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Financial Results Briefing Material for the Second Quarter of the Fiscal Year Ending March 31, 2027

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

November 5, 2026

高千穂交易株式会社
TAKACHIHO KOHEKI CO.,LTD.
(TSE Prime Securities Code: 2676)

Contents

1. Executive Summary

2. Financial Results for the Second Quarter of the Fiscal Year Ending March 31, 2027

3. Forecast for the Fiscal Year Ending March 31, 2027

4. Appendix

[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

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Contents

1. Executive Summary

2. Financial Results for the Second Quarter of the Fiscal Year Ending March 31, 2027

3. Forecast for the Fiscal Year Ending March 31, 2027

4. Appendix

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Executive Summary

[Millions of yen]

Second Quarter of the Fiscal Year Ending March 31, 2027 <Results>

Driven by the Business Security segment, net sales and profit increased year on year, with record-high profit since listing.

Business Security: Business Solutions performed well for foreign-affiliated offices. Subscription business also grew steadily, driven by increases in managed services and licenses for ransomware protection products. Global performed well in security systems for data centers.

Electromechanics: Electronics performed well for industrial and business equipment. Mechanics performed well for semiconductor manufacturing equipment used in industrial machinery and planned and developed products for kitchens.

Fiscal Year Ending March 31, 2027 <Plan>

The plan for the first half was achieved. The full-year plan remains unchanged from the initial plan, and results are typically weighted toward Q2 and Q4.
Driven by the strong Business Security segment, we aim to achieve the full-year plan.

	FY3/26 Q2 Results	FY3/27 Q2 Results	Change	FY3/27 Q2 Plan	FY3/27 Plan	Rate of progress
Net sales	13,472	15,594	+2,122	14,500	32,000	48.7%
Operating profit	954	1,137	+183	1,080	2,350	48.4%
Ordinary profit	985	1,117	+132	1,060	2,300	48.6%
Net income	717	726	+9	720	1,650	44.0%

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Contents

1. Executive Summary

2. Financial Results for the Second Quarter of the Fiscal Year Ending March 31, 2027

3. Forecast for the Fiscal Year Ending March 31, 2027

4. Appendix

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Consolidated Financial Highlights

[Millions of yen]

Driven by the Business Security segment, net sales and profit increased year on year.
Profit at each level reached new highs since listing, and the first-half plan was achieved.

	FY3/26 Q2 Results	FY3/27 Q2 Results	YoY change	FY3/27 Q2 Plan	FY3/27 Full-Year Plan	Rate of progress
Net sales	13,472	15,594	+15.8%	14,500	32,000	48.7%
Gross profit on sales	3,417	4,060	+18.8%	—	8,300	48.9%
Gross profit ratio(%)	25.4%	26.0%	+0.6pt	—	25.9%	—
SG&A expenses	2,463	2,923	+18.7%	—	5,950	—
Operating profit	954	1,137	+19.2%	1,080	2,350	48.4%
Operating profit ratio(%)	7.1%	7.3%	+0.2pt	7.4%	7.3%	—
Foreign exchange gain	—	—	—	—	—	—
Foreign exchange loss	18	30	+61.2%	—	—	—
Ordinary profit	985	1,117	+13.4%	1,060	2,300	48.6%
Ordinary profit ratio(%)	7.3%	7.2%	(0.1pt)	7.3%	7.2%	—
Profit before income tax	1,047	1,167	+11.4%	—	—	—
Profit attributable to owners of parent	717	726	+1.3%	720	1,650	44.0%
EPS	38.48 yen	38.88 yen	+0.4 yen	38.54 yen	88.33 yen	—

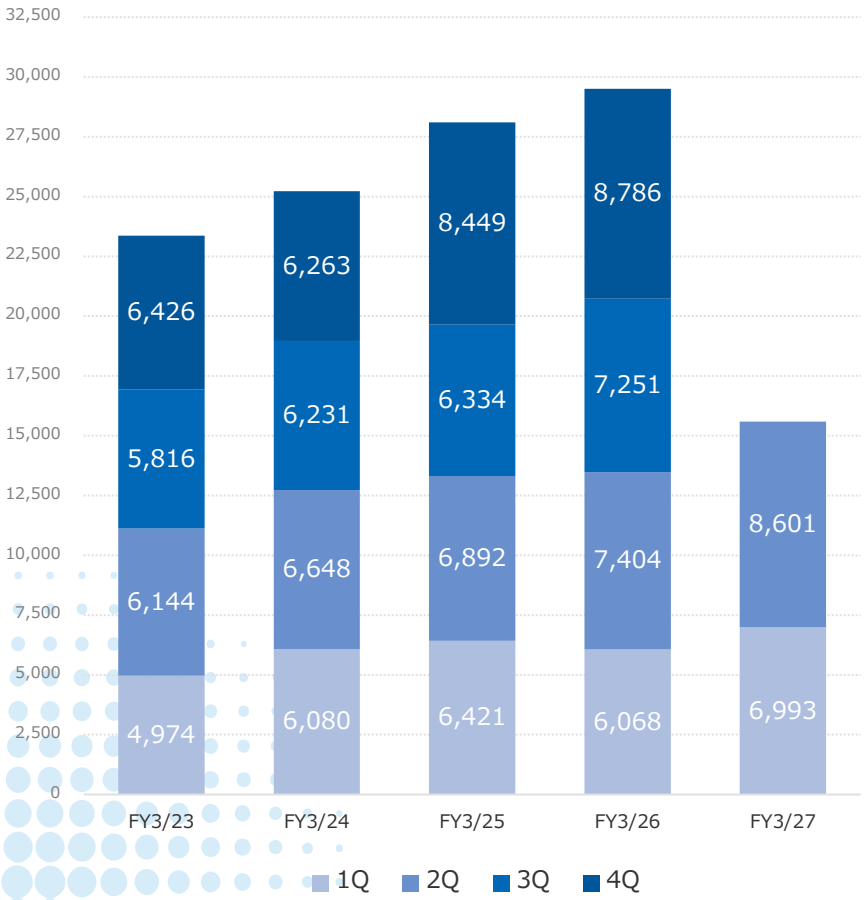
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Quarterly Performance Trends

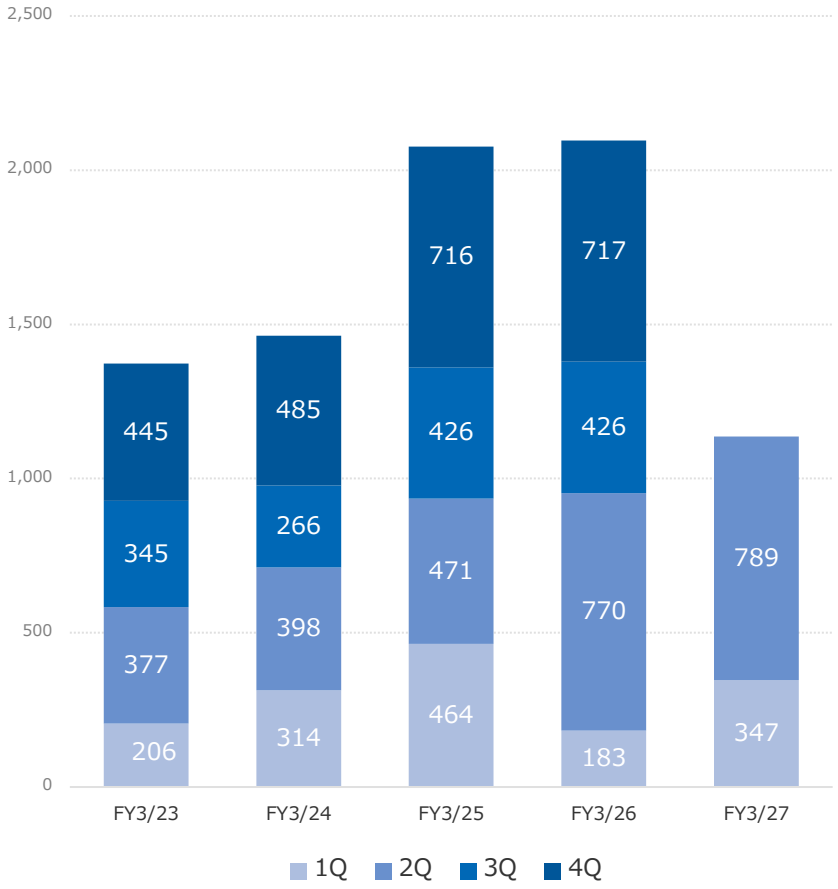
[Millions of yen]

As our products are frequently associated with facility investments, mainly in the Business Security segment, sales are typically weighted towards Q4 and Q2, aligning with customers' investment periods.

