

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.



November 7, 2025

## Non-consolidated Financial Results for the Nine Months Ended September 30, 2025 (Under Japanese GAAP)

Company name: Nippon Aqua Co., Ltd.  
 Listing: Tokyo Stock Exchange  
 Securities code: 1429  
 URL: <https://www.n-aqua.jp>  
 Representative: Fumitaka Nakamura, President and Representative Director  
 Inquiries: Shoji Sato, Executive Officer in charge of Finance and Accounting  
 Telephone: +81-5463-1117  
 Scheduled date to commence dividend payments: -  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results briefing: Yes (for institutional investors and analysts)

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

### 1. Non-consolidated financial results for the nine months ended September 30, 2025 (from January 1, 2025 to September 30, 2025)

#### (1) Non-consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

|                    | Net sales       |      | Operating profit |        | Ordinary profit |        | Profit          |        |
|--------------------|-----------------|------|------------------|--------|-----------------|--------|-----------------|--------|
| Nine months ended  | Millions of yen | %    | Millions of yen  | %      | Millions of yen | %      | Millions of yen | %      |
| September 30, 2025 | 24,288          | 16.7 | 1,740            | 14.4   | 1,753           | 13.3   | 1,186           | 13.7   |
| September 30, 2024 | 20,817          | 3.2  | 1,521            | (30.8) | 1,548           | (30.4) | 1,043           | (30.9) |

|                    | Basic earnings per share | Diluted earnings per share |
|--------------------|--------------------------|----------------------------|
| Nine months ended  | Yen                      | Yen                        |
| September 30, 2025 | 37.19                    | -                          |
| September 30, 2024 | 33.23                    | -                          |

#### (2) Non-consolidated financial position

|                    | Total assets    | Net assets      | Equity-to-asset ratio |
|--------------------|-----------------|-----------------|-----------------------|
| As of              | Millions of yen | Millions of yen | %                     |
| September 30, 2025 | 23,060          | 10,647          | 46.2                  |
| December 31, 2024  | 24,071          | 10,545          | 43.8                  |

Reference: Equity

As of September 30, 2025: 10,647 million yen  
 As of December 31, 2024: 10,545 million yen

## 2. Cash dividends

|                                                       | Annual dividends per share |                    |                   |                 |       |
|-------------------------------------------------------|----------------------------|--------------------|-------------------|-----------------|-------|
|                                                       | First quarter-end          | Second quarter-end | Third quarter-end | Fiscal year-end | Total |
|                                                       | Yen                        | Yen                | Yen               | Yen             | Yen   |
| Fiscal year ended<br>December 31, 2024                | -                          | 0.00               | -                 | 34.00           | 34.00 |
| Fiscal year ending<br>December 31, 2025               | -                          | 0.00               | -                 |                 |       |
| Fiscal year ending<br>December 31, 2025<br>(Forecast) |                            |                    |                   | 35.00           | 35.00 |

Note: Revisions to the forecast of cash dividends most recently announced: None

## 3. Financial Forecasts for the Fiscal Year Ending December 31, 2025 (January 1, 2025-December 31, 2025)

(Percentage figures indicate year-on-year changes.)

|                                         | Net sales   |      | Operating profit |      | Ordinary profit |      | Profit      |      | Basic earnings<br>per share |
|-----------------------------------------|-------------|------|------------------|------|-----------------|------|-------------|------|-----------------------------|
|                                         | Million yen | %    | Million yen      | %    | Million yen     | %    | Million yen | %    | Yen                         |
| Fiscal year ending<br>December 31, 2025 | 34,360      | 13.5 | 3,004            | 16.7 | 3,062           | 17.6 | 2,067       | 12.4 | 65.80                       |

Note: Revisions to financial forecasts disclosed most recently: None

\* **Notes**

(1) Adoption of accounting treatment specific to the preparation of semi-annual non-consolidated financial statements: None

(2) 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

(3) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

|                          |                   |
|--------------------------|-------------------|
| As of September 30, 2025 | 34,760,000 shares |
| As of December 31, 2024  | 34,760,000 shares |

(ii) Number of treasury shares at the end of the period

|                          |                  |
|--------------------------|------------------|
| As of September 30, 2025 | 2,870,071 shares |
| As of December 31, 2024  | 2,851,871 shares |

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

|                                      |                   |
|--------------------------------------|-------------------|
| Nine months ended September 30, 2025 | 31,898,401 shares |
| Nine months ended September 30, 2024 | 31,408,129 shares |

\* Presence of a review by certified public accountants or an audit firm on the accompanying financial statements: None.

