



Ebara Corporation

Results Presentation for FY2024 Ended December 31, 2024

February 14, 2025

Event Summary

[Company Name]	EBARA CORPORATION	
[Company ID]	6361	
[Event Language]	Japanese	
[Event Type]	Earnings Announcement	
[Event Name]	Results Presentation for FY2024 Ended December 31, 2024	
[Fiscal Period]	FY2024 Annual	
[Date]	February 14, 2025	
[Time]	17:30 – 19:11 (Total: 101 minutes, Presentation: 39 minutes, Q&A: 62 minutes)	
[Venue]	Webcast	
[Number of Speakers]	8	
	Masao Asami	Director, President, Representative Executive Officer, CEO & COO
	Shu Nagata	Executive Officer, President of Building Service & Industrial Company
	Takanobu Miyaki	Executive Officer, President, Energy Company
	Teruyuki Ota	Executive Officer, President of Infrastructure Company
	Hideki Yamada	Executive Officer, President, Environmental Solutions Company
	Isao Nambu	Executive Officer, President, Precision Machinery Company
	Shugo Hosoda	Executive Officer and CFO
	Koki Ochiai	Division Executive, Investor Relations and Public Relations Division



Results Presentation for FY2024 Ended December 31, 2024

EBARA (6361)

February 14, 2025

Looking ahead,
going beyond expectations
Ahead > Beyond

EBARA CORPORATION

Ochiai: Thank you for your patience. We appreciate you taking the time to join Ebara Corporation's results presentation for the fiscal year ended December 31, 2024, despite your busy schedules. As it is now the scheduled time, we would like to begin the session. At 3:30 PM today, we disclosed the financial documents on the Tokyo Stock Exchange platform as well as on our corporate website. We encourage you to refer to these materials as you follow along. Now, I would like to introduce today's speakers. Masao Asami, President, and Representative Executive Officer.

Asami: I am Asami. Thank you for joining.

Ochiai: Shu Nagata, President of Building Service & Industrial Company.

Nagata: I am Nagata. Thank you for joining.

Ochiai: Takanobu Miyaki, CEO of Energy Company.

Miyaki: I am Miyaki. Thank you for joining.

Ochiai: Teruyuki Ota, President of the Infrastructure Company.

Ota: I am Ota. Thank you for joining.

Ochiai: Hideki Yamada, President of the Environmental Solutions Company.

Yamada: I am Yamada. Thank you for your time today. Pleased to be here.

Ochiai: Isao Nambu, President of the Precision Machinery Company

Nambu: I am Nambu. Thank you for joining.

Ochiai: Shugo Hosoda, CFO and Executive Officer in charge of IR.

Hosoda: I am Hosoda. Pleased to be here.

Ochiai: I, Koki Ochiai, Division Executive of the Investor Relations and Public Relations Division, will be your moderator for today's session. Thank you for joining.

Table of Contents



Key Points of Results	P3	4. . Progress of Medium-term Management Plan E-Plan 2025	P21
1. FY24 Summary of Results			
• Consolidated	P5		
• Segment	P6	5. Appendix	
• Breakdown of Changes in Operating Profit	P7	• Consolidated Forecast	P31
• Revenue by Region	P8	• Orders	P32
2. FY24 Results by Segment		• Revenue	P33
• Building Service & Industrial	P10	• Operating Profit	P34
• Energy	P11	• Backlog of Orders	P35
• Infrastructure	P12	• Revenue by Region	P36
• Environmental Solutions	P13	• Service & Support (S&S) Revenue	P37
• Precision Machinery	P14	• Balance Sheet	P38
3. FY25 Forecast		• Cash Flows	P39
• Consolidated	P17	• CAPEX, Depreciation and Amortization, R&D Expenses	P40
• Segment	P18	• ESG Topics	P41
• Breakdown of Changes in Operating Profit	P19		
• Shareholder Returns	P20		

■ Abbreviations: FY (Fiscal year, e.g., FY24: fiscal year ending December 31, 2024)/Q1: first quarter figures/Q1-2, Q1-3, Q1-4: cumulative total of each quarter indicated
 ■ Figures in this document are based on IFRS

2 Copyright© Ebara Corporation. All rights reserved.

Today's agenda is as follows: First, CFO Hosoda will present an overview of the financial results. Next, President Asami will discuss the outlook for the current fiscal year. Following that, we will open the floor for a question & answer session. The session is scheduled to conclude at 7:00 PM. Now, I will hand it over to Hosoda for the financial results presentation.

Key Points of Results



FY24 Results

	Results	YoY	Change Vs. Plan*
Orders	¥860.5 B.	¥39.9 B. +4.9%	¥-4.4 B. -0.5%
Revenue	¥866.6 B.	¥107.3 B. +14.1%	¥24.6 B. +2.9%
Operating Profit	¥97.9 B.	¥11.9 B. +13.9%	¥10.9 B. +12.6%
OP Ratio	11.3%	-	+1.0pts

↗ +5% change or more ↘ -5% change or more → less than ±5% change

FY25 Forecast

	Current Plan	YoY
Orders	¥940.0 B.	¥79.4 B. +9.2%
Revenue	¥900.0 B.	¥33.3 B. +3.8%
Operating Profit	¥101.5 B.	¥3.5 B. +3.6%
OP Ratio	11.3%	-

*Plan disclosed Nov. 14, 2024

Topics

FY24 Results

- Orders, Revenue, and Operating Profit all reached record highs for the fourth consecutive FY
- Despite recording an impairment loss on goodwill related to our Turkish subsidiary Vansan in the Building Service & Industrial Segment, increased profits in the Precision Machinery & Energy Segments allowed us to achieve an overall OP Ratio of 11.3%, in-line with prior FY results

FY25 Forecast

- For FY25, we aim to achieve record highs in Orders, Revenue, and Operating Profit for the fifth consecutive FY
- We expect to maintain the OP Ratio at similar levels to prior FY due to improvements in the Building Service & Industrial Segment, despite anticipated increases in depreciation and fixed costs due to investments under E-Plan 2025.

Dividend Forecast

- FY24, Raise from the previously planned ¥46 to ¥55 (¥23 interim, ¥32 year-end)
- FY25, the planned annual dividend per share is ¥56 (¥28 interim, ¥28 year-end)

3 Copyright© Ebara Corporation. All rights reserved

Hosoda: Good evening, everyone. I am Shugo Hosoda, the Executive Officer in charge of IR. Thank you for your continued interest in our company. To begin, I would like to highlight the key points of our financial results - or rather, the key messages we want to convey through this earnings report. I believe they can be summarized into two main points.

First, regarding the overall performance for the consolidated FY2024, we achieved YoY growth across all key financial metrics, including orders, revenue, operating profit, and profit attributable to owners of parent. Additionally, we set a new record-high for full-year financial results, making this a strong performance overall.

FY2024 marked the second year of our three-year medium-term management plan, E-Plan 2025. From the perspective of progress over these two years, we believe that we have been moving forward smoothly overall. This concludes the first key point.

The second key point is that the Group has been able to sustain its performance growth. As mentioned during the 3Q financial results, the Building Service & Industrial Segment recorded an impairment loss on goodwill related to Vansan, a company in Turkey that we acquired through M&A. This resulted in a total impairment loss of JPY7 billion. Additionally, in the Precision Machinery Segment, the market recovery has been slightly slower than initially expected. While certain segments experienced some negative factors, others, notably the Energy Segment, saw upward revisions, which helped offset these impacts.

In this regard, the synergy across multiple segments played a key role in balancing overall performance, allowing us to achieve a record-high full-year performance for the fourth consecutive year. In this sense, the sustainability of performance growth is the second key point.

Based on these FY2024 results, our FY2025 earnings forecast, as shown on the right side of the slide, aims to achieve performance levels exceeding the previous year.

While continuing to make strategic growth investments and strengthen our business foundation, we also aim to deliver even stronger financial results compared to the previous year. For operating profit, our Group has set a target of exceeding JPY100 billion for the first time in its history.

Regarding shareholder returns, we have consistently maintained a dividend payout ratio of at least 35%. In line with this policy and reflecting our performance, we have decided to increase the FY2024 annual dividend per share from JPY46 to JPY55. For FY2025, we plan to raise the dividend by an additional JPY1, bringing the annual dividend forecast to JPY56 per share. This concludes the overview of our financial results.



1. FY24 1-4Q Summary of Results

2. FY24 1-4Q Results by Segment

3. FY25 Forecast

4. Progress of Medium-term

Management Plan E-Plan 2025

5. Appendix

4 Copyright(c) Ebara Corporation. All rights reserved.

Next, I would like to move on to a detailed explanation of the financial results.

