



Kurita Water Industries Ltd.

# **Results Presentation for the Fiscal Year Ended March 31, 2025**

(Securities code: 6370)

May 9, 2025



# Summary of Results



## FY 03/2025 Results

**Net Sales +6%, Business profit +17%, Net Profit\* -30%**

- Secured orders for large-scale electrical facilities projects in the US and Europe in the fourth quarter
- Service business net sales rose in both Electronics Industry and General Industry segments, driving improvements in business profit and the business profit margin.
- Impairment losses recorded for two US-based subsidiaries

## FY 03/2026 Forecast

**Net Sales +4%, Business profit +10%, Net Profit\* +79%**

- Net sales increase is projected due to construction progress on secured facilities projects, with business profit also improving
- Expansion of CSV business is expected to help drive increased business profit
- Impact of increased US tariffs is still unclear and not reflected in forecasts

## Progress on the Medium-Term Management Plan

**Strengthen priority measures in line with environmental changes, further propelling performance toward achieving the plan**

- Over the next three years, focusing on global expansion of the starting points of service and advancing business with a focus on the value Kurita provides
- Revise some targets in light of progress and improvement strategies

\*Note: Profit refers to Profit Attributable to Owners of Parent.

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\* PSV-27 is medium-term management plan, “Pioneering Shared Value 2027.”

# **1 Progress of “Pioneering Shared Value 2027 (PSV-27)”**

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# PSV-27 and Materiality (Value Pioneering Path)



Corporate Vision  
(Vision for 2030)

Pioneering “new value for water” to contribute to the realization of a sustainable society

Medium-Term Management Plan **PSV-27**



Source of Value Creation

## Kurita Group's Materiality

### Shared Value Themes

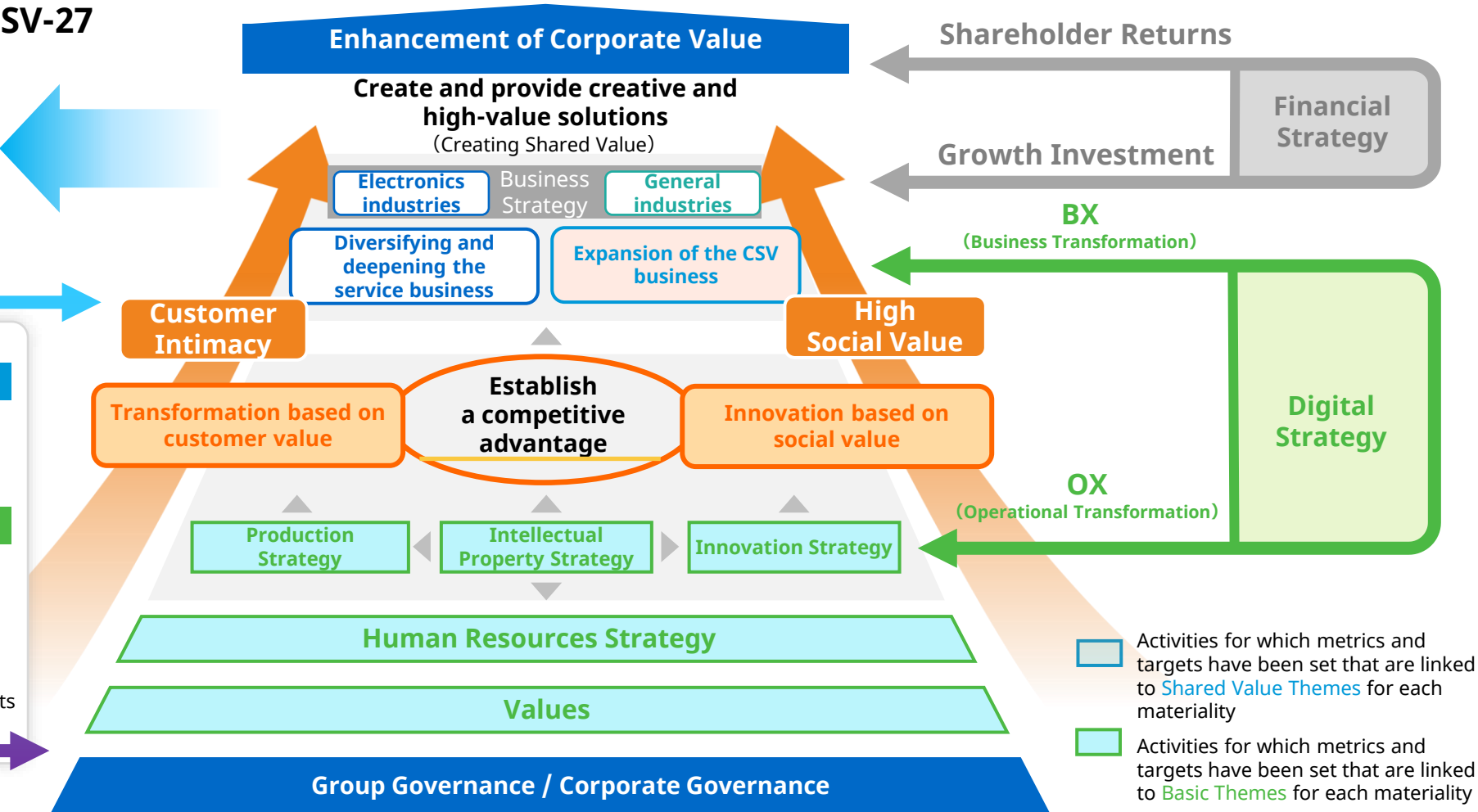
- Solve issues related to water resources
- Contribute to the realization of a decarbonized society
- Contribute to building a circular economy society

### Basic Themes

- Develop and disseminate innovative products, technologies, and business models
- Strategic development and utilization of human resources
- Provide highly safe and quality products and services
- Conduct business activities respecting human rights
- Conduct fair business activities

### Prevent Damage to Value

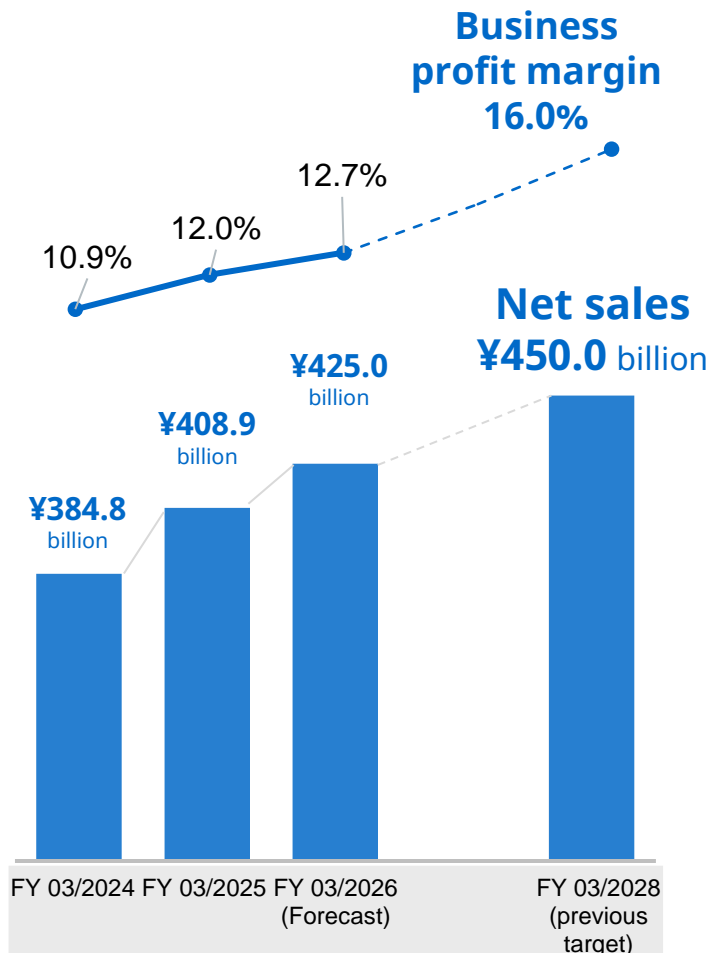
Risk Mitigation / Capital Cost Reduction



# Progress to Date



We have steadily advanced priority measures under the PSV-27 plan, laying the foundations to contribute to future growth.

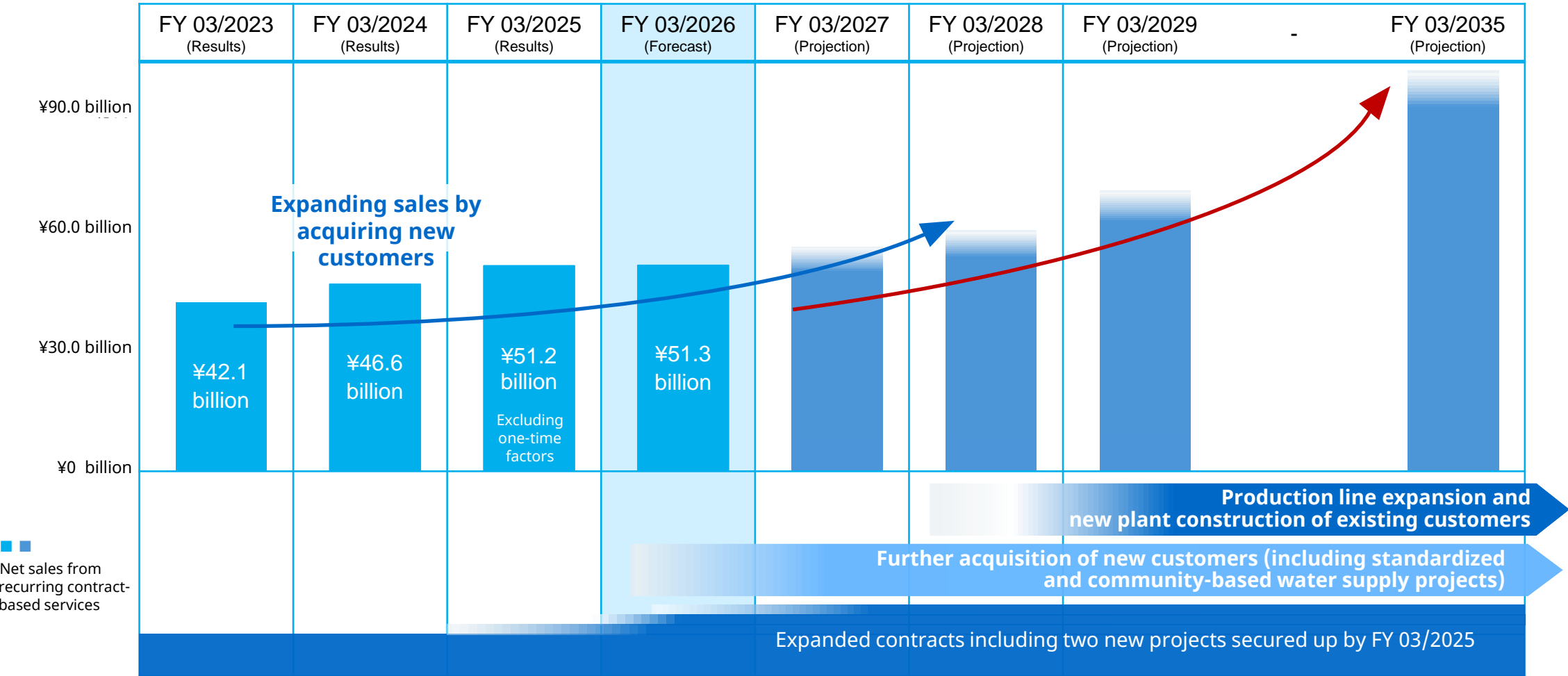


	Priority Measures	Progress
Electronics Industry	Evolving the water supply business	Secured two <b>new customer projects</b>
	Strengthening the foundations of the precision tool cleaning business	<b>Achieved a leaner structure</b> through structural business reform
	Building new business foundations in Europe and North America	<b>Established</b> business foundations and deployment strategies in both <b>Europe and the United States, successfully securing orders for large-scale projects</b> in each region
	Reforming production process and strengthening the supply chain	Made steady progress <b>reducing production lead times by 7%</b>
General Industry	Expanding the CSV business	<b>The CSV business has made progress with profitability improvements</b> in addition to increased net sales.
	Improved profitability in the US business	<b>In the US business</b> steady progress has been made with revenue improvements, with <b>early achievement of</b> the target business profit margin of at least 10% <b>within reach</b> .
	Utilizing digital infrastructure to accelerate business expansion	Development of <b>information and data infrastructure</b> is completed, and we have now <b>shifted to the phase of globally utilizing those assets</b> .
	Challenging new businesses	In addition to used diaper recycling, new businesses such as <b>PFAS measures</b> are expanding.

