

Consolidated Financial Results

3Q FY2025

February 13, 2025

HIRANO TECSEED

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Company Name	HIRANO TECSEED Co., Ltd.
Representative	Kaoru Okada, President, Representative Director
Paid-in Capital	¥1,847,821,000 (as of end-December 2025)
Headquarters	101-1, Kawai, Kawai-cho, Kitakatsuragi-gun, Nara Pref. 636-0051, Japan
Group Companies (wholly-owned)	• HIRANO GIKENKOGYO Co., Ltd. • HIRANO K&E Co., Ltd., • HIRANO AMERICA, INC.
Number of Employees	316 (Consolidated: 418, as of end-December 2025)
Securities Code	6245 (Industry: Machinery)

3Q FY2025 Results

	3Q FY2025	YoY Change
Net Sales	¥25,673mn	-¥13,298mn -34.1%
Operating Income	¥1,745mn	-¥84mn -4.6%
Operating Income Margin	6.8%	+2.1pts

FY2025 Earnings Forecasts

	FY2025 Forecasts	YoY Change
Net Sales	¥31,000mn	-¥17,355mn -35.9%
Operating Income	¥2,100mn	¥418mn +24.9%
Operating Income Margin	6.8%	+3.3pts
ROE	4.2%	+1.8pts

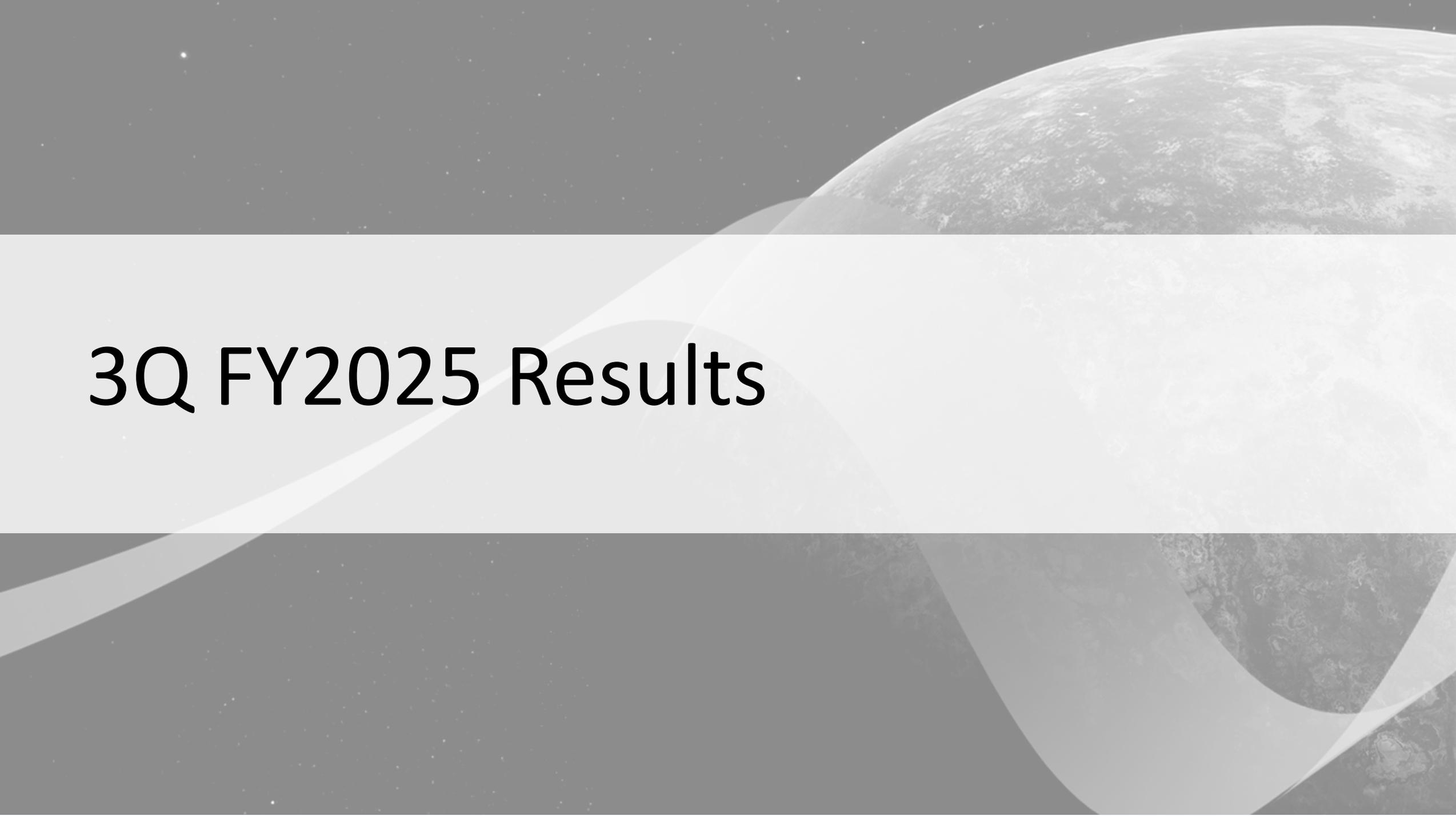
Topics

3Q FY2025 Results

- ✓ Net sales down YoY as a result of decline in work volume and despite increase in domestic projects, contributions from modification and relocation work in both Japan and overseas, and progress on machinery and supplementary work in North America, particularly in the energy sector.
- ✓ Despite the still sluggish EV market, the decline in income was eased somewhat by relocation work, the restart of suspended projects, component/modification projects, and work on projects in non-energy areas, as well as by progress on revising order conditions.
- ✓ The end-3Q order backlog was down as the result of the cancellation of multiple projects with a total worth of ¥7,229 million resulting from customers reassessing their capex plans.

FY2025 Forecasts

- ✓ The EV market continues to slow, and we have stepped up our search for non-automotive applications, such as stationary storage batteries.
- ✓ Net sales forecast cut to reflect change in external conditions, particularly in the North American market.
- ✓ Expect income to exceed previous targets owing to revision of the project execution structure, thorough CoGS management, and greater efficiency in operating processes.

