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October 31, 2025

Consolidated Financial Results for the Six Months Ended September 30, 2025 (Under Japanese GAAP)

Company name: MAEZAWA KASEI INDUSTRIES CO., LTD.
 Listing: Tokyo Stock Exchange
 Securities code: 7925
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 Scheduled date to file semi-annual securities report: November 13, 2025
 Scheduled date to commence dividend payments: December 1, 2025
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for analysts)

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

1. Consolidated financial results for the six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2025	12,268	5.6	1,179	16.6	1,408	19.6	1,036	24.5
September 30, 2024	11,620	(0.9)	1,011	23.5	1,178	21.7	832	30.4

Note: Comprehensive income For the six months ended September 30, 2025: ¥1,882 million [130.6%]
 For the six months ended September 30, 2024: ¥816 million [(44.2)%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2025	69.85	—
September 30, 2024	56.13	—

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2025	51,332	42,839	83.2
March 31, 2025	49,901	41,513	83.0

Reference: Equity
 As of September 30, 2025: ¥42,733 million
 As of March 31, 2025: ¥41,407 million

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 March 31, 2025	—	30.00	—	39.00	69.00
Fiscal year ending March 31, 2026	—	35.00			
Fiscal year ending March 31, 2026 (Forecast)			—	35.00	70.00

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

3. Consolidated financial results forecast for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	25,000	3.5	2,200	1.6	2,530	0.9	1,730	0.9	116.58

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

*** Notes**

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

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

(3) 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

(4) Number of shares issued (common shares)

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

As of September 30, 2025	15,732,000 shares
As of March 31, 2025	15,732,000 shares

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

As of September 30, 2025	879,009 shares
As of March 31, 2025	892,755 shares

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

Six months ended September 30, 2025	14,842,321 shares
Six months ended September 30, 2024	14,839,326 shares

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

* Proper use of earnings forecasts, and other special matters

Disclaimer with respect to forward-looking statements

The forward-looking statements including financial results forecast contained in this document are based on information currently available to us and certain assumptions that we believe to be reasonable. Accordingly, the Company does not guarantee the achievement of the forecast, and the actual results may differ materially due to various factors. For discussion of the assumptions and other factors considered by the Company in preparing the above financial results forecast and notes of caution for usage, please refer to “(3) Explanation of consolidated financial results forecasts and other future outlook” of “1. Overview of Financial Performance” on page 3 of the attached materials.

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1. Overview of Financial Performance

(1) Operating results for the interim period under review

During the interim period under review, the Japanese economy continued to be in a moderate recovery trend supported mainly by vigorous demand from inbound tourists, despite impacts of external environments such as raw material and energy costs remaining high and continued yen depreciation. On the other hand, however, the outlook of the domestic economy has remained uncertain as we have to carefully watch the geopolitical risks surrounding the Middle Eastern situation and the impact of the U.S. tariff policy, combined with the continued stagnation in real wage associated with increasing inflation, as well as growing budget-saving and financial security awareness of consumers.

The water supply and sewerage industry and the housing equipment industry, which the Group engages in, are facing the situation where demand from residential purchasers has been supported to a certain extent by the government's housing acquisition support measures and continued low interest rates. However, their motivation to purchase a home has been slackened noticeably by, among other factors, soaring housing prices and a sense of alert over a further rising policy interest rate by the Bank of Japan. Under these circumstances, we are facing a challenging business environment as the number of new single-family housing starts, which is closely related to the Company's financial results, continued to decline.

In light of such a business environment, the Group announced on May 14, 2024 a new medium-term management plan "SHIFT 2026" that covers a three-year period from fiscal 2024 to fiscal 2026. We have positioned the coming three years as "a phase for establishing foundations for growth" in order to carve out a steady future growth trajectory, while confronting our ongoing business challenges identified in the previous medium-term management plan "Look Forward 2023." To this end, we have set out four basic policies: "Enhancing the Group's earning power and creating new corporate value," "Strengthening revenue base," "Implementing strategic investment for growth and improving capital efficiency," and "Promoting sustainability management" as well as key strategies to achieve these policies. We will work to achieve sustainable growth and improve our corporate value by steadily implementing the key strategies based on these basic policies.

Amid the tough circumstances in which the number of new single-family housing starts significantly declined year-on-year due to a reactionary decline in last-minute demand to comply with the newly revised Building Standards Act and Building Energy Efficiency Act put into effect in April 2025, the operating results for the interim period under review outperformed those for the previous fiscal year. This was mainly attributable to the lingering effect of price revisions implemented in September 2024 and steady progress of results in the Water/Environmental Engineering segment which is positioned as a growth segment in the medium-term management plan SHIFT 2026.

