

[Updated]

Business Results for the Fiscal Year Ended December 2025

February 13, 2026

Nippon Aqua Co., Ltd.

Tokyo Stock Exchange Prime Section #1429



Financial Highlights

Net sales were 33,670 million yen.
We achieved double-digit revenue growth of 11.3% year-on-year.

In the Single-family Homes Division, in addition to increased orders from wide-area builders and major builders, our market share expansion strategy proved successful.

The Buildings Division performed steadily, and the Waterproofing Division more than doubled its sales through the acquisition of large-scale projects, demonstrating progress in diversifying our business portfolio.

Net sales	OYA	30,265 M yen	+11.3 %
33,670 M yen	Forecast	34,360 M yen	(2.0 %)

Gross profit	OYA	6,862 M yen	+12.8 %
7,738 M yen	Forecast	7,843 M yen	(1.3 %)

Ordinary profit	OYA	2,604 M yen	+7.3 %
2,794 M yen	Forecast	3,062 M yen	(8.8 %)



Single-family Homes Division

15,765 M yen

OYA 13,704 M yen
+15.0 %

Forecast 14,435 M yen
+9.2 %

- ✓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.
- ✓Growing interest in class 6 and above.



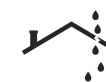
Buildings Division

9,896 M yen

OYA 9,499 M yen
+4.2 %

Forecast 11,881 M yen
(16.7 %)

- ✓Although some large projects experienced delays, overall performance remained stable
- ✓Delays in construction starts are expected to improve from the second half of FY2026
- ✓Orders remain solid with abundant projects



Waterproofing Division, Others



8,009 M yen

OYA 7,062 M yen
+13.4 %

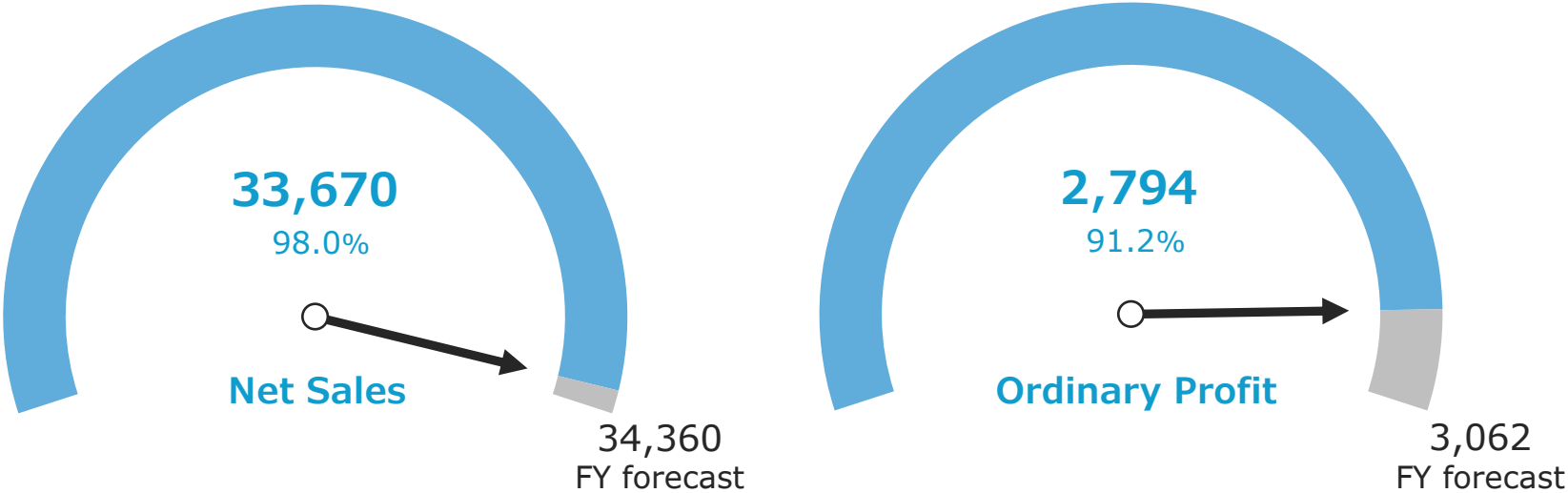
Forecast 8,043 M yen
(0.0 %)

Waterproofing Division:

- ✓Repeat orders for non-residential renovation projects are increasing
- ✓New renovation projects acquired with support from an expanding track record
- ✓Construction of new apartment buildings is increasing

Results Compared to Full-Year Financial Forecast

(Million yen)



	Net sales					Ordinary profit				
	FY2021	FY2022	FY2023	FY2024	FY2025	FY2021	FY2022	FY2023	FY2024	FY2025
FY Results	23,903	25,670	28,341	28,341	33,670	1,429	2,359	2,917	2,604	2,794
Achievement ratio	101.7%	96.9%	97.7%	91.4%	98.0%	71.4%	111.3%	106.1%	84.0%	91.2%
Initial FY Forecast	23,513	26,490	29,021	31,005	34,360	2,003	2,121	2,750	3,100	3,062

Financial Forecasts

In the Single-family Homes Division, we will continue to expand orders centered on priority builders while working to improve order unit prices through strengthened proposals such as "All-in AQUA FOAM (Marutto AQUA FOAM)."

The Buildings Division will focus on acquiring small and medium-sized projects during the off-peak period for large-scale construction, aiming to stabilize orders.

Furthermore, the Waterproofing Division will promote the acquisition of large-scale non-residential projects, including repeat orders, while strengthening its organizational structure.

Net sales

37,000 M yen OYA 33,670 M yen +9.9 %

Gross profit

8,177 M yen OYA 7,738 M yen +5.7 %

Ordinary profit

2,910 M yen OYA 2,794 M yen +4.1 %



Single-family Homes Division

17,097 M yen

OYA 15,765 M yen
+8.5 %

- ✓ Strong performance continues for top-priority builders and builders with wide-area expansion
- ✓ Growing demand for high insulation with class 6 or higher
- ✓ Unit price improvement through airtightness measurement services and expanded sales of "All-in AQUA FOAM (Marutto AQUA FOAM)"

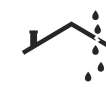


Buildings Division

10,948 M yen

OYA 9,896 M yen
+10.6 %

- ✓ Commencement of large-scale construction projects postponed from the second half of 2026 to 2027 onwards due to design changes and delays in construction start decisions
- ✓ Focus on acquiring small and medium-sized projects
- ✓ Strengthening efforts to secure additional work orders and respond to specification changes



Waterproofing Division, Others



8,954 M yen

OYA 8,009 M yen
+11.8 %

Waterproofing Division:

- ✓ Increase in repeat projects for non-residential renovation
- ✓ Increase in construction of newly built multi-family housing
- ✓ Enhanced recognition through projects for nationally important facilities

FY2025
Dividend per share

35.0 yen

Payout ratio 58.9 %

Previous period 34.0 yen

FY2026
Dividend per share

35.0 yen

Payout ratio 56.6 %

Dividend per share

- ✓Introduce progressive dividend system
- ✓Maintain dividend payout ratio of 50% or higher
- ✓The Medium-Term Management Plan set the fiscal 2026 dividend at 36 yen, but in light of changes to the profit outlook, we plan to set it at 35 yen.

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02 FY2026 Financial Forecast

03 Performance by Division
and Future Business Development

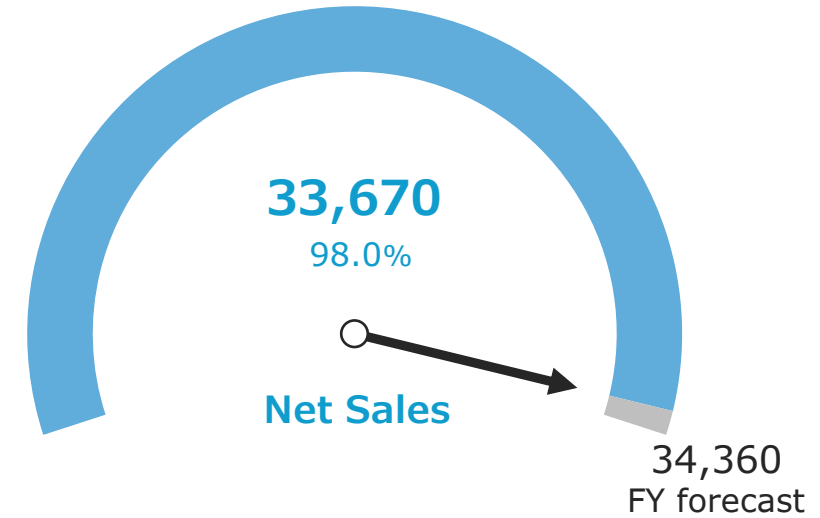
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Fiscal Year Ended December 2025

Net Sales

33,670 M yen

OYA 30,265 M yen FC 34,360 M yen
 YoY +3,405 M yen vs FC (689 M yen)
 ROC +11.3 % ROC (2.0 %)



	FY2024	FY2025		FY2025 Results					FY2025 Forecast					
	Total	Total	YoY	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	vs FC
Net sales	30,265	33,670	+3,405	7,501	8,481	8,305	9,382	33,670	7,247	8,332	8,802	9,978	34,360	(689)
Single-family homes	13,704	15,765	+2,061	3,669	3,879	3,751	4,465	15,765	3,140	3,466	3,538	4,290	14,435	+1,330
Buildings	9,499	9,896	+397	2,362	2,453	2,395	2,684	9,896	2,484	2,899	3,073	3,423	11,881	(1,985)
Waterproofing	719	1,515	+795	159	466	485	404	1,515	212	324	382	582	1,500	+15
Sales of urethane raw mater	2,226	2,072	(154)	394	490	535	652	2,072	503	544	625	726	2,398	(325)
Other product sales	4,115	4,420	+305	916	1,192	1,137	1,174	4,420	907	1,098	1,183	955	4,145	+275

Fiscal Year Ended December 2025

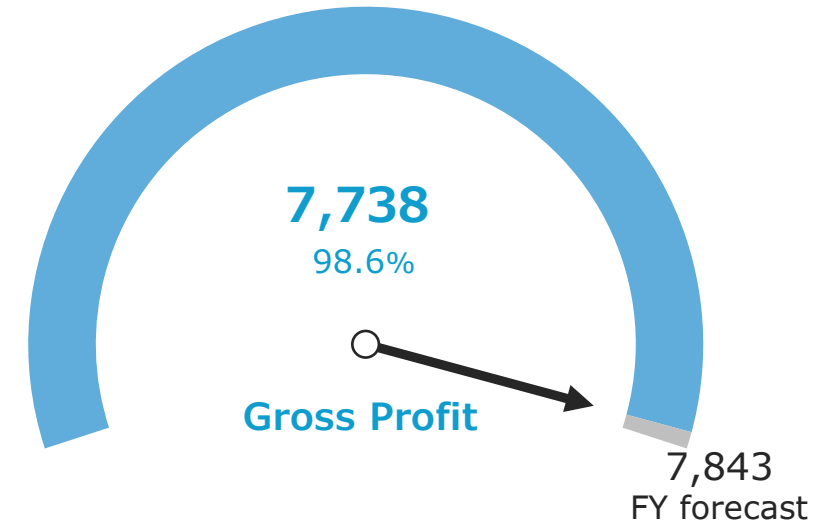
Gross Profit

7,738 M yen

OYA 6,862 M yen FC 7,843 M yen
 YoY +876 M yen vs FC (104 M yen)
 ROC +12.8 % ROC (1.3 %)

GPM **23.0** %

OYA 22.7 % ROC 22.8 %



	FY2024	FY2025		FY2025 Results					FY2025 Forecast					
	Total	Total	YoY	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	vs FC
Gross profit	6,862	7,738	+876	1,634	1,858	1,899	2,346	7,738	1,587	1,911	2,029	2,314	7,843	(104)
Single-family homes	3,196	3,557	+360	803	852	825	1,076	3,557	703	797	820	1,051	3,373	+183
Buildings	2,329	2,353	+23	520	549	559	723	2,353	571	697	742	841	2,853	(499)
Waterproofing	(22)	223	+245	12	47	89	74	223	(1)	32	45	66	143	+79
Sales of urethane raw materials	372	409	+36	78	93	109	128	409	84	92	108	127	412	(3)
Other product sales	984	1,195	+210	219	316	315	344	1,195	229	292	311	226	1,060	+135

Fiscal Year Ended December 2025

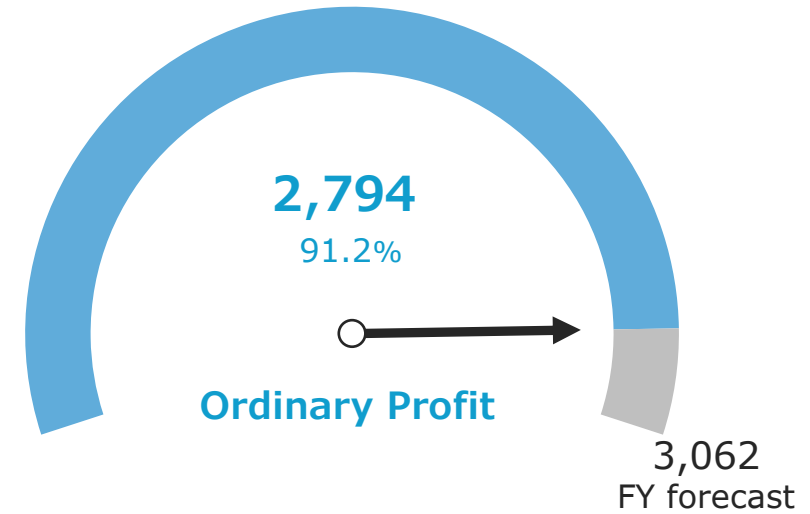
Ordinary Profit

2,794 M yen

OYA 2,604 M yen FC 3,062 M yen
 YoY +189 M yen vs FC (268 M yen)
 ROC +7.3 % ROC (8.8 %)

