Translation

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

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

August 5, 2026

Company name: EBARA JITSUGYO CO.,LTD.
Listing: Tokyo Stock Exchange
Securities code: 6328 URL: https://www.ejk.co.jp/
Representative: President and COO Takashi Ishii
Inquiries: Senior Managing Executive Officer, Head of Planning & Strategy Office Shuji Ohno TEL: +81-3-5565-2885

Scheduled date to file semi-annual securities report: August 7, 2026
Scheduled date to commence dividend payments: September 4, 2026
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the six months ended June 30, 2026 (from January 1, 2026 to June 30, 2026)

(1) Consolidated operating results (cumulative) Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended June 30, 2026	21,225	0.1	3,767	7.5	3,868	7.4	2,675	7.9
Six months ended June 30, 2025	21,213	11.1	3,504	34.3	3,600	32.7	2,478	34.1

Note: Comprehensive income For the six months ended June 30, 2026: ¥6,140 million [158.2%]
For the six months ended June 30, 2025: ¥2,378 million [(6.6%)]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended June 30, 2026	112.82	–
Six months ended June 30, 2025	104.23	–

Note: The Company conducted a two-for-one stock split of its common stock, effective January 1, 2026. Basic earnings per share have been calculated on the assumption that the stock split had been conducted at the beginning of the previous fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of June 30, 2026	48,565	32,635	67.2
As of December 31, 2025	48,385	27,941	57.7

Reference: Equity As of June 30, 2026: ¥32,635 million
As of December 31, 2025: ¥27,941 million

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended December 31, 2025	–	60.00	–	60.00	120.00
Year ending December 31, 2026	–	37.50			
Year ending December 31, 2026 (Forecast)			–	37.50	75.00

Note 1: Revisions to the forecast of cash dividends most recently announced: None

Note 2: Breakdown of annual dividends for the fiscal year ended December 31, 2025: ordinary dividend of ¥100 and commemorative dividend of ¥20 (commemorative dividend for the Company’s 80th anniversary).

Note 3: The Company conducted a two-for-one stock split of its common stock, effective January 1, 2026, and the annual dividends for the fiscal year ending December 31, 2026 and the fiscal year ending December 31, 2026 (forecast) are presented after giving effect to the stock split. If the stock split is not taken into consideration, the annual dividend for the fiscal year ending December 31, 2026 (forecast) would be ¥150.

3. Forecast of consolidated financial results for the year ending December 31, 2026 (from January 1, 2026 to December 31, 2026)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	44,000	6.8	6,300	2.9	6,500	2.9	4,500	2.6	189.09

Note: Revisions to the forecast of consolidated financial results most recently announced: None

4. Notes

(1) Significant changes in the scope of consolidation during the period: None

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of June 30, 2026	25,860,000 shares	As of December 31, 2025	25,860,000 shares

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

As of June 30, 2026	2,317,107 shares	As of December 31, 2025	2,030,516 shares

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

Six months ended June 30, 2026	23,710,555 shares	Six months ended June 30, 2025	23,776,511 shares

Note 1: Number of treasury shares at the end of the period and number of treasury shares to be deducted in calculating the average number of shares outstanding during the period (cumulative from the beginning of the fiscal year) include the Company's shares held by the trust account of the employee stock ownership plan (ESOP) trust.

Note 2: The Company conducted a two-for-one stock split of its common stock, effective January 1, 2026. The number of shares issued at the end of the period (including treasury shares), the number of treasury shares at the end of the period, and the average number of shares outstanding during the period (cumulative from the beginning of the fiscal year) have been calculated on the assumption that the stock split had been conducted at the beginning of the previous fiscal year.

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

The forecasts and other forward-looking statements contained in this document are based on information currently available as of the date of release of this document and on assumptions regarding economic conditions, market trends, and other factors that could reasonably be made as of that date. Actual results may differ from these forecasts due to various factors in the future. For the assumptions underlying the financial results forecasts and notes on the use of such forecasts, please refer to "1. Overview of Business Results, etc. (3) Explanation of Forward-looking Information, Including Consolidated Financial Results Forecasts" on page 3 of the accompanying materials.

