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Financial Results for the Second Quarter of the Fiscal Year Ending March 31, 2026

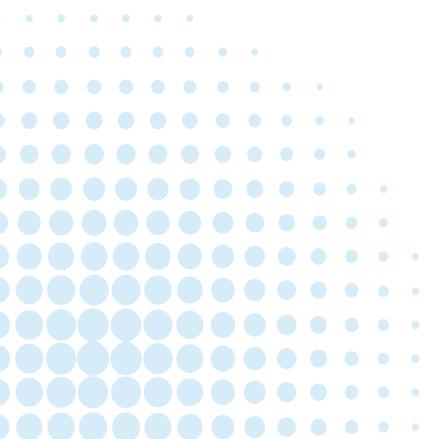
TAKACHIHO KOHEKI CO., LTD. (TSE Code: 2676)
November 5, 2025

1. Executive Summary
2. Financial Results for the Second Quarter of the Fiscal Year Ending March 31, 2026
3. Forecast for the Fiscal Year Ending March 31, 2026
4. Appendix

[Reference Material] Medium-Term Management Plan 2025-2027

[https://corp.takachiho-kk.co.jp/Portals/0/images/en/ir/management/plan/plan2025-2027\(en\).pdf](https://corp.takachiho-kk.co.jp/Portals/0/images/en/ir/management/plan/plan2025-2027(en).pdf)

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Executive Summary



✓ Second Quarter of the Fiscal Year Ending March 31, 2026 (Results)

- ✓ Owing to strong business security, sales and profit increased year on year, and operating income **reached a new high since the listing.**
 - **Business Security:** Retail solutions for apparel and discount stores were strong.
Sales of business solutions for data centers and factories were strong.
 - **Electromechanics:** Sales of electronics were sluggish due to inventory adjustments at some customers.
Sales of mechanics decreased following special demand for reprinting new banknotes in the previous fiscal year.
- ✓ Earnings at each stage other than **sales exceeded plan**

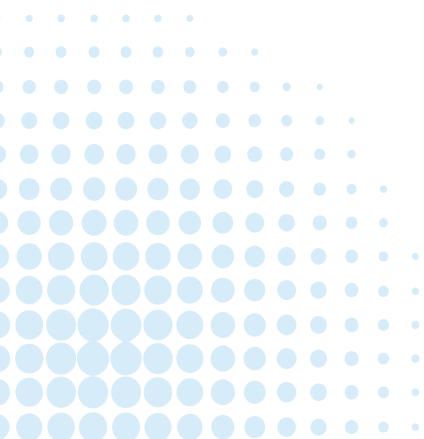
✓ Fiscal Year Ending March 31, 2026 (Plan)

- ✓ The full-year plan disclosed on May 13, 2025 remains unchanged.
- ✓ Although progress in electromechanics is lagging, orders are strong and we will steadily advance deliveries from the second half of the fiscal year. At the same time, we aim to achieve the target through growth in business security.

[Millions of yen]

	FY3/25 Q2 Results	FY3/26 Q2 Results	Change	FY3/26 Q2 Plan	FY3/26 Full Year Plan	Rate of progress
Net Sales	13,314	13,472	158	14,200	30,000	44.9%
Operating profit	936	954	18	950	2,200	43.4%
Ordinary profit	811	985	173	910	2,100	46.9%
Net income	594	717	122	640	1,500	47.8%

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Consolidated Financial Highlights

[Millions of yen]



Due to strong business security performance, both sales and profits increased year on year, and operating income **reached new highs since listing**.

Earnings at each stage exceeded plans due to a decrease in foreign exchange losses and a gain on sales of investment securities.

	FY3/25 Q2 Results	FY3/26 Q2 Results	YoY change	FY3/26 Q2 Plan	FY3/26 Full Year Plan	Rate of progress
Net Sales	13,314	13,472	+1.2%	14,200	30,000	44.9%
Gross profit on sales	3,356	3,417	+1.8%	-	7,660	44.6%
Gross profit ratio (%)	25.2%	25.4%	+0.2pt	-	25.5%	-
SG & A expenses	2,420	2,463	+1.8%	-	5,460	-
Operating profit	936	954	+1.9%	950	2,200	43.4%
Operating profit ratio (%)	7.0%	7.1%	+0.1pt	6.7%	7.3%	-
Foreign exchange gain	-	-	-	-	-	-
Foreign exchange loss	147	18	(87.2%)	-	-	-
Ordinary profit	811	985	+21.4%	910	2,100	46.9%
Ordinary profit ratio (%)	6.1%	7.3%	+1.2pt	6.4%	7.0%	-
profit before tax	815	1,047	+28.4%	-	-	-
Profit attributable to owners of parent	594	717	+20.6%	640	1,500	47.8%
EPS※	32.54 yen	38.48 yen	+5.94 yen	34.41 yen	80.51 yen	-

*The EPS for the first quarter of the year ended March 31, 2025, after a two-for-one stock split was conducted on June 1, 2025, takes into account the stock split. ©TAKACHIHO KOHEKI CO.,LTD.

Results by Segment

[Millions of yen]

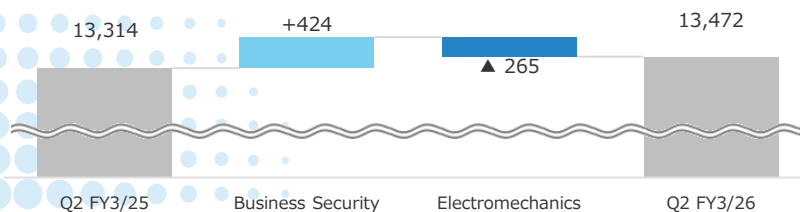


In Business Security, **sales and profits increased, and operating margin increased**.

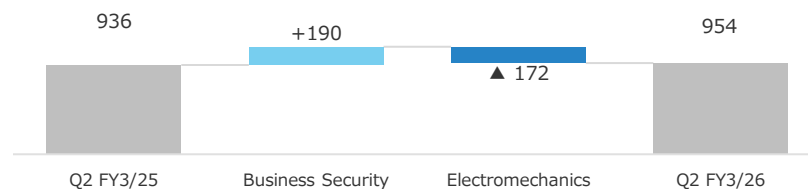
In Electromechanics, sales and profits decreased due to inventory adjustments by some customers and a reaction to special demand for reprinting new bills.

		FY3/25 Q2 Results (*)	FY3/26 Q2 Results	Increase/ Decrease	Percentage change	FY3/26 Plan	Rate of progress
Business Security	Net sales	6,500	6,924	+424	+6.5%	14,980	46.2%
	Operating Profit	470	660	+190	+40.4%	1,230	53.7%
	Operating profit ratio	7.2%	9.5%	+2.3pt	-	8.2%	-
Electromechanics	Net sales	6,814	6,548	(265)	(3.9%)	15,020	43.6%
	Operating Profit	465	293	(172)	(37.0%)	970	30.2%
	Operating profit ratio	6.8%	4.5%	(2.4pt)	-	6.5%	-
Consolidated Total	Net sales	13,314	13,472	+158	+1.2%	30,000	44.9%
	Operating Profit	936	954	+18	+1.9%	2,200	43.4%
	Operating profit ratio	7.0%	7.1%	+0.1pt	-	7.3%	-

■ Net sales (Year-on-Year)



■ Operating profit (Year-on-Year)



