

Nine Months Ended September 30, 2024

Supplementary Materials for Financial Results

November 5, 2024

EBARA JITSUGYO CO., LTD.

心地よい環境を、未来へつなぐ。



Market Condition

*All comparisons are year-on-year

- Demand for renewal and development of water infrastructure facilities, as well as for disaster prevention and mitigation, remains strong
- Private capital investment remains strong
- Price pass-through of higher material and equipment prices progresses
- Demand related to infectious diseases control decreased

Financial Highlights for Q3

- Orders received 30.2 bn yen (down 1.7%) and orders backlog 35.0 bn yen (up 6.7%)
- Net sales 26.6 bn yen (down 2.0%), operating profit 3.0 bn yen (up 1.7%), and profit 2.1 bn yen (up 2.1%)

FY2024 Business Plan ⇒ No change in business plan

- Expect both net sales (38.0 bn yen) and operating profit (4.05 bn yen) to renew respective highs for the second consecutive year

Market Condition

- Demand for renewal and development of water infrastructure facilities, as well as for disaster prevention and mitigation, remains strong
- Private capital investment remains strong
- Price pass-through of higher material and equipment prices progresses
- Demand related to infectious diseases control decreased

*All comparisons are year-on-year

Net Sales

26.60bn yen
(0.54bn yen↓/2.0%↓)

- Sales of storage batteries and infectious diseases control equipment decreased in the Manufacturing business
- Same as equivalent period in the previous year in the Engineering and Trading businesses

Orders Received

30.27bn yen
(0.51bn yen↓/1.7%↓)

- Increased in the Manufacturing and Trading businesses
- Decreased in the Engineering business

Gross Profit

8.50bn yen
(0.25bn yen↑/3.1%↑)

- Increased thanks to an improvement of profit margin in the Engineering and Trading businesses despite a decline in net sales
- Price pass-through of higher material and equipment prices progresses

Orders Backlog

35.09bn yen
(2.19bn yen↑/6.7%↑)

- Orders backlog increased in all segments

Operating Profit

3.03bn yen
(0.05bn yen↑/1.7%↑)

- SG&A expenses, mainly in labor costs and R&D expenses, increased
- Operating profit increased thanks to an increase in gross profit

Ordinary Profit

3.17bn yen
(0.10bn yen↑/3.3%↑)

Profit

2.17bn yen
(0.04bn yen↑/2.1%↑)

Q3 Performance

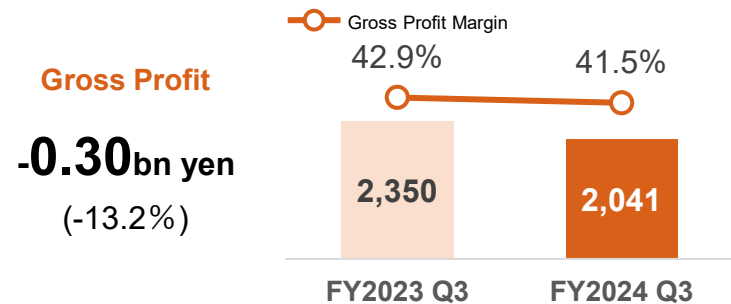
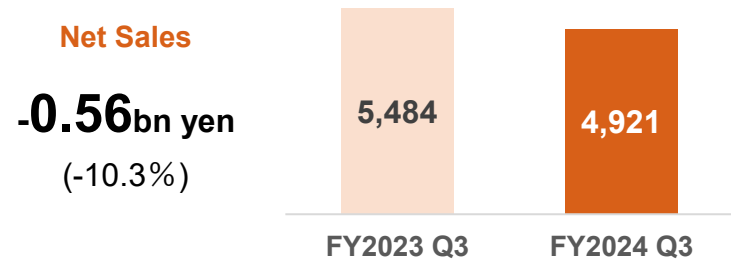
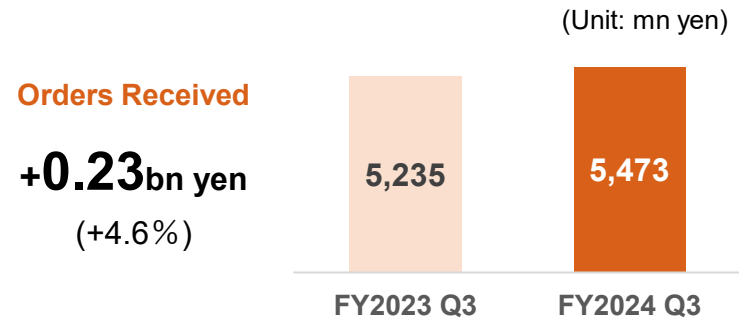
| (Unit: mn yen) | FY2022 Q3 | | FY2023 Q3 | | FY2024 Q3 | | Year-on-Year | |
|--------------------------|-----------|-----------|-----------|-----------|---------------|-----------|--------------|---------|
| | | Ratio (%) | | Ratio (%) | | Ratio (%) | Change (%) | Change |
| Net Sales | 22,398 | 100.0 | 27,141 | 100.0 | 26,600 | 100.0 | - 2.0 | - 540 |
| Gross Profit | 7,071 | 31.6 | 8,252 | 30.4 | 8,508 | 31.9 | + 3.1 | + 256 |
| SG&A Expenses | 4,880 | 21.8 | 5,272 | 19.4 | 5,476 | 20.5 | + 3.9 | + 204 |
| Operating Profit | 2,190 | 9.8 | 2,980 | 10.9 | 3,031 | 11.3 | + 1.7 | + 51 |
| Ordinary Profit | 2,321 | 10.4 | 3,074 | 11.3 | 3,175 | 11.9 | + 3.3 | + 101 |
| Profit | 1,722 | 7.7 | 2,129 | 7.8 | 2,174 | 8.1 | + 2.1 | + 45 |
| Orders Received | 27,447 | - | 30,790 | - | 30,271 | - | - 1.7 | - 519 |
| Orders Backlog | 29,885 | - | 32,900 | - | 35,092 | - | + 6.7 | + 2,192 |