1. FY24 1-4Q Summary of Results

Consolidated



(billions of yen)	FY23 1-4Q Results a	FY24 1-4Q Results b	Change b-a	Change % (b-a)/a	FY24 1-4Q Plan Nov/14/24 c	Deviation b-c	Deviation % (b-c)/c
Orders	820.5	860.5	+39.9	+4.9%	865.0	-4.4	-0.5%
Revenue	759.3	866.6	+107.3	+14.1%	842.0	+24.6	+2.9%
Operating Profit	86.0	97.9	+11.9	+13.9%	87.0	+10.9	+12.6%
OP Ratio	11.3%	11.3%	-		10.3%	+1.0pts	
Profit Attributable to Owners of Parent	60.2	71.4	+11.1	+18.4%	60.8	+10.6	+17.4%
EPS (yen)* ¹	130.73	154.62	+23.89	+18.3%	131.67	+22.95	+17.4%
ROIC	12.2%	12.2%	-		11.0%	+1.2pts	
ROE	15.7%	16.2%	+0.5pts		14.2%	+2.0pts	
Exchange Rate* ²							
Vs. USD (JPY)	140.50	151.41	+10.91		140.00	+11.41	
Vs. EUR (JPY)	151.90	163.80	+11.90		150.00	+13.80	
Vs. CNY (JPY)	19.83	21.04	+1.21		19.50	+1.54	

*¹ Figures reflect the 5-for-1 stock split executed July 1, 2024.

*² Exchange rates are simple averages of the average rates for each quarter.

5 Copyright(c) Ebara Corporation. All rights reserved.

Please refer to slide five, which presents the full-year consolidated results for FY2024.

For YoY comparisons, I will highlight the changes versus the previous fiscal year. Orders increased by JPY39.9 billion YoY, reaching JPY860.5 billion. Revenue increased by JPY107.3 billion YoY, reaching JPY866.6 billion. Operating profit increased by JPY11.9 billion YoY, reaching JPY97.9 billion. Operating profit margin remained at 11.3%, which is in line with FY2023. Profit attributable to owners of parent increased by JPY11.1 billion, reaching JPY71.4 billion.

As shown on the right side of the slide, compared to the targets announced in November 2023, orders remained mostly in line, while all other key metrics exceeded the plan.

Regarding the average exchange rate during the fiscal year, the Japanese yen depreciated against all major currencies compared to the previous year. The foreign exchange impact on operating profit is estimated to be approximately JPY4.3 billion, meaning that out of the JPY11.9 billion increase in operating profit, about JPY4.3 billion was attributable to currency fluctuations.

1. FY24 1-4Q Summary of Results

Segment



		(billions of yen)		Change	Change %	FY24 1-4Q Plan Nov/14/24	Deviation	Deviation %
		FY23 1-4Q Results a	FY24 1-4Q Results b					
Total	Orders	820.5	860.5	+39.9	+4.9%	865.0	-4.4	-0.5%
	Revenue	759.3	866.6	+107.3	+14.1%	842.0	+24.6	+2.9%
	Operating Profit	86.0	97.9	+11.9	+13.9%	87.0	+10.9	+12.6%
	OP Ratio	11.3%	11.3%	-	-	10.3%	+1.0pts	-
Building Service & Industrial	Orders	221.3	244.4	+23.0	+10.4%	240.0	+4.4	+1.8%
	Revenue	222.1	238.1	+16.0	+7.2%	240.0	-1.8	-0.8%
	Operating Profit	15.7	10.3	-5.3	-34.3%	10.5	-0.1	-1.5%
	OP Ratio	7.1%	4.3%	-2.8pts	-	4.4%	-0.1pts	-
Energy	Orders	222.7	222.7	-0.0	-0.0%	210.0	+12.7	+6.1%
	Revenue	167.2	210.4	+43.2	+25.8%	200.0	+10.4	+5.2%
	Operating Profit	22.3	28.0	+5.6	+25.3%	24.0	+4.0	+16.7%
	OP Ratio	13.4%	13.3%	-0.1pts	-	12.0%	+1.3pts	-
Infrastructure	Orders	56.6	60.5	+3.9	+6.9%	60.0	+0.5	+0.9%
	Revenue	50.1	51.1	+0.9	+1.9%	51.0	+0.1	+0.2%
	Operating Profit	4.6	3.6	-0.9	-19.7%	4.0	-0.3	-7.6%
	OP Ratio	9.2%	7.2%	-2.0pts	-	7.8%	-0.6pts	-
Environmental Solutions	Orders	100.8	71.5	-29.2	-29.0%	74.0	-2.4	-3.3%
	Revenue	71.5	87.4	+15.8	+22.2%	85.0	+2.4	+2.9%
	Operating Profit	6.9	8.4	+1.5	+21.8%	7.0	+1.4	+20.6%
	OP Ratio	9.7%	9.7%	-	-	8.2%	+1.5pts	-
Precision Machinery	Orders	217.7	260.0	+42.2	+19.4%	280.0	-19.9	-7.1%
	Revenue	246.9	278.3	+31.3	+12.7%	265.0	+13.3	+5.0%
	Operating Profit	38.2	50.1	+11.8	+30.9%	45.0	+5.1	+11.4%
	OP Ratio	15.5%	18.0%	+2.5pts	-	17.0%	+1.0pts	-
Others, Adjustment	Orders	1.1	1.2	+0.0	-	1.0	+0.2	-
	Revenue	1.1	1.1	-0.0	-	1.0	+0.1	-
	Operating Profit	-1.8	-2.6	-0.7	-	-3.5	+0.8	-
	OP Ratio	-156.9%	-239.5%	-82.6pts	-	-350.0%	+110.5pts	-

6 Copyright© Ebara Corporation. All rights reserved

Please refer to slide six, which presents a summary of financial results by segment.

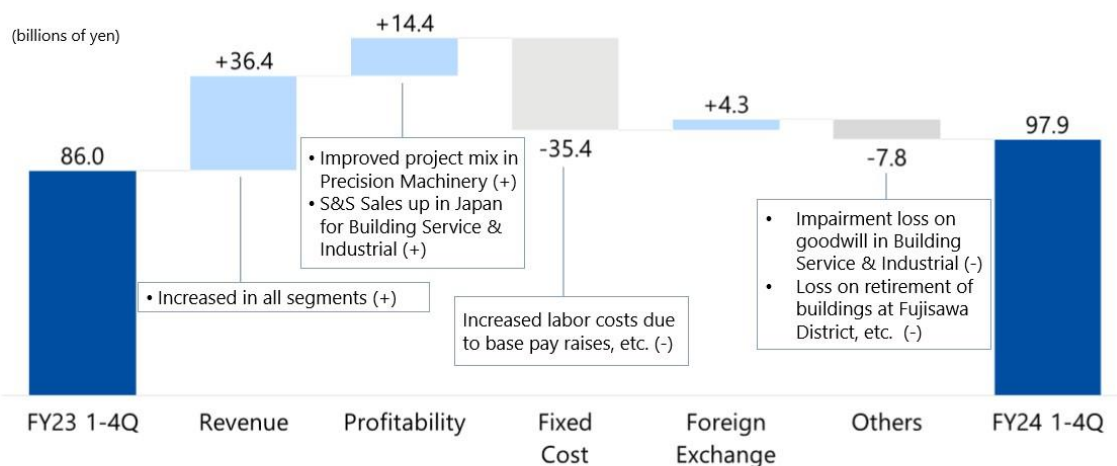
For orders, the Precision Machinery Segment saw a significant YoY increase, driven by the market recovery supported by demand for generative AI. Although it fell short of the initial plan, it still recorded strong growth. The Building Service & Industrial Segment performed well both in Japan and overseas, leading to an increase in orders. The infrastructure segment saw steady demand in Japan's public sector, contributing to order growth.

In contrast, the Environmental Solutions Segment experienced a decline in orders, as the scale of large projects was smaller compared to the previous year. Orders increased by JPY39.9 billion YoY across the Group.

For revenue, all segments recorded growth YoY, leading to an overall increase of JPY107.3 billion YoY. For operating profit, the total increased by JPY11.9 billion YoY, with the factors contributing to this change detailed on the next page's waterfall chart.

Breakdown of Changes in Operating Profit

Revenue growth and improved profitability outpaced the increase in fixed costs, resulting in higher profits



7 Copyright© Ebara Corporation. All rights reserved

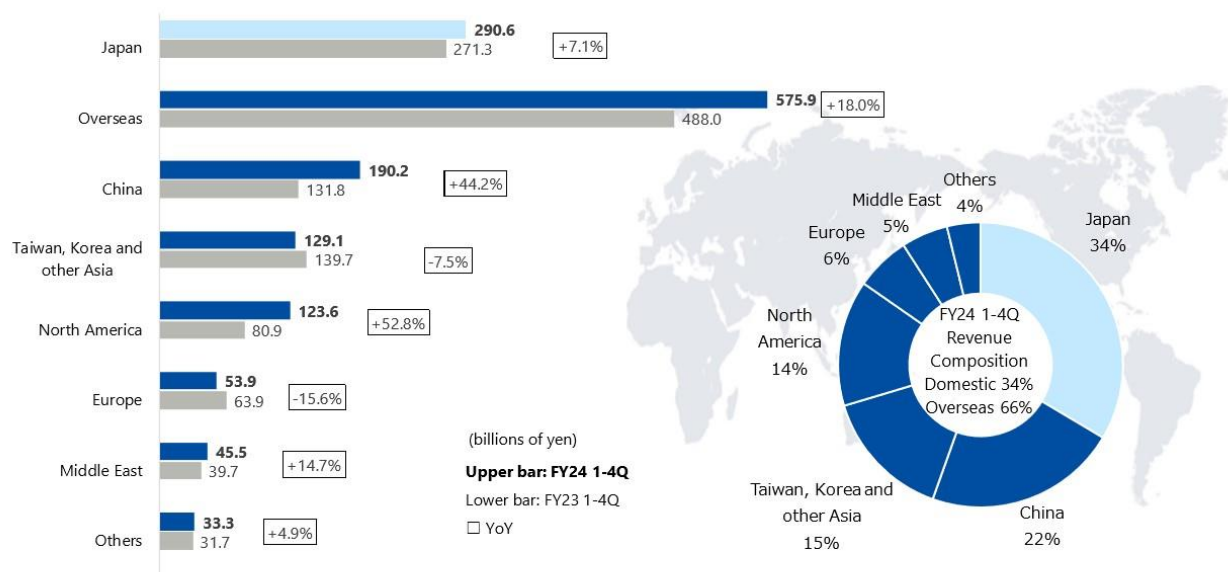
This slide presents an analysis of changes in operating profit YoY.