The background features a grayscale image of the moon's surface, showing craters and lunar maria. A white horizontal band is superimposed across the middle of the image. The text '3Q FY2025 Results' is centered within this band.

3Q FY2025 Results

Overview of 3Q FY2025 Results

3Q FY2025 Results

(Unit: ¥million)	3Q FY2024	3Q FY2025	Change	YoY(%)
	a	b	b-a	(b-a)/a
Order	25,305	15,702	-9,602	-37.9%
Net Sales	38,972	25,673	-13,298	-34.1%
Operating Income	1,830	1,745	-84	-4.6%
Operating Income Margin	4.7%	6.8%	+2.1pts	-
Ordinary Income	2,067	1,841	-226	-11.0%
Ordinary Income Margin	5.3%	7.2%	+1.9pts	-
Net Income	1,504	1,365	-138	-9.2%
Net Income Margin	3.9%	5.3%	+1.5pts	-

3Q FY2025 Results Overview

- ✓ Orders: Volume down overall on waning in special demand for machinery installation for existing EV applications and a dip in demand for related supplementary work and despite large-lot orders in the Industrial Machinery segment.
- ✓ Net sales: Ended down YoY and target reduced owing to change in external conditions, particularly in the North American market, and despite progress on projects previously suspended 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 via customer negotiations of additional costs for relocation work, progress on stalled projects, work on production for domestic projects, and progress on revising order conditions.
- ✓ Ordinary income: Down on the booking of disposal losses for tangible fixed assets and despite the incidence of one-time non-operating revenue in FY2024.
- ✓ Net income: Down on lower ordinary income.

3Q FY2025 Results by Segment



(Unit: ¥million)		3Q FY2024	3Q FY2025	Change	YoY(%)
		a	b	b-a	(b-a)/a
Coating and Laminating Machinery Segment	Orders	20,847	9,393	-11,454	-54.9%
	Net Sales	33,935	20,460	-13,475	-39.7%
	Operating income margin	2,455 (7.2%)	2,353 (11.5%)	-101 (+4.3pts)	-4.1%
Industrial Machinery Segment	Orders	3,441	5,453	+2,011	+58.4%
	Net Sales	3,790	4,067	+276	+7.3%
	Operating income margin	181 (4.8%)	710 (17.5%)	+529 (+12.7pts)	+292.0%
Others, Adjustments	Orders	1,016	856	-160	-15.8%
	Net Sales	1,246	1,146	-99	-8.0%
	Operating income margin	250 (20.1%)	0 (0.04%)	-249 (-20.0pts)	-99.8%
Consolidated total	Orders	25,305	15,702	-9,602	-37.9%
	Net Sales	38,972	25,673	-13,298	-34.1%
	Operating income margin	2,886	3,064	+178	+6.2%
	All-company costs	1,056	1,319	+262	+24.9%
	Operating income ^{*1}	1,830 (4.7%)	1,745 (6.8%)	-84 (+2.1pts)	-4.6%

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

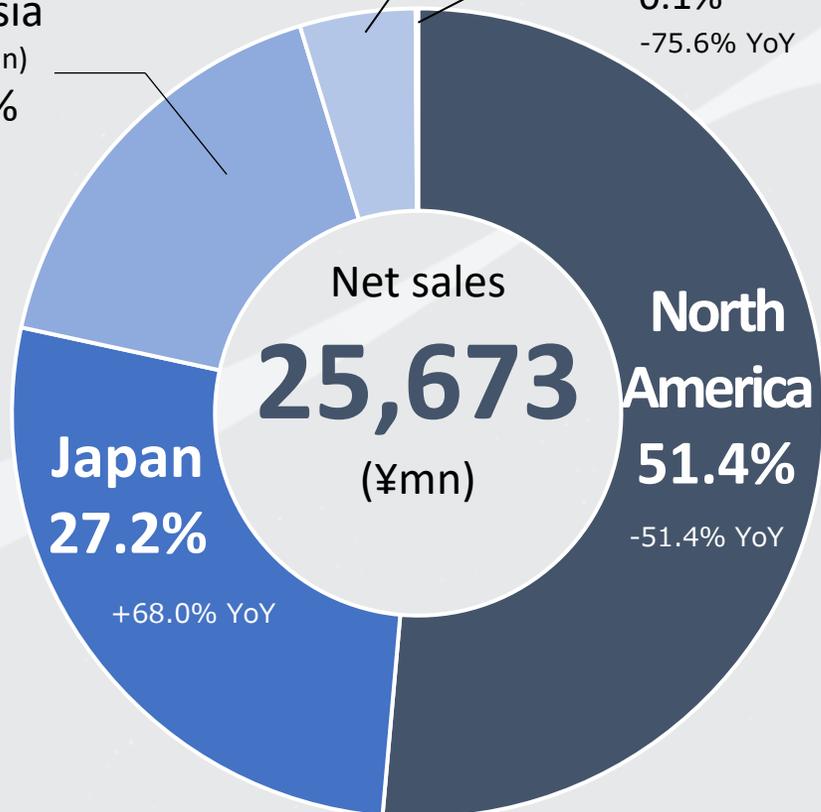
3Q FY2025 Net Sales Weighting / Order Backlog by Region

Net sales by region (YoY)

