Asante Incorporated

Financial Results for the Second Quarter (Interim Period) Ended September 30, 2025

November 14, 2025

TSE Prime Section Securities Code 6073

Contents

1 Summary of Financial Results for FY3/26 1H

Net Sales, Operating Income (YoY)

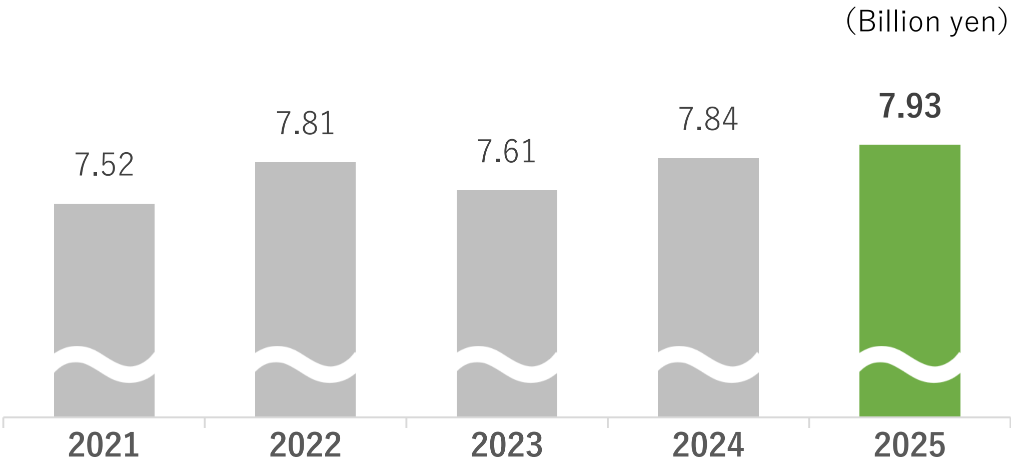
Consolidated Net Sales 7.93 Billion yen

YoY +0.08 Billion yen
+1.1%

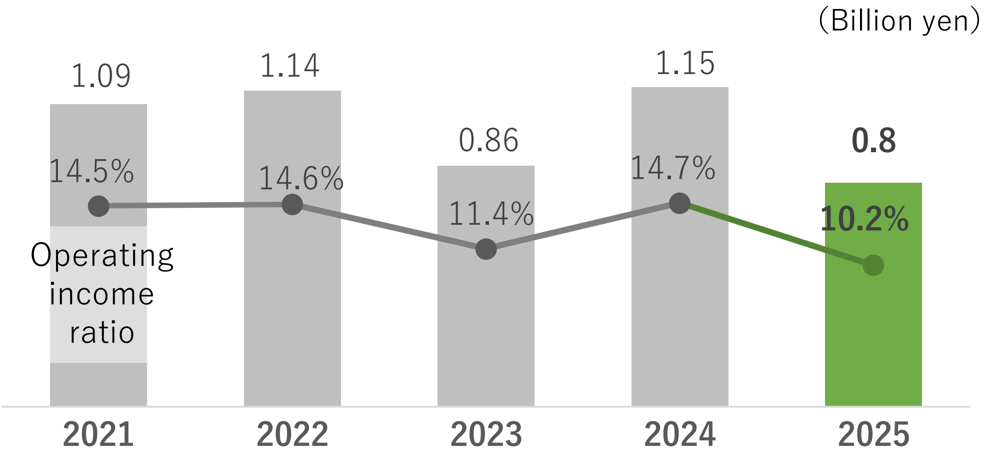
Operating Income 0.80 Billion yen

YoY −0.34 Billion yen
−29.7%

Trends in Consolidated Net Sales (FY3/26 1H)



Trends in Consolidated Operating income ratio(FY3/26 1H)



Quarterly Consolidated Net Sales (YoY)

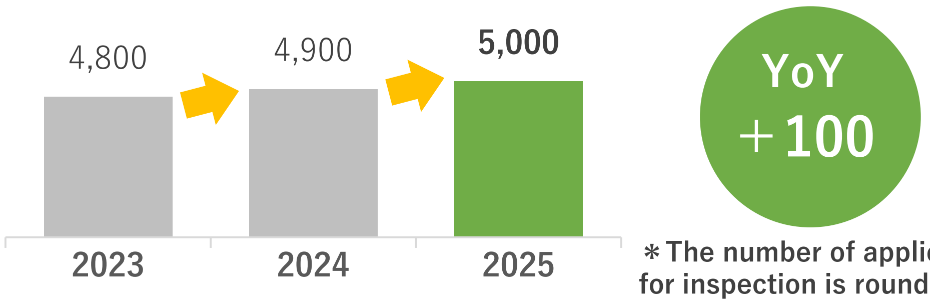
1Q Consolidated Net Sales 4.22 Billion yen

YoY －0.04 Billion yen －1.1%

Main Positive Factors

Increased number of applications for inspection

－ Enhancement of Web Marketing and Expansion of Business Partners



＊The number of applications for inspection is rounded down to the nearest hundred

Main Negative Factors

Reduced Termite Activity Due to Unfavorable Weather Conditions

－ Low minimum temperatures from late April to early May led to overall sluggish termite activity

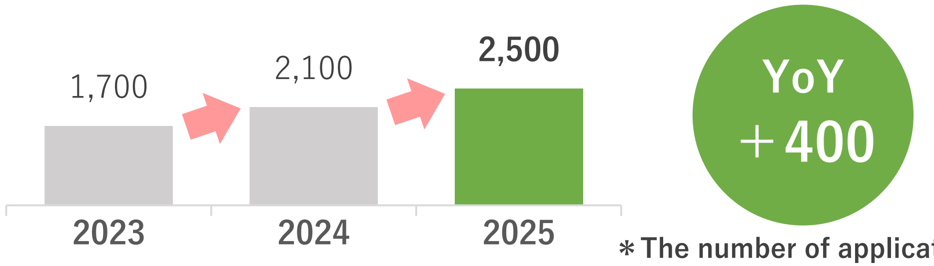
2Q Consolidated Net Sales 3.70 Billion yen

YoY ＋0.13 Billion yen ＋3.7%

Main Positive Factors

Significant Increase in Applications for Inspection

－ Enhanced Marketing During the Latent Termite Demand Period



＊The number of applications for inspection is rounded down to the nearest hundred

Main Negative Factors

Reduced Operational Efficiency Due to Extreme Heat

－ Attic-related construction temporarily suspended as part of heatstroke prevention efforts

Application Acquisition Status and Number of Business Partners

Number of Applications for Inspection

7,500

YoY +400

+5.6%

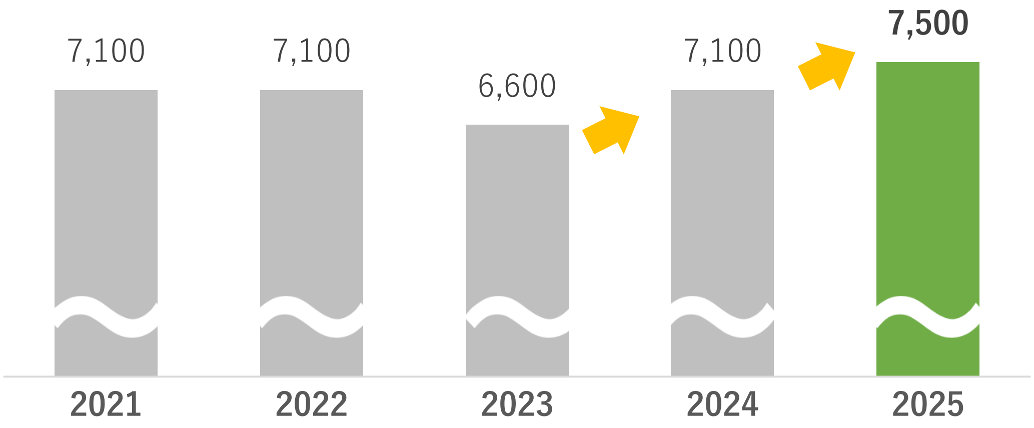
Number of Business Partners

962

YoY +287

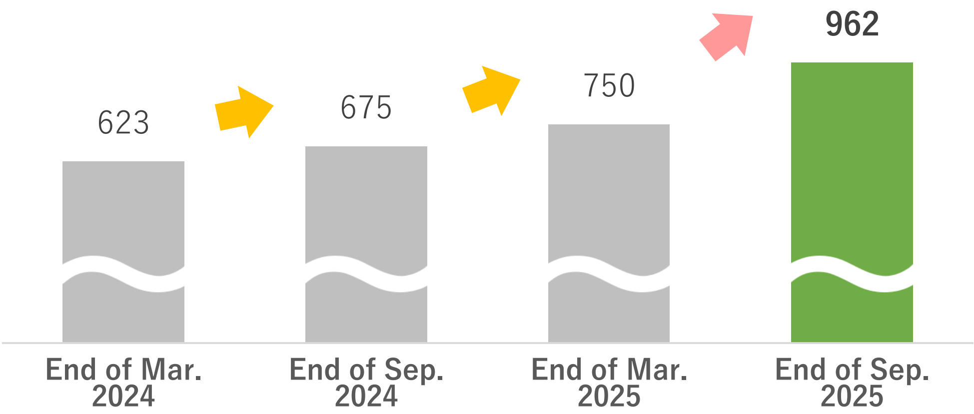
+42.5%

Trends in Applications for Inspection (Cumulative 2Q)



＊The number of applications for inspection is rounded down to the nearest hundred.

