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February 4, 2025

Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2024 (under Japanese GAAP)

Company name: **TAKARA STANDARD CO., LTD.**
 Stock listing: Tokyo Stock Exchange
 Stock code: 7981
 URL: <https://www.takara-standard.co.jp/>
 Representative: Masaru Komori, President
 Inquiries: Kaoru Umeda, Executive Officer in charge of Financial Planning Department and IR
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 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: Yes
 Holding of financial results presentation meeting: None

(Million yen with fractional amounts discarded, unless otherwise noted)

1. Consolidated financial results for the nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)

(1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended								
December 31, 2024	184,316	2.7	12,876	20.1	13,241	19.7	9,052	9.9
December 31, 2023	179,412	3.9	10,718	7.5	11,060	5.8	8,239	5.2

Note: Comprehensive income
 Nine months ended December 31, 2024: ¥9,561 million [4.7%]
 Nine months ended December 31, 2023: ¥9,130 million [15.6%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2024	132.72	–
December 31, 2023	118.58	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
December 31, 2024	274,813	191,668	69.7	2,843.20
March 31, 2024	268,675	187,398	69.7	2,742.27

Reference: Equity
 As of December 31, 2024: ¥191,668 million As of March 31, 2024: ¥187,398 million

2. Dividends

	Annual dividends				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	–	27.00	–	27.00	54.00
Fiscal year ending March 31, 2025	–	28.00	–		
Fiscal year ending March 31, 2025 (Forecasts)				28.00	56.00

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

3. Consolidated earnings forecasts for the fiscal 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		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	239,100	1.9	14,500	16.7	14,700	14.9	9,700	2.1	141.94

(Note) Revisions to the consolidated earnings forecasts most recently announced: None

* Notes

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

(2) Application of special accounting for preparing quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections

a. Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

b. Changes in accounting policies due to other reasons: None

c. Changes in accounting estimates: None

d. Restatement of prior period financial statements after error corrections: None

(4) Number of issued shares (common stock)

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

As of December 31, 2024	68,347,094 shares
As of March 31, 2024	68,347,094 shares

b. Number of treasury shares at the end of the period

As of December 31, 2024	934,188 shares
As of March 31, 2024	9,904 shares

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

Nine months ended December 31, 2024	68,202,821 shares
Nine months ended December 31, 2023	69,485,968 shares

* **Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit corporation: None**

* **Proper use of earnings forecasts, and other special matters**

Forward-looking statements provided in this document, including earnings forecasts, are based on the information currently available to the Company and certain assumptions considered reasonable. Such statements are included without any guarantee as to their future achievement. Actual business and other results may differ materially from the forecasts depending on various factors.

Quarterly Consolidated Financial Statements

(1) Quarterly consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	59,665	58,454
Notes receivable - trade	3,758	2,729
Accounts receivable - trade	33,324	37,960
Electronically recorded monetary claims - operating	34,009	39,093
Merchandise and finished goods	11,640	9,644
Work in process	4,888	4,411
Raw materials and supplies	7,316	6,481
Other	374	1,242
Allowance for doubtful accounts	(6)	(8)
Total current assets	154,972	160,009
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	23,665	23,165
Land	41,933	43,352
Other, net	24,110	25,215
Total property, plant and equipment	89,709	91,732
Intangible assets	2,254	2,083
Investments and other assets		
Investment securities	13,928	13,891
Other	7,818	7,099
Allowance for doubtful accounts	(7)	(3)
Total investments and other assets	21,739	20,987
Total non-current assets	113,703	114,803
Total assets	268,675	274,813

