

The 80th anniversary is an opportunity for making an innovative leap to be reborn as a new DAIKEN

Representative Director,
President, and CEO

Masahori Okuda



Q Could you share the results for the fiscal year ended March 31, 2025, and the outlook for the current term?

FY 2025 is the third year of medium-term management plan GP25 3rd Stage (FY 2023–2026). We have been working to enhance our management foundation and achieve growth.

In Japan, earnings improved through the steady dissemination of revised prices, the curbing of cost increases, and the implementation of measures to reduce variable costs despite the continuous decreases in new housing starts. Engineering business performance was also driven by demand captured from the market for interior projects and the renovation of office buildings. This is a favorable factor in the expansion of the comfort solutions business, which we consider an area for expansion in our next long-term vision of TryAngle 2035. We have high expectations for this business.

On the other hand, the profitability of the MDF business as our core business overseas deteriorated because of sharp exchange rate fluctuations and market stagnation, which left several issues to be resolved. However, DAIKEN North America

Ltd. (DNAL), which was consolidated last year, completed the prototype of the new wood board "DIO woodcore" and is now preparing for mass production and market launch with the aim of starting production in April 2026. In this way, the various measures for business expansion overseas are steadily making progress. As a result of these initiatives, net sales increased by 2.7% year over year (YoY) to 216,300 million yen in the fiscal year ended March 31, 2025. Operating profit and ordinary profit increased year over year.

FY 2026 is the final year of medium-term management plan GP25 3rd Stage, and concludes many of our activities over the past ten years. Despite many negative factors, including the shrinking new housing market in Japan, conflicts around the globe, and the increasingly uncertain global economy under U.S. trade policies, we will promote our business as down to earth, pursuing steady growth into the next ten years.

Q September 2025 marks the 80th anniversary of the company's founding. Could you share your thoughts on this anniversary year?

Since its founding as DAIKEN Wood Industry in September 1945 shortly after World War II, we have made continuous innovations to meet social requirements and people's needs

and have provided products and services that exceed customer expectations. We believe we can sustain our business for 80 years because our philosophy and faith have reached many

people. I would again like to express my deep gratitude to the customers, business partners, and other stakeholders who have supported our company.

I have worked with DAIKEN for half a century since joining the company, and now have the longest history with the company. The road has been far from smooth; I experienced many ups and downs, including a period of significant company growth in line with the economy and events that threatened the survival of the business. After joining the management

team, I was involved in many new initiatives while witnessing our withdrawal from several businesses. Making choices in response to the changing market environment requires tough decisions. By dealing honestly with customers and business partners at all times, we have grown into a company trusted by people. The connections with our stakeholders have continued to this day as an invaluable asset for the company and for me as well.

Q This is the 12th year since assuming the position of representative director and president. What events impressed you during this period?

The most impressive was the global COVID-19 pandemic. At our company, an infected person was identified on April 1, 2020, the start of a new fiscal year. Amidst the confusion of the pandemic, I issued instructions to switch to working from home. This significant external factor triggered discussions about employee work styles and places by many companies, including ours, re-emphasizing the importance of DX. In addition, as with all progress, the difficulty of global business operations was brought home to us due to conflicts breaking out because of escalating geopolitical concerns and business risks increasing because of changes in foreign political systems. These changes had not been clearly predicted when the ongoing long-term vision GP25 was formulated,

which suggested the extreme difficulty of long-term business navigation. In 2015, the year after I assumed the position of president, the United Nations Summit adopted the Sustainable Development Goals (SDGs) as international goals for achieving a better society and accelerated sustainability initiatives around the world. This was a great tailwind for our company, which had had strengths in eco-friendly products since its founding. GP25 also emphasized our contribution to the achievement of a sustainable society through the effective utilization of limited resources. Social requirements for corporate environmental commitments are deeply linked to the businesses that we have promoted for many years.

Q Finishing up the ten years with significant changes, this is the final fiscal year of the long-term vision GP25. What efforts have you focused on since its formulation in 2015, and what are the accomplishments?

Taking "Grow" and "Glow" as themes, the long-term vision GP25 was started with the aim of transforming from a housing material manufacturer to a comprehensive building materials company. We particularly focused on the expansion of global markets and entry into the public and commercial construction fields. During my career, I gained substantial experience in selling building materials to builders and contractors. I have experienced personally how our performance depended on new housing starts. For this reason, I have strongly promoted a shift to new markets, which are global markets and public and commercial buildings, from the clearly shrinking new housing market in Japan in consideration of the need for multifaceted business expansion. Renewing the mindset of employees was extremely difficult within the conventional organizational structure. By persistently sending the message that each individual should take responsibility to change

themselves, I succeeded in making a major switchover toward portfolio reform. In 2019, we consolidated two North American companies (CIPA and PWT) to globalize business expansion. We also strengthened the downstream construction work through M&A. At present, the DAIKEN Group is supported by affiliates with a wide range of construction capabilities. The largest turning point during the GP25 period was the consolidation into ITOCHU Corporation and delisting in December 2023. This was an extremely important decision but was essential if our company were to attain its goals in GP25 and to pursue further growth in 2025 and beyond. Delisting must have raised concerns for many people. Top management demonstrated an attitude of change both internally and externally and communicated how we intended to maximize the synergy, we were able to reassure our stakeholders.