Trends in the Number of Business Partners (by Half Year)



Main Growth Investments in FY3/26 1H (Key Factors Behind Cost Increases)

Advancement of Advertising and Promotion

Significant Expansion of Marketing Initiatives

Advertising expenses：YoY +0.11 billion yen

Promotion of Digitalization

Adoption of Digital Maps and Streamlining Operations through Digitalization

System-related Expenses：YoY +0.05 billion yen

Strengthening Talent Acquisition

Active Talent Acquisition and Collaboration with Recruitment Agencies

Recruitment Expenses：YoY +0.03 billion yen

Improvement of Employee Compensation

Increase in Labor and Personnel Expenses due to Wage Hikes

Total Personnel Expenses (excluding retirement benefit costs)

：YoY +0.03 billion yen

Staffing Status

Average number of employees during the period

984

YoY −3

−0.3%

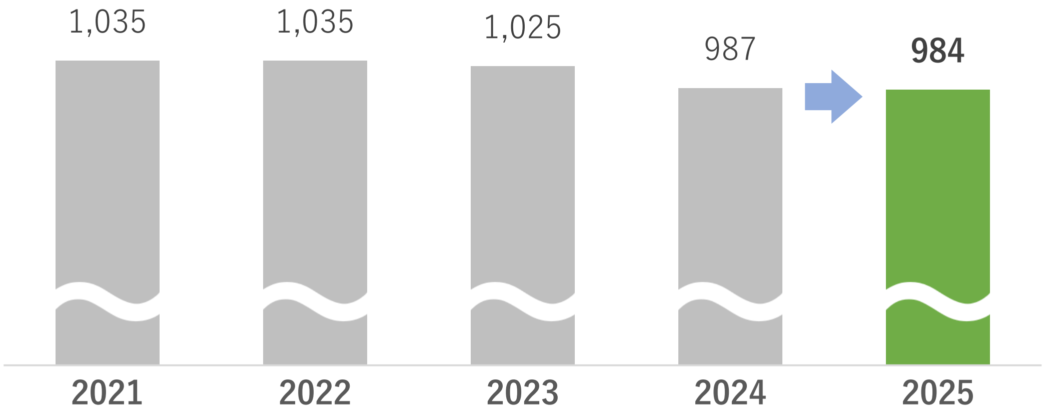
Total number of employees (End of 2Q)

986

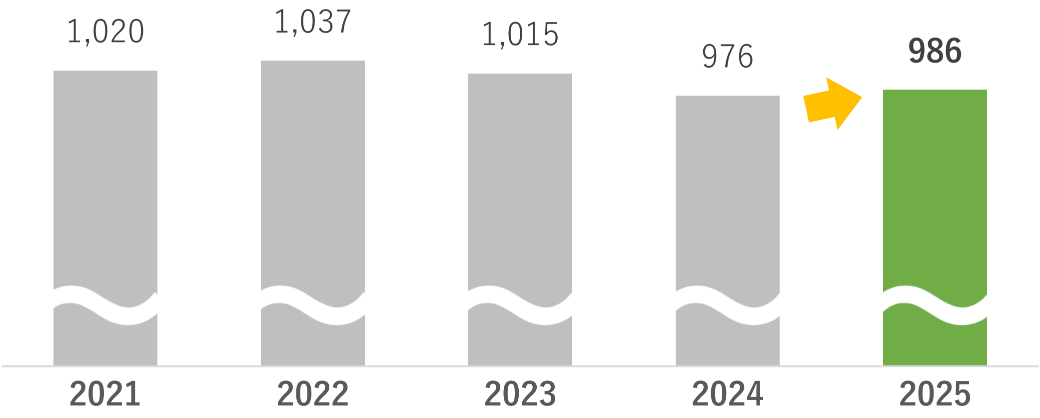
YoY +10

+1.0%

Trends in Average Total Number of Employees (Cumulative 2Q)



Trends in Total Number of Employees (End of 2Q)



Financial Results

(Unit : Billion yen)	FY3/26 1H		YoY		Forecast (Announced on Mar. 9, 2025)	
	Results	Composition ratio	Change	Change of ratio	Change	Achievement Ratio
Net sales	7.93	-	0.08	1.1%	-0.46	94.5%
Operating income	0.80	10.2%	-0.34	-29.7%	-0.34	70.4%
Ordinary income	0.81	10.2%	-0.28	-25.8%	-0.32	71.2%
Net income	0.54	6.8%	-0.17	-24.0%	-0.20	72.0%

Net Sales by Service

(Unit : Billion yen)	FY3/26 1H		YoY	
	Results	Composition ratio	Change	Change of ratio
Net sales	7.93	-	0.08	1.1%
Termite control	3.69	46.6%	0.07	2.1%
Anti-humidity measures	1.70	21.5%	0.04	3.0%
Anti-earthquake measures	1.60	20.3%	-0.10	-6.3%
Others	0.92	11.6%	0.06	8.2%

- **Termite Control**
  - New TC
    Although the number of applications for inspection increased, new termite treatments remained flat year-on-year due to unfavorable weather conditions in the first quarte
  - Renewal TC
    Renewal contracts continued to perform well, resulting in increased revenue aided by the effect of price revisions
- **Anti-humidity measures**
  - Strengthened sales efforts to existing customers contributed to higher revenue
- **Anti-earthquake measures**
  - As a heatstroke prevention measure, construction involving attic work was suspended for about two months from mid-July to mid-September, resulting in lower revenue
- **Others**
  - Increased revenue from HFH

Number of Employees, Sales per Employee

	FY3/26 1H	YoY	
		Change	Change of ratio
Net Sales (Billion yen)	7.93	0.08	1.1%
Average number of employees during the period	984	-3	-0.3%
Sales per employee (Thousand yen/month)	1,343	18	1.4%
Number of employees at end of 2Q	986	10	1.0%

＊ "Number of employees": total number of employees actually working including part-time employees and contract employees (excluding dispatched and seconded employees)

Profit and Loss, Cost of Sales and SG&A Expenses

(Unit : Billion yen)	FY3/26 1H	YoY	
		Change	Change of ratio
Net sales	7.93	0.08	1.1%
Cost of sales	2.35	0.07	3.3%
Material costs	1.00	0.02	2.6%
Labor costs	0.71	0.01	2.4%
Other cost of sales	0.62	0.03	5.4%
Gross profit	5.58	0.01	0.2%
SG&A expenses	4.77	0.35	8.0%
Personnel expenses	2.84	0.09	3.5%
Advertising expenses	0.48	0.11	31.9%
Other SG&A expenses	1.44	0.14	10.8%
Operating income	0.80	-0.34	-29.7%

- **Cost of sales**

Material costs
- Material costs rose with higher sales
- The material cost ratio was 12.7%, slightly up from the previous years

Labor costs
- Fixed costs increased due to improved employee compensation
- Retirement benefit expenses also rose

