

**Hirata**

# Integrated Report 2025

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**The Global Production Engineering Company**

**Hirata Corporation**

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## Information Disclosure System

We disclose information in a timely and appropriate manner to our stakeholders through the Company website and various reports.



### Editorial Policy

The objective of this integrated report, which we see as a communication tool for dialogue with our stakeholders, is to comprehensively convey Hirata Corporation's initiatives for the sustainable enhancement of corporate value based on integrated thinking from both a financial perspective and a non-financial perspective, including ESG. The following guidelines were referenced during the creation of this report: Guidance for Collaborative Value Creation from the Ministry of Economy, Trade and Industry of Japan (METI), the International Integrated Reporting Framework from the International Integrated Reporting Council (IIRC), IFRS Sustainability Disclosure Standards from the International Financial Reporting Standards Foundation (IFRS), and the GRI Standards from the Global Reporting Initiative (GRI).



### Target Period

Fiscal 2024 (from April 2024 to March 2025)  
However, some of the Company's activities prior to and after the target period are also included in the report.

### Scope

In principle, Hirata Corporation and its subsidiaries. When data pertains to Hirata Corporation alone, a note to that effect is provided.

### Publication Date

December 2025

### Key Initiatives Endorsed by Hirata Corporation

- United Nations Global Compact
- Task Force on Climate-related Financial Disclosures (TCFD)



### External Evaluation of Sustainability

Hirata has been selected as a constituent brand of the FTSE Blossom Japan Index and FTSE Blossom Japan Sector Relative Index (FTSE Blossom SR), an ESG (environment, social, and governance) investment index, and the S&P/JPX Carbon Efficient Index, a global environmental equity index. These indicators are adopted by the Government Pension Investment Fund (GPIF).



FTSE Blossom Japan Index



FTSE Blossom Japan Sector Relative Index



**Forward-looking Statements and Other Cautionary Notes**  
Statements regarding the future of the Company mentioned in this report are based on information that was currently available at the time of its compilation. Since there are a number of external factors that could affect our business performance, such as the global economy, exchange rate fluctuations, industry market conditions, and capital investment trends, readers are asked to remain aware that the content described in these materials may differ from actual performance. Its purpose being merely to convey information to our stakeholders, this report is not intended to solicit or recommend trading either in the Company's stock or in any other securities or financial instruments.



Support the introduction of optimum systems and contribute to the growth of the world's top manufacturers

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Sales



Create products with even higher added value by increasing our experience and improving our skills

---

Control Design



Continuously take on challenges to contribute to greater productivity across the entire company and become a leader in digital transformation

---

Digital Engineering



Take a positive approach to difficult problems, broaden our knowledge, and strive for technological innovation

---

Mechanical Design

*Jin-Gi-Kou-Ken*  
**人 技 幸 献**

To make **everyone** involved in Hirata **content** and **contribute** to society by means of **technology**



Apply a global perspective to contribute to Group growth as a whole and make stakeholders happy

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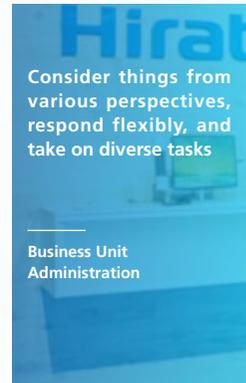
Overseas Affiliates Administration



Interact with personnel who hold diverse values and ensure that our work is trusted both inside and outside the company

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Investor Relations/Public Relations



Consider things from various perspectives, respond flexibly, and take on diverse tasks

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Business Unit Administration



Balance both contribution to the local community and global growth

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Intellectual Property

# 人技幸献

## Respect for Production Line Workers During the Manufacturing Process

Based on its corporate slogan “*Jin-Gi-Kou-Ken*,” Hirata aims to make **everyone** involved in Hirata **content** and **contribute** to society by means of **technology**.

This way of thinking that respects humanity has been passed down as the core of our company's manufacturing ideology and is the driving force of our proprietary technological innovation.

### Ep.0 Concept of “Production equipment that places people at its core” is the origin of our values

Hirata was founded in 1951 in a region of Kumamoto Prefecture that had been burned to the ground in World War II. It started out by manufacturing and selling industrial vehicles. As the era shifted from one of supply shortages to mass production and mass consumption, in the field in manufacturing, the key to competition became how accurately and in how large a volume a product could be put together. Around that time, after being engaged in the manufacture and sales of transport equipment and industrial vehicles, our company began to develop and manufacture belt conveyors, and later we walked the path of becoming a manufacturer of production equipment, as a “factory that produces factories.”