Q3 Results Trends by Segment

| (Unit: mn yen) | | FY2022 | FY2023 | FY2024 | Year-on-Year | |
|----------------------|------------------------|--------|--------|---------------|--------------|---------|
| | | Q3 | Q3 | Q3 | Change (%) | Change |
| Manufacturing | Orders Received | 5,680 | 5,235 | 5,473 | + 4.6 | + 238 |
| | Net Sales | 4,651 | 5,484 | 4,921 | - 10.3 | - 563 |
| | Gross Profit | 1,975 | 2,350 | 2,041 | - 13.2 | - 309 |
| Engineering | Orders Received | 13,062 | 17,343 | 15,889 | - 8.4 | - 1,453 |
| | Net Sales | 11,041 | 13,449 | 13,505 | + 0.4 | + 55 |
| | Gross Profit | 3,330 | 3,890 | 4,289 | + 10.2 | + 398 |
| Trading | Orders Received | 8,705 | 8,212 | 8,908 | + 8.5 | + 695 |
| | Net Sales | 6,704 | 8,208 | 8,174 | - 0.4 | - 33 |
| | Gross Profit | 1,765 | 2,010 | 2,178 | + 8.3 | + 167 |

Q3 Results by Segment (Year-on-Year)

Manufacturing



Orders Received

| Field | Change factors | Change |
|------------------------|--|--------|
| Measuring | ● Decreased due to stagnant demand for the semiconductor sector | - 384 |
| Energy-saving/creating | ● Orders for storage batteries for temporary site office increased | + 139 |
| Deodorizing | ● Deodorizers and filters for waterworks and sewerage facilities increased | + 390 |
| Water treatment plants | ● Orders for land-based aquaculture facilities increased | + 354 |
| Medical | ● Demand for infectious diseases control equipment decreased | - 263 |

