SEKISUI CHEMICAL CO., LTD.

Accelerate 2028

Presentation of the FY2026-2028 Medium-term Management Plan

Ikusuke Shimizu

President and CEO

May 21, 2026

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Roadmap for Achieving Vision 2030

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Vision 2030 Long-term Vision (Announced on May 22, 2020)

- Expanding contributions to resolving social issues through “business growth, reform and creation, centered on ESG management”
- Aiming to double the Group’s business (net sales of 2 trillion yen, operating profit margin of 10% or higher) by 2030

Vision Statement

Innovation for the Earth

In order to realize sustainable society, we support the basis of LIFE and will continue to create "peace of mind for the future".

Targets
(Numerical Targets)
(Strategic Direction)

Sales: ¥2 trillion
Operating profit margin: 10% or higher

Business growth, reform and creation, centered on ESG management

Business Domain

Innovative Mobility | Residential | Advanced Lifeline | Life Science | Next Frontier

Social Issues

Zero carbon and a recycling society are achieved
(Production that uses labor, resources and the environment sustainably)

Healthy lives are ensured and social services are improved
(Realization of a healthy and well-served society)

Access to safe water and sustainable energy are ensured
(Use of water and energy resources)

Sustainable infrastructure, Town and Community Development, residential environments and communication environments are provided
(Provision of disaster-resistant infrastructure, cities, residential environments and communication environments)

Capability
(Organizational Capability)

Strategic Foresight･Processing･Value Transformation

Employee Active Participation

Corporate Governance

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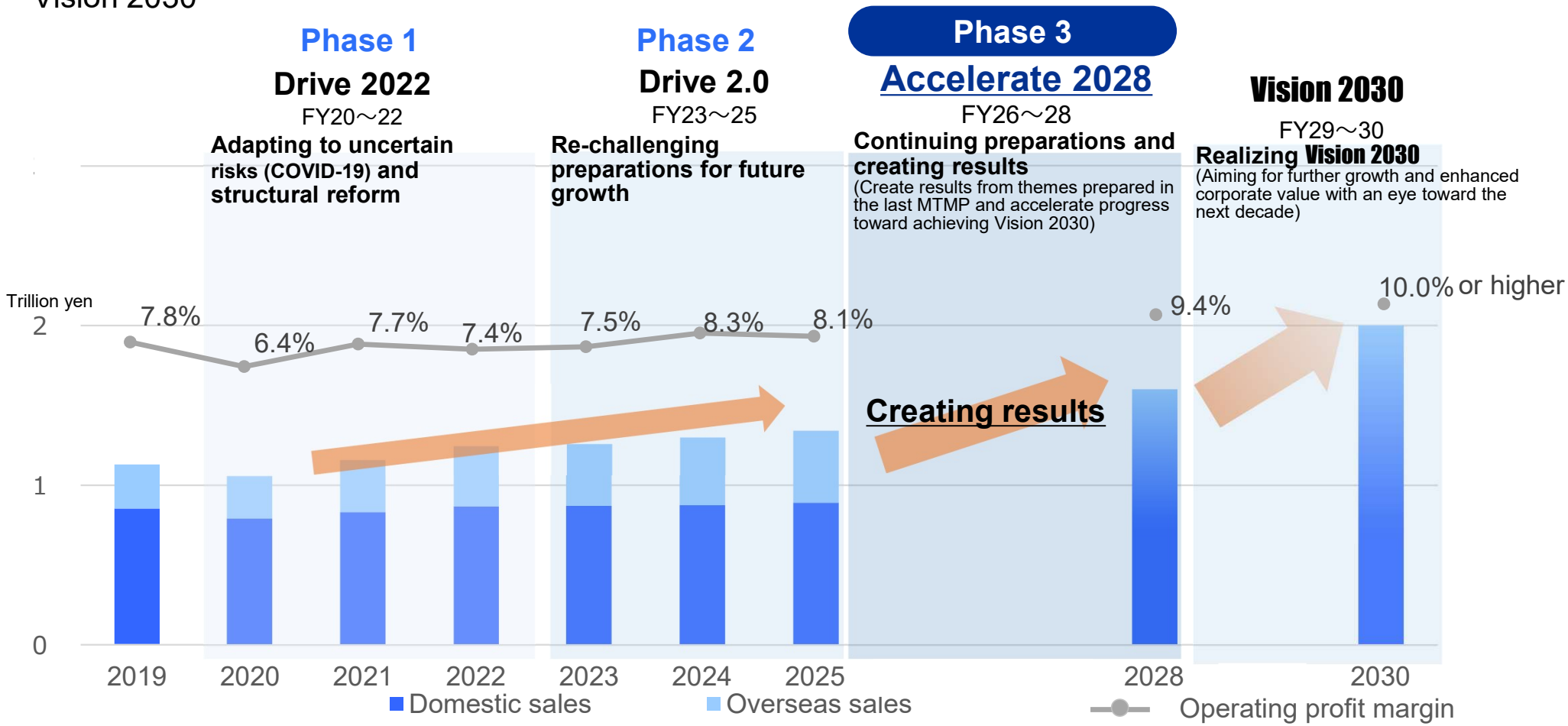
Roadmap for Achievement Long-term Vision

- Undertake preparations for growth under the previous Medium-term Management Plan ; while continuing preparations under the new Medium-term Management Plan , create results; accelerate growth to achieve Vision 2030



	Investment Plan (FY20-30: Cumulative total exceeding 2 trillion yen) 【billion yen】	Investment Total (FY20–25)	Investment Progress (FY20–25)
M&A budget	Over 400	39.2	10%
Capital expenditures (strategic + normal)	1,000	433.5	43%
R&D expenses	600	244.1	41%

<Major Preparations for Growth Under Drive 2022, Drive 2.0>

Existing businesses	[Specialty Chemicals] Increased production capacity of binder resins for MLCCs (Japan) [Interlayer Films] Increased production capacity [Device Materials] Increased SELFA production capacity; expanded/renewed evaluation equipment (Japan) [Fine Chemicals] Increased microsphere production capacity (Japan) [Pipe Systems] Increased CPVC production capacity (Thailand) [Performance Materials] Increased FFU production capacity (Europe) [Residential] M&A, Benhouse Co., Ltd. (Japan) etc.
New Businesses	【Film-type Perovskite Solar Cells】 Commenced operations; undertook investments geared toward mass production

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2. Review of the Previous Medium-term Management Plan Drive 2.0 (FY23-25)

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Drive 2.0

– The 2nd phase for 2030 –

- Management Policy -

Realizing our long-term vision through “sustainable growth” and “accelerate strategic innovation”

- Basic Strategy -

Three initiatives to enhance corporate value

Strategic Innovation

Accelerated Growth

Prepare to create & acquire new businesses

- Enter innovation areas in the “Strategic Area Map”
- Establish new business bases for the seven major themes
- Establish a new bridgehead in the life science domain (Establishment of a 4th Divisional company)

Organic Growth

Profitability

Achieve steady growth of organic businesses and refine portfolio

- Expand enhancement areas in the “Strategic Area Map”
- Strengthen portfolio management (Optimal resource allocation)
- Expand growth drivers and pursue consistent structural reforms

Products to Enhance Sustainability

Strengthening Sustainability

Reliability

Strengthen the ESG management that contributes to sustainable growth and enhanced preparations

- Strengthen Group-wide KPI for ESG management initiatives based on materiality
  - Human capital: Nurture a culture of taking on challenges through active investment in human resources
  - Environment: Initiatives toward realizing an Earth with preserved biodiversity
  - DX: Strengthen global base and shift to a phase of new creation
- Strengthen corporate governance to support the corporate value creation, including the elimination of major incidents
- Respond to social demands including initiatives for Human Rights and supply chain

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Summary of Medium-term Management Plan “Drive 2.0” Basic Strategy

- Steady progress in preparations for new businesses (innovative areas) and organic businesses ; progress in strengthening sustainability based on materiality.

Summary of “Strategic Innovation”

Preparations progressing steadily, laying the groundwork for accelerated growth

○ Preparations are progressing for new businesses (innovation areas), led by perovskite solar cells

▲ M&A: Exploring opportunities, but execution remains limited

× Life Science, including Medical: Lag in preparations for anticipated growth

Summary of “Organic Growth”

Steadily executing investments in growth-driving and growth-potential businesses

○ Implementing management based on expected roles; preparations are progressing through capital expenditures(secured returns on investments in preparations under this Medium-term Management Plan)

Summary of “Strengthening Sustainability”

Progress in strengthening management base for each materiality, supporting sustainable growth

○ Net sales of Products to enhance sustainability have grown steadily, contributing to Group-wide sales growth

○ Each materiality has largely reached medium-term targets

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Review of Drive 2.0「Strategic Innovation」

- Established systems toward commercialization of film-type perovskite solar cells; launch a 100MW production line in FY27
- Significant progress made in expanding into new markets in aeronautical fields; also smooth expansion of next-generation communication components and overseas development of infrastructure materials
- Established biorefinery mass production technology; commercialization postponed; continued R&D in preparation for the future

Progress of Major New Business Themes

Theme	Progress Status	Progress Evaluation
Perovskite solar cells	Established a new company and systems toward commercialization Investment decision made for Sakai New Plant Production Line 1; Lines 2 and 3 under consideration; numerous demonstration experiments conducted	◎
Biorefinery	Technology to mass-produce ethanol from waste has been established and prospects for practical application are in place, but due to delays in the launch of the “resource circulation” ethanol market, commercialization has been temporarily postponed	× December 2025 release
Entry into aeronautical fields	Progress made in developing reinforced materials for aircraft and drones through collaboration with Aerospace	○
Next-generation communication components	Demonstration test underway for commercialization of radio wave environment improvement project utilizing metasurface reflective film Selected for “R&D for the Expansion of Radio Wave Resources” commissioned by the Ministry of Internal Affairs and Communications	○
Overseas development of infrastructure materials	European FFU plant operational, strengthened overseas marketing, established new SSCT base in India	○
Smart city strategy	Smart town plans underway in Iwaki City, Ebetsu City, etc. Challenges regarding the procurement and management of human resources	△
New area of pharmaceutical CDMO	Negotiated with multiple M&A candidates, but no deal meeting functional and conditional requirements materialized	×

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Review of Drive 2.0「Organic Growth」

Strategic Innovation / Organic Growth / Strengthening Sustainability

- Investment in growth-driving and growth-potential businesses; focused allocation of management resources (75% of management resources directed toward growth-driving and growth-potential businesses cumulative medium-term total over a three-year period)

Expected Roles and Capital Expenditure Results by Business Division for Existing Businesses * At the start of Drive 2.0

Expected Role		HPP	Housing	UIEP	MD
Growth-driving	Drive earning power through proactive investment	Mobility (High-performance interlayer films, heat release materials, etc.) Electronics (Semiconductor and display materials)		Pipe renewal Fire-resistant and non-combustible materials Construction and industrial piping Performance materials (railroad sleepers, etc.)	Diagnostic (Overseas)
Growth-potential	Future growth drivers	Molding products, sensing	Town and community development real estate		Pharmaceutical Sciences
Revenue base	Create stable cash flow	Foam Functional Tape	Housing (New Construction) Renovation	Piping Materials PVC Materials Building Materials	Diagnostic (Domestic)
Improvement	Improve profitability through business model transformation and structural reform	KYDEX Aerospace	For the Elderly		

Investment **75%**

Major Investments

Domain	FY23	FY24	FY25
Growth-driving	Specialty Chemicals : Increased production capacity of binder resins for MLCCs (Japan)	Interlayer Films : Increased production capacity (Thailand) FC : Increased conductive fine particles production capacity (Japan) Device Materials : Increased SELFA production capacity(Japan)	
Growth-potential			Residential : M&A, Benhouse Co., Ltd. (Japan)
Revenue base	PVC Materials : Increased CPVC production capacity (Thailand)		

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Review of Drive 2.0「Strengthening Sustainability」

Generally achieved 5 Materiality targets for governance, DX, the environment, human capital, and innovation

Sustainable Management Capability KPIs			Medium-term Management Plan Targets	Group-wide FY23	Group-wide FY24	Group-wide FY25
Products to Enhance Sustainability	Overall Net Sales [billion yen] *1		Over 1,000	950.2	996.8	1,015.6
	Premium Sector Net Sales [billion yen] *1		540.0	501.9	535.1	546.0
Governance	Number of Serious Incidents [Incidents] *2		0	0	0	0
DX	Direct Productivity *vs. FY22		1.07	1.01	1.05	1.09
	Indirect Productivity *vs. FY22		1.12	1.02	1.05	1.06
Environment	GHG Emissions Reduction Rate (Scope1+2)[%] *vs. FY19		-33	-32.8	-37.9	-46.5
	Material Recycling Rate [%]	Domestic *1	65	60.7	65.5	68.9
		Overseas *1	60	45.8	69.3	67.3
Human Capital	Challenge Action Rate [%]	Group-wide	60	48	56	62
	Successor Candidate Preparation Rate [%]		100	79	88	104
	Retention Rate [%]	SEKISUI CHEMICAL	Maintain and improve YoY	97.7	97.8	98.1
		Group in Japan		94.1	93.8	93.7
Innovation	Open Innovation Projects [Projects]		-	137	149	135

*1 GHG emissions reduction rate, waste plastic material recycling rate, net sales from products to enhance sustainability, of which the premium sector is preliminary data as of April 2026

*2 Instances of deficiency in current internal control and where details have been disclosed publicly.

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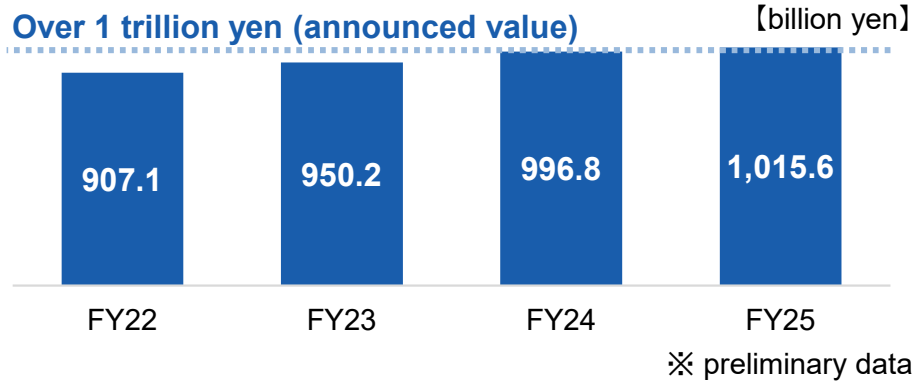
Review of Drive 2.0 : Top Priority KPIs

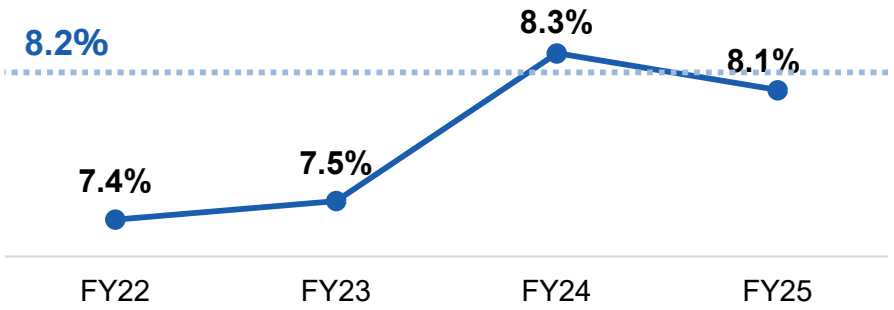
- Achieved over 1 trillion yen in net sales of Products to enhance sustainability
- Fell short of operating profit margin target; successful shift to high-value-added product;
- Greater than anticipated deterioration in market conditions; fell short of EBITDA target
- Steady progress with efforts to nurture and instill a culture of taking on challenges among employees; achieved the challenge action rate target

Net Sales from Products to Enhance Sustainability

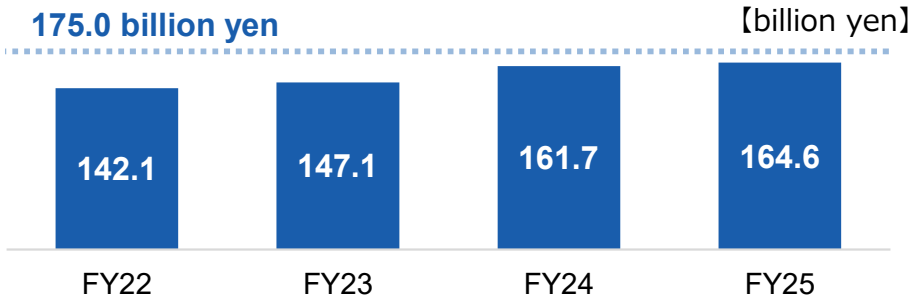


※ preliminary data

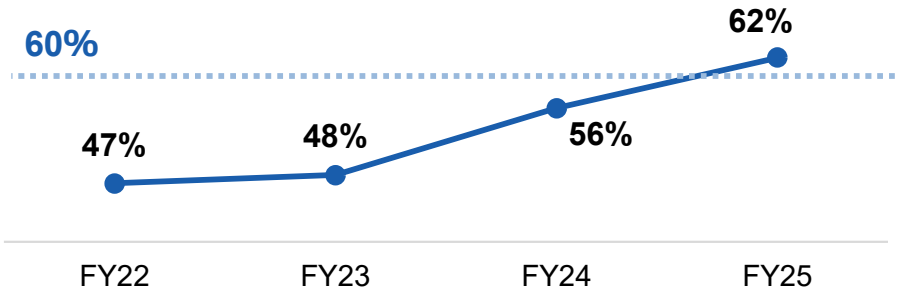
Operating Profit Margin



EBITDA



Challenge Action Rate



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Review of Drive 2.0: Key Performance Targets

