Business Results for the Three Months Ended March 31, 2025

May 9, 2025

Nippon Aqua Co., Ltd.

Tokyo Stock Exchange Prime Section #1429

Financial Highlights

In the Single-family Homes Division, the increase in orders from large-scale builders and new major clients, along with last-minute demand, contributed positively. In both the Buildings Division and the Waterproofing Division, projects progressed steadily, with an increase in construction volume compared to the same period last year.

As a result, both net sales and profits exceeded expectations.

Net sales			
7,501 M yen	OYA	6,272 M yen	+19.6 %
	Forecast	7,247 M yen	+3.5 %
Gross profit			
1,634 M yen	OYA	1,447 M yen	+12.9 %
	Forecast	1,587 M yen	+2.9 %
Ordinary profit			
529 M yen	OYA	453 M yen	+16.8 %
	Forecast	456 M yen	+16.0 %

Single-family Homes Division

3,669 M yen

OYA	2,985 M yen	
	+22.9 %	
Forecast	3,140 M yen	
	+16.8 %	

✓Orders from large-scale builders reached an all-time high.

✓Full contribution from new major clients in 2024.

✓Last-minute demand due to the reduction of the No.4 special exception.

✓Growing interest in class 6 and above.

Buildings Division

2,362 M yen

OYA	1,929 M yen	
	+22.4 %	
Forecast	2,484 M yen	
	(4.9 %)	

✓A wealth of projects and solid demand.

✓Delays in design changes and construction decisions occur.

✓Profitability improves through acquiring additional work and responding to specification changes.

Waterproofing Division, Others

1,470 M yen

OYA	1,358 M yen	
	+8.3 %	
Forecast	1,622 M yen	
	(0.9 %)	

Waterproofing Division:

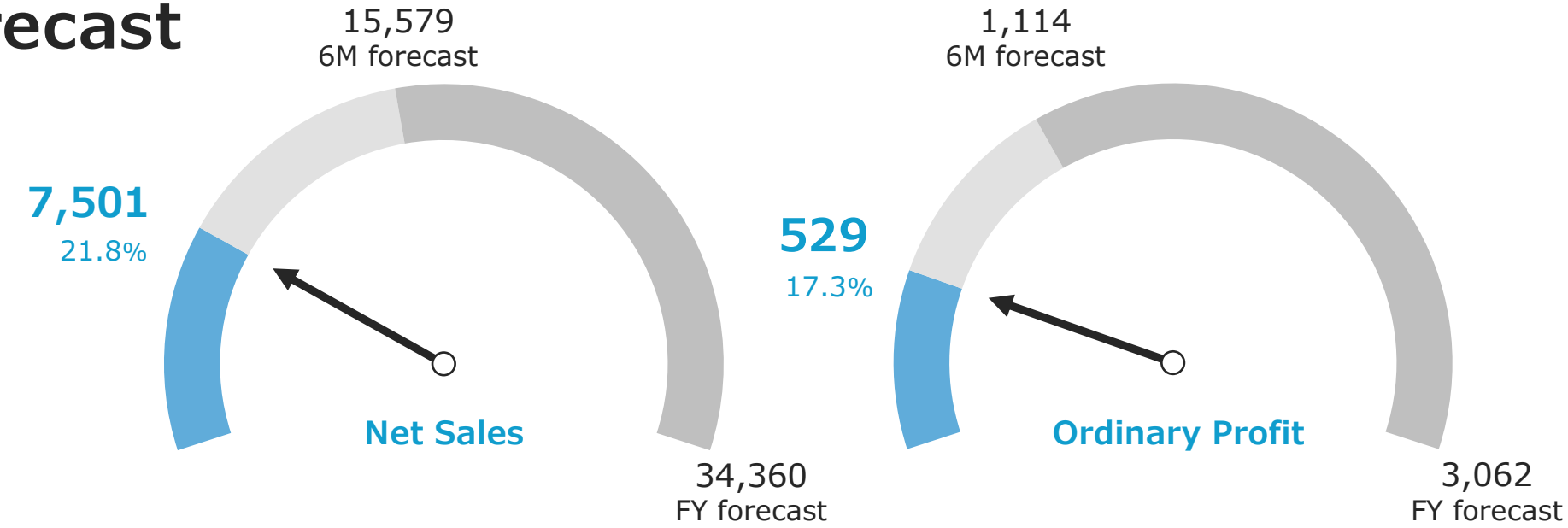
✓Strong demand for non-residential renovation projects.

✓However, there was a monthly shift in large property projects.

✓Increase in construction of new multi-dwelling housing.

Progress towards Full-year Financial Forecast

(Million yen)



	Net sales					Ordinary profit				
	FY2020	FY2021	FY2022	FY2023	FY2024	FY2020	FY2021	FY2022	FY2023	FY2024
3M Results	4,889	5,101	5,697	6,368	6,272	443	171	464	641	453
Progress	21.1%	21.7%	21.5%	21.9%	20.2%	21.1%	8.6%	21.9%	23.3%	14.6%
Initial FY Forecast	23,200	23,513	26,490	29,021	31,005	2,100	2,003	2,121	2,750	3,100
FY Results	21,872	23,903	25,670	28,341	30,265	1,911	1,429	2,359	2,917	2,604

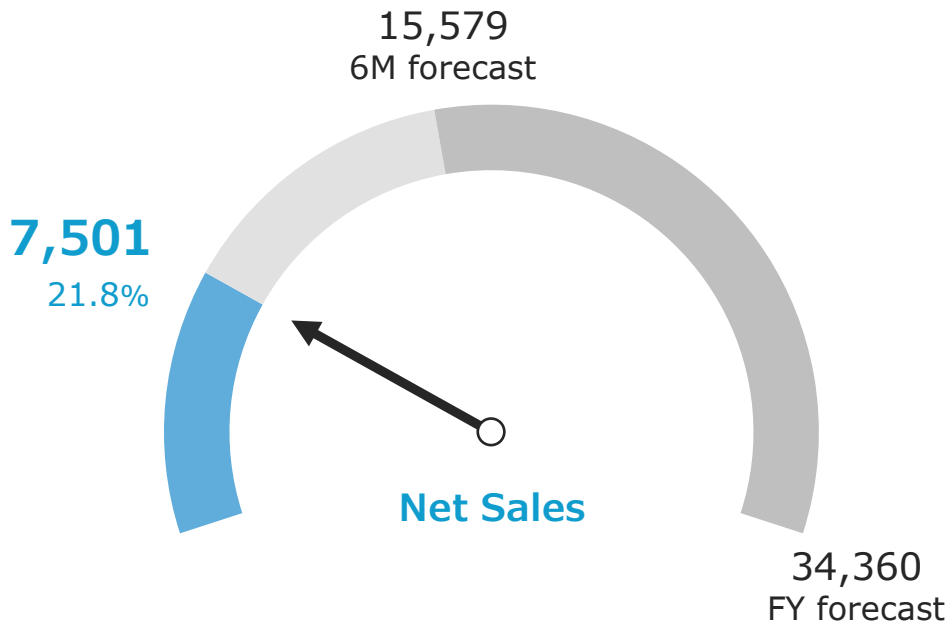
Agenda

Three months ended March 31, 2025

Net Sales

7,501 M yen

OYA	6,272 M yen	FC	7,247 M yen
YoY	+1,229 M yen	vs FC	+254 M yen
ROC	+19.6 %	ROC	+3.5 %



	FY2024					FY2025		Forecast					
	Q1	Q2	Q3	Q4	Total	Q1	YoY	Q1	vs FC	Q2	Q3	Q4	Total
Net sales	6,272	6,840	7,705	9,447	30,265	7,501	+1,229	7,247	+254	8,332	8,802	9,978	34,360
Single-family homes	2,985	3,276	3,421	4,020	13,704	3,669	+683	3,140	+528	3,466	3,538	4,290	14,435
Buildings	1,929	2,064	2,460	3,044	9,499	2,362	+432	2,484	(122)	2,899	3,073	3,423	11,881
Waterproofing	136	124	174	284	719	159	+22	212	(52)	324	382	582	1,500
Sales of urethane raw materials	414	507	510	794	2,226	394	(19)	503	(108)	544	625	726	2,398
Other product sales	807	866	1,137	1,303	4,115	916	+109	907	+9	1,098	1,183	955	4,145

Three months ended March 31, 2025

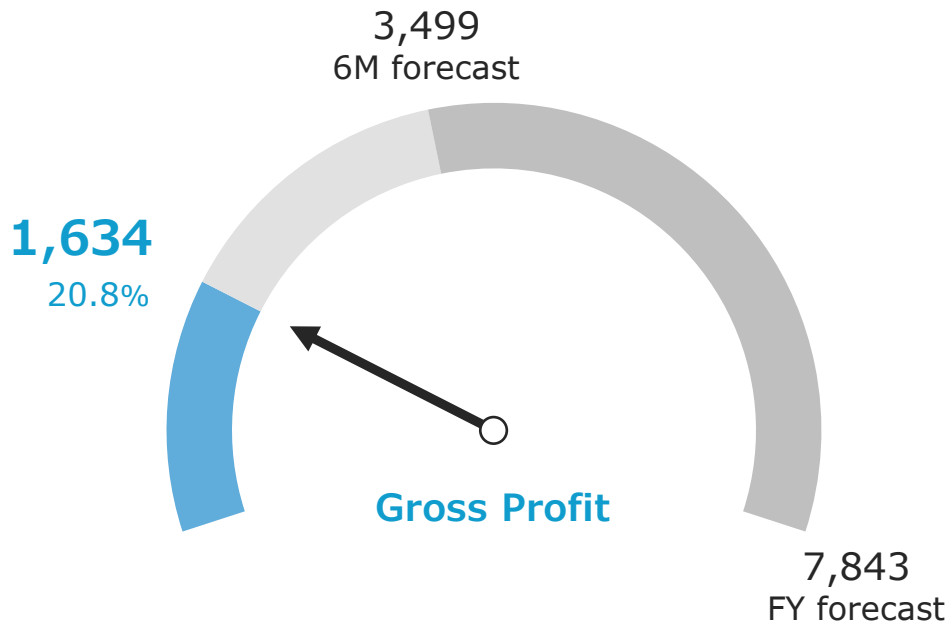
Gross Profit

1,634 M yen

OYA	1,447 M yen	FC	1,587 M yen
YoY	+186 M yen	vs FC	+46 M yen
ROC	+12.9 %	ROC	+2.9 %

GPM **21.8** %

OYA	23.1 %	ROC	21.9 %



	FY2024					FY2025		Forecast					
	Q1	Q2	Q3	Q4	Total	Q1	YoY	Q1	vs FC	Q2	Q3	Q4	Total
Gross profit	1,447	1,459	1,765	2,189	6,862	1,634	+186	1,587	+46	1,911	2,029	2,314	7,843
Single-family homes	730	777	778	909	3,196	803	+72	703	+99	797	820	1,051	3,373
Buildings	454	443	583	847	2,329	520	+66	571	(50)	697	742	841	2,853
Waterproofing	2	(10)	0	(15)	(22)	12	+9	(1)	+13	32	45	66	143
Sales of urethane raw materials	74	89	89	118	372	78	+3	84	(6)	92	108	127	412
Other product sales	181	162	312	328	984	219	+38	229	(10)	292	311	226	1,060