As a result, the Group posted net sales of 12,268 million yen (up 5.6% year-on-year) with operating profit of 1,179 million yen (up 16.6% year-on-year), ordinary profit of 1,408 million yen (up 19.6% year-on-year), and profit attributable to owners of parent of 1,036 million yen (up 24.5% year-on-year).

Operating results for each segment are as follows.

(i) Pipes and Engineering Plastic

In the Pipes and Engineering Plastic segment, while the number of new single-family housing starts remained sluggish, we continued to work hard to strengthen sales of key sales products in the areas of building equipment, exterior, and disaster prevention and secure sales of mainstay product lines. We also worked on improving profitability by aggregating logistics centers as part of efforts to limit the cost of logistics. As for the key sales products, sales remained firm as a result of our active sales activities mainly targeting developers and housing manufacturers and efforts to uncover new demand. In mainstay product lines, despite impacts of rises in the price of raw materials and the cost of logistics, we saw the lingering effect of price revisions carried out in the previous fiscal year and new adoption of our products by housing manufacturers, leading to steady growth.

As a result of the above, net sales amounted to 10,903 million yen (up 2.1% year-on-year) with segment profit of 1,083 million yen (up 10.2% year-on-year).

(ii) Water/Environmental Engineering

In the Water/Environmental Engineering segment, we have proposed and constructed a diversity of water treatment systems designed to allow customers to improve operating efficiency and protect the environment in their water treatment. We have also been engaged in receiving orders and performing construction work for various works in the public and private sectors, such as plumbing and sanitary equipment, and agricultural irrigation/drainage pump plants. In the interim period under review, large-scale public and private works ordered in the previous fiscal year progressed as scheduled, and we steadily gained orders for repair and maintenance works, leading to results exceeding those in the previous fiscal year.

As a result of the above, net sales amounted to 930 million yen (up 99.7% year-on-year) with segment profit of 98 million yen (up 828.0% year-on-year).

(iii) Plastic Molding

In the Plastic Molding segment, we have focused on development and sales of own-label products in order to continue promoting management with an emphasis on profitability and create new revenue sources. Under the severe business environment in which the number of orders continued to decrease, we constantly worked on improving productive efficiency and reducing fixed costs to strengthen profitability, but due to the impacts of a decrease in sales and an increase in outsourcing costs, the operating results decreased year on year.

As a result of the above, net sales amounted to 510 million yen (down 7.8% year-on-year) with segment profit of 4 million yen (down 83.4% year-on-year).

(2) Financial position for the interim period under review

Totals assets as of September 30, 2025 increased by 1,430 million yen from the end of the previous fiscal year to 51,332 million yen. This increase can be explained primarily by a 1,637 million yen increase in investment securities due to the rise in the market value of stock.

Total liabilities increased by 103 million yen from the end of the previous fiscal year to 8,492 million yen. This increase can be explained primarily by an increase in deferred tax liabilities of 362 million yen due mainly to an increase in unrealized gain on investment securities.

Net assets increased by 1,326 million yen from the end of the previous fiscal year to 42,839 million yen. This is primarily attributable to an increase in valuation difference on available-for-sale securities of 854 million yen due to a rise in the stock price of investment securities.

Cash flows

Cash and cash equivalent (“net cash”) as of September 30, 2025 amounted to 9,917 million yen, a decrease of 1,888 million yen from the end of the previous fiscal year.

Cash flows from operating activities

Net cash provided by operating activities amounted to 1,471 million yen (as compared with 282 million yen provided for the previous fiscal year). This is primarily attributable to profit before income taxes of 1,535 million yen.

Cash flows from investing activities

Net cash used in investing activities amounted to 2,789 million yen (as compared with 586 million yen used in the previous fiscal year). This is primarily attributable to payments into time deposits of 3,000 million yen.

Cash flows from financing activities

Net cash used in financing activities amounted to 570 million yen (as compared with 388 million yen used in the previous fiscal year). This is primarily attributable to dividends paid of 581 million yen.

(3) Explanation of consolidated financial results forecasts and other future outlook

There is no change to the full-year consolidated financial results forecasts announced in the Consolidated Financial Results for the Fiscal Year Ended March 31, 2025, dated May 14, 2025.

