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Consolidated Financial Results [Japanese GAAP] for the Third Quarter of the Fiscal Year Ending January 20, 2027

November 26, 2026

Company name: Takasho Co., Ltd.
Listing: Tokyo Stock Exchange
Securities code: 7590
URL: https://takasho.co.jp/en
Representative: Nobuo Takaoka, President & CEO
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Scheduled date to commence dividend payments: None
Preparation of supplementary materials for financial results: Yes
Financial results briefing (Only for institutional investors and analysts): Yes

*Yen amounts are rounded down to millions, unless otherwise noted
*Percentages indicate year-on-year changes

1. Consolidated Financial Results for the Nine Months Ended October 20, 2026 (from January 21, 2026 to October 20, 2026)

(1) Consolidated Operating Results (Cumulative)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2027 3Q (Nine months ended October 20, 2026)	15,924	3.9	463	216.6	401	69.8	26	—
FY2026 3Q (Nine months ended October 20, 2025)	15,325	3.0	146	—	236	—	(46)	—

(Note) Comprehensive income:
FY2027 3Q(Nine months ended October 20, 2026): 144 million yen ［－%］
FY2026 3Q(Nine months ended October 20, 2025): (436) million yen ［－%］

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
FY2027 3Q (Nine months ended October 20, 2026)	1.59	—
FY2026 3Q (Nine months ended October 20, 2025)	(2.75)	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
FY2027 3Q (As of October 20, 2026)	25,478	12,933	50.1
FY2026 4Q (As of January 20, 2026)	23,473	12,873	54.2

Reference: Equity

FY2027 3Q(As of October 20, 2026): ¥12,767 million

FY2026 4Q(As of January 20, 2026): ¥12,724 million

2. Dividends

	Annual cash dividends per share				
	Q1-end	Q2-end	Q3-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY2026 4Q ended Jan. 20, 2026	—	0.00	—	5.00	5.00
FY2027 3Q ended Oct. 20, 2026	—	0.00	—		
FY2027 4Q ending Jan. 20, 2027 (forecast)				5.00	5.00

(Note) Revisions to the dividends forecast announced most recently: None

3. Forecast for the Fiscal Year Ending January 20, 2027 (from Jan. 21, 2026 to Jan. 20, 2027)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
FY2027 4Q (full year)	22,961	13.4	501	129.0	520	(27.5)	120	(39.6)	7.12

(Notes) Revisions to the forecast announced most recently: 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 October 20, 2026	17,590,114 shares
As of January 20, 2026	17,590,114 shares

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

As of October 20, 2026	731,681 shares
As of January 20, 2026	731,661 shares

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

Nine months ended October 20, 2026	16,858,462 shares
Nine months ended October 20, 2025	16,858,453 shares

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

* Proper use of earnings forecasts, and other special matters

The forward-looking statements, including earnings forecasts, contained in this document are based on information available as of the date of this report. Actual results may differ from these forecasts due to changes in future economic conditions and other factors. For details regarding earnings forecasts, please refer to page 6 of the attached materials, “Consolidated Earnings Forecasts and Other Forward-Looking Information.”

Table of Contents

1. Qualitative Information on the Financial Results for the Third Quarter of the Fiscal Year Ending January 20, 2027 2
(1) Operating results 2
(2) Explanation of financial position 6
(3) Consolidated earnings forecasts and other forward-looking information 6
2. Quarterly Financial Statements and Notes 7
(1) Quarterly Consolidated Balance Sheets 7
(2) Quarterly Consolidated Statement of Income and Comprehensive Income 9
Quarterly Consolidated Statement of Income 9
Quarterly Consolidated Statement of Comprehensive Income 10
(3) Notes to Quarterly Consolidated Financial Statement 11
(Segment information, etc.) 11
(Significant Change in Equity Capital) 12
(Going Concern) 12
(Consolidated Statement of Cash Flows) 12

1. Qualitative Information on the Financial Results for the Third Quarter of the Fiscal Year Ending January 20, 2027

(1) Operating Results

The Takasho Group continued aggressive investments in growth areas and steadily implemented measures to reform our earnings structure during the nine months ended October 20, 2026. As a result, net sales and profits increased year over year. Profits have progressed steadily, as operating income increased to 316.6% year over year, while ordinary income increased to 169.8%. Net income attributable to owners of the parent improved ¥73 million year over year, swinging to positive territory.