- Achieved sustained growth under Drive 2022, Drive 2.0 (set new records for net sales and operating profit)
- Increase in the operating profit margin on the back of firm growth in sales of high-value-added products
- Fell short of Medium-term Management Plan targets in FY25 owing to such factors as the slump in market conditions and the impact attributable to one-off expenses

【Billions of yen】

Group-wide	FY19 Actual	FY22 Actual (a)	FY25 Actual (b)	FY25 vs FY22 (b-a)	FY25 Medium-term Management Plan Target (c)	FY25 VS Medium-term Management Plan Target (c-b)
Net Sales	1,129.3	1,242.5	1,309.3	+66.8	1,410.0	-100.7
Operating Profit	88.0	91.7	106.5	+14.8	115.0	-8.5
Operating Profit Margin (%)	7.8%	7.4%	8.1%	+0.8%	8.2%	0%
Net Income	59.2	69.3	75.2	+5.9	82.0	-6.8
ROIC(%)	7.6%	7.6%	7.6%	0%	8.5%	-0.9%
ROE(%)	9.7%	10.0%	9.1%	-1.0%	11.0%	-1.9%

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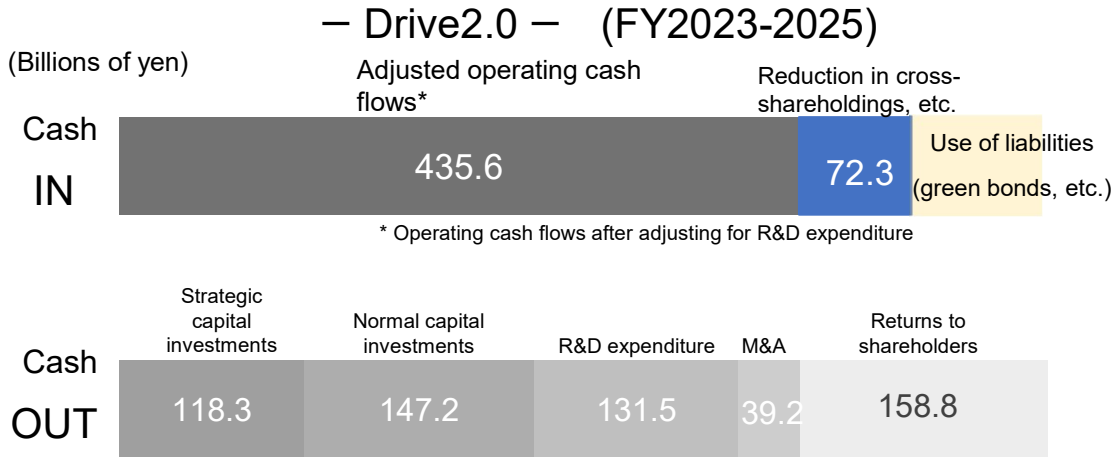
Review of Drive 2.0: Capital Allocation

- Steadily promoted strategic capital investments; undertook investments and provided returns to shareholders in excess of the cash generated
- Progress also made in reducing cross-shareholdings; proactive use of liabilities, including inaugural issuance of green bonds

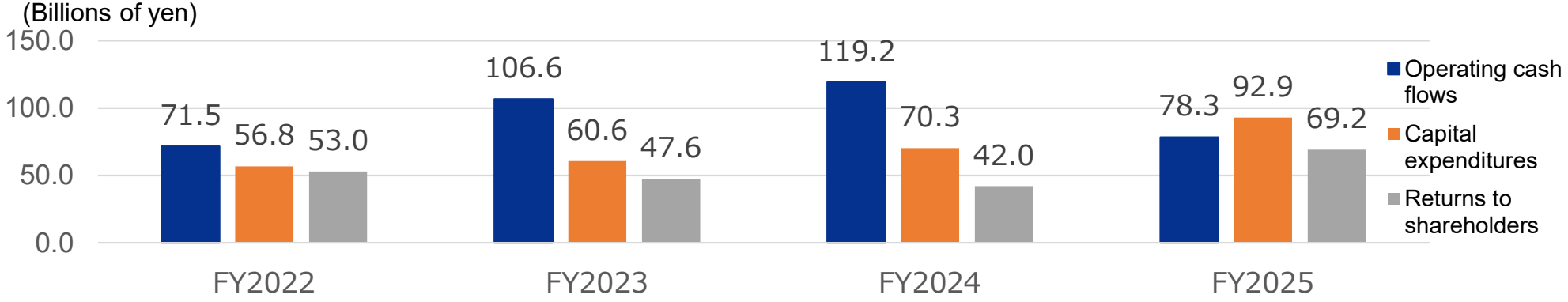
Capital Allocation

Investment Plan and Capital Allocation (Billions of yen)

		Plan	Results
Strategic investments		Limit 450.0	157.5
	M&A, etc	Limit 300.0	39.2
	Capital expenditures	150.0	118.3
ESG investment (including strategic and normal capital investments)		23.0	44.3
Normal investments		150.0	147.2
Total		600.0	304.7
R&D expenditure		140.0	131.5



<Reference> Trends in key items (operating cash flows, capital expenditures, returns to shareholders)



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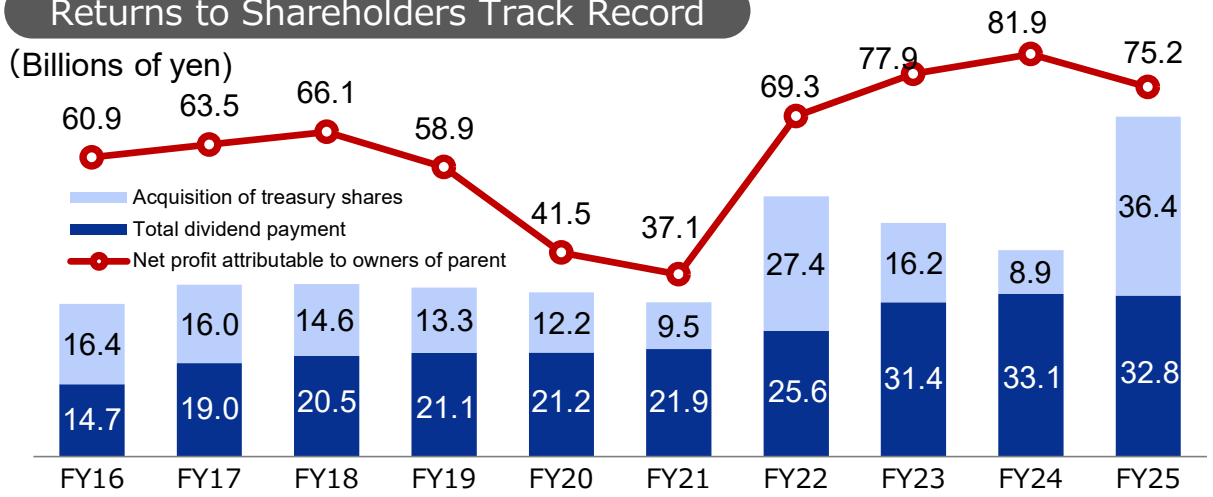
Review of Drive 2.0：Returns to Shareholders

- Provided returns to shareholders far in excess of the policy; working toward a 16th consecutive FY of dividend growth
- Backed also by the proactive acquisition of treasury shares , cumulative medium-term total return ratio of 68%

Returns to Shareholders Track Record



	Returns to Shareholders Policy
Dividend payout ratio	40% or higher
DOE	3% or higher
Total return ratio	50% or higher if the net D/E ratio is less than 0.5; implement additional returns as appropriate, taking into account the investment progress under the Medium-term Management Plan , cash position, and stock price
Cancellation of treasury shares	Cancel newly acquired shares to the extent that total treasury shares do not exceed 5% of outstanding shares

FY	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Net profit attributable to owners of parent per share (JPY)	126.1	133.8	141.7	128.8	91.9	83.2	159.2	183.5	196.0	182.7
Cash dividend per share (JPY)	35	40	44	46	47	49	59	74	79	80
Payout ratio (%)	27.7	29.9	31.0	35.7	51.1	58.9	37.0	40.3	40.4	43.6
Acquisition of treasury shares (JPY billion)	16.4	16.0	14.6	13.3	12.2	9.5	27.4	16.2	8.9	36.4
Total return ratio*1 (%)	54.5	55.1	53.0	58.3	80.4	84.6	76.5	61.0	51.2	92.1
DOE*2 (%)	3.1	3.3	3.4	3.5	3.3	3.3	3.7	4.2	4.1	4.0
Cancellation of treasury shares(thousand)	-	10,000	8,000	8,000	8,000	5,000	15,000	8,000	4,000	14,000

*1 Total return ratio = (Amount of treasury shares acquired + Total dividends) / Net profit attributable to owners of parent
*2 DOE = Total dividend payment (full year) / Average equity

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3. New Medium-term Management Plan “Accelerate 2028”

Accelerate 2028

–The Third Phase for 2030–

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Implementing proactive ESG management through the dual pillars of "business strategy" and "foundation strengthening" to accelerate toward realizing Vision 2030

Accelerate 2028

–The Third Phase for 2030–

Business Strategy

Create results from preparations and continuously strengthen earning power

Expand and create Products to enhance sustainability based on the strategic domain map

Innovation Areas

Continue preparations and accelerate the creation of results

Reliably launch and expand the perovskite solar cell business

Enhancement Areas

Expand growth drivers

Secure returns through strategic investment
Relentless structural reform

Environmental Strategy:
Advance carbon neutrality and implement the circular economy

Foundation Strengthening

Continuously strengthen ESG management

Expand contribution to sustainable growth and creating results from preparations

HR Strategy: Empowering Prominent Human Resources

Foster a culture of taking on challenges
Deepen the right person for the right position
Proactive diversity

R&D Strengthening Strategy: Creating Prominence in Technologies

Accelerate new product development around TPF
Take on the challenge of research innovation using MI

Strengthening Portfolio Management
Implement focused allocation of management resources with an eye on capital efficiency

Strengthening Internal Control Eliminate serious incidents, establish management foundations in new business divisions

DX Strategy: Accelerate productivity improvements through digital transformation

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Key Performance Targets

(Unit: Billions of yen)

Group-wide	FY25	FY28		(FY28: Breakdown by Divisional Company and the Medical Business)			
	Actual	Medium-term Management Plan	vsFY25	HPPC	Housing	UIEP	MD
Net Sales	1,309.3	**1,600.0**	**+290.7**	562.9	590.0	286.0	103.3
Operating Profit	106.5	**150.0**	**+43.5**	77.5	45.0	32.0	16.0
Operating Profit Margin	8.1%	**9.4%**	**+1.2%**	13.8%	7.6%	11.2%	15.5%
EBITDA	164.6	**226.0**	**+61.4**	108.4	59.1	44.3	24.0
EBITDA Margin	12.6%	**14.1%**	**+1.6%**	19.3%	10.0%	15.5%	23.2%
ROIC	7.6%	**8% or higher**	**+0.4%or higher**	14.0%	11.5%	10.6%	10.9%
Net Income	75.2	**102.0**	**+26.8**	-	-	-	-
ROE	9.1%	**11%**	**+1.9%**	-	-	-	-

*Exchange rate assumptions: FY25 revised plan 151 JPY/USD, 175 JPY/EUR, medium-term plan 145 JPY/USD, 166 JPY/EUR
*Domestic naptha assumptions: Medium-term plan: Approx. 66,000 yen

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Materiality KPI

(Unit: Billions of yen)

Materiality	Indicator	FY28 Medium-term Management Plan	FY28 vsFY25
Realizing a carbon neutral society **Realizing a circular economy**	GHG emissions reduction rate (vs. FY2019)	**-49%**	**+3%** *3
	Waste plastic material recycling rate	**75%**	**+6%** *3
Realizing a safe and comfortable society **Realizing a healthy and well-served society**	Net sales from Products to enhance sustainability (compared to Group-wide net sales)	**1,190.0**	**+224.6** *1.3
	Of which, premium sector	**600.0**	**+83.7** *1.3
Empowering prominent human resources	Challenge action rate	**72%**	**+10%**
Creating prominence in technologies	Number of DR0*2 passes (new indicator)	**vs. Plan (every half-year) 100% or more**	**-**
Strengthening internal control	Number of serious incidents*4	**0**	**-**
Strengthening Portfolio Management	ROIC,EBITDA	Presented on the key performance target slide	

*1 Method for calculating net sales from products to enhance sustainability revised with a view to more closely aligning with consolidated financial statements; sales from equity method affiliates no longer included in the scope of calculation from FY26; FY25 data also calculated using the new standard)
*2 Internal review regarding the generation of new development themes.
*3 FY25 based on preliminary April 2026 data.
*4 Instances of deficiency in current internal control and where details have been disclosed publicly.

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Capital Allocation (Operating cash flow, investments, returns to shareholders)

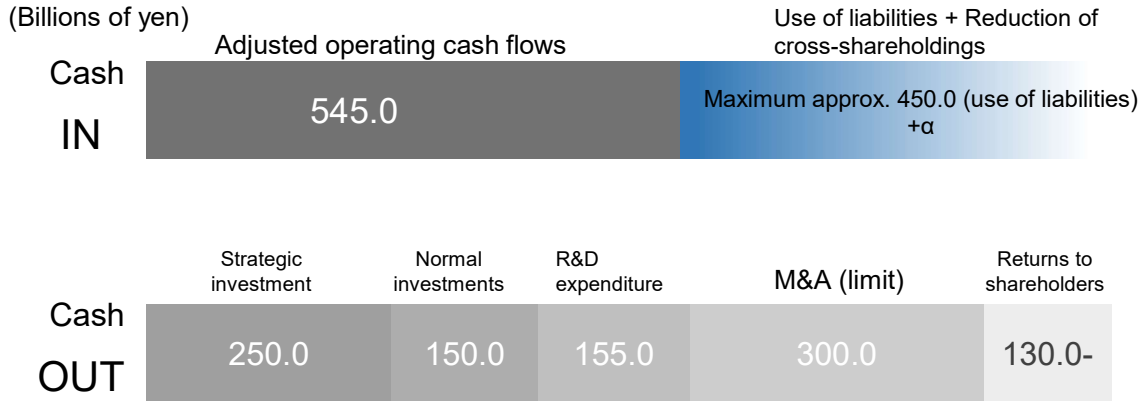
- Focus on allocating acquired cash to growth areas; undertake proactive investments in excess of the previous Medium-term Management Plan
- Increase DOE from 3% to 3.5%; introduce a progressive dividend
- Work to balance proactive investments with vigorous returns to shareholders through the effective use of debt and reduction in cross-shareholdings

Capital Allocation

Investment Plan and Capital Allocation (Billions of yen)

		Plan	(Reference) Previous MTMP
Strategic investment		Limit 550.0	157.5
	M&A, etc.	Limit 300.0	39.2
	Capital investment	250.0	118.3
Normal investments		150.0	147.2
Total		Limit 700.0	304.7
R&D expenditure		155.0	131.5

– Accelerate 2028 – (FY2026-2028)