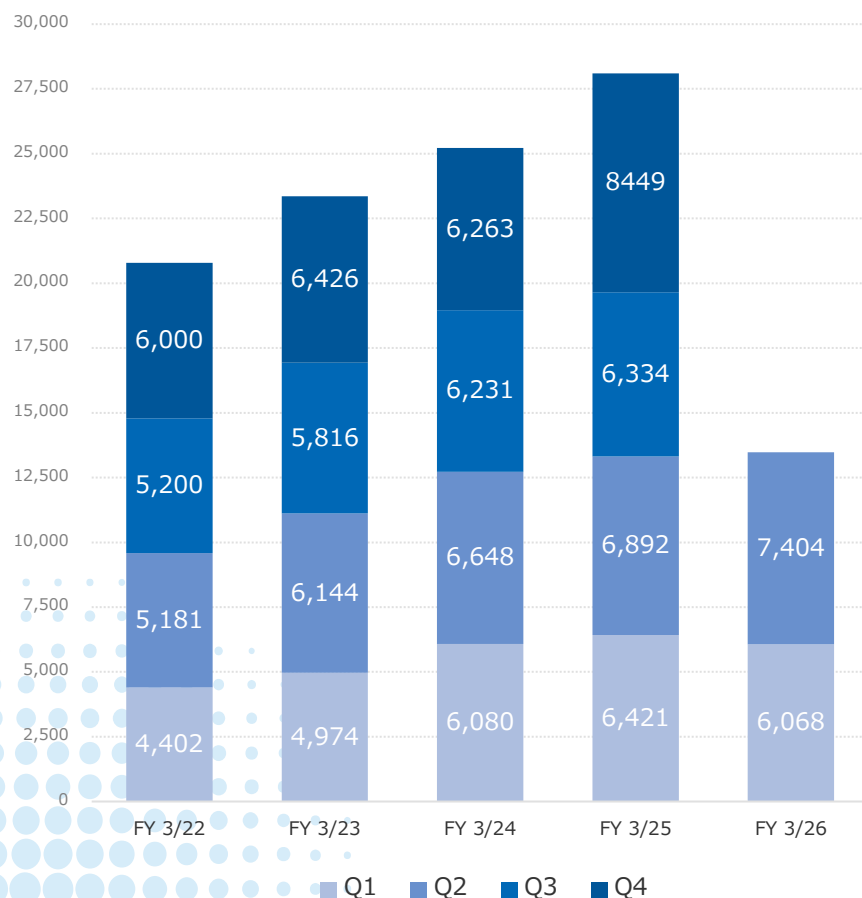
*Cumulative figures for the 2 quarters of the fiscal year ended March 2025 reflect changes in segment classification (See page 20 for details) ©TAKACHIHO KOHEKI CO.,LTD.

Quarterly Performance Trends

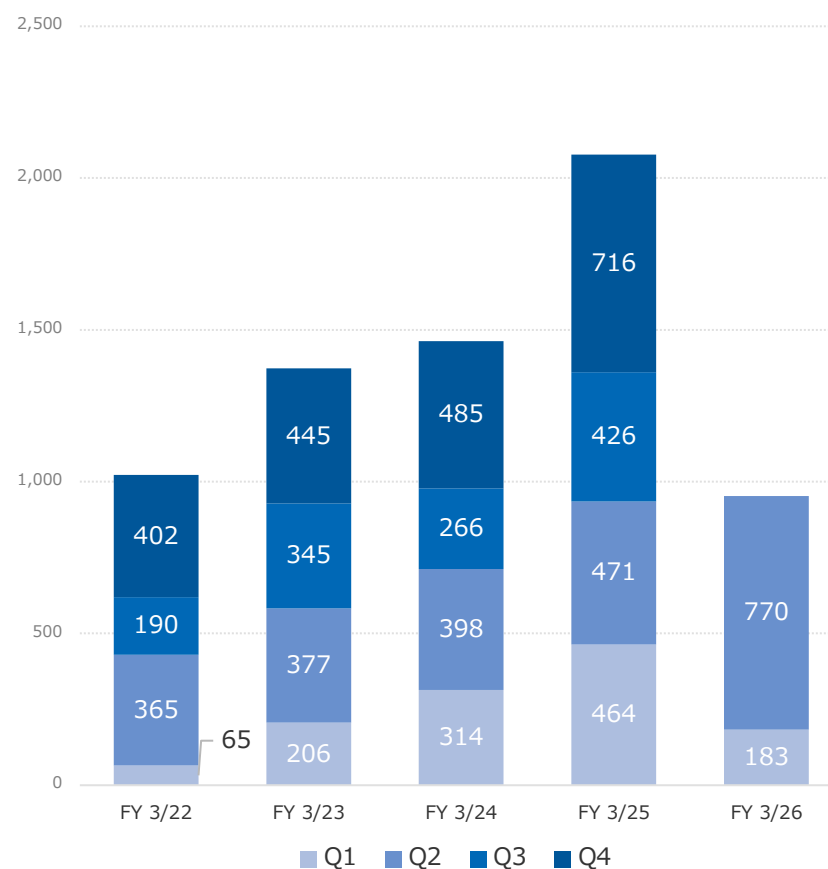
[Millions of yen] **TK**

As our products are frequently associated with facility investments, mainly in the Business Security segment, sales are typically weighted towards Q4 and Q2, aligning with customers' investment periods.

■ Net sales by quarter



■ Operating profit by quarter



Results by Segment (Business Security)

[Millions of yen]



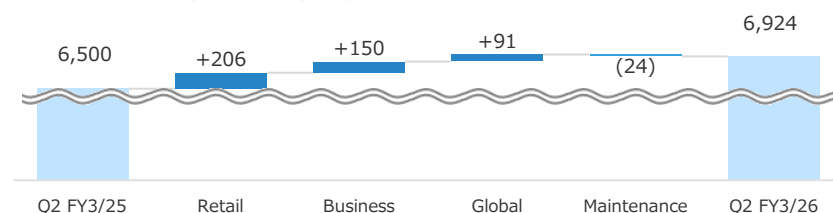
Net sales 6,924 million yen YoY +424 million yen

Strong sales of security products for data centers and apparel

Operating profit 660 million yen YoY +190 million yen

Increased profit margin due to increased sales and price revisions for maintenance services in the previous fiscal year

[Net sales change factors (YoY)] *



• Retail Solutions

- (+) Surveillance cameras for apparel and discount stores
Large-scale product monitoring system projects performed well

• Business Solutions

- (+) Access control systems for data centers and factories
Surveillance camera systems performed well

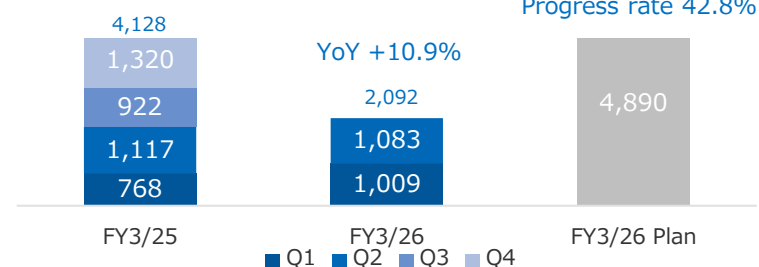
• Global

- (+) Office security systems performed well Overseas subsidiaries
Yen-equivalent revenue increased

