

Results briefing materials

1Q FY10/26 results

(Nov 1, 2025 - Jan 31, 2026)

Hagihara Industries Inc.

TSE Prime: 7856

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ハニダセ・アニダセ

Think outside the box, create new values.

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2. Overview of region, segments and subsidiaries _____ P9
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Other indicators
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(Reference) Business conditions indicators

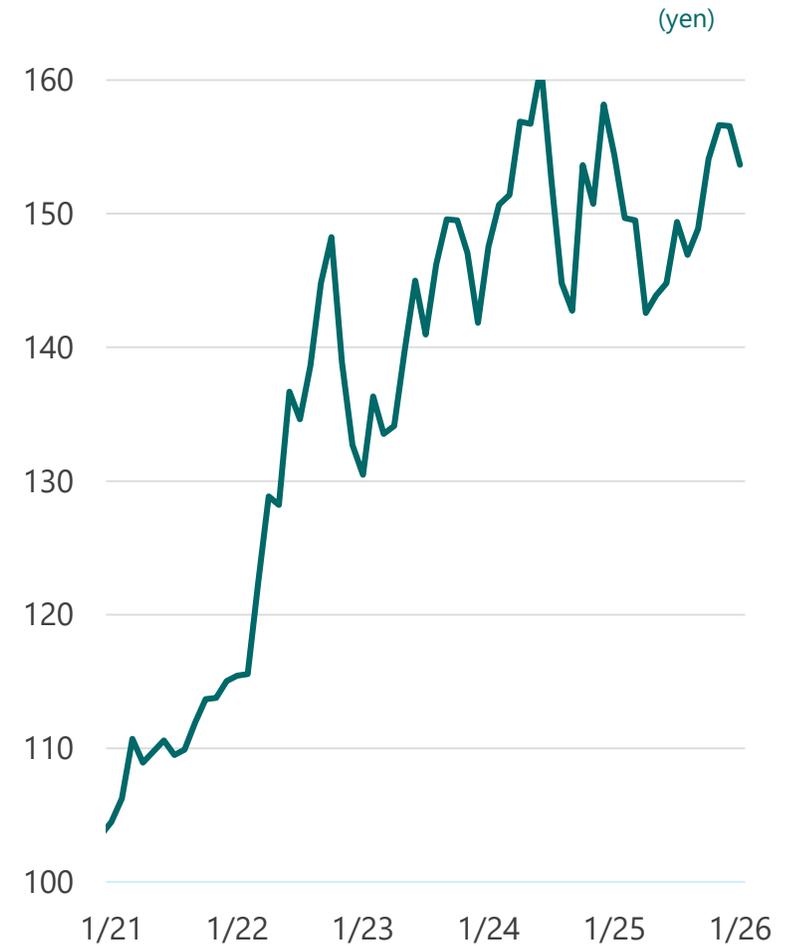
Naphtha price



Electricity rates



JPY/US\$



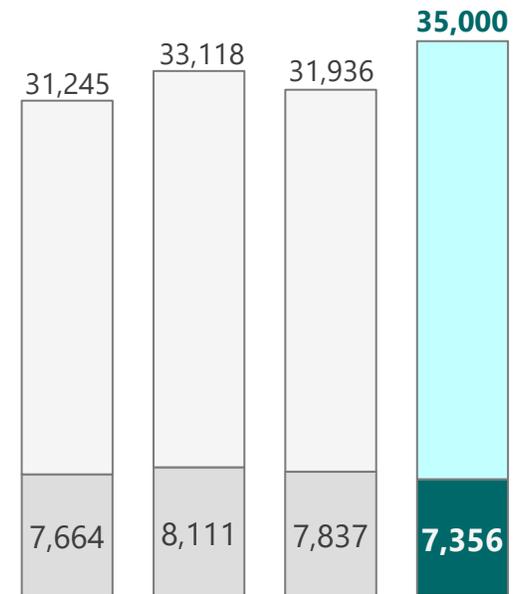
Results highlights –All Company–

Sales

¥ **7,356** mn

YoY -6.1%
(- ¥480mn)

(Millions of Yen)



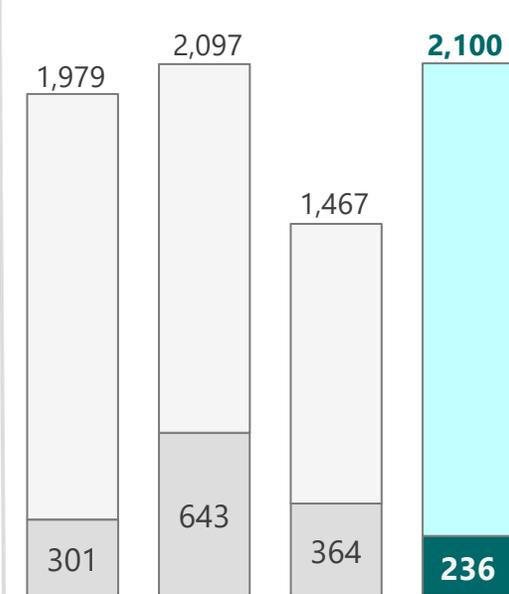
FY10/23 FY10/24 FY10/25 FY10/26

Operating Income

¥ **236** mn

YoY -35.0%
(- ¥127mn)

(Millions of Yen)



