

Supplementary Materials of Financial Results for FY2024

Takuma Co., Ltd. | May 14, 2025

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Key Highlights

- ✓ For consolidated results for FY2024, consolidated net sales and operating profit increased, as well as orders received and profit attributable to owners of parent reached a record high. [\(see p.4\)](#)
- ✓ Consolidated results forecast for FY2025 are expected to show increased net sales and operating profit, as well as orders received and profit attributable to owners of parent will reach a record high for two consecutive years. [\(see p.18\)](#)
- ✓ Annual dividend per share is 67 yen for FY2024, and is expected to be 79 yen for FY2025. [\(see p.21\)](#)
- ✓ Considering current business performance, the financial targets of the 14th Medium-Term Management Plan (FY2024-2026) have been revised upwards. [\(see p.26\)](#)

FY2024 Results

FY2025 Forecast

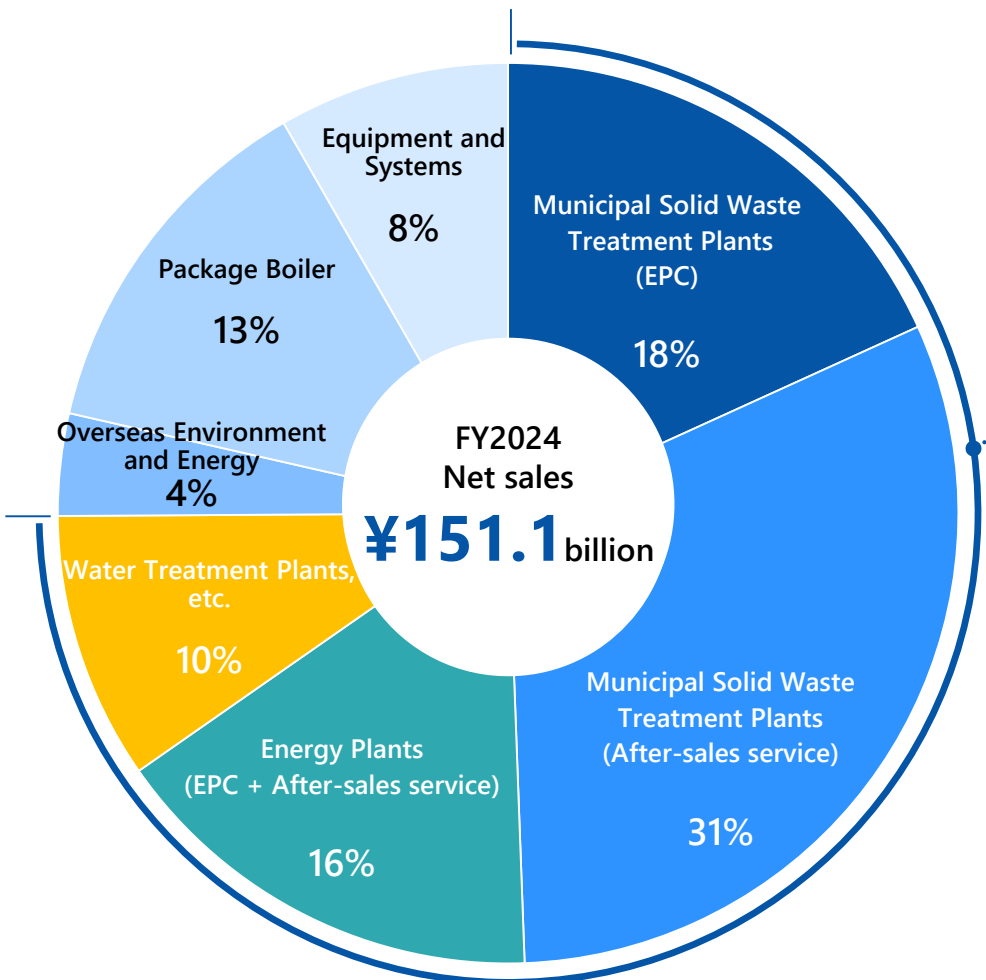
	Results	YoY change	Change from previous forecast*1	Forecast	YoY change	Change from previous forecast*2
Orders received	¥246.3 billion	+¥85.7 billion +53.4%	+¥16.3 billion +7.1%	¥250.0 billion	+¥3.6 billion +1.5%	+¥70.0 billion +38.9%
Net sales	¥151.1 billion	+¥1.9 billion +1.3%	+¥1.1 billion +0.8%	¥165.0 billion	+¥13.8 billion +9.2%	+¥13.0 billion +8.6%
Operating profit	¥13.5 billion	+¥3.3 billion +32.3%	+¥0.03 billion +0.2%	¥14.5 billion	+¥0.9 billion +7.1%	+¥3.3 billion +29.5%
Profit attributable to owners of parent	¥10.3 billion	+¥1.6 billion +18.7%	+¥0.09 billion +0.9%	¥11.7 billion	+¥1.3 billion +12.6%	








*1 Comparison with the forecast announced on February 14, 2025.

*2 Comparison with the 14th Medium-Term Financial Targets announced on November 8, 2024.

Business Segment

- ✓ The flagship Domestic Environment and Energy Business, including engineering, procurement, and construction (EPC) and after-sales service of municipal solid waste treatment plant, accounts for most net sales and operating profit.



Business Segment	Key Businesses	
Domestic Environment and Energy 75%	Municipal Solid Waste Treatment Plants (EPC) Municipal solid waste treatment plant EPC (engineering, procurement, and construction) for municipalities	
	Municipal Solid Waste Treatment Plants (After-sales service) Plant operation management, maintenance and improvement	
	Energy Plants Biomass power plant, large boiler and industrial waste treatment plant EPC and after-sales service for private enterprises	
	Water Treatment Plants, etc. Sewage treatment facility EPC and after-sales service for municipalities, as well as power retail business, etc.	
Overseas Environment and Energy	Energy from Waste plant and Energy plant EPC and after-sale service primarily in Thailand and Taiwan, where Takuma has local subsidiaries	
Package Boiler	Manufacture and sale of and after-sale service related to heat source equipment such as general-purpose boilers and vacuum-type water heaters	
Equipment and Systems	Sale of and after-sales service related to building equipment (air conditioning, water supply and drainage work, etc.) and products for the semiconductor manufacturing industry	

1. Overview of FY2024 (Ended 3/2025) Financial Results

2. Financial Forecast for FY2025 (Ending 3/2026)

3. Revision of Financial Targets in 14th Medium-Term Management Plan

- ✓ Orders received and order backlog reached a record high, driven by steady demand for municipal solid waste treatment plants.
- ✓ Net sales increased due to an increase in all other business segments, despite a decrease in the Domestic Environment and Energy Business.
- ✓ Operating profit was up in all business segments.
- ✓ Profit attributable to owners of parent reached a record high mainly due to an increase in operating profit.

(Millions of yen)	FYE 3/2023 (FY2022)	FYE 3/2024 (FY2023)	FYE 3/2025 (FY2024) previous forecast*	FYE 3/2025 (FY2024) Results	YoY change	Change from previous forecast*
Orders received	168,558	160,568	230,000	246,301	+53.4%	+7.1%
Order backlog	471,211	482,612	562,612	577,752	+19.7%	+2.7%
Net sales	142,651	149,166	150,000	151,161	+1.3%	+0.8%
Operating profit	13,813	10,229	13,500	13,532	+32.3%	+0.2%
Operating margin	9.7%	6.9%	9.0%	9.0%	+2.1pt	+0.0pt
Ordinary profit	14,684	11,166	14,000	14,095	+26.2%	+0.7%
Profit attributable to owners of parent	9,621	8,754	10,300	10,391	+18.7%	+0.9%
Basic earnings per share (yen)	120.22	109.43	131.00	132.24	+20.8%	+0.9%

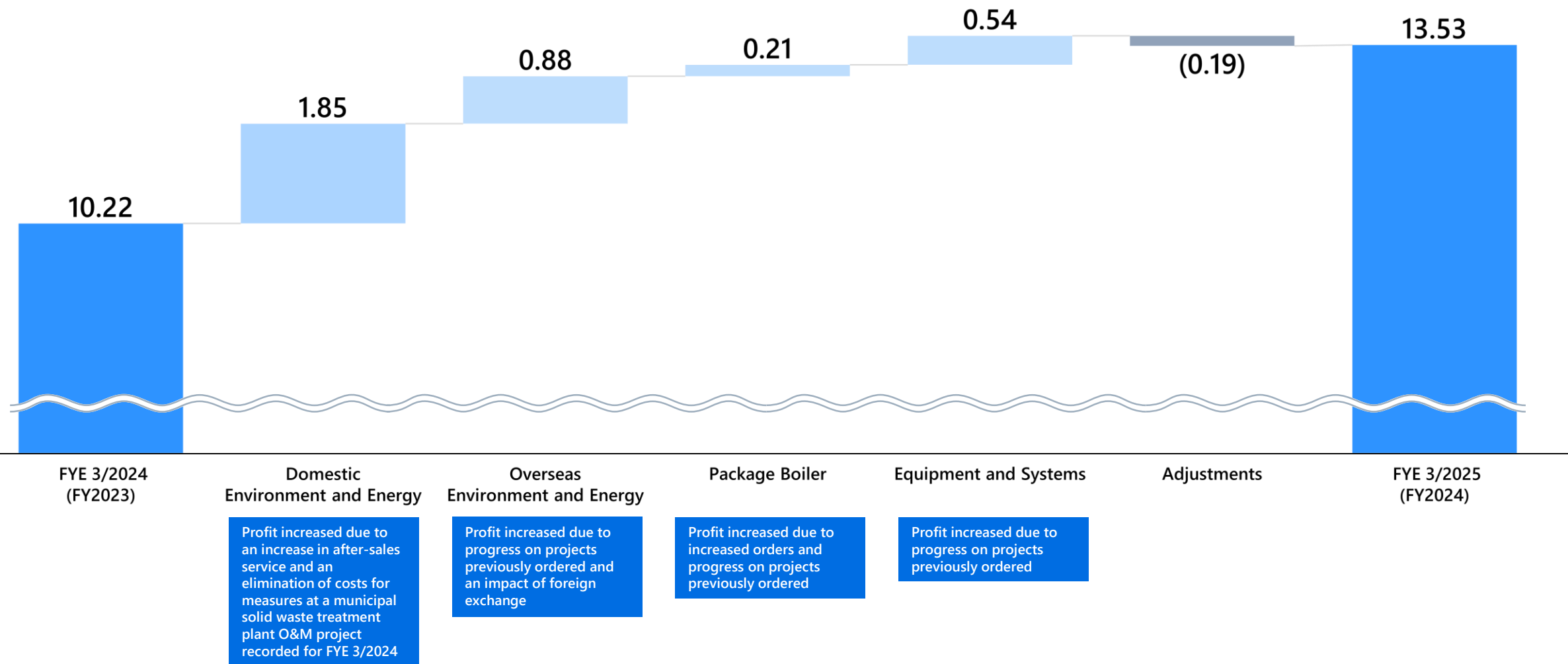
* Forecast announced on February 14, 2025.

