



MIDAC HOLDINGS CO., LTD.

[Securities Code: 6564]

Fiscal Year Ended March 31, 2025 (3Q)  
Financial Results Information

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[1] Financial Results for 3Q of FY2024

[2] Future Outlook

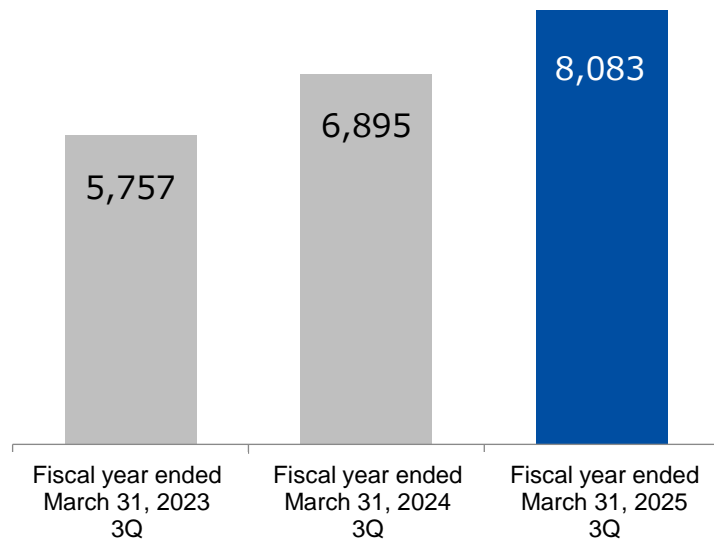
[3] Topics

[4] Corporate Profile

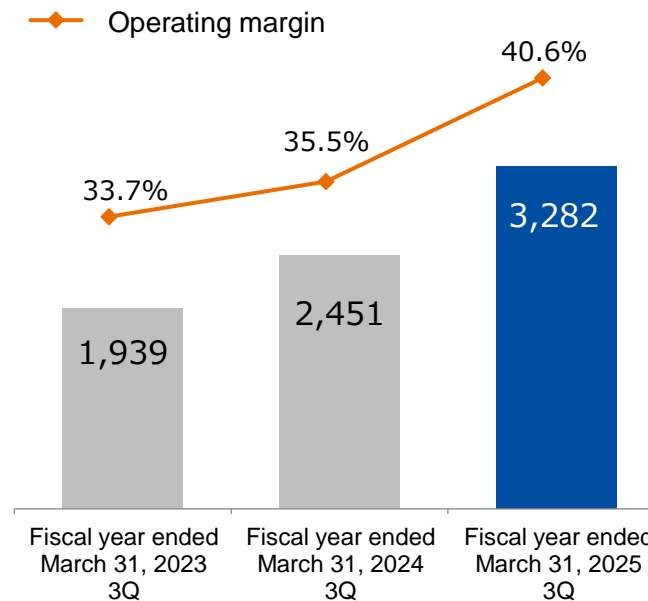
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- Net sales: **8,083 million yen** (Year on year +17.2%)
- Operating income: **3,282 million yen** (Year on year +33.9%)
- Net income: **2,040 million yen** (Year on year +63.0%)

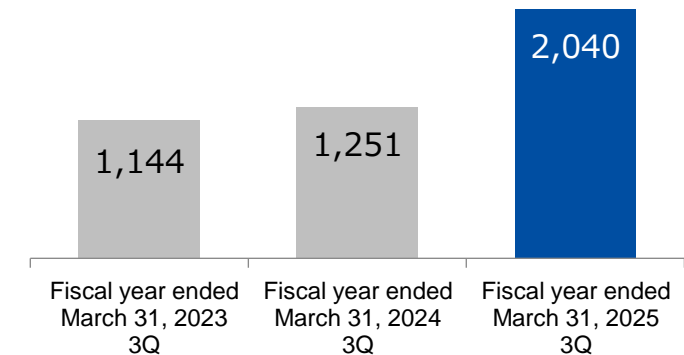
<Net sales>



<Operating income>



<Net income>\*



\*Net income attributable to the parent company's shareholders

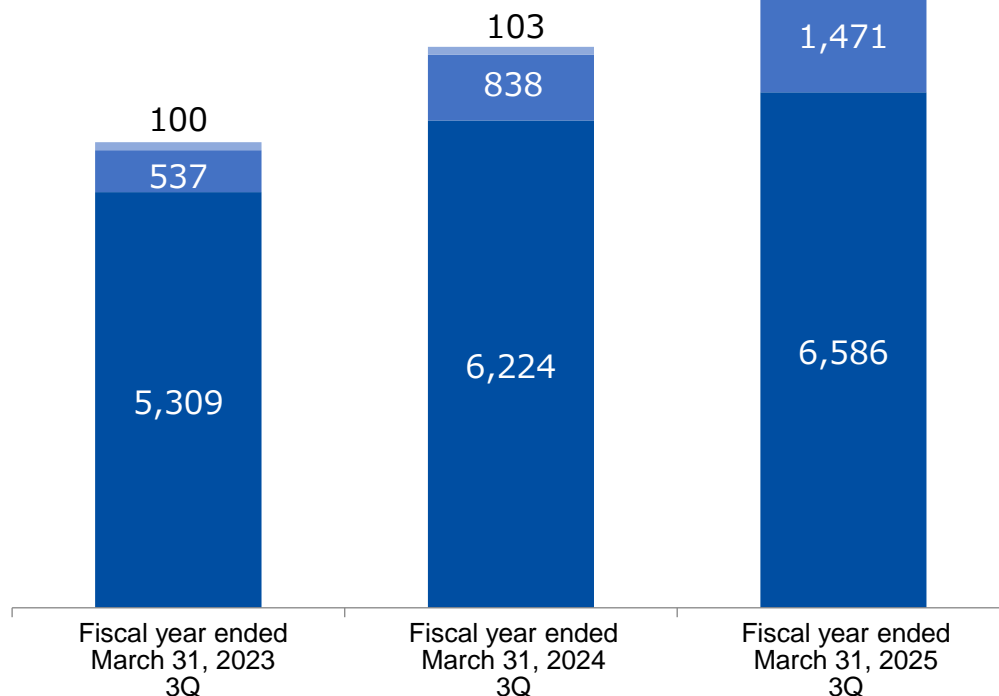
# [1] – 2 Financial Results for 3Q of FY2024 (Analysis by Segment)

- In the waste treatment business, the amount of contracted waste at landfill sites increased significantly due to strong disposal demand.
- The collection and transportation business performed well due to the contribution of Friend Sanitary's business performance and an increase in the volume of general waste contracts.
- The intermediary management business performed well in terms of referrals to partner companies as a result of focusing on acquiring regular projects.

## Net Sales by Segment

(In million yen)

■ Intermediary management  
■ Collection and transportation  
■ Waste treatment

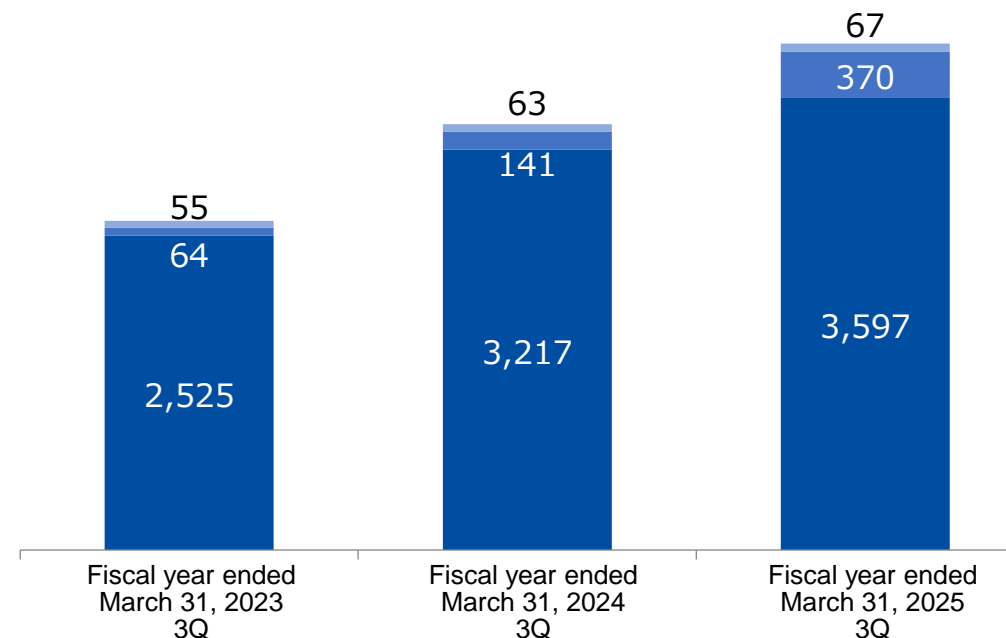


\*Include internal transactions

## Profit by Segment

(In million yen)

■ Intermediary management  
■ Collection and transportation  
■ Waste treatment



\*Include internal transactions

# [1] – 3 Financial Results for 3Q of FY2024 (Comparison with Projected Results)



- We worked to contract new large-scale projects and expand business with existing business partners, particularly for controlled landfill sites.
- Net sales and respective profits performed steadily, and we announced revised performance forecasts (Please refer to page 7: Revision of Financial Forecasts).

