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**Consolidated Financial Results**  
**for the Nine Months Ended December 31, 2024**  
**[Japanese GAAP]**



February 10, 2025

Company name: Totech Corporation  
 Stock exchange listing: Tokyo Stock Exchange  
 Securities code: 9960  
 URL: <https://www.totech.co.jp/>  
 Representative: Kiyotaka Kaneko, Representative Director and President  
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 Scheduled date of commencing dividend payments: –  
 Availability of supplementary explanatory materials on financial results: Available  
 Schedule of financial results briefing session: None

(Amounts of less than one million yen are rounded down.)

**1. Consolidated Financial Results for the Nine Months Ended December 31, 2024 (April 1, 2024 - December 31, 2024)**

(1) Consolidated Operating Results (Cumulative) (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended December 31, 2024	110,422	9.2	10,190	52.1	11,037	50.0	7,674	56.1
December 31, 2023	101,116	15.3	6,699	52.3	7,360	49.9	4,917	55.6

(Note) Comprehensive income: Nine months ended December 31, 2024: ¥8,567 million [24.5%]  
 Nine months ended December 31, 2023: ¥6,879 million [96.1%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2024	186.52	–
December 31, 2023	119.61	–

(Note) The Company conducted a 3-for-1 stock split on April 1, 2024. “Basic earnings per share” was calculated assuming that the stock split was conducted at the beginning of the previous fiscal year.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of December 31, 2024	102,903	59,068	57.4	1,435.29
As of March 31, 2024	100,479	53,437	53.2	1,299.26

(Reference) Equity: As of December 31, 2024: ¥59,069 million  
 As of March 31, 2024: ¥53,434 million

(Note) The Company conducted a 3-for-1 stock split on April 1, 2024. “Net assets per share” was calculated assuming that the stock split was conducted at the beginning of the previous fiscal year.

## 2. Dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	—	61.00	—	144.00	205.00
Fiscal year ending March 31, 2025	—	24.00	—		
Fiscal year ending March 31, 2025 (Forecast)				69.00	93.00

(Note) Revision to the forecast for dividends announced most recently: Yes

The Company conducted a 3-for-1 stock split on April 1, 2024. Figures for the fiscal year ended March 31, 2024 are actual dividends before the stock split. Figures for the fiscal year ending March 31, 2025 (forecast) are based on figures after the stock split. The annual dividend for the fiscal year ending March 31, 2025 (forecast) without taking into account the stock split would be 279 yen.

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 - March 31, 2025)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
Full year	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	155,000	10.1	13,000	31.2	13,800	30.4	9,500	35.6	230.88

(Note) Revision to the financial results forecast announced most recently: Yes

**\* Notes:**

(1) Significant changes in the scope of consolidation during the period: None

Newly included: – ( ), Excluded: – ( )

(2) Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards and other regulations: Yes

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Retrospective restatement: None

(4) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

As of December 31, 2024: 41,964,000 shares

As of March 31, 2024: 41,964,000 shares

2) Total number of treasury shares at the end of the period:

As of December 31, 2024: 808,875 shares

As of March 31, 2024: 837,039 shares

3) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year):

Nine months ended December 31, 2024: 41,145,196 shares

Nine months ended December 31, 2023: 41,110,242 shares

(Notes) 1. The Company conducted a 3-for-1 stock split on April 1, 2024. The number of issued shares (common shares) was calculated assuming that the stock split was conducted at the beginning of the previous fiscal year.

2. The total number of treasury shares at the end of the period includes the shares of the Company (163,236 shares as of December 31, 2024) held by Custody Bank of Japan, Ltd. (Trust Account E) as trust assets of Board Benefit Trust (J-ESOP). The shares of the Company (167,285 shares as of December 31, 2024) held by Custody Bank of Japan, Ltd. (Trust Account E) are included in the treasury shares that are deducted in the calculation of the average number of shares outstanding during the period.

\* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

\* Explanation of the proper use of financial results forecast and other notes

The forward-looking statements such as financial results forecast included in this document are based on the information currently available to the Company and certain assumptions deemed reasonable, and the Company does not in any way guarantee the achievement of these projections. Actual results may differ significantly due to various factors. For the assumptions underlying the financial forecasts and notes on the use of the financial forecasts, please refer to “Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information” on page 3 of the attached document.

