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Fiscal year ended March 31, 2025 Supplementary Material

TAKACHIHO KOHEKI Co., Ltd. (TSE Code : 2676)

May 13, 2025



(TSE Prime Securities Code: 2676)

1. Executive Summary
2. Financial Results for the Fiscal Year Ended March 31, 2025
3. Forecast for the Fiscal Year Ending March 31, 2026
4. Appendix

※ Starting with full-year financial results announcement for FY3/25, IR materials will be released according to the schedule and content outlined below.

Contents of previous “Financial Results Presentation Material”

Supplementary information of financial results
Full-year forecast
Full-year forecast by segment (Q2 / Q4 only)
Progress of the Medium-Term Management Plan (Q2 / Q4 only)

“Supplementary Materials”

To be released on the financial results announcement date, together with the earnings report

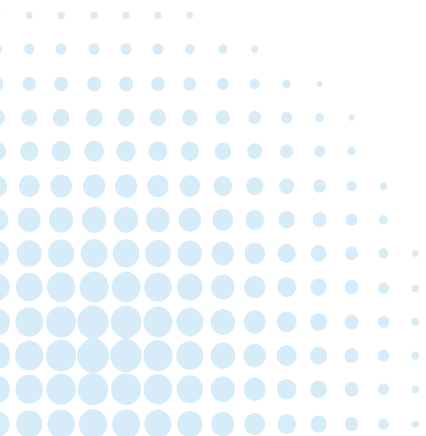
“Financial Results Briefing Material”

To be released on the day of financial results briefing

<Reference >

- [Medium-Term Management Plan 2022 – 2024](#)
- [Medium-Term Management Plan 2025 – 2027](#) (Announced on March 21, 2025)

1. **Executive Summary**
2. Financial Results for the Fiscal Year Ended March 31, 2025
3. Forecast for the Fiscal Year Ending March 31, 2026
4. Appendix



Executive Summary

[Millions of yen]



✓ FY 3/25 < Results >

- ✓ **Revenue and profit increased** due to the following factors, and the **highest profit since listing** was renewed
 - **Cloud Services & Support:** The cloud services business grew due to the increase in the number of licenses and the acquisition of new large customers. Profitability in the maintenance business improved due to the success of efforts such as price revisions.
 - **Systems:** Sales of security systems for offices of foreign companies grew. Profitability improved by shaking off one-time expenses in the fire protection systems business in the previous fiscal year.
 - **Devices:** In the electronics business, sales of consumer and business equipment were strong. In the mechatronics business, sales of financial equipment, multifunction machines, and residential equipment were strong.
- ✓ Net income decreased 2.1% from the plan due to the posting of foreign exchange loss, but **achieved the target of 1.4 billion yen in the medium-term management plan**
- ✓ Annual dividend per share was **160 yen** (including the special dividend of 4 yen due to the achievement of the medium-term management plan), an **increase of 2 yen** from the previous year

✓ FY 3/26 < Plans >

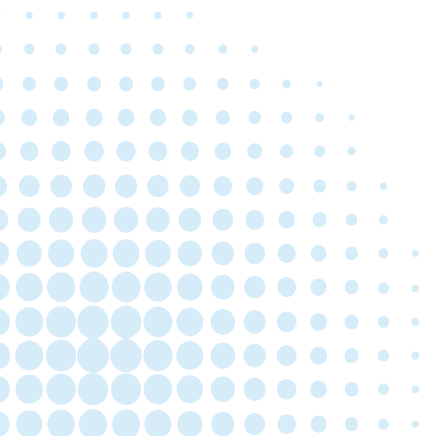
- ✓ Although selling, general and administrative expenses will increase due to growth investments, we plan to **increase sales and profit** mainly due to business growth in business security. ^{*1}
- ✓ Annual dividend per share is planned to be **161 yen** ^{*2} (+ 1 yen in the previous year)

	FY3/24 Results	FY3/25 Plan	FY3/25 Results	FY3/26 Plan
Net Sales	25,224	26,900	28,098	30,000
Operating profit	1,465	2,050	2,079	2,200
Ordinary profit	1,835	2,000	2,004	2,100
Profit attributable to owners of parent	1,437	1,490	1,458	1,500
ROE	8.6%	8.6%	8.7%	8.9%
Annual dividend per share ^{*1}	158yen	160yen	Ordinary dividend 156 yen Special dividend 4 yen 160yen	^{*2} 161yen

(^{*1}) New segment integrating Cloud Services & Support and Systems (For details, refer to the [New Medium-Term Management Plan](#))

(^{*2}) Annual dividend per share after taking into account the stock split (2 splits) effective on June 1, 2025: ¥80.5

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Consolidated Financial Highlights

[Millions of yen]



Sales and profit increased, and the highest profit since listing was renewed
Achieved the numerical targets of the medium-term management plan

	FY3/24 Results	FY3/25 Plan	FY3/25 Results	Year-on-Year	Compared to plan
Net Sales	25,224	26,900	28,098	+11.4%	+4.5%
Gross profit on sales	6,051	6,900	6,909	+14.2%	+0.1%
Gross profit ratio (%)	24.0%	25.7%	24.6%	+0.6pt	(1.1pt)
Selling, general and administrative expenses	4,585	4,850	4,830	+5.3%	(0.4%)
Operating profit	1,465	2,050	2,079	+41.9%	+1.5%
Operating profit ratio (%)	5.8%	7.6%	7.4%	+1.6pt	(0.2pt)
Foreign exchange gains	293	-	-	-	-
Foreign exchange losses	-	-	84	-	-
Ordinary profit	1,835	2,000	2,004	+9.2%	+0.2%
Ordinary profit ratio (%)	7.3%	7.4%	7.1%	(0.2pt)	(0.3pt)
profit before tax	2,116	-	2,170	+2.6%	-
Profit attributable to owners of parent	1,437	1,490	1,458	+1.4%	(2.1%)
ROE	8.6%	8.6%	8.7%	+0.1pt	+0.1pt
EPS	158.46 yen	162.13 yen	158.19 yen	(0.27 yen)	(3.94 yen)

Results by Segment

[Millions of yen]

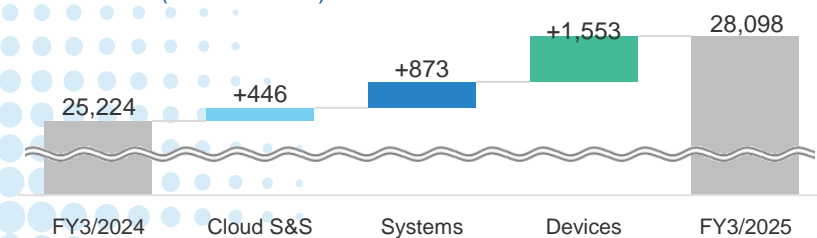


Revenue increased in all segments

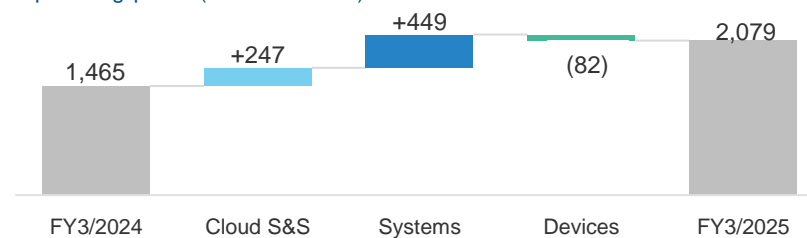
Revenue increased due to the elimination of one-time expenses for systems and efforts to improve profitability in cloud services and support

