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November 14, 2025

## Consolidated Financial Results for the Six Months Ended September 30, 2025 (Under Japanese GAAP)

Company Name: Takasago Thermal Engineering Co., Ltd.  
 Stock Exchange Listing: On the Prime Section of the Tokyo Stock Exchange  
 Code Number: 1969  
 Company URL: <https://www.tte-net.com/>  
 Representative: Kazuhito Kojima, President and Representative Director  
 Contact: Masatoshi Morino, Director and Executive Officer, General Manager, Finance & Investor Relations Department  
 Phone: +81-3-6369-8215  
 Scheduled date to file semi-annual securities report: November 14, 2025  
 Scheduled date to commence dividend payments: December 10, 2025  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results briefing: Yes (for institutional investors and securities analysts)

(Fraction less than one million yen has been omitted)

### 1. Consolidated Results for the Six Months Ended September 30, 2025 (April 1, 2025 to September 30, 2025)

#### (1) Consolidated Results of Operations (% indicates changes from the previous corresponding term)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
September 30, 2025	194,501	21.6	24,679	152.4	26,111	134.5	20,201	146.6
September 30, 2024	159,910	(2.7)	9,779	19.2	11,134	20.3	8,192	36.0

(Note) Comprehensive income:

For the six months ended September 30, 2025: ¥24,346 million year on year: 201.8%  
 For the six months ended September 30, 2024: ¥8,067 million year on year: (24.6)%

	Earnings per share	Diluted earnings per share
Six months ended	(Yen)	(Yen)
September 30, 2025	153.77	—
September 30, 2024	61.70	—

(Note) The Company conducted a share split at a ratio of two shares for every one common share, effective October 1, 2025. Therefore, earnings per share were calculated assuming that the share split was conducted at the beginning of the previous fiscal year.

## (2) Consolidated Financial Positions

	Total assets	Net assets	Equity ratio
As of	(Millions of yen)	(Millions of yen)	(%)
September 30, 2025	323,725	195,982	59.3
March 31, 2025	334,949	184,283	53.9

(Reference) Equity:

As of September 30, 2025: ¥191,867 million  
As of March 31, 2025: ¥180,667 million

## 2. Dividends

	Cash dividends per share				
	First quarter end	Second quarter end	Third quarter end	Year-end	Annual
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)
Fiscal year ended March 31, 2025	—	65.00	—	102.00	167.00
Fiscal year ending March 31, 2026	—	86.00			
Fiscal year ending March 31, 2026 (Forecast)			—	62.00	—

(Notes) 1. Revisions to the forecast of cash dividends most recently announced: None

2. The Company conducted a share split at a ratio of two shares for every one common share with a record date of September 30, 2025 and an effective date of October 1, 2025. The year-end dividend per share for the fiscal year ending March 31, 2026 (forecast) shown above reflects the amount after considering the share split. The total annual dividend per share for the fiscal year ending March 31, 2026 (forecast) is not indicated as a simple sum cannot be calculated from the interim and year-end dividends as a result of the share split. If the impact of the share split is ignored, the year-end dividend per share for the fiscal year ending March 31, 2026 (forecast) would be ¥124.00, and the total annual dividend per share would be ¥210.00.

## 3. Forecasts for the Consolidated Financial Results for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(% indicates changes from the previous term)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Yen)
Full year	421,000	10.3	43,300	33.6	46,000	31.5	34,300	24.1	261.08

(Notes) 1. Revisions to the earnings forecasts most recently announced: None

2. The Company conducted a share split at a ratio of two shares for every one common share with a record date of September 30, 2025 and an effective date of October 1, 2025. Earnings per share shown above were calculated assuming that the share split was conducted at the beginning of the fiscal year ending March 31, 2026. If the impact of the share split is ignored, earnings per share for the full year would be ¥522.16.

(Reference) Orders received (Forecast): (Full year) ¥458,000 million

**\* Notes**

(1) Significant Changes in the Scope of Consolidation During the Period: Yes

Newly included: 2 companies (THS INNOVATIONS CO., LTD. and PROMPT TECHNO SERVICE CO., LTD.)

(2) Adoption of Accounting Treatment Specific to the Preparation of Semi-annual Consolidated Financial Statements: Yes

(3) Changes in Accounting Policies, Changes in Accounting Estimates and Restatements

- (i) Changes in accounting policies in accordance with the revision of accounting standards, etc.: None
- (ii) Changes in accounting policies other than (i) above: None
- (iii) Changes in accounting estimates: None
- (iv) Restatements: None

(4) Number of Issued Shares (Common Shares)

(i) Number of issued shares at the end of the period (including treasury shares)

As of September 30, 2025:	140,478,804 shares
As of March 31, 2025:	140,478,804 shares

(ii) Number of treasury shares at the end of the period

As of September 30, 2025:	9,613,766 shares
As of March 31, 2025:	7,666,262 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2025:	131,377,286 shares
Six months ended September 30, 2024:	132,778,349 shares

(Note) The Company conducted a share split at a ratio of two shares for every one common share, effective October 1, 2025. Therefore, the number of issued shares at the end of the period (including treasury shares), number of treasury shares at the end of the period, and average number of shares outstanding during the period were calculated assuming that the share split was conducted at the beginning of the previous fiscal year.

\* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit corporation.

\* Explanation concerning proper use of the forecasts for the financial results and other special instructions

Forward-looking statements, including the financial results forecasts, in this document are based on currently available information held by the Company and on certain premises considered reasonable by the Company. It is not the intention of the Company to undertake the realization of these statements. Actual business results may differ from the forecasts, depending on various factors.

The Company will hold the financial results briefing session for the six months ended September 30, 2025 (for institutional investors and securities analysts) on Friday, November 14, 2025. The information materials to be used at the session will be posted on the Company's website.

**(Reference) Forecasts for the Non-consolidated Financial Results for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)**

(% indicates changes from the previous term)

	Net sales		Operating profit		Ordinary profit		Profit		Profit per share
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Yen)
Full year	295,000	7.6	38,400	31.8	41,700	30.1	32,100	22.4	243.36

- (Notes)
1. Revisions to the earnings forecasts most recently announced: None
  2. The Company conducted a share split at a ratio of two shares for every one common share with a record date of September 30, 2025 and an effective date of October 1, 2025. Profit per share shown above was calculated assuming that the share split was conducted at the beginning of the fiscal year ending March 31, 2026. If the impact of the share split is ignored, profit per share for the full year would be ¥486.71.

(Reference) Orders received (Forecast): (Full year) ¥350,000 million

**Semi-annual Consolidated Financial Statements****(1) Semi-annual Consolidated Balance Sheets**

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
<b>Assets</b>		
Current assets		
Cash and deposits	47,647	35,919
Notes, accounts receivable from completed construction contracts and contract assets	178,215	156,826
Electronically recorded monetary claims - operating	7,977	5,224
Costs on construction contracts in progress	3,889	4,024
Other	7,758	19,108
Allowance for doubtful accounts	(351)	(409)
Total current assets	245,138	220,692
Non-current assets		
Property, plant and equipment	23,919	22,660
Intangible assets		
Goodwill	1,419	2,896
Other	8,209	8,106
Total intangible assets	9,628	11,002
Investments and other assets		
Investment securities	43,220	55,624
Retirement benefit asset	7,001	7,063
Guarantee deposits	3,114	3,189
Other	2,977	3,566
Allowance for doubtful accounts	(52)	(75)
Total investments and other assets	56,262	69,369
Total non-current assets	89,810	103,032
Total assets	334,949	323,725

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
<b>Liabilities</b>		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	43,590	34,269
Electronically recorded obligations - operating	6,123	4,943
Short-term borrowings	17,737	4,456
Current portion of bonds payable	5,000	5,000
Accounts payable - other	4,083	2,160
Income taxes payable	6,975	7,684
Advances received on construction contracts in progress	20,978	14,796
Provision for bonuses	9,858	6,307
Provision for bonuses for directors (and other officers)	175	67
Provision for warranties for completed construction	934	1,196
Provision for loss on construction contracts	489	308
Provision for compensation for damages	82	312
Other	14,011	22,990
Total current liabilities	130,040	104,496
Non-current liabilities		
Bonds payable	15,000	15,000
Retirement benefit liability	1,045	1,186
Provision for share awards	1,673	1,796
Deferred tax liabilities	2,210	3,485
Other	696	1,778
Total non-current liabilities	20,625	23,246
Total liabilities	150,665	127,743
<b>Net assets</b>		
Shareholders' equity		
Share capital	13,134	13,134
Capital surplus	11,639	12,761
Retained earnings	145,846	159,149
Treasury shares	(8,408)	(15,786)
Total shareholders' equity	162,212	169,259
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	14,249	19,404
Foreign currency translation adjustment	2,285	1,337
Remeasurements of defined benefit plans	1,920	1,866
Total accumulated other comprehensive income	18,455	22,608
Non-controlling interests	3,615	4,114
Total net assets	184,283	195,982
Total liabilities and net assets	334,949	323,725

**(2) Semi-annual Consolidated Statements of Income and Comprehensive Income**  
**Semi-annual Consolidated Statements of Income**

