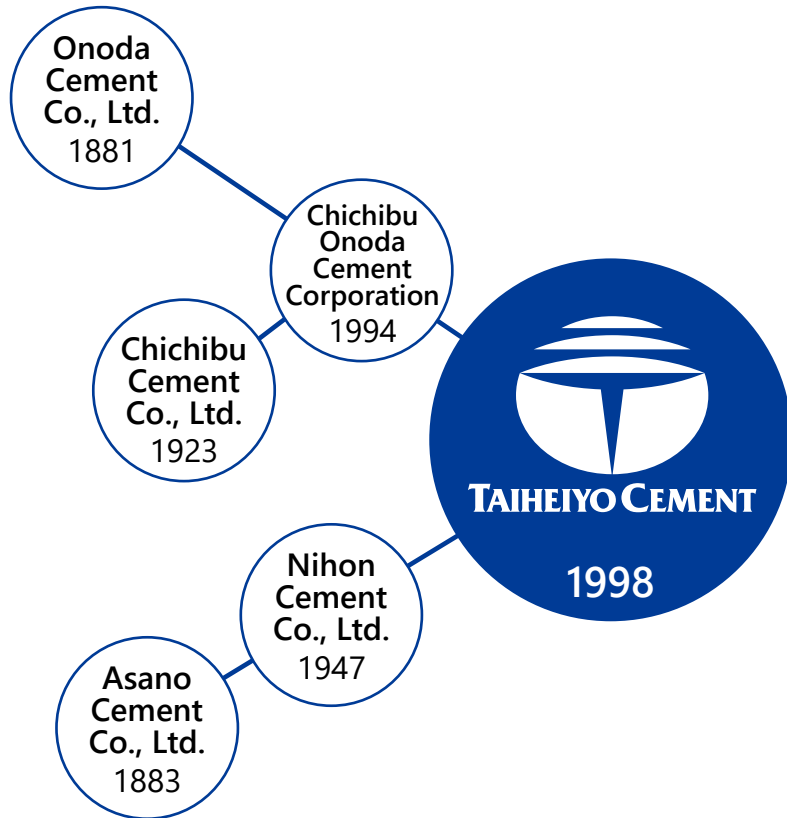




Reference Materials of Financial Results for the Three Months Ended June 30, 2024