		FY3/24 Results	FY3/25 Results	Increase/ Decrease	Percentage Change	FY3/25 Plan	Increase/ Decrease	Percentage Change
Cloud Services & Support	Net sales	3,113	3,559	+446	+14.3%	4,200	(640)	(15.2%)
	Operating profit	529	776	+247	+46.7%	730	+46	+6.4%
	Operating profit ratio	17.0%	21.8%	+4.8pt	-	17.4%	+4.4pt	-
Systems	Net sales	9,275	10,148	+873	+9.4%	9,600	+548	+5.7%
	Operating profit	(72)	376	+449	-	380	(3)	(0.9%)
	Operating profit ratio	(0.8%)	3.7%	+4.5pt	-	4.0%	(0.3pt)	-
Devices	Net sales	12,835	14,389	+1,553	+12.1%	13,100	+1,289	+9.8%
	Operating profit	1,008	926	(82)	(8.1%)	940	(13)	(1.4%)
	Operating profit ratio	7.9%	6.4%	(1.5pt)	-	7.2%	(0.8pt)	-
Consolidated total	Net sales	25,224	28,098	+2,873	+11.4%	26,900	+1,198	+4.5%
	Operating profit	1,465	2,079	+614	+41.9%	2,050	+29	+1.5%
	Operating profit ratio	5.8%	7.4%	+1.6pt	-	7.6%	(0.2pt)	-

■ Net sales (Year-on-Year)



■ Operating profit (Year-on-Year)



(*) Figures for the fiscal year ended March 2024 reflect changes in segment classifications (For details, refer to ["Financial Results for the Second Quarter of the Fiscal Year Ending March 2025"](#) on page 16.)

Results by Segment (Cloud Services & Support)

[Millions of yen]

Net sales 3,559 million yen Year-on-Year +446 million yen

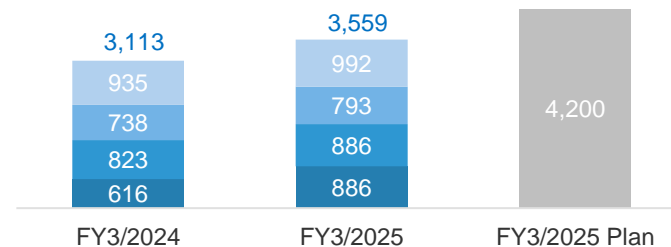
Growth due to accumulation of cloud service licenses, acquisition of new large customers, acquisition of new maintenance contracts and expansion of existing contracts

Operating profit 776 million yen Year-on-Year +247 million yen

Growth due to increased sales of cloud services and initiatives to improve profitability in the maintenance business

■ Net Sales *1

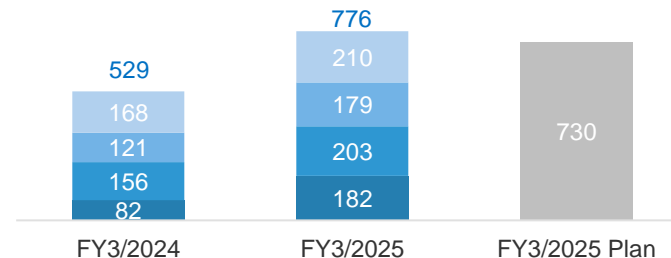
YoY+14.3%



■ 1Q ■ 2Q ■ 3Q ■ 4Q

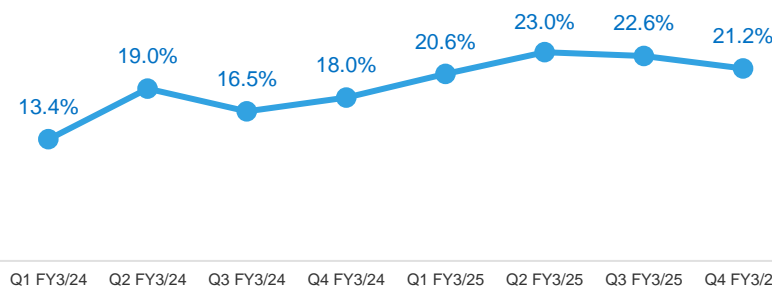
■ Operating Profit *1

YoY+46.7%



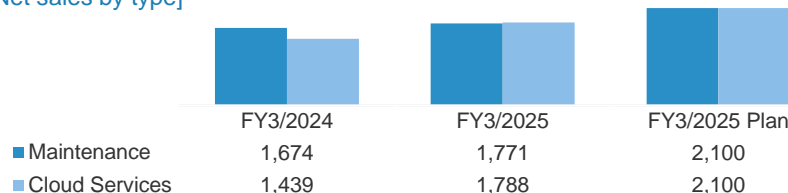
■ 1Q ■ 2Q ■ 3Q ■ 4Q

■ Operating Profit Ratio (by Quarter)*1



Q1 FY3/24 Q2 FY3/24 Q3 FY3/24 Q4 FY3/24 Q1 FY3/25 Q2 FY3/25 Q3 FY3/25 Q4 FY3/25

[Net sales by type] *1



[Net sales change factors (YoY)]

● Maintenance Business

(+ Acquired new contracts

(+ Expansion of existing contracts due to expansion of customers' locations

● Cloud Services Business

(+ Increase in the number of licenses

(+ Payment for purchase of equipment and initial costs for the network products on the cloud

-> Acquisition of new large-scale customers (hotels, restaurant chains, etc.)

[Quarterly operating profit ratio change factors (YoY)]

Q1: Increase in transfer of sales (*2) with increased sales of Auto Mailing Insertion Systems and decrease in part of selling, general and administrative expenses

Q2: Increase in sales for Cloud Services, maintenance contracts price revision, and decrease in part of selling, general and administrative expenses

Q3: Increase in the spot maintenance of Auto Mailing Insertion Systems and sales for Cloud Services, maintenance contract price revision, decrease in part of selling, general and administrative expenses

Q4: Increase in sales for Cloud Services, maintenance contracts price revision, and decrease in part of selling, general and administrative expenses

(*1) Figures for the fiscal year ended March 2024 reflect changes in segment classification (For details, refer to "Financial Results for the Second Quarter of the Fiscal Year Ending March 2025" on page 16.) (*2) Concerning the maintenance provided free of charge in the first year after the sales of products in the Systems segment, and amount equivalent to the cost of the maintenance is transferred to Cloud Services & Support sales