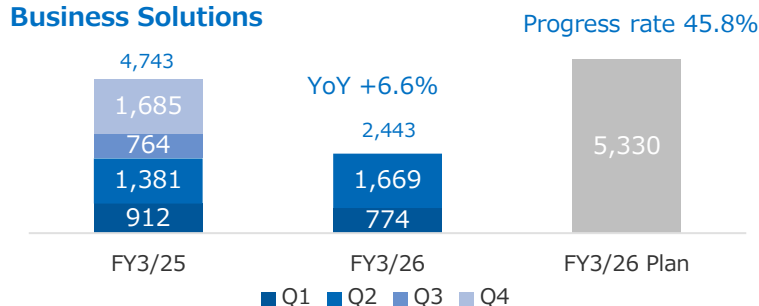
• Maintenance Services

- (-) Completion of maintenance for some products

• Retail Solutions



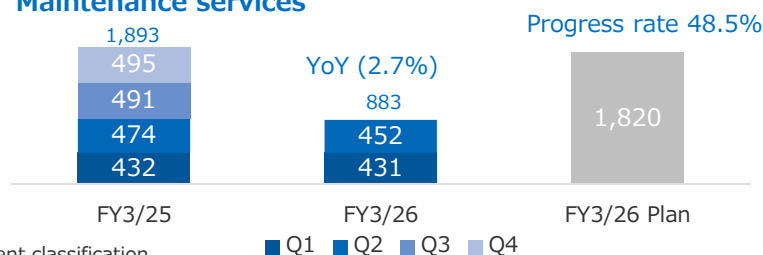
• Business Solutions



• Global



• Maintenance services



*Cumulative figures for the 2 quarters of the fiscal year ended March 2025 reflect changes in segment classification
(See page 20 for details)

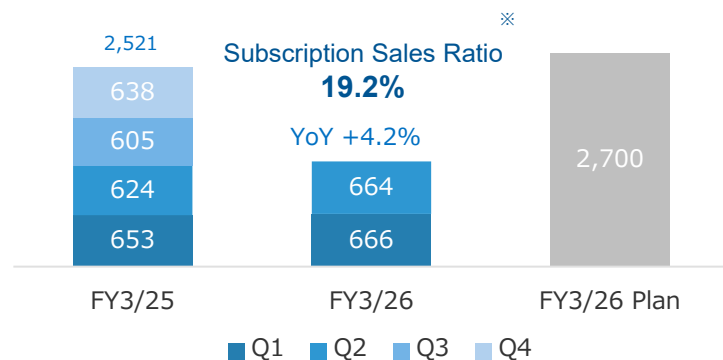
©TAKACHIHO KOHEKI CO.,LTD.

Subscription Business Results (Business Security)

[Millions of yen]



Subscription Business Sales



*Business security segment Composition of net sales

● Maintenance

- (-) Completion of maintenance for some products
- (+) Successful revision of technical fees

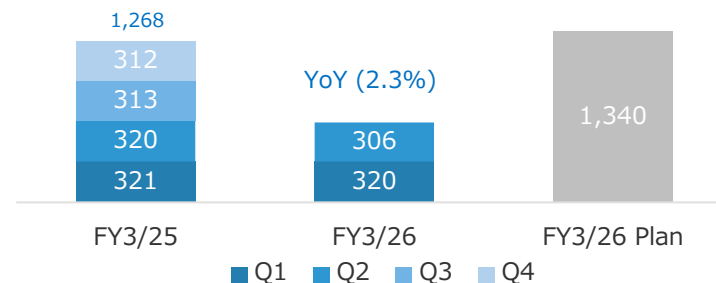
● Managed services

- ※
- *MSP services that integrate "equipment, cloud services, and operations management"
- (+) Strong sales by distributors

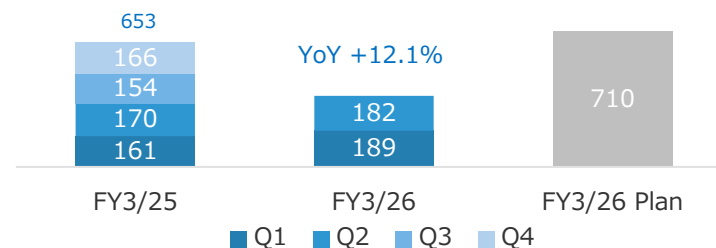
● Cloud license

- (+) Accumulated number of licenses and new products

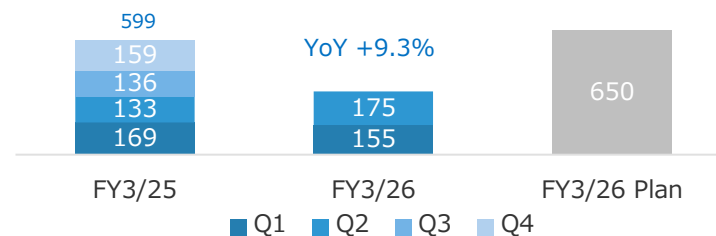
● Maintenance



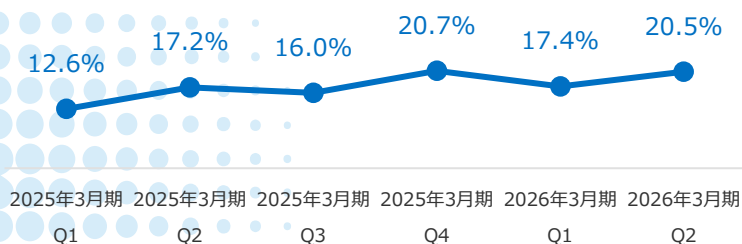
● Managed services



● Cloud licenses



Operating Profit Margin of Subscription Business



Results by Segment (Electro Mechanics)

[Millions of yen]



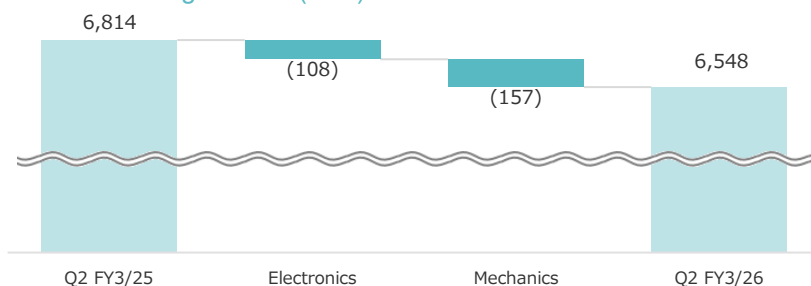
Net sales 6,548 million yen YoY (265 million yen)

Sales of Electronics decreased due to inventory adjustments by some customers despite strong orders. Sales of Mechanics decreased due to a rebound from special demand for reprinting new banknotes in the previous fiscal year.

Operating profit 293 million yen YoY (172 million yen)

Decreased due to higher purchasing costs resulting from the weaker yen and SG & A expenses resulting from growth investments such as an increase in sales personnel.

【 Net sales change factors(YoY) 】



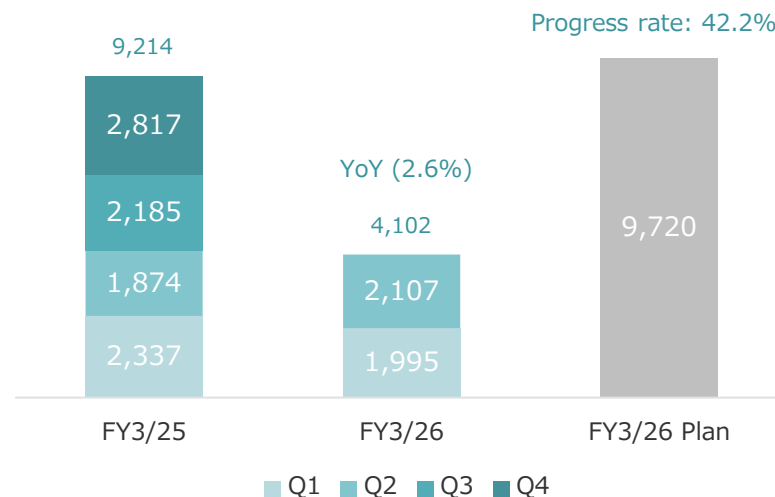
● Electronics

- (-) Continued inventory adjustments at some customers
 - >Mainly sluggish sales of industrial and business equipment
- (+) Strong sales of power supply modules for consumer devices and AI servers
 - Progress rate is low, but orders are strong. Proceed with delivery to make up for this in the second half

