

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

Summary of Consolidated Financial Results for the Three Months Ended June 30, 2023 (Based on Japanese GAAP)

August 10, 2023

Company name: Takashima & Co.,Ltd.
 Stock exchange listing: Tokyo
 Stock code: 8007 URL <https://www.tak.co.jp/en/index.html>
 Representative: President and Representative Director Koichi Takashima
 Inquiries: Accounting Unit Manager Koki Sakai TEL +81-3-5217-7297
 Scheduled date to file Quarterly Securities Report: August 10, 2023
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2023 (from April 1, 2023 to June 30, 2023)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2023	19,775	11.9	436	131.5	591	96.6	415	116.8
Three months ended June 30, 2022	17,674	(2.3)	188	(26.6)	300	(7.4)	191	(20.8)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2023	93.44		–	
Three months ended June 30, 2022	42.85		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2023	59,518	19,685	33.1	4,425.59
As of March 31, 2023	53,060	19,539	36.8	4,392.45

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2023	–	70.00	–	100.00	170.00
Year ending March 31, 2024	–	–	–	–	–
Year ending March 31, 2024 (Forecast)	–	70.00	–	25.00	–

*On October 1, 2023, the Company will carry out a 4-for-1 share split of its common stock. Dividends per share for the fiscal year ended March 31, 2023, and the end of the second quarter of the fiscal year ending March 31, 2024 are the amounts prior to the stock split. Dividends at the end of the fiscal year ending March 31, 2024 are stated after taking such share split into consideration. Without the stock split, the year-end dividend per share for the fiscal year ending March 31, 2024 would be 100 yen per share, and the annual dividend per share would be 170 yen per share.

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	89,000	11.7	1,800	2.0	1,900	(2.1)	1,600	0.9	89.92

* On October 1, 2023, the Company will carry out a 4-for-1 share split of its common stock. Earnings per share in the forecast of consolidated financial results for the fiscal year ending March 31, 2024, takes into account the effect of this share split. Earnings per share without the stock split would be 359.69 yen.

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2023
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2023	4,466,273 shares	As of March 31, 2023	4,466,273 shares
---------------------	------------------	----------------------	------------------

Number of treasury shares at the end of the period

As of June 30, 2023	18,088 shares	As of March 31, 2023	17,888 shares
---------------------	---------------	----------------------	---------------

Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2023	4,448,272 shares	Three months ended June 30, 2022	4,474,277 shares
----------------------------------	------------------	----------------------------------	------------------

Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and deposits	7,791	6,215
Notes and accounts receivable - trade, and contract assets	26,260	26,430
Merchandise and finished goods	5,162	5,770
Work in process	64	118
Raw materials and supplies	1,446	1,540
Costs on construction contracts in progress	13	74
Other	742	723
Allowance for doubtful accounts	(41)	(33)
Total current assets	41,440	40,840
Non-current assets		
Property, plant and equipment	4,707	6,227
Intangible assets		
Goodwill	1,069	6,291
Other	592	598
Total intangible assets	1,662	6,889
Investments and other assets		
Investment securities	3,050	3,254
Retirement benefit asset	261	259
Other	2,095	2,201
Allowance for doubtful accounts	(158)	(156)
Total investments and other assets	5,249	5,560
Total non-current assets	11,619	18,677
Total assets	53,060	59,518

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	15,277	17,021
Electronically recorded obligations - operating	5,735	5,315
Short-term borrowings	3,548	8,186
Income taxes payable	384	355
Provision for bonuses	554	319
Provision for bonuses for directors (and other officers)	52	11
Other	2,033	2,216
Total current liabilities	27,585	33,426
Non-current liabilities		
Bonds payable	30	25
Long-term borrowings	3,347	3,678
Retirement benefit liability	84	127
Other	2,472	2,575
Total non-current liabilities	5,935	6,405
Total liabilities	33,520	39,832
Net assets		
Shareholders' equity		
Share capital	3,801	3,801
Capital surplus	1,637	1,637
Retained earnings	12,482	12,453
Treasury shares	(47)	(47)
Total shareholders' equity	17,874	17,844
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	704	868
Revaluation reserve for land	417	417
Foreign currency translation adjustment	555	565
Remeasurements of defined benefit plans	(12)	(10)
Total accumulated other comprehensive income	1,665	1,841
Total net assets	19,539	19,685
Total liabilities and net assets	53,060	59,518

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Net sales	17,674	19,775
Cost of sales	15,694	17,041
Gross profit	1,980	2,734
Selling, general and administrative expenses	1,791	2,298
Operating profit	188	436
Non-operating income		
Interest income	7	13
Dividend income	64	60
Foreign exchange gains	25	70
Share of profit of entities accounted for using equity method	1	5
Reversal of allowance for doubtful accounts	7	9
Other	29	15
Total non-operating income	136	174
Non-operating expenses		
Interest expenses	8	15
Loss on abandonment of non-current assets	8	1
Leave allowance of non-current assets	6	-
Other	1	3
Total non-operating expenses	24	20
Ordinary profit	300	591
Extraordinary income		
Gain on sale of investment securities	-	141
Total extraordinary income	-	141
Extraordinary losses		
Loss on sale of investment securities	-	3
Loss on valuation of investment securities	-	2
Total extraordinary losses	-	6
Profit before income taxes	300	725
Income taxes - current	78	150
Income taxes - deferred	29	160
Total income taxes	108	310
Profit	191	415
Profit attributable to owners of parent	191	415

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Profit	191	415
Other comprehensive income		
Valuation difference on available-for-sale securities	58	163
Foreign currency translation adjustment	214	10
Remeasurements of defined benefit plans, net of tax	0	2
Total other comprehensive income	272	176
Comprehensive income	464	591
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	464	591