(In million yen)

	Initial forecast FY2024	FY2024 3Q results	Composition ratio	Percentage against forecast
Net sales	10,391	8,083	100.0%	77.8%
Cost of sales	4,266	3,076	38.1%	72.1%
Gross operating income	6,125	5,007	61.9%	81.8%
Selling expenses and general and administrative expenses	2,275	1,724	21.3%	75.8%
Operating income	3,849	3,282	40.6%	85.3%
Non-operating income	144	26	—	—
Non-operating expenses	112	101	—	—
Ordinary profit	3,881	3,206	39.7%	82.6%
Extraordinary profit	0	0	—	—
Extraordinary loss	0	0	—	—
Net income before tax	3,881	3,206	39.7%	82.6%
Corporate taxes	1,396	1,166	—	—
Net income *	2,484	2,040	25.2%	82.1%

\*Net income attributable to the parent company's shareholders

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## [2] – 1 Future Outlook (Revision of Financial Forecasts)

- On February 14, 2025, we announced a revision to our consolidated financial forecasts.
- We revised our consolidated financial forecasts upward as waste treatment demand is expected to remain steady.

(In million yen)

	Initial forecast FY2024	Revised forecast FY2024	Change	Percentage change
Net sales	10,391	<b>10,690</b>	+299	2.9%
Cost of sales	4,266	<b>3,974</b>	-291	-6.8%
Gross operating income	6,125	<b>6,715</b>	+590	9.6%
Selling expenses and general and administrative expenses	2,275	<b>2,300</b>	+24	1.1%
Operating income	3,849	<b>4,415</b>	+565	14.7%
Non-operating income	144	<b>27</b>	-116	—
Non-operating expenses	112	<b>119</b>	+7	—
Ordinary profit	3,881	<b>4,323</b>	+442	11.4%
Extraordinary profit	0	<b>0</b>	0	—
Extraordinary loss	0	<b>0</b>	0	—
Net income before tax	3,881	<b>4,323</b>	+442	11.4%
Corporate taxes	1,396	<b>1,546</b>	+150	—
Net income	2,484	<b>2,777</b>	+292	11.8%



## [2] – 2 Future Outlook (Response to External Environment)

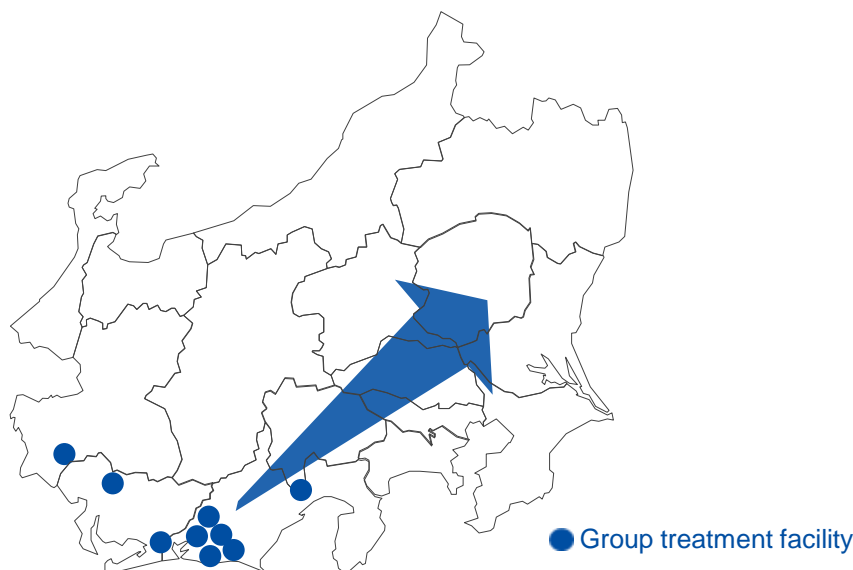
- We are developing efficient and wide-area sales to robust industries and business partners by demonstrating the superiority of our treatment facilities and licenses.
- In order to promote efficient operation, we will clearly separate roles when there are two controlled landfill sites in the same area.
- We will aim to improve the operating rate of each intermediate treatment facility by continuously strengthening the waste receiving system.



## [2] – 3 Future Outlook (Medium- to Long-term Growth Strategy)

- To select our business area and keep growing, it is inevitable to establish new facilities in promising areas where demand is expected.
- By selecting some potential sites for incineration, final treatment facilities near the Pacific belt zone, promoting plans in parallel, and obtain the permission for establishment at an early stage thus further expansion our business.

### Focus on the expansion to the Kanto region



- Focus on the expansion in Kanto region, and select some site candidates for new industrial waste treatment facilities.
- For the expansion of new waste treatment facilities, we shall not restrict our plans to our own development, but take flexible and speedy measures including M&A.

### Our own development



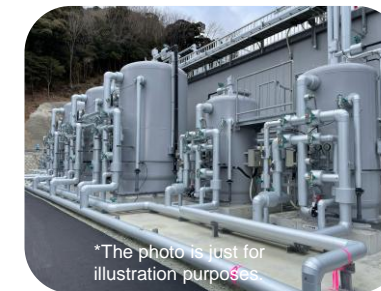
February 2022: Operation

Controlled landfill site  
(Okuyama-No-Mori Clean Center)



March 2022: Land acquisition

Incineration facility



Operation start scheduled  
in April 2026

Water treatment facility  
(tentative name:  
Miyakoda Business Office)

### Aggressive and speedy M&A



December 2015  
MIDAC CO., LTD.



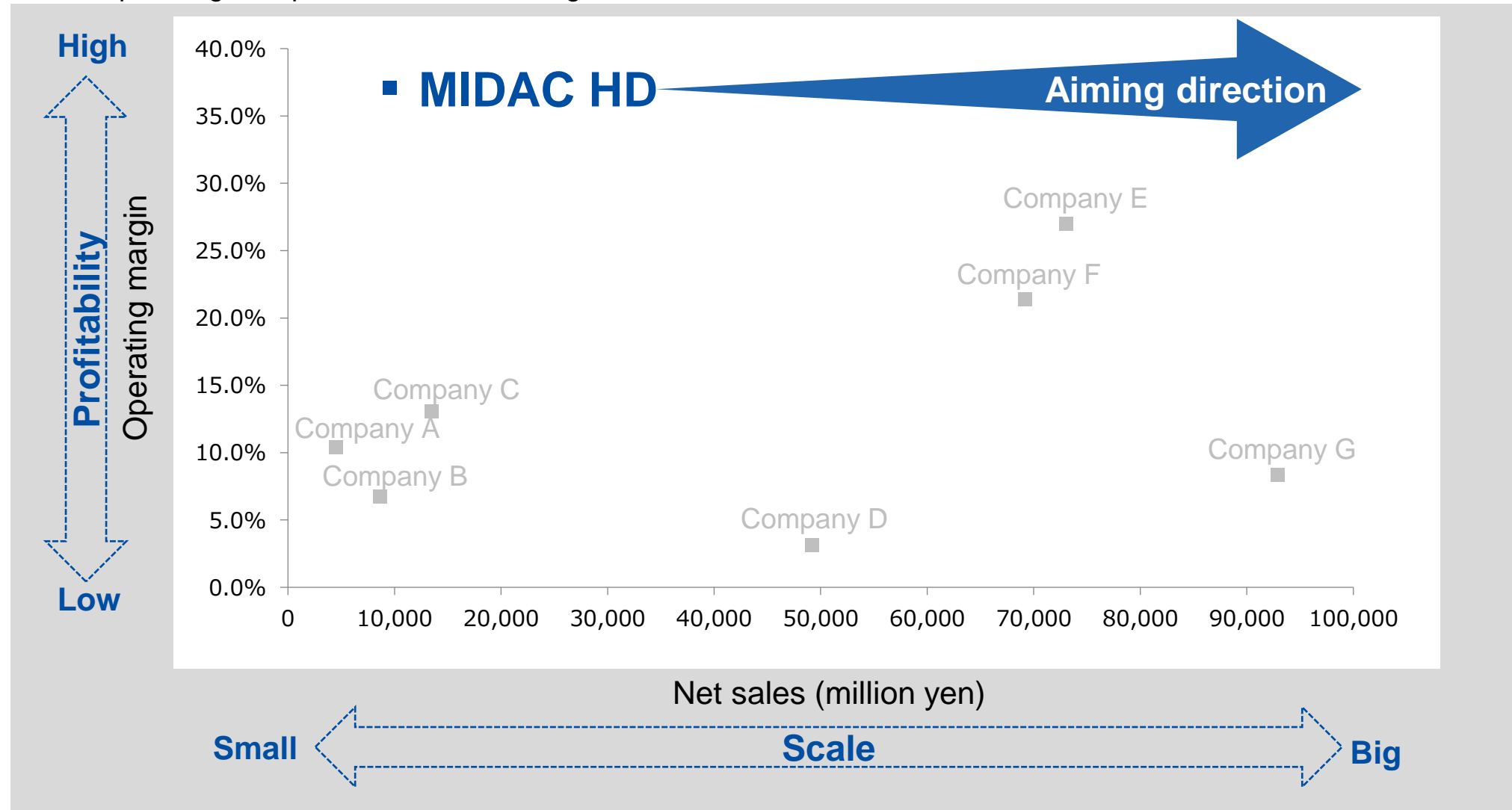
October 2021  
MIDAC KONAN CO., LTD.



