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Fiscal Year Ending March 31, 2024(FY23) First Quarter Financial Briefing

Takashima & Co., Ltd. Securities Code 8007

August 24, 2023



Takashima & Co., Ltd.

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- 2 | FY23 Consolidated Performance Forecast**
- 3 | Shareholder Return**
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Criteria of Tokyo Stock Exchange Prime Market**

1. FY23 1Q Financial Highlights

FY23 1Q Financial Highlights

- ✓ Increase in net sales and profit
- ✓ Increase in operating profit, ordinary profit, and net profit

FY23 Performance Forecast

No revision to the forecast announced in May 2023

Net Sales ¥89,000M, Operating Profit ¥1,800M, Ordinary Profit ¥1,900M, Profit attributable to owners of parent ¥1,600M

FY23 Dividends Forecast

No revision to the forecast announced in May 2023

Dividends Per Share

Interim (Before Share Split) ¥70

Year-end(After Share Split) ¥25

(We will execute 1 for 4 Share Split at October)

(Without Share Split ¥170)

Consolidated Performance: P/L

- ✓ Net sales: Despite a decrease in sales in the electronic devices segment, the construction supply segment performed well, resulting in an 11.9% increase in profit from the same period last year.
- ✓ Selling, general and administrative expenses(SG&A): Increase in expenses related to investment activities and operating activities to expand business performance.
- ✓ Operating profit: 131.5% increase Year-on-Year(YoY) despite increase in SG&A expenses
- ✓ Profit attributable to owners of parent: Increase of 116.8% YoY

(Unit: Millions of yen)

	FY22 1Q	FY23 1Q	Amount of change	Year-on-Year(YoY)
Net sales	17,674	19,775	2,101	11.9%
Cost of sales	15,694	17,041	1,346	8.6%
Gross profit	1,980	2,734	754	38.1%
SG&A	1,791	2,298	506	28.3%
Operating profit	188	436	248	131.5%
Operating profit ratio	1.1%	2.2%	1.1pt	-
Ordinary Profit	300	591	290	96.6%
Profit attributable to owners of parent	191	415	223	116.8%

Consolidated Performance B/S

The end of FY22
(Mar. 31, 2023)

Total assets : **¥53,060M**

Equity ratio : **36.8%**

The end of 1Q of FY23
(Jun.31,2023)

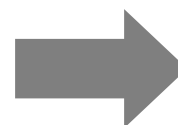
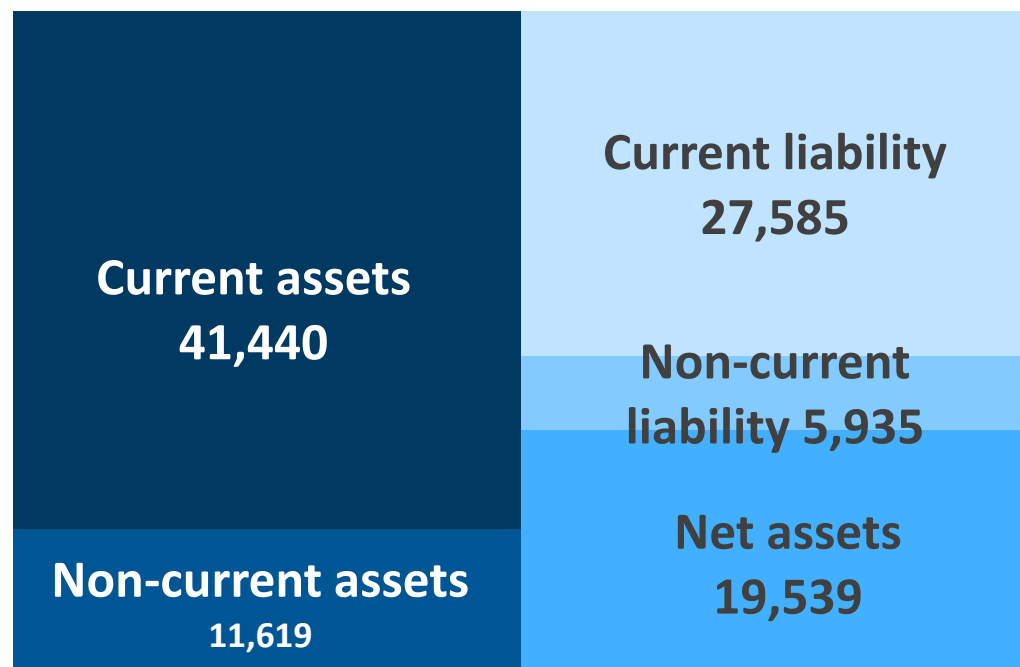
Total assets : **¥59,518M**