Ordinary PM **8.3 %**

OYA 8.6 % ROC 8.9 %



	FY2024	FY2025		FY2025 Results					FY2025 Forecast					
	Total	Total	YoY	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	vs FC
SG&A	4,286	4,964	+677	1,107	1,293	1,250	1,312	4,964	1,141	1,266	1,220	1,210	4,838	+125
Payroll cost	2,296	2,487	+191	574	672	644	596	2,487	573	673	624	630	2,502	(14)
Trainee related expenses	423	634	+211	137	141	165	189	634	111	137	130	133	512	+121
Travel expenses	236	246	+9	59	58	59	68	246	64	64	64	64	258	(11)
Rent expenses	221	285	+64	66	71	71	74	285	61	61	61	61	245	+39
Depreciation expenses	173	162	(10)	41	40	40	40	162	54	56	59	60	231	(68)
Ordinary Profit	2,604	2,794	+189	529	572	651	1,040	2,794	456	658	825	1,122	3,062	(268)

Construction Capability Trends

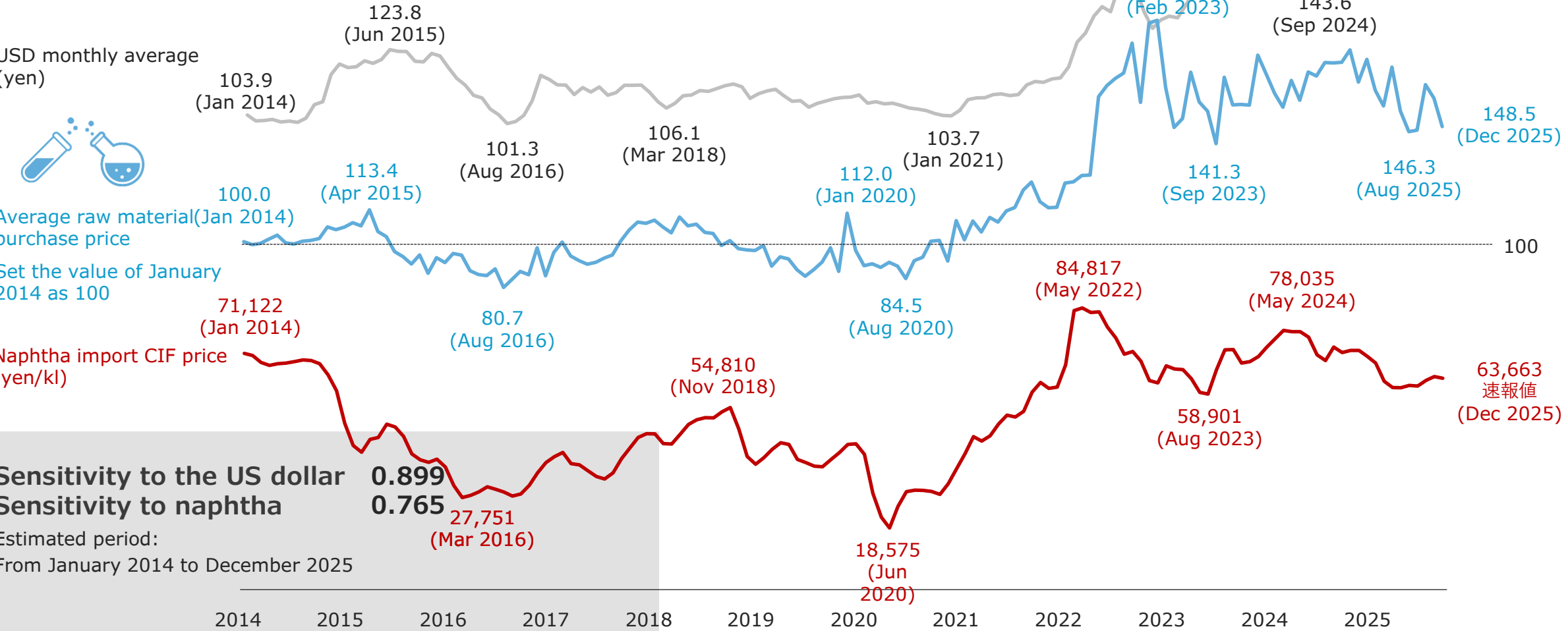
✓ Aim to build an overwhelmingly superior system in terms of both quality and quantity compared to competitors.

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



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.

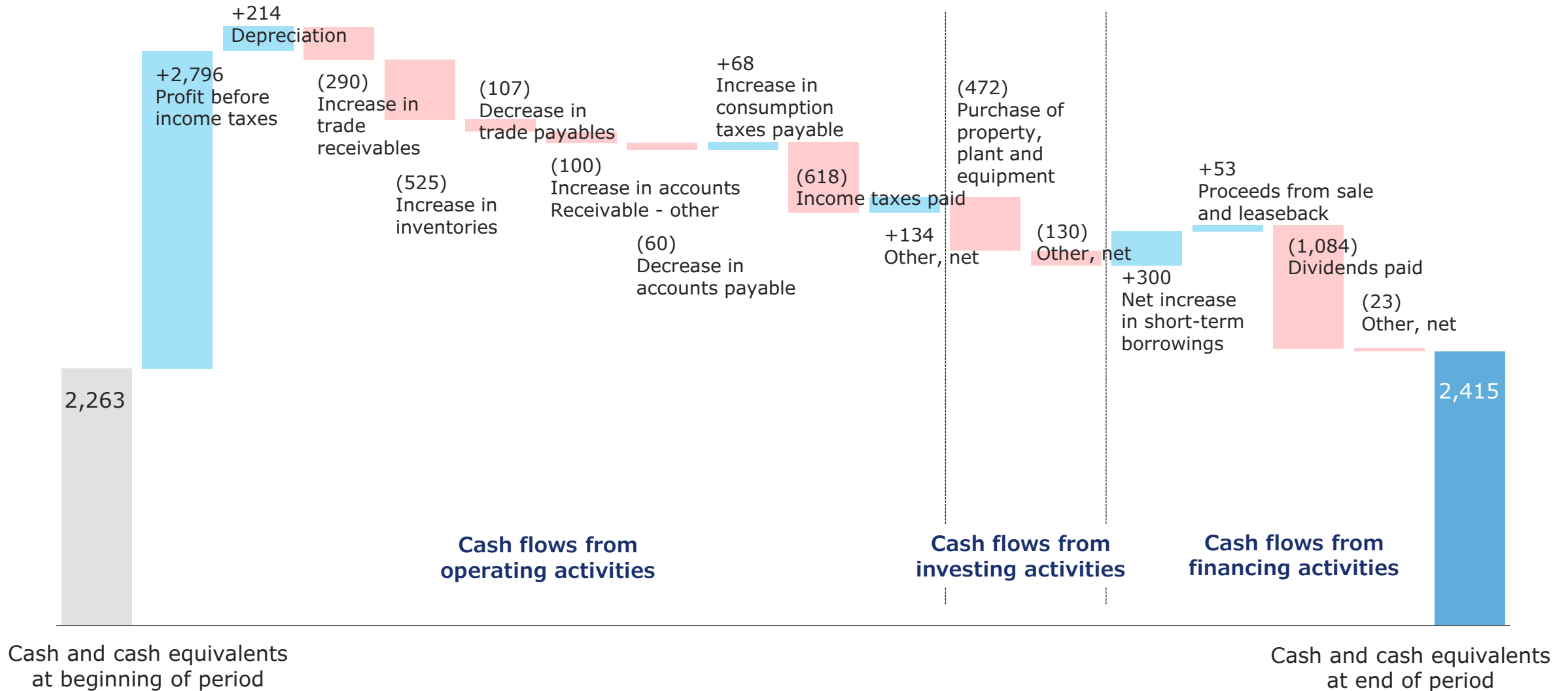
Income Statement (M yen,%)

	FY2024 Jan-Dec	FY2025 Jan-Dec	YoY		vs Forecast		
			Amount	Change(%)	Forecast	Amount	Change(%)
Net sales	30,265	33,670	+3,405	+11.3	34,360	(689)	(2.0)
Single-family homes	13,704	15,765	+2,061	+15.0	14,435	+1,330	+9.2
Buildings	9,499	9,896	+397	+4.2	11,881	(1,985)	(16.7)
Waterproofing	719	1,515	+795	+110.5	1,500	+15	+1.0
Sales of urethane raw materials	2,226	2,072	(154)	(6.9)	2,398	(325)	(13.6)
Other product sales	4,115	4,420	+305	+7.4	4,145	+275	+6.6
Cost of sales	23,403	25,932	+2,529	+10.8	26,517	(585)	(2.2)
Gross profit	6,862	7,738	+876	+12.8	7,843	(104)	(1.3)
Single-family homes	3,196	3,557	+360	+11.3	3,373	+183	+5.4
Buildings	2,329	2,353	+23	+1.0	2,853	(499)	(17.5)
Waterproofing	(22)	223	+245	-	143	+79	+55.5
Sales of urethane raw materials	372	409	+36	+9.8	412	(3)	(0.8)
Other product sales	984	1,195	+210	+21.4	1,060	+135	+12.7
SG&A expenses	4,286	4,964	+677	+15.8	4,838	+125	+2.6
Operating profit	2,575	2,774	+198	+7.7	3,004	(230)	(7.7)
Ordinary profit	2,604	2,794	+189	+7.3	3,062	(268)	(8.8)
Profit	1,839	1,895	+56	+3.1	2,067	(171)	(8.3)
Dividend per share (yen)	34.0	35.0	+1.0		35.0	+0.0	

Balance Sheet (M yen)

	As of Dec 31 2024	As of Dec 31 2025		As of Dec 31 2024	As of Dec 31 2025
Assets			Liabilities		
Current assets			Current liabilities		
Cash and deposits	2,263	2,415	Accounts payable - trade	7,556	7,528
Notes and accounts receivable - trade, and contract assets	8,117	7,977	Short-term borrowings	4,500	4,800
Electronically recorded monetary claims	1,142	1,434	Total current liabilities	13,415	14,090
Inventories	2,222	2,890	Non-current liabilities		
Accounts receivable - other	4,853	5,032	Total non-current liabilities	109	85
Total current assets	18,819	20,015	Total liabilities	13,525	14,176
Non-current assets			Net assets		
Total property, plant and equipment	4,271	4,480	Share capital	1,903	1,903
Total intangible assets	79	88	Capital surplus	2,015	2,097
Total investments and other assets	900	1,226	Retained earnings	8,357	9,168
Total non-current assets	5,251	5,795	Treasury shares	(1,731)	(1,536)
			Total net assets	10,545	11,633
Total assets	24,071	25,810	Total liabilities and net assets	24,071	25,810

Cash Flow Statement (M yen)



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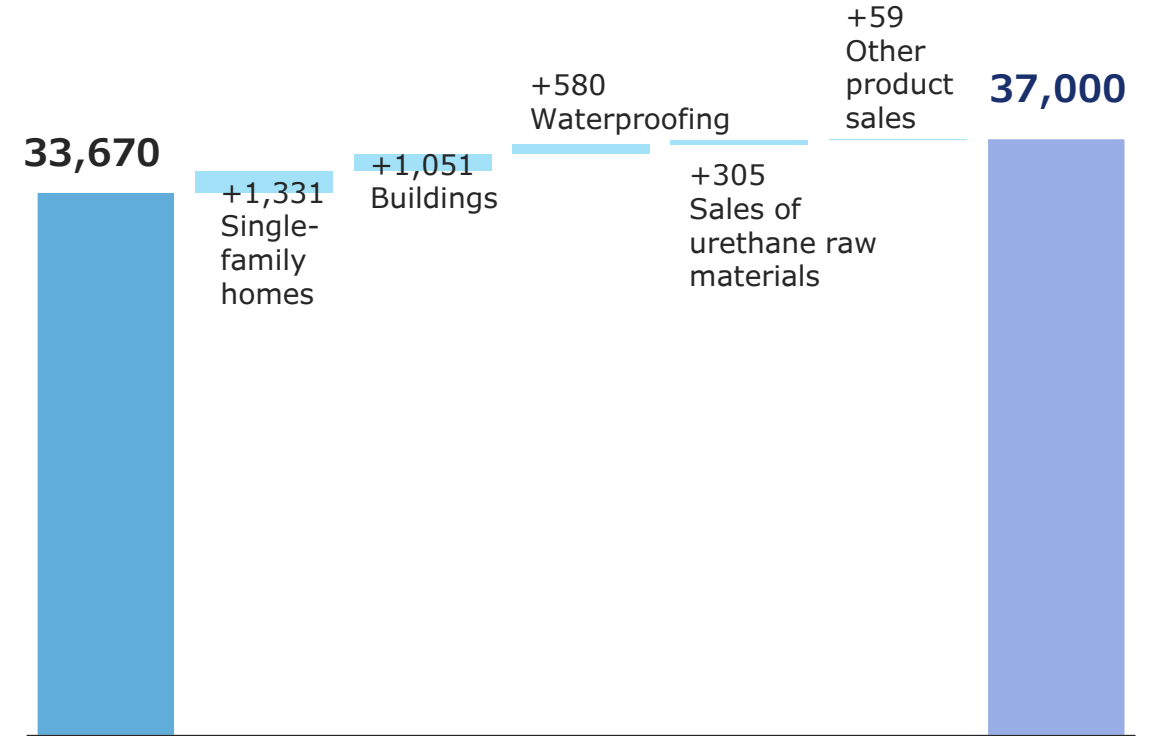
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Fiscal Year Ending December 2026

