



Presentation Materials for the First Half of the Fiscal Year Ending February 2026

October 23, 2025

TAKEUCHI MFG. CO., LTD.
(Securities code: 6432)

- ▶ **FY2025 First Half Consolidated Results**
- ▶ FY2025 Consolidated Forecast
- ▶ Reference Materials

Summary of Earnings Results (FY2025 1H Results)

(1) Sales volume increased in both North America and Europe

- **North America sales volume:** up 1.9% (1Q: down 23.9% / 2Q: up 31.1% YoY)

In 1Q, customers deferred product purchases due to tariffs and trade policies by the US government, but in 2Q, sales to rental companies were strong, and track loader sales contributed, resulting in an increase in sales volume.

- **Europe sales volume:** up 8.5% (1Q: up 5.3% / 2Q: up 11.4% YoY)

There were signs that product demand had bottomed out and sales increased, although results varied by country.

- **Total sales volume:** up 5.8% (1Q: down 8.5% / 2Q: up 20.6% YoY)

(2) Record high net sales for the first half (up 4.1% YoY)

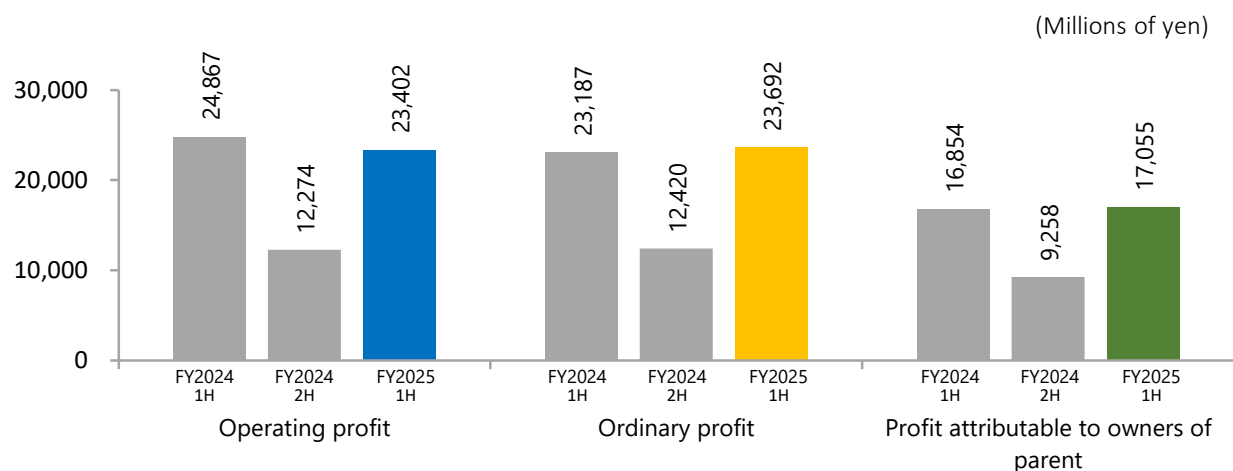
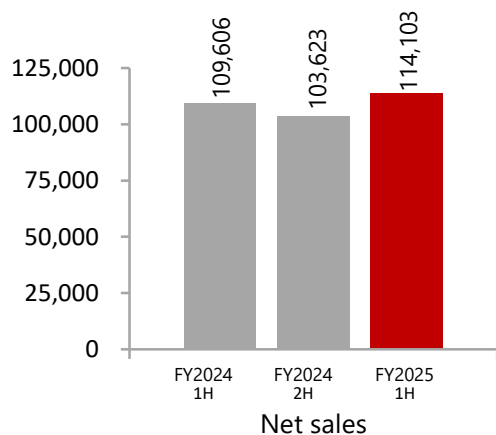
- Net sales increased on higher sales volume
- Operating profit declined YoY initially due to the impacts of yen appreciation and discounts

(Billions of yen)

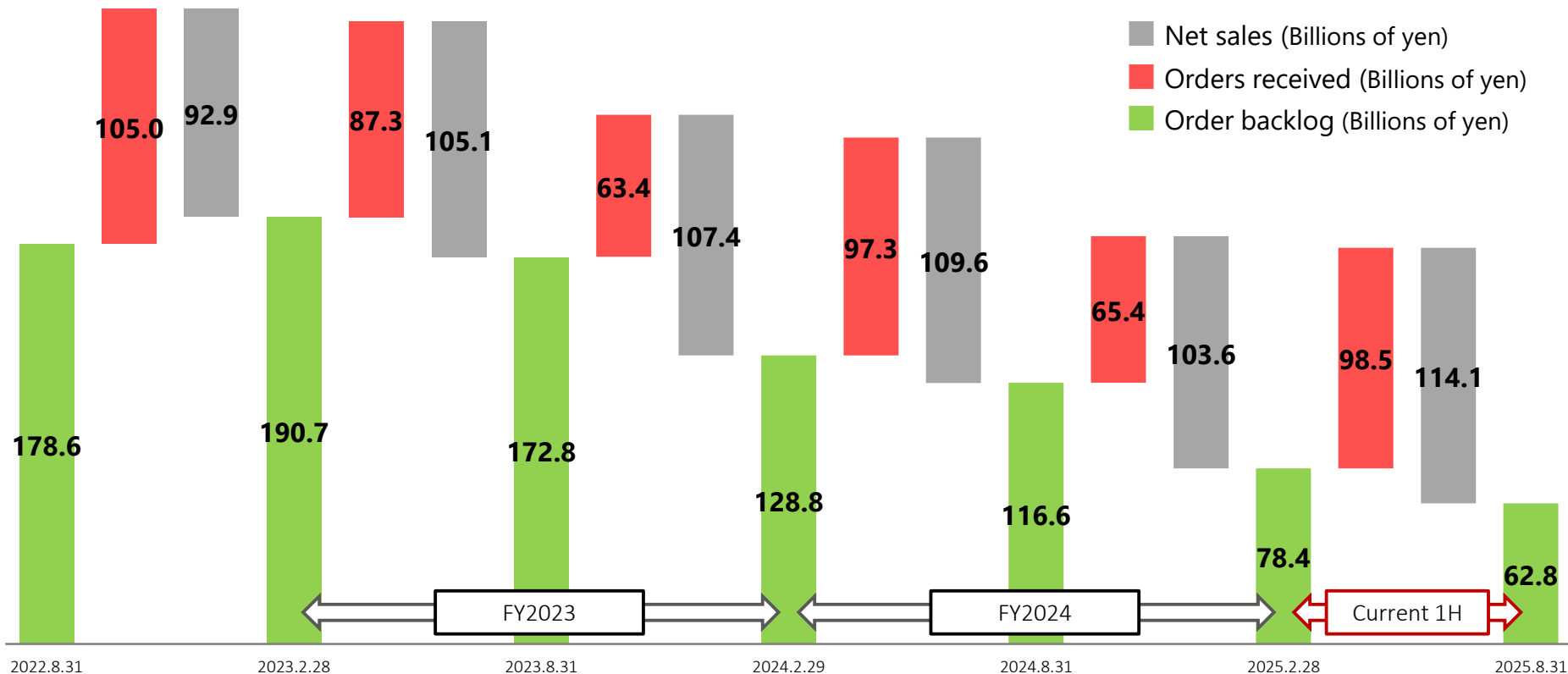
	FY2024 (Previous FY)						FY2025 (Current FY)		
	1Q	2Q	1H	3Q	4Q	2H	1Q	2Q	1H
Net sales	55.1	54.4	109.6	56.7	46.8	103.6	50.6	63.4	114.1
Gross profit	15.7	18.5	34.2	13.1	8.5	21.7	15.4	16.9	32.3
SG&A expenses	4.6	4.8	9.4	4.1	5.2	9.4	4.4	4.5	8.9
of these, transportation costs	1.7	1.9	3.7	1.4	1.5	3.0	1.4	1.4	2.9
Operating profit	11.1	13.7	24.8	8.9	3.3	12.2	10.9	12.4	23.4

Consolidated Financial Highlights (FY2025 1H Results)

Millions of yen	FY2024		FY2025				1H Forecast on July 10	
	1H	Sales ratio	1H	Sales ratio	Change	(%)	Change	
Net sales	109,606	-	114,103	-	+4,496	+4.1%	109,400	+4,703
Operating profit	24,867	22.7%	23,402	20.5%	(1,465)	(5.9)%	21,800	+1,602
Ordinary profit	23,187	21.2%	23,692	20.8%	+504	+2.2%	20,800	+2,892
Profit attributable to owners of parent	16,854	15.4%	17,055	14.9%	+200	+1.2%	14,800	+2,255
Capital investment	1,397	1.3%	1,651	1.4%	+254	+18.2%	1,703	(52)
Depreciation	1,807	1.6%	1,514	1.3%	(293)	(16.2)%	1,648	(133)
Orders received	97,311	-	98,582	-	+1,271	+1.3%	***	-
Order backlog	116,602	-	62,897	-	(53,705)	(46.1)%	***	-



Net Sales, Orders Received and Order Backlog

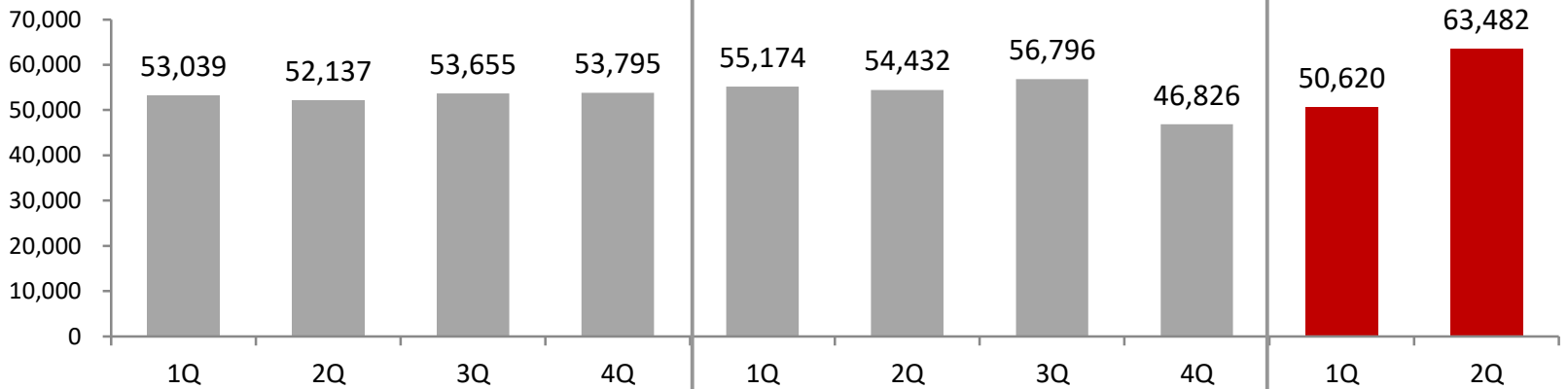


	FY2022				FY2023				FY2024				FY2025	
(Billions of yen)	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Net sales	42.4	43.6	46.8	46.0	53.0	52.1	53.6	53.7	55.1	54.4	56.7	46.8	50.6	63.4
Orders received	66.5	64.2	47.0	57.9	47.6	39.6	38.2	25.2	61.5	35.7	22.4	43.0	56.7	41.8
Order backlog	158.0	178.6	178.8	190.7	185.3	172.8	157.4	128.8	135.2	116.6	82.2	78.4	84.5	62.8

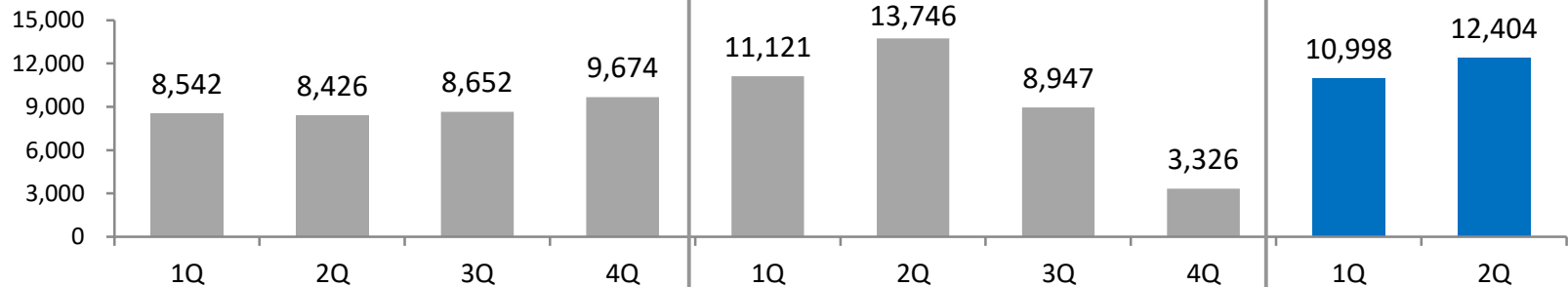
Quarterly Net Sales and Operating Profit

