



This photo shows the world heritage of Lao People's Democratic Republic with our overseas affiliate. It is Wat Xieng Thong, a temple in Luang Phabang.

**FY2020
Earnings Forecasts**

**Financial Results Briefing
Additional data**



Aug 11,2020

Copyright 2020 Taikisha Ltd., All Rights Reserved.

1 Earnings Forecasts for FY2020

Earnings Forecasts by Division

(Hundred millions of yen)

	2019.3			2020.3			2021.3								
	Green Technology	Paint Finishing	Total	Green Technology	Paint Finishing	Total	Green Technology			Paint Finishing			Total		
							H1(E)	H2(E)	Total(E)	H1(E)	H2(E)	Total(E)	H1(E)	H2(E)	Total(E)
Orders	1,585	833	2,418	1,605	663	2,269	550	750	1,300	350	370	720	900	1,120	2,020
Sales	1,491	762	2,254	1,573	680	2,253	565	735	1,300	240	490	730	805	1,225	2,030
Operating income	131	14	140	135	27	154	42	64	106	-10	22	12	31	79	110
(ratio)	8.8%	2.0%	6.2%	8.6%	4.1%	6.9%	7.4%	8.7%	8.2%	-4.2%	4.5%	1.6%	3.9%	6.4%	5.4%
Ordinary income	135	16	150	138	28	159	44	64	108	-8	21	13	39	81	120
(ratio)	9.1%	2.2%	6.7%	8.8%	4.1%	7.1%	7.8%	8.7%	8.3%	-3.3%	4.3%	1.8%	4.8%	6.6%	5.9%
Net income	-	-	88	-	-	91	-	-	-	-	-	-	29	51	80
(ratio)	-	-	3.9%	-	-	4.1%	-	-	-	-	-	-	3.6%	4.2%	3.9%

① FY2018 Results : 1US\$=¥110.58, 1€=¥130.38, 1THB=¥3.42

② FY2019 Results : 1US\$=¥109.37, 1€=¥122.51, 1THB=¥3.52

③ FY2020 Estimation : 1US\$=¥106.00, 1€=¥117.00, 1THB=¥3.49

Effects of foreign exchange differences between ① and ② on
Sales : 17.8 hundred millions of yen, Ordinary income : △0.5 hundred millions of yen

※ Influence for the earnings forecasts for FY2020 when all exchange rates fluctuate by 1% is;

Orders/Sales : Approximately 10 hundred millions of yen, Ordinary income : Approximately 0.3 hundred millions of yen

Now, we would like to show the annual earnings forecasts in the fiscal year ending March 31, 2021.

This slide shows the earnings forecasts by division.

Regarding the estimated foreign exchange rate, it is stated below the slide.

Also, influence by exchange rate difference is stated, please check together.

1 Earnings Forecasts for FY2020

Orders-received

(Hundred millions of yen)

	FY2019 (Results) A			FY2020 (Expectation) B			Difference B-A		
	H1	H2	Total	H1(E)	H2(E)	Total(E)	H1(E)	H2(E)	Total(E)
Orders-received	1,184	1,084	2,269	900	1,120	2,020	-284	35	-249
(Japan)	(666)	(579)	(1,245)	(407)	(628)	(1,035)	(Δ259)	(48)	(Δ210)
(Overseas)	(518)	(504)	(1,023)	(493)	(492)	(985)	(Δ25)	(Δ12)	(Δ38)
Green Technology	786	819	1,605	550	750	1,300	-236	-69	-305
Building HVAC	235	241	477	104	251	355	-131	9	-122
Industrial HVAC	550	577	1,127	446	499	945	-104	-78	-182
(Japan)	(360)	(271)	(632)	(249)	(309)	(558)	(Δ111)	(37)	(Δ74)
(Overseas)	(189)	(305)	(495)	(197)	(190)	(387)	(7)	(Δ115)	(Δ108)
Paint Finishing	398	265	663	350	370	720	-48	104	56
(Japan)	(69)	(66)	(136)	(54)	(68)	(122)	(Δ15)	(1)	(Δ14)
(Overseas)	(328)	(199)	(527)	(296)	(302)	(598)	(Δ32)	(102)	(70)

