

TAIKI-SHA LTD.

Financial Results Material

FY2022(Ended March 31, 2023)

May 15,2023

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Orders-Received set the highest result Achieved Increase in Sales and Income in All categories

Business environment (Japan)

Capital investment of electronic component manufactures and pharmaceutical manufacturers was strong. And also, demand for the construction of office buildings in Tokyo area and investment of automobile manufactures was steady.

Business environment (Overseas)

Although the uncertainty due to the impact of COVID-19 still persisted and soaring price of resources, manufacturers continued to recover their capital investment.

Orders-received

2,886

Hundred millions of yen

(YoY Change
+24.4%)

Sales

2,147

Hundred millions of yen

(YoY Change
+2.6%)

Ordinary income

130

Hundred millions of yen

(YoY Change
+20.2%)

Profit attributable to owners of parent

79

Hundred millions of yen

(YoY Change
+9.2%)

Orders-received・Sales・Ordinary Income were higher than the Forecast

(Hundred millions of yen)	FY2021 Results	FY2022 Results	YoY Change	FY2022 Forecasts	vs. Forecast
Orders-received	2,321	2,886	565	2,830*	56
Net-sales of completed construction contracts	2,092	2,147	55	2,125	22
Ordinary income	108	130	21	120	10
Ratio	5.2%	6.1%	0.9pt	5.6%	0.4pt
Profit attributable to owners of parent	72	79	6	86	-6
Ratio	3.5%	3.7%	0.2pt	4.0%	-0.4pt
ROE	5.9%	6.3%	0.4pt	6.8%	-0.5pt
EPS	212.69yen	234.62yen	21.93yen	-	-

* Revised at the announcement of the financial result for the third quarter

Exchange rate of main overseas affiliates

(Yen)	① FY2021	② FY2022
US \$	109.86	130.78
THB	3.44	3.73
CNY	17.03	19.39
INR	1.52	1.68

Exchange rate impact

Impact of exchange rate difference between ① and ②

Sales: 82 hundred million yen

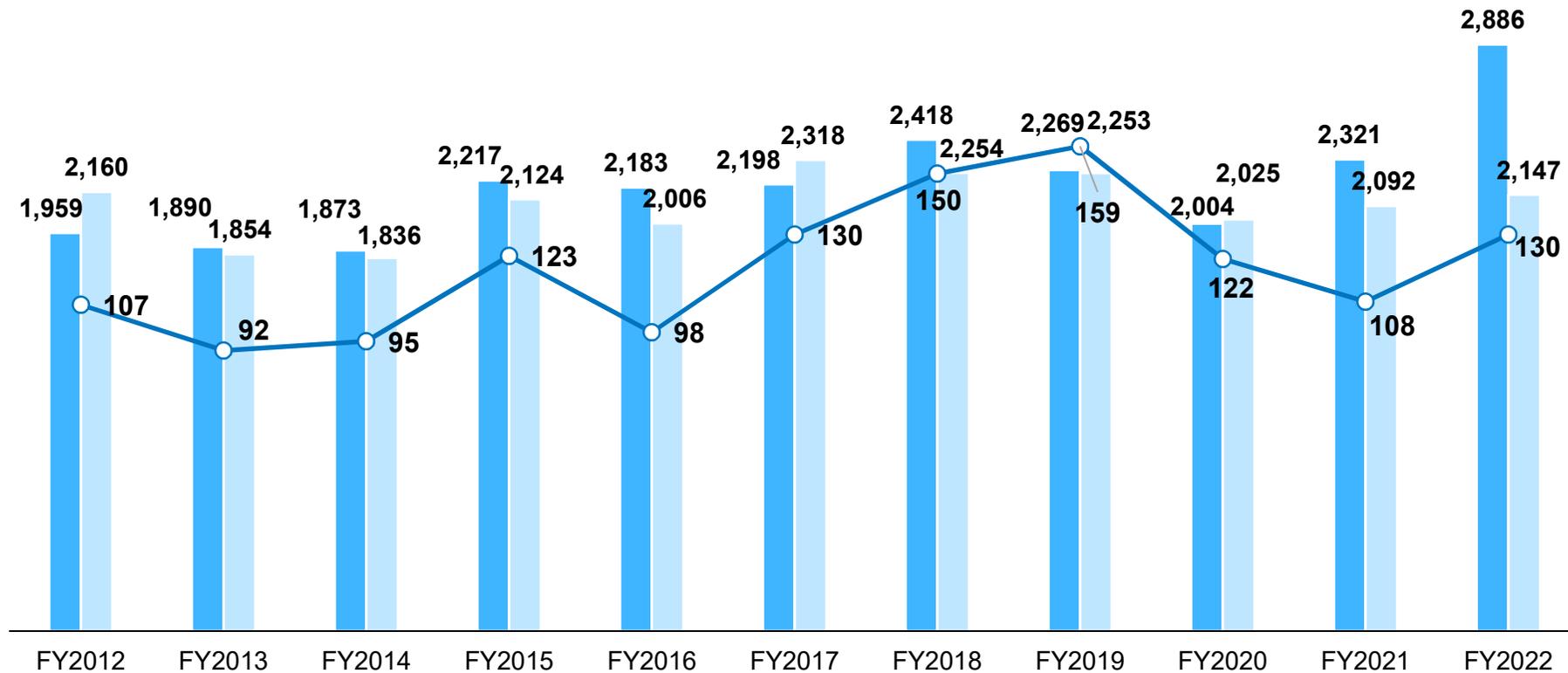
Ordinary income: 3 hundred million yen

Orders-Received set the highest results Sales and Ordinary income were steady

Trends in Orders-received · Sales · Ordinary income

(Hundred millions of yen)

