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Financial Results Briefing Material of the Fiscal Year Ending March 31, 2026

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

May 22, 2026

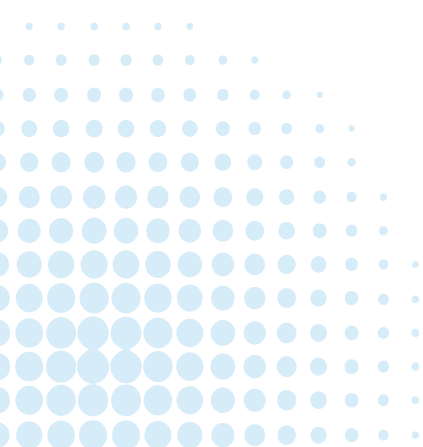


1. Executive Summary
2. Financial Results for the Fiscal Year Ending March 31,2026
3. Forecast for the Fiscal Year Ending March 31, 2027
4. Topics from the Medium-Term Management Plan 2025-2027
5. Appendix

[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

✓ FY 3/2026<Results>

- ✓ Net sales increased year on year driven by strong performance in Business Security , and operating profit and ordinary profit achieved their highest earnings since listing.
 - **Business Security:** In the Business Solutions segment, sales and profits increased due to strong performance in the data center segment and strong performance in the global segment, exceeding the target.
 - **Electromechanics:** Net sales decreased slightly due to sluggish electronics sales, but increased purchasing costs due to the weaker yen and growth investments profit fell short of plan due to increased SG & A expenses.
- ✓ Net income decreased due to valuation loss on investment securities. Dividends decreased by ¥4 year on year due to a payout ratio of 100%.

✓ FY 3/2027 <Plan>

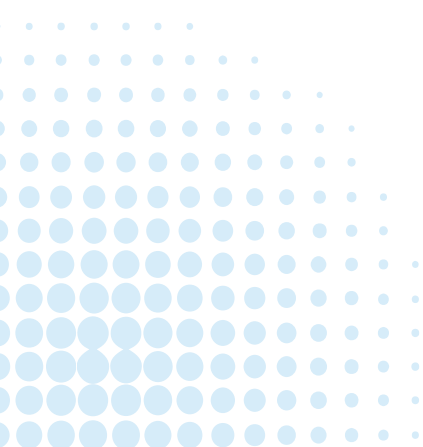
- ✓ Plan to increase both sales and profits in business security and electromechanics
- ✓ Plan to achieve new highs in operating profit and profit attributable since listing
- ✓ Plan to pay a progressive dividend from the fiscal year ending March 2027, with an annual dividend of ¥76 per share unchanged from the previous fiscal year

[Millions of yen]

	FY3/25 Results	FY3/26 3/19 revised plan	FY3/26 Results	FY3/27 Plan
Net Sales	28,098	30,000	29,510	32,000
Operating profit	2,079	2,200	2,098	2,350
Ordinary profit	2,004	2,400	2,408	2,300
Profit attributable to owners of parent	1,458	1,400	1,415	1,650
ROE	8.7%	-	8.2%	9.3%
Annual dividends per share*	80.0	75.0	76.0	76.0

*Dividends were split at a ratio of 2 shares for 1 share of common stock on June 1, 2025. Annual dividends for the fiscal year ended March 2025 are calculated after the split. ©TAKACHIHO KOHEKI CO.,LTD.

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Consolidated Financial Highlights

[Millions of yen]



Operating income and ordinary profit **achieved their highest earnings since listing** thanks to strong business security performance, profit attributable decreased mainly due to loss on valuation of investment securities

	FY3/25 Results	FY3/26 Plan	FY3/26 3/19 revised plan	FY3/26 Results	Year-on-Year	3/19 revision Compared to plan
Net Sales	28,098	30,000	30,000	29,510	+5.0%	(1.6%)
Gross profit on sales	6,909	7,660	7,660	7,383	+6.9%	(3.6%)
Gross profit ratio (%)	24.6%	25.5%	25.5%	25.0%	+0.4pt	(0.5pt)
Selling, general and administrative expenses	4,830	5,460	5,460	5,285	+9.4%	(3.2%)
Operating profit	2,079	2,200	2,200	2,098	+0.9%	(4.6%)
Operating profit ratio (%)	7.4%	7.3%	7.3%	7.1%	(0.3pt)	(0.2pt)
Foreign exchange gains	-	-	-	116	-	-
Foreign exchange losses	84	-	-	-	-	-
Ordinary profit	2,004	2,100	2,400	2,408	+20.1%	+0.4%
Ordinary profit ratio (%)	7.1%	7.0%	8.0%	8.2%	+1.1pt	+0.2pt
profit before tax	2,170	-	-	2,133	(1.7%)	-
Profit attributable to owners of parent	1,458	1,500	1,400	1,415	(2.9%)	+1.1%
ROE	8.7%	-	-	8.2%	(0.5pt)	-
EPS**	79.10 yen	80.44 yen	75.05 yen	75.88 yen	(3.22 yen)	+0.83 yen

*2 shares of common stock split for 1 share on June 1, 2025, EPS for fiscal year ended March 2025 is after the split

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Results by Segment

[Millions of yen]

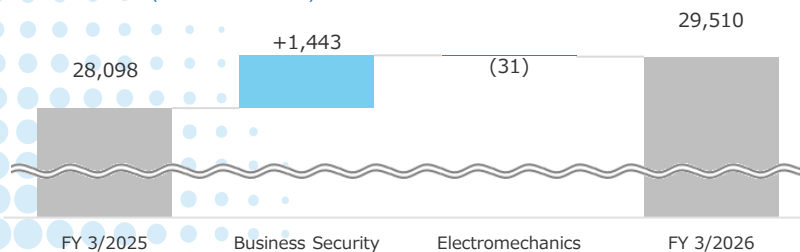


In Business Security, sales and profits increased, and the operating margin improve to 9.3%.

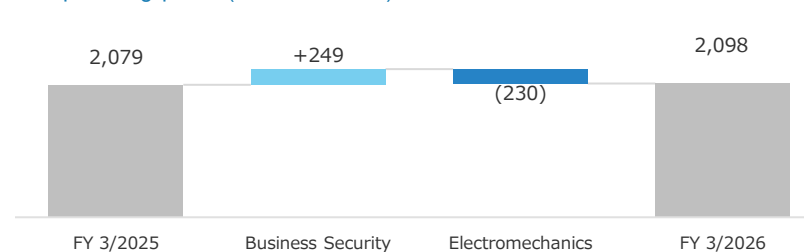
In Electromechanics, sales and profits decreased due to sluggish electronics.

		FY3/25 Results *	FY3/26 Results	Increase/ Decrease	Percentage change	FY3/26 Plan	Increase/ Decrease	Percentage change
Business Security	Net Sales	13,708	15,152	+1,443	+10.5%	14,980	+172	+1.2%
	Operating profit	1,153	1,402	+249	+21.6%	1,230	+172	+14.0%
	Operating profit ratio	8.4%	9.3%	+0.9pt	-	8.2%	+1.1pt	-
Electromechanics	Net Sales	14,389	14,358	(31)	(0.2%)	15,020	(661)	(4.4%)
	Operating profit	926	695	(230)	(24.9%)	970	(274)	(28.3%)
	Operating profit ratio	6.4%	4.8%	(1.6pt)	-	6.5%	(1.7pt)	-
Consolidated Total	Net Sales	28,098	29,510	+1,412	+5.0%	30,000	(489)	(1.6%)
	Operating profit	2,079	2,098	+18	+0.9%	2,200	(101)	(4.6%)
	Operating profit ratio	7.4%	7.1%	(0.3pt)	-	7.3%	(0.2pt)	-

■ Net Sales (Year-on-Year)



■ Operating profit (Year-on-Year)



*FY ended March 2025 figures reflect changes in segment classification (See page 35 for details)

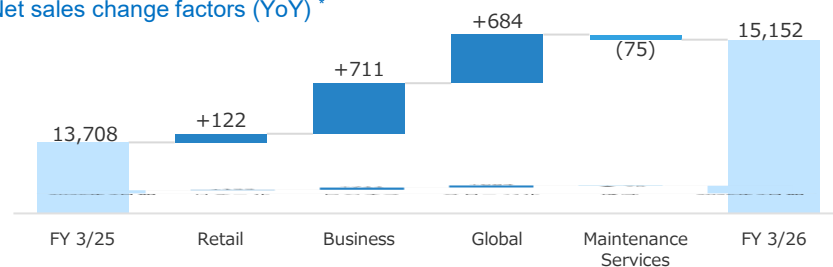
Results by Segment (Business Security)

[Millions of yen]



Net Sales	15,152 million yen	YoY +1,443 million yen
Strong sales of subsidiaries in Thailand and strong sales of security products for data centers and apparel in Japan		
Operating profit	1,402 million yen	YoY +249 million yen
Increased sales of high-margin business solutions		

Net sales change factors (YoY) *



● Retail Solutions

(+) Strong sales of RFID systems and surveillance camera systems for apparel

● Business Solutions

(+) Access control systems for data centers and offices strong sales of surveillance camera systems

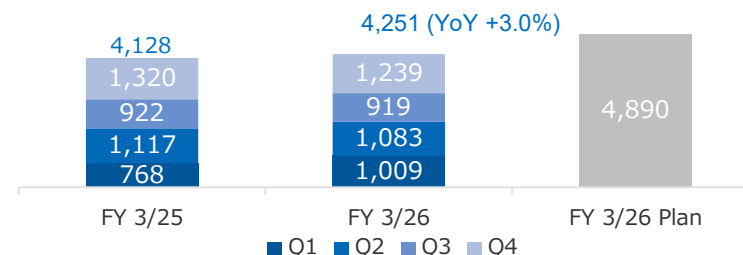
● Global

(+) Large-scale fire protection system projects and office security in Thailand
Strong systems performance, increased yen-converted revenue at overseas subsidiaries

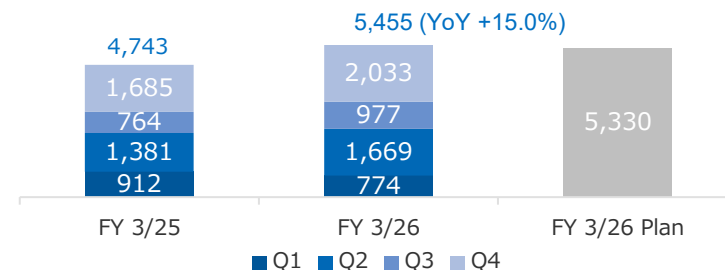
● Maintenance services

(-) Termination of maintenance services due to termination of manufacturer support for some products

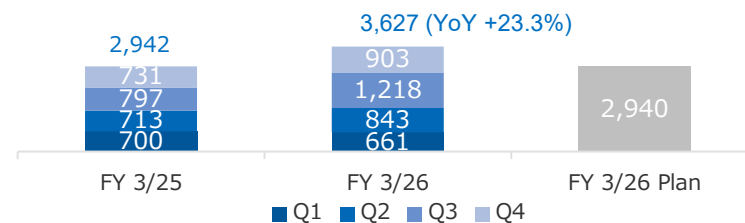
● Retail Solutions



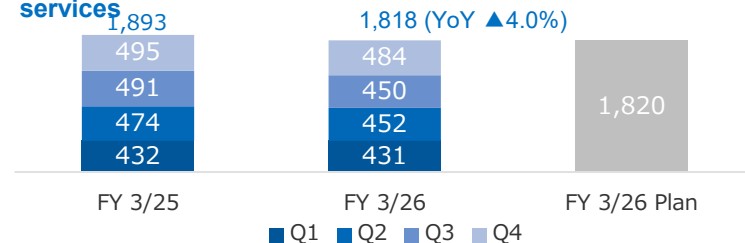
● Business Solutions



● Global



● Maintenance services



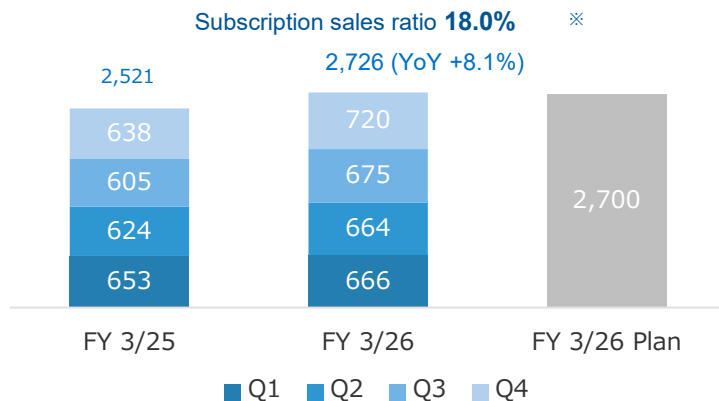
*Changes in segment classification are already reflected in the figures for the fiscal year ended March 2025 (See page 35 for details) ©TAKACHIHO KOHEKI CO.,LTD.

