

Contribute to Making People’s Lives More Pleasant and Beautiful
Progress of the Medium-Term Management Plan 2026

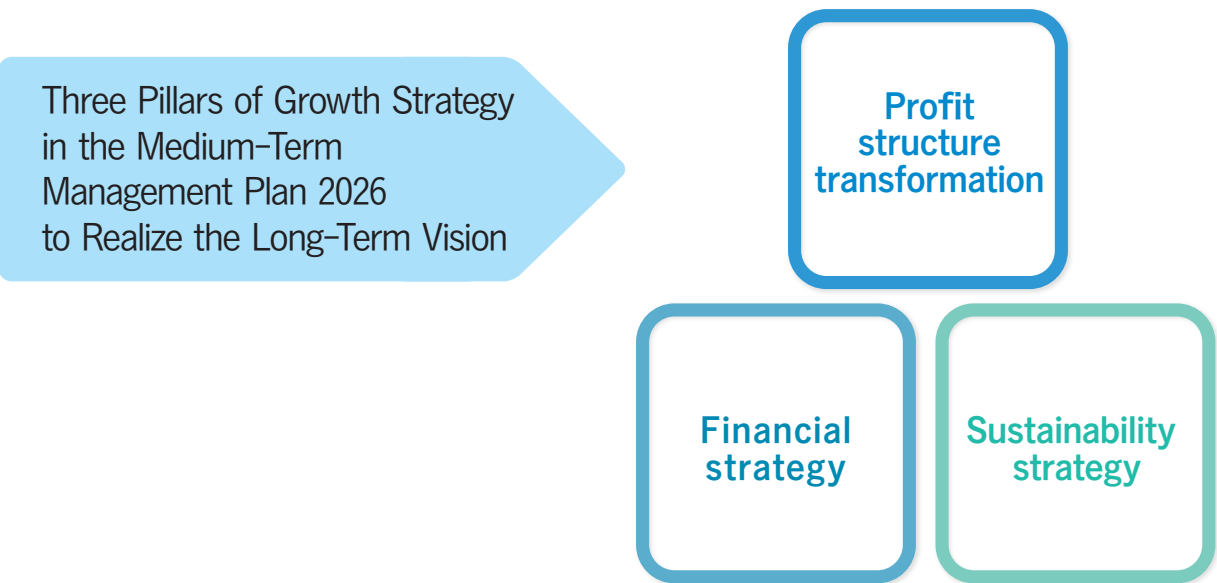


Akihiro Hashimoto
General Manager, Corporate Planning Office
Executive Officer

In FY2024, the first year of the Medium-Term Management Plan 2026, we made a smooth start in terms of performance targets, positioning us well for the final year, FY2026. Net sales reached a record high of 243.3 billion yen, and operating profit was 15.6 billion yen, the second-highest level on record. Meanwhile, in May 2025, we announced a new financial strategy, raising the ROE target to 8%. We made steady progress in both profit structure reform and financial strategy. As for the sustainability strategy, CO₂ emissions reductions have also been steadily implemented. We will continue working under the theme of “Re-committing to transformation,” with a focus on “strengthening profitability” and “building a foundation for sustainable growth,” to realize our long-term vision of “Becoming a brilliant and most attractive company together with HORO.”

Theme of the Medium-Term Management Plan 2026
Re-committing to Transformation

- **Strengthening profitability**
Fundamental structural reforms and enhanced management
- **Establishing a foundation for sustainable growth**
Proactive investments for the future and addressing social challenges
(further strengthening the management foundation)



