

**CONSOLIDATED FINANCIAL RESULTS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024**  
**[IFRS]**

February 14, 2025

Company name: EBARA CORPORATION  
 Stock exchange listings: Tokyo  
 Code number: 6361  
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Scheduled date of General Meeting of Shareholders: March 26, 2025  
 Scheduled date for dividend payment: March 27, 2025  
 Scheduled date of submission of annual securities report: March 27, 2025

Preparing supplementary material on financial results: Yes  
 Holding financial results presentation meeting: Yes (for institutional investors and analysts)  
 (Monetary amounts are rounded down to the nearest million yen)

**1. Consolidated Results for the Fiscal Year Ended December 31, 2024**

**(1) Consolidated Financial Results**

(% represents percentage change from a comparable previous period)

Millions of yen

	Revenue		Operating Profit		Profit before Tax		Profit	
Fiscal Year Ended December 31, 2024	866,668	14.1%	97,953	13.9%	99,852	17.8%	74,491	16.8%
Fiscal Year Ended December 31, 2023	759,328	11.5%	86,025	21.9%	84,733	22.0%	63,799	21.0%

	Profit Attributable to Owners of Parent		Total Comprehensive Income		Basic Earnings per Share (Yen)	Basic Earnings per Share, Diluted (Yen)
Fiscal Year Ended December 31, 2024	71,401	18.4%	89,607	24.1%	154.62	154.43
Fiscal Year Ended December 31, 2023	60,283	19.4%	72,205	5.3%	130.73	130.51

	Return on Equity Attributable to owners of Parent (%)	Profit Before Income Tax to Total Assets (%)	Operating Profit to Revenue (%)
Fiscal Year Ended December 31, 2024	16.2	10.4	11.3
Fiscal Year Ended December 31, 2023	15.7	9.7	11.3

Note: Share of profit (loss) of investments Fiscal year ended December 31, 2024; 2,186 million yen  
 accounted for using the equity method: Fiscal year ended December 31, 2023; 1,425 million yen

The Company conducted a 5-for-1 stock split of its common stock with an effective date of July 1, 2024. Basic earnings per share and Basic earnings per share, diluted are calculated on the assumption that the stock split was executed at the beginning of the previous fiscal year.

## (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 (%)	Total Equity Attributable to Owners of Parent per Share (Yen)
As of December 31, 2024	1,005,085	485,336	473,277	47.1	1,024.60
As of December 31, 2023	913,900	421,572	409,875	44.8	887.92

The Company conducted a 5-for-1 stock split of its common stock with an effective date of July 1, 2024. Total equity attributable to owners of parent per share is calculated on the assumption that the stock split was executed at the beginning of the previous fiscal year.

## (3) Consolidated Cash Flows

Millions of yen

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at End of Year
Fiscal Year Ended December 31, 2024	100,940	(48,554)	(31,915)	171,031
Fiscal Year Ended December 31, 2023	70,012	(35,625)	(4,658)	148,059

## 2. Dividends

	Dividends per Share (Yen)					Total Dividend Payment (Millions of Yen)	Payout Ratio (Consolidated) (%)	Dividend to Equity Attributable to Owners of the Parent (Consolidated) (%)
	1 <sup>st</sup> Quarter	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	Year-End	Annual			
Fiscal Year Ended December 31, 2023	—	97.50	—	131.50	229.00	21,141	35.0	5.5
Fiscal Year Ended December 31, 2024	—	115.00	—	32.00	—	25,404	35.6	5.8
Fiscal Year Ending December 31, 2025 (Forecast)	—	28.00	—	28.00	56.00		35.7	

Note: Revisions to forecast of dividends in this quarter: Yes

The year-end dividend forecast for the year ended December 31, 2024, announced on November 14, 2024, has been revised. For details, please refer to the "Notice of Dividends (Increase)" announced today (February 14, 2025).

As the Company conducted a 5-for-1 stock split of its common stock with an effective date of July 1, 2024, the amount of dividends per share for the year ended December 31, 2024 are shown the amount after the stock split was executed, and the total annual dividends are shown as "-".

The year-end dividend for the year ended December 31, 2024 is 160 yen and the annual dividend is 275 yen if the stock split is not considered.

## 3. Forecast of Financial Results for the Fiscal Year Ending December 31, 2025

% represents percentage change from the previous fiscal year

Millions of yen

	Revenue		Operating Profit		Profit before Tax		Profit		Profit Attributable to Owners of Parent		Basic Earnings per Share (Yen)
		%		%		%		%		%	
Six Months Ending June 30, 2025	432,000	9.5%	42,000	5.1%	42,000	(0.4)%	32,000	3.7%	29,900	2.3%	64.73
Fiscal Year Ending December 31, 2025	900,000	3.8%	101,500	3.6%	100,600	0.7%	75,800	1.8%	72,400	1.4%	156.74

#### **4. Other Information**

- (1) Changes in significant subsidiaries during the fiscal year under review (Changes in specified subsidiaries involving changes in scope of consolidation): 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 December 31, 2024	462,055,735	As of December 31, 2023	461,745,410
(ii) Number of treasury shares	As of December 31, 2024	140,410	As of December 31, 2023	132,655
(iii) Average number of common shares	Fiscal Year Ended December 31, 2024	461,796,625	Fiscal Year Ended December 31, 2023	461,134,890

The Company conducted a 5-for-1 stock split of its common stock with an effective date of July 1, 2024. The "number of common shares", "number of treasury shares", and "average number of common shares" are calculated on the assumption that the stock split was executed at the beginning of the previous fiscal year.

(Reference Information)

## **1. Non-Consolidated Results for the Fiscal Year Ended December 31, 2024**

### **(1) Financial Results**

(% represents percentage change from a comparable previous fiscal year)

Millions of yen

	Net Sales		Operating Income		Ordinary Income		Net Income	
Fiscal Year Ended December 31, 2024	358,668	9.1%	28,998	15.1%	53,716	7.8%	46,524	3.9%
Fiscal Year Ended December 31, 2023	328,868	12.5%	25,195	4.1%	49,843	4.0%	44,771	4.8%

	Net Income per Share (Yen)	Net Income per Share, Diluted (Yen)
Fiscal Year Ended December 31, 2024	100.75	100.63
Fiscal Year Ended December 31, 2023	97.09	96.93

The Company conducted a 5-for-1 stock split of its common stock with an effective date of July 1, 2024. Net income per share and Net income per share, diluted are calculated on the assumption that the stock split was executed at the beginning of the previous fiscal year.