Net Sales

37,000 M yen
YoY +3,329 M yen
OYA 33,670 M yen ROC +9.9 %

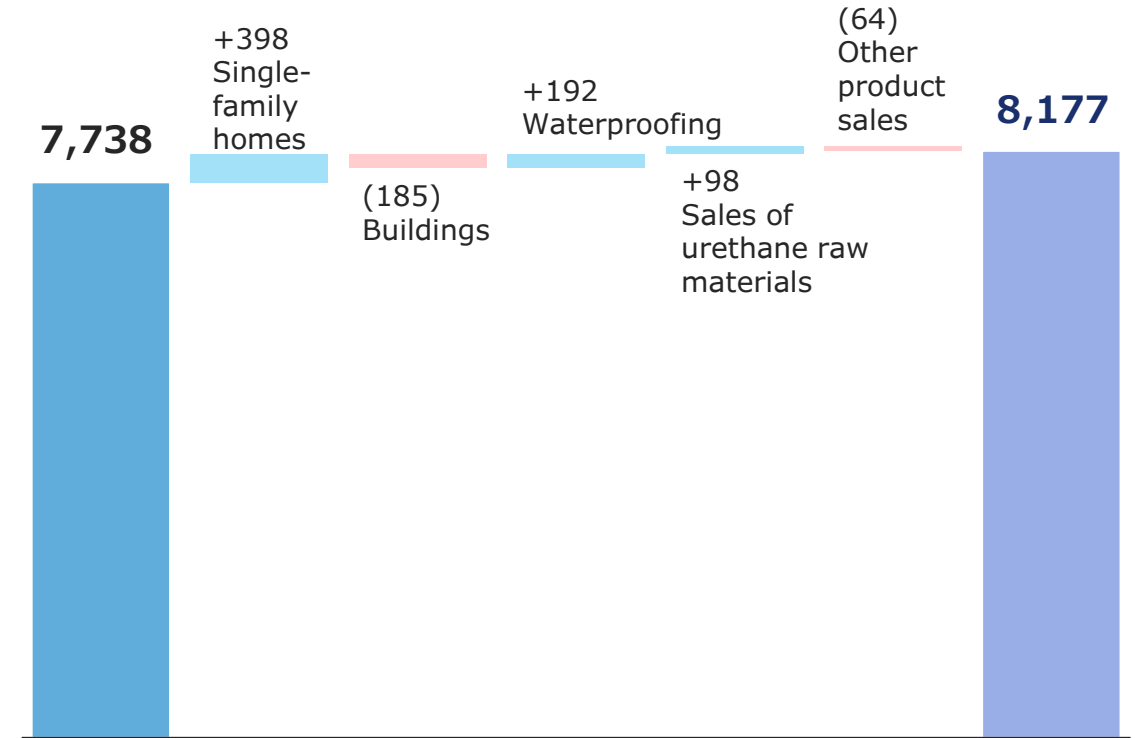


	FY2024					FY2025					FY2026 Forecast				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
Net sales	6,272	6,840	7,705	9,447	30,265	7,501	8,481	8,305	9,382	33,670	7,279	8,641	9,205	11,873	37,000
Single-family homes	2,985	3,276	3,421	4,020	13,704	3,669	3,879	3,751	4,465	15,765	3,765	4,225	4,075	5,031	17,097
Buildings	1,929	2,064	2,460	3,044	9,499	2,362	2,453	2,395	2,684	9,896	1,980	2,294	2,779	3,894	10,948
Waterproofing	136	124	174	284	719	159	466	485	404	1,515	249	509	574	762	2,096
Sales of urethane raw materials	414	507	510	794	2,226	394	490	535	652	2,072	443	545	634	754	2,377
Other product sales	807	866	1,137	1,303	4,115	916	1,192	1,137	1,174	4,420	841	1,067	1,141	1,429	4,480

Fiscal Year Ending December 2026

Gross Profit

8,177 M yen YoY +438 M yen
 OYA 7,738 M yen ROC +5.7 %
 GPM 23.0 % ▶ 22.1 %

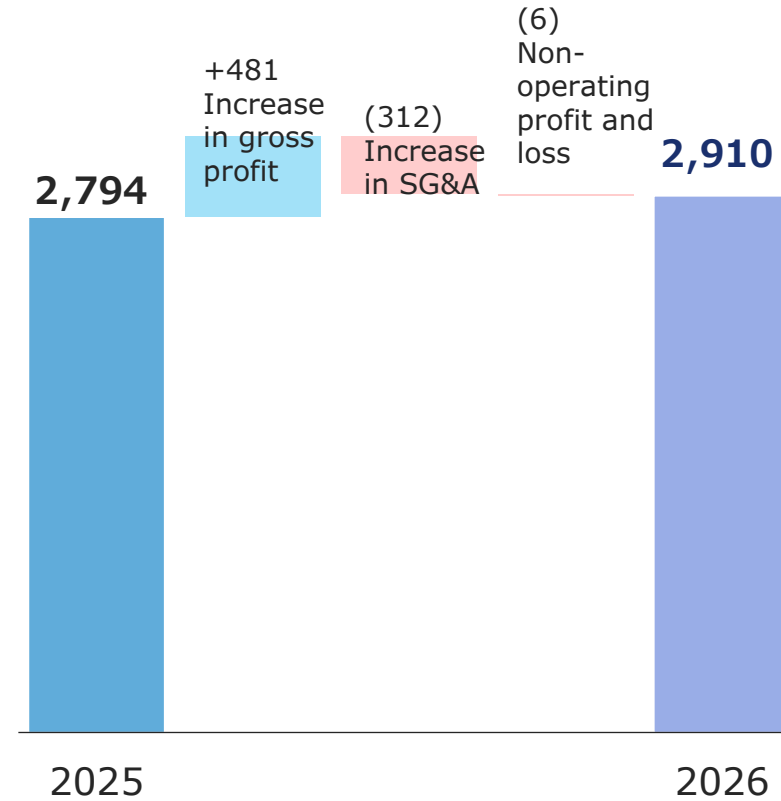


	FY2024					FY2025					FY2026 Forecast				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
Gross profit	1,447	1,459	1,765	2,189	6,862	1,634	1,858	1,899	2,346	7,738	1,543	1,884	2,069	2,680	8,177
Single-family homes	730	777	778	909	3,196	803	852	825	1,076	3,557	830	944	964	1,217	3,955
Buildings	454	443	583	847	2,329	520	549	559	723	2,353	372	457	559	777	2,167
Waterproofing	2	(10)	0	(15)	(22)	12	47	89	74	223	48	100	113	153	415
Sales of urethane raw materials	74	89	89	118	372	78	93	109	128	409	94	116	135	161	508
Other product sales	181	162	312	328	984	219	316	315	344	1,195	197	265	297	370	1,130

Fiscal Year Ending December 2026

Ordinary Profit

2,910 M yen YoY +115 M yen
 OYA 2,794 M yen ROC +4.1 %
 Ordinary PM 8.3 % ▶ 7.9 %



	FY2024					FY2025					FY2026 Forecast				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
SG&A	1,002	1,055	1,093	1,135	4,286	1,107	1,293	1,250	1,312	4,964	1,236	1,353	1,331	1,355	5,277
Payroll cost	557	577	576	585	2,296	574	672	644	596	2,487	628	722	649	636	2,635
Trainee related expenses	72	93	113	144	423	137	141	165	189	634	225	218	224	225	893
Travel expenses	53	58	65	59	236	59	58	59	68	246	67	67	67	67	271
Rent expenses	49	55	55	61	221	66	71	71	74	285	76	76	76	76	306
Depreciation expenses	41	43	43	44	173	41	40	40	40	162	46	48	51	53	199
Ordinary Profit	453	415	679	1,055	2,604	529	572	651	1,040	2,794	310	534	741	1,323	2,910

Fiscal Years Ending December 2026

Net sales	37,000 M yen		37,000 M yen
Gross profit	8,600 M yen	▶	8,177 M yen
GPM	23.2 %		22.1 %
Ordinary profit	3,405 M yen		2,910 M yen
Ordinary PM	9.2 %		7.9 %

Due to delays in the commencement of large-scale construction projects and revisions to project schedules, construction volume in FY2025 fell below initial assumptions. As a result, we have revised our earnings forecast for FY2026. This revision reflects a temporary impact from the postponement of construction timing and does not represent any change to our medium- to long-term growth strategy or shareholder return policy.

Comparison with the Final Year of the Medium-Term Management Plan



Single-family homes

Net sales	14,800M	▶	17,097M
GPM	24.0%		23.1%



Buildings

Net sales	13,500M	▶	10,948M
GPM	24.0%		19.8%



Waterproofing

Net sales	2,000M	▶	2,096M
GPM	11.0%		19.8%



Other product sales

Net sales	6,700M	▶	6,858M
GPM	23.7%		23.9%

Earnings Forecast

(M yen,%)

	FY2025 Results				FY2026 Forecasts				YoY	
	3M	6M	9M	FY	3M	6M	9M	FY	Amount	Change(%)
Net sales	7,501	15,983	24,288	33,670	7,279	15,921	25,126	37,000	+3,329	+9.9
Single-family homes	3,669	7,548	11,299	15,765	3,765	7,990	12,066	17,097	+1,332	+8.5
Buildings	2,362	4,815	7,211	9,896	1,980	4,274	7,053	10,948	+1,051	+10.6
Waterproofing	159	625	1,111	1,515	249	759	1,333	2,096	+580	+38.3
Sales of urethane raw materials	394	884	1,420	2,072	443	988	1,623	2,377	+305	+14.7
Other product sales	916	2,108	3,246	4,420	841	1,909	3,050	4,480	+59	+1.4
Cost of sales	5,867	12,490	18,896	25,932	5,736	12,493	19,629	28,822	+2,890	+11.1
Gross profit	1,634	3,492	5,391	7,738	1,543	3,427	5,497	8,177	+438	+5.7
Single-family homes	803	1,655	2,480	3,557	830	1,774	2,738	3,955	+398	+11.2
Buildings	520	1,069	1,629	2,353	372	830	1,390	2,167	(185)	(7.9)
Waterproofing	12	59	148	223	48	148	261	415	+192	+86.3
Sales of urethane raw materials	78	171	281	409	94	211	346	508	+98	+24.1
Other product sales	219	535	851	1,195	197	462	759	1,130	(64)	(5.4)
SG&A expenses	1,107	2,400	3,651	4,964	1,236	2,589	3,921	5,277	+313	+6.3
Operating profit	526	1,091	1,740	2,774	306	837	1,575	2,900	+125	+4.5
Ordinary profit	529	1,102	1,753	2,794	310	845	1,586	2,910	+115	+4.1
Profit	359	748	1,186	1,895	210	572	1,075	1,972	+77	+4.1
Dividend per share (yen)				35.0				35.0	+0.0	

Agenda

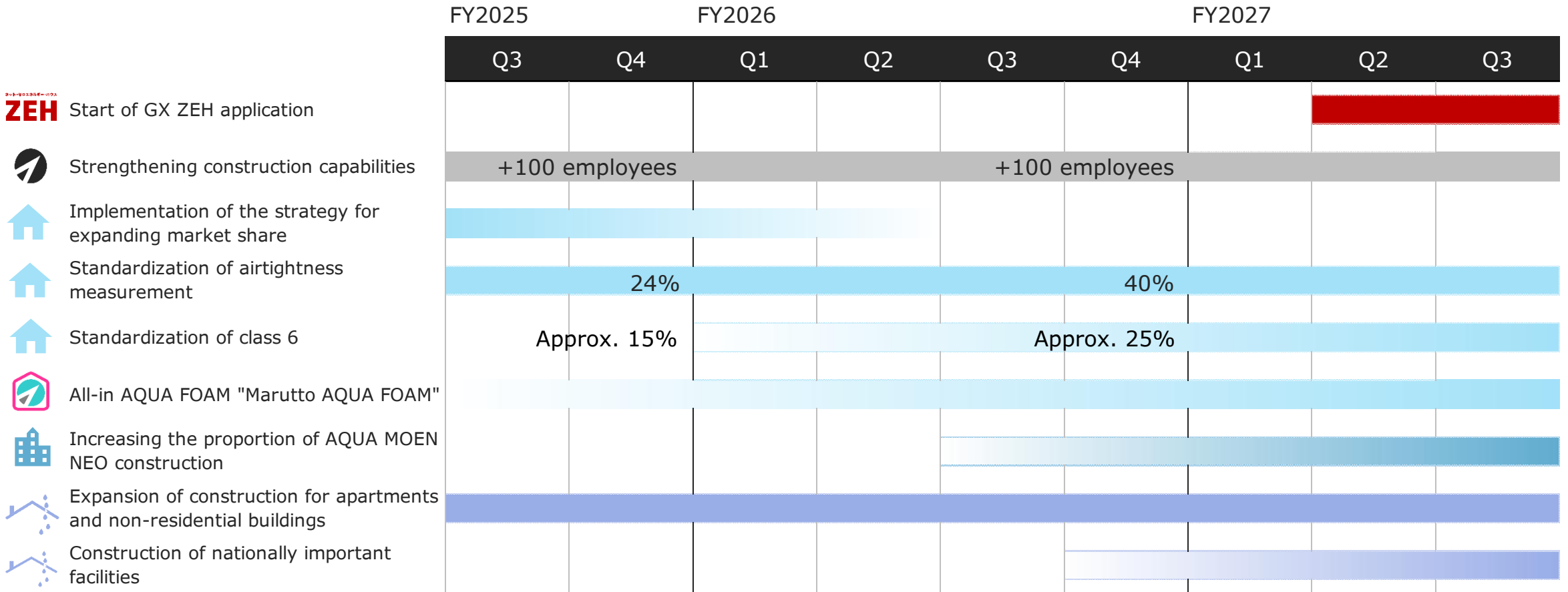
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Prospects of Major Policies



Single-family Homes Division

FY2025	OYA	13,704 M		
	YoY	+2,061 M	+15.0 %	
15,765 M yen	GPM	23.3 %	▶ 22.6 %	

FY2026 Forecast	OYA	15,765 M		
	YoY	+1,332 M	+8.5 %	
17,097 M yen	GPM	22.6 %	▶ 23.1 %	

Quantity effect



- ✓The quantity effect is +1,523 million yen.
- ✓Nationwide builders: Significant growth in orders•
- ✓Major builder (new key account): Orders ramped up from December 2024

Price effect



- ✓The price effect is +537 million yen.
- ✓Insulation Class 6: approx. 15% of total projects*
- ✓Airtightness measurement service: 24% of total projects
- ✓Implementation of pricing strategy to expand market share

- ✓The quantity effect is +715 million yen.
- ✓Nationwide builders: Solid performance, with orders trending upward
- ✓Major builders: Orders increasing, airtightness measurement introduced
- ✓Growing recognition of spray urethane as the standard for high airtightness and high insulation
- ✓The price effect is +616 million yen.
- ✓Insulation Class 6: approx. 25% of total projects*
- ✓Airtightness measurement service: 40% of total projects

	FY2024					FY2025					FY2026 Forecast				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
Net sales	2,985	3,276	3,421	4,020	13,704	3,669	3,879	3,751	4,465	15,765	3,765	4,225	4,075	5,031	17,097
Gross profit	730	777	778	909	3,196	803	852	825	1,076	3,557	830	944	964	1,217	3,955
Num (YoY)	(11%)	(1%)	(0%)	+9%	(1%)	+22%	+16%	+5%	+4%	+11%	(3%)	+4%	+4%	+11%	+5%
Unit price (YoY)	+5%	+1%	(2%)	(2%)	+0%	+1%	+2%	+4%	+7%	+4%	+6%	+4%	+4%	+1%	+4%

*Insulation grades are not specified at the time of order. These figures are estimates by the Company based on builders' product specifications and construction details.

