



Presentation Materials for the Fiscal Year Ended February 2026

April 22, 2026

TAKEUCHI MFG. CO., LTD.

(Securities code: 6432)

- ▶ **FY2025 Consolidated Results**
- ▶ **FY2026 Consolidated Forecast**
- ▶ **Fourth Medium-term Business Plan Progress Update**
- ▶ **Reference Materials**

Summary of Earnings Results (FY2025 Results)

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

- **North America sales volume: up 1.5% (1H: up 1.9% / 2H: up 1.0% YoY)**

Underlying demand for housing remains solid, despite a slowdown in home purchases caused by the continuously elevated housing prices.

Sales of track loaders were strong due to steady demand for lifeline infrastructure work, such as water and gas pipes.

- **Europe sales volume: up 1.5% (1H: up 8.5% / 2H: down 5.5% YoY)**

Although results varied by country, the sluggish product demand bottomed out and gradually recovered.

Sales of excavators were strong at our UK sales subsidiary and European distributors.

- **Total sales volume: up 2.4% (1H: up 5.8% / 2H: down 1.2% YoY)**

(2) Record highs in both sales and profits (Net sales: up 5.7%, Operating profit: up 1.5% YoY)

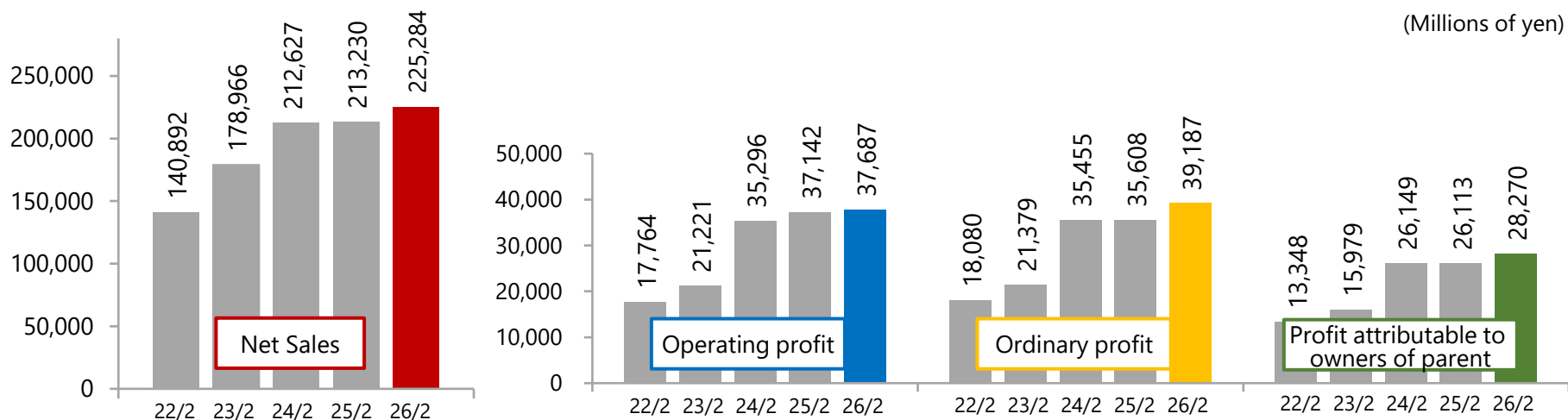
- Sales and profits both increased mainly due to the increase in net sales and reduction in write-down that occurred in the previous fiscal year, which offset the impacts of tariffs and foreign exchange rates.

(Billions of yen)

	FY2024 (Previous FY)					FY2025 (Current FY)				
	1Q	2Q	3Q	4Q	Full	1Q	2Q	3Q	4Q	Full
Net sales	55.1	54.4	56.7	46.8	213.2	50.6	63.4	58.7	52.4	225.2
Gross profit	15.7	18.5	13.1	8.5	56.0	15.4	16.9	12.5	11.2	56.1
SG&A expenses	4.6	4.8	4.1	5.2	18.8	4.4	4.5	4.5	4.9	18.4
of these, transportation costs	1.7	1.9	1.4	1.5	6.7	1.4	1.4	1.3	1.3	5.5
Operating profit	11.1	13.7	8.9	3.3	37.1	10.9	12.4	8.0	6.2	37.6

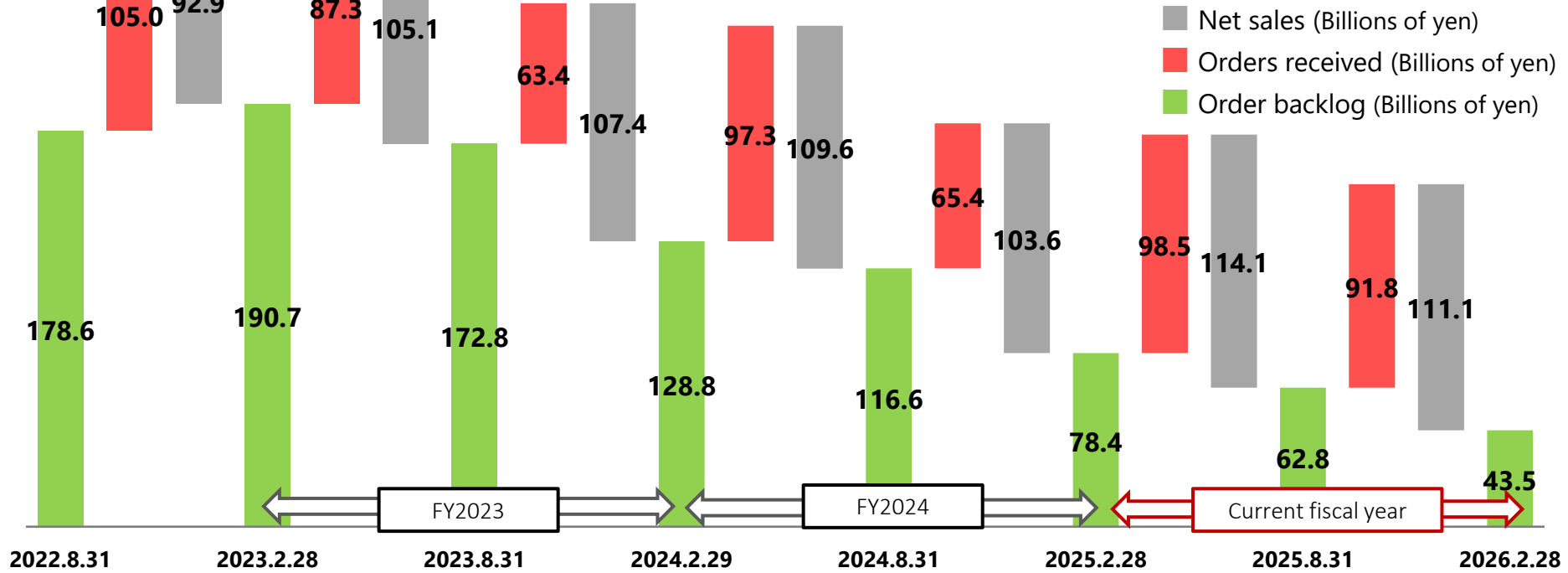
Consolidated Financial Highlights (FY2025 Results)

(Millions of yen)	FY2024		FY2025					
	Full year	Sales ratio	1H	2H	Full year	Sales ratio	Change	(%)
Net sales	213,230	-	114,103	111,180	225,284	-	+12,054	+5.7%
Operating profit	37,142	17.4%	23,402	14,284	37,687	16.7%	+544	+1.5%
Ordinary profit	35,608	16.7%	23,692	15,494	39,187	17.4%	+3,578	+10.1%
Profit attributable to owners of parent	26,113	12.2%	17,055	11,214	28,270	12.5%	+2,156	+8.3%
Capital investment	3,333	1.6%	1,651	1,563	3,215	1.4%	(118)	(3.5)%
Depreciation	3,755	1.8%	1,514	1,652	3,166	1.4%	(588)	(15.7)%
Orders received	162,750	-	98,582	91,851	190,434	-	+27,683	+17.0%
Order backlog	78,417	-	62,897	43,568	43,568	-	(34,849)	(44.4)%



Net Sales, Orders Received and Order Backlog

**We will end the disclosure of orders received and order backlogs.
The final figures will be for the fiscal year ending February 2027.**

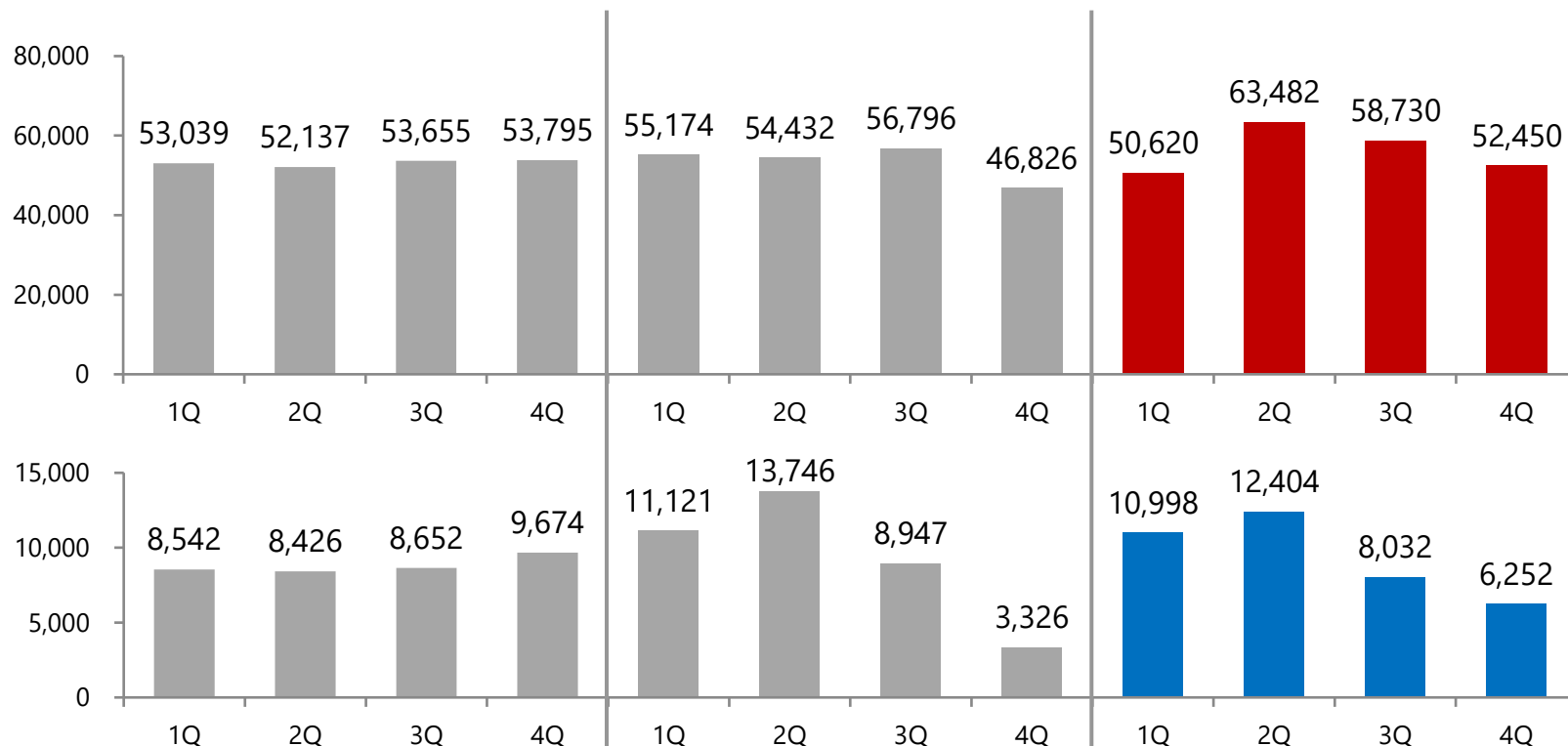


(Billions of yen)	FY2023				FY2024				FY2025			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Net sales	53.0	52.1	53.6	53.7	55.1	54.4	56.7	46.8	50.6	63.4	58.7	52.4
Orders received	47.6	39.6	38.2	25.2	61.5	35.7	22.4	43.0	56.7	41.8	37.3	54.4
Order backlog	185.3	172.8	157.4	128.8	135.2	116.6	82.2	78.4	84.5	62.8	41.5	43.5

Quarterly Net Sales and Operating Profit

(Millions of yen)

Net sales

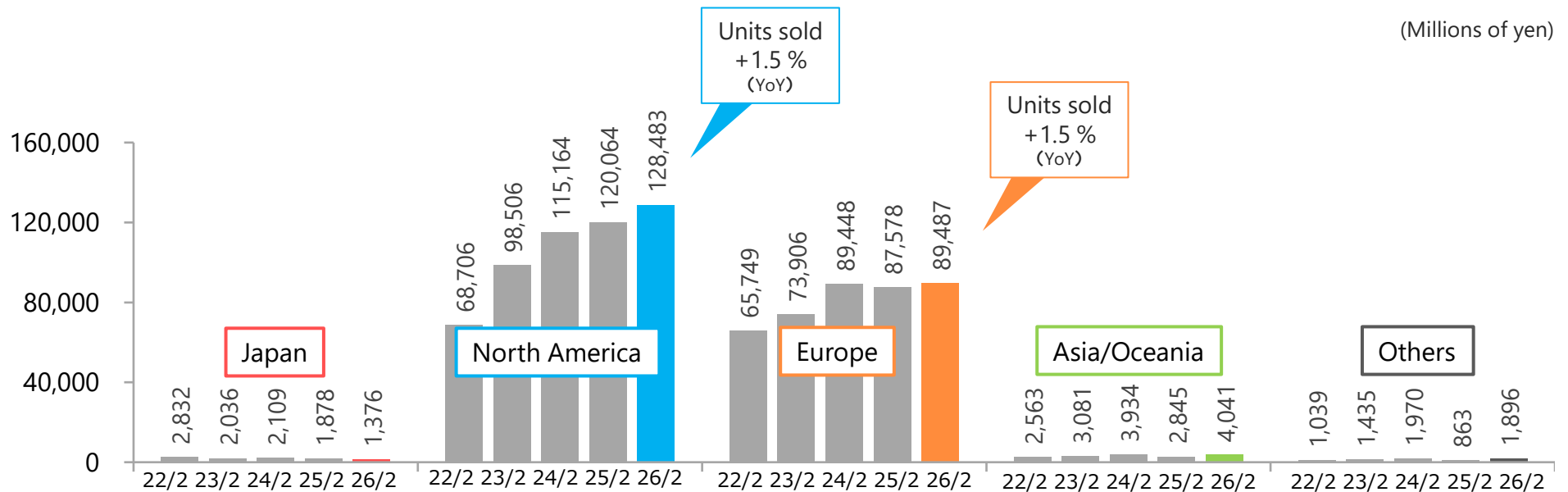


Operating profit

Exchange rates	FY2023				FY2024				FY2025			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
JPY/USD	134.74	140.48	148.62	145.93	152.45	156.84	146.94	153.67	147.56	145.81	151.05	155.69
JPY/GBP	165.80	179.25	183.10	185.38	194.22	199.39	192.51	192.40	191.31	196.92	200.26	210.23
JPY/EUR	146.10	154.14	158.55	159.56	164.58	168.43	160.60	160.32	158.62	167.39	175.04	182.89
JPY/RMB	19.43	19.66	20.08	20.31	20.75	21.76	20.66	21.34	20.75	19.93	20.74	22.05