(Millions of yen)

Net sales



Operating profit

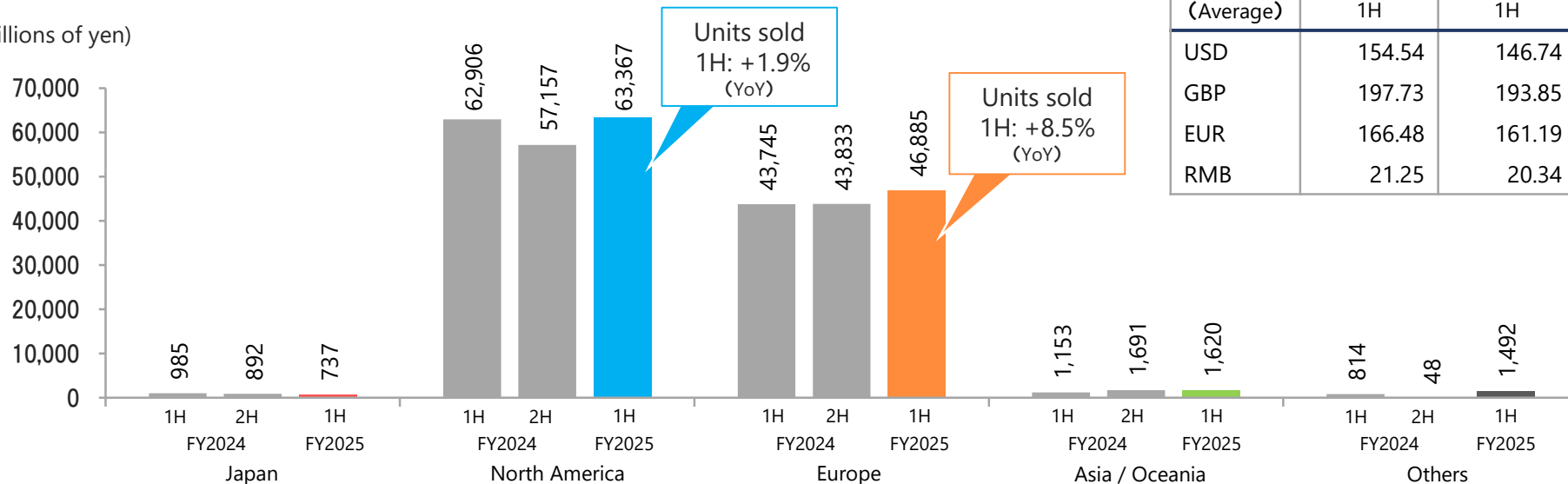


Exchange rates	FY2023				FY2024				FY2025	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
JPY/USD	134.74	140.48	148.62	145.93	152.45	156.84	146.94	153.67	147.56	145.81
JPY/GBP	165.80	179.25	183.10	185.38	194.22	199.39	192.51	192.40	191.31	196.92
JPY/EUR	146.10	154.14	158.55	159.56	164.58	168.43	160.60	160.32	158.62	167.39
JPY/RMB	19.43	19.66	20.08	20.31	20.75	21.76	20.66	21.34	20.75	19.93

Sales by Region and Parts Sales (FY2025 1H Results)

(Millions of yen)	FY2024		FY2025					
	1H (results)	Sales ratio	1H (results)	Sales ratio	Change	(%)	1H Forecast on July 10	Change
Japan	985	0.9%	737	0.6%	(248)	(25.2)%	790	(6.7)%
North America	62,906	57.4%	63,367	55.5%	+460	+0.7%	62,730	+1.0%
Europe	43,745	39.9%	46,885	41.1%	+3,139	+7.2%	43,470	+7.9%
Asia / Oceania	1,153	1.1%	1,620	1.4%	+467	+40.5%	1,530	+5.9%
Others	814	0.7%	1,492	1.3%	+677	+83.1%	880	+69.6%
Total net sales	109,606	100.0%	114,103	100.0%	+4,496	+4.1%	109,400	+4.3%
Parts Sales	8,596	7.8%	9,081	8.0%	+485	+5.6%	8,281	+9.7%

(Millions of yen)



(Average)	FY2024 1H	FY2025 1H
USD	154.54	146.74
GBP	197.73	193.85
EUR	166.48	161.19
RMB	21.25	20.34

Geographic Segment Information (FY2025 1H Results)

(Millions of yen)		FY2024	
		1H	Profit ratio
Japan	Net sales	33,163	-
	Segment profit	22,400	67.5%
US	Net sales	62,921	-
	Segment profit	6,975	11.1%
UK	Net sales	7,346	-
	Segment profit	110	1.5%
France	Net sales	6,132	-
	Segment profit	533	8.7%
China	Net sales	42	-
	Segment profit	192	457.4%

FY2025			
1H	Profit ratio	Change	(%)
35,703	-	+2,539	+7.7%
15,226	42.6%	(7,173)	(32.0)%
63,585	-	+663	+1.1%
4,426	7.0%	(2,548)	(36.5)%
9,757	-	+2,411	+32.8%
728	7.5%	+617	+556.9%
5,054	-	(1,078)	(17.6)%
321	6.4%	(211)	(39.7)%
3	-	(38)	(92.6)%
114	3,714.2%	(77)	(40.3)%

➤ **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

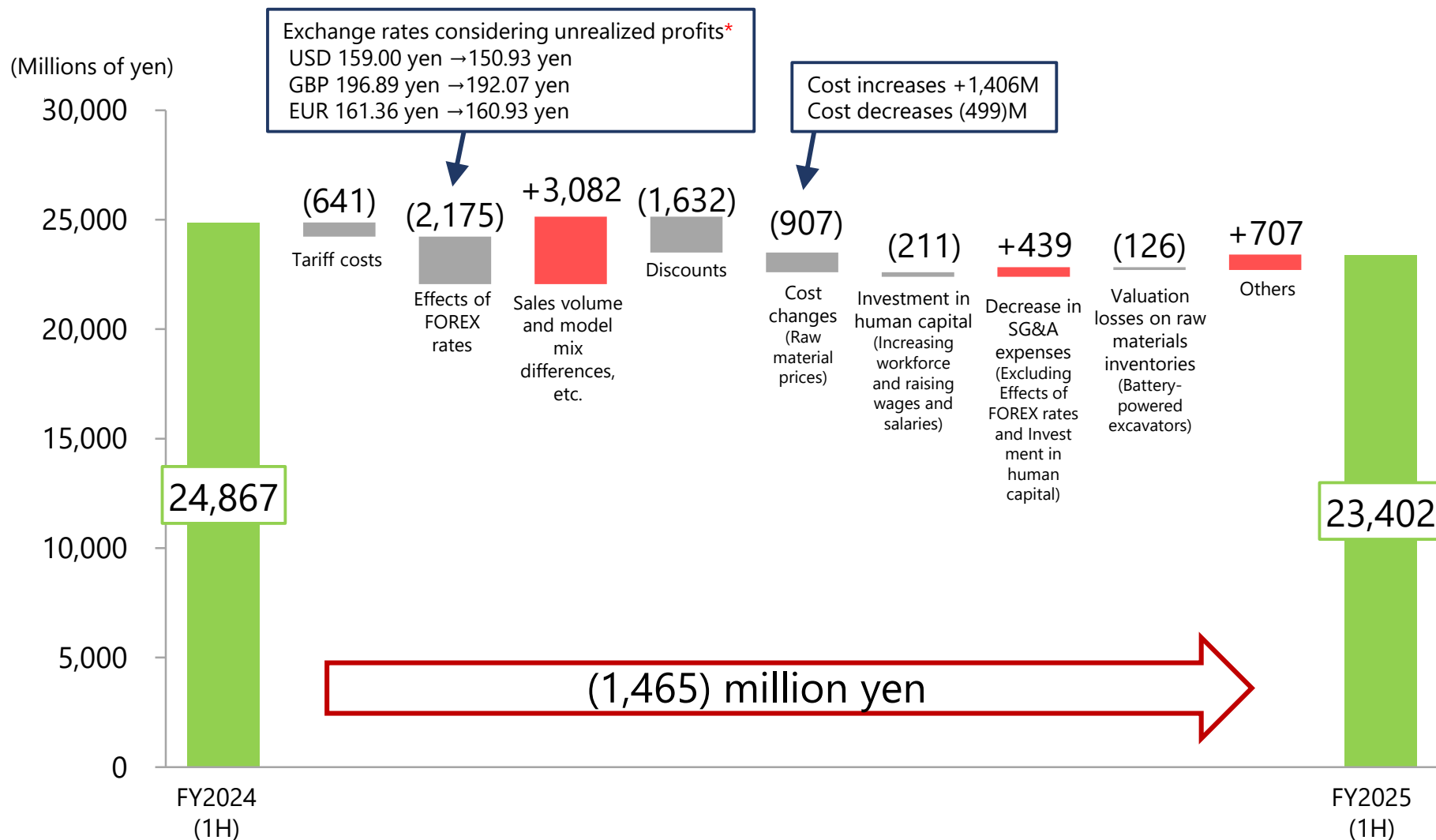
➤ **France Segment (Takeuchi France S.A.S.)**

- 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

Factors of Increase/Decrease in Operating Profit (FY2025 1H Results)



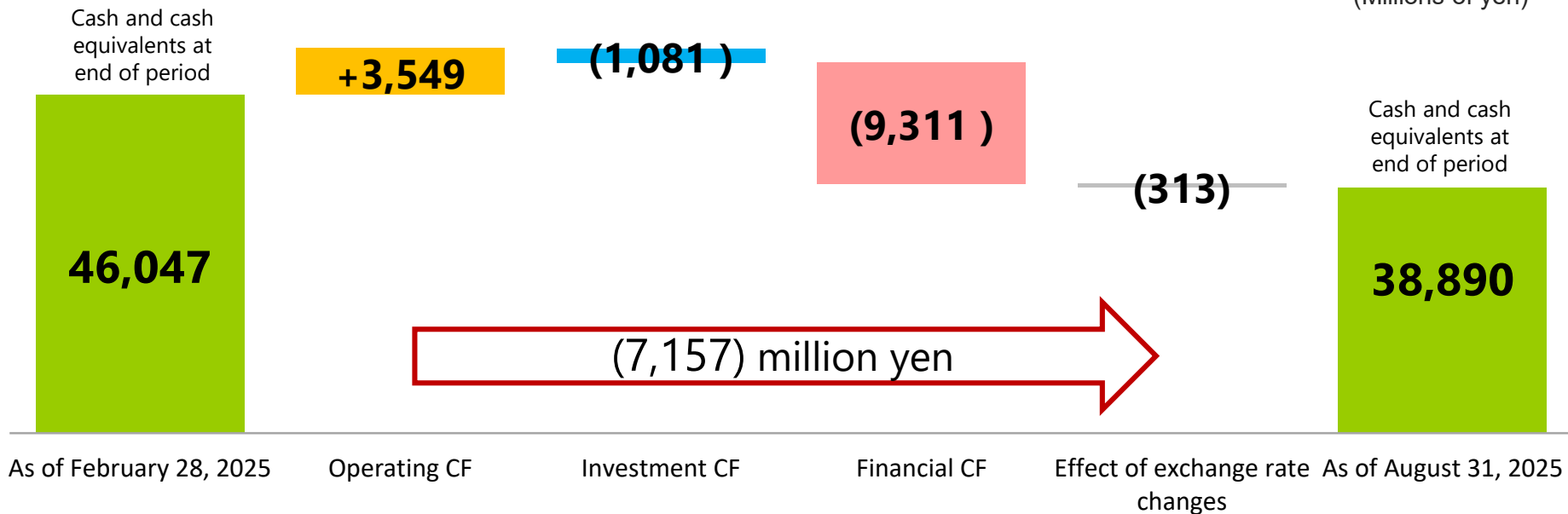
*Exchange rates considering unrealized profits: Rates take into account transportation and inventory periods from Japan to sales subsidiaries in the US, UK, and France.