(Green Technology System Division)

- Demands for construction of office buildings in central Tokyo is expected to remain firm for middle to long term, for example renovation or rebuilding of buildings with old anti-seismic standards and redevelopment project. But it is appeared movement to postpone the investment in short term due to spread of COVID-19 infection.
- In the field of Industrial HVAC in Japan and overseas, each manufacturer is estimated to continue in a correction phase by the influence of decrease in demand for final products due to economic downturn due to spread of COVID-19 infection.

(Paint Finishing System Division)

- The forecast amount of orders-received for the current fiscal year is expected to be a reactionary rise by the effect of delaying the investment timing of some projects in the previous fiscal year.

This slide shows the orders-received by division.

The orders-received of the whole group is estimated to decrease 24.9 billion yen to 202.0 billion yen.

Regarding the outlook for business environment, demands for construction of office buildings in central Tokyo is expected to remain firm for middle to long term, for example renovation or rebuilding of buildings with old anti-seismic standards and redevelopment projects. But it is appeared movement to postpone the investment in short term due to spread of COVID-19 infection.

Also, in the field of Industrial HVAC in Japan and overseas, each manufacturer is estimated to continue in a correction phase by the influence of decrease in demand for final products due to economic downturn due to spread of COVID-19 infection.

Regarding Paint Finishing System Division, the forecast amount of orders-received for the current fiscal year is expected to be a reactionary rise by the effect of delaying the investment timing of some projects in the previous fiscal year.

1 Earnings Forecasts for FY2020

Sales

(Hundred millions of yen)

	FY2019 (Results) A			FY2020 (Expectation) B			Difference B-A		
	H1	H2	Total	H1(E)	H2(E)	Total(E)	H1(E)	H2(E)	Total(E)
Net sales of completed construction contracts	1,049	1,204	2,253	805	1,225	2,030	-244	20	-223
(Japan)	(642)	(680)	(1,323)	(480)	(572)	(1,052)	(△162)	(△108)	(△271)
(Overseas)	(407)	(523)	(930)	(325)	(653)	(978)	(△82)	(129)	(47)
Green Technology	761	812	1,573	565	735	1,300	-196	-77	-273
Building HVAC	251	298	549	166	194	360	-85	-104	-189
Industrial HVAC	510	513	1,024	399	541	940	-111	27	-84
(Japan)	(334)	(300)	(634)	(264)	(294)	(558)	(△70)	(△6)	(△76)
(Overseas)	(176)	(213)	(389)	(135)	(247)	(382)	(△41)	(33)	(△7)
Paint Finishing	288	391	680	240	490	730	-48	98	49
(Japan)	(57)	(81)	(139)	(50)	(84)	(134)	(△7)	(2)	(△5)
(Overseas)	(230)	(309)	(540)	(190)	(406)	(596)	(△40)	(96)	(55)

- In the field of Building HVAC, there is estimated to be a reactionary fall due to large-scale redevelopment projects completed in the previous fiscal year.
- Regarding Industrial HVAC in Japan, there is estimated to be a reactional fall due to the progress of construction of large-scale projects in the first period of previous fiscal year.
- Overseas, both in the field of Industrial HVAC and Paint Finishing System, there is estimated to be a decrease because of the progress of construction due to spread of COVID-19 infection in the first half of this fiscal year.

This slide shows the net sales of completed construction contracts by division.

The net sales completed construction contracts of the whole group is estimated to decrease 22.3 billion yen to 203.0 billion yen.

In the field of Building HVAC, there is estimated to be a reactionary fall due to large-scale redevelopment projects completed in the previous fiscal year.

Also, regarding Industrial HVAC in Japan, there is estimated to be a reactional fall due to the progress of construction of large-scale projects in the first period of previous fiscal year.

