

# Mid-Term Management Plan 2028



Hagihara Industries Inc.  
December 8, 2025

# INDEX

1. Review of the Mid-Term Management Plan
2. New Mid-Term Management Plan
3. New Mid-Term Management Plan: Numerical Targets

## Back to Basics for a Leap Forward

(V for J – V-shape(Victory) Recovery for J-shape(Jump)Starting Growth)

(billion yen)

	FY10/25	Forecast (FY10/25)	Difference
<b>Sales</b>	319	330	–11
PLS	263	266	– 3
ENG	56	64	– 8
<b>Ordinary profit</b>	18	33	–15
PLS	15	23	– 8
ENG	3	10	– 7

<b>Refine the technology.</b>	Achieving Horizontal Recycling of Blue Cloths	○
	Responding to the Demand for Recycling Machines	Continuation
<b>Expand the product.</b>	Strengthening Sales of High-Performance Cloths	○
	Support of Local Government Disaster Prevention Functions	○
<b>Create the market.</b>	Expanding applications for apparel	Continuation
	Overseas Market Development	Continuation
	Realizing the Circular Economy	○
	Enhanced Sheet Processing	Continuation
<b>Fostering employee growth and happiness.</b>	Labor-saving measures in manufacturing sites	Continuation
	Childcare Support & Senior Engagement	○

(billion yen)				
	Three-Year Performance Record	Forecast	Difference	Achievement Level
Capital expenditure	102	105	— 3	
Strategic investment	41	40	+1	○
Kasaoka Plant	25	25	0	○
Maintain investment in updates	36	40	— 4	○

	FY10/25	Forecast	Difference	Achievement Level
ROE(%)	4.2※	8.0	−3.8	×
D/E ratio	0.4	0.6	−0.2	×

	FY10/25	Forecast	Difference	Achievement Level
Total Return Ratio(%)	50.6	70.0	−19.4	×
Dividend payout ratio(%)	50.6	40.0	+10.6	○
Dividend Amount (JPY/share)	65	50	+15	○

※Calculated excluding subsidies.



**Link with business partners**

**Link with society**

**Link with employees**

**And leap forward by Linking  
with the future**





Link with business partners



Link with society



Link with  
employees



**1.Enhancing Product  
Capabilities**



**2.Enhancing Manufacturing  
Capabilities**



**3.Expansion of  
Environmental Business**



**4.Growth of Employees  
and the Company**





## Enhancing Product Capabilities

### BarChip

Expansion for Infrastructure and Basements



Concrete Paved Roads in Paraguay for  
Durability improvement

### Meltec

Expansion supply from U.S. Plant



Vegetable bags made from Meltec, widely  
used in the United States



## Enhancing Product Capabilities

### Adhesive tape master roll

Increase domestic market share



Adhesive tape using our base material

### High-performance cloths

Development and Sales Expansion



Heat shielding cloths

### Development of Environmentally Conscious Products

Contributing to the reduction of plastic waste



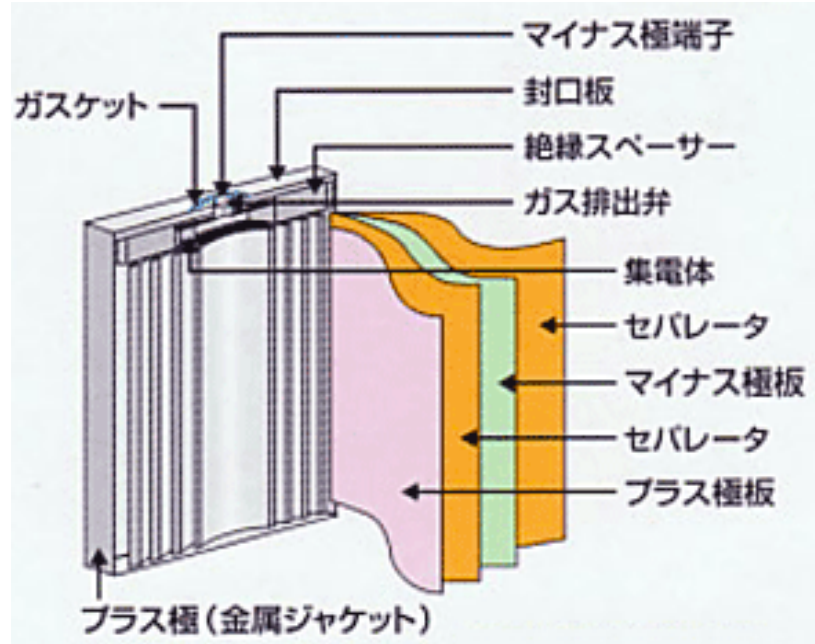
Environmentally conscious artificial turf  
requiring no resin infill





