

Consolidated Financial Results FY2025

May 12, 2026

HIRANO TECSEED

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Company Name	HIRANO TECSEED Co., Ltd.
Representative	Munenori Yasui, President
Paid-in Capital	¥1,847,821,000 (as of end-March 2026)
Headquarters	101-1, Kawai, Kawai-cho, Kitakatsuragi-gun, Nara Pref. 636-0051, Japan
Group Companies (wholly-owned)	• HIRANO GIKEN KOGYO Co., Ltd. • HIRANO K&E Co., Ltd., HIRANO AMERICA, INC.
Number of Employees	315 (Consolidated: 417, as of end-March 2026)
Securities Code	6245 (Industry: 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, containing the text "Message from the President" in a black, sans-serif font.

Message from the President

Pursuing Sustainable Increase in Corporate Value

I would like to express my sincere gratitude for your continued support of HIRANO TECSEED's business activities. Allow me to introduce myself, my name is Munenori Yasui and I assumed the role of President of the Company in April this year.

My career at the Company has been focused primarily on the production side. In addition to overseeing productivity gains, quality improvements, and capital investments on the frontline, I have been involved in initiatives that take account of our cost structure and overall chain and are designed to strengthen our “technical capabilities and on-site expertise”—the very foundation of our competitiveness.

We will continue working to sustainably increase our corporate value by developing skilled personnel and building an organization that combines advanced technical expertise with strong human qualities. We will also prioritize providing equipment that is easy to use and offers high precision and reliability for our customers—the end users—by ensuring that every stage of the process, from design and procurement to manufacturing, is carried out with the next stage in mind.

In the role of President, I am well aware that the Board of Directors expects me to build on our frontline strengths to improve profitability and capital efficiency, as well as to further strengthen our organizational and governance foundations. Moving forward, we will pursue stable and sustainable growth through continuous improvements in productivity and quality, disciplined investment decisions, and medium- to long-term investments in our people and organization.

We place great importance on dialogue with our shareholders and investors and are committed to maintaining a high level of transparency in our management. I ask for your continued understanding and support.



Munenori Yasui, President
HIRANO TECSEED Co., Ltd.

Diversification of revenue streams, cost structure reform

01 Optimizing the business portfolio

Our strengths lie in our advanced coating technology, centered on roll-to-roll processes, and its versatility. We have collaborated with our customers on technological development from the earliest stages of new product creation across numerous cutting-edge fields, including mobile devices, displays, and lithium-ion batteries. While the energy sector currently accounts for a significant portion of our business, we plan to accelerate the broader application of our technology and pursue stable growth through the optimization of our business portfolio.

02 Strengthening recurring businesses

Given growing demand for equipment with extended lifespans due to the aging of skilled maintenance technicians and ESG and environmental considerations, we have positioned our after-sales service and maintenance business as a key revenue source. We aim to strengthen collaboration between our sales and customer support departments to promote the provision of systematic and efficient services.

03 Investing in growth areas

We have identified manufacturing technologies for perovskite solar cells as a key growth area. Building on proprietary technologies developed through joint research with Kanazawa University, we aim to establish the de facto standard for mass production processes. In addition, we are pursuing advanced initiatives in the field of manufacturing digital transformation (DX), such as smart factories and digital twins.

04 Reforming the cost structure

In response to changes in the external environment, such as sharply higher raw material prices and procurement constraints, we will strive to secure profits by finalizing specifications at an early stage through rigorous front-loading, appropriately passing on price increases, and strictly managing costs during the specification-finalization phase. At the same time, we will work to reduce costs by reviewing equipment designs.

Organizational strengthening, productivity improvement, shareholder returns policy

05 Strengthening organizational capabilities

We are striving to establish a highly specialized organization that can drive manufacturing reforms across design, manufacturing, and production technology areas, thereby promoting the transfer of technical expertise and the development of master craftsmen. By leveraging intellectual assets such as 3D drawings and BOM, we aim to transform into a creative organization through the adoption of AI and other technologies.

06 Updating testing facilities

We plan to update our testing facilities, which are key to our customers' new material development. By deploying digital twin technology at our Technicum test center to reduce the burden on customers, we aim to improve testing efficiency and success rates, thereby increasing the likelihood of securing orders and expanding our order volume.

07 Rebuilding the production network

By making the necessary capital investments in production equipment and other infrastructure to improve precision at our Nara main factory and Kizugawa factory, we plan to restructure our production lines and reallocate personnel to further enhance production efficiency.

08 Shareholder returns policy

We intend to adhere to our policy of paying dividends at a DOE of 3.5% or a payout ratio of 60%, whichever is higher. We take a flexible approach to share buybacks to improve capital efficiency and shareholder returns, while securing the necessary funds for investment in growth and comprehensively taking into account financial conditions, the share price level, and other factors.

