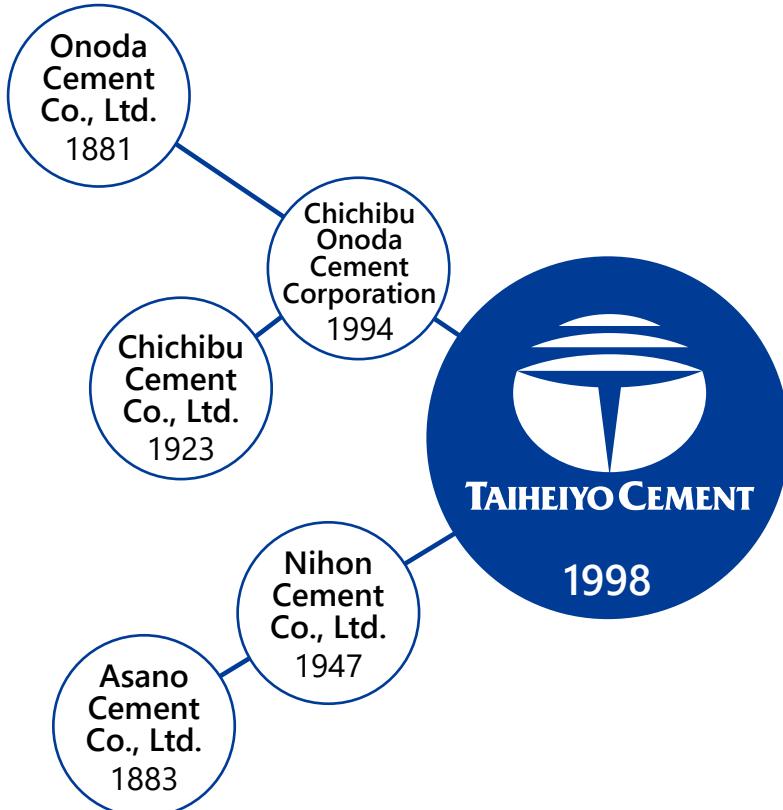




Reference Materials of Financial Results for the Nine Months Ended December 31, 2025

February 10, 2026

TAIHEIYO CEMENT CORPORATION



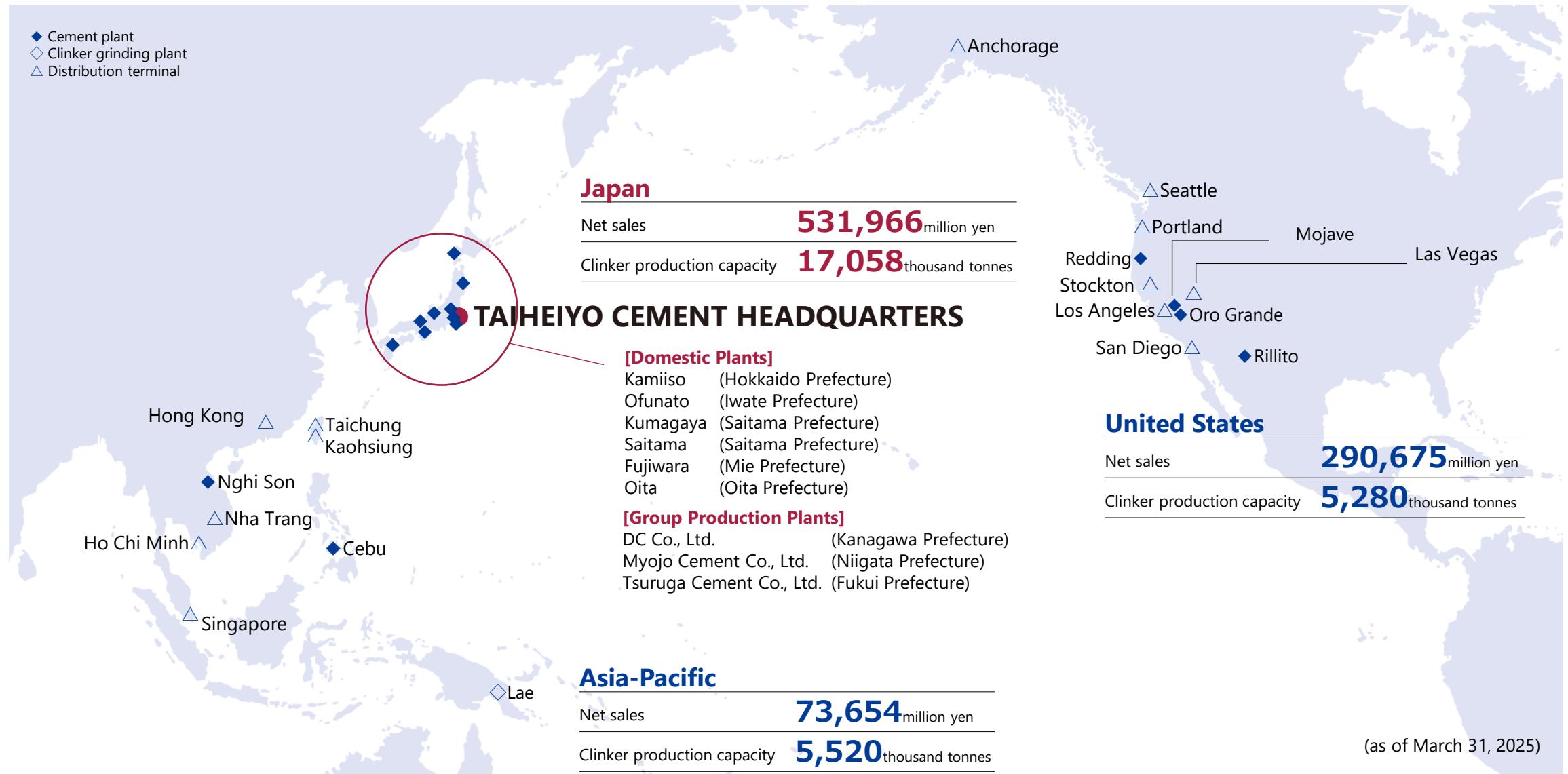
Mission of the Taiheiyo Cement Group

Our mission is to contribute to social infrastructure development by providing solutions that are environmentally efficient, enhance our competitive position and bring value to our stakeholders.

Established	May 3, 1881
Capital	86,174 million yen
Headquarters	BUNKYO GARDEN GATE TOWER, 1-1-1, Koishikawa, Bunkyo-ku, Tokyo 112-8503, Japan
Number of employees	Consolidated: 12,586 Non-consolidated: 1,733 (not including seconded staff)
Subsidiaries	201 (including 129 consolidated subsidiaries and 5 equity-method non-consolidated subsidiaries)
Affiliates	105 (including 36 equity-method affiliates)

(as of March 31, 2025)

Market Area



Contents

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1. Highlights of Consolidated Financial Results

1. Highlights of Consolidated Financial Results

『Summary of Financial Results』

- In domestic cement, operating profit increased due to the effect of price hikes and cost improvement.
- Sales and profit decreased at overseas subsidiaries, etc.
- Recording of impairment losses of 24.4 billion yen on the Philippine subsidiary.

