Presentation Materials for the Second Quarter of Fiscal Year 2026 (Ending March 31, 2027) (Based on IFRS)

November 10, 2026

Azbil Corporation

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Impact of the Middle East situation on the consolidated financial plan

In preparing the consolidated financial plan for FY2026 (ending March 31, 2027), we have taken into account those impacts that could be ascertained at the time of preparation. While the effect of geopolitical risks, stemming chiefly from the Middle East situation, on our business performance remains unclear, to date there has been limited impact, despite rising prices for parts/materials.

Voluntary adoption of International Financial Reporting Standards (IFRS Accounting Standards)

The Company voluntarily adopted IFRS Accounting Standards from the first half of FY2026.
For details on how this affected financial figures, refer to page 34.

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Highlights

1. Consolidated Financial Results for the First Half of FY2026

- ✓ Orders received and revenue both increased overall, with all 3 segments achieving growth, especially the BA and AA businesses. Revenue exceeded the plan. Despite increases in expenses, business profit was higher than the same period of FY2025 and also exceeded the plan thanks to the increased revenue and the effect of measures to enhance profitability.

2. Consolidated Financial Plan for FY2026 —Revised upwards from the initial plan announced on May 13, 2026

- ✓ H1 orders received grew significantly, up 26.6% on the same period of FY2025. Both revenue and business profit were higher than the same period of FY2025, and both exceeded the initial plan.
- ✓ Based on H1 financial results and the outlook for the business environment, our financial plan for the full year has been revised upward. We aim to achieve this revised plan by steadily converting the orders we have secured into revenue.

3. Returning Profits to Shareholders —Plan for additional purchase of own stock & cancellation of treasury shares. No change to the initial dividend plan (announced on May 13, 2026)

- ✓ From the perspective of disciplined capital management, we additionally plan to repurchase own stock and cancel treasury shares.
- ✓ An increased FY2026 interim dividend and commemorative dividend will be paid as planned.

4. Progress in Implementing the Medium-term Plan

- ✓ FY2025 and FY2026 H1 results exceeded the plans. Uncertainty remains regarding the Middle East situation and price increases for parts/materials; however, while we see our robust financial results through the first half of FY2026 and demand is expected to continue at a high level, in light of steady progress of initiatives including measures to address changes in business environment such as rising parts/material prices and personnel expenses, we will consider revising our targets for FY2027, the final year of the medium-term plan.
- ✓ Steady progress was made in investments and collaborations to strengthen the azbil Group's unique business model and drive future growth, including the capital and business alliance with OTEC CORPORATION and collaboration with the DENSO Group.

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1. Consolidated Financial Results for the First Half of FY2026

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Consolidated Financial Results

Orders received and revenue both increased overall, with all 3 segments achieving growth, especially the BA and AA businesses. Revenue exceeded the plan. Despite increases in expenses, business profit was higher than the same period of FY2025 and also exceeded the plan thanks to the increased revenue and the effect of measures to enhance profitability.

- **Orders received:** A significant increase overall compared to the same period of FY2025, due to strong growth in the AA business—thanks to a continuing recovery in the FA markets—and also in the BA business, due to robust market conditions and the recording of large-scale projects.
- **Revenue:** Increased overall compared to the same period of FY2025 due mainly to growth in the BA business and AA business. The plan was exceeded thanks to this revenue growth in both segments.
- **Business profit:** An increase overall due to higher revenue leading to increased profit and the continuing effect of measures to enhance profitability, including cost pass-through; this was despite the impact of increased personnel and other expenses such as growth investments, as well as recoil from the recording of highly profitable projects in the same period of FY2025. The plan was exceeded.
- **Profit attributable to owners of the parent:** On a par with the same period of FY2025 owing to a higher tax burden, despite the increased business profit and increased operating profit from the recording of gain on sale of property, plant and equipment. The plan was achieved.

(Billions of yen)

	FY2025 H1 * (A)	FY2026 H1 (B)	Difference (B) - (A)	Difference % Change	Plan (May 13, 2026) (C)	Difference (B) - (C)	Difference % Change
Orders received	165.0	**209.0**	43.9	*26.6*			
Revenue	133.2	**142.8**	9.6	*7.2*	139.5	3.3	*2.4*
Japan	109.5	**114.8**	5.3	*4.9*			
Overseas	23.7	**27.9**	4.2	*17.8*			
Gross profit	61.2	**64.7**	3.4	*5.7*			
Margin	*46.0*	***45.3***	*(0.7)pp*				
SG&A	43.4	**46.6**	3.2	*7.4*			
Business profit	17.7	**18.0**	0.2	*1.4*	17.3	0.7	*4.2*
Margin	*13.3*	***12.6***	*(0.7)pp*		*12.4*	*0.2pp*	
Operating profit	17.4	**19.4**	1.9	*11.0*	19.1	0.3	*1.6*
Profit before tax	18.3	**20.1**	1.8	*10.1*			
Profit attributable to owners of the parent	12.5	**12.4**	(0.0)	*(0.4)*	12.4	0.0	*0.7*
Margin	*9.4*	***8.7***	*(0.7)pp*		*8.9*	*(0.1)pp*	

* Restated under IFRS

Reference: The impact of foreign exchange rate fluctuations (compared with the same period of FY2025)
2.4 billion yen for revenue
0.4 billion yen for business profit

The impact of foreign exchange rate fluctuations is derived from the difference in rates, between the previous and current periods, used to convert overseas subsidiaries' P/L into yen from the local currencies.

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Financial Results by Segment

■ BA: **Orders received** grew significantly compared to the same period of FY2025, thanks to growth across all fields. **Revenue** was higher than the same period of FY2025, exceeding the plan, thanks to growth in the existing building and service fields as well as in the overseas business. **Segment profit** was higher than the same period of FY2025, broadly in line with the plan, thanks to the increased revenue and measures to enhance profitability, and despite increases in various expenses.

■ AA: **Orders received** rose significantly overall as a result of the recording of large-scale projects and growth in the PA markets thanks to overseas market recovery, as well as substantial growth in the FA markets driven by the recovery and expansion of the semiconductor market. **Revenue** increased compared to the same period of FY2025, and exceeded the plan, owing to growth in the FA markets in Japan and overseas. **Segment profit** decreased slightly compared to the same period of FY2025 as a result of growth investments and some recoil from the recording of highly profitable projects in the same period of FY2025, as well as increases in various expenses. However, the plan was exceeded.

■ LA: **Orders received** were higher than the same period of FY2025 thanks to growth in the Lifeline field. **Revenue** was also higher than the same period of FY2025 thanks to growth in the Lifeline field, but fell short of the plan owing to the postponed recording of revenue. **Segment profit** was on a par with the same period of FY2025 due to soaring prices for parts/materials and increased personnel expenses, despite the effect of increased revenue, measures to enhance profitability, and cost reductions. Since revenue fell short of the plan, so too did segment profit.

(Billions of yen)

		FY2025 H1* (A)	FY2026 H1 (B)	Difference (B) - (A)	Difference % Change	Plan (May 13, 2026) (C)	Difference (B) - (C)	Difference % Change
■ B A	Orders received	100.6	**120.2**	19.6	*19.5*			
	Revenue	64.8	**70.0**	5.2	*8.0*	68.3	1.7	*2.6*
	Segment profit	8.3	**8.6**	0.3	*4.7*	8.7	(0.0)	*(0.0)*
	Margin	*12.8*	***12.4***	*(0.4)pp*		*12.7*	*(0.3)pp*	
■ A A	Orders received	47.0	**70.4**	23.4	*49.9*			
	Revenue	53.0	**57.1**	4.1	*7.8*	54.2	2.9	*5.5*
	Segment profit	9.0	**8.9**	(0.1)	*(1.2)*	8.1	0.8	*11.0*
	Margin	*17.2*	***15.7***	*(1.4)pp*		*14.9*	*0.8pp*	
■ L A	Orders received	18.1	**19.3**	1.1	*6.4*			
	Revenue	16.1	**16.6**	0.5	*3.5*	17.5	(0.8)	*(4.8)*
	Segment profit	0.3	**0.3**	0.0	*0.0*	0.5	(0.1)	*(33.1)*
	Margin	*2.1*	***2.0***	*(0.1)pp*		*2.9*	*(0.9)pp*	

* Restated under IFRS

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Segment Information: BA Business

Business environment

— In the domestic market, demand for new office buildings in urban redevelopment projects has remained strong and is expected to continue at a high level. Demand for the retrofit of buildings also remains strong. In overseas markets, investment continues to be robust for large-scale buildings including data centers.

— In addition to the demand for energy savings and CO_2 reduction, there is a high level of interest in creating office environments that address safety concerns and which are suited to new work styles.

— Outsourcing costs rose. We will continue promoting measures to enhance profitability, including cost pass-through.

- Orders received grew considerably compared to the same period of FY2025, thanks to strong market conditions and the recording of large-scale projects, leading to significant growth in the fields for new and existing buildings as well as in the overseas business.
- Revenue grew compared to the same period of FY2025, due to progress made with load leveling and growth in the existing building and service fields as well as in the overseas business, and despite a decline in the field for new buildings. With the growth in the field for existing buildings, the plan was exceeded.
- Segment profit was broadly in line with the plan and higher than the same period of FY2025 due to increased revenue and the effect of measures to enhance profitability, including cost pass-through, and despite growth investments in DX as well as increases in personnel expenses and outsourcing costs.

(Billions of yen)

	FY2025 H1 * (A)	FY2026 H1 (B)	Difference		Plan (May 13, 2026) (C)	Difference	
			(B) - (A)	% Change		(B) - (C)	% Change
Orders received	100.6	**120.2**	19.6	*19.5*			
Revenue	64.8	**70.0**	5.2	*8.0*	68.3	1.7	*2.6*
Segment profit	8.3	**8.6**	0.3	*4.7*	8.7	(0.0)	*(0.0)*
Margin	*12.8*	**12.4**	*(0.4)pp*		*12.7*	*(0.3)pp*	

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Segment Information: AA Business

Business environment

— In the process automation (PA) markets demand for maintenance and retrofits, in Japan and overseas, remained firm.
— The factory automation (FA) markets continued to recover, mainly due to growing demand in the semiconductor manufacturing equipment market.
— There is currently limited impact from geopolitical risks in the Middle East.

- Orders received rose considerably compared to the same period of FY2025. In the PA markets, orders were secured for large-scale domestic projects and there was a rebound in overseas markets, which had been sluggish during the same period of FY2025. In the FA markets, advance orders were placed from customers with the recovery and expansion in the semiconductor market, and demand grew significantly in Japan and overseas.
- Revenue was higher than the same period of FY2025 due to progress achieved with converting the large order backlog into revenue in the FA markets in Japan and overseas. The plan was exceeded thanks to this increase in FA market sales.
- Segment profit declined slightly compared to the same period of FY2025. This was due to several factors—an increase in depreciation expenses associated with capital expenditure on production facilities to handle business expansion in the semiconductor manufacturing equipment market, growth investments for the overseas business and DX, and recoil from the recording of highly profitable projects in the same period of FY2025, as well as higher prices for parts/materials and increases in personnel and other expenses—despite higher revenue leading to increased profit and the effect of measures to enhance profitability, including cost pass-through. However, the plan was achieved since revenue exceeded the plan.

(Billions of yen)

	FY2025 H1* (A)	FY2026 H1 (B)	Difference		Plan (May 13, 2026) (C)	Difference	
			(B) - (A)	*% Change*		(B) - (C)	*% Change*
Orders received	47.0	**70.4**	23.4	*49.9*			
Revenue	53.0	**57.1**	4.1	*7.8*	54.2	2.9	*5.5*
Segment profit	9.0	**8.9**	(0.1)	*(1.2)*	8.1	0.8	*11.0*
Margin	*17.2*	**15.7**	*(1.4)pp*		*14.9*	*0.8pp*	

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Segment Information: LA Business

Business environment

— In the Lifeline field for gas and water meters, sales partly depend on the LP gas meter market, which exhibits cyclical fluctuations in demand. However, demand centering on city gas meters and water meters can be expected to remain basically stable, thanks primarily to demand for the replacement of meters whose statutory inspection/verification period is due to expire. In the coming years, we also anticipate growing demand for smart meters and services to utilize the data they provide.*1

*1 In July 2025, Azbil Kimmon Co., Ltd. in the Lifeline field formalized an agreement to collaborate with Kamstrup A/S (Head office: Denmark), which has a proven track record in the smart water metering field with services such as cloud-based leak detection.

— In the residential central air-conditioning systems market, soaring construction costs are affecting the groundbreaking for detached houses.

- Orders received were higher than the same period of FY2025 thanks primarily to growth in the Lifeline field resulting from measures to expand sales in the water meter field.
- Revenue was higher than the same period of FY2025 mainly due to growth in the Lifeline field, reflecting expanded water meter sales. The plan was not achieved owing to some postponed recording of revenue.
- Segment profit was on a par with the same period of FY2025 due to soaring prices for copper and other materials, as well as increases in personnel expenses, and despite the effect of increased revenue, measures to enhance profitability, including cost pass-through, and cost reductions. Since revenue fell short of the plan, so too did segment profit.

(Billions of yen)

	FY2025 H1*2 (A)	FY2026 H1 (B)	Difference		Plan (May 13, 2026) (C)	Difference	
			(B) - (A)	*% Change*		(B) - (C)	*% Change*
Orders received	18.1	**19.3**	1.1	*6.4*			
Revenue	16.1	**16.6**	0.5	*3.5*	17.5	(0.8)	*(4.8)*
Segment profit	0.3	**0.3**	0.0	*0.0*	0.5	(0.1)	*(33.1)*
Margin	*2.1*	**2.0**	*(0.1)pp*		*2.9*	*(0.9)pp*	

*2 Restated under IFRS

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Overseas Revenue By Region

- Revenue grew by 17.8% compared to the same period of FY2025, mainly due to growth achieved by both the BA and AA businesses in the Asian region. The overseas revenue ratio was 19.6%.
- BA business revenue increased overall, primarily due to revenue growth in Asia, where several large-scale projects were recorded. The AA business saw some recoil from the recording of large-scale projects in North America in the same period of FY2025, but overall revenue increased owing to multiregional growth achieved by the CP business, principally in the semiconductor market.