Subscription status of the cloud service MSP services * 1

MSP services KPI

Number of contracts

As of March 31, 2025

19,447 licenses

Number of new contracts

April 2024 to March 2025

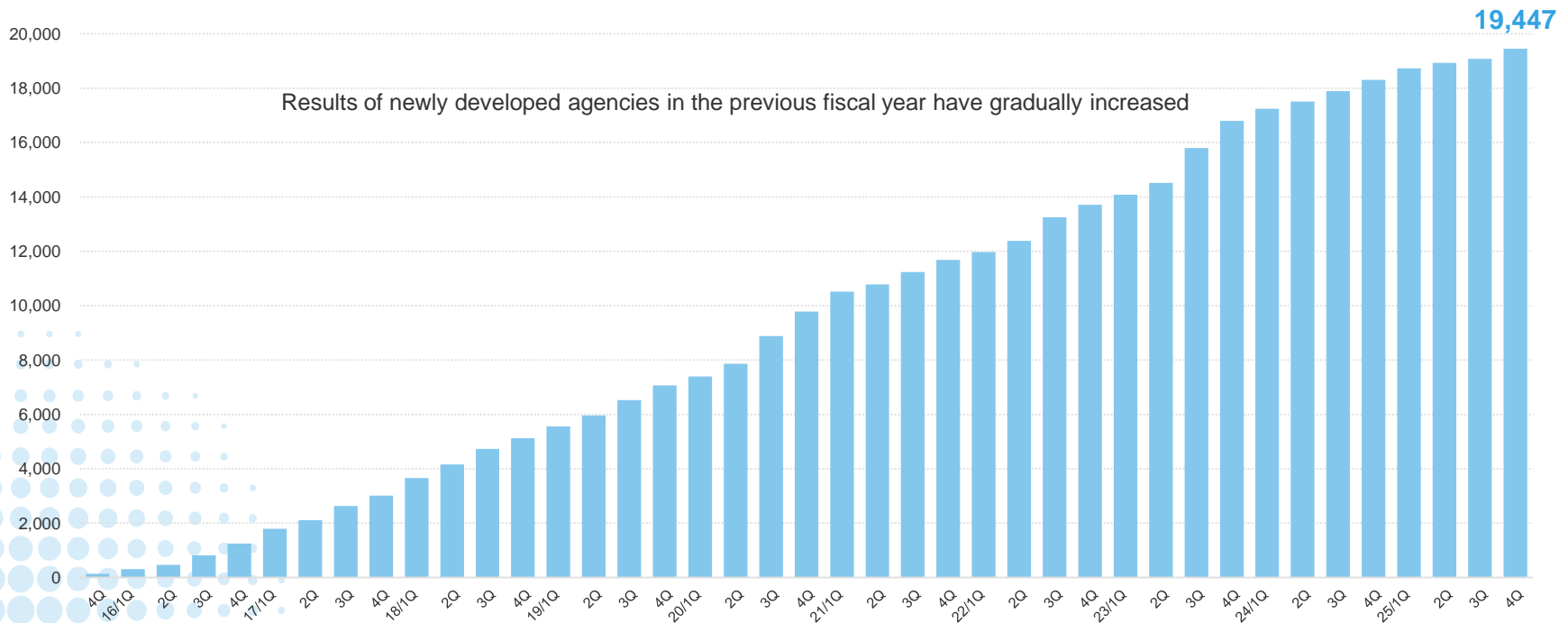
2,850 licenses
(down 62 year on year)

Monthly cancellation rate * 2

April 2024 to March 2025

0.55%

■ Number of MSP service contracts (for cloud-based network products only)



*1 MSP services: For details, see [here](#).

*2 Monthly cancellation rate: Number of contract cancellations in a month / Total number of contracts at the end of the previous month

Results by Segment (Systems)

[Millions of yen]

Net sales 10,148 million yen Year-on-Year +873 million yen

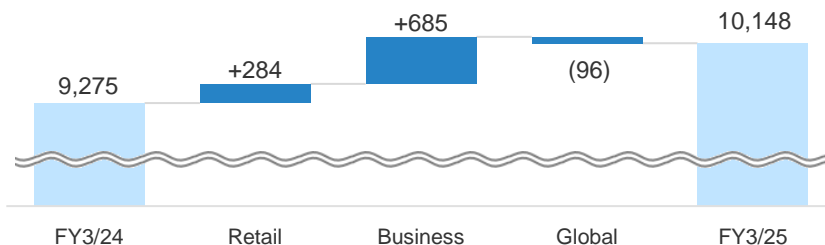
Growth of sales of security systems for offices of foreign-affiliated companies in Business Solutions

Operating profit 376 million yen Year-on-Year +449 million yen

Improvement in the global fire protection system business due to reduction of one-time expenses in the previous fiscal year and focus on projects with high profitability

Strong business solutions also contributed

[Net sales change factors (YoY)] *



● Retail Solutions

- (+) Surveillance cameras and facial recognition systems for GMS
-> Capturing replacement demand

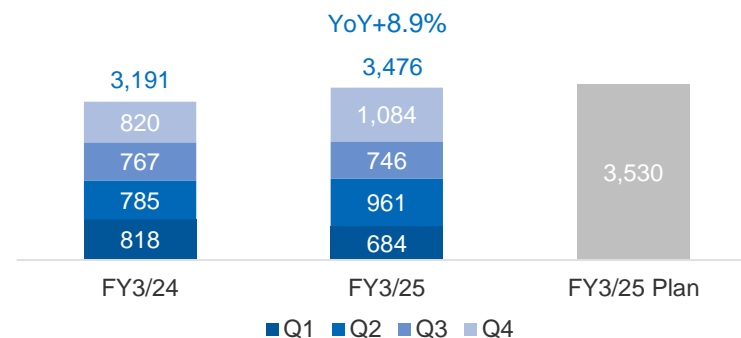
● Business Solutions

- (+) Access control systems and surveillance cameras for foreign-affiliated companies
-> Capturing demand related to office expansions and relocations

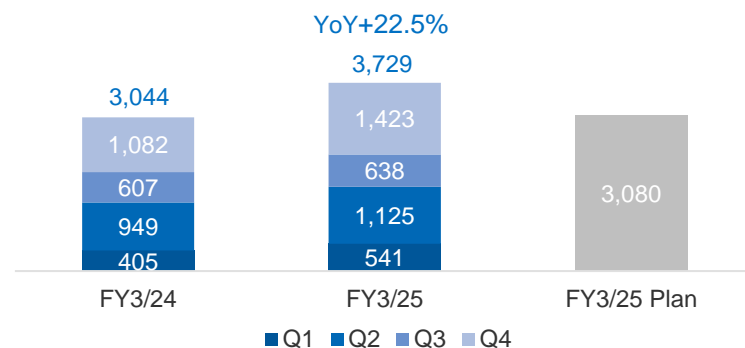
● Global

- (-) Focusing on high-margin projects in the fire protection systems business

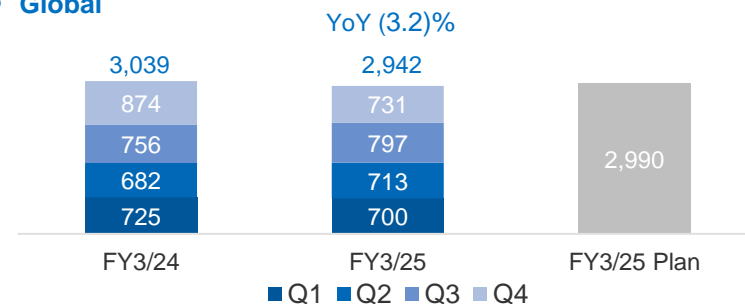
● Retail Solutions *



● Business Solutions *



● Global



Results by Segment (Devices)

[Millions of yen]

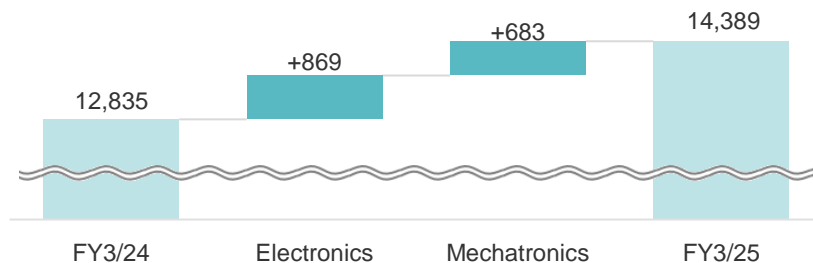
Net sales 14,389 million yen Year-on-Year +1,553 million yen

Electronics: Strong for consumer and business equipment
Mechatronics: Growth for financial equipment, multifunctional machines, and housing equipment

Operating profit 926 million yen Year-on-Year (82 million yen)

Decrease due to increase in purchasing costs due to yen depreciation and recording of transient expenses in electronics

[Net sales change factors (YoY)]