	FY2025 Q3	FY2026 Q3	Change
Net sales	681,873	671,264	(10,609)
Operating profit	64,203	59,066	(5,137)
Ordinary profit	65,209	60,233	(4,976)
Profit attributable to owners of parent	52,396	17,774	(34,622)

1. Highlights of Consolidated Financial Results

《Main Indicators》

	FY2025 Q3	FY2026 Q3	Change
Operating profit to net sales ratio (%)	9.4	8.8	(0.6)
Basic earnings per share (Yen)	455.5	159.5	(296.0)

	End of Mar. 2025	End of Dec. 2025	Change
Net assets per share (Yen)	5,758.9	5,719.5	(39.4)
Capital adequacy ratio (%)	45.1	43.8	(1.2)
Net debt/equity ratio (Times)	0.49	0.51	+0.02

《Environmental Factors》

	FY2025 Q3	FY2026 Q3	Change
Average exchange rate (Yen/US\$)	151.5	148.1	(3.4)
Average procurement price of imported coal, etc. for domestic (C&F \$/t)	150	130	(20)

2. Financial Results for the Fiscal 2026 Q3

2. Financial Results for the Fiscal 2026 Q3

(1) Consolidated Segment Information

(Million yen)

		Net sales			Operating profit		
		FY2025 Q3	FY2026 Q3	Change	FY2025 Q3	FY2026 Q3	Change
Cement Business	Domestic	247,328	250,817	+3,489	13,350	22,086	+8,737
	Overseas Subsidiaries, etc.	263,376	248,917	(14,458)	31,566	18,390	(13,176)
	Total	510,704	499,734	(10,970)	44,916	40,477	(4,439)
Mineral Resources Business		67,508	69,078	+1,569	8,106	8,314	+208
Environmental Business		60,942	61,107	+165	7,044	6,445	(598)
Construction Materials Business		33,601	32,583	(1,018)	2,004	1,579	(425)
Other		56,113	56,770	+657	2,654	2,315	(340)
Total		728,868	719,271	(9,597)	64,724	59,129	(5,595)
Elimination		(46,995)	(48,007)	(1,013)	(521)	(63)	+458
Consolidated Total		681,873	671,264	(10,609)	64,203	59,066	(5,137)

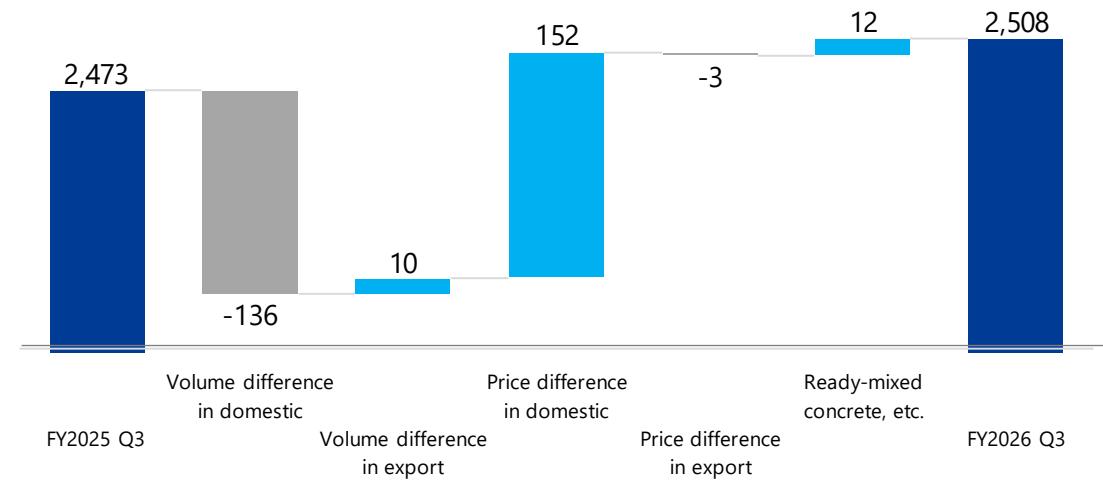
2. Financial Results for the Fiscal 2026 Q3

① Domestic Cement Business

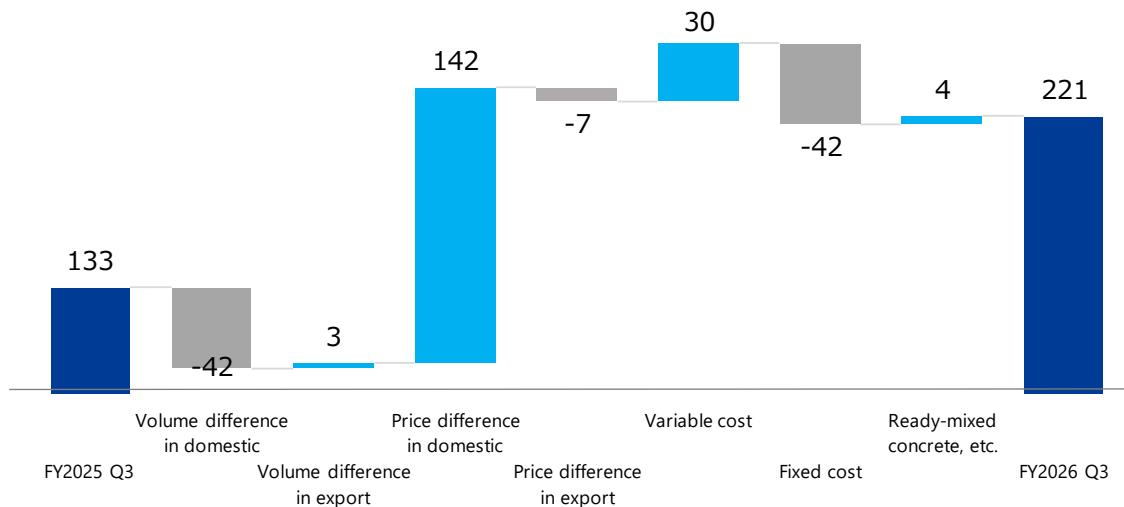
	FY2025 Q3	FY2026 Q3	Change
Sales volume (Thousand t)			
Domestic	9,516	8,602	(913)
Export	2,397	2,567	+171
Net sales (Million yen)	247,328	250,817	+3,489
Operating profit (Million yen)	13,350	22,086	+8,737

- Domestic demand declined due to a decrease in shipments resulting from the broader adoption of the two-day weekend system by ready-mixed concrete cooperatives, as well as reduced working hours at construction sites caused by heatstroke prevention measures and bad weather conditions. Our cement sales volume also declined.
- Operating profit increased due to higher selling prices and cost improvements for cement and soil stabilizers, despite the decrease in sales volume.

Net Sales (Hundred million yen)



Operating Profit (Hundred million yen)



2. Financial Results for the Fiscal 2026 Q3

②Overseas Subsidiaries, etc.

《U.S.A.》

	FY2025 Q3	FY2026 Q3	Change
Cement (Thousand t)	4,693	4,509	(184)
Ready-mixed concrete (Thousand cy)	4,286	3,548	(738)
Aggregates (Thousand t)	8,773	9,377	+605
Net sales (Hundred million yen)	2,278	2,118	(160)
	1,504	1,430	(74)
Operating profit (Hundred million yen)	328	211	(117)
	217	143	(74)

- Demand was affected by bad weather conditions and the slowdown in the private sector, etc. as interest rates remained high.
- Decrease in profit resulted from a decline in sales volumes of cement and ready-mixed concrete due to reduced demand, despite efforts to implement price increases and cost reduction measures.
- In the aggregates business, sales volume increased due to the impact of acquisitions.

《Asia and others》 (Simple sum of consolidated subsidiaries)

	FY2025 Q3	FY2026 Q3	Change
Cement (Thousand t)	4,982	5,504	+522
Net sales (Hundred million yen)	402	417	+14
Operating profit (Hundred million yen)	(2)	(16)	(14)

- Vietnam: Secured profit at a level comparable to the previous year, supported by robust domestic demand.
- Philippines: Profitability deteriorated due to falling sales prices, etc. caused by the continued influx of low-priced imports. We recorded impairment losses in the current third quarter. Initiatives to improve earnings are ongoing.

*The impact of foreign exchange fluctuations on changes in overseas subsidiaries is as follows.

Net sales: -69 hundred million yen, Operating profit: -5 hundred million yen

Background of Recording of Impairment Losses on Consolidated Subsidiary in the Philippines

1. The Recording of Impairment Losses on Non-current Assets

We have made renewal investments in production lines and continued production in Taiheiyo Cement Philippines, Inc. (TCPI), which operates cement manufacturing and sales business in the Philippines. However, due to sluggish demand stemming from the impact from the COVID-19 pandemic and rising interest rates thereafter, improvements in the earnings structure are projected to take more time than initially expected.

In light of these circumstances, we assessed the future recoverability of the non-current assets held by TCPI. As a result, we have recorded impairment losses of 24.4 billion yen as extraordinary losses in the consolidated financial results for the nine months of the fiscal year ending March 31, 2026.