Asia
4.6% +65.6% YoY

Europe
0.1%
-75.6% YoY

East Asia
(ex. Japan)
16.7%
-37.5% YoY

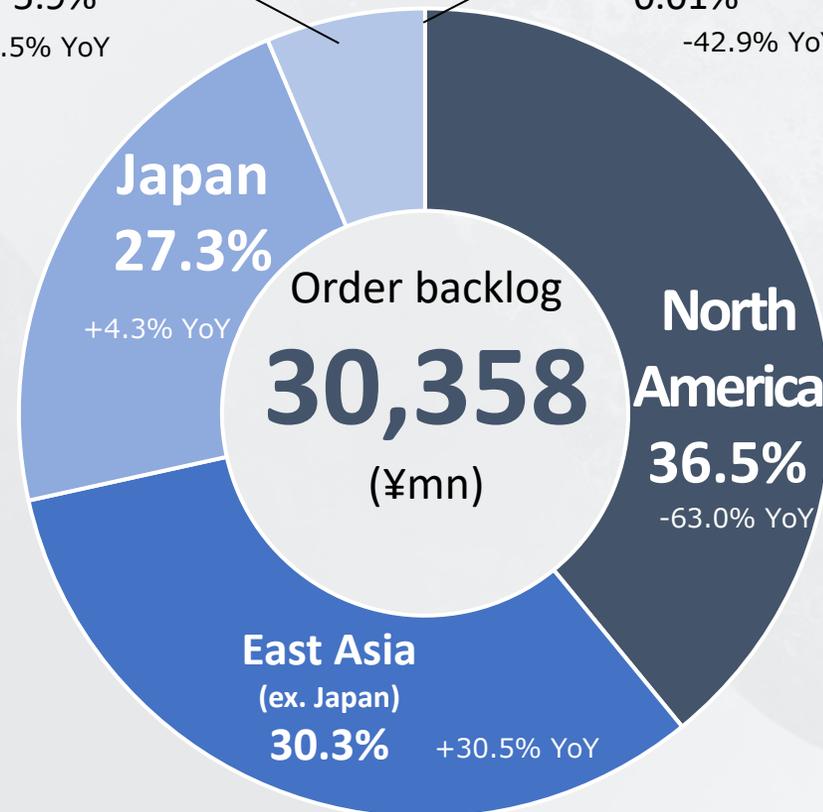


Order backlog by region (YoY)

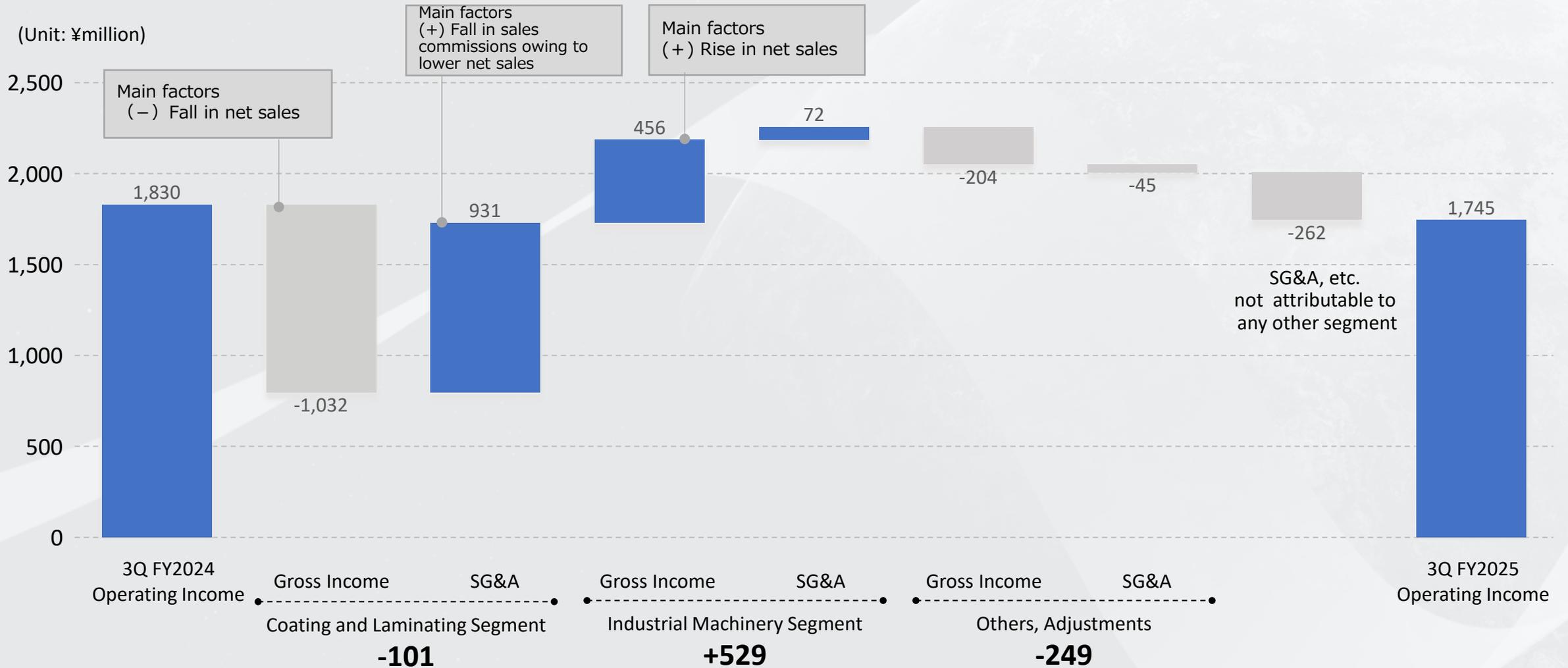
Asia
5.9%
-31.5% YoY

Europe
0.01%
-42.9% YoY

Japan
27.3%
+4.3% YoY



Factors for Change in 3Q FY2025 Operating Income



3Q FY2025 Balance Sheet

(Unit: ¥million)

	End-FY2024	3Q FY2025	
	Value	Value	Change
Current Assets	48,505	44,307	-4,198
Fixed Assets	13,187	14,657	+1,469
Tangible Fixed Assets	7,437	7,764	+327
Intangible Fixed Assets	416	338	-78
Investments and Other Assets	5,333	6,554	+1,220
Total Assets	61,693	58,964	-2,728
Current Liabilities	22,505	18,339	-4,165
Fixed Liabilities	947	1,463	+516
Net Assets	38,240	39,161	+920
Equity Ratio	62.0%	66.4%	+4.4pts

Assets (vs. end-FY2024)

- Current Assets Down ¥4,198mn
- ✓ Accounts receivable and contract assets down ¥663mn
 - ✓ Advance payments down ¥1,033mn
 - ✓ Cash and deposits down ¥1,664mn
 - ✓ Consumption tax receivable down ¥1,048mn
- Fixed Assets Up ¥1,469mn
- ✓ Tangible fixed assets up ¥327mn
 - ✓ Intangible fixed assets down ¥78mn
 - ✓ Investments and other assets up ¥1,220mn