\* Proper use of earnings forecasts, and other special matters

Financial forecasts and other forward-looking statements in this release are based on data currently available to the Company and certain assumptions that the Company believes are reasonable. They are not intended as a guarantee that the Company will achieve such results. Actual results may differ materially from them for various reasons. For details of the assumptions used in the forecast of financial results and cautionary notes concerning appropriate use of the financial forecasts, please refer to “(3) Notes on Financial Forecasts and Other Forward-looking Statements” in “1. Qualitative Information Concerning Financial Results for the Period Under Review” on page 7 of the Attachment.

## Contents of Attachment

|                                                                                          |    |
|------------------------------------------------------------------------------------------|----|
| 1. Qualitative Information Concerning Financial Results for the Period Under Review..... | 5  |
| (1) Explanation Regarding Operating Results.....                                         | 5  |
| (2) Explanation Regarding Financial Position.....                                        | 6  |
| (3) Notes on Financial Forecasts and Other Forward-looking Statements.....               | 7  |
| 2. Quarterly Financial Statements and Primary Notes.....                                 | 9  |
| (1) Quarterly Balance Sheet.....                                                         | 9  |
| (2) Quarterly Income Statement.....                                                      | 11 |
| (3) Notes to Quarterly Financial Statements.....                                         | 12 |
| (Notes on Going Concern Assumption).....                                                 | 12 |
| (Notes on Significant Changes in Amount of Shareholders' Equity).....                    | 12 |
| (Segment Information, Etc.).....                                                         | 12 |
| (Notes on Cash Flow Statement).....                                                      | 12 |
| (Additional Information).....                                                            | 12 |
| (Important Subsequent Events).....                                                       | 12 |

## 1. Qualitative Information Concerning Financial Results for the Period Under Review

### (1) Explanation Regarding Operating Results

During the cumulative period of the third quarter (from January 1 to September 30, 2025), the Japanese economy has been on a gradual recovery trend, although the impact of U.S. trade policies is noticeable, particularly in the automotive industry. On the other hand, the continued rise in prices is affecting consumer sentiment, and fluctuations in U.S. trade policies and financial markets pose downside risks to the economy.

In the housing and construction industry, to which our company belongs, compliance with energy-saving standards has been mandated for almost all newly constructed houses and buildings starting in April 2025. These standards consist of two indicators: "envelope performance," which indicates insulation performance, and "primary energy consumption performance," which indicates energy consumption. The current standards require a level equivalent to Insulation Class "4." The government has indicated a policy to raise this to Insulation Class "5," which corresponds to the current ZEH (Net Zero Energy House) level, by 2030. Furthermore, in September 2025, the Ministry of Economy, Trade and Industry announced the definition of "GX ZEH," which strengthens the current ZEH standards, with application scheduled to begin in April 2027, raising the insulation class to "6." In response to these policy trends, Insulation Class "4" is becoming a thing of the past, and interest in higher classes of "6" and above is increasing. Additionally, the recognition that insulation and airtightness contribute to the durability and longevity of houses by preventing condensation and deterioration is spreading among general consumers.

In the non-residential sector, corporate capital investment is expanding, particularly in the information-related field, and there is a growing demand for high insulation aimed at labor-saving and rationalization. Especially in data centers, where low PUE (Power Usage Effectiveness: the ratio of total facility energy consumption to IT equipment energy consumption) is required, there is a notable strengthening of insulation performance aimed at energy-saving measures and improving operational efficiency. The cold chain sector, targeting refrigerated and cold storage warehouses and low-temperature logistics facilities, is also attracting attention as a promising market with expected demand for high-performance insulation materials from the perspective of advanced temperature control and energy efficiency. Furthermore, urban redevelopment is progressing, particularly in the metropolitan area, and ensuring high environmental performance is increasingly emphasized in the construction of high-rise condominiums and complex commercial facilities.

Additionally, the demand for waterproofing renovation work is increasing against the backdrop of aging buildings constructed in the 1980s and 1990s. In buildings where the lifespan of the waterproofing layer has been exceeded, leaks and deterioration are progressing, and external factors such as climate change response and strengthened regulations are also driving renovation demand. Our company is enhancing its market advantage by improving the comfort and energy efficiency of buildings through the deployment of comprehensive waterproofing solutions centered on our unique construction technology "FUKUGEN Method," which integrates insulation and heat shielding functions.