(Millions of yen)	FYE 3/2023 (FY2022)	FYE 3/2024 (FY2023)	FYE 3/2025 (FY2024) previous forecast ^{*1}	FYE 3/2025 (FY2024) Results	YoY change	Change from previous forecast ^{*1}
Orders received						
Total	168,558	160,568	230,000	246,301	+53.4%	+7.1%
Domestic Environment and Energy	130,280	131,567	199,700	214,792	+63.3%	+7.6%
Overseas Environment and Energy	5,922	2,280	2,000	2,347	+2.9%	+17.4%
Package Boiler	18,400	18,666	19,800	20,266	+8.6%	+2.4%
Equipment and Systems	14,328	8,403	9,000	9,343	+11.2%	+3.8%
Net sales						
Total	142,651	149,166	150,000	151,161	+1.3%	+0.8%
Domestic Environment and Energy	115,985	119,190	114,100	113,650	(4.6%)	(0.4%)
Overseas Environment and Energy	1,351	2,440	5,400	5,546	+127.2%	+2.7%
Package Boiler	17,312	18,492	19,000	19,845	+7.3%	+4.5%
Equipment and Systems	8,360	9,437	12,000	12,557	+33.1%	+4.6%
Operating profit						
Total	13,813	10,229	13,500	13,532	+32.3%	+0.2%
Domestic Environment and Energy	14,875	11,228	13,600	13,081	+16.5%	(3.8%)
Overseas Environment and Energy	(172)	184	1,000	1,069	+479.3%	+7.0%
Package Boiler	915	1,177	1,200	1,394	+18.4%	+16.2%
Equipment and Systems	826	341	800	890	+160.8%	+11.3%

*1 Forecast announced on February 14, 2025.

*2 Adjustments are omitted.

(Billions of yen)



Domestic Environment and Energy Business

Orders received /
Order backlog

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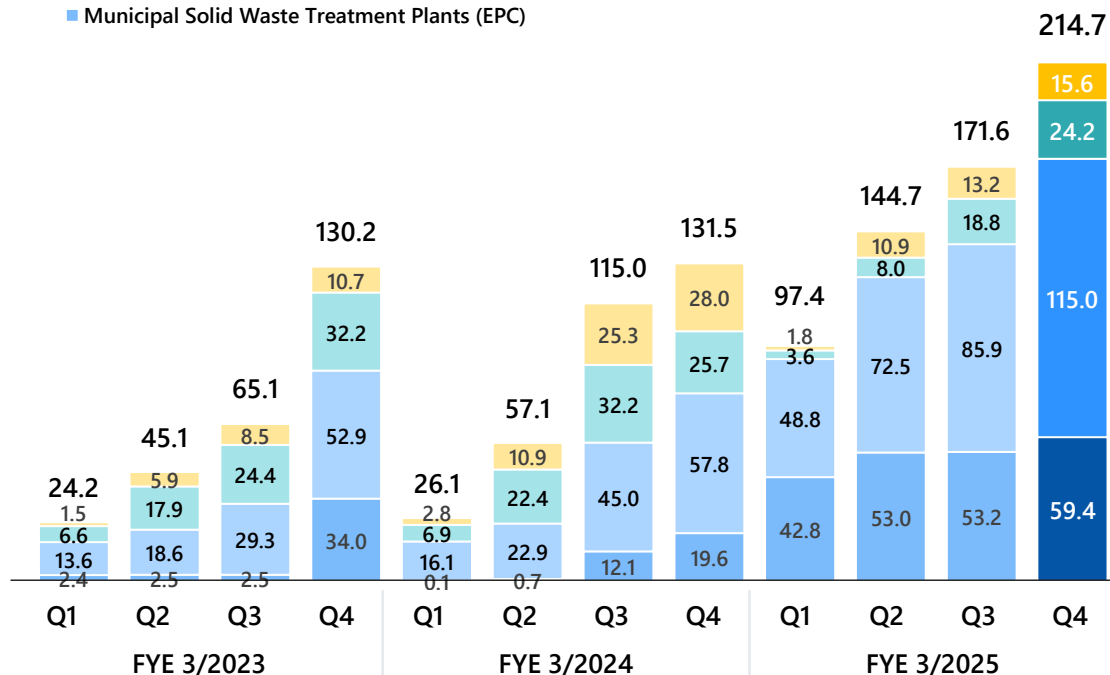
- ✓ Orders received were up owing to orders for waste treatment plants (2 DBO projects, 1 primary equipment improvement project), 4 energy plants and 1 sludge incineration plant.

Orders received

(Billions of yen)

- Water Treatment Plants, etc.
- Energy Plants (EPC and after-sales services)
- Municipal Solid Waste Treatment Plants (After-sales service)
- Municipal Solid Waste Treatment Plants (EPC)

YoY +63.3%
+¥83.2 billion

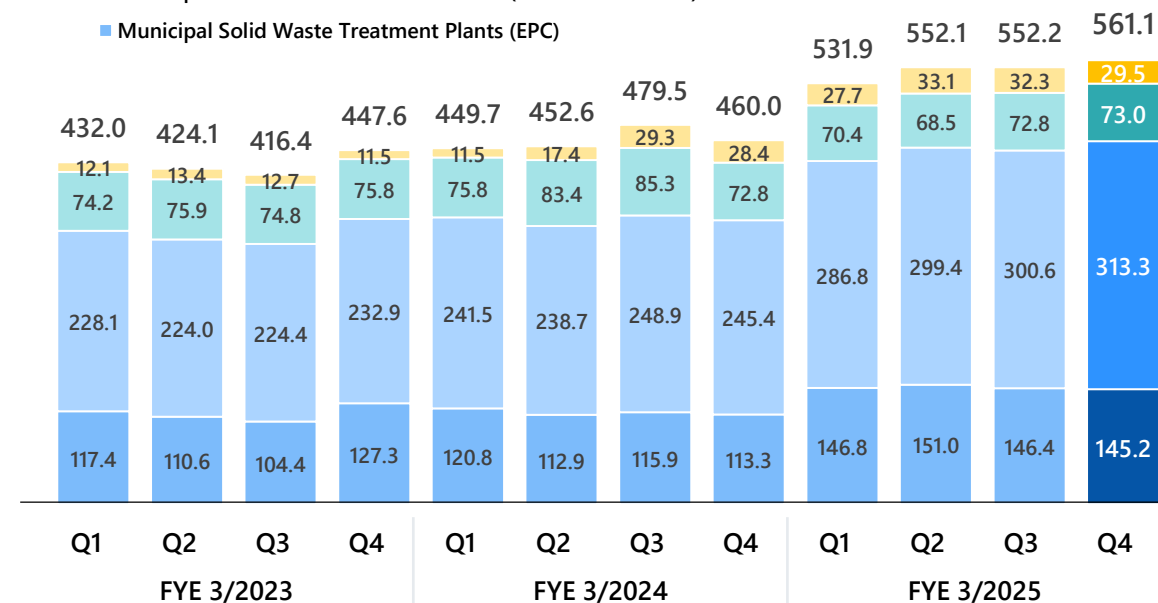


Order backlog

(Billions of yen)

- Water Treatment Plants, etc.
- Energy Plants (EPC and after-sales services)
- Municipal Solid Waste Treatment Plants (After-sales service)
- Municipal Solid Waste Treatment Plants (EPC)

Long-term O&M ratio
Approx. 55%

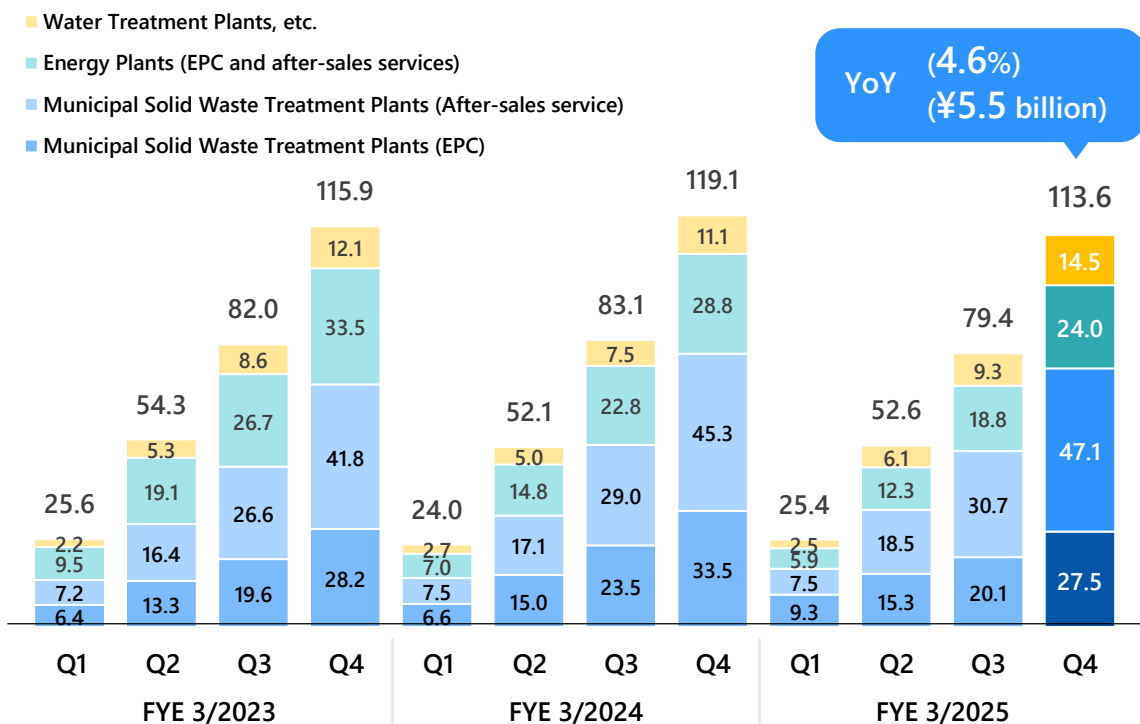


Major outstanding orders for municipal solid waste treatment plants [as of April 1, 2025]
 [EPC] 10 projects are in progress (of which 1 project is scheduled for delivery in FYE 3/2026, and 1 project is scheduled for delivery in FYE 3/2027)
 [Long-term O&M] 21 projects is ongoing, 1 project is scheduled to start in FYE 3/2026, 7 projects are scheduled to start in FYE 3/2027 or later.

- ✓ Net sales were down owing primarily to changes in the EPC project mix.
- ✓ Operating profit was up owing primarily to an increase in after-sales service and an elimination of costs for measures at a municipal solid waste treatment plant O&M project (gasification melting furnace) recorded for Q2 FYE 3/2024.

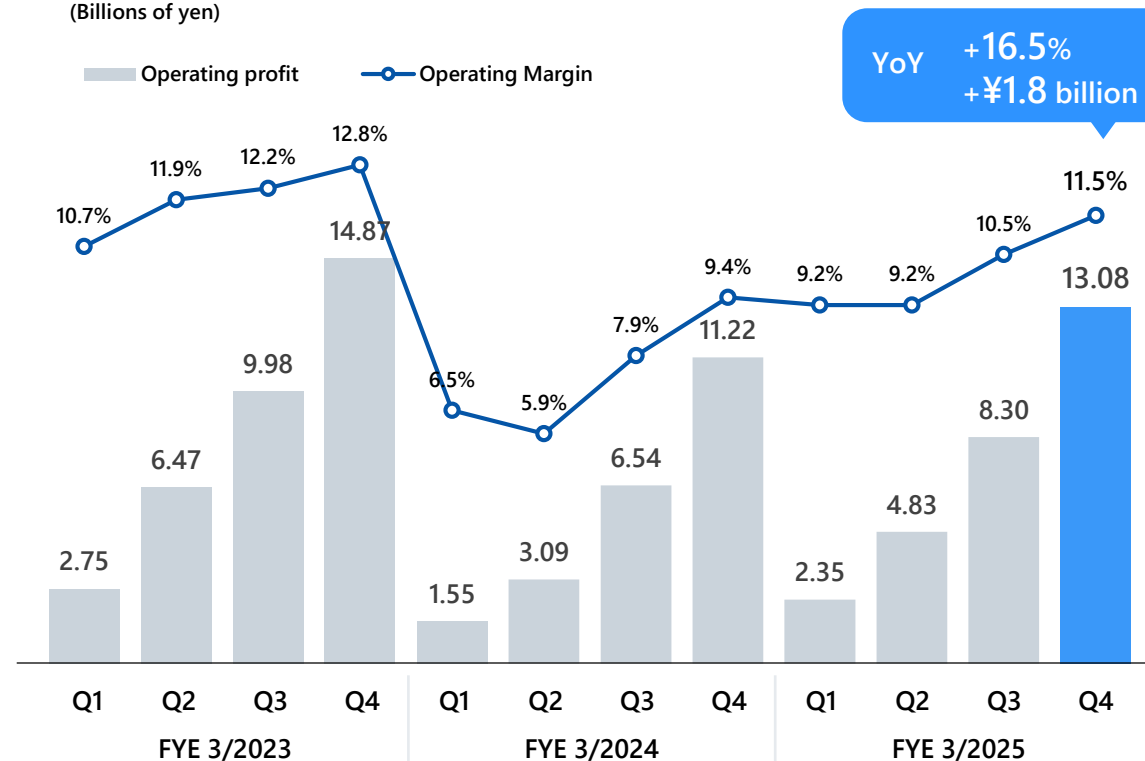
Net sales

(Billions of yen)



Operating profit

(Billions of yen)



- ✓ FYE 3/2025, orders were received for waste treatment plants (2 DBO projects, 1 primary equipment improvement project), and 1 sludge incineration plant.

