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Consolidated Financial Results for the Six Months Ended September 30, 2026 [Japanese GAAP]

November 10, 2026

Company name: TAIHEIYO CEMENT CORPORATION
Listing: Tokyo, Fukuoka
Securities code: 5233
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Scheduled date of filing semi-annual securities report: November 11, 2026
Scheduled date of commencing dividend payments: December 2, 2026
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (For Analysts and Institutional Investors)

(Yen amounts are rounded to the nearest million.)

1. Consolidated Financial Results for the Six Months Ended September 30, 2026 (April 1, 2026 to September 30, 2026)

(1) Consolidated Operating Results (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
September 30, 2026	469,278	7.1	30,318	(7.7)	28,726	(12.8)	36,748	50.1
September 30, 2025	438,141	(1.2)	32,853	(9.7)	32,946	(6.9)	24,485	(18.9)

(Note) Comprehensive income: Six months ended September 30, 2026: 45,255 million yen [- %]
Six months ended September 30, 2025: 1,583 million yen [(97.8)%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2026	334.60	334.38
September 30, 2025	219.68	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Million yen	Million yen	%
September 30, 2026	1,650,253	745,038	42.9
March 31, 2026	1,479,061	712,237	46.0

(Reference) Equity: As of September 30, 2026: 708,419 million yen
As of March 31, 2026: 680,569 million yen

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	-	50.00	-	50.00	100.00
Fiscal year ending March 31, 2027	-	60.00			
Fiscal year ending March 31, 2027 (Forecast)			-	60.00	120.00

(Note) Revision to the forecast for dividends announced most recently: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2027 (April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	1,010,000	12.4	63,000	(15.6)	55,500	(26.1)	51,000	100.8	464.36

(Note) Revision to the financial results forecast announced most recently: Yes

* Notes:

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included 1 company in the scope of consolidation. (Company name) Yakushima Denko Co., Ltd.

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: Yes

(Note) For details, please see "2. Semi-annual Consolidated Financial Statements and Major Notes, (4) Notes to semi-annual consolidated financial statements, (Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements)" on page 10 of the Attached Materials of these Semi-annual Financial Results.

(3) Changes in accounting policies, changes in accounting estimates, and restatement

1) Changes in accounting policies due to revisions to accounting standards and other regulations: None
2) Changes in accounting policies due to other reasons: None
3) Changes in accounting estimates: None
4) Restatement: None

(4) Number of issued shares (common shares)

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

September 30, 2026:	118,191,578	shares
March 31, 2026:	118,191,578	shares

2) Total number of treasury shares at the end of the period:

September 30, 2026:	8,960,194	shares
March 31, 2026:	6,588,740	shares

3) Average number of shares outstanding during the period:

Six months ended September 30, 2026:	109,829,618	shares
Six months ended September 30, 2025:	111,455,805	shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

<Cautionary Note Regarding Forward-looking Statements>

Forward-looking statements such as performance forecasts included in this document are based on information currently available to the Company and on certain assumptions deemed reasonable. However, actual results may differ materially due to various factors, including economic conditions, market demand, raw material prices, exchange rates, etc. For matters concerning earnings forecasts, please see "1. Overview of Operating Results, etc., (3) Explanation of consolidated financial results forecast and other forward-looking information" on page 3 of the Attached Materials of these Semi-annual Financial Results.

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1. Overview of Operating Results, etc.

(1) Overview of operating results for the six months under review

During the six months ended September 30, 2026, the Japanese economy recovered moderately on the back of factors including continued improvement in the employment and income situation, the recovery of consumer spending and capital investment, and solid public investment, despite concerns over the impact of the Middle East situation and natural disasters. The economic outlook, however, has remained uncertain, mainly due to factors including continued price increases and rising geopolitical risks.

As for the global economy, although the U.S. economy continued to expand gradually, supported by consumer spending and capital investment, uncertainty remained amid a slowdown in employment conditions and weakness in the housing market.

