

# **Consolidated Financial Results**

## **2Q FY2025**

November 14, 2025

# **HIRANO TECSEED**

- **Results Highlights**
- **2Q FY2025 Results**
- **2Q FY2025 Results by Segment**
- **FY2025 Outlook**
- **Appendix**

<b>Company Name</b>	HIRANO TECSEED Co., Ltd.
<b>Representative</b>	Kaoru Okada, President, Representative Director
<b>Paid-in Capital</b>	¥1,847,821,000 (as of end-September 2025)
<b>Headquarters</b>	101-1, Kawai, Kawai-cho, Kitakatsuragi-gun, Nara Pref. 636-0051, Japan
<b>Group Companies (wholly-owned)</b>	• HIRANO GIKENKOGYO Co., Ltd. • HIRANO K&E Co., Ltd., • HIRANO AMERICA, INC.
<b>Number of Employees</b>	317 (Consolidated: 419, as of end-September 2025)
<b>Securities Code</b>	6245 (Industry: Machinery)

## 2Q FY2025 Results

	2Q FY2025	YoY Change
Net Sales	¥ 18,157mn	¥ -6,230mn -25.5%
Operating Income	¥ 1,209mn	¥ 184mn +18.0%
Operating Income Margin	6.7%	+2.5pts

## FY2025 Earnings Forecasts

	FY2025 Forecasts	YoY Change
Net Sales	¥ 33,500mn	¥ -14,855mn -30.7%
Operating Income	¥ 1,500mn	¥ -181mn -10.8%
Operating Income Margin	4.5%	+1.0pts
ROE	2.9%	+0.5pts

## Topics

### 2Q FY2025 Results

- ✓ Sales revenue down YoY but compared strongly to 2Q guidance owing to progress on machinery projects and supplementary work in North America, particularly in the energy sector, machinery projects in Japan, and the contribution of machinery modification/relocation projects in Japan and overseas.
- ✓ Income rose despite a still sluggish EV market on the contribution of changes in location, restart of projects that were on hold, component and modification orders, and working through the order backlog in non-energy areas.

### FY2025 Forecasts

- ✓ Increasing uncertainty in the outlook for EV market conditions from factors such as oversupply of EV batteries from China as well as a shift in the US government's environmental policy. Prospects for future expansion in non-automotive applications, such as stationary storage batteries.
- ✓ Aim to raise income by proactive marketing activities in various non-EV markets, particularly in Japan and East Asia, and by tapping into latent demand for machinery modification and supply of various components as well as for new machinery.

A grayscale image of the moon's surface, showing craters and lunar terrain. A white horizontal band is overlaid across the center of the image, serving as a background for the text.

# 2Q FY2025 Results

# Overview of 2Q FY2025 Results

## 2Q FY2025 Results

(Unit: ¥ million)	2Q FY2024	2Q FY2025	Change	YoY(%)
	a	b	b-a	(b-a)/a
Order	18,567	7,397	-11,169	-60.2%
Net Sales	24,388	18,157	-6,230	-25.5%
Operating Income	1,024	1,209	+184	+18.0%
Operating Income Margin	4.2%	6.7%	+2.5pts	-
Ordinary Income	1,201	1,275	+73	+6.1%
Ordinary Income Margin	4.9%	7.0%	+2.1pts	-
Net Income	867	901	+34	+3.9%
Net Income Margin	3.6%	5.0%	+1.4pts	-

## 2Q FY2025 Results Overview

- ✓ Orders: Volume down overall on temporary easing in special demand for machinery installation for existing EV applications, fall in demand for related supplementary work, and few large-lot machinery orders.
- ✓ Net sales: Ended down YoY despite progress via customer negotiations on projects stalled due to factors such as delivery postponement, contributions from supplementary work and work on domestic projects, as well as working through the order backlog for lithium-ion battery-related products in the Coating and Laminating Machinery segment.
- ✓ Operating income: Operating income margin up on steady production of machinery for the EV market, the partial recovery of additional costs for relocation work and progress on projects on hold via customer negotiations, work on production for domestic projects, and productivity improvement measures to reduce CoGS losses.
- ✓ Ordinary income: Up on higher operating income and higher dividend income despite rise in interest payable on borrowings.
- ✓ Net income: Up on higher ordinary income.

