Financial Results Presentation Materials

March 2027 Quarter 2

1. Revisions to Earnings Forecasts
2. About SANEI
3. Financial Highlights
4. Initiatives Going Forward
5. Shareholder Returns
6. Topics
7. Corporate Information

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SANEI

Securities Code: 6230

(Tokyo Stock Exchange, Standard Market)

SANEI

Downward revision to consolidated earnings forecasts

Reasons for the Revision

- Sales of high-value-added products increased, including the new “IENI” series and touchless faucets. However, weak demand due to the housing market downturn is expected to keep sales slightly below the previous forecast.
- Higher raw material prices continue to weigh on profit including copper prices. We expect the effects of price revisions to spread in the second half.

Shareholder Dividends

We have adopted a progressive dividend policy. For FY2027.3, the annual dividend forecast remains unchanged at 75 yen per share.

(Million yen)

	Previous Forecast	Revised Forecast	Change	Change (%)	Q2 Actual	YoY (%)	Progress (%)
Sales	30,800	29,500	-1,300	-4.2%	14,441	2.9%	48.9%
Operating profit	2,000	1,100	-900	-45.0%	333	-50.1%	30.2%
Ordinary profit	1,950	1,000	-950	-48.7%	283	-59.2%	28.3%
Net income attributable to owners of the parent	1,280	650	-630	-49.2%	175	-60.3%	26.9%

From a “Point” to a “Line” and a “Plane”
A Comprehensive Manufacturer of Plumbing Products

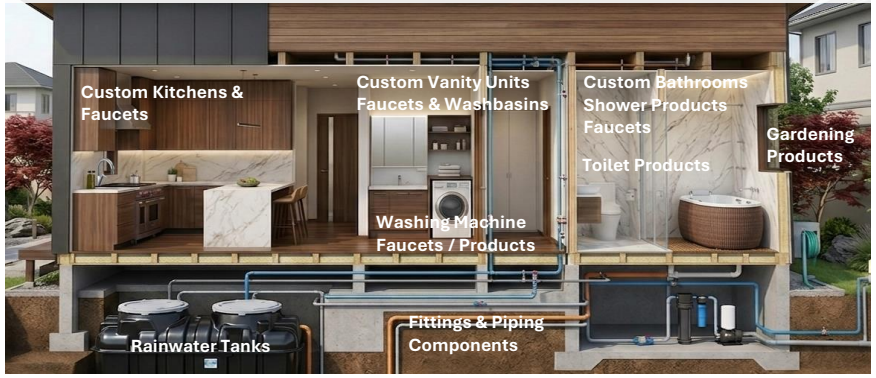
Point 1954–1980
Starting with Faucets
Manufacturing faucets,
the "point of contact in daily life"

Line 1980–2018
Comprehensive water supply and drainage
Providing everything from faucets to plumbing

Plane 2018–
Spaces and Lifestyles
Proposals for spaces with five brands

Product portfolio

A product lineup supporting every “point of contact with water” in the home. We cover the entire water-related space, from kitchens, bathrooms, washrooms, and toilets to outdoor applications.



Sales Channels

SANEI

- **Pipework Equipment**
  Design Firms, Property Owners, Power Builders Homebuilders, Wholesalers, Trading companies
- **Manufacturer**
  Housing Equipment Manufacturers
- **Retail**
  Home Improvement Stores, Electronics Retailers, Online Retailers
- **Overseas**
  Asian Markets, etc.

→ Housing Non-residential Overseas Markets

Brands

Faucet-focused Brand

VERSE
Time and Experience
The ultimate luxury

sanei
A Sense of Beauty and the Extraordinary
Collaborating with numerous designers

SANEI
Safety and Comfort
From water supply and drainage to faucets

Beyond Faucets

WATLEA
Custom Kitchen and Washbasin Brand
A comprehensive proposal for water-related spaces

FIUSSO
High-end Bath Brand
Ultimate Relaxation

Sales increased but profits declined year over year

Sales increased through expanded sales of high-value-added products.

Higher raw material prices weighed on first-half results.

Performance is expected to improve in the second half.

Sales	Operating profit	Net Income	PBR
14,441 million yen	333 million yen	175 million yen	0.6x
YoY: +2.9%	YoY: -50.1%	YoY: -60.3%	PER: 14.0x
YoY change: +414 million yen	YoY change: -334 million yen	YoY change: -265 million yen	ROE: 4.3%

- Sales of high-value-added products increased year over year, including the “IENI” series and touchless faucets.
- The housing market downturn and higher raw material prices continue to weigh on profit. Profitability is showing signs of improvement as price revisions take effect.
- As in previous years, performance is expected to improve in the second half. We will continue to strengthen profitability.

