

**Consolidated Financial Results**  
**for the First Quarter Ended June 30, 2023**  
**[Japanese GAAP] (Unaudited)**



August 10, 2023

Company name: HIRANO TECSEED Co., Ltd.  
 Stock exchange listing: Tokyo Stock Exchange  
 Code number: 6245  
 URL: <https://www.hirano-tec.co.jp/>  
 Representative: Kaoru Okada, President and Director  
 Contact: Masashi Hara, Director and Executive Officer Operating Officer, General Affairs Division  
 Phone: +81-745-57-0681  
 Scheduled date of filing quarterly securities report: August 10, 2023  
 Scheduled date of commencing dividend payments: -  
 Supplemental Explanatory Materials for Quarterly Account Settlement: Yes  
 Explanatory Meeting for Quarterly Account Settlement to be held: None

(Amounts of less than one million yen are rounded down.)

**1. Consolidated Financial Results for the First Quarter Ended June 30, 2023 (April 1, 2023, to June 30, 2023)**

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
Three months ended June 30, 2023	12,584	36.4	629	(6.7)	675	(8.0)	467	(7.5)
Three months ended June 30, 2022	9,226	4.3	674	(44.7)	734	(42.4)	505	(43.3)

(Note) Comprehensive income: Three months ended June 30, 2023: ¥853 million (up 108.3%)  
 Three months ended June 30, 2022: ¥409 million (down 50.0%)

	Basic earnings per share	Diluted earnings per share
	yen	yen
Three months ended June 30, 2023	31.05	—
Three months ended June 30, 2022	33.58	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	million yen	million yen	%
As of June 30, 2023	59,235	36,428	61.5
As of March 31, 2023	60,522	35,997	59.5

(Reference) Equity: As of June 30, 2023: ¥36,428 million  
 As of March 31, 2023: ¥35,997 million

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended March 31, 2023	Yen —	Yen 28.00	Yen —	Yen 28.00	Yen 56.00
Fiscal year ending March 31, 2024	—				
Fiscal year ending March 31, 2024 (Forecast)		28.00	—	28.00	56.00

(Note) Revisions of the most recently announced cash dividend forecast: None

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024 (April 1, 2023, to March 31, 2024)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Basic earnings per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
First half (cumulative total)	19,000	4.0	1,040	(30.5)	1,100	(29.4)	750	(30.5)	49.76
Full year	41,000	(3.4)	2,920	(5.6)	3,000	(6.8)	2,100	(6.4)	139.34

(Note) Revisions of the most recently announced financial results forecast: None

### Notes

(1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): No

(2) Application of special accounting methods for the preparation of quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates, and restatement

1) Changes in accounting policies due to the revisions of accounting standards: No

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Restatement: No

(4) Total number of issued shares (common stock)

1) Total number of issued shares at the end of the period (including treasury stock):

June 30, 2023: 15,394,379 shares

March 31, 2023: 15,394,379 shares

2) Total number of treasury stock at the end of the period:

June 30, 2023: 323,149 shares

March 31, 2023: 323,149 shares

3) Average number of shares during the period:

Three months ended June 30, 2023: 15,071,230 shares

Three months ended June 30, 2022: 15,062,782 shares

\* This quarterly financial results report is outside the scope of quarterly review to be conducted by certified public accountants or an audit corporation.

\* Explanation of the proper use of financial results forecast and other notes

Performance forecasts and other forward-looking statements contained in this report are based on information available on the date of this report's release. Because of various factors in the future, however, actual results may differ from the forecasts.

## Consolidated Financial Statements

## (1) Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2023	As of June 30, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	11,744,679	10,668,228
Notes and accounts receivable - trade, and contract assets	27,309,645	30,665,477
Electronically recorded monetary claims - operating	419,661	692,416
Securities	2,299,889	199,955
Work in process	311,393	355,231
Raw materials and supplies	335,991	450,389
Other	5,803,417	3,346,340
Allowance for doubtful accounts	△66,174	△68,095
Total current assets	48,158,505	46,309,943
Non-current assets		
Property, plant and equipment	7,408,703	7,476,585
Intangible assets	672,204	632,496
Investments and other assets		
Investment securities	3,630,312	4,176,531
Other	652,692	640,366
Total investments and other assets	4,283,004	4,816,897
Total non-current assets	12,363,912	12,925,980
Total assets	60,522,418	59,235,923