## 2Q FY2025 Results by Segment



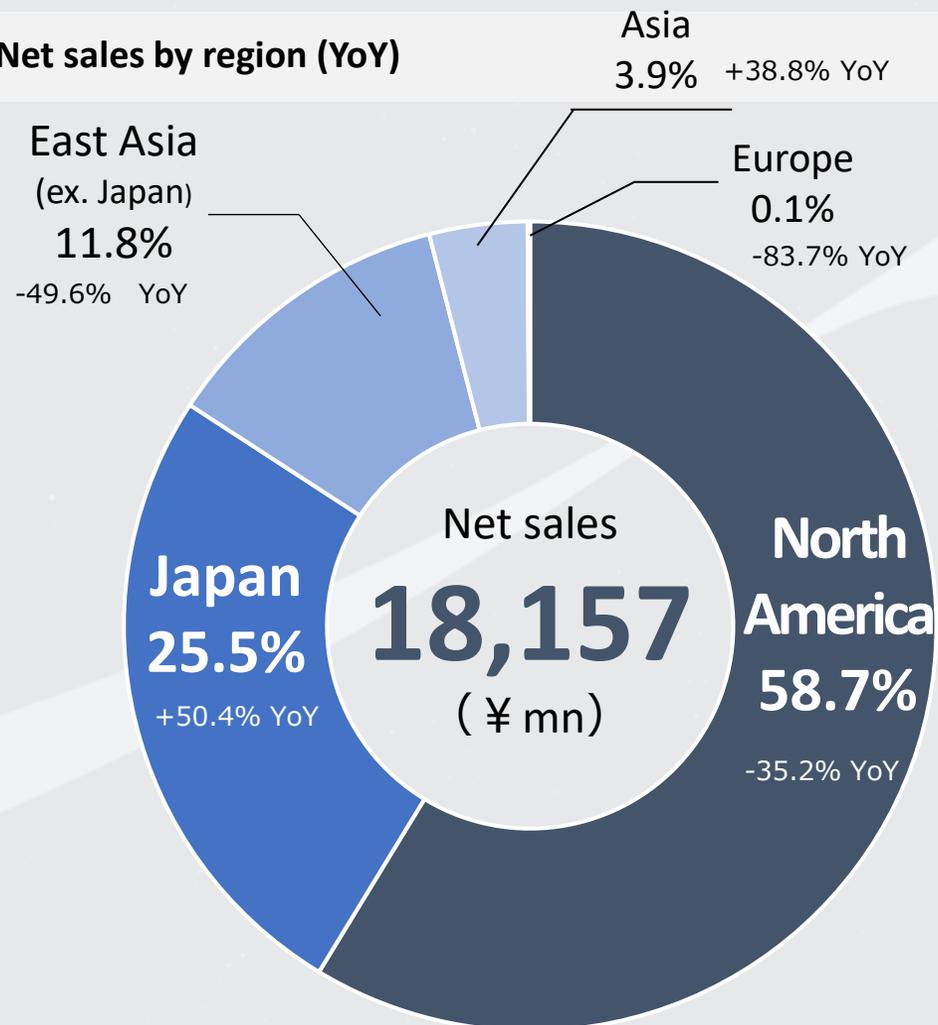
(Unit: ¥ million)

		2Q FY2024	2Q FY2025	Change	YoY(%)
		a	b	b-a	(b-a)/a
Coating and Laminating Machinery Segment	Orders	16,126	5,428	-10,697	-66.3%
	Net Sales	20,629	15,051	-5,578	-27.0%
	Operating income margin	1,364 (6.6%)	1,670 (11.1%)	+305 (+4.5pts)	+22.4%
Industrial Machinery Segment	Orders	1,719	1,389	-330	-19.2%
	Net Sales	2,941	2,309	-631	-21.5%
	Operating income margin	244 (8.3%)	397 (17.2%)	+153 (+8.9pts )	+62.8%
Others, Adjustments	Orders	721	579	-142	-19.7%
	Net Sales	817	796	-20	-2.5%
	Operating income margin	149 (18.2%)	5 (0.7%)	-143 (-17.6pts )	-96.4%
Consolidated total	Orders	18,567	7,397	-11,169	-60.2%
	Net Sales	24,388	18,157	-6,230	-25.5%
	Operating income margin	1,757	2,072	+315	+18.0%
	All-company costs	732	863	+130	+17.9%
	Operating income* <sup>1</sup>	1,024 (4.2%)	1,209 (6.7%)	+184 (+2.5pts)	+18.0%