Other cost of sales
- Outsourcing costs at consolidated subsidiaries increased

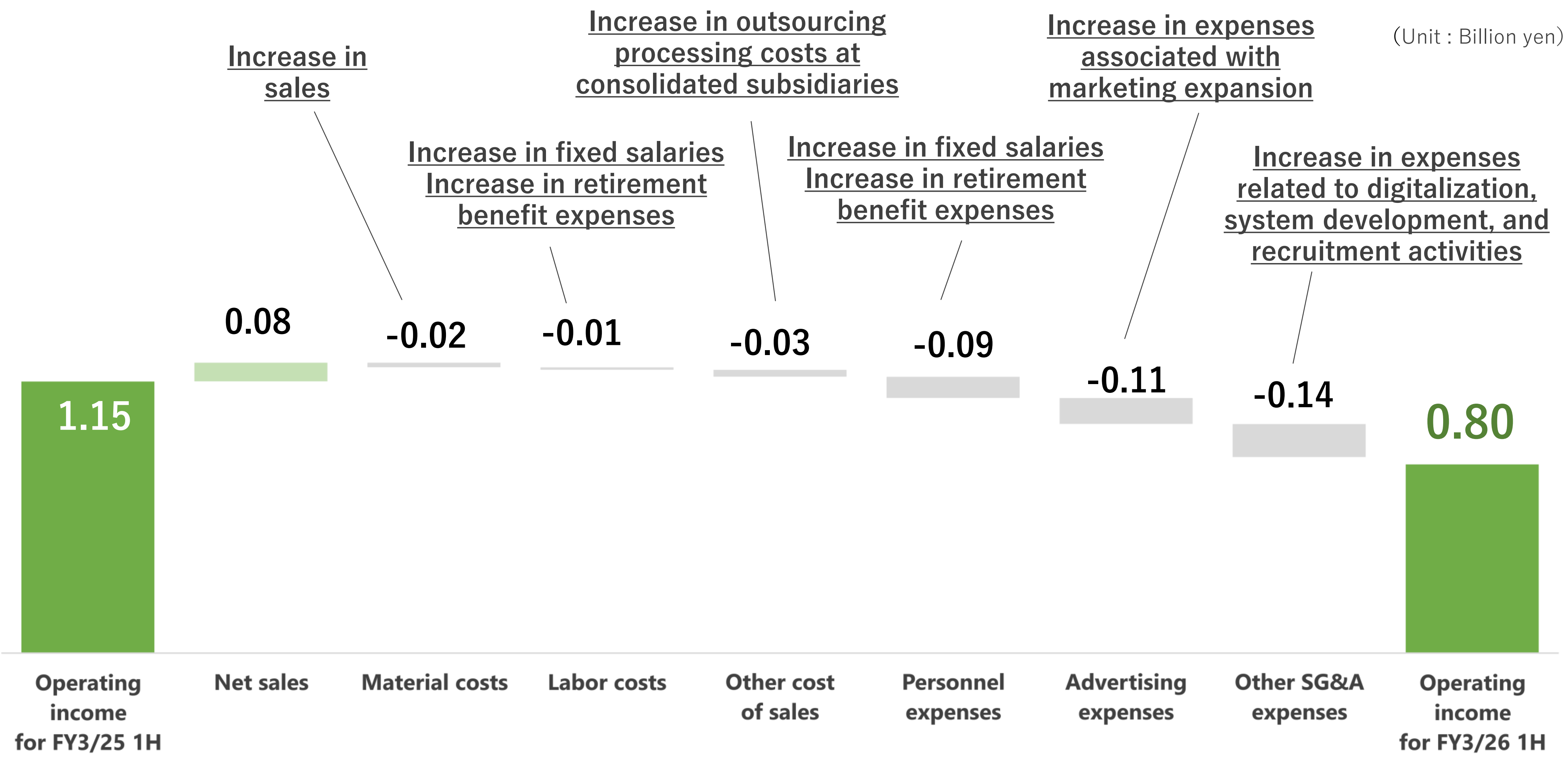
- **G&A expenses**

Personnel expenses
- Higher fixed costs from better employee compensation and more incentives due to higher sales per employee
- Retirement benefit expenses increased

Advertising expenses
- Significant rise from strategic advertising investments
- The advertising expense ratio was 6.1%, up 1.4 points year on year

Other SG&A expenses
- Higher costs for digitalization and system development
- Recruitment expenses increased due to active

Analysis of Increase/Decrease in Operating Income



Balance Sheet

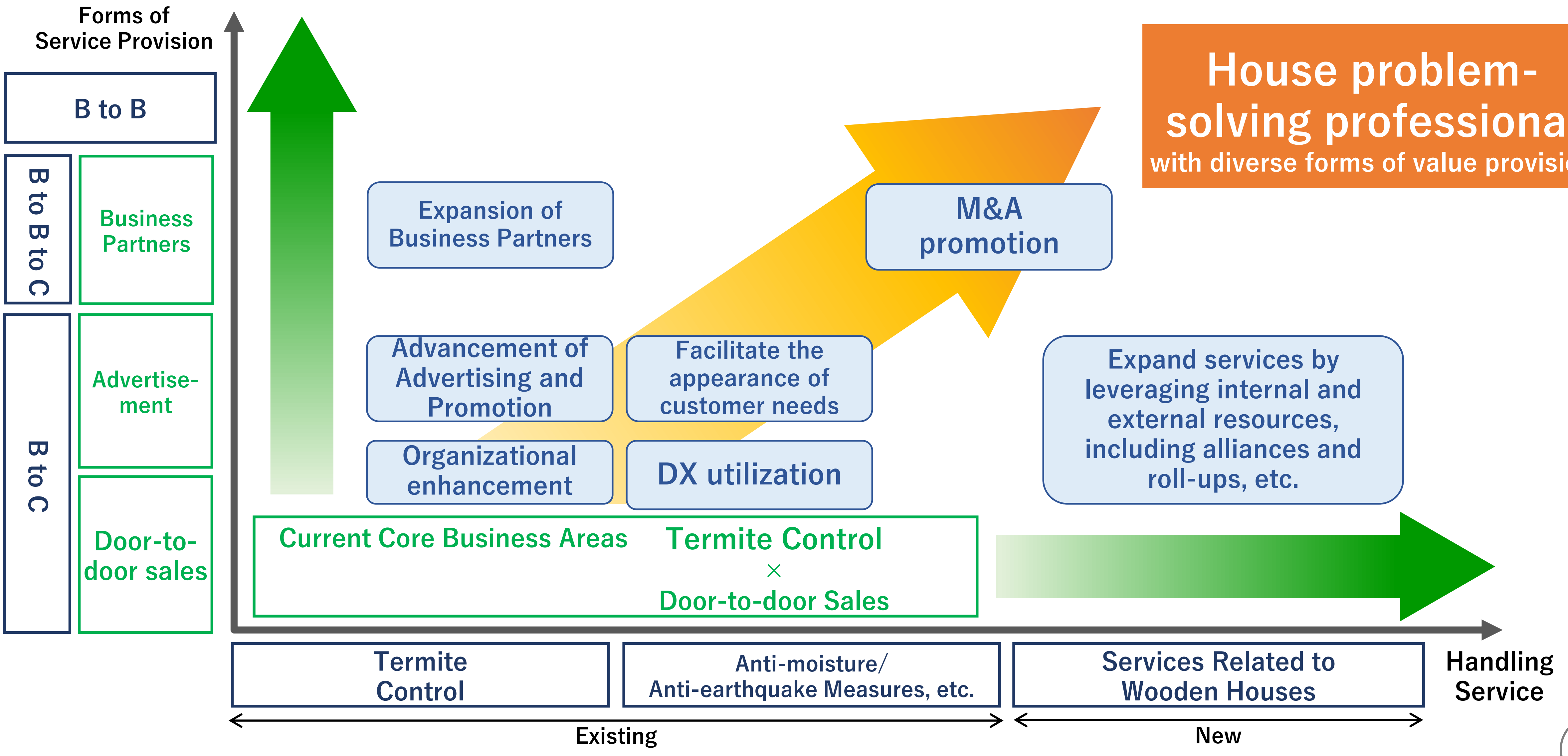
(Unit : Billion yen)	FY3/25	FY3/26 1H	YoY Change	Main Factors for Changes	
Current Assets	9.35	9.68	0.33	Cash and deposits Accounts Receivable	0.10 0.17
Non-current Assets	4.98	4.97	-0.00		
Deferred assets	0.01	0.01	-0.00		
Total Assets	14.34	14.66	0.31		
Current Liabilities	2.06	2.09	0.03	Accrued income taxes	0.06
Non-current Liabilities	2.53	2.52	-0.00		
Total Liabilities	4.60	4.62	0.02		
Total Net Assets	9.74	10.04	0.29	Retained earnings	0.23

Retained earnings

(Unit : Billion yen)	FY3/25 1H	FY3/26 1H	Main Factors	
Cash Flows from Operating Activities	1.05	0.40	Net income before income taxes Increase in trade receivables Payments of income taxes	0.81 - 0.17 - 0.22
Cash Flows from Investing Activities	-0.03	-0.06		
Free Cash Flows	1.02	0.33		
Cash Flows from Financing Activities	-0.27	-0.23	Payments of Dividends	- 0.30
Cash and Cash Equivalents at End of Interim Period	9.47	7.20		

3 Focus Areas for the Second Half of the Year

The Vision Our Group Strives For



Five Priority Strategies

I. Reinforcement of Sales Promotion Basis and Structure

II. Enhancing Productivity

III. Expansion of Services from the Customer's Perspective

IV. Development and Utilization of Human Capita

V. Contributing to Solving Social Issues through Our Business Activities

Further Strengthening Application Acquisition Capability

Unearthing latent termite demand through marketing

- **Online Advertising & Social Media Management**
- **Offline Initiatives** (TV, Newspapers, Direct Mail, etc.)
- **PPR Activities** (Media Appearances by *Shiroari Busters*)

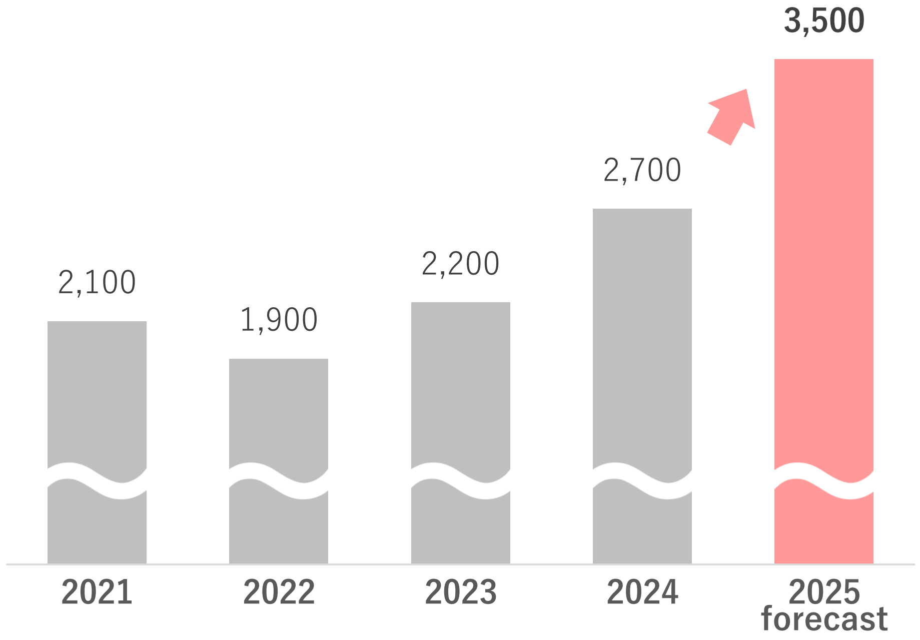
Business Partner Expansion and Upselling Strategy