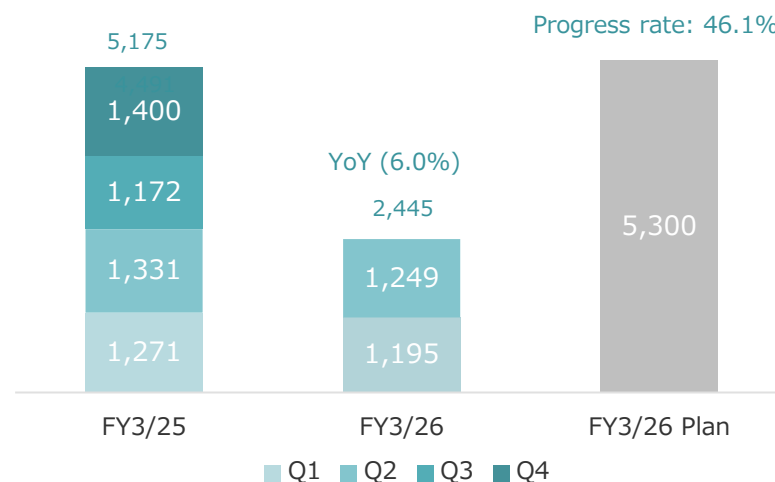
● Mechanics

- (-) Mechanical components for monetary devices, multifunction devices, and power generation facilities
 - >Monetary devices were a reaction to special demand for reprinting new banknotes in the previous fiscal year.
- (+) Mechanical components for housing equipment and office furniture
 - >In housing equipment, adoption and horizontal expansion of planned and developed products for kitchens advances.

● Electronics



● Mechanics



Capital Efficiency Improvement Status



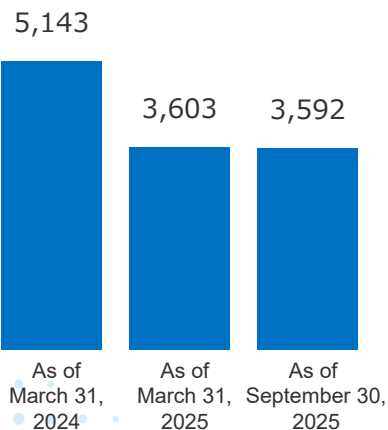
Strengthened order intake and order control to keep inventory at an appropriate level
Revised terms and conditions for receivables and payables to improve cash flow

Inventories

Number of days for turnover

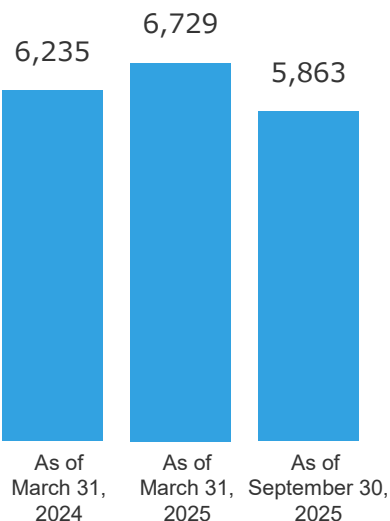


Balance
[Millions of yen]

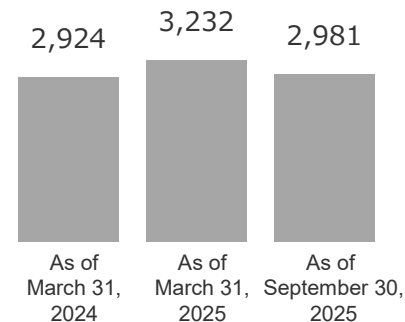
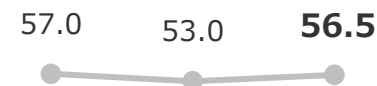


Mainly due to a decrease in orders and deliveries of electronics

Trade receivables



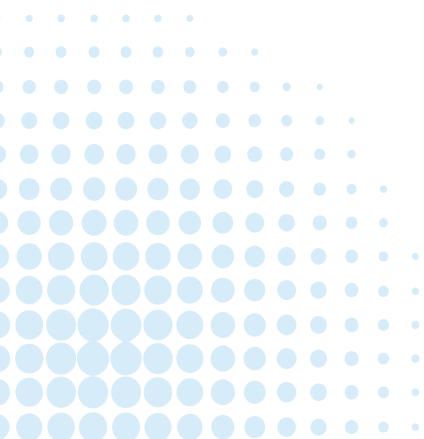
Trade payables



[Calculation Formula]

- Turnover of inventories = Inventories (average balance at beginning and end of period) / Cost of sales x number of days
- Turnover of trade receivables = Trade receivables (average balance at beginning and end of period) / Net sales x number of days
 - * Trade receivables = Accounts receivable + Notes receivable + Contract assets + Electronically recorded monetary claims (-) Contract liabilities (advances received)
- Turnover of trade payables = Trade payables (average balance at beginning and end of period) / Cost of sales x number of days
- Number of days = As of March 31: Calculated on 365 days, , As of September 30: Calculated on 183 days

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Consolidated PL< Plan >

[Millions of yen]



Although selling, general and administrative expenses will increase due to growth investments, we plan to **increase sales and profit** mainly due to business growth in business security *1.

	FY3/25 Results	FY3/26 Plan	Change	Year-on-Year
Net Sales	28,098	30,000	+1,901	+6.8%
Gross profit on sales	6,909	7,660	+750	+10.9%
Gross profit ratio(%)	24.6%	25.5%	-	+0.9pt
Selling, general and administrative expenses	4,830	5,460	+629	+13.0%
Operating profit	2,079	2,200	+120	+5.8%
Operating profit ratio (%)	7.4%	7.3%	-	(0.1pt)
Ordinary profit	2,004	2,100	+95	+4.7%
Ordinary profit ratio(%)	7.1%	7.0%	-	(0.1pt)
Profit attributable to owners of parent	1,458	1,500	+41	+2.9%
ROE(%)	8.7%	8.9%	-	+0.2pt
EPS ※	79.10yen	80.51yen	+1.41yen	-
Annual dividend per share ※	80yen	80.5yen *2	+0.5yen	-

*The EPS and Annual dividend per share for the first quarter of the year ended March 31, 2025, after a two-for-one stock split was conducted on June 1, 2025, takes into account the stock split.

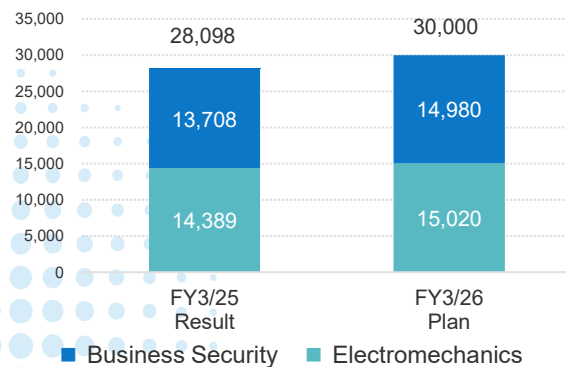
Net Sales and Operating Profit by Segment <Forecast> (Millions of yen)



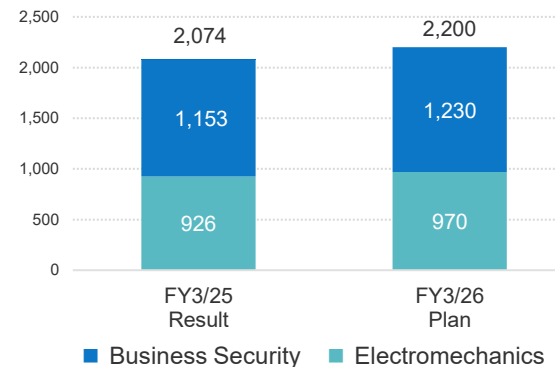
Sales and profit are expected to increase in both Business Security and Electromechanics

