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August 7, 2026

Non-consolidated Financial Results for the Six Months Ended June 30, 2026 (Under Japanese GAAP)

Company name: Nippon Aqua Co., Ltd.
Listing: Tokyo Stock Exchange
Securities code: 1429
URL: https://www.n-aqua.jp
Representative: Fumitaka Nakamura, President and Representative Director
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Scheduled date to file semi-annual securities report: August 7, 2026
Scheduled date to commence dividend payments: -
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Non-consolidated financial results for the six months ended June 30, 2026 (from January 1, 2026 to June 30, 2026)

(1) Non-consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	16,972	6.2	1,179	8.0	1,150	4.4	755	1.1
June 30, 2025	15,983	21.9	1,091	28.5	1,102	26.8	748	29.0

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
June 30, 2026	23.48	-
June 30, 2025	23.44	-

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2026	25,557	11,278	44.1
December 31, 2025	25,810	11,633	45.1

Reference: Equity
As of June 30, 2026: 11,278 million yen
As of December 31, 2025: 11,633 million yen

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2025	-	0.00	-	35.00	35.00
Fiscal year ending December 31, 2026	-	0.00			
Fiscal year ending December 31, 2026 (Forecast)			-	35.00	35.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Financial Forecasts for the Fiscal Year Ending December 31, 2026 (January 1, 2026-December 31, 2026)

(Percentage figures indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Fiscal year ending December 31, 2026	37,000	9.9	2,900	4.5	2,910	4.1	1,972	4.1	61.84

Note: Revisions to financial forecasts disclosed most recently: None

*** Notes**

(1) Adoption of accounting treatment specific to the preparation of semi-annual non-consolidated financial statements: None

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

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(3) Number of issued shares (common shares)

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

As of June 30, 2026	34,760,000 shares
As of December 31, 2025	34,760,000 shares

(ii) Number of treasury shares at the end of the period

As of June 30, 2026	2,600,471 shares
As of December 31, 2025	2,548,771 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended June 30, 2026	32,192,375 shares
Six months ended June 30, 2025	31,901,025 shares

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

* Proper use of financial forecasts, and other matters

Financial forecasts and other forward-looking statements in this release are based on data currently available to the Company and certain assumptions that the Company believes are reasonable. They are not intended as a guarantee that the Company will achieve such results. Actual results may differ materially from them for various reasons. For details of the assumptions used in the forecast of financial results and cautionary notes concerning appropriate use of the financial forecasts, please refer to “(3) Notes on Financial Forecasts and Other Forward-looking Statements” in “1. Qualitative Information Concerning Financial Results for the Period Under Review” on page 7 of the Attachment.

Contents of Attachment

1. Qualitative Information Concerning Financial Results for the Period Under Review

(1) Explanation Regarding Operating Results

During the cumulative period of the first half of the fiscal year (from January 1 to June 30, 2026), the Japanese economy has continued on a moderate recovery trend, supported by improvements in employment and income conditions. On the other hand, the outlook remains uncertain due to the situation in the Middle East, fluctuations in financial and capital markets, and the impact of rising prices.

In the housing and construction industry, to which the Company belongs, compliance with energy-saving standards has been mandated for almost all newly constructed houses and buildings since April 2025. These standards consist of two indicators: “envelope performance,” which evaluates the thermal insulation performance of buildings, and “primary energy consumption performance,” which measures building energy efficiency. Under the current standards, Insulation Performance Grade “4” (hereinafter referred to as “Insulation Grade 4”) is required.

The government has indicated a policy to raise the standard to Insulation Grade “5” by around 2030, and further plans to raise it to Insulation Grade “6” through the application of “GX ZEH” starting in April 2027. Against this backdrop, interest in Insulation Grade “6” and above has continued to grow, with some homebuilders offering Insulation Grade “7,” reflecting the shift toward higher insulation performance. In addition, awareness is spreading that improvements in insulation and airtightness contribute to the durability and longevity of houses.

In the non-residential sector, demand for higher insulation performance is increasing against the backdrop of expanding capital investment, and demand is expected to grow particularly in data centers and the cold chain sector. Furthermore, as urban redevelopment progresses, requirements for high environmental performance are becoming increasingly stringent.