The core pro-use segment saw steady performance, with sales increasing to 106.2% year over year. We saw significant growth in the non-residential sector, a growth area for the Group, with sales increasing to 118.1% year over year and driving overall sales growth. This growth was supported by increased adoption of design specifications at public and commercial facilities and expanded introduction at major restaurant chains. As a result, net sales amounted to ¥15,924 million (103.9% of the same period in the previous fiscal year).

We have been working to improve profits by fundamentally strengthening our earnings power amid continued increases in raw materials costs. We have achieved a substantial improvement in profitability through various measures. These measures include ongoing strategic upfront investments in product development, digital transformation (DX), and sales promotions targeting next-generation growth markets and global markets for garden and landscaping materials, as well as pursuing sales at appropriate prices with an emphasis on profitability. As a result, operating income amounted to ¥463 million (316.6% of the same period in the previous fiscal year), ordinary income amounted to ¥401 million (169.8%), and net income attributable to owners of the parent improved ¥73 million year over year to ¥26 million.

The Group also continued to strengthen our business foundation to support both growth investment and improved profitability. The Group operates a hybrid business model that integrates digital proposals and manufacturing by combining the spatial proposal capabilities utilizing digital technologies of GLD-LAB. Inc. which operates an AI and DX services business, with the made-to-order capabilities of Garden Create Co., Ltd. utilizing internally manufactured products such as Ever Bamboo, Ever Art Wood, and Ever Art Board. This hybrid business model strengthens the link between our high-value-added spatial proposals and in-house manufacturing capabilities, creating synergies across the Group.

At our overseas sales subsidiaries, measures to improve the earnings structure also produced steady results, including improved gross profit margins through appropriate pricing, reduced inventories, and more efficient management of selling, general and administrative expenses.

The following table summarizes consolidated business results for the nine months ended October 20, 2026.

(Millions of yen)

	Nine Months Ended October 20, 2026	Nine Months Ended October 20, 2025	Change	YoY (%)
Net sales	15,924	15,325	599	103.9
Operating income	463	146	317	316.6
Ordinary income	401	236	165	169.8
Net income (loss) attributable to owners of the parent	26	(46)	73	—

(Pro-use segment)
The core pro-use segment accounts for approximately 70% of consolidated net sales. Pro-use segment sales increased to 106.2% year over year. We saw particularly strong growth in the non-residential sector, a growth area for the Group. Sales in the sector increased to 118.1% year over year, supported by increased adoption of design specifications at public and commercial facilities and expanded introduction at major restaurant chains.

We also saw signs of improved profitability in the general housing market. Recognition of our product designs led to increased adoption of high-value-added products and higher sales per project. Demand for garden and exterior renovation and remodeling is also beginning to emerge. The Group continues to expand awareness of the 5thROOM® brand concept and strengthen customer touchpoints by linking social media with our showrooms nationwide.

Under our DX strategy, we continue to improve sales productivity and enhance proposal capabilities. For example, we use EXVIZ® AI, developed by GLD-LAB. Inc. and powered by generative AI, to reduce the process for creating residential exterior and interior renderings to as little as a dozen seconds.

TAKASHO DIGITEC CO., LTD. is a consolidated subsidiary engaged in the outdoor lighting, LED signage, and illumination businesses. Sales at this company remained solid at 106.8% year over year, driven by growth in lighting and illumination projects, among other factors.

(Millions of yen)

	Nine Months Ended October 20, 2026	Nine Months Ended October 20, 2025	Change	YoY (%)
Net sales	11,280	10,619	661	106.2

(Home-use segment)
Home-use segment sales declined to 97.2% year over year, as private-brand products for home improvement retailers were affected by delays in the introduction of certain products and unfavorable weather. Meanwhile, e-commerce sales increased significantly to 127.4% year over year, driven primarily by growth in sales through Amazon.