	Year		Delivered to:	Notes		Capacity	Scheduled Completion
Municipal solid waste treatment plants	FYE 3/2023	Q1	Senboku Environmental Improvement Facilities Association	EPC	Primary equipment improvement project	300 t/day	3/2024
		Q3	Okinoshima-cho	After-sales service	Long-term O&M	25 t/day	4/2023-3/2038 (15 years)
		Q4	Kohoku Wide Area Administrative Affairs Center	EPC & After-sales service	BTO	124 t/day	3/2030 (18 years of operations starting 4/2028*)
	FYE 3/2024	Q3	Ashikaga City	EPC & After-sales service	DBO	152 t/day	3/2028 (20 years of operations starting 4/2028)
		Q4	Sapporo City	EPC & After-sales service (Crushing facility)	DBO	140 t/5h	3/2028 (20 years of operations starting 4/2028)
	FYE 3/2025	Q1	Amagasaki City	EPC & After-sales service	DBO	447t/day	3/2031 (20 years of operations starting 4/2031)
			Clean Authority of TOKYO	EPC	Primary equipment improvement project	1,800t/day	1/2029
		Q2	Gyoda Hanyu Resources and Environment Association	EPC & After-sales service	DBO	126t/day	6/2028 (20 years of operations starting 7/2028)
Water treatment plants	FYE 3/2024	Q2	Ochiai Water Reclamation Center	EPC (Sand filtration system)	-	128units	2/2028
		Q3	Osaka Prefecture Chuo Mizu Mirai Center	EPC (sludge treatment plant) & After-sales service	DBM	sewage sludge incineration 100t/day	7/2027 (About 11 years of long-term maintenance starting 7/2027)
	FYE 3/2025	Q2	Kyoto City Water Supply and Sewerage Bureau	EPC (sludge incineration plant)	-	sewage sludge incineration 150t/day	3/2028

* Start of overall facility operations, including heat recovery facility.

✓ FYE 3/2025, orders were received for 4 biomass power plants.

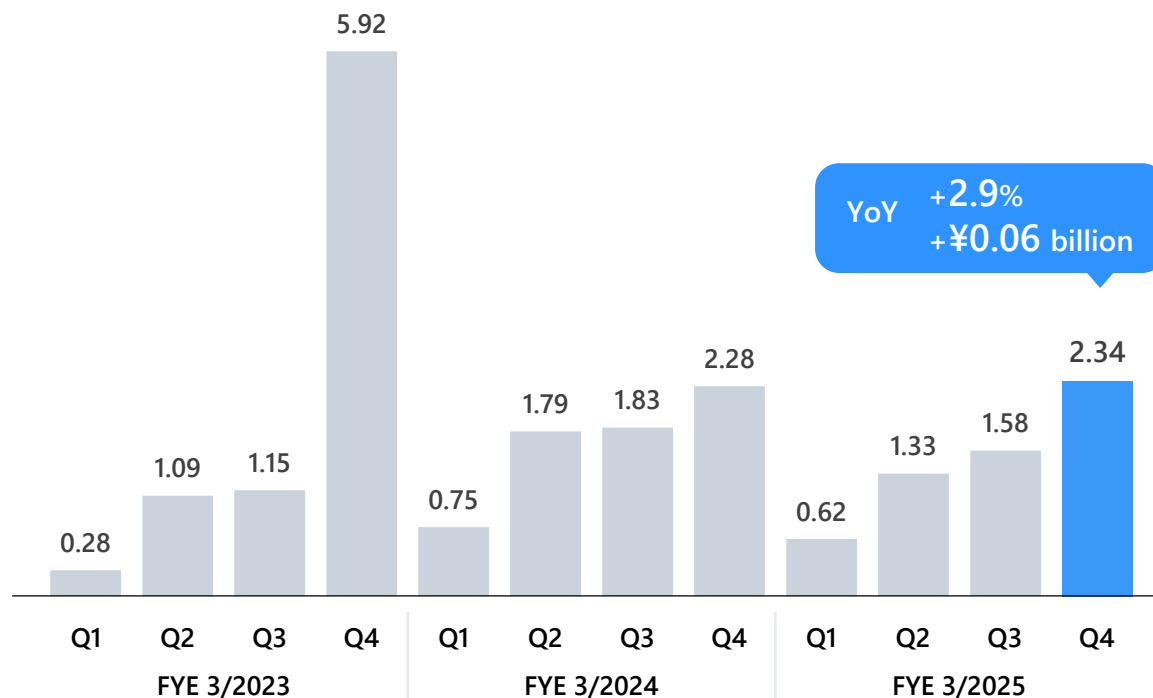
		Year	Delivered to:	Notes		Capacity	Scheduled Completion
Energy plants	FYE 3/2023	Q1	Sanyo-Onoda Green Energy Co.	EPC	Power generation business (Biomass, FIT)	1,990kW	6/2024
			Power Aid MIE LLC.	EPC	Power generation business (Biomass and others, Non-FIT)	1,990kW	Winter FYE 3/2025
		Q2	Yonezawa Bio Energy LLC.	EPC	Power generation business (Biomass, FIT)	7,100kW	11/2025
			Soga Biomass Power Generation Co.	EPC	Power generation business (Biomass, FIT)	1,990kW	11/2024
			Company A	EPC (Fuel conversion)	Self-consumption (Biomass and others, Non-FIT)	-	-
		Q3	Katsuta Co., Ltd.	EPC	Industrial waste treatment	150t/day	2/2026
		Q4	Regional power Co.	EPC	Power generation business (Biomass, Non-FIT)	9,990kW	8/2026
	FYE 3/2024	Q1	Furusato FIC Energy LLC.	EPC	Power generation business (Biomass, FIT)	1,990kW	1/2026
			Mogami Biomass Power Generation2 (KK)	EPC	Power generation business (Biomass, FIT)	7,100kW	10/2026
		Q2	Shin Tokai Paper Co., Ltd. Shimada Plant	EPC	Self-consumption (Biomass and others, Non-FIT)	-	1/2027
			Company B	EPC	Power generation business (Biomass, FIT)	7,100kW	-
			Green Power Tono (KK)	EPC	Power generation business (Biomass, FIT)	1,990kW	11/2026
		Q3	Tochigi High Trust Co., Ltd.	EPC	Industrial waste treatment	93.6t/day	2/2027
			Hachimantai Next Energy Co.	EPC	Power generation business (Biomass, FIT)	7,100kW	12/2026
		Q4	Company C	EPC	Power generation business (Biomass, FIT)	1,990kW	-
	FYE 3/2025	Q2	Hiroshima Gas Co., Ltd.	EPC	Power generation business (Biomass, FIP)	1,990kW	6/2026
		Q3	Company D	EPC	Self-consumption (Biomass and others, Non-FIT)	-	-
			Joetsu Biomass Power Generation LLC.	EPC	Power generation business (Biomass, FIT)	1,990kW	3/2027
		Q4	Company E	EPC	Power generation business (Biomass, Non-FIT)	1,990kW	-

*Self-consumption: Steam (heat) and electricity produced by a plant installed within the factory are used within the factory without being supplied externally.

- ✓ Orders received saw a slight increase from the previous period, with no new plant orders but steady demand for maintenance services.
- ✓ We will continue going after new construction and renewal projects in addition to maintenance services.

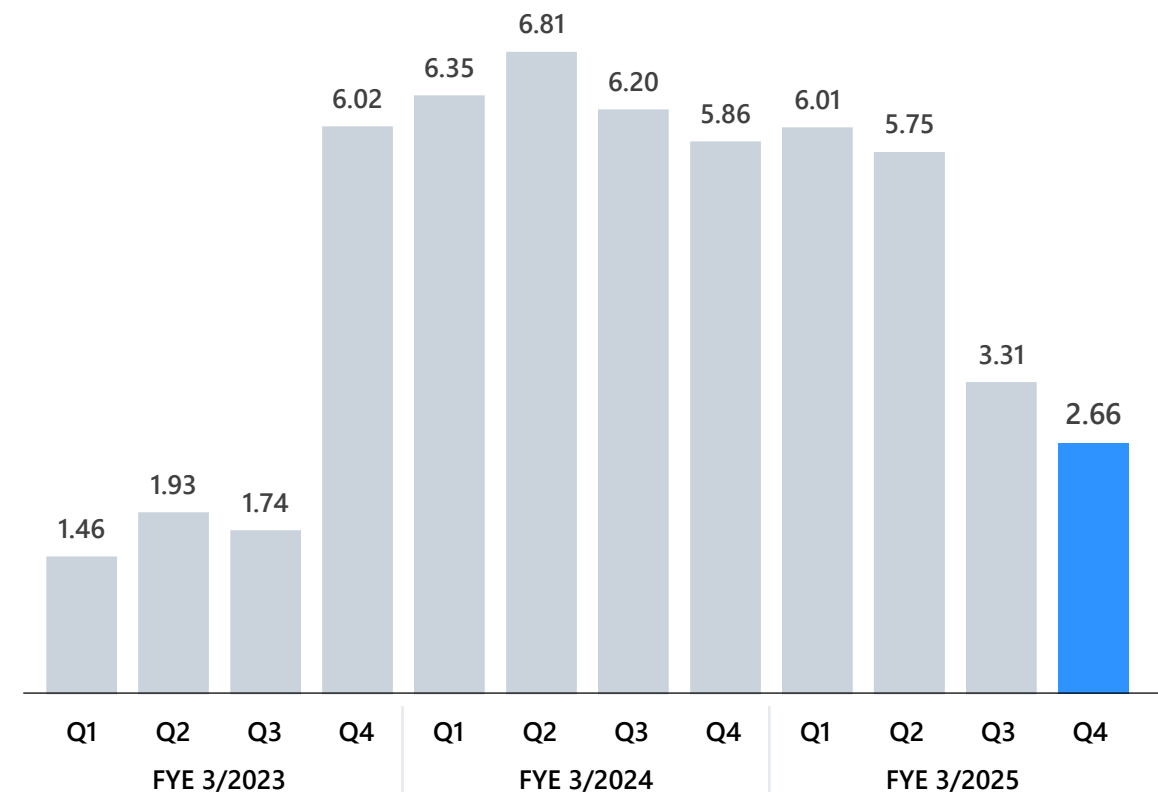
Orders received

(Billions of yen)



Order backlog

(Billions of yen)



