

This is a transcript of Takuma Co., Ltd. financial briefing for the fiscal year 2021 held on May 25, 2022.

<Speakers>

Takuma Co., Ltd., the President and Representative Director and CEO, Hiroaki Nanjo

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Hiroaki Nanjo: Thank you very much for taking the time to attend Takuma Co., Ltd. financial briefing for the fiscal year 2021. I'm Hiroaki Nanjo, President and Representative Director.

Following this table of contents, I will first explain the summary of today's briefing session and then explain the consolidated results for the fiscal year 2021.

Financial Results Summary for FY2021 (Ended 3/2022)

Financial Results Summary for FY2021(Ended 3/2022)



FY2021 results

- Both sales and profit were down with net sales of ¥134.0 billion and ordinary profit of ¥10.6 billion.
- Orders received were a **record high of ¥192.2 billion**.
- The order backlog also increased substantially to ¥445.3 billion. **Long-term O&M accounts for around 50% of this.**

Forecasts for FY2022

- The forecast for orders received is ¥170.0 billion as we expect strong demand for municipal solid waste treatment plants, biomass power plants, etc.
- **Both sales and profit are expected to be up** with net sales of ¥143.0 billion and ordinary profit of ¥12.5 billion.

Achieving Vision 2030

- Recurring revenue model businesses such as municipal solid waste treatment plant operations are growing steadily.
- While aiming for steady growth in each business centered on maintenance and expansion of the EPC business and expansion of recurring revenue model businesses, we will expand out business in the environment and energy field through new businesses and M&A.

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For the fiscal year 2021, net sales were 134 billion yen, and ordinary profit was 10.6 billion yen. They decreased year on year. On the other hand, orders received reached a record high of 192.2 billion yen, and the order backlog increased significantly to 445.3 billion yen. About 50 percent of the order backlog is long-term O &M, a comprehensive contract for operation management and maintenance for ten years or more.

For the fiscal year 2022, we expect strong demand for municipal solid waste treatment plants and biomass power plants, and we expect orders to total 170 billion yen. Net sales and ordinary profit are expected to increase to 143 billion yen and 12.5 billion yen, respectively.

Toward achieving Vision 2030, our long-term vision for 2030, we will maintain and expand our EPC business and expand recurring revenue model businesses while aiming for steady growth in each of our businesses. We will also grow our business in the environmental and energy field through new businesses and M&A.

Financial Highlights for FY2021 (Ended 3/2022)

Financial Highlights for FY2021(Ended 3/2022)



- **Both sales and profit were down** due primarily to changes in the project mix and rising prices of materials and machinery in the Domestic Environment and Energy Business.
- **Orders received reached a record high**, trending at high levels against a backdrop of strong demand for municipal solid waste treatment plants, biomass power plants, etc.
- **The order backlog also increased substantially** owing to steady orders for EPC projects and long-term O&M.

(Millions of yen)

	FYE 3/2020 (FY2019)	FYE 3/2021 (FY2020)	FYE 3/2022 (FY2021) Beginning of year plan	FYE 3/2022 (FY2021) Plan after Q3 revision	FYE 3/2022 (FY2021)	YoY change	Change vs. beginning of year plan
Orders received	148,830	188,563	180,000	180,000	192,244	3,680	12,244
Order backlog	345,315	387,152	430,152	432,152	445,304	58,152	15,152
Net sales	134,454	146,726	137,000	135,000	134,092	(12,633)	(2,908)
Operating profit	9,600	10,473	10,400	9,700	9,928	(544)	(472)
Operating margin	7.1%	7.1%	7.6%	7.2%	7.4%	0.3pt	(0.2)pt
Ordinary profit	10,300	11,028	11,000	10,300	10,647	(381)	(353)
Profit attributable to owners of parent	7,445	7,529	7,600	7,300	7,434	(94)	(166)
Profit per share (yen)	90.36	92.73	93.57	89.83	91.53	(1.20)	(2.04)

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We would like to provide details of our financial results for the fiscal year 2021. Sales and profit decreased from the previous fiscal year, mainly due to changes in the EPC projects mix and rising prices of materials and machinery in the Domestic Environment and Energy Business.

Orders received reached a record high of 192.2 billion yen, supported by strong demand for the replacement of municipal solid waste treatment plants and the construction of biomass power plants. We have also been able to steadily receive orders for EPC projects and long-term O & M, resulting in a significant increase in our order backlog.

