

Consolidated Financial Results for the Three Months Ended June 30, 2025
<Under Japanese GAAP>

July 31, 2025

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Listing: Tokyo Stock Exchange
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Scheduled date to commence dividend payments: -
Preparation of supplementary material on quarterly financial results: Yes
Holding of quarterly financial results briefing: Yes

(Figures rounded down to the nearest million yen)

1. Consolidated financial results for the three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

(1) Consolidated operating results (% figures represent changes from the same period of the previous year.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended								
June 30, 2025	305,147	2.1	21,219	5.1	20,195	-23.9	13,149	-44.5
June 30, 2024	298,828	4.7	20,198	32.1	26,545	19.7	23,712	-1.7
Note: Comprehensive Income	For the three months ended June 30, 2025:		16,656 million yen		(-49.0%)			
	For the three months ended June 30, 2024:		32,690 million yen		(-15.8%)			

	Profit attributable to owners of parent per share	Profit attributable to owners of parent per share (Diluted)
	yen	yen
Three months ended		
June 30, 2025	31.61	—
June 30, 2024	56.47	—

(2) Consolidated financial position

	Total assets	Net assets	Equity to asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2025	1,290,432	824,641	61.7
March 31, 2025	1,330,786	835,366	60.7
Reference: Equity	As of June 30, 2025: 795,768 million yen	As of March 31, 2025: 807,348 million yen	

2. Cash dividends

	Annual dividends per share				
(Date of Record)	At the end of 1st Q	At the end of 2nd Q	At the end of 3rd Q	Fiscal year-end	Total
	yen	yen	yen	yen	yen
Fiscal year ended					
March 31, 2025	—	37.00	—	42.00	79.00
March 31, 2026	—				
March 31, 2026 (Forecast)		40.00	—	40.00	80.00

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

3. Consolidated outlook for fiscal 2025 (April 1, 2025 to March 31, 2026)

(% figures represent changes from the same period of the previous year.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit attributable to owners of parent per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
1st Half	639,200	1.6	48,900	0.4	49,700	3.2	35,100	-18.2	84.86
Full Year	1,364,500	5.1	115,000	6.5	116,600	5.1	82,000	0.1	198.25

Note: Revisions to the forecast of consolidated earnings most recently announced: Yes

Notes:

- (1) Significant changes in the scope of consolidation during the period: None
 Newly included: -
 Excluded: -
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes
 Note: For further details please refer to "(4) Notes to Consolidated Financial Statements (Accounting treatment specific to the preparation of quarterly consolidated financial statements)" on page 9 of the attached document "2. Consolidated Financial Statements and Notes."
- (3) Changes in accounting policy, changes in accounting estimates, and restatement
 a) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 b) Changes other than a): None
 c) Changes in accounting estimates: None
 d) Restatements: None

(4) Number of shares issued (common shares)				
a) Number of shares issued at the end of the period (including treasury shares):	As of June 30, 2025	440,507,285	As of March 31, 2025	444,507,285
b) Number of treasury shares at the end of the period:	As of June 30, 2025	26,882,157	As of March 31, 2025	26,963,200
c) Average number of outstanding shares during the period (cumulative from the beginning of the fiscal year):	Three months ended June 30, 2025	416,050,286	Three months ended June 30, 2024	419,937,211

Note: Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

Note: Proper use of earnings forecasts, and other special matters

- This report contains revisions to the consolidated forecasts for the first half of the fiscal year announced on April 28, 2025. The full-year forecasts remain unchanged.
- The earnings forecasts and other forward-looking statements presented in this report are based on information available at the time of its issue and on certain assumptions that the Group considers reasonable. Forward-looking statements in no capacity represent a guarantee that the Group will achieve the stated amounts. Various factors can cause actual results to differ materially from the forecasts. For important matters regarding the conditions associated with the assumptions of these forecasts and their appropriate use, please see "I. 3. Revision to the Consolidated Results Forecast and Other Forward-Looking Information" on page 3 of the Quarterly Financial Report (Attached document).

Note: The English-language quarterly financial statements have not been reviewed by certified public accountants or an audit firm.

I. Qualitative Information and Financial Review

1. Overview of Quarterly Business Results

(1) Group Overview

Net Sales: 305.1 billion yen (+2.1%), Operating Profit: 21.2 billion yen (+5.1%), Ordinary Profit: 20.1 billion yen (-23.9%), Profit Attributable to Owners of Parent: 13.1 billion yen (-44.5%)

In the first quarter of fiscal 2025, despite slumps in the domestic housing and non-housing construction markets, global automobile production, and other markets, sales increased due to an increase in the number of houses sold in the Housing business, increased orders in the Housing Renovation business, and other factors. Operating profit reached a new record high as a result of the improved composition of the Housing business and other factors making significant contributions to earnings, despite the recording of one-time expenses related to resin sales transactions in Europe in the High Performance Plastics Company. Ordinary profit decreased, primarily due to effects from foreign exchange rates. In addition, quarterly profit attributable to owners of the parent decreased as a result of a decline in gains on the sale of investment securities.