Overseas Environment and Energy Business

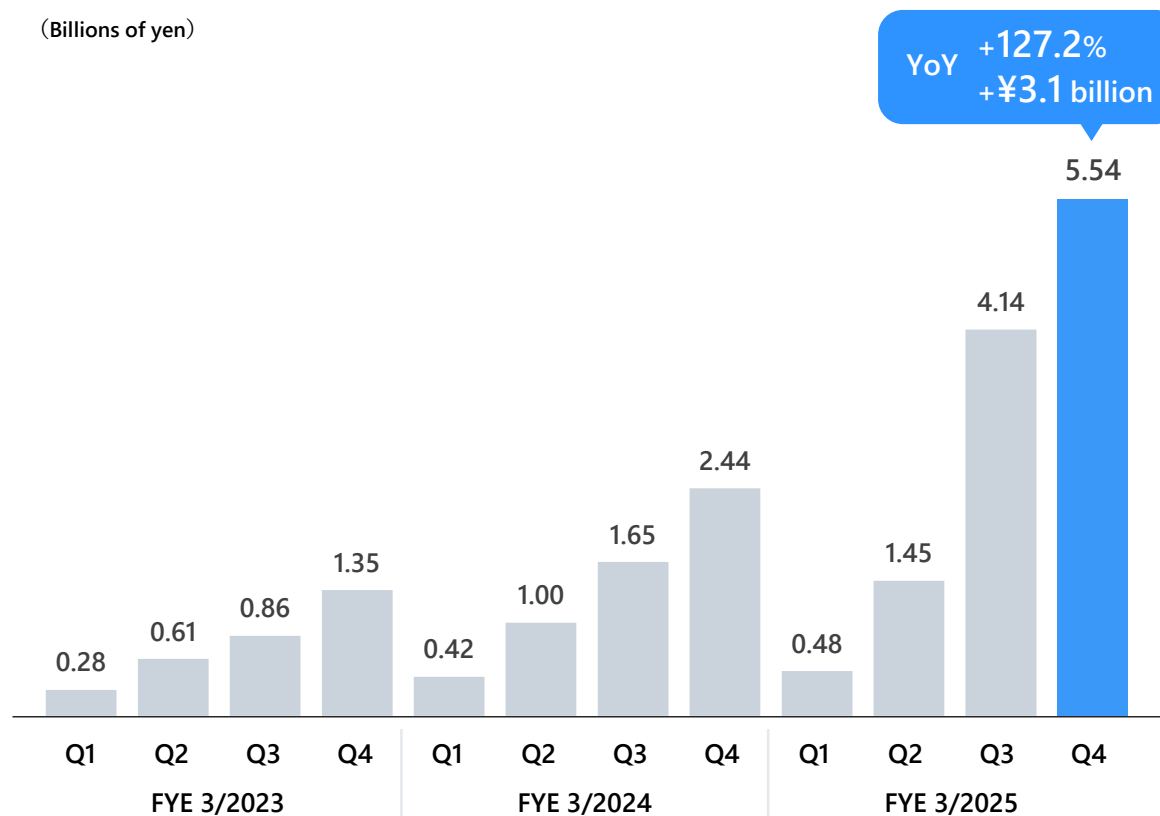
Net sales /
Operating profit

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- ✓ Net sales and operating profit were up owing to progress on new plant projects previously ordered.
- ✓ Approximately ¥0.3 billion of operating profit is due to the foreign exchange translation differences arising from the elimination of transactions with overseas subsidiaries, and the same amount has been adjusted as a foreign exchange loss under non-operating expenses.

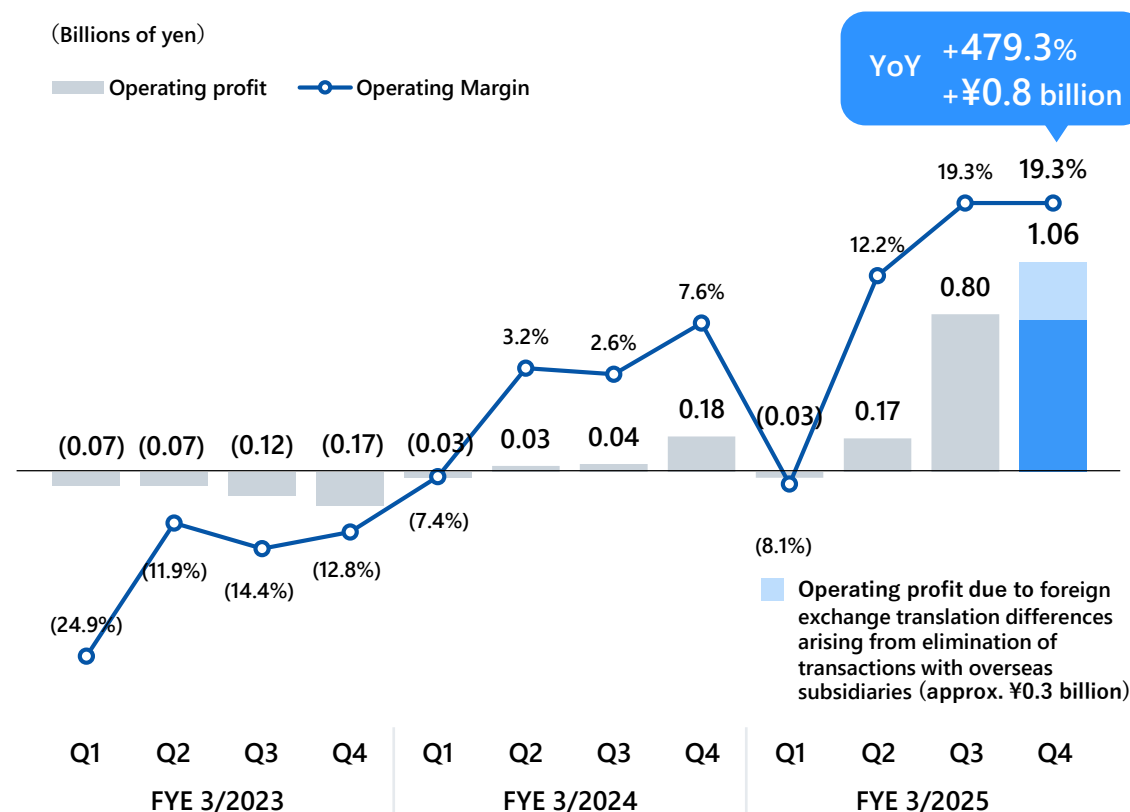
Net sales

(Billions of yen)



Operating profit

(Billions of yen)

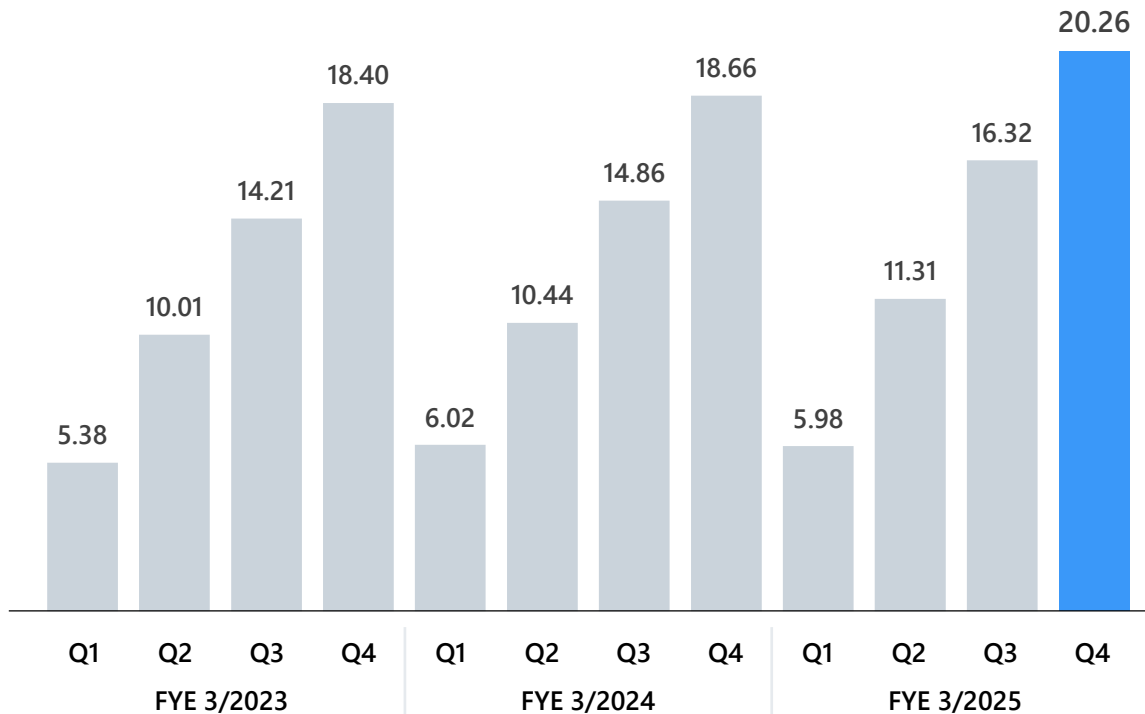


- ✓ Orders received were up due to a continued moderate recovery in demand.

Orders received

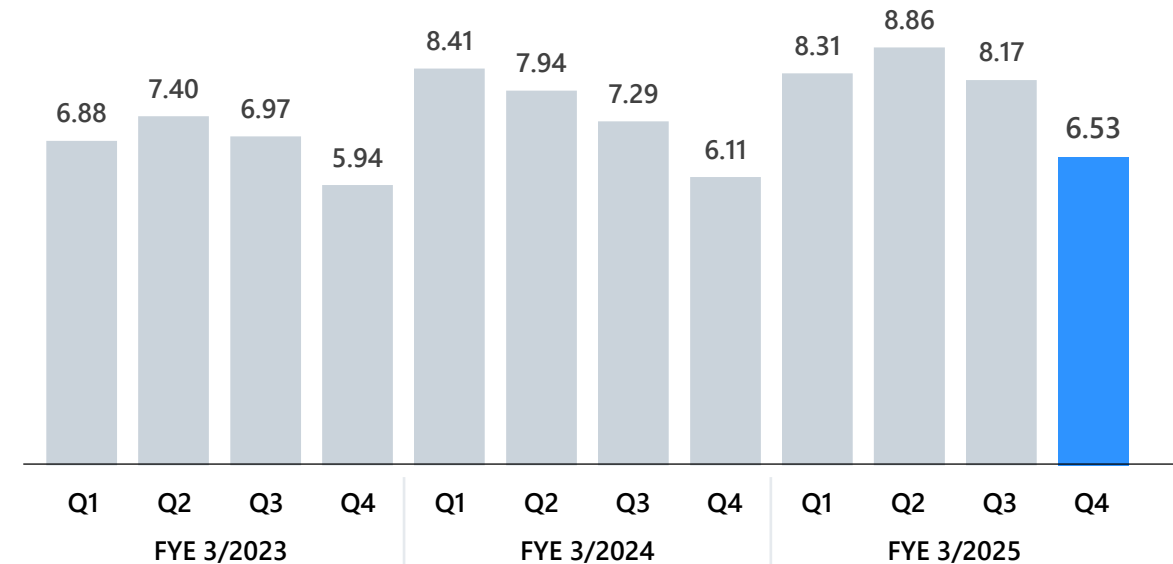
(Billions of yen)