		FY3/25 Results	FY3/26 Plan	Increase/ Decrease	Percentage change
Business Security	Net sales	13,708	14,980	+1,271	+9.3%
	Operating profit	1,153	1,230	+76	+6.7%
	Operating profit ratio	8.4%	8.2%	(0.2pt)	-
Electromechanics	Net sales	14,389	15,020	+630	+4.4%
	Operating profit	926	970	+43	+4.7%
	Operating profit ratio	6.4%	6.5%	+0.0pt	-
Consolidated total	Net sales	28,098	30,000	+1,901	+6.8%
	Operating profit	2,079	2,200	+120	+5.8%
	Operating profit ratio	7.4%	7.3%	(0.1pt)	-

■ Net sales by segment



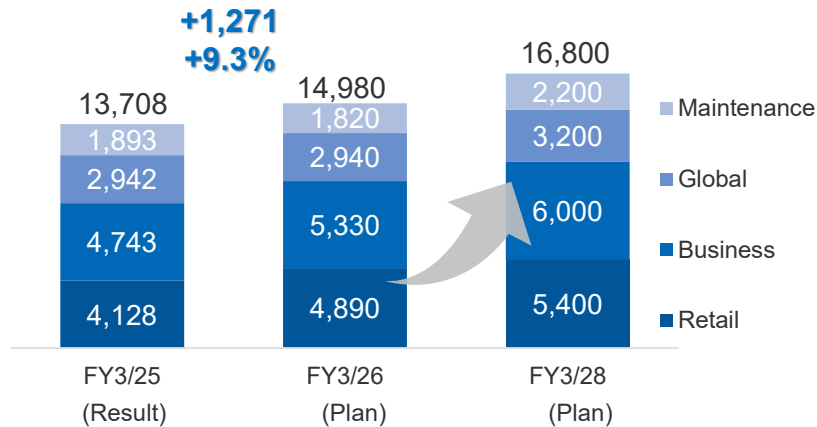
■ Operating profit by segment



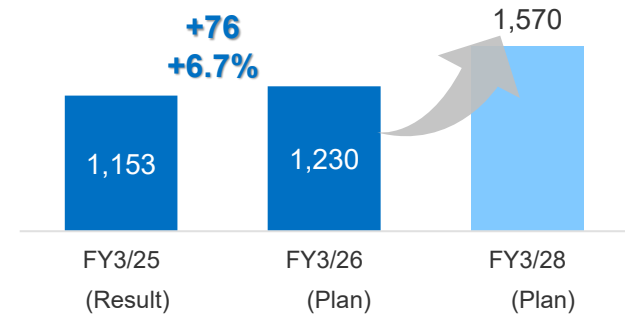
*Figures for the fiscal year ended March 2025 reflect changes in segment classification (See page 20 for details.) ©TAKACHIHO KOHEKI CO.,LTD.

Business Security <Forecast>

■ Segment net sales* (Millions of yen)



■ Segment operating profit* (Millions of yen)

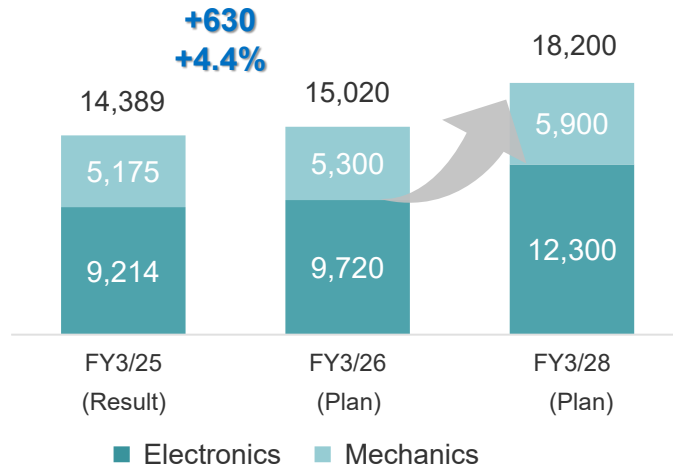


Sub-segments	YoY	Main factors
Retail Solutions	+763	- Expanding RFID systems in apparel stores - Promoting cloud-based facial recognition systems for GMSs and drugstores
Business Solutions	+586	- Promoting security systems for data centers and foreign-affiliated offices - Expanding cloud services, with a focus on MSP services
Global	(2)	Focusing on high-margin projects
Maintenance	(75)	- Driving price revisions to increase sales - Meanwhile, sales are expected to decline due to changes in the allocation ratio of sales from Retail and Business Solutions, as well as a review of maintenance services for certain products

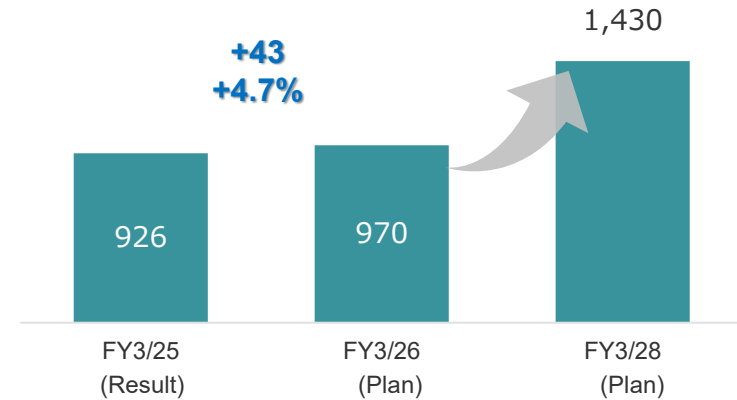
*Figures for the fiscal year ended March 2025 reflect changes in segment classification (See page 20 for details.)

Electromechanics <Forecast>

■ Segment net sales (Millions of yen)



■ Segment operating profit (Millions of yen)



Sub-segments	YoY	Main factors
Electronics	+505	- Increase in power modules for AI servers, continuing from the previous fiscal year - Recovery in demand for industrial equipment, following the impact of inventory adjustments in the previous fiscal year
Mechanics	+124	- Progress in the new adoption and horizontal deployment of planning and development products for mechanical components used in housing equipment - Promotion of planning and development products (spiral shaft) for the gaming market