(2) Overview by Business Segment

[Housing Company]

Net Sales: 128.3 billion yen (+10.4%), Operating Profit: 8.8 billion yen (+81.5%)

In the first quarter of fiscal 2025, sales increased due to increases in the number of houses sold, higher unit prices, and increased orders in the Housing Renovation business, resulting in a substantial increase in profits.

In the Housing business, market conditions for detached housing deteriorated, and as a result, the number of houses ordered was below the plan, but the value of orders received was in line with plans due to higher sales of high-end products such as apartment buildings.

In the Housing Renovation business, orders increased year-on-year due to steady acquisition of maintenance demand originating from regular inspections as a result of reinforced development of sales personnel.

Regarding the Residential business, in the Real Estate business, the purchase and resale business and the apartment renovation business increased. In the Town and Community Development business, new sales of projects started as planned.

[Urban Infrastructure and Environmental Products Company]

Net Sales: 51.9 billion yen (-1.1%), Operating Profit: 3.4 billion yen (-1.7%)

In the first quarter of fiscal 2025, effects from the selling price improvements implemented in the previous fiscal year were observed, but both the domestic housing and non-housing construction markets slumped, and as a result, sales volumes decreased and both sales and profits declined.

In the Pipe Systems field, efforts were focused on solidifying new selling prices and increasing sales of prioritized products, particularly the new chlorinated polyvinyl chloride (CPVC) products launched on the Indian market in the previous fiscal year and polyethylene pipes, but net sales decreased year-on-year due to the slump in the domestic housing market and effects from prolonged construction periods in the non-housing construction field.

In the Buildings and Infrastructures Composite Materials field, net sales increased year-on-year as a result of increased sales of prioritized products including fire protection and non-combustible materials as well as the capture of renovation demand.

In the Infrastructure Renovation field, net sales increased year-on-year due to orders for large-scale plant equipment projects and solid demand for renovation of panel tanks for water supply.

[High Performance Plastics Company]

Net Sales: 108.2 billion yen (-2.2%), Operating Profit: 13.7 billion yen (-6.3%)

In the first quarter of fiscal 2025, sales decreased due to effects from slumps in some markets, particularly in the mobility field, as well as the continued appreciation of the yen. Operating profit decreased due to the recording of one-time expenses related to resin sales transactions in Europe.

In the Electronics field, demand for large display panels and smartphones was firm, resulting in a year-on-year increase in net sales.

In the Mobility field, despite growth of interlayer films used for head-up displays, sales of design films slumped, and as a result, net sales decreased year-on-year.

In the Industrial field, demand for building materials and consumer goods slumped both in Japan and overseas, resulting in a year-on-year decrease in net sales.

[Medical Business]

Net Sales: 20.5 billion yen (-8.0%), Operating Profit: 1.5 billion yen (-35.0%)

In the first quarter of fiscal 2025, despite efforts to control fixed costs, both profits and sales decreased due to a slump in demand in the Diagnostics business in Japan and overseas.

In the Diagnostics business, net sales decreased year-on-year due to a decline in demand for infectious disease diagnostic kits in Japan and the U.S. as well as a deterioration of market conditions in China.

In the Pharmaceuticals Sciences business, net sales increased year-on-year due to steady sales of key active pharmaceutical ingredients and orders in the contract drug development solutions business.

2. Overview of Quarterly Financial Position

Status of assets, liabilities, and net assets

Consolidated total assets as of the end of the first quarter of fiscal 2025 were 1,290,432 million yen, a decrease of 40,353 million yen from the end of the previous fiscal year.

(Assets)

Current assets were 651,338 million yen, a decrease of 51,766 million yen from the end of the previous fiscal year. The main factors were a decrease of 39,016 million yen in cash and deposits, a decrease of 18,522 million yen in trade receivables, and an increase of 7,375 million yen in inventories.

Fixed assets were 639,094 million yen, an increase of 11,412 million yen.

(Liabilities)

Total liabilities were 465,791 million yen, a decrease of 29,628 million yen as a result of a decrease of 13,849 million yen in total trade payables comprising notes payable - trade, electronically recorded

obligations - operating, accounts payable - trade, and accrued expenses, a decrease of 8,664 million yen in provision for bonuses, a decrease of 7,574 million yen in income taxes payable, and other factors.