Equity ratio : **33.1%**

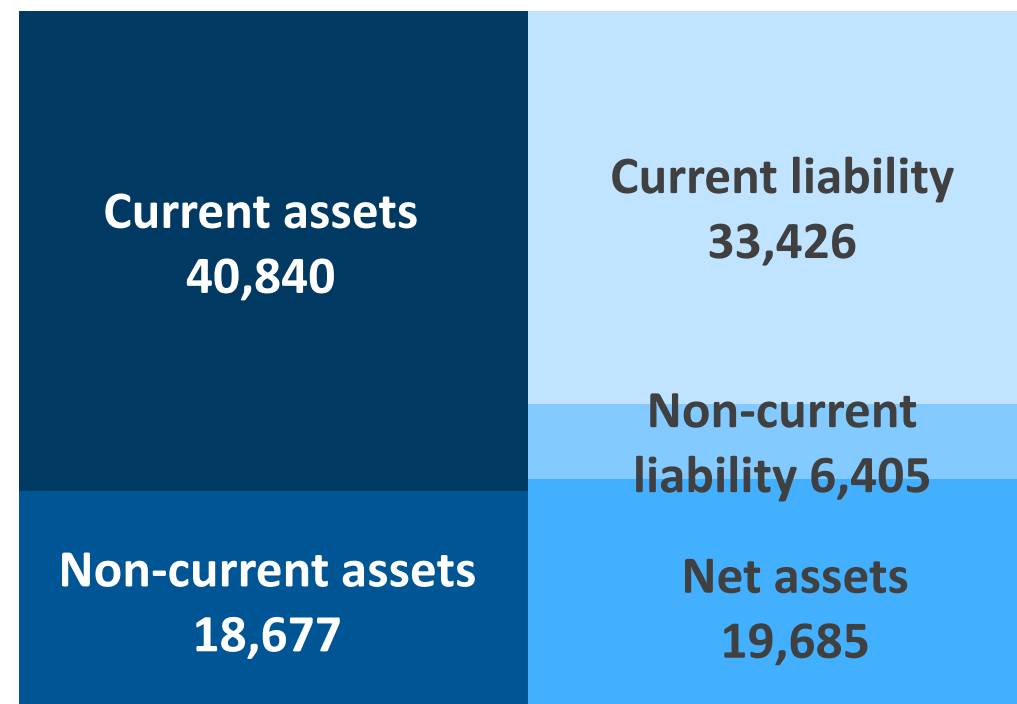
¥6,457M

-3.7pt

(Unit: Millions of yen)



(Unit: Millions of yen)



Consolidated Performance: B/S(detailed)

