview of Financial Highlights for
the Six Months Ended June 30, 2025

02 Performance by Division
and Future Business Development

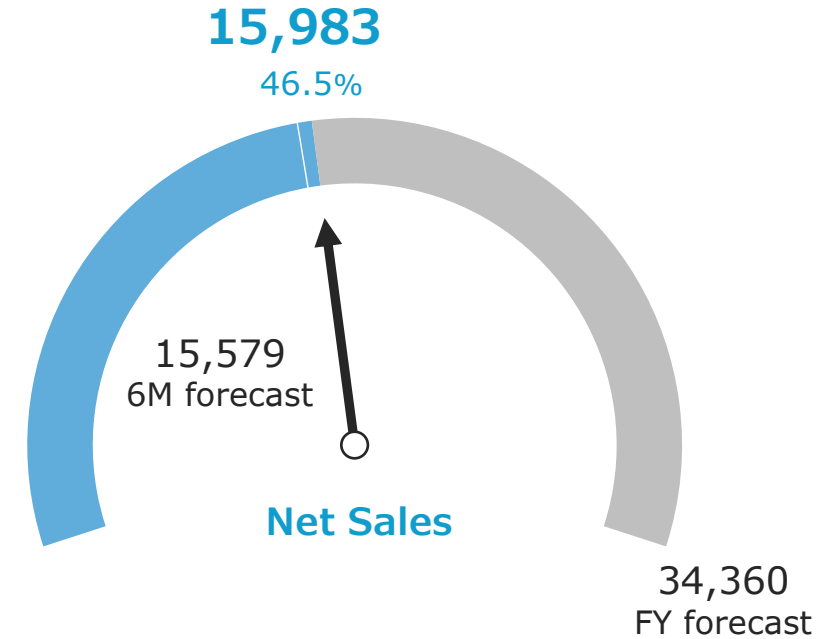
03 Appendix

Six months ended June 30, 2025

Net Sales

15,983 M yen

OYA	13,112 M yen	FC	15,579 M yen
YoY	+2,870 M yen	vs FC	+403 M yen
ROC	+21.9 %	ROC	+2.6 %



	FY2024	FY2025 Results		Forecast		FY2025 Results		Forecast				
	6M	6M	YoY	6M	vs FC	Q1	Q2	Q1	Q2	Q3	Q4	Total
Net sales	13,112	15,983	+2,870	15,579	+403	7,501	8,481	7,247	8,332	8,802	9,978	34,360
Single-family homes	6,261	7,548	+1,286	6,606	+941	3,669	3,879	3,140	3,466	3,538	4,290	14,435
Buildings	3,993	4,815	+822	5,384	(569)	2,362	2,453	2,484	2,899	3,073	3,423	11,881
Waterproofing	261	625	+364	536	+89	159	466	212	324	382	582	1,500
Sales of urethane raw materials	921	884	(36)	1,047	(162)	394	490	503	544	625	726	2,398
Other product sales	1,674	2,108	+434	2,005	+103	916	1,192	907	1,098	1,183	955	4,145

Six months ended June 30, 2025

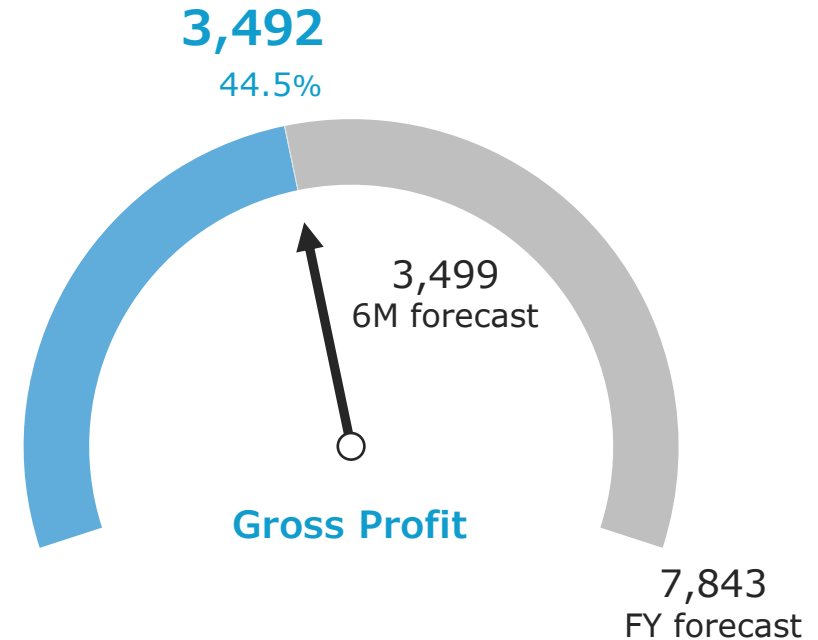
Gross Profit

3,492 M yen

OYA 2,906 M yen FC 3,499 M yen
YoY +585 M yen vs FC (7 M yen)
ROC +20.2 % ROC (0.2 %)

GPM **21.9** %

OYA 22.2 % ROC 22.5 %



	FY2024	FY2025 Results		Forecast		FY2025 Results		Forecast				
	6M	6M	YoY	6M	vs FC	Q1	Q2	Q1	Q2	Q3	Q4	Total
Gross profit	2,906	3,492	+585	3,499	(7)	1,634	+1,858	1,587	1,911	2,029	2,314	7,843
Single-family homes	1,508	1,655	+146	1,500	+154	803	+852	703	797	820	1,051	3,373
Buildings	897	1,069	+172	1,268	(198)	520	+549	571	697	742	841	2,853
Waterproofing	(7)	59	+67	31	+28	12	+47	(1)	32	45	66	143
Sales of urethane raw materials	164	171	+7	176	(4)	78	+93	84	92	108	127	412
Other product sales	343	535	+191	521	+13	219	+316	229	292	311	226	1,060

Six months ended June 30, 2025

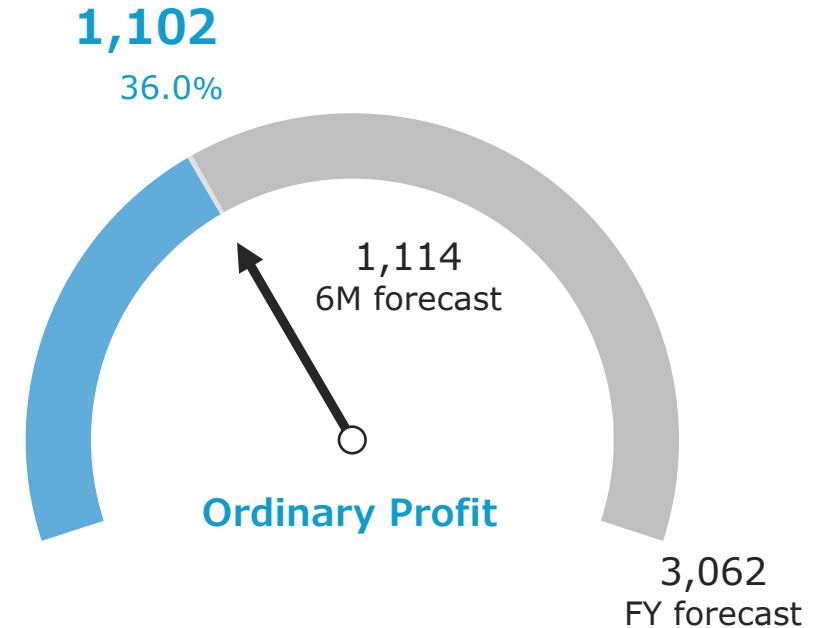
Ordinary Profit

1,102 M yen

OYA 868 M yen FC 1,114 M yen
YoY +233 M yen vs FC (12 M yen)
ROC +26.8 % ROC (1.1 %)

Ordinary PM **6.9** %

OYA 6.6 % ROC 6.9 %



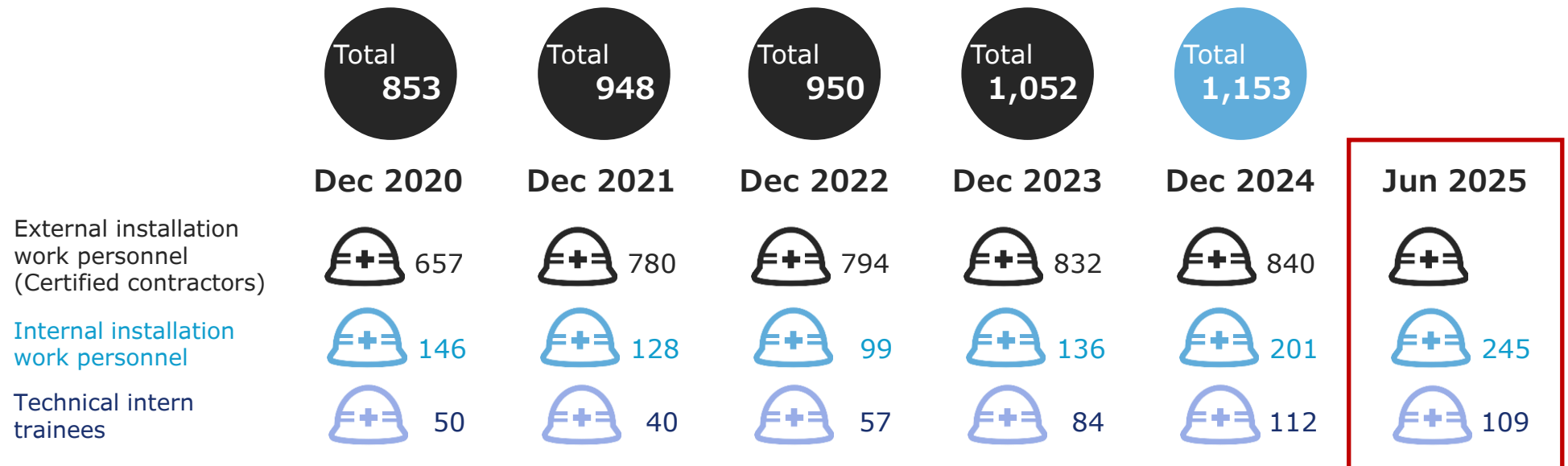
	FY2024					FY2025		Forecast					
	Q1	Q2	Q3	Q4	Total	Q1	YoY	Q1	vs FC	Q2	Q3	Q4	Total
SG&A	1,002	1,055	1,093	1,135	4,286	1,107	+105	1,141	(33)	1,266	1,220	1,210	4,838
Payroll cost	557	577	576	585	2,296	574	+16	573	+0	673	624	630	2,502
Trainee related expenses	72	93	113	144	423	137	+65	111	+25	137	130	133	512
Travel expenses	53	58	65	59	236	59	+5	64	(5)	64	64	64	258
Rent expenses	49	55	55	61	221	66	+17	61	+5	61	61	61	245
Depreciation expenses	41	43	43	44	173	41	+0	54	(13)	56	59	60	231
Ordinary Profit	453	415	679	1,055	2,604	529	+76	456	+73	658	825	1,122	3,062

Construction Capability Trends

✓ Aim to build an overwhelmingly superior system in terms of both quality and quantity compared to competitors.

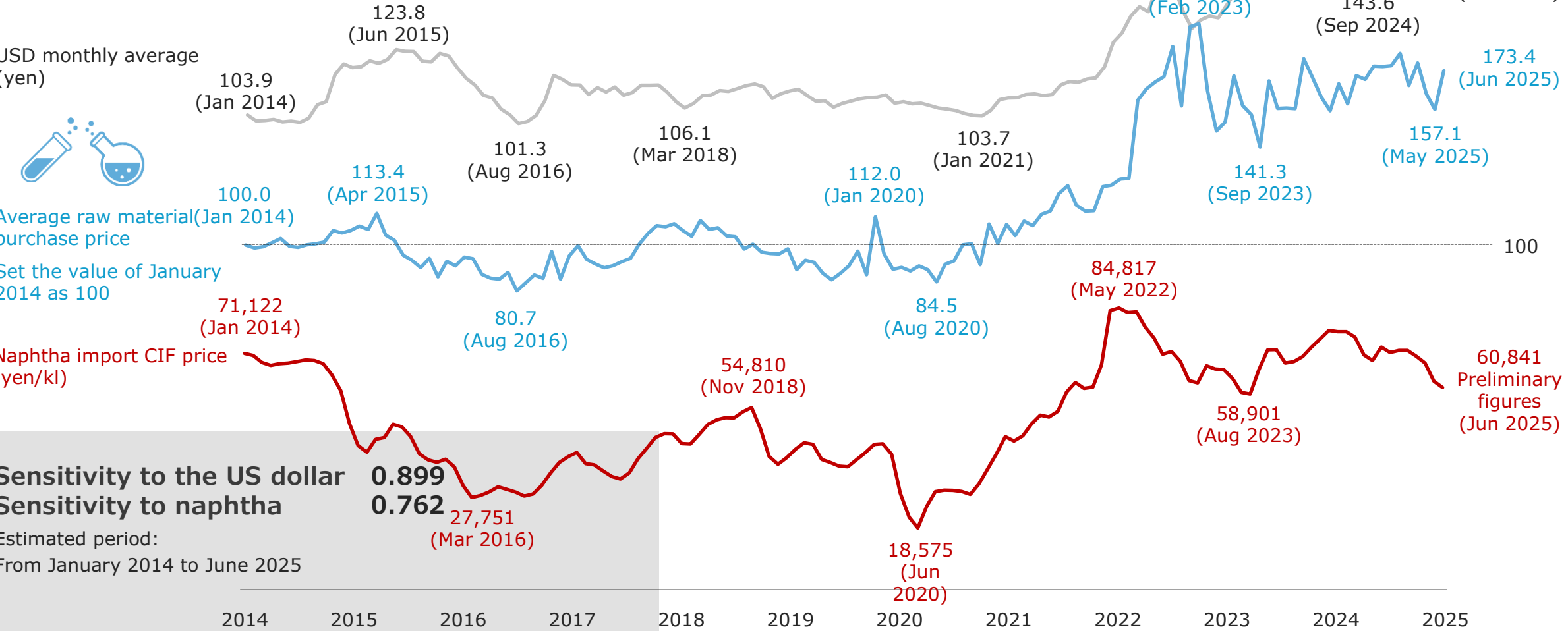
✓ Since 2023, we have been working to increase the number of certified contractor employees by 100 annually.