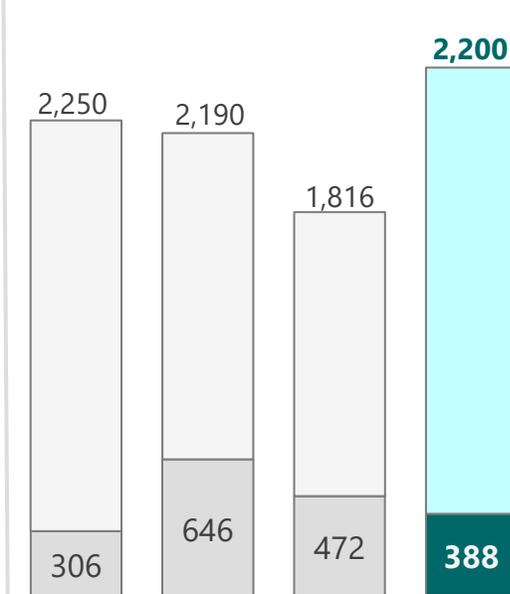
FY10/23 FY10/24 FY10/25 FY10/26

Ordinary Income

¥ **388** mn

YoY -17.7%
(- ¥83mn)

(Millions of Yen)



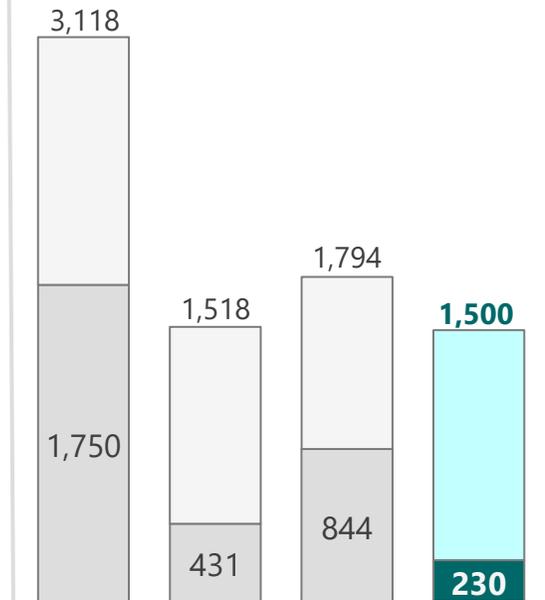
FY10/23 FY10/24 FY10/25 FY10/26

Quarterly net income attributable to owners of parent

¥ **230** mn

YoY -72.7%
(- ¥613mn)

(Millions of Yen)



FY10/23 FY10/24 FY10/25 FY10/26

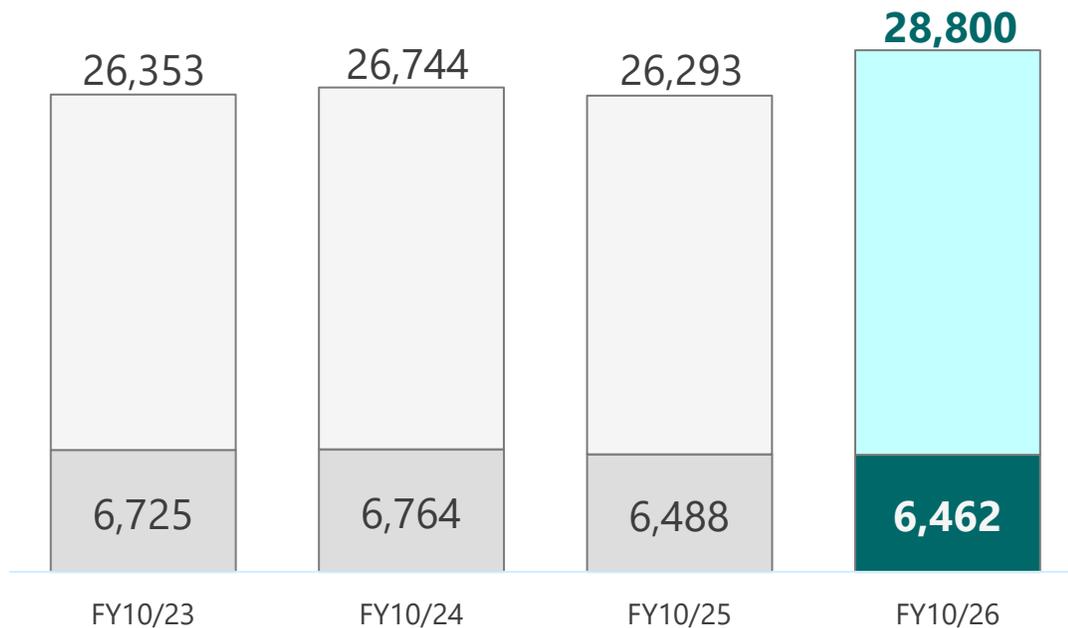
Results highlights –Plastic-processed Products (PLS) segment–

Sales

¥ **6,462**mn

YoY -0.4%
(- ¥25mn)

(Millions of Yen)