2. Semi-annual Consolidated Financial Statements and Major Notes

(1) Semi-annual consolidated balance sheets

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	12,905	12,917
Notes and accounts receivable - trade, and contract assets	4,868	4,077
Electronically recorded monetary claims - operating	4,691	5,002
Securities	1,300	1,400
Merchandise and finished goods	2,334	2,427
Work in process	784	862
Raw materials and supplies	887	905
Other	635	888
Allowance for doubtful accounts	(0)	(0)
Total current assets	28,409	28,481
Non-current assets		
Property, plant and equipment		
Buildings and structures	13,360	13,395
Accumulated depreciation and impairment	(8,716)	(8,883)
Buildings and structures, net	4,643	4,512
Machinery, equipment and vehicles	12,136	11,959
Accumulated depreciation and impairment	(11,251)	(11,159)
Machinery, equipment and vehicles, net	884	800
Tools, furniture and fixtures	17,774	17,858
Accumulated depreciation and impairment	(17,517)	(17,561)
Tools, furniture and fixtures, net	257	297
Other	240	240
Accumulated depreciation and impairment	(167)	(176)
Other, net	73	64
Land	4,357	4,357
Construction in progress	411	324
Total property, plant and equipment	10,628	10,356
Intangible assets		
Goodwill	117	109
Software	321	353
Other	87	1
Total intangible assets	527	465
Investments and other assets		
Investment securities	9,629	11,266
Deferred tax assets	17	18
Retirement benefit asset	237	234
Other	600	659
Allowance for doubtful accounts	(148)	(149)
Total investments and other assets	10,336	12,029
Total non-current assets	21,492	22,851
Total assets	49,901	51,332

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,865	1,892
Electronically recorded obligations - operating	1,672	1,659
Short-term borrowings	330	330
Income taxes payable	523	559
Provision for bonuses	439	513
Provision for bonuses for directors (and other officers)	38	22
Other	2,009	1,665
Total current liabilities	6,879	6,643
Non-current liabilities		
Deferred tax liabilities	1,046	1,408
Provision for share awards for directors (and other officers)	71	63
Asset retirement obligations	229	231
Other	161	145
Total non-current liabilities	1,509	1,848
Total liabilities	8,388	8,492
Net assets		
Shareholders' equity		
Share capital	3,387	3,387
Capital surplus	6,368	6,378
Retained earnings	29,434	29,888
Treasury shares	(1,014)	(998)
Total shareholders' equity	38,175	38,655
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,962	3,816
Remeasurements of defined benefit plans	270	260
Total accumulated other comprehensive income	3,232	4,077
Non-controlling interests	105	106
Total net assets	41,513	42,839
Total liabilities and net assets	49,901	51,332

(2) Semi-annual consolidated statements of income and semi-annual consolidated statements of comprehensive income

Semi-annual consolidated statements of income

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Net sales	11,620	12,268
Cost of sales	7,415	7,814
Gross profit	4,204	4,454
Selling, general and administrative expenses	3,192	3,274
Operating profit	1,011	1,179
Non-operating income		
Interest income	8	37
Dividend income	90	122
Rental income	45	45
Other	36	32
Total non-operating income	181	238
Non-operating expenses		
Interest expenses	2	2
Commission expenses	0	0
Rental expenses	5	5
Foreign exchange losses	4	0
Other	2	0
Total non-operating expenses	14	9
Ordinary profit	1,178	1,408
Extraordinary income		
Gain on sale of non-current assets	0	0
Gain on sale of investment securities	75	129
Total extraordinary income	75	130
Extraordinary losses		
Loss on sale of non-current assets	—	1
Loss on retirement of non-current assets	0	2
Loss on cancellation of leases	0	0
Total extraordinary losses	1	3
Profit before income taxes	1,252	1,535
Income taxes - current	404	520
Income taxes - deferred	13	(23)
Total income taxes	417	497
Profit	834	1,038
Profit attributable to non-controlling interests	1	1
Profit attributable to owners of parent	832	1,036

Semi-annual consolidated statements of comprehensive income

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Profit	834	1,038
Other comprehensive income		
Valuation difference on available-for-sale securities	(13)	854
Remeasurements of defined benefit plans, net of tax	(4)	(9)
Total other comprehensive income	(18)	844
Comprehensive income	816	1,882
Comprehensive income attributable to:		
Owners of parent	814	1,881
Non-controlling interests	1	1

