

technology *that Supports Today*

with hopeful technology

HISAKA

For a richer society, and a more comfortable life.

We deliver

"technology that supports today"

to the world.

To our shareholders,

Our 96th fiscal year has ended, and we would like to provide an overview report on this period. During the fiscal year under review, we worked to ensure stable operations at the Ikoma plant, which was opened last year. And we steadily advanced the restructuring of Konoike plant. We also implemented measures to expand our business and improve productivity, including establishing affiliated companies in the Middle East and Southeast Asia.

In this situation, orders received in the fiscal year under review were ¥42.269 billion, up 11.2% from the previous fiscal year, reflecting the strong performance of the Process Engineering Business. Net sales were ¥38.353 billion (up 12.2% year on year) due to solid performance in the heat exchanger business and the process engineering business. On the earnings front, rising raw material prices, rising labor costs due to wage increases and increased depreciation expenses associated with the opening of the Ikoma plant, were offset by the effects of higher sales and improved profit margins. As a result, operating income was 2.93 billion yen (up 19.3% year on year) and ordinary income was 3.391 billion yen (up 17.1% year on year). Profit attributable to owners of parent was 3.782 billion yen (up 56.2% year on year), mainly due to a gain on sale of strategic shareholdings continuing from the previous fiscal year.

Dividends for the fiscal year under review were ¥45, an increase of ¥3 per share from the previous fiscal year, in accordance with our basic policy on profit distribution. With regard to the dividend for the next fiscal year, we plan to pay a dividend of ¥55, an increase of ¥10, in consideration of the level of internal reserves in light of our investment plan, the business environment, and stock price trends, in part because we are aiming to achieve sales in excess of ¥40 billion for the first time since our foundation.

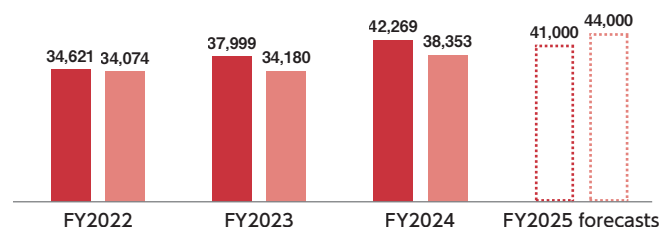
We would like to ask all of our valued shareholders for their continued cooperation and support.



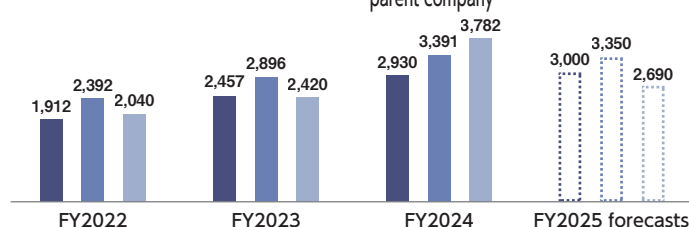
President and CEO, June 2025
Toshiya Usami

Consolidated Financial Highlights

■ Orders received ■ Net sales (Million yen)

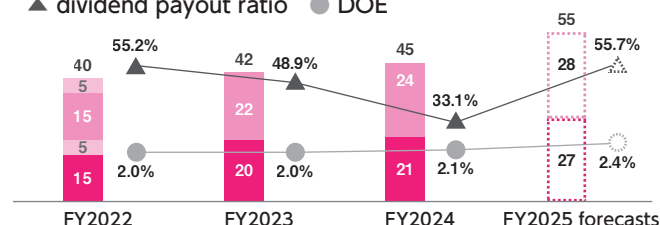


■ Operating profit ■ Ordinary profit ■ Net profit for the current period attributable to shareholders of parent company (Million yen)



Dividend Transition

■ interim dividends ■ year-end dividends (yen)
■ commemorative dividends / special dividends
▲ dividend payout ratio ● DOE



Basic Policy on Profit Distribution

Our basic policy is to return appropriate profits to our shareholders while strengthening our financial structure and business foundation while keeping "fairness" and "impartiality" in mind for all our stakeholders. Specifically, we will strive for continuous and stable dividends with Consolidated Dividend on Equity (DOE) of 2.0% or more, taking into account consolidated net assets and consolidated results, while balancing retained earnings.

Results by Segment

Heat Exchanger Segment



Orders received

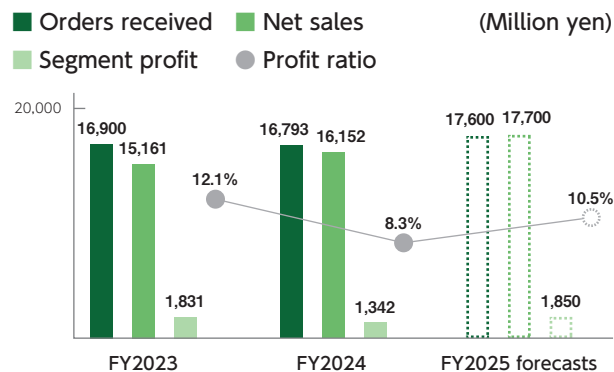
- Sales for air-conditioning and other applications were strong.
- Strong performance in maintenance projects in Japan and the Middle East.
- × Decrease in plant and ship-related business compared with large-scale orders of last FY.

