JPX-NIKKEI 400

ORGANO CORPORATION
Financial Results for First Half of Fiscal Year Ending March 31, 2027

Securities Code: 6368

November 10, 2026

Contents

1. Overview of First-Half Results for FY Ending 03/2027
2. Trends by Region, Segment and Market
3. Company Overview and Business Profile

* Figures in these materials are rounded down to the nearest unit of indication. Percentages, year-on-year comparisons, comparisons with the plan, and other presentations are calculated using the units of indication. Percentages are rounded to one digit past the decimal point.

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Overview of First-Half Results for FY Ending 03/2027

Orders received: ¥171.2 billion

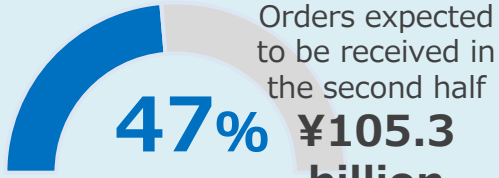
Progress rate against full-year forecast



Orders expected to be received in the second half **¥128.7 billion**

Net sales: ¥94.6 billion

Progress rate against full-year forecast

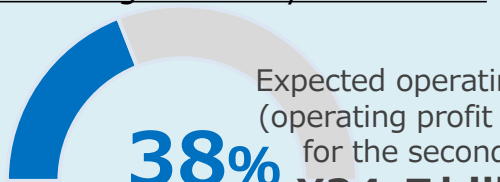


Orders expected to be received in the second half **¥105.3 billion**

Operating profit: ¥15.2 billion

(Operating profit margin: 16.1%)

Progress rate against full-year forecast



Expected operating profit (operating profit margin) for the second half **¥24.7 billion (23.5%)**

Order Trends

- Aggressive large-scale semiconductor investments were seen in Japan and foreign countries, including Taiwan, the U.S., China. The carry-over balance for order backlog was ¥175.7 billion (up 41.7% YoY), at a record high. Although depending on market conditions etc., investment plans for advanced semiconductors and other areas are expected to remain at a high level for the next financial year and beyond.
- Regarding order profitability, while it is affected by the expansion of the scope of work, such as construction work for North American projects, the status of price negotiations with customers—taking into account the concentration of investment projects and rising prices for raw materials and construction work—is generally progressing in line with our assumptions.

Sales and Profit Trends

- Sales of plant project are recognized in percentage of completion method. Sales progress is also affected by the status of material procurement and construction schedules. While the effects of expanded orders will fully materialize from the next fiscal year onward, some sales are expected to be recognized in the current fiscal year as well, so we are closely examining the future outlook. At present, we are maintaining our initial full-year forecasts.
- The trend in profit margins is also affected by the reversal from the previous fiscal year, which concentrated on highly profitable projects, as well as the expansion of investments to strengthen our capacity, such as in human capital and digital-related areas. Due to cost improvement effects and price negotiations with customers, profit margins tend to improve toward the second half of the year, and we expect to achieve our initial plans.

First-Half Results for FY Ending 03/2027

Orders Received

Year-on-year, large-scale orders for domestic and overseas projects in the Electronics Industry expanded.
Compared to the plan, investment in the Electronics Industry was robust, and orders for some large-scale projects were brought forward.

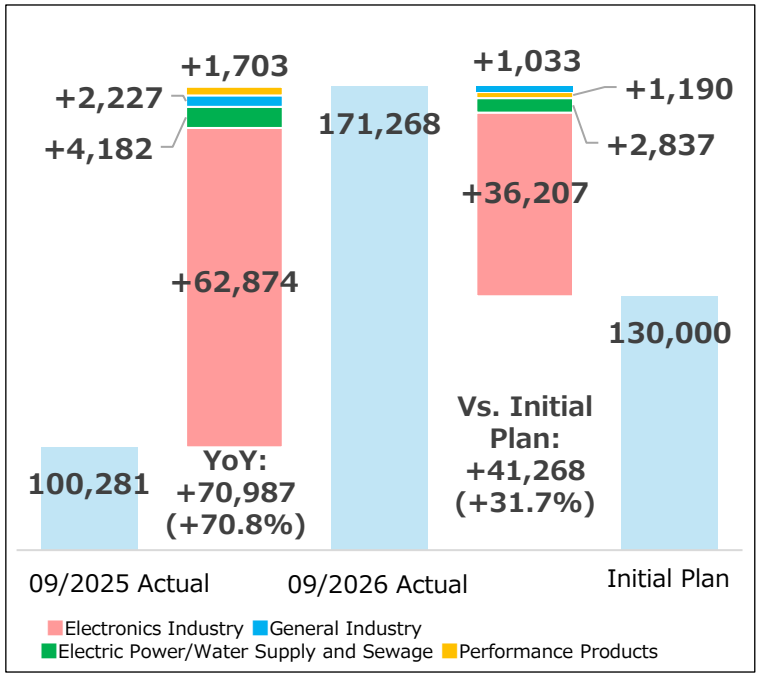
Net Sales

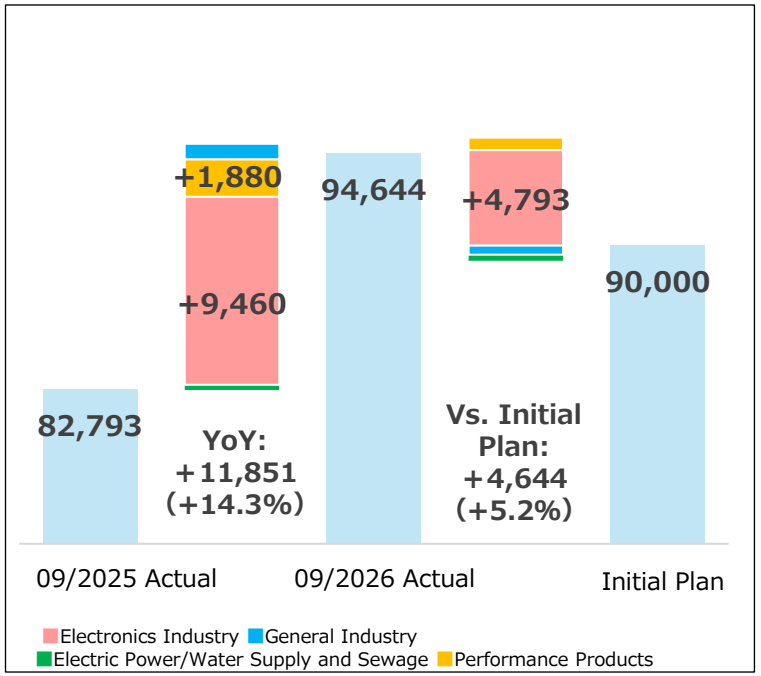
Year-on-year, sales grew in both the Plant and Service Solutions segments of the Electronics Industry.
Compared to the plan, sales increased mainly in Service Solutions of the Electronics Industry.

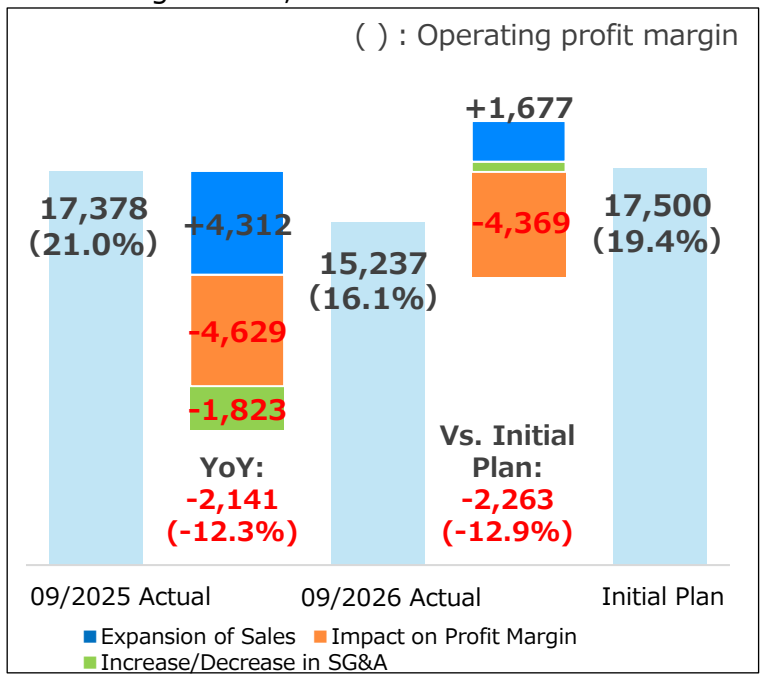
Operating Profit

Operating profit fell year-on-year, reflecting the absence of the high-margin plant projects of the previous year and an increase in SG&A expenses.
Although sales exceeded projections, profit margins fell short of plans.

