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# Fiscal Year Ending March 31, 2025(FY24) Third Quarter Financial Briefing

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

**February 19, 2025**



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

- 1 | FY24 Q3 Financial Highlights**
- 2 | FY24 Consolidated Financial Forecast**
- 3 | Shareholder Return**

# 1. FY24 Q3 Financial Highlights

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➤ Consolidated financial results for FY24 Q3: Increase sales and decrease profits

Net Sales <b>¥71,138mn</b> YoY +7.1%	Operating profit <b>¥1,640mn</b> YoY (0.7)%	Ordinary profit <b>¥1,551mn</b> YoY (15.5)%	Profit attributable to owners of parent <b>¥970mn</b> YoY (20.1)%
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➤ FY24 consolidated financial forecast

Net sales <b>¥94,000mn</b> YoY +4.3%	Operating profit <b>¥2,000mn</b> YoY +14.4%	Ordinary profit <b>¥2,000mn</b> YoY (0.2)%	Profit attributable to owners of parent <b>¥1,600mn</b> YoY (66.9)%
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➤ Forecast of dividend per share

<b>Dividend:¥80.00</b> Interim :¥40.00 Year-end:¥40.00	<b>Payout ratio : 85.8%</b> <b>Total return ratio : 100%</b>
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# Consolidated Performance: P/L

- ✓ Sales increased 7.1% YoY to 71,138 million yen, with a slight decrease in Electronics Devices segment and an increase in Construction Supply and Industrial Materials segment.
- ✓ Operating profit decreased 0.7% YoY to 1,640 million yen due to an increase in SG&A expenses.
- ✓ Ordinary profit decreased 15.5% YoY to 1,551 million yen due to an increase in foreign exchange losses from the depreciation of local currencies at overseas subsidiaries.
- ✓ Net profit attributable to owners of parent declined 20.1% YoY to 970 million yen. The decrease was due to the lack of sales of investment securities in the third quarter of the current fiscal year.

(unit: millions of yen)

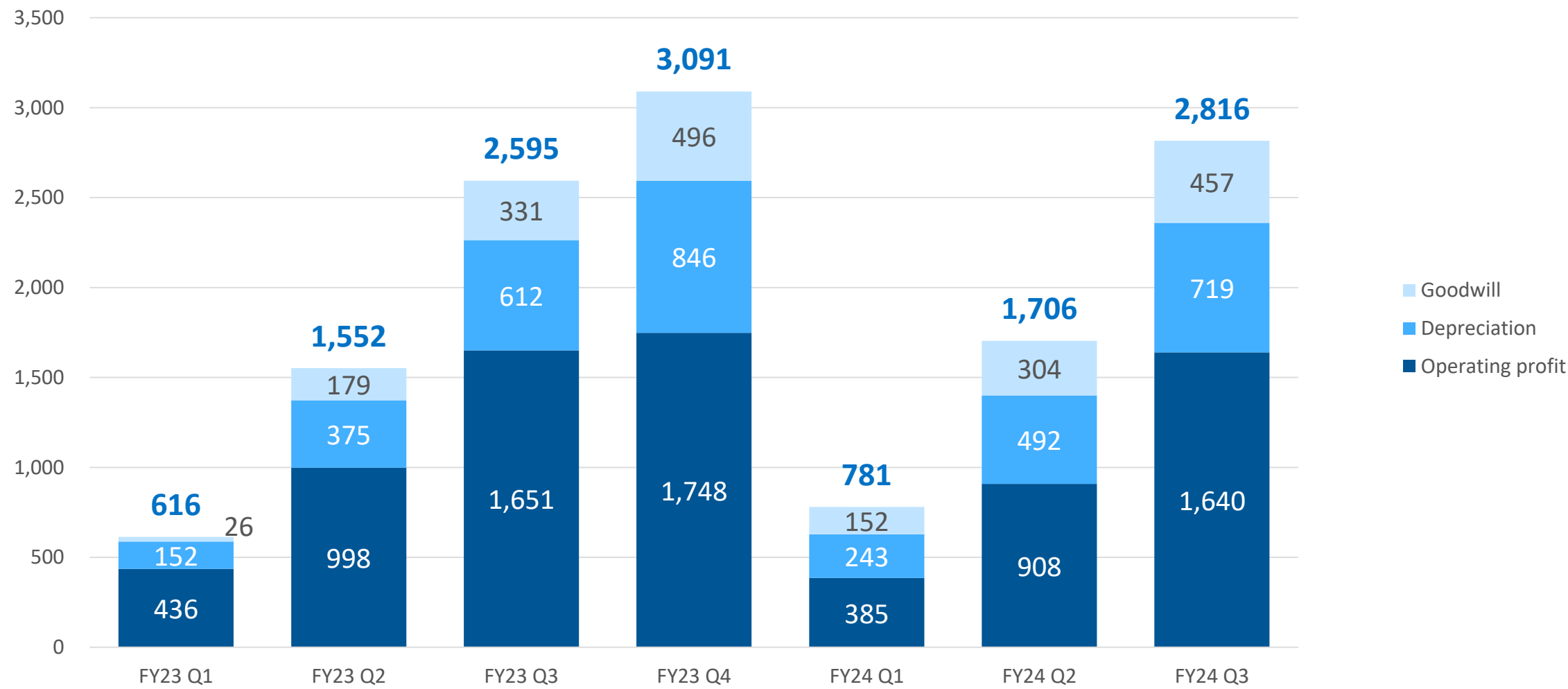
	FY23 Q3	FY24 Q3	Amount of change	Ratio of change
Net sales	66,416	71,138	4,722	7.1%
Cost of sales	57,151	61,399	4,247	7.4%
Gross profit	9,264	9,739	474	5.1%
SG&A	7,613	8,099	486	6.4%
Operating profit	1,651	1,640	(11)	(0.7)%
Operating profit margin	2.5%	2.3%	(0.2)pt	-
Ordinary profit	1,835	1,551	(284)	(15.5)%
Profit attributable to owners of parent	1,214	970	(244)	(20.1)%
EBITDA	2,595	2,816	221	8.5%