At present, large-scale projects scheduled for installation by the Company are primarily in the foundation work stage, and the construction phases in which the Company is involved are expected to accelerate from the second half of fiscal year 2026, mainly from 2027 onward.

In addition, demand for waterproofing renovation work is increasing due to the aging of buildings. At factories and other facilities, interest in heat-shielding performance is also growing as a measure against heatstroke. The Company is strengthening its competitive advantage in the market by enhancing building comfort and energy efficiency through its proprietary "FUKUGEN Method," which combines waterproofing and heat-shielding performance.

In this market environment, the Company actively pursued order acquisition activities by leveraging the product competitiveness of the “AQUA FOAM Series” and “AQUA HAJIKUN,” together with its nationwide installation network.

In the Single-family Homes Division, under the concept that “Insulation without airtightness is powerless,” the Company actively promoted proposals centered on Insulation Grade “6,” featuring high levels of insulation and airtightness. In addition, the Company further strengthened its differentiation by combining insulation installation with airtightness measurement services, thereby expanding its market share. Supported by these proposals for highly insulated and airtight houses, orders from a nationwide homebuilder and a major homebuilder increased significantly. Furthermore, amid concerns over the supply of urethane raw materials due to the situation in the Middle East and other factors, the Company also benefited from replacement demand from other contractors and alternative insulation materials. As a result, the number of construction units increased by 1.8% year on year. In addition, the unit price per project also increased due to the wider adoption of insulation specifications of Grade "6" or higher and increased use of airtightness measurement services. Consequently, sales in this division amounted to 8,125 million yen, exceeding both the previous year and the plan.

In the Buildings Division, the Company steadily completed projects including data centers, commercial facilities, and high-rise condominiums. In addition, amid concerns over the supply of urethane raw materials due to the situation in the Middle East and other factors, the Company's strengths in procurement capabilities and installation responsiveness were highly recognized, leading to the acquisition of projects switched from other contractors. As a result, although sales did not reach the level of the same period of the previous fiscal year, they exceeded the plan, and sales in this division amounted to 4,542 million yen.

In the Waterproofing Division, delays in preceding construction work due to circumstances at other contractors, together with supply constraints on related materials arising from the situation in the Middle East and other factors, resulted in delays in project commencements. Consequently, sales amounted to 563 million yen, falling below both the previous year and the plan. On the other hand, following the confirmation of orders for nationally important facilities, inquiries regarding similar facilities and factory renovation projects have increased, and progress toward the full-year plan has generally been on track.

Sales in the Raw Materials Division and the Other Division, including auxiliary supplies and machinery, exceeded both the previous year and the plan, amounting to 1,269 million yen and 2,473 million yen, respectively.

(Millions of yen, %)

	22nd fiscal year Six months ended June 30, 2025	23rd fiscal year Six months ended June 30, 2026	Amount of change	Percentage change
Single-family Homes Division	7,548	8,125	+576	+7.6
Buildings Division	4,815	4,542	(273)	(5.7)
Waterproofing Division	625	563	(62)	(10.0)
Raw Materials Division	884	1,269	+384	+43.4
Other Division	2,108	2,473	+364	+17.3
Total	15,983	16,972	+989	+6.2

As a result, net sales for the cumulative period of the first half of the fiscal year amounted to 16,972 million yen (up 6.2% year on year). Gross profit totaled 3,838 million yen (up 9.9% year on year), and the gross profit margin improved to 22.6% (up 0.8 percentage points year on year). Operating profit amounted to 1,179 million yen (up 8.0% year on year), and the operating profit margin improved to 7.0% (up 0.1 percentage points year on year). This was mainly attributable to higher net sales and an improvement in the gross profit margin, despite an increase in selling, general and administrative expenses. Selling, general and administrative expenses amounted to 2,659 million yen, primarily consisting of personnel expenses of 1,326 million yen and expenses related to technical interns of 400 million yen. Ordinary profit amounted to 1,150 million yen (up 4.4% year on year), and profit amounted to 755 million yen (up 1.1% year on year).

(2) Explanation Regarding Financial Position

(Total Assets)

Total assets at the end of the first half of the fiscal year amounted to 25,557 million yen, down 1.0% from the end of the previous fiscal year, representing a decrease of 252 million yen.

