CONSOLIDATED FINANCIAL RESULTS FOR THE SIX MONTHS ENDED JUNE 30, 2026
〔IFRS〕

August 14, 2026

Company name:	EBARA CORPORATION
Stock exchange listings:	Tokyo
Code number:	6361
URL:	https://www.ebara.com/global-en/global/
Representative:	Shugo Hosoda, Representative Executive Officer, CEO & COO
Contact person:	Tetsuya Fuchida, Executive Officer, CFO Tel. +81-3-3743-6111

Scheduled date for submission of Semiannual Securities Report:	August 14, 2026
Scheduled date for dividend payment:	September 14, 2026
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 Six Months Ended June 30, 2026

(1) Consolidated Financial Results

(% represents percentage change from a comparable previous period) Millions of yen

	Revenue		Operating Profit		Profit before Tax		Profit	
Six Months Ended June 30, 2026	490,760	9.4%	50,677	1.2%	49,759	7.9%	34,567	5.6%
Six Months Ended June 30, 2025	448,768	13.7%	50,062	25.3%	46,132	9.4%	32,744	6.1%

	Profit Attributable to Owners of Parent		Total Comprehensive Income		Basic Earnings per Share (Yen)	Basic Earnings per Share, Diluted (Yen)
Six Months Ended June 30, 2026	33,574	7.1%	44,133	102.2%	73.54	73.48
Six Months Ended June 30, 2025	31,341	7.3%	21,824	(59.6)%	67.84	67.78

(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 June 30, 2026	1,102,002	543,762	531,913	48.3
As of December 31, 2025	1,082,201	521,666	508,875	47.0

2. Dividends

	Dividends per Share (Yen)				
	End of 1st Quarter	End of 2nd Quarter	End of 3rd Quarter	Year-End	Annual
Fiscal Year Ended December 31, 2025	—	28.00	—	31.00	—
Fiscal Year Ending December 31, 2026	—	33.00			
Fiscal Year Ending December 31, 2026 (Forecast)			—	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)
Fiscal Year Ending December 31, 2026	1,053,000	9.9%	125,000	9.8%	142,000	28.0%	99,500	29.8%	217.93

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

4. Other Information

(1) Significant changes in the scope of consolidation during the six months ended June 30, 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 June 30, 2026	457,439,185	As of December 31, 2025	462,199,185
(ii) Number of treasury shares	As of June 30, 2026	1,305,694	As of December 31, 2025	5,612,828
(iii) Average number of common shares	Six Months Ended June 30, 2026	456,572,449	Six Months Ended June 30, 2025	461,959,532

This semiannual financial report is exempt from review by certified public accountants or an audit firm.

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.

Contents

1. Qualitative Information Regarding Consolidated Financial Results

(1) Explanation of Financial Results

Millions of yen

	Six Months Ended June 30, 2025	Six Months Ended June 30, 2026	Change	Change Ratio (%)
Orders Received	451,319	636,281	184,962	41.0
Revenue	448,768	490,760	41,992	9.4
Operating Profit	50,062	50,677	615	1.2
Operating Profit on Revenue Ratio (%)	11.2	10.3	—	—
Profit Attributable to Owners of Parent	31,341	33,574	2,233	7.1
Basic Earnings per Share (Yen)	67.84	73.54	5.69	8.4

During the Six Months Ended June 30, 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 Six Months Ended June 30, 2026, increased year on year in the Precision Machinery Business driven by AI-related demand, increased customer factory utilization rates, and expanded production capacity investments. In the Energy Business, orders received increased year on year due to the receipt of large-scale projects. As a result, consolidated orders received increased year on year. Revenue and operating profit increased on a consolidated basis, as other segments offset the decline in revenue and profit in the Energy Business.

As a result, consolidated orders received for the Six Months Ended June 30, 2026 amounted to ¥636,281 million (an increase of 41.0% year-on-year), revenue amounted to ¥490,760 million (an increase of 9.4% year-on-year), operating profit amounted to ¥50,677 million (an increase of 1.2% year-on-year), and profit attributable to owners of parent amounted to ¥33,574 million (an increase of 7.1% year-on-year). All categories reached record highs for the first half of the fiscal year.

Operating Results by Business Segment is as follows.

