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# Fiscal Year Ending March 31, 2023(FY22) Third Quarter Financial Briefing

**Takashima & Co., Ltd.** Securities Code 8007

Mar. 30, 2023



***Takashima & Co., Ltd.***

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Financial Highlights**
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# 1.FY22 3Q Financial Highlights

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## FY22 3Q Performance Highlights

Net sales increased due to the strong performance of the Electronics & Devices segment and the positive YoY growth of the construction supply segment.  
Profit decreased due to an increase in selling, general and administrative expenses resulting from increased sales activities to expand business performance, increased system investment, and expenses associated with the implementation of M&A.

## FY23 Full-year Forecast

Not changed.  
Aiming to profit attributable to owners of parent ¥1,400M.  
Progress against the full-year forecast was slightly low, but within our expectations.

## Dividends

Not changed.  
Expect ¥140 per year  
(Interim ¥70 and Year-end ¥70)

# Consolidated Performance: P/L

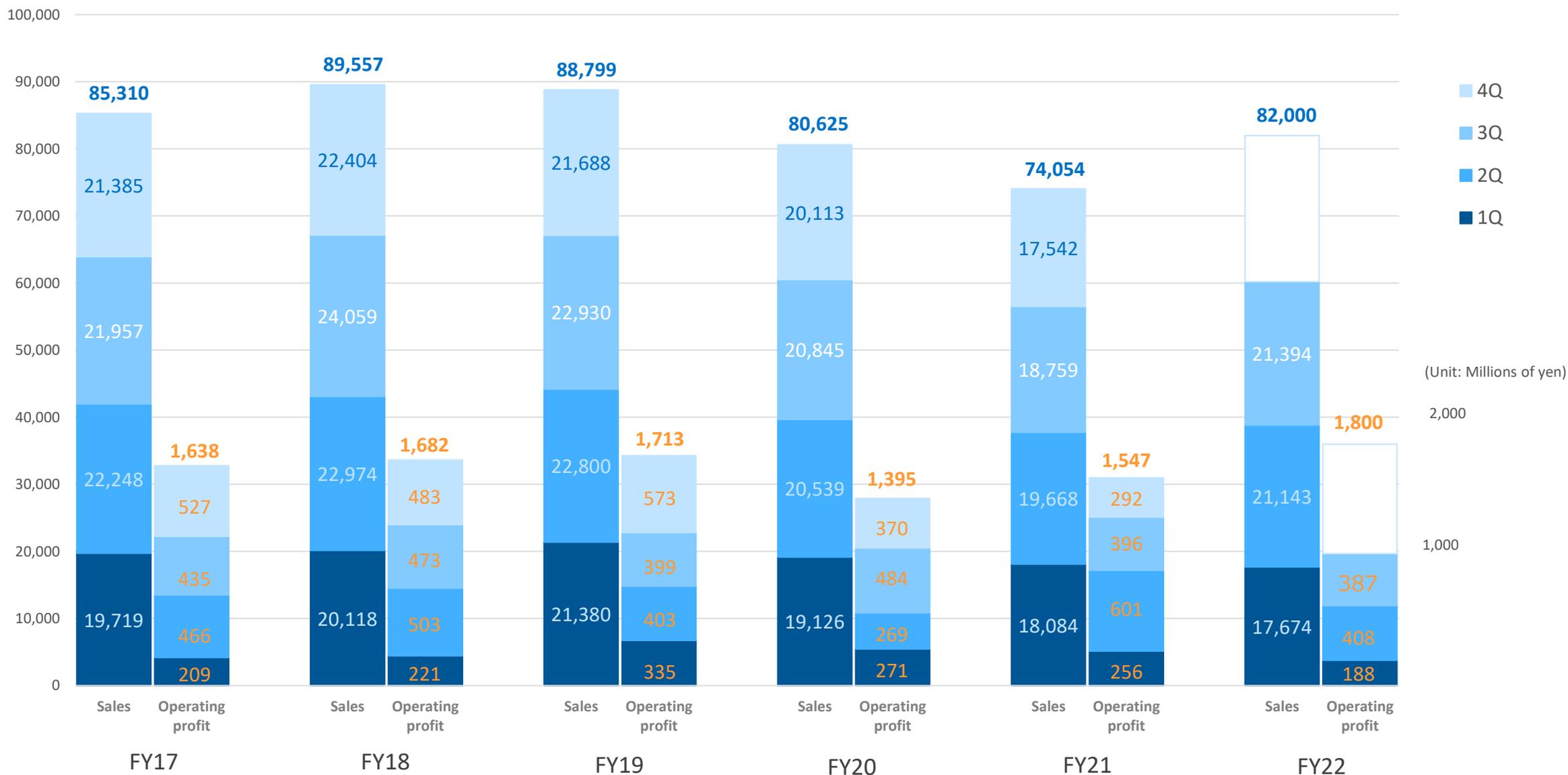
- ✓ Net sales increased due to the strong performance of the Electronics & Devices segment and the positive YoY growth of the construction supply segment.
- ✓ Profit decreased due to an increase in selling, general and administrative expenses resulting from increased sales activities to expand business performance, increased system investment, and expenses associated with the implementation of M&A.