# Priority Measures: Evolving the Water Supply Business

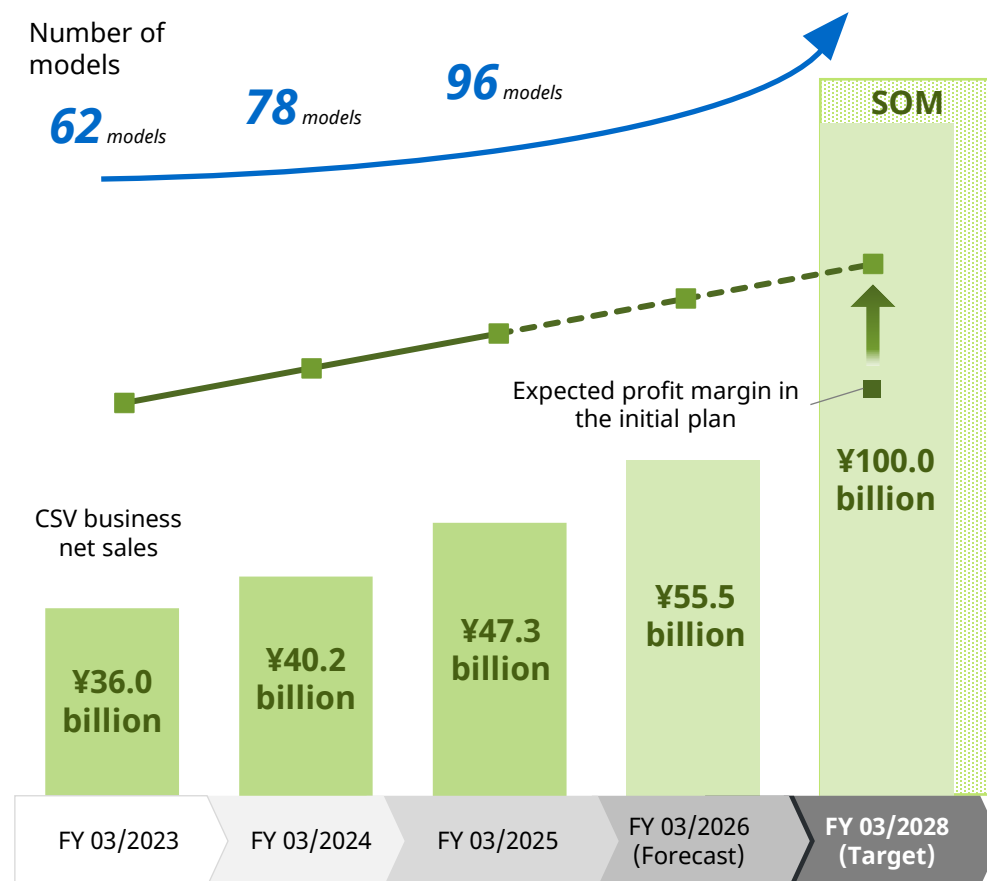


In addition to growth expectations driven by subsequent projects from existing customers, we are taking on the challenge of further expanding our customer base.

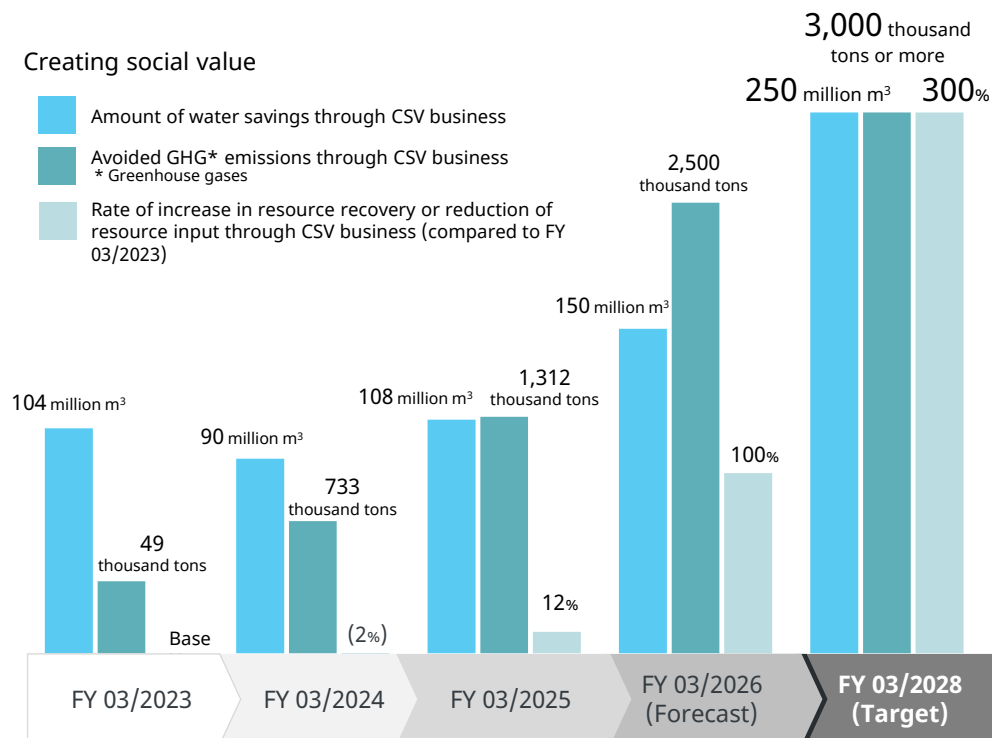


# Priority Measures: Expansion of the CSV Business

In addition to steadily accumulating sales and service models, profitability improvements and greenhouse gas reductions have advanced more than expected.



In light of the progress made up to FY 03/2025, **Water savings** were revised downward from 300 million m<sup>3</sup> to **250 million m<sup>3</sup>**. **Contributions to greenhouse gas reductions** were revised upward from 1.6 million tons to **3.0 million tons or more**.



\* Past years' results for contributions to water savings have been corrected retroactively due to partial miscalculations.



# Improvement Strategies over the Next Three Years



We will view changes to the business environment as an opportunity and identify growth areas where we can leverage our competitive advantages.

## Electronics Industry

### Business environment

- Medium- to long-term growth of the semiconductor market, primarily driven by generative AI-related demand
- Government subsidy spending on investments in large-scale semiconductor manufacturing plants
- Labor shortages in the construction industry are driving up costs and posing risks to early project startup.

### Strengths demonstrated by Kurita

- Relationships with key global accounts\*
- Foundations for expanding business globally in Europe, the US and East Asia
- Problem-solving ability through production process transformation and EP + modularization

### Strengthening Strategy

**Expand starting points  
for the service business globally**

\* The top-selling semiconductor manufacturers are defined as global accounts.

## General Industry

### Business environment

- Heightened awareness of cost reductions and productivity improvements at each company
- Increased need to address age deterioration of plant facilities and equipments
- PFAS measures as a key social issue worldwide

### Strengths demonstrated by Kurita

- CSV business able to not only create high levels of social value but also help improve customers' economic value
- Provision of solutions not limited to facilities provided by Kurita
- Provision and research into measures addressing PFAS issues launched at an early stage

### Strengthening Strategy

**Advance businesses focused on  
the value we provide**

# Priority Measures Based on Improvement Strategies



In light of the progress made to date and new priority measures, we have re-set our targets for the final year of the plan.

## Electronics Industry

### Expand starting points for the service business globally

Reinforce business foundations  
including Europe and North America

Secure facilities projects  
through efficient production systems

Expand the service business with facilities  
as the starting point

Revitalization of the precision tool cleaning business

**Net  
sales**  
Target for  
FY 03/2028

**¥230.0**  
billion

**Business  
profit  
margin**  
Target for  
FY 03/2028

**18%**

## General industry

### Advance businesses focused on the value we provide

Expand the CSV business

Advanced maintenance

Ongoing value-driven business revisions

Creating and expanding new business

**Net sales**  
Target for  
FY 03/2028

**¥240.0**  
billion

**Business  
profit  
margin**  
Target for  
FY 03/2028

**14%**

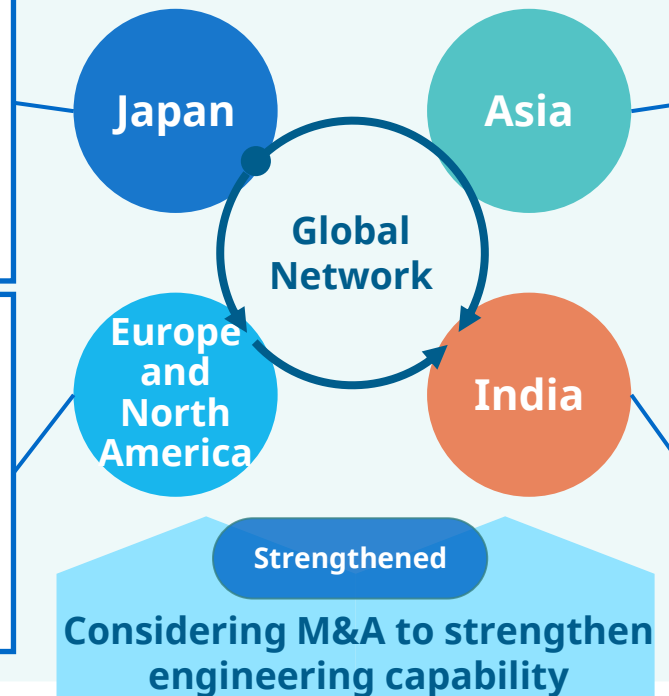
# Reinforce Business Foundations Including Europe and North America

We will enhance our business foundations, reflecting strengthened relationships with semiconductor manufacturers including global accounts.

**In the semiconductor market, which is expected to expand in the medium- to long-term, we will develop business foundations as a preparation for further growth during the next medium-term management plan.**

- Strengthen the facilities and service businesses aimed at **global accounts**
- Expand the service business targeting water treatment facilities delivered by other companies

- Bring **large-scale facilities projects** already secured **to completion**
- **Develop of the infrastructure to provide subsequent service businesses**
- **Develop a framework to** consistently secure orders with a comprehensive system to provide from facility to service



- Leverage our production and proposal-making capabilities to expand and reinforce our customer base
- **Develop business to provide solutions for the geopolitical risks**

- Leverage experience entering new markets with EP (+ modules) in Europe and the US **to enter new markets**

# Secure Facilities Projects Through Efficient Production Systems

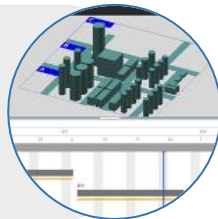
With production process transformation and EP (+ modules), acquiring facilities projects as a starting point for service businesses

## Production Process Transformation



### Front loading

- AI-driven design automation
- Shorter procurement times based on demand forecasting



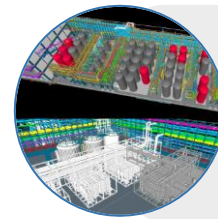
- Enable early plant startup thanks to shorter production periods
- Enhance Kurita's ability to respond and develop proposals

- Expand production capacity
- Improve EPC profitability

### Advantages to customers

### Advantages to Kurita

## EP (+ modules)



### Contracts specializing in design and procurement

- Break down facilities into modules so they can be delivered separately on skids



- Minimize on-site construction work to reduce installation costs
- Reduce construction risks such as installation errors

- Enable the early start-up of business in new operating regions
- Control the risk of increased costs through construction