Operating profit rose from JPY86 billion in the previous year to JPY97.9 billion. The breakdown of these changes is as follows. For revenue factors, as all segments recorded revenue growth, operating profit saw a JPY36.4 billion increase driven by higher revenue.

For profitability factors, improvements were mainly led by the Precision Machinery Segment and the Building Service & Industrial Segment, resulting in a JPY14.4 billion increase in profitability. The goodwill impairment of Vansan is not included in this calculation, meaning the profitability improvement in Building Service & Industrial excludes the impact of the impairment loss on goodwill.

For fixed costs, increases in personnel expenses, including base salary raises, had a negative impact of JPY35.4 billion on profit. The impact of the weaker yen contributed JPY4.3 billion to operating profit. After including other factors, such as the JPY7 billion goodwill impairment loss for Vansan and additional items, operating profit reached JPY97.9 billion.

Revenue by Region



*"Revenue by Region" indicates revenue on the basis of the geographical location where the goods are sold
 8 Copyright© Ebara Corporation. All rights reserved.

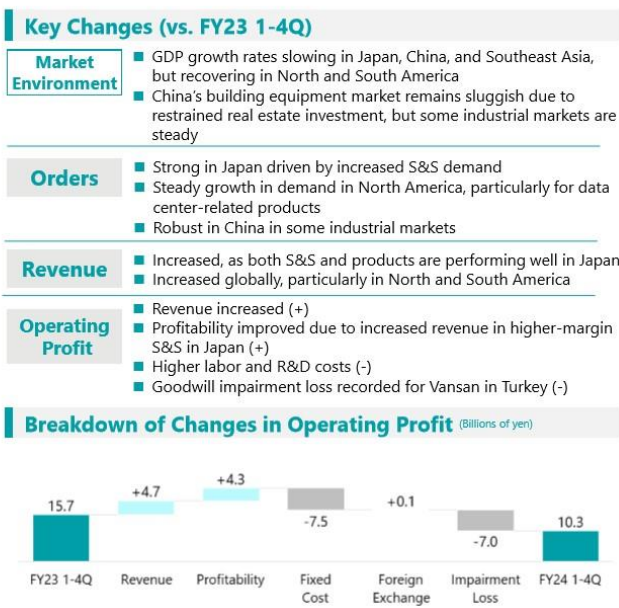
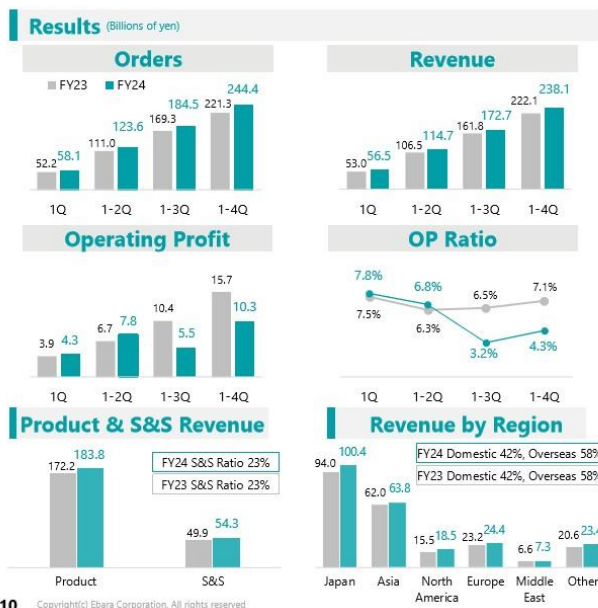
Slide eight provides an explanation of revenue by region.

The proportion of overseas revenue has been increasing annually, and as shown in the pie chart on the right, 66% of total revenue, approximately 2/3, was generated from markets outside of Japan.

The bar chart on the left shows FY2024 revenue on top in blue and FY2023 revenue on bottom in grey. As shown, revenue increased both domestically and internationally, with particularly strong growth in overseas markets. In Japan, revenue growth was primarily driven by the Building Service & Industrial and Environmental Solutions Segments. Looking at overseas revenue by region, the largest YoY increases were in North America and China, while Europe, Taiwan, South Korea, and other Asia saw notable declines. The Energy Segment drove the increase in North America, while revenue trends in China and other Asia were significantly influenced by the Precision Machinery Segment.

1. FY24 1-4Q Summary of Results
- 2. FY24 1-4Q Results by Segment**
3. FY25 Forecast
4. Progress of Medium-term
Management Plan E-Plan 2025
5. Appendix

Next, I will move on to the segment-specific financial results.



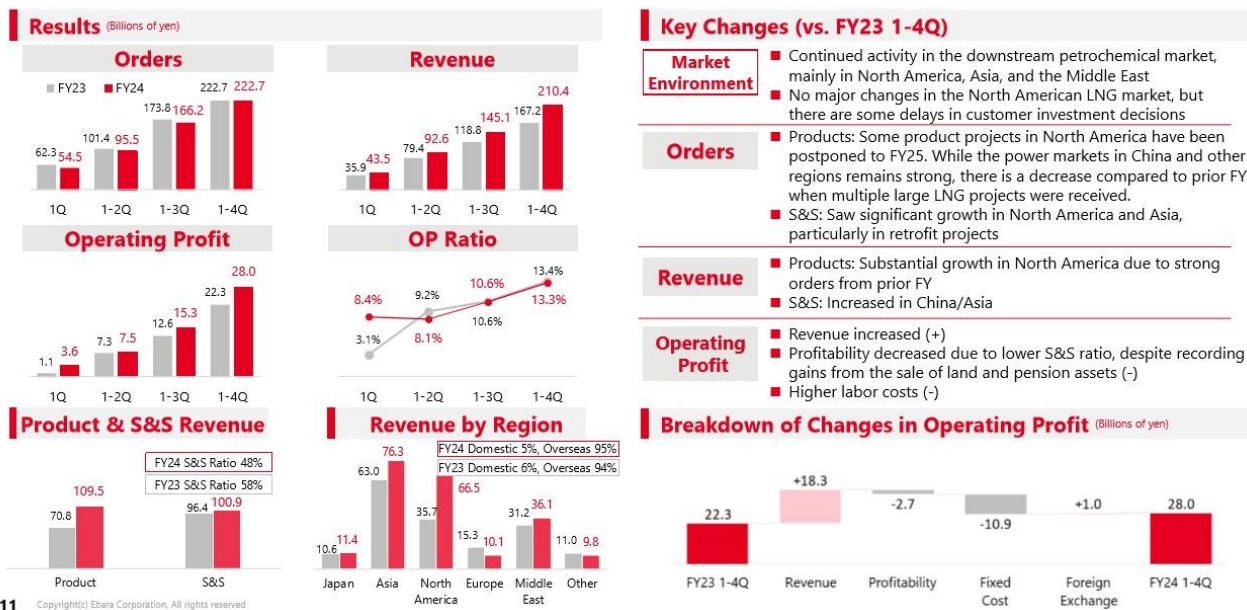
First, the Building Service & Industrial Segment.

Orders and revenue increased YoY, but operating profit declined due to the impact of the goodwill impairment loss. Regarding the overall market environment, GDP growth is showing signs of slowing in Japan, China, and Southeast Asia, while North and South America are on a recovery trend. For orders, domestic growth was primarily driven by increased demand for service and support in pumps and chiller products.

In overseas markets, North America saw steady demand for pumps used in data centers, contributing to order growth. In China, demand for energy-efficient products increased in certain industrial markets, including the semiconductor and electronics industries. This segment continues to perform steadily in the Chinese market continues to perform steadily.

For revenue, domestic sales increased, driven by strong performance in both service & support and product sales, following the same trend as orders. In overseas markets, revenue growth was led by North and South America. For operating profit, in addition to the positive impact of higher revenue, profitability improved due to an increase in revenue from high-margin service & support operations, particularly in Japan. This contributed to operating profit growth.

