



Outline of Financial Results for the Fiscal Year Ended March 2025



Contents

- I. Financial Highlights for the Fiscal Year Ended March 2025
- II. Full-year Earnings and Dividend Forecasts for the Fiscal Year Ending March 2026
- III. Supplementary to the ‘Mid-term Business Plan 2027’
- IV. Summary of Financial Results for the Fiscal Year Ended March 2025
(Income Statement, Balance Sheet, and Cash Flows)



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■ FYE 3/2025 Results

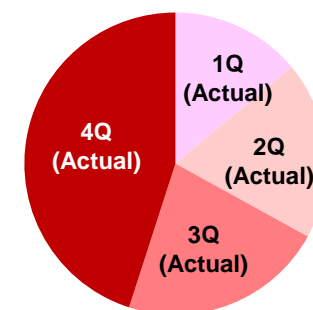
- Decrease in earnings forecast announced at the beginning of the year due to surge in human resources investment, depreciation costs, and the renewal of the core system, etc.
- Forecasts were revised up in January with the strong performance of the North American subsidiary (impact of yen depreciation, increase in volume of goods) and other factors.
- Operating income for the FYE 3/'25 exceeded the initial and revised forecasts as well as the previous year's results, **hitting a record high on a core business basis**, mainly due to better-than-expected cost recovery from price hikes and a slight upward swing at overseas subsidiaries.

■ FYE 3/2026 Forecast

- In the domestic business, we continue to secure stable sales and earnings on the back of strong orders and order backlogs.
Meanwhile, in the international business, in addition to the existing business, the new sewage treatment technology at the North American subsidiary will contribute to sales and earnings, leading to a **growth in our full-year consolidated earnings forecasts**.
- Note that the Group's exports to U.S. are extremely limited, and the tariffs have almost no impact.

Financial Highlights for FYE 3/'25 (consolidated)

Sales by quarter for FYE 3/'25



■ Orders received and backlog : Record highs

- Orders received exceeded those of the previous year, mainly in both the Operation Business and the International Businesses.

Order backlog: 275,071mn yen at the end of FYE3/'24 ⇒ 318,700mn yen at the end of FYE3/'25 (+43,629mn yen)

■ Net Sales and Operating Income: Record highs

- **Sales increased** mainly due to steady growth in the International Business.
- Despite upfront investment explained at the beginning of the period such as personnel investment and depreciation expenses associated with the renewal of the core system, the gross margin improved due to the contribution of differentiated systems and products from the International Business. Thus, on a **core business basis, operating income exceeded 10bn yen for the first time.***

* Operating income for the FYE 3/'21 was 10.8bn yen; on a core business basis, excluding the one-off factor of the sale of shares in a retirement benefit trust, it was 9.1bn yen.

- Due to valuation losses on investment securities and foreign exchange losses, ordinary income fell YoY, but net income was on par with the previous year's result.

(Million Yen)

	Orders Received	Net Sales	Operating Income	Ordinary Income	Profit attributable to owners of Parent	DPS (Yen)	
						Interim	Year-end
FYE 3/'25 Results	222,724	179,094	10,626	9,951 ^{*1}	6,852	24	26 (Forecast)
	vs. forecast +2,724	-905	+926	+851	+652		
	YoY +10,809 +5.1%	+13,532 +8.2%	+722 +7.3%	-539 -5.1%	-22 -0.3%		
FYE 3/'25 Forecast (Revised January 30, 2025)	220,000	180,000	9,700	9,100	6,200	24	26
FYE 3/'24 Results	211,914	165,561	9,903	10,490 ^{*2}	6,875	22	24

*Figures are rounded down to the nearest million yen (same applies to the results hereafter).

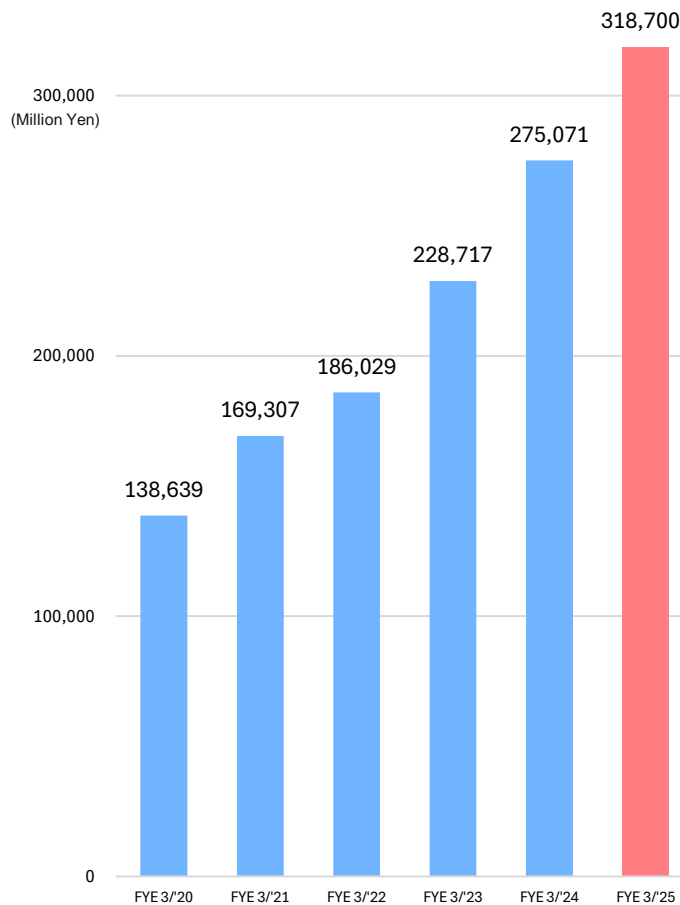
^{*1} FX loss 147mn yen and other

^{*2} FX gain 621mn yen and other

Order backlog, orders received, and sales trend (consolidated)

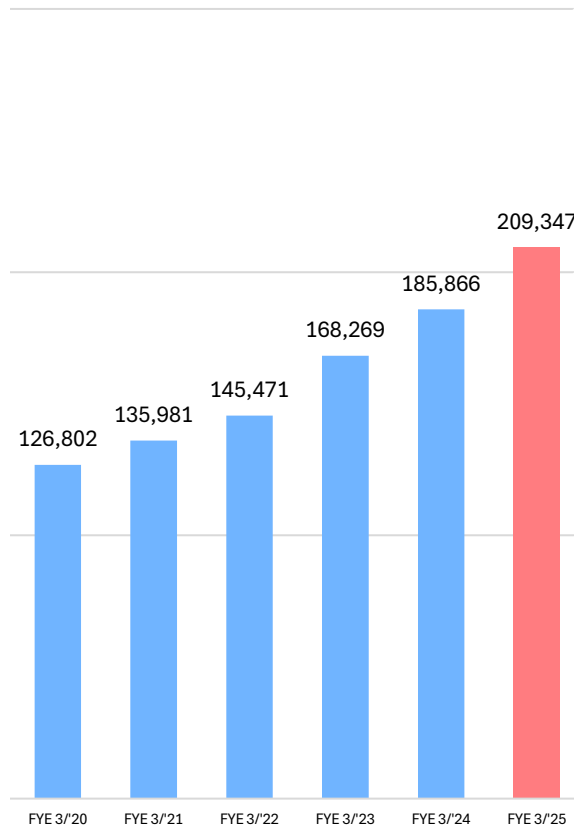
Backed by strong demand both domestically and internationally, **order backlog, orders received, net sales, and operating income reached all-time highs.**

