TAKEUCHI MFG. CO., LTD.

Financial Results Briefing for the Fiscal Year Ended February 2025

April 23, 2025

Event Summary

[Company Name]	TAKEUCHI MFG. CO., LTD.	
[Company ID]	6432-QCODE	
[Event Language]	JPN	
[Event Type]	Earnings Announcement	
[Event Name]	Financial Results Briefing for the Fiscal Year Ended February 2025	
[Fiscal Period]	FY2025 Q4	
[Date]	April 23, 2025	
[Number of Pages]	45	
[Time]	16:00 – 16:38 (Total: 38 minutes, Presentation: 38 minutes)	
[Venue]	Webcast	
[Number of Speakers]	4	
	Toshiya Takeuchi	President and Representative Director
	Osamu Kobayashi	Director
	Atsushi Horiuchi	General Manager of Business Management Department
	Hiroshi Sakai	Manager of ESG Promotion Section, Business Management Department

Presentation

Kobayashi: I am Kobayashi, Director. Thank you very much for taking time out of your busy schedules today to attend our financial results briefing.

As you are aware before I begin my explanation, the US tariff policy announced in early April has had a major impact on the global economy, and as we have already announced in our financial results for the fiscal year ended February 28, 2025, which we released on April 11, we are still unable to predict the impact on our business performance in the future at this time.

Therefore, please be advised that the forward-looking statements, i.e., earnings forecast for the fiscal year ending February 28, 2026 and the Fourth Medium-Term Business Plan, are based on information that does not anticipate the impact of the US tariff policy.

Summary of FY2024 Earnings Results

(1) Sales volume was down in both North America and Europe

- North America sales volume: down 5.1% (H1: down 2.5% / H2: down 7.8% YoY)
  Housing markets remain in an adjustment phase due to elevated interest rates and home prices, and sales growth in North America has come to a pause. Furthermore, there were moves to postpone purchases depending on the new president's tariff and trade policies.
- Europe sales volume: down 15.1% (H1: down 16.2% / H2: down 13.9% YoY)
  Housing demand was sluggish amid rising mortgage rates and energy prices
  Loosening non-housing related demand, such as construction, weakened investment appetite
- Total sales volume: down 11.8% (H1: down 11.0% / H2: down 12.6% YoY)

(2) Net sales, operating profit, and ordinary profit reached record highs

- Buoyed by the weak yen and product price increases, although the sales volume decreased.

Factors of decrease in operating profit (down 5,621 million yen compared to the third quarter)

Sales factors	① Profit decline due to lower sales in North America	(1,911)M
Accounting factors	② Write-downs of related parts for battery-powered excavators	(2,659)M
Increase in SG&A	③ Increase in product warranty costs ④ Increase in personnel expenses ⑤ Increase in taxes and dues ⑥ Increase in transportation costs ⑦ Other SG&A	(487)M (139)M (128)M (91)M (206)M
	Total	(5,621)M

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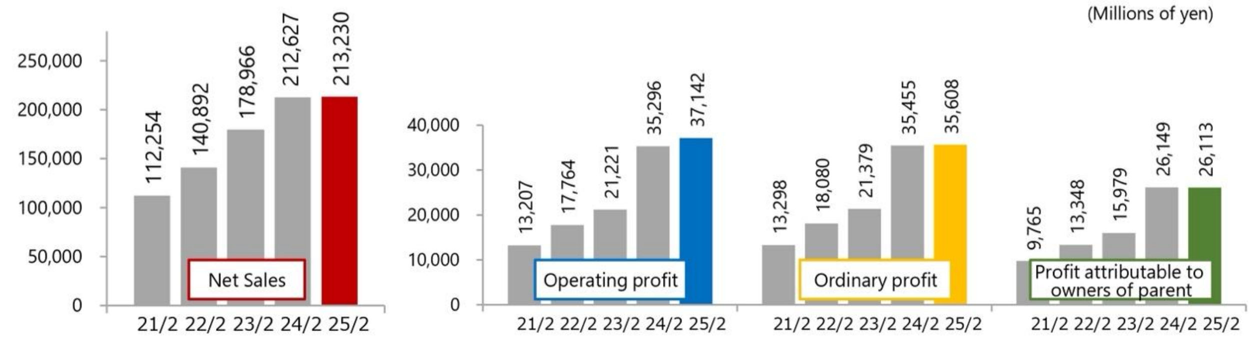
I will now explain our consolidated financial results for the fiscal year ended February 28, 2025 and our full-year forecast for the current fiscal year. See page two. I would like to explain some key points regarding the results for the fiscal year ended February 28, 2025 compared to the previous fiscal year.

As you can see, sales in North America decreased by 5.1%, sales in Europe decreased by 15.1%, and overall sales decreased by 11.8%. Although sales volume declined, net sales, operating profit and ordinary profit reached record highs, mainly due to yen depreciation and price increases.

Operating profit for the most recent Q4 continued to decline from Q3. This was mainly due to the sales factor of lower sales and profit in North America, where sales volume declined significantly in Q4 due to the impact of postponed purchase decisions while assessing the impact of various policies following the inauguration of the new president, and a write-down of JPY2,659 million for the inventory of batteries and other related parts for battery-powered excavators. The year-end closing factors and the breakdown as shown above are due to an increase in various SG&A expenses.

Consolidated Financial Highlights for FY2024

(Millions of yen)	FY2023		FY2024					
	Full year	Sales ratio	1st half	2nd half	Full year	Sales ratio	Change	(%)
Net sales	212,627	-	109,606	103,623	213,230	-	+602	+0.3%
Operating profit	35,296	16.6%	24,867	12,274	37,142	17.4%	+1,845	+5.2%
Ordinary profit	35,455	16.7%	23,187	12,420	35,608	16.7%	+153	+0.4%
Profit attributable to owners of parent	26,149	12.3%	16,854	9,258	26,113	12.2%	(36)	(0.1)%
Capital investment	8,070	3.8%	1,397	1,936	3,333	1.6%	(4,737)	(58.7)%
Depreciation	3,321	1.6%	1,807	1,947	3,755	1.8%	+433	+13.0%
Orders received	150,777	-	97,311	65,438	162,750	-	+11,973	+7.9%
Order backlog	128,897	-	116,602	78,417	78,417	-	(50,479)	(39.2)%



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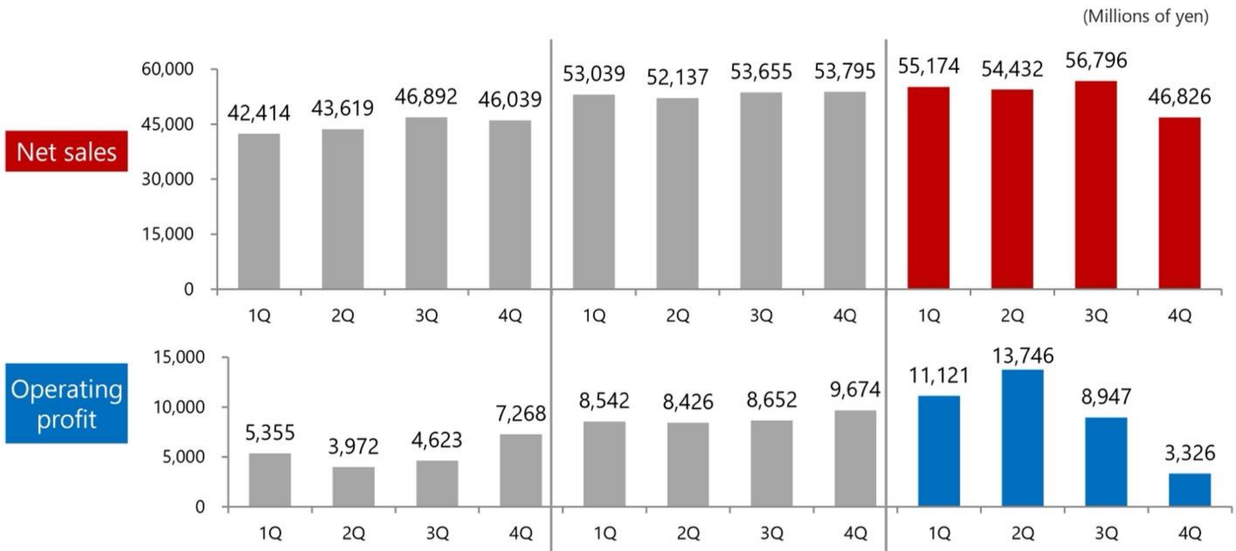
See page three. As for the consolidated financial highlights, net sales and profits at each stage are as shown. The reasons for the increase or decrease in operating profit will be explained later on page seven.

As for orders received and order backlogs, orders received increased JPY11,973 million to JPY162,750 million and order backlogs decreased JPY50,479 million to JPY78,417 million. This order backlog is equivalent to 4.4 months of monthly sales, which we consider to be a generally normal level.

Quarterly Net Sales and Operating Profit



Exchange rates	FY2022				FY2023				FY2024			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
JPY/USD	121.43	133.43	143.54	134.12	134.74	140.48	148.62	145.93	152.45	156.84	146.94	153.67
JPY/GBP	157.87	163.51	166.55	163.00	165.80	179.25	183.10	185.38	194.22	199.39	192.51	192.40
JPY/EUR	133.83	138.77	142.85	142.51	146.10	154.14	158.55	159.56	164.58	168.43	160.60	160.32
JPY/RMB	18.56	19.70	20.11	19.60	19.43	19.66	20.08	20.31	20.75	21.76	20.66	21.34

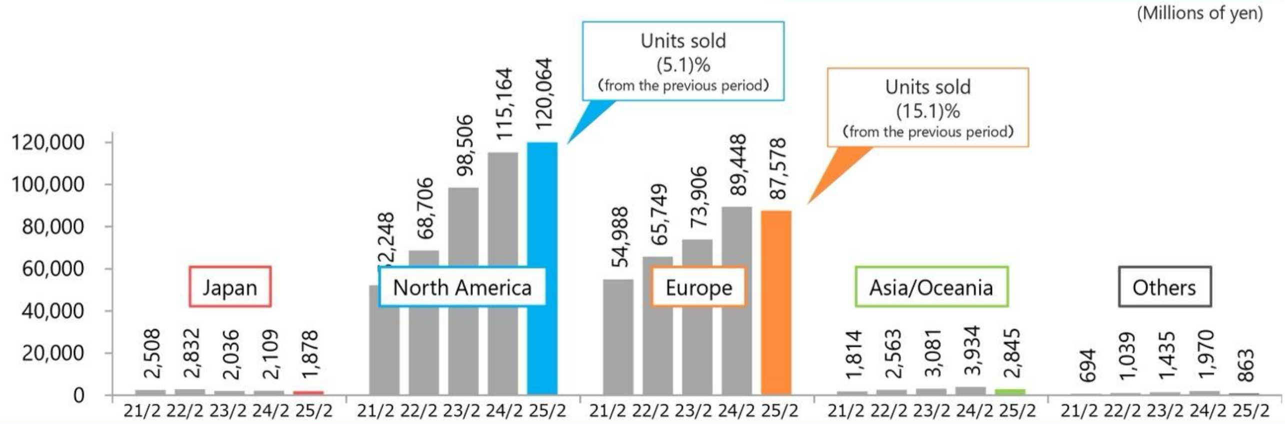
See page four. This shows quarterly net sales and operating profit. As for net sales, sales remained strong through Q3, but declined in Q4 due to sales down in the North American market.

In addition, despite the increase in net sales in Q3 compared to Q2, operating profit decreased, but this was due to the consolidated accounting treatment of unrealized profits resulting from the temporary appreciation of the Japanese yen against the US dollar at the end of August 2024. The main reason for the decline in sales and profit in Q4 was for the reasons explained earlier on page two.

Sales by Region for FY2024

(Millions of yen)	FY2023		FY2024					
	Full year	Sales ratio	1st half	2nd half	Full year	Sales ratio	Change	(%)
Japan	2,109	1.0%	985	892	1,878	0.9%	(231)	(11.0)%
North America	115,164	54.2%	62,906	57,157	120,064	56.3%	+4,899	+4.3%
Europe	89,448	42.1%	43,745	43,833	87,578	41.1%	(1,869)	(2.1)%
Asia/Oceania	3,934	1.9%	1,153	1,691	2,845	1.3%	(1,089)	(27.7)%
Others	1,969	0.9%	814	48	863	0.4%	(1,106)	(56.2)%
Total net sales	212,627	100.0%	109,606	103,623	213,230	100.0%	+602	+0.3%
Net sales overseas	210,518	99.0%	108,621	102,730	211,352	99.1%	+834	+0.4%

(Millions of yen)



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See page five. Sales by region are as shown below. Beginning with the current fiscal year, the amounts for the Oceania region, which were previously included in the others category, have been removed and added to the existing Asia region, and are now presented in a new category, Asia/Oceania. This is intended to more clearly present Oceania as our future sales focus region.