(Access to supplementary explanatory materials on quarterly financial results)

Supplementary explanatory materials on financial results will be posted on the Company’s website on Monday, February 10, 2025.

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## 1. Qualitative Information on Quarterly Financial Results

### (1) Explanation of Operating Results

The Japanese economy during the nine months ended December 31, 2024 was partially influenced by rising domestic commodity prices due to factors such as soaring energy and resource costs. However, the economy gradually recovered, supported by factors including a rebound in consumer spending amid improvements in employment and wages conditions.

Turning to the construction industry in which the Totech Group operates, despite a strong order intake owing to continuously brisk domestic construction demand and steady investment by both public and private sectors, the business environment remains unpredictable due to many supply issues such as the sustained high construction material prices and a chronic shortage of engineers.

Under these circumstances, the Totech Group's operating results for the period under review were as follows.

Against the backdrop of steady construction demand, such as new construction projects for redevelopment mainly in major cities, renewal projects with a view toward carbon neutrality, and data center demand, sales steadily grew in each business segment. As a result, net sales were ¥110,422 million (up 9.2% year on year). On the profit front, thanks to gross profit steadily increasing in proportion to a rise in net sales, operating profit was ¥10,190 million (up 52.1% year on year). Accordingly, ordinary profit and profit attributable to owners of parent amounted to ¥11,037 million (up 50.0% year on year) and ¥7,674 million (up 56.1% year on year), respectively.

Note that the Totech Group's net sales tend to be concentrated in the fourth quarter of the fiscal year and financial results fluctuate seasonally.

#### <Product sales business>

The product sales business primarily sells equipment with a focus on air conditioners, controllers, and facilities equipment, and provides regular and spot maintenance for the equipment it has sold. Owing to strong order intake including redevelopment projects especially in urban areas, net sales and gross profit amounted to ¥65,865 million (up 4.6% year on year) and ¥14,008 million (up 8.9% year on year), respectively.

#### <Construction business>

The construction business engages in instrumentation and plumbing work, design and execution of a variety of construction, and the provision of regular and spot maintenance for the construction work it has done. With brisk demand nationwide and growing sales of regular and spot maintenance, net sales and gross profit amounted to ¥46,324 million (up 15.2% year on year) and ¥15,284 million (up 32.4% year on year), respectively.

### (2) Explanation of Financial Position

#### (Assets)

Total assets as of December 31, 2024 amounted to ¥102,903 million, an increase of ¥2,423 million from the end of the previous fiscal year. This was primarily attributable to an increase of ¥1,205 million in investment securities due to a rise in the market value of held securities and an increase of ¥1,013 million in current assets due to increases in cash and deposits and electronically recorded monetary claims - operating.

#### (Liabilities)

Total liabilities as of December 31, 2024 amounted to ¥43,835 million, a decrease of ¥3,206 million from the end of the previous fiscal year. This was primarily attributable to a decrease of ¥2,877 million in interest-bearing liabilities, a decrease of ¥1,510 million in provision for bonuses due to bonus payments, and a decrease of ¥1,131 million in income taxes payable, despite an increase of ¥1,339 million in other current liabilities, and an increase of ¥866 million in deferred tax liabilities.

(Net assets)

Total net assets as of December 31, 2024 amounted to ¥59,068 million, an increase of ¥5,630 million from the end of the previous fiscal year. This was primarily attributable to a net increase of ¥4,700 million in retained earnings in which dividends paid and other items were deducted from the recording of profit attributable to owners of parent, and an increase of ¥846 million in valuation difference on available-for-sale securities resulting from a rise in the market value of held securities.

As a result, equity ratio as of December 31, 2024 stood at 57.4%, a 4.2% increase from the end of the previous fiscal year.

### (3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information

Based on its recent performance trends, the Company has revised the full-year consolidated financial results forecast for the fiscal year ending March 31, 2025. Please refer to the “Notice of Revisions to Full-year Consolidated Financial Results Forecast and Dividend Forecast” announced today, February 10, 2025, for details.