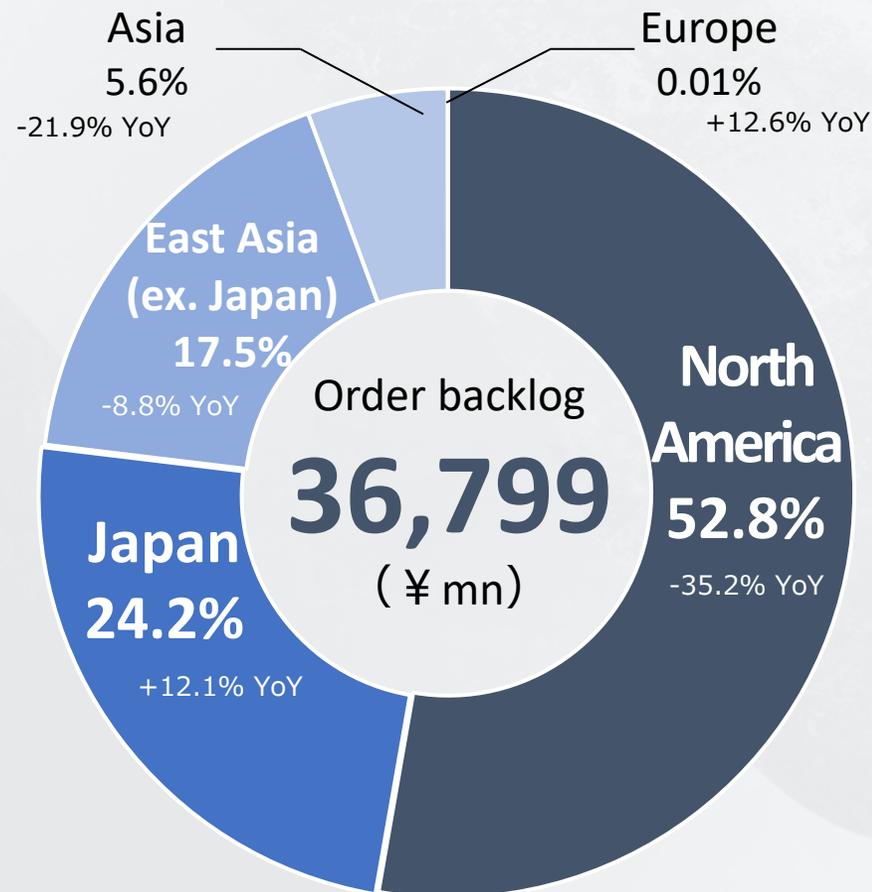
\* 1 : After adjustment for SG&A costs not assignable to any reporting segment

# 2Q FY2025 Net Sales Weighting / Order Backlog by Region

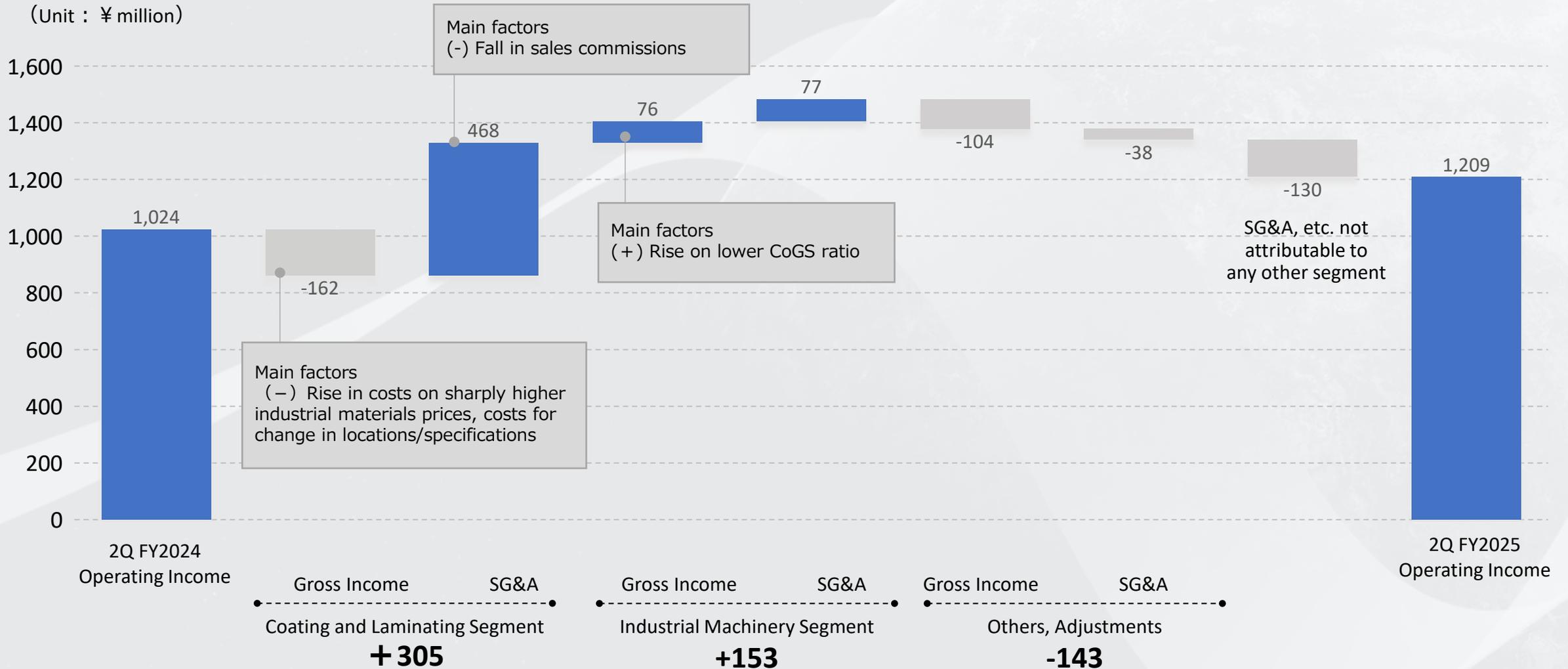
**Net sales by region (YoY)**



**Order backlog by region (YoY)**



# Factors for Change in 2Q FY2025 Operating Income



# 2Q FY2025 Balance Sheet

(Unit : ¥ million)

