

Translation

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

May 11, 2022

Company name: Takakita Co., Ltd.  
 Stock exchange listing: Tokyo, Nagoya  
 Stock code: 6325 URL <http://www.takakita-net.co.jp>  
 Representative: Representative Director and President Mitsuo Matsumoto  
 Division Manager,  
 Inquiries: Corporate Administration Division Atsushi Nakabou TEL 0595-63-3111  
 Scheduled date of ordinary general meeting of shareholders: June 28, 2022  
 Scheduled date to file Securities Report: June 28, 2022  
 Scheduled date to commence dividend payments: June 29, 2022  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: Yes (for institutional investors)

(Amounts less than one million yen are rounded down)

### 1. Non-consolidated financial results for the year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

#### (1) Non-consolidated operating results

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2022	7,026	8.0	529	32.5	593	30.3	400	24.0
Year ended March 31, 2021	6,503	1.1	399	5.5	455	8.2	322	22.9

	Earnings per share	Diluted earnings per share	Profit/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2022	34.75	34.43	6.0	7.1	7.5
Year ended March 31, 2021	27.96	27.74	5.1	5.7	6.1

#### (2) Non-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	8,647	6,899	79.2	595.88
As of March 31, 2021	8,164	6,631	80.7	570.33

#### (3) Non-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	702	(200)	(158)	1,204
Year ended March 31, 2021	399	(272)	(117)	861

### 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Non-consolidated)	Ratio of dividends to net assets (Non-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	—	5.00	—	5.00	10.00	115	35.8	1.8
Year ended March 31, 2022	—	5.00	—	5.00	10.00	114	28.8	1.7
Year ending March 31, 2023 (Forecast)	—	5.00	—	5.00	10.00		38.3	

3. Forecast of non-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		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2022	4,000	5.7	300	(19.7)	315	(19.5)	200	(24.1)	17.40
Full year	7,200	2.5	400	(24.5)	450	(24.2)	300	(25.0)	26.10

4. Notes

(1) 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

(2) 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	14,000,000 shares	As of March 31, 2021	14,000,000 shares
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Number of treasury shares at the end of the period

As of March 31, 2022	2,506,217 shares	As of March 31, 2021	2,451,205 shares
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Average number of shares during the period

Year ended March 31, 2022	11,516,480 shares	Year ended March 31, 2021	11,542,711 shares
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**Non-consolidated financial statements**  
**Non-consolidated balance sheets**

(Thousands of yen)

	As of March 31, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and deposits	861,659	1,204,439
Notes receivable - trade	96,602	110,987
Electronically recorded monetary claims - operating	954,966	1,137,763
Accounts receivable - trade	1,004,245	996,795
Merchandise and finished goods	665,311	781,851
Work in process	141,932	139,389
Raw materials and supplies	290,211	321,661
Prepaid expenses	11,422	11,812
Accounts receivable - other	529,537	365,848
Advance payments to suppliers	22,040	2,709
Other	766	1,371
Total current assets	4,578,696	5,074,629

(Thousands of yen)

	As of March 31, 2021	As of March 31, 2022
Non-current assets		
Property, plant and equipment		
Buildings	1,978,226	1,998,404
Accumulated depreciation	(929,353)	(987,793)
Buildings, net	1,048,873	1,010,610
Structures	350,105	354,505
Accumulated depreciation	(254,274)	(269,594)
Structures, net	95,830	84,910
Machinery and equipment	2,400,426	2,396,030
Accumulated depreciation	(2,028,859)	(2,096,247)
Machinery and equipment, net	371,566	299,783
Vehicles	90,895	90,264
Accumulated depreciation	(86,862)	(86,860)
Vehicles, net	4,032	3,403
Tools, furniture and fixtures	734,700	758,230
Accumulated depreciation	(681,056)	(702,437)
Tools, furniture and fixtures, net	53,643	55,792
Land	562,140	559,638
Leased assets	5,689	36,357
Accumulated depreciation	(2,482)	(6,782)
Leased assets, net	3,207	29,574
Construction in progress	3,300	–
Total property, plant and equipment	2,142,594	2,043,713
Intangible assets		
Software	111,818	209,475
Software in progress	33,620	–
Total intangible assets	145,438	209,475
Investments and other assets		
Investment securities	933,264	956,791
Investments in capital	7,260	7,260
Investments in capital of subsidiaries and associates	152,512	152,512
Long-term prepaid expenses	12,579	10,038
Guarantee deposits	992	1,042
Leasehold deposits	5,757	5,340
Investment property	175,180	175,180
Other	11,083	12,202
Allowance for doubtful accounts	(786)	(666)
Total investments and other assets	1,297,844	1,319,702
Total non-current assets	3,585,877	3,572,891
Total assets	8,164,574	8,647,520

(Thousands of yen)