Millions of yen

Segment	Orders Received			Revenue			Segment Profit		
	Six Months Ended June 30, 2025	Six Months Ended June 30, 2026	Change Ratio (%)	Six Months Ended June 30, 2025	Six Months Ended June 30, 2026	Change Ratio (%)	Six Months Ended June 30, 2025	Six Months Ended June 30, 2026	Change Ratio (%)
Precision Machinery	141,302	267,430	89.3	150,555	183,693	22.0	23,451	32,534	38.7
Energy	86,913	112,595	29.6	109,047	96,705	(11.3)	11,174	(794)	—
Building Service & Industrial	125,533	148,448	18.3	113,876	129,589	13.8	6,865	8,300	20.9
Infrastructure	31,181	26,323	(15.6)	32,637	32,191	(1.4)	5,608	5,600	(0.1)
Environmental	65,839	80,820	22.8	42,069	47,931	13.9	4,428	6,696	51.2
Reportable Segment Total	450,768	635,618	41.0	448,186	490,111	9.4	51,528	52,337	1.6
Others	550	663	20.5	581	649	11.6	(1,350)	(1,441)	—
Adjustment	—	—	—	—	—	—	(115)	(218)	—
Total	451,319	636,281	41.0	448,768	490,760	9.4	50,062	50,677	1.2

Outline of Business Environment and Situation by Business Segment

Segment	Business Environment	Business Situation and the Trend of Orders Received (Note 1)
Precision Machinery	・Customer factory utilization rates remain at high levels, driven by AI-related demand leading the market. Customer investments in production capacity expansion are also on an upward trend.	・Product orders are performing well, primarily for logic/foundry applications. Orders for memory applications continue to increase, driven by AI demand. In addition, service & support orders increased year on year as customer factory utilization rates recovered. ↗
Energy	・In the new apparatus field, demand in the oil & gas market remains solid, and demand in the LNG market is also firm, particularly in North America. China's power market also continues to be active. ・In the service field, maintenance demand appears to be returning to normal levels after completing a cycle. On the other hand, the situation in the Middle East is affecting parts shipments and dispatch of instructors to the region.	・Orders received for new apparatus field increased year on year. ・Orders received for service field increased year on year. ↗
Building Service & Industrial	(Overseas) ・In North America, rising construction costs and labor shortages continue to be a burden, but recovery is seen due to growth in certain sectors such as data centers. ・In Europe, unstable energy supply and geopolitical risks are suppressing investment appetite, and the building equipment market continues to stagnate. ・In China, adjustments in the real estate market continue, private investment in the residential and commercial sectors is suppressed, and the building equipment market is declining. (Japan) ・In the building equipment market, the number of construction 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 in the medium to long term, including consideration of capital investment aimed at decarbonization and transformation of business structures, but is currently performing well, particularly in the data center and semiconductor markets. On the other hand, steel demand has declined due to the sluggishness of domestic and overseas manufacturing and construction industries, and capital investment has stagnated as the domestic steel industry is stagnant due to increased imports.	(Overseas) ・Orders are performing well in Europe, North America, and Asia, with orders received increased year on year. (Japan) ・Service & support orders are performing well, with orders received increased year on year. ↗

Segment	Business Environment	Business Situation and the Trend of Orders Received (Note 1)	
Infrastructure	(Overseas) ・In the water infrastructure market, demand in Southeast Asia is driven by pump demand from economic growth, while in North America, demand remains solid as upgrades to aging facilities progress. In China, although there are signs of a slowdown in public investment due to government fiscal spending, a certain level of demand continues. (Japan) ・Investment in social infrastructure renewal and repair remains solid. ・The public construction market is progressing as in previous years. After-sales services for existing facilities continue to see solid demand.	(Overseas) ・Orders received for water infrastructure were at the same level as the previous year. (Japan) ・Orders received for the public sector are performing steadily due to continued efforts in measures such as comprehensive evaluation projects and expansion of after-sales service orders, but fell below the same period of the previous year when multiple large-scale projects were received.	↘
Environmental (Note 2)	(Japan) ・Demand for new construction of public waste treatment facilities is progressing as in previous years. ・Order volumes for O&M of existing facilities are progressing as in previous years. ・There continues to be steady construction demand for private-sector woody biomass power generation facilities and industrial waste treatment facilities for waste plastics and other materials.	(Japan) ・EPC received large-scale orders, and O&M received large-scale orders as well as inflation adjustments, resulting in overall orders significantly increased year on year. [Status of orders for large-scale projects] ・New construction and long-term comprehensive operation contract for a public waste treatment facility (1 project) ・Core improvement works for a 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: O&M (Operation & Maintenance)・・・・・・・・・・ The operation and maintenance of plants
EPC (Engineering, Procurement, Construction)・・・・・・・・・・ The engineering, procurement, construction of plants