Subscription Business Performance (Business Security)

[Millions of yen]



Subscription Business Sales



*Share of Business Security segment sales

● Maintenance

(△) Termination of maintenance services due to termination of manufacturer support for some products

(+) Successful revision of technical fees and acquisition of new maintenance contracts

● Managed Services * MSP service integrating equipment, cloud services, and operation management

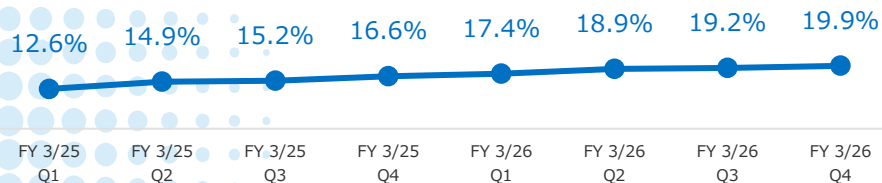
(+) Strong sales by distributors

● Cloud licenses

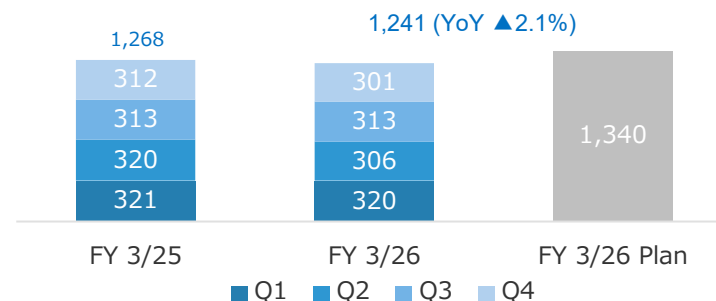
(+) Accumulated number of licenses and achieved new products such as Verkada

Subscription Business Operating Profit Margin

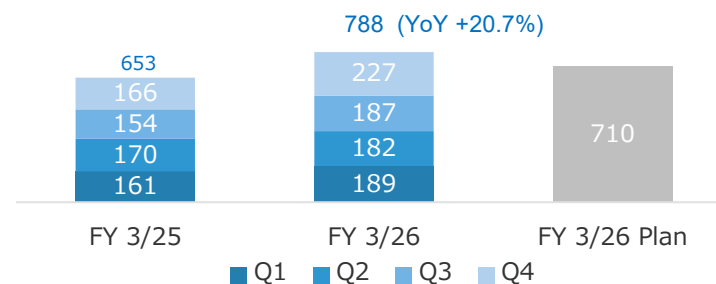
Rise on strong performance of cloud licenses with relatively high profit margins



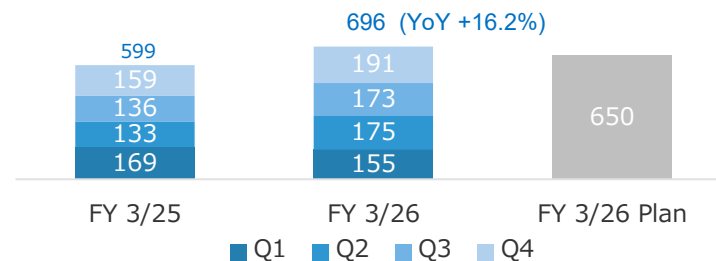
● Maintenance



● Managed services



● Cloud licenses

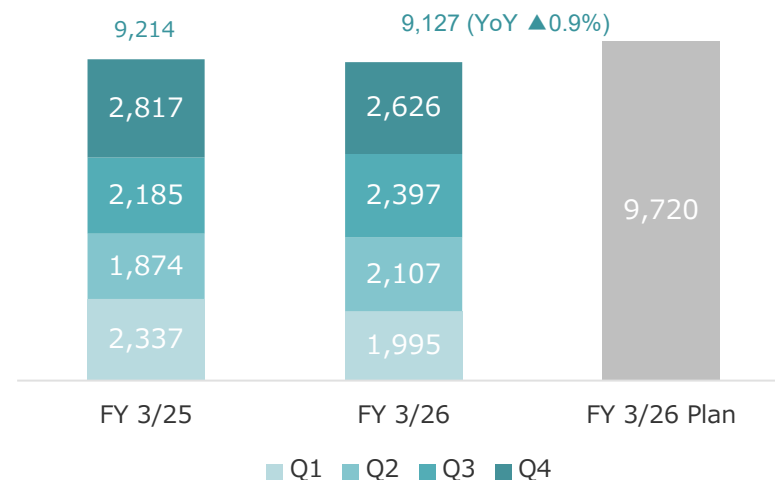


*From the disclosure in the 3rd quarter of the fiscal year ending March 26, quarterly figures have been changed to cumulative figures.

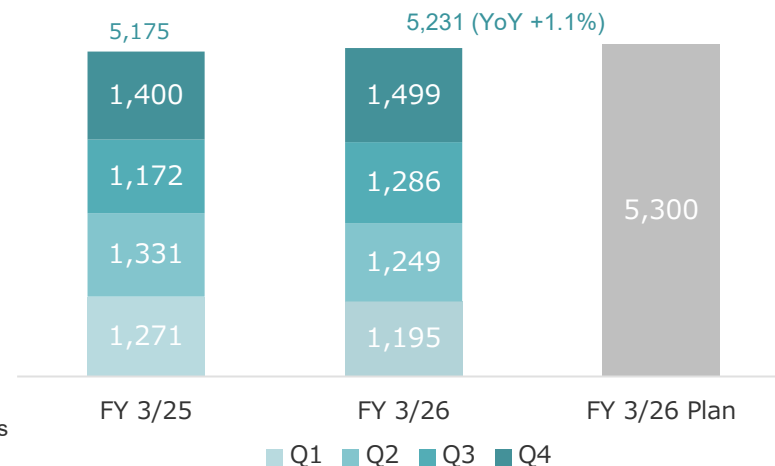
Results by Segment (Electro Mechanics)

Net Sales	14,358 million yen	YoY (31 million yen)
Electronics slightly decreased due to strong demand for consumer electronics and weak demand for automotive equipment and modules. Mechanics slightly increased due to strong demand for residential equipment and office furniture.		
Operating profit	695 million yen	YoY (230 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.		

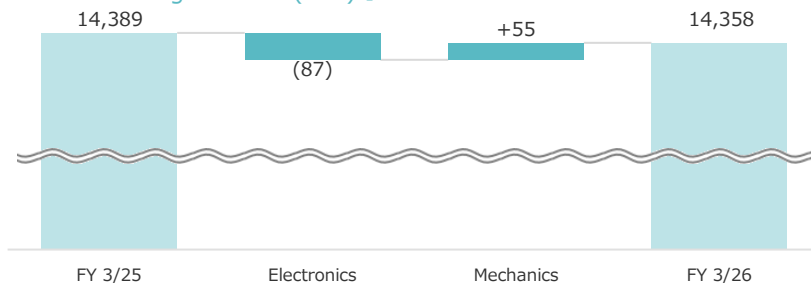
● Electronics



● Mechanics



【 Net sales change factors (YoY) 】



● Electronics

- (△) Semiconductors for automotive equipment and modules
 - >Sales for automotive equipment decreased in reaction to strong performance in the previous fiscal year. Sales for modules were weaker than in the second half.
- (+) Semiconductors for consumer equipment
 - > Continued inventory adjustments for some customers

● Mechanics

- (+) Mechanical components for housing equipment and office furniture
 - >In housing equipment, sales of planned and developed products for kitchens were strong
- (△) Mechanical components for power generation equipment and multifunction machines
 - >Down from strong performance in the previous fiscal year

Capital Efficiency Improvement Status

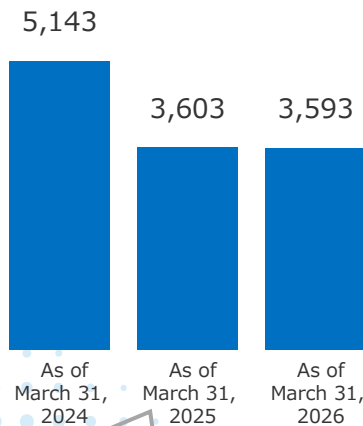
Strengthened order intake and order control to keep inventory at an appropriate level
Revised terms and conditions for receivables and payables to improve cash flow

Inventories

Number of days for turnover



Balance
[Millions of yen]

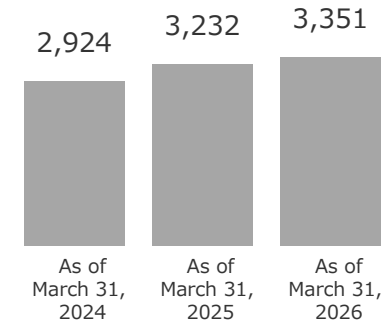
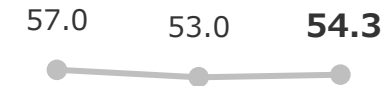


Mainly due to a decrease in orders and deliveries of electronics

Trade receivables



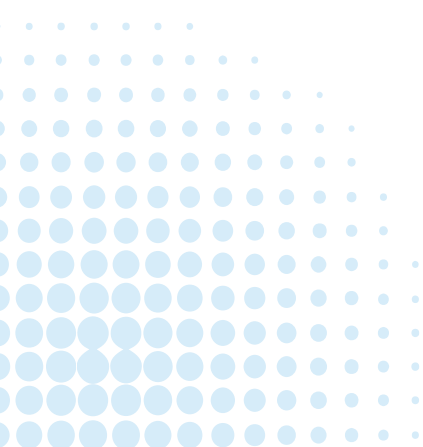
Trade payables



[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

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Consolidated PL< Plan >

[Millions of yen]



SG & A expenses will increase due to growth investment, increased corporate awareness, and advertising measures such as product promotions.

Operating profit and profit attributable will increase to new highs since listing.

	FY3/26 Results	FY3/27 Plan	Change	Year-on-Year
Net Sales	29,510	32,000	+2,489	+8.4%
Gross profit on sales	7,383	8,300	+916	+12.4%
Gross profit ratio (%)	25.0%	25.9%	-	+0.9pt
Selling, general and administrative expenses	5,285	5,950	+664	+12.6%
Operating profit	2,098	2,350	+251	+12.0%
Operating profit ratio (%)	7.1%	7.3%	-	+0.2pt
Ordinary profit	2,408	2,300	(108)	(4.5%)
Ordinary profit ratio (%)	8.2%	7.2%	-	(1.0pt)
Profit attributable to owners of parent	1,415	1,650	+234	+16.6%
ROE(%)	8.2%	9.3%	-	+1.1pt
EPS	75.88 yen	88.33 yen	+12.45 yen	-
Annual dividend per share	76.0 yen	76.0 yen	+0.0 yen	-

Sales and Operating Income by Segment < Plan >

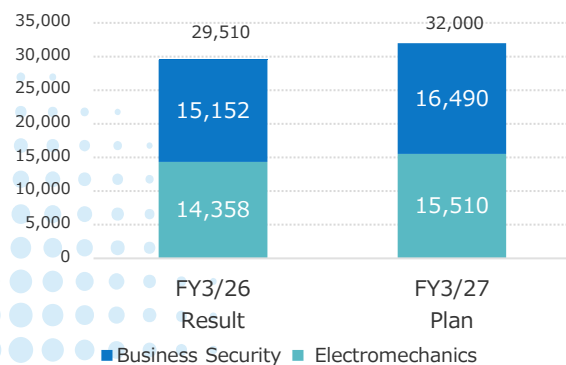
[Millions of yen]