Under such circumstances, net sales for the six months ended September 30, 2026 were ¥469,278 million (up ¥31,137 million year-on-year), operating profit was ¥30,318 million (down ¥2,535 million year-on-year), ordinary profit was ¥28,726 million (down ¥4,220 million year-on-year), and profit attributable to owners of parent was ¥36,748 million (up ¥12,263 million year-on-year).

Operating results by segment are as follows. The presented amounts are figures before elimination of inter-segment transactions.

① Cement Business

While domestic cement demand was supported by countermeasure construction for national resilience, urban development projects, and construction related to nuclear power plants, it continued to be weighed down by soaring construction costs, chronic labor shortages, and the spread of a five-day week, as well as a slump in demand observed in various regions and delays in construction processes stemming from poor weather conditions such as heavy rain and measures to prevent heatstroke in the summer season. As a result, domestic cement demand decreased 5.5% year-on-year to 14.50 million tons, of which, imported cement decreased 99.2% year-on-year to 0.1 thousand tons. Total exports increased 0.1% year-on-year to 4.47 million tons.

Under these circumstances, the Group's domestic cement sales by volume, including consignment sales, decreased 7.0% year-on-year to 5.27 million tons. Exports increased 4.6% year-on-year to 1.72 million tons.

At West Coast U.S. cement businesses, amid flat demand, both sales by volume and selling prices were flat year-on-year. In the cement business in Vietnam, sales by volume were flat year-on-year. In the cement business in the Philippines, sales by volume increased year-on-year.

As a result of the above, net sales were ¥349,837 million (up ¥23,107 million year-on-year), and operating profit was ¥18,659 million (down ¥2,525 million year-on-year).

② Mineral Resources Business

In the aggregates business, while sales by volume declined nationwide, special demand in the Hokkaido region has continued since the first quarter. In the mineral products business, sales by volume of limestone for overseas steelmaking declined. In the geo-solutions business, the volume of accepted excavated soil declined. In addition, efforts to pass on various cost increases to selling prices progressed in the entire business.

As a result, net sales were ¥46,421 million (up ¥1,118 million year-on-year), and operating profit was ¥5,511 million (up ¥320 million year-on-year).

③ Environmental Business

While there was a decline in the volume of operations of intermediary storage of soil generated from the Linear Chuo Shinkansen construction due to the impact of construction plans, coal ash treatment and the treatment of raw material-related waste performed firmly.

As a result, net sales were ¥43,727 million (up ¥3,818 million year-on-year), and operating profit was ¥4,845 million (up ¥329 million year-on-year).

④ Construction Materials Business

The operating results were affected by various cost increases including shipping and labor costs, in addition to sluggish sales of ALC (Autoclaved Lightweight aerated Concrete) as well as construction and civil engineering materials.

As a result, net sales were ¥20,876 million (down ¥594 million year-on-year), and operating profit was ¥151 million (down ¥765 million year-on-year).

⑤ Other Business

Net sales were ¥40,009 million (up ¥4,538 million year-on-year), and operating profit was ¥1,316 million (up ¥213 million year-on-year).

(2) Overview of financial position for the six months under review

Total assets increased ¥171,192 million from the end of the previous fiscal year to ¥1,650,253 million. Current assets increased ¥34,529 million from the end of the previous fiscal year to ¥447,130 million, and non-current assets increased ¥136,662 million to ¥1,203,123 million. The increase in current assets was mainly due to an increase in cash and deposits. The increase in non-current assets was mainly due to an increase in other intangible assets.

Liabilities increased ¥138,391 million from the end of the previous fiscal year to ¥905,215 million. Current liabilities increased ¥28,682 million from the end of the previous fiscal year to ¥445,584 million, and non-current liabilities increased ¥109,709 million to ¥459,631 million. The increase in current liabilities was mainly due to an increase in short-term borrowings. The increase in non-current liabilities was mainly due to an increase in long-term borrowings. Interest-bearing debt (total amount of short-term borrowings, commercial papers, current portion of bonds payable, bonds payable, and long-term borrowings) increased ¥114,524 million from the end of the previous fiscal year to ¥504,291 million.