- Orders-received
- Sales
- Ordinary income

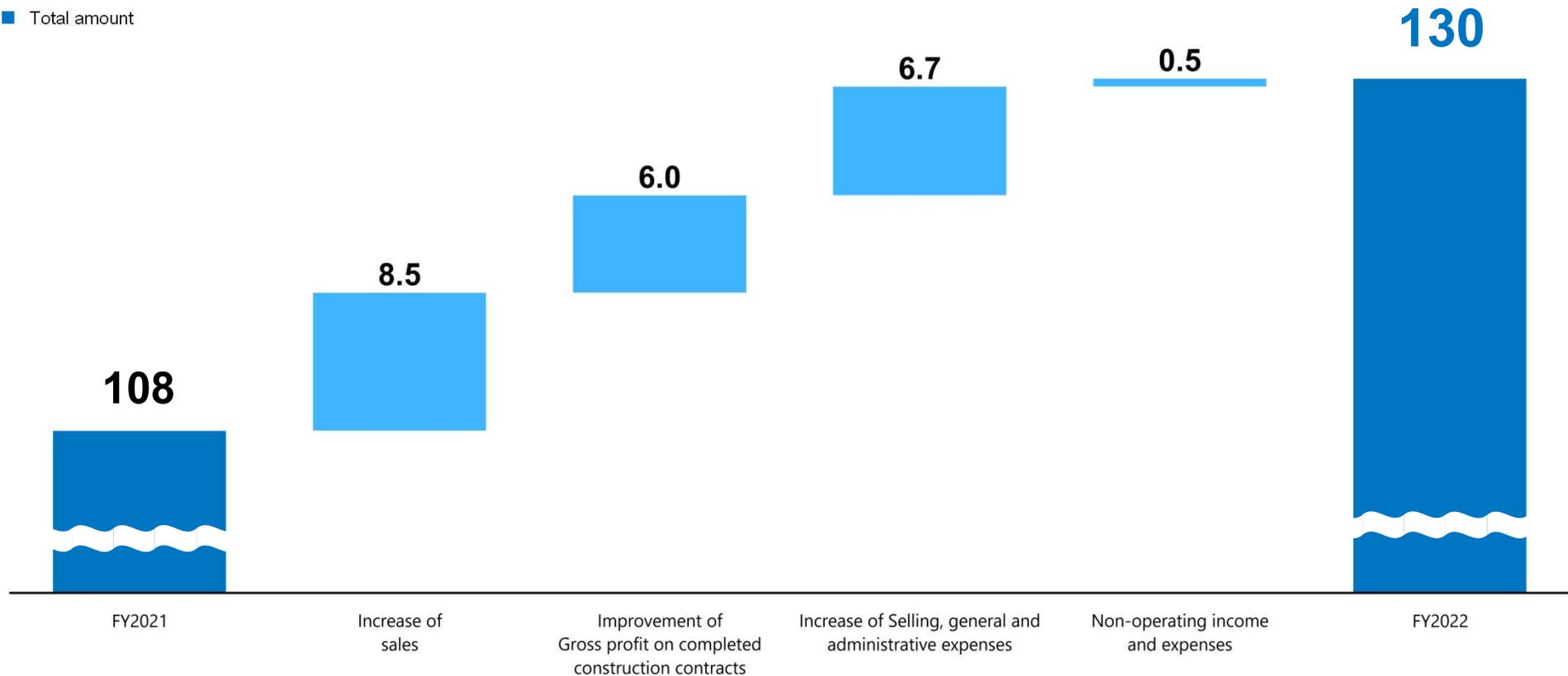


Increased compared to FY2021 due to the increase in Sales and improvement in Profit margin

(Hundred millions of yen)

Breakdown of fluctuation in Ordinary Income (YoY change)

- Increase
- Decrease
- Total amount



Expect Increase in Sales and Income despite the decrease in Orders-received due to the adjustment of Orders-received according with the increase in holding projects

Earnings forecast

(Hundred millions of yen)

	FY2022 Results	FY2023 Forecasts	YoY Change
Orders-received	2,886	2,180	-706
Net-sales of completed construction contracts	2,147	2,550	402
Operating income	115	131	15
Ordinary income	130	140	9
Profit attributable to owners of parent	79	93	13
ROE	6.3%	7.3%	1.0pt

Exchange rate of main overseas affiliates

(Yen)

	FY2022 Results	FY2023 Assumptions
US\$	130.78	128.00
THB	3.73	3.85
CNY	19.39	18.80
INR	1.68	1.57

Impact of exchange rate fluctuations

Impact of 1% change in all exchange rates on the FY2023 forecast

Sales: 12 hundred million yen

Ordinary income: 0.6 hundred million yen

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Increased both in Green Technology and Paint Finishing compared to FY2021

(Hundred millions of yen)

	FY2021 Results	FY2022 Results	YoY Change	FY2022 Forecasts*	vs. Forecast
Orders-received	2,321	2,886	565	2,830	56
Japan	1,434	1,527	92	1,511	16
Overseas	886	1,359	473	1,319	40
Green Technology	1,589	2,080	491	2,050	30
Building HVAC	433	361	-71	352	9
Industrial HVAC	1,155	1,718	563	1,698	20
Paint Finishing	732	805	73	780	25

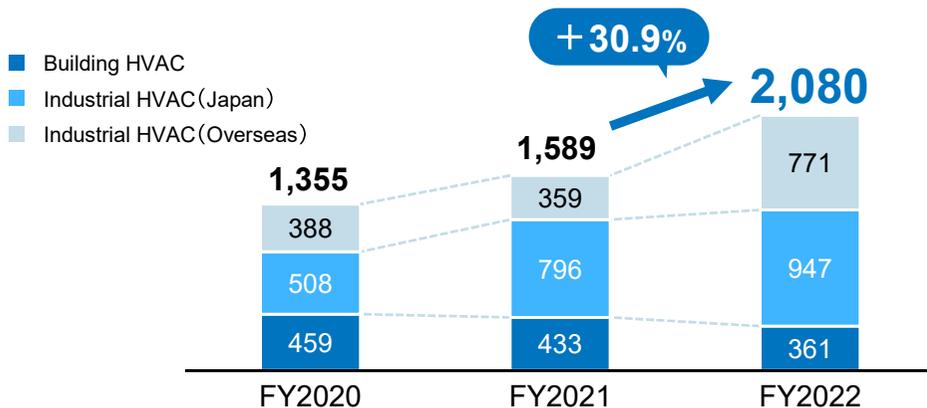
* Revised at the announcement of the financial result for the third quarter

