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# **Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2026**

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

August 5, 2025



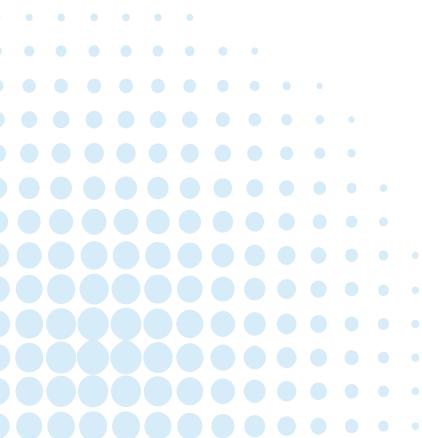
1. Executive Summary
2. Financial Results for the First Quarter of the Fiscal Year  
Ending March 31, 2026
3. Forecast for the Fiscal Year Ending March 31, 2026
4. Appendix

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[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 Q1 < Results >

- ✓ Sales and profit decreased year on year despite strong orders and business security segment
  - **Business security:** Retail solutions for GMS, apparel, and drugstores are strong.  
Sales of business solutions for foreign-affiliated corporate offices were weak after a strong year earlier, but sales for data centers were strong.
  - **Electromechanics:** In the Electronics segment, orders were strong, but sales were sluggish due to continued adjustments in customer inventories and a reaction to strong deliveries in the fourth quarter of the previous fiscal year.  
In Mechanics, sales for housing equipment and office furniture were strong despite a decline in special demand for new banknote printing in the previous fiscal year.
- ✓ Decrease in profit due to increase in SG & A expenses due to growth investment such as increase in sales personnel and recording of foreign exchange losses.

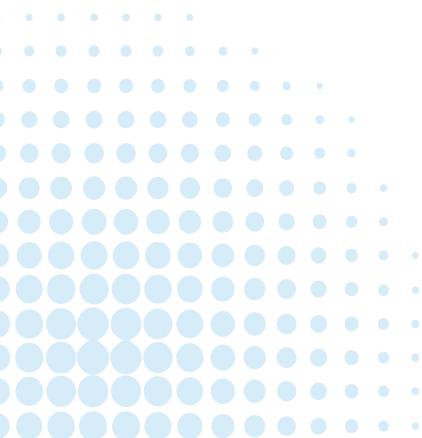
## ✓ FY 3/2026 < Plans >

- ✓ Orders in Electromechanics, which was sluggish in Q1, are strong, and we will continue to steadily deliver from Q2.  
We aim to achieve the target by growing business security.
- ✓ Annual dividend per share is planned to be **¥80.5** \* (+ ¥0.5 in the previous year)

FY3/25 Q1 Results	FY3/26 Q1 Results	Change	FY3/26 Full Year Plan	Rate of progress
Net Sales 6,421	6,068	▲353	30,000	20.2%
Operating profit 464	183	▲280	2,200	8.3%
Ordinary profit 631	167	▲464	2,100	8.0%
Net income 458	68	▲389	1,500	4.6%

\* shares per 1 share of common stock were split on June 1, 2025

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# Consolidated Financial Highlights

[Millions of yen]



Sales declined due to sluggish performance in the Electro Mechanics segment, despite strong performance in the Business Security segment.

Profit decreased due to an increase in SG & A expenses due to growth investments such as an increase in sales personnel and the impact of foreign exchange losses.

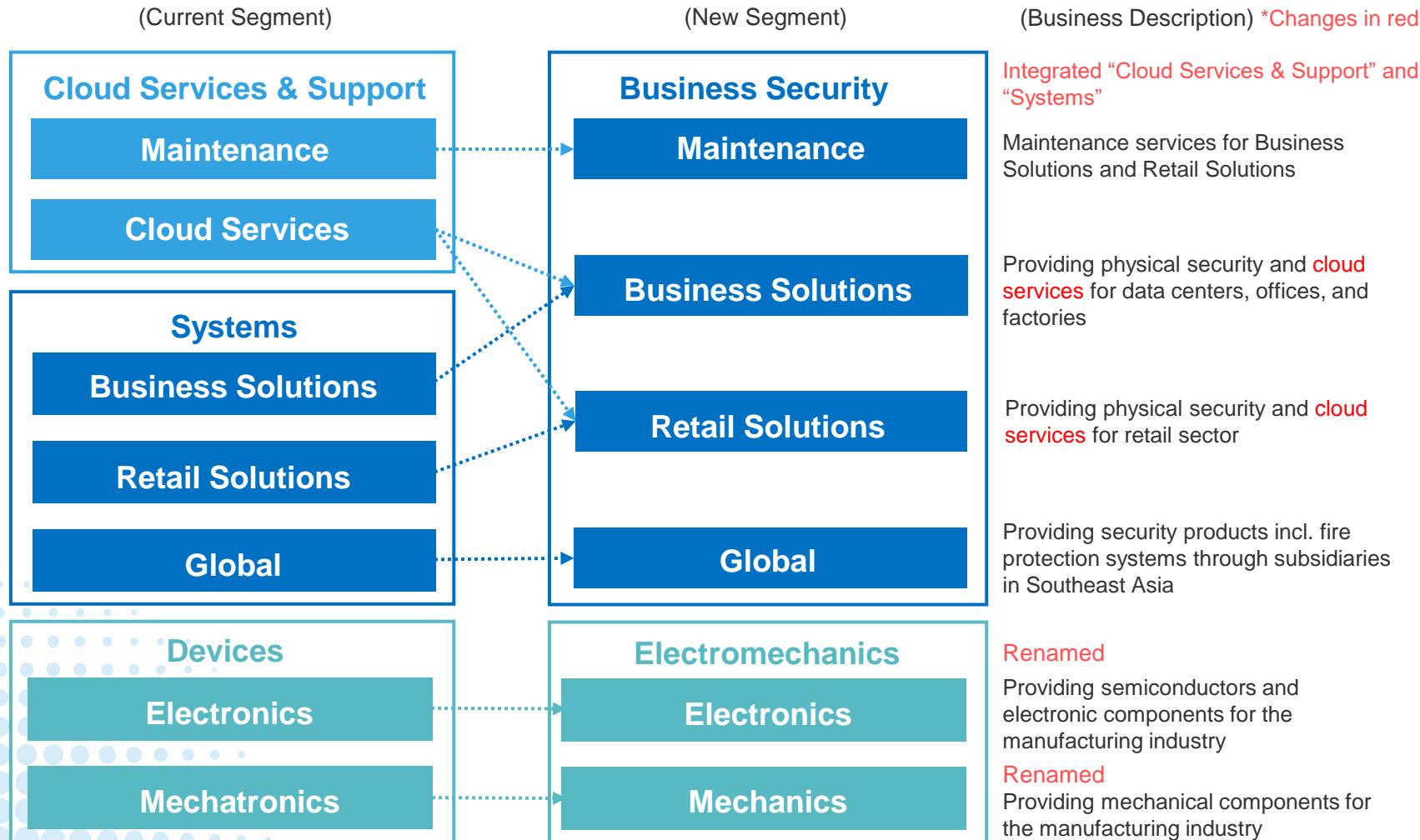
	FY3/25 Q1 Results	FY3/26 Q1 Results	YoY change	FY3/26 Full Year Plan	Rate of progress
Net Sales	6,421	6,068	▲5.5%	30,000	20.2%
Gross profit on sales	1,621	1,451	▲10.5%	7,660	18.9%
Gross profit ratio (%)	25.2%	23.9%	▲1.3pt	25.5%	-
SG & A expenses	1,157	1,267	+9.6%	5,460	-
Operating profit	464	183	▲60.5%	2,200	8.3%
Operating profit ratio (%)	7.2%	3.0%	▲4.2pt	7.3%	-
Foreign exchange gain	117	-	-	-	-
Foreign exchange loss	-	76	-	-	-
Ordinary profit	631	167	▲73.5%	2,100	8.0%
Ordinary profit ratio (%)	9.8%	2.8%	▲7.0pt	7.0%	-
Profit before tax	631	167	▲73.5%	-	-
Profit attributable to owners of parent	458	68	▲85.0%	1,500	4.6%
EPS*	25.20 yen	3.69 yen	▲¥21.51	¥80.65	-

\*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.