# Transition of EBITDA

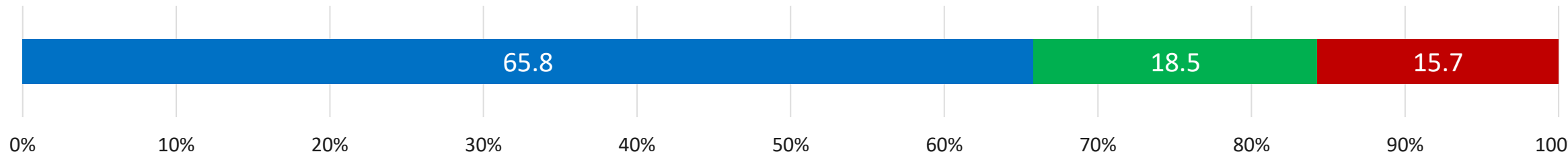


✓ EBITDA increase YoY 8.5%, ¥2,816 mn

(Millions of yen)



Net sales configuration by segment of FY24 Q3



## 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.



## <Segment sales>

(Unit: Millions of yen)

Segment	FY23 Q3	FY24 Q3	Amount of change	Ratio of change
Construction Supply	42,590	46,815	4,224	9.9%
Industrial Materials	12,465	13,175	709	5.7%
Electronic Devices	11,240	11,169	(71)	(0.6)%
Real Estate Leasing	133	—	(133)	(100.0)%
Total	66,430	71,160	4,729	7.1%
Adjusted amount	(14)	(22)	(7)	—
Amount recorded in consolidated financial statements	66,416	71,128	4,722	7.1%

\*Adjustments represent elimination of intersegment transactions.