✓ From 2025 onwards, we will further strengthen the recruitment of Nippon Aqua internal installation work personnel.



Technical Intern Trainees are entitled to a temporary return to their home country under the Technical Intern Training Act.

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.

Agenda

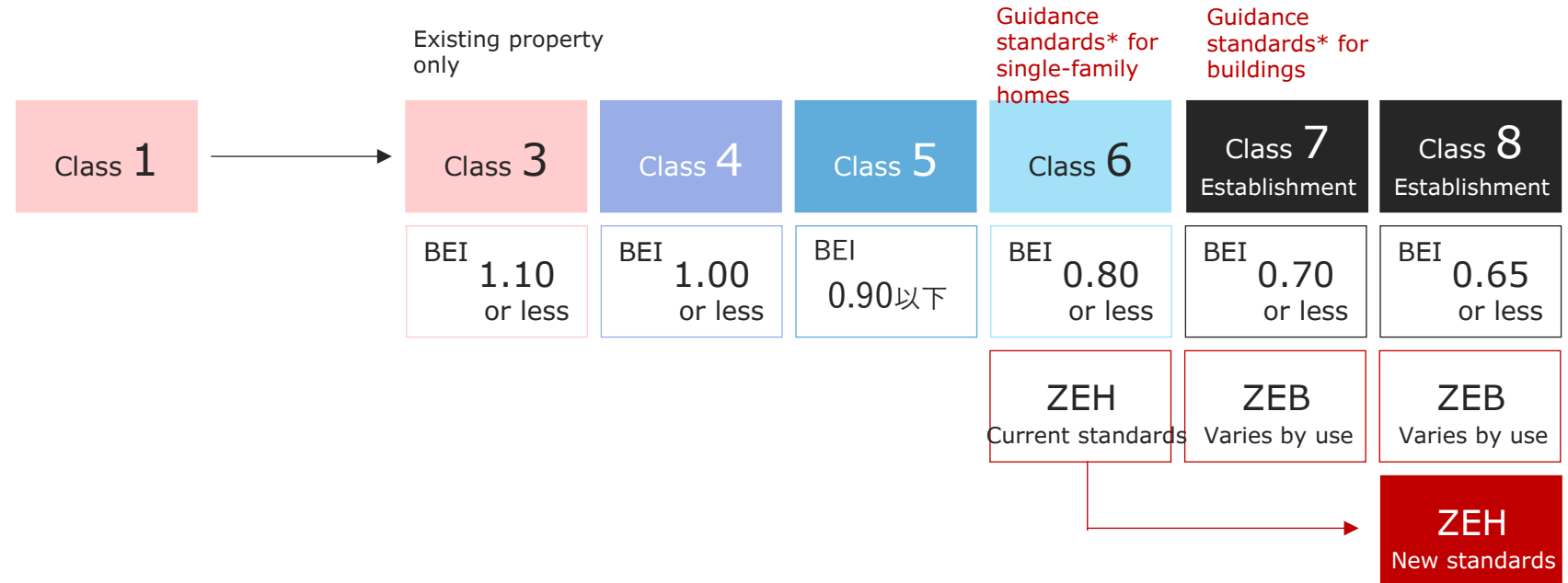
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Establish New Energy Consumption Standards

Also applicable to apartment buildings and other multi-family housing (ZEH-M)



Primary energy consumption class

$$BEI = \frac{\text{Design primary energy consumption (Energy consumption considering energy-saving methods)}}{\text{Standard primary energy consumption (Energy consumption with standard specifications)}}$$

* What are guidance standards?

Standards intended to guide the promotion of improved energy efficiency performance, which must be met for the certification of energy efficiency improvement plans. Established under the Building Energy Saving Law. Enforced from April 1, 2016.

Enhancement of Insulation Performance (Class 5 ▶ 6)

Also applicable to apartment buildings and other multi-family housing (ZEH-M)

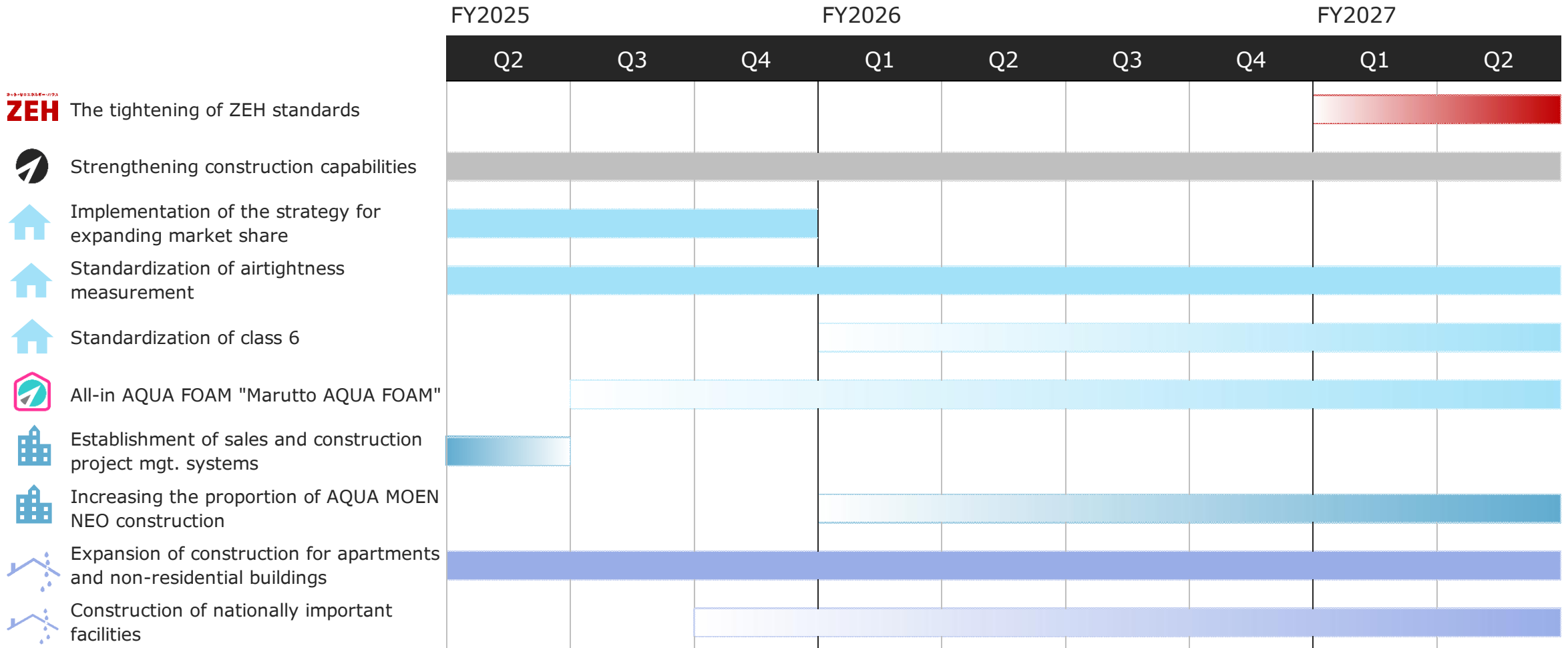
				Guidance standards		Highest grade
Class 1	Class 2	Class 3	Class 4	Class 5	Class 6	Class 7
Region 6 such as Tokyo	UA value 1.67	UA value 1.54	UA value 0.87	UA value 0.60	UA value 0.46	UA value 0.26
		η AC value 3.8	η AC value 2.8	η AC value 2.8	η AC value 2.8	η AC value 2.8
ce class				ZEH Current standards	HEAT20 G2	HEAT20 G3
					ZEH New standards	
transmittance of the envelope (from buildings)						

Insulation performance class

UA value= Average thermal transmittance of the envelope
(Ease of heat escape from buildings)

η AC value= Average solar heat gain coefficient during the cooling period
(Ease of solar heat gain into buildings)

Prospects of Major Policies

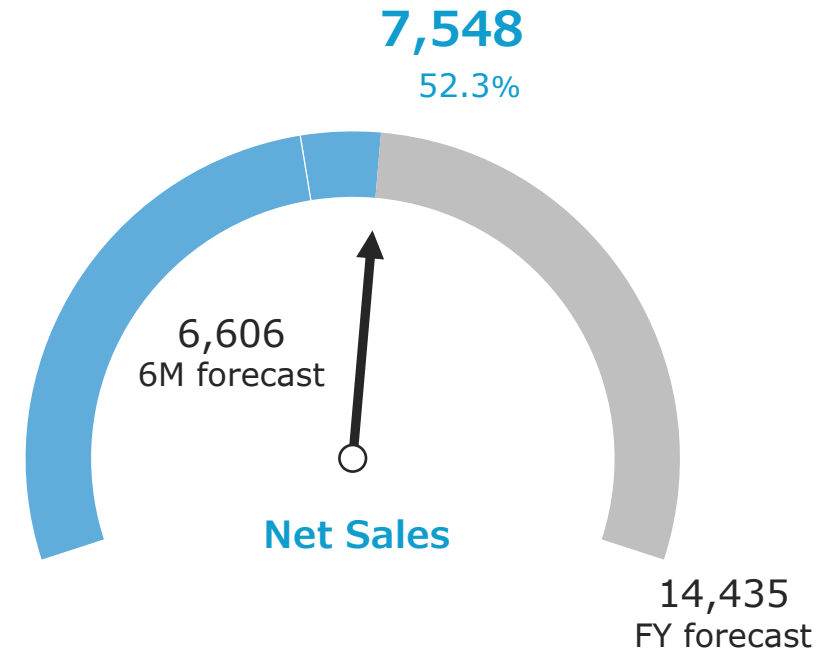


Six months ended June 30, 2025

Single-family Homes Division

NS **7,548** M yen

OYA	6,261 M yen	FC	6,606 M yen
YoY	+1,286 M yen	vs FC	+941 M yen
ROC	+20.5 %	ROC	+14.3 %
QE	+18.8 %	QE	+10.7 %
PE	+1.7 %	PE	+3.6 %



GP **1,655** M yen **GPM 21.9 %**

OYA	24.1 %	FC	22.7 %
OYA	1,508 M yen	FC	1,500 M yen
YoY	+146 M yen	vs FC	+154 M yen
ROC	+9.7 %	ROC	+10.3 %

- ✓Orders from nationwide builders and new large-scale clients exceeded expectations.
- ✓Increased construction numbers due to market share expansion efforts.
- ✓The rush in demand due to the reduction of the No. 4 special exception is limited.

