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December 23, 2024

To whom it may concern,

Company name: Takashima & Co., Ltd.
Name of representative: Koichi Takashima, President and Representative Director
(Securities code: 8007; Prime Market)
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Notice of Reorganization of Industrial Materials Business (Share Exchange Between Wholly Owned Subsidiaries)

We announce that, as part of the reorganization of its Industrial Materials Division, the Board of Directors of the relevant companies today resolved to implement a share exchange between wholly owned subsidiaries of the Company (the “Reorganization”), as described below.

Since this Reorganization is a share exchange between consolidated subsidiaries of the companies, some disclosure items and details are omitted.

Note

1. Overview of Reorganization

TAKASHIMA INDUSTRIES CO., LTD. (TAKASHIMA INDUSTRIES), a company in our group and a core company in the Industrial Materials business, and TAKCEL Co., Ltd., Hi-Land Inc., and Sinbou Edix Co., Ltd. will conduct a share exchange on April 1, 2025, whereby TAKASHIMA INDUSTRIES will become the wholly owning parent company in share exchange.

2. Purpose of Reorganization

TAKASHIMA INDUSTRIES was established this year as the first step in a Reorganization aimed at promoting selection and concentration of the Industrial Materials business and integrated management of business divisions in order to achieve sustainable growth of the Industrial Materials business.

This Reorganization, the second step of reorganization, is intended to promote and develop integrated management of the business divisions by making the company the wholly owning parent company in the Industrial Materials Division.

This will clarify TAKASHIMA INDUSTRIES position as the “core company” of the Industrial Materials Division. Under the company's control, we will promote growth strategies and business portfolio transformation in the Industrial Materials business in order to further improve competitiveness and expand earnings in the future. TAKASHIMA INDUSTRIES will promptly execute effective and flexible investments in a top-down approach.

3. Summary of Reorganization

(1) Schedule of share exchange

Date of resolution (Relevant companies)	December 23, 2024
Date of share exchange contract (Relevant companies)	December 23, 2024
Resolution of general meeting of shareholders (Relevant companies)	January 31, 2025 (scheduled)
Scheduled implementation date (effective date)	April 1, 2025 (scheduled)

(2) Cash to be delivered upon share exchange

This is an exchange of shares without payment of cash, so there will be no payment of cash upon the exchange of shares.

(3) Overview of relevant companies

	Wholly owning parent company in share exchange	Wholly owned subsidiary in share exchange 1
(1) Name	TAKASHIMA INDUSTRIES CO., LTD.	TAKCEL Co., Ltd.
(2) Location	3-4 Kanda-surugadai, Chiyoda- ku, Tokyo	600 Hongo, Nishikata-machi, Tochigi-shi, Tochigi
(3) Title and name of representative	President and Representative Director, Tsutomu Nishida	President and Representative Director, Manabu Kobayashi
(4) Business	Engineering, processing, and sales of industrial textiles, plastic materials and plastic molded products, rolling stock parts for train, and environment-related products, etc.	Manufacture and sale of plastic molded products.
(5) Capital stock	¥350 millions	¥100 millions
(6) Establishment date	January 19, 2024	June 29, 1943
(7) Number of shares issued	35,000	3,489,237
(8) Accounting period	The end of March	The end of March
(9) Major Shareholders and Shareholding Ratio	Takashima & Co., Ltd. 100%	Takashima & Co., Ltd. 100%
(10) Financial position and operating results for the most recent fiscal year		
Net assets	¥343,149 thousand	¥742,769 thousand
Total assets	¥361,533 thousand	¥2,764,968 thousand
Net assets per share	¥9,804.27	¥212.87
Sales	-	¥2,614,332 thousand
Operating profit	¥(6,378) thousand	¥45,862 thousand
Ordinary profit	¥(6,378) thousand	¥55,482 thousand
Profit attributable to owners of parent	¥(6,850)	¥92,549 thousand
Net profit per share	¥(195.73)	¥26.52

	Wholly owned subsidiary in share exchange 2	Wholly owned subsidiary in share exchange 3
(1) Name	Hi-Land Inc.	Sinbou Edix Co., Ltd.
(2) Location	3-4 Kanda-surugadai, Chiyoda-ku, Tokyo	13-5, Arcs, Nagano-shi, Nagano
(3) Title and name of representative	President and Representative Director, Mami Takahashi	President and Representative Director, Hajime Yoshikawa
(4) Business	Development, manufacture and sale of machine-sewn products, design and processing of membrane structures, and sale of industrial and medical logistics materials.	Wholesale of pharmaceuticals, food hygiene, environmental hygiene materials, household products, health guidance services, and nursing care products.
(5) Capital stock	¥70 millions	¥10 millions
(6) Establishment date	September 6, 2005	July 24, 1952
(7) Number of shares issued	1,400	4,800
(8) Accounting period	The end of March	The end of February
(9) Major Shareholders and Shareholding Ratio	Takashima & Co., Ltd. 100%	Takashima & Co., Ltd. 100%
(10) Financial position and operating results for the most recent fiscal year		
Net assets	¥871,519 thousand	¥593,663 thousand
Total assets	¥2,157,488 thousand	¥917,370 thousand
Net assets per share	¥622,514.00	¥123,679.92
Sales	¥3,961,592 thousand	¥1,047,798 thousand
Operating profit	¥444,142 thousand	¥13,930 thousand
Ordinary profit	¥442,257 thousand	¥15,859 thousand
Profit attributable to owners of parent	¥283,397 thousand	¥43,389 thousand
Net profit per share	¥202,426.76	¥9,039.47

4. Future outlook

Since this Reorganization is a share exchange between wholly owned subsidiaries of the Company, its impact on the Company's consolidated results of operations will be negligible.

End.