Net sales by quarter



Operating profit by quarter



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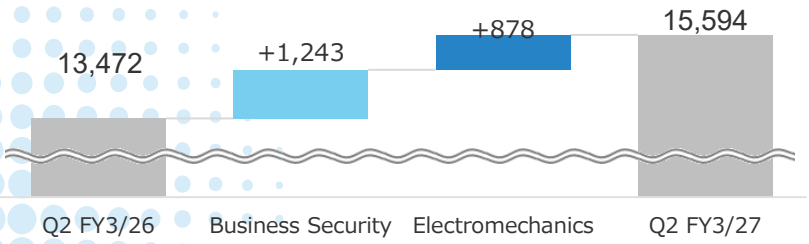
Results by Segment

[Millions of yen]

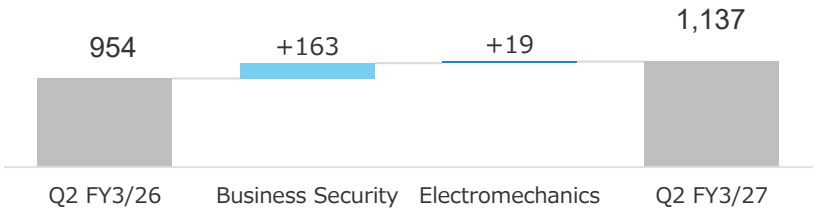
Both Business Security and Electromechanics performed well,
resulting in higher net sales and profit.

		FY3/26 Q2Results	FY3/27 Q2Results	Change	Percentage change	FY3/27 Plan	Rate of progress
Business Security	Net sales	6,924	8,168	+1,243	+18.0%	16,490	49.5%
	Operating profit	660	824	+163	+24.7%	1,580	52.2%
	Operating profit ratio(%)	9.5%	10.1%	+0.6pt	-	9.6%	-
Electromechanics	Net sales	6,548	7,426	+878	+13.4%	15,510	47.9%
	Operating profit	293	312	+19	+6.8%	770	40.6%
	Operating profit ratio(%)	4.5%	4.2%	(0.3pt)	-	5.0%	-
Consolidated Total	Net sales	13,472	15,594	+2,122	+15.8%	32,000	48.7%
	Operating profit	954	1,137	+183	+19.2%	2,350	48.4%
	Operating profit ratio(%)	7.1%	7.3%	+0.2pt	-	7.3%	-

Net sales (YoY change)



Operating profit(YoY change)



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Results by Segment (Business Security)

[Millions of yen]

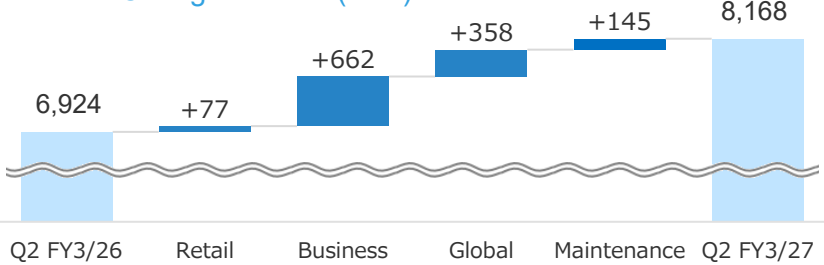
Net sales	8,168 million yen	YoY +1,243 million yen

Strong sales of access control systems for foreign-affiliated offices in Business Solutions, together with continued growth in subscription business.

Operating profit	824 million yen	YoY +163 million yen

Profit margin improved due to higher sales in Business Solutions and Global.

Net Sales Change Factors (YoY)



Retail Solutions

(+) Strong sales of RFID systems for apparel and electronic article surveillance systems for electronics retailers

Business Solutions

(+) Strong sales of access control systems for foreign-affiliated offices; steady increase in subscription-based managed services and cloud licenses

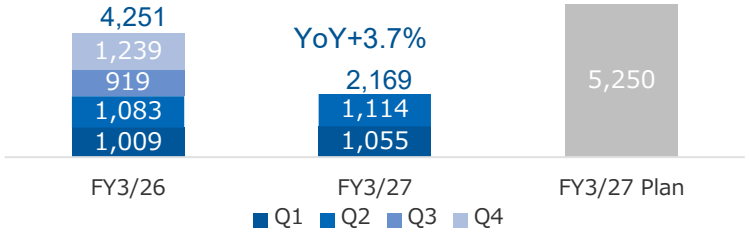
Global

(+) Strong sales of data center security systems in Thailand

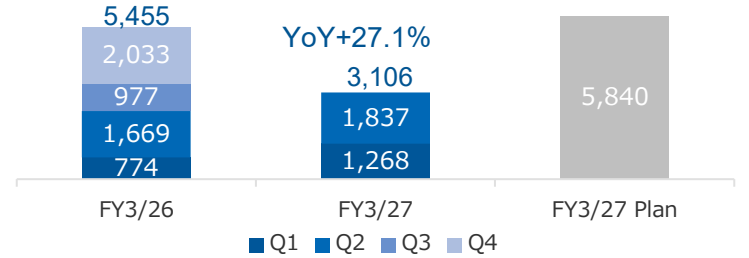
Maintenance Services

(+) Expanded implementation services and support accompanying increased sales of new products and services

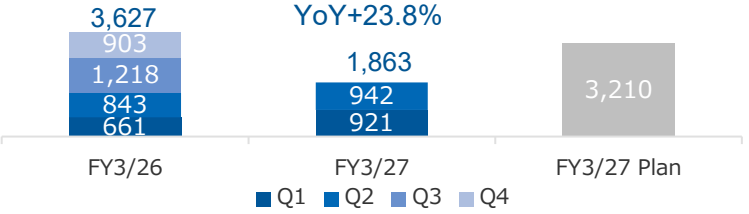
Retail Solutions



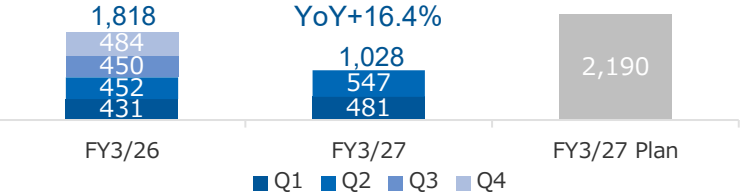
Business Solutions



Global



Maintenance Services

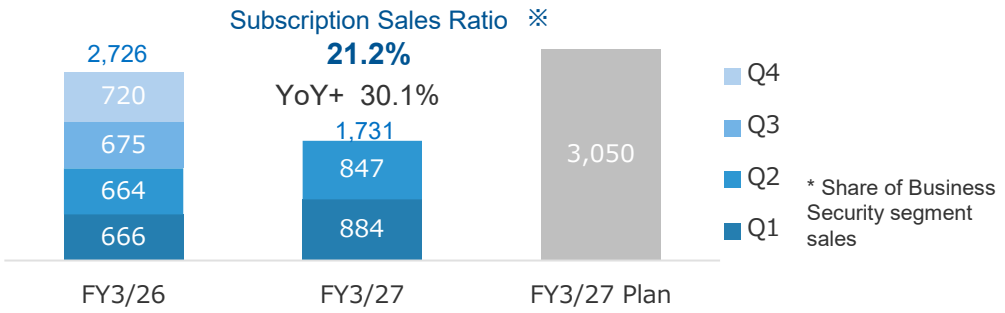


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Subscription Business Performance (Business Security)