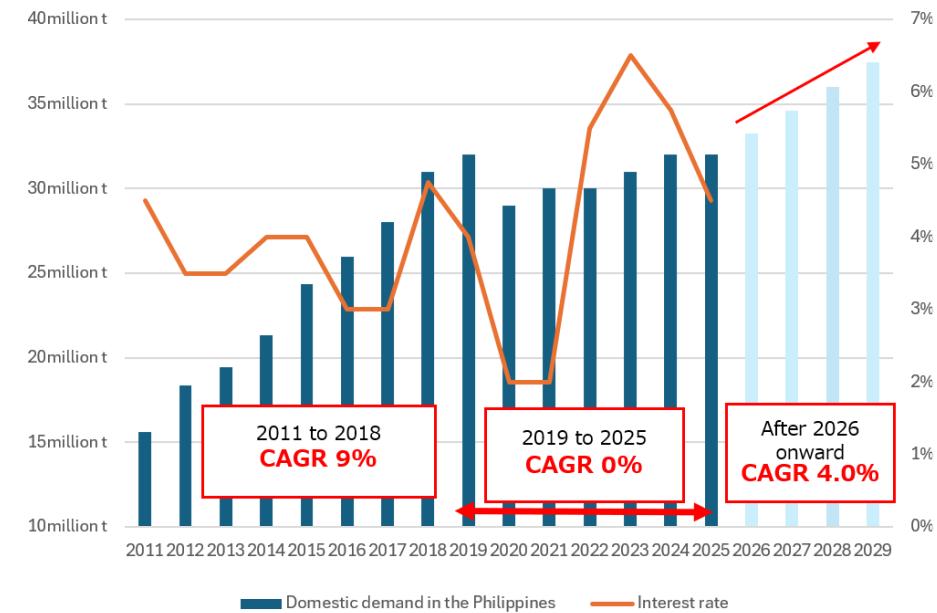
The impairment losses relate mainly to plant buildings and machinery equipment for manufacturing.

[Reference] Major capital investments in TCPI since 2021

Investment Name	Amount	Note
Construction of a new production line	¥30.0 billion	
Construction of a new cement distribution terminal on Luzon island	¥10.0 billion	Scheduled to start operations in 1H 2027
Total	¥40.0 billion	

2. Changes in the Business Environment (Trend in Cement Demand)

Trend in cement demand and interest rate in the Philippines



Prepared based on the Bangko Sentral ng Pilipinas's "Monetary Policy Decisions," demand in the Philippines (2011-2016) from CeMAP, and our own estimates (2017-2029)

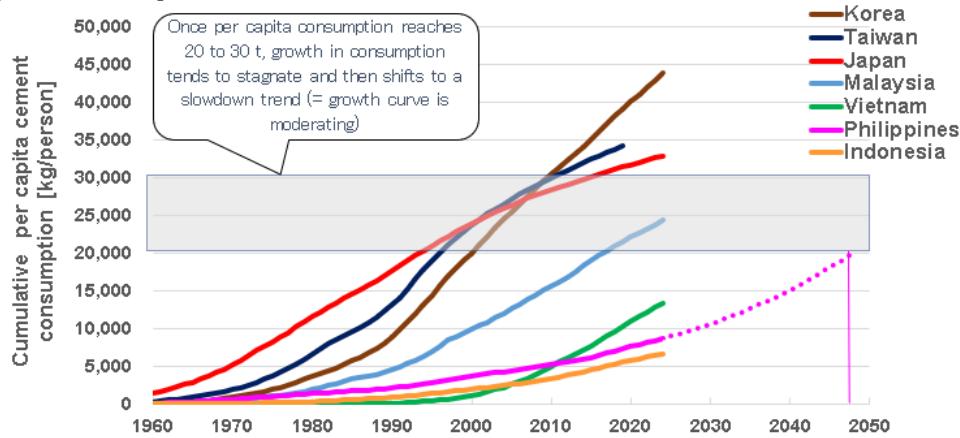
After reaching 32 million t in 2019, cement demand significantly dropped, affected mainly by the COVID-19 pandemic. Thereafter, the central bank's high interest-rate policy to curb inflation led to a slowdown in private capital investment, and it took until 2025 for demand to recover to 2019 levels.

On the supply side, the volume of cement supply expanded due to an increased influx of Vietnamese products into the Philippines due to oversupply in Vietnam and the deterioration of the real estate market in China.

Future Direction and Initiatives for Consolidated Subsidiary in the Philippines

3. Future Outlook

(1) Assumption about the cement market in the Philippines



Prepared based on the Global Cement Report, and our own estimates

Although per capita cement consumption in the country's cement market has remained at a low level, demand is expected to continue expanding over the medium- to long-term in line with economic growth.

Cement imports mainly from Vietnam increased from 6.5 million t in 2021 to 7.6 million t in 2024, posing a challenge to the supply side. However, the influx of Vietnamese products is currently on a declining trend after the implementation of safeguard measures.

(2) Outlook for the Philippine economy

The Philippine economy is projected to grow at a real GDP rate of 5-6% from 2026 onward. In addition, Japan is the Philippines' largest ODA donor and several ODA projects are expected, including the "Cebu-Mactan Bridge (4th Bridge) and Coastal Road Construction Project."

4. Initiatives for Earnings Improvement

We will work on the following various initiatives to restore earning capacity in the Philippine business.

Initiative	Description
Initiative for cost reduction	<ul style="list-style-type: none">Reduction of raw material and fuel costsExpansion of limestone in-house supply, Maximum utilization of SCMs*Switching electricity contract, Review of coal procurementDecrease in depreciation expenses due to impairment losses: approx. ¥1.2 billion (per annum)
Initiative for sales volume increase	<ul style="list-style-type: none">Expand sales by acquiring ODA projectsAcquire demand of special projects (demand for disaster recovery, construction of airport access road, etc.)Capture demand in Southern Luzon after commencement of terminal business in Luzon island
Initiative utilizing the strength of TCC Group	<ul style="list-style-type: none">Improvement of operating ratio through TCC facility management systemBuilding long-term customer relationships through technology-driven salesCost reduction through the acceptance of waste

* Supplementary Cementitious Materials (SCMs): SCMs are used as blended materials during cement manufacturing to improve performance. SCMs include blast furnace slag, fly ash, limestone, and pozzolan.

As we see TCPI as a strategic hub for our overseas business and the improvement of earnings capacity in the Philippine business as an urgent priority, we will be committed to consistently improving profitability and financial structure through the initiatives stated above.

2. Financial Results for the Fiscal 2026 Q3

③Mineral Resources, Environmental, Construction Materials and Other Business

(Million yen)

		FY2025 Q3	FY2026 Q3	Change	Main Factors of Changes in Net Sales and Operating Profit(Net Change)
Mineral Resources Business	Net sales	67,508	69,078	+1,569	Despite a decrease in sales by volume of aggregates and mineral products, sales by volume of products for immobilizing heavy metal contaminants in soil increased. Efforts to pass on various cost increases to selling prices progressed in the entire business.
	Operating profit	8,106	8,314	+208	
Environmental Business	Net sales	60,942	61,107	+165	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.
	Operating profit	7,044	6,445	(598)	
Construction Materials Business	Net sales	33,601	32,583	(1,018)	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.
	Operating profit	2,004	1,579	(425)	
Other	Net sales	56,113	56,770	+657	
	Operating profit	2,654	2,315	(340)	

2. Financial Results for the Fiscal 2026 Q3

(2) Consolidated Statements of Income

	FY2025 Q3	FY2026 Q3	(Million yen)
			Change
Net sales	681,873	671,264	(10,609)
Operating profit	64,203	59,066	(5,137)
Non-operating income and expenses	1,006	1,167	+161
Ordinary profit	65,209	60,233	(4,976)
Extraordinary income and losses	5,507	(26,381)	(31,887)
Profit before income taxes	70,715	33,852	(36,863)
Income taxes	17,008	14,737	(2,271)
Profit attributable to non-controlling interests	1,311	1,342	+31
Profit attributable to owners of parent	52,396	17,774	(34,622)

2. Financial Results for the Fiscal 2026 Q3

(3)Consolidated Balance Sheets

(Million yen)