- **Acquiring New Business Partners**
- **Driving Sales through Collaboration with Existing Business Partners**

Seasonal Marketing for Non-Termite Services

- **Application Acquisition through Pest Control and Anti-harmful Animal Measures Advertising**

Application Survey Trends & Forecast (2nd Half)

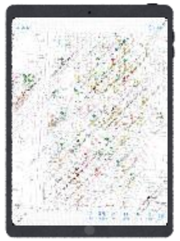


＊ The number of applications for inspection is rounded down to the nearest hundred

Enhancing Productivity through Digital Transformation

Expansion of Electronic Map Utilization

- Promote company-wide adoption of the fully deployed electronic map system
- Improve efficiency of door-to-door sales through use of the electronic map system (reduce working hours)



Expansion of Data Utilization in Door-to-Door Sales Activities

- Improve success rate of door-to-door sales through data analysis and feedback
- Develop human resources skilled in data analysis using AI

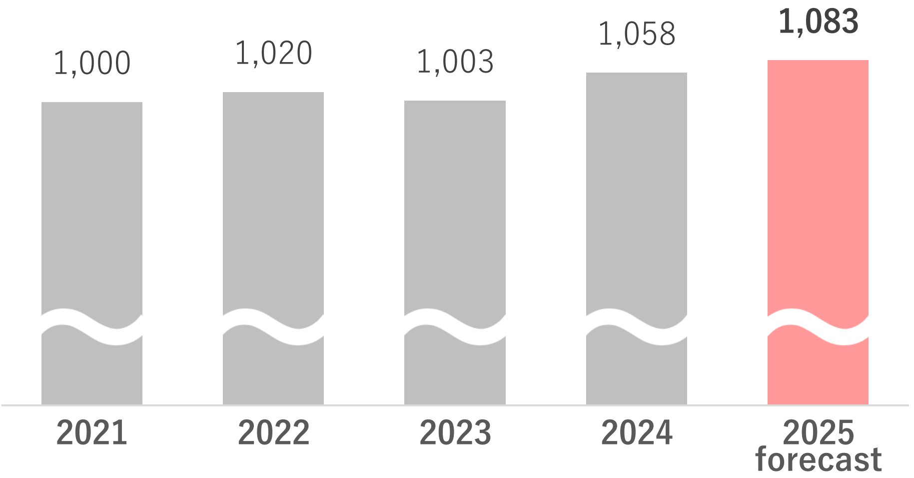
System Development Contributing to Operational Efficiency

- Develop new systems that streamline the creation of contract-related documents at customers' homes

Sales per Employee – Trends & Forecast (2nd Half)

※ Sales per employee improved through a combination of factors such as application growth, higher productivity, and talent development

(Thousand yen/month)



Strengthening the Workforce

Improving Employee Treatment and Workplace Environment

- Expand work-style options
- Review compensation structure for sales positions
- Increase number of on-site supervisors
- Provide management training for managerial staff

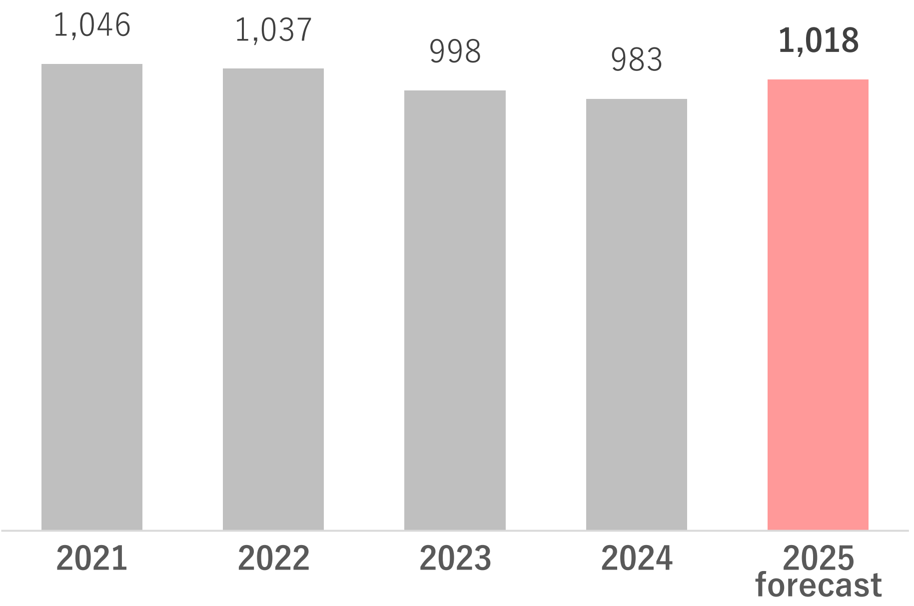
Continuing Proactive Recruitment

- Strengthen partnerships with recruiting agencies
- Utilize job advertising media

Further Enhancement of Employee Education

- Provide thorough onboarding education and follow-up after hiring
- Enrich in-house certification programs and e-learning

Headcount Trends and Forecast (Year-End)

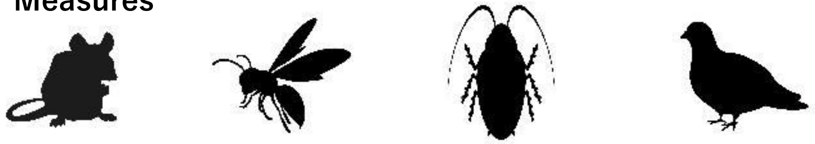


Expansion of Service Offerings and Sales Areas

Expansion of areas handling pest and vermin control

- Expansion of Pest Control and Anti-Harmful Animal Measures Services for Individual Customers

Anti-Harmful Animal Measures | Pest Control | Sanitary Pest Control | Bird Control Measures



- Building a Customer Base through Pest Control and Anti-Harmful Animal Measures to Increase Termite Control Sales

Expansion of Highly Heat Insulate Construction Lineup

- Completed preparation for the sales launch of window insulation in the second half of the fiscal

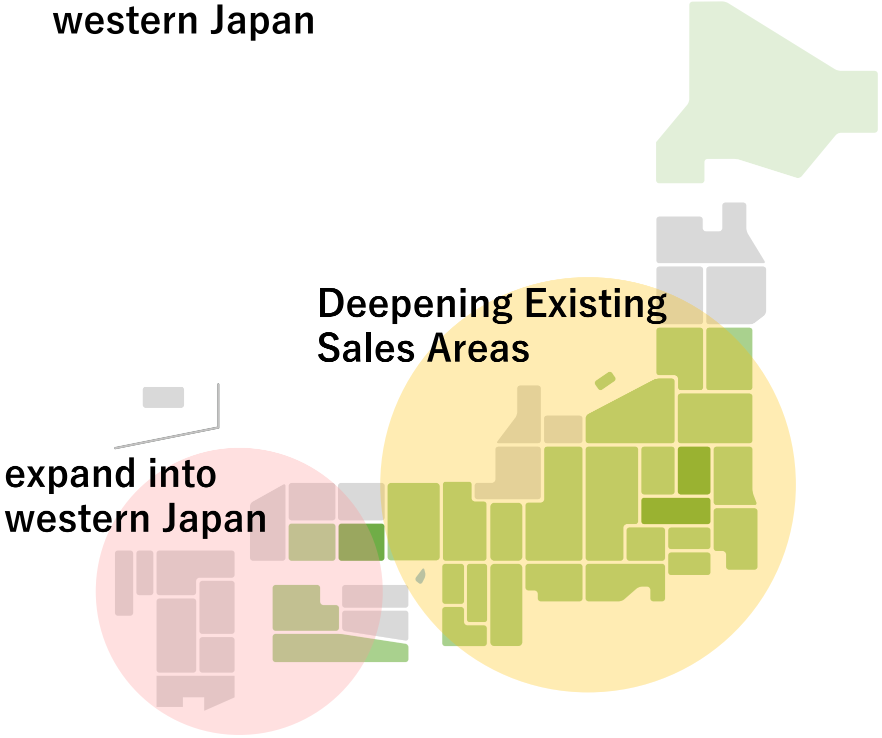
Underfloor Insulation

Attic Insulation

Window Insulation

Deepening and Expanding Sales Areas

- Formed new partnerships with local JAs in untapped regions within existing areas （Partnered with new JAs in Tochigi, Saitama, and Okayama Prefectures in the first half of the year）
- Strengthened approaches to local JAs to expand into western Japan



4 Forecasts for FY3/26, Capital Management and Shareholder Returns

2025年度 業績予想

Announced on May 9 (no revision)

(Unit: Billion yen)	FY3/26 Forecast	YoY	
		Change	Change of ratio
Net sales	14.90	0.87	6.2%
Cost of sales	4.54	0.22	5.2%
Gross profit	10.35	0.65	6.7%
SG&A expenses	9.03	0.55	6.6%
Operating income	1.32	0.09	7.6%
Ordinary income	1.31	0.14	12.8%
Net income	0.82	0.13	19.2%