Sales by Region and Parts Sales (FY2025 Results)

(Millions of yen)	FY2024		FY2025					
	Full year	Sales ratio	1H	2H	Full year	Sales ratio	Change	(%)
Japan	1,878	0.9%	737	639	1,376	0.6%	(502)	(26.7)%
North America	120,064	56.3%	63,367	65,116	128,483	57.0%	+8,419	+7.0%
Europe	87,578	41.1%	46,885	42,601	89,487	39.7%	+1,908	+2.2%
Asia/Oceania	2,845	1.3%	1,620	2,420	4,041	1.8%	+1,195	+42.0%
Others	863	0.4%	1,492	403	1,896	0.8%	+1,032	+119.6%
Total net sales	213,230	100.0%	114,103	111,180	225,284	100.0%	+12,054	+5.7%
Parts sales	17,362	8.1%	9,081	9,491	18,573	8.2%	+1,210	+7.0%

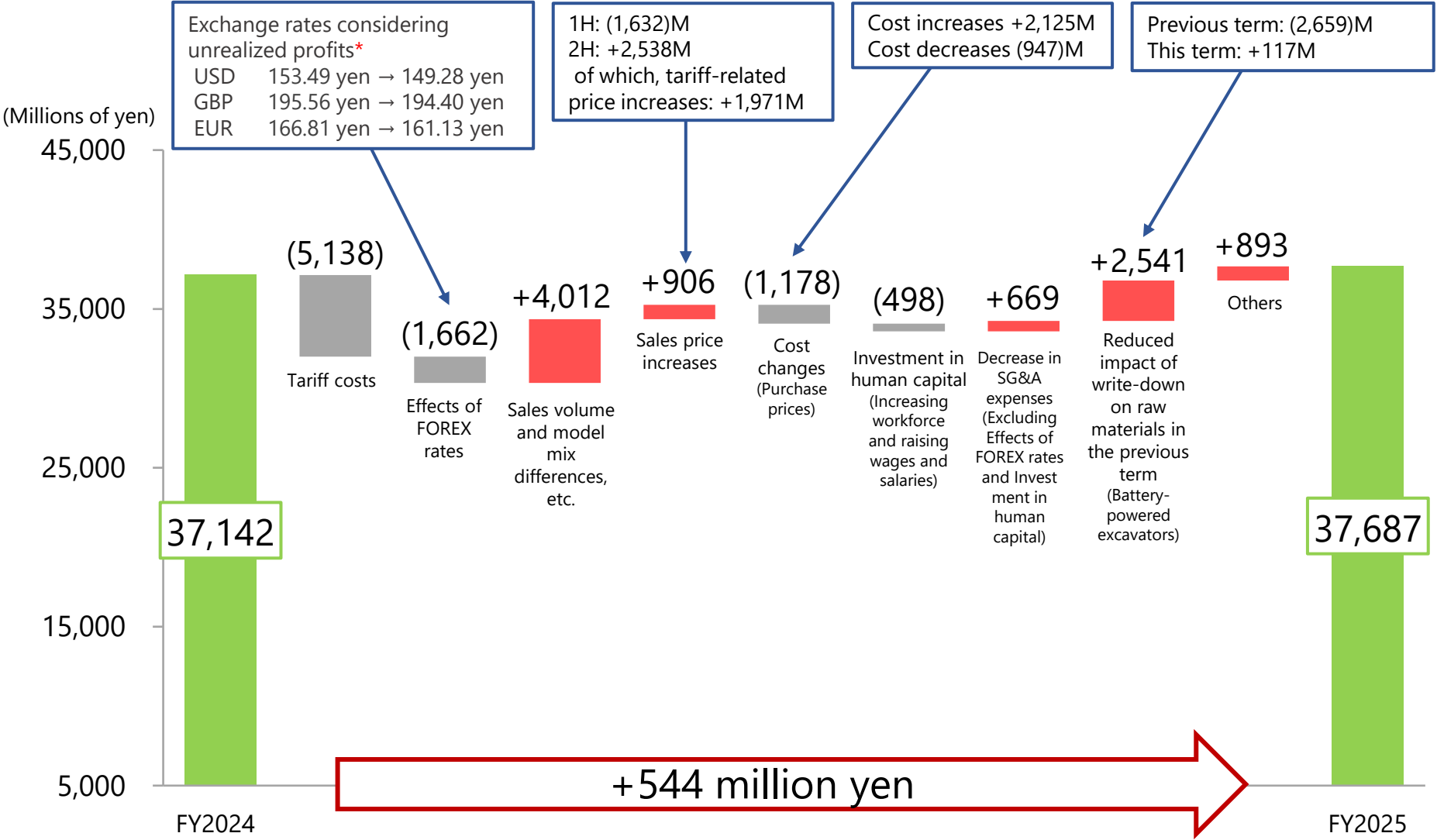


Geographic Segment Information (FY2025 Results)

(Millions of yen)		FY2024		FY2025					
		Full year	Profit ratio	1H	2H	Full year	Profit ratio	Change	(%)
Japan	Net sales	67,133	—	35,703	32,109	67,812	—	+679	+1.0%
	Segment profit	34,305	51.1%	15,226	16,137	31,363	46.3%	(2,941)	(8.6)%
US	Net sales	120,103	—	63,585	65,126	128,711	—	+8,607	+7.2%
	Segment profit	10,911	9.1%	4,426	2,308	6,735	5.2%	(4,175)	(38.3)%
UK	Net sales	14,547	—	9,757	8,219	17,976	—	+3,429	+23.6%
	Segment profit	499	3.4%	728	509	1,238	6.9%	+738	+147.7%
France	Net sales	11,325	—	5,054	5,722	10,776	—	(548)	(4.8)%
	Segment profit	816	7.2%	321	256	578	5.4%	(238)	(29.2)%
China	Net sales	120	—	3	3	6	—	(113)	(94.4)%
	Segment profit	297	246.6%	114	140	254	3775.5%	(42)	(14.4)%

- 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 steel fabricated products (construction machinery components) for the Japan segment

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

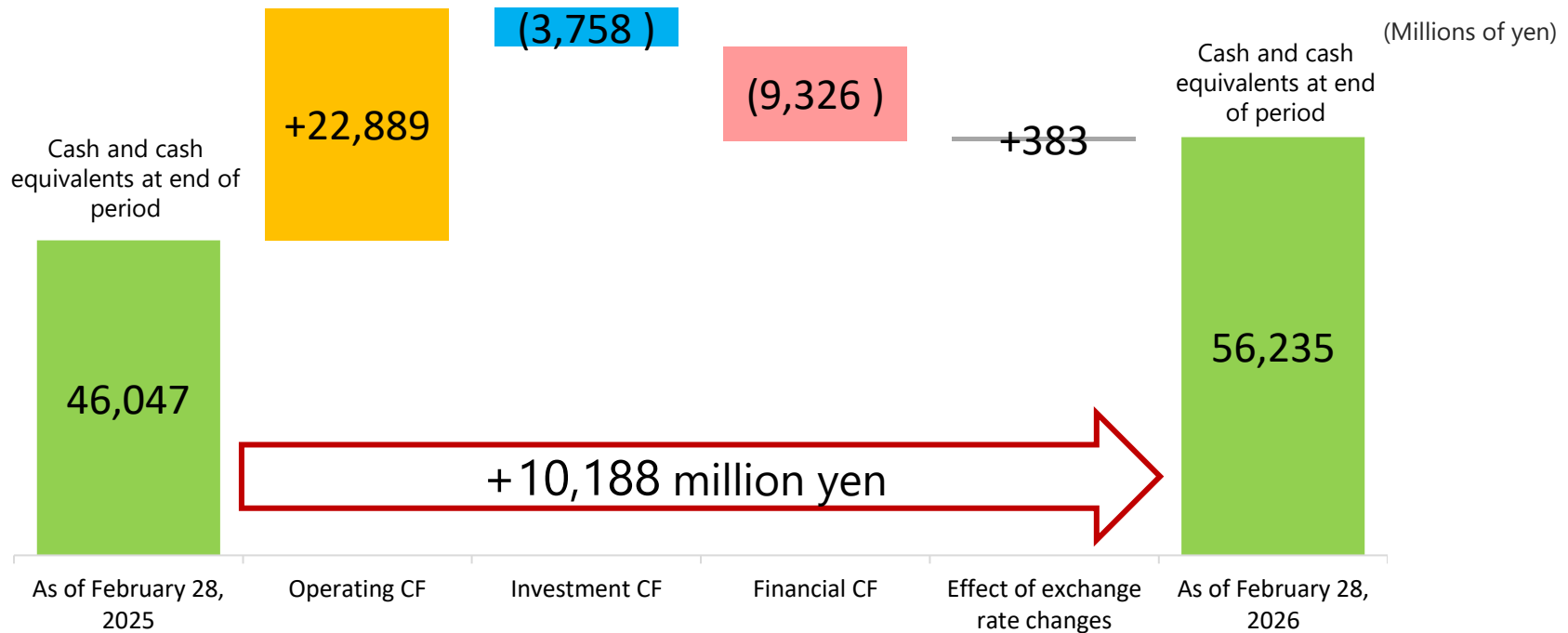


*Exchange rates considering unrealized profits: Rates take into account transportation and inventory periods from Japan to sales subsidiaries in the US, UK, and France.

Consolidated Balance Sheets (As of February 28, 2026)

(Millions of yen)		As of Feb.28, 2025		As of Feb.28, 2026			
		Balance	Composition ratio	Balance	Composition ratio	Change	(%)
Assets	Cash and deposits	46,482	21.3%	57,170	25.4%	+10,688	+23.0%
	Notes and accounts receivable - trade	45,586	20.9%	44,829	19.9%	(757)	(1.7)%
	Inventories	80,497	37.0%	77,966	34.6%	(2,530)	(3.1)%
	Other current assets	4,687	2.2%	3,982	1.8%	(705)	(15.0)%
	Current assets	177,254	81.4%	183,948	81.7%	+6,694	+3.8%
	Non-current assets	40,464	18.6%	41,184	18.3%	+719	+1.8%
	Total	217,718	100.0%	225,133	100.0%	+7,414	+3.4%
Liabilities and Net assets	Account payable - trade	36,022	16.5%	25,304	11.2%	(10,718)	(29.8)%
	Other current liabilities	13,951	6.4%	12,101	5.4%	(1,849)	(13.3)%
	Current liabilities	49,974	23.0%	37,405	16.6%	(12,568)	(25.2)%
	Non-current liabilities	744	0.3%	791	0.4%	+47	+6.4%
	Total liabilities	50,718	23.3%	38,197	17.0%	(12,520)	(24.7)%
	Total net assets	167,000	76.7%	186,935	83.0%	+19,935	+11.9%
	Total	217,718	100.0%	225,133	100.0%	+7,414	+3.4%

Consolidated Statements of Cash Flows (FY2025 Results)



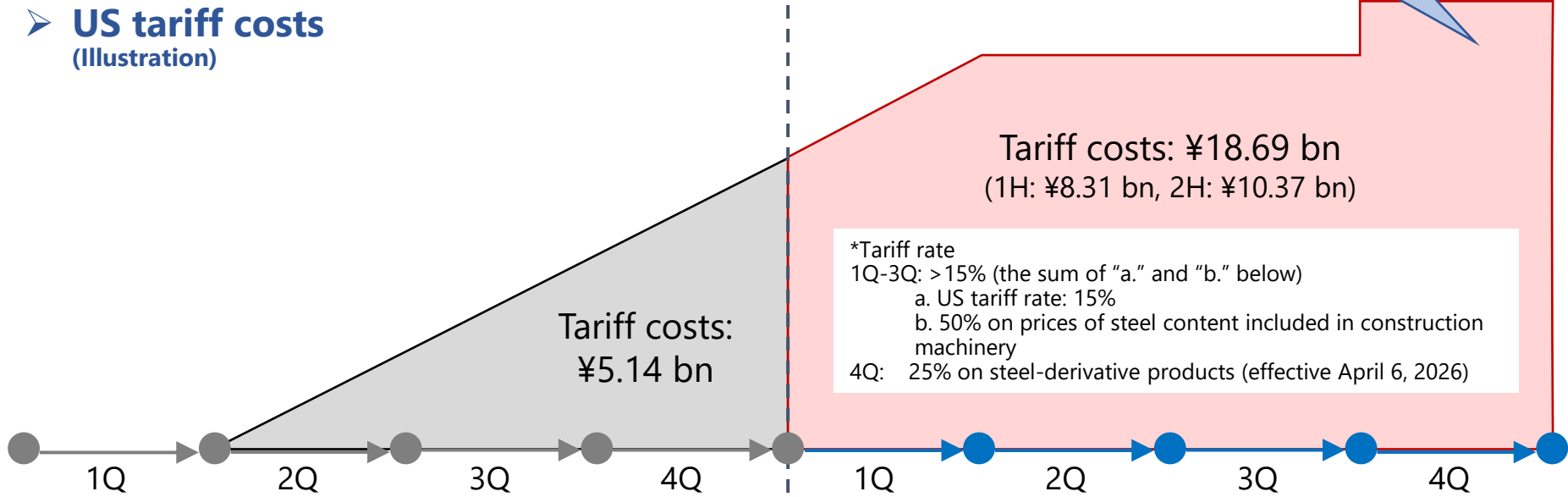
Cash flows from operating activities	Change	Cash flows from investing activities	Change	Cash flows from financing activities	Change
Profit before income taxes	+39,187	Net increase/decrease in time deposits (negative number indicates an increase)	(500)	Dividends paid	(9,218)
Depreciation	+3,166	Purchase of property, plant and equipment	(2,853)	Repayments of lease liabilities	(37)
Increase/decrease in inventories (negative number indicates an increase)	+2,431	Purchase of intangible assets	(416)	Purchase of treasury shares	(70)
Increase/decrease in working capital (negative number indicates an increase)	(9,188)	Others	+11	Others	0
Income taxes paid	(12,625)				
Others	(82)				
Total	22,889	Total	(3,758)	Total	(9,326)

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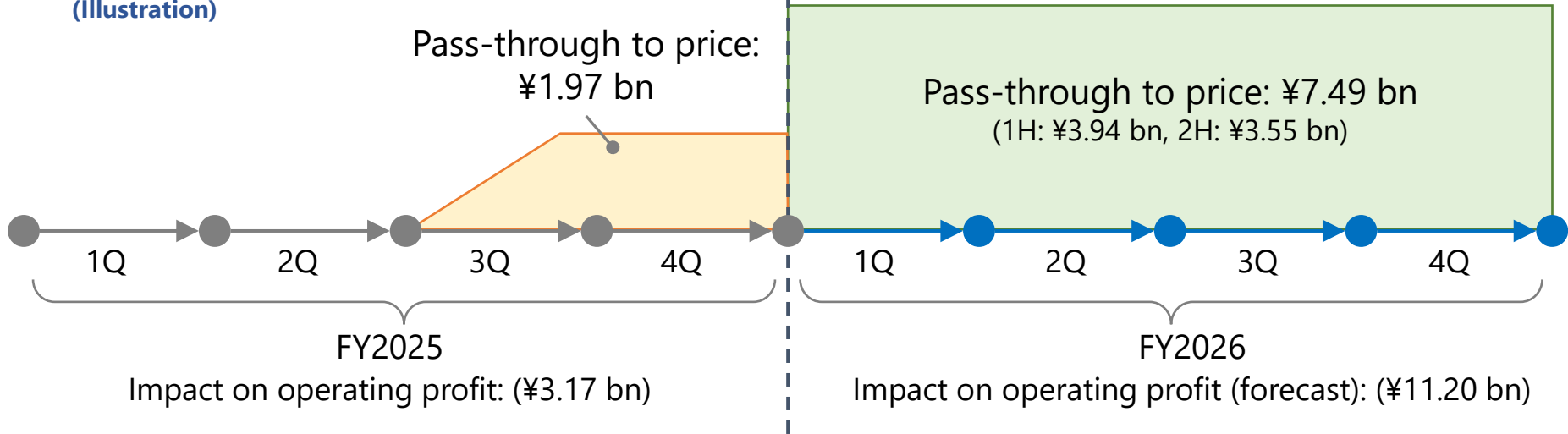
Earnings Forecast Highlights (US Tariffs and Price Increases)

Cost increase of 1.0 billion yen in 4Q

➤ US tariff costs (Illustration)



➤ Sales price increases in US (Illustration)



Earnings Forecast Highlights (Middle East Situation)

➤ Marine transportation

- European shipments have long avoided the Red Sea and Suez route, detouring via the Cape of Good Hope.
 - Direct impact is limited for the current tensions in the Middle East.
- In response to the rising global crude oil prices, container rates have been increased for both Europe and North America from March 2026.
 - Factoring in an annual increase of 700 million yen in transportation costs as fuel surcharges.

