

Hirata

The Global Production Engineering Company



Quarterly Financial Results for the Three-month Period Ended June 30, 2022

Hirata Corporation

I. Financial Results and Outlook

The Three-month Period Ended June 30, 2022 (April 1, 2022 - June 30, 2022)



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I. Summary of Financial Results

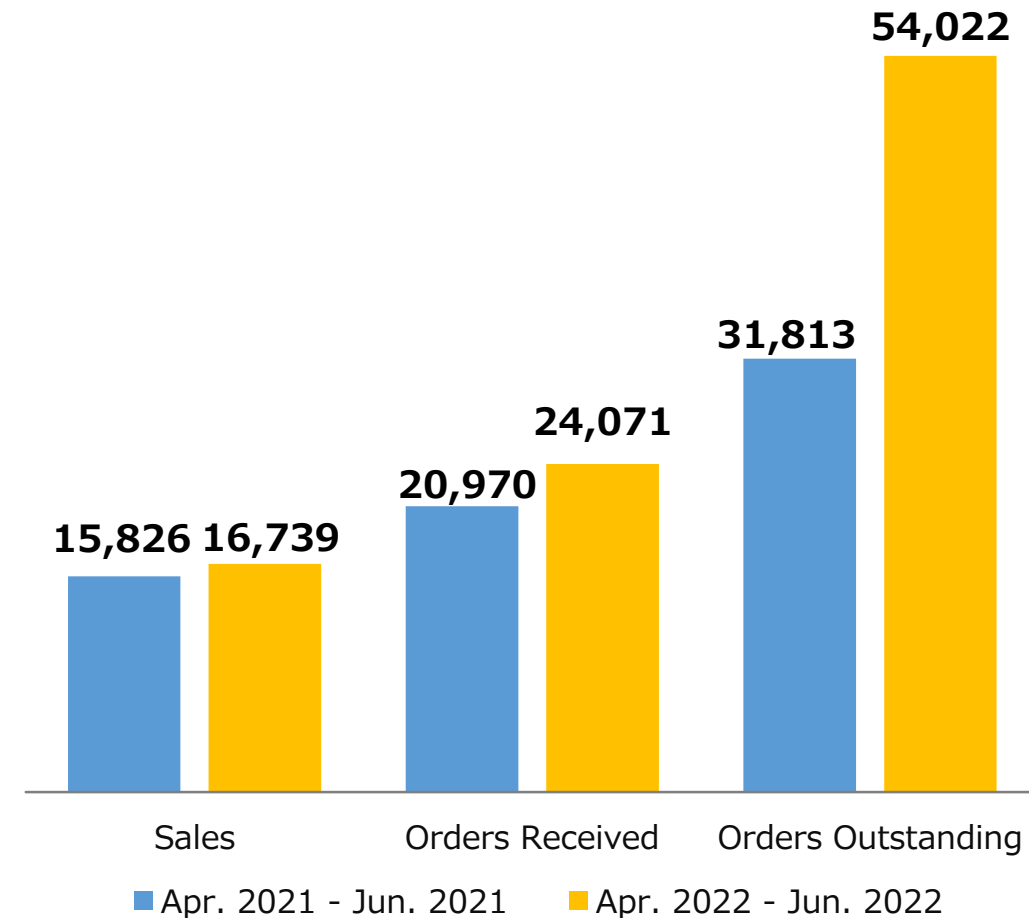
Overview

Sales increased from the same period of the previous year against the backdrop of strong demand for semiconductors due to the spread of 5G support and teleworking. Profits, on the other hand, decreased due to an increase in the cost ratio as a result of higher material and transportation costs.

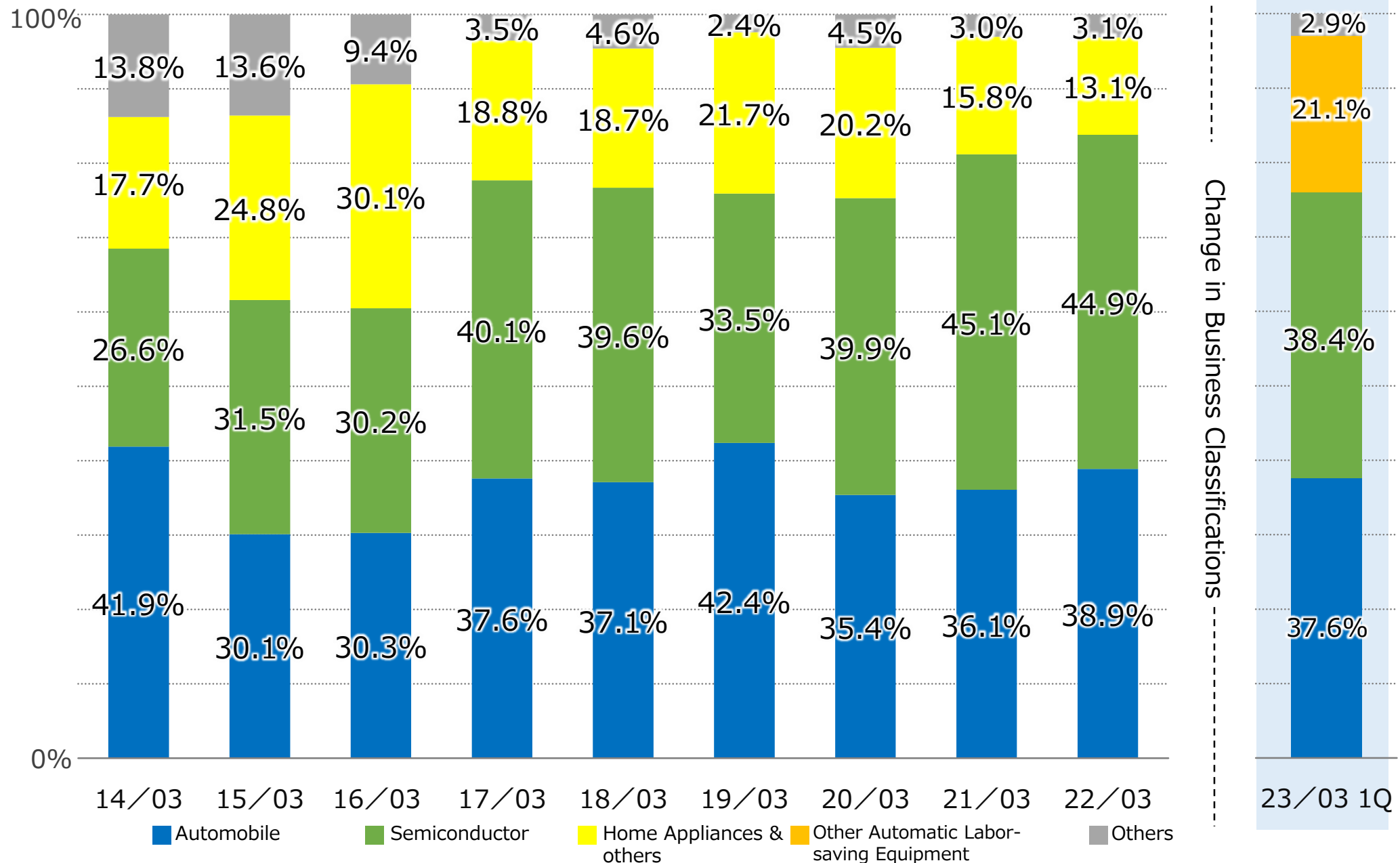
(Units in millions of Yen)