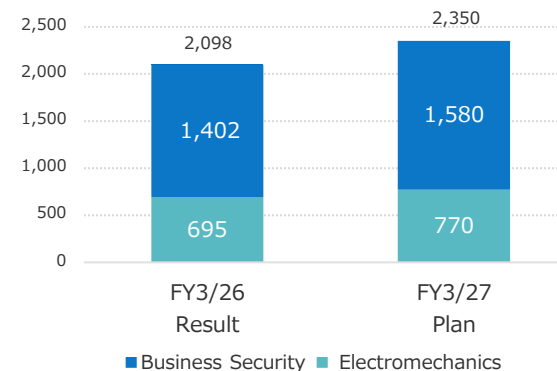
Sales and profit are expected to increase in both Business Security and Electromechanics

		FY3/26 Results	FY3/27 Plan	Increase/ Decrease	Percentage change
Business Security	Net Sales	15,152	16,490	+1,337	+8.8%
	Operating profit	1,402	1,580	+177	+12.6%
	Operating profit ratio	9.3%	9.6%	+0.3pt	—
Electromechanics	Net Sales	14,358	15,510	+1,151	+8.0%
	Operating profit	695	770	+74	+10.7%
	Operating profit ratio	4.8%	5.0%	+0.2pt	—
Consolidated Total	Net Sales	29,510	32,000	+2,489	+8.4%
	Operating profit	2,098	2,350	+251	+12.0%
	Operating profit ratio	7.1%	7.3%	+0.2pt	—

■ Net sales by segment



■ Operating profit by segment

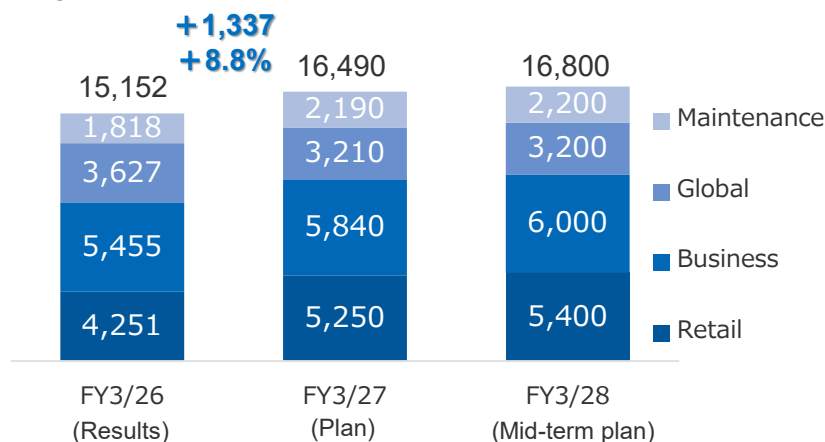


Business Security <Plan>

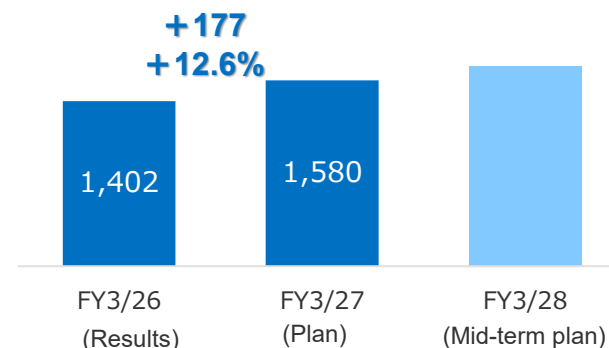
[Millions of yen]



■ Segment net sales



■ Segment operating profit



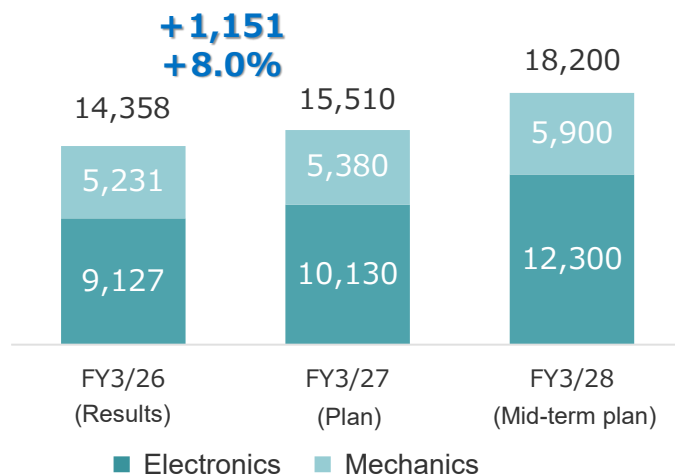
Sub-segments	YoY	Main factors
Retail Solutions	+998	<ul style="list-style-type: none"> Expansion of adoption of RFID systems for apparel Expansion of sales of facial recognition systems and surveillance camera systems for GMSs, drugstores, shopping centers, and specialty stores
Business Solutions	+384	<ul style="list-style-type: none"> Expansion of sales of security systems for data centers and foreign company offices Expansion of the Subscription Business including MSP services and cloud licenses
Global	(417)	<ul style="list-style-type: none"> Focus on projects with higher profitability
Maintenance	+371	<ul style="list-style-type: none"> Expectation of a revenue increase due to the acquisition of new maintenance contracts and price revisions Expansion of introduced services and support driven by expanded sales of new products and services

Electromechanics <Plan>

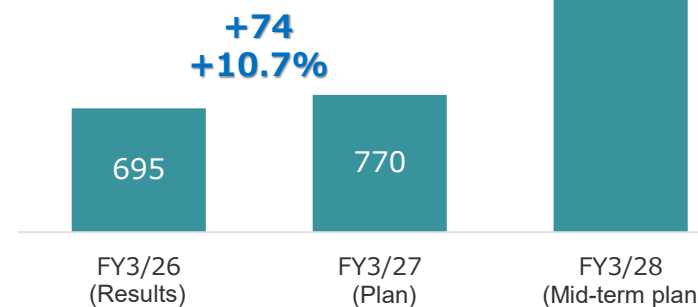
[Millions of yen]



■ Segment net sales



■ Segment operating profit



Sub-segments	YoY	Main factors
Electronics	+1,002	<ul style="list-style-type: none"> Increase in sales due to the commencement of handling optical-related products Increase in demand for industrial equipment used in semiconductor manufacturing
Mechanics	+148	<ul style="list-style-type: none"> Expansion of new customer adoption and market share for planning and development products for mechanical components for housing equipment Sales expansion of plant manufacturing facilities, etc. for industrial equipment



Shareholder Return

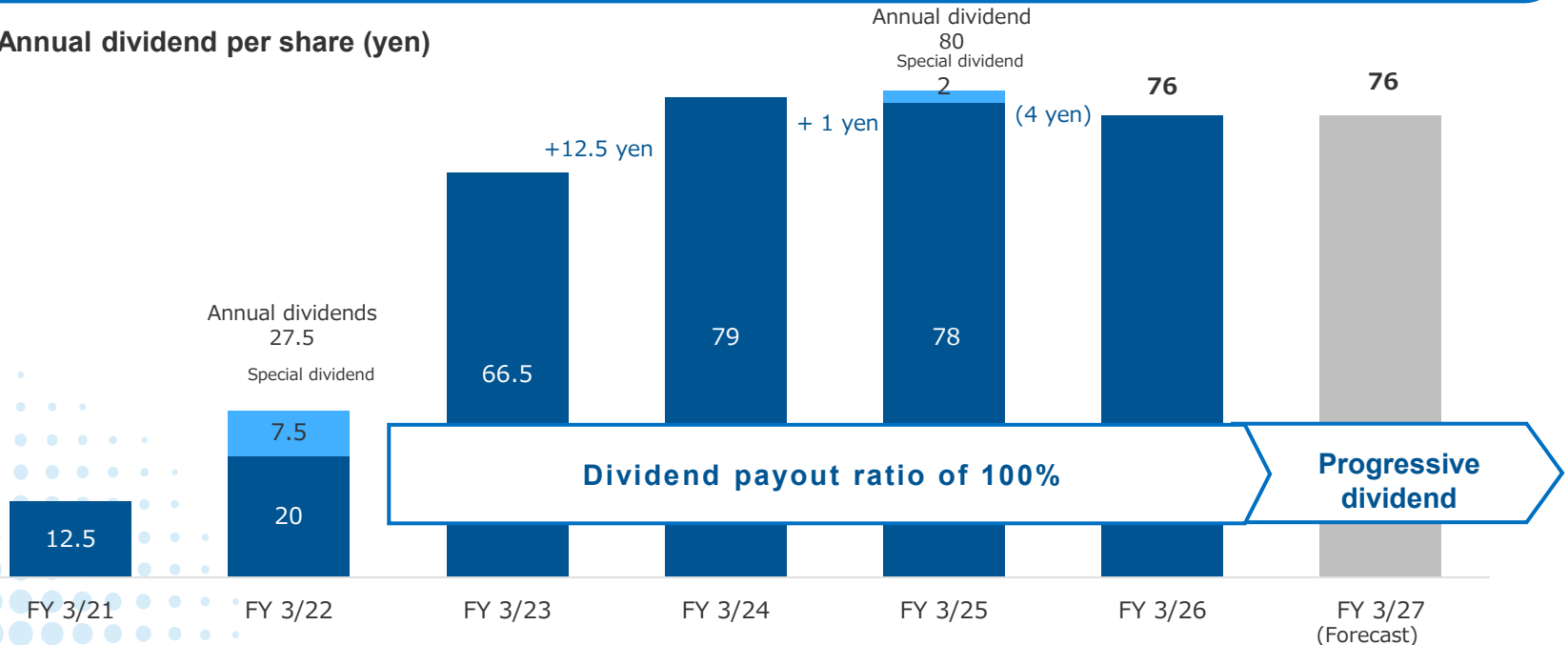
- The annual dividend for the fiscal year ending March 2026 is **¥76.0**, down ¥4 from the previous fiscal year due to a decrease in profit.
- The annual dividend for the fiscal year ending March 2027 is expected to be **¥76.0**, the same amount as the previous fiscal year, due to the progressive dividend.

Medium-Term Management Plan 2025-2027 Dividend Policy

Based on our capital policy, "Balancing investment for growth and shareholder returns,"

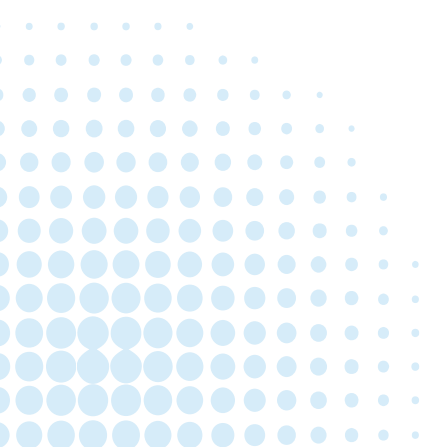
- Driving business growth by proactive investments while maintaining financial soundness
- **100% dividend payout ratio for FY3/26, adopting a progressive dividend policy for FY3/27 onward**

■ Annual dividend per share (yen)