(2) Explanation of Financial Position

(i) Assets

Total assets as of June 30, 2026 were ¥1,102,002 million, ¥19,801 million higher than as of December 31, 2025. Principal changes in asset items included a decrease of ¥20,296 million in contract assets, an increase of ¥18,723 million in property, plant and equipment, an increase of ¥12,744 million in inventories, and an increase of ¥9,538 million in cash and cash equivalents.

(ii) Liabilities

Total liabilities as of June 30, 2026 were ¥558,240 million, ¥2,294 million lower than as of December 31, 2025. Principal changes in liability items included an increase of ¥4,128 million in contract liabilities, an increase of ¥3,559 million in bonds, borrowings and lease liabilities, a decrease of ¥3,978 million in income taxes payable, a decrease of ¥3,222 million in trade and other payables, a decrease of ¥2,271 million in other current liabilities.

(iii) Equity

Equity as of June 30, 2026 amounted to ¥543,762 million, ¥22,095 million higher than as of December 31, 2025. Principal changes included profit attributable to owners of parent of ¥33,574 million and an increase of ¥9,235 million in exchange differences on translation of foreign operations, while equity items included dividends paid of ¥14,154 million. Total equity attributable to owners of parent amounted to ¥531,913 million, and the ratio of equity attributable to owners of parent was 48.3%.

(3) Explanation of Forecast of Consolidated Financial Results

Regarding the business environment surrounding the Company, concerns such as U.S. tariff and other policy trends, strengthening of semiconductor export control regulations due to U.S.-China tensions, impact on resource prices from prolonged situations in the Middle East and Ukraine, and foreign exchange fluctuations are expected to result in continued uncertainty. However, we expect our business to perform steadily, supported by long-term expansion in semiconductor demand and stable demand for social infrastructure.

Under these circumstances, we have revised our full-year forecast for fiscal 2026 as follows, based on business performance trends since the previous earnings announcement (May 15, 2026). Orders received are expected to increase mainly in the Precision Machinery, Energy and Building Service & Industrial Business. Revenue is expected to increase in the Precision Machinery, Building Service & Industrial, and Environmental Business. Operating profit forecasts have been revised to reflect higher profits in the Precision Machinery and Environmental businesses, lower profits in the Energy Business, and the recognition of settlement losses associated with the revision of the retirement benefit plan. The revised forecasts by business segment are as follows.

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.

Regarding the 2026 Kumamoto Earthquake that occurred on July 28, 2026, our Kumamoto Office did not sustain significant damage to buildings or facilities. As the impact on the supply chain is currently being assessed, it is not reflected in the earnings forecast announced today. However, based on future investigations, we will promptly announce any matters that should be disclosed.

Forecast for the Fiscal Year Ending December 31, 2026

Billions of yen

	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	142.0	99.5
Revised Forecast : B	1,245.0	1,053.0	125.0	142.0	99.5
Change (B-A)	175.0	33.0	—	—	—
Change (%)	16.4	3.2	—	—	—
(Reference) Fiscal Year Ended December 31, 2025	949.6	958.2	113.8	110.9	76.6

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	19.0	5.5	9.5	(3.5)	125.0
Revised Forecast : B	Orders Received	550.0	220.0	280.0	60.0	135.0	0.0	1,245.0
	Revenue	425.0	205.0	265.0	60.0	98.0	0.0	1,053.0
	Operating Profit	77.0	18.0	19.0	5.5	13.0	(7.5)	125.0
Change (B-A)	Orders Received	145.0	10.0	15.0	—	5.0	—	175.0
	Revenue	25.0	—	5.0	—	3.0	—	33.0
	Operating Profit	3.5	(3.0)	—	—	3.5	(4.0)	—