Net Sales

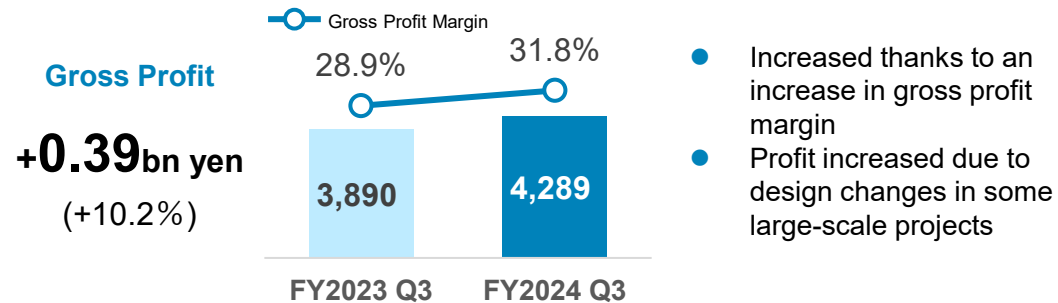
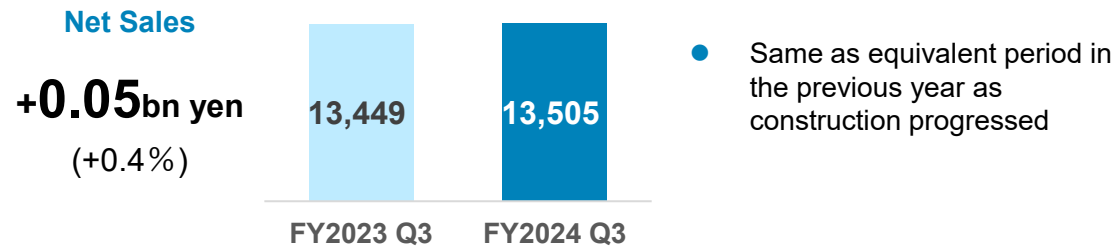
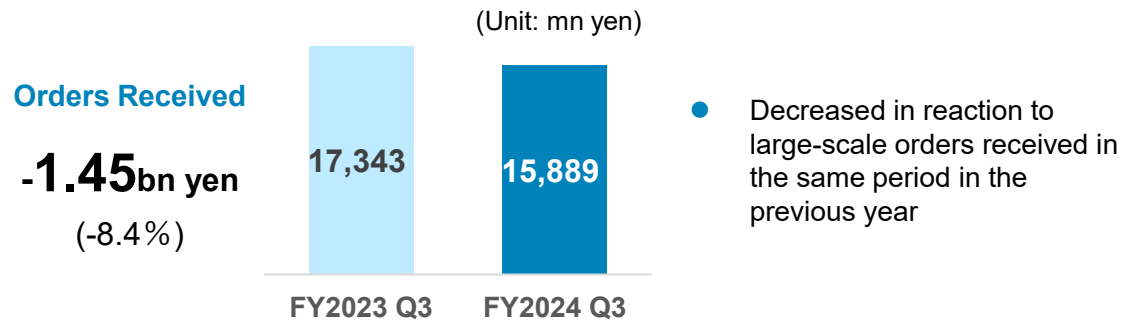
| Field | Change factors | Change |
|------------------------|---|--------|
| Measuring | ● Decreased due to stagnant demand for the semiconductor sector | - 36 |
| Energy-saving/creating | ● Sales in storage batteries for industry use decreased | - 418 |
| Deodorizing | ● Demand for deodorizers remained stable | + 63 |
| Water treatment plants | ● Sales in land-based aquaculture facilities increased | + 206 |
| Medical | ● Demand for infectious diseases control equipment decreased | - 381 |