Shareholder Return

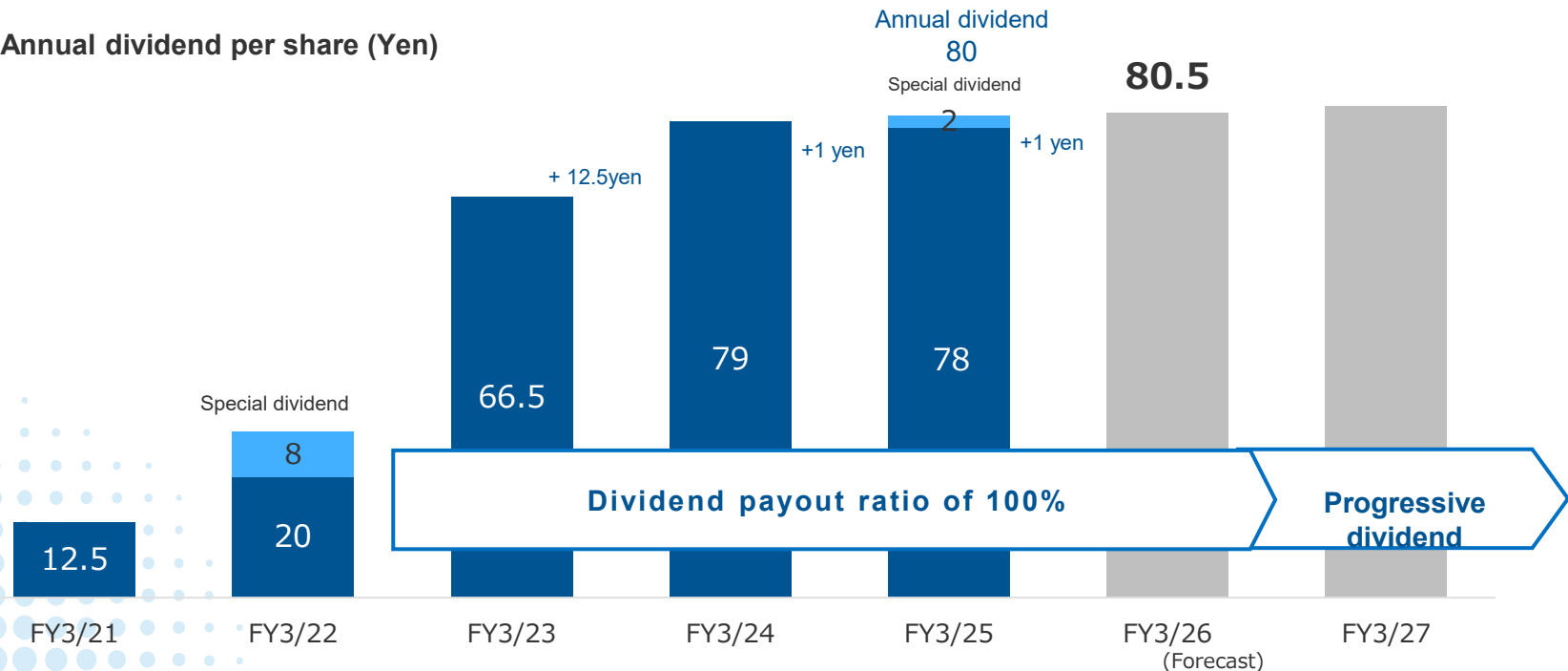
- A stock split (2 splits) was implemented effective on June 1, 2025.
- Annual dividend for fiscal year ending March 2026 was **80.5** yen, an **increase of 0.5 yen from the previous fiscal year.**

Medium-Term Management Plan 2025-2027 Dividend Policy

Based on the capital policy of "Balancing Investment for Growth and Shareholder Return"

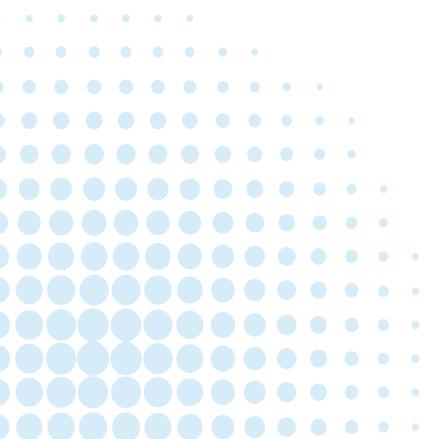
- Driving business growth by proactive investments while maintaining financial soundness
- **100% dividend payout ratio for FY3/26, adopting a progressive dividend system for FY3/27 onward**

■ Annual dividend per share (Yen)



*Dividend was split on June 1, 2025 at a ratio of 2 shares for 1 share of common stock. Dividends for the fiscal year ended March 2025 and earlier were calculated after the split.

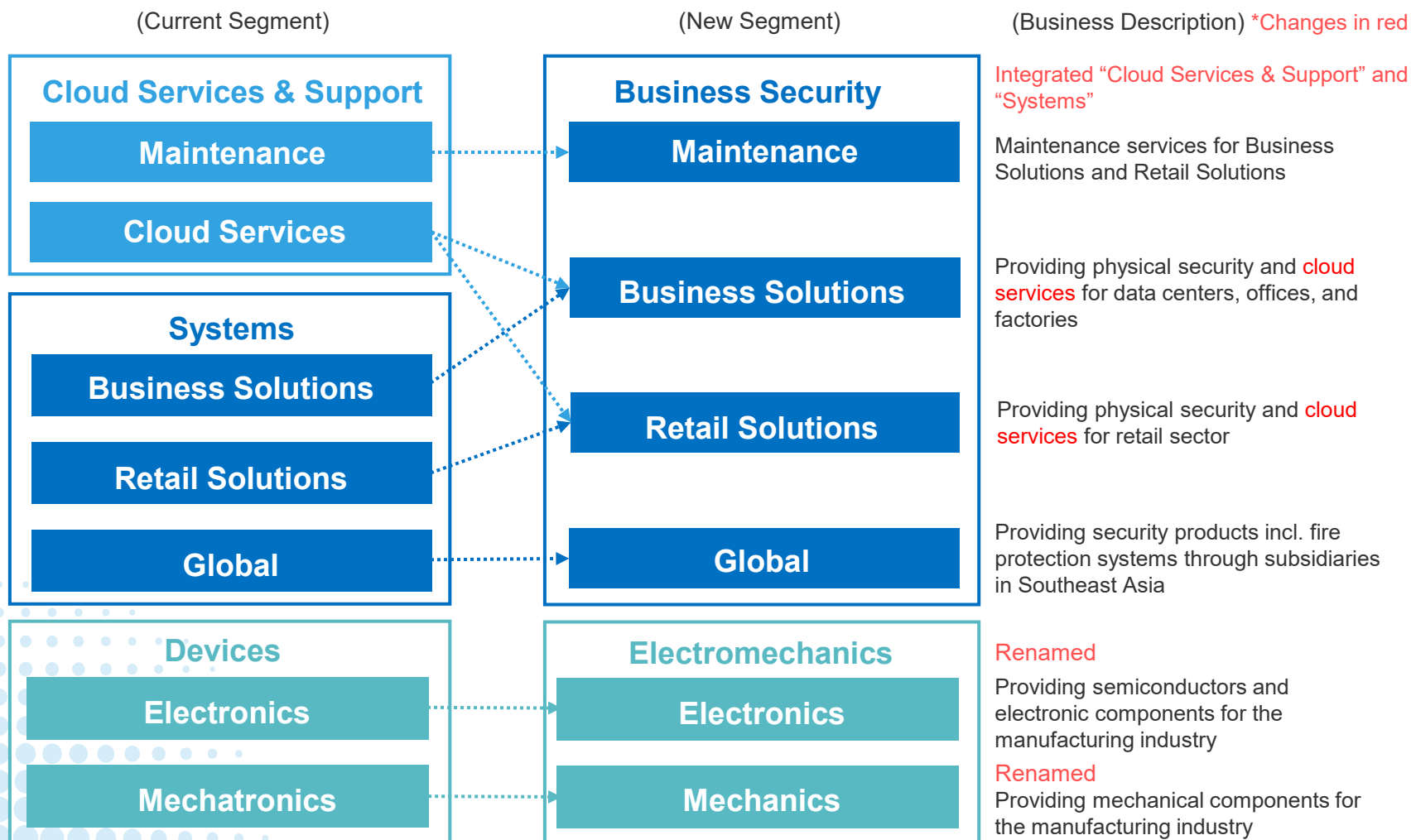
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Segment Classification Revision (From Q1 of FY3/26)



With solid progress in expanding the cloud services business, certain segments will be consolidated and renamed to clarify the target market.