	As of March 31, 2021	As of March 31, 2022
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes payable - trade	5,172	5,264
Electronically recorded obligations - operating	352,963	502,242
Accounts payable - trade	293,037	354,762
Short-term borrowings	70,000	70,000
Accounts payable - other	48,938	54,712
Accrued expenses	162,034	162,286
Income taxes payable	36,333	151,283
Accrued consumption taxes	72,446	13,865
Contract liabilities	–	38,218
Advances received	41,180	–
Deposits received	16,344	9,229
Provision for bonuses	106,763	113,945
Notes payable - facilities	308	–
Electronically recorded obligations-facilities	70,103	24,337
Lease liabilities	1,241	6,882
<b>Total current liabilities</b>	<b>1,276,867</b>	<b>1,507,029</b>
<b>Non-current liabilities</b>		
Long-term guarantee deposits	11,088	11,088
Lease liabilities	1,966	22,691
Provision for retirement benefits	236,977	175,923
Provision for retirement benefits for directors (and other officers)	4,700	4,100
Deferred tax liabilities	1,397	27,062
<b>Total non-current liabilities</b>	<b>256,130</b>	<b>240,866</b>
<b>Total liabilities</b>	<b>1,532,998</b>	<b>1,747,896</b>

(Thousands of yen)

	As of March 31, 2021	As of March 31, 2022
Net assets		
Shareholders' equity		
Share capital	1,350,000	1,350,000
Capital surplus		
Legal capital surplus	825,877	825,877
Other capital surplus	4,155	6,319
Total capital surplus	830,032	832,196
Retained earnings		
Legal retained earnings	204,500	204,500
Other retained earnings		
General reserve	4,000,000	4,200,000
Retained earnings brought forward	405,484	490,388
Total retained earnings	4,609,984	4,894,888
Treasury shares	(612,725)	(649,492)
Total shareholders' equity	6,177,291	6,427,592
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	409,173	420,717
Deferred gains or losses on hedges	129	625
Total valuation and translation adjustments	409,303	421,342
Share acquisition rights	44,981	50,689
Total net assets	6,631,575	6,899,624
Total liabilities and net assets	8,164,574	8,647,520

## Non-consolidated statements of income

(Thousands of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Net sales		
Net sales of finished goods	6,054,373	6,584,508
Net sales of goods	449,510	441,565
Total net sales	6,503,884	7,026,073
Cost of sales		
Beginning merchandise inventory	51,837	33,443
Beginning finished goods inventory	804,195	631,868
Cost of purchased goods	383,268	395,628
Cost of products manufactured	3,963,906	4,531,670
Total	5,203,208	5,592,610
Ending merchandise inventory	33,443	46,582
Ending finished goods inventory	631,868	735,268
Transfer to other account	10,042	3,693
Transfer from other account	10,357	21,830
Total cost of sales	4,538,212	4,828,896
Gross profit	1,965,672	2,197,177
Selling, general and administrative expenses	1,565,809	1,667,410
Operating profit	399,862	529,766
Non-operating income		
Interest income	7	4
Dividend income	34,344	38,604
Rental income from real estate	23,252	23,385
Insurance claim income	485	452
Miscellaneous income	5,382	7,907
Total non-operating income	63,472	70,354

(Thousands of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Non-operating expenses		
Interest expenses	243	245
Donations	62	62
Rental costs on real estate	4,123	4,198
Sales discounts	3,274	–
Loss on cancellation of leases	–	2,000
Other	231	287
Total non-operating expenses	7,934	6,793
Ordinary profit	455,400	593,327
Extraordinary income		
Gain on sale of non-current assets	–	542
Total extraordinary income	–	542
Extraordinary losses		
Loss on abandonment of non-current assets	–	142
Loss on retirement of non-current assets	28,831	–
Impairment losses	–	2,502
Loss on valuation of investment securities	2,769	–
Total extraordinary losses	31,601	2,644
Profit before income taxes	423,798	591,225
Income taxes - current	86,590	177,608
Income taxes - deferred	14,416	13,475
Total income taxes	101,007	191,083
Profit	322,791	400,142



## Non-consolidated statements of changes in equity

Fiscal year ended March 31, 2021

(Thousands of yen)

	Shareholders' equity									
	Share capital	Capital surplus			Retained earnings				Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings		
			Profit from Disposition of Treasury Shares			General reserve	Retained earnings brought forward			
Balance at beginning of period	1,350,000	825,877	–	825,877	204,500	3,850,000	348,081	4,402,581	(617,636)	5,960,822
Cumulative effects of changes in accounting policies										–
Restated balance	1,350,000	825,877	–	825,877	204,500	3,850,000	348,081	4,402,581	(617,636)	5,960,822
Changes during period										
Provision of general reserve						150,000	(150,000)	–		–
Dividends of surplus							(115,388)	(115,388)		(115,388)
Profit							322,791	322,791		322,791
Purchase of treasury shares									(88)	(88)
Exercise of share acquisition rights			4,155	4,155					5,000	9,155
Net changes in items other than shareholders' equity										
Total changes during period	–	–	4,155	4,155	–	150,000	57,402	207,402	4,911	216,468
Balance at end of period	1,350,000	825,877	4,155	830,032	204,500	4,000,000	405,484	4,609,984	(612,725)	6,177,291