## <Segment profit>

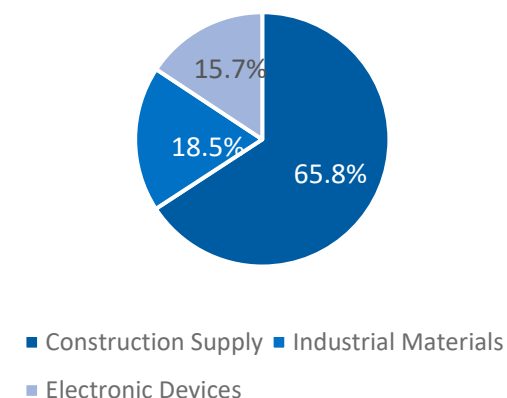
(Unit: Millions of yen)

Segment	FY23 Q3	FY24 Q3	Amount of change	Ratio of change
Construction Supply	1,641	1,299	(342)	(20.8)%
Industrial Materials	525	727	201	38.4%
Electronic Devices	292	605	313	107.1%
Real Estate Leasing	78	—	(78)	(100.0)%
Total	2,538	2,633	95	3.7%
Adjustment Amount	(887)	(993)	(105)	—
Amount recorded in consolidated financial statements	1,651	1,640	(11)	(0.6)%

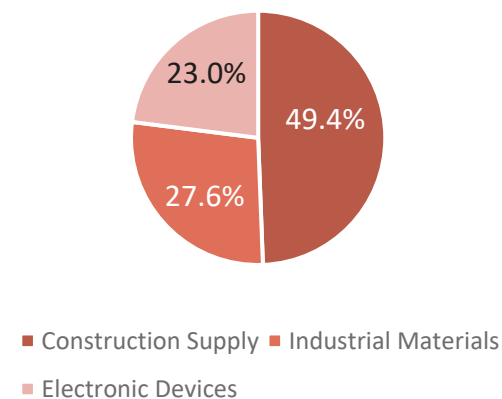
\*Adjustments are elimination of intersegment transactions and corporate expenses not allocated to each reportable segment.

## FY24 Q3

Segment sales composition



Segment profit composition

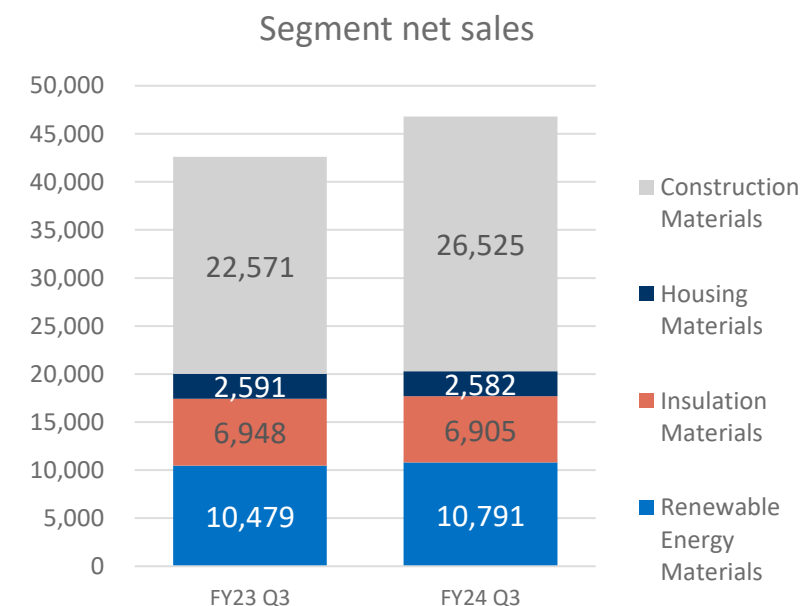




- ✓ In the Construction Materials segment, net sales increased due to the acquisition of large properties and a nine-month contribution from Gansui Corporation, which became a consolidated subsidiary in June 2023, compared with a five-month contribution in the same period of the previous fiscal year.
- ✓ Sales in the Renewable Energy Materials increased due to strong market conditions.
- ✓ Segment profit decreased due to lower profitability of some properties in the Construction Materials segment, lower shipments in the Insulation Materials segment due to the sluggish market, and higher overhead costs.