Electronics

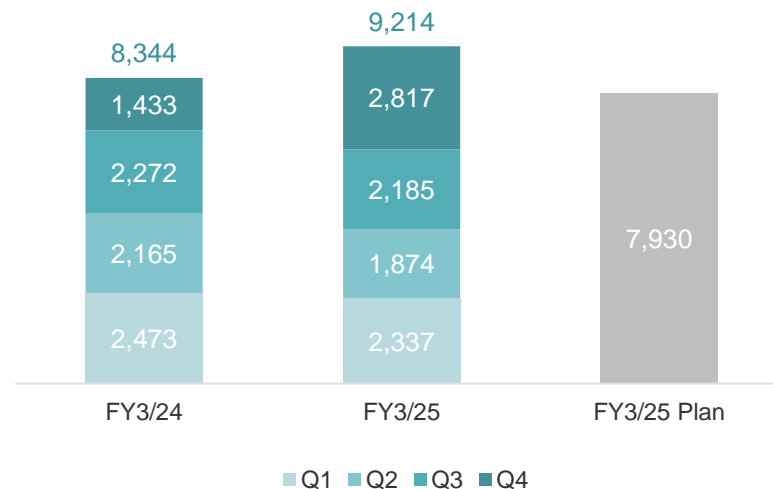
- (-) Customer inventory adjustment
 - > Especially impacted products for amusement and industrial equipment
 - (+) Electronic components for consumer and business equipment
 - > Production of final products increased due to strong sales
- [Compared with plan] Inventory adjustments by some business equipment customers ended earlier than expected in the third quarter and strong sales for consumer and business equipment

Mechatronics

- (+) Mechanical components for cash equipment and multifunction machines
 - Cash equipment: Increased demand for replacing cash equipment for new banknote printing and Strong overseas sales
 - Multifunction machines: Production units increased due to the progress of "return-to-office"
- (+) Mechanical components for housing equipment
 - > Adoption of planning and development products and their horizontal expansion proceeded

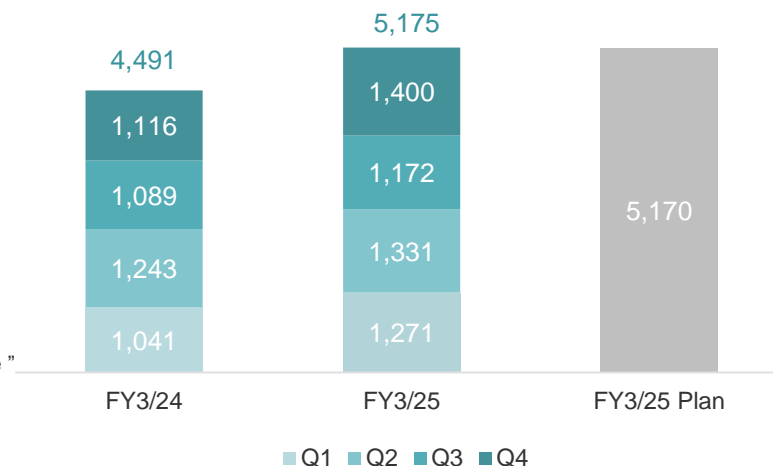
Electronics

YoY+10.4%



Mechatronics

YoY+15.2%



Capital Efficiency Improvement Status

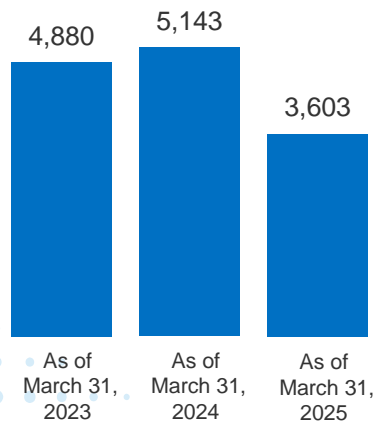
Hold inventories to appropriate levels by capturing backlogs of orders and strengthening order control
Review the transaction terms of receivables and payables and aim to improve capital efficiency

Inventories

Number of days for turnover



Balance
[Millions of yen]

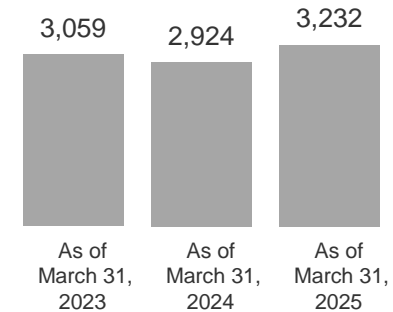


Mainly due to a decrease in orders and deliveries of devices(electronics)

Accounts receivable



Accounts payable



[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

Shareholder Return

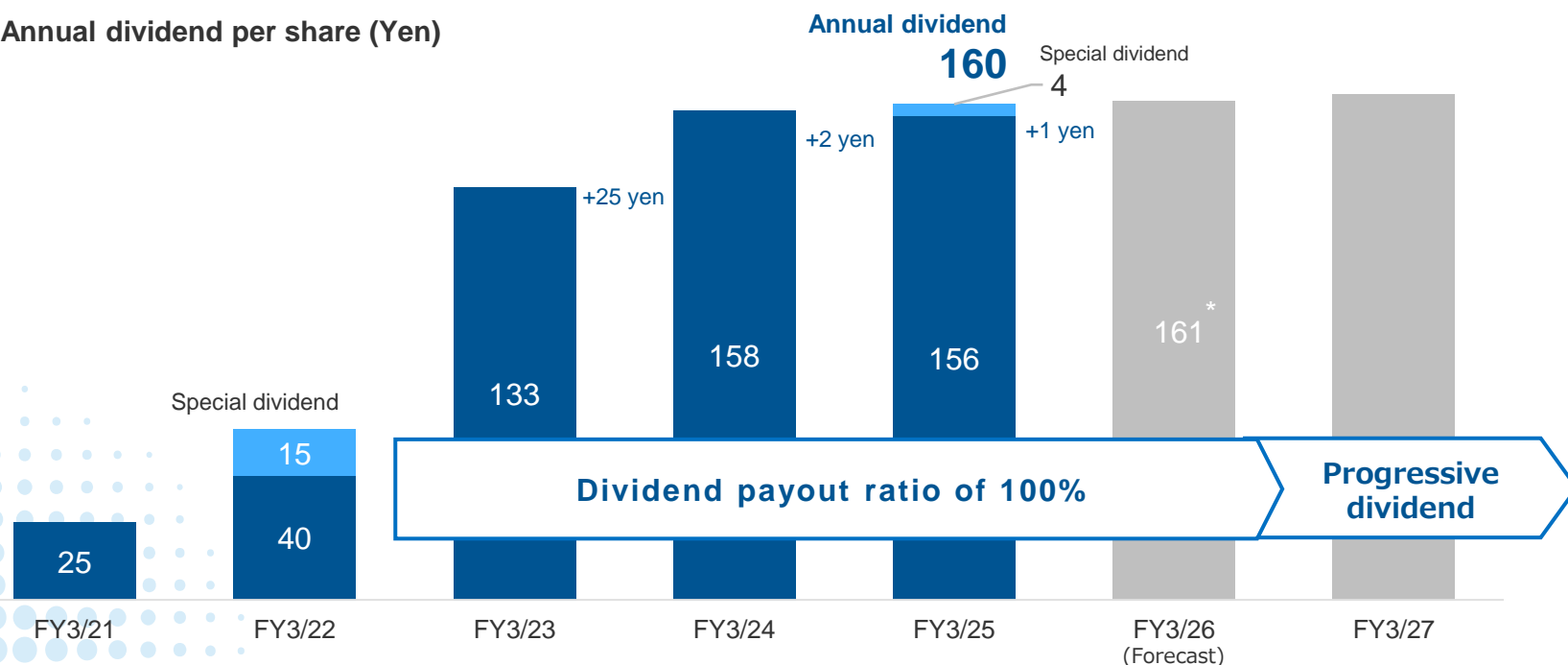
- A stock split (two stock splits) was decided to take effect on June 1, 2025
- Annual dividend for the fiscal year ended March 2025 was **160 yen**, an **increase of 2 yen from the previous year** (including a special dividend of 4 yen due to the achievement of the medium-term management plan).