Net sales

- Increase in ship-related business with abundant order backlog.
- Maintenance projects grew.
- CO₂ recovery and large-scale projects for air-conditioning contributed.

Segment profit

- Improving the sales mix.
- × Recorded Inventory Write-down.



Process Engineering Segment



Orders received

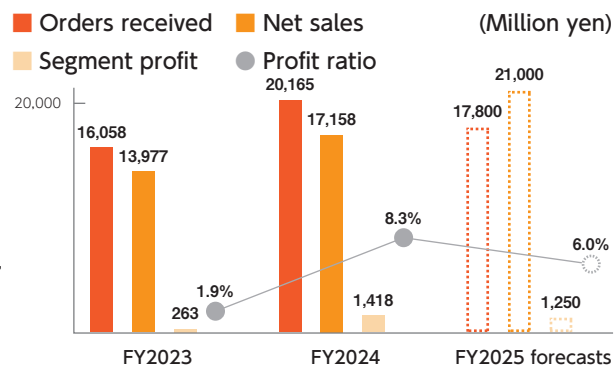
- Orders for related aseptically packaged rice production plant and drinking water in food equipment.
- × Decrease in sales of pharmaceutical equipment as a reaction to large-scale orders received in the previous year.
- Strong performance of dyeing equipment for overseas markets.

Net sales

- Contributions from large-scale plant projects related to food, drinking water, and pharmaceuticals.
- Growth in dyeing equipment mainly for overseas markets.

Segment profit

- Growth in net revenues



Valve Segment



Orders received

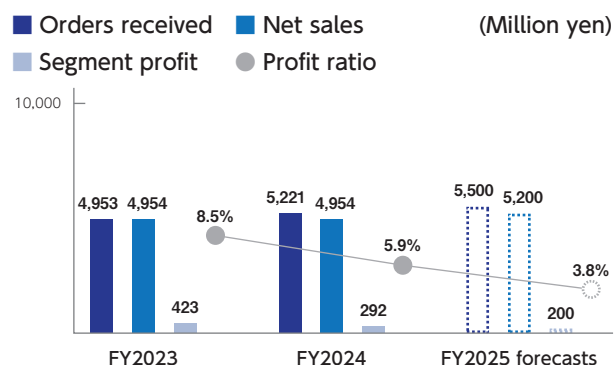
- × Decrease in sales for chemicals.
- Strong sales for water and sewerage treatment facilities and for steel.
- By model, sales of automated valves grew in response to labor-saving needs.

Net sales

- × Decrease in sales for chemicals.
- Strong sales for water and sewerage treatment facilities and for steel.

Segment profit

- × Rise in raw material and labor costs



Various information for shareholders is available on WEB website. Please take a look.

What is HISAKA?

Our overview is summarized in an easy-to-understand format.



https://www.hisaka.co.jp/english/ir_info/investors.html

Financial Results Briefing Materials

This section introduces our efforts to increase corporate value.



https://www.hisaka.co.jp/english/ir_info/reference.html?ref=briefing

Shareholders' Memo

Business year	April 1 to March 31 of the following year
Record date for year-end dividends	March 31
Record date for interim dividends	September 30
Annual General Meeting of Shareholders	June every year
Shareholder registry administrator and account management institution for special account	Mitsubishi UFJ Trust and Banking Corporation
Contact information	Mitsubishi UFJ Trust and Banking Corporation, Osaka Securities Agency Division 3-6-3 Fushimimachi, Chuo-ku, Osaka, 541-8502 TEL: 0120-094-777 (Toll-free)
Listed stock exchange	Tokyo Stock Exchange Prime Market
Public notice method	Electronic notices Public notice URL: https://www.hisaka.co.jp/ However, in the event of an accident or other unavoidable event that precludes electronic public notice, notices will be published in the Nikkei newspaper.

(Notice)

- Changes to a shareholder's address, requests for purchases, specifications of a transfer account for dividends, and other such procedures are, in principle, handled at the account management institution (securities firm or the like) where you have opened your account. Please inquire with the securities firm or institution where your account is set up. Please be aware that the keeper of the shareholder register (Mitsubishi UFJ Trust and Banking Corporation) does not handle such inquiries.
- For procedures related to shares registered in a special account, Mitsubishi UFJ Trust and Banking Corporation is the account management institution. Please inquire with the account management institution for special accounts listed to the left (Mitsubishi UFJ Trust and Banking Corporation). The Mitsubishi UFJ Trust and Banking Corporation main and branch offices also accept messages.
- For unreceived dividends, payments can be made at Mitsubishi UFJ Trust and Banking Corporation main and branch offices.