Increased significantly compared to FY2021 driven by Industrial HVAC

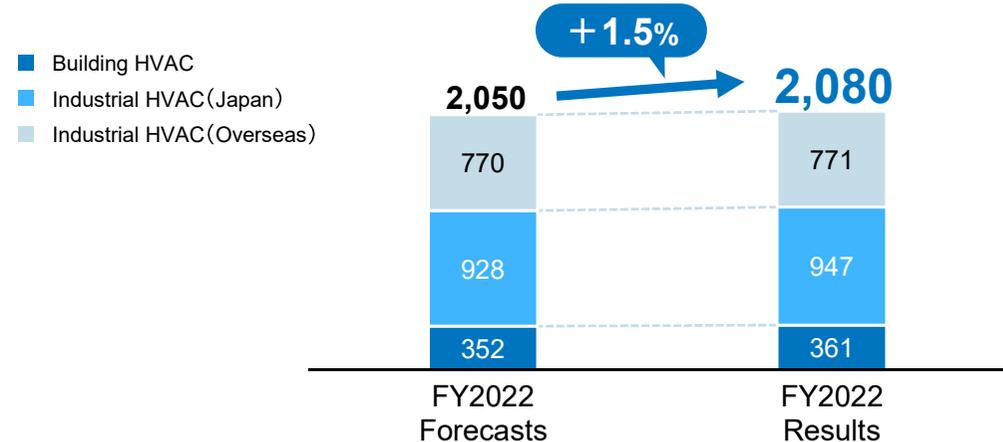
(Hundred millions of yen)	FY2021 Results	FY2022 Results	YoY Change	FY2022 Forecasts*	vs. Forecast
Orders-received	1,589	2,080	491	2,050	30
Building HVAC	433	361	-71	352	9
Industrial HVAC	1,155	1,718	563	1,698	20
Japan	796	947	151	928	19
Overseas	359	771	411	770	1
Overseas ratio	22.6%	37.1%	14.5pt	37.6%	-0.5pt

* Revised at the announcement of the financial result for the third quarter

Trend



Difference form Forecast



Year on Year Increased both in Japan and Overseas

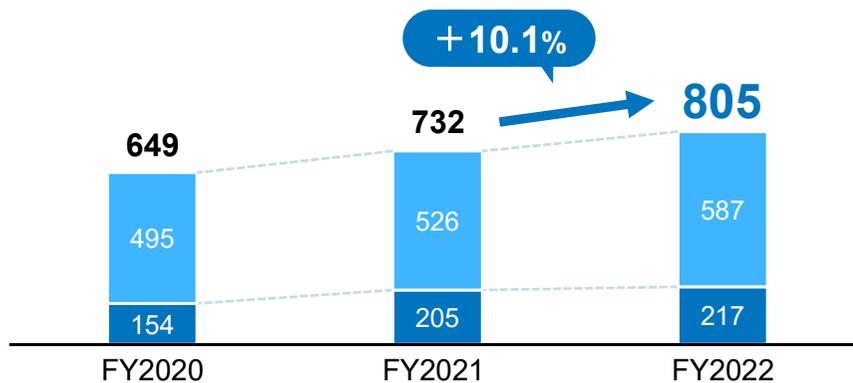
(hundred millions of yen)

	FY2021 Results	FY2022 Results	YoY Change	FY2022 Forecasts*	vs. Forecast
Orders-received	732	805	73	780	25
Japan	205	217	12	231	-13
Overseas	526	587	61	549	38
Overseas ratio	72.0%	73.0%	1.0pt	70.4%	2.6pt

* Revised at the announcement of the financial result for the third quarter

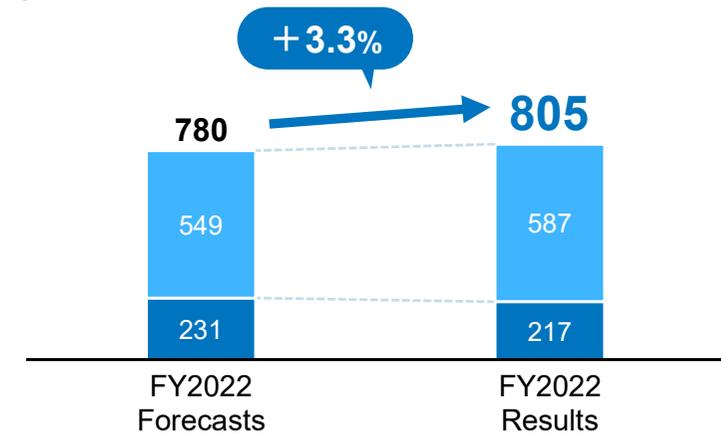
Trend

- Paint Finishing(Japan)
- Paint Finishing(Overseas)



Difference from forecast

- Paint Finishing(Japan)
- Paint Finishing(Overseas)

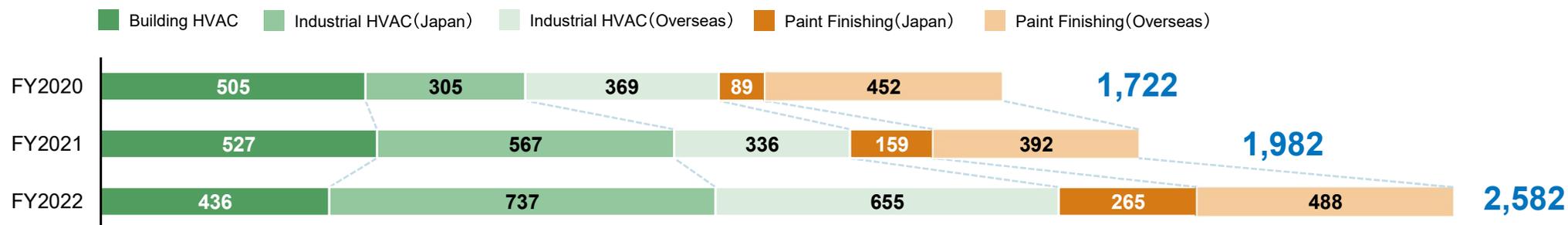


Increased largely compared to FY2021 both in Green technology and Paint Finishing