## 2. Quarterly Consolidated Financial Statements and Principal Notes

### (1) Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31, 2024	As of December 31, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	8,688	10,270
Notes and accounts receivable - trade, and contract assets	31,894	30,620
Electronically recorded monetary claims - operating	8,849	9,700
Inventories	4,248	4,849
Accounts receivable - other	1,811	1,100
Other	579	451
Allowance for doubtful accounts	(93)	(0)
Total current assets	55,978	56,992
Non-current assets		
Property, plant and equipment		
Buildings and structures	13,922	14,356
Land	8,175	8,175
Leased assets	1,217	1,196
Construction in progress	16	75
Other	1,168	1,223
Accumulated depreciation	(4,230)	(4,762)
Total property, plant and equipment	20,269	20,266
Intangible assets		
Goodwill	1,171	1,063
Software	1,048	795
Software in progress	38	84
Other	1,051	996
Total intangible assets	3,310	2,939
Investments and other assets		
Investment securities	15,519	16,724
Deferred tax assets	447	168
Retirement benefit asset	1,091	1,123
Other	3,939	4,763
Allowance for doubtful accounts	(76)	(75)
Total investments and other assets	20,921	22,705
Total non-current assets	44,501	45,911
Total assets	100,479	102,903

(Million yen)

	As of March 31, 2024	As of December 31, 2024
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	14,388	12,309
Electronically recorded obligations - operating	9,501	11,692
Short-term borrowings	5,313	4,768
Income taxes payable	2,295	1,164
Provision for bonuses	2,919	1,408
Provision for bonuses for directors (and other officers)	14	-
Other	4,750	6,089
Total current liabilities	39,184	37,434
Non-current liabilities		
Long-term borrowings	3,688	1,356
Deferred tax liabilities	2,406	3,273
Provision for retirement benefits for directors (and other officers)	149	173
Retirement benefit liability	108	88
Other	1,504	1,509
Total non-current liabilities	7,857	6,401
Total liabilities	47,041	43,835
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,857	1,857
Capital surplus	2,286	2,310
Retained earnings	40,439	45,140
Treasury shares	(222)	(210)
Total shareholders' equity	44,360	49,097
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,459	8,306
Foreign currency translation adjustment	846	1,020
Remeasurements of defined benefit plans	767	644
Total accumulated other comprehensive income	9,074	9,972
Non-controlling interests	3	(1)
Total net assets	53,437	59,068
<b>Total liabilities and net assets</b>	<b>100,479</b>	<b>102,903</b>



(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

Nine Months Ended December 31

(Million yen)

	For the nine months ended December 31, 2023	For the nine months ended December 31, 2024
Net sales	101,116	110,422
Cost of sales	76,729	81,107
Gross profit	24,386	29,315
Selling, general and administrative expenses	17,686	19,124
Operating profit	6,699	10,190
Non-operating income		
Interest income	29	33
Dividend income	258	374
Purchase discounts	313	312
Foreign exchange gains	-	13
Miscellaneous income	252	263
Total non-operating income	855	997
Non-operating expenses		
Interest expenses	74	50
Guarantee commission	62	66
Foreign exchange losses	4	-
Miscellaneous losses	52	34
Total non-operating expenses	194	151
Ordinary profit	7,360	11,037
Extraordinary income		
Gain on sale of non-current assets	63	-
Gain on sale of investment securities	-	262
Total extraordinary income	63	262
Profit before income taxes	7,423	11,299
Income taxes - current	1,640	2,797
Income taxes - deferred	865	832
Total income taxes	2,506	3,629
Profit	4,917	7,670
Loss attributable to non-controlling interests	-	(4)
Profit attributable to owners of parent	4,917	7,674

Quarterly Consolidated Statements of Comprehensive Income

Nine Months Ended December 31

(Million yen)

	For the nine months ended December 31, 2023	For the nine months ended December 31, 2024
Profit	4,917	7,670
Other comprehensive income		
Valuation difference on available-for-sale securities	1,440	846
Foreign currency translation adjustment	532	174
Remeasurements of defined benefit plans, net of tax	(11)	(123)
Total other comprehensive income	1,961	897
Comprehensive income	6,879	8,567
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,879	8,572
Comprehensive income attributable to non-controlling interests	-	(4)

(3) Notes to Quarterly Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes in case of significant changes in shareholders' equity)

Not applicable.

