

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

February 10, 2025

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 December 31, 2024)

### (1) Consolidated operating results (Cumulative)

(% 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	%
Nine months ended								
December 31, 2024	184,766	(10.0)	9,926	(18.1)	11,421	(14.1)	8,186	(20.0)
December 31, 2023	205,285	44.6	12,122	66.0	13,299	55.4	10,226	101.2

(Note) Comprehensive income  
 Nine months ended December 31, 2024 7,672 million yen (53.6)%  
 Nine months ended December 31, 2023 16,525 million yen 137.9 %

	Profit attributable to owners of parent per share	Profit attributable to owners of parent per share (Diluted)
Nine months ended	yen	yen
December 31, 2024	251.32	—
December 31, 2023	308.68	—

### (2) Consolidated financial position

	Total assets	Net assets	Equity capital ratio
As of	million yen	million yen	%
December 31, 2024	259,548	151,828	55.5
March 31, 2024	266,494	151,562	54.0

(Note) Shareholders' Equity  
 As of December 31, 2024 144,126 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	—	60.00	—		
Year ending March 31, 2025 (Forecast)				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	
Full year	269,000	(8.4)	15,700	(14.1)	18,000	(9.3)	12,300	(21.2)	377.63	

(Note) Revisions to forecast of earnings : Yes

#### 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 end of period (including treasury shares)
    - As of December 31, 2024 33,582,009 shares
    - As of March 31, 2024 33,582,009 shares
  - (ii) Number of treasury shares at end of period
    - As of December 31, 2024 1,155,616 shares
    - As of March 31, 2024 759,124 shares
  - (iii) Average number of shares during the period
    - Nine months ended December 31, 2024 32,571,832 shares
    - Nine months ended December 31, 2023 33,131,695 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 December 31, 2024 and as of March 31, 2024 are 149,400 and 149,500, respectively. The average number of treasury shares owned by the trust for nine months ended December 31, 2024 and for nine months ended December 31, 2023 are 149,440 and 148,820, 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 December 31, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	55,462	45,370
Notes receivable, accounts receivable from completed construction contracts and other	125,357	127,022
Securities	9,000	—
Costs on uncompleted construction contracts	2,274	2,949
Raw materials and supplies	1,092	1,262
Other	11,209	22,803
Allowance for doubtful accounts	(1,023)	(920)
Total current assets	203,374	198,487
Non-current assets		
Property, plant and equipment	11,694	13,816
Intangible assets		
Goodwill	3,528	3,198
Customer-related assets	1,146	1,030
Other	1,275	1,226
Total intangible assets	5,949	5,454
Investments and other assets		
Investment securities	30,879	26,843
Deferred tax assets	846	941
Net defined benefit asset	11,582	11,637
Other	2,875	2,718
Allowance for doubtful accounts	(708)	(351)
Total investments and other assets	45,475	41,788
Total non-current assets	63,119	61,060
Total assets	266,494	259,548
<b>Liabilities</b>		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	64,867	43,635
Short-term loans payable	3,747	12,308
Income taxes payable	4,472	327
Advances received on uncompleted construction contracts	13,899	19,409
Provision for bonuses	—	3,287
Provision for warranties for completed construction	698	618
Provision for loss on construction contracts	364	460
Provision for directors' bonuses	173	43
Other	15,281	15,387
Total current liabilities	103,504	95,478
Non-current liabilities		
Long-term loans payable	143	155
Deferred tax liabilities	9,053	9,687
Provision for directors' retirement benefits	39	40
Provision for share awards	30	29
Provision for share awards for directors	270	313
Net defined benefit liability	1,377	1,517
Other	511	496
Total non-current liabilities	11,427	12,240
Total liabilities	114,932	107,719

	Millions of yen	
	As of March 31, 2024	As of December 31, 2024
Net assets		
Shareholders' equity		
Capital stock	6,455	6,455
Capital surplus	3,620	3,772
Retained earnings	111,869	115,430
Treasury shares	(2,969)	(4,969)
Total shareholders' equity	118,974	120,688
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	14,373	12,185
Deferred gains or losses on hedges	(57)	2
Foreign currency translation adjustment	7,757	8,684
Accumulated remeasurements of defined benefit plans	2,981	2,565
Total accumulated other comprehensive income	25,054	23,438
Non-controlling interests	7,532	7,702
Total net assets	151,562	151,828
Total liabilities and net assets	266,494	259,548

