

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

Summary of Consolidated Financial Results for the Nine Months Ended September 30, 2024 (Based on Japanese GAAP)

October 15, 2024

Company name: HIOKI E.E.CORPORATION
 Stock exchange listing: Tokyo
 Stock code: 6866 URL <https://www.hioki.co.jp/>
 Representative: President Takahiro Okazawa
 Inquiries: Director of Corporate Planning Department Hisashi Shimizu TEL 0268-28-0555
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: No
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended September 30, 2024 (from January 1, 2024 to September 30, 2024)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended September 30, 2024	28,077	(5.0)	5,160	(18.0)	5,382	(17.3)	4,031	(16.5)
Nine months ended September 30, 2023	29,563	18.8	6,294	26.7	6,511	23.2	4,830	21.0

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended September 30, 2024	295.79	–
Nine months ended September 30, 2023	353.72	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2024	43,538	37,646	86.5	2,781.70
As of December 31, 2023	45,250	37,122	82.0	2,718.23

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended December 31, 2023	–	90.00	–	90.00	180.00
Year ending December 31, 2024	–	100.00	–	–	–
Year ending December 31, 2024 (Forecast)	–	–	–	100.00	200.00

3. Forecast of consolidated financial results for the year ending December 31, 2024 (from January 1, 2024 to December 31, 2024)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	40,000	2.2	8,000	0.6	8,320	1.0	6,360	0.5	465.58

4. Notes

- (1) Significant changes in the scope of consolidation during the nine months ended September 30, 2024: No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
 - Changes in accounting policies due to other reasons: No
 - Changes in accounting estimates: No
 - Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of September 30, 2024	14,024,365 shares	As of December 31, 2023	14,024,365 shares
--------------------------	-------------------	-------------------------	-------------------

Number of treasury shares at the end of the period

As of September 30, 2024	490,717 shares	As of December 31, 2023	367,392 shares
--------------------------	----------------	-------------------------	----------------

Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended September 30, 2024	13,628,320 shares	Nine months ended September 30, 2023	13,655,452 shares
--------------------------------------	-------------------	--------------------------------------	-------------------

Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of December 31, 2023	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	16,525,166	14,750,246
Notes and accounts receivable - trade, and contract assets	3,603,329	3,433,623
Electronically recorded monetary claims - operating	245,278	254,854
Merchandise and finished goods	1,427,193	1,594,307
Work in process	1,015,135	1,244,983
Raw materials and supplies	6,403,800	5,086,343
Other	410,557	437,525
Allowance for doubtful accounts	(27,170)	(23,402)
Total current assets	29,603,291	26,778,481
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	7,768,993	9,340,201
Machinery, equipment and vehicles, net	555,202	509,649
Tools, furniture and fixtures, net	1,292,698	1,287,916
Land	1,961,951	2,161,951
Construction in progress	1,176,147	926,365
Total property, plant and equipment	12,754,993	14,226,083
Intangible assets		
Software	535,213	454,914
Other	62,862	88,937
Total intangible assets	598,076	543,852
Investments and other assets	2,294,551	1,990,392
Total non-current assets	15,647,622	16,760,328
Total assets	45,250,913	43,538,809

(Thousands of yen)

	As of December 31, 2023	As of September 30, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	803,950	764,034
Income taxes payable	733,273	350,169
Provision for product warranties	97,654	102,391
Provision for bonuses	2,891,393	2,542,438
Provision for bonuses for directors (and other officers)	–	59,843
Other	2,531,932	1,121,823
Total current liabilities	7,058,203	4,940,700
Non-current liabilities		
Deferred tax liabilities	24,572	20,372
Retirement benefit liability	522,883	412,863
Other	522,400	518,345
Total non-current liabilities	1,069,855	951,582
Total liabilities	8,128,059	5,892,283
Net assets		
Shareholders' equity		
Share capital	3,299,463	3,299,463
Capital surplus	4,023,028	4,055,879
Retained earnings	29,663,773	31,099,447
Treasury shares	(709,155)	(1,695,696)
Total shareholders' equity	36,277,110	36,759,095
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	332,424	301,115
Foreign currency translation adjustment	783,227	803,912
Remeasurements of defined benefit plans	(269,908)	(217,596)
Total accumulated other comprehensive income	845,743	887,431
Total net assets	37,122,853	37,646,526
Total liabilities and net assets	45,250,913	43,538,809

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended September 30, 2023	Nine months ended September 30, 2024
Net sales	29,563,570	28,077,946
Cost of sales	15,619,913	14,140,215
Gross profit	13,943,657	13,937,731
Selling, general and administrative expenses	7,649,217	8,777,726
Operating profit	6,294,440	5,160,004
Non-operating income		
Interest income	8,171	5,437
Dividend income	17,503	20,636
Rental income from buildings	5,256	7,107
Foreign exchange gains	141,113	–
Subsidy income	5,466	163,586
Other	45,884	51,225
Total non-operating income	223,395	247,993
Non-operating expenses		
Interest expenses	5,942	5,835
Commission for purchase of treasury shares	–	9,996
Foreign exchange losses	–	8,634
Other	29	673
Total non-operating expenses	5,971	25,140
Ordinary profit	6,511,863	5,382,858
Extraordinary income		
Gain on sale of non-current assets	1,790	1,563
Total extraordinary income	1,790	1,563
Extraordinary losses		
Loss on sale of non-current assets	–	316
Loss on retirement of non-current assets	5,649	11,853
Total extraordinary losses	5,649	12,169
Profit before income taxes	6,508,004	5,372,251
Income taxes - current	1,278,300	1,008,564
Income taxes - deferred	399,498	332,500
Total income taxes	1,677,798	1,341,064
Profit	4,830,205	4,031,186
Profit attributable to owners of parent	4,830,205	4,031,186

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended September 30, 2023	Nine months ended September 30, 2024
Profit	4,830,205	4,031,186
Other comprehensive income		
Valuation difference on available-for-sale securities	131,869	(31,308)
Foreign currency translation adjustment	224,767	20,684
Remeasurements of defined benefit plans, net of tax	42,745	52,311
Total other comprehensive income	399,382	41,687
Comprehensive income	5,229,587	4,072,874
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,229,587	4,072,874