# 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.



# Results by Segment

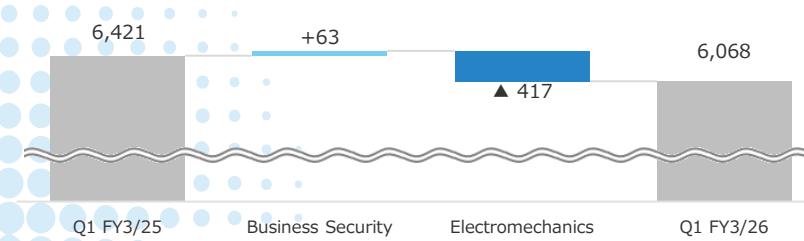


[Millions of yen]

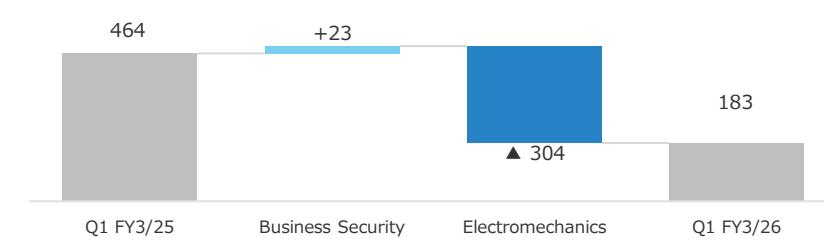
Business Security posted an increase in sales and profit due to strong retail Solutions.  
 Electromechanics posted a decrease in sales and profit due to customer production adjustments and a reaction to the special demand for new banknote printing.

		FY3/25 Q1 Results (*)	FY3/26 Q1 Results	Increase/ Decrease	Percentage change	FY3/26 Plan	Rate of progress
Business Security	Net sales	2,813	2,876	+63	+2.3%	14,980	19.2%
	Operating Profit	93	117	+23	+25.0%	1,230	9.5%
	Operating profit ratio	3.3%	4.1%	+0.7pt	-	8.2%	-
Electromechanics	Net sales	3,608	3,191	▲417	▲11.6%	15,020	21.2%
	Operating Profit	370	66	▲304	▲82.1%	970	6.9%
	Operating profit ratio	10.3%	2.1%	▲8.2pt	-	6.5%	-
Consolidated total	Net sales	6,421	6,068	▲353	▲5.5%	30,000	20.2%
	Operating Profit	464	183	▲280	▲60.5%	2,200	8.3%
	Operating profit ratio	7.2%	3.0%	▲4.2pt	-	7.3%	-

## ■ Net Sales (Year-on-Year)



## ■ Operating profit (Year-on-Year)



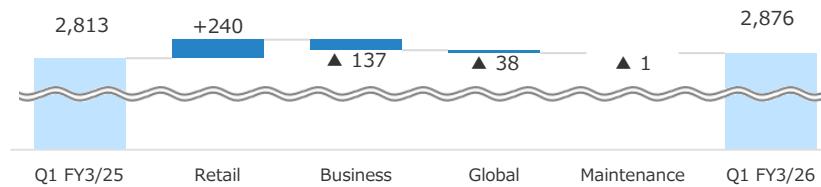
# Results by Segment (Business Security)



[Millions of yen]

Net sales	2,876 million yen	YoY + 63 million
Sales of business solutions decreased due to a rebound in the previous fiscal year, but sales of retail solutions performed well.		
Operating profit	117 million yen	YoY +23 million yen
Increased sales of retail solutions improved profit margins		

## [Net sales change factors (YoY)] \*



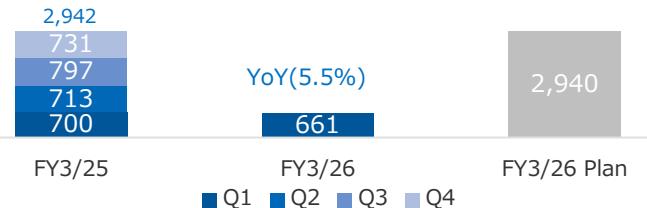
## ● Retail Solutions



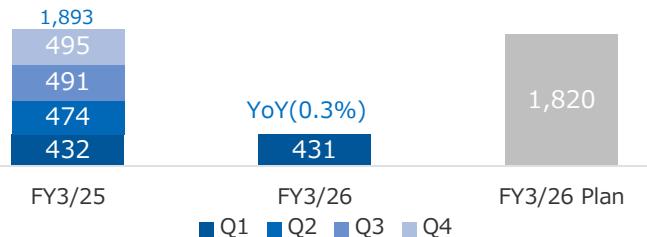
## ● Business Solutions



## ● Global



## ● Maintenance services



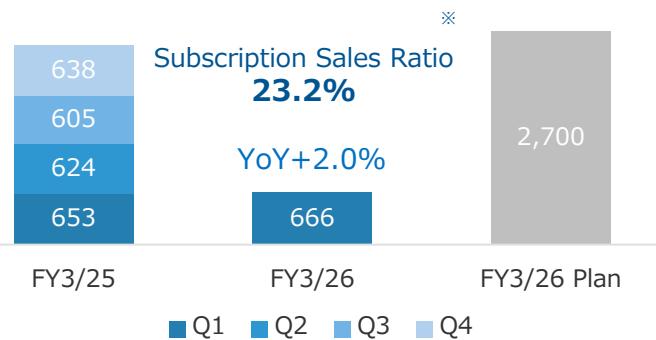
\*Figures for the first quarter of the fiscal year ended March 2025 reflect changes in segment classification (See page 7 for details.)

# Subscription Business Results (Business Security)

[Millions of yen]

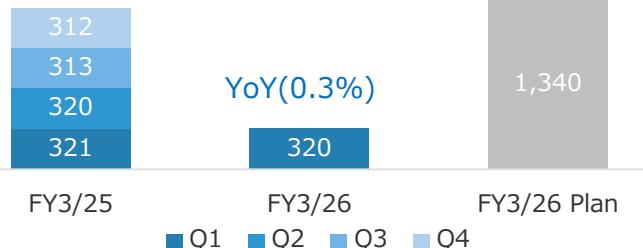


## Subscription Business Sales



\*Business Security Segment Sales

## ● Maintenance



## ● Maintenance

(-) Held roughly unchanged from the previous fiscal year

## ● Managed services

※ MSP services that integrate “equipment, cloud services, and operations management”  
(+) Strong agency sales

## ● Cloud license

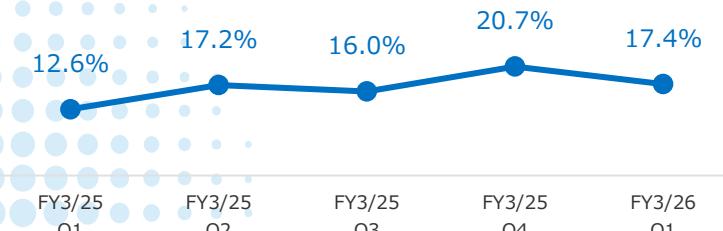
(+) Accumulate the number of licenses and new products started selling.  
(-) Decrease in response to large-scale contracts that ended in 2Q of the previous fiscal year

## ● Managed services

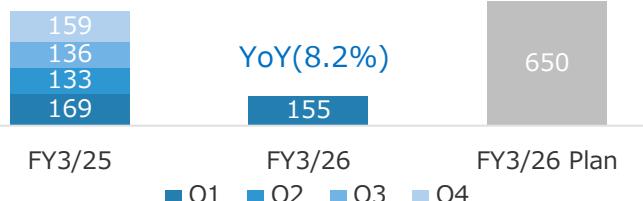


## Operating Profit Margin

Decreased due to increased SG & A expenses from growth investment



## ● Cloud License



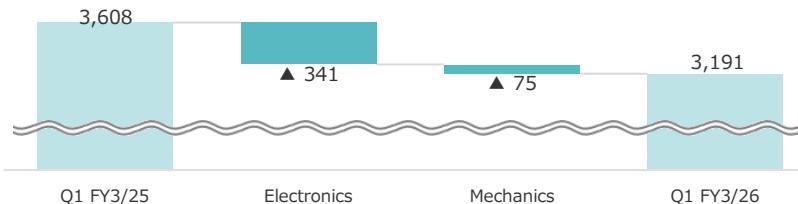
# Results by Segment (Electromechanics)



[Millions of yen]

Net sales	3,191 million yen	YoY (417 million yen)
Orders for Electronics remained strong, but net sales declined due to the impact of strong deliveries in the fourth quarter of the previous fiscal year and adjustments in customer inventories. Sales for Mechanics declined due to the impact of special demand for new banknote printing in the previous fiscal year.		
Operating profit	66 million yen	YoY (304 million yen)
Increase in purchasing costs due to the depreciation of the yen, and increase in SG & A expenses due to growth investments such as increase in personnel.		