(Net Assets)

Net assets were 824,641 million yen as of the end of the first quarter of fiscal 2025, a decrease of 10,725 million yen from the end of the previous fiscal year. The main factors were the recording of 13,149 million yen in profit attributable to owners of the parent, 17,578 million yen in dividends paid, 9,989 million yen in purchase of treasury shares, and an increase of 2,920 million yen in foreign currency translation adjustment.

3. Revision to the Consolidated Results Forecast and Other Forward-Looking Information

Regarding the forecast of consolidated results for the first half of fiscal 2025, conditions in certain markets have stagnated and exchange rates have moved in the direction of a stronger yen, while raw material prices have been lower than initially anticipated. In light of these factors, we revised the forecast announced on April 28, 2025 as shown in the table below.

Revision to the forecast for the first half of FY2025 (April 1, 2025 to September 30, 2025)

	Net Sales	Operating Profit	Ordinary Profit	Profit Attributable to Owners of Parent	Net Profit per Share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous forecast (A)	658,000	48,900	49,700	35,100	84.06
Revised forecast (B)	639,200	48,900	49,700	35,100	84.86
Change (B-A)	-18,800	0	0	0	—
Change (%)	- 2.9	0.0	0.0	0.0	—
(Reference) Results for the first half of the previous year (first half of FY2024)	629,054	48,723	48,142	42,925	102.51

At this stage, the forecast of consolidated results for the full fiscal year remains unchanged.

2. Consolidated Financial Statements and Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	142,586	103,569
Notes receivable - trade	37,820	35,326
Accounts receivable - trade	167,960	151,933
Contract assets	1,758	1,680
Merchandise and finished goods	110,721	116,433
Land for sale in lots	69,187	71,684
Work in process	72,006	70,979
Raw materials and supplies	61,903	62,097
Advance payments to suppliers	5,274	5,465
Prepaid expenses	7,389	8,792
Short-term loans receivable	714	569
Other	26,465	23,307
Allowance for doubtful accounts	(686)	(501)
Total current assets	703,104	651,338
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	121,784	122,742
Machinery, equipment and vehicles, net	113,941	114,191
Land	86,517	87,018
Leased assets, net	21,294	22,084
Construction in progress	46,085	51,834
Other, net	14,245	14,585
Total property, plant and equipment	403,870	412,457
Intangible assets		
Goodwill	6,874	6,541
Software	16,915	33,087
Leased assets	64	65
Other	35,276	20,338
Total intangible assets	59,131	60,032
Investments and other assets		
Investment securities	105,102	106,631
Long-term loans receivable	923	1,039
Long-term prepaid expenses	1,757	2,418
Retirement benefit asset	35,575	34,837
Deferred tax assets	4,855	5,696
Other	17,179	16,905
Allowance for doubtful accounts	(714)	(923)
Total investments and other assets	164,679	166,604
Total non-current assets	627,681	639,094
Total assets	1,330,786	1,290,432

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Notes payable - trade	413	475
Electronically recorded obligations - operating	15,782	14,185
Accounts payable - trade	107,356	99,832
Short-term borrowings	2,340	2,727
Current portion of bonds payable	—	10,000
Lease liabilities	5,422	5,490
Accrued expenses	44,254	39,464
Income taxes payable	16,870	9,295
Provision for bonuses	22,219	13,555
Provision for bonuses for directors (and other officers)	488	227
Provision for warranties for completed construction	2,209	2,143
Provision for share awards	108	148
Advances received	69,557	63,853
Other	52,977	58,866
Total current liabilities	340,002	320,266
Non-current liabilities		
Bonds payable	40,000	30,000
Long-term borrowings	46,042	45,965
Lease liabilities	17,025	17,786
Deferred tax liabilities	1,524	1,534
Retirement benefit liability	42,824	42,388
Provision for share awards	1,154	1,236
Other	6,845	6,612
Total non-current liabilities	155,417	145,524
Total liabilities	495,420	465,791
Net assets		
Shareholders' equity		
Share capital	100,002	100,002
Capital surplus	105,068	105,073
Retained earnings	544,799	532,815
Treasury shares	(50,082)	(52,432)
Total shareholders' equity	699,787	685,459
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	36,889	37,514
Deferred gains or losses on hedges	(0)	(0)
Revaluation reserve for land	319	307
Foreign currency translation adjustment	62,160	65,081
Remeasurements of defined benefit plans	8,190	7,405
Total accumulated other comprehensive income	107,560	110,308
Non-controlling interests	28,018	28,872
Total net assets	835,366	824,641
Total liabilities and net assets	1,330,786	1,290,432