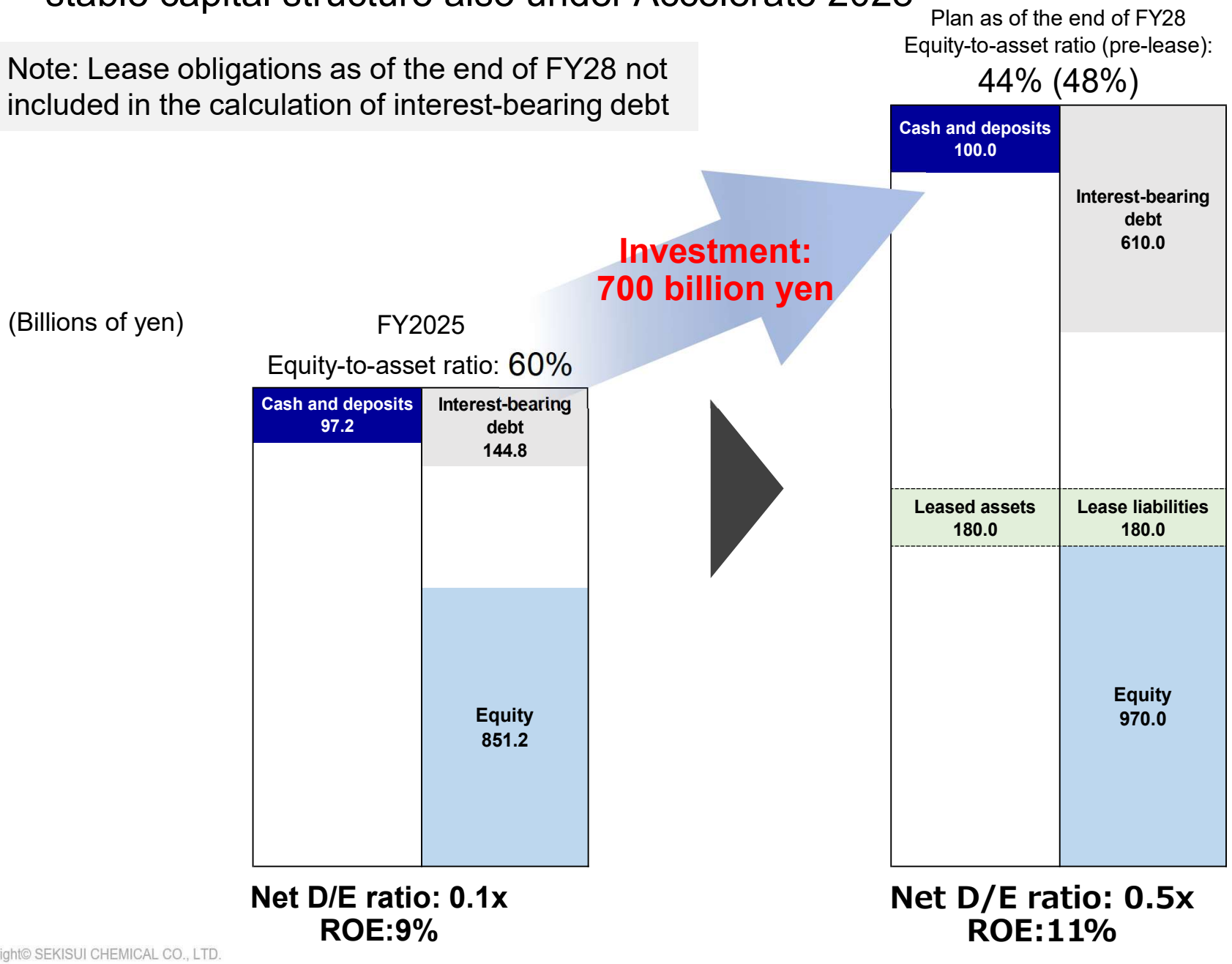
Returns to Shareholders Policy

	The previous Medium-term Management Plan “Drive 2.0”	New Medium-term Management Plan “Accelerate 2028”
Dividend payout ratio	40% or higher	40% or higher
DOE	3% or higher	**3.5**% or higher
Total return ratio	50% or higher if the net D/E ratio is less than 0.5; implement additional returns as appropriate, taking into account the investment progress under the Medium-term Management Plan , cash position, and stock price	50% or higher if the net D/E ratio is less than 0.5; implement additional returns as appropriate, taking into account the investment progress under the Medium-term Management Plan , cash position, and stock price
Cancellation of treasury shares	Cancel newly acquired shares to the extent that total treasury shares do not exceed 5% of outstanding shares	**Hold treasury shares to the minimum necessary**
Progressive dividends	–	**Implement**

Image of the Balance Sheet

- Proactively utilize the strategic investment budget and maintain an efficient and stable capital structure also under Accelerate 2028

Note: Lease obligations as of the end of FY28 not included in the calculation of interest-bearing debt



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Strengthening Portfolio Management

- Utilize cash generated from existing businesses to continue proactive investment in businesses with growth potential; allocate over 70% of capital expenditures to growth-driving and growth-potential businesses (including new businesses)
- Concentrate management resources on growth-driving and growth-potential businesses; continue to strengthen earning power by creating and expanding products to enhance sustainability

Implement Focused Allocation of Management Resources with an Eye on Capital Efficiency

New businesses (Acquired through investment, etc.)

Expected Role		HPP	Housing	UIEP	MD	Next Frontier
Growth-driving	・Drive earning power through proactive investment	Interlayer Films (Mobility) Device Materials Specialty Chemicals / FC (Electronics)		Performance Materials / Fire Protection Materials (Building and Infrastructure Composite Materials) Pipeline Renewal (Infrastructure Renovation)		
Growth-potential	・Future growth drivers	Automotive Molding / Aeronautical Components (Mobility) Sensing / Molding Products (Industrial)	Domestic New Construction Renovation Residential Overseas		Pharmaceutical Science (CRO / CDMO)	SEKISUI SOLAR FILM
Revenue base	・Create stable cash flow ・Implement investment decisions with an eye on capital efficiency	Foam / Functional Tapes (Industrial)		Water Supply / Drainage Infrastructure PVC Materials (Pipe Systems) Building Materials (Building and Infrastructure Composite Materials)	Diagnostics	
Improvement	Improve profitability through business model transformation and structural reform	Polymatech (Mobility)			KYDEX Aerospace Domestic New Construction Renovation For the Elderly	Automotive Molding / Aeronautical Components (Mobility) Domestic New Construction Renovation **Business Transfer**

[Major changes from the previous Medium-term Management Plan]

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Strategic Area Map: Generating Preparation Outcomes and Continuously Enhancing Earning Power

SEKISUI

Working toward the continuous development of products to enhance sustainability through enhancement areas, which are central to growth-driving and growth-potential businesses, and innovation areas, where the generation of new innovations is expected

Strategic Area map Company-wide schematic diagram

Aiming for continually creating Products to enhance sustainability that support the sustainable growth of the Company and society

	Innovative Mobility	Residential	Advanced Lifeline	Life Science	Next Frontier
Enhancement areas Areas for expansion within existing business	• High-performance interlayer films • Semiconductor components • Heat release materials • Next-generation displays • Biological sensing • Environmentally friendly materials	Total lifestyle proposals • SEKISUI HEIM (newly built detached houses, apartment buildings, etc.) • Renovations (HEIM) (100-year/long-term support) • Real estate domain (leasing, used property distribution*, real estate development) *Including purchase and resale	• Supporting workstyle reform through labor-saving changes (Converting pipes to plastic, etc.) • Developing social and industrial infrastructure (Water treatment support) • Expanding overseas markets	• Clinical testing • Pharmaceutical development support	
Innovation areas Areas for creating new innovations	• Composite materials for air mobility • Interior and exterior components (enhancing perceived value) • Hygienic functional materials • Next-generation communication components • Easy-to-disassemble materials • Tactile sensing • Next-generation sensing	• Renovations (general properties) (including coordination with buy-and-sell operations) • Urban area housing • New overseas expansion • Real estate asset domain (asset management, etc.) • Smart City	• Sensing • Digital fabrication • Water use and recycling • Smart maintenance	• New pharmaceutical modalities • Cell cultures/processing • Precision medicine • Advanced drug discovery support	• Perovskite solar cells • $CO_2 \rightarrow CO$ • Electrolytic cell • Next-generation energy (hydrogen/ammonia) • Resource recycling
			Resource circulation		
		Enhancing and differentiating manufacturing through data utilization			
			• Infrastructure monitoring	• Digital health	• Sensing data utilization (algorithm analysis)

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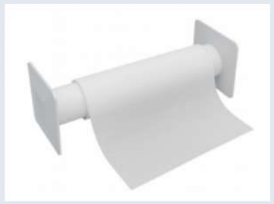
Innovation Areas(1) Innovative Mobility/Residential

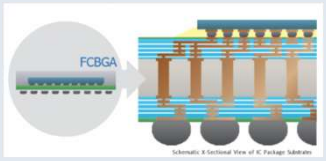
【Innovative Mobility (High-Performance Plastics Company)】

Accelerating development in key focus areas such as semiconductor materials and composite materials for air mobility

Build-up film (enhancement area)

Measures	Realizing low transmission loss and high reliability; providing evaluation samples for AI and servers
Core technology	Formulation technology x Coating technology





Composite materials for air mobility

Measures	Development and sales expansion for CFRP foam core sandwich products via composite of heterogeneous materials and in-mold one-piece molding
Core technology	Composite materials x forming process

Next-generation sensing

Measures	Third-generation sensor for detecting bowel movements (bowel sounds). Expansion into home care, health, and medical fields, including nursing facilities
Core technology	Sensing

【Residential (Housing Company)】

Accelerating growth in key focus areas such as urban area housing and new overseas expansion

Urban area housing (Tokyo metropolitan area strategy)

Measures	Strengthening competitiveness in development, sales, production, transportation, and installation by concentrating management resources in the Tokyo metropolitan area
Core technology	HEIM brand power/technical capabilities

Renovation technologies / Inter-Group collaboration

Measures	Expanding the organization and areas through various means, including M&As; strengthening collaboration with purchase and resale of Heim renovation business activities
Core technology	Renovation technologies / Inter-Group collaboration

New overseas development

Measures	Expanding into the North American market using unit technology
Core technology	Unit technology

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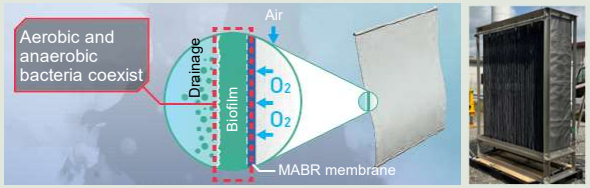
Innovation Areas(2) Advanced Lifeline/ Life Science

【Advanced Lifeline (Urban Infrastructure & Environmental Products Company)】

Materializing the foundation with water utilization, water circulation, sensing, etc.

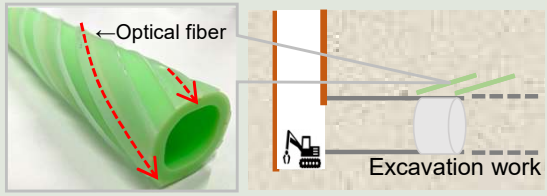
Water utilization/water circulation

Measures	Developing our own flat-membrane Membrane Aerated Biofilm Reactor (MABR). Accelerating market introduction through joint development with customers
Core technology	Microbial membrane treatment technology



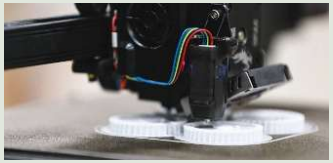
Sensing

Measures	3D optical fiber carrier pipes for civil engineering safety/infrastructure maintenance. Commercialization centered on joint development with major general contractors
Core technology	Extrusion molding x signal processing technology



Digital fabrication

Measures	Bringing production innovation to the custom-made industry through digital fabrication using 3D printing. From assistive devices to commercialization
Core technology	Thermoplastic materials x molding processing technology



【Life Science (Medical Business)】

Strengthening initiatives in innovation areas such as cell culture/ processing and inspection field innovation

Cell culture/processing

Measures	Promotion commercialization of cell culture scaffolds for pharmaceutical applications/clarifying new business models and strengthening development
Core technology	Cell function control materials

Inspection field innovation (digital health/precision medicine)

Measures	Promoting development of themes related to liver disease and cancer recurrence risk/Initiating development of testing themes addressing needs such as patient stratification
Core technology	Digital science, biological sample analysis, medical device design

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Innovation Areas(3) Next Frontier

Steady launch of the film-type perovskite solar cell business; cultivating resource recycling fields

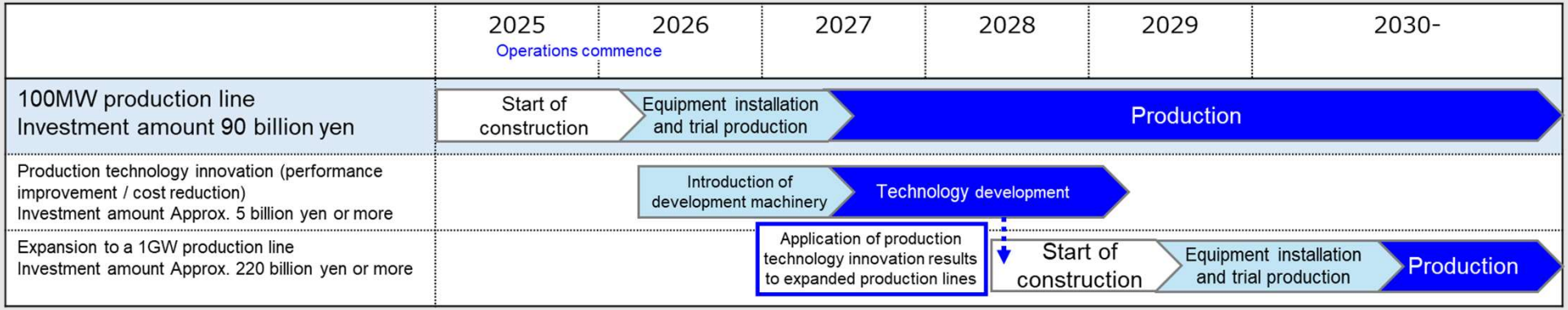
Film-type perovskite solar cells

■ **Commence delivery of 1-meter-wide products using existing production equipment in FY26**
■ **Launch of a 100MW production line, scheduled to commence operations from FY27, proceeding smoothly**
■ **Decision made to invest in production technology innovation; after taking steps to improve performance and reduce costs ahead of schedule, work toward further expansion**
■ **Continue to allocate management resources with a view to establishing and 1GW supply structure and systems as quickly as possible**

Develop public and private sector markets that leverage the characteristics of film-type products (lightweight, thin, and bendable)
- STEP 1 Low load-bearing roof areas
- STEP 2 Wall-mounted / free-standing, etc.

Objectives of production technology innovation
- Improve power generation efficiency
- Enhance durability
- Increase productivity
- Increase the area of panel units

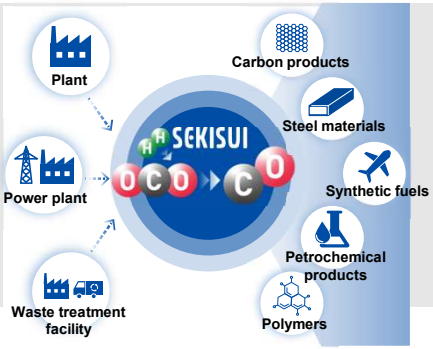
(Outlook)
- 100MW capacity fully online: Expectation of profitable operations
- 1GW capacity fully online: Target sales in the range of 100 billion yen



CO2→CO (chemical looping)【resource circulation】

Measures
- Develop proprietary technology for high-yield conversion of CO2 to CO
- Plan sales to other industries with an eye toward diverse applications of CO

(Outlook)
- 2027: Hitachinaka facility to commence operations
- 2030s: Sales exceed 5 billion yen



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Environment Strategy

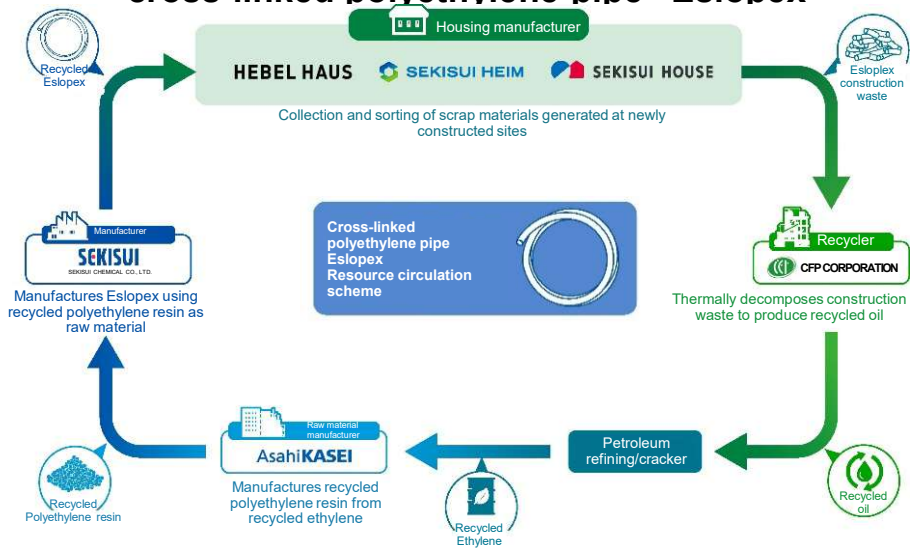
Advancing carbon neutrality and implementing the circular economy

・Growth of Products to enhance sustainability through initiatives in the innovation area (resource circulation) and accelerating both offense and defense

Offense/growth Product design/material innovation

- **Low-carbon products/services**
  Low-carbon product development across the lifecycle (PSC),
  establishment of CCU(CO_2→CO) technology
- **Circular products/services**
  Transition to recycled and bio-based materials, building circular business models (external partnerships)
- **Driving market creation and transformation**
  (creating new value, rule—making)

[Case study] Resource circulation scheme diagram for cross-linked polyethylene pipe "Eslopex"



Defense/risk reduction Manufacturing process transformation

- **Reducing GHG emissions in business activities**
  Transition to renewable energy (electricity/fuel), energy management, new technology adoption (heat)
- **Waste reduction during production/construction**
  Efficient resource utilization and proper waste disposal, establishment and implementation of recycling technologies

Base

Building a data foundation to accelerate corporate transformation and fulfill social responsibilities (legal disclosure and customer/societal demands)

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Human Resources Strategy (Empowering Prominent Human Resources)

Support diverse employees in their efforts to take on new challenges; work to become a corporate entity that is driven by its employees' growth and continues to create and expand Products to enhance sustainability

Providing growth opportunities to become "an organization that continues to be chosen by employees and society"

Continuing to create an environment where each diverse employee can grow autonomously through diverse challenges. Evolving into a corporate entity that grows alongside its employees and earns society's trust.

