

TAKARA STANDARD CO. LTD.

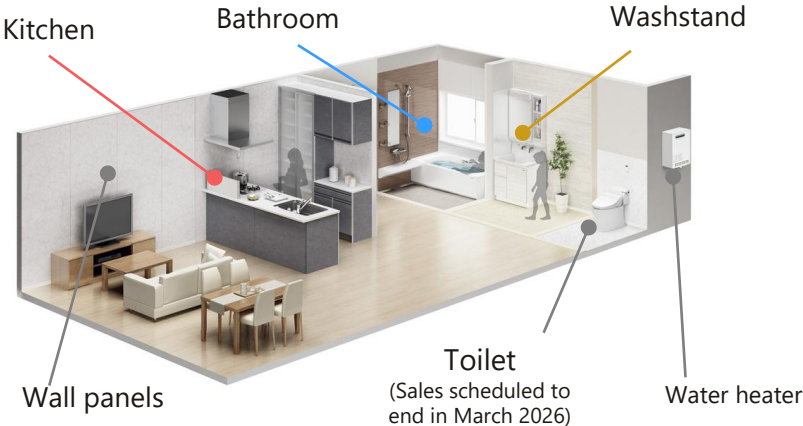
Q2 and H1 FYE3/2026 Results

November 6, 2025

Stock Code
7981

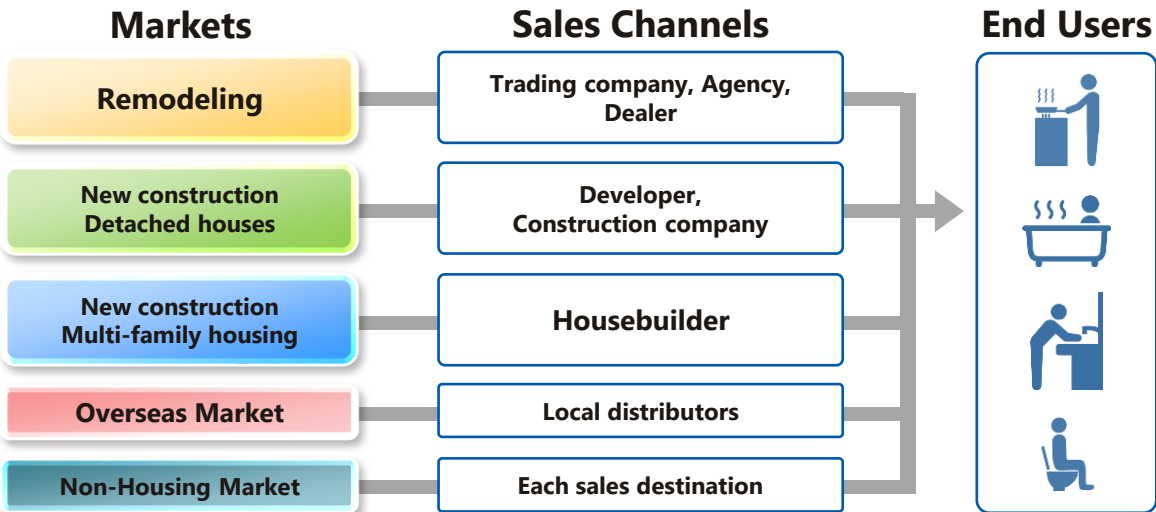
Takara standard

A comprehensive housing equipment manufacturer that develops products using proprietary materials such as high-grade enamel.

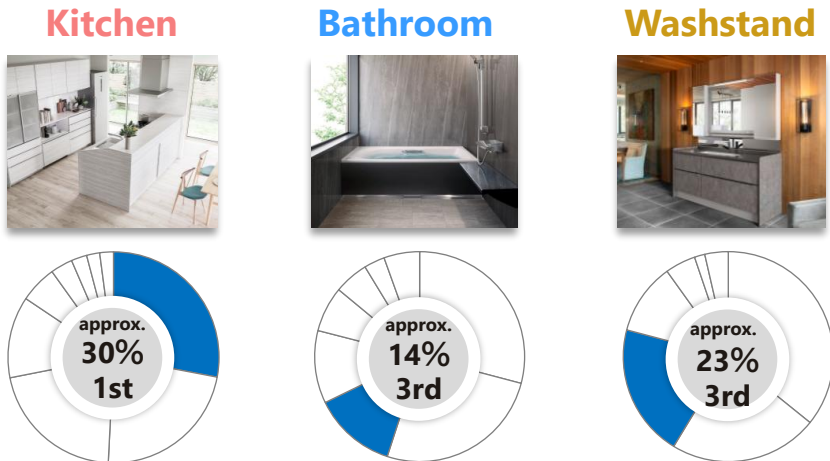


Company name	TAKARA STANDARD Co., Ltd.
Head office	1-2-1 Shigino-higashi, Joto-ku, Osaka 536-8536, Japan
Established	May 30, 1912
President	Masaru Komori
Listing	Prime Market, Tokyo Stock Exchange (Stock code: 7981)
Performance (consolidated)	Net sales : ￥243.3billion operating margin : ￥15.6billion (FYE3/2025)
Employees (consolidated)	6,560 (as of March 31, 2025)

We operate mainly in the renovation market, new construction detached houses and multi-family housing market.



Our Share (Based on Revenue)



As of Fiscal Year 2024, according to our company's research

Overview of Results for H1 FYE3/2026

Net sales reached a record high, all profits increased by more than 46% YoY.

Net Sales: ¥123.1billion(+6.2% YoY) **Operating Profit : ¥8.7billion**(+46.3% YoY)

- Sales increased due to strong performance in both detached houses and multi-family housing in the new construction market.
- All profits increased significantly, driven by higher net sales, improved gross margin, and cost control.

Earnings Forecasts for Full-Year FYE3/2026 (revise upward)

Based on H1 results, Full-Year forecasts were revised upward.

Net sales and each profits are expected to reach record high.

Net sales: ¥250.0billion(+2.7% YoY) **Operating profit: ¥17.5billion**(+11.9% YoY)

- Sales growth in new detached houses and multi-family housing, along with cost savings from more efficient production and reduced inventory.

As a step toward achieving ROE of 8.0%, the Company targets 6.7% for the next fiscal year.

Shareholder Returns

**Annual dividend to increase by ¥22 YoY to ¥100,
interim and year-end ¥50 each, payout ratio around 50%**

- Share buybacks of approximately ¥22billion are planned for this and next fiscal year (total payout ratio at around 130%).
- Progress for the first half of the current fiscal year is ¥5.5billion

1. Overview of Financial Results H1 FYE3/2026

PP. 4 ~ 11

2. Earnings Forecasts Full-Year FYE3/2026

PP. 13 ~ 20

3. Appendix

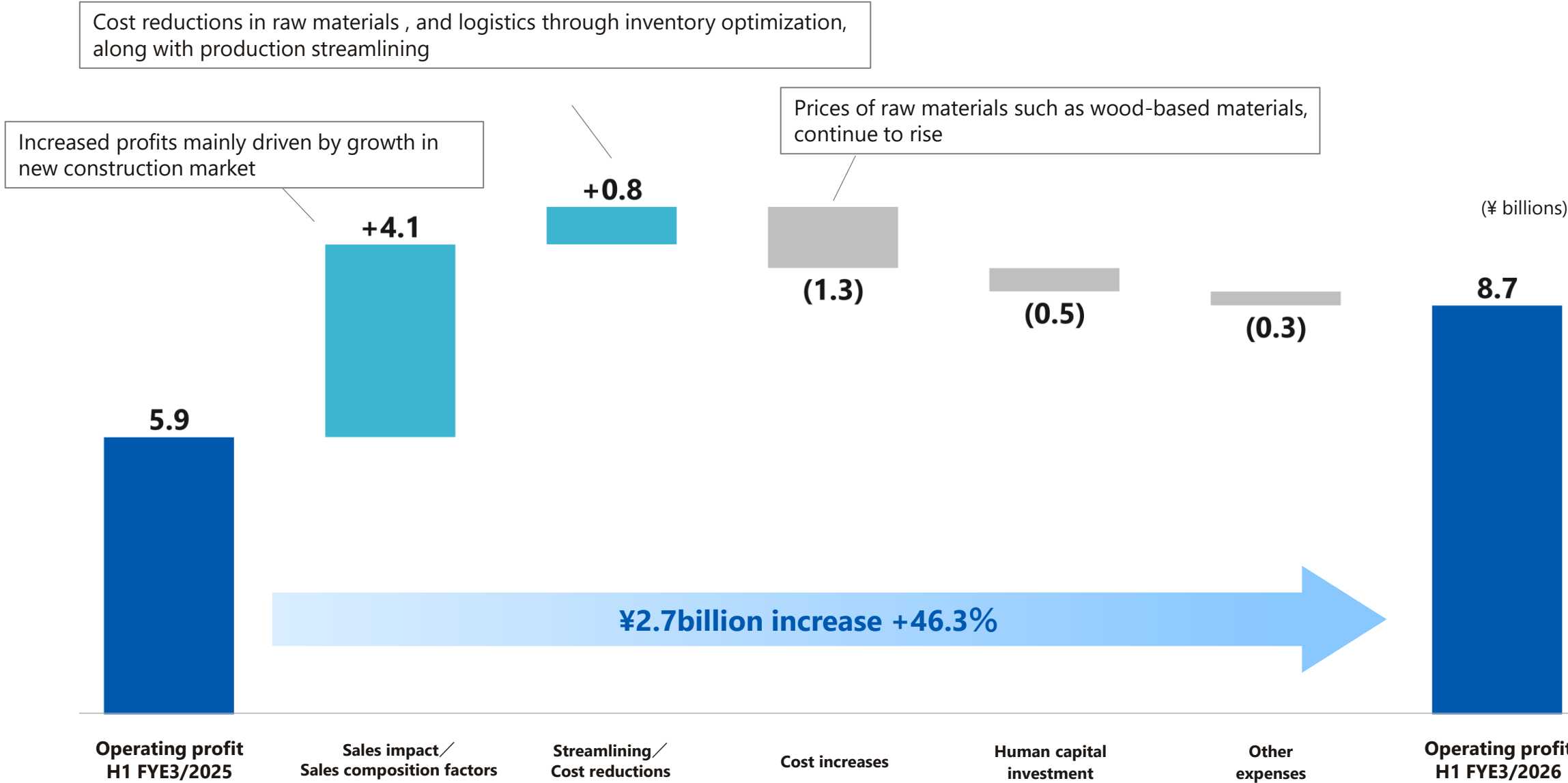
PP. 22 ~ 34

Net Sales reached a record high in H1, with substantial growth in profits across all levels. The main drivers were higher sales, increased gross profit from options, and cost savings through efficiency measures.