(Millions of yen)
*Changes of ¥1,000 million or more are shown.







Full-year Plan for FY Ending 03/2027

Orders Received

Orders for large-scale plant projects in the Electronics Industry are expected to be secured both in Japan and overseas. Some projects may be split and secured ahead of schedule. In General Industry, Electric Power/Water Supply and Sewage and Performance Products are expected to be firm.

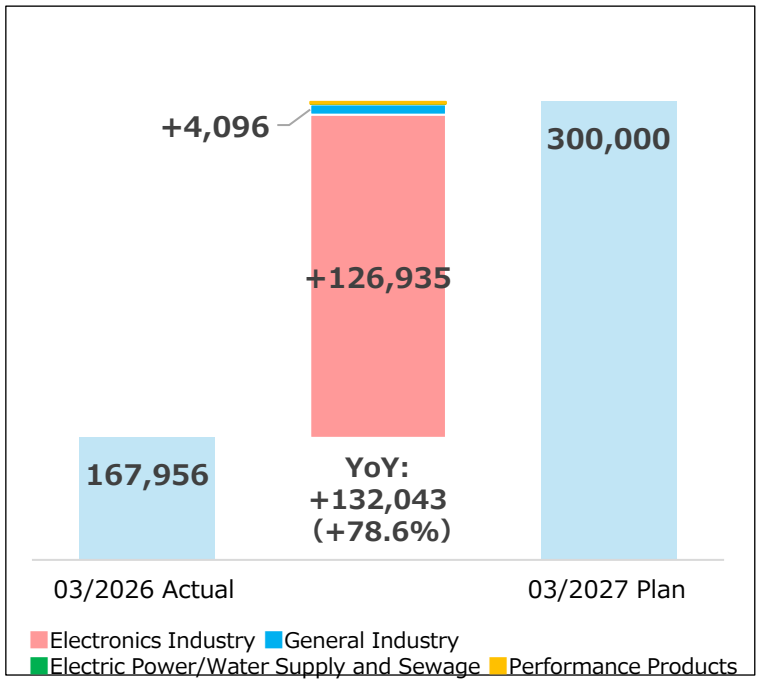
Net Sales

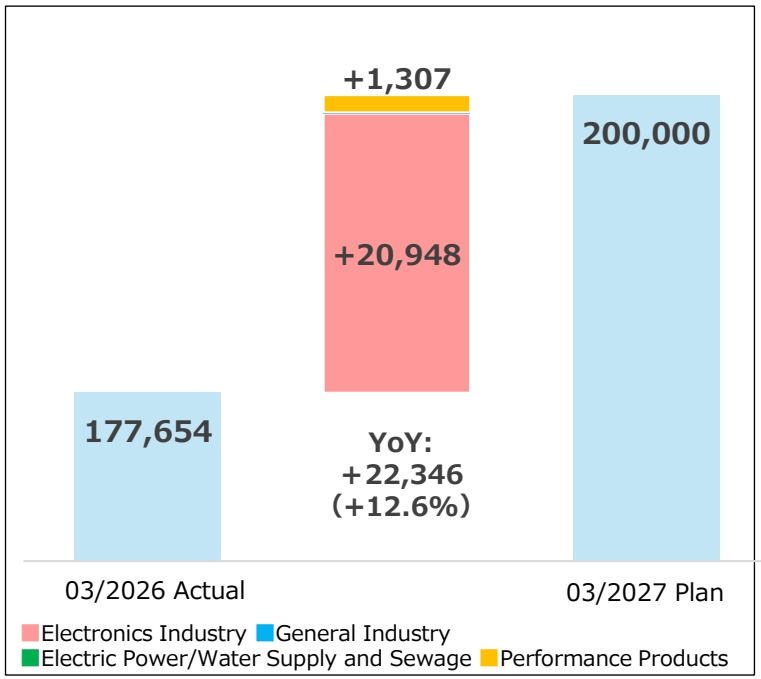
Sales expansion in the Electronics Industry, including overseas investments in cutting-edge semiconductors is planned. In General Industry, Electric Power/Water Supply and Sewage and Performance Products are expected to be firm.

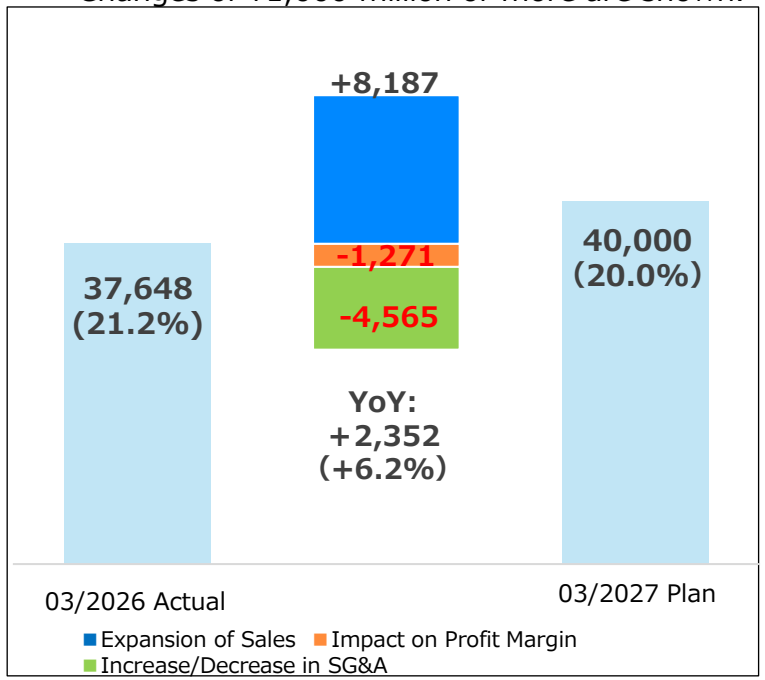
Operating Profit

Increase in operating profit due to sales growth mainly in the Electronics Industry is planned. SG&A expenses are expected to expand, including personnel expenses, research and development expenses, and digital investments.

(Millions of yen)
*Changes of ¥1,000 million or more are shown.







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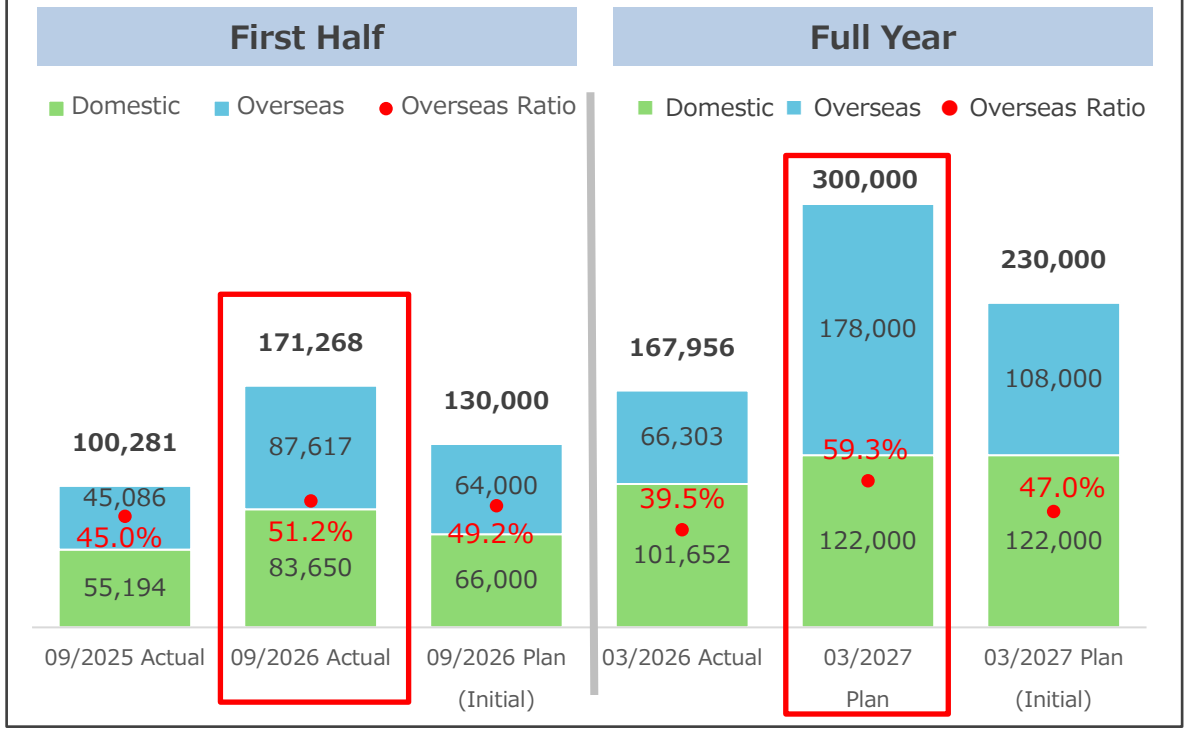
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Trends in Orders and Sales by Region