* From FY2025, overseas revenue is presented by the region of the selling entity instead of the destination of delivery.
* In October 2024, the Company transferred all equity interests in Azbil Telstar (ATL), which had been included in the LA business.

Overseas revenue excluding ATL

(Billions of yen)

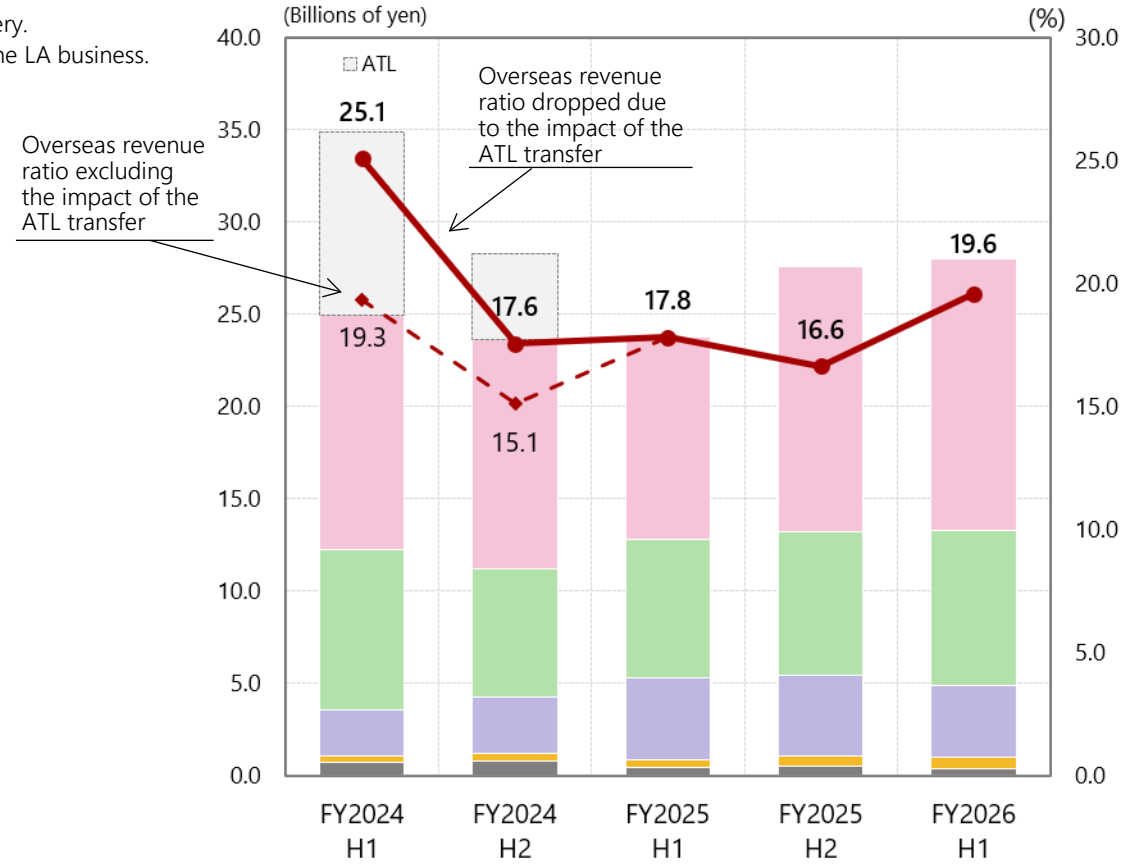
	FY2024 H1	FY2024 H2	FY2025 H1 (A)	FY2025 H2	FY2026 H1 (B)	Difference (B) - (A)	Difference % Change
Asia (ex-China)	12.7	12.4	10.9	14.3	14.6	3.7	34.1
China	8.6	6.9	7.5	7.8	8.4	0.8	11.9
North America	2.4	3.0	4.4	4.3	3.9	(0.5)	(12.1)
Europe	0.4	0.3	0.4	0.5	0.6	0.2	54.1
Others	0.6	0.7	0.4	0.4	0.3	(0.0)	(20.8)
Consolidated	24.9	23.5	23.7	27.5	27.9	4.2	17.8
Overseas revenue / Revenue ratio (%)	*19.3*	*15.1*	*17.8*	*16.6*	*19.6*		
ATL revenue	9.9	4.6	-	-	-		

Overseas revenue including ATL

	FY2024 H1	FY2024 H2	FY2025 H1 (A)	FY2025 H2	FY2026 H1 (B)	Difference (B) - (A)	Difference % Change
Consolidated	34.8	28.2	23.7	27.5	27.9	4.2	17.8
Overseas revenue / Revenue ratio (%)	*25.1*	*17.6*	*17.8*	*16.6*	*19.6*		

Reference

		FY2024 H1	FY2024 H2	FY2025 H1	FY2025 H2	FY2026 H1
Average exchange rate	USD/JPY	152.36	151.69	146.03	150.67	159.49
	CNY/JPY	21.16	21.11	20.29	21.22	23.54



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Consolidated Financial Position

- **Assets:** Total assets decreased primarily due to a decline in trade and other receivables owing to progress made with the collection of accounts receivable-trade recorded in the fourth quarter of FY2025.

  Reference
  Revenue for the azbil Group tends to be highest in the fourth quarter of the consolidated accounting period.

- **Liabilities:** Liabilities decreased due to a reduction in current liabilities following bonus payments.

- **Equity:** Despite the recording of profit attributable to owners of the parent, there was a decrease in equity due to the payment of dividends and repurchasing own stock.

(Billions of yen)

	As of Mar. 31, 2026 (A) *	As of Sep. 30, 2026 (B)	Difference (B)-(A)
Cash and cash equivalents	98.1	81.6	(16.4)
Trade and other receivables	78.2	60.4	(17.7)
Contract assets	18.3	23.4	5.0
Inventories	35.4	38.2	2.7
Other current assets	8.3	10.0	1.7
Current assets	238.4	213.8	(24.5)
Property, plant and equipment	41.5	42.8	1.2
Right-of-use assets	12.6	11.5	(1.0)
Intangible assets	7.5	7.8	0.3
Other financial assets	37.5	38.1	0.5
Other non-current assets	9.6	9.3	(0.3)
Non-current assets	108.8	109.7	0.8
Total assets	**347.3**	**323.6**	**(23.7)**

	As of Mar. 31, 2026 (A) *	As of Sep. 30, 2026 (B)	Difference (B)-(A)
Trade and other payables	18.0	17.8	(0.2)
Borrowings	4.8	4.6	(0.1)
Lease liabilities	4.9	4.4	(0.4)
Other current liabilities	50.7	43.4	(7.2)
Current liabilities	78.5	70.3	(8.1)
Borrowings	5.0	3.6	(1.3)
Lease liabilities	7.0	6.5	(0.5)
Other non-current liabilities	7.1	7.4	0.2
Non-current liabilities	19.2	17.6	(1.6)
Total liabilities	**97.7**	**88.0**	**(9.7)**
Share capital	10.5	10.5	-
Capital surplus	13.0	13.4	0.3
Retained earnings	240.3	243.6	3.2
Treasury share	(37.7)	(55.0)	(17.3)
Other components of equity	20.1	20.1	(0.0)
Total equity attributable to owners of parent	246.4	232.6	(13.8)
Non-controlling interests	3.1	2.9	(0.1)
Total equity	**249.5**	**235.5**	**(13.9)**
Total liabilities and equity	**347.3**	**323.6**	**(23.7)**

* Restated under IFRS

Equity attributable to owners of the parent ratio	70.9%	71.9%	*0.9pp*

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Consolidated Cash Flows

- Cash flow from operating activities declined as a result of inventories increasing with a rise in orders received. Net cash used in investing activities (expenditure) increased owing to ongoing capital investments, although free cash flow was on a par with the same period of FY2025 due to an increase in proceeds from sale of property, plant and equipment.
- Net cash used in financing activities (expenditure) increased due to the payment of dividends and repurchase of the Company's own stock.

(Billions of yen)

	FY2025 (A)*1	FY2026 (B)	Difference	
			(B) - (A)	*% Change*
Net cash provided by (used in) operating activities	18.5	**17.6**	(0.8)	*(4.6)*
Net cash provided by (used in) investing activities	(2.9)	**(1.9)**	1.0	-
Free cash flow	15.5	**15.7**	0.1	*1.1*
Net cash provided by (used in) financing activities	(23.3)	**(32.0)**	(8.6)	-
Effect of exchange rate change on cash and cash equivalents	0.8	**(0.1)**	(1.0)	-
Net increase (decrease) in cash and cash equivalents	(6.8)	**(16.4)**	(9.5)	-
Cash and cash equivalents at beginning of period	93.3	**98.1**	4.8	*5.2*
Cash and cash equivalents at end of period	86.4	**81.6**	(4.7)	*(5.5)*

Reference

Capital investment	3.8	**5.8**	2.0	*52.0*
Depreciation and amortizaition *2	5.9	**6.1**	0.2	*3.7*

*1 Restated under IFRS
*2 FY2026 plan includes depreciation of right-of-use assets based on lease contracts in addition to those of non-current assets.

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2. Consolidated Financial Plan for FY2026

—Revised upwards from the initial plan announced on May 13, 2026

- In preparing the consolidated financial plan for FY2026 (ending March 31, 2027), we have taken into account those impacts that could be ascertained at the time of preparation. While the effect of geopolitical risks, stemming chiefly from the Middle East situation, on our business performance remains unclear, to date there has been limited impact, despite rising prices for parts/materials.
- The Company voluntarily adopted IFRS Accounting Standards from the first half of FY2026. For details on how this affected financial figures, refer to page 34.

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Consolidated Financial Plan

- H1 orders received grew significantly, up 26.6% on the same period of FY2025. Both revenue and business profit were higher than the same period of FY2025, and both exceeded the initial plan.
- Based on H1 financial results and the outlook for the business environment, our financial plan for the full year has been revised upward. We aim to achieve this revised plan by steadily converting the orders we have secured into revenue.

- The BA business environment continues to be robust. In the AA business, high levels of demand are expected due to the recovery in the FA markets.
- Although it is not yet clear how our business performance is going to be affected by geopolitical risks, stemming chiefly from the Middle East situation, currently there is limited impact. Despite further increases in costs due to inflation, higher personnel expenses etc., we will monitor developments and strive to mitigate any such impacts by responding swiftly and appropriately.
- We will continue to actively invest in strengthening our human capital, enhancing product competitiveness, and advancing DX to support future growth.

(Billions of yen)

	FY2025 Full year results *1 (A)	FY2026 H1 results	FY2026 H2 revised plan (Nov. 10, 2026)	FY2026 Full year revised plan (Nov. 10, 2026) (B)	Difference (B) - (A)	Difference % Change	FY2026 Full year initial plan (May 13, 2026) (C)	Difference (B) - (C)	Difference % Change
Revenue	**298.8**	142.8	179.6	**322.5**	23.6	*7.9*	**315.0**	7.5	*2.4*
Business profit	**46.4**	18.0	31.5	**49.5**	3.0	*6.6*	**48.2**	1.3	*2.7*
Margin	***15.5***	*12.6*	*17.5*	***15.3***	*(0.2)pp*		***15.3***	*0.0pp*	
Operating profit	**45.5**	19.4	31.4	**50.8**	5.2 *2	*11.5*	**49.7**	1.1	*2.2*
Margin	***15.3***	*13.6*	*17.5*	***15.8***	*0.5pp*		***15.8***	*(0.0)pp*	
Profit attributable to owners of the parent	**36.4**	12.4	23.0	**35.5**	(0.9) *3	*(2.7)*	**35.3**	0.2	*0.6*
Margin	***12.2***	*8.7*	*12.8*	***11.0***	*(1.2)pp*		***11.2***	*(0.2)pp*	

Reference: Exchange rates
FY2025 USD/JPY 150, CNY/JPY 21.2
FY2026 USD/JPY 157, CNY/JPY 23.0

*1 Restated under IFRS
*2 In addition to higher business profit, there was increased operating profit from the recording of gain on sale of property, plant and equipment.
*3 This decrease was due to a higher tax burden resulting from changes to the tax system.

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Financial Plan by Segment (1)

- BA: Full-year revenue has been revised upward against a backdrop of robust market conditions, although some revenue was recorded ahead of schedule in the first half. Segment profit is expected to achieve the initial plan as a result of growth in the profitable existing building field.
- AA: Demand is expected to continue at a high level in the FA markets, and figures for both revenue and segment profit have been revised upward. Despite some recoil from the recording of highly profitable projects in FY2025, and further increases in prices for parts/materials, because of increased revenue the plan has been revised, switching from a decline in profit to an increase in profit compared to FY2025.
- LA: In the first half, there was some postponed recording of revenue; however, in line with the initial plan, we will increase revenue compared to FY2025, primarily through growth in the Lifeline field. Despite soaring prices for materials such as copper, we anticipate higher profits than FY2025 due to the success of measures to improve profitability, including price adjustments.