➤ Procurement

- If the Middle East conflict prolongs, parts procurement and their prices could be affected from the mid-2026 onwards, but this has not been factored into our earnings forecast.
 - * The most serious are thinners used in paints and painting processes. Next is naphtha, which serves as a raw material for plastic resins, synthetic rubber, and thinners.

Earnings Forecast Highlights (FY2026 Forecast)

(1) Expect sales volume to increase in both the North American and European markets

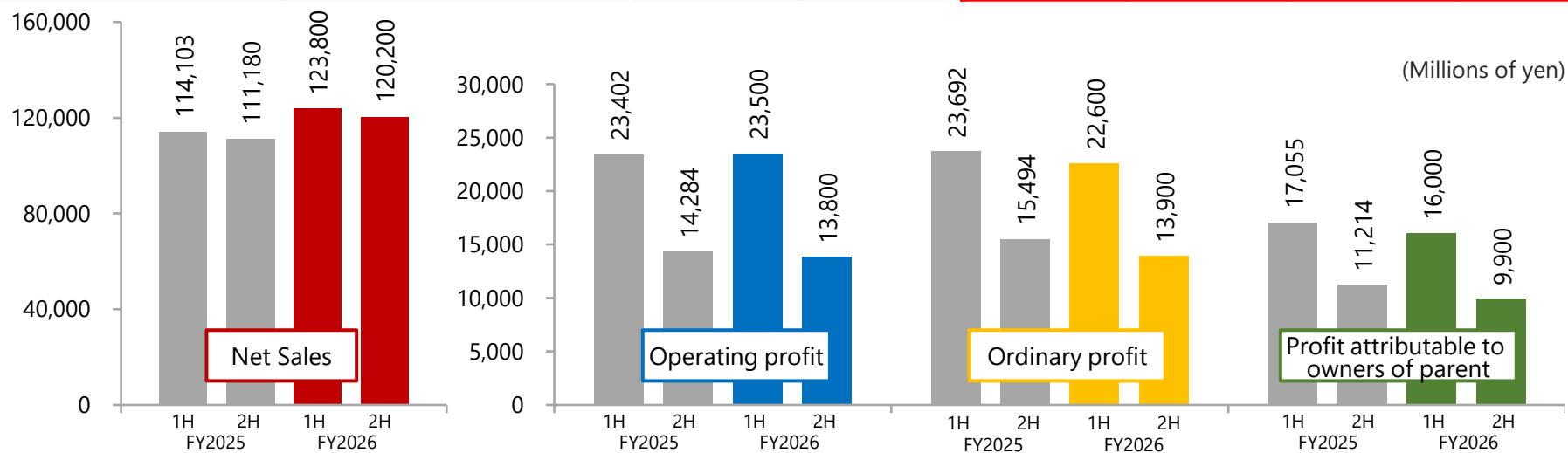
- **North America sales volume: up 3.9%** (1H: down 0.2% / 2H: up 8.3% YoY)
 - Sales volume of both excavators and track loaders are expected to exceed the previous fiscal year.
 - Elevated housing prices are slowing the pace of purchases, despite declining mortgage rates.
 - Robust demand for non-residential construction (lifeline maintenance work and data center construction).
- **Europe sales volume: up 6.1%** (1H: up 3.3% / 2H: up 9.4% YoY)
 - Expecting increased sales volume at sales subsidiaries in the UK and France as well as for many of European distributors.
 - Demand for compact excavators continues to recover in Europe, except France.
- **Total sales volume: up 5.7%** (1H: up 2.1% / 2H: up 9.7% YoY)
 - Net Sales are expected to reach a record high due to increased sales volume.

(2) Expect operating profit to be at a similar level to the same period last year

- Operating profit: down 1.0% YoY
Factors for profit increases: growing sales volume and sales price increases in Europe and North America.
Factors for profit decreases: tariff impacts, fuel surcharges, rising parts prices, and human capital investments.
- Ordinary profit: down 6.9% YoY
Expect exchange rate losses due to the assumption of a stronger yen.

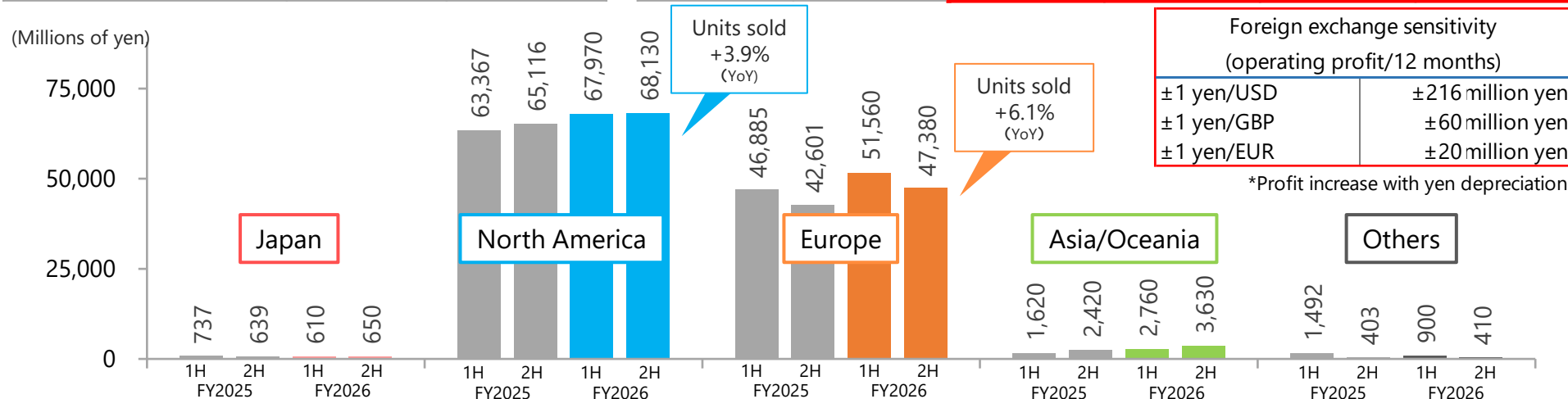
Consolidated Financial Highlights (FY2026 Forecast)

(Millions of yen)	FY2025		FY2026 (forecast)					
	Full year	Sales ratio	1H	2H	Full year	Sales ratio	Change	(%)
Net sales	225,284	—	123,800	120,200	244,000	—	+18,715	+8.3%
Operating profit	37,687	16.7%	23,500	13,800	37,300	15.3%	(387)	(1.0)%
Ordinary profit	39,187	17.4%	22,600	13,900	36,500	15.0%	(2,687)	(6.9)%
Profit attributable to owners of parent	28,270	12.5%	16,000	9,900	25,900	10.6%	(2,370)	(8.4)%
Capital investment	3,215	1.4%	3,189	8,108	11,297	4.6%	+8,082	+251.4%
Depreciation	3,166	1.4%	1,622	2,311	3,933	1.6%	+766	+24.2%
Earnings per share (yen)	611.92	Dividend payout ratio 34.3%	—	—	560.69	Dividend payout ratio 39.2%	(51.23)	(8.4)%
Dividends per share (yen)	210.00		—	—	220.00		—	—

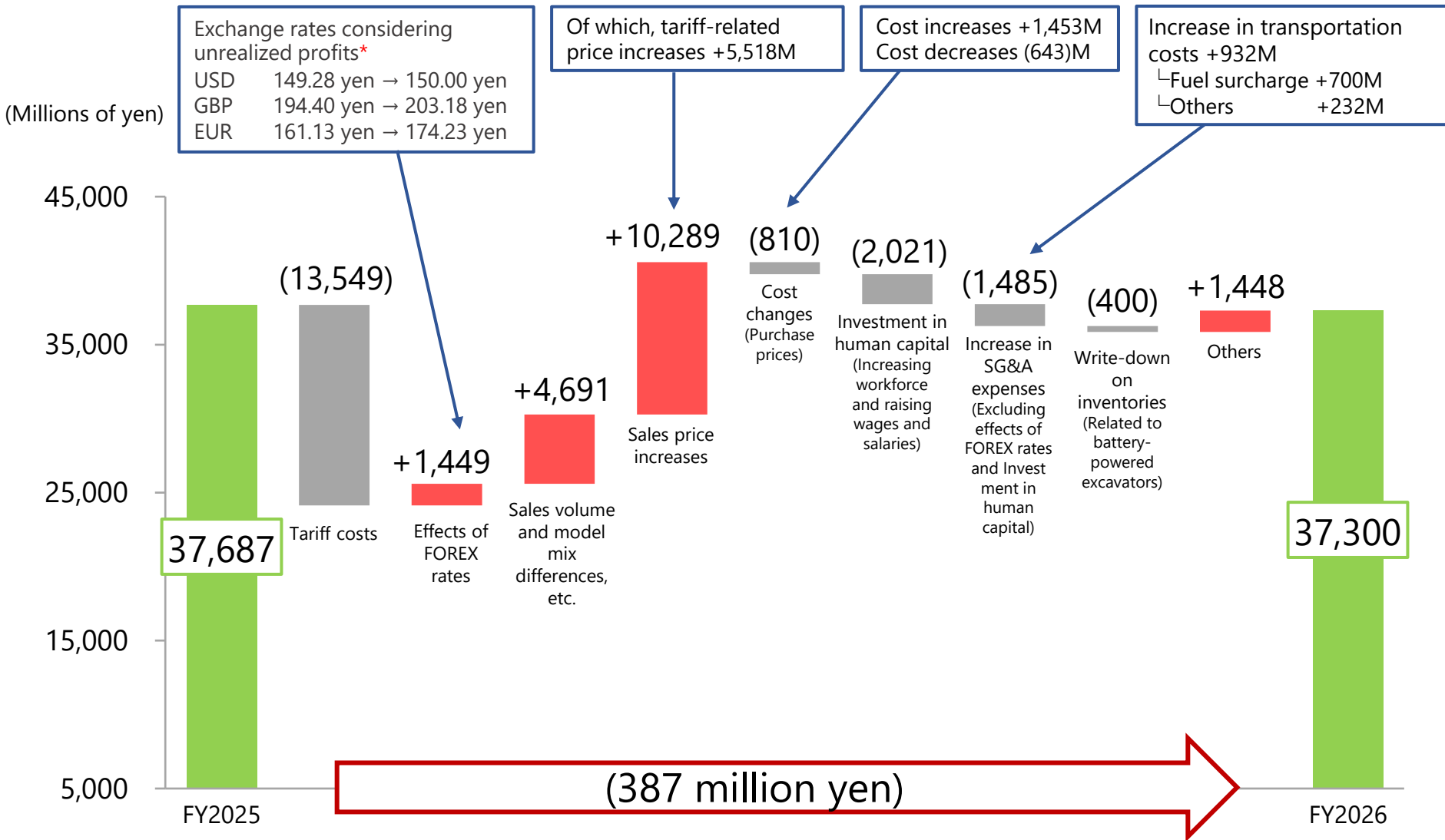


Sales Forecast by Region and Parts Sales (FY2026 Forecast)

(Millions of yen)	FY2025		FY2026 (forecast)					
	Full year	Sales ratio	1H	2H	Full year	Sales ratio	Change	(%)
Japan	1,376	0.6%	610	650	1,260	0.5%	(116)	(8.4)%
North America	128,483	57.0%	67,970	68,130	136,100	55.8%	+7,616	+5.9%
Europe	89,487	39.7%	51,560	47,380	98,940	40.5%	+9,452	+10.6%
Asia / Oceania	4,041	1.8%	2,760	3,630	6,390	2.6%	+2,348	+58.1%
Others	1,896	0.8%	900	410	1,310	0.5%	(586)	(30.9)%
Total net sales	225,284	100.0%	123,800	120,200	244,000	100.0%	+18,715	+8.3%
Parts sales	18,573	8.2%	10,282	10,467	20,750	8.5%	+2,177	+11.7%
JPY/USD	149.97	—	147.00	147.00	147.00	—	(2.97)	(2.0)%
JPY/GBP	200.58	—	200.00	200.00	200.00	—	(0.58)	(0.3)%
JPY/EUR	169.63	—	174.00	174.00	174.00	—	+4.37	+2.6%
JPY/RMB	20.87	—	21.20	21.20	21.20	—	+0.33	+1.6%



Factors of Increase/Decrease in Operating Profit (FY2026 Full Year Forecast)