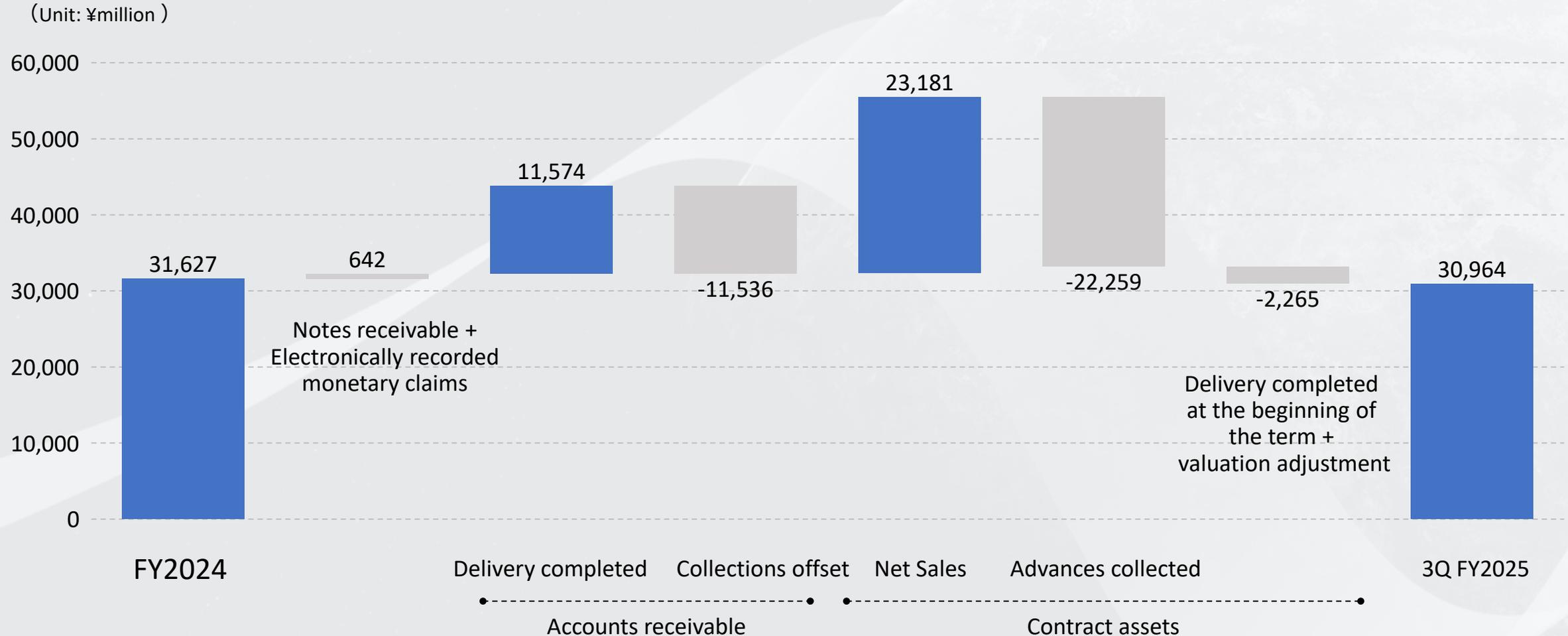
Liabilities (vs. end-FY2024)

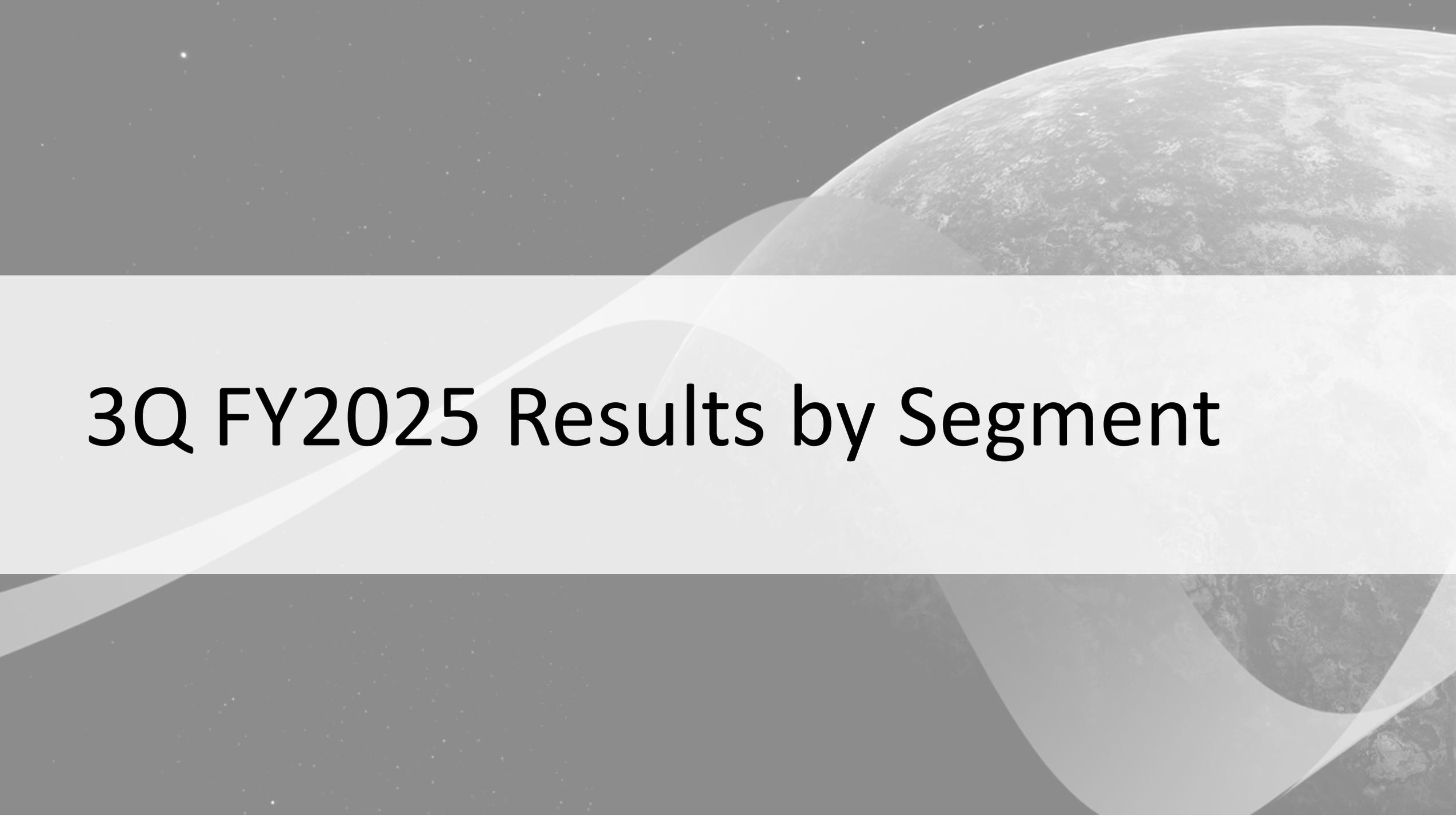
- Current Liabilities Down ¥4,165mn
- ✓ Accounts payable down ¥2,843mn
 - ✓ Short-term borrowings down ¥1,850mn
- Fixed Liabilities Up ¥516mn