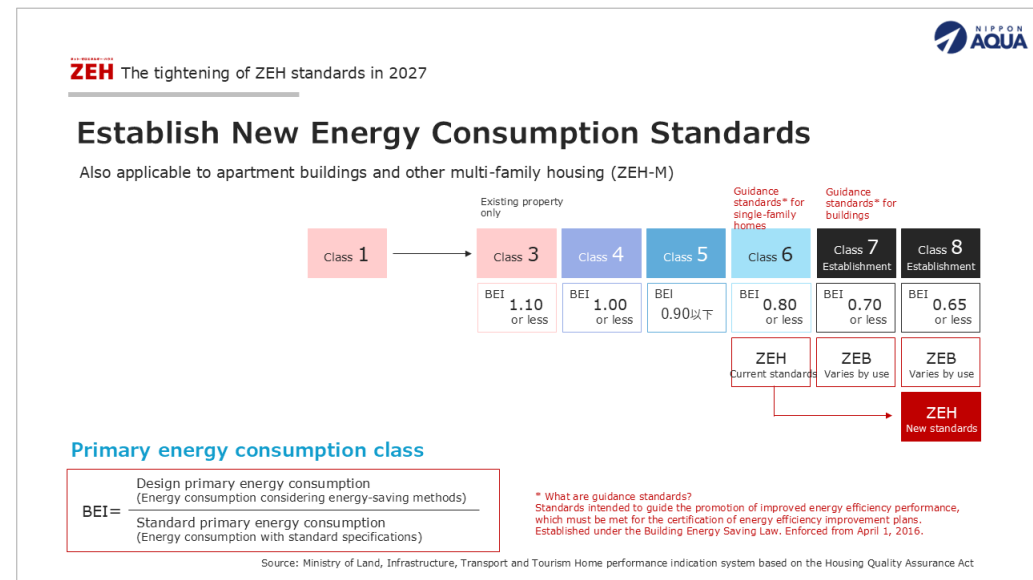
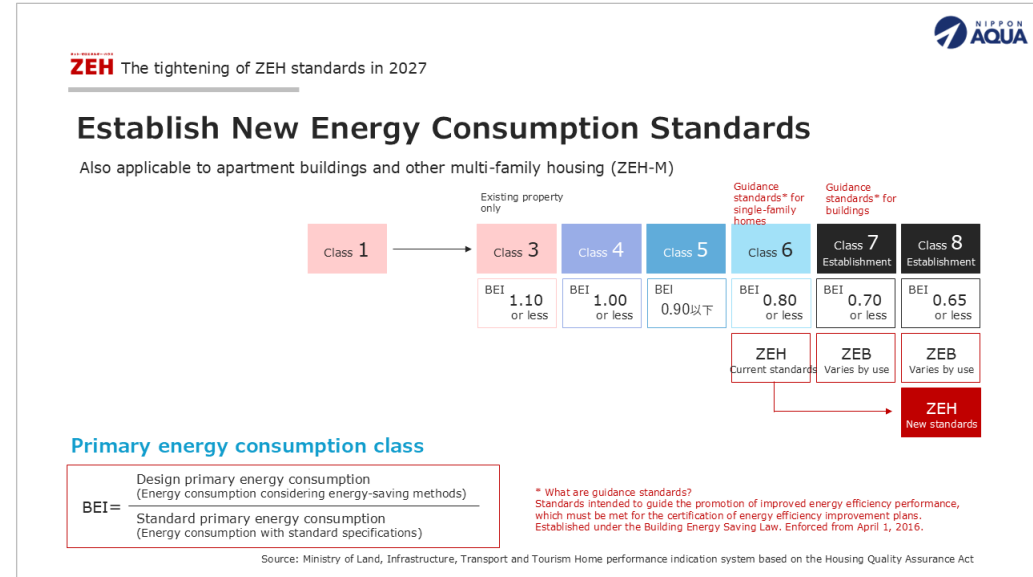
ネット・ゼロエネルギー・ハウス

ZEH The tightening of ZEH standards in 2027

GX ZEH

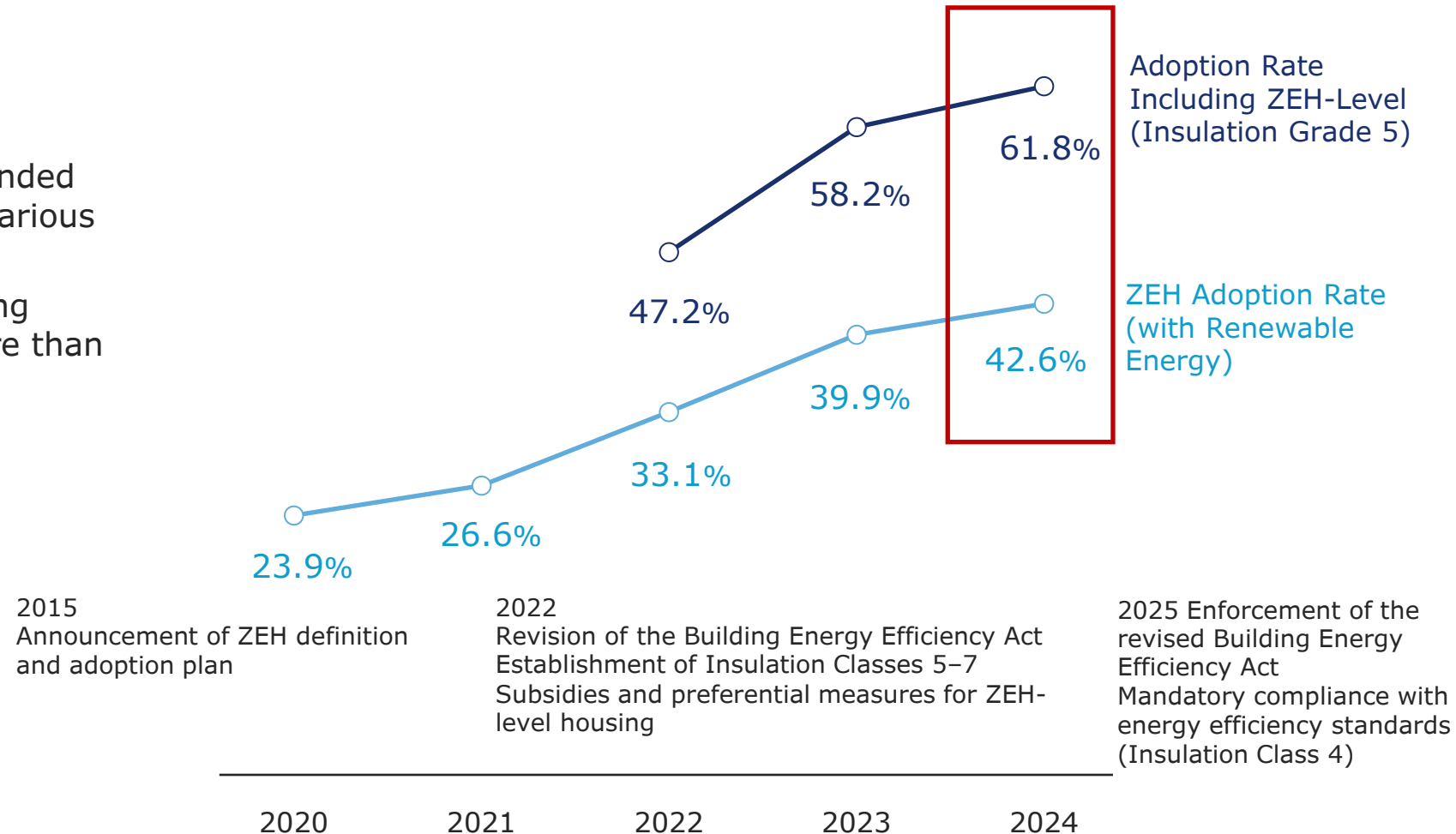
Official decision on redefinition of ZEH standards

- ✓Applicable from April 2027
- ✓Insulation Class 6
- ✓ $BEI \leq 0.65$



Review of ZEH (Insulation Class 5) Adoption

- ✓ Since 2022, ZEH adoption has expanded rapidly, supported by subsidies and various incentive programs.
- ✓ At Nippon Aqua, installations meeting Insulation Grade 5 accounted for more than 90% of total projects as of 2024.





Nippon Aqua's Initiatives



All-in AQUA FOAM

“Marutto AQUA FOAM”

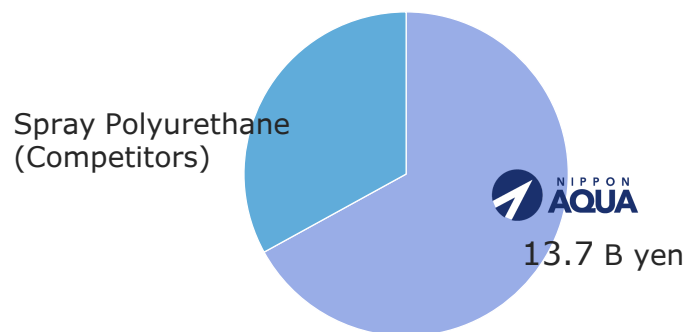
- ✓One-stop insulation solutions for the entire house
- ✓Customized insulation solutions for every home



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

Spray Polyurethane Foam

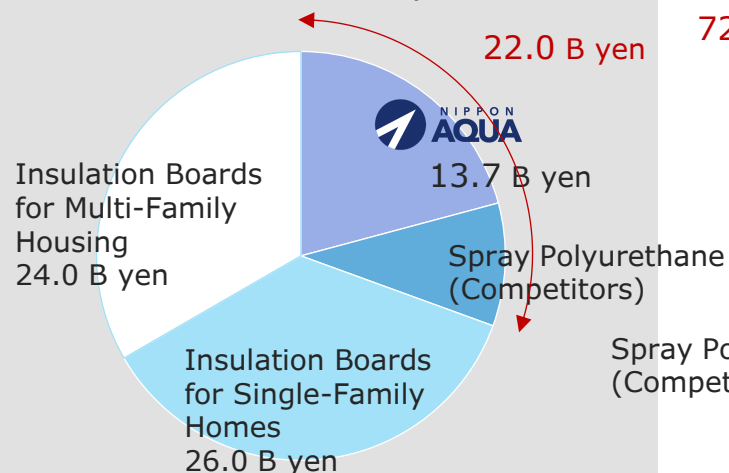
Market size 22 B yen



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

Spray Polyurethane Foam + Insulation Board

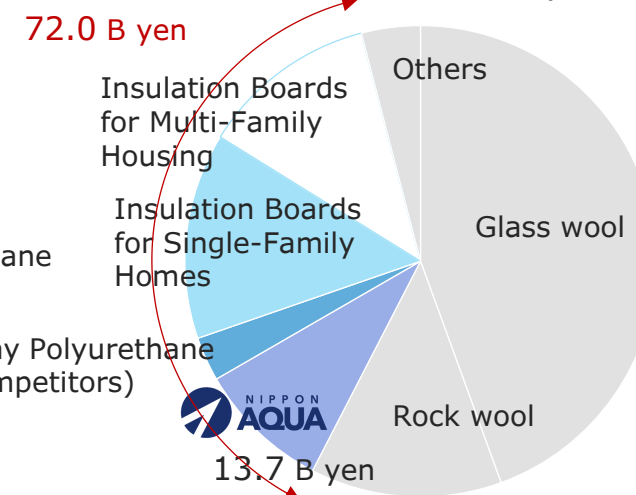
Market size 72 B yen



- ✓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

Buildings Division

FY2025	OYA	9,499 M		
	YoY	+397 M	+4.2 %	
9,896 M yen	GPM	24.5 %	▶ 23.8 %	

FY2026 Forecast	OYA	9,896 M		
	YoY	+1,051 M	+10.6 %	
10,948 M yen	GPM	23.8 %	▶ 19.8 %	

Initiatives



- ✓The quantity effect is +349 million yen.
- ✓The price effect is +47 million yen.
- ✓Large-scale projects such as manufacturing facilities secured steadily
- ✓Some projects affected by design changes and delays in construction start decisions
- ✓Installation volume of Aqua Moen NEO limited due to rising construction costs
- ✓On-site value added enhanced through the establishment of the Construction Project Management Division