【Order Backlog】

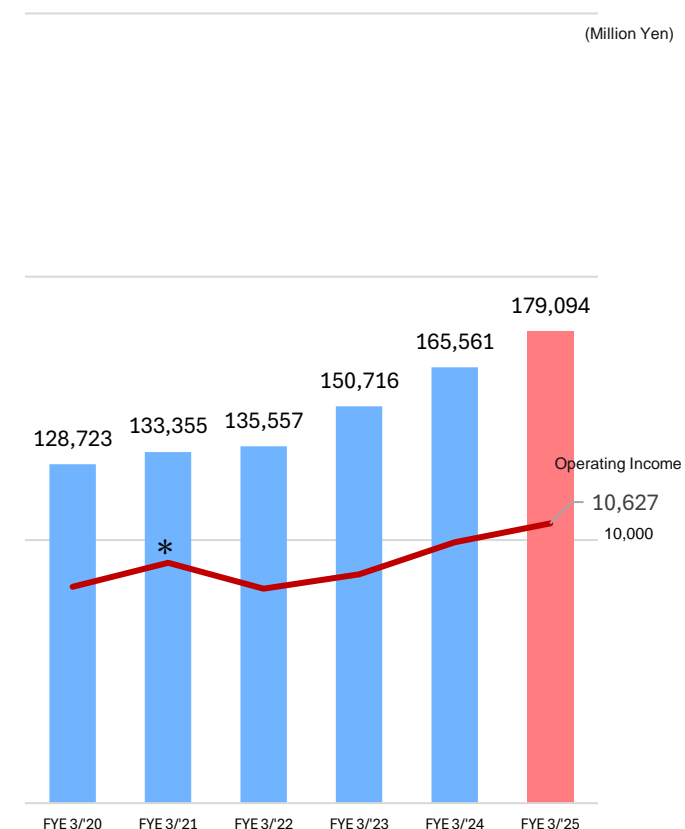


【Orders Received*】

*3-year average



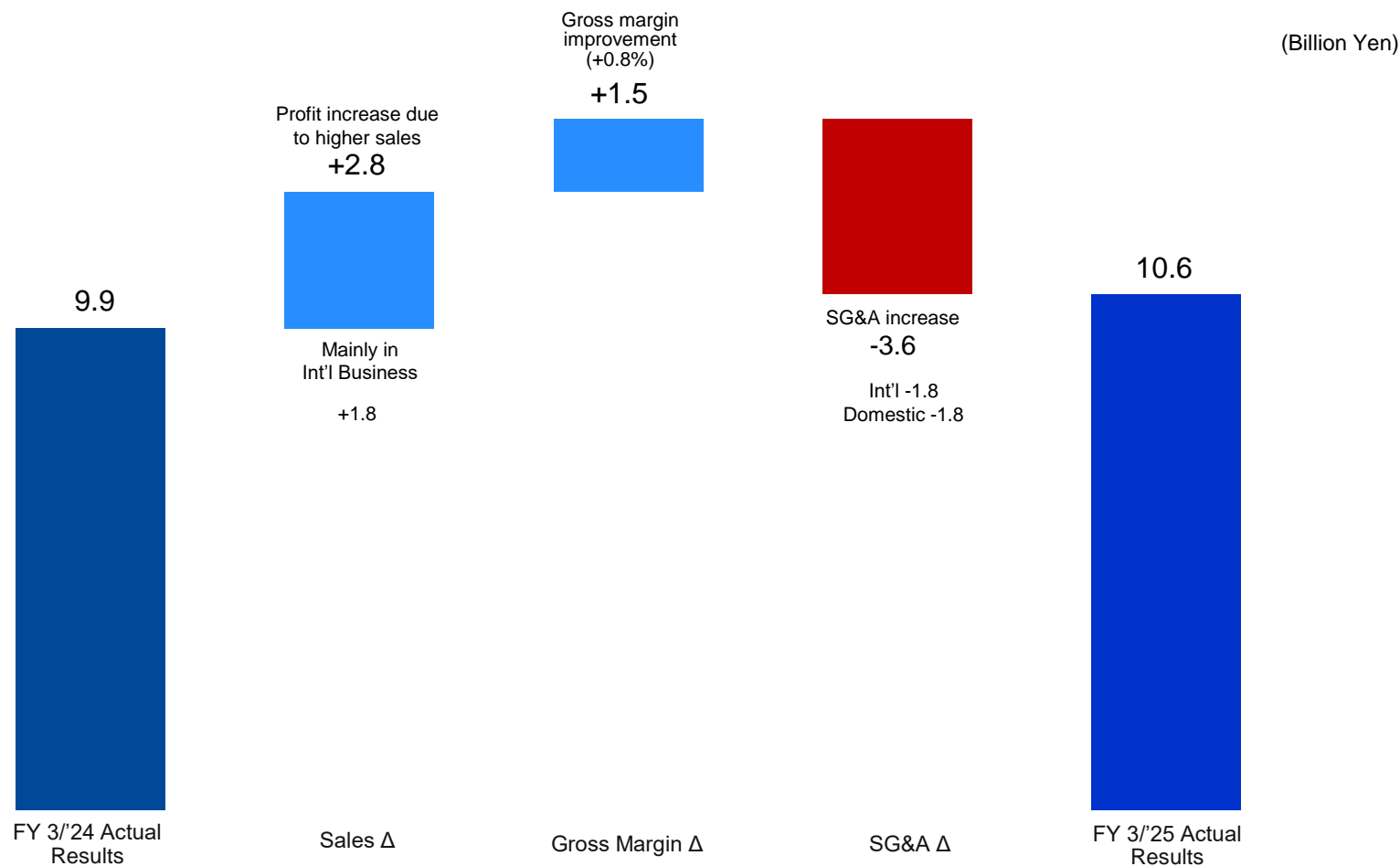
【Net Sales・Operating Income】



* Operating income for the FYE 3/21 was 10.8bn yen; on a core business basis, excluding the one-off factor of the sale of shares in a retirement benefit trust, it was 9.1bn yen.

Factors of increase/decrease in operating income (FYE 3/'24 Actual Results vs. FYE 3/'25 Actual Results)

Strong performance of overseas subsidiaries (weak yen and higher volume) and improved gross margin more than offset higher SG&A expenses, including personnel investment and overseas sales promotion expenses, and resulted in a higher YoY performance.



Segment Information for FYE 3/'25 (consolidated)

Orders received: the EE Business decreased due to large-scale and off-budget projects in FYE 3/'24. Meanwhile, multi-year service contracts in the Operation Business and robust performance in the International Business led to a **significant increase** in orders received..

Net sales: repair and maintenance work of the SS business performed well in Japan. In International Business, North American subsidiaries performed well, resulting in **sales increase**.

Operating Income : despite upfront investment in project acquisition costs (personnel investment, proposal costs and depreciation) and R&D expenses in the EE business in Japan, International Business performed well, **resulting in an increase in operating income**.

(Million yen)

	Orders Received			Net Sales			Operating Income		
	FYE 3/'24	FYE 3/'25	Change	FYE 3/'24	FYE 3/'25	Change	FYE 3/'24 (Operating margin)	FYE 3/'25 (Operating margin)	Change
Environmental Engineering Business	74,017	51,918	-22,098	52,878	52,367	-510	3,009 (5.7%)	2,362 (4.5%)	-646
System Solution Business	60,424	63,455	+3,030	52,570	57,211	+4,641	3,690 (7.0%)	3,422 (6.0%)	-267
Operation Business	40,632	55,860	+15,228	28,880	31,787	+2,907	2,111 (7.3%)	2,219 (7.0%)	+107
International Business ^{*1}	36,840	51,489	+14,648	31,232	37,727 ^{*2}	+6,494	1,092 (3.5%)	2,621 ^{*2} (6.9%)	+1,529
Total	211,914	222,724	+10,809	165,561	179,094	+13,532	9,903 (6.0%)	10,626 (5.9%)	+722

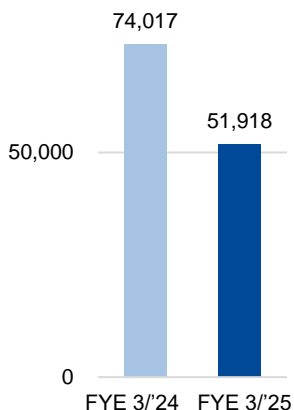
*1 FX: FYE3/'24 1\$=140.7JPY; FYE3/'25 1\$=151.7JPY *2 FX impact on sales was 2,364mn yen, and OP was 257mn yen

Overview by Segment ①

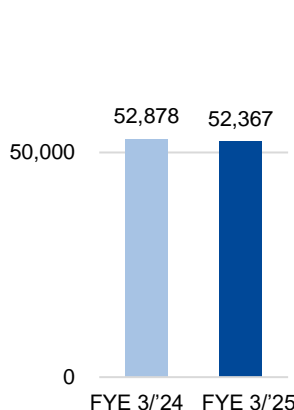
(Million Yen)

Environmental Engineering Business

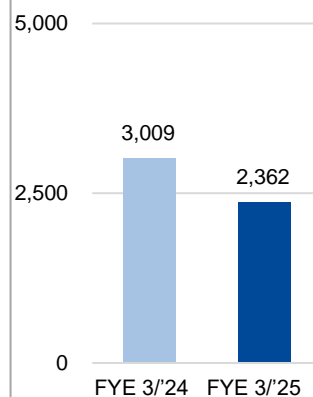
Orders Received



Net Sales



Operating Income



【Orders Received and Backlog】

Orders Received: Down YoY in both Water Environmental Business and the Resource and Environmental Business

Order Backlog: 101,963 mn yen → 101,514 mn yen

【Net Sales and Operating Income】

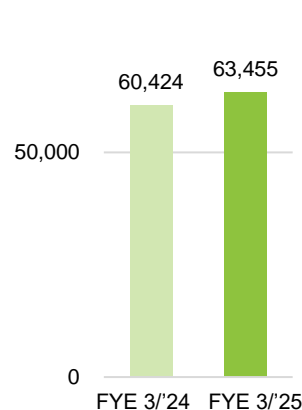
Water Environmental Business: Both sales and OP were down YoY due to a decrease in sales based on the percentage-of-completion method for design and construction.

