Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

November 13, 2026

Consolidated Financial Results for the Six Months Ended September 30, 2026 (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: Isao Nakamura, Manager, IR Office, Corporate Planning Division
Phone: +81-3-6369-8215

Scheduled date to file semi-annual securities report: November 13, 2026
Scheduled date to commence dividend payments: December 10, 2026
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, 2026 (April 1, 2026 to September 30, 2026)

(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, 2026	181,710	(6.6)	18,101	(26.7)	19,728	(24.4)	11,559	(42.8)
September 30, 2025	194,501	21.6	24,679	152.4	26,111	134.5	20,201	146.6

(Note) Comprehensive income:
For the six months ended September 30, 2026: ¥8,635 million year on year: (64.5)%
For the six months ended September 30, 2025: ¥24,346 million year on year: 201.8%

	Earnings per share	Diluted earnings per share
Six months ended	(Yen)	(Yen)
September 30, 2026	88.31	–
September 30, 2025	153.77	–

(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, 2026	337,756	214,057	61.8
March 31, 2026	381,823	215,056	55.0

(Reference) Equity:
As of September 30, 2026: ¥208,687 million
As of March 31, 2026: ¥209,889 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, 2026	–	86.00	–	72.00	–
Fiscal year ending March 31, 2027	–	61.00			
Fiscal year ending March 31, 2027 (Forecast)			–	62.00	123.00

(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. For the fiscal year ended March 31, 2026, the year-end dividend per share reflects the impact of this share split, and the total annual dividend is indicated as "–." If the impact of the share split is reflected, the Second quarter end dividend for the fiscal year ended March 31, 2026 would have been ¥43.00, and the total annual dividend would have been ¥115.00.

3. Forecasts for the Consolidated Financial Results for the Fiscal Year Ending March 31, 2027 (April 1, 2026 to March 31, 2027)

(% 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	470,000	10.9	60,000	25.7	63,000	24.4	40,000	6.7	305.60

(Note) Revisions to the earnings forecasts most recently announced: Yes

(Reference) Orders received (Forecast): (Full year) ¥620,000 million

*** Notes**

(1) Significant Changes in the Scope of Consolidation During the Period: None

(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, 2026:	140,478,804 shares
As of March 31, 2026:	140,478,804 shares

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

As of September 30, 2026:	9,566,993 shares
As of March 31, 2026:	9,615,980 shares

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

Six months ended September 30, 2026:	130,891,667 shares
Six months ended September 30, 2025:	131,377,286 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, 2026 (for institutional investors and securities analysts) on Friday, November 13, 2026. 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, 2027 (April 1, 2026 to March 31, 2027)

(% indicates changes from the previous term)

	Net sales		Operating profit		Ordinary profit		Profit		Earnings per share
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Yen)
Full year	339,000	15.1	54,000	28.9	58,000	29.4	39,000	14.5	296.76

(Note) Revisions to the earnings forecasts most recently announced: Yes

(Reference) Orders received (Forecast): (Full year) ¥460,000 million

Semi-annual Consolidated Financial Statements

(1) Semi-annual Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026
Assets		
Current assets		
Cash and deposits	48,228	58,173
Notes, accounts receivable from completed construction contracts and contract assets	196,670	145,082
Electronically recorded monetary claims - operating	6,504	3,232
Costs on construction contracts in progress	4,161	5,283
Other	9,732	20,075
Allowance for doubtful accounts	(1,251)	(1,828)
Total current assets	264,045	230,018
Non-current assets		
Property, plant and equipment	23,840	24,293
Intangible assets		
Goodwill	2,696	2,421
Other	8,761	8,783
Total intangible assets	11,458	11,205
Investments and other assets		
Investment securities	64,166	54,233
Retirement benefit asset	11,404	11,528
Guarantee deposits	3,303	3,319
Other	3,681	3,233
Allowance for doubtful accounts	(76)	(76)
Total investments and other assets	82,478	72,238
Total non-current assets	117,777	107,737
Total assets	381,823	337,756

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	46,283	36,192
Electronically recorded obligations - operating	5,198	4,635
Short-term borrowings	27,406	3,328
Current portion of bonds payable	5,000	5,000
Accounts payable - other	6,823	2,821
Income taxes payable	9,938	6,219
Advances received on construction contracts in progress	17,993	22,555
Provision for bonuses	10,163	6,002
Provision for bonuses for directors (and other officers)	216	73
Provision for warranties for completed construction	1,795	1,827
Provision for loss on construction contracts	252	23
Provision for compensation for damages	265	251
Other	14,390	20,264
Total current liabilities	145,726	109,196
Non-current liabilities		
Bonds payable	10,000	5,000
Retirement benefit liability	1,743	1,848
Provision for share awards	1,942	2,007
Deferred tax liabilities	5,261	3,822
Other	2,092	1,823
Total non-current liabilities	21,040	14,502
Total liabilities	166,766	123,698
Net assets		
Shareholders' equity		
Share capital	13,134	13,134
Capital surplus	12,761	12,761
Retained earnings	170,683	172,640
Treasury shares	(15,802)	(15,731)
Total shareholders' equity	180,776	182,805
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	21,883	18,867
Foreign currency translation adjustment	2,562	2,628
Remeasurements of defined benefit plans	4,665	4,385
Total accumulated other comprehensive income	29,112	25,881
Non-controlling interests	5,167	5,370
Total net assets	215,056	214,057
Total liabilities and net assets	381,823	337,756

