

CONSOLIDATED FINANCIAL RESULTS
FOR THE THREE MONTHS ENDED MARCH 31, 2026
[IFRS]

May 15, 2026

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 Stock exchange listings: Tokyo
 Code number: 6361
 URL: <https://www.ebara.com/global-en/global/>
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Scheduled date for dividend payment: —
 Preparing supplementary material on financial results: Yes
 Holding financial results presentation meeting
 (for institutional investors and analysts): Yes

(Monetary amounts are rounded down to the nearest million yen)

1. Consolidated Results for the Three Months Ended March 31, 2026

(1) Consolidated Financial Results

(% represents percentage change from a comparable previous period)

Millions of yen

| | Revenue | | Operating Profit | | Profit before Tax | | Profit | |
|--------------------------------------|---------|-------|------------------|-------|-------------------|-------|--------|-------|
| Three Months Ended March 31, 2026 | 246,311 | 15.8% | 26,749 | 18.4% | 26,940 | 16.7% | 18,645 | 14.8% |
| Three Months Ended March 31, 2025 | 212,650 | 9.7% | 22,601 | 17.1% | 23,086 | 10.6% | 16,244 | 5.4% |

| | Profit Attributable to Owners of Parent | | Total Comprehensive Income | | Basic Earnings per Share (Yen) | Basic Earnings per Share, Diluted (Yen) |
|--------------------------------------|--|-------|-------------------------------|---------|-----------------------------------|---|
| Three Months Ended March 31, 2026 | 18,322 | 16.0% | 23,874 | 220.8% | 40.13 | 40.09 |
| Three Months Ended March 31, 2025 | 15,789 | 7.4% | 7,441 | (72.5)% | 34.18 | 34.15 |

(2) Consolidated Financial Position

Millions of yen

| | Total Assets | Total Equity | Total Equity Attributable to Owners of Parent | Ratio of Equity Attributable to Owners of Parent |
|-------------------------|--------------|--------------|---|--|
| As of March 31, 2026 | 1,108,504 | 529,618 | 518,431 | 46.8 |
| As of December 31, 2025 | 1,082,201 | 521,666 | 508,875 | 47.0 |

2. Dividends

| | Dividends per Share (Yen) | | | | |
|---|--------------------------------|--------------------------------|--------------------------------|----------|--------|
| | End of 1 st Quarter | End of 2 nd Quarter | End of 3 rd Quarter | Year-End | Annual |
| Fiscal Year Ended December 31, 2025 | — | 28.00 | — | 31.00 | 59.00 |
| Fiscal Year Ending December 31, 2026 | — | | | | |
| Fiscal Year Ending December 31, 2026 (Forecast) | | 33.00 | — | 33.00 | 66.00 |

Note: Revisions to forecast of dividends in this quarter: None

3. Forecast of Financial Results for the Fiscal Year Ending December 31, 2026

% represents percentage change from the previous fiscal year

Millions of yen

| | Revenue | | Operating Profit | | Profit before Tax | | Profit Attributable to Owners of Parent | | Basic Earnings per Share (Yen) |
|--------------------------------------|-----------|------|------------------|--------|-------------------|-------|---|-------|--------------------------------|
| | | % | | % | | % | | % | |
| Six Months Ending June 30, 2026 | 478,000 | 6.5% | 49,500 | (1.1)% | 50,500 | 9.5% | 33,500 | 6.9% | 73.37 |
| Fiscal Year Ending December 31, 2026 | 1,020,000 | 6.4% | 125,000 | 9.8% | 142,000 | 28.0% | 99,500 | 29.8% | 217.91 |

Note: Revisions to forecast of financial results in this quarter: Yes

The forecast of financial results for the Six Months Ending June 30, 2026 and the full fiscal year ending December 31, 2026, previously announced on February 13, 2026 has been revised. For further details, please refer to “(3)Explanation of Forecast of Consolidated Financial Results” on page 10.

4. Other Information

- (1) Significant changes in the scope of consolidation during the Three Months Ended March 31, 2026: None

Included: — (—)

Excluded: — (—)

- (2) Changes in accounting policies and changes in accounting estimates

(i) Changes in accounting policies required by IFRS: None

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

(iii) Changes in accounting estimates: None

- (3) Number of shares outstanding (Common Shares)

| | | | | |
|--|---|-------------|---|-------------|
| (i) Number of common shares (Including treasury shares) | As of March 31, 2026 | 457,262,685 | As of December 31, 2025 | 462,199,185 |
| (ii) Number of treasury shares | As of March 31, 2026 | 613,118 | As of December 31, 2025 | 5,612,828 |
| (iii) Average number of common shares | Three Months Ended March 31, 2026 | 456,602,603 | Three Months Ended March 31, 2025 | 461,920,904 |

This quarterly financial result is exempt from quarterly review by certified public accountants or accounting firms.

Explanation of the Appropriate Use of Performance Forecast and Other Related Matters

1. The forecast of performance and other forward-looking statements contained in this report are based on information that was available to the Company as of the time of the issuance of this report and on certain assumptions about uncertainties that may have an impact on the Group's performance. Actual performance may differ substantially from these forecasts owing to a wide range of factors. For further information on the assumptions made in the preparation of the forecast of performance, please refer to "(3)Explanation of Forecast of Consolidated Financial Results" on page 10. Readers are cautioned not to place undue reliance on these forward-looking statements which are valid only as of the date thereof.
2. This report has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated report and the Japanese original, the original shall prevail. Also, the Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

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1. Qualitative Information Regarding Consolidated Financial Results

(1) Explanation of Financial Results

Millions of yen

| | Three Months Ended March 31, 2025 | Three Months Ended March 31, 2026 | Change | Change Ratio (%) |
|--|--------------------------------------|--------------------------------------|---------|------------------|
| Orders Received | 199,857 | 324,951 | 125,094 | 62.6 |
| Revenue | 212,650 | 246,311 | 33,661 | 15.8 |
| Operating Profit | 22,601 | 26,749 | 4,148 | 18.4 |
| Operating Profit on Revenue Ratio (%) | 10.6 | 10.9 | — | — |
| Profit Attributable to Owners of Parent | 15,789 | 18,322 | 2,533 | 16.0 |
| Basic Earnings per Share (Yen) | 34.18 | 40.13 | 5.95 | 17.4 |

During the Three Months Ended March 31, 2026, the Japanese economy continued its moderate recovery trend, with personal consumption and corporate capital investment picking up. The global economy showed signs of recovery, although there were downside risks due to the stagnation of the Chinese economy. On the other hand, close attention needs to be paid to geopolitical risks, including the situations in the Middle East and Ukraine, U.S. policy trends, and the tightening of semiconductor export control regulations due to U.S.-China tensions.

Under these circumstances, we formulated E-Plan2028, a three-year medium-term management plan starting in fiscal 2026, with the theme of "Creating sustainable value through overall optimization." We are working on various measures to achieve management targets by enhancing global competitiveness and profitability through strengthening our management foundation via Group-wide optimization.

Orders received for the Three Months Ended March 31, 2026, increased year on year in the Precision Machinery Business driven by AI-related demand, which led to higher customer factory utilization rates and expanded capital investment for production increases. In the Environmental Business, orders received increased year on year due to the receipt of large-scale projects. As a result, overall orders received increased year on year. Revenue and operating profit increased on overall basis, as other segments offset the decrease in revenue and profit in the Energy Business.




