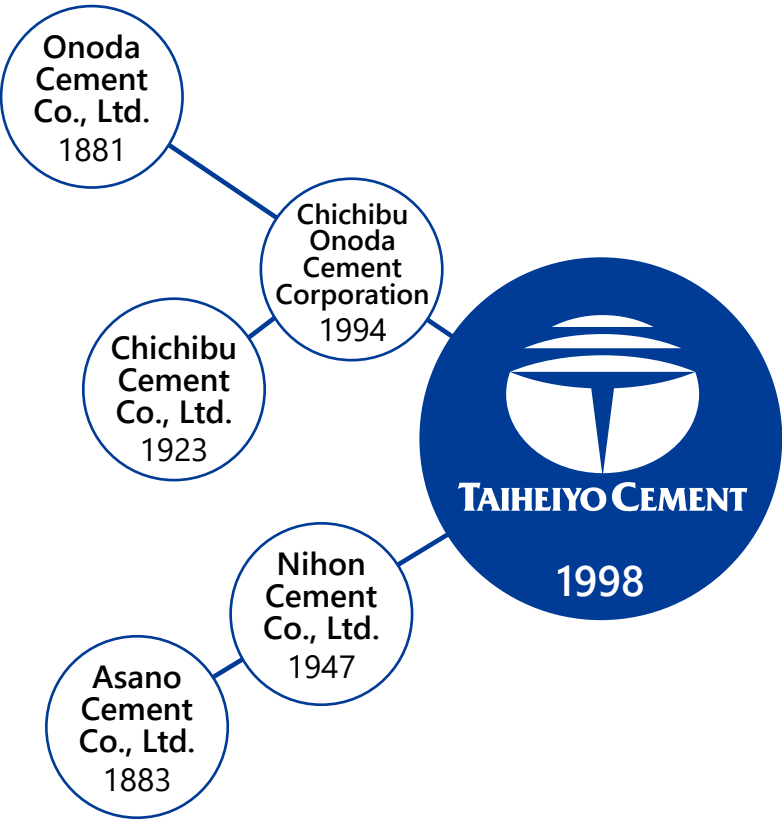




Reference Materials of Financial Results for the Fiscal Year Ended March 31, 2025

May 13, 2025

TAIHEIYO CEMENT CORPORATION



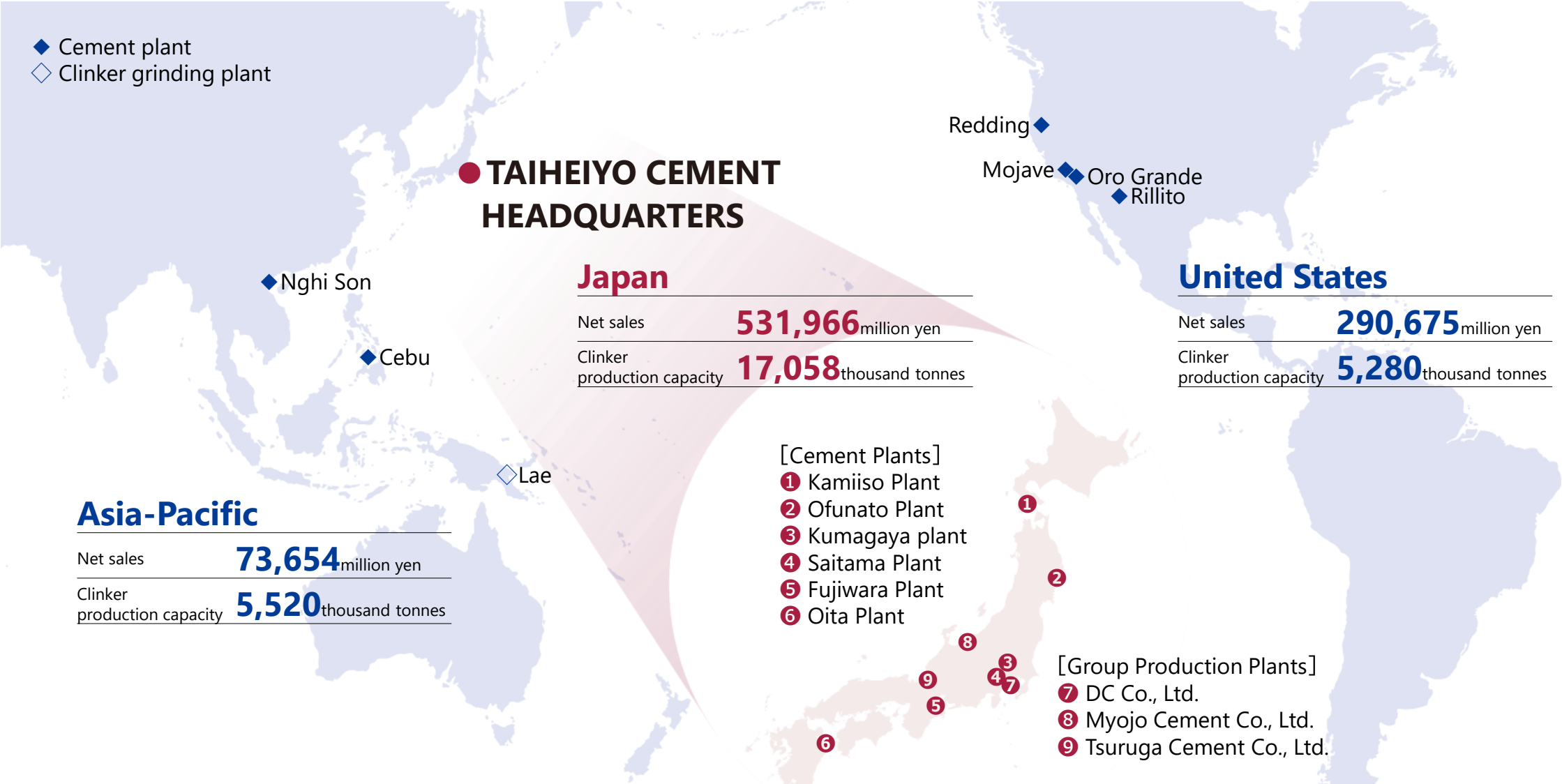
Mission of the Taiheiyō Cement Group

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



(as of March 31, 2025)

Contents

1. Highlights of Consolidated Financial Results P.5

2. Financial Results for the Fiscal 2025 P.8

(1)Consolidated Segment Information P.9

(2)Consolidated Statements of Income P.13

(3)Consolidated Balance Sheets P.14

(4)Consolidated Statements of Cash Flows P.15

3. Forecast for the Fiscal 2026 P.16

(1)Consolidated Statements of Income P.18

(2)Consolidated Segment Information P.19

4. Shareholder Returns P.22

Appendix P.24

1. Highlights of Consolidated Financial Results

1. Highlights of Consolidated Financial Results

《Summary of Financial Results》

- In domestic cement, operating profit increased due to effect of price hikes and cost improvement.
- Sales and profit increased at Overseas subsidiaries, etc.
- Company-wide sales and profit increased year on year.
- The dividend is scheduled 80 yen/share as planned.