(Hundred millions of yen)

	FY2020 Results A	FY2021 Results B	FY2022 Results C	Change B – A	Change C – B
Orders-received	2,004	2,321	2,886	316	565
Net-sales of completed construction contracts	2,025	2,092	2,147	67	55
Construction carried-forward	1,722	1,982	2,582	260	600
Green Technology	1,180	1,431	1,828	251	397
Building HVAC	505	527	436	22	-91
Industrial HVAC	674	903	1,392	229	488
Paint Finishing	541	551	754	9	202

Breakdown of Construction Carried-Forward



The Increase in Sales and Income in Green Technology covered the Decrease in Sales and Income in Paint Finishing

(Hundred millions of yen)

	FY2021 Results	FY2022 Results	YoY Change	FY2022 Forecasts*	vs. Forecast
Net-sales of completed construction contracts	2,092	2,147	55	2,125	22
Japan	1,077	1,342	265	1,320	22
Overseas	1,015	805	-209	805	0
Green Technology	1,343	1,718	374	1,700	18
Building HVAC	409	453	43	446	7
Industrial HVAC	934	1,264	330	1,254	10
Paint Finishing	748	429	-319	425	4
Ordinary income	108	130	21	120	10
Ratio	5.2%	6.1%	0.9pt	5.6%	0.4pt
Green Technology	93	145	52	130	15
Ratio	6.9%	8.5%	1.6pt	7.6%	0.8pt
Paint finishing	6	-16	-22	-10	-6
Ratio	0.9%	-3.7%	-4.6pt	-2.4%	-1.4pt

* Revised at the announcement of the financial result for the third quarter

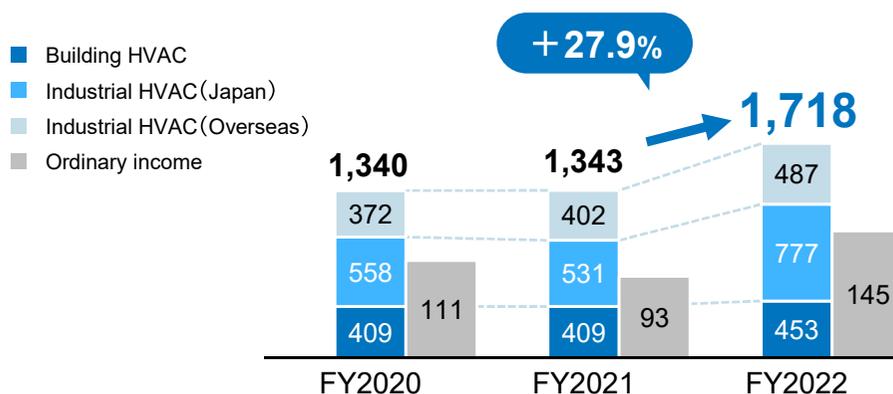
Achieved Increase in Sales and Income driven by Industrial HVAC

(Hundred millions of yen)

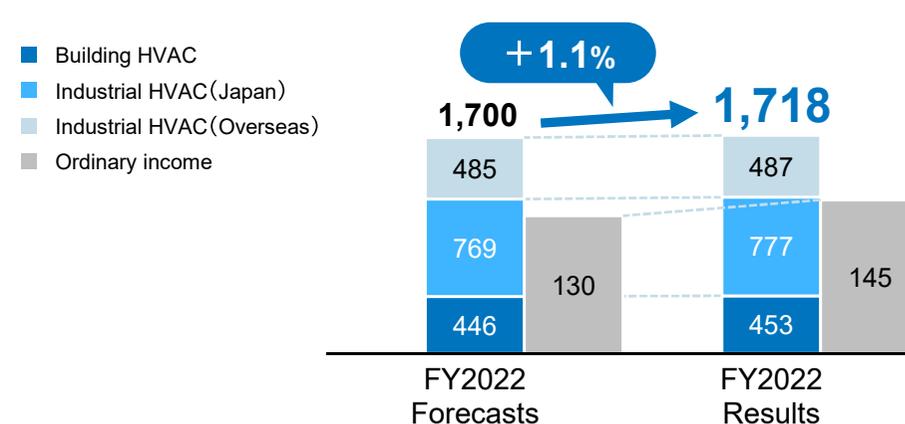
	FY2021 Results	FY2022 Results	YoY Change	FY2022 Forecasts*	vs. Forecast
Net-sales of completed construction contracts	1,343	1,718	374	1,700	18
Building HVAC	409	453	43	446	7
Industrial HVAC	934	1,264	330	1,254	10
Japan	531	777	245	769	8
Overseas	402	487	85	485	2
Overseas ratio	30.0%	28.4%	-1.6pt	28.5%	-0.2pt
Ordinary income	93	145	52	130	15
Ratio	6.9%	8.5%	1.6pt	7.6%	0.8pt