(Unit: Millions of yen)

	FY21 3Q	FY22 3Q	Amount of change	Year-on-Year
Net Sales	56,512	60,211	3,699	6.5%
Operating profit	1,255	983	(271)	(21.6)%
operating profit ratio	2.2%	1.6%	–	(0.6)pts
Ordinary profit	1,458	1,098	(359)	(24.7)%
Profit attributable to owners of parents	1,040	799	(240)	(23.1)%

# Consolidated Performance: P/L Sales & Operating Profit Transition

(Unit: Millions of yen)



# Consolidated Performance B/S

The end of FY21  
(Mar. 31, 2022)

Total assets : **¥45,176M**

Equity ratio : **40.9%**

**+¥9,710M**

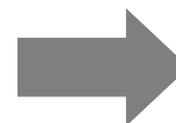
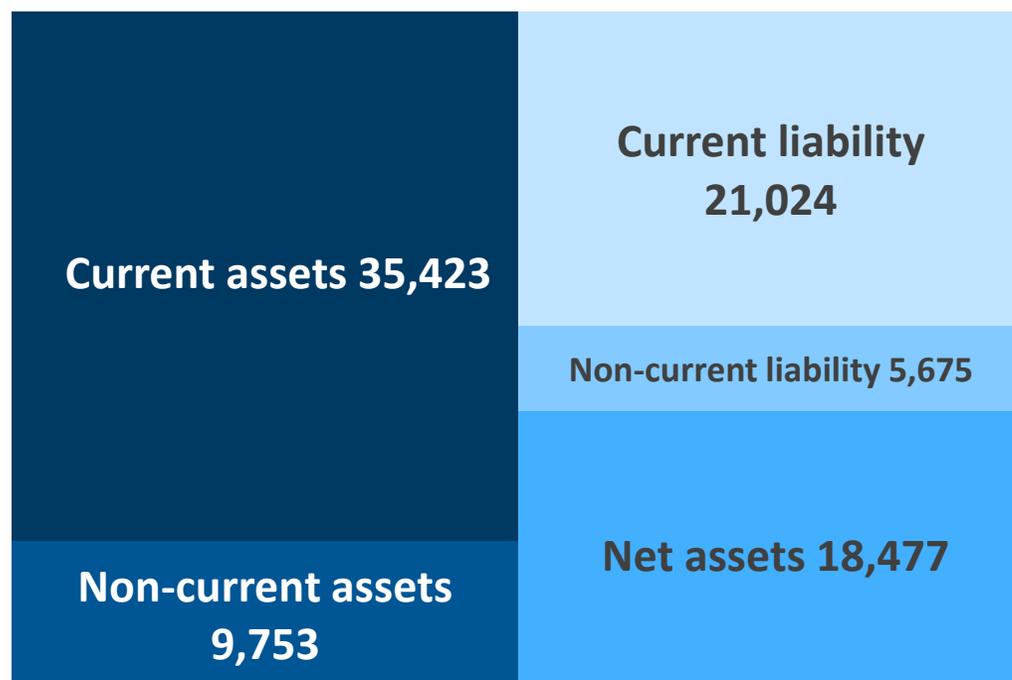
**(6.1)pts**

The end of FY22 3Q  
(Dec. 31, 2022)

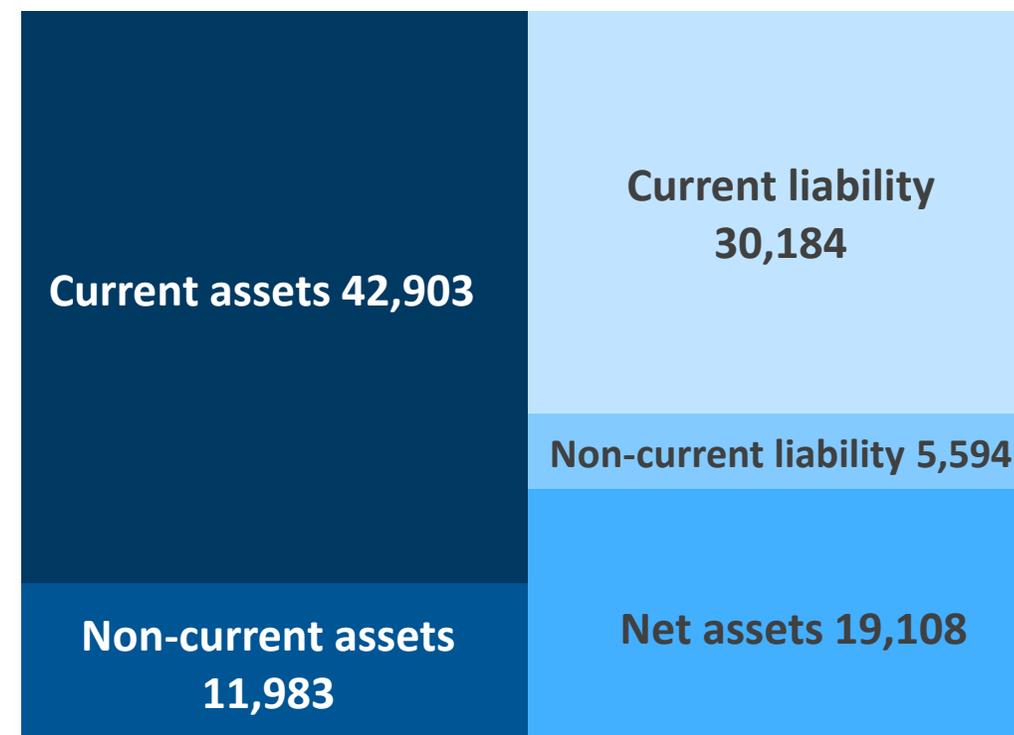
Total assets : **¥54,887M**

Equity ratio : **34.8%**

(Unit: Millions of yen)



(Unit: Millions of yen)