	FY2024	FY2025 Results		Forecast		FY2025 Results	Forecast					
	6M	6M	YoY	6M	vs FC	Q1	Q2	Q1	Q2	Q3	Q4	Total
Net sales	6,261	7,548	+1,286	6,606	+941	3,669	3,879	3,140	3,466	3,538	4,290	14,435
Gross profit	1,508	1,655	+146	1,500	+154	803	852	703	797	820	1,051	3,373
Num (YoY)	(6%)	+19%		+11%		+22%	+16%	+7%	+8%	+5%	+9%	+7%
Unit price (YoY)	+3%	+1%		+3%		+1%	+2%	(1%)	(2%)	(2%)	(2%)	(2%)



Nippon Aqua's Initiatives



All-in AQUA FOAM

“Marutto AQUA FOAM”

- ✓One-stop insulation solutions for the entire house
- ✓Customized insulation solutions for every home

Insulation Class 6

Assuming the number of constructions in fiscal 2023 is 1

- ✓2024: 1.4 times
- ✓2025: 5.1 times (approximately 10% of all constructions)

Airtightness Measurement Services

Ratio to total number of constructions

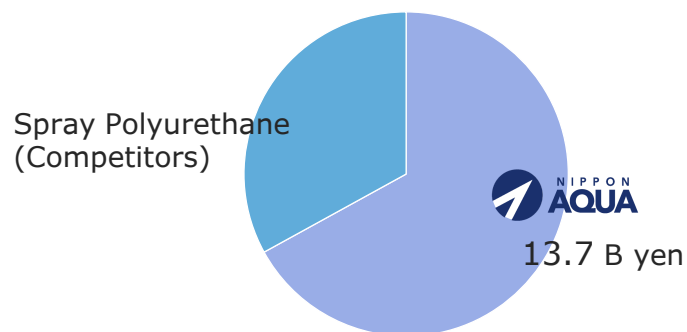
- ✓2023: 4.4%
- ✓2024: 9.8%
- ✓2025: 20% (forecast)



Expansion of Business Base (Entry into the Insulation Board Market)

Spray Polyurethane Foam

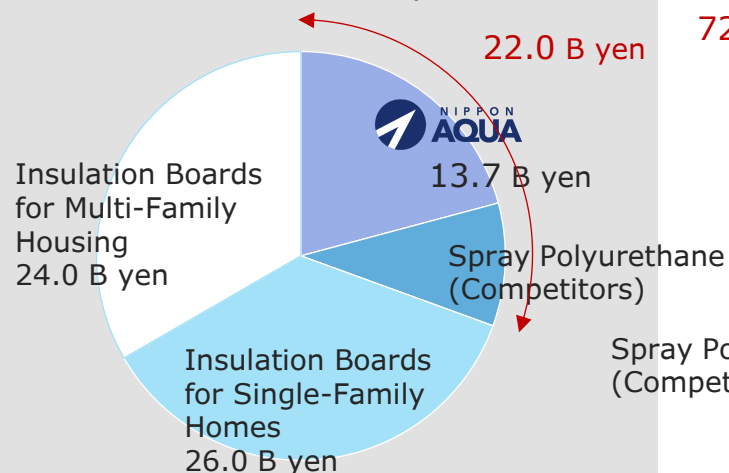
Market size 22 B yen



- ✓Price advantage and construction capability (securing personnel) are strengths
- ✓Integrated system from raw material development to recycling

Spray Polyurethane Foam + Insulation Board

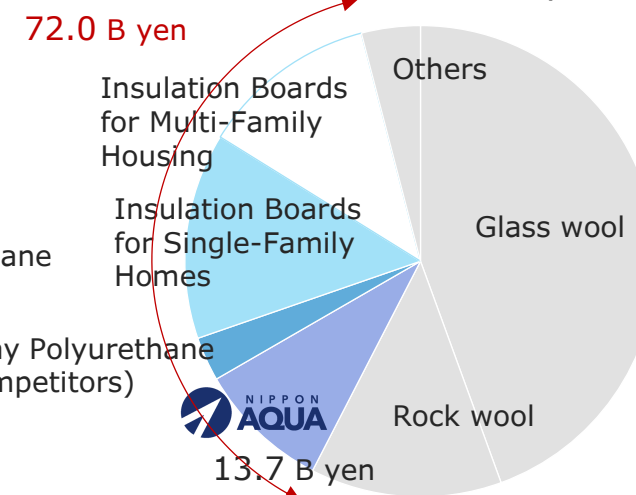
Market size 72 B yen



- ✓Nippon Aqua has not yet engaged in foam insulation boards
- ✓Leveraging sales capabilities for builders and construction companies, started procurement and sales of foam insulation boards

Home insulation market

Market size 190 B yen



- ✓There is a growing trend for higher grades and airtight performance
- ✓Promoting the switch from other insulation materials by utilizing the product characteristics of Aqua Foam

Six months ended June 30, 2025

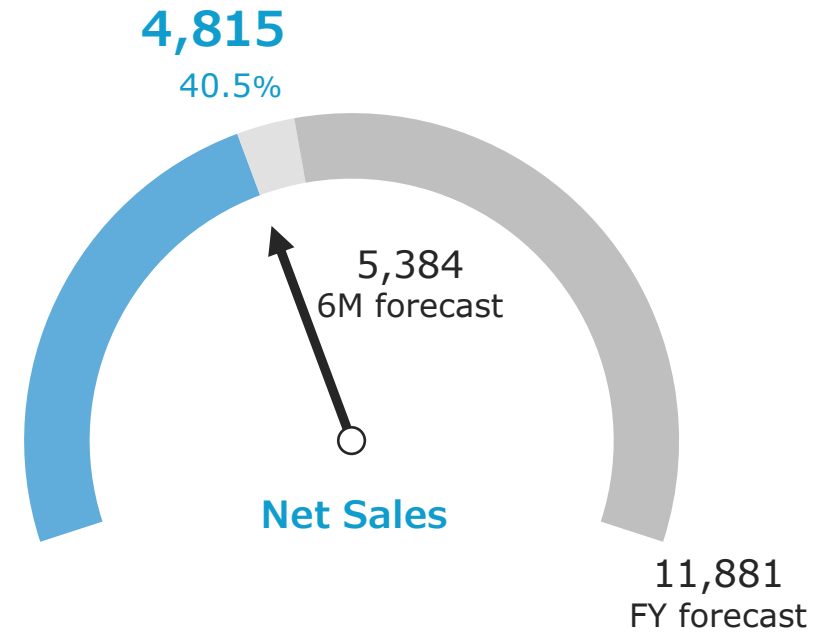
Buildings Division

NS **4,815** M yen

OYA	3,993 M yen	FC	5,384 M yen
YoY	+822 M yen	vs FC	(569 M yen)
ROC	+20.6 %	ROC	(10.6 %)
QE	+12.2 %	QE	(19.4 %)
PE	+8.4 %	PE	+8.8 %

GP **1,069** M yen **GPM 22.2 %**

OYA	22.5 %	FC	23.6 %
OYA	897 M yen	FC	1,268 M yen
YoY	+172 M yen	vs FC	(198 M yen)
ROC	+19.2 %	ROC	(15.7 %)



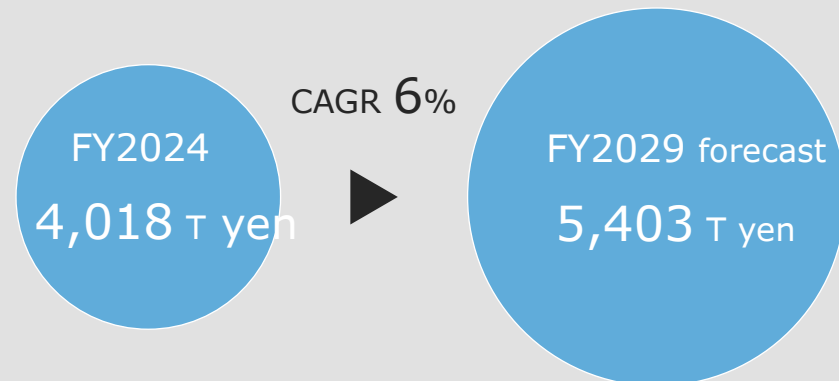
- ✓Steady demand and abundant projects in specific fields such as factories and data centers.
- ✓Delays in design changes and construction decisions occurred in some large projects.
- ✓Contributing to improved profitability through the acquisition of additional work and flexible responses to specification changes.

	FY2024	FY2025 Results		Forecast		FY2025 Results	Forecast					
	6M	6M	YoY	6M	vs FC	Q1	Q2	Q1	Q2	Q3	Q4	Total
Net sales	3,993	4,815	+822	5,384	(569)	2,362	2,453	2,484	2,899	3,073	3,423	11,881
Gross profit	897	1,069	+172	1,268	(198)	520	549	571	697	742	841	2,853
Area (YoY)	+2%	+12%		(19%)		+17%	+8%	+47%	+33%	+40%	+34%	+38%
Unit price (YoY)	+2%	+8%		+11%		+5%	+10%	(12%)	+6%	(11%)	(16%)	(9%)



Expanding Data Center Market and High-Performance Insulation Material Needs

Scale of the domestic data center market

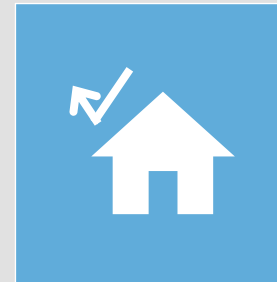


- ✓Increasing scale of development per location
- ✓Expansion of cloud services driving market growth
- ✓Increased investment in generative AI, primarily by general enterprises

Achieving low PUE (Power Usage Effectiveness)*

*Total facility power consumption / IT equipment power consumption
= Approaching 1.0

*Government Benchmark: 1.4 or lower by 2030

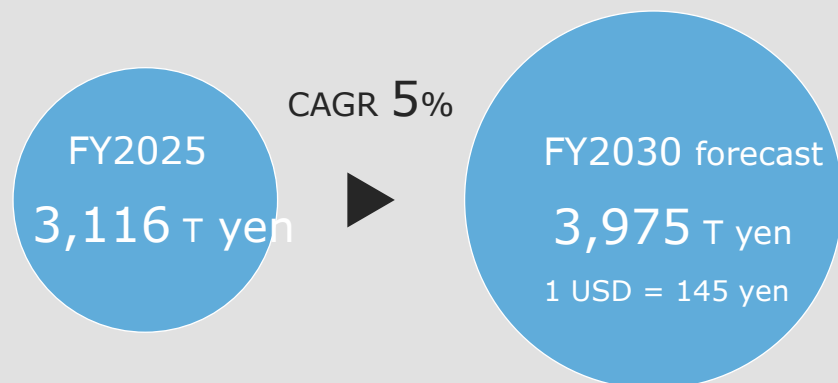


- ✓Exterior performance: Suppressing the impact of outside temperature = air conditioning stability
- ✓Ensuring airtightness: Preventing loss of air conditioning energy, spray application is advantageous
- ✓Separation and management of heat: Separation and management of heat



The Potential of Insulation Materials Expanding with the Growth of the Cold Chain Market

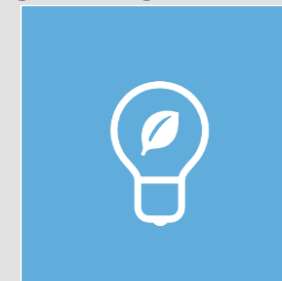
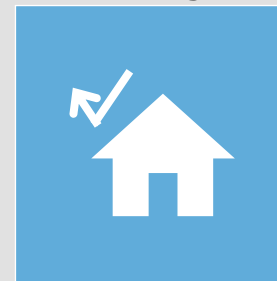
Domestic market size of cold chain logistics



- ✓Expansion of the frozen food market
- ✓Increasing demand for temperature control in pharmaceuticals and vaccines
- ✓Need for updating insulation performance due to aging infrastructure

Maintaining cooling efficiency and minimizing energy consumption

Insulation materials are a fundamental technological element contributing to maximizing cooling efficiency



- ✓Diverse demand for refrigerated warehouses, freezer trucks, containers, insulation panels, etc.
- ✓Preventing heat intrusion and reducing the load on cooling equipment
- ✓Reducing power consumption and operational costs

Six months ended June 30, 2025

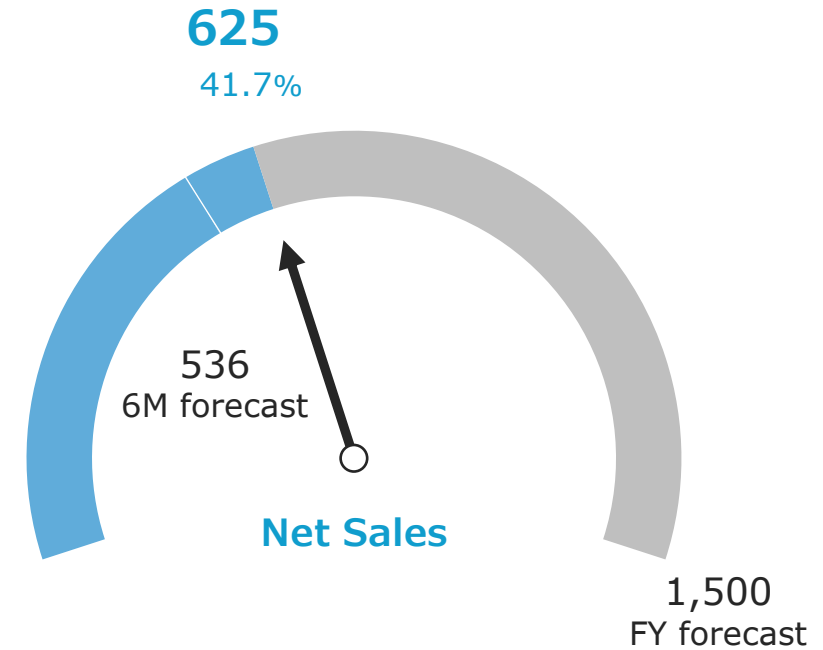
Waterproofing Division

NS **625** M yen

OYA 261 M yen FC 536 M yen
YoY +364 M yen vs FC +89 M yen
ROC +139.5 % ROC +16.7 %

GP **59** M yen **GPM 9.6 %**

OYA (2.9 %) FC 5.8 %
OYA (7 M yen) FC 31 M yen
YoY +67 M yen vs FC +28 M yen
ROC - % ROC +91.3 %