Foster a culture that embraces challenges

KPI: Challenge action rate, engagement score

Each individual takes on challenges, enabling both the company and its people to grow together

Support employees taking on challenges

- Build organizations that sustain challenge
- Foster a culture of challenge through dialogue

Create a place to take on challenges

- Expand career independence within the Group
- Support autonomous career development

Deepen the right person for the right position

KPI: Rate of successor candidate preparation

Implementing strategic human resources development to foster outstanding individuals that stand out

Develop next-generation leaders

- Accelerate early promotion and strengthening development
- Launch a global development framework

Foster key human resources

- Develop and secure industry top human resources
- Diversify core competencies through reskilling

Proactive diversity

KPI: Three-year retention rate

Create an environment where everyone can work comfortably and transform diversity into organizational vitality

Acquire diverse human resources

- Strengthen recruitment capabilities and implement flexible staffing
- Create an environment where diverse individuals stand out

Build foundations to support performance

- Establish a well-being culture
- Visualize human capital information

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R&D Strengthening Strategies (Creating Prominence in Technologies)

Strengthen the use of Materials Informatics (MI); accelerate the development of Products to enhance sustainability

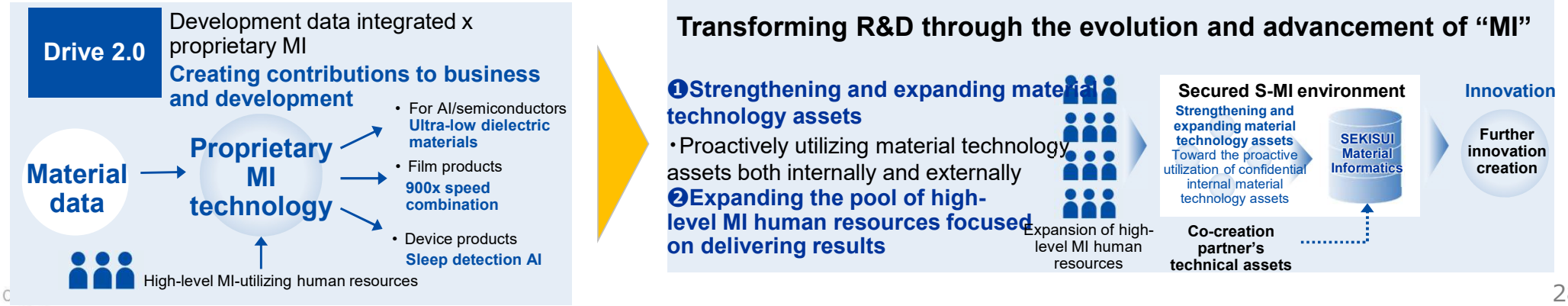
※Technology Platform

Refining industry-leading core technologies (TPF) and accelerating new product development

Strategies	Specific initiatives
• Creating, acquiring, and refining new technologies • Continuous strengthening and utilization of TPF KPI: S*1 positions and above occupancy rate	• **Creating and acquiring cutting-edge technologies** through the integration of internal and external technologies • Confirming TPF's competitive advantage and clarifying challenges through **objective evaluation of proprietary technological capabilities** • **Developing and expanding the ranks of top-tier industry engineers**
Technology transfer	• **Establishing a technical succession framework centered** on the S position system • Sharing historical technical information and enabling efficient access
Strategic utilization of intellectual capital	• **Enhancing company-wide intellectual property capabilities** utilizing intellectual property KPIs • Appropriate intellectual property portfolio management
Generating promising development themes and accelerating their utilization KPI: No. of DR0*2 -compliant units	• Identifying market needs, defining provided value, and continuously generating promising themes • **Expanding the scope of digital technology utilization to create promising themes and deliver actual results**

*1 Highly specialized professionals; specialty positions *2 Internal review regarding the generation of new development themes

Strengthen the Use of MI (Accelerate the Pace of Development)



Strengthening Internal Control

SEKISUI

Eradicating major incidents across five areas (safety, quality, legal/ethical, accounting, and information management) and putting in place an eradication system; strengthening sustainable management capabilities

Eradicating major incidents across five areas and strengthening management foundations globally

○Keeping **major incidents at zero** across five areas (safety, quality, legal/ethical, accounting, and information management)

Safety	Zero major disasters, enhanced disaster countermeasures, strengthened management systems, human resources development
Quality	Full implementation of quality risk assessment
Accounting	Expansion of SAP introduction sites and enhanced monitoring capabilities
Legal/ethical	Strengthened monitoring of critical rule compliance, streamlined reporting response, and enhanced overseas reporting support
Information management	Evolution from post-incident response (rule-based control and log acquisition) to proactive prevention (system-based defense)

○Strengthening the foundation for sustainable management

Human rights	Fostering a culture of human rights respect, accelerating human rights due diligence, continuing awareness of whistleblower and consultation contact points, and examining risk identification for the value chain
Procurement	Minimizing risks by expanding the scope of due diligence for business partners

Strengthening internal control globally

○Further strengthening of overseas governance

Global standardization and enhanced monitoring by regional headquarters (RHQ)

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DX Strategy: Enhancing Productivity and Strengthening Governance Through Digital Transformation

Digital transformation (DX) in an accelerated growth phase; enhance productivity through data-driven sales, streamline operations by using AI, and work to expand sales of products to enhance sustainability

Toward realizing Vision 2030, digital transformation (DX) is entering the stabilization and operational phase

Governance (internal control) innovation

Keep major incidents at zero

Business process reform

- **Double productivity and pursue high added value**
- **Optimal decision-making for all companies**

Business model reform

Support for the creation of a continuous business model

Visualization and standardization

Enhance governance and minimize risk (including organizational efficiency) through the **deployment of** the global business platform **(ERP) in Japan and overseas**

Productivity increase

- Enhance productivity and top-line growth through data-driven sales
- Streamline business operations by **utilizing accumulated data and AI technology**

Sophistication

Strengthen governance and accelerate advantageous purchasing through **expanding the use of** indirect purchasing system

IT system (global integration platform)

- Shift from reactive security measures to **proactive prevention through systems**
- Streamline IT infrastructure through modernization and cloud adoption

IT and digital-minded human resources

- **Strengthen the development of** human resources who utilize data and digital technology to deliver results **(DX-Biz human resources)**
- Enhance DX literacy among all employees

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Repeated for Reference (Accelerate 2028)

Implementing proactive ESG management through the dual pillars of "business strategy" and "foundation strengthening" to accelerate toward realizing Vision 2030

Accelerate 2028
–The Third Phase for 2030–

Business Strategy

Create results from preparations and continuously strengthen earning power

Expand and create Products to enhance sustainability based on the strategic domain map

Foundation Strengthening

Continuously strengthen ESG management

Expand contribution to sustainable growth and creating results from preparations

Innovation areas

Continue preparations and accelerate the creation of results

Reliably launch and expand the perovskite solar cell business

Enhancement areas

Expand growth drivers

Secure returns through strategic investment
Relentless structural reform

Environment Strategy:
Advance carbon neutrality and implement the circular economy

Human Resources Strategy: Empowering Prominent Human Resources

Foster a culture of taking on challenges
Deepen the right person for the right position
Proactive diversity

R&D Strengthening Strategies: Creating Prominence in Technologies

Accelerate new product development around TPF
Take on the challenge of research innovation using MI

Strengthening Portfolio Management
Implement focused allocation of management resources with an eye on capital efficiency

Strengthening Internal Control Eliminate serious incidents, establish management foundations in new business divisions

DX Strategy: Accelerate productivity improvements through digital transformation

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High Performance Plastics Company

Akira Asano

Company President

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Review of Drive 2.0

HPP Company

- Increase in net sales in each of the three segments mainly in the Mobility field
- Steady progress in preparations in each of the three segments with an eye toward accelerating growth under the Accelerate 2028

Divisional Company and Three Strategic Field Net Sales

(Billions of yen)

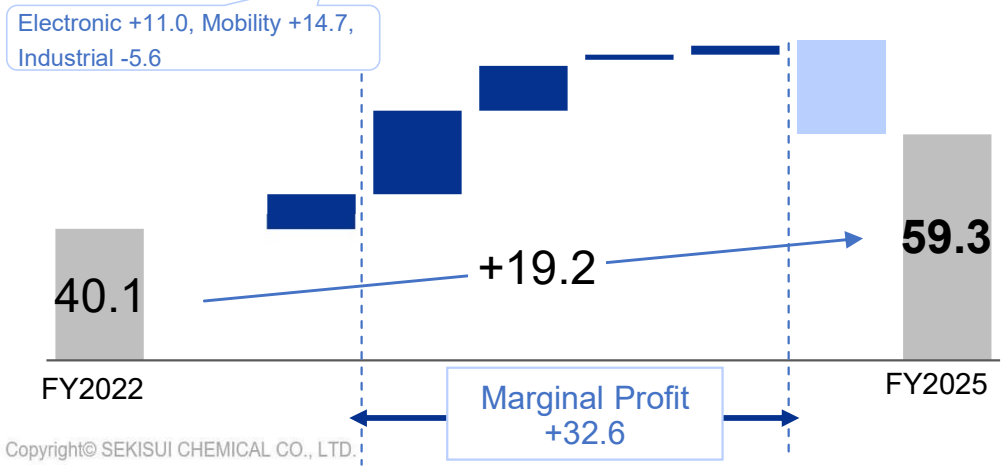
	FY22		FY25		Difference		FY25 MTMP*		Difference	
	Net Sales	Operating Profit	Net Sales	Operating Profit	Net Sales	Operating Profit	Net Sales	Operating Profit	Net Sales	Operating Profit
HPP Company	396.4	40.1	456.6	59.3	+61.2	+19.2	473.0	61.0	-16.4	-1.7
Electronics	53.3	-	72.0	-	+18.7	-	74.6	-	-2.6	-
Mobility	191.3	-	244.7	-	+53.4	-	228.7	-	+16.0	-
Industrial	104.4	-	104.6	-	+0.2	-	119.0	-	-14.4	-

*MTMP: Medium-term Management Plan

Analysis of Operating Profit

(Billions of yen)

	Consolidated-basis Change	Foreign Exchange	Sales Volumes & Product Mix	Selling Price	Raw Materials	Cost Reduction, etc.	Fixed Costs	Total
Difference	0	+8.0	+19.1	+10.3	+1.2	+2.0	-21.4	+19.2



Major Preparations under Drive 2.0

Field	Top Row: Preparations / Bottom Row: Effects (Begin Realizing Benefits / Realize Benefits in Earnest)	Overview of Preparations: Scale	Region
Electro-nics	**Increase production capacity of binder resins for MLCC (Operational: From 2H 2025)**	Investment in expanding production Around 2 billion yen	Japan
	FY25 FY26 FY27 FY28 FY29～		
	Increase production capacity of SELFA (Scheduled to commence operations: 1H of 2027)	Investment in expanding production Around 5 billion yen	Japan
	FY25 FY26 FY27 FY28 FY29～		
	Increase conductive fine particles production capacity(Scheduled to commence operations: 1H of 2028)	Investment in expanding production Around 2 billion yen	Japan
	FY25 FY26 FY27 FY28 FY29～		
Mobility	**Increase production capacity of interlayer films (Scheduled to commence operations: 2H of 2026)**	Investment in expanding production Around 8 billion yen	Thai-land
	FY25 FY26 FY27 FY28 FY29～		
Industrial	**Sensors / Care materials (Expand into the nursing care and clinical fields)**	Develop third-generation ANSIEL	Japan
	FY25 FY26 FY27 FY28 FY29～		

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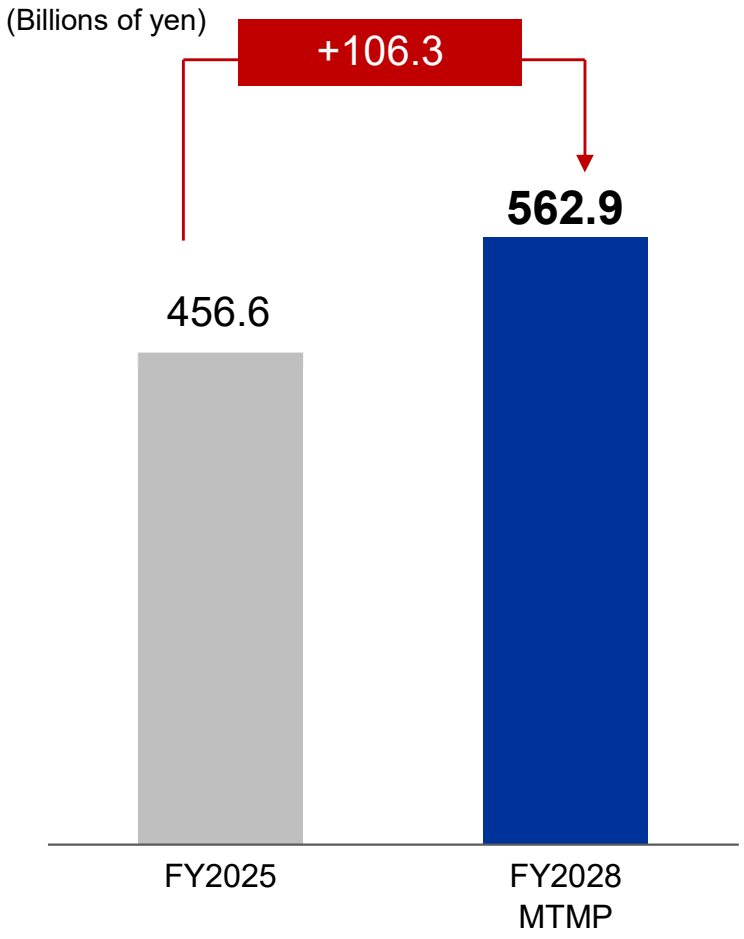
Medium-term Management Plan (Accelerate 2028) Targets

HPP Company

SEKISUI

- Secure solid returns from preparations mainly in the Electronics and Mobility fields; expand high-value-added products and sales volumes in each three fields
- Continue to undertake further investments with a view to achieving the Long-term Vision; accelerate growth

Net Sales

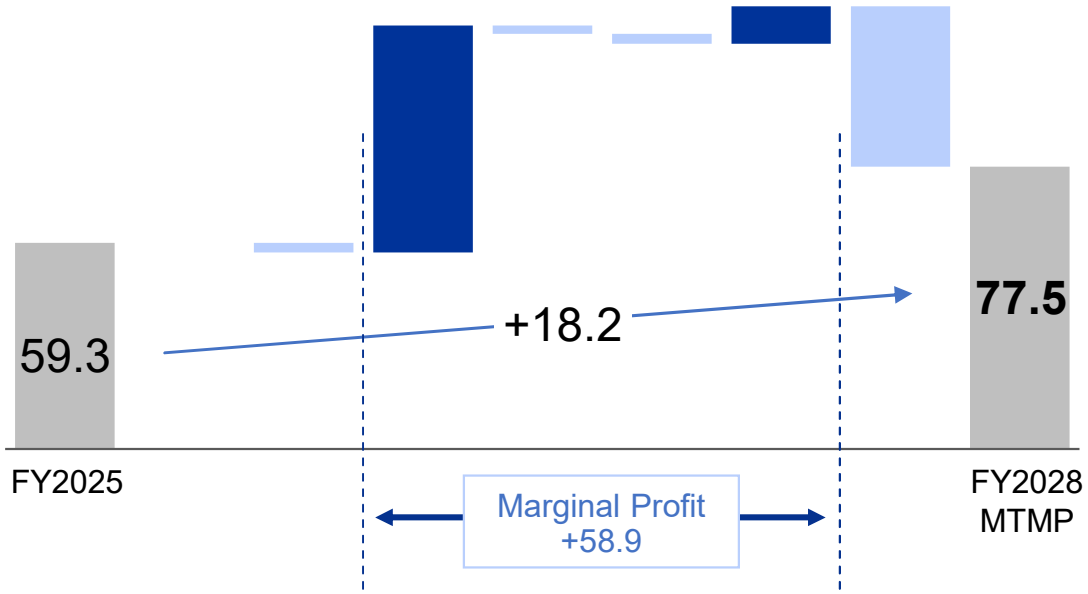


Analysis of Operating Profit

	Consolidated-basis Change	Foreign Exchange	Sales Volumes & Product Mix	Selling Price	Raw Materials	Cost Reduction, etc.	Fixed Costs	Total
Difference	0	-2.3	+54.3	-2.0	-2.4	+9.0	-38.4	+18.2