# Consolidated Performance: B/S(detailed)



Unit: Millions of yen

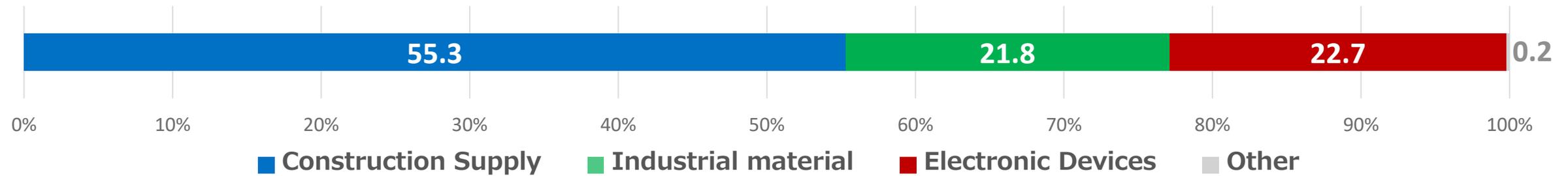
	FY21	FY22 3Q	Amount of Change(YoY)	Ratio of change(YoY)	Main reasons of change
Total Assets	45,176	54,887	9,710	21.5%	
Total current assets	35,423	42,903	7,480	21.1%	Cash and deposit ¥(1,334)M Notes and accounts receivable – trade, and contract assets ¥6,735M Merchandise and finished goods ¥1,489M
Total non-current assets	9,753	11,983	2,230	22.9%	
Property, plant and equipment	4,252	4,593	341	8.0%	
Intangible assets	514	592	77	15.1%	
Total investments and other assets	4,986	6,797	1,811	36.3%	Investment securities ¥1,691M
Total liabilities and net assets	45,176	54,887	9,710	21.5%	
Total liabilities	26,699	35,778	9,078	34.0%	
Total current liabilities	21,024	30,184	9,160	43.6%	Electronically recorded obligations – operating ¥3,064M Short term borrowings ¥5,441M
Total non-current liabilities	5,675	5,594	(81)	(1.4)%	Long-term borrowing ¥(180)M
Total net assets	18,477	19,108	631	3.4%	Retained earnings(dividends) ¥(895)M Retained earnings(profit attributable to owners of parent) ¥799M, Foreign currency translation adjustment ¥817M

# Performance of Each Segment

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# Net Sales Configuration by Segment

FY22 3Q Net Sales ¥60,211M



## Construction Supply Segment

This segment handles a variety of commercial products related to construction and building, including wall materials, foundation pillars(piles), insulation materials, solar panels, and interior materials. We have established a nationwide sales network and also undertake a wide variety of processes, from planning and design to construction.



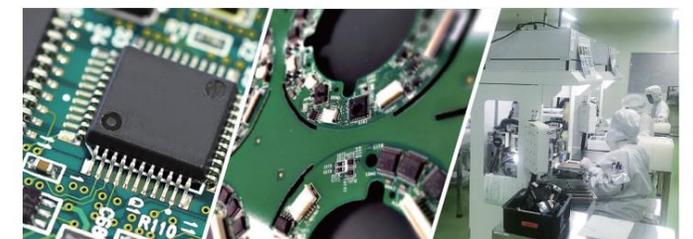
## Industrial Material Segment

This segment handles a diverse range of commercial products, including plastic materials and molded products, high-performance products for rolling stock, industrial textiles, LED construction, and OEM of apparel. We also make use of manufacturers within the group to offer a variety of other services and functions.



## Electronic Device Segment

This segment handles a diverse range of commercial products, including plastic materials and molded products, high-performance products for rolling stock, industrial textiles, LED construction, and OEM of apparel. We also make use of manufacturers within the group to offer a variety of other services and functions.

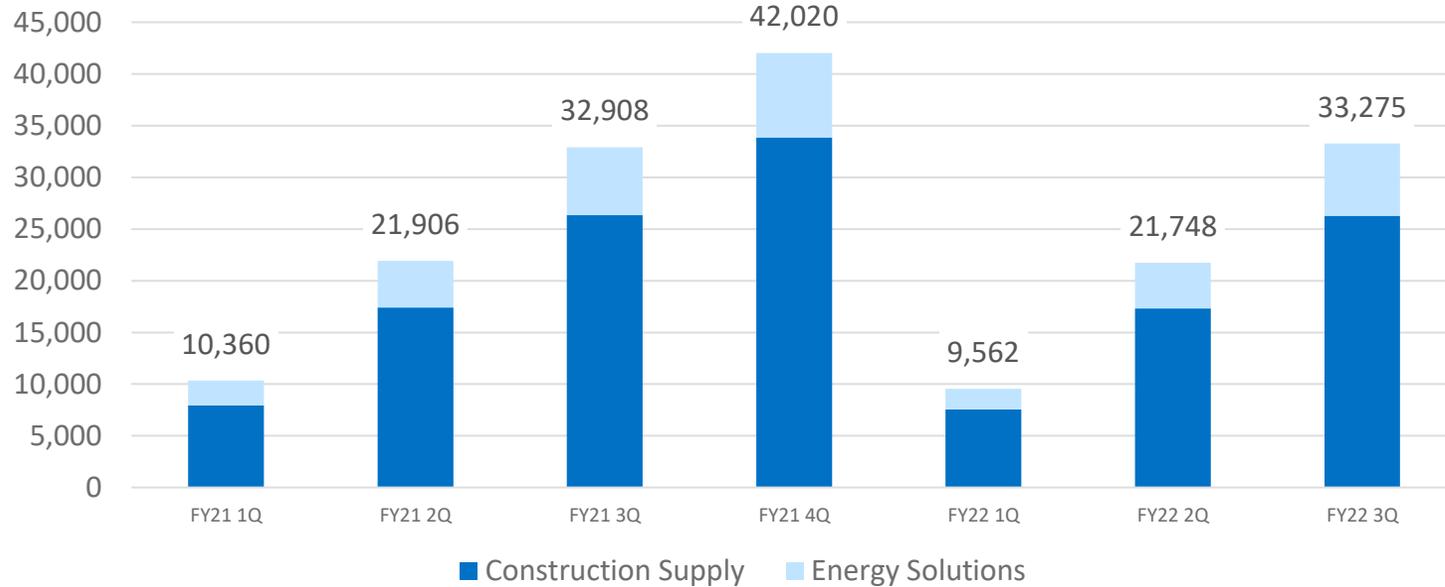


# Briefing by Segment: Construction Supply (Net sales, Segment Operating Profit/Loss)



(Unit: Millions of yen)