Geographic Segment Information and Results for FY2024

(Millions of yen)		FY2023		FY2024					
		Full year	Profit ratio	1st half	2nd half	Full year	Profit ratio	Change	(%)
Japan	Net sales	75,404	-	33,163	33,969	67,133	-	(8,271)	(11.0)%
	Segment profit	30,724	40.7%	22,400	11,905	34,305	51.1%	+3,581	+11.7%
US	Net sales	115,183	-	62,921	57,181	120,103	-	+4,919	+4.3%
	Segment profit	10,870	9.4%	6,975	3,936	10,911	9.1%	+40	+0.4%
UK	Net sales	12,131	-	7,346	7,200	14,547	-	+2,416	+19.9%
	Segment profit	912	7.5%	110	388	499	3.4%	(412)	(45.2)%
France	Net sales	9,794	-	6,132	5,192	11,325	-	+1,530	+15.6%
	Segment profit	972	9.9%	533	283	816	7.2%	(156)	(16.1)%
China	Net sales	113	-	42	78	120	-	+7	+6.5%
	Segment profit	139	123.1%	192	105	297	246.6%	+158	+113.2%

- Japan Segment: (TAKEUCHI MFG. CO., LTD.)
  - Development and manufacture of construction machinery
  - Sales of construction machinery in Japan / Sales of construction machinery to distributors in Europe and Asia/Oceania
- US Segment: (Takeuchi Mfg. (U.S.), Ltd.)
  - Sales of construction machinery in the US and Canada
  - Manufacture of construction machinery in the US
- UK Segment: (Takeuchi Mfg. (U.K.) Ltd.)
  - Sales of construction machinery in the UK
- France Segment (Takeuchi France S.A.S.)
  - Sales of construction machinery in France
- China Segment: (Takeuchi Qingdao Mfg. Co., Ltd.)
  - Manufacture, procurement, and sales of construction machinery components for the Japan segment

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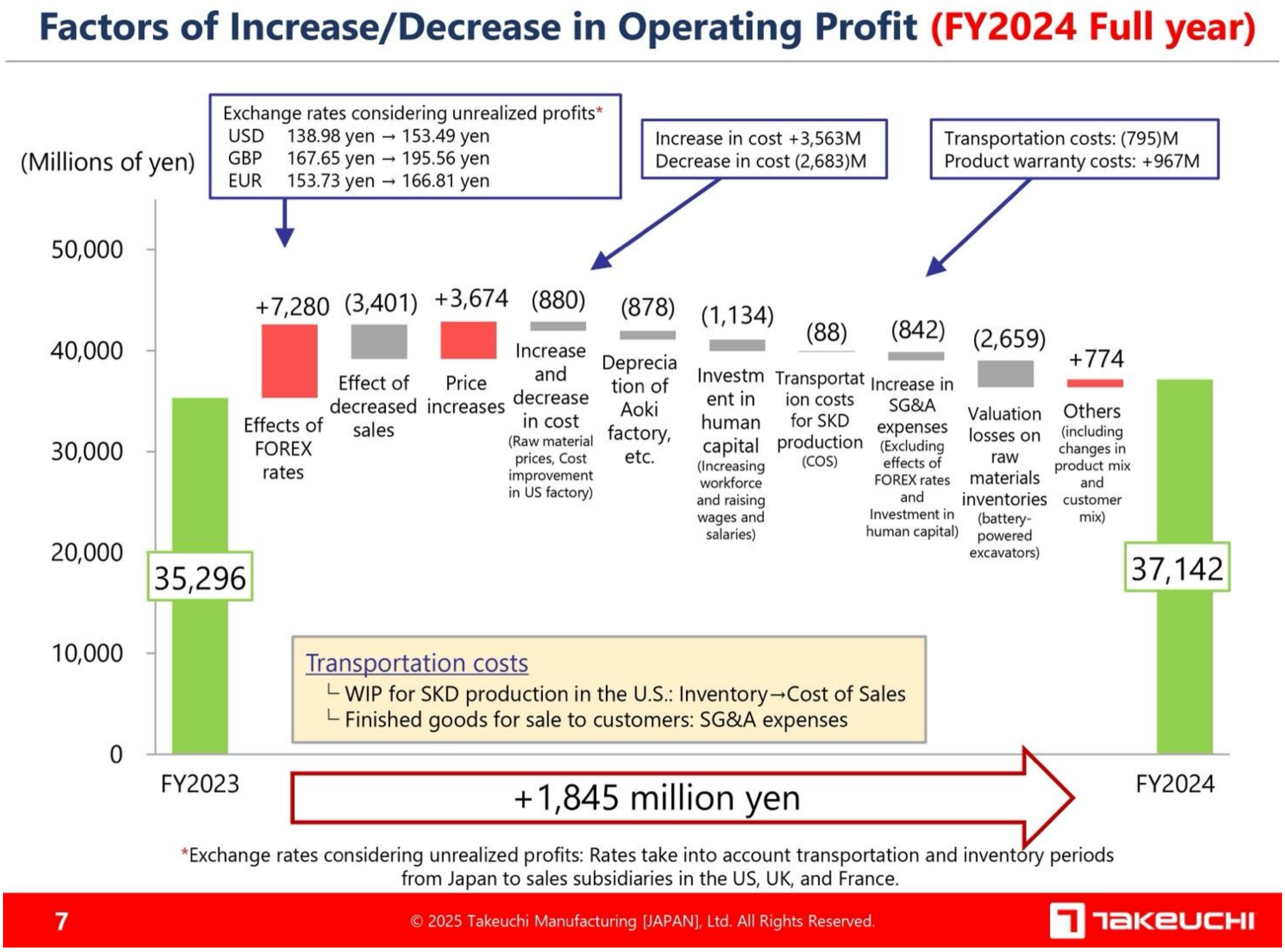
See page six. Please refer to the geographic segment information as stated.



See page seven. I will now explain the factors behind the increase or decrease in consolidated operating profit. As for the breakdown, as you can see, while foreign exchange effects and price increases were major factors for increased profits, there were factors for decreased profits, including a decrease in sales due to lower sales volume, higher parts procurement prices, higher running costs due to the year-round operation of the Aoki factory, and continued human capital investment in increasing staff and higher wages.

In addition, as already explained, there was a charge of JPY2,659 million for the write-down of related parts for battery-powered excavators as a factor at the end of this period. Including the above and other factors, operating profit increased JPY1,845 million to JPY37,142 million.

Consolidated Balance Sheets (As of February 28, 2025)

		(Millions of yen)	As of Feb. 29, 2024 Balance	As of Feb. 29, 2024 Composition ratio	As of Feb. 28, 2025 Balance	As of Feb. 28, 2025 Composition ratio	Change	(%)
Assets		Cash and deposits	55,175	27.8%	46,482	21.3%	(8,693)	(15.8)%
		Notes and accounts receivable - trade	44,572	22.5%	45,586	20.9%	+1,014	+2.3%
		Inventories	58,263	29.4%	80,497	37.0%	+22,234	+38.2%
		Other current assets	3,908	2.0%	4,687	2.2%	+778	+19.9%
	Current assets		161,920	81.7%	177,254	81.4%	+15,334	+9.5%
	Non-current assets		36,233	18.3%	40,464	18.6%	+4,231	+11.7%
	Total		198,153	100.0%	217,718	100.0%	+19,565	+9.9%
Liabilities and Net assets		Notes and accounts payable - trade	36,381	18.4%	36,022	16.5%	(358)	(1.0)%
		Other current liabilities	13,490	6.8%	13,951	6.4%	+460	+3.4%
	Current liabilities		49,872	25.2%	49,974	23.0%	+102	+0.2%
	Non-current liabilities		655	0.3%	744	0.3%	+88	+13.4%
	Total Liabilities		50,527	25.5%	50,718	23.3%	+190	+0.4%
	Total net assets		147,625	74.5%	167,000	76.7%	+19,374	+13.1%
	Total		198,153	100.0%	217,718	100.0%	+19,565	+9.9%

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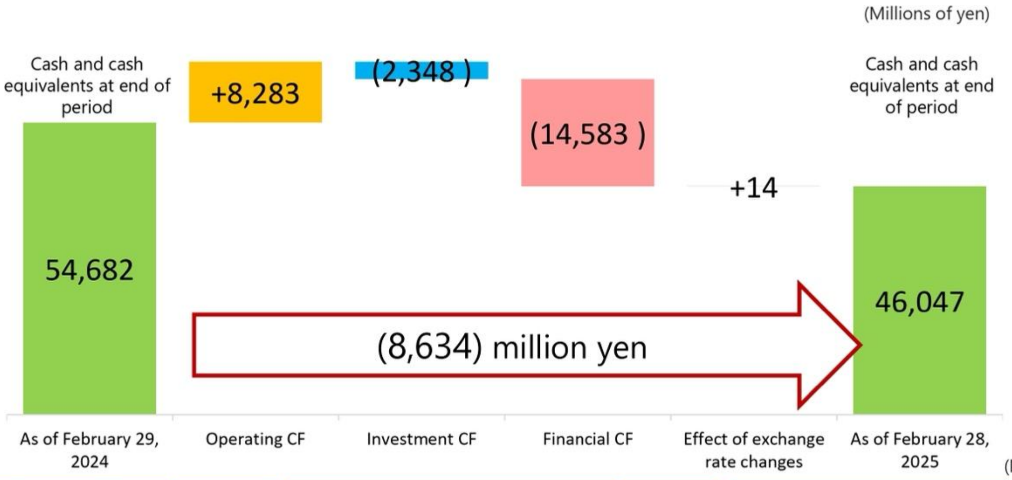
See page eight. I will explain consolidated balance sheets. Inventories increased approximately JPY22.2 billion. There are three main reasons for this. First, the foreign exchange impact of the yen's depreciation when inventory levels of overseas subsidiaries are converted to yen. Second, the increase in inventory volume due to the long on-board transportation periods as shipments to Europe bypass the Red Sea. Third, the planned buildup of product inventories at subsidiaries in anticipation of expanded sales in the US.

Consolidated Statements of Cash Flows (FY2024, Results)



(Millions of yen)

Cash flows from operating activities	Change
Profit before income taxes	35,608
Depreciation	3,755
Increase in inventories	(17,171)
Increase in working capital	(1,691)
Income taxes paid	(15,072)
Others	+2,855
Total	+8,283

Cash flows from investing activities	Change
Net decrease in term deposits	+58
Purchase of property, plant and equipment	(3,269)
Acquisition of intangible assets	(71)
Proceeds from redemption of securities	600
Proceeds from redemption of investment securities	300
Others	+34
Total	(2,348)

Cash flows from financing activities	Change
Dividends paid	(7,539)
Purchase of treasury shares	(7,000)
Others	(43)
Total	(14,583)

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See page nine. The consolidated statements of cash flows are presented for your review as described.

Summary of FY2025 Earnings Forecasts

The consolidated earnings forecast for FY2025 does not take into account the impacts from the US tariff policies.

If we assume the following, consolidated net sales and consolidated operating profit may fall short of the forecasts in this presentation by 24.0 billion yen and 13.0 billion yen, respectively.

Assumptions

1. If the US sales volume fall 10% below FY2024 level
   (down 21.4% compared to the sales volume forecast in this presentation)
2. If we cannot pass on the 24% tariff cost to product prices and absorb it within our group.

Reference

As of March 31, 2025, our US subsidiary has approximately five months' worth of inventory that is not affected by tariffs (on a volume basis) and therefore expects to be able to sell without being affected by tariffs for the time being.

The impact of the US tariff policies remains unclear and it is difficult to factor this into earnings forecasts at this time. However, we will disclose forecasts in a timely manner once the sales volumes, selling prices, etc. in the US become available.

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I will continue with our full-year forecast of consolidated results for the fiscal year ending February 28, 2026. See page 11. As I mentioned at the beginning of this document, the consolidated earnings forecast that I am about to explain does not include the impact of the US tariffs.

For your reference, in order to gauge the impact of the US tariffs, if the sales volume in the US were to fall below 10% of the actual results for the fiscal year ended February 28, 2025, and if we were unable to pass on the 24% tariff cost to prices, net sales and operating profit would fall by JPY24 billion and JPY13 billion, respectively. We have already mentioned this in our financial results report, but we would like to reiterate the possibility.

For your reference, our US subsidiary's inventory of products before the tariffs took effect was roughly equivalent to five months of monthly sales on a volume basis, and we recognize this as inventory that can be sold without being affected by the tariffs. Since the future of the US tariff policy itself is uncertain, it is difficult to incorporate the impact of tariffs into our earnings forecast at this time. We will disclose our earnings forecast in a timely and appropriate manner when we have a clear prospect of sales volume and sales price setting in the US and are in a position to incorporate tariff effects into our earnings forecast.

