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Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 [Japanese GAAP] (Unaudited)



May 9, 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 Ordinary General Meeting of Shareholders: June 26, 2025
 Scheduled date of commencing dividend payments: June 27, 2025
 Scheduled date of filing annual securities report: June 25, 2025
 Supplemental Explanatory Materials for Account Settlement: Yes
 Explanatory Meeting for Account Settlement to be held: Yes (for institutional investors and analysts)

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

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

(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	%
Fiscal year ended March 31, 2025	48,355	3.0	1,681	(48.0)	1,894	(44.2)	905	(62.8)
Fiscal year ended March 31, 2024	46,946	10.7	3,236	4.6	3,394	5.4	2,438	8.7

(Note) Comprehensive income: Fiscal year ended March 31, 2025: ¥1,243million (down 62.6%)

Fiscal year ended March 31, 2024: ¥3,330 million (up 41.1%)

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary income to total assets	Operating income to net sales
	yen	yen	%	%	%
Fiscal year ended March 31, 2025	59.91	—	2.4	3.0	3.5
Fiscal year ended March 31, 2024	161.69	—	6.5	5.5	6.9

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	million yen	million yen	%	yen
As of March 31, 2025	61,693	38,240	62.0	2,528.43
As of March 31, 2024	62,929	38,562	61.3	2,551.55

(Reference) Equity: As of March 31, 2025: ¥38,240 million

As of March 31, 2024: ¥38,562 million

(3) Consolidated Cash Flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
	million yen	million yen	million yen	million yen
Fiscal year ended March 31, 2025	(724)	(147)	(1,776)	11,252
Fiscal year ended March 31, 2024	5,530	85	(5,004)	13,741

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	million yen	%	%
Fiscal year ended March 31, 2024	—	28.00	—	60.00	88.00	1,329	54.4	3.4
Fiscal year ended March 31, 2025	—	45.00	—	45.00	90.00	1,361	150.2	3.6
Fiscal year ending March 31, 2026 (Forecast)	—	42.00	—	42.00	84.00		115.5	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(% 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)	16,750	(31.3)	750	(26.8)	800	(33.4)	550	(36.6)	36.38
Full year	33,500	(30.7)	1,500	(10.8)	1,600	(15.6)	1,100	21.4	72.75

Notes

(1) Significant changes in the scope of consolidation during the period under review: No

(2) 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

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

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

March 31, 2025: 15,394,379 shares

March 31, 2024: 15,394,379 shares

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

March 31, 2025: 270,183 shares

March 31, 2024: 281,056 shares

3) Average number of shares during the period:

Fiscal year ended March 31, 2025: 15,119,993 shares

Fiscal year ended March 31, 2024: 15,080,264 shares

(Reference) Outline of Non-consolidated Financial Results

Non-Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(1) Operating Results

(% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Fiscal year ended March 31, 2025	29,772	(31.0)	438	(83.9)	733	(74.8)	128	(94.1)
Fiscal year ended March 31, 2024	43,157	5.0	2,724	(3.3)	2,910	(4.9)	2,177	(0.2)

	Basic earnings per share	Diluted earnings per share
	yen	yen
Fiscal year ended March 31, 2025	8.49	—
Fiscal year ended March 31, 2024	144.38	—

(2) Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	million yen	million yen	%	yen
As of March 31, 2025	44,723	27,672	61.9	1,829.66
As of March 31, 2024	49,727	28,917	58.2	1,913.36

(Reference) Equity: As of March 31, 2025: ¥27,672 million
As of March 31, 2024: ¥28,917 million