Consolidated Balance Sheets (As of August 31, 2025)

(Millions of yen)			As of Feb. 28, 2025		As of Aug. 31, 2025			
			Balance	Composition ratio	Balance	Composition ratio	Change	(%)
Assets	Cash and deposits		46,482	21.3%	39,343	18.6%	(7,139)	(15.4)%
	Notes and accounts receivable - trade		45,586	20.9%	57,677	27.2%	+12,090	+26.5%
	Inventories		80,497	37.0%	72,613	34.2%	(7,884)	(9.8)%
	Other		4,687	2.2%	3,699	1.7%	(988)	(21.1)%
	Current assets		177,254	81.4%	173,333	81.7%	(3,920)	(2.2)%
	Non-current assets		40,464	18.6%	38,760	18.3%	(1,704)	(4.2)%
Total			217,718	100.0%	212,094	100.0%	(5,624)	(2.6)%
Liabilities and Net assets	Notes and accounts payable - trade		36,022	16.5%	28,591	13.5%	(7,431)	(20.6)%
	Other current liabilities		13,951	6.4%	13,876	6.5%	(75)	(0.5)%
	Current liabilities		49,974	23.0%	42,468	20.0%	(7,506)	(15.0)%
	Non-current liabilities		744	0.3%	743	0.4%	(0)	(0.1)%
	Total Liabilities		50,718	23.3%	43,211	20.4%	(7,506)	(14.8)%
	Total net assets		167,000	76.7%	168,882	79.6%	+1,882	+1.1%
	Total		217,718	100.0%	212,094	100.0%	(5,624)	(2.6)%

Consolidated Statements of Cash Flows (FY2025 1H Results)

(Millions of yen)



(Millions of yen)

Cash flows from operating activities	Change	Cash flows from investing activities	Change	Cash flows from financing activities	Change
Profit before income taxes	23,692	Purchase of property, plant and equipment	(978)	Dividends paid	(9,215)
Depreciation	1,514	Acquisition of intangible assets	(94)		
Decrease in inventories	2,872	Proceeds from redemption of securities	0		
Increase in working capital	(19,117)				
Income taxes paid	(6,627)				
Others	1,215	Others	(8)	Others	(95)
Total	3,549	Total	(1,081)	Total	(9,311)

- ▶ FY2025 First Half Consolidated Results
- ▶ **FY2025 Consolidated Forecast**
- ▶ Reference Materials

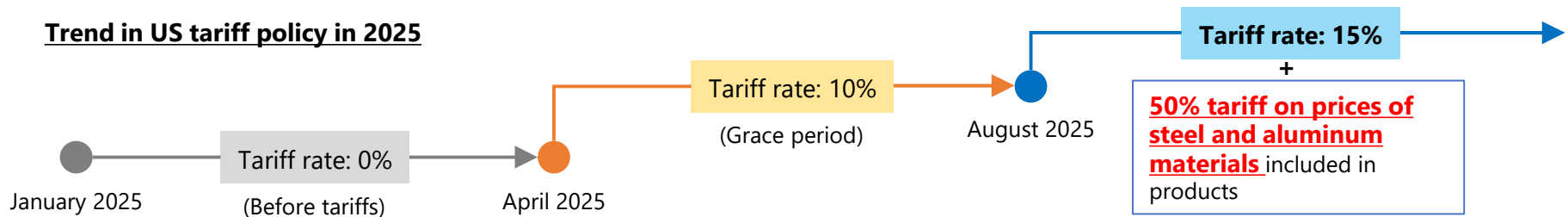
US Tariffs 1

Tariff costs in FY2025: 5.2 billion yen → Pass-through to price: 2.6 billion yen (effective from 2H)

Special factors in FY2025 *Takeuchi US's accounting period is Jan to Dec.

1. Takeuchi US Had 5 months of inventories located in the US at the end of March 2025 (Quantity varies by model)
2. US tariff policies Tariff rates were increased over time

Trend in US tariff policy in 2025



Reference

Simulated annualized figures based on the current conditions

Tariff costs for FY2025: 17.5 billion yen →

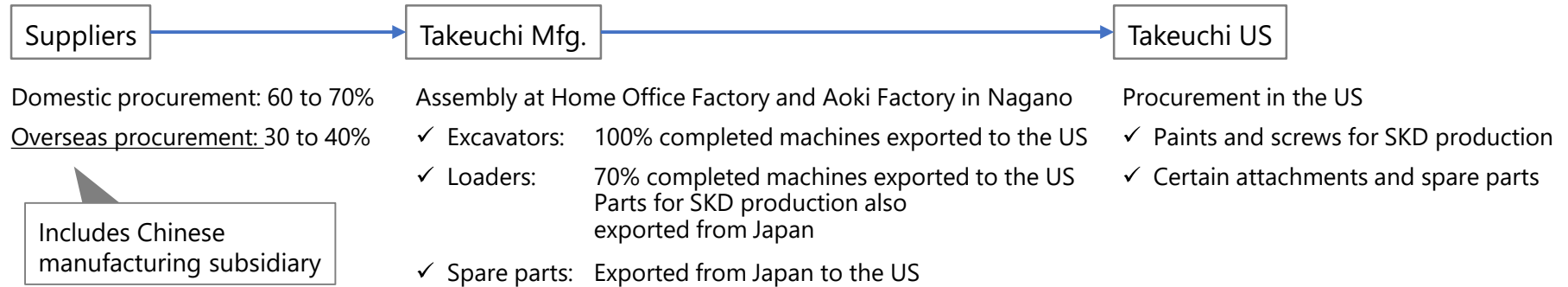
Pass-through to price: 6.1 billion yen (price increase from the start of the fiscal year)

These are **hypothetical values** based on the following assumptions:

- (1) Tariff rate: The latest tariff rates are applied throughout the year (reciprocal tariff rate of 15% + tax on steel derivatives)
- (2) Inventories at Takeuchi US: All inventories are affected by tariffs (all products sold are affected by tariffs)
- (3) Sales mix and volume: The same model is sold in the same number of units as in FY2025
- (3) Pass-through to price: The same price increase as in 2H of FY2025 is implemented from the beginning of the fiscal year.

US Tariffs 2

The Group's product supply route to the US: nearly 100% from Japan to the US



- We operate a track loader factory in South Carolina, but import almost all parts from Japan (paints, etc., are sourced in the US). Expanding US production under the current system will not reduce the impact of tariffs.
- Reducing the impact of tariffs would require building supply chains within the US, which would be time-consuming and costly and is therefore not realistic at the moment.



Takeuchi US

SKD Production at the US factory (track loader)



No choice but to pass on higher costs of tariffs to selling prices

1. **FY2025:** Raise prices in 2H → approx. 2.6 billion yen effect (half year)
2. **FY2026:** Considering the tariff costs, further price increases are inevitable, but will decide based on market trends

Measures to expand sales in the US

1. **Expansion of dealer network**

Fourth Medium-term Business Plan: At the end of February 2025: 280 / Increase to 360 in three years

└ Number of dealer locations at the end of August 2025: **298 locations** (expanding as planned)

2. **Strengthen collaboration with current dealers**

Held Takeuchi US Dealer Summit 2025

└ Recognized best dealers of FY2024 and shared sales targets for FY2025



Summary of Earnings Forecasts (FY2025 Full Year Forecast)

(Millions of yen)	Previous forecast (released on July 10, 2025)			Revised forecast (announced on October 10, 2025)				
	1H	2H	Full year	1H (results)	2H	Full year	Change	(%)
Japan	790	720	1,510	737	612	1,350	(160)	(10.6)%
North America	62,730	58,270	121,000	63,367	64,662	128,030	+7,030	+5.8%
Europe	43,470	41,190	84,660	46,885	40,324	87,210	+2,550	+3.0%
Asia / Oceania	1,530	1,320	2,850	1,620	2,559	4,180	+1,330	+46.7%
Others	880	300	1,180	1,492	737	2,230	+1,050	+89.0%
Total net sales	109,400	101,800	211,200	114,103	108,896	223,000	+11,800	+5.6%
Operating profit	21,800	11,800	33,600	23,402	14,597	38,000	+4,400	+ 13.1%
Ordinary profit	20,800	12,000	32,800	23,692	13,607	37,300	+4,500	+ 13.7%
Profit attributable to owners of parent	14,800	8,400	23,200	17,055	9,344	26,400	+3,200	+ 13.8%

(1) Product demand in 2H

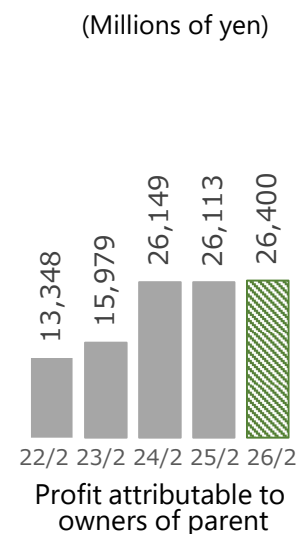
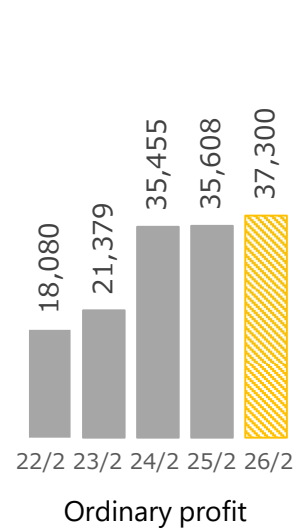
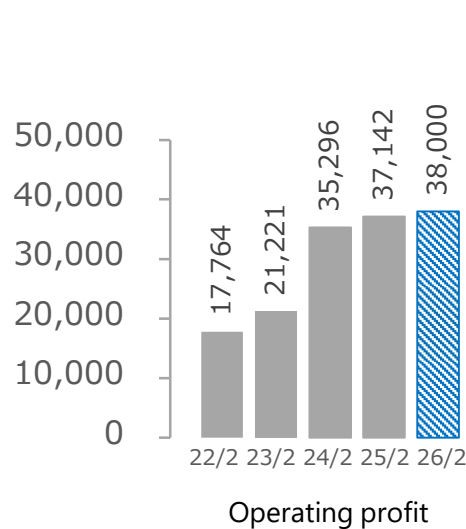
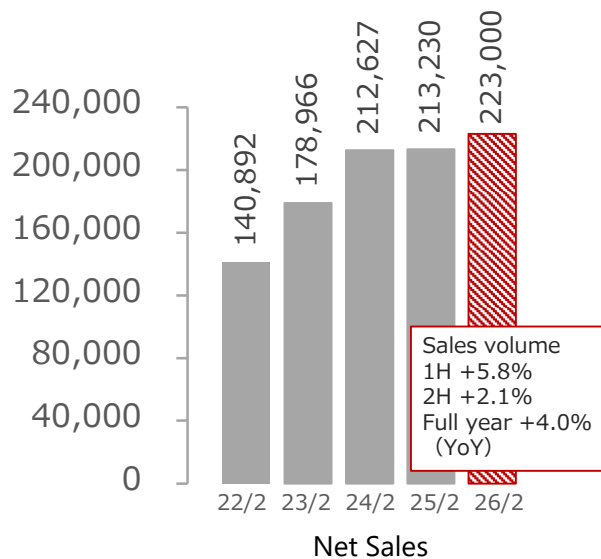
- 2H sales volume: (North America up 5.3%, Europe down 1.2%, consolidated up 3.6% vs. previous forecast)
- In North America, the construction market remains steady and results are set to exceed the previous forecast, despite passing on tariff costs to product prices.
- In Europe, although there were signs that product demand had bottomed out in the UK and other major European countries, the sluggish market in France and inventory adjustments by distributors in Italy are expected to have a major impact, resulting in performance slightly below the previous forecast.

(2) We expect net sales and profits at each stage to exceed previous forecasts, reaching record highs.

- Full-year sales volume: (North America up 2.3%, Europe up 3.0%, consolidated up 3.8% vs. previous forecast)
- Profit at each stage is expected to increase due to price hikes, higher sales volume, etc., despite rising tariff costs.