Japan

Asia

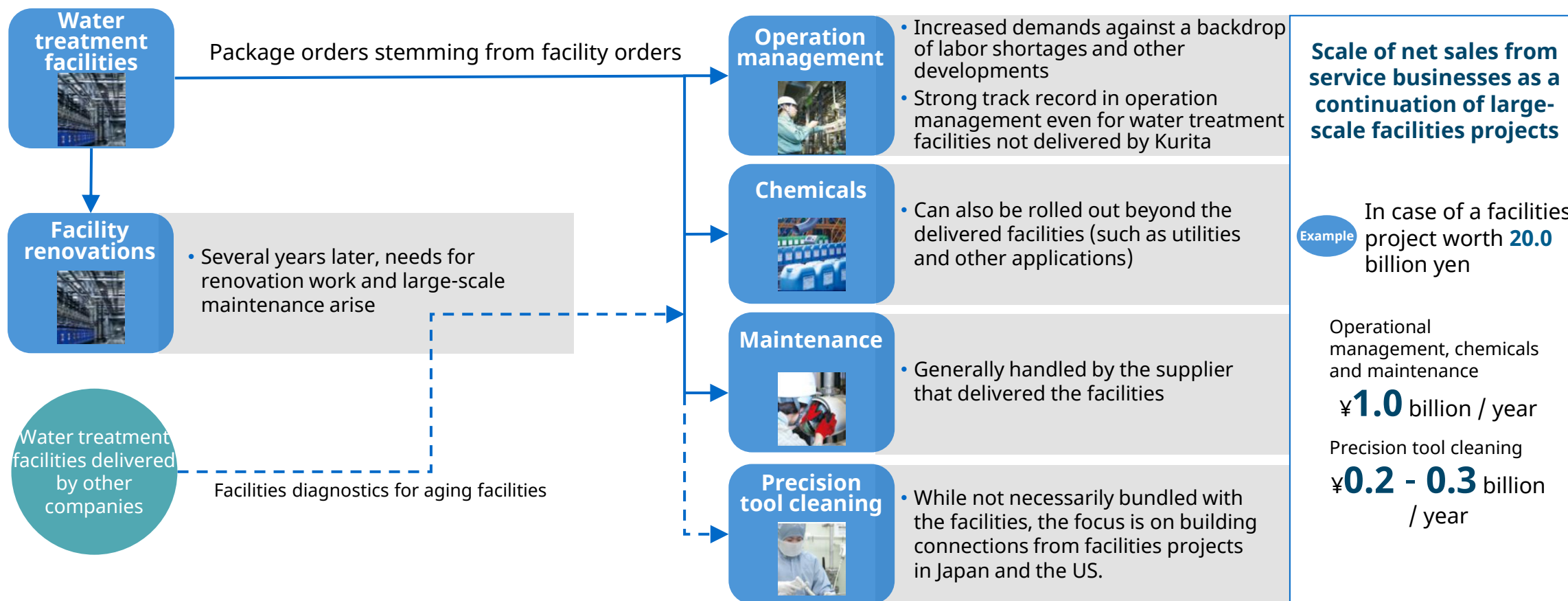
Main target markets

Europe  
and  
North  
America

India

# Expanding the Service Business with Facilities as the Starting Point

Through service business acquisitions targeting facilities projects as a starting point, developing stable business foundations in the medium- to long-term



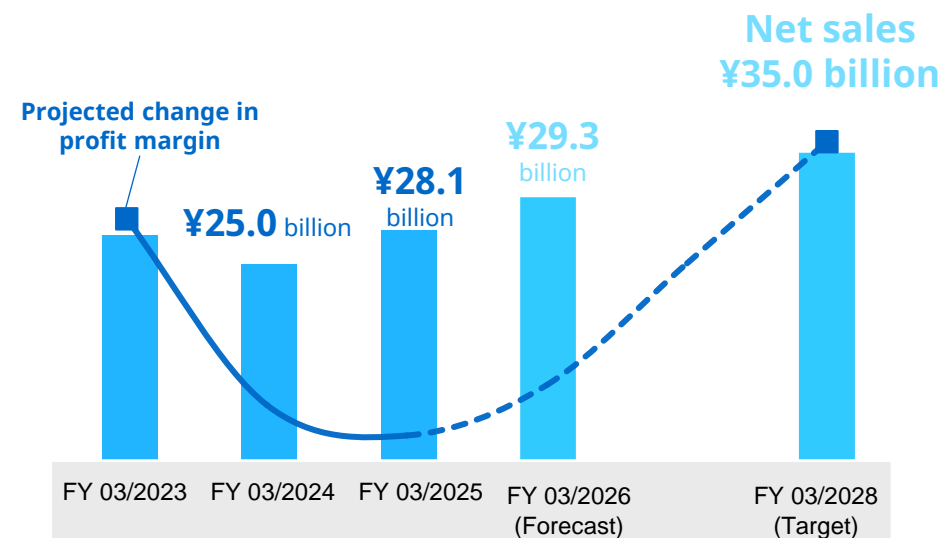
# Revitalization of the Precision Tool Cleaning Business

Making progress in securing cleaning projects delivered from large-scale facility projects in Japan and the US, shifting to a new stage of growth

## New Strategies Aimed at FY 03/2028

### Securing projects with facilities as a starting point

- **Developing a broad customer base** without relying on specific customers
- **Optimum and dynamic resource allocations** reflecting cleaning needs
- **Expanded provision of services** other than cleaning
- Cost control and other **management improvements**



- **Acquiring cleaning projects using leveraging large-scale facilities as a starting point**
- Recovery of plant utilization rates among key customers
- **Acquisition of manufacturer certifications**



Growth in  
Japanese business

Structural reforms  
of the US business



- **Closer of two plants** with low utilization rates
- **Review of transactions** with low profitability
- **Management changes**

With working around five key points, expanding the CSV business globally by combining industry- and regional-specific approaches.

## Five key points for CSV business expansion

1	Quantity of models	<ul style="list-style-type: none"><li>➢ Creation of new models</li><li>➢ Removal of models with reduced value creation capability</li></ul>
2	Quality of models	<ul style="list-style-type: none"><li>➢ Ensuring value creation through regular review</li><li>➢ Improved model quality utilizing digital technology</li></ul>
3	Approaching appropriate targets for proposals	<ul style="list-style-type: none"><li>➢ Delivering proposals to key personnel pursuing social value and economic value</li></ul>
4	Quality of sales representatives making proposals	<ul style="list-style-type: none"><li>➢ Improvements to sales-oriented training and workshops</li><li>➢ Propagation of successful examples through a group-wide platform</li></ul>
5	Coordination within the Group	<ul style="list-style-type: none"><li>➢ Global coordination through CSV business ambassadors</li><li>➢ Instant information sharing leveraging digital technologies</li></ul>



By industry



By region

Enhancing expansion

Expanding the foundation to provide value with a view to utilizing M&A

Growing markets

**Latin America, India, Middle East, Africa**

Expand sales using the CSV business as an entry point in the hard-to-enter chemicals business

Focused areas

Geothermal power plants

Cooling water treatment

RO membrane treatment

Incentives for organizations and individuals

Performance Evaluations

Internal Awards

In addition to the CSV business, promoting service businesses that are focused on the value we provide to customers

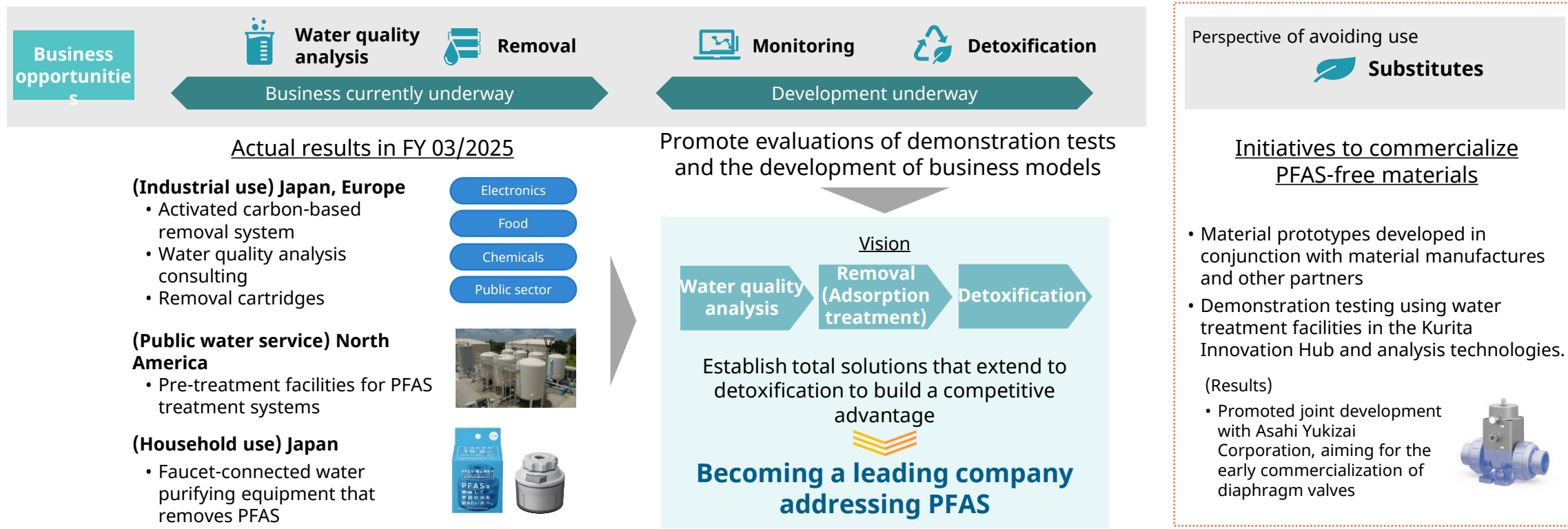
	Advanced maintenance	Ongoing value-driven business revisions
Customer issues	<ul style="list-style-type: none"> <li>Labor shortages in the operation of water treatment facilities</li> <li>Aging water treatment facilities</li> </ul>	<ul style="list-style-type: none"> <li>Aging facilities and equipment</li> <li>Cost reductions</li> <li>Responding to environmental issues</li> </ul>
<b>Kurita's Focus</b>	Providing <b>solutions that properly address</b> customer issues and dealing <b>with potential issues</b> customers are not yet aware of	<b>Services Kurita is uniquely positioned to provide</b> including reduction in water usage, energy consumption and waste
Business rollout	<ul style="list-style-type: none"> <li>Providing advanced maintenance service with facilities diagnostics and operational management data analysis</li> </ul>	<ul style="list-style-type: none"> <li>Expand the CSV business</li> <li>Switching to high added-value products</li> <li>Reviewing transactions where Kurita has a poor competitive advantage</li> </ul>
Results	Expansion in maintenance sales	Steady reduction in direct cost ratio in the chemicals business due to changes in the product mix



Cultivating new business opportunities rooted in social value.

## New business for PFAS/PFOA measures

Identifying both existing issues and future issues to provide solutions as a partner to customers



# The PSV-27 Plan

In light of the progress made to date and future enhancements to strategy, we have revised both our financial and non-financial targets.

## Medium-Term Management Plan **Pioneering Shared Value 2027** (FY 03/2024 to FY 03/2028)

### Financial indicators (FY 03/2028 targets)

Net sales		¥450.0 billion	¥470.0 billion
	Electronics industries	¥210.0 billion	¥230.0 billion
	General industries	¥240.0 billion	¥240.0 billion
Business profit margin		16.0%	16.0%
	Electronics industries	20.0%	18.0%
	General industries	13.0%	14.0%
ROE		12.0% or more	12.0% or more
ROIC		10.0% or more	10.0% or more

### Key non-financial indicators (FY 03/2028 targets)

(CSV business-based)