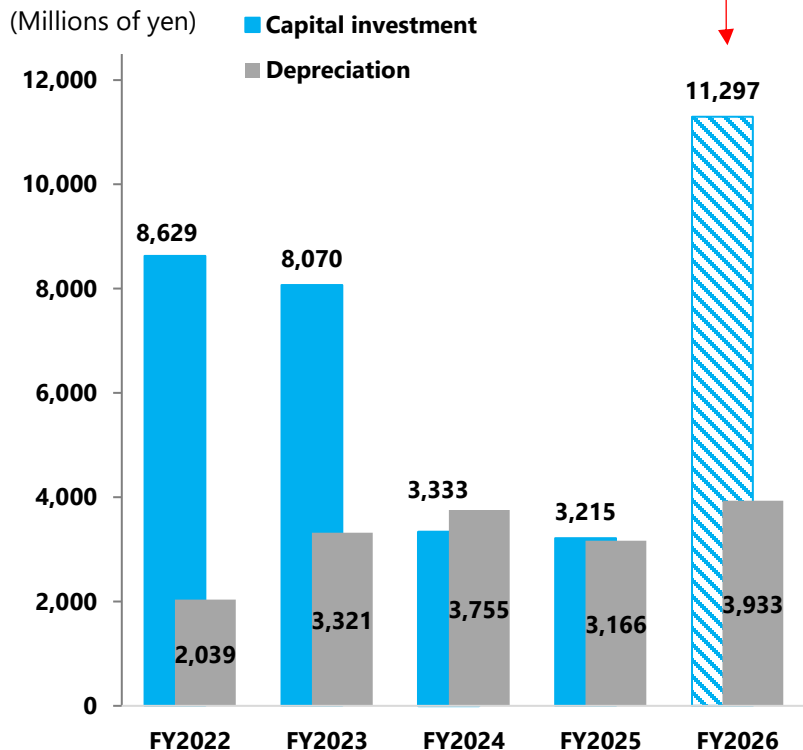


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Capital Investment Plan

◇ FY2026 Capital Investment Plan Breakdown

New Aoki Factory (Construction in Progress)	¥6.0 bn	Payment upon start of construction
Factories (Home Office, Aoki, Togura)	¥3.8 bn	Maintenance and renewal of jigs, molds, and equipment
Sales/Marketing	¥0.1 bn	Automated warehouse (Home Office Parts Center)
R&D	¥0.5 bn	Software enhancement for development
Digital Infrastructure (IT and DX)	¥0.7 bn	Cybersecurity enhancement
Others	¥0.1 bn	
Total	¥11.3 bn	



◇ FY2025 Capital Investment Breakdown

Home Office Parts Center	¥1.32 bn	Expenditures of ¥0.83 billion in the fiscal year ended Feb.2025
Factories (Home Office, Aoki, Togura)	¥0.93 bn	Maintenance and replacement of jigs, molds, and equipment, factory equipment expansion, production streamlining safety enhancement, work environment improvement, etc.
R&D	¥0.23 bn	Prototypes and others
Digital Infrastructure	¥0.42 bn	Subsidiary ERP, Parts inventory management system
Others	¥0.31 bn	
Total	¥3.21 bn	

FY2023

Aoki Factory
(approx. ¥11.0 bn)



FY2024

Ueda Employee Dormitory
(approx. ¥0.7 bn)



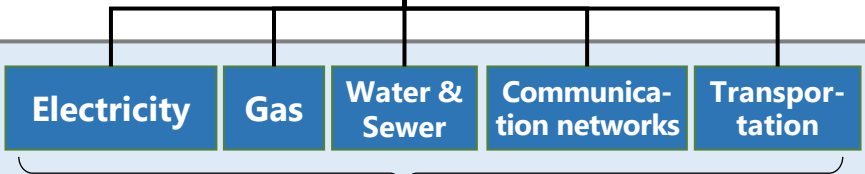
FY2025

Dev. and Training Center / Parts Center
(approx. ¥2.15 bn)



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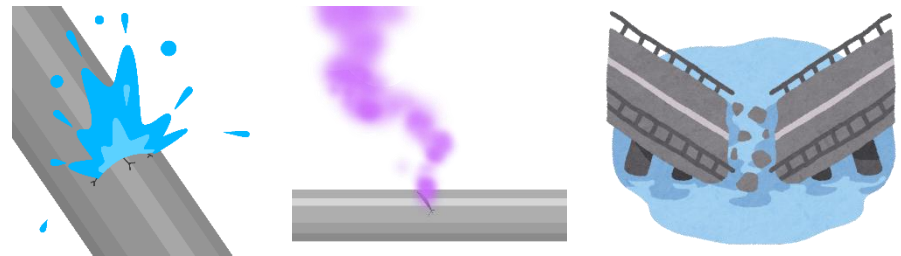
Medium- to Long-Term Outlook (Existing Solid Demand of Our Products)



Infrastructure is aging in many countries, and maintenance work is required.

Infrastructure (Lifelines)

- ✓ **US**
Infrastructure developed under the New Deal in the 1930s faced the aging problems in the 1980s. Infrastructure continues to deteriorate even during maintenance work, so ongoing renovations will remain essential in the future.
- ✓ **Europe**
With many historical towns, much of Europe is experiencing aging living infrastructure. Notably, there is a rapidly increasing need for water and sewer repairs, which have been financially neglected.



Our products are **an essential part of everyday life.**

Medium- to Long-Term Outlook (Expected Future Product Demand)

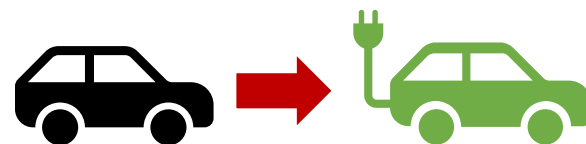
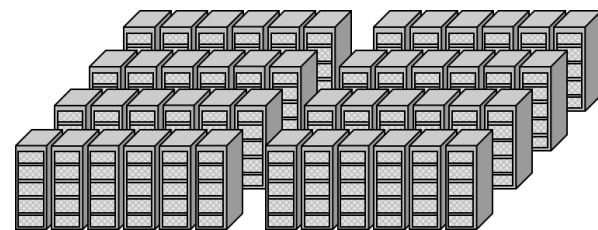
➤ Increase in electricity demand

- ✓ **Boom in data center construction due to the rapid development of AI**

The boom includes not only IT equipment (servers, storage, and network devices), but also air conditioning equipment to cool them, which consume large amounts of electricity.

- ✓ **Electrification of automobiles and construction machinery (low-carbonization)**

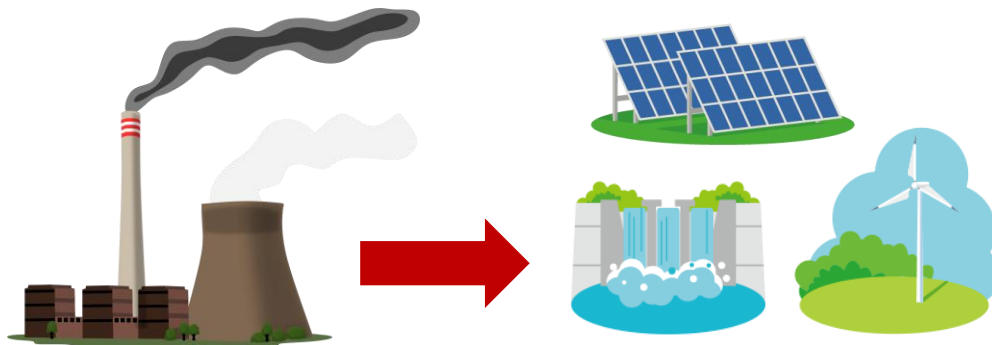
It is necessary to develop charging infrastructure and improve driving range and operating time.



➤ Green Transformation (GX)

(Social and economic transformation toward decarbonization)

- ✓ **Innovation of power generation infrastructure (from fossil fuel-derived energy to renewable energy)**



- 
- ✓ **Enhancement of power transmission infrastructure**
 - ✓ **Development of charging infrastructure**

New infrastructure construction demand
→ **Increase in product demand**

Fourth Medium-term Business Plan (FY2025 – FY2027)

Slogan and Basic Policy

Building Excellence

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

Numerical targets		FY2024	FY2025	FY2027	Cash allocation (FY2025 – FY2027)			
North America net sales ↳ Sales volume growth rate		¥120.0 bn	¥128.4 bn + 1.5%	¥178.4 bn + 60%	Growth investment Capital investment + Human capital investment		¥36.0 bn Initial Estimate: ¥ 45.8 bn	
	Europe net sales ↳ Sales volume growth rate	¥87.5 bn	¥89.4 bn + 1.5%	¥108.7 bn + 30%	Shareholder returns Total dividends over three years		¥36.5 bn Initial Estimate: ¥ 39.0 bn	
		Other regions net sales (Japan, Oceania, etc.)	¥5.5 bn	¥7.3bn	¥12.9 bn	Working capital Monthly sales		2.0 to 2.5 months
Consolidated net sales ↳ Sales volume growth rate		¥213.2 bn	¥225.2 bn + 2.4%	¥300.0 bn + 50%	Exchange rate	FY2024	FY2025	FY2027
Aftermarket parts sales		¥17.3 bn	¥18.5 bn	¥20.8 bn	JPY/USD	¥152.65	¥149.97	¥140.00
Operating profit ↳ ratio		¥37.1 bn 17.4%	¥37.6 bn 16.7%	¥52.0 bn 17.3%	JPY/GBP	¥194.85	¥200.58	¥177.00
Earnings per share (EPS)		¥552	¥611	¥800	JPY/EUR	¥163.74	¥169.63	¥147.00
ROE		16.6%	16.0%	17% or more	JPY/RMB	¥21.13	¥20.87	¥19.30

Management Issue and Key Measures

Management issues		Key measures	
Achieve consolidated net sales of 300 billion yen (increase sales volume by 50%)		<ul style="list-style-type: none"> ● Establish solid position in European and North American markets ● Expand sales in Oceania market ● Expand sales of aftermarket parts 	Sales
High quality	Thoroughly pursue the development, manufacturing and sales of the world's highest quality compact construction machinery	The Group's core competence	
	Strengthen foundation to increase management quality globally	<ul style="list-style-type: none"> ● Sustainability management (G) ● Growth investment 	
	Improve operational quality of employees	<ul style="list-style-type: none"> ● Expected return on human capital investment 	
High performance	Effective utilization of existing management resources and capital investment for the future	<ul style="list-style-type: none"> ● Reorganization of production models ● Construction of new track loader factory (New Aoki Factory) 	Production
	Markedly strengthen R&D capability and create new products	<ul style="list-style-type: none"> ● Control GHG emissions from construction machinery (E) ● Autonomous driving, remote operation, and industry-academia-government collaboration 	
	Increase return of profits to shareholders	<ul style="list-style-type: none"> ● Cash allocation ● Dividend policy and shareholder returns 	Capital Policy
High engagement	Promote human capital management → Improve wellbeing of employees	<ul style="list-style-type: none"> ● Sharing of Purpose, Values and Mission ● Provide learning opportunities ● Promote health & productivity management and work-life balance 	
	Strengthen collaboration with the value chain	<ul style="list-style-type: none"> ● Sustainability management (S) 	
	Proactive and honest dialogue with investors	<ul style="list-style-type: none"> ● Sustainability management (S) 	

Sales Expansion in North America

1. Expand dealer network

As of December 31, 2024: 280 locations → In 2027: 360 locations

└ As of December 31, 2025: **307 locations** (expanding as planned)

One of our new US dealers

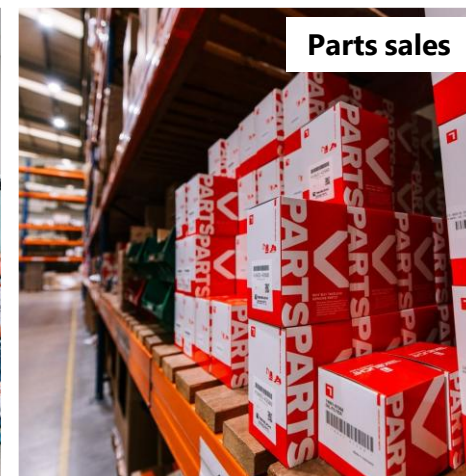
- Name** McClung-Logan Equipment Company, Inc.
- Overview** Operates 10 locations in Maryland, Delaware, and Virginia



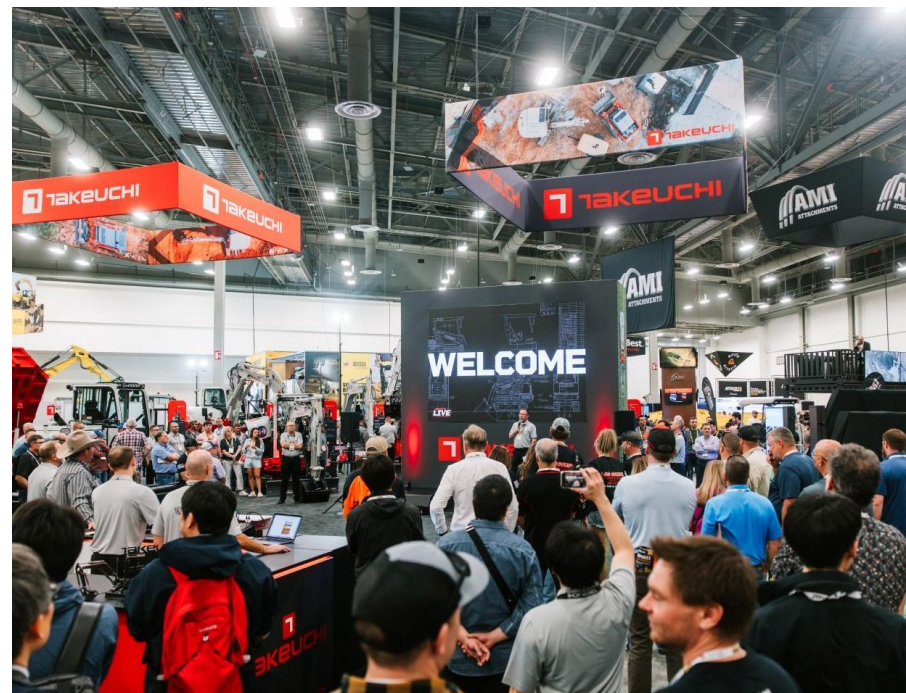
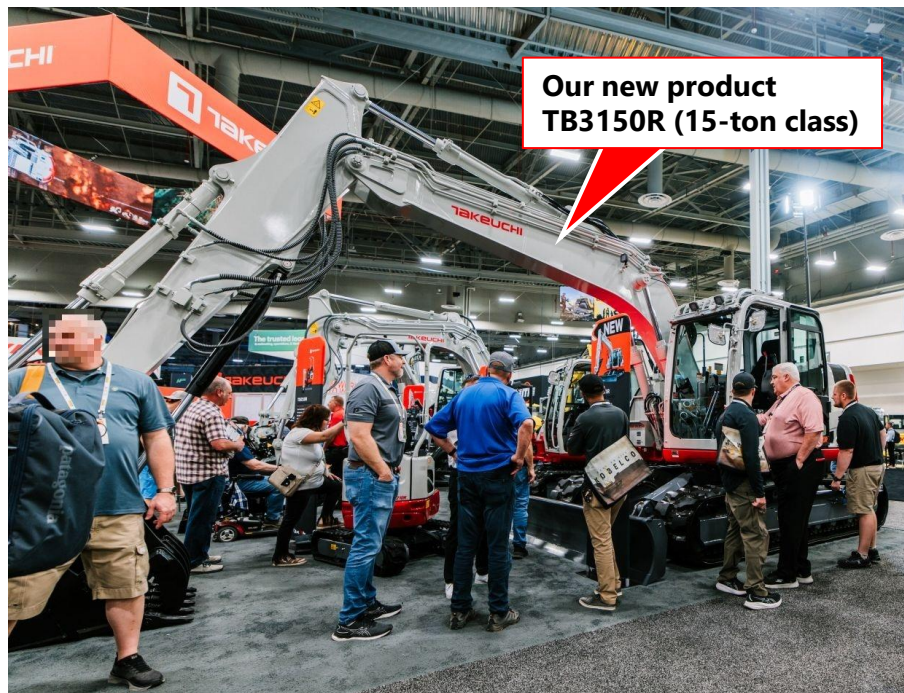
Sales Expansion in North America