	Apr. 2021 – Jun. 2021	Apr. 2022 – Jun. 2022	YoY Change
Sales	15,826	16,739	+5.8%
Operating Income	1,335	1,011	\triangle 24.3%
Ordinary Income	1,296	1,152	\triangle 11.1%
Quarterly net income attributable to owners of the parent company	917	817	\triangle 11.0%
Orders Received	20,970	24,071	+14.8%
Orders Outstanding	31,813	54,022	+69.8%

(Units in millions of Yen)



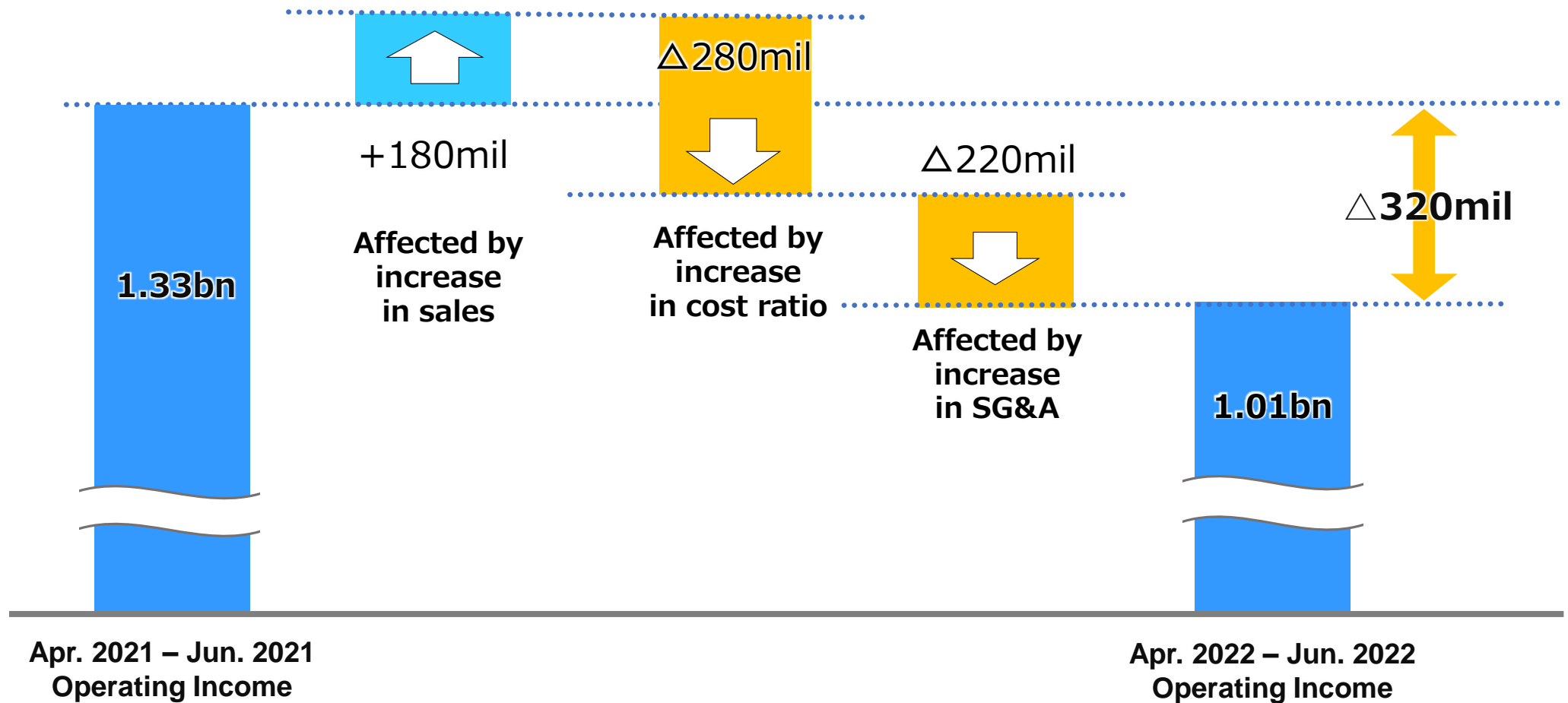
I. Breakdown of Sales by Business Segment



※We changed our business classifications from the first quarter of the fiscal year ending March 31, 2023.
For details, please refer to page 8 of this document.

