

Results briefing materials

3Q FY10/25 results

(Nov 1, 2024 – Jul 31, 2025)

ハミダセ、アミダセ。

Think outside the box, create new values.

Hagihara Industries Inc.

TSE Prime:7856

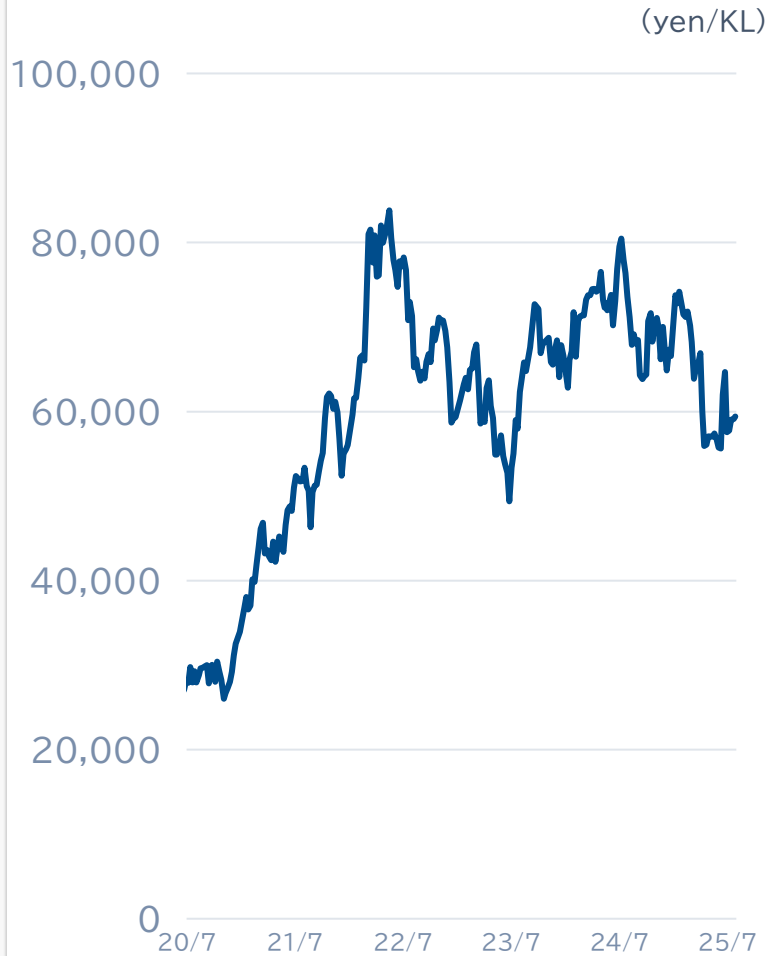
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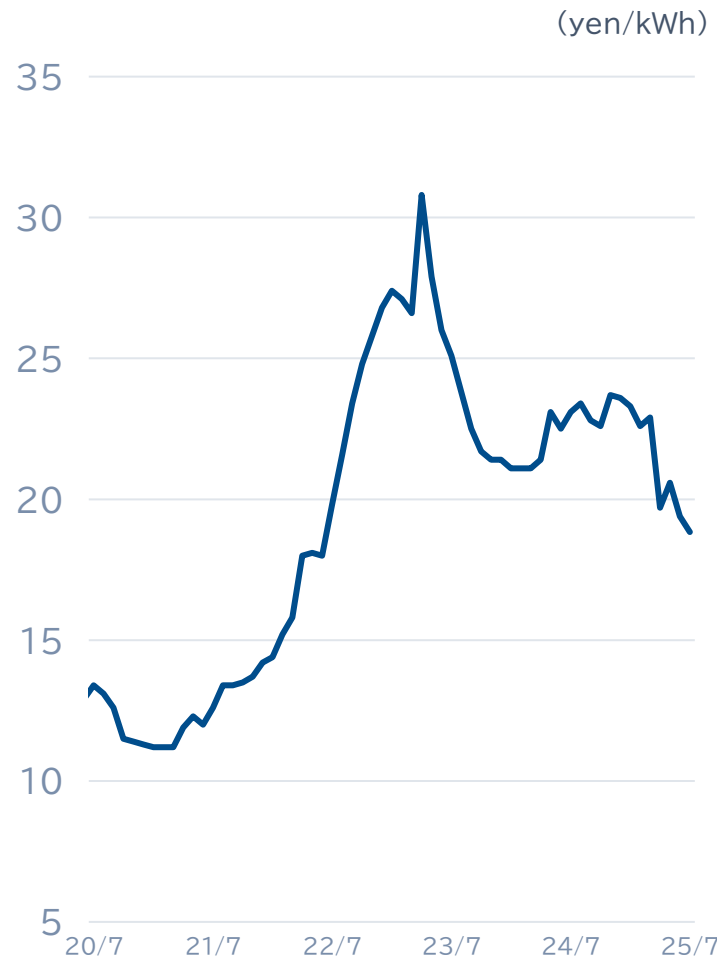
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(Reference) Business conditions indicators