Electronic +16.0, Mobility +23.0, Industrial 15.0

Investments for growth, etc. -16.0
Increases in wages and human capital -12.0



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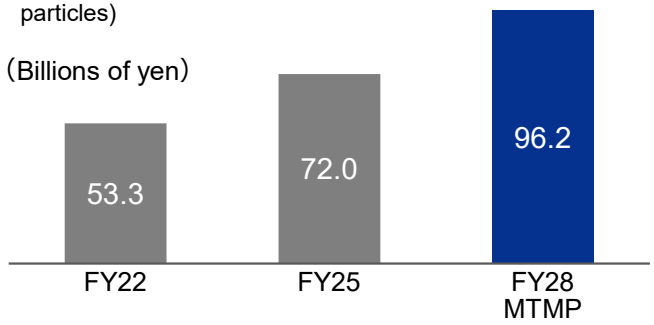
Three Strategic Fields

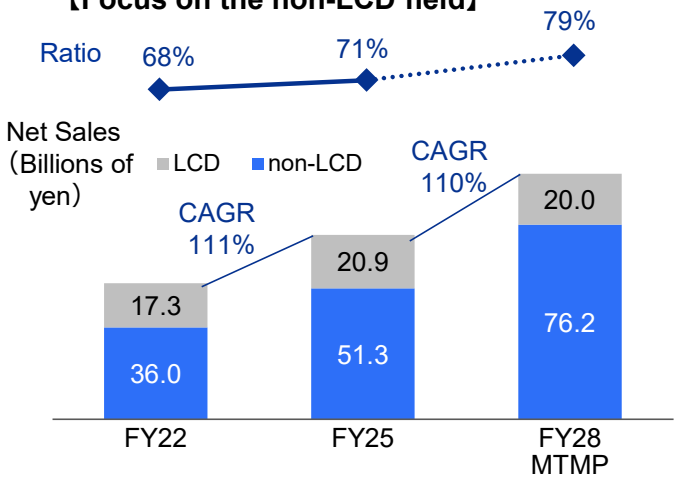
New Sales Trends and KPIs in the Three Strategic Fields

Electronics

Continued focus on expanding sales in the non-LCD field
・Semiconductors / electronic parts
AI market expected to expand and market conditions in the semiconductor materials market projected to remain robust; steadily capturing growing demand; realizing the benefits of investments in expanding production (SELFA / semiconductor resins for MLCCs). Build-up film is expected to be fully marketed from the latter half of the new mid-term period
・LCD components
Smartphone and display market conditions expected to growth owing to the increase in screen size per device; realizing the benefits of investments in expanding production (conductive fine particles)

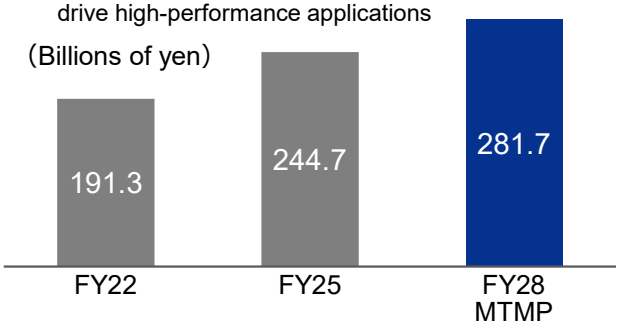


【Focus on the non-LCD field】

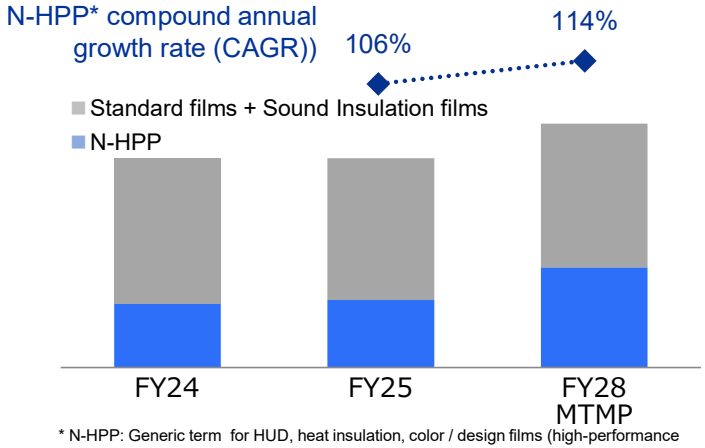


Mobility

Growth in high-performance interlayer film sales and growth in the aeronautical components field
• Automotive components (interlayer films)
Use of interlayer films expected to expand owing to the increase in vehicle models equipped with HUD films as well as upswing in EVs; ongoing efforts to increase sales volumes focusing on N-HPPs; realizing in earnest the benefits of expanding production in Thailand
• Aeronautical components
Demand in the aircraft field expected to recover; new fields, including drones projected to expand
• Interlayer films and aeronautical components continue to drive high-performance applications



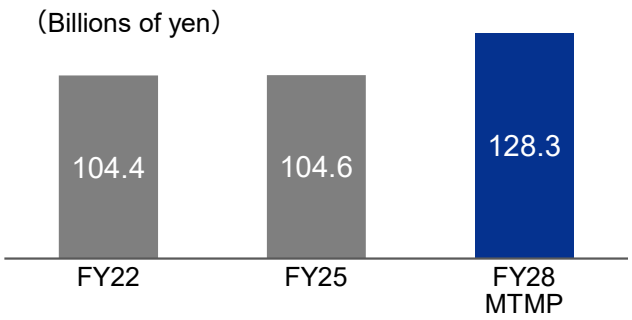
【N-HPP sales growth】



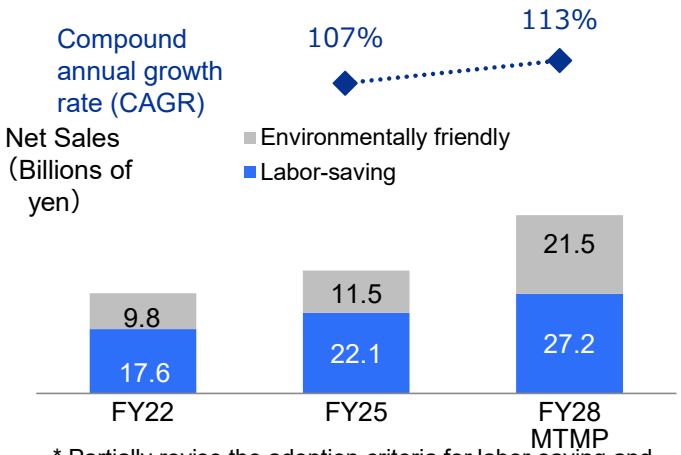
* N-HPP: Generic term for HUD, heat insulation, color / design films (high-performance interlayer films);
Since the N-HPP classification was introduced in fiscal year 2024, comparisons are made starting from FY2024.

Industrial

Growth in labor-saving and environmentally friendly products
• Labor-saving and environmentally friendly products
Continue to focus expanding sales of high-value-added labor-saving and environmentally friendly products; work to expand sales of functional tapes and products for nursing care facilities, etc. that use sensing technologies



【Labor-saving, environmentally friendly product sales growth】



* Partially revise the adoption criteria for labor-saving and environmentally friendly products from FY26; FY25 data presented under the new criteria

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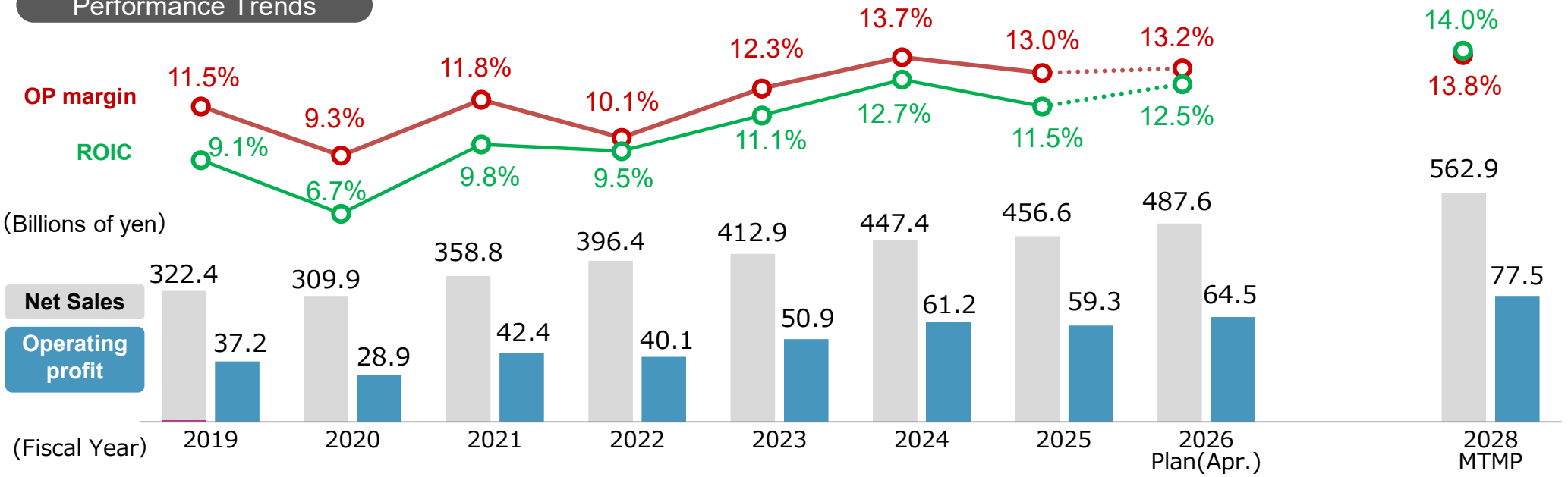
Performance Trends

- Record-high profit for two consecutive fiscal years (FY23 and FY24); despite incurring one-off expenses and a substantial increase in fixed costs on the back of efforts to accelerate development, secured a high level of profit in FY25
- Reap the benefits of investments and expand high-value-added products under the current Medium-term Management Plan; target both a record-high operating profit margin and ROIC

Performance Trends



Forex rate (Avg. rate for each term)	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	····	FY2028
/US$	¥109	¥106	¥112	¥135	¥145	¥153	¥151	¥155	····	¥145
/€	¥121	¥124	¥130	¥141	¥157	¥164	¥175	¥183	····	¥166

External environment

Main M&As and Strategic Investments

- 2H 2019 — SEKISUI AEROSPACE CORPORATION 2018-19: Started operations at new foam plants in Thailand and China
- 02/2020～ — Spread of COVID-19
- 2H 2020: Started operations at a new interlayer production line in Europe
- 02/2022～ — Russia: Incursion into Ukraine
- 2H FY2023: Started operations at a new heat release materials plant in North America
- 1H FY2024: Decision to expand production capacity for interlayer films in Thailand, semiconductor manufacturing process materials, and conductive fine particles
- 1H FY2025 — The U.S. Implementation of tariff measures
- 02/2026 — Deterioration in conditions in the Middle East

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Housing Company

Masahide Yoshida

Company President

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Review of Drive 2.0

Housing Company

- While continuing to face issues regarding its quantitative growth owing to a shrinking newly built detached housing market, the Housing Business succeeded in lowering the break-even point for the number of houses sold by carrying out measures to strengthen profitability
- Investments in growth areas, including the Renovation and Residential businesses progressing smoothly as a part of efforts break away from a business portfolio that overly relies the Housing Business

Net Sales and Operating Profit by Business

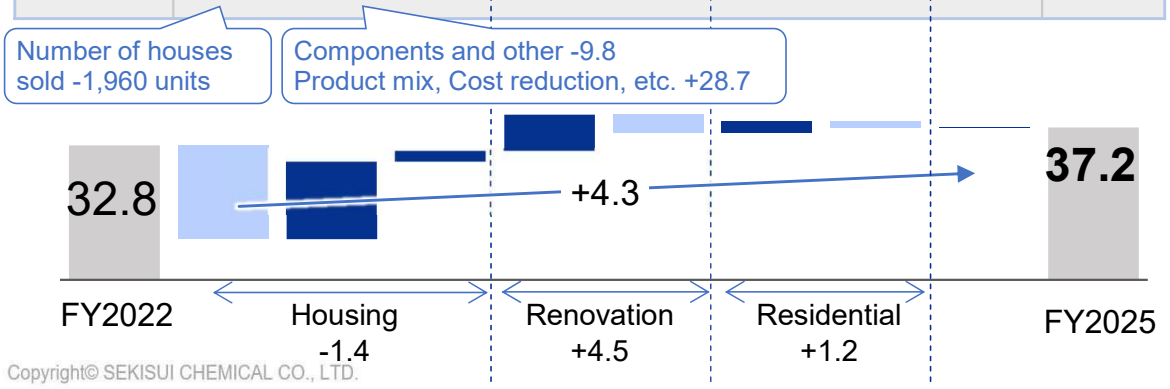
(Billions of yen)

	FY22		FY25		Difference		FY25 MTMP		Difference	
	Net Sales	Operating Profit	Net Sales	Operating Profit	Net Sales	Operating Profit	Net Sales	Operating Profit	Net Sales	Operating Profit
Housing Company	537.4	32.8	536.2	37.2	-1.1	+4.3	580.0	40.0	-43.8	-2.8
Housing	363.6	20.5	342.0	19.1	-21.6	-1.4	375.0	23.3	-33.0	-4.2
Renovation	97.3	8.0	114.9	12.4	+17.6	+4.5	110.0	9.8	+4.9	+2.6
Residential	65.2	4.2	73.9	5.4	+8.7	+1.2	83.0	5.7	-9.1	-0.3

Analysis of Operating Profit

* Other (Overseas and Residential Services)

	Housing			Renovation		Residential			
	Sales Factors	Marginal Profit	Fixed Costs	Marginal Profit	Fixed Costs	Marginal Profit	Fixed Costs	Other*	Total
Difference	-22.9	+18.9	+2.6	+8.9	-4.4	+2.9	-1.7	+0.1	+4.3



Major Preparations under Drive 2.0

Area	Investment / Measure	Details / Objectives
Housing	Measures to strengthen profitability	**[Reduce fixed costs]** • Optimize staffing and manufacturing systems (break-even point for the number of houses sold: -18% (vs. FY22)) **[Strengthen the product strategy by area]** • Develop and market "ELVIA," a high-end, premium-priced model • Develop "Grand To You FR," an affordable model for first-time homebuyers
	M&A	• Capture market share in the Hokkaido region through expanded use of the timber framework construction method (Architec-Planning Co., Ltd.)
Renovation	Strengthen the sale structure	• Train and develop shift personnel as part of measures to strengthen the profitability of the Housing Business
	M&A	• Strengthen renovation for non-Heim owners as well as the purchase and resale of Heim in the North Hokkaido area (Creast Co., Ltd.)
Residential	M&A	• Enhance the ability to procure land in the Tokyo metropolitan area (Benhouse Co., Ltd.)
Overseas	Establish bases	• Establish a new modular manufacturing company to expand operations in Canada
Residential Services	Structural reform	• Transfer the elderly business

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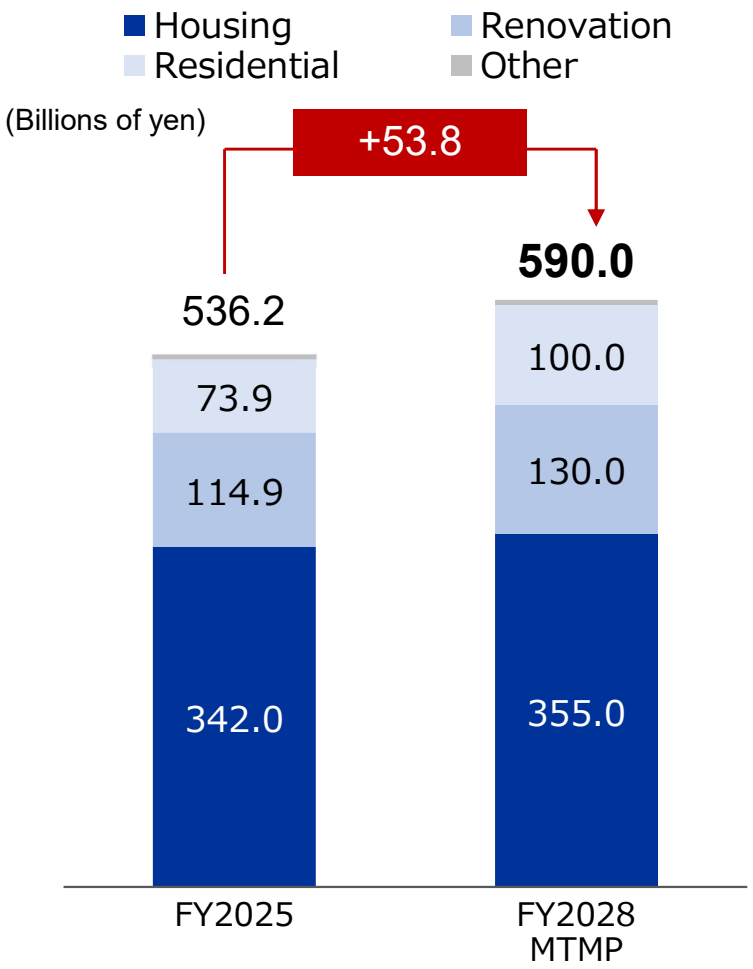
Medium-term Management Plan (Accelerate 2028) Targets