As a result, consolidated orders received for the Three Months Ended March 31, 2026 amounted to ¥324,951 million (an increase of 62.6% year-on-year), revenue amounted to ¥246,311 million (an increase of 15.8% year-on-year), operating profit amounted to ¥26,749 million (an increase of 18.4% year-on-year), and profit attributable to owners of parent amounted to ¥18,322 million (an increase of 16.0% year-on-year). All categories reached record highs.



Operating Results by Business Segment is as follows.

Millions of yen




| Segment | Orders Received | | | Revenue | | | Segment Profit | | |
|-------------------------------|-----------------------------------|-----------------------------------|------------------|-----------------------------------|-----------------------------------|------------------|-----------------------------------|-----------------------------------|------------------|
| | Three Months Ended March 31, 2025 | Three Months Ended March 31, 2026 | Change Ratio (%) | Three Months Ended March 31, 2025 | Three Months Ended March 31, 2026 | Change Ratio (%) | Three Months Ended March 31, 2025 | Three Months Ended March 31, 2026 | Change Ratio (%) |
| Precision Machinery | 73,980 | 151,225 | 104.4 | 62,406 | 82,949 | 32.9 | 8,257 | 13,531 | 63.9 |
| Energy | 42,346 | 55,752 | 31.7 | 48,606 | 46,575 | (4.2) | 1,979 | (1,666) | — |
| Building Service & Industrial | 59,799 | 70,375 | 17.7 | 56,335 | 63,075 | 12.0 | 4,332 | 4,408 | 1.8 |
| Infrastructure | 20,073 | 14,783 | (26.4) | 21,527 | 23,271 | 8.1 | 5,598 | 6,126 | 9.4 |
| Environmental | 3,382 | 32,494 | 860.7 | 23,471 | 30,138 | 28.4 | 3,038 | 6,174 | 103.2 |
| Reportable Segment Total | 199,582 | 324,631 | 62.7 | 212,347 | 246,010 | 15.9 | 23,205 | 28,574 | 23.1 |
| Others | 275 | 320 | 16.5 | 303 | 300 | (0.7) | (655) | (1,675) | — |
| Adjustment | — | — | — | — | — | — | 51 | (149) | — |
| Total | 199,857 | 324,951 | 62.6 | 212,650 | 246,311 | 15.8 | 22,601 | 26,749 | 18.4 |

Outline of Business Environment and Situation by Business Segment

| Segment | Business Environment | Business Situation and the Trend of Orders Received (Note 1) |
|-------------------------------|--|--|
| Precision Machinery | <ul style="list-style-type: none"> Customer factory utilization rates continue to rise, driven by AI-related demand leading the market. Customer investment for production increases is also on an expansion trend. | <ul style="list-style-type: none"> Product orders have been strong, primarily for logic/foundry applications. Orders for memory applications are also increasing against the backdrop of AI demand. In addition, Service & Support orders increased year on year in line with the recovery of customer factory utilization rates.  |
| Energy | <ul style="list-style-type: none"> In the new apparatus field, demand in the oil & gas market is on an increasing trend, while some projects in the region are experiencing delays due to the impact of the Middle East situation. In the LNG market, customer investment sentiment is recovering in North America, and the Chinese power market also continues to be active. In the service field, there are signs that maintenance demand has run its course and is returning to normal levels. On the other hand, the Middle East situation is affecting parts shipments and dispatch of supervisors to the region. | <ul style="list-style-type: none"> Orders received for new apparatus field increased year on year. Orders received for service field decreased year on year.  |
| Building Service & Industrial | <p>(Overseas)</p> <ul style="list-style-type: none"> In North America, soaring construction costs and labor shortages continue to weigh on the market, and stagnation continues. In Europe, unstable energy supply and geopolitical risks are suppressing investment appetite, and the building equipment market continues to be sluggish. In China, the real estate market adjustment continues, private investment in residential and commercial sectors is suppressed, and the building equipment market is declining. <p>(Japan)</p> <ul style="list-style-type: none"> In the building equipment market, the number of building starts continues to decline due to the impact of rising construction costs, but demand in the service market continues to increase. The industrial market is expected to undergo significant changes over the medium to long term, including consideration of capital investment with a view toward decarbonization and transformation of business structures, but it has been performing steadily at present. On the other hand, steel demand has declined due to the sluggishness of the manufacturing and construction industries both domestically and overseas, and the domestic steel industry has been sluggish due to an increase in imported materials, causing capital investment to stagnate. | <p>(Overseas)</p> <ul style="list-style-type: none"> Orders have been firm in the U.S., Europe, and Asia regions, with orders received increased year on year. <p>(Japan)</p> <ul style="list-style-type: none"> Service & Support orders have been firm, with orders received increased year on year.  |

| Segment | Business Environment | Business Situation and the Trend of Orders Received (Note 1) |
|---------------------------|--|--|
| Infrastructure | <p>(Overseas)</p> <ul style="list-style-type: none"> In the water infrastructure market, demand has been firm, driven by pump demand due to economic growth in Southeast Asia and progress in maintenance due to aging facilities in North America. In China, although there are signs of deceleration in public investment due to government fiscal spending, a certain level of demand continues. <p>(Japan)</p> <ul style="list-style-type: none"> Investment in renewal and repair of social infrastructure has been steady. The public construction market has been progressing as usual. Aftermarket-related demand for existing facilities continues to be firm. | <p>(Overseas)</p> <ul style="list-style-type: none"> Orders received for water infrastructure decreased year on year due to delays in some projects. <p>(Japan)</p> <ul style="list-style-type: none"> Orders received for the public sector have been firm due to continued efforts on measures such as comprehensive evaluation projects and expansion of aftermarket service orders, but decreased year on year when multiple large-scale projects were received.  |
| Environmental (Note 2) | <p>(Japan)</p> <ul style="list-style-type: none"> New construction demand for public waste treatment facilities has been progressing as usual. O&M orders for existing facilities have been progressing as usual. There continues to be steady construction demand for woody biomass power generation facilities and industrial waste treatment facilities for waste plastics, etc. for the private sector. | <p>(Japan)</p> <ul style="list-style-type: none"> EPC received large-scale project orders, and O&M received large-scale project orders as well as the application of inflation adjustment clauses, etc., resulting in overall orders significantly increasing year on year.  <p>[Status of Large-Scale Project Orders]</p> <ul style="list-style-type: none"> New construction and long-term comprehensive operation contract for public waste treatment facility (1 project) |

Note 1: Arrows indicate a year-on-year increase/decrease in orders received:

 in the case of +5% or more increase  in the case of -5% or greater decrease  in the case of movement within the -5% and +5% range

Note 2: EPC (Engineering, Procurement, Construction) The engineering, procurement, construction of plants
O&M (Operation & Maintenance) The operation and maintenance of plants

(2) Explanation of Financial Position

(i) Assets

Total assets as of March 31, 2026 were ¥1,108,504 million, ¥26,303 million higher than as of December 31, 2025. Principal changes in asset items included a decrease of ¥23,765 million in contract assets and a decrease of ¥11,599 million in other current assets, an increase of ¥38,869 million in trade and other receivables, an increase of ¥9,620 million in tangible fixed assets, an increase of ¥4,905 million in goodwill and intangible assets and an increase of ¥3,255 million in inventories.