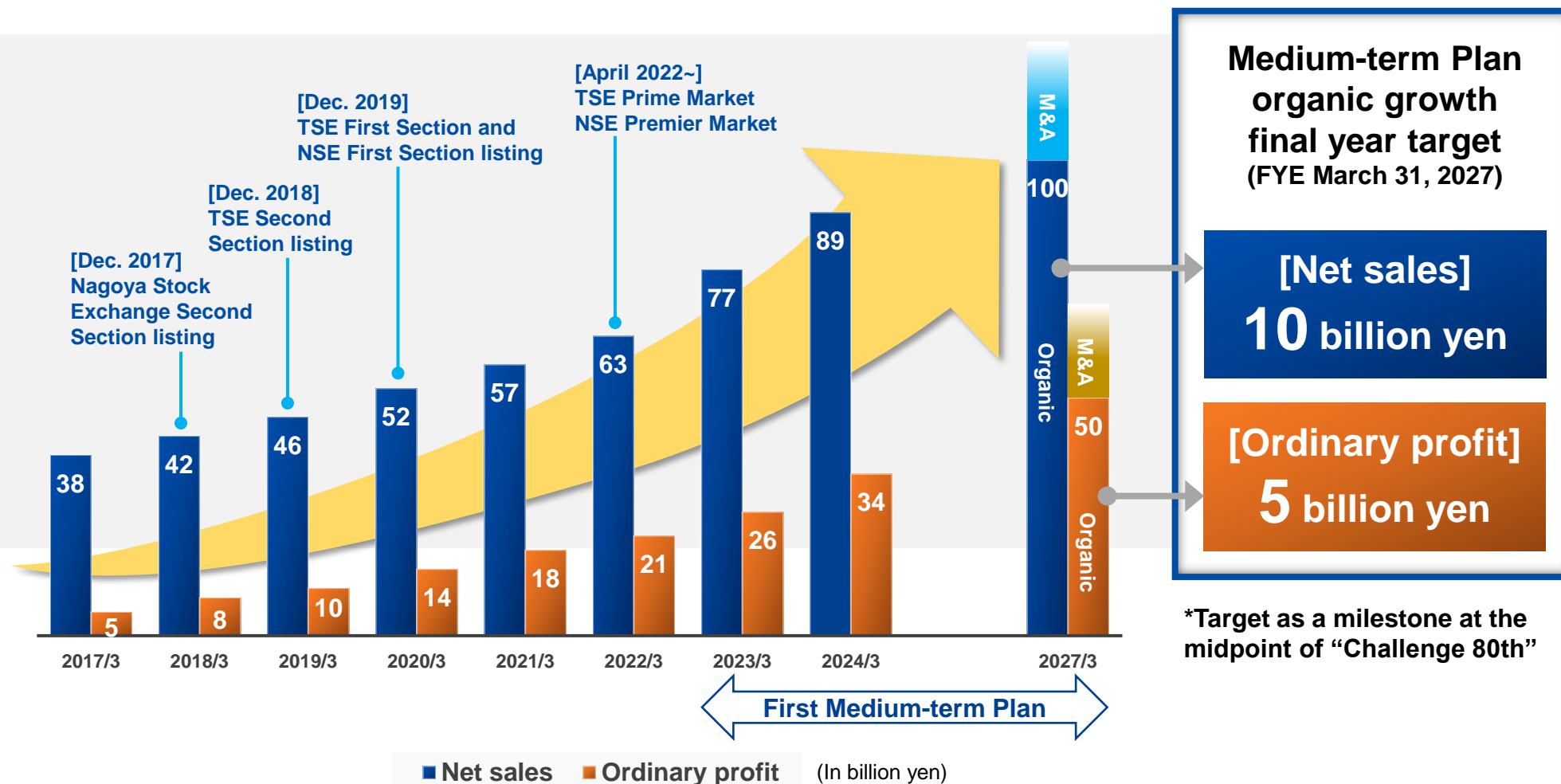
September 2023  
FRIEND SANITARY  
CO., LTD.

## [2] – 4 Future Outlook (Comparison with Competitors and Aiming Direction)

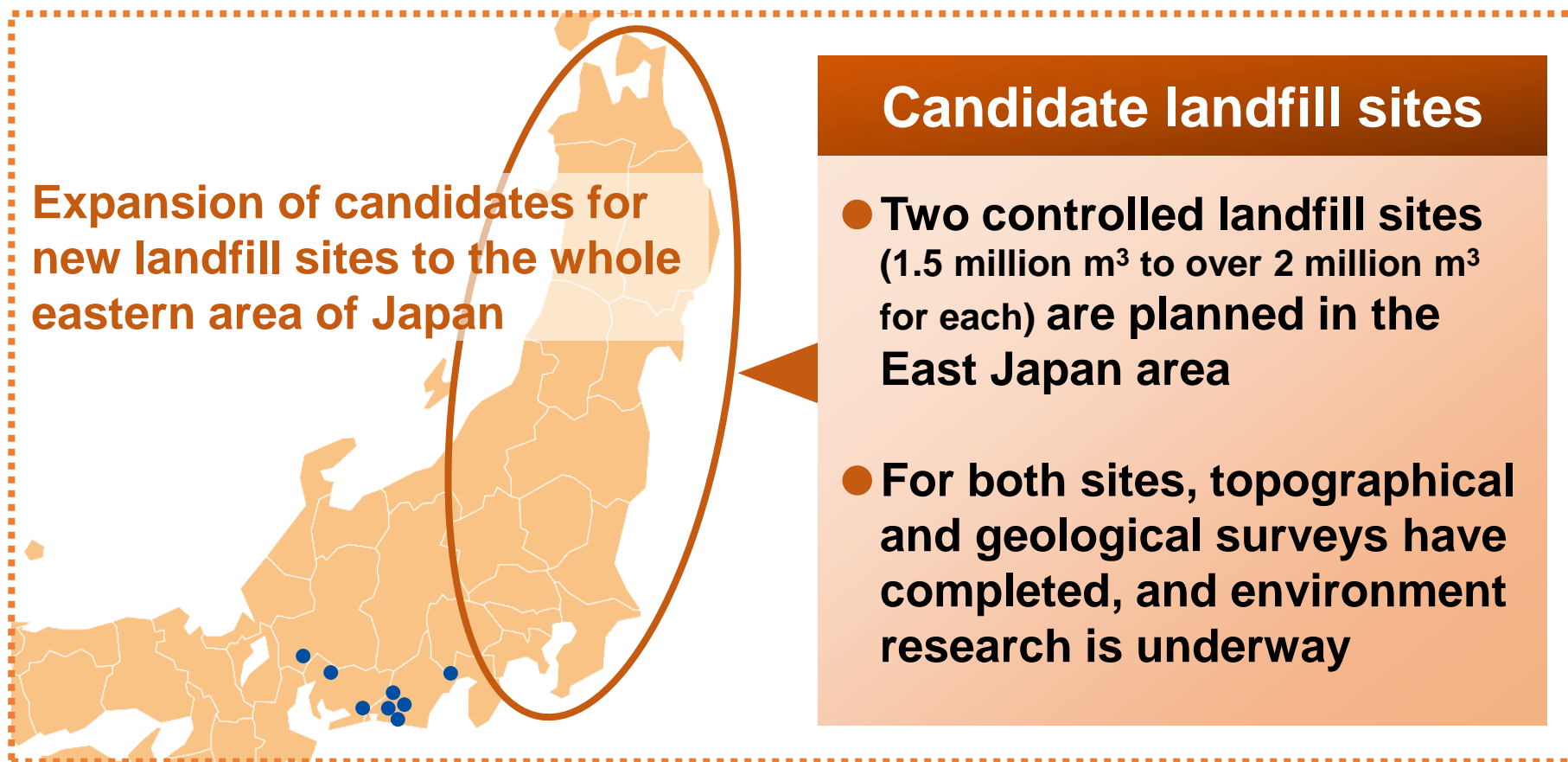
- Net sales recorded 9,547 million yen, and the scale is smaller than competitors. However, we are maintaining a high operating margin recording 37.1%. (Results for the fiscal year ended March 31, 2024)
- We will keep aiming to expand into the Kanto region and enhance our scale.



## Sustain growth and achieve net sales of 10 billion yen and ordinary profit of 5 billion yen through organic growth alone, excluding M&A growth



**We will promote development by establishing a wide range of site candidates for landfill sites for which it may be difficult to obtain permits.**