August 8, 2024

TAIHEIYO CEMENT CORPORATION



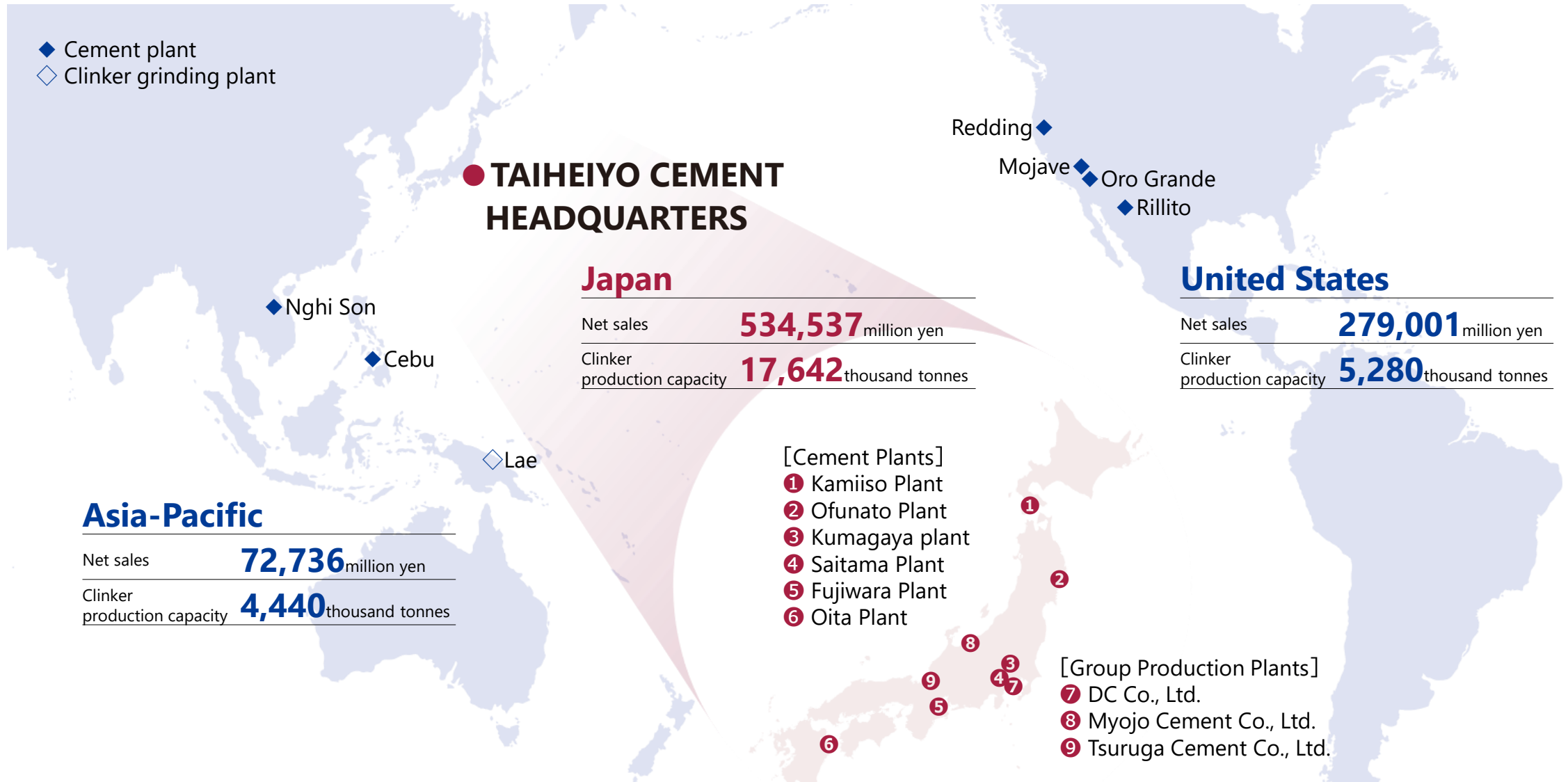
Mission of the Taiheiyto Cement Group

Our mission is to contribute to social infrastructure development by providing solutions that are environmentally efficient, enhance our competitive position and bring value to our stakeholders.

Established	May 3, 1881
Capital	86,174 million yen
Headquarters	BUNKYO GARDEN GATE TOWER, 1-1-1, Koishikawa, Bunkyo-ku, Tokyo 112-8503, Japan
Number of employees	Consolidated: 12,540 Non-consolidated: 1,821 (not including seconded staff)
Subsidiaries	200 (including 129 consolidated subsidiaries and 4 equity-method subsidiaries)
Affiliates	103 (including 38 equity-method affiliates)

(as of March 31, 2024)

Market Area



(as of March 31, 2024)

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1. Highlights of Consolidated Financial Results

1. Highlights of Consolidated Financial Results

《Summary of Financial Results》

- Operating profit increased due to sales price hikes and cost improvement in domestic cement.
- Sales and profit increased due to sales price hikes at U.S. subsidiaries, etc.
- Company-wide sales and profit increased.

(Million yen)

	FY2024 1Q	FY2025 1Q	Change
Net sales	193,535	208,852	+15,318
Operating profit	1,863	11,048	+9,185
Ordinary profit	2,976	11,761	+8,785
Profit attributable to owners of parent	366	13,528	+13,163

※ Operating profit impact due to change in depreciation method (declining-balance method → straight-line method):1,270 million yen

(Amounts less than 1 million yen have been rounded to the nearest million yen from the first quarter of the current fiscal year, including figures for previous fiscal years.)

1. Highlights of Consolidated Financial Results

《Main Indicators》

	FY2024 1Q	FY2025 1Q	Change
Operating profit to net sales ratio (%)	1.0	5.3	+4.3
Basic earnings per share (Yen)	3.1	117.0	+113.9

	As of Mar. 31, 2024	As of Jun. 30, 2024	Change
Net assets per share (Yen)	4,872.9	5,134.4	+261.5
Capital adequacy ratio (%)	42.1	43.2	+1.1
Net debt/equity ratio (Times)	0.52	0.49	(0.02)

《Environmental Factors》

	FY2024 1Q	FY2025 1Q	Change
Average exchange rate (Yen/US\$)	132.4	148.6	+16.1
Average procurement price of imported coal, etc. for domestic (C&F \$/t)	235	155	(80)

2. Financial Results for the Fiscal 2025 1Q

2. Financial Results for the Fiscal 2025 1Q

(1) Consolidated Segment Information

(Million yen)

		Net sales			Operating profit		
		FY2024 1Q	FY2025 1Q	Change	FY2024 1Q	FY2025 1Q	Change
Cement Business	Domestic	69,344	73,306	+3,962	(4,721)	1,597	+6,317
	Overseas Subsidiaries, etc.	66,178	77,351	+11,173	2,231	5,388	+3,157
	Total	135,522	150,657	+15,135	(2,490)	6,985	+9,474
Mineral Resources Business		21,606	22,002	+396	1,994	2,419	+426
Environmental Business		15,225	15,733	+507	1,207	1,328	+121
Construction Materials Business		16,139	15,616	(523)	567	185	(382)
Other		20,145	19,302	(842)	735	758	+23
Total		208,636	223,309	+14,672	2,013	11,675	+9,662
Elimination		(15,102)	(14,457)	+645	(150)	(627)	(477)
Consolidated Total		193,535	208,852	+15,318	1,863	11,048	+9,185