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	16,116	18,173
Electronically recorded obligations - operating	18,382	20,292
Short-term borrowings	7,650	6,750
Income taxes payable	3,263	1,507
Other	15,838	16,158
Total current liabilities	61,251	62,882
Non-current liabilities		
Retirement benefit liability	16,488	16,728
Other	3,536	3,534
Total non-current liabilities	20,025	20,262
Total liabilities	81,276	83,144
Net assets		
Shareholders' equity		
Share capital	26,356	26,356
Capital surplus	30,734	30,734
Retained earnings	122,517	127,789
Treasury shares	(17)	(1,550)
Total shareholders' equity	179,592	183,330
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,464	6,701
Revaluation reserve for land	1,997	2,018
Remeasurements of defined benefit plans	(654)	(382)
Total accumulated other comprehensive income	7,806	8,337
Total net assets	187,398	191,668
Total liabilities and net assets	268,675	274,813

(2) Quarterly consolidated statements of income and consolidated statements of comprehensive income
Quarterly consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Net sales	179,412	184,316
Cost of sales	118,594	120,428
Gross profit	60,817	63,887
Selling, general and administrative expenses	50,099	51,011
Operating profit	10,718	12,876
Non-operating income		
Interest income	3	29
Dividend income	364	385
Other	62	94
Total non-operating income	430	508
Non-operating expenses		
Interest expenses	32	45
Product safety costs	24	25
Non-deductible consumption tax	16	34
Other	13	37
Total non-operating expenses	87	143
Ordinary profit	11,060	13,241
Extraordinary income		
Gain on sale of non-current assets	62	166
Gain on sale of investment securities	1,253	487
Total extraordinary income	1,315	654
Extraordinary losses		
Loss on retirement of non-current assets	280	504
Loss on sale of non-current assets	125	26
Loss on valuation of investment securities	-	214
Impairment losses	16	26
Total extraordinary losses	422	772
Profit before income taxes	11,953	13,123
Income taxes	3,713	4,071
Profit	8,239	9,052
Profit attributable to owners of parent	8,239	9,052

Quarterly consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Profit	8,239	9,052
Other comprehensive income		
Valuation difference on available-for-sale securities	518	237
Remeasurements of defined benefit plans, net of tax	371	271
Total other comprehensive income	890	508
Comprehensive income	9,130	9,561
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	9,130	9,561
Comprehensive income attributable to non-controlling interests	-	-

(3) Quarterly consolidated statements of cash flows

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Cash flows from operating activities		
Profit before income taxes	11,953	13,123
Depreciation	5,294	5,574
Impairment losses	16	26
Increase (decrease) in allowance for doubtful accounts	2	(2)
Increase (decrease) in retirement benefit liability	644	631
Interest and dividend income	(367)	(414)
Interest expenses	32	45
Loss (gain) on sale of investment securities	(1,253)	(487)
Loss (gain) on valuation of investment securities	-	214
Loss (gain) on sale of property, plant and equipment	60	(147)
Loss on retirement of property, plant and equipment	280	504
Decrease (increase) in trade receivables	(9,347)	(8,506)
Decrease (increase) in inventories	(798)	3,308
Increase (decrease) in trade payables	(14,024)	4,201
Other, net	(929)	(1,991)
Subtotal	(8,436)	16,080
Interest and dividends received	367	407
Interest paid	(31)	(50)
Income taxes paid	(3,472)	(5,156)
Net cash provided by (used in) operating activities	(11,573)	11,280
Cash flows from investing activities		
Purchase of investment securities	(15)	(16)
Proceeds from sale of investment securities	1,732	669
Purchase of property, plant and equipment	(6,729)	(7,351)
Proceeds from sale of property, plant and equipment	510	962
Purchase of intangible assets	(407)	(541)
Proceeds from collection of loans receivable	69	4
Other, net	(88)	(39)
Net cash provided by (used in) investing activities	(4,927)	(6,313)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(450)	(900)
Purchase of treasury shares	(3,590)	(1,533)
Dividends paid	(3,675)	(3,746)
Net cash provided by (used in) financing activities	(7,716)	(6,179)
Net increase (decrease) in cash and cash equivalents	(24,217)	(1,211)
Cash and cash equivalents at beginning of period	80,376	59,665
Cash and cash equivalents at end of period	56,159	58,454