Resource and Environmental Business: Both sales and OP were up YoY due to steady progress in large-scale construction projects.

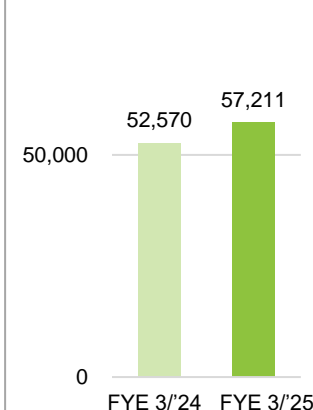
With the above, both net sales and operating income fell YoY

System Solution Business

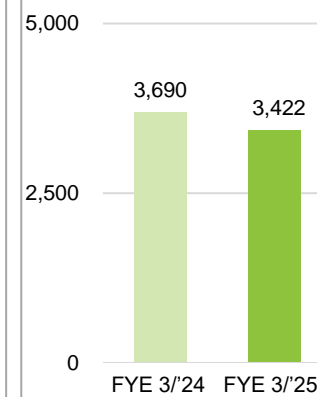
Orders Received



Net Sales



Operating Income



【Orders Received and Backlog】

Orders Received: Up YoY in both System Engineering Business and the Customer Engineering Businesses

Order Backlog: 65,082 mn yen → 71,326 mn yen

【Net Sales and Operating Income】

System Engineering Business: Sales were up YoY due to steady progress in large-scale construction projects; on the other hand, OP fell YoY due to an increase in labor and other general and administrative expenses.

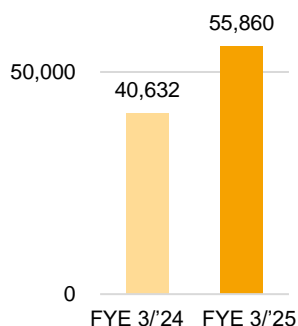
Customer Engineering Businesses: Both sales and OP were up YoY due to steady performance in repair and renewal work.

With the above, sales increased YoY, but OP fell YoY.

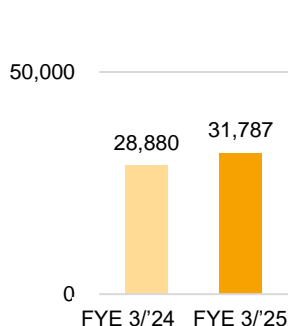
Overview by Segment ②

Operation Business

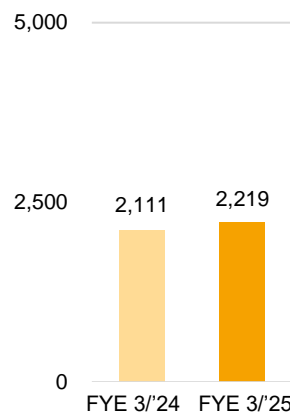
Orders Received



Net Sales



Operating Income



【Orders Received and Backlog】

Orders Received: up YoY due to a large (approx. 25bn yen) multi-year contract at a servicing subsidiaries.

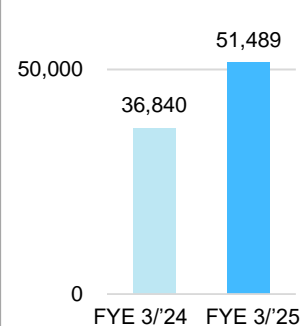
Order Backlog: 78,946 mn yen → 103,020 mn yen

【Net Sales and Operating Income】

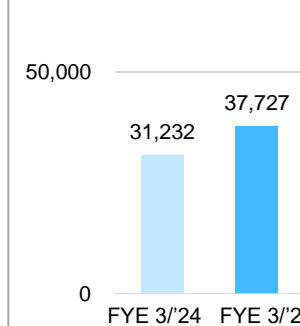
Both sales and operating income increased YoY due to steady performance of subsidiaries.

International Business

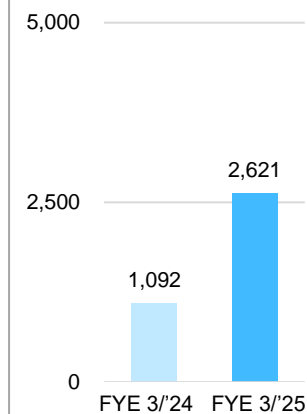
Orders Received



Net Sales



Operating Income



【Orders Received and Backlog】

Orders Received: Up YoY due to strong inquiries for mainstay products at subsidiaries in North America and Europe.

Order Backlog: 29,078 mn yen → 42,839 mn yen

【Net Sales and Operating Income】

Both sales and OP were up YoY due to strong sales of mainstay products at the North American and European subsidiaries.

- * Of the above, FX impact on sales was 2,364mn yen, and OP was 257mn yen.
- * After amortization of goodwill and other intangible assets on acquisition of overseas subsidiaries (760mn yen)
- * FX rate: 140.7 yen/\$ in FYE 3/24, and 151.7 yen/\$ in FYE 3/25



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Forecast for the FYE '3/26

■ Orders Received

Orders are to rise to the 230bn yen level. In International Business, focus on winning orders for sewage projects at subsidiaries in North America.

■ Net Sales

Domestic sales are expected to remain firm with sales from an abundant order backlog and the winning of maintenance and service work projects. In International Business, new sewage technology at a North American subsidiary and a newly consolidated subsidiary* (for 9 months) will contribute to the **sales growth**. Consolidated net sales forecast to be 200bn yen (8 consecutive years of growth), roughly double the amount at the time of the company's establishment.

* New acquisition of Schwing Bioset, Inc.

■ Income

With a significant increase in sales and an improvement in gross profit margin, **operating income is expected to remain at the 10bn yen level**, with each income line expected to rise to a **new record high**.