(Thousands of yen)

	As of March 31, 2023	As of June 30, 2023
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	3,442,662	3,451,695
Electronically recorded obligations - operating	4,735,159	6,269,184
Short-term borrowings	10,100,000	6,610,000
Current portion of long-term borrowings	508,416	470,956
Income taxes payable	91,766	319,906
Advances received	1,911,118	1,842,911
Provision for bonuses	260,420	89,767
Provision for product warranties	35,677	34,992
Other	2,343,288	2,692,081
Total current liabilities	23,428,508	21,781,495
Non-current liabilities		
Long-term borrowings	493,300	403,776
Provision for retirement benefits for directors (and other officers)	67,120	70,237
Retirement benefit liability	452,112	454,478
Asset retirement obligations	16,453	16,536
Other	67,820	81,007
Total non-current liabilities	1,096,806	1,026,036
Total liabilities	24,525,314	22,807,531
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,847,821	1,847,821
Capital surplus	1,359,730	1,359,730
Retained earnings	32,099,353	32,145,342
Treasury shares	△376,502	△376,502
Total shareholders' equity	34,930,403	34,976,391
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,124,666	1,506,881
Remeasurements of defined benefit plans	△57,966	△54,881
Total accumulated other comprehensive income	1,066,700	1,452,000
Total net assets	35,997,103	36,428,392
<b>Total liabilities and net assets</b>	<b>60,522,418</b>	<b>59,235,923</b>

## (2) Consolidated Statements of Income and Comprehensive Income

(Consolidated Statements of Income)

(Thousands of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Net sales	9,226,449	12,584,503
Cost of sales	7,748,174	10,769,046
Gross profit	1,478,275	1,815,457
Selling, general and administrative expenses	803,721	1,186,389
Operating profit	674,554	629,068
Non-operating income		
Interest income	1,278	872
Dividend income	48,339	53,897
Other	11,521	9,466
Total non-operating income	61,140	64,236
Non-operating expenses		
Interest expenses	1,485	17,784
Other	0	0
Total non-operating expenses	1,485	17,784
Ordinary profit	734,208	675,520
Extraordinary losses		
Loss on valuation of investment securities	602	—
Total extraordinary losses	602	—
Profit before income taxes	733,606	675,520
Income taxes - current	239,112	330,925
Income taxes - deferred	△11,314	△123,387
Total income taxes	227,797	207,538
Profit	505,808	467,982
Profit attributable to owners of parent	505,808	467,982

## (Consolidated Statements of Comprehensive Income)

(Thousands of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Profit	505,808	467,982
Other comprehensive income		
Valuation difference on available-for-sale securities	△102,774	382,214
Remeasurements of defined benefit plans, net of tax	6,623	3,085
Total other comprehensive income	△96,150	385,300
Comprehensive income	409,657	853,283
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	409,657	853,283
Comprehensive income attributable to non-controlling interests	—	—

#### 4. Production, Orders Received, and Sales

##### (1) Production

Production performance by segment for the three months ended June 30, 2023 is as follows

Name of segment	Production (Thousand yen)	Changes from the previous corresponding period (%)
Coating and laminating machinery	9,050,375	+56.5
Industrial machinery	1,364,402	(21.1)
Others	354,268	+50.5
Total	10,769,046	+39.0

(Note) The above amount is calculated based on production costs and includes outsourcing production.

##### (2) Orders Received

The status of orders received by segment for the three months ended June 30, 2023 is as follows

Name of segment	Orders received (Thousand yen)	Changes from the previous corresponding period (%)	Backlog of orders (Thousand yen)	Changes from the end of the previous fiscal year (%)
Coating and laminating machinery	849,249	(96.5)	59,319,925	(13.9)
Industrial machinery	626,729	(12.5)	8,657,409	(11.2)
Others	337,013	(45.9)	1,157,162	(6.9)
Total	1,812,993	(93.0)	69,134,497	(13.5)

(Note) The above amount is calculated based on sales prices.

##### (3) Sales

Sales performance by segment for the three months ended June 30, 2023 is as follows

Name of segment	Sales (Thousand yen)	Changes from the previous corresponding period (%)
Coating and laminating machinery	10,441,639	+56.8
Industrial machinery	1,720,306	(24.0)
Others	422,557	+38.0
Total	12,584,503	+36.4

(Note) The above amount is calculated based on sales prices.