Forecast of Business Environment by Business Segment

Segment	Business Environment
Precision Machinery (Note 1)	・Customer factory utilization rates remain at high levels, and the market as a whole is expected to grow, mainly in AI-related areas, with continued investment expected in logic/foundry and memory. (Market Forecast for the fiscal year ending December 31, 2026) WFE: 18% or more growth expected
Energy	・In the new apparatus field, demand in the oil & gas market is expected to remain solid. Solid growth is also expected in the LNG market. ・The decarbonization-related market is progressing toward the commercialization phase, mainly for ammonia, hydrogen, and CCUS (carbon dioxide capture, utilization, and storage). ・In the power electricity market, some delays have occurred in ammonia conversion project plans, mainly in Japan and Asia. In China, demand for new thermal power plants and high-efficiency retrofits is expected to continue. ・In the service field, maintenance demand is expected to return to normal levels. ・The impact of the situation in the Middle East needs to continue to be monitored closely. (Market Forecast for the fiscal year ending December 31, 2026) LNG: 6% range growth expected Ethylene: 3% range growth expected
Building Service & Industrial	(Overseas) ・In North America, a cautious stance toward investment is expected to continue due to the impact of tariff policies. On the other hand, solid growth is expected in certain sectors such as data centers. ・In Europe, the sense of economic stagnation persists, 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 the residential and commercial sectors. On the other hand, investment in data centers, semiconductor manufacturing equipment, and other areas is expected in the industrial market. ・The impact of logistics disruptions and material prices associated with the situation in the Middle East continues but remains limited. (Japan) ・In the building equipment market, although construction demand remains solid, postponement of construction and revision of plans due to concerns about rising material prices and labor costs are expected to continue. ・In the industrial market, significant market changes are expected, particularly in the chemical market, with momentum for reorganization in the petrochemical sector and growth investments in downstream functional chemicals. The market as a whole is expected to see continued demand for capital investment, with capital investment in data centers and the semiconductor market expanding rapidly. On the other hand, the steel industry is expected to continue to stagnate. (Market Forecast for the fiscal year ending December 31, 2026) Overseas: 2% range growth expected Japan: Flat
Infrastructure	(Overseas) ・Moderate growth is expected to continue in the market as a whole due to water demand from population growth in Asia and upgrades to aging facilities in North America. ・In China, although there is an impact from the economic slowdown, 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 installations is expected, particularly in Southeast Asia and the Middle East. (Japan) ・Demand is expected to remain steady due to watershed flood control measures addressing increasingly severe and frequent natural disasters, responses to the accelerating aging of infrastructure facilities, and the promotion of digital transformation in the infrastructure sector. (Market Forecast for the fiscal year ending December 31, 2026) Overseas: 4% range growth expected Japan: Flat

Environmental	(Japan) ・Demand for new construction of public waste treatment facilities is expected to remain generally in line with typical years on a bidding basis compared to the previous year. ・Construction demand for biomass power generation facilities and industrial waste treatment facilities for waste plastics and other materials for the private sector is expected to continue. ・While demand for extending the lifespan of aging facilities is increasing, it is expected to remain at typical levels in the short term. (Market Forecast for the fiscal year ending December 31, 2026) Japan: Flat

(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 June 30, 2026
Assets		
Current assets		
Cash and cash equivalents	143,485	153,023
Trade and other receivables	209,180	205,059
Contract assets	119,684	99,388
Inventories	197,695	210,440
Income taxes receivable	860	3,954
Other financial assets	3,581	4,746
Other current assets	42,905	36,925
Asset held for sale	—	7,259
Total current assets	717,392	720,797
Non-current assets		
Property, plant and equipment	258,032	276,755
Goodwill and intangible assets	61,472	67,555
Investments accounted for using the equity method	8,001	—
Deferred tax assets	23,444	23,755
Other financial assets	5,086	5,056
Other non-current assets	8,770	8,081
Total non-current assets	364,808	381,204
Total assets	1,082,201	1,102,002

Millions of yen

	As of December 31, 2025	As of June 30, 2026
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	148,175	144,952
Contract liabilities	82,498	86,626
Bonds, borrowings and lease liabilities	131,746	88,382
Income taxes payable	15,420	11,442
Provisions	14,437	15,143
Other financial liabilities	1,112	643
Other current liabilities	54,953	52,681
Total current liabilities	448,343	399,872
Non-current liabilities		
Bonds, borrowings and lease liabilities	92,989	139,913
Retirement benefit liability	8,855	9,054
Provisions	3,947	3,496
Deferred tax liabilities	2,153	2,144
Other financial liabilities	80	31
Other non-current liabilities	4,164	3,726
Total non-current liabilities	112,191	158,367
Total liabilities	560,534	558,240
Equity		
Share capital	80,751	80,801
Capital surplus	77,701	76,627
Retained earnings	319,262	320,524
Treasury shares	(20,326)	(6,869)
Other components of equity	51,486	60,829
Total equity attributable to owners of parent	508,875	531,913
Non-controlling interests	12,790	11,848
Total equity	521,666	543,762
Total liabilities and equity	1,082,201	1,102,002

