

July 31, 2025

Consolidated Financial Results for the Three Months Ended June 30, 2025 (Under Japanese GAAP)

Company name: HIRAKAWA HEWTECH CORP.
 Listing: Tokyo Stock Exchange
 Securities code: 5821
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 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2025	8,147	0.2	773	22.9	653	(32.8)	946	31.2
June 30, 2024	8,128	13.7	629	31.7	972	17.8	721	24.1

Note: Comprehensive income For the three months ended June 30, 2025: ¥429 million [(80.3)%]
 For the three months ended June 30, 2024: ¥2,177 million [11.9%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2025	64.15	-
June 30, 2024	48.90	-

Note: As of April 1, 2025, the Company has allotted treasury stock held by the Company at the rate of 0.05 common shares for every one common stock free of charge. Assuming that the share allotment was made at the beginning of the previous fiscal year, quarterly net income per share is calculated.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2025	52,203	39,979	74.4
March 31, 2025	47,106	38,719	82.2

Reference: Equity
 As of June 30, 2025: ¥38,824 million
 As of March 31, 2025: ¥38,719 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	-	22.00	-	23.00	45.00
Fiscal year ending March 31, 2026	-				
Fiscal year ending March 31, 2026 (Forecast)		23.00		24.00	47.00

Note: Revisions to the forecast of cash dividends most recently announced: None

Note: Revision from the most recently published dividend forecast: None

As of April 1, 2025, the Company has allotted treasury stock held by the Company at the rate of 0.05 common shares for every one common stock free of charge. For the fiscal year ending March 2025, the actual amount of dividends before the allotment of shares is described. For the fiscal year ending March 2026 (forecast), the contents after the share allotment are described.

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share
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	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2026	35,000	13.6	3,000	32.3	3,100	21.2	2,700	33.3	183.06

Note: Revisions to the earnings forecasts most recently announced: Yes
Note: Revision from the most recently announced earnings forecast: Yes
For the revision of the consolidated earnings forecast, please refer to the "Notice of Recording of Extraordinary Income (Negative Goodwill) and Revision of the Consolidated Earnings Forecast for the Full Year" announced today (July 31, 2025).
As of April 1, 2025, the Company has allotted treasury stock held by the Company at the rate of 0.05 common shares for every one common stock free of charge. Net income per share in the March 2026 earnings forecast takes into account the impact of the share allotment.

* **Notes**

- (1) Significant changes in the scope of consolidation during the period: Yes
Newly included: 1 company (Yoshinogawa Electric Cable Co., Ltd.)
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None

(4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2025	17,627,800 shares
As of March 31, 2025	17,627,800 shares

(ii) Number of treasury shares at the end of the period

As of June 30, 2025	2,879,465 shares
As of March 31, 2025	2,878,142 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2025	14,748,539 shares
Three months ended June 30, 2024	14,749,658 shares

Note: As of April 1, 2025, the Company has allotted treasury stock held by the Company at the rate of 0.05 common shares for every one common stock free of charge. Assuming that the share allotment was made at the beginning of the previous fiscal year, the number of shares outstanding (common shares) is calculated.

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: nothing

* Proper use of earnings forecasts, and other special matters

Forward-looking statements, such as earnings forecasts, contained in this material are based on information available to the Company and certain assumptions that the Company deems reasonable, and actual results may differ due to various factors. For the conditions on which earnings forecasts are based and precautions to be taken when using earnings forecasts, please refer to "Explanation of Forward-Looking Information such as Consolidated Earnings Forecasts" on page 2 of the Quarterly Financial Results Summary (Appendix).

Quarterly consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	13,778	15,387
Notes and accounts receivable - trade, and contract assets	7,989	8,651
Securities	159	165
Merchandise and finished goods	2,567	2,796
Work in process	835	1,423
Raw materials and supplies	4,012	4,230
Other	768	825
Allowance for doubtful accounts	(11)	(11)
Total current assets	30,099	33,468
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	4,740	5,110
Machinery, equipment and vehicles, net	6,020	6,470
Land	894	1,361
Construction in progress	615	155
Other, net	719	737
Total property, plant and equipment	12,989	13,834
Intangible assets	898	913
Investments and other assets	3,118	3,986
Total non-current assets	17,006	18,734
Total assets	47,106	52,203