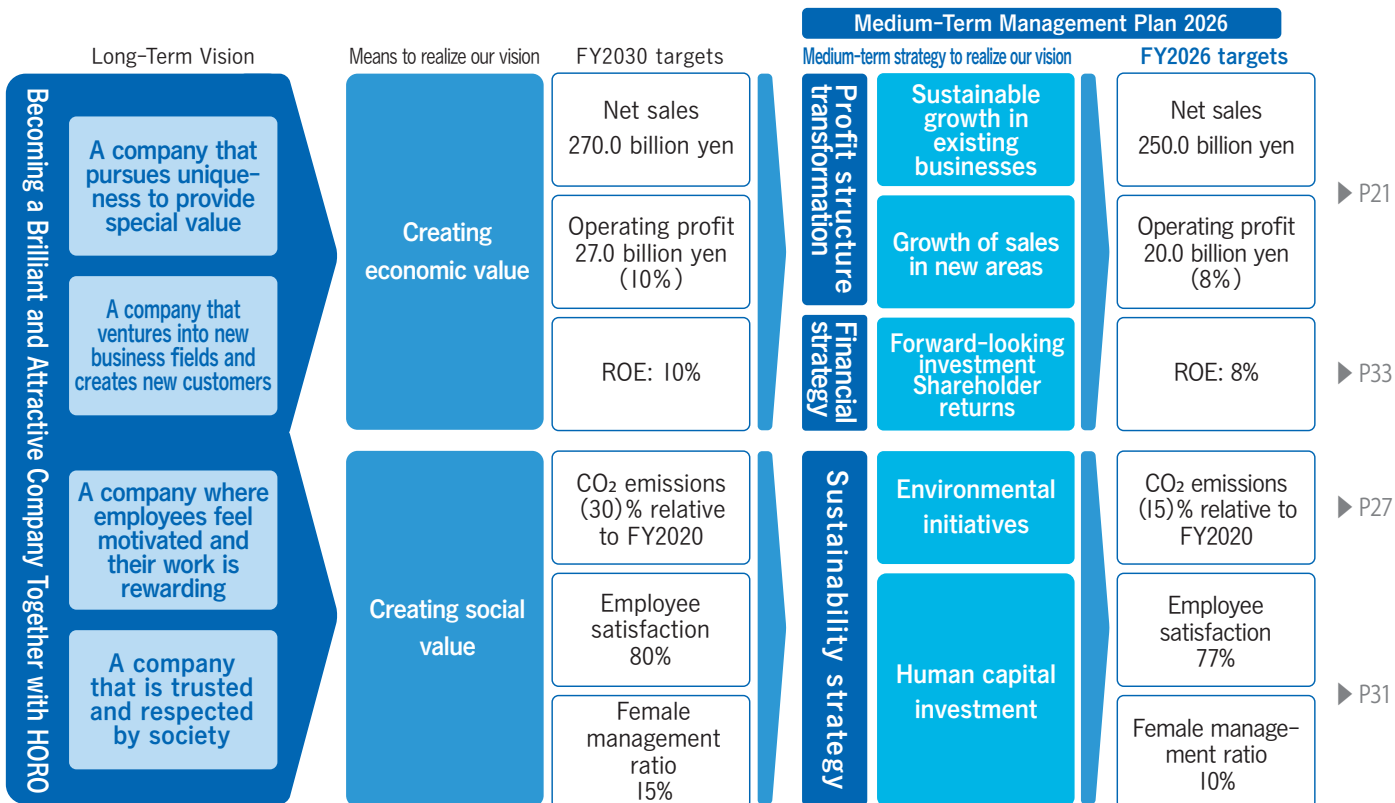
Performance targets

By adding non-financial indicators to the financial indicators, we aim to enhance corporate value in both economic and social aspects.

	KPI	Actual results for FYE March 2025	FYE March 2027 (FY2026) *Final year of the medium-term management plan	FYE March 2031 (FY2030)
Financial indicators	Net sales	243.3 billion yen	250 billion yen	270 billion yen
	Operating profit	15.6 billion yen	20 billion yen	27 billion yen
	Operating profit ratio	6.4 %	8 %	10 %
	ROE	5.8 %	8 %	10 %
Non-financial indicators	CO ₂ emissions (Scope 1+2)	51,504tCO ₂	49,000tCO ₂ (15% reduction compared to 2020)	41,000tCO ₂ (30% reduction compared to 2020)
	Employee satisfaction	75.0 %	77 %	80 %
	Female management ratio	6.3 %	10 %	15 %

Basic strategy

To make our Long Term Vision come to life, Medium Term Management Plan 2026 promotes (i) profit structure transformation, (ii) financial strategy and (iii)sustainability strategy as the three pillars of our growth strategy.