Summary of FY2025 Earnings Forecasts

(1) Europe sales are expected to slow, but North America will progress steadily, leading to **increased sales volume**

- North America sales volume: up 14.5% (H1: up 9.9% / H2: up 19.4% YoY)
  - Although sales growth in North America has slowed, housing demand remains strong and public infrastructure investment is also moving ahead steadily.
  - With sufficient supply capacity, we will expand our dealer network and increase our market share.
  - Product sales, especially of track loaders, are forecast to be steady.
- Europe sales volume: down 2.7% (H1: up 0.7% / H2: down 6.0% YoY)
  - Excavator sales continue to stagnate due to declining investment sentiment
  - Sales of both excavators and track loaders are expected to be slightly lower YoY
- Total sales volume: up 7.6% (H1: up 6.8% / H2: up 8.5% YoY)

(2) Profit is expected to **increase** (operating profit, ordinary profit and net profit)

[Factors that could increase profits]

- Major changes in customer mix amid increasing sales at our US subsidiary
- Reduced write-downs of related parts for battery-powered excavators

[Factors that could decrease profits]

- Strong yen, price discounts on sales, rising prices of purchased parts, and investments in human capital (headcount and wages)

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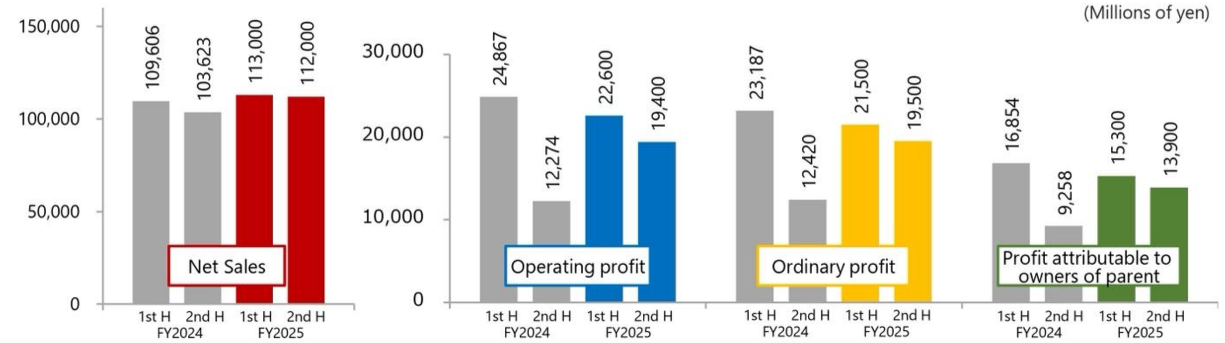
See page 12. As for our sales outlook, we expect a significant increase in sales volume in North America, especially of track loaders, by strengthening our dealer network and expanding our market share. In Europe, on the other hand, weak sales conditions are expected to continue, and unit sales of both excavators and track loaders are expected to be slightly lower than in the same period of the previous year. In terms of profit, we expect that the increase in profit at each stage will be due to factors such as the increase in sales at our US sales subsidiary outweighing factors such as the decrease in profit due to the assumed exchange rate set at a stronger Japanese yen.

Expected Consolidated Financial Highlights for FY2025

(Millions of yen)	FY2024		FY2025 (forecast)					
	Full year	Sales ratio	1st half	2nd half	Full year	Sales ratio	Change	(%)
Net sales	213,230	–	113,000	112,000	225,000	–	+11,769	+5.5%
Operating profit	37,142	17.4%	22,600	19,400	42,000	18.7%	+4,857	+13.1%
Ordinary profit	35,608	16.7%	21,500	19,500	41,000	18.2%	+5,391	+15.1%
Profit attributable to owners of parent	26,113	12.2%	15,300	13,900	29,200	13.0%	+3,086	+11.8%
Capital investment	3,333	1.6%	1,703	3,645	5,349	2.4%	+2,015	+60.5%
Depreciation	3,755	1.8%	1,648	2,140	3,788	1.7%	+32	+0.9%
Earnings per share (yen)	552.45	Dividend payout Ratio 36.2%	–	–	631.93	Dividend payout Ratio –	+79.48	+14.4%
Dividends per share (yen)	200.00		–	–	Not yet determined		–	–



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See page 13. The financial highlights for the full year are as shown.

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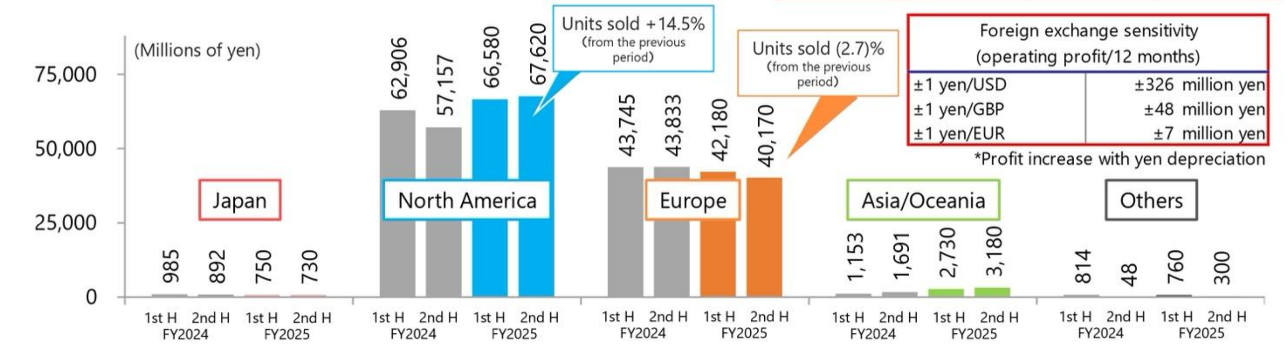
Sales Forecast by Region for FY2025

(Millions of yen)	FY2024 Full year	FY2024 Sales ratio	FY2025 (forecast) 1st half	FY2025 (forecast) 2nd half	FY2025 (forecast) Full year	FY2025 (forecast) Sales ratio	Change	(%)
Japan	1,878	0.9%	750	730	1,480	0.7%	(398)	(21.2)%
North America	120,064	56.3%	66,580	67,620	134,200	59.6%	+14,135	+11.8%
Europe	87,578	41.1%	42,180	40,170	82,350	36.6%	(5,228)	(6.0)%
Asia / Oceania	2,845	1.3%	2,730	3,180	5,910	2.6%	+3,064	+107.7%
Others	863	0.4%	760	300	1,060	0.5%	+196	+22.8%
Total net sales	213,230	100.0%	113,000	112,000	225,000	100.0%	+11,769	+5.5%
JPY/USD	152.65	–	145.00	145.00	145.00	–	(7.65)	(5.0)%
JPY/GBP	194.85	–	183.00	183.00	183.00	–	(11.85)	(6.1)%
JPY/EUR	163.74	–	152.00	152.00	152.00	–	(11.74)	(7.2)%
JPY/RMB	21.13	–	20.00	20.00	20.00	–	(1.13)	(5.3)%



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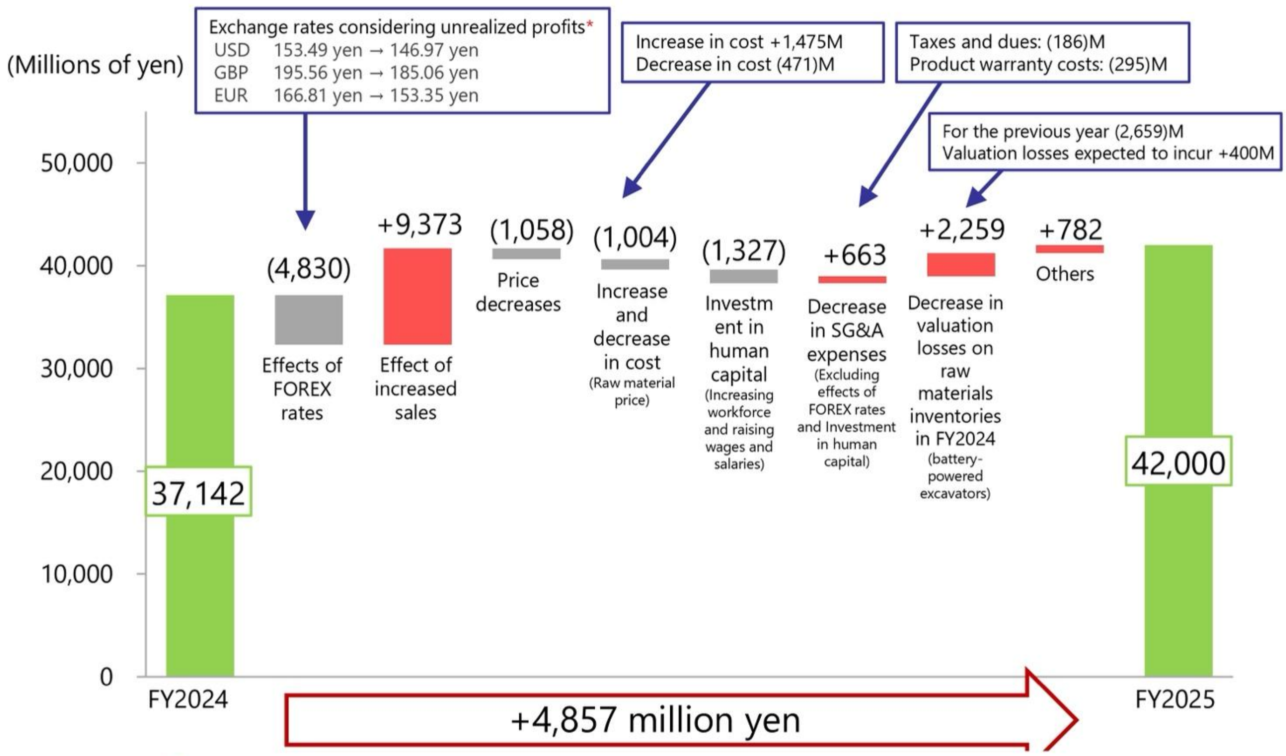
Then see page 14. The full-year sales forecast by region is as shown. The annual foreign exchange sensitivity in operating profit is projected to be JPY326 million for the US dollar, JPY48 million for the pound, and JPY7 million for the euro.

Factors of Increase/Decrease in Operating Profit (FY2025 Full Year Forecast)



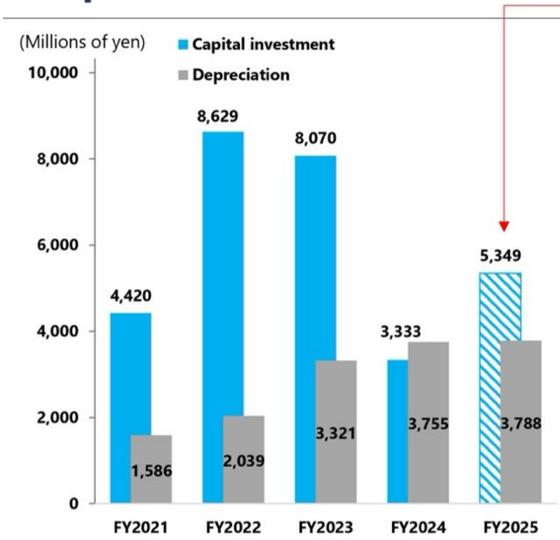
*Exchange rates considering unrealized profits: Rates take into account transportation and inventory periods from Japan to sales subsidiaries in the US, UK, and France.

See page 15. I would like to explain the factors behind the increase or decrease in the full-year forecast of consolidated operating profit. The breakdown is as shown in the figure. The JPY9,373 million effect of increased sales includes the improvement in profit margin due to the anticipated increase in the sales composition ratio of the US subsidiary.

The price reduction of JPY1,058 million is due to the anticipated continuation of discount sales at the US and French subsidiaries in the current fiscal year, which had been implemented since H2 of the previous fiscal year.

In addition, operating profit is projected to increase by JPY4,857 million to JPY42,000 million, including a reduction in the profit impact of the write-down of battery-powered excavator-related components that occurred in the previous fiscal year.