(Current Assets)

Current assets at the end of the first half of the fiscal year amounted to 19,663 million yen, down 1.8% from the end of the previous fiscal year, representing a decrease of 351 million yen. This was mainly due to decreases of 318 million yen in electronically recorded monetary claims - operating and 187 million yen in accounts receivable - other, both reflecting collections, as well as a decrease of 235 million yen in inventories, partially offset by an increase of 345 million yen in cash and deposits.

(Non-current Assets)

Non-current assets at the end of the first half of the fiscal year amounted to 5,893 million yen, up 1.7% from the end of the previous fiscal year, representing an increase of 98 million yen. This was mainly due to an increase of 123 million yen in construction in progress following the commencement of construction of the Kagoshima Sales Office, an increase of 58 million yen in software included in Other under intangible assets, and an increase of 94 million yen in insurance reserve funds included in Other under investments and other assets. These increases were partially offset by a decrease of 106 million yen in assets due to depreciation and a decrease of 103 million yen in long-term prepaid expenses included in Other under investments and other assets.

(Total Liabilities)

Total liabilities at the end of the first half of the fiscal year amounted to 14,278 million yen, up 0.7% from the end of the previous fiscal year, representing an increase of 102 million yen.

(Current Liabilities)

Current liabilities at the end of the first half of the fiscal year amounted to 14,197 million yen, up 0.8% from the end of the previous fiscal year, representing an increase of 106 million yen. This was mainly due to an increase of 200 million yen in short-term borrowings, increases of 50 million yen in accounts payable and accrued expenses included in Other, 49 million yen in deposits received, and 36 million yen in advances received, partially offset by a decrease of 246 million yen in income taxes payable.

(Non-current Liabilities)
Non-current liabilities at the end of the first half of the fiscal year amounted to 81 million yen, down 5.1% from the end of the previous fiscal year, representing a decrease of 4 million yen. This was mainly due to a decrease of 4 million yen in long-term accounts payable included in Other.
(Net Assets)
Net assets at the end of the first half of the fiscal year amounted to 11,278 million yen, down 3.1% from the end of the previous fiscal year, representing a decrease of 355 million yen. This was mainly attributable to profit for the first half of the fiscal year of 755 million yen, an increase of 2 million yen in capital surplus and a decrease of 13 million yen in the negative balance of treasury shares as a result of the disposal of treasury shares, partially offset by a decrease of 1,127 million yen in retained earnings due to dividend payments.
(Equity Ratio)
The equity-to-asset ratio at the end of the first half of the fiscal year was 44.1%, down 1.0 percentage point from the end of the previous fiscal year.

(Research and Development Activities)
Total research and development expenses incurred by the Company during the first half of the fiscal year amounted to 10 million yen. There were no significant changes in the Company's research and development activities during the first half of the fiscal year.

(Cash Flows)
Cash and cash equivalents (hereinafter referred to as "cash") at the end of the first half of the fiscal year increased by 343 million yen from the end of the previous fiscal year to 2,758 million yen, compared with 1,779 million yen at the end of the previous first half of the fiscal year.
(Cash Flows from Operating Activities)
Net cash provided by operating activities during the first half of the fiscal year amounted to 1,431 million yen, compared with 880 million yen provided during the previous first half of the fiscal year. This was mainly attributable to profit before income taxes of 1,149 million yen, depreciation of 106 million yen, a decrease in trade receivables of 308 million yen, a decrease in inventories of 235 million yen, and a decrease in accounts receivable - other of 175 million yen, partially offset by income taxes paid of 620 million yen.
(Cash Flows from Investing Activities)
Net cash used in investing activities during the first half of the fiscal year amounted to 176 million yen, compared with 204 million yen used during the previous first half of the fiscal year. This was mainly attributable to the purchase of property, plant and equipment of 41 million yen, the purchase of intangible assets of 40 million yen, and the purchase of insurance funds of 94 million yen.
(Cash Flows from Financing Activities)
Net cash used in financing activities during the first half of the fiscal year amounted to 911 million yen, compared with 1,158 million yen used during the previous first half of the fiscal year. This was mainly attributable to a net increase in short-term borrowings of 200 million yen and dividends paid of 1,127 million yen.