## [ Net sales change factors(YoY) ]



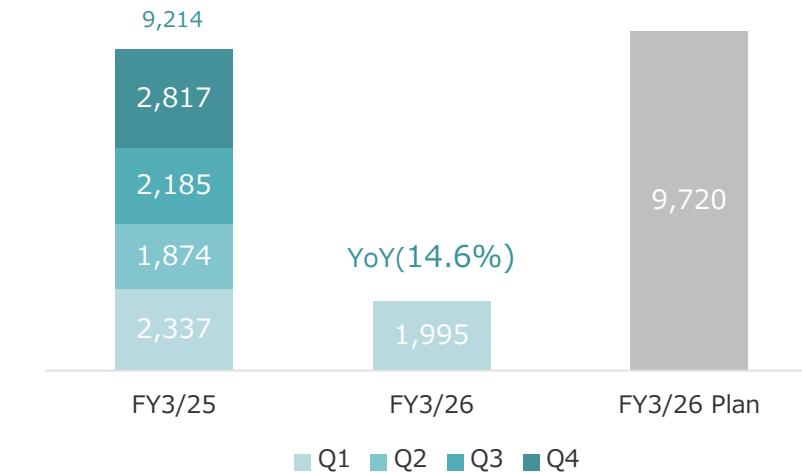
## ● Electronics

- (-) Continued adjustments in customer inventory as a result of strong deliveries in the fourth quarter of the previous fiscal year
  - >Mainly weak sales of industrial and business equipment
- [Compared with plan] Substantial shortfall due to continued adjustments in customer inventory, but strong orders. Promoting deliveries to recover in the second quarter

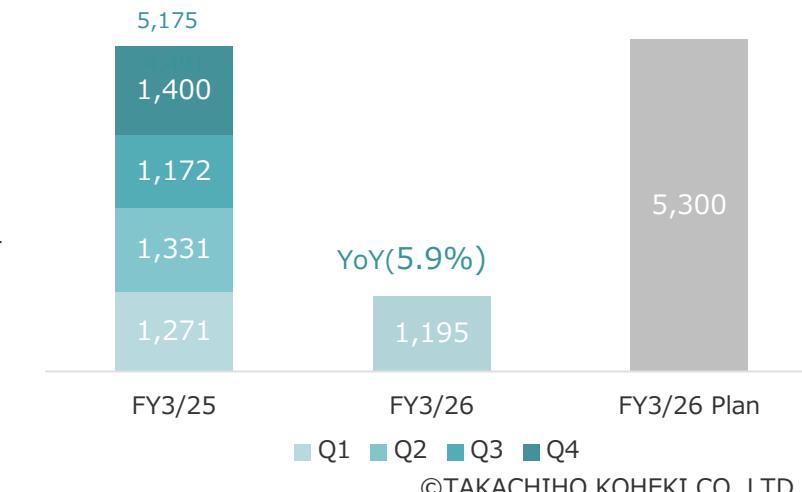
## ● Mechanics

- (-) Mechanical components for monetary equipment, multifunction machines, and power generation equipment
  - >In monetary equipment, there was a reaction to the special demand for new banknote printing in the previous fiscal year
  - In multifunction machines and power generation equipment, there was also a reaction to the strong performance in the previous fiscal year
- (+) Mechanical components for housing equipment and office furniture
  - >As for housing equipment, the adoption and lateral development of planned and developed products are increasing.

## ● Electronics



## ● Mechanics



# Capital Efficiency Improvement Status

Hold inventories to appropriate levels by capturing backlogs of orders and strengthening order control

Number of revolutions in receivables and payables increased due to a decrease in sales and cost of sales

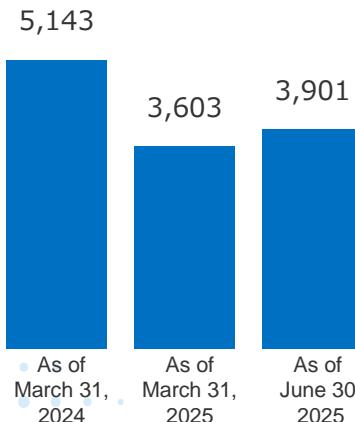
## Inventories

Number of days for turnover

95.4  
75.3  
**74.0**

Balance

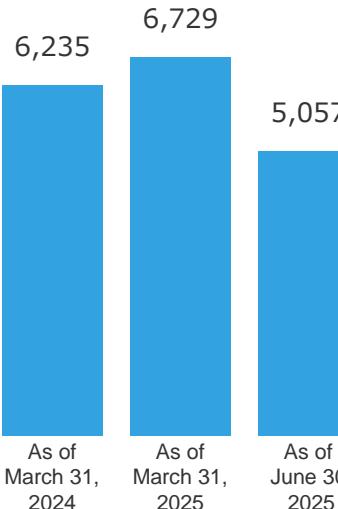
[Millions of yen]



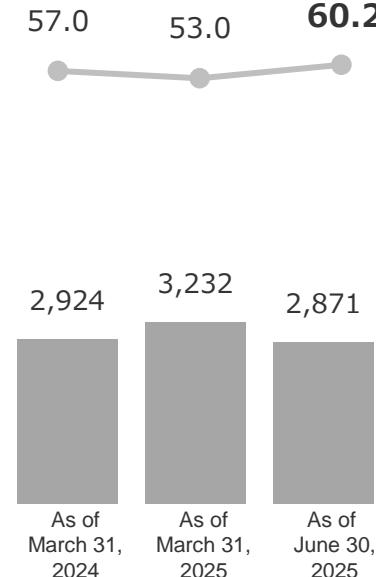
Mainly due to a decrease in orders and deliveries of electronics

## Trade receivables

92.9  
84.2  
**88.4**



## 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 June 30: Calculated on 91 days

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## Consolidated PL&lt; Plan &gt;

[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	80.65yen	+1.55yen	-
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.

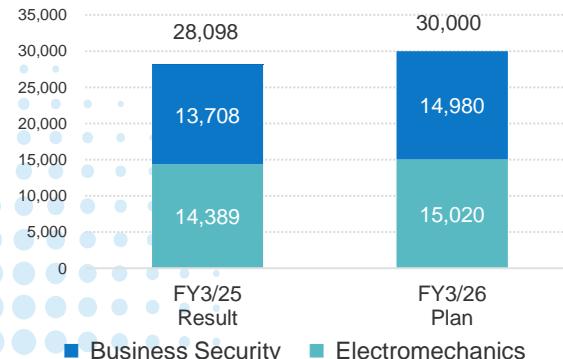
# Net Sales and Operating Profit by Segment <Forecast> (Millions of yen)



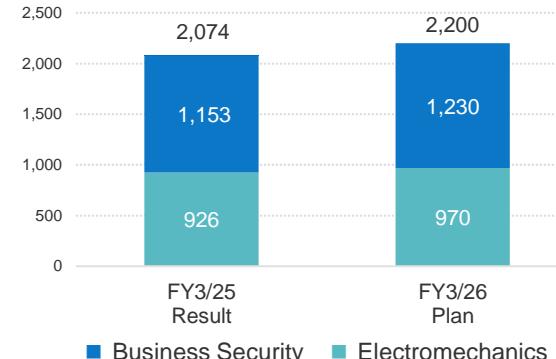
Sales and profit are expected to increase in both Business Security and Electromechanics

		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

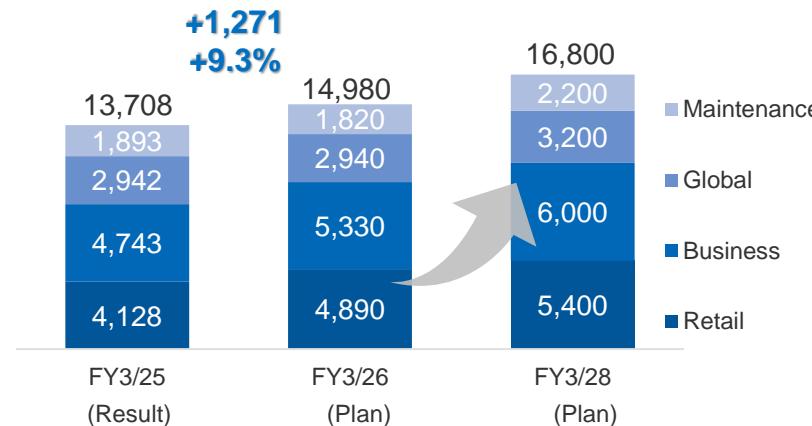


\*Figures for the fiscal year ended March 2025 reflect changes in segment classification (See page 7 for details.)

