

# Financial Report for the First Quarter of the Fiscal Year ending March 31, 2025

August 9, 2024

The following statements are an English translation of the original Japanese document.

(All financial information has been prepared in accordance with accounting principles generally accepted in Japan.)

Name of company... Taikisha Ltd.

Stock Exchange..... Tokyo Stock Exchange

Code..... 1979

Representative..... Masashi Osada, President and Representative Director

Contact..... Yasushi Nakajima, Representative Director, Executive Corporate Officer, Administrative  
Management Headquarters Chief Executive

TEL..... (03)5338 - 5051

URL..... <https://www.taikisha.co.jp/>

Scheduled date to commence dividend payments : —

Supplemental materials prepared for financial results : Yes

Briefing session of financial results : None

(Round down to one million yen)

## 1. Consolidated Operating Performance (April 1, 2024 through June 30, 2024)

### (1) Consolidated operating results

(% indicates increase ratio over previous year)

	Sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
Three months ended								
June 30, 2024	53,089	(6.2)	2,564	(22.0)	2,818	(20.8)	2,439	(31.7)
June 30, 2023	56,582	42.1	3,288	132.7	3,561	113.8	3,574	—

(Note) Comprehensive income Three months ended June 30, 2024 4,256 million yen (30.2)%  
Three months ended June 30, 2023 6,097 million yen 295.2 %

	Profit attributable to owners of parent per share	Profit attributable to owners of parent per share (Diluted)
	yen	yen
Three months ended		
June 30, 2024	74.46	—
June 30, 2023	107.57	—

### (2) Consolidated financial position

	Total assets	Net assets	Equity capital ratio
	million yen	million yen	%
As of			
June 30, 2024	238,063	151,791	60.6
March 31, 2024	266,494	151,562	54.0

(Note) Shareholders' Equity As of June 30, 2024 144,263 million yen  
As of March 31, 2024 144,029 million yen

## 2. Dividends

	Dividend per share				
	1Q	2Q	3Q	Year End	Total (annually)
Year ended	yen	yen	yen	yen	yen
March 31, 2024	—	50.00	—	81.00	131.00
March 31, 2025	—				
Year ending March 31, 2025 (Forecast)		60.00	—	84.00	144.00

(Note) Revisions to forecast of dividends : None

## 3. Consolidated Earnings Forecast for Fiscal Year Ending March 31, 2025 (April 1, 2024 through March 31, 2025)

(% indicates increase ratio over previous year)

	Sales		Operating income		Ordinary income		Profit attributable to owners of parent		Profit attributable to owners of parent per share	
	million yen	%	million yen	%	million yen	%	million yen	%	yen	yen
Half year	110,000	(15.7)	4,400	(40.8)	4,900	(39.5)	3,400	(48.7)		103.59
Full year	258,000	(12.1)	14,000	(23.4)	15,000	(24.4)	10,200	(34.6)		310.76

(Note) Revisions to forecast of earnings : None

#### 4. Others

- (1) Significant changes in the scope of consolidation during the period : None
- (2) Adoption of particular accounting treatments for quarterly consolidated financial statements : None
- (3) Changes in accounting policies, changes in accounting estimates and restatements
- (i) Changes in accounting policies due to revisions of accounting standards etc. : None
  - (ii) Changes in accounting policies other than (i) : None
  - (iii) Changes in accounting estimates : None
  - (iv) Restatements : None
- (4) Number of shares issued (common shares)
- (i) Number of shares issued at the end of period (including treasury shares)
    - As of June 30, 2024 33,582,009 shares
    - As of March 31, 2024 33,582,009 shares
  - (ii) Number of treasury shares at the end of period
    - As of June 30, 2024 921,211 shares
    - As of March 31, 2024 759,124 shares
  - (iii) Average number of shares during the period
    - Three months ended June 30, 2024 32,764,343 shares
    - Three months ended June 30, 2023 33,226,159 shares

(Note) The Company has introduced the "Board Benefit Trust (BBT)" as its performance-linked and share-based compensation plan and its own shares remaining in the Trust are included as treasury shares. The number of treasury shares owned by the trust as of June 30, 2024 and as of March 31, 2024 are 149,500 and 149,500, respectively. The average number of treasury shares owned by the trust for three months ended June 30, 2024 and for three months ended June 30, 2023 are 149,500 and 147,800, respectively.

※ Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or auditing firms : Yes (optional)

※ Explanation about the proper use of consolidated forecasts and other notes

Data and forward-looking statements disclosed herein are based on current information as of today, and may change depending upon various factors. The data and assumptions do not mean guaranteeing accomplishment of goals and projections, and may be changed at any time without notice. Consequently, the Company ask you to use this information at your discretion based upon your own judgment and information you may obtain through other sources. The company will not be liable for any damages that result from the use of this information.

# 1 Consolidated Financial Statements

## (1) Consolidated Balance Sheets

Millions of yen

	As of March 31, 2024	As of June 30, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	55,462	51,196
Notes receivable, accounts receivable from completed construction contracts and other	125,357	103,815
Securities	9,000	1,500
Costs on uncompleted construction contracts	2,274	2,286
Raw materials and supplies	1,092	1,291
Other	11,209	14,985
Allowance for doubtful accounts	(1,023)	(930)
Total current assets	203,374	174,145
Non-current assets		
Property, plant and equipment	11,694	12,927
Intangible assets		
Goodwill	3,528	3,613
Customer-related assets	1,146	1,168
Other	1,275	1,292
Total intangible assets	5,949	6,075
Investments and other assets		
Investment securities	30,879	29,555
Deferred tax assets	846	803
Net defined benefit asset	11,582	12,154
Other	2,875	2,763
Allowance for doubtful accounts	(708)	(362)
Total investments and other assets	45,475	44,914
Total non-current assets	63,119	63,917
Total assets	266,494	238,063
<b>Liabilities</b>		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	64,867	41,480
Short-term loans payable	3,747	4,092
Income taxes payable	4,472	375
Advances received on uncompleted construction contracts	13,899	16,090
Provision for bonuses	—	1,297
Provision for warranties for completed construction	698	684
Provision for loss on construction contracts	364	322
Provision for directors' bonuses	173	—
Other	15,281	10,050
Total current liabilities	103,504	74,393
Non-current liabilities		
Long-term loans payable	143	120
Deferred tax liabilities	9,053	9,448
Provision for directors' retirement benefits	39	35
Provision for share awards	30	30
Provision for share awards for directors	270	270
Net defined benefit liability	1,377	1,432
Other	511	539
Total non-current liabilities	11,427	11,878
Total liabilities	114,932	86,272

Millions of yen

	As of March 31, 2024	As of June 30, 2024
Net assets		
Shareholders' equity		
Capital stock	6,455	6,455
Capital surplus	3,620	3,620
Retained earnings	111,869	111,638
Treasury shares	(2,969)	(3,803)
Total shareholders' equity	118,974	117,910
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	14,373	13,693
Deferred gains or losses on hedges	(57)	(92)
Foreign currency translation adjustment	7,757	9,522
Accumulated remeasurements of defined benefit plans	2,981	3,229
Total accumulated other comprehensive income	25,054	26,353
Non-controlling interests	7,532	7,527
Total net assets	151,562	151,791
Total liabilities and net assets	266,494	238,063

(2) Consolidated Income Statements and Consolidated Statements of Comprehensive Income  
Consolidated Income Statements