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

Semi-annual Consolidated Statements of Income

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Net sales	194,501	181,710
Cost of sales	150,104	141,546
Gross profit	44,397	40,163
Selling, general and administrative expenses		
Employees' salaries and allowances	4,940	5,575
Provision for bonuses	2,268	2,137
Retirement benefit expenses	129	70
Provision for share awards	182	172
Other	12,196	14,105
Total selling, general and administrative expenses	19,717	22,062
Operating profit	24,679	18,101
Non-operating income		
Interest income	294	292
Dividend income	582	705
Dividend income of insurance	156	159
Share of profit of entities accounted for using equity method	166	161
Rental income from real estate	419	400
Foreign exchange gains	34	–
Other	445	520
Total non-operating income	2,098	2,239
Non-operating expenses		
Interest expenses	136	181
Rental expenses on real estate	219	282
Provision for compensation for damages	225	3
Other	85	144
Total non-operating expenses	667	612
Ordinary profit	26,111	19,728
Extraordinary income		
Gain on sale of investment securities	–	3,127
Gain on sale of non-current assets	1,191	–
Total extraordinary income	1,191	3,127
Extraordinary losses		
Loss on valuation of investment securities	–	4,899
Total extraordinary losses	–	4,899
Profit before income taxes	27,302	17,956
Income taxes - current	6,978	6,203
Total income taxes	6,978	6,203
Profit	20,323	11,752
Profit attributable to non-controlling interests	121	192
Profit attributable to owners of parent	20,201	11,559

Semi-annual Consolidated Statements of Comprehensive Income

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Profit	20,323	11,752
Other comprehensive income		
Valuation difference on available-for-sale securities	5,087	(3,127)
Foreign currency translation adjustment	(1,075)	205
Remeasurements of defined benefit plans, net of tax	(34)	(272)
Share of other comprehensive income of entities accounted for using equity method	46	76
Total other comprehensive income	4,023	(3,117)
Comprehensive income	24,346	8,635
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	24,355	8,328
Comprehensive income attributable to non-controlling interests	(8)	306

(3) Semi-annual Consolidated Statements of Cash Flows

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Cash flows from operating activities		
Profit before income taxes	27,302	17,956
Depreciation	1,651	2,032
Amortization of goodwill	104	202
Increase (decrease) in provision for bonuses	(3,561)	(4,158)
Increase (decrease) in provision for loss on construction contracts	(175)	(228)
Decrease (increase) in retirement benefit asset	(139)	(482)
Increase (decrease) in retirement benefit liability	36	125
Interest and dividend income	(877)	(998)
Interest expenses	136	181
Share of loss (profit) of entities accounted for using equity method	(166)	(161)
Loss (gain) on sale of non-current assets	(1,191)	–
Loss (gain) on valuation of investment securities	–	4,899
Decrease (increase) in trade receivables	24,498	53,759
Decrease (increase) in costs on construction contracts in progress	(125)	(1,062)
Increase (decrease) in trade payables	(10,005)	(11,089)
Increase (decrease) in advances received on construction contracts in progress	(5,937)	4,600
Decrease (increase) in consumption taxes refund receivable	(7,040)	(4,755)
Increase (decrease) in accrued consumption taxes	(290)	(2,730)
Foreign exchange losses (gains)	(47)	(1)
Loss (gain) on sale of investment securities	–	(3,127)
Other, net	4,353	1,543
Subtotal	28,525	56,506
Interest and dividends received	912	1,123
Interest paid	(133)	(182)
Income taxes paid	(6,641)	(9,919)
Income taxes refund	432	–
Net cash provided by (used in) operating activities	23,094	47,528
Cash flows from investing activities		
Payments into time deposits	(3,916)	(8,324)
Proceeds from withdrawal of time deposits	4,699	6,093
Purchase of property, plant and equipment and intangible assets	(1,795)	(2,428)
Proceeds from sale of property, plant and equipment and intangible assets	2,861	1
Purchase of investment securities	(4,004)	(5)
Proceeds from sale of investment securities	–	4,161
Purchase of shares of subsidiaries and associates	(851)	(382)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(1,855)	–
Purchase of shares of subsidiaries	–	(22)
Other payments	(440)	(402)
Other proceeds	529	316
Net cash provided by (used in) investing activities	(4,774)	(993)

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(13,337)	(24,149)
Redemption of bonds	–	(5,000)
Repayments of lease liabilities	(214)	(325)
Proceeds from disposal of treasury shares	207	–
Purchase of treasury shares	(8,207)	(0)
Dividends paid	(6,899)	(9,602)
Other, net	(5)	(242)
Net cash provided by (used in) financing activities	(28,457)	(39,321)
Effect of exchange rate change on cash and cash equivalents	(595)	324
Net increase (decrease) in cash and cash equivalents	(10,733)	7,538
Cash and cash equivalents at beginning of period	41,364	42,537
Cash and cash equivalents at end of period	30,631	50,075