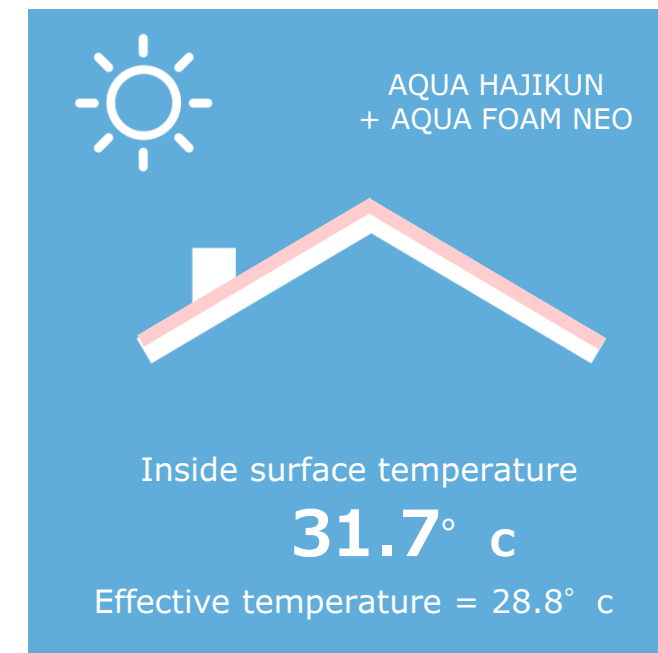
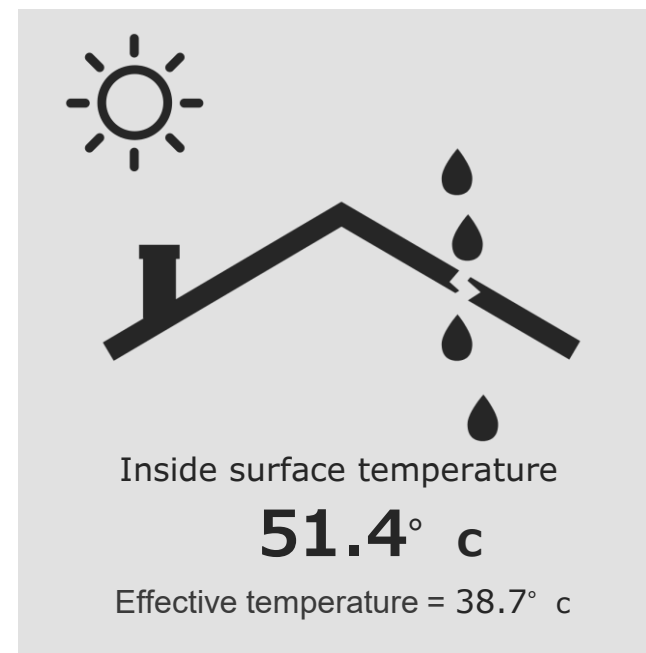
- ✓ Strong demand for renovation work on non-residential properties such as logistics warehouses, factories, and stores.
- ✓ Increase in waterproofing construction for new multi-dwelling housing.
- ✓ AQUA HAJIKUN's construction method specified in the specifications for nationally important facilities.

	FY2024	FY2025 Results		Forecast		FY2025 Results	Forecast					
	6M	6M	YoY	6M	vs FC	Q1	Q2	Q1	Q2	Q3	Q4	Total
Waterproofing division sales	261	625	+364	536	+89	159	466	212	324	382	582	1,500
Single-family homes	204	229	+24	147	+82	98	130	68	79	87	121	355
Non-residential	57	396	+339	389	+7	60	336	144	245	295	460	1,144
Gross profit	(7)	59	+67	31	28	12	47	(1)	32	45	66	143



FUKUGEN Construction Method

a multifunctional waterproofing and
thermal insulation technique



*The outside surface temperature of the building and the inside surface temperature are simulation results under given conditions and do not guarantee the actual temperatures.

*Calculation of heat transfer on the building's exterior surface: Inoue Publishing "Latest Architectural Environmental Engineering Revised 3rd Edition" co-authored by Toshihiro Tanaka, Hitoshi Takeda, Takao Tsuchiya, Toshie Iwata, Michihito Terao 6. Building Heat Transfer 6-3. Heat Transfer on Building Exterior Surface (1) Heat Transfer on Exterior Wall Surface and SAT *Outdoor surface heat transfer coefficient 25 (W/m²·K) *Indoor surface heat transfer coefficient 11 (W/m²·K)

*Effective temperature is a rough estimate simply calculated as (surface temperature + room temperature)/2.

The actual effective temperature is not guaranteed.

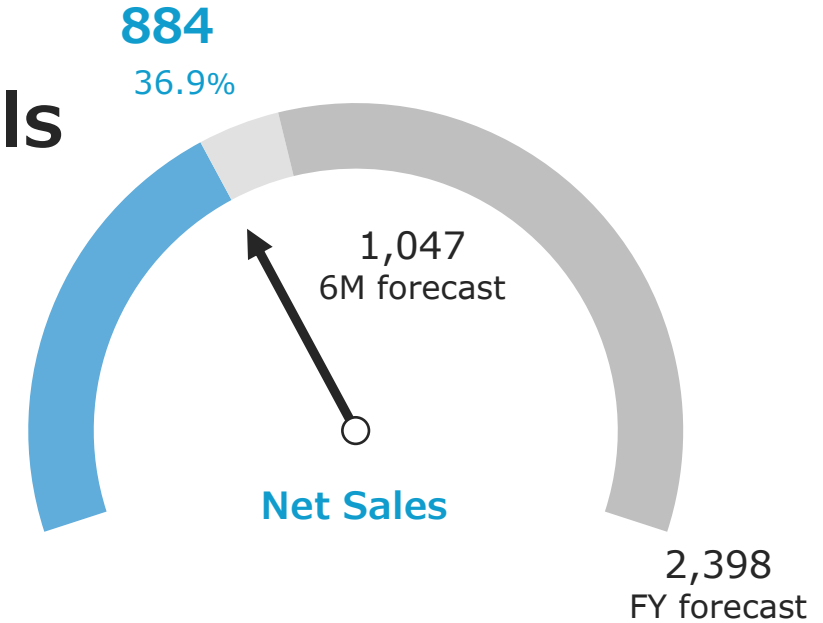
Six months ended June 30, 2025



Sales of Urethane Raw Materials

NS **884** M yen
 OYA 921 M yen FC 1,047 M yen
 YoY (36 M yen) vs FC (162 M yen)
 ROC (4.0 %) ROC (15.5 %)

GP **171** M yen **GPM 19.4 %**
 OYA **17.8 %** FC **16.9 %**
 OYA 164 M yen FC 176 M yen
 YoY +7 M yen vs FC (4 M yen)
 ROC +4.7 % ROC (2.8 %)



✓Delays in construction start decisions led to timing shifts in raw material sales.

	FY2024	FY2025 Results		Forecast		FY2025 Results	Forecast					
	6M	6M	YoY	6M	vs FC	Q1	Q2	Q1	Q2	Q3	Q4	Total
Sales of urethane raw material	921	884	(36)	1,047	(162)	394	490	503	544	625	726	2,398
Gross profit	164	171	+7	176	(4)	78	93	84	92	108	127	412

Six months ended June 30, 2025



Other Product Sales

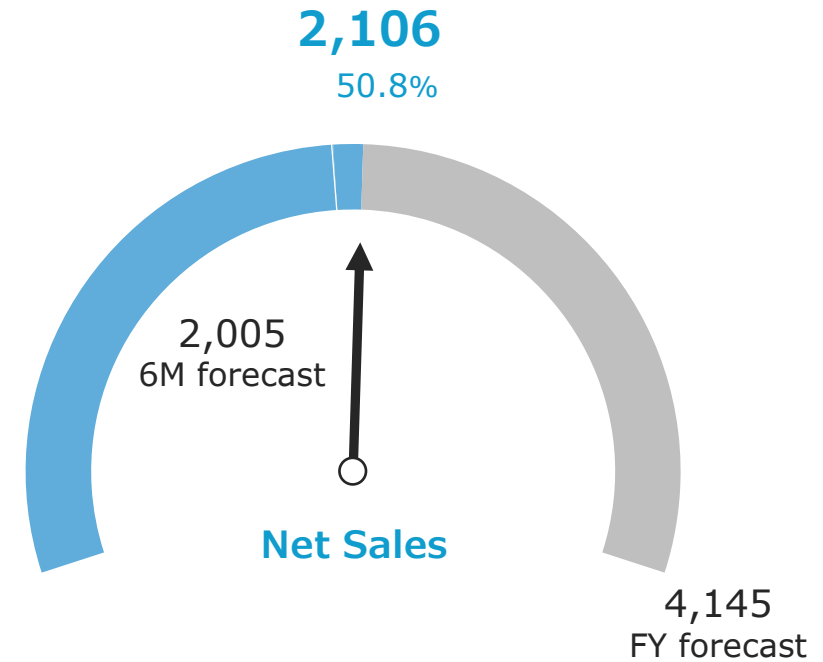
NS **2,108** M yen

OYA 1,674 M yen FC 2,005 M yen
YoY +434 M yen vs FC +103 M yen
ROC +25.9 % ROC +5.1 %

GP **535** M yen **GPM 25.4 %**

OYA **20.5 %** FC **26.0 %**
OYA 343 M yen FC 521 M yen
YoY +191 M yen vs FC +13 M yen
ROC +55.7 % ROC +2.6 %

✓Steady auxiliary supplies sales with the increase in construction numbers in the Single-family Homes Division.



	FY2024	FY2025 Results		Forecast		FY2025 Results	Forecast					
	6M	6M	YoY	6M	vs FC	Q1	Q2	Q1	Q2	Q3	Q4	Total
Other product sales	1,674	2,108	+434	2,005	+103	916	1,192	907	1,098	1,183	955	4,145
Gross profit	343	535	+191	521	+13	219	316	229	292	311	226	1,060

Income Statement (Million yen,%)

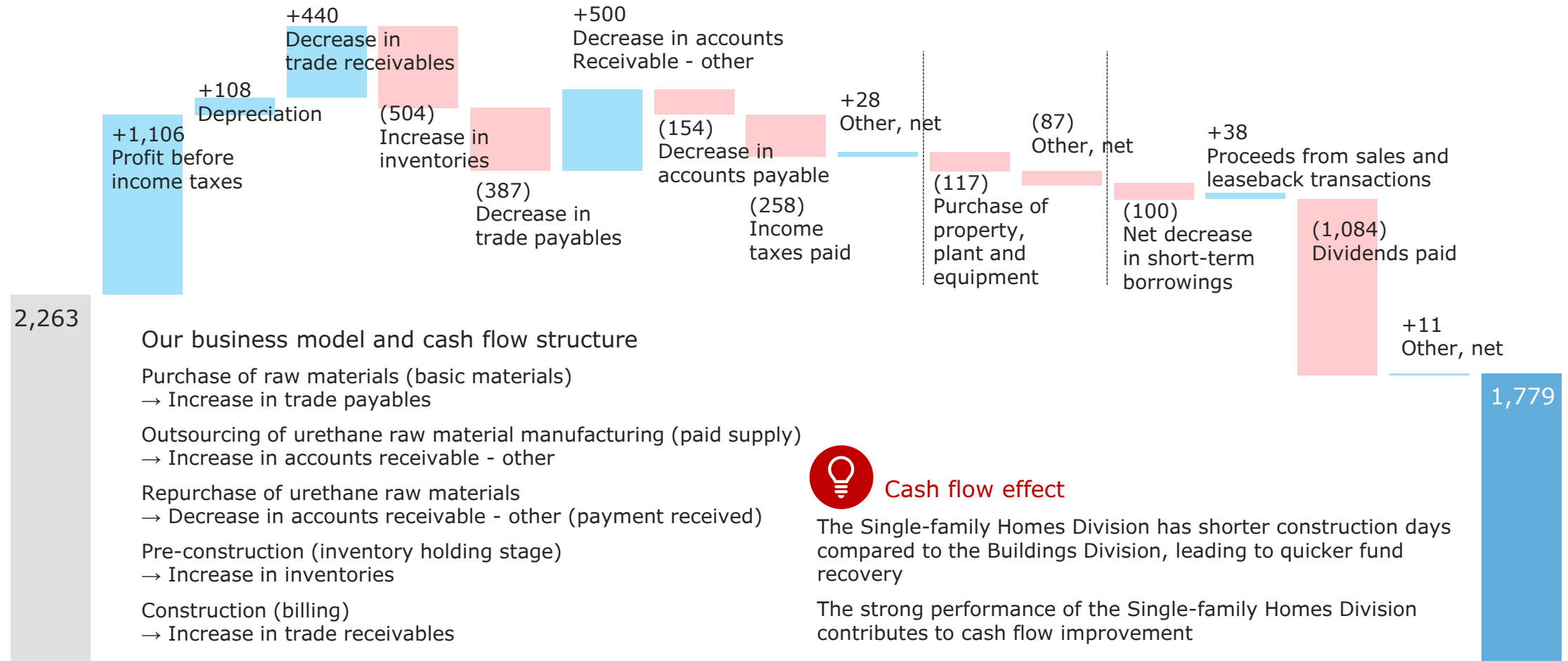
	FY2024 Jan-Jun	FY2025 Jan-Jun	YoY		FY2025 Forecast			FY2025 Forecast	
			Amount	ROC	Jan-Jun	Amount	ROC	Jan-Dec	Progress
Net sales	13,112	15,983	+2,870	+21.9%	15,579	+403	+2.6%	34,360	46.5%
Single-family homes	6,261	7,548	+1,286	+20.5%	6,606	+941	+14.3%	14,435	52.3%
Buildings	3,993	4,815	+822	+20.6%	5,384	(569)	(10.6%)	11,881	40.5%
Waterproofing	261	625	+364	+139.5%	536	+89	+16.7%	1,500	41.7%
Sales of urethane raw materials	921	884	(36)	(4.0%)	1,047	(162)	(15.5%)	2,398	36.9%
Other product sales	1,674	2,108	+434	+25.9%	2,005	+103	+5.1%	4,145	50.9%
Cost of sales	10,206	12,490	+2,284	+22.4%	12,080	+410	+3.4%	26,517	47.1%
Gross profit	2,906	3,492	+585	+20.2%	3,499	(7)	(0.2%)	7,843	44.5%
Single-family homes	1,508	1,655	+146	+9.7%	1,500	+154	+10.3%	3,373	49.1%
Buildings	897	1,069	+172	+19.2%	1,268	(198)	(15.7%)	2,853	37.5%
Waterproofing	(7)	59	+67	—	+31	+28	—	143	41.7%
Sales of urethane raw materials	164	171	+7	+4.7%	176	(4)	(2.8%)	412	41.7%
Other product sales	343	535	+191	+55.7%	521	+13	+2.6%	1,060	50.5%
SG&A expenses	2,057	2,400	+343	+16.7%	2,407	(6)	(0.3%)	4,838	49.6%
Operating profit	849	1,091	+242	+28.5%	1,091	+0	(0.0%)	3,004	36.3%
Ordinary profit	868	1,102	+233	+26.8%	1,114	(12)	(1.1%)	3,062	36.0%
Profit	579	748	+168	+29.0%	752	(4)	(0.6%)	2,067	36.2%
Dividend per share (yen)								35.0	