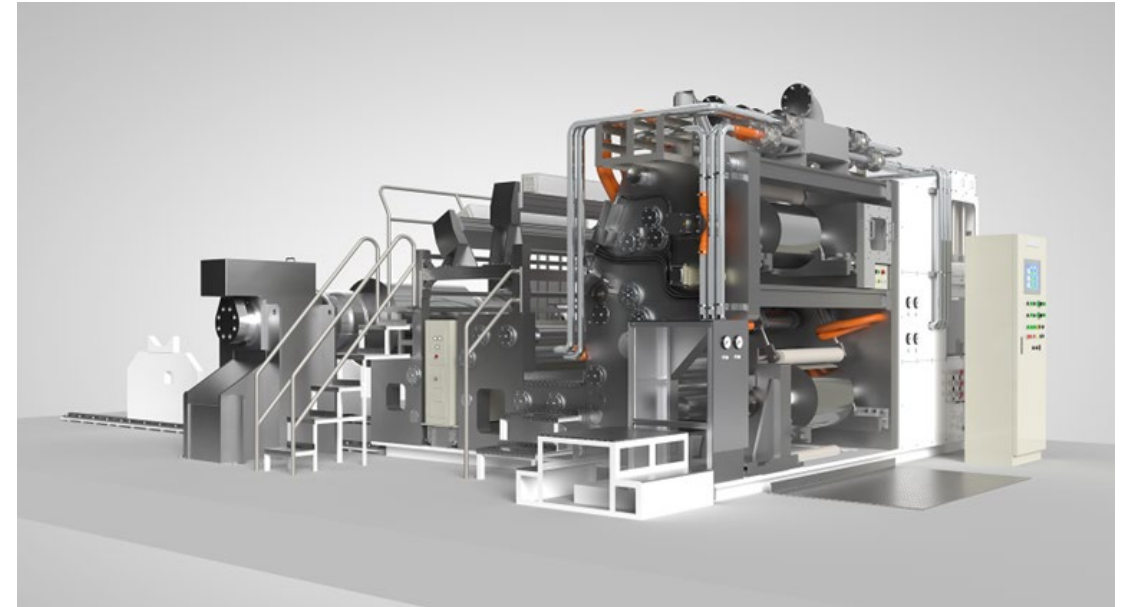
## Enhancing Product Capabilities

Full-scale deployment of secondary battery-related equipment



The secondary battery sector, which is expected to see long-term growth, is applying our technology to various component processing steps.

## Steady Growth of Metal Foil Slitters



The metal foil slitter business, entered through technology acquisition in 2023, sold its first unit in the fiscal year ending October 2025 and continues to aim for sales expansion.

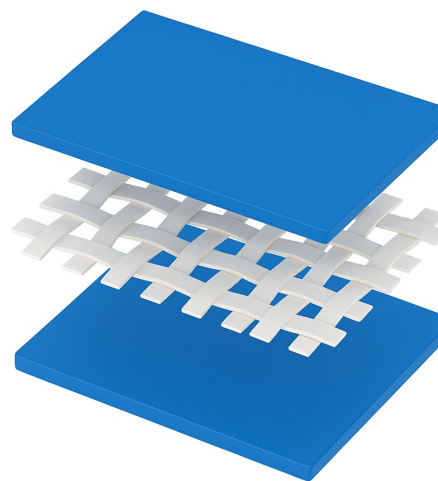


## Enhancing Product Capabilities

New laminator installation (scheduled for fiscal year ending October 2028)