FY2021(Ended 3/2022) | Breakdown by Segment

FY2021(Ended 3/2022) | Breakdown by Segment



(Millions of yen)

	FYE 3/2020 (FY2019)	FYE 3/2021 (FY2020)	FYE 3/2022 (FY2021) Beginning of year plan	FYE 3/2022 (FY2021) Plan after Q3 revision	FYE 3/2022 (FY2021)	YoY change	Change vs. beginning of year plan
Orders received							
Total	148,830	188,563	180,000	180,000	192,244	3,680	12,244
Domestic Environment and Energy	123,154	160,591	151,500	152,200	164,865	4,273	13,365
Overseas Environment and Energy	1,351	883	3,000	1,800	2,035	1,152	(965)
Package Boiler	17,925	17,524	18,000	17,500	16,830	(693)	(1,170)
Equipment and Systems	6,790	10,166	8,000	9,000	8,917	(1,248)	917
Net sales							
Total	134,454	146,726	137,000	135,000	134,092	(12,633)	(2,908)
Domestic Environment and Energy	108,123	120,770	110,000	109,600	108,657	(12,113)	(1,343)
Overseas Environment and Energy	1,143	1,188	500	900	1,005	(183)	505
Package Boiler	17,868	16,931	18,000	17,000	16,498	(433)	(1,502)
Equipment and Systems	7,840	8,271	9,000	8,000	8,590	319	(410)
Operating profit							
Total	9,600	10,473	10,400	9,700	9,928	(544)	(472)
Domestic Environment and Energy	10,619	11,475	-	-	10,906	(568)	-
Overseas Environment and Energy	(202)	(140)	-	-	(218)	(77)	-
Package Boiler	966	640	-	-	672	32	-
Equipment and Systems	384	876	-	-	656	(220)	-

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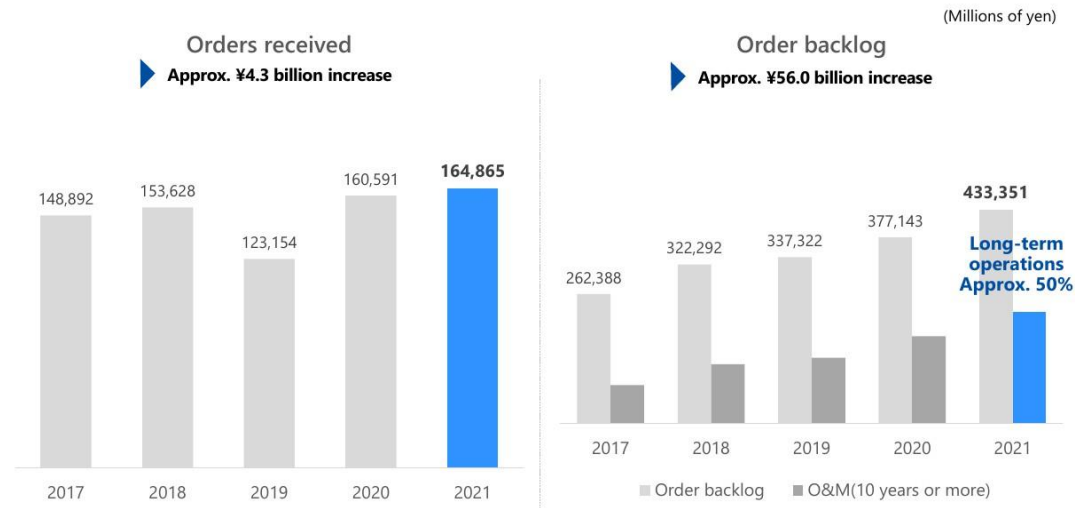
Results by segment are shown on the slide.

FY2021 (Ended 3/2022) | Domestic Environment and Energy Business Orders Received / Order Backlog

FY2021(Ended 3/2022) | Domestic Environment and Energy Business Orders Received / Order Backlog



- Demand was steady, and stable orders received were secured for the full year.
- Around 50% of the order backlog was for long-term operations (O&M). Orders received are also increasing steadily in after-sale service overall.



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Let's take a quick look at the results by segment. In the Domestic Environment and Energy Business, orders received for the entire fiscal year remained stable due to strong demand for the replacement of municipal solid waste treatment plants and the construction of biomass power plants. Of the total order backlog of 433.3 billion yen, long-term O & M has provided comprehensive operational management and maintenance services for over ten years, accounting for about 50% of the total, and the order backlog for recurring revenue model businesses is steadily increasing.

FY2021 (Ended 3/2022) | Domestic Environment and Energy Business Net Sales / Operating Profit

FY2021(Ended 3/2022) | Domestic Environment and Energy Business
Net Sales / Operating Profit



Both sales and profit were down due primarily to changes in the project mix and rising prices of materials and machinery in the EPC business despite steady growth of recurring revenue model businesses.