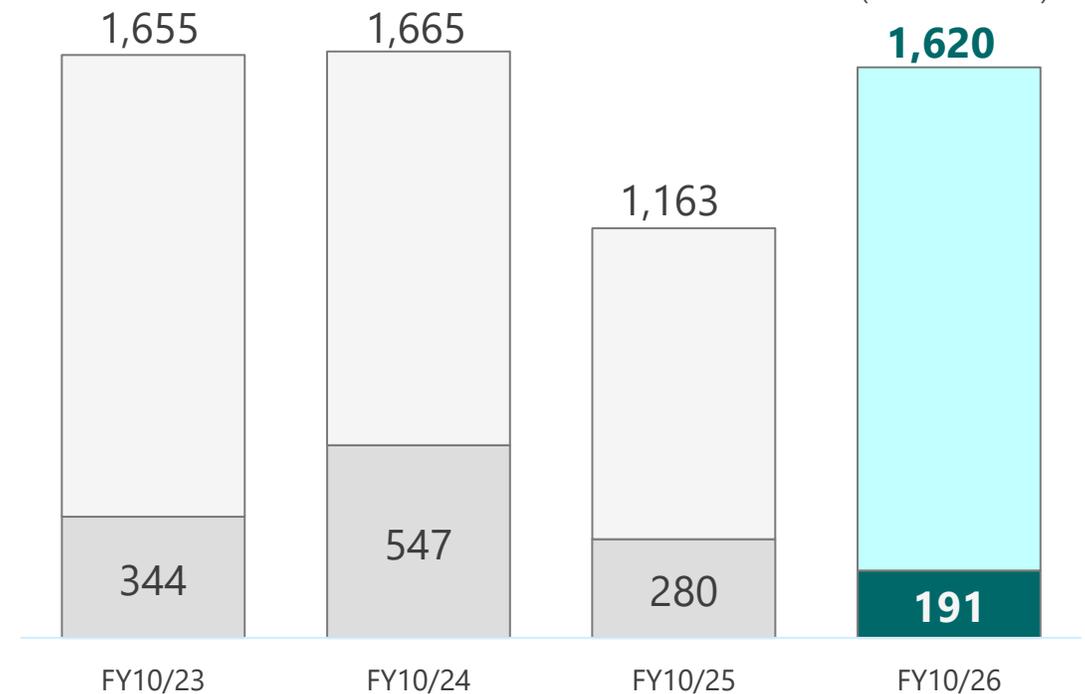


Operating Income

¥ **191**mn

YoY -32.0%
(- ¥89mn)

(Millions of Yen)

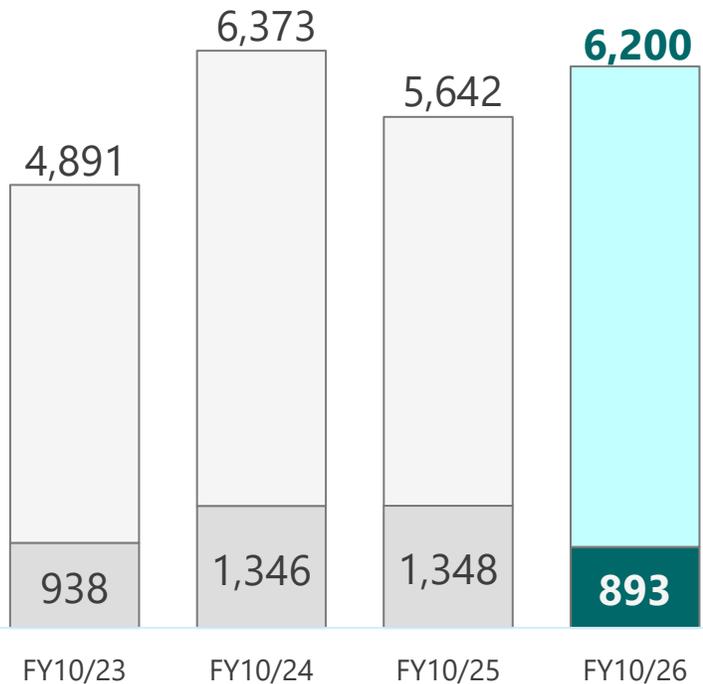


Results highlights –Engineering (ENG) segment–

Sales

YoY
¥893mn -33.7%
 (-¥454mn)

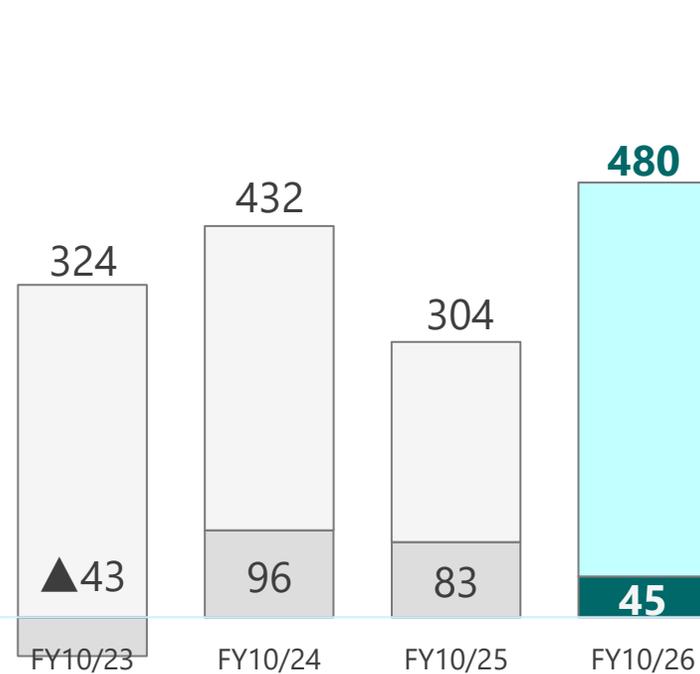
(Millions of Yen)



Operating Income

YoY
¥45mn -45.1%
 (-¥37mn)