[1] Financial Results for 3Q of FY2024

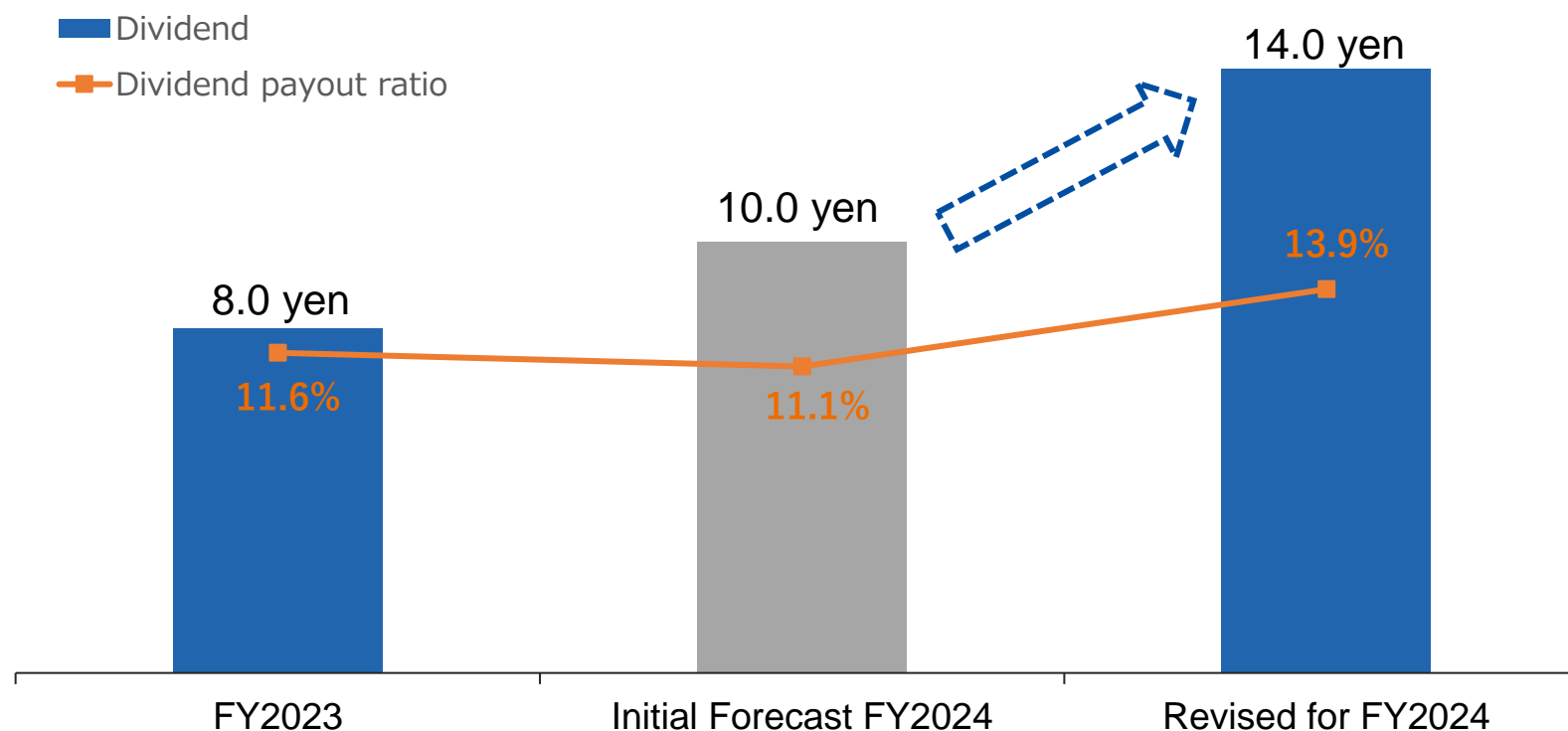
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- Our policy is to pay stable dividends on an ongoing basis while strengthening our management base and financial position.
- Internal reserves will be allocated to investments for further business expansion in the future.
- After comprehensively considering performance trends, financial position, etc., **we have revised the dividend per share upward from 10.0 yen to 14.0 yen.**



[1] Financial Results for 3Q of FY2024

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Company Name	: MIDAC HOLDINGS CO., LTD.
Founded	: April 1952
Capital Fund	: 90 million yen
Representative	: President & Representative Director Keiko Kato
Head Office	: 2163 Aritama Minami-machi, Chuo-ku, Hamamatsu, Shizuoka
Number of Employees	: 402* (As of the end of December 2024: group consolidated basis)
Subsidiary	: MIDAC CO., LTD. / MIDAC LINER CO., LTD. / SANKO CO., LTD. / MIDAC KONAN CO., LTD. / ENSHU CRUSHED STONE CO., LTD. / FRIEND SANITARY CO., LTD. / LOVE THY NEIGHBOR CO., LTD. / IWAHARA ORCHARDS CO., LTD.
Affiliated Company	: GREEN CIRCULAR FACTORY CO., LTD.

\*Includes temporary workers

## <<Business Profile>>

- Collection, transportation and treatment of industrial waste and specially controlled industrial waste
- Collection, transportation and treatment of general waste

## <<Our Business Facilities>>

● MIDAC ● Midac Liner ● Sanko ● Midac Konan ● Enshu Crushed Stone ● Friend Sanitary

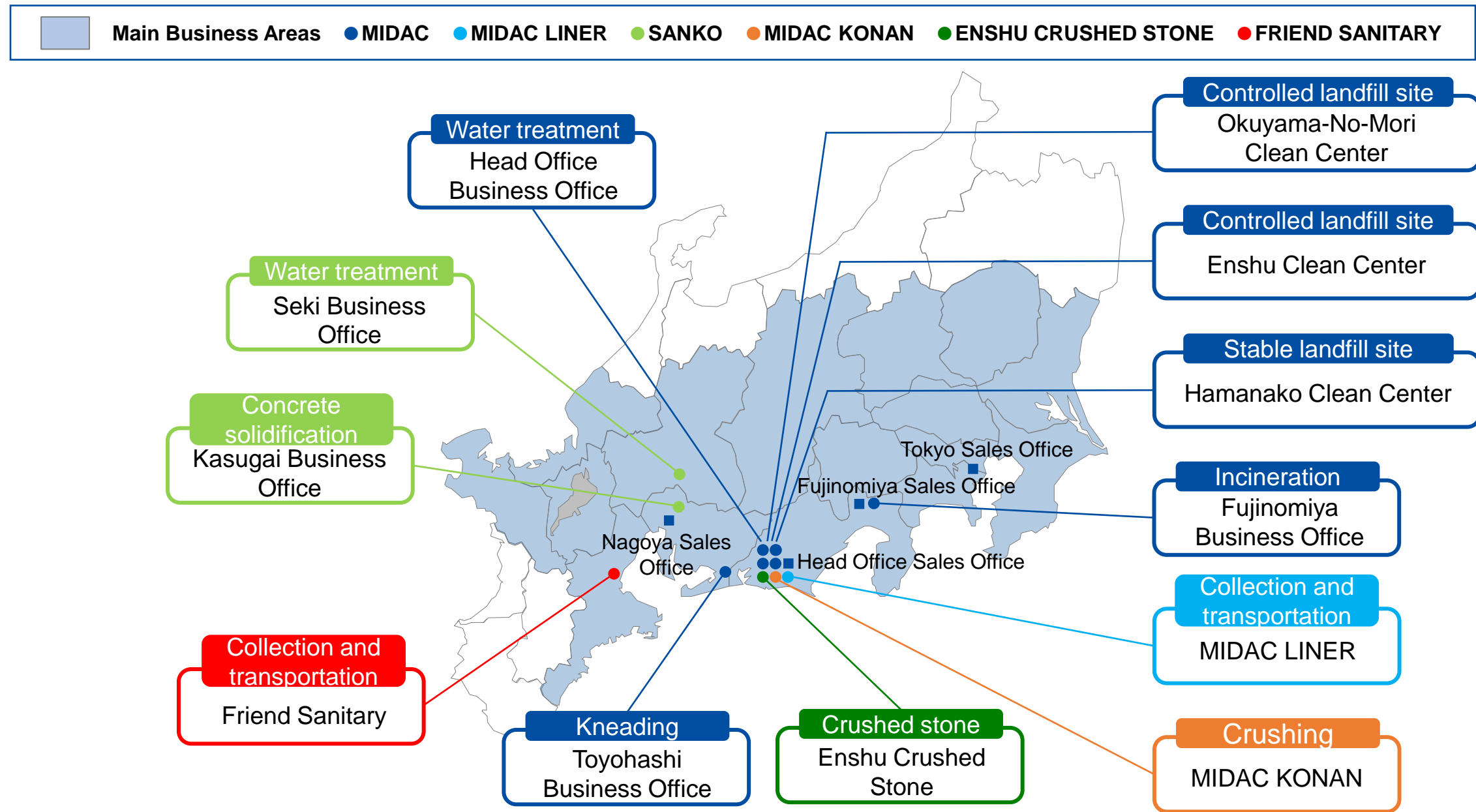
### Business Offices

- Fujinomiya Business Office (incineration)
- Head Office Business Office (water treatment, collection transportation)
- Toyohashi Business Office (kneading)
- MIDAC LINER CO., LTD. (collection and transportation)
- Kasugai Business Office (concrete solidification)
- Seki Business Office (water treatment)
- MIDAC KONAN CO., LTD. (crushing)
- Enshu Crushed Stone (crushed stone)
- Friend Sanitary (collection and transportation)