		End of Mar. 2025	End of Dec. 2025	Change			End of Mar. 2025	End of Dec. 2025	Change
Current assets	Cash and deposits	74,987	87,967	+12,980	Liabilities	Current liabilities	388,354	445,370	+57,016
	Notes and accounts receivable - trade, and contract assets	180,544	207,353	+26,809		Non-current liabilities	359,217	341,192	(18,026)
	Inventories	127,846	129,766	+1,921		Total liabilities	747,571	786,561	+38,990
	Other	22,354	21,376	(978)		Share capital	86,174	86,174	—
Total current assets		405,731	446,463	+40,732	Net assets	Capital surplus	50,288	49,396	(892)
Non-current assets	Total property, plant and equipment	738,702	719,271	(19,431)		Retained earnings	417,460	425,195	+7,735
	Total intangible assets	47,015	42,540	(4,475)		Treasury shares	(22,131)	(21,968)	+163
	Total investments and other assets	232,248	246,479	+14,231		Total shareholders' equity	531,791	538,798	+7,007
	Total non-current assets	1,017,965	1,008,290	(9,675)		Accumulated other comprehensive income	109,879	98,775	(11,104)
Total assets		1,423,695	1,454,752	+31,057	Total liabilities and net assets		1,423,695	1,454,752	+31,057

	End of Dec. 2024	End of Sep. 2025	Change		End of Mar. 2025	End of Dec. 2025	Change
Exchange rate at end of period (Yen/US\$)	158.2	148.9	(9.3)	Interest-bearing debt (Million yen)	389,688	415,180	+25,492

3. Forecast for the Fiscal 2026

3. Forecast for the Fiscal 2026

『Precondition』

- The precondition for the FY 2026 revised forecast is as follows.

	FY2025 Actual	FY2026 Forecast	Change
Domestic cement demand (Ten thousand t)	3,266	3,030	(236)
Average procurement price of imported coal, etc. for domestic (C&F \$/t)	150	130	(20)
Average exchange rate (Yen/US\$)	151.7	150.0	(1.7)

(Sensitivity: Impact on operating profit) 30 million yen positive impact by 1 yen drop in foreign exchange

『Summary for the Fiscal 2026 Revised Forecast』

- Revised domestic cement demand down to 30.3 million tons.
- Revised forecasts for overseas subsidiaries.
- Downward revision from November forecast due to the recording of impairment losses.

3. Forecast for the Fiscal 2026

(1) Consolidated Statements of Income

(Hundred million yen)

	FY2025 Actual	FY2026 Forecast	Change
Net sales	8,963	9,060	+97
Operating profit	777	700	(77)
Non-operating income and expenses	(24)	(10)	+14
Ordinary profit	754	690	(64)
Extraordinary income and losses	(8)	(310)	(302)
Profit before income taxes	746	380	(366)
Income taxes	158	195	+37
Profit attributable to non-controlling interests	14	15	+1
Profit attributable to owners of parent	574	170	(404)

3. Forecast for the Fiscal 2026

(2) Consolidated Segment Information

(Hundred million yen)

		Net sales			Operating profit		
		FY2025 Actual	FY2026 Forecast	Change	FY2025 Actual	FY2026 Forecast	Change
Cement Business	Domestic	3,234	3,380	+146	161	265	+104
	Overseas Subsidiaries, etc.	3,448	3,320	(128)	384	211	(173)
	Total	6,682	6,700	+18	544	476	(68)
Mineral Resources Business		882	920	+38	96	98	+2
Environmental Business		809	820	+11	90	86	(4)
Construction Materials Business		443	430	(13)	24	16	(8)
Other		786	810	+24	39	33	(6)
Total		9,602	9,680	+78	793	709	(84)
Elimination		(639)	(620)	+19	(16)	(9)	+7
Consolidated Total		8,963	9,060	+97	777	700	(77)

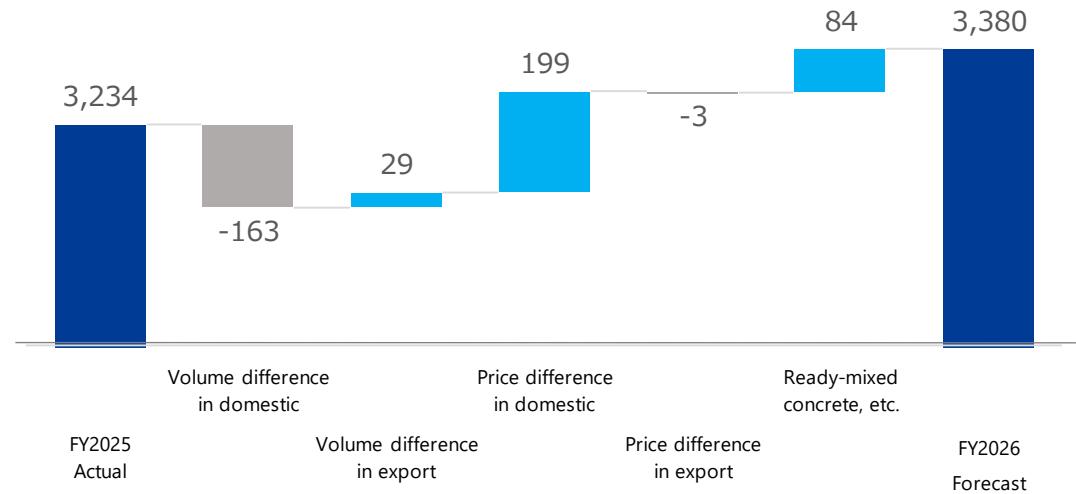
3. Forecast for the Fiscal 2026

① Domestic Cement Business

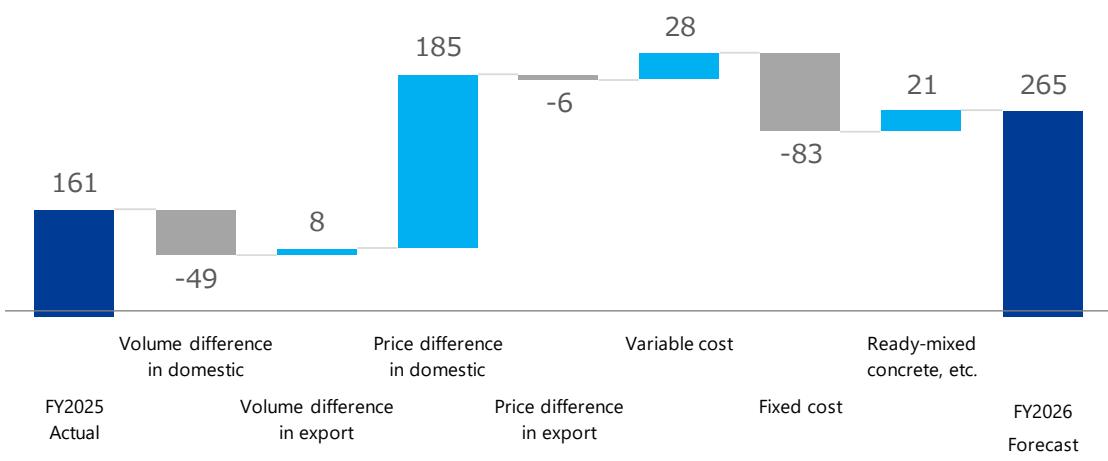
	FY2025 Actual	FY2026 Forecast	Change
Sales volume (Thousand t)			
Domestic	12,329	11,200	(1,129)
Export	3,025	3,500	+475
Net sales (Hundred million yen)	3,234	3,380	+146
Operating profit (Hundred million yen)	161	265	+104

- Domestic demand decline due to a decrease in shipments resulting from the broader adoption of the two-day weekend system by ready-mixed concrete cooperatives, as well as reduced working hours at construction sites caused by heatstroke prevention measures and bad weather conditions, despite the presence of factors supporting demand such as national resilience initiatives and the trend of companies returning to domestic investment. We have revised downward our forecast for cement sales volume.
- Operating profit increase year-on-year due to successful price hikes for cement and soil stabilizers and cost improvements.

Net Sales (Hundred million yen)



Operating Profit (Hundred million yen)



3. Forecast for the Fiscal 2026

②Overseas Subsidiaries, etc.