In this market environment, we actively pursued order activities in each business division by leveraging the product competitiveness of the "AQUA FOAM series," which achieves high insulation and airtightness, and the ultra-fast curing waterproof material "AQUA HAJIKUN," as well as our nationwide construction network.

In the Single-family Homes Division, we promoted differentiation by proposing insulation construction combined with airtightness measurement services under the slogan "Insulation without airtightness is powerless," and worked to expand market share. Furthermore, from July 2025, we established a system to provide optimal insulation plans for each house under the name "All-in AQUA FOAM (Marutto AQUA FOAM)". This differentiation strategy was successful, leading to an expansion of orders from major builders with wide-area operations, as well as contributing throughout the year from construction projects from new large customers with whom we started transactions in the fall of 2024. The impact of rush demand due to the reduction of the 4th special exception (simplification of building inspections for small-scale buildings) was limited, and we recognize that our growth is due to structural demand expansion and strengthened proposal capabilities. As a result, the number of construction units increased by 14.0% year-on-year, and sales in this division amounted to 11,299 million yen. We expect the expansion of market share to continue in the future.

In the Buildings Division, we steadily acquired new projects, including semiconductor factories, data centers, commercial facilities, and high-rise condominiums. In some projects, design changes and delays in construction decisions occurred due to rising construction costs and fluctuations in material prices, but the order base is steadily expanding. This period is positioned as a turning point to enhance consistent response capabilities from order to construction, and we established the Construction Project Management Department to improve the selection of more reliable projects and on-site response capabilities. The acquisition of additional work and flexible response to specification changes by this department progressed, and construction unit prices remained

steadily, contributing to improved profitability. We will continue to maximize the effects of strengthening the system and strive to achieve our plans. As a result, sales in this division amounted to 7,211 million yen.

In other businesses, the Waterproofing Division steadily acquired orders for large non-residential properties due to increased recognition from the expansion of construction achievements, resulting in sales of 1,111 million yen. Sales of raw materials amounted to 1,420 million yen, and sales in other divisions, including auxiliary supplies and machinery, amounted to 3,246 million yen.

(in million yen, %)

|                                 | 21st fiscal year<br>Nine months ended<br>September 30, 2024 | 22nd fiscal year<br>Nine months ended<br>September 30, 2025 | Amount of change | Percentage change |
|---------------------------------|-------------------------------------------------------------|-------------------------------------------------------------|------------------|-------------------|
| Single-family Homes Division    | 9,683                                                       | 11,299                                                      | +1,615           | +16.7             |
| Buildings Division              | 6,454                                                       | 7,211                                                       | +757             | +11.7             |
| Waterproofing Division          | 435                                                         | 1,111                                                       | +675             | +155.0            |
| Sales of Urethane Raw Materials | 1,432                                                       | 1,420                                                       | (11)             | (0.8)             |
| Other divisions                 | 2,811                                                       | 3,246                                                       | +434             | +15.4             |
| Total                           | 20,817                                                      | 24,288                                                      | +3,470           | +16.7             |

As a result, net sales for the cumulative period of the third quarter amounted to 24,288 million yen, a 16.7% increase compared to the same period last year. Gross profit was 5,391 million yen, with a gross profit margin of 22.2%. Operating profit was 1,740 million yen, a 14.4% increase, and the operating profit margin was 7.2%, a decrease of 0.1 point compared to the same period last year. This was due to a 0.2 point decrease in the gross profit margin, resulting from price strategies considering market conditions associated with share expansion initiatives in the Single-family Homes Division and changes in the sales mix in the Buildings Division. However, selling, general and administrative expenses were controlled, reducing the SG&A ratio to 15.0%, an improvement of 0.1 point. Selling, general and administrative expenses amounted to 3,651 million yen, with the main components being personnel expenses of 1,891 million yen and trainee-related expenses of 444 million yen. Additionally, ordinary profit was 1,753 million yen, a 13.3% increase, and net profit for the quarter was 1,186 million yen, a 13.7% increase.