(Million yen)

	FY2024	FY2025	Change
Net sales	886,276	896,295	+10,019
Operating profit	56,470	77,750	+21,280
Ordinary profit	59,473	75,374	+15,901
Profit attributable to owners of parent	43,273	57,428	+14,156
Dividend per share (Yen)	70	80	+10

※ Operating profit impact due to change in depreciation method (declining-balance method → straight-line method):7,464 million yen

(Amounts less than 1 million yen have been rounded to the nearest million yen from the first quarter of the current fiscal year, including figures for previous fiscal years.)

1. Highlights of Consolidated Financial Results

《Main Indicators》

	FY2024	FY2025	Change
Operating profit to net sales ratio (%)	6.4	8.7	+2.3
Basic earnings per share (Yen)	371.1	502.5	+131.4
Net assets per share (Yen)	4,872.9	5,758.8	+885.9
Return on equity (ROE)(%)	8.2	9.5	+1.4
Return on invested capital(ROIC)(%)	5.0	5.4	+0.5
Capital adequacy ratio (%)	42.1	45.1	+3.0
Net debt/equity ratio (Times)	0.52	0.49	(0.03)

《Environmental Factors》

	FY2024	FY2025	Change
Average exchange rate (Yen/US\$)	140.7	151.7	+11.0
Average procurement price of imported coal, etc. for domestic (C&F \$/t)	210	150	(60)

2. Financial Results for the Fiscal 2025

2. Financial Results for the Fiscal 2025

(1) Consolidated Segment Information

(Million yen)

		Net sales			Operating profit		
		FY2024	FY2025	Change	FY2024	FY2025	Change
Cement Business	Domestic	295,170	298,550	+3,381	(1,409)	14,854	+16,262
	Overseas Subsidiaries, etc.	334,701	344,796	+10,096	34,192	38,370	+4,178
Total		629,870	643,347	+13,476	32,783	53,223	+20,440
Mineral Resources Business		87,675	88,246	+572	8,455	9,616	+1,160
Environmental Business		68,254	68,185	(69)	6,138	6,909	+771
Construction Materials Business		73,457	71,660	(1,797)	4,209	3,572	(637)
Other		89,398	91,348	+1,950	4,691	6,032	+1,341
Total		948,654	962,786	+14,132	56,277	79,352	+23,075
Elimination		(62,378)	(66,491)	(4,113)	193	(1,602)	(1,795)
Consolidated Total		886,276	896,295	+10,019	56,470	77,750	+21,280

※ Operating profit impact due to change in depreciation method (declining-balance method → straight-line method)

Domestic Cement: 4,863 million yen, Mineral Resources: 991 million yen, Environment: 241 million yen, Construction Materials: 408 million yen, Other: 1,047 million yen

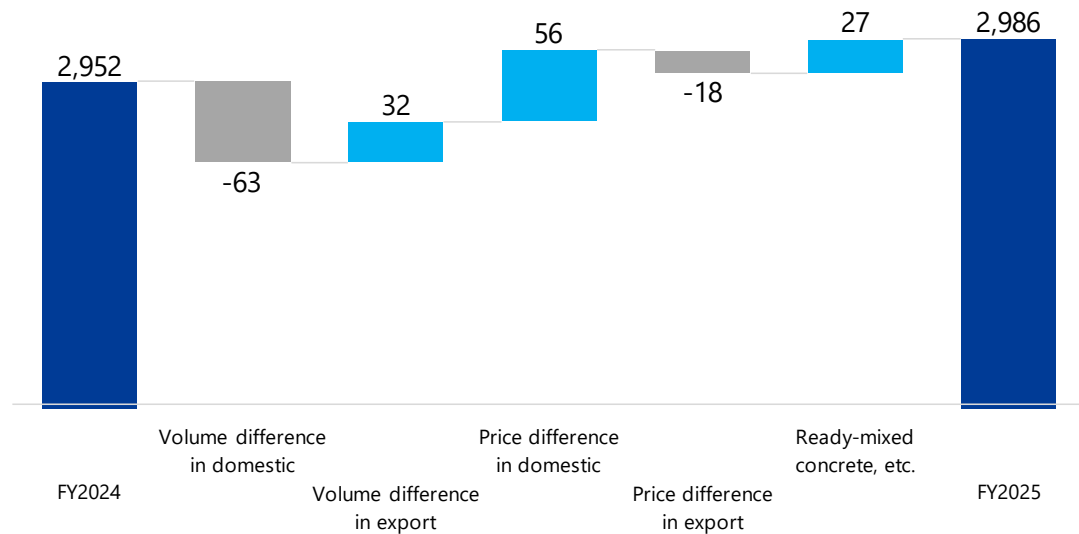
2. Financial Results for the Fiscal 2025

① Domestic Cement Business

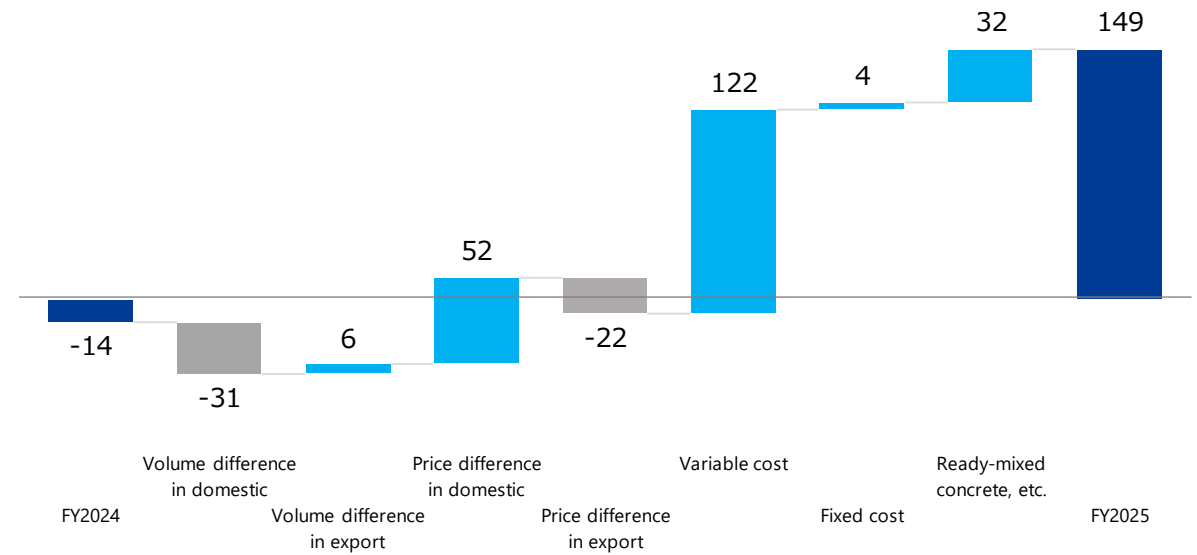
	FY2024	FY2025	Change
Sales volume (Thousand t)			
Domestic	12,950	12,329	(622)
Export	2,552	3,025	+473
Net sales (Million yen)	295,170	298,550	+3,381
Operating profit (Million yen)	(1,409)	14,854	+16,262

- Operating profit increased due to higher selling prices and cost improvements for cement and soil stabilizers.
- Decrease in sales volume of cement due to decline in domestic demand.