Net assets increased ¥32,801 million from the end of the previous fiscal year to ¥745,038 million. This was mainly due to an increase in retained earnings resulting from the recording of profit attributable to owners of parent.

(3) Explanation of consolidated financial results forecast and other forward-looking information

Looking ahead, the Japanese economy is expected to continue recovering at a moderate pace, supported by capital investment and consumer spending. However, in addition to the impact on economic activity caused by the prolonged situation in the Middle East and the occurrence of natural disasters, trends in prices, exchange rates, financial and capital markets, and other factors must continue to be monitored closely.

Under these circumstances, turning our attention to the Group's business environment, in our core domestic cement business, a certain amount of demand is expected owing to countermeasure construction for national resilience, disaster prevention and mitigation-related projects, redevelopment projects mainly in the Tokyo metropolitan area, factory construction resulting from the reshoring of supply chains, construction related to the Linear Chuo Shinkansen, and others. In addition, the Group will continue to contribute to recovery and reconstruction through its response to natural disasters, which have become more frequent and severe in recent years. On the other hand, the Group needs to remain mindful of downside risks to demand stemming from delays in construction progress caused by a chronic labor shortage and the spread of a five-day week at construction sites, and the impact of soaring construction costs in some cases. On October 1, 2026, the Group welcomed TOKUYAMA TAIHEIYO CORPORATION as a Group company, thereby strengthening the foundation of its domestic cement and solidifying materials sales business. This will enable the Group to expand its domestic sales network and enhance its customer service capabilities, thereby accelerating the revitalization of its domestic business, while maximizing the effect of the cement and solidifying materials price revision to be implemented from April 2027.

In the U.S., the economy is expected to continue expanding moderately, driven mainly by consumer spending and capital investment, while demand related to infrastructure investment and the Los Angeles Olympics and Paralympics scheduled to be held in 2028 is also expected. However, weakness in the housing market, trade policy, and trends in financial markets must continue to be monitored closely.

The full-year consolidated financial results forecasts have been revised as follows. For details, please see the "Notice Regarding the Revision of Financial Results Forecasts for the Fiscal Year Ending March 31, 2027" released today.

Consolidated financial results forecasts for the fiscal year ending March 31, 2027 (April 1, 2026 to March 31, 2027)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previous forecast (A)	1,027,000	76,000	70,000	63,000	575.14
Revised forecast (B)	1,010,000	63,000	55,500	51,000	464.36
Change (B-A)	(17,000)	(13,000)	(14,500)	(12,000)	-
Change (%)	(1.7)	(17.1)	(20.7)	(19.0)	-

2. Semi-annual Consolidated Financial Statements and Major Notes

(1) Semi-annual Consolidated Balance Sheets

(Million yen)

	As of March 31, 2026	As of September 30, 2026
Assets		
Current assets		
Cash and deposits	63,719	76,851
Notes and accounts receivable - trade, and contract assets	147,951	153,725
Electronically recorded monetary claims - operating	38,521	44,462
Merchandise and finished goods	59,353	63,826
Work in process	1,696	4,519
Raw materials and supplies	76,188	81,650
Other	25,293	22,237
Allowance for doubtful accounts	(121)	(139)
Total current assets	412,601	447,130
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	172,088	184,382
Machinery, equipment and vehicles, net	260,860	292,527
Land	164,938	188,407
Other, net	151,272	164,831
Total property, plant and equipment	749,158	830,147
Intangible assets		
Goodwill	81	403
Other	43,435	104,703
Total intangible assets	43,516	105,106
Investments and other assets		
Investment securities	158,763	153,055
Retirement benefit asset	69,838	69,790
Other	46,087	45,962
Allowance for doubtful accounts	(901)	(936)
Total investments and other assets	273,787	267,870
Total non-current assets	1,066,461	1,203,123
Total assets	1,479,061	1,650,253

(Million yen)