(2) Consolidated Statements of Income and Statement of Comprehensive Income

(Consolidated Statements of Income)

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net sales	298,828	305,147
Cost of sales	202,703	206,300
Gross profit	96,125	98,847
Selling, general and administrative expenses	75,927	77,627
Operating profit	20,198	21,219
Non-operating income		
Interest income	466	593
Dividend income	1,696	1,625
Share of profit of entities accounted for using equity method	—	262
Foreign exchange gains	4,635	—
Miscellaneous income	530	508
Total non-operating income	7,328	2,990
Non-operating expenses		
Interest expenses	242	297
Share of loss of entities accounted for using equity method	228	—
Foreign exchange losses	—	3,253
Miscellaneous expenses	511	463
Total non-operating expenses	981	4,014
Ordinary profit	26,545	20,195
Extraordinary income		
Gain on sale of investment securities	7,876	44
Gain on sale of non-current assets	—	14
Total extraordinary income	7,876	59
Extraordinary losses		
Loss on sale and retirement of non-current assets	214	357
Impairment losses	—	13
Loss on valuation of investment securities	—	0
Total extraordinary losses	214	370
Profit before income taxes	34,207	19,883
Income taxes	10,072	6,285
Profit	24,134	13,598
Profit attributable to non-controlling interests	421	448
Profit attributable to owners of parent	23,712	13,149

(Consolidated Statement of Comprehensive Income)

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Profit	24,134	13,598
Other comprehensive income		
Valuation difference on available-for-sale securities	(4,377)	689
Deferred gains or losses on hedges	(0)	(0)
Foreign currency translation adjustment	15,042	3,242
Remeasurements of defined benefit plans, net of tax	(1,950)	(797)
Share of other comprehensive income of entities accounted for using equity method	(158)	(75)
Total other comprehensive income	8,556	3,058
Comprehensive income	32,690	16,656
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	31,567	15,897
Comprehensive income attributable to non-controlling interests	1,122	758

(3) Consolidated Statement of Cash Flows

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Cash flows from operating activities		
Profit before income taxes	34,207	19,883
Depreciation	12,728	13,785
Amortization of goodwill	350	318
Impairment losses	—	13
Loss on retirement of non-current assets	209	352
Loss (gain) on sale of non-current assets	5	(10)
Increase (decrease) in provision for bonuses	(6,409)	(8,583)
Increase or decrease in retirement benefit asset and liability	(516)	(920)
Loss (gain) on sale of investment securities	(7,876)	(44)
Loss (gain) on valuation of investment securities	—	0
Interest and dividend income	(2,162)	(2,218)
Interest expenses	242	297
Share of loss (profit) of entities accounted for using equity method	228	(262)
Decrease (increase) in accounts receivable - trade, and contract assets	14,850	18,676
Decrease (increase) in inventories	(8,028)	(6,305)
Increase (decrease) in trade payables	(15,566)	(14,940)
Increase (decrease) in advances received	3,536	(6,054)
Increase (decrease) in deposits received	3,133	4,804
Other, net	(4,839)	1,551
Subtotal	24,092	20,342
Interest and dividends received	2,284	2,179
Interest paid	(352)	(243)
Income taxes paid	(21,165)	(14,008)
Net cash provided by (used in) operating activities	4,860	8,269
Cash flows from investing activities		
Purchase of property, plant and equipment	(11,523)	(14,346)
Proceeds from sale of property, plant and equipment	282	236
Payments into time deposits	(4,644)	(4,694)
Proceeds from withdrawal of time deposits	3,728	9,399
Purchase of investment securities	(63)	(539)
Proceeds from sale and redemption of investment securities	8,244	38
Purchase of intangible assets	(2,264)	(4,366)
Decrease (increase) in short-term loans receivable	161	14
Other, net	60	(106)
Net cash provided by (used in) investing activities	(6,017)	(14,365)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	1,336	316
Repayments of lease liabilities	(1,418)	(1,480)
Repayments of long-term borrowings	(9,183)	(92)
Redemption of bonds	(30)	—
Dividends paid	(16,482)	(17,584)
Dividends paid to non-controlling interests	(102)	(412)
Purchase of treasury shares	(8,919)	(9,989)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	—	(9)
Other, net	139	154
Net cash provided by (used in) financing activities	(34,661)	(29,098)
Effect of exchange rate change on cash and cash equivalents	2,933	405
Net increase (decrease) in cash and cash equivalents	(32,885)	(34,788)
Cash and cash equivalents at beginning of period	126,367	120,895
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	60	738
Cash and cash equivalents at end of period	93,542	86,845

(4) Notes to Consolidated Financial Statements

(The premise of a going concern)

Not applicable.