Medium-Term Management Plan 2025-2027 Dividend Policy

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

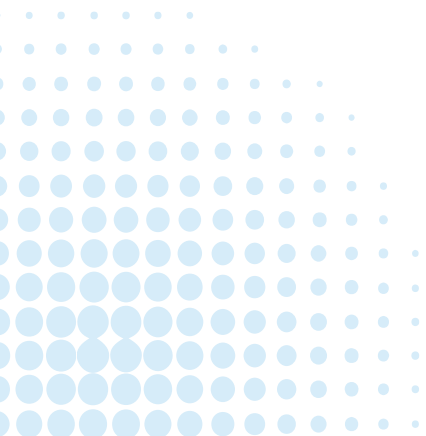
- Driving business growth by proactive investments while maintaining financial soundness
- 100% dividend payout ratio for FY3/26, adopting a progressive dividend system for FY3/27 onward

■ Annual dividend per share (Yen)



(*) Annual dividend per share after accounting for stock split 80.5 yen

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4. Appendix



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	158.19yen	161.31yen ^{*2}	+3.12yen	-
Annual dividend per share	160yen	161yen ^{*2}	+1yen	-

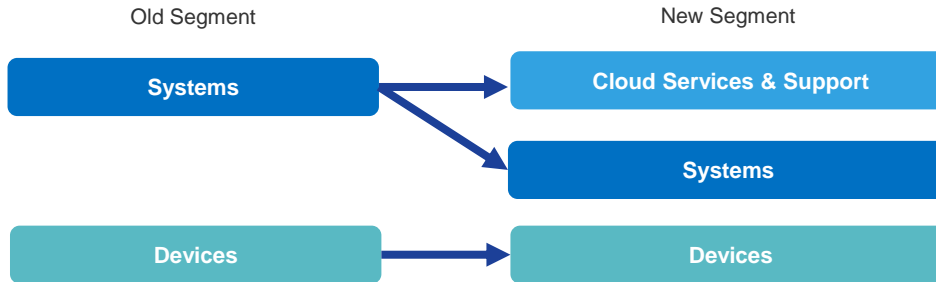
(^{*1}) New segment integrating Cloud Services & Support and Systems (For details, please refer to the [new medium-term management plan](#))

(^{*2}) EPS of 80.65 yen after taking into account the stock split (2 splits) effective on June 1, 2025,
and annual dividend per share of 80.5 yen

Appendix

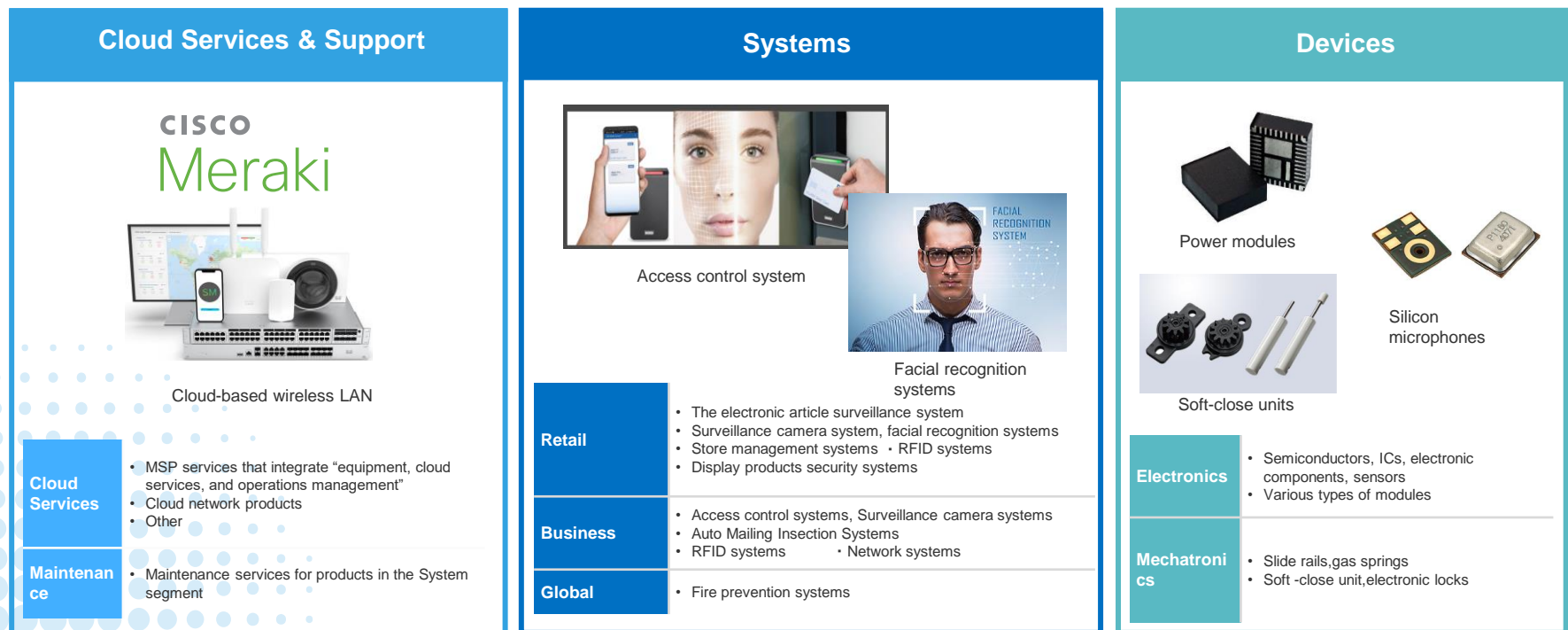
Segment and Main Products and Services

■ Segment System



From the period of the Medium-Term Management Plan (FY3/23), from the perspective of “growth potential” and “profitability,” the cloud-based subscription service business and maintenance business are positioned as “growth businesses” and separated as a segment.

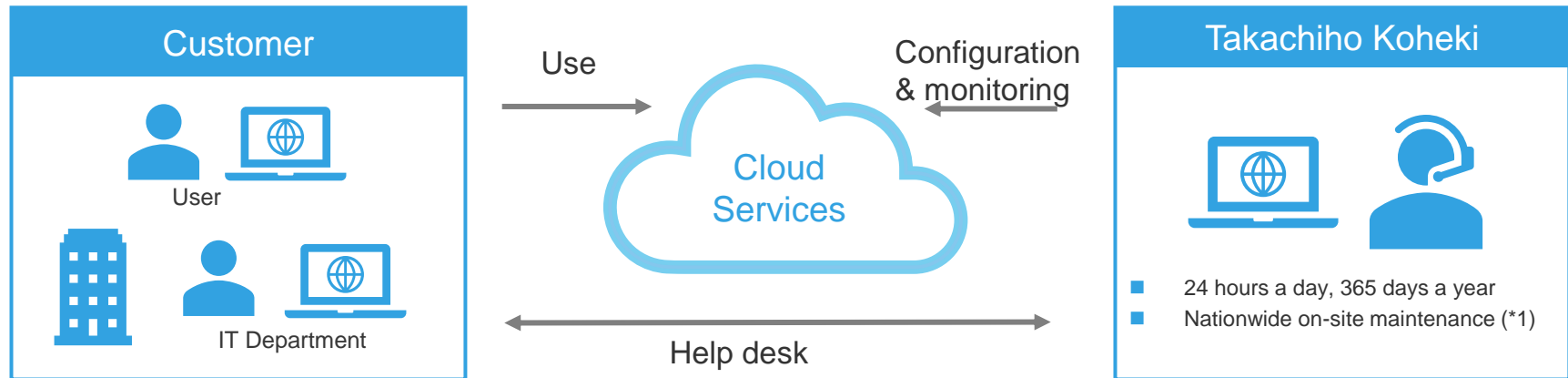
※ The “Services & Support” product line in the Systems Segment has been renamed to “Cloud Services & Support” and converted into a new segment.