	As of March 31, 2026	As of September 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	73,662	74,731
Electronically recorded obligations - operating	17,372	19,188
Short-term borrowings	158,500	190,190
Commercial papers	26,000	41,000
Current portion of bonds payable	12,700	-
Income taxes payable	5,822	7,110
Provision for bonuses	7,828	7,768
Provision for product compensation	991	905
Other provisions	305	130
Other	113,722	104,563
Total current liabilities	416,902	445,584
Non-current liabilities		
Bonds payable	42,300	57,300
Long-term borrowings	150,267	215,801
Retirement benefit liability	22,546	22,848
Provision for retirement benefits for directors (and other officers)	486	455
Provision for special repairs	354	378
Provision for product compensation	2,121	1,776
Provision for environmental measures	187	1,960
Other provisions	173	179
Asset retirement obligations	14,447	16,308
Other	117,040	142,627
Total non-current liabilities	349,922	459,631
Total liabilities	766,824	905,215
Net assets		
Shareholders' equity		
Share capital	86,174	86,174
Capital surplus	49,493	49,682
Retained earnings	432,913	463,356
Treasury shares	(21,516)	(30,586)
Total shareholders' equity	547,064	568,625
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	36,819	35,370
Deferred gains or losses on hedges	1	0
Revaluation reserve for land	3,419	3,381
Foreign currency translation adjustment	60,122	71,083
Remeasurements of defined benefit plans	33,145	29,960
Total accumulated other comprehensive income	133,505	139,794
Non-controlling interests	31,668	36,618
Total net assets	712,237	745,038
Total liabilities and net assets	1,479,061	1,650,253

(2) Semi-annual Consolidated Statements of Income and Comprehensive Income

Semi-annual Consolidated Statements of Income (For the six months)

(Million yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Net sales	438,141	469,278
Cost of sales	332,957	360,515
Gross profit	105,185	108,763
Selling, general and administrative expenses	72,331	78,445
Operating profit	32,853	30,318
Non-operating income		
Interest income	435	597
Dividend income	1,945	1,952
Share of profit of entities accounted for using equity method	1,072	1,383
Other	2,169	1,091
Total non-operating income	5,622	5,022
Non-operating expenses		
Interest expenses	2,805	4,471
Other	2,723	2,144
Total non-operating expenses	5,529	6,615
Ordinary profit	32,946	28,726
Extraordinary income		
Gain on disposal of non-current assets	625	19,093
Gain on sale of investment securities	3	1,523
Gain on bargain purchase	-	2,332
Other	16	49
Total extraordinary income	644	22,997
Extraordinary losses		
Loss on disposal of non-current assets	1,488	1,511
Loss on step acquisitions	-	1,575
Provision for environmental measures	-	1,780
Other	95	162
Total extraordinary losses	1,583	5,028
Profit before income taxes	32,008	46,695
Income taxes	6,906	8,579
Profit	25,101	38,116
Profit attributable to non-controlling interests	616	1,367
Profit attributable to owners of parent	24,485	36,748

Semi-annual Consolidated Statements of Comprehensive Income (For the six months)

(Million yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Profit	25,101	38,116
Other comprehensive income		
Valuation difference on available-for-sale securities	10,042	(1,655)
Deferred gains or losses on hedges	0	(0)
Foreign currency translation adjustment	(30,070)	12,387
Remeasurements of defined benefit plans, net of tax	(962)	(3,186)
Share of other comprehensive income of entities accounted for using equity method	(2,528)	(407)
Total other comprehensive income	(23,518)	7,139
Comprehensive income	1,583	45,255
(Breakdown)		
Comprehensive income attributable to owners of parent	3,192	43,075
Comprehensive income attributable to non-controlling interests	(1,609)	2,179