I. Factor Analysis on Changing Operating Income

	Sales	Cost of Sales	Cost to Sales Ratio	Selling, General and Administrative Expenses	Operating Income	Operating Income Ratio
Apr. 2021 – Jun. 2021	15,826	12,535	79.2%	1,954	1,335	8.4%
Apr. 2022 – Jun. 2022	16,739	13,545	80.9%	2,182	1,011	6.0%



I. Balance Sheet

Balance Sheet

(Units in millions of Yen)

Assets	Apr. 2021 – Mar. 2022	Apr. 2022 – Jun. 2022	YoY Change
Current Assets	67,003	70,014	+3,011
Fixed Assets	32,482	33,417	+935
Tangible Fixed Assets	23,526	24,202	+676
Intangible Fixed Assets	499	477	△22
Investment and other assets	8,456	8,737	+281
Total Assets	99,485	103,432	+3,946

Liabilities	Apr. 2021 – Mar. 2022	Apr. 2022 – Jun. 2022	YoY Change
Current Liabilities	31,612	37,283	+5,671
Fixed Liabilities	12,935	10,706	△2,229
Total Liabilities	44,547	47,989	+3,442

Net Assets			
Total Net Assets	54,938	55,442	+504
Capital Ratio	54.8%	53.2%	△1.6pt

Main impact factors

Assets

Trade receivables	+2,032
Inventories	+907
Buildings and structures	+429

Liabilities/Net Assets

Liability with interest	+3,906
Trade payables	△1,512
Contractual liability	+1,140

I. Assumed Exchange Rate, etc.

Assumed Exchange Rate

(Units in Yen)

Assumed Exchange Rate	From Apr. 1, 2022 to Jun. 30, 2022 (Actual Rate)	From Jul. 1, 2022 (Applied Assumption Rate)
Exchange Rate (against USD)	112.66	115.00 (until orders received on July 31) 125.00 (from orders received on August 1)

Transition of Our Stock Prices

(Units in Yen)

Transition of Our Stock Prices	Apr. 1, 2020 to Mar. 31, 2021	Apr. 1, 2021 to Mar. 31, 2022	Apr. 1, 2022 to Mar. 31, 2023		
			April	May	June
High	8,850	7,690	5,390	4,865	4,575
Low	4,110	4,795	4,600	4,010	3,995
End of Period	6,860	5,400	4,800	4,285	4,205

PER/PBR/ROE

PER/PBR/ROE	Apr. 1, 2020 to Mar. 31, 2021	Apr. 1, 2021 to Mar. 31, 2022	Apr. 1, 2022 to Jun. 30, 2022
PER (X)	17.47	20.90	— ※
PBR (X)	1.38	1.03	0.79
ROE (%)	8.32	5.06	— ※

※There is no information on PER & ROE due to incomparable numbers on the basis of quarterly profit.

※The figures are calculated after the application of accounting standards for revenue recognition, etc., effective from the fiscal year ended March 31, 2022.

I. Sales, Orders Received and Outstanding by Business Unit

(Units in millions of Yen)

	Business Unit	Apr. 2021 - Jun. 2021	Apr. 2022 - Jun. 2022	YoY Change
Sales	Automobile	6,255	6,298	+0.7%
	Semiconductor	4,078	6,430	+57.7%
	Other Automatic Labor-saving Equipment	4,960	3,536	△28.7%
	Others	532	474	△11.0%
	Total	15,826	16,739	+5.8%
Orders Received	Automobile	6,832	6,767	△0.9%
	Semiconductor	7,931	12,644	+59.4%
	Other Automatic Labor-saving Equipment	5,755	3,864	△32.9%
	Others	450	795	+76.6%
	Total	20,970	24,071	+14.8%
Orders Outstanding	Automobile	14,057	24,245	+72.5%
	Semiconductor	9,375	22,873	+144.0%
	Other Automatic Labor-saving Equipment	8,075	6,178	△23.5%
	Others	304	725	+138.5%
	Total	31,813	54,022	+69.8%

I. Overview by Business Segment

Classification Review of Business Segment

We have changed our business segment started from April 2022 as below:

- Previous segment : Automobile, Semiconductor, Home Appliances and others, and others
- Current segment: **Automobile, Semiconductor, Other Automatic Labor-saving Equipment, and Others**

We have also reclassified OLED and LCD, previously included in Semiconductor-related segment, to Other Automatic Labor-saving Equipment segment. In conjunction with this change, we have changed our disclosure segments from geographic to business fields.

Automobile	Semiconductor	Other Automatic Labor-saving Equipment	Others
EDU, Motor, Battery, IGBT・Inverter, Engine, Transmission, FCV, and others	Wafer(EFEM, Sorter, Wafer robot, FOUP opener) ,PLP, and others	Related to OLED and LCD, Logistics, Medical, Chemistry & Physics devices, Industrial Robots, Home Appliances, FA Component, and others	Solar power generation business, and point business and customer management system business by affiliated companies

Sales and Operating Income by Business Segment

(Units in millions of Yen)

	Automobile		Semiconductor		Other Automatic Labor-saving Equipment		Others		Total	
	22/3 1Q	23/3 1Q	22/3 1Q	23/3 1Q	22/3 1Q	23/3 1Q	22/3 1Q	23/3 1Q	22/3 1Q	23/3 1Q
Sales	6,255	6,298	4,078	6,430	4,960	3,536	532	474	15,826	16,739
Operating Income	△232	175	834	592	689	251	44	△9	1,334	1,010
Operating Income Ratio	△3.7%	2.8%	20.5%	9.2%	13.9%	7.1%	8.3%	△1.9%	8.4%	6.0%

※Total figure of operating income is before consolidation adjustments between segments.