* This financial results report is outside the scope of auditing 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, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	14,279,509	11,755,531
Notes and accounts receivable - trade, and contract assets	30,092,299	31,024,785
Electronically recorded monetary claims - operating	944,932	602,915
Work in process	212,138	123,415
Raw materials and supplies	382,003	310,363
Advance payments to suppliers	1,785,311	2,750,619
Other	2,010,748	1,962,474
Allowance for doubtful accounts	△67,734	△24,671
Total current assets	49,639,209	48,505,434
Non-current assets		
Property, plant and equipment		
Buildings and structures	6,989,624	7,143,543
Accumulated depreciation	△2,951,719	△3,167,166
Buildings and structures, net	4,037,905	3,976,377
Machinery, equipment and vehicles	4,260,897	4,162,117
Accumulated depreciation	△3,105,816	△3,099,929
Machinery, equipment and vehicles, net	1,155,080	1,062,187
Land	2,099,292	2,099,292
Leased assets	12,456	107,451
Accumulated depreciation	△9,533	△28,799
Leased assets, net	2,923	78,652
Construction in progress	17,556	10,213
Other	997,875	1,067,525
Accumulated depreciation	△799,398	△856,834
Other, net	198,477	210,690
Total property, plant and equipment	7,511,235	7,437,414
Intangible assets		
Software	558,749	414,979
Telephone subscription right	516	516
Other	919	1,250
Total intangible assets	560,185	416,746
Investments and other assets		
Investment securities	4,483,115	4,481,501
Long-term prepaid expenses	94,006	78,862
Distressed receivables		478,477
Retirement benefit asset	146,571	202,840
Deferred tax assets	139,054	183,565
Other	356,190	386,923
Allowance for doubtful accounts	—	△478,477
Total investments and other assets	5,218,937	5,333,693
Total non-current assets	13,290,359	13,187,855
Total assets	62,929,568	61,693,290

(Thousands of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	4,680,865	9,163,114
Electronically recorded obligations - operating	5,384,362	1,464,405
Short-term borrowings	6,000,000	6,000,000
Current portion of long-term borrowings	451,840	428,596
Lease liabilities	2,252	21,471
Accounts payable - other	1,718,955	2,113,048
Accrued expenses	164,893	146,114
Income taxes payable	706,874	341,012
Advances received	3,252,184	2,209,161
Provision for bonuses	279,676	291,180
Provision for product warranties	34,662	66,393
Other	288,933	261,012
Total current liabilities	22,965,499	22,505,509
Non-current liabilities		
Long-term borrowings	491,460	329,136
Lease liabilities	671	57,347
Deferred tax liabilities	323,363	—
Provision for retirement benefits for directors (and other officers)	62,750	64,990
Retirement benefit liability	442,135	433,706
Asset retirement obligations	16,786	17,126
Other	64,497	44,933
Total non-current liabilities	1,401,663	947,239
Total liabilities	24,367,162	23,452,749
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	33,011,988
Treasury shares	△327,459	△314,313
Total shareholders' equity	36,603,732	35,943,857
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,960,455	2,176,079
Foreign currency translation adjustment	△16,238	46,057
Remeasurements of defined benefit plans	14,457	74,546
Total accumulated other comprehensive income	1,958,673	2,296,682
Total net assets	38,562,405	38,240,540
Total liabilities and net assets	62,929,568	61,693,290

(2) Consolidated Statements of Income and Comprehensive Income

(Consolidated Statements of Income)

(Thousands of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales	46,946,274	48,355,528
Cost of sales	39,434,331	41,833,373
Gross profit	7,511,943	6,522,154
Selling, general and administrative expenses		
Sales commission	1,901,019	2,350,838
Salaries and allowances	746,846	749,776
Remuneration for directors (and other officers)	193,808	194,311
Provision for bonuses	66,753	72,206
Retirement benefit expenses	41,623	48,616
Provision for retirement benefits for directors (and other officers)	14,830	14,310
Legal and other welfare expenses	183,569	180,471
Travel, transportation and communication expenses	120,751	132,700
Depreciation	167,638	215,201
Rent expenses	54,896	102,859
Provision of allowance for doubtful accounts	1,560	9,475
Other	782,276	769,836
Total selling, general and administrative expenses	4,275,573	4,840,604
Operating profit	3,236,369	1,681,549
Non-operating income		
Interest income	1,706	1,508
Dividend income	99,391	122,386
Purchase discounts	4,458	2,815
Insurance claim income	34,999	29,160
Recoveries of written off receivables	—	90,000
Subsidy income	15,534	8,347
Other	61,026	67,663
Total non-operating income	217,116	321,880
Non-operating expenses		
Interest expenses	54,462	86,174
Loss on sale of non-current assets	—	1,534
Loss on retirement of non-current assets	1,480	18,911
Other	3,208	2,045
Total non-operating expenses	59,151	108,666
Ordinary profit	3,394,334	1,894,763
Extraordinary income		
Gain on sale of investment securities	127,612	—
Total extraordinary income	127,612	—