Enhancing Corporate Value and Medium- to Long-Term ROE Targets

Trends in Cost of Capital and Return on Capital

	FY3/21	FY3/22	FY3/23	FY3/24	FY3/25
Cost of Equity	Estimated at around 4–5% (based on CAPM)				
ROE	9.1%	5.0%	7.5%	4.6%	6.4%
PBR(times)	1.7	1.4	1.5	1.6	1.6

Policy on Initiatives

- **Expand profit scale and improve profitability**
  - Profit growth in line with sales growth
  - Improve profitability by promoting 5 priority strategies
- **Shareholder Returns and Capital Management**
  - Continuation of stable dividends
  - Consideration of appropriate capital policies such as share repurchase
- **Strengthen dialogue with investors**
  - Active dialogue with institutional investors
  - Holding of individual investor meetings
  - Enhance disclosure and dissemination of information to stakeholders

Medium- to Long-Term ROE Targets

Enhancing corporate value and aiming for ROE of 10% or more in the medium to long term

Dividend Forecast

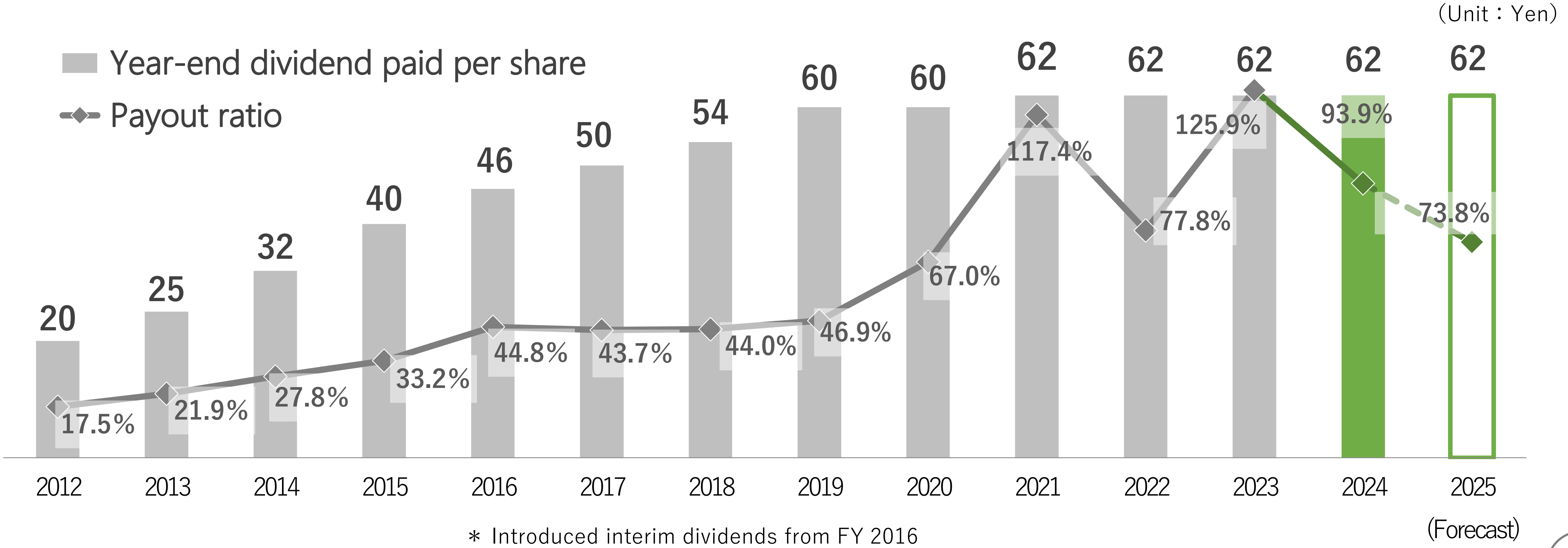
Announced on May 9 (no revision)

Dividend for FY3/26

62 yen per share for the full year

(31 yen for interim and 31 yen for year-end)

Maintain dividends in accordance with the basic dividend policy of "maintaining stable dividends"



＊ Introduced interim dividends from FY 2016

Appendix

Corporate Philosophy・Vision

Corporate Philosophy

Protecting People, Houses and Forests by Fostering our own People and Technology

We provide safety, security, and comfort to our customers through termite control and measures against earthquakes etc., and contribute to solving social issues such as environmental problems by promoting extended the life of existing houses

Vision

Through Extending the Life of Wooden Houses and Improving the Wellbeing of Employees, Protecting the Environment and Becoming the Most Trusted Company by our Customers and Society

We keep working lively and provide the highest quality services to extend the life of wooden houses and protect the environment, mainly through termite control, to offer safe, secure, and comfortable living throughout Japan and continue to grow together with society

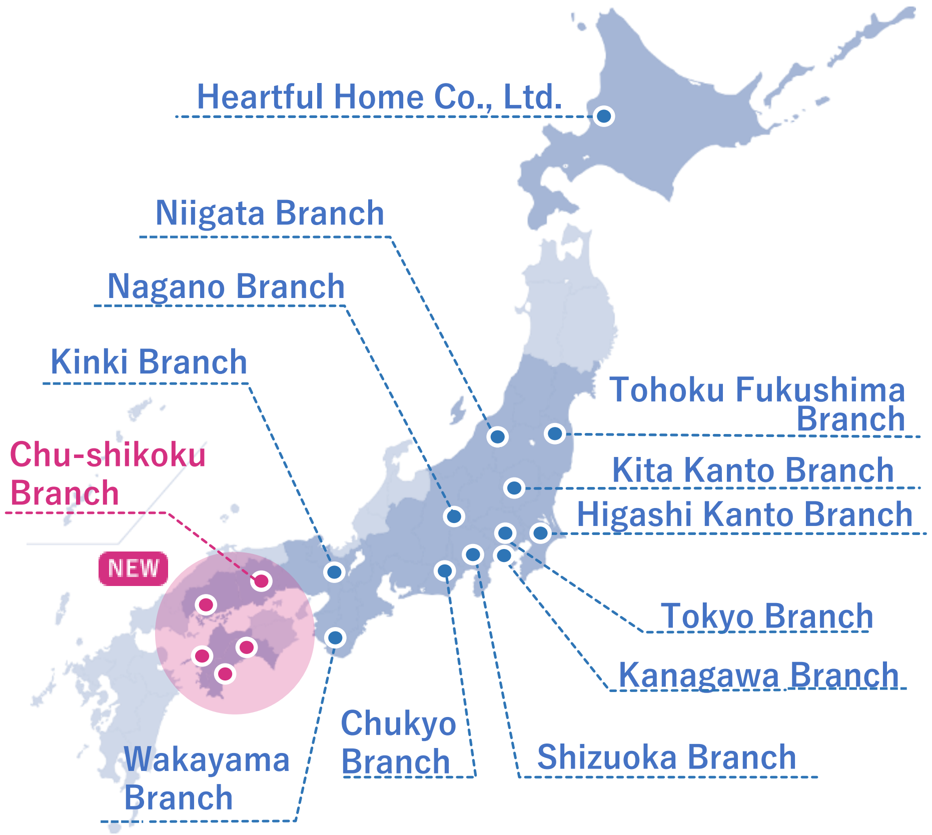
Overview

Name	Asante Incorporated
Trading Market	TSE Prime Section (Securities Code 6073)
Head Office	33-15, Shinjuku 1-Chome, Shinjuku-ku, Tokyo
Main Phone Number	03-3226-5511
Since	1970
Established	1973
Capital Stock	1.1 billion yen
Directors	・**Representative** Sei Miyauchi ・**Managing Director** Yoshiyuki Nakao ・**Director** Yoshimitsu Ishigami ・**Director** Tetsuji Hamazato ・**Director** Shungo Matsuo ・**Director(Outside)** Toshiya Natori ・**Director(Outside)** Michiaki Tanaka ・**Director(Outside)** Naoko Omura ・**Full-time Auditor** Takashi Miyachi ・**Auditor (Outside)** Shinichi Takano ・**Auditor (Outside)** Yoshihisa Uchida

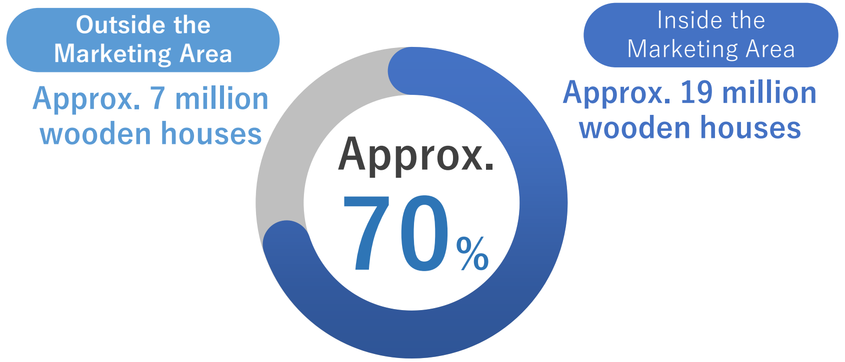
Number of Employees	986 (Consolidated) (End of 2Q FY3/26)
Net Sales	14.0 billion yen(Consolidated) (FY3/25)
Group Companies	• **Heartful Home Co., Ltd.** (Consolidated : Investment Ratio 100%) • **Human Green Service Co., Ltd.** (Non-consolidated)
Main Banks	MUFG Bank, Ltd.
Licenses and Permits	・**General Construction Business License** Licensed by the Minister of Land, Infrastructure, Transport and Tourism(Permit No. 16221, Category: Building and Electrical Work, General-2) ・**First-Class Architect Office Registration** Registered by the Governor of Tokyo(Registration No. 39895) ・**Poisonous and Deleterious Substances Retail License** Registration No. 4Shinhoyaku-392 ・**Pest Control Business Registration (Rats and Insects in Buildings)** Tokyo: Registration No. 2-Ne-223 Aichi: Registration No. 16-Ne-4
Memberships	• Japan Direct Selling Association • Japan Termite Control Association • Japan Wood Protection Association • Japan Pest Control Association • Japan Institute of Insect and Microbial Damage to Cultural Properties

Marketing Area

82 locations in 28 prefectures



1 Covering approximately 70% of detached wooden houses in Japan



2 Expanding our Marketing Area in Western Japan

Aiming for nationwide expansion, we have established five new sales offices in Western Japan since 2021.