I. Sales by Business Segment

Quarterly Trends of Sales by Business Segment

Current Period

(Units in millions of Yen)

	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter	Cumulative Total Value	Projected figures at the end of the fiscal year announced on May 13	Progression Rate
Sales	16,739				16,739	80,000	20.9%
Automobile	6,298				6,298	33,000	19.1%
Semiconductor	6,430				6,430	28,000	23.0%
Other Automatic Labor-saving Equipment	3,536				3,536	16,000	22.1%
Others	474				474	3,000	15.8%

I. Topics - Business Update on EV/Wafer transfer/Organic EL Businesses

Business Update on EV/Wafer transfer/Organic EL Businesses

(Units in millions of Yen)

	Amount of Orders Received			Amount of Sales		
	Apr. – Jun. 2021	Apr. – Jun. 2022	YoY Change	Apr. – Jun. 2021	Apr. – Jun. 2022	YoY Change
Electric Vehicle (EV)	4,262	6,085	+42.8%	3,349	3,460	+3.3%
Wafer transfer	4,517	5,791	+28.2%	2,630	3,271	+24.4%
Organic EL	2,070	257	△87.6%	1,706	1,000	△41.4%

●Electric vehicle (EV)

The sales of EV business accounted for about 55% of its total automobile related sales. Compared to the same period last year, orders received increased by approximately 1.822 billion yen and sales increased by approximately 111 million yen.

●Wafer transfer

The sales of wafer transfer business accounted for about 51% of its total semiconductor related sales. Compared to the same period last year, orders received increased by approximately 1.274 billion yen and sales increased by approximately 640 million yen.

●Organic EL

The sales of organic EL business accounted for about 28% of its total other automatic labor-saving equipment related sales. Compared to the same period last year, orders received decreased by approximately 1.813 billion yen and sales decreased by approximately 705 million yen.

Ⅱ. Market Trend and Forecast for FYE March 2023

The Three-month Period Ended June 30, 2022 (April 1, 2022 - June 30, 2022)



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II. Forecasts for FYE March 2023: Earnings Forecast

(Units in millions of Yen)

	FY2022/3 (Actual figures under the new business classifications)		FY2023/3 (Forecast)	
Sales	67,087		80,000	
Automobile	26,109		33,000	
Semiconductor	20,928		28,000	
Other Automatic Labor-saving Equipment	18,002		16,000	
Others	2,046		3,000	
Operating Income (margin)	3,856	(5.7%)	3,000	(3.8%)
Ordinary Income (margin)	4,258	(6.3%)	2,900	(3.6%)
Profit attributable to owners of the parent company (margin)	2,682	(4.0%)	2,000	(2.5%)

The reasons for the full-year forecast and measures to achieve the business plan

- We expect semiconductor equipment manufacturers to continue to make vigorous capital investments against the backdrop of the spread of 5G support and teleworking, the progress of self-driving cars and IoT as well as medium- to long term expansion of capex in the EV market.
- As the first year of the Company's new Medium-term Management Plan (FY2022-2024), Hirata is working to strengthen product competitiveness and develop new products in the EV-related equipment business, optimize the production system in the semiconductor related equipment business. We will also aim to strengthen our competitiveness as a global company and work to implement management adapted to the new-normal era by strengthening ESG management initiatives and by introducing and utilizing digital transformation (DX) to enhance corporate value.

II. Forecasts for FYE March 2023: Dividend Forecast

Dividends and Dividend Ratio per Share

(Unit in Yen)

	FYE Mar 2019	FYE Mar 2020	FYE Mar 2021	FYE Mar 2022	FYE Mar 2023 (estimate)
Dividends per Share	125.00	40.00	65.00	65.00	50.00
Dividend Ratio(%)	28.4	23.8	16.6	25.2	25.9

Note: Dividend ratio is on a consolidated basis.

About Dividend Forecast

We fully consider profit return to our shareholders as one of the highest priority issue. So, we endeavor to pay dividend stably and continually to be more than 20% of the consolidated dividend ratio as a guide by strengthening our financial characteristic and also taking into consideration our consolidated performance and business deployment.

The dividends per share for the fiscal year ending March 2023 is planned to be 50.00 yen.

III. Reference Data

The Three-month Period Ended June 30, 2022 (April 1, 2022 - June 30, 2022)