Trends in the Wet Area Market and Performance



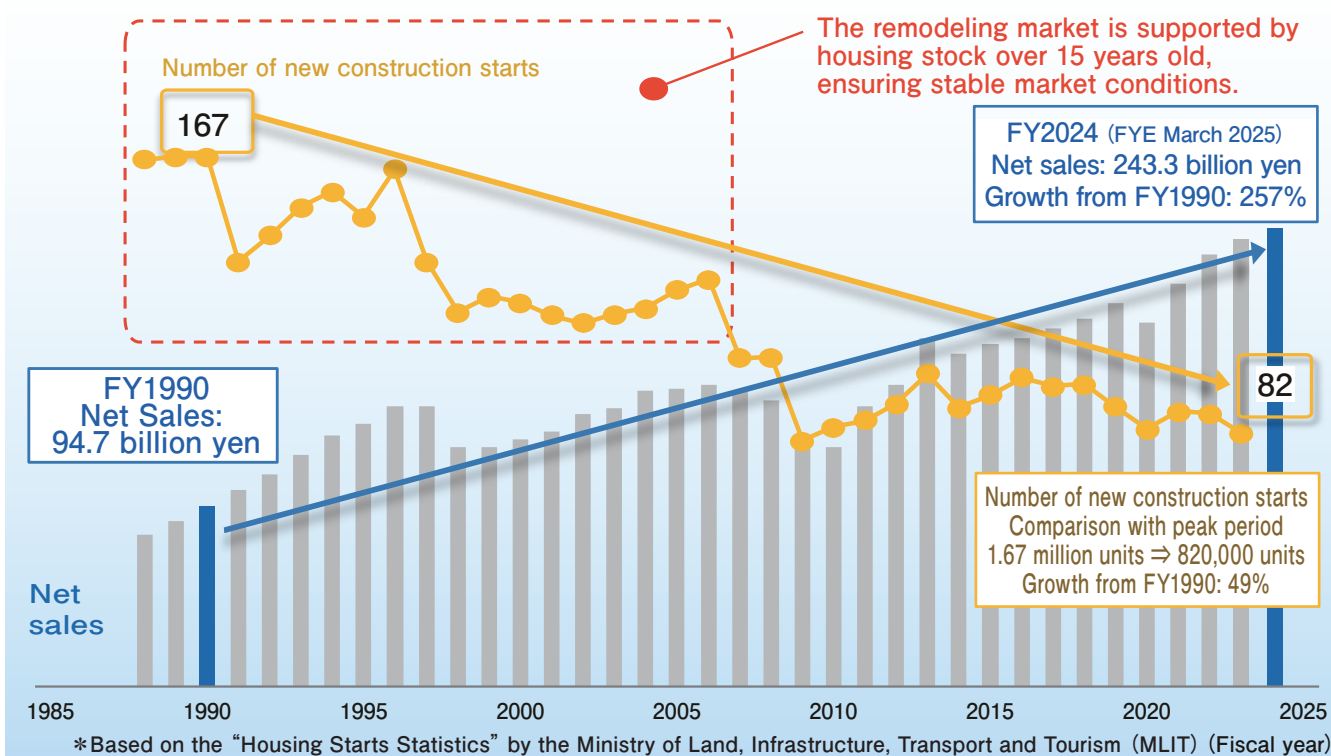
Masahiro Yoshida
Deputy General Manager, Sales Division
Executive Officer

Review of FY2024

The number of new construction starts peaked at 1.67 million units in 1990 but declined to 820,000 units in 2024 due to population and household reductions. Despite this trend, our company's performance has continued to grow steadily. Key factors contributing to this growth include our expanded market share in the new construction – multi-family housing (condominium) market, where we now hold approximately 80% of the market share for kitchens, an increase in product unit prices, advancements in functionality, and successfully capturing demand from the abundant existing housing stock for remodeling. To achieve further growth, we will need to maintain our high market share in the shrinking new construction market while securing additional demand in the remodeling market, which is supported by an abundant housing stock. We will continue to implement strategic initiatives to ensure sustainable growth.