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

	Millions of yen	
	Nine months ended December 31, 2023	Nine months ended December 31, 2024
	Apr. 1, 2023 - Dec. 31, 2023	Apr. 1, 2024 - Dec. 31, 2024
Net sales of completed construction contracts	205,285	184,766
Cost of sales of completed construction contracts	176,191	156,774
Gross profit on completed construction contracts	29,093	27,991
Selling, general and administrative expenses	16,971	18,064
Operating income	12,122	9,926
Non-operating income		
Interest income	617	579
Dividend income	569	559
Dividend income of insurance	188	191
Real estate rent	79	103
Foreign exchange gains	—	38
Reversal of allowance for doubtful accounts	—	0
Other	194	368
Total non-operating income	1,650	1,840
Non-operating expenses		
Interest expenses	168	196
Rent expenses on real estates	10	12
Foreign exchange losses	236	—
Provision of allowance for doubtful accounts	0	—
Share of loss of entities accounted for using equity method	16	92
Other	40	43
Total non-operating expenses	472	345
Ordinary income	13,299	11,421
Extraordinary income		
Gain on disposal of non-current assets	13	6
Gain on sale of investment securities	1,924	1,932
Total extraordinary income	1,937	1,939
Extraordinary losses		
Loss on disposal of non-current assets	5	2
Impairment loss	0	1
Loss on valuation of investment securities	0	—
Loss on liquidation of subsidiaries and associates	—	2
Total extraordinary losses	5	6
Profit before income taxes	15,231	13,355
Income taxes-current	3,826	2,454
Income taxes-deferred	684	1,737
Total income taxes	4,510	4,192
Profit	10,721	9,162
Profit attributable to non-controlling interests	494	976
Profit attributable to owners of parent	10,226	8,186

## Consolidated Statements of Comprehensive Income

	Millions of yen	
	Nine months ended December 31, 2023	Nine months ended December 31, 2024
	Apr. 1, 2023 - Dec. 31, 2023	Apr. 1, 2024 - Dec. 31, 2024
Profit	10,721	9,162
Other comprehensive income		
Valuation difference on available-for-sale securities	2,258	(2,187)
Deferred gains or losses on hedges	(23)	60
Foreign currency translation adjustment	3,505	1,033
Remeasurements of defined benefit plans	19	(415)
Share of other comprehensive income of entities accounted for using equity method	44	19
Total other comprehensive income	5,804	(1,489)
Comprehensive income	16,525	7,672
Comprehensive income attributable to :		
Owners of parent	15,569	6,569
Non-controlling interests	956	1,103

(Notes of consolidated statements of cash flows)

The Company does not prepare quarterly consolidated statements of cash flows for nine months ended December 31, 2024. Shown below are depreciation (including amortization of intangible assets, excluding goodwill) and amortization of goodwill for nine months ended December 31, 2023 and for nine months ended December 31, 2024.

	Millions of yen	
	Nine months ended December 31, 2023 Apr. 1, 2023 - Dec. 31, 2023	Nine months ended December 31, 2024 Apr. 1, 2024 - Dec. 31, 2024
Depreciation	1,083	1,282
Amortization of goodwill	358	379

(Segment information)

Nine months ended December 31, 2023 (April 1, 2023 - December 31, 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	158,982	46,302	205,285	—	205,285
Intersegment	14	—	14	(14)	—
Total	158,996	46,302	205,299	(14)	205,285
Segment profit	12,025	855	12,881	417	13,299

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

Eliminations/ Corporate of Segment profit of 417 million yen includes non-allocatable common profits (net amount of common profit and loss) of 418 million yen and other adjustments 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 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.

Nine months ended December 31, 2024 (April 1, 2024 - December 31, 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	114,376	70,389	184,766	—	184,766
Intersegment	22	—	22	(22)	—
Total	114,398	70,389	184,788	(22)	184,766
Segment profit	8,767	1,541	10,309	1,112	11,421

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

Eliminations/ Corporate of Segment profit of 1,112 million yen includes non-allocatable common profits (net amount of common profit and loss) of 1,134 million yen and other adjustments of minus 22 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.



(Notes on significant subsequent events)

(Share split and corresponding partial amendment to the Articles of Incorporation)

The Company resolved at a meeting of its Board of Directors held on February 10, 2025 to implement a share split and corresponding partial amendment to the Articles of Incorporation.

#### 1. Purpose of the share split

By implementing the share split, the Company aims to reduce the minimum investment price for the Company's shares, to increase the liquidity of the shares, and to further expand the investor base.

#### 2. Overview of the share split

##### (1) Split method

The Company will split the shares of common share owned by all recorded shareholders as of March 31, 2025, in the proportion of 1 share into 2 shares.