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

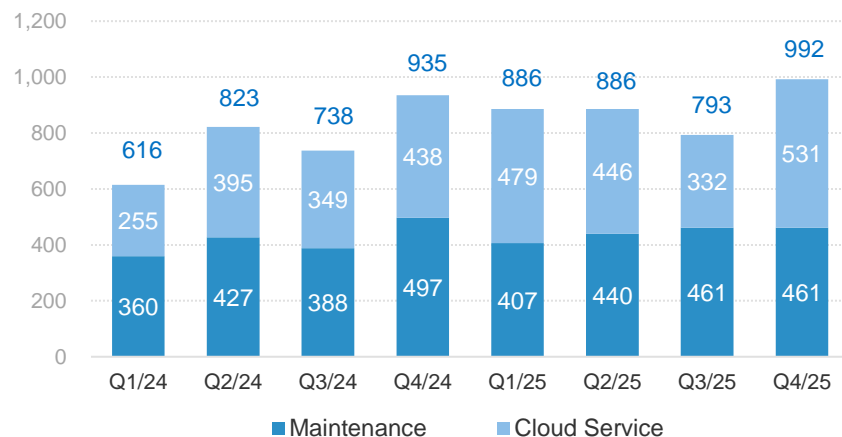
(*2) The purchase of equipment (1) can be paid in a lump sum

Quarterly Net Sales Breakdown (Cloud Services & Support)

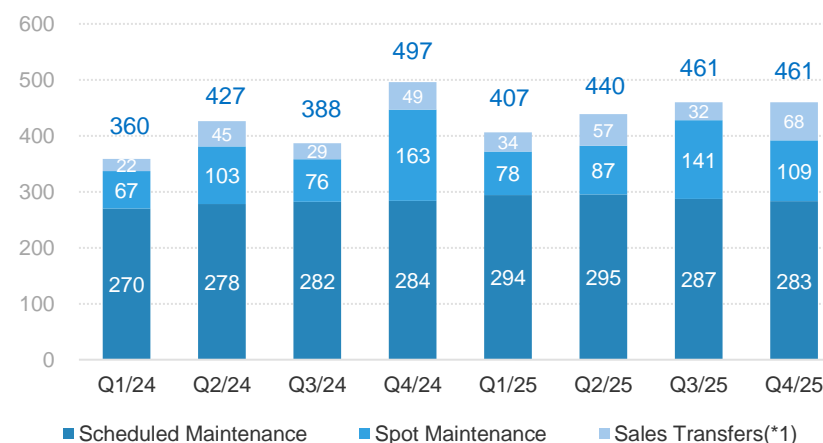
[Millions of yen]



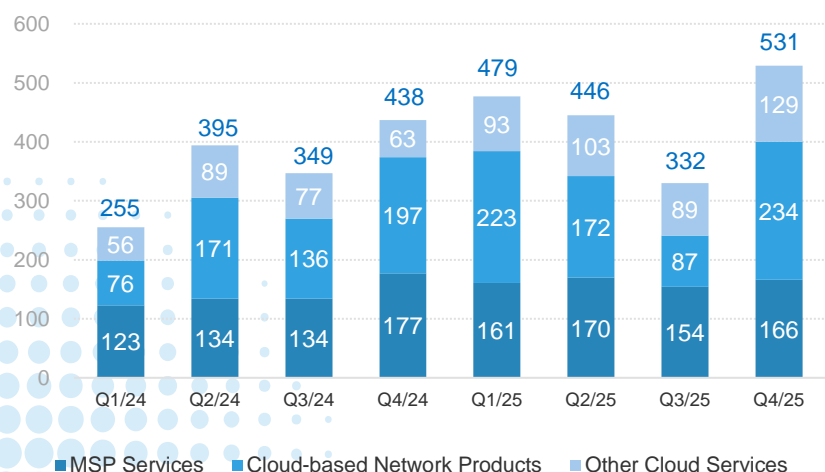
1 Cloud Services & Support Net Sales Breakdown



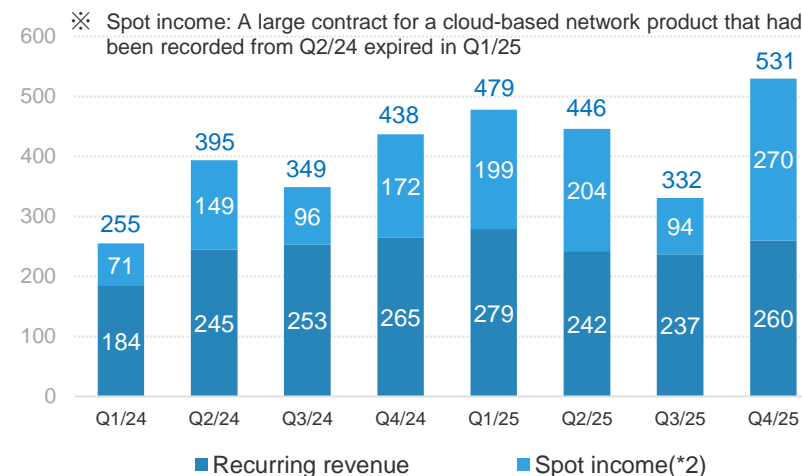
2 Maintenance Net Sales Breakdown (by type)



3 Cloud Services Net Sales Breakdown (by service)



4 Cloud Services Net Sales Breakdown (by type)



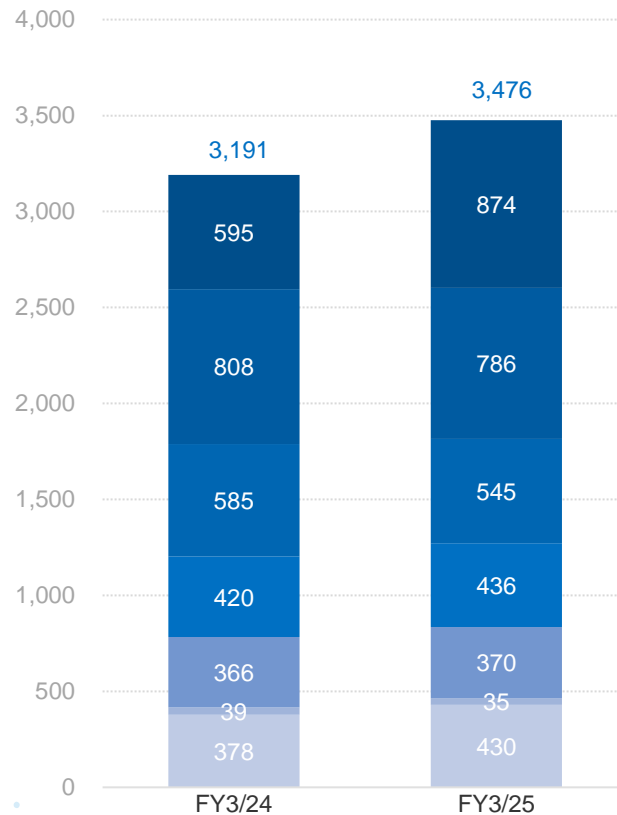
* Figures for the fiscal year ended March 2024 reflect changes in segment classifications (For details, refer to ["Financial Results for the Second Quarter of the Fiscal Year Ending March 2025"](#) on page 16.)

(* 1) Sales of System Segment Products The amount equivalent to maintenance costs for the first year of maintenance performed free of charge is transferred to Cloud Services & Support sales. (* 2) Initial costs, lump-sum payments for MSP service equipment, etc.

