



# Summary of Consolidated Financial Results for the Three Months Ended June 30, 2020

Takamiya Co., Ltd.  
Grand Front Osaka Tower-B Bldg. 27F,  
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Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes.  
In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.



## Agenda

- Topics
- Description of consolidated performance of the fiscal year ended June 30, 2020



## Company Overview of Takamiya Co., Ltd.

Trade name	Takamiya Co., Ltd.
Incorporation	June 21, 1969
Representative	Representative director, Kazumasa Takamiya
Capital	1,050,114,385 yen
Number of employees	Consolidated : 1,342; Non-consolidated : 724 (As of end-June, 2020)
Registered head office	Grand Front Osaka, Tower B, 27F, 3-1 Ofuka-cho, Kita-ku, Osaka, Japan
Business locations	Branches: Tohoku-Sendai, Ibaraki, Tokyo, Niigata, Nagoya, Osaka, Chushikoku, Kyushu-Fukuoka (total: 8) Business offices: Sapporo, Morioka, Fukushima, Tsukuba, Kashima, Ichihara, Hokuiku, Fukui, Nagano, Shizuoka, Keiji, Hiroshima, Okinawa (total: 13) Equipment centers : Aomori-Higashidori, Iwate-Morioka, Miyagi-Sendai No. 2, Fukushima-Hirono, Niigata-Yokogoshi, iigata-Nagaoka, Ibaraki-Chuo, Ibaraki-Tsukuba, Ibaraki-Dejima, Ibaraki-Kashima, Chiba-Okido, Chiba-Ichihara, Saitama-Kuki, Kanagawa-Aikawa, Shinsyu-Ngano, Shizuoka-Yoshida, Ishikawa-Kanazawa, Fukui-Sabae, Tokai-Kisosaki, Shiga-Omihachiman, Osaka-Hirakata, Osaka-Settsu, Wakayama-Momoyama, Hyogo-Tojo, Hyogo-Kobe, Hiroshima-Shiwa, Kagawa-Sanuki (total: 27)
Consolidated subsidiaries	[Japan total:7] IWATA Co., Ltd. ; HIRAMATSU Co., Ltd. ; AOMORI ATOM Co., Ltd. ; TOTAL TOSHISEIBI Co., Ltd. ; NEXTECH Co., Ltd. ; Cadian Co., Ltd. ; Nakaya Kizai Co., Ltd [Overseas total:3] Hory Korea Co. Ltd ; HORY VIETNAM Co., Ltd. ; DIMENSION-ALL INC. (total:10)
Stock listing	Jun. 2005: JASDAQ Securities Exchange Note: The Company was delisted from the JASDAQ market in January 2008. Dec. 2007: Tokyo Stock Exchange Second Section Dec. 2014: Assigned on Tokyo Stock Exchange First Section





# Topics

Jun. 25, 2020  
52th Ordinary General Meeting of Shareholders

Jun. 25, 2020  
Notice Regarding the Granting of Stock Options (“Subscription rights to shares”) to Director

Jun. 25, 2020  
Notice of Changes in Directors and Officers

In addition to the above, various releases and IR information can be viewed on our website.

<https://www.takamiya.co/en/>

## Notice of Changes in Directors and Officers

**TAKAMIYA**  
(English translation for reference purposes only)  
Stock released on April 22, 2020  
Takamiya Co., Ltd.  
Representative Director, President and Chairman, Mr. Kazumasa Takamiya  
Listing on: Tokyo Stock Exchange (1st Section)  
Stock code: 2445

Notice of Changes in Directors and Corporate Auditor

We are pleased to announce that at Director Meeting held on April 22, 2020, we have decided the appointment of officers has been announced as follows. The election of Corporate Auditor is scheduled to be officially decided at our 52nd Ordinary General Meeting of Shareholders to be held on June 25, 2020.

1. Current post of director (as of May 29, 2020)

Name	Name Title	Current Title
Yasuhiro Takamiya	Representative Director and Executive Vice President Superintendent of Product Development Division Sales & Marketing Division	Representative Director and Executive Vice President Superintendent of Product Development Division Sales & Marketing Division

President and Representative Director of TOTO, TOTOHEALTH Co., Ltd.

(NOTE) Will be officially decided at the 18th Ordinary General Meeting of Shareholders of TOTO, TOTOHEALTH Co., Ltd. to be held on May 29, 2020.

2. Newly appointed Corporate Auditor candidates (as of June 25, 2020)

(1) Newly appointed Corporate Auditor Name and profile of candidates

Name	Biography	Our shares owned
Yasuhiro Shimizu (September 29, 1963)	Mar. 1988 Joined our company April 2007 General Manager of IT System Department Business Management Division (current)	128,426 (shares)

(2) Reasons for Appointment

Mr. Yasuhiro Shimizu worked in our Finance & Accounting Department from April 1989 to March 2008, and from April 2008 to the present, he has become a General Manager of IT System Department who is well versed in all aspects of our group operations, including the construction of our group mission-critical systems, operational improvements, and information management systems for the entire group, such as IT controls. He has determined that he has adequate qualifications as a Full-time Corporate Auditor at the present day, when the information system is an integral part of internal control. His appointment will be formally decided at our 52nd Ordinary General Meeting of Shareholders, which will be held on June 25, 2020.

## Notice of the 52nd Ordinary General Meeting of Shareholders

Note: This document has been translated from a year of the Japanese original for reference purposes only. In the event of any inconsistency between this translated document and the Japanese original, the original shall prevail.

Scheduled Date: 24th June 1, 2020

To our shareholders:  
Representative Director, President and Chairman  
Takamiya Company  
Takamiya Co., Ltd.  
2-1 Chikama-ku, Osaka-shi, Osaka

**Notice of the 52nd Ordinary General Meeting of Shareholders**

We are pleased to announce that the 52nd Ordinary General Meeting of Shareholders of Takamiya Co., Ltd. (the "Company") will be held as indicated below.  
In order to prevent the spread of the novel coronavirus (COVID-19), please refrain from travelling to the venue on the day of the meeting and read the "Measures to Prevent Spread of the Novel Coronavirus: Disease (COVID-19)" on the next page.  
Instead of attending the meeting in person, you may exercise your voting rights by writing. Please indicate your approval or disagreement of the proposal on the enclosed voting form after reviewing the attached Reference Documents for the General Meeting of Shareholders, and return it by post mail to reach us as late as 12:00 p.m. (end of office hours), Wednesday, June 24, 2020 (JST).

