

Translation

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## Summary of Consolidated Financial Results for the Year Ended December 31, 2024 (Based on Japanese GAAP)

January 24, 2025

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 of ordinary general meeting of shareholders: February 27, 2025  
 Scheduled date to file Securities Report: February 28, 2025  
 Scheduled date to commence dividend payments: February 28, 2025  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the year ended December 31, 2024 (from January 1, 2024 to December 31, 2024)

#### (1) Consolidated operating results

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	%
Year ended December 31, 2024	39,270	0.3	7,525	(5.4)	7,990	(3.0)	6,187	(2.2)
Year ended December 31, 2023	39,154	13.9	7,955	12.5	8,236	13.0	6,329	18.7

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended December 31, 2024	454.83	–	16.1	17.1	19.2
Year ended December 31, 2023	463.51	–	18.1	19.2	20.3

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2024	48,159	39,820	82.7	2,942.32
As of December 31, 2023	45,250	37,122	82.0	2,718.23

#### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended December 31, 2024	8,874	(3,746)	(3,602)	16,507
Year ended December 31, 2023	8,438	(3,353)	(2,320)	14,745

### 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended December 31, 2023	–	90.00	–	90.00	180.00	2,458	38.8	7.0
Year ended December 31, 2024	–	100.00	–	100.00	200.00	2,719	44.0	7.1
Year ending December 31, 2025 (Forecast)	–	100.00	–	100.00	200.00		42.3	

3. Forecast of consolidated financial results for the year ending December 31, 2025 (from January 1, 2025 to December 31, 2025)

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
Six months ending June 30, 2025	21,350	14.4	3,660	9.4	3,690	2.1	2,820	7.6	207.28
Full year	43,780	11.5	8,340	10.8	8,420	5.4	6,440	4.1	473.37

4. Notes

(1) Significant changes in the scope of consolidation during the year ended December 31, 2024: No

(2) 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

(3) Number of issued shares (common shares)

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

As of December 31, 2024	14,024,365 shares	As of December 31, 2023	14,024,365 shares
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Number of treasury shares at the end of the period

As of December 31, 2024	490,717 shares	As of December 31, 2023	367,392 shares
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Average number of shares during the period

Year ended December 31, 2024	13,604,652 shares	Year ended December 31, 2023	13,655,833 shares
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**Consolidated financial statements**  
**Consolidated balance sheets**

(Thousands of yen)

	As of December 31, 2023	As of December 31, 2024
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	16,525,166	18,315,498
Notes and accounts receivable - trade, and contract assets	3,603,329	4,329,119
Electronically recorded monetary claims - operating	245,278	244,829
Merchandise and finished goods	1,427,193	1,474,215
Work in process	1,015,135	982,650
Raw materials and supplies	6,403,800	4,764,388
Other	410,557	395,458
Allowance for doubtful accounts	(27,170)	(34,446)
<b>Total current assets</b>	<b>29,603,291</b>	<b>30,471,715</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	16,928,156	19,280,752
Accumulated depreciation	(9,159,162)	(9,602,067)
Buildings and structures, net	7,768,993	9,678,685
Machinery, equipment and vehicles	2,003,760	2,367,043
Accumulated depreciation	(1,448,558)	(1,596,827)
Machinery, equipment and vehicles, net	555,202	770,215
Tools, furniture and fixtures	7,548,013	8,166,577
Accumulated depreciation	(6,255,315)	(6,819,930)
Tools, furniture and fixtures, net	1,292,698	1,346,646
Land	1,961,951	2,161,951
Construction in progress	1,176,147	870,485
<b>Total property, plant and equipment</b>	<b>12,754,993</b>	<b>14,827,984</b>
<b>Intangible assets</b>		
Software	535,213	510,471
Telephone subscription right	3,241	3,241
Software in progress	59,621	16,336
<b>Total intangible assets</b>	<b>598,076</b>	<b>530,049</b>
<b>Investments and other assets</b>		
Investment securities	816,053	741,604
Deferred tax assets	1,135,007	1,096,690
Retirement benefit asset	10,108	11,352
Other	333,383	480,381
<b>Total investments and other assets</b>	<b>2,294,551</b>	<b>2,330,028</b>
<b>Total non-current assets</b>	<b>15,647,622</b>	<b>17,688,062</b>
<b>Total assets</b>	<b>45,250,913</b>	<b>48,159,778</b>