(Thousands of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Extraordinary losses		
Loss on sale of investment securities	106	7,369
Loss on redemption of investment securities	—	19,640
Provision of allowance for doubtful accounts	—	478,477
Total extraordinary losses	106	505,487
Profit before income taxes	3,521,840	1,389,275
Income taxes - current	1,117,258	610,297
Income taxes for prior periods	—	385,000
Income taxes - deferred	△33,838	△511,919
Total income taxes	1,083,420	483,377
Profit	2,438,419	905,898
Profit attributable to owners of parent	2,438,419	905,898

(Consolidated Statements of Comprehensive Income)

(Thousands of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit	2,438,419	905,898
Other comprehensive income		
Valuation difference on available-for-sale securities	835,788	215,624
Foreign currency translation adjustment	△16,238	62,295
Remeasurements of defined benefit plans, net of tax	72,423	60,088
Total other comprehensive income	891,973	338,009
Comprehensive income	3,330,393	1,243,907
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,330,393	1,243,907
Comprehensive income attributable to non-controlling interests	—	—

(3) Consolidated Statements of Changes in Net Assets

Previous fiscal year (From April 1, 2023 to March 31, 2024)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,847,821	1,359,730	32,099,353	△376,502	34,930,403
Changes during period					
Dividends of surplus			△844,290		△844,290
Profit attributable to owners of parent			2,438,419		2,438,419
Disposal of treasury shares		30,156		49,042	79,198
Net changes in items other than shareholders' equity					—
Total changes during period	—	30,156	1,594,129	49,042	1,673,328
Balance at end of period	1,847,821	1,389,886	33,693,483	△327,459	36,603,732

(Thousands of yen)

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	1,124,666	—	△57,966	1,066,700	35,997,103
Changes during period					
Dividends of surplus					△844,290
Profit attributable to owners of parent					2,438,419
Disposal of treasury shares					79,198
Net changes in items other than shareholders' equity	835,788	△16,238	72,423	891,973	891,973
Total changes during period	835,788	△16,238	72,423	891,973	2,565,302
Balance at end of period	1,960,455	△16,238	14,457	1,958,673	38,562,405

Current fiscal year(From April 1, 2024 to March 31, 2025)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,847,821	1,389,886	33,693,483	△327,459	36,603,732
Changes during period					
Dividends of surplus			△1,587,393		△1,587,393
Profit attributable to owners of parent			905,898		905,898
Purchase of treasury shares				△59	△59
Disposal of treasury shares		8,474		13,205	21,680
Net changes in items other than shareholders' equity					—
Total changes during period	—	8,474	△681,495	13,146	△659,874
Balance at end of period	1,847,821	1,398,360	33,011,988	△314,313	35,943,857

(Thousands of yen)

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	1,960,455	△16,238	14,457	1,958,673	38,562,405
Changes during period					
Dividends of surplus					△1,587,393
Profit attributable to owners of parent					905,898
Purchase of treasury shares					△59
Disposal of treasury shares					21,680
Net changes in items other than shareholders' equity	215,624	62,295	60,088	338,009	338,009
Total changes during period	215,624	62,295	60,088	338,009	△321,864
Balance at end of period	2,176,079	46,057	74,546	2,296,682	38,240,540