(¥ billions)

	H1 FYE3/2025		H1 FYE3/2026			
	Results	% of sales	Results	% of sales	Change	% change
Net sales	115.9	100.0%	123.1	100.0%	+7.1	+6.2%
Gross profit	39.6	34.2%	43.2	35.1%	+3.5	+9.0%
SG&A	33.6	29.1%	34.4	28.0%	+0.7	+2.4%
Operating profit	5.9	5.1%	8.7	7.1%	+2.7	+46.3%
Ordinary profit	6.1	5.3%	9.0	7.3%	+2.8	+46.8%
Profit attributable to owners of parent	3.8	3.3%	6.9	5.6%	+3.0	+79.0%

Analysis of Change in Operating Profit



New Construction Detached houses

- Improved unit prices driven by strong sales of optional items , and the positive impact of rush demand ahead of the April 2025 revision to the Building Standards Act

New Construction Multi-family housing

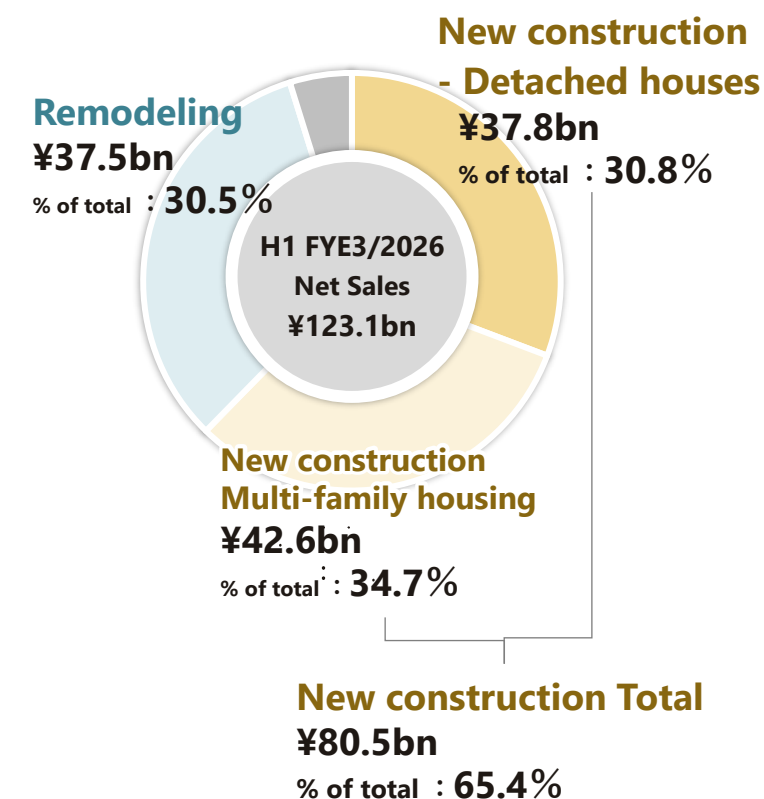
- Steady demand in the Tokyo metropolitan and other major urban areas, along with higher unit prices from options, also contributed to sales growth

Remodeling

- Net Sales showed a slight increase. Despite continued enhancements to core products and customer-focused proposals, industry-wide demand remained sluggish

(¥ billions)

		H1 FYE3/2025		H1 FYE3/2026			
		Results	% of total	Results	% of total	Change	% change
New construction	Detached houses	34.7	29.9%	37.8	30.8%	+3.1	+9.1%
	Multi-family housing	38.6	33.3%	42.6	34.7%	+4.0	+10.6%
	Total	73.3	63.2%	80.5	65.4%	+7.2	+9.9%
Remodeling		37.4	32.3%	37.5	30.5%	+0.1	+0.3%
Total incl. others		115.9	100.0%	123.1	100.0%	+7.1	+6.2%



Net Sales by Product Category

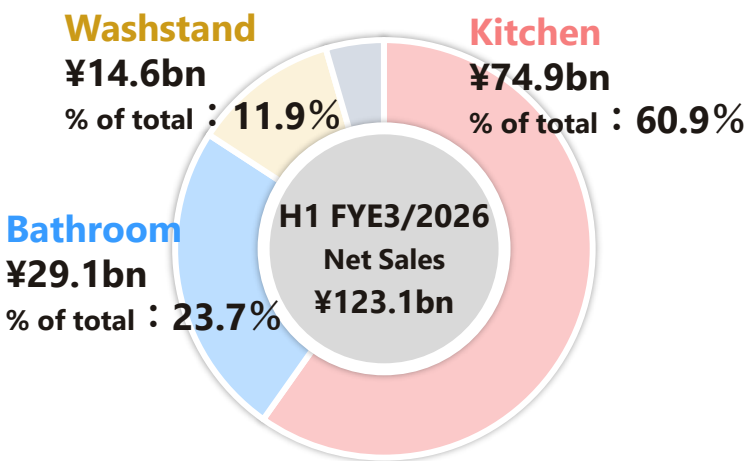
Sales increased across all product segments, supported by strong performance in each market.
 Sales of washstands rose substantially, supported by greater adoption in new construction detached houses and multi-family housing.

(¥ billions)

	H1 FYE3/2025		H1 FYE3/2026			
	Results	% of total	Results	% of total	Change	% change
Kitchen	70.1	60.5%	74.9	60.9%	+4.8	+6.9%
Bathroom	27.9	24.1%	29.1	23.7%	+1.1	+4.3%
Washstand	13.1	11.4%	14.6	11.9%	+1.4	+11.3%
Total incl. others	115.9	100.0%	123.1	100.0%	+7.1	+6.2%

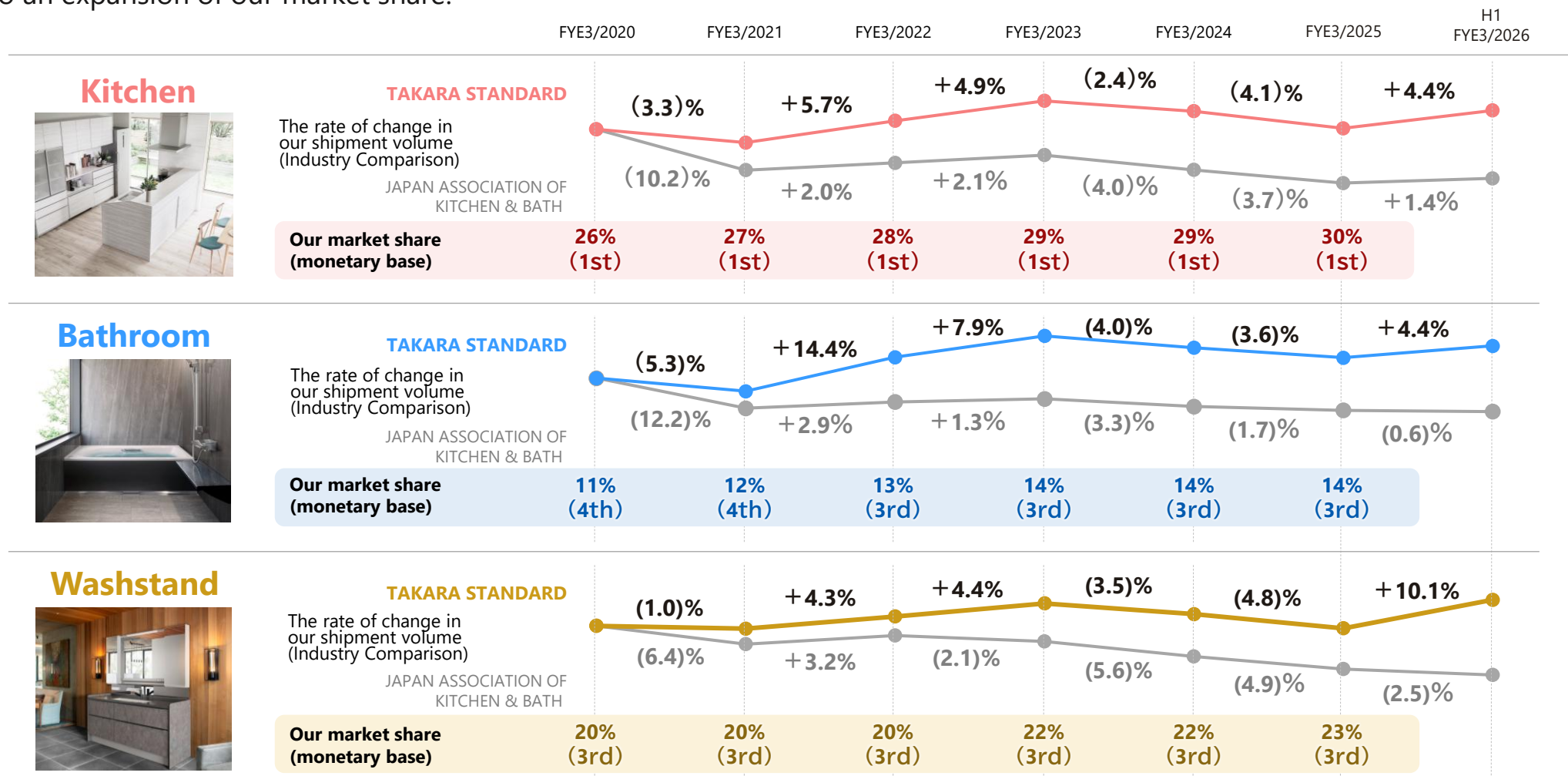
【New business-related Sales : within total】

Glass Frit	1.1	1.0%	1.2	1.0%	+0.0	+6.6%
Panel-related sales	0.3	0.3%	0.3	0.3%	(0.0)	(11.8)%
Overseas business sales	0.5	0.5%	0.5	0.5%	(0.0)	(4.2)%



Shipment Growth Rate and Changes in our market share

In H1 of the current fiscal year, our shipment volume outpaced the industry level(as per the JAPAN ASSOCIATION OF KITCHEN & BATH) YoY, driven by strong sales in the new construction market. Compared to FYE3/2020 levels, our all products segments exceeded industry level, leading to an expansion of our market share.



