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November 6, 2024

Consolidated Financial Results for the Nine Months Ended September 30, 2024 (Under Japanese GAAP)



Company name: TACHIKAWA CORPORATION
 Listing: Tokyo Stock Exchange
 Securities code: 7989
 URL: <https://www.blind.co.jp/english>
 Representative: Hisaya Ikezaki, President and Representative Director
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 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: None
 Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the nine months ended September 30, 2024 (from January 1, 2024 to September 30, 2024)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended								
September 30, 2024	29,975	0.6	2,940	6.8	2,964	0.1	1,968	3.3
September 30, 2023	29,790	(0.9)	2,753	(9.6)	2,961	(6.9)	1,905	(5.0)

Note: Comprehensive income For the nine months ended September 30, 2024: ¥2,272 million [(6.7)%]
 For the nine months ended September 30, 2023: ¥2,434 million [20.1%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
September 30, 2024	106.52	–
September 30, 2023	100.36	–

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2024	61,955	51,806	76.4
December 31, 2023	63,142	50,442	72.9

Reference: Equity
 As of September 30, 2024: ¥47,351 million
 As of December 31, 2023: ¥46,019 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2023	–	12.00	–	24.00	36.00
Fiscal year ending December 31, 2024	–	14.00	–		
Fiscal year ending December 31, 2024 (Forecast)				32.00	46.00

Note: Revisions to the forecast of cash dividends most recently announced: Yes

The Company has revised its year-end dividend forecast for the fiscal year ending December 31, 2024, from ¥27.00 per share to ¥32.00 per share. For further information, please refer to the “Notice Concerning Revision to Dividend Forecasts,” announced today (November 6, 2024).

3. Consolidated financial result forecasts for the fiscal year ending December 31, 2024 (from January 1, 2024 to December 31, 2024)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	42,800	3.6	4,180	3.3	4,360	0.8	2,760	1.9	146.38

Note: Revisions to the financial result forecast most recently announced: None

*** Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None

(4) Number of issued shares (common shares)

- (i) Total number of issued shares at the end of the period (including treasury shares)

As of September 30, 2024	20,763,600 shares
As of December 31, 2023	20,763,600 shares

- (ii) Number of treasury shares at the end of the period

As of September 30, 2024	2,301,013 shares
As of December 31, 2023	2,188,321 shares

- (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Nine months ended September 30, 2024	18,481,311 shares
Nine months ended September 30, 2023	18,989,465 shares

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

- * Proper use of earnings forecasts and other special matters

The financial results forecasts herein are based on information currently available to the Company and include various uncertain factors. Actual results may differ from these forecasts due to changes in its performance and other factors. For the assumptions used for the financial results forecasts, etc., please refer to “1. Qualitative Information on Quarterly Financial Results, (3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information” on page 3 of the Japanese version of the attachment.

2. Quarterly Consolidated Financial Statements and Principal Notes

(1) Quarterly Consolidated Balance Sheets

(Thousands of yen)

	As of December 31, 2023	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	15,462,818	15,421,826
Notes and accounts receivable - trade, and contract assets	9,136,733	7,622,498
Electronically recorded monetary claims - operating	6,976,485	6,357,963
Merchandise and finished goods	791,935	828,062
Work in process	1,621,465	1,862,830
Costs on uncompleted construction contracts	18,359	52,627
Raw materials and supplies	4,645,549	5,301,263
Other	536,868	456,981
Allowance for doubtful accounts	(79,641)	(76,309)
Total current assets	39,110,573	37,827,744
Non-current assets		
Property, plant and equipment		
Buildings and structures	16,524,063	16,552,028
Accumulated depreciation	(10,362,137)	(10,610,350)
Buildings and structures, net	6,161,926	5,941,678
Land	8,606,178	8,603,334
Other	17,996,579	18,473,144
Accumulated depreciation	(14,984,262)	(15,256,442)
Other, net	3,012,317	3,216,702
Total property, plant and equipment	17,780,421	17,761,715
Intangible assets	305,266	377,762
Investments and other assets		
Investment securities	3,340,814	3,368,866
Retirement benefit asset	558,702	592,636
Other	2,150,169	2,091,381
Allowance for doubtful accounts	(103,707)	(64,692)
Total investments and other assets	5,945,979	5,988,191
Total non-current assets	24,031,667	24,127,669
Total assets	63,142,241	61,955,413

(Thousands of yen)

	As of December 31, 2023	As of September 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,470,740	1,787,799
Electronically recorded obligations - operating	3,384,781	2,152,498
Accounts payable - other	1,319,294	997,272
Income taxes payable	941,379	547,102
Provision for bonuses	227,128	779,173
Provision for bonuses for directors (and other officers)	63,282	49,925
Provision for product warranties	19,425	13,119
Provision for loss on construction contracts	22,597	–
Other	1,514,513	975,269
Total current liabilities	9,963,143	7,302,160
Non-current liabilities		
Provision for retirement benefits for directors (and other officers)	427,897	455,854
Retirement benefit liability	2,217,264	2,286,470
Other	91,165	103,993
Total non-current liabilities	2,736,326	2,846,318
Total liabilities	12,699,469	10,148,479
Net assets		
Shareholders' equity		
Share capital	4,475,000	4,475,000
Capital surplus	4,580,829	4,580,829
Retained earnings	38,019,861	39,284,157
Treasury shares	(1,805,212)	(1,969,630)
Total shareholders' equity	45,270,478	46,370,356
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	677,627	886,925
Deferred gains or losses on hedges	(1,576)	–
Foreign currency translation adjustment	84,737	93,033
Remeasurements of defined benefit plans	(11,523)	732
Total accumulated other comprehensive income	749,265	980,691
Non-controlling interests	4,423,027	4,455,886
Total net assets	50,442,771	51,806,934
Total liabilities and net assets	63,142,241	61,955,413