Capital Investment Plan



◇FY2025 Capital Investment Plan Breakdown

Home Office Aoki Factory	¥2.1 bn	Maintenance and replacement of jigs, molds, and equipment
Sales & Marketing	¥1.5 bn	Expansion of home office parts center
R&D	¥0.2 bn	Renovation of Bingushi test building
Digital Infrastructure (IT and DX)	¥0.3 bn	Cybersecurity enhancement
Capex at subsidiaries	¥0.6 bn	Sales and Marketing
Others	¥0.5 bn	Maintenance and replacement of equipment
Total	¥5.3 bn	

◇FY2024 Capital Investment Breakdown

Home Office& Aoki factories	¥2.0 bn	Maintenance and replacement of jigs, molds, and equipment Factory equipment expansion, production streamlining Safety enhancement, work environment improvement
Employee dormitories	¥0.7 bn	1 Building in Ueda, Nagano Prefecture
US Factory	¥0.6 bn	Expansion of US Factory equipment, marketing enhancements, IT investment
Total	¥3.3 bn	

FY2021
US Training Center (¥0.5 bn)

FY2022
US Factory (approx. ¥4.7 bn)

FY2023
Aoki Factory (approx. ¥11.0 bn)

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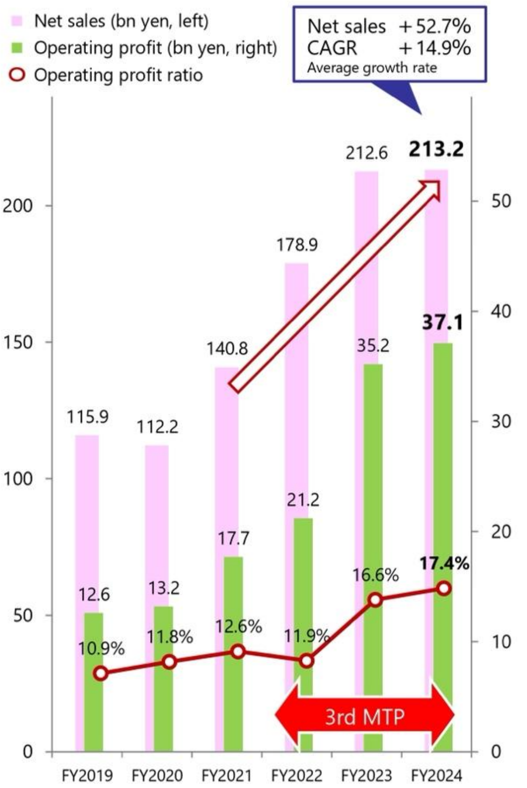
See page 16. Capital investment plan. We forecast JPY5,349 million for the maintenance and renewal of jigs, dies, and production equipment at the Home Office Factory and Aoki Factory, as well as the expansion of the Home Office Parts Center.

That concludes my explanation. President Takeuchi will explain from this point forward.

Review of the Third Medium-term Business Plan: (1) Numerical Targets

	FY2024		Rating
	MTP targets	Results	
Net sales	¥240.0 bn	¥213.2 bn	×
Operating profit └ ratio	¥24.0 bn 10.0%	¥37.1 bn 17.4%	✓
Earnings per share (yen)	¥377.00	¥552.45	✓
ROE	14.0%	16.6%	✓
JPY/USD	¥115.00	¥152.65	
JPY/GBP	¥152.00	¥194.85	
JPY/EUR	¥127.00	¥163.74	
JPY/RMB	¥18.00	¥21.13	

- We made a big leap forward in terms of net sales thanks to the effect of exchange rates, price increases, expansion of sales in North America, and changes in product mix, but we still fell short of the target. In the final fiscal year, sales in Europe slowed down sharply, and sales in North America also seemed to have slowed down.
  - ✓ North America sales volume: up 16.3% (FY2021 vs. FY2024)
  - ✓ Europe sales volume: down 6.4% (FY2021 vs. FY2024)
  - ✓ Total sales volume: up 1.7% (FY2021 vs. FY2024)
- The operating profit ratio improved significantly following price increases, normalization of ocean freight rates, and the impact of exchange rates, although there were factors that reduced profits, i.e., higher manufacturing costs, depreciation for new factories, and increased investment in human capital.



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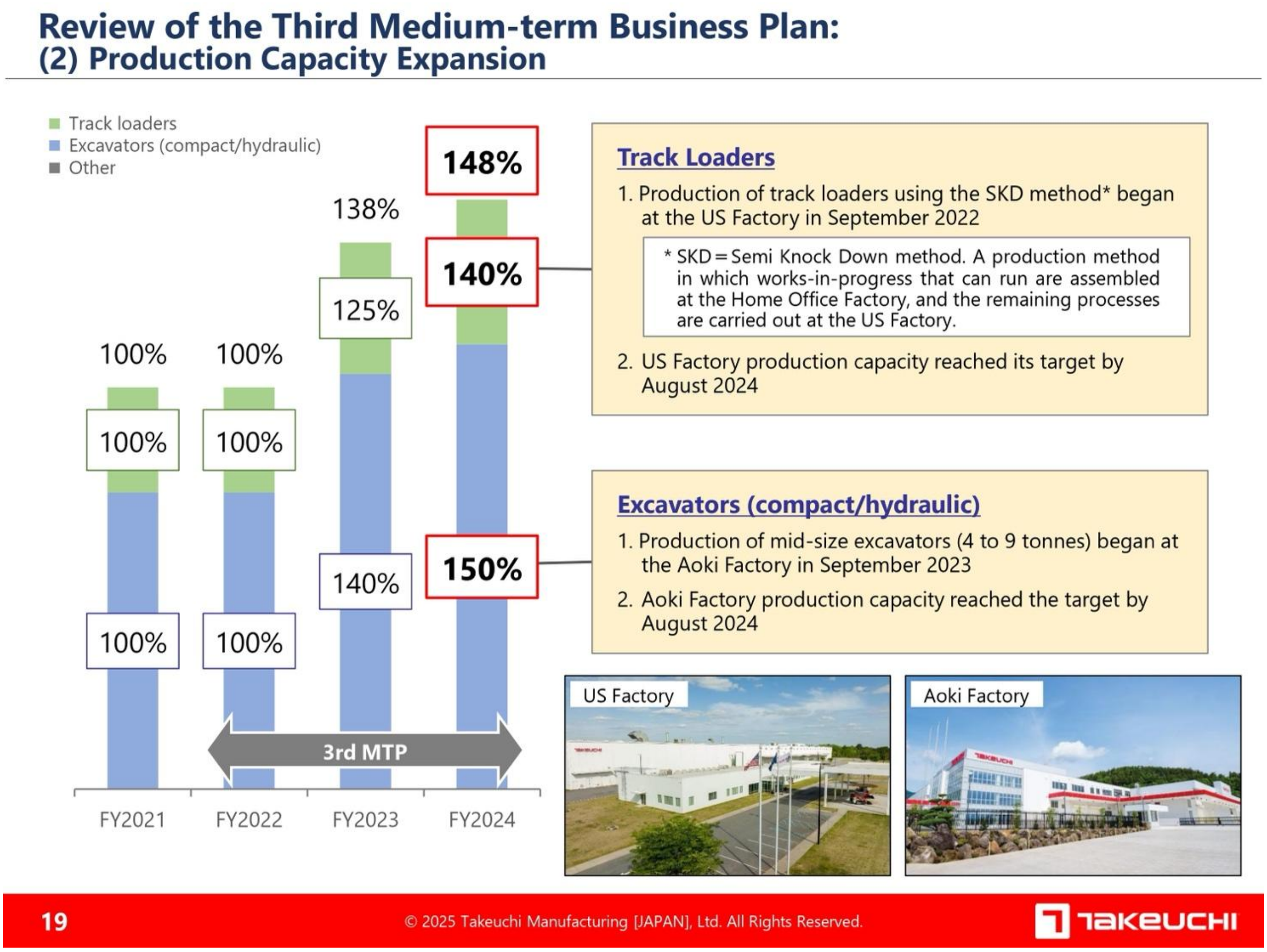
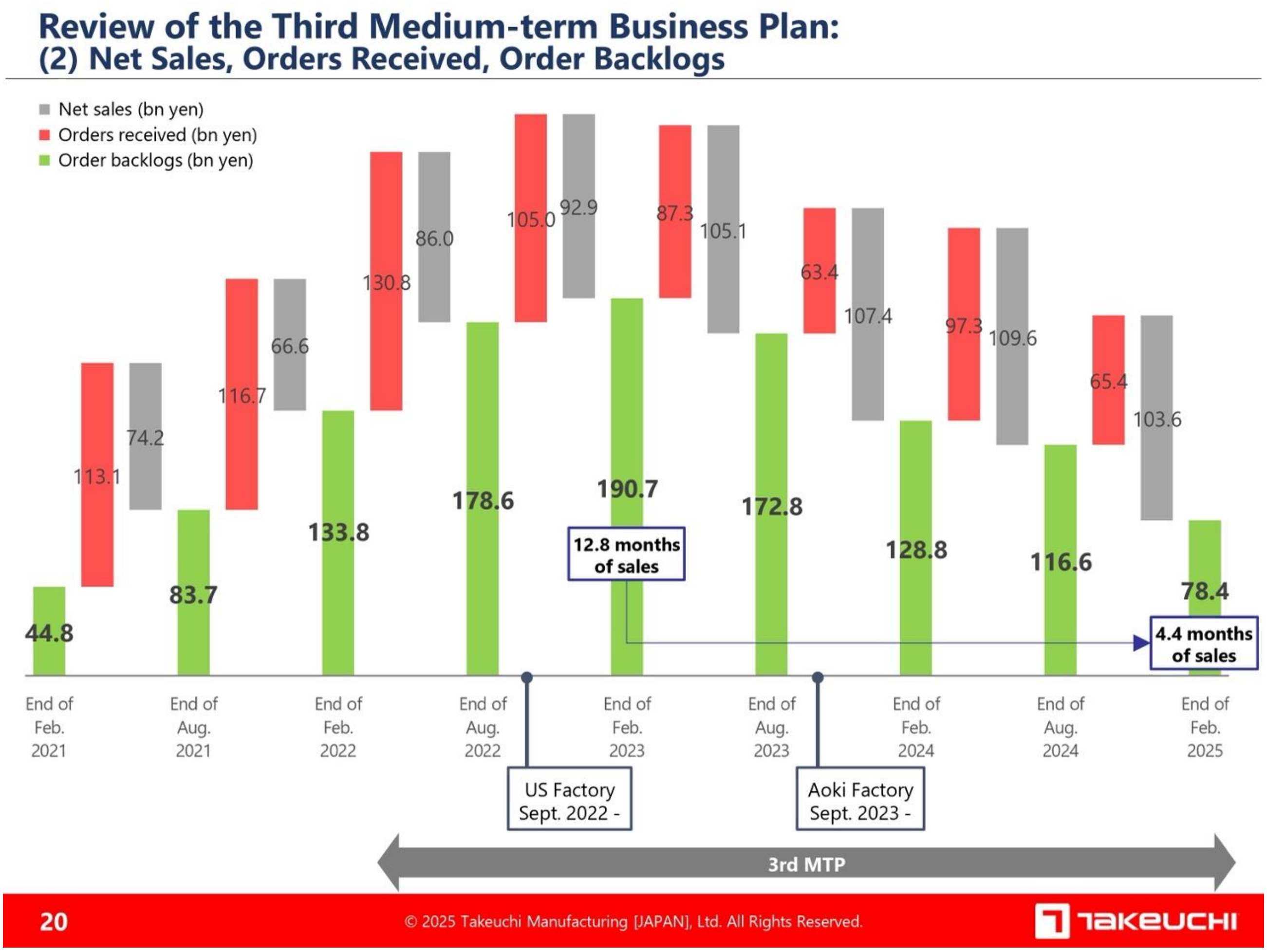
Takeuchi: I am Takeuchi, President and Representative Director. I will now explain our Fourth Medium-Term Business Plan. See page 18. Review of the Third Medium-Term Management Plan, first a look back at the numerical targets. Our target for consolidated net sales for the final fiscal year, ended February 28, 2025, was JPY240 billion, but actual results came in at JPY213.2 billion.

With regard to operating profit, earnings per share, and ROE, the operating profit ratio has improved significantly since the fiscal year ended February 2024 due to product price increases, normalization of ocean freight rates, and significant yen depreciation, all of which exceeded our targets.



See page 19. We have been inconveniencing our customers by keeping them waiting while we receive many orders due to a lack of production capacity, but our US and Aoki Factories have increased the production capacity of excavators and loaders, as you can see.

However, while excavator sales are currently sluggish, loader sales remain strong, and we are working to change the mix of production models in response to changes in market conditions and demand.



See page 20. At one point, the order backlog was 12.8 months of the monthly sales, and we were just doing our best to respond to orders from existing customers, but now the current backlog is now 4.4 months. We consider a healthy order backlog to be the equivalent of three to four months of monthly sales, and we are on track to increase production capacity at our US and Aoki Factories and to eliminate order backlogs. In the Fourth Medium-Term Management Plan, the entire company will work together to achieve significant sales expansion.

Review of the Third Medium-term Business Plan: (3) Key Measures

	Main Initiatives and Results
1	**Investment in human capital** (1) Increase headcount and hike wage (2) Training: stratified training companywide (career training, etc.) and department-specific specialized training (3) Benefits: employee dormitory (three buildings located in Nagano Prefecture at a total cost of 1.7 billion yen)

	Consolidated	TAKEUCHI MFG. (non-consolidated)				
	No. of employees	No. of employees	Age	Years of service	Annual pay (yen)	Annual training hours
FY2021	1,343	943	37.71	10.82	5,393,000	17.6
FY2022	1,472	1,005	37.53	10.35	6,011,000	18.1
FY2023	1,719	1,169	37.30	10.49	6,597,000	23.5
FY2024	1,804	1,232	36.61	9.70	6,525,000	32.6

*1 The number of employees is the sum of the number of permanent employees at the end of the fiscal year and the annual average number of temporary employees.
*2 Age, years of service, annual pay, and annual training hours are the average values per full-time employee at TAKEUCHI MFG (non-consolidated basis).
*3 Although wages were raised, annual pay for FY2024 remained at the same level due to a reduction in overtime work.