## (2) Explanation Regarding Financial Position

### (Total Assets)

Total assets at the end of the third quarter were 23,060 million yen, a decrease of 4.2% from the end of the previous fiscal year, representing a decline of 1,011 million yen.

### (Current Assets)

Current assets at the end of the third quarter were 17,747 million yen, a decrease of 5.7% from the end of the previous fiscal year, representing a decline of 1,072 million yen. This was mainly due to a decrease of 415 million yen in notes and accounts receivable - trade, and contract assets, and a decrease of 1,027 million yen in accounts receivable - other, despite an increase of 385 million yen in inventories.

### (Non-current Assets)

Non-current assets at the end of the third quarter were 5,312 million yen, an increase of 1.2% from the end of the previous fiscal year, representing an increase of 60 million yen. This was mainly due to an increase of 76 million yen from the acquisition of land for the construction of the Kagoshima sales office, an increase of 95 million yen in insurance reserves included in investments and other assets, an increase of 43 million yen in other investments, and an increase of 61 million yen in deferred tax assets, despite a decrease of 162 million yen due to depreciation and an increase of 21 million yen in allowance for doubtful accounts.

### (Total Liabilities)

Total liabilities at the end of the third quarter were 12,412 million yen, a decrease of 8.2% from the end of the previous fiscal year, representing a decrease of 1,113 million yen.

### (Current Liabilities)

Current liabilities at the end of the third quarter were 12,324 million yen, a decrease of 8.1% from the end of the previous fiscal year, representing a decrease of 1,091 million yen. This was mainly due to a decrease of 1,365 million yen in accounts payable and a decrease of 269 million yen in accrued expenses and other current liabilities, despite an increase of 400 million yen in short-term borrowings and an increase of 110 million yen in provision for bonuses.

#### (Non-current Liabilities)

Non-current liabilities at the end of the third quarter were 87 million yen, a decrease of 20.1% from the end of the previous fiscal year, representing a decrease of 22 million yen. This was mainly due to a decrease of 9 million yen in lease liabilities.

#### (Net Assets)

Net assets at the end of the third quarter were 10,647 million yen, an increase of 1.0% from the end of the previous fiscal year, representing an increase of 101 million yen. This was mainly due to the recording of a quarterly net income of 1,186 million yen, despite a decrease of 1,084 million yen in retained earnings resulting from dividend payments.

#### (Equity Ratio)

The equity ratio at the end of the third quarter was 46.2%, an increase of 2.4 percentage points from the end of the previous fiscal year.

#### (Research and Development Activities)

Total research and development expenses incurred during the cumulative third quarter period were 22 million yen. There were no significant changes in the status of research and development activities during the period under review.

### (3) Notes on Financial Forecasts and Other Forward-looking Statements

Regarding our outlook for the future, we are focusing on the recovery of the current economy, revisions to the legal system related to housing and buildings, subsidies and preferential tax treatment for energy saving, and support measures such as low-interest financing. In response to the increasing demand for insulation materials, we are undertaking the following initiatives to achieve sustainable development of our company.

#### 1. Companywide Measures

##### 1) About the Medium-Term Management Plan

Our company formulated the Medium-Term Management Plan "3 Pillars of Stability" on February 14, 2024, targeting the fiscal years 2024 to 2026. We have set management indicators of a sustainable growth rate of 10%, an operating profit margin of 10%, an ROE of 20%, and a dividend payout ratio of 50%. Furthermore, on November 8, 2024, we introduced a progressive dividend system to achieve stable dividends (maintenance and increase). Subsequently, on February 7, 2025, we revised the performance targets of the same plan, resetting the sales target for the fiscal year ending December 2026 to 37,000 million yen and the ordinary profit target to 3,405 million yen. Please note that the statements regarding this outlook are based on information available at present and are prepared based on the judgment of our management, but actual performance may differ due to future business environments and market trends. Details of potential risks and uncertainties are described in the "Section 2 Business Status 3. Business Risks" of the securities report.

##### 2) Sustainability strategies

Under our management philosophy of "Contributing to society by creating a housing environment that is friendly to people and the earth," we are contributing to the realization of a sustainable society through the reduction of CO<sub>2</sub> emissions from houses and buildings via the "AQUA FOAM series" and the promotion of recycling of urethane insulation materials.