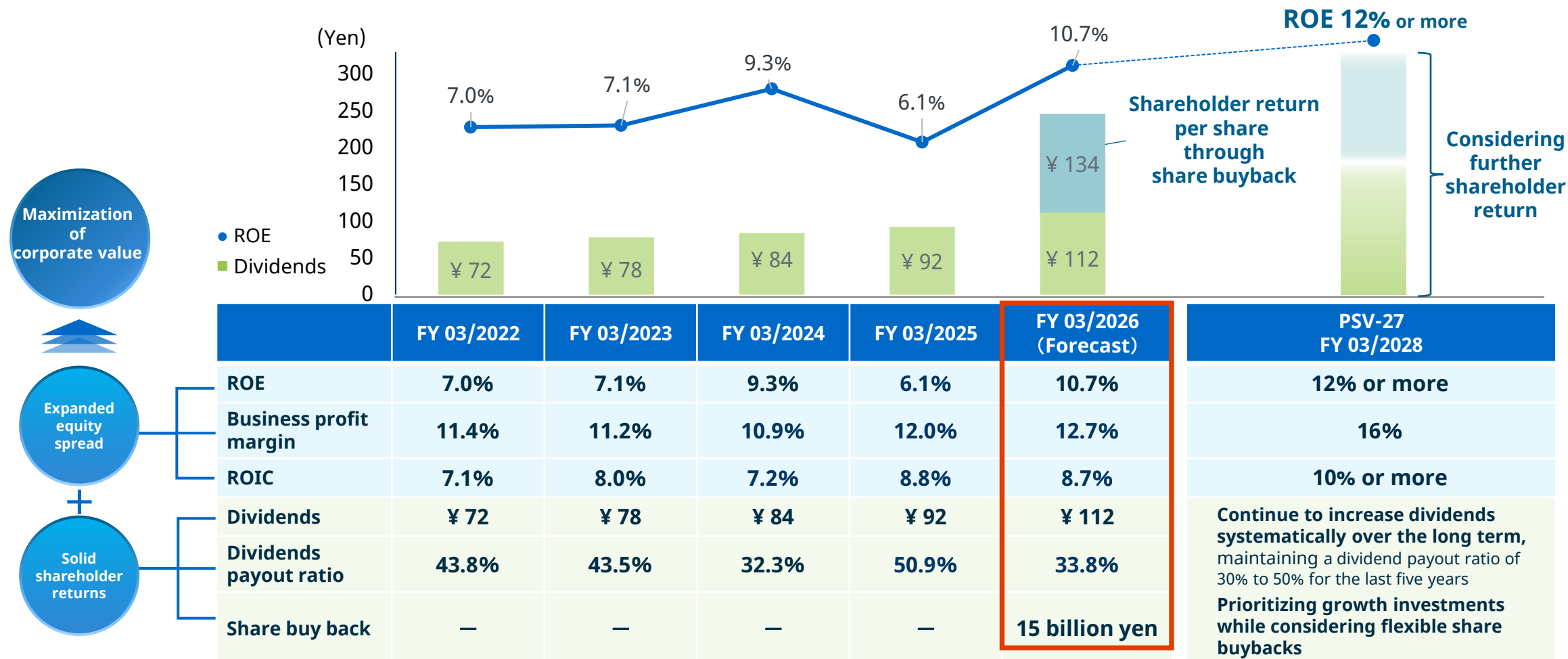
Amount of water savings	300 million m <sup>3</sup>	250 million m <sup>3</sup>
Avoided GHG emissions	1,600 thousand tons	3,000 thousand tons or more
Rate of increase in resource recovery or reduction of resource input	300% (compared with FY 03/2023)	300% (compared with FY 03/2023)

#### Reasons for change

- ◆ Net Sales: Strengthened the expansion of facilities for electronics industry
- ◆ Business profit margin: Reflected progress in each segment and strategic changes
- ◆ Amount of water savings: Revised volume of water treatment facilities that contribute to water savings
- ◆ Avoided GHG emissions: Changing customer needs associated with rising energy costs, contributions from newly added CSV business models

# Initiatives to Enhance Corporate Value

Maximizing of corporate value through expanded equity spreads and solid shareholder returns



\* The total amount of share acquisition costs (15 billion yen) divided by the number of outstanding shares (excluding treasury stock) as of March 31, 2025

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## **Consolidated Financial Results for the Fiscal Year Ended March 31, 2025**

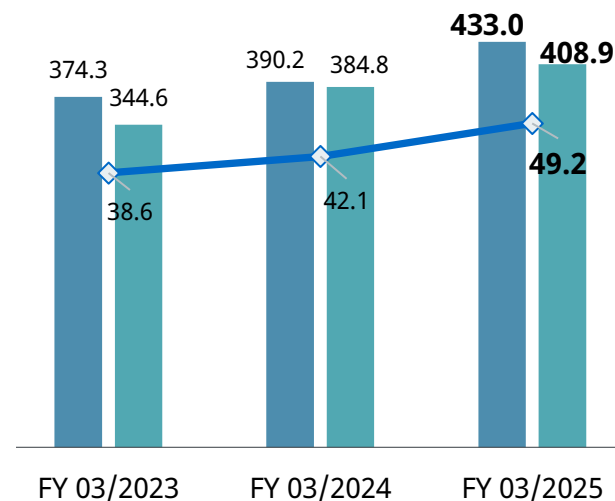
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# Overview of Results



(Billions of Yen)		FY 03/2024 Results	FY 03/2025 Results	YoY Change	YoY change rate	FY 03/2025 Forecast (Announced in Nov.)
Orders		390.2	433.0	+ 42.8	+ 11.0%	425.0
Net Sales		384.8	408.9	+ 24.1	+ 6.3%	410.0
Business Profit		42.1	49.2	+ 7.1	+ 17.0%	50.0
Business Profit Margin		10.9%	12.0%	+ 1.1pp	-	12.2%
Net of Other Income and Expenses		(0.8)	(17.9)	(17.1)	-	(0.3)
Operating Profit		41.2	31.3	(10.0)	(24.1%)	49.7
Profit Before Tax		41.7	31.8	(9.9)	(23.7%)	49.0
Profit Attributable to Owners of Parent		29.2	20.3	(8.9)	(30.4%)	34.5
Basic Earnings per Share (yen)		259.70	180.66	(79.04)	(30.4%)	306.81
Return on Equity (ROE)		9.3%	6.1%	(3.3pp)	-	10.1%
Return on Invested Capital (ROIC)		7.2%	8.8%	+ 1.6pp	-	8.0%
Foreign Exchange Rate	USD (yen)	144.6	152.6			152.6
	EUR (yen)	156.8	163.8			166.0
	CNY (yen)	20.1	21.1			21.2

(Billions of Yen)

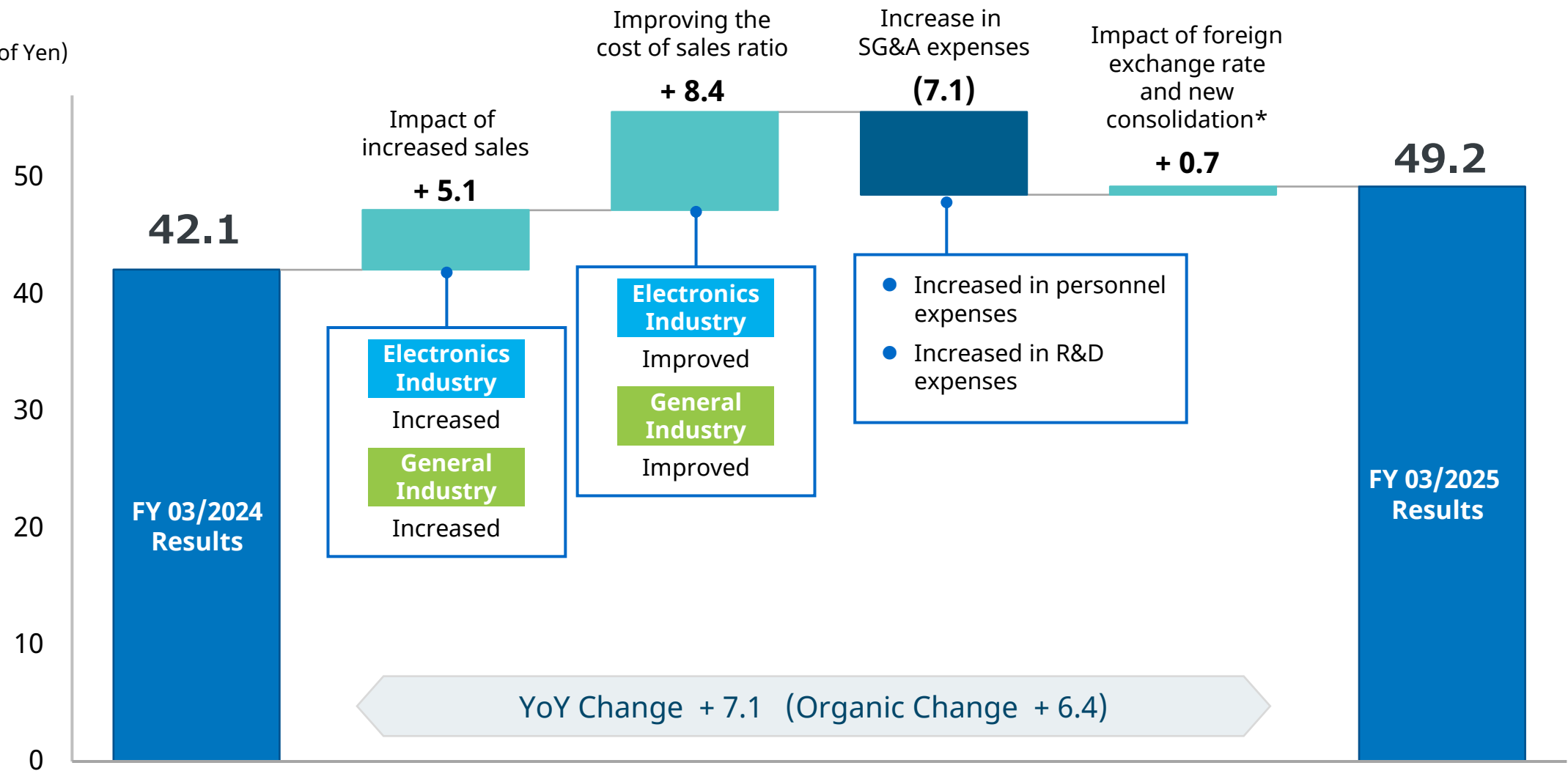


■ Orders ■ Net Sales ◆ Business Profit

- Impairment losses of 16.5 billion yen on fixed assets, including goodwill, for the North American group company Pentagon Technologies were recorded.
- Impairment losses of 2.5 billion yen on goodwill for the North American group company Fracta were recorded.

# Factors in Business Profit Change (YoY Change)

(Billions of Yen)



\* Arcade Engineering GmbH and its group companies were consolidated in the General Industry segment in the second quarter of the previous fiscal year.

# Results by Segment

(Billions of Yen)	FY 03/2024 Results	FY 03/2025 Results	YoY Change	FY 03/2025 Forecast (Announced in Nov.)
<b>Orders</b>	<b>165.8</b>	<b>195.0</b>	<b>+ 29.2</b>	<b>195.0</b>
Facilities	62.6	76.8	+ 14.1	78.8
Recurring Contract- Based Services	46.6	54.8	+ 8.2	54.1
Services	56.6	63.4	+ 6.8	62.1
Chemicals	10.4	11.6	+ 1.2	11.8
Precision Tool Cleaning	24.9	28.6	+ 3.7	28.7
Maintenance	21.2	23.2	+ 2.0	21.6
<b>Net Sales</b>	<b>172.7</b>	<b>181.2</b>	<b>+ 8.5</b>	<b>179.0</b>
Facilities	70.3	65.4	(4.9)	64.7
Recurring Contract- Based Services	46.6	54.8	+ 8.2	53.8
Services	55.8	61.0	+ 5.2	60.5
Chemicals	10.4	11.6	+ 1.1	11.8
Precision Tool Cleaning	25.0	28.6	+ 3.6	28.1
Maintenance	20.3	20.8	+ 0.5	20.6
<b>Business Profit</b>	<b>19.9</b>	<b>24.2</b>	<b>+ 4.3</b>	<b>24.0</b>
<b>Business Profit Margin</b>	<b>11.5%</b>	<b>13.4%</b>	<b>+ 1.8pp</b>	<b>13.4%</b>
<b>Operating Profit</b>	<b>20.2</b>	<b>8.9</b>	<b>(11.3)</b>	<b>23.3</b>

## Facilities

- Orders increased due to the acquisition of a large-scale project in Europe.
- Net sales decreased due to the absence of sales coming from a Japanese large-scale facility project posted in the previous fiscal year despite of an increased sales in China.

## Recurring Contract-Based Services

- Both orders and net sales increased due to the contribution of new projects started in this fiscal year, as well as the recognition of one-time sales.

## Precision Tool Cleaning

- Increased both Japan and overseas.