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

Condensed Consolidated Statement of Income

For the Six Months Ended June 30, 2025 and 2026

Millions of yen

	Six Months Ended June 30, 2025	Six Months Ended June 30, 2026
Revenue	448,768	490,760
Cost of sales	303,746	336,512
Gross profit	145,021	154,248
Selling, general and administrative expenses	95,468	103,949
Other income	1,820	1,547
Other expenses	1,311	1,168
Operating profit	50,062	50,677
Finance income	794	1,176
Finance costs	5,572	3,264
Share of profit (loss) of investments accounted for using the equity method	848	1,169
Profit before tax	46,132	49,759
Income tax expense	13,387	15,191
Profit	32,744	34,567
Profit (loss) attributable to		
Owners of parent	31,341	33,574
Non-controlling interests	1,403	992
Earnings per share		
Basic earnings per share(Yen)	67.84	73.54
Basic earnings per share, diluted(Yen)	67.78	73.48

Condensed Consolidated Statement of Comprehensive Income

For the Six Months Ended June 30, 2025 and 2026

Millions of yen

	Six Months Ended June 30, 2025	Six Months Ended June 30, 2026
Profit	32,744	34,567
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	43	(110)
Share of other comprehensive income of investments accounted for using the equity method	(10)	(9)
Total of items that will not be reclassified to profit or loss	32	(120)
Items that may be reclassified to profit or loss		
Cash flow hedges	272	35
Exchange differences on translation of foreign operations	(11,225)	9,650
Total of items that may be reclassified to profit or loss	(10,952)	9,686
Total other comprehensive income, net of tax	(10,920)	9,566
Total comprehensive income	21,824	44,133
Comprehensive income attributable to		
Owners of parent	20,767	42,725
Non-controlling interests	1,057	1,407

(3) Condensed Consolidated Statement of Changes in Equity
For the Six Months Ended June 30, 2025

Millions of yen

	Equity attributable to owners of parent							
					Other components of equity			
	Share capital	Capital surplus	Retained earnings	Treasury shares	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	―	―	31,341	―	―	―	―	―
Other comprehensive income	―	―	―	―	(10,878)	32	272	―
Total comprehensive income	―	―	31,341	―	(10,878)	32	272	―
Transactions with owners								
Dividends	―	―	(14,781)	―	―	―	―	―
Purchase of treasury shares	―	―	―	(0)	―	―	―	―
Disposal of treasury shares	―	0	―	0	―	―	―	―
Share-based payment transactions	109	186	―	―	―	―	―	―
Acquisition or disposal of non-controlling interests	―	―	―	―	―	―	―	―
Transfer from other components of equity to retained earnings	―	―	(0)	―	―	0	―	―
Total transactions with owners	109	186	(14,781)	(0)	―	0	―	―
As of June 30, 2025	80,748	76,893	288,942	(323)	32,717	576	3	―

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	―	31,341	1,403	32,744
Other comprehensive income	(10,573)	(10,573)	(346)	(10,920)
Total comprehensive income	(10,573)	20,767	1,057	21,824
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	―	295	―	295
Acquisition or disposal of non-controlling interests	―	―	2	2
Transfer from other components of equity to retained earnings	0	―	―	―
Total transactions with owners	0	(14,485)	(1,902)	(16,388)
As of June 30, 2025	33,298	479,558	11,214	490,773

For the Six Months Ended June 30, 2026

Millions of yen

	Equity attributable to owners of parent							
					Other components of equity			
	Share capital	Capital surplus	Retained earnings	Treasury shares	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	–	–	33,574	–	–	–	–	–
Other comprehensive income	–	–	–	–	9,235	(120)	35	–
Total comprehensive income	–	–	33,574	–	9,235	(120)	35	–
Transactions with owners								
Dividends	–	–	(14,154)	–	–	–	–	–
Purchase of treasury shares	–	–	(0)	(5,746)	–	–	–	–
Disposal of treasury shares	–	513	–	1,236	–	–	–	–
Cancellation of treasury shares	–	(0)	(17,966)	17,966	–	–	–	–
Share-based payment transactions	49	(1,587)	–	–	–	–	–	–
Transfer from other components of equity to retained earnings	–	–	(192)	–	–	192	–	–
Total transactions with owners	49	(1,073)	(32,312)	13,456	–	192	–	–
As of June 30, 2026	80,801	76,627	320,524	(6,869)	60,332	497	(0)	–