### **(2) Financial Position**

Millions of yen

	Total Assets	Net Assets	Equity Ratio (%)	Net Assets per Share (Yen)
As of December 31, 2024	649,607	352,547	54.2	762.73
As of December 31, 2023	602,674	328,610	54.5	711.14

Note: Shareholders' Equity (Net assets excluding subscription rights to shares):

As of December 31, 2024; 352,318 million yen

As of December 31, 2023; 328,273 million yen

The Company conducted a 5-for-1 stock split of its common stock with an effective date of July 1, 2024. Net assets per share is calculated on the assumption that the stock split was executed at the beginning of the previous fiscal year.

**This financial result is exempt from auditing by certified public accountants or accounting firms.**

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

1. The forecast of performance and other forward-looking statements contained in this report are based on information that was available to the Company as of the time of the issuance of this report and on certain assumptions about uncertainties that may have an impact on the Group's performance. Actual performance may differ substantially from these forecast 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 "Forecast of Performance" on page 13.
2. This report has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated report and the Japanese original, the original shall prevail. Also, the Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

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# 1. Qualitative Information Regarding Consolidated Financial Results

## (1) Explanation of Financial Results

Millions of yen

	Fiscal Year Ended December 31, 2023	Fiscal Year Ended December 31, 2024	Change	Change Ratio (%)
Orders Received	820,598	860,579	39,981	4.9
Revenue	759,328	866,668	107,339	14.1
Operating Profit	86,025	97,953	11,928	13.9
Operating Profit on Revenue Ratio (%)	11.3	11.3	—	—
Profit Attributable to Owners of Parent	60,283	71,401	11,117	18.4
Basic Earnings per Share (Yen)	130.73	154.62	23.89	18.3

Note: The Company conducted a 5-for-1 stock split with an effective date of July 1, 2024. Basic earnings per share is calculated on the assumption that the stock split was executed at the beginning of the previous fiscal year.

During the fiscal year ended December 31, 2024, the Japanese economy continued to recover moderately in terms of personal consumption and corporate capital investment. The global economy showed signs of picking up, although there was a downside risk due to continued high interest rates in the U.S. and Europe and the slowdown in the Chinese economy. On the other hand, geopolitical risks such as U.S. policy trends, tightening of semiconductor export control regulations due to conflicts between the U.S. and China, the situation in Ukraine and the Middle East require close monitoring.

Under these circumstances, we formulated E-Plan2025, a three-year medium-term management plan starting in 2023. Under the theme of "creating value from the customer's perspective," we have shifted to a face-to-face market structure to further strengthen competitiveness in each of our businesses, and we are moving forward with various measures to achieve our management indicators.

Orders received for fiscal year ended December 31, 2024, decreased year on year in Environmental Business due to the timing of large-scale projects. On the other hand, orders increased year on year in Precision Machinery Business due to demand for generative AI. Although there were some variations in customers, factory operating rates recovered and investments to increase production resumed. And orders increased year on year in Building Service & Industrial Business due to capturing domestic demand for services and support and strong overseas orders. As a result, overall orders increased year on year. Revenue increased due to solid performance in all Business. Operating income increased due to higher revenue in all Business, and improved profitability particularly in Precision Machinery Business, despite the recording of an impairment loss on goodwill related to a group company in Turkey in Building Service & Industrial Business.

As a result, in the Fiscal Year ended December 31, 2024, consolidated orders received amounted to ¥860,579 million (an increase of 4.9% year-on-year), revenue amounted to ¥866,668 million (an increase of 14.1% year-on-year), operating profit amounted to ¥97,953 million (an increase of 13.9% year-on-year), profit attributable to owners of parent amounted to ¥71,401 million (an increase of 18.4% year-on-year). All of them replaced the past highest records.




Operating Results by Business Segment



Millions of yen

Segment	Orders Received			Revenue			Segment Profit		
	Fiscal Year Ended December 31, 2023	Fiscal Year Ended December 31, 2024	Change Ratio (%)	Fiscal Year Ended December 31, 2023	Fiscal Year Ended December 31, 2024	Change Ratio (%)	Fiscal Year Ended December 31, 2023	Fiscal Year Ended December 31, 2024	Change Ratio (%)
Building Service & Industrial	221,351	244,401	10.4	222,181	238,182	7.2	15,737	10,341	(34.3)
Energy	222,776	222,743	(0.0)	167,229	210,434	25.8	22,347	28,008	25.3
Infrastructure	56,658	60,559	6.9	50,178	51,118	1.9	4,604	3,697	(19.7)
Environmental	100,854	71,594	(29.0)	71,540	87,438	22.2	6,933	8,445	21.8
Precision Machinery	217,791	260,059	19.4	246,998	278,378	12.7	38,285	50,133	30.9
Reportable Segment Total	819,432	859,359	4.9	758,128	865,552	14.2	87,907	100,625	14.5
Others	1,165	1,220	4.7	1,199	1,115	(7.0)	(933)	(2,826)	—
Adjustment	—	—	—	—	—	—	(949)	153	—
Total	820,598	860,579	4.9	759,328	866,668	14.1	86,025	97,953	13.9