(Billions of yen)

		FY2025 Full year results * (A)	FY2026 H1 results	FY2026 H2 revised plan (Nov. 10, 2026)	FY2026 Full year revised plan (Nov. 10, 2026) (B)	Difference (B) - (A)	Difference % Change	FY2026 Full year initial plan (May 13, 2026) (C)	Difference (B) - (C)	Difference % Change
B A	Revenue	**156.2**	70.0	96.4	**166.5**	10.2	*6.5*	**166.0**	0.5	*0.3*
	Segment profit	**28.3**	8.6	21.3	**30.0**	1.6	*5.9*	**30.0**	-	-
	Margin	***18.1***	*12.4*	*22.1*	***18.0***	*(0.1)pp*		***18.1***	*(0.1)pp*	
A A	Revenue	**110.7**	57.1	65.3	**122.5**	11.7	*10.6*	**115.0**	7.5	*6.5*
	Segment profit	**17.5**	8.9	9.5	**18.5**	0.9	*5.7*	**17.2**	1.3	*7.6*
	Margin	***15.8***	*15.7*	*14.6*	***15.1***	*(0.7)pp*		***15.0***	*0.1pp*	
L A	Revenue	**33.3**	16.6	18.6	**35.3**	1.9	*5.9*	**35.3**	-	-
	Segment profit	**0.6**	0.3	0.7	**1.0**	0.3	*61.6*	**1.0**	-	-
	Margin	***1.9***	*2.0*	*3.6*	***2.8***	*0.9pp*		***2.8***	-	

* Restated under IFRS

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Financial Plan by Segment (2)

BA

Full-year revenue has been revised upward against a backdrop of robust market conditions, although some revenue was recorded ahead of schedule in the first half. Segment profit is expected to achieve the initial plan as a result of growth in the profitable existing building field.

- The business environment in Japan and overseas remains robust. Due to successful initiatives to secure new orders, there was a significant increase in orders received in the first half. Against the backdrop of a large order backlog, revenue growth in line with the revised plan is anticipated in the fields for existing buildings and service as well as in the overseas business.
- Revenue growth is expected to continue as it is, mainly thanks to the profitable existing building and service fields; this is despite increases in outsourcing costs as well as higher personnel and DX-related expenses, and the impact of a change in sales mix due to growth in the field for new buildings overseas. With the continuing effect of measures to enhance profitability, including cost pass-through, segment profit is expected to be higher than FY2025, in line with the initial plan.

AA

Demand is expected to continue at a high level in the FA markets, and figures for both revenue and segment profit have been revised upward. Despite some recoil from the recording of highly profitable projects in FY2025, and further increases in prices for parts/materials, because of increased revenue the plan has been revised, switching from a decline in profit to an increase in profit compared to FY2025.

- The PA markets vary depending on the region, but in the FA markets, primarily the semiconductor manufacturing equipment markets in Japan and overseas, demand is expected to continue at high levels. We anticipate revenue that exceeds the initial plan.
- As regards segment profit, the initial plan has been revised upward to set it higher than FY2025. This reflects revenue growth that exceeds the initial plan and the effect of measures to enhance profitability, including cost pass-through, while taking into account the anticipated impact of soaring prices for parts/materials and increased personnel expenses, as well as some recoil from the recording of highly profitable projects in FY2025.

LA

In the first half, there was some postponed recording of revenue; however, in line with the initial plan, we will increase revenue compared to FY2025, primarily through growth in the Lifeline field. Despite soaring prices for materials such as copper, we anticipate higher profits than FY2025 due to the success of measures to improve profitability, including price adjustments.

- In the Lifeline field, while steadily capturing demand for gas and water meter replacement as required by law, we expect revenue to increase as planned through the development of markets related to smart metering as a service*1. Growth is also planned in the residential central air-conditioning systems field*2.
- Despite soaring prices for materials such as copper, as well as increased labor costs and other expenses, we expect profit to increase as planned thanks to increased revenue and the effects of profitability improvement measures such as cost pass-through, cost reductions, sales initiatives focused on profitability, and the replacement of conventional meters with smart meters.

*1 Business involving the provision of new value-added services on top of the conventional measurement function of meters
*2 Business development through collaboration with the DENSO Group in the residential central air-conditioning systems field (see page 29) will commence on April 1, 2027.

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Financial Plan by Segment (supplement): Quarterly Performance

- In Q2 (3 months), both the BA and AA businesses made steady progress in converting order backlogs into revenue and recorded a segment profit.

BA Q2 revenue rose 15% compared to the same period of FY2025, setting a new record.

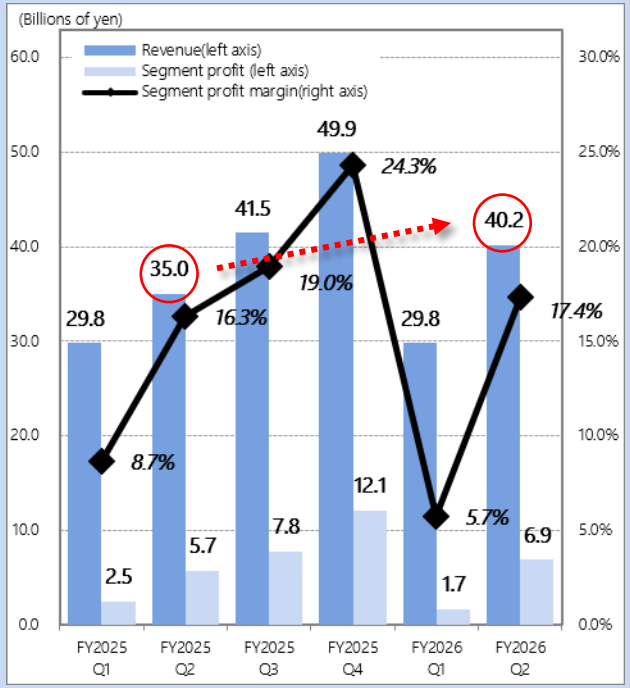
Business environment

- The business environment remained robust, both in Japan and overseas, and orders expanded.

Segment performance

- Seasonal factors kept Q1 revenue on a par with the same period of FY2025, but in Q2 (3 months) it exceeded the plan. In H1, revenue set a new record and profits were broadly in line with the plan.
- From H2 onward, we expect to steadily convert our order backlog into revenue.

BA business: Quarterly figures for revenue, segment profit, and profit margin



Note: For details of how seasonal factors affect the BA business, see page 37.

AA In the FA markets orders received grew QoQ, and revenue expanded from Q2.

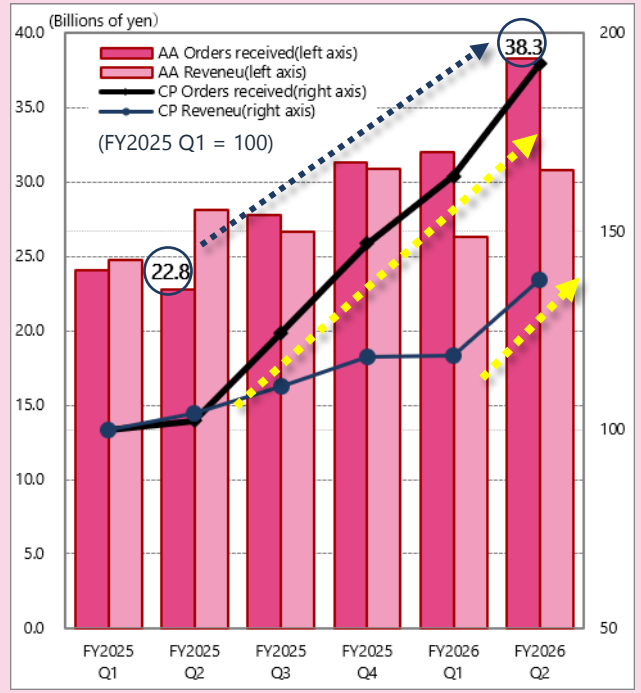
Business environment

- In Japan and overseas, recovery in the FA markets, principally the semiconductor-related markets (CP business), is gathering pace.

Segment performance

- Since FY2025 Q3, orders received for FA-related markets have continued to grow QoQ. From FY2026 Q2 (3 months), progress has been made with converting the order backlog into revenue, and for H1 we recorded revenue and segment profit that both exceeded the initial plan (line graph).
- From H2, we expect orders received to remain at a high level, generating revenue.

AA business: Quarterly figures for orders received and revenue
FA markets (CP): Growth rates for orders received and revenue



Note: The CP business is presented here for reference as it was responsible for approximately 42% of the orders received by the AA business in FY2025 and approximately 47% of the increase in orders received in FY2026 Q2.

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3. Returning Profits to Shareholders

→Plan for additional purchase of own stock & cancellation of treasury shares.
No change to the initial dividend plan (announced on May 13, 2026)

Basic Policy



Developing a disciplined capital management and maintaining and enhancing the azbil Group's enterprise value, while carefully balancing three key elements: promoting shareholder returns, investing for growth, and maintaining a sound financial base.

- Returning profits to shareholders is a management priority.
- Returning profits to shareholders is mainly by dividends, but also by flexible repurchase of shares by the Company.
- In deciding the level of returns, consideration is given to consolidated financial results, level of ROE, DOE, and retained earnings required for future business development and strengthening of the Company.
- We strive to maintain a stable but rising dividend level.

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FY2026 Dividend, Repurchase of Own Stock and Cancellation of Treasury Shares

The FY2026 interim dividend will be increased as planned, and a commemorative dividend will be issued at the same time.

From the perspective of disciplined capital management, we plan to repurchase own stock and cancel treasury shares.

- We have continued to strengthen the foundation of business profitability, and, in order to enhance shareholder returns and improve capital efficiency for disciplined capital management, FY2025/FY2026 dividends have been/will be increased and the FY2026 share buyback program was expanded (20 billion yen). This is because it has been determined that, going forward, we will be able to secure the necessary funds, partly through debt financing, even while investing for growth and even if the business environment deteriorates due to geopolitical risks.
- Based on the strong outlook for FY2026 financial results, and taking into account such factors as our current cash levels, we are planning an additional repurchase of own stock (15 billion yen). Furthermore, from the perspective of disciplined capital management, during FY2026 we will cancel all of the treasury shares thus acquired.

Enhancing shareholder returns in line with our basic policy	FY2025 dividend (increased year-end dividend)		Annual dividend of **32 yen** per share (+8 yen compared to FY2024) **The year-end dividend was increased by 6 yen from the initial plan (May 2025).**	Paid
Strengthened foundation for business profitability, improved balance sheet	FY2026 dividend (increased interim dividend + commemorative dividend)		Annual combined dividend of **50 yen** per share (+18 yen compared to FY2025) **Ordinary interim dividend to rise by 6 yen + 120th anniversary commemorative dividend of 12 yen**	No change
Practicing disciplined capital management, improving capital efficiency (ROE)	FY2026 own stock (repurchase and cancellation)	New	Plan for **additional repurchase** of own stock up to a maximum of **15.0 billion yen** (between Nov. 11, 2026 and Jan. 27, 2027)	
Securing funds necessary for growth investments and business continuity		New	Plan to **cancel all of the treasury shares** thus acquired in FY2026	
			Completion of the 20 billion yen repurchase of own stock announced in May 2026 (Oct. 29, 2026)	Completed

* Conscious of the cost of capital in management, the azbil Group has introduced and been in process of enhancing business management that incorporates return on invested capital (ROIC), which is based on the trial calculation of adjusted after-tax business profit.

Reference:
FY2025 azbil Group ROIC (trial calculation) was 11.5% applying J-GAAP, 11.1% applying IFRS.
Weighted average cost of capital (WACC) was 7.6%.

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FY2026 Dividend

FY2026 interim dividend	**As announced, the ordinary interim dividend will be increased by 6 yen, and a 120th anniversary commemorative dividend of 12 yen will be issued at the same time. We plan an annual dividend of 50 yen per share. DOE will rise to 10.6%.**

[Reference] The DOE target set when the medium-term plan was formulated was 6.0% (May 2025)

- We will maintain our policy of enhancing shareholder returns and aiming to further improve our stable dividend level.
- We plan to increase the ordinary dividend by 6 yen, with an interim dividend of 19 yen per share and a year-end dividend of 19 yen per share, for an annual ordinary dividend of 38 yen per share.
- In addition, as we are celebrating our 120th anniversary, to express our gratitude to the shareholders we plan to issue a commemorative dividend of 12 yen per share at the time that the interim dividend is paid.

In FY2024 a revised stock ownership plan (J-ESOP-RS) was adopted for all employees, and the FY2026 dividend increase, including the commemorative dividend, will thus serve as a way for them to also share in the profits. At the same time, from the perspective of sharing value with shareholders, it will also act as an incentive to foster engagement in the business, thereby contributing to the enhancement of enterprise value.

(Yen)

	FY2025 Actual			FY2026 Plan (May 13, 2026)		
	Interim	Year-end	Annual	Interim	Year-end	Annual
Ordinary dividend	13.0	19.0	32.0	**19.0**	**19.0**	38.0
120th anniversary commemorative dividend	-	-	-	**12.0**	-	12.0
Dividend per share	**13.0**	**19.0**	**32.0**	**31.0**	**19.0**	**50.0**
Payout ratio	**46.1%** *1			**69.9%** *2 **53.1%** excluding commemorative dividend		
Dividend on equity (DOE)	**6.8%** *1			**10.6%** *3 **8.0%** excluding commemorative dividend		

*1 To facilitate comparison, figures for FY2025 have been recalculated using IFRS. When calculated using Japanese GAAP, the FY2025 dividend payout ratio was 42.2% and dividend on equity (DOE) was 6.7%.

*2 Calculating earnings per share and estimating the IFRS-based dividend payout ratio, after taking into account the effect of the repurchase of own stock in FY2026.

*3 The following factors have been taken into account for the trial calculation of DOE (IFRS), which is based on total equity attributable to owners of the parent as of March 31, 2026: repurchase of own stock in FY2026, year-end dividends for FY2025, interim dividends for FY2026 (including commemorative dividend), profit attributable to owners of the parent for the full year in the consolidated financial plan for FY2026.

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FY2026 Repurchase of Own Stock and Cancellation of Treasury Shares

Additional repurchase of own stock and cancellation of treasury shares

The Company newly plans additional repurchase of own stock worth 15.0 billion yen.
The Company also plans cancellation of all treasury shares to be repurchased in FY2026.