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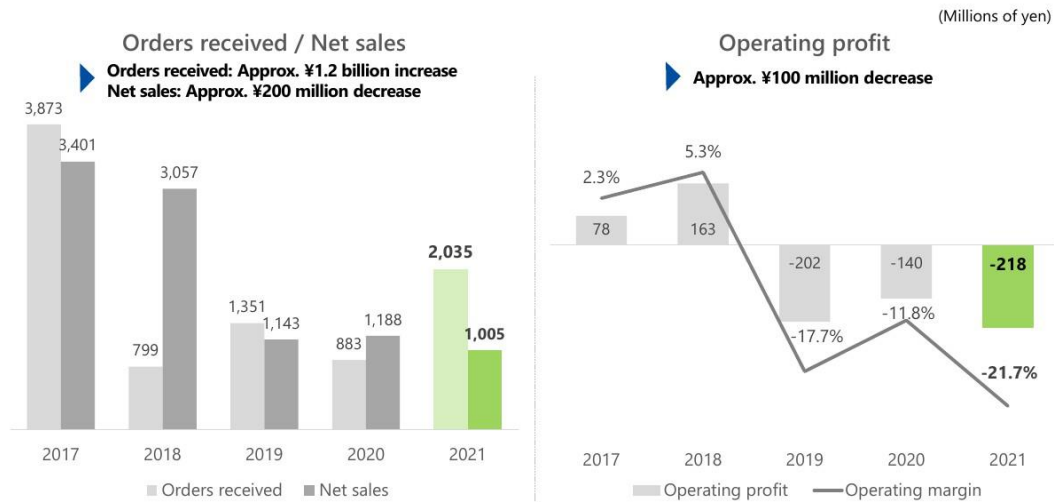
Net sales and operating profit decreased due to a change in the EPC project mix and rising prices of materials and machinery that prevented cost reductions from progressing as expected, despite steady growth in the recurring revenue model business.

FY2021 (Ended 3/2022) | Overseas Environment and Energy Business

FY2021(Ended 3/2022) | Overseas Environment and Energy Business

TAKUMA

- A stoker upgrade order was received for Taiwan in the midst of restrictions on operating activities and postponed plans due to COVID-19.
- The majority of net sales over the past 3 years has been maintenance. We will build a structure for taking continuous orders for new construction and upgrade projects.



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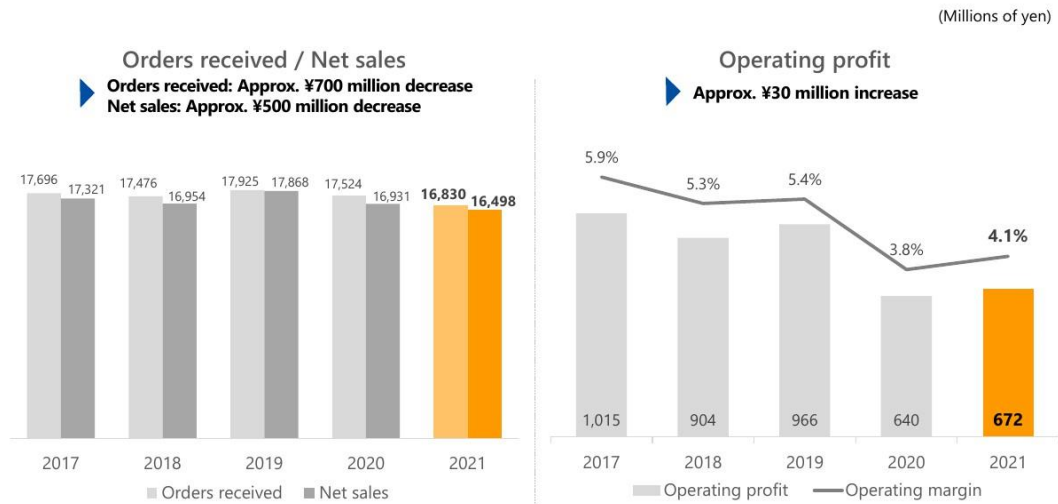
In the Overseas Environment and Energy Business, we received an order in the third quarter for the renewal of a stoker for a waste-to-energy power plant in Taiwan while we could not conduct sufficient sales activities due to the COVID-19 pandemic and many clients had their plans postponed. Most of our sales in the last three years have been due to maintenance, and we intend to establish a system that will enable us to receive orders for new and renewed projects continuously.

FY2021 (Ended 3/2022) | Package Boiler Business

FY2021(Ended 3/2022) | Package Boiler Business



- Demand remains sluggish, primarily for lodging, due to COVID-19.
- Although sales were down, restrictions on operating activities resulted in a decrease in operating expenses, leading to a slight increase in profit.



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In the Package Boiler Business, demand continued to fall due to the COVID-19 pandemic, mainly in the lodging industry, and orders received did not recover to pre-COVID-19 levels. Although net sales decreased, operating expenses and other expenses declined due to the constraints of operating activities, so profit slightly increased.