YoY +8.6%
+¥1.6 billion



Order backlog

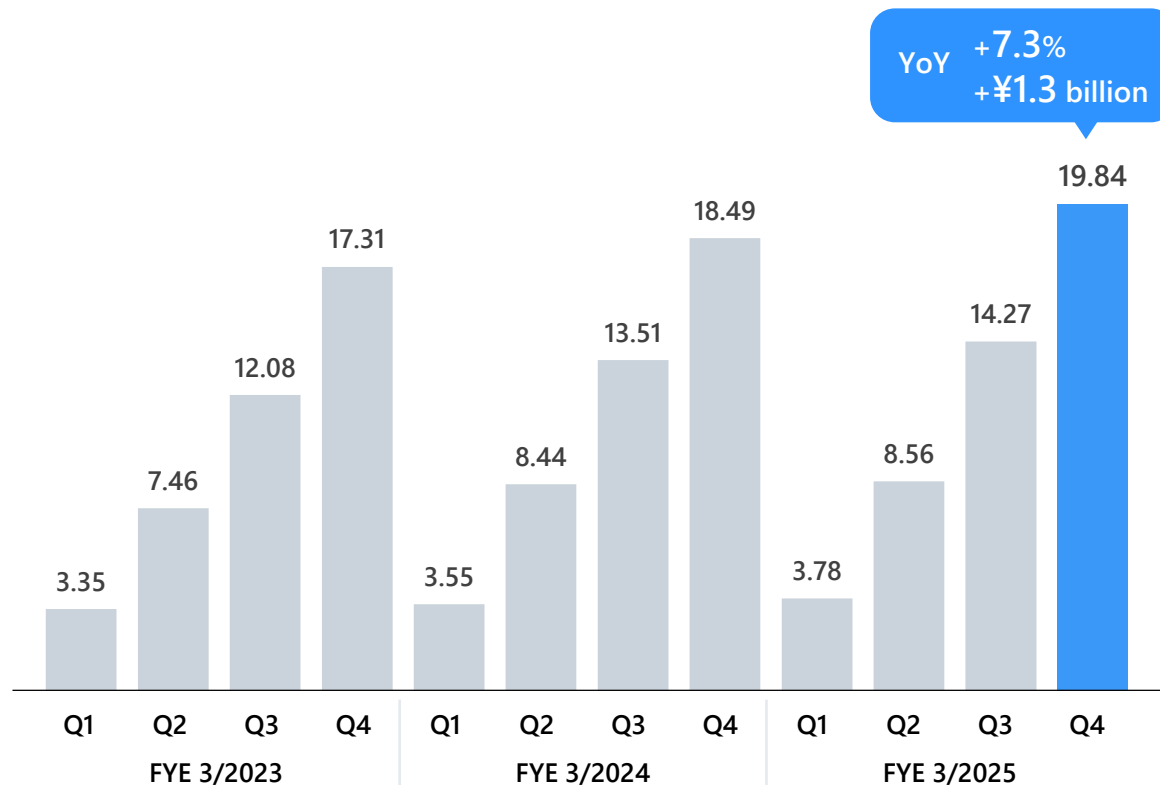
(Billions of yen)



- ✓ Net sales and operating profit were up owing to increased orders and progress on projects previously ordered.

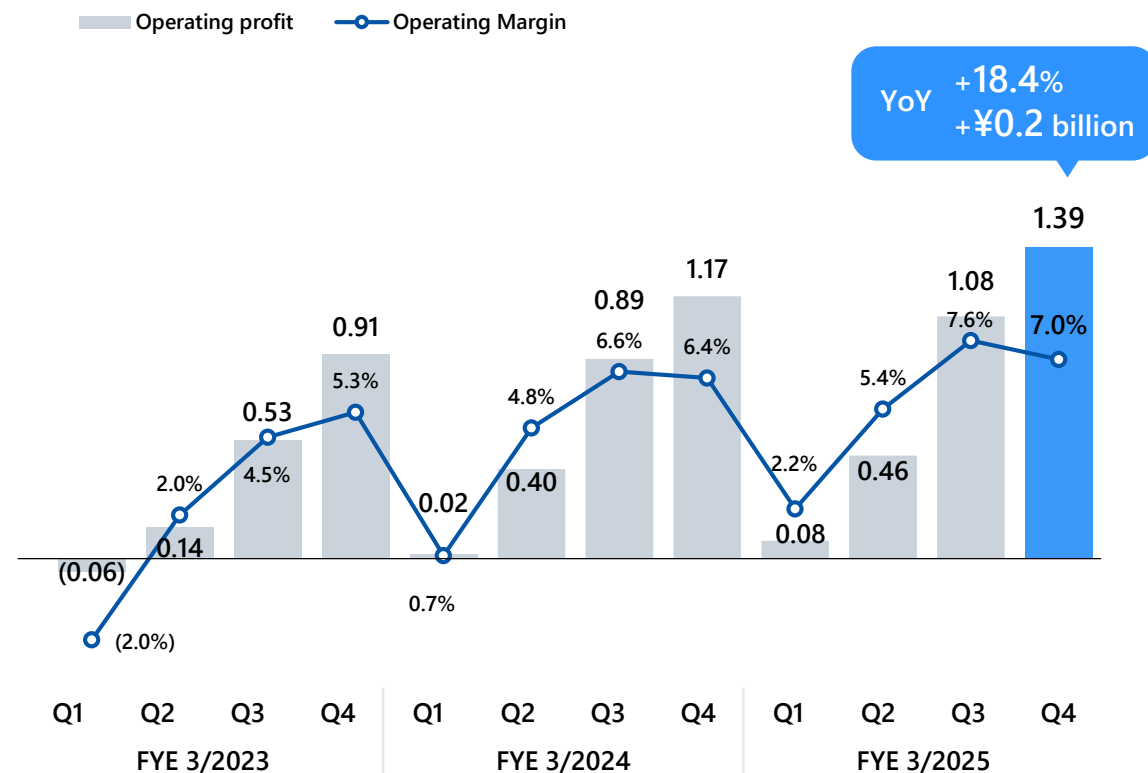
Net sales

(Billions of yen)



Operating profit

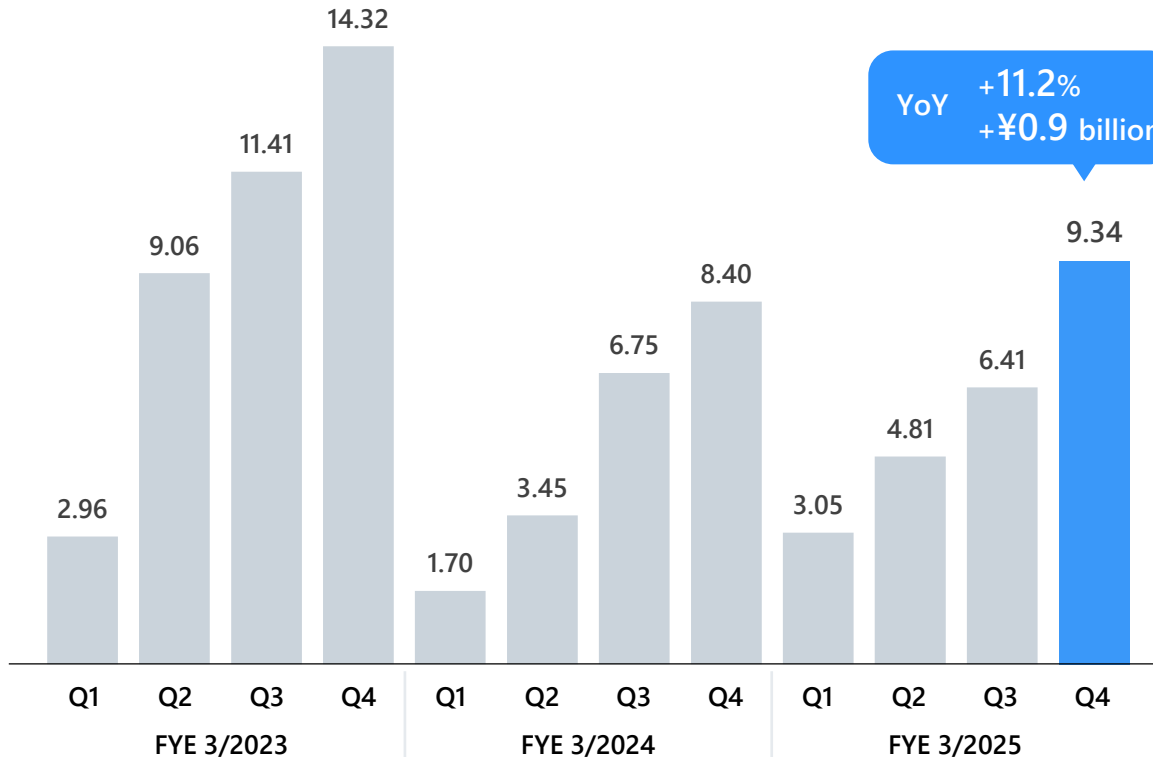
(Billions of yen)



- ✓ Orders received increased primarily from orders in the building equipment business.

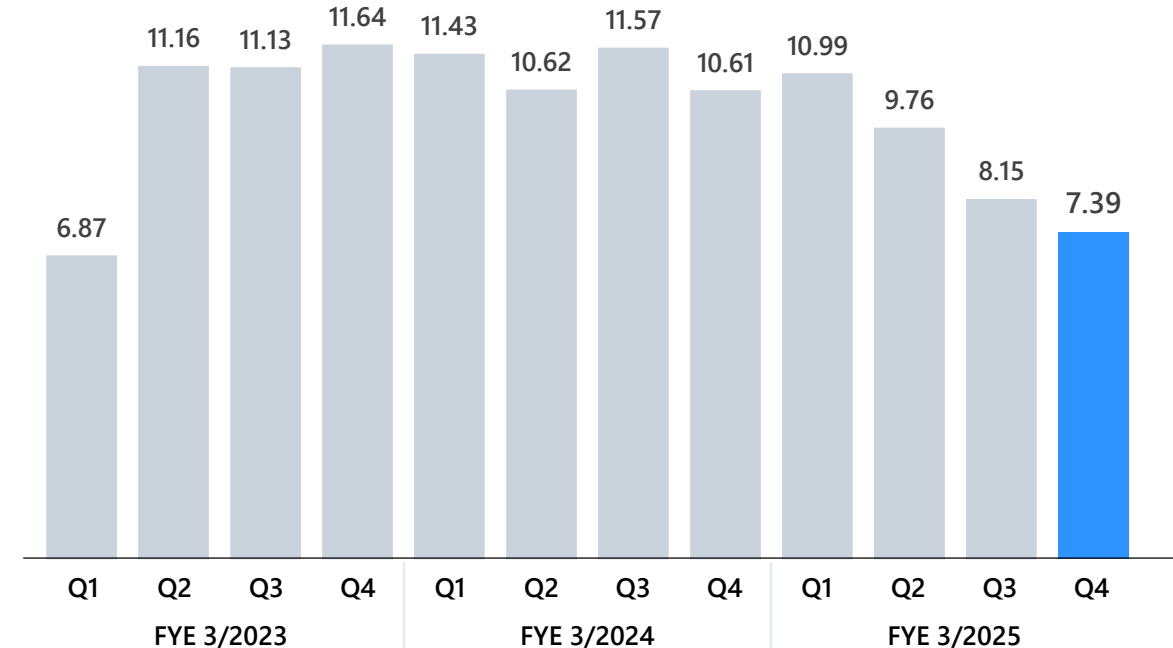
Orders received

(Billions of yen)