FY2025 Results

	FY2025	YoY Change
Net Sales	¥32,285mn	-¥16,070mn -33.2%
Operating Income	¥1,599mn	-¥82mn -4.9%
Operating Income Margin	5.0%	+1.5pts
ROE	3.4%	+1.0pts

FY2026 Earnings Forecasts

	FY2026 Forecasts	YoY Change
Net Sales	¥25,000mn	-¥7,285mn -22.6%
Operating Income	¥1,500mn	-¥99mn -6.2%
Operating Income Margin	6.0%	+1.0pts
ROE	2.8%	-0.6pts

Topics

FY2025 Results

- ✓ Customers' revision of capex plans leads to cancellation of multiple projects totaling ¥7,229 million, reducing order volume.
- ✓ Downward pressure on profits mitigated somewhat by the revision of order terms for some projects, but limited improvement in order volumes in other markets.
- ✓ Forecasts missed on rise in expenses such as outsourcing for some projects.

FY2026 Forecasts

- ✓ Stepping up efforts to explore demand in non-automotive areas, such as stationary storage batteries, amid ongoing slowdown in the EV market.
- ✓ Lowering sales targets to reflect change in external conditions, especially in North American market, and plan to raise sales weighting of Industrial Machinery segment.
- ✓ Aim to reform earnings structure by overhauling project execution structure, strictly managing costs, and raising efficiency of administrative processes.

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

FY2025 Results

Overview of FY2025 Results

FY2025 Results

(Unit: ¥million)	FY2024	FY2025	Change	YoY(%)
	a	b	b-a	(b-a)/a
Order	33,106	23,605	-9,501	-28.7%
Net Sales	48,355	32,285	-16,070	-33.2%
Operating Income	1,681	1,599	-82	-4.9%
Operating Income Margin	3.5%	5.0%	+1.5pts	-
Ordinary Income	1,894	1,706	-187	-9.9%
Ordinary Income Margin	3.9%	5.3%	+1.4pts	-
Net Income	905	1,313	+407	+45.0%
Net Income Margin	1.9%	4.1%	+2.2pts	-

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 missed 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 fall in operating income, partly due to booking of one-time non-operating income in FY2024.
- ✓ Net income: Up in part because of booking of provision for doubtful accounts in FY2024.