## Outline of Business Environment and Situation by Business Segment

Segment	Business Environment	Business Situation and the Trend of Orders Received (Note 1)
Building Service & Industrial	<p>(Overseas)</p> <ul style="list-style-type: none"> <li>The market in North America is stagnant due to continued high interest rates, high construction costs, and a shortage of labor.</li> <li>In Europe, investment has been restrained by inflation and continued high interest rates, and the housing market in particular has been sluggish.</li> <li>In China, the construction market is sluggish due to restraints on real estate investment for commercial and residential use. On the other hand, some industrial and public-sector markets have been firm due to government investment and other factors.</li> </ul> <p>(Japan)</p> <ul style="list-style-type: none"> <li>In the construction equipment market, the number of construction starts has slowed down due to the impacts of high material prices and labor shortages. Demand in the service market continues to be on an upward trend.</li> <li>In the industrial market, major changes are anticipated in the medium to long term, such as the consideration of capital investment with an eye to decarbonization and the conversion of the business structure, but they are currently trending steadily.</li> </ul>	<p>(Overseas)</p> <ul style="list-style-type: none"> <li>Orders received increased year on year due to steady orders in North and South America, Europe and Asia. </li> </ul> <p>(Japan)</p> <ul style="list-style-type: none"> <li>Orders received for services and support were firm, and orders received increased year on year.</li> </ul>
Energy	<ul style="list-style-type: none"> <li>In the new product field, demand in the petrochemical market has been firm, mainly in North America, Asia, and the Middle East. Demand for LNG market has been stabilizing mainly in the Middle East. China's electricity market continues to be active.</li> <li>The service field has been firm recently, although there are signs that demand for maintenance has run its course and returns to normal levels.</li> </ul>	<ul style="list-style-type: none"> <li>Orders received for products decline year on year.</li> <li>Orders received in the service sector increase year on year. </li> </ul>
Infrastructure	<p>(Overseas)</p> <ul style="list-style-type: none"> <li>In the water infrastructure market, demand for pumps is falling and competition is fierce in China due to the impact of the economic slowdown. In Southeast Asia and North America, however, demand is firm due to economic growth and progress in the development of aging facilities.</li> </ul> <p>(Japan)</p> <ul style="list-style-type: none"> <li>Investment in the renewal and repair of social infrastructure has been firm.</li> <li>The public sector construction market has been moving in line with the usual year. Demand for after-sales of existing facilities continues to be firm.</li> </ul>	<p>(Overseas)</p> <ul style="list-style-type: none"> <li>Orders received for water infrastructure increased year on year.</li> </ul> <p>(Japan)</p> <ul style="list-style-type: none"> <li>Orders received for the public sector increased year on year due to steady progress from ongoing measures, such as comprehensive evaluation projects and an increase in orders for aftersales services. </li> </ul>

Segment	Business Environment	Business Situation and the Trend of Orders Received (Note 1)
Environmental (Note 2)	(Japan) • Demand for new construction of waste treatment facilities for the public sector is trending as usual. • Orders for O&M at existing facilities are trending as usual. • Construction demand for woody biomass power generation facilities for the private sector and industrial waste treatment facilities such as waste plastics continues at a certain level.	(Japan) • Orders In EPC, there were no large-scale projects in the current fiscal year, and O&M as a whole fell below the previous fiscal year due to a decline in the amount of large-scale projects.  (Overview of major orders received) • Construction to improve basic facilities for waste treatment facilities for the public sector. (2 project)
Precision Machinery	• Customers' plant utilization rates are continuing to recover due to a general recovery in demand for semiconductors and an increase in demand for use in generated AI. But the resumption of full-scale investment to increase production is limited in some customers.	• Product orders varied by customer, but orders increased mainly for logic foundries compared with the same period of last year, which was in a period of adjustment. In addition, the number of service and support orders exceeded year on year in line with the recovery in the factory utilization rate of customers. 

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

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 December 31, 2024 were ¥1,005,085 million, ¥91,185 million higher than as of December 31, 2023. Principal changes are an increase of ¥26,109 million in tangible fixed assets, an increase of ¥22,971 million in cash and cash equivalents, an increase of ¥16,890 million in contract assets, an increase of ¥6,918 million in trade and other receivables, an increase of ¥5,344 million in inventories, an increase of ¥4,592 million in other current assets and an increase of ¥3,414 million in goodwill and intangible asset.

### (ii) Liabilities

Total liabilities as of December 31, 2024 were ¥519,748 million, ¥27,420 million higher than as of December 31, 2023. Principal changes are included a decrease of ¥4,915 million in trade and other payables, an increase of ¥15,859 million in contract liabilities, an increase of ¥5,764 million in accrued income taxes, an increase of ¥5,183 million in bonds, borrowings and lease liabilities and an increase of ¥2,625 million in other current liabilities

### (iii) Equity

Equity as of December 31, 2024 amounted to ¥485,336 million, ¥63,764 million higher than as of December 31, 2023. Principal changes are dividends paid of ¥22,763 million, profit attributable to owners of parent of ¥71,401 million, and an increase of ¥15,352 million in exchange differences on translation of foreign operations. Total equity attributable to owners of parent amounted to ¥473,277 million, and the ratio of equity attributable to owners of parent was 47.1%.

### (3) Overview of Cash Flows

Net cash provided by operating activities amounted to a net inflow of ¥100,940 million for the fiscal year ended December 31, 2024, an increase of ¥30,928 million in net inflow compared to the previous year.

Net cash used in investing activities amounted to a net outflow of ¥48,554 million for the fiscal year ended December 31, 2024, an increase of ¥12,928 million in net outflow compared to the previous year. This is primarily due to the acquisition of fixed assets of ¥50,892 million.

Free cash flow, the sum of cash flows from operating and investing activities, amounted to a net inflow of ¥52,386 million for the fiscal year ended December 31, 2024, an increase of ¥17,999 million in net inflow compared to the previous year.

Net cash used in financing activities amounted to a net outflow of ¥31,915 million for the fiscal year ended December 31, 2024, an increase of ¥27,256 million in net outflow compared to the previous year. This is primarily due to a net decrease of ¥8,950 million in short-term loans payable and long-term loans payable, and cash dividends paid of ¥22,763 million.

As a result, cash and cash equivalents as of December 31, 2024 amounted to ¥171,031 million, ¥22,971 million increase compared to the previous year.

(Reference) Recent trends in cash flow indicators are as follows:

	Fiscal Year Ended December 31, 2020	Fiscal Year Ended December 31, 2021	Fiscal Year Ended December 31, 2022	Fiscal Year Ended December 31, 2023	Fiscal Year Ended December 31, 2024
Ratio of Equity Attributable to Owners of Parent (%)	44.9	43.4	43.5	44.8	47.1
Ratio of Equity Attributable to Owners of Parent at Market Value (%)	49.9	84.8	52.5	84.3	112.9
Years to Repay Debt (Year)	1.4	1.5	3.2	2.0	1.4
Interest Coverage Ratio (Times)	49.2	53.2	18.8	18.5	27.9

- \* Ratio of Equity Attributable to Owners of Parent:  $\text{Equity Attributable to Owners of Parent} / \text{Total assets}$
- \* Ratio of Equity Attributable to Owners of Parent at Market Value:  $\text{Stock market capitalization} / \text{Total assets}$
- \* Years to Repay Debt:  $\text{Interest-bearing debt} / \text{Operating cash flow}$
- \* Interest Coverage Ratio:  $\text{Operating cash flow} / \text{Interest expenses paid}$

Notes:

1. All indicators in the table above were computed with consolidated financial data.
2. Stock market capitalization was computed by multiplying the closing stock price at the end of the period by the number of shares outstanding (minus treasury shares) at the end of the period
3. Operating cash flow is "Net cash provided by operating activities" displayed in the Consolidated Statements of Cash Flows. Interest expenses are the amounts displayed in the item "Interest expenses paid" in the Consolidated Statements of Cash Flows.
4. Since the Company has optionally adopted IFRS from the fiscal year ended December 31, 2021, as the transition date January 1, 2020, the figures for the period in and before the fiscal year ended December 31, 2019, when the Company adopted Japanese GAAP, are not shown.