Order backlog

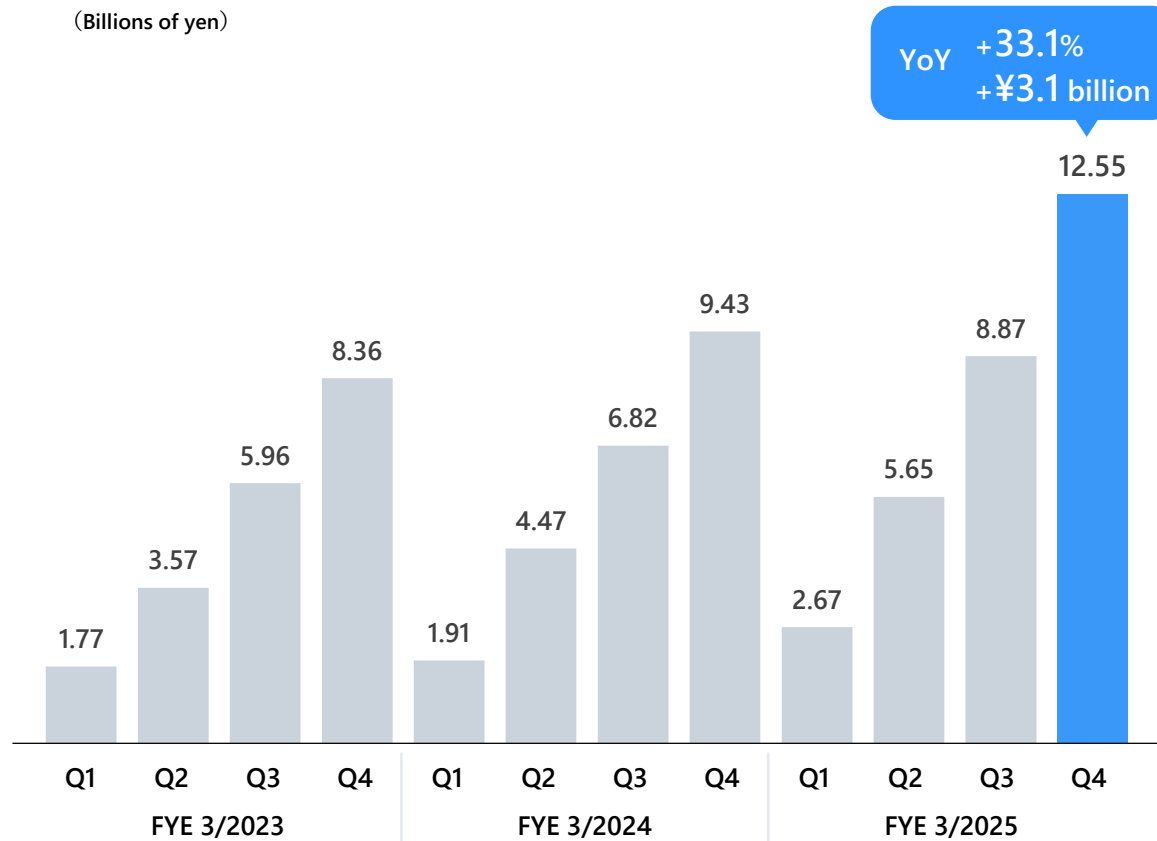
(Billions of yen)



- ✓ Net sales and operating profit were up owing to progress on projects previously ordered.

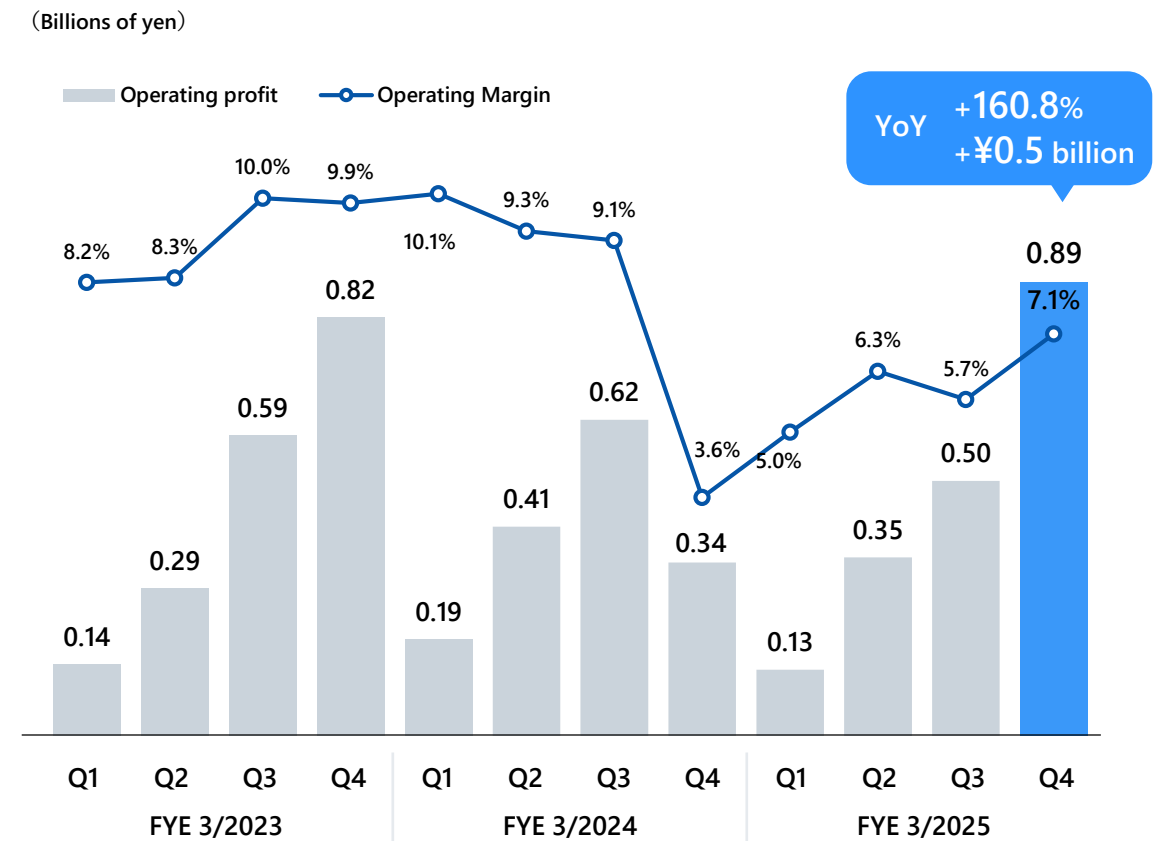
Net sales

(Billions of yen)



Operating profit

(Billions of yen)



1. Overview of FY2024 (Ended 3/2025) Financial Results

2. Financial Forecast for FY2025 (Ending 3/2026)

3. Revision of Financial Targets in 14th Medium-Term Management Plan

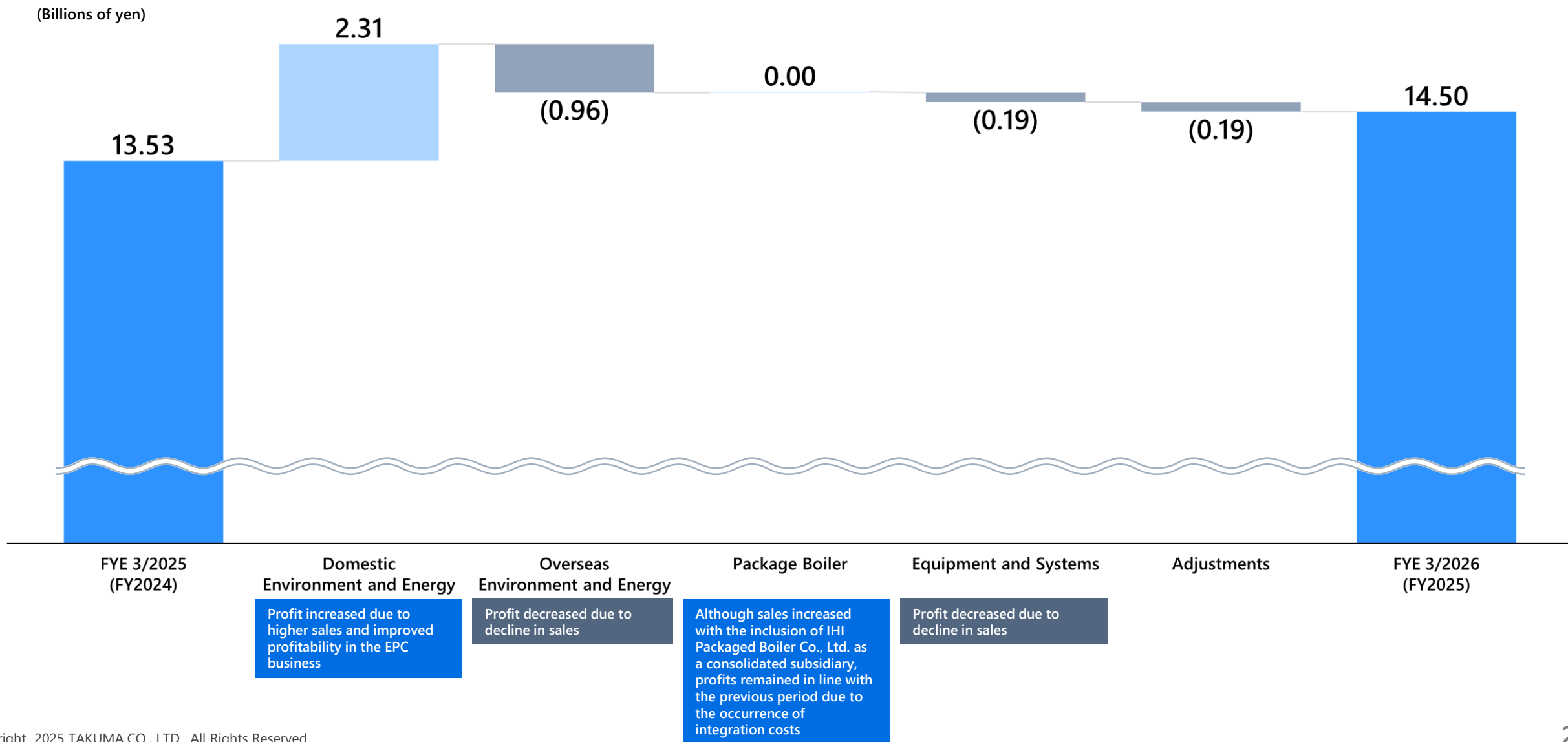
- ✓ Orders received will continue to be steadily linked to strong demand, particularly for waste treatment plants, with the goal of achieving a record high for two consecutive years.
- ✓ Net sales are expected to increase due to growth in the Domestic Environment and Energy Business, as well as the Package Boiler Business.
- ✓ Operating profit is expected to increase, primarily driven by growth in the Domestic Environment and Energy Business.
- ✓ Profit attributable to owners of parent is expected to reach a record high for two consecutive years, mainly due to a gain on sales of investment securities

(Millions of yen)	FYE 3/2024 (FY2023)	FYE 3/2025 (FY2024)	FYE 3/2026 (FY2025) Beginning of year forecast	YoY Change
Orders received	160,568	246,301	250,000	+1.5%
Order backlog	482,612	577,752	662,752	+14.7%
Net sales	149,166	151,161	165,000	+9.2%
Operating profit	10,229	13,532	14,500	+7.1%
Operating margin	6.9%	9.0%	8.8%	(0.2pt)
Ordinary profit	11,166	14,095	15,000	+6.4%
Profit attributable to owners of parent	8,754	10,391	11,700	+12.6%
Basic earnings per share (yen)	109.43	132.24	158.00	+19.5%

(Millions of yen)	FYE 3/2024 (FY2023)	FYE 3/2025 (FY2024)	FYE 3/2026 (FY2025) Beginning of year forecast	YoY Change
Order received				
Total	160,568	246,301	250,000	+1.5%
Domestic Environment and Energy	131,567	214,792	208,500	(2.9%)
Overseas Environment and Energy	2,280	2,347	3,000	+27.8%
Package Boiler	18,666	20,266	29,000	+43.1%
Equipment and Systems	8,403	9,343	10,000	+7.0%
Net sales				
Total	149,166	151,161	165,000	+9.2%
Domestic Environment and Energy	119,190	113,650	126,500	+11.3%
Overseas Environment and Energy	2,440	5,546	3,000	(45.9%)
Package Boiler	18,492	19,845	26,000	+31.0%
Equipment and Systems	9,437	12,557	10,000	(20.4%)
Operating profit				
Total	10,229	13,532	14,500	+7.1%
Domestic Environment and Energy	11,228	13,081	15,400	+17.7%
Overseas Environment and Energy	184	1,069	100	(90.7%)
Package Boiler	1,177	1,394	1,400	+0.4%
Equipment and Systems	341	890	700	(21.4%)

*Adjustments are omitted.