**1. Date and Time** Thursday, June 25, 2020, at 10:00 a.m. (JST)  
**2. Venue** Conference Room, 3rd Floor of the Company  
Grand Front Osaka Tower Bldg. CTR 21, Chikama-ku, Osaka-shi, Osaka  
(Please note that the meeting will be held in a different place from the previous year)

**3. Purpose of the Meeting**  
Matters to be reported:  
1. The Business Report and the Consolidated Financial Statements for the 73rd fiscal year (from April 1, 2019 to March 31, 2020), and the results of audit of the Consolidated Financial Statements by the Accounting Auditor and the Board of Corporate Auditors  
2. The Non-consolidated Financial Statements for the 73rd fiscal year (from April 1, 2019 to March 31, 2020)

Matters to be resolved:  
Proposal No. 1 Election of Eight Directors  
Proposal No. 2 Election of One Corporate Auditor  
Proposal No. 3 Payment of Dividends to Officers

For those attending the meeting, please present the enclosed voting form at the reception desk on arrival at the meeting. Voting on the enclosed form should be conducted in the order of the above reporting rights. Details of Appointment Authority, Items to Be Resolved, Payment of Dividends to Officers, Consolidated Statement of Changes in Net Assets, Items to Be Reported (Financial Statements, Non-consolidated Statements of Financial Results, etc.), and Items to Be Resolved (Financial Statements) are posted on the website of the Company in accordance with the law and the Articles of Incorporation. Accordingly, the enclosed documents to describe matters to be reported and matters to be resolved by the General Meeting and the Accounting Auditor. In addition, we sometimes use the attached documents in the notice and Reference Documents for the General Meeting of Shareholders will be posted on the Company's website. (<https://www.takamiya.co/>)

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# 1. Summary of consolidated performance

## 1.1 Business overview

- ✓ In the sales business segment, although our customers showed continuously strong demands for the next-generation scaffolding, there was a tendency that some of them withhold their decision to purchase because of recent situations of uncertainty for the future.
- ✓ Utilization rate of temporary equipment has maintained steady growth, but transportation cost of equipment increased due to relocation of equipment center during the previous fiscal year. Segment income and profit rate decreased.
- ✓ Business activities of our consolidated subsidiary (DAI) were restricted by city-wide lockdown in the Philippines, resulting in decreased revenues. On the other hand, manufacture of products for Japanese market in Vietnam and Korea was not given much impact on their procurement of raw materials/parts, and steady performance could be achieved.



# 1. Summary of consolidated performance

## 1.2 Cumulative period (from April 2020 to June 2020)

Consolidated Results (Unit : million yen)	1Q FY03/2021 Forecast		1Q FY03/2021 Results		1Q FY03/2020 Results		% change (y/y)
	(Non-Disclosure)	Sales ratio		Sales ratio		Sales ratio	
Net sales	—	—	9,660	100.0%	10,161	100.0%	(4.9)%
Gross profit	—	—	2,806	29.0%	2,995	29.5%	(6.3)%
SG&A	—	—	2,330	24.1%	2,445	24.1%	(4.7)%
Operating income	—	—	475	4.9%	549	5.4%	(13.5)%
Ordinary income	—	—	380	3.9%	454	4.5%	(16.4)%
Profit attributable to owners of parent	—	—	237	2.5%	362	3.6%	(34.3)%
Earnings per share (Diluted earnings per share)	—	—	5.11 yen (4.97 yen)	—	8.45 yen (8.20 yen)	—	—
Annual dividends per share	—	—	—	—	—	—	—
Depreciation and amortization	—	—	1,200	12.4%	1,178	11.6%	+1.9%
EBITDA	—	—	1,675	17.3%	1,727	17.0%	△3.0%



# 1. Summary of consolidated performance

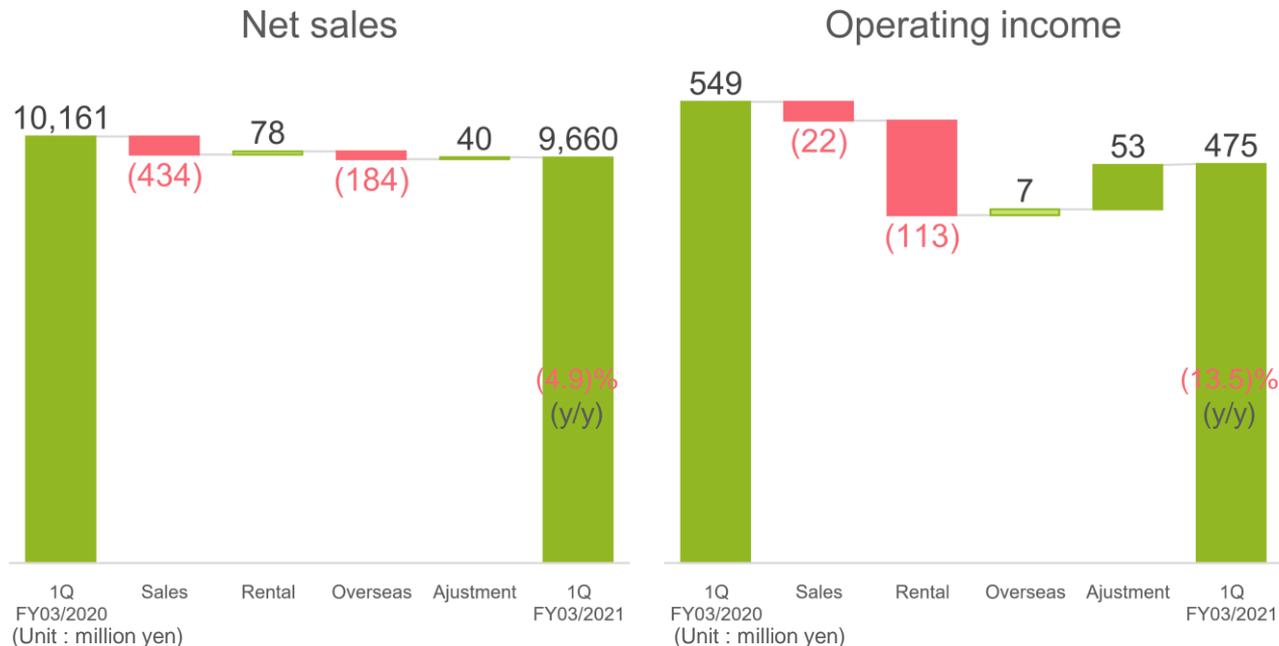
## 1.3 Factors of increase/decrease in net sales and operating income

### Net sales

✓ Decreased by 500 million yen (down 4.9% YoY): It decreased in Sales business and Overseas business, whereas slightly increased in Rental business.

### Operating income

✓ Decreased by 74 million yen (down 13.5% YoY) in Sales business and Rental business.