※ Operating profit impact due to change in depreciation method (declining-balance method → straight-line method)

Domestic Cement: 782 million yen, Mineral Resources: 169 million yen, Environmental: 38 million yen, Construction Materials: 67 million yen, Other: 233 million yen

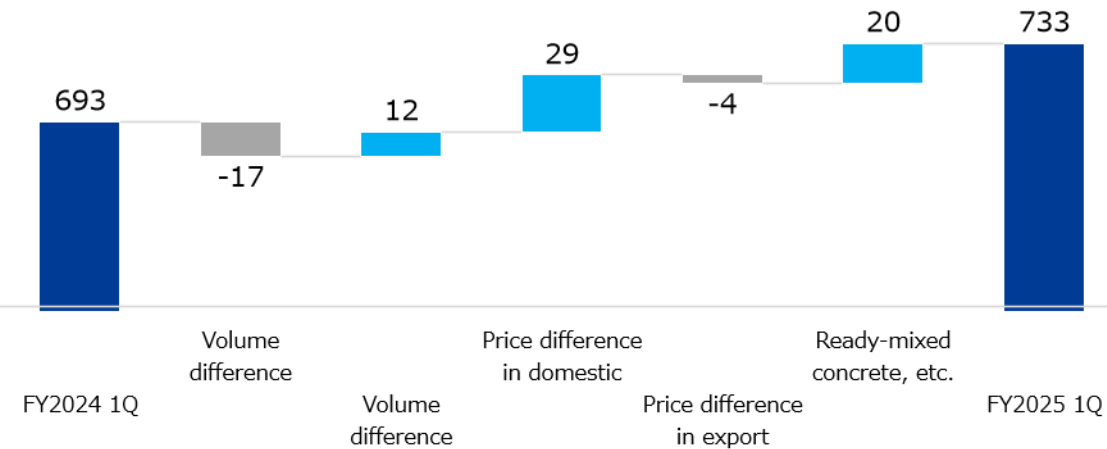
2. Financial Results for the Fiscal 2025 1Q

① The Domestic Cement Business

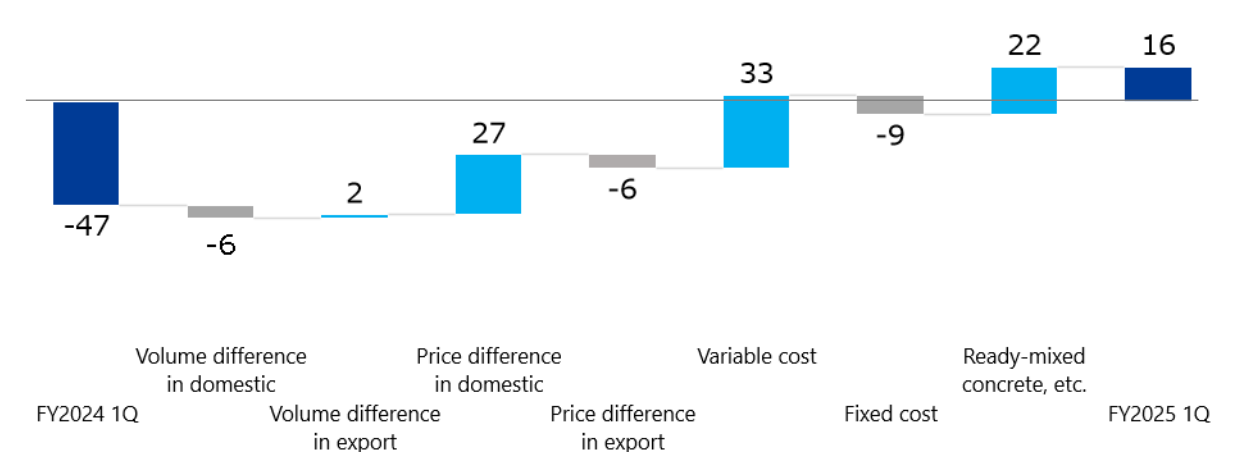
	FY2024 1Q	FY2025 1Q	Change
Sales volume (Thousand t)			
Domestic	3,198	3,063	(134)
Export	610	779	+169
Net sales (Million yen)	69,344	73,306	+3,962
Operating profit (Million yen)	(4,721)	1,597	+6,317

- Decrease in sales volume of cement and soil stabilizers due to decrease in domestic demand.
- Operating profits increased due to sales price hikes of cement and soil stabilizers, and cost improvement.

Net Sales (Hundred million yen)



Operating Profit (Hundred million yen)



2. Financial Results for the Fiscal 2025 1Q

②Overseas Subsidiaries, etc.