《U.S.A.》

	FY2025 Actual	FY2026 Forecast	Change
Cement (Thousand t)	6,123	5,888	(235)
Ready-mixed concrete (Thousand cy)	5,479	4,722	(757)
Aggregates (Thousand t)	11,512	12,246	+734
Net sales (Hundred million yen)	2,976	2,825	(151)
	(Million \$)	1,962	1,888
Operating profit (Hundred million yen)	410	266	(143)
	(Million \$)	270	178

- Demand continues to be affected by bad weather and a slowdown in the private sector due to persistently high interest rates.
- Profit is expected to decrease due to a decline in sales volumes of cement and ready-mixed concrete, driven by reduced demand, despite efforts to implement price increases and cost reduction.
- In the aggregates business, sales volume is expected to increase due to the impact of acquisitions.

《Asia and others》 (Simple sum of consolidated subsidiaries)

	FY2025 Actual	FY2026 Forecast	Change
Cement (Thousand t)	6,669	7,289	+620
Net sales (Hundred million yen)	534	547	+13
Operating profit (Hundred million yen)	(12)	(41)	(29)

*The impact of foreign exchange fluctuations on changes in overseas subsidiaries is as follows.

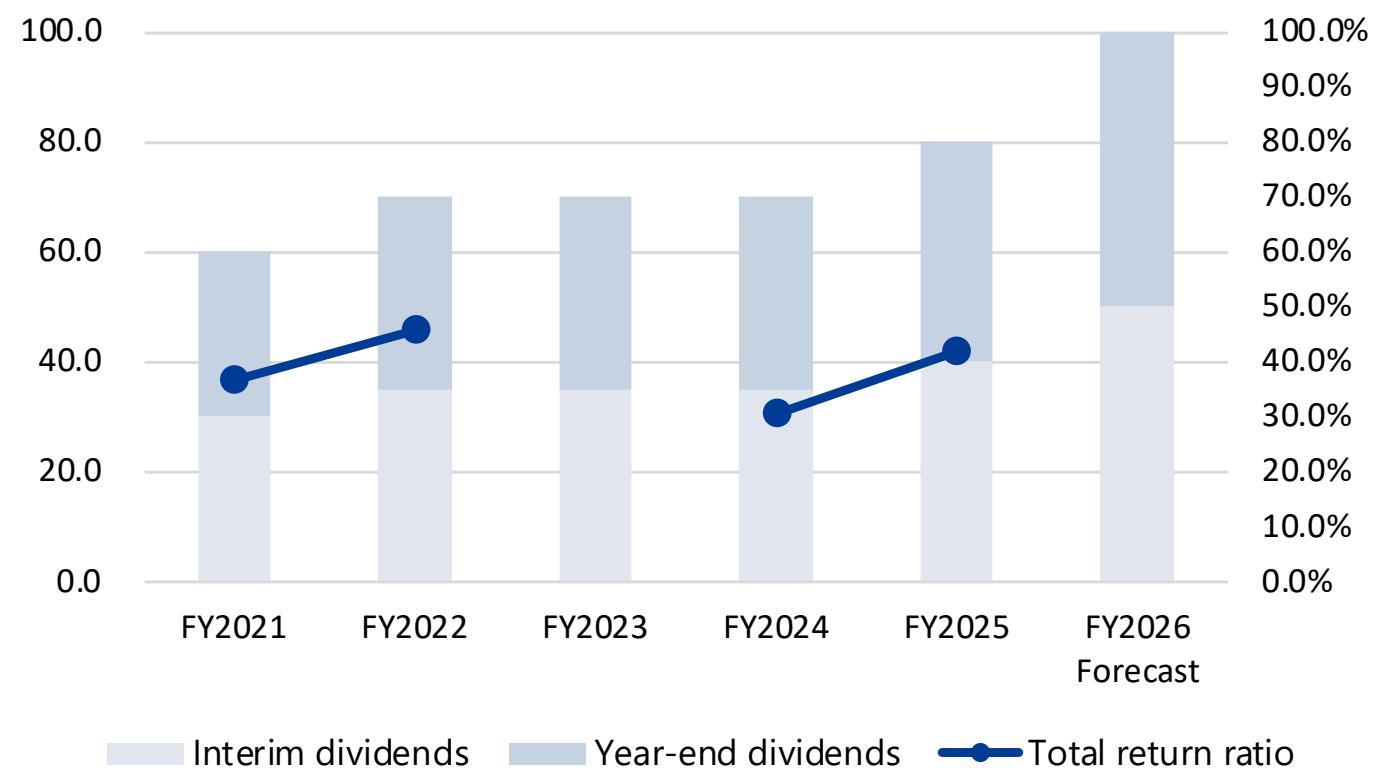
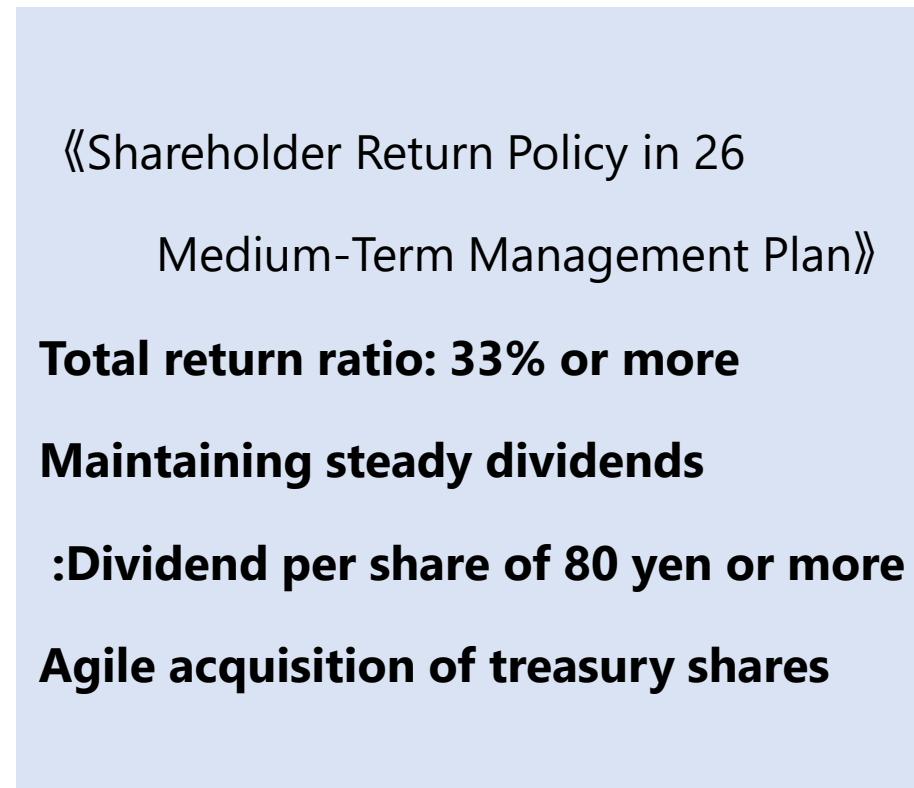
Net sales: -63 hundred million yen, Operating profit: -4 hundred million yen

- Vietnam: Profit is expected at a level comparable to the previous year, supported by robust domestic demand.
- Philippines: Losses are expected to continue, despite a declining trend in the influx of low-priced imports resulting from the implementation of safeguard measures. Expected to take some time for supply-demand conditions to improve. Cost reduction initiatives continue.

4. Shareholder Returns

4. Shareholder Returns

- In fiscal 2026, we schedule to increase by 20 yen to 100 yen/share (including interim dividends of 50 yen/share).