#### (4) Forecast of Performance

The business environment surrounding the Company is expected to remain uncertain due to concerns such as global inflation, tightening of semiconductor export control regulations due to conflicts between the U.S. and China, the impact on resource prices due to the prolonged situation in Ukraine and the Middle East, and exchange rate fluctuations. Nevertheless, the business is expected to remain firm, supported by long-term growth in demand for semiconductors and stable demand for social infrastructure.

Under these conditions, the Group has set the objective reaching orders received of ¥940,000 million, revenues of ¥900,000 million, operating income of ¥101,500 million, profit before taxes of ¥100,600 million, and profit attributable to owners of parent of ¥72,400 million for the next fiscal year.

Assumptions regarding foreign currency exchange rates forecast are as follows: US\$1 = ¥145, EUR1 = ¥160, RMB1 = ¥20.

Actual performance may differ from these forecasts owing to factors such as changing market environment.

#### Forecast for the Fiscal Year Ending December 31, 2025

	Billions of yen	
	Six Months Ending June 30, 2025	Fiscal Year Ending December 31, 2025
Orders Received	457.0	940.0
Revenue	432.0	900.0
Operating Profit	42.0	101.5
Profit Before Tax	42.0	100.6
Profit Attributable to Owners of Parent	29.9	72.4

#### Forecast of Financial Results for the Fiscal Year Ending December 31, 2025 by Business Segment Six Months Ending June 30, 2025

	Billions of yen		
Segment	Orders Received	Revenue	Operating Profit
Building Service & Industrial	120.0	120.0	8.0
Energy	110.0	97.0	8.5
Infrastructure	27.0	33.5	4.5
Environmental	59.0	40.5	3.0
Precision Machinery	140.0	140.0	20.0
Others, Adjustment	1.0	1.0	(2.0)
Total	457.0	432.0	42.0

#### Fiscal Year Ending December 31, 2025

	Billions of yen		
Segment	Orders Received	Revenue	Operating Profit
Building Service & Industrial	255.0	250.0	18.0
Energy	210.0	200.0	24.5
Infrastructure	56.0	58.0	5.0
Environmental	97.0	90.0	6.5
Precision Machinery	320.0	300.0	51.0
Others, Adjustment	2.0	2.0	(3.5)
Total	940.0	900.0	101.5

## Forecast of Business Environment by Business Segment

Segment	Business Environment
Building Service & Industrial	<p>(Overseas)</p> <ul style="list-style-type: none"> <li>• In the U.S. and Europe, capital investment was stagnant due to impacts such as rising construction and labor costs against the backdrop of continued inflation. In the U.S., however, there are signs of a recovery in demand for capital investment in anticipation of a decline in interest rates.</li> <li>• In China, the market for building equipment such as commercial facilities and housing is expected to be sluggish, while the industry and public sector market is expected to grow.</li> </ul> <p>(Japan)</p> <ul style="list-style-type: none"> <li>• In the construction equipment market, construction demand is robust, but construction work is expected to continue to be postponed and the plan revised due to the impacts of high construction costs and labor shortages.</li> <li>• The industrial market is expected to undergo structural changes in the market, especially in the chemical market, with reorganization momentum in the petrochemical field and growth investment in downstream functional chemicals. The market is expected to see continued demand from capital investment.</li> </ul>
Energy	<ul style="list-style-type: none"> <li>• In the new product field, the petrochemical market and LNG market, mainly in North America, Asia, and the Middle East, are expected to remain firm.</li> <li>• In the decarbonization-related market, the number of projects is expected to continue to increase due to the recovery, storage, and effective use of hydrogen, ammonia, and carbon dioxide.</li> <li>• In the electricity market, plans for ammonia conversion projects are expected to increase, mainly in the domestic and Asia markets. In China, demand is expected to continue for new thermal power generation installations and high-efficiency upgrades.</li> <li>• In the service field, demand for maintenance and repair is expected to return to normal levels.</li> </ul>
Infrastructure	<p>(Overseas)</p> <ul style="list-style-type: none"> <li>• In China, despite the impact of the economic slowdown trend, the market as a whole is expected to see moderate economic growth, and demand for water due to population growth is firm, mainly in Asia and Africa. In addition, flood damage is increasing year by year in various parts of the world due to global warming and extreme weather, and it is expected that a certain level of demand will continue for river drainage pumps, drainage pumping vehicles, etc.</li> </ul> <p>(Japan)</p> <ul style="list-style-type: none"> <li>• Demand is expected to remain robust due to watershed flood control initiatives in response to intensifying and frequent natural disasters, response to accelerating aging of infrastructure facilities, and the promotion of digital transformation in the infrastructure field.</li> </ul>
Environmental	<p>(Japan)</p> <ul style="list-style-type: none"> <li>• Demand for new construction of waste treatment facilities for the public sector is expected to be generally in line with normal years.</li> <li>• Demand for construction of woody biomass power generation facilities for the private sector and industrial waste treatment facilities such as waste plastics is expected to continue.</li> <li>• Orders to the private sector are on the rise for O&amp;M of existing facilities, but demand is expected to be about the same as usual in the short term.</li> </ul>
Precision Machinery	<ul style="list-style-type: none"> <li>• In the semiconductor market, the adjustment phase from the previous year has bottomed out, and the utilization rate at customer factories is on a recovery trend, but there is still a tendency for some customers to concentrate. The resumption of investments has also remained with some customers. In general, the market is expected to expand even amid intensifying international competition, particularly in relation to the generating AI, but there is uncertainty about the continuation of demand for the Chinese market due in part to heightened geopolitical risks.</li> </ul>

**(5) Basic Policy for Shareholder Return for the Fiscal Years Ended December 31, 2024 and Ending December 31, 2025**

The Company regards returning a portion of its income to its shareholders as one of its most important management policies. Regarding shareholder return, the Company's policy is linking dividends to performance and aimed for a consolidated payout ratio of 35.0%. We will also flexibly consider acquisition of treasury shares.