2	**Speed up product development** (1) New product development FY2022: TB335R FY2023: TB350R, TB395W, and TB320 FY2024: TB370W, TB10e, TB35e (1-tonne and 3.5-tonne battery-powered excavator demo machines currently being evaluated in the market) (2) Industry-academia collaboration Sponsorship of "Heavy Machinery Programming (Remote Operation of TB20e by Computer)" administered by the Faculty of Engineering at Shinshu University

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See page 21. The Third Medium-Term Management Plan has five main initiatives. First, investment in human capital, which involved increasing number of staff and raising wages, with the results shown here. It should be noted that annual salaries for the fiscal year ended February 2025 were flat due to a reduction in overtime as a result of production adjustments, although wage increases were implemented.

The second point is speeding up product development, and as you can see, we have brought new products to the market. We also collaborated with the Faculty of Engineering at Shinshu University as part of an industry–academia collaboration.

Review of the Third Medium-term Business Plan: (3) Key Measures

	Main Initiatives and Results
3	**Production capacity expansion** (1) Production capacity increased by 48% with the US and Aoki factories, combined with the existing Home Office Factory (2) Changed product mix in production from the second half of FY2024 due to changes in market conditions and demand
4	**Expand sales network and aftermarket parts sales** (1) Expand sales network Until FY2023, we were fully occupied just filling orders from existing customers From FY2024, started expanding sales network after timeline established for boosting production capacity and easing orders backlog (2) Aftermarket parts sales FY2022: 13,045 million yen, FY2023: 15,563 million yen, FY2024: 17,362 million yen
5	**Promote sustainable management** (1) Environmental (E) Reduced GHG emissions from products: development of battery-powered compact excavator Reduced GHG emissions from factories: solar power generation systems: Home Office, Aoki and US factories (100% green electricity: Home Office, Aoki and Togura factories) Endorsement of TCFD recommendations and response to CDP questionnaire (Scores: C in 2022, B in 2023 and C in 2024) (2) Social (S) DE&I → Expand female recruitment as an entry point and work on human resource development regardless of gender Improve the gender ratio in management positions over the medium to long term (females in management positions: 0 as of the end of FY2021 → 1 as of the end of FY2024) Child labor and forced labor → Eliminate in the supply chain (explained policy to suppliers and asked for their compliance) (3) Governance (G) Gender representation of Board of Directors (as of the end of FY2021: 9 males and 0 females → as of the end of FY2024: 9 males and 2 females) Established Sustainability Promotion Committee → Shared ESG issues companywide and managed progress of responses across departments

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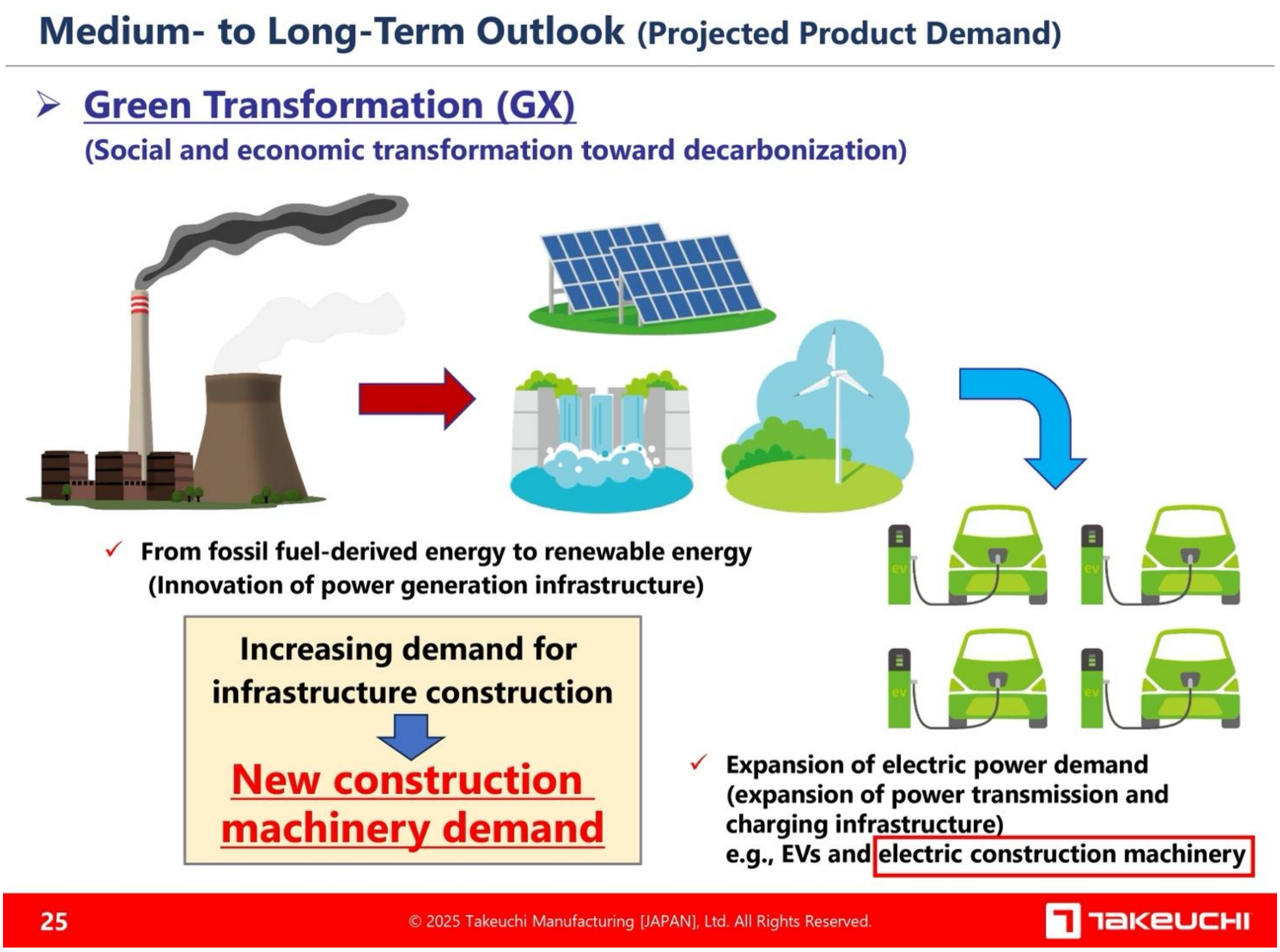
See page 22. The third initiative is to increase production capacity, as I explained earlier. The fourth initiative, in the expansion of our sales network and sales of after-sales parts, as you can see, we were able to increase after-sales parts sales. The fifth initiative, ESG initiatives in the promotion of sustainability management, is as follows.

The percentage of women in our Board of Directors, managers, or even employees in general positions is low, and we intend to correct the gender balance over the medium to long term. During the past three years, we have welcomed two female directors and have worked to expand the hiring of women as entry points in the general workforce.

I will now explain the outline of the Fourth Medium-Term Business Plan. See page 24. Once again, I would like to discuss the medium- to long-term future prospects for the Group's business.

The aging of living infrastructure is becoming a serious social issue in many countries around the world. It is said that inspection and maintenance work on living infrastructure is not something that can be completed at the several-year level but is a never-ending project at the several-decade level. We believe that this solid product demand we have today will continue to support our business in the future without diminishing.



See page 25. The shift to renewable energy is essential for decarbonization, and there is great potential for the expansion of infrastructure work related to generation, transmission, and charging. We believe that the future of the compact construction machinery market is bright, supported by the current solid product demand mentioned earlier, and we expect that new demand for GX-related products will add to it.

See page 26. What are we in business for? The keyword is wellbeing. Our products are used in housing-related construction, road construction, water and gas pipes, and other infrastructure work to recover from natural disasters.

It is the Company's products that support our daily lives, which are repeated as a matter of course, and are deeply involved in our lives, including housing. We hope to contribute to people's wellbeing and prosperous lives by developing, producing, and delivering compact construction machinery, which is indispensable for maintaining and improving people's living environment, to all over the world.

Our core competence to survive in the market is to develop, manufacture, and sell the world's highest quality compact construction machinery, and by thoroughly pursuing UX for end users, we will strive to create TAKEUCHI fans who will buy our products even if they are expensive.

In addition, we will firmly share the benefits gained from the growth of the Group with our stakeholders. The happiness of our stakeholders, especially our employees who are closest to us and with whom we share many hardships and joys, is my highest priority.

Value: Values Shared by Our People

Corporate Policies

Creation	With deep sensitivity, we will develop products that meet or exceed needs.
Challenge	With dreams and youthful drive, we will take bold action toward higher goals.
Cooperation	With a commitment to harmony and compassion, we will strive for well-balanced coexistence with society.

Business Philosophy

From World First to World Leader, TAKEUCHI

- We will pursue manufacturing excellence by working hard in the spirit of Creation, Challenge, and Cooperation.
- With a global perspective and awareness, we will provide products and services that are trusted by our customers.
- Leveraging the abilities of every employee, we will help to create an environmentally friendly, prosperous society.

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See page 27. Please see below for the values held by our employees.

Mission: Fourth Medium-term Business Plan (FY2025 – FY2027)

Slogan and Basic Policy

Building Excellence

✓ **Through the steadfast commitment to High Quality, High Performance, and High Engagement, we will strive to achieve consolidated net sales of 300 billion yen. (increase consolidated sales volume by 50%)**

Numerical targets	FY2024	FY2027
North America net sales └ Sales volume growth rate	¥120.0 bn	¥178.4 bn +60%
Europe net sales └ Sales volume growth rate	¥87.5 bn	¥108.7 bn +30%
Other regions net sales (Japan, Oceania, etc.)	¥5.5 bn	¥12.9 bn
Consolidated net sales └ Sales volume growth rate	¥213.2 bn	¥300.0 bn +50%
Aftermarket parts sales	¥17.3 bn	¥20.8 bn
Operating profit └ ratio	¥37.1 bn 17.4%	¥52.0 bn 17.3%
Earnings per share (EPS)	¥552	¥800
ROE	16.6%	17% or more

Cash allocation (FY2025 – FY2027)	
Growth investment Capital investment + Human capital investment	¥45.8 bn
Shareholder returns Total dividends over three years	¥39.0 bn
Working capital Monthly sales	2.0 to 2.5 months

Exchange rate	FY2024	FY2027
JPY/USD	¥152.65	¥140.00
JPY/GBP	¥194.85	¥177.00
JPY/EUR	¥163.74	¥147.00
JPY/RMB	¥21.13	¥19.30

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TAKEUCHI

See page 28. The following is a summary of the mission that the Group is pursuing in response to the purpose values, or the Fourth Medium-Term Management Plan.

Our slogan, as well as basic policy, is to challenge JPY300 billion in consolidated sales through high quality, high performance, and high engagement. To achieve this goal, we aim to increase sales volume by 60% in North America, 30% in Europe, 50% on a consolidated basis, etc. in three years.

The phrase "building excellence" at the beginning of this section means "refining excellence," and this English phrase will be used to share the management vision with employees of overseas subsidiaries.

Equity Cost and ROE (Long-term View)

➢ **We recognize our cost of equity as 10%**

(1) Survey method: Conducted interviews with institutional investors, and most responded "around 10%"
(2) CAPM method: Risk free rate (1.1%)＋ beta value (1.33) x Market risk premium (6%) ≒ 9%
(3) Earnings yield method (inverse P/E ratio): P/E ratio＝ trending from 8x to 9x, resulting in 1/8＝12.5%、 1/9＝11.1%

➢ **Long-term range of ROE**

	End of FY2024	End of FY2028	Long-term range	
ROE（A×B×C） Net profit / Net assets Net assets represent average of beginning and year-end amounts	16.6% ¥26.1bn / ¥157.3bn	17% or more	15% - 18%	Firmly maintain ROE at level above equity cost consistently and stably
A. Net profit ratio Net profit / Net sales	12.2% ¥26.1bn / ¥213.2bn	12.3% ¥37.0bn / ¥300.0bn	10% - 12%	Reference: FY2027 net profit ratio based on the following rates USD = ¥130, GBP = ¥164, EUR = ¥141 → 10.6% USD = ¥140, GBP = ¥177, EUR = ¥147 → 12.3%
B. Asset Turnover Net sales / Total assets Total assets represent average of beginning and year-end amounts	1.03x ¥213.2bn / ¥207.9bn	1.10x	1.10x or more	● Cash and deposits: around 2 to 2.5 months of sales ● Inventory assets turnover: around 5 months
C. Financial leverage Total assets / Net assets Both represent average for beginning and year-end amount	1.32x ¥207.9bn / ¥157.3bn	1.30x Equivalent to equity ratio of 77%	1.30x or more	● Maintain s shareholders' equity ratio at same level ● Agile share buybacks ● Utilize borrowing as necessary

29 TAKEUCHI

See page 29. The Company recognizes that its cost of equity is 10% and believes that it can maintain a stable and sustainable ROE above that level. The Group's business is highly sensitive to foreign exchange sensitivity, and for the past several years, sales and profits have been boosted by the weak yen. Therefore, we calculated the net profit margin for the fiscal year ending February 28, 2028 by setting the assumed rate to a strong yen, which was 10.6% at JPY130 to the US dollar and 12.3% at JPY140 to the US dollar.