Housing Company

SEKISUI

- Accelerate the shift away from a business portfolio overly reliant on the Housing Business by capitalizing on the results of preparations under Drive 2.0 and making further investments in growth
- Work toward record-high net sales and operating profit in FY28 after introducing a company system

Net Sales

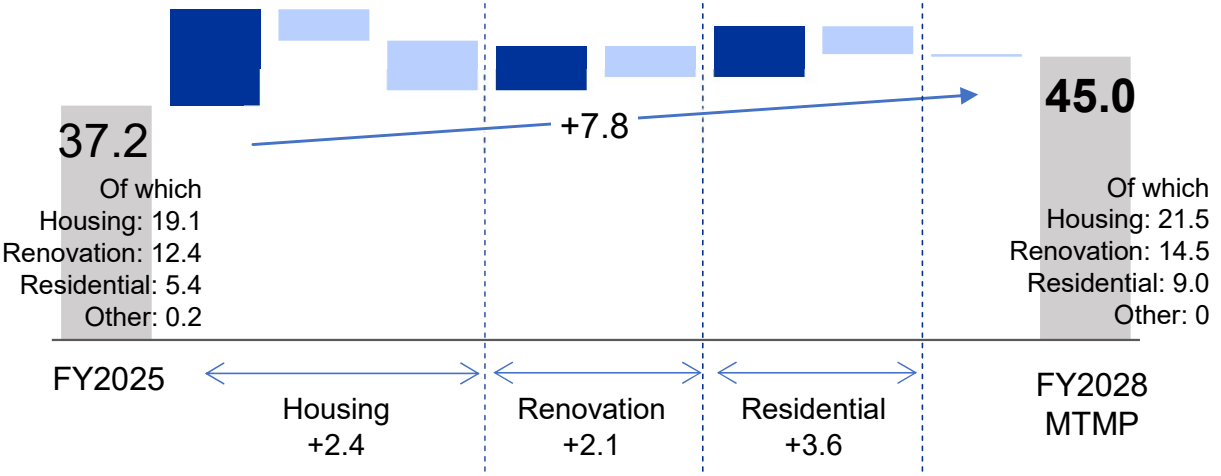


Analysis of Operating Profit

* Other (Overseas and Residential Services)

	Housing			Renovation		Residential			
	Sales Factors	Marginal Profit	Fixed Costs	Marginal Profit	Fixed Costs	Marginal Profit	Fixed Costs	Other*	Total
Difference	+15.3	-5.0	-7.9	+7.0	-4.9	+8.1	-4.4	-0.3	+7.8

Number of houses sold -1,105 units



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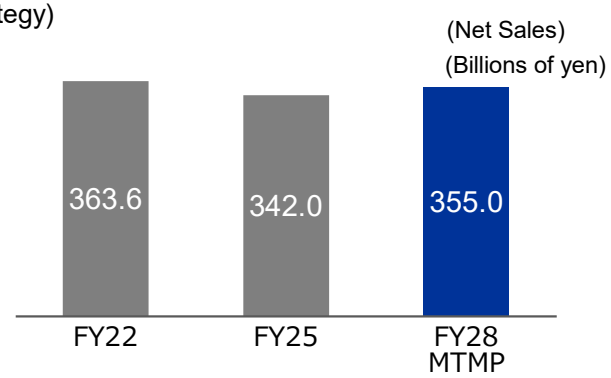
Initiatives by Business

New Sales Trends and KPIs by Subsegment

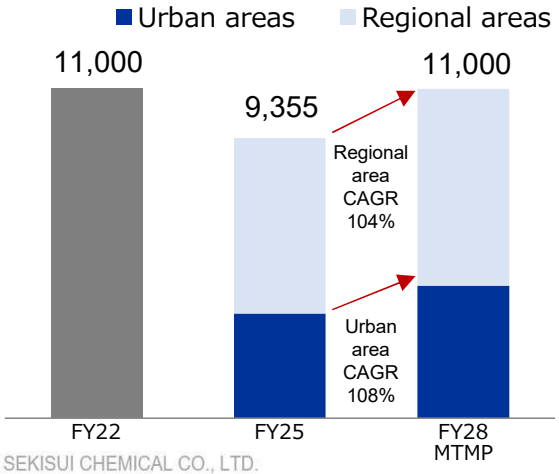
Housing

Promote sales strategies tailored to both urban and regional areas, also utilizing M&As, while taking into account market conditions and regional characteristics

- Urban areas: Increase orders across all segments—detached housing, subdivision housing, and apartment buildings—on the back of efforts aimed at concentrating management resources in the Tokyo metropolitan area
- Regional areas: Increase volumes through efforts to strengthen subdivision housing and pricing by area (integrated sales and manufacturing area optimization strategy)



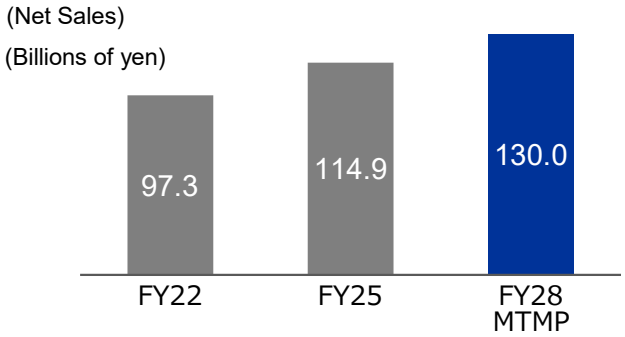
[Number of Orders]



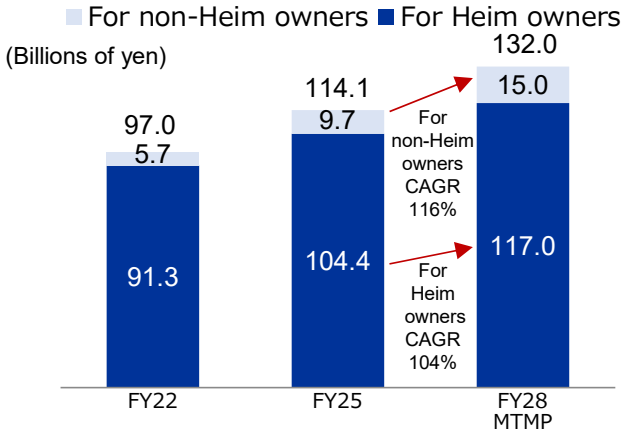
Renovation

Steady growth on the back of efforts to enhance customer communication and proactive investment in growth areas

- For Heim owners: Focus on expanding proposals for housing over 35 years old; establish a customer support system for housing over 60 years old
- For non-Heim owners: Expand sales bases in urban areas and strengthen human resources; expand areas through Group collaboration and M&As



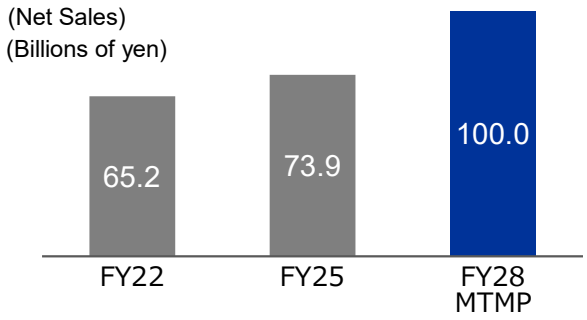
[Orders by For Heim Owners / Non-Heim Owners]



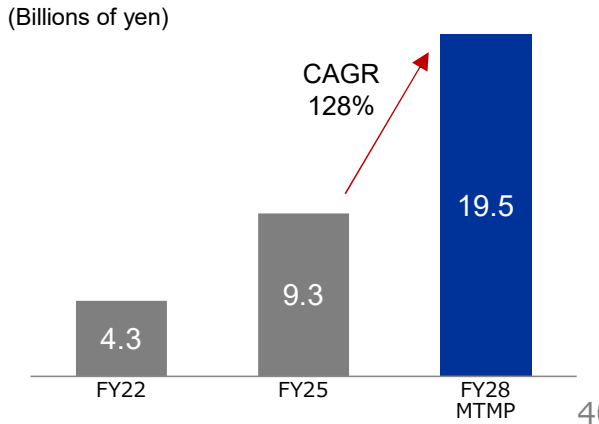
Residential

Work toward accelerating growth in the purchase and resale of Heim business while maintaining steady growth in the rental management as well as Town and Community Development businesses

- Rental management: Increase the number of dwellings under management by enhancing CS and utilizing external resources
- Purchase and resale of Heim: Expand the purchase and resale of condominiums by strengthening procurement capabilities through M&As



[Purchase and Resale of Heim Net Sales]



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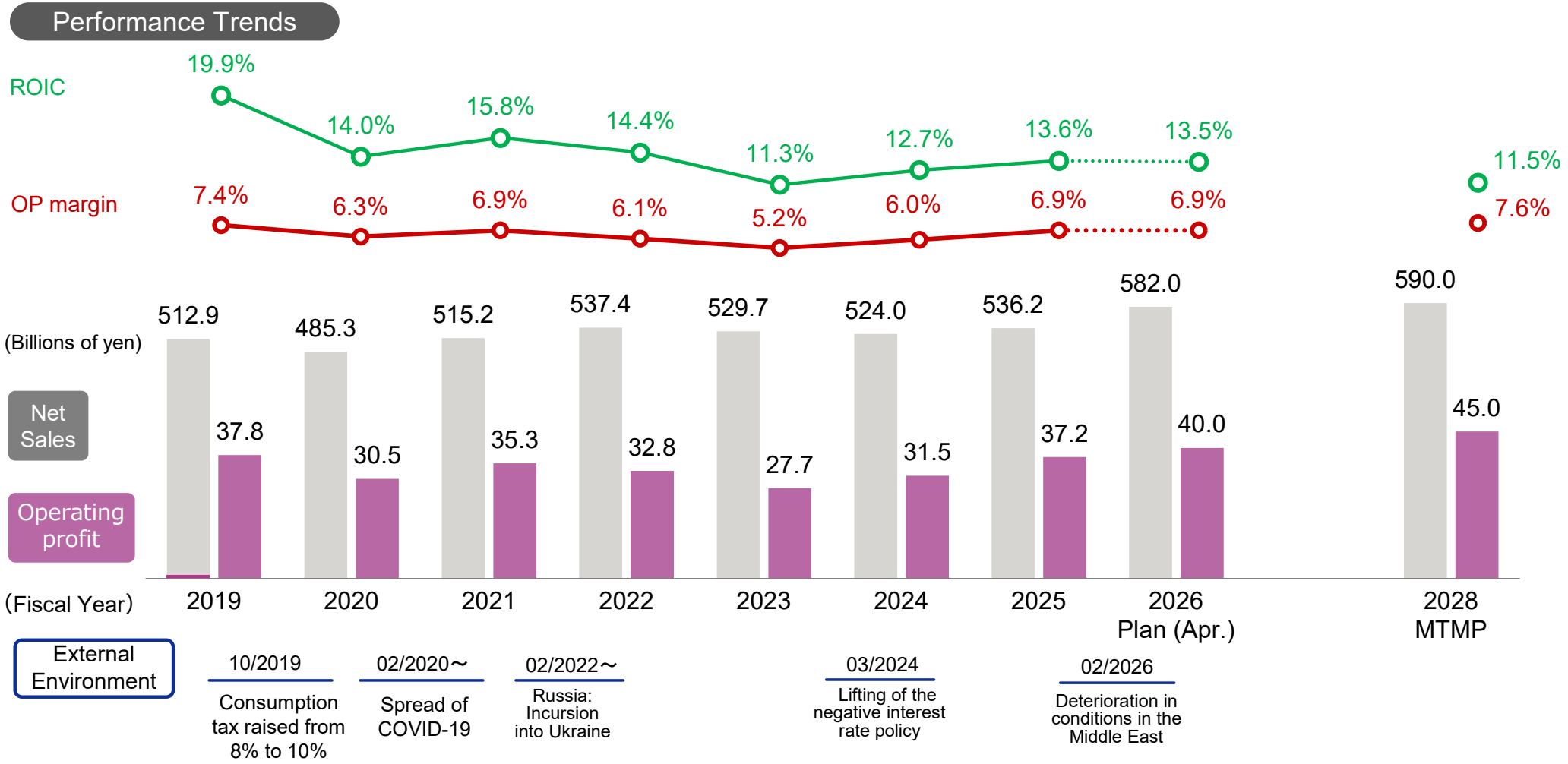
Performance Trends

- The Housing Business entering a phase of stable growth on the back of efforts to expand volumes and improve profitability through business model innovation
- Proactive investment in the Renovation and Residential businesses, which are positioned as growth areas, based on a disciplined investment approach that prioritizes capital efficiency; efforts to transform the business portfolio (ROIC: Target an ROIC of 10% or higher)



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Urban Infrastructure & Environmental Products Company

Yoshiyuki Hirai

Company President

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Review of Drive 2.0

UIEP Company

- Despite growth in sales of prioritized products and successful efforts to increase margins, fell short of the targets set under the Medium-term Management Plan owing the prolonged slump in market conditions in Japan and overseas
- Steady progress in preparations geared toward growth measures, including efforts to strengthen overseas marketing and invest in CVCs

Divisional Company and Three Strategic Field Net Sales

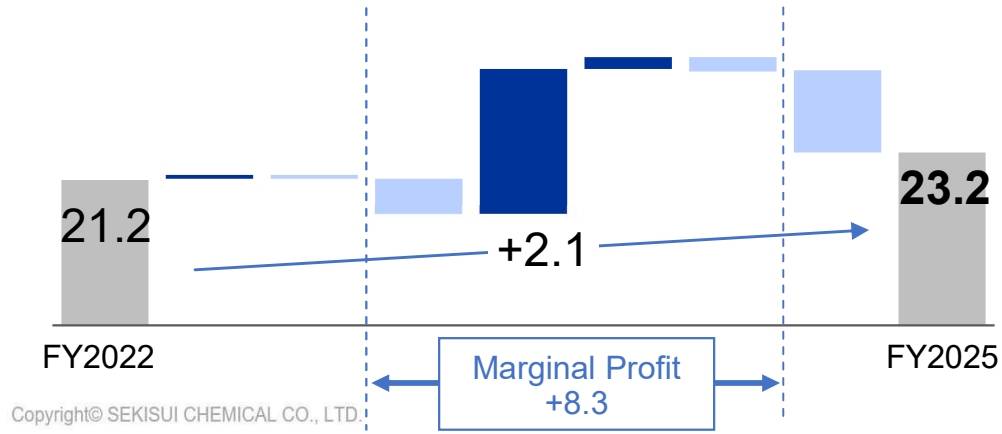
(Billions of yen)

	FY22		FY25		Difference		FY25 MTMP		Difference	
	Net Sales	Operating Profit	Net Sales	Operating Profit	Net Sales	Operating Profit	Net Sales	Operating Profit	Net Sales	Operating Profit
UIEP Company	234.3	21.2	240.4	23.2	+6.1	+2.1	261.0	25.0	-20.6	-1.8
Pipe Systems	113.7	-	110.9	-	-2.8	-	131.6	-	-20.7	-
Building and Infrastructures Composite Materials	79.5	-	82.4	-	+2.9	-	89.1	-	-6.7	-
Infrastructure Renovation	30.5	-	38.9	-	+8.4	-	36.3	-	+2.6	-

Analysis of Operating Profit

(Billions of yen)

	Consolidated-basis Change	Foreign Exchange	Sales Volumes & Product Mix	Selling Price	Raw Materials	Cost Reduction, etc.	Fixed Costs	Total
Difference	+0.3	-0.3	-2.7	+11.1	+0.9	-1.1	-6.3	+2.1



Major Preparations under Drive 2.0

Theme / Segment		Major Results
Growth Measures	Overseas	• Undertook investments aimed at increasing production capacity (FFU: The Netherlands; CPVC: Thailand) • Established a sales base in India • Cultivated new demand across North America, India, and ASEAN
	Japan	• Progress in the specification of prioritized products (Aging infrastructures; measures to labor shortage)
	New Products / Innovation Areas	• Brought 19 products to market (of which three in innovation areas) • Investment in three CVCs
	Resource Recycling	• Established a resource recycling scheme that employs scrap materials that accrue from the installation of water and hot water pipe in collaboration with five companies
Efforts to Strengthen the Management Foundation	Productivity Improvement	• Streamlined operations by instilling a commitment to the use of DX tools • Put in place a digital marketing framework • Pushed forward investments in automating production and labor-saving initiatives
	Ensuring Profitability	• Implemented price pass-through measures to offset the upswing in total costs (responded flexibly to changes in the environment) • Acquired the pipe systems business from Shin-Etsu Polymer Co., Ltd.