Three months ended March 31, 2025

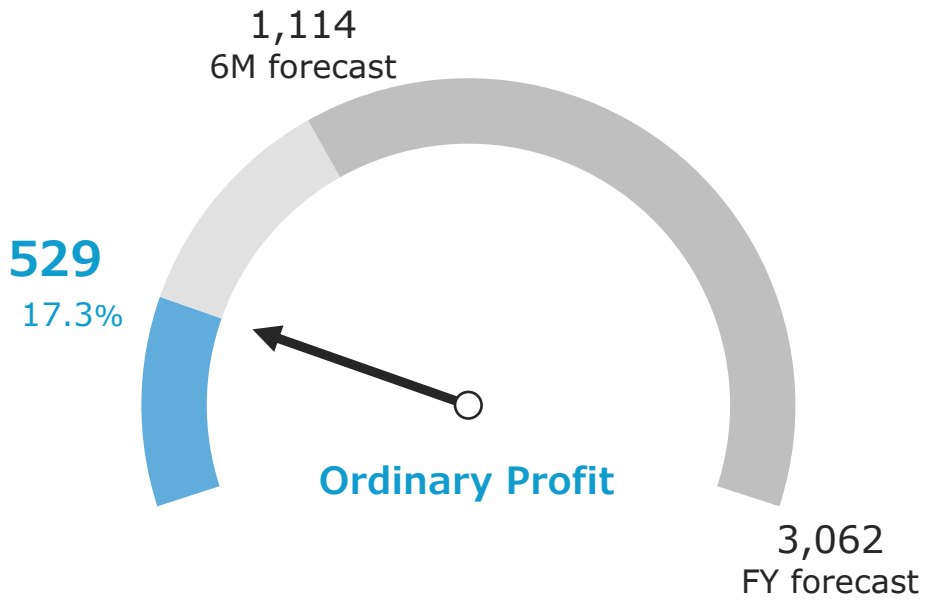
Ordinary Profit

529 M yen

OYA	453 M yen	FC	456 M yen
YoY	+76 M yen	vs FC	+73 M yen
ROC	+16.8 %	ROC	+16.0 %

Ordinary PM **7.1** %

OYA	7.2 %	ROC	7.1 %



	FY2024					FY2025		Forecast					
	Q1	Q2	Q3	Q4	Total	Q1	YoY	Q1	vs FC	Q2	Q3	Q4	Total
SG&A	1,002	1,055	1,093	1,135	4,286	1,107	+105	1,141	(33)	1,266	1,220	1,210	4,838
Payroll cost	557	577	576	585	2,296	574	+16	573	+0	673	624	630	2,502
Trainee related expenses	72	93	113	144	423	137	+65	111	+25	137	130	133	512
Travel expenses	53	58	65	59	236	59	+5	64	(5)	64	64	64	258
Rent expenses	49	55	55	61	221	66	+17	61	+5	61	61	61	245
Depreciation expenses	41	43	43	44	173	41	+0	54	(13)	56	59	60	231
Ordinary Profit	453	415	679	1,055	2,604	529	+76	456	+73	658	825	1,122	3,062

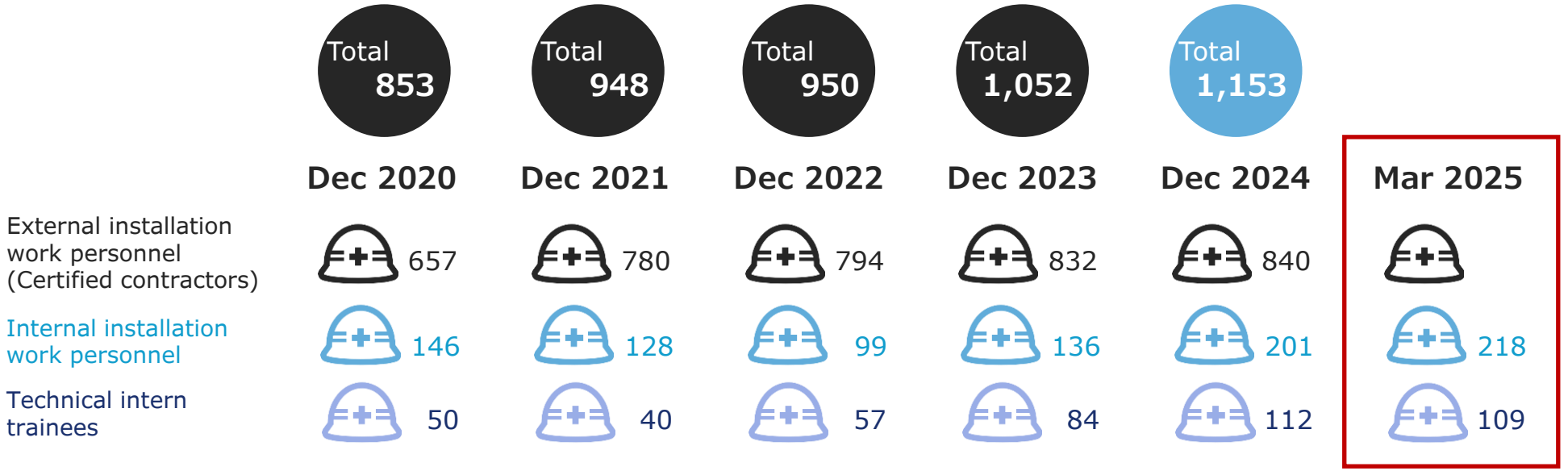
Nippon Aqua's Initiatives

Construction Capability Trends

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

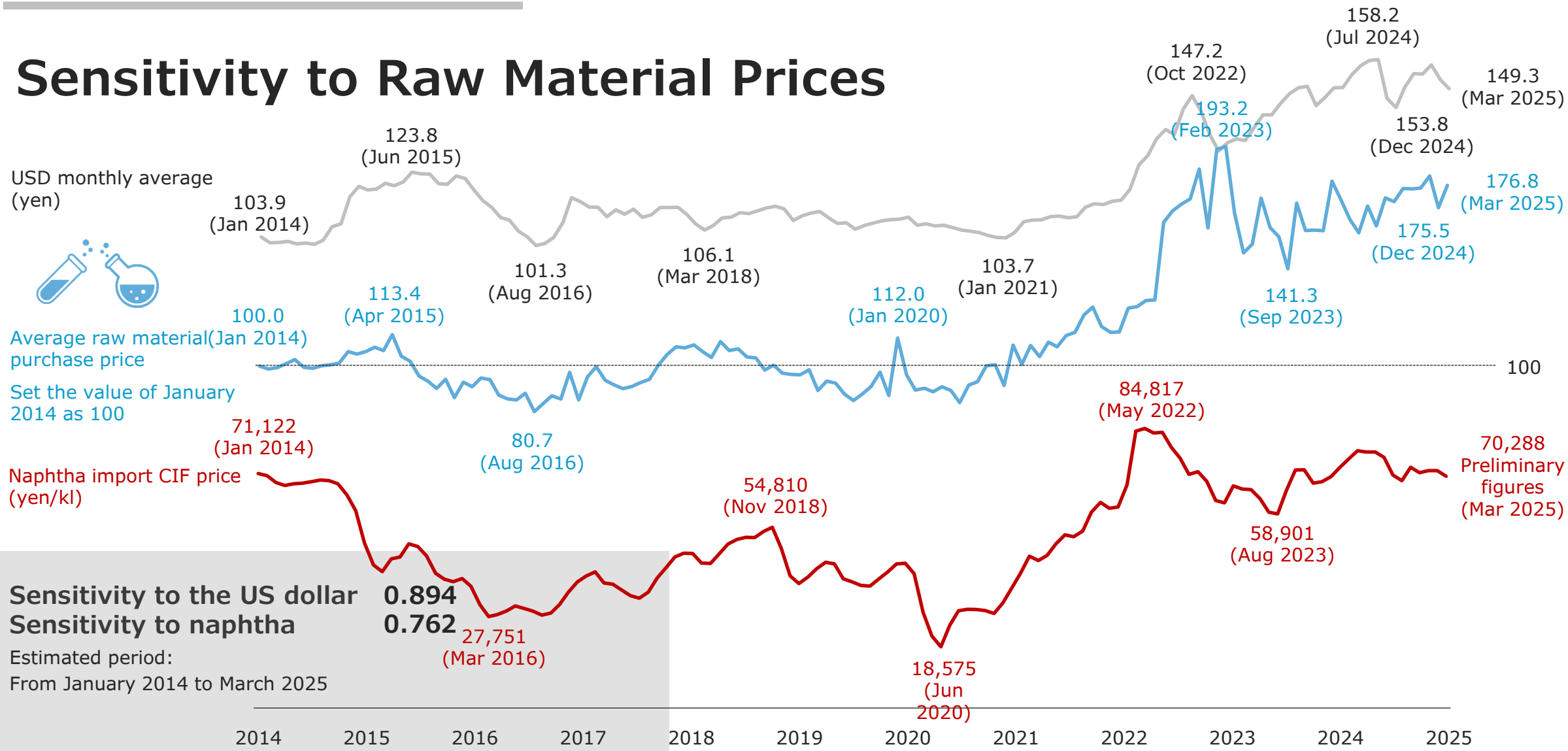
✓Since 2023, we have been working to increase the number of certified contractor employees by 100 annually.

✓From 2025 onwards, we will further strengthen the recruitment of Nippon Aqua internal installation work personnel.



Technical Intern Trainees are entitled to a temporary return to their home country under the Technical Intern Training Act.

Sensitivity to Raw Material Prices



Sensitivity to the US dollar 0.894
Sensitivity to naphtha 0.762

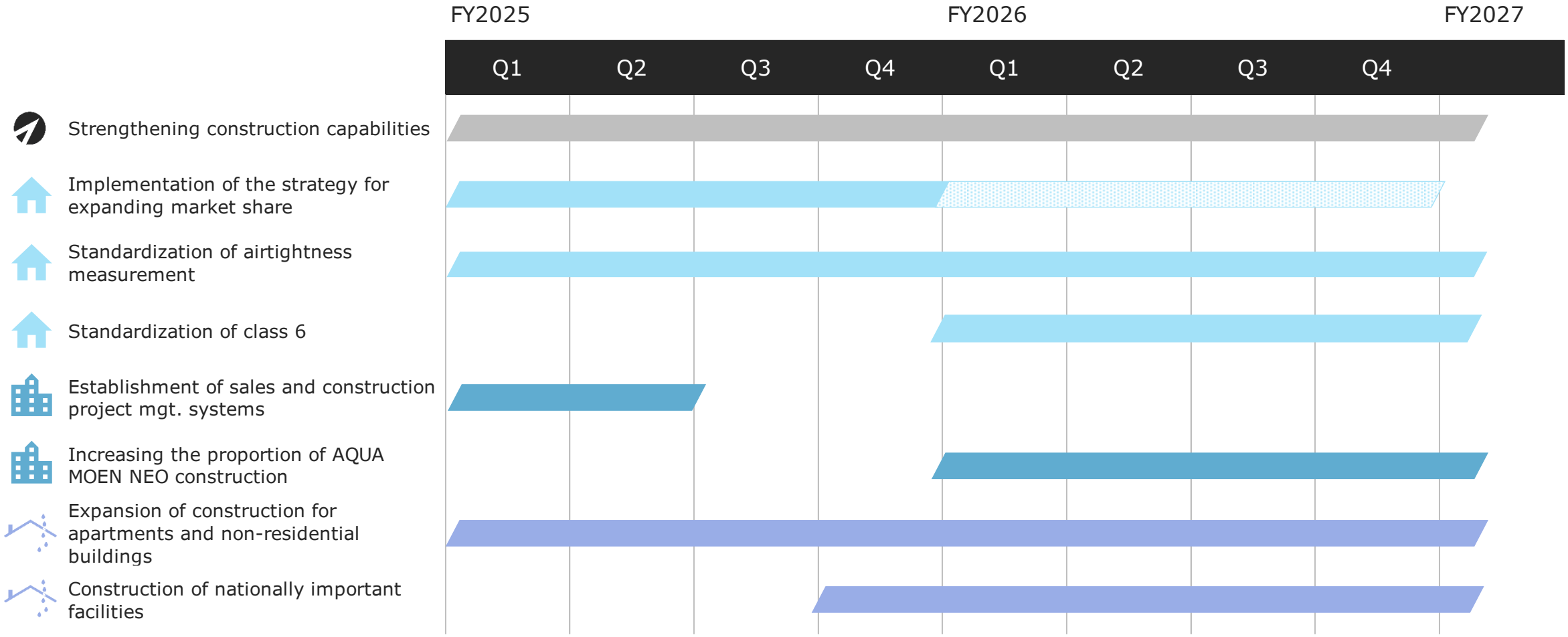
Estimated period:
From January 2014 to March 2025

It is not a transition under the same conditions due to an increase in the products handled and the purchase volume.