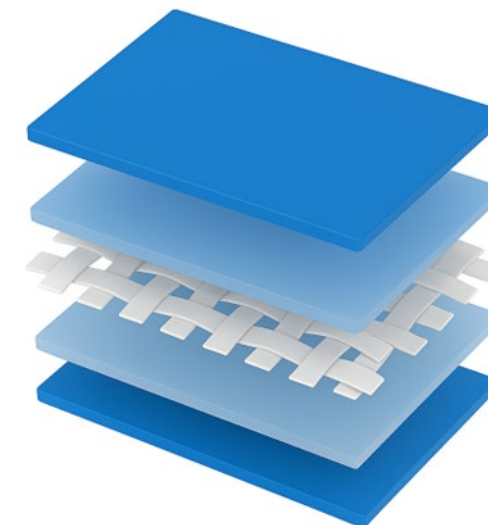


Current model (Headquarters Mizushima Factory)



Type 1, Single Layer  
(Current Model)

- Enhancing Product Performance and Reducing Raw Material Costs Through Dual-Layer Laminating Functionality
- Installed at the Kasaoka Plant, integrating the processing steps into a continuous production system



Type 2, Dual-layer  
(New Model)



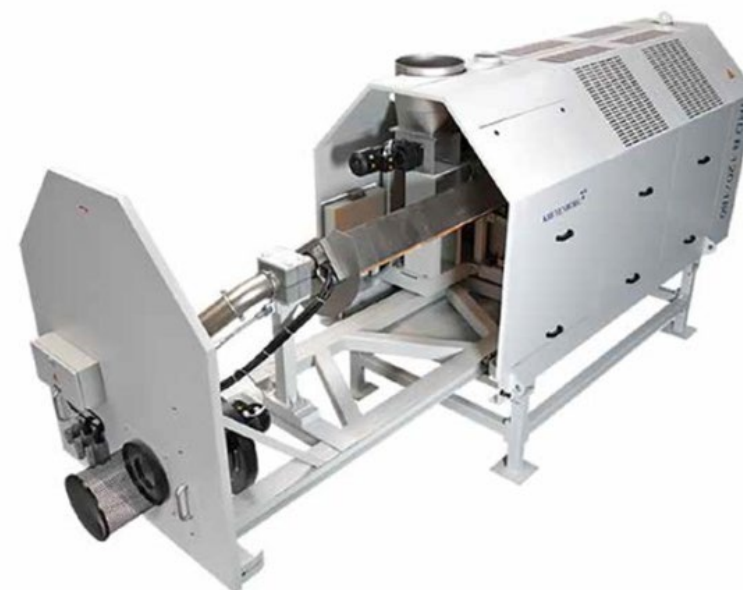
## Expansion of Environmental Business

Expansion of Blue Cloths Horizontal Recycling (Re VALUE+)



Expand partnerships to broaden the cycle of using  
→ collection → recycling.

Development and launch of GX-related products



Near-infrared dryer with deodorizing function during plastic recycling, significantly expanding recycling possibilities.





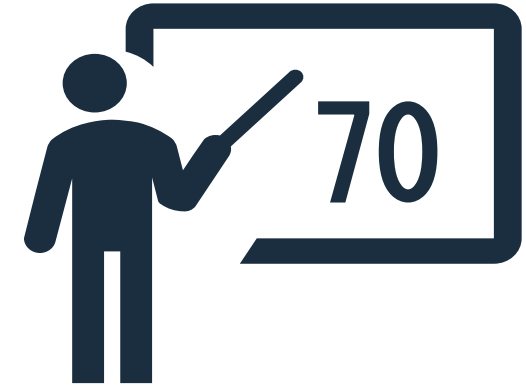
## Growth of Employees and the Company



Human Resource  
Development to foster  
Growth



Flexible work arrangements



Human resources  
system enabling  
employment  
up to age 70



## Growth of Employees and the Company

	FY10/22	FY10/23	FY10/24	FY10/25
Average age(years old)	39.5	40.4	40.9	41.6
Average length of service(years)	16.5	17.0	16.9	17.4
Employee turnover rate(%)	2.8	4.0	3.8	3.3
Average monthly overtime hours(h)	7.4	7.4	8.5	8.0
Paid Leave Utilization rate(%)	55.8	57.6	58.3	57.8
Male paternity leave Utilization rate(%)	13.0	26.7	21.4	54.5
Total number of women working in manufacturing facilities(people)	1	1	15	23