■ Dividend

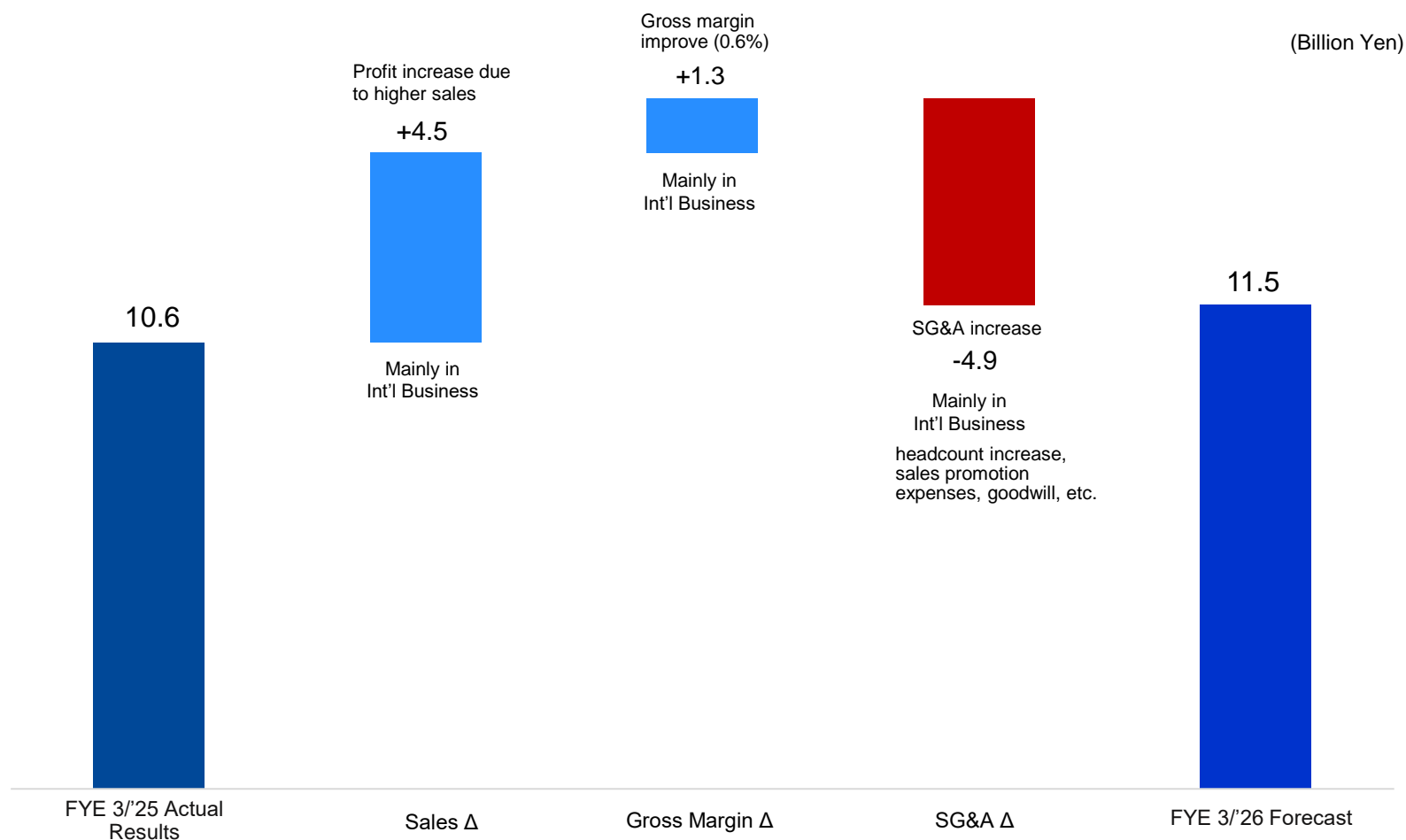
Plan to **increase dividends for the 4th consecutive year**, maintaining our basic policy of paying progressive dividends and a consolidated payout ratio of 30~40%.

(Million Yen)						DPS (Yen)	
	Orders Received	Net Sales	Operating Income	Ordinary Income	Profit attributable to owners of Parent	Interim	Year-end
FYE 3/'26 Forecast	230,000 YoY: +7,276 +3.3%	200,000 YoY: +20,905 +11.7%	11,500 YoY: +873 +8.2%	10,900 YoY: +948 +9.5%	7,500 YoY: +647 +9.4%	28	28
FYE 3/'25 Results	222,724	179,094	10,626	9,951	6,852	24	26 (Forecast)

Factors of increase/decrease in operating income

(FYE 3/'25 Actual vs. FYE 3/'26 Forecast)

Contribution to earnings from domestic business will come from the steady growth in sales backed by strong orders and order backlogs, and from International Business will come from strategic investments in business expansion and the evolution of new technology in the sewage treatment.



FYE 3/'26 Forecast by Segment (Consolidated)

Orders: while the Operation Business is expected to decline due to the large multi-year service contracts in FY3/25, **the International Business remains strong.**

Net sales: the International Business is expected to grow significantly with the evolution of new sewage technology and new consolidations, and **sales in all segments are also expected to grow.**

Operating income: while some declines are expected in the SS business due to increased R&D burden, and in the Operation Business for depreciation related to facility renewal costs incurred by K.K.Mizumusubi Management Miyagi, **the EE Business and the International Business remain steady; expecting the operating income to grow.**

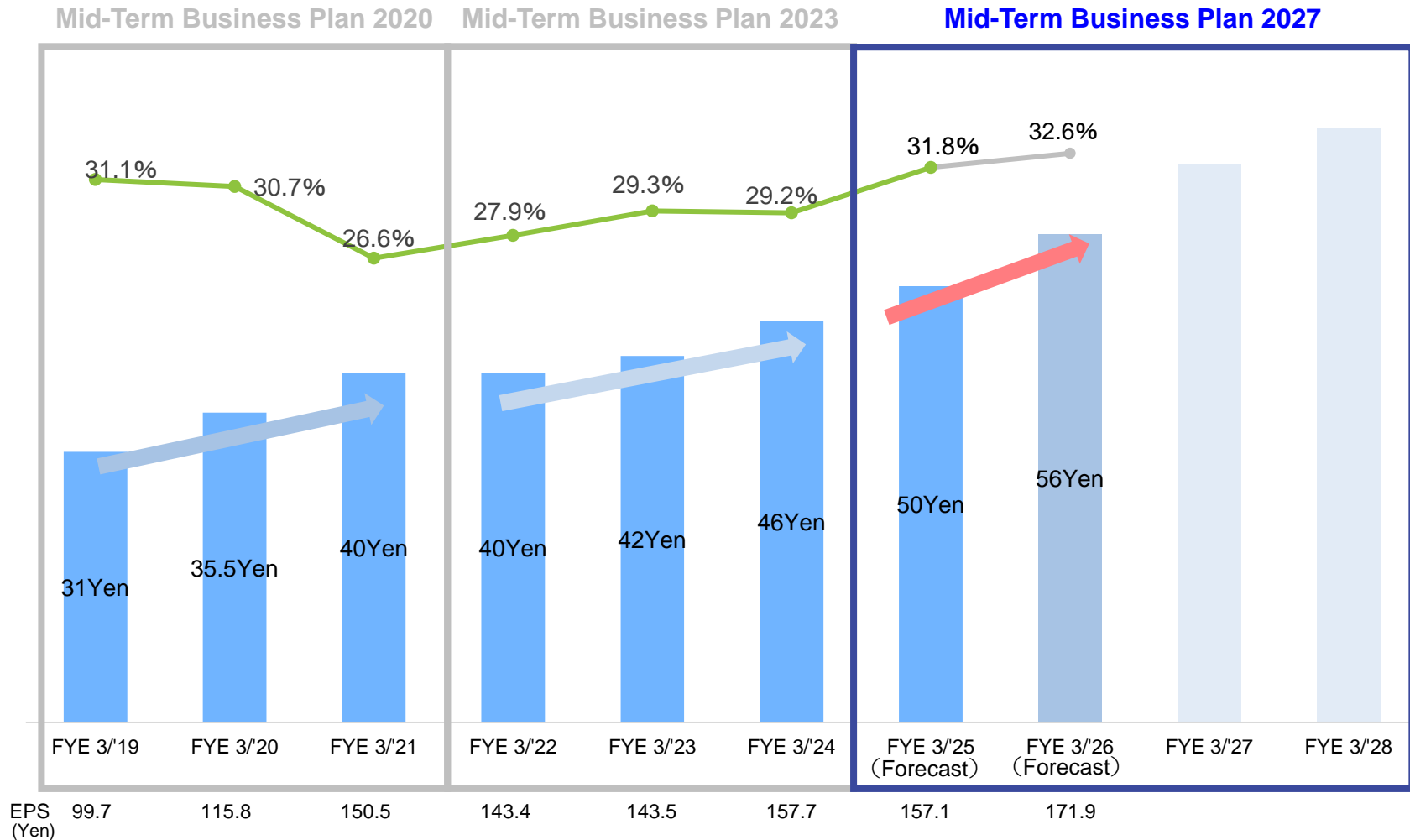
(Million yen)

	Orders Received			Net Sales			Operating Income		
	FYE 3/'25 Results	FYE 3/'26 Forecast	Change	FYE 3/'25 Results	FYE 3/'26 Forecast	Change	FYE 3/'25 Results (Operating margin)	FYE 3/'26 Forecast (Operating margin)	Change
Environmental Engineering Business	51,918	59,000	+7,082	52,367	58,000	+5,633	2,362 (4.5%)	3,600 (6.2%)	+1,238
System Solution Business	63,455	67,000	+3,545	57,211	58,000	+789	3,422 (6.0%)	2,800 (4.8%)	-622
Operation Business	55,860	44,000	-11,860	31,787	32,000	+213	2,219 (7.0%)	1,500 (4.7%)	-719
International Business*	51,489	60,000	+8,511	37,727	52,000	+14,273	2,621 (6.9%)	3,600 (6.9%)	+978
Total	222,724	230,000	+7,276	179,094	200,000	+20,905	10,626 (5.9%)	11,500 (5.8%)	+873