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	–	33,574	992	34,567
Other comprehensive income	9,150	9,150	415	9,566
Total comprehensive income	9,150	42,725	1,407	44,133
Transactions with owners				
Dividends	–	(14,154)	(2,349)	(16,504)
Purchase of treasury shares	–	(5,746)	–	(5,746)
Disposal of treasury shares	–	1,750	–	1,750
Cancellation of treasury shares	–	–	–	–
Share-based payment transactions	–	(1,537)	–	(1,537)
Transfer from other components of equity to retained earnings	192	–	–	–
Total transactions with owners	192	(19,688)	(2,349)	(22,037)
As of June 30, 2026	60,829	531,913	11,848	543,762

(4) Condensed 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 tax	46,132	49,759
Depreciation and amortization	16,018	20,474
Impairment loss	349	8
Interest and dividend income	(769)	(819)
Interest expenses	1,811	2,831
Foreign exchange loss (gain)	(3,246)	793
Share of loss (profit) of investments accounted for using the equity method	(848)	(1,169)
Loss (gain) on sales of fixed assets	(47)	(56)
Decrease (increase) in trade and other receivables	8,770	8,830
Decrease (increase) in contract assets	21,666	23,386
Decrease (increase) in inventories	(6,688)	(9,499)
Increase (decrease) in trade and other payables	(18,663)	(2,156)
Increase (decrease) in contract liabilities	1,946	2,158
Increase (decrease) in provisions	572	194
Increase / decrease in retirement benefit assets and liabilities	(40)	364
Decrease/increase in consumption taxes receivable/payable	4,580	7,711
Other	610	(4,904)
Subtotal	72,154	97,909
Interest received	713	801
Dividend received	1,723	1,901
Interest paid	(1,918)	(2,463)
Income taxes paid	(17,964)	(22,655)
Net cash provided by operating activities	54,707	75,493
Cash flows from investing activities		
Payments into time deposits	(3,595)	(6,780)
Proceeds from withdrawal of time deposits	2,858	5,564
Proceeds from sales and redemption of investment securities	54	―
Purchase of property, plant and equipment, and intangible assets	(43,786)	(41,779)
Proceeds from sale of property, plant and equipment	147	216
Purchase of subsidiaries resulting in change in scope of consolidation	―	(1,892)
Other	(129)	(60)
Net cash used in investing activities	(44,450)	(44,731)

	Six Months Ended June 30, 2025	Six Months Ended June 30, 2026
		Millions of yen
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	1,462	(41,947)
Proceeds from long-term borrowings	13,998	46,845
Repayments of long-term borrowings	(13,102)	(3,796)
Repayments of lease liabilities	(3,010)	(3,144)
Proceeds from issuance of common shares	0	0
Purchase of treasury shares	(0)	(5,746)
Dividends paid	(14,781)	(14,154)
Dividends paid to non-controlling interests	(1,905)	(2,349)
Other	2	—
Net cash used in financing activities	(17,336)	(24,293)
Effect of exchange rate changes on cash and cash equivalents	(2,092)	3,051
Hyperinflation adjustment	1,921	19
Net increase (decrease) in cash and cash equivalents	(7,250)	9,538
Cash and cash equivalents at beginning of period	171,031	143,485
Cash and cash equivalents at end of period	163,781	153,023

(5) Notes to Condensed Consolidated Financial Statements

(Note for the Assumption of Going Concern)

None

(Segment Information)

Six Months Ended June 30, 2025

Millions of yen

	Reportable Segments						Others (Note 1)	Total	Adjustment (Note 2)	Consolidated (Note 3)
	Precision Machinery	Energy	Building Service& Industrial	Infrastructure	Environmental	Total				
Revenue										
Customers	150,555	109,047	113,876	32,637	42,069	448,186	581	448,768	—	448,768
Intersegment and Transfers	0	627	638	36	55	1,358	669	2,027	(2,027)	—
Total	150,556	109,675	114,514	32,673	42,124	449,544	1,251	450,795	(2,027)	448,768
Segment Profit (Loss)	23,451	11,174	6,865	5,608	4,428	51,528	(1,350)	50,178	(115)	50,062
Finance Income										794
Finance Costs										5,572
Share of Profit (Loss) of Investments Accounted for Using the Equity Method										848
Profit before Tax										46,132

Note 1: The "Others" is a business segment that is not included in reportable segments and includes regional headquarters, etc.