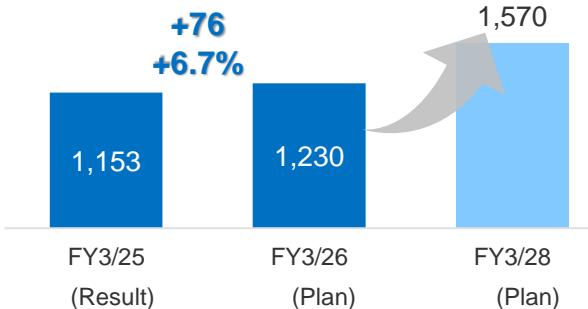
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# Business Security <Forecast>

## ■ Segment net sales\* (Millions of yen)



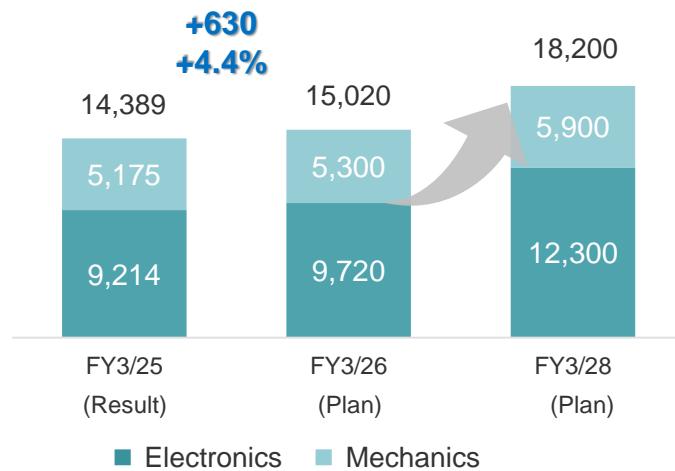
## ■ Segment operating profit\* (Millions of yen)



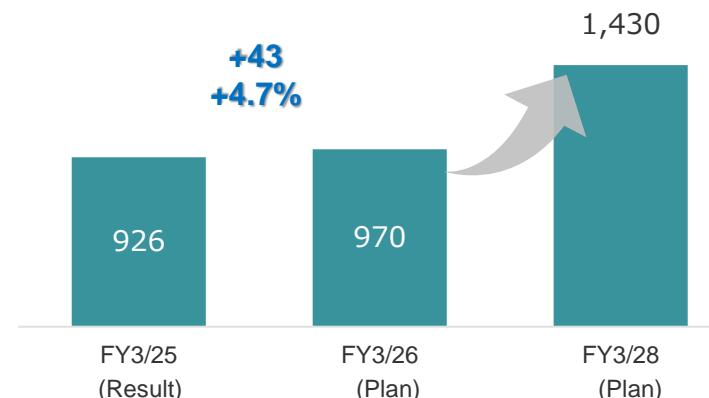
Sub-segments	YoY	Main factors
<b>Retail Solutions</b>	+763	<ul style="list-style-type: none"> <li>Expanding RFID systems in apparel stores</li> <li>Promoting cloud-based facial recognition systems for GMSs and drugstores</li> </ul>
<b>Business Solutions</b>	+586	<ul style="list-style-type: none"> <li>Promoting security systems for data centers and foreign-affiliated offices</li> <li>Expanding cloud services, with a focus on MSP services</li> </ul>
<b>Global</b>	(2)	<ul style="list-style-type: none"> <li>Focusing on high-margin projects</li> </ul>
<b>Maintenance</b>	(75)	<ul style="list-style-type: none"> <li>Driving price revisions to increase sales</li> <li>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</li> </ul>

# Electromechanics <Forecast>

## ■ Segment net sales (Millions of yen)



## ■ Segment operating profit (Millions of yen)



■ Electronics ■ Mechanics

Sub-segments	YoY	Main factors
Electronics	+505	<ul style="list-style-type: none"> <li>Increase in power modules for AI servers, continuing from the previous fiscal year</li> <li>Recovery in demand for industrial equipment, following the impact of inventory adjustments in the previous fiscal year</li> </ul>
Mechanics	+124	<ul style="list-style-type: none"> <li>Progress in the new adoption and horizontal deployment of planning and development products for mechanical components used in housing equipment</li> <li>Promotion of planning and development products (spiral shaft) for the gaming market</li> </ul>

# Shareholder Return

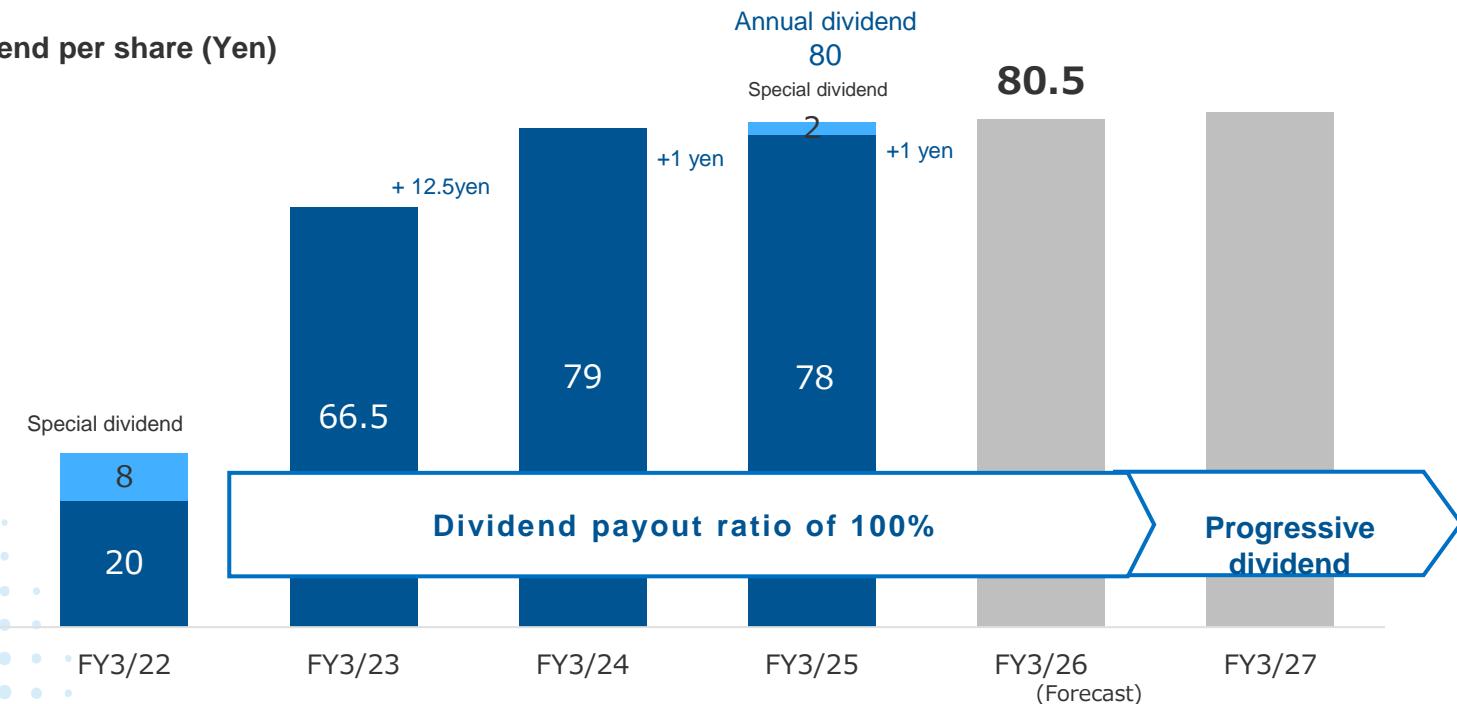
- A stock split (2 splits) was implemented effective on June 1, 2025.
- Annual dividend for fiscal year ending March 2026 was **80.5** yen, an **increase of 0.5 yen from the previous fiscal year**.

