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June 06, 2025

Consolidated Financial Results for the Six Months Ended April 30, 2025 (Under Japanese GAAP)

Company name: HI-LEX CORPORATION
 Listing: Tokyo Stock Exchange
 Securities code: 7279
 URL: <https://www.hi-lex.co.jp/>
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 Scheduled date to file semi-annual securities report: June 11, 2025
 Scheduled date to commence dividend payments: July 01, 2025
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the six months ended April 30, 2025 (from November 01, 2024 to April 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
April 30, 2025	152,347	(1.3)	2,343	-	3,240	62.9	1,779	823.8
April 30, 2024	154,400	8.0	163	-	1,989	-	192	-

Note: Comprehensive income For the six months ended April 30, 2025: ¥4,296 million [(14.6) %]
 For the six months ended April 30, 2024: ¥5,029 million [- %]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
April 30, 2025	47.42	47.40
April 30, 2024	5.13	5.13

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
April 30, 2025	269,917	187,849	63.8
October 31, 2024	270,260	184,587	62.5

Reference: Equity
 As of April 30, 2025: ¥172,111 million
 As of October 31, 2024: ¥168,961 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended October 31, 2024		20.00		20.00	40.00
Fiscal year ending October 31, 2025		23.00			
Fiscal year ending October 31, 2025 (Forecast)				23.00	46.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Forecast of consolidated financial results for the year ending October 31, 2025 (from November 01, 2024 to October 31, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	298,800	(3.1)	2,400	557.3	4,500	65.0	2,000	1.3	53.31

Note: Revisions to the forecast of financial results most recently announced: None

*** Notes**

(1) Significant changes in the scope of consolidation during the period: None

Newly included: - companies

Excluded: - companies

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of April 30, 2025	38,216,759 shares
As of October 31, 2024	38,216,759 shares

(ii) Number of treasury shares at the end of the period

As of April 30, 2025	690,176 shares
As of October 31, 2024	701,448 shares

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

Six months ended April 30, 2025	37,520,442 shares
Six months ended April 30, 2024	37,515,244 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

The forecasts included in this document are based on the information that we have obtained at the time of disclosure. Actual results may differ from the forecasts due to various factors in the future.

* How to obtain supplementary financial results material on financial results

We plan to post supplementary financial results on our website on June 13, 2025.

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1. Semi-annual Consolidated Financial Statements
(1) Semi-annual Consolidated Balance Sheets

(Millions of yen)

	As of October 31, 2024	As of April 30, 2025
Assets		
Current assets		
Cash and deposits	50,175	47,535
Notes and accounts receivable - trade	46,119	46,382
Electronically recorded monetary claims - operating	1,584	1,744
Securities	7,345	5,712
Merchandise and finished goods	11,954	12,209
Work in process	4,210	4,933
Raw materials and supplies	18,585	19,611
Other	7,608	8,476
Allowance for doubtful accounts	(923)	(898)
Total current assets	146,659	145,707
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	19,216	18,838
Machinery, equipment and vehicles, net	24,005	23,109
Tools, furniture and fixtures, net	2,688	2,530
Land	9,338	9,162
Construction in progress	4,602	5,913
Other, net	3,400	3,292
Total property, plant and equipment	63,250	62,846
Intangible assets		
Goodwill	1,047	959
Other	2,919	3,027
Total intangible assets	3,966	3,986
Investments and other assets		
Investment securities	45,612	46,428
Long-term loans receivable	887	854
Retirement benefit asset	1,052	1,111
Deferred tax assets	5,744	5,945
Other	4,729	4,909
Allowance for doubtful accounts	(1,646)	(1,875)
Total investments and other assets	56,379	57,374
Total non-current assets	123,597	124,207
Deferred assets	3	2
Total assets	270,260	269,917

(Millions of yen)

	As of October 31, 2024	As of April 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	36,225	36,146
Short-term borrowings	9,404	7,456
Current portion of long-term borrowings	306	403
Income taxes payable	2,325	1,705
Contract liabilities	1,670	2,064
Provision for bonuses	2,047	1,513
Provision for bonuses for directors (and other officers)	6	9
Provision for product warranties	3,908	2,787
Other	13,794	13,402
Total current liabilities	69,689	65,489
Non-current liabilities		
Long-term borrowings	1,423	1,200
Deferred tax liabilities	9,983	10,967
Retirement benefit liability	2,128	2,059
Other	2,448	2,352
Total non-current liabilities	15,983	16,578
Total liabilities	85,673	82,068
Net assets		
Shareholders' equity		
Share capital	5,657	5,657
Capital surplus	7,864	7,864
Retained earnings	117,467	118,614
Treasury shares	(1,215)	(1,193)
Total shareholders' equity	129,773	130,942
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	23,128	23,658
Foreign currency translation adjustment	16,211	17,614
Remeasurements of defined benefit plans	(152)	(103)
Total accumulated other comprehensive income	39,188	41,169
Share acquisition rights	33	20
Non-controlling interests	15,592	15,717
Total net assets	184,587	187,849
Total liabilities and net assets	270,260	269,917

(2) Semi-annual Consolidated Statements of Income and Comprehensive Income
Semi-annual Consolidated Statements of Income

(Millions of yen)

	Six months ended April 30, 2024	Six months ended April 30, 2025
Net sales	154,400	152,347
Cost of sales	139,651	134,885
Gross profit	14,749	17,462
Selling, general and administrative expenses	14,586	15,118
Operating profit	163	2,343
Non-operating income		
Interest income	420	372
Dividend income	357	432
Share of profit of entities accounted for using equity method	129	128
Foreign exchange gains	700	-
Revenue from electric power sales	29	33
Other	933	950
Total non-operating income	2,571	1,917
Non-operating expenses		
Interest expenses	183	173
Foreign exchange losses	-	585
Expense of electric power sales	16	15
Other	545	245
Total non-operating expenses	745	1,020
Ordinary profit	1,989	3,240
Extraordinary income		
Gain on sale of non-current assets	455	24
Reversal of allowance for doubtful accounts	16	12
Reversal of provision for product warranties	-	1,090
Gain on liquidation of subsidiaries	16	-
Total extraordinary income	488	1,127
Extraordinary losses		
Loss on sale of non-current assets	1	103
Impairment losses	199	-
Loss on retirement of non-current assets	32	31
Loss on tax purpose reduction entry of non-current assets	-	6
Loss on liquidation of subsidiaries and associates	-	190
Provision of allowance for doubtful accounts	264	119
Provision for loss on litigation	32	-
Extra retirement payments	48	375
Total extraordinary losses	579	827
Profit before income taxes	1,898	3,540
Income taxes - current	856	920
Income taxes - deferred	111	145
Total income taxes	967	1,065
Profit	930	2,474
Profit attributable to non-controlling interests	738	695
Profit attributable to owners of parent	192	1,779

Semi-annual Consolidated Statements of Comprehensive Income

(Millions of yen)

	Six months ended April 30, 2024	Six months ended April 30, 2025
Profit	930	2,474
Other comprehensive income		
Valuation difference on available-for-sale securities	2,845	529
Foreign currency translation adjustment	1,286	1,449
Remeasurements of defined benefit plans, net of tax	(104)	49
Share of other comprehensive income of entities accounted for using equity method	70	(206)
Total other comprehensive income	4,098	1,822
Comprehensive income	5,029	4,296
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,032	3,759
Comprehensive income attributable to non-controlling interests	997	537