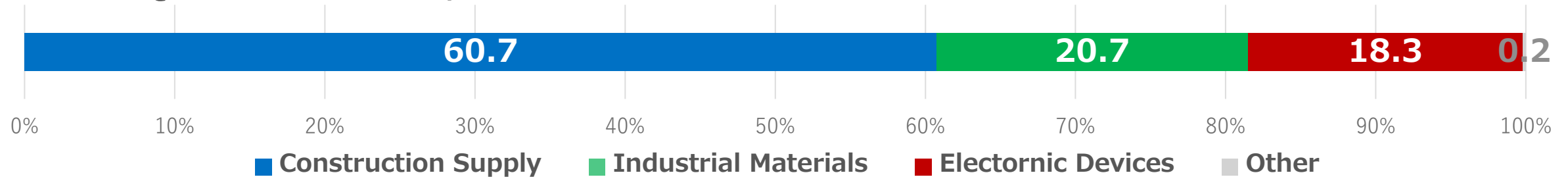
(Unit: Millions of yen)

	FY22	FY23 1Q	Amount of change	Ratio of change	Main reasons of changes
Total Assets	53,060	59,518	6,457	12.2%	
Total current assets	41,440	40,840	(600)	(1.4)%	Cash and deposits ¥(1,575)M
Total non-current assets	11,619	18,677	7,058	60.7%	
Property, plant and equipment	4,707	6,227	1,520	32.3%	Property, plant and equipment +¥1,520M
Intangible assets	1,662	6,889	5,227	314.4%	Goodwill + ¥5,221M
Total investments and other assets	5,249	5,560	310	5.9%	
Total liabilities and net assets	53,060	59,518	6,457	12.2%	
Total liabilities	33,520	39,832	6,311	18.8%	
Total current liabilities	27,585	33,426	5,840	21.2%	Short-term borrowings + ¥4,637M Notes and accounts payable - trade + ¥1,743M
Total non-current liabilities	5,935	6,405	470	7.9%	Long-Term borrowings +¥330M
Total net assets	19,539	19,685	146	0.7%	Decrease in retained earnings due to dividend payments ¥(444)M, Retained earnings(profit attributable to owners of parent +¥415M, Net unrealized gains on available-for-sale securities, +¥163M

Performance of Each Segment

Net Sales Configuration by Segment

FY23 1Q Net Sales ¥19,775M



Construction Supply Segment

The company handles a variety of commercial products related to construction and building construction, including wall materials, foundation piling methods, insulation materials, solar panel-related materials, and interiors for large, non-residential buildings and residential buildings. We have established a sales and construction network to provide a wide range of solutions from planning and design to construction.



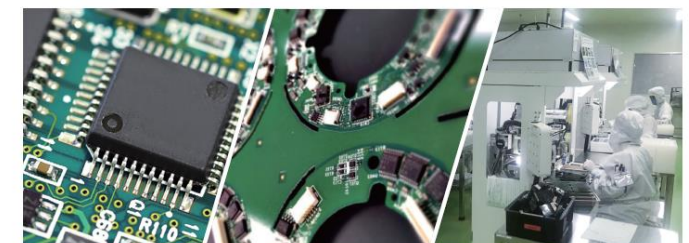
Industrial Materials segment

We handle a wide variety of commercial materials, including textile materials, plastic materials, and functional materials. We and our group companies collaborate in design, manufacturing, processing, and sales to provide combined value to our customers.