Gross profit

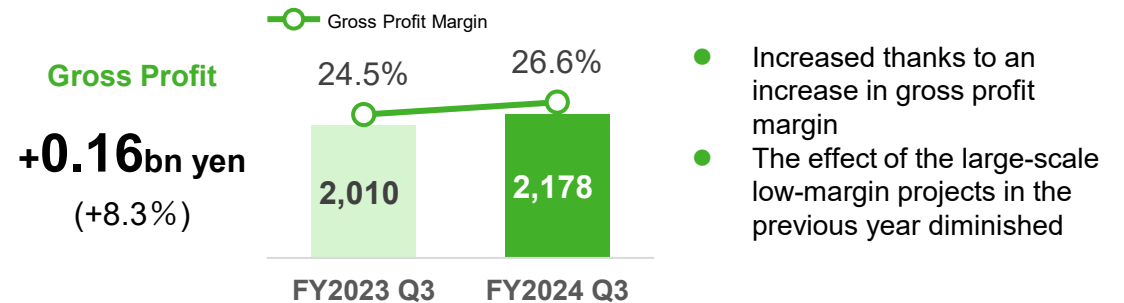
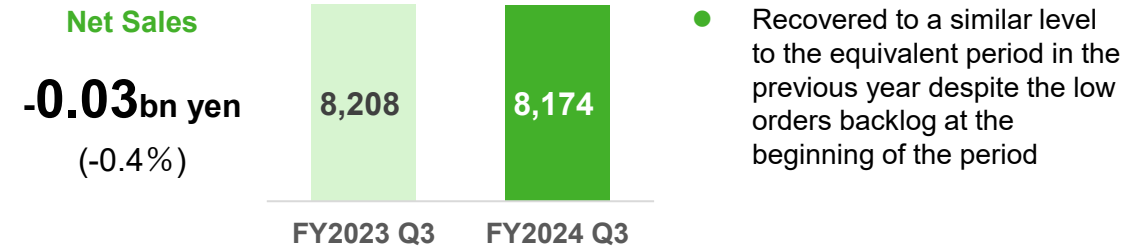
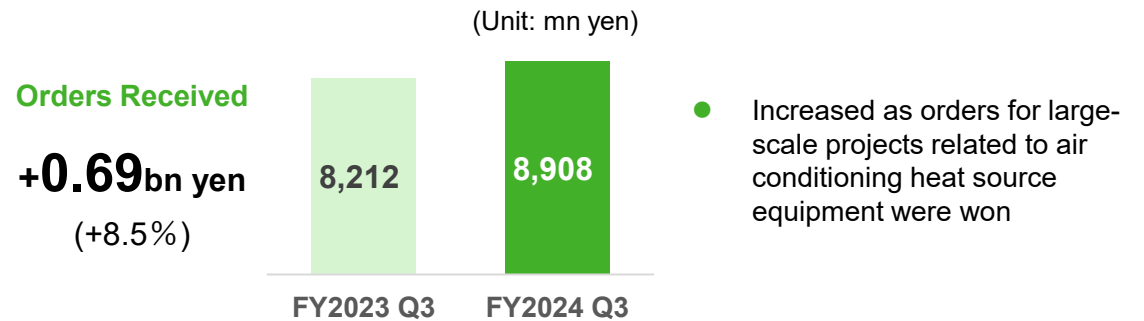
- Gross profit decreased in line with a decrease in net sales
- Gross profit margin declined due to a decrease in the medical field

Q3 Results by Segment (Year-on-Year)