* Figures for the JAPAN ASSOCIATION OF KITCHEN & BATH are YoY percentage changes in the total numbers of Kitchens Modular Bathrooms and Washstands.

* Industry share is based on our own research.

			H1 FYE3/2026		
Net sales (¥ billions)			Kitchen 74.9	Bathroom 29.1	Washstand 14.6
Each Sales as % of Total					
YoY Change in Net Sales	New construction	Detached houses	+ 9.1%	+ 9.2%	+ 13.3%
		Multi- family housing	+ 9.8%	+ 8.7%	+ 14.7%
		Total	+ 9.5%	+ 9.1%	+ 14.4%
	Remodeling		+ 0.5%	+ 1.0%	+ 2.4%

Consolidated Balance Sheet

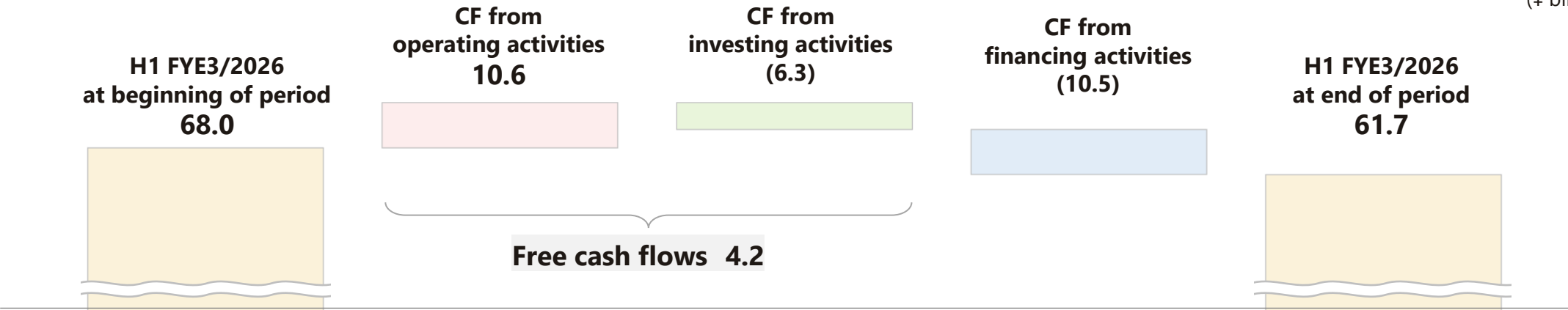
Takara standard

(¥ billions)

		End-Mar. 2025	End-Sep. 2025	Change	Main Items	
Assets	Current assets	160.3	157.5	(2.8)	Cash and deposits	(6.3)
					Accounts and Notes receivable	+1.7
					Inventories	+0.6
	Noncurrent assets	116.5	119.7	+3.2	Property plant and equipment	+2.3
Total assets		276.9	277.3	+0.4		
Liabilities	Current liabilities	63.0	64.9	+1.8	Accounts Payable	+3.4
					Short-term borrowings	(1.6)
	Noncurrent liabilities	19.3	19.2	(0.0)		
Total liabilities		82.4	84.1	+1.7		
Total net assets		194.5	193.1	(1.3)	Interim retained earnings	+6.9
					Dividends	(3.3)
					Purchase of treasury shares	(5.5)
Total liabilities and net assets		276.9	277.3	+0.4		

Consolidated Cash Flows

(¥ billions)



	H1 FYE3/2025	H1 FYE3/2026	Main Items
Cash and cash equivalents at beginning of period	59.6	68.0	
Cash flows from operating activities	9.1	10.6	Profit before income taxes 10.0
Cash flows from investing activities	(5.2)	(6.3)	Purchase of property, plant and equipment (8.1) Proceeds from sale of property, plant and equipment +1.3
Free cash flows	3.9	4.2	
Cash flows from financing activities	(1.8)	(10.5)	Net decrease in short-term borrowings (1.6) Purchase of treasury shares (5.5) Dividends paid (3.3)
Cash and cash equivalents at end of period	61.7	61.7	

1. Overview of Financial Results H1 FYE3/2026

PP. 4 ~ 11

2. Earnings Forecasts Full-Year FYE3/2026

PP. 13 ~ 20

3. Appendix

PP. 22 ~ 34

Japan's domestic economy

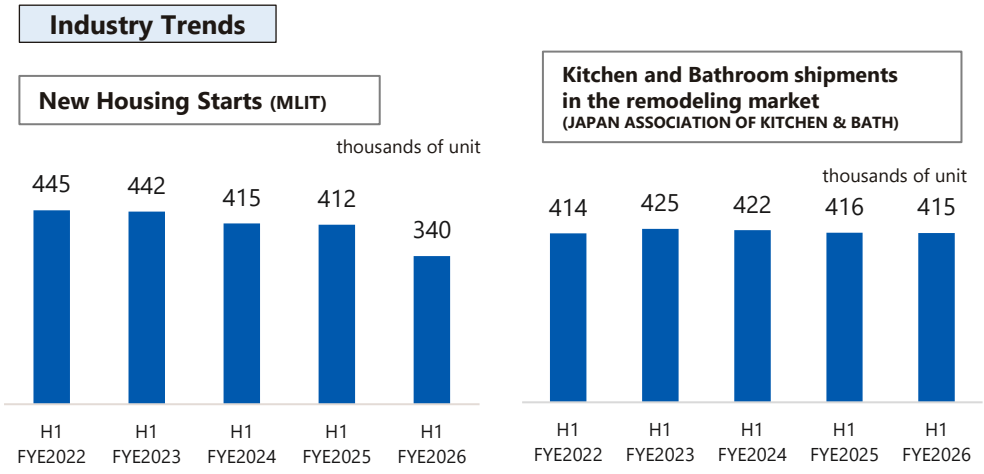
It continued to recover moderately, supported by improvements in employment and income conditions. However, the outlook remains uncertain due to persistent inflation, U.S. trade policies, and rising geopolitical risks. Although raw material prices have stabilized recently, they remain at a high level.

Japan's housing market

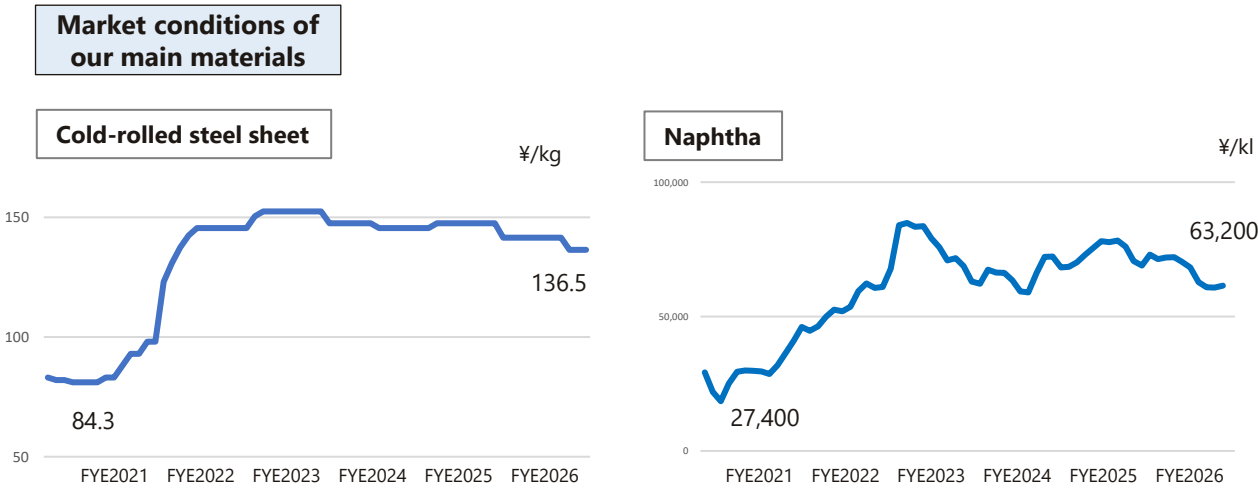
Housing starts declined significantly for both detached houses and multi-family housing, reflecting a recoil from last-minute demand ahead of the revised Building Standards Act implemented in April 2025. Since the index serves as a leading indicator for our business, we will continue to monitor future trends, but we expect the impact on performance to be neutral due to the offsetting effects of pre-revision demand and its recoil. The renovation market has recently shown some weakness, although we expect a gradual recovery supported by Japan's large existing housing stock.

Foreign exchange rates and Tariffs

At present, the majority of our sales are to the domestic market, and most of our procurement is from domestic suppliers. Accordingly, while foreign exchange rates and tariffs may have some indirect impact, their direct effect on our business remains limited.



Note: Fiscal year ends in March



Earnings Forecasts for FYE3/2026

Revised upward on Nov.6, 2025

Takara standard

Remodeling sales are expected to increase slightly, despite challenging market conditions. Meanwhile, new construction—both detached houses and multi-family housing—is projected to exceed last year's results and the initial forecast for the full year.

As a result, total sales have been revised upward by ¥3.0bn from the initial forecast.

Profits are expected to rise in line with higher sales.

ROE is projected at 6.7%. While improving performance, the Company aims to significantly expand shareholder returns, which will lead to a reduction in net assets.