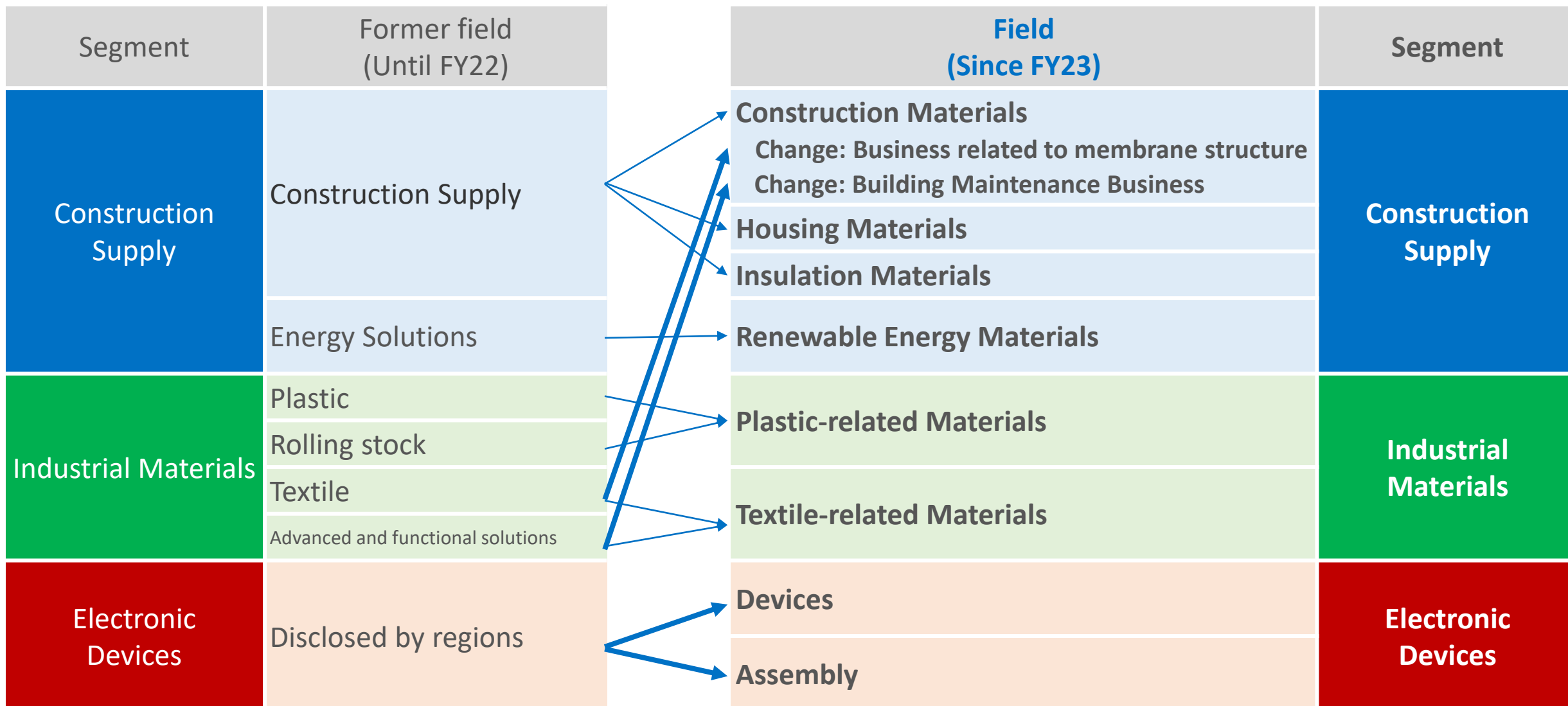
Electronic Devices Segment

In devices, we are engaged in the electronic component sales business, procuring and supplying electronic components from manufacturers, mainly in Asia, in response to customer needs. Assembly is engaged in the contract manufacturing business, utilizing its own factory in Thailand to perform board mounting (EMS) for white goods and a wide range of other products.



Changes in Business Field

The business field was changed due to an organizational change implemented on April 1, 2023.