For the fiscal year ended December 31, 2024, the Company is scheduled to pay its year-end cash dividend of ¥32.00 per share in addition to an interim cash dividend of ¥23.00 yen per share due to the implementation of the stock split. The annual cash dividend of ¥275.00 per share (including an interim cash dividend of ¥115.00 per share) if the stock split is not considered. We plan to pay an annual dividend of ¥56.00 per share (including an interim cash dividend of ¥28.00 per share) in the next fiscal year.

(Note)The Company conducted a 5-for-1 stock split of its common stock with an effective date of July 1, 2024.

## **2. Basic Approach to Selection of Accounting Standards**

The Group has optionally adopted IFRS from the three months ended March 31, 2021 for its consolidated financial statements in consideration of the need for international comparability of consolidated financial statements in the capital market.



### 3. Condensed Consolidated Financial Statements and Primary Notes

#### (1) Condensed Consolidated Statement of Financial Position

	Millions of yen	
	As of December 31, 2023	As of December 31, 2024
<b>Assets</b>		
Current assets		
Cash and cash equivalents	148,059	171,031
Trade and other receivables	163,363	170,282
Contract assets	99,901	116,792
Inventories	200,616	205,960
Income taxes receivable	1,277	2,104
Other financial assets	4,357	3,798
Other current assets	30,747	35,339
Total current assets	648,323	705,309
Non-current assets		
Property, plant and equipment	175,882	201,991
Goodwill and intangible assets	50,381	53,796
Investments accounted for using the equity method	7,192	8,683
Deferred tax assets	17,656	19,266
Other financial assets	6,015	5,983
Other non-current assets	8,447	10,054
Total non-current assets	265,576	299,775
Total assets	913,900	1,005,085

	Millions of yen	
	As of December 31, 2023	As of December 31, 2024
<b>Liabilities and equity</b>		
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade and other payables	172,368	167,452
Contract liabilities	92,918	108,778
Bonds, borrowings and lease liabilities	31,953	55,607
Income taxes payable	8,150	13,915
Provisions	12,132	11,895
Other financial liabilities	760	1,383
Other current liabilities	43,682	46,308
<b>Total current liabilities</b>	<b>361,966</b>	<b>405,340</b>
<b>Non-current liabilities</b>		
Bonds, borrowings and lease liabilities	113,296	94,825
Retirement benefit liability	7,967	8,917
Provisions	2,588	3,289
Deferred tax liabilities	2,954	2,423
Other financial liabilities	492	594
Other non-current liabilities	3,062	4,357
<b>Total non-current liabilities</b>	<b>130,361</b>	<b>114,408</b>
<b>Total liabilities</b>	<b>492,327</b>	<b>519,748</b>
<b>Equity</b>		
Share capital	80,489	80,639
Capital surplus	76,593	76,707
Retained earnings	224,267	272,382
Treasury shares	(306)	(323)
Other components of equity	28,830	43,871
<b>Total equity attributable to owners of parent</b>	<b>409,875</b>	<b>473,277</b>
Non-controlling interests	11,697	12,059
<b>Total equity</b>	<b>421,572</b>	<b>485,336</b>
<b>Total liabilities and equity</b>	<b>913,900</b>	<b>1,005,085</b>

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

**Condensed Consolidated Statement of Income**

For the Fiscal Year Ended December 31, 2023 and 2024

Millions of yen

	Fiscal Year Ended December 31, 2023	Fiscal Year Ended December 31, 2024
Revenue	759,328	866,668
Cost of sales	516,618	579,699
Gross profit	242,709	286,969
Selling, general and administrative expenses	155,847	183,201
Other income	2,725	4,085
Other expenses	3,562	9,899
Operating profit	86,025	97,953
Finance income	1,643	3,897
Finance costs	4,361	4,185
Share of profit (loss) of investments accounted for using the equity method	1,425	2,186
Profit before tax	84,733	99,852
Income tax expense	20,933	25,361
Profit	63,799	74,491
Profit attributable to		
Owners of parent	60,283	71,401
Non-controlling interests	3,516	3,089
Earnings per share		
Basic earnings per share	130.73	154.62
Basic earnings per share, diluted	130.51	154.43

Note: The Company conducted a 5-for-1 stock split of its common stock with an effective date of July 1, 2024. Basic earnings per share and Basic earnings per share, diluted are calculated on the assumption that the stock split was executed at the beginning of the previous fiscal year.

## Condensed Consolidated Statement of Comprehensive Income

For the Fiscal Year Ended December 31, 2023 and 2024

Millions of yen

	Fiscal Year Ended December 31, 2023	Fiscal Year Ended December 31, 2024
Profit	63,799	74,491
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plans	(1,987)	(339)
Net change in fair value of financial assets designated as measured at fair value through other comprehensive income	95	(85)
Share of other comprehensive income of investments accounted for using the equity method	55	(145)
Total of items that will not be reclassified to profit or loss	(1,836)	(570)
Items that may be reclassified to profit or loss		
Cash flow hedges	15	(262)
Exchange differences on translation of foreign operations	10,227	15,950
Total of items that may be reclassified to profit or loss	10,242	15,687
Total other comprehensive income, net of tax	8,405	15,116
Total comprehensive income	72,205	89,607
Comprehensive income attributable to		
Owners of parent	68,391	85,919
Non-controlling interests	3,814	3,688