Net Assets (vs. end-FY2024)

Net Assets Up ¥920mn

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



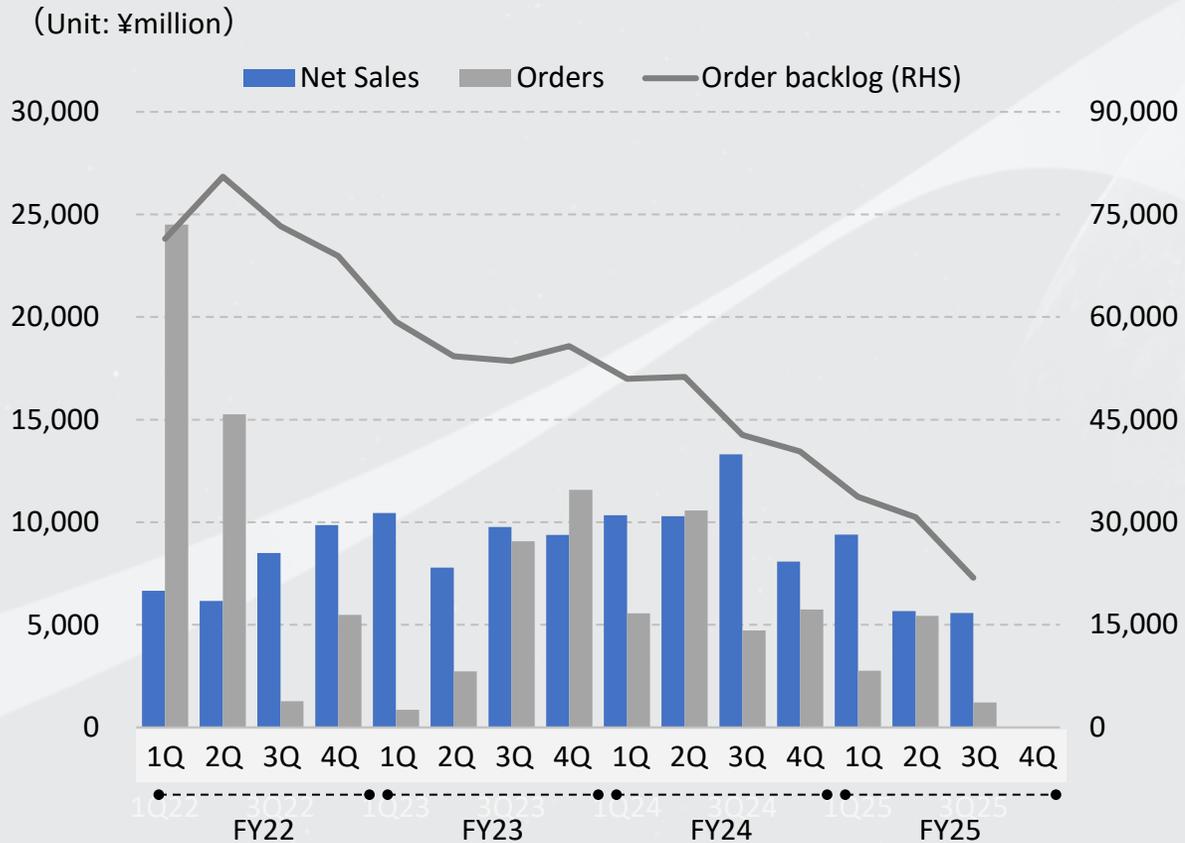
The background features a grayscale image of the Earth and the Moon in space. The Earth is on the right, showing its curved horizon and surface details. The Moon is on the left, also showing its curved horizon. A white horizontal band is overlaid across the center of the image, containing the text.