- (1) Sales training and service training
- (2) Promote the expansion of parts sales
- (3) Held Takeuchi US Dealer Summit 2026 at ConExpo 2026 booth
 - ↳ Recognized best dealers of FY2025 and shared sales targets for FY2026

2. Strengthen collaboration with current and new dealers



Trade Show ConExpo 2026 (Las Vegas, March 3 to 7, 2026)



ConExpo 2026

Customer / Dealer Sentiment

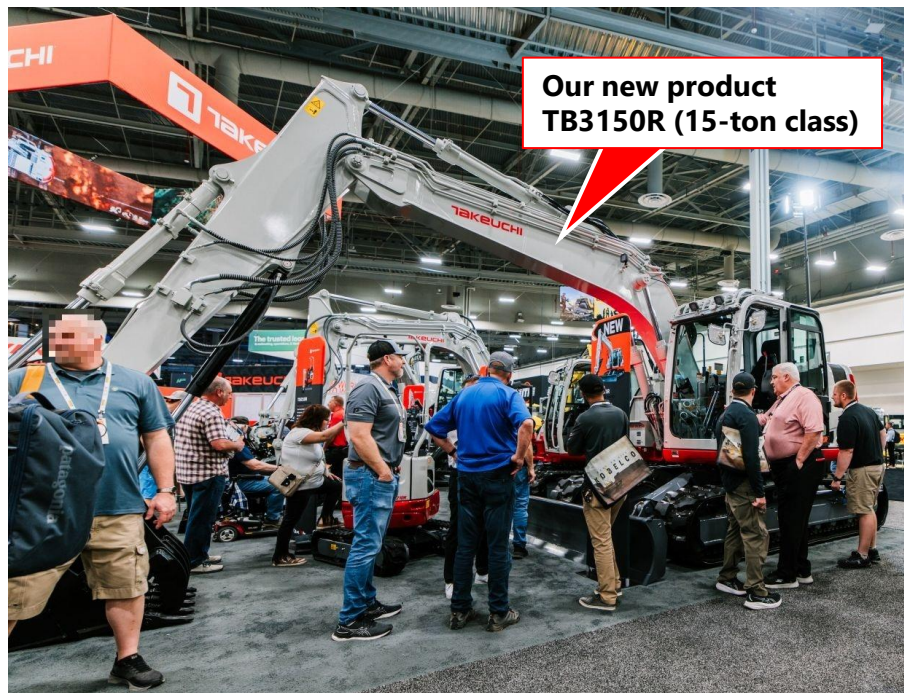
Report from Takeuchi US

There is generally a positive sentiment from both customers and dealers about the outlook for 2026. This is driven primarily by the significant investment in data center and AI infrastructure build out as well as the investment in public infrastructure jobs funded by the Infrastructure Investment and Jobs Act which includes road, bridge and water systems projects through 2026. Our machines will be used on many of these jobsites creating especially strong demand for Compact Track Loaders.

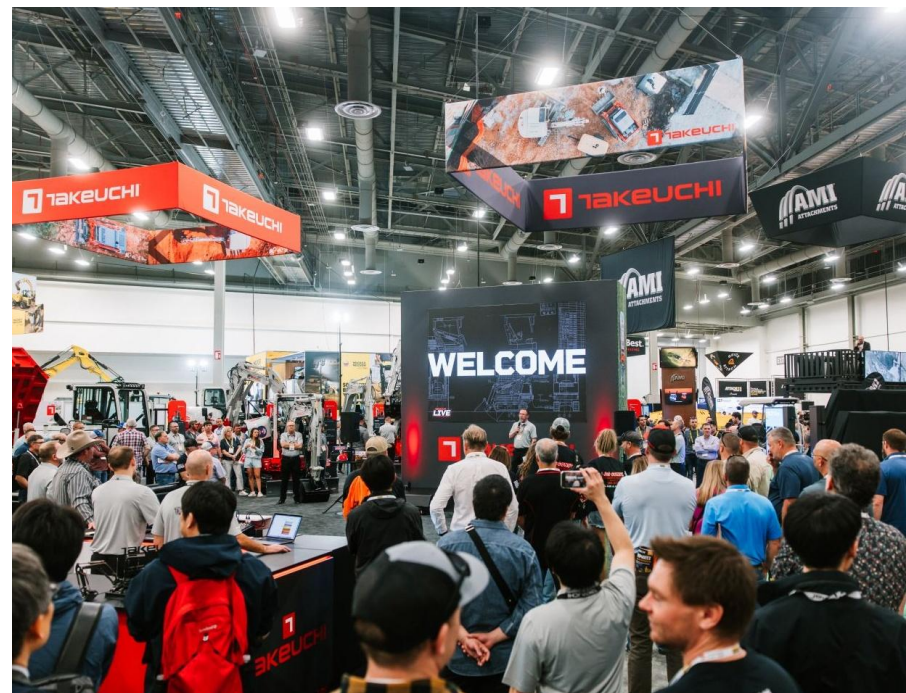
We have seen improved stability in the general economy while recent geo-political events could change this. Overall, customers feel more confident about making machine purchases than they did a year ago.

The other part of the industry that is strong is the equipment rental business. We continue to see good rental equipment utilization which supports continued fleet growth and replacing aging fleets.

Trade Show ConExpo 2026 (Las Vegas, March 3 to 7, 2026)



Our new product
TB3150R (15-ton class)



ConExpo 2026

Customer / Dealer Sentiment

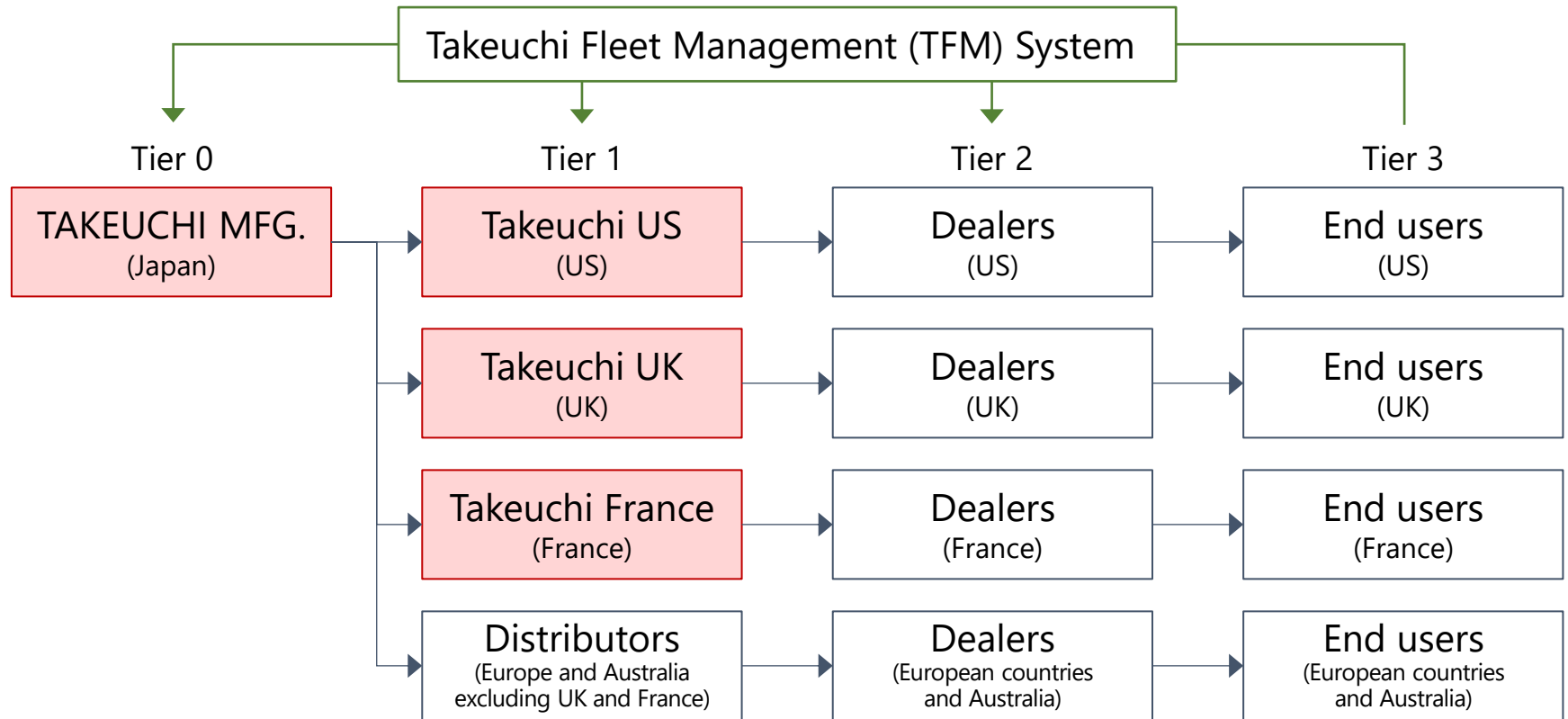
Japanese translation of the report from Takeuchi US

2026年の見通しに関して、顧客とディーラー双方から概ね好意的な見解が寄せられています。これは主に、データセンターおよびAIインフラ構築への大規模な投資と、インフラ投資雇用法により資金提供される公共インフラへの投資が背景にあります。これらのプロジェクトは、道路、橋、水システムプロジェクトを含み、2026年まで継続されます。当社の機械は、これらの多くの現場で使用されるため、特にクローラーローダーの需要が非常に高まっています。

地政学的な最近の出来事によって変化する可能性はあるものの、私たちは一般経済の安定性が改善したことを確認しています。全体として、顧客は1年前よりも機械の購入に対して自信を持っていると感じています。

業界のもう一つの好調な部分は、機器レンタル事業です。私たちは引き続き良好なレンタル機器の稼働率を確認しており、これは継続的なフリートの成長と老朽化したフリートの交換を支えています。

Same Initiatives as North America, in Europe and Australia



- (1) Subsidiary meetings and distributor meetings
- (2) TAKEUCHI MFG., our subsidiaries, and distributors gather for new product evaluations

- (1) Expansion and updating of dealer network
- (2) Sales training and service training
- (3) Promote the expansion of parts sales
- (4) Dealer conference

Expansion of the Home Office Parts Center

3F Dedicated floor for the development team

Offer an environment that maximizes ideas and promote creative product development

2F Meeting and training spaces

Increase learning opportunities for employee growth and the sustainable growth of the company

1F Aftermarket parts shipment space

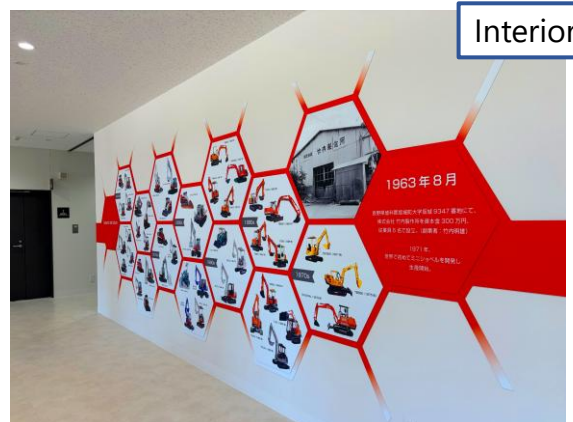
Provide a faster and more efficient supply system to expand aftermarket parts sales

1. **Investment amount** 2.15 billion yen

2. **Completion** February 2026

3. **Overview of building**

Name Development and Training Center / Parts Center
Address 205 Uwadaira, Sakaki-machi, Hanishina-gun, Nagano Japan
(built at the Home Office Factory site next to the existing Home Office Parts Center)
Building footprint approx. 1,200 m² / total floor area: approx. 3,000 m² (steel-frame/3 floors)

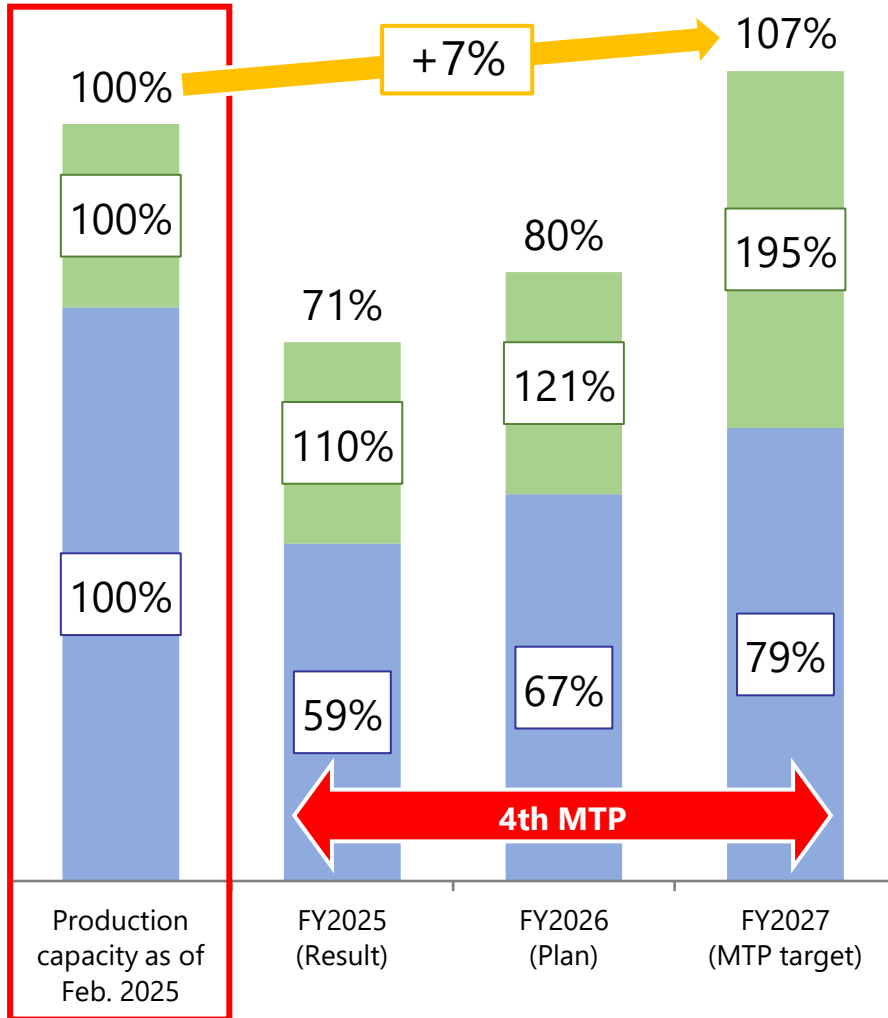


Reorganization of Production Models

Fourth Medium-term Business Plan (MTP)

※ Production plans for each fiscal year, with production capacity as of February 2025 set as 100%

■ Track loaders
■ Excavators (compact+hydraulic)



Key measures

(1) Reorganization of Production Models (Allocate 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. Expected to start operations around February 2029

Current situation:

Sales and orders are on the path to recovery, and there is excess capacity in production.

There are no changes to our medium- to long-term business strategy, amid challenging and uncertain business conditions stemming from US tariffs, the situation in the Middle East, and other factors.

