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Consolidated Financial Results for the Nine Months Ended December 31, 2025 [Japanese GAAP]

February 10, 2026

Company name: TAIHEIYO CEMENT CORPORATION

Listing: Tokyo, Fukuoka

Securities code: 5233

URL: <https://www.taiheiyo-cement.co.jp/english/index.html>

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Scheduled date of commencing dividend payments: -

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: None

(Yen amounts are rounded to the nearest million.)

1. Consolidated Financial Results for the Nine Months Ended December 31, 2025 (April 1, 2025 to December 31, 2025)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Nine months ended December 31, 2025	Million yen 671,264	% (1.6)	Million yen 59,066	% (8.0)	Million yen 60,233	% (7.6)	Million yen 17,774	% (66.1)
December 31, 2024	681,873	3.3	64,203	53.4	65,209	48.8	52,396	81.9
(Note) Comprehensive income:		Nine months ended December 31, 2025:		6,079 million yen		[(89.3)%]		
		Nine months ended December 31, 2024:		56,688 million yen		[(16.9)%]		

	Basic earnings per share	Diluted earnings per share
Nine months ended December 31, 2025	Yen 159.46	Yen -
December 31, 2024	455.48	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of December 31, 2025	Million yen 1,454,752	Million yen 668,191	% 43.8
March 31, 2025	1,423,695	676,124	45.1

(Reference) Equity: As of December 31, 2025: 637,572 million yen
As of March 31, 2025: 641,670 million yen

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended March 31, 2025	Yen -	Yen 40.00	Yen -	Yen 40.00	Yen 80.00
Fiscal year ending March 31, 2026	-	50.00	-		
Fiscal year ending March 31, 2026 (Forecast)				50.00	100.00

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

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(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	906,000	1.1	70,000	(10.0)	69,000	(8.5)	17,000	(70.4)	152.52

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

* Notes:

(1) Significant changes in the scope of consolidation during the period: None

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

(Note) For details, please see "2. Quarterly Consolidated Financial Statements and Major Notes, (3) Notes to quarterly consolidated financial statements, (Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements)" on page 8 of the Attached Materials of these Quarterly 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):

December 31, 2025: 118,191,578 shares

March 31, 2025: 118,191,578 shares

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

December 31, 2025: 6,717,347 shares

March 31, 2025: 6,768,508 shares

3) Average number of shares outstanding during the period:

Nine months ended December 31, 2025: 111,461,121 shares

Nine months ended December 31, 2024: 115,033,661 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes (Voluntary)

* 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 quarter under review

During the nine months ended December 31, 2025, the Japanese economy recovered moderately on the back of factors including continued improvement in the employment and income situation, the recovery of capital investment and consumer spending, and solid public investment, despite the impact of U.S. trade policies and other situations particularly on the automobile industry.

As for the global economy, while capital investment remained solid in the U.S. economy despite slowing personal consumption, in the Chinese economy, various government policies were running out of steam, and the real estate market continued to stagnate. Looking ahead, we need to pay close attention to U.S. trade policy, the impact of continuing price increases on personal consumption, and other factors.

Under such circumstances, net sales for the nine months ended December 31, 2025 were ¥671,264 million (down ¥10,609 million year-on-year), operating profit was ¥59,066 million (down ¥5,137 million year-on-year), ordinary profit was ¥60,233 million (down ¥4,976 million year-on-year), and profit attributable to owners of parent was ¥17,774 million (down ¥34,622 million year-on-year) largely due to the recording of impairment losses at Taiheiyo Cement Philippines, Inc., a cement manufacturing and sales subsidiary in the Philippines.

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

In line with organizational changes as of April 1, 2025, we have changed reportable segments of some subsidiaries from the first quarter of the fiscal year under review and accordingly, the following year-on-year comparisons are based on figures after such changes have been reflected.