**(3) Condensed Consolidated Statement of Changes in Equity**  
**For the Fiscal Year Ended December 31, 2023**

Millions of yen

	Equity attributable to owners of parent								
	Share capital	Capital surplus	Retained earnings	Treasury shares	Exchange differences on translation of foreign operations	Other components of equity			
						Net change in fair value of financial assets designated as measured at fair value through other comprehensive income	Cash flow hedges	Remeasurements of defined benefit plans	
As of January 1, 2023	79,804	76,806	184,995	(294)	18,314	362	(21)	—	
Changes during the period									
Comprehensive income									
Profit	—	—	60,283	—	—	—	—	—	
Other comprehensive income	—	—	—	—	9,929	198	15	(2,035)	
Total comprehensive income	—	—	60,283	—	9,929	198	15	(2,035)	
Transactions with owners									
Dividends	—	—	(18,943)	—	—	—	—	—	
Purchase of treasury shares	—	—	—	(11)	—	—	—	—	
Disposal of treasury shares	—	—	—	—	—	—	—	—	
Share-based payment transactions	685	(212)	—	—	—	—	—	—	
Change in scope of consolidation	—	—	—	—	—	—	—	—	
Acquisition of non controlling interests	—	—	—	—	—	—	—	—	
Transfer from other components of equity to retained earnings	—	—	(2,067)	—	—	32	—	2,035	
Total transactions with owners	685	(212)	(21,010)	(11)	—	32	—	2,035	
As of December 31, 2023	80,489	76,593	224,267	(306)	28,243	592	(5)	—	

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, 2023		18,655	359,966	9,758	369,725
Changes during the period					
Comprehensive income					
Profit		—	60,283	3,516	63,799
Other comprehensive income		8,107	8,107	297	8,405
Total comprehensive income		8,107	68,391	3,814	72,205
Transactions with owners					
Dividends		—	(18,943)	(1,875)	(20,819)
Purchase of treasury shares		—	(11)	—	(11)
Disposal of treasury shares		—	—	—	—
Share-based payment transactions		—	472	—	472
Change in scope of consolidation		—	—	—	—
Acquisition of non controlling interests		—	—	—	—
Transfer from other components of equity to retained earnings		2,067	—	—	—
Total transactions with owners		2,067	(18,482)	(1,875)	(20,358)
As of December 31, 2023		28,830	409,875	11,697	421,572

**For the Fiscal Year Ended December 31, 2024**

Millions of yen

	Equity attributable to owners of parent							
	Share capital	Capital surplus	Retained earnings	Treasury shares	Exchange differences on translation of foreign operations	Other components of equity		
						Net change in fair value of financial assets designated as measured at fair value through other comprehensive income	Cash flow hedges	Remeasurements of defined benefit plans
As of January 1, 2024	80,489	76,593	224,267	(306)	28,243	592	(5)	—
Changes during the period								
Comprehensive income								
Profit	—	—	71,401	—	—	—	—	—
Other comprehensive income	—	—	—	—	15,352	(207)	(262)	(364)
Total comprehensive income	—	—	71,401	—	15,352	(207)	(262)	(364)
Transactions with owners								
Dividends	—	—	(22,763)	—	—	—	—	—
Purchase of treasury shares	—	—	—	(17)	—	—	—	—
Disposal of treasury shares	—	0	—	0	—	—	—	—
Share-based payment transactions	149	377	—	—	—	—	—	—
Change in scope of consolidation	—	—	—	—	—	—	—	—
Acquisition or disposal of non controlling interests	—	(264)	—	—	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	(522)	—	—	157	—	364
Total transactions with owners	149	113	(23,285)	(16)	—	157	—	364
As of December 31, 2024	80,639	76,707	272,382	(323)	43,596	543	(268)	—

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, 2024		28,830	409,875	11,697	421,572
Changes during the period					
Comprehensive income					
Profit		—	71,401	3,089	74,491
Other comprehensive income		14,518	14,518	598	15,116
Total comprehensive income		14,518	85,919	3,688	89,607
Transactions with owners					
Dividends		—	(22,763)	(3,217)	(25,980)
Purchase of treasury shares		—	(17)	—	(17)
Disposal of treasury shares		—	0	—	0
Share-based payment transactions		—	527	—	527
Change in scope of consolidation		—	—	22	22
Acquisition or disposal of non controlling interests		—	(264)	(131)	(396)
Transfer from other components of equity to retained earnings		522	—	—	—
Total transactions with owners		522	(22,516)	(3,326)	(25,843)
As of December 31, 2024		43,871	473,277	12,059	485,336

#### (4) Condensed Consolidated Statement of Cash Flows

Millions of yen

	Fiscal Year Ended December 31, 2023	Fiscal Year Ended December 31, 2024
<b>Cash flows from operating activities</b>		
Profit before tax	84,733	99,852
Depreciation and amortization	26,590	30,011
Impairment loss	2,143	7,220
Interest and dividend income	(1,310)	(1,703)
Interest expenses	3,923	3,754
Foreign exchange loss (gain)	1,311	1,947
Share of loss (profit) of investments accounted for using the equity method	(1,425)	(2,186)
Loss (gain) on sales of fixed assets	(153)	(1,214)
Decrease (increase) in trade and other receivables	(8,277)	508
Decrease (increase) in contract assets	2,890	(12,306)
Decrease (increase) in inventories	(14,600)	(162)
Increase (decrease) in trade and other payables	(28,877)	(12,696)
Increase (decrease) in contract liabilities	28,297	11,360
Increase (decrease) in provisions	(795)	258
Increase / decrease in retirement benefit assets and liabilities	32	(991)
Decrease/increase in consumption taxes receivable/payable	902	(2,300)
Other	(2,848)	3,694
Subtotal	92,536	125,043
Interest income received	1,261	1,489
Dividend income received	1,452	588
Interest expenses paid	(3,770)	(3,606)
Income taxes paid	(21,466)	(22,574)
Net cash provided by operating activities	70,012	100,940
<b>Cash flows from investing activities</b>		
Payments into time deposits	(7,432)	(3,499)
Proceeds from withdrawal of time deposits	7,011	3,969
Purchase of investment securities	(547)	(0)
Proceeds from sales and redemption of investment securities	112	8
Purchase of property, plant and equipment, and intangible assets	(34,467)	(50,892)
Proceeds from sale of property, plant and equipment	281	1,941
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	(325)
Other	(583)	243
Net cash used in investing activities	(35,625)	(48,554)