(Millions of yen)

	Nine Months Ended October 20, 2026	Nine Months Ended October 20, 2025	Change	YoY (%)
Net sales	3,100	3,189	(88)	97.2

(Overseas segment)
Overseas segment sales increased to 101.3% year over year, despite ongoing sluggish consumer sentiment, particularly in Europe and the United States. These results were due in part to a ¥78 million increase attributable to foreign exchange effects.

In addition, gross profit margin improved year over year as we maintained appropriate pricing with a focus on profitability. In the U.S., we are establishing a local procurement system to reduce tariff risks while continuing to introduce products at local home improvement retailers. We continue to strengthen our business foundation for sustainable growth in the overseas segment by developing new sales channels, stabilizing our supply chain, and improving our earnings structure.

(Millions of yen)

	Nine Months Ended October 20, 2026	Nine Months Ended October 20, 2025	Change	YoY (%)
Net sales	1,487	1,468	19	101.3

Looking ahead, we expect sales of lighting products, which continue to perform well in the pro-use segment, to increase further as we enter winter-season peak demand. In addition, synergies with the illumination business operated by TAKASHO DIGITEC CO., LTD. should help both businesses drive performance in the second half of the fiscal year, contributing to higher net sales and profits.

The Takasho Group will continue to incorporate the principles of the SDGs to propose sustainable garden lifestyles that make use of garden spaces, aiming to reduce the environmental impact of our business activities and help build a more sustainable society. We will position the non-residential, overseas, and digital sectors as medium- to long-term growth drivers and aim to achieve sustainable growth in corporate value while improving profitability.

Under this policy, the pro-use segment will continue to allocate management resources to priority areas, particularly the growing nonresidential sector and the businesses of TAKASHO DIGITEC CO., LTD. We will also engage in the digital transformation (DX) of our sales and manufacturing processes. Here, we aim to improve efficiency across the entire process, from proposals to manufacturing. In addition, we plan to exhibit in our own space of approximately 330 square meters at GREEN×EXPO 2027(International Horticultural Expo 2027, Yokohama, Japan). The exhibition is expected to attract 10 million paying visitors. We expect business opportunities to arise from the expo, including the expansion of markets from horticulture and gardening into the environmental sector, as well as growing interest in urban greening and the development of indoor and outdoor spaces. To this end, we plan to pursue these opportunities and the wider adoption of our products in the nonresidential sector. We will also strengthen our proposal capabilities and sales capabilities by expanding our product lineup, including Mokupla Board ECO, a material capable of fixing approximately 1.4 metric tons of CO_2 annually, NewTechWood, and In Wood, an interior decorative building material.

The home-use segment will continue to launch new products on the market that address diverse garden lifestyle needs and expand the e-commerce sector, which recorded strong growth during the nine months ended October 20, 2026.

The overseas segment will focus on both sales growth and improved profitability while developing new customers and strengthening our business foundation in Europe and the U.S. In Europe, we will expand sales activities into untapped markets such as France and Italy through participation in local trade shows and introduce large products such as storage units and sheds, for which stable year-round demand is expected. In

the U.S., we will use the local supply system currently being established as a tariff countermeasure to control procurement costs and establish a stable supply system while seeking to establish new transactions with major home improvement retailers. Furthermore, for the U.S. market, where interest in well-being and sustainability is growing, we will strengthen new branding initiatives centered on digital marketing—such as launching a dedicated sales website for Ever Bamboo, our reinforced artificial bamboo fencing that embodies Japanese culture and the philosophy of coexistence with nature—as well as product proposals including Japanese-style outdoor lighting. Through these initiatives, the Takasho Group is committed to steadily building a business portfolio for sustainable growth.