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Net sales	159,910	194,501
Cost of sales	133,227	150,104
Gross profit	26,683	44,397
Selling, general and administrative expenses		
Employees' salaries and allowances	4,591	4,940
Provision for bonuses	1,759	2,268
Retirement benefit expenses	98	129
Provision for share awards	239	182
Other	10,214	12,196
Total selling, general and administrative expenses	16,903	19,717
Operating profit	9,779	24,679
Non-operating income		
Interest income	245	294
Dividend income	569	582
Dividend income of insurance	107	156
Share of profit of entities accounted for using equity method	125	166
Rental income from real estate	424	419
Foreign exchange gains	–	34
Other	376	445
Total non-operating income	1,847	2,098
Non-operating expenses		
Interest expenses	117	136
Rental expenses on real estate	235	219
Provision for compensation for damages	–	225
Other	138	85
Total non-operating expenses	492	667
Ordinary profit	11,134	26,111
Extraordinary income		
Gain on sale of investment securities	453	–
Gain on sale of non-current assets	–	1,191
Total extraordinary income	453	1,191
Extraordinary losses		
Loss on retirement of non-current assets	9	–
Other	1	–
Total extraordinary losses	11	–
Profit before income taxes	11,576	27,302
Income taxes - current	3,143	6,978
Total income taxes	3,143	6,978
Profit	8,432	20,323
Profit attributable to non-controlling interests	240	121
Profit attributable to owners of parent	8,192	20,201

**Semi-annual Consolidated Statements of Comprehensive Income**

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Profit	8,432	20,323
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,064)	5,087
Foreign currency translation adjustment	793	(1,075)
Remeasurements of defined benefit plans, net of tax	(68)	(34)
Share of other comprehensive income of entities accounted for using equity method	(25)	46
Total other comprehensive income	(365)	4,023
Comprehensive income	8,067	24,346
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	7,558	24,355
Comprehensive income attributable to non-controlling interests	508	(8)



**(3) Semi-annual Consolidated Statements of Cash Flows**

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
<b>Cash flows from operating activities</b>		
Profit before income taxes	11,576	27,302
Depreciation	1,481	1,651
Amortization of goodwill	106	104
Increase (decrease) in provision for bonuses	(3,670)	(3,561)
Increase (decrease) in provision for loss on construction contracts	(20)	(175)
Increase (decrease) in provision for dismantling and removal	(115)	–
Decrease (increase) in retirement benefit asset	(225)	(139)
Increase (decrease) in retirement benefit liability	39	36
Interest and dividend income	(814)	(877)
Interest expenses	117	136
Share of loss (profit) of entities accounted for using equity method	(125)	(166)
Loss (gain) on sale of non-current assets	–	(1,191)
Decrease (increase) in trade receivables	40,123	24,498
Decrease (increase) in costs on construction contracts in progress	(0)	(125)
Increase (decrease) in trade payables	(15,358)	(10,005)
Increase (decrease) in advances received on construction contracts in progress	1,390	(5,937)
Decrease (increase) in consumption taxes refund receivable	(1,135)	(7,040)
Increase (decrease) in accrued consumption taxes	(933)	(290)
Foreign exchange losses (gains)	90	(47)
Loss (gain) on sale of investment securities	(453)	–
Other, net	(6,336)	4,353
<b>Subtotal</b>	<b>25,737</b>	<b>28,525</b>
Interest and dividends received	842	912
Interest paid	(138)	(133)
Income taxes paid	(5,828)	(6,641)
Income taxes refund	545	432
<b>Net cash provided by (used in) operating activities</b>	<b>21,159</b>	<b>23,094</b>
<b>Cash flows from investing activities</b>		
Payments into time deposits	(6,286)	(3,916)
Proceeds from withdrawal of time deposits	4,573	4,699
Purchase of property, plant and equipment and intangible assets	(1,951)	(1,795)
Proceeds from sale of property, plant and equipment and intangible assets	–	2,861
Purchase of investment securities	(3)	(4,004)
Proceeds from sale of investment securities	1,013	–
Purchase of shares of subsidiaries and associates	–	(851)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	–	(1,855)
Other payments	(222)	(440)
Other proceeds	247	529
<b>Net cash provided by (used in) investing activities</b>	<b>(2,629)</b>	<b>(4,774)</b>

## Takasago Thermal Engineering Co., Ltd. (1969)

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(11,784)	(13,337)
Redemption of bonds	(5,000)	—
Repayments of lease liabilities	(243)	(214)
Proceeds from disposal of treasury shares	1,248	207
Purchase of treasury shares	(1,250)	(8,207)
Dividends paid	(6,120)	(6,899)
Other, net	(95)	(5)
Net cash provided by (used in) financing activities	(23,247)	(28,457)
Effect of exchange rate change on cash and cash equivalents	592	(595)
Net increase (decrease) in cash and cash equivalents	(4,125)	(10,733)
Cash and cash equivalents at beginning of period	49,064	41,364
Cash and cash equivalents at end of period	44,939	30,631