Source Mizuho Bank (Foreign Exchange Official Market Rate), Ministry of Finance (Trade Statistics by Commodity)

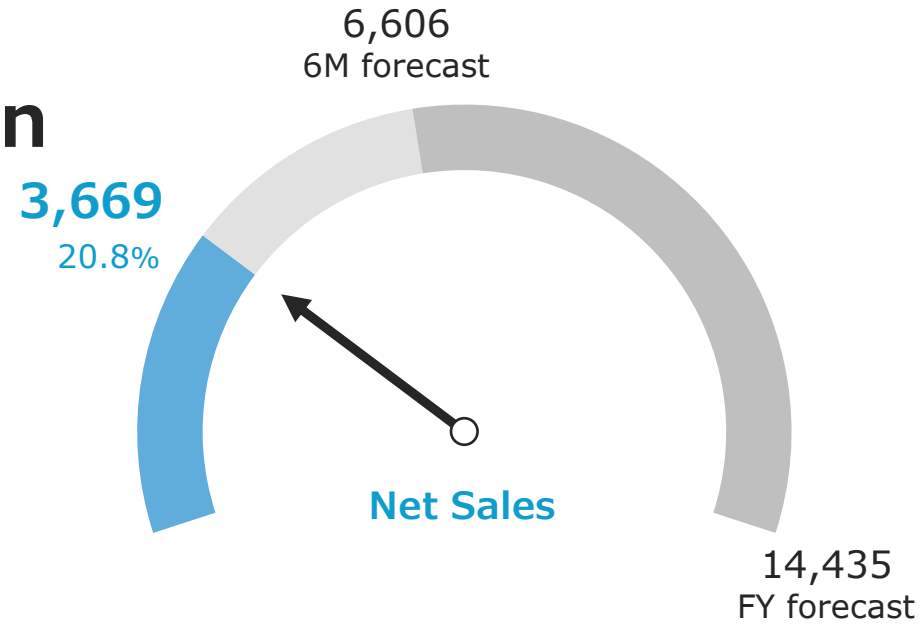
Agenda

Prospects of Major Policies



Three months ended March 31, 2025

Single-family Homes Division



NS	**3,669**	M yen			
OYA	2,985	M yen	FC	3,140	M yen
YoY	+683	M yen	vs FC	+528	M yen
ROC	+22.9	%	ROC	+16.8	%
QE	+21.8	%	QE	+14.1	%
PE	+1.1	%	PE	+2.7	%
GP	**803**	M yen	GPM	**21.9**	%
OYA	24.5	%	FC	22.4	%
OYA	730	M yen	FC	703	M yen
YoY	+72	M yen	vs FC	+99	M yen
ROC	+9.9	%	ROC	+14.1	%

✓Orders from large-scale builders and new major clients in 2024 are increasing.
✓Increased construction numbers due to market share expansion efforts.
✓Occurrence of last-minute demand due to the reduction of the No.4 special exception.

	FY2024					FY2025		Forecast					
	Q1	Q2	Q3	Q4	Total	Q1	YoY	Q1	vs FC	Q2	Q3	Q4	Total
Net sales	2,985	3,276	3,421	4,020	13,704	3,669	+683	3,140	+528	3,466	3,538	4,290	14,435
Gross profit	730	777	778	909	3,196	803	+72	703	+99	797	820	1,051	3,373
Num (YoY)	(11%)	(1%)	(0%)	+9%	(1%)	+21.8%		+7%		+8%	+5%	+9%	+7%
Unit price (YoY)	+5%	+1%	(2%)	(2%)	+0%	+1.1%		(1%)		(2%)	(2%)	(2%)	(2%)

The reduction of the No.4 Special Exception (Examination Omission System) [Effectively Abolished]

A rush in demand occurs

The Examination Omission System, based on Article 6-4 of the Building Standards Act, allows for the simplification of examinations such as structural calculation documents during building confirmation, and is also known as the “No.4 Special Exception.“ No.4 Special Exception applies when an architect designs small-scale buildings.

With the revision of the Building Standards Act in April 2025, the framework of No.4 Category buildings will be abolished and divided into new No.2 and new No.3 buildings. However, those that commenced construction before the effective date (by March 31, 2025) are excluded.

The abolition of No.4 Special Exception is due to concerns about structural calculation errors and safety, aiming for strict examinations for all buildings to improve building quality and ensure safety.

Subjects of the Examination Omission System

Two-story wooden buildings

Single-story wooden buildings, etc.

Exclusions from the Examination Omission System

Two-story wooden buildings

Single-story wooden buildings, etc.

Total floor area exceeding 200㎡

Subjects of the Examination Omission System

Single-story wooden buildings, etc.
Total floor area 200㎡ or less

Insulation Without Airtightness is Powerless.

Next-generation housing performance proposal supervised by Associate Professor Masayuki Mae

Realizing future homes with Insulation Class 6.5+α and airtightness measurement service

Insulation Class 6

Assuming the number of constructions in fiscal 2023 is 1

✓2024: 1.4 times

✓2025: 5.1 times (approximately 10% of all constructions)

Airtightness Measurement Services

Ratio to total number of constructions

✓2023: 4.4%

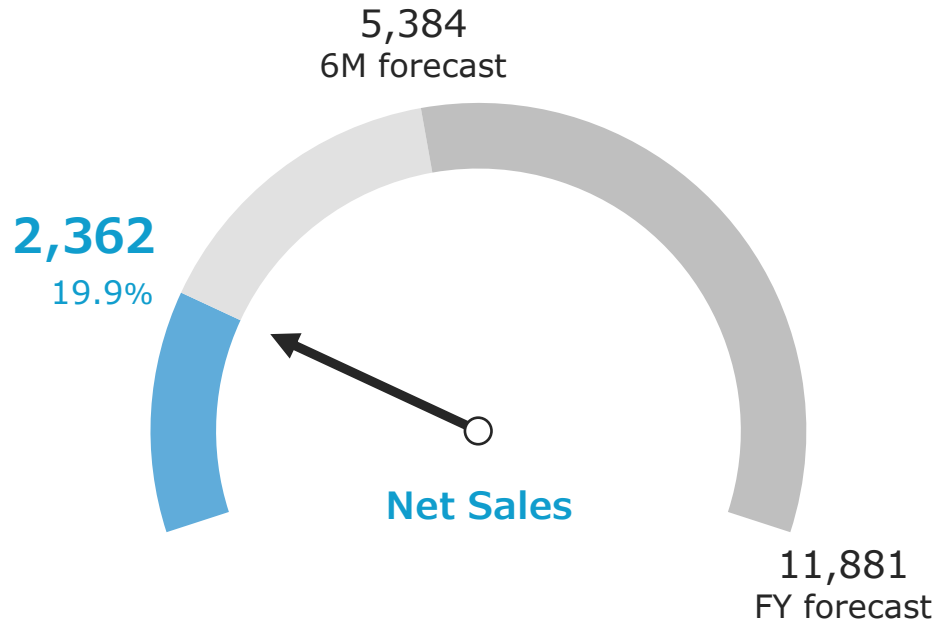
✓2024: 9.8%

✓2025: 20% (forecast)

Three months ended March 31, 2025

Buildings Division

NS	**2,362** M yen			
OYA	1,929 M yen	FC	2,484 M yen	
YoY	+432 M yen	vs FC	(122 M yen)	
ROC	+22.4 %	ROC	(4.9 %)	
QE	+17.1 %	QE	(20.1 %)	
PE	+5.3 %	PE	+15.2 %	
GP	**520** M yen	GPM	**22.0** %	
OYA	23.6 %	FC	23.0 %	
OYA	454 M yen	FC	571 M yen	
YoY	+66 M yen	vs FC	(50 M yen)	
ROC	+14.6 %	ROC	(8.8 %)	



✓Steady demand and abundant projects in specific fields such as factories and data centers.

✓Delays in design changes and construction decisions occurred in some large projects.

✓Contributing to improved profitability through the acquisition of additional work and flexible responses to specification changes.

	FY2024					FY2025		Forecast					
	Q1	Q2	Q3	Q4	Total	Q1	YoY	Q1	vs FC	Q2	Q3	Q4	Total
Net sales	1,929	2,064	2,460	3,044	9,499	2,362	+432	2,484	(122)	2,899	3,073	3,423	11,881
Gross profit	454	443	583	847	2,329	520	+66	571	(50)	697	742	841	2,853
Area (YoY)	(8%)	+12%	+17%	+21%	+11%	+17.1%		+47%		+33%	+40%	+34%	+38%
Unit price (YoY)	+10%	(5%)	+1%	+7%	+4%	+5.3%		(12%)		+6%	(11%)	(16%)	(9%)

Established the Construction Project Management Department

✓Reduced "standby" by maintaining close relationships with construction sites.

✓Made beneficial proposals during the construction period to streamline processes.

✓Improved cash flow by speeding up progress billing (settlement).

Previously: Integrated sales approach.

Mainly procurement and purchasing departments

Mainly construction sites (supervisors)

Approach → Sales inquiries → Estimation and negotiation → Contract → Construction plan → Change of plans → Commencement of construction → Additional work → Process management → Progress billing

New business development.

Securing new projects.

Confirm processes and procedures.

Change the construction plan as needed.

Manage work schedules.

Arrange polyurethane applicators.

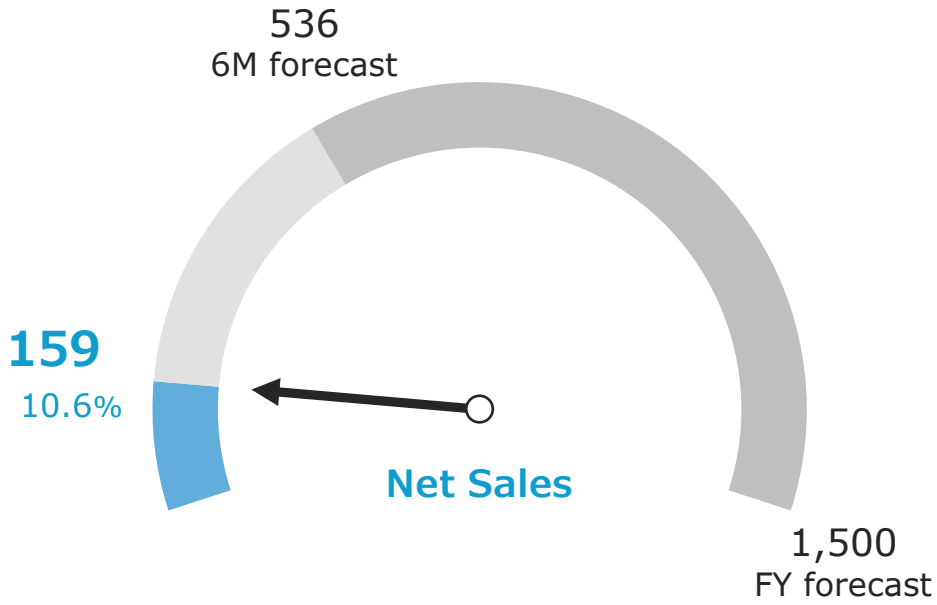
In charge of construction sales

In charge of construction project managements

Three months ended March 31, 2025

Waterproofing Division

NS	**159** M yen			
OYA	136 M yen	FC	212 M yen	
YoY	+22 M yen	vs FC	(52 M yen)	
ROC	+16.8 %	ROC	(24.8 %)	
GP	**12** M yen	GPM	**7.9** %	
OYA	2.2 %	FC	(0.6 %)	
OYA	2 M yen	FC	(1 M yen)	
YoY	+9 M yen	vs FC	+13 M yen	
ROC	+327.7 %	ROC	- %	



✓Strong demand for renovation work on non-residential properties such as logistics warehouses, factories, and stores.

