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January 10, 2025

**Consolidated Financial Results  
for the Nine Months Ended November 30, 2024  
[Under Japanese GAAP]**

Name of Company: TAKEUCHI MFG. CO., LTD.  
 Stock Code: 6432  
 Stock Exchange Listing: Tokyo Stock Exchange  
 URL: <https://www.takeuchi-mfg.co.jp/>  
 Representative: Title: President & Representative Director  
 Name: Toshiya Takeuchi  
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 Date of commencement of dividend payment (tentative): -  
 Quarterly earnings supplementary explanatory documents: Yes  
 Quarterly financial results briefing: No

(Yen in millions, rounded down)

**1. Financial results for the nine months ended November 2024 (March 1, 2024 – November 30, 2024)**

(1) Result of operations (Consolidated, year-to-date) (Percentage figures represent year on year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended November 30, 2024	166,403	4.8	33,815	32.0	32,373	25.5	23,384	23.4
Nine months ended November 30, 2023	158,831	19.5	25,621	83.6	25,798	74.7	18,948	73.3

(Note) Comprehensive income: For the nine months ended November 30, 2024: 23,793 million yen [-9.1%],  
 For the nine months ended November 30, 2023: 26,188 million yen [31.3%]

	Earnings per share	Earnings per share fully diluted
	Yen	Yen
Nine months ended November 30, 2024	491.78	-
Nine months ended November 30, 2023	397.52	-

(2) Financial Position (Consolidated)

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of November 30, 2024	203,457	159,469	78.4
As of February 29, 2024	198,153	147,625	74.5

(Reference) Shareholders' equity

As of November 30, 2024: 159,469 million yen

As of February 29, 2024: 147,625 million yen

**2. Dividends**

	Dividend per share				
	End of Q1	End of Q2	End of Q3	End of FY	Full year
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Feb. 2024	-	0.00	-	158.00	158.00
Fiscal year ending Feb. 2025	-	0.00	-		
Fiscal year ending Feb. 2025 (est.)				200.00	200.00

(Note) Change in the estimation of dividend from the latest announcement: None

(Note) Breakdown of the year-end dividends per share for the fiscal year ended Feb. 2024:

Ordinary dividends: 153.00 yen, Commemorative dividends for the 60th anniversary of founding: 5.00 yen

### 3. Forecast for the fiscal year ending February 2025 (Consolidated, March 1, 2024 to February 28, 2025)

(Percentage figures represent year on year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	215,500	1.4	44,500	26.1	42,000	18.5	30,000	14.7	629.36

(Note) Change in the forecast from the latest announcement: None

#### \* Notes

(1) Changes in significant subsidiaries (Changes in specific subsidiaries accompanied by changes in the scope of consolidation): None

(2) Application of accounting methods specifically for the preparation of the quarterly consolidated financial statements: None

(3) Changes in accounting principles and estimates, and retrospective restatement

(a) Changes due to revision of accounting standards: None

(b) Changes other than in (a): None

(c) Changes in accounting estimates: None

(d) Retrospective restatement: None

(4) Number of shares outstanding (common shares)

(a) Shares outstanding (including treasury shares)

As of November 30, 2024: 48,999,000 As of February 29, 2024: 48,999,000

(b) Treasury shares

As of November 30, 2024: 2,256,401 As of February 29, 2024: 1,331,635

(c) Average number of shares (quarterly consolidated cumulative period)

Period ended November 30, 2024: 47,551,212 Period ended November 30, 2023: 47,667,390

(Note) Treasury shares include shares held by the Board Incentive Plan Trust (77,640 shares as of February 29, 2024 and 77,640 shares as of November 30, 2024).

\* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

\* Cautionary statement regarding forecasts of operating results and special notes

Forward-looking statements in these materials are based on information available to management at the time this report was prepared and assumptions that management believes are reasonable. Actual results may differ significantly from these statements for a number of reasons. For information about the forecasts, please see "Explanation of Future Forecasts Including Consolidated Earnings Forecasts" on page 3.

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## 1. Qualitative Information on Quarterly Financial Results

### (1) Overview of Consolidated Business Performance

The Group is focusing on five key measures in its Third Medium-Term Business Plan running from the fiscal 2022 to fiscal 2024. These include: 1) investing in human capital, 2) accelerating product development, 3) increasing production capacity, 4) expanding our sales network and increasing sales of aftermarket parts, and 5) promoting sustainability management. At our Aoki factory in Nagano Prefecture, we launched production of 4- to 9-ton mid-size excavators in September 2023. This followed the start of production of track loaders by the semi-knockdown method at our plant in South Carolina in September 2022. Both factories achieved the medium-term business plan production capacity targets at the end of August 2024. Combined with the existing home office factory, production capacity has risen by around 1.5 times. In July 2024, we launched the TB370W wheeled hydraulic excavator. We are working to expand market share by using our extensive product lineup that includes new products.