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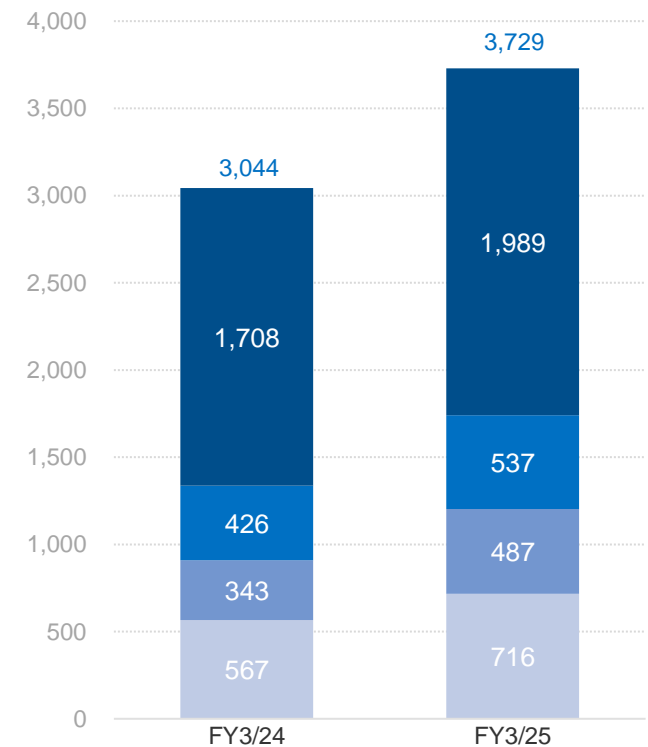
Net Sales Breakdown (Retail Solutions and Business Solutions)^[Millions of yen]

Retail Solutions Net Sales *



■ GMS	595	874
■ Drug stores	808	786
■ Apparel	585	545
■ HC/Sports	420	436
■ Consumer electronics	366	370
■ Mobile	39	35
■ Other	378	430

Business Solutions Net Sales *



■ Access control, surveillance cameras	1,708	1,989
■ Network Products	426	537
■ RFID Systems *1	343	487
■ Mailing Systems *2	567	716

*1 RFID: A contactless system that uses radio waves to read and write data on IC tags

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

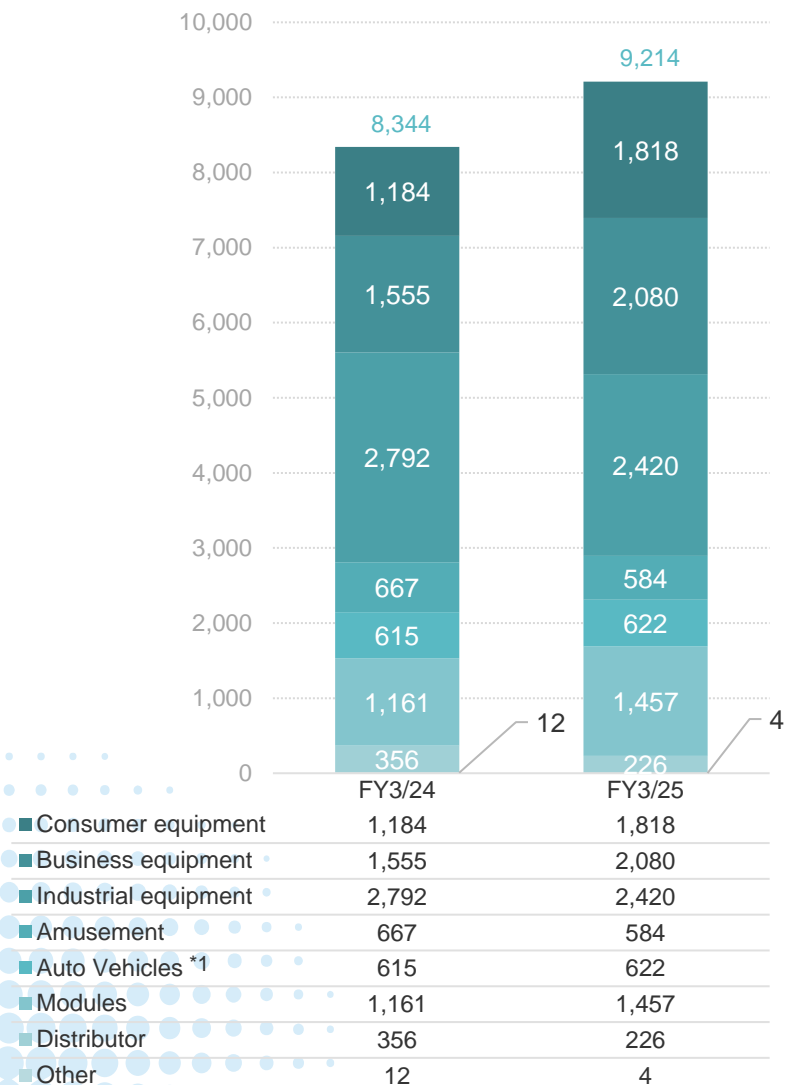
(*) Figures for the fiscal year ended March 2024 reflect changes in segment classification (For details, refer to ["Financial Results for the Second Quarter of the Fiscal Year Ending March 2025"](#) on page 16.

Net Sales Breakdown (Devices)

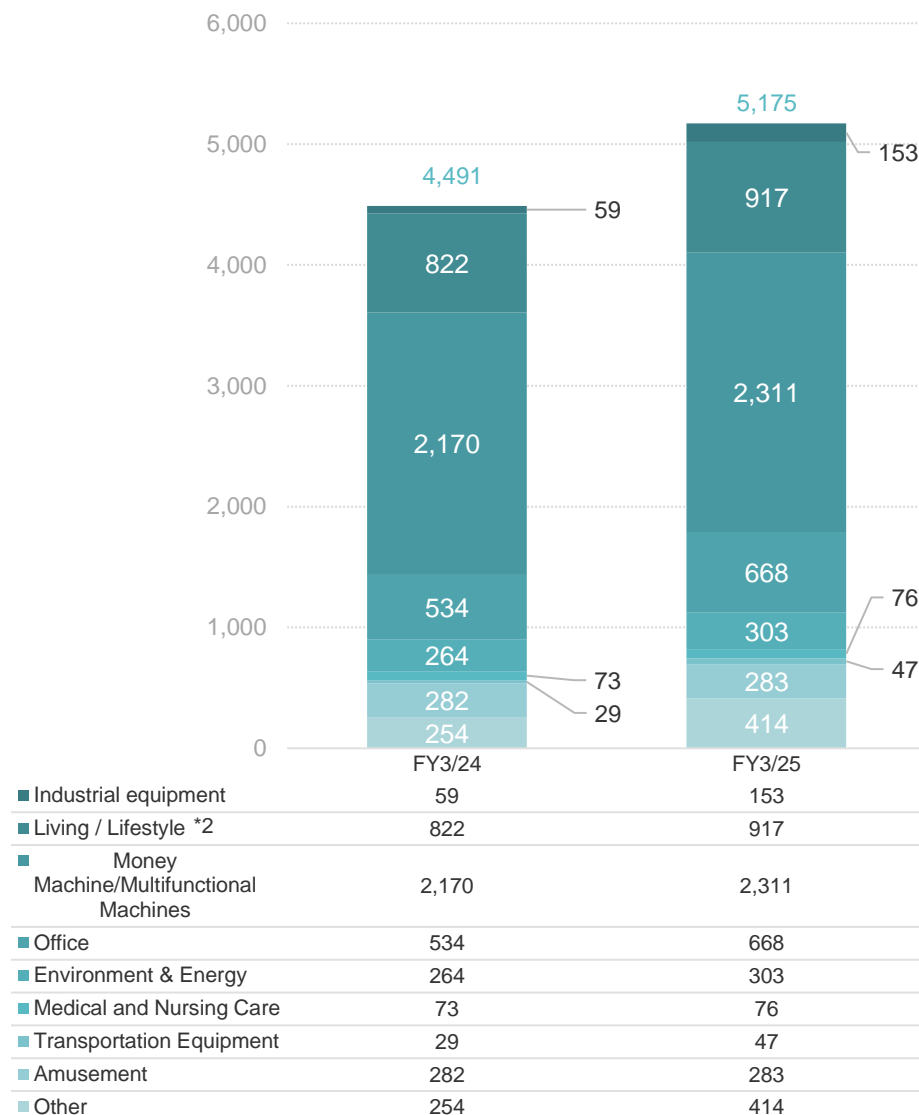
[Millions of yen]