	End-FY2024	2Q FY2025	
	Value	Value	Change
Current Assets	48,505	43,148	-5,356
Fixed Assets	13,187	13,881	+693
Tangible Fixed Assets	7,437	7,475	+38
Intangible Fixed Assets	416	363	-52
Investments and Other Assets	5,333	6,041	+707
<b>Total Assets</b>	<b>61,693</b>	<b>57,029</b>	<b>-4,663</b>
Current Liabilities	22,505	16,701	-5,803
Fixed Liabilities	947	1,386	+439
<b>Net Assets</b>	<b>38,240</b>	<b>38,940</b>	<b>+700</b>
<b>Equity Ratio</b>	<b>62.0%</b>	<b>68.3%</b>	<b>+6.3pts</b>

## Assets (vs. end-FY2024)

Current Assets Down ¥ 5,356mn

- ✓ Accounts receivable and contract assets Down ¥4,796mn
- ✓ Advance payments Down ¥899mn
- ✓ Cash and deposits Up ¥1,108mn

Fixed Assets Up ¥ 693mn

- ✓ Tangible fixed assets Up ¥38mn
- ✓ Intangible fixed assets Down ¥52mn
- ✓ Investments and other assets Up ¥707mn

## Liabilities (vs. end-FY2024)

Current Liabilities Down ¥ 5,803mn

- ✓ Procurement liabilities Down ¥3,288mn
- ✓ Short-term borrowings Down ¥2,450mn

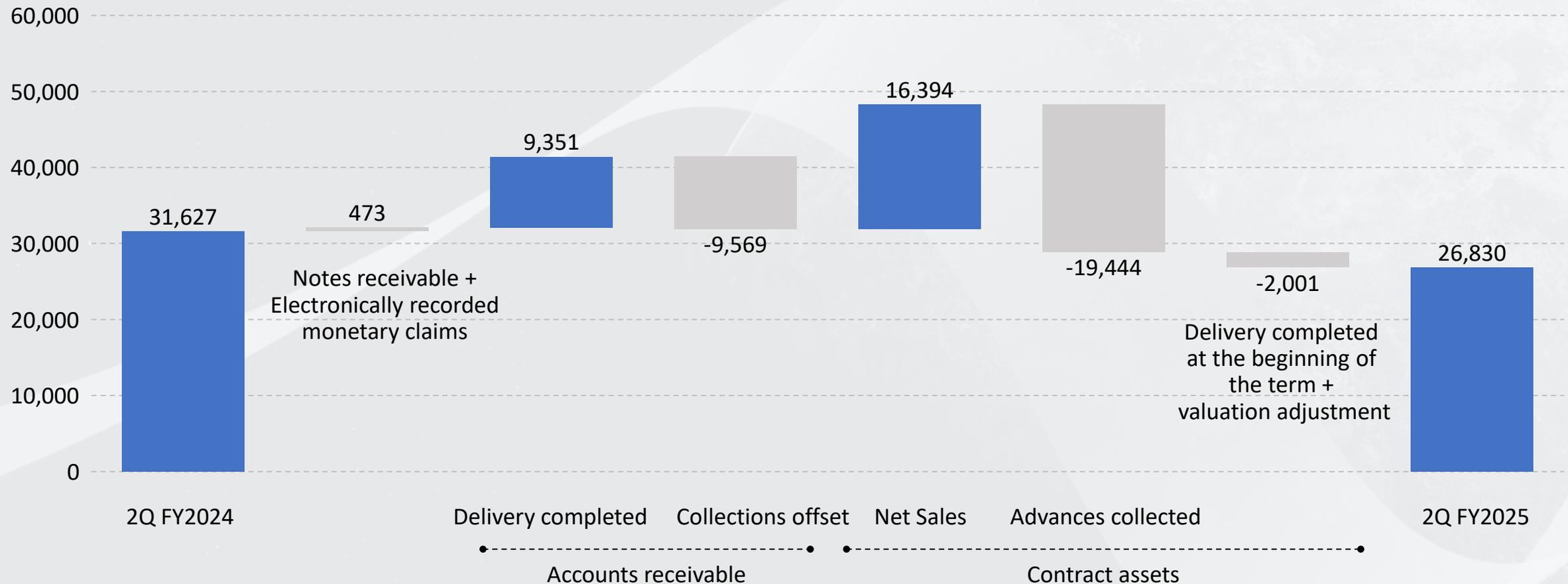
Fixed Liabilities Up ¥ 439mn

## Net Assets (vs. end-FY2024)

Net Assets Up ¥ 700mn

# Change in Notes and Accounts Receivable – Trade and Contracts Assets, and Electronically Recorded Monetary Claims

(Unit : ¥ million)