* Revised at the announcement of the financial result for the third quarter

Trend



Difference from Forecast



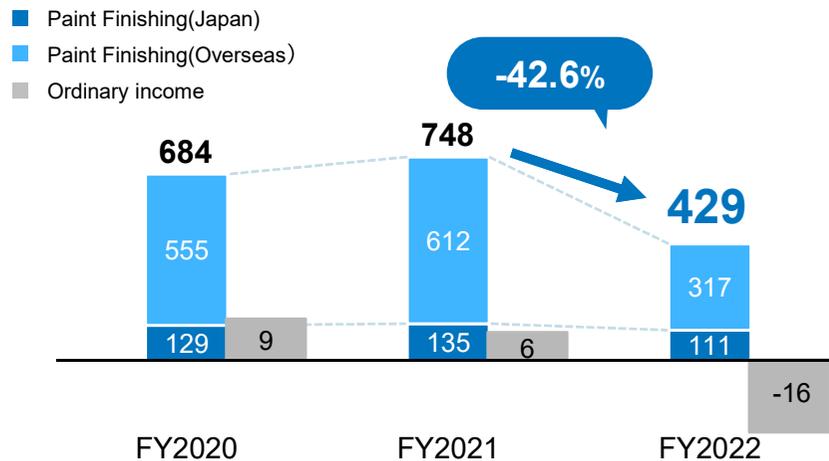
Decreased largely in sales due to the customers' changes of production plan therefore recorded ordinary loss

(Hundred millions of yen)

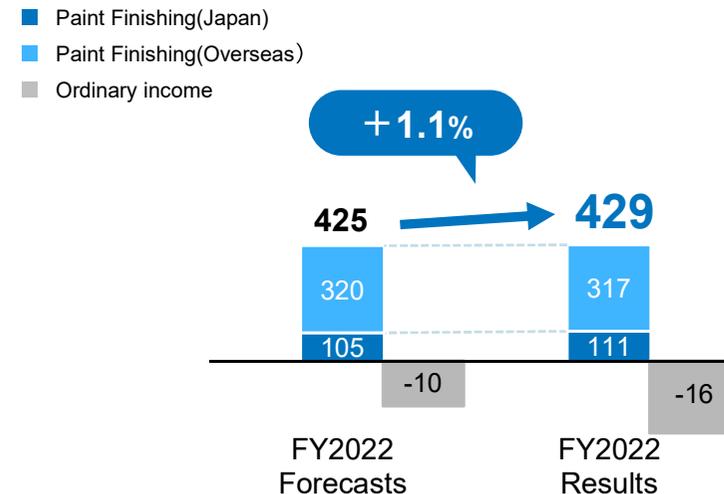
	FY2021 Results	FY2022 Results	YoY Change	FY2022 Forecasts*	vs. Forecast
Net-sales of completed construction contracts	748	429	-319	425	4
Japan	135	111	-24	105	6
Overseas	612	317	-295	320	-2
Overseas ratio	81.9%	74.0%	-7.8pt	75.3%	-1.3pt
Ordinary income	6	-16	-22	-10	-6
Ratio	0.9%	-3.7%	-4.6pt	-2.4%	-1.4pt

* Revised at the announcement of the financial result for the third quarter

Trend



Difference from Forecast



Expect to decrease both in Green Technology and Paint Finishing

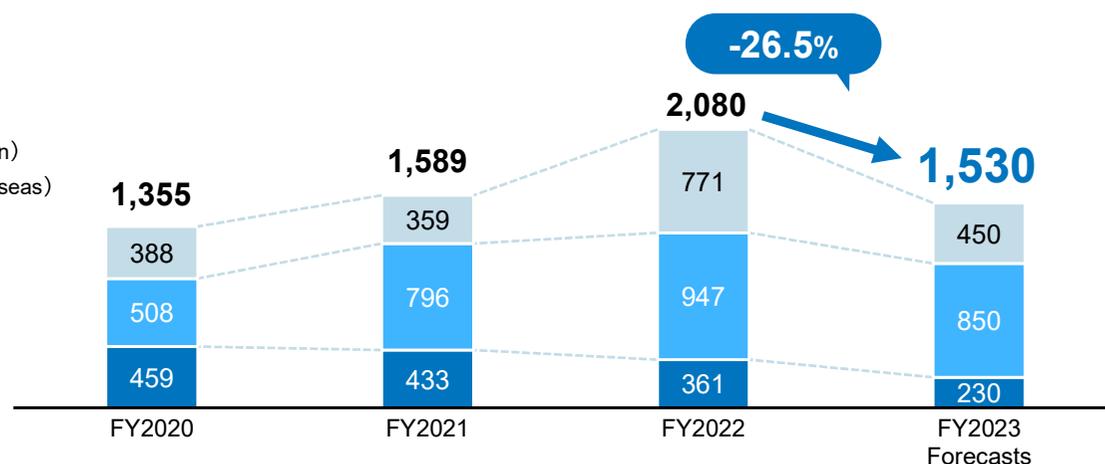
(Hundred millions of yen)	FY2022 Results			FY2023 Forecasts			YoY Change		
	1H	2H	Total	1H	2H	Total	1H	2H	Total
Orders-received	1,620	1,266	2,886	1,023	1,157	2,180	-597	-109	-706
Japan	1,050	476	1,527	620	620	1,240	-430	143	-287
Overseas	569	789	1,359	403	537	940	-166	-252	-419
Green Technology	1,266	814	2,080	730	800	1,530	-536	-14	-550
Building HVAC	195	166	361	135	95	230	-60	-71	-131
Industrial HVAC	1,070	648	1,718	595	705	1,300	-475	56	-418
Paint Finishing	354	451	805	293	357	650	-61	-94	-155

Expect decrease in all categories despite the good market environment due to the adjustment of Orders-received according with the increase in holding projects

(Hundred millions of yen)	FY2022 Results			FY2023 Forecasts			YoY Change		
	1H	2H	Total	1H	2H	Total	1H	2H	Total
Orders-received	1,266	814	2,080	730	800	1,530	-536	-14	-550
Building HVAC	195	166	361	135	95	230	-60	-71	-131
Industrial HVAC	1,070	648	1,718	595	705	1,300	-475	56	-418
Japan	693	254	947	375	475	850	-318	220	-97
Overseas	377	394	771	220	230	450	-157	-164	-321
Overseas ratio	29.8%	48.4%	37.1%	30.1%	28.8%	29.4%	0.3pt	-19.7pt	-7.7pt