Net Sales (Hundred million yen)



Operating Profit (Hundred million yen)



2. Financial Results for the Fiscal 2025

②Overseas Subsidiaries, etc.

	FY2024	FY2025	Change in exchange
Net sales (Million yen)	334,701	344,796	+10,096 +23,127
Operating profit (Million yen)	34,192	38,370	+4,178 +2,869

- Sales and profit increased at Overseas subsidiaries, etc.
- Same as in the previous fiscal year in the U.S.A. due to the slowdown in demand.
- Continue efforts to improve profitability in Southeast Asia.

《U.S.A.》

	FY2024	FY2025	Change
Cement (Thousand t)	6,826	6,123	(703)
Ready-mixed concrete (Thousand cy)	6,101	5,479	(622)
Net sales (Hundred million yen)	2,841	2,976	+135
(Million \$)	2,020	1,962	(58)
Operating profit (Hundred million yen)	390	410	+20
(Million \$)	277	270	(7)

- Cement demand was affected by bad weather conditions and the slowdown in the private-sector, etc. as interest rates remain high.
- Secured approximately the same level of profit as the previous year by sales price hikes and cost reduction despite the decrease in sales volume due to the decline in demand.

2. Financial Results for the Fiscal 2025

③Mineral Resources, Environmental, Construction Materials and Other Business

(Million yen)

		FY2024	FY2025	Change	Main Factors of Changes in Net Sales and Operating Profit(Net Change)
Mineral Resources Business	Net sales	87,675	88,246	+572	While sales volume of aggregate and limestone for cement decreased, various cost increases were passed on to sales prices.
	Operating profit	8,455	9,616	+1,160	
Environmental Business	Net sales	68,254	68,185	(69)	Although sales of fuel and waste plastic processing were sluggish, sales of processing of coal ash, calcium carbonate and biomass fuel remained strong.
	Operating profit	6,138	6,909	+771	
Construction Materials Business	Net sales	73,457	71,660	(1,797)	Sales of construction and civil engineering materials, Shield tunnels construction related business remained strong, but sales of ground improvement projects and ALC (Autoclaved Lightweight Concrete) remained weak.
	Operating profit	4,209	3,572	(637)	
Other	Net sales	89,398	91,348	+1,950	
	Operating profit	4,691	6,032	+1,341	

2. Financial Results for the Fiscal 2025

(2) Consolidated Statements of Income

(Million yen)

	FY2024	FY2025	Change
Net sales	886,276	896,295	+10,019
Operating profit	56,470	77,750	+21,280
Non-operating income and expenses	3,003	(2,376)	(5,379)
Ordinary profit	59,473	75,374	+15,901
Extraordinary income and losses	(1,438)	(753)	+686
Profit before income taxes	58,034	74,621	+16,586
Income taxes	14,359	15,809	+1,450
Profit attributable to non-controlling interests	403	1,384	+981
Profit attributable to owners of parent	43,273	57,428	+14,156

2. Financial Results for the Fiscal 2025

(3) Consolidated Balance Sheets

(Million yen)

		End of Mar. 2024	End of Mar. 2025	Change			End of Mar. 2024	End of Mar. 2025	Change
Current assets	Cash and deposits	80,102	74,987	(5,115)	Liabilities	Current liabilities	368,104	388,354	+20,250
	Notes and accounts receivable - trade, and contract assets	206,584	180,544	(26,041)		Non-current liabilities	373,763	359,217	(14,546)
	Inventories	123,178	127,846	+4,668		Total liabilities	741,866	747,571	+5,705
	Other	20,425	22,354	+1,929	Net assets	Shareholders' equity	86,174	86,174	—
	Total current assets	430,289	405,731	(24,559)		Capital surplus	50,052	50,288	+236
Non-current assets	Total property, plant and equipment	653,910	738,702	+84,792		Retained earnings	379,126	417,460	+38,334
	Total intangible assets	39,084	47,015	+7,931		Treasury shares	(17,942)	(22,131)	(4,189)
	Total investments and other assets	214,968	232,248	+17,280		Total shareholders' equity	497,409	531,791	+34,382
	Total non-current assets	907,962	1,017,965	+110,003		Accumulated other comprehensive income	65,802	109,879	+44,077
Total assets		1,338,251	1,423,695	+85,444		Non-controlling interests	33,174	34,455	+1,281
						Total net assets	596,385	676,124	+79,739
					Total liabilities and net assets		1,338,251	1,423,695	+85,444

	End of Dec. 2023	End of Dec. 2024	Change
Exchange rate at end of period (Yen/US\$)	141.8	158.2	+16.4

	End of Mar. 2024	End of Mar. 2025	Change
Interest-bearing debt (Million yen)	370,469	389,688	+19,219

2. Financial Results for the Fiscal 2025

(4) Consolidated Statements of Cash Flows

(Million yen)

	FY2024	FY2025	Change
Cash flows from operating activities*	140,543	117,874	(22,669)
Cash flows from investing activities	(82,139)	(106,528)	(24,390)
Free cash flows	58,404	11,346	(47,059)
Cash flows from financing activities	(59,477)	(20,611)	+38,866
*Depreciation and amortization included	66,346	60,917	(5,429)

3. Forecast for the Fiscal 2026

3. Forecast for the Fiscal 2026

《Precondition》

- The precondition for the FY 2026 is as follows.

	FY2025 Actual	FY2026 Forecast	Change
Domestic cement demand (Ten thousand t)	3,266	3,100	(166)
Average procurement price of imported coal, etc. for domestic (C&F \$/t)	150	140	(10)
Average exchange rate (Yen/US\$)	151.7	145.0	(6.7)

(Sensitivity: Impact on operating profit) 80 million yen positive impact by 1 yen drop in foreign exchange

《Summary for the Fiscal 2026 Forecast》

- Expect a year-on-year increase in sales and profit.
- In the domestic cement business, expect an increase in sales and profit because of efforts to raise sales prices amid declining domestic demand.
- Uncertainty in the U.S. business is expected to cause a decrease in profit of overseas subsidiaries, etc.
- Segment has been partially revised due to a change in the control of subsidiaries.