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.

Six Months Ended June 30, 2026

Millions of yen

	Reportable Segments						Others (Note 1)	Total	Adjustment (Note 2)	Consolidated (Note 3)
	Precision Machinery	Energy	Building Service & Industrial	Infrastructure	Environmental	Total				
Revenue										
Customers	183,693	96,705	129,589	32,191	47,931	490,111	649	490,760	—	490,760
Intersegment and Transfers	1	480	901	34	62	1,480	763	2,244	(2,244)	—
Total	183,694	97,185	130,491	32,226	47,994	491,592	1,412	493,005	(2,244)	490,760
Segment Profit (Loss)	32,534	(794)	8,300	5,600	6,696	52,337	(1,441)	50,895	(218)	50,677
Finance Income										1,176
Finance Costs										3,264
Share of Profit (Loss) of Investments Accounted for Using the Equity Method										1,169
Profit before tax										49,759

Note 1: Effective from the Three Months Ended March 31, 2026, a portion of the revenue and segment profit (loss) of the hydrogen business is included in the "Energy" segment.

Note 2: The "Others" is a business segment that is not included in reportable segments and includes regional headquarters, etc.

Note 3: The "Adjustment" item for segment profit (loss) shows eliminations of intersegment transactions.

Note 4: Segment profit (loss) has been adjusted with operating profit in the condensed consolidated statement of income.

(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 a 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, a notice of filing of a final appeal and a notice of petition for acceptance of a final appeal were served to EEP, indicating that Gifu City had filed such appeals.

On July 7, 2026, regarding the part of the appellate judgment that ordered EEP to pay compensation to Gifu City, the Supreme Court of Japan remanded the case back to the Nagoya High Court. The Supreme Court cited errors in the appellate judgment, specifically: ① an error in the calculation method for damages (specifically, the method of deducting operation and management costs of the facility that Gifu City avoided due to the accident); and ② an error in excluding the demolition costs of the bulky waste treatment facility destroyed in the fire from the scope of damages. The case was remanded to further examine the damages, including demolition costs, that have a reasonable causal relationship with the fire accident. All other grounds for Gifu City's final appeal and petition for acceptance of a final appeal were dismissed.

In the fiscal year before the previous consolidated fiscal year, based on the appellate judgment, EEP recorded ¥836 million (representing compensation for damages and late charges) as a provision for loss on litigation. Concurrently, in consideration of insurance coverage for the incident, the same amount equal to that which is expected to be allocated in the future was recorded as other non-current assets.

In the second quarter of the current consolidated fiscal year, in response to point ① of the aforementioned Supreme Court judgment, EEP recorded an additional ¥180 million as a provision for loss on litigation (¥1,017 million in total) and an additional ¥157 million as other non-current assets related to insurance (¥993 million in total). Furthermore, as the Supreme Court judgment finalized Gifu City's obligation to pay provisional disposal expenses for bulky waste (¥122 million) as recognized in the appellate judgment, ¥166 million (including late charges) was recorded as other non-current assets. As a result, operating profit for the second quarter of the current consolidated fiscal year increased by ¥143 million due to the impact of the Supreme Court judgment.

The Company has determined that the impact of this lawsuit on its consolidated financial results will be minor.

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. In connection with this, the investment previously accounted for under the equity method has been reclassified as assets held for sale.

The share transfer was completed on July 1, 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

(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 （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). Regarding 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 was received on July 1, 2026, and will be recognized as finance income in the Nine Months Ending September 30, 2026, following the discontinuation of the application of the equity method.

(6) Impact on financial performance

Following 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.

Judgment in Litigation Involving a Consolidated Subsidiary (Supreme Court Decision)
Regarding the litigation related to the fire accident at the bulky waste processing facility of the Gifu City Eastern Clean Center, the Supreme Court issued its decision on July 7, 2026. For details, please refer to (Contingency)".