**Medium-Term  
Management Plan  
2025-2027  
Dividend Policy**

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

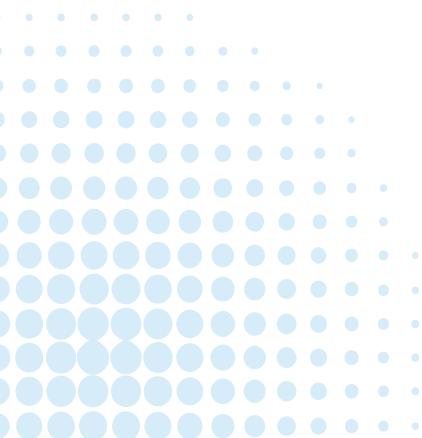
- Driving business growth by proactive investments while maintaining financial soundness
- **100% dividend payout ratio for FY3/26, adopting a progressive dividend system for FY3/27 onward**

■ 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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# Consolidated Balance Sheet

[Unit: ¥1 million]



As of March 31, 2025

Cash and deposits	6,026
Trade receivables	7,932
Inventories	3,603
Other 1,644	
Non-current assets 4,252	
Trade payables	3,232
Other liabilities	3,392
Net assets	16,834

As of June 30, 2025

Cash and deposits	5,679
Trade receivables	6,553
Inventories	3,901
Other 1,903	
Non-current assets 4,442	
Trade payables	2,871
Other liabilities	3,575
Net assets	16,033

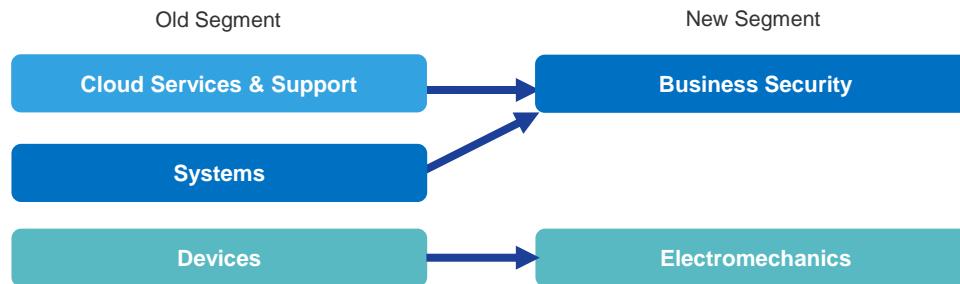
(Change)

Net assets minus (800) · · · Dividends paid (954), Net income +68, Accumulated other comprehensive income +84

# 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
<b>Retail</b>	<ul style="list-style-type: none"> <li>The electronic article surveillance system</li> <li>Surveillance camera system, facial recognition systems</li> <li>Cloud services</li> <li>RFID systems</li> </ul>	
<b>Business</b>	<ul style="list-style-type: none"> <li>Access control system, Surveillance camera system</li> <li>Auto Mailing Injection Systems</li> <li>Cloud Services</li> <li>Network Products</li> </ul>	
<b>Global</b>	<ul style="list-style-type: none"> <li>Fire prevention systems</li> </ul>	
<b>Maintenance</b>	<ul style="list-style-type: none"> <li>Product maintenance services provided by the Business Security segment</li> </ul>	

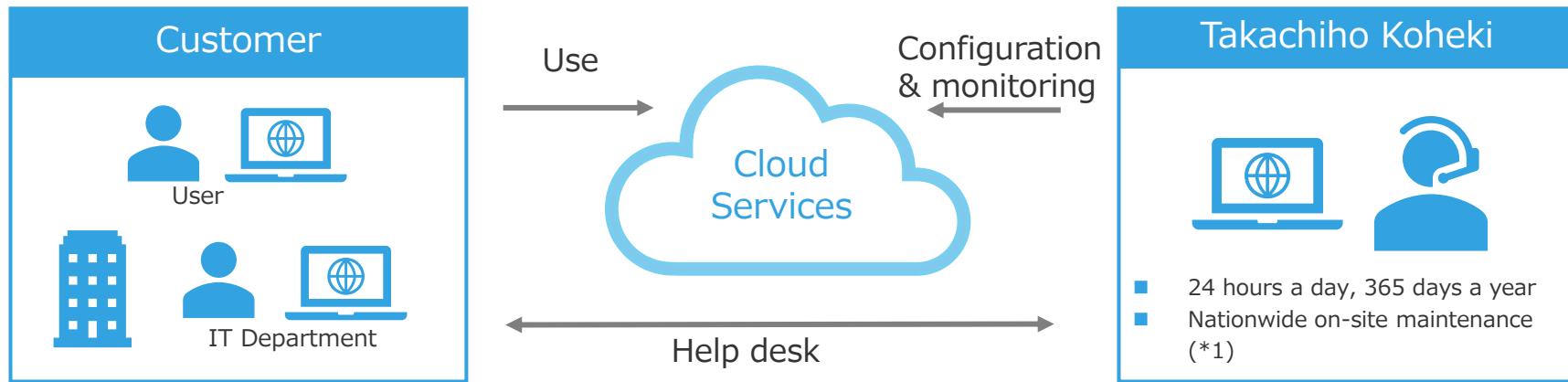
### Electromechanics

Power modules	Silicon microphones	Soft-close units
<b>Electronics</b>	<ul style="list-style-type: none"> <li>Semiconductors, ICs, electronic components, sensors</li> <li>Various types of modules</li> </ul>	
<b>Mechanics</b>	<ul style="list-style-type: none"> <li>Slide rails, gas springs</li> <li>Soft-close unit, electronic locks</li> </ul>	

# 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

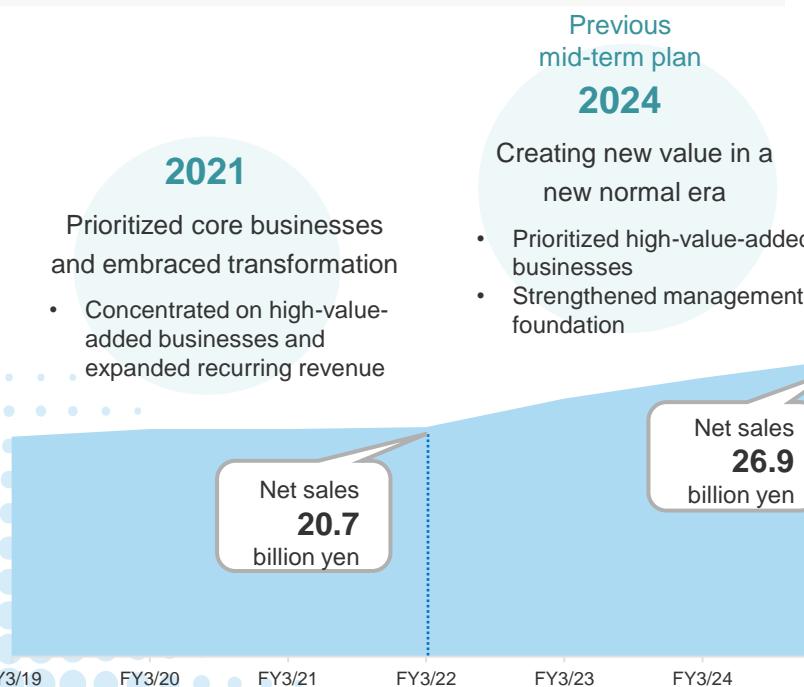


■ **Purpose** Using the power of technology and Consideration for all, Creating the “**Essentials of the Future**” in different environments.