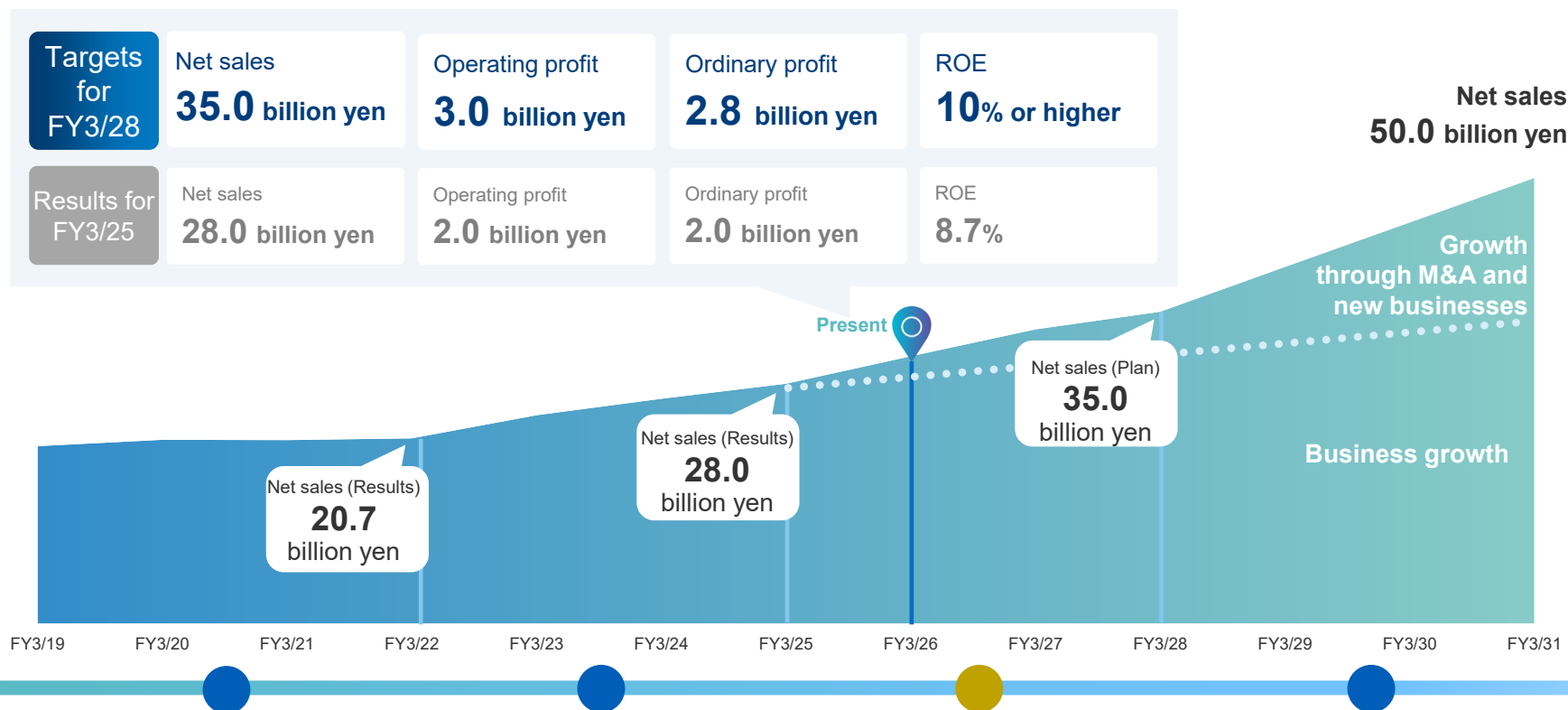
*2 shares of common stock split on June 1, 2025. Dividends before the fiscal year ended March 2025

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Medium- to Long-Term Growth Vision



Category	Net sales	Operating profit	Ordinary profit	ROE
Targets for FY3/28	35.0 billion yen	3.0 billion yen	2.8 billion yen	10% or higher
Results for FY3/25	28.0 billion yen	2.0 billion yen	2.0 billion yen	8.7%

2019–2021

Medium-Term Management Plan

Prioritized core businesses and embraced transformation

Concentrated on high-value-added businesses and expanded recurring revenue

2022–2024

Previous Medium-Term Management Plan

Creating new value in a new normal era

- Prioritized high-value-added businesses
- Strengthened management foundation

2025–2027

Current Medium-term Management Plan

Security. Solutions. Synergy.

- Focused investments in growth areas
- Value creation together with customers

2030

Medium- to long-term targets

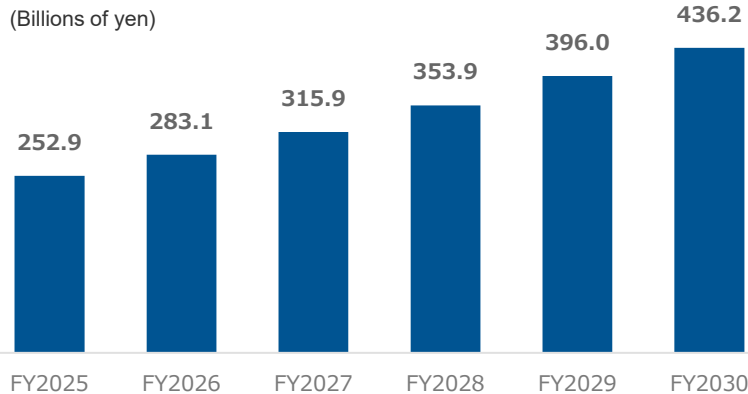
Net sales **50.0 billion yen**
Operating profit margin **10% or higher**
ROE **13% or higher**



Trends in the Security-Related Market

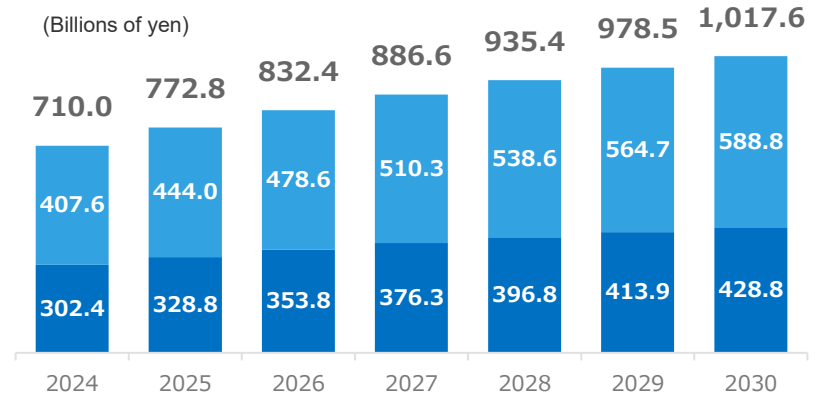
The security-related market the Company focuses on is a promising market with further growth potential

Domestic surveillance camera system market



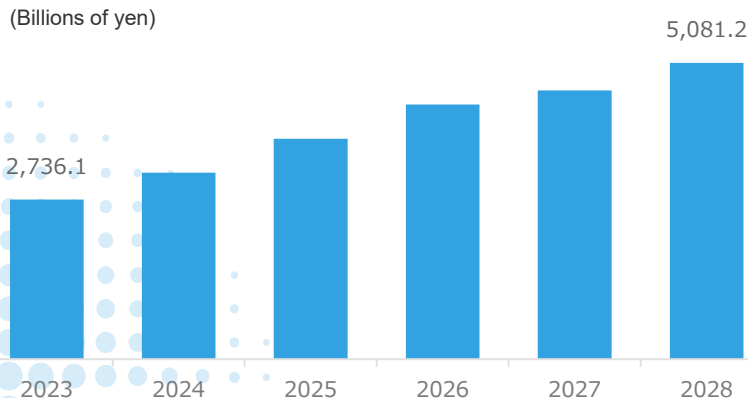
Source: Yano Research Institute Ltd., "Security Camera and System Market in Japan: Key Research Findings 2025"

Domestic network security business market



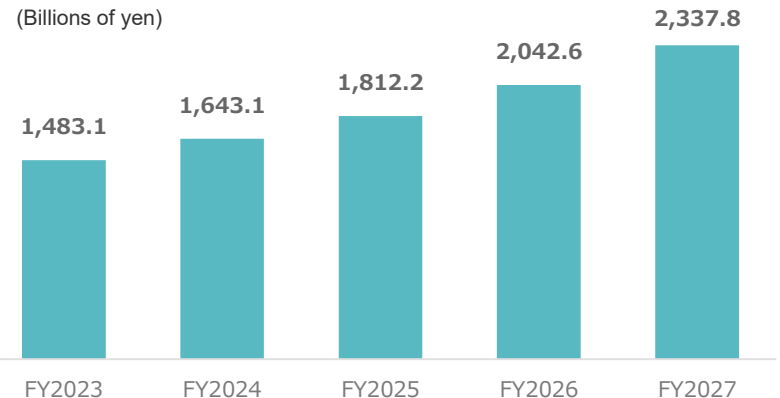
Source: Fuji Chimera Research Institute, "2025 Network Security Business Survey Overview"

Domestic data center service market



Source: IDC Japan, "Domestic Data Center Service Market Prediction 2024-2028 (October 2024)." Figures from 2024 to 2027 could not be obtained; accordingly, such figures are approximate values estimated by the Company based on publicly disclosed information.

Global RFID solution market



Source: Yano Research Institute Ltd., "Global RFID Solution Market: Key Research Findings 2025"

Business Security <Business Solutions>

Strong orders and net sales for access/surveillance camera systems for data centers
Backlog for the final fiscal year of the mid-term plan: over 60%

Net Sales for Data Centers

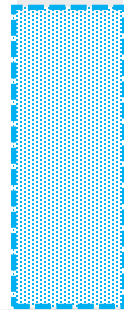
**Orders of over 60% of the plan
 have already been received**
We aim to acquire more

Plan to achieve double or more
 amount of net sales in the final fiscal
 year of the mid-term plan

Over 60%
 orders have
 already been
 received



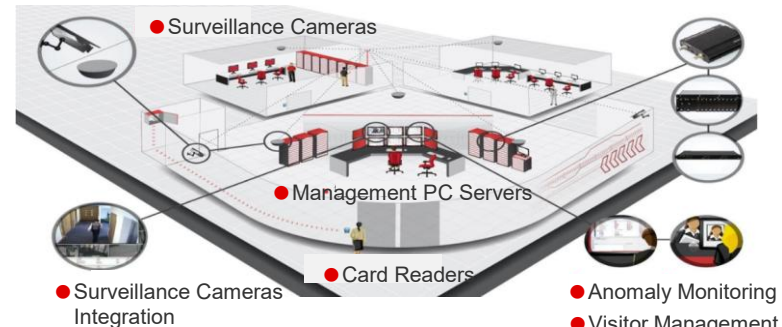
FY3/25



FY3/28
(Plan)

Why the Company has a strength in business for foreign customers' data centers

1. Many foreign companies have a consistent security policy for their global sites, and **this gives us the competitive advantage as we sell many products from the global leading manufacturers**
2. We **have business transactions with over 30% of a dozen** of major foreign data center companies that operate in Japan. Efforts to approach them are being made for expanding business transactions further
3. **We have built a solid relationship with subcontractors and design companies** as our performance for the past 5 years has been highly evaluated



Initiatives to Cyber-Security Business

“halcyon,” the world’s first anti-ransomware platform, launched in June 2025 as the first service provided in Japan

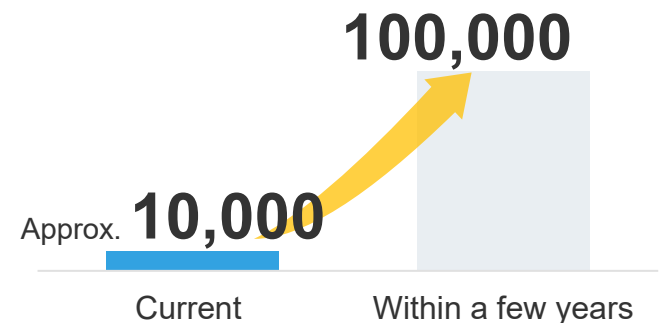
Overview of halcyon

- This service prevents data leakage and double extortion associated with ransomware attacks by **duplicating the encryption keys used** by ransomware to encrypt data, thereby **enabling rapid data recovery after infection**
- **Protects 700 and more organizations and over 2 million devices**, becoming a **unicorn** in 2024
- **Has blocked an attack by “Qilin,”** a ransomware group currently making news, and we have received an increasing number of inquiries
Received multiple orders, mainly in the manufacturing industry, including **a recently won large-scale project involving 10,000 licenses**
- Business negotiations are underway **for several thousand licenses**. We will make efforts to expand the Subscription Business, aiming to achieve adoption by **100 companies involving 100,000 licenses within a few years**

halcyon competitive advantages

	halcyon	EPP	EDR/XDR	Backups
Threat prevention engine	✓	✓	✗	✗
Ransomware-related behavior detection engine	✓	✗	✓	✗
Capturing encrypted keys	✓	✗	✗	✗
Monitoring for any disabled security tools by other companies	✓	✗	✗	✗
Backup protection	✓	✗	✗	✗
Decryption of encrypted files	✓	✗	✗	✗
Prevention of unauthorized data leakage (DXP)	✓	✗	✗	✗
Reducing time for recovery after the occurrence of incident	✓	✗	✗	✓