Engineering



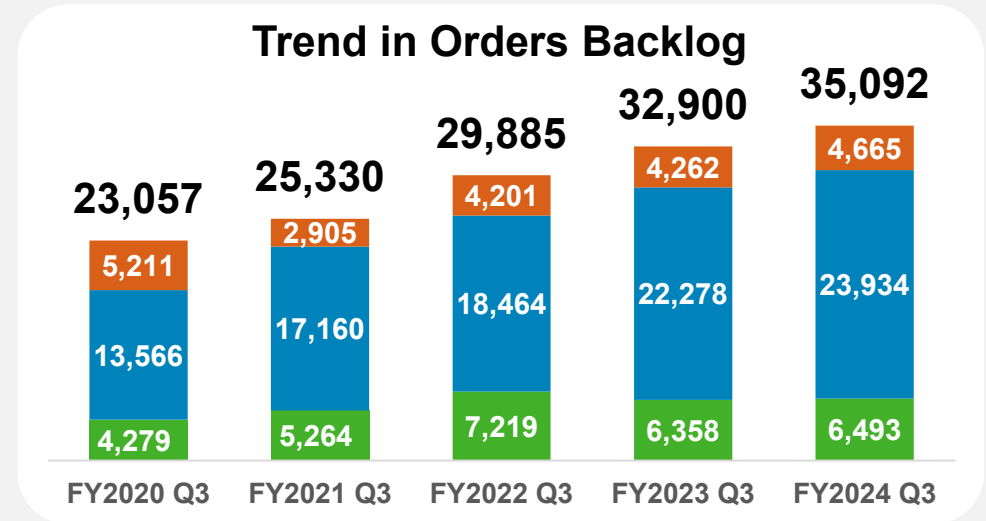
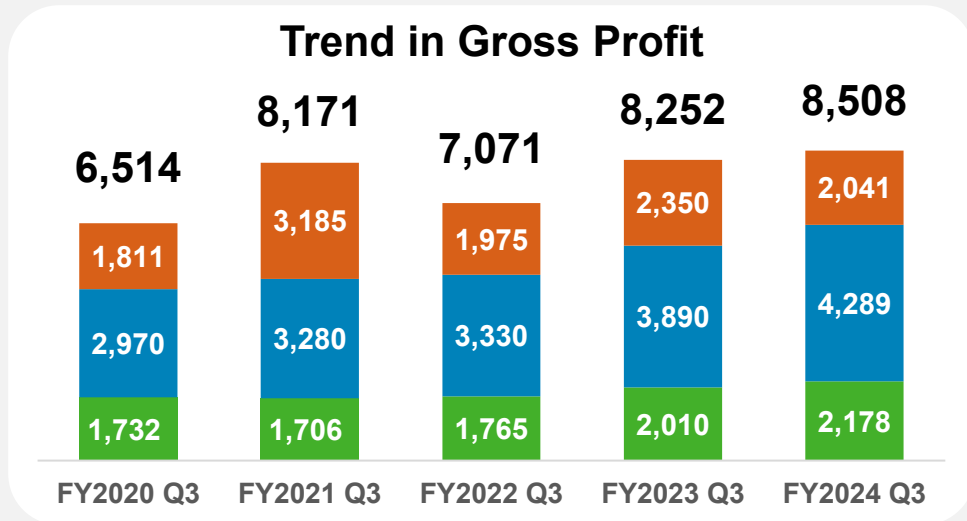
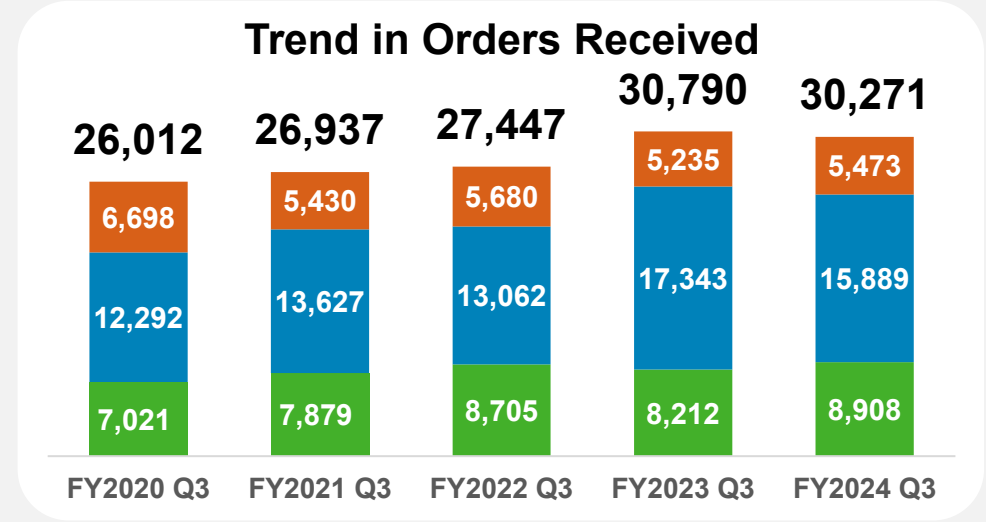
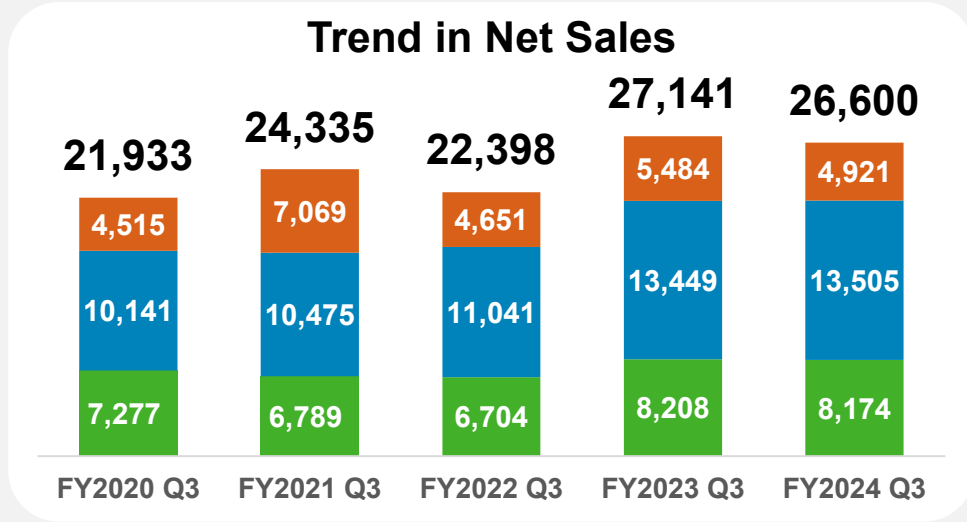
Trading