## Net Sales



Net Sales

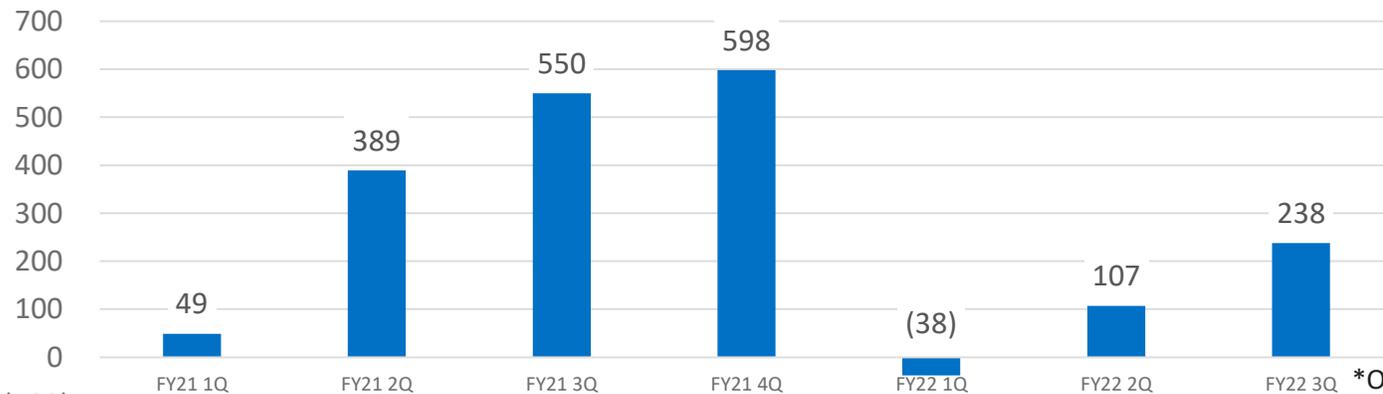
**¥33,275M**

Year-on-Year

**1.1 %**

(Unit: Millions of yen)

## Segment Profit/Loss \*



Segment Profit

**¥238M**

Ratio of profit

**0.7 %**

Year-on-Year

**(56.7) %**

\*Operating profit/Loss

# Briefing by Segment: Construction Supply -Business Field-



- In the construction materials field, ground improvement work remained sluggish, while construction materials remained firm.
- Sales in the solar energy-related field increased year-on-year despite the impact of supply delays for solar panels and peripheral equipment.
- Thermal Insulation field and housing material fields remained strong and contributed to profit.
- Increase in sales and general administrative expenses due to increased sales activities to expand business, increased system investment, and expenses associated with M&A implementation, resulting in higher sales and lower profit.

(Unit: Millions of yen)

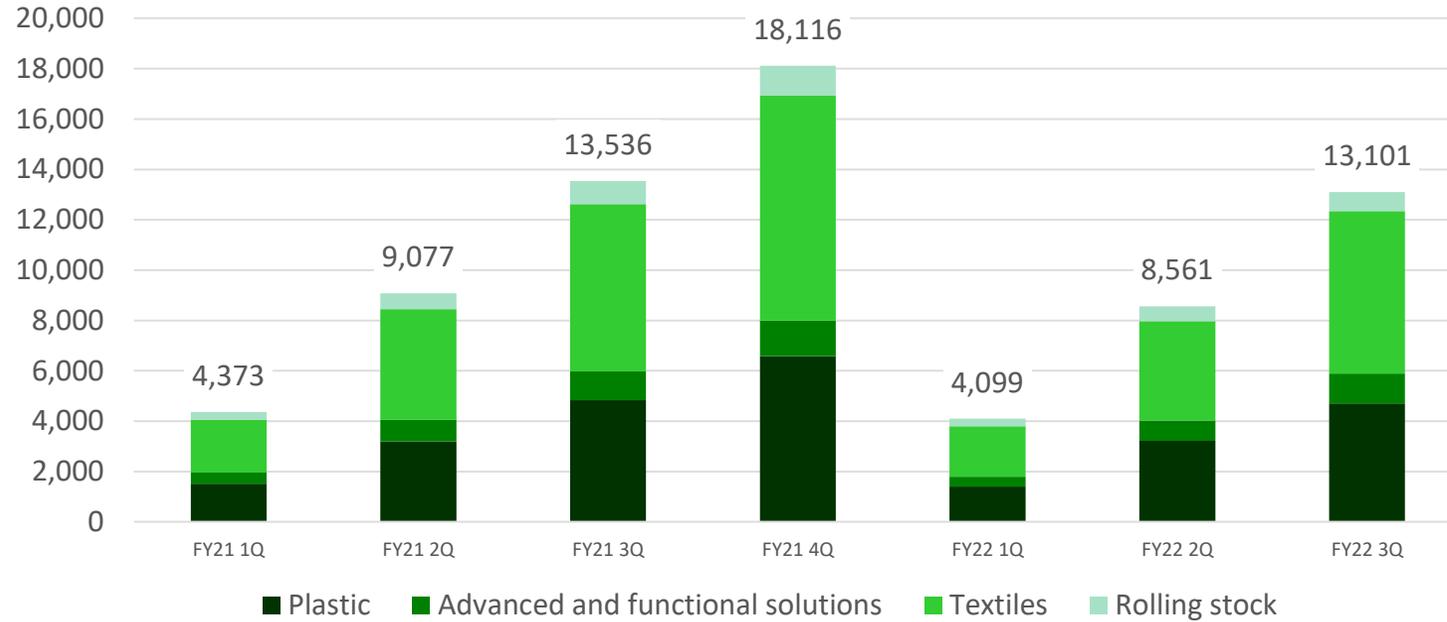
Business Field	FY21 3Q	FY22 3Q	Amount of change	Year-on-Year
Construction Supply —Sales, design, and construction of materials related to housing and non-housing	26,332	26,269	(63)	(0.2)%
Energy solutions —Sales of solar power generation systems, energy products, and “all-electrification” products.	6,576	7,006	429	6.5%
Segment net sales	32,908	33,275	366	1.1%
Segment profit	550	238	(312)	(56.7)%
Ratio of profit	1.7%	0.7%	-	(1.0)pt