(¥ billions)

	FYE3/2025 Results	FYE3/2026 Initial forecast	FYE3/2026 Revised forecast	YoY		Vs. initial forecast	
				Change	% change	Change	% change
Net sales	243.3	247.0	250.0	+6.6	+2.7%	+3.0	+1.2%
Operating profit	15.6	17.2	17.5	+1.8	+11.9%	+0.3	+1.7%
Operating profit ratio	6.4%	7.0%	7.0%	+0.6PP	—	+0.0PP	—
Ordinary profit	16.0	17.5	17.8	+1.7	+11.2%	+0.3	+1.7%
Profit attributable to owners of parent	11.0	12.8	13.0	+1.9	+17.2%	+0.2	+1.6%
ROE	5.8%	6.7%	6.7%	+0.9PP	—	+0.0PP	—

[H2 forecast by market]

New construction detached houses

The plan is conservative compared with H1, reflecting some concerns over a rebound from revisions to the Building Standards Act

New construction multi-family housing

Sales are expected to be in line with the previous year, but profits may see some recoil as last year’s H2 option sales were exceptionally strong

Remodeling

Overall industry growth is expected to remain weak, but the Company aims to increase units sold through stronger proposals

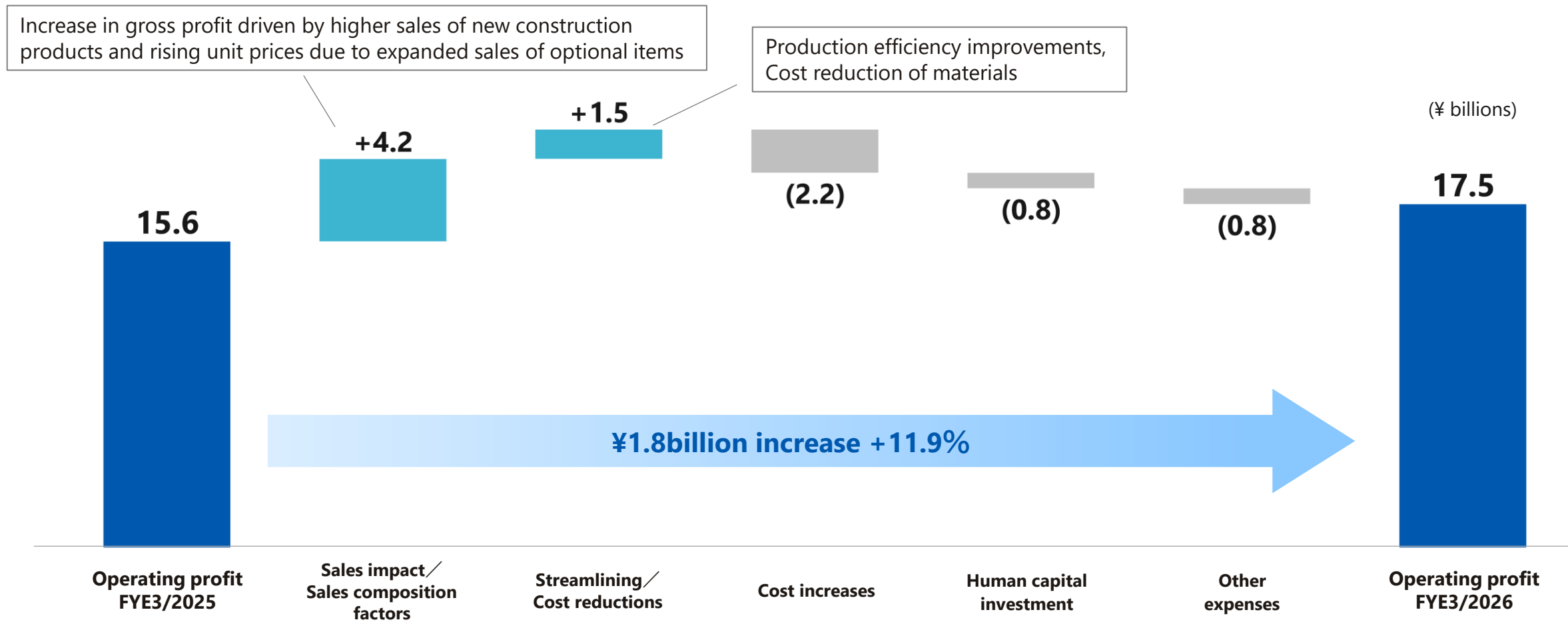
(¥ billions)

	FYE3/2026													
	H1 results					H2 forecast					Full-Year forecast			
	Results	% of sales	Change	% change	% of total	Results	% of sales	Change	% change	% of total	Results	% of sales	Change	% change
Net sales	123.1	100.0%	+7.1	+6.2%	49.3%	126.8	100.0%	(0.5)	(0.4)%	50.7%	250.0	100.0%	+6.6	+2.7%
Operating profit	8.7	7.1%	+2.7	+46.3%	49.8%	8.7	6.9%	(0.8)	(9.2)%	50.2%	17.5	7.0%	+1.8	+11.9%
Ordinary profit	9.0	7.3%	+2.8	+46.8%	50.6%	8.7	6.9%	(1.0)	(10.9)%	49.4%	17.8	7.1%	+1.7	+11.2%
Profit attributable to owners of parent	6.9	5.6%	+3.0	+79.0%	53.5%	6.0	4.8%	(1.1)	(16.0)%	46.5%	13.0	5.2%	+1.9	+17.2%
ROE											6.7%+0.9PP			

Breakdown of projected Operating Profit

Revised upward on Nov.6, 2025

Takara standard



Planned capital Investment of ¥12.3bn for the FYE3/2026

Aggressive investment is planned, including production-related investments of ¥7.6bn and other IT-related investments for the purpose of improvement of productivity and further growth.

(¥ billions)

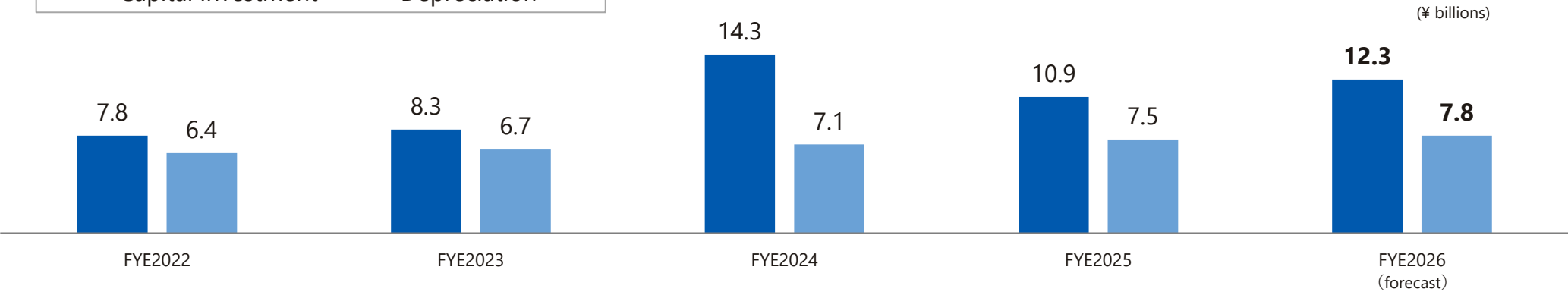
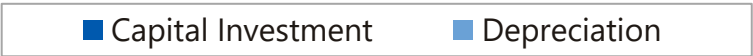
	Plan for FYE3/2026
Capital Investment	12.3
Depreciation	7.8



Breakdown of major areas

(¥ billions)

Item	Results	Main details
Production related	7.6	investment in production efficiency through automation and labor saving, expansion of production facilities and other measures to increase production, etc.
Information system-related	1.7	IT-related investments (promotion of DX, etc.)
Building/office related	1.6	Office environment improvement, building maintenance and management, etc.



Note: Fiscal year ends in March

To achieve ROE of 8% for the FYE3/2027, the shareholder return policy will be revised to a more proactive approach.

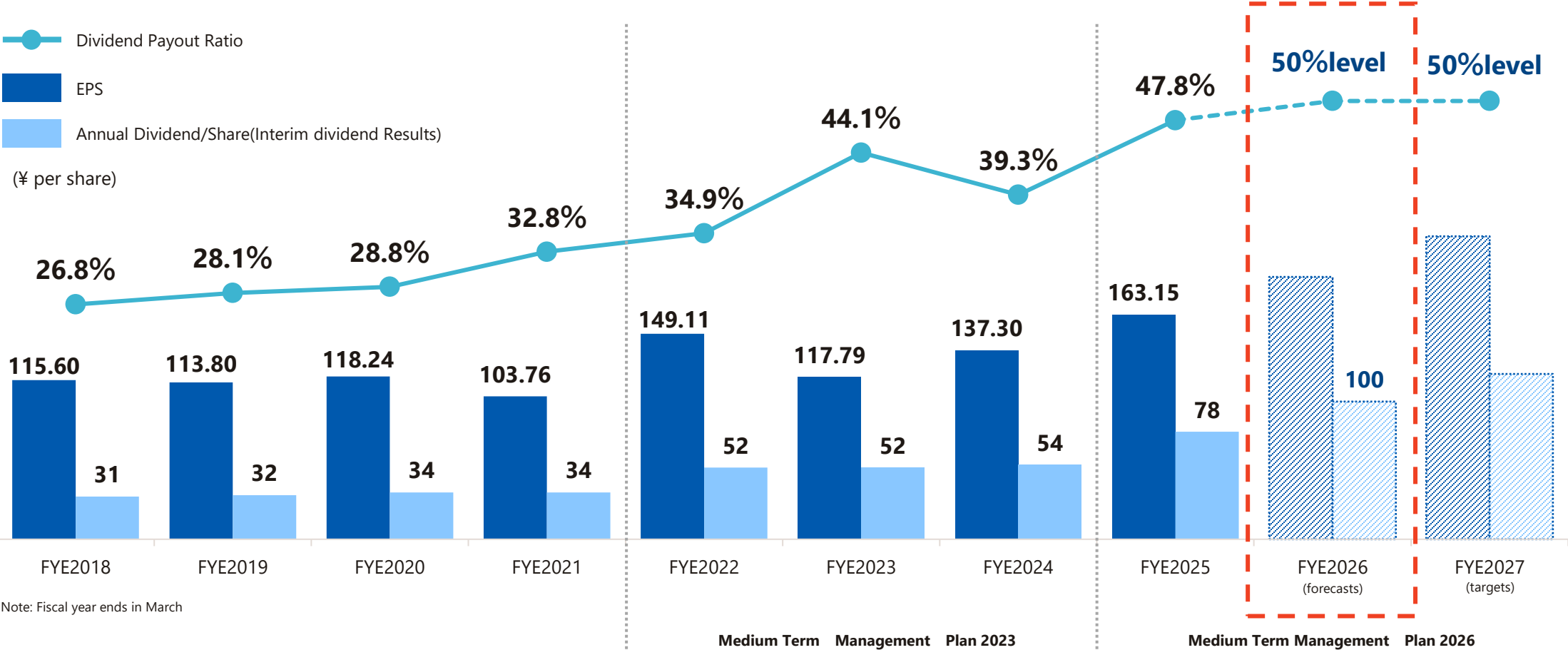
Shareholder Return policy		After Revision
Shareholder Return policy	Dividend	Dividend payout ratio of 50%, ~¥20.0bn over three years of the current plan, progressive dividend linked to profit growth
	Purchase treasury shares	FYE3/2026 to 2027 Purchase of ~¥22.0bn worth of treasury stock (~¥24.0bn over three years of the current medium term management plan)
Concept of Shareholder Return		In addition to the above, during the current medium term management plan period, we will actively utilize shareholder returns through both dividends and purchase treasury shares to achieve an ROE of 8%.