* FX: FYE3/'25 1\$=151.7JPY; FYE3/'26(e) 1\$=150.0JPY

Dividend Forecast

Achieving 200bn yen in net sales and 10bn yen in operating income, and adopting our dividend policy (progressive dividend and payout ratio of 30-40%), we plan to **increase the dividend per share by 6 yen to 56 yen for FYE 3/'26 (4th consecutive year of dividend increase).**



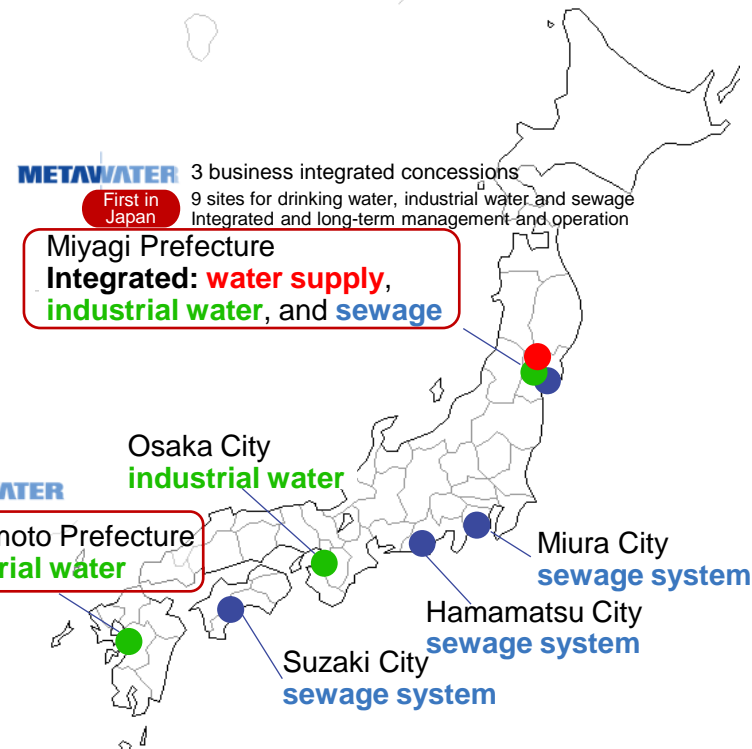


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Action plan for PPP

6 concession projects are now operational



Level	W-PPP (concession of 10–20-year contract)	Target number of projects (-2031)
Level4.0	Newly established W-PPP (Integrated management of administration and renewal, in principle 10yr contract)	Water supply 100
Level3.5	Lv.2 + formulation and implementation of repair plan	Sewage system 100
Level3.0	Lv.2 + repairs up to a certain amount	Industrial Water 25
Level2.5	Lv.1 + utility procurement and management	
Level2	Water quality management, operation and maintenance of facilities	
Level1		

Based on government data (June 2023)

【Actions towards the broader context of PPP】

【Market research】

- Market research conducted by METAWATER on 'PPP in the broad term', including Water PPP (W-PPP), DBO, DBM, PFI, etc.
- There are many small and medium-sized projects, and movement towards wide-area development seems slow.

【Policy on the results of the survey】

- Focus on large-scale reconstruction projects (DBO) in major cities.
- Narrow down the number of PPP (including W-PPP, DBO, DBM, PFI) and other projects to bid for, based on profitability and investment return.

【Mid-Term Business Plan 2027】

- From FYE 3/'26: set the order target (double the previous number of orders/year)
(Sales contribution will start in FYE 3/'27)

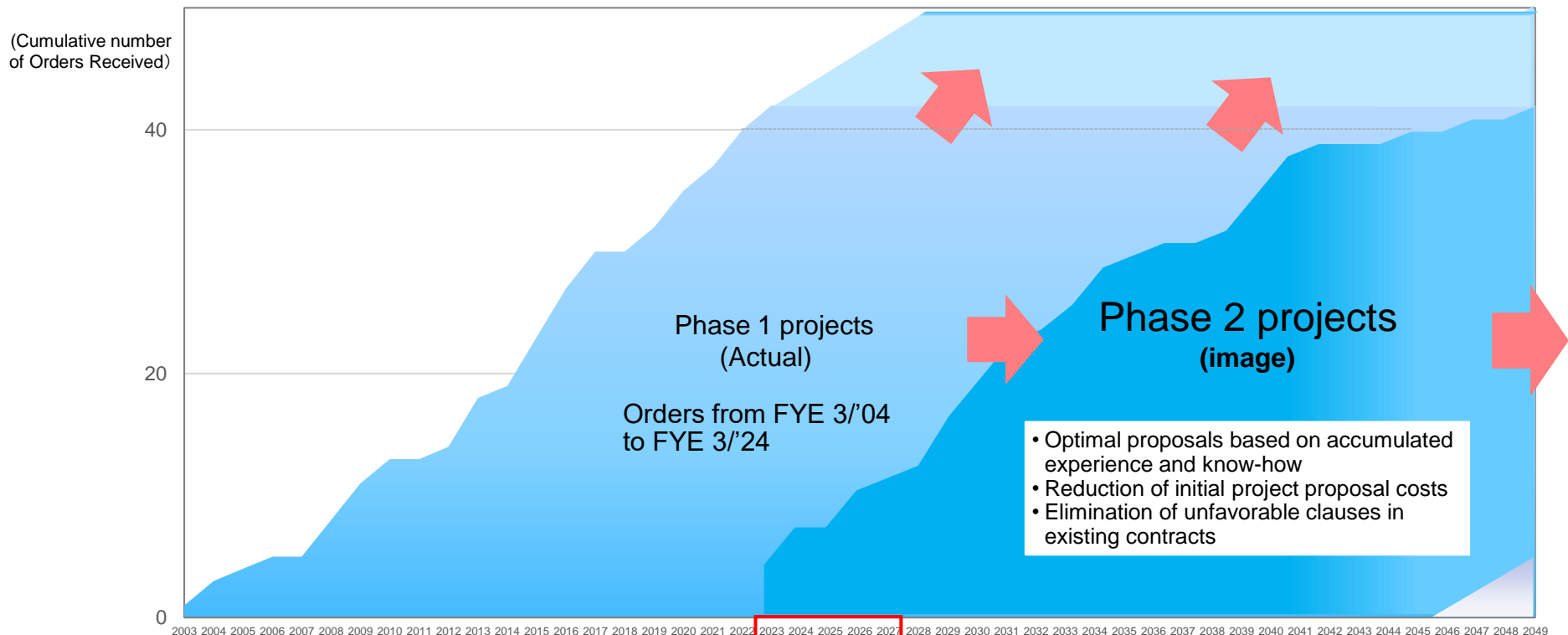
2nd stage begins - PPP projects in which we participate

METAWATER participates in 30-40% of major water and wastewater PPP projects.

Government policy (accelerating public-private partnerships through the introduction of W-PPPs) has expanded the use of PPPs to the “broader term”, including PFI and DBOs.

We aim to strengthen the profitability by utilizing our know-how in the phase 2 projects following the expiry of contracts.

【Distribution of the duration of the project contracts in which we participate: image】



New Sewage Technology (Nereda® Technology) Rollout

This is an innovative sewage treatment technology developed by Delft University of Technology (The Netherlands) and Royal HaskoningDHV (The Netherlands) that breaks away from the conventional standard activated sludge method.

For public sewage systems, the first operation commenced in the Netherlands in 2011. Today, it has been selected for adoption in more than 120 locations around the world and is rapidly expanding its use.



■ AAS*, our U.S. subsidiary, signed an exclusive license agreement for the North American region in 2016.

⇒ Following demonstration tests, this system is scheduled to be adopted by many companies and has a proven track record of operation.

In addition to sales of Cloth Media Filter, our mainstay sewage treatment technology, this new technology will contribute to our business performance in a new area

Compared to conventional advanced treatment technologies

- ✓ Space saving (about 70% reduction)
 - ✓ Energy saving (about 35% reduction)
 - ✓ Improved treated water quality and simple structure
- etc.

■ In June 2024, we signed an exclusive license agreement in Japan.