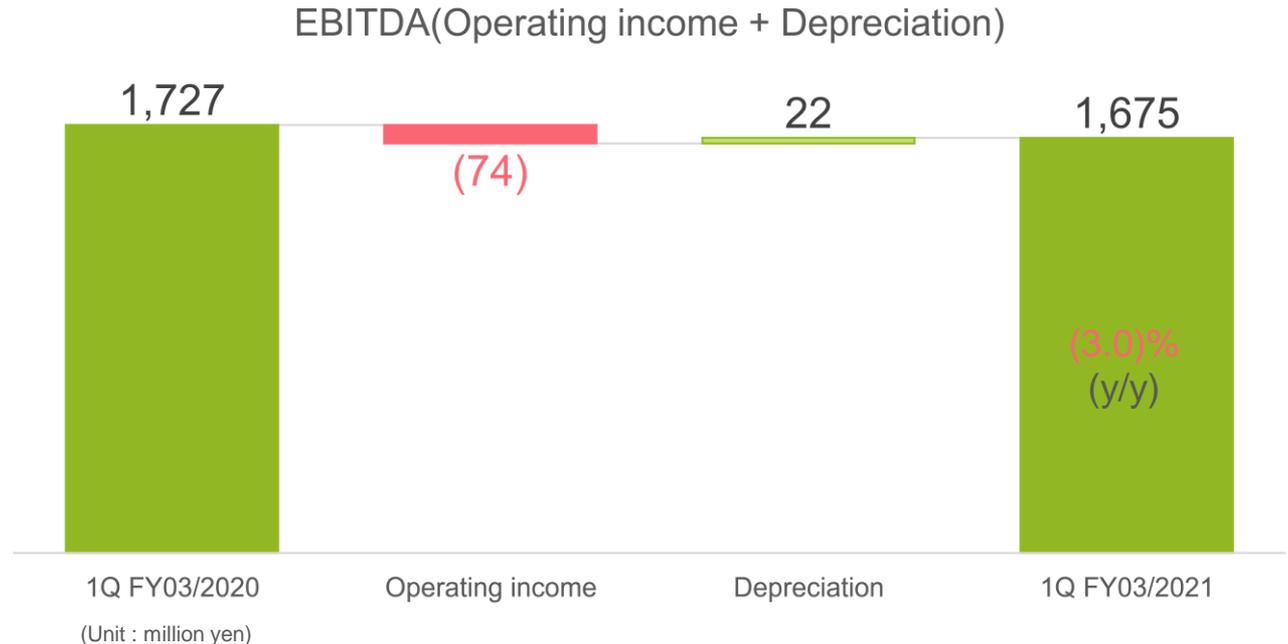




# 1. Summary of consolidated performance

## 1.4 EBITDA(Operating income + Depreciation)

- ✓ Main cause of decrease by 51 million yen YoY is decrease in operating income.
- ✓ Depreciation remained mostly level.





# 1. Summary of consolidated performance

## 1.5 Performance by segment

- ✓ Sales business and Overseas business have suffered from decreased revenues due to the new coronavirus and worsened economic environment.
- ✓ Sales business and Rental business experienced lower profit.

Unit : million yen	Net sales			Segment profit (sales ratio)		
	1Q FY03/2020	1Q FY03/2021	% change y/y	1Q FY03/2020	1Q FY03/2021	% change y/y
<b>Sales Business</b>	3,136	<b>2,701</b>	(13.9)%	309 (9.9%)	<b>287 (10.6%)</b>	(7.3)%
<b>Rental Business</b>	6,034	<b>6,112</b>	+1.3%	643 (10.7%)	<b>530 (8.7%)</b>	(17.6)%
<b>Overseas business</b>	1,560	<b>1,376</b>	(11.8)%	11 (0.7%)	<b>18 (1.4%)</b>	+63.2%



## 2. Sales business

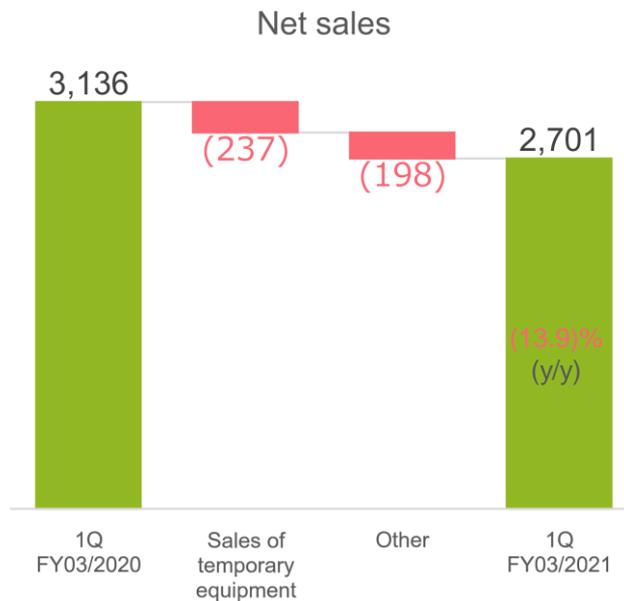
### 2.1 Factors of increase/decrease YoY

#### Net sales: (434) million yen (decreased)

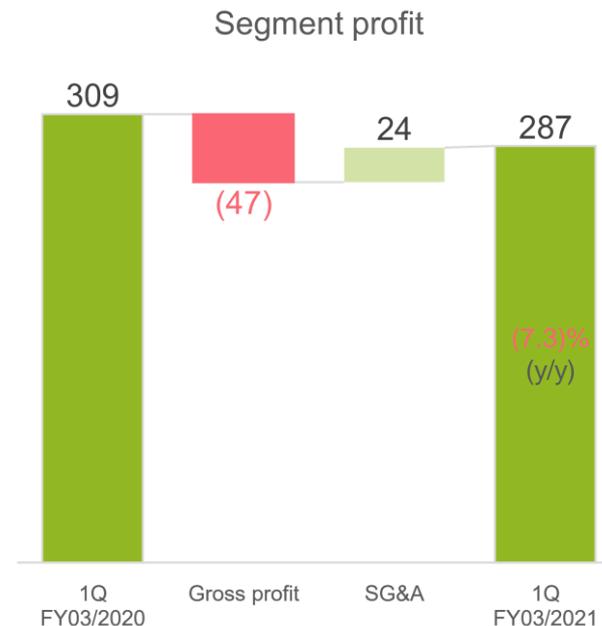
- ✓ Although there are much inquiries as before, recent economic situations have not led to successful business deals, resulting in lower net sales.

#### Operating income: (22) million yen (decreased)

- ✓ SG&A expenses decreased YoY because of, for example, movement restrictions due to the new coronavirus, but such decrease was not enough to cover lower profit caused by lower net sales.