(2) Explanation of Financial Position

Assets, liabilities and net assets
(Assets)
Current assets increased by ¥1,969,494 thousand from the end of the previous consolidated fiscal year to ¥16,618,963 thousand. Major factors included cash and deposits of ¥4,651,508 thousand (up ¥1,144,835 thousand from the end of the previous consolidated fiscal year); notes receivable, accounts receivable and contract assets of ¥2,980,572 thousand (up ¥310,094 thousand); electronically recorded receivables of ¥840,788 thousand (up ¥27,177 thousand); and merchandise and finished goods of ¥4,723,338 thousand (up ¥363,218 thousand).

Non-current assets increased ¥35,550 thousand from the end of the previous consolidated fiscal year to ¥8,859,268 thousand. Major factors included buildings and structures of ¥4,505,828 thousand (up ¥433,558 thousand from the end of the previous consolidated fiscal year); construction in progress, included under property, plant and equipment, of ¥34,120 thousand (down ¥212,179 thousand); others, net, included under property, plant and equipment, of ¥710,624 thousand (down ¥142,314 thousand).

As a result, total assets increased by ¥2,005,045 thousand from the end of the previous consolidated fiscal year to ¥25,478,231 thousand.

(Liabilities)
Current liabilities increased by ¥2,234,165 thousand from the end of the previous consolidated fiscal year to ¥11,395,309 thousand. Major factors included notes and accounts payable of ¥2,559,254 thousand (up ¥555,712 thousand from the end of the previous consolidated fiscal year); electronically recorded payables of ¥1,232,462 thousand (up ¥153,988 thousand); short-term borrowings of ¥5,635,210 thousand (up ¥1,635,210 thousand); and income taxes payable of ¥150,889 thousand (down ¥269,901 thousand).

Non-current liabilities decreased ¥289,140 thousand from the end of the previous consolidated fiscal year to ¥1,149,590 thousand. Major factors included long-term borrowings of ¥569,331 thousand (down ¥278,817 thousand from the end of the previous consolidated fiscal year) and asset retirement obligations of ¥294,843 thousand (up ¥32,868 thousand).

As a result, total liabilities increased by ¥1,945,024 thousand from the end of the previous consolidated fiscal year to ¥12,544,899 thousand.

(Net assets)
Total net assets increased ¥60,020 thousand from the end of the previous consolidated fiscal year to ¥12,933,331 thousand. Major factors included retained earnings of ¥5,503,330 thousand (down ¥57,568 thousand from the end of the previous consolidated fiscal year), foreign currency translation adjustment of ¥1,283,687 thousand (up ¥192,405 thousand), and remeasurements of defined benefit plans of ¥237,915 thousand (down ¥94,972 thousand).

(3) Consolidated Earnings Forecasts and Other Forward-Looking Information

The consolidated earnings forecast for the full year, announced on March 5, 2026, remains unchanged.

2. Quarterly Financial Statements and Notes

(1) Quarterly Consolidated Balance Sheets

(Thousands of yen)

	FY2026 (As of Jan. 20, 2026)	FY2027 3Q (As of Oct. 20, 2026)
Assets		
Current assets		
Cash and deposits	3,506,673	4,651,508
Notes receivable, accounts receivable and contract assets	2,670,478	2,980,572
Electronically recorded receivables	813,610	840,788
Merchandise and finished goods	4,360,120	4,723,338
Work in process	761,641	773,396
Raw materials and supplies	1,652,907	1,663,896
Others	915,104	1,010,013
Allowance for doubtful accounts	(31,068)	(24,552)
Total current assets	14,649,468	16,618,963
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	4,072,270	4,505,828
Land	1,142,223	1,146,593
Construction in progress	246,299	34,120
Others, net	852,939	710,624
Total property, plant and equipment	6,313,733	6,397,167
Intangible assets		
Goodwill	9,333	3,333
Others	452,377	385,522
Total intangible assets	461,710	388,856
Investments and other assets		
Investment securities	194,656	190,664
Deferred tax assets	153,613	180,948
Others	1,722,707	1,729,740
Allowance for doubtful accounts	(22,704)	(28,108)
Total investments and other assets	2,048,273	2,073,244
Total non-current assets	8,823,717	8,859,268
Total Assets	23,473,186	25,478,231