(Billions of yen)

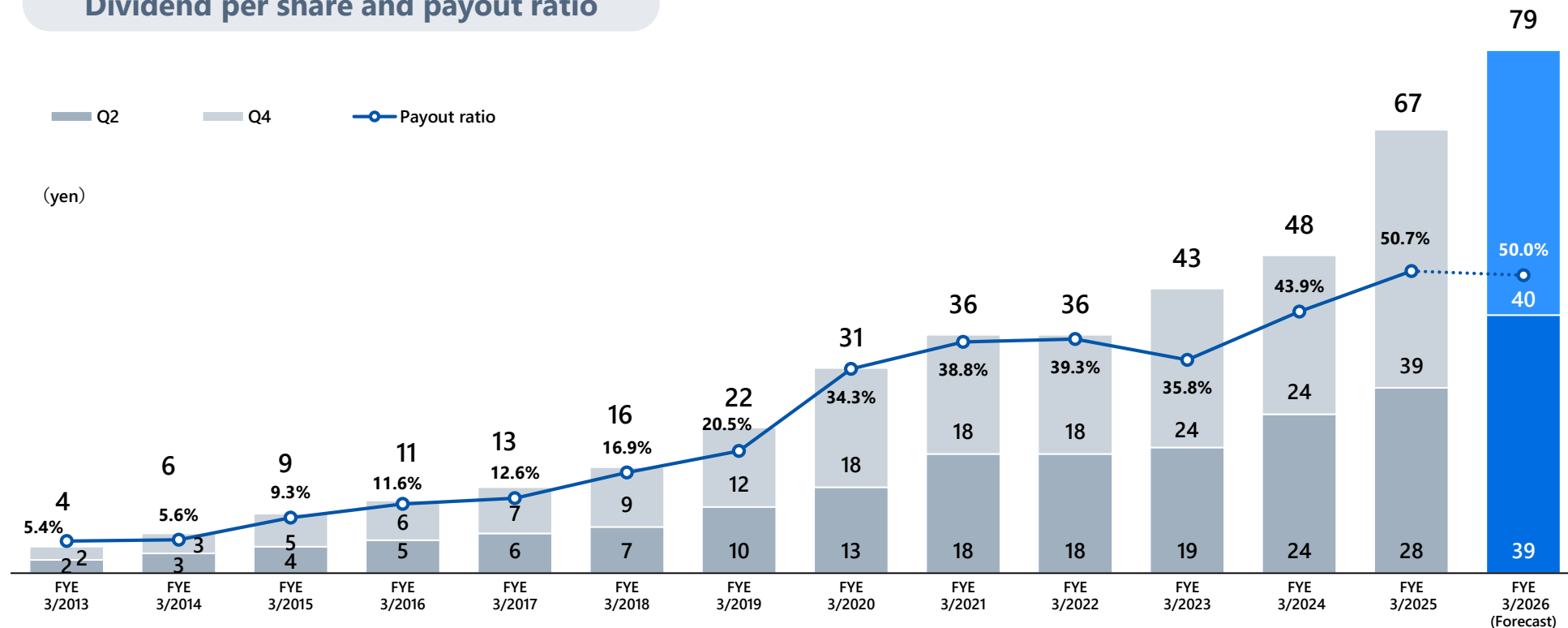


- ✓ In line with the shareholder return policy, the annual dividend per share for FY2025 is expected to be 79 yen, a record high, representing an increase of 12 yen.

14th MTP Shareholder return policy

- Enhancing shareholder returns and improving capital efficiency through stable dividends and share repurchase
- Establish as a target amount whichever is higher calculated based on dividend payout ratio of 50% or dividend on equity (DOE) ratio of 4.0%
- Share repurchase totaling approximately JPY 18 billion over three years to improve capital efficiency

Dividend per share and payout ratio



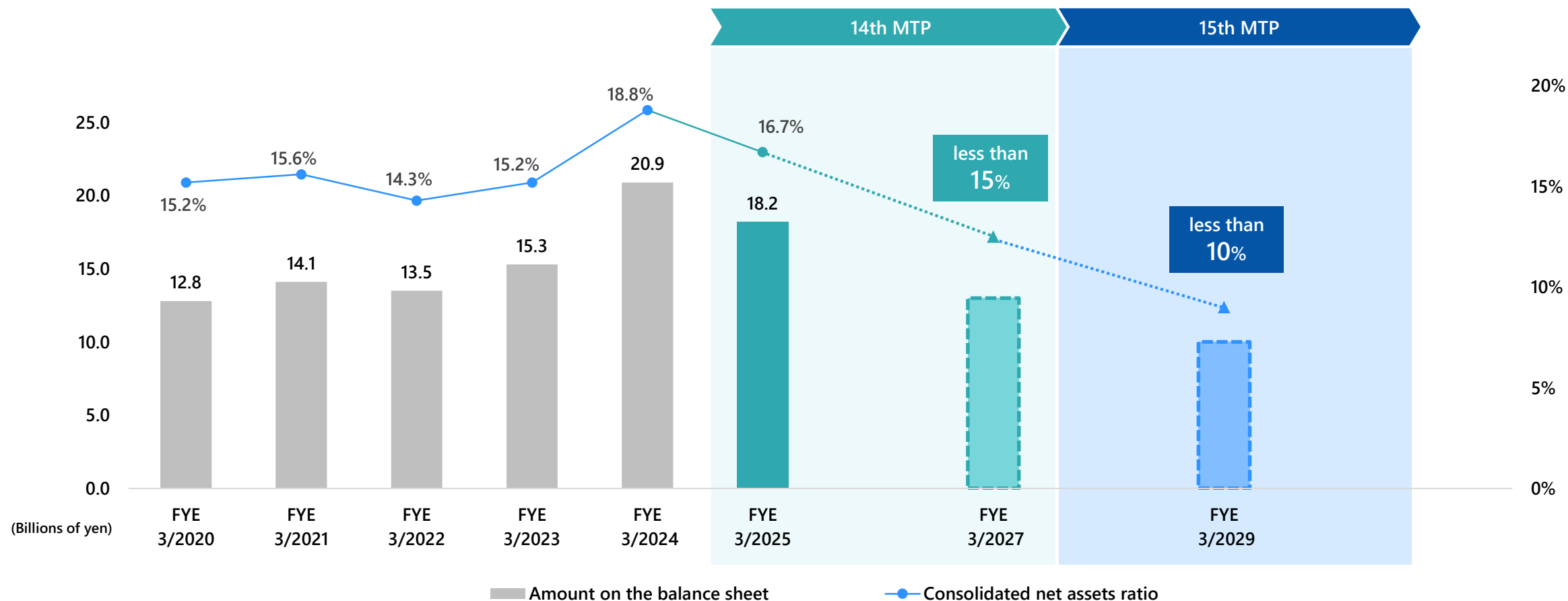
- ✓ We plan to repurchase approximately 18 billion yen of treasury shares over the three-year period of the 14th Medium-Term Management Plan (FY2024-2026) in order to improve capital efficiency and enhance shareholder returns.
- ✓ The second repurchase of treasury shares under the 14th MTP is currently being carried out from February 17, 2025, to February 16, 2026, with a maximum limit of 10 billion yen, and all acquired shares are planned to be cancelled.
- ✓ The total return ratio for FY2025 is expected to be approximately 115%.

Board of Directors resolution regarding the repurchase and cancellation of treasury shares

Details of the Repurchase	Resolution of May 14, 2024		Resolution of February 14, 2025	
	Details of the Resolution	Repurchase Status [Completed]	Details of the Resolution	Repurchase Status [As of April 30, 2025]
Total number of shares to be repurchased / have been repurchased	3,000,000 (maximum)	2,463,200	9,000,000 (maximum)	2,191,300
Ratio to total outstanding shares [excluding treasury shares]	3.75 %	-	11.59 %	-
Total amount to be paid for repurchase	¥4,000,000,000 (maximum)	¥3,999,939,075	¥10,000,000,000 (maximum)	¥3,920,317,281
Period of repurchase	From May 15, 2024 to January 15, 2025	From May 15, 2024 to January 15, 2025	From February 17, 2025 to February 16, 2026	From February 17, 2025 to April 30, 2025
Details of the Cancellation				
Total number of shares to be cancelled	All of the treasury shares repurchased as stated in above	2,463,200	All of the treasury shares repurchased as stated in above	-
Ratio to total outstanding shares before cancellation	-	2.97 %	-	-
Scheduled date of cancellation	February 28, 2025	February 28, 2025	March 31, 2026	March 31, 2026

- ✓ In order to further accelerate our reduction effort, we will reduce our cross-shareholdings to less than 15% of its consolidated net assets (selling approximately 7 billion yen worth of shares) by the end of the fiscal year ending March 2027, and will further reduce them to less than 10% by the end of the fiscal year ending March 2029 (selling further approximately 3 billion yen worth of shares).

Illustration: Reducing cross-shareholdings



✓ Actively invest for further business expansion in the future.

- Human resources investment: Strengthen hiring and training of human resources, especially in Engineering, Construction and Maintenance divisions.
- Capital investment: Investment for the new Harima Factory was completed.
- Depreciation: Up mainly due to update for enterprise system.
- Research and development expenses: We engaged in R&D, primarily in relation to decarbonization technology. Expenses are expected to increase due to experiments and installation of testing equipment.

Human resources investment	FYE 3/2021	FYE 3/2022	FYE 3/2023	FYE 3/2024	FYE 3/2025	FYE 3/2026 (Forecast)
Number of employees (people, consolidated)	3,925	4,145	4,247	4,278	4,372	-
Number of employees (people, non-consolidated)	894	958	1,002	1,054	1,087	-
Hires (people, non-consolidated)	62	79	69	83	76	60-70

(Millions of yen)	FYE 3/2021	FYE 3/2022	FYE 3/2023	FYE 3/2024	FYE 3/2025	FYE 3/2026 (Forecast)
Capital investment	2,420	3,844	7,100	3,527	1,329	1,500
Depreciation	1,036	961	1,136	1,797	1,934	2,100
Research and development expenses	1,047	1,006	1,150	1,629	1,782	1,800

(Millions of yen)	FYE 3/2021	FYE 3/2022	FYE 3/2023	FYE 3/2024	FYE 3/2025	FYE 3/2026 (Forecast)
Selling, general and administrative expenses (consolidated)	16,326	16,254	17,741	19,309	20,160	-

1. Overview of FY2024 (Ended 3/2025) Financial Results

2. Financial Forecast for FY2025 (Ending 3/2026)

3. Revision of Financial Targets in 14th Medium-Term Management Plan

14th Medium-Term Management Plan

Financial Targets (Summary)

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- ✓ Considering current business performance, total orders received over the three years will be revised upwards to 706.3 billion yen and total ordinary profit over the three years will be revised upwards to 45.0 billion yen, they are main targets of the 14th MTP.