(Unit : million yen)



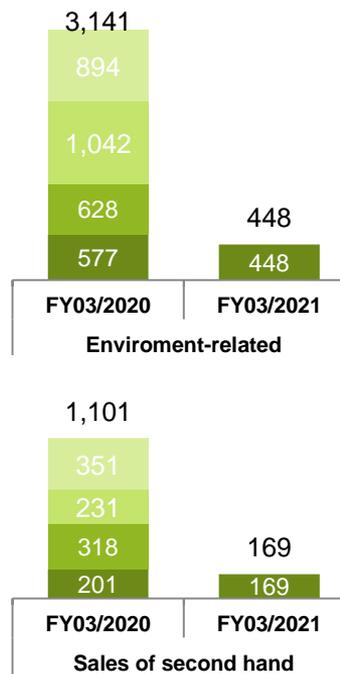
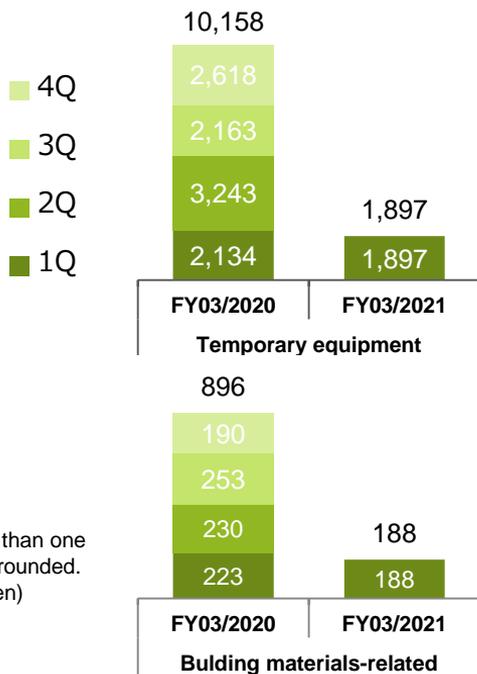
(Unit : million yen)



## 2. Sales business

### 2.2 Net sales by product field

Although our customers showed continuously strong demands for the next-generation scaffolding, there was a tendency that some of them withhold their decision to purchase because of recent situations of uncertainty for the future.



\* Amounts less than one million yen are rounded.  
(Unit : million yen)

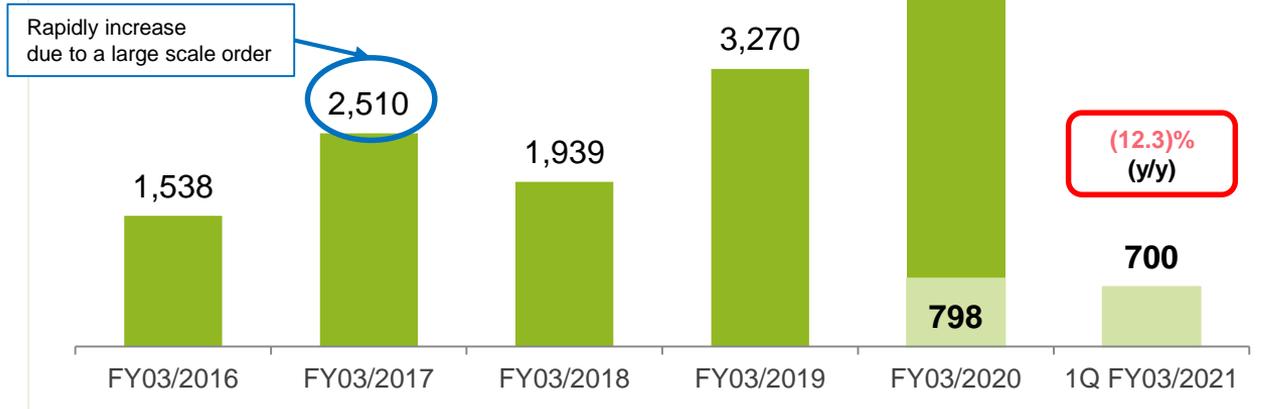


## 2. Sales business

### 2.3 Prevalence of the Iq System

**Sales of the Iq System decreased by 12.3% ((98) million yen) YoY. Despite receiving much inquiries, it takes longer time than before to enter into contracts.**

#### Sales performance of Iq System



(Unit : million yen)

#### **Iq System : 6,650,000m<sup>2</sup>**

[assets for rent] 2,900,000m<sup>2</sup>

[cumulative sold amount] 3,750,000m<sup>2</sup>

Estimated by the Company as (total length\* of the support pillar of Iq System)/2 × 1.8 m

\* Calculated as that of [assets for rent in possession] + [cumulative sold amount]

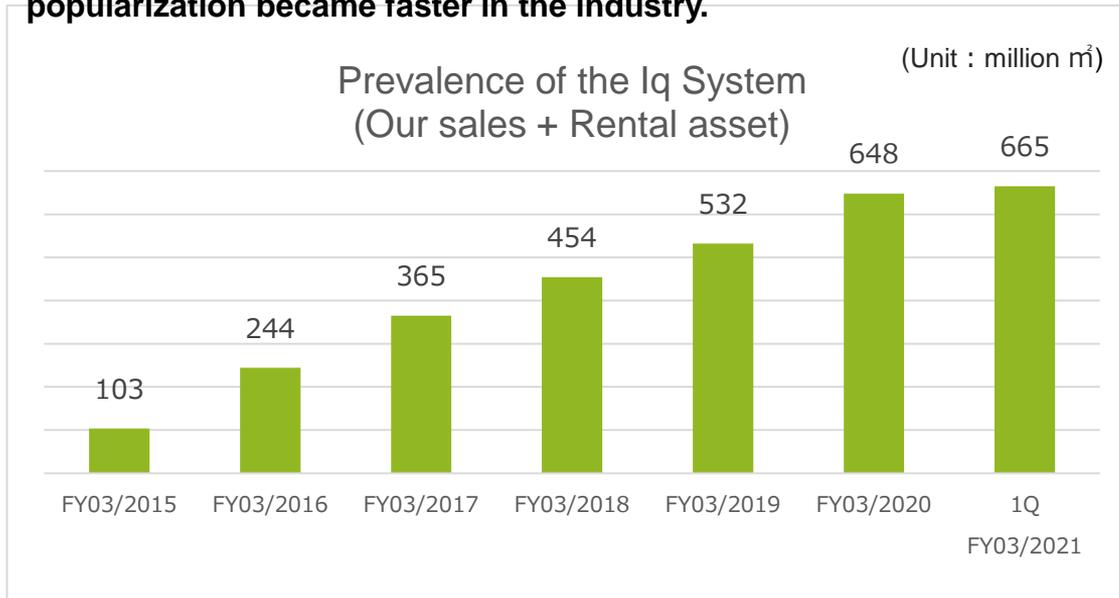
**Iq System Cumulative sales  
150 Billion yen**



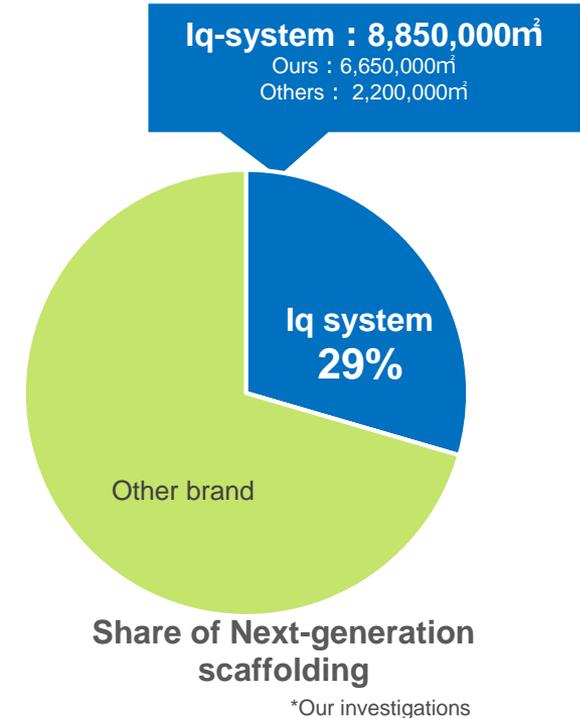
## 2. Sales business

### 2.4 Prevalence of the Iq System

**Competitors also have shifted to the next-generation scaffolding, and its popularization became faster in the industry.**



NOTE : This graph is made with own calculation methods, that calculated from selling and assets.