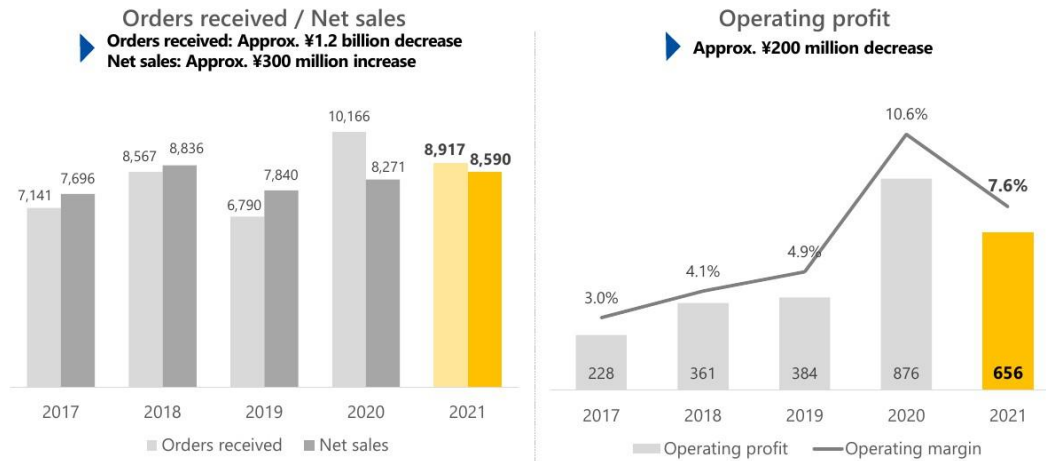
FY2021 (Ended 3/2022) | Equipment and Systems Business

FY2021(Ended 3/2022) | Equipment and Systems Business



- Orders received for semiconductor industrial equipment were favorable. In the building equipment business, orders received were low due to sluggish demand arising from plans postponed as a result of COVID-19 and intensification of competition.
- Sales were up owing to semiconductor industrial equipment, but profit was down due to sluggishness in the building equipment business.

(Millions of yen)



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In the Equipment and Systems Business, orders received for semiconductor industrial equipment were firm. However, total segment orders decreased due to a decline in demand in the Building Equipment Business caused by the postponement of plans due to the COVID-19 pandemic and a decrease in orders received due to the intensified competitive environment.

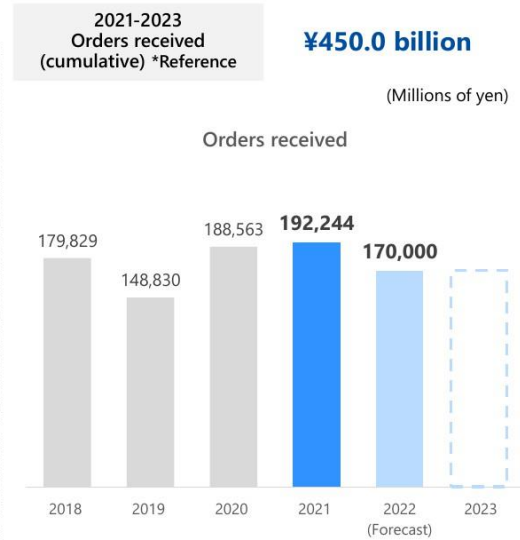
Net sales increased due to an increase in net sales of semiconductor industrial equipment but operating profit decreased due to a decline in the building equipment business.

Progress on 13th Medium-Term Management Plan



Progress on 13th Medium-Term Management Plan

We fell slightly short of the plan in the first year, but our aim is to achieve ordinary profit of ¥36.0 billion by steadily accumulating orders.



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I would like to explain the progress of the 13 the Medium-Term Management Plan, which began in fiscal 2021. We aim to achieve our medium-term target of 36 billion yen in accumulated ordinary profit for three years, but the first year, fiscal 2021, was slightly below our plan. Nevertheless, we aim to achieve our medium-term management targets by steadily accumulating orders.

13th Medium-Term Management Plan | Main Orders Received (FY2021)

13th Medium-Term Management Plan | Main Orders Received (FY2021)



Orders were steady, including 3 waste treatment plant DBO (design, build, operate) projects and 6 biomass power plants.