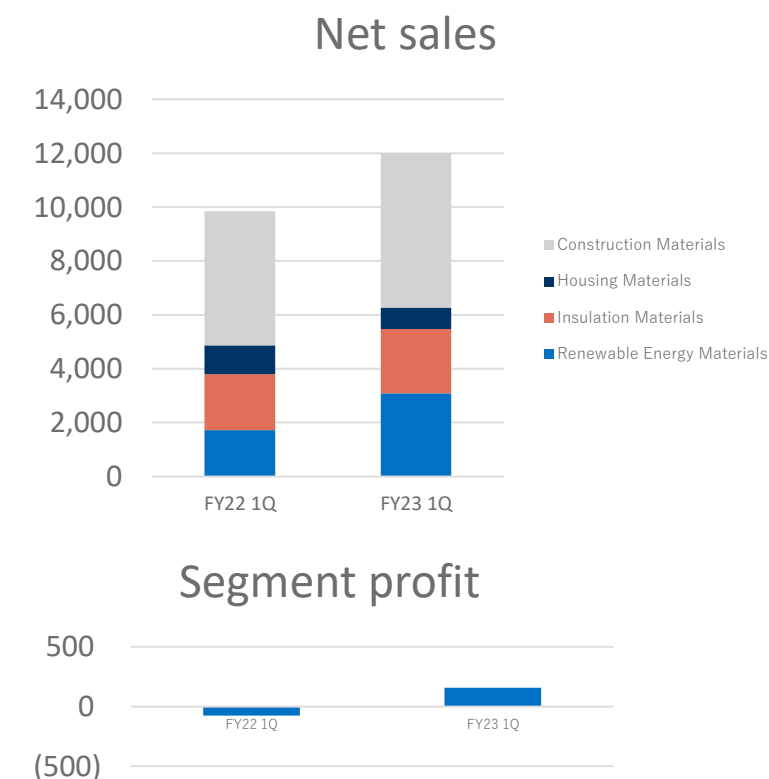


Briefing by Segment: Construction Supply

- In the construction materials field, sales increased due to steady execution of construction projects based on firm demand.
- In the renewable energy materials field, sales increased as demand grew amid rising electricity prices and delays in the supply of solar panels and peripheral equipment are being resolved.
- In the insulation material-related field, in addition to sales of materials, the acquisition of construction projects contributed to sales growth.
- Housing material-related field contributed to profit despite lower sales.

(Unit: Millions of yen)

	FY22 1Q	FY23 1Q	Amount of change	YoY
Construction Materials	4,985	5,737	752	15.1%
Housing Materials	1,070	795	(274)	(25.7)%
Insulation Materials	2,080	2,379	299	14.4%
Renewable Energy Materials	1,716	3,091	1,374	80.1%
Segment net sales	9,853	12,004	2,151	21.8%
Segment operating profit	(76)	157	234	-
Raito of profit	(0.8)%	1.3%	-	2.1pt

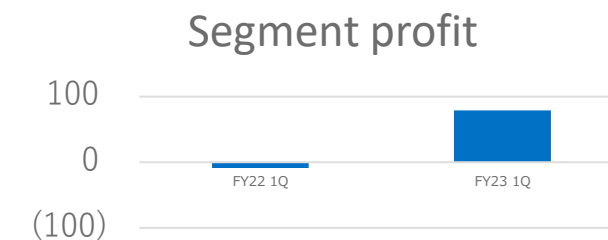
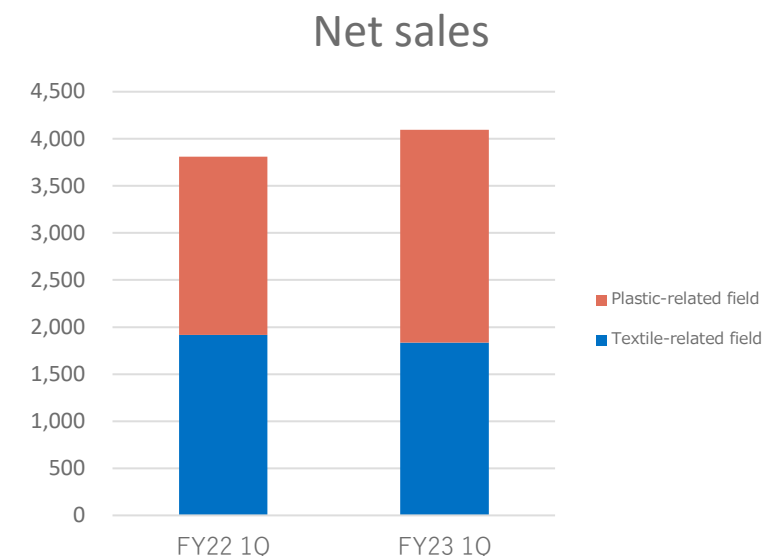


Briefing by Segment: Industrial Materials

- Sales in the plastic-related materials field increased due to an increase in orders for processed molded products, which are on a recovery trend, especially in the automotive field.
- In the textile-related materials segment, demand for apparel was sluggish, but processed textile products for the public sector remained strong, resulting in higher sales and profit.