While continuing to manufacture belt conveyors, the Company's second president, Yasunari Hirata, began to see as a problem with machine-centered production lines on which workers tightened screws and assembled parts in line with the pace of the continually moving belt conveyor. He became the first in the world to propose a person-centered production line, or a “free flow conveyor” that allows the conveyor to be stopped in front of a worker and then started again after work on a particular task has been completed. At first, there were concerns that stopping the conveyor would reduce production efficiency, but after repeated trials, it became evident that because workers were able to work unhurried and in stable postures, the number of defective and malfunctioning products greatly reduced, meaning that production efficiency improved instead. These initiatives are the starting point for value creation that achieves overall optimization of production equipment based on a deep understanding of people.



Belt conveyors that sustained mass production



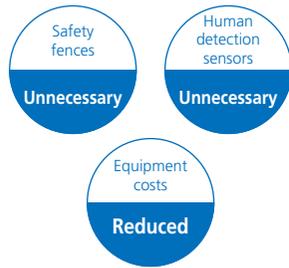
free flow conveyor

# Jin-Gi-Kou-Ken: Respect for Production Line Workers During the Manufacturing Process

## Ep.1 Automation and greater precision through robot development builds up technological capital

As a maker of production equipment that always respects production line workers, what we next aimed for was the development of a robot that could take the place of the human arm. At the time, there was the issue of the burden on the arm due to routine tasks causing tenosynovitis and other problems in line workers. To solve these problems, we developed the ARM-BASE as a replacement for the human arm. The name "ARM-BASE" contains our desire that they relieve

humans of routine tasks and allow them to instead engage in more creative work. At the time, it drew much attention for its novelty in realizing a 4-axis numerical control as well as for its compact and attractive design. This initiative led to an upgrade of production equipment and accumulation of robot technology that was directly connected to improvement of customers' processes, forming a foundation to realize production equipment with high autonomy and reproducibility.



## Ep.2 Broader social value from greater safety and environmental friendliness thanks to electrification

In order to achieve a sustainable society, the need for environmentally friendly electrification has also increased for production equipment. Our company's EcoElectric series makes it possible to reduce CO<sub>2</sub> emissions while maintaining power by realizing an all-electric approach that doesn't require pneumatic equipment. Also, because its low thrust allows workers to work together safely, incorporating it into customers' production equipment reduces the burden on people and on the environment.

The heart of the EcoElectric series is a compact, high-efficiency brushless direct current (DC) motor developed in-house

that is called the Hirata BLUE MOTOR. It is a compact yet powerful motor that meets various standards, including UL certification, which means it can be used both within Japan and overseas. This type of initiative, which achieves the unification of the social and economic values of environmental friendliness together with high efficiency and production equipment that is gentle to workers, forms the foundation of our current sustainability strategy.



## Ep.3 Digital transformation in manufacturing contributes to value creation

As we continue our global expansion, an urgent task for us is the launch of production equipment with a shorter delivery time that requires little reworking. Our company has begun a digital twin service that builds a production line in the metaverse. As well as gathering the necessary information, such as requirements, specifications, and production scale, we utilize a partner company's industrial-use 3D simulator to make a proposals to customers that even includes specific usage methods,

and by supporting that, contribute to improving productivity that utilizes the merits of 3D design as much as possible.

This has ensured that design quality is achieved at an early stage, reduced reworking, and made speedy collaboration between global sites possible, realizing tremendous improvements in productivity and enhancing the value we offer customers.



# Value Creation Process

Our efforts to Respect production line workers during the manufacturing process started with the free flow conveyor. We then developed automation using robotic technology, environmentally-conscious electrification, and most recently digital transformation(DX), establishing our competitive advantage today through "creation of production systems with an in-house integrated system." This continuous evolution is the source of our value creation (human capital x intellectual capital x manufacturing capital) and forms the foundation of our strength, which has continuously adapted to changes in various industries.

**Mission Statement:** We courageously pursue technological innovation while contributing to the betterment of mankind, development of individuals, and enhancement of our company's capabilities.