(3) Semi-annual Consolidated Statements of Cash Flows

(Million yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Cash flows from operating activities		
Profit before income taxes	32,008	46,695
Depreciation	33,847	35,206
Amortization of goodwill	16	53
Share of loss (profit) of entities accounted for using equity method	(1,072)	(1,383)
Loss (gain) on valuation of investment securities	(7)	0
Increase (decrease) in net retirement benefit liability and net retirement benefit asset	(1,221)	(2,905)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(98)	(32)
Increase (decrease) in provision for bonuses	(103)	(60)
Increase (decrease) in allowance for doubtful accounts	103	53
Increase (decrease) in other provisions	(281)	1,195
Interest and dividend income	(2,380)	(2,548)
Interest expenses	2,805	4,471
Loss (gain) on sale of investment securities	(3)	(1,523)
Loss (gain) on disposal of non-current assets	863	(17,582)
Decrease (increase) in trade receivables	(10,188)	(9,214)
Decrease (increase) in inventories	(5,668)	(5,149)
Increase (decrease) in trade payables	601	1,218
Loss (gain) on step acquisitions	-	1,575
Gain on bargain purchase	-	(2,332)
Other, net	4,631	7,127
Subtotal	53,852	54,865
Interest and dividends received	3,287	3,478
Interest paid	(2,879)	(4,080)
Income taxes paid	(7,515)	(7,145)
Income taxes refund	-	16
Net cash provided by (used in) operating activities	46,744	47,134
Cash flows from investing activities		
Decrease (increase) in time deposits	449	1,398
Purchase of non-current assets	(49,674)	(54,290)
Proceeds from sale of non-current assets	1,360	21,263
Purchase of other depreciated assets	(279)	(93)
Proceeds from sale of depreciation and amortization assets	0	-
Purchase of investment securities	(448)	(60)
Proceeds from sale of investment securities	12	2,214
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	-	253
Loan advances	(151)	(382)
Proceeds from collection of loans receivable	197	402
Payments for acquisition of businesses	-	(88,962)
Other, net	(40)	1,252
Net cash provided by (used in) investing activities	(48,574)	(117,005)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	4,402	8,042
Increase (decrease) in commercial papers	23,000	14,700

(Million yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Proceeds from long-term borrowings	26,137	115,603
Repayments of long-term borrowings	(31,328)	(34,417)
Proceeds from issuance of bonds	-	15,000
Redemption of bonds	-	(12,700)
Purchase of treasury shares	(12)	(10,013)
Dividends paid	(4,461)	(5,584)
Dividends paid to non-controlling interests	(678)	(668)
Other, net	(8,838)	(6,509)
Net cash provided by (used in) financing activities	8,222	83,454
Effect of exchange rate change on cash and cash equivalents	(2,631)	728
Net increase (decrease) in cash and cash equivalents	3,761	14,311
Cash and cash equivalents at beginning of period	65,339	53,926
Cash and cash equivalents at end of period	69,100	68,237

(4) Notes to semi-annual consolidated financial statements

(Note relating to going concern assumption)

Not applicable.

(Notes in the case of significant changes in amount of shareholders' equity)

Based on the resolution of the Board of Directors meeting held on May 12, 2026, the Company purchased 2,644,800 treasury shares for ¥10,000 million on May 13, 2026 through the off-auction own share repurchase trading system (ToSTNeT-3) of the Tokyo Stock Exchange.

Consequently, treasury shares amounted to ¥30,586 million as of September 30, 2026.

(Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements)

(Calculation of tax expenses)

Tax expenses are calculated by reasonably estimating the effective tax rate after applying tax effect accounting to profit before income taxes for the consolidated fiscal year, including the six months of the fiscal year under review, and multiplying profit before income taxes by such estimated effective tax rate. However, in cases where the calculation of tax expenses using such estimated effective tax rate yields a result that is not reasonable to a significant extent, the result is multiplied by the statutory income tax rate.

(Additional information)

(Purchase of treasury shares)

At the Board of Directors meeting held on May 12, 2026, the Company resolved the matters pertaining to the purchase of treasury shares pursuant to the provisions of Article 156 of the Companies Act as applied by replacing certain terms under the provisions of Article 165, Paragraph 3 of the same Act, and completed the purchase on May 13, 2026. In addition, the Company used the fully committed share repurchase (FCSR) method (the "Method") to purchase treasury shares. As the Method falls under the case where the provisions of relevant accounting standards, etc. are not clear, the Company applies the following accounting treatment.