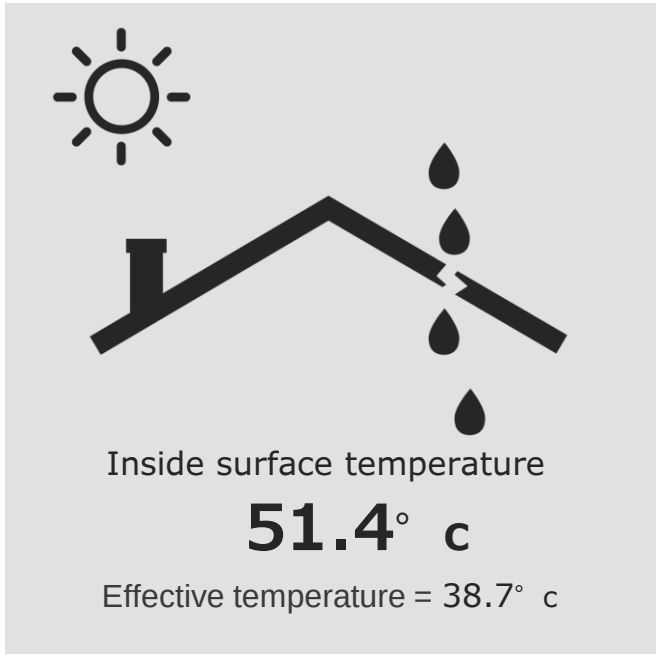
✓Monthly shift in large property construction, falling short of budget.

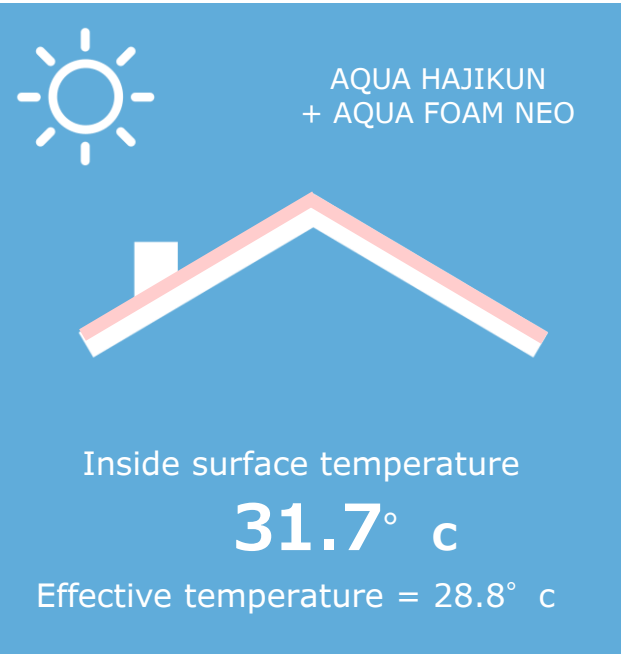
✓Increase in waterproofing construction for new multi-dwelling housing.

✓AQUA HAJIKUN's construction method specified in the specifications for nationally important facilities.

	FY2024					FY2025		Forecast					
	Q1	Q2	Q3	Q4	Total	Q1	YoY	Q1	vs FC	Q2	Q3	Q4	Total
Waterproofing division sales	136	124	174	284	719	159	+22	212	(52)	324	382	582	1,500
Single-family homes	110	93	85	144	434	98	(11)	68	+30	79	87	121	355
Non-residential	25	31	88	139	285	60	+34	144	(83)	245	295	460	1,144
Gross profit	2	(10)	0	(15)	(22)	12	+9	(1)	+13	32	45	66	143

Achieve Simultaneous Protection against Leaks and Solar Radiation





YouTube

*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.

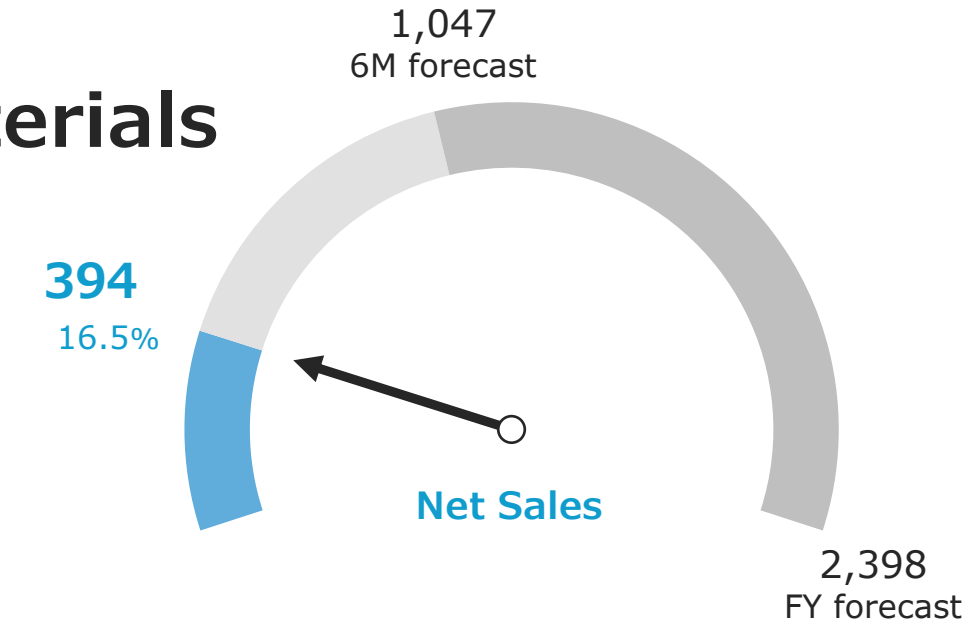
*Calculation of heat transfer on the building's exterior surface: Inoue Publishing "Latest Architectural Environmental Engineering Revised 3rd Edition" co-authored by Toshihiro Tanaka, Hitoshi Takeda, Takao Tsuchiya, Toshie Iwata, Michihito Terao 6. Building Heat Transfer 6-3. Heat Transfer on Building Exterior Surface (1) Heat Transfer on Exterior Wall Surface and SAT *Outdoor surface heat transfer coefficient 25 (W/㎡·K) *Indoor surface heat transfer coefficient 11 (W/㎡·K) *Effective temperature is a rough estimate simply calculated as (surface temperature + room temperature)/2.

The actual effective temperature is not guaranteed.

Three months ended March 31, 2025

Sales of Urethane Raw Materials

NS	**394** M yen				
OYA	414 M yen	FC	503 M yen		
YoY	(19 M yen)	vs FC	(108 M yen)		
ROC	(4.7 %)	ROC	(21.5 %)		
GP	**78** M yen	GPM	**19.8** %		
OYA	18.1 %	FC	16.8 %		
OYA	74 M yen	FC	84 M yen		
YoY	+3 M yen	vs FC	(6 M yen)		
ROC	+4.4 %	ROC	(7.2 %)		



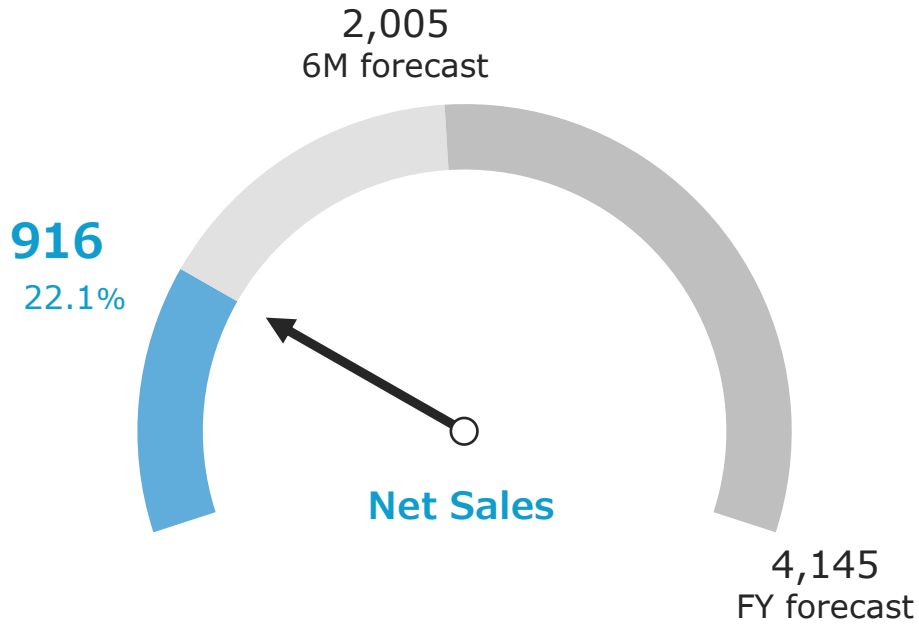
✓Delays in construction start decisions led to timing shifts in raw material sales.

	FY2024					FY2025		Forecast					
	Q1	Q2	Q3	Q4	Total	Q1	YoY	Q1	vs FC	Q2	Q3	Q4	Total
Sales of urethane raw materials	414	507	510	794	2,226	394	(19)	503	(108)	544	625	726	2,398
Gross profit	74	89	89	118	372	78	+3	84	(6)	92	108	127	412

Three months ended March 31, 2025

Other Product Sales

NS	**916** M yen			
OYA	807 M yen	FC	907 M yen	
YoY	+109 M yen	vs FC	+9 M yen)	
ROC	+13.5 %	ROC	+1.0 %	
GP	**219** M yen	GPM	**24.0** %	
OYA	22.5 %	FC	25.3 %	
OYA	181 M yen	FC	229 M yen)	
YoY	+38 M yen	vs FC	(10 M yen)	
ROC	+21.0 %	ROC	(4.5 %)	



✓Steady auxiliary supplies sales with the increase in construction numbers in the Single-family Homes Division.

✓Monthly shift in blowing equipment sales

	FY2024					FY2025		Forecast					
	Q1	Q2	Q3	Q4	Total	Q1	YoY	Q1	vs FC	Q2	Q3	Q4	Total
Other product sales	807	866	1,137	1,303	4,115	916	+109	907	+9	1,098	1,183	955	4,145
Gross profit	181	162	312	328	984	219	+38	229	(10)	292	311	226	1,060

Income Statement (Million yen,%)

	FY2024 Jan-Mar	FY2025 Jan-Mar	YoY Amount	YoY ROC(%)	FY2025 Forecast Jan-Mar	FY2025 Forecast Amount	FY2025 Forecast ROC(%)	FY2025 Forecast Jan-Jun	FY2025 Forecast Jan-Dec
Net sales	6,272	7,501	+1,229	+19.6	7,247	+254	+3.5	15,579	34,360
Single-family homes	2,985	3,669	+683	+22.9	3,140	+528	+16.8	6,606	14,435
Buildings	1,929	2,362	+432	+22.4	2,484	(122)	(4.9)	5,384	11,881
Waterproofing	136	159	+22	+16.8	212	(52)	(24.8)	536	1,500
Sales of urethane raw materials	414	394	(19)	(4.7)	503	(108)	(21.5)	1,047	2,398
Other product sales	807	916	+109	+13.5	907	+9	+1.0	2,005	4,145
Cost of sales	4,825	5,867	+1,042	+21.6	5,659	+208	+3.7	12,080	26,517
Gross profit	1,447	1,634	+186	+12.9	1,587	+46	+2.9	3,499	7,843
Single-family homes	730	803	+72	+9.9	703	+99	+14.1	1,500	3,373
Buildings	454	520	+66	+14.6	571	(50)	(8.8)	1,268	2,853
Waterproofing	2	12	+9	—	(1)	+13	—	31	143
Sales of urethane raw materials	74	78	+3	+4.4	84	(6)	(7.2)	176	412
Other product sales	181	219	+38	+21.0	229	(10)	(4.5)	521	1,060
SG&A expenses	1,002	1,107	+105	+10.5	1,141	(33)	(2.9)	2,407	4,838
Operating profit	445	526	+81	+18.3	446	+79	+17.9	1,091	3,004
Ordinary profit	453	529	+76	+16.8	456	+73	+16.0	1,114	3,062
Profit	302	359	+56	+18.8	308	+50	+16.5	752	2,067
Dividend per share (yen)									35.0