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income
Nine Months Ended September 30

(Thousands of yen)

	For the nine months ended September 30, 2023	For the nine months ended September 30, 2024
Net sales	29,790,673	29,975,918
Cost of sales	17,585,035	17,600,906
Gross profit	12,205,638	12,375,012
Selling, general and administrative expenses	9,452,188	9,434,562
Operating profit	2,753,449	2,940,449
Non-operating income		
Interest income	2,623	3,304
Dividend income	47,936	57,939
Rental income from real estate	27,738	28,170
Insurance claim income	75,382	665
Foreign exchange gains	13,075	3,901
Other	51,594	58,430
Total non-operating income	218,350	152,412
Non-operating expenses		
Interest expenses	4	282
Rental costs on real estate	5,551	6,436
Commission for purchase of treasury shares	2,149	818
Commission expenses	–	118,058
Other	2,476	2,533
Total non-operating expenses	10,182	128,129
Ordinary profit	2,961,618	2,964,732
Extraordinary income		
Gain on sale of non-current assets	4,105	3,018
Gain on sale of investment securities	10,861	150,704
Compensation income	33,500	–
Total extraordinary income	48,466	153,723
Extraordinary losses		
Loss on retirement of non-current assets	6,754	62
Total extraordinary losses	6,754	62
Profit before income taxes	3,003,331	3,118,393
Income taxes - current	1,108,722	1,145,235
Income taxes - deferred	(90,143)	(58,183)
Total income taxes	1,018,578	1,087,052
Profit	1,984,752	2,031,340
Profit attributable to non-controlling interests	78,942	62,759
Profit attributable to owners of parent	1,905,810	1,968,581

Quarterly Consolidated Statements of Comprehensive Income
 Nine Months Ended September 30

(Thousands of yen)

	For the nine months ended September 30, 2023	For the nine months ended September 30, 2024
Profit	1,984,752	2,031,340
Other comprehensive income		
Valuation difference on available-for-sale securities	406,693	218,715
Deferred gains or losses on hedges	9,663	1,576
Foreign currency translation adjustment	20,898	8,295
Remeasurements of defined benefit plans, net of tax	12,248	12,281
Total other comprehensive income	449,503	240,869
Comprehensive income	2,434,256	2,272,210
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,331,099	2,200,007
Comprehensive income attributable to non-controlling interests	103,156	72,202

(3) Quarterly Consolidated Statements of Cash Flows

(Thousands of yen)

	For the nine months ended September 30, 2023	For the nine months ended September 30, 2024
Cash flows from operating activities		
Profit before income taxes	3,003,331	3,118,393
Depreciation	897,635	880,349
Increase (decrease) in provision for bonuses	483,731	552,045
Increase (decrease) in provision for bonuses for directors (and other officers)	(12,377)	(13,357)
Decrease (increase) in retirement benefit asset	(17,218)	(36,244)
Increase (decrease) in retirement benefit liability	76,007	83,145
Increase (decrease) in provision for retirement benefits for directors (and other officers)	11,245	27,957
Increase (decrease) in provision for product warranties	4,169	(6,306)
Increase (decrease) in provision for loss on construction contracts	24,729	(22,597)
Increase (decrease) in allowance for doubtful accounts	(3,102)	(44,698)
Loss (gain) on sale and retirement of non-current assets	2,648	(2,956)
Loss (gain) on sale of investment securities	(10,861)	(150,704)
Interest and dividend income	(50,560)	(61,244)
Interest expenses	4	282
Foreign exchange losses (gains)	(12,410)	(3,178)
Decrease (increase) in trade receivables	1,837,924	2,115,585
Decrease (increase) in inventories	(651,954)	(878,183)
Increase (decrease) in trade payables	(1,212,633)	(1,970,490)
Increase (decrease) in accounts payable - other	(394,630)	(436,286)
Other, net	92,937	(535,894)
Subtotal	4,068,616	2,615,616
Interest and dividends received	50,092	60,753
Interest paid	(5)	(5)
Income taxes paid	(1,026,081)	(1,491,325)
Net cash provided by (used in) operating activities	3,092,621	1,185,039
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,244,797)	(698,784)
Proceeds from sale of property, plant and equipment	9,378	11,178
Purchase of intangible assets	(33,402)	(41,621)
Purchase of investment securities	(523)	(883)
Proceeds from sale of investment securities	15,884	438,449
Expenditure for business transfer	–	(196,906)
Decrease (increase) in investments and other assets	(159,644)	30,330
Net decrease (increase) in time deposits	89,999	(500,000)
Net cash provided by (used in) investing activities	(2,323,104)	(958,237)
Cash flows from financing activities		
Repayments of lease liabilities	(48,262)	(32,724)
Dividends paid	(632,014)	(704,830)
Dividends paid to non-controlling interests	(40,159)	(37,391)
Decrease (increase) in deposits for purchase of treasury shares	(59,427)	164,760
Purchase of treasury shares	(456,585)	(163,724)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(299,804)	–
Other, net	(226)	(693)
Net cash provided by (used in) financing activities	(1,536,480)	(774,603)
Effect of exchange rate change on cash and cash equivalents	22,060	6,808
Net increase (decrease) in cash and cash equivalents	(744,902)	(540,991)
Cash and cash equivalents at beginning of period	15,978,071	15,402,252
Cash and cash equivalents at end of period	15,233,168	14,861,261