FY2025 Results by Segment

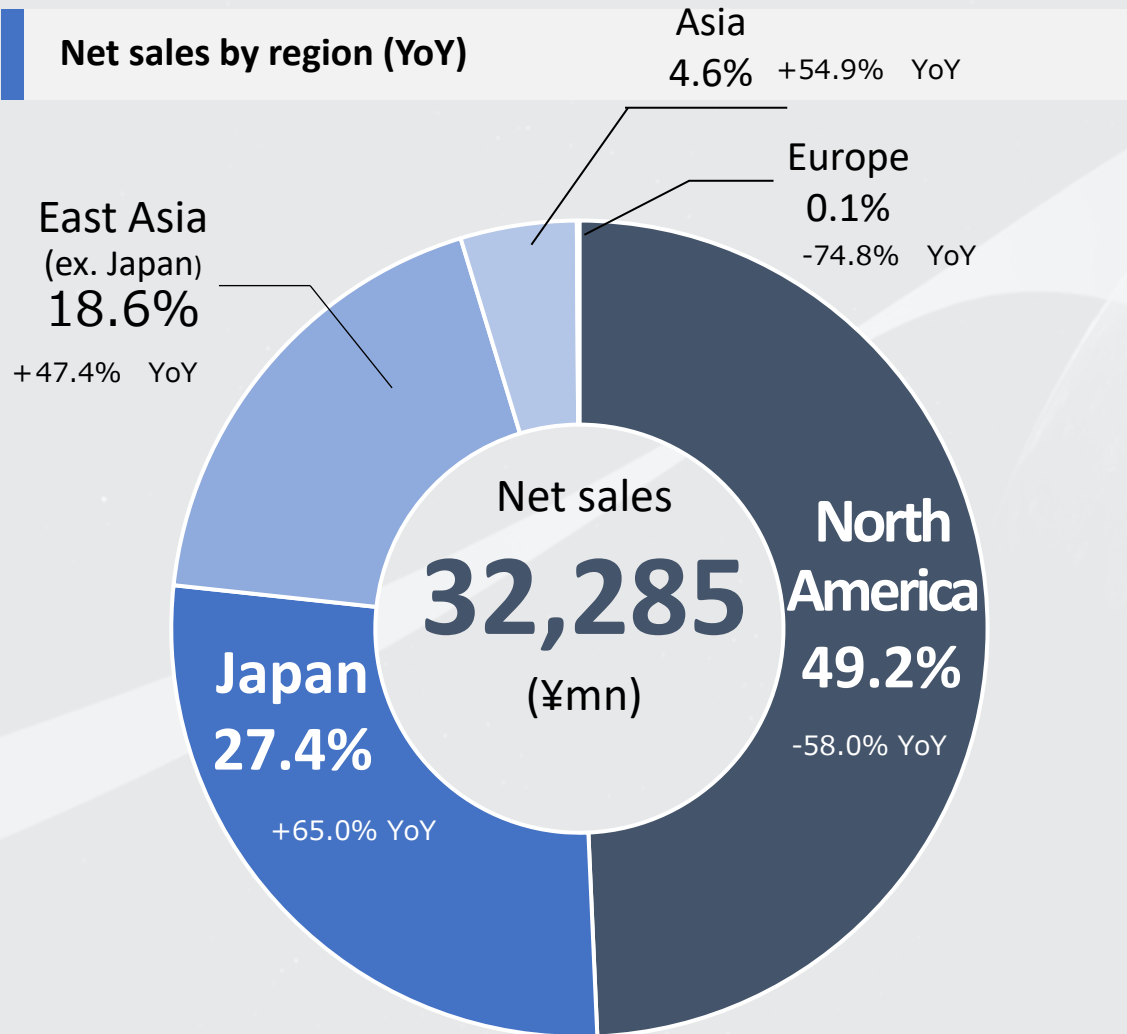


(Unit: ¥million)		FY2024	FY2025	Change	YoY(%)
		a	b	b-a	(b-a)/a
Coating and Laminating Machinery Segment	Orders	26,596	13,150	-13,445	-50.6%
	Net Sales	42,020	25,348	-16,672	-39.7%
	Operating income (margin)	2,543 (6.1%)	2,554 (10.1%)	+11 (+4.0pts)	+0.5%
Industrial Machinery Segment	Orders	5,127	9,196	+4,068	+79.4%
	Net Sales	4,645	5,478	+832	+17.9%
	Operating income (margin)	293 (6.3%)	962 (17.6%)	+668 (+11.3pts)	+227.8%
Others, Adjustments	Orders	1,382	1,258	-124	-9.0%
	Net Sales	1,688	1,458	-230	-13.6%
	Operating income (margin)	271 (16.1%)	-183 (-12.6%)	-454 (-28.7pts)	-
Consolidated total	Orders	33,106	23,605	-9,501	-28.7%
	Net Sales	48,355	32,285	-16,070	-33.2%
	Total segment operating income	3,108	3,333	+225	+7.2%
	All-company costs	1,426	1,734	+307	+21.6%
	Adjusted operating income (margin)*1	1,681 (3.5%)	1,599 (5.0%)	-82 (+1.5pts)	-4.9%

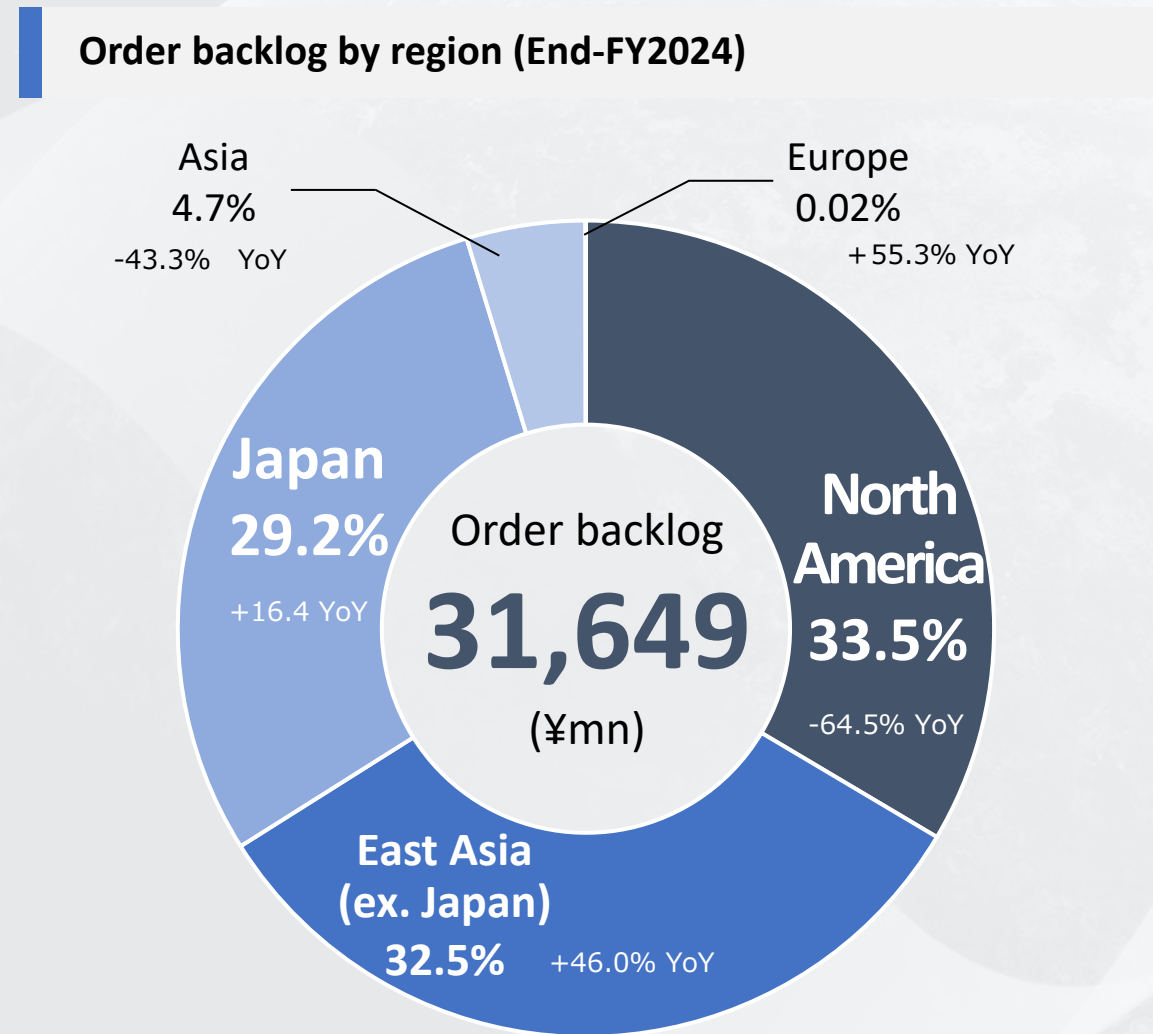
*1. After adjustment for SG&A costs not assignable to any reporting segment