1. Overview of the Method

On May 13, 2026, the Company acquired 2,644,800 treasury shares, equivalent to ¥10,000 million, through ToSTNeT-3 at ¥3,781 per share (the "Benchmark Price") (the "Purchase").

To implement the Purchase, Nomura Securities Co., Ltd. ("Nomura Securities") borrowed the Company's shares from the Company's shareholders and placed a sell order.

Nomura Securities has indicated that following the Purchase, it will apply its own judgment and calculation to acquire the Company's shares through channels both inside and outside the stock market in order to return the shares it has borrowed. However, the Company has not entered into any agreement with Nomura Securities regarding Nomura Securities' acquisition of the Company's shares.

Next, with respect to the shares acquired by the Company from Nomura Securities, the Company will enter into a separate adjustment transaction using the Company's shares with Nomura Capital Investment Co., Ltd. (the "Stock Acquisition Right Holder"), who will be the acquiring party of the stock acquisition right that the Company will issue pursuant to the Method (the "Stock Acquisition Right"), to ensure that the Company's actual acquisition price will be equal to 99.634% of the arithmetic mean of volume weighted average price (VWAP) of the Company's shares over all trading days during a certain period following the repurchase (from May 14, 2026 to July 1, 2026, the exercise date of the Stock Acquisition Right) (the "Average Price"). Specifically, it has been agreed that this will entail: 1) in the event that the Average Price exceeds the Benchmark Price, a delivery of the Company's shares to the Stock Acquisition Right Holder via Stock Acquisition Right exercise, where the number of such shares is calculated by deducting (a) the number of shares that would be acquired if the Company's shares were bought at the average share price with the monetary sum equivalent to that of the shares acquired from Nomura Securities during the Purchase (the "Number of shares acquired at average price"), from (b) the number of shares acquired from Nomura Securities during the Purchase (the "Number of shares acquired"), or 2) in the event that the Average Price falls below the Benchmark Price, an acquisition of the Company's shares from the Stock Acquisition Right Holder at no cost, where the number of such shares is calculated by deducting the "Number of shares acquired" from the "Number of shares acquired at average price".

2. Accounting principles and procedures

The Company's shares acquired through ToSTNeT-3 are recorded at their acquisition cost as "Treasury shares" under net assets in the consolidated balance sheets. In addition, the loss on disposal of treasury shares arising from the exercise of the Stock Acquisition Right is deducted from other capital surplus. The Company's shares acquired through the Method are included in the treasury shares deducted when calculating the average number of shares outstanding during the period for the purpose of calculating basic earnings per share and diluted earnings per share.

Based on this accounting policy, the Company recorded ¥10,000 million (of which the Company's shares purchased from Nomura Securities amounted to ¥10,000 million) as "Treasury shares" under net assets in the consolidated balance sheets for the six months ended September 30, 2026.

On July 1, 2026, Nomura Securities completed its acquisition of the Company's shares inside and

outside the stock market, and the Stock Acquisition Right Holder exercised the Stock Acquisition Right, thereby finalizing the adjustment transaction. As a result, 251,500 treasury shares were to be delivered under the adjustment transaction, and the final number of shares acquired after the adjustment transaction was 2,393,300 shares. In connection with the exercise of the Stock Acquisition Right, ¥871 million was deducted from "Treasury shares" and "Other capital surplus."

As the balance of other capital surplus was negative during the six months ended September 30, 2026, the negative amount was deducted from retained earnings brought forward.

(Provision for environmental measures)

To prepare for expenses related to environmental measures, the Company records the estimated amount of such expenses. For the six months ended September 30, 2026, the Company recorded ¥1,780 million, the estimated cost required to implement environmental conservation measures for the land of a closed plant in the Chichibu area, as provision for environmental measures under extraordinary losses.

(Segment information, etc.)