① Cement Business

Domestic cement demand was sustained at a certain level, supported by countermeasure construction for national resilience, projects related to defense and urban development, factory construction resulting from the reshoring of supply chains, construction related to the Linear Chuo Shinkansen, and others. However, demand was affected by factors such as soaring construction costs, a significant decrease of shipment on Saturdays due to the spread of a five-day week at construction sites, and prolonged construction processes stemming from a chronic shortage of construction workers. As a result, domestic cement demand decreased 7.0% year-on-year to 23.39 million tons, of which, imported cement increased 96.3% year-on-year to 20 thousand tons. Total exports increased 5.8% year-on-year to 6.60 million tons.

Under these circumstances, the Group's domestic cement sales by volume, including consignment sales, decreased 9.6% year-on-year to 8.62 million tons. Exports increased 7.1% year-on-year to 2.57 million tons.

At West Coast U.S. cement businesses, sales by volume declined slightly year-on-year mainly due to the slowdown of housing demand and poor weather conditions, while selling prices were higher year-on-year. In the cement business in Vietnam, sales by volume, including exports, increased year-on-year due to a recovery in domestic demand. In the cement business in the Philippines, sales by volume increased year-on-year.

As a result of the above, net sales were ¥499,734 million (down ¥10,970 million year-on-year), and operating profit was ¥40,477 million (down ¥4,439 million year-on-year).

② Mineral Resources Business

In the aggregates business and the mineral products business, sales by volume declined. In the geo-solutions business, sales by volume of products for immobilizing heavy metal contaminants in soil increased due to steady progress of construction work related to the Hokkaido Shinkansen. In addition, efforts to pass on various cost increases to selling prices progressed in the entire business.

As a result, net sales were ¥69,078 million (up ¥1,569 million year-on-year), and operating profit was ¥8,314 million (up ¥208 million year-on-year).

③ Environmental Business

While operations of intermediary storage and port relay of soil generated from the Linear Chuo Shinkansen construction and coal ash treatment remained strong, operations of intermediary storage and port relay of coal and sludge treatment were sluggish. As a result, net sales were ¥61,107 million year-on-year (up ¥165 million year-on-year), and operating profit was ¥6,445 million (down ¥598 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 ¥32,583 million (down ¥1,018 million year-on-year), and operating profit was ¥1,579 million (down ¥425 million year-on-year).

⑤ Other Business

Net sales were ¥56,770 million (up ¥657 million year-on-year), and operating profit was ¥2,315 million (down ¥340 million year-on-year).

(2) Overview of financial position for the quarter under review

Total assets increased ¥31,057 million from the end of the previous fiscal year to ¥1,454,752 million. Current assets increased ¥40,732 million from the end of the previous fiscal year to ¥446,463 million, and non-current assets decreased ¥9,675 million to ¥1,008,290 million. The increase in current assets was mainly due to an increase in electronically recorded monetary claims - operating. The decrease in non-current assets was mainly due to a decrease in machinery, equipment and vehicles.

Liabilities increased ¥38,990 million from the end of the previous fiscal year to ¥786,561 million. Current liabilities increased ¥57,016 million from the end of the previous fiscal year to ¥445,370 million, and non-current liabilities decreased ¥18,026 million to ¥341,192 million. The increase in current liabilities was mainly due to an increase in commercial papers. The decrease in non-current liabilities was mainly due to a decrease in bonds payable. Interest-bearing debt (total amount of short-term borrowings, commercial papers, current portion of bonds payable, bonds payable, and long-term borrowings) increased ¥25,492 million from the end of the previous fiscal year to ¥415,180 million.

Net assets decreased ¥7,933 million from the end of the previous fiscal year to ¥668,191 million. This was mainly due to a decrease in foreign currency translation adjustment.

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

The full-year consolidated financial results forecasts have been revised as follows. For details, please see the “Notice Regarding the Recording of Impairment Losses on a Consolidated Subsidiary in the Philippines (Consolidated) and Loss on Valuation of Shares of Subsidiaries and Associates (Non-consolidated) on the Said Subsidiary, and the Revision of Financial Results Forecasts for the Fiscal Year Ending March 31, 2026” released today.