(ii) Liabilities

Total liabilities as of March 31, 2026 were ¥578,885 million, ¥18,351 million higher than as of December 31, 2025. Principal changes in liability items included a decrease of ¥5,363 million in income taxes payable and a decrease of ¥1,209 million in provisions, an increase of ¥14,384 million in bonds, borrowings and lease liabilities and an increase of ¥9,108 million in trade and other payables.

(iii) Equity

Equity as of March 31, 2026 amounted to ¥529,618 million, ¥7,951 million higher than as of December 31, 2025. Principal changes in profit attributable to owners of parent of ¥18,322 million, equity items included dividends paid of ¥14,154 million and an increase of ¥4,989 million in exchange differences on translation of foreign operations. Total equity attributable to owners of parent amounted to ¥518,431 million, and the ratio of equity attributable to owners of the parent was 46.8%.

(3) Explanation of Forecast of Consolidated Financial Results

Regarding the business environment surrounding the Company, there are concerns such as U.S. policy trends including tariffs, tightening of semiconductor export control regulations due to U.S.-China tensions, the impact on resource prices due to the prolonged situations in the Middle East and Ukraine, and foreign exchange fluctuations, and the uncertain situation is expected to continue. However, supported by long-term expansion of semiconductor demand and stable demand for social infrastructure, we expect our business to perform steadily.

Under such circumstances, the forecasts for the second quarter (cumulative total) of the fiscal year ended December 2026 are revised taking into account the trends in business results since the previous earnings announcement (February 13, 2026), mainly due to an increase in orders received in the Environmental, Energy and Precision Machinery Businesses and the transfer of shares of a jointly controlled entity accounted for using the equity method. In addition, forecasts by business segment have been revised as shown on the following page, "Forecast for Business Segment."

Assumptions regarding foreign currency exchange rates have not been revised since the previous announcement and are as follows: US \$1= ¥145, EUR1= ¥175, RMB1=¥20.

Actual performance may differ from the forecast owing to factors such as changing market environment.

Forecast for the Six Months Ending June 30, 2026

| | Orders Received | Revenue | Operating Profit | Profit before Tax | Profit Attributable to Owners of Parent |
|---|-----------------|---------|------------------|-------------------|---|
| Previous Forecast : A | 518.0 | 478.0 | 50.5 | 48.4 | 31.8 |
| Revised Forecast : B | 577.0 | 478.0 | 49.5 | 50.5 | 33.5 |
| Change (B-A) | 59.0 | — | (1.0) | 2.1 | 1.7 |
| Percentage (%) | 11.3 | — | (1.9) | 4.3 | 5.3 |
| (Reference) Fiscal Year Ended December 31, 2025 | 451.3 | 448.7 | 50.0 | 46.1 | 31.3 |

Billions of yen

Forecast for the Fiscal Year Ending December 31, 2026

| | Orders Received | Revenue | Operating Profit | Profit before Tax | Profit Attributable to Owners of Parent |
|---|-----------------|---------|------------------|-------------------|---|
| Previous Forecast : A | 1,070.0 | 1,020.0 | 125.0 | 121.9 | 86.6 |
| Revised Forecast : B | 1,070.0 | 1,020.0 | 125.0 | 142.0 | 99.5 |
| Change (B-A) | — | — | — | 20.1 | 12.9 |
| Percentage (%) | — | — | — | 16.4 | 14.8 |
| (Reference) Fiscal Year Ended December 31, 2025 | 949.6 | 958.2 | 113.8 | 110.9 | 76.6 |

Billions of yen

Forecast for the Six Months Ending June 30, 2026 by Business Segment

Billions of yen

| Segment | | Precision Machinery | Energy | Building Service & Industrial | Infrastructure | Environmental | Others | Total |
|-----------------------|------------------|---------------------|--------|-------------------------------|----------------|---------------|--------|-------|
| Previous Forecast : A | Orders Received | 190.0 | 90.0 | 130.0 | 28.0 | 80.0 | 0.0 | 518.0 |
| | Revenue | 180.0 | 100.0 | 120.0 | 33.0 | 45.0 | 0.0 | 478.0 |
| | Operating Profit | 28.0 | 6.0 | 9.0 | 5.0 | 4.5 | (2.0) | 50.5 |
| Revised Forecast : B | Orders Received | 200.0 | 105.0 | 135.0 | 28.0 | 109.0 | 0.0 | 577.0 |
| | Revenue | 180.0 | 97.0 | 120.0 | 34.0 | 47.0 | 0.0 | 478.0 |
| | Operating Profit | 28.0 | 3.0 | 8.5 | 5.5 | 6.5 | (2.0) | 49.5 |
| Change (B-A) | Orders Received | 10.0 | 15.0 | 5.0 | — | 29.0 | — | 59.0 |
| | Revenue | — | (3.0) | — | 1.0 | 2.0 | — | — |
| | Operating Profit | — | (3.0) | (0.5) | 0.5 | 2.0 | — | (1.0) |

Forecast for the Fiscal Year Ending December 31, 2026 by Business Segment

Billions of yen

| Segment | | Precision Machinery | Energy | Building Service & Industrial | Infrastructure | Environmental | Others | Total |
|-----------------------|------------------|---------------------|--------|-------------------------------|----------------|---------------|--------|---------|
| Previous Forecast : A | Orders Received | 405.0 | 210.0 | 265.0 | 60.0 | 130.0 | 0.0 | 1,070.0 |
| | Revenue | 400.0 | 205.0 | 260.0 | 60.0 | 95.0 | 0.0 | 1,020.0 |
| | Operating Profit | 73.5 | 21.0 | 20.0 | 5.5 | 8.5 | (3.5) | 125.0 |
| Revised Forecast : B | Orders Received | 405.0 | 210.0 | 265.0 | 60.0 | 130.0 | 0.0 | 1,070.0 |
| | Revenue | 400.0 | 205.0 | 260.0 | 60.0 | 95.0 | 0.0 | 1,020.0 |
| | Operating Profit | 73.5 | 21.0 | 19.0 | 5.5 | 9.5 | (3.5) | 125.0 |
| Change (B-A) | Orders Received | — | — | — | — | — | — | — |
| | Revenue | — | — | — | — | — | — | — |
| | Operating Profit | — | — | (1.0) | — | 1.0 | — | — |