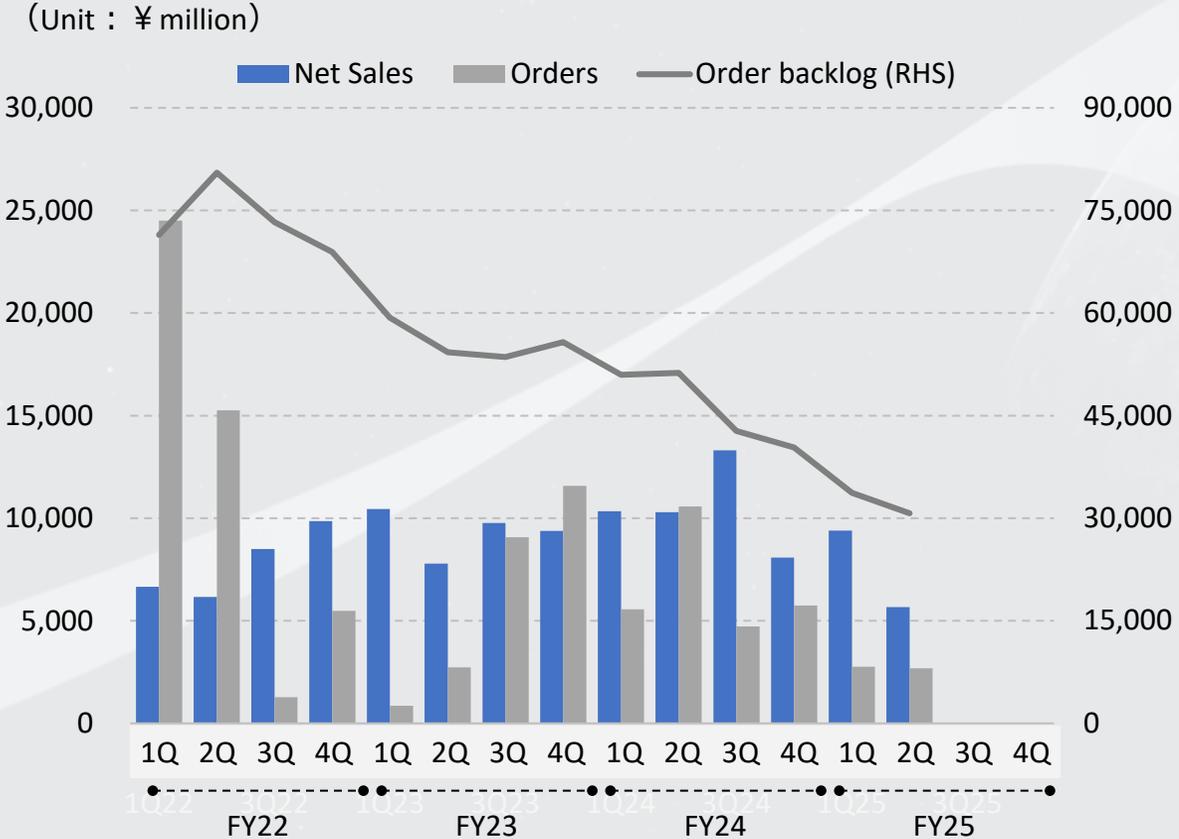
The background features a grayscale image of the Earth and the Moon in space. The Earth is on the left, and the Moon is on the right, both partially visible. A white horizontal band runs across the center of the image, containing the text. The overall aesthetic is clean and professional.

# 2Q FY2025 Results by Segment

# Order backlog, Net Sales, and Orders in the Coating and Laminating Machinery Segment



## Order backlog, net sales and orders in the Coating and Laminating Machinery Segment



## Highlights in the Coating and Laminating Machinery Segment

- Market conditions**

  - ✓ Reshoring of production to the US weak despite change in US trade policy
  - ✓ Growth in EV market areas continues to slow despite prospects for expansion in some areas of the energy sector such as stationary storage batteries
  - ✓ Cautious approach to capex evident despite inquiries in some areas, such as optical films

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- Orders**

  - ✓ Ongoing tough order conditions for machinery owing to wait-and-see approach to capex and fall in demand for supplementary work in expanded business areas undertaken at the request of customers
  - ✓ Focus on short lead time modification orders for existing machinery and capture of orders for components as well as machinery