On the other hand, higher fixed costs, including increased personnel expenses, weighed on profits. Additionally, Vansan's goodwill impairment loss was a negative factor. JPY6.4 billion was recorded in 3Q, but due to inflationary trends and exchange rate fluctuations between the end of 3Q and the end of 4Q, the final impairment loss for the full year amounted to JPY7 billion.



11 Copyright(c) Ebara Corporation. All rights reserved

Slide 11 covers the Energy Segment.

Orders remained at a high level comparable to the previous year. Revenue and operating profit both increased YoY. Regarding the overall market environment, activity was seen in downstream oil & gas markets, particularly in petrochemical projects across North America, Asia, and the Middle East. In contrast, while the North American LNG market did not see significant overall changes, political factors related to the results of the US presidential election have led to some delays in investment decisions. Some customers have postponed their final investment decisions and are waiting for the election outcome. As a result, certain investment decisions have been pushed to the latter half of the year or into the next fiscal period.

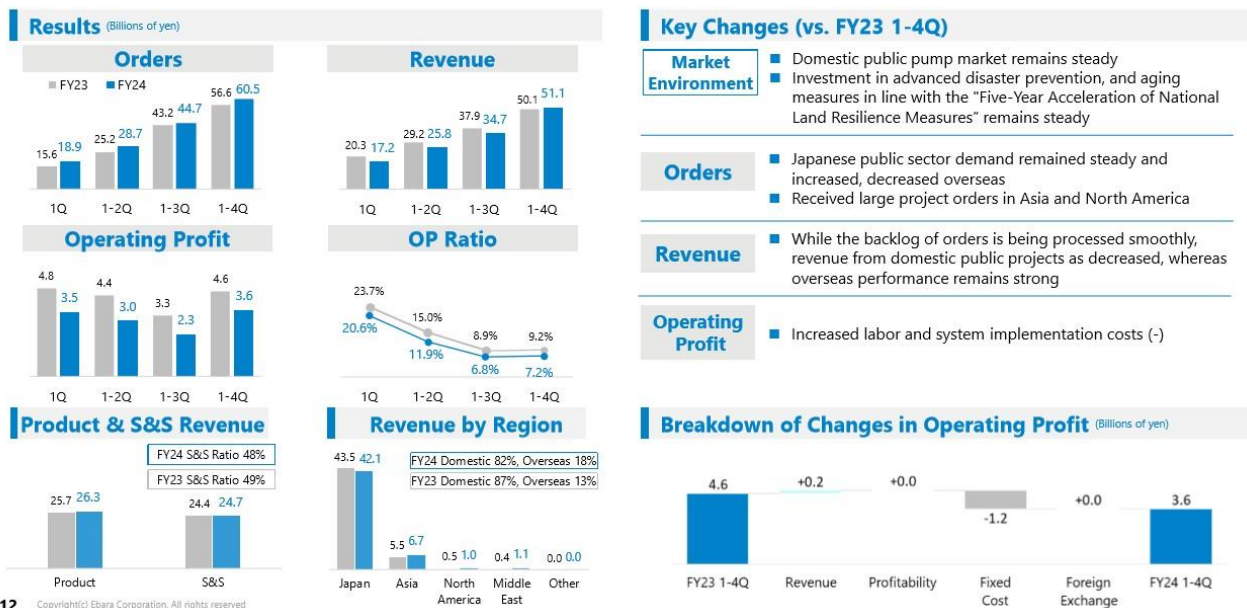
Against this backdrop, orders for products saw some delays in North America, where several large-scale LNG projects were postponed to FY2025. This was a key factor behind the YoY decline in orders for the Energy Segment. Meanwhile, demand remained relatively stable in other regions, including China’s power sector, keeping overall product orders at a flat level.

For service & support orders, the volume of modification projects, significantly exceeded initial expectations, leading to a substantial increase in orders.

For revenue, strong LNG-related product orders from the previous year drove a significant increase in orders to North America. Service & support revenue grew, particularly in Asia, but product sales increased at an even faster pace. As a result, the service & support ratio, shown in the lower-left corner of the slide, declined as a proportion of total sales.

For operating profit, although fixed costs increased, the revenue growth offset this impact, resulting in an overall increase in profit for the Energy Segment.

Infrastructure



12 Copyright(c) Ebara Corporation. All rights reserved

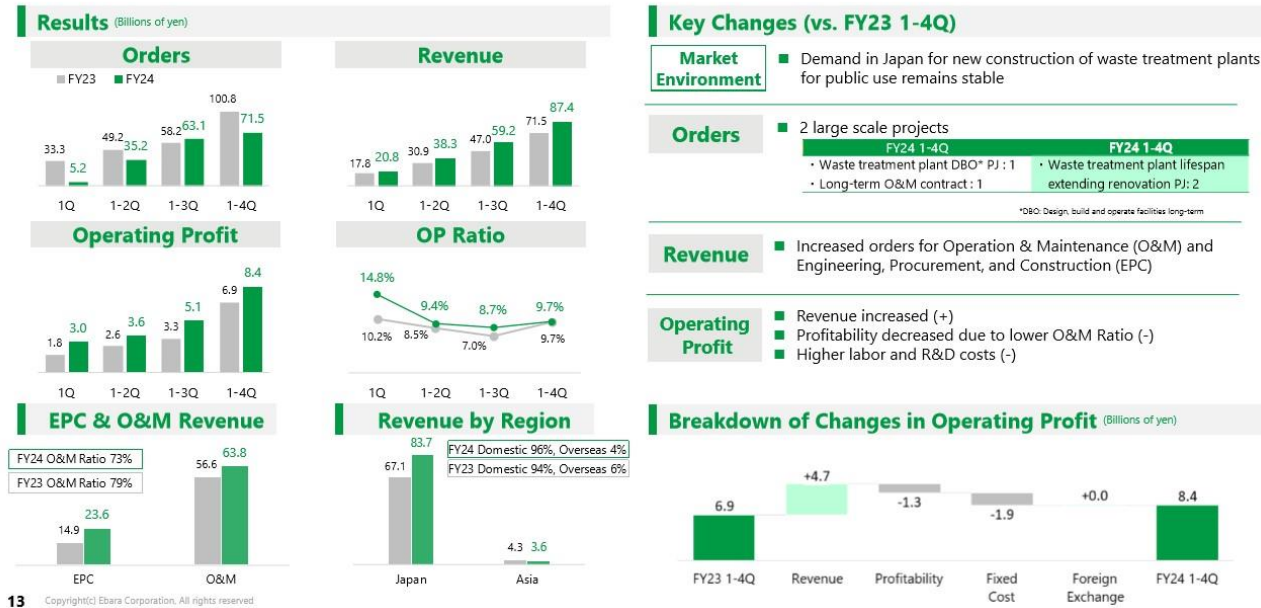
Slide 12 covers the Infrastructure Segment.

Orders and revenue increased YoY, however operating profit declined. In Japan, demand for pump system upgrades and repairs remained steady, supported by the fourth year of the Five-Year Acceleration of National Land Resilience Measures in 2024. This was a key factor driving domestic orders. One of the mid-to-long-term goals of the Five-Year Acceleration of National Land Resilience Measures includes enhancing remote monitoring capabilities for drainage pump stations. Progress in this area led to an increase in related projects. As a result, multiple orders for remote monitoring systems for drainage pump stations were secured during the fiscal year.

For overseas orders, although there was an overall decline, large-scale projects were secured in Asia and North America. For revenue, progress in backlog fulfillment remained steady. While domestic revenue declined, overseas revenue remained strong, resulting in an overall YoY increase in revenue.

For operating profit, despite revenue growth, higher fixed costs led to a YoY decline in profit. This concludes the overview of the infrastructure segment.

2. FY24 1-4Q Results by Segment Environmental Solutions

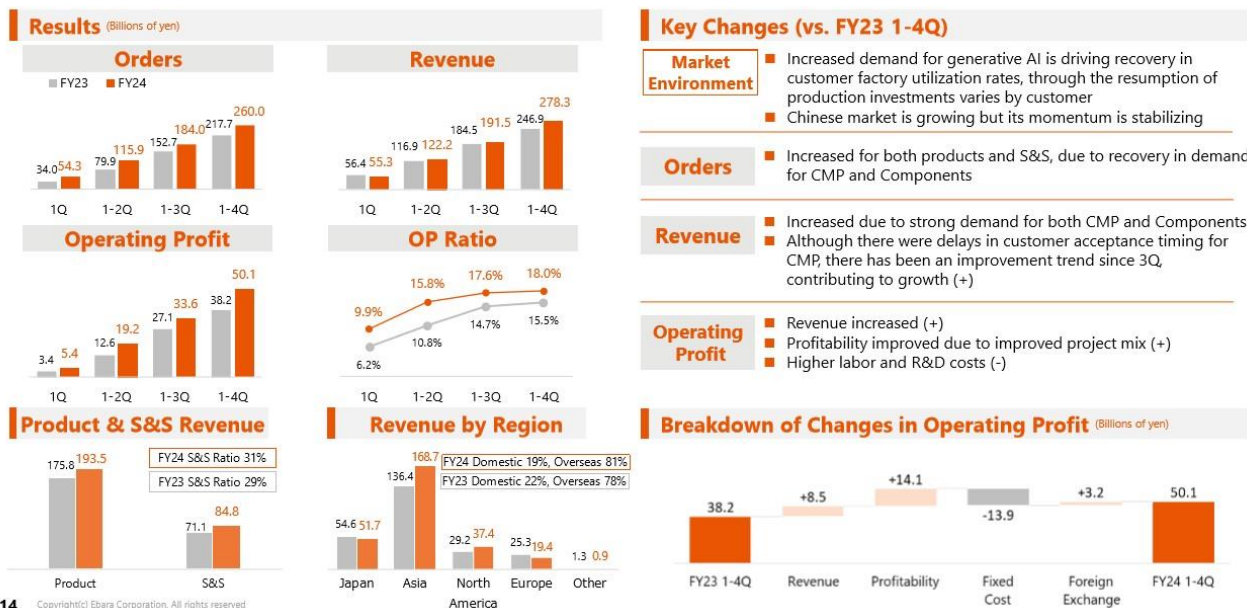


13 Copyright(c) Ebara Corporation. All rights reserved

Slide 13 covers the Environmental Solutions Segment.