（Nanyo Sales Office, Shimanto Sales Office, Okayama Sales Office, Hiroshima Sales Office, and Kochi Sales Office ）

Company History

1970
Started business as Sanyo Sanitation in Fuchu City, Tokyo

1973
Reformed into a stock company and launched as Sanyo Sanitation Co., Ltd.

1979
Entered into cooperation agreement with Fujieda Agricultural Cooperative, Shizuoka(first business agreement with JA*)

1986
Established TS Business Department

1990
Established Mikkabi Comprehensive Training Center in Shizuoka

1994
Emphasized Corporate Identity and company name was changed to Asante Incorporated

株式会社 アサンテ

1996
Started CS (Customer Satisfaction) operations

2002
Established Inawashiro Comprehensive Training Center in Fukushima

2006
Introduced termite detection dog

2010
Introduced bedbug detection dog

2013
Listed on Tokyo Stock Exchange Second Section

2014
Listed on Tokyo Stock Exchange First Section

2020
Acquired Heartful Home Co., Ltd.

HfH

2022
Listed on Tokyo Stock Exchange Prime Section

2023
Entered into business alliance with Advantage Advisors Co., Ltd.

ADVANTAGE PARTNERS

Started handling New Product

2002 Housing Reinforcement | 2005 Repair housing foundations | 2019 Highly Heat Insulate Construction

Business Contents

1 Termite Control

Prevention and extermination of termites

2 Anti-humidity Measures

Prevention of rot, mold and termites

3 Anti-earthquake Measures

Repair of the basic concrete

Reinforcement for the wood junction

4 Maintain Measures

Housing renovation, new building construction, Seismic retrofit, Installation of heat insulator

5 Ecological Measures

Construction of photovoltaic power system

6 Pest control

Prevention and extermination of harmful insects (like cockroach, tick, bedbug, bee, etc.)

7 Anti-harmful Animal Measures

Prevention and extermination of harmful animals (like rat, dove, etc.)

8 Sanitary Measures

Sterilization of hospital facilities, etc.

Sustainability Initiatives

Basic policy

Based on our Corporate Philosophy of “Protecting People, Houses and Forests by Fostering our own People and Technology“ we are committed to addressing various social challenges through our business activities and contributing to the realization of a sustainable society, while striving to enhance our corporate value.。

E

Contributing to the Improvement of Environmental Issues through our Business

- Contribution to CO_2 reduction by promoting the extending the life of wooden houses
- Reduce the environmental impact of our business activities

Business Significance

Protecting people, homes, and forests by providing termite control, anti-humidity measures and anti- earthquake measures

Reducing CO_2 emissions by curbing wasteful deforestation	Reduce waste generated from rebuilding houses
Saving the lives of residents by preserving and improving durability	Protecting assets by maintaining housing value

S

Developing Human Resources & Creating a Motivating Workplace

- Enhancement of education system
- Promoting Occupational Safety and Health
- Promoting Diversity
- Occupational Accident Countermeasures

G

Strengthen Management structure

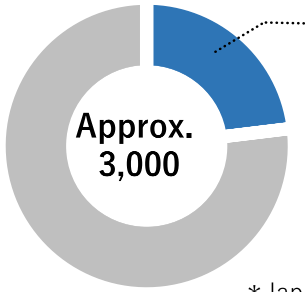
- Enhancement of Corporate Governance System
- Enhancement of compliance management system and education system

Market Trends

Growth Potential and Opportunities for Market Share Expansion in the Termite Control Industry

Number of TC industry workers

- Approx. 3,000 companies industry-wide
- Approx. 700 companies are members of industry associations
- High percentage of small enterprises
- The number of vendors is slowly declining



Members of industry associations

Approx.700

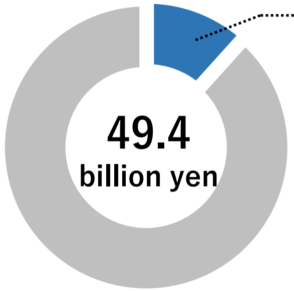
(23%)

＊Japan Termite Control Association

Chance: Companies facing issues of business succession, personnel shortages, and compliance

Sales of termite control

- Industry-wide sales of TC total 49.4 billion yen (TC only, Estimated for FY2023) ＊1
- Many companies mainly subcontract work to housing manufacturers, etc.



株式会社 アサンテ

Sales of TC

5.7 billion yen

Share

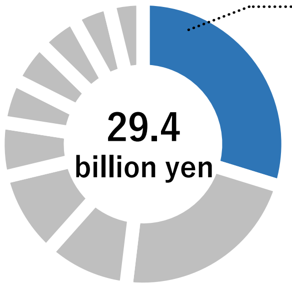
Approx. 12% ＊2

(No.1 in the industry)

Chance: Huge latent demand and room for growth in the industry spurred by national policy

Industry-leading firm (Termite control & Anti-humidity measures)

- Top 10 companies in the industry with sales of 29.4 billion yen (Termite control & Anti-humidity measures, Estimated for FY2024) ＊3
- Fifth and below are in the billion yen per year range, with limited regional operations



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Sales of TC & Anti-Humidity

(FY2024)

8.7 billion yen

Share

Approx. 30% ＊3

(No.1 in the industry)

Chance: Room to expand market share through competitive advantage and financial strength

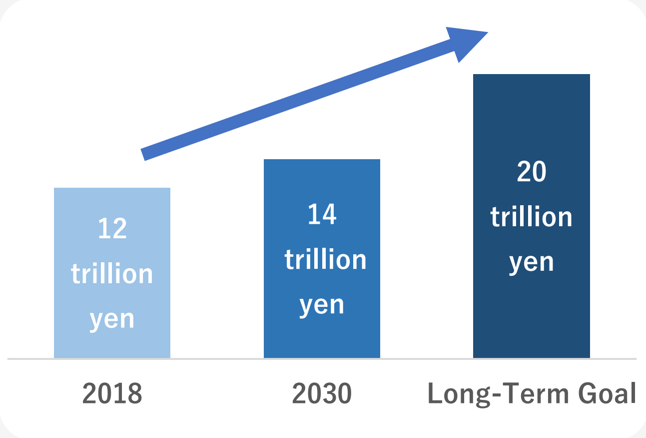
＊1 Reference: Yano Research Institute Ltd. “2024 Edition: PCO/TCO/Fumigation Services Market Realities and Mid-term Prospects”
＊2 Calculated by the Company based on data from Yano Research Institute Ltd. ＊3 Estimated by the Company based on ＊1 and information obtained by the Company

Supportive Housing Policies and a Large Stock of Residential Properties

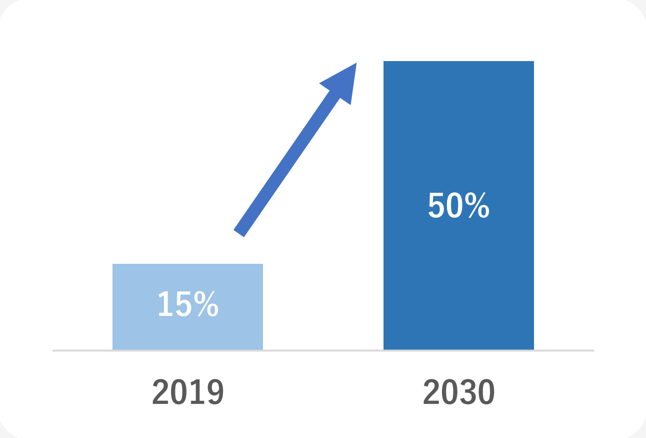
Housing Policies

Promotion of extending the life of existing houses and formation of high-quality housing stock based on the Housing Life Master Plan