Given this, we believe that the equity spread will remain positive over the medium to long term, as the ROE will be between 15% and 18%.

Management Issue and Key Measures

Management issues		Key measures	See page
Achieve consolidated net sales of 300 billion yen (increase sales volume by 50%)		● Establish solid position in European and North American markets ● Expand sales in Oceania market ● Expand sales of aftermarket parts	P31 P32 P35
High quality	Thoroughly pursue the development, manufacturing and sales of the world's highest quality compact construction machinery	The Group's core competence	P26
	Strengthen foundation to increase management quality globally	● Sustainability management (G) ● Growth investment	P40 P42
	Improve operational quality of employees	● Expected return on human capital investment	P43
High performance	Effective utilization of existing management resources and capital investment for the future	● Reorganization of production models ● Construction of new track loader factory	P36 P37, P38
	Markedly strengthen R&D capability and create new products	● Control GHG emissions from construction machinery (E) ● Autonomous driving, remote operation, and industry-academia collaboration	P39
	Increase return of profits to shareholders	● Cash allocation ● Dividend policy and shareholder returns	P44 P45
High engagement	Improve wellbeing of employees by promoting human capital management	● Sharing of Purpose, Values and Mission ● Provide learning opportunities ● Promote health & productivity management and work-life balance	P43
	Strengthen collaboration with the value chain	● Sustainability management (S)	P40
	Proactive and honest dialogue with investors	● Sustainability management (S)	P40

Foundation of management

Sustainability management	Speed up promotion of ESG management and CSV management and achieve target KPIs	● E: Control GHG emissions from construction machinery ● S: increase dialogue with stakeholders ● G: Strengthen governance and compliance	P40

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See page 30. Here is a chart showing the correspondence between the slogan of high quality, high performance, and high engagement and each of the priority measures.

Increase Sales in North America and Europe

North American market situation

(1) Growth continues, centered on **track loaders**, against the backdrop of robust public infrastructure investment, solid employment, and favorable personal consumption

(2) In the United States, the housing shortage has become a social issue, and pent-up demand for housing is expected in the medium to long term (increased sales of compact excavators are expected).

Key measures

(1) Expand dealer network (from around 280 locations today → 360 locations in three years)

(2) Increase direct sales customers (rental companies, major end users)

✓ **Grow market share**

✓ **Double sales volume of track loaders**

European market situation

(1) Housing construction works have decreased due to sluggish personal consumption, and sales of compact excavators under 3 tonnes have suddenly slowed

(2) Maintenance work for essential utilities such as water, gas, and roads is urgent, and demand for medium-sized and larger excavators is steady.

(3) Sales of **track loaders** are growing gradually in France, Italy, etc.

Key measures

(1) Expand aftermarket support to distributors and dealers

(2) Strengthen sales capabilities of subsidiaries in the UK and France

(3) Plan and execute sales expansion measures for **track loaders** for all of Europe

(4) Sales to European rental companies

✓ **Grow market share**

✓ **Restore excavator sales**

✓ **Double sales volume of track loaders**

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See page 31. We will establish a firm position in Europe and the US, our main markets, and expand our market share in both markets. We aim to achieve a recovery in sales of excavators, which have been softening recently, and double the sales volume of loaders, for which demand is strong. In North America, we will expand our dealer sales base from the current 280 to 360 in three years.

In addition, we will work to expand direct sales to rental companies and major end users. In Europe, we will enhance after-sales support for distributors and dealers and work to strengthen the sales capabilities of our sales subsidiaries in the UK and France.

As for loader sales, we will work to expand sales throughout Europe. We will also strengthen sales to European rental companies, which are expanding their business widely across borders.

Increase Sales in Oceania

Key measures (grow sales in Australia)

By adding Toyota Material Handling Australia (TMHA) as a distributor, we aim to expand sales of excavators and track loaders through synergies with existing distributors.

* TMHA is a wholly owned subsidiary of Toyota Industries Corporation and sells forklifts throughout Australia. TMHA will sell Takeuchi brand construction machinery through its sales channels.

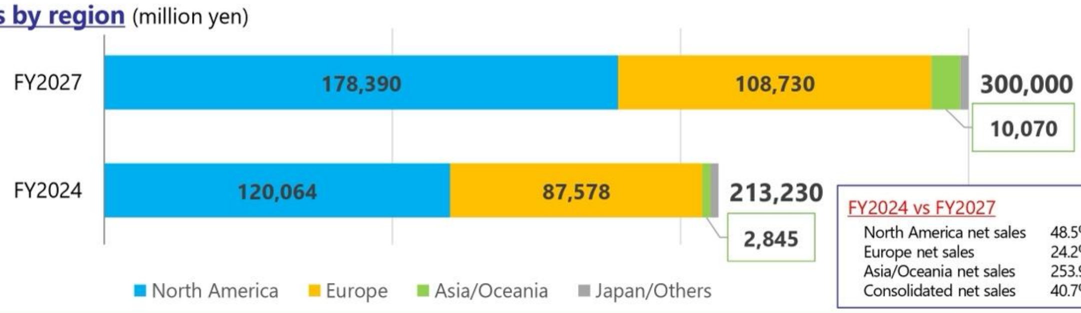
Numerical targets

✓ Net sales in Asia and Oceania

Disclose results quarterly

Unit: million yen	FY2024		FY2027	
	Results	Sales ratio	MTP target	Sales ratio
Asia/Oceania	2,845	1.3%	10,070	3.4%
Consolidated net sales	213,230	100.0%	300,000	100.0%

Sales by region (million yen)



FY2024 vs FY2027

North America net sales	48.5% increase
Europe net sales	24.2% increase
Asia/Oceania net sales	253.9% increase
Consolidated net sales	40.7% increase

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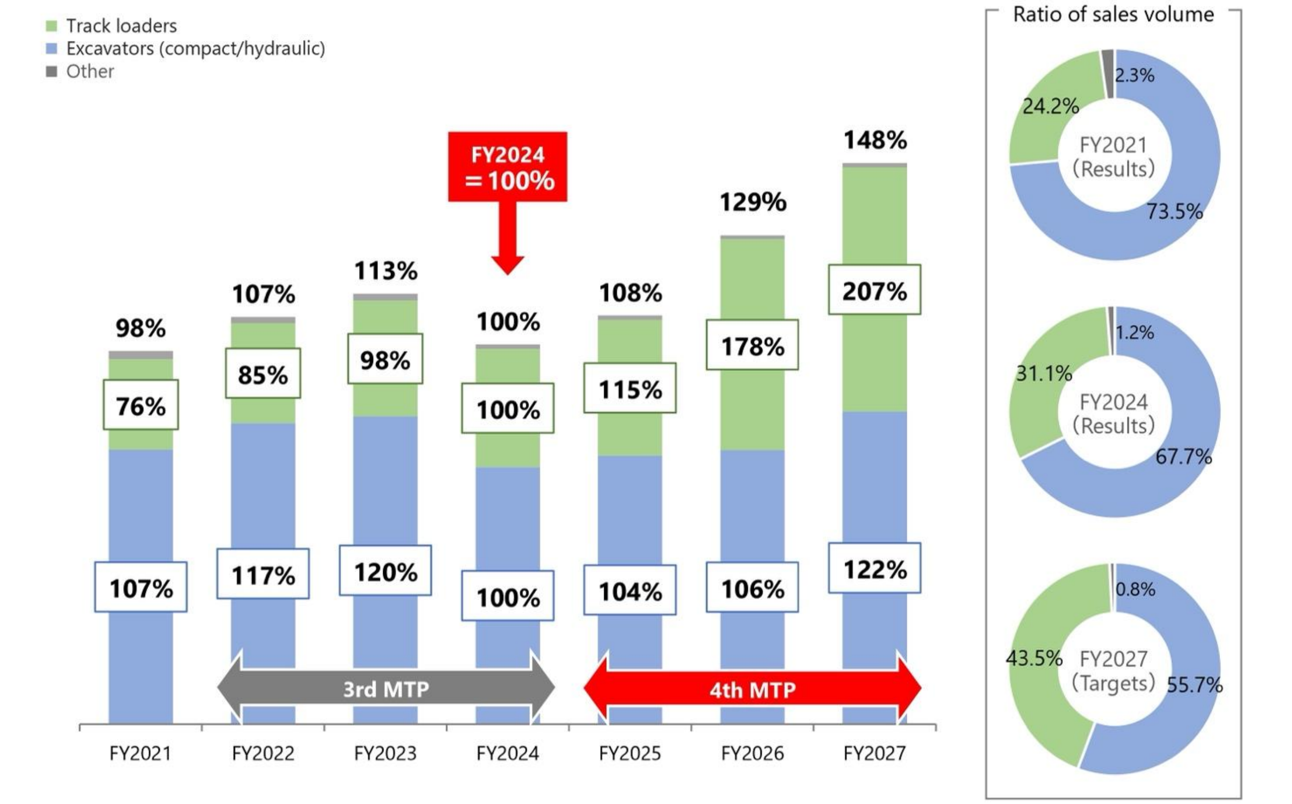
TAKEUCHI

See page 32. Positioning Oceania as a focus region, we aim to expand sales of excavators and loaders. Specifically, we will add TMHA, a wholly owned subsidiary of Toyota Industries Corporation, as our distributor in Australia, aiming for sales of JPY10 billion in three years.

Target Sales Volume (Consolidated Basis)



33 TAKEUCHI

See page 33. This is the sales volume target for each model. Our goal is to approximately double loader sales in three years and to restore excavator sales to the level of the fiscal year ended February 2024.

Track Loader Features（Promising Sales Growth）

(1) Replacing arm attachments makes it possible to use track loaders not only at construction sites but also at multiple other job sites, **tapping into a wide range of end users.**

(2) Track loaders are versatile and can be used in reconstruction work at disaster sites (natural disasters and war damage).

(3) Set to regain stagnant market share resulting from production capacity shortfalls.

See page 34. The reasons for the strong prospects for loader sales include: a wide range of end-users, as the loader can be used not only at construction sites but also at multiple sites by changing attachments; performance that can be used for restoration work at disaster sites; and the ability to regain market share, which has not been able to grow due to a lack of production capacity.

Expand Aftermarket Parts Sales

Key measures

(1) Promoting the benefits of genuine parts (high quality and reliability) and promoting sales of secondary genuine parts (competitive pricing)

(2) Extending the manufacturer's warranty period on the condition that genuine and secondary genuine parts are used

(3) Demand forecasting and sales promotion using TFM (Takeuchi Fleet Management)

* Genuine parts: The same parts as those installed on new machines
Secondary genuine parts: Differ from the parts used on new machines, but warrantied by TAKEUCHI MFG.
TFM: Telematics devices installed on excavators and track loaders enable remote monitoring of location, operating hours, and maintenance history.