	FY2024 1Q	FY2025 1Q	Change
			in exchange
Net sales (Million yen)	66,178	77,351	+11,173
			+8,170
Operating profit (Million yen)	2,231	5,388	+3,157
			+629

- Sales and profit increased at Overseas Subsidiaries, etc.
- Sales and profit increased in the U.S.
- Continue efforts to improve profitability in Southeast Asia.

《U.S.A.》

	FY2024 1Q	FY2025 1Q	Change
Cement (Thousand t)	1,399	1,357	(42)
Ready-mixed concrete (Thousand cy)	1,274	1,367	+93
Net sales (Hundred million yen)	541	662	+121
(Million \$)	408	445	+37
Operating profit (Hundred million yen)	37	63	+26
(Million \$)	28	42	+15

- Sales and profit increased due to sales price hikes ,etc. ,despite the same impact of bad weather as last year.

2. Financial Results for the Fiscal 2025 1Q

③ Mineral Resources, Environmental, Construction Materials and Other Business

(Million yen)

		FY2024 1Q	FY2025 1Q	Change	Main Factors of Changes in Net Sales and Operating Profit(Net Change)
Mineral Resources Business	Net sales	21,606	22,002	+396	While sales volume of aggregate and limestone for cement decreased, various cost increases were passed on to sales prices.
	Operating profit	1,994	2,419	+426	
Environmental Business	Net sales	15,225	15,733	+507	Although processing of waste plastics and sales of gypsum were sluggish, processing of coal ash remained strong.
	Operating profit	1,207	1,328	+121	
Construction Materials Business	Net sales	16,139	15,616	(523)	Sales of construction, civil engineering materials, and Shield tunnels construction related business remained strong, but sales of ground improvement projects and ALC (Autoclaved Lightweight Concrete) remained weak.
	Operating profit	567	185	(382)	
Other	Net sales	20,145	19,302	(842)	
	Operating profit	735	758	+23	

2. Financial Results for the Fiscal 2025 1Q

(2) Consolidated Statements of Income

(Million yen)

	FY2024 1Q	FY2025 1Q	Change
Net sales	193,535	208,852	+15,318
Operating profit	1,863	11,048	+9,185
Non-operating income and expenses	1,114	713	(400)
Ordinary profit	2,976	11,761	+8,785
Extraordinary income and losses	(708)	5,940	+6,648
Profit before income taxes	2,268	17,701	+15,433
Income taxes	1,710	3,964	+2,254
Profit attributable to non-controlling interests	193	208	+16
Profit attributable to owners of parent	366	13,528	+13,163

2. Financial Results for the Fiscal 2025 1Q

(3) Consolidated Balance Sheets

(Million yen)

		As of Mar. 31, 2024	As of Jun. 30, 2024	Change			As of Mar. 31, 2024	As of Jun. 30, 2024	Change	
Current assets	Cash and deposits	80,102	86,564	+6,462	Liabilities	Current liabilities	368,104	373,147	+5,044	
	Notes and accounts receivable - trade, and contract assets	206,584	204,550	(2,035)		Non-current liabilities	373,763	373,092	(671)	
	Inventories	123,178	132,386	+9,208		Total liabilities	741,866	746,240	+4,373	
	Other	20,425	21,282	+857	Net assets	Shareholders' equity	Share capital	86,174	86,174	—
Total current assets	430,289	444,781	+14,492	Capital surplus			50,052	50,078	+27	
Non-current assets	Total property, plant and equipment	653,910	672,737	+18,826			Retained earnings	379,126	377,967	(1,159)
	Total intangible assets	39,084	39,756	+672			Treasury shares	(17,942)	(7,164)	+10,778
	Total investments and other assets	214,968	216,552	+1,584		Total shareholders' equity	497,409	507,055	+9,646	
Total non-current assets	907,962	929,044	+21,082	Accumulated other comprehensive income		65,802	86,366	+20,564		
Total assets	1,338,251	1,373,826	+35,575	Non-controlling interests	33,174	34,165	+991			
					Total net assets	596,385	627,586	+31,201		
					Total liabilities and net assets	1,338,251	1,373,826	+35,575		

	As of Dec. 31, 2023	As of Mar. 31, 2024	Change
Exchange rate at end of period (Yen/US\$)	141.8	151.4	+9.6

	As of Mar. 31, 2024	As of Jun. 30, 2024	Change
Interest-bearing debt (Million yen)	370,469	378,127	+7,657

3. Forecast for the Fiscal 2025

(Unchanged from published forecast on May 14, 2024)

3. Forecast for the Fiscal 2025

(Unchanged from published forecast on May 14, 2024)

(1) Consolidated Statements of Income

(Hundred million yen)

