June 12, 2026

Company name: Takasago Thermal Engineering Co., Ltd.
Name of representative: Kazuhito Kojima,
President and Representative Director
(Securities code: 1969; Tokyo Market)
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(Corrections) Notice Concerning correction of certain items in the "Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Under Japanese GAAP)"

Takasago Thermal Engineering Co., Ltd. (the "Company") hereby announces corrections of certain items in the "Consolidated Financial Results for the Fiscal Year Ended March 31, 2026(Under Japanese GAAP)", which was released on May 12, 2026.

1. Reason for correction

   During the preparation of the Annual Securities Report, it was identified that there were errors in the aggregated figures in the consolidated statement of cash flows included in the financial results summary. The details of the corrections are as follows.

2. Details of correction (The correction is indicated with underline.)

   (1) Summary Information Page 2

   (Before correction)

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the period
Fiscal year ended	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
March 31, 2026	<u>29,284</u>	<u>(11,400)</u>	(16,956)	42,537
March 31, 2025	5,885	(1,405)	(12,713)	41,364

   (After correction)

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the period
Fiscal year ended	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
March 31, 2026	<u>29,725</u>	<u>(11,840)</u>	(16,956)	42,537
March 31, 2025	5,885	(1,405)	(12,713)	41,364

(2) Attached Materials Page 7 and 8

(Before correction) Attached Materials Page 7

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	37,508	52,826
Depreciation	3,074	3,444
Amortization of goodwill	218	314
Increase (decrease) in allowance for doubtful accounts	64	922
Increase (decrease) in provision for warranties for completed construction	(174)	854
Increase (decrease) in provision for loss on construction contracts	78	(239)
Increase (decrease) in provision for bonuses	1,131	293
Increase (decrease) in provision for bonuses for directors (and other officers)	15	41
Increase (decrease) in provision for dismantling and removal	(310)	–
Decrease (increase) in retirement benefit asset	(426)	(532)
Increase (decrease) in retirement benefit liability	89	596
Increase (decrease) in provision for share awards	807	268
Interest and dividend income	(1,475)	(1,607)
Interest expenses	269	423
Share of loss (profit) of entities accounted for using equity method	(400)	(821)
Foreign exchange losses (gains)	90	(85)
Loss (gain) on sale of investment securities	(2,712)	(786)
Loss (gain) on valuation of investment securities	143	112
Loss (gain) on sale of non-current assets	2	(1,508)
Decrease (increase) in trade receivables	238	(14,697)
Decrease (increase) in costs on construction contracts in progress	122	(329)
Increase (decrease) in trade payables	(28,610)	1,158
Increase (decrease) in advances received on construction contracts in progress	8,038	(3,159)
Increase (decrease) in accrued expenses	(336)	936
Increase (decrease) in accrued consumption taxes	(691)	2,467
Decrease (increase) in consumption taxes refund receivable	(445)	(763)
Other, net	(2,075)	1,868
Subtotal	14,233	41,999
Interest and dividends received	1,506	1,644
Interest paid	(286)	(420)
Income taxes paid	(10,150)	(14,421)
Income taxes refund	582	482
Net cash provided by (used in) operating activities	5,885	29,284

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from investing activities		
Payments into time deposits	(11,905)	(9,108)
Proceeds from withdrawal of time deposits	10,467	10,155
Purchase of property, plant and equipment and intangible assets	(4,337)	(5,066)
Proceeds from sale of property, plant and equipment and intangible assets	–	3,195
Purchase of investment securities	(7)	(8,508)
Proceeds from sale of investment securities	4,354	1,011
Purchase of shares of subsidiaries and associates	(32)	(925)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	–	(1,855)
Payments of guarantee deposits	(236)	(255)
Proceeds from refund of guarantee deposits	263	108
Proceeds from collection of loans receivable	105	34
Purchase of insurance funds	(22)	(22)
Proceeds from maturity of insurance funds	232	426
Other payments	(352)	(757)
Other proceeds	66	167
Net cash provided by (used in) investing activities	(1,405)	(11,400)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	3,427	9,124
Redemption of bonds	(5,000)	(5,000)
Repayments of lease liabilities	(511)	(544)
Purchase of treasury shares	(1,939)	(8,209)
Proceeds from sale of treasury shares	1,934	207
Dividends paid	(10,508)	(12,634)
Dividends paid to non-controlling interests	(45)	(5)
Other, net	(70)	104
Net cash provided by (used in) financing activities	(12,713)	(16,956)
Effect of exchange rate change on cash and cash equivalents	533	245
Net increase (decrease) in cash and cash equivalents	(7,700)	1,172
Cash and cash equivalents at beginning of period	49,064	41,364
Cash and cash equivalents at end of period	41,364	42,537

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	37,508	52,826
Depreciation	3,074	3,444
Amortization of goodwill	218	314
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Increase (decrease) in accrued consumption taxes	(691)	2,467
Decrease (increase) in consumption taxes refund receivable	(445)	(763)
Other, net	(2,075)	2,308
Subtotal	14,233	42,440
Interest and dividends received	1,506	1,644
Interest paid	(286)	(420)
Income taxes paid	(10,150)	(14,421)
Income taxes refund	582	482
Net cash provided by (used in) operating activities	5,885	29,725

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from investing activities		
Payments into time deposits	(11,905)	(9,108)
Proceeds from withdrawal of time deposits	10,467	10,155
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Cash and cash equivalents at beginning of period	49,064	41,364
Cash and cash equivalents at end of period	41,364	42,537

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