Appendix

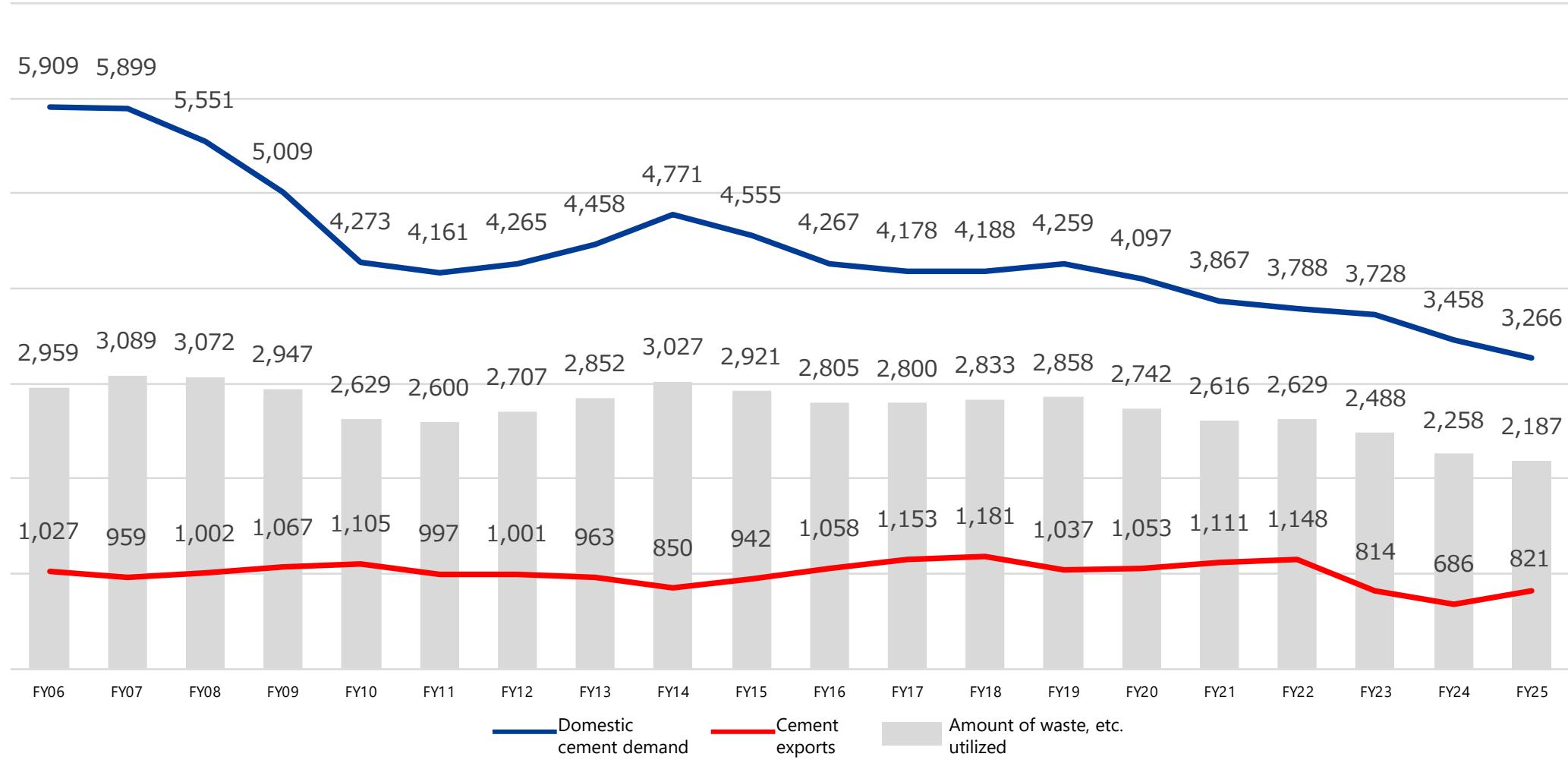
Financial Results for the Fiscal 2026 Q3 Consolidated Statements of Cash Flows

This material has been prepared as reference information.

	FY2025 Q3	FY2026 Q3	Change
Cash flows from operating activities*	86,129	85,070	(1,059)
Cash flows from investing activities	(64,384)	(72,346)	(7,962)
Free cash flows	21,745	12,724	(9,021)
Cash flows from financing activities	(11,282)	3,180	+14,463
*Depreciation and amortization included	46,320	51,273	+4,953

《Appendix》 Domestic cement demand • Cement exports • Amount of waste, etc. utilized

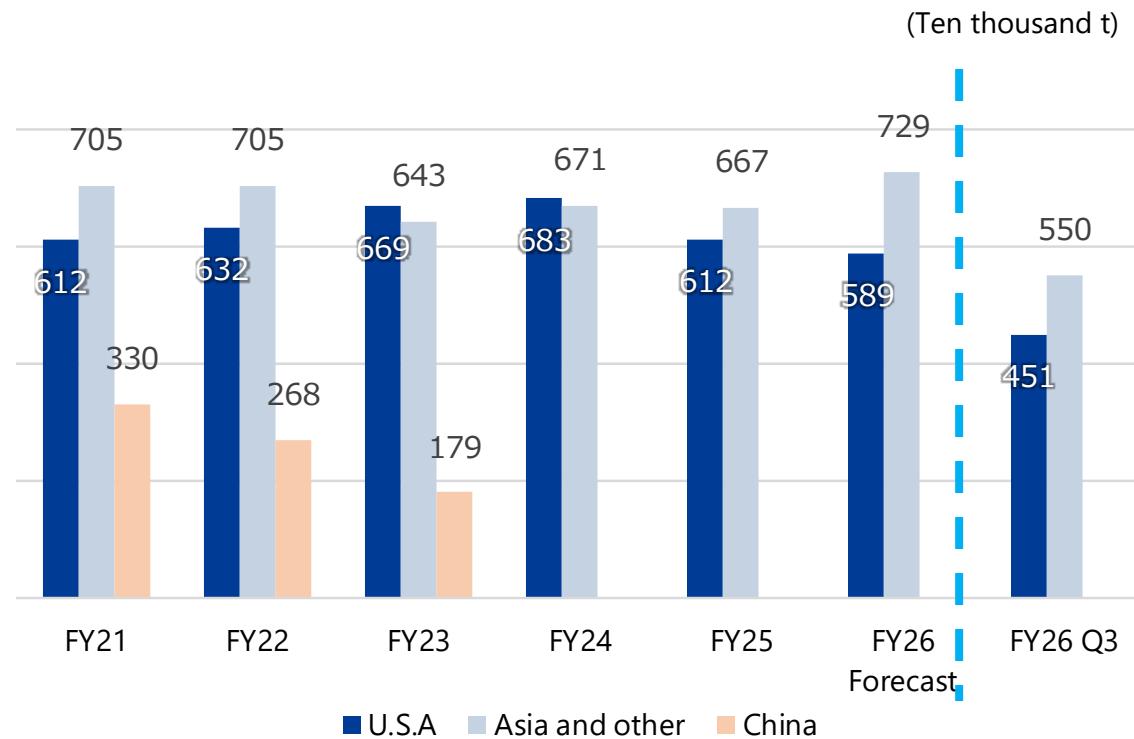
Domestic cement demand • Cement exports • Amount of waste, etc. utilized (Ten thousand t)



Data created from statistical data of the Japan Cement Association

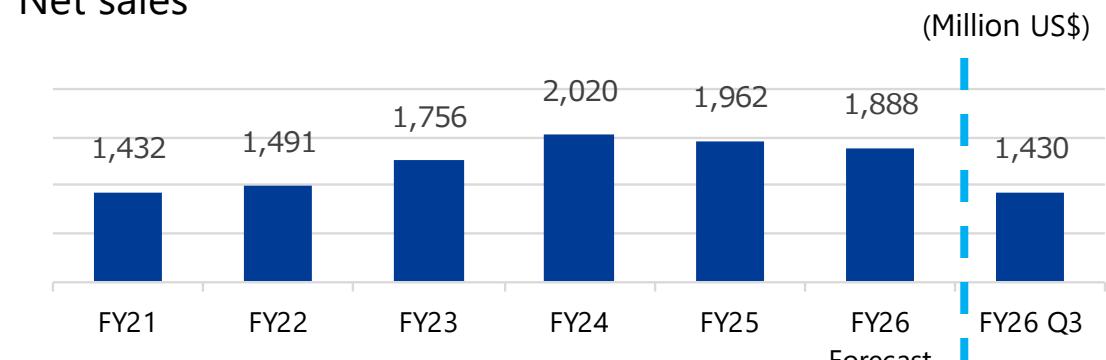
Transition Data

(1) Sales Volume of Cement in Overseas Subsidiaries (Simple sum of consolidated subsidiaries)

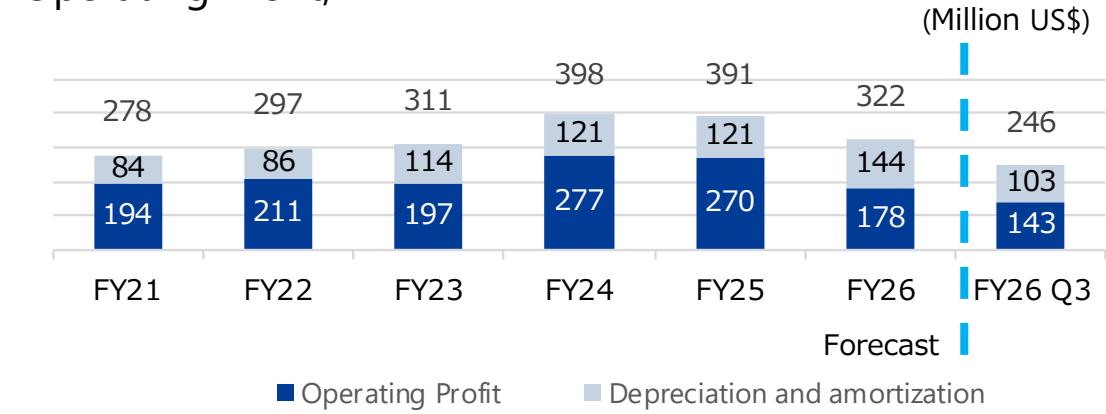


(2) Overview of Business in the U.S.A.