(Thousands of yen)

	As of December 31, 2023	As of December 31, 2024
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	803,950	824,287
Income taxes payable	733,273	988,671
Contract liabilities	323,577	157,992
Provision for product warranties	97,654	127,231
Provision for bonuses	2,891,393	2,900,207
Other	2,208,354	2,263,009
Total current liabilities	7,058,203	7,261,401
Non-current liabilities		
Deferred tax liabilities	24,572	22,935
Retirement benefit liability	522,883	536,749
Other	522,400	518,304
Total non-current liabilities	1,069,855	1,077,989
Total liabilities	8,128,059	8,339,390
<b>Net assets</b>		
Shareholders' equity		
Share capital	3,299,463	3,299,463
Capital surplus	4,023,028	4,055,879
Retained earnings	29,663,773	33,256,119
Treasury shares	(709,155)	(1,695,696)
Total shareholders' equity	36,277,110	38,915,767
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	332,424	299,520
Foreign currency translation adjustment	783,227	926,184
Remeasurements of defined benefit plans	(269,908)	(321,084)
Total accumulated other comprehensive income	845,743	904,620
Total net assets	37,122,853	39,820,387
<b>Total liabilities and net assets</b>	<b>45,250,913</b>	<b>48,159,778</b>

**Consolidated statements of income and consolidated statements of comprehensive income**  
**Consolidated statements of income**

(Thousands of yen)

	Fiscal year ended December 31, 2023	Fiscal year ended December 31, 2024
Net sales	39,154,033	39,270,659
Cost of sales	20,888,520	19,707,084
Gross profit	18,265,513	19,563,574
Selling, general and administrative expenses	10,309,597	12,037,686
Operating profit	7,955,916	7,525,888
Non-operating income		
Interest income	9,721	7,731
Dividend income	28,723	33,345
Foreign exchange gains	87,585	183,545
Rental income from buildings	7,339	9,754
Subsidy income	49,481	174,484
Refund income	42,922	–
Other	63,513	74,606
Total non-operating income	289,288	483,468
Non-operating expenses		
Interest expenses	8,307	7,811
Commission for purchase of treasury shares	–	9,996
Other	37	1,381
Total non-operating expenses	8,345	19,190
Ordinary profit	8,236,858	7,990,166
Extraordinary income		
Gain on sale of investment securities	–	54,128
Gain on sale of non-current assets	2,206	2,661
Total extraordinary income	2,206	56,790
Extraordinary losses		
Loss on sale of non-current assets	–	315
Loss on retirement of non-current assets	5,990	11,885
Total extraordinary losses	5,990	12,201
Profit before income taxes	8,233,074	8,034,755
Income taxes - current	1,655,018	1,774,625
Income taxes - deferred	248,465	72,271
Total income taxes	1,903,484	1,846,896
Profit	6,329,589	6,187,858
Profit attributable to owners of parent	6,329,589	6,187,858

## Consolidated statements of comprehensive income

(Thousands of yen)

	Fiscal year ended December 31, 2023	Fiscal year ended December 31, 2024
Profit	6,329,589	6,187,858
Other comprehensive income		
Valuation difference on available-for-sale securities	120,861	(32,903)
Foreign currency translation adjustment	155,898	142,957
Remeasurements of defined benefit plans, net of tax	20,602	(51,176)
Total other comprehensive income	297,362	58,877
Comprehensive income	6,626,952	6,246,735
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,626,952	6,246,735

## Consolidated statements of changes in equity

Fiscal year ended December 31, 2023

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,299,463	3,993,207	25,655,500	(717,074)	32,231,097
Changes during period					
Dividends of surplus			(2,321,317)		(2,321,317)
Profit attributable to owners of parent			6,329,589		6,329,589
Purchase of treasury shares				(1,232)	(1,232)
Disposal of treasury shares		29,820		9,152	38,972
Net changes in items other than shareholders' equity					
Total changes during period	–	29,820	4,008,272	7,919	4,046,012
Balance at end of period	3,299,463	4,023,028	29,663,773	(709,155)	36,277,110

