

**Q&A Summary**  
**FY2025, ending March 31, 2026**  
**Presentation of Financial Results for 2Q**

Date: October 30, 2025

\* HPP Company: High Performance Plastics Company  
\* UIEP Company: Urban Infrastructure & Environmental Products Company

**About the HPP Company**

**Q: While sales typically decline in the 4Q due to seasonal factors in the Electronics field, forecasts suggest little change from the 3Q. What is your reasoning for this outlook?**

A: (Asano) We foresee robust semiconductor demand for AI use.

**Q: Will this robust semiconductor demand for AI use have a positive impact on Selfa® sales?**

A: (Asano) We anticipate a positive impact and are projecting sales growth.

**Q: What are your reasons for revising forecasts in the Mobility field?**

A: (Asano) The decision to post one-time expenses with respect to resin transactions has significantly impacted performance forecasts in the Mobility field. Meanwhile, the interlayer film business exhibited a substantial upswing in the 1H, with growth exceeding 130% on a sales volume basis compared with the previous year. While sales of designed films declined due to the partial slowdown in automotive market conditions, this was due to the greater-than-expected adoption of HUD films.

**Q: Sales in the Mobility field are projected to increase in the 2H, particularly in the Q4. What is the reason for this?**

A: (Asano) HUD film sales are expected to also grow steadily in the 2H. In addition, our robust outlook for the 4Q is driven by aircraft-related demand. The production rates of major customers are exhibiting a recovery trend and projected to increase in the 4Q compared with the 3Q.

**Q: To what extent is the recovery of designed films as well as intermediate films earmarked for Europe factored into your outlook for the 2H?**

A: (Asano) As far as the EV and European automotive markets are concerned, plans are based on a weak outlook.

**Q: In the Industrial field, sales are expected to increase heading into the 4Q. What is the reason for this?**

A: (Asano) Our forecast of an increase is based on such factors as strong overall demand for clean containers, which are also used for semiconductor and Lib materials.

### About the Housing Company

**Q: Monthly orders indicate an ongoing year-on-year decline, particularly in the number of houses sold. What are the reasons behind this decline? Can you provide us with details, say by region and price range. Also, how reliable is your outlook for the 2H?**

A: (Yoshida) By region, the decline is occurring in rural areas. Sales volumes are recovering in such areas as Kyushu and Hokkaido owing to the release of area products at prices that match demand. We plan to achieve our 2H forecasts by maintaining sales at the same level as the 2Q. We will work to achieve our 2H plans by launching ELVIA, our high-value model, introducing area products, and focusing on robust apartment buildings.

**Q: What is the reason behind strong sales of high-priced products and apartment buildings?**

A: (Yoshida) In areas where demand for high-priced products has long been strong, we have rolled out DESIGNER'S HEIM homes—a line that features advanced specifications to further increase appeal. Sales volumes of high-priced products have also increased by putting in place a sales structure that includes team sales. As far as apartment buildings are concerned, rental demand has increased owing to the soaring cost of buying a home. This has in turn fueled an upswing in the construction of new apartment buildings, particularly in the Tokyo metropolitan area. Under these circumstances, we are

strengthening sales teams in areas with strong demand.

**Q: What is the percentage in urban areas?**

A: (Yoshida) The Tokyo metropolitan area and Kinki area account for about 30% of the total.

### About the UIEP Company

**Q: You mentioned that CPVC market conditions are quite severe? Can you provide us with specific details.**

A: (Hirai) Compared with usual levels, India's national budget is shifting increasingly toward roads and railways. We view this as a reduction in the amount allocated to construction. The construction of condominiums is also extremely weak, while market competition continues to intensify.

**Q: What is the status of pipeline renewal inquiries in Japan?**

A: (Hirai) While reactions to the results of the High Priority Survey vary among local governments, we do not anticipate any significant movement to that extent in the 2H. An increase in large-diameter projects, where the Company excels, will serve as a tailwind. As such, we believe the outlook is promising from FY2026.

### About the Medical Business

**Q: The overseas diagnostics business is experiencing a downturn. What is the reason for the discrepancy with forecasts? How will you improve the level of accuracy in the future?**

A: (Yamashita)

The reasons for the overseas diagnostics business downturn in FY2025 are twofold: the subdued spread of priority infectious diseases and measures implemented by China to control healthcare costs. The actual incidence of priority infectious diseases is lower than projections, which were set below the previous year. The market has also contracted beyond expectations due to measures implemented by China to control healthcare costs. As a countermeasure for North America going forward, we plan to scale back sales plans

for priority infectious disease products. As far as China is concerned, we believe it will take time for demand to recover, so we will focus on controlling fixed costs and cost reductions.

(Kato) Reasons for each instance of overseas diagnostics business downturn include the loss of a contract with a major U.S. customer. As such, trends can fall below forecasts. In response, we will push forward a variety of measures, including efforts to strengthen the management of our overseas business as well as reform and reinforce the structure of our portfolio focusing not only on the diagnostics business in the U.S., but also pharmaceuticals and fine chemicals.

### About the Perovskite Solar Cell Business

**Q: In working toward a decision whether to invest in a second production line, are there any concerns regarding current trends in demand or steps taken when coming to an investment decision?**

A: (Kato) We linked three 30cm-wide panels produced using existing facilities to form a 1m-wide panel and successfully confirmed the generation of power even from the roof of a bus terminal at the Osaka-Kansai Expo. After confirming stable operations, we will look to initiate sales during the FY in line with plans. Plans call for the manufacture of panels with a width of 1M at the 100MW production line no. 1. While efforts to scale up present technical difficulties, development is progressing smoothly for now. As such, there are no changes to the previously announced plan at this time. As far as potential buyers are concerned, we are targeting the roofs of nationwide gymnasiums that are used as evacuation shelters during disasters. Typically, gymnasium roofs have low-bearing capacity. As such, they are not conducive to the installation of heavy silicon solar panels. Accordingly, capacity at production line no. 1 is essentially earmarked for the roofs of these gymnasiums. After initially targeting gymnasiums of a public nature, we will expand into various other applications while increasing volumes and reducing production costs.

**Q: While a final decision is yet to be made on a second production line, are plans progressing smoothly?**

A: (Kato) While development is ongoing, it is impossible to predict what may happen. At this time, development, preparations for production to commence at the new plant, and the

production technology required to expand capacity are all progressing smoothly.

**Q: Will the second production line manufacture panels with different widths?**

A: (Kato) Plans call for the same 1M width panels to be manufactured at the second production line. A decision has not been made on a third line.

#### About the additional limit for the acquisition of treasury shares

**Q: What is the reason for deciding to acquire 10 million treasury shares?**

A: (Nishida) The main reason is the current progress made with respect to the current limit under the Medium-term Management Plan. We had set a combined limit of ¥600 billion for capital investment and M&As. While capital investment slightly exceeded plans, the possibility has emerged that we will end the final FY with an unused amount for M&As. The decision was made in light of these conditions and the amount of cash on hand.