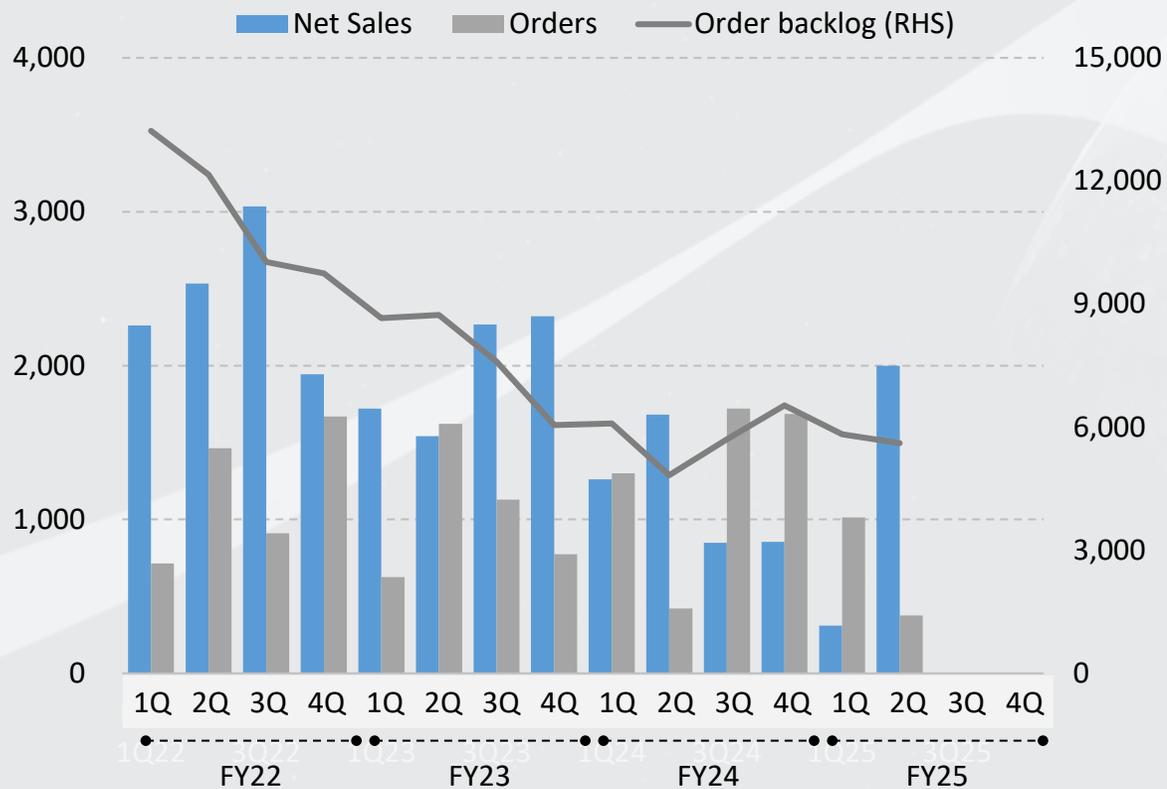
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- Net sales**

  - ✓ Progress on working through order projects, mainly in energy-related areas
  - ✓ Working through order backlog for supplementary work too (such as machinery mountings and electrical work)

## Order backlog, net sales and orders in the Industrial Machinery Segment

(Unit : ¥ million)



## Highlights in the Industrial Machinery Segment

Market conditions

- ✓ Some investment appetite, mainly in film making systems for electronic materials applications such as MLCC and polyimide films, but cautious approach to capex too as customers monitor the impact of US trade policy

Orders

- ✓ Inquiries from industry majors in regions such as Japan, Southeast Asia, and China resulting in some orders, but overall weak transition into order volume
- ✓ Increased efforts to capture new orders, including film making systems for electronic materials applications

Net sales

- ✓ Production volume remained low in 1Q despite film making systems for electronics materials applications becoming the main focus
- ✓ Sales contribution in 2Q from production for industrial materials for MLCC applications