Numerical targets

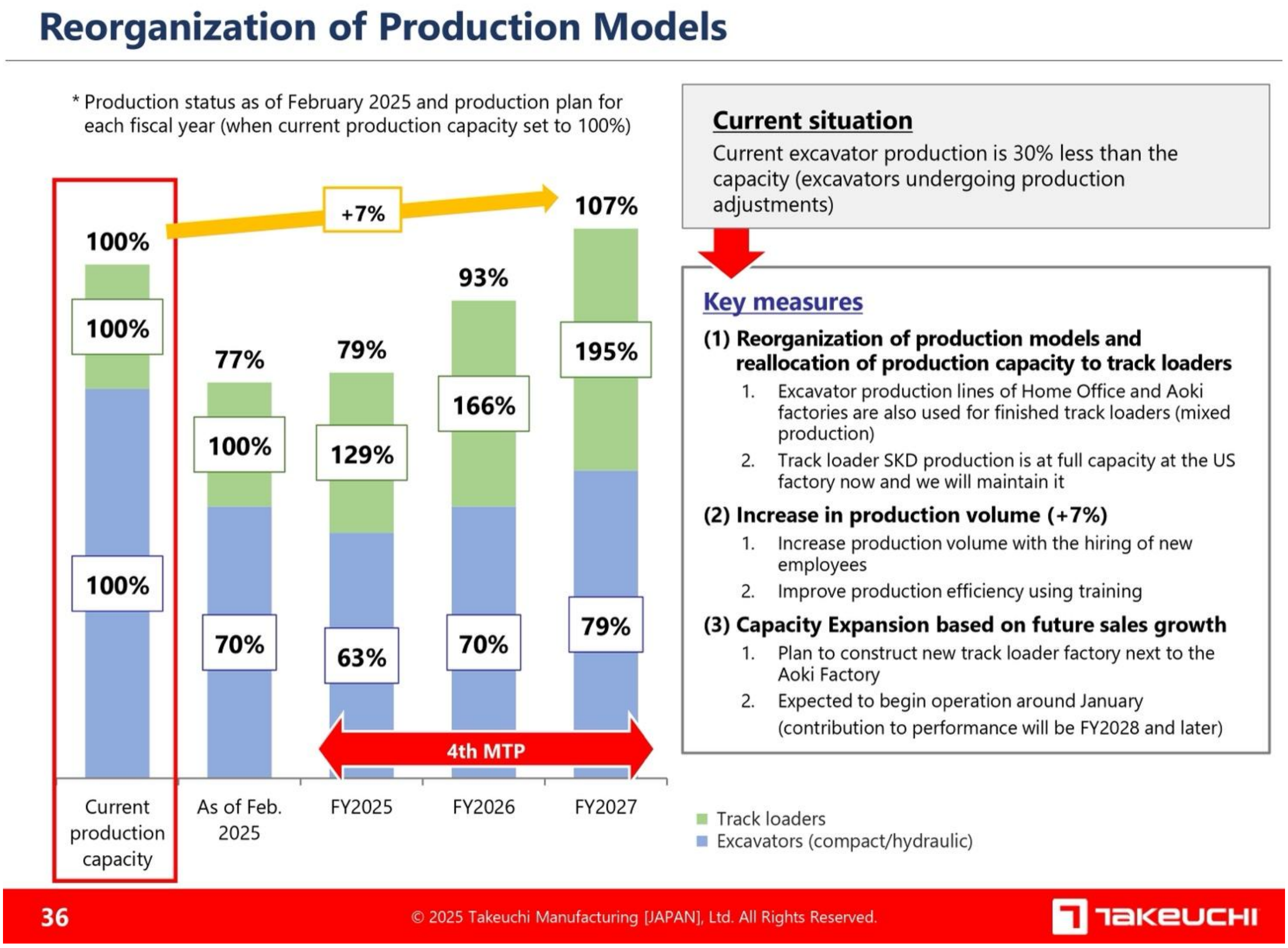
Aftermarket parts sales (unit: million yen)

	FY2022		FY2023		FY2024		FY2027	
	Results	Sales ratio	Results	Sales ratio	Results	Sales ratio	MTP target	Sales ratio
Aftermarket parts	13,045	7.3%	15,563	7.3%	17,362	8.1%	20,800	6.9%
Consolidated net sales	178,966	100.0%	212,627	100.0%	213,230	100.0%	300,000	100.0%

* Results are disclosed quarterly

TAKEUCHI

See page 35. We have been working to expand sales of aftermarket parts, but as a new priority policy, we will propose to customers to extend the manufacturer's warranty period on the condition that (2) genuine or secondary genuine parts are used. Through these efforts, we aim to achieve sales of JPY20.8 billion in three years.



See page 36. Since we are currently adjusting the production of excavators, we have a 30% surplus of excavator production capacity compared to our current production capacity.

On the other hand, as explained before, our sales target is to expand sales mainly of loaders. Therefore, we will reorganize the production models at the Home Office Factory and Aoki Factory and redirect the production capacity of excavators to loaders. Still, a 7% supply shortfall is expected, so production will be boosted through additional staffing and training.

New Track Loader Factory (next to Aoki Factory)

Production capacity: up 30%

Total for excavators and track loaders comparing production capacity in February 2025

Total investment: 18.0 billion yen

Total of land, building and production equipment (estimate)

Overview of New Factory

Production models:	**Track loaders**
Building footprint:	19,000㎡
Floor area:	24,000㎡ (two stories)
Land area:	22,600㎡ (factory site)
	5,400㎡ (parking lot site)

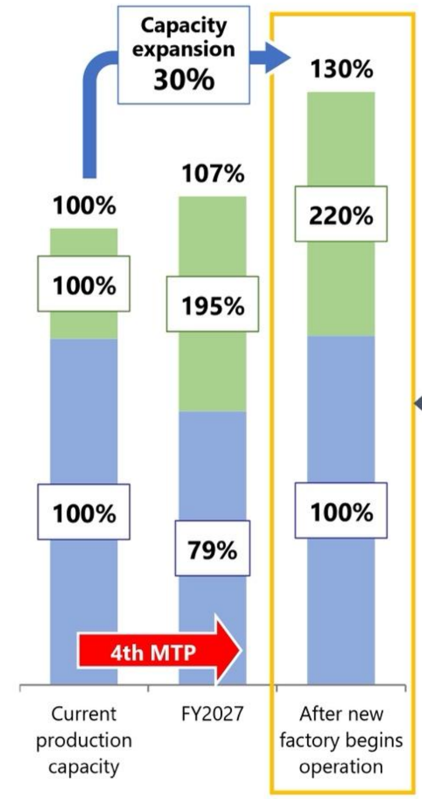
Timeline

Site preparation	February 2026
Start of construction	August 2026
Completion	July 2027
Equipment installation	December 2027
Start of operations	around January 2028

37 TAKEUCHI

See page 37. A new loader factory will be constructed on a site adjacent to the Aoki Factory. The total investment in land, buildings, and production facilities is expected to be JPY18 billion, with operations expected to begin in January 2028. Therefore, this new factory will be a growth investment with an eye toward the period beyond the Fourth Medium-Term Management Plan.

New Track Loader Factory (Next to Aoki Factory)



Fourth Medium-term Business Plan

In order to **seize business opportunities for track loaders**, for which demand is expected to grow, we will reallocate excavator production capacity to loaders.

Current situation	Home Office Factory			US Factory	Aoki Factory	
	Factory 1	Factory 2	Factory 3		Existing factory	New factory
Excavators	●	●	–	–	●	
Track loaders	–	–	● (SKD production)		–	

Mixed production in Fourth Medium-term Business Plan
(● Dedicated line / ○ Mixed line)

	Factory 1	Factory 2	Factory 3	US Factory	Existing factory	New factory
Excavators	●	○	–	–	○	
Track loaders	–	○	● (SKD production)		○	

Start of operations at new plant (FY2028 onward)

Sales of both excavators and track loaders are likely to grow over the medium to long term, and further expansion of production capacity is essential with an eye to the future.

→ Housing shortages, aging lifelines, and increased demand for construction to decarbonize

3 years later	Home Office Factory			US Factory	Aoki Factory	
	Factory 1	Factory 2	Factory 3		Existing factory	New factory
Excavators	●	●	–	–	●	–
Track loaders	–	–	● (SKD production)		–	●

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See page 38. In order to seize the commercial opportunities for loaders, for which demand is expected to grow, we will conduct mixed production of excavators and loaders at the Home Office Factory and Aoki Factory as a provisional measure during the construction period of the new factory in the Fourth Medium-Term Management Plan. Looking ahead to three years from now, when the new factory will be in operation, or even beyond, we believe that we will be able to further expand sales of both excavators and loaders, and we intend to return to production on dedicated lines with higher efficiency.

Strengthen R&D capabilities and New Product Creation

Electrification → Expand lineup of 1-tonne to 5-tonne battery-powered compact excavator

1	1.0-tonne class	Testing prototype in the market
2	2.0-tonne class	Available
3	3.5-tonne class	Testing prototype in the market

Electrification of construction machinery market is moving at a much slower speed than expected

✓ The world agrees on decarbonization

✓ **Continue product development,** while confirming battery technology innovations and market trends

✓ **Benefits (environmental and health)**

	Low GHG	No exhaust gas	Less noise	Less vibrations
Environmentally friendly (global warming, air pollution, etc.)	✓	✓		
Suitable for construction in urban areas and closed environments		✓	✓	✓
Able to reduce operator workload		✓	✓	✓

✓ **Issues facing the spread of electrification (economics and work efficiency)**

(1) Higher unit price ... Governments starting to provide subsidies (Japan: GX construction machinery certification system)

(2) Long charging time ... Innovations in battery technology

(3) Cannot charge ... Improved infrastructure

See page 39. At present, most of the construction machinery used on construction sites around the world, both our products and those of other companies, are diesel-powered, with only a few being battery-powered. Frankly, the speed of dissemination is far below what we would have expected and sales have been slow. Nevertheless, decarbonization is a common global goal, and we will continue to develop products based on the assumption that a wave of electrification will arrive one day.

Promote Sustainable Management

Environmental

✓ **Reducing greenhouse gas (GHG) emissions**

(1) GHG emissions from products: Develop environmentally friendly products (electrification and green fuels)

(2) GHG emissions from factories: Promote energy-saving activities, install solar panels, and use green electricity

Social

✓ **Strengthening stakeholder engagement**

(1)	Shareholders/Investors:	Ensure sufficient opportunities for dialogue with the president and directors, and reflect their opinions and requests in management
(2)	Employees:	Human capital management (share vision, provide learning opportunities, improve wellbeing)
(3)	Customers:	Check the 3Gs situation (*genba*: actual situation, *genbutsu*: actual product, and *genjitsu*: reality) of customers and use this to resolve issues (sales and development departments)
(4)	Suppliers:	Request compliance with CSR Procurement Policy and the Partnership Building Declaration (SME Agency)

Governance

✓ **Strengthening governance, compliance and risk management**

(1) Strengthening of the foundation of global management:	Strengthen corporate legal affairs, administrative department staff and IT investment
(2) Risk management:	Strengthen cybersecurity
(3) Revision of director compensation system:	Review the ratio of fixed remuneration and performance-linked remuneration

See page 40. On the environmental front, we will continue our efforts. On the social front, we will strengthen stakeholder engagement. On the governance side, the ratio of fixed remuneration to performance-linked remuneration for directors will be reviewed.

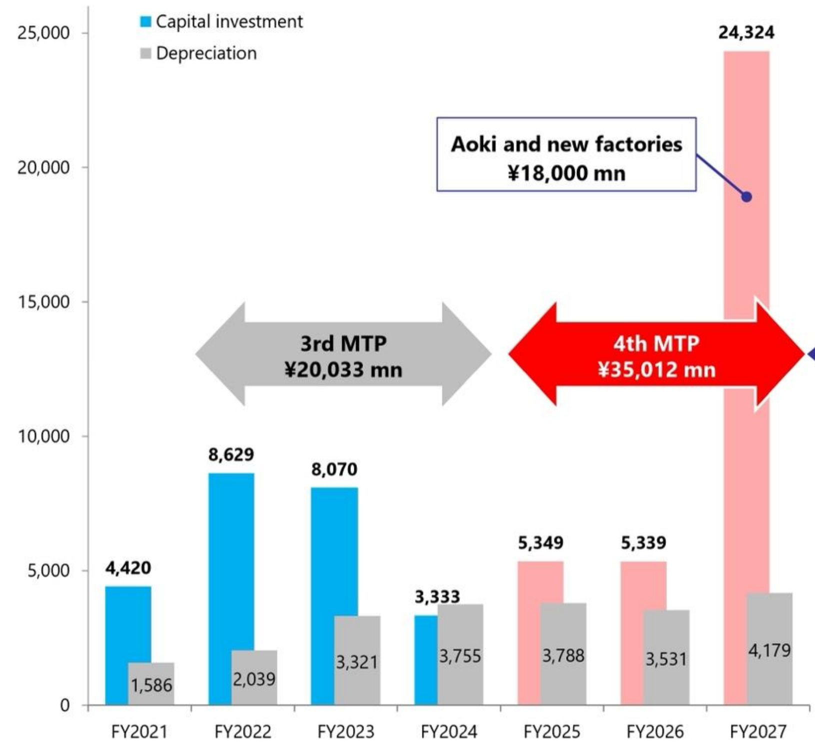
Cash Allocation

(allocation to growth investment, shareholder returns, and working capital)

41 TAKEUCHI

See page 41. We have considered cash allocation not only to increase sales and profits but also to strengthen returns to shareholders by working to manage the Company with an awareness of its financial structure on the balance sheet.