The Group's cumulative sales volume for the first nine months of fiscal 2024 (March 1, 2024 to November 30, 2024), the final fiscal year of the current medium-term business plan, decreased compared to the same period of fiscal 2023, mainly due to a slowdown in demand for construction machinery in the European market. In Europe, the economic environment remains sluggish, causing a decline in investment appetite not only in construction machinery but also across all industries. Although varying by country, demand for compact and hydraulic excavators remained sluggish overall and sales volume fell significantly below the first nine months of fiscal 2023. Meanwhile, in North America, sales volume exceeded the first nine months of fiscal 2023 because sales of major products such as compact excavators, hydraulic excavators and track loaders were steady. Looking at track loaders, sales volume increased significantly because some sales were delayed until the current third quarter due to defects in purchased parts.

Orders received in the first nine months of this fiscal year amounted to 119,730 million yen, down 4.6% year on year. Orders received decreased compared to the first nine months of fiscal 2023, mainly due to sluggish demand in the European market. The order backlog as of November 30, 2024, the end of the third quarter under review, totaled 82,224 million yen, down 46,672 million yen from February 29, 2024.

As a result, sales volume for the first nine months of this fiscal year were down year on year. However, net sales rose 4.8% year on year to 166,403 million yen, buoyed by the weak yen and product price increases. Operating profit came to 33,815 million yen, up 32.0% year on year, and ordinary profit was 32,373 million yen, up 25.5%. Although increasing parts procurement costs coupled with depreciation and labor costs at the Aoki factory, which began operations in September 2023, impacted profits, these were offset by the weak yen, product price increases, and changes in product and customer mixes. Profit attributable to owners of parent was 23,384 million yen, up 23.4% year on year, because tax expenses of 8,989 million yen were incurred.

Performance by geographic segment was as follows.

#### (a) Japan

Nearly all net sales of the Japan Segment are from sales to distributors in Europe. In Europe, housing demand is sluggish due to elevated mortgage rates and rising cost of living, including energy prices, and demand for non-residential construction work including construction investment is also weakening. In this environment, sales volume for distributors in Europe fell significantly compared to the first nine months of fiscal 2023, resulting in net sales of 49,502 million yen, down 12.1% year on year. Segment profit increased 42.0% year on year to 29,610 million yen, driven by product price increases and the weak yen.

#### (b) United States

In the US segment, new housing starts remain in an adjustment phase due to such factors as elevated mortgage rates and home prices, and uncertainties about the economic policies of the incoming Trump administration. Nevertheless, against the backdrop of chronic housing shortages in relation to population growth, latent demand for housing remains strong and product sales were steady. Looking at track loaders, production stagnated in the second quarter due to defects in purchased parts. This caused some sales to be pushed back to the third quarter, resulting in a significant increase in sales volume. Due to higher sales volume, coupled with product price increases and the weak yen, net sales totaled 97,371 million yen, up 14.7% year on year, and segment profit was 10,112 million yen, up 32.2%.

#### (c) United Kingdom

In the UK Segment, elevated mortgage rates and rising cost of living, including energy prices, are pushing down housing demand, causing a slowdown in demand for construction machinery across the entire market. In this environment, we lowered prices to promote sales, resulting in sales volume exceeding those of the previous third quarter. Although units sold in the first nine months of the current fiscal year were lower than the first nine months of fiscal 2023, the weak yen and other factors helped push net sales to 10,983 million

yen, up 8.6% year on year. However, price reductions and other factors caused segment profit to drop 70.1% to 281 million yen.

(d) France

In the France Segment, elevated mortgage rates and rising cost of living, including energy prices, are pushing down housing demand, causing a slowdown in demand for construction machinery across the entire market. Amid this environment, sales volume remained at the same level as last year due to discounts for sales promotions, and owing to the weak yen, among other factors, net sales totaled 8,481 million yen, up 14.9% year on year, but segment profit was 726 million yen, down 8.5%.

(e) China

The China Segment's main business is the manufacture and sale of construction machinery parts for the Japan Segment. In the first nine months of fiscal 2024, the China Segment recorded sales to external customers of 64 million yen, down 23.0% year on year, and segment profit of 258 million yen, up 234.2%.

(2) Explanation of Financial Position

(Assets)

Assets totaled 203,457 million yen as of November 30, 2024, an increase of 5,304 million yen compared to February 29, 2024. This was mainly due to increases in notes and accounts receivable-trade of 5,952 million yen and in inventories of 11,690 million yen, which offset the decrease in cash and deposits of 14,942 million yen from the use of 7,000 million yen for the purchase of treasury shares. Among our inventories, merchandise and finished goods increased by 9,517 million yen to 39,338 million yen. This was mainly due to the longer inventory periods required for logistics due to ships bypassing the Red Sea as well as rising product inventories at US sales subsidiaries in anticipation of higher sales volume in fiscal 2025 and beyond.