For the period following the completion of the medium term management plan 2026 (FYE3/2027), the decisions will be based on the financial situation and investment projects at that time. However, the targets for FYE3/2031, including the KPI of 10% ROE and the improvement of stock price, will be strongly considered in making those decisions.

Shareholders Return Policy – Dividend Payout Ratio

The dividend per share remains unchanged, while the payout ratio has been revised in line with the updated earnings forecast

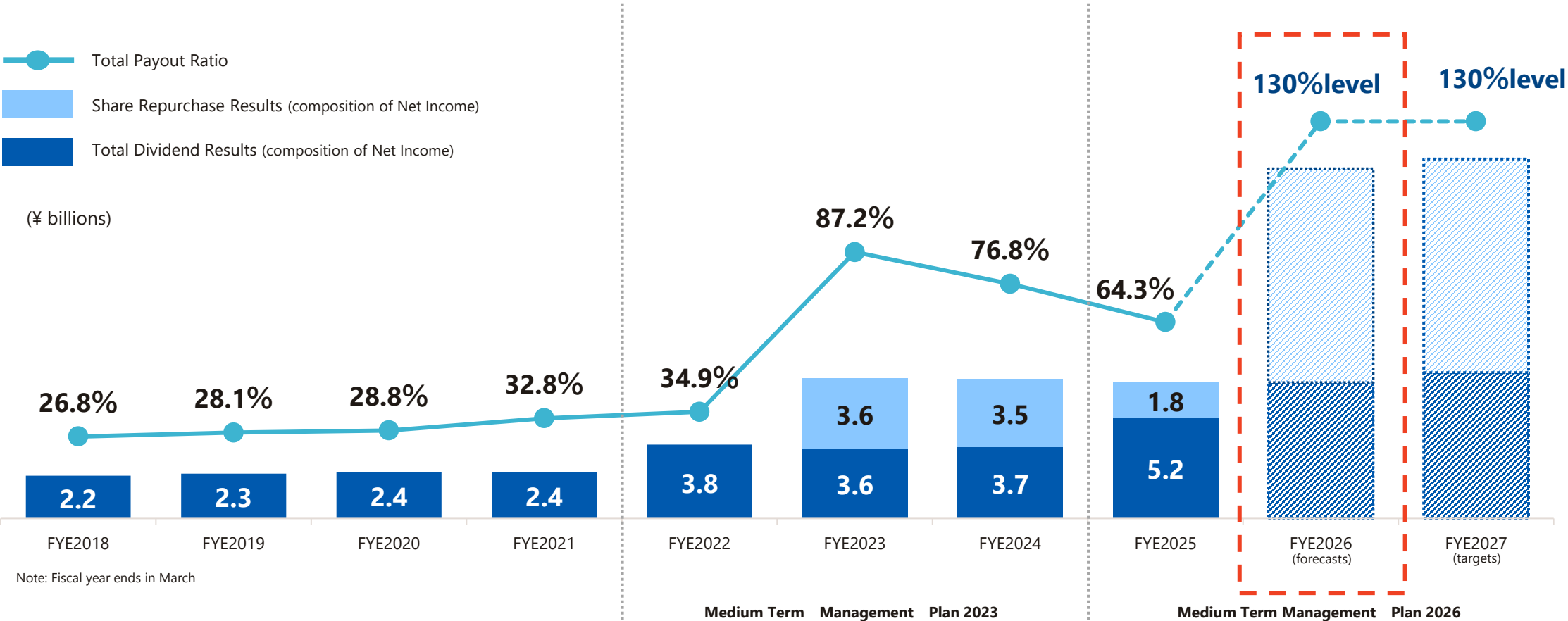
- ✓ The annual dividend for FYE3/2026 will be ¥100 per share, including an interim dividend of ¥50, representing an increase of ¥22 from the previous fiscal year.
- ✓ We have maintained a policy of stable dividends and have not reduced dividends for 33 consecutive terms, excluding commemorative dividends.
- ✓ Going forward, we will continue to focus on EPS growth while strongly emphasizing on direct shareholder returns.



Shareholders Return Policy - Total Payout Ratio

The total payout ratio has been revised in line with the updated earnings forecast

- ✓ Since the previous medium-term management plan, we have actively executed share buyback, maintaining a high total payout ratio.
- ✓ Meanwhile, considering our current financial position, we will further accelerate share buyback to achieve our ROE target of 8% and to reach a PBR of 1.0 or higher at an early stage.
- ✓ For the next and following fiscal years, we have set a total payout ratio target of 130%, aiming to reduce net assets.
- ✓ We plan to conduct a share buyback totaling approximately ¥11.0bn in the current fiscal year, with ¥5.5bn had repurchased in the H1.



1. Overview of Financial Results H1 FYE3/2026 PP. 4 ~ 11

2. Earnings Forecasts Full-Year FYE3/2026 PP. 13 ~ 20

3. Appendix PP. 22 ~ 34

First-time participation in the “Nikkei/TSE IR Fair 2025” for individual investors



- As part of efforts to strengthen IR activities for individual investors, the Company exhibited for the first time at the “Nikkei/TSE IR Fair 2025,” Japan’s largest event for individual investors, held on September 26–27.

Hosted an overseas PR event at Obaku-san Manpuku-ji Temple, a national treasure



- Having launched full-scale overseas expansion in 2015, the Company aims for ¥10bn in sales by FYE3/2031.
- Invited renowned international influencers to promote enamel kitchens and enhance brand recognition in global markets.

Launched an extended warranty service for our products



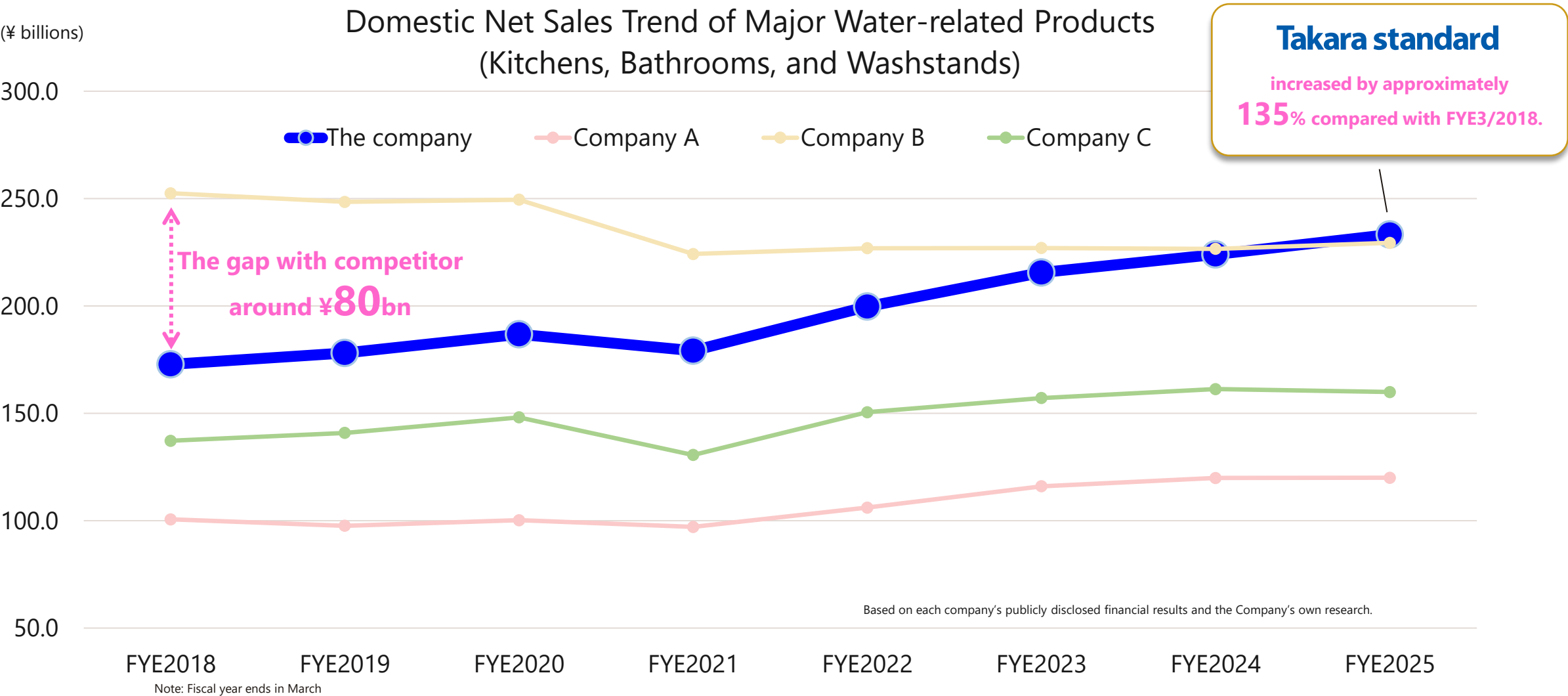
- To ensure long-term peace of mind, the “Takara Standard Extended Warranty Service” offers coverage of up to 10 years starting in October, including not only main units but also accessories such as range hoods.