Initiatives for FY2025

Regarding our recognition and direction in the remodeling market, we expect the market size to remain firm, supported by the abundance of existing housing stock. At present, we estimate our market share at around 15%, which still leaves ample room for growth. We are pursuing new initiatives to expand our share, such as expanding sales channels to major remodeling players, establishing specialized divisions for condominium remodeling in urban areas, and strengthening products designed for remodeling. On the other hand, regarding the recognition and direction in the new housing market, the number of new housing starts has been decreasing year by year due to population decline, and the market is expected to continue shrinking. In this situation, while we maintain an overwhelming share in kitchens and washstands with vanities in the new construction – multi-family housing for sale, we still have significant room to expand our share in bathrooms, where we entered the market later. As we advance, we are strengthening sales of system baths for condominiums in earnest.



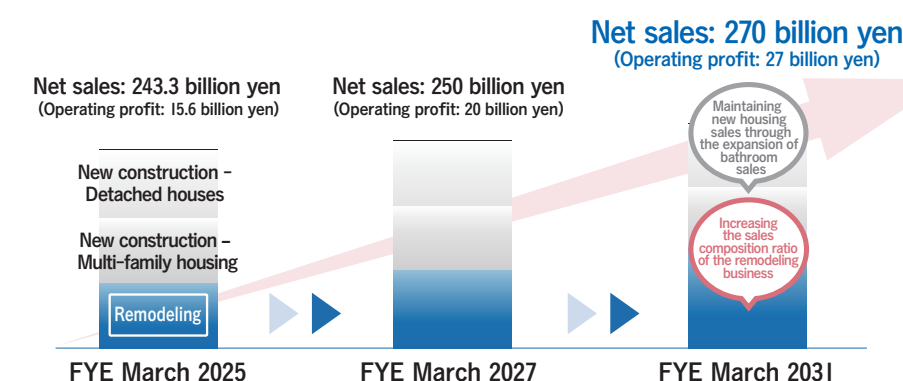
New housing starts continue to decline
Contraction of the new housing market



Increase in housing stock
Remodeling market remains stable

Domestic business | Growth path in the wet area market

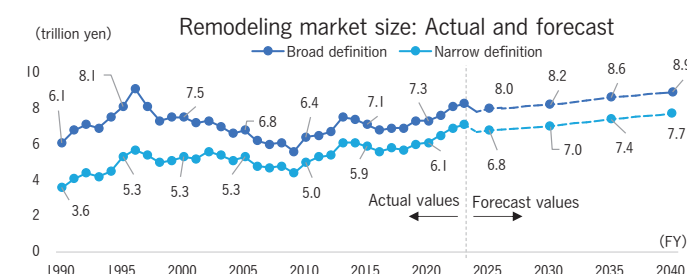
- Increasing the sales composition ratio of the remodeling business, as the remodeling market is expected to grow, supported by an abundant housing stock.
- In the shrinking new construction market, we aim to maintain sales by expanding bathroom sales for new construction – multi-family housing where we already hold a high share.