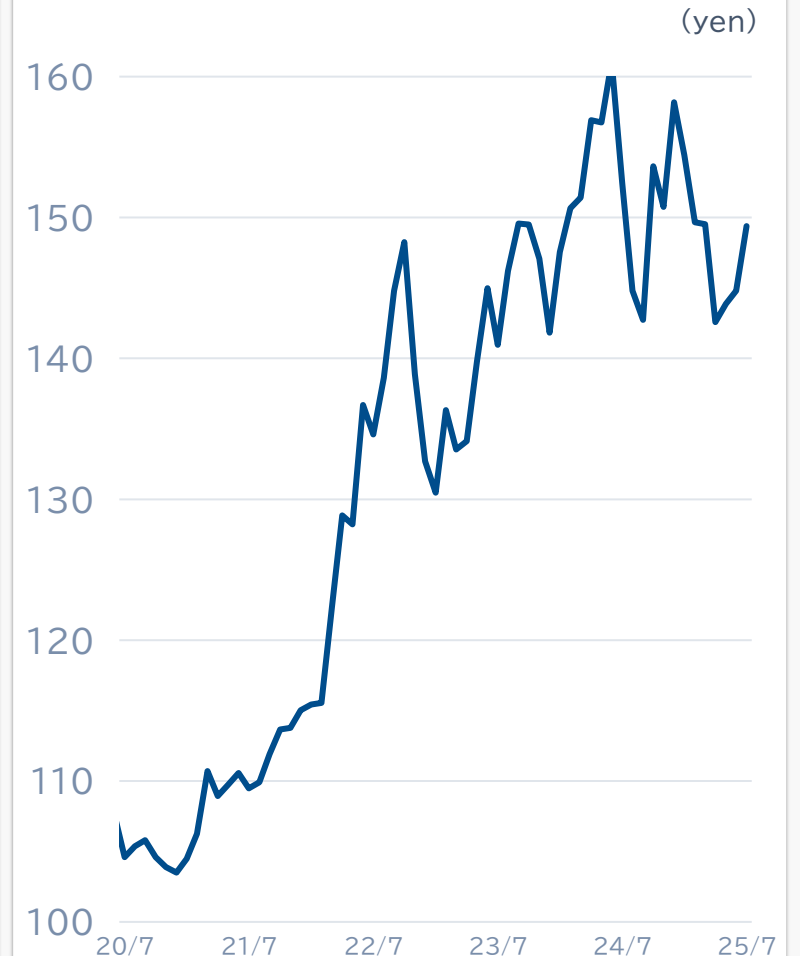
Naphtha price



Electricity rates



JPY/US\$



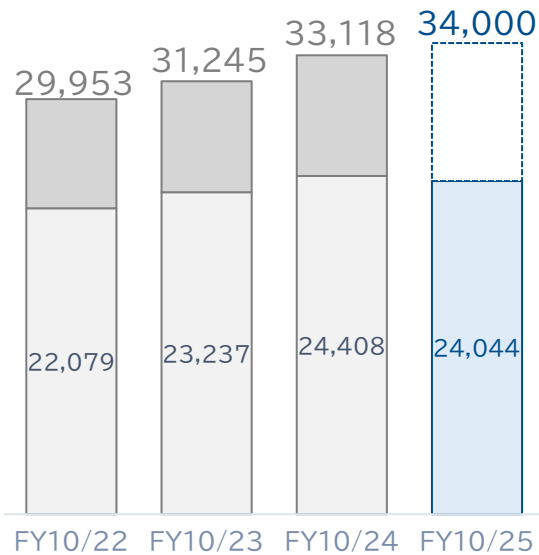
Results highlights –All Company–

Sales

¥**24,044**mn

YoY **−1.5%**
(−¥364mn)

(Millions of Yen)

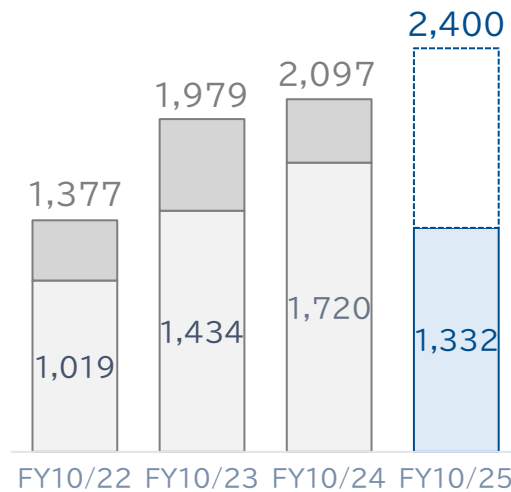


Operating Income

¥**1,332**mn

YoY **−22.5%**
(−¥387mn)

(Millions of Yen)

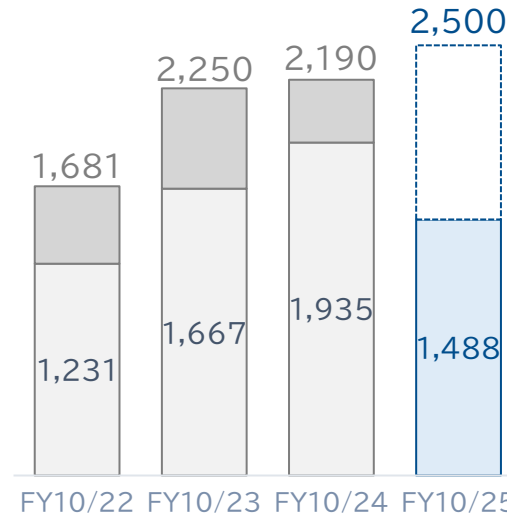


Ordinary Income

¥**1,488**mn

YoY **−23.1%**
(−¥447mn)

(Millions of Yen)

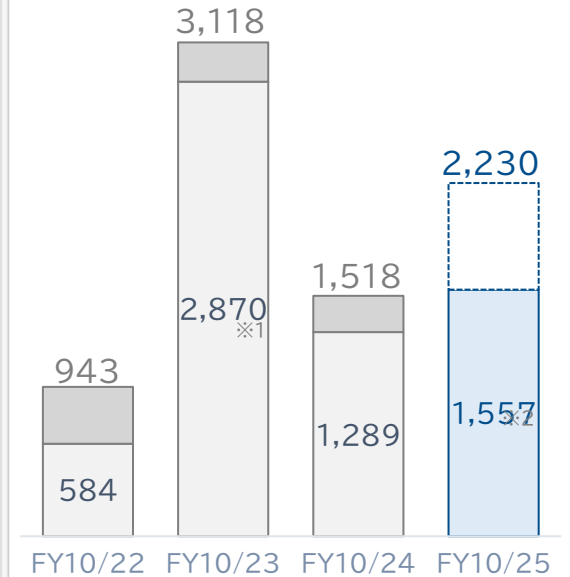


Quarterly net income attributable to owners of parent

¥**1,557**mn

YoY **+20.8%**
(+¥268mn)

(Millions of Yen)