Forecast of Business Environment by Business Segment

| Segment | Business Environment |
|---------------------------------|---|
| Precision Machinery (Note 1) | <ul style="list-style-type: none"> • Customer factory utilization rates are on an upward trend, and growth is expected in the overall market, mainly in AI-related areas, with investment expansion expected in logic/foundry and memory. On the other hand, there is uncertainty regarding the impact on market conditions and our business due to increased material costs and transportation costs associated with the Middle East situation. <p>(Market Forecast for the fiscal year ending December 31, 2026) WFE: 10% or more growth expected</p> |
| Energy | <ul style="list-style-type: none"> • In the new apparatus field, demand in the petrochemical market is expected to remain firm, but close attention needs to be paid to the impact of the Middle East situation. Demand in the LNG market is expected to grow steadily. • The decarbonization-related market is progressing toward commercialization, mainly in ammonia, hydrogen, and CCUS (Carbon dioxide Capture, Utilization, and Storage). • In the power electricity market, there have been some delays in ammonia conversion project plans, mainly in Japan and Asia. In China, demand for new thermal power generation and high-efficiency retrofitting is expected to continue. • In the service field, maintenance demand is expected to return to normal levels. Stagnation in parts shipments and service provision to the Middle East is expected. <p>(Market Forecast for the fiscal year ending December 2026) LNG: Expected to grow in the 6% range Ethylene: Expected to growth in the 3% range</p> |
| Building Service & Industrial | <p>(Overseas)</p> <ul style="list-style-type: none"> • In North America, a cautious stance toward investment is expected to continue due to the impact of tariff policies. On the other hand, steady growth is expected in some sectors such as data centers. • In Europe, a sense of economic stagnation remains, and the building equipment market is expected to remain flat. • In China, the building equipment market is expected to continue declining due to suppressed investment in residential and commercial sectors. • Logistics disruptions and impacts on material prices associated with the Middle East situation may become apparent going forward. <p>(Japan)</p> <ul style="list-style-type: none"> • In the building equipment market, although construction demand is firm, postponements of construction and reviews of plans due to concerns about rising material prices and labor costs are expected to continue. • In the industrial market, particularly in the chemical market, significant market changes are expected, including restructuring momentum in the petrochemical sector and growth investment in downstream functional chemicals. Overall market demand for capital investment, etc. is expected to continue, but the steel industry is expected to remain sluggish. <p>(Market Forecast for the fiscal year ending December 31, 2026) Overseas: 2% range growth expected Japan: Flat</p> |
| Infrastructure | <p>(Overseas)</p> <ul style="list-style-type: none"> • Moderate growth is expected to continue in the overall market due to water demand associated with population growth in Asia and maintenance of aging facilities in North America. • Although China is affected by the economic slowdown trend, a certain level of demand is expected to continue due to government-led public investment. • In addition, flood damage is increasing year by year around the world due to global warming and abnormal weather, and demand for drainage pump maintenance is expected, particularly in Southeast Asia and the Middle East. • On the other hand, in the Middle East where uncertain conditions continue, there are concerns about the possibility of project delays and plan changes. <p>(Japan)</p> <ul style="list-style-type: none"> • Demand is expected to remain steady due to watershed flood control measures against increasingly severe and frequent natural disasters, response to accelerating aging of infrastructure facilities, and promotion of digital transformation in the infrastructure field. <p>(Market Forecast for the fiscal year ending December 31, 2026) Overseas: 4% range growth expected Japan: Flat</p> |

| | |
|---------------|---|
| Environmental | <p>(Japan)</p> <ul style="list-style-type: none"> • New construction demand for public waste treatment facilities is expected to progress roughly as usual. • Construction demand for biomass power generation facilities and industrial waste treatment facilities for waste plastics, etc. for the private sector is expected to continue. • Demand for extending the life of aging facilities is increasing, but it is expected to be at the usual level in the short term. <p>(Market Forecast for the fiscal year ending December 31, 2026) Japan: Flat</p> |
|---------------|---|

(Note 1) WFE.....Wafer Fab Equipment

2. Condensed Consolidated Financial Statements and Primary Notes

(1) Condensed Consolidated Statement of Financial Position

| | Millions of yen | |
|---|----------------------------|-------------------------|
| | As of December 31, 2025 | As of March 31, 2026 |
| Assets | | |
| Current assets | | |
| Cash and cash equivalents | 143,485 | 146,382 |
| Trade and other receivables | 209,180 | 248,050 |
| Contract assets | 119,684 | 95,918 |
| Inventories | 197,695 | 200,950 |
| Income taxes receivable | 860 | 730 |
| Other financial assets | 3,581 | 6,088 |
| Other current assets | 42,905 | 31,306 |
| Total current assets | 717,392 | 729,428 |
| Non-current assets | | |
| Property, plant and equipment | 258,032 | 267,652 |
| Goodwill and intangible assets | 61,472 | 66,378 |
| Investments accounted for using the equity method | 8,001 | 7,259 |
| Deferred tax assets | 23,444 | 24,361 |
| Other financial assets | 5,086 | 5,107 |
| Other non-current assets | 8,770 | 8,316 |
| Total non-current assets | 364,808 | 379,076 |
| Total assets | 1,082,201 | 1,108,504 |

| | Millions of yen | |
|--|----------------------------|-------------------------|
| | As of December 31, 2025 | As of March 31, 2026 |
| Liabilities and equity | | |
| Liabilities | | |
| Current liabilities | | |
| Trade and other payables | 148,175 | 157,283 |
| Contract liabilities | 82,498 | 82,462 |
| Bonds, borrowings and lease liabilities | 131,746 | 99,891 |
| Income taxes payable | 15,420 | 10,056 |
| Provisions | 14,437 | 13,837 |
| Other financial liabilities | 1,112 | 1,288 |
| Other current liabilities | 54,953 | 55,777 |
| Total current liabilities | 448,343 | 420,596 |
| Non-current liabilities | | |
| Bonds, borrowings and lease liabilities | 92,989 | 139,229 |
| Retirement benefit liability | 8,855 | 9,006 |
| Provisions | 3,947 | 3,336 |
| Deferred tax liabilities | 2,153 | 2,167 |
| Other financial liabilities | 80 | 68 |
| Other non-current liabilities | 4,164 | 4,480 |
| Total non-current liabilities | 112,191 | 158,289 |
| Total liabilities | 560,534 | 578,885 |
| Equity | | |
| Share capital | 80,751 | 80,767 |
| Capital surplus | 77,701 | 78,089 |
| Retained earnings | 319,262 | 305,465 |
| Treasury shares | (20,326) | (2,361) |
| Other components of equity | 51,486 | 56,471 |
| Total equity attributable to owners of parent | 508,875 | 518,431 |
| Non-controlling interests | 12,790 | 11,187 |
| Total equity | 521,666 | 529,618 |
| Total liabilities and equity | 1,082,201 | 1,108,504 |

(2) Condensed Consolidated Statement of Income and Condensed Consolidated Statement of Comprehensive Income

Condensed Consolidated Statement of Income

For the Three Months Ended March 31, 2025 and 2026

| | Millions of yen | |
|---|--------------------------------------|--------------------------------------|
| | Three Months Ended March 31, 2025 | Three Months Ended March 31, 2026 |
| Revenue | 212,650 | 246,311 |
| Cost of sales | 144,120 | 168,500 |
| Gross profit | 68,530 | 77,810 |
| Selling, general and administrative expenses | 46,195 | 51,349 |
| Other income | 827 | 1,021 |
| Other expenses | 560 | 732 |
| Operating profit | 22,601 | 26,749 |
| Finance income | 804 | 568 |
| Finance costs | 1,311 | 1,547 |
| Share of profit (loss) of investments accounted for using the equity method | 993 | 1,169 |
| Profit before tax | 23,086 | 26,940 |
| Income tax expense | 6,841 | 8,295 |
| Profit | 16,244 | 18,645 |
| Profit (loss) attributable to | | |
| Owners of parent | 15,789 | 18,322 |
| Non-controlling interests | 455 | 322 |
| Earnings per share | | |
| Basic earnings per share(Yen) | 34.18 | 40.13 |
| Basic earnings per share, diluted(Yen) | 34.15 | 40.09 |