(Significant Change in Shareholder Equity)

Not applicable.

(Accounting treatment specific to the preparation of quarterly consolidated financial statements)

(Calculation of tax expense)

Tax expenses are calculated by reasonably estimating the effective tax rate after applying tax effect accounting to profit before income taxes for the fiscal year, including the third quarter of the current fiscal year, and multiplying profit before income taxes (quarterly) by the estimated effective tax rate. However, if the calculation of tax expenses using such estimated effective tax rate would significantly lack rationality, tax expenses are calculated using the statutory tax rate. Income taxes - deferred are included in income taxes.

(Segment Information)

Three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

1. Information on the amounts of net sales, and profit or loss, for each reportable segment and information on disaggregation of revenue

(Millions of yen)

	Reportable Segments					Other (Notes 1,2)	Total
	Housing (Note 1)	UIEP	HPP	Medical	Total		
Net Sales							
Japan	115,938	41,005	27,443	10,056	194,443	586	195,029
North America	—	1,047	28,853	5,734	35,634	—	35,634
Europe	—	1,701	22,663	2,657	27,021	—	27,021
China	—	963	16,807	3,323	21,094	575	21,669
Asia	308	4,264	11,955	500	17,029	11	17,040
Others	—	596	1,769	67	2,432	—	2,432
Net sales to external customers	116,247	49,577	109,492	22,339	297,656	1,172	298,828
Intersegment sales or transfers	(11)	2,941	1,129	—	4,059	528	4,587
Total	116,235	52,518	110,622	22,339	301,715	1,700	303,416
Segment profit (loss)	4,859	3,531	14,660	2,307	25,358	(2,950)	22,407

(Note 1) Net sales in “Housing” include 11,110 million yen that does not correspond to revenue from contracts with customers under “Japan.”

Net sales in “Other” include 284 million yen that does not correspond to revenue from contracts with customers under “Japan.”

(Note 2) “Other” represents segments other than the reportable segments and includes provision of services and manufacturing and sales of film-type lithium-ion batteries and products not included in the reportable segments.

2. Difference between the total amount of profit or loss of the reportable segments and the amount recorded in the quarterly consolidated statement of income, and descriptions on such difference (matters on difference adjustment)

(Millions of yen)

Profit	Amount
Reportable segment total	25,358
Profit (loss) in “Other”	(2,950)
Intersegment eliminations	105
Corporate expenses (Note)	(2,314)
Operating profit in the quarterly consolidated statement of income	20,198

(Note) Corporate expenses are mainly general and administrative expenses not attributable to each reportable segment.

Three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

1. Information on the amounts of net sales, and profit or loss, for each reportable segment and information on disaggregation of revenue

(Millions of yen)

	Reportable Segments					Other (Notes 1,2)	Total
	Housing (Note 1)	UIEP	HPP	Medical	Total		
Net Sales							
Japan	127,692	41,397	28,127	10,756	207,974	534	208,509
North America	—	571	27,489	3,935	31,996	—	31,996
Europe	—	1,858	20,130	2,632	24,620	—	24,620
China	—	555	17,590	2,704	20,849	98	20,948
Asia	435	3,767	11,858	447	16,508	19	16,528
Others	—	589	1,880	74	2,544	—	2,544
Net sales to external customers	128,128	48,739	107,076	20,550	304,495	652	305,147
Intersegment sales or transfers	225	3,182	1,137	—	4,546	672	5,219
Total	128,354	51,921	108,214	20,550	309,041	1,325	310,366
Segment profit (loss)	8,820	3,469	13,741	1,500	27,531	(3,291)	24,240

(Note 1) Net sales in “Housing” include 11,462 million yen that does not correspond to revenue from contracts with customers under “Japan.”

Net sales in “Other” include 254 million yen that does not correspond to revenue from contracts with customers under “Japan.”

(Note 2) “Other” represents segments other than the reportable segments and includes provision of services and manufacturing and sales of film-type lithium-ion batteries and products not included in the reportable segments.

2. Difference between the total amount of profit or loss of the reportable segments and the amount recorded in the quarterly consolidated statement of income, and descriptions on such difference (matters on difference adjustment)

(Millions of yen)

Profit	Amount
Reportable segment total	27,531
Profit (loss) in “Other”	(3,291)
Intersegment eliminations	(55)
Corporate expenses (Note)	(2,966)
Operating profit in the quarterly consolidated statement of income	21,219

(Note) Corporate expenses are mainly general and administrative expenses not attributable to each reportable segment.