(Unit: millions of yen)

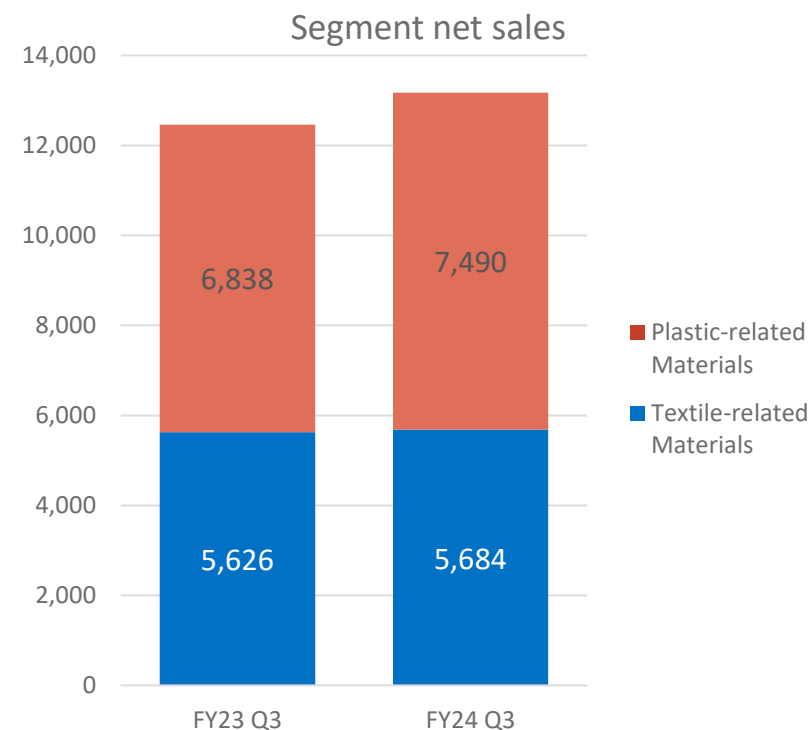
	FY23 Q3	FY24 Q3	Amount of change	Ratio of change
Construction Materials	22,571	26,525	3,953	17.5%
Housing Materials	2,591	2,582	(9)	(0.4)%
Insulation Materials	6,948	6,905	(42)	(0.6)%
Renewable Energy Materials	10,479	10,791	311	3.0%



- ✓ In the plastic-related materials field, orders increased mainly for automobile-related, electronic and precision equipment-related components and logistics materials, while railroad rolling stock, which had been stagnant in recent years, showed signs of recovery, resulting in higher sales.
- ✓ In the textile-related materials segment, sales increased due to recovery in heavy fabric-related products, mainly truck materials, and growth in functional fibers for industrial use, as well as increased orders for equipment for the Ministry of Defense and textile products for construction.
- ✓ Overall segment profit increased due to higher sales in both the plastic materials and textile materials segments, as well as higher plant utilization rates at consolidated subsidiaries.

(unit: millions of yen)

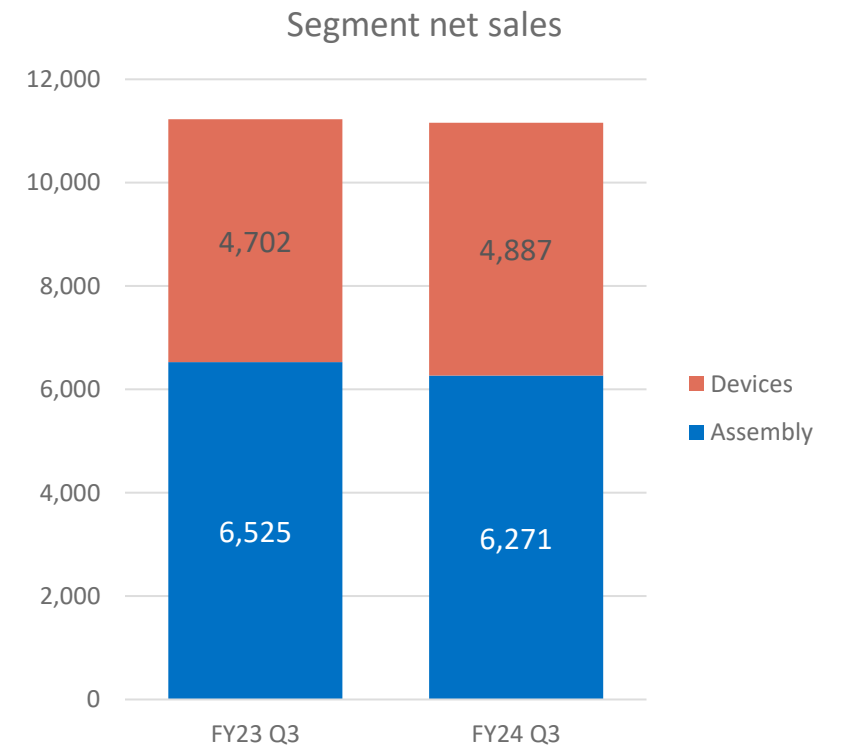
	FY23 Q3	FY24 Q3	Amount of change	Ratio of change
Plastic-related Materials	6,838	7,490	651	9.5%
Textile-related Materials	5,626	5,684	58	1.0%