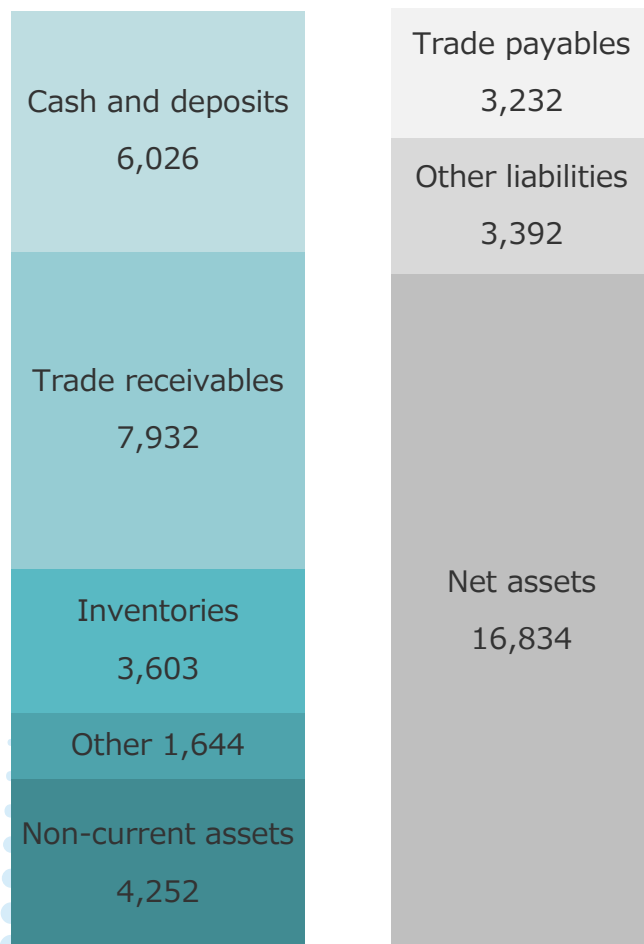


Consolidated Balance Sheet

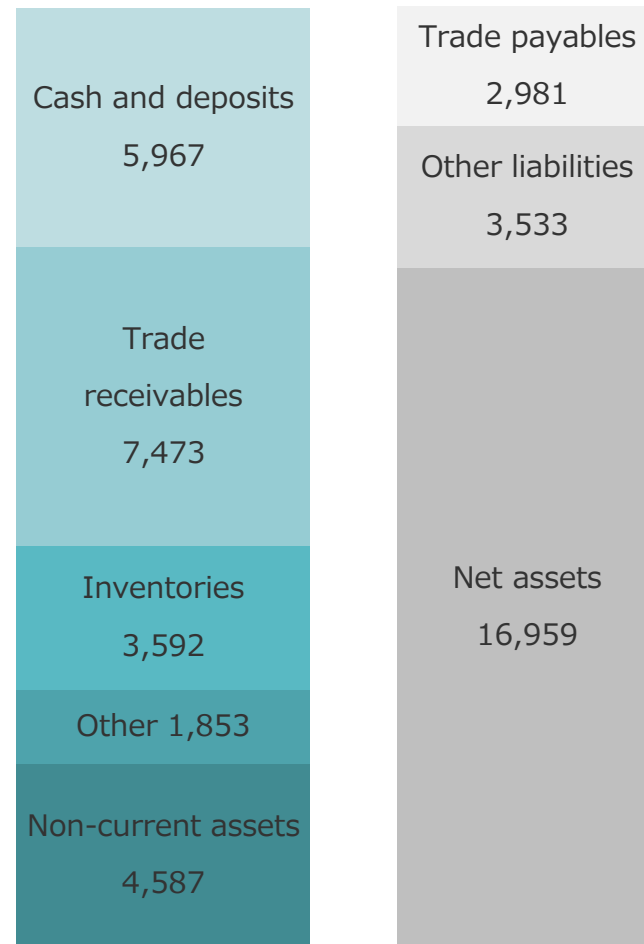
[Millions of yen]



As of March 31, 2025



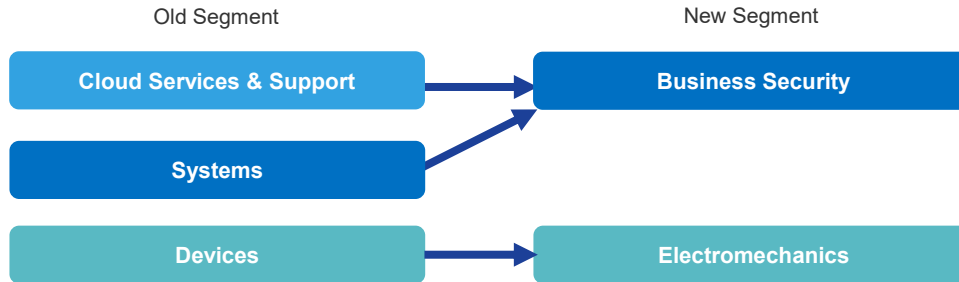
As of September 30, 2025



(Change) Net assets +125 • • • Dividends paid (954), Net income +717, Accumulated other comprehensive income +315, Treasury shares+47

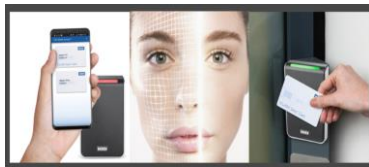
Segment and Main Products and Services (FY3/26 Q1~)

■ Segment System



With solid progress in expanding the cloud services business, certain segments will be consolidated and renamed to clarify the target market.

Business Security



Access control system



Facial recognition systems



Cloud-based wireless LAN

- | | |
|---------------|--|
| Retail | <ul style="list-style-type: none"> The electronic article surveillance system Surveillance camera system, facial recognition systems Cloud services RFID systems |
|---------------|--|

- | | |
|-----------------|---|
| Business | <ul style="list-style-type: none"> Access control system, Surveillance camera system Auto Mailing Insection Systems Cloud Services Network Products |
|-----------------|---|

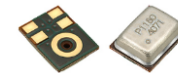
- | | |
|---------------|---|
| Global | <ul style="list-style-type: none"> Fire prevention systems |
|---------------|---|

- | | |
|--------------------|--|
| Maintenance | <ul style="list-style-type: none"> Product maintenance services provided by the Business Security segment |
|--------------------|--|

Electromechanics



Power modules



Silicon microphones



Soft-close units

Electronics

- Semiconductors, ICs, electronic components, sensors
- Various types of modules

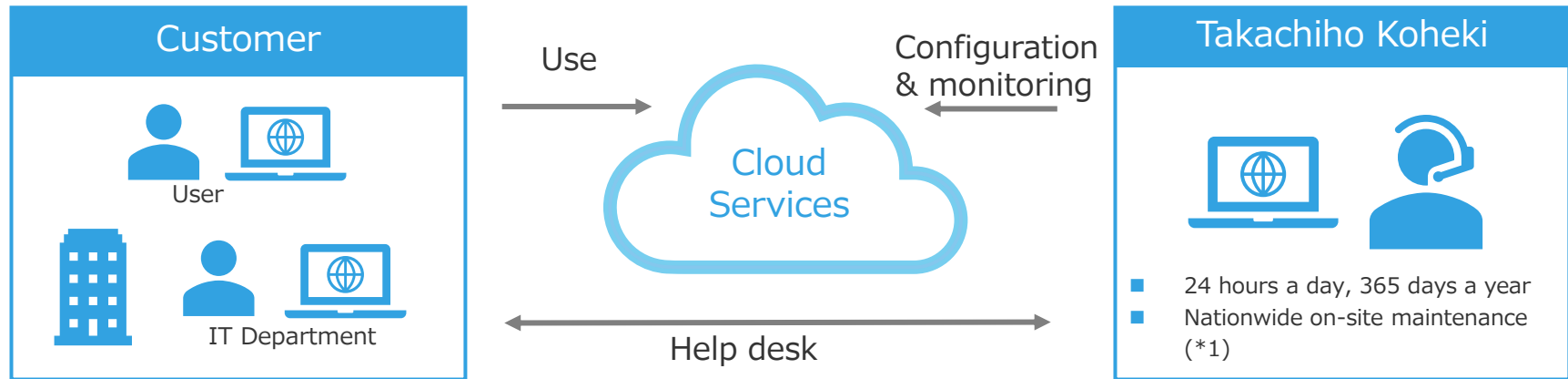
Mechanics

- Slide rails, gas springs
- Soft -close unit, electronic locks

Overview of MSP Services

What are MSP (Managed Service Provider) Service?