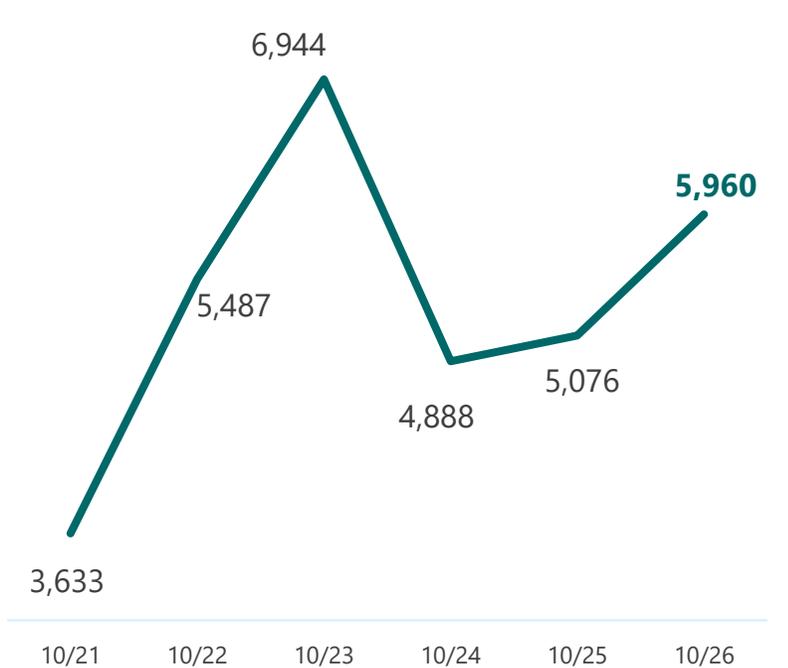
(Millions of Yen)



Order Backlog

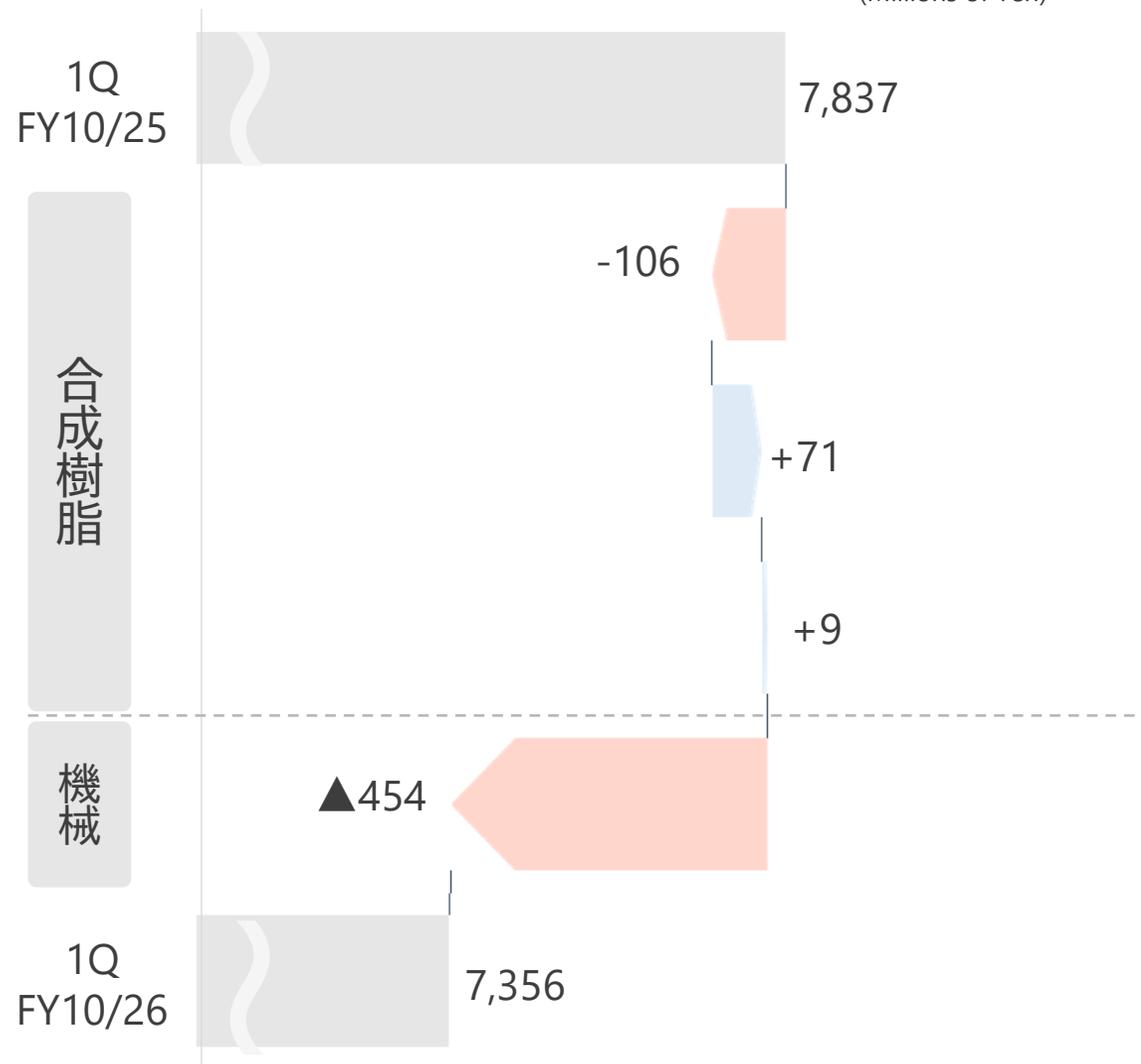
vs. prior period end
¥5,960mn +17.4%
 (+¥884mn)