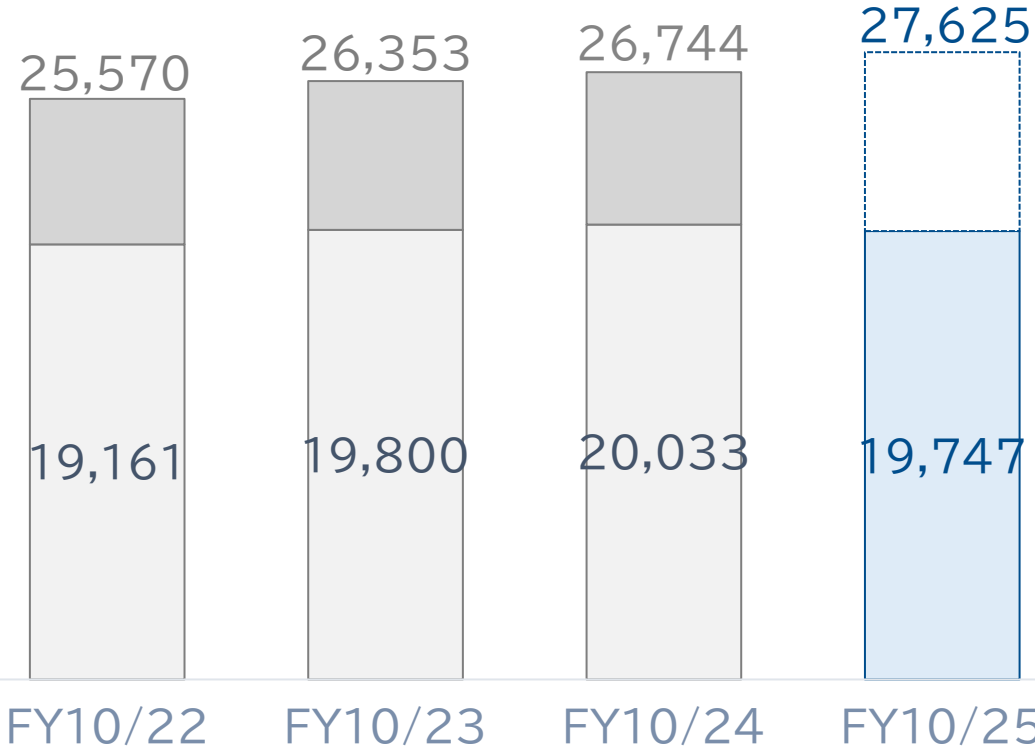
※1 Recognition of compensation payment related to the Chinese subsidiary as extraordinary income.
 ※2 Recording subsidies related to the Kasaoka factory as extraordinary income.

Results highlights –Plastic-processed Products (PLS) segment–

Sales

¥**19,747**mn YoY **−1.4%**
(− ¥286mn)

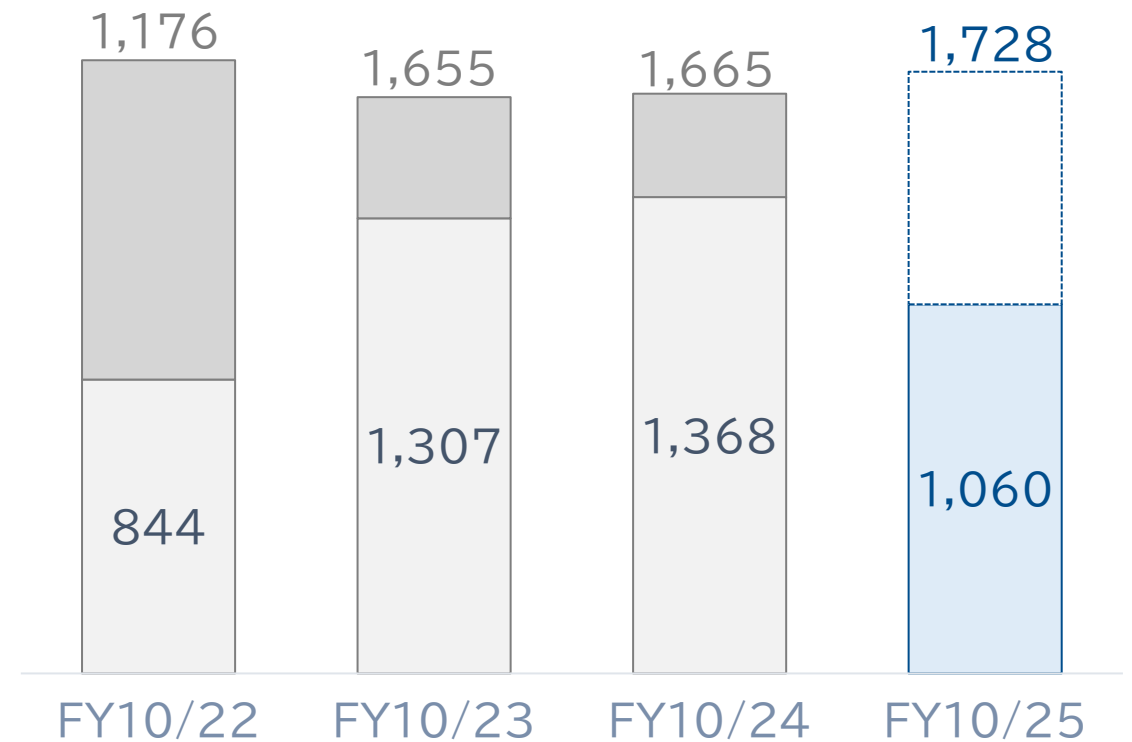
(Millions of Yen)



Operating Income

¥**1,060**mn YoY **−22.5%**
(− ¥307mn)

(Millions of Yen)



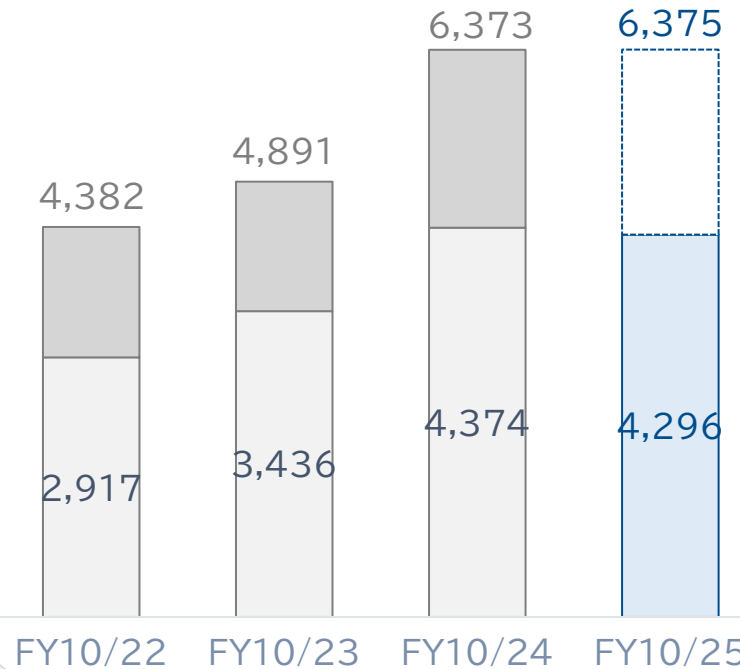
Results highlights –Engineering (ENG) segment–