[Millions of yen]

Subscription Business Sales



* Share of Business Security segment sales

Maintenance
(-) Maintenance ended for certain products following termination of manufacturer support
(+) Secured maintenance for a large project at a foreign-affiliated office

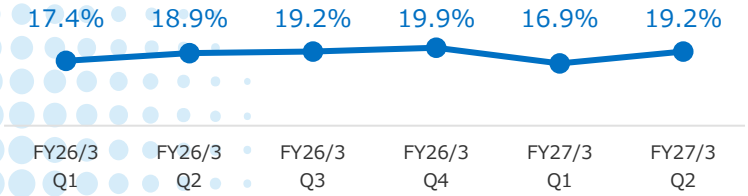
Managed Services
* MSP services integrating equipment, cloud services, and operation management
(+) Equipment sales to distributors increased due to special replacement demand associated with※ manufacturers' EOL

* EOL: End of sales and support for products or services

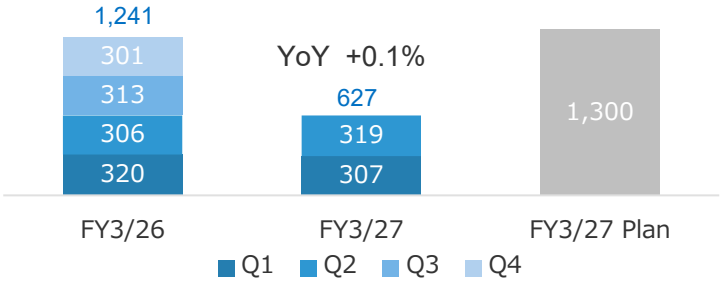
Cloud Licenses
(+) Continued accumulation of licenses, including Meraki
(+) Sales contribution from focus products, including ransomware protection products

Operating Profit Margin of Subscription Business

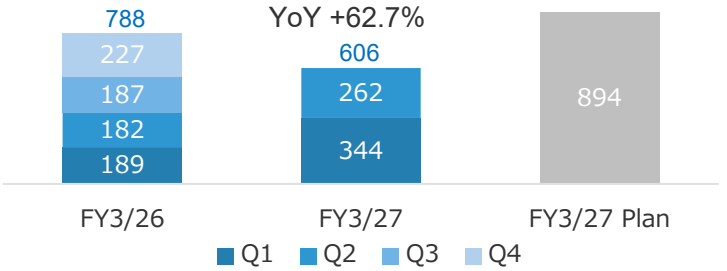
Margin increased as the impact of special replacement demand in Managed Services subsided.



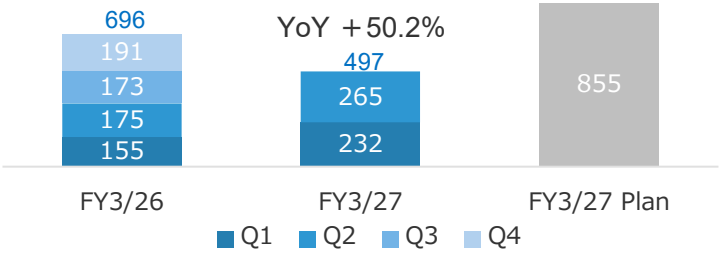
● Maintenance



● Managed services



● Cloud licenses



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Results by Segment (Electromechanics)

[Millions of yen]

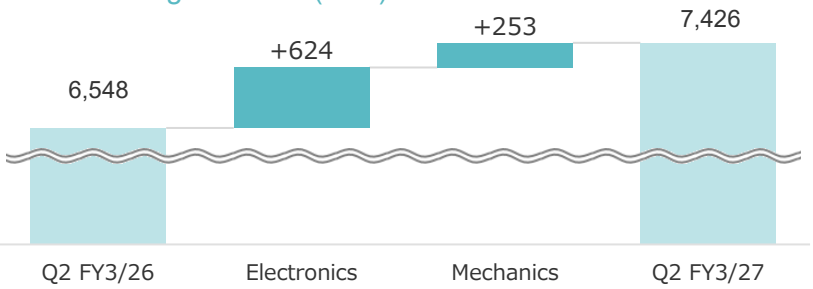
Net sales	7,426 million yen	YoY +878 million yen

Despite longer lead times caused by increased semiconductor demand, Electronics performed well for industrial and business equipment. Mechanics performed well for semiconductor manufacturing equipment and planned and developed products for kitchens.

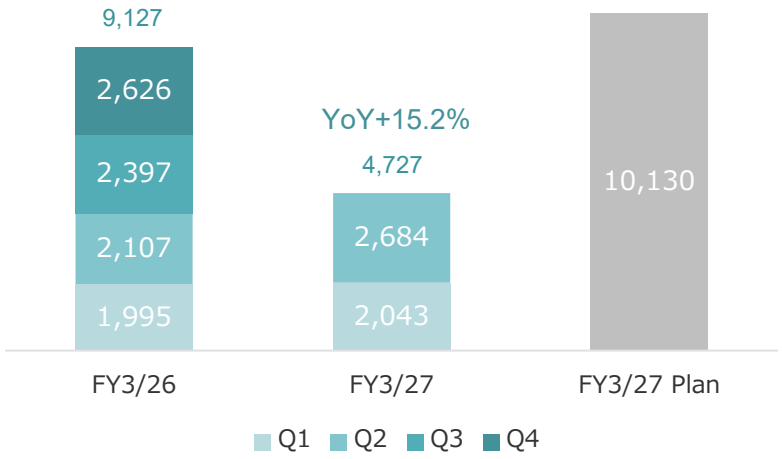
Operating profit	312 million yen	YoY +19 million yen

Profit increased, but the profit margin declined due to higher SG&A expenses associated with growth investments.

Net Sales Change Factors (YoY)

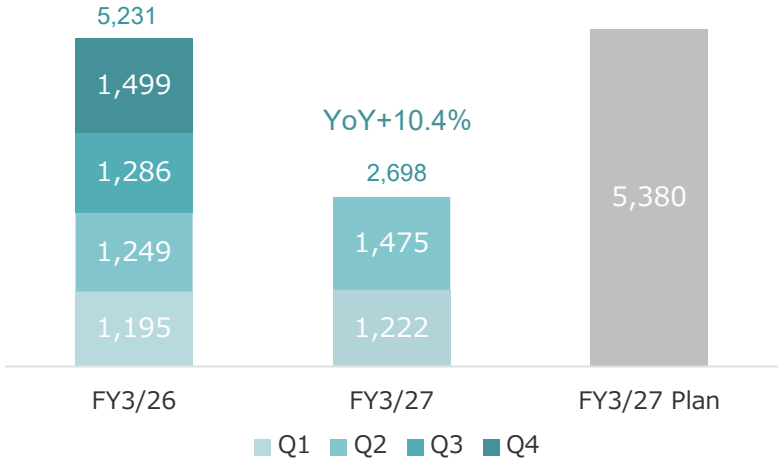


Electronics



Electronics
(+) Strong sales for industrial and business equipment
→ Industrial equipment performed well across a broad range of applications, including semiconductor manufacturing equipment and FA/robotics