* Method of obtaining supplementary materials for financial results, etc.

Supplementary materials for financial results are disclosed on TDnet the same day and posted on the Company's website.

○ Contents of Accompanying Materials

1. Overview of Business Results, etc.

(1) Overview of Business Results for the Interim Period

During the first six months of the fiscal year ending December 31, 2026 (January 1, 2026 to June 30, 2026), the Japanese economy continued on a moderate recovery trend, and corporate capital investment was on a gradual upward trend. However, uncertainty over the economic outlook has been increasing due to factors such as the situation in the Middle East and the impact of trade policies in various countries.

In the environmental equipment and machinery industry in which the Company operates, demand in the public sector remained firm for the renewal and maintenance of water infrastructure facilities and for disaster prevention and mitigation measures, including rainwater drainage facilities, while capital investment in the private sector remained stable.

Under these business conditions, the Company Group aims to enhance corporate value under its “EJ2027” Medium-Term Management Plan, which identifies the following as its basic policies and designates disaster prevention and mitigation, storage batteries, and fisheries as its three priority areas.

- Strengthening existing businesses
- Exploring new areas
- Enhancing the management base

As a result, orders received for the first six months of the fiscal year ending December 31, 2026 totaled ¥21,952 million, up 13.4% year on year; net sales were ¥21,225 million, up 0.1% year on year; operating profit was ¥3,767 million, up 7.5% year on year; ordinary profit was ¥3,868 million, up 7.4% year on year; and profit attributable to owners of parent was ¥2,675 million, up 7.9% year on year.

Business results by segment were as follows:

Manufacturing

In the Manufacturing segment, which manufactures and sells environment-related products, orders received totaled ¥6,699 million, up 105.3% year on year. This increase was attributable to the receipt of large-scale orders related to land-based aquaculture facilities in the water treatment plant field, as well as growth in hygiene equipment for government agencies in the medical field. Net sales increased 9.0% year on year to ¥4,038 million, as increases in the deodorization and water treatment plant fields more than offset decreases in the energy conservation and energy generation field and the medical field. Segment profit rose 7.6% year on year to ¥877 million.

Engineering

In the Engineering segment, which handles the design and construction of water supply and sewerage facilities, demand for the renewal and maintenance of public water infrastructure facilities as well as demand for disaster prevention and mitigation remained strong. However, due to differences in the timing of project orders and the Company’s selective order-taking approach, orders received decreased 10.0% year on year to ¥8,162 million. Net sales declined 6.5% year on year to ¥11,210 million, although sales were recorded in line with the plan, backed by a high level of order backlog. Segment profit rose 2.6% year on year to ¥2,421 million due to an increase in the gross profit margin, despite the decline in net sales.

Trading

In the Trading segment, which mainly sells pumps, chillers, air-conditioning equipment, and other products through its trading operations, private-sector capital investment remained stable. Orders received increased 0.8% year on year to ¥7,089 million. Net sales increased 8.3% year on year to ¥5,976 million on the back of strong domestic demand for capital investment. Segment profit rose 16.6% year on year to ¥1,100 million.

Orders received by segment for the first six months of the fiscal year ending December 31, 2026 were as follows.

Segment	Orders received (millions of yen)	Comparison with H1 FY2025 (%)	Orders backlog (millions of yen)	Comparison with H1 FY2025 (%)
Manufacturing	6,699	205.3	7,416	172.5
Engineering	8,162	90.0	22,036	108.8
Trading	7,089	100.8	7,408	100.9
Total	21,952	113.4	36,862	115.5

(2) Overview of Financial Position for the Interim Period

(i) Financial Position

Total assets of the Company Group at the end of the period under review (June 30, 2026) were ¥48,565 million, an increase of ¥180 million from the end of the previous fiscal year (December 31, 2025). As a large proportion of the Company Group's net sales is generated from local governments, net sales tend to be concentrated in the first quarter, including March, which marks the fiscal year-end for local governments. As the collection of trade receivables progressed toward the end of the interim period, cash and deposits increased by ¥3,589 million, while notes and accounts receivable - trade, and contract assets decreased by ¥7,859 million. In addition, investment securities increased by ¥5,061 million due to a rise in the market value of shares held by the Company Group.