■ Main target

(JPY billions)	13th MTP	14th Medium-Term Management Plan							
	3-year total	FY2024 (Results)		FY2025 (Target)		FY2026 (Target)		3-year total	
	Results	Previous Plan	Results (Difference)	Previous Plan	Revised Plan (Difference)	Previous Plan	Revised Plan (Difference)	Previous Plan	Revised Plan (Difference)
Orders received	521.3	230.0	246.3 +16.3	180.0	250.0 +70.0	190.0	210.0 +20.0	600.0	706.3 +106.3
Net sales	425.9	150.0	151.1 +1.1	152.0	165.0 +13.0	165.0	173.0 +8.0	460.0	489.1 +29.1
Operating profit	33.9	13.5	13.5 +0.0	11.2	14.5 +3.3	13.2	15.5 +2.3	35.6	43.5 +7.9
Ordinary profit	36.4	14.0	14.0 +0.0	12.0	15.0 +3.0	14.0	16.0 +2.0	38.0	45.0 +7.0
ROE	8.3% (FY3/2024)	8.0%	9.5% +1.5pt	9.0%	10.5% +1.5pt	11.0%	11.5% +0.5pt	at least 11% (FY 3/2027)	at least 11.5% (FY 3/2027)

*Previous Plan: The values disclosed in the "Notice Regarding Reduction of Cross-share holdings" dated November 8, 2024 (except the net sales, operating profit, and ordinary profit for the fiscal year 2024, which are based on the values disclosed in the "Notice of Revision to Financial Results Forecasts and Revision to (Increase in) the Dividend Forecast for Fiscal Year Ending March 31, 2025" dated February 14, 2025)

14th Medium-Term Management Plan

Financial Targets Forecasts by Segment

TAKUMA

(JPY millions)	FY2024 (Results)		FY2025 (Target)		FY2026 (Target)		3-year total	
	Previous Plan	Results	Previous Plan	Revised Plan	Previous Plan	Revised Plan	Previous Plan	Revised Plan
Orders received								
Total	230,000	246,301	180,000	250,000	190,000	210,000	600,000	706,301
Domestic Environment and Energy	199,700	214,792	146,700	208,500	155,000	168,500	500,400	591,792
Overseas Environment and Energy	2,000	2,347	4,000	3,000	4,000	4,000	12,000	9,347
Package Boiler	19,800	20,266	19,300	29,000	20,000	27,000	58,100	76,266
Equipment and Systems	9,000	9,343	10,500	10,000	11,500	11,000	31,000	30,343
Net sales								
Total	150,000	151,161	152,000	165,000	165,000	173,000	460,000	489,161
Domestic Environment and Energy	114,100	113,650	118,900	126,500	130,000	133,500	358,300	373,650
Overseas Environment and Energy	5,400	5,546	4,000	3,000	4,000	2,000	13,000	10,546
Package Boiler	19,000	19,845	19,100	26,000	19,700	27,000	57,400	72,845
Equipment and Systems	12,000	12,557	10,500	10,000	11,800	11,000	32,800	33,557
Operating profit								
Total	13,500	13,532	11,200	14,500	13,200	15,500	35,600	43,532
Domestic Environment and Energy	13,600	13,081	12,600	15,400	14,400	16,000	39,300	44,481
Overseas Environment and Energy	1,000	1,069	0	100	0	0	300	1,169
Package Boiler	1,200	1,394	1,050	1,400	1,100	1,800	3,150	4,594
Equipment and Systems	800	890	700	700	900	900	2,300	2,490

*Adjustments omitted

Domestic Environment and Energy Business

- ✓ Takuma has steadily secured orders due to strong demand for the renewal of waste treatment plants. Additionally, its recurring revenue model businesses, such as maintenance, have been steadily increasing revenue.
- ✓ The Company expects this favorable business environment to continue in the future.

	Revised Plan	Change from previous forecast*
3-year total Orders received	¥591.7 billion	+¥91.3billion +18.3%
3-year total Net sales	¥373.6 billion	+¥15.3billion +4.3%
3-year total Operating profit	¥44.4 billion	+¥5.1billion +13.2%

Package Boiler Business

- ✓ IHI Packaged Boiler Co., Ltd. has been included as Takuma's consolidated subsidiary since April 2025. Therefore, the Company expects to gain economies of scale by increasing the domestic market share of once-through boilers.
- ✓ Through the merger of Nippon Thermoener Co., Ltd. with IHI Packaged Boiler scheduled for April 2026, Takuma aims to maximize synergies of the business.

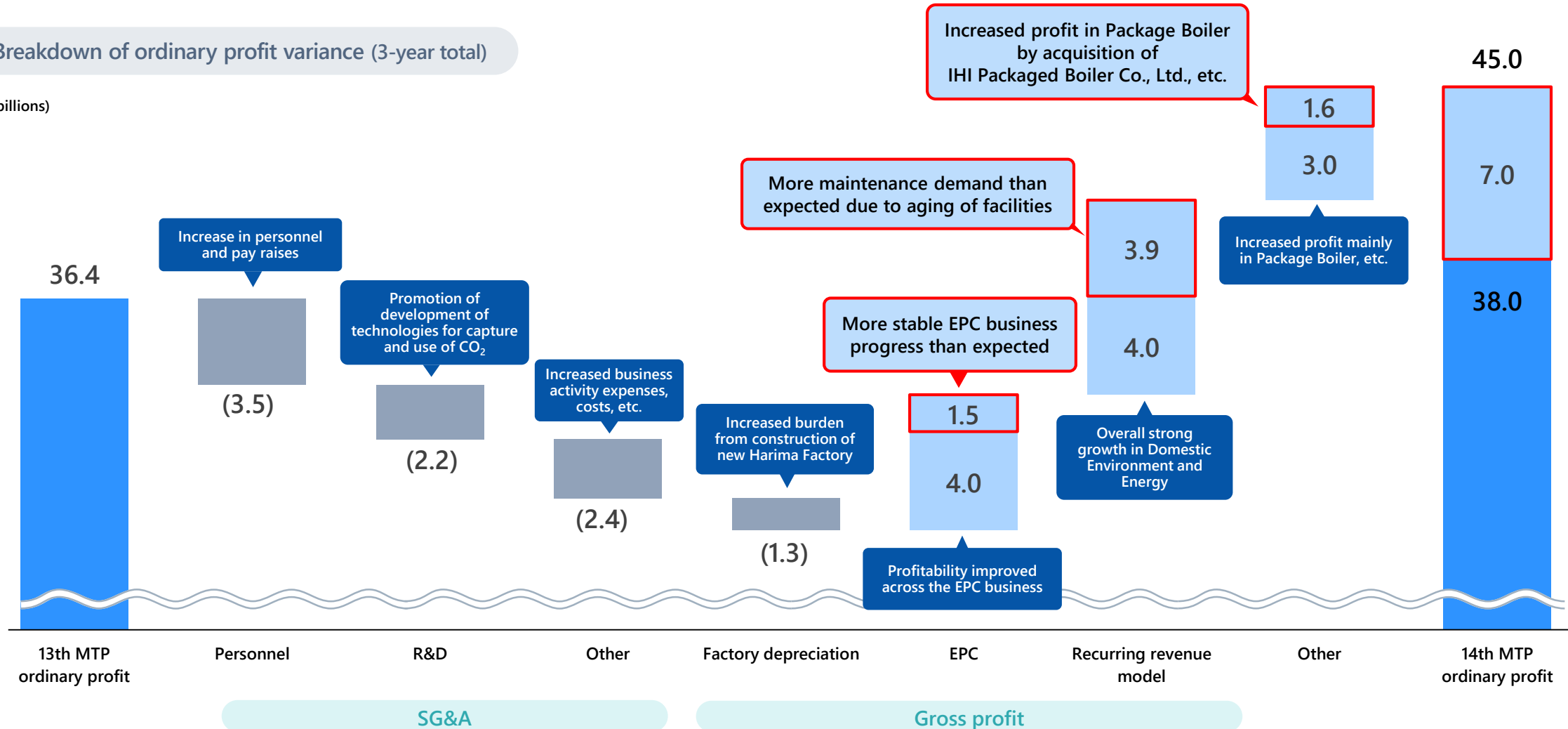
	Revised Plan	Change from previous forecast*
3-year total Orders received	¥76.2 billion	+¥18.1billion +31.3%
3-year total Net sales	¥72.8 billion	+¥15.4billion +26.9%
3-year total Operating profit	¥4.5 billion	+¥1.4billion +45.8%

* Comparison with the 14th Medium-Term Financial Targets announced on November 8, 2024.

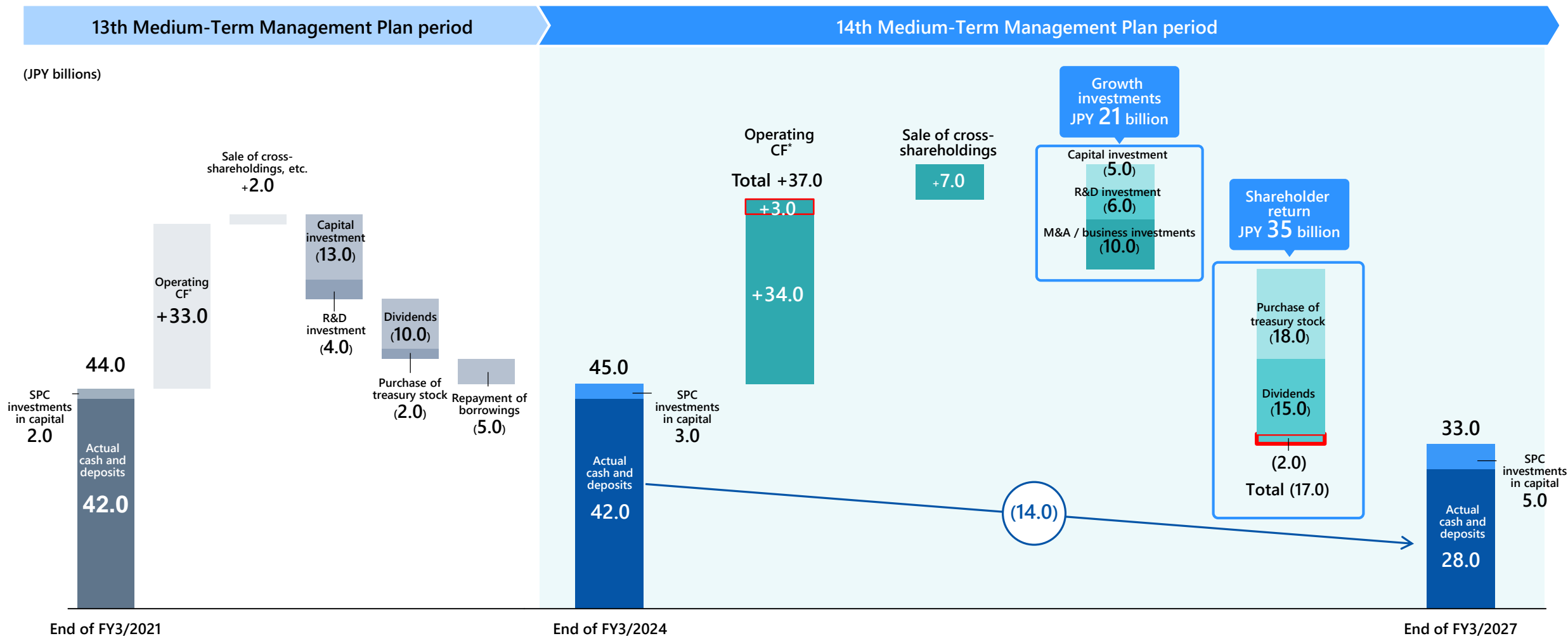
- ✓ Although we expect an increase in SG&A expenses such as personnel and R&D expenses, we also expect an increase in profit due to higher gross profit in the EPC Business and recurring revenue model businesses.

Breakdown of ordinary profit variance (3-year total)

(JPY billions)



- ✓ Focus on growth investments and shareholder returns and execute appropriate cash allocation to increase corporate value.



*Before R&D expenditure

Term	Definition
EPC	Engineering, procurement, and construction; one approach we use in our plant construction business.
O&M	Operation and maintenance; one approach we use in our plant operation business.
DBO	Design, build, and operate; one approach we use in our plant construction and operation businesses (EPC + O&M).
DBM	Design, Build, and Maintenance. These projects take the form of EPC + long-term maintenance agreements.
BTO	Build, transfer, and operate; one approach we use in our plant construction and operation businesses (EPC + O&M).
Primary equipment improvement project	A method that aims to restore functionality and extend the lifespan of facilities by updating and improving deteriorated equipment while maintaining the existing buildings, etc. which have a long useful life, from the standpoint of reducing life cycle costs.
FIT	A feed-in tariff for renewable energy.
FIP	Feed-in Premium; a system in which a certain premium (subsidy amount) is added to the price at which electricity is sold in the market.

Information related to performance forecasts, business plans, and related topics included in this document is based on data currently available to the Company and on certain assumptions that are deemed to be reasonable. This information includes elements of risk and uncertainty.

Please note that actual performance may diverge significantly from these forecasts for a variety of reasons.

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