Balance Sheet (Million yen)

	As of Dec 31 2024	As of Jun 30 2025
Assets		
Current assets		
Cash and deposits	2,263	1,779
Notes and accounts receivable - trade, and contract assets	8,117	7,486
Electronically recorded monetary claims	1,142	1,213
Inventories	2,222	2,850
Accounts receivable - other	4,853	4,385
Total current assets	18,819	17,940
Non-current assets		
Total property, plant and equipment	4,271	4,258
Total intangible assets	79	67
Total investments and other assets	900	1,008
Total non-current assets	5,251	5,335
Total assets	24,071	23,276

	As of Dec 31 2024	As of Jun 30 2025
Liabilities		
Current liabilities		
Accounts payable - trade	7,556	7,226
Short-term borrowings	4,500	4,400
Total current liabilities	13,415	12,971
Non-current liabilities		
Total non-current liabilities	109	95
Total liabilities	13,525	13,067
Net assets		
Share capital	1,903	1,903
Capital surplus	2,015	2,015
Retained earnings	8,357	8,021
Treasury shares	(1,731)	(1,731)
Total net assets	10,545	10,208
Total liabilities and net assets	24,071	23,276

Cash Flow Statement (M yen)



Cash and cash equivalents
at beginning of period

Cash and cash equivalents
at end of period



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



Agenda

01 Overview of Financial Highlights for
the Six Months Ended June 30, 2025

02 Performance by Division
and Future Business Development

03 Appendix

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	
Managing Director	Kazuhisa Nagata	
Director	Koji Fujii	
Director	Keiji Usami	
Outside Director	Takeshi Kenmochi	
Outside Director	Kenji Komatsu	
Outside Director Full-time Audit and Supervisory Committee Member	Noriyuki Utsumi	
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	673 people (Non-consolidated)	

As of June 30, 2025

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

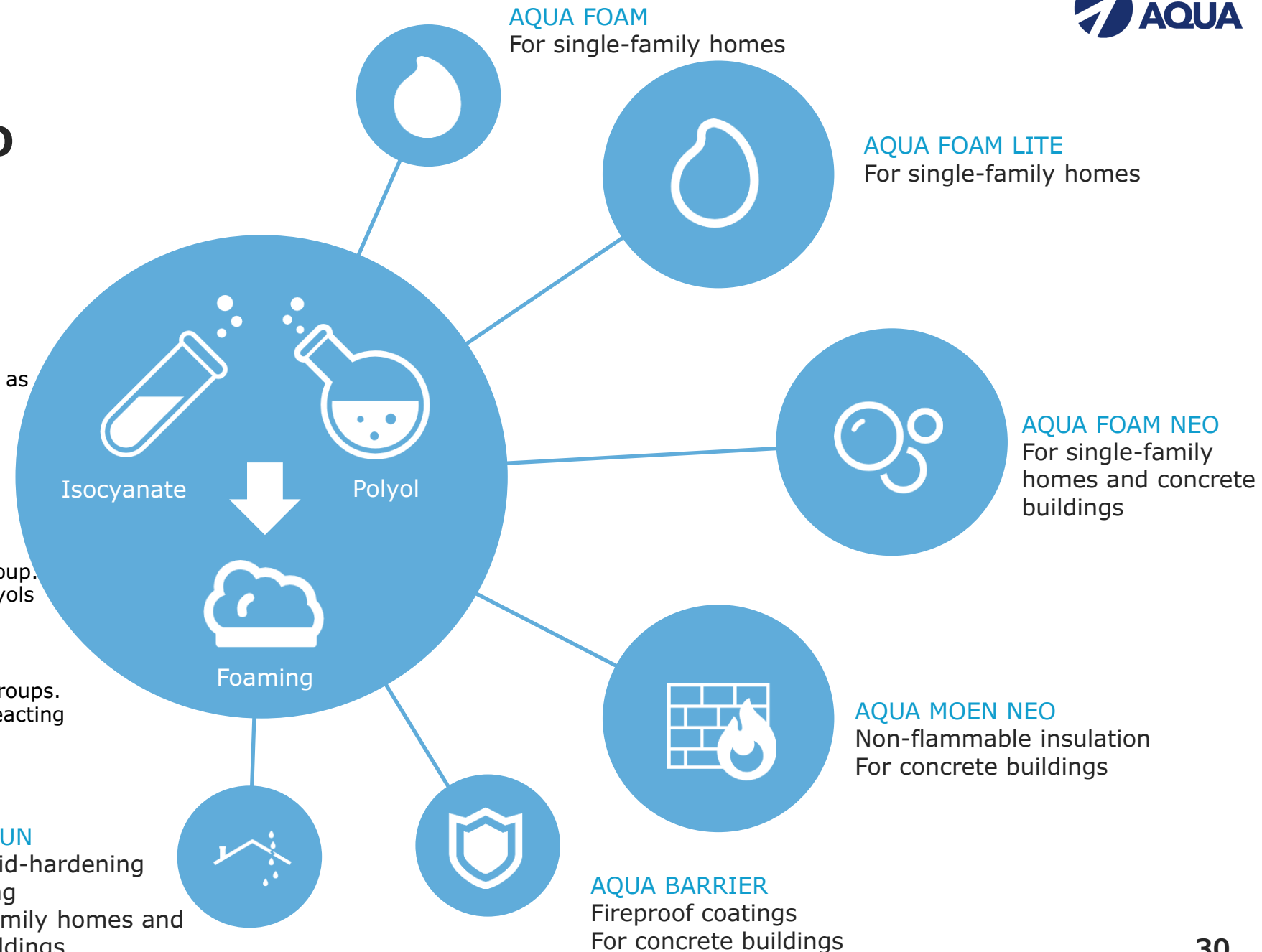
- ✓An organic compound containing an NCO group.
- ✓Forms a urethane bond by reacting with polyols through stirring and other means.

Polyamine

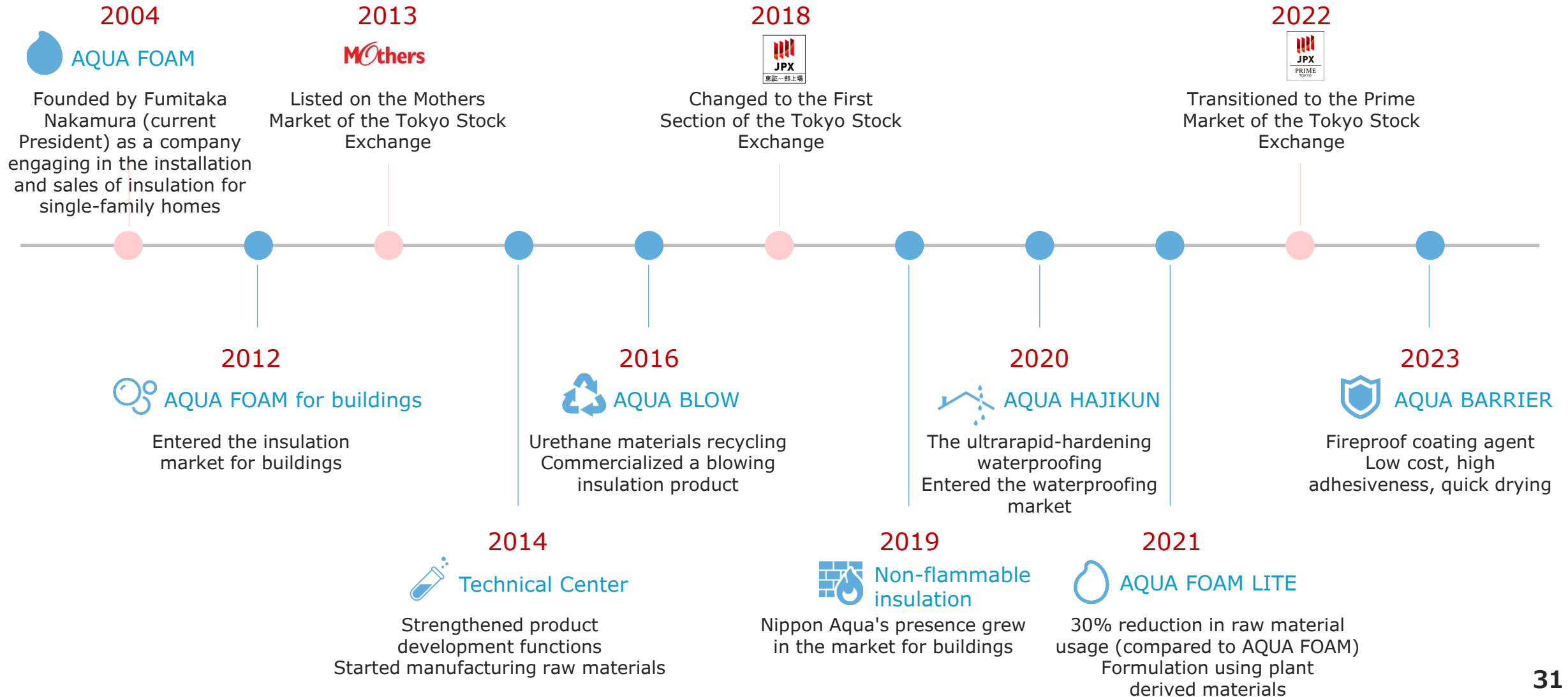
- ✓An organic compound with multiple amino groups.
- ✓Forms AQUA HAJIKUN (polyurea resin) by reacting with isocyanate.

AQUA HAJIKUN

The ultrarapid-hardening waterproofing
For single-family homes and concrete buildings



Company History



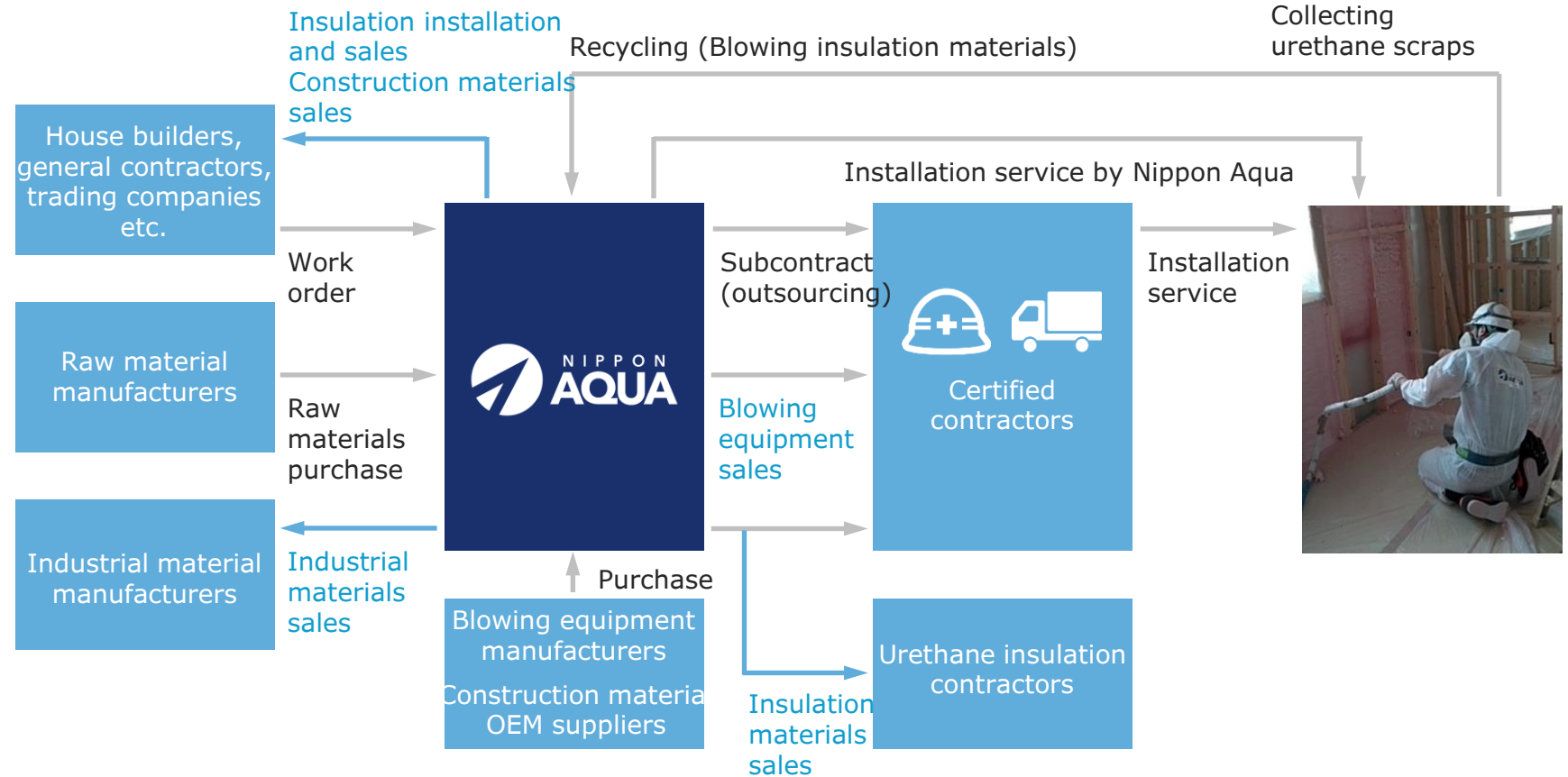
From Material Development to Installation and Recycling