Domestic business | Recognition and direction of the remodeling market

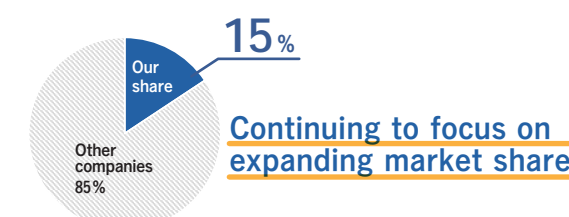
Market size (forecast for 2024–2040)

The remodeling market is expected to remain firm.
*Created by the Company based on data from Nomura Research Institute (2024)



Market share

Sales composition ratios of kitchens, bathrooms, and washstands with vanities
(FYE March 2025, based on figures published in each company's financial statements; Company survey)



Main initiatives

Expanding sales channels to major remodeling players

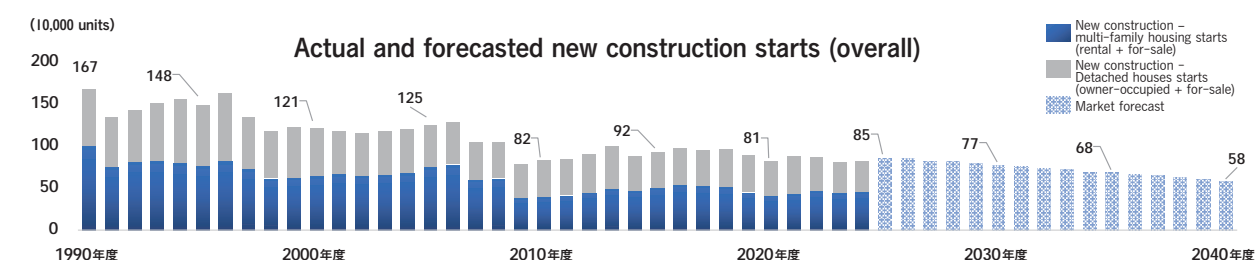
Condominium remodeling in urban areas (full renovation)
Establishment of specialized departments

Strengthening products for remodeling
• Reviewing structures suitable for remodeling (easier to install and transport)

Domestic business | Recognition and direction of the new construction market

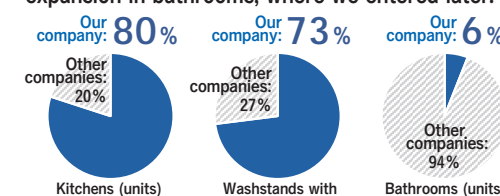
Forecast of new housing starts (2025–2040)

The new construction market is expected to shrink due to population decline (a decline in the number of households).
*Created by the Company based on data from Nomura Research Institute (2024)



Market share by product category in the new construction – multi-family housing

While we hold an overwhelming share in kitchens and washstands with vanities, there is still ample room for expansion in bathrooms, where we entered later.



*Market share of unit shipments in the new construction – multi-family housing market (for-sale, FY2024; Company survey)

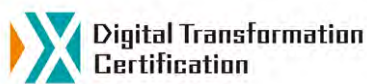
We are working to expand our market share by leveraging our strong sales and proposal capabilities in kitchens and washstands with vanities, along with unique bathrooms differentiated by enamel panels, thereby maintaining sales despite market contraction.

Investing in growth at the Fukuoka Plant to strengthen bathroom sales in both the remodeling and new construction markets.

Takara standard's Basic DX Strategy



Takahito Yoshii
TDX Promotion Headquarters Director
Executive Officer



Review of FY2024

In FY2024, our main focus was on planning, and the scheduled initiatives were executed smoothly. We defined the scope of supply chain management reform, devised concrete methods for success, and created detailed implementation plans. In addition, we implemented short-term measures to reduce inventory and make it easier to manage. Furthermore, we accelerated company-wide DX promotion, including being certified as a “DX Certified Company” by the Ministry of Economy, Trade and Industry.

