Results briefing materials

FY10/24 results (Nov 1, 2023 - Oct 31, 2024)



Think outside the box, create new values.

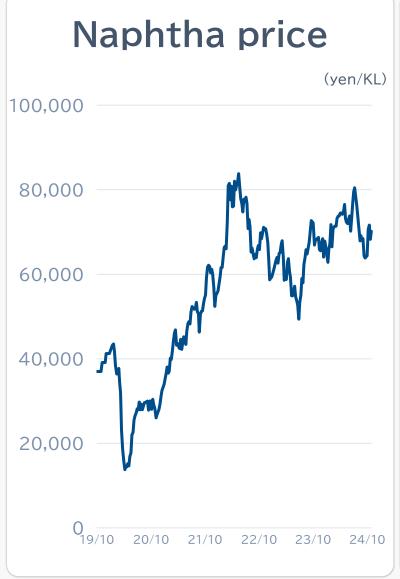
Hagihara Industries Inc.

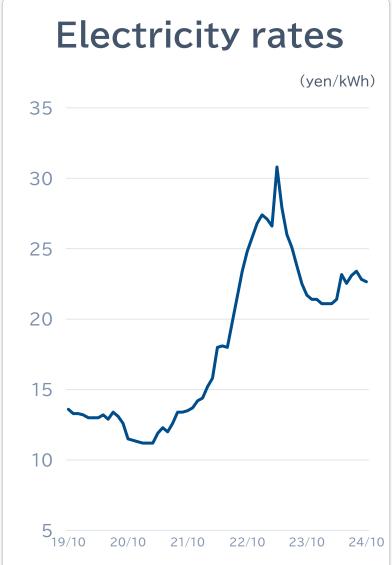
TSE Prime: 7856

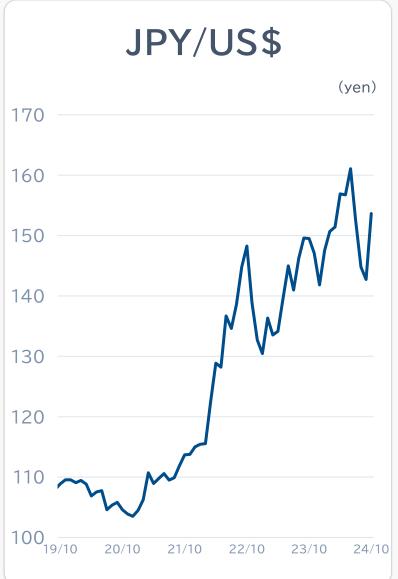
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(Reference) Business conditions indicators