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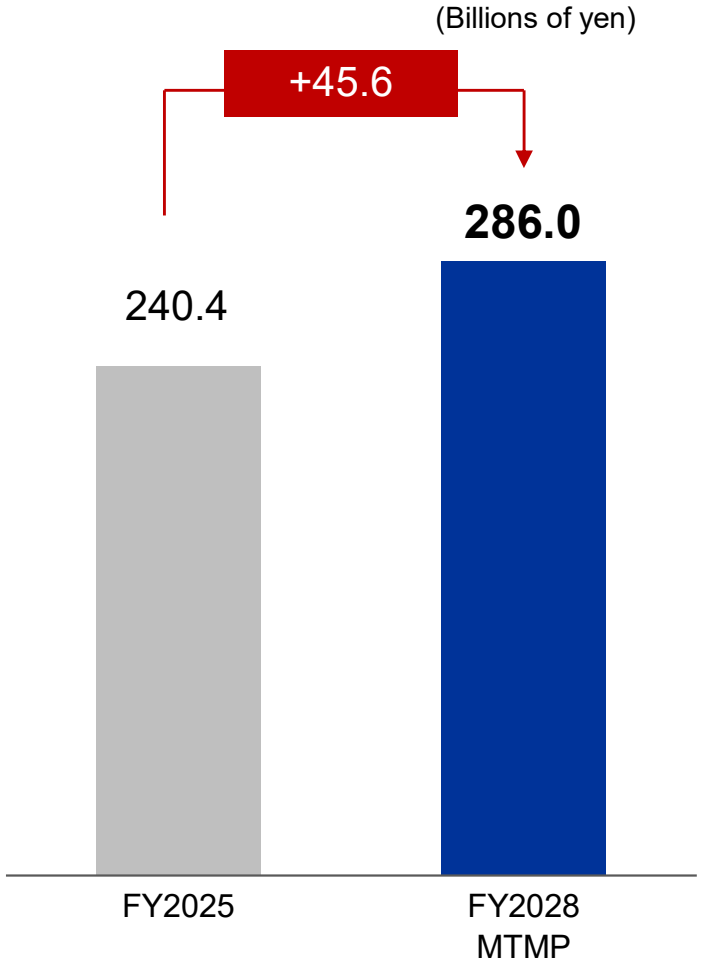
Medium-term Management Plan (Accelerate 2028) Targets

UIEP Company

SEKISUI

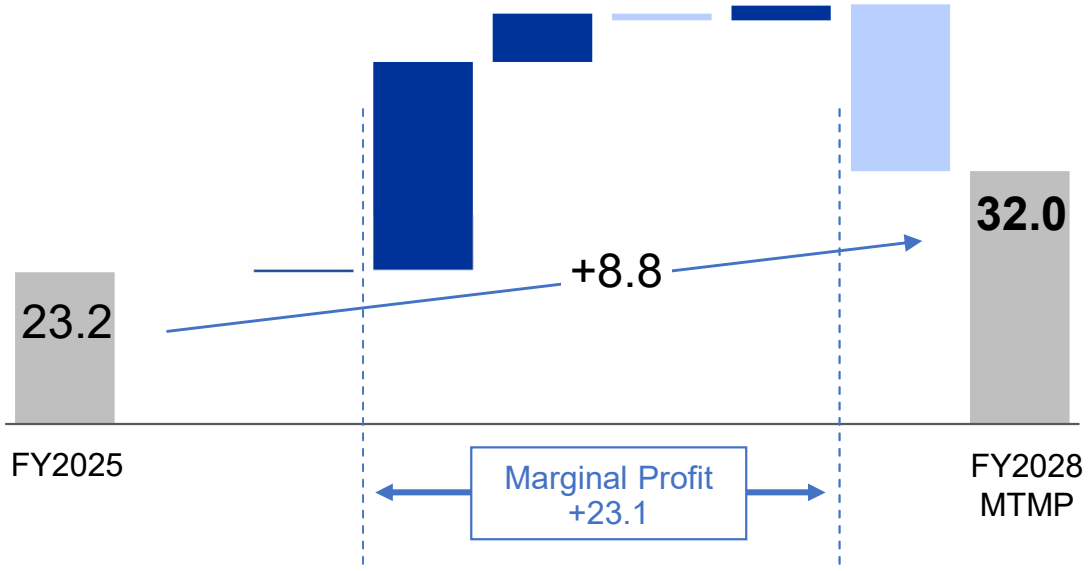
- Improve sales volumes & product mix by increasing overseas sales primarily of performance materials, pipe renewal, and CPVC as well as expanding sales of prioritized products; secure margins by maintaining selling prices; target operating profit of 32 billion yen

Net Sales



Analysis of Operating Profit

	Consolidated-basis Change	Foreign Exchange	Sales Volumes & Product Mix	Selling Price	Raw Materials	Cost Reduction, etc.	Fixed Costs	Total
Difference	0	+0.2	+18.1	+4.2	-0.6	+1.3	-14.5	+8.8



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Three Strategic Fields

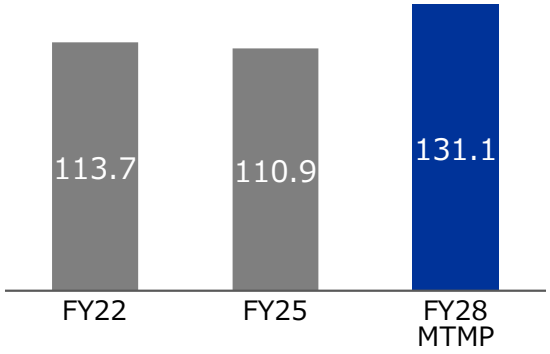
UIEP Company

New Sales Trends in the Three Strategic Fields

(Billions of yen)

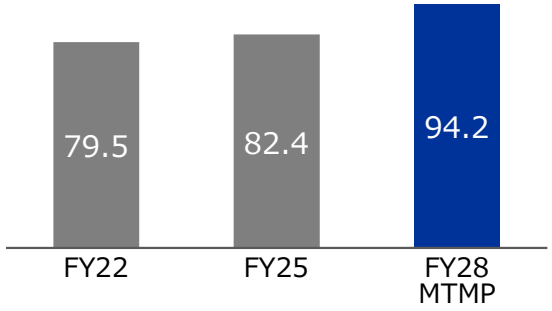
Pipe Systems

- Piping materials: Continued focus on expanding sales of prioritized products and maintaining margins
- CPVC: Continued focus on expanding sales of new products as well as sales areas



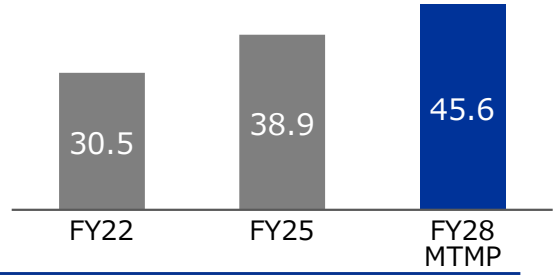
Building and Infrastructures Composite Materials

- FFU railway sleepers: Working to further promote expansion by increasing production capacity and introducing new products in Europe; continued focus on building a business foundation through increased use by key customers
- Fire-resistant and non-combustible materials: Expanding market share in non-flammable urethane as well as sales of new products



Infrastructure Renovation

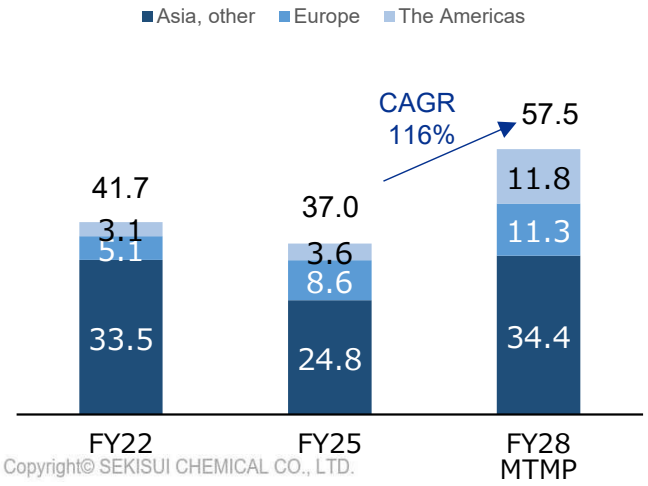
- Pipe renewal: Maximizing efforts to capture renewal demand based on the results of nationwide surveys; endeavoring to raise awareness overseas through installation partner collaboration; working to expand orders
- Sekisui Aqua System Co., Ltd.: Focusing on capturing renewal demand for water storage panel tanks by leveraging differentiated construction methods



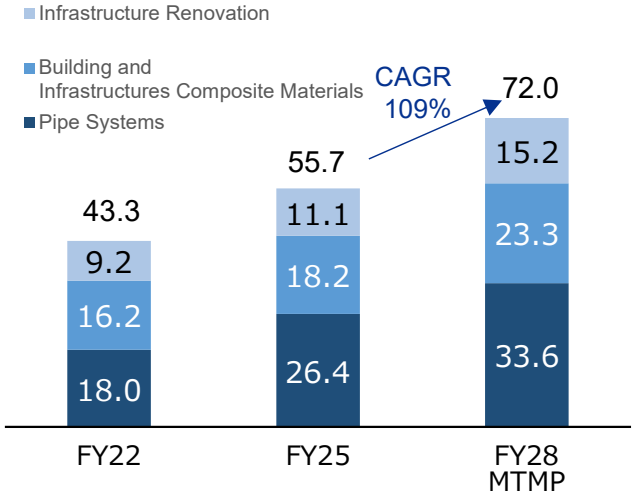
KPIs

(Billions of yen)

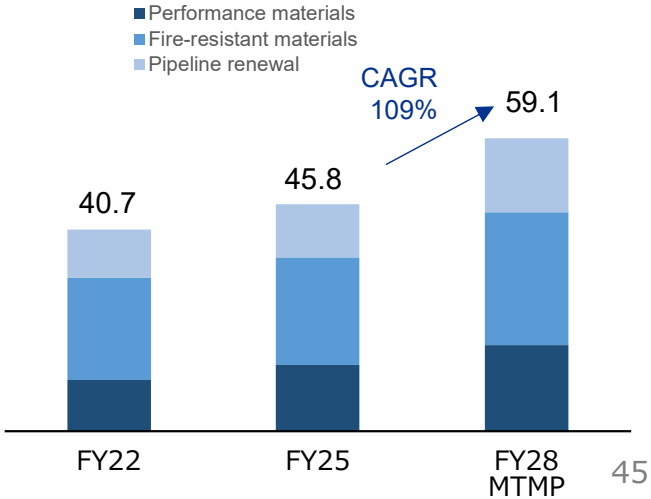
[Overseas Sales]



[Prioritized Products Sales (Japan)]



[Growth-driving Business Sales]



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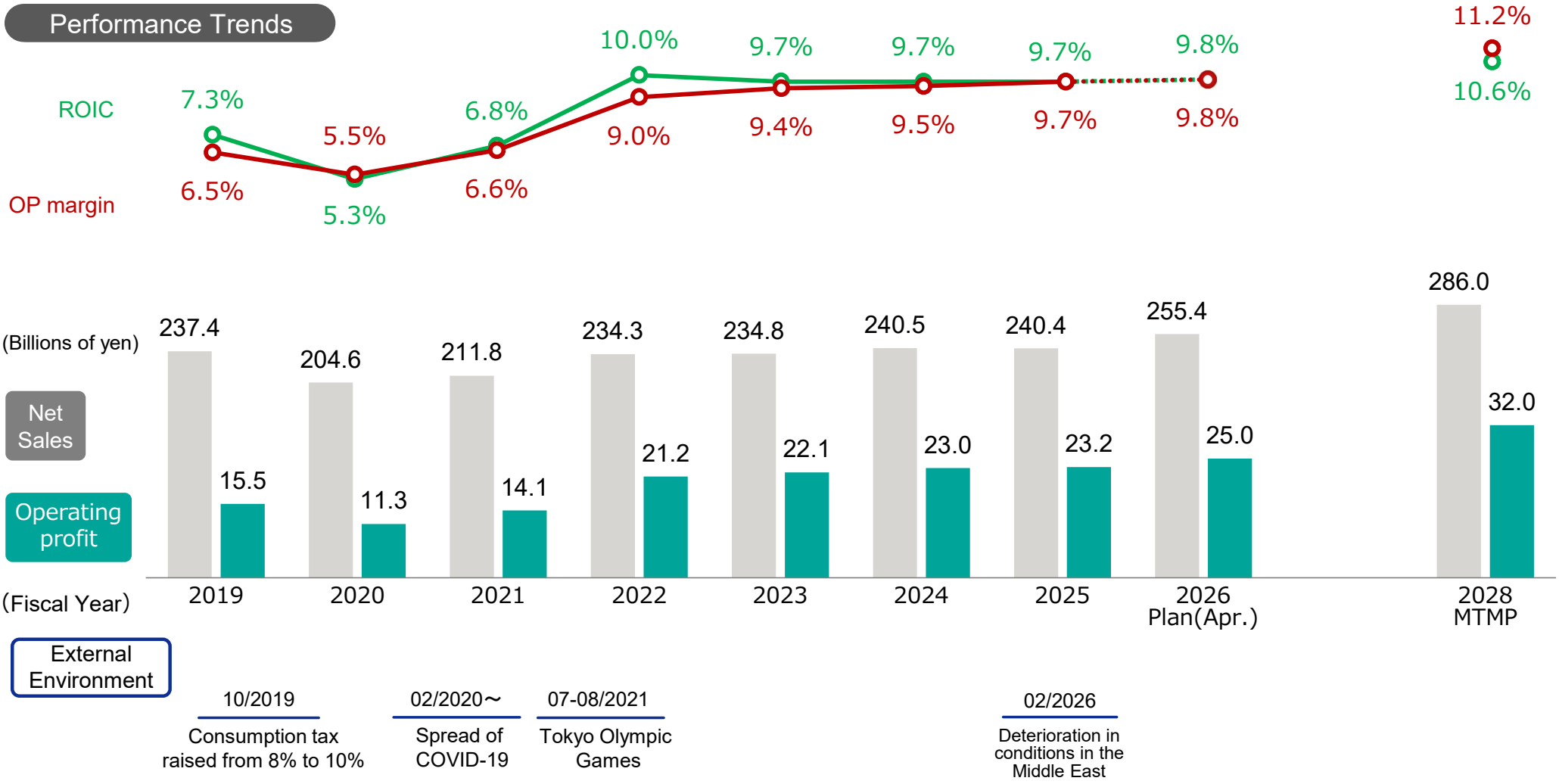
Performance Trends

UIEP Company

SEKISUI

- Achieved a fourth consecutive fiscal year of record-high profits in FY25; achieved sustained profit growth and further expansion
- Focusing on expanding overseas operations, expanding sales of prioritized products, realizing synergies from M&As and CVCs, and maintaining margins
- Promoting activities designed to improve productivity; work to achieve an operating profit margin of over 11%



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Medical Business

Hiroyuki Yamashita

President of SEKISUI MEDICAL CO., LTD

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Review of Drive 2.0

Medical Business

SEKISUI

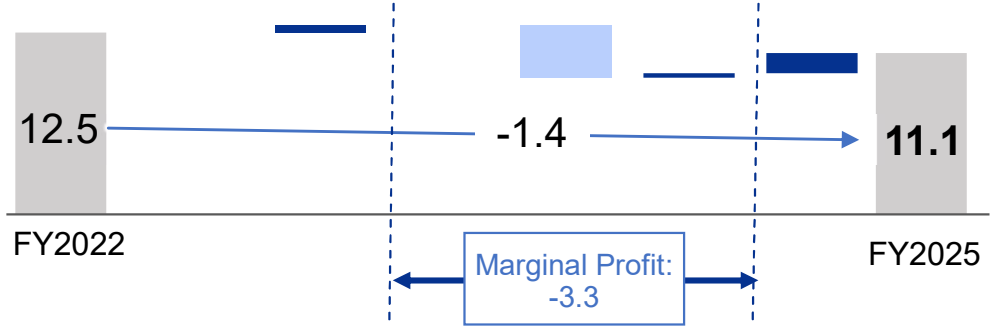
- Deterioration in diagnostics market conditions owing to the downturn in demand for infectious disease testing kits in the U.S. and efforts to curb healthcare costs in China
- Significant shortfall against the previous MTMP. owing to the rise in raw material prices and impact of one-off upswings in disposal; decrease in profit from the MTMP (Drive 2022) preceding the previous MTMP