- ✓ Consumer electronics and white goods markets in Japan remain challenging
- ✓ In the devices segment, orders increased due to the shipment of parts inventories accumulated by major customers in reaction to the supply shortage of electronic components, but sales and profit decreased due to intensified price competition.
- ✓ In the assembly field, sales and profit decreased due to sluggish performance in white goods, and increased orders for digital camera-related products from the previous year.

(Unit: millions of yen)

	FY23 Q3	FY24 Q3	Amount of change	Ratio of change
Devices	4,702	4,887	185	3.9%
Assembly	6,525	6,271	(253)	(3.9)%



The end of FY23  
(March 31, 2024)

¥1,544mn

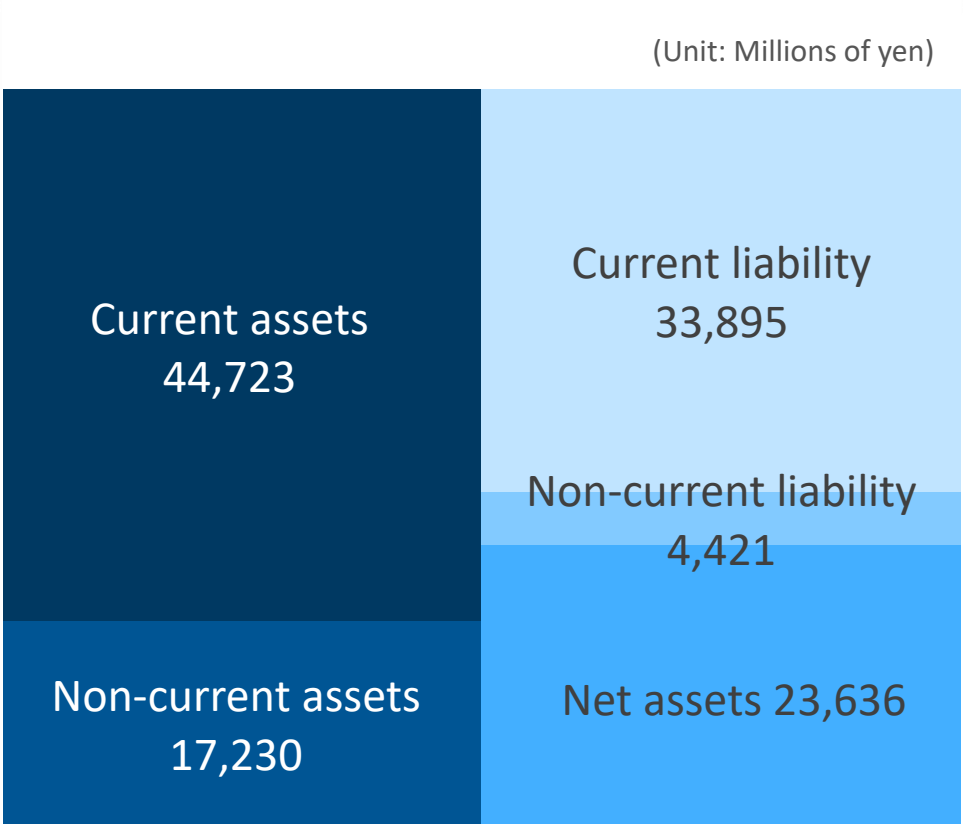
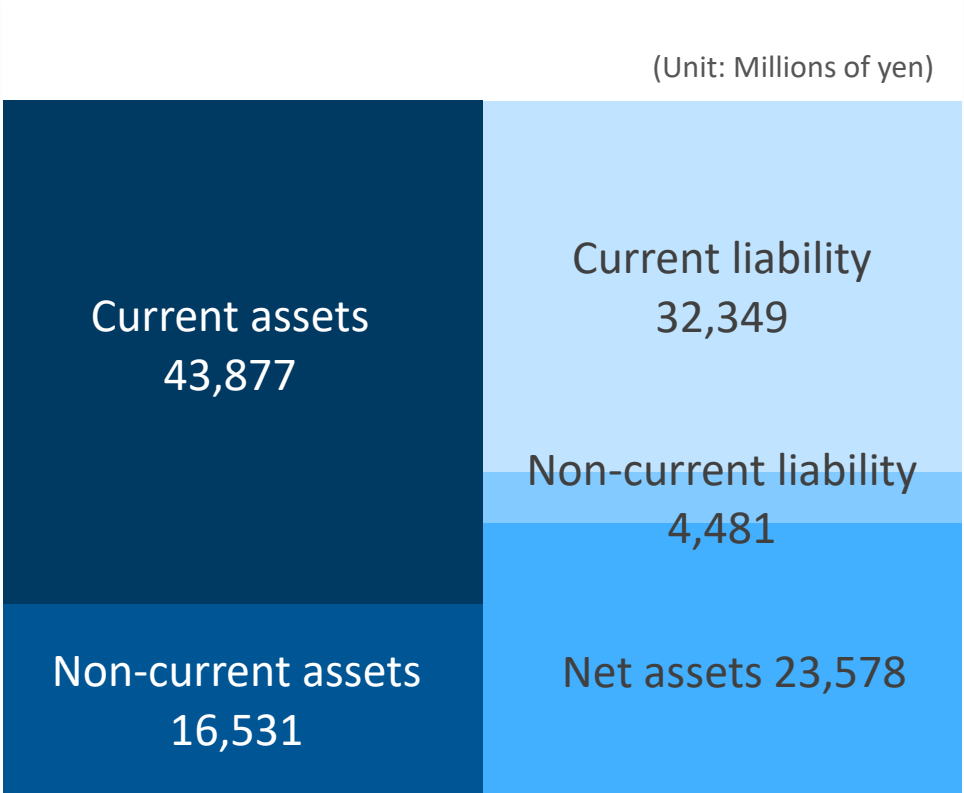
The end of FY24 Q3  
(December 31, 2024)

Total assets: ¥60,409mn

Total assets: ¥61,953mn

Equity ratio: 39.0%

Equity ratio: 38.2%



# Consolidated Performance B/S

(Unit: Millions of yen)

Main factor of change

		FY23	FY24 Q3	Amount of change	Ratio of change
	Assets				
	Current assets				
★	Cash and deposits	12,371	6,845	(5,526)	(44.7)%
★	Notes and accounts receivable - trade, and Electronically recorded monetary claims - operating	23,438	28,740	5,302	22.6%
	Total current assets	43,877	44,723	846	1.9%
	Non-current Assets				
	Property, plant and equipment	4,762	4,819	56	1.2%
	Intangible assets				
★	Goodwill	5,611	5,153	(457)	(8.1)%
	Total intangible assets	6,609	6,124	(484)	(7.3)%
	Investment and other assets				
★	Investment securities	2,862	3,465	602	21.1%
	Total investments and other assets	5,159	6,286	1,126	21.8%
	Non-current assets	16,531	17,230	698	4.2%
	Total assets	60,409	61,953	1,544	2.6%