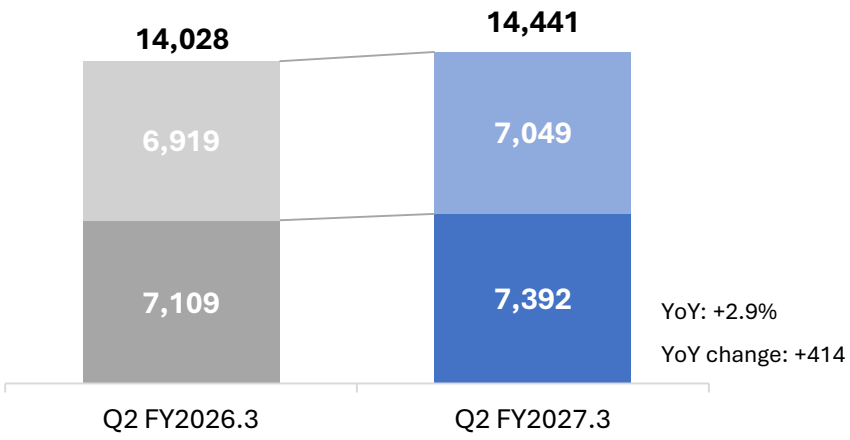
SANEI

Sales increased but profits declined year over year

1Q 2Q

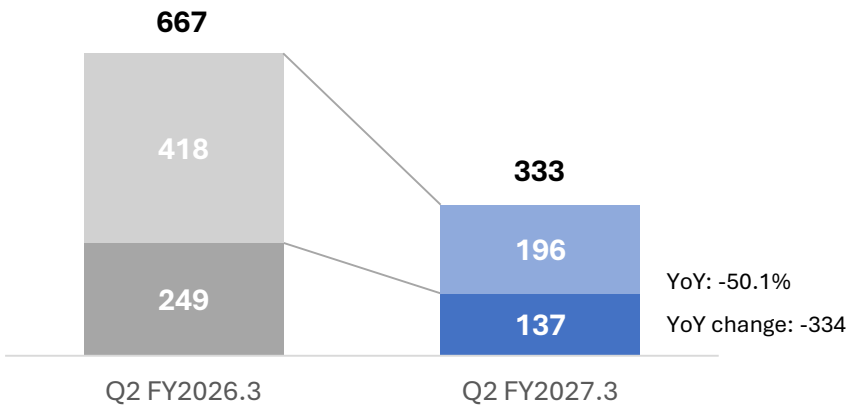
Sales (total)

Million yen



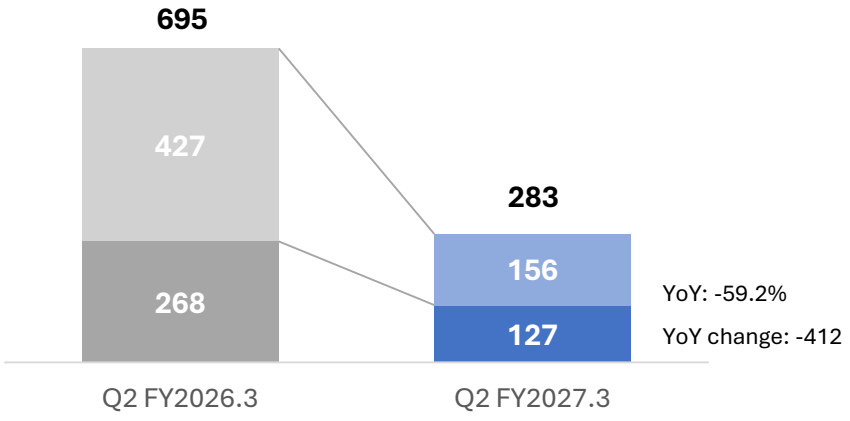
Operating profit (total)

Million yen



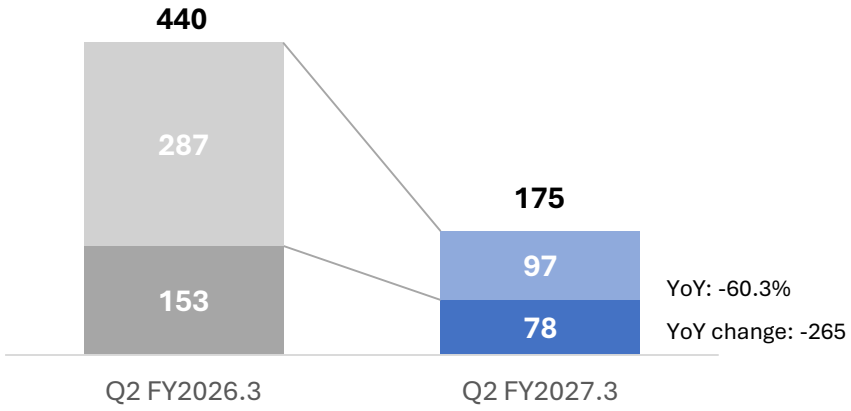
Accumulated ordinary profit (total)

Million yen



Net income attributable to owners of the parent (total)

