

Targets under Medium-Term Business Plan (FY2025–FY2027)

First phase for achieving Our Goals for 2035

A solid outlook for the achievement of targets supported by the megaprojects and steady growth

To achieve the 10-Year Plan 2035, we have formulated the Medium-Term Business Plans by dividing the ten years into three periods. Among them, in the Medium-Term Business Plan in the first phase spanning FY2025 to FY2027, the target for net sales of completed construction contracts for FY2027 is set at ¥336.5 billion, which will be a record high.

We project that orders received will reach a record high since we expect the megaproject for FY2025. Orders received for FY2027 will not reach the forecast figure for FY2025, but are expected to be at the level of ¥300.0 billion due to its steady growth to date.

We expect higher ordinary income and profit due to an increase in net sales of completed construction contracts despite higher fixed costs resulting from the growth investment for achieving the 10-Year Plan. As a result, we are targeting ROE for FY2027 at a level of over 10%, specifically 10.3%.

We have set our equity ratio at a level of less than 50% as we anticipate cash needs for shareholder returns, strengthening of growth investment, advances paid due to sales growth, among others.

We have revised the shareholder return ratio during FY2025. We plan to pay a stable dividend with the DOE of 4.0% (ROE 10% × dividend payout ratio 40%). The annual dividends are expected to increase to ¥94 for FY2025 and ¥103 for FY2027, which incorporate the stock split effective April 1, 2025. We plan to buy back treasury shares of ¥5.0 billion per year.

We have set a target of selling a three-year total of ¥5.0 billion of cross-shareholdings to achieve 15% or less of net assets as of March 31, 2028.

For non-financial targets, we have set the CO₂ emissions reduction target. Compared to FY2022, we aim to reduce Scope 1 and 2 emissions (emitted by the Group) by 26% and Scope 3 emissions (emitted across the entire supply chain) by 15%.

		FY2025 (forecasts)	FY2027 (targets)
Financial indicators	Orders received	¥362.0 billion	¥296.0 billion
	Net sales of completed construction contracts	¥279.0 billion	¥336.5 billion
	Ordinary income	¥18.2 billion	¥22.7 billion
	Profit	¥12.0 billion	¥15.8 billion
	ROE	8.1%	10.3%
	Equity ratio	45% or higher	40% or higher
	Policy on shareholder returns	DOE	4.0% (Aimed ROE level 10% × dividend payout ratio 40%)
Non-financial indicators		Share buybacks	Shares worth ¥5.0 billion per year
	Cross-shareholdings	Ratio to net assets	15–20% 15% or lower
	CO ₂ emissions	Scope 1 and 2: 26% reduction Scope 3: 15% reduction (vs. FY2022 levels)	

The Group adopts the strategy of concentrating management resources into global growth industries in view of Taikisha’s market competitiveness and the market growth potential. As our priority markets, we have set five areas: semiconductors/electronic components, batteries, data centers, biotechnology and pharmaceuticals, and mobility (4-wheelers, 2-wheelers, railroads, aircraft).