(3) Notes on Financial Forecasts and Other Forward-looking Statements
In addition to signs of a recovery in the current economy, revisions to the legal system related to housing and buildings, as well as various measures supporting energy-saving initiatives, are expected to drive increasing demand for insulation materials.
On the other hand, against the backdrop of developments in the Middle East, uncertainty temporarily increased regarding the supply and prices of materials, including urethane raw materials. Although material shortages have since shown signs of easing, the Company continues to closely monitor the impact of raw material prices and supply conditions on its business activities. Under these business conditions, the Company is promoting the following initiatives to achieve sustainable growth.

1. Companywide Measures

i. Response to Raw Material Price Trends and Changes in the External Environment

As described above, during the first half of the fiscal year, uncertainty temporarily increased regarding supply and prices in the urethane raw material market. Meanwhile, the Company maintained a stable supply system by leveraging its procurement advantages built through direct transactions with multiple overseas suppliers, a nationwide inventory network, and one of the largest handling volumes in Japan.

In addition, in light of rising raw material prices and changes in the external environment, the Company implemented revisions to its selling prices from June 2026. These price revisions partially contributed to the Company's results for the first half of the fiscal year, and the Company will continue to pursue appropriate pricing policies to secure profitability in the second half of the fiscal year and beyond.

ii. Start of Manufacturing and Sales of Urethane Insulation Board "U-MAX"

As announced on July 9, 2026, the Company has decided to launch a new business to manufacture and sell the urethane insulation board "U-MAX."

Amid growing demand for highly insulated homes in the housing market, the Company has been advocating "Insulation Grade 6 with Added Margin," which aims to achieve both high insulation performance and cost efficiency. The start of manufacturing and sales of "U-MAX" will broaden the scope of these proposals and, by offering insulation boards as the Company's own product, further strengthen the one-stop proposal framework of "Marutto AQUA FOAM" for insulation materials for an entire house.

The impact of this business on the Company's financial results for the fiscal year ending December 31, 2026 is expected to be immaterial. From the fiscal year ending December 31, 2027 onward, the Company expects the business to make an increasing contribution to its financial results as it gradually brings domestic manufacturing sites into operation and expands its sales structure.

iii. About the Medium-Term Management Plan

The Company formulated the Medium-Term Management Plan "3 Pillars of Stability" on February 14, 2024, with fiscal year 2026 as the final year, and is promoting initiatives aimed at achieving sustainable growth and enhancing corporate value. In addition, the Company has introduced a progressive dividend policy with the aim of ensuring stable and continuously improving shareholder returns.

Subsequently, in light of the impact of delays in the commencement of certain large-scale construction projects, primarily in the Buildings Division, the Company revised the performance targets of the Medium-Term Management Plan, resetting the sales target for the fiscal year ending December 2026 to 37,000 million yen and the ordinary profit target to 2,910 million yen.

Although the impact of such changes in the business environment is currently being observed, the Company recognizes these factors as temporary, and there have been no changes to its medium- to long-term growth strategy, policies for strengthening its business foundation, or its policy of stable shareholder returns.

The Company will continue to improve profitability in each business division and strengthen its business foundation, while pursuing medium- to long-term enhancement of corporate value with an awareness of the balance between growth investments and shareholder returns.

The statements concerning the outlook above have been prepared based on information currently available to the Company and certain assumptions deemed reasonable by the Company. Actual results may differ materially depending on future business conditions, market trends, and other factors.

iv. Initiatives for Sustainability

Under its management philosophy of "Contributing to society by creating a housing environment that is friendly to people and the earth," the Company is working to address social issues through initiatives such as reducing CO_2 emissions from houses and buildings with the "AQUA FOAM series" and promoting the recycling of urethane insulation materials.

As part of these efforts to reduce environmental impact, the Company received a "B score," classified as Management Level, for the second consecutive year in the 2025 Climate Change Survey conducted by CDP, an international non-profit organization. Furthermore, the Company's products, including its flagship product "AQUA FOAM," obtained EPD (Environmental Product Declaration) certification following third-party verification under SuMPO EPD—the first in Japan for on-site foamed urethane insulation.

In addition, as part of its human capital initiatives, the Company is promoting internal work style reforms, including the introduction of a staggered commuting system from January 2026, enabling each employee to achieve flexible and sustainable working styles.