Trends in Net Sales, Gross Profit, Orders Received, and Orders Backlog

■ Manufacturing ■ Engineering ■ Trading

(Unit: mn yen)



- As the current market conditions in both public and private sectors remain strong, net sales are expected to increase on the back of the highest-level orders backlog at the beginning of the period (up 2.1 bn yen from the previous period)
- Aim to improve gross profit margin with price pass-throughs and cost-reduction efforts to cope with higher material and equipment prices due to price increases
- Plan to increase SG&A expenses in response to rising higher R&D costs stemming from active development investment and labor costs due to prices trending upward

| (Unit: mn yen) | FY2022 Results | | FY2023 Results | | FY2024 Plan | | Year-on-Year | |
|--------------------------|----------------|-----------|----------------|-----------|---------------|-----------|--------------|---------|
| | | Ratio (%) | | Ratio (%) | | Ratio (%) | Change (%) | Change |
| Net Sales | 30,229 | 100.0 | 36,280 | 100.0 | 38,000 | 100.0 | + 4.7 | + 1,720 |
| Gross Profit | 9,282 | 30.7 | 11,142 | 30.7 | 11,850 | 31.2 | + 6.4 | + 708 |
| SG&A Expenses | 6,525 | 21.6 | 7,117 | 19.6 | 7,800 | 20.5 | + 9.6 | + 683 |
| Operating Profit | 2,756 | 9.1 | 4,025 | 11.1 | 4,050 | 10.7 | + 0.6 | + 25 |
| Ordinary Profit | 2,929 | 9.7 | 4,164 | 11.5 | 4,200 | 11.1 | + 0.9 | + 36 |
| Profit | 2,169 | 7.2 | 3,141 | 8.7 | 3,150 | 8.3 | + 0.3 | + 9 |
| Orders Received | 34,643 | - | 38,452 | - | 38,500 | - | + 0.1 | + 48 |
| Orders Backlog | 29,250 | - | 31,421 | - | 31,921 | - | + 1.6 | + 500 |

Performance (Q3)