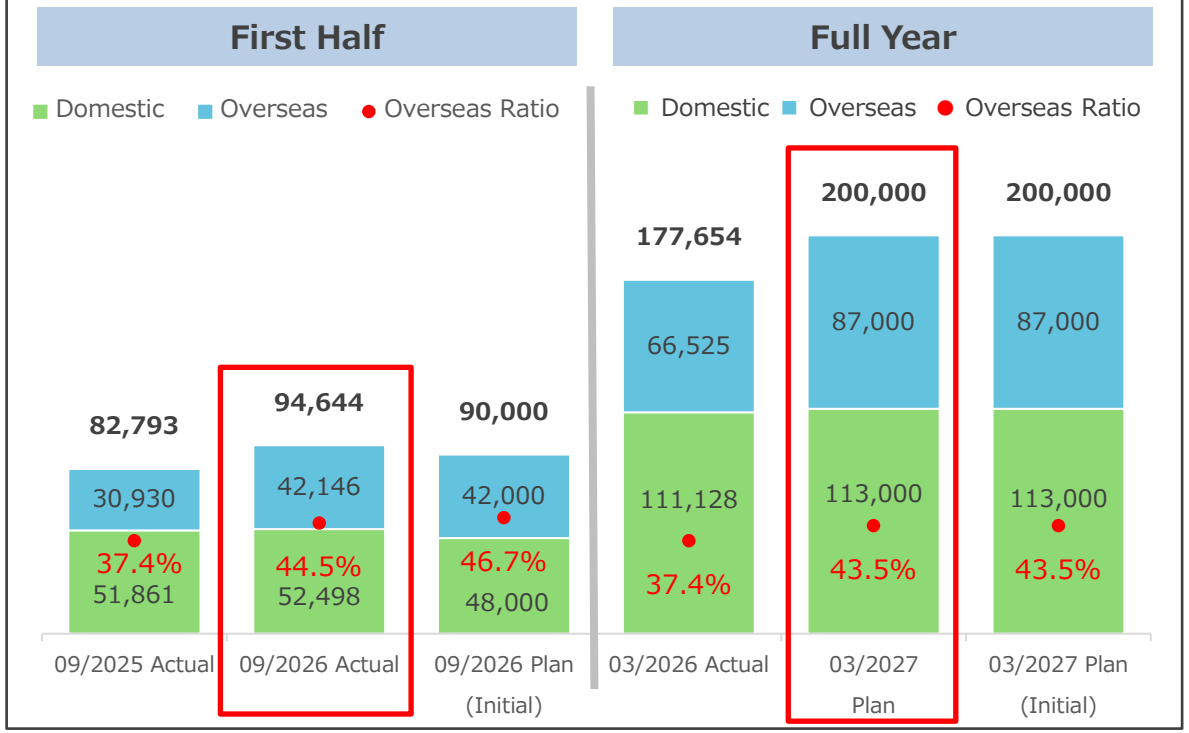
Orders rose substantially overseas, including the U.S. and Taiwan, backed by robust investment in cutting-edge semiconductors.
Sales are expanding primarily for large-scale overseas Plant projects, and initial plans are expected to be achieved.

(Millions of yen)