Large-Scale Projects



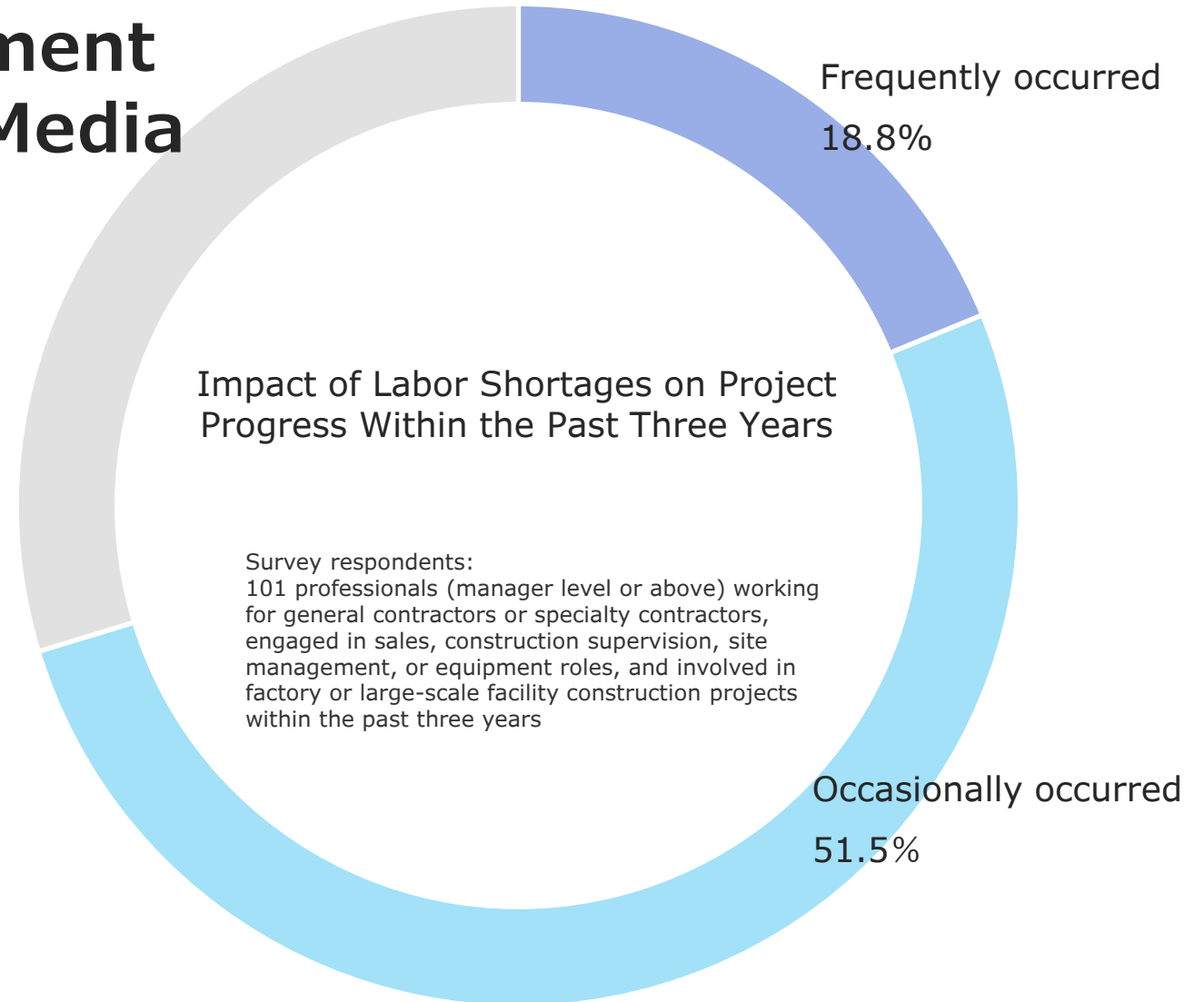
- ✓One of Japan's leading large-scale semiconductor plants
- ✓Data centers in the Kanto and Kyushu regions

- ✓Quantity and Price Effects
Disclosure discontinued as increased installation thickness makes the conventional "area × unit price" metric less reflective of actual performance
- ✓Temporary decline in large-scale projects outside the Tokyo metropolitan area, with recovery expected in the second half of 2026
- ✓Focus on acquiring small- and medium-sized projects
- ✓Stable pipeline in factory and data center sectors
- ✓Aqua Moen NEO projects also paused in line with the decline in large-scale projects
- ✓Accelerating on-site value-added proposals through the Construction Project Management Division
- ✓Major redevelopment project in Tokyo
- ✓State-of-the-art manufacturing facility in the Chubu region

	FY2024					FY2025					FY2026 Forecast				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
Net sales	1,929	2,064	2,460	3,044	9,499	2,362	2,453	2,395	2,684	9,896	1,980	2,294	2,779	3,894	10,948
Gross profit	454	443	583	847	2,329	520	549	559	723	2,353	372	457	559	777	2,167

Delays in the Commencement of Large-Scale Projects (Media Summary)

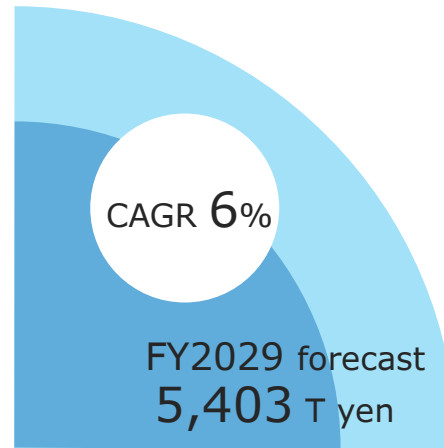
- ✓Amid ongoing labor shortages in the construction industry, many market participants believe it will be difficult to secure new large-scale project orders within FY2026.
- ✓Schedule delay risks have materialized even in already contracted projects
- ✓Shortages of specialized personnel and subcontractors persist, particularly in equipment works
- ✓Reduced capacity to take on new orders is constraining private capital investment and public works





Market Environment

Focus Markets



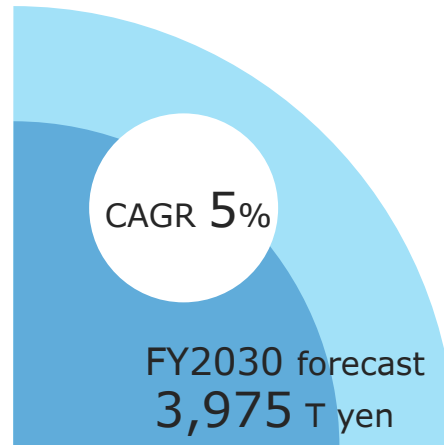
Scale of the domestic data center market

Achieving low PUE*

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

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

Source: Created by Nippon Aqua based on "Data Center Business Market Research Overview 2025 Edition Market Section" by Fuji Chimera Research Institute, Inc.



Domestic market size of cold chain logistics

Maintaining cooling efficiency and minimizing energy consumption

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

Source: Created by Nippon Aqua based on Mordor Intelligence's "Japan Cold Chain Logistics Market Size and Share Analysis - Growth Trends and Forecasts"

Waterproofing Division

FY2025 OYA 719 M
 1,515 M yen YoY +795 M +110.5 %
 GPM (3.1 %) ▶ 14.7 %

FY2026 Forecast OYA 1,515 M
 2,096 M yen YoY +580 M +38.3 %
 GPM 14.7 % ▶ 19.8 %

Initiatives



- ✓Increased brand recognition through accumulation of project track record
- ✓Strengthened sales activities at trade exhibitions
- ✓Direct sales to facility owners
- ✓Expansion of the Waterproofing Division workforce (organizational strengthening)

Large-Scale Projects



- ✓Third-party logistics facilities
- ✓Core plant of a major building materials manufacturer, constructed using the "FUKUGEN Method"
- ✓Retail chain stores
- ✓Rental apartment complexes

- ✓Differentiation through the "FUKUGEN Method," combining waterproofing with insulation and heat-shielding
- ✓Strengthened sales activities at trade exhibitions
- ✓Direct sales to facility owners
- ✓Expanded marketing to architectural firms and general contractors

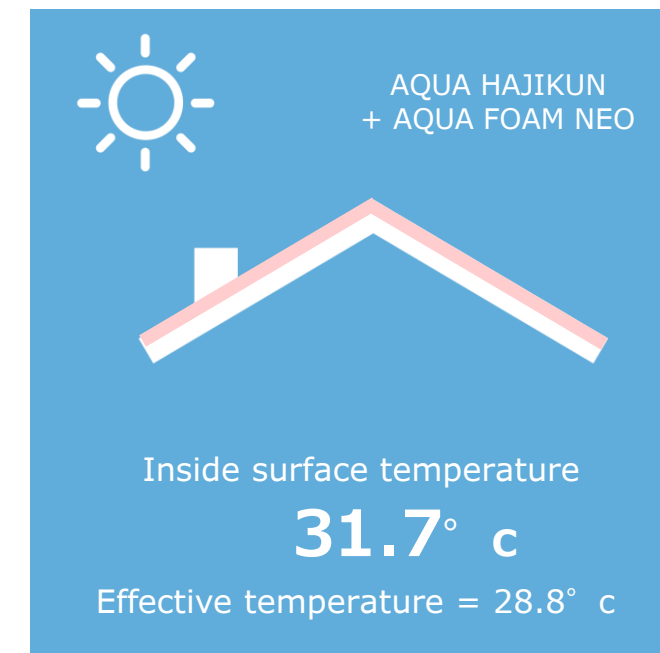
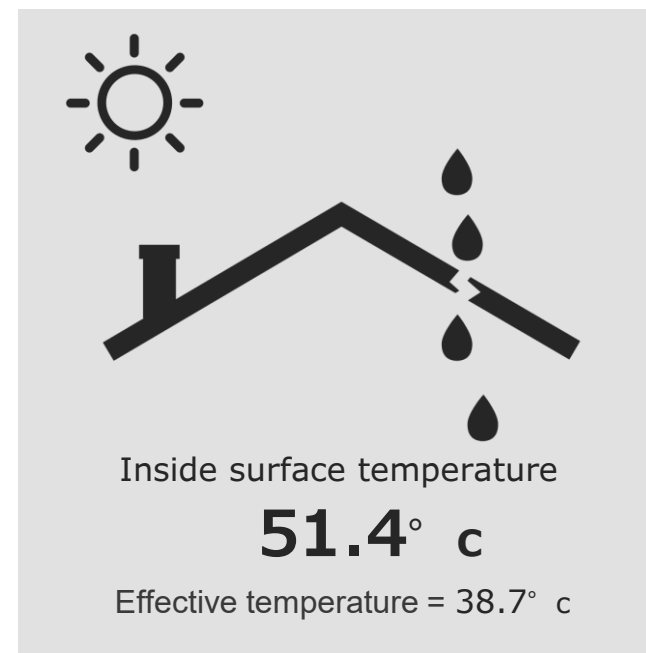
- ✓Third-party logistics facilities
- ✓Core plants of major manufacturers (building materials, transport equipment, semiconductors)
- ✓Retail chain stores
- ✓Rental apartment complexes
- ✓Nationally significant infrastructure facilities

	FY2024					FY2025					FY2026 Forecast				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
Waterproofing division sales	136	124	174	284	719	159	466	485	404	1,515	249	509	574	762	2,096
Single-family homes	110	93	85	144	434	98	130	123	111	463	100	100	100	100	400
Non-residential	25	31	88	139	285	60	336	361	293	1,051	149	409	474	662	1,696
Gross profit	2	(10)	0	(15)	(22)	12	47	89	74	223	48	100	113	153	415



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)

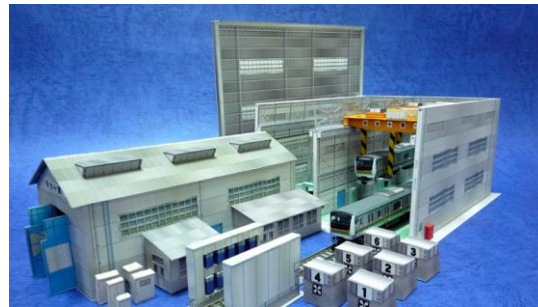
*Effective temperature is a rough estimate simply calculated as (surface temperature + room temperature)/2.

The actual effective temperature is not guaranteed.

Expanding Waterproofing Track Record in the Non-Residential Sector



Nationwide logistics warehouses



Railway operator rolling
stock depots



Rooftop plazas of high-rise
buildings



One of Japan's leading heavy-
industry manufacturing bases



Core production plant of a long-
established Japanese
confectionery company



Low-temperature storage
facilities for fresh produce



Large-scale supermarkets



Nationally significant
infrastructure facilities

Sales of Urethane Raw Materials



FY2025	OYA	2,226 M		
2,072 M yen	YoY	(154 M)	(6.9 %)	
	GPM	16.7 %	▶	19.8 %

✓Raw material sales remained subdued due to delays in construction start decisions and related factors in the building market

FY2026 Forecast	OYA	2,072 M		
2,377 M yen	YoY	+305 M	+14.7 %	
	GPM	19.8 %	▶	21.4 %

✓Recovery in the building construction market expected from the second half of 2026

Other Product Sales



FY2025	OYA	4,115 M		
4,420 M yen	YoY	+305 M	+7.4 %	
	GPM	23.9 %	▶	27.0 %

✓Equipment sales remained firm in line with the expansion of installation capacity

✓Sales of ancillary materials increased, supported by strong performance in the detached housing segment

FY2026 Forecast	OYA	4,420 M		
4,480 M yen	YoY	+59 M	+1.4 %	
	GPM	27.0 %	▶	25.2 %

✓Growth in insulation board sales driven by promotion of the “Marutto Aquafoam” package

✓Profit margin pressured by changes in sales mix

✓ Continued growth in ancillary material sales

	FY2024					FY2025					FY2026 Forecast				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
Sales of urethane raw materials	414	507	510	794	2,226	394	490	535	652	2,072	443	545	634	754	2,377
Gross profit	74	89	89	118	372	78	93	109	128	409	94	116	135	161	508
Other product sales	807	866	1,137	1,303	4,115	916	1,192	1,137	1,174	4,420	841	1,067	1,141	1,429	4,480
Gross profit	181	162	312	328	984	219	316	315	344	1,195	197	265	297	370	1,130



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



Agenda

01 FY2025 Financial Highlights Overview

02 FY2026 Financial Forecast

03 Performance by Division
and Future Business Development

04 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	710 people (Non-consolidated)	