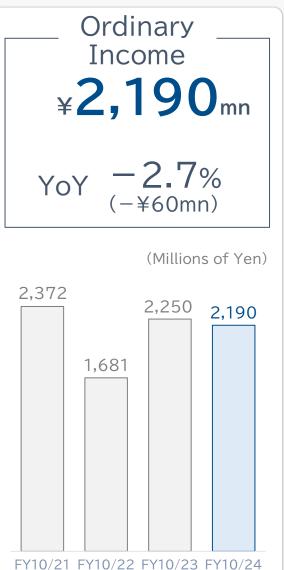


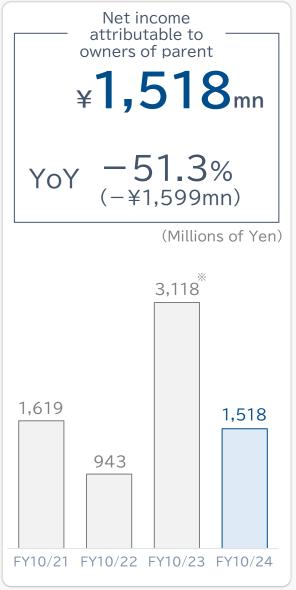


Results highlights -All Company-



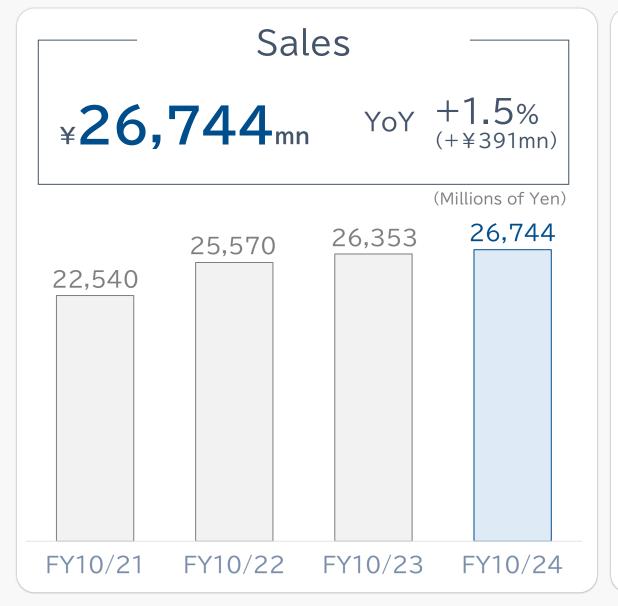






*Booking of compensation payment related to Chinese subsidiary as extraordinary profit

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





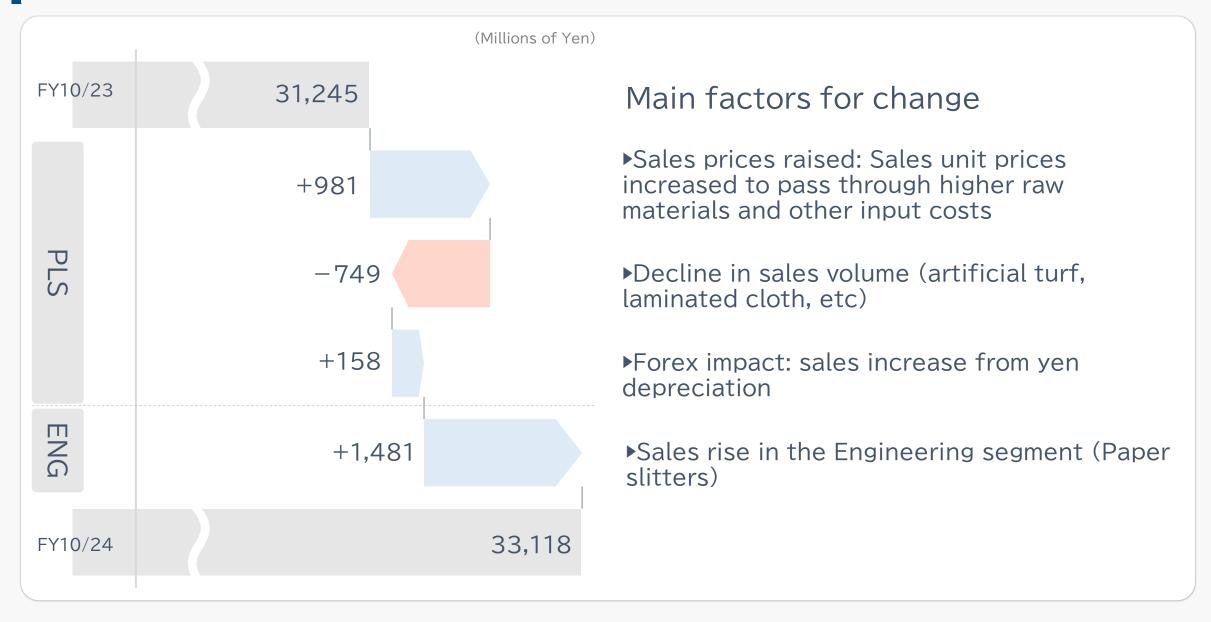
Results highlights -Engineering (ENG) segment-