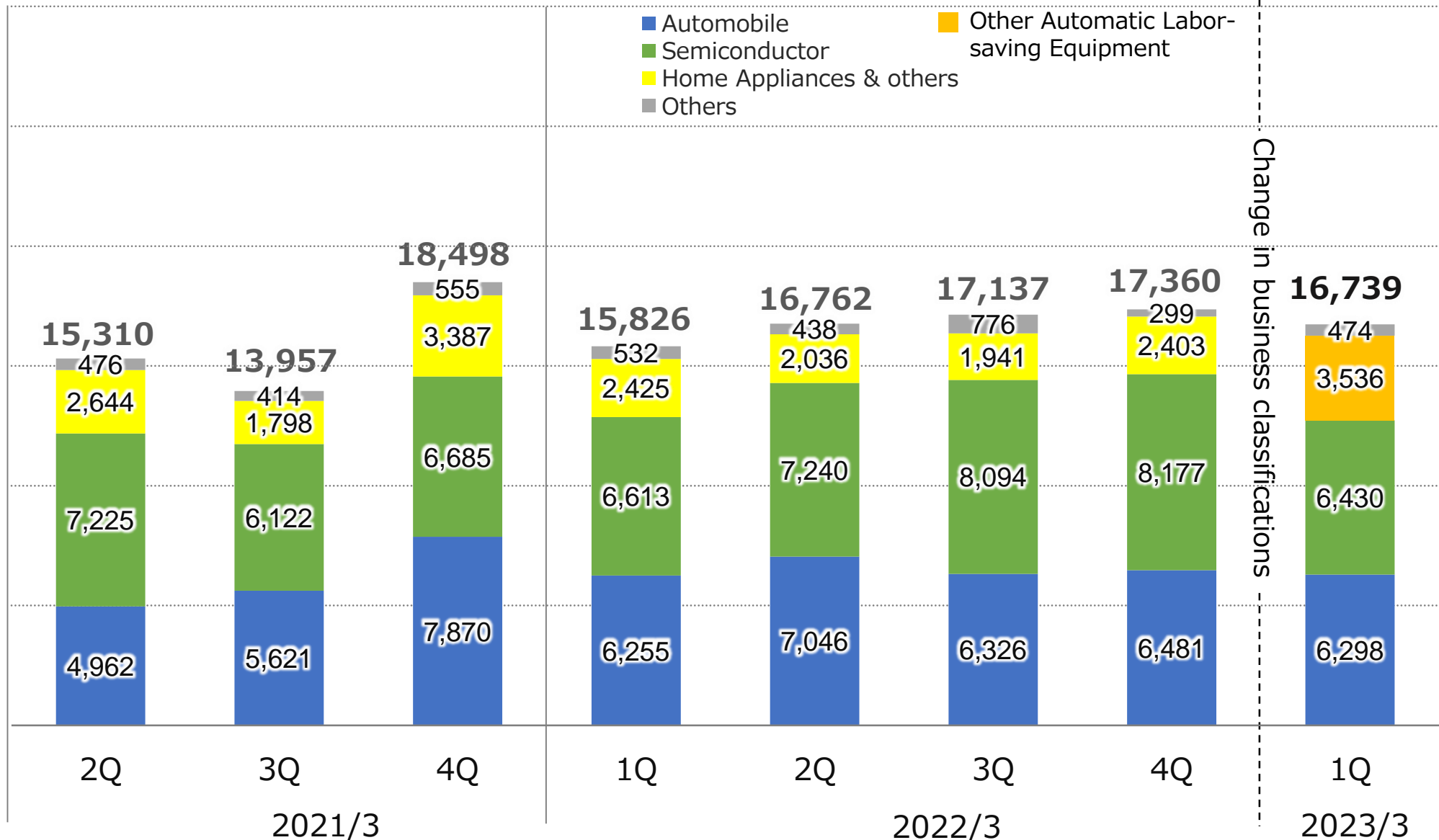


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III. Quarterly Trends of Sales by Business Unit

Sales by Business Unit

(Units in millions of Yen)