(3) Semi-annual consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	1,252	1,535
Depreciation	490	503
Amortization of goodwill	7	7
Increase (decrease) in allowance for doubtful accounts	(0)	0
Increase (decrease) in provision for bonuses	(17)	74
Increase (decrease) in provision for bonuses for directors (and other officers)	(29)	(16)
Increase (decrease) in provision for share awards for directors (and other officers)	8	(8)
Decrease (increase) in retirement benefit asset	1	3
Retirement benefit expenses	(7)	(13)
Interest and dividend income	(98)	(160)
Interest expenses	2	2
Loss (gain) on sale of investment securities	(75)	(129)
Loss (gain) on sale of non-current assets	(0)	0
Loss on retirement of non-current assets	0	2
Decrease (increase) in trade receivables	512	548
Decrease (increase) in inventories	(100)	(188)
Increase (decrease) in trade payables	(842)	(10)
Other, net	(585)	(343)
Subtotal	518	1,808
Interest and dividends received	97	155
Interest paid	(2)	(2)
Proceeds from rental income	35	35
Income taxes refund (paid)	(365)	(524)
Other, net	(0)	(0)
Net cash provided by (used in) operating activities	282	1,471
Cash flows from investing activities		
Payments into time deposits	(2,000)	(3,000)
Proceeds from withdrawal of time deposits	2,000	1,100
Purchase of securities	(800)	(800)
Proceeds from redemption of securities	1,500	700
Purchase of property, plant and equipment	(408)	(483)
Proceeds from sale of property, plant and equipment	0	3
Purchase of intangible assets	(100)	(43)
Purchase of investment securities	(863)	(609)
Proceeds from sale of investment securities	87	143
Proceeds from redemption of investment securities	–	200
Other, net	(1)	1
Net cash provided by (used in) investing activities	(586)	(2,789)

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from financing activities		
Proceeds from short-term borrowings	1,980	1,980
Repayments of short-term borrowings	(1,980)	(1,980)
Purchase of treasury shares	(0)	(0)
Proceeds from sale of treasury shares	–	26
Dividends paid	(373)	(581)
Other, net	(14)	(14)
Net cash provided by (used in) financing activities	(388)	(570)
Effect of exchange rate change on cash and cash equivalents	–	–
Net increase (decrease) in cash and cash equivalents	(691)	(1,888)
Cash and cash equivalents at beginning of period	11,241	11,805
Cash and cash equivalents at end of period	10,550	9,917

(4) Notes to semi-annual consolidated financial statements

Segment information and other related information

Segment information

I. Six months ended September 30, 2024 (from April 1, 2024 to September 30, 2024)

1. Information on amounts of net sales, profit or loss, assets, liabilities, and other items by reportable segment

(Millions of yen)						
	Pipes and Engineering Plastic	Water/ Environmental Engineering	Plastic Molding	Total	Reconciliation (Note 1)	Carrying amount on semi-annual consolidated financial statements (Note 2)
Net sales						
Goods transferred at a point in time	10,675	300	479	11,455	—	11,455
Goods transferred over time	—	165	—	165	—	165
Revenue from contracts with customers	10,675	465	479	11,620	—	11,620
Other revenue	—	—	—	—	—	—
Revenue from external customers	10,675	465	479	11,620	—	11,620
Intersegment sales or transfers	8	—	74	82	(82)	—
Total	10,683	465	553	11,702	(82)	11,620
Segment profit	983	10	24	1,018	(7)	1,011

Notes: 1. Reconciliation of segment profit represents the elimination of intersegment transactions.

2. Segment profit was reconciled with operating profit in the semi-annual consolidated financial statements.

2. Information on impairment losses or gains on non-current assets and goodwill by reportable segment

Not applicable.

II. Six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

1. Information on amounts of net sales, profit or loss, assets, liabilities, and other items by reportable segment

(Millions of yen)

	Pipes and Engineering Plastic	Water/ Environmental Engineering	Plastic Molding	Total	Reconciliation (Note 1)	Carrying amount on semi-annual consolidated financial statements (Note 2)
Net sales						
Goods transferred at a point in time	10,895	399	443	11,738	—	11,738
Goods transferred over time	—	530	—	530	—	530
Revenue from contracts with customers	10,895	930	443	12,268	—	12,268
Other revenue	—	—	—	—	—	—
Revenue from external customers	10,895	930	443	12,268	—	12,268
Intersegment sales or transfers	8	—	66	75	(75)	—
Total	10,903	930	510	12,344	(75)	12,268
Segment profit	1,083	98	4	1,185	(6)	1,179

Notes: 1. Reconciliation of segment profit represents the elimination of intersegment transactions.

2. Segment profit was reconciled with operating profit in the semi-annual consolidated financial statements.

2. Information on impairment losses or gains on non-current assets and goodwill by reportable segment

Not applicable.

Notes on substantial changes in the amount of shareholders' equity

Not applicable.

Going concern assumption

Not applicable.