3. Forecast for the Fiscal 2026

(1) Consolidated Statements of Income

(Hundred million yen)

	FY2025 Actual	FY2026 Forecast	Change
Net sales	8,963	9,500	+537
Operating profit	777	850	+73
Non-operating income and expenses	(24)	(20)	+4
Ordinary profit	754	830	+76
Extraordinary income and losses	(8)	(75)	(67)
Profit before income taxes	746	755	+9
Income taxes	158	145	(13)
Profit attributable to non-controlling interests	14	10	(4)
Profit attributable to owners of parent	574	600	+26

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	3,520	+286	161	260	+99
	Overseas Subsidiaries, etc.	3,448	3,520	+72	384	335	(49)
Total		6,682	7,040	+358	544	595	+51
Mineral Resources Business		882	960	+78	96	99	+3
Environmental Business		809	850	+41	90	97	+7
Construction Materials Business		443	480	+37	24	28	+4
Other		786	810	+24	39	31	(8)
Total		9,602	10,140	+538	793	850	+57
Elimination		(639)	(640)	(1)	(16)	0	+16
Consolidated Total		8,963	9,500	+537	777	850	+73

*Figures for fiscal 2025 have been replaced with the revised figures due to a change in the control of subsidiaries.

The impact of changes in the forecast for FY2026 is as follows.

Domestic Cement: Net sales+320,OP+28, Environment:+146,OP+26, Construction Materials: Net sales(362),OP(28),

Other: Net sales(148),OP(26), Elimination: Net sales+44,OP No effect (Unit: hundred million yen)

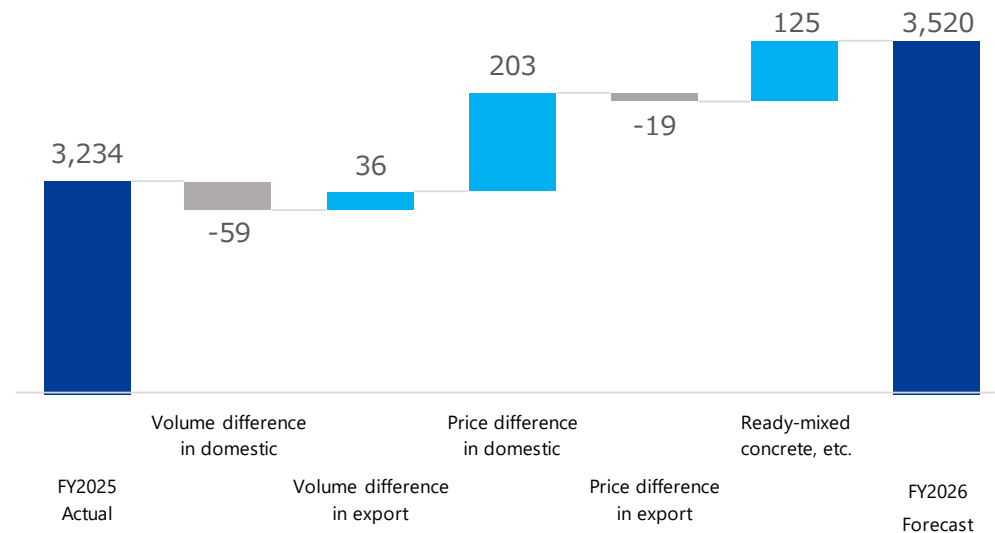
3. Forecast for the Fiscal 2026

① Domestic Cement Business

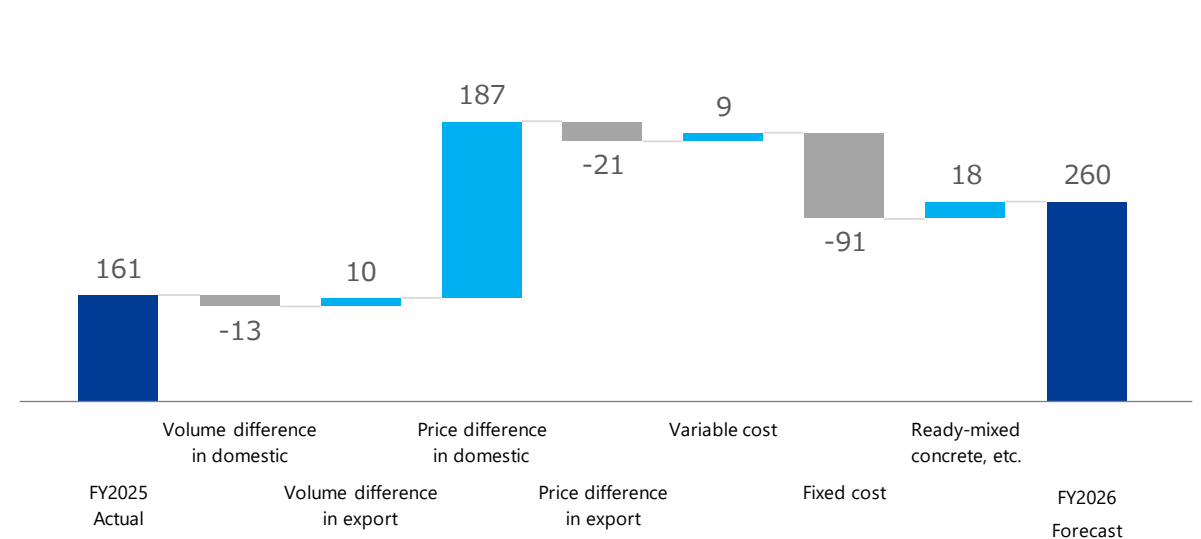
	FY2025 Actual	FY2026 Forecast	Change
Sales volume (Thousand t)			
Domestic	12,329	11,700	(629)
Export	3,025	3,600	+575
Net sales (Hundred million yen)	3,234	3,520	+286
Operating profit (Hundred million yen)	161	260	+99

- Increase in operating profit because of price hike despite rising fixed costs.
- Decrease in sales volume of cement due to a decline in domestic demand.

Net Sales (Hundred million yen)



Operating Profit (Hundred million yen)



3. Forecast for the Fiscal 2026

②Overseas Subsidiaries, etc.

	FY2025 Actual	FY2026 Forecast	Change in exchange
Net sales (Hundred million yen)	3,448	3,520	+72 (176)
Operating profit (Hundred million yen)	384	335	(49) (16)

- Decrease in profit at overseas subsidiaries , etc.
- In the U.S., profit is expected to decrease, but recovery is expected from the second half of the year.
- Continue efforts to improve profitability in Southeast Asia.