	Valuation and translation adjustments			Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments		
Balance at beginning of period	213,444	(71)	213,372	43,116	6,217,311
Cumulative effects of changes in accounting policies					–
Restated balance	213,444	(71)	213,372	43,116	6,217,311
Changes during period					
Provision of general reserve					–
Dividends of surplus					(115,388)
Profit					322,791
Purchase of treasury shares					(88)
Exercise of share acquisition rights				(9,135)	20
Net changes in items other than shareholders' equity	195,729	201	195,930	11,000	206,930
Total changes during period	195,729	201	195,930	1,865	414,264
Balance at end of period	409,173	129	409,303	44,981	6,631,575

Fiscal year ended March 31, 2022

(Thousands of yen)

	Shareholders' equity									
	Share capital	Capital surplus			Retained earnings				Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings		
			Profit from Disposition of Treasury Shares			General reserve	Retained earnings brought forward			
Balance at beginning of period	1,350,000	825,877	4,155	830,032	204,500	4,000,000	405,484	4,609,984	(612,725)	6,177,291
Cumulative effects of changes in accounting policies							(25)	(25)		(25)
Restated balance	1,350,000	825,877	4,155	830,032	204,500	4,000,000	405,459	4,609,959	(612,725)	6,177,266
Changes during period										
Provision of general reserve						200,000	(200,000)	-		-
Dividends of surplus							(115,212)	(115,212)		(115,212)
Profit							400,142	400,142		400,142
Purchase of treasury shares									(39,267)	(39,267)
Exercise of share acquisition rights			2,164	2,164					2,500	4,664
Net changes in items other than shareholders' equity										
Total changes during period	-	-	2,164	2,164	-	200,000	84,929	284,929	(36,767)	250,326
Balance at end of period	1,350,000	825,877	6,319	832,196	204,500	4,200,000	490,388	4,894,888	(649,492)	6,427,592

	Valuation and translation adjustments			Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments		
Balance at beginning of period	409,173	129	409,303	44,981	6,631,575
Cumulative effects of changes in accounting policies					(25)
Restated balance	409,173	129	409,303	44,981	6,631,550
Changes during period					
Provision of general reserve					–
Dividends of surplus					(115,212)
Profit					400,142
Purchase of treasury shares					(39,267)
Exercise of share acquisition rights				(4,654)	10
Net changes in items other than shareholders' equity	11,543	495	12,039	10,362	22,401
Total changes during period	11,543	495	12,039	5,708	268,073
Balance at end of period	420,717	625	421,342	50,689	6,899,624

## Non-consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Cash flows from operating activities		
Profit before income taxes	423,798	591,225
Depreciation	280,457	243,604
Impairment losses	–	2,502
Loss (gain) on valuation of investment securities	2,769	–
Share-based payment expenses	11,000	10,362
Increase (decrease) in provision for retirement benefits	(77,377)	(61,053)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(1,640)	(600)
Increase (decrease) in provision for bonuses	6,798	7,181
Interest and dividend income	(34,352)	(38,609)
Interest expenses	243	245
Loss on abandonment of property, plant and equipment	–	142
Loss (gain) on sale of property, plant and equipment	–	(542)
Loss on retirement of property, plant and equipment	28,831	–
Loss on cancellation of leases	–	2,000
Decrease (increase) in trade receivables	(488,795)	(21,018)
Decrease (increase) in inventories	254,315	(145,446)
Increase (decrease) in trade payables	116,542	230,427
Increase (decrease) in accrued consumption taxes	(16,562)	(58,280)
Other, net	(17,971)	(27,672)
Subtotal	488,058	734,467
Interest and dividends received	23,030	35,568
Interest paid	(244)	(244)
Income taxes paid	(111,618)	(67,701)
Net cash provided by (used in) operating activities	399,225	702,090
Cash flows from investing activities		
Purchase of property, plant and equipment	(245,521)	(101,492)
Proceeds from sale of property, plant and equipment	117	542
Purchase of intangible assets	(44,699)	(116,109)
Proceeds from rental of investment property	23,252	23,385
Proceeds from collection of loans receivable	110	120
Other, net	(5,344)	(7,070)
Net cash provided by (used in) investing activities	(272,086)	(200,624)
Cash flows from financing activities		
Purchase of treasury shares	(88)	(39,463)
Dividends paid	(115,728)	(114,931)
Repayments of lease liabilities	(1,241)	(4,300)
Other, net	20	10
Net cash provided by (used in) financing activities	(117,039)	(158,685)
Net increase (decrease) in cash and cash equivalents	10,100	342,780
Cash and cash equivalents at beginning of period	851,558	861,659
Cash and cash equivalents at end of period	861,659	1,204,439