		(billion yen)		
		FY10/25	Forecast (FY10/28)	Difference
Sales		319	400	+81
	PLS	263	330	+67
	ENG	56	70	+14
Operating profit		14	30	+16
	PLS	11	23	+12
	ENG	3	7	+4

(billion yen)

I N

Operating Cash Flow  
**120**



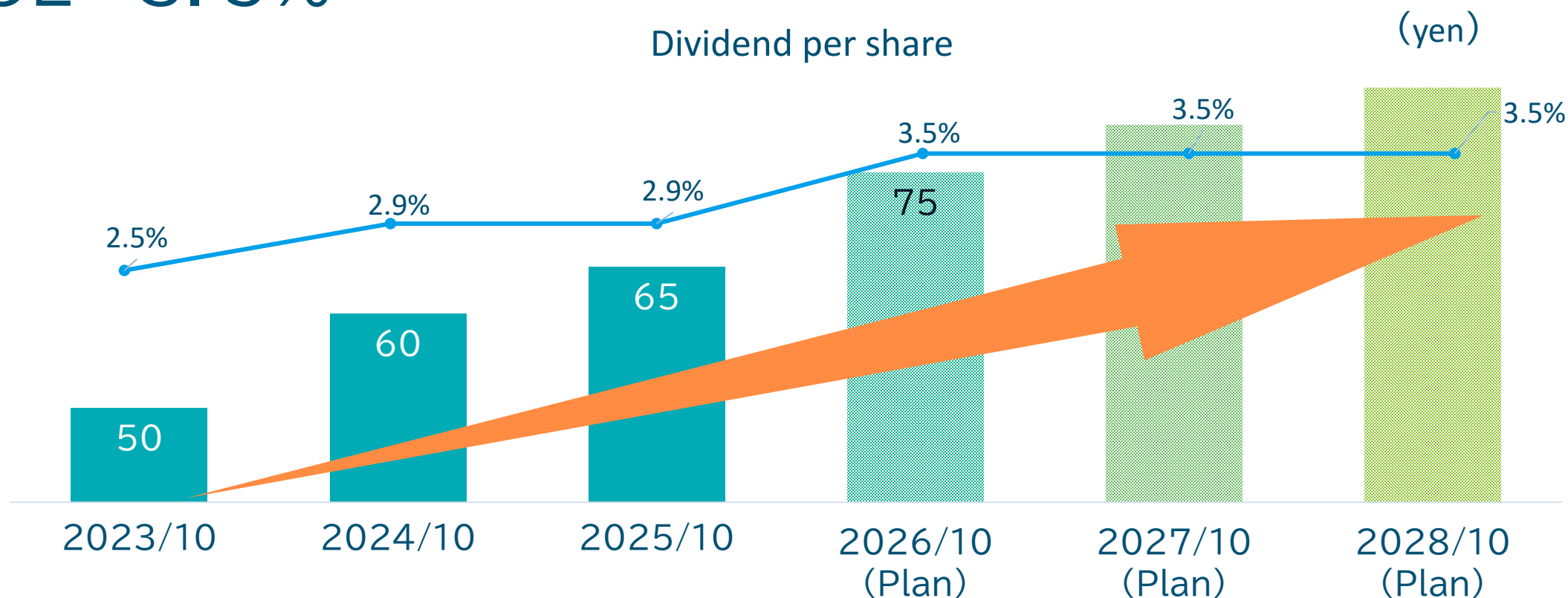
O U T

Strategic investment **40**

Regular investment **30**

Shareholder Returns **35**

Loan repayment **15**

$DOE = 3.5\%$ 

Plans to discontinue shareholder benefits after October 2026 (refer to disclosure materials dated September 11, 2023)

【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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