Sales

¥**4,296**mn

YoY **–1.8%**
(–¥77mn)

(Millions of Yen)

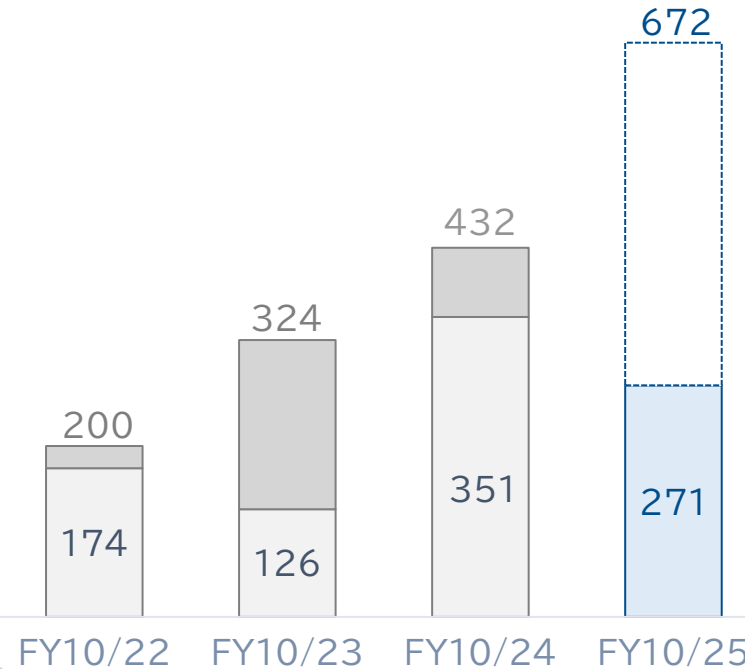


Operating Income

¥**271**mn

YoY **–22.7%**
(–¥79mn)

(Millions of Yen)