Orders declined YoY, while revenue and operating profit increased YoY. FY2024 fell into a low cycle for EPC orders, which was expected, but total orders for the year were significantly lower than the previous year. Regarding waste treatment facility life extension projects, although two large-scale refurbishment projects were secured, their size and value were lower than in the previous year, contributing to the overall decline in orders for FY2024.

On the other hand, due to a strong backlog of EPC and O&M orders from the previous year, revenue increased, leading to higher revenue and profit for the Environmental Solutions Segment.



14 Copyright(c) Ebara Corporation. All rights reserved

Slide 14 covers the Precision Machinery Segment.

Orders, revenue, and operating profit all increased YoY. In the semiconductor market, while investment in China remained strong, the previous momentum has begun to stabilize. Meanwhile, demand driven by generative AI has led to improvements in factory utilization rates for some major global customers. Overall, the market is in a recovery phase, but the pace of customers resuming full-scale expansion investments varies.

Against this backdrop, orders increased YoY, driven by demand recovery in both the CMP and component markets, leading to growth in both products and service & support.

For revenue, both CMP and components performed well, resulting in YoY growth. In the CMP business, there were delays in customers' acceptance processes, meaning that although shipments had been made, the revenue could not be recognized until acceptance was completed. However, customer acceptance is now progressing smoothly.

For operating profit, an improved project mix and a higher proportion of service & support revenue contributed to enhanced profitability. These factors helped offset the impact of higher fixed costs, leading to an overall increase in profit for the Precision Machinery Segment.

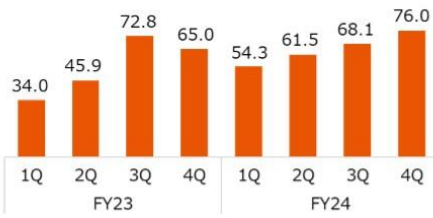
This concludes the FY2024 financial results overview.



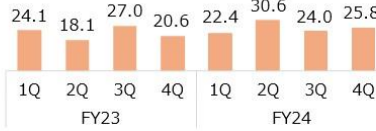
Precision Machinery Quarterly Trends

Orders (Billions of yen)

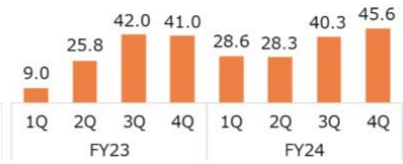
Precision Machinery



Components



CMP Systems

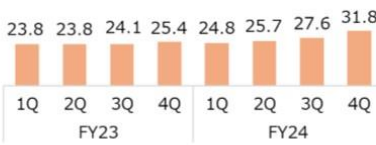


Revenue (Billions of yen)

Precision Machinery



Components



CMP Systems



15 Copyright(c) Ebara Corporation. All rights reserved.



1. FY24 1-4Q Summary of Results
2. FY24 1-4Q Results by Segment
- 3. FY25 Forecast**
4. Progress of Medium-term Management Plan E-Plan 2025
5. Appendix

16 Copyright(c) Ebara Corporation. All rights reserved.

Asami: Now, I will provide an explanation of the FY2025 earnings forecast. Thank you for attending our financial results briefing today.

(billions of yen) Announced date (m/d/y)	1-4Q				1-2Q			
	FY24 Results a	FY25 Plan Feb/14/25 b	Change b-a	Change % (b-a)/a	FY24 Results Feb/14/25 c	FY25 Plan Feb/14/25 d	Change d-c	Change % (d-c)/c
Orders	860.5	940.0	+79.4	+9.2%	399.6	457.0	+57.3	+14.3%
Revenue	866.6	900.0	+33.3	+3.8%	394.5	432.0	+37.4	+9.5%
Operating Profit	97.9	101.5	+3.5	+3.6%	39.9	42.0	+2.0	+5.1%
OP Ratio	11.3%	11.3%	-	-	10.1%	9.7%	-0.4pts	-
Profit Attributable to Owners of Parent	71.4	72.4	+0.9	+1.4%	29.2	29.9	+0.6	+2.3%
ROIC	12.2%	11.6%	-0.6pts					
ROE	16.2%	15.0%	-1.2pts					
EPS (yen)* ¹	154.62	156.74	+2.12	+1.4%				
Annual Dividend per share (yen)* ¹	55.0	56.0	+1.0					
Exchange Rate* ²								
Vs. USD (JPY)	151.41	145.00			151.97	145.00		
Vs. EUR (JPY)	163.80	160.00			164.30	160.00		
Vs. CNY (JPY)	21.04	20.00			21.07	20.00		

*¹ Figures reflect the 5-for-1 stock split executed July 1, 2024.

*² Exchange Rate: FY24 exchange rates are simple averages of quarterly average FY25 rates are the assumed exchange rate for the year

Please refer to slide 17. First, regarding the business environment, there are downside risks from global inflation, persistently high interest rates in the US and Europe, and the economic slowdown in China. However, some signs of recovery are also emerging.

Meanwhile, we must continue to closely monitor US policy under the Trump administration, the escalation of semiconductor export control regulations due to US-China tensions, and geopolitical risks in Ukraine and the Middle East.

In the semiconductor market, while demand from Chinese customers, which has been a key driver, is showing signs of stabilization, investment recovery by some major global players, along with further expansion in demand for semiconductors used in generative AI, is expected to continue.

In the Energy sector, in addition to the downstream oil & gas market, the LNG market remains strong. For the Building Service & Industrial Segment, steady global growth is expected to continue.

Against this backdrop, the FY2025 earnings forecast projects orders received at JPY940 billion, an increase of JPY79.4 billion YoY. Revenue is expected to reach JPY900 billion, increasing by JPY33.3 billion YoY. Operating profit is forecasted at JPY101.5 billion, up JPY3.5 billion YoY, with an operating profit margin of 11.3%. ROIC is expected to be 11.6%, while ROE is projected at 15%. The annual dividend per share is expected to be JPY56. Exchange rate assumptions are as indicated on the slide.

3. FY25 Forecast Segment



		1-4Q				1-2Q			
		FY24 Results	FY25 Plan Feb/14/25	Change	Change %	FY24 Results	FY25 Plan Feb/14/25	Change	Change %
(billions of yen) Announced date (m/d/y)		a	b	b-a	(b-a)/a	c	d	d-c	(d-c)/c
Total	Orders	860.5	940.0	+79.4	+9.2%	399.6	457.0	57.3	+14.3%
	Revenue	866.6	900.0	+33.3	+3.8%	394.5	432.0	37.4	+9.5%
	Operating Profit	97.9	101.5	+3.5	+3.6%	39.9	42.0	2.0	+5.1%
	OP Ratio	11.3%	11.3%	-		10.1%	9.7%	-0.4pts	
Building Service & Industrial	Orders	244.4	255.0	+10.5	+4.3%	123.6	120.0	-3.6	-3.0%
	Revenue	238.1	250.0	+11.8	+5.0%	114.7	120.0	5.2	+4.5%
	Operating Profit	10.3	18.0	+7.6	+74.1%	7.8	8.0	0.1	+2.5%
	OP Ratio	4.3%	7.2%	+2.9pts		6.8%	6.7%	-0.1pts	
Energy	Orders	222.7	210.0	-12.7	-5.7%	95.5	110.0	14.4	+15.1%
	Revenue	210.4	200.0	-10.4	-5.0%	92.6	97.0	4.3	+4.7%
	Operating Profit	28.0	24.5	-3.5	-12.5%	7.5	8.5	0.9	+13.3%
	OP Ratio	13.3%	12.3%	-1.0pts		8.1%	8.8%	+0.7pts	
Infrastructure	Orders	60.5	56.0	-4.5	-7.5%	28.7	27.0	-1.7	-6.0%
	Revenue	51.1	58.0	+6.8	+13.5%	25.8	33.5	7.6	+29.7%
	Operating Profit	3.6	5.0	+1.3	+35.2%	3.0	4.5	1.4	+46.0%
	OP Ratio	7.2%	8.6%	+1.4pts		11.9%	13.4%	+1.5pts	
Environmental Solutions	Orders	71.5	97.0	+25.4	+35.5%	35.2	59.0	23.7	+67.5%
	Revenue	87.4	90.0	+2.5	+2.9%	38.3	40.5	2.1	+5.5%
	Operating Profit	8.4	6.5	-1.9	-23.0%	3.6	3.0	-0.6	-16.9%
	OP Ratio	9.7%	7.2%	-2.5pts		9.4%	7.4%	-2.0pts	
Precision Machinery	Orders	260.0	320.0	+59.9	+23.0%	115.9	140.0	24.0	+20.8%
	Revenue	278.3	300.0	+21.6	+7.8%	122.2	140.0	17.7	+14.5%
	Operating Profit	50.1	51.0	+0.8	+1.7%	19.2	20.0	0.7	+3.7%
	OP Ratio	18.0%	17.0%	-1.0pts		15.8%	14.3%	-1.5pts	
Others, Adjustment	Orders	1.2	2.0	+0.7		0.5	1.0	0.4	
	Revenue	1.1	2.0	+0.8		0.5	1.0	0.4	
	Operating Profit	-2.6	-3.5	-0.8		-1.3	-2.0	-0.6	
	OP Ratio	-239.5%	-175.0%	+64.5pts		-227.6%	-200.0%	+27.6pts	