## ■ 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

**2030**  
**Net sales**  
**50.0 billion yen**  
**Operating profit**  
**10% or higher**  
**ROE 13% or higher**

## Security. Solutions. Synergy.

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

Net sales  
**35.0**  
 billion yen

**CAGR 10%**

# 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 “1<sup>st</sup> 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

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

### E: Environment

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

### Sustainable Management

#### 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

## Medium-Term Management Targets (Basic Policies and Numerical Targets)

(Millions of yen)



Note: The figures in this document are based on the number of shares prior to the stock split that will become effective on June 1, 2025.

### Management Basic Policy

“Business growth through focused investments in focused businesses”  
“Creating a new future and value together with customers”

Achieving sustainable growth and increasing corporate value

## ■ Numerical Targets

	FY3/25 Forecast	FY3/28 Target
Net sales	26,900	35,000
Operating profit	2,050	3,000
Ordinary profit	2,000	2,800
Net income	1,490	2,000
EPS	162.13 yen	215 yen
ROE	8.6%	10% or higher
Dividends	Dividend payout ratio 100%	*

## Points

1. Driving net sales and profit growth through focused investments in focused businesses
  - Net sales CAGR 9.2%
  - Operating Profit CAGR 13.5% (vs. FY3/25)
2. Promoting four basic strategies across two business domains to **create a new future and value together with customers**
3. **Improving CCC and profitability of capital** by promoting ROIC management

- 1<sup>st</sup> year (FY3/26): **Dividend payout ratio of 100% to be maintained**
- 2<sup>nd</sup> year (FY3/27) onward: **Progressive dividend system to be adopted**

# Overview of Business Strategy

1

## Evolution of Loyal Customer Strategy

KPIs

- (1) Number of customers with annual net sales of over 30 million yen
- (2) Average net sales per customer
- (3) Number of customers with cross-sales across sub-segments

2

## Growth of service business

KPIs

- (1) Subscription net sales ratio
- (2) Subscription operating profit ratio

3

## Strengthen new business and global expansion

KPI: contributing 5% of the Group's ordinary profit in five years

4

## Implement 6.0 billion yen growth investment

### Net sales forecast\*

(Millions of yen)

## Business Security

## Electromechanics

**Strengthen integration of two business domains to further enhance customer loyalty**

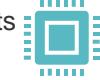
Providing multi-product services across organizations



Cyber-security  
Physical security



Semiconductors/Electronic components  
Mechanical components



**Increase value added by strengthening “designing business” to create new solutions**

### Maintenance / Managed / Cloud Services

### Solution Development / Technical Service

Strengthen collaboration with Silicon Valley Innovation Center  
Expand sales channels to Southeast Asia and India

Growth investment in focused businesses, investment in human capital / DX

FY3/25 13,800

FY3/28 16,800

FY3/25 13,100

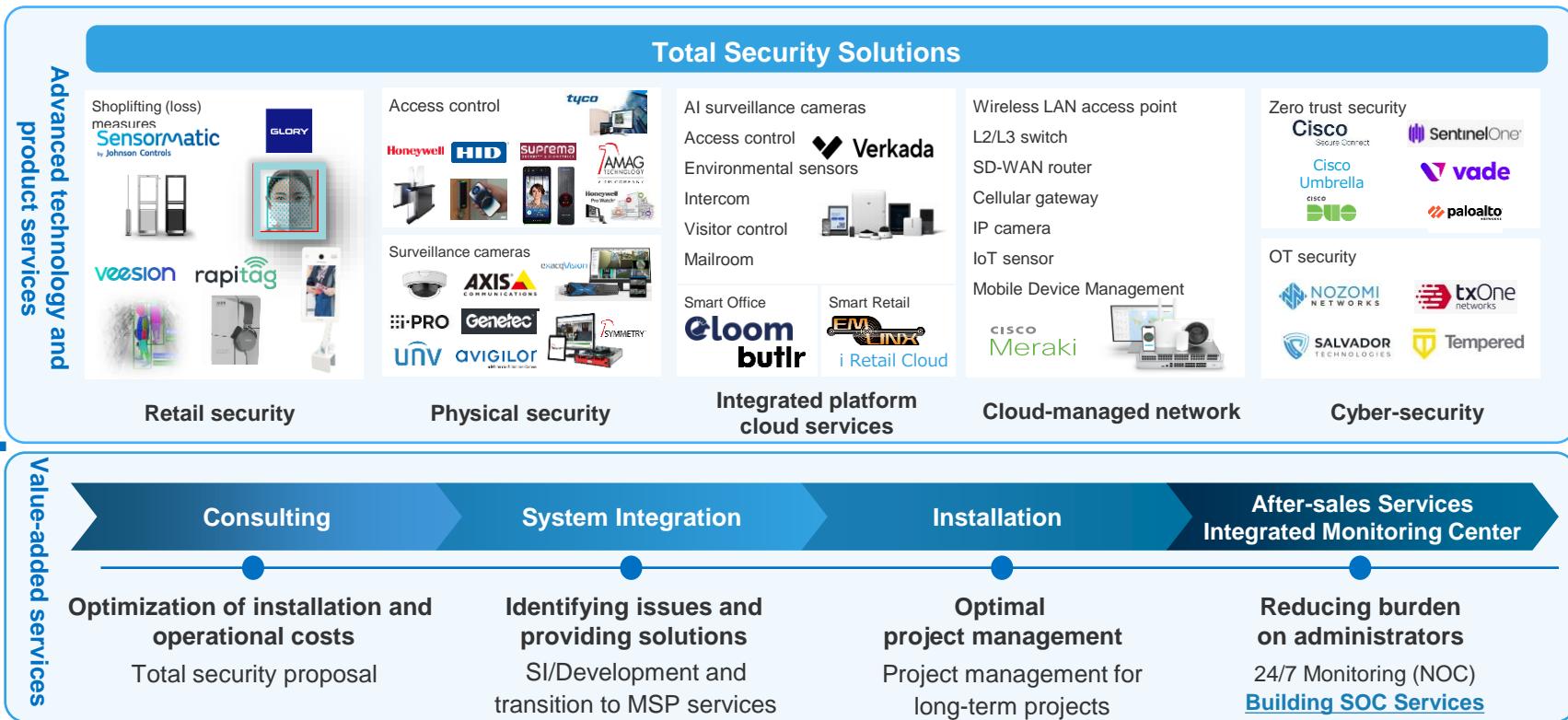
FY3/28 18,200

\*Net sales forecast (Business Security) reflect the revised segment classification shown on page 12.

# Business Security Market



With total security solutions and one-stop services from consulting to after-sales support, we aim to become **“Takachiho Koheki, the go-to provider for Business Security”**



<Customers>



Corporate offices



Data centers



Factories



Retailers  
(Apparel, GMS,  
electrics, etc.)