Condensed Consolidated Statement of Comprehensive Income

For the Three Months Ended March 31, 2025 and 2026

Millions of yen

| | Three Months Ended March 31, 2025 | Three Months Ended March 31, 2026 |
|--|--------------------------------------|--------------------------------------|
| Profit | 16,244 | 18,645 |
| Other comprehensive income | | |
| Items that will not be reclassified to profit or loss | | |
| Net change in financial assets measured at fair value through other comprehensive income | 19 | 9 |
| Share of other comprehensive income of investments accounted for using the equity method | (33) | (9) |
| Total of items that will not be reclassified to profit or loss | (13) | 0 |
| Items that may be reclassified to profit or loss | | |
| Cash flow hedges | 248 | (4) |
| Exchange differences on translation of foreign operations | (9,038) | 5,233 |
| Total of items that may be reclassified to profit or loss | (8,789) | 5,228 |
| Total other comprehensive income, net of tax | (8,802) | 5,228 |
| Total comprehensive income | 7,441 | 23,874 |
| Comprehensive income attributable to | | |
| Owners of parent | 7,330 | 23,307 |
| Non-controlling interests | 111 | 566 |

(3) Condensed Consolidated Statement of Changes in Equity
For the Three Months Ended March 31, 2025

Millions of yen

| | Equity attributable to owners of parent | | | | | | | |
|---|---|-----------------|-------------------|-----------------|---|--|------------------|---|
| | Share capital | Capital surplus | Retained earnings | Treasury shares | Other components of equity | | | |
| | | | | | Exchange differences on translation of foreign operations | Net change in financial assets measured at fair value through other comprehensive income | Cash flow hedges | Remeasurements of defined benefit plans |
| As of January 1, 2025 | 80,639 | 76,707 | 272,382 | (323) | 43,596 | 543 | (268) | — |
| Changes during the period | | | | | | | | |
| Comprehensive income | | | | | | | | |
| Profit | — | — | 15,789 | — | — | — | — | — |
| Other comprehensive income | — | — | — | — | (8,693) | (13) | 248 | — |
| Total comprehensive income | — | — | 15,789 | — | (8,693) | (13) | 248 | — |
| Transactions with owners | | | | | | | | |
| Dividends | — | — | (14,781) | — | — | — | — | — |
| Purchase of treasury shares | — | — | — | (0) | — | — | — | — |
| Disposal of treasury shares | — | 0 | — | 0 | — | — | — | — |
| Share-based payment transactions | 3 | 54 | — | — | — | — | — | — |
| Capital increase of subsidiary with non-controlling Interests | — | — | — | — | — | — | — | — |
| Transfer from other components of equity to retained earnings | — | — | (0) | — | — | 0 | — | — |
| Total transactions with owners | 3 | 54 | (14,781) | (0) | — | 0 | — | — |
| As of March 31, 2025 | 80,642 | 76,761 | 273,390 | (323) | 34,902 | 530 | (19) | — |

Millions of yen

| | Equity attributable to owners of parent | | Total equity attributable to owners of parent | Total non-controlling interests | Total equity |
|---|---|---------|---|---------------------------------|--------------|
| | Total other components of equity | | | | |
| As of January 1, 2025 | | 43,871 | 473,277 | 12,059 | 485,336 |
| Changes during the period | | | | | |
| Comprehensive income | | | | | |
| Profit | | — | 15,789 | 455 | 16,244 |
| Other comprehensive income | | (8,458) | (8,458) | (344) | (8,802) |
| Total comprehensive income | | (8,458) | 7,330 | 111 | 7,441 |
| Transactions with owners | | | | | |
| Dividends | | — | (14,781) | (1,905) | (16,686) |
| Purchase of treasury shares | | — | (0) | — | (0) |
| Disposal of treasury shares | | — | 0 | — | 0 |
| Share-based payment transactions | | — | 58 | — | 58 |
| Capital increase of subsidiary with non-controlling Interests | | — | — | 2 | 2 |
| Transfer from other components of equity to retained earnings | | 0 | — | — | — |
| Total transactions with owners | | 0 | (14,723) | (1,902) | (16,626) |
| As of March 31, 2025 | | 35,413 | 465,884 | 10,268 | 476,152 |

For the Three Months Ended March 31, 2026

Millions of yen

| | Equity attributable to owners of parent | | | | | | | |
|---|---|-----------------|-------------------|-----------------|---|--|------------------|---|
| | Share capital | Capital surplus | Retained earnings | Treasury shares | Other components of equity | | | |
| | | | | | Exchange differences on translation of foreign operations | Net change in financial assets measured at fair value through other comprehensive income | Cash flow hedges | Remeasurements of defined benefit plans |
| As of January 1, 2026 | 80,751 | 77,701 | 319,262 | (20,326) | 51,097 | 425 | (36) | — |
| Changes during the period | | | | | | | | |
| Comprehensive income | | | | | | | | |
| Profit | — | — | 18,322 | — | — | — | — | — |
| Other comprehensive income | — | — | — | — | 4,989 | 0 | (4) | — |
| Total comprehensive income | — | — | 18,322 | — | 4,989 | 0 | (4) | — |
| Transactions with owners | | | | | | | | |
| Dividends | — | — | (14,154) | — | — | — | — | — |
| Purchase of treasury shares | — | — | — | (1) | — | — | — | — |
| Disposal of treasury shares | — | — | — | — | — | — | — | — |
| Cancellation of treasury shares | — | (0) | (17,966) | 17,966 | — | — | — | — |
| Share-based payment transactions | 15 | 388 | — | — | — | — | — | — |
| Capital increase of subsidiary with non-controlling Interests | — | — | — | — | — | — | — | — |
| Transfer from other components of equity to retained earnings | — | — | — | — | — | — | — | — |
| Total transactions with owners | 15 | 387 | (32,120) | 17,965 | — | — | — | — |
| As of March 31, 2026 | 80,767 | 78,089 | 305,465 | (2,361) | 56,086 | 425 | (40) | — |

Millions of yen

| | Equity attributable to owners of parent | | Total equity attributable to owners of parent | Total non-controlling interests | Total equity |
|---|---|--------|---|---------------------------------|--------------|
| | Total other components of equity | | | | |
| As of January 1, 2026 | | 51,486 | 508,875 | 12,790 | 521,666 |
| Changes during the period | | | | | |
| Comprehensive income | | | | | |
| Profit | | — | 18,322 | 322 | 18,645 |
| Other comprehensive income | | 4,984 | 4,984 | 244 | 5,228 |
| Total comprehensive income | | 4,984 | 23,307 | 566 | 23,874 |
| Transactions with owners | | | | | |
| Dividends | | — | (14,154) | (2,170) | (16,324) |
| Purchase of treasury shares | | — | (1) | — | (1) |
| Disposal of treasury shares | | — | — | — | — |
| Cancellation of treasury shares | | — | — | — | — |
| Share-based payment transactions | | — | 403 | — | 403 |
| Capital increase of subsidiary with non-controlling Interests | | — | — | — | — |
| Transfer from other components of equity to retained earnings | | — | — | — | — |
| Total transactions with owners | | — | (13,752) | (2,170) | (15,922) |
| As of March 31, 2026 | | 56,471 | 518,431 | 11,187 | 529,618 |

