

Translation

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Summary of Consolidated Financial Results for the Year Ended March 31, 2023 (Based on Japanese GAAP)

April 28, 2023

Company name: TAKEBISHI CORPORATION
 Stock exchange listing: Tokyo
 Stock code: 7510 URL <https://www.takebishi.co.jp>
 Representative: Representative Director & President Isamu Ogura
 Director & Executive Officer Takeshi Ohi
 Business Strategy Office TEL 075-325-2118
 Scheduled date of ordinary general meeting of shareholders: June 28, 2023
 Scheduled date to file Securities Report: June 29, 2023
 Scheduled date to commence dividend payments: June 5, 2023
 Preparation of supplementary material on financial results: No
 Holding of financial results meeting: Yes

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(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, 2023	97,404	19.4	3,919	29.7	4,041	27.6	2,738	30.8
Year ended March 31, 2022	81,603	28.4	3,020	45.0	3,168	44.3	2,092	55.7

	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, 2023	171.56	—	8.0	6.6	4.0
Year ended March 31, 2022	137.00	—	6.6	5.8	3.7

(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, 2023	64,076	35,608	55.6	2,230.29
As of March 31, 2022	59,150	33,178	56.1	2,078.17

(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, 2023	(716)	(191)	1,204	6,342
Year ended March 31, 2022	(890)	(3,809)	2,054	5,892

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, 2022	—	26.00	—	26.00	52.00	797	38.0	2.5
Year ended March 31, 2023	—	27.00	—	29.00	56.00	893	32.6	2.6
Year ending March 31, 2024 (Forecast)	—	29.00	—	29.00	58.00		33.4	

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

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
Six months ending September 30, 2023	47,900	2.8	1,910	1.1	2,050	2.1	1,370	2.2	85.84
Full year	100,000	2.7	3,980	1.6	4,150	2.7	2,770	1.2	173.56

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2023

(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, 2023	15,961,000 shares	As of March 31, 2022	15,961,000 shares
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Number of treasury shares at the end of the period

As of March 31, 2023	945 shares	As of March 31, 2022	935 shares
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Average number of shares during the period

Year ended March 31, 2023	15,960,057 shares	Year ended March 31, 2022	15,276,973 shares
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Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
Assets		
Current assets		
Cash and deposits	6,044	6,494
Notes and accounts receivable - trade, and contract assets	23,789	21,901
Electronically recorded monetary claims - operating	5,135	6,669
Securities	10	—
Merchandise	8,461	13,591
Work in process	20	44
Other	1,677	2,235
Allowance for doubtful accounts	(104)	(104)
Total current assets	45,035	50,832
Non-current assets		
Property, plant and equipment		
Buildings and structures	4,653	4,763
Accumulated depreciation	(2,724)	(2,851)
Buildings and structures, net	1,928	1,912
Land	2,105	2,105
Construction in progress	—	129
Other	680	710
Accumulated depreciation	(538)	(570)
Other, net	141	139
Total property, plant and equipment	4,175	4,286
Intangible assets		
Software	87	81
Software in progress	5	—
Goodwill	1,469	1,076
Customer related assets	1,111	936
Other	20	20
Total intangible assets	2,693	2,114
Investments and other assets		
Investment securities	5,777	5,399
Deferred tax assets	192	210
Other	1,287	1,242
Allowance for doubtful accounts	(12)	(9)
Total investments and other assets	7,245	6,843
Total non-current assets	14,114	13,243
Total assets	59,150	64,076

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	17,160	16,787
Electronically recorded obligations - operating	1,082	1,508
Short-term borrowings	2,765	4,837
Current portion of long-term borrowings	100	–
Accounts payable - other	1,239	1,237
Income taxes payable	771	926
Provision for bonuses	770	843
Other	499	711
Total current liabilities	24,389	26,853
Non-current liabilities		
Long-term borrowings	–	250
Long-term accounts payable - other	112	49
Deferred tax liabilities	1,146	959
Deferred tax liabilities for land revaluation	5	5
Provision for retirement benefits for directors (and other officers)	35	40
Retirement benefit liability	210	235
Asset retirement obligations	25	26
Other	46	46
Total non-current liabilities	1,583	1,613
Total liabilities	25,972	28,467
Net assets		
Shareholders' equity		
Share capital	3,384	3,384
Capital surplus	4,058	4,058
Retained earnings	23,733	25,625
Treasury shares	(0)	(0)
Total shareholders' equity	31,176	33,069
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,661	2,382
Revaluation reserve for land	(1,140)	(1,140)
Foreign currency translation adjustment	343	1,198
Remeasurements of defined benefit plans	125	85
Total accumulated other comprehensive income	1,990	2,526
Non-controlling interests	10	13
Total net assets	33,178	35,608
Total liabilities and net assets	59,150	64,076