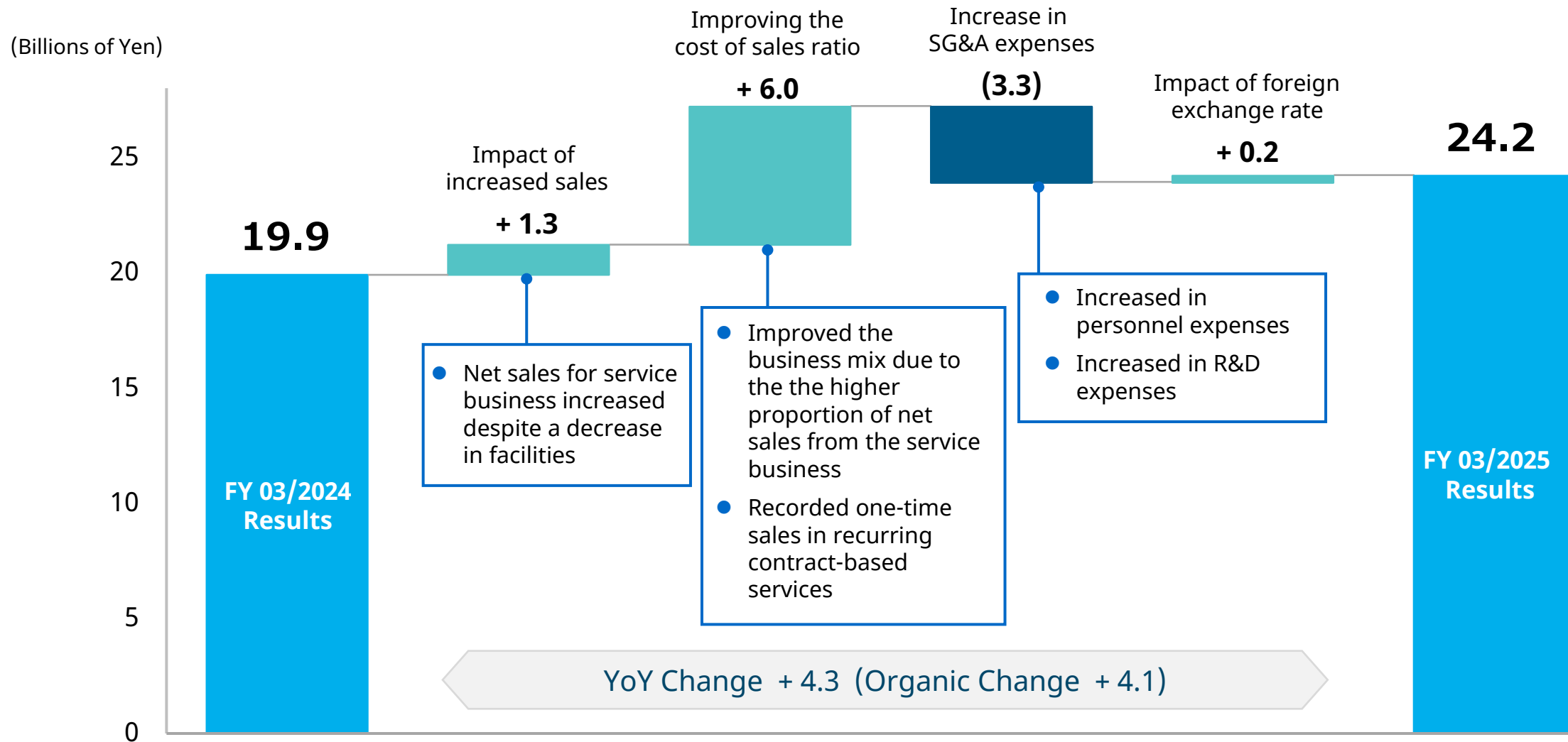
## Maintenance

- Both orders and net sales increased in China and Taiwan.

Organic Change	+ 5.4
Impact of Foreign Exchange Rate	+ 3.1

Impairment losses for Pentagon Technologies (16.5)

# Factors in Business Profit Change (YoY Change)





# Results by Segment

(Billions of Yen)	FY 03/2024 Results	FY 03/2025 Results	YoY Change	FY 03/2025 Forecast (Announced in Nov.)
<b>Orders</b>	<b>224.3</b>	<b>238.0</b>	<b>+ 13.6</b>	<b>230.0</b>
Facilities	41.9	50.5	+ 8.7	42.7
Recurring Contract- Based Services	10.4	11.4	+ 0.9	12.1
Services	172.1	176.1	+ 4.0	175.1
Chemicals	116.6	118.3	+ 1.7	119.0
Maintenance	46.6	48.8	+ 2.2	47.3
Others	8.9	8.9	+ 0.1	8.8
<b>Net Sales</b>	<b>212.1</b>	<b>227.7</b>	<b>+ 15.6</b>	<b>231.0</b>
Facilities	29.8	40.5	+ 10.7	41.9
Recurring Contract- Based Services	10.2	11.2	+ 0.9	12.1
Services	172.1	176.0	+ 3.9	176.9
Chemicals	116.6	118.1	+ 1.5	120.7
Maintenance	45.8	48.9	+ 3.1	48.0
Others	9.7	9.0	(0.7)	8.3
<b>Business Profit</b>	<b>22.1</b>	<b>25.0</b>	<b>+ 2.9</b>	<b>26.0</b>
<b>Business Profit Margin</b>	<b>10.4%</b>	<b>11.0%</b>	<b>+ 0.5pp</b>	<b>11.3%</b>
<b>Operating Profit</b>	<b>21.0</b>	<b>22.3</b>	<b>+ 1.3</b>	<b>26.4</b>

## Facilities

- Orders increased due to the acquisition of a large-scale semiconductor facility project in North America.
- Net sales increased due to the progress in construction work for the semiconductor industry and public sector in North America.

## Recurring Contract-Based Services

- Increased due to the expansion of the CSV business.

## Chemicals

- Both orders and net sales for chemicals declined excluding the impact of foreign exchange rates.
- CSV business expanded despite the economic downturn in Europe and parts of Asia.

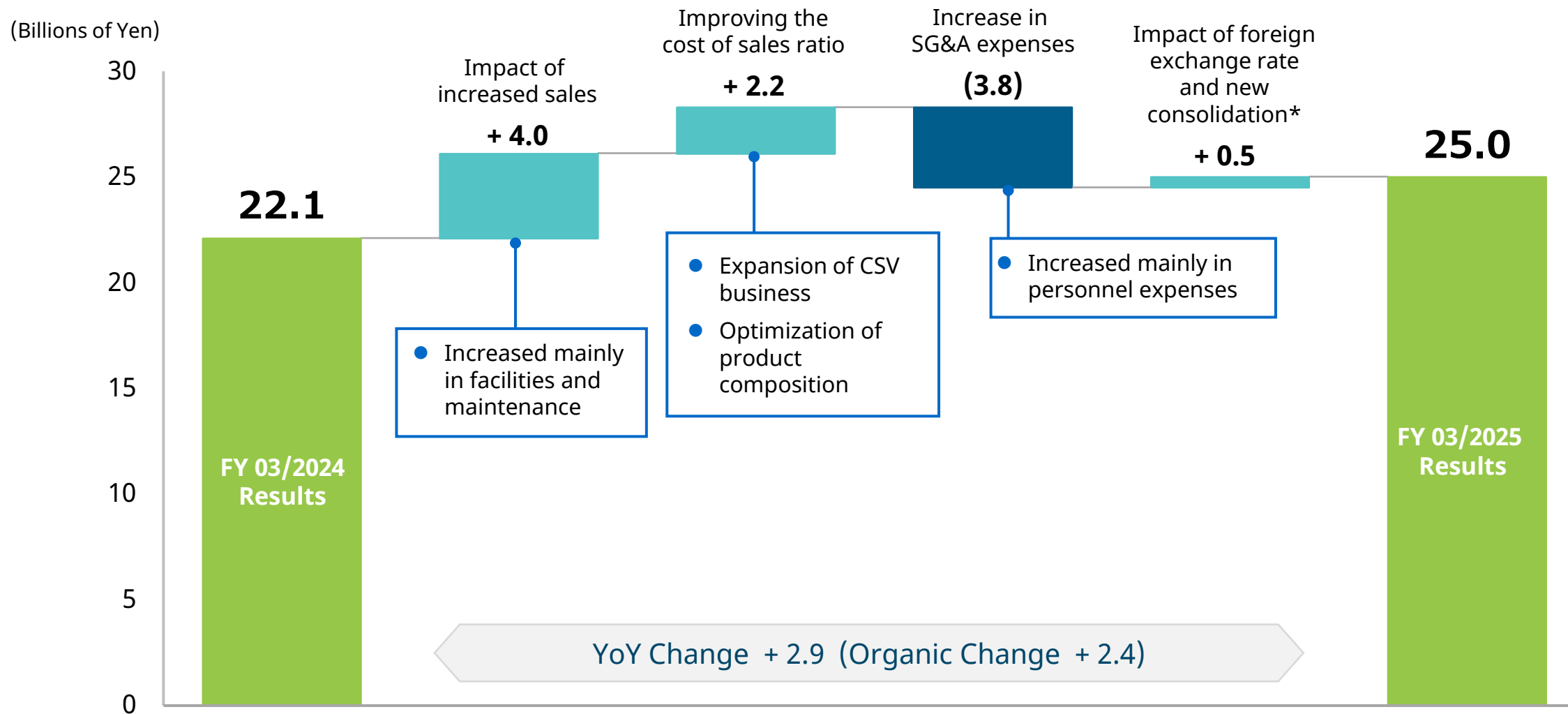
## Maintenance

- Both orders and net sales increased in Japan.

Organic Change	+ 9.6
Impact of Foreign Exchange Rate	+ 4.7
Impact of New Consolidation	+ 1.3

Impairment losses for Fracta (2.5)

# Factors in Business Profit Change (YoY Change)



\* Arcade Engineering GmbH and its group companies were consolidated in the General Industry segment in the second quarter of the previous fiscal year.

## CSV Business Net Sales

(Billions of Yen)	FY 03/2024 Results	FY 03/2025 Results	YoY Change	FY 03/2025 Forecast (Announced in Nov.)
Consolidated	40.2	47.3	+ 7.1	48.0
Electronics Industry	12.1	12.2	+ 0.1	13.5
General Industry	28.1	35.0	+ 6.9	34.5

## Number of CSV Business Models

	End of March 2024	End of March 2025	YoY Change
Consolidated	78	96	+ 18

# Net Sales by Region

## Net Sales by Region (Consolidated)

(Billions of Yen)	FY 03/2024 Results	FY 03/2025 Results	YoY Change	FY 03/2025 Forecast (Announced in Nov.)
Japan	198.4	196.6	(1.7)	190.5
Asia	85.9	99.6	+ 13.7	100.5
North & South America	62.6	74.1	+ 11.6	78.0
EMEA*	38.0	38.5	+ 0.5	40.9
<b>Total</b>	<b>384.8</b>	<b>408.9</b>	<b>+ 24.1</b>	<b>410.0</b>

### Electronics Industry

- Japan : Decreased  
Affected by the absence of sales coming from a Japanese large-scale facility project posted in the previous fiscal year.
- Asia : Increased  
Construction work for facilities progressed mainly in China.

### General Industry

- Japan : Increased  
Maintenance and recurring contract-based services increased.
- North & South America : Increased  
construction progress in facility projects for the semiconductor industry and public sector progressed.

### Electronics Industry

## Net Sales by Region

(Billions of Yen)	FY 03/2024 Results	FY 03/2025 Results	YoY Change	FY 03/2025 Forecast (Announced in Nov.)
Japan	91.6	84.8	(6.8)	81.3
Asia	63.4	76.3	+ 12.9	77.2
North & South America	16.7	19.1	+ 2.4	19.6
EMEA*	1.0	1.0	(0.0)	0.9
<b>Total</b>	<b>172.7</b>	<b>181.2</b>	<b>+ 8.5</b>	<b>179.0</b>

### General Industry

## Net Sales by Region

(Billions of Yen)	FY 03/2024 Results	FY 03/2025 Results	YoY Change	FY 03/2025 Forecast (Announced in Nov.)
Japan	106.8	111.8	+ 5.0	109.2
Asia	22.5	23.3	+ 0.8	23.4
North & South America	45.8	55.0	+ 9.2	58.4
EMEA	37.0	37.5	+ 0.6	40.0
<b>Total</b>	<b>212.1</b>	<b>227.7</b>	<b>+ 15.6</b>	<b>231.0</b>

\* From the fiscal year ended March 2025, net sales for precision tool cleaning business in EMEA, which were previously included in North and South America, has been recognized as EMEA sales.