# Consolidated Performance B/S

(Unit: millions of yen)

Main factors of change

		FY23	FY24 Q3	Amount of change	Ratio of change
	Liabilities				
	Current liabilities				
★	Notes and accounts payable trade	16,647	15,581	(1,065)	(6.4)%
	Electronically recorded obligations – operating	5,585	4,639	(946)	(16.9)%
	Short-term borrowings	4,807	9,977	5,169	107.5%
	Total current liabilities	32,349	33,895	1,546	4.8%
	Non-current liabilities				
★	Long-term borrowings	2,095	1,836	(259)	(12.4)%
	Total non-current liabilities	4,481	4,421	(59)	(1.3)%
	Total liabilities	36,830	38,317	1,486	4.0%
	Net assets				
	Shareholders' equity				
	Share capital	3,801	3,801	—	0.0%
★	Retained earnings	1,553	751	(801)	(51.6)%
	Total shareholders' equity	21,649	21,043	(605)	(2.8)%
	Accumulated other comprehensive income				
★	Valuation difference on available-for-sale securities	931	1,229	297	32.0%
	Foreign currency translation adjustment	1,929	2,592	663	34.4%
	Total accumulated other comprehensive income	23,578	23,636	57	0.2%
	Total net assets	60,409	61,953	1,544	2.6%

## 2. FY24 Consolidated Performance Forecast

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No change.

(Unit: millions of yen)

	FY23	FY24 Forecast	Amount of change	Ratio of change	Result of FY24 Q3	Progress
Net sales	90,120	94,000	3,879	4.3%	71,138	75.7%
Operating profit	1,748	2,000	251	14.4%	1,640	82.0%
Operating profit margin	1.9%	2.1%	0.2pt	-	-	-
Ordinary profit	2,004	2,000	(4)	(0.2)%	1,551	77.6%
Profit attributable to owners of parent	4,832	1,600	(3,232)	(66.9)%	970	60.6%



# FY24 Consolidated Forecast by Segment



No change.

Net sales

(Unit: millions of yen)

	FY23 (reference) Results after new segment reclassification	FY24 Forecast	Amount of change	Ratio of change	Result of FY24 Q3	Progress
Construction Supply	58,180	59,700	1,519	2.6%	46,815	78.4%
Industrial Materials	17,195	17,600	404	2.4%	13,175	74.9%
Electronic Devices	14,795	16,700	1,904	12.9%	11,169	66.8%
Real Estate Leasing	143	-	-	-	-	-
Amount recorded in consolidated financial statements	90,120	94,000	3,879	4.3%	71,138	75.7%

Segment operating profit

(Unit: millions of yen)

	FY23 (reference) Results after new segment reclassification	FY24 Forecast	Amount of change	Ratio of change	Result of FY24 Q3	Progress
Construction Supply	1,987	2,050	62	3.2%	1,299	63.4%
Industrial Materials	716	750	33	4.7%	727	97.0%
Electronic Devices	434	500	65	15.0%	605	121.1%
Real Estate Leasing	82	-	-	-	-	-
Total	3,220	3,300	79	2.5%	2,633	79.8%
Adjustment*	(1,472)	(1,300)	(172)	(11.7)%	(993)	76.4%
Amount recorded in consolidated financial statements	1,748	2,000	251	14.4%	1,640	82.0%