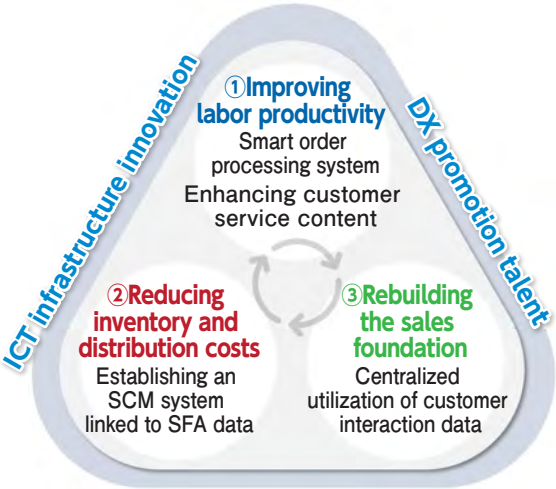
The DX Certification System is a national program that recognizes companies as being ready to promote DX, based on compliance with the Digital Governance Code, which outlines the requirements expected of corporate executives in response to digital transformation in society.

Initiatives for FY2025

In FY2025, we are focusing on developing detailed execution plans and implementing short-term themes, following the conceptual planning phase. Specifically, we are establishing schedules, total investment amounts, and ROI for the execution plans based on the conceptual framework. Furthermore, six short-term themes are being carried out. By pursuing the common concept of “Leveling × Standardization” across all these initiatives, we are maximizing our capabilities and improving labor productivity.

Initiatives

Implementing reforms from a multifaceted perspective to achieve set goals.



Goals

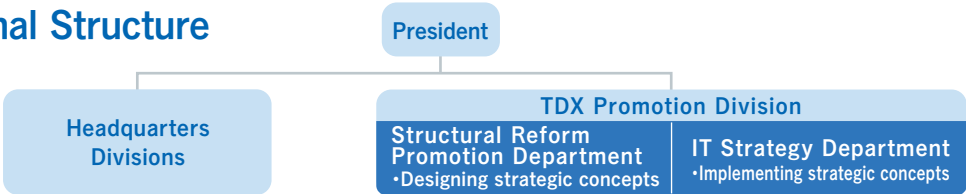
- Streamline administrative tasks
- Optimize logistics efficiency
- Improve procurement efficiency
- Reduce product inventory by 30%
- Establish a cycle that drives remodeling sales growth



- Develop talent to drive DX promotion
- Build a foundation and environment for data utilization