##### 3) Securing Construction Personnel and Strengthening the Construction Structure

For sustainable growth and maintaining competitiveness, we recognize the importance of securing and developing personnel responsible for high-quality construction and are advancing investments in human capital. Specifically, we are working to improve the work environment by introducing a weekend off system to improve the work-life balance of construction personnel, revising the salary system and allowances to improve treatment, and promoting proximity between work and home through the establishment of new offices and warehouses. Additionally, we are working to strengthen both the quality and quantity of construction personnel by building diverse career paths such as management, specialist, and independent-oriented paths, conducting training and safety conventions by specialized departments, thoroughly implementing safety management systems, and enhancing the acceptance of technical interns.

##### 4) Regarding the maintenance of listing on the Prime Market and Action to Implement Management that is Conscious of Cost of Capital and Stock Price

The company received notification from the Tokyo Stock Exchange on March 12, 2025, that it meets the listing maintenance criteria for the Prime Market as of the end of December 2024. Furthermore, it has been newly selected as a constituent of the "JPX-Nikkei Mid and Small Cap Index," jointly calculated by JPX Research Institute and Nikkei Inc., for the fiscal year 2025 (from August 29, 2025, to August 28, 2026). We will continue to strive to gain proper evaluation in the stock market and improve stock liquidity, regularly grasp capital costs, analyze market evaluations, and appropriately feedback opinions obtained through dialogue with shareholders and investors to management and the Board of Directors, aiming to enhance corporate value.

## 2. Financial Forecasts for the Fiscal Year Ending December 31, 2025

As for the financial forecasts for the fiscal year ending December 2025, announced on February 7, 2025, there are no changes at present.

## 2. Quarterly Non-consolidated Financial Statements and Primary Notes

### (1) Quarterly Non-consolidated Balance Sheet

(Thousands of yen)

|                                                             | As of December 31, 2024 | As of September 30, 2025 |
|-------------------------------------------------------------|-------------------------|--------------------------|
| <b>Assets</b>                                               |                         |                          |
| Current assets                                              |                         |                          |
| Cash and deposits                                           | 2,263,300               | 2,283,767                |
| Notes and accounts receivable - trade, and contract assets  | 8,117,202               | 7,701,333                |
| Electronically recorded monetary claims - operating         | 1,142,650               | 1,111,301                |
| Inventories                                                 | 2,222,056               | 2,607,211                |
| Accounts receivable - other                                 | 4,853,360               | 3,825,949                |
| Other                                                       | 221,324                 | 227,063                  |
| Allowance for doubtful accounts                             | -                       | (9,124)                  |
| Total current assets                                        | 18,819,894              | 17,747,503               |
| Non-current assets                                          |                         |                          |
| Property, plant and equipment                               |                         |                          |
| Buildings and structures, net                               | 2,330,422               | 2,238,246                |
| Land                                                        | 1,680,298               | 1,757,473                |
| Other, net                                                  | 260,404                 | 239,522                  |
| Total property, plant and equipment                         | 4,271,125               | 4,235,242                |
| Intangible assets                                           |                         |                          |
| Leasehold interests in land                                 | 15,000                  | 15,000                   |
| Other                                                       | 64,868                  | 46,344                   |
| Total intangible assets                                     | 79,868                  | 61,344                   |
| Investments and other assets                                |                         |                          |
| Long-term loans receivable from subsidiaries and associates | 37,004                  | 38,649                   |
| Other                                                       | 864,420                 | 999,558                  |
| Allowance for doubtful accounts                             | (470)                   | (22,238)                 |
| Total investments and other assets                          | 900,953                 | 1,015,968                |
| Total non-current assets                                    | 5,251,947               | 5,312,555                |
| Total assets                                                | 24,071,841              | 23,060,059               |

(Thousands of yen)

