

# Q&A Summary

FY2025, ended March 31, 2026

## Presentation of Financial Results and the FY2026 Management Plan

Date: April 28, 2026

\* HPP Company: High Performance Plastics Company

\* UIEP Company: Urban Infrastructure & Environmental Products Company

### About the Impact of Deteriorating Conditions in the Middle East on the Group's Performance

**Q: (Presentation materials P11) You mentioned that constraints on the procurement of raw materials and components were minimal in the 1Q. Can you elaborate?**

A: (Nishida) My comments were directed largely toward petroleum-based plastic raw materials. Rather than maintain large amounts of inventory in-house, we are generally on track for the 1Q based on negotiations with suppliers. As far as the Housing Company is concerned, we do anticipate handover delays due to difficulties in procuring certain components. However, we believe this is a temporary issue that can be resolved.

**Q: Plans are in place to offset the estimated ¥14 billion impact of rising raw material and component prices through selling price pass-through initiatives. What are your thoughts on naphtha price levels?**

A: (Nishida) Our estimates are based on the current naphtha price of around ¥120,000 per kiloliter.

**Q: Are you anticipating increases in the price of raw materials from July?**

A: (Nishida) Price increases have begun. We have already announced details of price hikes for certain products.

## About the HPP Company

**Q: (Presentation materials P29) Turning to N-HPP growth in the Mobility field, can you elaborate on FY2025 4Q results and FY2026 plans?**

A: (Asano) Sales volumes decreased in the 4Q of FY2025 mainly in China and North America. In FY2026, we expect demand for interlayer films for HUDs will emerge in Asia and are planning sales volume growth especially in the 2H. We anticipate the Company will benefit from the upswing in EVs and hybrid vehicle in Europe and the U.S. owing to such factors as the increase in gasoline prices due to conditions in the Middle East.

## About the Housing Company

**Q: In the event procurement difficulties impact only certain components, will you be able to post a portion of the sales even if work fails to reach 100%?**

A: (Nishida) From an accounting standard perspective, the Housing Business posts sales at the time of handover and not on a percentage-of-completion basis. Accordingly, the recognition of sales will be delayed in line with delays in handover.

## About the UIEP Company

**Q: (Presentation materials P39) Looking at the Pipe Systems field, can you elaborate on the difference compared with FY2025 4Q forecasts (January 2026)?**

A: (Hirai) CPVC sales declined compared with FY2025 4Q forecasts (January 2026). Certain CPVC products are exported from Thailand to the Middle East. This decline includes cancellations of certain orders.