Increase the number of licenses tenfold within a few years



Growth of Service Business

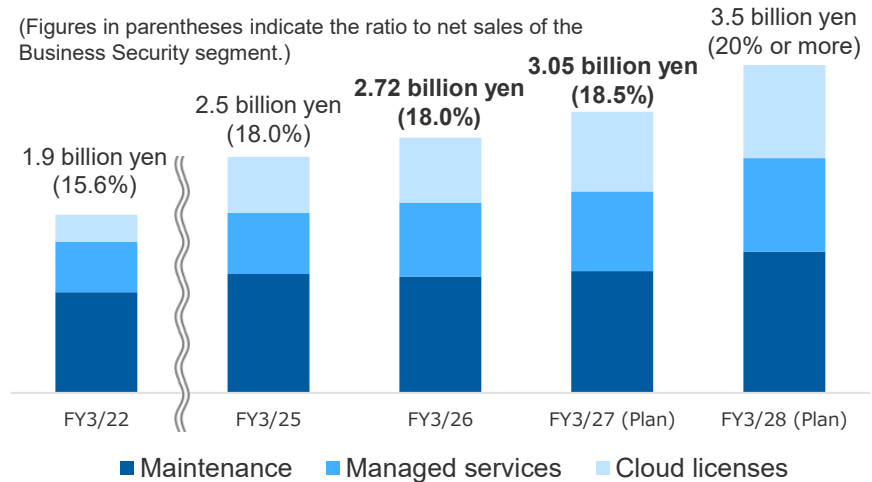
Stable revenue growth under the subscription model, backed by cloud services delivering results and strong managed services performance

Service Business KPI	FY3/26 Summary	
	Plan	Results
Subscription Business * Net Sales Composition	19.0% or higher	18.0%
Subscription Business * Operating Profit Margin	23.0% or higher	19.9%

* Maintenance fees recognized over the contract period + managed services fees + monthly cloud license fees

Change in Net Sales of Subscription Business

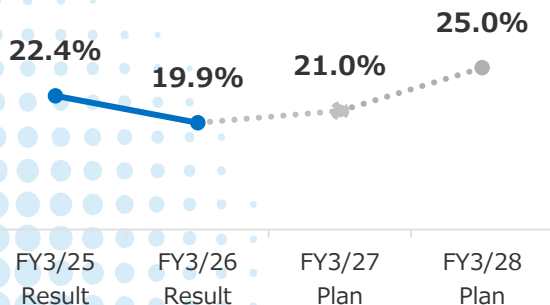
(Figures in parentheses indicate the ratio to net sales of the Business Security segment.)



Change in Operating Profit Margin of Subscription Business

[Factor behind the decrease in FY3/26]

The discontinuation of higher-margin maintenance services following the termination of manufacturer support



FY3/27 Net Sales (Plan) Growth Drivers [Millions of yen]

Services	YoY	Main factors
Maintenance	+59	<ul style="list-style-type: none"> Maintenance price revision Conclusion of new maintenance contracts
Managed services	+105	<ul style="list-style-type: none"> Strengthening sales efforts across multiple departments of key distributors and developing new distributors Expansion of product lineup
Cloud licenses	+159	<ul style="list-style-type: none"> Strengthening cloud service sales such as Verkada and halcyon

- Managed
 - Cisco-based wireless LAN
 -
- Cloud licenses
 -
 -



Inquiries are increasing for RFID systems, which function as inventory management system as well as crime-prevention, particularly from apparel

TrueVue Hybrid Inventory Management Solution

Solution that integrates the latest RFID technology and cloud-based inventory management system

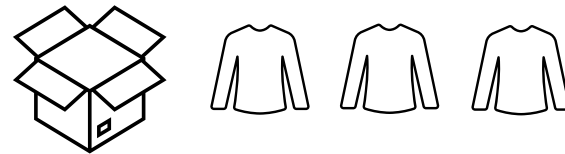


Reader + Antenna



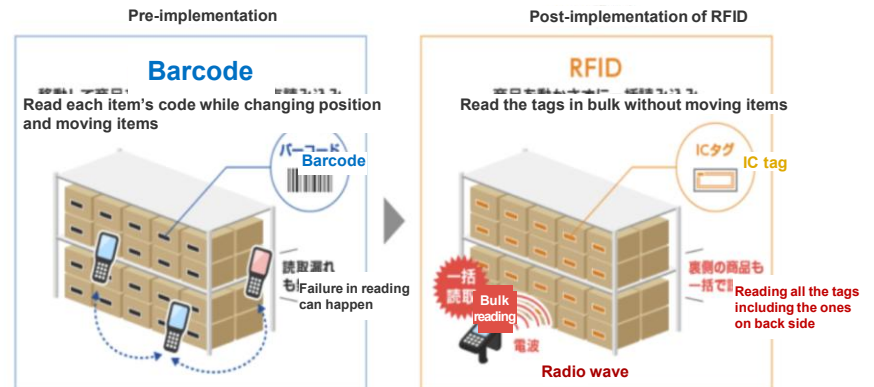
Expansion of sales opportunities through inventory visualization

Enable obtaining real-time inventory information with registered location information, contributing to prevent stock shortages and opportunity losses



Efficient operation

Significantly reduce hours worked on stocktaking, contributing to achieve labor-saving for store operations



Electromechanics Commencement of Handling Optical-Related Products

Growth Strategy of Optical Solution Business

Develop the business as the next growth business of the electronics segment, focusing on optical technologies across the communications, industrial, and sensing fields

Market Background

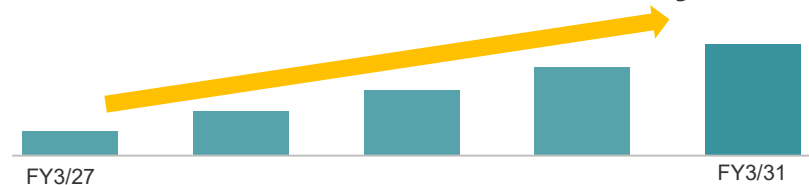
- Rapid growth in demand for optical components driven by the expansion of AI data centers
- Advancement of optical networks driven by next-generation telecommunications (e.g. IOWN)
- Expansion of applications beyond networking (industrial and sensing applications)

Business Model

- Sales of optical components
<e.g., Optical communication components integrated with optical modules and semiconductors>
- Evolving from component sales to solution offerings
- Expanding into data center maintenance services

Growth Target

Increase sales to several billion yen



Growth Strategies

- Horizontal expansion across communications, industrial, and sensing markets
- Strengthening competitiveness by expanding into next-generation optical components
- Shifting to high-value-added domains (equipment and services)

Loyal Customer Strategy Progress

Cross-sales measures have progressed through the matrix organization

Platinum and Loyal Customers increased year-on-year to a total of 145 companies, and the number of cross-sales increased to 83 companies

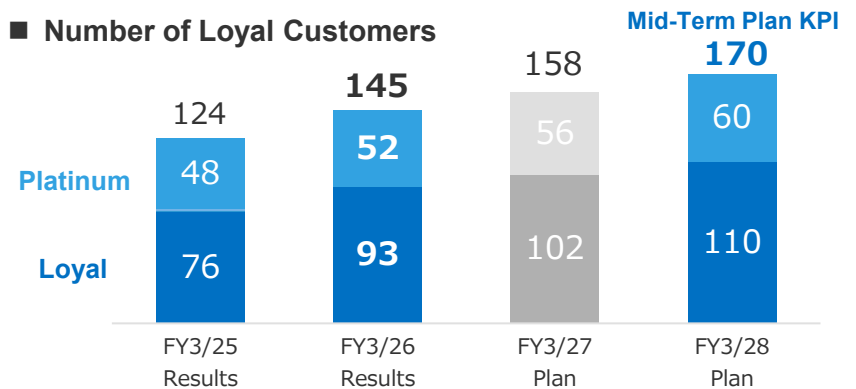
Loyal Customer Strategy KPI		FY3/26 Summary	
	Plan	Results	
Average sales per customer	20 million yen	18 million yen	(2) million yen
Number of loyal customers	140 companies	145 companies	+5 companies
Number of cross-sales	80 companies	83 companies	+3 companies

Average Sales per Customer

<KPI> +30% over three years from the final year of the previous Medium-Term Management Plan

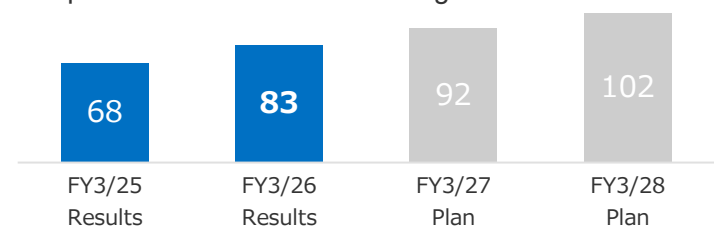


Number of Loyal Customers



Number of Cross-Sales (Across sub-segments)

<KPI> +50% over three years from the final year of the previous Medium-Term Management Plan



<Overview of Loyal Customers Strategy>





Growth Investment Plan

We have formulated a plan for **6.0** billion yen growth investment under the Medium-Term Management Plan and have been implementing various measures



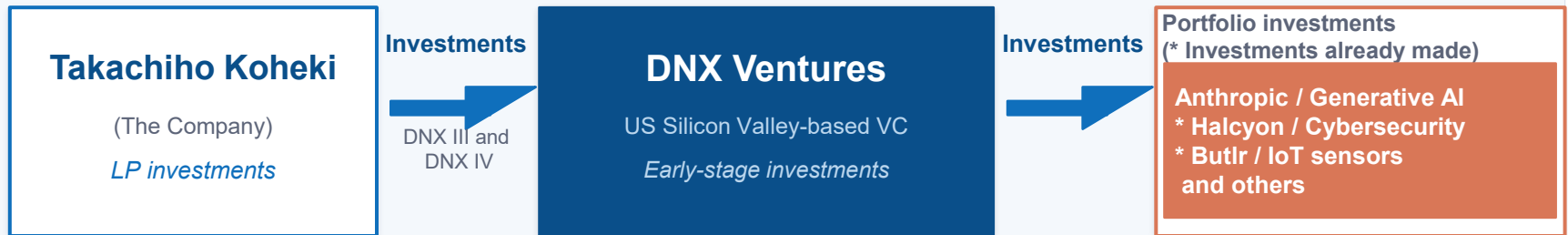
		Three-year mid-term plan period	Progress
Strengthening human capital	Strengthening hiring	0.50 billion yen	<ul style="list-style-type: none"> FY3/26: 6% increase for base salary + benefits FY3/27: 5% increase for base salary + benefits Training expenses are expected to be approximately 100 million yen in FY3/27
	Salary increase		
Strengthening development			
DX promotion	Core system renewal	0.70 billion yen	<ul style="list-style-type: none"> A core system implementation project started AI utilization is underway in operational tasks
	Incorporation of AI		
Business investment M&A	Investment in business growth	4.80 billion yen	
	VC investment		

Effects by Growth Investment

The effects by growth investment made under the previous Medium-Term Management Plan are starting to show

Acquire products through venture capitals and capital/business alliances

Takachiho Koheki invests in start-ups in advanced technology domains through DNX Ventures

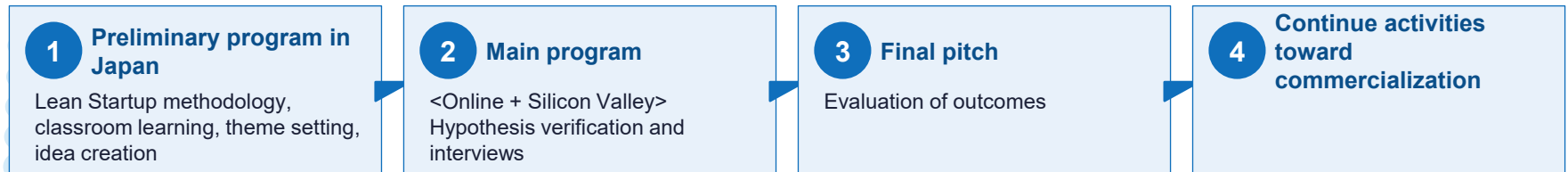


The Company is promoting its business by identifying promising early-stage start-ups through DNX Ventures
 DNX Ventures is a venture capital firm with investments in promising start-ups such as Anthropic (U.S.), a leader in generative AI, as well as Halcyon and Butlr

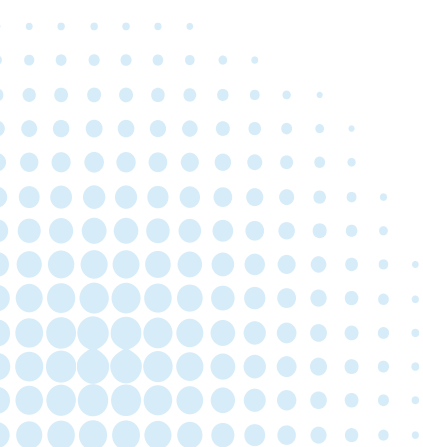
2020: Invested in DNX Fund III | 2021: Established Silicon Valley Innovation Center | 2023: Invested in DNX Fund IV

Training program by a venture capital

Objectives: Foster new business mindset and develop business development talents (conducted every year since FY2020)



1. Executive Summary
2. Financial Results for the Fiscal Year Ending March 31,2026
3. Forecast for the Fiscal Year Ending March 31, 2027
4. Topics from the Medium-Term Management Plan 2025-2027
5. Appendix



Measures to realize management with an awareness of capital costs and stock prices (1)



To balance growth investment and shareholder return while maintaining financial soundness, the Company is steadily improving profitability of capital and its balance sheet.