FY2025 Net Sales Weighting / Order Backlog Weighting by Region

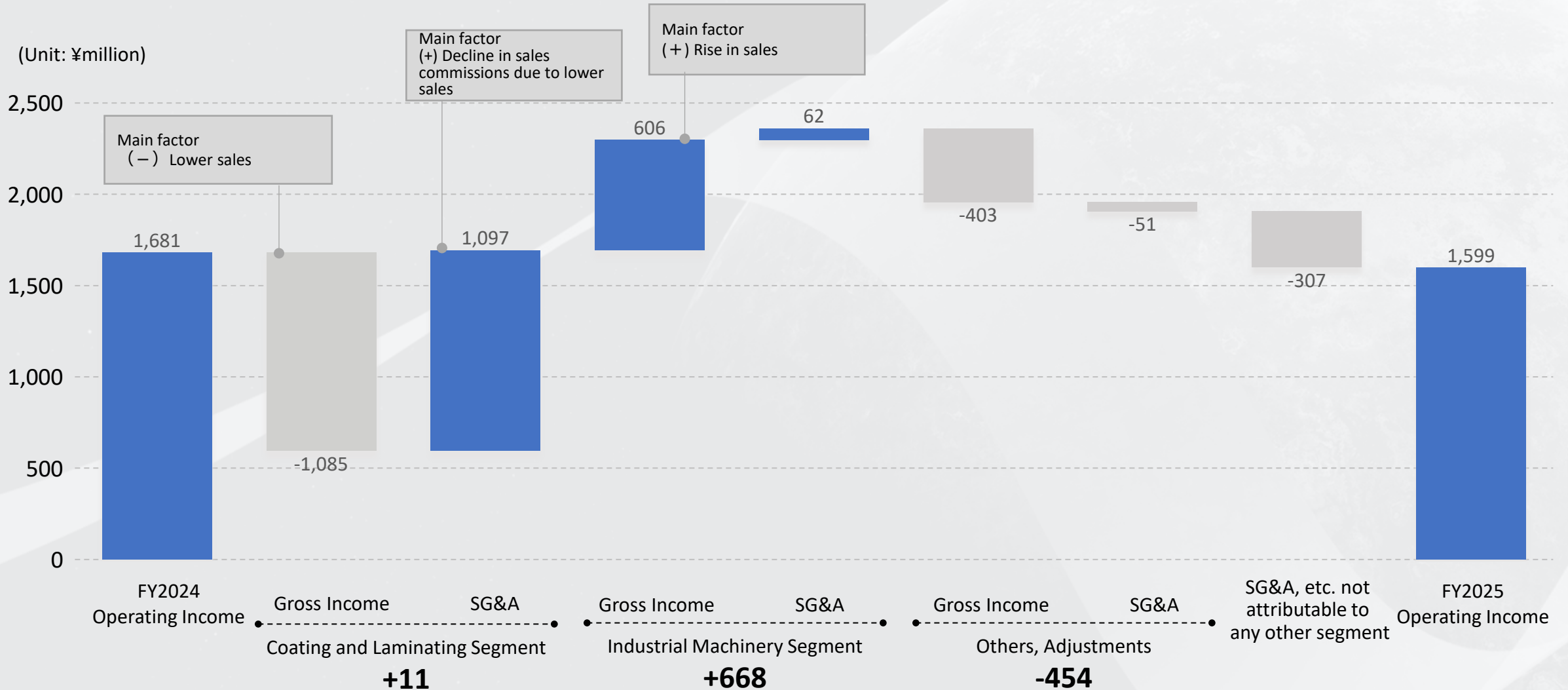
Net sales by region (YoY)



Order backlog by region (End-FY2024)



Factors for Change in FY2025 Operating Income



(Unit: ¥million)

	End-FY2024	End-FY2025	
	Value	Value	Change
Current Assets	48,505	42,895	-5,609
Fixed Asset	13,187	14,889	+1,701
Tangible Fixed Assets	7,437	7,959	+521
Intangible Fixed Assets	416	372	-44
Investments and Other Assets	5,333	6,558	+1,224
Total Assets	61,693	57,785	-3,908
Current Liabilities	22,505	17,019	-5,486
Fixed Liabilities	947	1,365	+418
Net Assets	38,240	39,400	+1,159
Equity Ratio	62.0%	68.2%	+6.2pts

Current Assets (vs. end-FY2024)

Current Assets Down ¥5,609mn

- ✓ Cash and deposits Up ¥375mn、 Marketable securities Up ¥300mn
- ✓ Accounts receivable and contract assets Down ¥3,650mn
- ✓ Advance payments Down ¥1,607mn
- ✓ Unpaid consumption tax Down ¥1,086mn

Fixed Assets Up ¥1,701mn

- ✓ Tangible fixed assets Up ¥521mn
- ✓ Investments and other assets Up ¥1,224mn

Liabilities (vs. end-FY2024)