Segment	Delivered to:	Location	Capacity	Scheduled Completion
Municipal solid waste treatment plant	Q1 Uwajima Public Association (O&M ^{*1})	Ehime	120 t/day	3/2031 (10 years)
	Q2 Hakodate City (DBO ^{*2})	Hokkaido	300 t/day	3/2029 (22 years of operations starting 4/2022)
	Q4 Okayama City (DBO)	Okayama	200 t/day	3/2027 (20 years of operations starting 4/2027)
	Shida Public Association (DBO)	Shizuoka	223 t/day	12/2026 (20 years of operations starting 1/2027)
Energy plant • Biomass power plant • Industrial waste treatment plant	Q1 Company A (Biomass power plant, FIT ^{*3})		1,990 kW	
	Q2 Kumamoto Clean Energy Co. (Biomass power plant, FIT)	Kumamoto	1,990 kW	Autumn 2023
	Q3 Sanko Inc. (Industrial waste treatment plant)	Tottori	93.6 t/day	07/2024
	Q4 Aizu Komorebi Power Plant (Biomass power plant, FIT)	Fukushima	7,100 kW	11/2024
	Chugoku Mokuzai Co., Ltd. Noshiro Plant (Biomass power plant, Heat utilization)	Akita	2,090 kW	03/2024
	Company B (Biomass power plant, FIT)		9,990 kW	
	Company C (Biomass power plant, FIT)		9,990 kW	
	Company D (Biomass power plant, O&M)			
Water treatment plant	Q3 Ochiai Water Reclamation Center (Sand filtration)	Tokyo	130,000m ³ /day	01/2025
Overseas business	Q3 TA-HO LU-TSAO ENVIRONMENT CO., LTD. (Stoker upgrade)	Taiwan	900 t/day	11/2024

*1 O&M: Operation & Maintenance

*2 DBO: Stands for Design, Build, Operate. A method of contracting private companies for the design, construction, and operation of facilities, paid for by public funds.

*3 FIT: Feed-in Tariff

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This slide shows the main orders received in 2021. We have received orders for three DBOs, one long-term O & M, and six biomass power plants.



In addition to enhancing our hiring and training of human resources for sustainable growth, we will work on R&D including CO₂ separation, capture, and utilization technology, as well as increasing added value through the utilization of digital technology.

R&D ·CO ₂ separation, capture, and utilization technology	Participation in C2X	We will participate in the C2X open innovation platform, which seeks to commercialize CCUS technology. https://www.takuma.co.jp/news/2021/20210610.html
	Carbon solidification	Together with Shizuoka University, we are promoting R&D on technology for creating carbon for use as a raw material in chemical products by capturing the CO ₂ contained in flue gas from waste incineration facilities. https://www.takuma.co.jp/news/2021/20211124.html
	NEDO study	We were commissioned by NEDO (New Energy and Industrial Technology Development Organization) for a study on energy-saving separation and capture of CO ₂ at biomass power facilities. https://www.takuma.co.jp/news/2021/20211011.html
	Biomethanation	We are promoting R&D such as methane generation technology using technology for fermenting methane from kitchen waste. March 3, 2022 edition of Nikkan Kogyo Shimben
Digital technology	Improving value offered by utilizing AI and Solution Lab	We reduced manual waste incinerator operations by 99% using an AI-based combustion control system. This system and the remote technology we established allow continuous and stable waste treatment operations even with small numbers of workers. https://www.takuma.co.jp/news/2021/20210628.html
Capital investment	Construction of new Harima Factory	Steady progress is currently being made for launch of operations in December 2022.

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In preparation for growth, we are strengthening the recruitment and training of human resources, mainly in the construction, engineering, and maintenance divisions involved in the EPC and recurring revenue model businesses. We are also working on research and development, including CO₂ separation and capture and utilization technologies, and improving added value through digital technologies.

As a significant capital investment, we are making steady progress in renewing the Harima Factory. The total amount of investment was approximately 13 billion yen. Our group's capital investment forecast for fiscal 2022 is 9 billion yen, of which the majority accounts for this renewal project.

13th Medium-Term Management Plan | Human Resources Investment, R&D, and Capital Investment

13th Medium-Term Management Plan | Human Resources Investment, R&D, and Capital Investment



- We will step up our hiring efforts in our Construction, Engineering, and Maintenance divisions to expand our resources.
- In addition to R&D for further fine tuning of our core technologies and decarbonization, we are making progress on construction of the new Harima Factory as a part of our capital investment.

Human resources investment (people)	2016	2017	2018	2019	2020	2021	2022 (Forecast)	
Number of employees (consolidated)	3,447	3,609	3,619	3,816	3,925	4,145		
Number of employees (non-consolidated)	824	837	852	875	894	958		
New graduate hires (non-consolidated)	18	24	21	20	25	26		
Mid-career hires (non-consolidated)	11	10	22	25	37	53		
R&D/capital investment (millions of yen)								
R&D expenses	972	928	960	1,154	1,047	1,006	1,600	
Capital investment	342	505	638	1,564	2,420	3,844	9,000	

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This slide is showing investment transitions in human resources and R & D .