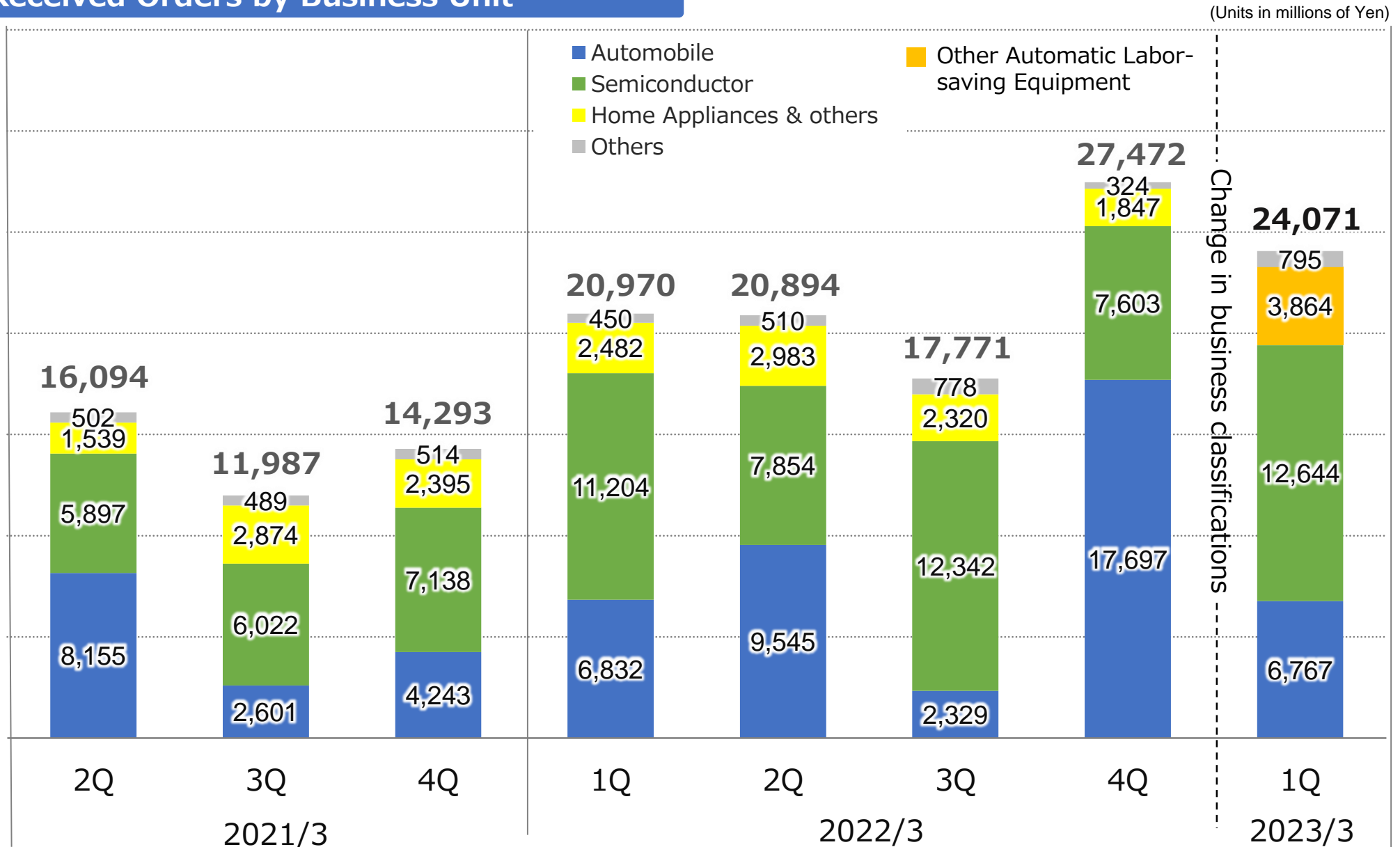


※The figures are calculated after the application of accounting standards for revenue recognition, etc., effective from the fiscal year ended March 31, 2022.

※The figures until the fiscal year ended March 2022 are presented under the former business classifications.

III. Quarterly Trends of Received Orders by Business Unit

Received Orders by Business Unit



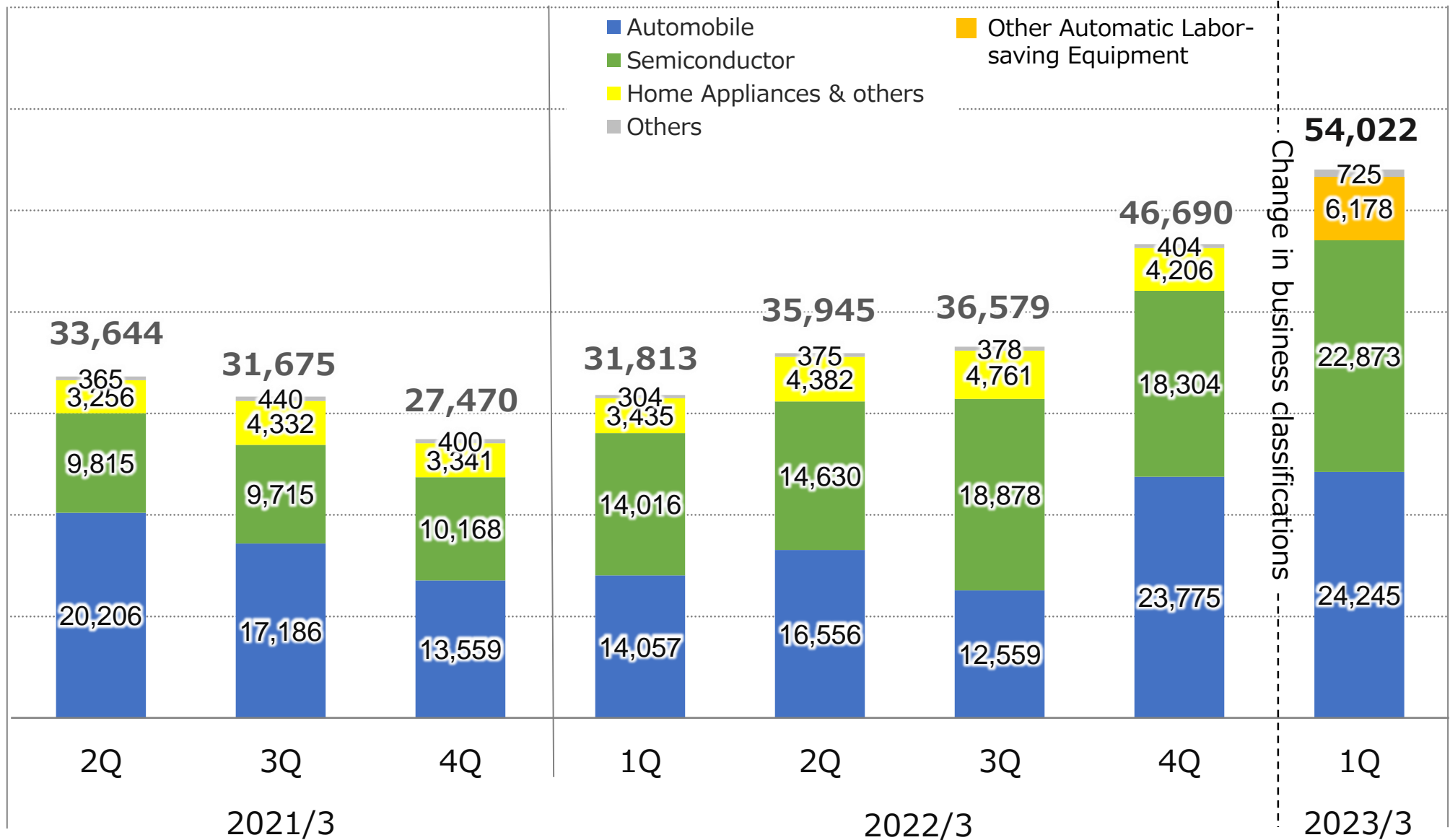
※The figures are calculated after the application of accounting standards for revenue recognition, etc., effective from the fiscal year ended March 31, 2022.