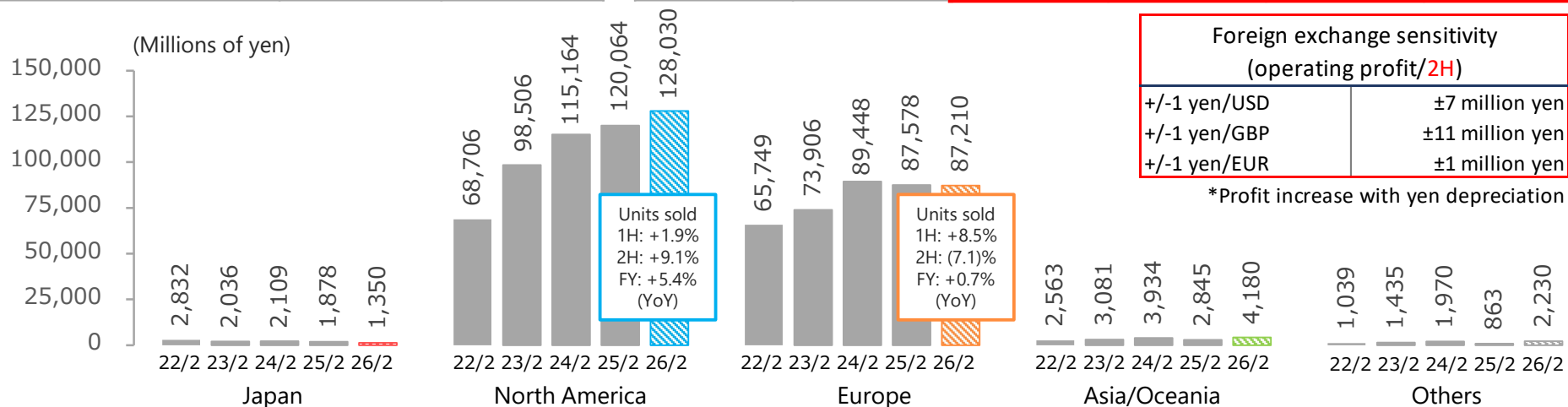
Consolidated Financial Highlights (FY2025 Full Year Forecast)

(Millions of yen)	FY2024		FY2025					
	Full year	Sales ratio	1H (results)	2H (forecast)	Full year	Sales ratio	Change	(%)
Net sales	213,230	-	114,103	108,896	223,000	-	+9,769	+4.6%
Operating profit	37,142	17.4%	23,402	14,597	38,000	17.0%	+857	+2.3%
Ordinary profit	35,608	16.7%	23,692	13,607	37,300	16.7%	+1,691	+4.8%
Profit attributable to owners of parent	26,113	12.2%	17,055	9,344	26,400	11.8%	+286	+1.1%
Capital investment	3,333	1.6%	1,651	4,135	5,786	2.6%	+2,452	+73.6%
Depreciation	3,755	1.8%	1,514	2,028	3,542	1.6%	(212)	(5.7)%
Earnings per share (yen)	552.45	Dividend Payout Ratio 36.2%	-	-	571.44	Dividend payout Ratio 36.7%	+18.99	+3.4%
Dividends per share (yen)	200.00		-	-	210.00		+10.00	+5.0%

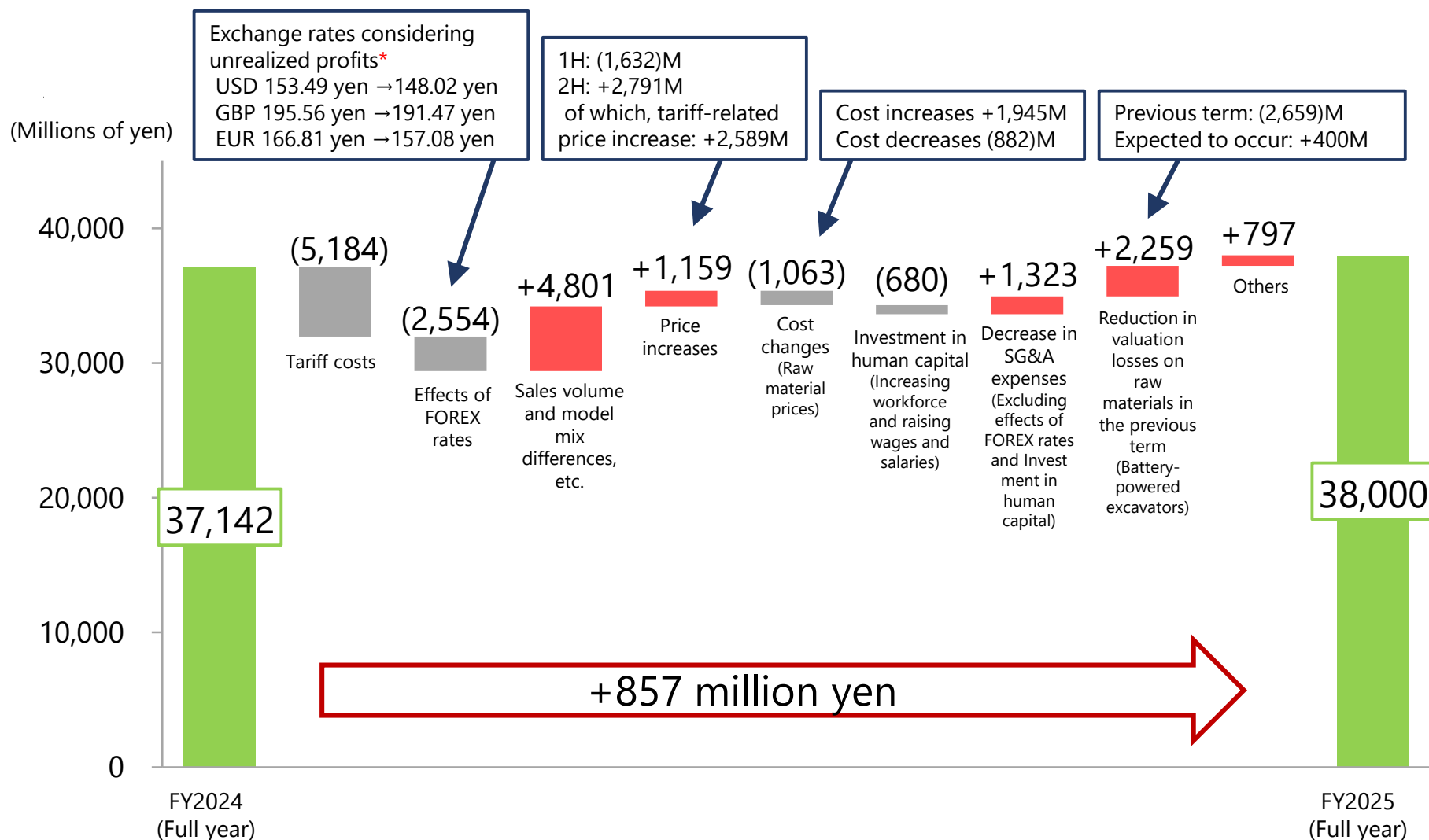


Sales by Region and Parts Sales (FY2025 Full Year Forecast)

(Millions of yen)	FY2024		FY2025					
	Full year	Sales ratio	1H (results)	2H (forecast)	Full year	Sales ratio	Change	(%)
Japan	1,878	0.9%	737	612	1,350	0.6%	(528)	(28.1)%
North America	120,064	56.3%	63,367	64,662	128,030	57.4%	+7,965	+6.6%
Europe	87,578	41.1%	46,885	40,324	87,210	39.1%	(368)	(0.4)%
Asia / Oceania	2,845	1.3%	1,620	2,559	4,180	1.9%	+1,334	+46.9%
Others	863	0.4%	1,492	737	2,230	1.0%	+1,366	+158.3%
Total net sales	213,230	100.0%	114,103	108,896	223,000	100.0%	+9,769	+4.6%
Parts Sales	17,362	8.1%	9,081	8,683	17,765	8.0%	+403	+2.3%
JPY/USD	152.65	—	146.74	140.00	143.37	—	(9.28)	(6.1)%
JPY/GBP	194.85	—	193.85	190.00	191.93	—	(2.92)	(1.5)%
JPY/EUR	163.74	—	161.19	164.00	162.59	—	(1.15)	(0.7)%
JPY/RMB	21.13	—	20.34	19.50	19.92	—	(1.21)	(5.7)%



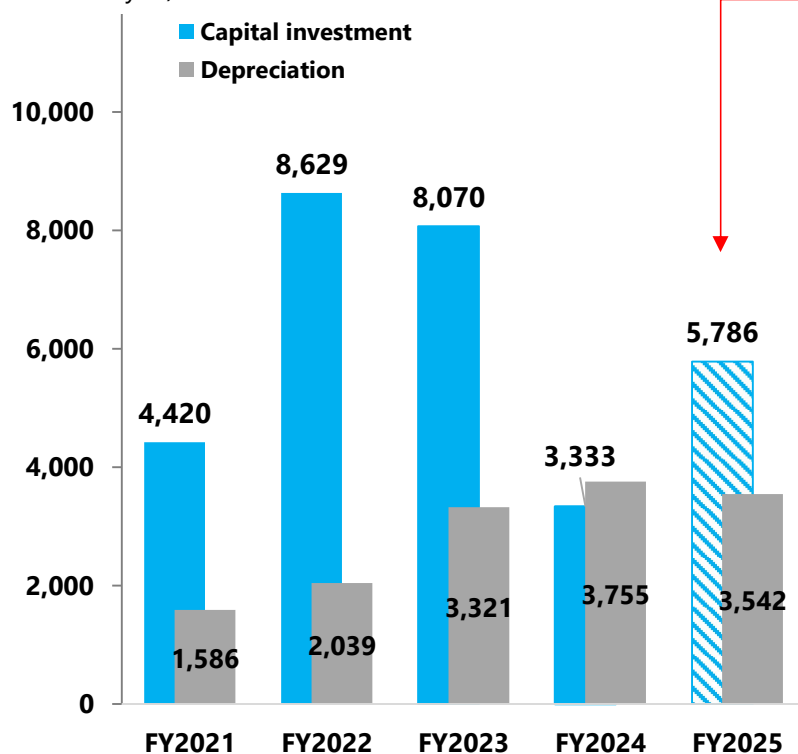
Factors of Increase/Decrease in Operating Profit (FY2025 Full Year Forecast)



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

Capital Investment Plan

(Millions of yen)



◇ FY2025 Capital Investment Plan Breakdown

Home Office & Aoki Factory	¥2.8 bn	Maintenance and replacement of jigs, molds, and equipment
Sales & Marketing	¥1.6 bn	Expansion of home office parts center
R&D	¥0.7 bn	Renovation of Bingushi test building
Digital Infrastructure (IT and DX)	¥0.4 bn	Cybersecurity enhancement
Others	¥0.1 bn	Maintenance and replacement of equipment
Total	¥5.7 bn	

◇ FY2024 Capital Investment Breakdown

Home Office & Aoki Factory	¥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	

FY2022

US Factory (approx. ¥4.7 bn)



FY2023

Aoki Factory (approx. ¥11.0 bn)



FY2024

Ueda Employee Dormitory (approx. ¥0.7 bn)



Home Office 2nd Parts Center (Tentative name) *to be completed in Mar. 2026

3F Dedicated floor for development team

Offers an environment that maximizes ideas and promotes creative product development

2F Meeting and training spaces

Increases learning opportunities for the growth of employees and the sustainable growth of the company

1F Aftermarket parts shipment space

Provides a faster and more efficient supply system to expand aftermarket parts sales

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- Investment** 2.0 billion yen (estimate)
 - Construction** Start: March 2025 / to be completed in March 2026