Millions of yen

	Fiscal Year Ended December 31, 2023	Fiscal Year Ended December 31, 2024
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	(6,068)	(8,054)
Proceeds from long-term borrowings	41,769	1,595
Repayments of long-term borrowings	(13,267)	(2,491)
Repayments of lease liabilities	(6,261)	(6,571)
Proceeds from issuance of bonds	—	10,000
Proceeds from issuance of common shares	0	0
Purchase of treasury shares	(11)	(17)
Dividends paid	(18,943)	(22,763)
Dividends paid to non-controlling interests	(1,875)	(3,217)
Payments for acquisition of interests in subsidiaries from non-controlling interests	—	(397)
Other	—	0
Net cash used in financing activities	(4,658)	(31,915)
Effect of exchange rate changes on cash and cash equivalents	2,713	4,310
Hyperinflation adjustment	(520)	(1,809)
Net increase (decrease) in cash and cash equivalents	31,922	22,971
Cash and cash equivalents at beginning of period	116,137	148,059
Cash and cash equivalents at end of period	148,059	171,031



## (5) Notes to Condensed Consolidated Financial Statements

(Note for the Assumption of Going Concern)

None

(Segment Information)

Fiscal Year Ended December 31, 2023

Millions of yen

	Reportable segments						Others (Note 1)	Total	Adjustment (Note 2,3)	Consolidated (Note 4)
	Building Service & Industrial	Energy	Infrastructur e	Environmen tal	Precision Machinery	Total				
Revenue										
External customers	222,181	167,229	50,178	71,540	246,998	758,128	1,199	759,328	—	759,328
Intersegment and transfers	1,235	424	40	97	2	1,799	826	2,625	(2,625)	—
Total	223,417	167,653	50,218	71,638	247,000	759,927	2,026	761,954	(2,625)	759,328
Segment profit (loss)	15,737	22,347	4,604	6,933	38,285	87,907	(933)	86,974	(949)	86,025
Finance income										1,643
Finance costs										4,361
Share of profit (loss) of investments accounted for using the equity method										1,425
Profit before tax										84,733
Other items										
Depreciation amortization And amortization	6,731	4,980	944	770	7,656	21,083	5,563	26,646	(56)	26,590
Impairment loss	1,440	3	2	40	12	1,498	645	2,144	(0)	2,143
Capital expenditures	9,512	6,513	564	2,748	12,233	31,572	9,344	40,916	(216)	40,699
Affiliates Accounted for by Equity Method Amount invested	—	—	—	7,192	—	7,192	—	7,192	—	7,192

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

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

3: The adjustments of Other Items are the elimination of intersegment transactions.

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

Fiscal Year Ended December 31, 2024

Millions of yen

	Reportable segments						Others (Note 1)	Total	Adjustment (Note 2,3)	Consolidated (Note 4)
	Building Service & Industrial	Energy	Infrastructur e	Environment al	Precision Machinery	Total				
Revenue										
External customers	238,182	210,434	51,118	87,438	278,378	865,552	1,115	866,668	—	866,668
Intersegment and transfers	1,446	444	272	115	1	2,280	1,067	3,347	(3,347)	—
Total	239,628	210,879	51,391	87,554	278,379	867,833	2,183	870,016	(3,347)	866,668
Segment profit (loss)	10,341	28,008	3,697	8,445	50,133	100,625	(2,826)	97,799	153	97,953
Finance income										3,897
Finance costs										4,185
Share of profit (loss) of investments accounted for using the equity method										2,186
Profit before tax										99,852
Other items										
Depreciation amortization And amortization	7,929	5,199	971	879	8,367	23,347	6,731	30,079	(67)	30,011
Impairment loss	7,142	1	2	2	18	7,166	54	7,220	(0)	7,220
Capital expenditures	8,883	7,671	1,383	4,281	19,989	42,210	16,511	58,721	(91)	58,630
Affiliates Accounted for by Equity Method Amount invested	—	—	—	8,683	—	8,683	—	8,683	—	8,683

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

2: The "Adjustment" item for segment profit shows eliminations of intersegment transactions.

3: The adjustments of Other Items are the elimination of intersegment transactions.

4: Segment profit is adjusted with operating profit in the condensed consolidated statement of income.

(Impairment of non-financial assets)

Goodwill relating to Vansan Makina Sanayi ve Ticaret A.S., and a consolidated subsidiary located in Turkey was determined to show signs of impairment based on the business environment and recent performance trends, including continued high inflation and rising labor costs and so on in Turkey. As a result of the impairment test, the recoverability of goodwill is not recognized, the carrying amount of goodwill is fully reduced and an impairment loss of ¥7,085 million is recorded in "Other expenses." The recoverable amount of the impairment test is based on value in use, which is calculated primarily by discounting the estimated cash flows based on management-approved business plans and growth rates to present value using a discount rate of 39.6% based on the pre-tax weighted average cost of capital.

In accordance with IAS 29, "Financial Reporting in Hyperinflationary Economies," the difference from the impairment loss of ¥6,483 million recorded in the third quarter of the fiscal year reflects changes in the Turkish consumer price index and the spot exchange rate over a three-month period.

(Per Share Data of Common Shares)

1. Computation of Basic earnings per Share

	Fiscal Year Ended December 31, 2023	Fiscal Year Ended December 31, 2024
Profit attributable to owners of parent (Millions of yen)	60,283	71,401
Weighted average number of common shares outstanding (in thousands)	461,134	461,796
Basic earnings per share (Yen)	130.73	154.62

Note: The Company conducted a 5-for-1 stock split of its common stock with an effective date of July 1, 2024. Basic earnings per share is calculated on the assumption that the stock split was executed at the beginning of the previous fiscal year.

2. Computation of Diluted earnings per Share

	As of December 31, 2023	As of December 31, 2024
Profit attributable to owners of parent (Millions of yen)	60,283	71,401
Adjustment to net income (Millions of yen)	—	—
Net income used to calculate basic earnings per share, diluted (millions of yen)	60,283	71,401
Weighted average number of common shares outstanding (in thousands)	461,134	461,796
Adjusted number of shares related to stock options (Thousands of shares)	767	548
Weighted average number of diluted common shares outstanding (in thousands)	461,902	462,345
Basic earnings per share, diluted (yen)	130.51	154.43

Notes 1: None were excluded from the calculation of the average number of diluted common shares outstanding during the period as anti-dilutive.

2: The Company conducted a 5-for-1 stock split of its common stock with an effective date of July 1, 2024. Basic earnings per share, diluted is calculated on the assumption that the stock split was executed at the beginning of the previous fiscal year.