(Millions of Yen)



Consolidated sales analysis

(Millions of Yen)

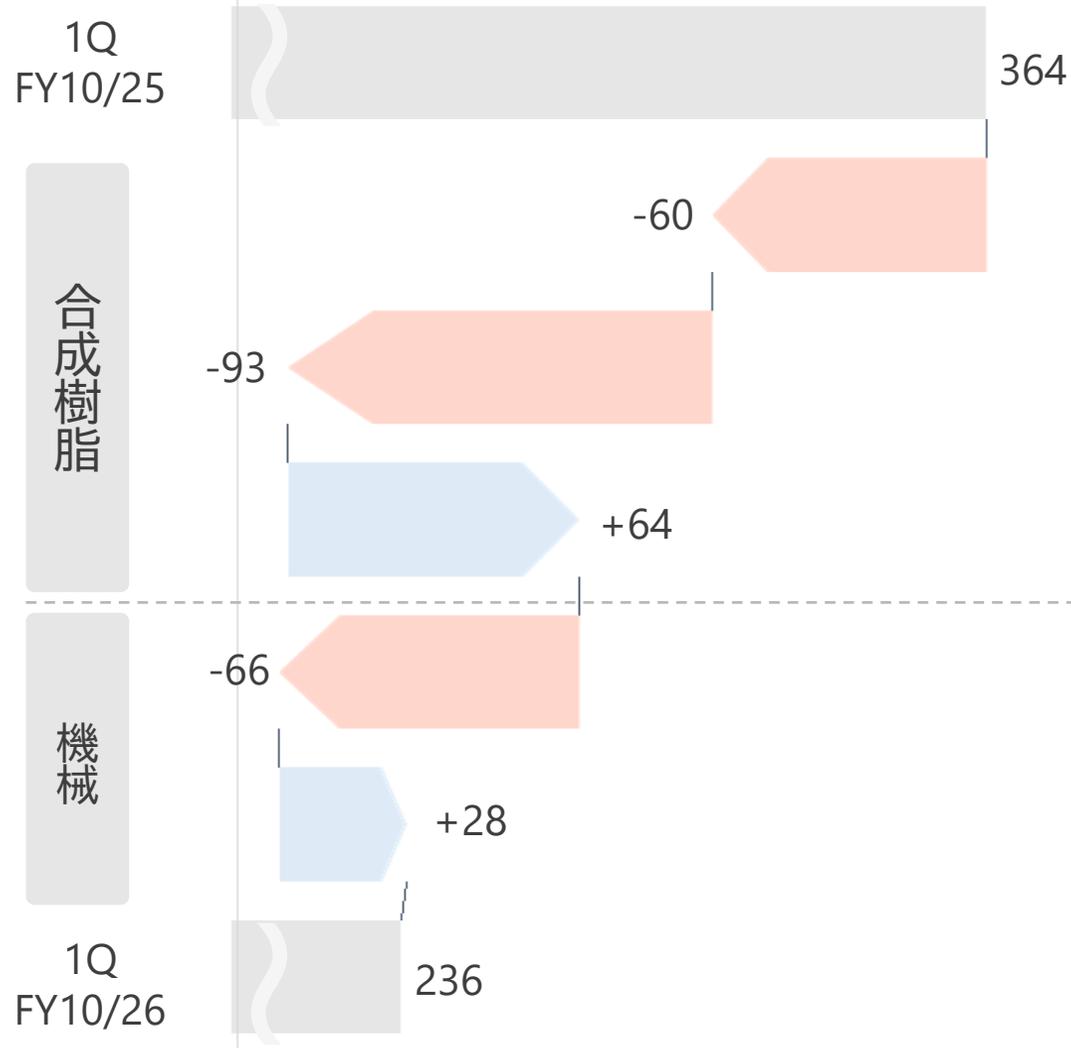


Main factors for change

- ▶ Decline in unit sales price (discontinuation of high-value-added projects for BarChip(Indonesian mines))
- ▶ Increase in sales volume (raw yarn for agricultural materials, flexible container bags)
- ▶ Foreign Exchange Impact: Increased Revenue Due to Yen Depreciation
- ▶ Decline in sales of the machinery products business

Consolidated operating income analysis

(Millions of Yen)



主要要因

- ▶ Impact of Decreased Sales Revenue
- ▶ Impact of Gross Margin Decline
- ▶ Impact of Decreased Selling, General, and Administrative Expenses
- ▶ Impact of Decreased Sales Revenue
- ▶ Impact of Decreased Selling, General, and Administrative Expenses

Sales by region/segment

Overseas sales

All-company ¥1,950mn

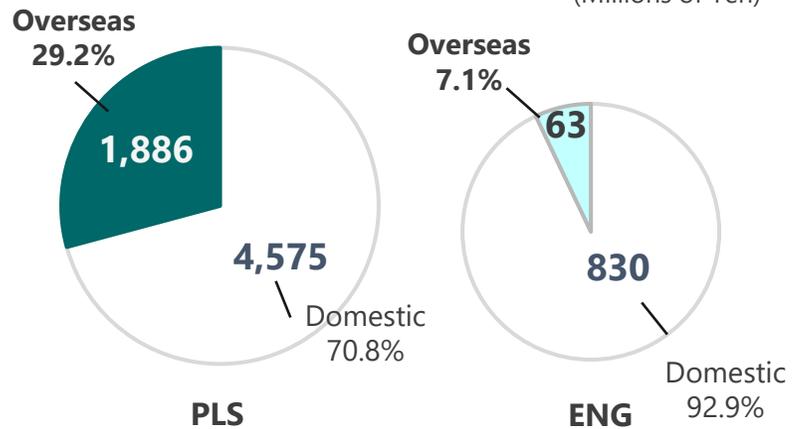
(Millions of Yen)