3. Overview of building

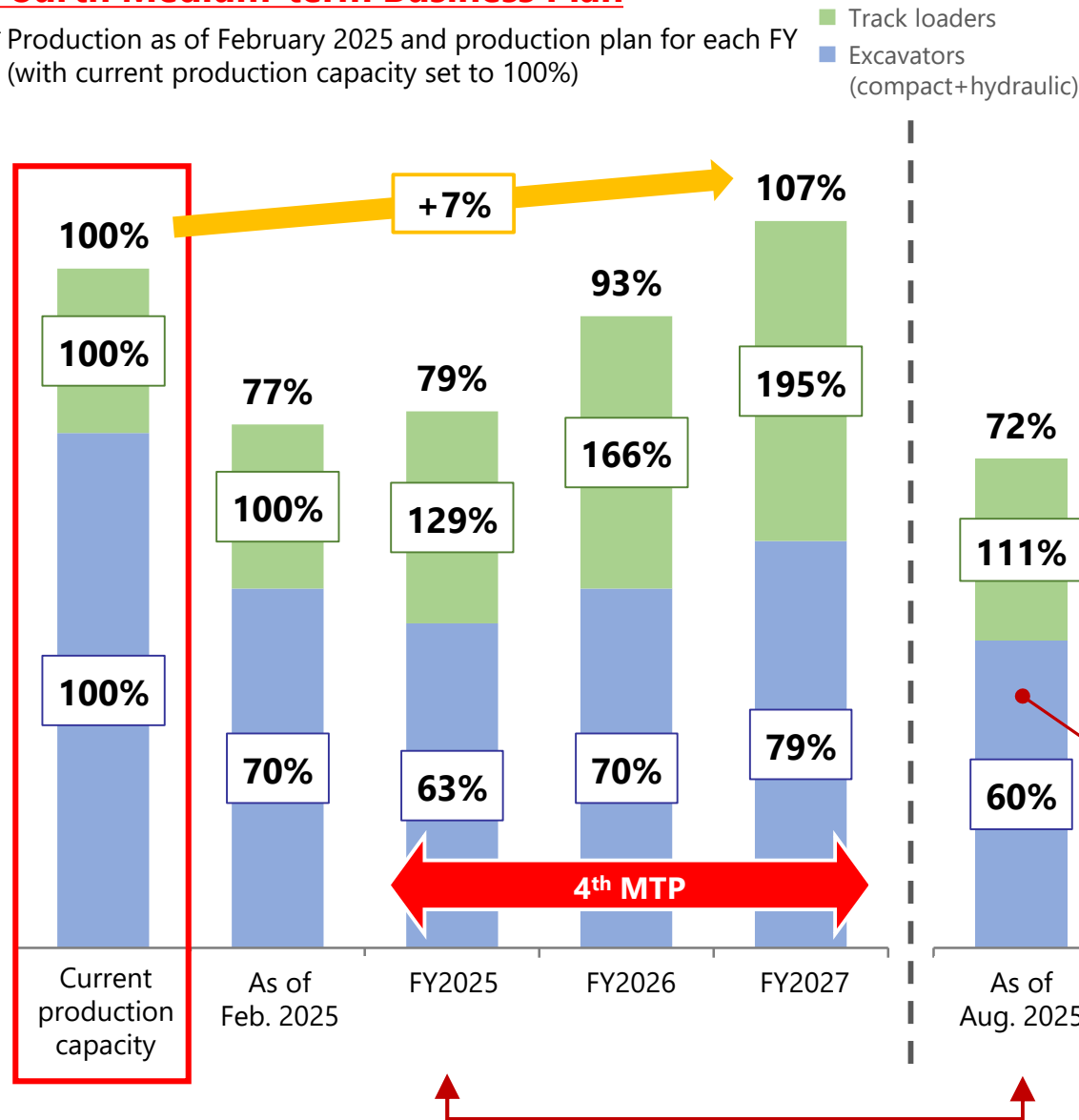
Name Home Office 2nd Parts Center (tentative name)
Address 205 Uwadaira, Sakaki-machi, Hanishina-gun, Nagano Japan
(next to Home Office Parts Center)
Building footprint: approx. 1,200 m² / Total floor area: approx. 3,000 m² (steel-frame/3 floors)



Status of Production

Fourth Medium-term Business Plan

* Production as of February 2025 and production plan for each FY (with current production capacity set to 100%)



Key measures

(1) Reorganization of production models and reallocation of production capacity to track loaders

1. Excavator production lines of Home Office and Aoki factories are also used for complete track loaders (mixed production)
2. Track loader SKD production is at full capacity at the US factory now and we will maintain the current level

(2) Increase in production volume (+7%)

1. Increase production volume by hiring new employees
2. Improve production efficiency through training

(3) Capacity Expansion based on future sales growth

1. Construct new track loader factory next to Aoki Factory
2. Scheduled to start operations around January 2028

August 2025: adjusting production

The impact of US tariffs on product sales is unclear, so production is being carried out cautiously.

There is no change to our medium- to long-term business strategy, despite the challenging business environment.

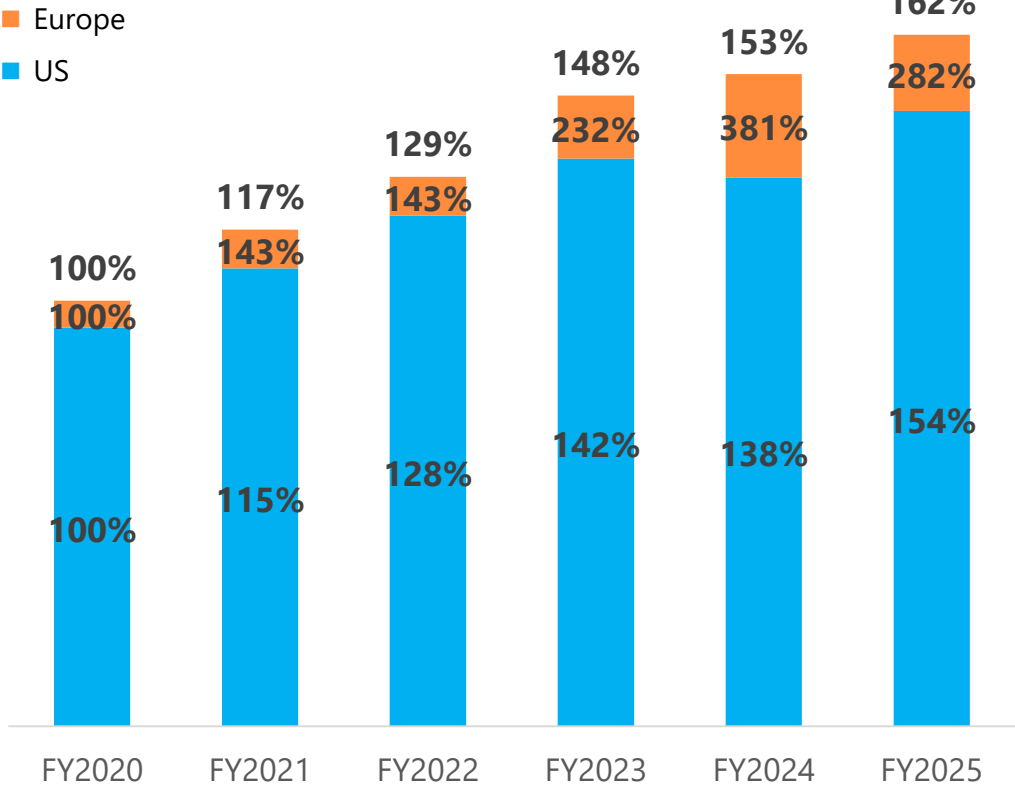
Constructing new track loader factory to prepare for increased demand in future

Sales Situation of Track Loaders

Focusing on expanding sales of track loaders

- ✓ Track loader sales volume in the US has increased by approx. 1.5 times and in Europe by approx. 2.8 times over the past five years.
- ✓ In Europe, retail sales to users are strong, but sales from the Group to sales agents (dealers and distributors) are stagnant.

➤ Sales volume of track loaders in the US and Europe (FY2020=100.0%)

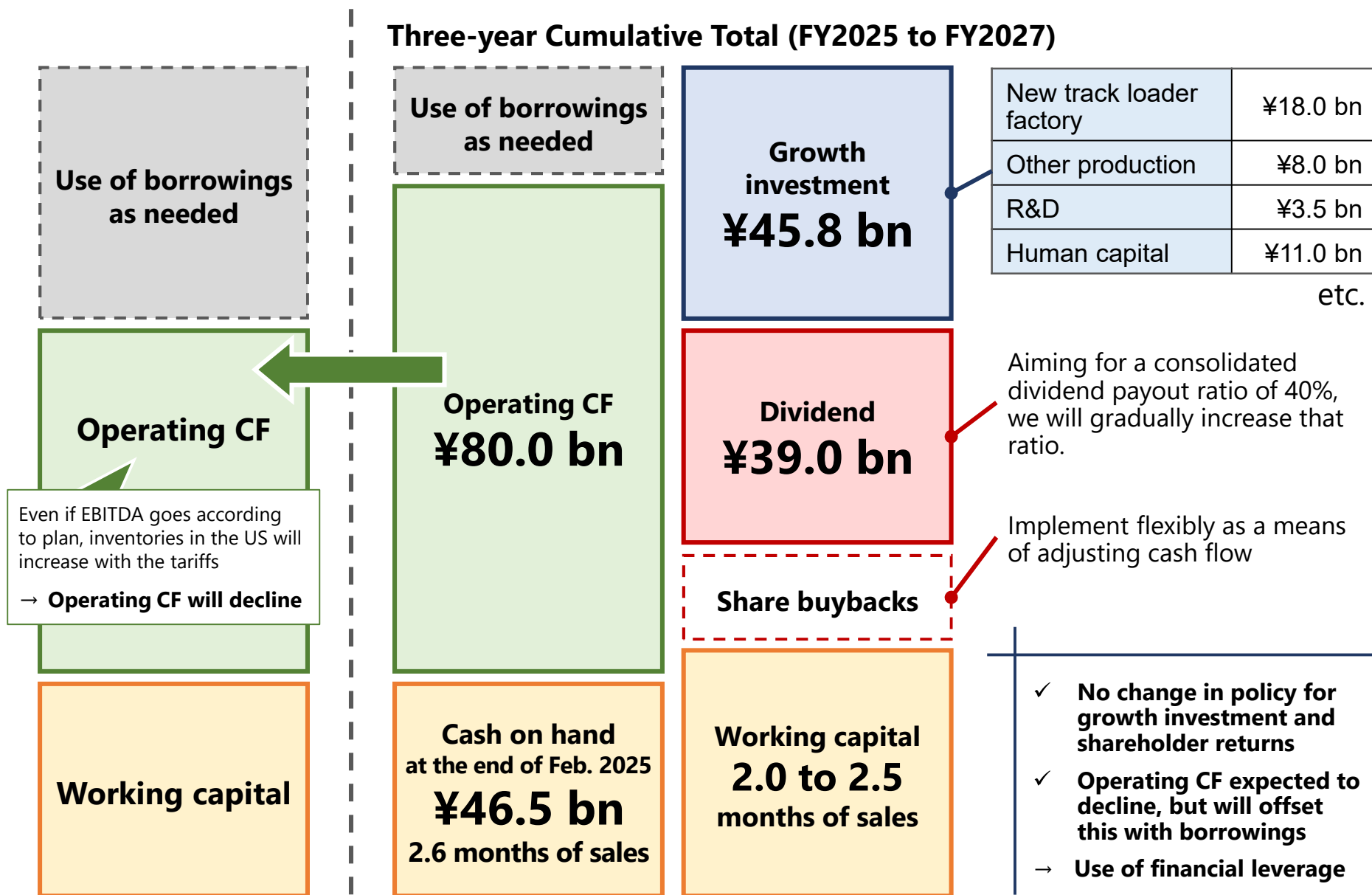


PLANTWORX (September 23 to 25, 2025)

- ✓ First exhibition of loaders at a tradeshow in UK.
- ✓ We received inquiries from a wide range of customers, not only in the construction industry but also in agriculture, forestry, and landscaping.