## 3. Rental business

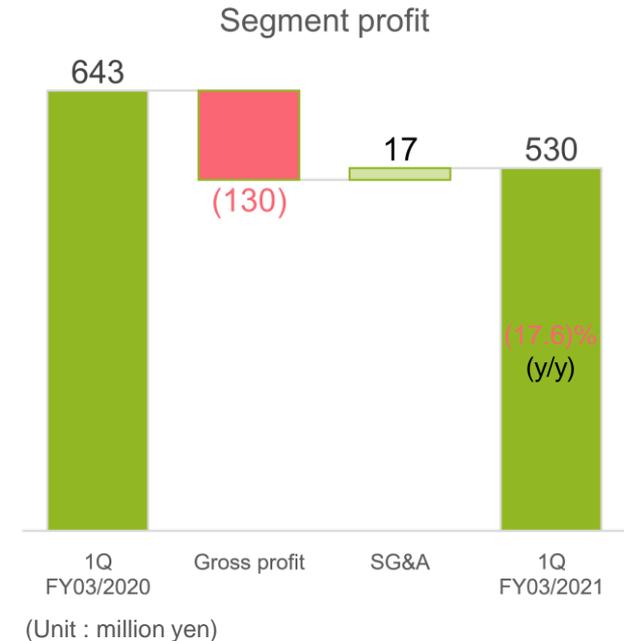
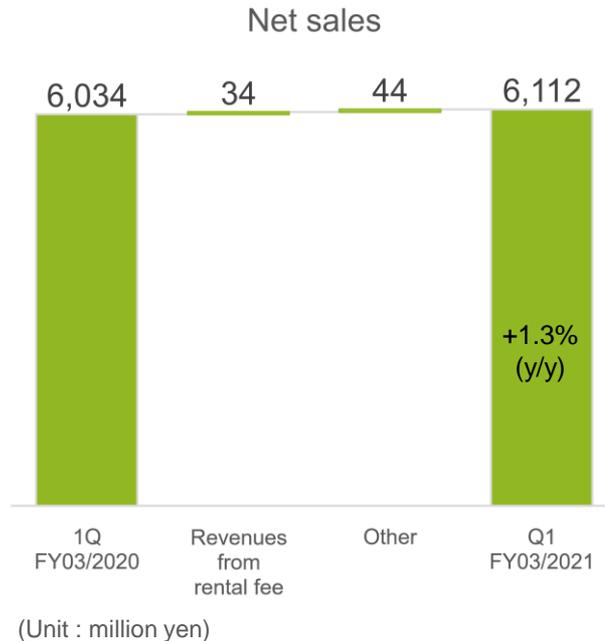
### 3.1 Factors of increase/decrease YoY

#### Net sales: +78 million yen (increased)

- ✓ Although many construction works were suspended/postponed in Tokyo metropolitan area, steady growth in other areas contributed to slight increase in net sales.

#### Operating income: (113) million yen (decreased)

- ✓ Gross margin declined due to increase in expenses associated with relocation and newly opening of equipment centers. On the other hand, SG&A expenses decreased because of, for example, movement restrictions due to the new coronavirus.



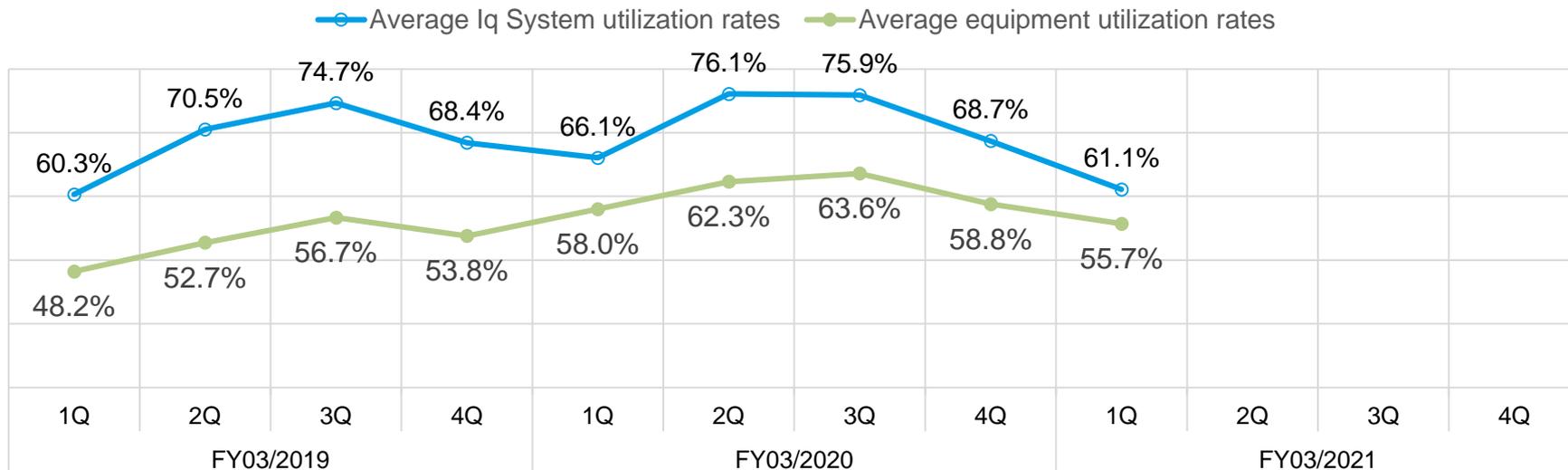


### 3. Rental business

3.2 Trend of average equipment utilization rates \* Trend of utilization rates looks like a mountain with its peak at the 3Q each year

\* Utilization rate = rented amount / overall holdings

**Equipment utilization rates have shown a trend different from previous years because of, for example, suspension/postponement of construction works due to the new coronavirus around Tokyo metropolitan area.**