Mechanics



Mechanics
(+) Mechanical components for industrial machinery and housing equipment
→ Industrial machinery performed well for factory equipment, including semiconductor manufacturing and packaging equipment
Planned and developed products for kitchens performed well in housing equipment

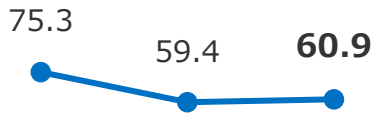
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Capital Efficiency Improvement Status

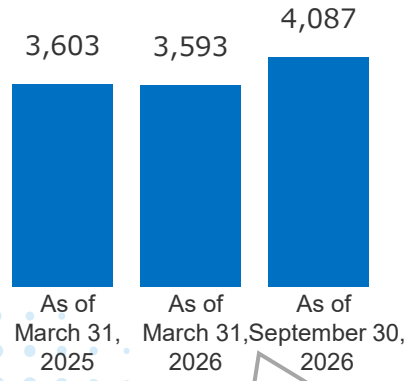
Strengthened order intake and order control to keep inventory at an appropriate level
Revised terms and conditions for receivables and payables to improve cash flow

Inventories

Number of days for turnover

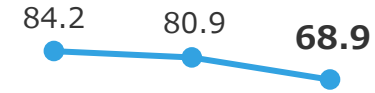


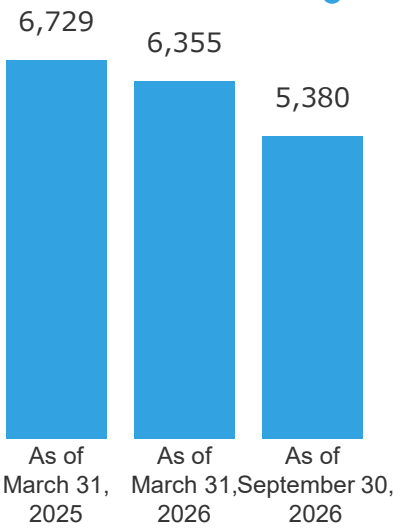
Balance
[Millions of yen]



Increased mainly in Electronics due to longer lead times and procurement in preparation for the full-scale launch of optical-related product sales.

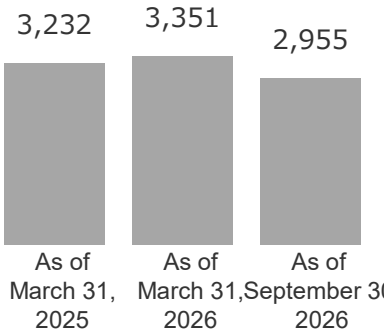
Trade receivables





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 September 30: Calculated on 183 days

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Contents

1. Executive Summary

2. Financial Results for the Second Quarter of the Fiscal Year Ending March 31, 2027

3. Forecast for the Fiscal Year Ending March 31, 2027

4. Appendix

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Consolidated PL< Plan >

[Millions of yen]

SG & A expenses will increase due to growth investment, increased corporate awareness, and advertising measures such as product promotions.

Operating profit and profit attributable will increase to new highs since listing.

	FY3/26 Results	FY3/27 Plan	Change	Year-on-Year
Net Sales	29,510	32,000	+2,489	+8.4%
Gross profit on sales	7,383	8,300	+916	+12.4%
Gross profit ratio (%)	25.0%	25.9%	-	+0.9pt
Selling, general and administrative expenses	5,285	5,950	+664	+12.6%
Operating profit	2,098	2,350	+251	+12.0%
Operating profit ratio (%)	7.1%	7.3%	-	+0.2pt
Ordinary profit	2,408	2,300	(108)	(4.5%)
Ordinary profit ratio (%)	8.2%	7.2%	-	(1.0pt)
Profit attributable to owners of parent	1,415	1,650	+234	+16.6%
ROE(%)	8.2%	9.3%	-	+1.1pt
EPS	75.88 yen	88.33 yen	+12.45 yen	-
Annual dividend per share	76.0 yen	76.0 yen	+0.0 yen	-

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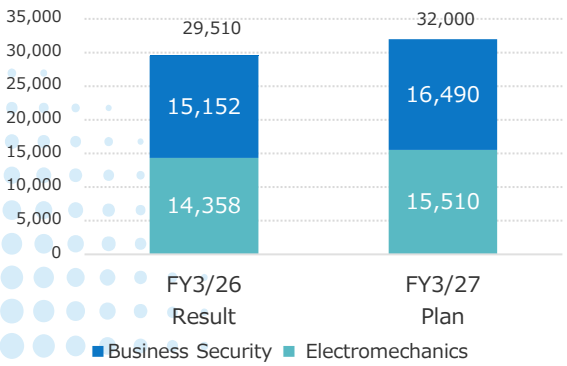
Sales and Operating Profit by Segment < Plan >

[Millions of yen]

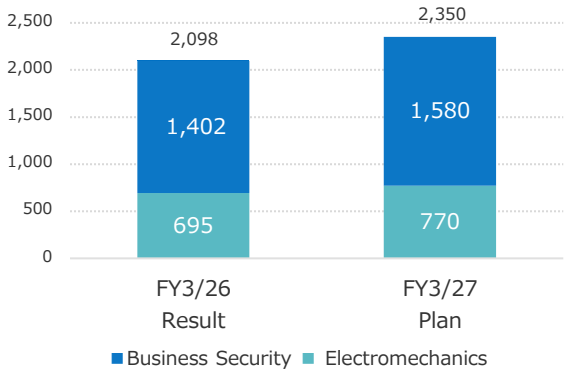
Sales and profit are expected to increase in both Business Security and Electromechanics

		FY3/26 Results	FY3/27 Plan	Increase/ Decrease	Percentage change
Business Security	Net Sales	15,152	16,490	+1,337	+8.8%
	Operating profit	1,402	1,580	+177	+12.6%
	Operating profit ratio	9.3%	9.6%	+0.3pt	—
Electromechanics	Net Sales	14,358	15,510	+1,151	+8.0%
	Operating profit	695	770	+74	+10.7%
	Operating profit ratio	4.8%	5.0%	+0.2pt	—
Consolidated Total	Net Sales	29,510	32,000	+2,489	+8.4%
	Operating profit	2,098	2,350	+251	+12.0%
	Operating profit ratio	7.1%	7.3%	+0.2pt	—

■ Net sales by segment



■ Operating profit by segment

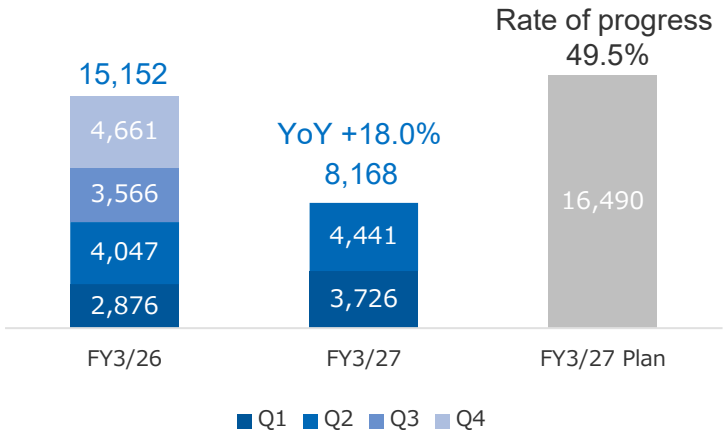


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Results by Segment (Business Security) <Plan>

[Millions of yen]

Business Security (Net Sales)



Forecasts for the Second Half

Retail Solutions

(+) Expanded adoption of RFID systems, mainly for apparel
(-) Security investments postponed by certain customers due to weak business performance