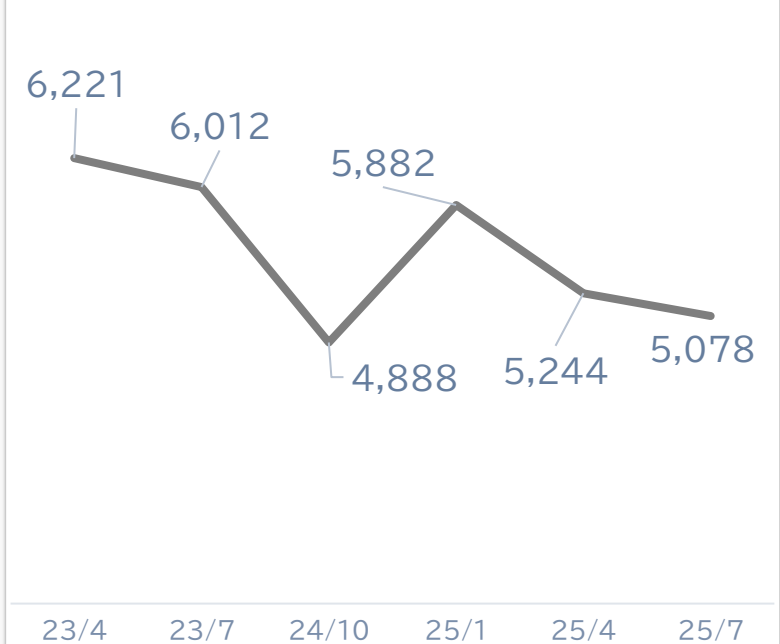


Order Backlog

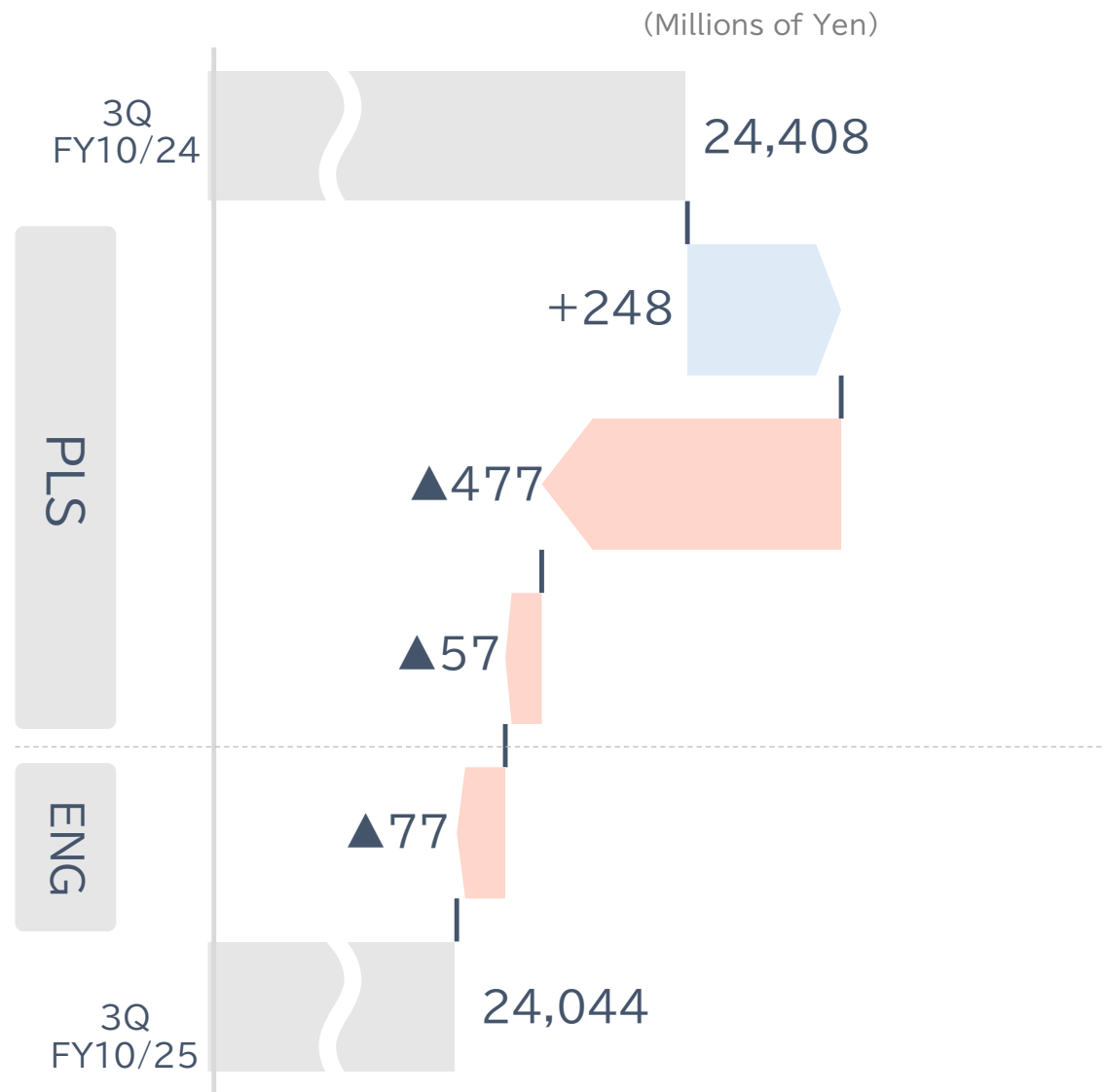
¥**5,078**mn

YoY **+3.9%**
(+¥190mn)

(Millions of Yen)



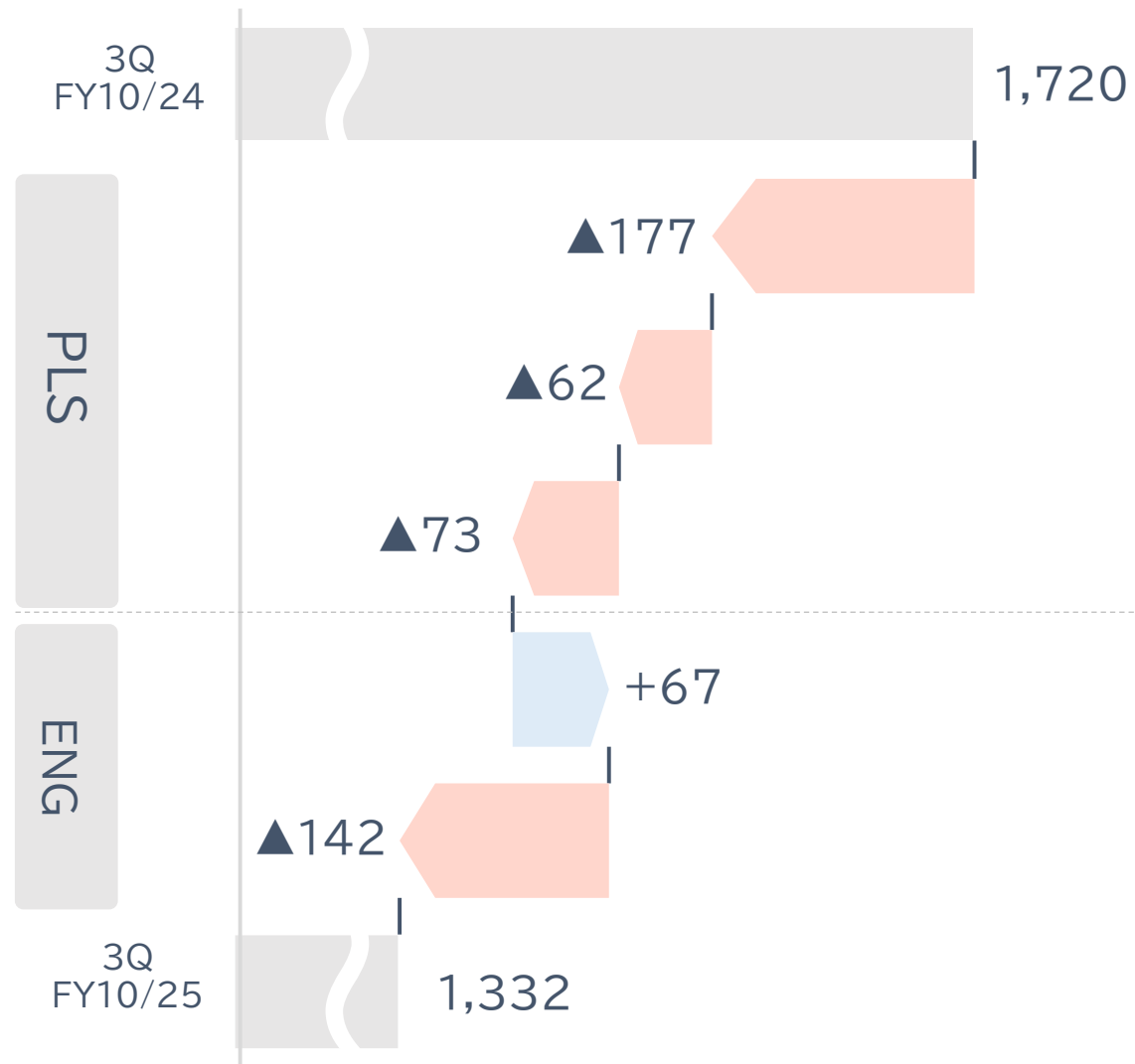
Consolidated sales analysis



Main factors for change

- ▶Sales prices raised: Sales unit prices increased to pass through higher raw materials and other input costs
- ▶Decline in sales volume (BarChip, laminated fabric, Flexible Container Bag etc)
- ▶Impact of foreign exchange: Sales decrease due to the strong yen
- ▶Decrease in sales in the Engineering segment

Consolidated sales analysis



Main factors for change

- ▶ Impact of decreased sales of highly profitable products (BarChip, etc.)
- ▶ Impact of Increased Manufacturing Costs
- ▶ Impact of rise in SG&A
- ▶ Impact of sales of highly profitable products
- ▶ Impact of rise in SG&A

Sales by region/segment

Overseas sales

All-company ¥7,122mn

(Millions of Yen)