Current Liabilities Down ¥5,486mn

- ✓ Notes payable and accounts payable Down ¥4,793mn、
Electronically recorded monetary claims Down ¥1,134mn、
Short-term borrowings Down ¥2,500mn
- ✓ Advances collected Up ¥2,864mn

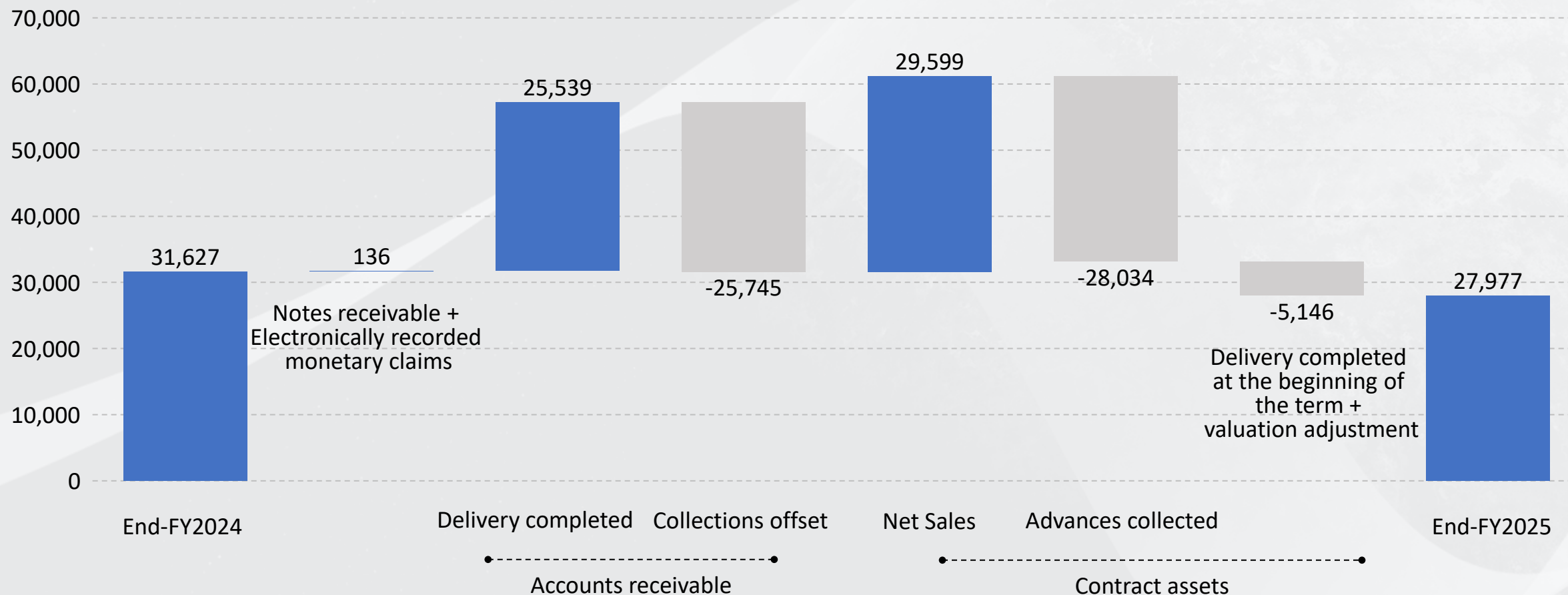
Fixed Liabilities Up ¥418mn

Net Assets (vs. end-FY2024)

Net Assets Up ¥1,159mn

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

(Unit: ¥million)