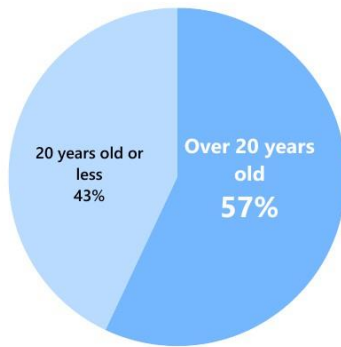
Market Environment | Municipal Solid Waste Treatment Plant (Domestic Environment and Energy Business)

Market Environment | Municipal Solid Waste Treatment Plant (Domestic Environment and Energy Business)



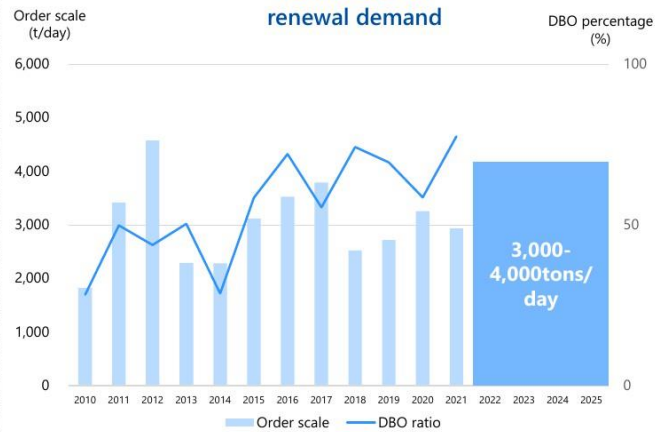
- Demand for renewal and lifetime improvement will continue due to the aging of facilities, and the market size for renewal demand is expected to remain at 3,000-4,000 tons/day for the time being.
- DBO orders are on the rise from the standpoint of utilizing the private sector, so we seek to continue capturing demand.

Number of facilities (1,056 facilities)
Percentages by age



Source: Prepared by the Company based on the "2020 Survey of Municipal Solid Waste Treatment" by the Ministry of the Environment.

Market size for renewal demand



*Based on research by the Company

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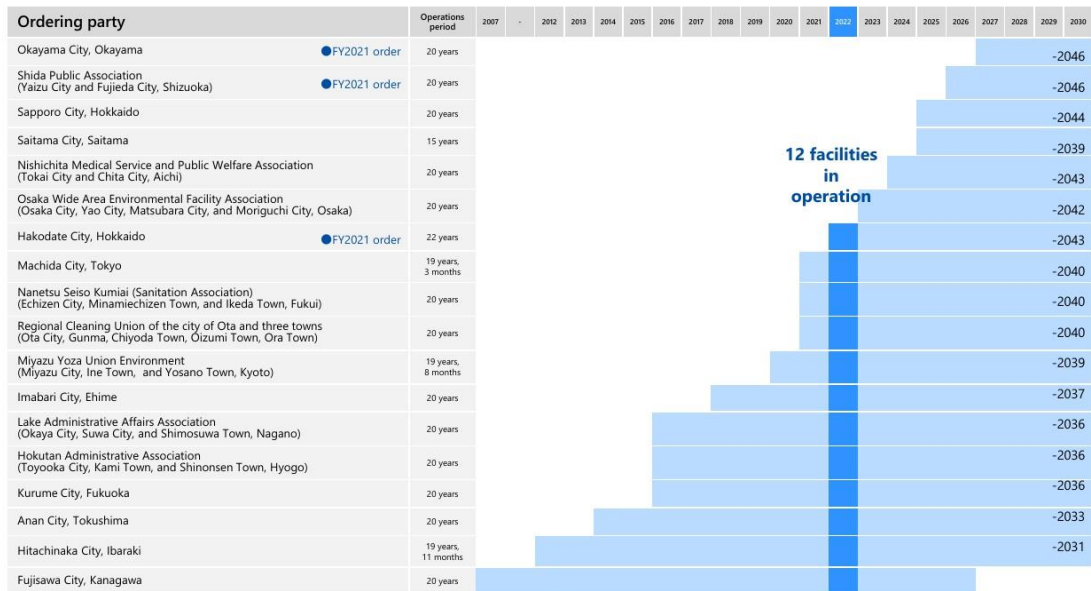
Let's look at the current market environment for our group's major businesses. In the municipal solid waste treatment plant business, our mainstay business in the Domestic Environment and Energy Business, there is a continuing demand for replacement and longer service life due to aging facilities. The market size is indicated by the total waste disposal capacity of the facilities ordered. Orders received for 3,000 to 4,000 tons per day are expected to remain over the next five years.