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III. Quarterly Trends of Orders Outstanding by Business Unit

Orders Outstanding by Business Unit

(Units in millions of Yen)



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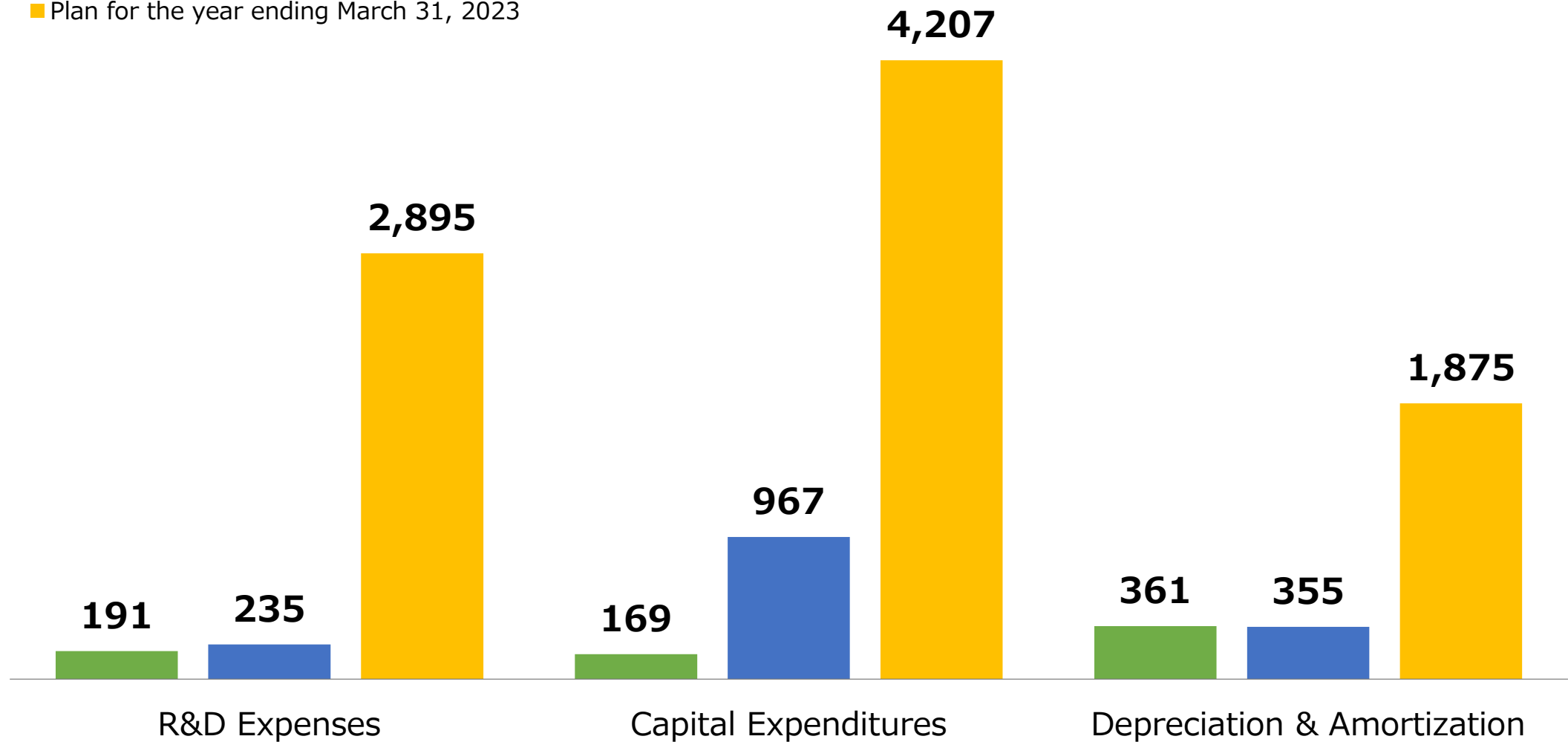
III. R&D, CAPEX, Depreciation and Amortization

(Units in millions of Yen)