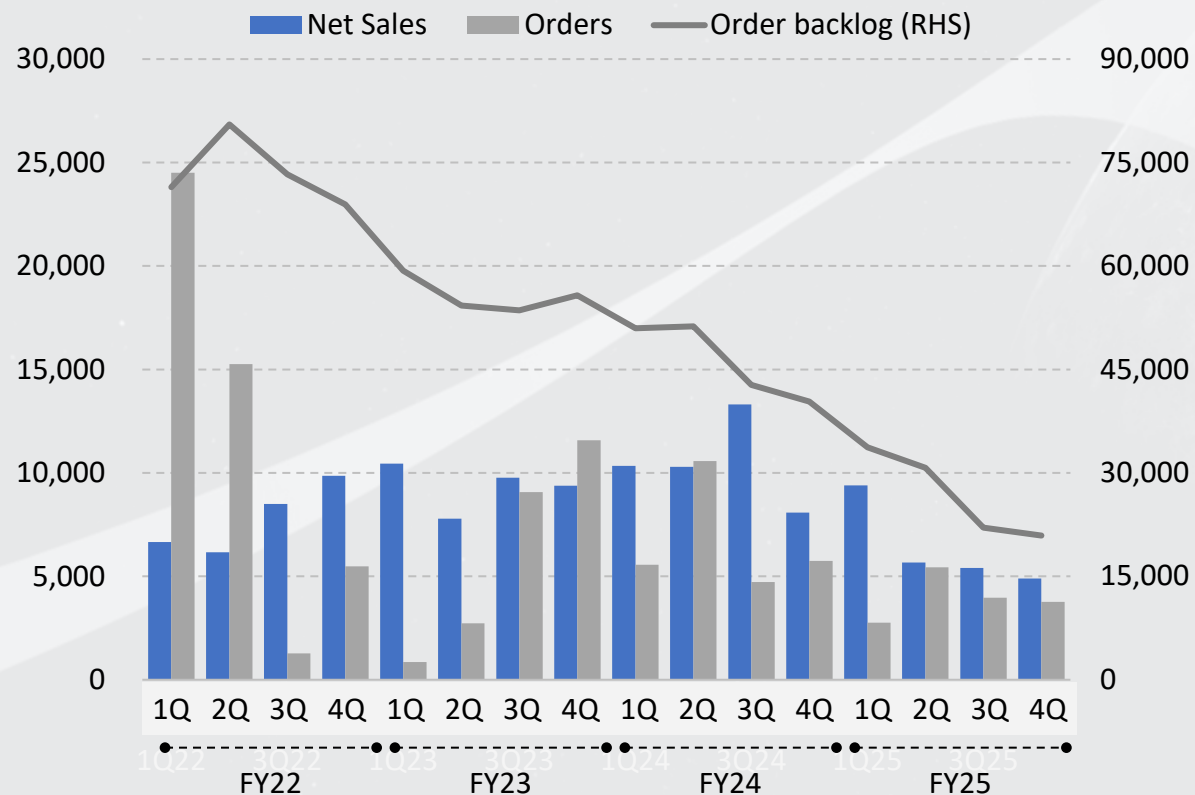


The background features a grayscale image of the Earth and the Moon in space. The Earth is on the left, and the Moon is on the right. A white horizontal band is overlaid across the center of the image, containing the text.

FY2025 Results by Segment

Order backlog, net sales, and orders

(Unit: ¥million)

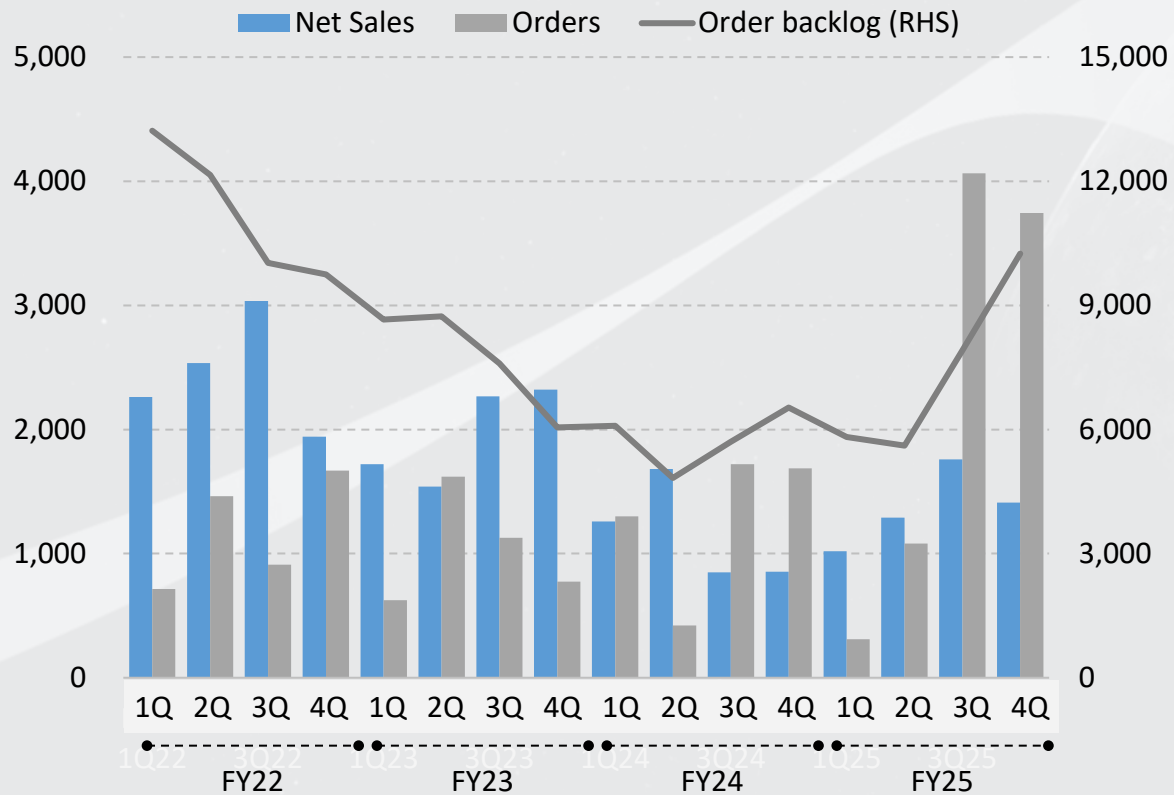


Highlights

- ✓ 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 inquires 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

(Unit: ¥million)



Highlights

Market conditions

- ✓ Some investment appetite, mainly in film making systems for electronic materials applications such as MLCC and polyimide films.
- ✓ Procurement issues for materials emerging owing to shortage of some petroleum-derived products.

Orders

- ✓ Capture of orders for large machinery for polyimide film applications and film making systems for ceramic materials.
- ✓ Orders landed for electronic materials-related equipment due to efforts 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.
- ✓ Contributions from areas such as electronic materials applications in 4Q.