Business Solutions

(+) Expanded sales of security systems for data centers and foreign-affiliated offices
(+) Expanded cloud services, mainly MSP services and cybersecurity products

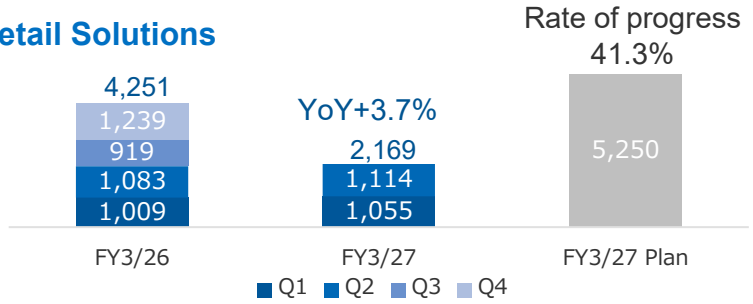
Global

(-) Large data center projects concluded in the first half; focus on higher-margin projects

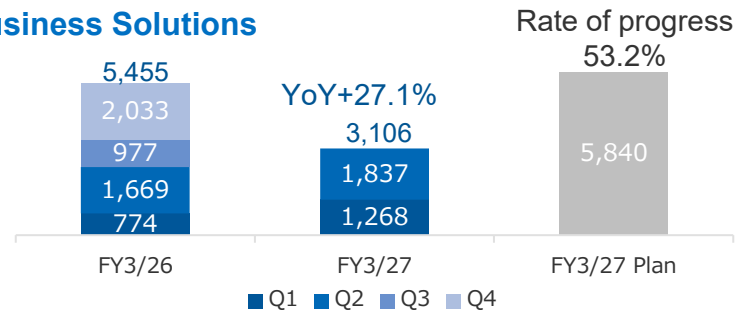
Maintenance Services

(+) Expansion of implementation services and support accompanying increased sales of new products and services

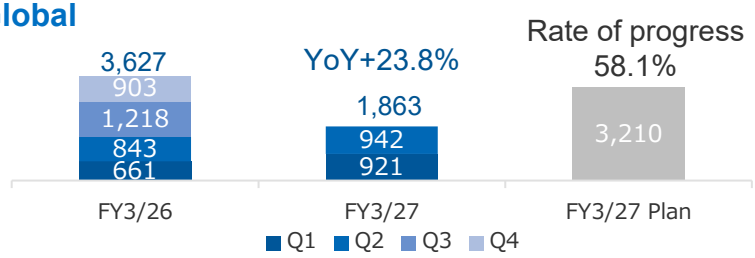
Retail Solutions



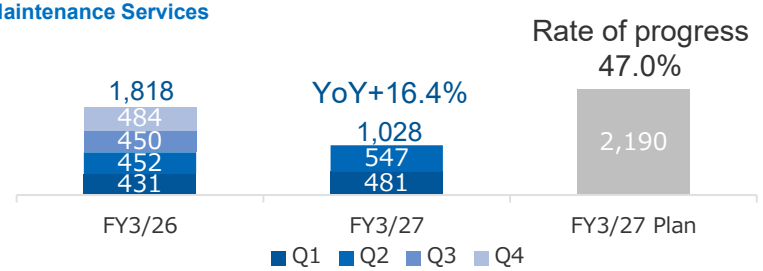
Business Solutions



Global



Maintenance Services

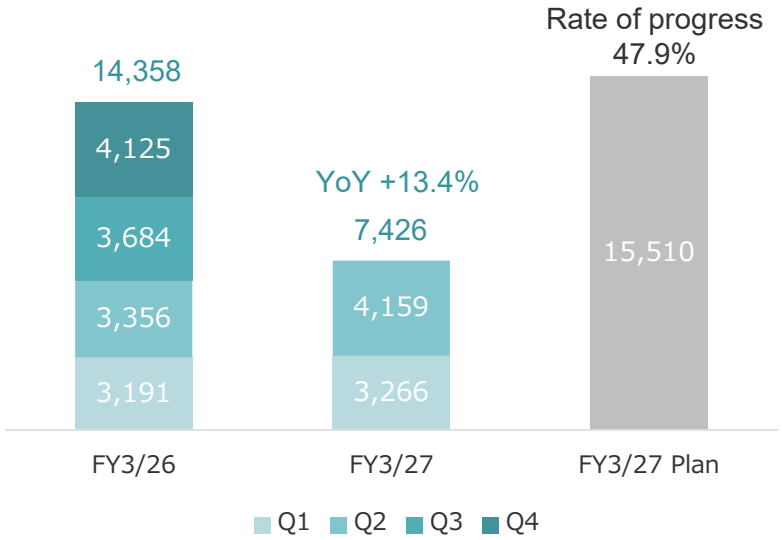


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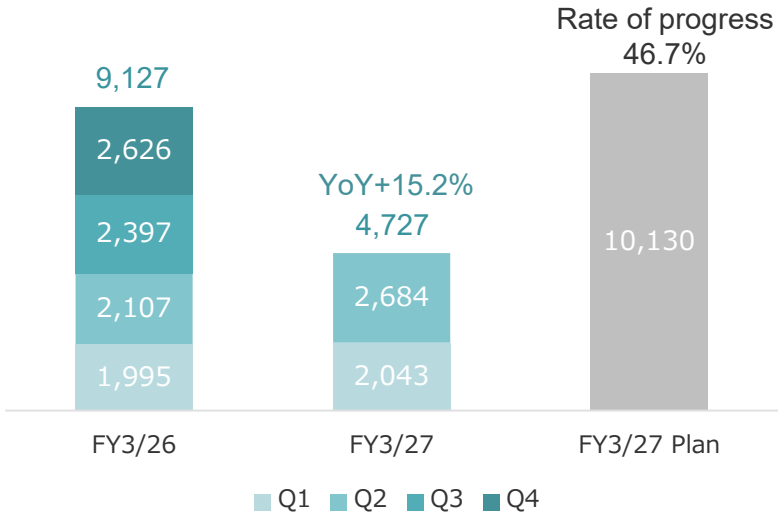
Results by Segment (Electromechanics) <Plan>

[Millions of yen]

Electromechanics (Net Sales)



Electronics



Forecasts for the Second Half

Electronics

(+) Full-scale sales and deliveries of optical-related products will begin in the second half

(+) Industrial equipment is expected to remain strong across a broad range of applications, including semiconductor manufacturing equipment and FA/robotics

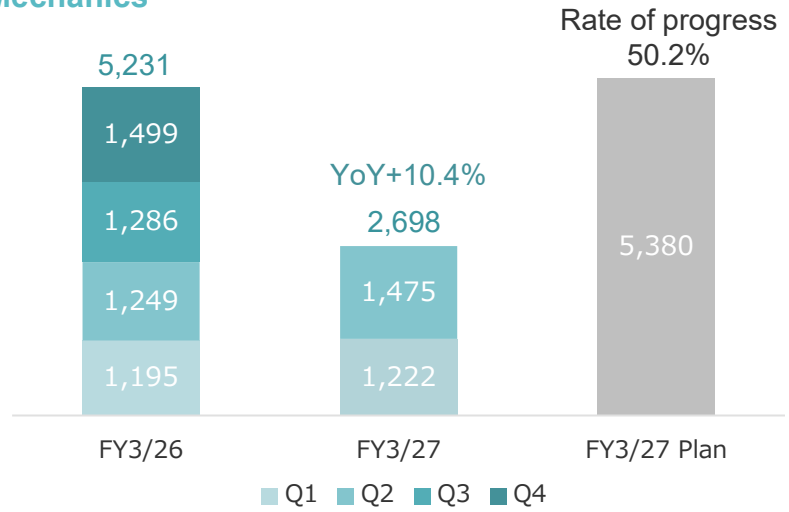
Mechanics

(+) Mechanical components for industrial machinery

→ Increasing adoption in factory equipment, including semiconductor manufacturing and packaging equipment