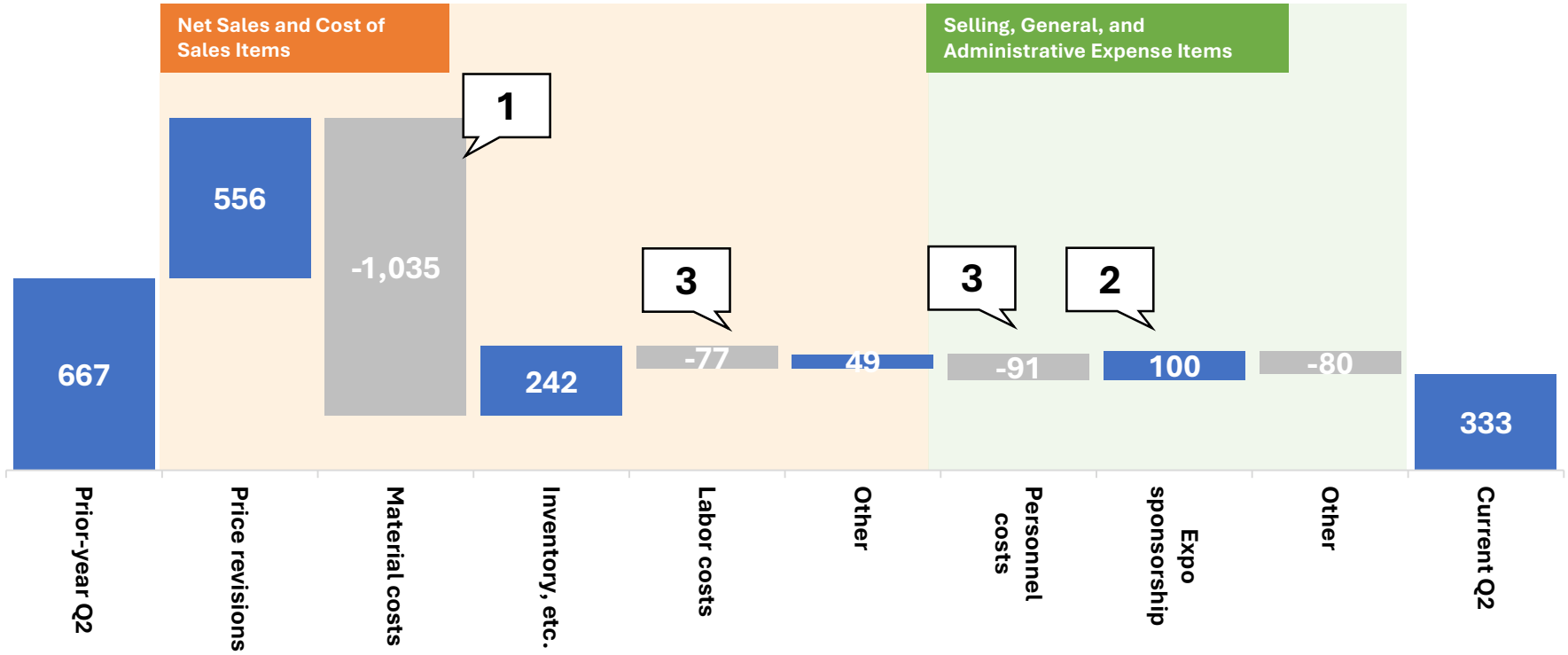
Million yen



Higher raw material costs outweighed price revisions, reducing operating profit by 334 million yen