Net sales



Operating Profit, EBITDA



《Appendix》

Business Expansion through Acquisition of Ready-Mixed Concrete Assets and Large-Scale Capital Investments

This investment initiative is part of the U.S. business growth strategy outlined in the '26 Medium-Term Management Plan', and is aimed at expanding our business and strengthening the supply chain through M&A activities in the ready-mixed concrete business.

(1) Overview of Ready-Mix Concrete Business Asset Acquisition

Purpose of Acquisition	<ul style="list-style-type: none"> Expansion of the ready-mixed concrete business. Securing stable cement sales channels. Securing sources of Supplementary Cementitious Materials[SCMs] such as slag and fly ash.
Acquisition Price	712 million USD
Acquisition Timing	<p>By December 2025 ⇒ During 1H 2026</p> <p>Subject to the fulfillment of conditions precedent, including clearance by relevant authorities.</p>
Details of Acquired Assets	<p>(1) 28 ready-mixed concrete plants located in Northern California, 2 terminals, etc.</p> <p>(2) 13 ready-mixed concrete plants located in Southern California, etc.</p>
Impact of Acquisition (FY2027)	<p>(1) Ready-mixed concrete sales volume An increase is expected from 5.48 million cy in FY2025 to 8.24 million cy</p> <p>(2) Net sales of the relevant business segment 524 million USD in FY2025</p>

(2) Recent major acquisitions and significant capital investments

2024	<p>Grimes Quarry, State Ready-Mixed Concrete</p> <ul style="list-style-type: none"> Securing valuable aggregate sources, stable cement sales channels.
2025	<p>Acquisition of ready-mixed concrete business assets (this transaction)</p> <ul style="list-style-type: none"> Expanding ready-mixed concrete operations across the entire West Coast.
2026 (Plan)	<p>Stockton Terminal Silo Expansion</p> <ul style="list-style-type: none"> Responding to supply chain enhancements and the growing demand for blended cement, SCMs and others.



Grimes Quarry



Stockton Terminal Silo under expansion work



Delivery case of Type IL (Blended Cement)

- Used for a 17,000 cy concrete structure
- Inside The California Science Center (Los Angeles)

Forecast for the Fiscal 2026

『Precondition』

- The precondition for the FY 2026 revised forecast is as follows.

	FY2026 Forecast(Prev.)	FY2026 Forecast(Rev.)	Change
Domestic cement demand (Ten thousand t)	3,050	3,030	(20)
Average procurement price of imported coal, etc. for domestic (C&F \$/t)	130	130	—
Average exchange rate (Yen/US\$)	148.0	150.0	+2.0

(Sensitivity: Impact on operating profit) 30 million yen positive impact by 1 yen drop in foreign exchange

『Summary for the Fiscal 2026 Revised Forecast』

- Revised domestic cement demand down to 30.3 million tons.
- Revised forecasts for overseas subsidiaries.
- Downward revision from November forecast due to the recording of impairment losses.

Forecast for the Fiscal 2026

(1) Consolidated Statements of Income

(Hundred million yen)

	FY2026 Forecast(Prev.)	FY2026 Forecast(Rev.)	Change
Net sales	9,060	9,060	—
Operating profit	700	700	—
Non-operating income and expenses	(20)	(10)	+10
Ordinary profit	680	690	+10
Extraordinary income and losses	(70)	(310)	(240)
Profit before income taxes	610	380	(230)
Income taxes	145	195	+50
Profit attributable to non-controlling interests	15	15	—
Profit attributable to owners of parent	450	170	(280)

Forecast for the Fiscal 2026

(2) Consolidated Segment Information

(Hundred million yen)

		Net sales			Operating profit		
		FY2026 Forecast (Prev.)	FY2026 Forecast (Rev.)	Change	FY2026 Forecast (Prev.)	FY2026 Forecast (Rev.)	Change
Cement Business	Domestic	3,440	3,380	(60)	260	265	+5
	Overseas Subsidiaries, etc.	3,240	3,320	+80	214	211	(3)
	Total	6,680	6,700	+20	474	476	+2
Mineral Resources Business		930	920	(10)	99	98	(1)
Environmental Business		830	820	(10)	89	86	(3)
Construction Materials Business		440	430	(10)	16	16	—
Other		820	810	(10)	31	33	+2
	Total	9,700	9,680	(20)	709	709	—
	Elimination	(640)	(620)	+20	(9)	(9)	—
	Consolidated Total	9,060	9,060	—	700	700	—