Model update for enamel washstand “Famile”



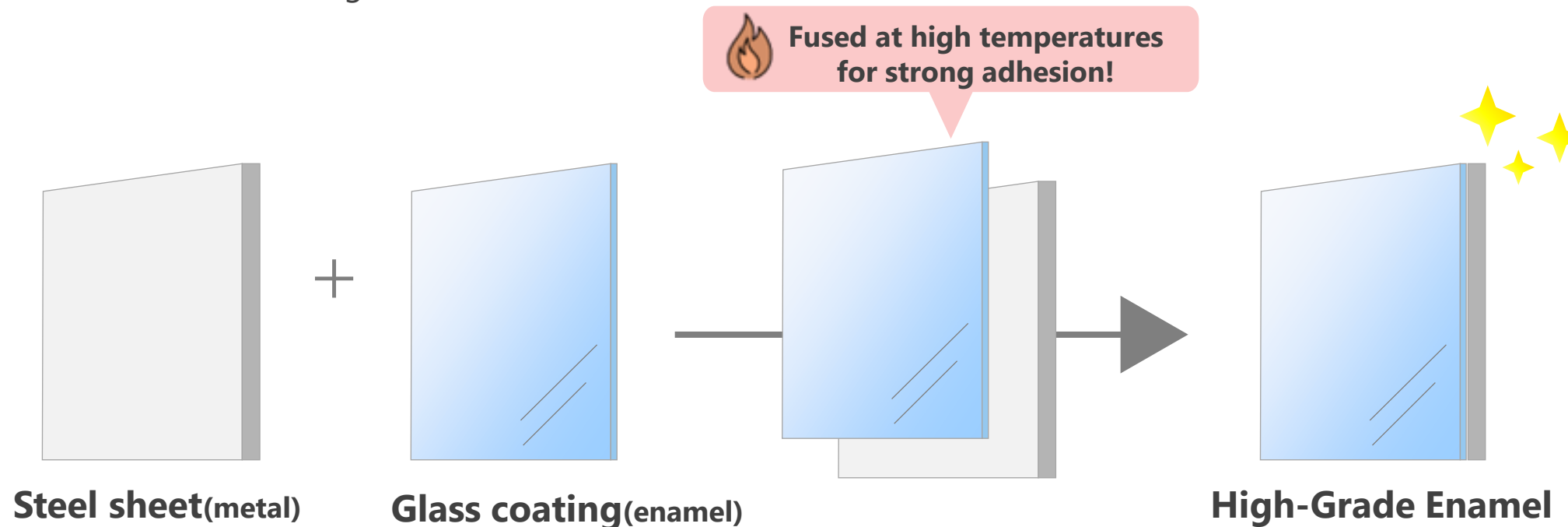
- On August 25, the Company updated its core washstand model “Famile” enhancing counter variations, offering 1 cm adjustable width plans, and introducing touchless drain plugs to meet diverse washroom style needs.

Achieved the No.1 position in total sales of kitchens, bathrooms, and washstands in Japan for FYE3/2025.

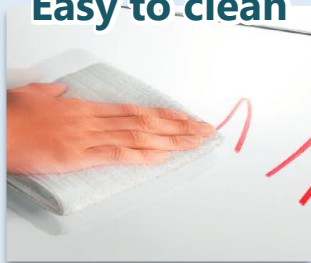


What is enamel?

A composite material created by fusing a glass coating onto a metal surface. It combines the strength of metal with the beauty of glass, making it an ideal material that maximizes the advantages of both.



Easy to clean



Moisture-resistant



Scratch-resistant



Heat-resistant



Magnet-friendly



Odor-resistant

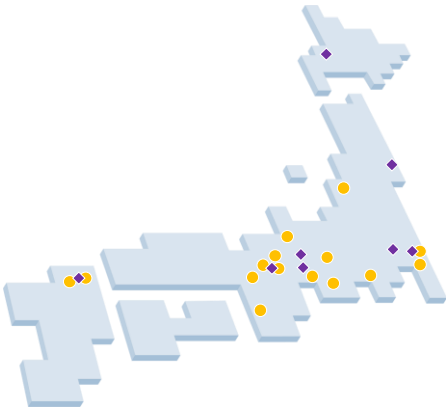


Produces a wide range of products tailored to customer needs, supported by regional production and logistics bases

✓ Production and logistics capacity to handle large-scale projects

✓ Diversified locations to mitigate risks such as natural disasters

15 production sites



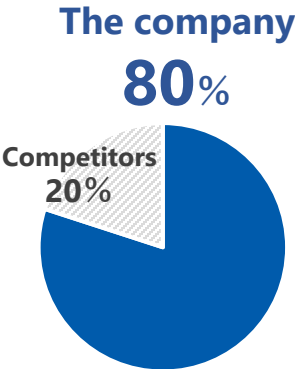
8 logistics centers



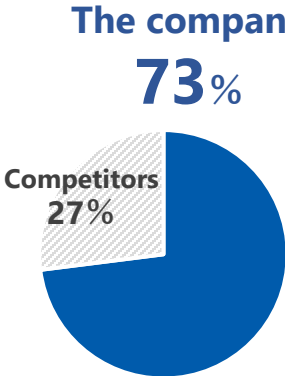
Highly regarded by business partners, holding a strong market share for kitchens and washstands in new multi-family housing



Kitchens (units sold)

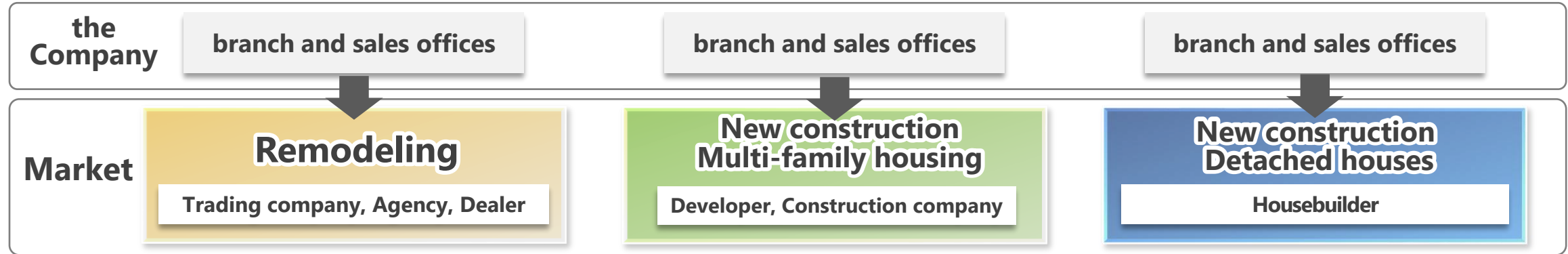


Washstands (units sold)



Shipment unit share in the new multi-family housing market (for sale) – FYE3/2025, based on the Company's research

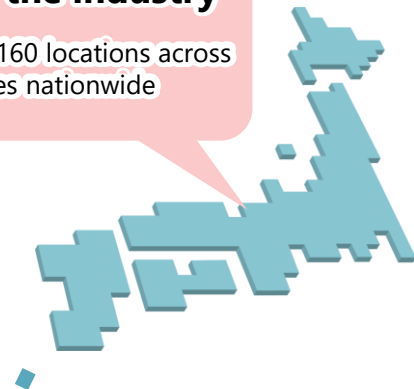
Dedicated sales organizations are assigned to each market segment, enabling attentive and well-coordinated sales activities.



We operate community-based showrooms where customers can see, touch, and be convinced of our products.

Largest in the industry

Approximately 160 locations across all 47 prefectures nationwide



Provides web content useful for gathering information on remodeling



An organization of remodeling stores partnered with the Company, possessing proven track records and extensive experience. Customers can find partners for water-related remodeling projects.



(¥ billions)

	FYE3/2025				FYE3/2026							
	Q1 (Apr.-Jun.)		Q2 (Jul.-Sept.)		Q1 (Apr.-Jun.)				Q2 (Jul.-Sept.)			
	Results	% of total	Results	% of total	Results	% of total	Change	% change	Results	% of total	Change	% change
Net sales	57.3	100.0%	58.6	100.0%	61.3	100.0%	+4.0	+7.1%	61.7	100.0%	+3.1	+5.3%
Gross profit	19.7	34.5%	19.8	33.9%	21.4	34.9%	+1.6	+8.4%	21.7	35.2%	+1.8	+9.5%
SG&A	16.6	29.1%	17.0	29.0%	17.2	28.1%	+0.5	+3.3%	17.2	27.9%	+0.2	+1.4%
Operating profit	3.0	5.4%	2.8	4.9%	4.2	6.9%	+1.1	+35.8%	4.5	7.3%	+1.6	+57.6%
Ordinary profit	3.2	5.7%	2.8	4.9%	4.4	7.3%	+1.1	+36.3%	4.5	7.3%	+1.6	+58.9%
Profit attributable to owners of parent	2.0	3.6%	1.8	3.1%	3.0	5.0%	+1.0	+48.7%	3.8	6.3%	+2.0	+113.6%

(¥ billions)

		FYE3/2025				FYE3/2026							
		Q1 (Apr.-Jun.)		Q2 (Jul.-Sept.)		Q1 (Apr.-Jun.)				Q2 (Jul.-Sept.)			
		Results	% of total	Results	% of total	Results	% of total	Change	% change	Results	% of total	Change	% change
New construction	Detached houses	17.1	29.9%	17.6	30.0%	19.2	31.4%	+2.1	+12.6%	18.6	30.1%	+1.0	+5.7%
	Multi-family housing	18.2	31.8%	20.3	34.8%	20.0	32.7%	+1.8	+10.2%	22.6	36.6%	+2.2	+11.0%
	Total	35.3	61.6%	37.9	64.8%	39.3	64.1%	+4.0	+11.4%	41.2	66.8%	+3.2	+8.5%
Remodeling		19.4	33.9%	17.9	30.7%	19.6	31.9%	+0.1	+0.9%	17.9	29.0%	(0.0)	(0.4)%
Total incl. others		57.3	100.0%	58.6	100.0%	61.3	100.0%	+4.0	+7.1%	61.7	100.0%	+3.1	+5.3%