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

New Track Loader Factory (next to Aoki Factory) → Postponed by approx. one year

Production capacity: 30% up

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

Total investment: 18.0 billion yen

Total of land, building and production equipment (estimate)

Overview of New Factory

Production models: Track loaders

- Building footprint: 19,000m²
- Floor area: 24,000m² (two stories)
- Land area: 22,600m² (factory site)
5,400m² (parking lot site)

Timeline

	Revised Plan	Initial Plan
Site preparation	September 2026	February 2026
Start of factory construction	February 2027	August 2026
Completion	August 2028	July 2027
Equipment installation	January 2029	December 2027
Start of operations	around February 2029	around January 2028

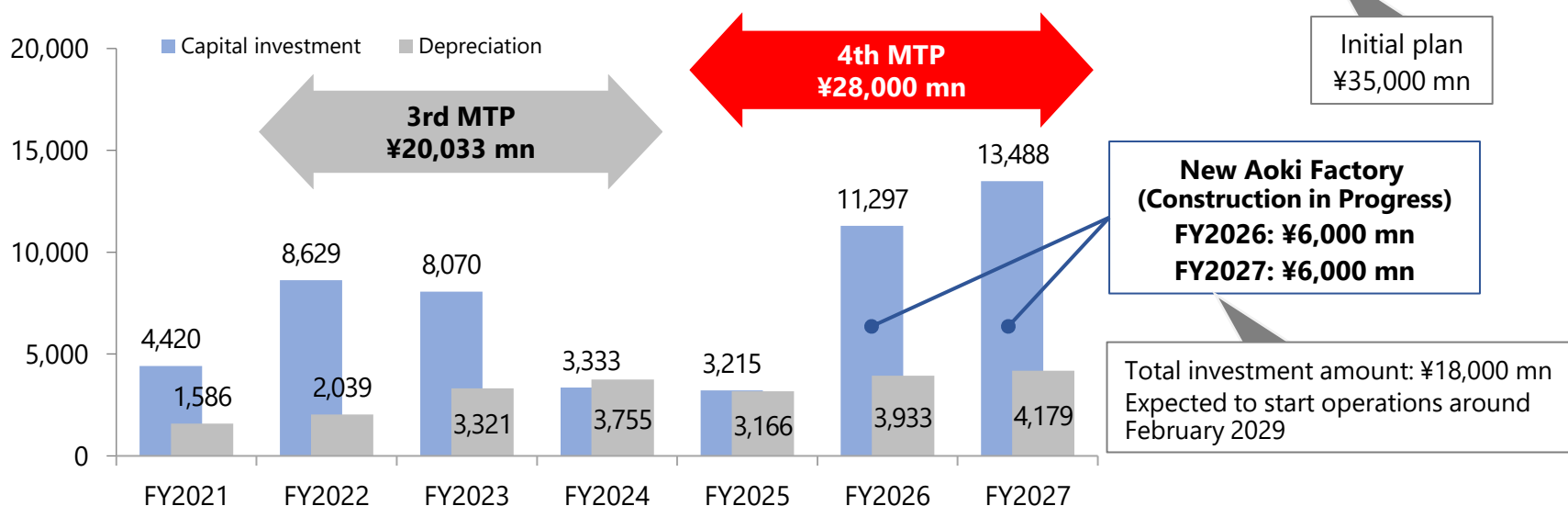


Cash Allocation

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

Growth Investment (Capital Investment and IT Investment)

(Millions of yen)	Fourth Medium-term Business Plan			
	FY2025	FY2026	FY2027	Total
New Aoki Factory	—	6,000	6,000	12,000
Production (including maintenance and replacement of jigs, molds, and equipment)	934	3,841	3,225	8,000
Sales & Marketing	1,324	125	151	1,600
R&D	228	484	2,788	3,500
Digital infrastructure (IT & DX)	422	712	366	1,500
Human capital (employee dormitory, etc.)	—	—	600	600
Others	307	135	358	800
Total	3,215	11,297	13,488	28,000

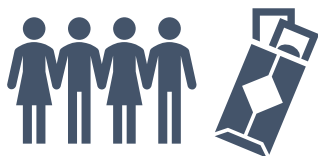


Growth Investment (Human Capital Investment)

Basic Policy

- ✓ Human capital is the source of our corporate competitiveness, and investing in people **is an investment in our future**
- ✓ **Promote wellbeing management**

Increase headcount and wages



Strengthen engagement
Conduct engagement survey



Upskilling



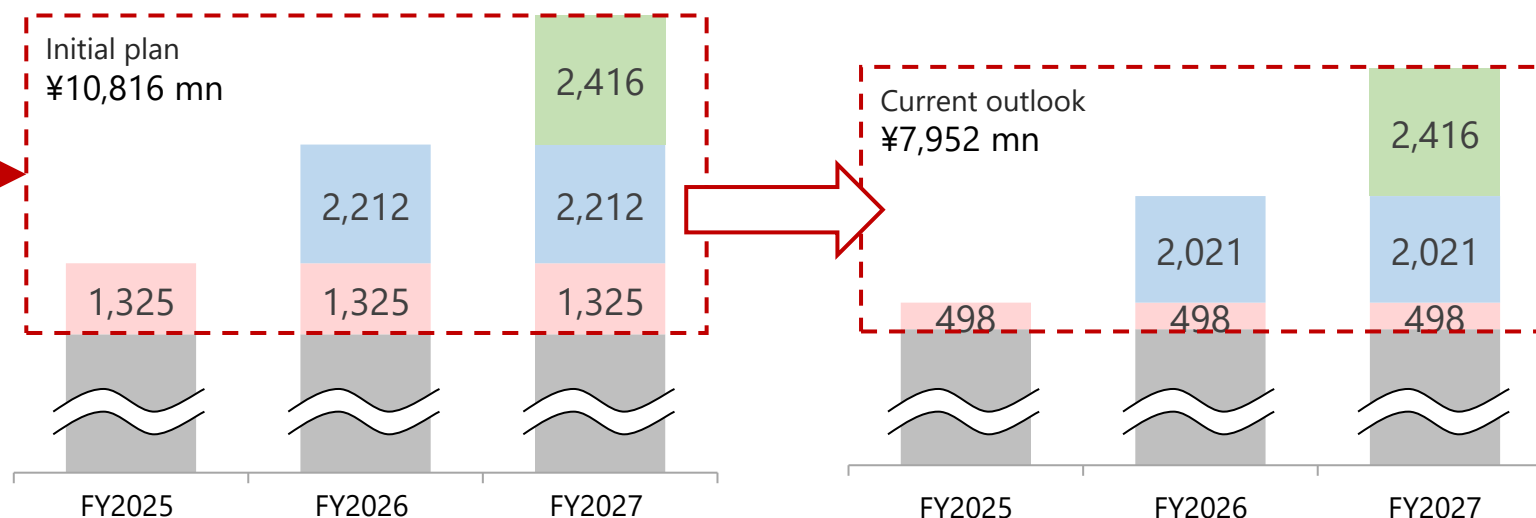
Demonstrate skills



Work-life balance



Provide a workplace where employees are healthy and motivated → New value creation



Cash Allocation

Three-year Cumulative Total (FY2025 to FY2027)

Use of borrowings
as needed

Growth investment
¥36.0 bn
(Initial estimate:
¥45.8 bn)

	Revised plan	Initial plan
Production (includes new Aoki Factory)	¥20.0 bn	¥26.0 bn
Sales & Marketing	¥1.6 bn	¥1.6 bn
R&D	¥3.5 bn	¥3.5 bn
Digital infrastructure (IT & DX)	¥1.5 bn	¥1.0 bn
Human capital (employee dormitory, etc.)	¥0.6 bn	¥0.2 bn
Human capital (for increasing headcount and wages)	¥8.0 bn	¥10.8 bn
Others	¥0.8 bn	¥2.7 bn

	Initial plan
Production (includes new Aoki Factory)	¥26.0 bn
Sales & Marketing	¥1.6 bn
R&D	¥3.5 bn
Digital infrastructure (IT & DX)	¥1.0 bn
Human capital (employee dormitory, etc.)	¥0.2 bn
Human capital (for increasing headcount and wages)	¥10.8 bn
Others	¥2.7 bn

Operating CF

Dividend
¥36.5 bn
(Initial estimate:
¥39.0 bn)

Consolidated dividend payout ratio
Raise gradually, targeting 40%

Share buyback

Implement flexibly
(Comprehensively consider factors such as stock price level, capital efficiency, and cash flow)

Cash on hand
at the end of Feb. 2026
¥57.1 bn
2.8 months of sales

Working capital
2.0 to 2.5
months of sales

- ✓ No change in policy for growth investment and shareholder returns
- ✓ If there is a shortfall in operating CF, utilize borrowings.
→ **Use of financial leverage**

Equity Cost and ROE (Long-term View)

➤ We recognize our cost of equity as 10%

- (1) Survey method: Conducted interviews with institutional investors, and most responded "around 10%"
- (2) CAPM method: Risk free rate 2.0% + beta value 1.5 x Market risk premium 6% ≈ 11%
- (3) Earnings yield method (inverse P/E ratio): P/E ratio = trending from 9x to 11x → Therefore, 1/9 ≈ 11%, 1/11 ≈ 9%

➤ Long-term range of ROE

	End of FY2024	End of FY2025	End of FY2027
ROE (A x B x C) Net profit / Net assets Net assets represent average of beginning and year-end amounts	16.6% ¥26.1 bn / ¥157.3 bn	16.0% ¥28.2 bn / ¥176.9 bn	17% or higher

A. Net profit ratio Net profit / Net sales	12.2% ¥26.1 bn / ¥213.2 bn	12.5% ¥28.2 bn / ¥225.2 bn	12.3% ¥37.0 bn / ¥300.0 bn
B. Asset turnover Net sales / Total assets Total assets represent average of beginning and year-end amounts	1.03x ¥213.2 bn / ¥207.9 bn	1.02x ¥225.2 bn / ¥221.4 bn	1.10x
C. Financial leverage Total assets / Net assets Both represent average of beginning and year-end amounts	1.32x ¥207.9 bn / ¥157.3 bn	1.25x ¥221.4 bn / ¥176.9 bn	1.30x Equity ratio Around 77%

Long-term range	
15-18%	Consistently and stably maintain ROE at a level above the cost of equity.
10-12%	Reference: Net profit ratio for FY2027 based on the following rates. USD = ¥130, GBP = ¥164, EUR = ¥141 → 10.6% USD = ¥140, GBP = ¥177, EUR = ¥147 → 12.3%
1.10x or more	<ul style="list-style-type: none"> ● Cash and deposits: around 2 to 2.5 months of sales ● Inventory assets turnover: around 5 months
1.30x or more	<ul style="list-style-type: none"> ● Equity ratio maintained at the same level ● Agile share buybacks ● Use of borrowings as necessary

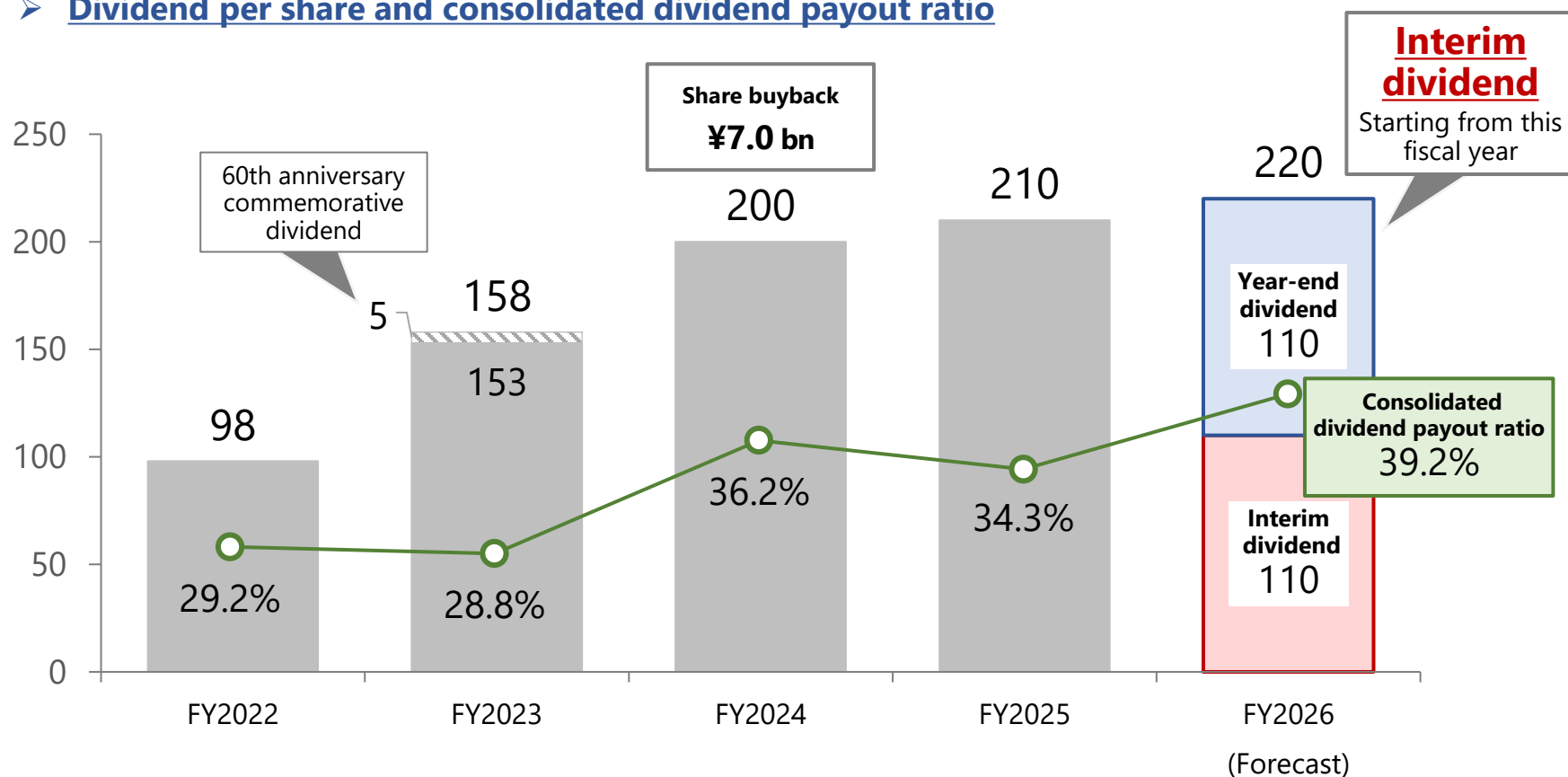
Shareholder Return and Dividend Payout Ratio

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 Consolidated Results**
- ▶ **FY2026 Consolidated Forecast**
- ▶ **Fourth Medium-term Business Plan Progress Update**
- ▶ **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 February 28, 2026)	
Sales (Consolidated)	225,284 million yen (FY2025)	
Employees (Consolidated)	1,366 (As of February 28, 2026)	
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 the bucket