| | | FY2020 Q3 | | FY2021 Q3 | | FY2022 Q3 | | FY2023 Q3 | | FY2024 Q3 | |
|--|------------------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|
| | | Result | YoY | Result | YoY | Result | YoY | Result | YoY | Result | YoY |
| | | (Unit: mn yen) | | | | | | | | | |
| Orders received | Measuring | 1,174 | +17.4% | 1,188 | +1.2% | 1,564 | +31.6% | 1,368 | -12.5% | 984 | -28.1% |
| | Energy-saving/creating | 536 | +26.7% | 845 | +57.6% | 679 | -19.6% | 765 | +12.7% | 904 | +18.3% |
| | Deodorizing | 647 | +5.2% | 974 | +50.5% | 839 | -13.9% | 1,109 | +32.2% | 1,499 | +35.2% |
| | Water treatment plants | 1,716 | +57.4% | 1,117 | -34.9% | 1,600 | +43.2% | 1,535 | -4.1% | 1,889 | +23.1% |
| | Medical | 2,625 | +2849.4% | 1,305 | -50.3% | 998 | -23.5% | 458 | -54.1% | 195 | -57.3% |
| | Manufacturing | 6,698 | +108.2% | 5,430 | -18.9% | 5,680 | +4.6% | 5,235 | -7.8% | 5,473 | +4.6% |
| | Engineering | 12,292 | +48.7% | 13,627 | +10.9% | 13,062 | -4.1% | 17,343 | +32.8% | 15,889 | -8.4% |
| | Trading | 7,021 | -15.3% | 7,879 | +12.2% | 8,705 | +10.5% | 8,212 | -5.7% | 8,908 | +8.5% |
| | Total | 26,012 | +31.5% | 26,937 | +3.6% | 27,447 | +1.9% | 30,790 | +12.2% | 30,271 | -1.7% |
| Sales | Measuring | 942 | +1.1% | 1,081 | +14.8% | 1,040 | -3.8% | 1,247 | +19.9% | 1,211 | -2.8% |
| | Energy-saving/creating | 480 | +27.3% | 486 | +1.3% | 467 | -3.9% | 1,163 | +149.0% | 745 | -35.9% |
| | Deodorizing | 735 | -11.2% | 734 | -0.1% | 923 | +25.7% | 899 | -2.6% | 962 | +7.1% |
| | Water treatment plants | 1,634 | +17.4% | 1,618 | -1.0% | 1,388 | -14.2% | 1,567 | +12.9% | 1,773 | +13.2% |
| | Medical | 724 | +236.7% | 3,148 | +334.8% | 833 | -73.5% | 608 | -27.0% | 227 | -62.6% |
| | Manufacturing | 4,515 | +20.6% | 7,069 | +56.6% | 4,651 | -34.2% | 5,484 | +17.9% | 4,921 | -10.3% |
| | Engineering | 10,141 | +5.9% | 10,475 | +3.3% | 11,041 | +5.4% | 13,449 | +21.8% | 13,505 | +0.4% |
| | Trading | 7,277 | -11.7% | 6,789 | -6.7% | 6,704 | -1.2% | 8,208 | +22.4% | 8,174 | -0.4% |
| | Total | 21,933 | +1.7% | 24,335 | +11.0% | 22,398 | -8.0% | 27,141 | +21.2% | 26,600 | -2.0% |
| Gross profit | Manufacturing | 1,811 | +23.3% | 3,185 | +75.9% | 1,975 | -38.0% | 2,350 | +19.0% | 2,041 | -13.2% |
| | Engineering | 2,970 | +15.1% | 3,280 | +10.4% | 3,330 | +1.5% | 3,890 | +16.8% | 4,289 | +10.2% |
| | Trading | 1,732 | +0.9% | 1,706 | -1.5% | 1,765 | +3.5% | 2,010 | +13.9% | 2,178 | +8.3% |
| | Total | 6,514 | +13.0% | 8,171 | +25.4% | 7,071 | -13.5% | 8,252 | +16.7% | 8,508 | +3.1% |
| Selling, general and administrative expenses | | 4,215 | +2.4% | 4,778 | +13.4% | 4,880 | +2.1% | 5,272 | +8.0% | 5,476 | +3.9% |
| Operating profit | | 2,298 | +39.1% | 3,392 | +47.6% | 2,190 | -35.4% | 2,980 | +36.0% | 3,031 | +1.7% |
| Non-operating profit | | 153 | | 161 | | 179 | | 175 | | 186 | |
| Non-operating expenses | | 41 | | 77 | | 49 | | 80 | | 42 | |
| Ordinary profit | | 2,409 | +37.3% | 3,476 | +44.3% | 2,321 | -33.2% | 3,074 | +32.4% | 3,175 | +3.3% |
| Extraordinary income | | - | | 338 | | 140 | | - | | - | |
| Extraordinary losses | | 31 | | 26 | | 21 | | - | | 0 | |
| Profit before income taxes | | 2,378 | +35.5% | 3,788 | +59.3% | 2,440 | -35.6% | 3,074 | +26.0% | 3,175 | +3.3% |
| Profit | | 1,685 | +36.0% | 2,648 | +57.1% | 1,722 | -35.0% | 2,129 | +23.6% | 2,174 | +2.1% |