Net Sales

(Billions of yen)	FY22		FY25		Difference		FY25 MTMP		Difference	
	Net Sales	Operating Profit	Net Sales	Operating Profit	Net Sales	Operating Profit	Net Sales	Operating Profit	Net Sales	Operating Profit
Medical	89.7	12.5	93.7	11.1	+4.0	-1.4	112.5	18.0	-18.8	-6.9
Diagnostics (Japan)	30.9	-	32.4	-	+1.5	-	33.6	-	-1.2	-
Diagnostics (Overseas)	41.2	-	41.9	-	+0.7	-	59.9	-	-18.0	-
Pharmaceut-ical Science Business	17.6	-	19.5	-	+1.9	-	19.9	-	-0.4	-

Analysis of Operating Profit

	Consoli-dated-basis Change	Foreign Exchange	Diagno-stics (Japan)	Diagno-stics (overseas)	Pharmaceutical Science and Other	Fixed Costs	Total
Difference	0	+0.5	0	-3.6	+0.3	+1.4	-1.4



Major Preparations under Drive 2.0

	Preparations	(Challenges)
Diagnostics (Japan)	Expanded market share in the immunology segment Launched new blood coagulation device products (1H 2025)	Insufficient cost reduction to address rising costs
Diagnostics (Overseas)	Europe and the Americas: Captured new alliance projects; undertook capital expenditures China: Launched locally manufactured blood coagulation devices (2H 2025)	Results subject to the outbreak of respiratory infections and subsequent demand
Pharmace-utical Science Business	Increased production capacity on the back of domestic capital expenditures while expanding new orders Entered the cell culture material business by launching the Ceglu™ brand (1H 2025)	Delay in preparations due to the slow rollout of GMP capital expenditures in the U.K. Enzymes Business

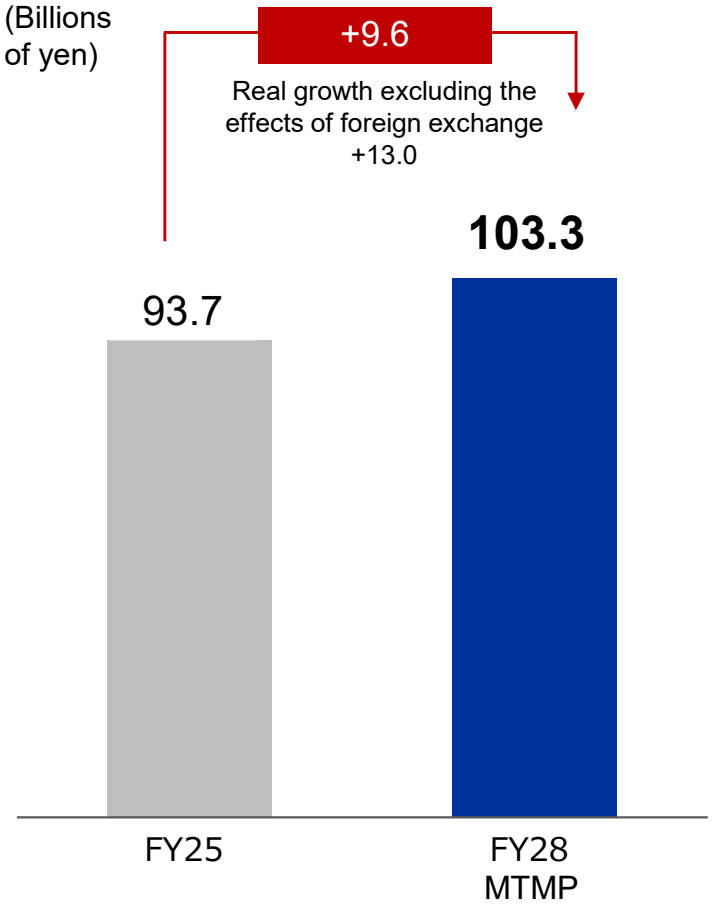
Medium-term Management Plan (Accelerate 2028) Targets

Medical Business

SEKISUI

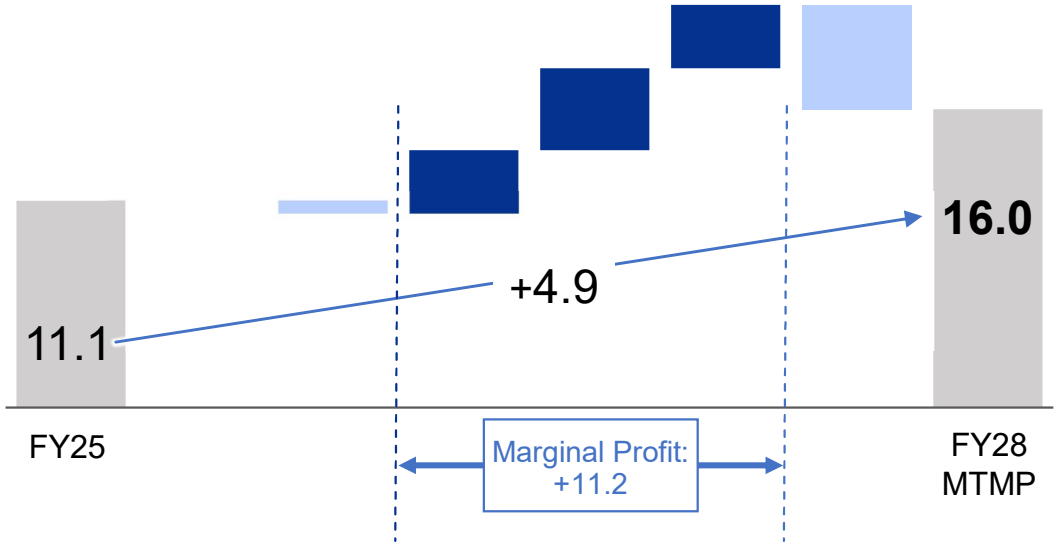
- Diagnostics: Expand overseas operations by increasing market share in core areas, continuing to introduce new products, and strengthening alliances
- Pharmaceutical Science: Capture new contract work by realizing the benefits of capital expenditures in Japan and overseas

Net Sales



Analysis of Operating Profit

	Consolidated-basis Change	Foreign Exchange	Diagnostics (Japan)	Diagnostics (overseas)	Pharmaceutical Science and Other	Fixed Costs	Total
Difference	0	-0.7	+3.4	+4.4	+3.4	-5.6	+4.9



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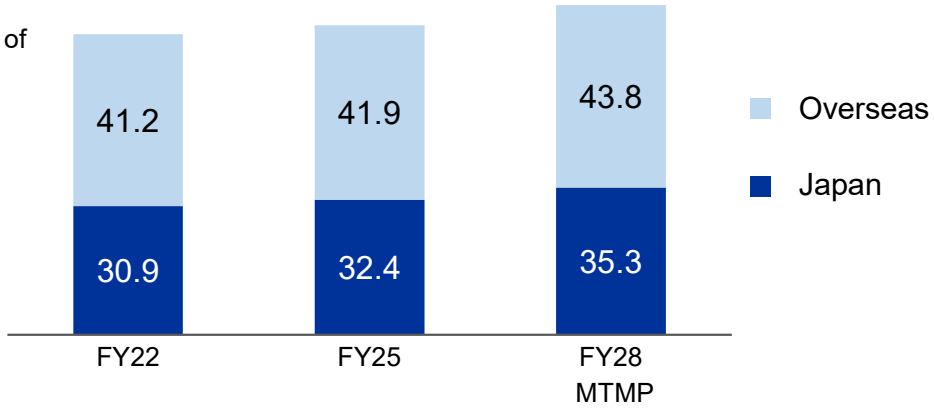
Initiatives by Business

Diagnostics Business

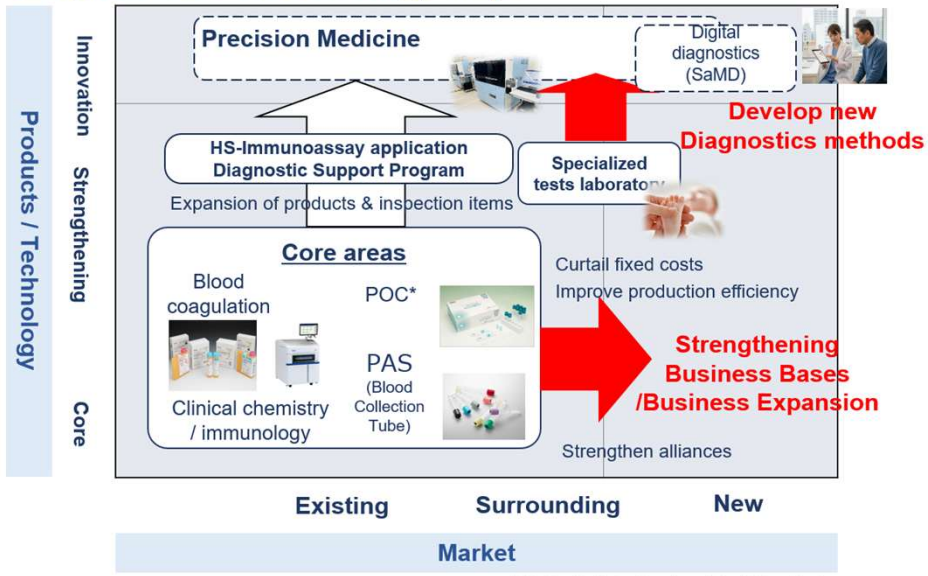
Existing core / enhancement: (Japan) Expand market share in immunology and blood coagulation
(Overseas) Expand sales by strengthening alliances

Innovation areas: Enter the digital diagnostics and precision medicine markets

Net Sales
(Billions of yen)



【Diagnostics Field: Strategy Map】



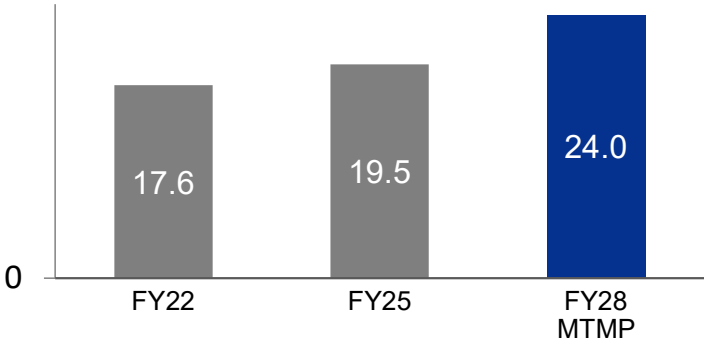
*POC：Point of testing (Rapid testing)

Pharmaceutical Science Business

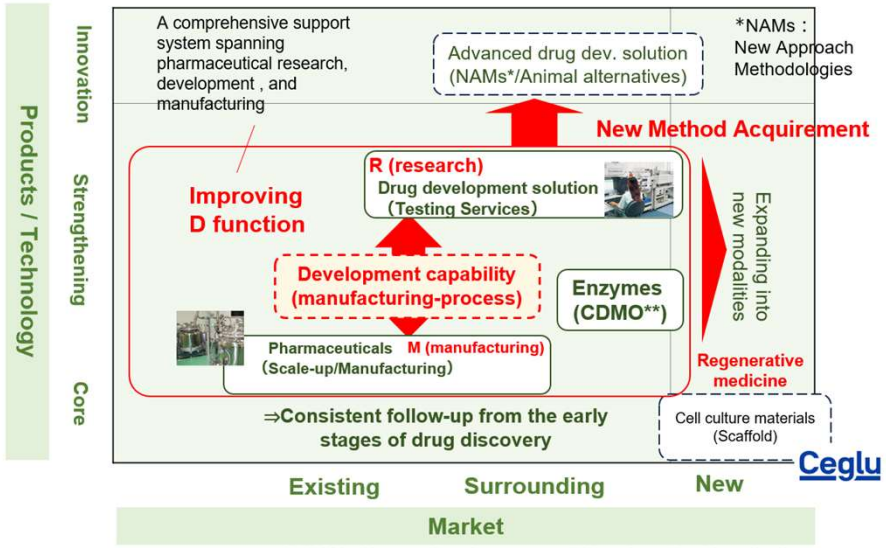
Existing core / enhancement: Put in place a system to comprehensively support the research, development, and manufacture of pharmaceuticals;
Improve the ability to secure new contract work

Innovation areas: Expand sales of Ceglu™ brand cell culture materials; develop drug discovery technologies as an alternative to animal testing

Net Sales
(Billions of yen)



[Pharmaceutical Field Strategy Map]



CDMO**: Contract Development and Manufacturing Organization

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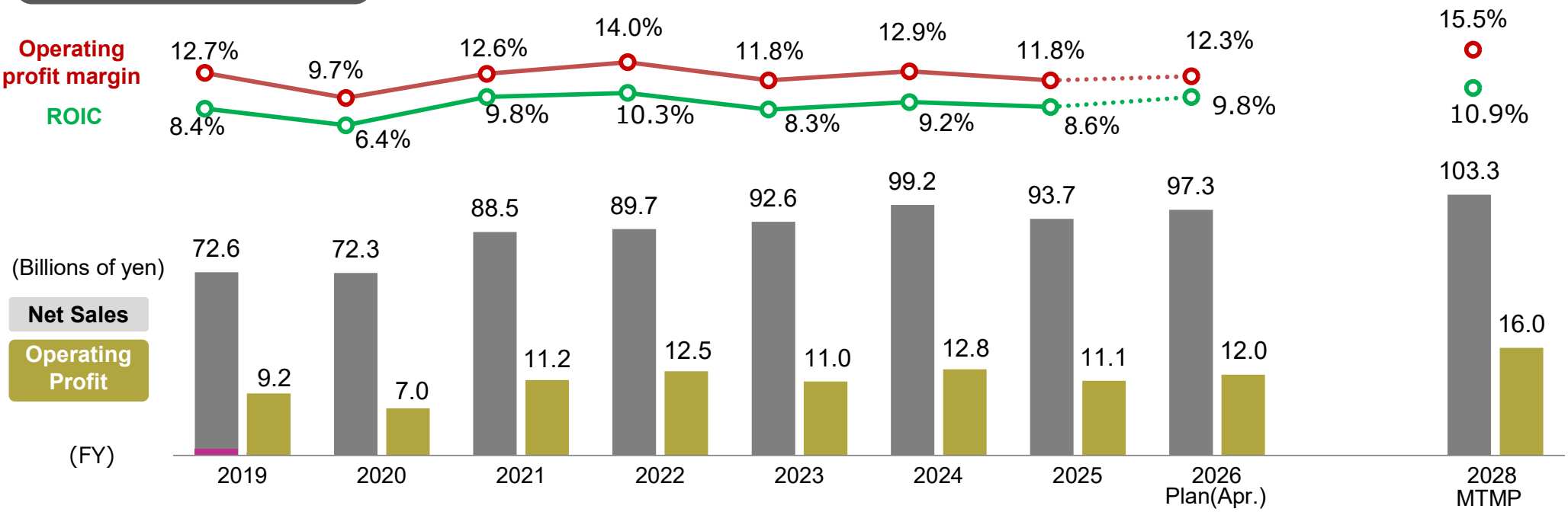
Performance Trends

Medical Business

SEKISUI

- Stagnant business growth during the period of the previous Medium-term Management Plan due to the effects of market conditions; steps initiated to implement profitability improvement measures from the 2H of FY25
- Expanding business operations through new products and new contract work in core and enhancement areas; strengthening preparations with an eye toward sustainable growth

Performance Trends



Forex rate (Avg. rate for each term)	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	····	FY2028
/US$	¥109	¥106	¥112	¥135	¥145	¥153	¥151	¥155	····	¥145
/€	¥121	¥124	¥130	¥141	¥157	¥164	¥175	¥183	····	¥166

External environment

2020-2022
Outbreak of COVID-19/ Restrictions on movements in each country

2022-2024
Widespread implementation of measures to curb healthcare costs in China
Establishment and expansion of centralized procurement systems

Jan. 2025
Change in the U.S. administration
Cuts in Medicare / Medicaid

Feb. 2026
Deterioration of conditions in the Middle East

Major investments and policies

2022
Transfer of XenoTech, LLC shares

Mar. 2023
Operations at a new pharmaceuticals facility at Iwate Factory commence

2025
Consolidation of operation in the U.S. and China

2027-
Start of operations at a GMP-compliant enzyme U.K. factory

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