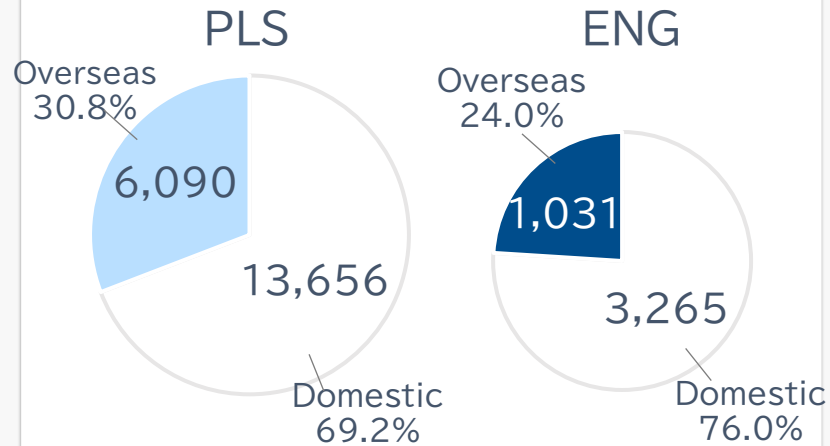


■ PLS ■ ENG

Overseas sales weighting

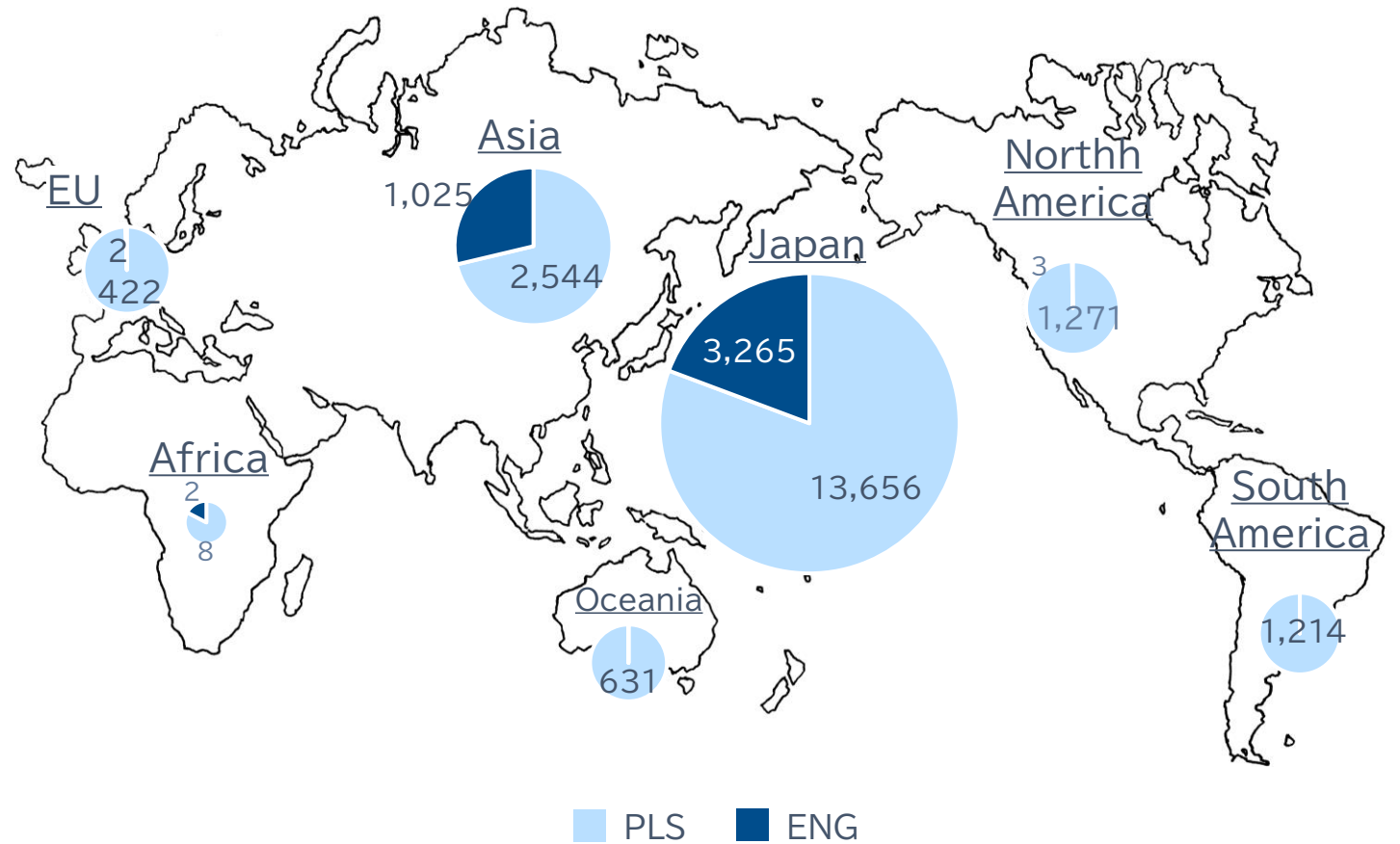
All-company 29.6%

(Millions of Yen)



Sales by region

(Millions of Yen)



Overview of segments and subsidiaries

(Millions of Yen)

	3Q FY10/24		3Q FY10/25		YoY change	
	Sales	Operating income	Sales	Operating income	Sales	Operating income
Hagihara Industries	11,447	376	11,425	364	▲22	▲12
Hagihara Westjava Industries	3,501	92	3,453	17	▲48	▲75
BarChip Group(Overseas)	3,429	227	2,993	109	▲436	▲118
BarChip(Domestic)	1,563	706	1,241	405	▲322	▲301
Toyo Heisei Polymer	3,152	97	3,389	137	237	40
PLS Total	20,033	1,368	19,747	1,060	▲286	▲308
Hagihara Industries	4,289	301	4,303	226	14	▲75
Hagihara Machinery(Shanghai)	584	25	551	53	▲33	28
ENG Total	4,374	351	4,296	271	▲78	▲80

Consolidated balance sheet

Assets

(Millions of Yen)