■ Apr. -Jun. 2021

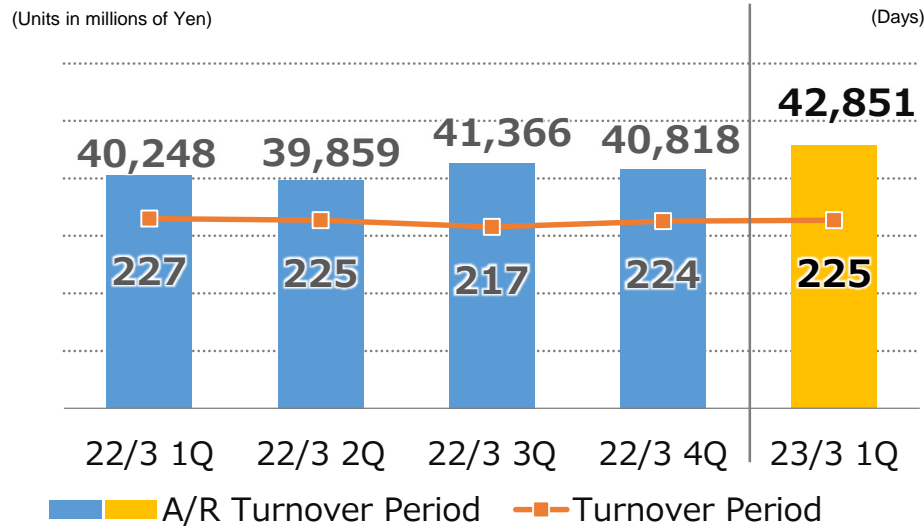
■ Apr. -Jun. 2022

■ Plan for the year ending March 31, 2023

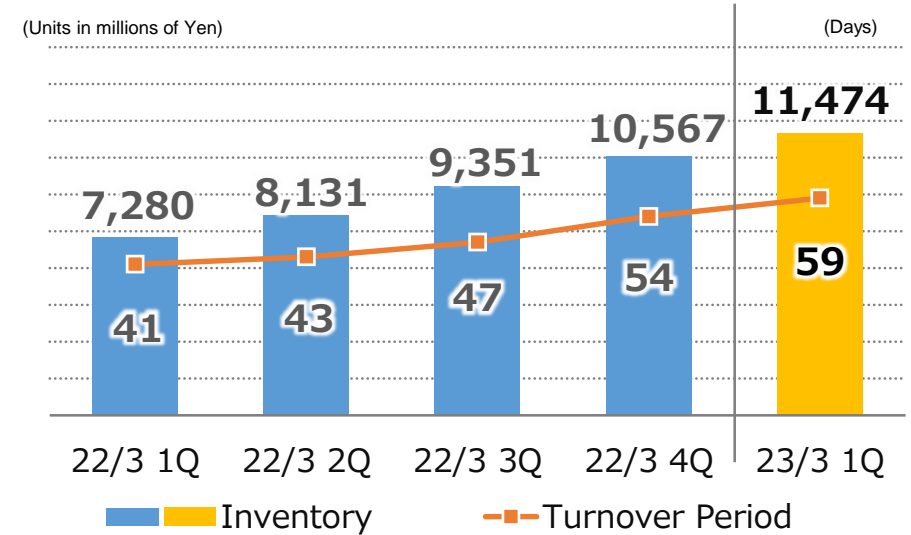


III. Key Financial KPIs/Indicators

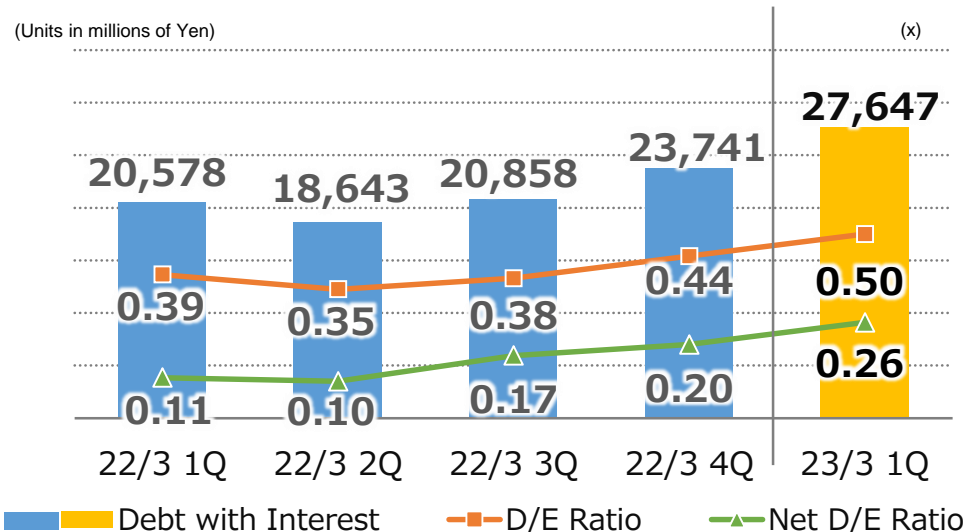
Account Receivables/Turnover Period



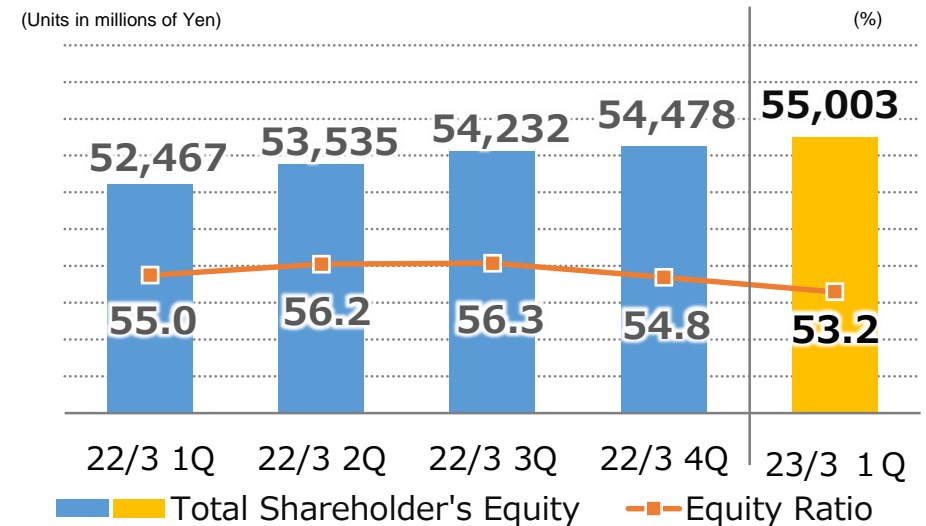
Inventory/Turnover Period



Debt with Interest/Debt Equity Ratio/Net Debt Equity Ratio



Total Shareholder's Equity/Equity Ratio



※ Accounts receivable turnover period and Inventory turnover period list its average number of each quarter.

Forecasts and other forward-looking statements presented here represent judgment we made based on information available at the time this presentation was prepared, and involve risks or uncertainties, such as economic conditions, competition with rival companies, and exchange rate. Readers should understand, therefore, that actual results may be significantly different from forecasts referred to or stated here due to changes in business environments and other factors.