

Translation

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Summary of Consolidated Financial Results for the Year Ended March 31, 2022 (Based on Japanese GAAP)

May 11, 2022

Company name: Takashima & Co.,LTD.
 Stock exchange listing: Tokyo
 Stock code: 8007 URL <http://www.tak.co.jp/>
 Representative: President Koichi Takashima
 Inquiries: Accounting Unit Manager Koki Sakai TEL +81-3-5217-7297
 Scheduled date of ordinary general meeting of shareholders: June 23, 2022
 Scheduled date to file Securities Report: June 24, 2022
 Scheduled date to commence dividend payments: June 7, 2022
 Preparation of supplementary material on financial results: No
 Holding of financial results meeting: Yes (for institutional investors, analysts and the press)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

(1) Consolidated operating results

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2022	74,054	(8.1)	1,547	10.9	1,840	21.6	1,296	29.6
Year ended March 31, 2021	80,625	(9.2)	1,395	(18.6)	1,513	(15.2)	1,000	(19.2)

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2022	288.16	–	7.2	4.2	2.1
Year ended March 31, 2021	222.13	–	5.9	3.5	1.7

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2022	45,176	18,477	40.9	4,129.61
As of March 31, 2021	42,121	17,454	41.4	3,872.19

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2022	(389)	(654)	2,305	7,301
Year ended March 31, 2021	3,563	(98)	(1,947)	5,880

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2021	–	0.00	–	60.00	60.00	270	27.0	1.6
Year ended March 31, 2022	–	0.00	–	130.00	130.00	581	45.1	3.2
Year ending March 31, 2023 (Forecast)	–	70.00	–	70.00	140.00		45.0	

3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	82,000	10.7	1,800	16.3	1,900	3.2	1,400	8.0	311.17

4. Notes

- (1) Changes in significant subsidiaries during the year ended March 31, 2022
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2022	4,500,973 shares	As of March 31, 2021	4,546,173 shares
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Number of treasury shares at the end of the period

As of March 31, 2022	26,677 shares	As of March 31, 2021	38,601 shares
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Average number of shares during the period

Year ended March 31, 2022	4,499,142 shares	Year ended March 31, 2021	4,503,716 shares
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Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and deposits	5,882	7,305
Notes and accounts receivable - trade	21,760	-
Notes receivable - trade	-	5,071
Accounts receivable - trade	-	12,413
Electronically recorded monetary claims - operating	-	4,230
Contract assets	-	576
Merchandise and finished goods	2,968	4,091
Work in process	151	118
Raw materials and supplies	653	1,215
Costs on uncompleted construction contracts	665	7
Advance payments to suppliers	100	33
Prepaid expenses	83	79
Accounts receivable - other	99	254
Other	124	73
Allowance for doubtful accounts	(74)	(47)
Total current assets	32,415	35,423
Non-current assets		
Property, plant and equipment		
Buildings and structures	4,377	4,328
Accumulated depreciation	(2,710)	(2,855)
Buildings and structures, net	1,666	1,473
Machinery, equipment and vehicles	2,245	2,371
Accumulated depreciation	(1,885)	(1,934)
Machinery, equipment and vehicles, net	359	437
Tools, furniture and fixtures	1,053	1,092
Accumulated depreciation	(961)	(979)
Tools, furniture and fixtures, net	92	112
Land	2,194	2,194
Leased assets	60	89
Accumulated depreciation	(56)	(58)
Leased assets, net	4	31
Construction in progress	8	2
Total property, plant and equipment	4,326	4,252
Intangible assets	140	514
Investments and other assets		
Investment securities	3,245	2,992
Long-term loans receivable	42	49
Account receivable-longterm	119	139
Retirement benefit asset	316	298
Deferred tax assets	106	126
Other	1,559	1,556
Allowance for doubtful accounts	(151)	(176)
Total investments and other assets	5,238	4,986
Total non-current assets	9,706	9,753
Total assets	42,121	45,176