Performance

| | | FY2020 Q3 | | FY2021 Q3 | | FY2022 Q3 | | FY2023 Q3 | | FY2024 Q3 | |
|--|------------------------|----------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|
| | | Result | YoY | Result | YoY | Result | YoY | Result | YoY | Plan | YoY |
| | | (Unit: mn yen) | | | | | | | | | |
| Orders received | Measuring | 1,519 | +25.3% | 1,717 | +13.0% | 1,908 | +11.1% | 1,682 | -11.8% | 1,600 | -4.9% |
| | Energy-saving/creating | 642 | +7.0% | 739 | +15.1% | 1,120 | +51.6% | 1,018 | -9.1% | 1,600 | +57.2% |
| | Deodorizing | 987 | -17.0% | 1,197 | +21.3% | 1,264 | +5.6% | 1,622 | +28.3% | 1,400 | -13.7% |
| | Water treatment plants | 2,094 | -2.1% | 2,110 | +0.8% | 2,228 | +5.6% | 2,328 | +4.5% | 2,400 | +3.1% |
| | Medical | 3,729 | +1873.0% | 1,476 | -60.4% | 1,106 | -25.1% | 605 | -45.3% | 500 | -17.4% |
| | Manufacturing | 8,972 | +68.4% | 7,240 | -19.3% | 7,626 | +5.3% | 7,255 | -4.9% | 7,500 | +3.4% |
| | Engineering | 15,748 | +30.4% | 17,435 | +10.7% | 16,349 | -6.2% | 20,835 | +27.4% | 20,000 | -4.0% |
| | Trading | 9,278 | -14.2% | 10,338 | +11.4% | 10,667 | +3.2% | 10,360 | -2.9% | 11,000 | +6.2% |
| | Total | 34,000 | +20.5% | 35,014 | +3.0% | 34,643 | -1.1% | 38,452 | +11.0% | 38,500 | +0.1% |
| Sales | Measuring | 1,388 | +6.4% | 1,514 | +9.1% | 1,350 | -10.8% | 1,792 | +32.7% | 1,700 | -5.1% |
| | Energy-saving/creating | 689 | -6.1% | 590 | -14.4% | 637 | +8.0% | 1,503 | +135.9% | 1,700 | +13.1% |
| | Deodorizing | 1,016 | -9.1% | 1,023 | +0.7% | 1,252 | +22.4% | 1,403 | +12.1% | 1,200 | -14.5% |
| | Water treatment plants | 2,629 | +47.4% | 2,033 | -22.7% | 2,060 | +1.3% | 2,251 | +9.3% | 2,400 | +6.6% |
| | Medical | 1,733 | +386.8% | 3,402 | +96.3% | 989 | -70.9% | 705 | -28.7% | 500 | -29.1% |
| | Manufacturing | 7,456 | +40.8% | 8,563 | +14.9% | 6,288 | -26.6% | 7,654 | +21.7% | 7,500 | -2.0% |
| | Engineering | 13,155 | +4.9% | 14,683 | +11.6% | 14,408 | -1.9% | 17,671 | +22.6% | 19,500 | +10.4% |
| | Trading | 9,639 | -9.0% | 9,238 | -4.2% | 9,532 | +3.2% | 10,954 | +14.9% | 11,000 | +0.4% |
| | Total | 30,250 | +6.4% | 32,485 | +7.4% | 30,229 | -6.9% | 36,280 | +20.0% | 38,000 | +4.7% |
| Gross profit | Manufacturing | 3,011 | +43.0% | 3,803 | +26.3% | 2,580 | -32.2% | 3,260 | +26.4% | 3,250 | -0.3% |
| | Engineering | 3,752 | +11.8% | 4,403 | +17.4% | 4,234 | -3.8% | 5,201 | +22.8% | 5,900 | +13.4% |
| | Trading | 2,246 | +4.0% | 2,281 | +1.6% | 2,467 | +8.1% | 2,680 | +8.6% | 2,700 | +0.7% |
| | Total | 9,010 | +18.2% | 10,489 | +16.4% | 9,282 | -11.5% | 11,142 | +20.0% | 11,850 | +6.4% |
| Selling, general and administrative expenses | | 5,795 | +3.6% | 6,507 | +12.3% | 6,525 | +0.3% | 7,117 | +9.1% | 7,800 | +9.6% |
| Operating profit | | 3,214 | +58.8% | 3,982 | +23.9% | 2,756 | -30.8% | 4,025 | +46.0% | 4,050 | +0.6% |
| Non-operating profit | | 209 | | 230 | | 241 | | 241 | | 200 | |
| Non-operating expenses | | 61 | | 102 | | 68 | | 103 | | 50 | |
| Ordinary profit | | 3,363 | +55.0% | 4,110 | +22.2% | 2,929 | -28.7% | 4,164 | +42.1% | 4,200 | +0.9% |
| Extraordinary income | | 3 | | 338 | | 140 | | 201 | | 200 | |
| Extraordinary losses | | 27 | | 57 | | 21 | | 0 | | - | |
| Profit before income taxes | | 3,339 | +53.9% | 4,392 | +31.5% | 3,048 | -30.6% | 4,365 | +43.2% | 4,400 | +0.8% |
| Profit | | 2,342 | +54.9% | 3,159 | +34.9% | 2,169 | +31.3% | 3,141 | +44.8% | 3,150 | +0.3% |

October 1, 2024. EBARA JITSUGYO CO.,LTD. has launched the corporate brand "Ebatens" aiming for further evolution.

心地よい環境を、未来へつなぐ。



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