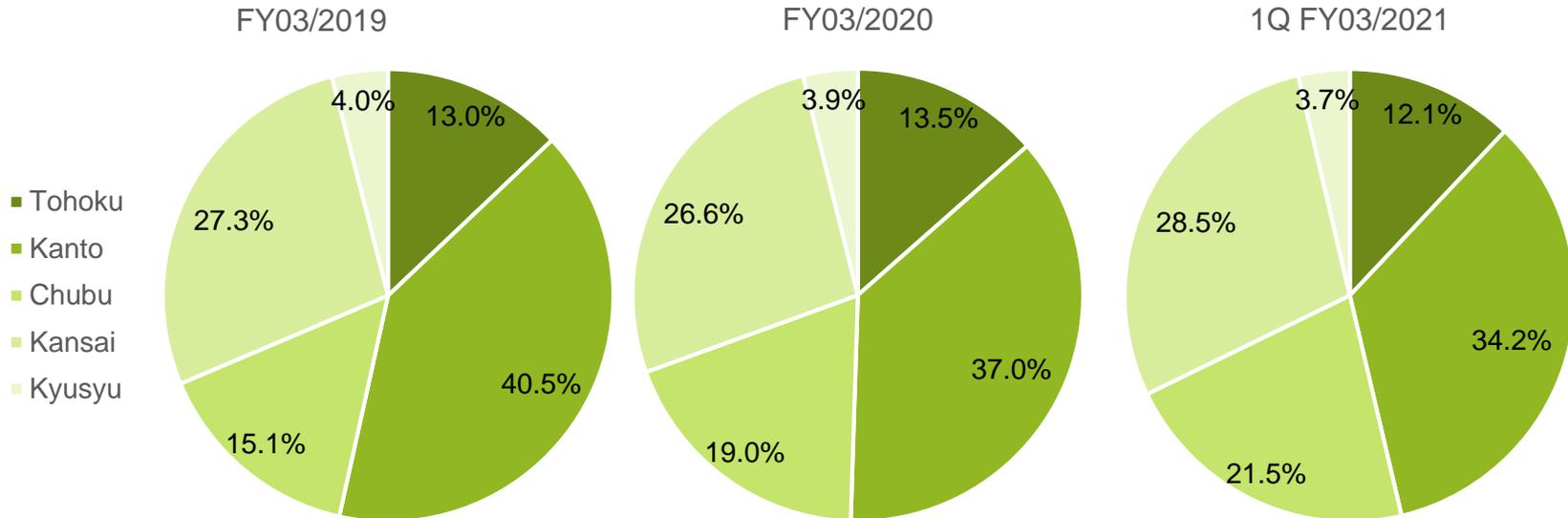




## 3. Rental business

### 3.3 Ratio of Sales by Area

**Kanto/Tohoku blocks have seen slowdown affected by suspension/postponement of construction works due to the new coronavirus; whereas other blocks maintained steady growth.**



NOTE: Chugoku/Shikoku block is included in Kansai block.



## 4. Overseas business

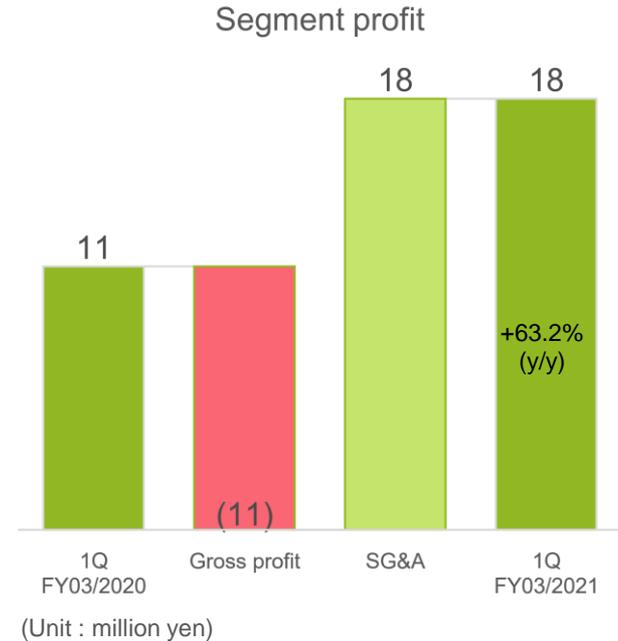
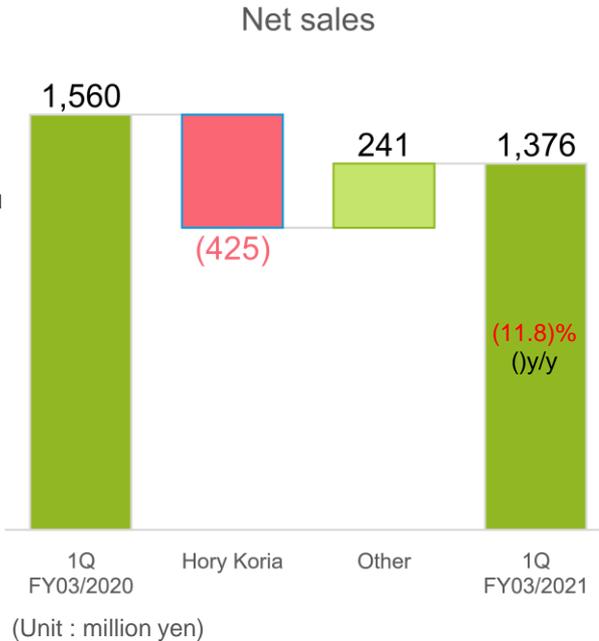
### 4.1 Factors of increase/decrease YoY

#### Net sales: (184) million yen (decreased)

- ✓ In Korea, net sales decreased because of, for example, worsened economic environment and decision to withhold supplying to customers having credit uncertainty.

#### Operating income: plus 7 million yen (increased)

- ✓ Gross profit rate improved, but decreased net sales resulted in lower profit.
- ✓ Concerning SG&A expenses, decreased net sales resulted in lower operating expenses.