Growth Investment (Capital Investment)



Production (including new factories)	¥26.0 bn
Sales and Marketing	¥1.6 bn
R&D	¥3.5 bn
Digital Infrastructure (IT and DX)	¥1.0 bn
Human capital (employee dormitory)	¥0.2 bn
Capex at subsidiaries	¥2.0 bn
Others	¥0.7 bn
Total amount	¥35.0 bn

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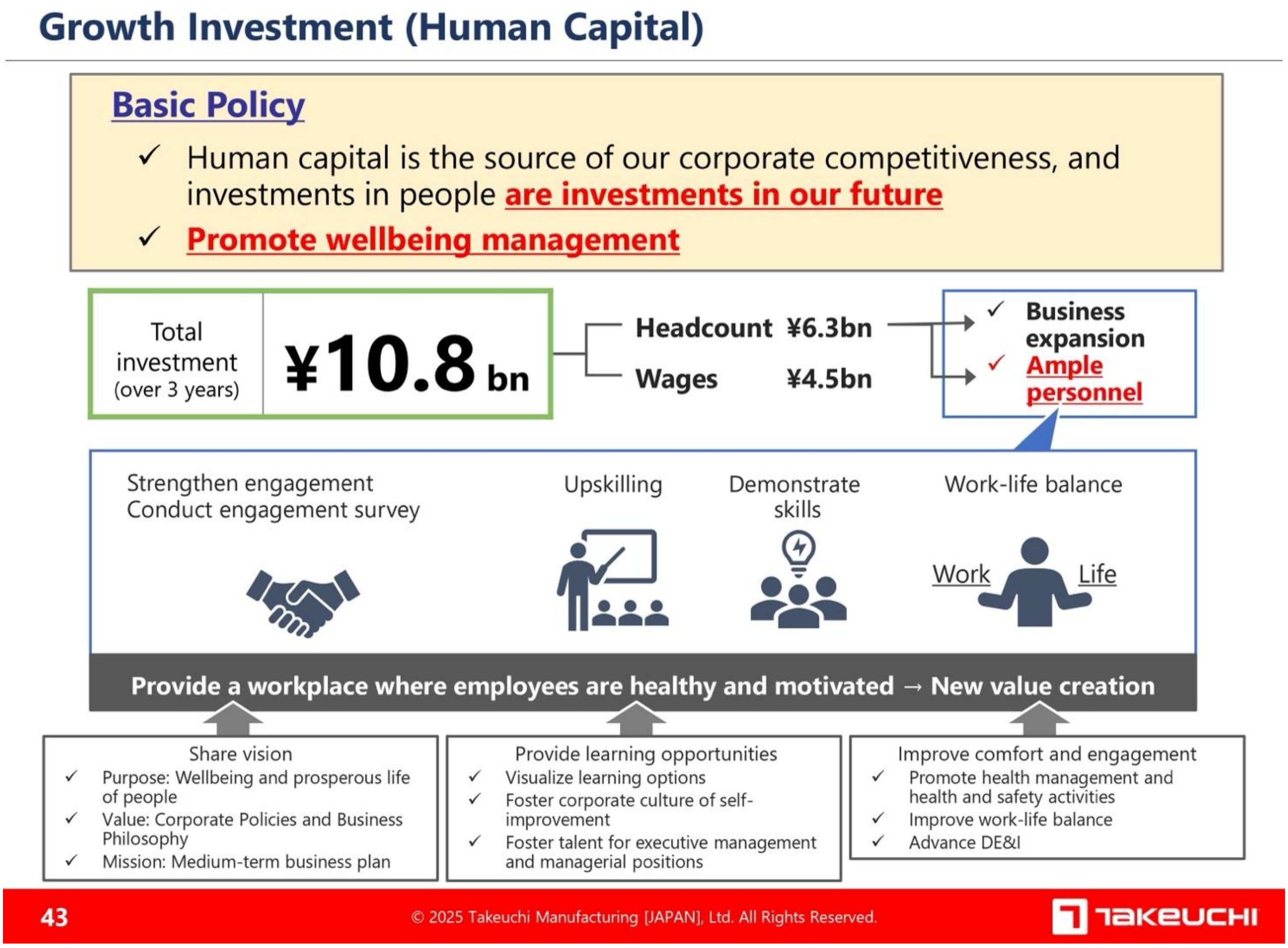
TAKEUCHI

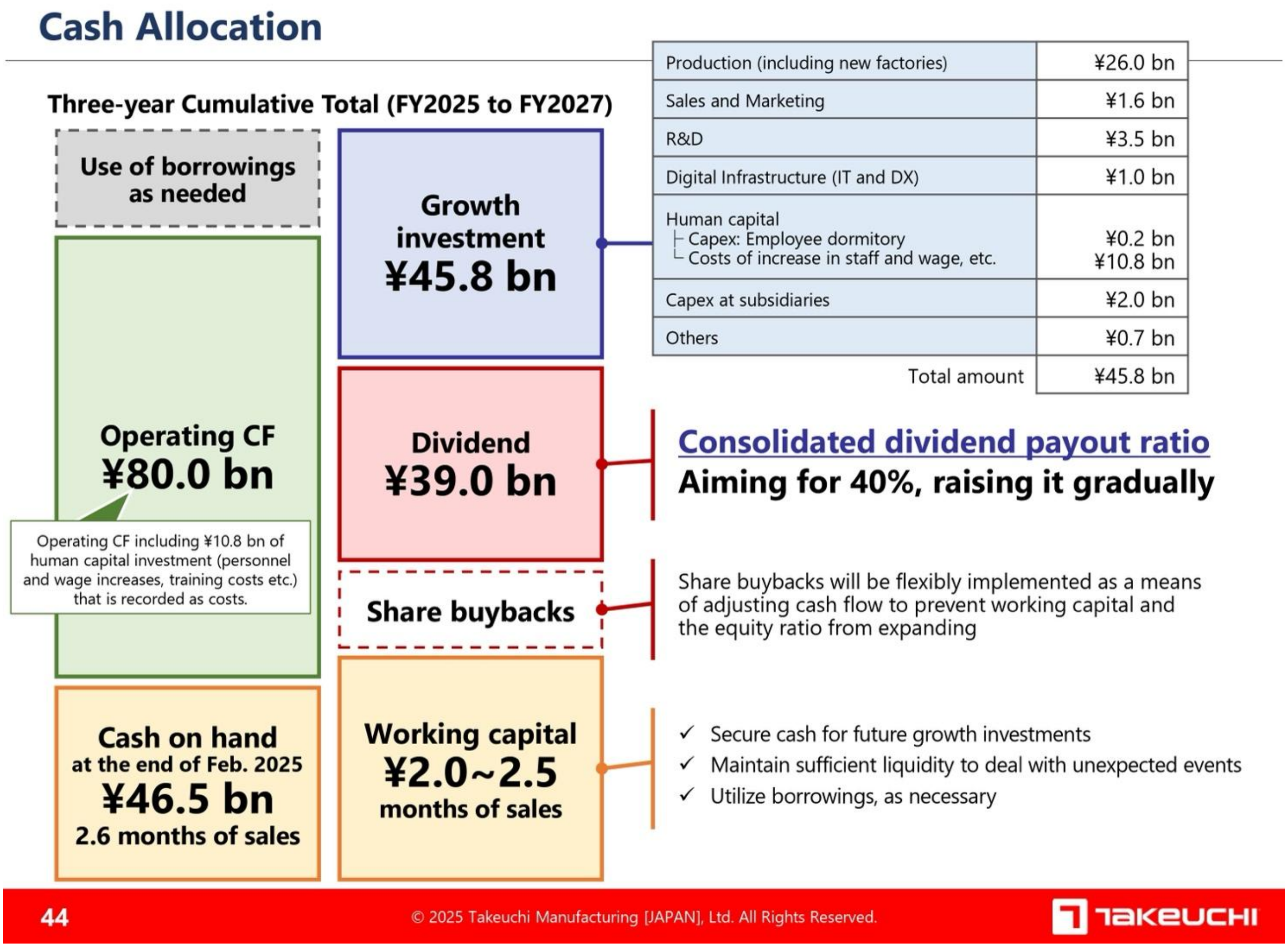
See page 42. There are two major types of growth investment: capital investment and human capital investment. Since we plan to make capital investments of JPY35 billion over the next three years, and since the cash outflow from the new Aoki Factory is expected in the fiscal year ending February 2028, we recognize the need to save funds for the final year, or, depending on the situation, to consider the use of debt financing.



See page 43. Next is human capital investment. We expect to invest JPY10.8 billion over the next three years in the form of increased staffing and wage increases. The Group cannot grow without empowering our people.

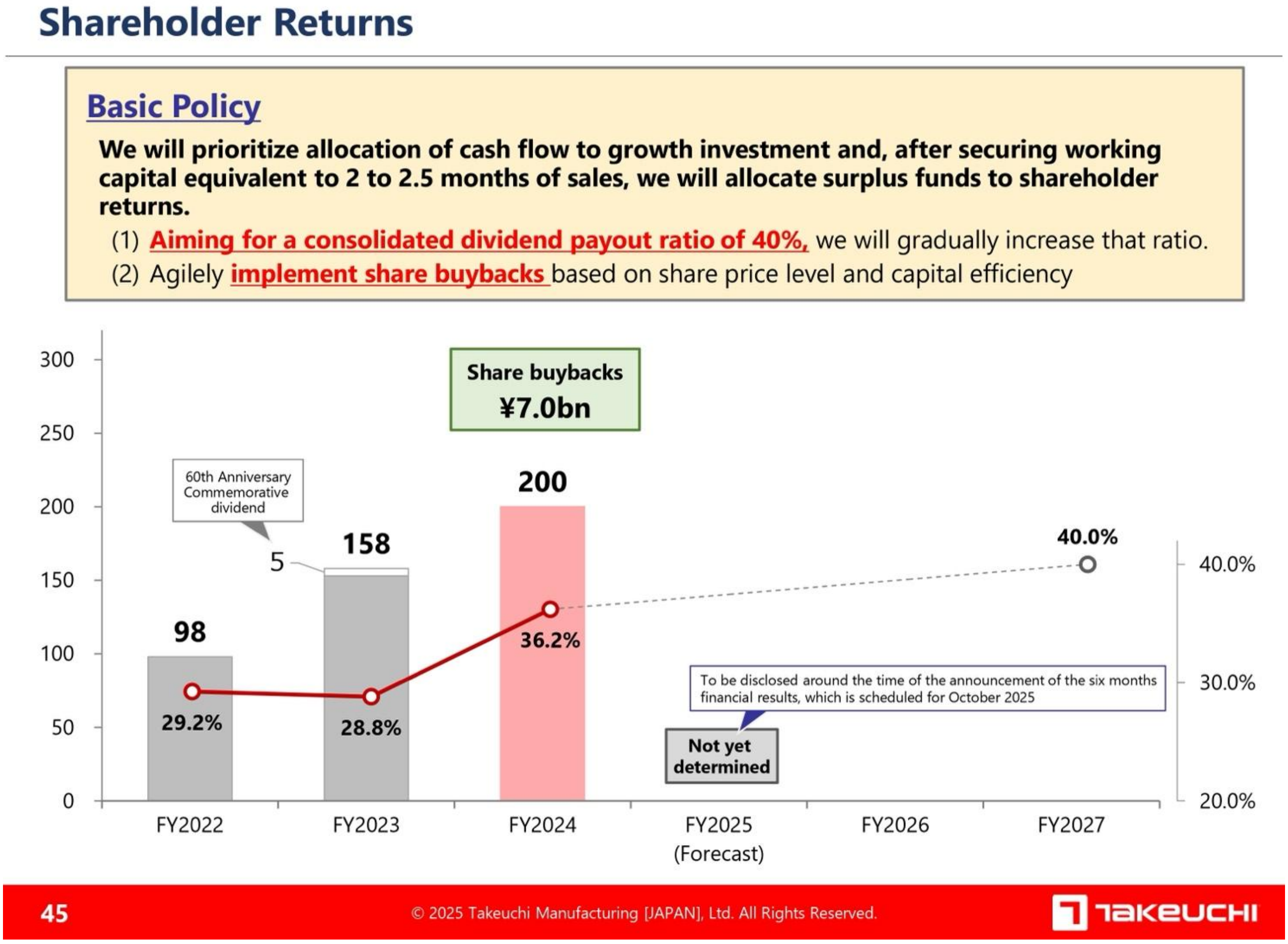
In addition, improving employees' health, job satisfaction, and other aspects of increased happiness, in other words, well-being, is the Group's purpose. We are thinking about increasing the number of employees from two perspectives—business expansion and human resource capacity. Only when we have human resource capacity, we will be able to improve work-life balance by strengthening education and training and human resource development, and by taking paid leave and childcare leave.

We recognize engagement as the degree of mutual affection between the company and its employees and will conduct an engagement survey to visualize it.



See page 44. In the overall cash allocation chart, operating cash flow expected over the next three years is projected to be JPY80 billion, including the reversal of JPY10.8 billion in human capital investment. Combining this with JPY46.5 billion in cash reserves, we plan to allocate JPY126.5 billion, of which JPY45.8 billion will be used for growth investments and JPY39 billion for dividends.

The Company will flexibly implement share repurchases as an adjustment valve for cash flow. The Company will consider 2 months to 2.5 months of monthly sales as a guideline for future working capital and will manage the business with a view to utilizing borrowings as needed.



See page 45. Until now, we have maintained a basic policy of stable dividends based on a consolidated dividend payout ratio of 30% as a guideline. However, as you can see, we have revised our basic policy and decided to strengthen the distribution of profits to our shareholders.

The dividend forecast for the fiscal year ending February 2026 has not yet been determined. While assessing the impact of the US tariff policy on the Group's consolidated performance, we hope to present a dividend forecast based on the revised basic policy by the time of the Q2 financial results to be released in October.

With that, I will conclude my explanation. Thank you for your attention.

[END]

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Document Notes

1. *Portions of the document where the audio is unclear are marked with [inaudible].*
2. *Portions of the document where the audio is obscured by technical difficulty are marked with [TD].*
3. *Speaker speech is classified based on whether it [Q] asks a question to the Company, [A] provides an answer from the Company, or [M] neither asks nor answers a question.*
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