Factors Affecting Changes in Operating Income

Million yen

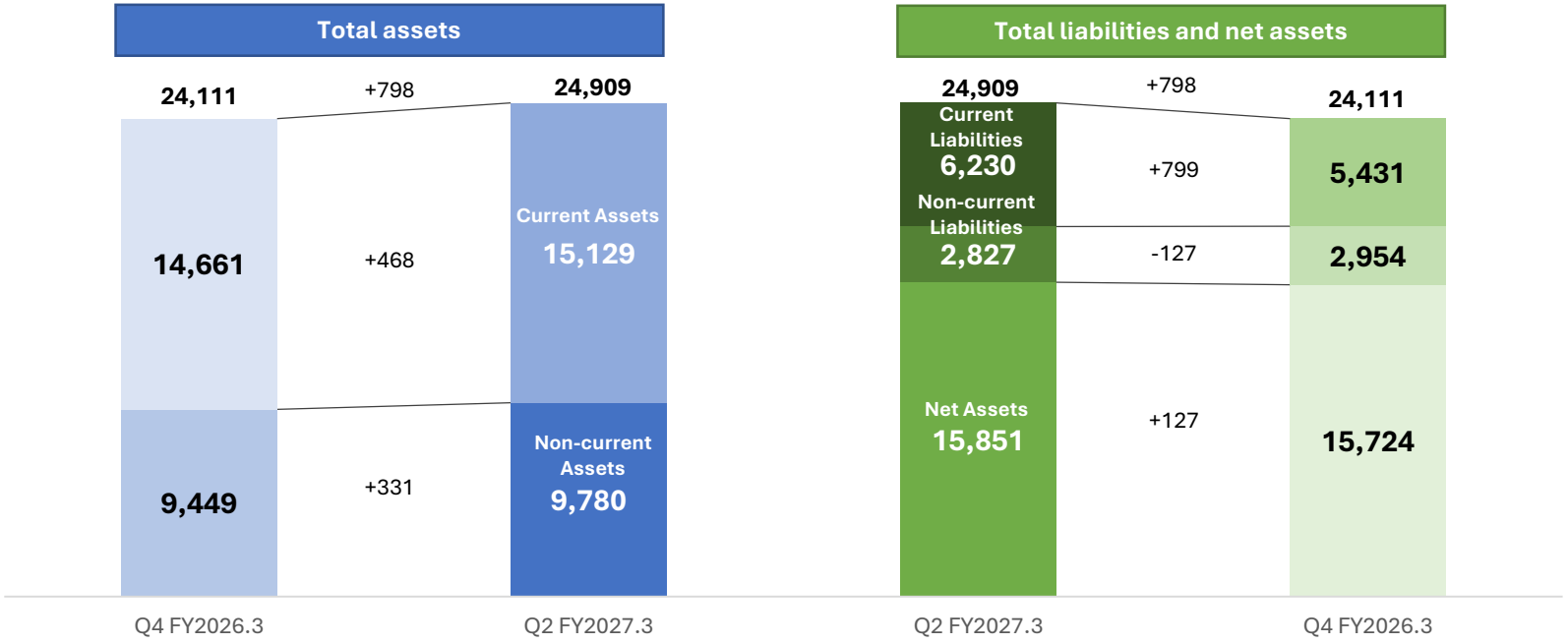


1. Higher prices for key materials such as brass and bronze reduced profit. Price revisions began in June, but had not fully offset higher material costs as of Q2. Their effects are expected to spread in the second half.
2. Expo sponsorship expenses were recorded as a one-time expense in the prior fiscal year. No expense of a similar scale arose this fiscal year.
3. Labor and personnel expenses increased following base-pay increases as part of our investment in human resources.

Inventories and accounts payable increased ahead of the busy season

Balance Sheets

Million yen



Major Changes

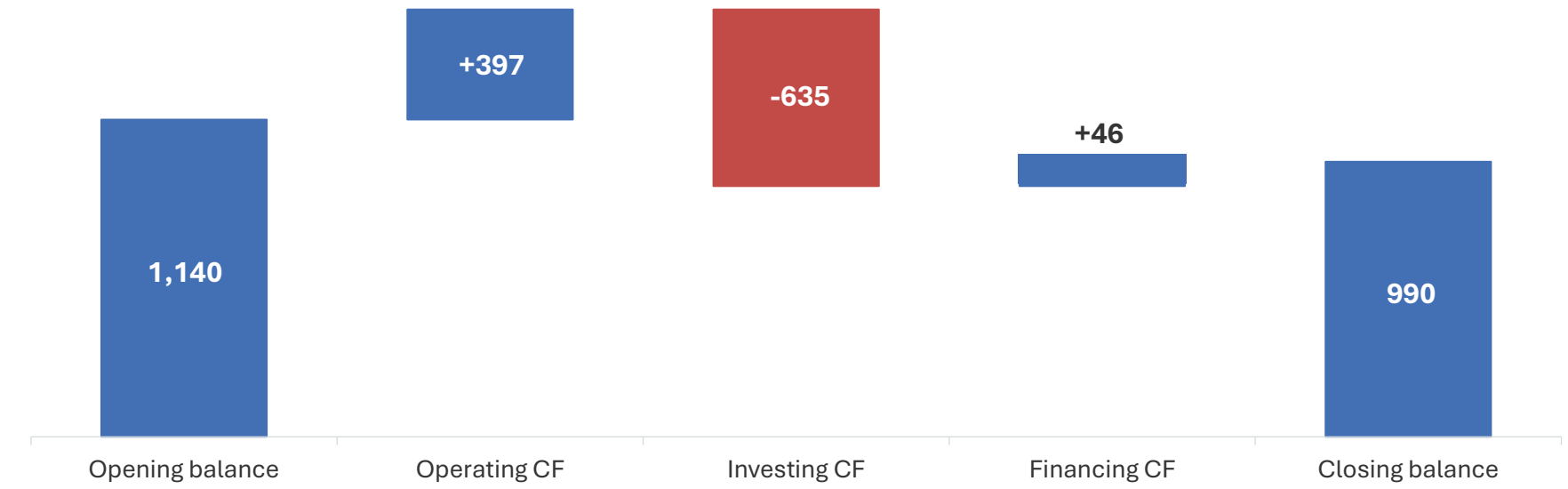
Current Assets	・Accounts receivable	-597
	・Merchandise and products	+858
	・Raw materials and supplies	+196
Non-current Assets	・Intangible fixed assets	+246
	・Investments and other assets	+177

Current Liabilities	・Accounts payable	+635
	・Short-term loans	+410
Non-current Liabilities	・Long-term loans	-158

Building inventory for the busy season and investing in manufacturing equipment and core systems

Interim Consolidated Cash Flows

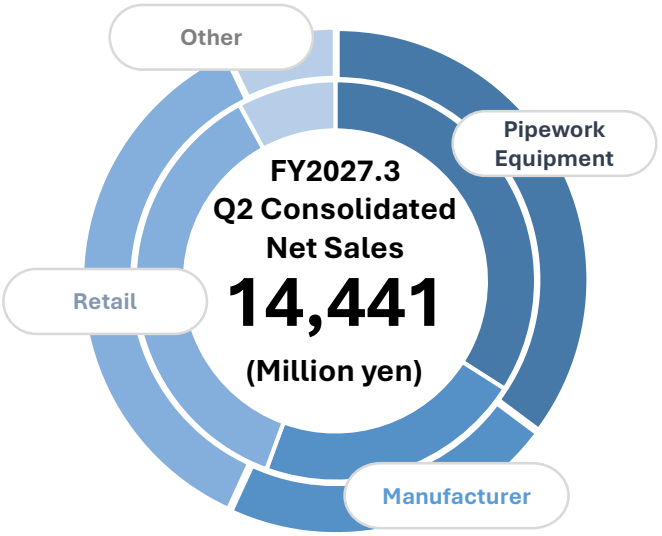
million yen



- Operating CF: Lower accounts receivable (+597) and higher accounts payable (+635) contributed to cash flow, while higher inventories (-1,120) reduced cash flow.
- Investing CF: Capital investment in manufacturing equipment and core systems included property, plant, and equipment (-267) as well as intangible assets (-273).
- Financing CF: Short-term borrowings increased (+410). Cash outflows included repayment of long-term borrowings (-192) and dividends (-169).