Balance Sheet (Million yen)

	As of Dec 31 2024	As of Mar 31 2025
Assets		
Current assets		
Cash and deposits	2,263	2,459
Notes and accounts receivable - trade, and contract assets	8,117	7,186
Electronically recorded monetary claims	1,142	1,107
Inventories	2,222	2,507
Accounts receivable - other	4,853	3,914
Total current assets	18,819	17,379
Non-current assets		
Total property, plant and equipment	4,271	4,224
Total intangible assets	79	73
Total investments and other assets	900	898
Total non-current assets	5,251	5,195
Total assets	24,071	22,575

	As of Dec 31 2024	As of Mar 31 2025
Liabilities		
Current liabilities		
Accounts payable - trade	7,556	6,608
Short-term borrowings	4,500	4,900
Total current liabilities	13,415	12,653
Non-current liabilities		
Total non-current liabilities	109	102
Total liabilities	13,525	12,755
Net assets		
Share capital	1,903	1,903
Capital surplus	2,015	2,015
Retained earnings	8,357	7,632
Treasury shares	(1,731)	(1,731)
Total net assets	10,545	9,820
Total liabilities and net assets	24,071	22,575

NIPPON AQUA

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

Agenda

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	618 people (Non-consolidated)	

As of March 31, 2025

Product Portfolio

Expanding around the core of two-component polyurethane

Polyol

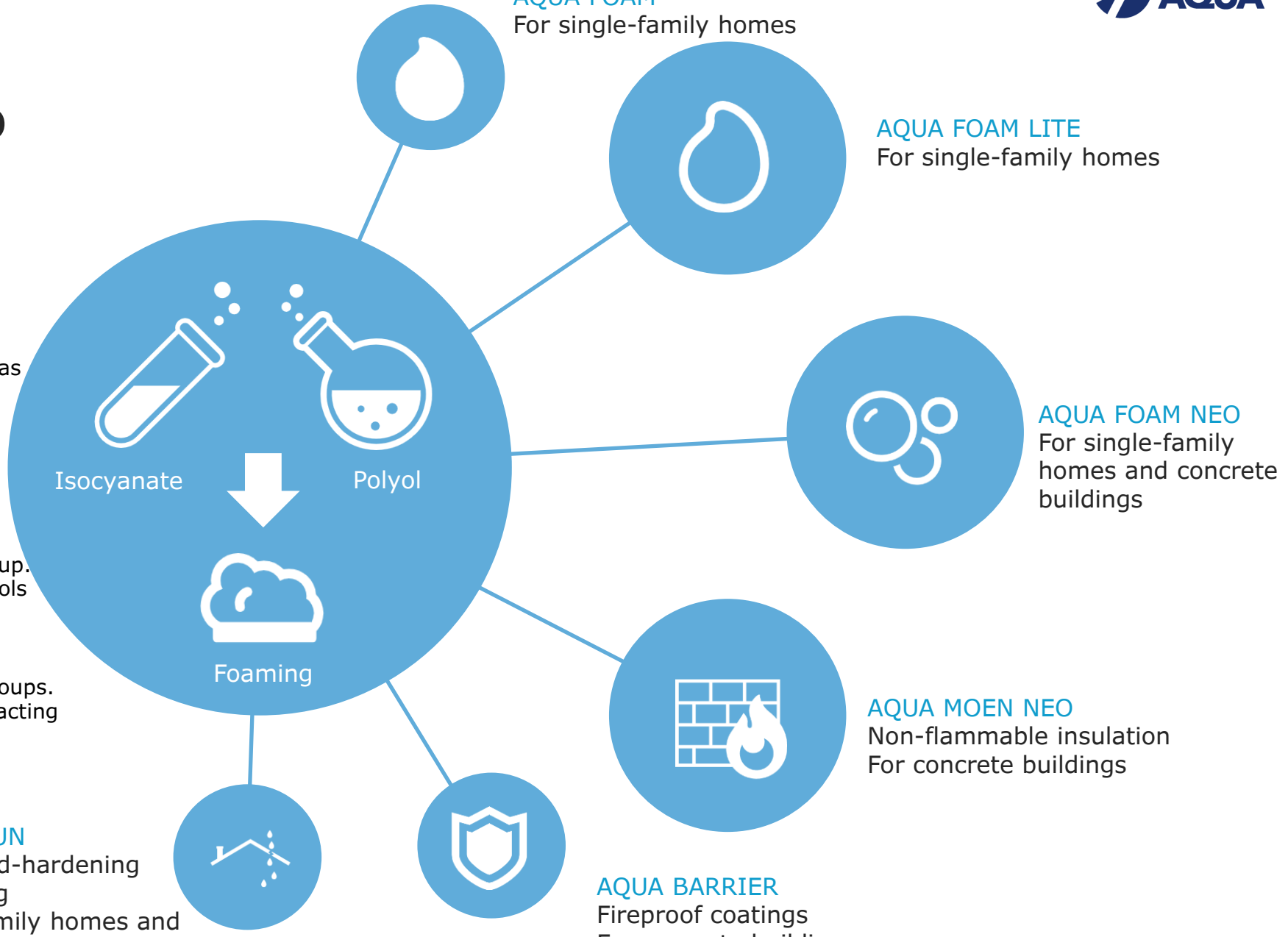
✓An organic compound with a hydroxyl group as the main ingredient.
✓By changing the molecular structure and molecular weight of polyols, the physical properties such as hardness and flexibility of urethane can be adjusted.

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 FOAM
For single-family homes

AQUA FOAM LITE
For single-family homes

AQUA FOAM NEO
For single-family homes and concrete buildings

AQUA MOEN NEO
Non-flammable insulation
For concrete buildings

AQUA BARRIER
Fireproof coatings
For concrete buildings

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

Company History

2004 AQUA FOAM

Founded by Fumitaka Nakamura (current President) as a company engaging in the installation and sales of insulation for single-family homes

2012 AQUA FOAM for buildings

Entered the insulation market for buildings

2013 Mothers

Listed on the Mothers Market of the Tokyo Stock Exchange

2014 Technical Center

Strengthened product development functions
Started manufacturing raw materials

2016 AQUA BLOW

Urethane materials recycling
Commercialized a blowing insulation product

2018 JPX 東証一部上場

Changed to the First Section of the Tokyo Stock Exchange

2019 Non-flammable insulation

Nippon Aqua's presence grew in the market for buildings

2020 AQUA HAJIKUN

The ultrarapid-hardening waterproofing
Entered the waterproofing market

2021 AQUA FOAM LITE

30% reduction in raw material usage (compared to AQUA FOAM)
Formulation using plant derived materials

2022 JPX PRIME TOKYO

Transitioned to the Prime Market of the Tokyo Stock Exchange

2023 AQUA BARRIER

Fireproof coating agent
Low cost, high adhesiveness, quick drying

From Material Development to Installation and Recycling

Unique Business Model

Nationwide sales network

28 sites throughout Japan

Raw material development and quality management

Procurement source diversification and raw material storage and warehousing

Recycle blowing

Certified operator under the Ministry of the Environment's Wide Area Certification System
4 recycling plants

Product manufacturing

Fabless manufacturer

Construction quality management

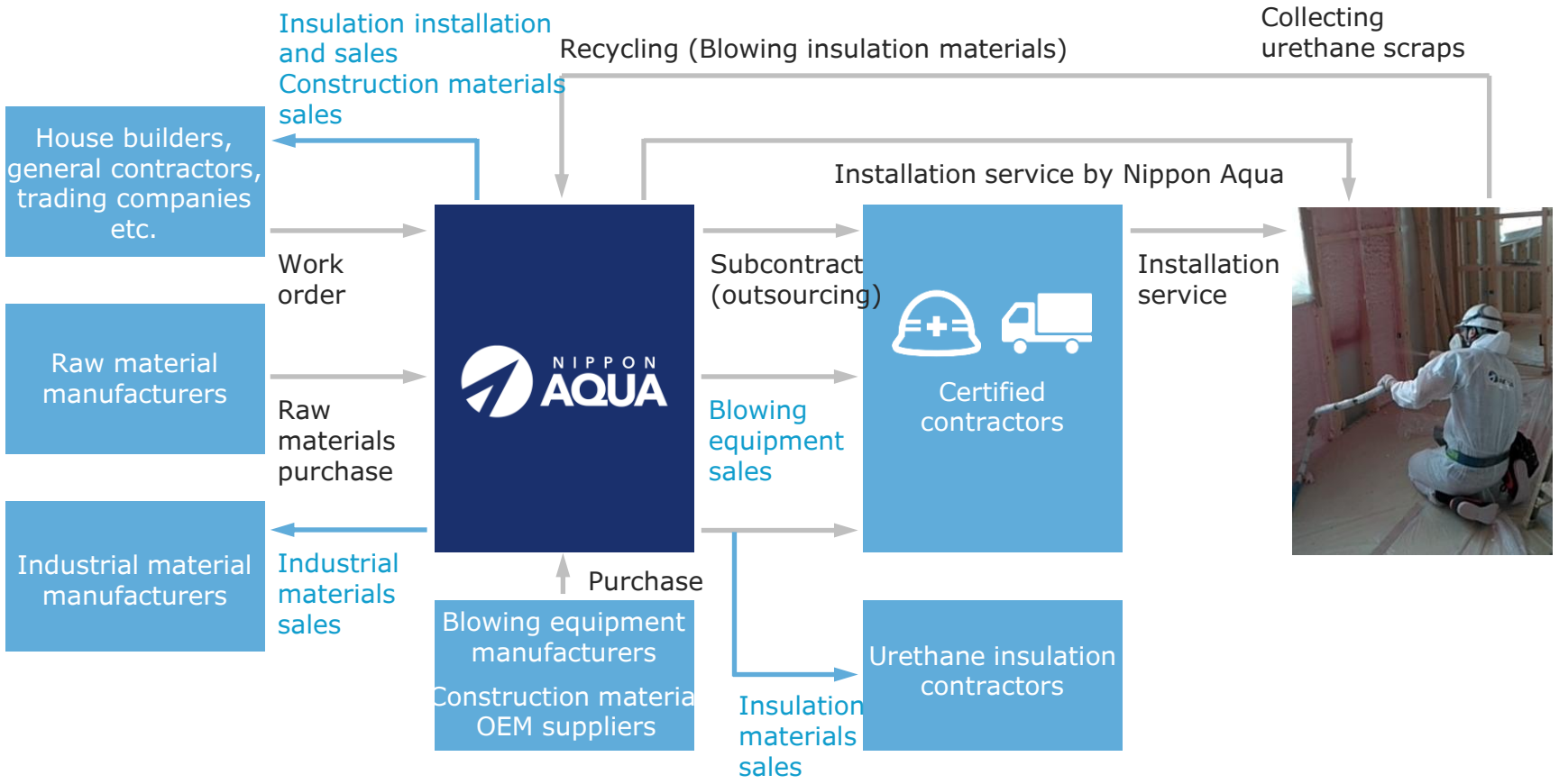
Ensuring work safety and construction quality