(Liabilities)

Total liabilities as of November 30, 2024 declined by 6,540 million yen compared to February 29, 2024 to 43,987 million yen. This was mainly due to decreases in accounts payable-trade of 5,060 million yen and in income taxes payable of 2,876 million yen.

(Net assets)

Net assets as of November 30, 2024 increased by 11,844 million yen compared to February 29, 2024 to 159,469 million yen. This was mainly the result of an increase of 23,384 million yen in profit attributable to owners of parent, which offset decreases of 7,543 million yen due to the payment of dividends and of 4,405 million yen owing to the purchase of treasury shares.

(3) Explanation of Future Forecasts Including Consolidated Earnings Forecasts

There are no changes to the full-year earnings forecast announced in Notice Regarding Revision of Earnings Forecast on October 10, 2024. The forecast uses the following exchange rate assumptions from the third quarter onwards: 138 yen to 1 US dollar, 179 yen to 1 British pound, 152 yen to 1 Euro, and 19.30 yen to 1 Chinese yuan.

## 2. Quarterly Consolidated Financial Statements and Important Notes

### (1) Quarterly Consolidated Balance Sheet

(Millions of yen)

	As of February 29, 2024	As of November 30, 2024
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	55,175	40,233
Notes and accounts receivable - trade	44,572	50,525
Merchandise and finished goods	29,820	39,338
Work in process	12,216	13,464
Raw materials and supplies	16,226	17,150
Other	5,101	7,347
Allowance for doubtful accounts	(1,192)	(1,225)
<b>Total current assets</b>	<b>161,920</b>	<b>166,834</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures, net	17,660	17,738
Machinery, equipment and vehicles, net	4,765	3,956
Land	3,940	4,125
Other, net	1,829	1,770
<b>Total property, plant and equipment</b>	<b>28,196</b>	<b>27,591</b>
Intangible assets	829	708
<b>Investments and other assets</b>		
Deferred tax assets	5,190	6,887
Other	2,037	1,457
Allowance for doubtful accounts	(21)	(21)
<b>Total investments and other assets</b>	<b>7,206</b>	<b>8,324</b>
<b>Total non-current assets</b>	<b>36,233</b>	<b>36,623</b>
<b>Total assets</b>	<b>198,153</b>	<b>203,457</b>

(Millions of yen)

	As of February 29, 2024	As of November 30, 2024
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	36,381	31,321
Income taxes payable	6,558	3,682
Provision for bonuses	675	529
Provision for product warranties	2,247	2,395
Other	4,009	5,370
Total current liabilities	49,872	43,299
Non-current liabilities		
Provision for share awards for directors (and other officers)	113	126
Retirement benefit liability	102	102
Other	439	458
Total non-current liabilities	655	688
Total liabilities	50,527	43,987
<b>Net assets</b>		
Shareholders' equity		
Share capital	3,632	3,632
Capital surplus	3,631	3,631
Retained earnings	130,648	146,488
Treasury shares	(2,032)	(6,438)
Total shareholders' equity	135,879	147,315
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	57	64
Foreign currency translation adjustment	11,604	12,019
Remeasurements of defined benefit plans	84	70
Total accumulated other comprehensive income	11,745	12,154
Total net assets	147,625	159,469
Total liabilities and net assets	198,153	203,457

(2) Quarterly Consolidated Statements of Income and Consolidated Statements of Comprehensive Income  
(Quarterly Consolidated Statements of Income)  
(For the Nine Months)

(Millions of yen)

	Nine months ended November 30, 2023	Nine months ended November 30, 2024
Net sales	158,831	166,403
Cost of sales	120,335	118,964
Gross profit	38,496	47,438
Selling, general and administrative expenses		
Transportation costs	5,402	5,160
Provision for product warranties	1,335	1,110
Provision of allowance for doubtful accounts	(0)	(0)
Remuneration for directors (and other officers)	280	318
Salaries and allowances	2,284	2,557
Provision for bonuses	156	158
Retirement benefit expenses	52	61
Provision for share awards for directors (and other officers)	14	12
Other	3,347	4,243
Total selling, general and administrative expenses	12,874	13,623
Operating profit	25,621	33,815
Non-operating income		
Interest income	337	391
Other	72	112
Total non-operating income	410	504
Non-operating expenses		
Loss on retirement of non-current assets	7	40
Foreign exchange losses	226	1,856
Loss on valuation of derivatives	—	46
Other	0	3
Total non-operating expenses	234	1,946
Ordinary profit	25,798	32,373
Profit before income taxes	25,798	32,373
Income taxes - current	7,989	10,693
Income taxes - deferred	(1,139)	(1,704)
Total income taxes	6,849	8,989
Profit	18,948	23,384
Profit attributable to owners of parent	18,948	23,384