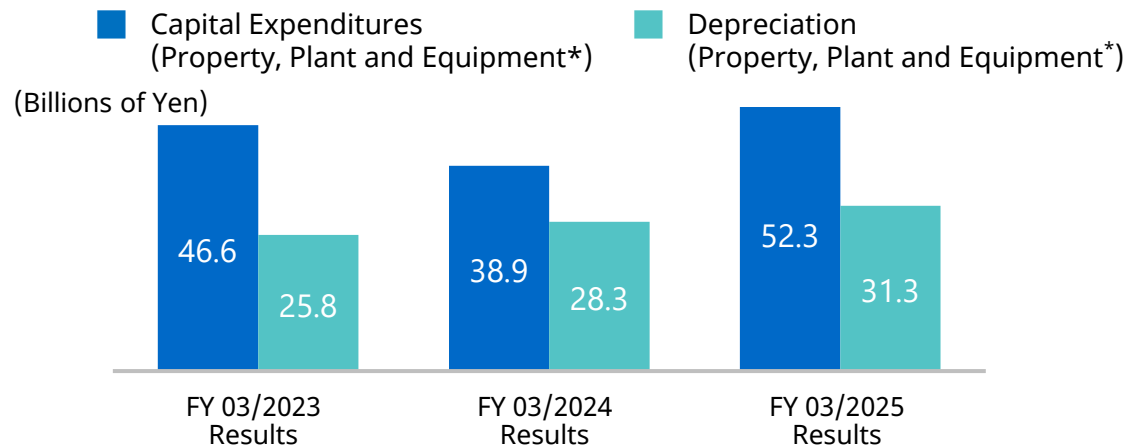
# Capital Expenditures, Depreciation and R&D Expenses

(Billions of Yen)	FY 03/2024 Results	FY 03/2025 Results	YoY Change	FY 03/2025 Forecast (Announced in Nov.)
Capital Expenditures (Property, Plant and Equipment*)	38.9	52.3	+ 13.4	46.4
Depreciation (Property, Plant and Equipment*)	28.3	31.3	+ 3.0	31.5
R&D Expenses	7.4	8.1	+ 0.7	7.5

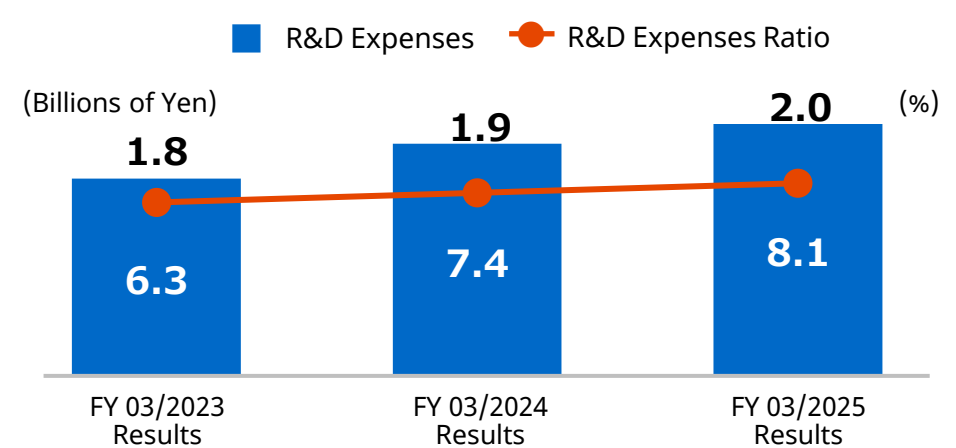
\* Right-of-use assets are included.

- Capital expenditures increased compared to the previous fiscal year due to a higher investment in precision tool cleaning business.
- Depreciation increased mainly due to the start of new water supply business project in this fiscal year.
- R&D expenses increased due to strengthening efforts to create innovation.

## Capital Expenditures and Depreciation



## R&D Expenses



# Financial Condition



(Billions of Yen)	End of March 2024	End of March 2025	Change
Cash and Cash Equivalents	54.0	63.0	+ 8.9
Trade and Other Receivables	139.5	126.4	(13.1)
Inventories	21.1	20.7	(0.4)
Others	13.5	10.9	(2.6)
<b>Total Current Assets</b>	<b>228.0</b>	<b>221.0</b>	<b>(7.1)</b>
Property, Plant and Equipment	191.0	195.4	+ 4.5
Goodwill	71.0	66.3	(4.7)
Other Non-Current Assets	67.4	66.2	(1.2)
<b>Total Non-Current Assets</b>	<b>329.4</b>	<b>328.0</b>	<b>(1.4)</b>
<b>Total Assets</b>	<b>557.4</b>	<b>548.9</b>	<b>(8.5)</b>
Current Liabilities	118.6	132.6	+ 13.9
Non-Current Liabilities	105.4	77.9	(27.5)
<b>Total Liabilities</b>	<b>224.0</b>	<b>210.4</b>	<b>(13.6)</b>
Equity Attributable to Owners of Parent	331.3	336.0	+ 4.8
Non-Controlling Interests	2.2	2.5	+ 0.3
<b>Total Equity</b>	<b>333.4</b>	<b>338.5</b>	<b>+ 5.1</b>
<b>Total Liabilities and Equity</b>	<b>557.4</b>	<b>548.9</b>	<b>(8.5)</b>

- Total current assets declined due to decreases in contract assets.
- Property, plant and equipment increased due to the acquisition of water supply business facilities despite impairment losses on assets for precision tool cleaning.
- Goodwill decreased due to the impacts of impairment losses and foreign exchange rates.
- Total liabilities declined mainly due to the redemption of commercial paper. Corporate bonds were transferred from non-current liabilities to current liabilities as their maturity date approached.
- Total equity increased due to the increase in retained earnings.

# The Share Buyback

Ensuring a flexible capital strategy at the right time

## Policy of Shareholder returns

- Continue to increase dividends systematically over the long term, maintaining dividend payout ratio of 30% to 50% for the last five years.
- Consider flexible share buybacks in light of capital needs, stock prices, capital structure, etc. even though growth investments are prioritized in the PSV-27 plan.

## Purpose of the share buyback

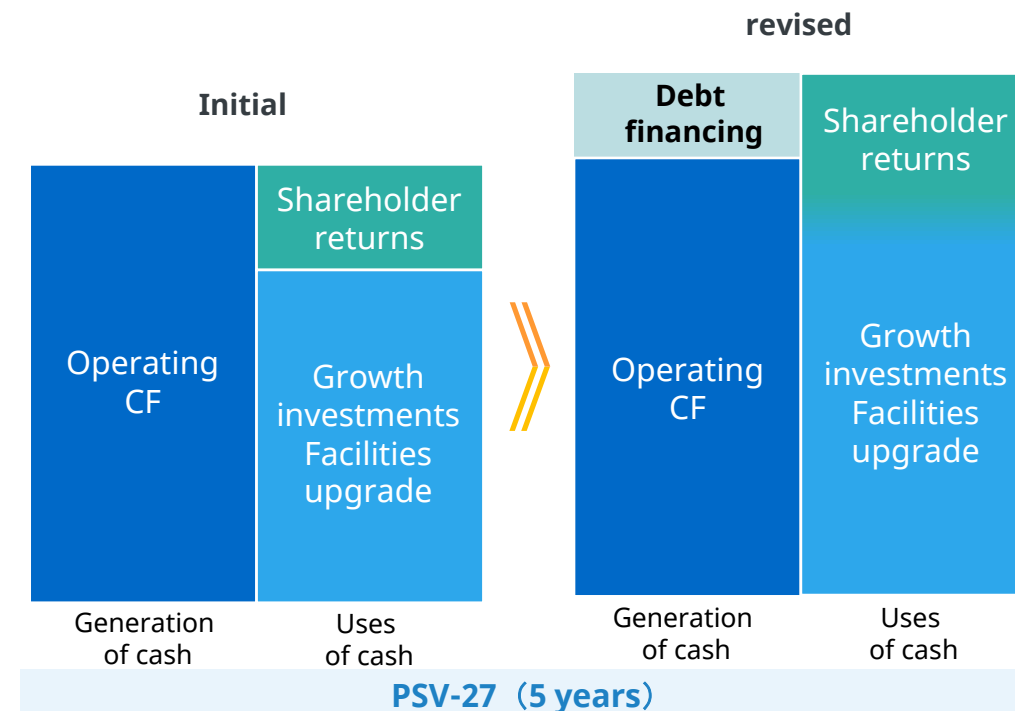
- Ensure a flexible capital strategy in response to a changing business environment in the future and improve capital efficiency to increase shareholder value and enterprise value.

## Overview of the share buyback

Total number of shares to be acquired	Up to 3.5 million shares Equivalent to 3.12% of outstanding shares (excluding treasury shares)
Total amount of share acquisition costs	Up to 15 billion yen
Period of acquisition	From May 9, 2025 to August 31, 2025

## Cash Allocation

- Prioritize growth investments with an eye on the PSV-27 plan and beyond, and consider debt financing if necessary
- Continue to prioritize shareholder returns and consider flexible share buybacks



2

## **Consolidated Business Forecast for the Fiscal Year Ending March 31, 2026**

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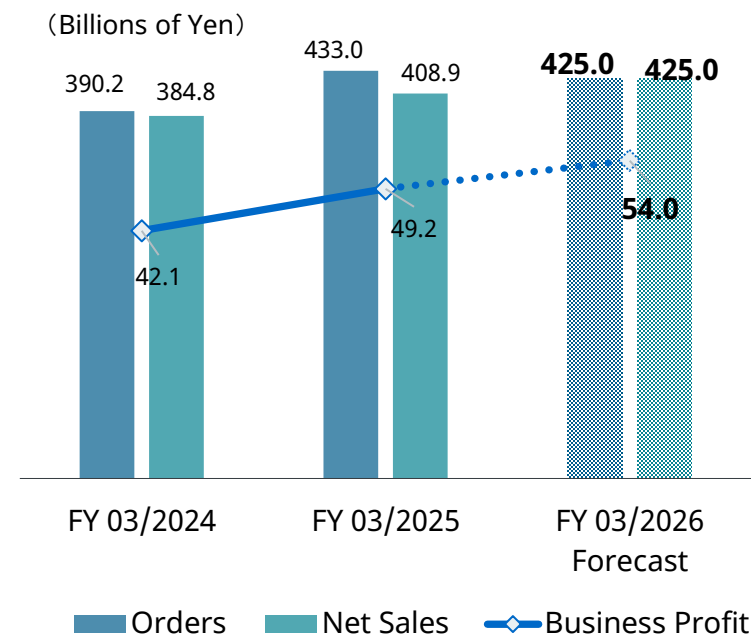
**At this point it is difficult to predict the impact of increased US tariffs, and this factor is not reflected in the business forecast.**

- The global economy is on a moderate recovery track, although some regions are showing stagnation.
  - Japan** Moderate recovery propped up by domestic demand
  - China** Low growth rate ongoing due to sluggish real estate sectors and US-China trade friction
  - ASEAN** Growth expectations from developing functions as an alternative production regions to China and expanding domestic demand
  - United States** Signs of a slowdown in growth driven by protectionist policies
  - Europe** Sense of stagnation in some areas such as Germany despite overall signs of recovery
- The semiconductor market will experience steady growth, driven by the generative AI market.
- If US tariff hikes or geopolitical risks are heightened, reduced utilization and postponed capital investment at customer plants will be expected.