Overseas, both in the field of Industrial HVAC and Paint Finishing System, there is estimated to be a decrease because of the progress of construction due to spread of COVID-19 infection in the first half of current fiscal year.

1 Earnings Forecasts for FY2020

Profit

(Hundred millions of yen)

	FY2019 (Results) A			FY2020 (Expectation) B			Difference B-A		
	H1	H2	Total	H1(E)	H2(E)	Total(E)	H1(E)	H2(E)	Total(E)
Ordinary income	76	83	159	39	81	120	-37	-2	-39
(Ratio)	7.3%	6.9%	7.1%	4.8%	6.6%	5.9%	-2.5%	-0.3%	-1.2%
Green Technology	74	64	138	44	64	108	-30	△0	-30
(Ratio)	9.8%	7.9%	8.8%	7.8%	8.7%	8.3%	-2.0%	0.8%	-0.5%
Paint Finishing	5	22	28	-8	21	13	-13	-1	-15
(Ratio)	1.8%	5.8%	4.1%	-3.3%	4.3%	1.8%	-5.2%	-1.6%	-2.4%
Profit attributable to owners of parent	53	37	91	29	51	80	-24	13	-11
(Ratio)	5.1%	3.1%	4.1%	3.6%	4.2%	3.9%	-1.5%	1.0%	-0.1%

【Ordinary income】

(Green Technology System Division)

It is estimated to be down in income because the net sales of completed construction contracts drastically decrease compared to the previous fiscal year.

(Paint Finishing System Division)

It is estimated to be down in income because the profitability decrease by increase of the projects in region that competition environment is comparatively severe.

This slide shows the ordinary income and the profit attributable to owners of parent.

The ordinary income of the whole group is estimated to decrease 3.9 billion yen to 12.0 billion yen.

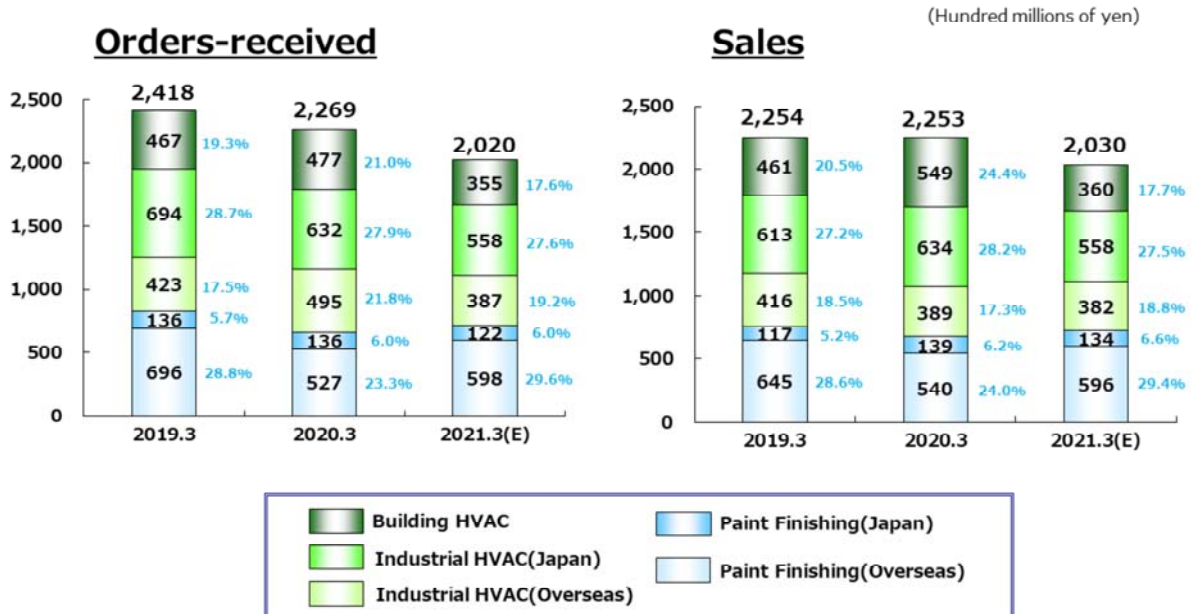
Green Technology System Division is estimated to be down in income because the net sales of completed construction contracts drastically decrease compared to the previous fiscal year.