(Quarterly Consolidated Statements of Comprehensive Income)  
(For the Nine Months)

(Millions of yen)

	Nine months ended November 30, 2023	Nine months ended November 30, 2024
Profit	18,948	23,384
Other comprehensive income		
Valuation difference on available-for-sale securities	25	6
Foreign currency translation adjustment	7,208	415
Remeasurements of defined benefit plans, net of tax	4	(13)
Total other comprehensive income	7,239	409
Comprehensive income	26,188	23,793
Comprehensive income attributable to owners of parent	26,188	23,793
Comprehensive income attributable to non-controlling interests	—	—

## (3) Notes to Quarterly Consolidated Financial Statement

(Segment Information, Other)

[Segment Information]

## I. For the Nine Months Ended November 2023 (March 1, 2023 – November 30, 2023)

## 1. Information about Sales and Profit (Loss) by Reporting Segments and Disaggregation of Revenue

(Million yen)

	Reporting segments					Total	Adjustments (Note 1)	Amount on the quarterly consolidated statements of income (Note 2)
	Japan	US	UK	France	China			
Net sales Revenue from contracts with customers	56,325	84,925	10,114	7,381	83	158,831	—	158,831
Net sales (of which to outside customers)	56,325	84,925	10,114	7,381	83	158,831	—	158,831
(of which inter- segment/transfer)	81,981	2	15	6	2,883	84,889	(84,889)	—
Total	138,307	84,928	10,130	7,387	2,967	243,721	(84,889)	158,831
Segment profit	20,850	7,650	943	793	77	30,315	(4,693)	25,621

Notes: 1. Adjustment in segment profit of -4,693 million yen includes -3,057 million yen for elimination of inter-segment trade and -1,635 million yen for corporate expenses, which has not been distributed in the segments. The corporate expenses are general expenses that are not attributed to the segments.

2. Segment profit is adjusted for operating profit in the quarterly consolidated statements of income.

3. The information on revenue breakdown is the same as the information on sales of reporting segments in the segment information, etc., and the breakdown information is provided by geographic region.

## II. For the Nine Months Ended November 2024 (March 1, 2024 – November 30, 2024)

## 1. Information about Sales and Profit (Loss) by Reporting Segments and Disaggregation of Revenue

(Million yen)

	Reporting segments					Total	Adjustments (Note 1)	Amount on the quarterly consolidated statements of income (Note 2)
	Japan	US	UK	France	China			
Net sales Revenue from contracts with customers	49,502	97,371	10,983	8,481	64	166,403	—	166,403
Net sales (of which to outside customers)	49,502	97,371	10,983	8,481	64	166,403	—	166,403
(of which inter- segment/transfer)	103,279	8	16	5	3,633	106,943	(106,943)	—
Total	152,781	97,380	10,999	8,486	3,698	273,347	(106,943)	166,403
Segment profit	29,610	10,112	281	726	258	40,988	(7,172)	33,815

Notes: 1. Adjustment in segment profit of -7,172 million yen includes -5,127 million yen for elimination of inter-segment trade and -2,044 million yen for corporate expenses, which has not been distributed in the segments. The corporate expenses are general expenses that are not attributed to the segments.

2. Segment profit is adjusted for operating profit in the quarterly consolidated statements of income.

3. The information on revenue breakdown is the same as the information on sales of reporting segments in the segment information, etc., and the breakdown information is provided by geographic region.

(Notes to Significant Changes in Shareholders' Equity)

At a meeting of the Board of Directors held on October 10, 2024, we resolved the acquisition of our own shares pursuant to the provisions of Article 156 of the Companies Act, as applied by replacing the relevant terms pursuant to the provisions of Article 165, paragraph 3 of the same Act, and acquired 924,700 shares of our own shares. As a result, treasury shares increased by 4,405 million yen during the third quarter of the current consolidated cumulative period, and treasury shares at the end of the third quarter of the current consolidated cumulative period were 6,438 million yen.

(Notes to Going Concern Assumptions)

None

(Notes to the Quarterly Consolidated Statement of Cash Flows)

A quarterly consolidated statement of cash flows for the third quarter of the current consolidated fiscal year has not been prepared. Depreciation (including amortization of intangible fixed assets) for the third quarter of the current consolidated fiscal year is as follows.

	(Millions of yen)	
	Nine months ended November 30, 2023	Nine months ended November 30, 2024
Depreciation	2,305	2,743

(Significant Subsequent Events)

None