	FY2024(Actual)	FY2025(Forcast)	Change
Net sales	8,863	9,600	+737
Operating profit	565	840	+275
Non-operating income and expenses	30	(5)	(35)
Ordinary profit	595	835	+240
Extraordinary income and losses	(14)	(5)	+9
Profit before income taxes	580	830	+250
Income taxes	144	190	+46
Profit attributable to non-controlling interests	4	20	+16
Profit attributable to owners of parent	433	620	+187

(Expected exchange rate 145.0yen/ \$)

※ Decrease in depreciation expenses due to change in depreciation method (declining-balance method → straight-line method):79 hundred million yen

3. Forecast for the Fiscal 2025

(Unchanged from published forecast on May 14, 2024)

(2) Consolidated Segment Information

(Hundred million yen)

		Net sales			Operating profit		
		FY2024 (Actual)	FY2025 (Forecast)	Change	FY2024 (Actual)	FY2025 (Forecast)	Change
Cement Business	Domestic	2,952	3,140	+188	(14)	150	+164
	Overseas Subsidiaries, etc.	3,347	3,660	+313	342	425	+83
	Total	6,299	6,800	+501	328	575	+247
Mineral Resources Business		877	960	+83	85	100	+15
Environmental Business		683	750	+67	61	61	(0)
Construction Materials Business		735	810	+75	42	50	+8
Other		894	950	+56	47	55	+8
Total		9,487	10,270	+783	563	841	+278
Elimination		(624)	(670)	(46)	2	(1)	(3)
Consolidated Total		8,863	9,600	+737	565	840	+275

※Decrease in depreciation expenses due to change in depreciation method (declining-balance method → straight-line method)
Domestic Cement: 50 hundred million yen, Mineral Resources: 12 hundred million yen, Environmental: 3 hundred million yen,
Construction Materials: 4 hundred million yen, Other: 10 hundred million yen

4. Shareholder Returns

4. Shareholder Returns

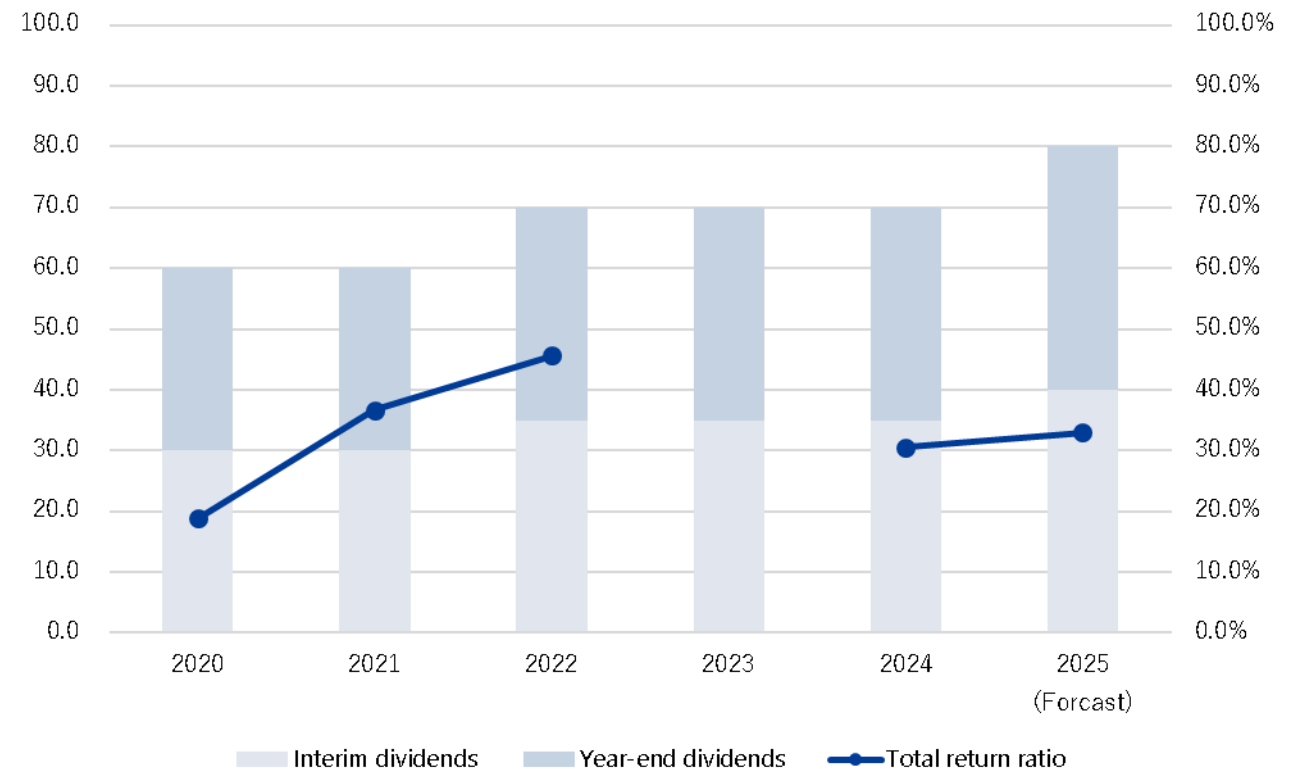
- In fiscal 2023, 70 yen/share (including interim dividends of 35 yen/share) were paid.
- In fiscal 2024, we plan to increase by 10 yen to 80 yen/share (including interim dividends of 40 yen/share) .