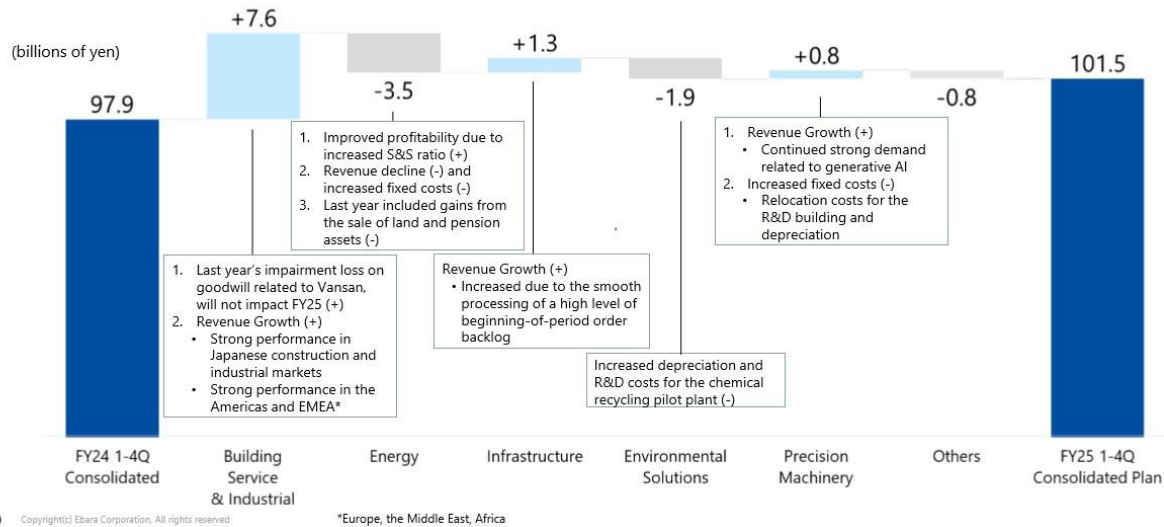
18 Copyright(c) Ebara Corporation. All rights reserved

Slide 18 covers the earnings forecast by segment and highlights the key expectations.

For orders, significant growth is expected in the Precision Machinery and Environmental Solutions Segments. In Precision Machinery, continued strong investment in generative AI-related areas is anticipated. In environmental, multiple large-scale orders are expected, including facility life extension projects and long-term comprehensive contracts. For revenue, the precision machinery & energy segment is projected to see growth, supported by a high level of backlog at the beginning of the fiscal year. The Building Service & Industrial Segment is expected to maintain steady growth in both domestic and overseas markets. For operating profit, I will explain on the next slide.

Breakdown of Changes in Operating Profit

We anticipate achieving record-high operating profit while strategically advancing growth and infrastructure investments



I would like to explain the breakdown of factors contributing to the increase from JPY97.9 billion in FY2024 to JPY101.5 billion in FY2025.

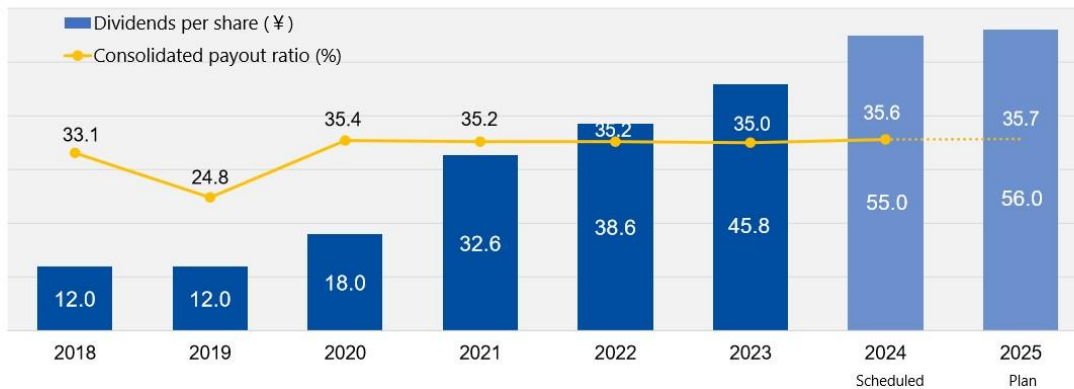
By segment, a major contributing factor to profit growth in Building Service & Industrial is the absence of goodwill impairment loss related to Vansan, which was recorded in the previous year. Combined with revenue growth in both domestic and overseas markets, this segment is expected to make a significant positive contribution.

In Energy, although the service & support revenue ratio is expected to increase, leading to improved business profitability, overall revenue is projected to decline. Additionally, higher fixed costs and the absence of one-time gains from land and pension asset sales recorded in the previous year will result in a relatively negative impact.

In Precision Machinery, revenue is expected to increase, but costs associated with relocating the R&D building and higher depreciation expenses will limit profit growth, resulting in a modest increase.

Shareholder Returns

- FY24, annual dividend per share scheduled to be ¥55 (+¥9.2 compared to FY23)
- FY25, annual dividend per share planned to be ¥56 (+¥1 compared to FY24)



Dividend Policy

Dividend payout ratio is linked to business performance for the relevant FY, targeting a consolidated payout ratio of 35% or more

Slide 20 covers shareholder returns. The company aims for a consolidated dividend payout ratio of at least 35%. For FY2024, the annual dividend per share is scheduled to be JPY55, an increase of JPY9.2 YoY, resulting in an estimated payout ratio of 35.6%. For FY2025, the dividend per share is planned to increase by JPY1 to JPY56.

1. FY24 1-4Q Summary of Results

2. FY24 1-4Q Results by Segment

3. FY25 Forecast

4. Progress of Medium-term

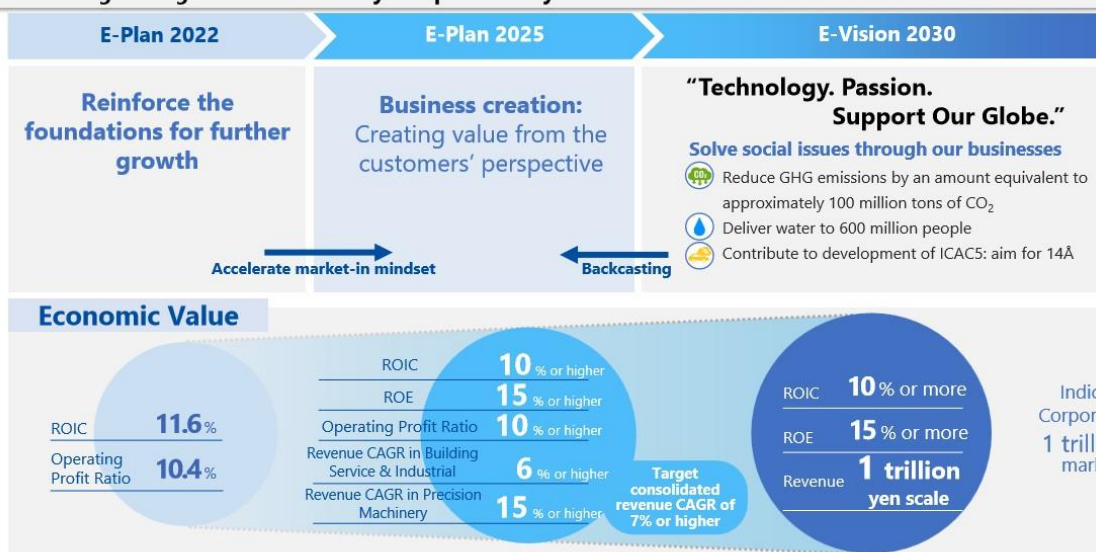
Management Plan E-Plan 2025

5. Appendix

From this point, the presentation will shift to the progress of the second year of the medium-term management plan, E-Plan 2025, which was announced in February 2023, and the initiatives for the final year of the plan.