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	18,430	17,988
Short-term borrowings	615	686
Contract liabilities	–	322
Current portion of long-term borrowings	261	240
Accrued expenses	594	591
Income taxes payable	290	384
Advances received	–	12
Accrued consumption taxes	208	86
Provision for bonuses	323	427
Provision for bonuses for directors (and other officers)	23	35
Other	847	248
Total current liabilities	21,595	21,024
Non-current liabilities		
Long-term borrowings	600	3,360
Deferred tax liabilities	454	291
Deferred tax liabilities for land revaluation	204	204
Retirement benefit liability	69	68
Other	1,743	1,751
Total non-current liabilities	3,072	5,675
Total liabilities	24,667	26,699
Net assets		
Shareholders' equity		
Share capital	3,801	3,801
Capital surplus	1,822	1,725
Retained earnings	10,685	11,792
Treasury shares	(76)	(56)
Total shareholders' equity	16,233	17,262
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	897	738
Revaluation reserve for land	417	417
Foreign currency translation adjustment	(189)	36
Remeasurements of defined benefit plans	95	21
Total accumulated other comprehensive income	1,221	1,214
Total net assets	17,454	18,477
Total liabilities and net assets	42,121	45,176

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Net sales	80,625	74,054
Cost of sales	72,786	65,725
Gross profit	7,838	8,328
Selling, general and administrative expenses		
Packing and transportation costs	274	331
Advertising expenses	206	213
Employees' salaries and allowances	2,996	3,002
Provision for bonuses	324	427
Provision for bonuses for directors (and other officers)	24	35
Retirement benefit expenses	55	41
Welfare expenses	582	616
Travel and transportation expenses	210	246
Depreciation	191	199
Rent expenses	407	395
Other	1,170	1,269
Total selling, general and administrative expenses	6,443	6,780
Operating profit	1,395	1,547
Non-operating income		
Interest income	40	42
Dividend income	111	116
Foreign exchange gains	–	69
Reversal of allowance for doubtful accounts	12	–
Subsidy income	70	50
Miscellaneous income	88	77
Total non-operating income	323	356
Non-operating expenses		
Interest expenses	29	24
Foreign exchange losses	89	–
Share of loss of entities accounted for using equity method	3	10
Loss on retirement of non-current assets	16	–
Allowance for Absence from work	32	23
Loss on termination of performance-linked stock-based compensation plan	26	–
Miscellaneous expenses	7	4
Total non-operating expenses	205	63
Ordinary profit	1,513	1,840
Extraordinary income		
Gain on sale of non-current assets	60	–
Gain on sale of investment securities	–	26
Surrender value of insurance policies	21	–
Gain on insurance claims	93	29
Total extraordinary income	175	55

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Extraordinary losses		
Loss on sale of shares of subsidiaries and associates	41	–
Impairment losses	124	70
Other	11	–
Total extraordinary losses	177	70
Profit before income taxes	1,511	1,826
Income taxes - current	542	645
Income taxes - deferred	(31)	(115)
Total income taxes	511	529
Profit	1,000	1,296
Profit attributable to owners of parent	1,000	1,296

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Profit	1,000	1,296
Other comprehensive income		
Valuation difference on available-for-sale securities	409	(158)
Foreign currency translation adjustment	(142)	225
Remeasurements of defined benefit plans, net of tax	89	(73)
Total other comprehensive income	357	(6)
Comprehensive income	1,357	1,290
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,357	1,290

Consolidated statements of changes in equity

Fiscal year ended March 31, 2021

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,801	1,825	9,860	(131)	15,356
Changes during period					
Dividends of surplus			(361)		(361)
Profit attributable to owners of parent			1,000		1,000
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares		(3)		27	23
Cancellation of treasury shares				28	28
Reversal of revaluation reserve for land			185		185
Net changes in items other than shareholders' equity					
Total changes during period	–	(3)	824	54	876
Balance at end of period	3,801	1,822	10,685	(76)	16,233

	Accumulated other comprehensive income					Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	487	603	(46)	5	1,049	16,406
Changes during period						
Dividends of surplus						(361)
Profit attributable to owners of parent						1,000
Purchase of treasury shares						(1)
Disposal of treasury shares						23
Cancellation of treasury shares						28
Reversal of revaluation reserve for land						185
Net changes in items other than shareholders' equity	409	(185)	(142)	89	171	171
Total changes during period	409	(185)	(142)	89	171	1,048
Balance at end of period	897	417	(189)	95	1,221	17,454