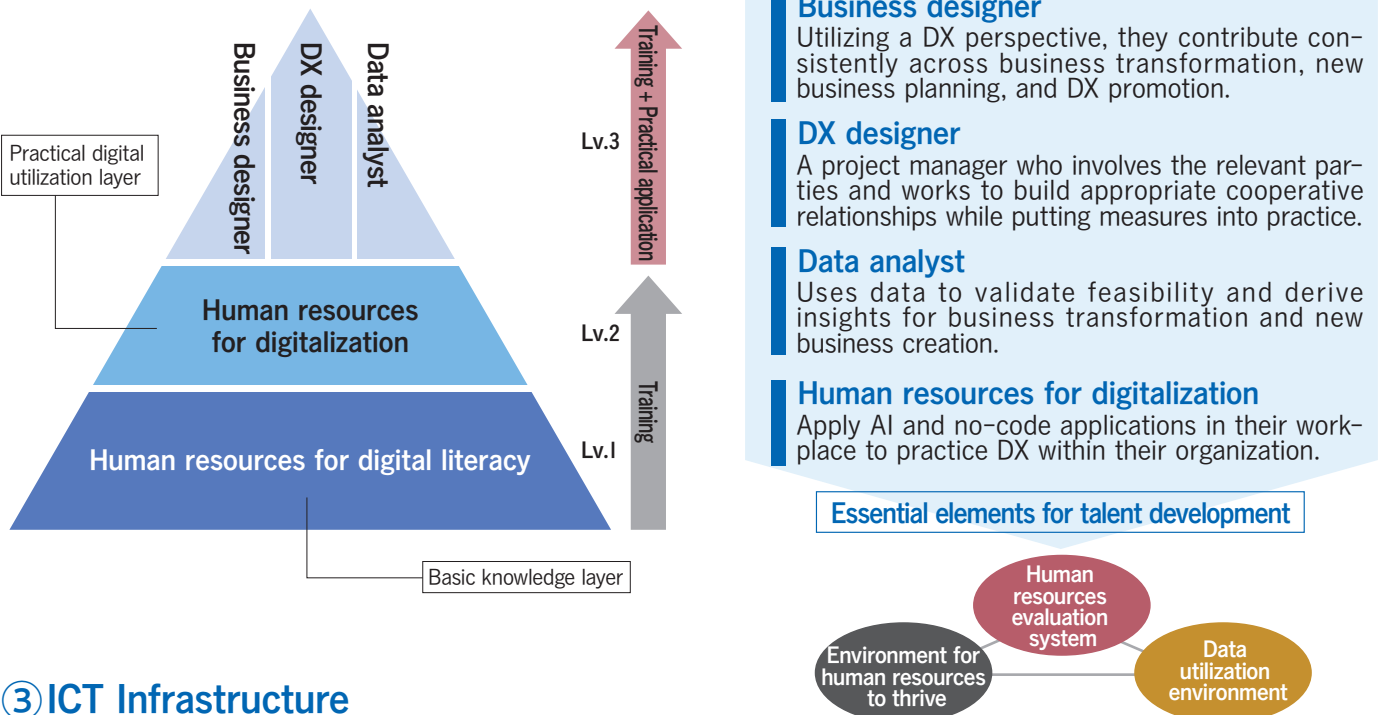
DX Promotion Framework

① Organizational Structure



② Our Digital Talent and Future Vision

We emphasize the development of digital talent and promote DX initiatives. By driving business transformation, planning new businesses, and validating data utilization, we will advance company-wide DX. Additionally, we will establish evaluation systems and improve data infrastructure to ensure sustainable growth.



③ ICT Infrastructure

We are enhancing our latest IT infrastructure to realize our DX strategy. This initiative improves operational efficiency and strengthens security, ensuring the rapid and secure provision of services. Additionally, by leveraging cloud computing and AI technology, we aim to enhance data analysis capabilities and create an environment that supports more advanced decision-making.

DX-related awards and media coverage

Awards	August, 2023	CRM Best Practice Award, presented by the CRM Association Japan. The CRM Best Practice Award recognizes companies, government agencies, organizations, and municipalities that have achieved results by realizing customer-centric management (CCRM).
	August, 2023	Salesforce SFUG CUP, Large Enterprise Division – Winner. The SFUG CUP is Salesforce Japan's largest annual event, held to promote further utilization of Salesforce by sharing outstanding implementation cases among users.
Media coverage	October 17, 2023	TECH.ASII.jp : “Record Sales Achieved Amid the COVID-19 Pandemic! How Takara standard Realized Data-Driven Sales with Salesforce”
	December 15, 2023	SalesZine : “Sharing Sales Information in Real Time! How Takara standard Leveraged SFA to Achieve an 11% Increase in Closing Rate”
	September 9, 2024	Case HUB.News : “Takara standard Drives Sales Transformation with Salesforce and the LBC Corporate Database”
	March 21, 2025	SalesZine : “Becoming a Driver of Business Growth: NEC Networks & System Integration and Takara standard Discuss the Role and Expectations of Sales Planning”

Contribute to Making People's Lives More Pleasant and Beautiful

That is why Takara delivers enamel products worldwide.

Under the banner of “Takara Global Vision 2030,” we are accelerating our overseas business to become the “global top leader” among Japanese kitchen brands.



Toichi Ishiyama
Head of Global Business Division
Executive Officer

Review of FY2024

In FY2024, we worked on rebuilding our overseas business structure by developing business infrastructure suitable for global expansion. To establish a proactive sales framework, we began strengthening distributor governance and developing sales channels, reviewing master agreements and sales regulations, and formulating brand guidelines. We also enhanced support to drive customer traffic to existing distributors and strengthened our approach to new markets. Furthermore, we improved sales and service quality by building support systems for showroom operations, formulating store guidelines, and enhancing training on products, customer service, and installation. As part of our premium branding efforts, we expanded our presence on social media platforms and enriched our content materials. We actively participated in exhibitions in Taiwan, Vietnam, India, and Indonesia, thereby increasing brand awareness and cultivating potential distributor partners. These efforts made FY2024 a year of building a foundation for the sustainable growth of our overseas business.