# Overview of Business Forecast

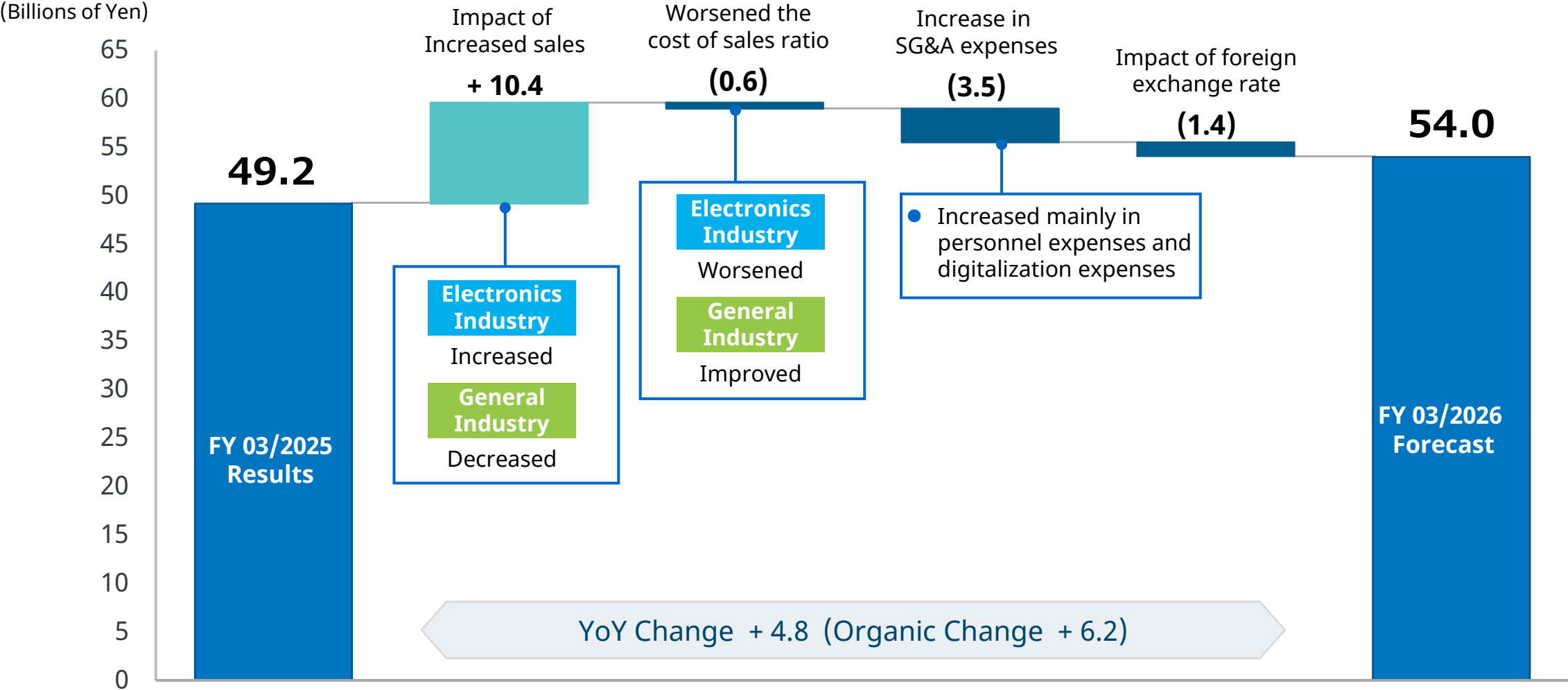


(Billions of Yen)		FY 03/2025 Results	FY 03/2026 Forecast	YoY Change	YoY change rate
Orders		433.0	425.0	(8.0)	(1.8%)
Net Sales		408.9	425.0	+ 16.1	+ 3.9%
Business Profit		49.2	54.0	+ 4.8	+ 9.8%
Business Profit Margin		12.0%	12.7%	+ 0.7pp	—
Net of Other Income and Expenses		(17.9)	(0.5)	+ 17.4	—
Operating Profit		31.3	53.5	+ 22.2	+ 71.1%
Profit Before Tax		31.8	52.5	+ 20.7	+ 65.0%
Profit Attributable to Owners of Parent		20.3	36.3	+16.0	+ 78.8%
Basic Earnings per Share (yen)		180.66	331.73	+151.07	+ 83.6%
Return on Equity (ROE)		6.1%	10.7%	+4.6pp	—
Return on Invested Capital (ROIC)		8.8%	8.7%	(0.2pp)	—
Foreign Exchange Rate	USD (yen)	152.6	140.0		
	EUR (yen)	163.8	160.0		
	CNY (yen)	21.1	20.0		



- The absence of impairment losses of 19.0 billion yen for two North American subsidiaries posted in the previous fiscal year.

# Factors in Business Profit Change (YoY Change)



# Forecast by Segment

(Billions of Yen)	FY 03/2025 Results	FY 03/2026 Forecast	YoY Change
<b>Orders</b>	<b>195.0</b>	<b>210.0</b>	<b>+ 15.0</b>
Facilities	76.8	94.9	+ 18.1
Recurring Contract-Based Services	54.8	51.4	(3.4)
Services	63.4	63.7	+ 0.3
Chemicals	11.6	11.5	(0.1)
Precision Tool Cleaning	28.6	29.3	+ 0.6
Maintenance	23.2	22.9	(0.3)
<b>Net Sales</b>	<b>181.2</b>	<b>205.0</b>	<b>+ 23.8</b>
Facilities	65.4	90.8	+ 25.3
Recurring Contract-Based Services	54.8	51.3	(3.5)
Services	61.0	62.9	+ 1.9
Chemicals	11.6	11.5	(0.1)
Precision Tool Cleaning	28.6	29.3	+ 0.7
Maintenance	20.8	22.2	+ 1.4
<b>Business Profit</b>	<b>24.2</b>	<b>26.0</b>	<b>+ 1.8</b>
<b>Business Profit Margin</b>	<b>13.4%</b>	<b>12.7%</b>	<b>(0.7pp)</b>
<b>Operating Profit</b>	<b>8.9</b>	<b>26.0</b>	<b>+ 17.1</b>

## Facilities

- Orders for large-scale projects are expected in Japan and North America.
- Net sales are expected to increase due to the progress of construction work for projects received in the previous fiscal year in Europe and North America.

\* Facility projects for the electronics industry in Europe and North America are recorded in the Electronics Industry segment from the fiscal year ending March 2026.

## Recurring Contract-Based Services

- Net sales are expected to decrease due to the absence of one-time sales posted in the previous fiscal year.

## Precision Tool Cleaning

- Increase both in Japan and overseas.

## Maintenance

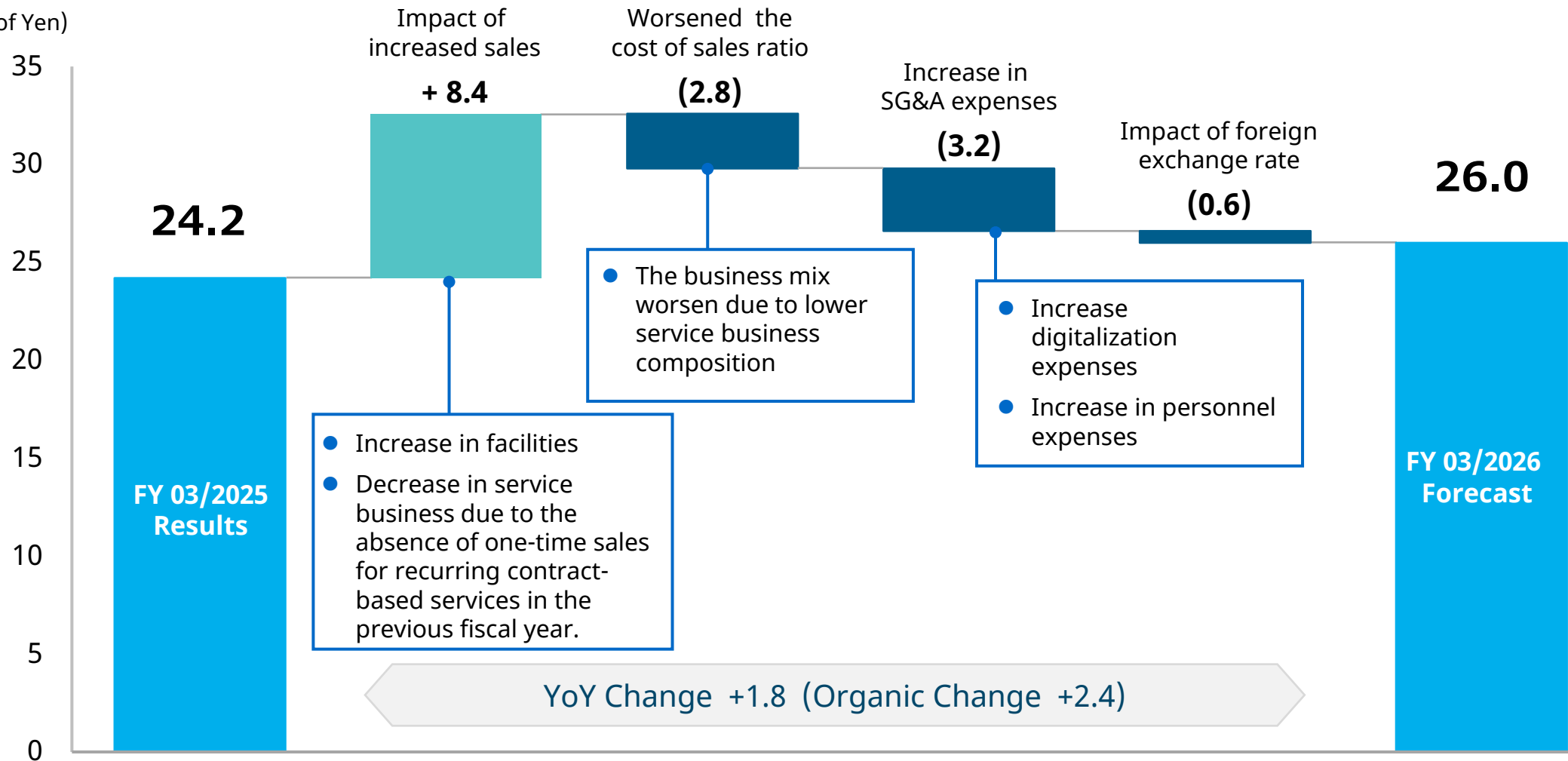
- Increase in China is expected.

Organic Change	+ 30.1
Impact of Foreign Exchange Rate	(6.3)

The absence of impairment losses of 16.5 billion yen for Pentagon Technologies posted in the previous fiscal year.

# Factors in Business Profit Change (YoY Change)

(Billions of Yen)



# Forecast by Segment

(Billions of Yen)	FY 03/2025 Results	FY 03/2026 Forecast	YoY Change
<b>Orders</b>	<b>238.0</b>	<b>215.0</b>	<b>(23.0)</b>
Facilities	50.5	29.3	(21.3)
Recurring Contract- Based Services	11.4	11.9	+ 0.6
Services	176.1	173.8	(2.2)
Chemicals	118.3	118.7	+ 0.4
Maintenance	48.8	45.9	(2.9)
Others	8.9	9.3	+ 0.3
<b>Net Sales</b>	<b>227.7</b>	<b>220.0</b>	<b>(7.7)</b>
Facilities	40.5	32.8	(7.8)
Recurring Contract- Based Services	11.2	11.6	+ 0.4
Services	176.0	175.6	(0.4)
Chemicals	118.1	117.8	(0.3)
Maintenance	48.9	49.2	+ 0.3
Others	9.0	8.7	(0.3)
<b>Business Profit</b>	<b>25.0</b>	<b>28.0</b>	<b>+ 3.0</b>
<b>Business Profit Margin</b>	<b>11.0%</b>	<b>12.7%</b>	<b>+ 1.8pp</b>
<b>Operating Profit</b>	<b>22.3</b>	<b>27.5</b>	<b>+ 5.2</b>

## Facilities

- Both orders and net sales are expected to decrease due to the impact of segment transfer of facility business for electronics industry.

\* Facility projects for the electronics industry in Europe and North America are recorded in the Electronics Industry segment from the fiscal year ending March 2026.

## Recurring Contract-Based Services

- Orders and net sales are expected to increase due to the expansion of CSV business.

## Chemicals

- Orders and net sales for chemicals are expected to increase excluding the impact of foreign exchange rates.
- Assuming economic growth in each country and expansion of CSV businesses.