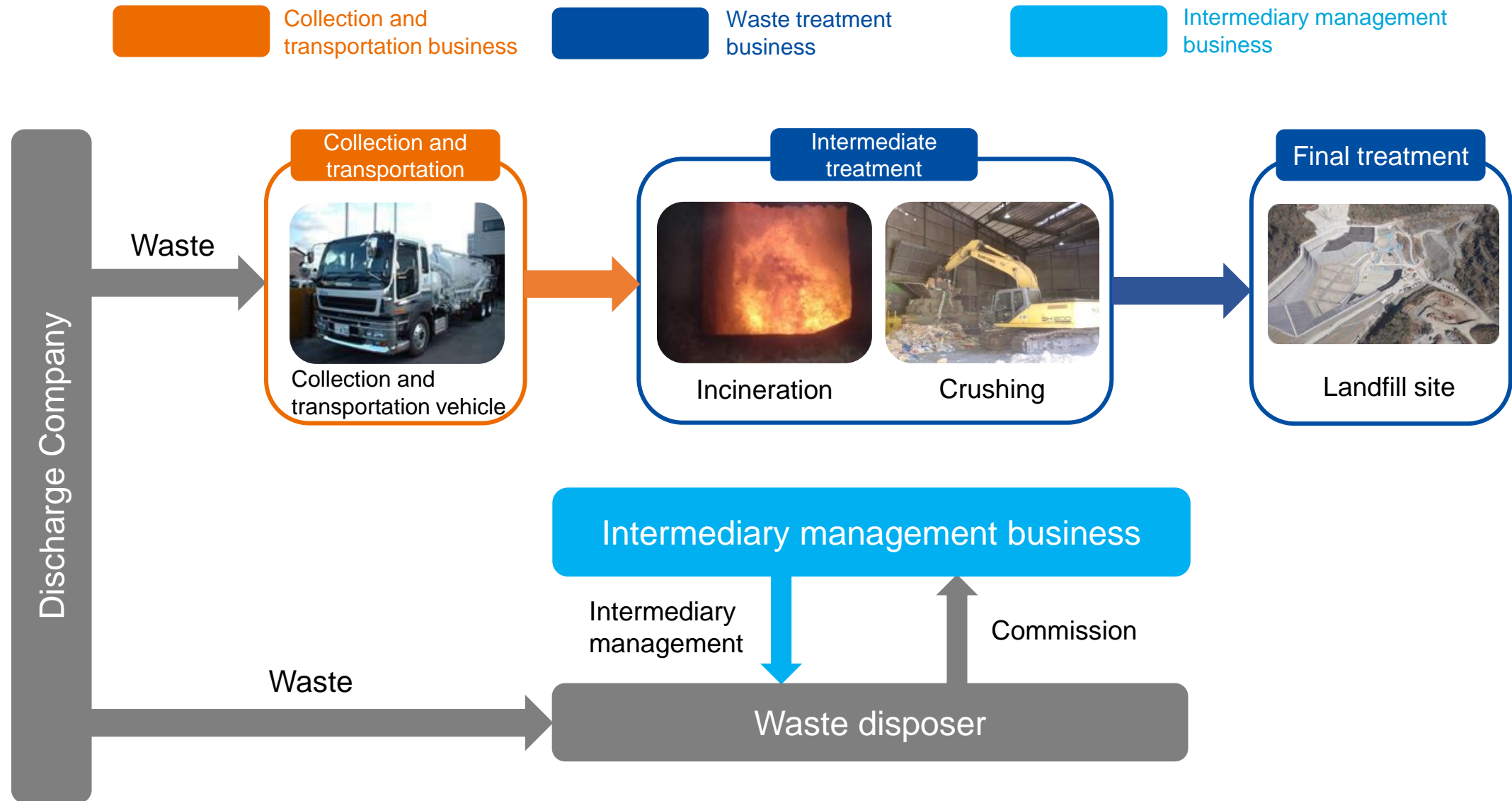
### Sales Offices

- Tokyo Sales Office (Kawasaki City, Kanagawa Prefecture)
- Fujinomiya Sales Office (Fujinomiya City, Shizuoka Prefecture)
- Head Office Sales Office (Hamamatsu City, Shizuoka Prefecture)
- Nagoya Sales Office (Nagoya City, Aichi Prefecture)

## [4] – 2 Corporate Profile (List of Business Units)

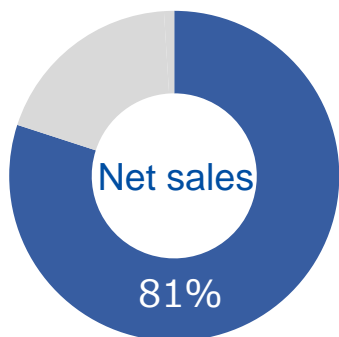


# [4] – 3 Corporate Profile (Waste Treatment Process)



# [4] – 4 Corporate Profile (List of Segments)

## <Waste treatment business>



- We provide waste treatment services at our main facilities.
- Our waste treatment services consist of intermediate treatment and final treatment.
- This is the core business of our group and we have a wide variety of waste treatment facilities.

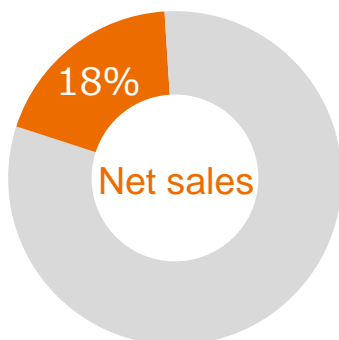


Fujinomiya Business Office  
(incineration)



Okuyama-No-Mori CC  
(landfill site)

## <Collection and transportation business>



- We provide waste collection and transportation services.
- We have various types of vehicles to transport various waste, including solids and liquids.
- Incidental cleaning services are also available.

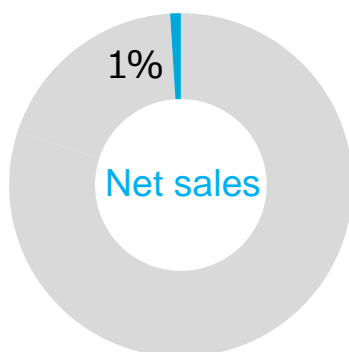


Collection and transportation vehicle  
(industrial waste collection and transportation)



Collection and transportation vehicle  
(general collection and transportation)

## <Intermediary management business>



- We provide customer referral services to other waste disposers.
- We offer appropriate treatment solutions for waste materials that are difficult for us to dispose of or waste materials that are generated outside of our trade area.



Fujinomiya Sales Office



Tokyo Sales Office

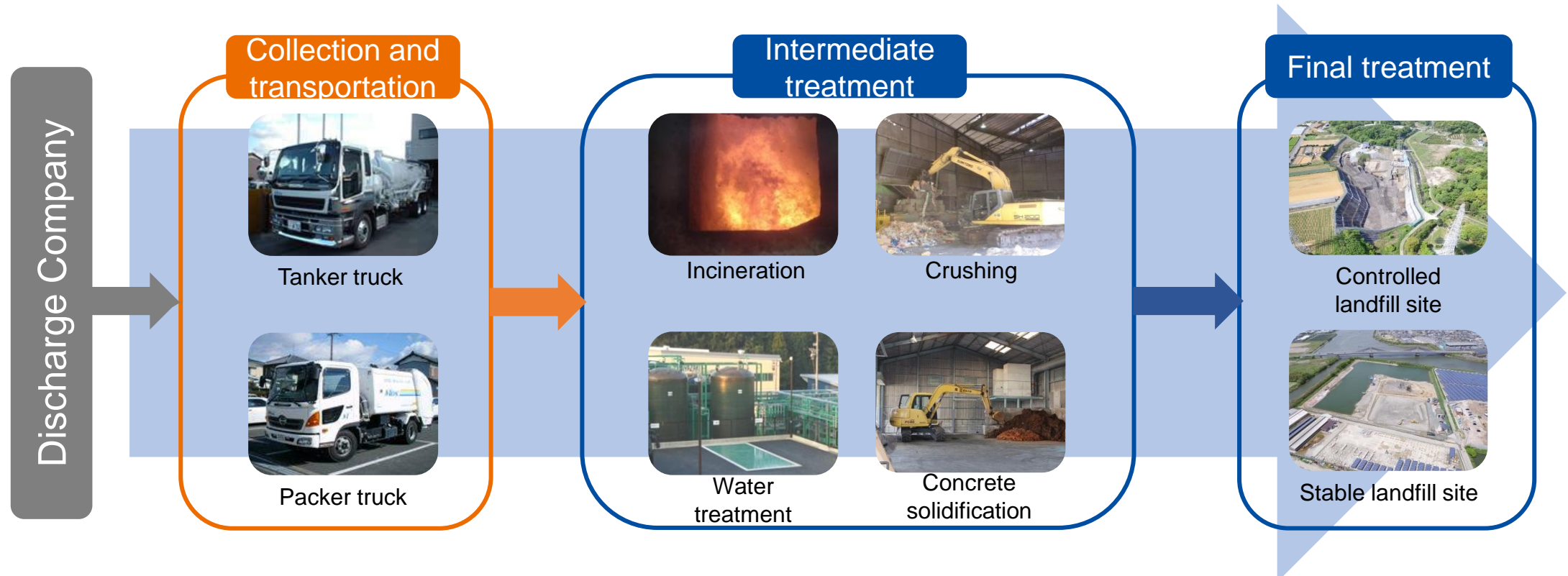
\*Net sales will include intra-group sales.



## [4] – 5 Corporate Profile (Integrated Treatment System)

- Unlike many of our competitors who are engaged only in waste collection and transportation business or intermediate treatment business, our group has an integrated treatment system for offering a full range of services, from collection and transportation to final treatment through various facilities of our group.

### Integrated Treatment System



- Discharge companies feel safe to outsource waste treatment without worrying about the risk of inappropriate disposal / transfer of waste treatment.
- By processing waste materials generated within our group in-house, we can achieve synergy effects such as reducing the cost of intermediate treatment facilities and increasing competitiveness.