Market Environment | Municipal Solid Waste Treatment Plant (Domestic Environment and Energy Business)

Market Environment | Municipal Solid Waste Treatment Plant (Domestic Environment and Energy Business)



- Our operation business is increasing steadily, and as of the beginning of FY2022, we have received orders for 18 facilities, 12 of which are in operation. *DBO only
- We will continue working to capture after-sales service demand and O&M.



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An increasing number of orders are being placed by the DBO method, in which operations after the completion of facilities are outsourced with the construction of facilities. Our group's O & M business is growing steadily. At the beginning of fiscal 2022, we received orders for 18 facilities, of which 12 are in operation. In addition to short-term after-sales service, we will continue to capture demand for O & M, including the DBO projects.

Market Environment | Energy Plants (Domestic Environment and Energy Business)

Market Environment | Energy Plants (Domestic Environment and Energy Business)



- Small and medium-sized biomass power generation centered on domestic materials and post-delivery maintenance demand are trending steadily. Fuel conversion demand has also increased against a backdrop of soaring energy prices and CO₂ reduction initiatives, so we will work to capture this demand.
- FIT*1 plans expected to continue for biomass power generation of less than 10 MW. About FIP**2, for the time being, we expect a cautious stance with respect to use.

Number of orders for energy plants (cumulative)



*Non-FIT refers to plants that do not engage in FIT-based power generation. Heat utilization, in-house power generation, and industrial waste treatment plants.
*1 FIT: Feed-in Tariff
*2 FIP: Feed-in Premium

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FIT price trends

		2021	2022	2023
Unused wood • Timber from thinning	Less than 2,000 kW	40 yen	40 yen*	40 yen*
	Less than 10,000 kW	32 yen	32 yen*	FIP
	10,000 kW or more	32 yen	FIP	FIP
Regular wood • Mill ends • Imported fuel	Less than 2,000 kW	24 yen	24 yen*	24 yen*
	Less than 10,000 kW	24 yen	24 yen*	FIP
	10,000 kW or more	Bid	FIP (Bid)	FIP (Bid)

*Regional utilization requirement
Source: Compiled by Takuma based on the website of the Agency for Natural Resources and Energy (Ministry of Economy, Trade and Industry).

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As for biomass power plants, which are the main products of energy plants, demand for the construction of small- and medium-sized biomass power plants, mainly for domestic materials, and maintenance after delivery is firm. In addition, there is a demand for fuel conversion due to rising energy prices and efforts to reduce CO₂ emissions, and we will capture these needs.

For biomass power generation projects with less than 10 MW, FIT plans are expected to continue. We expect a cautious stance with respect to use for the time being, as it requires the consideration and response of power generation companies to the risks involved.

- In emerging countries, there is potential robust demand for waste power. We will continue to work on establishing a system (including partnerships with local companies) for acquiring orders with local subsidiaries as our bases of operations.
- In Thailand, we will continue to focus on acquiring orders for new construction and maintenance projects as demand for biomass power generation for sugar factories and others remains firm against the backdrop of government policies promoting the introduction of generation of renewable energy.



Taiwan

Primary equipment improvement and renewal demand associated with aging facilities that generate energy from waste

Thailand

- Demand for new installation, renewal, and expansion of bagasse (sugar byproduct) fuel boilers at sugar factories
- Demand for biomass power generation based on government policy

Emerging countries

There is demand for energy from waste as populations grow and urbanization

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In the Overseas Environment and Energy Business, there is a potentially robust demand for waste-to-energy power generation in emerging countries due to population growth and urbanization. There are also moves to support government implementation of the project. Although it is taking time to establish a market, we will continue to establish a system, such as partnerships with local companies based in our local subsidiaries, to acquire orders.

In Thailand, the government is promoting the introduction of renewable energy power generation, and the demand for biomass power generation, including for sugar factories, is robust. We will continue to focus on orders for new construction, renewal, and maintenance projects.

Forecasts for FY2022(Ended 3/2023)

Forecasts for FY2022(Ended 3/2023)



- We expect an increase in both sales and profit owing to an improvement in the EPC project mix in the Domestic Environment and Energy Business.
- We expect demand to remain strong for municipal solid waste treatment plants and biomass power plants. Our aim is to keep orders received at a high level even if lower than the previous year.
- Although there is concern over further increases in the prices of machinery and materials and delayed deliveries, we aim to achieve our target profit by implementing measures to mitigate the impact, including placing orders earlier and proposing inflation adjustments (indexation).
- We do not expect a substantial improvement in the impact of COVID-19.
- We are not directly impacted by the Russia/Ukraine situation.