(Unit: Millions of yen)

	FY22 1Q	FY23 1Q	Amount of change	YoY
Plastic-related field	1,892	2,258	366	19.4%
Textile-related field	1,916	1,835	(80)	(4.2)%
Segment net sales	3,808	4,094	285	7.5%
Segment operating profit	(9)	79	88	-
Ratio of profit	(0.2)%	1.9%	-	2.2pt

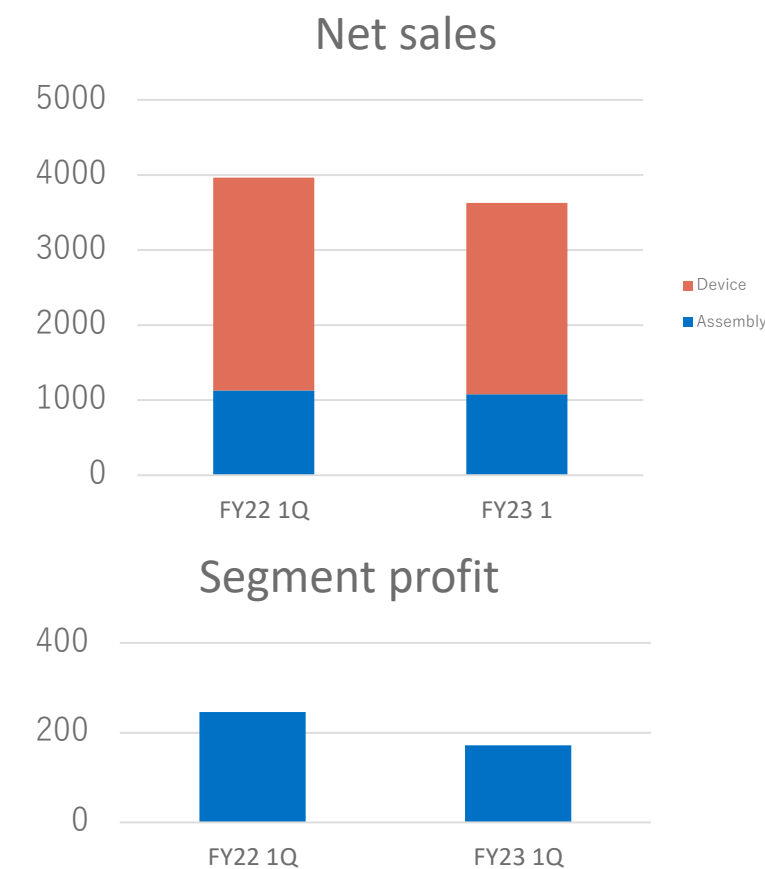


Briefing by Segment: Electronic Devices

- Decrease in sales and income due to the global slowdown in the electronics-related market from the second half of 2022, in addition to the impact of the rapid resolution of semiconductor supply problems that lasted for about two years and the buildup of component inventories in the overall market.