⇒ Aiming to expand the use of this technology by utilizing its **optimal features for Japan's declining population. (Achieve low LCC)**

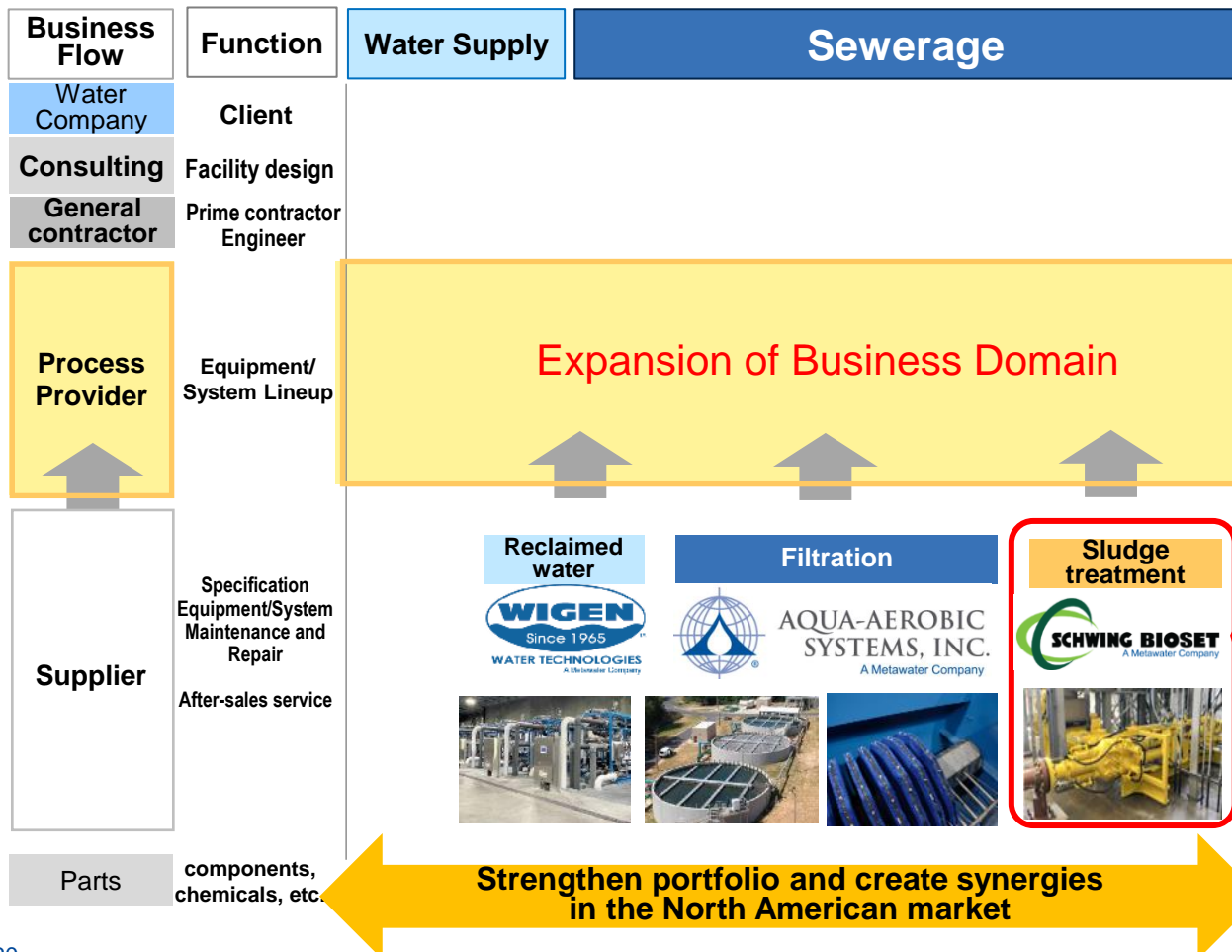
* Aqua-Aerobic Systems, Inc.

Purpose of acquiring all shares of Schwing Bioset, Inc.

Entering the U.S. sludge treatment market, which is expected to grow from now on.

Accelerate business expansion by drawing out the company's potential with the full support of METAWATER.

Strengthen inter-group collaboration and create synergies ⇒ Aim to become a process provider in all U.S. regions.



Overview of Schwing Bioset, Inc.

Name	Schwing Bioset, Inc.
Location	Minnesota, United States of America
Representative	Thomas Anderson (CEO)
Business Description	Manufacturing and sales of sludge treatment systems, engineering and services related to sludge treatment throughout North and South America.
Revenue	80 Mn USD
Establishment	2006

Main Products Piston Pumps

- Piston pumps move a piston in a cylinder back and forth to pump liquid.
 - Schwing Bioset's piston pumps are capable of handling low water content sludge and have over 90% share of the North American sludge treatment market.
- Applications include not only sewage sludge but also use in mining sites.

Basic Strategies of Mid-Term Business Plan 2027

In the domestic business, recognition of sales is prolonged due to up-front costs and a high proportion of large projects with long delivery times.

The International Business has a short period of time for sales recording, as the main activity is the sale of equipment for differentiated products and systems.

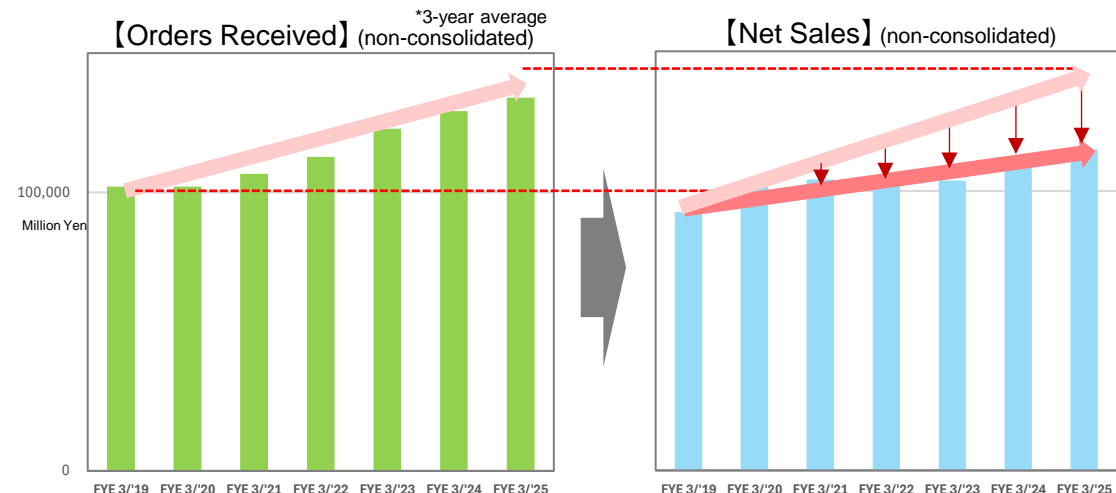
【Domestic Business】

■ High proportion of EPCs for large projects with long delivery times

Order Received - Completion of construction (sales recognition) ⇒ tending to lengthen

Design and order inquiry related **upfront costs occur constantly**, such as manpower investment, proposal activities, etc.

Sales recognition (construction completion) takes longer term.

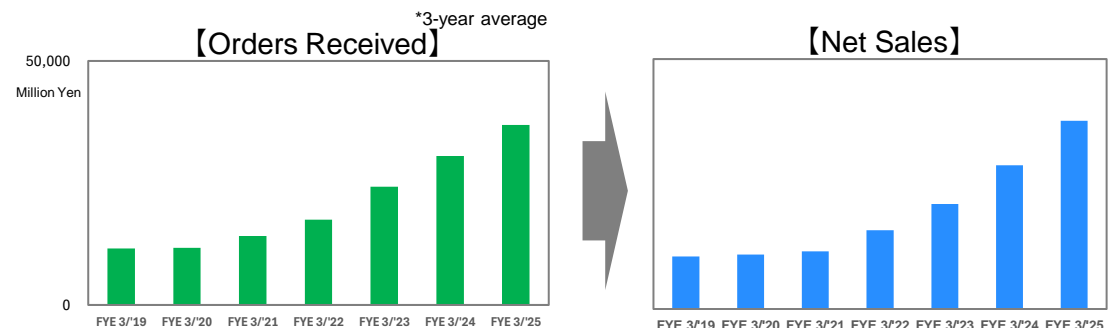


【International Business】

■ Rapid growth with differentiated products and system EPC

Orders Received - Sales booked = Turn over in a short period of time

Sales recognition in a short term



'Mid-term Business Plan 2027'

⇒ Long-Term Vision (Temporary name) **Next 2037**

METAWATER

The level of sales has **almost doubled over the past decade**, while operating income has **grown to more than 10 bn yen**.