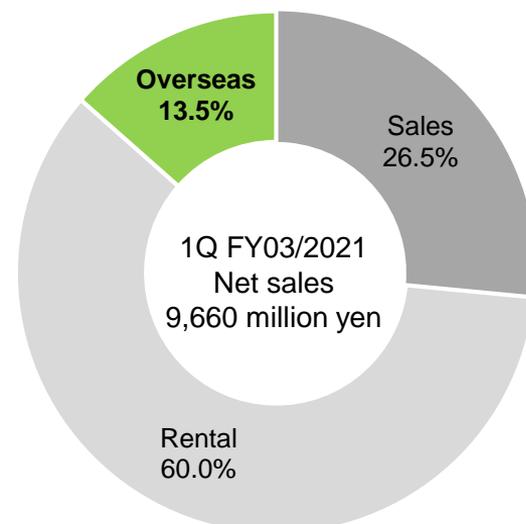
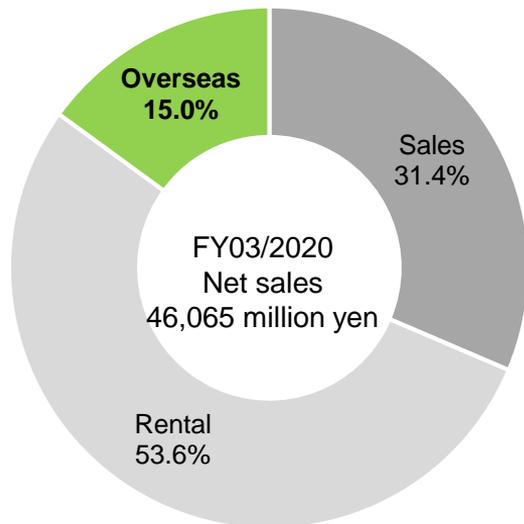
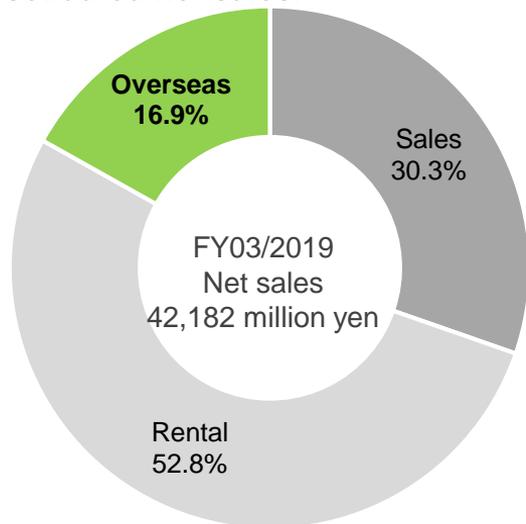




## 4. Overseas business

### 4.2 Sales Ratio by Segment

**Overseas business segment has put its efforts to improved profitable regime, leading to lower share in the Group's consolidated net sales.**



\* "Sales Ratio by Segment" is based on net sales before inter-segment elimination.



## 5. Change in Consolidated Balance Sheet

**Lower net sales caused lower accounts receivable - trade, so visible funds should be secured for the future (increased cash and deposit, increased liabilities).**

### [Asset]

#### Current assets

Cash & Deposit : 10,346 (+3,103)

Notes and accounts receivable – trade : 12,901 ((1,199))

#### Non-current assets

Assets for rent, net : 14,473 ((434))

Machinery, equipment and vehicles, net : 1,304 (+44)

### [Liability]

#### Current liability

Short-term loans payable : 7,571 (+2,171)

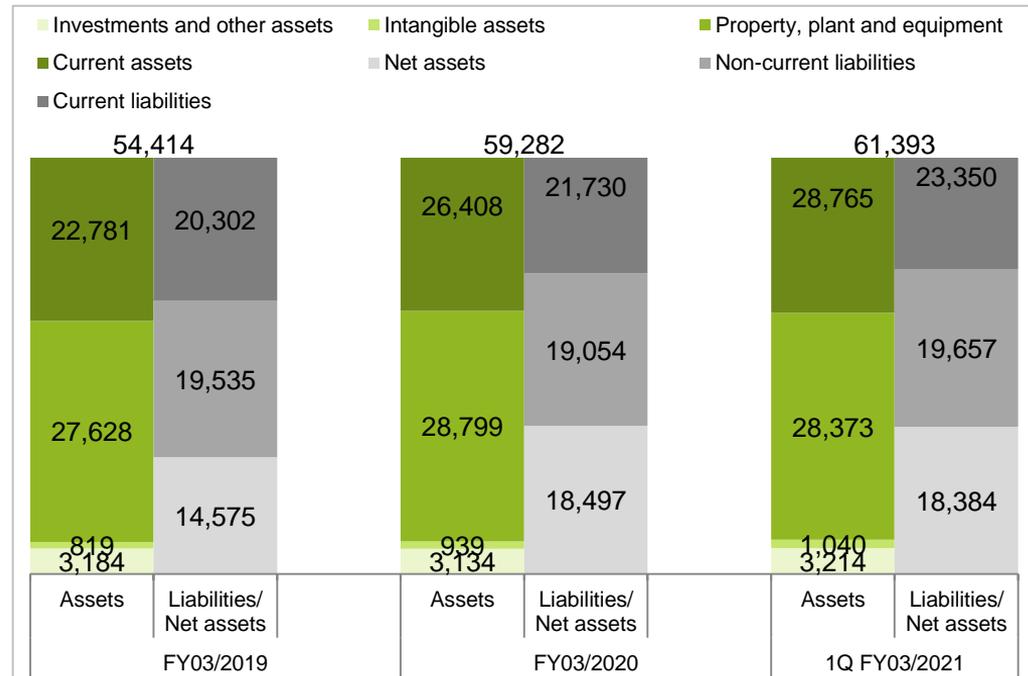
#### Non-current liability

Long-term loans payable : 12,482 (+658)

### [Net asset]

Shareholders' equity : 18,384 ((112))

\* The figures in parentheses are comparisons for the same period of the previous year



(Unit : million yen)

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## 6. Status of shareholder return

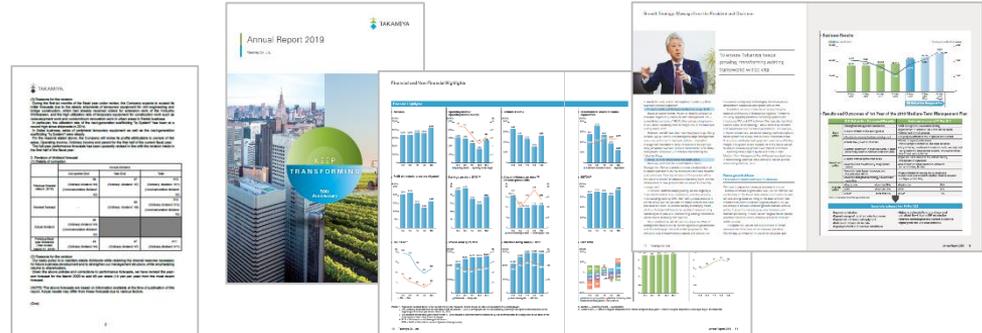
	FY03/2017	FY03/2018	FY03/2019	FY03/2020	FY03/2021 (Forecast)
<b>Dividend</b>	<b>10 yen</b>	<b>11 yen</b>	<b>11 yen</b>	<b>14 yen</b>	<b>14 yen</b>
1Q	–	–	–	–	–
2Q	3.5 yen	4.0 yen	4.0 yen	6.0 yen	6.0 yen
3Q	–	–	–	–	–
4Q	6.5 yen	7.0 yen	7.0 yen	8.0 yen	8.0 yen
Total amount of dividends	428 million yen	471 million yen	471 million yen	651 million yen	–
Dividend payout ratio	28.5%	37.6%	28.8%	26.5%	–
Treasury shares	529 million yen	0 million yen	0 million yen	0 million yen	–
Total return ratio	63.2%	37.6%	28.8%	26.5%	–
Dividend on equity	3.6%	3.7%	3.5%	3.9%	–
ROE	12.6%	9.8%	12.0%	14.7%	–