## Input

### Capital (as of March 31, 2025)

#### Financial capital

Consolidated net assets

¥**68.839** billion

#### Manufacturing capital

**7** domestic branches,

**3** domestic affiliates, and

**7** overseas affiliates

(Affiliates in Germany and Thailand are currently being liquidated and are excluded from the number of bases.)

#### Human capital

Number of employees

(excluding temporary employees)

**1,995**

(Non-consolidated: 1,196; consolidated subsidiaries: 799)

#### Intellectual capital

Number of registered patents

**586**

Production facility construction know-how

#### Social capital

Strong relationships of trust with customers

#### Natural capital\*

Energy usage

**3,624** kl

Water usage

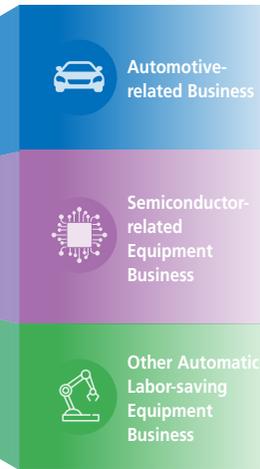
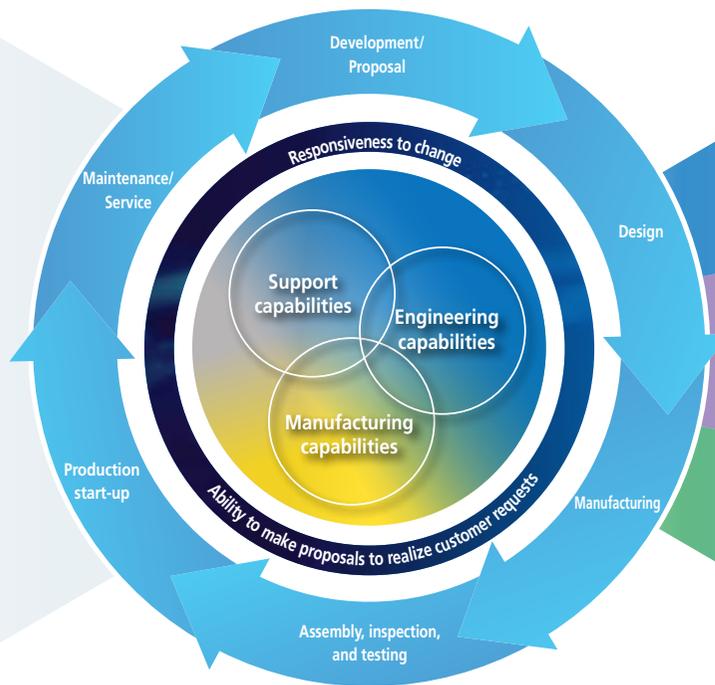
**31,786** m<sup>3</sup>

\* Hirata Corporation alone (FY2024 data)

## Business Model

### In-house System Integration

We support global manufacturing with our technology and know-how in every aspect of production systems



## Output

### Value for stakeholders

#### Customers

Improved safety, productivity, convenience, and comfort, reduced environmental impact

#### Employees

Self-realization through growth Safe and secure work environments

#### Suppliers

Stable trading Opportunities for business expansion into new areas

#### Shareholders/Investors

Stable shareholder returns

#### Local communities

Tax payments Co-prosperity with local communities

#### Global environment

Saving of energy and resources Reduction of GHG emissions

### Value for Hirata

(FY2024 performance)

#### Economic value

Net sales

¥**88.483** billion

Operating profit

¥**6.898** billion

ROE

**7.2%**

#### Intellectual capital

Accumulation of technology and know-how

#### Social capital

Trustful relationships with customers and partner companies



Our Vision

Jin-Gi-Kou-Ken

人技幸献

To make **everyone** involved in Hirata **content** and **contribute** to society by means of **technology**