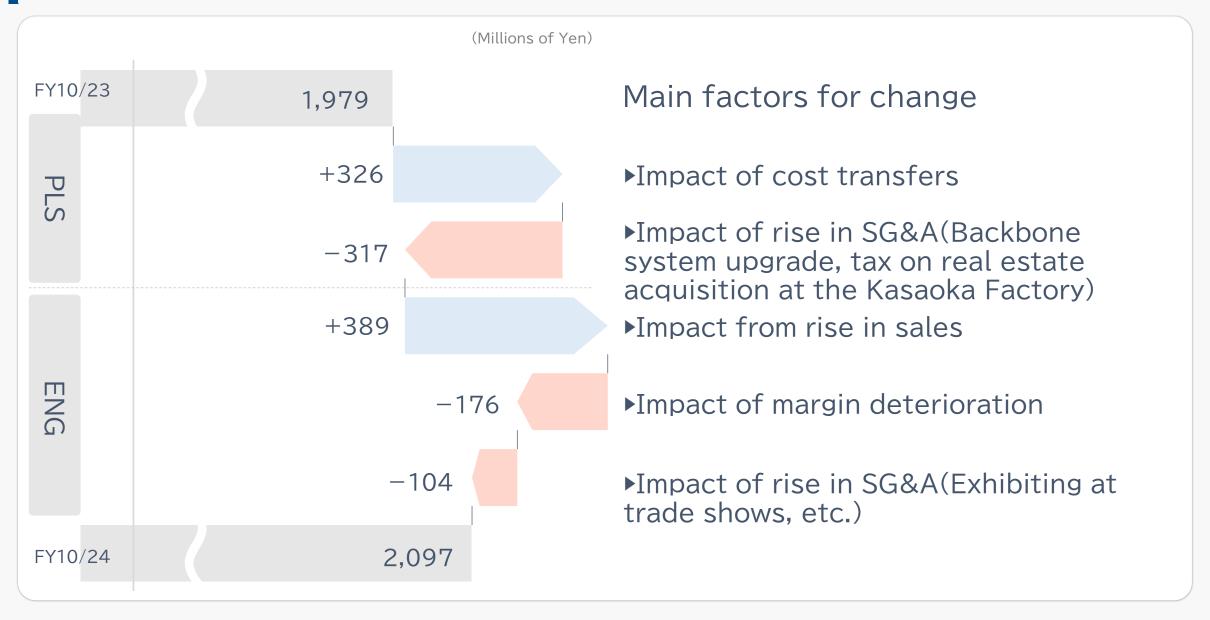




Consolidated sales analysis

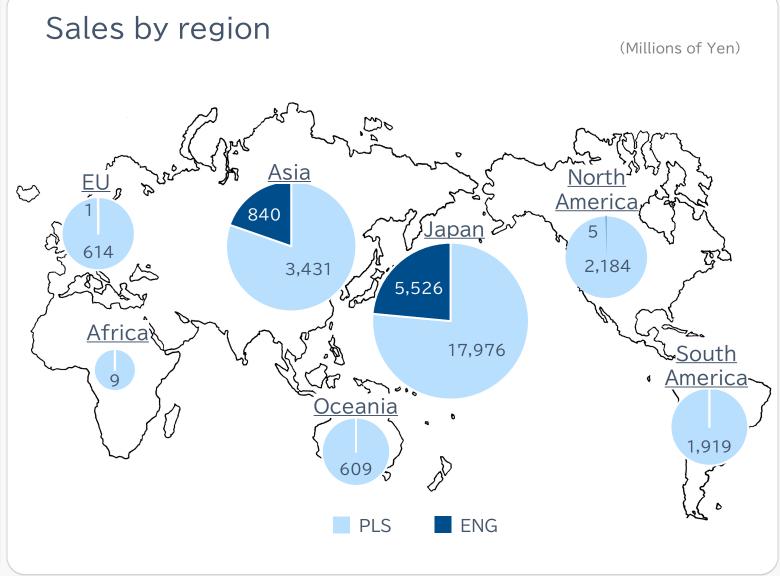


Consolidated operating income analysis



Sales by region/segment





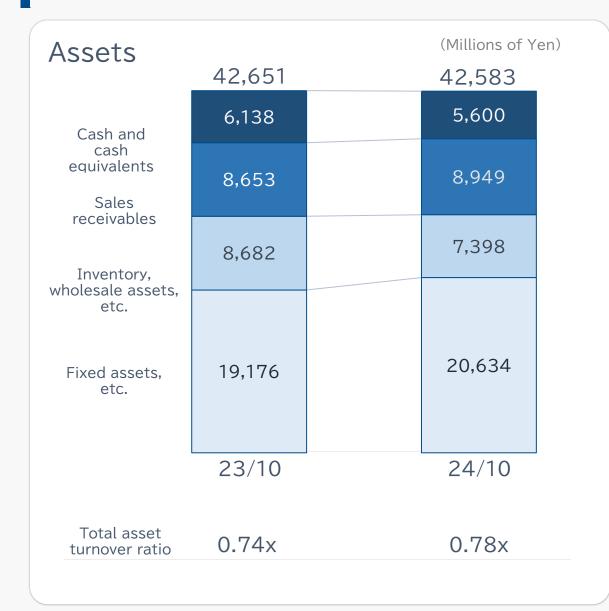
Overview of segments and subsidiaries

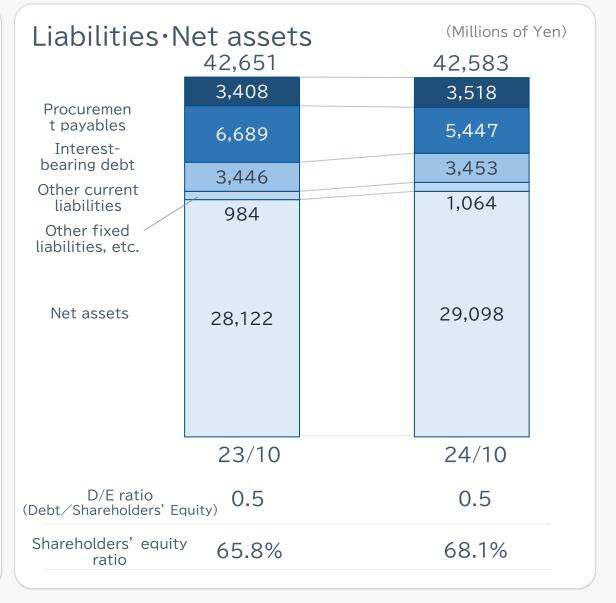
(Millions of Yen)

		FY10/23		FY10/24		YoY change	
		Sales	Operating income	Sales	Operating income	Sales	Operating income
	Hagihara Industries	15,188	534	15,266	387	77	-146
合	Hagihara Westjava Industries	4,591	73	4,736	135	145	61