# Briefing by Segment: Industrial Material (Net sales, Segment Operating Profit/Loss)



## Net Sales

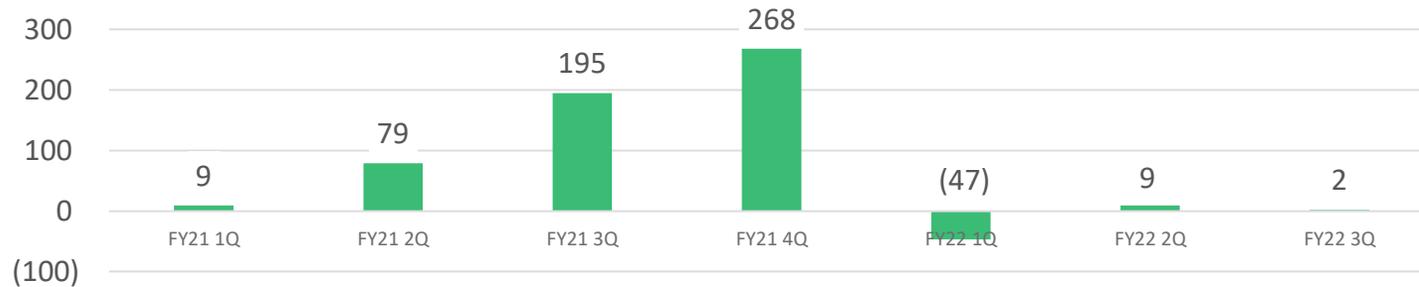
(Unit: Millions of yen)



Net Sales	<b>¥13,101M</b>
Year-on-Year	<b>(3.2) %</b>
Segment Profit	<b>¥2M</b>
Ratio of profit	<b>0.0 %</b>
Year-on-Year	<b>(98.8) %</b>

## Segment Profit/Loss\*

(Unit: Millions of yen)



\*Operating profit/Loss

# Briefing by Segment: Industrial Material -Business Field-



- In the plastic materials-related field, sales declined due to a slow recovery in the automotive market caused by the shortage of semiconductors.
- Textiles-related field remained sluggish due to stagnant market and lower demand caused by price hikes.
- Sales and income decreased due to an increase in selling, general and administrative expenses resulting from increased sales activities to expand business performance, increased system investment, and expenses associated with the implementation of M&A.

(Unit: Millions of yen)

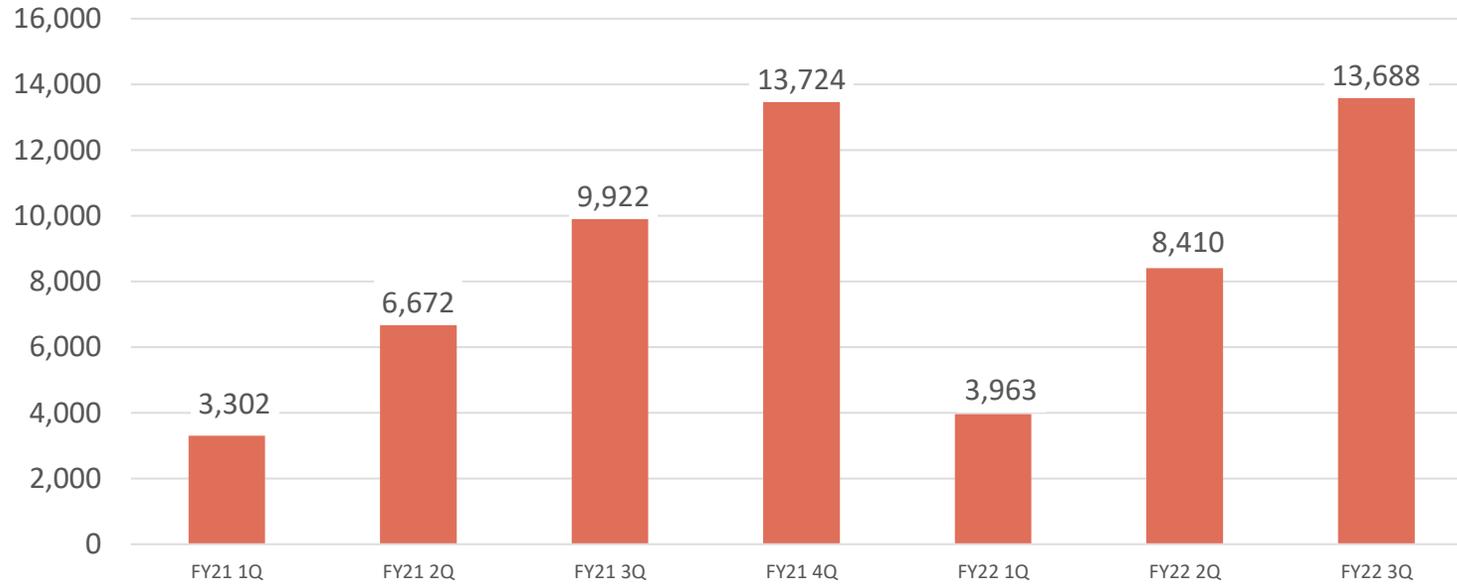
Business field	FY21 3Q	FY22 3Q	Amount of change	Year-on-Year
Plastic —Design, processing, and sales of transport materials and molded plastic products	4,833	4,703	(130)	(2.7)%
Advanced and functional solutions —Sales of industrial materials, such as polishing film, and LED installation	1,150	1,182	31	2.7%
Textile —Sales and processing of industrial fabrics, apparel, synthetic leather, sewn products, and textile-related good.	6,640	6,455	(184)	(2.8)%
Rolling stock —Design, processing and sales of interior and exterior components for rolling stock	912	760	(151)	(16.6)%
<b>Segment net sales</b>	<b>13,536</b>	<b>13,101</b>	<b>(435)</b>	<b>(3.2)%</b>
<b>Segment profit</b>	<b>195</b>	<b>2</b>	<b>(193)</b>	<b>(98.8)%</b>
<b>Ratio of profit</b>	<b>1.4%</b>	<b>0.0%</b>	<b>-</b>	<b>(1.4)pts</b>