FY2026 Outlook

FY2026 Earnings Forecasts



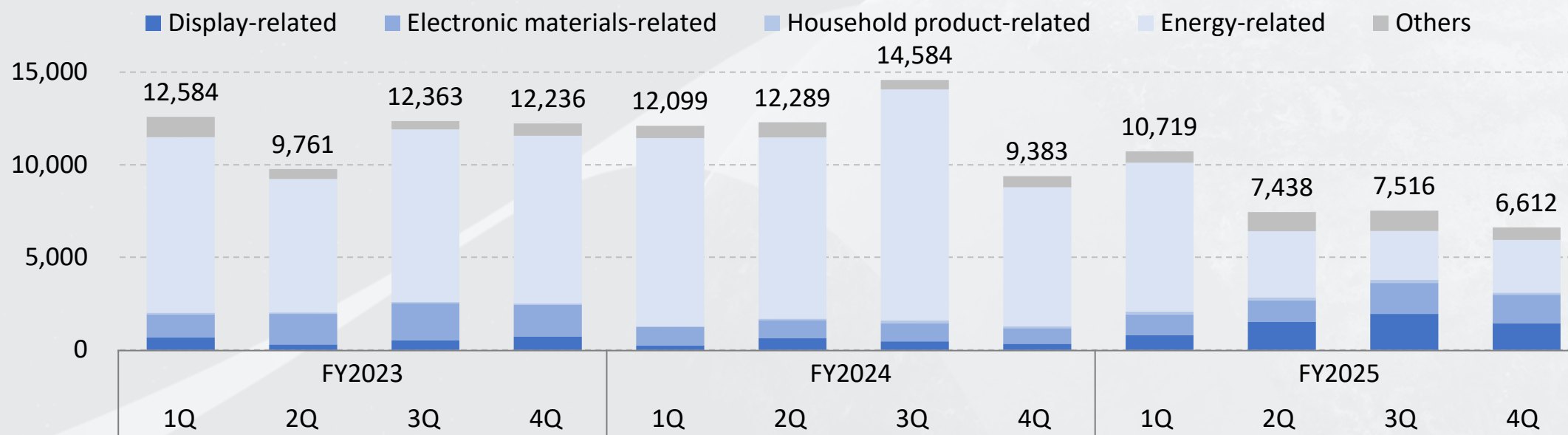
	FY2025	FY2026 Forecast	Change	YoY(%)
(Unit: ¥million)	a	b	b-a	(b-a)/a
Net Sales	32,285	25,000	-7,285	-22.6%
Operating Income	1,599	1,500	-99	-6.2%
Operating Income Margin	5.0%	6.0%	+1.0pts	-
Ordinary Income	1,706	1,600	-106	-6.3%
Ordinary Income Margin	5.3%	6.4%	+1.1pts	-
Net Income	1,313	1,100	-213	-16.3%
Net Income Margin	4.1%	4.4%	+0.3pts	-
ROE	3.4%	2.8%	-0.6pts	
Dividends per share for the full year	¥84	¥84	--	
Interim	¥42	¥42	--	
Year-end	¥42	¥42	--	

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)

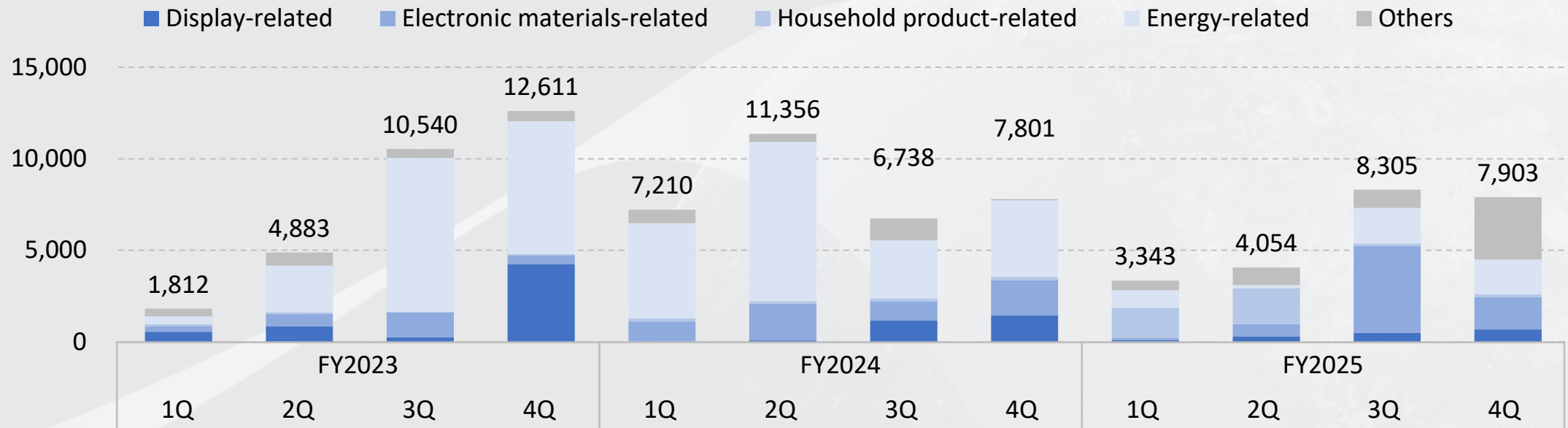
(Unit: ¥million)