- In view of the ROE figures set out in our long-term targets (FY2030) and the medium-term plan (FY2025–FY2027), we implement measures to expand business and strengthen profitability, and we repurchase own stock to practice disciplined capital management, improve capital efficiency, and increase shareholder returns.
- In light of our strengthened business foundation—achieved by implementing the medium-term plan—and making use of funds generated by our financial results through to FY2025, we planned the FY2026 dividend and the repurchase of own stock to the value of approximately 20 billion yen. That buyback (announced on May 13, 2026) was completed on Oct. 29, 2026.
- In light of our robust financial results for FY2026 H1 and the strong outlook for our full-year results, and in line with our approach to disciplined capital management, in order to flexibly implement further enhancements to shareholder returns so as to meet shareholder expectations, we are planning an additional repurchase of own stock (15.0 billion yen) and we also plan to cancel all of the treasury shares acquired in FY2026.

Repurchase of own stock

1. Type of stock to be repurchased:	Common stock of the Company
2. Total number of shares to be repurchased:	Up to 15.00 million shares*
3. Total amount of repurchase:	Up to 15.0 billion yen
4. Period of repurchase:	From Nov. 11, 2026 to Jan. 27, 2027
5. Method of repurchase:	Market transactions on the Tokyo Stock Exchange

* 3.0% of the total number of common shares issued, excluding treasury shares

Details regarding the cancellation of treasury shares

1. Type of stock to be canceled:	Common stock of the Company
2. No. of treasury shares to be canceled:	Total of all of the Company's own stock to be repurchased as shown on the left and all of the Company's own shares already repurchased pursuant to the resolution of the Board of Directors on May 13, 2026
3. Scheduled date of cancellation:	Feb. 26, 2027

Reference

■ All of the Company's own shares already repurchased pursuant to the resolution of the Board of Directors on May 13, 2026
- Total number of shares repurchased: 13,091,300 shares
- Total amount of repurchase: 19,999,845,500 yen

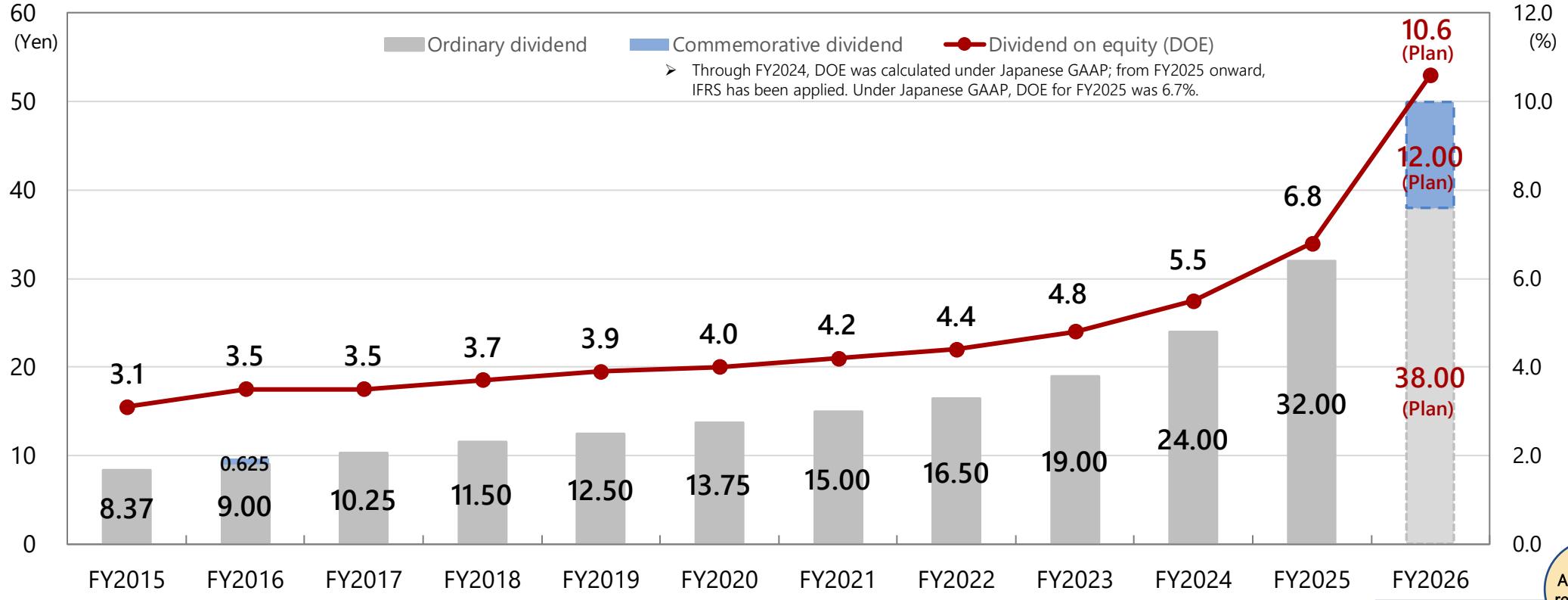
■ Status of treasury shares held as of September 30, 2026
- Total number of issued shares (excluding treasury shares): 505,632,676 shares
- Number of treasury shares: 35,740,060 shares

Note: The above number of treasury shares does not include shares owned by trust accounts of an employee stock ownership plan, a Trust-Type Employee Shareholding Incentive Plan and stock compensation plan, which owned 8,190,650 shares as of September 30, 2026.

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Trend of Shareholder Returns

- In FY2026, in addition to increasing the ordinary dividend for the 12th consecutive year, we plan to issue a commemorative dividend (making a combined annual dividend of 50 yen per share, which will be 18 yen higher than FY2025). In addition to repurchasing own stock worth approximately 20.0 billion yen, we are planning an additional share buyback worth 15.0 billion yen.*



Total amount of own stock repurchased (billions of yen)	1.9		2.9	4.9	9.9		9.9	9.9	9.9	14.9	14.9	19.9 (Done)	15.0 (Plan)
Number of shares repurchased (millions of shares)	4.80		5.71	7.48	14.87		9.01	10.68	8.77	12.46	10.83	13.09 (Done)	15.00 (Plan)

Additional repurchase

* Buyback up to a maximum of 15.0 billion yen or 15 million shares

Note: The dividend per share and total number of own shares purchased have been retroactively adjusted to take into account the effect of the stock split in October 2024 and in October 2018.

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4. Progress in Implementing the Medium-term Plan

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Progress in Implementing Medium-term Plan (FY2025–FY2027)

- Under the current medium-term plan, whose key theme is Evolution and Co-creation, and employing the azbil Group's unique business model, we will actively make necessary investments to strengthen our human capital, enhance product competitiveness, and advance DX. We aim to achieve increased sales and enhanced profitability, and, through further business expansion, to realize the well-being of society and Group employees.
  - In FY2025, we enhanced our profit structure, principally in the BA business, and achieved results that exceeded the initial plan. Similarly, in FY2026 we have achieved results that exceed our H1 plan. With expansion of the robust BA business (existing building market) and the AA business (FA markets [CP business]), orders received grew significantly (up 26.6% on the same period of FY2025), and the order backlog for FY2027 has also increased.
  - Uncertainty remains regarding the Middle East situation and price increases for parts/materials; however, while we see our robust financial results through the first half of FY2026 and demand is expected to continue at a high level, in light of steady progress of initiatives including measures to address changes in business environment such as rising parts/material prices and personnel expenses, we will consider revising our targets for FY2027, the final year of the medium-term plan.

Transformation

Evolution and Co-creation

Growth

Growth

Core

Review under consideration

[bil.yen = billion yen]

	FY2024 results J-GAAP	FY2025 results	FY2026 initial plan May 13, 2026	Upward revision	FY2026 revised plan Nov. 10, 2026	FY2027 plan formulated in May 2025
Revenue	300.3 bil.yen 285.7 bil.yen *1	298.8 bil.yen	315.0 bil.yen		322.5 bil.yen	340.0 bil.yen
[overseas sales]	[63.1 bil.yen] [48.5 bil.yen] *1	[51.2 bil.yen]	[56.5 bil.yen]		[57.5 bil.yen]	[62.0 bil.yen]
Business profit	41.4 bil.yen	46.4 bil.yen	48.2 bil.yen		49.5 bil.yen	51.0 bil.yen
Margin	13.8% *1	15.5%	15.3%		15.3%	15.0%
ROE	17.9% *2	15.2%	15.0%		15.2%	14%

Based on our robust financial performance and the expectation of continued strong order demand, we will consider revising our targets for FY2027 in light of the progress made with various initiatives.

Long-term targets

FY2030



Through business expansion, we aim to realize the well-being of society and group employees by making contributions that lead "in series" to a sustainable society.

Long-term targets

financial targets

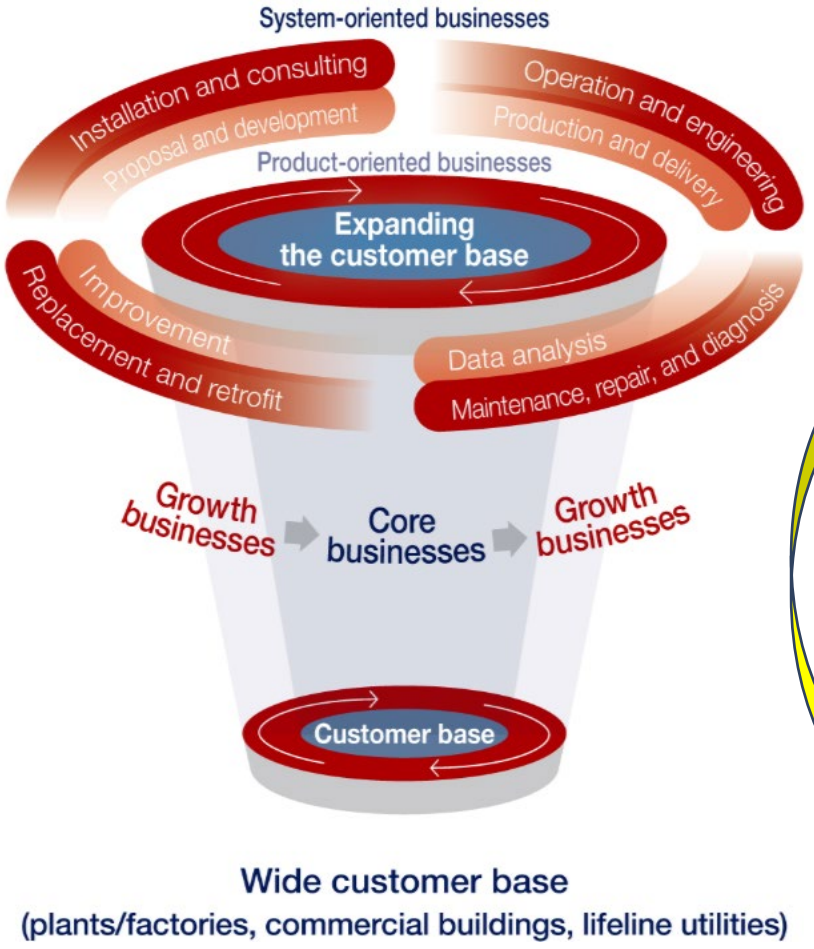
formulated In May 2025

420.0 bil.yen
[100.0 bil.yen]
65.0 bil.yen
15.5%
15%

*1 Net sales exclude the impact of the transfer of Azbil Telstar (ATL) in October 2024. Excluding the impact of the ATL transfer, operating income was 41.0 billion yen and operating income margin was 14.4%.
*2 ROE excluding the extraordinary gains from the transfer of equity interests in Azbil Telstar and other factors was 14.2%.

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The azbil Group's Unique Business Model



In our growth businesses, we will enlarge our customer base, while in our core businesses we will improve sustainability and profitability. By continually cycling from growth businesses to core businesses and back to growth businesses, we aim to achieve sustained business expansion.

Growth businesses

- Businesses operating in markets where there is demand for harnessing technological advances and resolving social issues
- Enlarging the customer base by introducing new products and services that are on the cutting edge

✓ Focus on expanding business overseas and strengthening product competitiveness

Examples: Cutting-edge products and services in each business
In the BA business, GX solutions for saving energy and utilizing renewable energy; in the AA business, MEMS sensors for semiconductor manufacturing equipment and other FA; and in the LA business, smart metering as a service

Core businesses

- Businesses with an existing customer base, established over many years
- Sustained improvement of profitability is possible through DX promotion. We will realize growth through expansion of the customer base.

