



# METAWATER Co., Ltd.

For Immediate Release

July 25, 2025

## CONSOLIDATED RESULTS FOR THE THREE MONTHS ENDED JUNE 30, 2025 (Unaudited)

**[JP GAAP]**

Company name	METAWATER Co., Ltd.
Stock exchanges on which the shares are listed	Prime Market of Tokyo Stock Exchange
Securities code	9551
URL	<a href="https://www.metawater.co.jp">https://www.metawater.co.jp</a>
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Contact person	Tomoyuki Takase Executive Officer Executive General Manager of Accounting and Financial Planning Office (TEL.:+81-3-6853-7317)
Payment date of cash dividends	—
Supplementary information materials on results	Available
Results briefing	Will not be held

(Amounts are rounded down to the nearest million yen)

### 1. Highlight of consolidated results for the three months ended June 30, 2025

#### (1) Consolidated operating results (year-to-date)

(Percentages are year-to-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2025	33,054	32.1	(603)	—	(665)	—	(1,003)	—
Three months ended June 30, 2024	25,015	18.2	(2,068)	—	(1,666)	—	(1,578)	—

Note: Comprehensive income: Three months ended June 30, 2025 (2,027) million yen — %  
Three months ended June 30, 2024 (364) million yen — %

	Net income per share - Basic -	Net income per share - Diluted -
	Yen	Yen
Three months ended June 30, 2025	(22.99)	—
Three months ended June 30, 2024	(36.20)	—

## (2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity to total assets
	Million yen	Million yen	%
As of June 30, 2025	192,333	82,308	40.6
As of March 31, 2025	196,783	85,350	41.3

Note: Shareholders' equity: As of June 30, 2025 78,177 million yen  
As of March 31, 2025 81,304 million yen

## 2. Dividends

Period	Dividends per share				
	Q1	Q2	Q3	Q4	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	—	24.00	—	26.00	50.00
Fiscal year ending March 31, 2026	—				
Fiscal year ending March 31, 2026 (Forecast)		28.00	—	28.00	56.00

Note: Revision of forecast for dividends from the latest announcement: No

## 3. Forecast for consolidated operating results for the fiscal year ending March 31, 2026

(Percentages are year-to-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share - Basic -
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Fiscal year ending March 31, 2026	200,000	11.7	11,500	8.2	10,900	9.5	7,500	9.4	171.87

Note: Revision of forecast for operating results from the latest announcement: No

**Notes:**

- (1) Significant changes in the scope of consolidation during the three months ended June 30, 2025:  
Yes  
Newly included: 2 companies (Schwing Bioset, Inc., Revinu, Inc.)
- (2) Application of accounting method specific to preparation of quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
  - (a) Changes by a newly issued or amended accounting pronouncement: No
  - (b) Changes other than (3)-(a) above: No
  - (c) Changes in accounting estimates: No
  - (d) Retrospective restatement: No
- (4) Number of shares issued and outstanding (common stock)
  - (a) Number of shares issued and outstanding at the end of the period (including treasury stock): 44,258,500 shares as of March 31, 2025 and 44,258,500 shares as of June 30, 2025.
  - (b) Number of treasury stock at the end of the period: 619,714 shares as of March 31, 2025 and 619,714 shares as of June 30, 2025.
  - (c) Average number of shares outstanding for the period: 43,615,536 shares for the three months ended June 30, 2024 and 43,638,786 shares for the three months ended June 30, 2025.

\* Review of the accompanying quarterly consolidated financial statements performed by certified public accountants or accounting firm: No

\* Appropriate use of forecasts and other matters

Descriptions and statements in relation to estimates and other forward-looking projections disclosed in this document are based on judgments and assumptions using information currently available to the Company. Actual results may differ significantly from such projections due to risks of uncertainty inherent in such judgments and assumptions as well as changes in business operations and the internal and external environment of the Company. As such, the Company does not guarantee the accuracy of any forward-looking projections disclosed.

