

To All Members of the Press

August 14, 2025
Nippon Aqua Co., Ltd.
(TSE Prime 1429)

Notice of Publication of English Translation of Flash Report for the Second Quarter of the Fiscal Year Ending December 2025

Nippon Aqua Co., Ltd. (Headquarters: Minato-ku, Tokyo; President and Representative Director: Fumitaka Nakamura), the leading company in the market share of on-site foamed urethane insulation materials, is pleased to announce that Sessa Partners Inc. has issued a flash report on our financial results for the second quarter (interim period) of the fiscal year ending December 2025.

Nippon Aqua | 1429

Sponsored Research
August 12, 2025

Progress in line with expectations despite H2-weighted seasonality, with strong results: sales +21.9%, OP +28.5%

Summary

- Japan's leading on-site urethane foam insulation installer with strong growth**
Nippon Aqua Co., Ltd. (hereinafter, "the Company") is a high-growth enterprise listed on the Prime Market of the Tokyo Stock Exchange. Guided by its management philosophy—"Contribution to society through the creation of living environments that are friendly to people and the earth"—the Company leverages insulation and waterproofing technologies to drive energy efficiency and support a sustainable society. It holds the leading domestic share in on-site urethane foam insulation installation and operates its business through three key divisions: Single-family homes, Buildings, and Waterproofing. Since its listing in 2013, the Company has delivered continuous revenue growth, achieving a strong CAGR of 20.8%.
- 2025/12 Earnings results**
In H1 of FY2025/12, the Company pursued share expansion in the Single-family homes division through pricing strategies and adjusted the sales mix in the Buildings division, while keeping the SG&A ratio at 15.0% (10.7 pct YoY) to further strengthen its profit structure. As a result, net sales rose to JPY 15,983 mn (+21.9% YoY), operating profit to JPY 1,091 mn (+28.5%), ordinary profit to JPY 1,102 mn (+26.8%), and interim net profit to JPY 748 mn (+29.0%), marking significant increases in both revenue and profit.
- Medium-term management plan (FY2024/12–FY2026/12)**
The Company formulated its medium-term management plan, "3 Pillars of Stability," covering FY2024/12–FY2026/12, with a focus on achieving stable growth and enhancing profitability across its three core businesses: insulation, waterproofing, and product sales. The final-year targets call for JPY 37,000 mn in net sales and JPY 3,405 mn in ordinary profit, representing a CAGR of 13.1% for sales and 15.6% for profit. It also outlines key goals of 20% ROE, a 10% operating profit margin, and a dividend payout ratio of 50% or higher. To balance sustainable growth with shareholder returns, the Company has introduced a progressive dividend policy that raises dividends in line with profit growth.
- 2025/12 Full-year forecast**
There have been no changes to the full-year forecast announced in May for FY2025/12. The Company expects net sales of JPY 34,360 mn (+13.5% YoY), operating profit of JPY 3,004 mn (+15.6% YoY), ordinary profit of JPY 3,062 mn (+17.6% YoY), and net profit of JPY 2,067 mn (+12.4% YoY). SIR plans to publish a follow-up report after interviewing the Company.

Item	2025/12	2024/12	2023/12	2022/12	2021/12	2020/12	2019/12	2018/12	2017/12	2016/12	2015/12	2014/12	2013/12
Net sales (JPY mn)	15,983	13,112	10,991	8,810	7,287	6,087	5,287	4,587	3,987	3,487	3,087	2,687	2,287
Operating profit (JPY mn)	1,091	845	650	510	410	310	210	110	10	10	10	10	10
Ordinary profit (JPY mn)	1,102	855	660	520	420	320	220	120	11	11	11	11	11
Net profit (JPY mn)	748	570	440	350	280	210	150	100	9	9	9	9	9
EPS (JPY)	23.64	18.11	14.03	11.25	9.12	7.28	5.45	3.62	0.3	0.3	0.3	0.3	0.3
DPS (JPY)	4.99	3.80	2.99	2.38	1.90	1.50	1.10	0.70	0.0	0.0	0.0	0.0	0.0

Source: Compiled by SIR from JCI/EDP data. Note: Figures may differ from the Company's records due to differences in JCI's financial data processing and the Company's reporting standards.

Sessa Investment Research

Q2 Flash

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The report can be viewed at the following URLs.

<https://www.sessapartners.co.jp/en/research-report/nippon-aqua>
<https://www.n-aqua.jp/en/ir/result.html>

We kindly ask you to read it.

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[Company Overview]

Company Name: Nippon Aqua Co., Ltd.

Listed Market: Tokyo Stock Exchange Prime Market (Securities Code: 1429)

Representative: President and Representative Director Fumitaka Nakamura

Location: 20th Floor, Taiyo Seimei Shinagawa Building, 2-16-2 Konan, Minato-ku, Tokyo

Established: November 2004

Business Description: Sales and installation of "Aqua Foam" rigid urethane foam for building insulation

Development, manufacturing, and sales of residential energy-saving components

<https://www.n-aqua.jp/en/>

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