SANEI

Sales Channels and Strategic Products



Sales Composition by Sales Channel

(Outer: Current period / Inner: Prior period)

■ Strategic Products

Product Category	Sales (YoY)	Trend
Design Products	↗	sʌnei brand Increase in sales
High-performance Products	↗	Touchless faucets Increase in sales

■ Sales Channels

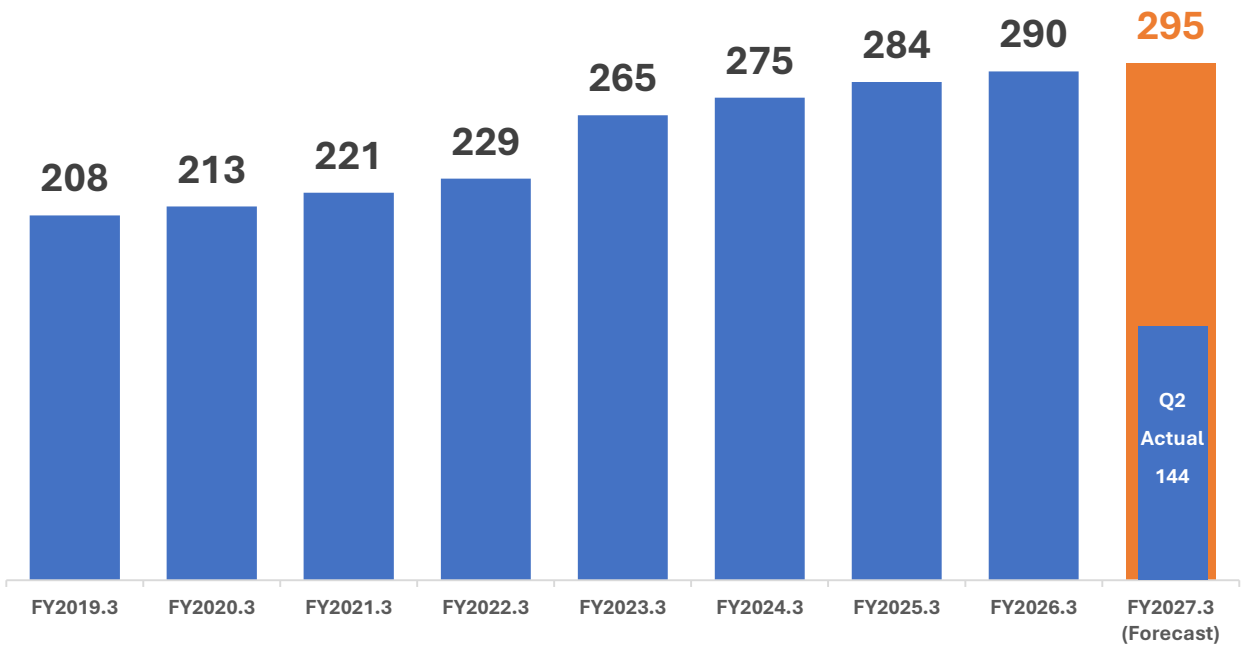
Channel	Sales (YoY)	Trend
Pipework Equipment Channel	→	Profitability is improving. Sales of high-value-added products remained steady, including design faucets.
Manufacturer Channel	↗	Sales remained steady. We will continue to strengthen sales of mid- to high-end products.
Retail Channel	→	Sales remained steady. Sales growth was driven by “IENI” mixer faucets, high-performance shower products, and Ultra Fine Bubble products.
Other (Channel for International/Related Businesses)	↘	Sales through overseas channels remained steady. Other related businesses remained slightly below the prior-year level.

SANEI

Steady upward trend for seven consecutive fiscal years

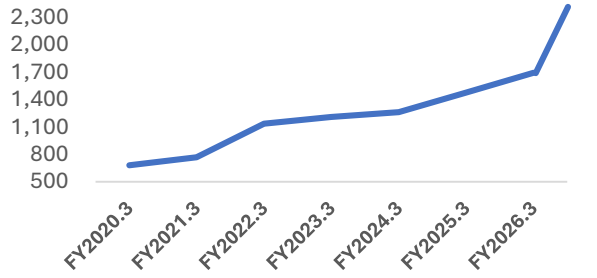
Sales Trends (Consolidated)

Billiom yen



Copper Benchmark Price

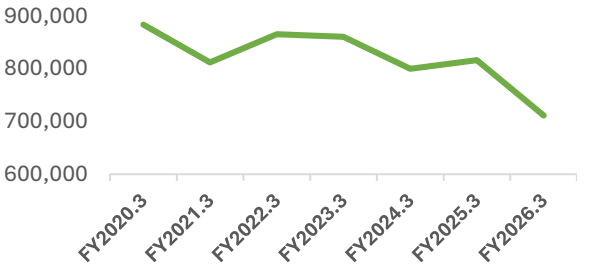
Yen / kg



Source: https://www.jx-nmm.com/cuprice/
Copper Benchmark Price | JX Advanced Metals

New Housing Starts

Units



Source: https://www.mlit.go.jp/report/press/joho04_hh_001350.html
Building Starts Statistics | e-Stat

Aiming for eight consecutive fiscal years of net sales growth despite declining housing starts and higher raw material prices

- Achieved seven consecutive fiscal years of net sales growth through steady price revisions, a diverse brand portfolio, and the use of multiple sales channels.
- In response to higher raw material prices, including copper prices, we implemented price revisions from June to improve profitability.
- In anticipation of declining housing starts, we are developing the non-residential market and expanding sales of high-value-added products and water-related solutions. We aim for eight consecutive fiscal years of net sales growth.