(Millions of yen)

	FYE 3/2021 (FY2020)	FYE 3/2022 (FY2021)	FYE 3/2023 (FY2022) Beginning of year forecasts	YoY change
Orders received	188,563	192,244	170,000	(22,244)
Order backlog	387,152	445,304	472,304	27,000
Net sales	146,726	134,092	143,000	8,908
Operating profit	10,473	9,928	11,800	1,872
Operating margin	7.1%	7.4%	8.3%	0.8pt
Ordinary profit	11,028	10,647	12,500	1,853
Profit attributable to owners of parent	7,529	7,434	8,800	1,366
Profit per share (yen)	92.73	91.53	109.29	17.76

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We would like to explain our forecast for the fiscal year 2022. Sales and profit are expected to increase mainly due to an improvement in the composition of EPC projects in the Domestic Environment and Energy Business.

Demand for municipal solid waste treatment plants and biomass power plants continued to be strong. Although orders are expected to decrease from the previous fiscal year, we will continue to aim for a high level of orders.

Although there are concerns about further increases in prices of materials and machinery and longer delivery times, we will aim to achieve our profit target by taking measures to reduce the impact, such as placing orders earlier and offering inflation slides.

We do not expect a substantial improvement in the impact of COVID-19.

We are not directly impacted by the Russia/Ukraine situation.

FY2022 (Ended 3/2023) | Results Forecasts by Segment

FY2022(Ended 3/2023) | Results Forecasts by Segment



(Millions of yen)

	FYE 3/2021 (FY2020)	FYE 3/2022 (FY2021)	FYE 3/2023 (FY2022) Beginning of year forecasts	YoY change
Orders received				
Total	188,563	192,244	170,000	(22,244)
Domestic Environment and Energy	160,591	164,865	141,500	(23,365)
Overseas Environment and Energy	883	2,035	3,000	965
Package Boiler	17,524	16,830	17,000	170
Equipment and Systems	10,166	8,917	9,000	83
Net sales				
Total	146,726	134,092	143,000	8,908
Domestic Environment and Energy	120,770	108,657	117,500	8,843
Overseas Environment and Energy	1,188	1,005	1,000	(5)
Package Boiler	16,931	16,498	17,000	502
Equipment and Systems	8,271	8,590	8,000	(590)
Backlog				
Total	387,152	445,304	472,304	27,000
Domestic Environment and Energy	377,143	433,351	457,351	24,000
Overseas Environment and Energy	427	1,457	3,457	2,000
Package Boiler	4,521	4,852	4,852	0
Equipment and Systems	5,348	5,676	6,676	1,000

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By segment, we plan for the numbers on this slide. We will work hard to achieve these goals.

Shareholder Return

Shareholder Return



- Takuma has adopted a policy of returning profits to shareholders founded on the principle of maintaining a stable dividend while working to strengthen its constitution to ensure competitiveness in an increasingly challenging market and taking into account a comprehensive range of factors, including business performance.
- The purchase of treasury stock is one of our options, and we execute such purchases flexibly after making a comprehensive judgment based on the stock price and other factors.

(Millions of yen)

Fiscal year	2016	2017	2018	2019	2020	2021	2022 (Forecast)
Net sales	116,309	118,198	121,950	134,454	146,726	134,092	143,000
Ordinary profit	11,605	10,669	12,334	10,300	11,028	10,647	12,500
Dividend per share (yen)	13.00	16.00	22.00	31.00	36.00	36.00	36.00
Interim dividend per share (yen)	6.00	7.00	10.00	13.00	18.00	18.00	18.00
Dividend payout ratio (%)	12.6	16.9	20.5	34.3	38.8	39.3	
Amount of treasury stock purchased				1,999		747	Up to 2,000 in FY2021 & FY2022 in total

We have adopted a policy of returning profits to shareholders founded on the principle of maintaining a stable dividend while working to strengthen its constitution to ensure competitiveness in an increasingly challenging market and taking into account a comprehensive range of factors, including business performance.

The dividend for the current fiscal year is expected to be 36 yen, the same as the previous fiscal year. The purchase of treasury stock is one of our options, and we execute such purchases flexibly after making a comprehensive judgment based on the stock price and other factors.

In Closing

In Closing



We are steadily expanding recurring revenue by such means as entering comprehensive contracts for municipal solid waste treatment plant operations and new deliveries of biomass power plants, so we expect recurring revenue model businesses to grow as a stable revenue foundation.

We also believe the role that our Group, which offers technologies and services primarily in the fields of environment and energy, plays will become more and more important for achieving a decarbonized society and sustainable society.

Continuing to focus on environment and energy-related businesses as a major growth field, we will pursue sustainable growth together with our customers and society via ESG management. Thank you in advance for your understanding and support.

TAKUMA

May 2022
Takuma Co., Ltd.
President and CEO
Hiroaki Nanjo

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