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November 5, 2024

Consolidated Financial Results for the Six Months Ended September 30, 2024 (Under Japanese GAAP)

Company name: Takachiho Koheki Co., Ltd.
Listing: Tokyo Stock Exchange
Securities code: 2676
URL: https://www.takachiho-kk.co.jp
Representative: Takanobu Ide, President and CEO
Inquiries: Masaya Iwamoto, General Manager of Administrative Department
Telephone: +81-3-3355-1111
Scheduled date to file semi-annual securities report: November 6, 2024
Scheduled date to commence dividend payments: December 5, 2024
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the six months ended September 30, 2024 (from April 1, 2024 to September 30, 2024)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2024	13,314	4.6	936	31.2	811	-23.2	594	-17.2
September 30, 2023	12,729	14.5	713	22.2	1,057	18.2	717	9.2

Note: Comprehensive income For the six months ended September 30, 2024: ¥627 million [-42.2%]
For the six months ended September 30, 2023: ¥1,085 million [17.3%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2024	65.08	64.91
September 30, 2023	79.17	78.86

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
September 30, 2024	23,245	16,509	71.0	1,775.37
March 31, 2024	22,963	16,835	73.3	1,851.62

Reference: Equity
As of September 30, 2024: ¥16,509 million
As of March 31, 2024: ¥16,830 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	-	53.00	-	105.00	158.00
Fiscal year ending March 31, 2025	-	58.00			
Fiscal year ending March 31, 2025 (Forecast)			-	102.00	160.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Forecast of consolidated financial results for the year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

(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	26,900	6.6	2,050	39.9	2,000	8.9	1,490	3.6	163.09

Note: Revisions to the forecast of financial results most recently announced: None

*** Notes**

(1) Significant changes in the scope of consolidation during the period: None

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of September 30, 2024	10,171,800 shares
As of March 31, 2024	10,171,800 shares

(ii) Number of treasury shares at the end of the period

As of September 30, 2024	872,716 shares
As of March 31, 2024	1,082,132 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2024	9,135,793 shares
Six months ended September 30, 2023	9,068,651 shares

Note: The number of treasury shares at the end of the period includes Company shares held by Custody Bank of Japan, Ltd., (trust account E) as trust assets related to the Board Benefit Trust (BBT) system (57,900 shares in the fiscal year ended March 31, 2024, and 57,900 shares in the six months ended September 30, 2024). In addition, the number of treasury shares to be deducted in calculating the average number of shares during the period include Company shares (57,900 shares for the six months ended September 30, 2023 and 57,900 shares for the six months ended September 30, 2024) held by Custody Bank of Japan, Ltd., (Trust Account E) as trust assets related to the Board Benefit Trust (BBT) system.

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

The forward-looking statements regarding future performance in this material are based on information currently available to the Company and certain assumptions that the Company deems to be reasonable at the time this report was prepared. Therefore, the Company does not make promises about the achievements. Actual results may differ significantly from the forecasts due to various factors.

(Access to supplementary material on financial results)

We are planning to hold a briefing session for institutional investors and analysts on Tuesday, November 26, 2024.

The financial results briefing materials distributed at this briefing will be posted on our website immediately after the event.

Semi-annual Consolidated Balance Sheet

(Unit: Millions of yen)

	Previous consolidated fiscal year (as of March 31, 2024)	The second quarter of the current consolidated fiscal year (as of September 30, 2024)
Assets		
Current assets		
Cash and deposits	4,871	6,163
Notes receivable - trade	128	65
Accounts receivable - trade	5,609	5,291
Contract assets	716	573
Electronically recorded monetary claims - operating	848	786
Merchandise and finished goods	5,143	4,518
Raw materials	217	159
Prepaid expenses	1,240	1,412
Other	114	102
Allowance for doubtful accounts	-2	-25
Total current assets	18,887	19,048
Non-current assets		
Property, plant and equipment	459	439
Intangible assets	171	140
Investments and other assets		
Investment securities	3,009	3,070
Deferred tax assets	8	90
Leasehold and guarantee deposits	325	330
Other	101	126
Allowance for doubtful accounts	-0	-0
Total investments and other assets	3,444	3,617
Total non-current assets	4,075	4,197
Total assets	22,963	23,245

(Unit: Millions of yen)

	Previous consolidated fiscal year (as of March 31, 2024)	The second quarter of the current consolidated fiscal year (as of September 30, 2024)
Liabilities		
Current liabilities		
Accounts payable - trade	2,726	2,718
Electronically recorded obligations - operating	198	195
Contract liabilities	1,067	1,088
Lease liabilities	10	10
Forward exchange contracts	—	13
Provision for bonuses	302	313
Provision for bonuses for directors (and other officers)	57	55
Accounts payable - other	265	236
Income taxes payable	540	234
Short-term borrowings	—	1,000
Other	238	144
Total current liabilities	5,407	6,010
Non-current liabilities		
Provision for executive share-based compensation	21	27
Retirement benefit liability	619	625
Lease liabilities	39	34
Other	38	38
Total non-current liabilities	719	725
Total liabilities	6,127	6,736
Net assets		
Shareholders' equity		
Share capital	1,209	1,209
Capital surplus	1,381	1,189
Retained earnings	13,938	13,572
Treasury shares	-1,064	-861
Total shareholders' equity	15,464	15,110
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	911	718
Deferred gains or losses on hedges	—	-7
Foreign currency translation adjustment	394	637
Remeasurements of defined benefit plans	60	50
Total accumulated other comprehensive income	1,366	1,398
Share acquisition rights	4	—
Non-controlling interests	0	0
Total net assets	16,835	16,509
Total liabilities and net assets	22,963	23,245

Semi-annual Consolidated Income Statement

(Unit: Millions of yen)

	Previous consolidated cumulative second quarter (From April 1, 2023 to September 30, 2023)	Current consolidated cumulative second quarter (From April 1, 2024 to September 30, 2024)
Net sales	12,729	13,314
Cost of sales	9,762	9,958
Gross profit	2,966	3,356
Selling, general and administrative expenses	2,252	2,420
Operating profit	713	936
Non-operating income		
Interest income	17	22
Dividend income	38	37
Foreign exchange gains	298	—
Insurance claim income	2	2
Other	10	8
Total non-operating income	367	71
Non-operating expenses		
Interest expenses	—	1
Foreign exchange losses	—	147
Commission expenses	0	0
Loss on investments in investment partnerships	22	38
Other	0	6
Total non-operating expenses	23	195
Ordinary profit	1,057	811
Extraordinary income		
Gain on reversal of share acquisition rights	—	3
Gain on sale of investment securities	7	—
Total extraordinary income	7	3
Profit before income taxes	1,064	815
Income taxes - current	321	221
Income taxes - deferred	25	-0
Total income taxes	346	220
Profit	717	594
Profit attributable to owners of parent	717	594