Initiatives for FY2025

Under the theme of “building a sales foundation,” we are strengthening our sales framework and developing a business foundation for sustainable growth in FY2025. Specifically, we are accelerating showroom openings in China, Taiwan, and Vietnam to expand customer contact points. In new markets such as India and Indonesia, we are working toward concluding contracts with promising distributor candidates. By addressing performance disparities among distributors and aiming for higher standardization, we are enhancing customer service quality and improving conversion rates. Furthermore, as part of our premium branding measures, we are enhancing information dissemination by leveraging leading social media platforms in each country, thereby increasing brand recognition and customer acquisition. To support these initiatives, we are also focusing on developing infrastructure essential for global expansion, reinforcing both sales growth and operational systems.

Our high-grade enamel is highly valued in the hot and humid climates of Asia.
Moving forward, we will further strengthen our overseas initiatives to expand sales.

Establishment of the first overseas base: Taiwan Branch



- Strengthening local distributor support and relationships
- Speedy information gathering and analysis
- Enhancing recognition of enamel

Formulation of a dedicated communication tagline for overseas markets



HORO
YOUR
LIFE

Opening official social media accounts in China and Taiwan

KPI for FY2030
Overseas sales: 10 billion yen **ROS: 20%**
Market share: over 1%

Contribute to Making People's Lives More Pleasant and Beautiful

That is why Takara is creating new businesses that will lead to our second founding.

To adapt to rapid business changes, we are building a framework to generate new businesses through open innovation and establish new revenue pillars.



Hiroki Yaku
Manager,
Business Development Division

Review of FY2024

We focused on visualizing our assets and organizing both internal and external environments. As a result, we generated 1,000 new business ideas based on our technology assets, narrowing them down to 152. Furthermore, we selected and implemented three proof-of-concept (PoC) projects as tangible outcomes. For example, in the space field, we conducted an enamel environmental test jointly with a venture company. As a subscription service, we collaborated with a housekeeping service company to advance a PoC, and we also established a business scheme for an enamel kitchen subscription service.

Initiatives for FY2025

For FY2025, our theme is “Sowing the seeds of new businesses and nurturing early growth.” Specifically, we are focusing on the following three initiatives. First, we are advancing proof-of-concept (PoC) projects and business feasibility studies for ideas utilizing our assets. Through this, we are establishing new teams and accelerating the trial-and-error cycle. Second, we are raising recognition both inside and outside the company through PR and IR of new businesses, contributing to enhanced corporate value. Finally, we are commercializing at least one new business utilizing our assets. In particular, we are focusing on commercializing a housekeeping service, striving to make it a success that will mark the beginning of our journey toward becoming an innovative organization admired by many.

Takara standard



**A partner company
that accelerates our growth**

- ◎Utilize our business resources (assets) externally
- ◎Actively collaborate with external parties to create new businesses

<In FY2024, three PoC business ideas were selected and advanced>

- Space: Enamel environmental test (joint experiment with a venture company)
- Subscription: Housekeeping service (collaboration to advance business PoC)
- Subscription: Enamel kitchen subscription service (establishment of business scheme)



<Enamel thermal vacuum test>

In addition, we explored collaborations with adjacent markets that can enrich people's lives, generating 129 new business ideas based on our technology assets.

Business domains					
Technology business (enamel, glass frit, injection molding technology)		Wellness business (enamel, acrylic artificial marble)		Regional revitalization business (showrooms, our customers)	
Markets entered					
Space	23 cases	Healthcare	26 cases	Early childhood education	9 cases
Agriculture	27 cases	Pets	34 cases	Subscription	2 cases
		Funeral services	8 cases		