Positioning of E-Plan 2025

Achieve top-line growth primarily in Building Service & Industrial and Precision Machinery Businesses, while maintaining the high level of efficiency and profitability achieved in E-Plan 2022



E-Plan 2025 was formulated by backcasting from the company's long-term vision, E-Vision 2030, and incorporating the key challenges identified from the assessment of E-Plan 2022. To accelerate the transition from a product-out approach to a market-in approach, the company has positioned customer-driven value creation as a central theme, strengthening competitiveness across all business segments.

E-Plan 2025 Financial Targets

- In FY24, we actively expanded production facilities, developed new products, and invested in systems to enhance our management infrastructure, leading to an increase in invested capital. Despite this, all key metrics remained at high levels.
- In FY25, we aim to maintain high levels of efficiency and profitability, despite the burden of upfront investments, and strive to achieve the targets of our medium-term management plan

		E-Plan 2025				
	Indicators	FY22 Results	FY23 Results	FY24 Results	FY25 Plan	E-Plan 2025 Targets
Efficiency	ROIC*	11.6%	12.2%	12.2%	11.6%	10% or higher
	ROE	15.0%	15.7%	16.2%	15.0%	15% or higher
Profitability	Operating Profit Ratio	10.4%	11.3%	11.3%	11.3%	10% or higher
Growth	Revenue CAGR (Revenue)	(¥680.8 B.)	11.5% <FY22-23> (¥759.3 B.)	12.8% <FY22-24> (¥866.6 B.)	9.8% <FY22-25> (¥900.0 B.)	7% or higher <FY22-25>

*ROIC Formula: NOPLAT (Net Operating Profit Less Adjusted Taxes)/[(Interest-bearing debt (average between beginning and end of period)+equity attributable to owners of the parent (average between beginning and end of period)]

23

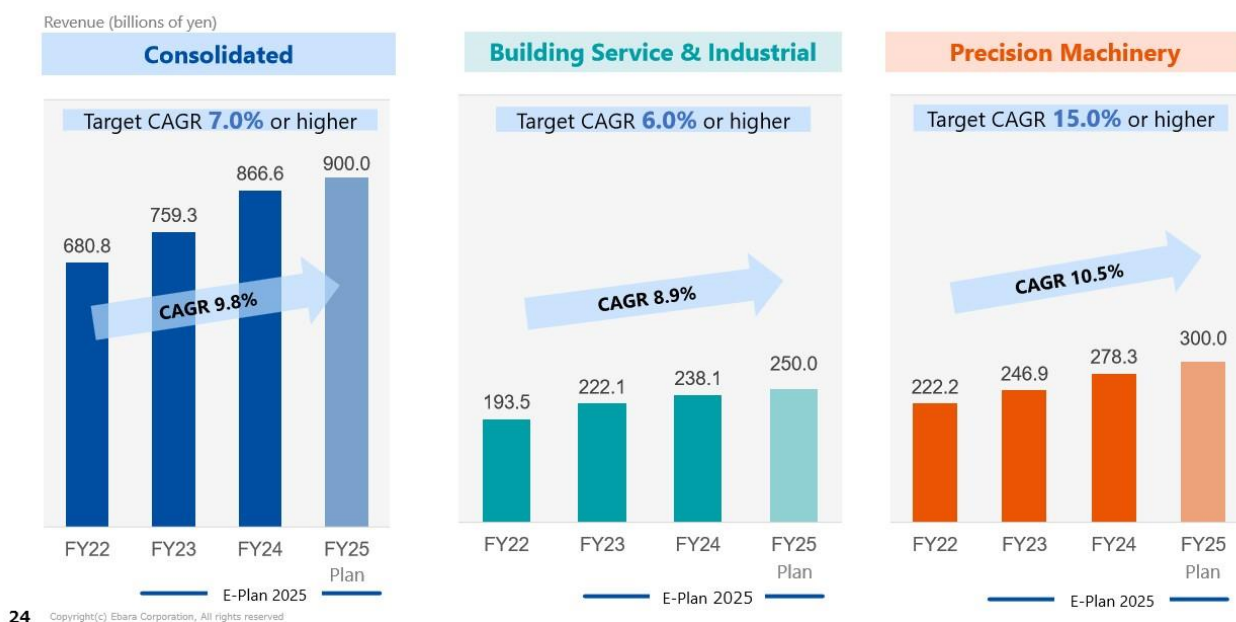
Copyright© Ebara Corporation. All rights reserved

The key financial targets for the plan are outlined in the slide.

First, I will provide an update on the progress of our financial targets. For FY2024, we achieved an ROIC of 12.2%, an ROE of 16.2%, an operating profit margin of 11.3%, and a revenue CAGR of 12.8%. While maintaining a high level of capital efficiency and profitability, we also achieved a growth rate exceeding the 2023 level.

In FY2025, the final year of E-Plan 2025, the burden of fixed costs, including depreciation expenses from ongoing growth and foundational investments, will increase. However, all key indicators for efficiency, profitability, and growth, are projected to exceed the final targets set in the medium-term management plan.

4. Progress of Medium-term Management Plan E-Plan 2025
E-Plan 2025 Financial Targets (Growth)



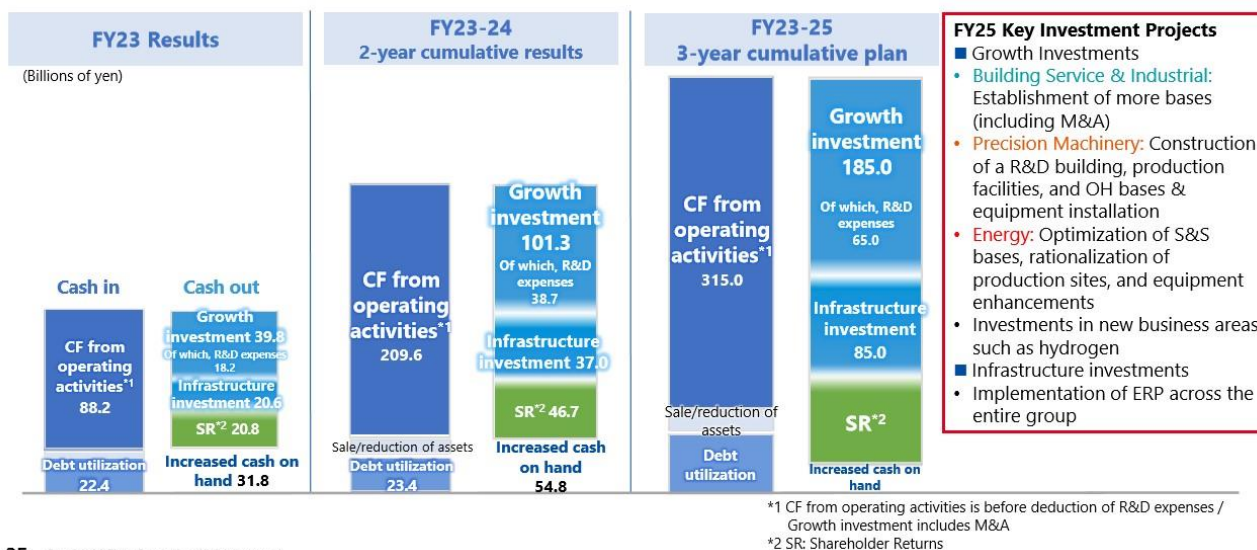
For growth indicators, we have set CAGR targets. The company-wide target is 7% or higher, with Building Service & Industrial targeted at 6% or higher and Precision Machinery at 15% or higher. As shown on the slide, the overall company and the Building Service & Industrial Segment are progressing steadily. However, Precision Machinery is expected to reach approximately 10.5%, below the 15% target. When the plan was formulated in 2023, the assumption was that the global market outside China would recover faster while China’s market would remain stable. However, the Chinese market expanded beyond expectations, while the global recovery outside China lagged behind initial projections. Since our market share in China is relatively low, this shift has led to lower-than-expected revenue compared to the original medium-term plan target.

That said, considering that the CAGR of the semiconductor manufacturing equipment market from 2020 to 2025 is expected to be in the low single digits, we have still achieved growth beyond the market rate. Moving forward, we will continue to execute our strategies to capture market growth driven by generative AI demand and ensure we respond effectively to evolving customer needs.

4. Progress of Medium-term Management Plan E-Plan 2025

E-Plan 2025 Cash Allocation

- In FY24, the second year of E-Plan 2025, we executed growth investments largely as planned
- For FY25, we will continue to actively invest in growth areas, particularly in Precision Machinery, with an eye on future market expansion
- We will focus on investments that prioritize capital efficiency while maintaining a balance with stable shareholder returns



This slide presents the cash allocation trends over the three years of E-Plan 2025.