Total liabilities at the end of the period under review were ¥15,930 million, a decrease of ¥4,513 million from the end of the previous fiscal year. This was mainly due to a ¥6,115 million decrease in notes and accounts payable - trade as trade payables were settled in the usual seasonal pattern and payment terms with suppliers were shortened, partially offset by a ¥1,620 million increase in deferred tax liabilities due to a rise in the market value of shares held by the Company Group.

Total net assets at the end of the period under review were ¥32,635 million, an increase of ¥4,693 million from the end of the previous fiscal year. This was mainly due to a ¥2,675 million increase resulting from the recording of interim profit attributable to owners of parent and a ¥3,467 million increase in valuation difference on available-for-sale securities due to a rise in the market value of shares held by the Company Group. These increases were partially offset by a ¥721 million decrease due to dividends of surplus.

(ii) Cash Flows

Cash and cash equivalents (hereinafter referred to as "cash") at the end of the interim period were ¥18,707 million, an increase of ¥4,183 million from the end of the previous fiscal year. The status of each cash flow and the factors affecting it were as follows.

(Cash Flows from Operating Activities)

Net cash provided by operating activities was ¥5,446 million (compared with ¥4,590 million provided in the same period of the previous fiscal year).

Major factors included profit before income taxes of ¥3,865 million, a ¥7,859 million decrease in trade receivables and contract assets, and a ¥6,115 million decrease in trade payables.

(Cash Flows from Investing Activities)

Net cash provided by investing activities was ¥376 million (compared with ¥22 million used in the same period of the previous fiscal year).

The main factor was a ¥532 million decrease in restricted deposits.

(Cash Flows from Financing Activities)

Net cash used in financing activities was ¥1,639 million (compared with ¥592 million used in the same period of the previous fiscal year).

Major factors included ¥931 million in purchases of treasury shares and ¥713 million in dividends paid.

(3) Explanation of Forward-looking Information, Including Consolidated Financial Results Forecasts

There has been no change to the consolidated financial results forecasts for the fiscal year ending December 31, 2026, announced in the "Summary of Consolidated Financial Results for the Fiscal Year Ended December 31, 2025" dated February 9, 2026.

2. Interim Consolidated Financial Statements and Selected Notes

(1) Interim Consolidated Balance Sheet

(Millions of yen)

	As of December 31, 2025	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	15,170	18,760
Notes and accounts receivable - trade, and contract assets	17,067	9,207
Merchandise and finished goods	1,286	968
Work in process	387	410
Costs on construction contracts in progress	207	85
Raw materials and supplies	571	505
Other	534	302
Allowance for doubtful accounts	(56)	(1)
Total current assets	35,168	30,239
Non-current assets		
Property, plant and equipment		
Buildings and structures	3,830	3,847
Accumulated depreciation	(2,322)	(2,374)
Buildings and structures, net	1,508	1,472
Machinery, equipment and vehicles	117	109
Accumulated depreciation	(87)	(85)
Machinery, equipment and vehicles, net	29	24
Tools, furniture and fixtures	851	840
Accumulated depreciation	(675)	(693)
Tools, furniture and fixtures, net	175	147
Land	1,526	1,526
Construction in progress	7	–
Other	38	38
Accumulated depreciation	(17)	(20)
Other, net	21	17
Total property, plant and equipment	3,269	3,187
Intangible assets	101	110
Investments and other assets		
Investment securities	8,384	13,445
Insurance funds	540	551
Investment property, net	623	727
Deferred tax assets	28	32
Other	373	375
Allowance for doubtful accounts	(103)	(102)
Total investments and other assets	9,846	15,027
Total non-current assets	13,216	18,325
Total assets	48,385	48,565