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## 1. Qualitative Information Regarding Consolidated Results for the Three Months Ended June 30, 2025

### (1) Explanation of Operating Results

Although the Japanese economy recovered modestly during the three months ended June 30, 2025, uncertainties remained due to factors such as the impact of continued rise in prices, U.S. trade policy, and fluctuations in the financial and capital markets. Meanwhile, the global economy showed signs of a slower recovery, with stagnation in some regions and growing concerns about downside risks to the economy driven by the policy trends in the U.S. and other factors.

Under such circumstances, the Group has been making company-wide efforts to achieve the Midterm Business Plan 2027 (through the fiscal year ending March 31, 2028), by focusing on the following priority measures: i) growth strategies in each business field, ii) investment and financing strategies to enhance corporate value and iii) sustainability efforts.

The operating results of the Group for the three months ended June 30, 2025 are as the table below.

Both net sales and operating income increased year on year mainly driven by the steady performance in the Environmental Engineering Business, the System Solution Business, and the International Business.

Our business consists mostly of the domestic public work projects for government agencies, which are typically developed and completed intensively in the fourth quarter. As a result, operating results for the first three months tend to be low, and this fiscal year is no exception.

	Three months ended June 30, 2024 (Million yen)	Three months ended June 30, 2025 (Million yen)	Increase/ (decrease) (Million yen)	Increase/ (decrease) (%)
Net sales	25,015	33,054	8,039	32.1
Operating income	(2,068)	(603)	1,464	—
Ordinary income	(1,666)	(665)	1,000	—
Profit attributable to owners of parent	(1,578)	(1,003)	575	—
Order received	64,083	69,645	5,561	8.7
Order backlog	314,139	355,291	41,152	13.1

The Group's business consists of four segments: Environmental Engineering Business, System Solution Business, Operation Business, and International Business. Operating results by segment are as follows.

(Environmental Engineering Business)

The Environmental Engineering Business Segment, which consists of the Water Environmental Business and the Resource and Environmental Business, is primarily engaged in the design, construction, maintenance and inspection of mechanical equipment for domestic water and sewage treatment plants and resource recycling facilities.

In the Water Environmental Business, both net sales and operating income increased year on year driven by the steady performance of large-scale construction projects. In the Resource and Environmental Business, both net sales and operating income increased year on year driven by the steady performance of projects such as large-scale construction and repair work.

	Three months ended June 30, 2024 (Million yen)	Three months ended June 30, 2025 (Million yen)	Increase/ (decrease) (Million yen)	Increase/ (decrease) (%)
Net sales	7,087	8,553	1,466	20.7
Operating income	(808)	(427)	380	—
Order received	16,280	16,588	307	1.9
Order backlog	111,156	109,549	(1,607)	(1.4)

(System Solution Business)

The System Solution Business Segment, which consists of the System Engineering Business and the Customer Engineering Businesses, is primarily engaged in the design, manufacture, maintenance and management of electrical equipment for domestic water and sewage treatment plants.

In the System Engineering Business, both net sales and operating income increased year on year driven by the steady performance of large-scale construction projects. In the Customer Engineering Business, both net sales and operating income increased year on year driven by the steady performance of projects such as repair and renewal work.

	Three months ended June 30, 2024 (Million yen)	Three months ended June 30, 2025 (Million yen)	Increase/ (decrease) (Million yen)	Increase/ (decrease) (%)
Net sales	5,223	6,903	1,680	32.2
Operating income	(1,527)	(1,168)	358	—
Order received	18,077	26,213	8,136	45.0
Order backlog	77,936	90,636	12,699	16.3

(Operation Business)

The Operation Business Segment is primarily engaged in the operation of domestic water and sewage treatment plants and resource recycling facilities.

Net sales were at the same level year on year, and operating income decreased year on year due to an increase in depreciation and labor costs of subsidiaries.

	Three months ended June 30, 2024 (Million yen)	Three months ended June 30, 2025 (Million yen)	Increase/ (decrease) (Million yen)	Increase/ (decrease) (%)
Net sales	5,735	5,802	66	1.2
Operating income	330	113	(216)	(65.7)
Order received	19,072	13,364	(5,708)	(29.9)
Order backlog	92,284	110,582	18,298	19.8

(International Business)

The International Business Segment is primarily engaged in the design, construction, maintenance, and management of facilities and equipment for international water and sewage treatment plants, as well as private sector business.