The middle graph represents the cumulative actual results up to FY2024, while the rightmost graph shows the updated three-year cumulative plan through FY2025. Throughout the E-Plan 2025 period, the company has prioritized growth and foundational investments to enhance competitiveness across all business segments, aligning with its 2030 vision. In FY2024, capital investments increased from FY2023, reflecting initiatives such as the expansion of the CMP production facility in Precision Machinery, the optimization of service & support bases in the Energy Segment, and the implementation of ERP across group companies.

For FY2025, as indicated by the red outline, the company plans to expand growth investments, including M&A and new facility establishment for Building Service & Industrial, the construction of an R&D building, production facility, and overhaul site for Precision Machinery, as well as further optimization of service & support bases in energy. In addition to these investments, the company will continue investing in new business areas, such as hydrogen, while also advancing the ERP implementation across the entire Group. These initiatives are not only aimed at strengthening competitiveness across all businesses but also at establishing new revenue streams and reinforcing the company's management infrastructure.

E-Plan 2025 Progress & Achievements

Progress in strengthening customer response capabilities and infrastructure, with synergies emerging across segments

Progress & Achievements

- Implementation of target market-specific organizational structure has accelerated the development of one-stop customer interfaces and solution sales. In the Energy Segment, we secured a comprehensive order for compressors, turbines, and custom pumps for the AMIRAL project in the Middle East petrochemical market. Orders for S&S expanded in the Building Service & Industrial Segment.

- Strengthened sales and S&S structures

BS&I



Acquired pump sales company in Uruguay

Energy



Relocated and expanded a new S&S base in Indonesia, operations began FY24 2Q

- Developed new products to meet customer needs

BS&I



Launched sales of pumps equipped with PM motor with built-in inverter

Precision

Started sales of new gas abatement system

Precision

Unveiled new electroplating system for advanced package applications as Semicon Japan 2024



- Implemented CxO structure
- Implementation and partial operation of ERP system across the Group

FY25 Initiatives

Precision Machinery

- Continued investment in global production expansion and development
- New production plant (K3) in Kumamoto to start operations from 2Q, increasing production capacity by 1.5 times
- Completion of the semiconductor manufacturing equipment development building

Building Service & Industrial

- Expansion of new products such as industrial chillers and low environmental impact products, continuous expansion of bases (including M&A)

Energy

- Strengthening of production systems and optimization of S&S bases (operations to start in Abu Dhabi and Houston)

EBARA Group

- Implementation and commencement of ERP, and establishment of a global talent management platform

Precision



K3 (Completed Dec. 2024)

Precision



Development Building Completion Image

Energy



Houston S&S Flagship Base Completion Image

The next slide summarizes the progress and achievements of key focus areas in the second year of E-Plan 2025.

Under E-Plan 2025, the company has focused on customer-driven value creation, transitioning to a market-facing organizational structure in January 2023. Each segment has been strengthening its customer engagement capabilities, establishing a more integrated framework to enhance customer support. The company has promoted the integration of market-facing organizations within each segment, accelerating the development of one-stop customer touchpoints and solution-based sales strategies.

In energy, this approach has led to a bulk order for compressors, turbines, and custom pumps for a petrochemical project in the Middle East. In Building Service & Industrial, the integration of sales operations for refrigeration units, standard pumps, and blowers has increased cross-product orders across multiple projects. Two years after the transition to a market-facing structure, synergies between businesses are becoming more evident.

The company continues to invest in strengthening competitiveness across all businesses. In Building Service & Industrial, it has acquired a pump sales company in Uruguay. In Energy, it has expanded new service & support bases, including in Indonesia.

Product development efforts are also underway to meet customer needs, with Building Service & Industrial and Precision Machinery developing new products. Looking ahead to FY2025, the company will maintain its strategic direction and initiatives. In Precision Machinery, investments in global production capacity and R&D will continue. In Building Service & Industrial, the company will expand sales of new products, such as industrial chillers, and explore further site expansions, including M&A. In Energy, the company will continue to strengthen its production capabilities and optimize its service & support network.

4. Progress of Medium-term Management Plan E-Plan 2025

E-Plan 2025 Progress & Achievements

Creating New Business Opportunities through Synergies between Existing Technologies and Collaboration Inside and Outside the Company

Progress & Achievements

- Promoting the development of high-value-added solutions
- Securing orders for compressors and custom pumps for new energy sources (hydrogen, geothermal, SAF, etc.)
- Successful test operation of canned pumps for liquid ammonia at a thermal power plant conducting fuel ammonia conversion demonstration
- Development of the world's first hydrogen-related products and commencement of the world's first full-scale commercial product testing and development center equipped with liquid hydrogen pump testing facilities.
- Increasing S&S revenue through expanding solution business (EBARA Maintenance Cloud)



Canned pump for liquid ammonia



EBARA Maintenance Cloud

FY25 Initiatives

- Accelerating solution-based business development and monetization
 - Energy:** Develop new S&S opportunities
- Promoting businesses that contribute to the energy transition and carbon neutrality, such as hydrogen, ammonia, CCUS, and SAF
- Sales activities aimed at securing the first order for liquid hydrogen pumps
- Operation of the commercial product testing and development center for hydrogen infrastructure-related equipment
- Initiation of operations at the chemical recycling pilot plant
- Continued investment in new businesses such as land-based aquaculture, structural proteins, and cultured meat



Commercial Product Testing and Development Center Exterior



Liquid hydrogen pump

Next, I will explain our initiatives to create new business opportunities through synergies between existing technologies and collaboration within and outside the company.

Key achievements include securing orders and initiating test operations for products in new energy sectors such as hydrogen, geothermal energy, sustainable aviation fuel (SAF), and ammonia. For hydrogen-related initiatives, the company operates under an SBU (Strategic Business Unit) structure and is advancing the development of the world's first product in this field alongside the construction of a full-scale commercial testing and development center. In FY2025, efforts will focus on accelerating the development and commercialization of solution-based businesses, including a maintenance cloud platform for Building Service & Industrial and new business opportunities in service & support for Energy.

Additionally, the company will continue to drive business expansion and sales activities in hydrogen and other new energy sectors. Regarding facilities, testing for hydrogen-related products at the new development center is scheduled to begin in 2025, with full completion expected in 2026. Furthermore, the pilot plant for chemical recycling constructed by the Environmental Solutions Segments is scheduled to begin operations. In addition to ongoing efforts in new energy sectors, the company will continue investing in new businesses such as land-based aquaculture, structural proteins, and cultured meat.



Appendix: E-Plan 2025 Progress by Segment

- FY24, Excluding the one-time impairment loss in Building Service & Industrial, the OP Ratio exceeded the target
- FY25, Although the OP Ratio for Precision Machinery, Energy, and Environment are expected to decrease compared to the previous year, we will proceed with plans to achieve the targets

Positioning	Segments	FY24 Achievements	E-Plan 2025 Financial Indicator (OP Ratio)			
			FY23 Results	FY24 Results	FY25 Plan	E-Plan 2025 Targets
Growth Business	Building Service & Industrial	<ul style="list-style-type: none"> ■ Established sales base in Uruguay ■ Expansion of S&S orders through services utilizing the EBARA Maintenance Cloud ■ Launch of new products with built-in inverter motors 	7.1%	4.3%	7.2%	7.0% or higher
	Precision Machinery	<ul style="list-style-type: none"> ■ Capturing demand in the Chinese market and for generative AI-related applications ■ Completion of the K3 building at the Kumamoto Plant ■ Development and customer evaluation of products and technologies compatible with 2-nm semiconductors and new semiconductor manufacturing technologies 	15.5%	18.0%	17.0%	17.0% or higher
Transform into Growth Business	Energy	<ul style="list-style-type: none"> ■ Simultaneous orders for compressors, steam turbines, and custom pumps for large petrochemical projects through a one-stop sales system ■ Progress in optimizing production systems and S&S bases ■ Securing orders for compressors and custom pumps for new energy sources (hydrogen, geothermal, SAF, etc.) 	13.4%	13.3%	12.3%	12.0% or higher
Core Business (Stable revenue)	Infrastructure	<ul style="list-style-type: none"> ■ Increased domestic orders due to high construction capabilities and technical proposals, including multiple orders for remote monitoring equipment for drainage pump stations ■ Securing large water infrastructure projects in the Americas 	9.2%	7.2%	8.6%	6.0% or higher
	Environmental Solutions	<ul style="list-style-type: none"> ■ Securing two large-scale life extension projects, aiming for long-term operation and maintenance ■ Smooth progress in the construction of a pilot plant for the practical application of chemical recycling 	9.7%	9.7%	7.2%	7.0% or higher

This brings us to the final slide, which summarizes the key achievements of the second year of E-Plan 2025 and the outlook for operating profit margins by segment.

Investments to strengthen competitiveness have been executed as planned and will be further accelerated in FY2025. Even with these investments, the company expects to maintain a high operating profit margin and will continue executing strategies to achieve the final year targets of the medium-term management plan. This concludes the progress update on E-Plan 2025.

That is all from my side. Thank you for your attention.

[END]