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

	Six Months Ended June 30, 2025	Six Months Ended June 30, 2026			Fiscal Year Ending December 31, 2026
	Actual	Actual	Change	Change Ratio (%)	Forecast
Orders Received					
Precision Machinery	141.3	267.4	126.1	89.3	550.0
Energy	86.9	112.5	25.6	29.6	220.0
Building Service & Industrial	125.5	148.4	22.9	18.3	280.0
Infrastructure	31.1	26.3	(4.8)	(15.6)	60.0
Environmental	65.8	80.8	14.9	22.8	135.0
Others	0.5	0.6	0.1	20.5	0.0
Total	451.3	636.2	184.9	41.0	1,245.0
Revenue					
Precision Machinery	150.5	183.6	33.1	22.0	425.0
Energy	109.0	96.7	(12.3)	(11.3)	205.0
Building Service & Industrial	113.8	129.5	15.7	13.8	265.0
Infrastructure	32.6	32.1	(0.4)	(1.4)	60.0
Environmental	42.0	47.9	5.8	13.9	98.0
Others	0.5	0.6	0.0	11.6	0.0
Total	448.7	490.7	41.9	9.4	1,053.0
Operating Profit					
Precision Machinery	23.4	32.5	9.0	38.7	77.0
Energy	11.1	(0.7)	(11.9)	—	18.0
Building Service & Industrial	6.8	8.3	1.4	20.9	19.0
Infrastructure	5.6	5.6	(0.0)	(0.1)	5.5
Environmental	4.4	6.6	2.2	51.2	13.0
Others & Adjustment	(1.4)	(1.6)	(0.1)	13.2	(7.5)
Total	50.0	50.6	0.6	1.2	125.0
Backlog of Orders Received					
Precision Machinery	177.5	233.5	55.9	31.5	276.5
Energy	200.8	236.3	35.4	17.7	231.3
Building Service & Industrial	76.4	95.5	19.0	25.0	90.7
Infrastructure	74.8	76.9	2.0	2.8	83.4
Environmental	370.7	416.7	46.0	12.4	421.6
Others	0.1	0.1	0.0	37.8	0.1
Total	900.5	1,059.2	158.6	17.6	1,104.0

(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 Six Months Ended June 30, 2025 have been restated and presented based on the revised segment classification.

Billions of yen

	Six Months Ended June 30, 2025	Six Months Ended June 30, 2026			Fiscal Year Ending December 31, 2026
	Actual	Actual	Change	Change Ratio (%)	Forecast
Orders Received					
Systems	86.1	186.2	100.1	116.2	380.0
Components	55.1	81.1	26.0	47.1	170.0
Total of PM	141.3	267.4	126.1	89.3	550.0
Revenue					
Systems	95.6	122.4	26.7	28.0	290.0
Components	54.8	61.2	6.3	11.6	135.0
Total of PM	150.5	183.6	33.1	22.0	425.0

(2) Area Information

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

Billions of yen

	Six Months Ended June 30, 2025		Six Months Ended June 30, 2026		
	Actual	Composition (%)	Actual	Composition (%)	Change
Revenue					
Japan	225.2	50.2	257.2	52.4	31.9
North America	90.5	20.2	78.9	16.1	(11.6)
Asia (except Japan)	98.3	21.9	113.1	23.1	14.7
Others	34.4	7.7	41.4	8.4	6.9
Total	448.7	100.0	490.7	100.0	41.9
Operating Profit					
Japan	22.6		29.1		6.4
North America	9.9		1.8		(8.1)
Asia (except Japan)	12.2		15.2		2.9
Others	3.8		4.8		1.0
Adjustment	1.3		(0.2)		(1.6)
Total	50.0		50.6		0.6

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

Billions of yen

	Six Months Ended June 30, 2025		Six Months Ended June 30, 2026		
	Actual	Composition (%)	Actual	Composition (%)	Change
Revenue					
Japan	152.9	34.1	167.9	34.2	15.0
China	75.9	16.9	73.8	15.1	(2.0)
Taiwan, Korea Other Asia	85.6	19.1	124.9	25.5	39.2
North America	63.0	14.0	52.8	10.8	(10.2)
Europe	27.6	6.2	32.7	6.7	5.1
Middle East	26.9	6.0	19.9	4.1	(7.0)
Others	16.5	3.7	18.4	3.8	1.8
Total	448.7	100.0	490.7	100.0	41.9