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,695	2,107
Short-term borrowings	1,168	1,717
Income taxes payable	206	275
Provision for bonuses	66	140
Other	1,563	1,813
Total current liabilities	4,700	6,053
Non-current liabilities		
Long-term borrowings	1,781	3,931
Retirement benefit liability	1,747	1,900
Provision for retirement benefits for directors (and other officers)	58	90
Other	98	247
Total non-current liabilities	3,686	6,169
Total liabilities	8,386	12,223
Net assets		
Shareholders' equity		
Share capital	1,555	1,555
Capital surplus	1,412	953
Retained earnings	30,969	31,592
Treasury shares	(2,340)	(1,882)
Total shareholders' equity	31,596	32,218
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,040	1,125
Foreign currency translation adjustment	6,070	5,471
Remeasurements of defined benefit plans	10	8
Total accumulated other comprehensive income	7,122	6,606
Non-controlling interests	-	1,155
Total net assets	38,719	39,979
Total liabilities and net assets	47,106	52,203

Quarterly consolidated statement of income

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net sales	8,128	8,147
Cost of sales	6,232	6,129
Gross profit	1,896	2,018
Selling, general and administrative expenses	1,266	1,244
Operating profit	629	773
Non-operating income		
Interest income	71	47
Dividend income	9	13
Foreign exchange gains	270	-
Other	12	16
Total non-operating income	364	76
Non-operating expenses		
Interest expenses	10	9
Foreign exchange losses	-	177
Loss on disposal of machinery and equipment	7	4
Other	3	4
Total non-operating expenses	21	196
Ordinary profit	972	653
Extraordinary income		
Gain on bargain purchase	-	443
Total extraordinary income	-	443
Profit before income taxes	972	1,096
Income taxes - current	205	174
Income taxes - deferred	45	(23)
Total income taxes	251	150
Profit	721	946
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	721	946

Quarterly consolidated statement of comprehensive income

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Profit	721	946
Other comprehensive income		
Valuation difference on available-for-sale securities	55	84
Foreign currency translation adjustment	1,404	(599)
Remeasurements of defined benefit plans, net of tax	(2)	(1)
Total other comprehensive income	1,456	(516)
Comprehensive income	2,177	429
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,177	429
Comprehensive income attributable to non-controlling interests	-	-

(Notes on segment information, etc.)

Segment Information

I. the three months of the previous fiscal year (April 1, 2024 to June 30, 2024)

1. Information on sales and the amount of profit or loss for each reported segment

(in millions of yen)

	Reportable segments			Other (Note) 1	Total	Adjustment amount (Note) 2	Quarterly Consolidated Statements of Income (Note)3
	An electric wire and processed goods	An electron and a medical part	Total				
Sales							
Revenues from external customers	6,938	1,186	8,125	3	8,128	-	8,128
Transactions with other segments	1	-	1	-	1	(1)	-
Total	6,939	1,186	8,126	3	8,130	(1)	8,128
Segment Profit	580	286	867	3	871	(241)	629

Note: 1. The "Other" category refers to business segments that are not included in the reporting segments, including Resale Goods and Real Estate etc.

2. Segment profit adjustment of (241) million yen includes company-wide expenses of (241) million yen that have not been allocated to each reporting segment. Corporate expenses are general and administrative expenses that are not primarily attributable to the reporting segment.

3. Segment profit is adjusted to operating income in the quarterly consolidated statements of income.

II. the three months of the current fiscal year (April 1, 2025 to June 30, 2025)

1. Information on sales and the amount of profit or loss for each reported segment

(in millions of yen)

	Reportable segments			Other (Note) 1	Total	Adjustment amount (Note) 2	Quarterly Consolidated Statements of Income (Note)3
	An electric wire and processed goods	An electron and a medical part	Total				
Sales							
Revenues from external customers	6,710	1,430	8,141	6	8,147	-	8,147
Transactions with other segments	0	-	0	-	0	(0)	-
Total	6,711	1,430	8,141	6	8,148	(0)	8,147
Segment Profit	745	265	1,010	5	1,016	(243)	773

Note: 1. The "Other" category refers to business segments that are not included in the reporting segments, including Resale Goods and Real Estate etc.

2. Segment profit adjustment of (243) million yen includes company-wide expenses of (243) million yen that have not been allocated to each reporting segment. Corporate expenses are general and administrative expenses that are not primarily attributable to the reporting segment.

3. Segment profit is adjusted to operating income in the quarterly consolidated statements of income.

2. Information on impairment losses or goodwill on fixed assets by reporting segment

(Significant Negative Goodwill Accrual)

In the Wires & Processed Products segment for the three months of the current fiscal year, we recorded a negative goodwill gain of 443 million yen due to the acquisition of shares of Yoshinogawa Electric Cable Co., Ltd. and the inclusion of Yoshinogawa Electric Cable Co., Ltd. in the scope of consolidation. Negative goodwill gains are not included in the above segment profits because they are extraordinary income. In addition, the amount of negative goodwill accrual is provisionally calculated because the allocation of acquisition costs has not been completed at the end of the three months of the current fiscal year.