[1] Financial Results for 3Q of FY2024

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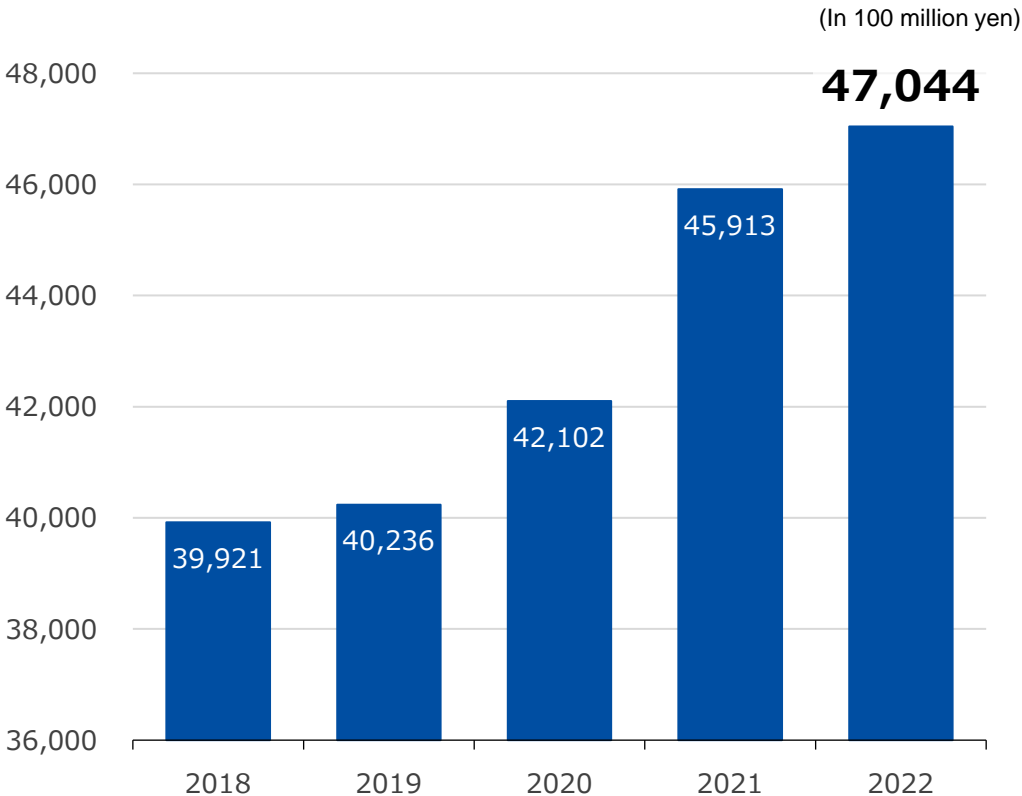
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[5] – 1 Industrial Environment (Market Size and Waste Generation Ratio Per Region)



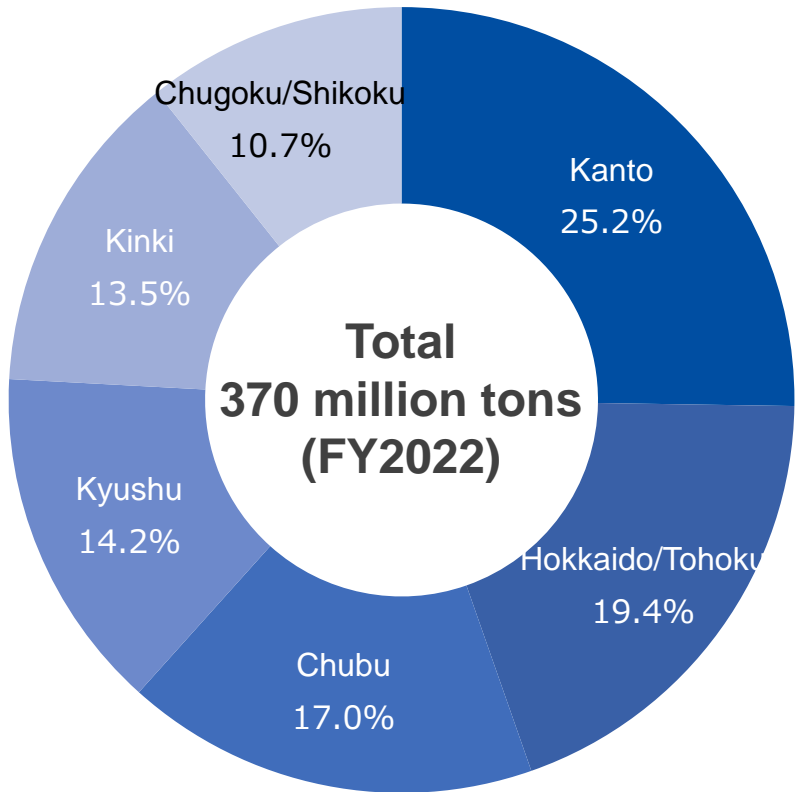
- The estimated market size of the domestic waste treatment and recycling services industries is **approximately 4.7 trillion yen.**
- By region, **Kanto** features the highest volume of industrial waste generated, followed by Hokkaido, Tohoku and Chubu.

Waste treatment and recycling services market size



Source: "Report on the Market Size and Employment of the Environmental Industry (March 2024)," the Ministry of the Environment

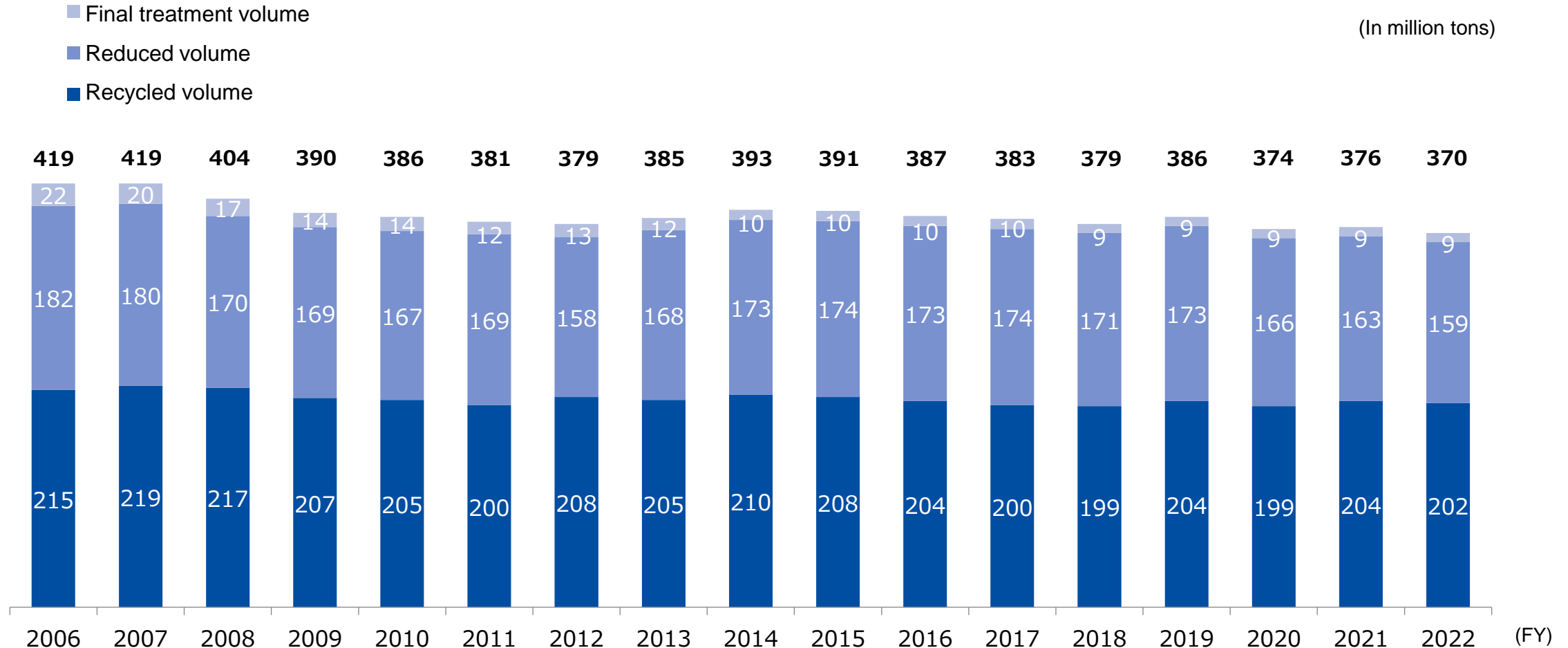
Composition ratio of industrial waste by region



Source: "Industrial Waste Discharge and Treatment Status (Preliminary Figures for FY2022)", the Ministry of the Environment (Japanese only)

## [5] – 2 Industrial Environment (Total Volume of Industrial Waste)

- The total volume of industrial waste in FY2022 was 370 million tons, showing no significant change.
- It is predicted that certain volume of waste will continue to arise in the future.



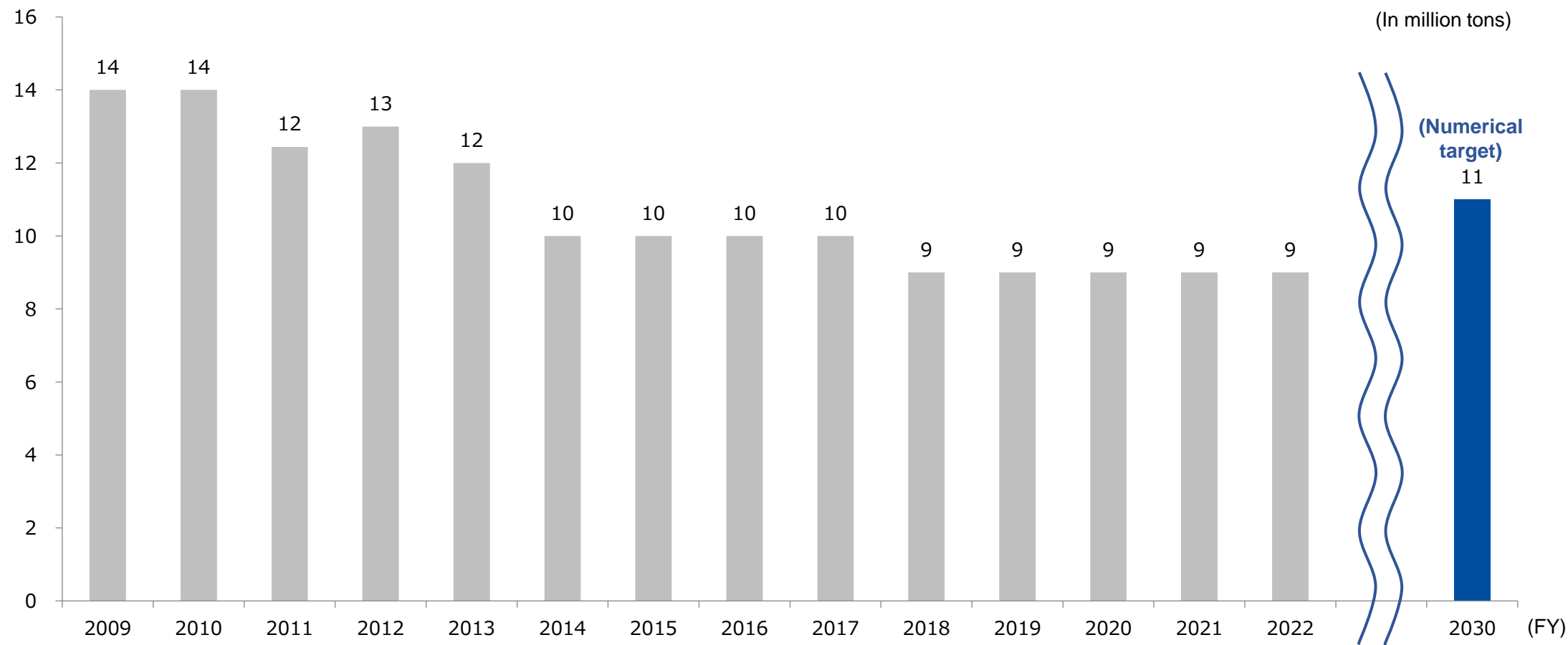
Source: "Industrial Waste Discharge and Treatment Status Research Report (Preliminary Figures for FY2022)", the Ministry of the Environment (Japanese only)