Nationwide construction network

In-house construction + certified contractors

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

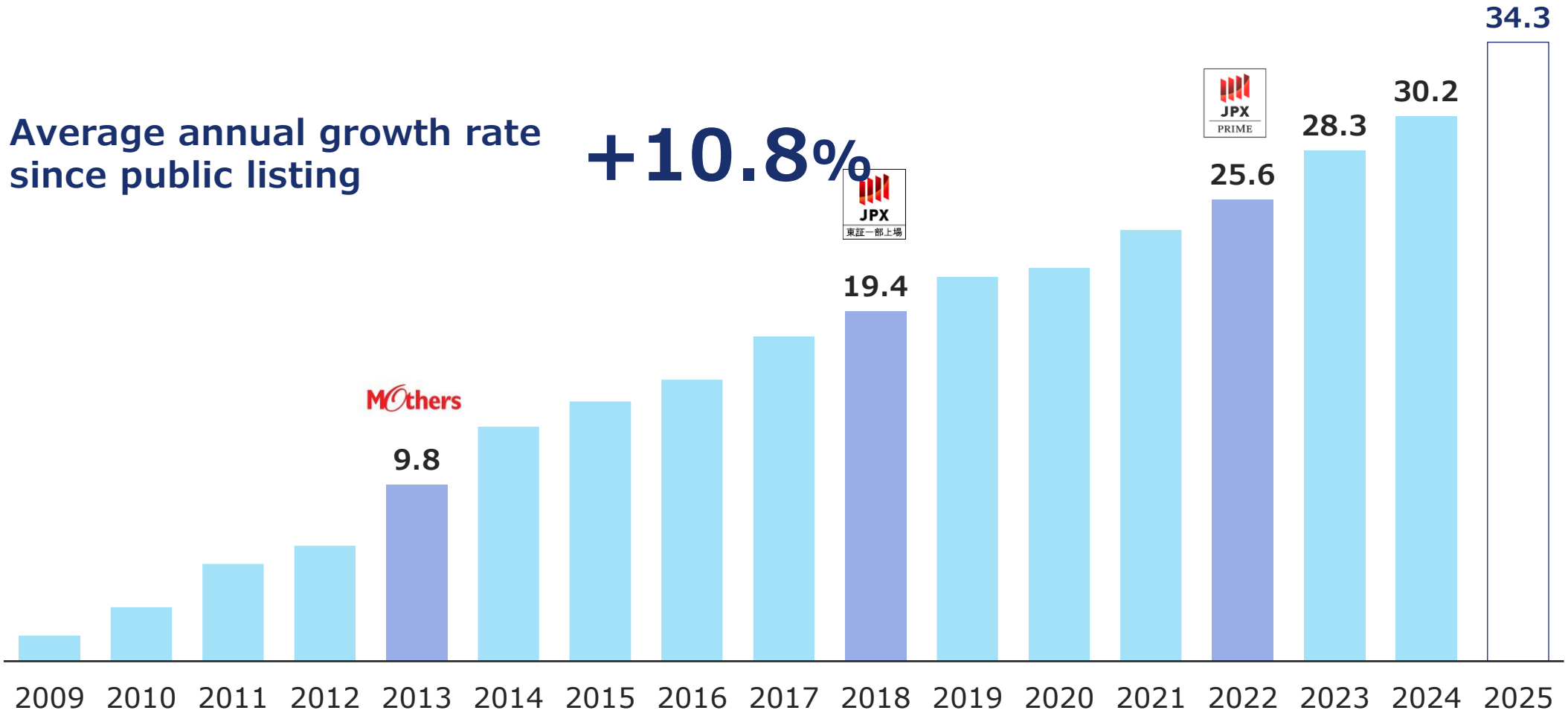
Performance Trends (Million yen)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Performance trends													
Net sales	6,488	9,825	13,020	14,406	15,608	18,052	19,417	21,366	21,872	23,903	25,670	28,341	30,265
Gross profit	1,904	2,444	2,856	3,137	4,027	4,305	3,891	5,403	5,310	4,739	5,784	6,924	6,862
Gross profit margin	29.3%	24.9%	21.9%	22.3%	25.8%	23.9%	20.0%	25.3%	24.3%	19.8%	22.5%	24.4%	22.7%
Operating profit	662	956	944	1,013	1,404	1,313	766	1,909	1,896	1,412	2,329	2,875	2,575
Ordinary profit	662	925	937	1,016	1,404	1,419	764	1,909	1,911	1,429	2,359	2,917	2,604
Ordinary profit margin	10.2%	9.4%	7.2%	7.2%	9.0%	7.9%	3.9%	8.9%	8.7%	6.0%	9.2%	10.3%	8.6%
Profit	364	512	529	137	979	941	489	1,275	1,342	953	1,549	2,004	1,839
Sales by item													
Single-family homes	5,830	8,044	8,483	9,414	10,903	11,552	12,257	13,244	12,448	13,521	13,873	13,798	13,704
Buildings	440	883	2,392	2,858	2,601	2,715	3,331	4,144	4,848	5,371	6,838	8,267	9,499
Waterproofing										128	315	489	719
Sales of urethane raw materials						613	561	933	1,137	1,098	1,211	1,916	2,226
Product sales	218	897	2,144	2,133	2,103	3,171	3,267	3,043	3,438	3,783	3,430	3,869	4,115
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
Buildings				183	419	526	551	832	1,004	822	1,206	1,963	2,329
Waterproofing										20	(16)	(35)	(22)
Sales of urethane raw materials						140	113	198	212	177	361	342	372
Product sales				648	569	848	1,009	830	909	946	690	968	984

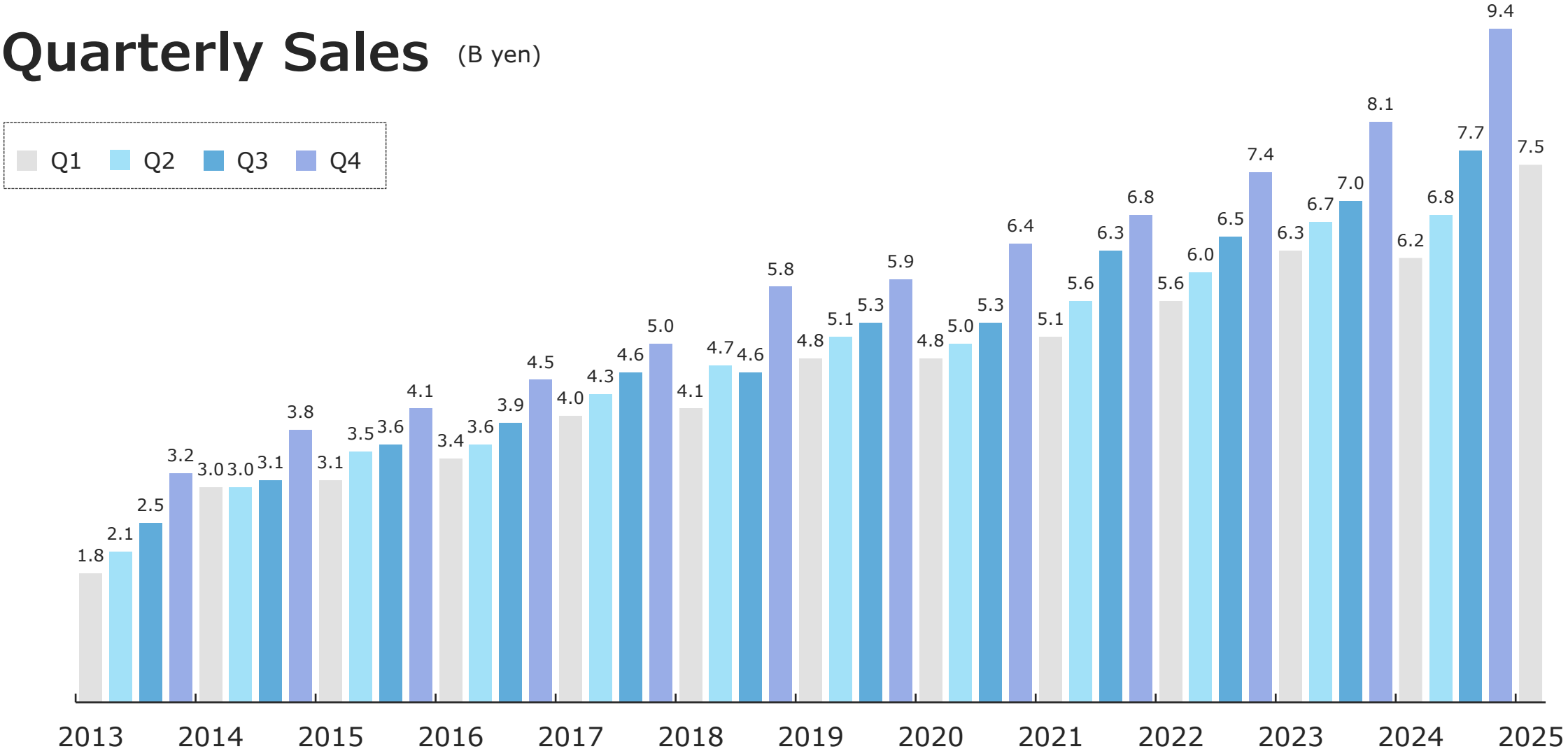
Other Key Indicators

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Assets, liabilities, and equity													
Net assets	1,080	5,103	5,529	5,590	6,663	5,508	5,885	6,843	7,638	7,951	7,966	9,304	10,545
Return on equity	40.6%	16.6%	10.0%	2.5%	16.0%	15.5%	8.6%	20.0%	18.5%	12.2%	19.5%	23.2%	18.5%
Total assets	2,787	7,982	9,138	11,254	12,596	12,806	14,381	15,379	16,021	18,279	21,969	20,392	24,071
Total assets turnover	2.71	1.82	1.52	1.38	1.31	1.42	1.43	1.44	1.39	1.39	1.28	1.34	1.36
Equity ratio	38.8%	63.9%	60.5%	49.7%	52.9%	43.0%	40.9%	44.5%	47.7%	43.5%	36.3%	45.6%	43.8%
Interest-bearing debt				1,433	834	2,370	2,776	2,136	2,400	3,166	6,033	2,400	4,500
No. of employees													
Sales		160	184	182	206	233	208	218	218	189	209	215	226
Construction		234	246	206	185	132	180	188	196	168	156	220	313
Management		21	20	35	27	62	57	69	73	81	58	66	73
Total	298	415	450	423	418	427	445	475	487	438	423	501	612
Stock-related (after reflecting 1:5 stock split on January 1, 2015)													
Stock price at the end of the period (	663	845	438	414	498	437	627	649	687	828	887	772	
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	
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	
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	
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	
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	

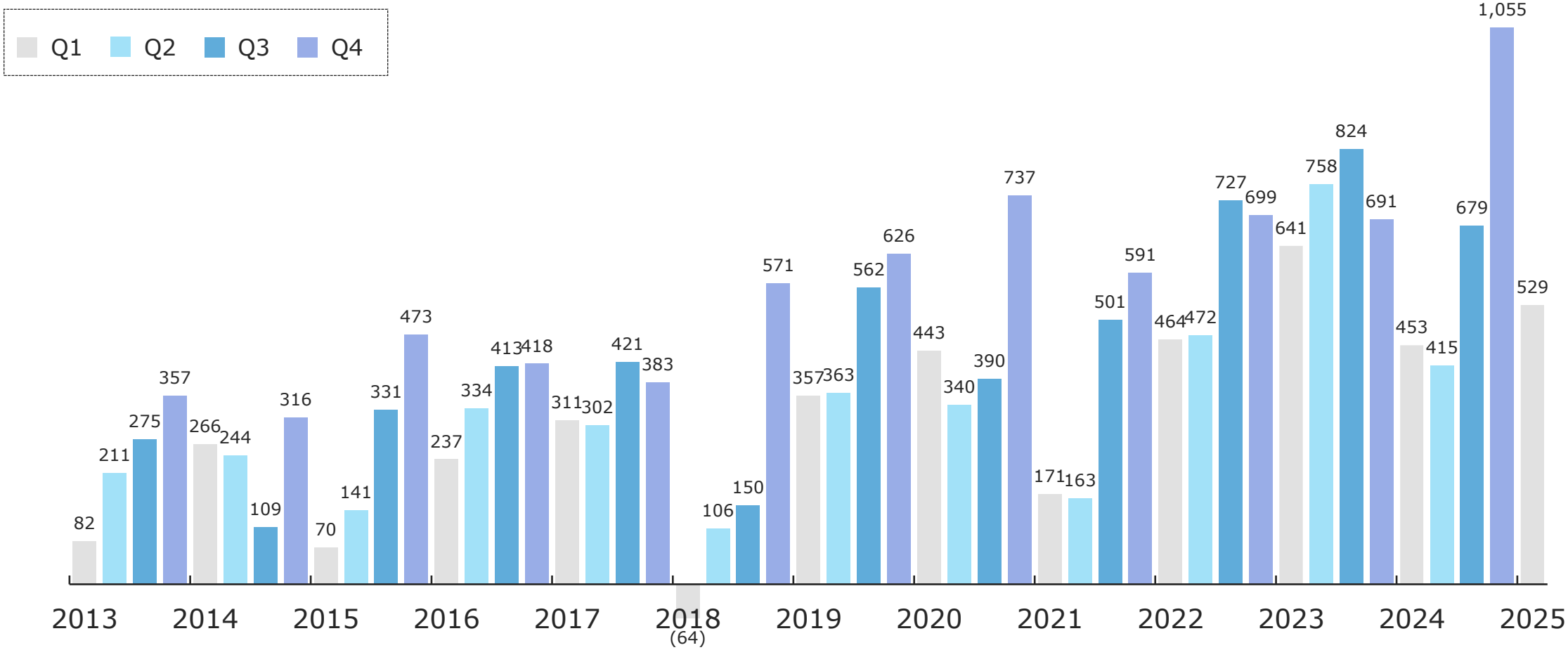
Sales Trend (B yen)