Net sales weighting	Others	8.7%	5.5%	3.7%	5.5%	5.4%	6.6%	3.6%	6.4%	5.7%	13.8%	14.6%	10.2%
	Energy-related	75.4%	73.8%	75.5%	74.0%	83.9%	79.7%	85.6%	80.1%	75.0%	48.0%	35.2%	43.0%
	Household product-related	0.7%	0.8%	0.4%	0.7%	0.3%	0.7%	1.0%	1.0%	1.5%	2.2%	2.1%	1.8%
	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%	23.2%
	Display-related	5.3%	3.0%	4.3%	5.9%	2.1%	5.1%	3.1%	3.6%	7.6%	20.3%	25.9%	21.8%

By Application ② Orders (quarterly)

(Unit: ¥million)

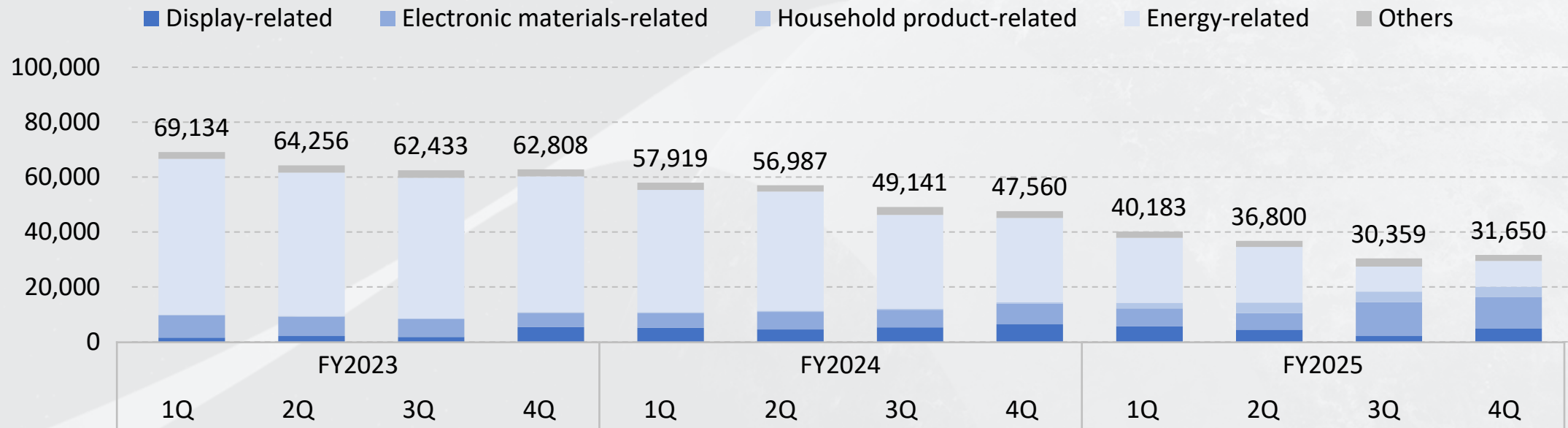


	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Others	23.0%	14.6%	4.7%	4.4%	10.0%	3.9%	17.8%	1.1%	15.8%	23.4%	11.9%	43.1%
Energy-related	24.1%	52.2%	79.8%	57.6%	72.3%	76.5%	47.0%	53.5%	28.3%	4.0%	23.5%	24.1%
Household product-related	6.5%	2.1%	0.3%	0.4%	2.4%	1.2%	2.4%	2.2%	49.5%	48.8%	1.4%	1.7%
Electronic materials-related	16.3%	13.7%	12.8%	3.9%	15.2%	17.7%	15.5%	24.7%	3.6%	16.9%	57.3%	22.5%
Display-related	30.1%	17.4%	2.4%	33.7%	0.1%	0.7%	17.3%	18.5%	2.8%	6.9%	6.0%	8.6%

Order weighting

By Application ③ Order Backlog (quarterly)

(Unit: ¥million)



Order backlog weighting	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%	15.5%
Energy-related	82.2%	81.2%	82.1%	78.7%	76.8%	76.2%	69.4%	64.7%	58.9%	55.0%	40.6%	36.0%
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%	12.1%
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%	29.5%
Display-related	2.2%	3.2%	2.9%	8.5%	8.8%	8.0%	10.7%	13.4%	14.0%	12.0%	9.8%	7.0%

This document provides information intended solely to help readers' understanding of HIRANO TECSEED CO., LTD.

Thus, we have no intention to solicit or encourage investment for securities or financial products mentioned in this document.

This document contains forward-looking statements, including forecasts of financial position, results of operations, and business-related matters, as well as statements related to the plans and goals of the management of HIRANO TECSEED CO., LTD. There are a number of known and unknown risks and uncertainties that can cause its actual results or performance to differ materially from any explicit or implicit forecasts contained herein. These forward-looking statements also rest on a number of assumptions with regard to our present and future management strategies, as well as the political and economical environments in which we will conduct its future business operations.

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May 12, 2026

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