(+) Continued strong performance in mechanical components for housing equipment

Mechanics



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Shareholder Return

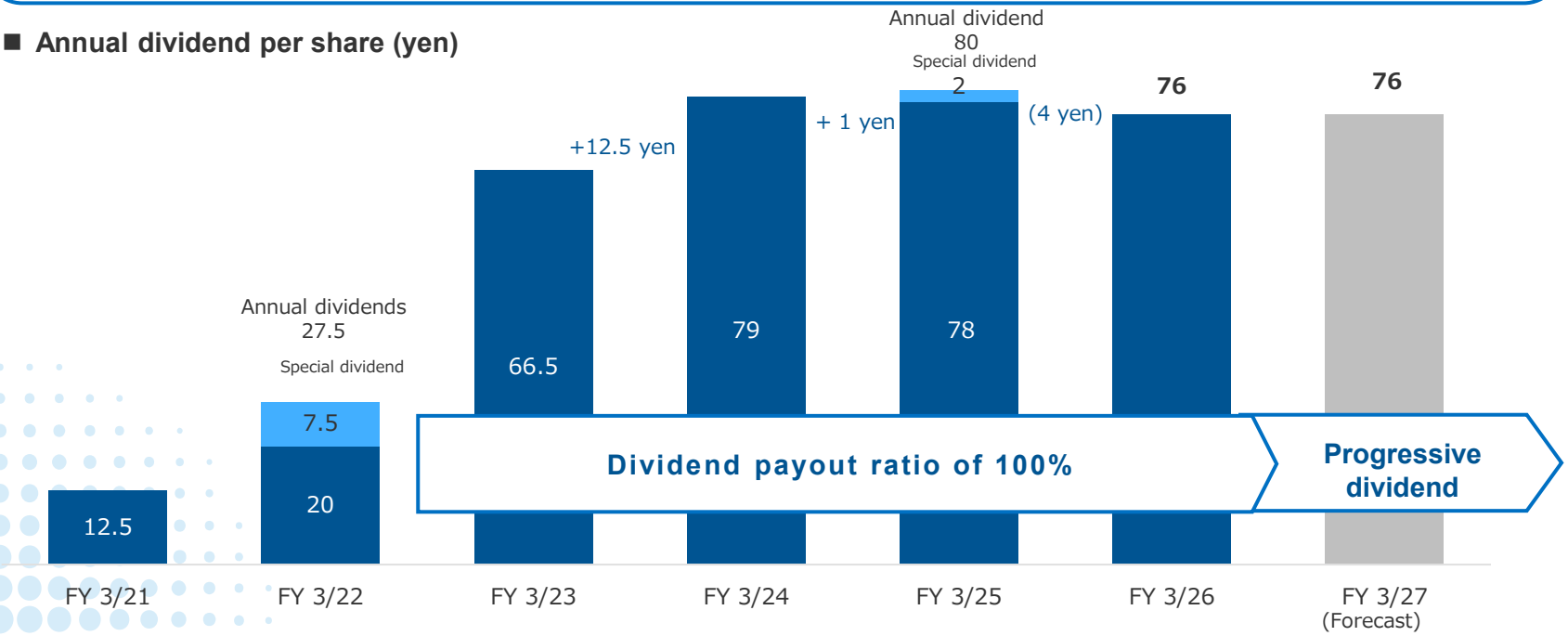
- The annual dividend for the fiscal year ending March 2026 is **¥76.0**, down ¥4 from the previous fiscal year due to a decrease in profit.
- The annual dividend for the fiscal year ending March 2027 is expected to be **¥76.0**, the same amount as the previous fiscal year, due to the progressive dividend.

Medium-Term Management Plan 2025-2027 Dividend Policy

Based on our capital policy, "Balancing investment for growth and shareholder returns,"

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

■ **Annual dividend per share (yen)**



*2 shares of common stock split on June 1, 2025. Dividends before the fiscal year ended March 2025

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Contents

1. Executive Summary

2. Financial Results for the Second Quarter of the Fiscal Year Ending March 31, 2027

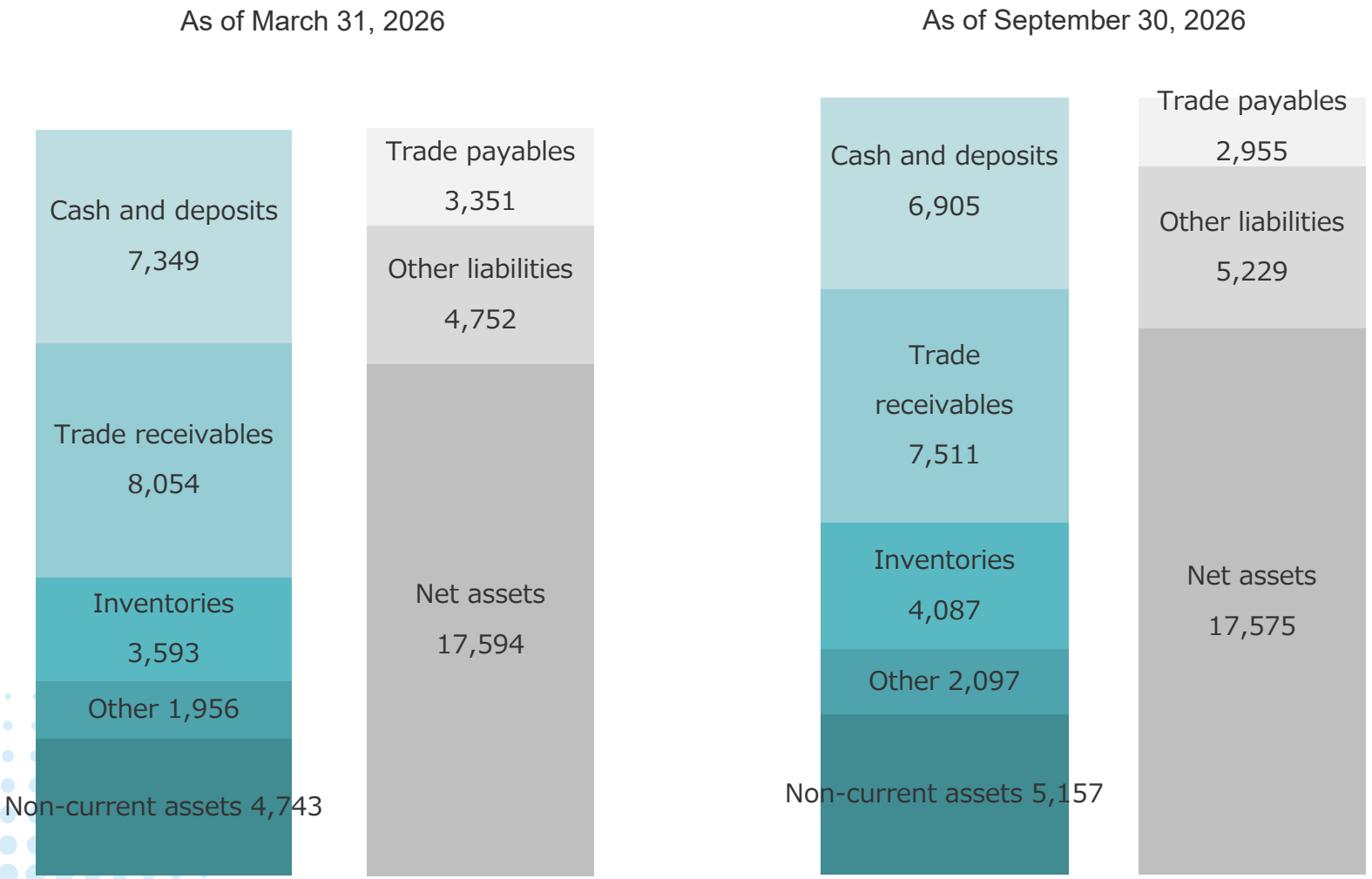
3. Forecast for the Fiscal Year Ending March 31, 2027