Cash Allocation



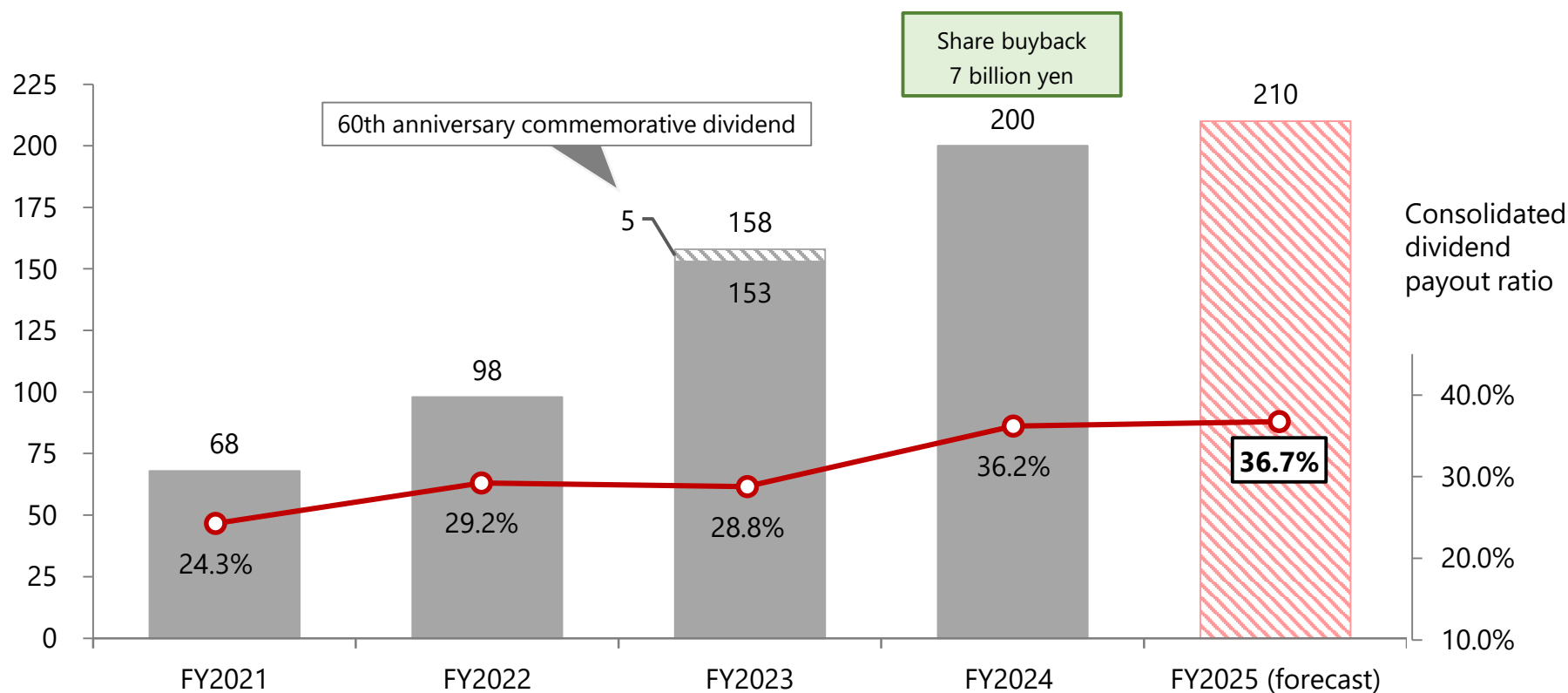
Shareholder Return and Dividend Payout Ratio

Basic Policy

We will prioritize allocation of cash flow to growth investment and after securing working capital equivalent to 2 to 2.5 months of sales, we will allocate surplus funds to shareholder returns.

- (1) **Aiming for a consolidated dividend payout ratio of 40%**, we will gradually increase that ratio.
- (2) Agilely **implement share buybacks** based on share price level and capital efficiency

Dividend per share and consolidated dividend payout ratio



- ▶ **FY2025 First Half Consolidated Results**
- ▶ **FY2025 Consolidated Forecast**
- ▶ **Reference Materials**

Corporate Profile

Name	TAKEUCHI MFG. CO., LTD.	
Representative	Toshiya Takeuchi President and Representative Director	
Home Office	205, Uwadaira, Sakaki-machi, Hanishina-gun, Nagano Japan	
Established	August 21, 1963	
Accounting Period	February	
Capital	3,632 million yen (As of August 31, 2025)	
Sales (Consolidated)	213,230 million yen (FY2024)	
Employees (Consolidated)	1,358 (As of August 31, 2025)	
Listed Market	Tokyo Stock Exchange, Prime Market, Securities code: 6432	
Subsidiaries	US	Takeuchi Mfg. (U.S.), Ltd. (Established February 1979)
	UK	Takeuchi Mfg. (U.K.) Ltd. (Established October 1996)
	France	Takeuchi France S.A.S. (Established May 2000)
	China	Takeuchi Qingdao Mfg. Co., Ltd. (Established April 2005)

Main Products

Compact excavators and hydraulic excavators

- We developed and began production of the world's first compact excavator (September 1971)
- Compact excavators: Products weighing less than 6 tonnes
- Hydraulic excavators: Products weighing 6 tonnes or more

Main applications

- Foundation work for housing construction
- Piping work for water, gas and other supplies
- Landscaping work to plant trees in parks and gardens
- Demolition and renovations of dilapidated buildings



Track Loaders

- We developed and began production of the world's first track loader (September 1986)
- Faster traveling speed than compact/hydraulic excavators, suitable for transportation work
- Most of the demand is in North America, but demand is growing in Europe

Main applications

- Transportation of earth and sand excavated by compact excavators
- Excavating and leveling the ground
- Various operations are possible by changing attachments



Business Performances

Asia and Oceania have been adjusted for prior periods.

(Millions of yen)	FY2020	FY2021	FY2022	FY2023	FY2024	Forecast	
						FY2025	Change
Japan	2,508	2,832	2,036	2,109	1,878	1,350	(528)
North America	52,248	68,706	98,506	115,164	120,064	128,030	+7,965
Europe	54,988	65,749	73,906	89,448	87,578	87,210	(368)
Asia/Oceania	1,814	2,563	3,081	3,934	2,845	4,180	+1,334
Others	694	1,039	1,435	1,969	863	2,230	+1,366
Net sales	112,254	140,892	178,966	212,627	213,230	223,000	+9,769
Operating profit	13,207	17,764	21,221	35,296	37,142	38,000	+857
Ordinary profit	13,298	18,080	21,379	35,455	35,608	37,300	+1,691
Profit attributable to owners of parent	9,765	13,348	15,979	26,149	26,113	26,400	+286
Earnings per share (yen)	204.78	279.91	335.19	548.58	552.45	571.44	+18.99
Dividends per share (yen)	53.00	68.00	98.00	158.00	200.00	210.00	+10.00
JPY/USD ¹ (yen)	106.13	111.72	133.12	143.25	152.65	143.37	(9.28)
JPY/GBP ¹ (yen)	137.88	153.06	162.58	177.55	194.85	191.93	(2.92)
JPY/EUR ¹ (yen)	122.91	130.57	139.81	155.05	163.74	162.59	(1.15)
JPY/RMB ¹ (yen)	15.41	17.12	19.49	19.87	21.13	19.92	(1.21)

Net assets	89,908	104,083	121,802	147,625	167,000
Total assets	115,525	137,201	158,785	198,153	217,718
Equity ratio	77.8%	75.9%	76.7%	74.5%	76.7%
ROE ²	11.3%	13.8%	14.1%	19.4%	16.6%
ROA ³	11.8%	14.3%	14.4%	19.9%	17.1%

(Yen)	1H(results)	2H(Assumption))
USD	146.74	140.00
GBP	193.85	190.00
EUR	161.19	164.00
RMB	20.34	19.50

*1 Exchange rates are the average rates for the 12-month period.

*2 ROE (Return on Equity) = Net profit / Net assets × 100 (Net assets are the average of the beginning and the end of the period)

*3 ROA (Return on Assets) = Ordinary profit / Total assets × 100 (Total assets are the average of the beginning and the end of the period)

Purpose: Why Are We in Business?

➤ **Contribute to the wellbeing and the enrichment of quality of life around the world**

- ✓ Develop and produce compact construction machinery essential to maintaining and improving people's living environment and deliver them around the world



Core competence

- ✓ **Develop, manufacture and sell the world's highest quality compact construction machinery**
 - └ Thoroughly pursue user experience (UX) of construction machinery operators
 - └ Create Takeuchi fans who purchase our products even if they cost more than competitors

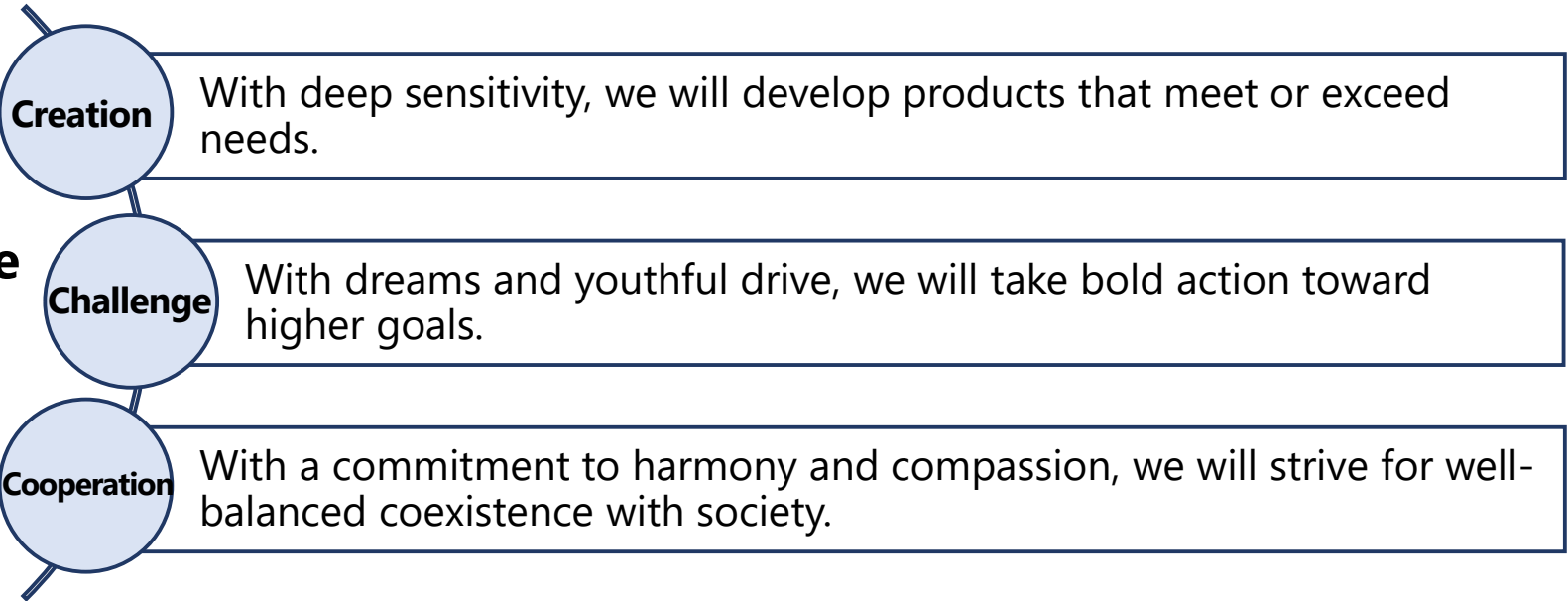
➤ **As our Group grows, we share the fruitful outcome with our stakeholders (key measures focus on S of ESG)**

- ✓ Shareholders
- ✓ Employees
- ✓ Customers (including end users)
- ✓ Suppliers
- ✓ Local communities