# FY2025 Outlook

# FY2025 Earnings Forecasts



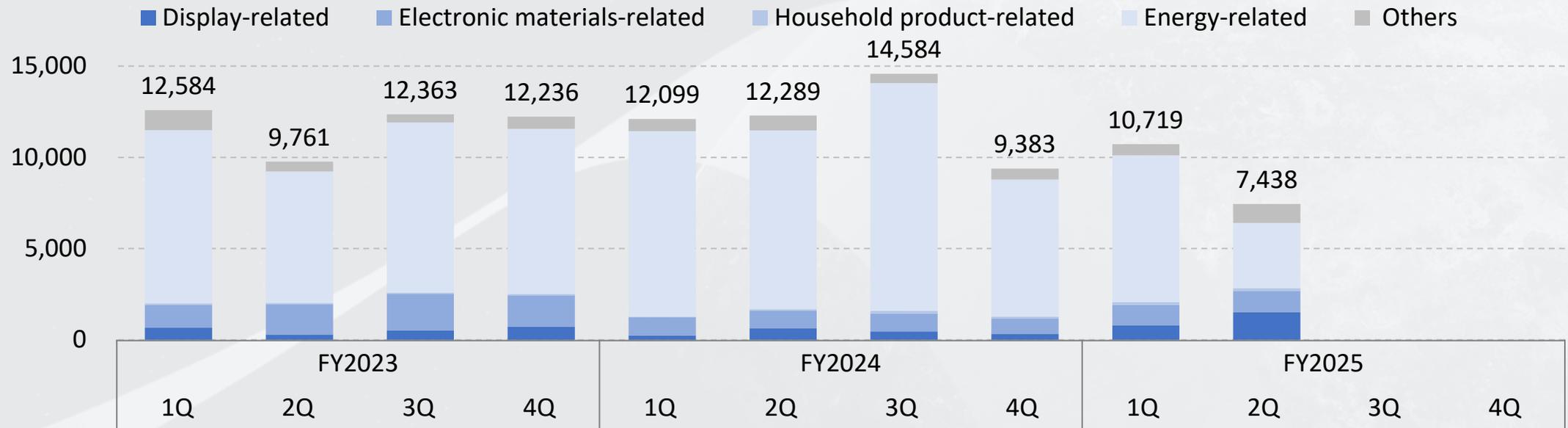
(Unit : ¥ million)	FY2024	FY2025 Forecast	YoY Change	
	a	b	Change b-a	Change (%) (b-a)/a
Net Sales	48,355	33,500	-14,855	-30.7%
Operating Income	1,681	1,500	-181	-10.8%
Operating Income Margin	3.5%	4.5%	+1.0pts	-
Ordinary Income	1,894	1,600	-294	-15.6%
Ordinary Income Margin	3.9%	4.8%	+0.9pts	-
Net Income	905	1,100	+195	+21.4%
Net Income Margin	1.9%	3.3%	+1.4pts	-
ROE	2.4%	2.9%	+0.5pts	
Dividends per share for the full year	¥ 90	¥ 84	- ¥ 6	
Interim	¥ 45	¥ 42	- ¥ 3	
Year-end	¥ 45	¥ 42	- ¥ 3	

The background features a grayscale image of the Earth and the Moon in space. The Earth is on the left, and the Moon is on the right. A white horizontal band runs across the middle of the image. The word "Appendix" is written in a large, black, sans-serif font on the left side of the white band.

# Appendix

# By Application ① Net Sales (quarterly)

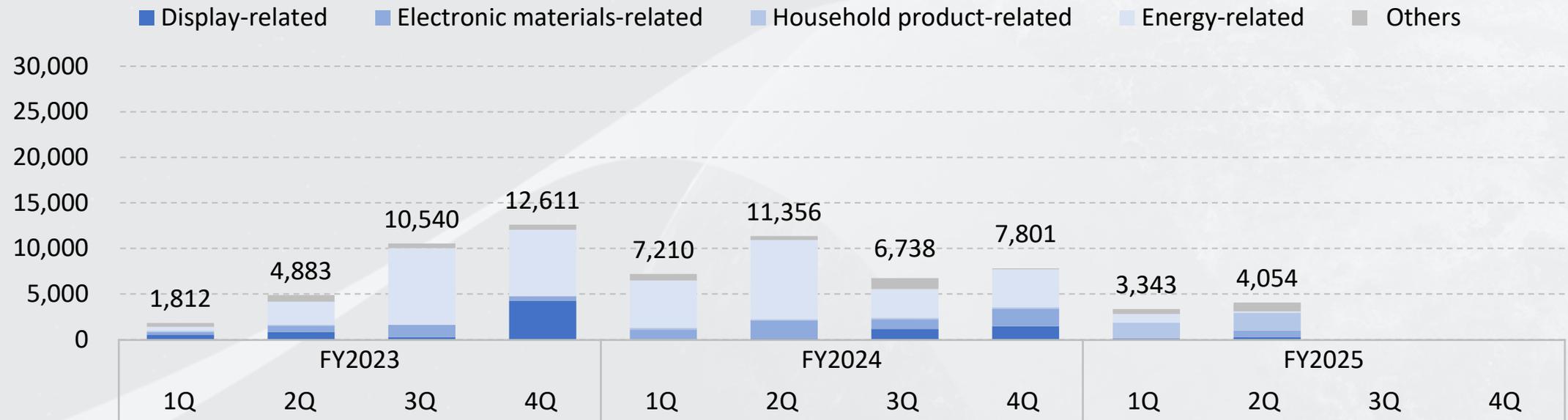
(Unit : ¥ million)