Maintenance, operation, and monitoring services for cloud products that can be outsourced



Main MSP Service Products



What is a "cloud-based wireless LAN system?"

The management of wireless LAN access points in the cloud

- ✓ Visualization of usage status in the cloud
- ✓ Easy and fast installation and trouble-shooting
- ✓ Configuration and monitoring can be outsourced

MSP Service Fee Structure

(1) to (3) are provided as an integrated service on a monthly payment basis (*2)

- (1) Purchase of equipment
- (2) Cloud service license fee
- (3) Maintenance fee

(*1) Not available in some areas

(*2) The purchase of equipment (1) can be paid in a lump sum

Medium- to Long-Term Growth Vision

■ **Purpose** Using the power of technology and Consideration for all, Creating the “**Essentials of the Future**” in different environments.

■ **Corporate Philosophy**

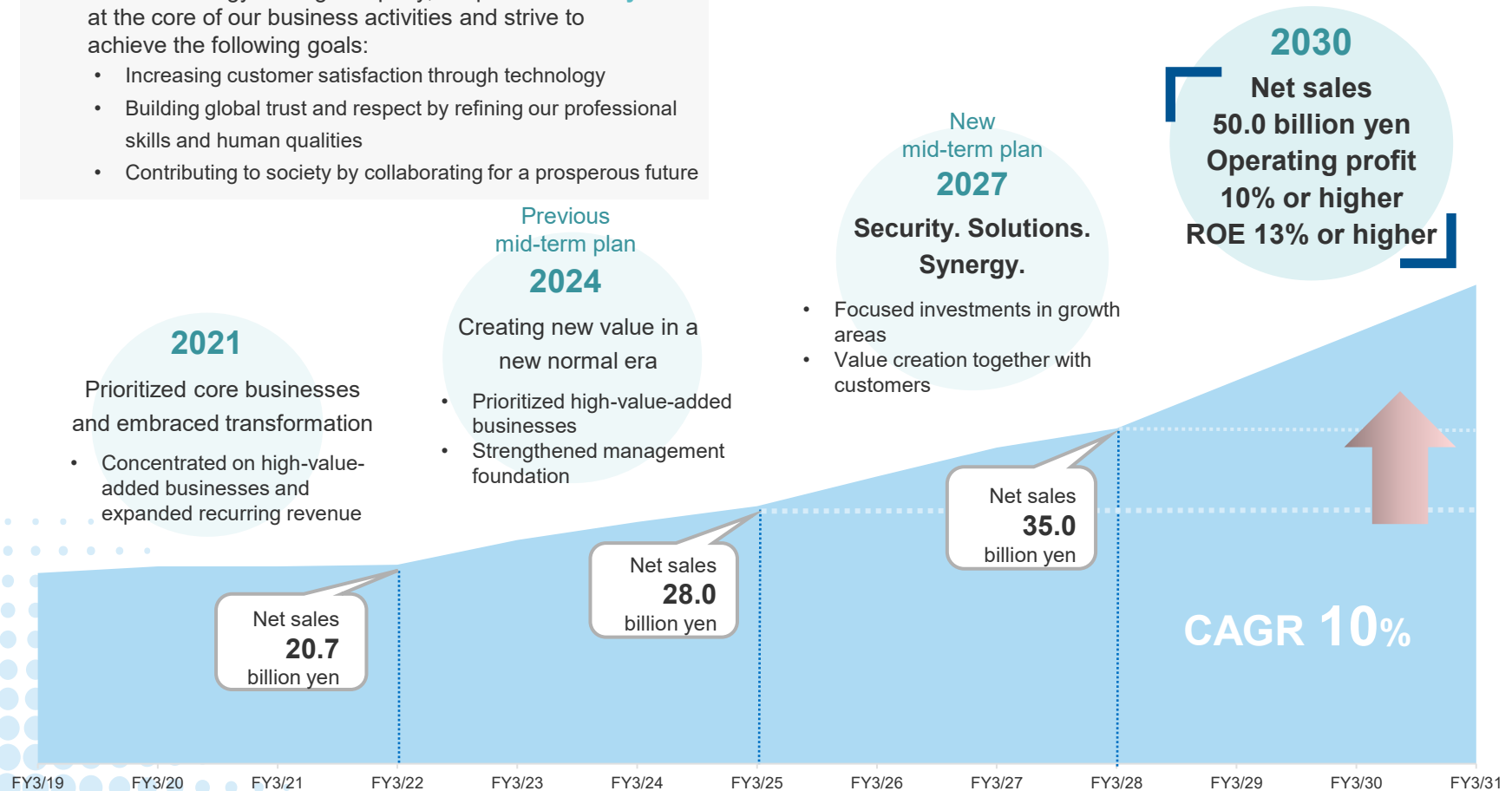
As a technology trading company, we place **creativity** at the core of our business activities and strive to achieve the following goals:

- Increasing customer satisfaction through technology
- Building global trust and respect by refining our professional skills and human qualities
- Contributing to society by collaborating for a prosperous future

<Takachiho Koheki's Vision for 2030>

Creating a safe and secure society

Becoming the 1st Choice Solution Provider and
Creating a Future Together with Our Customers



Overview of New Medium-Term Management Plan

<Medium-term slogan>

Security. Solutions. Synergy.

~ Moving to the Cutting Edge of Evolution with Business Security and Electromechanics ~

Basic Policy: “**Business growth through focused investments in focused businesses**”

“**Creating** a new future and value together with customers”

<KPIs> FY3/28 Operating profit 3,000 million yen, Net income 2,000 million yen, ROE 10% or higher

Business Strategy

Becoming the “1st Choice Solution Provider”

- **Basic Strategy 1: Evolution of Loyal Customer Strategy**
Provide multi-product services across organizations by strengthening internal cross-border cooperation
- **Basic Strategy 2: Growth of service business**
Create new solutions with customer support and increase value-added
- **Basic Strategy 3: Strengthen new business and global expansion**
- **Basic Strategy 4: Implement 6.0 billion yen growth investment**

Capital Strategy

Balancing Growth Investment and Shareholder Return

- 1st year:
Dividend payout ratio 100%
2nd year onward:
Stable shareholder return by adopting progressive dividend system
- **Improving CCC and profitability of capital** by promoting ROIC management

Sustainable Management

E: Environment

- Responding to environmental issues through business
- Responding to climate change

S: Society

- Promoting human capital management
- Initiatives to realize a safe and secure society

G: Governance

- Transition to a Company with Audit and Supervisory Committee
- Establishment of Internal Audit Office and Global Business Management Department
- Appointment of female directors

Company Profile

Company Name	Takachiho Koheki Co., Ltd.
Securities Code	TSE Prime (code: 2676)
Established	March 13, 1952
Head Office Address	YOTSUYA TOWER 7F, 1-6-1 Yotsuya, Shinjuku-ku, Tokyo
Representative	Takanobu Ide, President and Chief Executive Officer
Number of Employees	Consolidated: 459; Non-consolidated: 250 (as of March 31, 2025)
Consolidated Subsidiaries	One domestic company, eight overseas companies (Shanghai, Hong Kong, Bangkok, Singapore, Chicago)



Precautions Regarding this Document

- This document contains forward-looking statements. Such statements are not guarantees of future results and involve risks and uncertainties. Please note that future results may differ due to changes in the business environment and other factors.
- This document is for informational purposes only and is not intended as a solicitation to trade.

For inquiries, please contact:

Investor Relations, Corporate Planning Dept., Takachiho Koheki Co., Ltd.



ir@takachiho-kk.co.jp



03-3355-1201

IR News Mail



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