《U.S.A.》

	FY2025 Actual	FY2026 Forecast	Change
Cement (Thousand t)	6,123	6,262	+139
Ready-mixed concrete (Thousand cy)	5,479	5,656	+177
Net sales (Hundred million yen)	2,976	2,920	(55)
(Million \$)	1,962	2,014	+52
Operating profit (Hundred million yen)	410	349	(60)
(Million \$)	270	241	(29)

- In cement and ready-mixed concrete, sales volume is expected to increase year-on-year despite a slight decrease in domestic demand due to the synergy effect of the aggregate and ready-mixed concrete business acquired at the end of last year.
- Sales volume is higher than the previous year and sales price increases are continuing, but we expect a decline in profit due to risk factors such as the impact of tariffs imposed by the Trump administration.

4. Shareholder Returns

4. Shareholder Returns

- In fiscal 2025, we schedule to increase by 10 yen to 80 yen/share (including interim dividends of 40 yen/share).
- In fiscal 2026, we plan to increase by 20 yen to 100 yen/share (including interim dividends of 40 yen/share).

《Shareholder Return Policy in 26

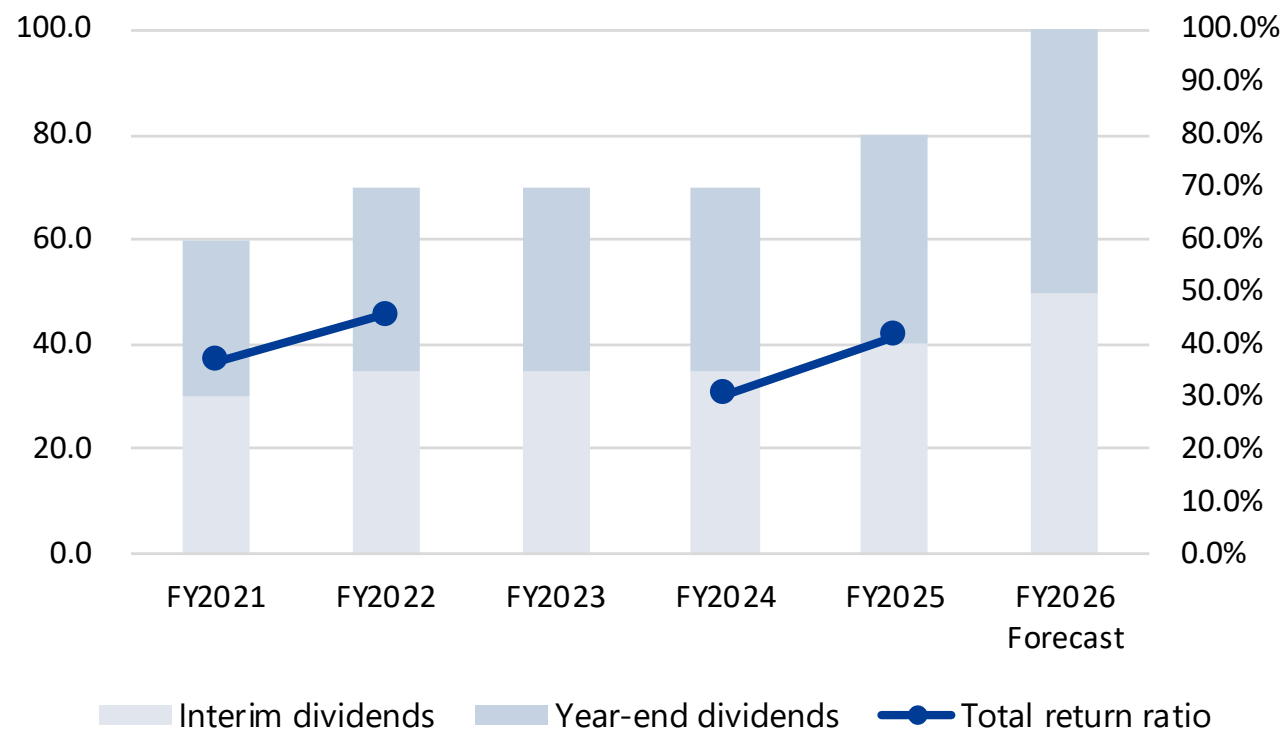
Medium-Term Management Plan》

Total return ratio: 33% or more

Maintaining steady dividends

:Dividend per share of 80 yen or more

Agile acquisition of treasury shares

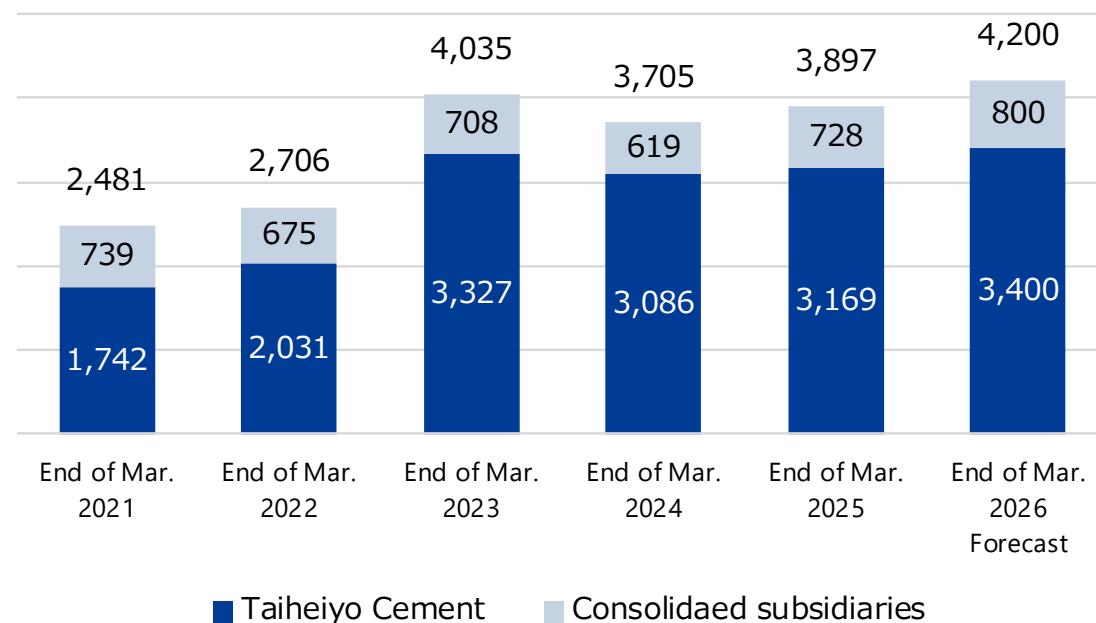


Appendix

Transition Data

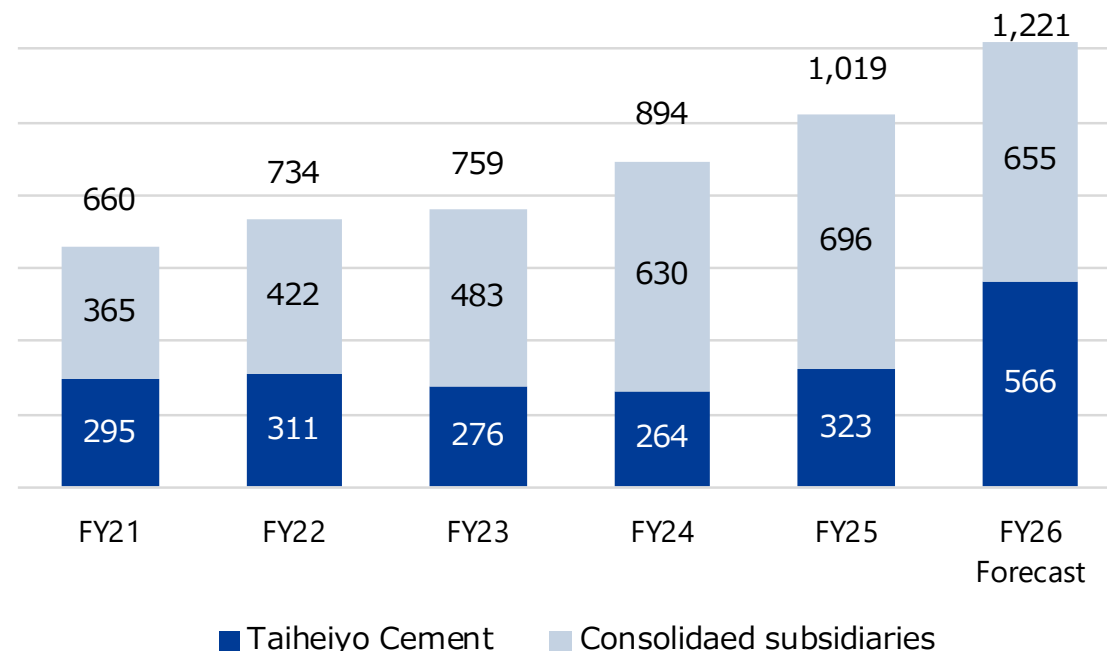
(1) Interest-bearing Debt

(Hundred million yen)



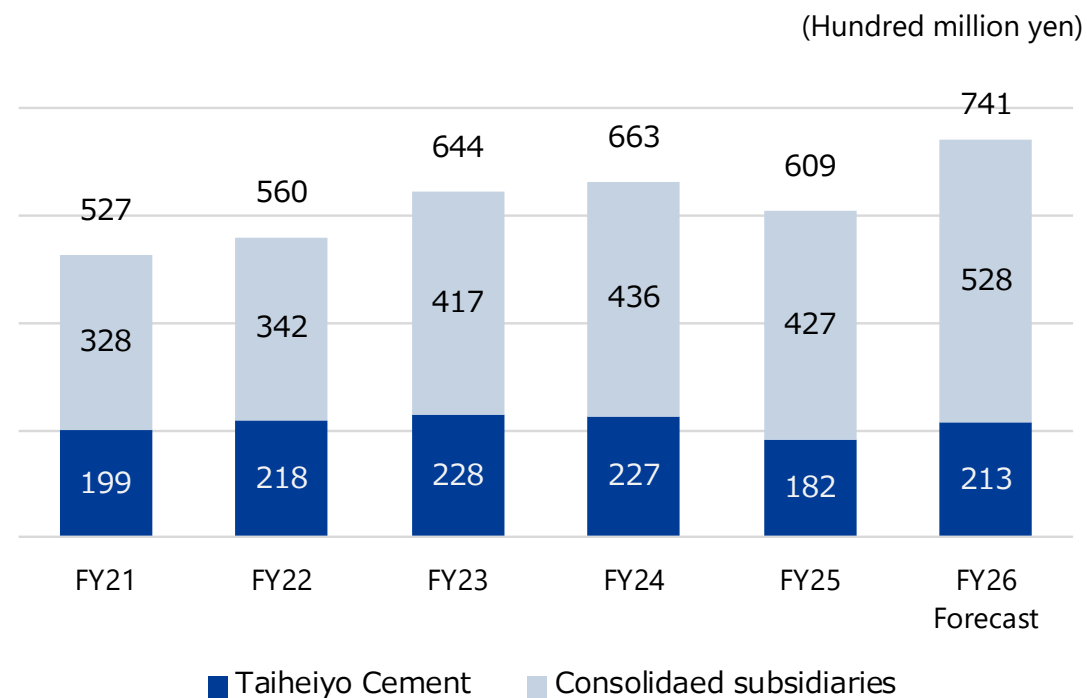
(2) Capital Investment

(Hundred million yen)