Net Sales by Product Category QoQ Comparison

(¥ billions)

	FYE3/2025				FYE3/2026							
	Q1 (Apr.-Jun.)		Q2 (Jul.-Sept.)		Q1 (Apr.-Jun.)				Q2 (Jul.-Sept.)			
	Results	% of total	Results	% of total	Results	% of total	Change	% change	Results	% of total	Change	% change
Kitchen	34.2	59.7%	35.9	61.3%	36.8	60.0%	+2.6	+7.6%	38.1	61.8%	+2.2	+6.2%
Bathroom	14.2	24.9%	13.6	23.3%	15.1	24.8%	+0.9	+6.5%	13.9	22.6%	+0.2	+2.0%
Washstand	6.4	11.3%	6.7	11.5%	7.1	11.7%	+0.6	+10.8%	7.5	12.2%	+0.7	+11.8%
Total incl. others	57.3	100.0%	58.6	100.0%	61.3	100.0%	+4.0	+7.1%	61.7	100.0%	+3.1	+5.3%

【New business-related Sales : within total】

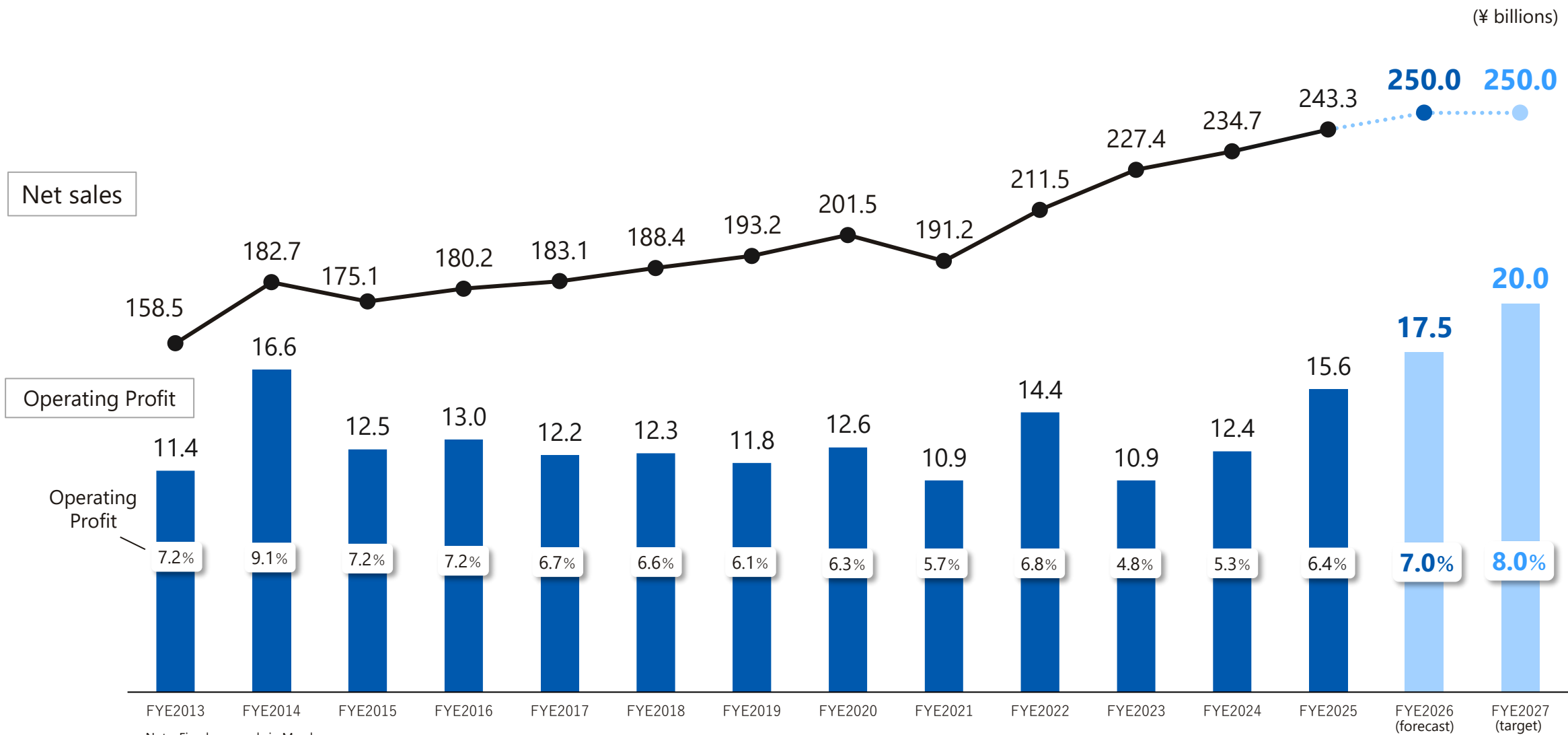
Glass Frit	0.6	1.1%	0.5	1.0%	0.6	1.1%	+0.0	+4.0%	0.6	1.0%	+0.0	+9.3%
Panel-related sales	0.1	0.3%	0.2	0.3%	0.1	0.3%	(0.0)	(1.4)%	0.1	0.3%	(0.0)	(19.9)%
Overseas business sales	0.2	0.5%	0.3	0.5%	0.2	0.4%	(0.0)	(3.0)%	0.2	0.5%	(0.0)	(5.2)%

			FYE3/2025 - actuals		
Net sales (¥ billions)			Kitchen 149.0	Bathroom 55.7	Washstand 28.6
Each Sales as % of Total			Remodeling 22.7% New construction Multi-family housing 40.8% New construction - Detached houses 33.9%	57.3% 7.6% 33.8%	20.0% 19.0% 58.6%
YoY Change in Net Sales	New construction	Detached houses	+ 8.1%	+ 7.9%	+ 0.2%
		Multi- family housing	+ 10.4%	+ 19.6%	+ 10.5%
		Total	+ 9.4%	+ 9.8%	+ 7.8%
	Remodeling		(5.1)%	(3.4)%	(2.5)%