	Millions of yen	
	Three months ended June 30, 2023	Three months ended June 30, 2024
	Apr. 1, 2023 - Jun. 30, 2023	Apr. 1, 2024 - Jun. 30, 2024
Net sales of completed construction contracts	56,582	53,089
Cost of sales of completed construction contracts	48,279	44,881
Gross profit on completed construction contracts	8,302	8,208
Selling, general and administrative expenses	5,014	5,643
Operating income	3,288	2,564
Non-operating income		
Interest income	142	205
Dividend income	239	245
Real estate rent	18	34
Reversal of allowance for doubtful accounts	0	0
Share of profit of entities accounted for using equity method	37	—
Other	125	79
Total non-operating income	562	564
Non-operating expenses		
Interest expenses	54	65
Rent expenses on real estates	3	3
Foreign exchange losses	224	153
Share of loss of entities accounted for using equity method	—	68
Other	6	19
Total non-operating expenses	289	310
Ordinary income	3,561	2,818
Extraordinary income		
Gain on disposal of non-current assets	4	1
Gain on sale of investment securities	1,739	919
Total extraordinary income	1,743	921
Extraordinary losses		
Loss on disposal of non-current assets	0	0
Impairment losses	—	1
Loss on valuation of investment securities	0	—
Loss on liquidation of subsidiaries and associates	—	1
Total extraordinary losses	0	3
Profit before income taxes	5,305	3,736
Income taxes-current	357	478
Income taxes-deferred	1,347	647
Total income taxes	1,704	1,125
Profit	3,600	2,611
Profit attributable to non-controlling interests	26	171
Profit attributable to owners of parent	3,574	2,439

## Consolidated Statements of Comprehensive Income

	Millions of yen	
	Three months ended June 30, 2023	Three months ended June 30, 2024
	Apr. 1, 2023 - Jun. 30, 2023	Apr. 1, 2024 - Jun. 30, 2024
Profit	3,600	2,611
Other comprehensive income		
Valuation difference on available-for-sale securities	1,057	(679)
Deferred gains or losses on hedges	(31)	(34)
Foreign currency translation adjustment	1,450	2,081
Remeasurements of defined benefit plans	8	249
Share of other comprehensive income of entities accounted for using equity method	12	28
Total other comprehensive income	2,497	1,644
Comprehensive income	6,097	4,256
Comprehensive income attributable to :		
Owners of parent	5,845	3,738
Non-controlling interests	252	517

(Notes of consolidated statements of cash flows)

The Company does not prepare quarterly consolidated statements of cash flows for three months ended June 30, 2024. Shown below are depreciation (including amortization of intangible assets, excluding goodwill) and amortization of goodwill for three months ended June 30, 2023 and for three months ended June 30, 2024.

	Millions of yen	
	Three months ended June 30, 2023	Three months ended June 30, 2024
	Apr. 1, 2023 - Jun. 30, 2023	Apr. 1, 2024 - Jun. 30, 2024
Depreciation	349	387
Amortization of goodwill	116	129

(Segment information)

Three months ended June 30, 2023 (April 1, 2023 - June 30, 2023)

1. Sales and profits or losses by reportable segments

Millions of yen

	Reportable segments			Eliminations/ Corporate	Amount recorded in the consolidated financial statements
	Green Technology System Division	Paint Finishing System Division	Total		
Sales					
Sales to customers	46,615	9,967	56,582	—	56,582
Intersegment	—	—	—	—	—
Total	46,615	9,967	56,582	—	56,582
Segment profit (loss)	3,583	(380)	3,203	358	3,561

(Note) 1. The amount of Eliminations/ Corporate is as follows:

Eliminations/ Corporate of Segment profit (loss) of 358 million yen includes non-allocatable common profits (net amount of common profit and loss) of 359 million yen and other adjustment of minus 0 million yen.

Non-allocatable common profit and loss are mainly general and administrative expenses and dividend income etc. those are not attributed to any reportable segments.

2. Segment profit (loss) is adjusted in the ordinary income of the consolidated income statement.

2. Impairment loss on non-current assets or goodwill etc. by reportable segment

Not applicable.

Three months ended June 30, 2024 (April 1, 2024 - June 30, 2024)

1. Sales and profits or losses by reportable segments

Millions of yen

	Reportable segments			Eliminations/ Corporate	Amount recorded in the consolidated financial statements
	Green Technology System Division	Paint Finishing System Division	Total		
Sales					
Sales to customers	33,513	19,575	53,089	—	53,089
Intersegment	8	—	8	(8)	—
Total	33,522	19,575	53,098	(8)	53,089
Segment profit	1,918	222	2,141	677	2,818

(Note) 1. The amount of Eliminations/ Corporate is as follows:

Eliminations/ Corporate of Segment profit of 677 million yen includes non-allocatable common profits (net amount of common profit and loss) of 679 million yen and other adjustment of minus 1 million yen.