Electronics Net Sales



Mechatronics Net Sales



*1 Auto Vehicle: In-vehicle equipment, railway equipment, ships, transportation equipment

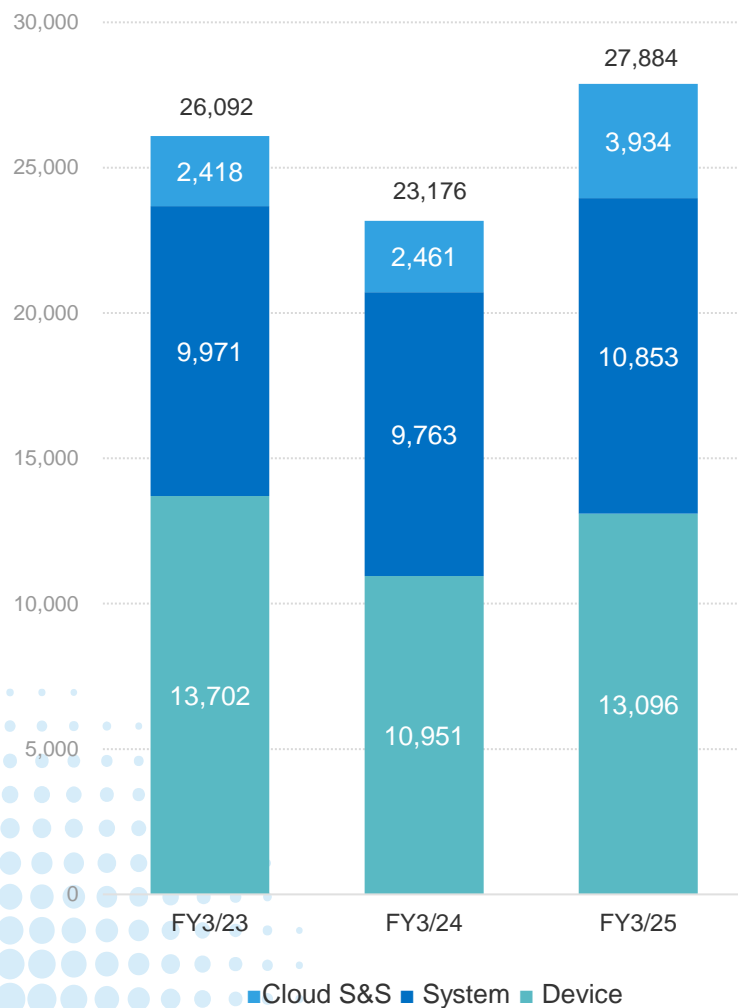
*2 Living Life: Home equipment and automobile interiors/Environment & Energy: Power storage and photovoltaic power generation

Orders Received / Backlog

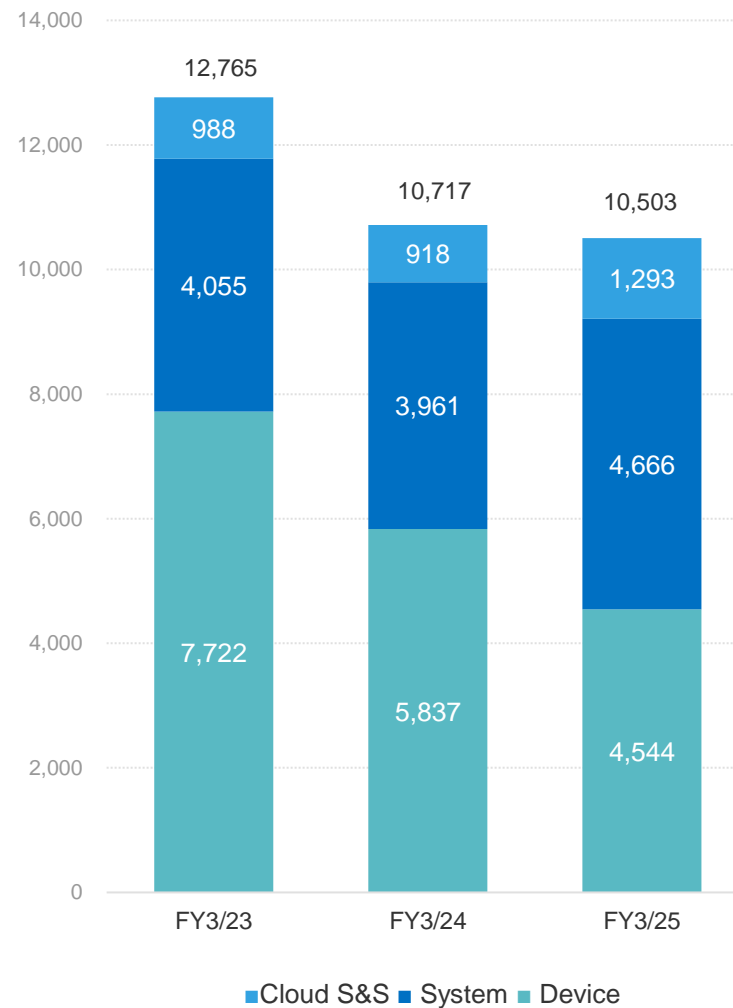
[Millions of yen]



● Orders Received



● Backlog



Consolidated Balance Sheet

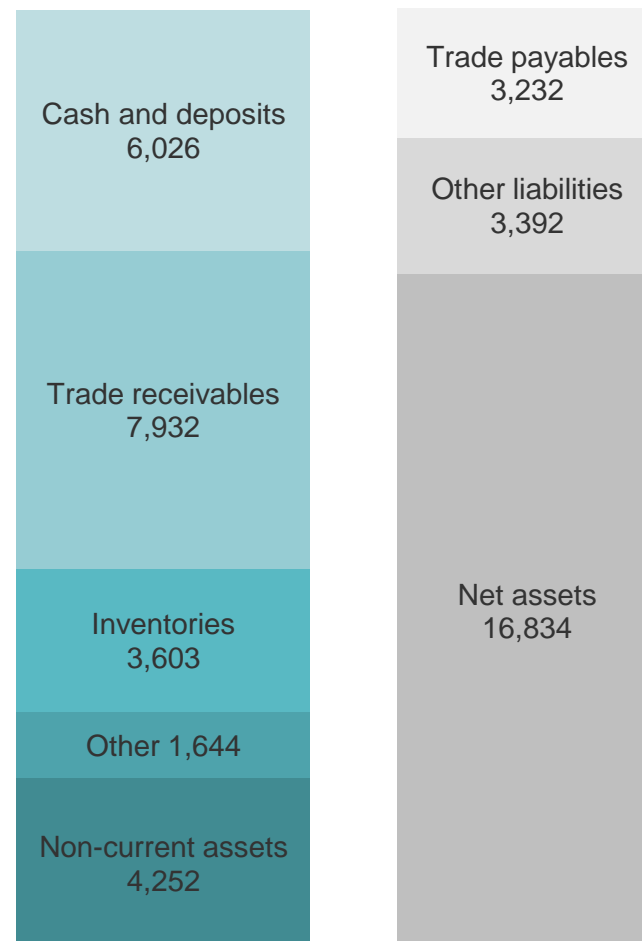
[Millions of yen]



As of March 31, 2024



As of March 31, 2025



(Change) Net assets (1) • • • Dividends paid (1,503), Net income +1,458, Accumulated other comprehensive income +37

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.

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