(Changes in accounting policies)

The Company has applied the "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28, 2022; hereinafter "Accounting Standard Revised in 2022") and other standards from the beginning of the first quarter of the fiscal year under review.

With regard to the revision to classification to record income taxes (taxation on other comprehensive income), the Company has conformed to the transitional treatment provided for in the proviso to Paragraph 20-3 of the Accounting Standard Revised in 2022 and the transitional treatment provided for in the proviso to Paragraph 65-2 (2) of "Guidance on Accounting Standard for Tax Effect Accounting" (ASBJ Guidance No. 28, October 28, 2022; hereinafter "Guidance Revised in 2022.") The changes in accounting policies have no impact on Quarterly Consolidated Financial Statements.

With regard to the revision associated with the review of treatment in Consolidated Financial Statements in case that gain or loss on sale of shares in a subsidiary, etc. among consolidated companies is deferred for tax purpose, the Guidance Revised in 2022 has been applied from the beginning of the first quarter of the fiscal year under review. The changes in accounting policies have been retrospectively applied, and Quarterly Consolidated Financial Statements for the previous corresponding period and Consolidated Financial Statements for the previous fiscal year reflect the retrospective application. The changes in accounting policies have no impact on Quarterly Consolidated Financial Statements for the previous corresponding period and Consolidated Financial Statements for the previous fiscal year.

(Notes to segment information, etc.)

[Segment Information]

For the nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023)

1. Information on net sales and profit or loss by reportable segment

(Million yen)

	Reportable segment			Others (Note 1)	Total	Adjustment (Note 2)	Amount recorded in Quarterly Consolidated Statements of Income (Note 3)
	Product Sales Business	Construction Business	Total				
Net sales							
Net sales to outside customers	60,936	40,143	101,080	35	101,116	-	101,116
Inter-segment net sales or transfers	2,015	63	2,078	-	2,078	(2,078)	-
Total	62,952	40,206	103,158	35	103,194	(2,078)	101,116
Segment profit	12,858	11,544	24,403	22	24,425	(39)	24,386

(Notes) 1. The category of “Others” represents an operating segment not included in reportable segments, which operates a solar power business.

2. The adjustment of segment profit of ¥(39) million mainly represents elimination of inter-segment transactions.

3. Segment profit is adjusted against gross profit in quarterly consolidated statements of income.

2. Information on impairment loss on non-current assets or goodwill, etc. by reportable segment

Not applicable.

For the nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)

1. Information on net sales and profit or loss by reportable segment

(Million yen)

	Reportable segment			Others (Note 1)	Total	Adjustment (Note 2)	Amount recorded in Quarterly Consolidated Statements of Income (Note 3)
	Product Sales Business	Construction Business	Total				
Net sales							
Net sales to outside customers	64,130	46,261	110,391	31	110,422	-	110,422
Inter-segment net sales or transfers	1,735	63	1,798	-	1,798	(1,798)	-
Total	65,865	46,324	112,189	31	112,221	(1,798)	110,422
Segment profit	14,008	15,284	29,292	19	29,311	3	29,315

(Notes) 1. The category of “Others” represents an operating segment not included in reportable segments, which operates a solar power business.

2. The adjustment of segment profit of ¥3 million mainly represents elimination of inter-segment transactions.

3. Segment profit is adjusted against gross profit in quarterly consolidated statements of income.

2. Information on impairment loss on non-current assets or goodwill, etc. by reportable segment

Not applicable.

(Notes to statements of cash flows)

Quarterly Consolidated Statements of Cash Flows for the nine months ended December 31, 2024 were not prepared. Depreciation (including amortization of intangible assets excluding goodwill) and amortization of goodwill for the nine months ended December 31 are as follows.

	(Million yen)	
	For the nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023)	For the nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)
Depreciation	1,150	1,165
Amortization of goodwill	423	154