Overseas sales weighting

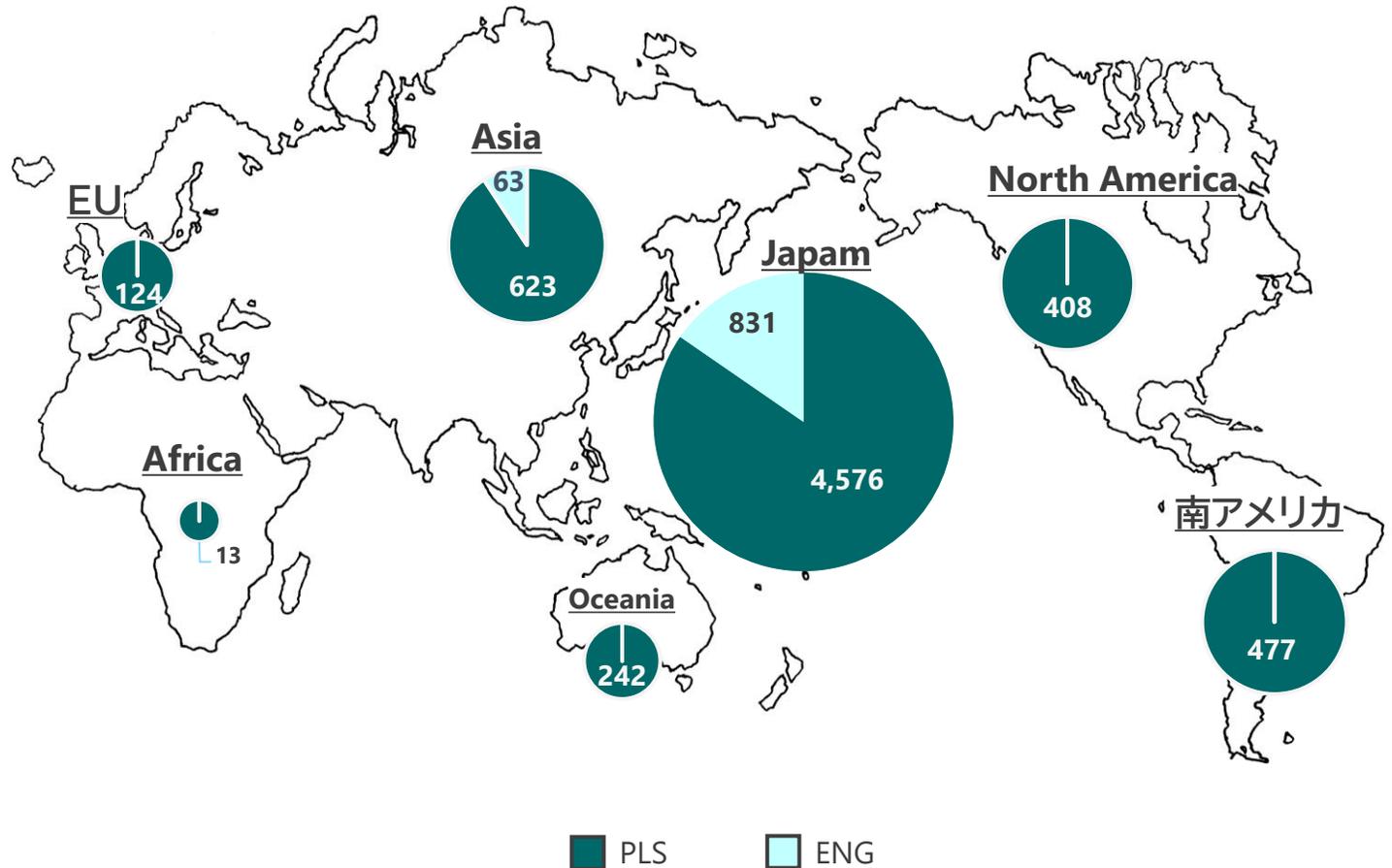
All-company 26.5%

(Millions of Yen)



Sales by region

(Millions of Yen)



Overview of segments and subsidiaries

(Millions of Yen)

		1Q FY10/25		1Q FY10/26		YoY change	
		Sales	Operating income	Sales	Operating income	Sales	Operating income
P L S	Hagihara Industries	3,574	2	3,626	65	52	63
	PT. HWI	1,189	55	1,253	60	64	5
	BarChip Group	1,025	32	991	15	▲34	▲17
	BarChip	425	132	343	72	▲82	▲60
	Hagihara Industries Yguazu	96	▲7	168	3	72	10
	Toyo Heisei Polymer	1,196	75	1,183	93	▲13	18
PLS Total		6,488	280	6,462	191	▲26	▲89
E N G	Hagihara Industries	1,341	74	842	13	▲499	▲61
	Hagihara Machinery (Shanghai)	191	15	203	11	12	▲4
	ENG Total	1,348	84	893	45	▲455	▲39

Consolidated balance sheet

Sales receivables increased due to the impact of holidays. Inventories rose due to stockpiling in preparation for restructuring the production system in the synthetic resin business and increased orders in the machinery business.