Examples: Retrofit and servicing of existing systems based on the customer base of each business

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Initiatives for Continuous Revenue Expansion and Strengthened Business Profitability

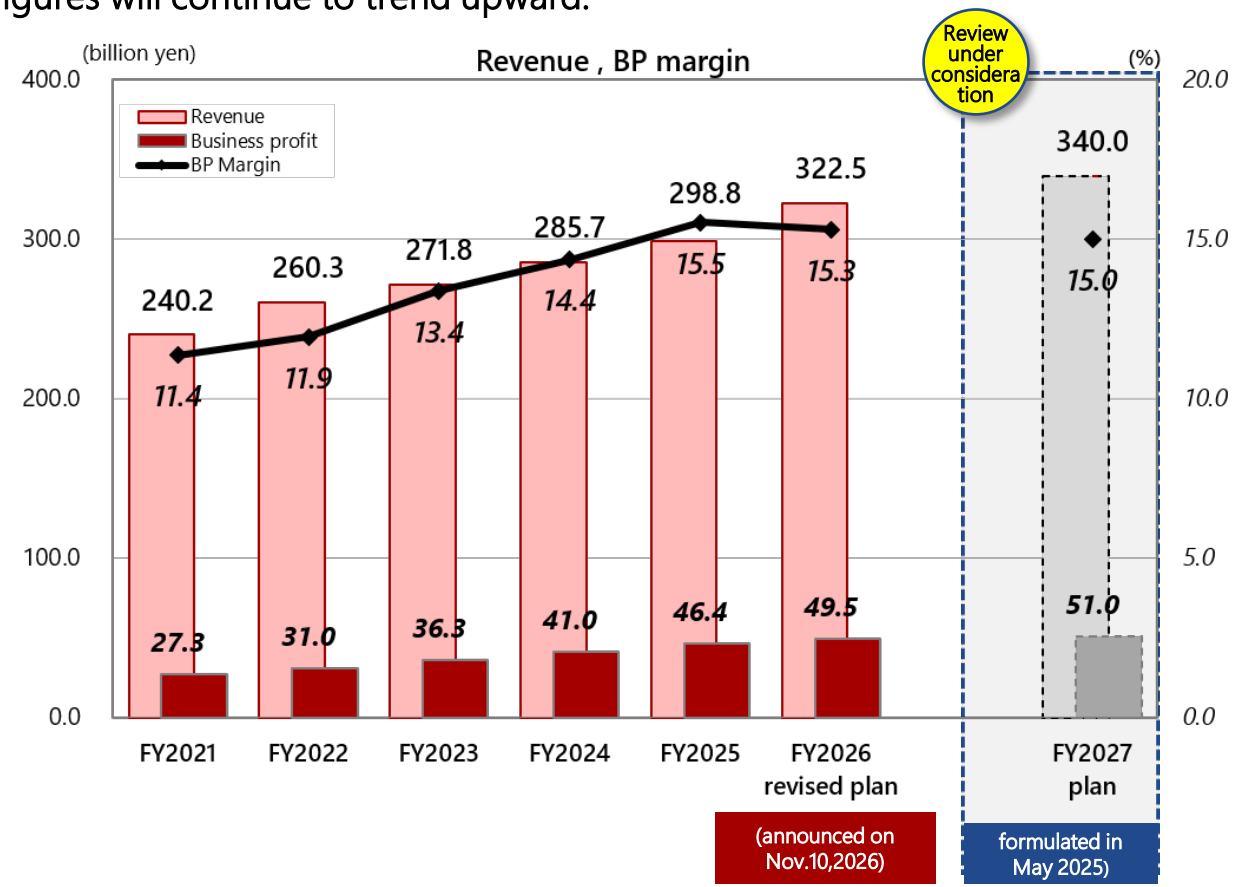
- Leveraging the azbil Group's unique business model, we aim to expand the customer base with our growth businesses and improve sustainability and profitability with our core businesses.
- We will continue to improve the profitability of our business. Profit margins will level off for a time due to the effect of upfront investments for growth and some recoil from our FY2025 product mix, but profit figures will continue to trend upward.

Measures to improve profits

- **Improving the business mix**
  - Restructuring the business portfolio
  - Improving the customer/product mix, reassessing unprofitable products and services
- **Improving product/service costs**
  - Expanding overseas production and procurement
  - Reducing product costs through design changes
  - Improving engineering methods
  - Reducing indirect costs, optimizing outsourcing, etc.
- **Optimizing price levels including cost pass-through**
  - Systematization to strengthen contract/price management
  - Revising prices, cost pass-through
  - Strengthening project profitability control
  - Project risk management, etc.

Measures to expand business

- **Expanding business fields by strengthening product competitiveness**
- **Expanding overseas business (see p.27)**
- **Expanding coverage of domestic and overseas customers**
- **Expanding stock businesses**



Notes 1: Net sales and operating income margin for the FY2021-FY2024 period, excluding the impact of the ATL transfer in October 2024
2: During the FY2021-FY2024 period, Japanese accounting standards (J-GAAP) were employed.

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Growth in Overseas Markets

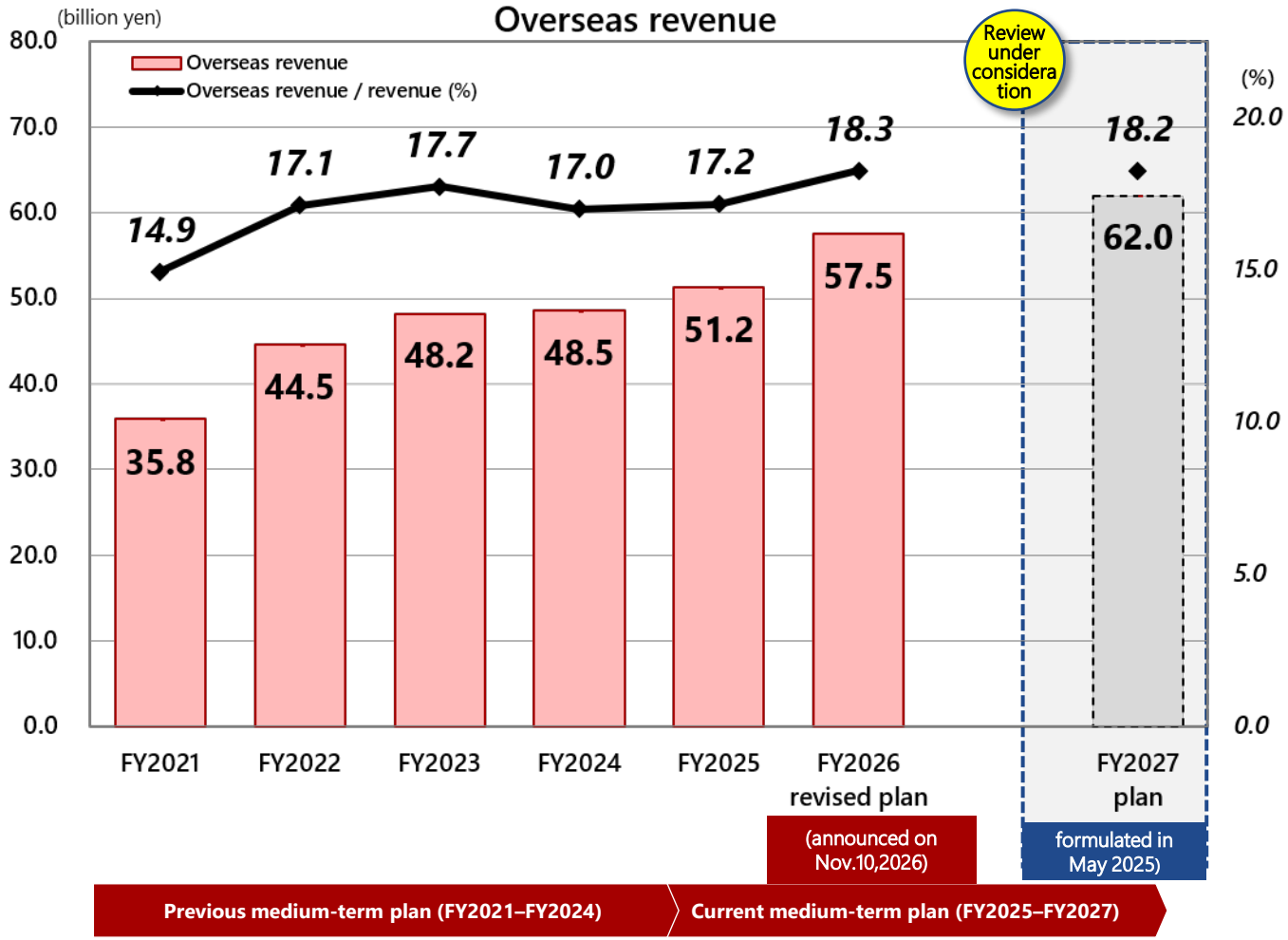
- We will expand business by strengthening our business foundation overseas, identifying opportunities and markets in each region and providing appropriate solutions, matched with the characteristics and strengths of each business. In the future, we will seek to expand our stock businesses overseas as well.

Measures to expand business

- **BA business**
  - Developing projects for locally capitalized building owners
  - Cultivating new global account customers
  - Expanding data center business and other growth markets
- **AA business**
  - Expanding focus areas (PA: from China/East Asia and Southeast Asia to India and North America; FA: regions such as China/East Asia, North America, and Europe, where business with equipment manufacturers is expected to increase)
  - Expanding customer coverage globally through introduction of MA/SFA in Japan and overseas (accelerating sales DX); raising sales quality
  - Increasing sales personnel at overseas sites
  - Global deployment of new automation solutions

Strengthening the business foundation

- **Expanding sales/engineering/service network**
- **Upgrading infrastructure, including remote maintenance**
- **Establishing regional strategy promotion system**
- **Strengthening overseas production system and procurement**



Note: Net sales and overseas revenue ratio for the FY2021-FY2024 period, excluding the impact of the ATL transfer in October 2024

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Progress with Investments, Collaboration, and Measures to Strengthen the Business Model (1)

Three key areas for investment: progress and plans

To enhance the azbil Group's unique business model, we will focus investment on human capital, product competitiveness and DX promotion.

[bil.yen = billion yen]

Investing in human capital

Total personnel expenses
3-year*1 cumulative increase (plan)
+32.0 bil. yen

Secure and develop essential human resources to execute business strategies (personnel with strong solution capabilities and global talent) to expand both growth and core businesses

Strengthening product competitiveness

R&D and other expenses
3-year*1 cumulative increase (plan)
+9.0 bil. yen

Enhance unique core measurement and control technologies and application technologies to develop a range of competitive products

Promoting DX

DX (IT) investment
3-year*1 cumulative increase (plan)
+5.0 bil. yen

Create DX-related products and services that enhance customer satisfaction, improve operational efficiency and profitability by promoting DX

Investments and collaboration for business development

Under the theme of "Evolution and Co-creation," we have separately allocated 50.0 billion yen for growth investments, and are pursuing collaboration and making investments for business development.

Business areas	Announcement	Amount	Partnerships & investments
BA	2025	Investment: 0.5 bil. yen *2	MetaProp Ventures Ⅳ
BA・AA	2025	Investment: 1.0 bil. yen *2	DNX Partners IV, LP
LA	2025	Collaboration	Kamstrup A/S
New area	2025	Participation	Next-generation bio-manufacturing project Metrics MATSURI
BA	2026	Investment: 0.3 bil. yen	DATAFLUCT, Inc.
BA	2026 Announced Oct. 26	Investment: 7.2 bil. yen	OTEC CORPORATION ● Business and capital alliance ● Making OTEC an equity-method affiliate through additional acquisition of its shares ● Enhancing project management and engineering capabilities
LA	2026 Announced Nov. 10	Collaboration	DENSO Group*3 ● Regarding DENSO Group's central air conditioning systems, DENSO SOLUTION's sales and after-sales service functions have been transferred to Azbil Corp.

*1 During the medium-term plan period (FY2025–FY2027)

*2 Total planned investment over several years

*3 DENSO AIRCOOL Corp., DENSO SOLUTION Corp.

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Progress with Investments, Collaboration, and Measures to Strengthen the Business Model (2)

Business and capital alliance with OTEC

azbil × OTEC

Expanding the foundation for business growth in the BA business by making growth investments and strengthening job execution capabilities

- Making use of part of the 50.0 billion yen growth investment allocation, we have acquired additional shares* (at a cost of 7.2 billion yen) of OTEC CORPORATION, a key business partner. This has increased our share of voting rights to 20.04%, making OTEC an equity-method affiliate of the Company.
- This further strengthens our partnership, which goes back more than 60 years, and will enhance our job execution and engineering systems through the training and deployment of engineers and the sharing of technologies and know-how.
- Strengthening our job execution capabilities will facilitate capture of the expected growth in demand while also developing the business foundation to enable business expansion and new initiatives in the future.

Collaboration with the DENSO Group

azbil × DENSO

Accelerating growth by combining the strengths of both companies through collaboration

- Transitioning to a framework under which Azbil Corp. is responsible for the sales and after-sales service of central air conditioning systems handled by DENSO SOLUTIONS Corp., thereby acquiring a new customer base
- Adopting central air conditioning equipment made by DENSO AIRCOOL Corp., we will expand business opportunities, including the replacement of equipment in existing properties.
- Looking to the future, we aim to develop new products/services and expand into related business areas by leveraging the strengths of three companies, and thus accelerating growth for the azbil Group.

* The share acquisition is scheduled to be conducted subject to receipt of notice from the Japan Fair Trade Commission that it will not issue a cease and desist order and the expiration of the waiting period under Japan's Antimonopoly Act (or such shortened period, if shortened).

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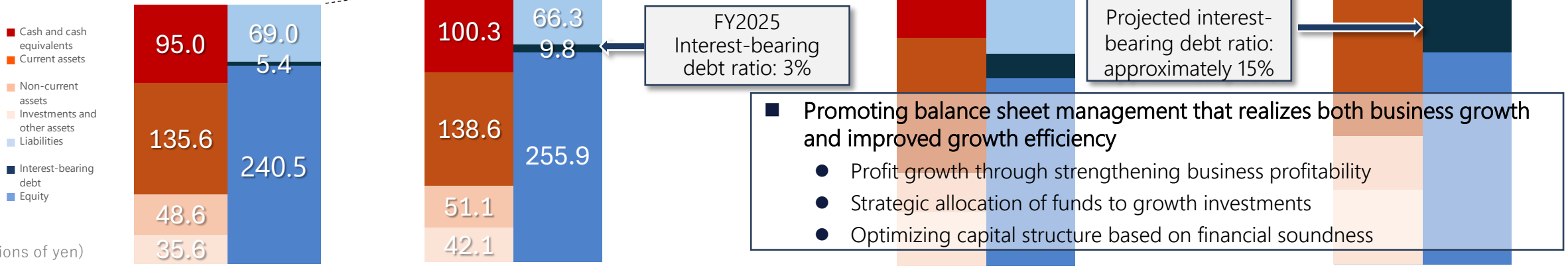
Initiatives to Improve Capital Efficiency

- At the same time as strengthening business profitability and making steady progress with growth investments, we will promote appropriate balance sheet management that is conscious of the cost of capital. Going forward, we will consider revising the ROE target set for FY2027, the final year of the medium-term plan, in light of progress made with the medium-term plan.