Q Following GP25, TryAngle 2035 as the next long-term vision will be launched in FY 2027. How was this vision formulated and how does it differ from GP25?

As I mentioned earlier, during the GP25 period, we reviewed our portfolio through the expansion of new markets and developed new applications for existing products. However, accurately forecasting the next ten years is extremely difficult because environmental changes will further accelerate. I believe that the long-term vision should serve as a compass for achieving our corporate philosophy, even under such unstable circumstances.

Concerning the formulation of the next long-term vision TryAngle 2035, the greatest difference from that of GP25 is that it was drafted bottom-up and led by young and mid-career employees, instead of the conventional top-down approach. We imagined where we want to be in ten years based on the free and flexible ideas of the younger



Logo for the next long-term vision
TryAngle 2035

generation, so we examined business promotion toward that goal.

As a new attempt with TryAngle 2035, we created a logo that visually depicts the vision as shown on the left.

The term "TryAngle" signifies a triangle with three points forming a balanced shape that represents the win-win-win philosophy of traditional Japanese Ohmi merchants. The title of the next vision incorporates many perspectives, including taking on challenges and the angles of upward trends. The colors used in the triangle logo are the color images of our core businesses: industrial materials, building materials, and engineering. In this way, the title and logo of the next long-term vision represent what we aim to be in 2035.

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Q In addition to the formulation of a new long-term vision, the company announced that it changed its Japanese name to "DAIKEN株式会社" in September 2025. What is the reason for this change?

The company had used the name "大建工業株式会社" for about 60 years since 1967. There are two major reasons why we decided to change this historic corporate name. The first is to demonstrate our attitude of switching the value that we provide from goods to experience. Since the value demanded by society gradually changes, the form of consumption has shifted from "ownership" to "experience". Because the term "工業 (industry)" signifies the processing of materials into products, it seems to strongly limit us as a manufacturer. By removing the term "工業" from the company name, we express our approach of proposing value through "experiences" rather than just "products". However, at the root of proposals for experience, we have our manufacturing philosophy. We will continue to provide products and spaces that enrich people's lives with reliable quality and new technologies.

The second reason is to further accelerate global expansion, which has been promoted under GP25, by using the alphabetical notation of DAIKEN. We are already using the name "DAIKEN Corporation" overseas. Through this company name change, we hope to disseminate the DAIKEN brand beyond the boundaries of Japan to spread overseas.

The name "DAIKEN" was preserved in the hope of showing respect for the history and brand image that we have made together with stakeholders. We ask for your continued support under our new company name.

Q In addition to the company name change and the formulation of the next long-term vision, we are promoting a variety of different initiatives related to the 80th anniversary this fiscal year. Could you share the details of those initiatives and the expected effects?

The main event for the 80th anniversary project was the exhibition *EXPAND THE FUTURE—DAIKEN TryAngle Fair* to display DAIKEN's initiatives for the future to the public. The fair was held in Tokyo on June 4 and 5 and in Osaka on July 9 and 10, 2025, and turned out very successful. Nearly 9,000 guests visited the two venues and had an opportunity to see, touch, experience, and understand more deeply the future spaces, materials, and comfort for 10 to 20 years into the future as envisioned by DAIKEN. We hope to continue establishing a relationship together with stakeholders who liked the future

vision pursued by DAIKEN to realize "Comfort, always." To commemorate the 80th anniversary, we also sponsored DAIKEN Sales Contest 80 from July 1, which was aimed at acquiring broad recognition for our new products. Together with business partners nationwide, we are pursuing an increase in product sales and an expansion of market share. We also plan a variety of other 80th anniversary projects, not as pro forma commemorative events but to lead to further growth strategies and the enhancement of the management foundation.

Q Finally, could you please share a message with our stakeholders?

With an increasingly uncertain global outlook, we can be far from optimistic about the business environment. Under these circumstances, I think it is all the more important that the entire DAIKEN Group continues to take on new challenges as one entity. The two business pillars marked in the next long-term vision are sustainability and well-being. These are the very concepts that represent our environmental contribution and the provision of comfortable living spaces, which have been

passed down from the founding of the company. By valuing the inherited spirit while continuously updating the company in response to the times, we will always remain a DAIKEN loved by stakeholders. We sincerely ask for your continued support.

Masanori Okuda

Apr. 25, 1950:
Born in Shiga Prefecture.

Apr. 1974: Entered the company.
Involved in the sales of building materials, tatami mats, and other products.
2008: Director and Senior Executive Officer
2009: Managing Executive Officer
2012: Senior Managing Executive Officer
2014: Representative Director and President
2024: Representative Director and President CEO
(Incumbent)

