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September 05, 2025

Consolidated Financial Results for the Nine Months Ended July 31, 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 commence dividend payments: -
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: None

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

1. Consolidated financial results for the nine months ended July 31, 2025 (from November 01, 2024 to July 31, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
July 31, 2025	227,679	(3.3)	3,152	141.5	5,866	93.0	3,401	(13.5)
July 31, 2024	235,515	7.2	1,305	(11.1)	3,039	7.0	3,934	189.7

Note: Comprehensive income For the nine months ended July 31, 2025: ¥6,693 million [(43.8)%]
 For the nine months ended July 31, 2024: ¥11,914 million [20.3%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
July 31, 2025	90.67	90.64
July 31, 2024	104.88	104.83

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
July 31, 2025	270,734	189,104	64.0
October 31, 2024	270,260	184,587	62.5

Reference: Equity
 As of July 31, 2025: ¥173,252 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	301,068	(2.4)	3,152	763.3	6,047	121.7	3,885	96.9	103.83

Note: Revisions to the forecast of financial results most recently announced: Yes

*** 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 quarterly 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 July 31, 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 July 31, 2025	799,154 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)

Nine months ended July 31, 2025	37,519,277 shares
Nine months ended July 31, 2024	37,515,172 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* 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 September 12, 2025

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1. Quarterly Consolidated Financial Statements
(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of October 31, 2024	As of July 31, 2025
Assets		
Current assets		
Cash and deposits	50,175	48,790
Notes and accounts receivable - trade	46,119	45,277
Electronically recorded monetary claims - operating	1,584	1,713
Securities	7,345	4,951
Merchandise and finished goods	11,954	11,645
Work in process	4,210	5,043
Raw materials and supplies	18,585	18,235
Other	7,608	9,806
Allowance for doubtful accounts	(923)	(890)
Total current assets	146,659	144,573
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	19,216	18,482
Machinery, equipment and vehicles, net	24,005	22,174
Tools, furniture and fixtures, net	2,688	2,458
Land	9,338	9,240
Construction in progress	4,602	6,434
Other, net	3,400	3,109
Total property, plant and equipment	63,250	61,900
Intangible assets		
Goodwill	1,047	948
Other	2,919	2,973
Total intangible assets	3,966	3,922
Investments and other assets		
Investment securities	45,612	49,752
Long-term loans receivable	887	832
Retirement benefit asset	1,052	1,150
Deferred tax assets	5,744	5,663
Other	4,729	4,909
Allowance for doubtful accounts	(1,646)	(1,971)
Total investments and other assets	56,379	60,337
Total non-current assets	123,597	126,159
Deferred assets	3	2
Total assets	270,260	270,734

(Millions of yen)

	As of October 31, 2024	As of July 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	36,225	35,036
Short-term borrowings	9,404	7,215
Current portion of long-term borrowings	306	414
Income taxes payable	2,325	1,360
Contract liabilities	1,670	2,111
Provision for bonuses	2,047	1,436
Provision for bonuses for directors (and other officers)	6	14
Provision for product warranties	3,908	2,840
Other	13,794	13,547
Total current liabilities	69,689	63,977
Non-current liabilities		
Long-term borrowings	1,423	1,086
Deferred tax liabilities	9,983	12,362
Retirement benefit liability	2,128	1,957
Other	2,448	2,245
Total non-current liabilities	15,983	17,652
Total liabilities	85,673	81,630
Net assets		
Shareholders' equity		
Share capital	5,657	5,657
Capital surplus	7,864	7,848
Retained earnings	117,467	119,373
Treasury shares	(1,215)	(1,453)
Total shareholders' equity	129,773	131,425
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	23,128	26,249
Foreign currency translation adjustment	16,211	15,701
Remeasurements of defined benefit plans	(152)	(123)
Total accumulated other comprehensive income	39,188	41,826
Share acquisition rights	33	20
Non-controlling interests	15,592	15,832
Total net assets	184,587	189,104
Total liabilities and net assets	270,260	270,734

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income

(Millions of yen)

	Nine months ended July 31, 2024	Nine months ended July 31, 2025
Net sales	235,515	227,679
Cost of sales	212,004	201,898
Gross profit	23,510	25,781
Selling, general and administrative expenses	22,205	22,628
Operating profit	1,305	3,152
Non-operating income		
Interest income	703	561
Dividend income	878	1,145
Share of profit of entities accounted for using equity method	52	164
Foreign exchange gains	—	326
Revenue from electric power sales	56	63
Other	1,447	1,182
Total non-operating income	3,137	3,442
Non-operating expenses		
Interest expenses	358	284
Foreign exchange losses	223	—
Expense of electric power sales	35	25
Other	785	418
Total non-operating expenses	1,403	728
Ordinary profit	3,039	5,866
Extraordinary income		
Gain on sale of non-current assets	481	40
Gain on sale of investment securities	4,891	—
Reversal of allowance for doubtful accounts	19	15
Reversal of provision for product warranties	—	1,090
Gain on liquidation of subsidiaries	16	—
Total extraordinary income	5,409	1,146
Extraordinary losses		
Loss on sale of non-current assets	1	111
Impairment losses	194	—
Loss on retirement of non-current assets	39	39
Loss on tax purpose reduction entry of non-current assets	—	6
Loss on liquidation of subsidiaries and associates	—	190
Loss on sale of subsidiaries and associates	0	—
Provision of allowance for doubtful accounts	304	188
Provision for loss on litigation	32	—
Extra retirement payments	58	379
Total extraordinary losses	632	916
Profit before income taxes	7,816	6,096
Income taxes - current	2,230	1,207
Income taxes - deferred	525	596
Total income taxes	2,756	1,804
Profit	5,060	4,291
Profit attributable to non-controlling interests	1,125	889
Profit attributable to owners of parent	3,934	3,401

Quarterly Consolidated Statements of Comprehensive Income

(Millions of yen)

	Nine months ended July 31, 2024	Nine months ended July 31, 2025
Profit	5,060	4,291
Other comprehensive income		
Valuation difference on available-for-sale securities	(2,108)	3,120
Foreign currency translation adjustment	8,824	(686)
Remeasurements of defined benefit plans, net of tax	(120)	22
Share of other comprehensive income of entities accounted for using equity method	258	(55)
Total other comprehensive income	6,854	2,401
Comprehensive income	11,914	6,693
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	9,704	6,039
Comprehensive income attributable to non-controlling interests	2,210	653