4. Appendix

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Consolidated Balance Sheet

[Millions of yen]



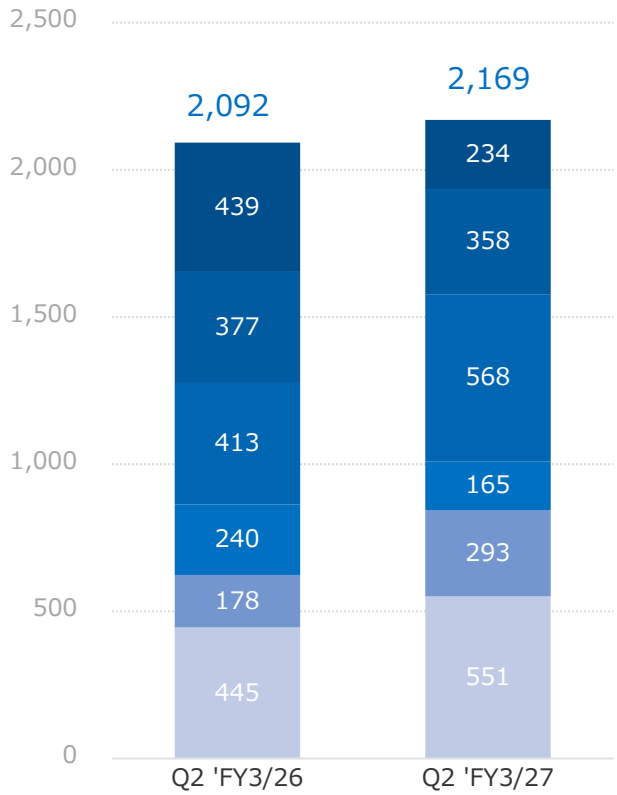
(Changes) Net assets (19): Dividends paid (776), Net income +726, Total accumulated other comprehensive income +30

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Net Sales Breakdown (Retail Solutions and Business Solutions)

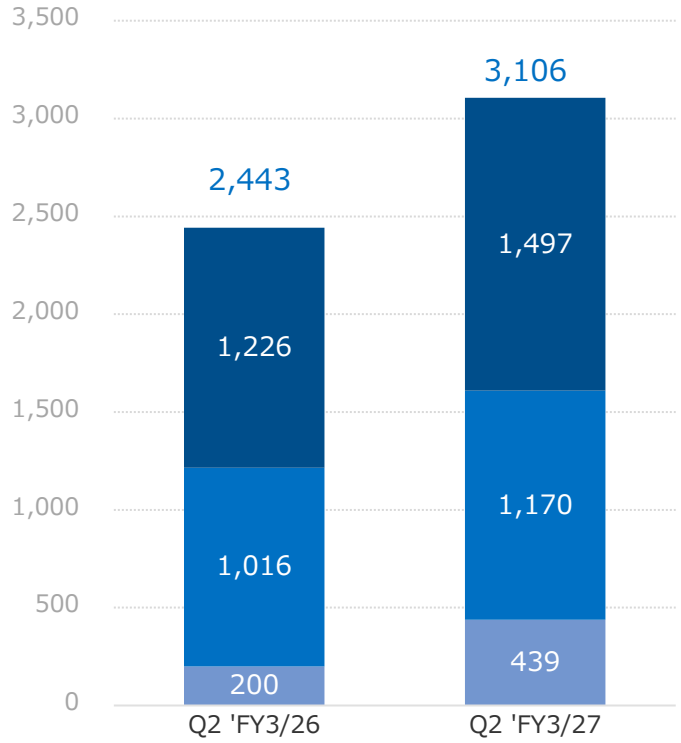
[Millions of yen]

Retail Solutions Net Sales



	Q2 'FY3/26	Q2 'FY3/27
GMS	439	234
Drug stores	377	358
Apparel	413	568
HC/Sports	240	165
Consumer electronics	178	293
Other	445	551

Business Solutions Net Sales*



	Q2 'FY3/26	Q2 'FY3/27
Access control, surveillance cameras	1,226	1,497
Network Products	1,016	1,170
Mailing Systems*1	200	439

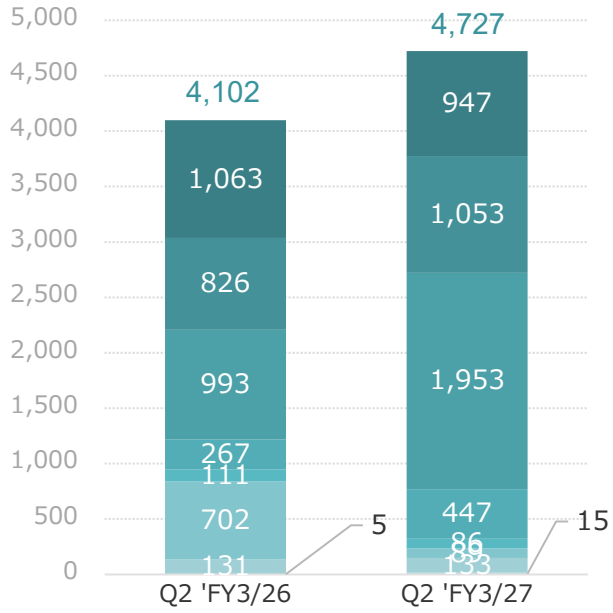
*1 Mailing systems: automatic mail insertion systems that automate the entire process from inserting documents into envelopes through sealing.

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Net Sales Breakdown (Electromechanics)

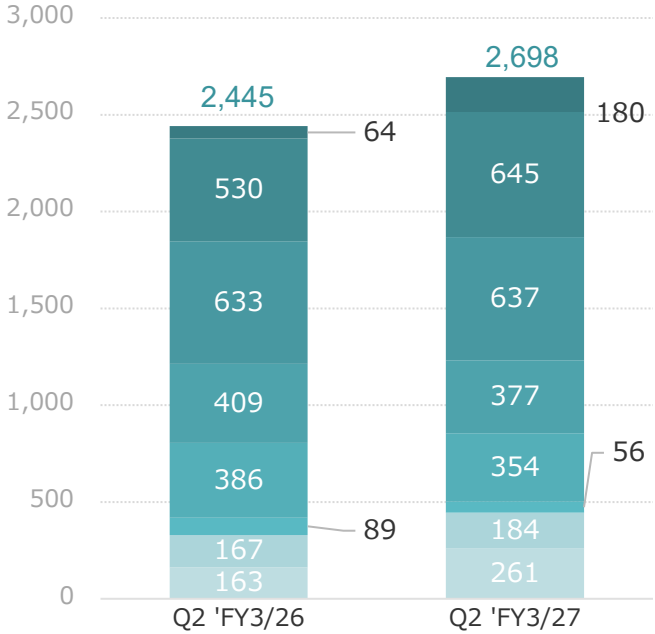
[Millions of yen]

Electronics Net Sales



	Q2 'FY3/26	Q2 'FY3/27
Consumer equipment	1,063	947
Business equipment	826	1,053
Industrial equipment	993	1,953
Amusement	267	447
Auto Vehicles	111	86
Modules *1	702	89
Distributor	131	133
Other	5	15