##### (2) Number of shares increased through share split

Total number of shares issued before share split	33,582,009 shares
Number of shares increased through share split	33,582,009 shares
Total number of shares issued after share split	67,164,018 shares
Total number of shares authorized after share split	200,000,000 shares

##### (3) Schedule

Date of public notice of record date	March 14, 2025
Record date	March 31, 2025
Effective date	April 1, 2025

##### (4) Effect on per share information

Per share information under the assumption that the share split was conducted at the beginning of the previous fiscal year is as follows.

	Nine months ended December 31, 2023 Apr. 1, 2023 - Dec. 31, 2023	Nine months ended December 31, 2024 Apr. 1, 2024 - Dec. 31, 2024
Profit per share	154.34 yen	125.66 yen

(Note) Profit per share after dilution is not stated because there are no dilutive shares.

#### 3. Partial Amendment to the Articles of Incorporation

##### (1) Reason for the amendment

In accordance with the provisions of the Article 184, Paragraph 2 of the Companies Act, the Company will change the total number of shares authorized stipulated in Article 6 of the Articles of Incorporation as of April 1, 2025, in response to the implementation of the share split.

##### (2) Details of amendment

(Amended parts are underlined)

Current Articles of Incorporation	Amendments
(Total Number of Shares Authorized) Article 6 The total number of shares the Company is authorized to issue shall be <u>one hundred million (100,000,000)</u> shares.	(Total Number of Shares Authorized) Article 6 The total number of shares the Company is authorized to issue shall be <u>two hundred million (200,000,000)</u> shares.

##### (3) Schedule

Effective date of amendment of the Articles of Incorporation	April 1, 2025
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#### 4. Other

##### (1) Change in share capital

The above share split shall not change the Company's share capital.

##### (2) Dividends

As the effective date of the share split is April 1, 2025, year-end dividends for the fiscal year ending March 2025, to all shareholders with a record date of March 31, 2025, will be implemented based on the number of shares issued prior to the share split.

(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

	Nine months ended December 31, 2023 (Apr. 1, 2023 - Dec. 31, 2023)		Nine months ended December 31, 2024 (Apr. 1, 2024 - Dec. 31, 2024)		Increase (decrease)	
	Amounts	%	Amounts	%	Amounts	%
	Orders-received					
Green Technology System Division						
Building HVAC	24,066	13.0	38,987	18.7	14,921	62.0
Industrial HVAC	92,628	50.0	93,109	44.5	480	0.5
Total	116,695	63.0	132,097	63.2	15,402	13.2
[Overseas]	[ 30,420 ]	[ 16.4 ]	[ 42,121 ]	[ 20.2 ]	[ 11,700 ]	[ 38.5 ]
Paint Finishing System Division	68,690	37.0	77,048	36.8	8,358	12.2
[Overseas]	[ 48,909 ]	[ 26.4 ]	[ 60,521 ]	[ 28.9 ]	[ 11,611 ]	[ 23.7 ]
Total	185,385	100.0	209,146	100.0	23,760	12.8
[Overseas]	[ 79,330 ]	[ 42.8 ]	[ 102,642 ]	[ 49.1 ]	[ 23,312 ]	[ 29.4 ]
Net sales of completed construction contracts						
Green Technology System Division						
Building HVAC	31,202	15.2	25,287	13.7	(5,914)	(19.0)
Industrial HVAC	127,779	62.2	89,088	48.2	(38,691)	(30.3)
Total	158,982	77.4	114,376	61.9	(44,606)	(28.1)
[Overseas]	[ 45,220 ]	[ 22.0 ]	[ 42,083 ]	[ 22.8 ]	[ (3,137) ]	[ (6.9) ]
Paint Finishing System Division	46,302	22.6	70,389	38.1	24,087	52.0
[Overseas]	[ 37,159 ]	[ 18.1 ]	[ 45,001 ]	[ 24.3 ]	[ 7,841 ]	[ 21.1 ]
Total	205,285	100.0	184,766	100.0	(20,518)	(10.0)
[Overseas]	[ 82,380 ]	[ 40.1 ]	[ 87,084 ]	[ 47.1 ]	[ 4,704 ]	[ 5.7 ]
Construction carried forward						
Green Technology System Division						
Building HVAC	36,475	15.0	52,759	20.0	16,284	44.6
Industrial HVAC	106,720	44.0	108,281	41.2	1,560	1.5
Total	143,195	59.0	161,040	61.2	17,845	12.5
[Overseas]	[ 53,351 ]	[ 22.0 ]	[ 42,527 ]	[ 16.2 ]	[ (10,823) ]	[ (20.3) ]
Paint Finishing System Division	99,516	41.0	102,025	38.8	2,508	2.5
[Overseas]	[ 62,335 ]	[ 25.7 ]	[ 75,198 ]	[ 28.6 ]	[ 12,863 ]	[ 20.6 ]
Total	242,712	100.0	263,066	100.0	20,353	8.4
[Overseas]	[ 115,686 ]	[ 47.7 ]	[ 117,725 ]	[ 44.8 ]	[ 2,039 ]	[ 1.8 ]

(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 third quarter, there is 14 million yen difference between net sales of completed construction contracts of 158,982 million yen and total sales of 158,996 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.