Trend

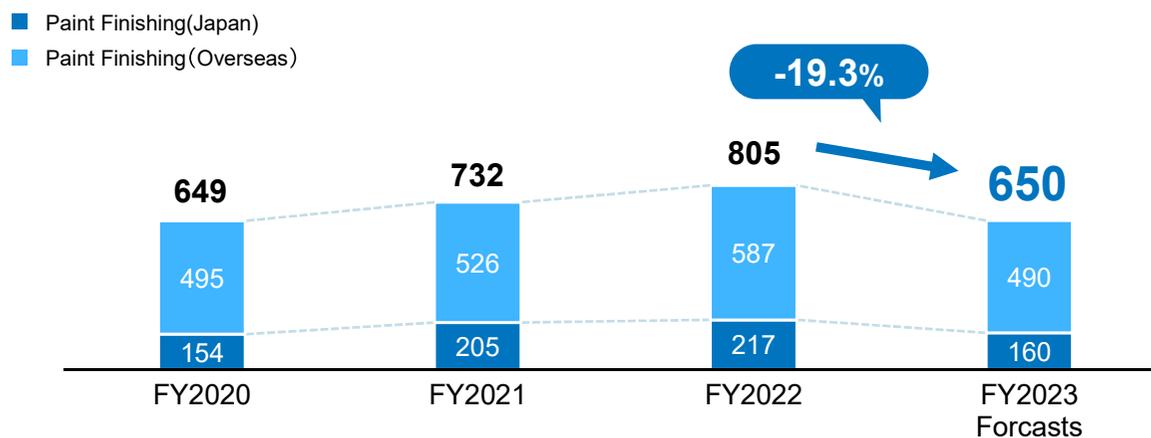
- Building HVAC
- Industrial HVAC(Japan)
- Industrial HVAC(Overseas)



Expect decrease in Japan and overseas despite the good market environment due to the adjustment of Orders-received according with the increase in holding projects

(Hundred millions of yen)	FY2022 Results			FY2023 Forecasts			YoY Change		
	1H	2H	Total	1H	2H	Total	1H	2H	Total
Orders-received	354	451	805	293	357	650	-61	-94	-155
Japan	161	56	217	110	50	160	-51	-6	-57
Overseas	192	395	587	183	307	490	-9	-88	-97
Overseas ratio	54.4%	87.6%	73.0%	62.5%	86.0%	75.4%	8.1pt	-1.6pt	2.4pt

Trend



Expect Increase in Sales and decrease in Income in Green Technology, and Increase in Sales and Income in Paint Finishing

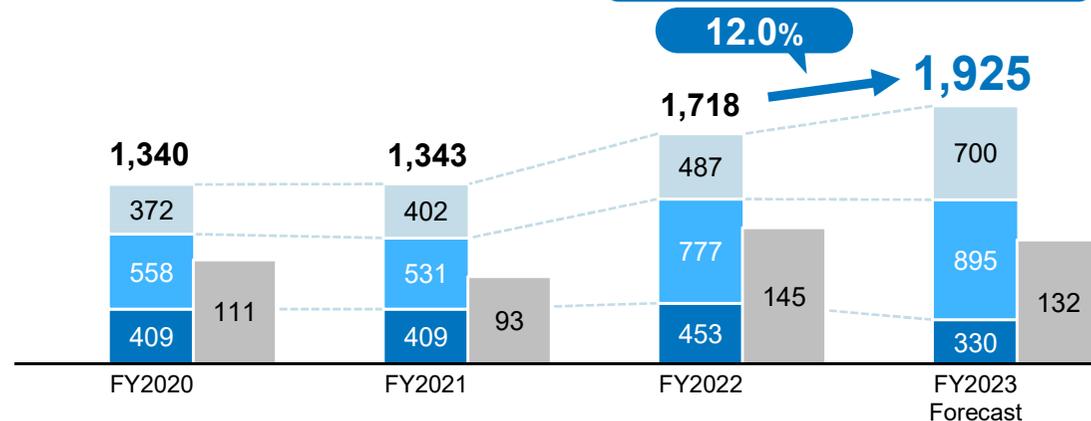
	FY2022 Results			FY2023 Forecasts			YoY Change		
	1H	2H	Total	1H	2H	Total	1H	2H	Total
(Hundred millions of yen)									
Net-sales of completed construction contracts	857	1,290	2,147	1,271	1,279	2,550	413	-11	402
Japan	539	802	1,342	783	573	1,356	243	-229	13
Overseas	318	487	805	488	706	1,194	169	218	388
Green Technology	675	1,042	1,718	1,030	895	1,925	354	-147	206
Building HVAC	175	278	453	210	120	330	34	-158	-123
Industrial HVAC	500	764	1,264	820	775	1,595	319	10	330
Paint Finishing	182	247	429	241	384	625	58	136	195
Ordinary income	46	83	130	63	77	140	16	-6	9
Ratio	5.4%	6.5%	6.1%	5.0%	6.0%	5.5%	-0.5pt	-0.4pt	-0.6pt
Green Technology	53	92	145	67	65	132	13	-27	-13
Ratio	7.9%	8.9%	8.5%	6.5%	7.3%	6.9%	-1.4pt	-1.6pt	-1.6pt
Paint Finishing	-10	-5	-16	-5	14	9	5	19	25
Ratio	-5.7%	-2.3%	-3.7%	-2.1%	3.6%	1.4%	3.6pt	5.9pt	5.2pt

Expect decrease in Income due to the increase in ratio of unprofitable projects that we strategically acquired despite the increase in sales of Industrial HVAC

(Hundred millions of yen)	FY2022 Results			FY2023 Forecasts			YoY Change		
	1H	2H	Total	1H	2H	Total	1H	2H	Total
Net sales of completed construction contracts	675	1,042	1,718	1,030	895	1,925	354	-147	206
Building HVAC	175	278	453	210	120	330	34	-158	-123
Industrial HVAC	500	764	1,264	820	775	1,595	319	10	330
Japan	309	467	777	530	365	895	220	-102	117
Overseas	190	297	487	290	410	700	99	112	212
Overseas ratio	28.2%	28.5%	28.4%	28.2%	45.8%	36.4%	0.0pt	17.3pt	8.0pt
Ordinary income	53	92	145	67	65	132	13	-27	-13
Ratio	7.9%	8.9%	8.5%	6.5%	7.3%	6.9%	-1.4pt	-1.6pt	-1.6pt