成	BarChip Group(Overseas)	4,476	308	4,456	244	-20	-64
	BarChip(Domestic)	2,057	958	1,973	831	-84	-126
樹	Hagihara Industries Yguazu	46	-80	291	-68	245	11
脂	Toyo Heisei Polymer	4,226	103	4,294	108	67	5
	PLS Total	26,353	1,655	26,744	1,665	391	10
機	Hagihara Industries	4,807	272	6,262	389	1,454	116
	Hagihara Machinery(Shanghai)	668	43	794	39	126	-3
械	ENG Total	4,891	324	6,373	432	1,481	108

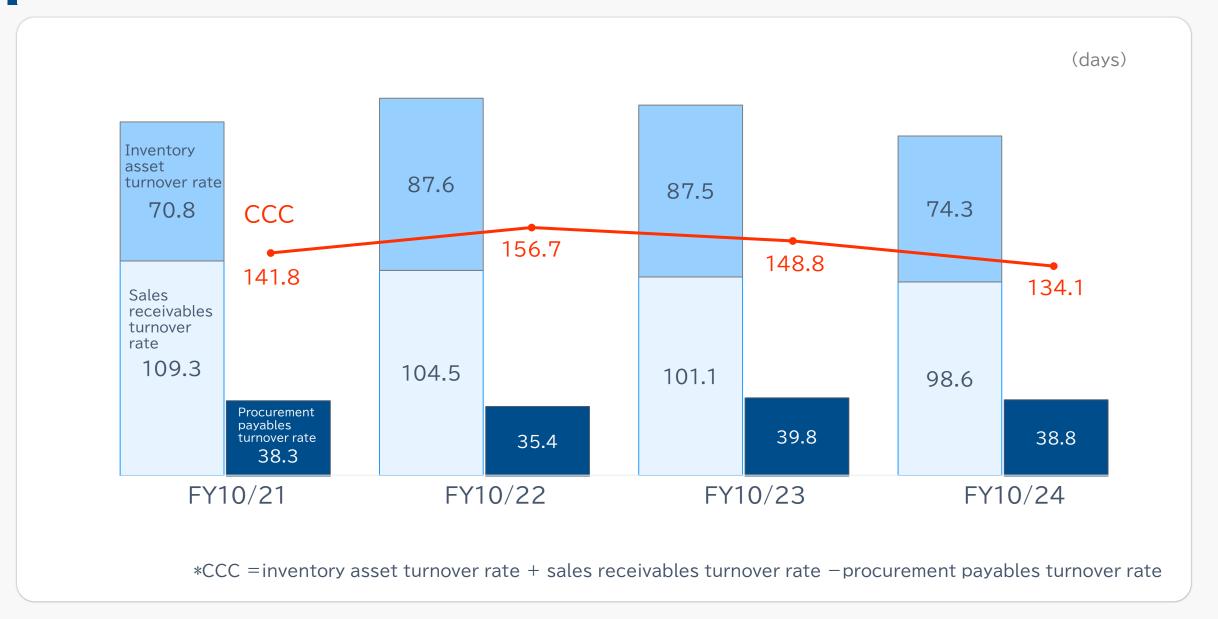
**Hagihara Industries Inc. absorbed and merged Japan Fabweld Co.on April 1, 2024.