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

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Net sales	81,603	97,404
Cost of sales	69,449	83,591
Gross profit	12,153	13,812
Selling, general and administrative expenses	9,133	9,893
Operating profit	3,020	3,919
Non-operating income		
Interest income	6	7
Dividend income	88	110
Purchase discounts	13	16
Rent income	60	54
Other	61	69
Total non-operating income	230	259
Non-operating expenses		
Interest expenses	14	61
Share issuance costs	17	—
Rental costs	26	24
Provision of allowance for doubtful accounts	19	—
Foreign exchange losses	—	39
Other	4	10
Total non-operating expenses	82	136
Ordinary profit	3,168	4,041
Extraordinary income		
Gain on sale of non-current assets	2	5
Gain on sale of investment securities	11	16
Total extraordinary income	14	21
Extraordinary losses		
Loss on retirement of non-current assets	2	6
Total extraordinary losses	2	6
Profit before income taxes	3,180	4,056
Income taxes - current	1,142	1,379
Income taxes - deferred	(57)	(64)
Total income taxes	1,085	1,315
Profit	2,095	2,741
Profit attributable to non-controlling interests	2	3
Profit attributable to owners of parent	2,092	2,738

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Profit	2,095	2,741
Other comprehensive income		
Valuation difference on available-for-sale securities	(382)	(278)
Revaluation reserve for land	(4)	—
Foreign currency translation adjustment	363	854
Remeasurements of defined benefit plans, net of tax	46	(40)
Total other comprehensive income	23	535
Comprehensive income	2,118	3,276
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,117	3,274
Comprehensive income attributable to non-controlling interests	0	2

Consolidated statements of changes in equity

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	2,554	3,133	22,298	(23)	27,962
Changes during period					
Issuance of new shares	830	830			1,660
Dividends of surplus			(662)		(662)
Reversal of revaluation reserve for land			4		4
Profit attributable to owners of parent			2,092		2,092
Disposal of treasury shares		94		23	118
Net changes in items other than shareholders' equity					
Total changes during period	830	924	1,435	23	3,214
Balance at end of period	3,384	4,058	23,733	(0)	31,176

	Accumulated other comprehensive income					Non-controlling interests	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	3,043	(1,135)	(19)	79	1,967	–	29,930
Changes during period							
Issuance of new shares							1,660
Dividends of surplus							(662)
Reversal of revaluation reserve for land							4
Profit attributable to owners of parent							2,092
Disposal of treasury shares							118
Net changes in items other than shareholders' equity	(382)	(4)	363	46	23	10	33
Total changes during period	(382)	(4)	363	46	23	10	3,247
Balance at end of period	2,661	(1,140)	343	125	1,990	10	33,178

Fiscal year ended March 31, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,384	4,058	23,733	(0)	31,176
Changes during period					
Dividends of surplus			(845)		(845)
Profit attributable to owners of parent			2,738		2,738
Purchase of treasury shares				(0)	(0)
Net changes in items other than shareholders' equity					
Total changes during period	—	—	1,892	(0)	1,892
Balance at end of period	3,384	4,058	25,625	(0)	33,069

	Accumulated other comprehensive income					Non-controlling interests	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	2,661	(1,140)	343	125	1,990	10	33,178
Changes during period							
Dividends of surplus							(845)
Profit attributable to owners of parent							2,738
Purchase of treasury shares							(0)
Net changes in items other than shareholders' equity	(278)	—	854	(40)	535	3	538
Total changes during period	(278)	—	854	(40)	535	3	2,430
Balance at end of period	2,382	(1,140)	1,198	85	2,526	13	35,608

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Cash flows from operating activities		
Profit before income taxes	3,180	4,056
Depreciation	387	471
Amortization of goodwill	298	393
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(2)	5
Increase (decrease) in provision for bonuses	92	72
Increase (decrease) in allowance for doubtful accounts	32	(1)
Increase (decrease) in retirement benefit liability	(35)	(34)
Interest and dividend income	(95)	(118)
Interest expenses	14	61
Loss (gain) on sale of investment securities	(11)	(16)
Loss (gain) on sale and retirement of non-current assets	(0)	1
Decrease (increase) in trade receivables	(2,329)	1,076
Decrease (increase) in inventories	(2,772)	(4,783)
Increase (decrease) in trade payables	3,346	(265)
Increase (decrease) in accounts payable - other	(1,789)	(16)
Other, net	(259)	(432)
Subtotal	55	470
Interest and dividends received	96	122
Interest paid	(13)	(62)
Income taxes paid	(1,028)	(1,247)
Net cash provided by (used in) operating activities	(890)	(716)
Cash flows from investing activities		
Proceeds from redemption of securities	26	—
Purchase of property, plant and equipment	(293)	(182)
Proceeds from sale of property, plant and equipment	37	5
Purchase of intangible assets	(70)	(18)
Purchase of investment securities	(149)	(25)
Proceeds from sale of investment securities	106	18
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(3,490)	—
Other, net	24	10
Net cash provided by (used in) investing activities	(3,809)	(191)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	937	1,900
Proceeds from long-term borrowings	—	250
Repayments of long-term borrowings	—	(100)
Proceeds from issuance of shares	1,660	—
Proceeds from sale of treasury shares	118	—
Dividends paid	(662)	(845)
Other, net	—	(0)
Net cash provided by (used in) financing activities	2,054	1,204
Effect of exchange rate change on cash and cash equivalents	(77)	153
Net increase (decrease) in cash and cash equivalents	(2,722)	449
Cash and cash equivalents at beginning of period	8,615	5,892
Cash and cash equivalents at end of period	5,892	6,342