(Millions of yen)

	As of December 31, 2025	As of June 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	11,491	5,376
Short-term borrowings	1,010	1,010
Current portion of long-term borrowings	85	163
Income taxes payable	1,237	1,228
Accrued consumption taxes	397	328
Contract liabilities	1,834	2,637
Provision for loss on construction contracts	44	44
Other	1,282	686
Total current liabilities	17,383	11,474
Non-current liabilities		
Long-term borrowings	428	269
Deferred tax liabilities	2,237	3,857
Provision for retirement benefits for directors (and other officers)	146	146
Retirement benefit liability	94	58
Other	153	123
Total non-current liabilities	3,059	4,455
Total liabilities	20,443	15,930
Net assets		
Shareholders' equity		
Share capital	1,001	1,001
Capital surplus	1,179	1,239
Retained earnings	22,998	24,953
Treasury shares	(2,457)	(3,243)
Total shareholders' equity	22,722	23,950
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,203	8,670
Remeasurements of defined benefit plans	15	14
Total accumulated other comprehensive income	5,219	8,684
Total net assets	27,941	32,635
Total liabilities and net assets	48,385	48,565

(2) Interim Consolidated Statements of Income and Comprehensive Income

Interim Consolidated Statement of Income

(Millions of yen)

	Six months ended June 30, 2025	Six months ended June 30, 2026
Net sales	21,213	21,225
Cost of sales	14,030	13,658
Gross profit	7,182	7,566
Selling, general and administrative expenses	3,677	3,799
Operating profit	3,504	3,767
Non-operating income		
Interest income	0	1
Dividend income	72	82
Rental income from investment property	54	59
Other	7	17
Total non-operating income	134	162
Non-operating expenses		
Interest expenses	5	6
Rental expenses on real estate	22	38
Foreign exchange losses	5	2
Other	4	13
Total non-operating expenses	38	61
Ordinary profit	3,600	3,868
Extraordinary income		
Gain on sale of investment securities	1	–
Total extraordinary income	1	–
Extraordinary losses		
Loss on disposal of non-current assets	38	3
Total extraordinary losses	38	3
Profit before income taxes	3,562	3,865
Income taxes - current	1,065	1,167
Income taxes - deferred	19	22
Total income taxes	1,084	1,189
Profit	2,478	2,675
Profit attributable to owners of parent	2,478	2,675

Interim Consolidated Statement of Comprehensive Income

(Millions of yen)

	Six months ended June 30, 2025	Six months ended June 30, 2026
Profit	2,478	2,675
Other comprehensive income		
Valuation difference on available-for-sale securities	(98)	3,467
Remeasurements of defined benefit plans, net of tax	(1)	(1)
Total other comprehensive income	(99)	3,465
Comprehensive income	2,378	6,140
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,378	6,140
Comprehensive income attributable to non-controlling interests	–	–

(3) Interim Consolidated Statement of Cash Flows

(Millions of yen)