《Shareholder Return Policy》

Total return ratio: 33% or more

**Maintaining steady dividends
:Dividend per share of 80 yen or more**

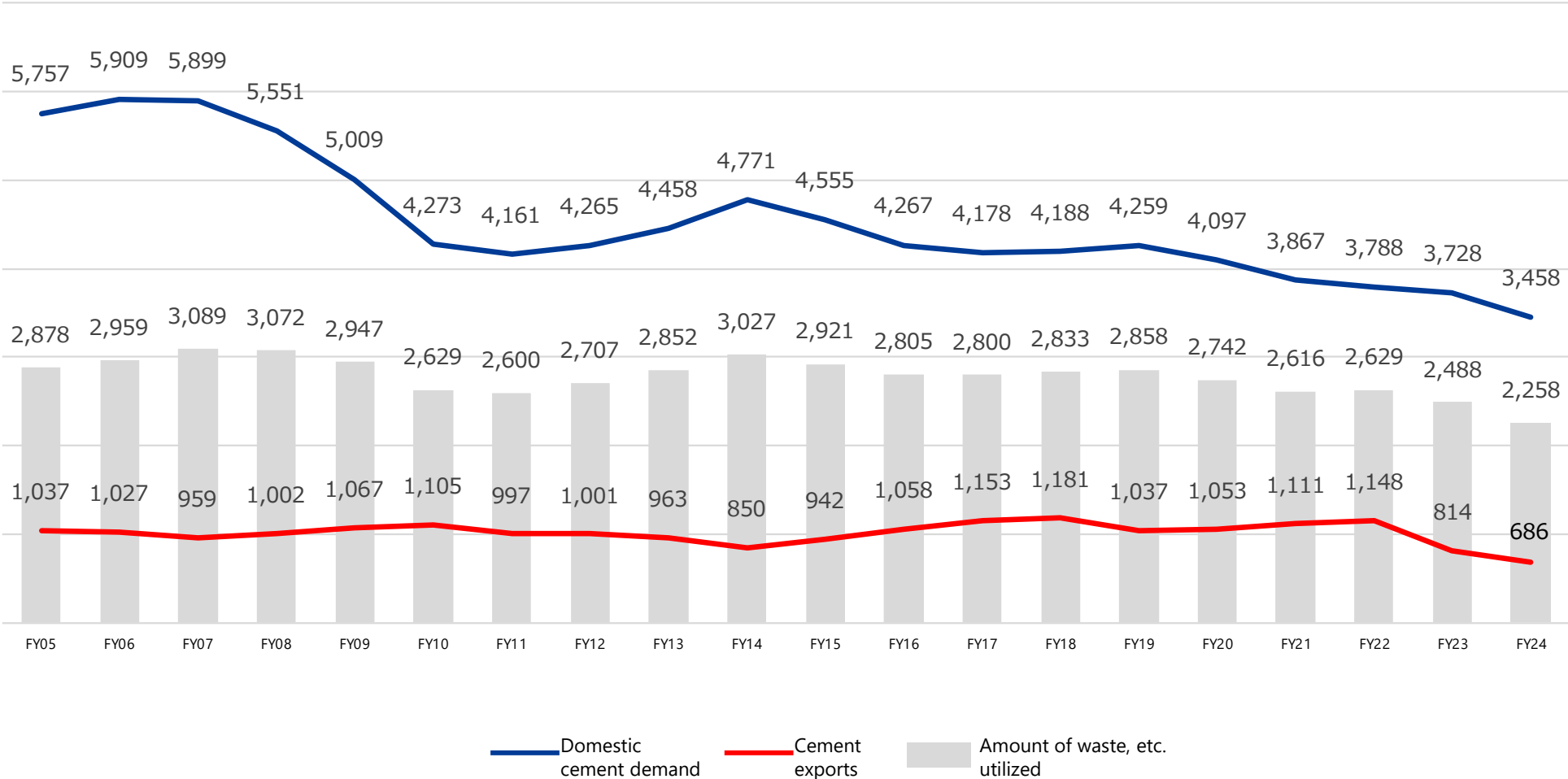
Agile acquisition of treasury shares



Appendix

《Appendix》 Domestic cement demand • Cement exports • Amount of waste, etc. utilized

Domestic cement demand • Cement exports • Amount of waste, etc. utilized (Ten thousand t)



Data created from statistical data of the Japan Cement Association

2. Financial Results for the Fiscal 2025 1Q Consolidated Statements of Cash Flows

This document has been prepared as reference information.