Profitability of Capital

ROE 10% or higher

Shareholder Return

FY3/26 Dividend payout ratio 100%

FY3/27~ Progressive dividend system

Financial Soundness

Equity to asset ratio 50% or higher

■ Enhancing profitability of capital through ROIC management

Profitability improvement		Balance sheet improvement	
<p>Profit growth</p> <ul style="list-style-type: none"> Focusing on growth businesses through business portfolio management 	<p>Gross profit margin</p> <p>FY3/26 25%</p> <p>↓</p> <p>FY3/28 26%</p>	<p>Inventory turnover period</p> <p>FY3/26 2.2 months</p> <p>↓</p> <p>FY3/28 1.9 months</p>	<p>Shareholder return</p> <ul style="list-style-type: none"> FY3/26: Dividend payout ratio 100% FY3/27 onwards: Stable dividend through progressive dividend system
<p>Subscription sales ratio*</p> <p>FY3/26 18%</p> <p>↓</p> <p>FY3/28 20% or higher</p> <p><small>*Applicable to the Business Security Segment</small></p>	<p>Shift to value-added operations</p> <ul style="list-style-type: none"> Reducing routine tasks by 20% through the use of RPA and AI 	<p>Working capital reduction</p> <ul style="list-style-type: none"> Negotiation of terms for accounts receivables and accounts payable Development of a new business model 	<p>Interest-bearing debt control</p> <ul style="list-style-type: none"> Maintaining an equity to asset ratio of 50% or higher while balancing interest rate trends and profitability

Measures to realize management with an awareness of capital costs and stock prices (2)



Strengthening Business Portfolio Management

The Board of Directors recognized the importance of business portfolio management
 Aim to enhance capital efficiency by transforming the business portfolio

Positioning businesses based on two axes: “Market Attractiveness (Sales Growth)” and “the Company’s Strengths (Profitability / ROIC)”

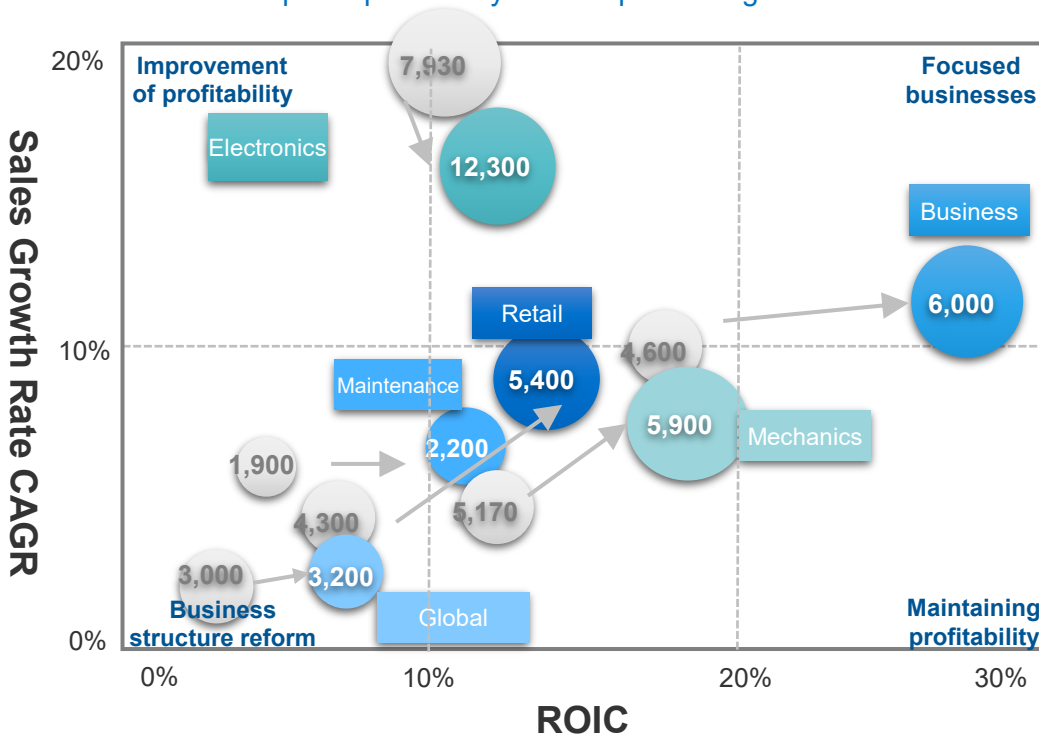
- Actively investing in the focused businesses using investment framework
- Implementing structural reforms to improve profitability in underperforming businesses

Improvement of profitability

- Enhance profit margins
- Improve CCC (Cash Conversion Cycle)

- Fundamental reforms through resource reallocation and business reevaluation

Business structure reform



Focused businesses

- Shift in management resources
- Proactive investment execution

- Profit improvement

Maintaining profitability

Notes:

1. Light-colored bubbles: the CAGR of sales over the three years up to FY3/25 forecast and the ROIC for FY3/24
2. Dark-colored bubbles: the CAGR of sales over the three years up to FY3/28 forecast and the forecast ROIC of FY3/28
3. Figures in the bubbles: Net sales (Millions of yen)

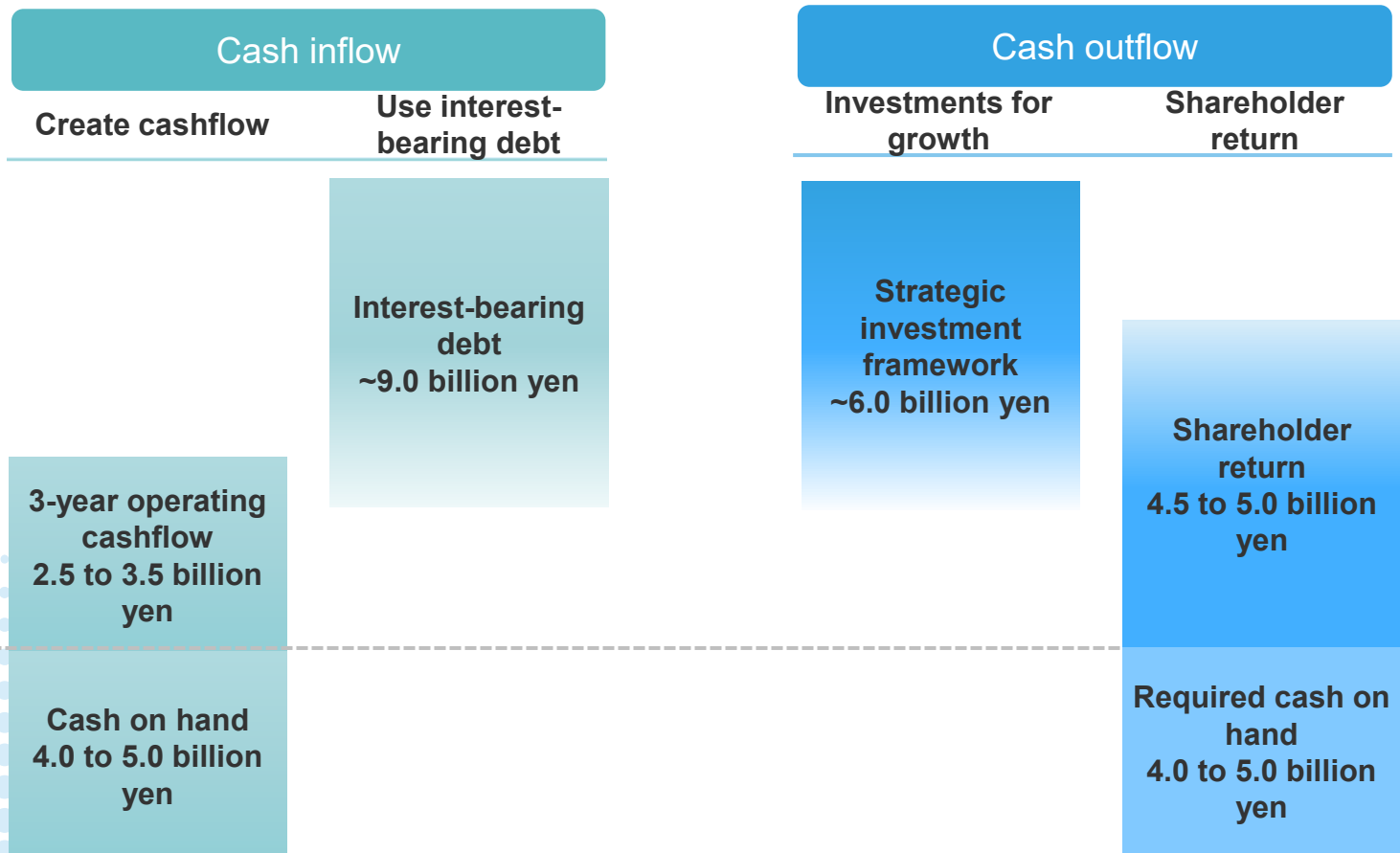
Measures to realize management with an awareness of capital costs and stock prices (3)



Executing growth investment by leveraging operating cashflow, improving working capital, and utilizing interest-bearing debt

Investment Discipline

- Investment funds are sourced from cash on hand, operating cashflow, working capital improvements, and bank borrowings
- Making disciplined investments based on return on investments and payback period



Measures to realize management with an awareness of capital costs and stock prices (4)



1. Capital costs

- WACC is calculated using the market value-based capital structure of interest-bearing debt and share capital with the cost of shareholder's equity calculated based on the CAPM
- The Company's WACC is currently estimated to be 6% to 7%
- (In the future) Grasp capital costs demanded from investors through conducting hearings with institutional investors and analysts during interviews

Risk free rate Set the 10-year government bond interest rate as the base	+	Beta (β) Using 2-year weekly β	×	Risk premium 6% to 7%	=	Cost of shareholder's equity
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2. Return on invested capital (ROE)

- Set the target ROE as over 10% under the Medium-Term Management Plan 2025-2027 and advance various initiatives to achieve it
- Net assets increased, while net income decreased, resulting in an ROE of 8.2% for FY3/26
- (In the future) Aim to achieve the forecasted targets of 9.3% ROE in FY3/27 through profit growth

3. Market evaluation

- In addition to improved ROE, approximately double PBR by promoting understanding of the Company's strategy through the Medium-Term Management Plan
- [Set internal targets using average PBR and PER of the information and communications industry as a reference](#) as we are in the midst of a strategy to grow the service business
- (In the future) Expand explanations of growth businesses and aim to increase market evaluation based on expected growth potential

	As of March 31, 2022	As of March 31, 2023	As of March 31, 2024	As of March 31, 2025	As of March 31, 2026
Stock price	742 yen	1,237 yen	1,900 yen	1,960 yen	2,020 yen
ROE	6.0%	7.7%	8.6%	8.7%	8.2%
PBR	0.88x	1.37x	2.05x	2.17x	2.14x
PER	15.04x	18.36x	23.98x	24.78x	26.62x

Status of Dialogue with Shareholders and Investors

● FY2024 (April 2024 to March 2025) Results

Type	Count	Main responder
Financial results briefing	2	President, General Manager of Management Planning Department, and General Manager of Administrative Department
Financial results briefing for individual investors	1	President and General Manager of Management Planning Department
IR talks with institutional investors and analysts	28	General Manager of Management Planning Department
General Meeting of Shareholders	1	Directors including President, Audit & Supervisory Board Members, and Corporate Officers