The Company will continue to contribute to the realization of a sustainable society through both its business activities and work style reforms.

v. Securing Installation Personnel and Strengthening the Installation Structure

The Company recognizes that securing and developing personnel responsible for high-quality installation is essential for achieving sustainable growth and maintaining competitiveness, and is therefore promoting investments in human capital. Specifically, the Company is working to improve the work environment by introducing a weekend-off system to enhance the work-life balance of installation personnel, revising compensation systems and allowances to improve treatment, and promoting proximity between work and home through the establishment of new offices and warehouses.

In addition, the Company is strengthening both the quality and quantity of its installation workforce by developing diverse career paths, including management, specialist, and independent-oriented tracks, conducting training programs and safety conventions led by the newly established Safety and Quality Management Department, ensuring the thorough implementation of safety management systems, and enhancing the acceptance of specified skilled workers and foreign technical interns.

vi. Maintaining Prime Market Listing and Management with Awareness of Capital Costs and Stock Prices

The Company positions management with an awareness of capital costs and stock prices as a key management priority and is working to achieve sustainable enhancement of corporate value through improving profitability and capital efficiency. The Company also recognizes that maintaining its listing on the Prime Market is an important factor supporting its overall competitiveness, including purchasing power, credibility in securing installation orders, and the recruitment and retention of talented personnel.

In this context, the Company has been selected as a constituent of the "JPX-Nikkei Mid and Small Cap Index," jointly calculated by JPX Research Institute and Nikkei Inc., for fiscal year 2025 (from August 29, 2025 to August 28, 2026).

The Company will continue to strive to gain appropriate recognition in the stock market and improve stock liquidity, while regularly monitoring capital costs, analyzing market evaluations, and appropriately feeding back insights obtained through dialogue with shareholders and investors to management and the Board of Directors, with the aim of enhancing corporate value over the medium to long term.

2. Financial Forecasts for the Fiscal Year Ending December 31, 2026

The financial forecasts for the fiscal year ending December 2026, as announced on February 13, 2026, remain unchanged at this time.

2. Semi-annual Non-consolidated Financial Statements and Primary Notes

(1) Semi-annual Non-consolidated Balance Sheet

(Thousands of yen)

	As of December 31, 2025	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	2,415,160	2,758,740
Notes and accounts receivable - trade, and contract assets	7,977,173	7,987,311
Electronically recorded monetary claims - operating	1,434,813	1,116,162
Inventories	2,890,906	2,655,794
Accounts receivable - other	5,032,498	4,845,468
Other	288,953	323,813
Allowance for doubtful accounts	(24,207)	(23,707)
Total current assets	20,015,299	19,663,581
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,211,641	2,147,249
Land	2,065,464	2,065,464
Other, net	203,016	327,155
Total property, plant and equipment	4,480,123	4,539,869
Intangible assets		
Leasehold interests in land	15,000	15,000
Other	73,785	118,512
Total intangible assets	88,785	133,512
Investments and other assets		
Long-term loans receivable from subsidiaries and associates	37,535	35,300
Other	1,246,368	1,243,242
Allowance for doubtful accounts	(57,729)	(58,064)
Total investments and other assets	1,226,175	1,220,478
Total non-current assets	5,795,084	5,893,860
Total assets	25,810,383	25,557,442

(Thousands of yen)

	As of December 31, 2025	As of June 30, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	7,528,350	7,546,472
Short-term borrowings	4,800,000	5,000,000
Lease liabilities	12,676	6,214
Income taxes payable	687,987	441,849
Provision for bonuses	40,531	43,074
Other	1,021,070	1,159,425
Total current liabilities	14,090,615	14,197,036
Non-current liabilities		
Asset retirement obligations	40,239	40,356
Other	45,621	41,152
Total non-current liabilities	85,860	81,509
Total liabilities	14,176,475	14,278,546
Net assets		
Shareholders' equity		
Share capital	1,903,649	1,903,649
Capital surplus	2,097,430	2,100,079
Retained earnings	9,168,917	8,797,424
Treasury shares	(1,536,812)	(1,522,964)
Total shareholders' equity	11,633,185	11,278,188
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	722	707
Total valuation and translation adjustments	722	707
Total net assets	11,633,907	11,278,896
Total liabilities and net assets	25,810,383	25,557,442