(4) Condensed Consolidated Statement of Cash Flows

| | Millions of yen | |
|---|--------------------------------------|--------------------------------------|
| | Three Months Ended March 31, 2025 | Three Months Ended March 31, 2026 |
| Cash flows from operating activities | | |
| Profit before tax | 23,086 | 26,940 |
| Depreciation and amortization | 8,147 | 9,974 |
| Impairment loss | 7 | 5 |
| Interest and dividend income | (469) | (471) |
| Interest expenses | 931 | 1,348 |
| Foreign exchange loss (gain) | (900) | 439 |
| Share of loss (profit) of investments accounted for using the equity method | (993) | (1,169) |
| Loss (gain) on sales of fixed assets | (22) | (3) |
| Decrease (increase) in trade and other receivables | (23,139) | (36,490) |
| Decrease (increase) in contract assets | 16,792 | 25,374 |
| Decrease (increase) in inventories | (10,122) | (1,475) |
| Increase (decrease) in trade and other payables | (22,374) | 4,535 |
| Increase (decrease) in contract liabilities | 7,470 | (1,209) |
| Increase (decrease) in provisions | 141 | (1,249) |
| Increase / decrease in retirement benefit assets and liabilities | 124 | 118 |
| Decrease/increase in consumption taxes receivable/payable | 10,927 | 13,580 |
| Other | 1,441 | 223 |
| Subtotal | 11,048 | 40,469 |
| Interest received | 436 | 502 |
| Dividend received | 6 | 389 |
| Interest paid | (611) | (1,064) |
| Income taxes paid | (12,416) | (14,583) |
| Net cash provided by operating activities | (1,535) | 25,713 |
| Cash flows from investing activities | | |
| Payments into time deposits | (882) | (4,953) |
| Proceeds from withdrawal of time deposits | 1,341 | 3,845 |
| Proceeds from sales and redemption of investment securities | 65 | 0 |
| Purchase of property, plant and equipment, and intangible assets | (17,679) | (16,796) |
| Proceeds from sale of property, plant and equipment | 93 | 145 |
| Purchase of subsidiaries resulting in change in scope of consolidation | — | (1,892) |
| Other | 14 | (2) |
| Net cash used in investing activities | (17,045) | (19,653) |

| | Millions of yen | |
|--|--------------------------------------|--------------------------------------|
| | Three Months Ended March 31, 2025 | Three Months Ended March 31, 2026 |
| Cash flows from financing activities | | |
| Net increase (decrease) in short-term borrowings | 35,350 | (29,915) |
| Proceeds from long-term borrowings | 16 | 46,000 |
| Repayments of long-term borrowings | (191) | (3,105) |
| Repayments of lease liabilities | (1,411) | (1,569) |
| Proceeds from issuance of common shares | 0 | 0 |
| Purchase of treasury shares | (0) | (1) |
| Dividends paid | (14,781) | (14,154) |
| Dividends paid to non-controlling interests | (1,905) | (2,170) |
| Other | 2 | — |
| Net cash used in financing activities | 17,079 | (4,916) |
| Effect of exchange rate changes on cash and cash equivalents | (1,940) | 1,737 |
| Hyperinflation adjustment | (319) | 15 |
| Net increase (decrease) in cash and cash equivalents | (3,760) | 2,897 |
| Cash and cash equivalents at beginning of period | 171,031 | 143,485 |
| Cash and cash equivalents at end of period | 167,270 | 146,382 |

(5) Notes to Condensed Consolidated Financial Statements

(Basis of Preparation)

Important Items Forming the Basis for Preparation of the Condensed Quarterly Consolidated Financial Statements

Condensed Quarterly Consolidated Financial Statements have been prepared in accordance with Article 5(2) of the Standards for Preparation of Quarterly Financial Statements, etc. of the Tokyo Stock Exchange, Inc. (however, the disclosure of International Accounting Standards No.34, "Interim Financial Reports" has been partially omitted pursuant to Article 5(5) of the Standards for Preparation of Quarterly Financial Statements, etc.).

(Note for the Assumption of Going Concern)

None

(Business Segments)

Three Months Ended March 31, 2025

Millions of yen

| | Reportable Segments | | | | | | Others (Note 1) | Total | Adjustment (Note 2) | Consolidated (Note 3) |
|---|------------------------|--------|------------------------------------|----------------|--------------|---------|--------------------|---------|------------------------|--------------------------|
| | Precision Machinery | Energy | Building Service & Industria | Infrastructure | Environmenta | Total | | | | |
| Revenue | | | | | | | | | | |
| Customers | 62,406 | 48,606 | 56,335 | 21,527 | 23,471 | 212,347 | 303 | 212,650 | — | 212,650 |
| Intersegment and Transfers | 0 | 71 | 345 | 24 | 29 | 471 | 321 | 792 | (792) | — |
| Total | 62,406 | 48,677 | 56,681 | 21,552 | 23,501 | 212,818 | 624 | 213,443 | (792) | 212,650 |
| Segment Profit (Loss) | 8,257 | 1,979 | 4,332 | 5,598 | 3,038 | 23,205 | (655) | 22,549 | 51 | 22,601 |
| Finance Income | | | | | | | | | | 804 |
| Finance Costs | | | | | | | | | | 1,311 |
| Share of Profit (Loss) of Investments Accounted for Using the Equity Method | | | | | | | | | | 993 |
| Profit before Tax | | | | | | | | | | 23,086 |

Note 1: The "Others" item in the table above is the business segment for operations that are not included among reportable segments. It contains business support services and other activities.

Note 2: The "Adjustment" item for segment profit (loss) shows eliminations of intersegment transactions.

Note 3: Segment profit (loss) has been adjusted with operating profit in the condensed consolidated statement of income.

Three Months Ended March 31, 2026

Millions of yen

| | Reportable Segments | | | | | | Others (Note 1) | Total | Adjustment (Note 2) | Consolidated (Note 3) |
|---|------------------------|---------|------------------------------------|----------------|---------------|---------|--------------------|---------|------------------------|--------------------------|
| | Precision Machinery | Energy | Building Service & Industria | Infrastructure | Environmental | Total | | | | |
| Revenue | | | | | | | | | | |
| Customers | 82,949 | 46,575 | 63,075 | 23,271 | 30,138 | 246,010 | 300 | 246,311 | — | 246,311 |
| Intersegment and Transfers | 1 | 222 | 423 | 21 | 30 | 699 | 356 | 1,056 | (1,056) | — |
| Total | 82,950 | 46,797 | 63,498 | 23,293 | 30,169 | 246,710 | 657 | 247,367 | (1,056) | 246,311 |
| Segment Profit (Loss) | 13,531 | (1,666) | 4,408 | 6,126 | 6,174 | 28,574 | (1,675) | 26,899 | (149) | 26,749 |
| Finance Income | | | | | | | | | | 568 |
| Finance Costs | | | | | | | | | | 1,547 |
| Share of Profit (Loss) of Investments Accounted for Using the Equity Method | | | | | | | | | | 1,169 |
| Profit before tax | | | | | | | | | | 26,940 |

Note 1: The "Others" item in the table above is the business segment for operations that are not included among reportable segments. It contains business support services and other activities.

Note 2: The "Adjustment" item for segment profit (loss) shows eliminations of intersegment transactions.

Note 3: Segment profit (loss) has been adjusted with operating profit in the condensed consolidated statement of income.

Note 4: Effective from the Three Months Ended March 31, 2026, a portion of the revenue and segment profit of the hydrogen business is included in the "Energy" segment.

(Contingency)

Progress of Dispute Regarding Fire Accident at Bulky Waste Treatment Facility at the Gifu City Eastern Clean Center

On October 23, 2015, a fire broke out at the bulky waste treatment facility at the Gifu City Eastern Clean Center, which is located in the Akutami section of Gifu City in Gifu Prefecture, when Ebara Environmental Plant Co., Ltd. (“EEP”), the Company’s consolidated subsidiary, was making repairs on the facility. EEP is responsible for the operation and management of a waste incinerating facility that is located adjacent to the bulky waste treatment facility where the fire occurred.