Fiscal year ended March 31, 2022

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,801	1,822	10,685	(76)	16,233
Cumulative effects of changes in accounting policies			81		81
Restated balance	3,801	1,822	10,766	(76)	16,314
Changes during period					
Dividends of surplus			(270)		(270)
Profit attributable to owners of parent			1,296		1,296
Purchase of treasury shares				(101)	(101)
Disposal of treasury shares		(1)		25	23
Cancellation of treasury shares		(96)		96	-
Reversal of revaluation reserve for land					
Net changes in items other than shareholders' equity					
Total changes during period	-	(97)	1,026	19	948
Balance at end of period	3,801	1,725	11,792	(56)	17,262

	Accumulated other comprehensive income					Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	897	417	(189)	95	1,221	17,454
Cumulative effects of changes in accounting policies						81
Restated balance	897	417	(189)	95	1,221	17,535
Changes during period						
Dividends of surplus						(270)
Profit attributable to owners of parent						1,296
Purchase of treasury shares						(101)
Disposal of treasury shares						23
Cancellation of treasury shares						-
Reversal of revaluation reserve for land						
Net changes in items other than shareholders' equity	(158)		225	(73)	(6)	(6)
Total changes during period	(158)	-	225	(73)	(6)	941
Balance at end of period	738	417	36	21	1,214	18,477

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Cash flows from operating activities		
Profit before income taxes	1,511	1,826
Depreciation	400	391
Impairment losses	124	70
Loss (gain) on sale of investment securities	–	(26)
Loss (gain) on sale of shares of subsidiaries and associates	41	–
Gain on insurance claims	(93)	(29)
Surrender value of insurance policies	(21)	–
Increase (decrease) in allowance for doubtful accounts	(13)	(7)
Increase (decrease) in provision for bonuses	(72)	100
Increase (decrease) in retirement benefit asset or liability	(79)	(88)
Increase (decrease) in provision for bonuses for directors (and other officers)	(11)	11
Interest and dividend income	(151)	(158)
Interest expenses	29	24
Decrease (increase) in trade receivables	2,573	362
Decrease (increase) in inventories	254	(1,588)
Increase (decrease) in trade payables	(1,262)	(535)
Increase (decrease) in advances received	332	(359)
Decrease (increase) in accounts receivable - other	37	(150)
Increase (decrease) in accrued consumption taxes	76	(120)
Increase (decrease) in accounts payable - other, and accrued expenses	27	17
Other, net	(95)	281
Subtotal	3,609	21
Interest and dividends received	151	158
Interest paid	(29)	(24)
Income taxes paid	(488)	(562)
Proceeds from insurance income	316	29
Subsidies received	5	–
Extra retirement payments	–	(11)
Net cash provided by (used in) operating activities	3,563	(389)

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Cash flows from investing activities		
Payments into time deposits	–	(1)
Proceeds from withdrawal of time deposits	36	–
Purchase of property, plant and equipment	(990)	(278)
Proceeds from sale of property, plant and equipment	917	0
Purchase of intangible assets	(83)	(389)
Purchase of investment securities	(7)	(5)
Proceeds from sale of investment securities	0	45
Payments for sale of shares of subsidiaries and associates resulting in change in scope of consolidation	(9)	–
Loan advances	(3)	(11)
Proceeds from collection of loans receivable	2	3
Proceeds from cancellation of insurance funds	40	–
Other, net	0	(17)
Net cash provided by (used in) investing activities	(98)	(654)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(1,197)	35
Repayments of long-term borrowings	(300)	(261)
Proceeds from long-term borrowings	–	3,000
Purchase of treasury shares	–	(101)
Dividends paid	(360)	(271)
Other, net	(88)	(95)
Net cash provided by (used in) financing activities	(1,947)	2,305
Effect of exchange rate change on cash and cash equivalents	(53)	159
Net increase (decrease) in cash and cash equivalents	1,464	1,421
Cash and cash equivalents at beginning of period	4,416	5,880
Cash and cash equivalents at end of period	5,880	7,301