Enhancing shareholder value

Toward Achieving a PBR of 1.0x

PBR = PER × ROE. Through a two-pronged approach focused on improving both the PER and ROE, we aim to achieve a PBR of over 1.0x in the medium to long term.

PBR = PER × ROE

PBR : Price-to-Book Ratio (Share Price / Book Value per Share)
PER : Price-to-Earnings Ratio (Share Price / Earnings per Share)
ROE : Return on Equity (Net Income / Equity)

PBR (Price-to-Book Ratio)

0.6 x

(Actual for June 2026)

Market Valuation

PER (Price-to-Earnings Ratio) **14.0 x**
(As of October 26, 2026)

Improve PER

Brand value enhancement
- Strengthen brand awareness
- Increase adoption in landmark projects
- Participation in exhibitions

Growth strategy outreach
- New Products & Markets
- Overseas Expansion
- Sustainable Management
- Strengthening Sales to Non-Residential Customers

IR enhancement
- Proactive disclosure
- More dialogue
- Company understanding

Profitability & Capital Efficiency

ROE (Return on Equity) **4.3 %**
(As of October 26, 2026)

Improve ROE

High-value-added Products
- High-value-added Product Development and sales
- Design & functionality
- Spatial Solutions

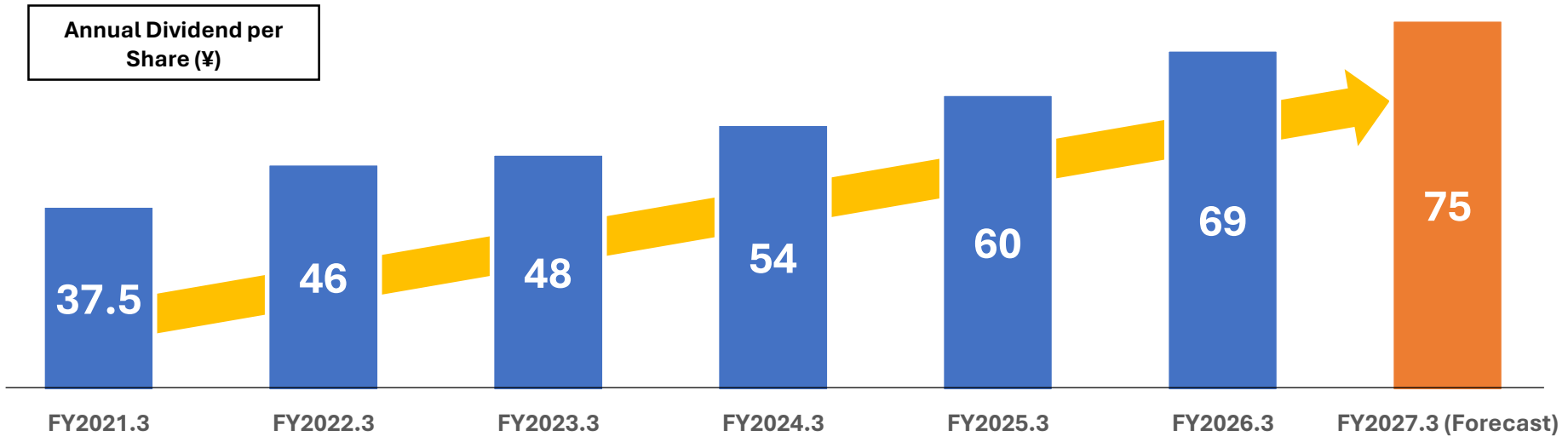
Strengthen Profitability
- Raw Material Cost Pass-through
- Improving productivity
- Cost optimization

Capital Efficiency
- Streamlining Logistics and Inventory
- Factory Automation
- Strengthening DX Initiatives

* Equity is based on the balance at the end of September.

Annual dividend per share

A progressive dividend policy has been adopted to provide stable shareholder returns.



For FY2027.3, the dividend forecast is 37 yen for the interim period and 38 yen for the year-end, for an annual total of ¥75.

We have adopted a progressive dividend policy and place importance on stable returns to shareholders. For the current fiscal year, we plan an annual dividend of 75 yen per share, with a dividend payout ratio of 26.8%. We will continue to provide sustainable shareholder returns while balancing returns with profit growth.

* A 2-for-1 stock split was conducted effective October 1, 2024. Share price and per-share figures have been converted based on the post-split basis.

Participation in the first OSAKA DESIGN WEEK 2026

Water-related designs featuring “VERSE,”“IENI,” and high-performance shower products





OSAKA DESIGN WEEK brings together architecture, interiors, products, crafts, food, and fashion, exploring design across fields that shape daily life.
SANEI exhibited the new “ellipse” series under the VERSE brand at WAILEA Midosuji. At Osaka Takashimaya, we showcased shower heads equipped with Ultra Fine Bubble technology and “IENI” mixer faucets. These water-related products introduced SANEI’s designs for everyday living.