Paint Finishing System Division is estimated to be down in income because the profitability decrease by increase of the projects in region that competition environment is comparatively severe.

Profit attributable to owners of parent is estimated to decrease 1.1 billion yen to 8.0 billion yen.

1 Earnings Forecasts for FY2020

Earnings Forecasts by Division

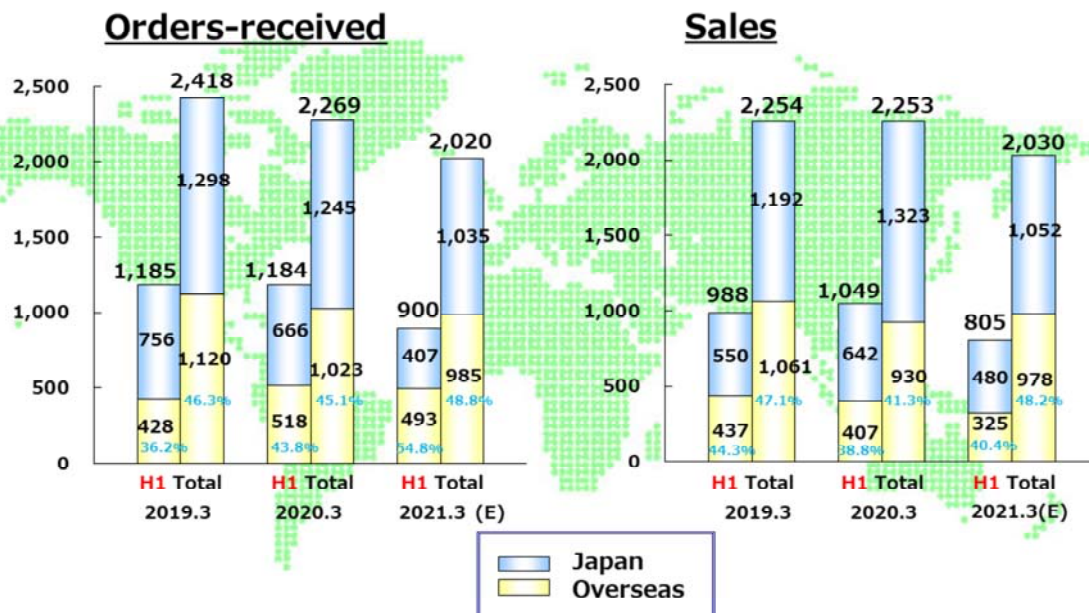


Slides 6 to 9 show the earnings forecasts for orders-received and net sales of completed construction contracts both on a whole group by business segment. Please take a look at it for your reference.

1 Earnings Forecasts for FY2020

Total (Japan/Overseas)