# Briefing by Segment: Electronic Devices (Net sales, Segment Operating Profit/Loss)



(Unit: Millions of yen)

## Net Sales

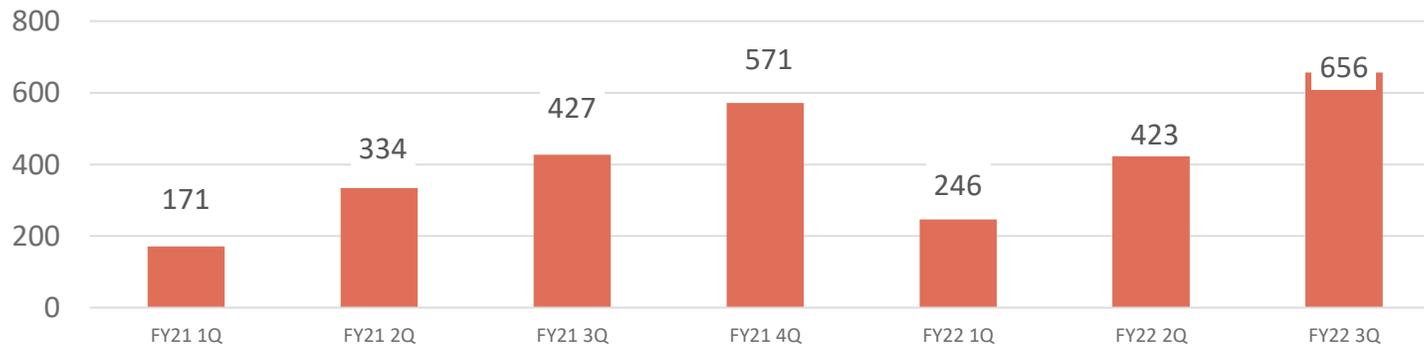


<b>Net Sales</b>	<b>¥13,688M</b>
<b>Year-on-Year</b>	<b>+38.0 %</b>

<b>Segment Profit</b>	<b>¥656M</b>
<b>Ratio of Profit</b>	<b>4.8 %</b>
<b>Year-on-Year</b>	<b>+53.4 %</b>

(Unit: Millions of yen)

## Segment Profit\*



\*Operating profit

# Briefing by Segment: Electronic Devices

(Net sales, Segment Operating Profit/Loss)



- In the electronic devices and related fields, our core market, the consumer electronics and white goods markets, both showed a recovery trend compared to the previous year.
- Although price competition in the market remained severe, sales and income increased due to an increase in new orders received and the impact of the yen's depreciation.

(Unit: Millions of yen)