Opening Ceremony

New “ellipse” series unveiled under the VERSE brand

During OSAKA DESIGN WEEK 2026, we unveiled the new “ellipse” series under the VERSE brand.



During OSAKA DESIGN WEEK, we unveiled the new “ellipse” series under the VERSE brand at WAILEA Midosuji.
We invited guests to a dialogue with Outside Directors Katsumi Taki and Yuko Nagayama and members of the development team. They shared the ideas behind “ellipse” and its appeal. As of the end of October, the products are on display at the WAILEA Midosuji showroom.

Supple streamlines
A way to support others
Breaking down the boundaries between people and daily life
Quietly blending in, stirring your sensibility

ellipse

https://www.verse.luxe/jp/ellipse/



WAILEA

https://www.wailea-club.com/

SANEI Brand Book Released

We have created a new brand book that conveys SANEI's philosophy and passion for craftsmanship.





Guided by the principle that “Water is essential as long as humanity exists,” SANEI has worked with water since its founding in 1954, creating products that complement daily life.

The brand book introduces our approach to branding and craftsmanship, our development of faucets and other water-related products, and the value we offer through design and technology.

It promotes understanding of SANEI’s corporate philosophy and business, and our efforts to enrich people’s lives through water.

Brand Book

https://www.sanei.ltd/wp/wp-content/themes/sanei2022/assets/img/ir/2026_brandbook.pdf

MIZUBA dialogue: “Things That Will Be Loved for a Long Time”

A dialogue on craftsmanship across fashion, architecture, and water-related spaces.



Tamae Hirokawa × Yuko Nagayama × Toshiaki Nishioka

We invited fashion designer Tamae Hirokawa to join Chairman Toshiaki Nishioka and Outside Director Yuko Nagayama for a dialogue on “Things That Will Be Loved for a Long Time.” Drawing on their work in fashion, architecture, and water-related spaces, they discussed craftsmanship that respects beauty, functionality, and users’ sensibilities, as well as design that retains its value across generations.

MIZUBA

https://mizuba.sanei.ltd/design/3542/

Exhibiting at JAPAN DIY HOMECENTER SHOW

We previewed new mixer faucets and shower heads, and proposed spaces featuring the “IENI” series.





We exhibited at the 62nd JAPAN DIY HOMECENTER SHOW 2026, held from August 27 to 29.
We previewed a concept model of the “mitos Re:me” skincare shower head series, equipped with Ultra Fine Bubble technology. Visitors showed interest in its comfortable shower experience and powerful scalp-beat water flow.
We also previewed a new “IENI” faucet model, based on the concept of “Comfort and simplicity for your home.” Displays inside sinks and on walls allowed visitors to experience the products and the lifestyle possible with “IENI.”

Exhibiting at the Plumbing Equipment & Materials Exhibition

We proposed warm, hotel-like water-related spaces.





We exhibited at the 58th Plumbing Equipment & Materials Comprehensive Exhibition at the Tokyo Metropolitan Industrial Trade Center Hamamatsucho Hall.
With a theme of warm, hotel-like spaces that integrate water-related areas, we showcased the design faucet brand “sʌnei” and “AQUAM,” which produces water from air.
By coordinating faucets and washbasins with the surrounding space, we introduced SANEI’s vision for water-related living.

History

Starting as a “Point”

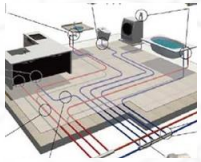
1954-1980



Water is essential for human life, and modern daily life would not be possible without running water. Based on the idea that faucets are a "point of contact" and "essential" to life, San-Ei Faucet Manufacturing Co., Ltd. (now SANEI LTD.) has been actively engaged in product development from its establishment

From a “Point” to a “Line”

1980-2018



In the 1980s, we established a system that could produce not only faucets but also parts for the entire water supply and drainage environment within a building. Even though it may not be visible from the outside, each component is used in its specific place to support the irreplaceable flow of water in our daily lives.

From a “Line” to a “Plane”

2018-



Since the early 2000s, we have expanded the scope of our proposals to include surfaces. Our designs for faucets, spaces, and lifestyles have received high acclaim. We are also actively advancing initiatives to fulfill our responsibilities in realizing a sustainable society.



1954

Founded by three young men in their 20s, Akira Nishioka, Hiroji Yoshikawa, and Kenichi Hashimoto, the company was named "SANEI."



1967

Japan's first hot and cold water mixer with a shower. It was a hit product ahead of its time as indoor baths became more common in households across the country.



1980

We offer total solutions, from faucets to piping. With a wide range of products and a nationwide sales network, we have grown into a comprehensive manufacturer of plumbing products.



2018

The company name was changed to SANEI Co., LTD. The new company name, with a broader scope than just faucets, is also consistent with the name used overseas.



2020

Listed on the Tokyo Stock Exchange Second Section In December 2020, we were listed on the TSE Second Section (now the Standard Market).



2024

“soroe” wins “reddot's Best of the Best” and the iF Design Award.





2024-2025

Completed the new First Plant and Second Plant.
We will continue to pursue further productivity improvements.