## 7. ESG information

### 7.1 IR

- Video streaming of Financial Results Briefing (4 ~ 7 days after the Briefing)
- Disclosure of English versions of Summary of Financial Results, Results Briefing Materials, and Timely Disclosure Release (partly) (7 ~ 10 days after disclosing Japanese version/TDnet)
- Issuance and Web release of annual reports (Japanese/English)\* 2020 version is planned to be issued in October.
- Disclosure of non-financial information (publicized on annual reports, and then on the Web)
- Proactive information disclosure based on dialogues with investors (e.g., prevalence (total area) of next generation scaffolding, equipment utilization rate)
- Briefing for private investors (6 times)
- 1 on 1 meeting (more than 90 times)





# 7. ESG information

## 7.2 Human resource development

### Promoting "Human centered capitalism" style management and measures centered on human resources

- Promoting in-house projects centered on mid-level/young employees
- Incentive reward according to the degree of KPI attainment set by each division
- Promoting active Work Style Reform by information disclosure to employees (e.g., screenshots on the right)
- Training according to individual stages such as new employee, mid-career employee, and pre-manager candidate
- Mentor scheme (new employee / mid-career employee)
- Mental health check (Web service)
- Wedding anniversary holiday, refresh holiday and others to encourage taking paid leaves
- Telework (Work from home) \* We have attempted earlier than the present National Declaration of State of Emergency

### To improve corporate value and shareholder value permanently, development of Key human resources is one critical issue (Human centered capitalism).

Human centered capitalism: The Company's management philosophy advocating that "Human resource is the essence of corporate power".

Such information is publicized to visitors on a large signage

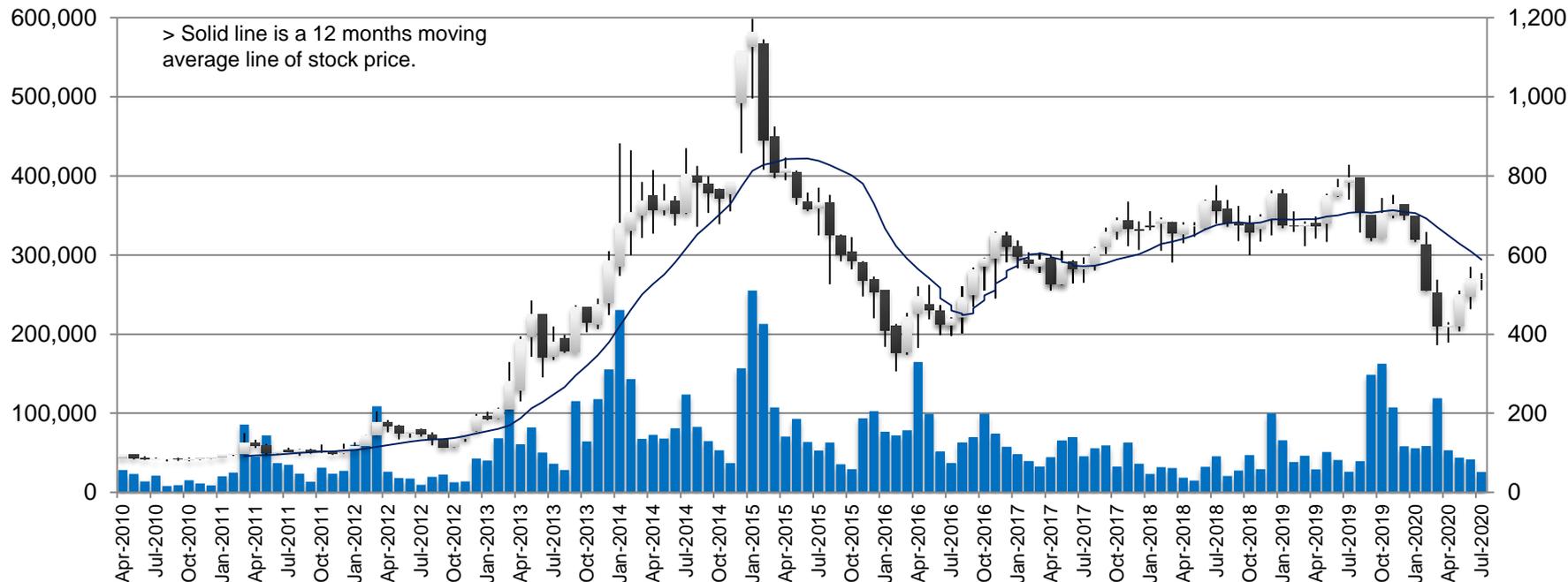




# Stock Price of TAKAMIYA (2445:Tokyo)

Average daily trading volume

Stock price (yen)





## Changes in number of shareholders and shareholder composition

	FY03/2017	FY03/2018	FY03/2019	FY03/2020
Shareholders at the end of the period	3,395	3,058	2,923	4,092
Shareholder composition				
Government and local public entities	0.00 %	0.00 %	0.00 %	0.00 %
Financial institutions	15.32 %	19.02 %	19.89 %	22.77 %
Financial instruments business operators	0.95 %	0.56 %	0.30 %	0.66 %
Other Japanese companies	20.26 %	20.58 %	20.50 %	20.78 %
Foreign institutions and others	4.16 %	3.84 %	4.55 %	6.85 %
Individuals and others	53.56 %	50.27 %	49.03 %	48.92 %
Treasury stock	5.75 %	5.74 %	5.73 %	0.02 %
(proportion of those including investment trust)	5.47 %	9.11 %	10.00 %	11.98 %
(proportion of those including pension trust)	0.55 %	0.56 %	0.45 %	0.93 %



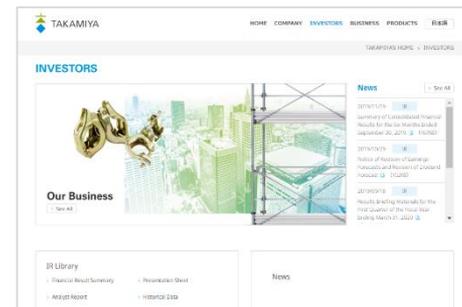
## IR contact

- Company name : Takamiya Co., Ltd.  
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530-0011, Japan  
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For Investor : <https://www.takamiya.co/ir/>  
Japan Phone : +81-(0)6-6375-3918  
FAX : +81-(0)6-6375-8827  
CONTACT : Takashi Kawabata, PR / IR Department

HP



For Investor



These materials were prepared based on data available as of March 31, 2020, with some exceptions. The opinions, estimates, etc. described in these materials are the Company's assessments as of the date of preparation of the materials. The Company does not guarantee or make any promises regarding the accuracy or safety of the information. Furthermore, in the future, the Company may change the information without prior notice.