Market Size of Existing Home Sales and Renovation



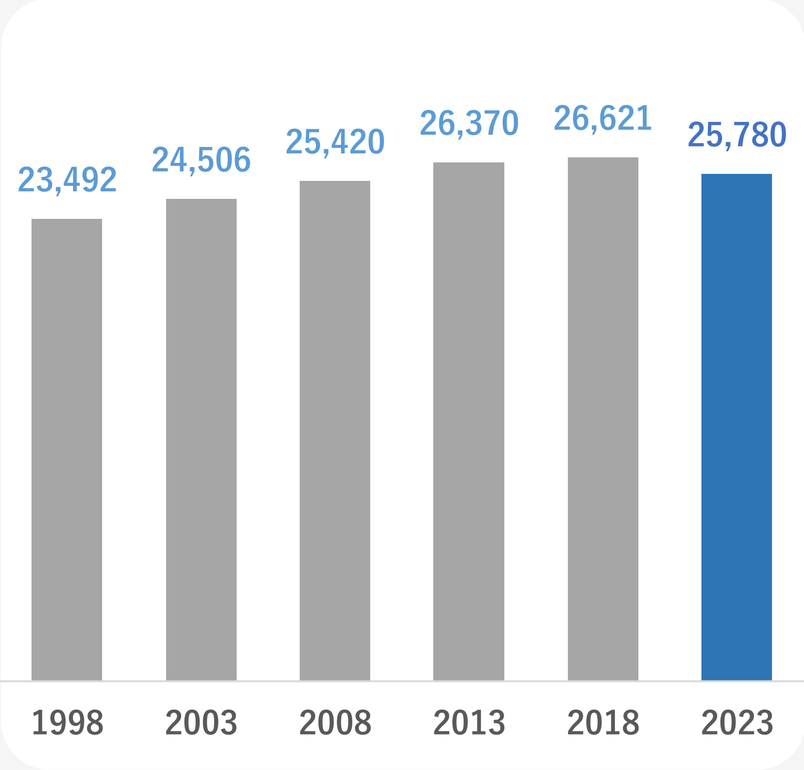
Proportion of Existing Home Transactions



Key Performance Indicators from the Housing Life Master Plan (Excerpt)

Trends in the Number of Wooden Houses (Nationwide)

(1,000 units)



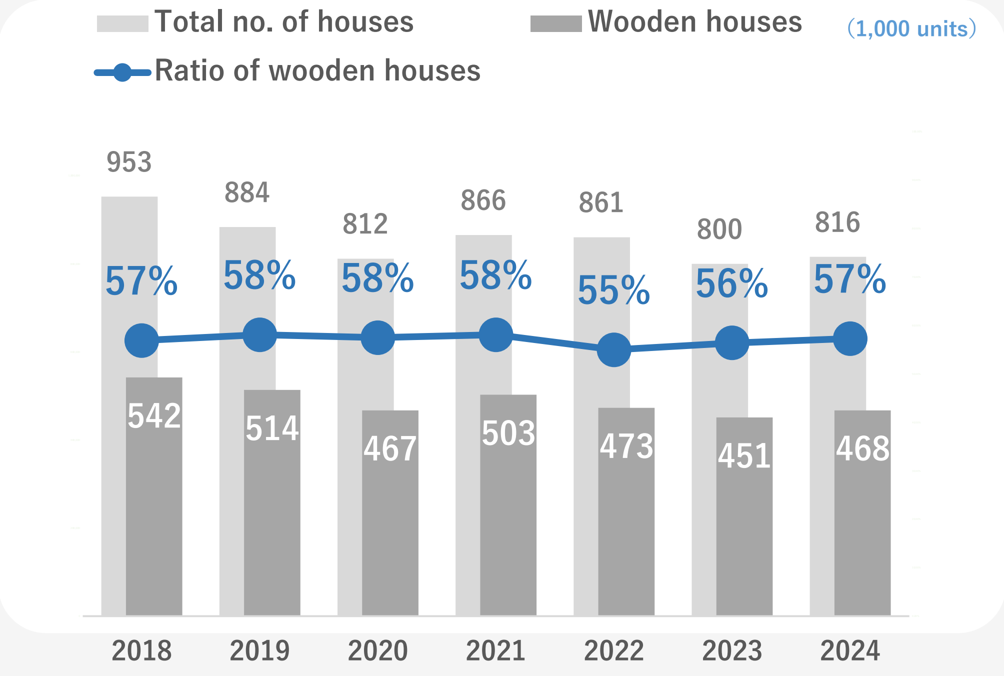
Reference: Statistics Bureau of Japan, Housing and Land Survey

Number of New Housing Starts and Intentions Regarding Wooden Houses

Stable number of new housing starts and strong preference for wooden detached houses

Changes in ratio of wooden house for the number of new housing starts

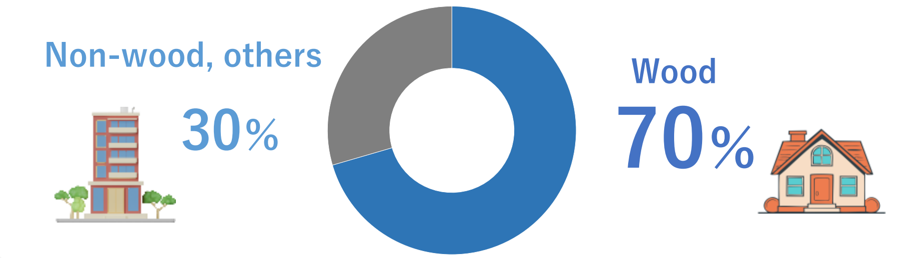
Ratio of wooden houses to new housing is stable



Reference: Ministry of Land, Infrastructure, Transport and Tourism (MLIT)

Intentions regarding wooden houses

Q What kind of houses do you want to choose when you build or buy a new house?



Reference : "Public Opinion Survey on the Forest and Life" (2023 Cabinet Office)

expect

The number of wooden houses targeted by our company is supported by the following factors, and we expect it to maintain a substantial scale in the future.

1. Huge number of wooden house stock of approximately 26 million units
2. Housing policies for longer lifespan and stock formation
3. Stable Supply of New Wooden Houses

Business Model

Strong Contact with Customers and Direct Selling to Meet customer Needs

Uncovering latent demand through face-to-face sales,

Identification of customer needs for after-sales maintenance

Staff engaging in new sales

Door-to-door sales/ Application

We offer inspections through home visits, customer applications, and referrals.

→

Inspection

Inspection is conducted by entering directly under the floor

→

Report / Suggestion

Prepare a survey report, explaining and proposing necessary measures

→

Contract

If the customer is satisfied with the proposal, a contract is signed

→

Head office

Confirmation of contract

"Thank You Calls"

Service Inspection Section at the head office calls the customer to confirm the customer's intention to enter into a contract and the contents of the contract documents

→

Technical staff

Construction

High quality termite control construction based on the technical skills and know-how accumulated over many years

Staff engaging in renewal sales

During 5 years(the warranty period for TC), we conduct periodic inspections once a year.

Repeat Contracts is proposed in the fifth year.

First year inspection → 2nd year inspection → 3rd year inspection → 4th year inspection → 5th year inspection → Repeat Contracts → 5 year periodic Iinspection → Repeat Contracts → 5 year periodic inspection

＊ Periodic inspections are conducted to confirm the effectiveness of the construction and a report is prepared. If there are any defects, we will propose countermeasures.

Well-established Basis of Operation

Wide-ranging alliance with JA

- Sales activities using JA's name recognition and creditworthiness
- Community-based business operation
- Certainty of payment collection(control of bad debt)
- Strengthening compliance through third-party checks

➡ Achieved realized high operating efficiency

Sales Channels through Corporate/Organization partners

co-operative	platform service	service for members
welfare organizations of the private companies	welfare organizations of government and public offices	contractor
home improvement retailer	Building management company	Direct Selling companies

- Promote alliances with various companies and organizations that have house maintenance in their service lineups
- Providing “high-quality home maintenance services” to employees and members of partner companies and organizations
- Full support for sales promotion of partner companies

➡ Steadily Acquire applications from a variety of sales channels

Management Resources Possessed by the Group

Strength

7 internal management resources
to be further developed and utilized

- Well-established Basis of Operation / After-sales Service System
- Superiority of Industry Leader
- Significant Business Contributing to Environmental Protection and Disaster Reduction
- Direct Contact with Customers through Direct Selling
- High-quality Services and Educational System
- Thorough Compliance System
- Sound Finance

Education system mainly through the training centers

Achieving high quality construction level and sufficient training system

Comprehensive Training Center

- Mikkabi Comprehensive Training Center (Shizuoka)


＊Established in 1990, rebuild in Mar. 2015

- Inawashiro Comprehensive Training Center （Fukushima）


＊Established in 2002

Data on Human Resources Education

〈FY3/25〉

Number of instructors at the training center	8
Annual training participants	1,657
Number of trainings held	661
Number of days of training participation for first-year employees	18.6
Qualified educational instructor of the JDSA (Japan Direct Selling Association)	57
Number of registered sales representatives for the JDSA	288

Thorough Compliance System

The Compliance Headquarters oversees the entire company from a cross-sectional perspective

Company Structure

- Formulated its own "Asante Compliance Program“
- Establishment of Internal Reporting Desk

Commitment to Customers

- Implementation of "Thank You Calls" to check the appropriateness of contracts
- Respond to complaints and questions from customers.
- Immediately share and collaborate with relevant departments on any comments received

Commitment to Employees

- Conducting compliance training at the beginning of employment and on a regular basis