(4) Consolidated Statements of Cash Flows

(Thousands of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	3,521,840	1,389,275
Depreciation	754,452	821,575
Amortization of long-term prepaid expenses	30,292	28,570
Increase (decrease) in provision for bonuses	19,256	11,504
Increase (decrease) in allowance for doubtful accounts	1,560	435,296
Increase (decrease) in provision for retirement benefits for directors (and other officers)	△4,370	2,240
Increase (decrease) in provision for product warranties	△1,015	31,731
Decrease (increase) in retirement benefit asset	10,586	5,768
Increase (decrease) in retirement benefit liability	10,084	17,723
Interest and dividend income	△101,097	△123,894
Interest expenses	54,462	86,174
Loss (gain) on sale of non-current assets	△1,220	485
Loss on retirement of non-current assets	2,960	18,911
Loss (gain) on sale of investment securities	△127,505	7,369
Decrease (increase) in accounts receivable - trade, and contract assets	△3,379,277	△267,141
Decrease (increase) in distressed receivables	—	△478,477
Recoveries of written off receivables	—	△90,000
Decrease (increase) in inventories	△124,880	△2,177
Increase (decrease) in advances received	1,379,743	△1,117,741
Increase (decrease) in trade payables	1,936,849	160,156
Increase (decrease) in accounts payable - other	△156,471	381,556
Increase (decrease) in accrued expenses	5,863	△19,007
Decrease (increase) in advance payments to suppliers	1,704,099	△876,969
Decrease (increase) in consumption taxes refund receivable	229,859	427,907
Increase (decrease) in accrued consumption taxes	72,889	△72,889
Other, net	32,445	179,111
Subtotal	5,871,408	957,058
Interest and dividends received	101,003	123,894
Interest paid	△54,462	△86,174
Income taxes paid	△513,357	△1,724,867
Income taxes refund	126,170	5,686
Net cash provided by (used in) operating activities	5,530,761	△724,402

(Thousands of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from investing activities		
Payments into time deposits	△1,000	△1,000
Proceeds from withdrawal of time deposits	46,000	36,000
Proceeds from sale of securities	300,000	—
Purchase of property, plant and equipment	△592,403	△508,583
Proceeds from sale of property, plant and equipment	2,200	3,605
Purchase of intangible assets	△59,244	△25,053
Purchase of investment securities	△5,405	△12,089
Proceeds from sale and redemption of investment securities	471,241	340,947
Proceeds from written of receivables	—	90,000
Other, net	△75,826	△71,731
Net cash provided by (used in) investing activities	85,562	△147,904
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	△4,100,000	—
Proceeds from long-term borrowings	450,000	320,000
Repayments of long-term borrowings	△508,416	△505,568
Dividends paid	△843,841	△1,585,076
Other, net	△2,491	△5,809
Net cash provided by (used in) financing activities	△5,004,748	△1,776,454
Effect of exchange rate change on cash and cash equivalents	△31,729	159,783
Net increase (decrease) in cash and cash equivalents	579,846	△2,488,977
Cash and cash equivalents at beginning of period	13,161,663	13,741,509
Cash and cash equivalents at end of period	13,741,509	11,252,531

2. Production, Orders Received, and Sales

(1) Production

Production performance by segment for the current consolidated fiscal year is as follows

(Thousand yen)

Name of segment	Previous consolidated fiscal year (April 1, 2023 to March 31, 2024)	Current consolidated fiscal year (April 1, 2024 to March 31, 2025)
Coating and laminating machinery	31,915,042	36,581,848
Industrial machinery	6,232,089	4,018,183
Others	1,287,199	1,233,342
Total	39,434,331	41,833,373

(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 current consolidated fiscal year is as follows

(Thousand yen)

Name of segment	Orders received		Backlog of orders	
	Previous consolidated fiscal year	Current consolidated fiscal year	Previous consolidated fiscal year	Current consolidated fiscal year
Coating and laminating machinery	24,222,568	26,596,309	55,760,095	40,335,534
Industrial machinery	4,149,156	5,127,770	6,049,567	6,531,532
Others	1,476,723	1,382,779	998,518	692,447
Total	29,848,448	33,106,859	62,808,182	47,559,514

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

(3) Sales

Sales performance by segment for the current consolidated fiscal year is as follows

(Thousand yen)

Name of segment	Previous consolidated fiscal year (April 1, 2023 to March 31, 2024)	Current consolidated fiscal year (April 1, 2024 to March 31, 2025)
Coating and laminating machinery	37,374,786	42,020,870
Industrial machinery	7,850,575	4,645,805
Others	1,720,912	1,688,851
Total	46,946,274	48,355,528

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