	Six months ended June 30, 2025	Six months ended June 30, 2026
Cash flows from operating activities		
Profit before income taxes	3,562	3,865
Depreciation	121	124
Share-based payment expenses	26	37
Increase (decrease) in allowance for doubtful accounts	(0)	(55)
Increase (decrease) in provision for loss on construction contracts	(5)	–
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(12)	–
Increase (decrease) in retirement benefit liability	(41)	(37)
Interest and dividend income	(73)	(84)
Interest expenses	5	6
Loss (gain) on disposal of non-current assets	38	3
Loss (gain) on sale of investment securities	(1)	–
Decrease (increase) in accounts receivable - trade, and contract assets	3,188	7,859
Decrease (increase) in inventories	392	482
Increase (decrease) in trade payables	(2,785)	(6,115)
Increase (decrease) in contract liabilities	1,211	802
Increase/decrease in consumption taxes payable/consumption taxes refund receivable	102	(68)
Other, net	(528)	(317)
Subtotal	5,202	6,501
Interest and dividends received	73	84
Interest paid	(5)	(6)
Proceeds from insurance income	15	24
Income taxes paid	(694)	(1,157)
Net cash provided by (used in) operating activities	4,590	5,446
Cash flows from investing activities		
Net decrease (increase) in restricted deposits	328	532
Purchase of property, plant and equipment	(317)	(70)
Purchase of intangible assets	(4)	(19)
Proceeds from sale and redemption of investment securities	1	–
Proceeds from cancellation of insurance funds	–	66
Purchase of investment property	(4)	(109)
Other, net	(25)	(23)
Net cash provided by (used in) investing activities	(22)	376
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(20)	–
Repayments of long-term borrowings	–	(81)
Repayments of lease liabilities	(12)	(8)
Dividends paid	(566)	(713)
Purchase of treasury shares	(1)	(931)
Proceeds from disposal of treasury shares	8	96
Net cash provided by (used in) financing activities	(592)	(1,639)
Net increase (decrease) in cash and cash equivalents	3,976	4,183
Cash and cash equivalents at beginning of period	14,068	14,524
Cash and cash equivalents at end of period	18,044	18,707

(4) Notes to Interim Consolidated Financial Statements

(Notes on Segment Information, etc.)

I First Six Months of the Fiscal Year 2025 (January 1, 2025 to June 30, 2025)

1. Net sales and profit/loss of each reporting segment and breakdown of revenue

(Millions of yen)

	Reporting segments			Total	Adjustment (Note) 1	Amount on interim consolidated statement of income (Note) 2
	Manufacturing	Engineering	Trading			
Net sales						
Public sector	1,949	11,592	564	14,106	–	14,106
Private sector	1,757	395	4,954	7,107	–	7,107
Revenue from customer contracts	3,706	11,987	5,518	21,213	–	21,213
Other revenue	–	–	–	–	–	–
Net sales to external customers	3,706	11,987	5,518	21,213	–	21,213
Internal net sales or transfers between segments	–	–	–	–	–	–
Total	3,706	11,987	5,518	21,213	–	21,213
Segment profit	816	2,359	944	4,119	(615)	3,504

(Notes)

1. The adjustment to segment profit mainly represents general and administrative expenses that do not belong to the reporting segments.
2. Segment profits are adjusted for operating profit posted on the interim consolidated statement of income.

2. Impairment loss or goodwill on non-current assets of the reporting segments

Not applicable.

II First Six Months of the Fiscal Year 2026 (January 1, 2026 to June 30, 2026)

1. Net sales and profit/loss of each reporting segment and breakdown of revenue

(Millions of yen)

	Reporting segments			Total	Adjustment (Note) 1	Amount on interim consolidated statement of income (Note) 2
	Manufacturing	Engineering	Trading			
Net sales						
Public sector	2,386	11,028	878	14,294	–	14,294
Private sector	1,651	181	5,097	6,931	–	6,931
Revenue from customer contracts	4,038	11,210	5,976	21,225	–	21,225
Other revenue	–	–	–	–	–	–
Net sales to external customers	4,038	11,210	5,976	21,225	–	21,225
Internal net sales or transfers between segments	–	–	–	–	–	–
Total	4,038	11,210	5,976	21,225	–	21,225
Segment profit	877	2,421	1,100	4,400	(632)	3,767

(Notes)

1. The adjustment to segment profit mainly represents general and administrative expenses that do not belong to the reporting segments.
2. Segment profits are adjusted for operating profit posted on the interim consolidated statement of income.

2. Impairment loss or goodwill on non-current assets of the reporting segments

Not applicable.

(Notes on Significant Changes in the Amount of Shareholders' Equity)

Not applicable.

(Notes on Going Concern Assumption)

Not applicable.