# [5] – 3 Industrial Environment (Trends in Landfill Site)



- The Fundamental Plan for Establishing a Sound Material-Cycle Society sets a numerical target of **approximately 11 million tons** for the final treatment volume in FY2030.
- The final treatment of waste will inevitably occur in the future, and therefore landfill sites are indispensable to society.



Source: "Industrial Waste Discharge and Treatment Status Research Report (Preliminary Figures for FY2022)" published by the Ministry of the Environment and "Fundamental Plan for Establishing a Sound Material-Cycle Society (August 2024)" published by the Ministry of the Environment (Japanese only)

## [5] – 4 Industrial Environment

### (Remaining Capacity and Remaining Years for Industrial Waste Landfill Sites)

- The remaining capacity of landfill sites is approx. 171.09 million m<sup>3</sup>, an increase of approx. 14.02 million m<sup>3</sup> (8.9%) from the previous year.
- As of April 1, 2022, nationwide there are **19.7 years** remaining for landfill sites, and **13.4 years** for the Tokyo metropolitan area.
- **1,568 landfill sites** have been approved nationwide.

#### 1. Landfill site remaining capacity (as of April 1, 2022)

Landfill site	Remaining capacity (10,000 m <sup>3</sup> )
Shielded landfill sites	2
Stable landfill sites	5,923
Controlled landfill sites	11,183
Total	17,109

#### 2. Industrial waste landfill sites remaining capacity and remaining years (as of April 1, 2022)

Category	Landfill capacity (10,000 t)	Remaining capacity (10,000 m <sup>3</sup> )	Remaining years (years)
Nationwide	869	17,109	19.7
Tokyo metropolitan area	148	1,989	13.4
Kinki area	129	2,651	20.5

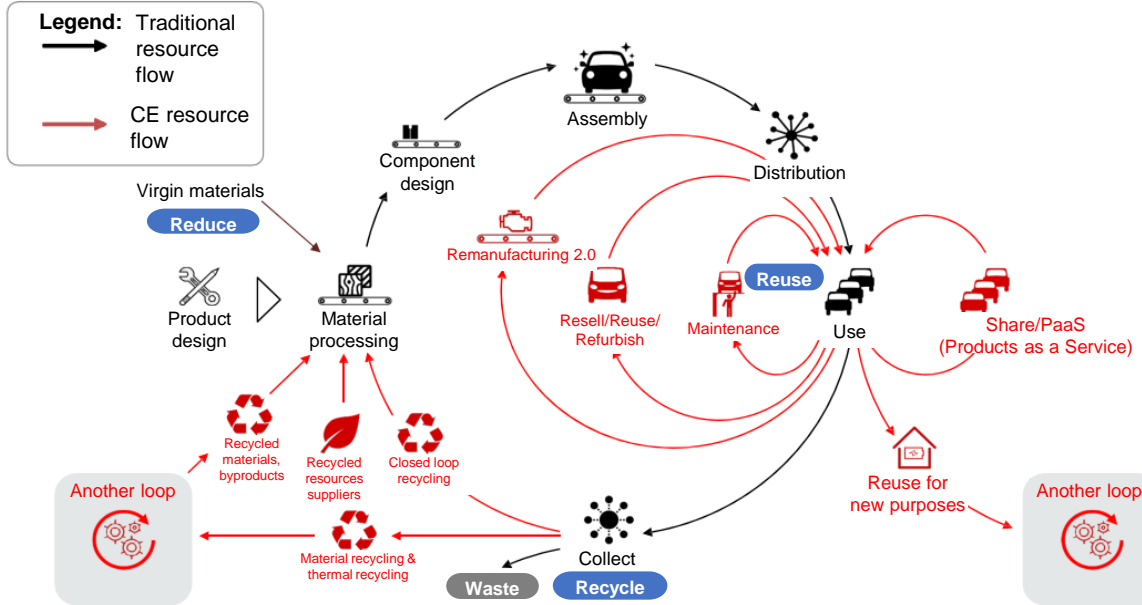
1. The "Tokyo metropolitan area" refers to Ibaraki, Tochigi, Gunma, Saitama, Chiba, Tokyo, Kanagawa and Yamanashi prefectures.

2. The "Kinki area" refers to Mie, Shiga, Kyoto, Osaka, Hyogo, Nara and Wakayama prefectures.

3. Remaining years = Remaining capacity / landfill capacity (with a conversion rate of 1 t = 1 m<sup>3</sup>).

# [5] – 5 Industrial Environment (Circular Economy and 3R+Renewable)

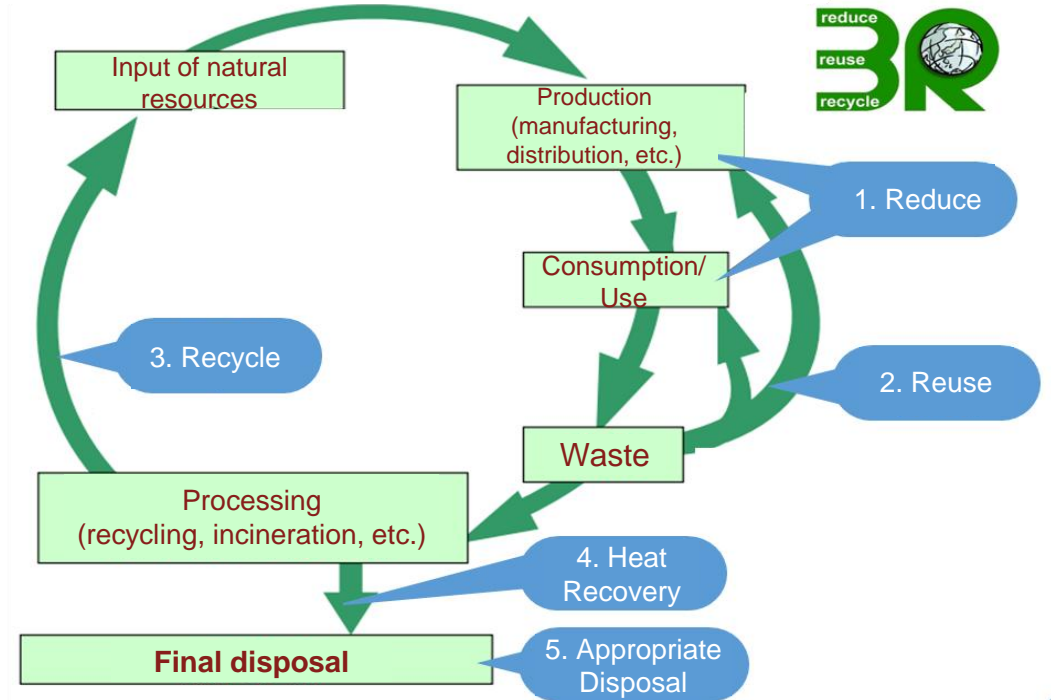
## Circular Economy



\*Figure: Created by modifying "Current State of and Issues with Resource Circulation Policies" by the Ministry of Economy, Trade and Industry (Japanese only)

- Since the 1990s, 3R (Reduce, Reuse, Recycle) mechanisms and legal systems have been introduced worldwide.
- A circular economy means creating a recycling-oriented economy through business activities.