⇒ **Achievement (upswing)** of the "Mid-Term Business Plan 2027" is in sight

Aiming for the next stage by further expanding business and strengthening profitability

Next 2037

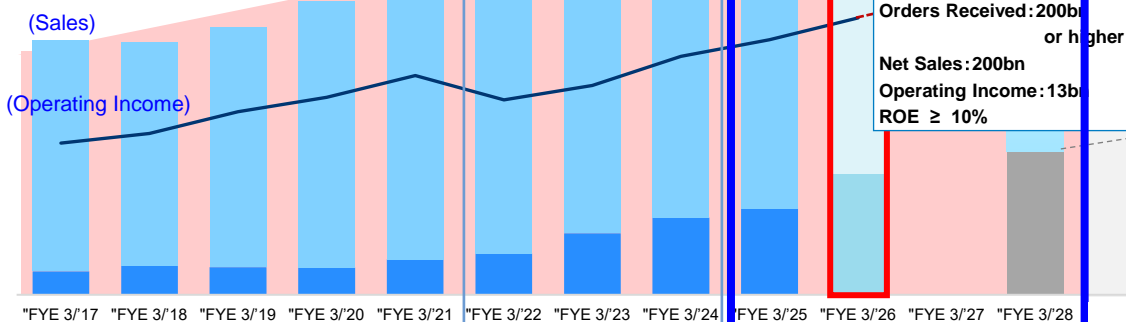
≥ 300
(Billion Yen)

Domestic

International

Mid-Term Business Plan 2027

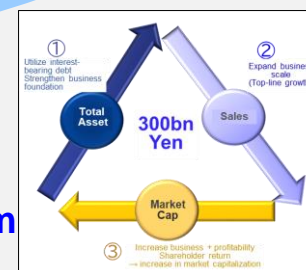
Mid-Term Business Plan 2023



To be revised

Orders Received: 200bn or higher
Net Sales: 200bn
Operating Income: 13bn
ROE ≥ 10%

Stages of PPP in the broad term contribution



30 years in business

Next Stage

to the Profitability Enhancement Stage

20 years in business

Second Step
Business Expansion + Foundation Enhancement

Step
Establish foundation for growth

Hop

corporate structure enhancement

10 years in business

Sustainability KPIs

100% of electricity used at all 52 domestic sites and field offices generated from renewable energy sources.

70% GHG reduction in Scope1.2
50% reduction for customer through product/system installation

⇒2050
Becoming Carbon Neutral



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FYE 3/'25 Consolidated Statement of Income

	FYE 3/'24	FYE 3/'25	Change
Net sales	165,561	179,094	+13,532
Gross profit	34,403	38,713	+4,310
Operating income	9,903	10,626	+722
(Operating margin)	6.0%	5.9%	-0.1%
Non-Operating income/expenses	587	-675	-1,262
Ordinary income	10,490	9,951	-539
Extraordinary gains / losses	—	-90	-90
Income before taxes and other adjustment	10,490	9,861	-629
Income taxes	3,124	2,566	-558
Net Income attributable to non-controlling interests	490	441	-49
Net Income attributable to owners of parent	6,875	6,852	-22

(Million yen)

Net Sales YoY Δ

Mainly strong performance in Int'l Business +6,494

Of which FX impact 2,574

Operating Income YoY Δ

Sales increase +2,812

Gross Margin improvement (20.8% → 21.6%) +1,498

SG&A increase -3,587

Non-Operating Income YoY Δ

FX impact (621 ⇒ -147) -768

Valuation loss on foreign currency denominated assets

Valuation loss on investment securities -213

FYE 3/'25 Consolidated Balance Sheets

Assets: Cash and deposits increased due to collection of trade receivables and contract assets as well as fund procurement

Liabilities: Non-current liabilities increased due to bond issuance and syndicated loans

(Million yen)

	End of FYE 3/'24	End of FYE 3/'25	Change
Cash and deposits	14,882	36,278	+21,396
Trade receivable and contract assets	103,059	109,214	+6,154
Work in process and supplies	13,699	10,999	-2,700
Others	4,432	3,685	-746
Total current assets	136,074	160,178	+24,103
Tangible fixed assets	5,768	6,674	+906
Intangible fixed assets	16,055	17,706	+1,651
Deferred tax assets ^{*3}	2,253	2,622	+369
Others	8,691	9,601	+909
Total fixed assets	32,769	36,605	+3,836
Total assets	168,843	196,783	+27,939

	End of FYE 3/'24	End of FYE 3/'25	Change
Accounts payable- trade	32,336	30,806	-1,530
Short-term loans payable	⁽⁶⁹⁸⁾ ^{*1} 4,289	⁽⁸⁰⁶⁾ ^{*1} 805	-3,483
Contract liabilities	10,552	12,944	+2,392
Others	17,313	21,328	+4,014
Total current liabilities	64,491	65,885	+1,393
Bonds payable/ Long-term loans	^(12,726) ^{*2} 22,726	^(14,620) ^{*2} 39,620	+16,894
Others	5,949	5,927	-21
Total fixed liabilities	28,675	45,547	+16,872
Total liabilities	93,166	111,433	+18,266
Total net assets	75,676	85,350	+9,673
Total liabilities & net assets	168,843	196,783	+27,939

*1 *2: The figures in parentheses are the amounts of project finance loan for PFI, etc. *3: including deferred assets

FYE 3/'25 Consolidated Cash Flows

Significant increase in operating cash flow due to incoming payments for large projects.

(Million yen)

	FYE 3/'24	FYE 3/'25	Change	
Cash and Cash equivalents at the end of previous FY	11,085	14,219	+3,134	
Operating cash flow	-5,486	13,316	+18,802	Accounts receivable collection +10,230
Investing cash flow	-3,098	-4,094	-995	
Free cash flow	-8,584	9,222	+17,806	
Financing cash flow	11,338	12,005	+667	
Cash and cash equivalents at end of period	14,219	35,683	+21,464	

Segment Information

- ☐ **Environmental Engineering (EE) Business: Water Environmental Business / Resource and Environment Business**
The main operations involved are those entailing processes such as the **design, construction, upkeep, and operation & maintenance of elements such as machinery and equipment** for domestic water treatment plants, sewage treatment plants, and resource recycling facilities.
- ☐ **System Solution (SS) Business: System Engineering Business / Customer Engineering Business**
The main operations involved are those entailing the **design, manufacture, upkeep, and operation & maintenance of elements such as electrical equipment** for domestic water treatment plants and sewage treatment plants.
- ☐ **Operation Business**
The main operations involved consist of those involved in the **operation business** for domestic water treatment plants, sewage treatment plants, and resource recycling facilities.
- ☐ **International Business**
The main operations involved are the **design, construction, upkeep, and operation & maintenance** of facilities and equipment for water treatment plants and sewage treatment plants found overseas, as well as **business which caters to demand in the private sector abroad.**

Acronyms

EPC	Engineering, Procurement and Construction
O&M	Operation and Maintenance
PPP	Public-Private Partnership (Method through which the private sector participates in the provision of public services)
PFI	Private Finance Initiative (Method of public works which utilizes the private sector for the design and construction, operation and maintenance, management, and capital procurement of public facilities)
DBO	Design, Build and Operate (Method of public works which utilizes the private sector for the design and construction, and operation and maintenance management of public facilities)
Concession	An approach of granting business operation rights to private companies for a long term while leaving the authority of public facilities and authorization of business management to the public.

Disclosure Policy

1. Basic Policy

Based on its corporate philosophy, the METAWATER Group strives to become a corporate group that meets expectations of every stakeholder, garners trust from society and continuously contributes to society so as to achieve sustainable growth in society. In accordance with this viewpoint, the METAWATER Group discloses corporate information related to the Group to stakeholders and society in an equal, fair, timely and appropriate manner. It also promotes active communication with stakeholders to facilitate understanding of the METAWATER Group and ensure highly transparent and reliable business operations.

2. Basics of information disclosure

The METAWATER Group discloses corporate information whose disclosure is required by relevant laws such as the Companies Act, the Financial Instruments and Exchange Act, and rules set out by financial instruments exchanges in accordance with the applicable laws, regulations or rules. Even if the corporate information does not fall under such information, the Group proactively discloses information as much as possible when it is deemed to be useful for stakeholders or disclosure is deemed to be necessary for society.