Consolidated financial results forecasts for the fiscal year ending March 31, 2026 (April 1, 2025 to March 31, 2026)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share
Previous forecast (A)	Million yen 906,000	Million yen 70,000	Million yen 68,000	Million yen 45,000	Yen 403.75
Revised forecast (B)	906,000	70,000	69,000	17,000	152.52
Change (B-A)	0	0	1,000	(28,000)	
Change (%)	0.0	0.0	1.5	(62.2)	
(Reference) Results of previous fiscal year (Fiscal year ended March 31, 2025)	896,295	77,750	75,374	57,428	502.48

2. Quarterly Consolidated Financial Statements and Major Notes

(1) Quarterly Consolidated Balance Sheets

	(Million yen)	
	As of March 31, 2025	As of December 31, 2025
Assets		
Current assets		
Cash and deposits	74,987	87,967
Notes and accounts receivable - trade, and contract assets	148,457	153,781
Electronically recorded monetary claims - operating	32,087	53,571
Merchandise and finished goods	54,373	55,593
Work in process	1,522	2,478
Raw materials and supplies	71,950	71,695
Other	22,469	21,572
Allowance for doubtful accounts	(115)	(195)
Total current assets	<u>405,731</u>	<u>446,463</u>
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	172,858	167,083
Machinery, equipment and vehicles, net	252,982	236,150
Land	163,531	162,399
Other, net	149,332	153,639
Total property, plant and equipment	<u>738,702</u>	<u>719,271</u>
Intangible assets		
Goodwill	64	89
Other	46,951	42,451
Total intangible assets	<u>47,015</u>	<u>42,540</u>
Investments and other assets		
Investment securities	135,374	153,390
Retirement benefit asset	49,389	49,297
Other	48,635	44,963
Allowance for doubtful accounts	(1,150)	(1,171)
Total investments and other assets	<u>232,248</u>	<u>246,479</u>
Total non-current assets	<u>1,017,965</u>	<u>1,008,290</u>
Total assets	1,423,695	1,454,752

(Million yen)

	As of March 31, 2025	As of December 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	73,647	77,103
Electronically recorded obligations - operating	16,284	24,149
Short-term borrowings	156,488	159,182
Commercial papers	5,000	49,000
Current portion of bonds payable	15,000	12,700
Income taxes payable	6,344	5,055
Provision for bonuses	7,302	3,917
Provision for product compensation	741	1,006
Other provisions	168	89
Other	107,380	113,169
Total current liabilities	388,354	445,370
Non-current liabilities		
Bonds payable	55,000	42,300
Long-term borrowings	158,200	151,997
Retirement benefit liability	23,008	22,188
Provision for retirement benefits for directors (and other officers)	536	449
Provision for special repairs	292	341
Provision for product compensation	2,728	2,349
Other provisions	360	355
Asset retirement obligations	14,453	14,219
Other	104,641	106,994
Total non-current liabilities	359,217	341,192
Total liabilities	747,571	786,561
Net assets		
Shareholders' equity		
Share capital	86,174	86,174
Capital surplus	50,288	49,396
Retained earnings	417,460	425,195
Treasury shares	(22,131)	(21,968)
Total shareholders' equity	531,791	538,798
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	18,879	31,704
Deferred gains or losses on hedges	0	0
Revaluation reserve for land	3,509	3,509
Foreign currency translation adjustment	64,316	41,809
Remeasurements of defined benefit plans	23,174	21,753
Total accumulated other comprehensive income	109,879	98,775
Non-controlling interests	34,455	30,619
Total net assets	676,124	668,191
Total liabilities and net assets	1,423,695	1,454,752

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
 Quarterly Consolidated Statements of Income (For the nine months)

(Million yen)