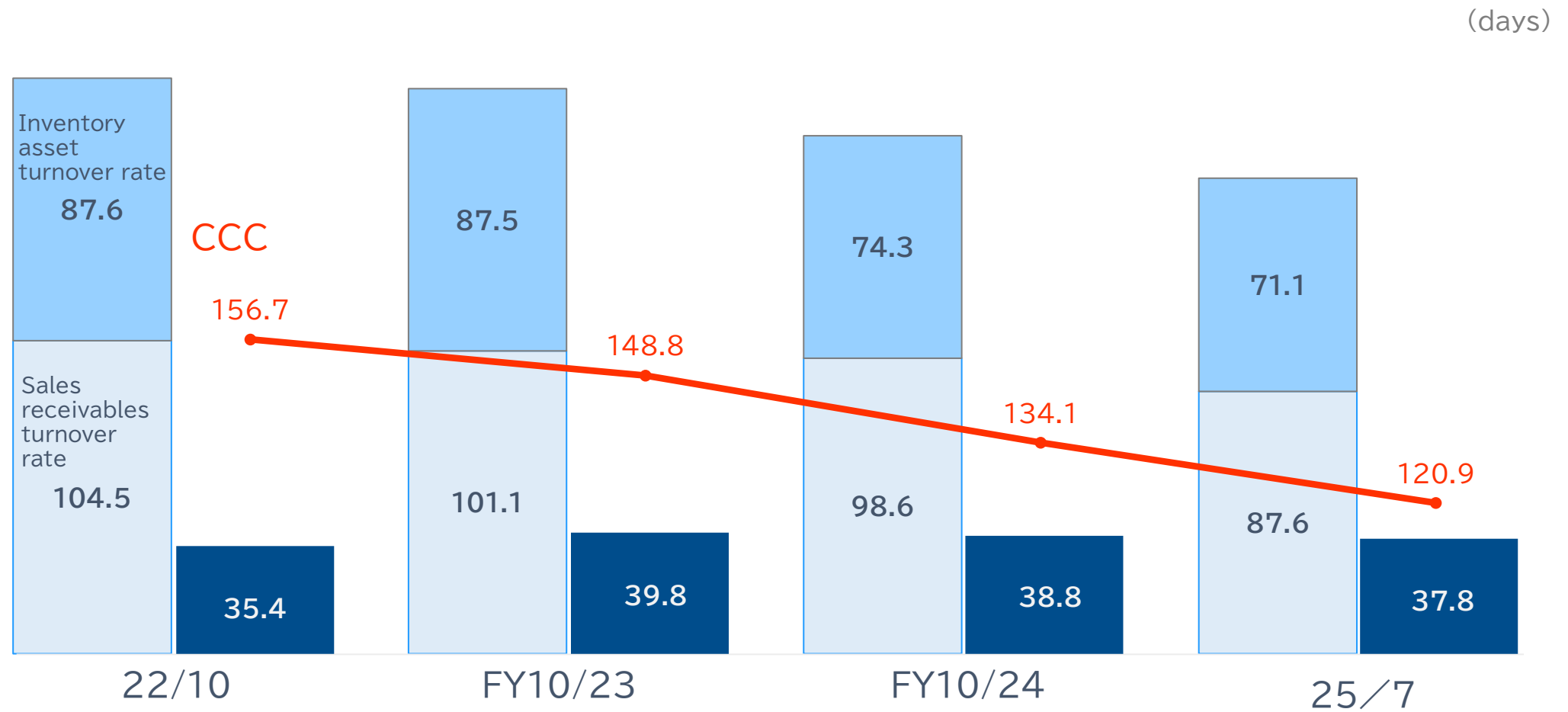
	24/10	25/7
	42,583	42,368
Cash and cash equivalents	5,600	5,567
Sales receivables	8,949	7,689
Inventory, wholesale assets, etc.	7,398	7,880
Fixed assets, etc.	20,634	21,230
Total asset turnover ratio	0.78x	0.76x

Liabilities・Net assets

(Millions of Yen)

	24/10	25/7
	42,583	42,368
Procurement payables	3,518	3,321
Interest-bearing debt	5,447	4,941
Other current liabilities	3,453	3,124
Other fixed liabilities, etc.	1,064	1,145
Net assets	29,098	29,835
D/E ratio (Debt/Shareholders' Equity)	0.5	0.4
Shareholders' equity ratio	68.1%	70.3%

CCC (cash conversion cycle)



*CCC = inventory asset turnover rate + sales receivables turnover rate – procurement payables turnover rate