[Segment information]

I. For the six months ended September 30, 2025

1. Information on net sales, profit or loss by reportable segment

(Million yen)

	Reportable segment					Other (Note) 1	Total	Adjustments (Note) 2	Consolidated Total (Note) 3
	Cement Business	Mineral Resources Business	Environ-mental Business	Construction Materials Business	Total				
Net sales									
Sales to outside customers	323,560	32,841	38,317	20,690	415,408	22,733	438,141	-	438,141
Inter-segment sales	3,170	12,461	1,592	780	18,004	12,738	30,743	(30,743)	-
Total	326,731	45,303	39,909	21,470	433,413	35,471	468,884	(30,743)	438,141
Segment profit	21,184	5,190	4,516	917	31,807	1,103	32,910	(57)	32,853

Notes: 1. The "Other" section is a business segment that is not included in the reportable segments and includes the real estate, engineering, data processing, finance, transportation and warehousing, chemical products, sports, and electric power supply businesses.
2. Adjustments to segment profit consist of elimination of inter-segment transactions.
3. Segment profit is adjusted with the operating profit in the semi-annual consolidated statements of income.

2. Information on impairment losses on non-current assets, goodwill, etc. by reportable segment

Not applicable.

II. For the six months ended September 30, 2026

1. Information on net sales, profit or loss by reportable segment

(Million yen)

	Reportable segment					Other (Note) 1	Total	Adjustments (Note) 2	Consolidated Total (Note) 3
	Cement Business	Mineral Resources Business	Environ-mental Business	Construction Materials Business	Total				
Net sales									
Sales to outside customers	346,790	33,740	41,805	20,058	442,393	26,885	469,278	-	469,278
Inter-segment sales	3,047	12,681	1,922	818	18,468	13,125	31,593	(31,593)	-
Total	349,837	46,421	43,727	20,876	460,862	40,009	500,871	(31,593)	469,278
Segment profit	18,659	5,511	4,845	151	29,166	1,316	30,482	(164)	30,318

Notes: 1. The “Other” section is a business segment that is not included in the reportable segments and includes the real estate, engineering, data processing, finance, transportation and warehousing, chemical products, sports, and electric power supply businesses.
2. Adjustments to segment profit consist of elimination of inter-segment transactions.
3. Segment profit is adjusted with the operating profit in the semi-annual consolidated statements of income.

2. Information on impairment losses on non-current assets, goodwill, etc. by reportable segment

Not applicable.

(Significant events after reporting period)

Business acquisition by the Company (business combination through acquisition)

1. Overview of the business combination

(1) Name of the counterparty and description of the acquired business

Name of the counterparty: Tokuyama Corporation

Description of business: Cement and solidifying materials sales business

(2) Main reasons for the business combination

From the perspective of acquiring the customer base held by the cement and solidifying materials sales business of Tokuyama Corporation ("Tokuyama"), thereby expanding business opportunities in the Company's core domestic cement and solidifying materials business, while further strengthening and stabilizing its earning power and striving for the sustainable growth of the Group and enhancement of corporate value, the Company acquired the shares of a wholly-owned subsidiary, etc. newly incorporated by Tokuyama and took over Tokuyama's cement and solidifying materials sales business.

(3) Date of business combination

October 1, 2026

(4) Legal form of the business combination

Acquisition of business through the acquisition of shares of a new company, etc. incorporated by Tokuyama

2. Acquisition cost of the acquired business and breakdown by type of consideration

Consideration for acquisition: Cash ¥37,000 million

(Note) The actual acquisition cost is expected to be the amount after price adjustment based on the share purchase agreement. Contingent consideration is not included above, as it varies depending on future indicators, etc. and its amount has not been determined at this time. If the consideration for acquisition changes, the acquisition cost will be revised as if the change had occurred at the time of acquisition, and the amount of goodwill and the amortization of goodwill will be revised accordingly.

3. Details of major acquisition-related costs

Fees, commissions, etc. for advisory services and others: ¥600 million (approximate)

4. Amount of goodwill, cause, amortization method and amortization period

Not yet determined at this time.

5. Amounts of assets acquired and liabilities assumed on the date of business combination and their major breakdown

Not yet determined at this time.