Assets

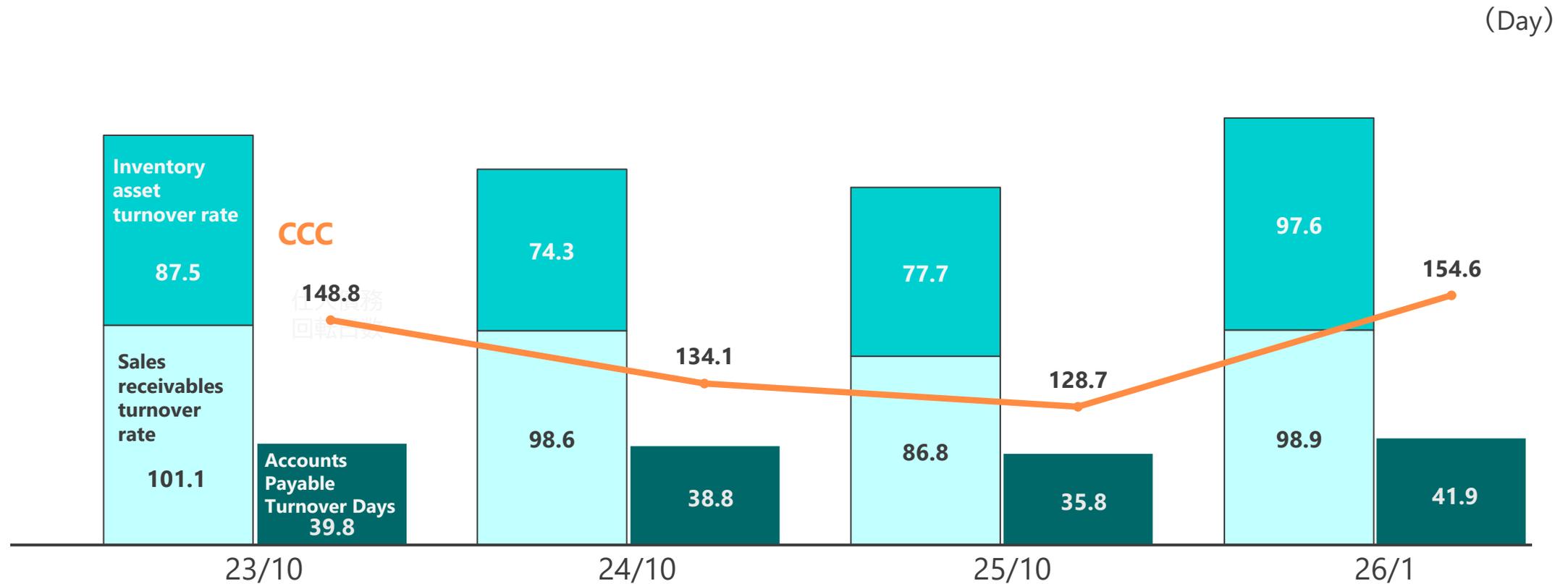
	(Millions of Yen)	
	42,734	42,792
Cash and cash equivalents	5,857	4,506
Sales receivables	7,592	7,973
Inventory, wholesale assets, etc.	7,686	8,655
Fixed assets, etc.	21,598	21,657
	25/10	26/1
Total asset turnover ratio	0.75x	0.69x

Liabilities • Net assets

	(Millions of Yen)	
	42,734	42,792
Procurement payables	3,130	3,380
Interest-bearing debt	4,523	4,353
Other current liabilities	2,987	2,852
Other fixed liabilities, etc.	1,128	1,149
Net assets	30,965	31,057
	25/10	26/1
Shareholders' equity ratio	72.3%	72.4%

CCC (cash conversion cycle)

In addition to balance sheet fluctuations, declining sales have prolonged the cash conversion cycle (CCC).