Consolidated balance sheet





CCC (cash conversion cycle)



Financial performance indicators

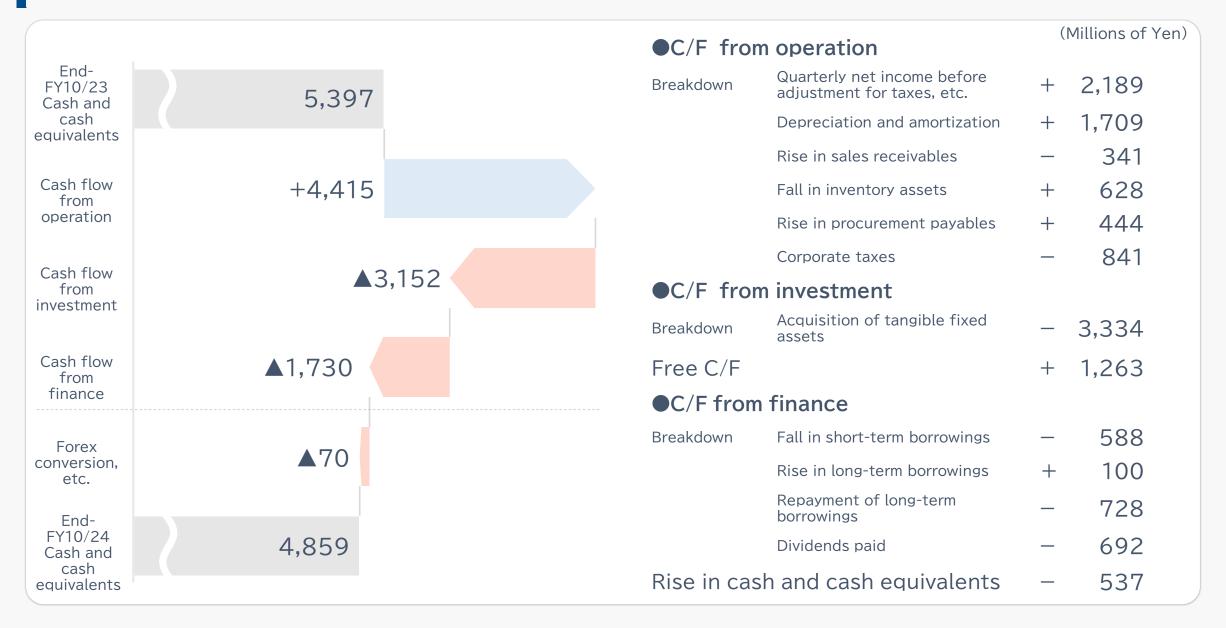
	FY10/21	FY10/22	FY10/23	FY10/24
ROE(%)	6.6	3.7	4.8	5.3
ROA(%)	4.8	2.6	3.3	3.6

*Excluding compensation payment from Chinese government, liquidation gain on Chinese subsidiary in FY10/23.

主要株式指標

	End-FY10/21	End-FY10/22	End-FY10/23	End-FY10/24
Share price	1,500	1,021	1,605	1,470
Dividend per share (yen)	36	36	50	60
Dividend payout ratio (%)	32.2	54.7	22.4	54.2
BPS(yen) *Net assets per share	1,744.15	1,856.11	2,028 .93	2,0 88.91
PBR(%) *Price-book value ratio	0.86	0.55	0.79	0.70
Number of shareholders (people)	18,908	31, 252	33,074	35,686

Consolidated cash flows



Consolidated earnings forecasts -All Company-

(Millions of Yen)

		FY10/24		FY10	YoY			
		1H	2H	Full year	1H	2H	Full year	comparison
All Company	Sales	16,374	16,744	33,118	16,780	17,220	34,000	+2.7%
	Operating income	1,271 (7.8%)	825 (4.9%)	2,097 (6.3%)	1,160 (6.9%)	1,240 (7.2%)	2,400 (7.1%)	+14.4%
	Ordinary income	1,405 (8.6%)	784 (4.7%)	2,190 (6.6%)	1,210 (7.2%)	1,290 (7.5%)	2,500 (7.4%)	+14.2%
	Net income attributable to owners of parent	960 (5.9%)	558 (3.3%)	1,518 (4.6%)	1,340 [*] (8.0%)	890 (5.2%)	2,230 (6.6%)	+46.9%