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	211,562	627,329	(290,510)	548,380	32,779,478
Changes during period					
Dividends of surplus					(2,321,317)
Profit attributable to owners of parent					6,329,589
Purchase of treasury shares					(1,232)
Disposal of treasury shares					38,972
Net changes in items other than shareholders' equity	120,861	155,898	20,602	297,362	297,362
Total changes during period	120,861	155,898	20,602	297,362	4,343,375
Balance at end of period	332,424	783,227	(269,908)	845,743	37,122,853

Fiscal year ended December 31, 2024

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,299,463	4,023,028	29,663,773	(709,155)	36,277,110
Changes during period					
Dividends of surplus			(2,595,512)		(2,595,512)
Profit attributable to owners of parent			6,187,858		6,187,858
Purchase of treasury shares				(999,870)	(999,870)
Disposal of treasury shares		32,851		13,329	46,181
Net changes in items other than shareholders' equity					
Total changes during period	–	32,851	3,592,346	(986,540)	2,638,656
Balance at end of period	3,299,463	4,055,879	33,256,119	(1,695,696)	38,915,767

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	332,424	783,227	(269,908)	845,743	37,122,853
Changes during period					
Dividends of surplus					(2,595,512)
Profit attributable to owners of parent					6,187,858
Purchase of treasury shares					(999,870)
Disposal of treasury shares					46,181
Net changes in items other than shareholders' equity	(32,903)	142,957	(51,176)	58,877	58,877
Total changes during period	(32,903)	142,957	(51,176)	58,877	2,697,533
Balance at end of period	299,520	926,184	(321,084)	904,620	39,820,387



## Consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended December 31, 2023	Fiscal year ended December 31, 2024
Cash flows from operating activities		
Profit before income taxes	8,233,074	8,034,755
Depreciation	1,437,714	1,634,499
Increase (decrease) in allowance for doubtful accounts	3,619	6,778
Increase (decrease) in provision for bonuses	2,888,096	(6,642)
Increase (decrease) in provision for product warranties	97,654	29,577
Increase (decrease) in retirement benefit liability	(49,423)	(61,934)
Share-based payment expenses	38,376	44,979
Interest and dividend income	(38,444)	(41,076)
Subsidy income	(49,481)	(174,484)
Refund income	(42,922)	–
Interest expenses	8,307	7,811
Commission for purchase of treasury stock	–	9,996
Loss (gain) on sale of non-current assets	(2,206)	(2,346)
Loss on retirement of non-current assets	5,990	11,885
Loss (gain) on sale of investment securities	–	(54,128)
Decrease (increase) in trade receivables	192,462	(662,641)
Decrease (increase) in inventories	(344,679)	1,722,293
Increase (decrease) in trade payables	(449,152)	20,149
Increase (decrease) in accrued expenses	(2,553,714)	68,912
Increase (decrease) in accrued consumption taxes	425,440	94,293
Other, net	130,860	(526,200)
Subtotal	9,931,573	10,156,478
Interest and dividends received	34,120	35,767
Subsidies received	49,481	174,484
Refunds received	42,922	–
Interest paid	(8,307)	(7,811)
Income taxes paid	(1,611,614)	(1,551,180)
Income taxes refund	–	66,447
Net cash provided by (used in) operating activities	8,438,176	8,874,187
Cash flows from investing activities		
Payments into time deposits	–	(27,750)
Purchase of property, plant and equipment	(3,008,474)	(3,523,521)
Proceeds from sale of property, plant and equipment	888	4,787
Purchase of investment securities	(5,021)	(4,775)
Proceeds from sale of investment securities	–	86,189
Other, net	(341,373)	(281,148)
Net cash provided by (used in) investing activities	(3,353,980)	(3,746,218)
Cash flows from financing activities		
Purchase of treasury shares	(1,232)	(1,009,867)
Dividends paid	(2,319,555)	(2,592,234)
Net cash provided by (used in) financing activities	(2,320,787)	(3,602,101)
Effect of exchange rate change on cash and cash equivalents	145,139	236,715
Net increase (decrease) in cash and cash equivalents	2,908,546	1,762,582
Cash and cash equivalents at beginning of period	11,836,619	14,745,166
Cash and cash equivalents at end of period	14,745,166	16,507,748