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

Financial performance indicators

	FY10/23	FY10/24	FY10/25	1Q FY10/26
ROE(%)	4.8 [※]	5.3	4.2 [※]	3.0
ROA(%)	3.3 [※]	3.6	2.9 [※]	2.2

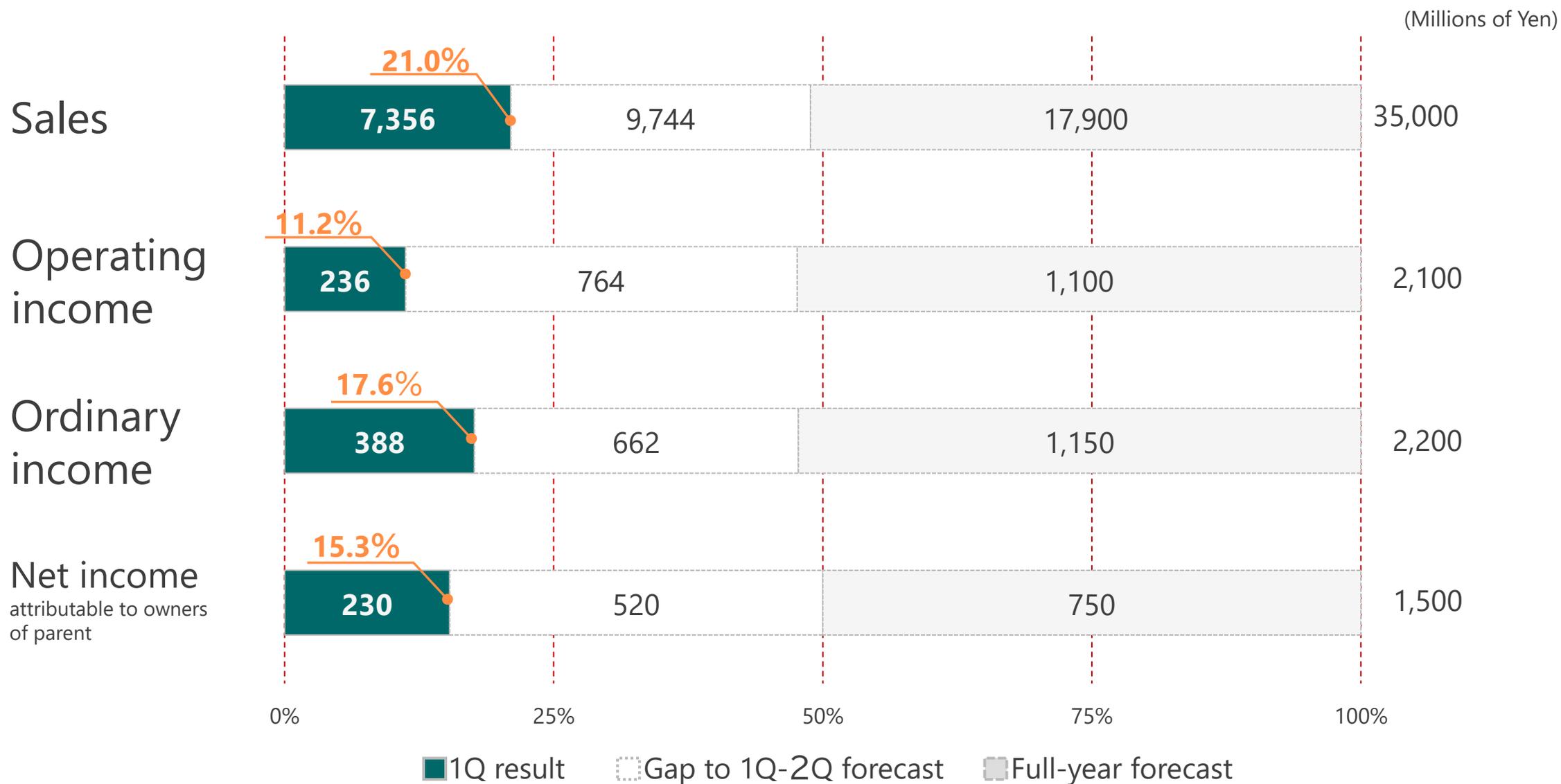
※Calculated excluding compensation for expropriation, gains from subsidiary liquidation, and subsidy income

Main share price indicators

	End-FY10/23	End-FY10/24	End-FY10/25	End-1Q FY10/26
Share price (yen)	1,605	1,470	1,611	1,701
Dividend per share (yen)	50	60	65	75 ※1
Dividend payout ratio (%)	22.4	54.2	50.6	69.8 ※1
BPS(yen) *Net assets per share	2,045.00	2,088.91	2,197.41	2,202.85
PBR(%) *Price-book value ratio	0.78	0.70	0.73	0.77
Number of shareholders (people)	33,074	35,686	38,289	38,289 ※2

※1 Forecast ※2 As of end-FY10/25

Consolidated earnings forecasts



Sales by product type

(Millions of Yen)

Product type		Main product/ application	FY10/23	FY10/24	FY10/25	FY10/26	
			Full year	Full year	Full year	1Q (result)	Full year forecast
PLS	Industrial materials	Sheets, construction materials	5,935	6,114	5,829	1,368	6,828
		Others	5,521	5,768	5,443	1,342	5,772
	Synthetic fiber for concrete reinforcement (BarChip)		5,289	5,325	4,874	1,180	5,314
	Lifestyle materials		8,678	8,729	9,287	2,350	9,867
	Others		927	806	859	219	1,016
	Total			26,353	26,744	26,293	6,462

Sales by product type

(Millions of Yen)

Product type	Main product/ application	FY10/23	FY10/24	FY10/25	FY10/26	
		Full year	Full year	Full year	1Q (result)	Full year forecast
ENG	Paper slitters	519	1,148	641	34	687
	Film slitters	3,109	3,484	3,688	613	3,331
	Screen changers, recycling machines	1,021	1,529	897	196	1,243
	Others	241	211	414	49	937
Total		4,891	6,373	5,642	893	6,200

■ Initiating efforts to obtain JIS* certification for blue cloths

We will commence efforts to obtain certification under the newly established JIS for blue cloths, enacted on February 20, 2026.

This newly established JIS defines performance criteria for blue cloths intended for emergency roof repairs during disasters. We will leverage certification to highlight the superiority of our products.

*JIS:Japanese Industrial Standards



Topics

■ Paraguay National Highway Adopts “BarChip” for the First Time

Construction has commenced on National Route 5, a national project spanning approximately 90 km in the Republic of Paraguay, utilizing the fiber-reinforced concrete paving method with “BarChip.”



■ “BarChip” Certified Under the Indonesian National Standard (SNI)

“BarChip” has obtained certification for the newly established “Macro Synthetic Short Fibers for Concrete” standard under Indonesia's national standards, which define quality, safety, and performance benchmarks for products and services.

【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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