As of December 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

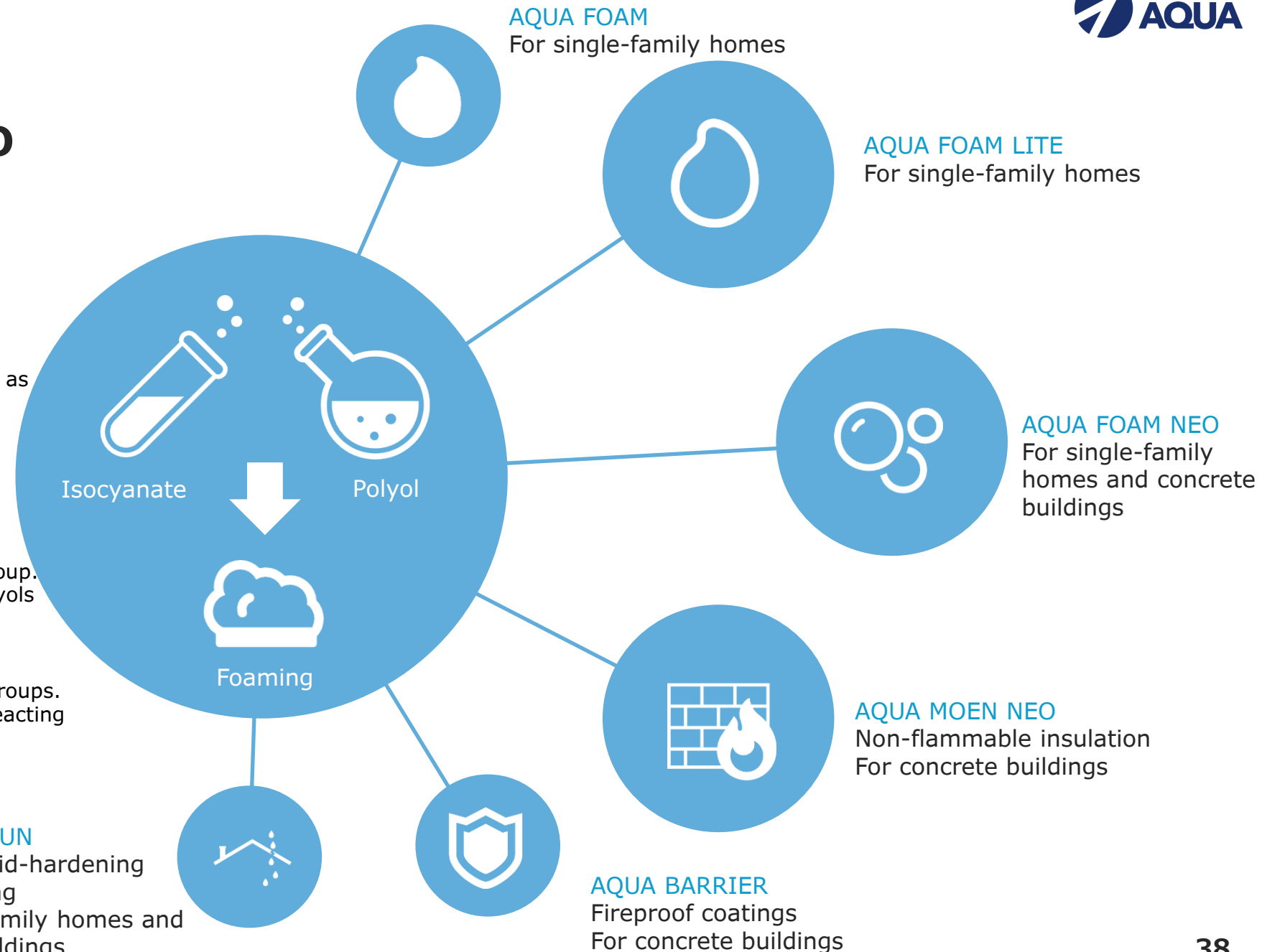
- ✓An organic compound containing an NCO group.
- ✓Forms a urethane bond by reacting with polyols through stirring and other means.

Polyamine

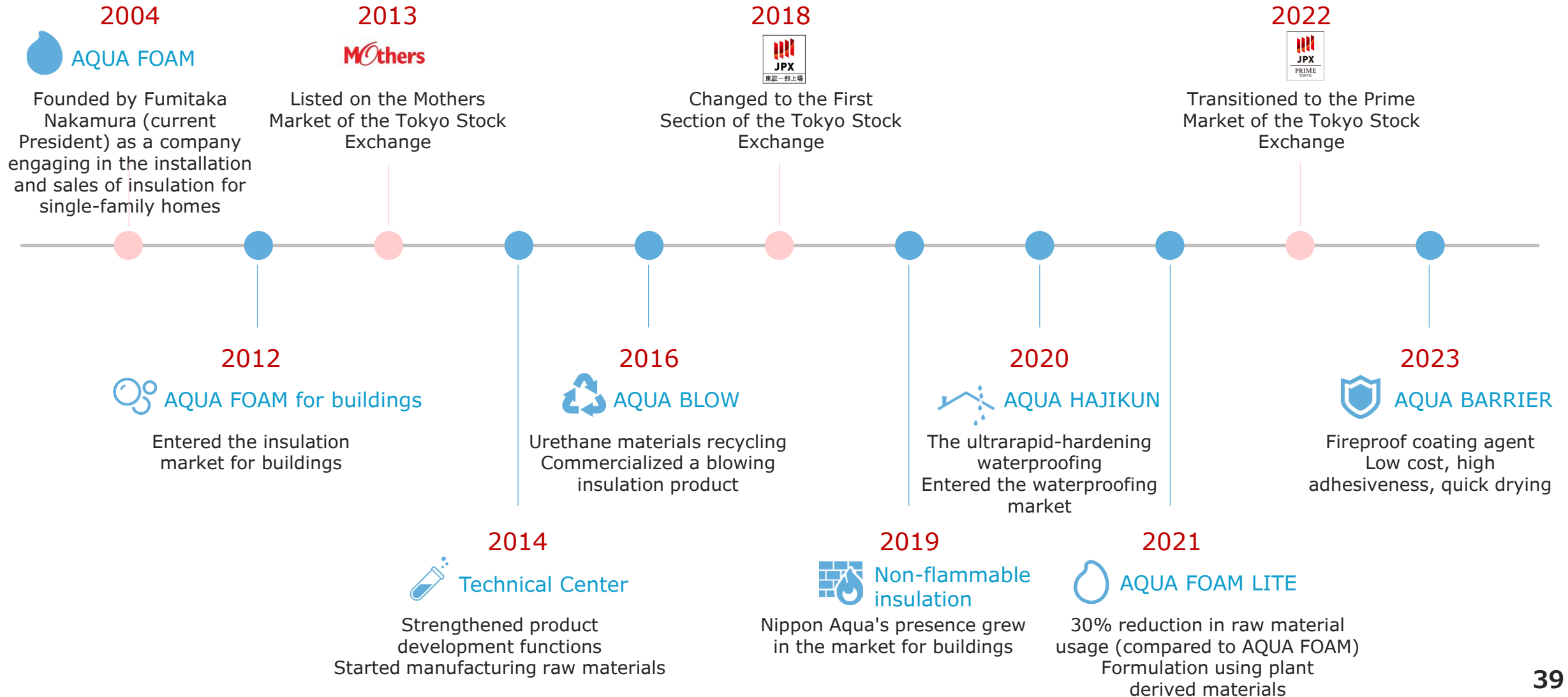
- ✓An organic compound with multiple amino groups.
- ✓Forms AQUA HAJIKUN (polyurea resin) by reacting with isocyanate.

AQUA HAJIKUN

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



Company History



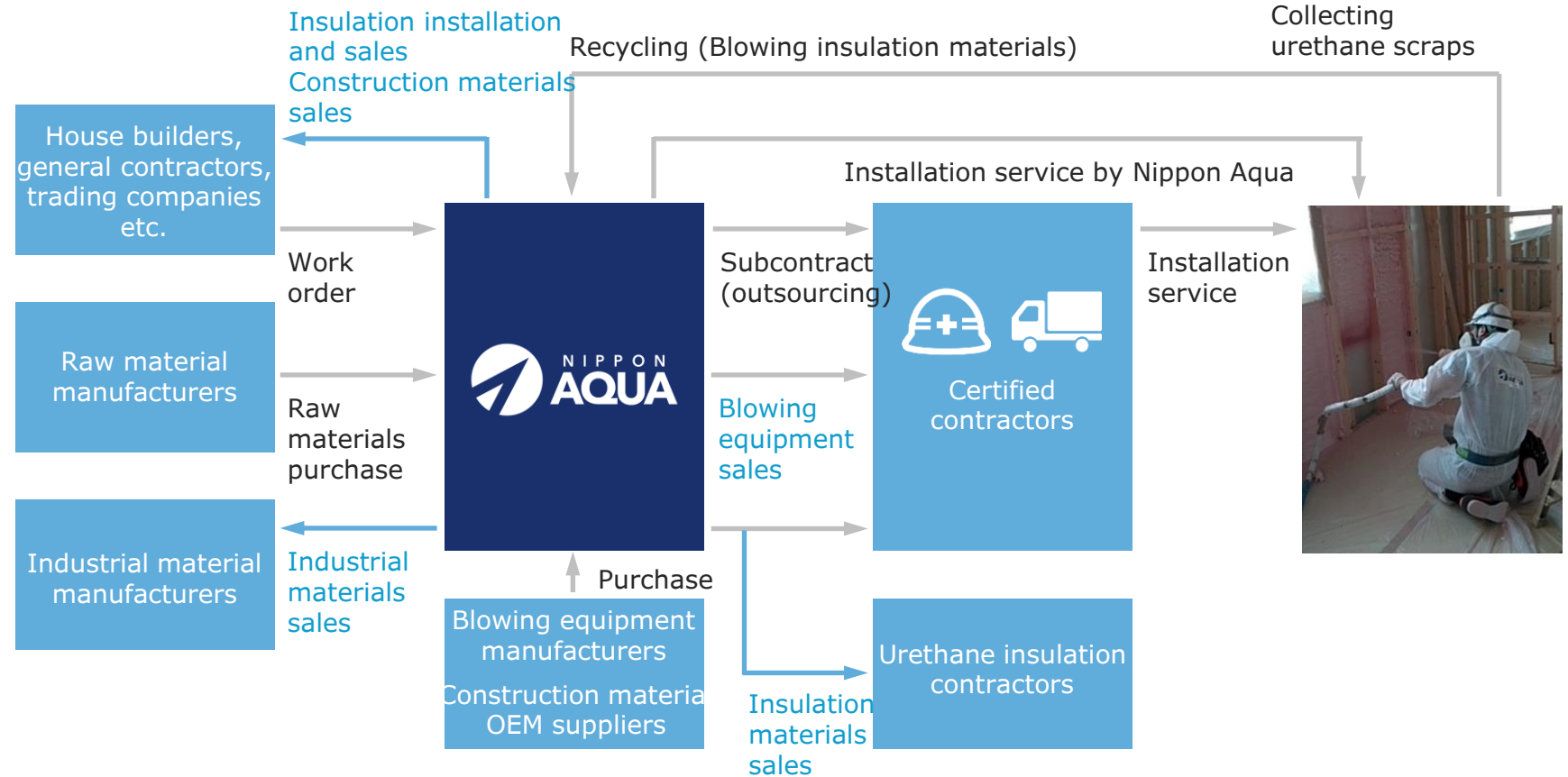
From Material Development to Installation and Recycling

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

Performance Trends (Million yen)

Mothers



	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Performance trends													
Net sales	9,825	13,020	14,406	15,608	18,052	19,417	21,366	21,872	23,903	25,670	28,341	30,265	33,670
Gross profit	2,444	2,856	3,137	4,027	4,305	3,891	5,403	5,310	4,739	5,784	6,924	6,862	7,738
Gross profit margin	24.9%	21.9%	22.3%	25.8%	23.9%	20.0%	25.3%	24.3%	19.8%	22.5%	24.4%	22.7%	23.0%
Operating profit	956	944	1,013	1,404	1,313	766	1,909	1,896	1,412	2,329	2,875	2,575	2,774
Ordinary profit	925	937	1,016	1,404	1,419	764	1,909	1,911	1,429	2,359	2,917	2,604	2,794
Ordinary profit margin	9.4%	7.2%	7.2%	9.0%	7.9%	3.9%	8.9%	8.7%	6.0%	9.2%	10.3%	8.6%	8.3%
Profit	512	529	137	979	941	489	1,275	1,342	953	1,549	2,004	1,839	1,895

Sales by item

Single-family homes	8,044	8,483	9,414	10,903	11,552	12,257	13,244	12,448	13,521	13,873	13,798	13,704	15,765
Buildings	883	2,392	2,858	2,601	2,715	3,331	4,144	4,848	5,371	6,838	8,267	9,499	9,896
Waterproofing									128	315	489	719	1,515
Sales of urethane raw materials					613	561	933	1,137	1,098	1,211	1,916	2,226	2,072
Product sales	897	2,144	2,133	2,103	3,171	3,267	3,043	3,438	3,783	3,430	3,869	4,115	4,420

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	3,557
Buildings			183	419	526	551	832	1,004	822	1,206	1,963	2,329	2,353
Waterproofing									20	(16)	(35)	(22)	223
Sales of urethane raw materials					140	113	198	212	177	361	342	372	409
Product sales			648	569	848	1,009	830	909	946	690	968	984	1,195

Other Key Indicators

Mothers



	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
--	------	------	------	------	------	------	------	------	------	------	------	------	------