Orders Received by Region



Net Sales by Region

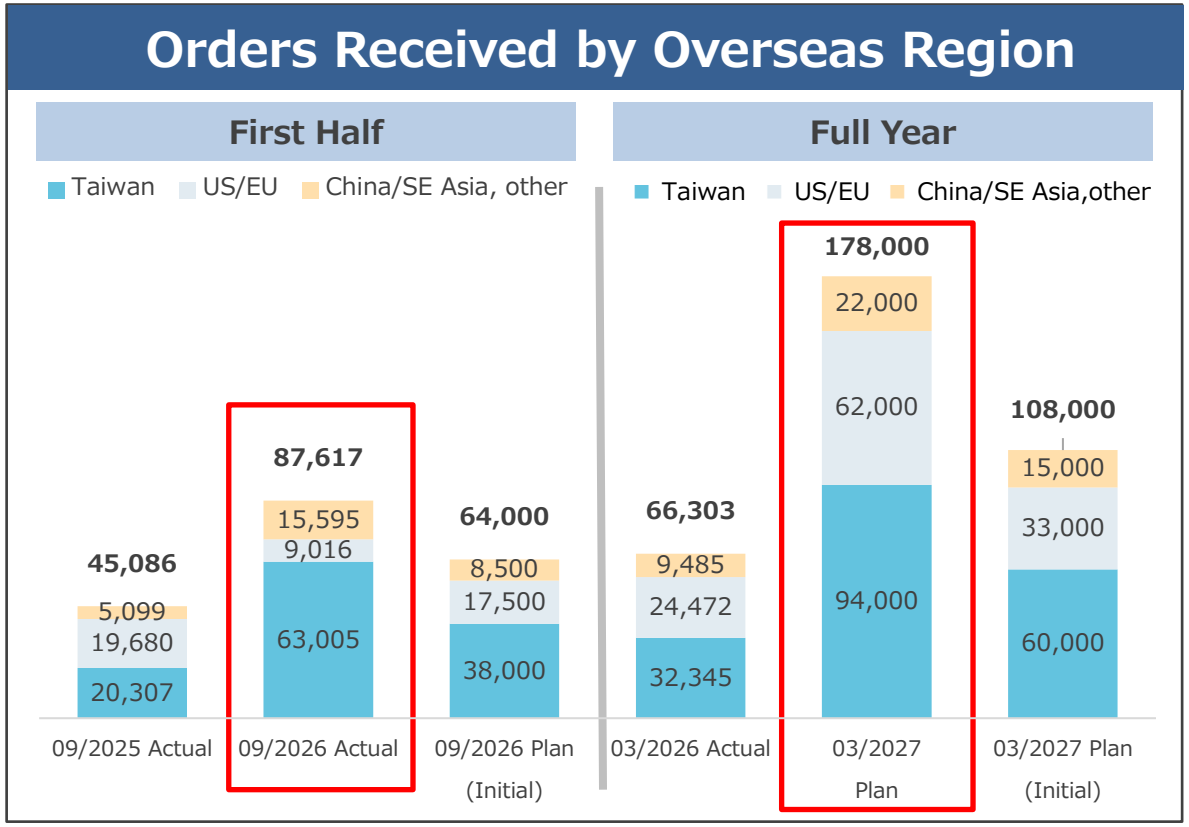


【Overseas】Trends in Orders and Sales by Region

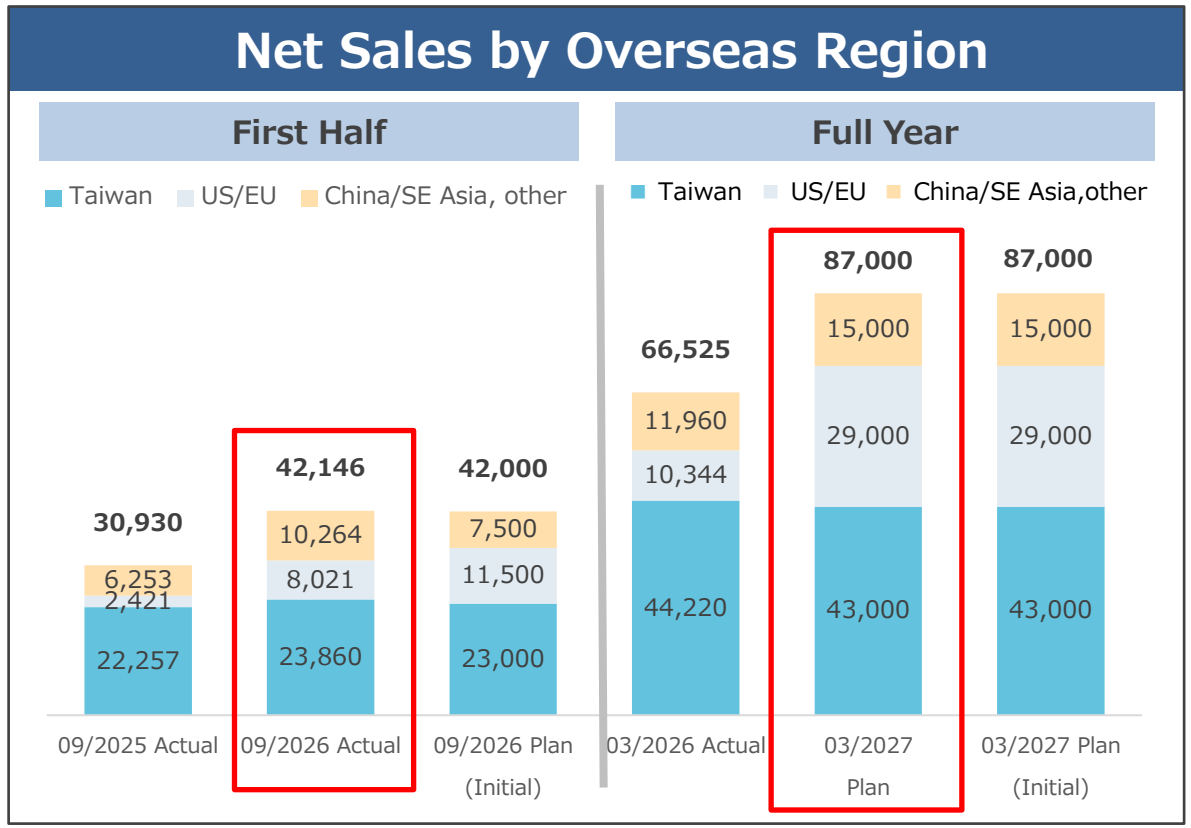
Orders were driven by investments in cutting-edge semiconductors, mainly in Taiwan and the U.S., and orders also rose in China.
Sales are expected to achieve the initial plan, supported by the steady progress of construction on ordered projects.

(Millions of yen)

Orders Received by Overseas Region



Net Sales by Overseas Region

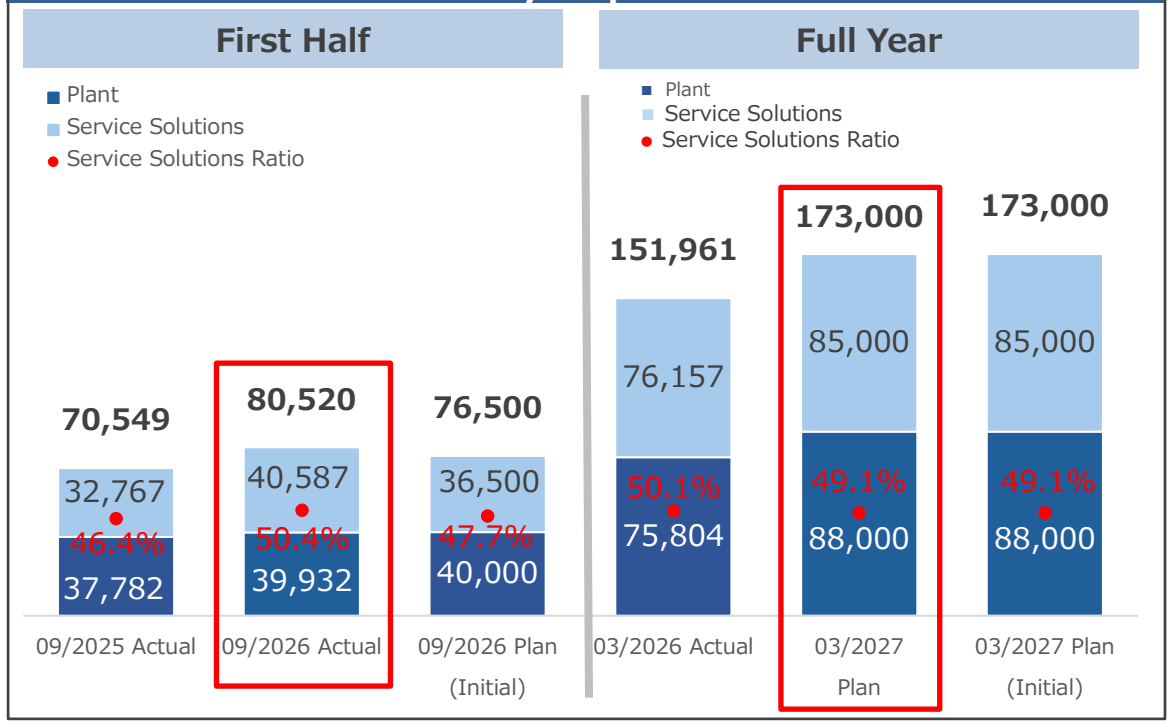


Trends in Sales by Business Segment and Department

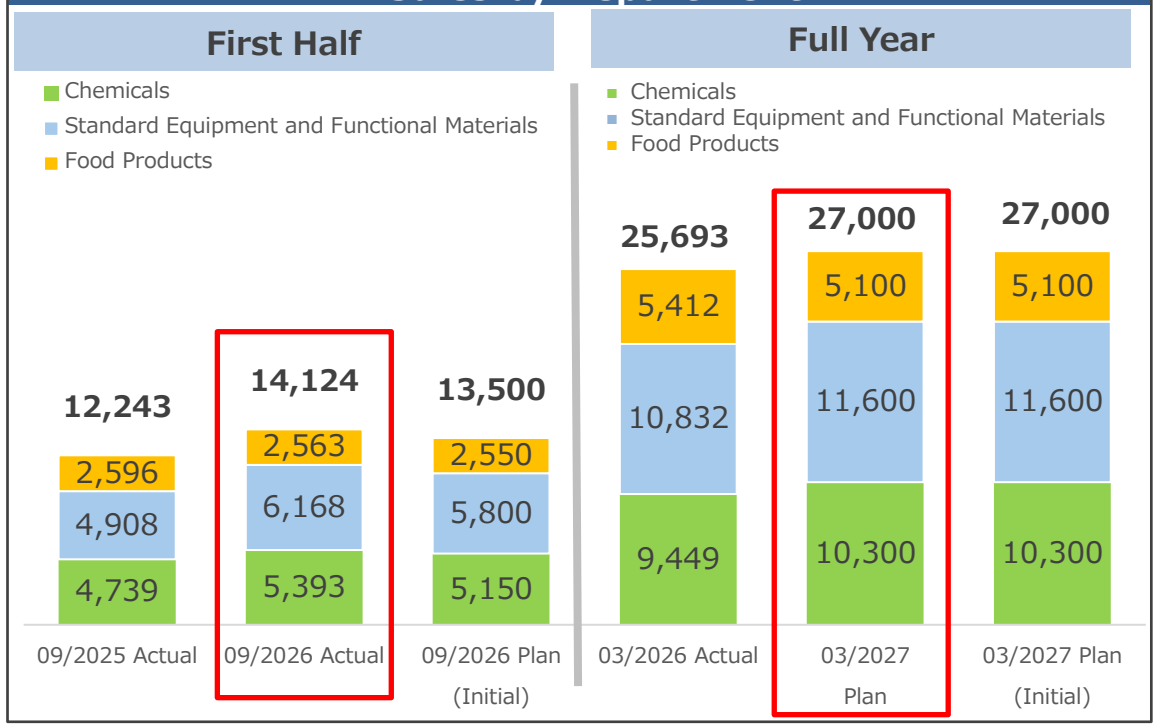
In Plant projects, vigorous investment in cutting-edge semiconductors in areas such as Taiwan and the U.S. and progress in construction progress led to an increase in sales.
In Service Solutions, sales were firm, including maintenance and facility-owned services in Japan and overseas.
Sales of Performance Products are expected to grow, including Water Treatment Chemicals for the Electronics Industry, and Standard Equipment and Functional Materials.