**Including subsidies received related to the Kasaoka Factory.
Figures in parentheses on bottom row are profit margins

Sales by product type

								(Millions of Yen)
	Product type		Main product/	FY10/21	FY10/22	FY10/23	FY10/24	YoY
	Product	type	application	Full year	Full year	Full year	Full year	comparison
	Industrial materials	Sheets, construction materials	Sheets, laminated cloth, sandbags	5,421	5,804	5,935	6,114	+3.0%
Р		Others	Flexible intermediate bulk container, etc.	5,360	6,109	5,521	5,768	+4.5%
L	Synthetic fiber for concrete reinforcement(BarChip)		Infrastructure, construction, mining	3,680	4,825	5,289	5,325	+0.7%
S	Lifestyle materials		Fabric for adhesive tape, artificial turf, Meltac, etc.	7,125	7,862	8,678	8,729	+0.6%
Others		Procured products, etc.	951	967	927	806	-13.1%	
	Total			22,540	25,570	26,353	26,744	+1.5%

Sales by product type

						(Millions of Yen)
	Droduct type	Main product/	FY10/21	FY10/22	FY10/23	FY10/24	YoY
	Product type	application	Full year	Full year	Full year	Full year	comparison
E N G	Paper slitters	Electrical materials (insulation), Electronic component wrapping	925	392	519	1,148	+121.1%
	Film slitters	Soft packaging materials, optical materials, battery materials	3,413	2,862	3,109	3,484	+12.0%
	Screen changers, recycling machines	PET bottle recycling, etc.	711	1,055	1,021	1,529	+49.7%
	Others	Winders, etc.	115	71	241	211	-12.3%
	Total			4,382	4,891	6,373	+30.3%

Progress versus the medium-term business plan -Investment-

(Hundred Million Yen)

	FY10/23 Full year	FY10/24 Full year	FY10/25 Plan	3-year Target	Details
Strategic investment	7	22	11	40	Barchip production facilities Meltac production facilities Laminator at the Kasaoka Factory, etc.
Kasaoka Factory Building	25	_		25	
Investment in maintenance/ upgrades	12	11	17	40	
Total	44	33	28	105	

Progress versus the medium-term business plan -Financial strategy-

	FY10/23 Full year	FY10/24 Full year	FY10/25 forecast	Details
ROE(%)	4.8	5.3	8.0	Excluding compensation payment from government, liquidation gain on subsidiary.
D/E ratio (Debt/Shareholders' Equity)	0.5	0.5	0.6	

Progress versus the medium-term business plan -Shareholder returns-

	FY10/23 Full year	FY10/24 Full year	FY10/25 forecast	Details
Dividend per share (yen)	50	60	65	Initial medium- term business plan forecast ¥50
Dividend payout ratio(%)	× 22.4	54.2	40.0	Excluding compensation payment from compulsory purchase of land and subsidiary liquidation gain → 52.0
Total return ratio (%)	39.7	54.2	70.0	As above → 92.2

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Topics

■ Expansion in BarChip use in Southeast Asia

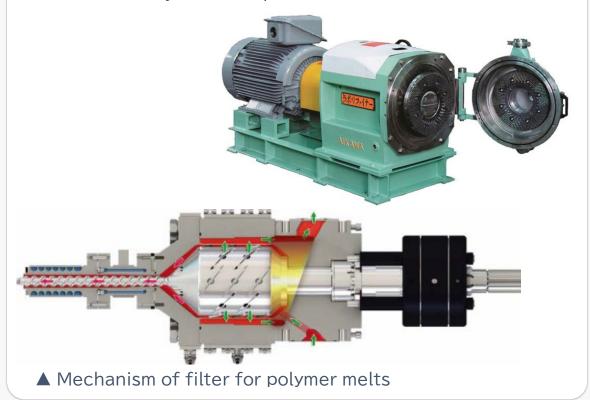
We have been working to grow sales and expand use of BarChip in Southeast Asia, complementing our efforts in South America, North America, and Australia.



Use of BarChip at a factory construction site in Hanoi, Vietnam

■ Refining separation technology for composite plastics with aluminum

Using a combination of a beating device developed jointly with AIKAWA Iron Works Co., Ltd. and a filter for polymer melts with a high degree of contamination made by Nordson BKG, we have made it possible to recycle plastics composites with aluminum, which had been difficult to recycle in the past.



Topics

■ Recycling discarded plastic packaging materials into sandbags ~Example from a Kajima Corporation construction site~



[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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