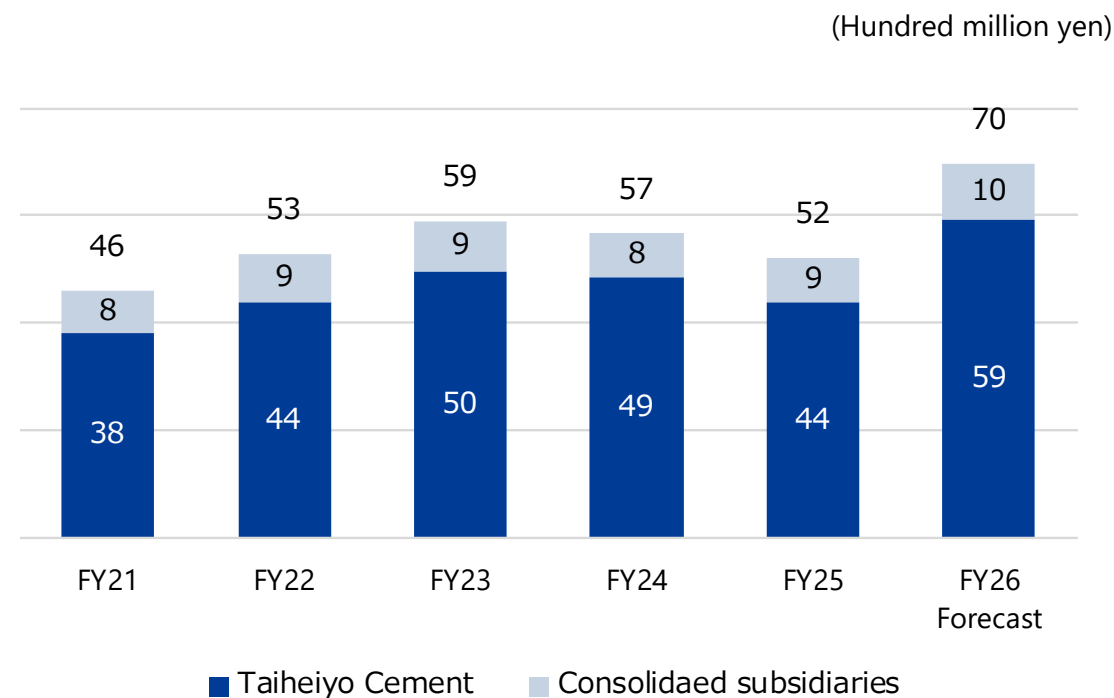


Transition Data

(3) Depreciation Expenses



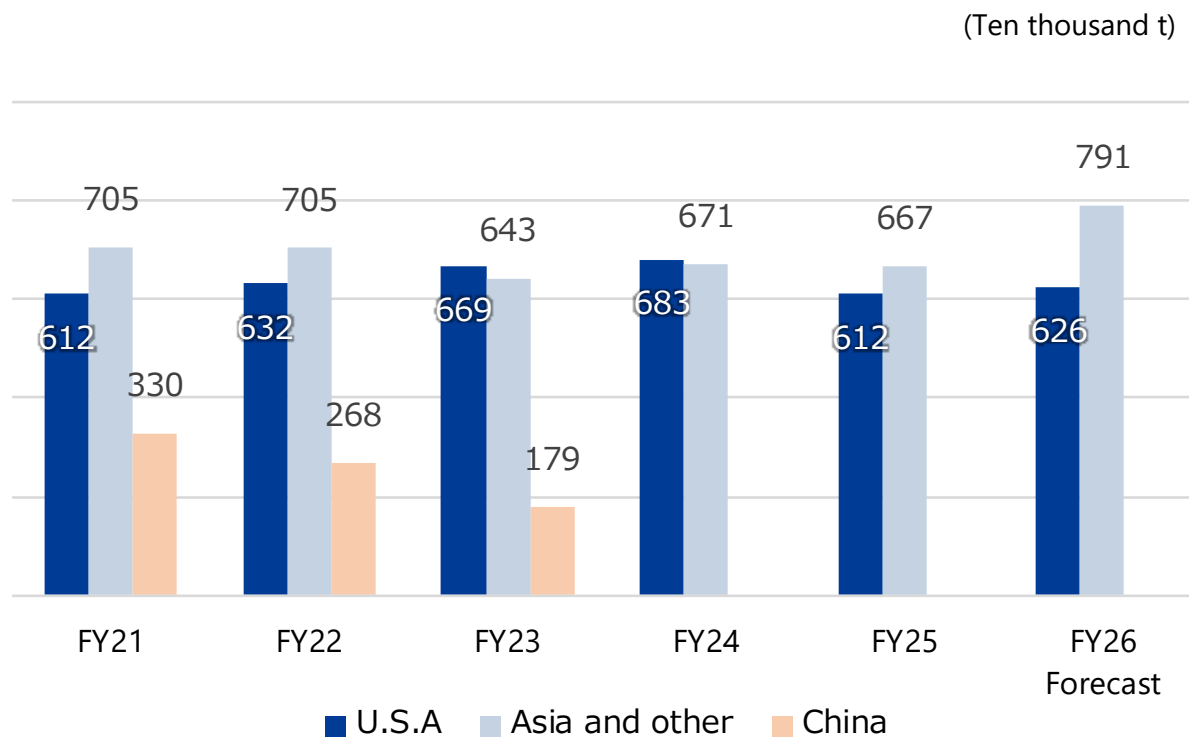
(4) Research and Development Expenses



※ Change in depreciation method from FY 2025
(declining-balance method to straight-line method)

Transition Data

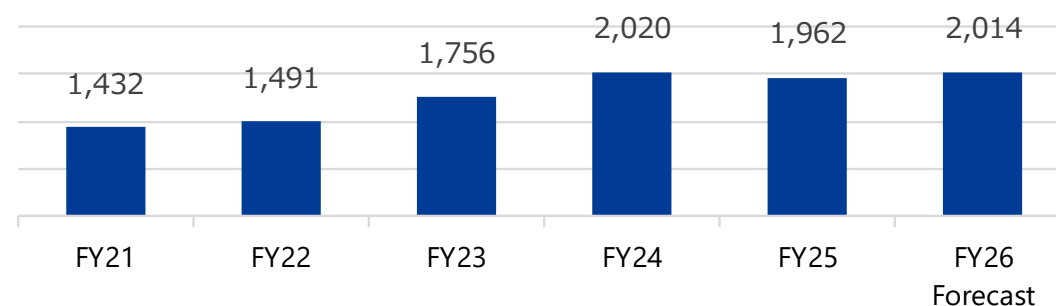
(5) Sales Volume of Cement in Overseas Subsidiaries (Simple sum of consolidated subsidiaries)



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

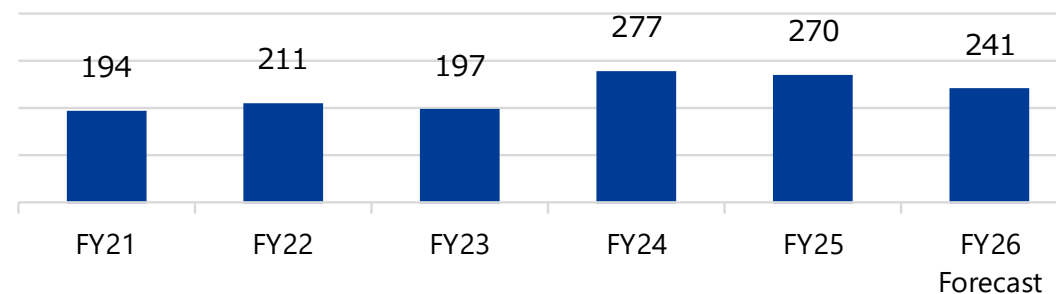
Net sales

(Million US\$)



Operating Profit

(Million US\$)



Forecast for the First Half of Fiscal 2026

(1) Consolidated Statements of Income

(Hundred million yen)

	FY2025 2Q Actual	FY2026 2Q Forecast	Change
Net sales	4,437	4,550	+113
Operating profit	364	290	(74)
Ordinary profit	354	280	(74)
Profit attributable to owners of parent	302	215	(87)