## Maintenance

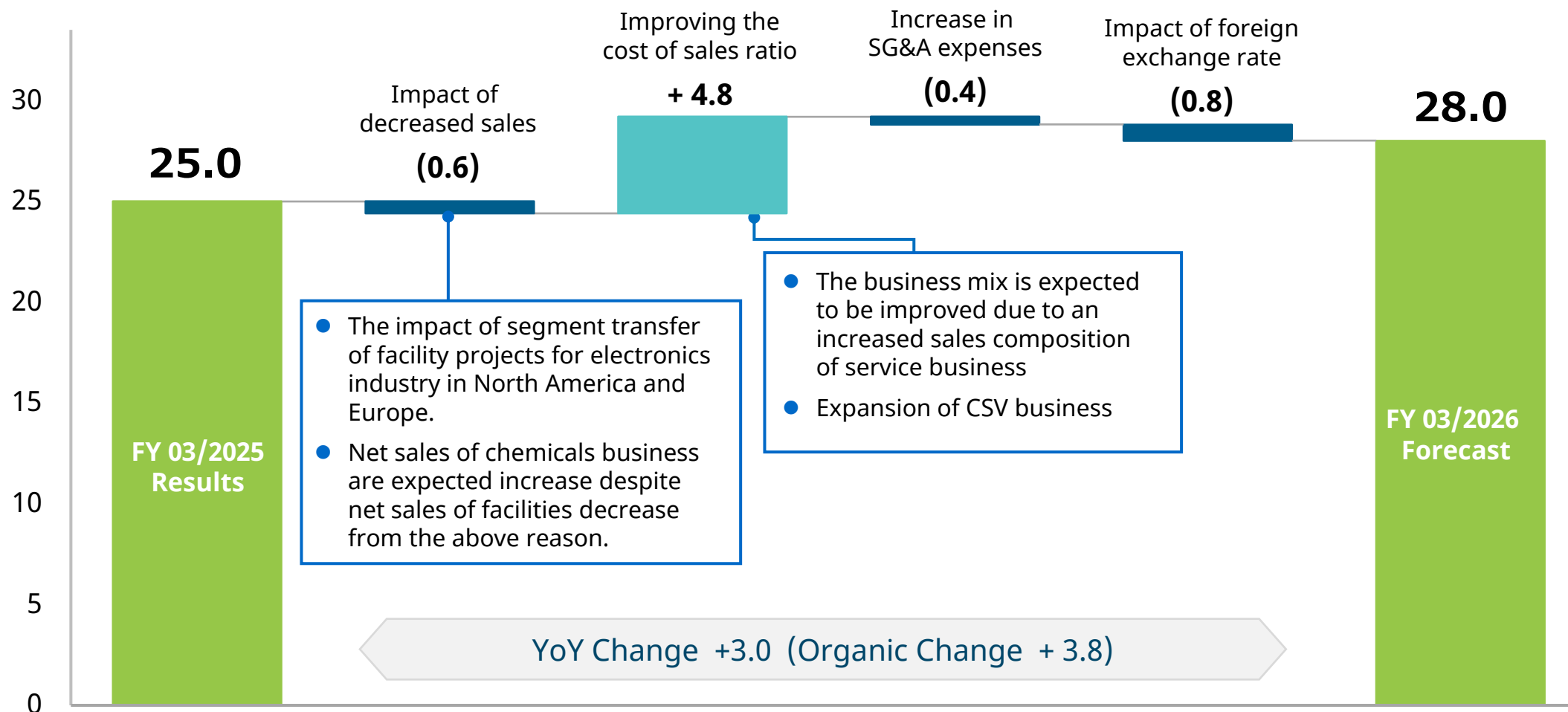
- Orders are expected to decrease due to the impact of spot projects in the previous fiscal year and orders brought forward.

Organic Change	(1.5)
Impact of Foreign Exchange Rate	(6.2)

The absence of impairment losses of 2.5 billion yen for Fracta posted in the previous fiscal year.

# Factors in Business Profit Change (YoY Change)

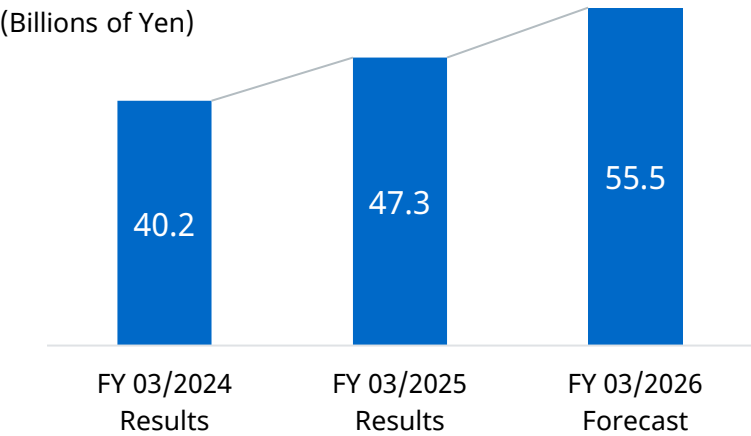
(Billions of Yen)



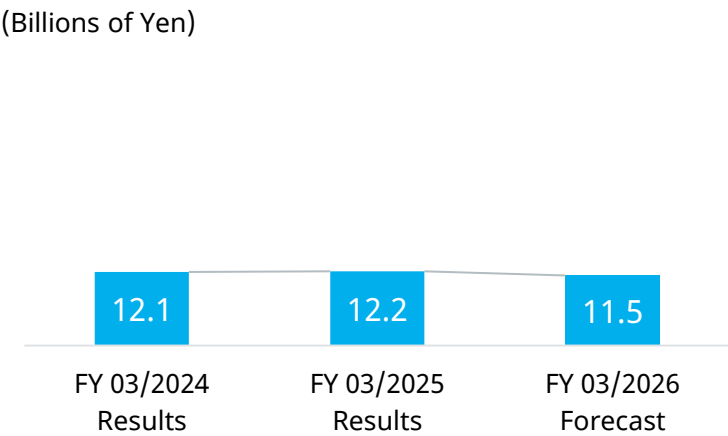
## CSV Business Net Sales

(Billions of Yen)	FY 03/2025 Results	FY 03/2026 Forecast	YoY Change
Consolidated	47.3	55.5	+ 8.2
Electronics Industry	12.2	11.5	(0.7)
General Industry	35.0	44.0	+ 9.0

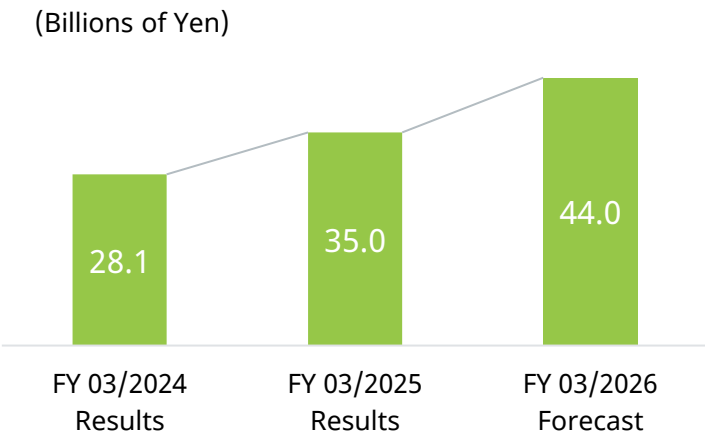
CSV Business Net Sales  
(Consolidated)



CSV Business Net Sales  
(Electronics Industry)



CSV Business Net Sales  
(General Industry)





# Net Sales by Region

## Net Sales by Region (Consolidated)

(Billions of Yen)	FY 03/2025 Results	FY 03/2026 Forecast	YoY Change
Japan	196.6	214.3	+ 17.7
Asia	99.6	91.1	(8.5)
North & South America	74.1	80.5	+ 6.4
EMEA*	38.5	39.1	+ 0.6
<b>Total</b>	<b>408.9</b>	<b>425.0</b>	<b>+ 16.1</b>

### Electronics Industry

- Japan : Increase  
Construction progress in a large-scale facility project for Europe is expected.
- North and South America : Increase  
Construction progress in a large-scale facility project posted in the previous fiscal year is expected.
- Asia : Decrease  
The absence of large-scale facility projects posted in China in the previous fiscal year
- North & South America and EMEA : Decrease  
The impact of segment transfer of facility projects for electronics industry

### General Industry

### Electronics Industry

## Net Sales by Region

(Billions of Yen)	FY 03/2025 Results	FY 03/2026 Forecast	YoY Change
Japan	84.8	97.5	+ 12.7
Asia	76.3	68.6	(7.7)
North & South America	19.1	34.1	+ 15.0
EMEA*	1.0	4.8	+ 3.9
<b>Total</b>	<b>181.2</b>	<b>205.0</b>	<b>+ 23.8</b>

### General Industry

## Net Sales by Region

(Billions of Yen)	FY 03/2025 Results	FY 03/2026 Forecast	YoY Change
Japan	111.8	116.8	+ 5.0
Asia	23.3	22.6	(0.8)
North & South America	55.0	46.4	(8.6)
EMEA	37.5	34.2	(3.3)
<b>Total</b>	<b>227.7</b>	<b>220.0</b>	<b>(7.7)</b>

\* Facility projects for the electronics industry in Europe and North America, had been recorded in the General industry segment, are recorded in the electronics industry segment from the fiscal year ending March 2026.

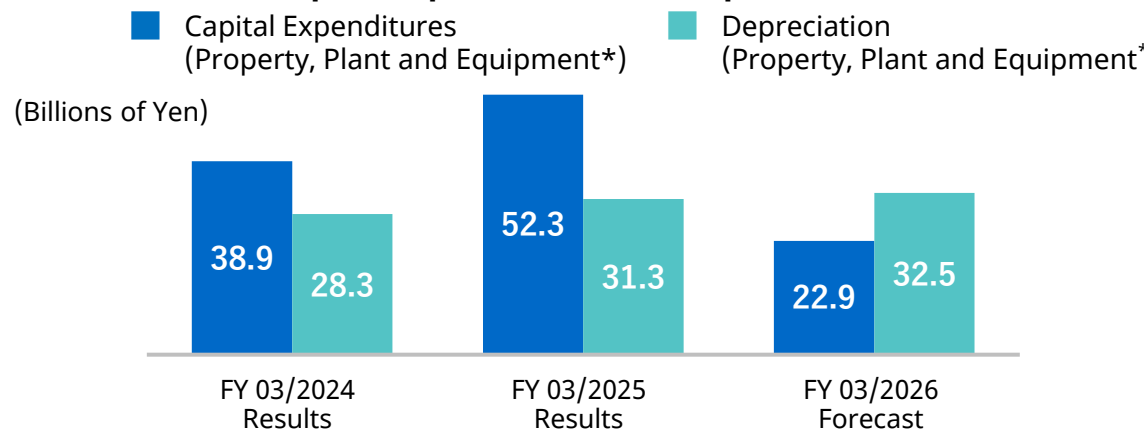
# Capital Expenditures, Depreciation and R&D Expenses

(Billions of Yen)	FY 03/2025 Results	FY 03/2026 Forecast	YoY Change
Capital Expenditures (Property, Plant and Equipment*)	52.3	22.9	(29.4)
Depreciation (Property, Plant and Equipment*)	31.3	32.5	+ 1.2
R&D Expenses	8.1	8.0	(0.1)

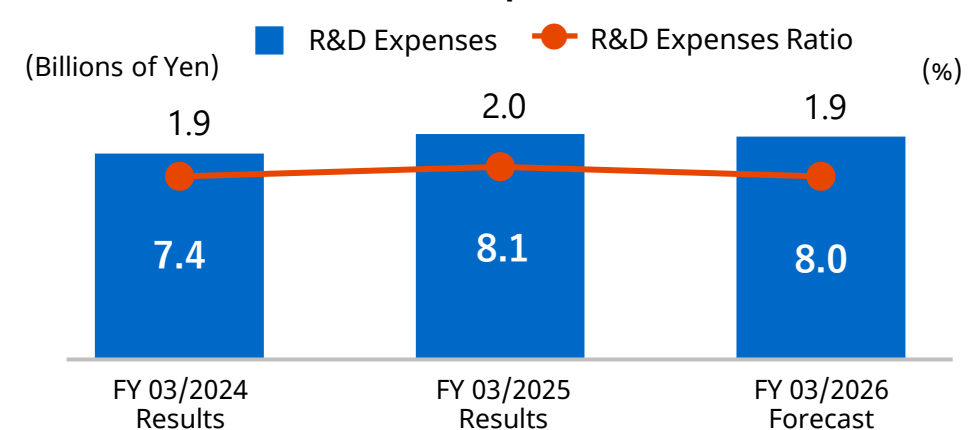
\* Right-of-use assets are included.

- Capital expenditures for the ultrapure water supply and the precision tool cleaning businesses are expected to decrease.
- Depreciation for the ultrapure water supply business is expected to increase despite a decrease in the precision tool cleaning business.
- R&D expenses remain at the same level as the previous fiscal year.

## Capital Expenditures and Depreciation



## R&D Expenses





### Forward-looking Statements

This presentation contains forward-looking statements, business plan projections, and judgments based on information available to management at the time of writing. Due to the existence of a variety of risk factors and uncertainties, actual results may differ from those specified or implied by these forward-looking statements and projections.

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