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

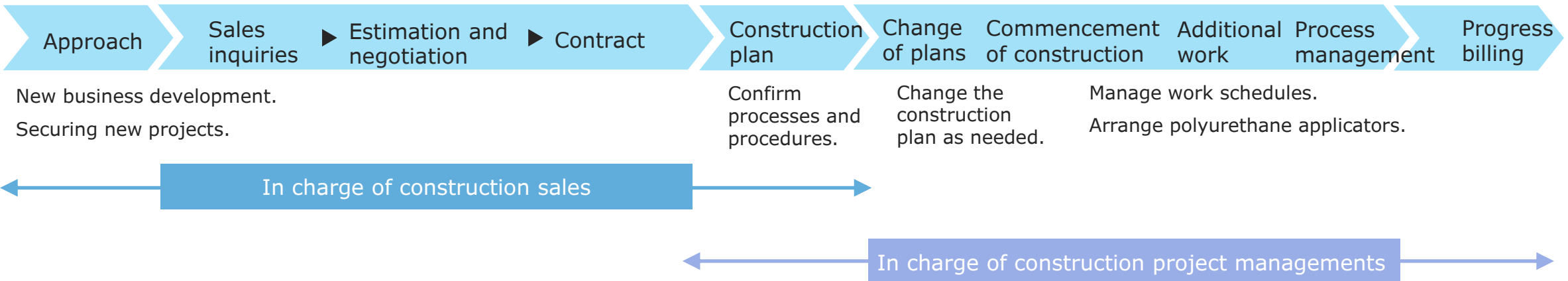
Established the Construction Project Management Department

- ✓Reduced "standby" by maintaining close relationships with construction sites.
- ✓Made beneficial proposals during the construction period to streamline processes.
- ✓Improved cash flow by speeding up progress billing (settlement).

Previously: Integrated sales approach.

Mainly procurement and purchasing departments

Mainly construction sites (supervisors)



Performance Trends (Million yen)

MOthers



	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Performance trends													
Net sales	6,488	9,825	13,020	14,406	15,608	18,052	19,417	21,366	21,872	23,903	25,670	28,341	30,265
Gross profit	1,904	2,444	2,856	3,137	4,027	4,305	3,891	5,403	5,310	4,739	5,784	6,924	6,862
Gross profit margin	29.3%	24.9%	21.9%	22.3%	25.8%	23.9%	20.0%	25.3%	24.3%	19.8%	22.5%	24.4%	22.7%
Operating profit	662	956	944	1,013	1,404	1,313	766	1,909	1,896	1,412	2,329	2,875	2,575
Ordinary profit	662	925	937	1,016	1,404	1,419	764	1,909	1,911	1,429	2,359	2,917	2,604
Ordinary profit margin	10.2%	9.4%	7.2%	7.2%	9.0%	7.9%	3.9%	8.9%	8.7%	6.0%	9.2%	10.3%	8.6%
Profit	364	512	529	137	979	941	489	1,275	1,342	953	1,549	2,004	1,839

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	13,704
Buildings	440	883	2,392	2,858	2,601	2,715	3,331	4,144	4,848	5,371	6,838	8,267	9,499
Waterproofing										128	315	489	719
Sales of urethane raw materials						613	561	933	1,137	1,098	1,211	1,916	2,226
Product sales	218	897	2,144	2,133	2,103	3,171	3,267	3,043	3,438	3,783	3,430	3,869	4,115

Gross profit by item

Single-family homes				2,305	3,038	2,790	2,217	3,544	3,183	2,772	3,542	3,685	3,196
Buildings				183	419	526	551	832	1,004	822	1,206	1,963	2,329
Waterproofing										20	(16)	(35)	(22)
Sales of urethane raw materials						140	113	198	212	177	361	342	372
Product sales				648	569	848	1,009	830	909	946	690	968	984

Other Key Indicators

MOthers



	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
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Assets, liabilities, and equity

Net assets	1,080	5,103	5,529	5,590	6,663	5,508	5,885	6,843	7,638	7,951	7,966	9,304	10,545
Return on equity	40.6%	16.6%	10.0%	2.5%	16.0%	15.5%	8.6%	20.0%	18.5%	12.2%	19.5%	23.2%	18.5%
Total assets	2,787	7,982	9,138	11,254	12,596	12,806	14,381	15,379	16,021	18,279	21,969	20,392	24,071
Total assets turnover	2.71	1.82	1.52	1.38	1.31	1.42	1.43	1.44	1.39	1.39	1.28	1.34	1.36
Equity ratio	38.8%	63.9%	60.5%	49.7%	52.9%	43.0%	40.9%	44.5%	47.7%	43.5%	36.3%	45.6%	43.8%
Interest-bearing debt				1,433	834	2,370	2,776	2,136	2,400	3,166	6,033	2,400	4,500

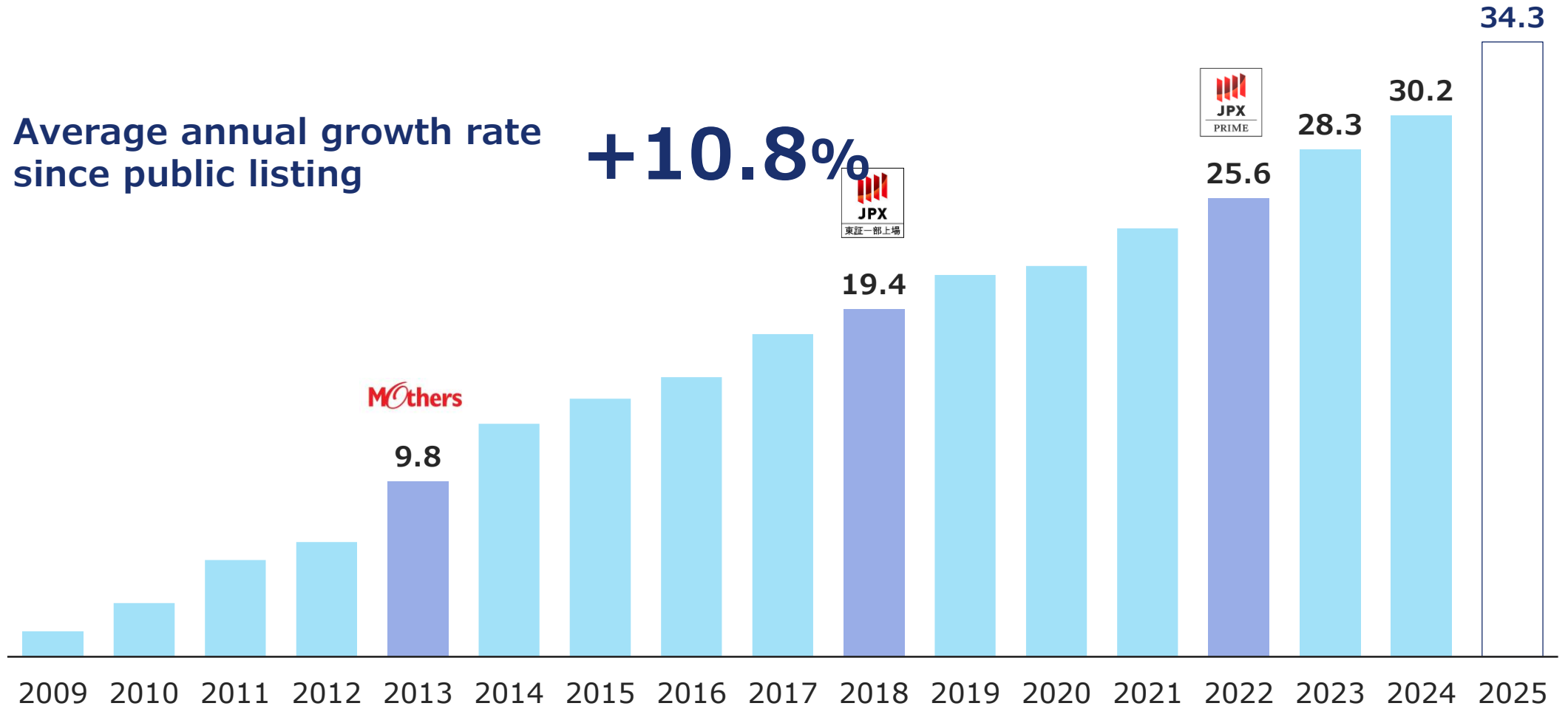
No. of employees

Sales		160	184	182	206	233	208	218	218	189	209	215	226
Construction		234	246	206	185	132	180	188	196	168	156	220	313
Management		21	20	35	27	62	57	69	73	81	58	66	73
Total	298	415	450	423	418	427	445	475	487	438	423	501	612

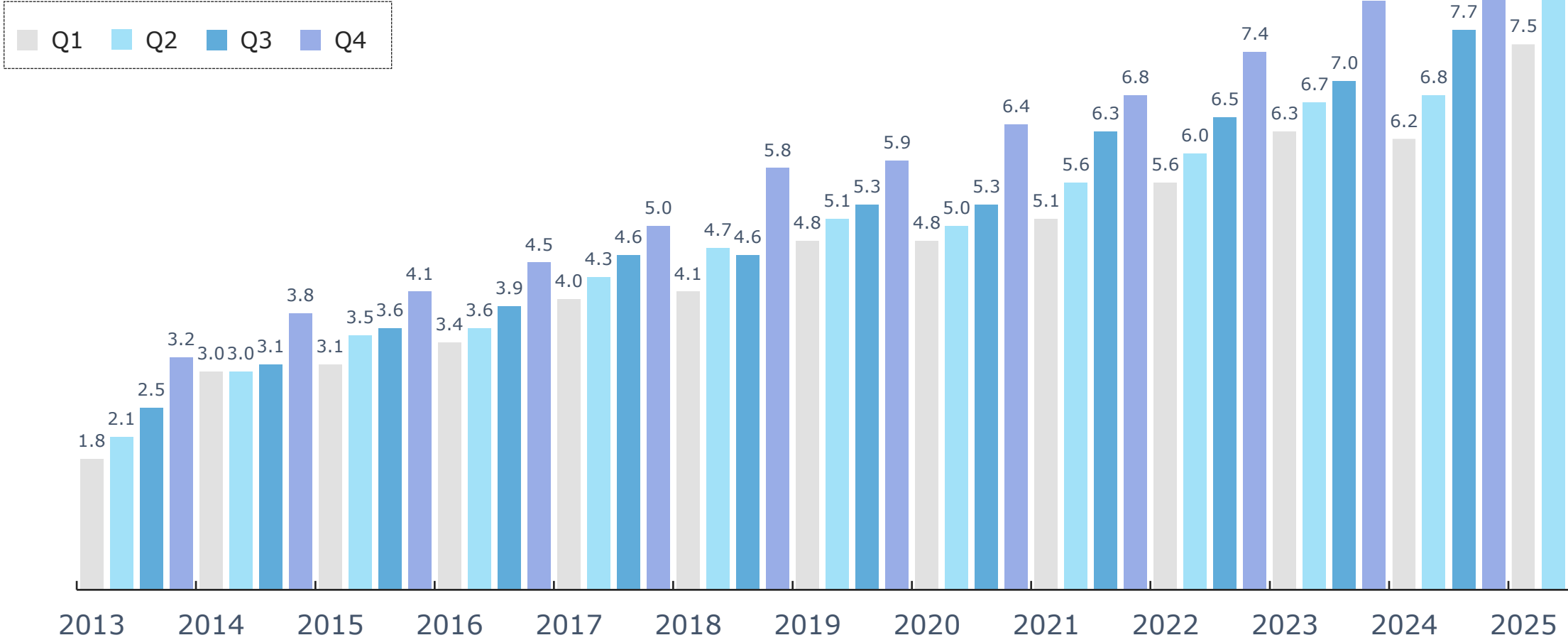
Stock-related (after reflecting 1:5 stock split on January 1, 2015)

Stock price at the end of the period (663	845	438	414	498	437	627	649	687	828	887	772
Market value	22,892	29,176	15,209	14,960	18,038	15,180	21,792	22,559	23,880	28,781	30,832	26,834
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	330.50
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	34.00
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	58.55
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	13.19