Forecast for the First Half of Fiscal 2025

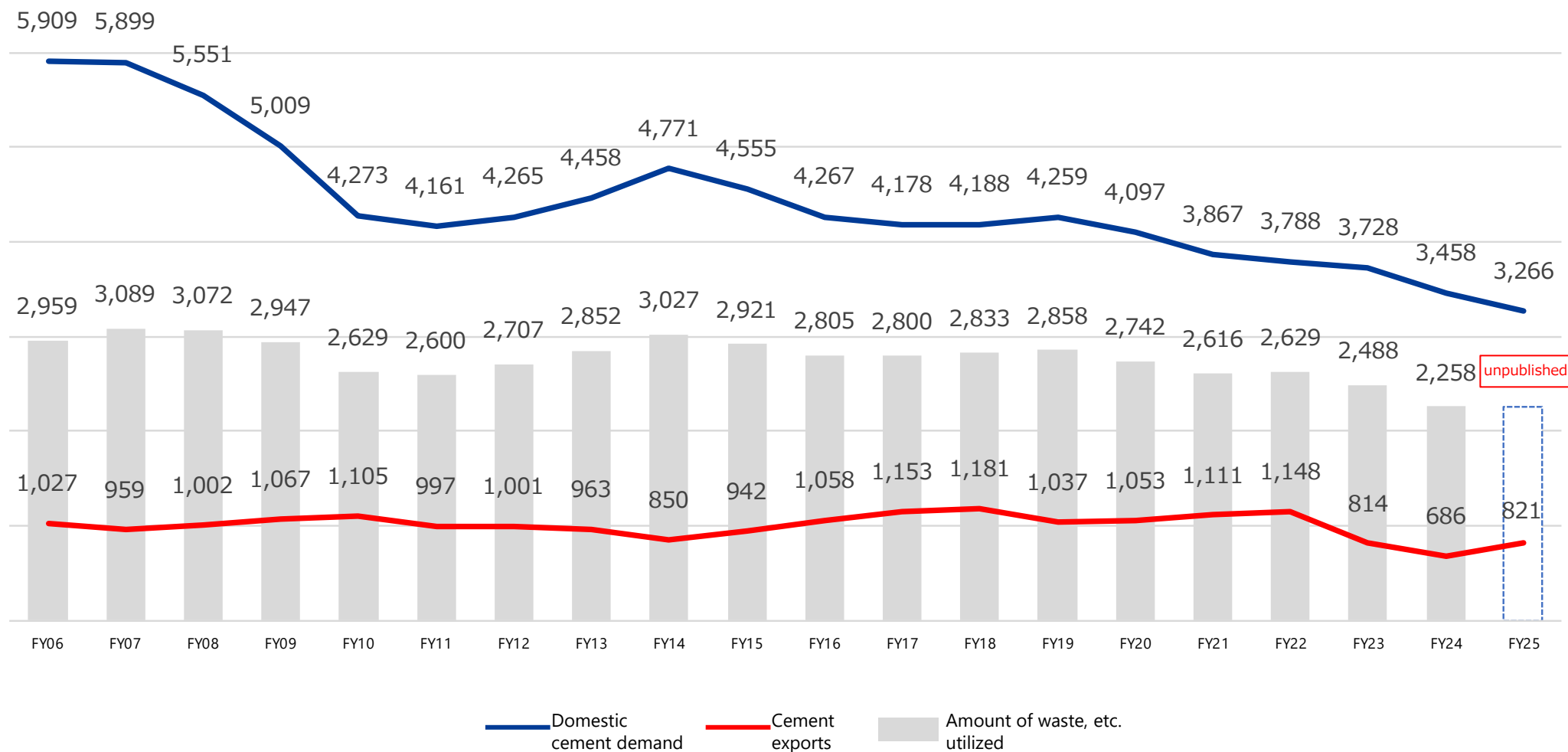
(2) Consolidated Segment Information

(Hundred million yen)

		Net sales			Operating profit		
		FY2025 2Q Actual	FY2026 2Q Forecast	Change	FY2025 2Q Actual	FY2026 2Q Forecast	Change
Cement Business	Domestic	1,593	1,670	+77	52	70	+18
	Overseas Subsidiaries, etc.	1,751	1,700	(51)	211	120	(91)
	Total	3,344	3,370	+26	263	190	(73)
Mineral Resources Business		439	480	+41	48	44	(4)
Environmental Business		384	410	+26	38	46	+8
Construction Materials Business		213	230	+17	10	10	+0
Other		346	370	+24	9	0	(9)
Total		4,727	4,860	+133	368	290	(78)
Elimination		(290)	(310)	(20)	(4)	0	+4
Consolidated Total		4,437	4,550	+113	364	290	(74)

《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

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

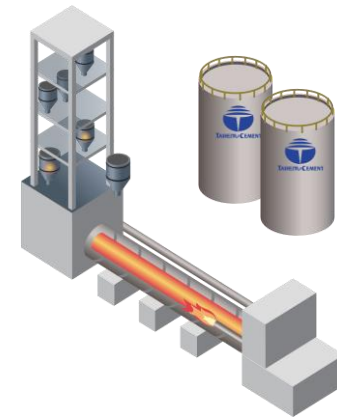
Uses in the development of social infrastructure and the living environment

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

Supply critical materials for national resilience

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%.



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

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.

CN model business

Measures against intensifying disasters

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



JCR

[Acquired A+ in 2024]



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



R&I

[Acquired A in 2024]



MSCI Japan ESG Select Leaders Index MSCI Nihonkabu ESG Select Leaders Index

2024 CONSTITUENT MSCI JAPAN
ESG SELECT LEADERS INDEX

2024 CONSTITUENT MSCI NIHONKABU
ESG SELECT LEADERS INDEX

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]

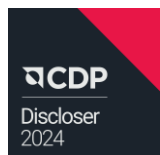


S&P/JPX Carbon Efficient Index



CDP

[Scored B for climate change, B for water]



DBJ Environmental Rating

[The Highest Rating for the nine consecutive year]



List of major News Releases

Feb.18,2025	Announcement of "Multi-Stakeholder Policy"
Feb.25,2025	Notice Regarding Changes of Executives / Notice Concerning Organizational Changes
Feb.28,2025	Taiheiyo Cement Obtains the Highest DBJ Environmental Rating for the Ninth Consecutive Year.
Feb.28,2025	Notice Concerning Shares Acquisition of TOYO WHARF & WAREHOUSE CO., LTD. (Securities Code: 9351)
Mar.10,2025	Taiheiyo Cement received Medal with Dark Blue Ribbon for supporting university and high school students to study abroad
Mar.10,2025	Taiheiyo Cement is Recognized as a "Outstanding Organization of KENKO Investment for Health" for Three Consecutive Years
Mar.12,2025	Increase in Initial Salary for New Graduates
Mar.25,2025	Support for Disaster Victims and Areas Affected by the Forest Fire in Ofunato City, Iwate Prefecture
Mar.28,2025	Utilizing Carbon Dioxide Captured from a Cement Plant for Horticultural Applications
Apr.1,2025	Taiheiyo Cement has formulated the "Taiheiyo Cement Group Human Rights Policy" as well as the Procurement Policy and the Supplier Code of Conduct of our Group
May 13,2025	Notice regarding production and sales of "Portland Blast Furnace Slag Cement Type C", a low-carbon blended cement that reduces carbon footprint by approximately 65%
May 13,2025	CO2 uptake by interlocking paver blocks using CARBOFIX® cement, a CO2-absorbing/cured cementitious material, reported to the United Nations

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.