(Unit: Millions of yen)

	FY22 1Q	FY23 1Q	Amount of change	YoY
Device	1,672	1,486	(186)	(11.1)%
Assembly	2,291	2,142	(148)	(6.5)%
Segment net sales	3,963	3,628	(334)	(8.4)%
Segment operating profit	246	172	(74)	(30.2)%
Ratio of profit	6.2%	4.7%	-	(1.5)pt

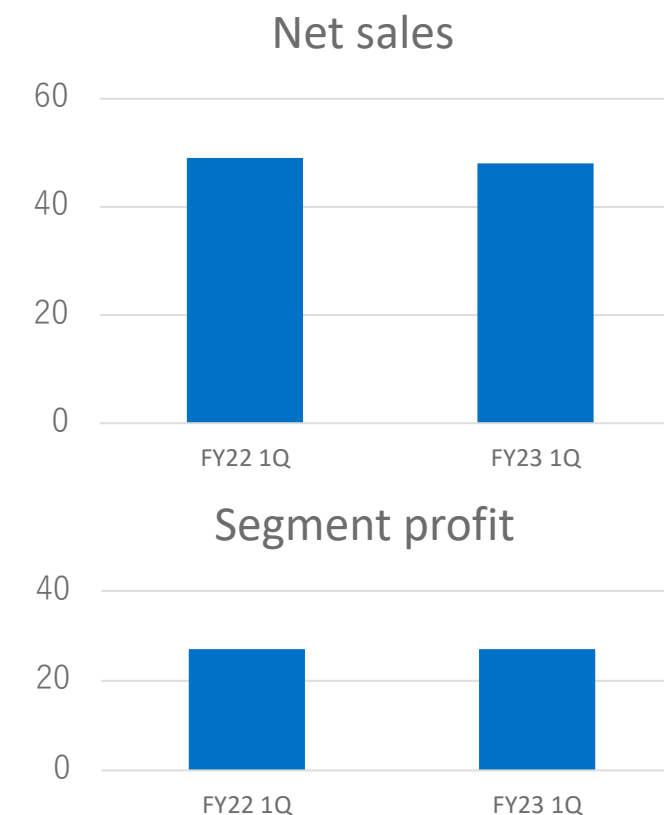


Real Estate Leasing Segment

- 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)

	FY22 1Q	FY23 1Q	Amount of change	YoY
Net sales	49	48	(0)	(1.6)%
Segment profit	27	27	(0)	(0.3)%
Ratio of profit	56.4%	57.1%	-	0.7pt



FY23 1Q Segment Performance Overview



(unit: millions of yen)

	FY22 1Q	FY23 1Q	Amount of change	YoY
	17,674	19,775	2,101	11.9%
Net Sales	9,853	12,004	2,151	21.8%
Construction Supply	3,808	4,094	285	7.5%
Industrial materials	3,963	3,628	(334)	(8.4)%
Electronic Devices	49	48	0	(1.6)%
Real Estate Leasing	188	436	248	131.5%
Operating Profit	(76)	157	234	-
Construction Supply	(9)	79	88	-
Industrial materials	246	172	(74)	30.2)%
Electronic Devices	27	27	0	(0.3)%

2. FY23 Full-year Consolidated Performance Forecast

FY23 Consolidated Performance Forecast

✓ No revision to the forecast announced in May 2023

(Unit: Millions of yen)

	FY22	FY23 Forecast	Amount of change	YoY
Net sales	79,683	89,000	9,316	11.7%
Operating profit	1,764	1,800	35	2.0%
Operating profit ratio	2.2%	2.0%	-	(0.2)pt
Ordinary profit	1,939	1,900	(39)	(2.1)%
Profit attributable to owners of parents	1,585	1,600	14	0.9%

FY23 Consolidated Full-year Forecast by Segment

✓ No revision to the forecast announced in May 2023

(Unit: Millions of yen)

	FY22	FY23 Forecast	Amount of change	YoY
Net sales	79,683	89,000	9,316	11.7%
Construction Supply	44,511	54,600	10,088	22.7%
Industrial Materials	17,677	18,750	1,072	6.1%
Electronic Devices	17,301	15,450	(1,851)	(10.7)%
Real Estate Leasing	193	200	6	3.1%
Operating profit	1,764	1,800	35	2.0%
Construction Supply	611	840	228	37.3%
Industrial Materials	23	400	376	1,607.3%
Electronic Devices	1,014	450	(564)	(55.7)%
Real Estate Leasing	114	110	(4)	(4.0)%