Quarterly Sales (B yen)



Quarterly Ordinary Profit (M yen)



Market Environment

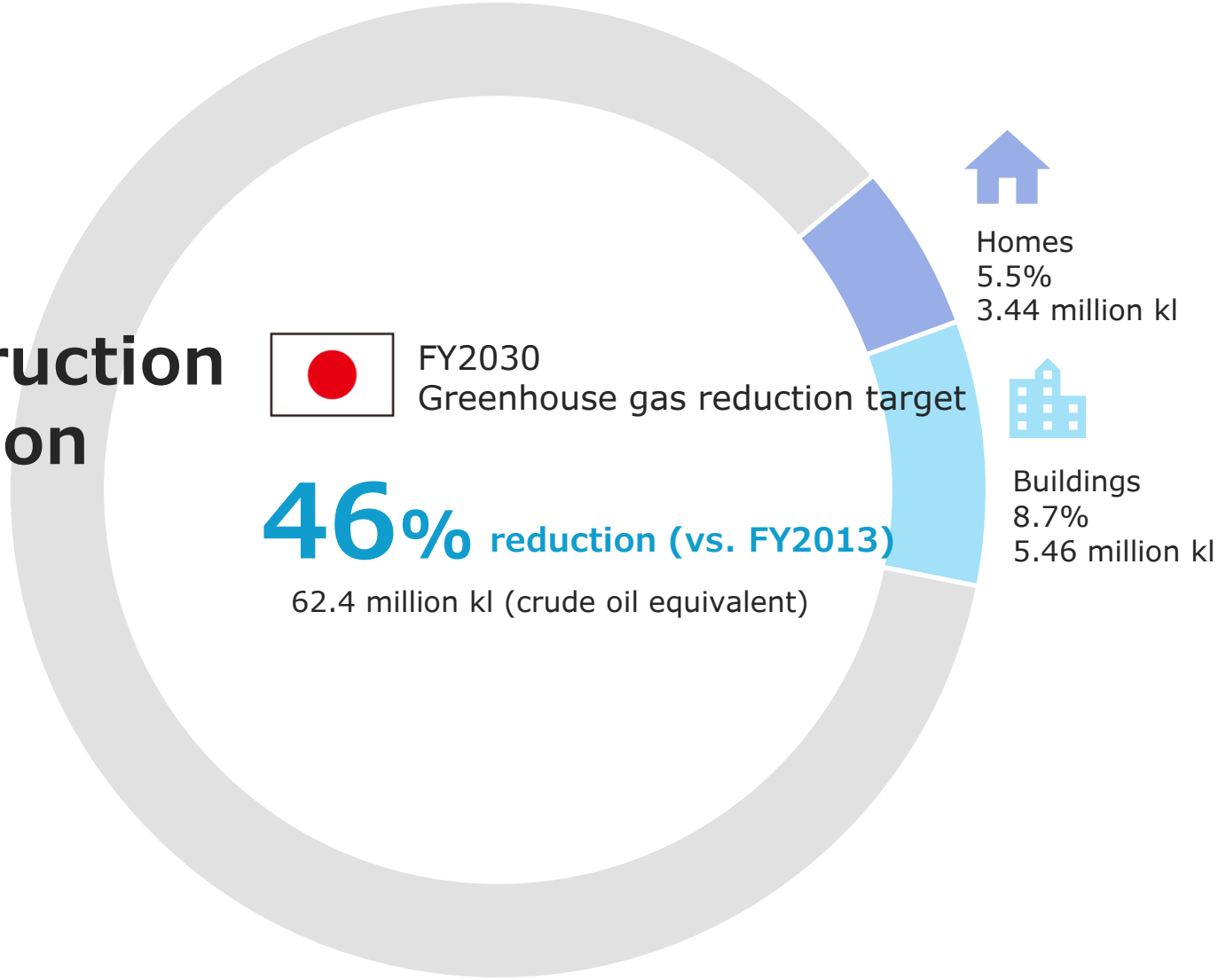
Home and Building Construction Aimed at Realizing a Carbon Free Society

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



Source: Ministry of Economy, Trade and Industry; Ministry of Land, Infrastructure, Transport and Tourism; Ministry of the Environment

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.

Source: Created by Nippon Aqua based on the Ministry of Land, Infrastructure, Transport and Tourism's "Study Group on Energy Saving Measures for Housing and Buildings Towards a Decarbonized Society".

Energy Efficiency Labeling System

To achieve zero-energy buildings and houses, it is essential to enable everyone to choose buildings based on energy efficiency performance.

From April 2024, it will be a due diligence obligation for businesses selling or leasing buildings and houses to display an energy efficiency label.

For single-family homes and Condominiums

Defines energy consumption performance and insulation performance.

For non-residential

Defines energy consumption performance.

To Achieve Energy-Saving Housing*

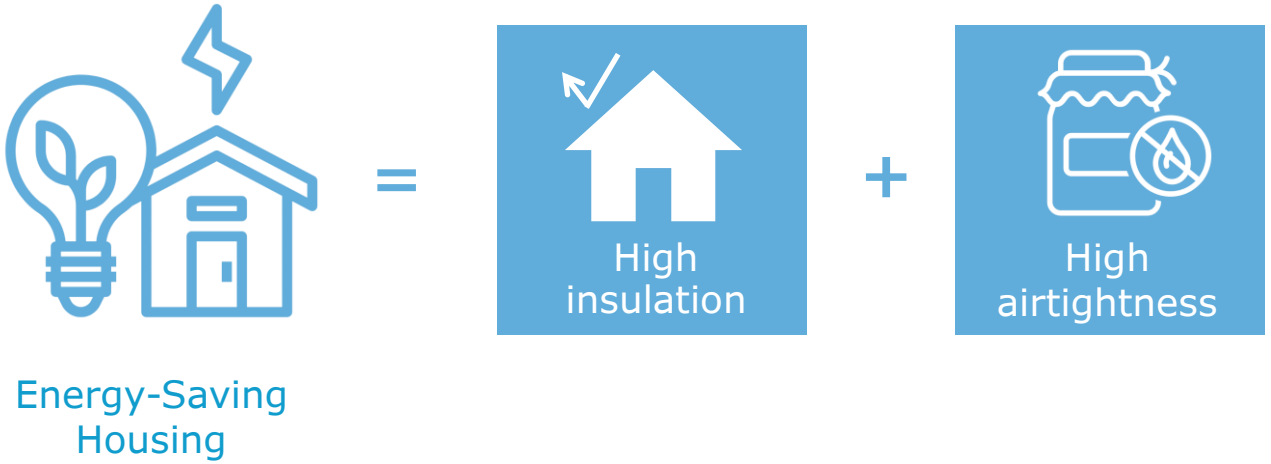
*Housing that is comfortable to live in even with low energy consumption

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.



Spread of Regulations Related to Airtightness Performance

$$\text{C value} = \frac{\text{Total gap area of the house (cm2)}}{\text{Total floor area (m2)}}$$

The lower the C value, the higher the airtightness.

C Value≤10.0	C Value ≤ 5.0	C Value ≤ 2.0	C Value ≤ 1.0	C Value ≤ 0.5
The image of a typical house without consideration for airtightness.	The value that was the standard in regions other than cold regions (current regions 1 and 2) under the next-generation energy-saving standards (1999). This standard was abolished with the revision of the Energy Saving Law in 2009.	The value that was the standard in cold regions (current regions 1 and 2) under the next-generation energy-saving standards (1999). This standard was abolished with the revision of the Energy Saving Law in 2009.	The level to secure for comfortable living. Often defined in local government energy-saving housing policies. Yamagata Shinshu (Nagano) Yukiguni ZEH (Niigata) Tottori KitaQ ZEH (Fukuoka)	A level of airtightness that is comparable to strict standards adopted in other countries. Sapporo (Hokkaido)

Source: Created by Nippon Aqua from publicly available materials from each local government

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.

Image: © Associate Professor Masayuki Mae, Department of Architecture, Graduate School of Engineering, The University of Tokyo

Market Environment

What is Energy Consumption Performance?

Primary energy consumption class

$$\text{BEI} = \frac{\text{Design primary energy consumption (Energy consumption considering energy-saving methods)}}{\text{Standard primary energy consumption (Energy consumption with standard specifications)}}$$

* 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.

Source: Ministry of Land, Infrastructure, Transport and Tourism
* Home performance indication system based on the Housing Quality Assurance Act

Market Environment

What is Insulation Performance?

	Class 1	Class 2	Class 3	Class 4	Class 5 (Guidance standards)	Class 6	Class 7 (Highest grade)
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
Region 6 such as Tokyo			ηAC value 3.8	ηAC value 2.8	ηAC value 2.8	ηAC value 2.8	ηAC value 2.8
					ZEH	HEAT20 G2	HEAT20 G3

Insulation performance class

UA value= Average thermal transmittance of the envelope
(Ease of heat escape from buildings)

ηAC value= Average solar heat gain coefficient during the cooling period
(Ease of solar heat gain into buildings)

Source: Ministry of Land, Infrastructure, Transport and Tourism
* Home performance indication system based on the Housing Quality Assurance Act