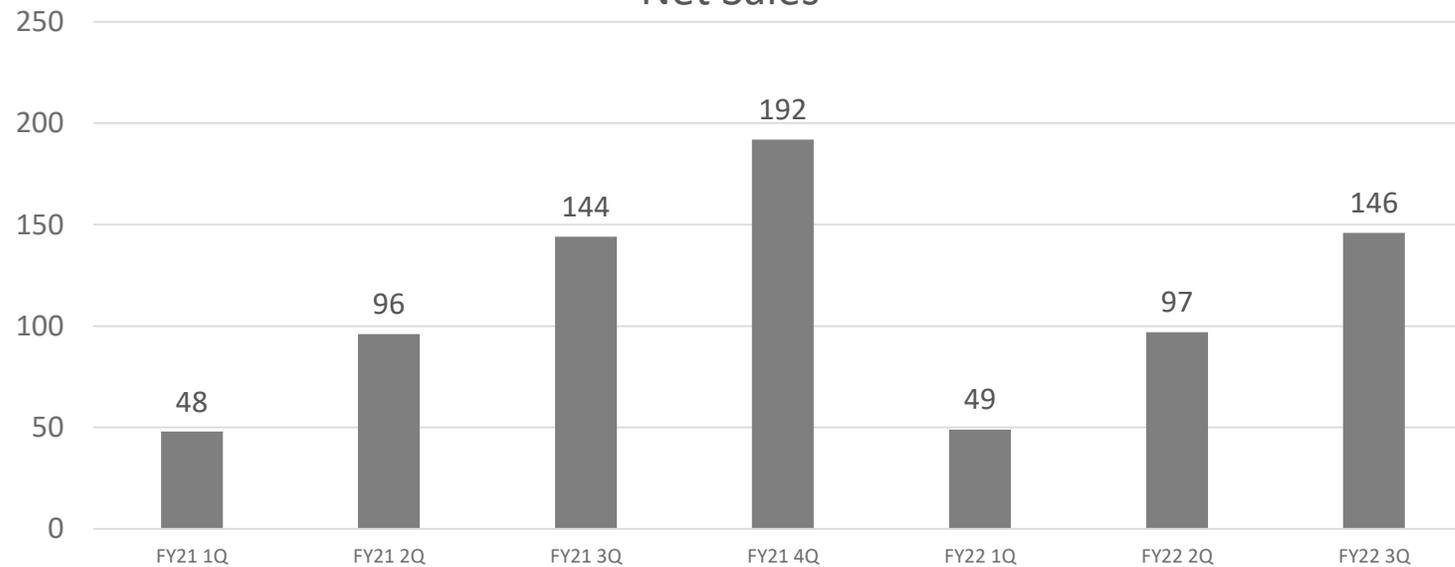
Area	FY21	FY22 3Q	Amount of change	Year-on-Year
Hongkong —Sales of electronic components and devices, production technologies, quality control support	3,508	4,146	638	18.2%
Thailand —Manufacturing and sales of electronic components and devices	3,343	5,464	2,121	63.5%
Japan —Sales of electronic components and devices, production technologies, quality control support.	1,153	1,592	438	38.0%
Others —Manufacturing and sales of electronic components and devices	1,917	2,484	567	29.6%
<b>Segment Net Sales</b>	<b>9,922</b>	<b>13,688</b>	<b>3,765</b>	<b>38.0%</b>
Segment profit	427	656	228	53.4%
Ratio of profit	4.3%	4.8%	-	0.5pts

# Real Estate Leasing Segment

- No change in real estate owned by the Company from the previous period, and both net sales and segment profit remained unchanged.

(Unit: Millions of yen)

### Net Sales



Net Sales

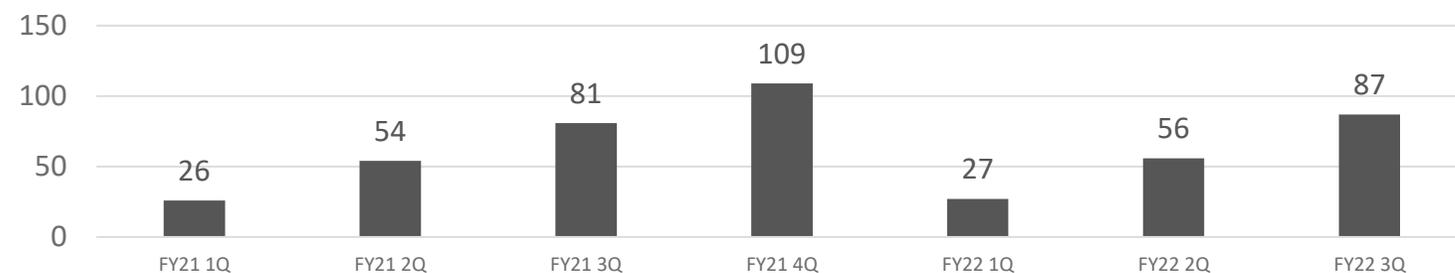
**¥146M**

Year-on-Year

**+1.8 %**

(Unit: Millions of yen)

### Segment Profit\*



Segment Profit

**¥87M**

Ratio of profit

**59.4 %**

Year-on-Year

**+7.1 %**

\*Operating profit

# FY22 3Q Segment Performance Overview



(Unit: Millions of yen)

	FY 21 3Q		FY22 3Q		Amount of Change	Year on Year
	Result	Ratio	Result	Ratio		
<b>Net Sales</b>	56,512	100.0%	60,211	100.0%	3,699	6.5%
Construction Supply	32,908	58.2%	33,275	55.3%	366	1.1%
Industrial materials	13,536	24.0%	13,101	21.8%	(435)	(3.2)%
Electronic Devices	9,922	17.6%	13,688	22.7%	3,765	38.0%
Real Estate Leasing	144	0.3%	146	0.2%	2	1.8%
<b>Operating Profit</b>	1,255	100.0%	983	100.0%	(271)	(21.6)%
Construction Supply	550	43.9%	238	24.2%	(312)	(56.7)%
Industrial materials	195	15.6%	2	0.2%	(193)	(98.8)%
Electronic Devices	427	34.1%	656	66.7%	228	53.4%
Real Estate Leasing	81	6.5%	87	8.9%	5	7.1%

## 2. FY22 Full-year Consolidated Performance Forecast

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# FY22 Consolidated Full-year Forecast(Not changed)

- ✓ Forecasts for the full year **have not been revised** from those at the beginning of the fiscal year.
- ✓ Net sales are expected to increase 10.7% year on year to ¥82.0Bn, and net profit is expected to be ¥1.4Bn

(unit : Millions of yen)

	FY21	FY22 (Forecast)	Amount of change	Year-on-Year
Net Sales	74,054	82,000	+ 7,945	+ 10.7%
Operating profit	1,547	1,800	+ 252	+ 16.3%
ratio of operating profit	2.1%	2.2%	–	+ 0.1pt
Ordinary profit	1,840	1,900	+ 59	+ 3.2%
Profit attributable to owners of parent	1,296	1,400	+ 103	+ 8.0%