FY2024 ROE (results) 17.9% (14.2%*1) → FY2025 ROE (results) 15.7% (15.2%*2) → Revision of FY2026 ROE 15.2%*3 (financial results revised on Nov. 10, 2026) → FY2027 ROE (plan) 14% (formulated in May 2025) → FY2030 ROE (plan) 15% (formulated in May 2025)

Final year of the medium-term plan | Long-term targets

- In FY2025, steady progress was made with strengthening the revenue base.
- By appropriately managing the balance sheet using external debt, while being conscious of the cost of capital, we will aim to further increase ROE.



■ Promoting balance sheet management that realizes both business growth and improved growth efficiency
- Profit growth through strengthening business profitability
- Strategic allocation of funds to growth investments
- Optimizing capital structure based on financial soundness

Current assets	We will maintain short-term liquidity at an appropriate level to support stable business operations, including reserves for business continuity planning (revising the target level in accordance with current business profitability and our capacity to raise capital).
Fixed assets	We will continue to invest in non-current assets as growth investments aimed at business expansion.

Liabilities	We will further improve capital efficiency by securing appropriate debt financing to capitalize on opportunities to invest for growth (using debt to fund growth investments worth approximately 50.0 billion yen).
Equity	While practicing disciplined capital management, we will allocate equity capital and debt to growth investments while maintaining a sound financial structure and enhancing shareholder returns.

*1 ROE excluding the extraordinary gains from the transfer of equity interests in Azbil Telstar and other factors was 14.2%.
*2 FY2025 ROE was 15.2% based on IFRS.
*3 Effect of the decrease in profit for the current period resulting from changes to the tax system.

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5. Exhibition Participation

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Engineering the Impossible

Introducing Automation Technologies and Products That Target Diverse Business Opportunities in Japan and Overseas

- **Showcasing products and services unique to the azbil Group at various trade shows related to the BA, AA, and LA businesses**
- ***"From efficiency to innovation. From impossible to possible."*—Showcasing solutions designed to facilitate the creation of new value at customer sites**
- **There are several upcoming trade shows in which the azbil Group will participate. We look forward to seeing there!**

Industrial Transformation ASIA-PACIFIC（ITAP）

Dates: October 21-22, 2026
10am-5pm

Venue: Suntec Singapore

Theme: Automation Solutions
Driving Evolution and Co-Creation



azbil physical booth for ITAP

2026 Nagasaki Waterworks Exhibition

Dates: October 21-23, 2026
10am-5pm
(until 1pm on the final day)

Venue: Dejima Messe Nagasaki

Theme: Next-generation Water Infrastructure, Connecting People and Technology



Rendition of azbil physical booth for 2026 Nagasaki Waterworks Exhibition

Our booth featured a field test demonstrating a cloud service for leak detection utilizing ultrasonic smart water meters at 27 water utilities across Japan.

Measurement and Control Show NEXT 2026

Dates: October 21-23, 2026
10am-5pm

Venue: Grand Cube Osaka

Theme: Expanding Technological Frontiers to Unlock Human Potential—A Future in Which Automation Technologies Turn the Impossible into the Possible



Rendition of azbil physical booth for Measurement and Control Show NEXT 2026

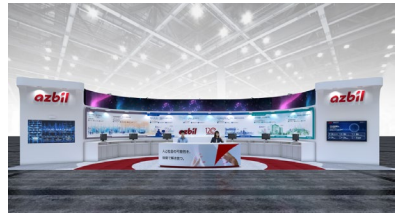
Upcoming

Smart Building EXPO

Dates: December 2-4, 2026
10am-5pm

Venue: Tokyo Big Sight

Theme: Bringing About a Sustainable Future Through Co-creation, Evolution, and Infinity



Rendition of azbil physical booth for Smart Building EXPO

Upcoming

Smart Factory EXPO

Dates: February 17-19, 2027
10am-5pm

Venue: Tokyo Big Sight

Theme: Toward Autonomous Factories Powered by People and AI



Rendition of azbil physical booth for Smart Factory EXPO

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Appendix

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- Performance Trend by Segment 35
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Major Impact by Adopting IFRS

We voluntarily adopted International Financial Reporting Standards (IFRS), starting from the first half of FY2026.
Accordingly, the financial plan for FY2026 is presented based on IFRS.

- Purpose of voluntary adoption
  To enhance our global business management through the unification of accounting standards across the azbil Group to IFRS; and to improve the international comparability of our financial information in the capital markets
- Business profit
  We disclose **business profit**, a management-defined performance measure calculated by deducting cost of sales and selling, general and administrative expenses from revenue, to indicate the profitability of the core business activities.

Reference 1:
Impact to balance sheet at the point of adoption (March 31, 2026)

(Billions of yen)

	J-GAAP	Impact of IFRS adoption	IFRS	
Total assets	**332.2**	15.1	**347.3**	*1
Liabilities	**76.2**	21.5	**97.7**	*2
Net assets	**255.9**	(6.4)	**249.5**	
Total liabilities and net assets	**332.2**	15.1	**347.3**	

Reference 2:
Impact to profit and loss statement (FY2025 results)

(Billions of yen)

J-GAAP		IFRS		IFRS adjustments	
Net sales	**298.9**	Revenue	**298.8**	(0.0)	
Gross profit	**139.5**	Gross profit	**138.7**	(0.8)	*3
Operating income	**47.3**	Business profit	**46.4**	(0.8)	*3
		Operating profit	**45.5**		
Ordinary income	**48.7**				
Net income attributable to owners of the parent	**38.5**	Profit attributable to owners of the parent	**36.4**	(2.0)	*4

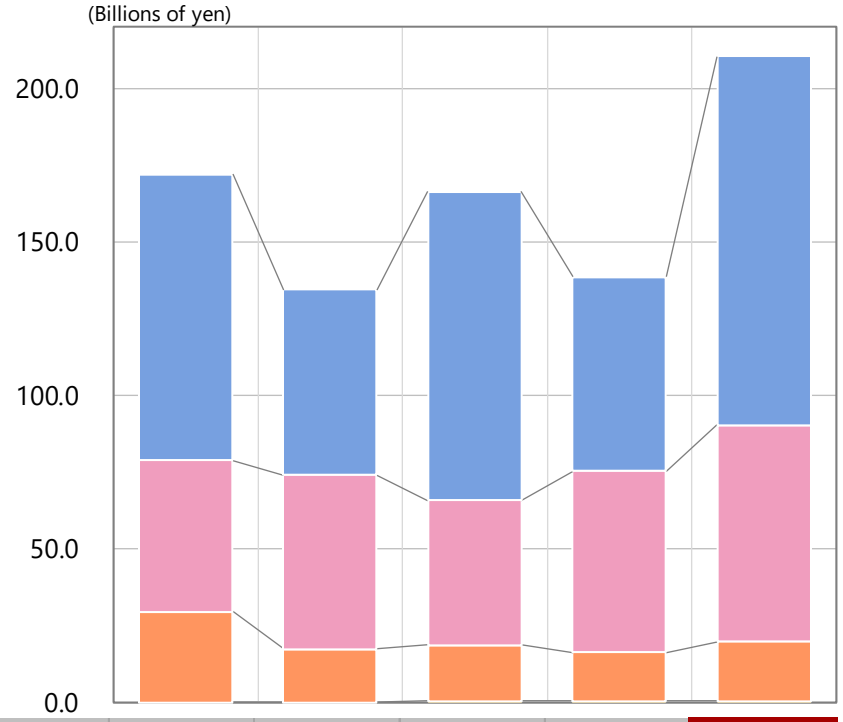
Impacts of first-time adoption of IFRS (key factors) to balance sheet
*1 Recognition of right-of-use assets and fair value measurement of unlisted stock investments
*2 Recognition of lease liabilities and accrued paid leave

Impacts of IFRS adjustments (key factors) to profit and loss statement
*3 Expense recognition of paid leave and other employee benefits
*4 Recognition of gains or losses on sales of investment securities in other comprehensive income (not in profit and loss statement)

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Performance Trend by Segment: Orders Received and Order Backlog

Orders received by segment



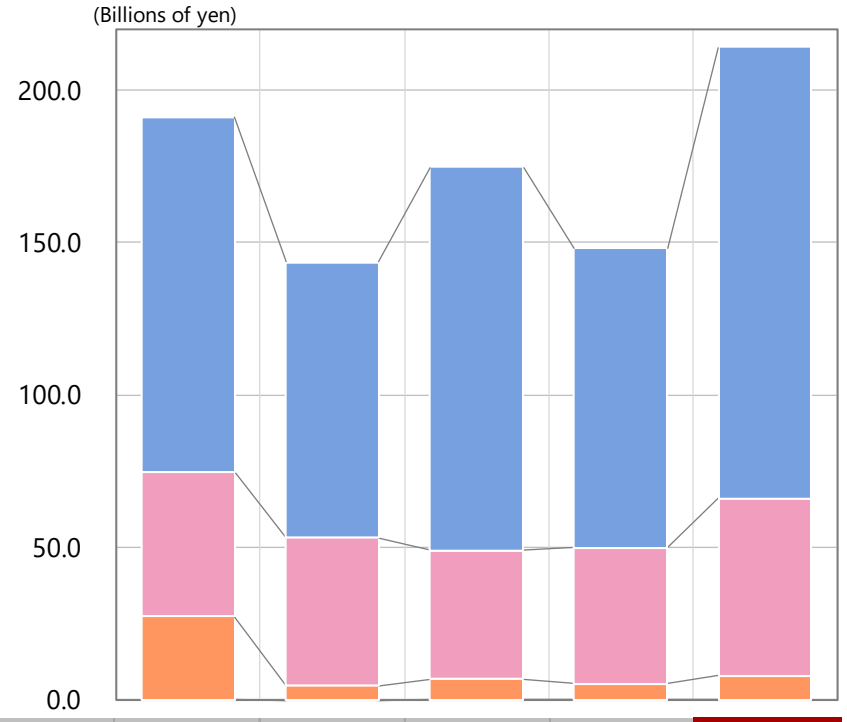
	FY2024 * H1	FY2024 * H2	FY2025 H1	FY2025 H2	FY2026 H1
BA	93.2	60.3	100.6	63.1	**120.2**
AA	49.3	56.6	47.0	59.2	**70.4**
LA	29.4	17.4	18.1	15.7	**19.3**
Consolidated	171.1	133.5	165.0	137.3	**209.0**

Orders received excluding Azbil Telstar

LA	17.1	14.2
Consolidated	158.7	130.3

* J-GAAP

Order backlog by segment



	FY2024 * H1	FY2024 * H2	FY2025 H1	FY2025 H2	FY2026 H1
BA	116.3	90.3	125.8	98.2	**148.2**
AA	47.5	48.6	42.1	44.6	**57.9**
LA	27.3	4.5	6.7	5.2	**7.9**
Consolidated	190.8	143.3	174.4	147.7	**213.8**

Order backlog excluding Azbil Telstar

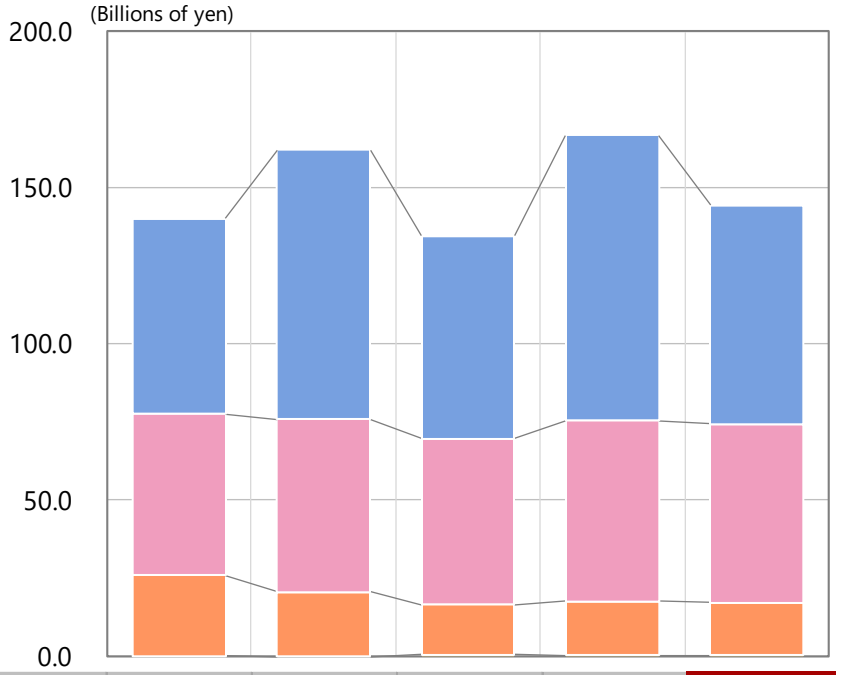
LA	6.3	4.5
Consolidated	169.8	143.3

* J-GAAP

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Performance Trend by Segment: Revenue and Segment Profit

Revenue by segment

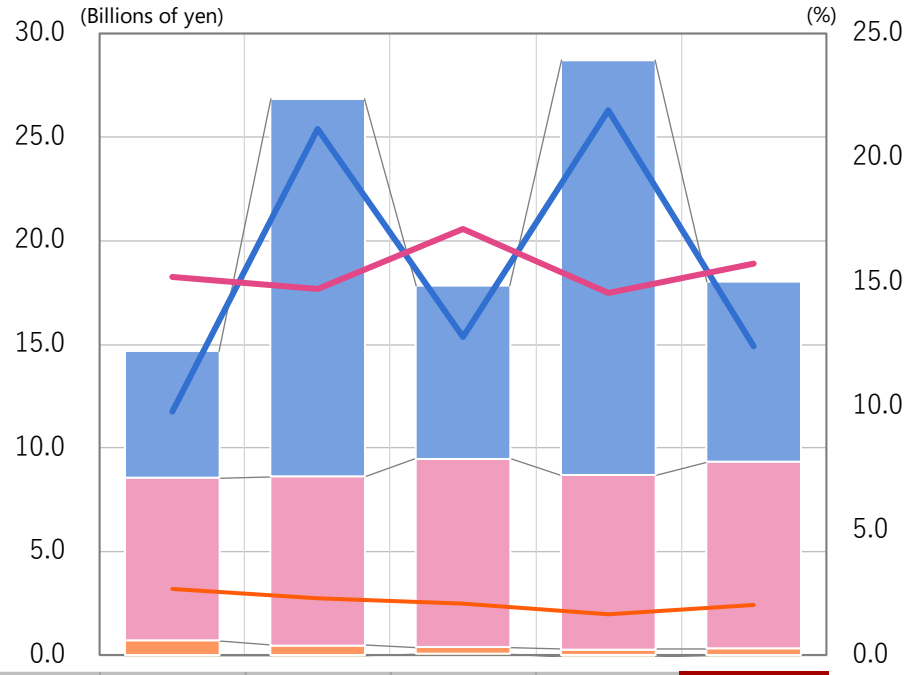


	FY2024 * H1	FY2024 * H2	FY2025 H1	FY2025 H2	FY2026 H1
BA	62.5	86.2	64.8	91.4	**70.0**
AA	51.6	55.2	53.0	57.7	**57.1**
LA	25.9	20.6	16.1	17.2	**16.6**
Consolidated	139.2	161.1	133.2	165.6	**142.8**