Historical Trends in Net sales and Operating

Revised upward on Nov.6, 2025

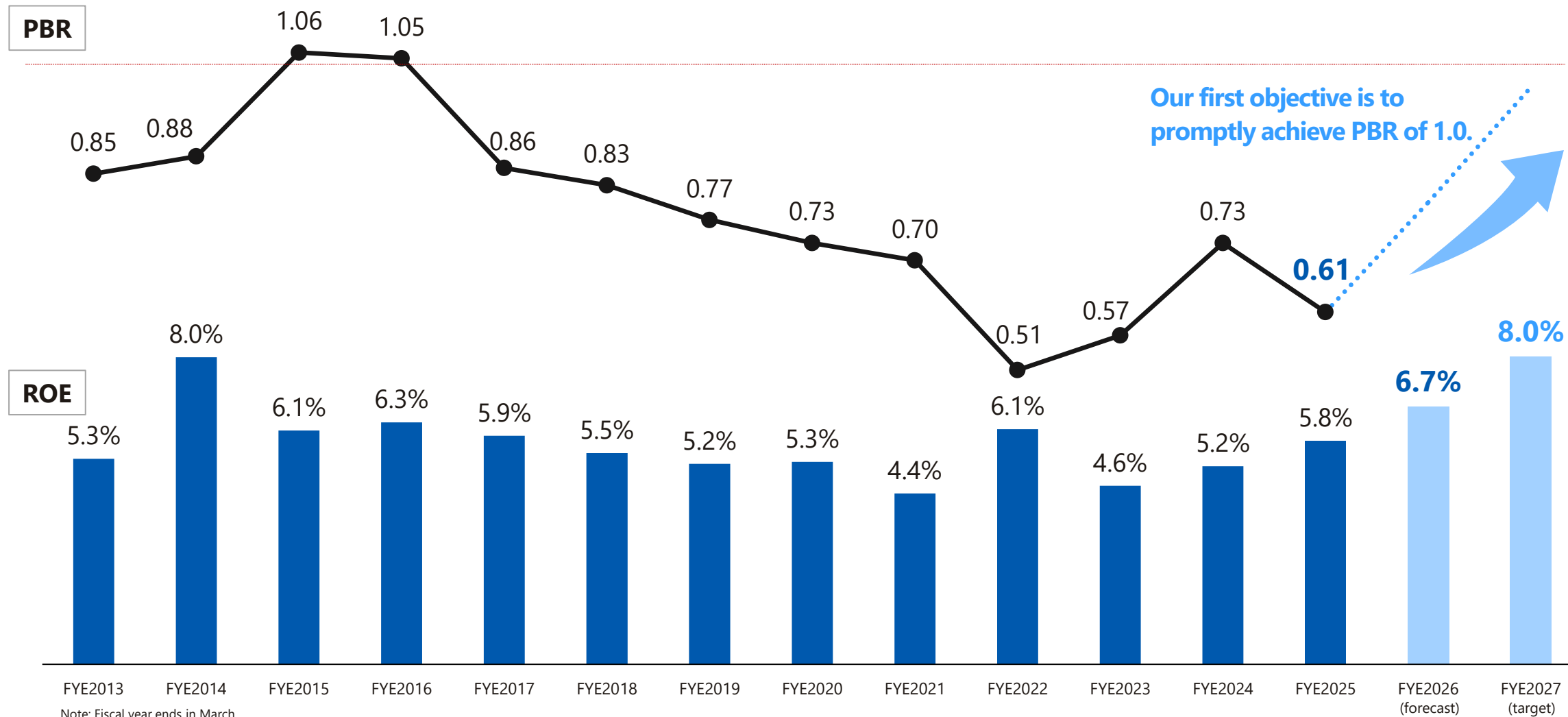
Takara standard



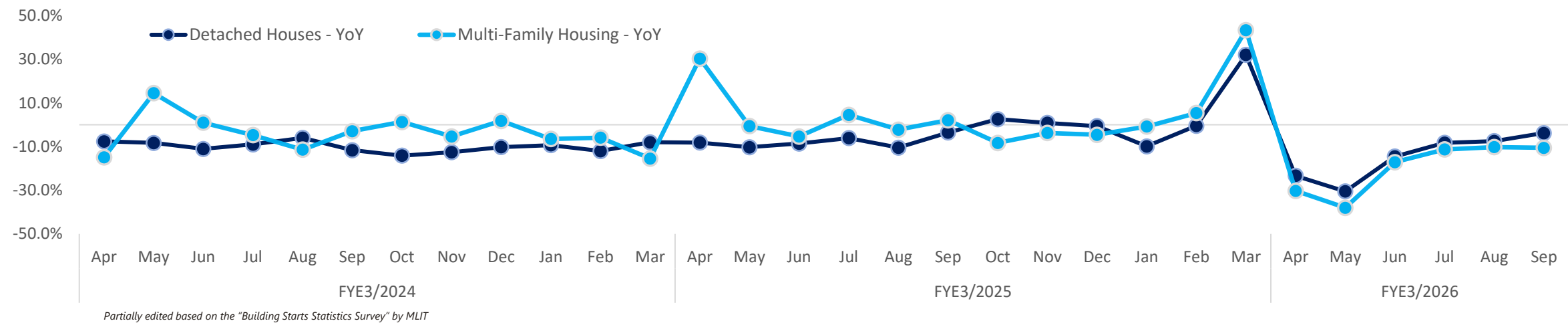
The Company has applied the “Accounting Standard for Revenue Recognition” and related standards from FYE3/2022, and the figures for FYE3/2021 were retroactively restated, whereas the figures for FYE3/2020 and earlier periods have not been restated.

Historical Trends in ROE and PBR

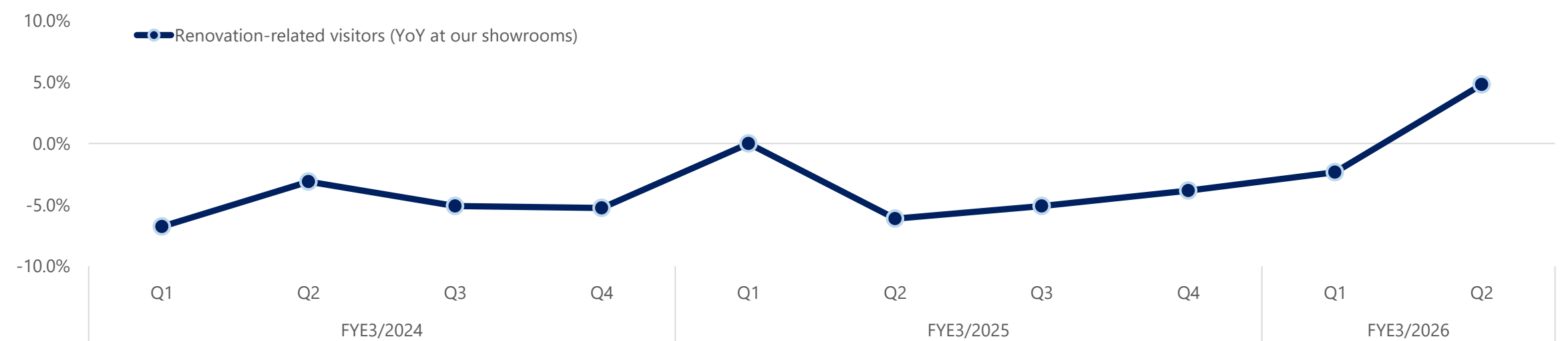
Takara standard



New Construction Detached Houses and Multi-Family Housing – Related Data / YoY Comparison of New Construction Starts in Japan

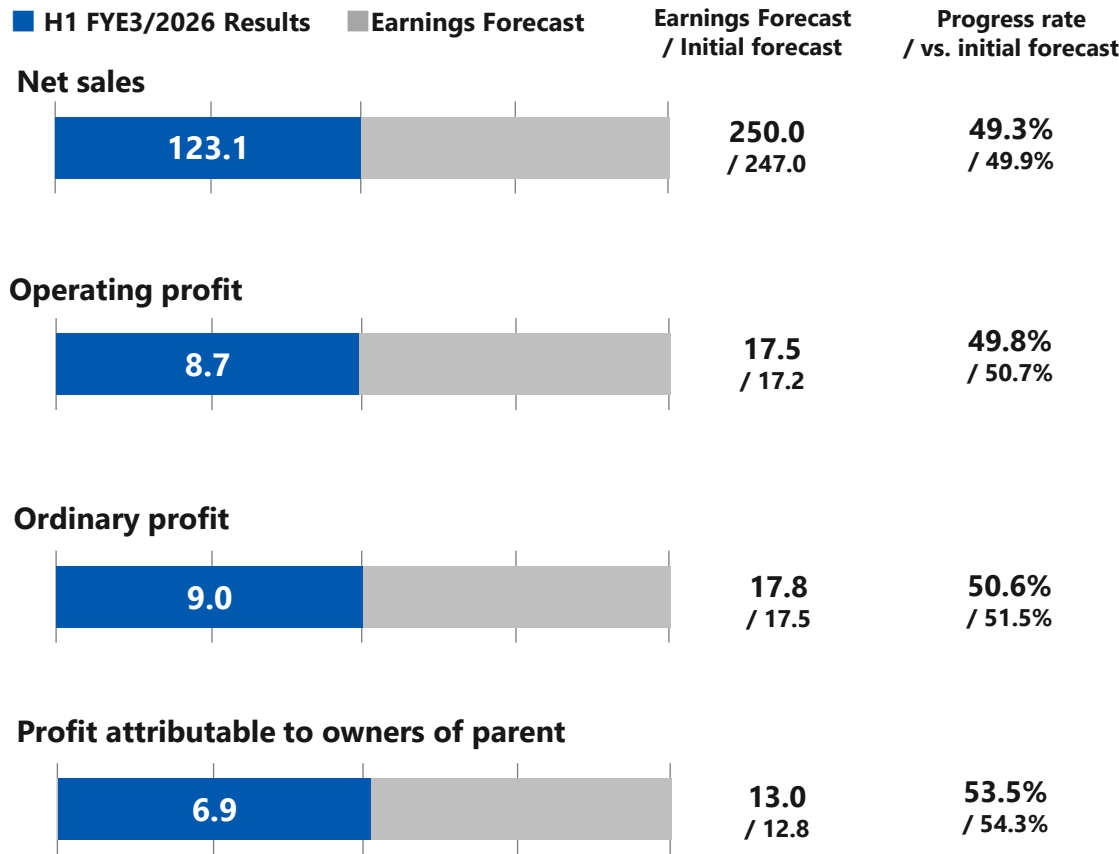


Renovation-related data / YoY comparison of visitors for renovation purposes at our showrooms



Progress against Forecast

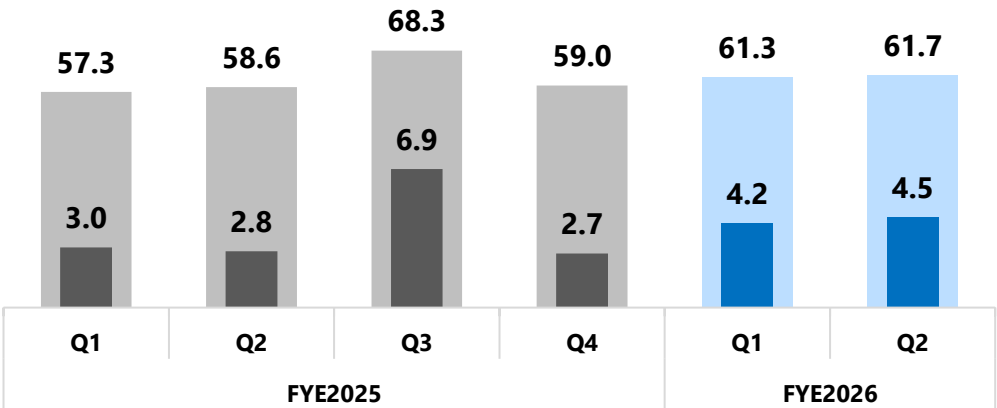
(¥ billions)



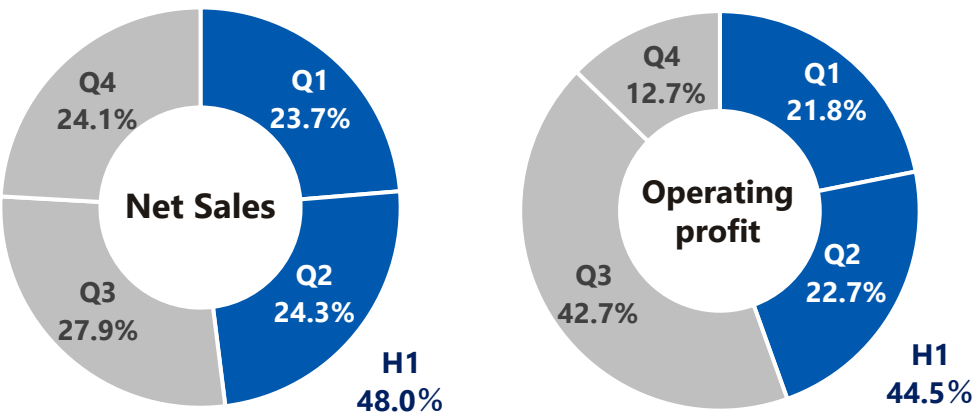
Quarterly Trends in Net Sales and Operating Profit

■ H1 FYE3/2026 Results ■ FYE3/2025 Quarterly Results

(¥ billions)



Quarterly Performance Composition Ratio - 5-Year Average



< IR Contact >

TAKARA STANDARD CO. LTD.

IR Department Administration Division

E-mail

ir@takara-standard.co.jp

Takara standard

This document contains forward-looking statements based on the Company's plans.

These statements are subject to risks and uncertainties that may cause actual results to differ materially from those described herein.

In addition, this document has been translated from the Japanese original for reference purposes only.

In the event of any discrepancy between this translated document and the Japanese original, the Japanese original shall prevail.