## 3 R + Renewable



\*Figure: Created by modifying reference materials from the Ministry of the Environment Central Environmental Council Subcommittee for the Promotion of a Recycling-Oriented Society (Japanese only)

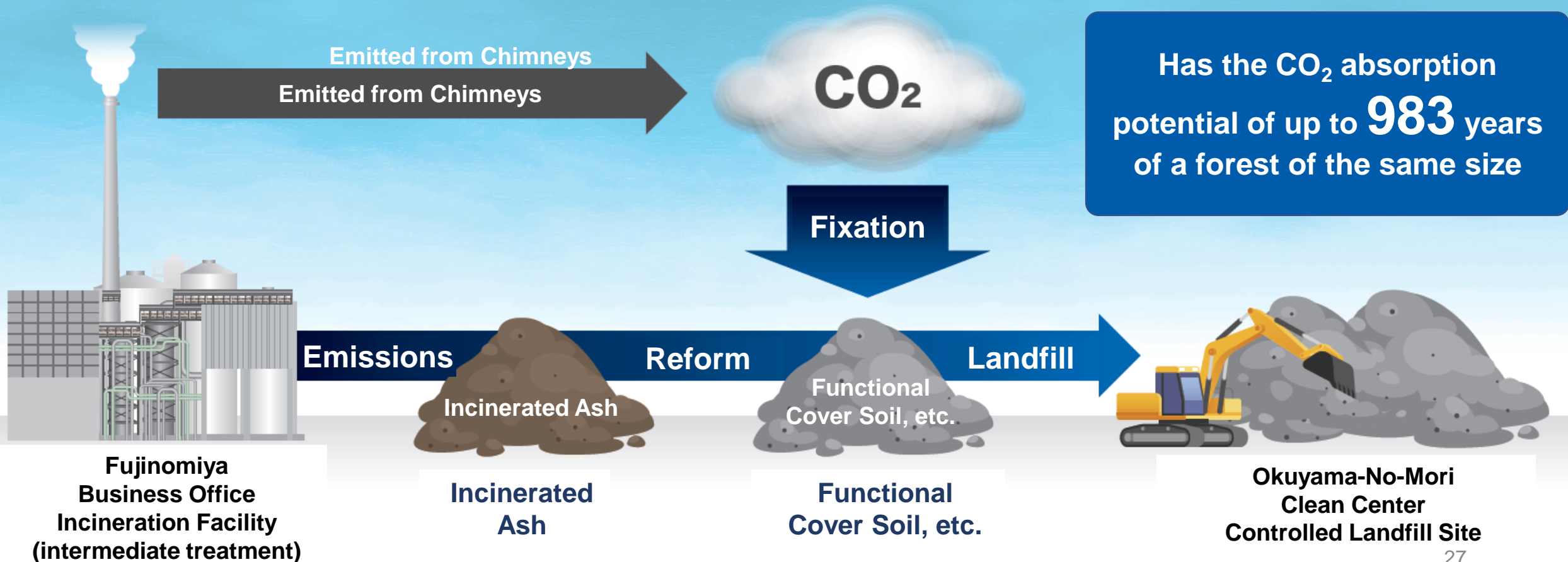
- Articles 5 to 7 of The Basic Act on Establishing a Sound Material-Cycle Society (promulgated in June 2000) describe the basic principles of reduce, reuse, recycle, heat recovery, and appropriate disposal.
- "3R + Renewable" was listed as a basic principle in the Resource Circulation Strategy for Plastics in May 2019, and since then has been attracting attention.
- Similar to raw material processing industries, the importance of processing/recovery industries is shown.
- "Heat Recovery" and "Appropriate Disposal (Final Disposal)" are specified..

## [5] – 6 Initiatives for Decarbonization

(Development of CCS Technologies at Waste Treatment Site)

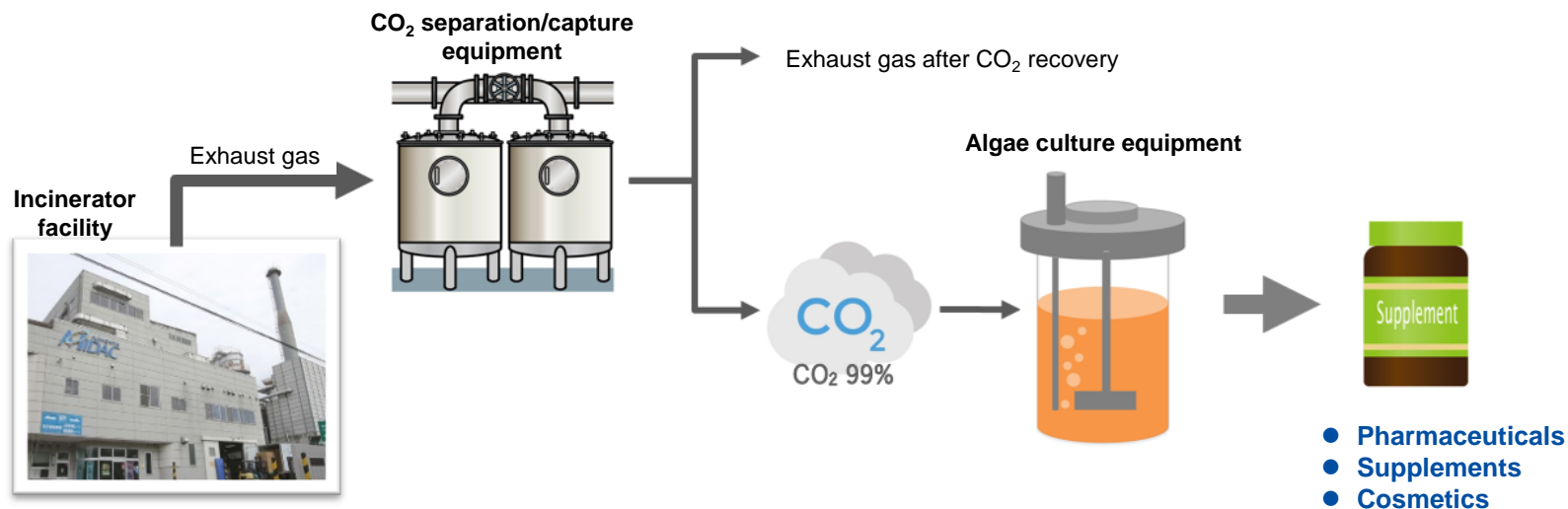
- Through joint research with the Waseda University GeoLab (Professor Hideo Komine), we are working on CCS (CO<sub>2</sub> Capture and Storage) for incineration-derived CO<sub>2</sub> by using landfill sites and industrial byproducts (waste), and will contribute to achieving carbon neutral by 2050.

### CCS Concept for Incineration-Derived CO<sub>2</sub> by Using Incineration Byproducts (Waste)



- This research aims to reduce the CO<sub>2</sub> emissions from incineration while ensuring economic efficiency by producing "fucoxanthin," a high value-added substance, by using CO<sub>2</sub> from incineration to cultivate microalgae.
- By collaborating with ALNUR Co., Ltd., which has strengths in continuous culture technologies for fucoxanthin-producing microalgae, we will accelerate our technological development for mass production and stable supply, create a fucoxanthin business, and reduce CO<sub>2</sub> emissions.

### Image of a CCU Incinerator



\*Algae culturing is one of the technologies attracting attention as a method for fixing the CO<sub>2</sub> separated and recovered from the exhaust gases from factories, etc.



New laboratory at the MIDAC Fujinomiya Business Office



ALNUR R&D Center



# [5] – 8 Decarbonization Efforts

## (Yamanashi 4 per 1000 Initiative Certification System for Agricultural Products)

- For their climate change initiatives, IWAHARA ORCHARDS has received "Effort Certification" under Yamanashi Prefecture's certification system.
- IWAHARA ORCHARDS is promoting efforts to curb emissions of carbon dioxide, one of the greenhouse gases.
- In the future, IWAHARA ORCHARDS aims to gather data on the carbon that is sequestered in its soil and acquire "Achievement Certification."

### Yamanashi 4 per 1000 Initiative Certification System for Agricultural Products

This initiative is based on the idea that if the amount of carbon sequestered in the world's surface soil can be annually increased by 4 parts per mil,\* then the increase in atmospheric carbon dioxide due to human economic activities can be reduced to virtually zero.

\*4 parts per mil (‰) = 0.4%

	Certification Category	Specific Initiatives for Certification
Effort	<b>[Plan Certification]</b> Sets targets for specific actions to be taken, and certifies plans that are expected to reliably sequester carbon in the soil	1. Increasing ground cover, such as by cultivating grass 2. Burying materials containing organic matter, such as compost and soil conditioners 3. Utilizing crop residues, such as pruned branches generated in production fields
Achievement	<b>[Actual Certification]</b> Certification based on the results of carbon that is sequestered in soil	4. Burying biochar produced from pruned branches, etc. 5. Other initiatives that are expected to sequester carbon



## [5] – 9 Performance Trends

(In million yen)

	FY2019	FY2020	YoY change	FY2021	YoY change	FY2022	YoY change	FY2023	YoY change
Net sales	5,213	5,701	+9.4%	6,381	+11.9%	7,771	+21.8%	9,547	+22.8%
Operating income	1,495	1,883	+26.0%	2,264	+20.2%	2,755	+21.7%	3,538	+28.4%
Operating margin	28.7%	33.0%	+4.4pt	35.5%	+2.4pt	35.5%	0.0pt	37.1%	+1.6pt
Ordinary profit	1,446	1,848	+27.8%	2,188	+18.4%	2,692	+23.0%	3,377	+25.5%
Ordinary profit margin	27.8%	32.4%	+4.7pt	34.3%	+1.9pt	34.6%	+0.3pt	35.4%	+0.7pt
Net income	795	1,018	+28.0%	1,284	+26.1%	1,685	+31.2%	1,907	+13.1%
Capital investment	1,321	2,129	+61.1%	4,175	+96.1%	1,501	-64.0%	2,457	+63.6%
Depreciation and goodwill amortization	675	629	-6.7%	668	+6.1%	805	+20.4%	929	+15.4%
EBITDA	2,171	2,513	+15.8%	2,933	+16.7%	3,560	+21.4%	4,467	+25.5%
ROE	24.0%	20.6%	-3.4pt	17.1%	-3.5pt	16.4%	-0.6pt	16.1%	-0.3pt

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#### Management Principles

In order to beautifully pass on to the next generation the irreplaceable Earth where water, earth, air and people all flourish together, the Midac Group will pursue Earth friendly waste treatment while being aware of its social responsibility as an environmental creation group that plays a leading role in this front.

MIDAC HOLDINGS CO., LTD.