Environment
Society (**S**takeholder)
Governance

Value: Values Shared by Our People

Corporate Policies



Business Philosophy

From World First to World Leader, **TAKEUCHI**

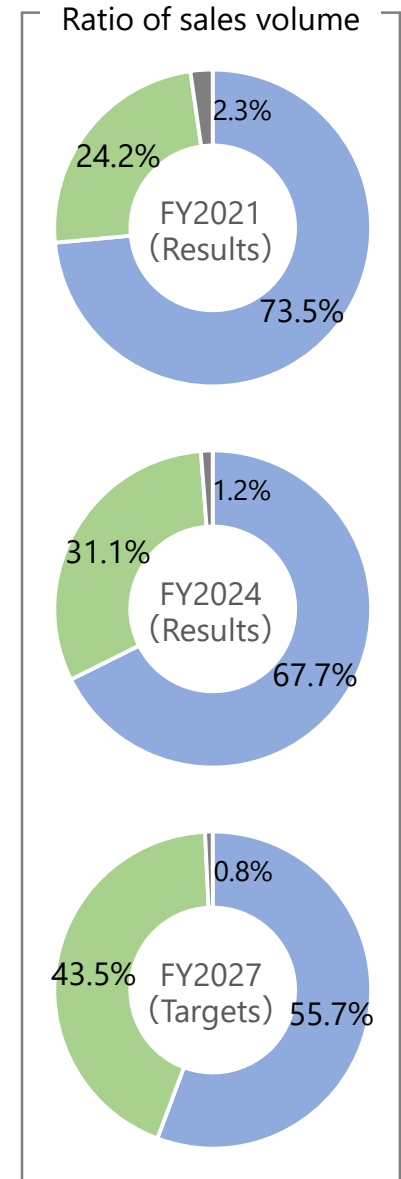
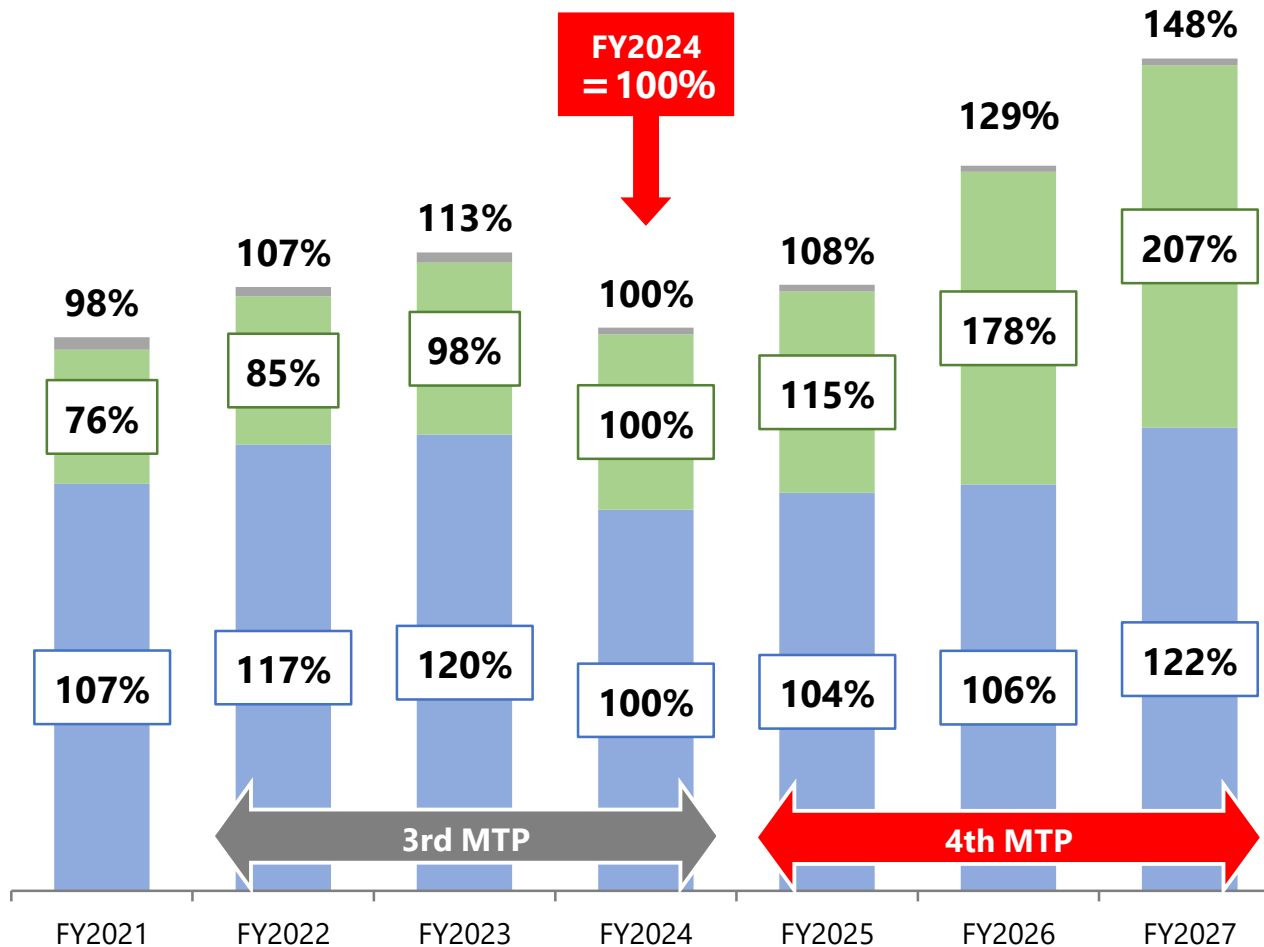
We will pursue manufacturing excellence by working hard in the spirit of Creation, Challenge, and Cooperation.

With a global perspective and awareness, we will provide products and services that are trusted by our customers.

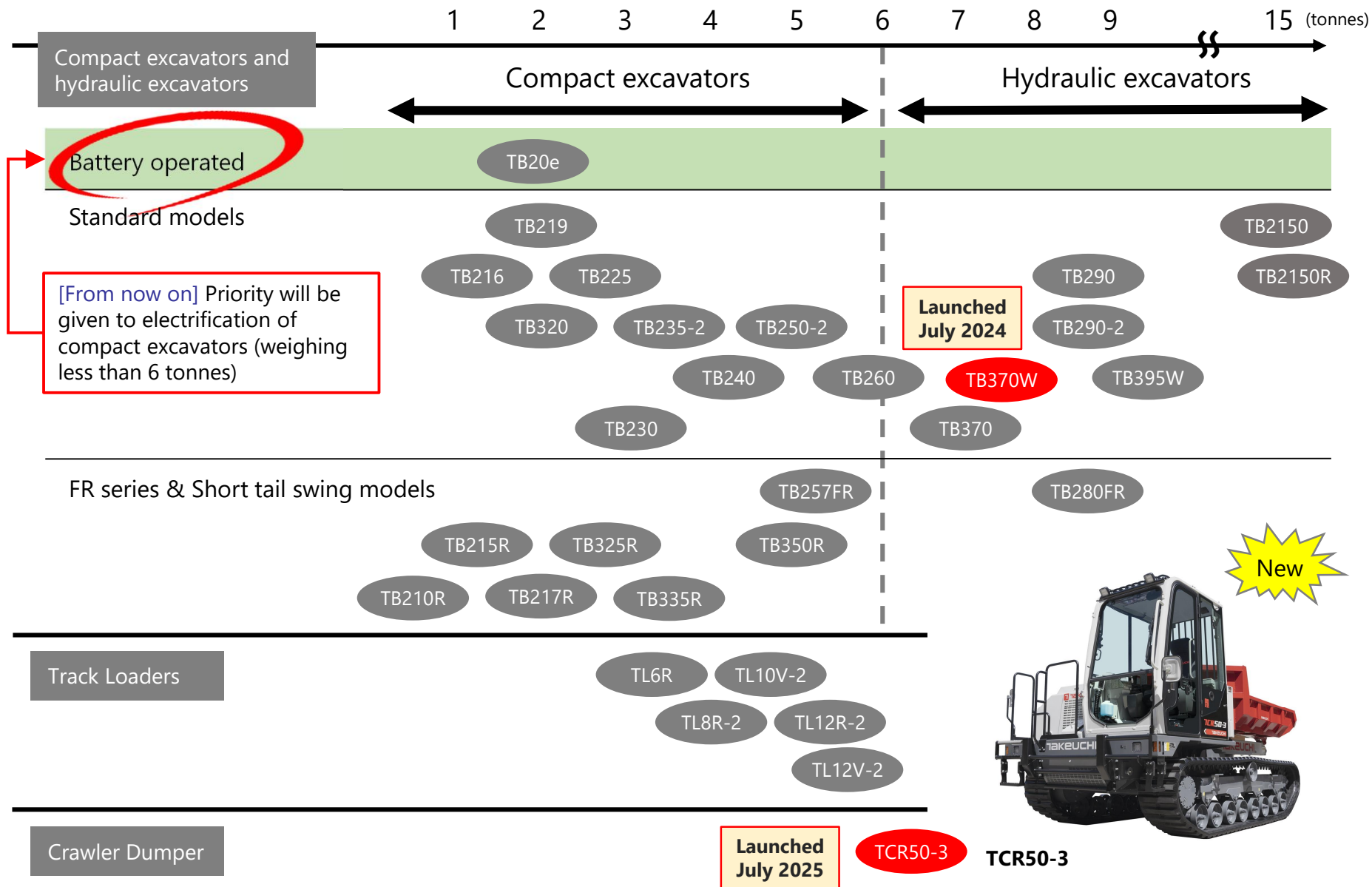
Leveraging the abilities of every employee, we will help to create an environmentally friendly, prosperous society.

Target Sales Volume (Consolidated Basis · Fourth Medium-term Business Plan)

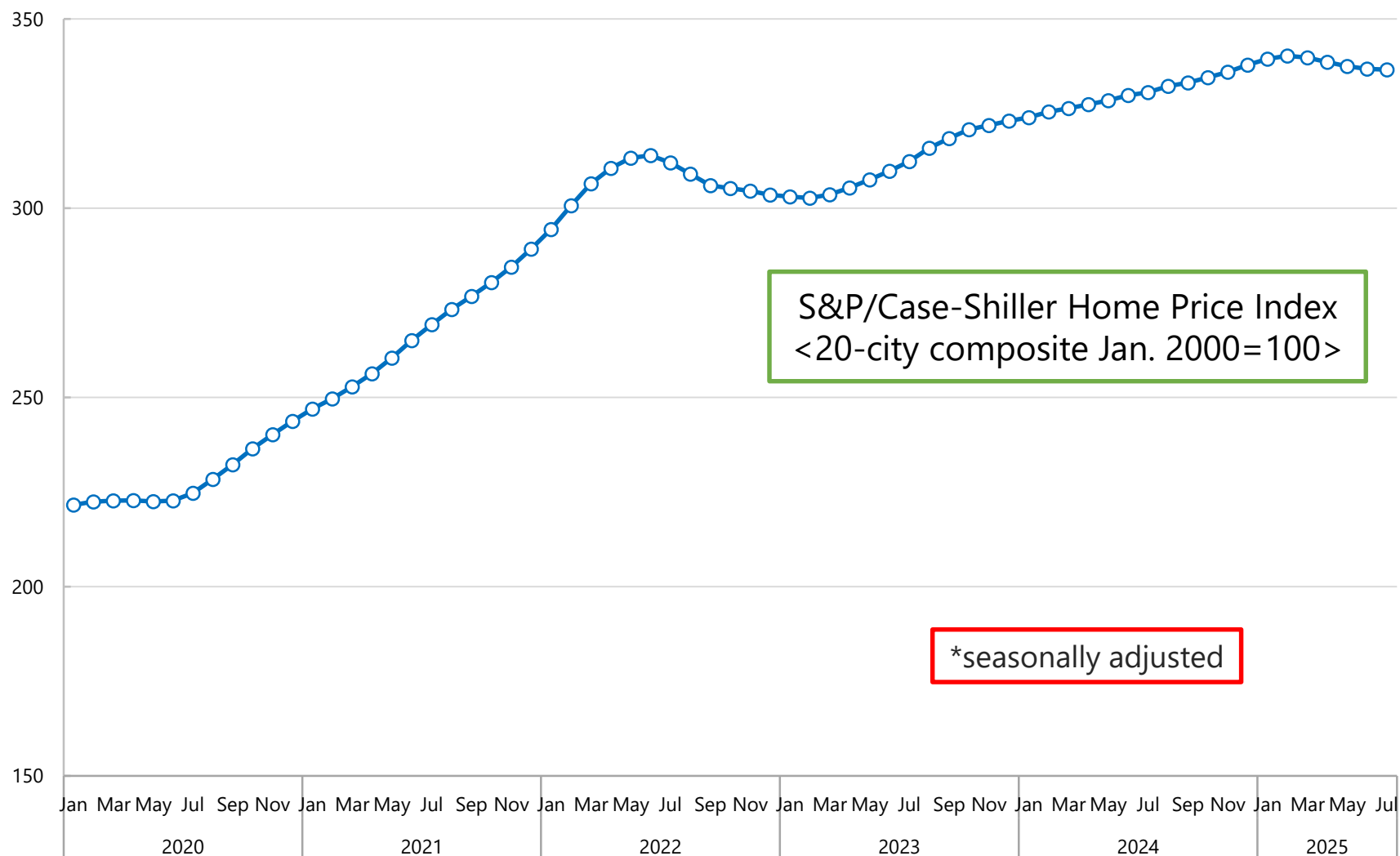
- Track loaders
- Excavators (compact/hydraulic)
- Other



