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November 1, 2022

## Summary of Consolidated Financial Results for the Six Months Ended September 30, 2022 (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: Takeo Watanabe, President  
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Scheduled date to file quarterly securities report: November 11, 2022  
 Scheduled date to commence dividend payments: November 30, 2022  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results presentation meeting: None

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

### 1. Consolidated financial results for the six months ended September 30, 2022 (from April 1, 2022 to September 30, 2022)

#### (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	%
Six months ended								
September 30, 2022	110,096	8.4	6,086	(21.1)	6,390	(19.9)	4,150	(23.5)
September 30, 2021	101,601	13.0	7,714	114.0	7,979	107.0	5,424	115.8

Note: Comprehensive income  
 Six months ended September 30, 2022: ¥4,564 million [(21.3)%]  
 Six months ended September 30, 2021: ¥5,798 million [30.1%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2022	57.32	–
September 30, 2021	74.17	–

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
September 30, 2022	278,187	180,765	65.0	2,547.53
March 31, 2022	276,838	181,415	65.5	2,480.47

Reference: Equity  
 As of September 30, 2022: ¥180,765 million      As of March 31, 2022: ¥181,415 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, 2022	–	20.00	–	32.00	52.00
Fiscal year ending March 31, 2023	–	26.00			
Fiscal year ending March 31, 2023 (Forecasts)			–	26.00	52.00

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

Breakdown of year-end dividend for the fiscal year ended March 31, 2022: Ordinary dividend of ¥26.00, and commemorative dividend of ¥6.00 (110th anniversary commemorative dividend)

## 3. Consolidated earnings forecasts for the fiscal 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		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	217,600	2.8	12,300	(14.8)	12,700	(14.5)	8,200	(24.8)	112.12

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

### \* Notes

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): 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: None
  - 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 September 30, 2022	73,937,194 shares
As of March 31, 2022	73,937,194 shares

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

As of September 30, 2022	2,979,756 shares
As of March 31, 2022	799,457 shares

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

Six months ended September 30, 2022	72,410,947 shares
Six months ended September 30, 2021	73,137,797 shares

\* **Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.**

\* **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, 2022	As of September 30, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	88,607	79,029
Notes receivable - trade	5,366	5,402
Accounts receivable - trade	30,392	34,315
Electronically recorded monetary claims - operating	27,490	29,345
Merchandise and finished goods	10,574	13,075
Work in process	3,045	3,589
Raw materials and supplies	4,642	5,337
Other	357	1,554
Allowance for doubtful accounts	(18)	(19)
Total current assets	170,456	171,628
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	25,104	24,637
Land	37,389	36,927
Other, net	19,957	21,146
Total property, plant and equipment	82,451	82,710
Intangible assets	1,700	1,557
Investments and other assets		
Investment securities	13,411	13,675
Other	8,827	8,623
Allowance for doubtful accounts	(8)	(8)
Total investments and other assets	22,230	22,290
Total non-current assets	106,382	106,558
Total assets	276,838	278,187

(Millions of yen)

	As of March 31, 2022	As of September 30, 2022
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	18,194	20,153
Electronically recorded obligations - operating	27,683	30,757
Short-term borrowings	9,700	8,100
Income taxes payable	3,204	2,234
Other	14,811	14,530
Total current liabilities	73,593	75,776
Non-current liabilities		
Retirement benefit liability	18,362	18,170
Other	3,467	3,475
Total non-current liabilities	21,829	21,645
<b>Total liabilities</b>	<b>95,422</b>	<b>97,421</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	26,356	26,356
Capital surplus	30,736	30,736
Retained earnings	120,753	122,522
Treasury shares	(934)	(3,808)
Total shareholders' equity	176,912	175,808
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,231	5,409
Revaluation reserve for land	1,897	1,937
Remeasurements of defined benefit plans	(2,624)	(2,388)
Total accumulated other comprehensive income	4,503	4,957
Total net assets	181,415	180,765
<b>Total liabilities and net assets</b>	<b>276,838</b>	<b>278,187</b>

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

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Net sales	101,601	110,096
Cost of sales	64,415	72,338
Gross profit	37,185	37,758
Selling, general and administrative expenses	29,471	31,672
Operating profit	7,714	6,086
Non-operating income		
Interest income	1	3
Dividend income	251	265
Other	54	86
Total non-operating income	307	355
Non-operating expenses		
Interest expenses	31	26
Product safety costs	–	10
Other	10	14
Total non-operating expenses	42	51
Ordinary profit	7,979	6,390
Extraordinary income		
Gain on sale of non-current assets	87	117
Gain on sale of investment securities	11	–
Total extraordinary income	98	117
Extraordinary losses		
Loss on retirement of non-current assets	173	243
Loss on sale of non-current assets	10	141
Loss on valuation of investment securities	3	7
Impairment losses	56	34
110th anniversary expenses	–	68
Total extraordinary losses	243	495
Profit before income taxes	7,834	6,012
Income taxes	2,409	1,862
Profit	5,424	4,150
Profit attributable to owners of parent	5,424	4,150

**Quarterly consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Profit	5,424	4,150
Other comprehensive income		
Valuation difference on available-for-sale securities	137	177
Deferred gains or losses on hedges	3	–
Remeasurements of defined benefit plans, net of tax	231	236
Total other comprehensive income	373	413
Comprehensive income	5,798	4,564
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,798	4,564
Comprehensive income attributable to non-controlling interests	–	–