Revenue excluding Azbil Telstar		
LA	16.0	15.9
Consolidated	129.3	156.4

* J-GAAP

Segment profit (business profit)



	FY2024 * H1	FY2024 * H2	FY2025 H1	FY2025 H2	FY2026 H1
BA	6.1	18.2	8.3	20.0	**8.6**
Margin	*9.8*	*21.2*	*12.8*	*21.9*	***12.4***
AA	7.8	8.1	9.0	8.4	**8.9**
Margin	*15.2*	*14.7*	*17.2*	*14.6*	***15.7***
LA	0.6	0.4	0.3	0.2	**0.3**
Margin	*2.7*	*2.3*	*2.1*	*1.7*	***2.0***
Consolidated	14.6	26.8	17.7	28.6	**18.0**
Margin	*10.5*	*16.7*	*13.3*	*17.3*	***12.6***

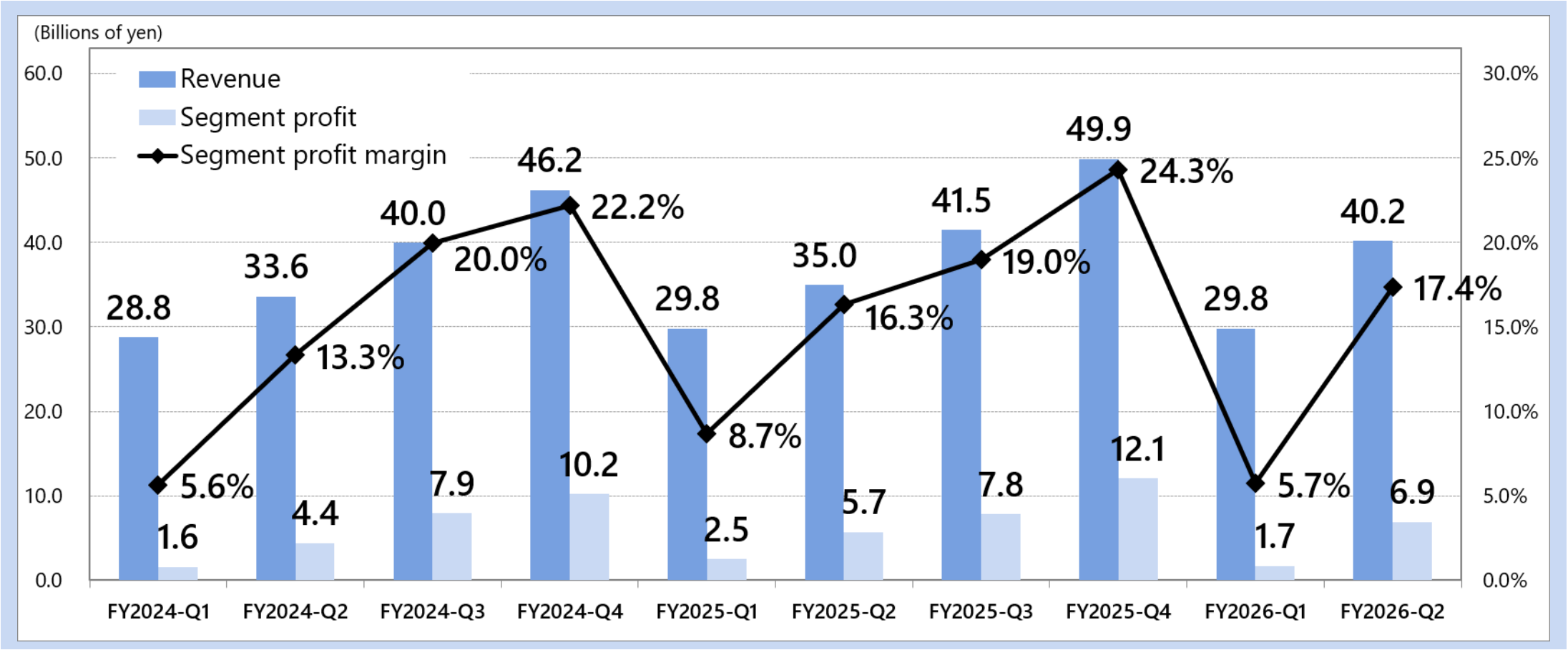
Business Profit excluding Azbil Telstar		
LA	0.3	0.3
Consolidated	14.3	26.7

* J-GAAP

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How Seasonal Factors Affect the BA Business

- Revenue for the BA business tends to be low in the first quarter of the consolidated accounting period and highest in the fourth quarter. However, fixed costs are incurred constantly, which typically means that segment profit is relatively lower in the first quarter of the consolidated fiscal year, rising higher in the second quarter onward, particularly in the fourth quarter.

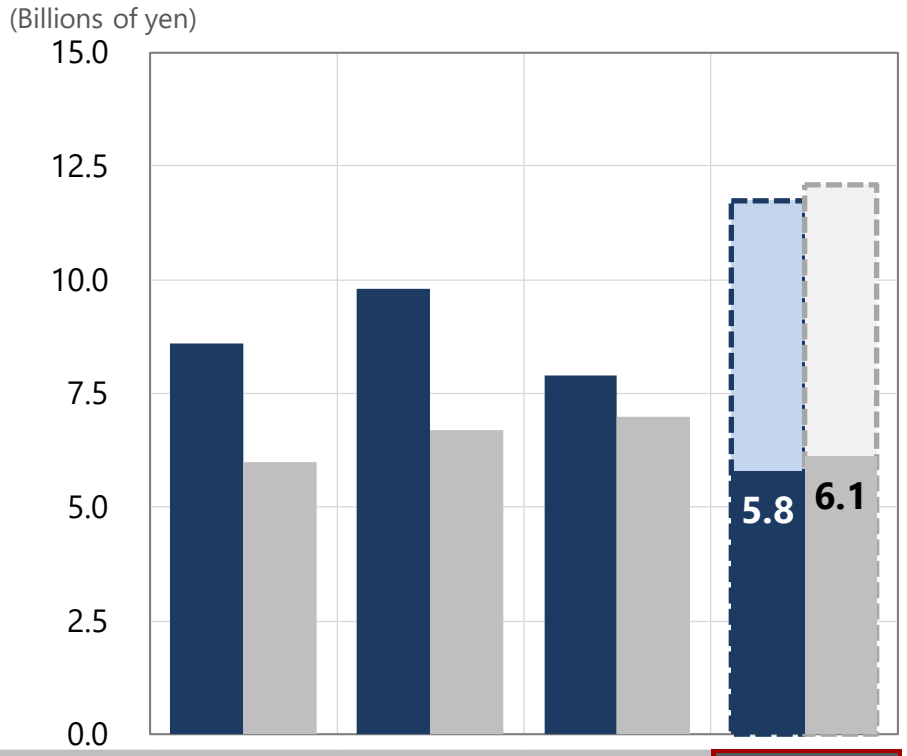


* FY2024 J-GAAP

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Capital Investment, Depreciation and Amortization, and R&D Expenses

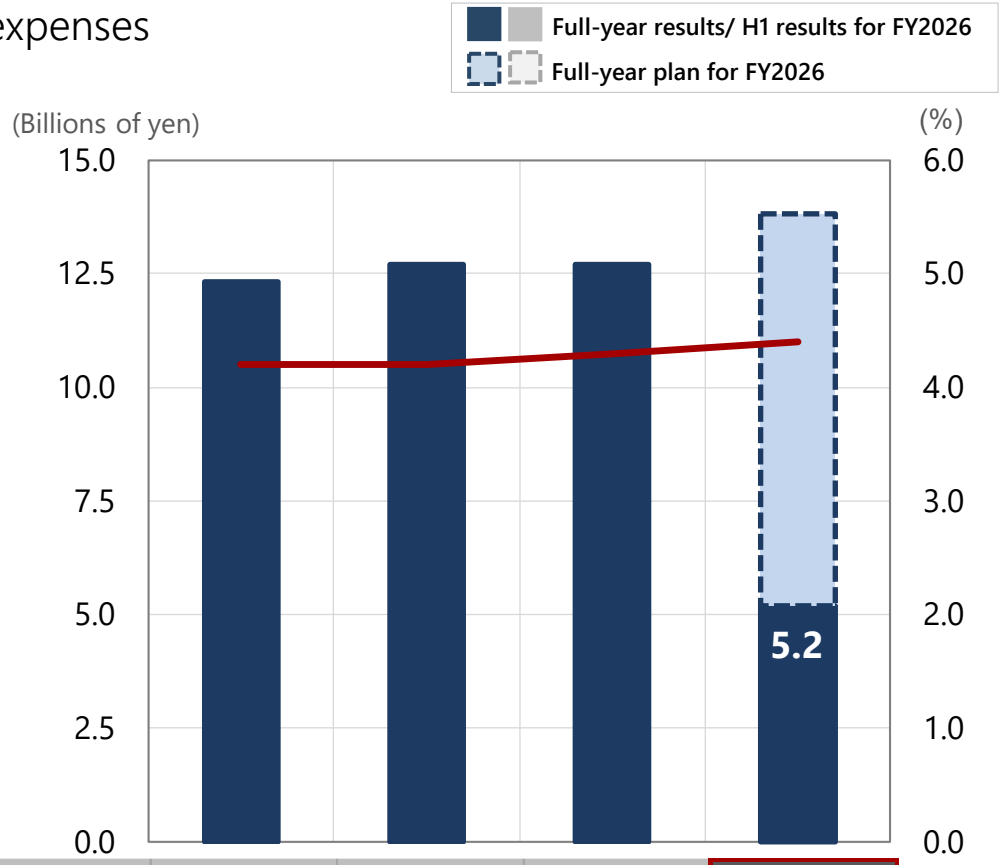
- Capital investment, depreciation and amortization



	FY2023 J-GAAP	FY2024 J-GAAP	FY2025 J-GAAP	FY2026 plan IFRS
Capital investment	8.6	9.8	7.9	**11.7**
Depreciation and amortizaition *	6.0	6.7	7.0	**12.0**

* FY2026 plan includes depreciation of right-of-use assets based on lease contracts in addition to those of non-current assets.

- R&D expenses

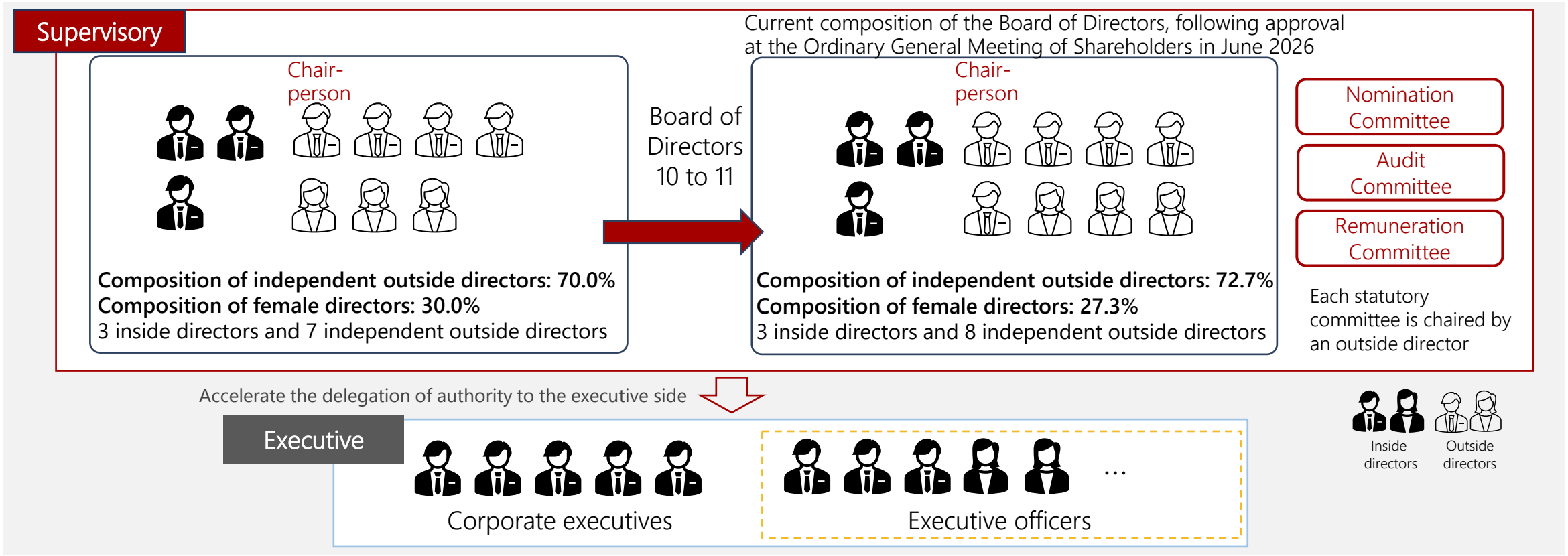


	FY2023 J-GAAP	FY2024 J-GAAP	FY2025 J-GAAP	FY2026 plan IFRS
R&D expenses	12.3	12.7	12.7	**13.8**
R&D expenses / Revenue (%)	4.2	4.2	4.3	**4.4**

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Corporate Governance

- Aiming to further strengthen the independence and supervisory function of Board of Directors
  - April 2022: Corporate Secretariat Office established as a dedicated secretariat for the Board of Directors.
  - June 2022: Transitioned to a company with a three-committee board structure, with a non-executive inside director serving as chairperson
  - June 2025: An outside independent director assumes the chair
  - **June 2026: Enhanced composition of independent outside directors**



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The azbil Group's Materiality and its Own SDG Targets

- Materiality is identified from the perspective of sustainability and contributing "in series" to a sustainable society. **In FY2026, we reviewed our materiality in light of changes in business opportunities and the formulation of our Purpose, and added "water resources" as a new material issue.** As regards the eight key categories related to business and corporate activities, specific azbil Group SDG targets have been set as Essential Goals of the azbil Group for SDGs. At the same time, as regards the three fundamental obligations to society that a company must fulfill, we have set specific targets for our CSR activities. We will promote sustainability management by implementing initiatives to achieve these targets.