# FY22 Consolidated Full-year Forecast by Segment (Not changed)



(Unit: Millions of yen)

	FY21	FY22 (forecast)	Amount of change	Year-on-Year
<b>Net sales</b>	<b>74,054</b>	<b>82,000</b>	<b>+7,945</b>	<b>+10.7%</b>
Construction Supply	42,020	48,200	+6,179	+14.7%
Industrial Materials	18,116	19,400	+1,283	+7.1%
Electronic Devices	13,724	14,200	+475	+3.5%
Real Estate Leasing	192	200	+7	+4.0%
<b>Operating profit</b>	<b>1,547</b>	<b>1,800</b>	<b>+252</b>	<b>+16.3%</b>
Construction Supply	598	850	+251	+42.0%
Industrial Materials	268	400	+131	+49.1%
Electronic Devices	571	450	(121)	(21.2)%
Real Estate Leasing	109	100	(9)	(8.3)%

# 3.Shareholder Return

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## Basic Policy

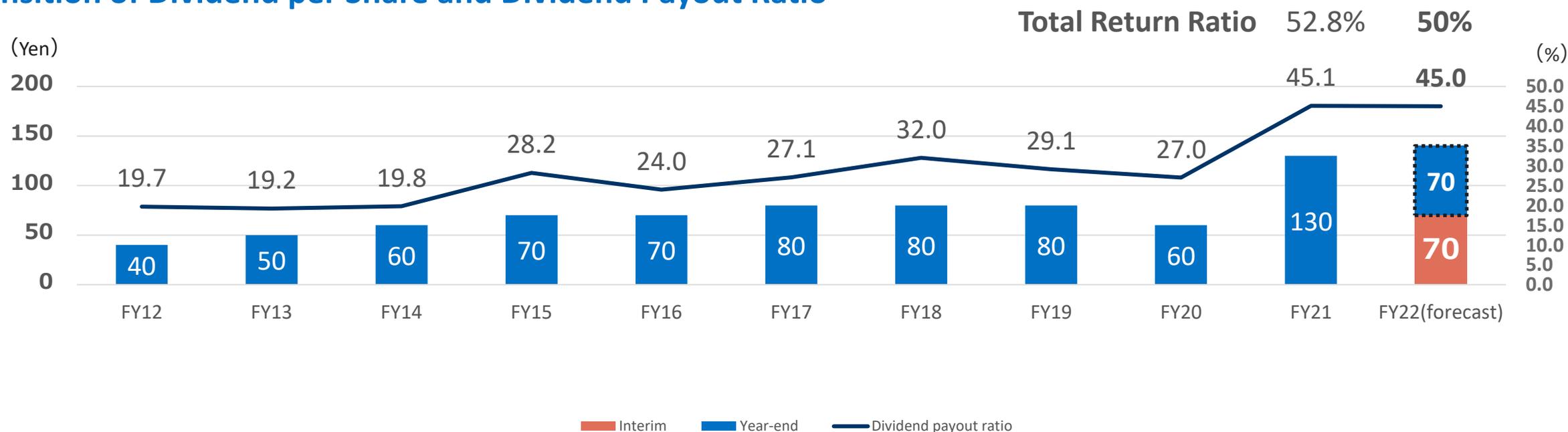
Consolidated dividend payout ratio of 40% or more - Total return ratio of 50%  
 Lower limit of total return amount: 500 million yen

## FY22

We expect ¥140 dividends (Year-end ¥70)

Acquisition of treasury stock for ¥100M (disclosed on 11/14)

## Transition of Dividend per Share and Dividend Payout Ratio



\*On October 1, 2017, a reverse stock split was implemented at a ratio of 1 share for every 10 shares of common stock; dividend per share amounts for fiscal 2016 and prior are shown after the reverse stock split.

## Inquiries on this document

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URL <https://www.tak.co.jp/en/ir/contact1.html>

### ■ Handling of this document

[Precautions regarding forecasts]

The data and predictions for the future disclosed in this document are based on judgments as of the release date of the document and obtainable information, and may change due to various reasons such as the economic situation, changes in market trends, etc.

Therefore, there are no guarantees that the targets and predictions noted in this document will be reached, nor on future business performance.

# Appendix

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# Acquisition and retirement of treasury stock

## Acquisition of treasury stock

Type of shares to be acquired	Common stock of the Company
Total number of shares acquired	34,700 shares
Total amount of shares acquired	¥99,770,000
Period of acquisition	From November 15, 2022, to December 1, 2022
Acquisition method	Market purchase on the Tokyo Stock Exchange

## Retirement of treasury stock

Type of shares retired	Common stock of the Company
Number of shares retired	34,700 shares (0.77% of total shares before retirement)
Date of retirement	Feb. 2, 2023.
Total number of shares of stock after retirement	4,466,273

# Summary of Progress about the Plan to the Meet Criteria

	Criteria	As of Jul. 30, 2021	As of Dec. 12, 2021	As of Mar. 31, 2022	As of Sep. 30, 2022	As of Dec. 31, 2022
Number of tradable shares	20,000 units or more	27,185 units	-	27,058units	27,694units	-
Tradable share market capital	<b>¥10B or more</b>	¥4.79B	-	¥6.34B	<b>¥6.61B</b>	-
Tradable share ratio	35% or more	59.7%	-	60.1%	61.5%	-
Average daily trading value	¥20M or more	¥6.83M	¥12.06M	¥38.55M	¥34.47M	¥33.32M