|                                                       | As of December 31, 2024 | As of September 30, 2025 |
|-------------------------------------------------------|-------------------------|--------------------------|
| <b>Liabilities</b>                                    |                         |                          |
| Current liabilities                                   |                         |                          |
| Accounts payable - trade                              | 7,556,639               | 6,190,676                |
| Short-term borrowings                                 | 4,500,000               | 4,900,000                |
| Lease liabilities                                     | 13,497                  | 12,992                   |
| Income taxes payable                                  | 292,298                 | 293,196                  |
| Provision for bonuses                                 | 33,297                  | 144,208                  |
| Other provisions                                      | -                       | 37,500                   |
| Other                                                 | 1,020,254               | 746,161                  |
| Total current liabilities                             | 13,415,988              | 12,324,735               |
| Non-current liabilities                               |                         |                          |
| Lease liabilities                                     | 12,676                  | 2,969                    |
| Asset retirement obligations                          | 40,005                  | 40,180                   |
| Other                                                 | 57,257                  | 44,740                   |
| Total non-current liabilities                         | 109,939                 | 87,890                   |
| Total liabilities                                     | 13,525,927              | 12,412,625               |
| <b>Net assets</b>                                     |                         |                          |
| Shareholders' equity                                  |                         |                          |
| Share capital                                         | 1,903,649               | 1,903,649                |
| Capital surplus                                       | 2,015,375               | 2,015,375                |
| Retained earnings                                     | 8,357,887               | 8,459,313                |
| Treasury shares                                       | (1,731,568)             | (1,731,568)              |
| Total shareholders' equity                            | 10,545,343              | 10,646,770               |
| Valuation and translation adjustments                 |                         |                          |
| Valuation difference on available-for-sale securities | 570                     | 663                      |
| Total valuation and translation adjustments           | 570                     | 663                      |
| Total net assets                                      | 10,545,914              | 10,647,433               |
| Total liabilities and net assets                      | 24,071,841              | 23,060,059               |

(2) Quarterly Non-consolidated Statement of Income  
For the nine months ended December 31, 2025

(Thousands of yen)

|                                              | For the nine months<br>ended September 30, 2024 | For the nine months<br>ended September 30, 2025 |
|----------------------------------------------|-------------------------------------------------|-------------------------------------------------|
| Net sales                                    | 20,817,841                                      | 24,288,739                                      |
| Cost of sales                                | 16,145,562                                      | 18,896,891                                      |
| Gross profit                                 | 4,672,278                                       | 5,391,847                                       |
| Selling, general and administrative expenses | 3,151,122                                       | 3,651,538                                       |
| Operating profit                             | 1,521,155                                       | 1,740,308                                       |
| Non-operating income                         |                                                 |                                                 |
| Interest income                              | 24,656                                          | 39,250                                          |
| Insurance claim income                       | 2,059                                           | 1,735                                           |
| Other                                        | 14,349                                          | 18,240                                          |
| Total non-operating income                   | 41,066                                          | 59,226                                          |
| Non-operating expenses                       |                                                 |                                                 |
| Amortization of long-term prepaid expenses   | -                                               | 13,426                                          |
| Interest expenses                            | 13,493                                          | 31,773                                          |
| Other                                        | 506                                             | 348                                             |
| Total non-operating expenses                 | 14,000                                          | 45,547                                          |
| Ordinary profit                              | 1,548,222                                       | 1,753,987                                       |
| Extraordinary income                         |                                                 |                                                 |
| Gain on sale of non-current assets           | 6,533                                           | 6,087                                           |
| Total extraordinary income                   | 6,533                                           | 6,087                                           |
| Extraordinary losses                         |                                                 |                                                 |
| Loss on retirement of non-current assets     | 6,623                                           | 3,805                                           |
| Total extraordinary losses                   | 6,623                                           | 3,805                                           |
| Profit before income taxes                   | 1,548,131                                       | 1,756,270                                       |
| Income taxes - current                       | 465,507                                         | 631,838                                         |
| Income taxes - deferred                      | 38,846                                          | (61,870)                                        |
| Total income taxes                           | 504,353                                         | 569,968                                         |
| Profit                                       | 1,043,777                                       | 1,186,302                                       |

(3) Notes to Quarterly Financial Statements

(Notes on Going Concern Assumption)

Not applicable.

(Notes on Significant Changes in Amount of Shareholders' Equity)

Not applicable.

(Segment Information, Etc.)

No disclosure is made about segments as the Company operates in only one business segment of heat insulation work and related services.

(Notes on Cash Flow Statement)

A quarterly cash flow statement for the cumulative first quarter period has not been prepared. Depreciation expenses (including amortization expenses related to intangible fixed assets) for the cumulative third quarter period are as follows.

(in thousand yen)

|                       | Three months ended<br>September 30, 2024 | Three months ended<br>September 30, 2025 |
|-----------------------|------------------------------------------|------------------------------------------|
| Depreciation expenses | 181,359                                  | 162,171                                  |

(Additional Information)

Not applicable.

(Important Subsequent Events)

Not applicable.