Trend

- Building HVAC
- Industrial HVAC(Japan)
- Industrial HVAC(Overseas)
- Ordinary income



Expect return to the Black in Ordinary income driven by the increase in Sales in Overseas

(Hundred millions of yen)	FY2022 Results			FY2023 Forecasts			YoY Change		
	1H	2H	Total	1H	2H	Total	1H	2H	Total
Net sales of completed construction contracts	182	247	429	241	384	625	58	136	195
Japan	54	57	111	43	88	131	-11	30	19
Overseas	128	189	317	198	296	494	69	106	176
Overseas ratio	70.2%	76.8%	74.0%	82.2%	77.1%	79.0%	11.9pt	0.3pt	5.0pt
Ordinary income	-10	-5	-16	-5	14	9	5	19	25
Ratio	-5.7%	-2.3%	-3.7%	-2.1%	3.6%	1.4%	3.6pt	5.9pt	5.2pt

Trend

- Paint Finishing(Japan)
- Paint Finishing(Overseas)
- Ordinary income

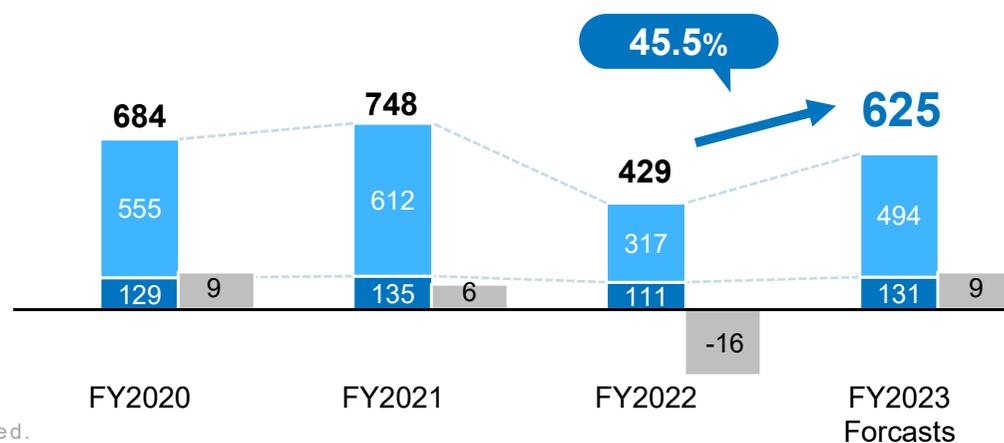
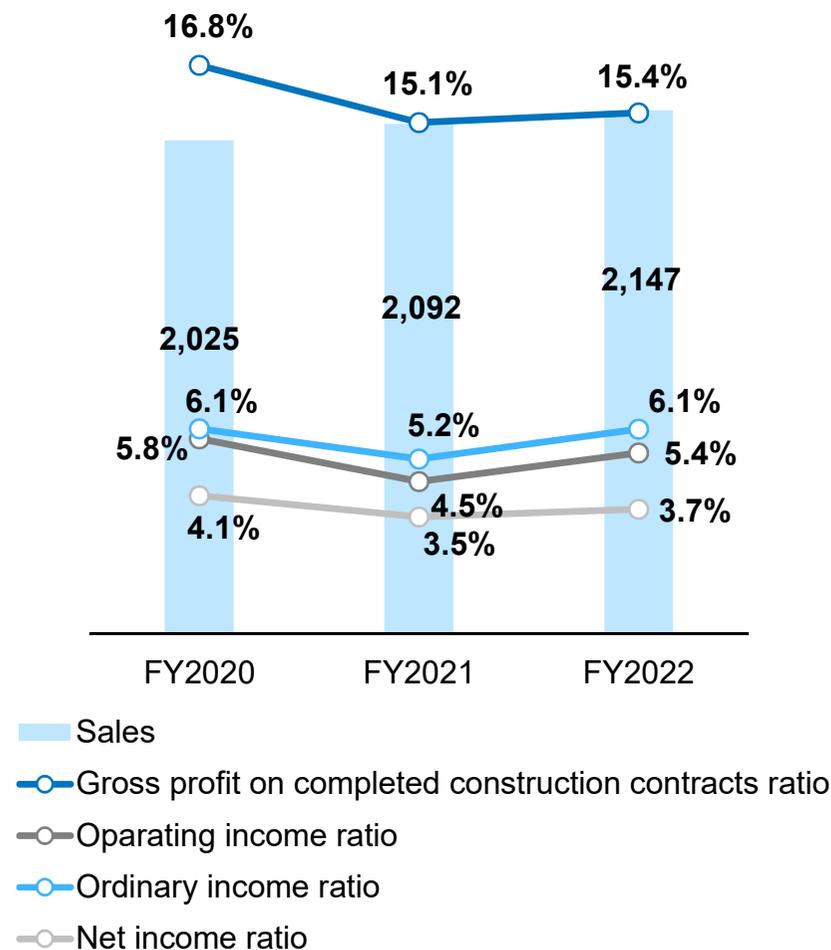


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(Hundred millions of yen)	FY2020	FY2021	FY2022
Net-sales of completed construction contracts	2,025	2,092	2,147
Gross profit on completed construction contracts	340	316	330
Ratio	16.8%	15.1%	15.4%
Operating income	116	94	115
Ratio	5.8%	4.5%	5.4%
Ordinary income	122	108	130
Ratio	6.1%	5.2%	6.1%
Profit attributable to owners of parent	82	72	79
Ratio	4.1%	3.5%	3.7%
ROE	7.2%	5.9%	6.3%