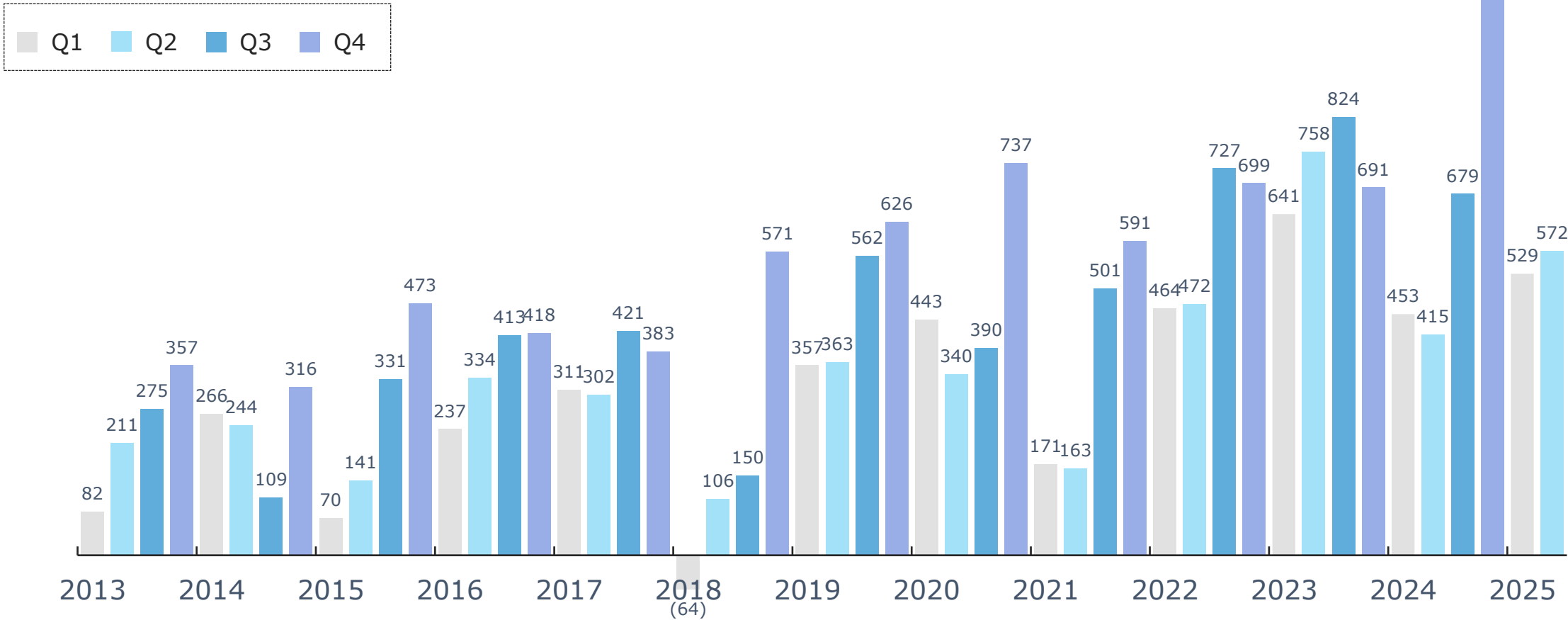
Sales Trend (B yen)



Quarterly Sales (B yen)



Quarterly Ordinary Profit (M yen)





Market Environment

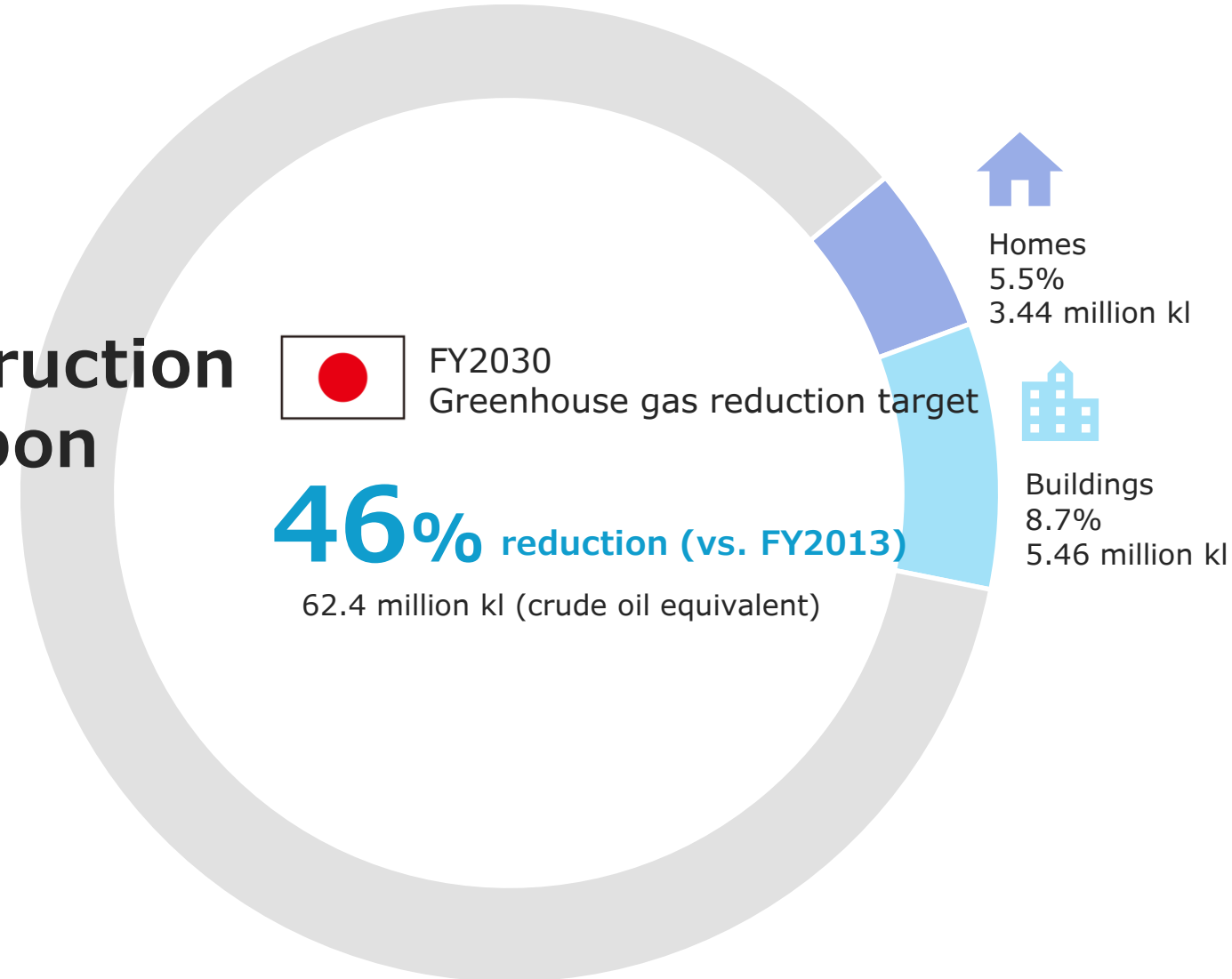
Home and Building Construction Aimed at Realizing a Carbon Free Society

Japan's targets for decarbonization

Reduce greenhouse gases by 46% by FY2030 (vs. FY2013)
(equivalent to 62.4 million kl of crude oil)

5.5% reduction for the housing sector (equivalent to 3.44 million kl of crude oil). Suggested measures: Improve energy conservation performance of new homes and renovate existing homes for higher insulation performance

8.7% reduction for the buildings sector (equivalent to 5.46 million kl of crude oil). Suggested measures: Improve energy conservation performance of new buildings and renovate existing buildings for higher energy conservation performance





Market Environment

The Vision for Housing and Buildings in 2030



Newly constructed houses and buildings

Ensure energy-saving performance at ZEH and ZEB levels.



Newly constructed single-family homes

60% are equipped with solar power generation systems.



Raise the mandatory standards to the ZEH level

Insulation performance class 5* (UA value for region 6 = 0.60)
BEI=0.8*

*Please refer to insulation performance class P21, BEI is P20.



Raise the mandatory standards to the ZEB level.

For medium to large scale, BEI=0.6/0.7 depending on the use.
For small scale, BEI=0.5



Support through loans and tax measures.



Implementation of energy-saving performance labeling.



Promotion by local governments.



Improvement in the performance of equipment and building materials.

Energy Efficiency Labeling System

To achieve zero-energy buildings and houses, it is essential to enable everyone to choose buildings based on energy efficiency performance.

From April 2024, it will be a due diligence obligation for businesses selling or leasing buildings and houses to display an energy efficiency label.



For single-family homes and Condominiums

Defines energy consumption performance and insulation performance.



For non-residential

Defines energy consumption performance.

To Achieve Energy-Saving Housing*

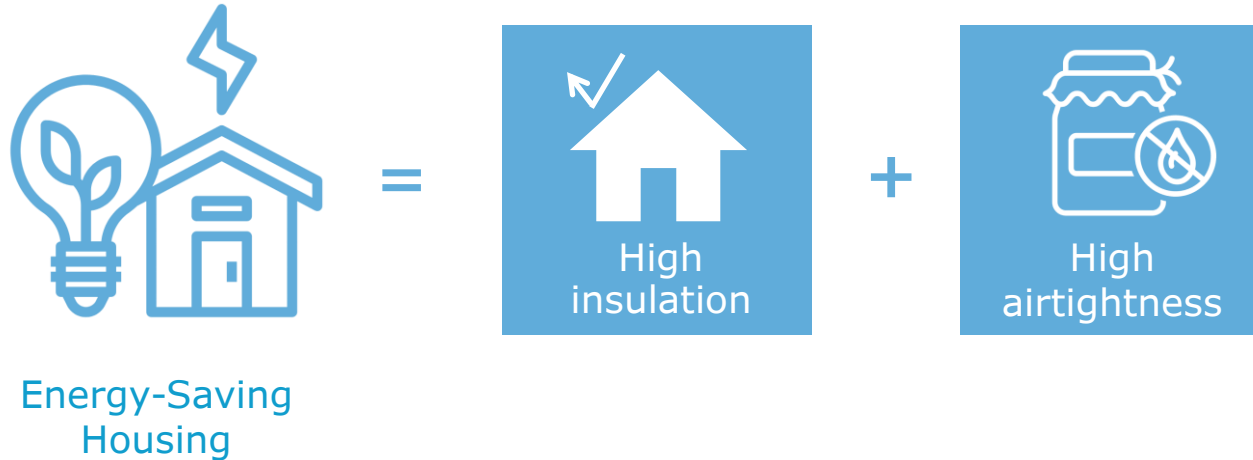
*Housing that is comfortable to live in even with low energy consumption

High insulation (insulation performance)

Use high insulation materials to prevent heat intrusion from the outside. This improves the energy efficiency of heating and cooling, stabilizing the temperature inside the living space.

High airtightness (airtightness performance)

By increasing the airtightness of the building, the inflow and escape of air from the outside are minimized. This maximizes insulation performance and reduces energy waste.



AQUA FOAM Series

Self-adhesive + machine spraying = no gaps



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.

C Value ≤ 10.0

The image of a typical house without consideration for airtightness.

C Value ≤ 5.0

The value that was the standard in regions other than cold regions (current regions 1 and 2) under the next-generation energy-saving standards (1999).

This standard was abolished with the revision of the Energy Saving Law in 2009.

C Value ≤ 2.0

The value that was the standard in cold regions (current regions 1 and 2) under the next-generation energy-saving standards (1999).

This standard was abolished with the revision of the Energy Saving Law in 2009.

C Value ≤ 1.0

The level to secure for comfortable living. Often defined in local government energy-saving housing policies.

Yamagata
Shinshu (Nagano)
Yukiguni ZEH (Niigata)
Tottori
KitaQ ZEH (Fukuoka)

C Value ≤ 0.5

A level of airtightness that is comparable to strict standards adopted in other countries.

Sapporo (Hokkaido)



Differences in Airtight Performance Directly Linked to Comfort

- ✓ Adding insulation to the ceiling
- ✓ Installation of internal windows
- ✓ Insulation and airtight sealing on the floor (application of urethane foam)



Before insulation and airtight sealing renovation

- ✓ Uneven temperatures within the room. (The temperature at foot level is low)
- ✓ Due to insufficient airtight treatment, cold outside air enters.



After insulation and airtight sealing renovation

- ✓ Small temperature differences inside the room.
- ✓ Due to meticulous airtight treatment, there is little heat loss.

Regional Categorization and Insulation Class

Envelope Performance Level

Impacts that single-family homes with higher insulation classes and the spread of ZEH will have on the Company's performance

Standards of insulation classes are not unified nationwide but are categorized by region according to climate, etc. (See representative cities for each region on the right) Many metropolitan cities, including Tokyo, Nagoya, Osaka, Yokohama, and Kobe, are classified into Region 6.