3. Method of information disclosure

For corporate information whose disclosure is required by the above-mentioned laws, regulations and rules, the Group discloses information in a manner set out by the applicable laws, regulations or rules, and through the Company's website. Information that does not fall under such information is disclosed through the media, the Company's website or other appropriate means in consideration of its significance and urgent needs.

4. Communication after information is disclosed

The METAWATER Group actively communicates with stakeholders regarding disclosed information by answering questions in a conference, briefings meeting, interviews and inquiries. Opinions received from stakeholders through communication are shared within the Company's Group and treated as future reference.

5. Silent Period

In order to prevent the leaks of accounts closing information and ensure fairness, the Group sets a silent period that starts on the day after the closing date (including quarterly periods) through to the day of announcing financial statements. During this silent period, the Group does not answer any questions in a conference, briefings meeting, interviews and inquiries regarding the accounts closing and business prospects, except where information on a revision of business forecasts is disclosed.

6. Forward-looking statements

Of business forecasts, strategies and targets disclosed by the METAWATER Group, forward-looking statements are made based on information available to the Company's Group as of the date of disclosure and a certain grounds that are deemed to be reasonable. Actual performance may differ from forecasts as a result of various factors.

7. Establishment of Internal Structure

The METAWATER Group builds an internal structure and establishes internal rules so as to comply with this Disclosure Policy, disclose information in an appropriate manner, and communicate with stakeholders.



Contact regarding this document

Corporate Communications Department, Corporate Strategy Office, METAWATER Co., Ltd.

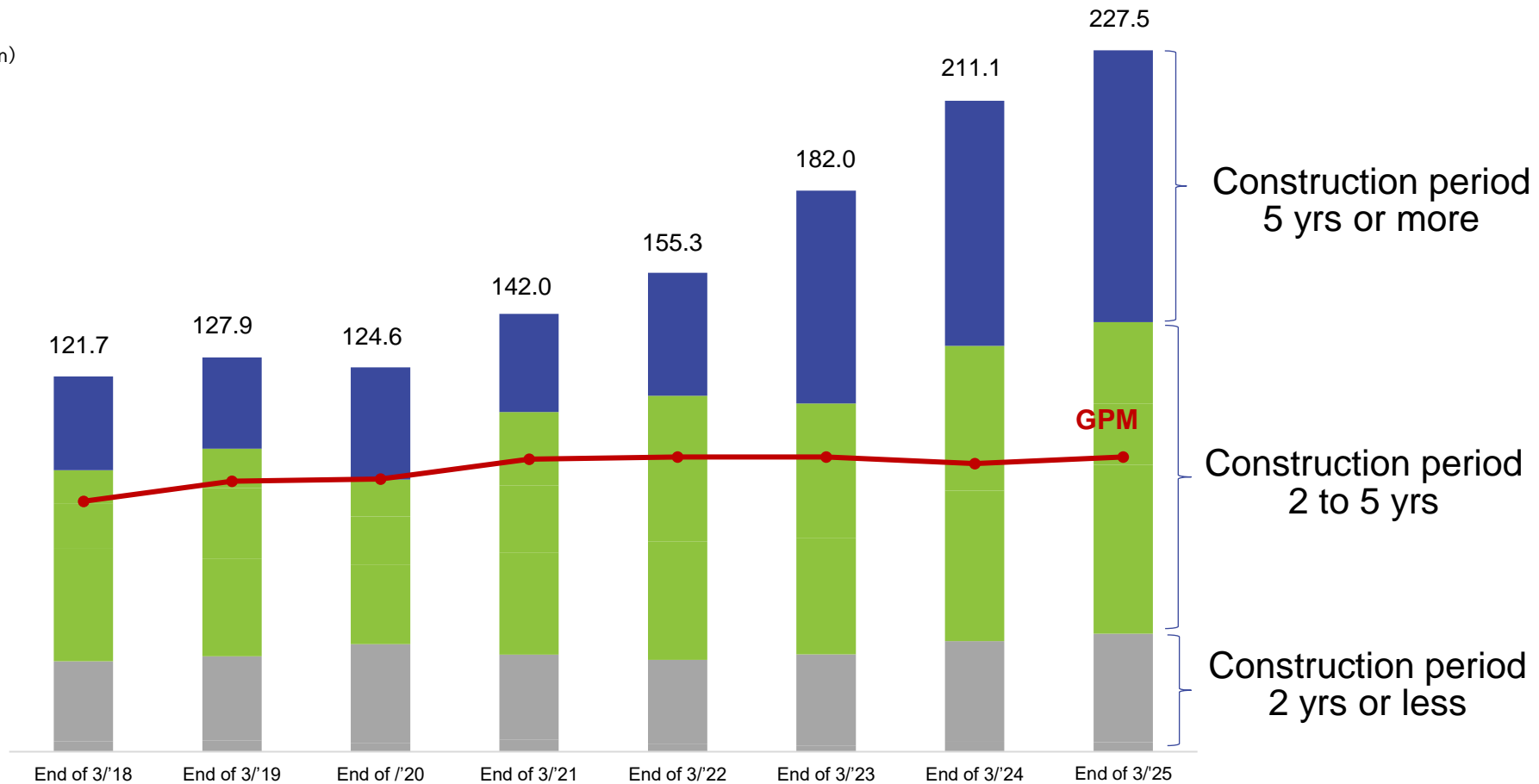
E-mail: pr@metawater.co.jp

【Reference】

Order Backlog (non-consolidated) and Gross Margins-trend

Maintain GPM on the order backlog, as the backlog continues to reach all-time highs, partly driven by an increase in long-term projects.

(Billion yen)



【Reference】 R&D / Capex / Depreciation expenses

(Million yen)

	FYE 3/'24	FYE 3/'25	Change
Research and Development expenses	2,129	2,352	+222
Capital Investment	5,963	4,052	-1,911
Depreciation expenses	2,142	2,601	+458

Business Activities

- * Announced the Mid-Term Business Plan 2027 (April)
- * Introduced “Stock Benefit Trust (J-ESOP)” (May)
- * K.K. Mizumusubi Management Miyagi received the Minister's Award at the 1st PPP/PFI Project Excellence Awards (July)
- * Exhibited at Sewerage Works Exhibition '24 Tokyo (July)
- * Signed a collaboration agreement with Sakata City and NTT DATA INTRAMART (Oct)
- * Issued the 2nd series of Blue Bond (Jan)
- * Concluded a syndicated loan agreement (Jan)
- * Cancelled treasury stock (Jan)
- * Signed a stock purchase agreement with Schwing Bioset, Inc. of the United States (March)
- * Opened a branch in Phnom Penh, Kingdom of Cambodia (March)
- * Completed construction of Koganei City resource treatment facility (Metawater Sustainable Park Koganei), the first facility in Tokyo to adopt naming rights for cleaning-related facilities (March)
- * Completed construction of the integrated water treatment plant and other facilities in the “Tsubame City and Yahiko Village Integrated Water Treatment Plant Development Project” (March)

ESG Initiatives and Others

- * Held METAWATER Mission Uchimizu (Water Sprinkling) 2023 (August)
- * Certified as a Water Recycling ACTIVE Company under the 'Water Recycling Company Registration and Certification System' of the Secretariat of the Water Recycling Policy Headquarters, Cabinet Secretariat (Oct)
- * Supported for Eco-Pro2024 'Executive Committee for Great Adventures over Water' booth (Dec)
- * Signed an agreement with Awara City, Fukui Prefecture, on "Cooperation in Support of Water and Sewerage Services in the Event of a Disaster or Other Event" (Dec)
- * Selected as a constituent of FTSE Blossom Japan Sector Relative Index, an ESG investment index (Dec)
- * Concluded a business collaboration agreement with Nishikawa-cho, Yamagata Prefecture, on demonstration tests for the maintenance and management of water supply facilities using web3 (Mar)
- * Donation was made to support the area affected by the forest fire in Ofunato City, Iwate Prefecture (Mar)
- * Obtained certification as a "KIH(*) Outstanding Organization 2025" (Mar)
(*)= KENKO Investment for Health
- * Held an internal event in support of the principles of International Women's Day (Mar)
- * Further reduced regular working hours to promote work-life balance and improve productivity (Mar)
- * Agreement with Fujioka City, Gunma Prefecture, on the restoration of water supply facilities in the event of disasters (Mar)