Financial performance indicators

	22/10	23/10	24/10	25/7
ROE(%)	3.7	11.6	5.3	4.6※
ROA(%)	2.6	7.7	3.6	3.2※

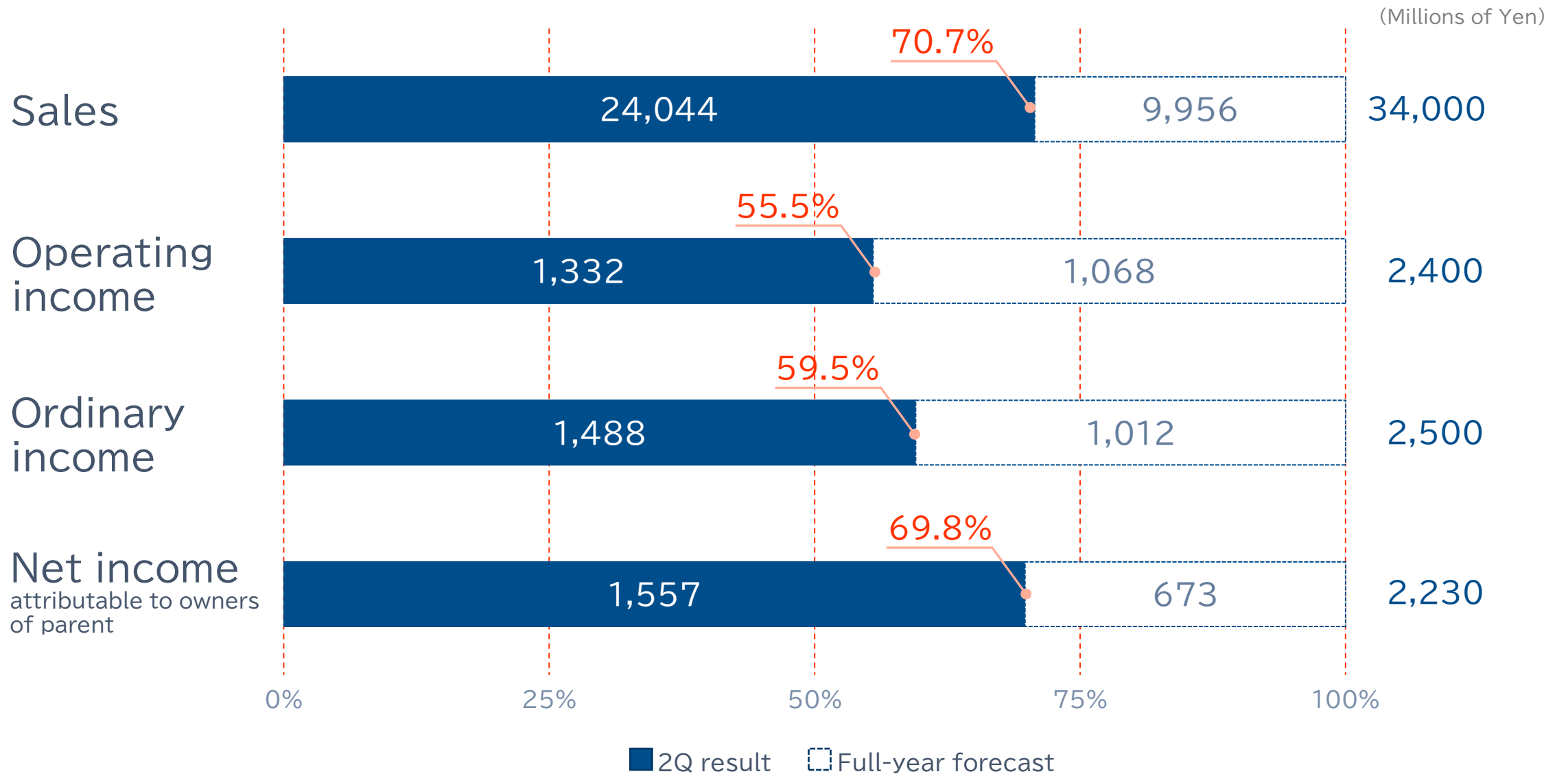
※The calculation excludes subsidies for the Kasaoka plant.

Main share price indicators

	22/10	23/10	24/10	25/7
Share price (yen)	1,021	1,605	1,470	1,580
Dividend per share (yen)	36	50	60	65 ※
Dividend payout ratio (%)	54.7	22.4	54.2	40.6 ※
BPS(yen) *Net assets per share	1,856.11	2,028.93	2,088.91	2,130.31
PBR(%) *Price-book value ratio	0.55	0.79	0.70	0.74
Number of shareholders (people)	31, 252	33,074	35,686	31,919

※ Forecast

Consolidated earnings forecasts



Sales by product type

(Millions of Yen)

Product type		Main product/ application	FY10/22	FY10/23	FY10/24	FY10/25	
			Full year	Full year	Full year	3Q result (% of total sales)	Full year forecast
P L S	Sheets,construction materials	Sheets,laminated fabric,sandbags	5,804	5,935	6,114	4,476	6,276
	Industrial materials	FIBC:flexible container bag,yarn	7,538	6,635	5,768	3,975	5,911
	Synthetic fiber for concrete reinforcement (BarChip)	Infrastructure, construction, mining	4,825	5,289	5,325	3,740	5,599
	Lifestyle materials	Adhesive-related, artificial grass, Meltac	6,433	7,565	8,729	6,901	9,022
	Others	Procured products, etc.	967	927	806	653	815
Total			25,570	26,353	26,744	19,747	27,625

製品分類別売上高

(Millions of Yen)

Product type		Main product/ application	FY10/22	FY10/23	FY10/24	FY10/25	
			Full year	Full year	Full year	3Q result (% of total sales)	Full year forecast
E N G	Paper slitters	Electrical materials (insulation), Electronic component wrapping	392	519	1,148	477	654
	Film slitters	Soft packaging materials, optical materials, battery materials	2,862	3,109	3,484	2,672	4,046
	Screen changers, recycling machines	PET bottle recycling, etc.	1,055	1,021	1,529	774	1,300
	Others	Winders, etc.	71	241	211	372	374
Total			4,382	4,891	6,373	4,296	6,375

Topics

■Horizontal recycling of blue cloths begins in the Tohoku region

We have entered into a “Collaboration Agreement on the Circular Use of Construction Materials” with housing manufacturer Ai Home Co., Ltd., (Headquarters: Tomiya City, Miyagi Prefecture) on Friday, August 22, 2025. This marks the first partnership in the Tohoku region for the Blue Sheet Horizontal Recycling Project “Re VALUE+”, establishing a new resource circulation route.



■Recycling equipment delivered to DOWA ECO-SYSTEM

DOWA ECO-SYSTEM CO., LTD. has delivered a recycled pellet manufacturing system for plastic recycling to its Kumamoto facility, constructed to expand environmental and recycling operations in the Kyushu region. This system will play a key role in the company's home appliance recycling operations.

Topics

■ Recognized as a TICAD 9 Co-creation Company

At the 9th Tokyo International Conference on African Development (TICAD 9) held this August, our company and our subsidiary, BarChip Inc. were certified as “Co-Creation Companies.” By actively engaging in public-private and private-private exchanges utilizing the TICAD 9 platform and other initiatives, we will strengthen sales of our products in Africa, a region with significant growth potential.



**Let's team up
for TICAD9!**

20-22 August 2025 PACIFICO YOKOHAMA



■ Awarded the Unique Business Model Prize at the SUSTAINABLE GROWTH COMPANY AWARD 2025

We have been awarded the Unique Business Model Award at the “Sustainable Growth Company Awards 2025” hosted Funai Soken Holdings Inc. Our product development capabilities through the deepening and evolution of flat yarn technology were recognized.

【Disclaimer】

The forward-looking statements on future earnings performance and other forecasts and strategies contained in these materials are based on information that was available to the company at the time of their creation and certain reasonable assumptions.

However, there is a risk that unforeseeable exceptional circumstances and/or unforeseeable results may cause actual performance to be materially different from that expressed or implied by these forward-looking statements.

The forward-looking statements on future earnings performance alone should not be relied upon as advice to investors.

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