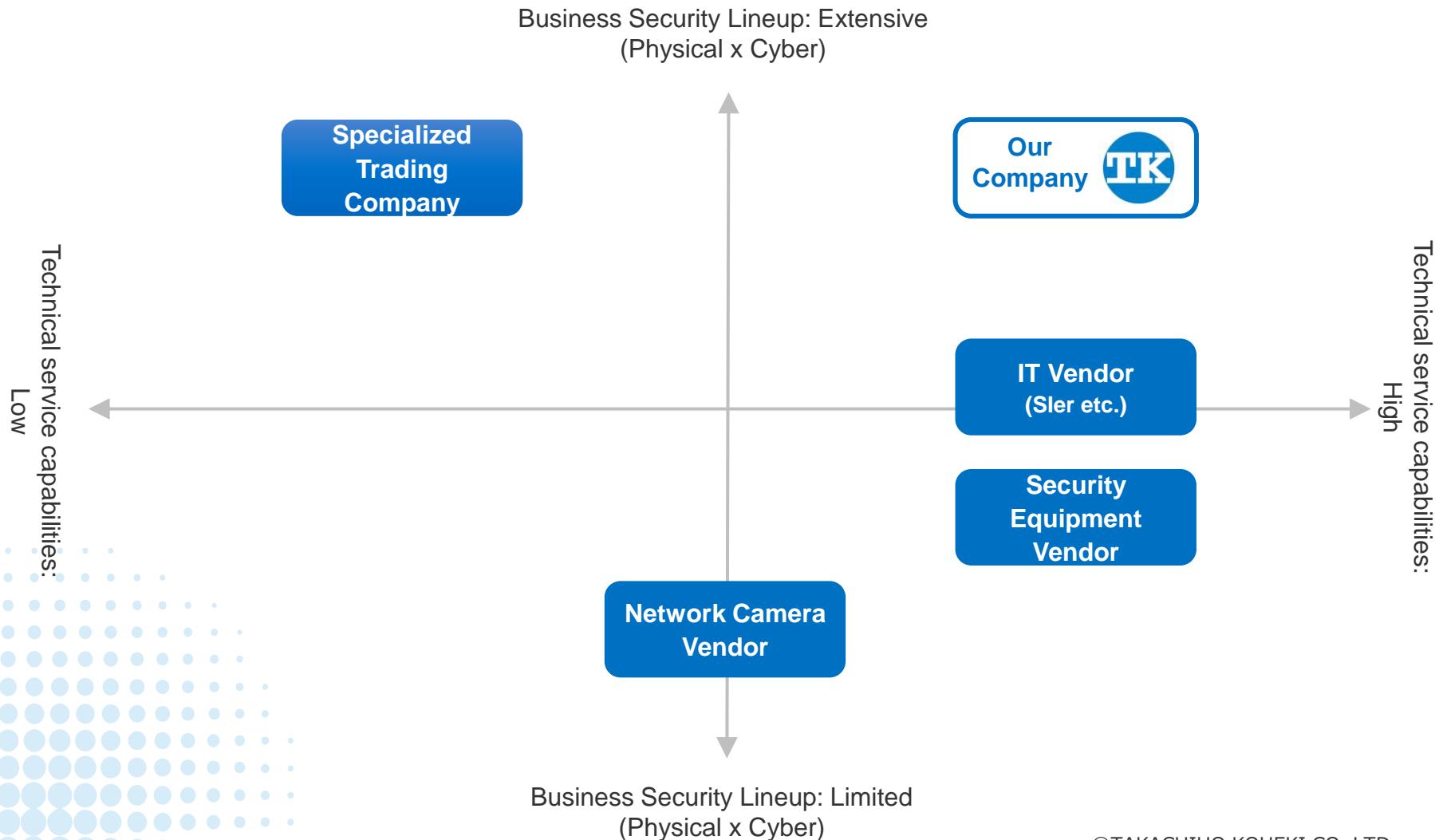
Educational  
Facilities

Promoting DX and IT adoption  
and AI utilization  
Diverse work styles  
Increase in  
cyberattacks  
Labor shortage

# Positioning in Security Field



With a lineup of both **physical and cyber security solutions**, along with strong **technical service capabilities**, we have established a unique position in the security field.

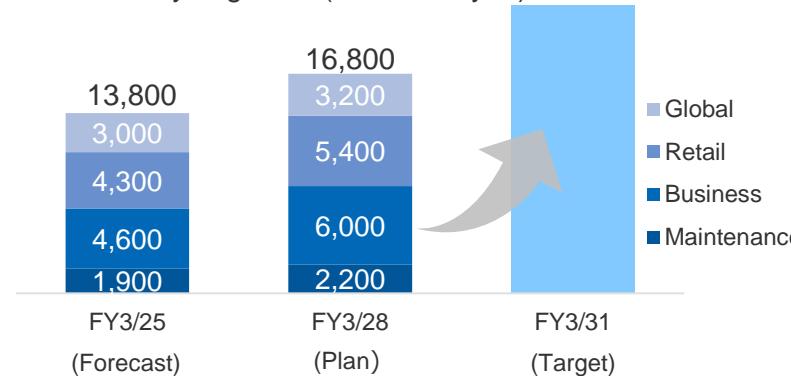


# Business Security Growth Strategy

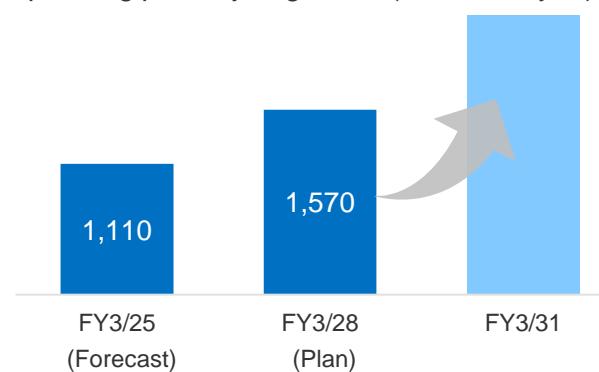


## Realizing Safety and Security in Physical and Cyberspace through Total Security Solutions

### ■ Net sales by segment\* (Millions of yen)



### ■ Operating profit by segment\* (Millions of yen)



### ● Business Solutions

**Net sales +1.4 billion yen  
CAGR 9.3%**

Strategy	Effect on FY3/28 results
Maintaining top market share among foreign customers, centered on data centers	<b>Net sales +0.6 billion yen</b>
Expanding partner business with a focus on MSP services and broader lineup	<b>Net sales +0.4 billion yen</b> <b>Subscription-based</b>
Commercialization of cyber and OT security	<b>Net sales +0.4 billion yen</b> <b>Subscription-based</b>

### ● Maintenance

1. Enhancement of after-sales support and expansion of maintenance service lineup
2. Establishment of integrated monitoring center (SOC/NOC)
3. Launch of customer portal service

### ● Retail Solutions

**Net sales +1.1 billion yen  
CAGR 7.9%**

Strategy	Effect on FY3/28 results
Strengthening sales of RFID systems for the apparel market	<b>Net sales +0.8 billion yen</b>
Launch of crime-prevention cloud service for retail	<b>Net sales +0.2 billion yen</b> <b>Subscription-based</b>
Expansion of loss prevention consulting services	<b>Implementing for over 10 loyal customers</b>

### ● Global

1. Strengthening business solutions and retail solutions in Southeast Asia
2. Strengthening high-profit service business in the fire protection system business

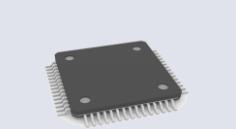
\* The figures for Business Security reflect the revised segment classification shown on page 12.

# Electromechanics Market

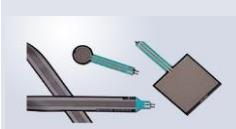


With **strengths in both electronic and mechanical components**, we provide comprehensive product lineup and technical services in a one-stop solution.

Electronics  
(Semiconductors / Electronic components)



Semiconductors, ICs



Sensors



Telecommunications



Mechanics  
(Mechanical components)



Dampers



Spiral shaft



Gas springs

Connectors



Connectors



Power electronics



Audio components

Slide rails



Slide rails



Constant force spring



Light control film

## Technical Services

Providing consulting, component selection, and testing at our lab



### <Customers>



Business equipment



Amusement



Industrial equipment



Housing equipment



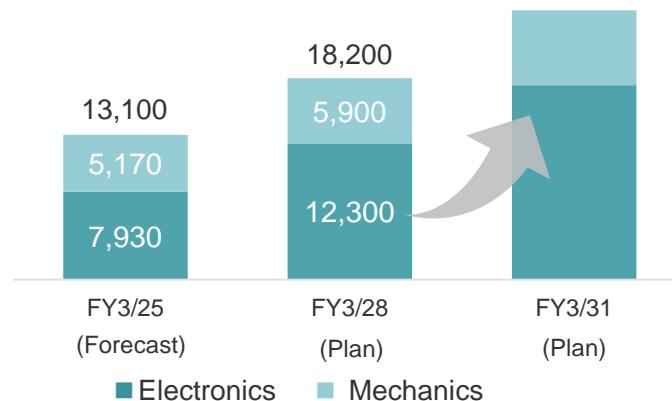
Cash equipment

# Electromechanics Growth Strategy

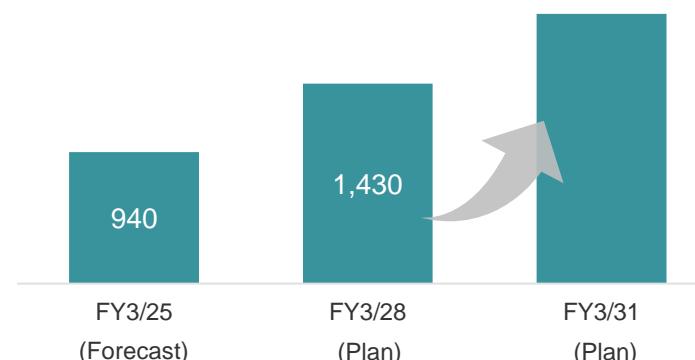


## Expanding Sales Scale in the Semiconductor Business and Increasing Value Added by Strengthening Technology Development Capabilities