(Millions of yen)

Water Treatment Engineering Unit: Sales by Department



Performance Products Business Unit: Sales by Department

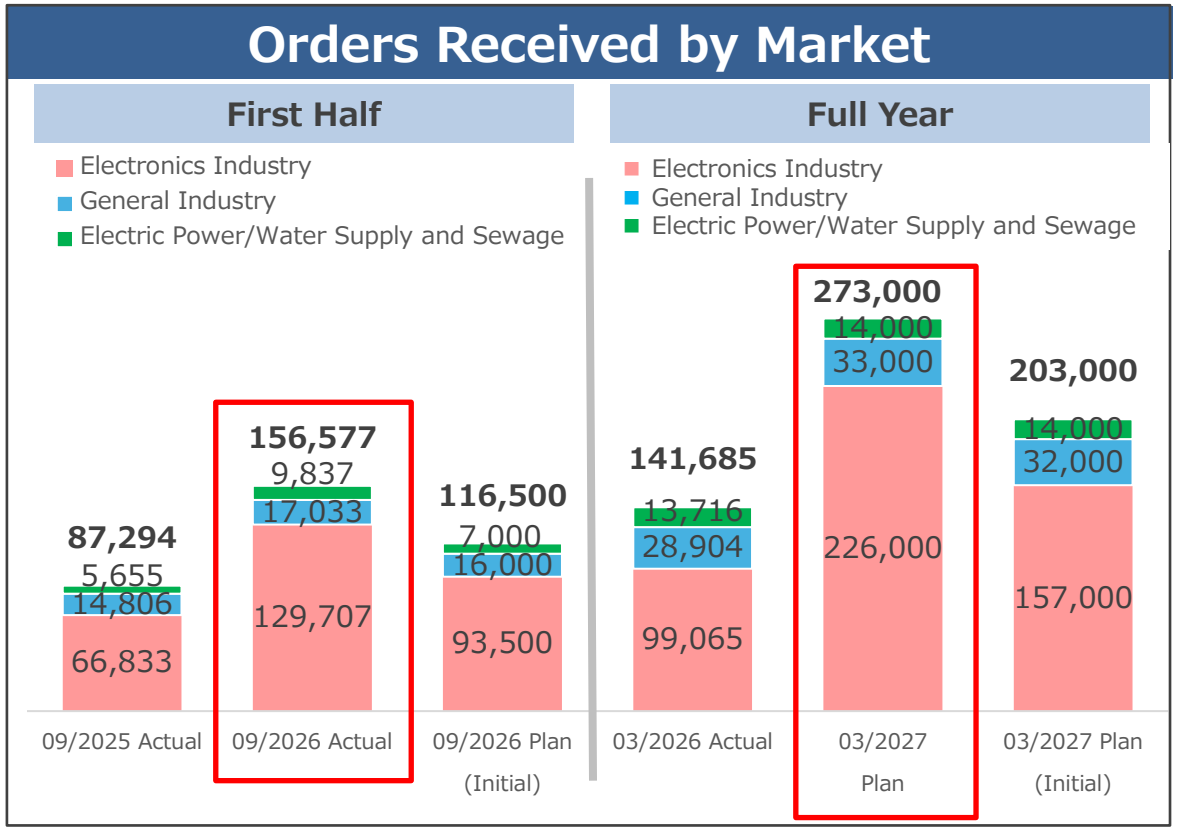


Water Treatment Engineering Unit: Trends in Orders and Sales by Market

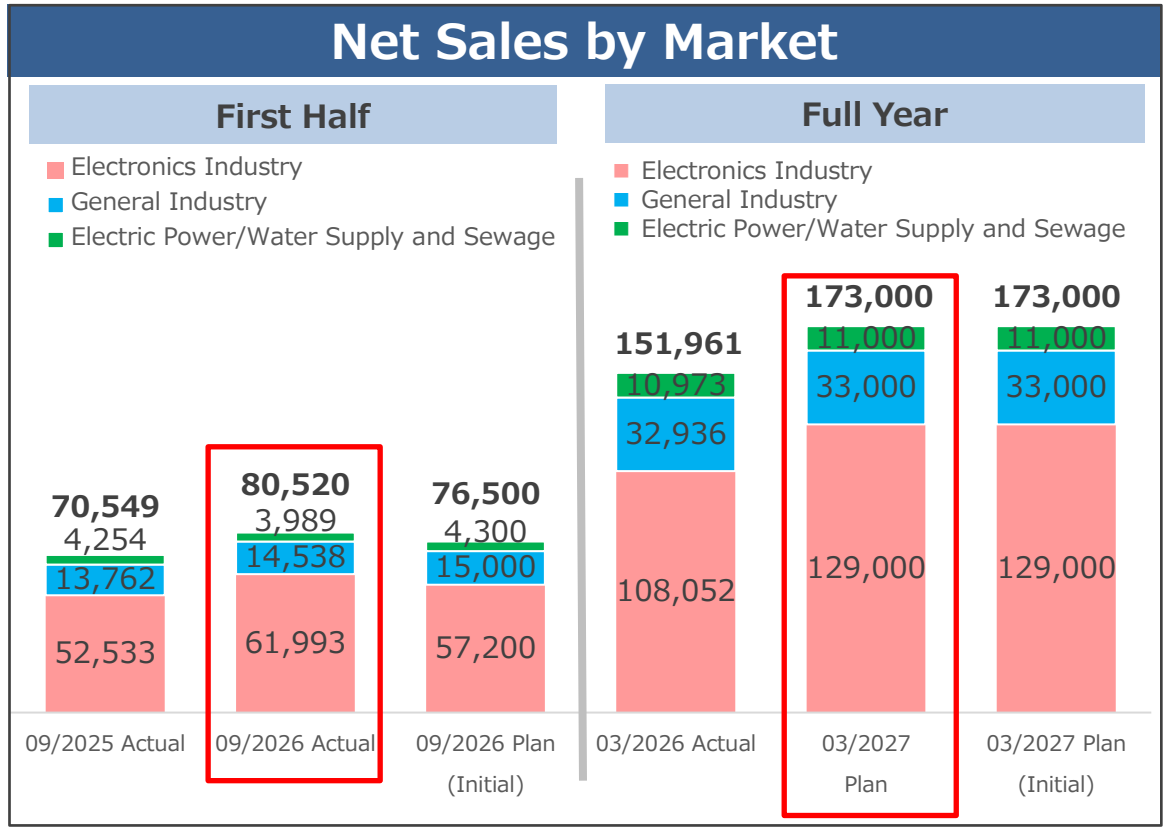
Electronics Industry saw robust investments in cutting-edge semiconductors in Japan and overseas, expecting to receive orders for major U.S. projects in the second half.
General Industry is experiencing solid performance, mainly in Service Solutions such as for maintenance work in Japan.
Electric Power/Water Supply and Sewage secured an order for a replacement project for water treatment facilities at a thermal power plant in Japan.

