

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,

The first half of our 97th fiscal year has ended, and we would like to provide an overview report on this period.

During the first half of the fiscal year under review, the Group worked to strengthen its business foundation with a view to medium-to long-term growth. At the same time, the Group strengthened sales and captured maintenance demand in the energy, food, and pharmaceutical-related fields in response to customer needs, such as for energy conservation and labor saving.

As a result, the amount of orders received by our group in the current interim consolidated accounting period decreased by 4.0% from the same period of the previous year to ¥20.259 billion, due in part to a reactionary decline against large-scale orders received in the same period of the previous year.

Net sales increased by 21.6% from the same period of the previous fiscal year to a record high of ¥21.893 billion due to steady performance in all three major segments.

In terms of profits, operating income increased 61.4% year on year to ¥1.822 billion due to factors such as a large increase in sales in the Process Engineering Business, and ordinary income increased 42.7% year on year to ¥1.929 billion. Net income attributable to owners of the parent increased 36.9% year on year to ¥1.419 billion due mainly to gain on sales of strategic stockholdings, despite extraordinary losses including plant restructuring expenses and expenses related to environmental measures.

For the current fiscal year, as we aim to achieve sales exceeding ¥40 billion for the first time since our founding, we plan to pay a dividend of ¥55 per share, an increase of ¥10 from the previous fiscal year, taking into account the projected level of retained earnings in light of our investment plans, as well as the business environment and share price trends. For the interim period, the dividend has been set at ¥27 per share, an increase of ¥6 compared with the previous interim period.

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



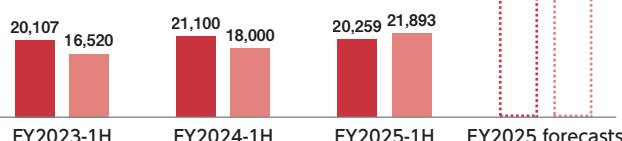
President and CEO, December 2025

Toshiya Usami

Consolidated Financial Highlights

■ Orders received ■ Net sales

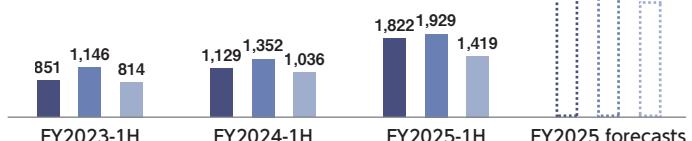
(Million yen)



■ Operating profit ■ Ordinary profit

■ Profit attributable to owners of parent

(Million yen)



Dividend Transition

■ interim dividends ■ year-end dividends

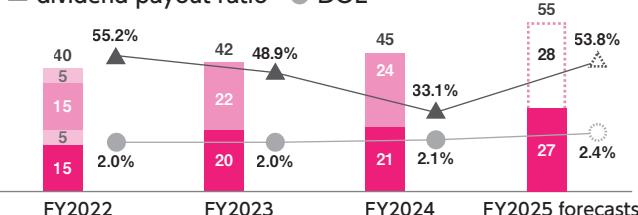
(yen)

■ commemorative dividends / special dividends

Basic Policy on Profit Distribution

▲ dividend payout ratio ● DOE

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

- Strong orders for maintenance-related projects in Japan and Overseas plant-related projects
- ✗ Sluggish orders for air conditioning equipment and machine tools
- ✗ Decline due to a rebound from strong orders for ship-related business in the same period last year

Net sales

- Contribution from large overseas energy projects
- Strong sales for maintenance-related sales in Japan

Segment profit

- Sales increase
- ✗ Deterioration in sales mix
- ✗ Reordering of restructuring-related costs of Konoike Plant

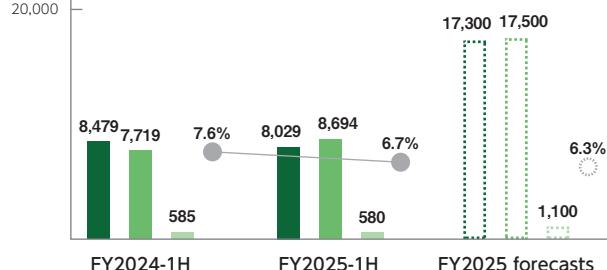
Orders received

(Million yen)

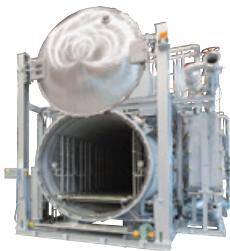
Net sales

Segment profit

Profit ratio



Process Engineering Segment



Orders received

- Strong overseas orders for pharmaceutical and dyeing equipment
- ✗ Decrease due to a rebound from large food equipment project in the same period last year

Net sales

- Large sales for water plant projects
- Robust sales for fully automatic continuous sterilization and cooling equipment
- Large sales for pharmaceutical plant projects

Segment profit

- Sales increase
- Contribution of profitable projects

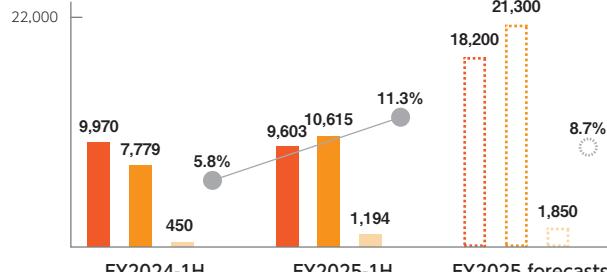
Orders received

(Million yen)

Net sales

Segment profit

Profit ratio



Valve Segment



Orders received

- Strong orders for industries such as sewage treatment and confectionery
- ✗ Sluggish demand in the chemical industry

Net sales

- Robust sales for the sewage treatment and confectionery industries
- ✗ Sluggish sales in the chemical industry

Segment profit

- ✗ Decline due to increased raw material costs

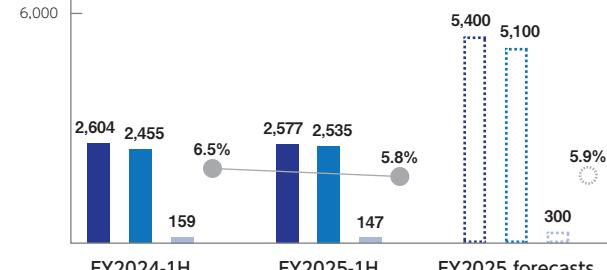
Orders received

(Million yen)

Net sales

Segment profit

Profit ratio



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)

1. 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.
2. 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.
3. For unclaimed dividends, payments can be made at Mitsubishi UFJ Trust and Banking Corporation main and branch offices.