

Company name: Taikisha Ltd.
 Representative: Koji Kato
 Representative Director, President
 (TSE First Section, Securities Code: 1979)
 Contact: Yasushi Nakajima
 Director, Executive Corporate Officer, Chief Executive,
 Administrative Management Headquarters
 TEL: +81-3-5338-5051
 URL: <https://www.taikisha.co.jp/>

Announcement of Differences between Earnings Forecasts for the First half of Fiscal Year ending March 31, 2022 and Actual Results and Revision of Earnings Forecasts for the Fiscal Year ending March 31, 2022

Taikisha Ltd. (the "Company") hereby announces differences between its earnings forecasts for the first half of fiscal year ending March 31, 2022 which were announced on May 17, 2021 and actual results. Also, based on recent trends in business performance, the Company has revised its consolidated and non-consolidated earnings forecasts for the fiscal year ending March 31, 2022 (April 1, 2021 through March 31, 2022), which were announced on May 17, 2021.

1. Differences between earnings forecasts and actual results and revision of earnings forecasts

(1) Differences between consolidated earnings forecasts for the first half of fiscal year ending March 31, 2022 (April 1, 2021 through September 30, 2021) and actual results

	Sales	Operating income	Ordinary income	Profit attributable to owners of parent	Profit attributable to owners of parent per share
Previous forecasts (A) (Announced on May 17, 2021)	million yen 92,000	million yen 2,300	million yen 2,700	million yen 1,700	yen 49.89
Actual results (B)	92,413	2,763	3,558	1,687	49.52
Change in amount (B - A)	413	463	858	(13)	—
Percentage of change (%)	0.4	20.1	31.8	(0.8)	—
<Reference> Results for the same period of last year	81,590	3,191	3,712	3,070	90.13

(2) Revision of consolidated earnings forecasts for the fiscal year ending March 31, 2022 (April 1, 2021 through March 31, 2022)

	Sales	Operating income	Ordinary income	Profit attributable to owners of parent	Profit attributable to owners of parent per share
Previous forecasts (A) (Announced on May 17, 2021)	million yen 218,000	million yen 12,700	million yen 13,500	million yen 8,400	yen 246.56
Revised forecasts (B)	205,000	9,000	10,000	6,000	176.08
Change in amount (B - A)	(13,000)	(3,700)	(3,500)	(2,400)	—
Percentage of change (%)	(6.0)	(29.1)	(25.9)	(28.6)	—
<Reference> Results for the same period of last year	202,548	11,690	12,287	8,279	243.03

(3) Differences between non-consolidated earnings forecasts for the first half of fiscal year ending March 31, 2022 (April 1, 2021 through September 30, 2021) and actual results

	Sales	Ordinary income	Profit	Basic earnings per share
Previous forecasts (A) (Announced on May 17, 2021)	million yen 44,900	million yen 2,400	million yen 1,800	yen 52.83
Actual results (B)	47,810	4,003	3,199	93.88
Change in amount (B - A)	2,910	1,603	1,399	—
Percentage of change (%)	6.5	66.8	77.7	—
<Reference> Results for the same period of last year	46,053	3,348	2,716	79.72

(4) Revision of non-consolidated earnings forecasts for the fiscal year ending March 31, 2022 (April 1, 2021 through March 31, 2022)

	Sales	Ordinary income	Profit	Basic earnings per share
Previous forecasts (A) (Announced on May 17, 2021)	million yen 109,300	million yen 9,300	million yen 7,100	yen 208.40
Revised forecasts (B)	107,700	9,600	7,800	228.91
Change in amount (B - A)	(1,600)	300	700	—
Percentage of change (%)	(1.5)	3.2	9.9	—
<Reference> Results for the same period of last year	108,667	10,690	6,769	198.69

2. Reasons for the Differences and the Revision

(1) Consolidated earnings forecasts

Regarding the first half of fiscal year ending March 31, 2022, sales was slightly higher than the forecasts in the beginning of fiscal year because the progresses of domestic construction contracts brought forward from the previous year were higher than expected, though overseas sales was lower than the forecasts in the beginning of fiscal year due to decrease in order received and delay in progresses of construction contracts because of impacts of spread of COVID-19. Regarding profits, operating income and ordinary income increased compared with the forecasts in the beginning of fiscal year as a result of tackling cost reduction and fixed cost reduction and so on in Japan though there was a negative impact on profit due to surging prices of raw materials and building materials in addition to decrease in overseas sales. Profit attributable to owners of parent decreased compared with the forecasts in the beginning of fiscal year due to the deterioration of profitability in overseas subsidiaries and increase in burden of income taxes.

Regarding the fiscal year ending March 31, 2022, on assumption that impacts of COVID-19 is expected to continue overseas, operating income, ordinary income and profit attributable to owners of parent are expected to decrease compared with the forecasts in the beginning of fiscal year due to surging prices of raw materials and building materials and so on in addition to decrease in order received and sales.

In addition, there is no change in dividend forecasts accompanied with the revision of the earnings forecasts.

(2) Non-consolidated earnings forecasts

Regarding the first half of fiscal year ending March 31, 2022, sales increased compared with the forecasts in the beginning of fiscal year because the progresses of construction contracts brought forward from the previous year were higher than expected. Regarding profits, ordinary income and profit increased compared with previous forecasts as a result of tackling cost reduction and fixed cost reduction and so on.

Regarding the fiscal year ending March 31, 2022, sales is expected to decrease compared with the forecasts in the beginning of fiscal year because the progresses of construction contracts received in the current fiscal year are expected to be lower than expected. Regarding profits, ordinary income and profit are expected to increase due to the same reasons as actual results for the first half of fiscal year ending March 31, 2022.

(Note)

The above-mentioned earnings forecasts are based on information available as of the date of this announcement. Actual results may differ from the forecasts due to various factors.