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November 4, 2021

## Summary of Consolidated Financial Results for the Six Months Ended September 30, 2021 (under Japanese GAAP)

Company name: **TAKARA STANDARD CO., LTD.**  
 Stock listing: First Section of the Tokyo Stock Exchange  
 Stock code: 7981  
 URL: <https://www.takara-standard.co.jp/>  
 Representative: Takeo Watanabe, President  
 Inquiries: Kaoru Umeda, Executive Officer and General Manager of Accounting Department,  
 Administration Division  
 URL: [https://forms.takara-standard.co.jp/webapp/form/22048\\_aqgb\\_6/index.do](https://forms.takara-standard.co.jp/webapp/form/22048_aqgb_6/index.do)

Scheduled date to file quarterly securities report: November 11, 2021  
 Scheduled date to commence dividend payments: November 30, 2021  
 Preparation of supplementary material on quarterly financial results: None  
 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, 2021 (from April 1, 2021 to September 30, 2021)

#### (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, 2021	101,601	13.0	7,714	114.0	7,979	107.0	5,424	115.8
September 30, 2020	89,911	–	3,605	(56.6)	3,854	(55.1)	2,513	(57.2)

Note: Comprehensive income  
 Six months ended September 30, 2021: ¥5,798 million [30.1%]  
 Six months ended September 30, 2020: ¥4,457 million [(18.1)%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2021	74.17	–
September 30, 2020	34.37	–

The Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) and related standards from the beginning of the first quarter ended June 30, 2021, and the consolidated operating results for the six months ended September 30, 2020 are retrospectively restated. However, in accordance with the transitional treatment, the percentage of year-on-year change of net sales for the six months ended September 30, 2020, is not shown.

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of				
September 30, 2021	268,677	179,864	66.9	2,459.26
March 31, 2021	258,652	175,310	67.8	2,396.98

Reference: Equity  
 As of September 30, 2021: ¥179,864 million      As of March 31, 2021: ¥175,310 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, 2021	–	17.00	–	17.00	34.00
Fiscal year ending March 31, 2022	–	20.00			
Fiscal year ending March 31, 2022 (Forecasts)			–	20.00	40.00

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

## 3. Consolidated earnings forecasts for the fiscal year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

(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	202,300	5.8	14,000	27.7	14,400	26.4	9,400	23.9	128.52

(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: 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 September 30, 2021	73,937,194 shares
As of March 31, 2021	73,937,194 shares

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

As of September 30, 2021	799,397 shares
As of March 31, 2021	799,397 shares

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

Six months ended September 30, 2021	73,137,797 shares
Six months ended September 30, 2020	73,138,232 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, 2021	As of September 30, 2021
<b>Assets</b>		
Current assets		
Cash and deposits	74,719	78,468
Notes and accounts receivable - trade	39,405	36,275
Electronically recorded monetary claims - operating	19,308	26,494
Merchandise and finished goods	8,744	9,925
Work in process	2,730	2,802
Raw materials and supplies	3,632	3,842
Other	261	1,441
Allowance for doubtful accounts	(16)	(18)
<b>Total current assets</b>	<b>148,785</b>	<b>159,230</b>
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	26,184	25,615
Land	39,558	39,249
Other, net	17,498	17,870
<b>Total property, plant and equipment</b>	<b>83,240</b>	<b>82,736</b>
Intangible assets	1,937	1,883
Investments and other assets		
Investment securities	16,816	17,014
Other	7,891	7,825
Allowance for doubtful accounts	(19)	(13)
<b>Total investments and other assets</b>	<b>24,688</b>	<b>24,826</b>
<b>Total non-current assets</b>	<b>109,867</b>	<b>109,447</b>
<b>Total assets</b>	<b>258,652</b>	<b>268,677</b>

(Millions of yen)

	As of March 31, 2021	As of September 30, 2021
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	17,116	18,404
Electronically recorded obligations - operating	20,620	23,763
Short-term borrowings	9,700	9,700
Income taxes payable	1,542	2,915
Other	13,979	13,722
Total current liabilities	62,958	68,505
Non-current liabilities		
Retirement benefit liability	18,524	18,452
Other	1,859	1,854
Total non-current liabilities	20,384	20,306
Total liabilities	83,342	88,812
<b>Net assets</b>		
Shareholders' equity		
Share capital	26,356	26,356
Capital surplus	30,736	30,736
Retained earnings	114,296	118,432
Treasury shares	(934)	(934)
Total shareholders' equity	170,455	174,591
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,173	7,311
Deferred gains or losses on hedges	(3)	-
Revaluation reserve for land	613	658
Remeasurements of defined benefit plans	(2,928)	(2,696)
Total accumulated other comprehensive income	4,854	5,273
Total net assets	175,310	179,864
Total liabilities and net assets	258,652	268,677

**(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, 2020	Six months ended September 30, 2021
Net sales	89,911	101,601
Cost of sales	57,909	64,415
Gross profit	32,002	37,185
Selling, general and administrative expenses	28,396	29,471
Operating profit	3,605	7,714
Non-operating income		
Interest income	2	1
Dividend income	239	251
Other	47	54
Total non-operating income	289	307
Non-operating expenses		
Interest expenses	31	31
Other	8	10
Total non-operating expenses	40	42
Ordinary profit	3,854	7,979
Extraordinary income		
Gain on sale of non-current assets	17	87
Gain on sale of investment securities	–	11
Total extraordinary income	17	98
Extraordinary losses		
Loss on retirement of non-current assets	139	173
Loss on sale of non-current assets	0	10
Loss on valuation of investment securities	–	3
Impairment losses	88	56
Total extraordinary losses	228	243
Profit before income taxes	3,643	7,834
Income taxes	1,129	2,409
Profit	2,513	5,424
Profit attributable to owners of parent	2,513	5,424

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

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Profit	2,513	5,424
Other comprehensive income		
Valuation difference on available-for-sale securities, net of tax	1,728	137
Deferred gains or losses on hedges, net of tax	1	3
Remeasurements of defined benefit plans, net of tax	214	231
Total other comprehensive income	1,943	373
Comprehensive income	4,457	5,798
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,457	5,798
Comprehensive income attributable to non- controlling interests	—	—