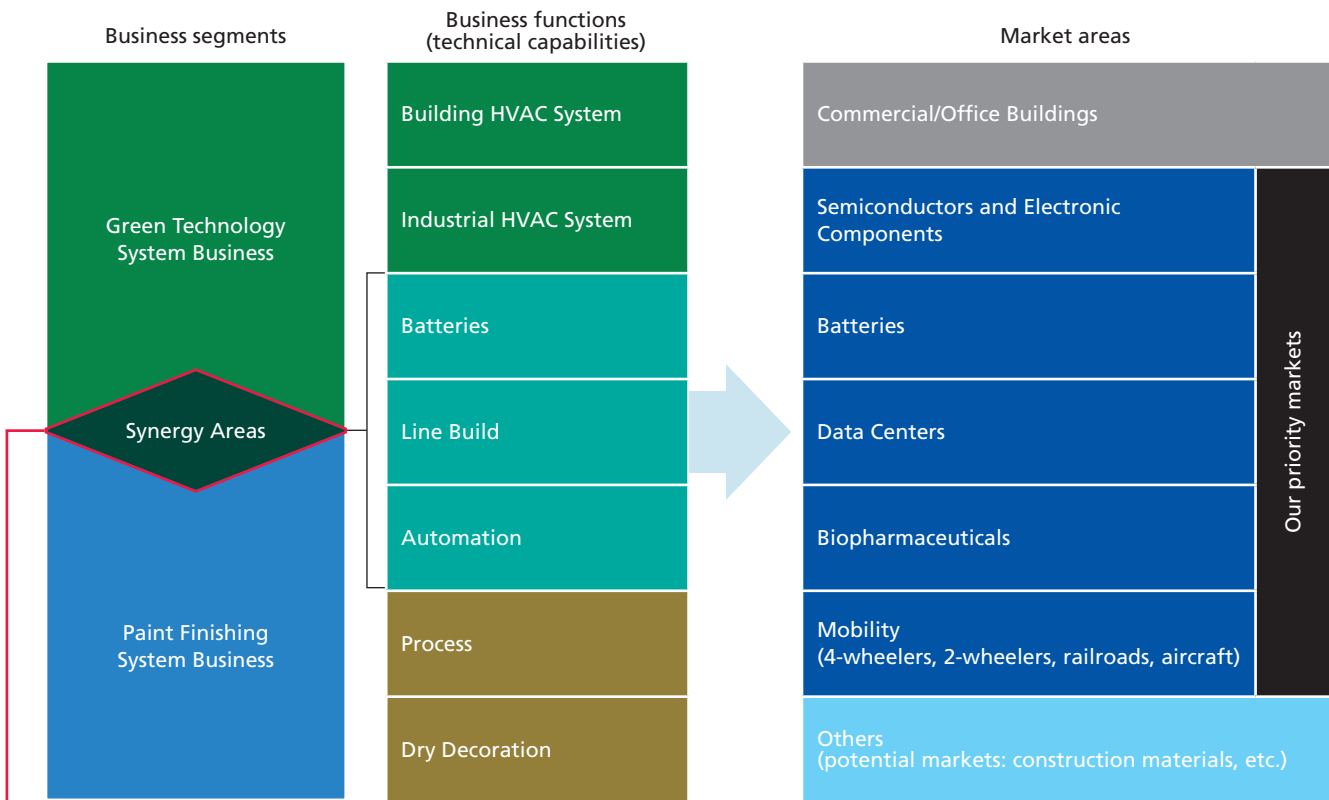
We aim to create growth businesses in our priority markets. To this end, we have upheld the creation of new value and the enhancement of our presence in the priority markets by growing our core Green Technology System Business and Paint Finishing System Business and

expanding the synergy areas where the technologies of both businesses can be combined.

We continue to recognize the domestic market as an important one and will remain committed to strengthening relationships with existing customers and partner companies, responding to emerging needs, and enhancing product quality and services to achieve sustainable growth. Aiming for balanced growth both in Japan and overseas, we will leverage the technologies and expertise cultivated in the domestic market to drive our global expansion, thereby maximizing our corporate value.

We will target priority markets linked to the Green Technology System Business and Paint Finishing System Business.

The key to growth will be the leveraging of synergies between these areas to create new businesses.



Proposing a new production line construction method to meet the growing demand for battery plant construction

—Initiative to create synergies between the Green Technology System Business and the Paint Finishing System Business—

- Expansion of support for EV battery plants, primarily through our US affiliates
We are leveraging experience, know-how, and human resources from our Green Technology System Business in Japan at our affiliates in the US. This initiative enables us to expand the scope of contracting activities to encompass heat source supply and our proprietary technologies, including solvent recovery and dry rooms. We are also preparing to grow into a one-stop solution manufacturer.
- Proposal of production line modularization as a method of reducing project timeline and costs
We will expand into the battery market through the convergence of design/build methods developed by our two business divisions for other industries. We can create mini-environments in special-purpose environmental areas, such as dry rooms, and modularize heat/power supply areas. We aim to shorten the project timeline through the modularization of equipment, including manufacturing and material handling equipment.