Assets, liabilities, and equity

Net assets	5,103	5,529	5,590	6,663	5,508	5,885	6,843	7,638	7,951	7,966	9,304	10,545	11,633
Return on equity	16.6%	10.0%	2.5%	16.0%	15.5%	8.6%	20.0%	18.5%	12.2%	19.5%	23.2%	18.5%	17.1%
Total assets	7,982	9,138	11,254	12,596	12,806	14,381	15,379	16,021	18,279	21,969	20,392	24,071	25,810
Total assets turnover	1.82	1.52	1.38	1.31	1.42	1.43	1.44	1.39	1.39	1.28	1.34	1.36	1.30
Equity ratio	63.9%	60.5%	49.7%	52.9%	43.0%	40.9%	44.5%	47.7%	43.5%	36.3%	45.6%	43.8%	45.1%
Interest-bearing debt			1,433	834	2,370	2,776	2,136	2,400	3,166	6,033	2,400	4,500	4,800

No. of employees

Sales	160	184	182	206	233	208	218	218	189	209	215	226	229
Construction	234	246	206	185	132	180	188	196	168	156	220	313	402
Management	21	20	35	27	62	57	69	73	81	58	66	73	79
Total	415	450	423	418	427	445	475	487	438	423	501	612	710

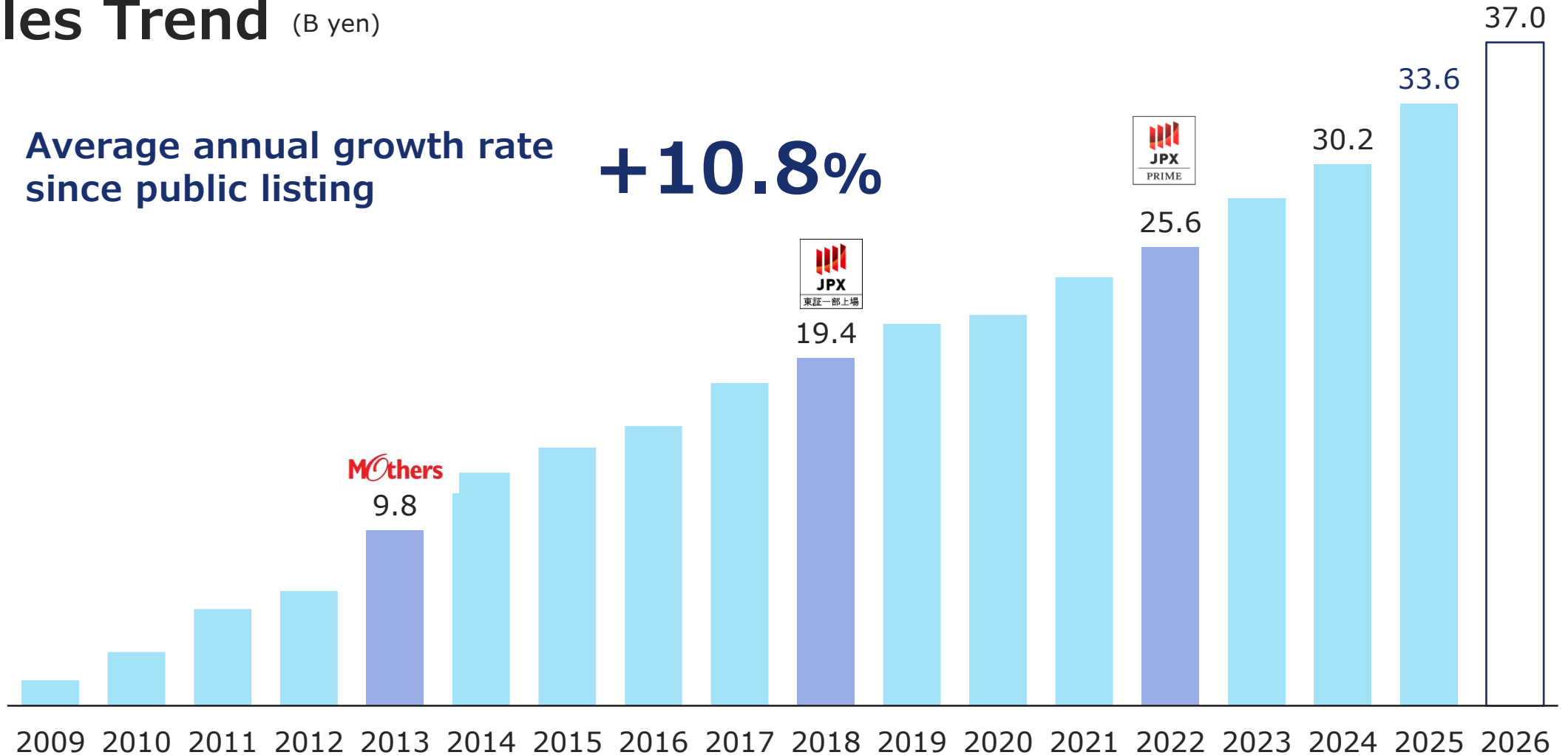
Stock-related (after reflecting 1:5 stock split on January 1, 2015)

Stock price at the end of the year	663	845	438	414	498	437	627	649	687	828	887	772	863
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	29,997
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	361.17
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	35.00
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	59.42
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	14.52

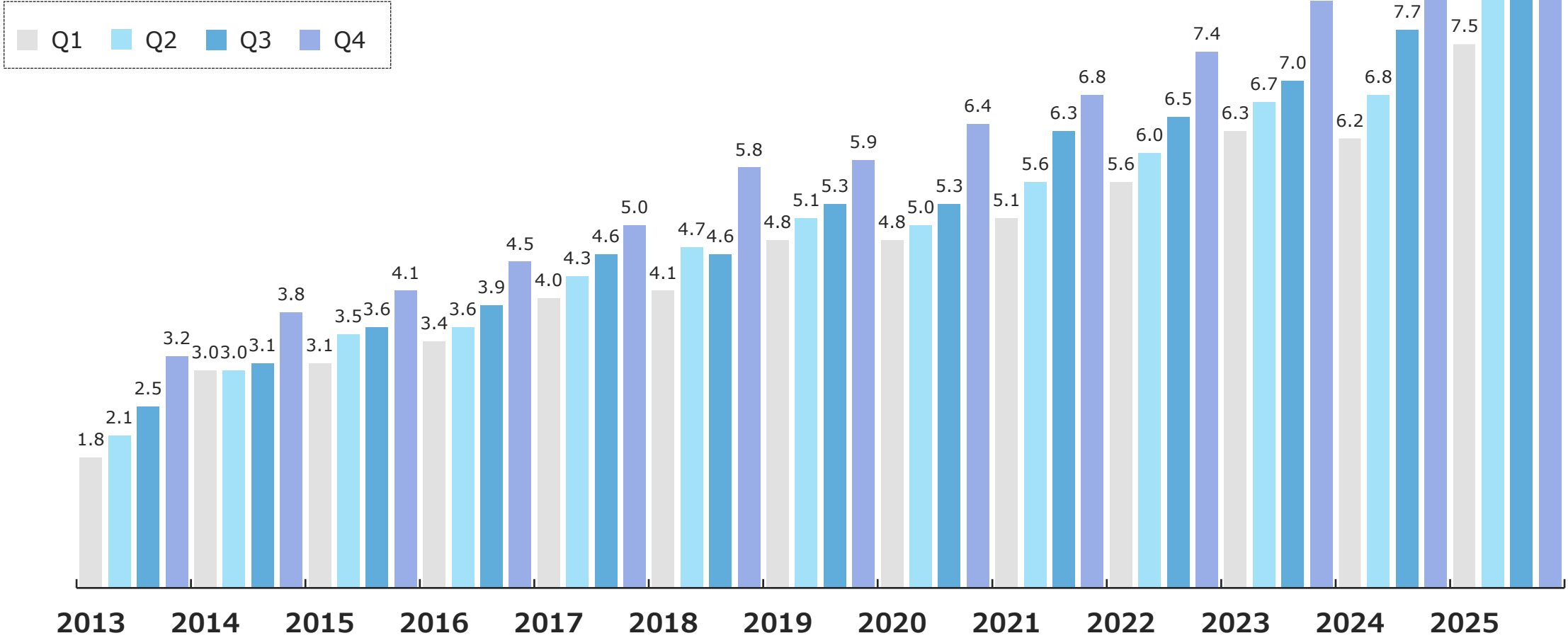
Sales Trend (B yen)

Average annual growth rate
since public listing

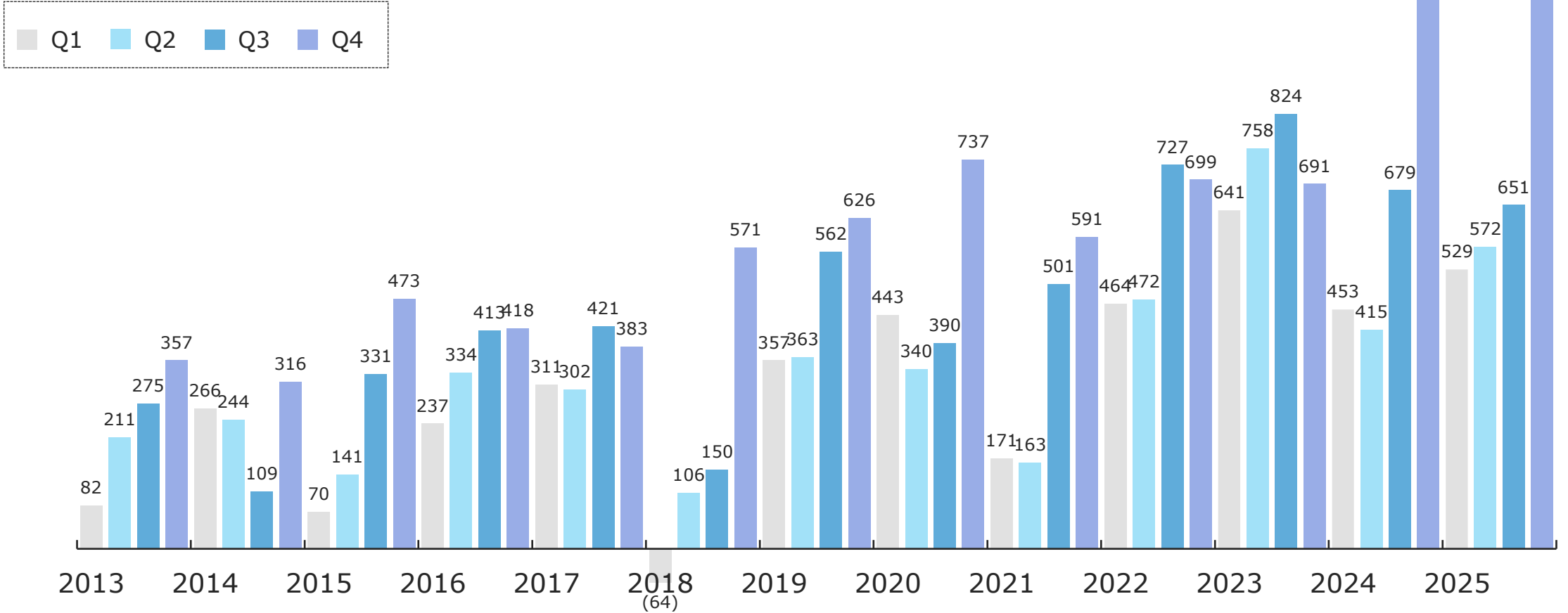
+10.8%



Quarterly Sales (B yen)



Quarterly Ordinary Profit (M yen)





Market Environment

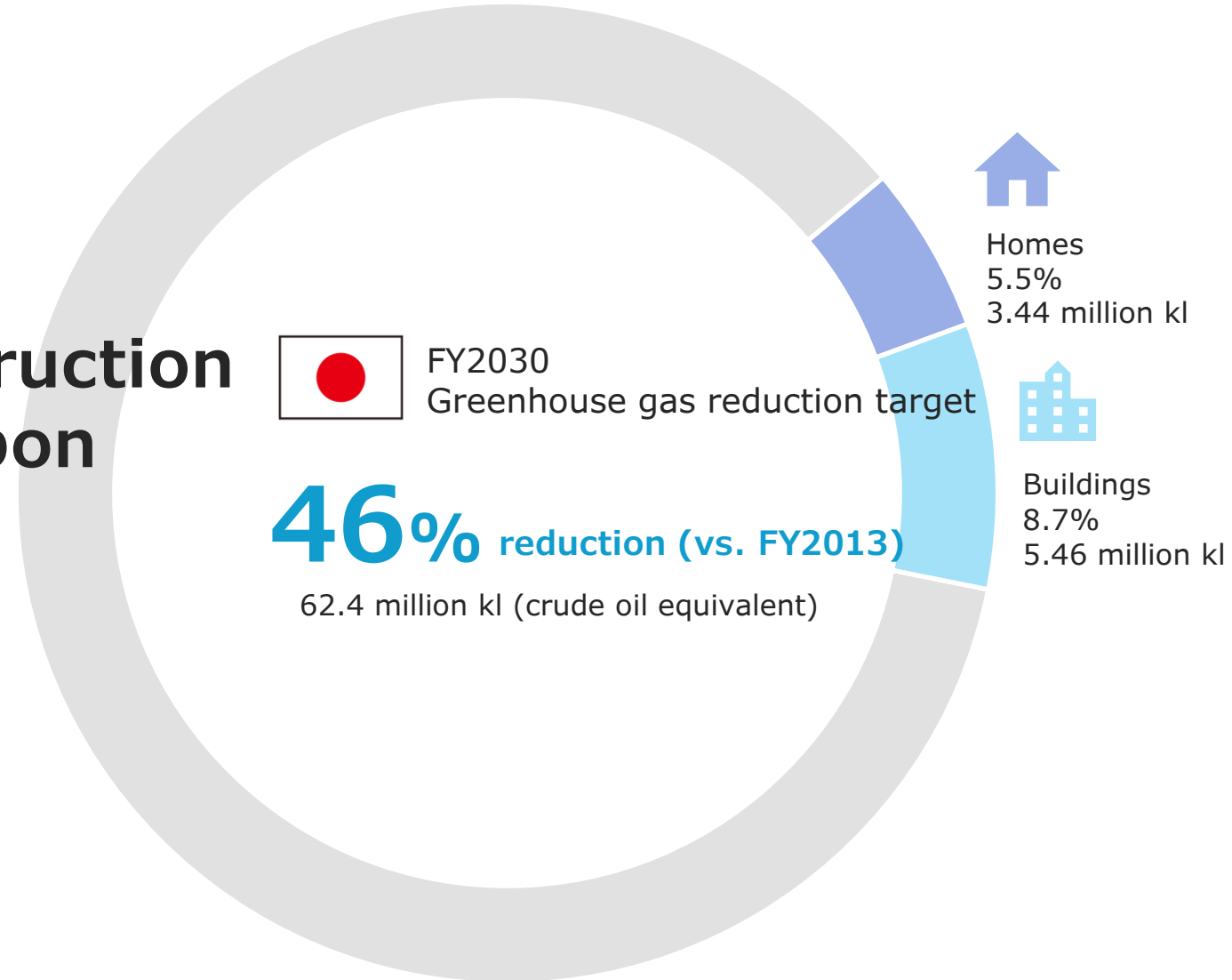
Home and Building Construction Aimed at Realizing a Carbon Free Society

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.