(Millions of yen)

Orders Received by Market

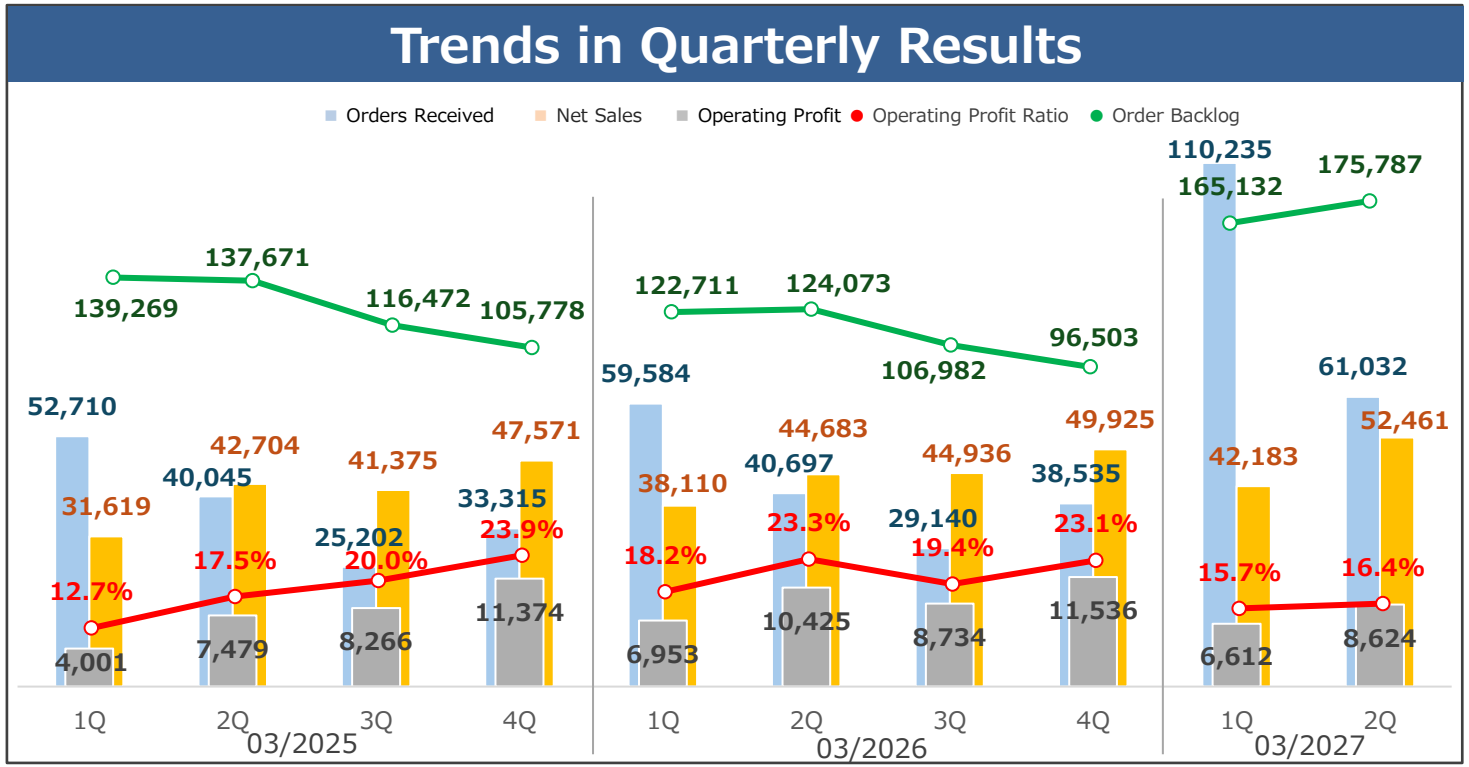


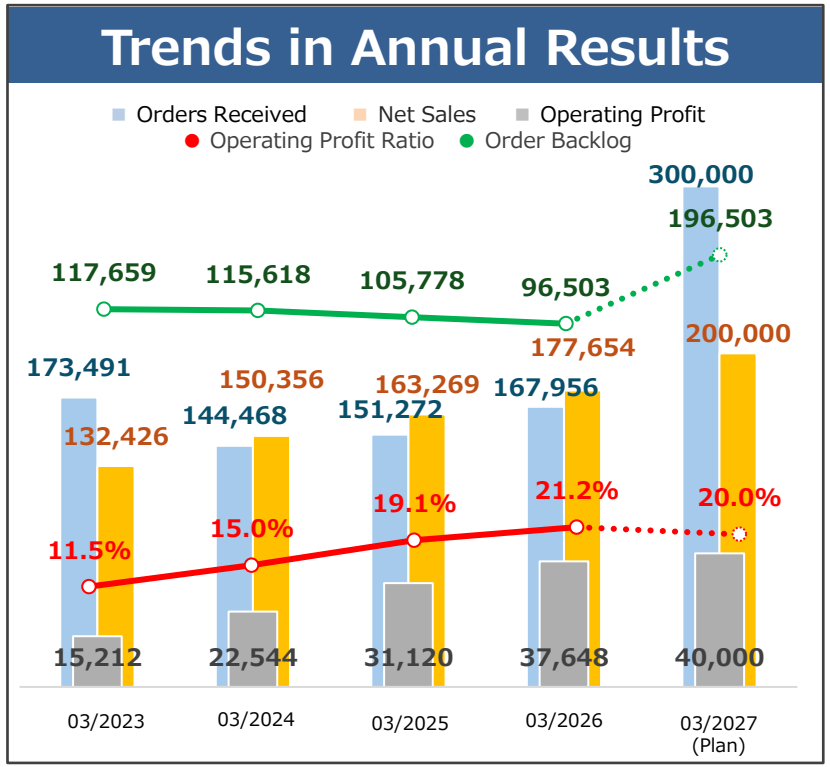
Net Sales by Market



Trends in Orders Received, Net Sales, Order Backlog, and Operating Profit (Quarterly, Annual)

(Millions of yen)





Orders Received Fluctuated in accordance with trends in large projects. Most recently, orders for projects remained at a high level both in Japan and overseas, mainly for cutting-edge semiconductors.

Order Backlog The order backlog accumulated during the fiscal period will be recognized as net sales and decrease toward the end of the period, when delivery dates are concentrated.

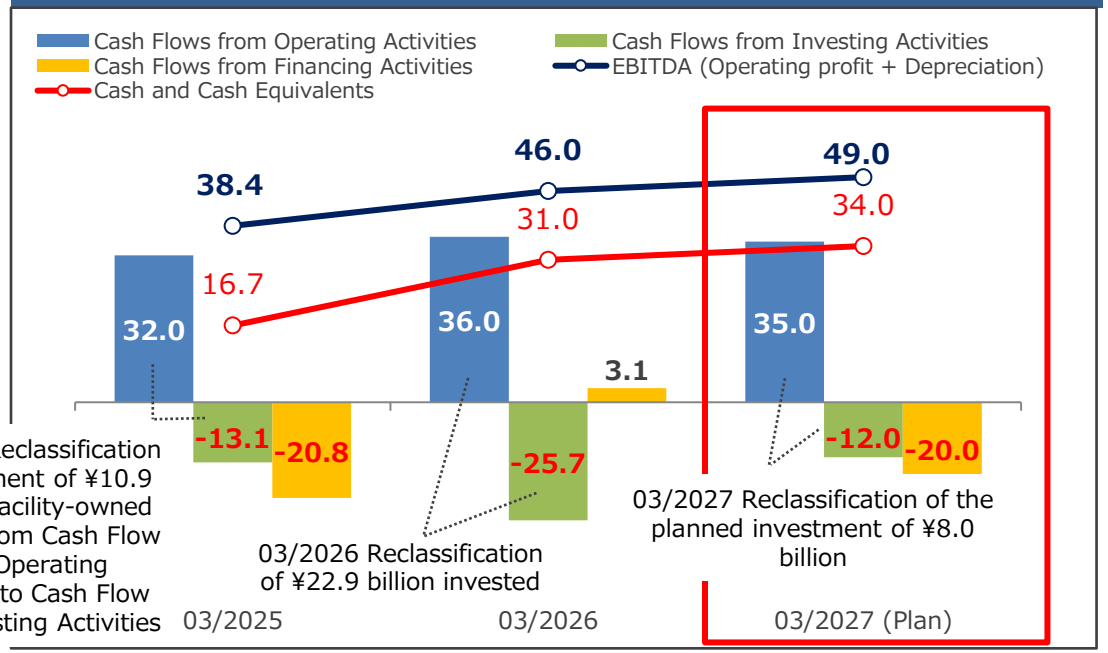
Net Sales Plant net sales are recognized according to the progress of construction. Sales are higher in the fourth quarter, when project deliveries are concentrated.

Operating Profit Fluctuated in accordance with changes in estimated project costs and negotiations regarding additional payments. Operating profit ratios tend to improve toward the end of the fiscal year.