Materiality			Essential goals of the azbil Group for the SDGs		
			Essential goals		Targets
Business	Environment	Climate change	I Preserving the Earth's environment and solving energy-related problems through cooperative creation	Environment and Energy	● Effective reduction of CO_2 at customers' sites: **3.40 million metric tons of CO_2/year**[*1] (FY2030) ● Reduction targets in greenhouse gas (GHG[*2]) emission (science-based target[*3] approved) (FY2030) **60% reduction**[*4] in GHG emissions from our business activities (Scope[*5] 1+2) compared to 2017 **33% reduction** in GHG emissions throughout the entire supply chain (Scope 3) compared to 2017 ● Design all new products to meet **the azbil Group's own design standards for sustainability**[*6] and increase the number of **skilled professionals**[*7] **for supporting services for sustainability**[*8] to **a total of 1,800**[*9]**—triple the number** in FY2021 ● Design all new products to meet **the azbil Group's own design standards for 100% recyclability,**[*10] and contribute to the conservation and effective use of water resources
		Resource recycling			
		Water resources			
	Innovation		II Realizing sustainable production sites, work environments, and a safe and comfortable society through new automation	New Automation	Solving occasional issues as required by society and creating added value through **advanced measurement, a data-driven approach, and autonomy** ● We will achieve a state of resilience to changes in the business environment at **8,000 business sites** by 2030.[*11] ● We will provide environments that support stress-free and diverse work styles to **6 million people** by 2030.[*12]
General corporate activities	Society	Supply chain	III Fulfilling our responsibilities to society across our supply chain and contributing to local communities	Supply Chain, Social Responsibility	● Working with our business partners on achieving SDGs as a common goal and creating a **sustainable supply chain that is mindful of human rights and the environment** ● Social contribution activities rooted in local communities are run at all our business sites,[*13] with the **active participation by every employee**[*14]
		Contribute to local communities			
	Human resource	Human rights, safety, and health	IV Strengthening our foundation to solve societal problems through health and well-being management and continuous learning	Health and well-being Management, An Organization That Never Stops Learning	Implementing health and well-being management (job satisfaction; health; and diversity, equity and inclusion) ● **65% or more** employees[*15] expressed satisfaction with working at azbil Group companies. ● Percentage of female employees at managerial or specialist positions to be **10% or more**[*16] ● **Approximately double** the percentage of female employees at managerial or specialist positions across the azbil Group in Japan by FY2027 (versus FY2017)[*17] Developing and strengthening "an organization that never stops learning" ● **65% or more** employees[*15] experienced personal growth over the past year.
		Learning and employee development			
Our fundamental obligations	Governance	Product safety and quality	Fulfilling our fundamental obligations to society		* With regard to product safety and quality, and compliance, each department selects indicators and sets goals directly related to business as part of a CSR activity plan. The plan includes compliance enhancement, strengthening of legal compliance, disaster preparedness and business continuity planning, prevention of information leaks, proper accounting practices, creation of a healthy workplace, enhanced occupational health and safety, assurance of customer safety in the event of product incidents, and respect for human rights. Progress is monitored by the azbil Group CSR Promotion Committee, ensuring the maintenance and improvement of these initiatives. * With regard to corporate governance, in June 2022 the company transitioned to a three-committee board structure, and it has been working to ensure an appropriate supervisory function and board effectiveness under a Board of Directors with a majority of outside directors and three statutory committees. - In 2025, the company strengthened its corporate governance by appointing an outside director as the chairperson of the Board of Directors and revising its remuneration policy for officers—expansion of the performance-linked component of the remuneration structure for corporate executives, revision of key performance indicators, and expansion of the scope of "Malus and Clawback policy."
		Corporate governance			
		Compliance			

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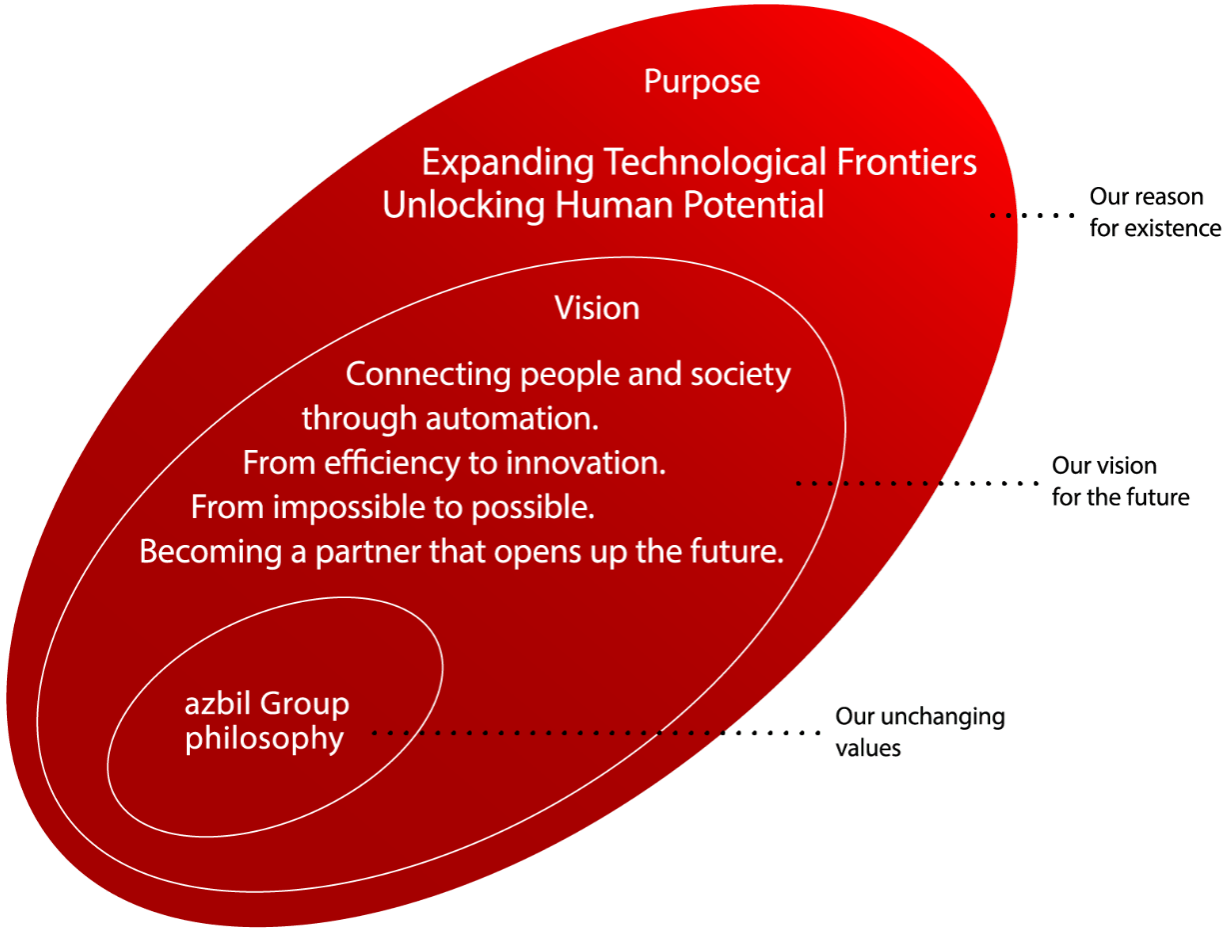
* For notes, please refer to "Notes (2) and (3)" on pages 43-44.

azbil Engineering the Impossible

Our Purpose and Vision

azbil Group Way

Shared values that unite our aspirations for the Group's future



■ Purpose

This purpose expresses how we aim to drive the creation of new value on site with our customers—advancing "From efficiency to innovation. From impossible to possible."—which is achieved by using technologies centered on automation to unlock the tremendous potential inherent in people and society.

■ Vision

By pursuing our Purpose, we aim to achieve our distinct vision and set of goals of ten years from now for the azbil Group to achieve.

■ Brand statement: Engineering the Impossible

An expression of determination of the azbil Group's Purpose and Vision.

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Notes (1)

1. The amounts have been rounded down. The figures for growth businesses and core businesses are approximate values based on internal calculations.
2. The following are the azbil Group's segments (each identified by abbreviation) together with the various sub-segments and their principal business fields.

   BA: Building Automation

   AA: Advanced Automation

   - Control Product (CP) business: Supplying factory automation products such as controllers and sensors
   - Industrial Automation Product (IAP) business: Supplying process automation products such as differential pressure transmitters, pressure transmitters, and control valves
   - Solution and Service (SS) business: Offering control systems, engineering service, maintenance service, energy-saving solution service, etc.

   LA: Life Automation

   - Lifeline field: Provision of gas meters and water meters, safety equipment such as alarms and automatic shut-off valves, regulators and other products for industry
   - Lifestyle-related field: Provision of residential central air-conditioning systems for houses

3. Revenue for the azbil Group tends to be low in the first quarter of the consolidated accounting period and highest in the fourth quarter. However, fixed costs are generated constantly. This means that profits are typically lower in the first quarter and higher in the fourth quarter.

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Notes (2)

4. Essential Goals of the azbil Group for the SDGs

*1 3.40 million metric tons of CO_2/year: The FY2030 emission factor from electricity generation is our own estimated value based on the Japanese government's Energy Basic Plan in 2019.

*2 GHG: Greenhouse gases (e.g., CO_2)

*3 Science-based targets (SBT): Greenhouse gas emission reduction targets based on scientific evidence

*4 60% reduction in GHG emissions from our business activities (Scope 1+2) compared to FY2017: In April 2026, our updated target to reduce GHG emissions by 60% by FY2030 compared to FY2017, from the previous target of 55%, was certified by the Science Based Targets initiative (SBTi).

*5 Scope 1: Direct GHG emissions from a business (from fuel burning, industrial processes, etc.)
Scope 2: Indirect GHG emissions from using electricity and heat/steam provided by another business
Scope 3: Indirect GHG emissions related to business activities (indirect emissions not included in Scope 1 and 2)

*6 Design standards for sustainability: Design for creating and providing products that contribute to solving global environmental issues (decarbonization, resource recycling, and biodiversity conservation).

*7 Skilled professionals: We have set up an in-house qualification system for employees with the following specialized skills, which are considered vital for realizing solutions to issues in our three environmental priority areas.

- Professionals licensed for network services, such as remote maintenance of large-scale buildings, energy management, and cloud services
- Certified professionals in the fields of advanced plant/factory control, energy-saving solution technologies, and valve maintenance

*8 Services for sustainability: As well as contributing, through our automation technologies, to productivity improvements and stable operations at our customers' sites, we offer field engineering services that can contribute to the realization of a sustainable society by solving environmental challenges that face our customers and society in all three of our environmental priority areas (decarbonization, resource recycling, and biodiversity conservation).

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Notes (3)

4. Essential Goals of the azbil Group for the SDGs

*9 Increase the number of skilled professionals to a total of 1,800—triple the number in FY2021: Total number of qualified personnel including those who have acquired multiple professional skills (counted separately for this purpose) to adapt to emerging technological innovation in field engineering service

*10 Design standards for 100% recyclability: Design that scores 100% on the azbil Group's proprietary scale for resource recycling. Our aim is to enable proper disassembly and sorting when the product is disposed of by the customer.

*11 Achieve a state of resilience to changes in the business environment at 8,000 business sites: Base year: 2022 (baseline as of April 2022= approx. 530 business sites)

*12 Provide environments that support stress-free and diverse work styles to 6 million people: Base year: 2022 (baseline as of April 2022 = approx. 600,000 people)

*13 All our business sites: All offices, both in Japan and overseas

*14 Active participation by every employee: The azbil Group aims to participate in activities of a scale that can accommodate the total number of employees.

*15 Employees expressed satisfaction/experienced personal growth: We aim to achieve a level of 65%—that is, 2/3 of all employees, which is considered high—in the azbil Group's annual employee engagement survey conducted in Japan.

*16 Percentage of female employees at managerial or specialist positions: Azbil Corporation's target is for female employees in managerial or specialist positions to represent at least 10% of all employees in these positions.

*17 Approximately double the percentage of female employees at managerial or specialist positions across the azbil Group in Japan (versus FY2017): The base year for our target is FY2017 because in FY2018 we revised our personnel system to incorporate measures for women's advancement.

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Expanding Technological Frontiers
Unlocking Human Potential

Creating that instant of intense focus, effortless performance—the flow state that leads to successful outcomes.
An environment that provides everything needed for that instant.
Air quality, temperature, humidity, energy—when the environment is just right, people attain their full potential.
And when people's potential is unleashed, society makes progress.
For 120 years since our founding, Azbil has refined our technologies to create better environments—
to unlock the potential of people and society.



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