(Million yen)

	FY2024 1Q	FY2025 1Q	Change
Cash flows from operating activities*	13,085	19,120	+6,034
Cash flows from investing activities	(10,155)	(15,958)	(5,803)
Free cash flows	2,930	3,162	+231
Cash flows from financing activities	(4,126)	121	+4,247
*Depreciation and amortization included	15,907	14,392	(1,514)

(1) Consolidated Statements of Income

(Hundred million yen)

	FY2024 2Q (Actual)	FY2025 2Q (Forecast)	Change
Net sales	4,186	4,640	+454
Operating profit	178	345	+167
Ordinary profit	201	345	+144
Profit attributable to owners of parent	136	265	+129

※ Decrease in depreciation expenses due to change in depreciation method (declining-balance method → straight-line method): 33 hundred million yen

Forecast for the Fiscal 2025 2Q

(Unchanged from published forecast on May 14, 2024)

(2) Consolidated Segment Information

(Hundred million yen)

		Net sales			Operating profit		
		FY2024 2Q (Actual)	FY2025 2Q (Forecast)	Change	FY2024 2Q (Actual)	FY2025 2Q (Forecast)	Change
Cement Business	Domestic	1,442	1,570	+128	(61)	42	+103
	Overseas Subsidiaries, etc.	1,542	1,770	+228	139	200	+61
	Total	2,984	3,340	+356	79	242	+163
Mineral Resources Business		429	470	+41	41	46	+5
Environmental Business		325	360	+35	30	28	(2)
Construction Materials Business		342	370	+28	19	16	(3)
Other		403	430	+27	9	13	+4
Total		4,483	4,970	+487	178	345	+167
Elimination		(298)	(330)	(32)	(1)	(0)	+1
Consolidated Total		4,186	4,640	+454	178	345	+167

※ Decrease in depreciation expenses due to change in depreciation method (declining-balance method → straight-line method)
 Domestic Cement: 21 hundred million yen, Mineral Resources: 4 hundred million yen, Environmental: 1 hundred million yen,
 Construction Materials: 2 hundred million yen, Other: 5 hundred million yen

Key Player in the Formation of a Circular Economy

The Taiheiyō Cement Group will continue to fulfill its role as a supplier of critical materials for national resilience and as a key player in the formation of a circular economy, while progressing with the steady transition to carbon neutrality.

Utilization of waste and by-products

- Coal ash
- Various industrial waste
- Construction soil
- Incineration residues
- Household water and sewage sludge etc.
- Blast furnace slag
- Municipal waste

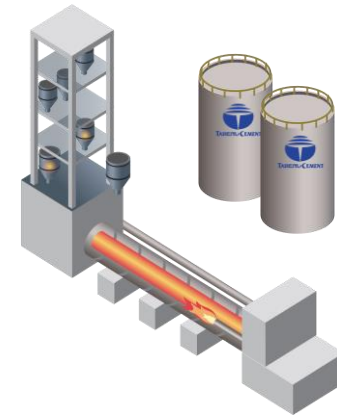
Key player in the formation of a circular economy

Uses in the development of social infrastructure and the living environment

- Roads
- Ports and harbors
- Bridges
- Schools
- Commercial buildings
- Levees
- Underground facilities and more
- Railways
- Tunnels
- Hospitals
- Dams
- Housing

Currently, the amount of waste and by-products used in the cement industry in Japan is equivalent to about 10% of the total amount of materials recycled in Japan.

Our group uses waste and by-products generated in local communities and other industries as raw materials and fuel to produce cement with a recycling rate of over 40%.