Trends in Cash Flow and Facility-owned Services

(Billions of yen)

Trends in Cash Flows (after reclassification)



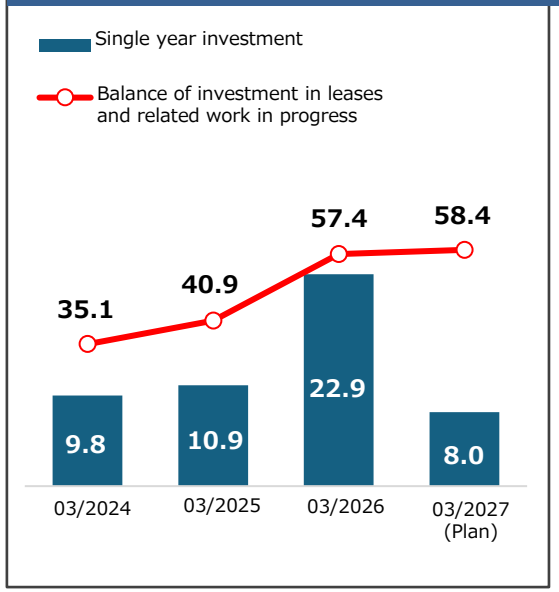
03/2025 Reclassification of investment of ¥10.9 billion in facility-owned projects from Cash Flow from Operating Activities to Cash Flow from Investing Activities

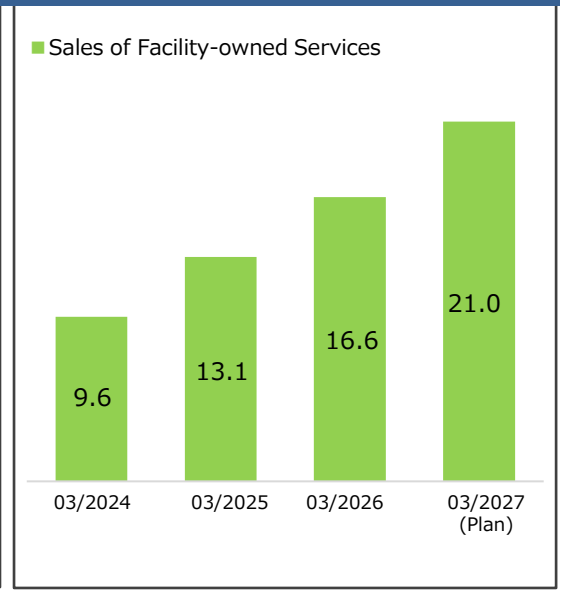
03/2026 Reclassification of ¥22.9 billion invested

03/2027 Reclassification of the planned investment of ¥8.0 billion

■ Operating CF is expected to improve as fund recovery, etc. progresses more than initially anticipated. Expectations for higher working capital toward FY-end due to progress on large-scale plant project construction overseas, such as in Taiwan and the U.S. Taking into account the increase in accounts receivable and works in progress, payments for raw materials and construction costs, and the buildup of inventory in preparation for longer delivery times of material procurement, securing a larger amount of cash and deposits.

Trends in Facility-owned Services



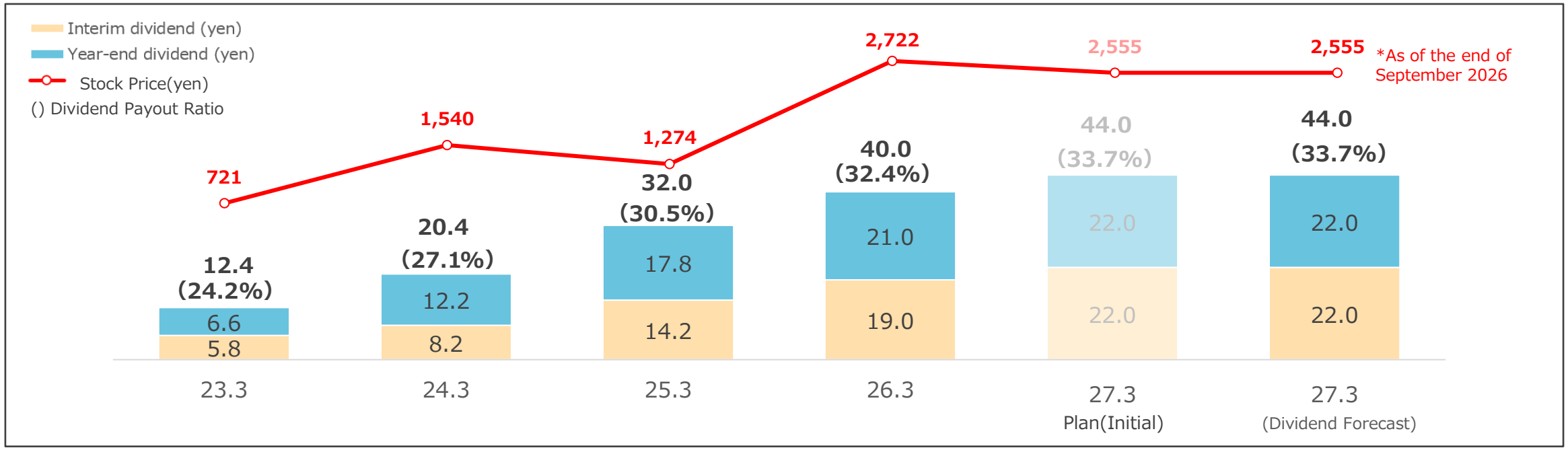


■ Investments in facility-owned projects are recorded in Investments in leases (work in progress during construction) and depreciated over the contract period. Since they are included in current assets, the investment amount is recorded as Cash Flow from Operating Activities in the statement of cash flow. In the graph on the left, investment in facility-owned services has been reclassified as Cash Flows from Investing Activities.

■ Large-scale investments in facility-owned services have run their course. With the commencement of facility operations, revenue recognition has started sequentially, and we are entering the fund recovery phase.

Financial Strategy: Stock Price Trends and Measures for Shareholder Return

Stock Price Trends and Measures for Shareholder Return



■ Regarding shareholder return, our basic policy is to pay stable and consistent dividends. Specifically, while maintaining the dividend payout ratio of 30% or more, we will work to further improve dividend payout ratio, with the aim of both expanding investment in growth and strengthening shareholder returns.

■ Due to the stock price rise, the value per investment unit has continued to exceed the Tokyo Stock Exchange's standard. Therefore, with the aim of improving share liquidity as well as creating an environment that makes investing more accessible and expanding our investor base by reducing the investment unit size, we implemented a share split with an effective date of October 1, 2026, splitting one common share into five.

*The stock prices and dividends in the table are shown based on figures after the stock split.

Key Indicators

(Millions of yen)	FY Ending 03/2026	FY Ending 03/2027		
	Full-Year Actual	**Full-Year Plan (Initial)**	**First-Half Actual**	**Full-Year Plan**
Capital Expenditures *1	3,520	**3,500**	**2,429**	**3,500**
R&D Expenses	3,371	**3,685**	**1,630**	**3,685**
Depreciation *1	1,981	**2,000**	**1,022**	**2,000**
Interest-bearing Debt	34,402	**30,000**	**25,724**	**25,000**
No. of Employees	2,658	**2,850**	**2,748**	**2,850**

*1 Capital expenditures and depreciation do not include investments and depreciation associated with facility-owned services.

Topics

Emergency-Use Water Purification Unit “PUALIF®”

Trial Stage

Purifies well water to make it clean, although not drinkable (i.e., for hand washing, showers, etc.)
Expectations are that it will relieve sanitation concerns when major disasters cause delays in restoring water service.
A community-based water supply trial was held at Oyama Shrine and Kenroku Onsen in Kanazawa City, Ishikawa Prefecture.

■ Overview

- Developed jointly with quantum Inc.
- Held a water-supply trial was held on September 17 and 30 in cooperation with Kanazawa City, Ishikawa Prefecture

■ Development background

- Recognition of issues caused by prolonged water service outages during disasters
- Deterioration of living standards for evacuees who hesitate to use donated drinking water for daily necessities

■ PUALIF® capacity

A single filter replacement can purify up to 5,000 liters of water.*1
(Reusable with filter replacements)

*1 Assuming standard well water quality (turbidity of approximately 5 degrees)



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Management Philosophy and Vision

■ Management Philosophy

Organo serves as a valuable partner company by leveraging its leading-edge technologies cultivated through long experience with water treatment, by contributing to the industries that create the future, and by playing a key role in the development of societal infrastructure.

■ Long-term Management Vision

At Organo, we seek to expand our business through high value-added separation and refinement as well as analysis and manufacturing technologies, and by providing products and services that promote the creation of value and which resolve the challenges that confront industry and society.
We proactively contribute to a better tomorrow by cultivating people today who will improve upon the way things were done yesterday, as a company where all employees are energetic and passionate about their work.