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

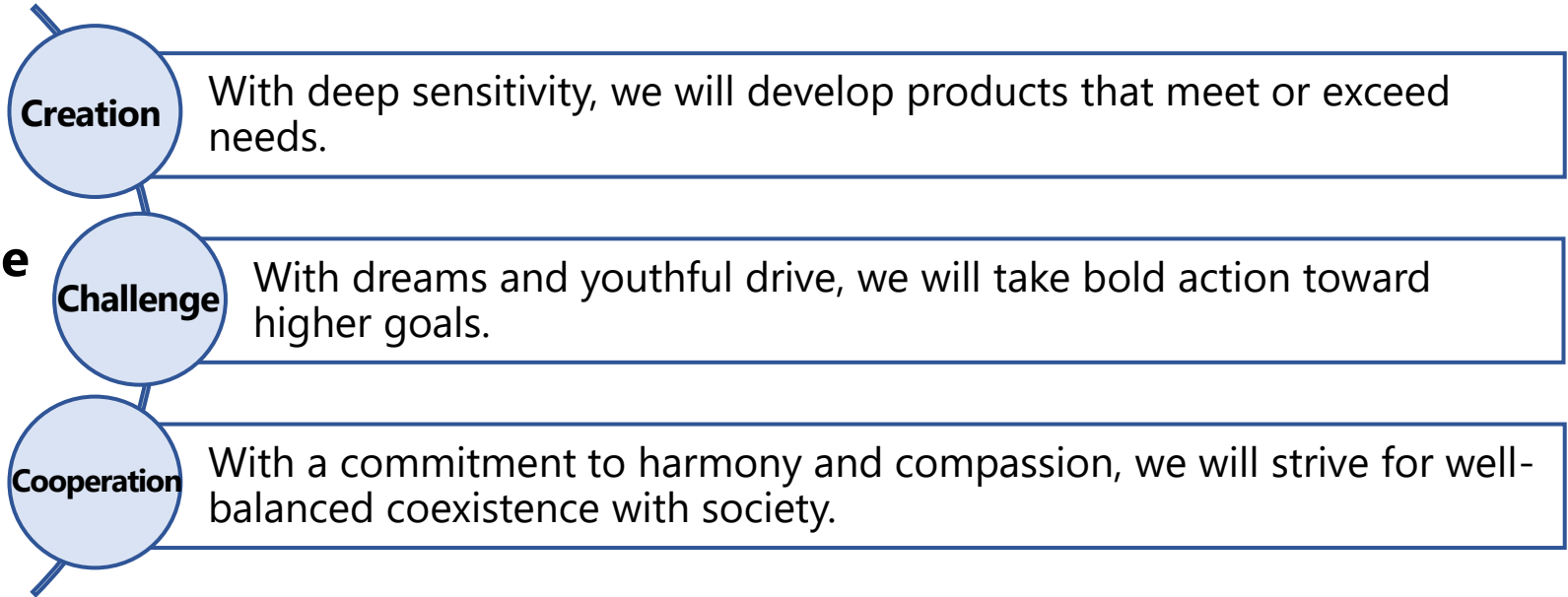
➤ **As our Group grows, we share the fruitful outcome with our stakeholders (key measures focus on S of ESG)**

- ✓ 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.

Business Performances

(Millions of yen)	FY2021	FY2022	FY2023	FY2024	FY2025	Forecast	
						FY2026	Change
Japan	2,832	2,036	2,109	1,878	1,376	1,260	(116)
North America	68,706	98,506	115,164	120,064	128,483	136,100	+7,616
Europe	65,749	73,906	89,448	87,578	89,487	98,940	+9,452
Asia/Oceania	2,563	3,081	3,934	2,845	4,041	6,390	+2,348
Others	1,039	1,435	1,969	863	1,896	1,310	(586)
Net sales	140,892	178,966	212,627	213,230	225,284	244,000	+18,715
Operating profit	17,764	21,221	35,296	37,142	37,687	37,300	(387)
Ordinary profit	18,080	21,379	35,455	35,608	39,187	36,500	(2,687)
Profit attributable to owners of parent	13,348	15,979	26,149	26,113	28,270	25,900	(2,370)
Earnings per share (yen)	279.91	335.19	548.58	552.45	611.92	560.69	(51.23)
Dividends per share (yen)	68.00	98.00	158.00	200.00	210.00	220.00	+10.00
JPY/USD ¹ (yen)	111.72	133.12	143.25	152.65	149.97	147.00	(2.97)
JPY/GBP ¹ (yen)	153.06	162.58	177.55	194.85	200.58	200.00	(0.58)
JPY/EUR ¹ (yen)	130.57	139.81	155.05	163.74	169.63	174.00	+4.37
JPY/RMB ¹ (yen)	17.12	19.49	19.87	21.13	20.87	21.20	+0.33

Net assets	104,083	121,802	147,625	167,000	186,935
Total assets	137,201	158,785	198,153	217,718	225,133
Equity ratio	75.9%	76.7%	74.5%	76.7%	83.0%
ROE ²	13.8%	14.1%	19.4%	16.6%	16.0%
ROA ³	14.3%	14.4%	19.9%	17.1%	17.7%

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

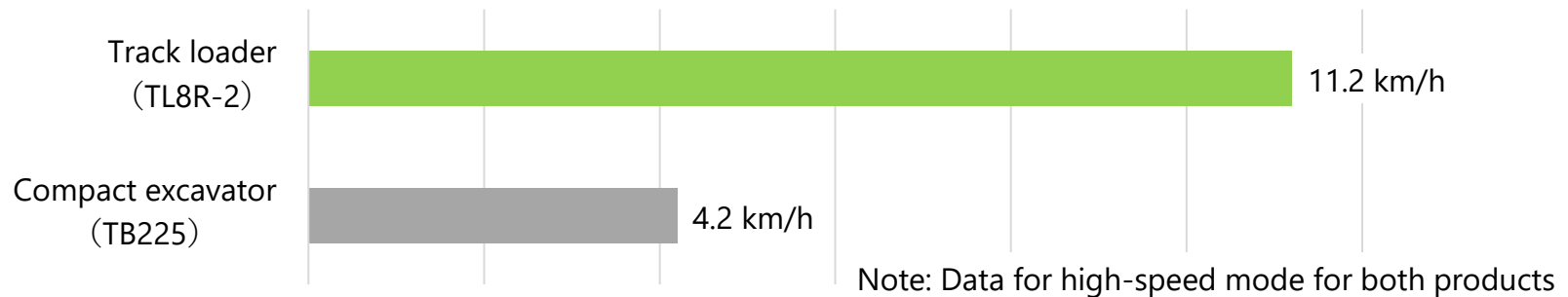
*2 ROE (Return on Equity) = Net profit / Net assets × 100 (Net assets are the average of the beginning and the end of the period)

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

Track loaders excel at transporting earth and leveling land

- ✓ Takeuchi developed and began producing the world's first track loader in September 1986

1. Faster than compact and hydraulic excavators



2. Primarily popular in the U.S. (gradually growing in Europe as well, even though the volume is still small)

Expansive U.S. construction sites increase efficiency using specialized construction machinery.

- ✓ Excavation
 - Compact and hydraulic excavators
- ✓ Transporting earth and leveling land
 - Fast-moving track loaders are more efficient

Track Loader Features

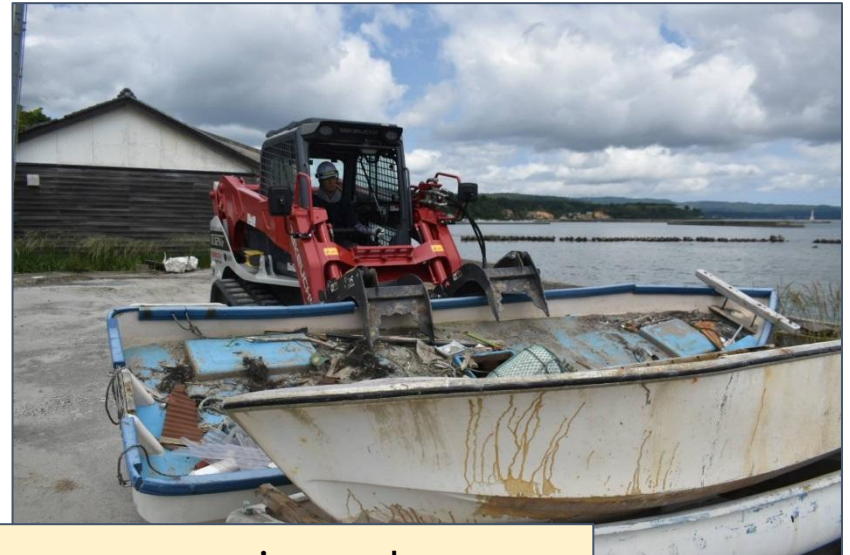
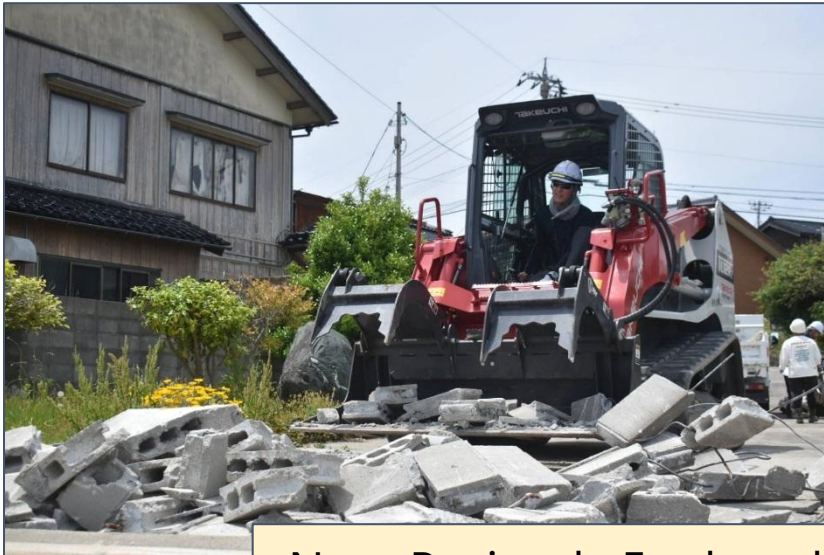
3. Various operations are possible by changing the attachment

→ Capable of multiple uses ranging from construction and agriculture to forestry and landscaping



Track Loader Features

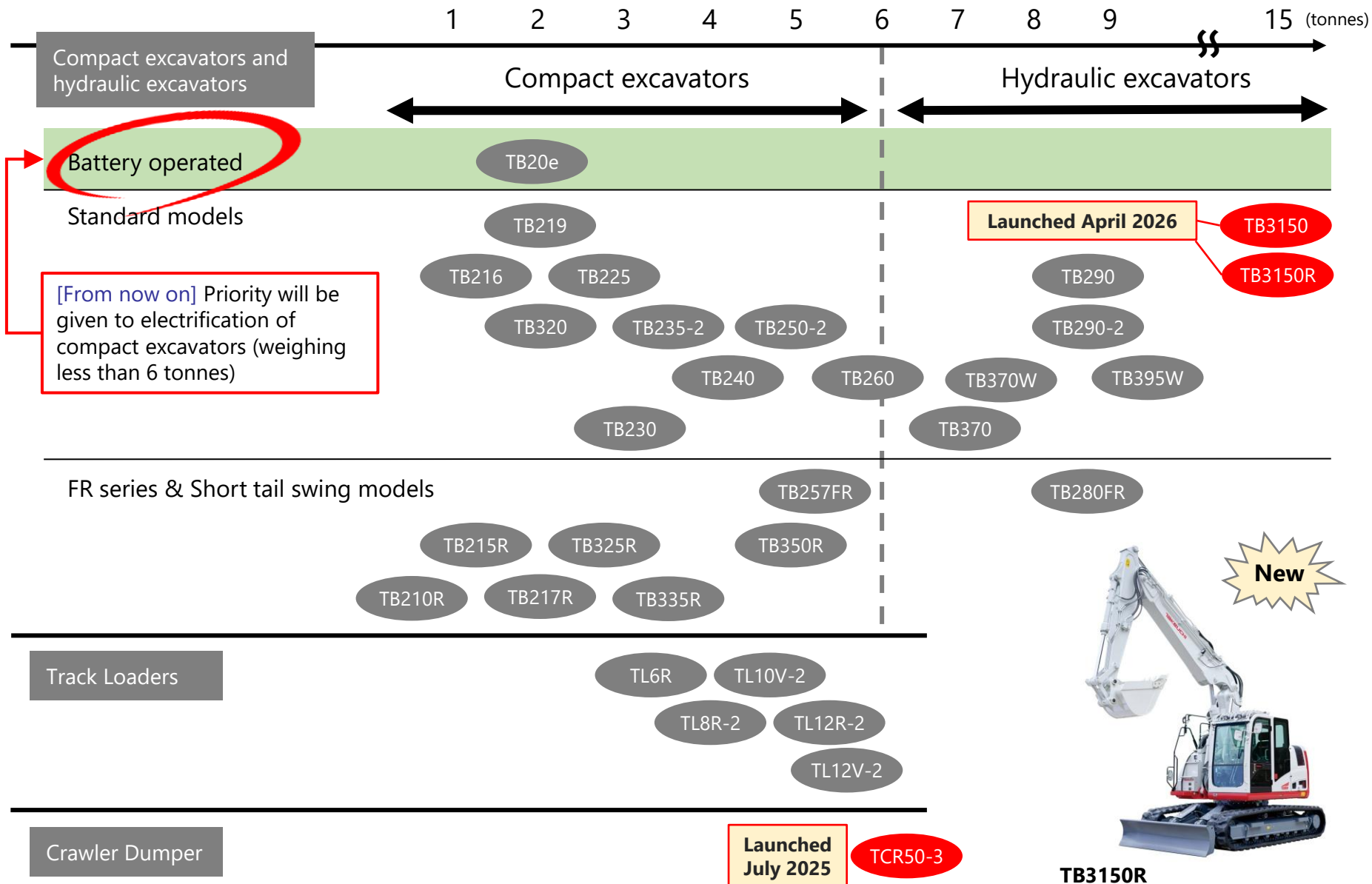
4. Also useful for post-disaster reconstruction such as debris removal