3Q 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

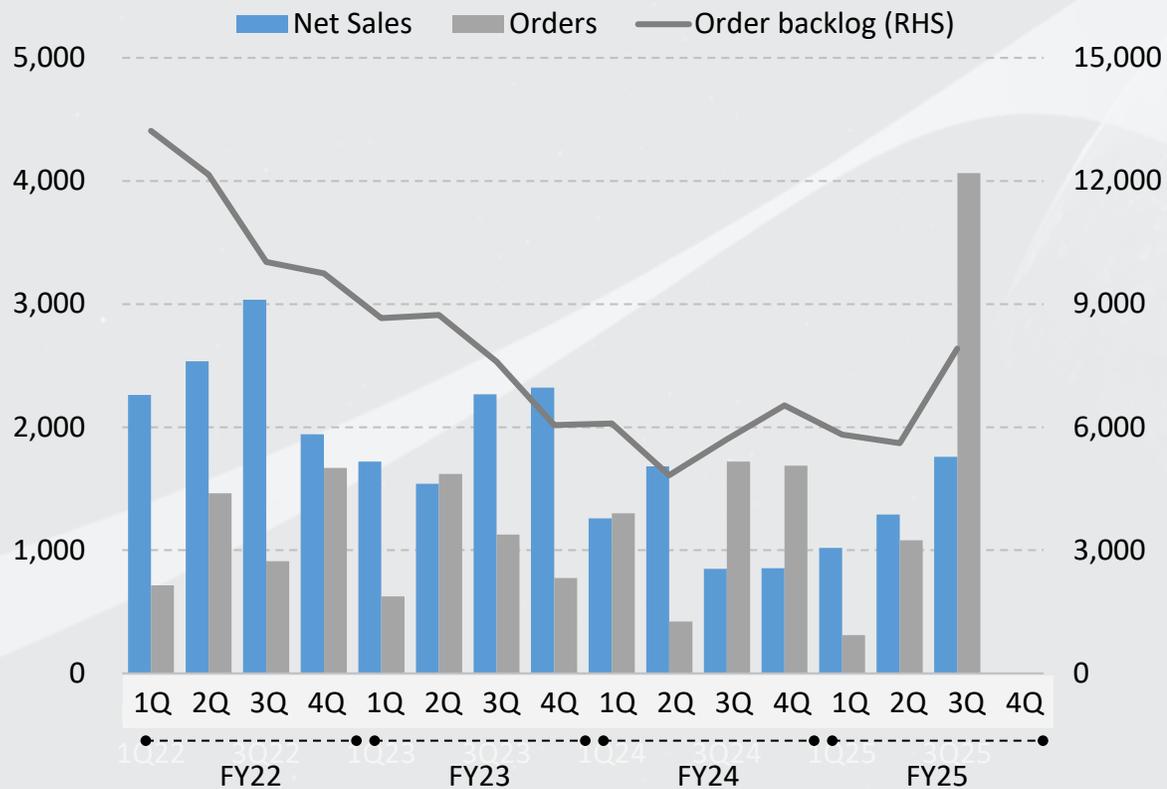
- ✓ Slow pace of production reshoring to the US despite the impact of US trade policy and other factors
 - ✓ EV market sluggish despite prospects for expansion in some areas of the energy sector such as stationary storage batteries
 - ✓ Overall cautious approach to capex evident despite inquiries in some areas, such as optical films
-
- ✓ Ongoing tough order conditions for machinery owing to wait-and-see approach to capex and decline 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
-
- ✓ Progress on working through optical film orders and other 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



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 still a cautious approach to capex in part due to the impact of US trade policy

Orders

- ✓ Capture of orders for large machinery for polyimide film applications and film making systems for ceramic materials
- ✓ Still aim to capture new orders, particularly in Japan, Southeast Asia, and China

Net sales

- ✓ Film making systems for electronics materials applications becoming the main focus, but production volume remained low in 1Q
- ✓ Contribution to sales from production of industrial materials and MLCC applications in 2Q
- ✓ Contributions from areas such as industrial materials and ceramics in 3Q



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	31,000	-17,355	-35.9%
Operating Income	1,681	2,100	+418	+24.9%
Operating Income Margin	3.5%	6.8%	+3.3pts	-
Ordinary Income	1,894	2,000	+105	+5.6%
Ordinary Income Margin	3.9%	6.5%	+2.5pts	-
Net Income	905	1,600	+694	+76.6%
Net Income Margin	1.9%	5.2%	+3.3pts	-
ROE	2.4%	4.2%	+1.8pts	
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 right, showing its curved horizon and surface details. The Moon is on the left, partially obscured by a large, semi-transparent white shape that resembles a stylized wave or a thick, curved line. A solid white horizontal band runs across the center of the image, serving as a backdrop for the text.

Topics

Exhibited at [CONVERTECH 2026]

We exhibited at trade show [CONVERTECH 2026] held at Tokyo Big Sight from 28-30 January 2026

We exhibited an actual example of our industry-leading dedicated coating machinery for perovskite solar cells.

Additionally, HIRANO TECSEED engineers delivered a presentation titled “Roll-to-Roll Coating Equipment for Perovskite Solar Cells: From Fundamentals to Mass Production, Expanding Applications, and Business Prospects,” which was very well received.

<What are perovskite solar cells?>

The Japanese government has prioritized expanding renewable energy adoption and fully promoting next-generation technologies in its 7th Strategic Energy Plan, setting a target to deploy 20 gigawatts of perovskite solar cells by 2040. Achieving widespread adoption will require solving various challenges, including on cost and durability. HIRANO TECSEED aims to address the challenges faced by its customers by deploying our new technologies.



Properties of perovskite solar cell coating equipment

A detailed introduction to our in-house developed, industry-leading technology.

<Properties of perovskite solar cell coating equipment>

The equipment incorporates multiple patented and patent-pending new technologies.

- ✓ We transcended the role of a traditional machinery manufacturer and were involved from the product development stage through an industry-academia collaboration. Based on the results of the collaboration, we developed and integrated numerous new technologies into the equipment.
- ✓ This is a development machine capable of coating 1-meter-wide cells that can also be used as production equipment.
- ✓ We also provide separate verification units for users unable to immediately install large-scale equipment.
- ✓ The equipment features digital twinning technology that instantly determines optimal coating conditions to reduce product losses.

The perovskite solar cell coating equipment will be installed as test equipment at our Technicum R&D facility. We will utilize it for customer demonstration experiments, leveraging it for technological accumulation and product development.