Mechanics Net Sales



	Q2 'FY3/26	Q2 'FY3/27
Industrial machinery *2	64	180
Living *2	530	645
Money Machine	633	637
Office automation	409	377
Office	386	354
Environment & Energy *2	89	56
Amusement	167	184
Other	163	261

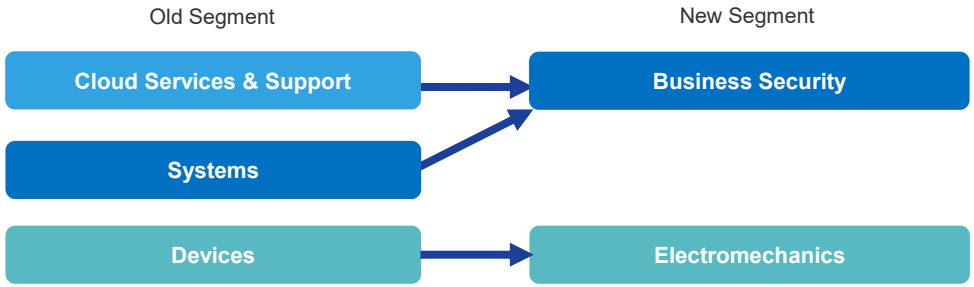
*1 Auto/Vehicle: automotive equipment, railway equipment, marine vessels, and transportation equipment

*2 Industrial Machinery: machinery mainly used in factories / Living & Life: housing equipment and automotive interiors / Environment & Energy: energy storage and solar power generation

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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



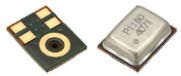
Cloud-based wireless LAN

Retail	• The electronic article surveillance system • Surveillance camera system, facial recognition systems • Cloud services • RFID systems
Business	• Access control system, Surveillance camera system • Auto Mailing Insection Systems • Cloud Services • Network Products
Global	• Fire prevention systems
Maintenance	• Product maintenance services provided by the Business Security segment

Electromechanics



Power modules



Silicon microphones



Soft-close units

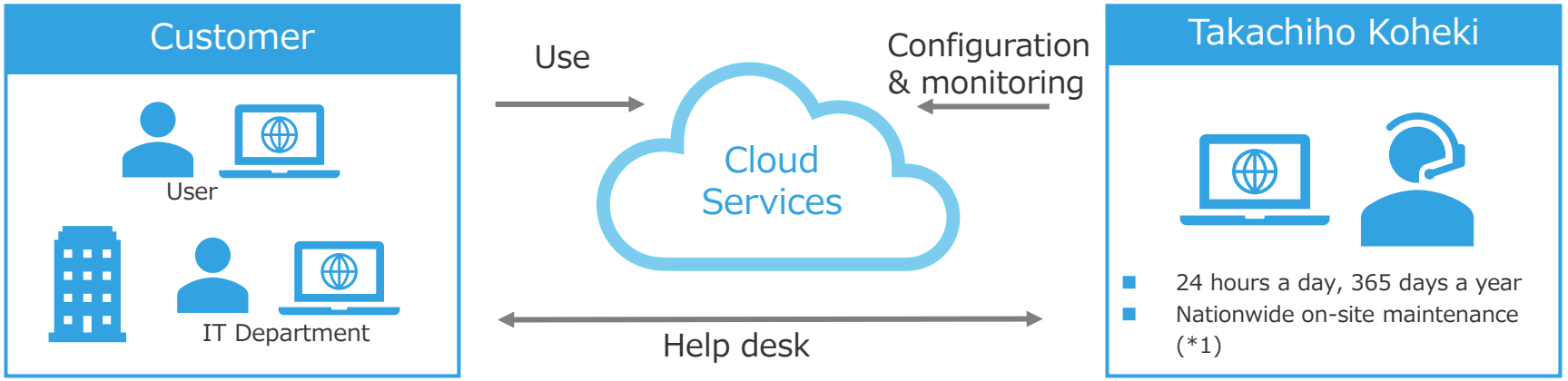
Electronics	• Semiconductors, ICs, electronic components, sensors • Various types of modules
Mechanics	• Slide rails,gas springs • Soft -close unit,electronic locks

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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

CISCO Meraki



Cloud-based wireless LAN system

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

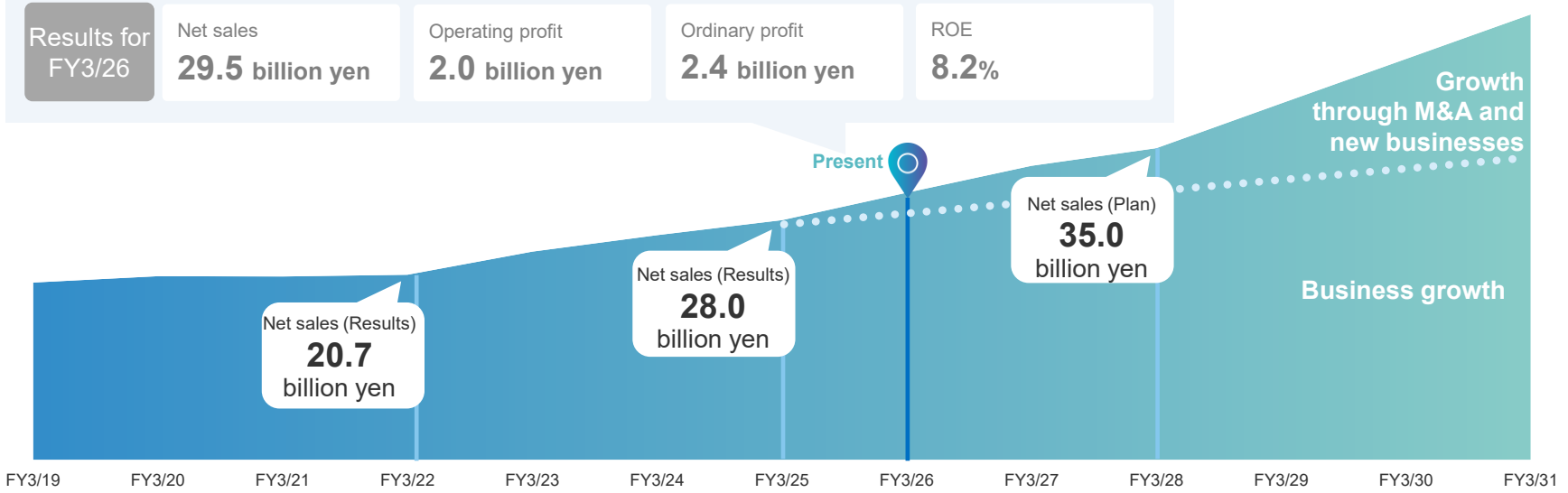
(*2) The purchase of equipment (1) can be paid in a lump sum

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Medium- to Long-Term Growth Vision

Please refer to the details of the Medium-Term Management Plan

	Net sales	Operating profit	Ordinary profit	ROE
Targets for FY3/28	35.0 billion yen	3.0 billion yen	2.8 billion yen	10% or higher
Results for FY3/26	29.5 billion yen	2.0 billion yen	2.4 billion yen	8.2%



2019–2021

Medium-Term Management Plan

Prioritized core businesses and embraced transformation

Concentrated on high-value-added businesses and expanded recurring revenue

2022–2024

Previous Medium-Term Management Plan

Creating new value in a new normal era

- Prioritized high-value-added businesses
- Strengthened management foundation

2025–2027

Current Medium-term Management Plan

Security. Solutions. Synergy.

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

2030

Medium- to long-term targets

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

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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: 532; Non-consolidated: 319 (as of March 31, 2026) * Include temporary employees
Consolidated Subsidiaries	One domestic company, eight overseas companies (Shanghai, Hong Kong, Bangkok, Singapore, Chicago)





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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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ir@takachiho-kk.co.jp

03-3355-1201

IR News Mail