2025

“Grazioso” awarded the reddot “best of the best” and the iF Design Award. “grooglo” was also awarded the iF Design Award.

SANEI

Product portfolio

A product lineup supporting every “point of contact with water” in the home. We cover the entire water-related space, from kitchens, bathrooms, washrooms, and toilets to outdoor applications.



* Images shown are AI-generated illustrations and do not represent actual products or buildings.

Multi-brand strategy

“Life with Water” Supported by Five Brands

Our five unique brands work together to create comprehensive proposals spanning from faucets to entire spaces, supporting sustainable growth.

Faucet-focused Brand

VERSE

Time and Experience

The finest luxury with carefully selected sophistication. Lifetime warranty services are also offered.



sanei

A Sense of Beauty and the Extraordinary

Design collections tailored to diverse lifestyles, created in collaboration with numerous designers.



SANEI

Safety and Comfort

Simple choices that support comfortable everyday life. A broad lineup spanning water supply, drainage, and faucets.



Beyond Faucets

WATLEA

Custom Kitchen and Washbasin Brand

A bespoke interior brand offering comprehensive proposals for luxurious water-related spaces.



FIUSSO

High-end Bath Brand

A bath brand that pursues ultimate relaxation, viewing the bathroom as a microcosm.



Sales channels and future outlook

SANEI

Sales Channels

Pipework Equipment Channel

- **Design Firms / Property Owners**
  Proposing high-performance, high-value-added products
- **Power Builders / Homebuilders / Local Contractors**
  Proposing comprehensive water-space proposals
- **Wholesalers / Trading Companies**
  Expand sales of new products, including Ultra Fine Bubble products

Manufacturer Channel

- **Housing Equipment Manufacturers**

Strengthen sales of mid- to high-end products
Secure standard-specification adoption and propose water-related spaces through collaboration
Strengthen new sales to non-residential markets

Retail Channel

- **Home Improvement Stores**
  Expand professional-use products and improve displays
- **Electronics Retailers / General Merchandise Stores, etc.**
  New channels for water-related and renovation products
- **Online Retailers**
  Proposing health, beauty and personal care products

Overseas Channel

- **Asian Markets**
  Launch mid- to high-end products in China, Taiwan, Indonesia, and other Asian markets
- **Other Markets**
  Strengthen local partnerships and expand sales in North America

Housing
Non-residential
Overseas Markets

Foresting well-being among people, water, and life

SANEI
SUSTAINABILITY

People, water, and life.

To sustain a better future for each of us, we will continue creating rich, comfortable relationships through water.

Protecting Lifelines

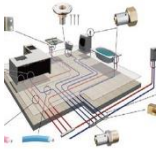
Being able to use water safely and with confidence. SANEI protects this "everyday norm."

Walking with the Earth's Cycles

As a company connecting people and water, we always to think about the future of our planet and take action on its behalf.

Living in Harmony With Society

Through water, which is inseparable from communities and society, we work to foster connections between people in our business operations.



From the Meter to the Water Supply Faucet

We support lifelines, deliver safe and reliable water, and pursue environmental initiatives.



Toward an Off-grid Future

We are advancing off-grid initiatives through a capital and business alliance with AQUAM, Inc. , which develops atmospheric water generators, as well as the use of rainwater and reclaimed water.



Safe and Accessible to Everyone

We pursue products that are easy for everyone to use and promote universal design, including voice-recognition faucets.



Environmental Initiatives

We are working toward carbon neutrality in 2050 by reducing greenhouse gas emissions and protecting the environment.



Manufacturing Without Waste

We promote the effective use of water resources through rainwater and reclaimed-water systems, as well as water- and hot-water-saving products.



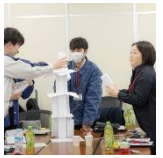
Environmentally Conscious Product Development

We thoroughly manage industrial wastewater and recycle resources to reduce our environmental impact.



Sponsorship of Architecture and Design Events

We participate in events in collaboration with architecture and design communities, communicating new value and the appeal of faucets.



Industry-Academia Events

We provide opportunities to learn about water and daily life through factory tours and industry-academia collaborations.



Support for Regional Revitalization Activities

We contribute to building sustainable local communities through co-creation activities and product provision.

Corporate Creed

Guided by the principle that “Water is essential as long as humanity exists," we are focused on the vision of water systems as fountains of life and relaxation. In satisfying humanity’s thirst, we contribute to society with this as the source of our company’s prosperity and the happiness of all of our employees.

Company name	SANEI LTD.
Business content	Manufacture and sale of water faucets, plumbing fixtures, joints, and piping components
Founding	September 1954
Main office	1-12-29 Tamatsu, Higashinari-ku, Osaka City
Capital	432 million yen *As of the end of March 2026
Consolidated results	Sales: 29,042 million yen; Ordinary Profit: 1,830 million yen *Fiscal year ending March 2026
Employees	Consolidated: 827 employees, Non-consolidated: 630 employees *As of the end of March 2026
Group companies	Aqua Engineering Co., Ltd. Dalian Sanei Faucet Co., Ltd. MIZSEI MFG CO.,LTD.



The performance forecasts and other forward-looking statements contained in this document are based on information currently available to the Company and certain assumptions that the Company deems reasonable.
These statements are not intended to guarantee that the Company will achieve these forecasts. Actual performance may differ significantly due to a variety of factors.

https://www.sanei.ltd/

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