(Thousands of yen)

	FY2026 (As of Jan. 20, 2026)	FY2027 3Q (As of Oct. 20, 2026)
Liabilities		
Current liabilities		
Notes and accounts payable	2,003,541	2,559,254
Electronically recorded payables	1,078,474	1,232,462
Short-term borrowings	4,000,000	5,635,210
Current portion of long-term borrowings	374,740	371,754
Income taxes payable	420,790	150,889
Provision for bonuses	15,614	134,994
Others	1,267,983	1,310,745
Total current liabilities	9,161,144	11,395,309
Non-current liabilities		
Long-term borrowings	848,149	569,331
Retirement benefit liability	15,786	17,838
Asset retirement obligations	261,974	294,843
Others	312,821	267,576
Total non-current liabilities	1,438,730	1,149,590
Total Liabilities	10,599,875	12,544,899
Net assets		
Shareholders' equity		
Share capital	3,043,623	3,043,623
Capital surplus	3,096,857	3,096,857
Retained earnings	5,560,899	5,503,330
Treasury shares	(494,177)	(494,185)
Total shareholders' equity	11,207,202	11,149,625
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	93,574	90,771
Deferred gains or losses on hedges	-	5,442
Foreign currency translation adjustment	1,091,282	1,283,687
Remeasurements of defined benefit plans	332,887	237,915
Total accumulated other comprehensive income	1,517,744	1,617,817
Non-controlling interests	148,364	165,889
Total Net assets	12,873,310	12,933,331
Total Liabilities and Net assets	23,473,186	25,478,231

(2) Quarterly Consolidated Statement of Income and Comprehensive Income

(Quarterly Consolidated Statement of Income)

(Thousands of yen)

	FY2026 3Q (Jan. 21, 2025 –Oct. 20, 2025)	FY2027 3Q (Jan. 21, 2026 –Oct. 20, 2026)
Net sales	15,325,173	15,924,536
Cost of sales	8,830,483	9,054,722
Gross profit	6,494,690	6,869,814
Selling, general and administrative expenses	6,348,263	6,406,185
Operating income	146,426	463,628
Non-operating income		
Interest income	9,091	9,144
Dividend income	3,391	3,443
Foreign exchange gains	33,127	-
Commission income	31,133	30,908
Others	114,429	93,184
Total non-operating income	191,172	136,681
Non-operating expenses		
Interest expenses	79,907	128,280
Commitment fee	278	321
Foreign exchange losses	-	44,002
Others	20,998	26,206
Total non-operating expenses	101,184	198,811
Ordinary income	236,415	401,498
Extraordinary income		
Gain on sales of non-current assets	8,851	11,515
Gain on sale of investment securities	22	-
Total extraordinary income	8,874	11,515
Extraordinary losses		
Loss on sales of non-current assets	-	210
Loss on retirements of non-current assets	3,169	115
Impairment losses	17,782	279
Total extraordinary losses	20,952	605
Income before income taxes	224,337	412,408
Income tax - current	321,211	357,872
Income tax - deferred	(52,389)	17,219
Total income taxes	268,822	375,092
Profit (loss)	(44,485)	37,315
attributable to non-controlling interests	1,864	10,592
attributable to owners of the parent	(46,349)	26,723

(Quarterly Consolidated Statement of Comprehensive Income)

(Thousands of yen)

	FY2026 3Q (Jan. 21, 2025 –Oct. 20, 2025)	FY2027 3Q (Jan. 21, 2026 –Oct. 20, 2026)
Profit (loss)	(44,485)	37,315
Other comprehensive income		
Valuation difference on available-for-sale securities	1,151	(2,802)
Deferred gains or losses on hedges	4,258	5,442
Foreign currency translation adjustment	(391,802)	199,337
Remeasurements of defined benefit plans	(5,126)	(94,972)
Total other comprehensive income	(391,518)	107,005
Comprehensive income	(436,004)	144,321
attributable to owners of parent	(432,999)	126,796
attributable to non-controlling interests	(3,004)	17,524

(3) Notes to Quarterly Consolidated Financial Statement

(Segment information, etc.)