● Overview of IR talks with investors

- Wide variety of investment styles with domestic and foreign institutional investors
- Areas of responsibilities include analysts, fund managers, and portfolio managers

● Main points of discussion in IR talks

- Strengths of the Company's business model
- Review of financial results and progress of forecasts
- Growth strategy centered on the Medium-Term Management Plan and shareholder returns
- Human capital management initiatives

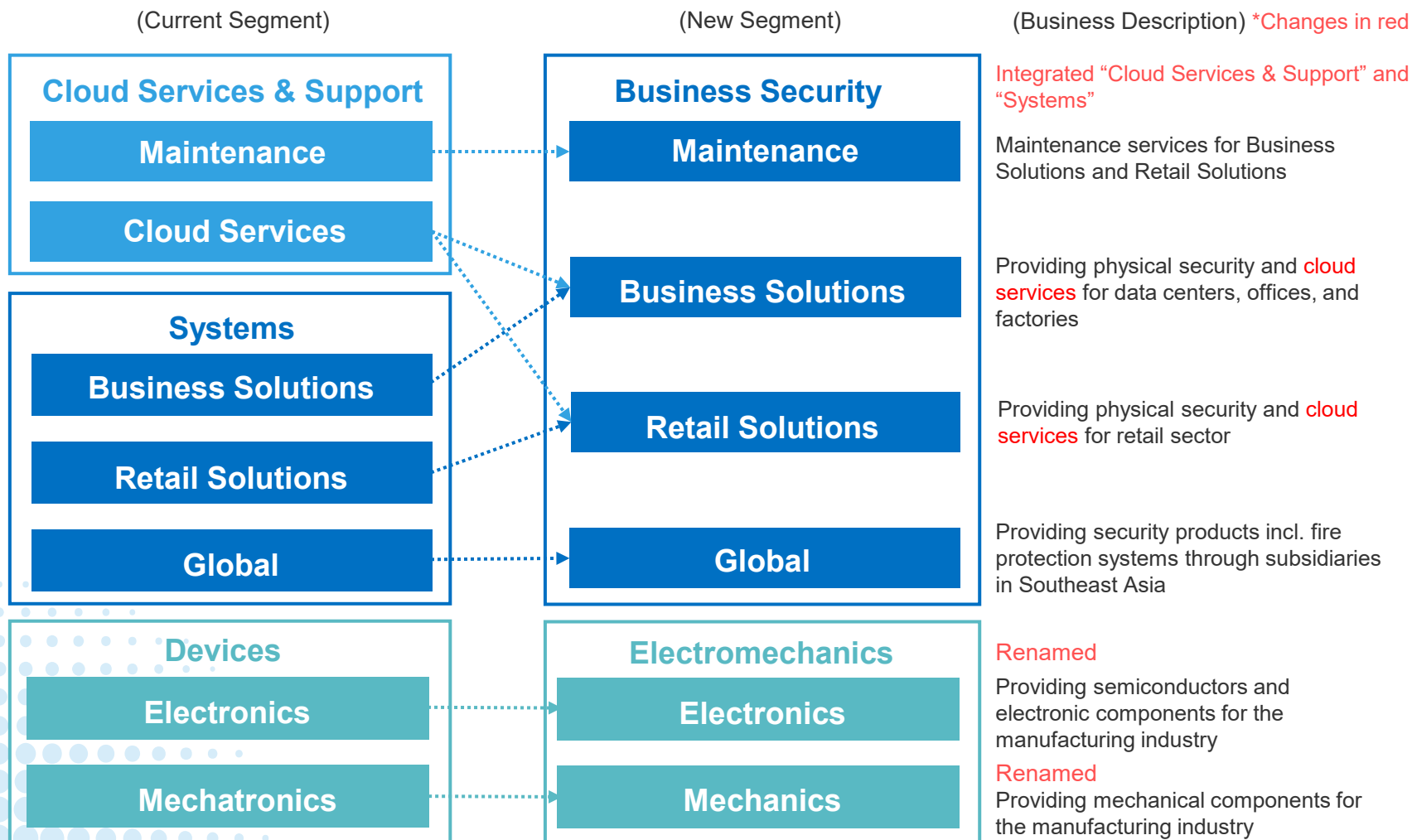
● Status of feedback to management

- Each time: Report details of IR talks in the minutes
- Once a quarter: Report opinions and interests of investors
- Once a year: Report to the Board of Directors

Segment Classification Revision (From Q1 of FY3/26)

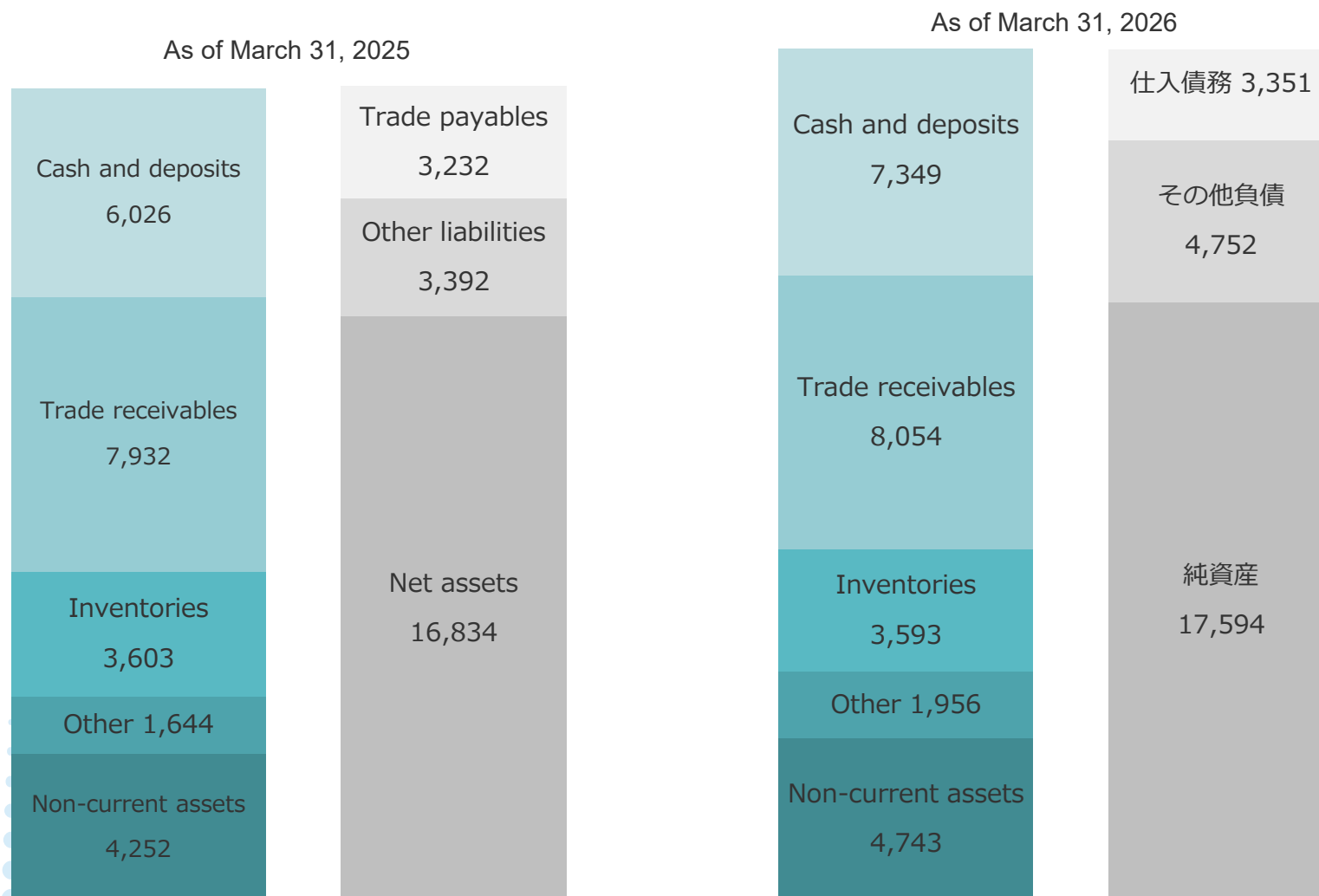


With solid progress in expanding the cloud services business, certain segments will be consolidated and renamed to clarify the target market.



Consolidated BS

[Millions of yen]

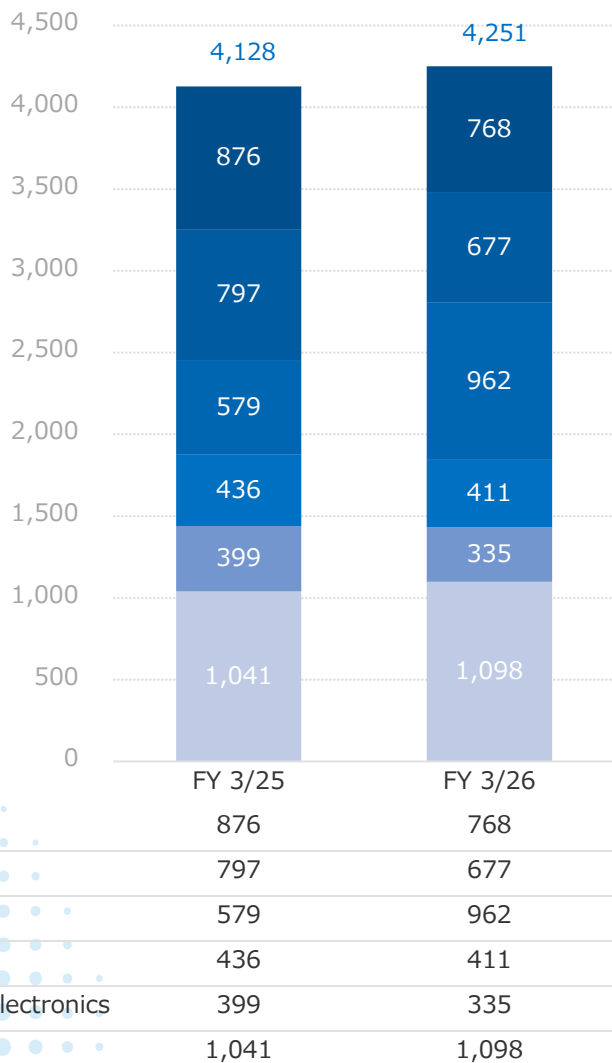


(Changes)

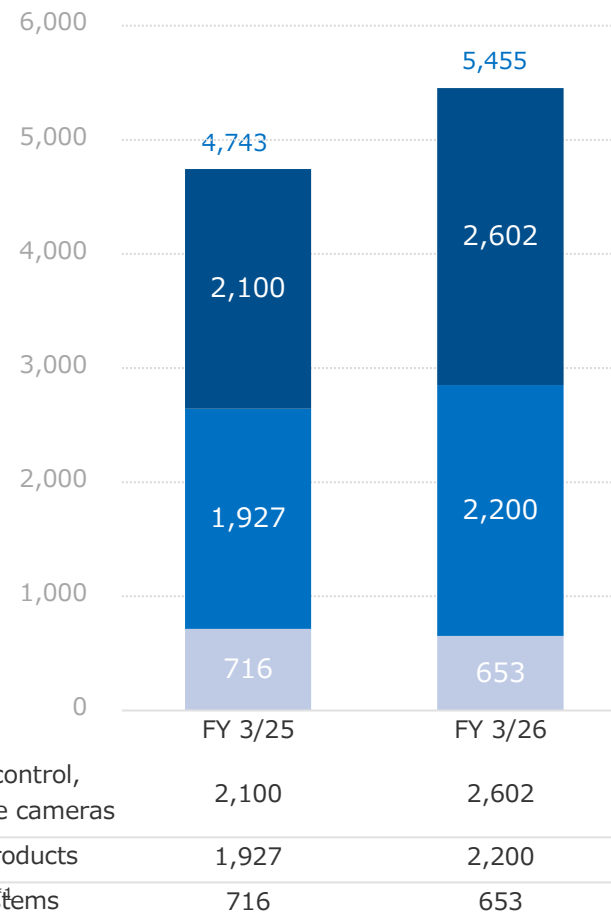
Net assets +759 · · · Dividends paid (1,600), Net income +1,415,
Accumulated other comprehensive income + 896, Treasury stock + 47

Net Sales Breakdown (Retail Solutions and Business Solutions)