3. In the consolidated cumulative third quarter, there is 22 million yen difference between net sales of completed construction contracts of 114,376 million yen and total sales of 114,398 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

	Nine months ended December 31, 2023 (Apr. 1, 2023 - Dec. 31, 2023)		Nine months ended December 31, 2024 (Apr. 1, 2024 - Dec. 31, 2024)		Increase (decrease)	
	Amounts	%	Amounts	%	Amounts	%
Orders-received						
Green Technology System Division						
Building HVAC	19,823	18.9	36,619	33.1	16,795	84.7
Industrial HVAC	62,547	59.7	50,801	46.0	(11,745)	(18.8)
Total	82,371	78.6	87,421	79.1	5,050	6.1
[Overseas]	[ 633 ]	[ 0.6 ]	[ 237 ]	[ 0.2 ]	[ (395) ]	[ (62.4) ]
Paint Finishing System Division	22,438	21.4	23,072	20.9	633	2.8
[Overseas]	[ 3,866 ]	[ 3.7 ]	[ 8,283 ]	[ 7.5 ]	[ 4,417 ]	[ 114.3 ]
Total	104,809	100.0	110,493	100.0	5,684	5.4
[Overseas]	[ 4,499 ]	[ 4.3 ]	[ 8,521 ]	[ 7.7 ]	[ 4,021 ]	[ 89.4 ]
Net sales of completed construction contracts						
Green Technology System Division						
Building HVAC	28,592	22.9	23,045	23.6	(5,547)	(19.4)
Industrial HVAC	82,597	66.2	47,319	48.6	(35,277)	(42.7)
Total	111,189	89.1	70,364	72.2	(40,824)	(36.7)
[Overseas]	[ 320 ]	[ 0.2 ]	[ 703 ]	[ 0.7 ]	[ 383 ]	[ 119.5 ]
Paint Finishing System Division	13,578	10.9	27,058	27.8	13,480	99.3
[Overseas]	[ 5,460 ]	[ 4.4 ]	[ 2,929 ]	[ 3.0 ]	[ (2,530) ]	[ (46.3) ]
Total	124,768	100.0	97,423	100.0	(27,344)	(21.9)
[Overseas]	[ 5,780 ]	[ 4.6 ]	[ 3,633 ]	[ 3.7 ]	[ (2,146) ]	[ (37.1) ]
Construction carried forward						
Green Technology System Division						
Building HVAC	33,825	26.1	48,781	32.5	14,955	44.2
Industrial HVAC	54,144	41.7	65,844	43.9	11,700	21.6
Total	87,969	67.8	114,625	76.4	26,656	30.3
[Overseas]	[ 791 ]	[ 0.6 ]	[ 170 ]	[ 0.1 ]	[ (620) ]	[ (78.5) ]
Paint Finishing System Division	41,817	32.2	35,321	23.6	(6,496)	(15.5)
[Overseas]	[ 5,350 ]	[ 4.1 ]	[ 9,556 ]	[ 6.4 ]	[ 4,205 ]	[ 78.6 ]
Total	129,787	100.0	149,946	100.0	20,159	15.5
[Overseas]	[ 6,141 ]	[ 4.7 ]	[ 9,726 ]	[ 6.5 ]	[ 3,584 ]	[ 58.4 ]

### 3. Sales by regions

Nine months ended December 31, 2023 (April 1, 2023 - December 31, 2023)

Millions of yen

Japan	North America	Southeast Asia		East Asia		India	Other	Total
		Thailand	Other Southeast Asia	China	Other East Asia			
122,904	10,703	13,319	22,806	12,294	11,996	10,850	409	205,285

Nine months ended December 31, 2024 (April 1, 2024 - December 31, 2024)

Millions of yen

Japan	North America	Southeast Asia		East Asia		India	Other	Total
		Thailand	Other Southeast Asia	China	Other East Asia			
97,681	20,267	12,156	26,999	9,852	3,472	13,453	882	184,766