Regarding this incident, while the Company had been discussing with Gifu City the compensation for related damages, a lawsuit against EEP was filed by Gifu City at the Gifu District Court on January 31, 2019 claiming compensation for damages of ¥4,362 million and late charges for such compensation. Afterwards, Gifu City amended its amount of the compensation claim for damages to ¥4,474 million and late charges for such compensation on July 22, 2019 (received on July 25, 2019).

On July 17, 2020, the amount of the compensation claim for damages was amended to ¥4,582 million and late charges for such compensation (received on July 20, 2020), and on August 10, 2021, the compensation claim for damages was amended to ¥4,692 million and late charges for such compensation (received on August 25, 2021).

On May 31, 2023, the Gifu District Court rendered a judgment ordering EEP to pay ¥748 million and late charges at the rate of 5% per annum from October 23, 2015 until the payment has been made, and judgment rejecting Gifu City's remaining claims.

On June 12, 2023, EEP filed an appeal to the Nagoya High Court against the part of the judgment that allowed the claim of Gifu City and the part that did not allow the claim of EEP and was tried in the same court. ① On May 17, 2024, the judgment of the first instance was amended and EEP was ordered to pay Gifu City ¥605 million and late charges at the rate of 5% per annum from October 23, 2015. ② Separately, regarding the provisional expenses for disposal of bulky waste for which EEP filed a claim against Gifu City and which had been tried jointly with the case mentioned in ①, the judgment of the first instance rejecting the claim was amended, and Gifu City was ordered to pay EEP ¥122 million and late charges at the rate of 6% per annum from May 19, 2018.

After careful examination of the judgment, EEP accepted the judgment of the appellate instance and decided not to file a final appeal or petition for acceptance of a final appeal.

However, Gifu City delivered a notification of the submission of the appeal and a notification of the receipt of the appeal to EEP indicating that a request for the receipt of the appeal was made.

Based on the content of the judgement, in the consolidated fiscal year before the previous one EEP recorded ¥836 million in compensation for damages and late payment charges to Gifu City in EEP in the provision for loss on litigation and the same amount that we expect to allocate in the future in light of the insurance policies insured in the case in other non-current assets. The impact of this lawsuit on the Company's consolidated financial results is considered immaterial.

Dispute over fire taking place on the petrochemicals platform of Naphtachimie in France.

On December 22, 2012, a fire broke out at the Naphtachimie ethylene plant located in France, shortly after the plant underwent an overhaul. At the time of the incident, Naphtachimie, which operates the plant, was a joint venture between Total Refining Chemicals and INEOS. Elliott Turbomachinery S.A., a subsidiary of Elliott Company, one of our consolidated subsidiaries, conducted the overhaul work on the compressor installed at the plant.

Following the fire, Naphtachimie, Total Refining Chemicals, INEOS, their group companies, and their insurance companies filed a lawsuit in France against multiple parties involved in the overhaul, including Elliott Turbomachinery S.A., Elliott Company, and its subsidiary Elliott Turbomachinery Ltd. (hereinafter collectively referred to as "Elliott Entities").

In this lawsuit, Elliott Entities deny any responsibility. Non-binding reports on technical and financial aspects were submitted by an expert appointed by the court; however, Elliott is challenging the contents of the reports in the legal proceedings.

After the submission of the report, a schedule for the lawsuit was established, and the proceedings are ongoing. At this time, it is difficult to reasonably estimate the losses, and therefore, no provisions have been recorded.

Dispute over Claim for Damages etc. based on Breach of Non-Competition in India

On January 31, 2025, the Company and its two Indian subsidiaries (Ebara Machinery India Private Limited and Elliott Ebara Turbomachinery India Private Limited) received an arbitration claim from Indian companies, Kirloskar Brothers Limited (KBL) and Kirloskar Ebara Pumps Limited (KEPL), which was established as a joint venture between the Company and KBL. KBL and KEPL allege that the business of the Company and the two Indian subsidiaries breached the non-competition obligations under the joint venture agreement for KEPL between the Company and KBL, and seeking compensation for damages and an injunction against business operations in India and so on. At this time, it is difficult to reasonably estimate the losses, and therefore, no provisions have been recorded.

(Significant Subsequent Events)

Transfer of shares of a jointly controlled entity accounted for using the equity method

The Company resolved to transfer the shares of the jointly controlled entity accounted for using the equity method, Swing Corporation, to INFRONEER Holdings Inc., and concluded a share transfer agreement at the meeting of the Board of Directors held on April 14, 2026.

(1) Reason for the Share Transfer

Since 2010, the Company, JGC Holdings Corporation ("JGC"), and Mitsubishi Corporation ("MC") have worked together as three shareholders to strengthen Swing's business structure, supporting its stable growth and addressing management issues. There have been ongoing changes in the business environment, including the expanding adoption of Water PPP*1 and the full-scale emergence of renewal demand due to the aging of existing facilities. In light of these developments, the Company has determined that transferring its shares to a suitable shareholder with a clear strategy and strong execution capabilities to underpin Japan's social infrastructure over the medium to long term would contribute to the further enhancement of Swing's corporate value in the future. Accordingly, the Company has resolved to transfer its shares in Swing.

Similarly, JGC and MC have also decided, based on the same considerations, to transfer all of the shares they hold.

*1 Water PPP collectively refers to public-private partnership models and concession models for water-sector public facilities, including water supply, sewerage, and industrial water services, each designed to support a phased transition to concession arrangements.

(2) Overview of the jointly controlled entity accounted for using the equity method to be transferred

| | |
|-------------------------|--|
| Name | Swing Corporation |
| Description of business | Operation and maintenance, design and construction of water and environmental plants; related chemicals business; and management of operating subsidiaries |

(3) Name of Transferee

INFRONEER Holdings Inc.

(4) Date of share transfer execution

July 1, 2026 (scheduled)

(5) Number of Transferred Shares, Transfer Price, and Ownership Status Before and After Transfer

| | |
|--|---|
| Number of shares owned before the transfer | 1,000,000 shares (Number of voting rights: 10,000 units, Voting rights ownership ratio: 33.33%) |
| Number of shares to be transferred | 1,000,000 shares (Number of voting rights: 10,000 units) |
| Transfer price | 25 billion yen (scheduled) (Note) |
| Number of shares owned after the transfer | 0 shares (Number of voting rights: 0 units, Voting rights ownership ratio: 0.00%) |

Note: The above share transfer price reflects a price adjustment based on a special dividend to be paid by Swing Corporation to the Company (planned total amount: 5.3 billion yen). Of the special dividend, 1.9 billion yen has already been received during the Three Months Ended March 31, 2026, and the remaining 3.4 billion yen is expected to be received in the future and recorded as financial income.

(6) Impact on financial performance

In connection with the Share Transfer, the Company expects to record Finance income of 3.4 billion yen and a gain on sale of investments accounted for using the equity method of 17.2 billion yen in the consolidated statement of income for the fiscal year ending December 31, 2026.