Retail Solutions Net Sales *



Business Solutions Net Sales *



*1 Mailing Systems: Envelope sealing machine (A machine that automates the series of tasks, from putting documents inside an envelope to sealing the envelope)

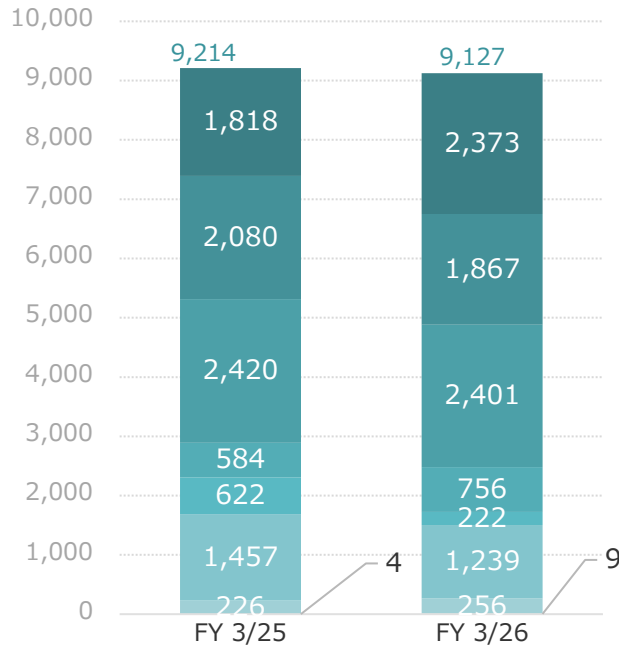
*FY ended March 2025 figures reflect changes in segment classification (See page 35 for details)

Breakdown of Net Sales (Devices)

[Millions of yen]

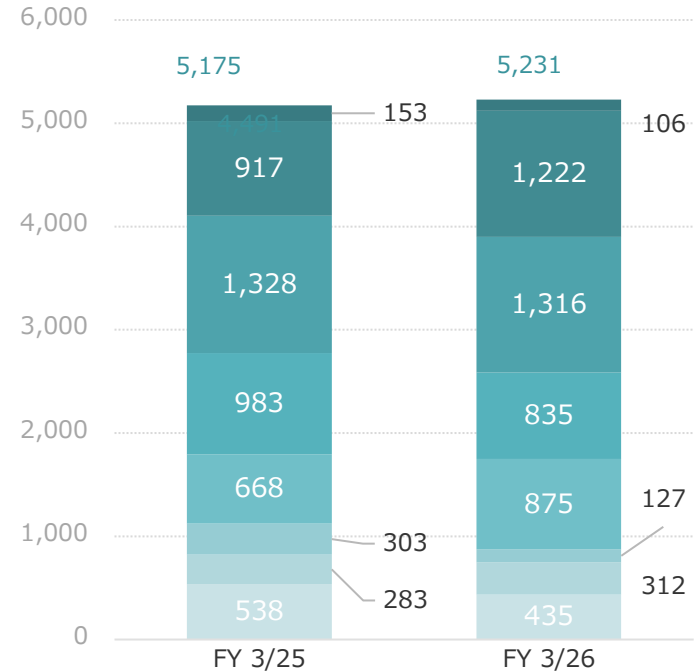


● Electronics Sales



Consumer equipment	1,818	2,373
Business equipment	2,080	1,867
Industrial equipment	2,420	2,401
Amusement	584	756
Auto Vehicles	622	222
Modules	1,457	1,239
Distributor	226	256
Other	4	9

● Mechanics Sales



Industrial equipment	153	106
Living	917	1,222
Money Machine	1,328	1,316
Office automation	983	835
Office	668	875
Environment *2 & Energy	303	127
Amusement	283	312
Other	538	435

*1 Auto Vehicle: Automotive equipment, railway equipment, ships and transportation equipment

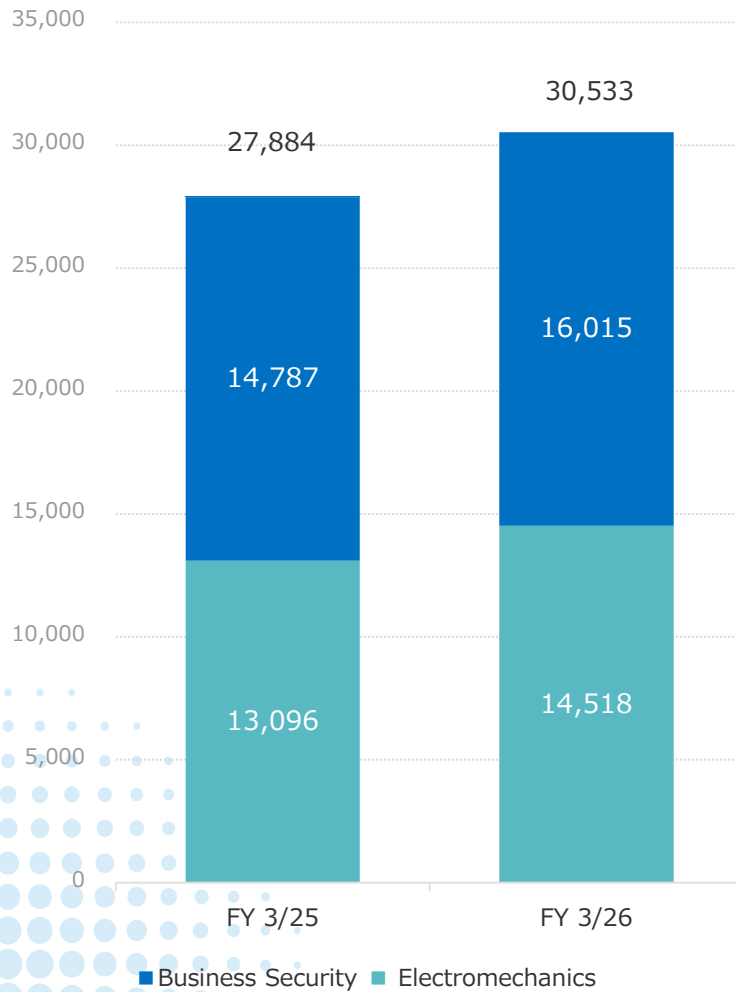
*2 Living: For residential equipment and automobile interiors/Environment & Energy: For power storage and solar power generation

Orders Received /Backlog

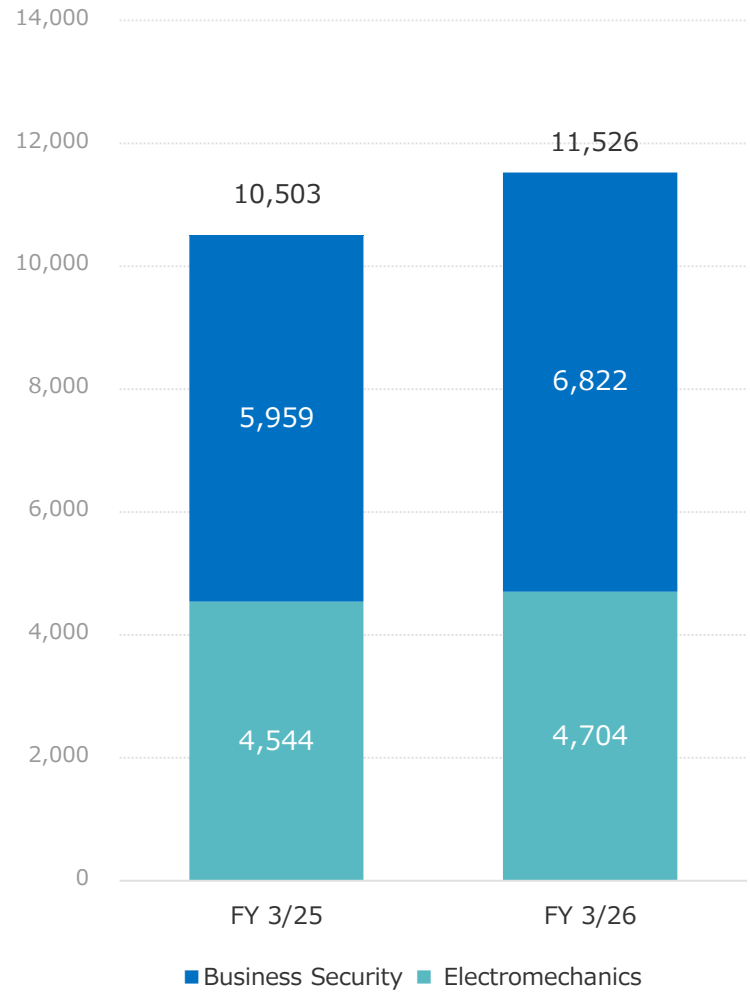
[Millions of yen]



● Orders Received



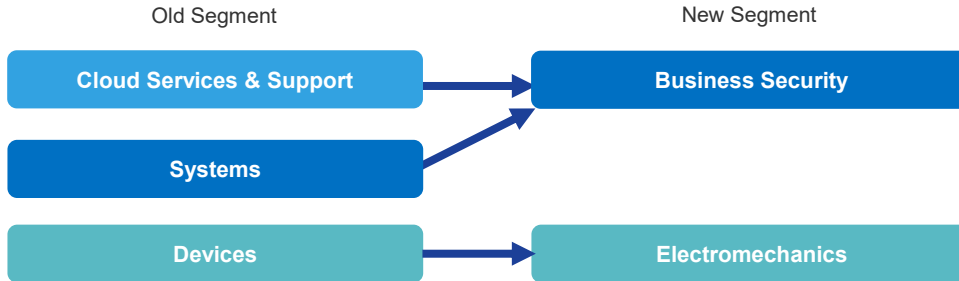
● Backlog



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 SYSTEM
Facial recognition systems

CISCO
Meraki
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 	Global	<ul style="list-style-type: none"> Fire prevention systems
Business	<ul style="list-style-type: none"> Access control system, Surveillance camera system Auto Mailing Insection Systems Cloud Services Network Products 	Maintenance	<ul style="list-style-type: none"> Product maintenance services provided by the Business Security segment

Electromechanics

Power modules

Silicon microphones

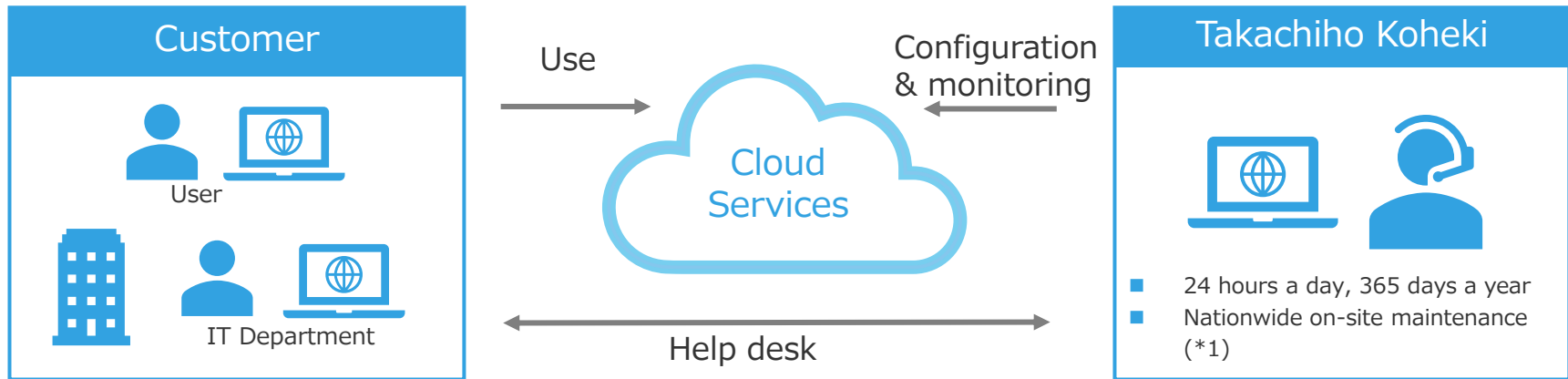
Soft-close units

Electronics	<ul style="list-style-type: none"> Semiconductors, ICs, electronic components, sensors Various types of modules
Mechanics	<ul style="list-style-type: none"> 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

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: 532; Non-consolidated: 319 (as of March 31, 2026) * Include temporary employees
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.

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 03-3355-1201

IR News Mail



note