Both net sales and operating income increased year on year, supported by the steady performance of subsidiaries in North America and Europe.

	Three months ended June 30, 2024 (Million yen)	Three months ended June 30, 2025 (Million yen)	Increase/ (decrease) (Million yen)	Increase/ (decrease) (%)
Net sales	6,969	11,795	4,826	69.3
Operating income	(63)	879	942	—
Order received	10,652	13,478	2,825	26.5
Order backlog	32,762	44,522	11,760	35.9

**(2) Explanation of Financial Position**

Total assets as of June 30, 2025 decreased by ¥4,450 million compared to March 31, 2025 to ¥192,333 million.

Current assets decreased by ¥11,527 million compared to March 31, 2025 to ¥148,650 million due to a decrease in notes and accounts receivable - trade, and contract assets, offsetting an increase in cash and deposits and work in process.

Non-current assets increased by ¥7,082 million compared to March 31, 2025 to ¥43,599 million due to an increase in goodwill and deferred tax assets - non-current.

Current liabilities decreased by ¥2,103 million compared to March 31, 2025 to ¥63,781 million due to a decrease in accounts payable - trade, offsetting an increase in contract liabilities.

Non-current liabilities increased by ¥695 million compared to March 31, 2025 to ¥46,243 million due to an increase in lease obligations.

Total net assets decreased by ¥3,041 million compared to March 31, 2025 to ¥82,308 million due to the recognition of loss attributable to owners of parent and payment of dividends.

**(3) Explanation of Consolidated Business Forecast**

There is no change in the forecast for the fiscal year ending March 31, 2026 announced on April 24, 2025.

## 2. Quarterly Consolidated Financial Statements and Major Notes

### (1) Quarterly Consolidated Balance Sheets

	(Millions of yen)	
	As of March 31, 2025	As of June 30, 2025
<b>Assets</b>		
Current assets		
Cash and deposits	36,278	72,809
Notes and accounts receivable - trade, and contract assets	109,214	57,028
Work in process	1,497	4,248
Supplies	9,501	9,634
Other current assets	3,685	4,929
Total current assets	160,178	148,650
Non-current assets		
Property, plant and equipment	6,674	8,170
Intangible assets		
Goodwill	2,255	5,386
Customer-related assets	4,446	4,100
Right to operate public facilities	850	837
Other intangible assets	10,155	9,905
Total intangible assets	17,706	20,230
Investments and other assets	12,135	15,198
Total non-current assets	36,516	43,599
Deferred assets	88	83
Total assets	196,783	192,333



**(1) Quarterly Consolidated Balance Sheets (continued)**

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	21,988	14,158
Electronically recorded obligations	8,817	10,685
Short-term loans payable	—	840
Current portion of PFI and other project finance loans	805	813
Income taxes payable	2,414	497
Contract liabilities	12,944	22,673
Provision for warranties for completed construction	1,391	1,786
Provision for loss on construction contracts	1,269	1,303
Other current liabilities	16,253	11,021
Total current liabilities	65,885	63,781
Non-current liabilities		
Bonds payable	20,000	20,000
Long-term loans payable	5,000	5,000
PFI and other project finance loans	14,620	14,257
Liability for retirement benefit	4,753	4,837
Other non-current liabilities	1,174	2,148
Total non-current liabilities	45,547	46,243
Total liabilities	111,433	110,024
<b>Net assets</b>		
Shareholders' equity		
Capital stock	11,946	11,946
Capital surplus	9,406	9,406
Retained earnings	54,733	52,717
Treasury stock	(1,052)	(1,052)
Total shareholders' equity	75,033	73,017
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	151	197
Deferred gains or losses on hedges	83	84
Foreign currency translation adjustment	5,158	4,007
Remeasurements of defined benefit plans	876	869
Total accumulated other comprehensive income	6,270	5,159
Non-controlling interests	4,046	4,131
Total net assets	85,350	82,308
Total liabilities and net assets	196,783	192,333