To Achieve Energy-Saving Housing*

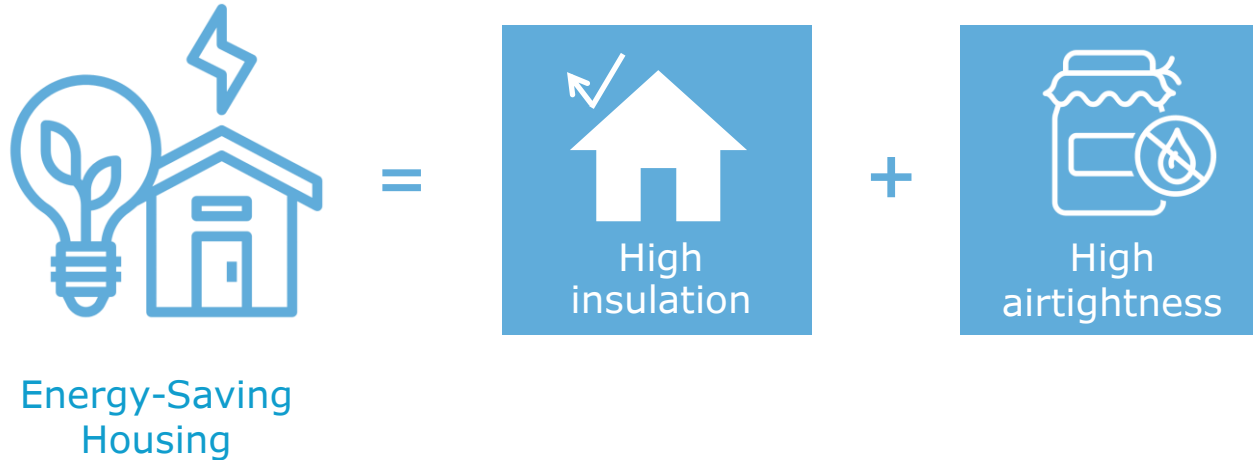
*Housing that is comfortable to live in even with low energy consumption

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.





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

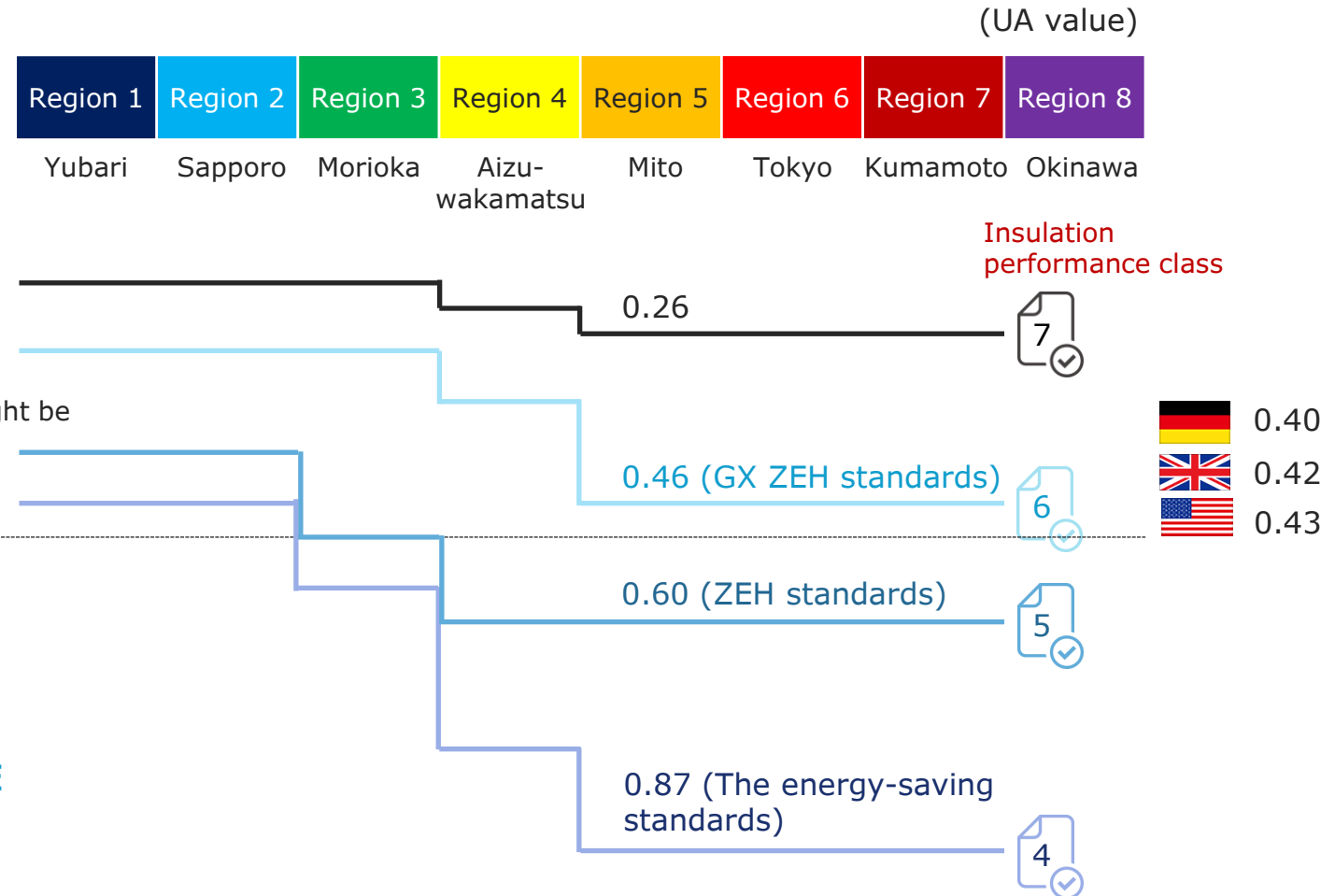


AQUA FOAM NEO

Additional insulation might be necessary.



AQUA FOAM LITE



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
				ZEH Current standards	HEAT20 G2	HEAT20 G3
						ZEH New standards

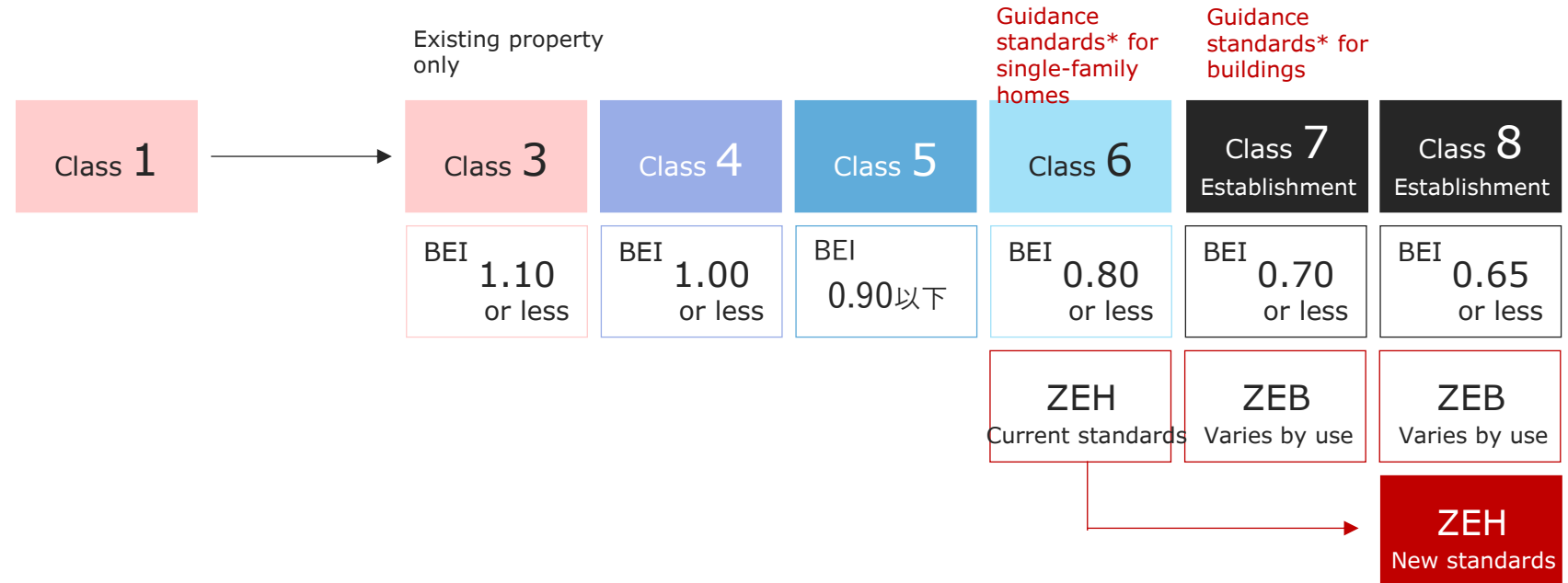
Insulation performance class

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)

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.


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 ZEH standards

 **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).

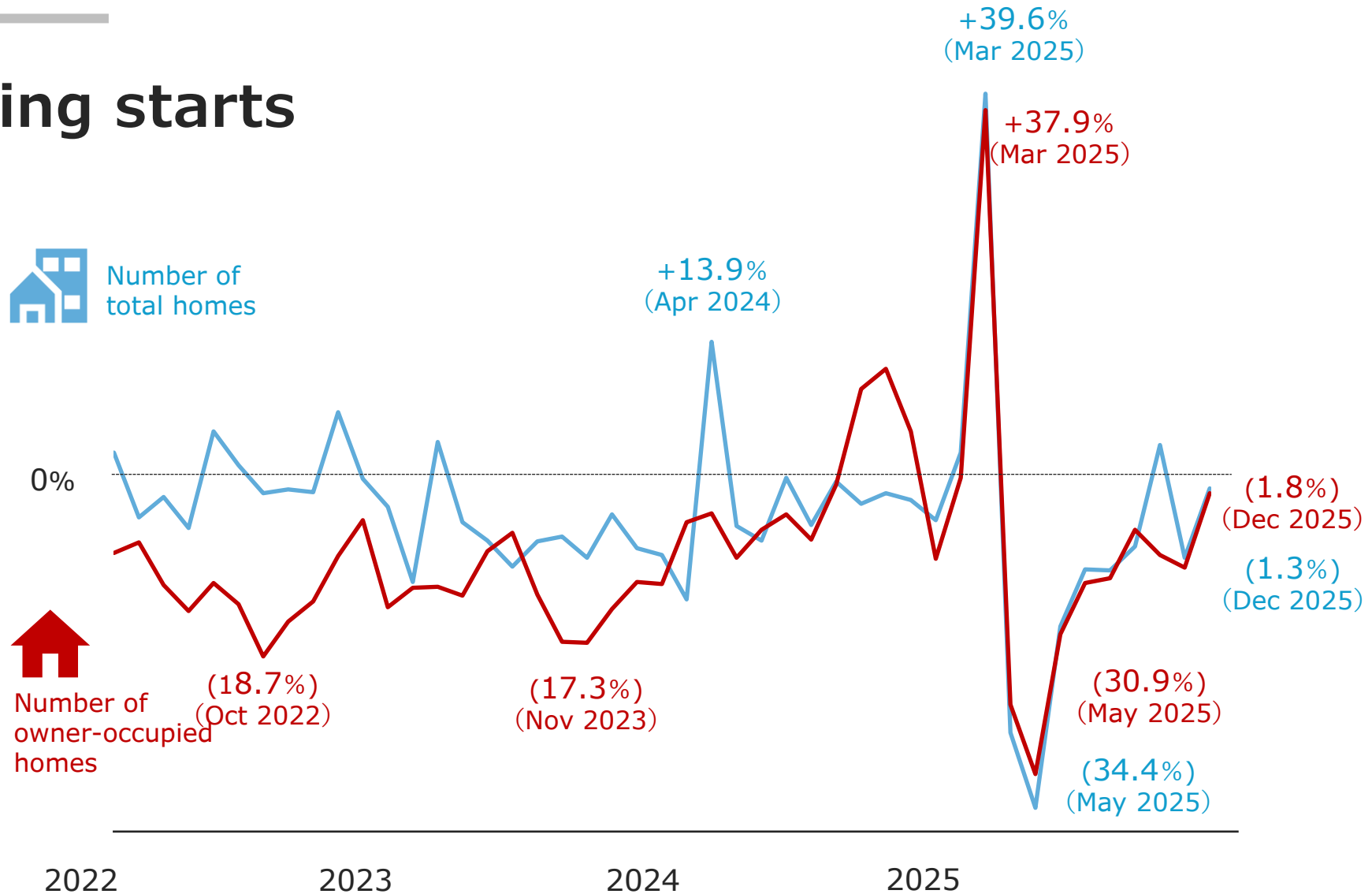
*From April 2024, due to the improved thermal conductivity of AQUA FOAM, enhancing its insulation performance, specifications for Class 6 have become possible, albeit with conditions. **56**

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.



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Disclaimer and Notes Regarding Forward-Looking Statements

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