Non-allocatable common profit and loss are mainly general and administrative expenses and dividend income etc. those are not attributed to any reportable segments.

2. Segment profit is adjusted in the ordinary income of the consolidated income statement.

2. Impairment loss on non-current assets or goodwill etc. by reportable segment

Not applicable.



## (Supplementary information)

## 1.Statement for orders-received during this period, net sales of completed construction contracts during this period, and construction carried forward by division (consolidated)

Millions of yen

	Three months ended June 30, 2023 (Apr. 1, 2023 - Jun. 30, 2023)		Three months ended June 30, 2024 (Apr. 1, 2024 - Jun. 30, 2024)		Increase (Decrease)	
	Amounts	%	Amounts	%	Amounts	%
Orders-received						
Green Technology System Division						
Building HVAC	8,132	10.8	10,732	15.9	2,599	32.0
Industrial HVAC	27,306	36.3	36,212	53.6	8,905	32.6
Total	35,439	47.1	46,944	69.5	11,505	32.5
[Overseas]	[ 8,953 ]	[ 11.9 ]	[ 12,443 ]	[ 18.4 ]	[ 3,489 ]	[ 39.0 ]
Paint Finishing System Division	39,852	52.9	20,607	30.5	(19,244)	(48.3)
[Overseas]	[ 28,501 ]	[ 37.9 ]	[ 13,732 ]	[ 20.3 ]	[ (14,768) ]	[ (51.8) ]
Total	75,291	100.0	67,552	100.0	(7,739)	(10.3)
[Overseas]	[ 37,455 ]	[ 49.8 ]	[ 26,176 ]	[ 38.7 ]	[ (11,279) ]	[ (30.1) ]
Net sales of completed construction contracts						
Green Technology System Division						
Building HVAC	9,845	17.4	7,947	15.0	(1,898)	(19.3)
Industrial HVAC	36,769	65.0	25,566	48.1	(11,202)	(30.5)
Total	46,615	82.4	33,513	63.1	(13,101)	(28.1)
[Overseas]	[ 12,315 ]	[ 21.8 ]	[ 13,050 ]	[ 24.6 ]	[ 734 ]	[ 6.0 ]
Paint Finishing System Division	9,967	17.6	19,575	36.9	9,608	96.4
[Overseas]	[ 7,257 ]	[ 12.8 ]	[ 14,257 ]	[ 26.8 ]	[ 7,000 ]	[ 96.5 ]
Total	56,582	100.0	53,089	100.0	(3,493)	(6.2)
[Overseas]	[ 19,573 ]	[ 34.6 ]	[ 27,308 ]	[ 51.4 ]	[ 7,735 ]	[ 39.5 ]
Construction carried forward						
Green Technology System Division						
Building HVAC	41,898	15.1	41,844	16.5	(53)	(0.1)
Industrial HVAC	130,685	46.9	114,750	45.4	(15,935)	(12.2)
Total	172,583	62.0	156,595	61.9	(15,988)	(9.3)
[Overseas]	[ 63,066 ]	[ 22.6 ]	[ 41,727 ]	[ 16.5 ]	[ (21,339) ]	[ (33.8) ]
Paint Finishing System Division	105,851	38.0	96,233	38.1	(9,617)	(9.1)
[Overseas]	[ 70,666 ]	[ 25.4 ]	[ 58,988 ]	[ 23.3 ]	[ (11,677) ]	[ (16.5) ]
Total	278,435	100.0	252,828	100.0	(25,606)	(9.2)
[Overseas]	[ 133,732 ]	[ 48.0 ]	[ 100,715 ]	[ 39.8 ]	[ (33,016) ]	[ (24.7) ]

(Note) 1.The amounts of orders received, net sales of completed construction contracts, and carried forward are the transacted amount with external customers.

2.In the previous consolidated cumulative first quarter, there is no difference between net sales of completed construction contracts and total sales in the segment information by the Green Technology System Division. And, there is no difference between net sales of completed construction contracts and total sales in the segment information by the Paint Finishing System Division.