**(2) Quarterly Consolidated Statement of Income and Quarterly Consolidated Statement of Comprehensive Income**

**Quarterly Consolidated Statement of Income**

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net sales	25,015	33,054
Cost of sales	20,875	26,172
Gross profit	4,139	6,881
Selling, general and administrative expenses	6,208	7,485
Operating loss	(2,068)	(603)
Non-operating income		
Interest income	46	65
Dividends income	73	135
Foreign exchange gain	381	—
Miscellaneous income	7	37
Total non-operating income	509	238
Non-operating expenses		
Interest expenses	64	129
Share of loss of entities accounted for using equity method	18	—
Loss on disposal of non-current assets	14	0
Foreign exchange loss	—	152
Miscellaneous loss	10	18
Total non-operating expenses	107	300
Ordinary loss	(1,666)	(665)
Extraordinary losses		
System migration costs	—	5
Total extraordinary losses	—	5
Loss before income taxes	(1,666)	(671)
Income taxes	(203)	247
Net loss	(1,463)	(918)
Profit attributable to non-controlling interests	115	84
Loss attributable to owners of parent	(1,578)	(1,003)

**(2) Quarterly Consolidated Statement of Income and Quarterly Consolidated Statement of Comprehensive Income (continued)**

**Quarterly Consolidated Statement of Comprehensive Income**

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net loss	(1,463)	(918)
Other comprehensive income		
Valuation difference on available-for-sale securities	17	45
Deferred gains or losses on hedges	53	3
Foreign currency translation adjustment	987	(1,151)
Remeasurements of defined benefit plans	39	(7)
Total other comprehensive income	1,098	(1,108)
Comprehensive income	(364)	(2,027)
(Details)		
Comprehensive income attributable to owners of parent	(515)	(2,114)
Comprehensive income attributable to non-controlling interests	150	86

### **(3) Notes to Quarterly Consolidated Financial Statements**

#### **Notes on Going Concern Assumption**

No items to report.

#### **Notes on Significant Changes in Shareholders' Equity**

No items to report.

#### **Application of Accounting Method Specific to Preparation of Quarterly Consolidated Financial Statements**

##### **(Calculation of Tax Expenses)**

Tax expenses are calculated by reasonably estimating the effective tax rate applied to income before income taxes for the consolidated fiscal year including the three months ended June 30, 2025 after applying tax effect accounting, and multiplying income before income taxes for the quarter by such effective tax rate.

## Segment Information

### 1-1. Net sales and income or loss by reportable segment for the three months ended June 30, 2024

(Millions of yen)

	Reportable segments					Adjust- ments	Consoli- dated
	Environmental Engineering Business	System Solution Business	Operation Business	International Business	Total		
Net Sales							
Sales to third parties	7,087	5,223	5,735	6,969	25,015	—	25,015
Inter-segment transactions and transfers	—	—	—	—	—	—	—
Total	7,087	5,223	5,735	6,969	25,015	—	25,015
Segment income/(loss)	(808)	(1,527)	330	(63)	(2,068)	—	(2,068)

Note: Segment income/(loss) is based on operating loss. There is no difference between segment loss and operating loss recorded on the quarterly consolidated statement of income.

### 1-2. Net sales and income or loss by reportable segment for the three months ended June 30, 2025

(Millions of yen)

	Reportable segments					Adjust- ments	Consoli- dated
	Environmental Engineering Business	System Solution Business	Operation Business	International Business	Total		
Net Sales							
Sales to third parties	8,553	6,903	5,802	11,795	33,054	—	33,054
Inter-segment transactions and transfers	—	—	—	—	—	—	—
Total	8,553	6,903	5,802	11,795	33,054	—	33,054
Segment income/(loss)	(427)	(1,168)	113	879	(603)	—	(603)

Note: Segment income/(loss) is based on operating loss. There is no difference between segment loss and operating loss recorded on the quarterly consolidated statement of income.

## Notes to Quarterly Consolidated Statement of Cash Flows

A quarterly consolidated statement of cash flows for the three months ended June 30, 2025 has not been prepared. Depreciation (including amortization of intangible assets other than goodwill) and amortization of goodwill for the three months ended June 30, 2025 are as follows.

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Depreciation	602	712
Amortization of goodwill	80	81