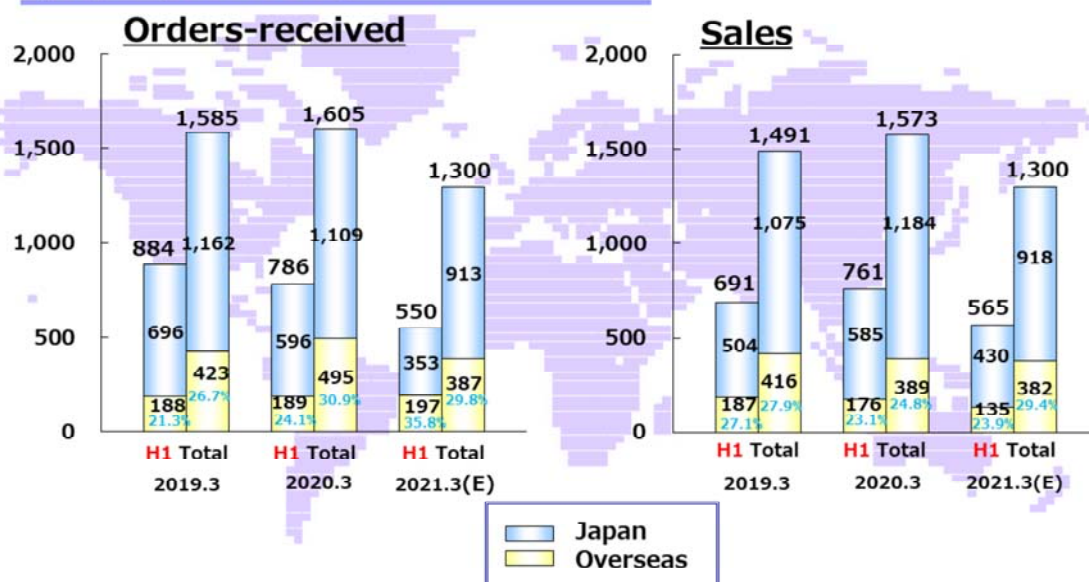
(Hundred millions of yen)
(%: Overseas ratio)



1 Earnings Forecasts for FY2020

Green Technology System Division (Japan/Overseas)

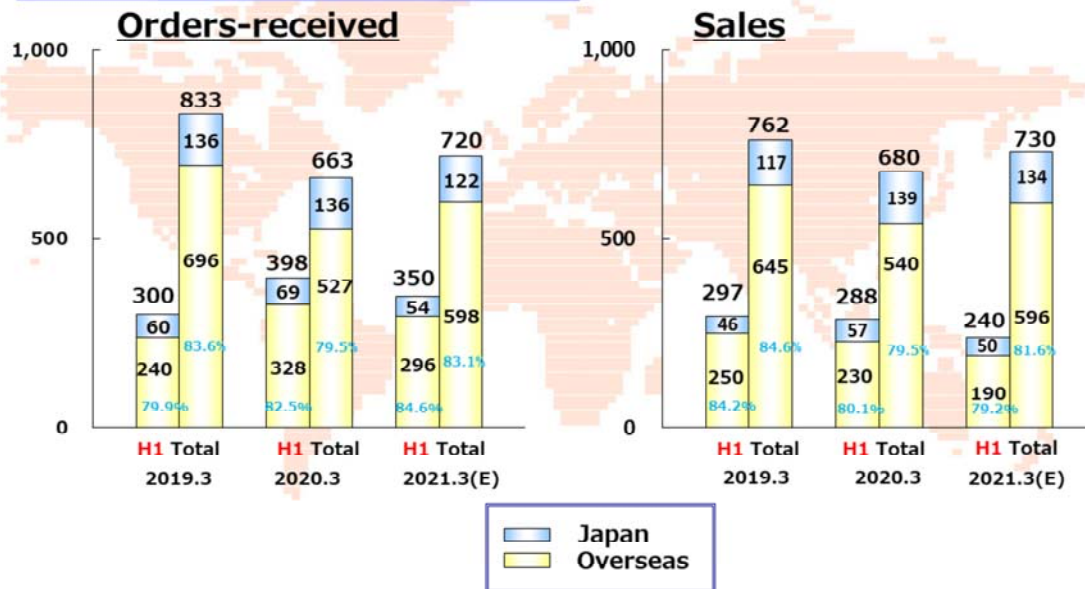
(Hundred millions of yen)
(%: Overseas ratio)




1 Earnings Forecasts for FY2020

Paint Finishing System Division (Japan/Overseas)

(Hundred millions of yen)
(%: Overseas ratio)





TAIKI-SHA LTD.