3.In the consolidated cumulative third quarter, there is 8 million yen difference between net sales of completed construction contracts of 33,513 million yen and total sales of 33,522 million yen in the segment information by the Green Technology System Division.

There is no difference between net sales of completed construction contracts and total sales in the segment information by the Paint Finishing System Division.

2. Statement for orders-received during this period, net sales of completed construction contracts during this period, and construction carried forward by division (Non-consolidated)

Millions of yen

	Three months ended June 30, 2023 (Apr. 1, 2023 - Jun. 30, 2023)		Three months ended June 30, 2024 (Apr. 1, 2024 - Jun. 30, 2024)		Increase (Decrease)	
	Amounts	%	Amounts	%	Amounts	%
Orders-received						
Green Technology System Division						
Building HVAC	7,051	18.3	10,252	24.8	3,200	45.4
Industrial HVAC	18,322	47.5	23,706	57.4	5,383	29.4
Total	25,374	65.8	33,958	82.2	8,584	33.8
[Overseas]	[ 50 ]	[ 0.1 ]	[ 32 ]	[ 0.1 ]	[ (17) ]	[ (35.5) ]
Paint Finishing System Division	13,213	34.2	7,363	17.8	(5,850)	(44.3)
[Overseas]	[ 2,344 ]	[ 6.1 ]	[ 1,294 ]	[ 3.1 ]	[ (1,049) ]	[ (44.8) ]
Total	38,587	100.0	41,322	100.0	2,734	7.1
[Overseas]	[ 2,394 ]	[ 6.2 ]	[ 1,326 ]	[ 3.2 ]	[ (1,067) ]	[ (44.6) ]
Net sales of completed construction contracts						
Green Technology System Division						
Building HVAC	9,268	25.0	7,166	28.0	(2,101)	(22.7)
Industrial HVAC	24,528	66.0	12,794	50.0	(11,733)	(47.8)
Total	33,796	91.0	19,961	78.0	(13,834)	(40.9)
[Overseas]	[ 137 ]	[ 0.4 ]	[ 387 ]	[ 1.5 ]	[ 250 ]	[ 182.1 ]
Paint Finishing System Division	3,340	9.0	5,621	22.0	2,281	68.3
[Overseas]	[ 985 ]	[ 2.6 ]	[ 807 ]	[ 3.2 ]	[ (178) ]	[ (18.1) ]
Total	37,136	100.0	25,583	100.0	(11,553)	(31.1)
[Overseas]	[ 1,122 ]	[ 3.0 ]	[ 1,195 ]	[ 4.7 ]	[ 72 ]	[ 6.4 ]
Construction carried forward						
Green Technology System Division						
Building HVAC	40,378	26.7	38,292	25.1	(2,085)	(5.2)
Industrial HVAC	67,988	45.0	73,273	48.0	5,285	7.8
Total	108,366	71.7	111,566	73.1	3,200	3.0
[Overseas]	[ 391 ]	[ 0.3 ]	[ 280 ]	[ 0.2 ]	[ (110) ]	[ (28.3) ]
Paint Finishing System Division	42,831	28.3	41,049	26.9	(1,781)	(4.2)
[Overseas]	[ 8,303 ]	[ 5.5 ]	[ 4,689 ]	[ 3.1 ]	[ (3,613) ]	[ (43.5) ]
Total	151,197	100.0	152,615	100.0	1,418	0.9
[Overseas]	[ 8,694 ]	[ 5.8 ]	[ 4,970 ]	[ 3.3 ]	[ (3,724) ]	[ (42.8) ]

### 3. Sales by regions

Three months ended June 30, 2023 (April 1, 2023 - June 30, 2023)

Millions of yen

Japan	North America	Southeast Asia		East Asia		India	Other	Total
		Thailand	Other Southeast Asia	China	Other East Asia			
37,009	1,603	4,057	6,577	3,142	1,445	2,634	113	56,582

Three months ended June 30, 2024 (April 1, 2024 - June 30, 2024)

Millions of yen

Japan	North America	Southeast Asia		East Asia		India	Other	Total
		Thailand	Other Southeast Asia	China	Other East Asia			
25,780	6,868	4,139	8,494	2,179	1,447	4,033	145	53,089