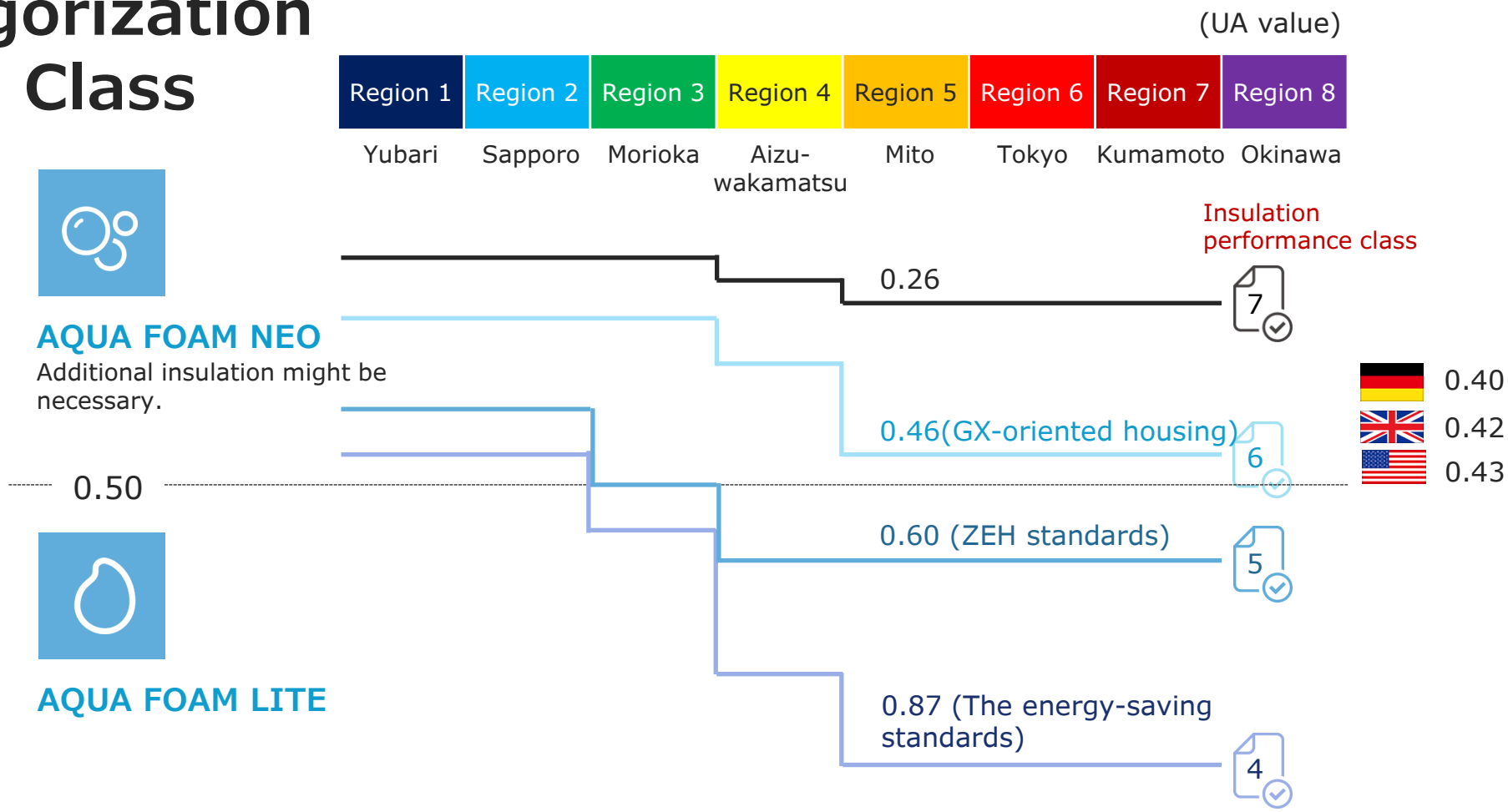
Regional Categorization and Insulation Class

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



Summarized by Nippon Aqua based on a publication by the Ministry of Land, Infrastructure, Transport and Tourism (new categorization effective from November 16, 2019), with the names of major cities

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-oriented housing

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.

Redevelopment in the Metropolitan Area Semiconductors and Data Centers Nationwide

✓The ratio of city names is the increase rate of the standard land price for fiscal 2025

✓Large-scale equipment investment related to semiconductors after 2025
(It does not promise our orders)

✓Urban redevelopment is accelerating nationwide

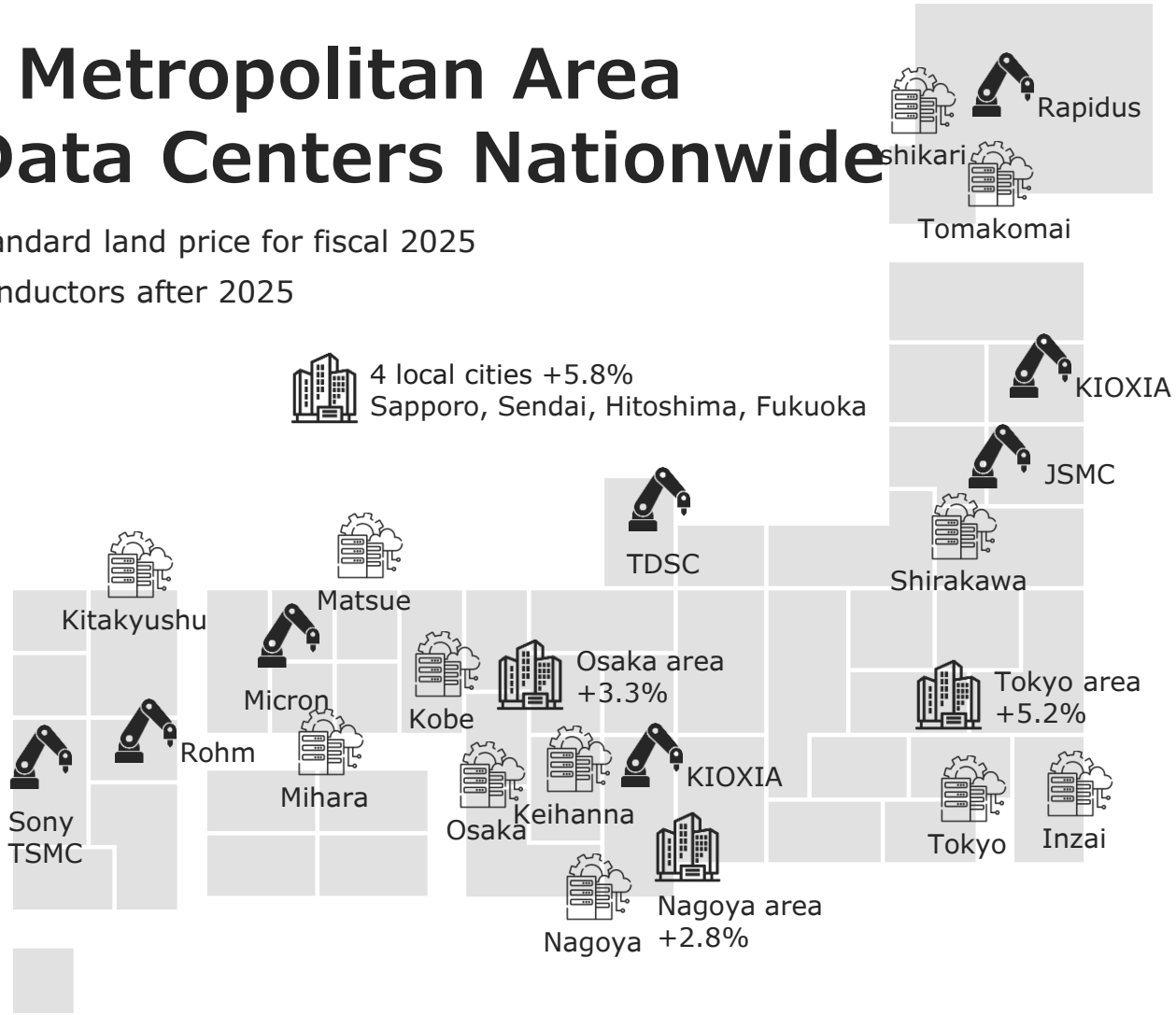
✓The three major metropolitan areas and four cities in the regions are particularly noticeable

✓Investment in cutting-edge fields as a national policy

✓Domestic return of manufacturing facilities

✓Development of infrastructure, commercial facilities, housing, etc. in the surrounding areas in line with the construction of semiconductor factories is also progressing

✓Large data centers (about 20 locations expected to open) are also promising targets



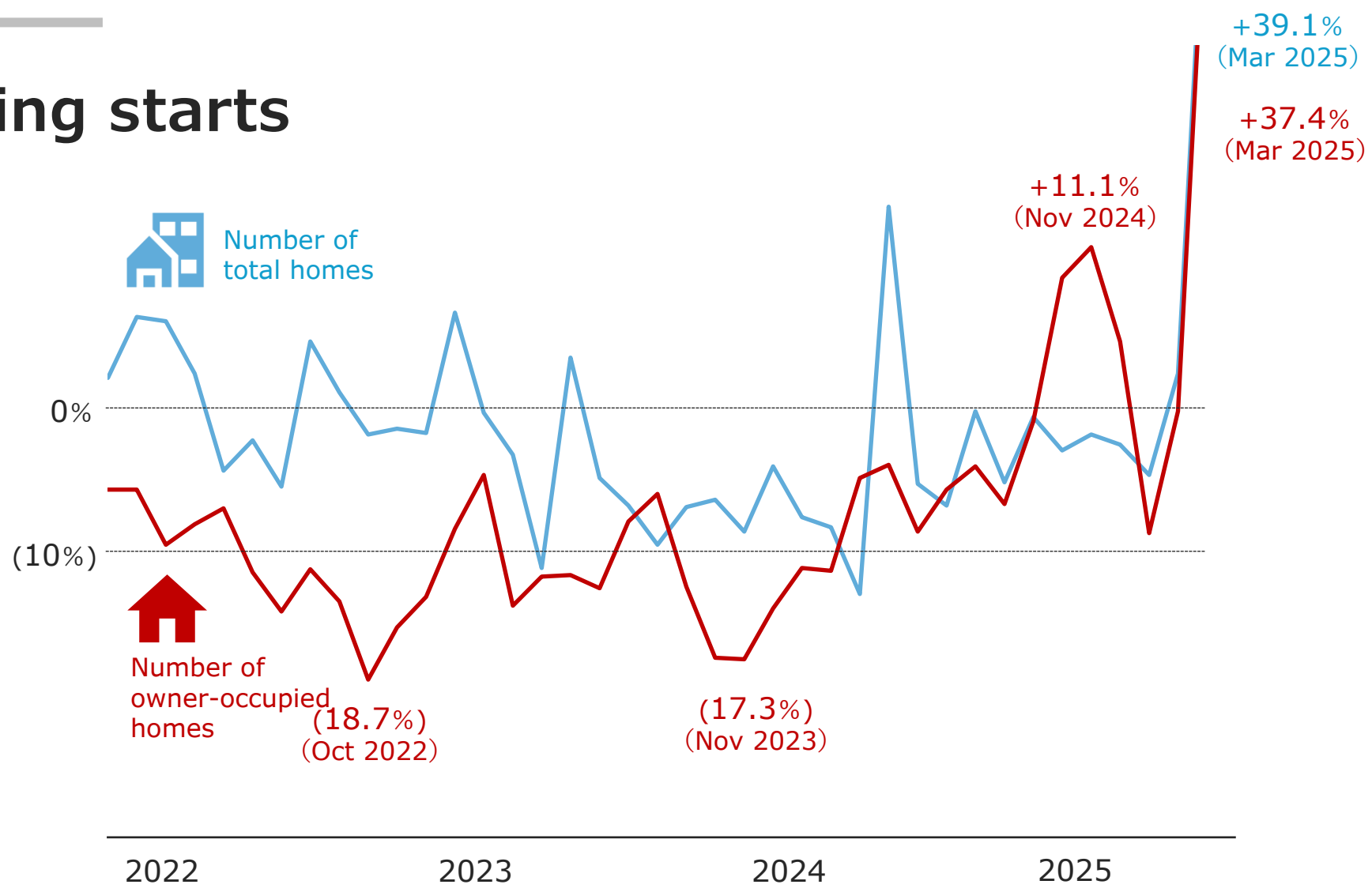
Source: The standard land prices are from the Ministry of Land, Infrastructure, Transport and Tourism, and the semiconductor factories are based on the public materials of each company, compiled by Nippon Aqua.

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



Source: Ministry of Land, Infrastructure, Transport and Tourism (Statistical Report on Building Starts)

Inquiries

Corporate Planning Dept., Administration Division
(Person in charge: Masahiko Komuro)
m.komuro@n-aqua.com

Disclaimer and Notes Regarding Forward-Looking Statements

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This document contains forward-looking statements, including our plans. These forward-looking statements are based on information available at the time of preparation and involve various risks and uncertainties. Therefore, please note that actual results may differ significantly due to various factors. We assume no obligation to update, alter or revise any forward-looking statements in light of new information, future events or other findings.