2

Shareholders Returns

Purchase / Retirement Disposal of Treasury Shares

Purchase Record

Date	Number (thousand)	Unit Price (yen)	Amount (million yen)
2005/12	40	1,933	77
2006/2	597	1,780	1,062
2006/7,8	500	1,401	700
2011/8	300	1,576	472
2012/11	600	1,614	968
2013/12	800	2,170	1,736
2015/5	680	3,245	2,206
2016/11	356	2,805	999
2017/11,12	136	3,654	499

Retirement Record

Date	Number (thousand)	Unit Price (yen)	Amount (million yen)
2008/8	1,200	1,593	1,912
2018/2	1,700	2,443	4,154

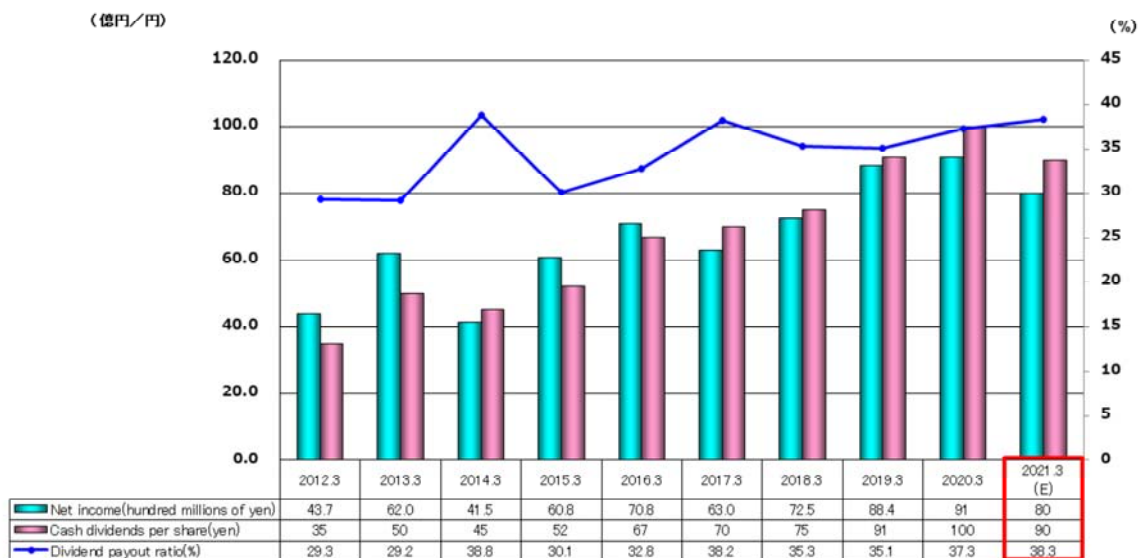
Disposal Record (by ESOP)

Date	Number (thousand)	Unit Price (yen)	Amount (million yen)
2013/2	180	1,860	334

10

Copyright 2020 Taikisha Ltd., All Rights Reserved.

2 Shareholders Returns Net income & Cash Dividends



The basic policy is to implement steady dividends by targeting a consolidated dividend payout ratio of 35%. Regarding the estimated annual dividend ended March 31, 2021, it is 90 yen per share. (dividend payout ratio of 38.3%)

This slide shows data on cash dividends.

One of the most important policies is to return profits to shareholders through profit dividends, and the basic policy is to implement steady dividends by targeting a consolidated dividend payout ratio of 35%. Regarding the estimated annual dividend for the fiscal year ending March 31, 2021, it is 90 yen per share, considering comprehensively the results and this policy.



Precaution about Forward Perspective

The data and future prospect in this material is based on the judgment on the announcement date and the available information. They are possible to change by various kinds of factors and can not guarantee the achievement of goals and future performance. This information is subject to change without notice.

We therefore recommend that you use this information with checking and confirming other information as well.

Taikisha assumes no responsibility whatsoever for any damages resulting from the use of this material.

Contact information for inquiry about this material
Investor Relations Section, Administrative Management Headquarters,
Taikisha Ltd.
TEL : +81-3-5338-5052 FAX : +81-3-5338-5195