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August 5, 2026

Consolidated Financial Results for the Three Months Ended June 30, 2026 (Under Japanese GAAP)

Company Name: Takasago Thermal Engineering Co., Ltd.
Stock Exchange Listing: On the Prime Section of the Tokyo Stock Exchange
Code Number: 1969
Company URL: https://www.tte-net.com/
Representative: Kazuhito Kojima, President and Representative Director
Contact: Isao Nakamura, Manager, IR Office, Corporate Planning Division
Phone: +81-3-6369-8215
Scheduled date to commence dividend payments: –
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for institutional investors and securities analysts)

(Fraction less than one million yen has been omitted)

1. Consolidated Results for the Three Months Ended June 30, 2026 (April 1, 2026 to June 30, 2026)

(1) Consolidated Results of Operations

(% indicates changes from the previous corresponding term)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
June 30, 2026	84,922	(9.9)	8,481	(16.2)	9,621	(11.8)	6,408	(28.4)
June 30, 2025	94,205	33.8	10,117	433.1	10,906	274.8	8,956	341.7

(Note) Comprehensive income:
For the three months ended June 30, 2026: ¥6,797 million year on year: (31.4)%
For the three months ended June 30, 2025: ¥9,906 million year on year: 291.7%

	Earnings per share	Diluted earnings per share
Three months ended	(Yen)	(Yen)
June 30, 2026	48.97	–
June 30, 2025	67.98	–

(Note) The Company conducted a share split at a ratio of two shares for every one common share, effective October 1, 2025. Therefore, earnings per share were calculated assuming that the share split was conducted at the beginning of the previous fiscal year.

(2) Consolidated Financial Positions

	Total assets	Net assets	Equity ratio
As of	(Millions of yen)	(Millions of yen)	(%)
June 30, 2026	351,491	212,248	58.9
March 31, 2026	381,823	215,056	55.0

(Reference) Equity:
As of June 30, 2026: ¥206,973 million
As of March 31, 2026: ¥209,889 million

2. Dividends

	Cash dividends per share				
	First quarter end	Second quarter end	Third quarter end	Year-end	Annual
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)
Fiscal year ended March 31, 2026	–	86.00	–	72.00	–
Fiscal year ending March 31, 2027	–				
Fiscal year ending March 31, 2027 (Forecast)		61.00	–	62.00	123.00

(Notes) 1. Revisions to the forecast of cash dividends most recently announced: None

2. The Company conducted a share split at a ratio of two shares for every one common share with a record date of September 30, 2025 and an effective date of October 1, 2025. For the fiscal year ended March 31, 2026, the year-end dividend per share reflects the impact of this share split, and the total annual dividend is indicated as "–." If the impact of the share split is ignored, the year-end dividend for the fiscal year ended March 31, 2026 would have been ¥144.00, and the total annual dividend would have been ¥230.00.

3. Forecasts for the Consolidated Financial Results for the Fiscal Year Ending March 31, 2027 (April 1, 2026 to March 31, 2027)

(% indicates changes from the previous term)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Yen)
Full year	440,000	3.8	50,000	4.7	52,000	2.7	40,000	6.7	305.63

(Notes) Revisions to the earnings forecasts most recently announced: None

(Reference) Orders received (Forecast): (Full year) ¥520,000 million

* **Notes**

(1) Significant Changes in the Scope of Consolidation During the Period: None

(2) Adoption of Accounting Treatment Specific to the Preparation of Quarterly Consolidated Financial Statements: Yes

(3) Changes in Accounting Policies, Changes in Accounting Estimates and Restatements

(i) Changes in accounting policies in accordance with the revision of accounting standards, etc.: None

(ii) Changes in accounting policies other than (i) above: None

(iii) Changes in accounting estimates: None

(iv) Restatements: None

(4) Number of Issued Shares (Common Shares)

(i) Number of issued shares at the end of the period (including treasury shares)

As of June 30, 2026:	140,478,804 shares
As of March 31, 2026:	140,478,804 shares

(ii) Number of treasury shares at the end of the period

As of June 30, 2026:	9,589,367 shares
As of March 31, 2026:	9,615,980 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2026:	130,876,177 shares
Three months ended June 30, 2025:	131,754,831 shares

(Note) The Company conducted a share split at a ratio of two shares for every one common share, effective October 1, 2025. Therefore, the number of issued shares at the end of the period (including treasury shares), number of treasury shares at the end of the period, and average number of shares outstanding during the period were calculated assuming that the share split was conducted at the beginning of the previous fiscal year.

* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit corporation: None

* Explanation concerning proper use of the forecasts for the financial results and other special instructions

Forward-looking statements, including the financial results forecasts, in this document are based on currently available information held by the Company and on certain premises considered reasonable by the Company. It is not the intention of the Company to undertake the realization of these statements. Actual business results may differ from the forecasts, depending on various factors.

The Company will hold the financial results briefing session for the three months ended June 30, 2026 (for institutional investors and securities analysts) on Wednesday, August 5, 2026. The information materials to be used at the session will be posted on the Company’s website.

Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	48,228	42,125
Notes, accounts receivable from completed construction contracts and contract assets	196,670	167,505
Electronically recorded monetary claims - operating	6,504	6,814
Costs on construction contracts in progress	4,161	4,776
Other	9,732	13,779
Allowance for doubtful accounts	(1,251)	(1,261)
Total current assets	264,045	233,740
Non-current assets		
Property, plant and equipment	23,840	24,149
Intangible assets		
Goodwill	2,696	2,578
Other	8,761	8,731
Total intangible assets	11,458	11,309
Investments and other assets		
Investment securities	64,166	64,201
Retirement benefit asset	11,404	11,495
Guarantee deposits	3,303	3,267
Other	3,681	3,427
Allowance for doubtful accounts	(76)	(99)
Total investments and other assets	82,478	82,292
Total non-current assets	117,777	117,751
Total assets	381,823	351,491

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	46,283	33,387
Electronically recorded obligations - operating	5,198	4,215
Short-term borrowings	27,406	25,593
Current portion of bonds payable	5,000	10,000
Accounts payable - other	6,823	2,674
Income taxes payable	9,938	2,882
Advances received on construction contracts in progress	17,993	18,924
Provision for bonuses	10,163	3,407
Provision for bonuses for directors (and other officers)	216	34
Provision for warranties for completed construction	1,795	1,573
Provision for loss on construction contracts	252	61
Provision for compensation for damages	265	265
Other	14,390	20,031
Total current liabilities	145,726	123,052
Non-current liabilities		
Bonds payable	10,000	5,000
Retirement benefit liability	1,743	1,769
Provision for share awards	1,942	1,977
Deferred tax liabilities	5,261	5,336
Other	2,092	2,107
Total non-current liabilities	21,040	16,190
Total liabilities	166,766	139,243
Net assets		
Shareholders’ equity		
Share capital	13,134	13,134
Capital surplus	12,761	12,761
Retained earnings	170,683	167,490
Treasury shares	(15,802)	(15,764)
Total shareholders’ equity	180,776	177,622
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	21,883	21,992
Foreign currency translation adjustment	2,562	2,826
Remeasurements of defined benefit plans	4,665	4,532
Total accumulated other comprehensive income	29,112	29,351
Non-controlling interests	5,167	5,274
Total net assets	215,056	212,248
Total liabilities and net assets	381,823	351,491

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Net sales	94,205	84,922
Cost of sales	74,301	65,842
Gross profit	19,903	19,079
Selling, general and administrative expenses		
Employees' salaries and allowances	2,387	2,655
Provision for bonuses	1,072	1,203
Retirement benefit expenses	65	16
Provision for share awards	88	88
Other	6,172	6,633
Total selling, general and administrative expenses	9,786	10,597
Operating profit	10,117	8,481
Non-operating income		
Interest income	141	149
Dividend income	538	633
Share of profit of entities accounted for using equity method	–	63
Dividend income of insurance	151	155
Rental income from real estate	220	200
Foreign exchange gains	24	85
Other	160	250
Total non-operating income	1,236	1,537
Non-operating expenses		
Interest expenses	84	86
Share of loss of entities accounted for using equity method	13	–
Provision for compensation for damages	160	–
Provision of allowance for doubtful accounts	–	23
Rental expenses on real estate	144	210
Other	42	78
Total non-operating expenses	446	398
Ordinary profit	10,906	9,621
Extraordinary income		
Gain on sale of non-current assets	1,191	–
Total extraordinary income	1,191	–
Profit before income taxes	12,098	9,621
Income taxes - current	3,145	3,151
Total income taxes	3,145	3,151
Profit	8,953	6,469
Profit (loss) attributable to non-controlling interests	(3)	60
Profit attributable to owners of parent	8,956	6,408

Quarterly Consolidated Statements of Comprehensive Income

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Profit	8,953	6,469
Other comprehensive income		
Valuation difference on available-for-sale securities	1,861	49
Foreign currency translation adjustment	(889)	364
Remeasurements of defined benefit plans, net of tax	(17)	(122)
Share of other comprehensive income of entities accounted for using equity method	(1)	36
Total other comprehensive income	953	328
Comprehensive income	9,906	6,797
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	10,090	6,647
Comprehensive income attributable to non-controlling interests	(184)	149