(Hundred millions of yen)

Subject	FY 2021	FY 2022	YoY Change
Current assets	1,681	1,844	162
Cash and deposits	490	469	-20
Notes receivable, accounts receivable from completed construction contracts and other	1,049	1,242	192
Securities	30	-	-30
Costs on uncompleted construction contracts · Raw materials and supplies	27	31	4
Other	90	107	16
Allowance for doubtful accounts	-7	-6	0
Non-current assets	599	526	-73
Property, plant and equipment	112	85	-26
Goodwill	39	36	-3
Other intangible assets	34	22	-11
Investment securities	296	264	-31
Deferred tax assets	5	5	0
Other	116	115	-0
Allowance for doubtful accounts	-4	-5	-1
Total assets	2,281	2,371	89

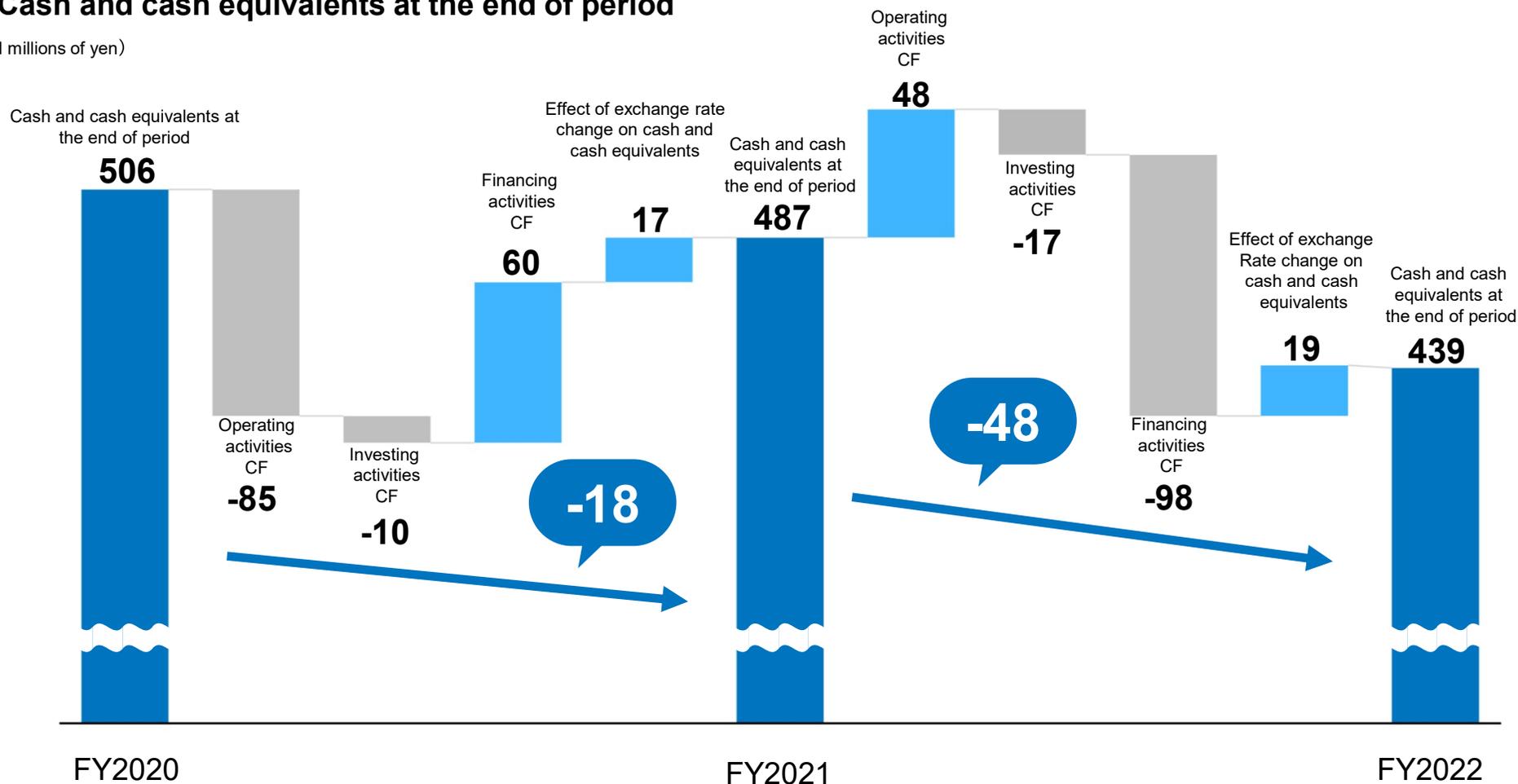
Subject	FY 2021	FY 2022	YoY Change
Current liabilities	818	959	140
Notes payable, accounts payable for construction contracts and other	471	554	83
Advances received on uncompleted construction contracts	69	233	164
Provision for loss on construction contracts	3	3	-0
Other	274	168	-106
Non-current liabilities	154	91	-63
Total liabilities	973	1,051	77
Net assets	1,307	1,319	12
Capital stock	64	64	-
Capital surplus	50	35	-15
Retained earnings	998	1,002	4
Treasury shares	-25	-11	13
Valuation difference on available-for-sale securities	119	105	-13
Deferred gains or losses on hedges	-0	-0	-0
Foreign currency translation adjustment	20	47	27
Accumulated remeasurements of defined benefit plans	19	14	-5
Non-controlling interests	60	62	1
Total liabilities and net assets	2,281	2,371	89

Operating activities CF: Positive due to the increase in net income

Financing activities CF: Negative due to the dividend payments, purchase of treasury shares, and additional investment toward Nicomac Taikisha Clean Rooms (India)

Cash and cash equivalents at the end of period

(Hundred millions of yen)



Precaution about Forward Perspective

The data and future prospection in this material is based on the judgement on the announcement date and the available information.

They are possible to change by various kinds of factors and can not guarantee the achievement of goals and future performance. This information is subject to change without notice.

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