3. Others

(1) Segment Information

(i) Actual Results and Forecast of Orders Received, Revenue, Operating Profit, and Backlog of Orders Received by Business Segment

Billions of yen

| | Three Months Ended March 31, 2025 | Three Months Ended March 31, 2026 | | | Six months Ending June 30, 2026 | Fiscal Year Ending December 31, 2026 |
|----------------------------------|---|--------------------------------------|--------|---------------------|---------------------------------------|---|
| | Actual | Actual | Change | Change Ratio (%) | Forecast | Forecast |
| Orders Received | | | | | | |
| Precision Machinery | 73.9 | 151.2 | 77.2 | 104.4 | 200.0 | 405.0 |
| Energy | 42.3 | 55.7 | 13.4 | 31.7 | 105.0 | 210.0 |
| Building Service & Industrial | 59.7 | 70.3 | 10.5 | 17.7 | 135.0 | 265.0 |
| Infrastructure | 20.0 | 14.7 | (5.2) | (26.4) | 28.0 | 60.0 |
| Environmental | 3.3 | 32.4 | 29.1 | 860.7 | 109.0 | 130.0 |
| Others | 0.2 | 0.3 | 0.0 | 16.5 | 0.0 | 0.0 |
| Total | 199.8 | 324.9 | 125.0 | 62.6 | 577.0 | 1,070.0 |
| Revenue | | | | | | |
| Precision Machinery | 62.4 | 82.9 | 20.5 | 32.9 | 180.0 | 400.0 |
| Energy | 48.6 | 46.5 | (2.0) | (4.2) | 97.0 | 205.0 |
| Building Service & Industrial | 56.3 | 63.0 | 6.7 | 12.0 | 120.0 | 260.0 |
| Infrastructure | 21.5 | 23.2 | 1.7 | 8.1 | 34.0 | 60.0 |
| Environmental | 23.4 | 30.1 | 6.6 | 28.4 | 47.0 | 95.0 |
| Others | 0.3 | 0.3 | (0.0) | (0.7) | 0.0 | 0.0 |
| Total | 212.6 | 246.3 | 33.6 | 15.8 | 478.0 | 1,020.0 |
| Operating Profit | | | | | | |
| Precision Machinery | 8.2 | 13.5 | 5.2 | 63.9 | 28.0 | 73.5 |
| Energy | 1.9 | (1.6) | (3.6) | — | 3.0 | 21.0 |
| Building Service & Industrial | 4.3 | 4.4 | 0.0 | 1.8 | 8.5 | 19.0 |
| Infrastructure | 5.5 | 6.1 | 0.5 | 9.4 | 5.5 | 5.5 |
| Environmental | 3.0 | 6.1 | 3.1 | 103.2 | 6.5 | 9.5 |
| Others & Adjustment | (0.6) | (1.8) | (1.2) | — | (2.0) | (3.5) |
| Total | 22.6 | 26.7 | 4.1 | 18.4 | 49.5 | 125.0 |
| Backlog of Orders Received | | | | | | |
| Precision Machinery | 195.5 | 217.6 | 22.0 | 11.3 | 171.5 | 156.5 |
| Energy | 222.0 | 229.9 | 7.8 | 3.6 | 221.7 | 218.7 |
| Building Service & Industrial | 69.9 | 83.9 | 14.0 | 20.0 | 90.7 | 80.7 |
| Infrastructure | 75.0 | 74.5 | (0.5) | (0.7) | 77.4 | 83.4 |
| Environmental | 324.1 | 387.2 | 63.0 | 19.5 | 446.6 | 419.6 |
| Others | 0.1 | 0.1 | 0.0 | 38.7 | 2.7 | 2.7 |
| Total | 886.8 | 993.3 | 106.5 | 12.0 | 1,011.0 | 962.0 |

(ii) Actual Results and Forecast of Orders Received and Revenue in the Precision Machinery Business Segment

Effective from the Three Months Ended March 31, 2026, the segment classification of the Precision Machinery Business Segment has been reviewed. The previously separate segments "CMP" and "Other" have been consolidated into "Systems," and the business has been reorganized into two sub-segments: "Systems" and "Components." Accordingly, figures for the Three Months Ended March 31, 2025 have been restated and presented based on the revised segment classification.

Billions of yen

| | Three Months Ended March 31, 2025 | Three Months Ended March 31, 2026 | | | Six months Ending June 30, 2026 | Fiscal Year Ending December 31, 2026 |
|-----------------|-----------------------------------|-----------------------------------|--------|------------------|---------------------------------|--------------------------------------|
| | Actual | Actual | Change | Change Ratio (%) | Forecast | Forecast |
| Orders Received | | | | | | |
| Systems | 44.9 | 114.6 | 69.7 | 155.0 | 142.0 | 283.0 |
| Components | 29.0 | 36.5 | 7.5 | 26.0 | 58.0 | 122.0 |
| Total of PM | 73.9 | 151.2 | 77.2 | 104.4 | 200.0 | 405.0 |
| Revenue | | | | | | |
| Systems | 36.3 | 53.9 | 17.5 | 48.4 | 125.0 | 279.0 |
| Components | 26.0 | 28.9 | 2.9 | 11.3 | 55.0 | 121.0 |
| Total of PM | 62.4 | 82.9 | 20.5 | 32.9 | 180.0 | 400.0 |

(2) Area Information

(i) Geographical Segment Compiled on the basis of the geographical location of the Company reporting the revenue

Billions of yen

| | Three Months Ended March 31, 2025 | | Three Months Ended March 31, 2026 | | |
|------------------------|--------------------------------------|-----------------|--------------------------------------|-----------------|--------|
| | Actual | Composition (%) | Actual | Composition (%) | Change |
| Revenue | | | | | |
| Japan | 110.4 | 51.9 | 138.3 | 56.2 | 27.9 |
| North America | 43.2 | 20.3 | 37.9 | 15.4 | (5.2) |
| Asia (except Japan) | 43.0 | 20.2 | 51.1 | 20.8 | 8.0 |
| Others | 15.9 | 7.5 | 18.8 | 7.6 | 2.8 |
| Total | 212.6 | 100.0 | 246.3 | 100.0 | 33.6 |
| Operating Profit | | | | | |
| Japan | 12.2 | | 19.4 | | 7.1 |
| North America | 3.4 | | (0.2) | | (3.7) |
| Asia (except Japan) | 4.6 | | 6.0 | | 1.4 |
| Others | 1.6 | | 1.9 | | 0.2 |
| Adjustment | 0.5 | | (0.3) | | (0.9) |
| Total | 22.6 | | 26.7 | | 4.1 |

(ii) Regional Segment Compiled on the basis of the geographical location where the goods are sold

Billions of yen

| | Three Months Ended March 31, 2025 | | Three Months Ended March 31, 2026 | | |
|-----------------------------|--------------------------------------|-----------------|--------------------------------------|-----------------|--------|
| | Actual | Composition (%) | Actual | Composition (%) | Change |
| Revenue | | | | | |
| Japan | 84.1 | 39.6 | 99.9 | 40.6 | 15.8 |
| China | 31.7 | 14.9 | 32.3 | 13.1 | 0.6 |
| Taiwan, Korea Other Asia | 32.7 | 15.4 | 57.4 | 23.3 | 24.6 |
| North America | 30.4 | 14.3 | 25.7 | 10.5 | (4.6) |
| Europe | 12.8 | 6.0 | 14.4 | 5.9 | 1.5 |
| Middle East | 13.0 | 6.1 | 7.5 | 3.1 | (5.4) |
| Others | 7.7 | 3.6 | 8.8 | 3.6 | 1.0 |
| Total | 212.6 | 100.0 | 246.3 | 100.0 | 33.6 |