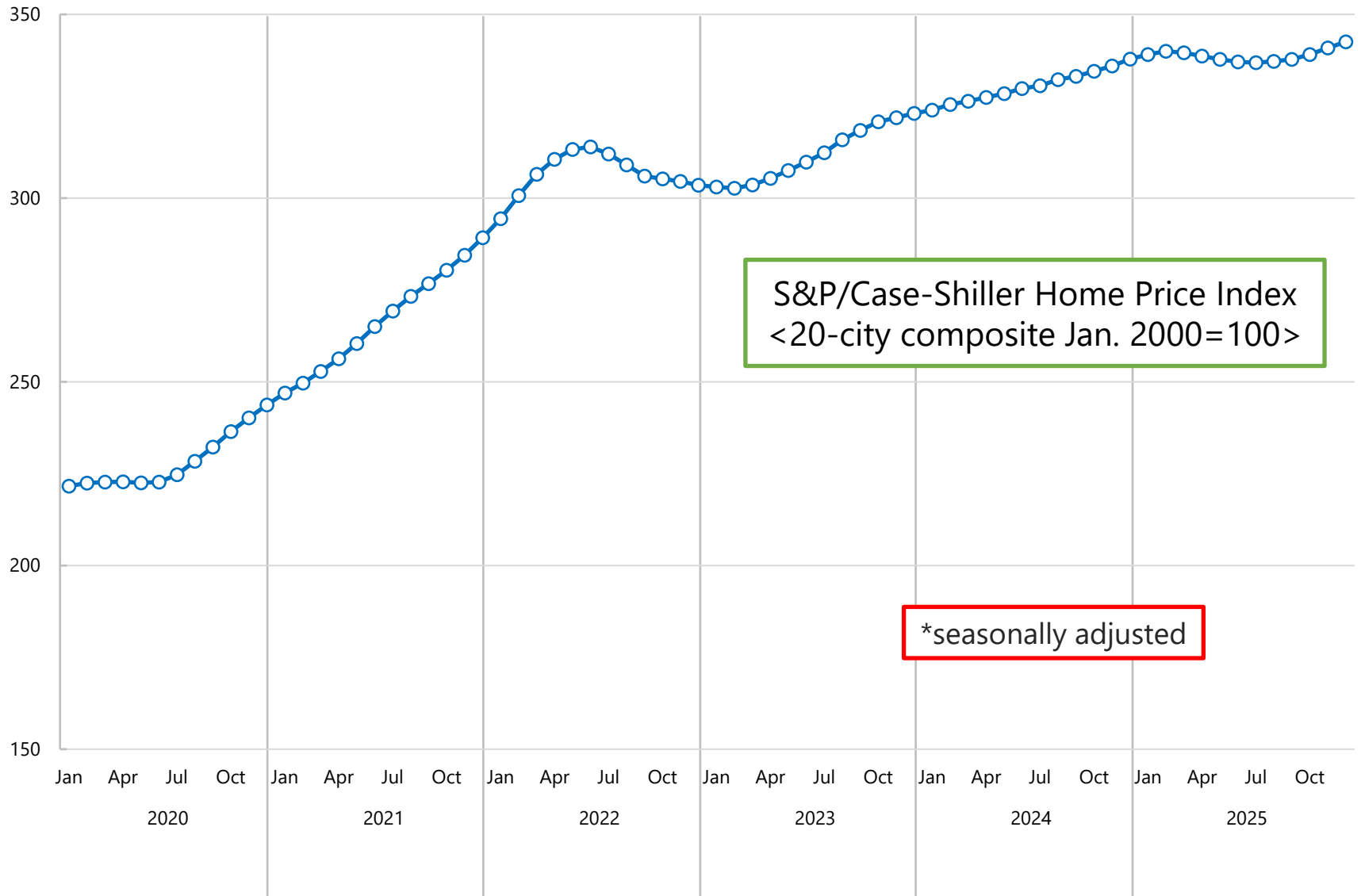
Noto Peninsula Earthquake reconstruction volunteers



Product Lineup



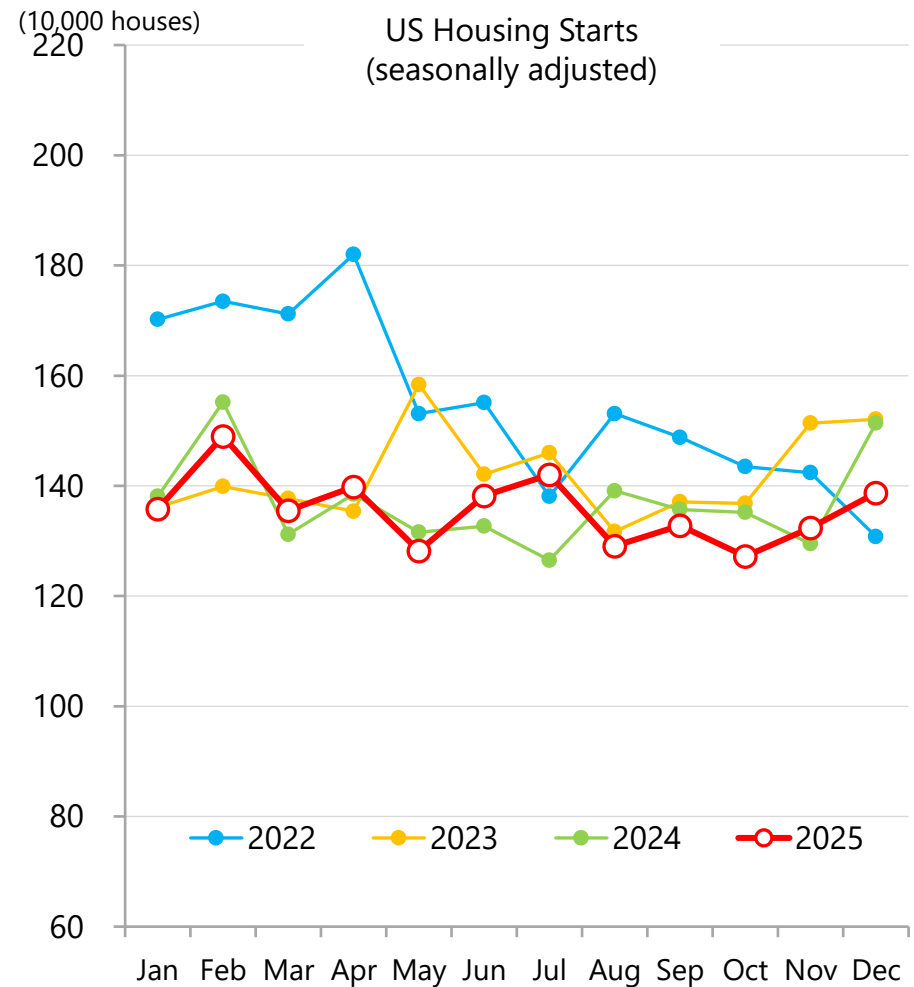
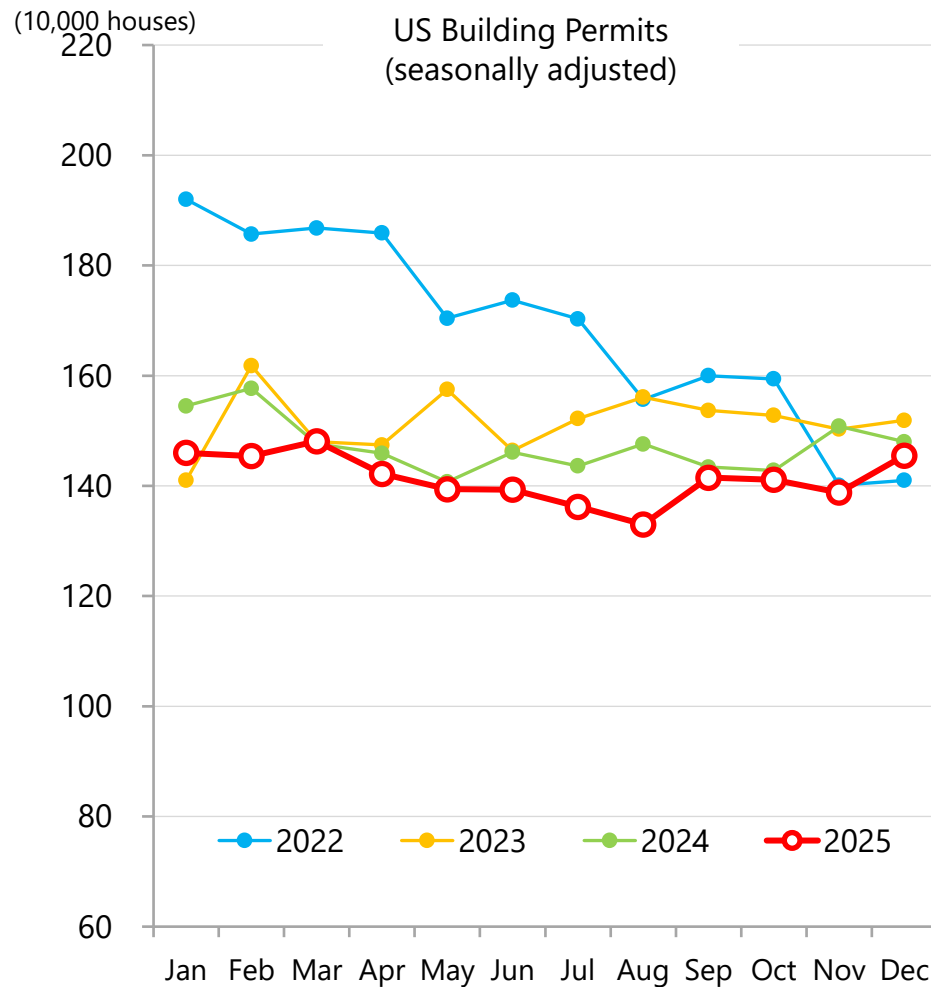
Market Outlook



(source) S&P

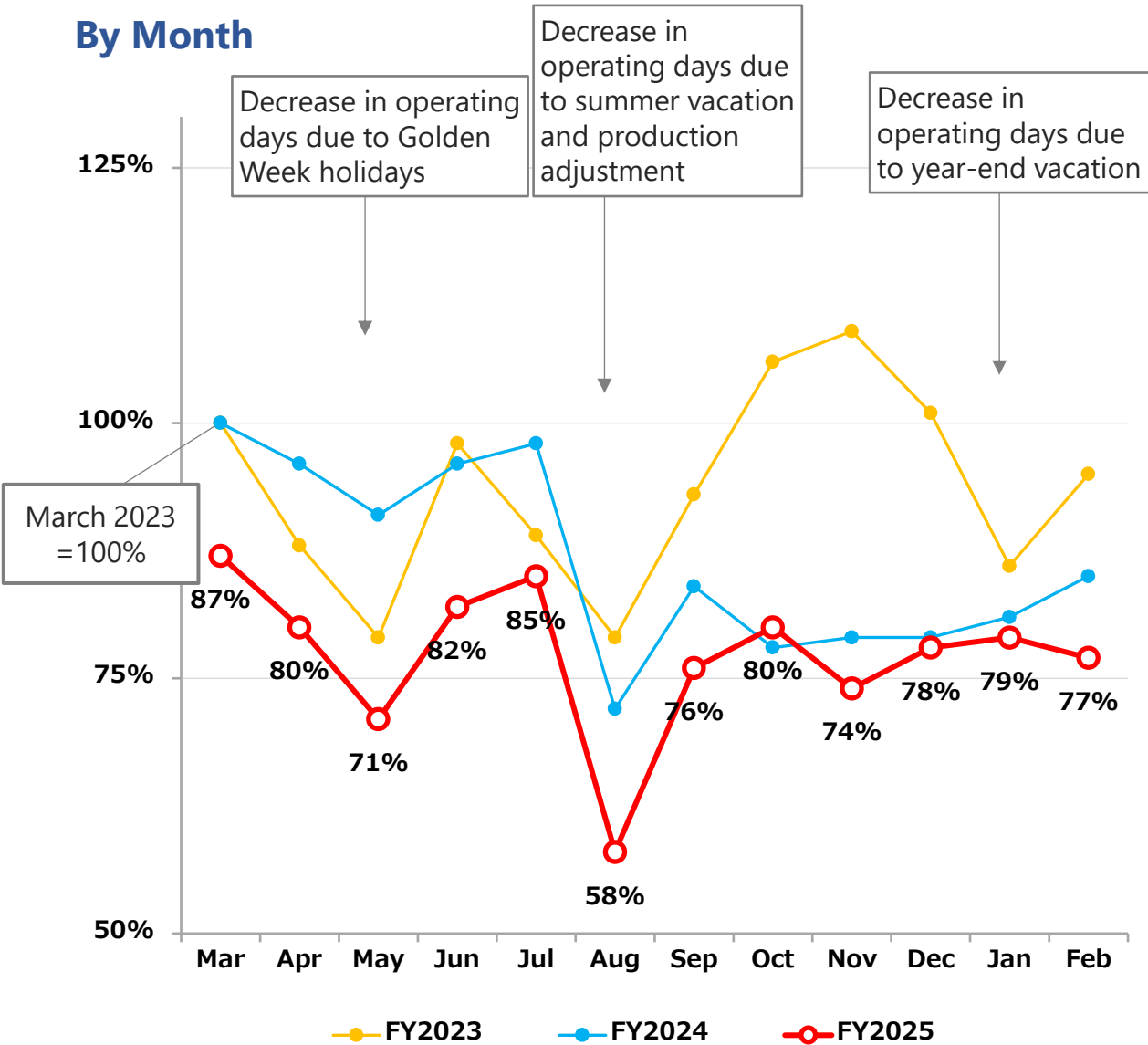
Market Outlook

- From 1H of 2022, it slowed down due to interest rate hikes in the US, but **remained at a historically high level.**
- Since 2025, mortgage rates have been trending downward, but housing prices have remained high.
- While there is strong demand for new homes, **home purchases are showing signs of slowing down.**

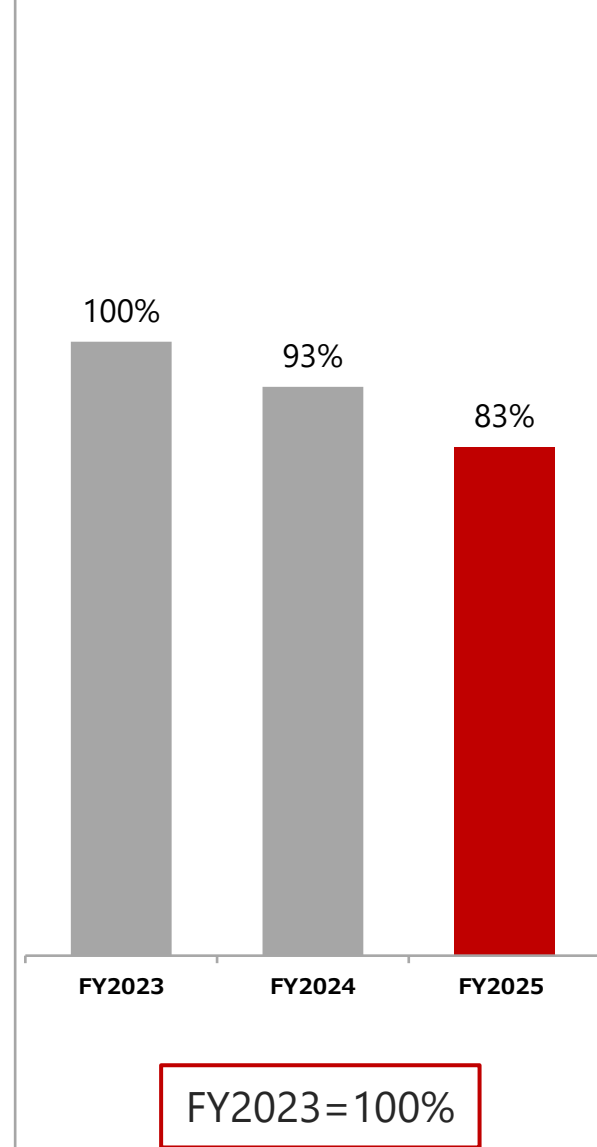


Production Volume Trends

By Month



By Fiscal Year



TAKEUCHI MFG. CO., LTD.

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Business Management Dept.

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E-mail: ir@takeuchi-mfg.com

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®