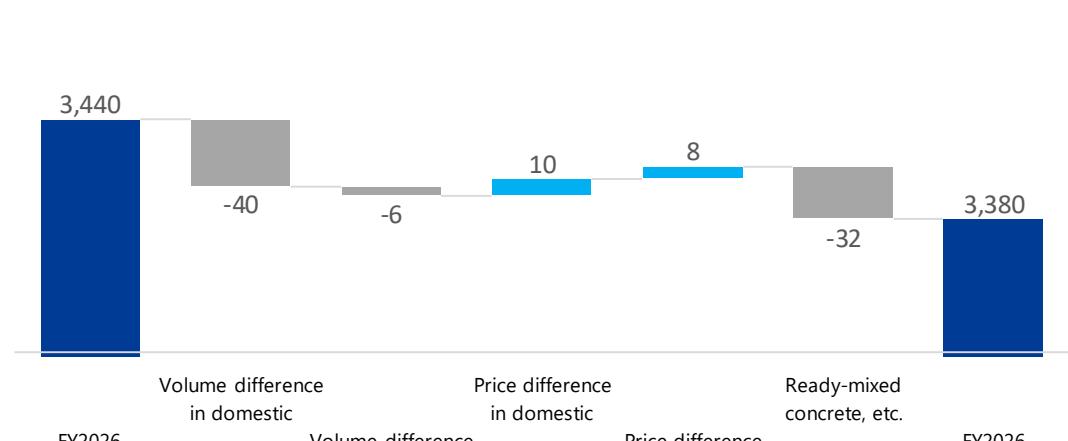
Forecast for the Fiscal 2026

① Domestic Cement Business

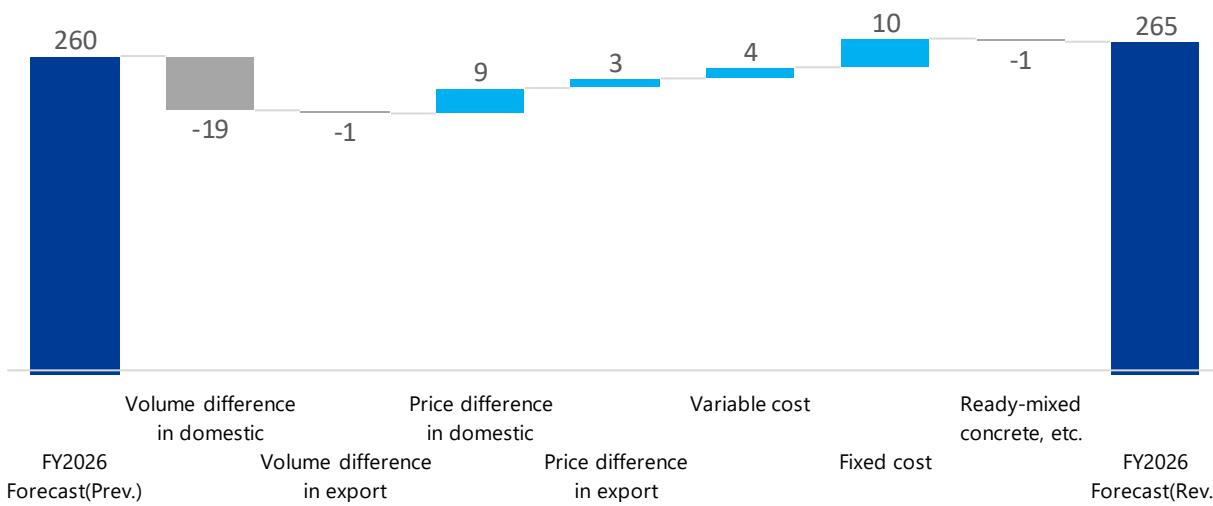
	FY2026 Forecast(Prev.)	FY2026 Forecast(Rev.)	Change
Sales volume (Thousand t)			
Domestic	11,300	11,200	(100)
Export	3,600	3,500	(100)
Net sales (Hundred million yen)	3,440	3,380	(60)
Operating profit (Hundred million yen)	260	265	+5

- Domestic demand decline due to a decrease in shipments resulting from the broader adoption of the two-day weekend system by ready-mixed concrete cooperatives, as well as reduced working hours at construction sites caused by heatstroke prevention measures and bad weather conditions, despite the presence of factors supporting demand such as national resilience initiatives and the trend of companies returning to domestic investment. We have revised downward our forecast for cement sales volume.

Net Sales (Hundred million yen)



Operating Profit (Hundred million yen)



Forecast for the Fiscal 2026

②Overseas Subsidiaries, etc.

《U.S.A.》

	FY2026 Forecast(Prev.)	FY2026 Forecast(Rev.)	Change	
Cement (Thousand t)	5,922	5,888	(34)	
Ready-mixed concrete (Thousand cy)	4,683	4,722	+38	
Aggregates (Thousand t)	12,233	12,246	+13	
Net sales	(Hundred million yen)	2,738	2,825	+86
	(Million \$)	1,856	1,888	+32
Operating profit	(Hundred million yen)	269	266	(3)
	(Million \$)	182	178	(4)

《Asia and others》 (Simple sum of consolidated subsidiaries)

	FY2026 Forecast(Prev.)	FY2026 Forecast(Rev.)	Change
Cement (Thousand t)	7,380	7,289	(90)
Net sales (Hundred million yen)	551	547	(4)
Operating profit (Hundred million yen)	(40)	(41)	(1)

*The impact of foreign exchange fluctuations on changes in overseas subsidiaries is as follows.

Net sales: +43 hundred million yen, Operating profit: +3 hundred million yen

- Full-scale demand rebound is anticipated from 2027 when the effects of interest rate cuts begin to materialize, although a gradual recovery is expected from 2026.

- Philippines: Profitability improvement has been delayed as a full recovery in supply-demand conditions following safeguard implementation is taking longer than expected, even though an increase in sales volume and price hikes were anticipated.

Key Player in the Formation of a Circular Economy

The Taiheiyo Cement Group will continue to fulfill its role as a supplier of critical materials for national resilience and as a key player in the formation of a circular economy, while progressing with the steady transition to carbon neutrality.

Utilization of waste and by-products

- Coal ash
- Various industrial waste
- Construction soil
- Incineration residues
- Household water and sewage sludge etc.
- Blast furnace slag
- Municipal waste

Key player in the formation of a circular economy

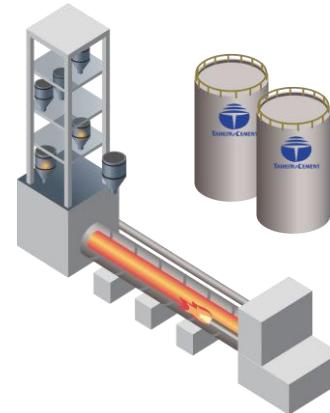
Currently, the amount of waste and by-products used in the cement industry in Japan is equivalent to about 10% of the total amount of materials recycled in Japan.

Our group uses waste and by-products generated in local communities and other industries as raw materials and fuel to produce cement with a recycling rate of over 40%.

Uses in the development of social infrastructure and the living environment

- Roads
- Railways
- Ports and harbors
- Bridges
- Tunnels
- Schools
- Hospitals
- Commercial buildings
- Levees
- Seawalls
- Underground facilities and more
- Housing
- Dams

Supply critical materials for national resilience



Carbon Neutral Strategy: Road Map

Initiatives to achieve carbon neutrality in the entire supply chain by 2050

Reduce by at least 20% specific net CO₂ emissions per tonne (compared to 2000)

Carbon Neutral

2024

2026

2030

2050

Measures for carbon neutral

Development of innovative technologies

Existing technologies: CO₂ reduction

Existing technologies: CO₂ absorption

CN model business

Measures against intensifying disasters

Innovative Approach

— World-leading technology development —

Progressive Approach

— Deepening of existing technologies & lateral development of new technologies —

Immediate Approach

— Maximum utilization of existing technologies —

- Accelerate shift to blended cement
- Improve procurement systems for blended materials
- Promote alternatives to fossil fuels

- New standardization of blended cement (expansion of use)
- Gas firing (methane, hydrogen, etc.)
- Low-CO₂ cement (CARBOFIX®)
- Development of new grinding aid
- CO₂ mineralization (CARBOCATCH®)

➤ CO₂ capture (C2SP Kiln®)

➤ CCU (methanation, etc.)

➤ CCS (purification and shipping technology)

Cooperate with Zero Carbon Island
Concept of Yakushima Town

Realize a “CN Model Plant” at DC CO., LTD.

Application of proprietary technologies and development of new technologies

e.g., ground improvement material, world's strongest concrete, etc.

External Evaluation

FTSE Blossom Japan Sector Relative Index



Morningstar Japan ex-REIT Gender Diversity Tilt Index (GenDi J)



MSCI Nihonkabu ESG Select Leaders Index

2024 CONSTITUENT MSCI NIHONKABU ESG SELECT LEADERS INDEX

Dow Jones Sustainability Asia Pacific Index

S&P/JPX Carbon Efficient Index



CDP

[Scored B for climate change, B for water]
[Selected as Supplier Engagement Leader]



JCR

[Acquired A+ in 2024]



株式会社 日本格付研究所
Japan Credit Rating Agency, Ltd.

R&I

[Acquired A in 2024]



Platinum “Kurumin” certification

[Acquired in August 2023]



Health & Productivity Management Outstanding Organization

[Consecutive since 2023]



Human Capital Management Quality 2023

[Selected as the silver in February 2024]



DBJ Environmental Rating

[The Highest Rating for the nine consecutive year]



List of major News Releases

Nov.13, 2025	Participation in EcoPro 2025
Nov.13, 2025	Taiheiyo Cement×Unko Drill "Construction Material about Cement"
Nov.27, 2025	Launching a new promotion featuring Mone Kamishiraishi
Dec.8, 2025	Execution of the "Comprehensive Collaboration Agreement on the Yakushima Town's Zero Carbon Island Declaration Collaborative Project"
Dec.8, 2025	Completion Ceremony of "Life Center Yakuden EV Quick Charging Station" was held in Yakushima Town
Dec.25, 2025	[Change to Disclosed Matters] Acquisition of Ready-Mixed Concrete Business Assets from Vulcan Materials Company
Jan.27, 2026	Notice Concerning Organizational Changes
Jan.27, 2026	Extend the mandatory retirement age to 65 starting in April 2026

Disclaimer

This document is a translation of the original Japanese version and provided for reference purposes only. In the event of any discrepancy between the Japanese original and this English translation, the Japanese original shall prevail.

Forecasts and other forward-looking statements in this document are based on information available to Taiheiyo Cement as of the date of the release of this document and on certain assumptions Taiheiyo Cement deems reasonable, and therefore are subject to risks and uncertainties.

As such, Taiheiyo Cement does not offer any promise or guarantee that forecasts included in this document will be realized in the future. Actual results may differ significantly due to a variety of factors.



TAIHEIYO CEMENT