UA value (average coefficient of heat transmission for outside walls) for insulation Class 5 differs from one region to another; the smaller the value is, the higher insulation performance is required

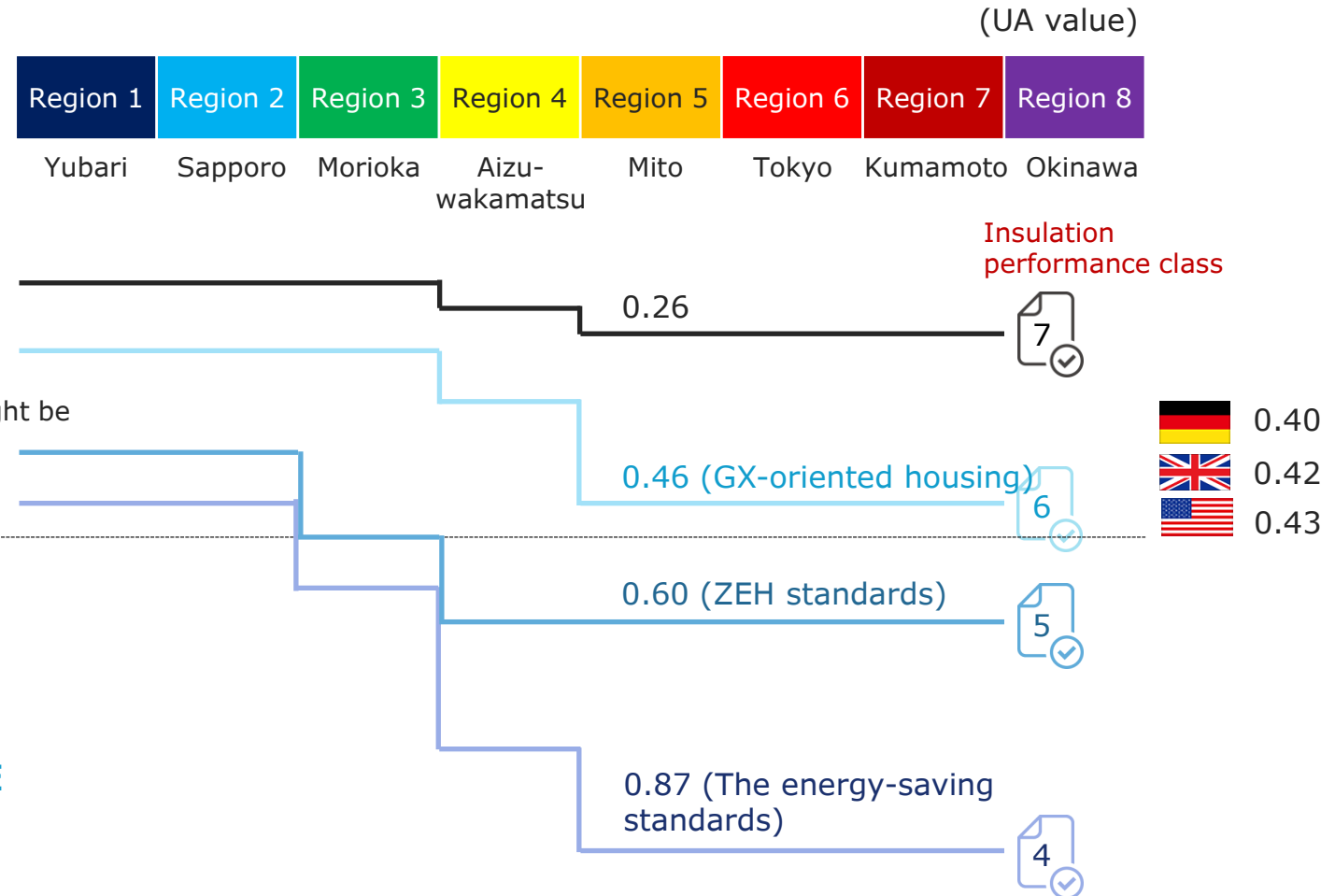


AQUA FOAM NEO

Additional insulation might be necessary.



AQUA FOAM LITE





Difference in Specification between Insulation Classes

Region 6 such as Tokyo

Class 4 The energy-saving standards

 AQUA FOAM LITE

 Metal Double glazing Low-E


 Thermal insulated entrance door


When the insulation class is upgraded, not only the insulation material but also the thermal insulation performance of doors and sashes needs to be enhanced, resulting in construction costs higher than the energy-saving standard (Class 4).

Class 5 ZEH standards

 AQUA FOAM LITE

 AQUA FOAM

 Metal/Resin Double glazing Low-E


 Thermal insulated entrance door


According to our company's estimates, for a standard detached house in region 6 such as Tokyo, reaching the ZEH level (Class 5) increases the thickness of the insulation material, making the construction unit price 1.2 to 1.5 times higher than the energy-saving standard (Class 4).

Class 6 GX-oriented housing

 AQUA FOAM*

 AQUA FOAM NEO

 Metal/Resin Triple glazing Low-E (2 panels)

 Thermal insulated entrance door

For Tokyo Zero Emission Houses, etc. (Class 6), either AQUA FOAM or the superior product AQUA FOAM NEO is used, and the construction unit price is 1.7 to 3.0 times higher than the energy-saving standard (Class 4).

*From April 2024, due to the improved thermal conductivity of AQUA FOAM, enhancing its insulation performance, specifications for Class 6 have become possible, albeit with conditions.



Redevelopment in the Metropolitan Area Semiconductors and Data Centers Nationwide

- ✓The ratio of city names is the increase rate of the standard land price for fiscal 2025
- ✓Large-scale equipment investment related to semiconductors after 2025
(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

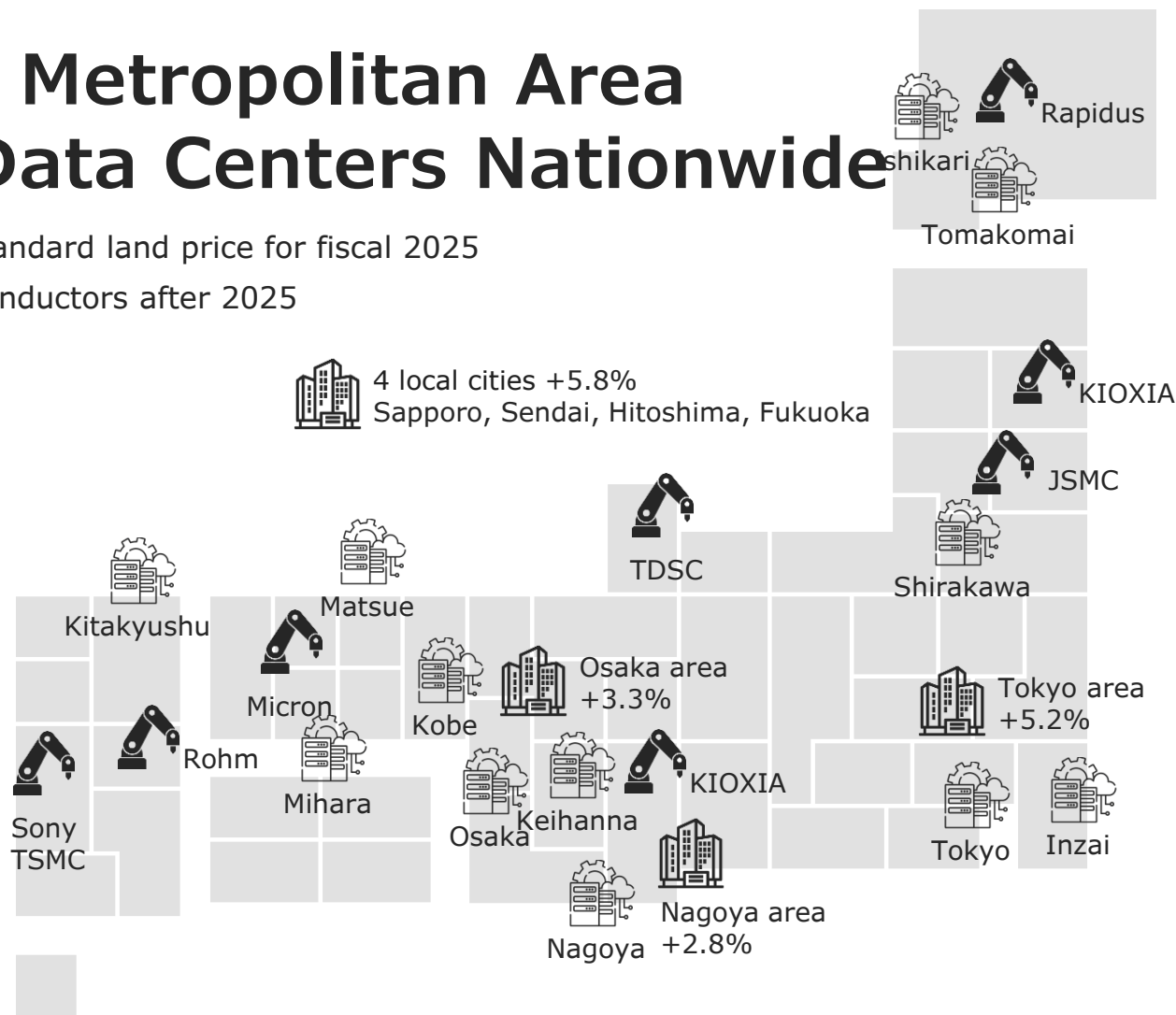
✓Domestic return of manufacturing facilities



✓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



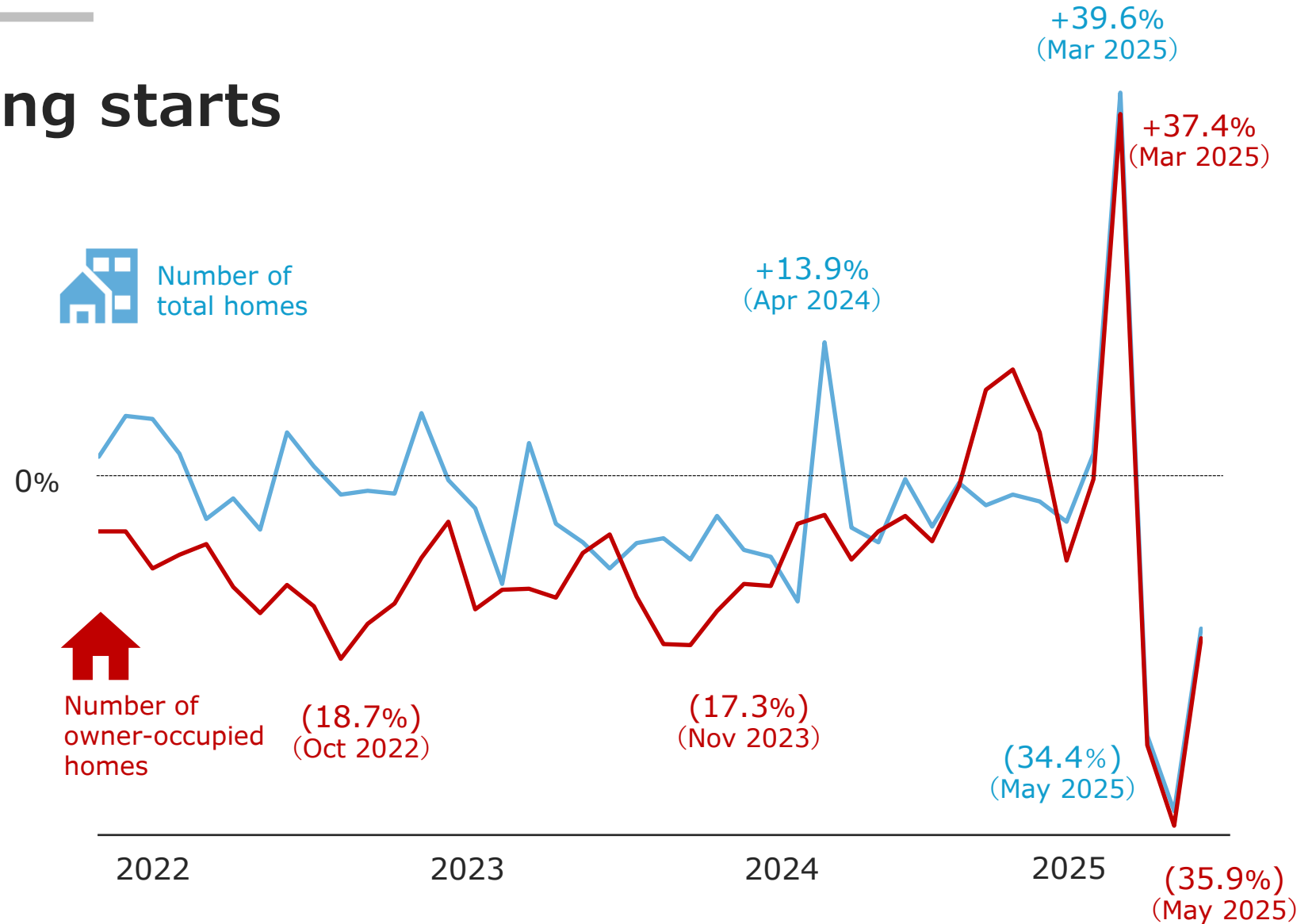
Source: The standard land prices are from the Ministry of Land, Infrastructure, Transport and Tourism, and the semiconductor factories are based on the public materials of each company, compiled by Nippon Aqua.

Number of housing starts (year-on-year)

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

The large fluctuations in figures from March to June 2025 are considered to be due to the so-called reduction of the No.4 special exception.



Inquiries

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Disclaimer and Notes Regarding Forward-Looking Statements

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This document contains forward-looking statements, including our plans. These forward-looking statements are based on information available at the time of preparation and involve various risks and uncertainties. Therefore, please note that actual results may differ significantly due to various factors. We assume no obligation to update, alter or revise any forward-looking statements in light of new information, future events or other findings.

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