Net sales weighting	FY2023				FY2024				FY2025			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Others	8.7%	5.5%	3.7%	5.5%	5.4%	6.6%	3.6%	6.4%	5.7%	13.9%		
Energy-related	75.4%	73.8%	75.5%	74.0%	83.9%	79.7%	85.6%	80.1%	75.0%	48.0%		
Household product-related	0.7%	0.8%	0.4%	0.7%	0.3%	0.7%	1.0%	1.0%	1.5%	2.1%		
Electronic materials-related	10.0%	16.9%	16.2%	13.9%	8.2%	8.0%	6.7%	8.9%	10.3%	15.8%		
Display-related	5.3%	3.0%	4.3%	5.9%	2.1%	5.1%	3.1%	3.6%	7.6%	20.3%		

# By Application ② Orders (quarterly)

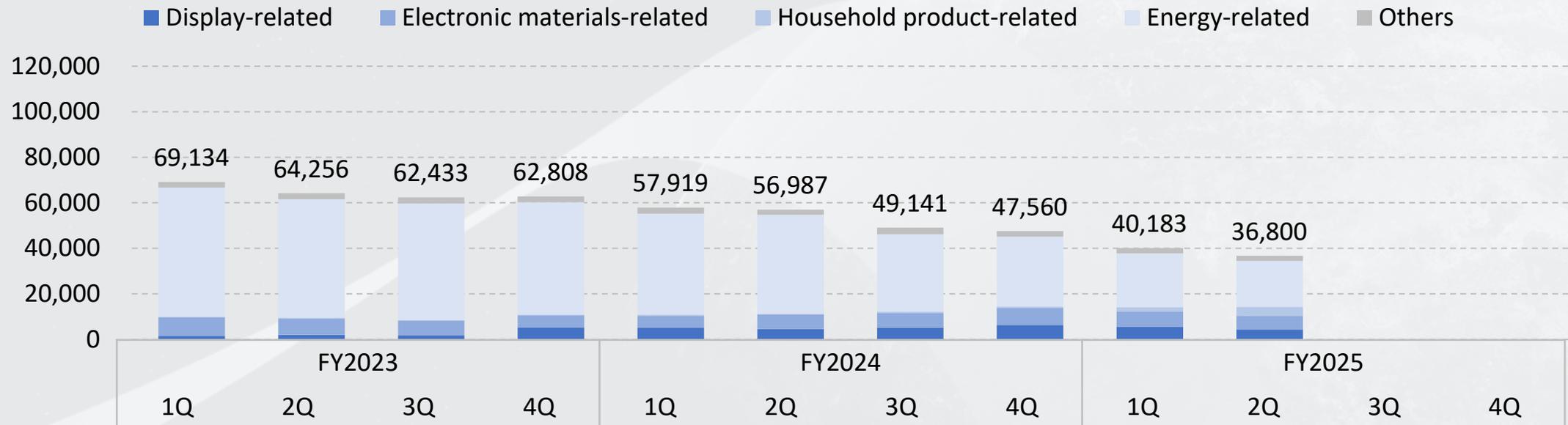
(Unit : ¥ million)



Order weighting	Others	23.0%	14.6%	4.7%	4.4%	10.0%	3.9%	17.8%	1.1%	15.8%	23.5%
	Energy-related	24.1%	52.2%	79.8%	57.6%	72.3%	76.5%	47.0%	53.5%	28.3%	4.0%
	Household product-related	6.5%	2.1%	0.3%	0.4%	2.4%	1.2%	2.4%	2.2%	49.5%	48.7%
	Electronic materials-related	16.3%	13.7%	12.8%	3.9%	15.2%	17.7%	15.5%	24.7%	3.6%	16.9%
	Display-related	30.1%	17.4%	2.4%	33.7%	0.1%	0.7%	17.3%	18.5%	2.8%	6.9%

# By Application ③ Order Backlog (quarterly)

(Unit : ¥ million)



Order weighting	Order Backlog (quarterly)											
	FY2023				FY2024				FY2025			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Others	3.6%	4.1%	4.3%	4.1%	4.6%	4.0%	6.0%	5.1%	5.9%	6.2%		
Energy-related	82.2%	81.2%	82.1%	78.7%	76.8%	76.2%	69.4%	64.7%	58.9%	55.0%		
Household product-related	0.4%	0.5%	0.4%	0.4%	0.6%	0.8%	0.9%	1.1%	5.0%	10.4%		
Electronic materials-related	11.7%	11.0%	10.3%	8.3%	9.2%	11.1%	13.0%	15.7%	16.2%	16.4%		
Display-related	2.2%	3.2%	2.9%	8.5%	8.8%	8.0%	10.7%	13.4%	14.0%	12.0%		

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