+

Auditing by the Board of Directors

→

Improving customer Satisfaction

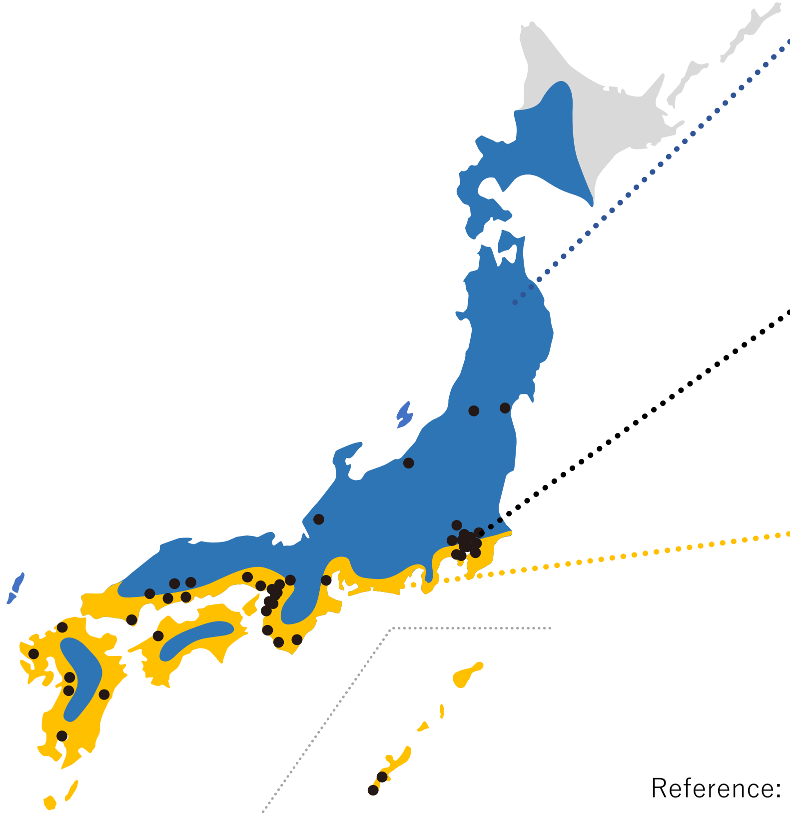
Enhancing trust and competitiveness

←

Auditing by Internal Audit Department

Distribution of Termites

Distribution of termites



Japanese subterranean termite — Habitat Area

Western dry-wood termite — Discovery Site

Formosan subterranean termite/ Japanese subterranean termite — Region of Coexistence

Reference: The Japan Termite Control Association, "Fundamental Knowledge on Termite Control and Rot Prevention"

Types of Termites

Major termite species that damage houses in Japan

Japanese subterranean termite

Worker

Soldier

- The most common termite species in Japan, distributed throughout the country except for northern Hokkaido.
- It damages moist wood, typically inhabits under floors, and the damage is often concentrated in water-related areas such as bathrooms, washrooms, and kitchens.
- The rate of damage is relatively slow.

Formosan subterranean termite

Worker

Soldier

- Found along the warm coastline west of Chiba, the Nansei Islands, and Ogasawara Islands.
- Damages even relatively dry wood, affecting the entire structure.
- Damage occurs rapidly and is severe.
- Listed by IUCN as one of the "100 Worst Invasive Alien Species."

Western dry-wood termite （invasive species）

Worker

Grainy Droppings

- Distributed across 24 prefectures from Miyagi to Okinawa, mainly in port towns.
- Damages dry wood, causing scattered damage that is difficult to detect.
- Excretes grain-like droppings from the infested wood.
- Damage occurs at a relatively slow rate.
- In the U.S., whole-house fumigation is used for control.

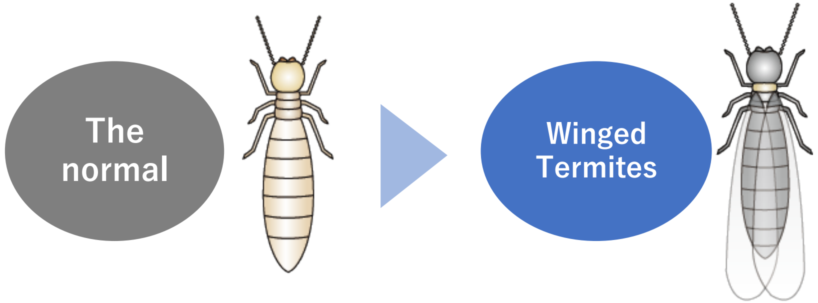
Swarm

Winged termites floating in the bathtub

What is a swarm?

- Termites, after maturing, become winged and swarm from their nests for reproduction on humid days following rain from April to June.
- Many people realize they have a termite infestation when they see large numbers of winged termites, leading to frequent inquiries.

The process of change

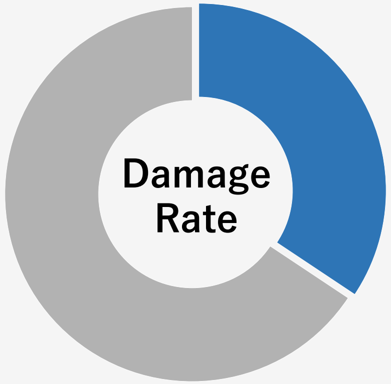


Risk of Termites damage

Statistical Survey on Termite Damage

Approximately 1 in 3 houses is affected by termite damage.

No damage
65.7%

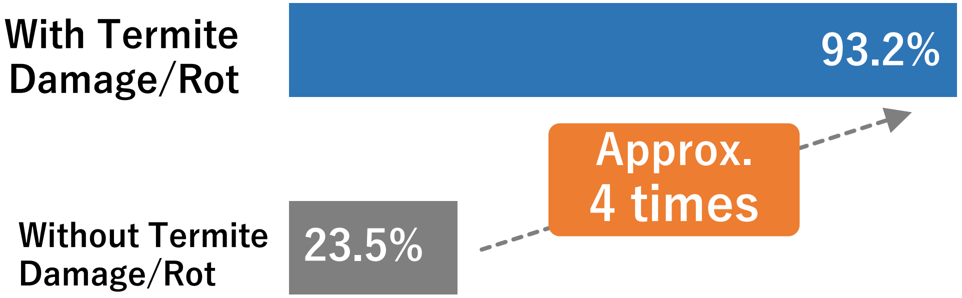


Damaged
34.3%

Reference : Termite Damage Survey Report (FY2001) by the Japan Termite Control Association

Statistical Survey from the Great Hanshin-Awaji Earthquake

- **Over 90%** of houses with termite damage or decay were **completely destroyed**.
- Approximately **4 times** higher than houses without damage or decay.



Reference : Report by the Japan Housing and Wood Technology Center (Foundation)

Progressing termite damage weakens foundations and columns, increasing collapse risk.

Public Relations and Sponsor-ship

Termite Warning

- Announcing during the swarming season.
- First-Time Initiative in our Industry in 2007

Sponsor-ship

- Signed a sponsorship deal with Kawasaki Frontale.
- Exterminate pests in home stadiums.

©KAWASAKI FRONTALE

TV CM

- Broadcast every year from April to June, mainly in the marketing area.
- It comically communicates the need for termite control and gives the impression that “Termite control is about ASANTE”.

Detection Dog Team “Kunkuns”

Termite detection dogs

Sara

Alice

- They “smell” to find termite. So, non-destructive investigation is possible.
- Active in the survey of houses and cultural properties.
- Lots of termite detection dogs are working abroad.

Bedbug detection dog

Lala

Beat

- While visual inspections by humans detect only 40–60% of bed bugs, scent detection achieves a high accuracy of around 98%.
- Able to detect even a few bed bugs.

● ● ● Training Scene ● ● ●

Detection Dog Team “Kunkuns”

Main Activities

Inspection

Participation in events

Media exposure

TV

“Good! Morning” (TV Asahi in February 2025)
“Sun! Shine” (Fuji TV in June 2025)

WEB

“@DIME” (October 2024)
“Yahoo! News” (January 2025)

What is a bed bug ?

- Bed bugs are blood-sucking insects. Adults are about 5–8 mm in length, and nymphs are around 1–2 mm.
- During the day, they hide in gaps in bedding, electronics, and other narrow spaces, and become active at night. Their bites can cause intense itching (which varies by individual), often leading to stress.
- It is believed that bed bugs were brought into Japan via suitcases and belongings of international travelers.

Wood Culture Inheritance Project

Preserve historic wooden buildings

Preserve the culture of enjoying the four seasons

Building on over 50 years of expertise, we help preserve shrines, temples, cultural properties, and famous cherry blossom sites—regional treasures and key tourism assets. Through these efforts, we pass on Japan's proud wood culture to future generations.

Press Conference for Project Launch (March 12, 2025)

Representative：Sei Miyauchi

Demonstration by Termite detection dogs

Inspection of the Zuishinmon Gate by Termite detection dogs

Wood Culture Inheritance Project

- Preservation of shrines, temples, and wooden cultural properties through termite control treatments
- Protection of famous cherry blossom sites by eradicating the red-necked longhorn beetle, which damages cherry trees
- Received a letter of appreciation from Sakitama Kofun Park (Saitama Prefecture) in June 2025 for red-necked longhorn beetle eradication work.

Shinto Shrines and Buddhist Temples

cultural properties

Preservation of Cherry Trees

Scenes from our termite control treatments for shrines, temples, and traditional wooden buildings, as well as our efforts to eradicate red-necked longhorn beetles from cherry trees.

Protecting People, Houses and Forests by Fostering our own People and Technology

Notes on Future Forecasts

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