(2) Semi-annual Non-consolidated Statement of Income

For the six months ended June 30, 2026

(Thousands of yen)

	For the six months ended June 30, 2025	For the six months ended June 30, 2026
Net sales	15,983,250	16,972,879
Cost of sales	12,490,781	13,134,473
Gross profit	3,492,469	3,838,405
Selling, general and administrative expenses	2,400,793	2,659,142
Operating profit	1,091,675	1,179,263
Non-operating income		
Interest income	25,641	29,249
Insurance claim income	1,556	4,580
Other	13,539	22,066
Total non-operating income	40,737	55,896
Non-operating expenses		
Interest expenses	20,995	31,136
Amortization of long-term prepaid expenses	9,058	53,798
Other	313	48
Total non-operating expenses	30,367	84,983
Ordinary profit	1,102,046	1,150,176
Extraordinary income		
Gain on sale of non-current assets	6,087	187
Total extraordinary income	6,087	187
Extraordinary losses		
Loss on retirement of non-current assets	2,112	643
Total extraordinary losses	2,112	643
Profit before income taxes	1,106,021	1,149,720
Income taxes - current	389,832	403,597
Income taxes - deferred	(31,835)	(9,777)
Total income taxes	357,997	393,820
Profit	748,023	755,899

(3) Semi-annual Non-consolidated Statement of Cash Flows

(Thousands of yen)

	For the six months ended June 30, 2025	For the six months ended June 30, 2026
Cash flows from operating activities		
Profit before income taxes	1,106,021	1,149,720
Depreciation	108,633	106,059
Increase (decrease) in allowance for doubtful accounts	31,207	(163)
Increase (decrease) in provision for bonuses	657	2,543
Interest income	(25,641)	(29,249)
Interest expenses	20,995	31,136
Insurance claim income	(1,556)	(4,580)
Gain from business consulting fee	(2,464)	(2,525)
Loss (gain) on sale and retirement of non-current assets	(3,975)	456
Decrease (increase) in trade receivables	440,384	308,514
Decrease (increase) in inventories	(504,219)	235,112
Increase (decrease) in trade payables	(387,089)	18,122
Decrease (increase) in accounts receivable - other	500,557	175,287
Increase (decrease) in accounts payable - other	(154,012)	(93,709)
Increase (decrease) in accrued consumption taxes	(8,877)	12,440
Other, net	9,160	137,296
Subtotal	1,129,780	2,046,459
Interest and dividends received	25,641	29,249
Proceeds from insurance income	1,556	4,580
Proceeds from fiduciary obligation fee	2,464	2,525
Interest paid	(20,995)	(31,136)
Income taxes paid	(258,310)	(620,265)
Net cash provided by (used in) operating activities	880,136	1,431,413
Cash flows from investing activities		
Purchase of property, plant and equipment	(117,311)	(41,368)
Proceeds from sale of property, plant and equipment	16,465	250
Purchase of intangible assets	(1,850)	(40,416)
Purchase of investment securities	(119)	(149)
Purchase of insurance funds	(94,656)	(94,656)
Loan advances to subsidiaries and associates	(2,773)	-
Collection of loans receivable from subsidiaries and affiliates	-	2,212
Other, net	(4,557)	(2,135)
Net cash provided by (used in) investing activities	(204,804)	(176,264)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(100,000)	200,000
Repayments of finance lease liabilities	(6,797)	(6,461)
Repayments of long-term accounts payable - other	(5,131)	(5,248)
Proceeds from sale and leaseback transactions	38,124	27,534
Dividends paid	(1,084,876)	(1,127,393)
Net cash provided by (used in) financing activities	(1,158,680)	(911,568)
Net increase (decrease) in cash and cash equivalents	(483,348)	343,580
Cash and cash equivalents at beginning of period	2,263,300	2,415,160
Cash and cash equivalents at end of period	1,779,952	2,758,740

(4) Notes to Semi-annual Non-consolidated Financial Statements

(Notes on Going Concern Assumption)

Not applicable.

(Notes on Significant Changes in Amount of Shareholders' Equity)

Not applicable.

(Segment Information, Etc.)

No disclosure is made about segments as the Company operates in only one business segment of heat insulation work and related services.

(Additional Information)

Not applicable.

(Important Subsequent Events)

Not applicable.