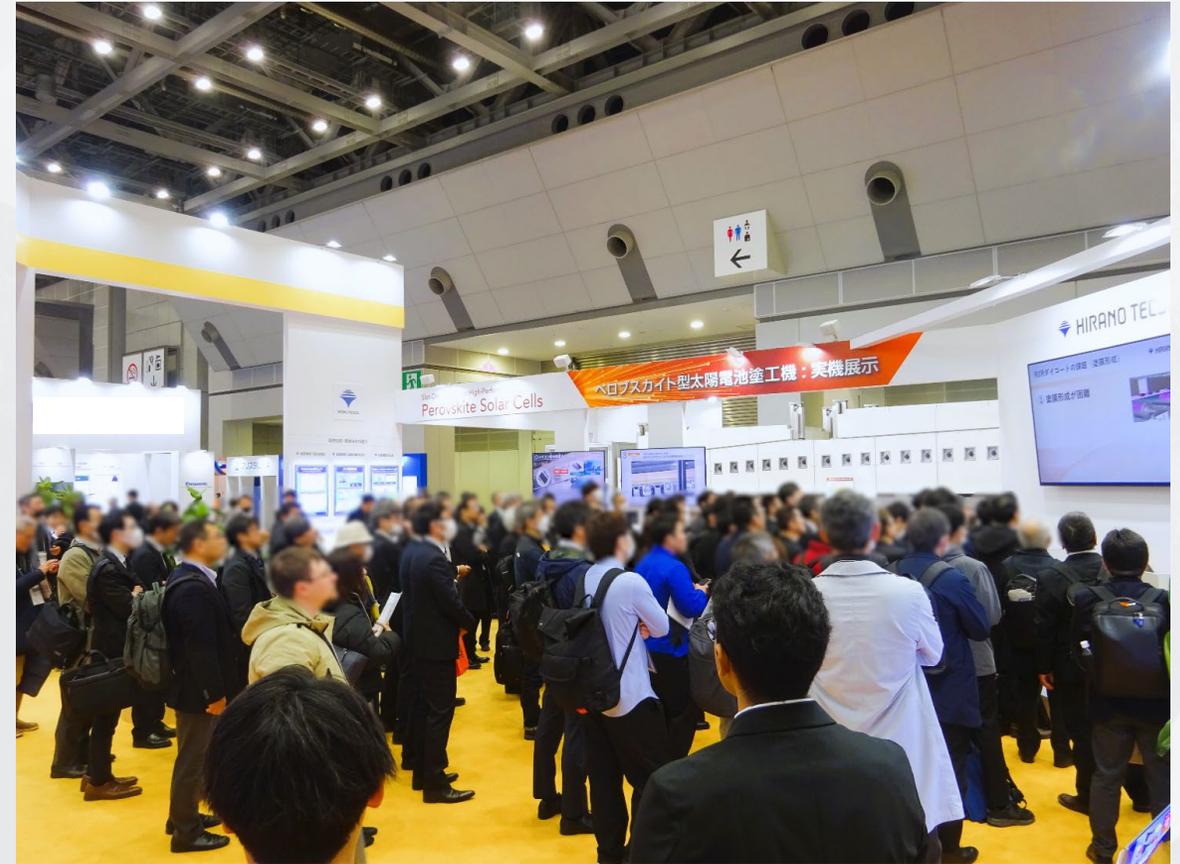
(Actual example of our perovskite solar cell coating equipment)

Reaction from attendees

We received reaction from various attendees at the trade show who are considering business development.

<Some of the responses from attendees>

- ✓ This is cutting-edge technology developed by incorporating the latest trends.
- ✓ Could this new technology be deployed to equipment that has already been installed?
- ✓ It taught me about the current state of perovskite solar cells.
- ✓ This is an unprecedented initiative which refines the manufacturing process down to the equipment level through an industry-academia collaboration and I'd like to learn more details.
- ✓ I look forward to future developments and the application of this technology to other equipment.
- ✓ This represents a major step toward commercialization of production equipment for perovskite solar cells using roll-to-roll technology.

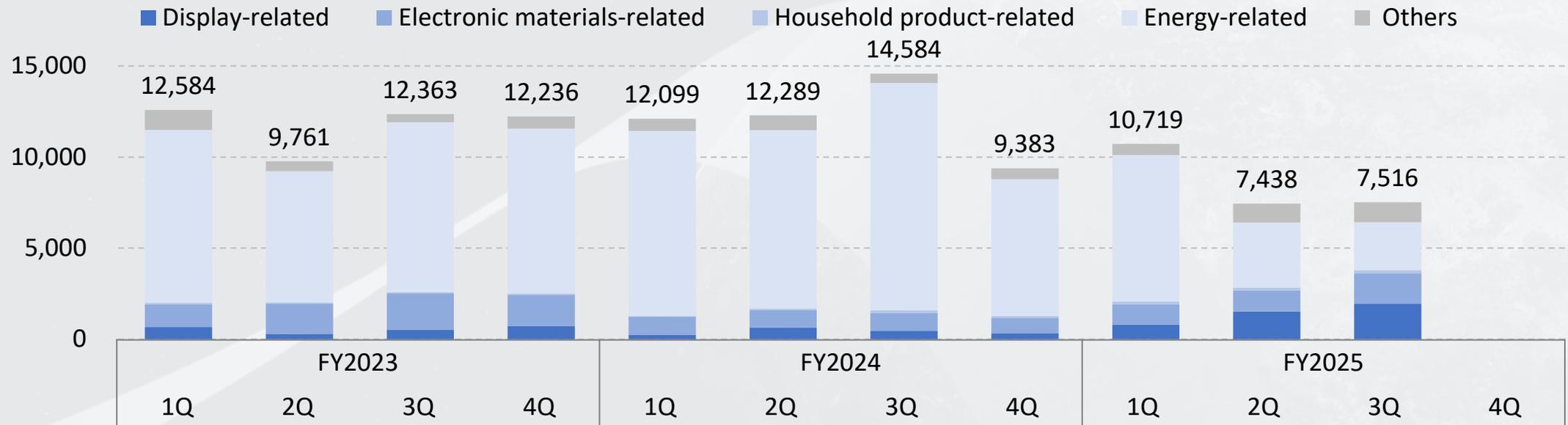


The background features a grayscale image of the Earth and the Moon in space. The Earth is on the left, and the Moon is on the right. A white horizontal band runs across the middle of the image. The word "Appendix" is written in a large, black, sans-serif font on the left side of the white band.