### ■ Net sales by segment (Millions of yen)



### ■ Operating profit by segment (Millions of yen)



### ● Electromechanics (Common)

Strengthening the development of unique Electronics x Mechanics solution to increase value added



### ● Electronics (semiconductors)

**Net sales**  
+4.37 billion yen  
CAGR 15.8%

Strategy	Effect on FY3/28 results
Expansion of transactions with loyal customers	Net sales +2.8 billion yen
Strengthening global expansion	Net sales +1.5 billion yen
Enhancing sales in target markets	Industrial equipment 1.4x sales Amusement 1.6x sales
M&A	Added if realized

### ● Mechanics (mechanical components)

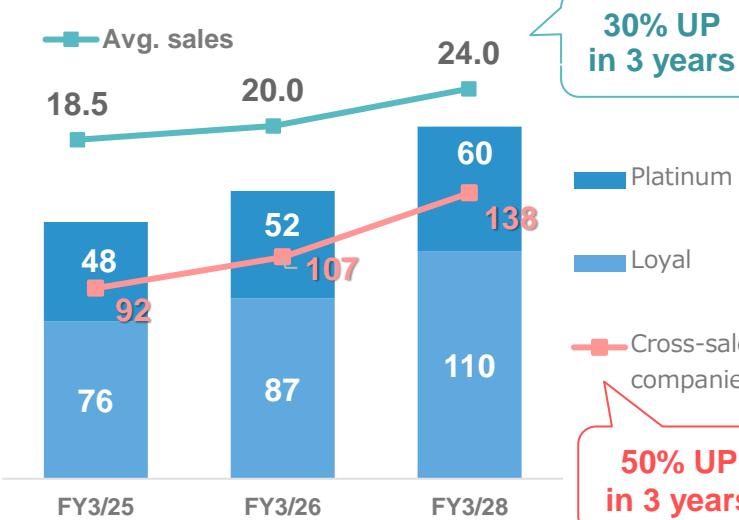
**Net sales**  
+0.73 billion yen  
CAGR 4.5%

Strategy	Effect on FY3/28 results
Strengthening sales in the housing equipment market	Net sales +0.3 billion yen
Strengthening sales in the industrial equipment market	Net sales +0.2 billion yen
Increasing value added through planning and development products	Net sales +0.23 billion yen

# Loyal Customer Strategy

Introduction of matrix organization to strengthen **internal cross-border cooperation**  
 Provide multi-product services across organizations to **deepen customer engagement**

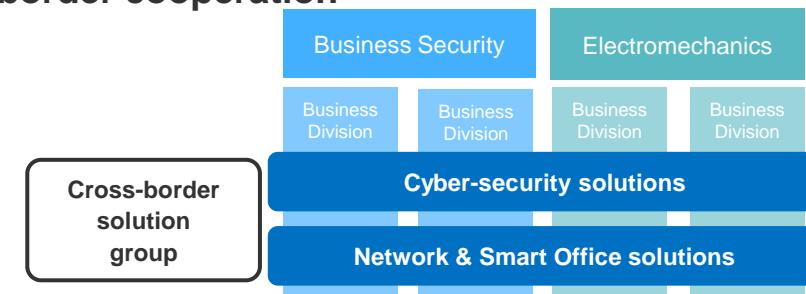
## Loyal Customer Strategy KPI



## Promotion through a matrix organization

### XDP <Cross-Division Project> accelerating cross-border cooperation

- ✓ Forming a solution group comprising all business divisions with a focus on solutions, to introduce solutions to customers across all divisions
- ✓ Developing tools that enable each division to sell solutions offered by other divisions
- ✓ Assigning points to solution introductions, business negotiations, project generation, and orders received, and reflecting them in performance evaluations



# Growth of Service Business

Evolve from conventional “selling goods” to “**designing business**” thinking  
Create new solutions with customer support to increase value added

Stable revenue growth and improved profit margin  
through a subscription model

## Subscription Sales\* Ratio

FY3/25	18.0%	▶	FY3/26	19% or higher	▶	FY3/28	20% or higher
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\* Composition ratio of Business Security segment sales

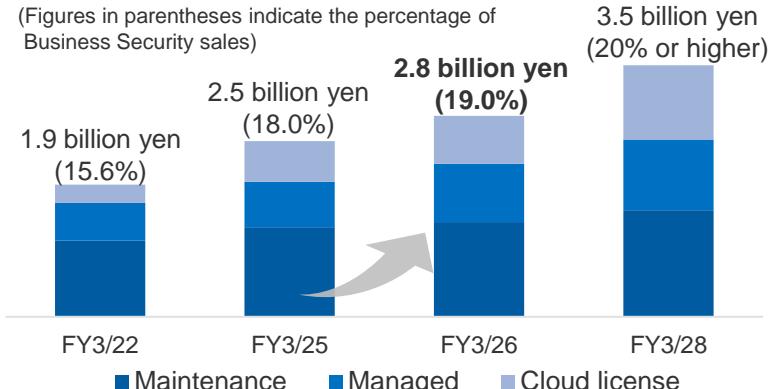
## Subscription Operating Profit Ratio

FY3/25	22.4%	▶	FY3/26	23% or higher	▶	FY3/28	25% or higher
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\* Maintenance fees recognized over the contract period + managed services fees +  
monthly cloud license fees

## Subscription-Based Business Sales

(Figures in parentheses indicate the percentage of  
Business Security sales)



## March 2026 Sales Growth Amount

Services	YoY	Main factors
Maintenance	+60	<ul style="list-style-type: none"> <li>Maintenance price revision</li> <li>Maintenance contracts with general merchandise stores (GMS)</li> <li>Mailing system maintenance</li> </ul>
Managed	+160	<ul style="list-style-type: none"> <li>Strengthening sales efforts across multiple departments of key distributors and developing new distributors</li> <li>Expansion of product lineup</li> </ul>
Cloud license	+80	<ul style="list-style-type: none"> <li>Strengthening cloud service sales</li> </ul>

## Main Cloud Services

Managed



Cloud-based wireless LAN

Cloud license



Network Security



Cisco Secure Connect

For Retail Stores



Store analysis  
using visitor count

Smart Office



Addressing the  
frustrations of  
meeting room  
usage

# Basic Strategy 4: Implement 6.0 billion yen growth investment



**Set up a 6.0 billion yen growth investment to accelerate business growth through focused investments in focused businesses**

Strengthen our business foundation  
Proactively invest in focus businesses and domains



Create new businesses and business models



# Initiatives to Strengthen Human Capital



## Realizing the Purpose

Using the power of technology and consideration for all, creating the “Essentials of the Future” in different environments.

## Achievements of Medium-Term Management Plan

Net income 2.0 billion yen, ROE 10% or higher

KPIs*	Employee Opinion Survey Score	Operating Profit per Employee	Average Annual Income
FY3/24 3.73 pts	FY3/28 4.0 pts or higher	FY3/24 6.4 million yen	FY3/28 8.0 million yen

### Investment in individual skill development

**Investing 250 million yen in trainings over three years**

- Strengthening “Business Design Capabilities”**  
Promote cross-sales of all products and services through development of manuals and revision of training systems
- Enhancing development personnel for core positions, global leaders, and specialists**  
Participation in business school programs, overseas training, and specialized courses in strategic business areas such as cyber-security
- Revision on training framework**  
Expand classification-specific training programs (e.g. management and coaching training), secondments, and support acquisition of professional certifications

### Attracting talent aligned with our purpose

- Strengthening mid-career hires**  
Active promotion of referral and alumni recruitment
- Improving company recognition**  
Stronger corporate branding and recruitment marketing

### Investment in corporate culture, motivation, and HR systems

- Promoting awareness of the Purpose**
- Shifting to agile and strategic talent development**
- Implementing health-oriented management (certified as KENKO Investment for Health)**
- Continuing the “Pay for Performance, Pay for Job” policy**
- Enhancing employee benefits and continuing the 50% incentive for the Employee Stock Ownership Plan**
- Reviewing and optimizing the personnel system**

# 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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 03-3355-1201

IR News Mail



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