### 3. Shareholder Return

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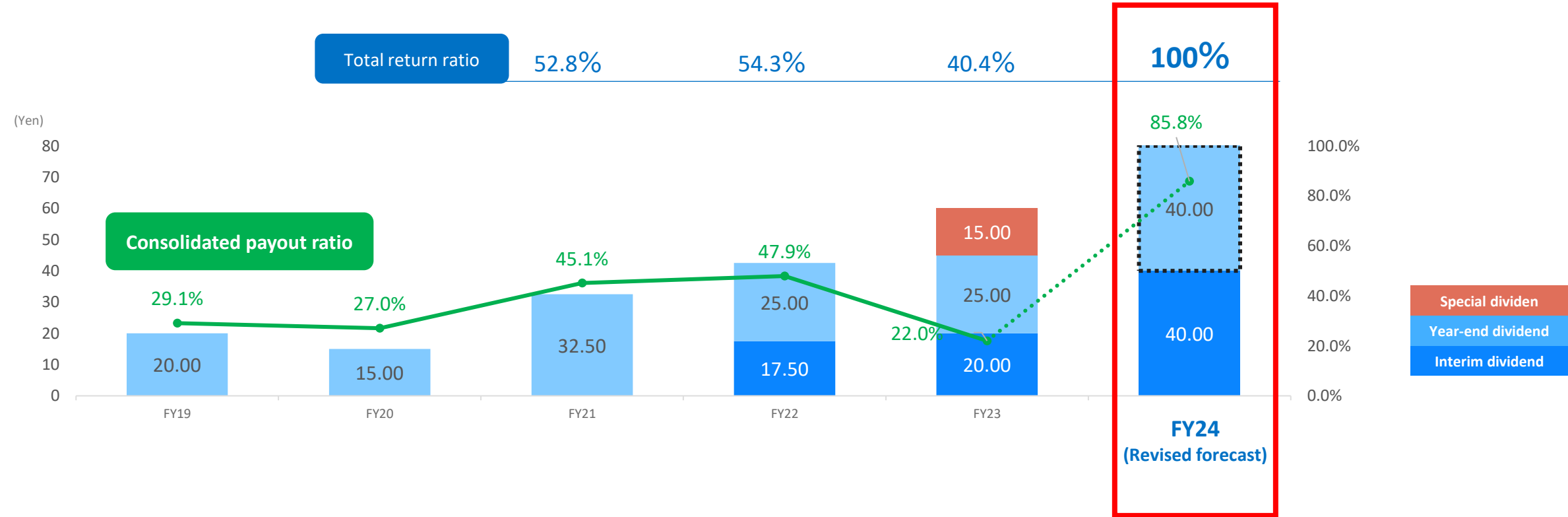
- During the period of the medium-term management plan (until March 31, 2026), we will provide more proactive shareholder returns than ever before.

## Basic Policy

Consolidated payout ratio: 80% or more  
Total return ratio: 100%

Lower limit of total return amount: ¥500M

### Transition of dividend per share, consolidated dividend payout ratio, and total return ratio



Excluding the impact of extraordinary gains from the transfer of fixed assets, the dividend payout ratio and total return ratio for FY23 are in line with this policy.

• 4-for-1 stock split of common stock effective October 1, 2023. Dividend per share before the stock split is based on the assumption that the stock split was conducted in the fiscal year ended March 31, 2020.

## 4. トピックス

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## Sanwa Holdings Co., Ltd. becomes a consolidated subsidiary.

- ✓ In February 2025, the Company acquired all shares of Sanwa Holdings Co., Ltd. and made it a subsidiary. Sanwa Holdings' subsidiaries include Sanwa System Co., Ltd. which is engaged in sales and installation of solar power generation systems.
- ✓ Sanwa Systems has sold and installed more than 10,000 industrial and residential solar power generation systems. Sanwa System's strength is its one-stop service from site acquisition to design, construction, and maintenance.



Name	Sanwa System Co., Ltd.
Head office	Higashishinagawa, Shinagawa, Tokyo.
Establishment	June 27, 2013
Number of employee	80
Capital stock	¥45,000,000
Permits and licenses	Specified construction business Building lots and building transaction business
Business	Maintenance of industrial and residential solar power generation system. Purchase and sale of solar power generation system (including private consumption solar power generation system)

- ✓ Through this M&A, will acquire the ability to install large-scale solar power generation systems such as mega solar power generation systems.
- ✓ Our group companies include New Energy Distribution System Inc. which has installation capabilities in residential photovoltaic power generation systems. These two companies will be able to cover all areas of materials wholesaling and installation in the solar power generation market.

Our Group's Capabilities in the Photovoltaic Power Generation System Market			
Distribution		Installation	
Residential	Industrial	Residential	Industrial

### Inquiries on this document

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■ **Handling of this document**

[Precautions regarding forecasts]

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