Appendix

By Application ① Net Sales (quarterly)

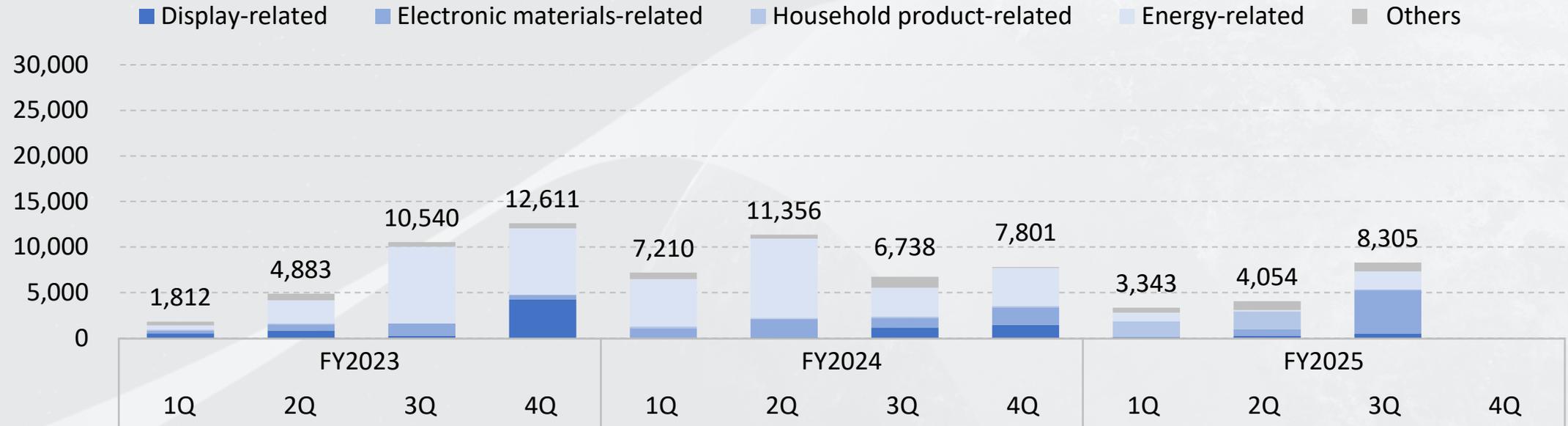
(Unit: ¥million)



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%	14.6%	
Energy-related	75.4%	73.8%	75.5%	74.0%	83.9%	79.7%	85.6%	80.1%	75.0%	48.0%	35.2%	
Household product-related	0.7%	0.8%	0.4%	0.7%	0.3%	0.7%	1.0%	1.0%	1.5%	2.1%	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%	22.3%	
Display-related	5.3%	3.0%	4.3%	5.9%	2.1%	5.1%	3.1%	3.6%	7.6%	20.3%	25.9%	

By Application ② Orders (quarterly)

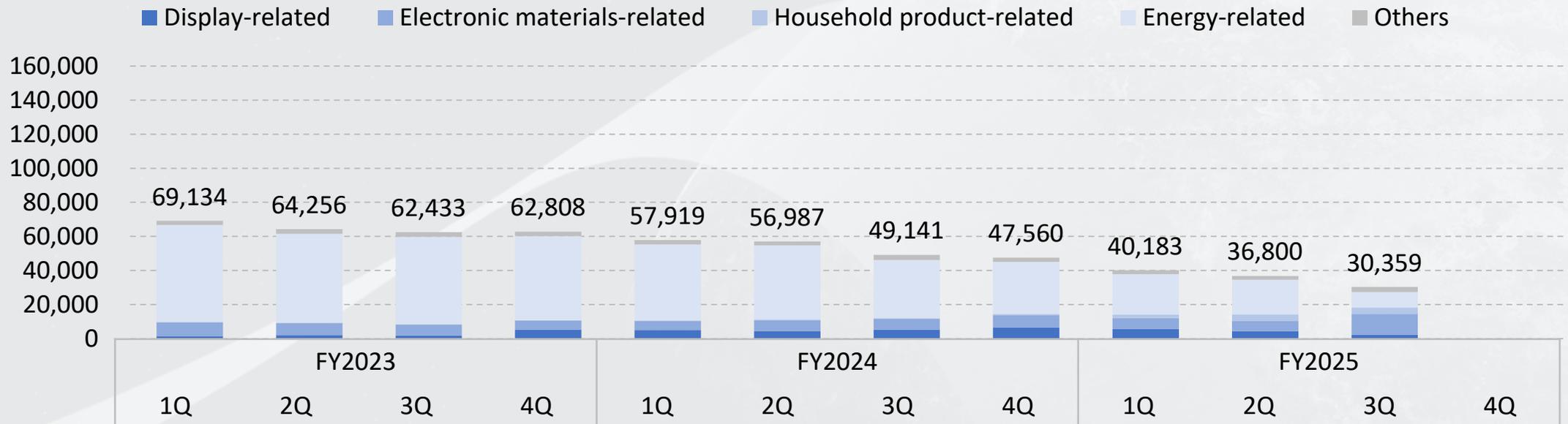
(Unit: ¥million)



Order weighting	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Others	23.0%	14.6%	4.7%	4.4%	10.0%	3.9%	17.8%	1.1%	15.8%	23.5%	11.9%	
Energy-related	24.1%	52.2%	79.8%	57.6%	72.3%	76.5%	47.0%	53.5%	28.3%	4.0%	23.5%	
Household product-related	6.5%	2.1%	0.3%	0.4%	2.4%	1.2%	2.4%	2.2%	49.5%	48.7%	1.4%	
Electronic materials-related	16.3%	13.7%	12.8%	3.9%	15.2%	17.7%	15.5%	24.7%	3.6%	16.9%	57.3%	
Display-related	30.1%	17.4%	2.4%	33.7%	0.1%	0.7%	17.3%	18.5%	2.8%	6.9%	6.0%	

By Application ③ Order Backlog (quarterly)

(Unit: ¥million)



Order backlog weighting	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%	7.1%	
Energy-related	82.2%	81.2%	82.1%	78.7%	76.8%	76.2%	69.4%	64.7%	58.9%	55.0%	40.6%	
Household product-related	0.4%	0.5%	0.4%	0.4%	0.6%	0.8%	0.9%	1.1%	5.0%	10.4%	12.5%	
Electronic materials-related	11.7%	11.0%	10.3%	8.3%	9.2%	11.1%	13.0%	15.7%	16.2%	16.4%	30.0%	
Display-related	2.2%	3.2%	2.9%	8.5%	8.8%	8.0%	10.7%	13.4%	14.0%	12.0%	9.8%	

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