(Contingency)

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

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

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

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

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

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

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

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

Based on the content of the judgment, EEP recorded ¥836 million in compensation for damages and late payment charges to Gifu City in EEP in the current accounting period in the provision for loss on litigation and the same amount in other non-current assets that we expect to allocate in the future in light of the insurance policies, insured in the case, and presented income and expenses on a net basis. The impact of this lawsuit on the Company's consolidated financial results is considered immaterial.

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

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

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

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

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

(Significant Subsequent Events)

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 impact of the event on the consolidated financial results.

## **4. Others**

### **(1) Changes of Directors and Executive Officers**

Please refer to the "Notice of Changes of Directors and Executive Officers" announced today.



## (2) Segment Information

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

Billions of yen

	Fiscal Year Ended December 31, 2023	Fiscal Year Ended December 31, 2024			Six Months Ending June 30, 2025	Fiscal Year Ending December 31, 2025
	Actual	Actual	Change	Change Ratio (%)	Forecast	Forecast
Orders Received						
Building Service & Industrial	221.3	244.4	23.0	10.4	120.0	255.0
Energy	222.7	222.7	(0.0)	(0.0)	110.0	210.0
Infrastructure	56.6	60.5	3.9	6.9	27.0	56.0
Environmental	100.8	71.5	(29.2)	(29.0)	59.0	97.0
Precision Machinery	217.7	260.0	42.2	19.4	140.0	320.0
Others	1.1	1.2	0.0	4.7	1.0	2.0
Total	820.5	860.5	39.9	4.9	457.0	940.0
Revenue						
Building Service & Industrial	222.1	238.1	16.0	7.2	120.0	250.0
Energy	167.2	210.4	43.2	25.8	97.0	200.0
Infrastructure	50.1	51.1	0.9	1.9	33.5	58.0
Environmental	71.5	87.4	15.8	22.2	40.5	90.0
Precision Machinery	246.9	278.3	31.3	12.7	140.0	300.0
Others	1.1	1.1	(0.0)	(7.0)	1.0	2.0
Total	759.3	866.6	107.3	14.1	432.0	900.0
Operating Profit						
Building Service & Industrial	15.7	10.3	(5.3)	(34.3)	8.0	18.0
Energy	22.3	28.0	5.6	25.3	8.5	24.5
Infrastructure	4.6	3.6	(0.9)	(19.7)	4.5	5.0
Environmental	6.9	8.4	1.5	21.8	3.0	6.5
Precision Machinery	38.2	50.1	11.8	30.9	20.0	51.0
Others & Adjustment	(1.8)	(2.6)	(0.7)	42.0	(2.0)	(3.5)
Total	86.0	97.9	11.9	13.9	42.0	101.5
Backlog of Orders Received						
Building Service & Industrial	60.6	68.7	8.0	13.2	68.7	73.7
Energy	210.1	239.0	28.8	13.7	252.0	249.0
Infrastructure	67.4	76.9	9.5	14.2	70.4	74.9
Environmental	346.9	344.4	(2.5)	(0.7)	362.9	351.4
Precision Machinery	205.4	187.9	(17.5)	(8.5)	187.9	207.9
Others	0.0	0.1	0.1	314.3	0.1	0.1
Total	890.7	917.1	26.4	3.0	942.1	957.1

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

Billions of yen

	Fiscal Year Ended December 31, 2023	Fiscal Year Ended December 31, 2024			Six Months Ending June 30, 2025	Fiscal Year Ending December 31, 2025
	Actual	Actual	Change	Change Ratio (%)	Forecast	Forecast
Orders Received						
Components	89.9	102.9	13.0	14.5	50.0	111.0
CMP Systems	117.9	143.0	25.0	21.2	80.0	187.0
Others	9.8	14.0	4.1	42.3	10.0	22.0
Total of PM	217.7	260.0	42.2	19.4	140.0	320.0
Revenue						
Components	97.4	110.0	12.6	13.0	52.5	111.0
CMP Systems	144.7	157.3	12.5	8.7	81.0	168.5
Others	4.7	10.9	6.1	128.6	6.5	20.5
Total of PM	246.9	278.3	31.3	12.7	140.0	300.0

### (3) Area Information

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

Billions of yen

	Fiscal Year Ended December 31, 2023		Fiscal Year Ended December 31, 2024		
	Actual	Composition (%)	Actual	Composition (%)	Change
Revenue					
Japan	367.0	48.3	418.3	48.3	51.3
North America	138.5	18.3	166.5	19.2	27.9
Asia (except Japan)	186.7	24.6	209.0	24.1	22.2
Others	66.9	8.8	72.7	8.4	5.7
Total	759.3	100.0	866.6	100.0	107.3
Operating Profit					
Japan	40.2	46.8	49.3	50.3	9.0
North America	14.2	16.6	19.4	19.8	5.1
Asia (except Japan)	27.4	32.0	30.2	30.9	2.7
Others	8.0	9.3	1.1	1.2	(6.8)
Adjustment	(3.9)	(4.6)	(2.2)	(2.3)	1.7
Total	86.0	100.0	97.9	100.0	11.9

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

Billions of yen

	Fiscal Year Ended December 31, 2023		Fiscal Year Ended December 31, 2024		
	Actual	Composition (%)	Actual	Composition (%)	Change
Revenue					
Japan	271.3	35.7	290.6	33.5	19.3
China	131.8	17.4	190.2	21.9	58.3
Other Asia	139.7	18.4	129.1	14.9	(10.5)
North America	80.9	10.7	123.6	14.3	42.7
Europe	63.9	8.4	53.9	6.2	(9.9)
Middle East	39.7	5.2	45.5	5.3	5.8
Others	31.7	4.2	33.3	3.8	1.5
Total	759.3	100.0	866.6	100.0	107.3

**(4) Employees**

	As of December 31, 2023	As of December 31, 2024	
	Numbers	Numbers	Change
Employees			
Building Service & Industrial	7,490	7,608	118
Energy	3,259	3,449	190
Infrastructure	1,555	1,585	30
Environmental	2,755	2,824	69
Precision Machinery	3,374	3,660	286
Others & Corporate	1,196	1,384	188
Total	19,629	20,510	881
Ebara Corporation	4,688	5,109	421
Domestic Consolidated Subsidiaries	4,013	4,130	117
Overseas Consolidated Subsidiaries	10,928	11,271	343