	For the nine months ended December 31, 2024	For the nine months ended December 31, 2025
Net sales	681,873	671,264
Cost of sales	513,828	502,625
Gross profit	168,045	168,639
Selling, general and administrative expenses	103,842	109,573
Operating profit	64,203	59,066
Non-operating income		
Interest income	1,263	674
Dividend income	2,097	2,548
Share of profit of entities accounted for using equity method	751	2,081
Other	3,026	3,837
Total non-operating income	7,137	9,140
Non-operating expenses		
Interest expenses	3,184	4,206
Other	2,947	3,767
Total non-operating expenses	6,131	7,973
Ordinary profit	65,209	60,233
Extraordinary income		
Gain on disposal of non-current assets	2,842	761
Gain on sale of investment securities	1,755	242
Gain on extinguishment of debt	4,544	-
Insurance claim income	1,143	-
Other	112	193
Total extraordinary income	10,395	1,196
Extraordinary losses		
Loss on disposal of non-current assets	1,916	2,645
Impairment losses	3	24,696
Retirement benefit expenses	2,684	-
Other	285	235
Total extraordinary losses	4,888	27,577
Profit before income taxes	70,715	33,852
Income taxes	17,008	14,737
Profit	53,707	19,115
Profit attributable to non-controlling interests	1,311	1,342
Profit attributable to owners of parent	52,396	17,774

Quarterly Consolidated Statements of Comprehensive Income (For the nine months)

(Million yen)

	For the nine months ended December 31, 2024	For the nine months ended December 31, 2025
Profit	53,707	19,115
Other comprehensive income		
Valuation difference on available-for-sale securities	243	12,812
Deferred gains or losses on hedges	(1)	0
Foreign currency translation adjustment	724	(21,965)
Remeasurements of defined benefit plans, net of tax	1,060	(1,430)
Share of other comprehensive income of entities accounted for using equity method	955	(2,453)
Total other comprehensive income	2,981	(13,036)
Comprehensive income	56,688	6,079
(Breakdown)		
Comprehensive income attributable to owners of parent	55,371	6,669
Comprehensive income attributable to non-controlling interests	1,318	(590)

(3) Notes to quarterly consolidated financial statements

(Note relating to going concern assumption)

Not applicable.

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

Not applicable.

(Adoption of accounting treatment specific to the preparation of quarterly 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 third quarter 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.

(Segment information, etc.)

[Segment information]

I. For the nine months ended December 31, 2024

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	506,914	49,990	56,983	32,504	646,391	35,482	681,873	-	681,873
Inter-segment sales	3,790	17,519	3,959	1,097	26,364	20,631	46,995	(46,995)	-
Total	510,704	67,508	60,942	33,601	672,755	56,113	728,868	(46,995)	681,873
Segment profit	44,916	8,106	7,044	2,004	62,070	2,654	64,724	(521)	64,203

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 quarterly consolidated statements of income.

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

Not applicable.

II. For the nine months ended December 31, 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	494,998	50,071	58,556	31,345	634,970	36,294	671,264	-	671,264
Inter-segment sales	4,736	19,006	2,551	1,238	27,532	20,475	48,007	(48,007)	-
Total	499,734	69,078	61,107	32,583	662,502	56,770	719,271	(48,007)	671,264
Segment profit	40,477	8,314	6,445	1,579	56,815	2,315	59,129	(63)	59,066

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 quarterly consolidated statements of income.

2. Matters concerning changes in reportable segments, etc.

The Company has changed reportable segments from the first quarter of the fiscal year under review. Part of subsidiaries which was previously classified into the “Construction Materials Business” has been classified into the “Cement Business” and part of subsidiaries which was previously classified into “Other” has been classified into the “Environmental Business.”

As a result of these changes, segment information for the nine months ended December 31, 2024 is presented based on the new classification of reportable segments.

3. Information on impairment losses on non-current assets, goodwill, etc. by reportable segment
(Significant impairment losses on non-current assets)

In “Cement Business,” impairment losses of ¥24,425 million were recorded as a result of a business plan review due to deterioration of the business environment surrounding Taiheiyo Cement Philippines, Inc.

(Statements of cash flows)

Quarterly consolidated statements of cash flows for the nine months ended December 31, 2025 have not been prepared. Depreciation (including depreciation related to intangible assets excluding goodwill) and amortization of goodwill for the nine months ended December 31, 2025 are as follows.

	For the nine months ended December 31, 2024	For the nine months ended December 31, 2025
Depreciation	¥46,290 million	¥51,249 million
Amortization of goodwill	¥31 million	¥24 million