Product Lineup



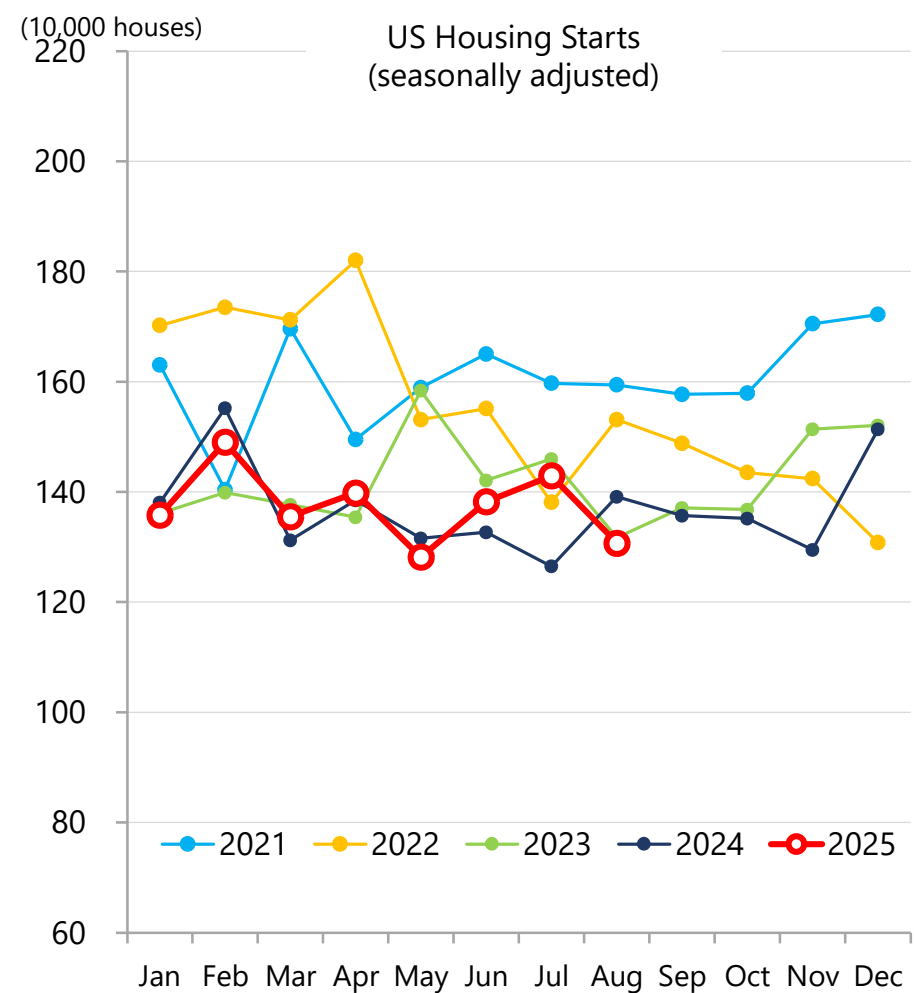
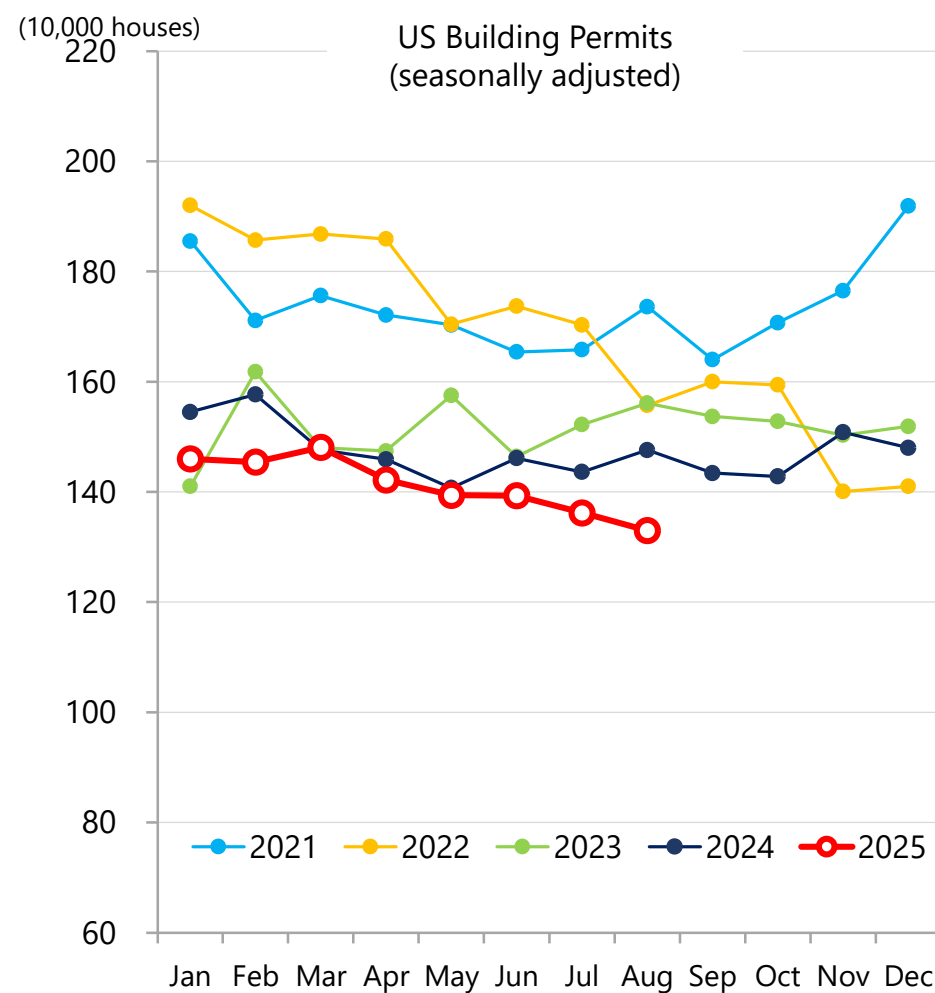
Market Outlook



(source) S&P

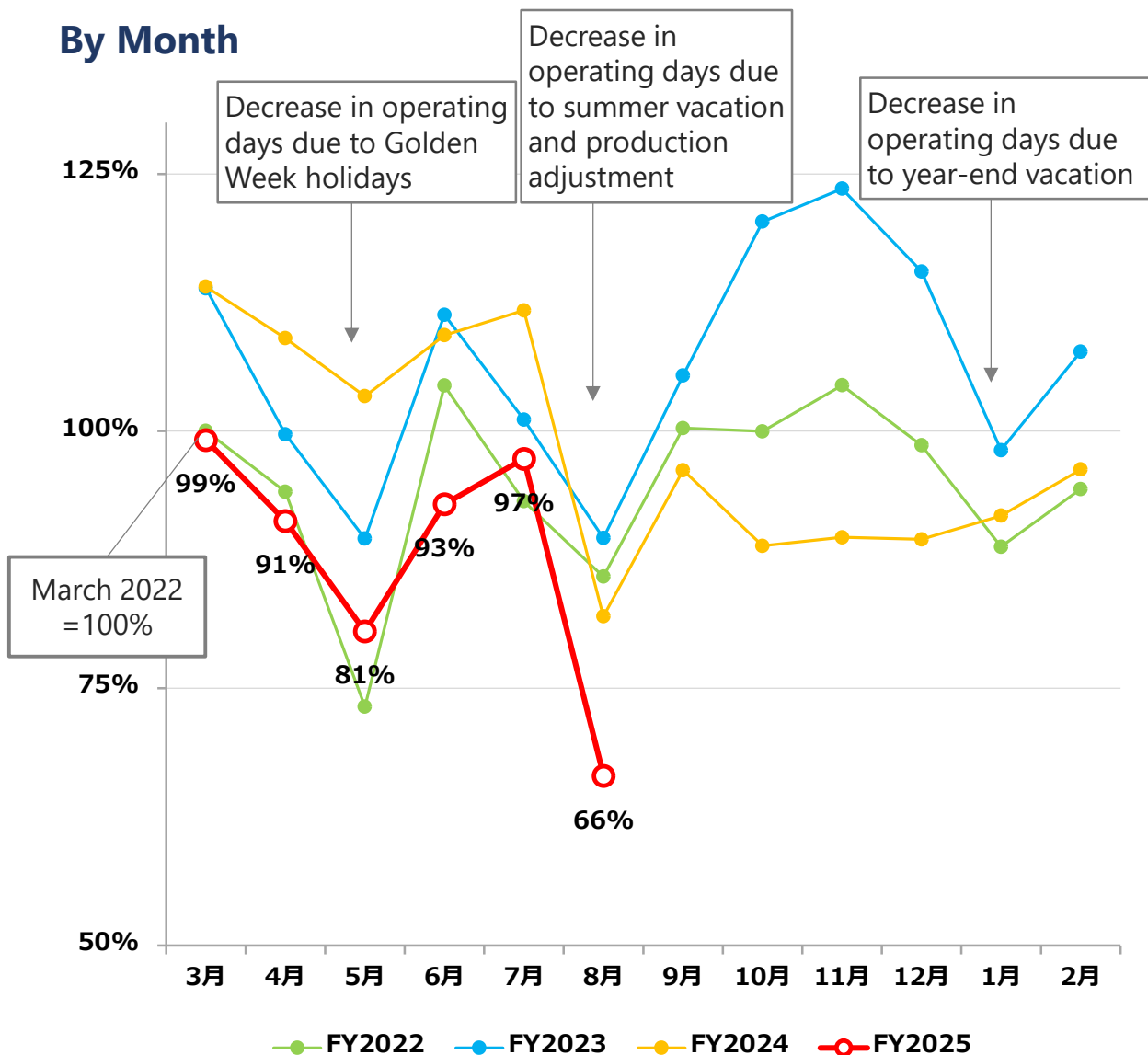
Market Outlook

- In 2H of 2021, it recovered with the resumption of economic activity following the COVID-19 pandemic
- From 1H of 2022, it slowed down due to interest rate hikes in the US, but **remained at a historically high level**
- With high interest rates and house prices, the adjustment phase continued, and the market showed signs of a pause

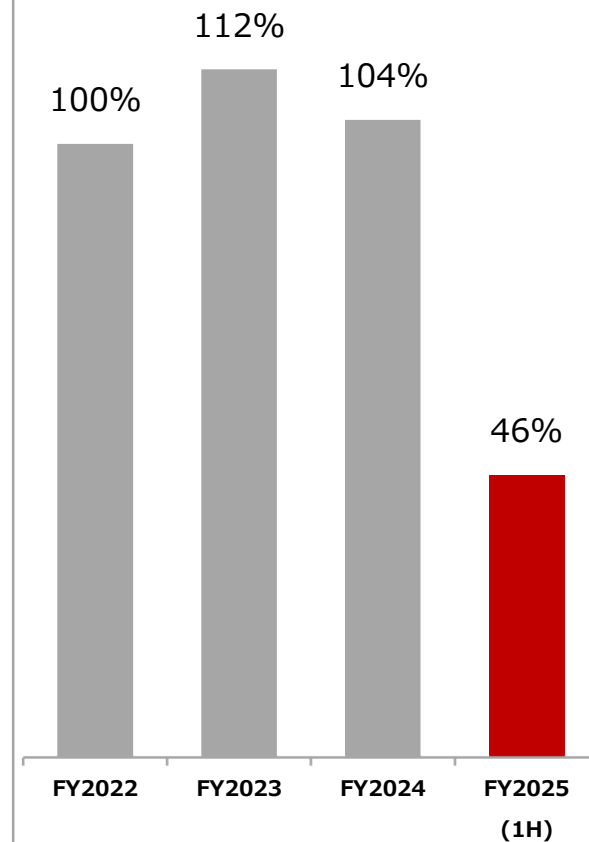


Production Volume Trends

By Month



By Fiscal Year



FY2022=100%

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Forecasts are based on information that was available when this document was prepared. The forecasts are vulnerable to many uncertainties including, but not limited to, changes in demand and other aspects of market conditions and foreign exchange rate fluctuations.

Consequently, the actual results of operations could differ significantly from this forecast because of changes in a variety of factors.



TAKEUCHI®