Supply critical materials for national resilience

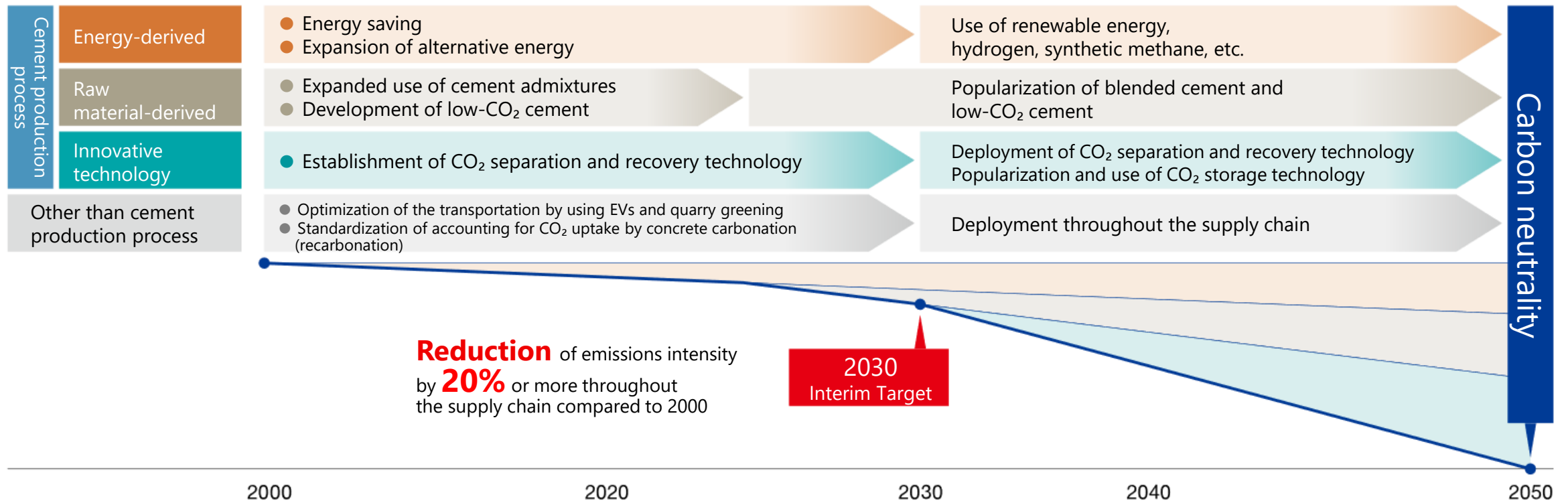
Carbon Neutrality Transition Plan

CO₂ emissions from cement manufacturing process are 60% raw material-derived and 40% energy-derived.

By 2030,

- Completion of maximized use of existing technologies to reduce CO₂ emissions derived from energy and raw materials
- Completion of technological development of innovative technologies (CO₂ capture and CO₂ utilization)

Toward 2050, we will sequentially deploy innovative technologies to deliver carbon neutrality throughout the entire supply chain.



External Evaluation

FTSE Blossom Japan Sector Relative Index



FTSE Blossom
Japan Sector
Relative Index

Morningstar Japan ex-REIT Gender Diversity Tilt Index (GenDi J)



Japan ex-REIT Gender Diversity
Tilt Index

MSCI Japan ESG Select Leaders Index



MSCI Japan ESG
Select Leaders Index

S&P/JPX Carbon Efficient Index



S&P/JPX
カーボン
エフィシエント
指数

CDP

[Selected as the "Supplier Engagement Leader"]
[Scored A for climate change, B for water]



JCR

[Consecutive A rating since 2020]



株式会社 日本格付研究所
Japan Credit Rating Agency, Ltd.

R&I

[Consecutive A- rating since 2018]



Platinum "Kurumin" certification

[Acquired in August 2023]



Health & Productivity Management Outstanding Organization

[Acquired in 2023]



Human Capital Management Quality 2023

[Silver]



DBJ Environmental Rating

[The Highest Rating for the eight consecutive year]



List of major News Releases

Apr.3.2024	Commencement of Demonstration Runs of C2SP Kiln® for CO2-capture Technology in the Cement Production Process
May.9.2024	Price revision of cement and cement-based soil stabilizers
May.14.2024	Taiheiyo Cement Announces "26 Medium-Term Management Plan"
May.14.2024	Notice Regarding Cancellation of Treasury Stock
Jun.19.2024	Notice of Termination of TOSA POWER Inc.
Jun.20.2024	Expansion of silos at the Stockton Terminal by CalPortland Company, U.S.A.
Jun.28.2024	CalPortland Company has entered into a patent license agreement with Solidia Technologies, Inc.
Jul.24.2024	Taiheiyo Cement Philippines, Inc. hosts inauguration ceremony for its new production line
Jul.24.2024	Development of Manufacturing Technology for Calcium Carbonate Concrete Blocks Made from Waste Concrete and CO2
Jul.30.2024	Applying concrete sludge to "CARBOCATCH®" technology, and verifying to build a low carbon pavement
Jul.31.2024	The 2024 Noto Peninsula Earthquake Now Receiving Disaster Waste (Wood Waste) for recycling
Aug.6.2024	Low-carbon Building Blocks (Splitton Blocks) Made of CARBOFIX® Cement Applied to Public Works for the First Time

Disclaimer

This document is a translation of the original Japanese version and provided for reference purposes only. In the event of any discrepancy between the Japanese original and this English translation, the Japanese original shall prevail.

Forecasts and other forward-looking statements in this document are based on information available to Taiheiyo Cement as of the date of the release of this document and on certain assumptions Taiheiyo Cement deems reasonable, and therefore are subject to risks and uncertainties.

As such, Taiheiyo Cement does not offer any promise or guarantee that forecasts included in this document will be realized in the future. Actual results may differ significantly due to a variety of factors.



TAIHEIYO CEMENT