[Segment information]

I Nine Months Ended October 20, 2025 (from January 21, 2025 to October 20, 2025)

1. Information on net sales and profit or loss by reportable segment

(Thousands of yen)

	Reportable segment					Sub total
	Japan	Europe	China	Korea	US	
Sales						
Sales for external customers	13,280,906	497,700	838,170	119,238	396,370	15,132,387
Intersegment sales or transfers	457,094	—	1,672,997	—	10,695	2,140,788
Total	13,738,001	497,700	2,511,168	119,238	407,066	17,273,175
Segment profit (loss)	601,747	(302,993)	38,394	(51,613)	(251,761)	33,774

(Thousands of yen)

	Other (Note 1)	Subtotal	Adjustments (Note 2)	Amount recorded in the quarterly consolidated statement of income (Note 3)
Sales				
Sales for external customers	192,786	15,325,173	—	15,325,173
Intersegment sales or transfers	3,150	2,143,938	(2,143,938)	—
Total	195,936	17,469,112	(2,143,938)	15,325,173
Segment profit (loss)	(50,829)	(17,055)	163,482	146,426

(Note)

1. “Other” indicates a business segment that is not included in any reportable segments and includes the business activities of local subsidiaries in Australia and India.

2. “Adjustments” to segment profit or loss include elimination of intersegment transactions of ¥139,764 thousand, adjustment of inventories of ¥23,790 thousand, and adjustment for allowance for doubtful accounts of (¥72) thousand.

3. Segment profit or loss is adjusted with operating profit or losses in Consolidated Income Statements.

II Nine Months Ended October 20, 2026 (from January 21, 2026 to October 20, 2026)

1. Information on net sales and profit or loss by reportable segment

(Thousands of yen)

	Reportable segment					Sub total
	Japan	Europe	China	Korea	US	
Sales						
Sales for external customers	14,013,262	459,925	796,789	122,915	322,248	15,715,141
Intersegment sales or transfers	419,460	68	1,759,824	—	1,909	2,181,262
Total	14,432,723	459,993	2,556,614	122,915	324,157	17,896,404
Segment profit (loss)	862,490	(250,446)	121,443	(39,338)	(189,046)	505,102

(Thousands of yen)

	Other (Note 1)	Subtotal	Adjustments (Note 2)	Amount recorded in the quarterly consolidated statement of income (Note 3)
Sales				
Sales for external customers	209,395	15,924,536	—	15,924,536
Intersegment sales or transfers	3,481	2,184,744	(2,184,744)	—
Total	212,876	18,109,281	(2,184,744)	15,924,536
Segment profit (loss)	(43,155)	461,947	1,681	463,628

(Note)

1. “Other” indicates a business segment that is not included in any reportable segments and includes the business activities of local subsidiaries in Australia and India.

2. “Adjustments” to segment profit or loss include elimination of intersegment transactions of (¥47,472) thousand, adjustment of inventories of ¥49,152 thousand, and adjustment for allowance for doubtful accounts of ¥1 thousand.

3. Segment profit or loss is adjusted with operating profit or losses in Consolidated Income Statements.

(Significant Change in Equity Capital): None

(Going Concern): None

(Consolidated Statement of Cash Flows)

Quarterly consolidated statements of cash flows for the period were not prepared. Depreciation (including amortization of intangible assets excluding goodwill) and goodwill amortization for the nine months ended October 20, 2025 and 2026 were as follows:

(Thousands of yen)

	FY2026 3Q (Jan. 21, 2025 –Oct. 20, 2025)	FY2027 3Q (Jan. 21, 2026 –Oct. 20, 2026)
Depreciation	586,426	590,856
Goodwill amortization	6,272	5,999