■ Sustainability Policy

Together with its stakeholders, Organo aims to realize a sustainable society for the future and improve our corporate value.



E	Leveraging its leading-edge technologies cultivated through long experience with water treatment*, Organo provides environmentally-friendly products and services that contribute to water environment conservation and prevention of global warming.
S	We will respect human rights, diverse values, and individuality while promoting the creation of a workplace where each and every employee can grow and flourish.
G	We will carry out our corporate activities with integrity and fairness, emphasizing dialogue and cooperation with all stakeholders.

* Leveraging its leading-edge technologies cultivated through long experience with water treatment refers to our pursuit of water treatment-related separation and refinement, analysis, and engineering technologies, and our provision of optimal systems and services that meet the needs of society through a combination of these technologies.



Representative
Director and President 山田正幸

The Organo Group's Business Structure

Water Treatment Engineering Business Unit

| Plant Division



Pure and ultrapure water facilities
Wastewater treatment and recovery facilities
Valuable material recovery facilities
Production processing-related facilities

| Service Solutions Division



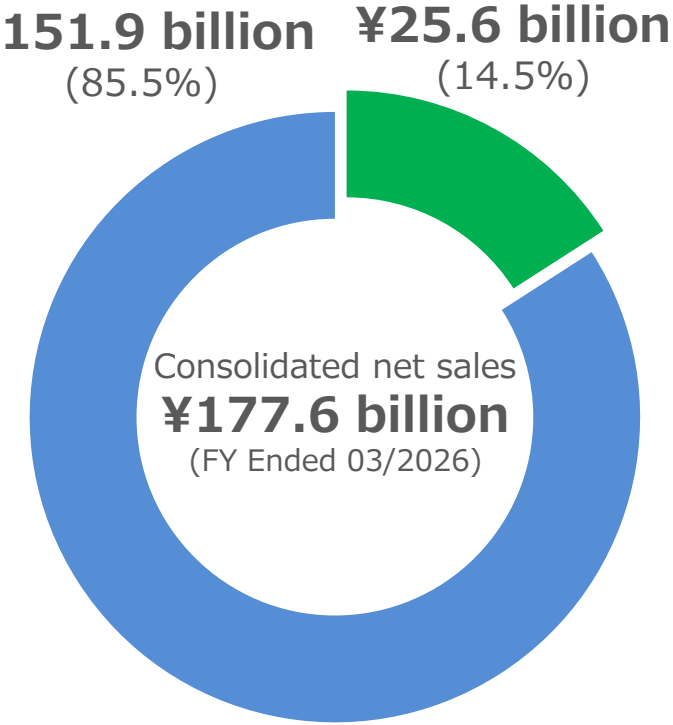
Facilities maintenance
Operational support services and comprehensive maintenance
Facility enhancements, renovation, and reconditioning
Facility-owned Services

| Sales by Segment

¥76.1 billion (50%)	¥75.8 billion (50%)
[Service Solutions]	[Plant]

| Sales by Market

¥108.0 billion (71%)	¥32.9 billion (22%)	¥10.9 billion (7%)
[Electronics Industry]	[General Industry]	[Electric Power/Water Supply and Sewage]



Performance Products Business Unit

| Water Treatment Chemicals Division



Treatment chemicals for wastewater, cooling water, cleaning and RO membranes, boiler waters, etc.

| Standard Equipment and Functional Materials Division



Pure and ultrapure water production systems
Filters
Functional materials (separation and refinement materials)

| Food Products Division



Food processing agents
Food ingredients

| Sales by Segment

¥9.4 billion (37%)	¥10.8 billion (42%)	¥5.4 billion (21%)
[Water Treatment Chemicals]	[Equipment and Functional Materials]	[Food Products]

* Amounts represent sales for FY ended 03/2026, percentages represent share of total sales.

Organo's History

Development | Growth | Evolution | Expansion

- **Historical sales**



Founded 1946
| Athermal water distillation equipment

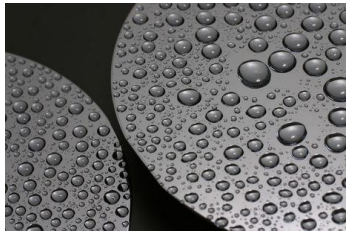


1950's~
| Refining facilities for sugar solutions, other products in the industrial sector





1960's~
| Water supply and sewage facilities
| Water treatment facilities for power plants



1990's~
| Expansion of the Electronics Industry
| Expansion into Overseas Markets



2000's~
| Strengthening of Service Solutions



2010's~
| Semiconductor market expansion Taiwan/China markets growth

2020's~
|Strengthening our expansion into the field of non-aqueous separation and purification

Delivered Japan's first ultrapure water system for electronics industry (1957)

Established a Malaysia subsidiary (1986)

Entered the Taiwan market (1990's~)

Established a China subsidiary (2003)

Established a Taiwan subsidiary (2005)

Established a Vietnam subsidiary (2010)

Established a U.S. subsidiary (2021)

Established an Indian subsidiary (2026)

1960 1970 1980 1990 2000 2010 2020 2025

Major Shareholders and Shareholder Composition

Major Shareholders (top ten)

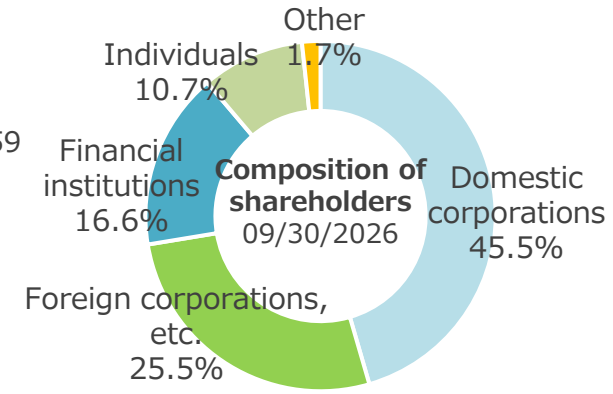
(As of September 30, 2026)

Name of Shareholder	Number of Shares Held (Thousands of shares)	Holding Ratio (%)
Tosoh Corporation	20,379	44.28
The Master Trust Bank of Japan, Ltd. (Trust Account)	4,503	9.79
Custody Bank of Japan, Ltd. (Trust Account)	1,714	3.73
KBC BANK NV – UCITS CLIENTS NON TREATY	1,129	2.46
BANK PICTET AND CIE (EUROPE) AG, SUCCURSALE DE LUXEMBOURG REF UCITS	980	2.13
STATE STREET BANK AND TRUST COMPANY 505001	812	1.76
THE BANK OF NEW YORK MELLON 140044	702	1.53
Mizuho Bank, Ltd.	464	1.01
JP MORGAN CHASE BANK 385781	382	0.83
RBC IST 15 PCT LENDING ACCOUNT - CLIENT ACCOUNT	354	0.77

* The treasury shares (339 thousand shares) are excluded in the calculation of the holding ratio shown above.

Shareholder Composition

- Total number of authorized shares: 101,568 thousand shares
- Total number of issued shares: 46,359 thousand shares (including treasury shares of 339 thousand shares)
- Number of shareholders: 17,081 shareholders



● Relationship with parent company

We have maintained a relationship with our parent company Tosoh Corporation since accepting capital participation in 1955.
The business relationship between Organo and Tosoh includes the purchase of some raw materials and sale of water treatment facilities, chemicals, and other products. However the level of dependence is negligible, and clear segregation is maintained in terms of the products sold by both companies and their business partners. Therefore Organo recognizes that as a listed company, it has secured a certain degree of management independence in its business activities and management decisions.
In addition, in order to monitor and supervise issues regarding conflicts of interest between the parent company group and minority shareholders, Organo has established a Special Committee composed only of Independent Outside Directors. Since the 78th Ordinary General Meeting of Shareholders held in June 2023, Independent Outside Directors have also composed a majority of the Board of Directors.

Contact

Website:

https://www.organo.co.jp/en

Inquiries:

https://www.organo.co.jp/en/contact/

Registering to receive the IR email newsletter:

https://www.organo.co.jp/en/ir/mail-news/

Released the Organo Group Report 2025

https://www.organo.co.jp/en/ir/library/integrated-report/

*The 2026 edition is scheduled to be issued in December.

The forecasts in this document regarding business are based on information available at the time of preparation and are therefore subject to risk and uncertainty. Actual performance may differ from these projections.