

Consolidated Financial Results for the Third Quarter Ended December 31, 2024 [Japanese GAAP] (Unaudited)



February 14, 2025

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

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

1. Consolidated Financial Results for the Third Quarter Ended December 31, 2024 (April 1, 2024 to December 31, 2024)

(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	%
Nine months ended December 31, 2024	38,972	12.3	1,830	(30.7)	2,067	(24.6)	1,504	(21.8)
Nine months ended December 31, 2023	34,709	14.8	2,638	13.9	2,740	13.2	1,924	14.9

(Note) Comprehensive income: Nine months ended December 31, 2024: ¥1,821 million (down 24.7%)

Nine months ended December 31, 2023: ¥2,419 million (up 36.1%)

	Basic earnings per share	Diluted earnings per share
	yen	yen
Nine months ended December 31, 2024	99.50	—
Nine months ended December 31, 2023	127.64	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	million yen	million yen	%
As of December 31, 2024	69,448	38,818	55.9
As of March 31, 2024	62,929	38,562	61.3

(Reference) Equity: As of December 31, 2024: ¥38,818 million

As of March 31, 2024: ¥38,562 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended March 31, 2024	Yen —	Yen 28.00	Yen —	Yen 60.00	Yen 88.00
Fiscal year ending March 31, 2025	—	45.00	—		
Fiscal year ending March 31, 2025 (Forecast)				45.00	90.00

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

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(% 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
Full year	44,000	(6.3)	2,900	(10.4)	3,000	(11.6)	2,100	(13.9)	139.25

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

Notes

(1) Significant changes in the scope of consolidation during the period under review: 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: Yes
- 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):

December 31, 2024: 15,394,379 shares

March 31, 2024: 15,394,379 shares

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

December 31, 2024: 270,063 shares

March 31, 2024: 281,056 shares

- 3) Average number of shares during the period:

Nine months ended December 31, 2024: 15,118,740 shares

Nine months ended December 31, 2023: 15,076,613 shares

* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit corporation: No

* 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, 2024	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	14,279,509	9,393,056
Notes and accounts receivable - trade, and contract assets	30,092,299	40,380,453
Electronically recorded monetary claims - operating	944,932	359,113
Work in process	212,138	494,061
Raw materials and supplies	382,003	364,580
Advance payments to suppliers	1,785,311	3,473,564
Other	2,010,748	1,516,931
Allowance for doubtful accounts	△67,734	△30,964
Total current assets	49,639,209	55,950,797
Non-current assets		
Property, plant and equipment	7,511,235	7,486,719
Intangible assets	560,185	445,632
Investments and other assets		
Investment securities	4,483,115	4,871,758
Other	735,822	693,395
Total investments and other assets	5,218,937	5,565,153
Total non-current assets	13,290,359	13,497,505
Total assets	62,929,568	69,448,302

(Thousands of yen)

	As of March 31, 2024	As of December 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	4,680,865	10,197,099
Electronically recorded obligations - operating	5,384,362	3,223,927
Short-term borrowings	6,000,000	10,650,000
Current portion of long-term borrowings	451,840	470,956
Income taxes payable	706,874	66,677
Advances received	3,252,184	1,449,650
Provision for bonuses	279,676	95,503
Provision for product warranties	34,662	60,458
Other	2,175,034	3,021,807
Total current liabilities	22,965,499	29,236,079
Non-current liabilities		
Long-term borrowings	491,460	413,760
Provision for retirement benefits for directors (and other officers)	62,750	61,503
Retirement benefit liability	442,135	460,758
Asset retirement obligations	16,786	17,041
Other	388,531	440,538
Total non-current liabilities	1,401,663	1,393,602
Total liabilities	24,367,162	30,629,682
Net assets		
Shareholders' equity		
Share capital	1,847,821	1,847,821
Capital surplus	1,389,886	1,398,360
Retained earnings	33,693,483	33,610,451
Treasury shares	△327,459	△314,253
Total shareholders' equity	36,603,732	36,542,380
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,960,455	2,276,767
Foreign currency translation adjustment	△16,238	△22,271
Remeasurements of defined benefit plans	14,457	21,744
Total accumulated other comprehensive income	1,958,673	2,276,240
Total net assets	38,562,405	38,818,620
Total liabilities and net assets	62,929,568	69,448,302

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

(Thousands of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Net sales	34,709,629	38,972,690
Cost of sales	28,866,129	33,468,496
Gross profit	5,843,500	5,504,194
Selling, general and administrative expenses	3,204,517	3,674,110
Operating profit	2,638,982	1,830,083
Non-operating income		
Interest income	1,204	970
Dividend income	99,180	122,120
Insurance claim income	—	29,160
Recoveries of written off receivables	—	90,000
Other	46,210	63,352
Total non-operating income	146,596	305,603
Non-operating expenses		
Interest expenses	42,983	57,602
Loss on sale of non-current assets	—	1,534
Loss on retirement of non-current assets	1,480	7,974
Other	182	941
Total non-operating expenses	44,645	68,053
Ordinary profit	2,740,933	2,067,634
Extraordinary losses		
Loss on sale of investment securities	—	7,369
Total extraordinary losses	—	7,369
Profit before income taxes	2,740,933	2,060,264
Income taxes - current	549,829	608,921
Income taxes - deferred	266,610	△53,018
Total income taxes	816,440	555,903
Profit	1,924,493	1,504,361
Profit attributable to owners of parent	1,924,493	1,504,361

(Consolidated Statements of Comprehensive Income)

(Thousands of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Profit	1,924,493	1,504,361
Other comprehensive income		
Valuation difference on available-for-sale securities	501,289	316,311
Foreign currency translation adjustment	△15,916	△6,033
Remeasurements of defined benefit plans, net of tax	9,255	7,287
Total other comprehensive income	494,629	317,566
Comprehensive income	2,419,122	1,821,927
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,419,122	1,821,927
Comprehensive income attributable to non-controlling interests	—	—

3. Production, Orders Received, and Sales

(1) Production

Production performance by segment for the nine months ended December 31, 2024 is as follows

Name of segment	Production (Thousand yen)	Changes from the previous corresponding period (%)
Coating and laminating machinery	29,255,437	+23.7
Industrial machinery	3,347,654	(24.4)
Others	865,404	+10.7
Total	33,468,496	+15.9

(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 nine months ended December 31, 2024 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	20,847,239	+64.8	42,671,628	(23.5)
Industrial machinery	3,441,764	+2.0	5,700,614	(5.8)
Others	1,016,648	(16.1)	768,900	(23.0)
Total	25,305,652	+46.8	49,141,144	(21.8)

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

(3) Sales

Sales performance by segment for the nine months ended December 31, 2024 is as follows

Name of segment	Sales (Thousand yen)	Changes from the previous corresponding period (%)
Coating and laminating machinery	33,935,706	+21.2
Industrial machinery	3,790,718	(31.4)
Others	1,246,266	+5.4
Total	38,972,690	+12.3

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