3. Shareholder Return

Basic Policy

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

Dividend per share

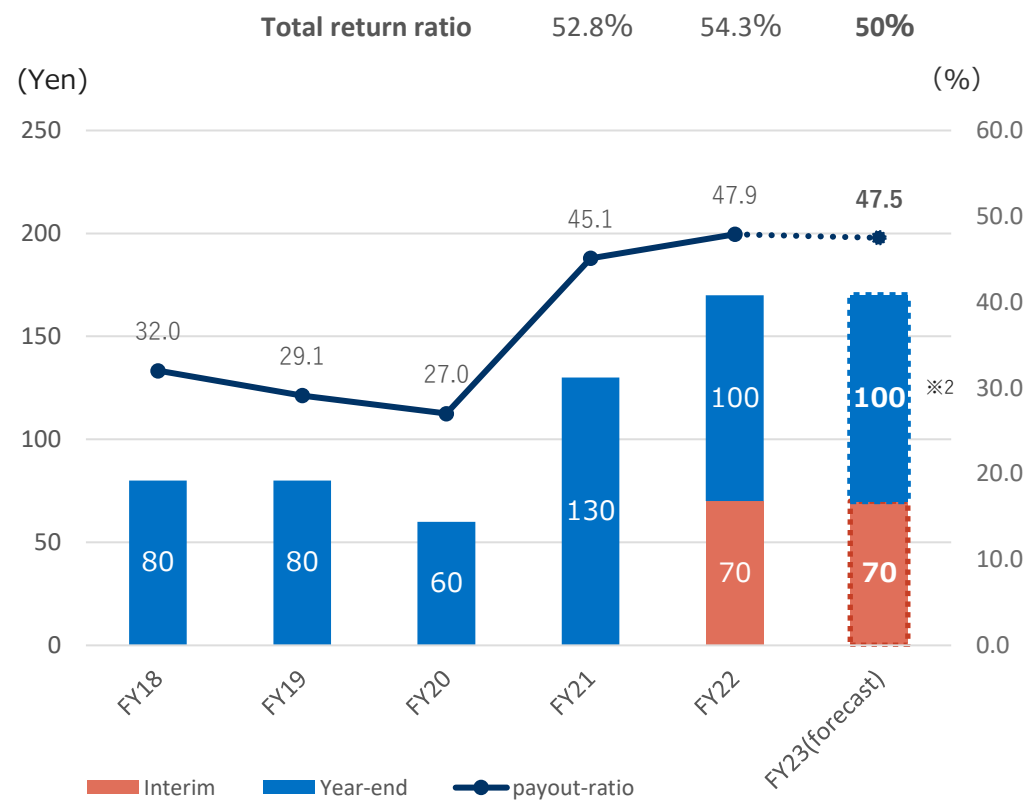
(Yen)

	Interim	Year-end	Total
FY23 (Forecast)	70.00	25.00 ^{*1}	-
FY23 (forecast) Without considering share splits	70.00	100.00^{*2}	170.00

*1 A 4-for-1 stock split is scheduled to take effect on Sunday, October 1, 2023.

*2 Dividend per share without stock split

Transition of Dividend per Share and Dividend Payout Ratio



4. Our Current Status to Meet the Continuous-listing Criteria of Prime Market of Tokyo Stock Exchange

Our status to meet the criteria

- ✓ Achieved a market capitalization of over 10 billion yen for shares in circulation on August 10.

	Share price	Tradable market capitalization
Share price on August 10, 2023 (the highest price since the beginning of the year)	¥3,750	¥10.59B
Average closing price from May to end of July 2023	¥3,408	¥9.62B

Tradable market capitalization = Number of share × Ratio of tradable share × share price

(As of March 31, 2023)

Number of shares	4,466,273
Ratio of tradable share	63.2%

Inquiries on this document

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

■ Handling of this document

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