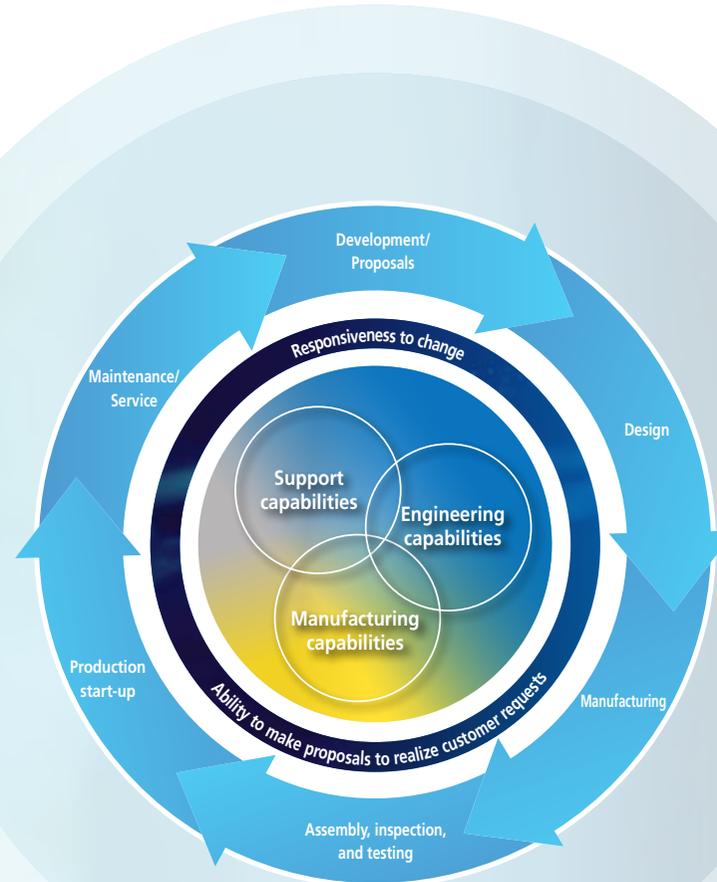


## Hirata's Competitive Advantage

### Engineering capabilities × Manufacturing capabilities × Support capabilities

Hirata possesses engineering and manufacturing capabilities cultivated by responding to various customer requests. Our strengths are created by the synergies of these two capabilities. We conduct concurrent engineering that leads to new ideas and efficiency improvement by having employees responsible for engineering and manufacturing functions share information and collaborate at a high level.

Because we support manufacturing sites around the world, we utilize the technology and know-how we have accumulated over the years to work on operation support, maintenance, and product updates. In this way, we have grown and expanded our business by grasping and responding to the changing needs of the times around the world.



#### Support capabilities



In supporting production sites, practical matters, such as the local labor practices and customs and safety standards in each region, appear in various forms. We seriously address these matters and endeavor daily to provide optimal production systems based on our experience and know-how and to make improvements. In addition, our global network, which includes seven overseas bases, provides reliable support for our customers.

#### Engineering capabilities



From the development stage and conceptual stage, maintaining a customer-oriented mindset is indispensable. Our experienced engineers, who have cultivated their unique proposal and design skills for each case, give shape to and realize customer needs. The experiential knowledge of our engineers accumulates in our organization, and we supply high-level solutions by actively utilizing the latest tools with this knowledge.

#### Manufacturing capabilities



The strength of our manufacturing lies in the fact that our manufacturing capabilities reinforce our engineering capabilities. Our integrated production, which achieves both quality and speed through a sense of unity between manufacturing, (with its thorough knowledge of production sites), and design, (with its thorough knowledge of manufacturing), produces the maximum effect, which in turn leads to our competitive advantage. We also are striving to enhance added value by actively endeavoring to boost insourcing and improve the efficiency of in-house production processes.

## Hirata's Competitive Advantage

### Demonstrating our three capabilities in the value chain

Hirata has built an integrated production system that includes development, proposal, and design; manufacturing; assembly, inspection, testing, and production start-up; and maintenance and service. As a result, we are able to work closely with customers from conceptual design to verification and maintenance and realize production systems with low total costs and high production efficiency. And by sincerely addressing the needs of our customers and pursuing technological innovation, we respond to the changing needs of the times.



## Value Creation Milestones



### Since our founding, we have supported Japan's years of high economic growth with industrial vehicles and conveyors

Hirata Sharyo Industrial Co., Ltd. was established in Kumamoto—a place that was burnt to the ground by the war—for the manufacture and sale of industrial vehicles. This increased orders for transport equipment and vehicles as well as belt conveyors.

As the Company's business expanded with the increased utilization of automatic assembly machines for the home electronics industry and other industries, three affiliated companies, Taihei Conveyors, which mainly handled portable conveyors, Hirata Sharyo Industrial, and Hirata Industrial Commerce, which handled conveyors used in the manufacture of home electronics-related products, merged in 1974 to form Hirata Corporation.

### The birth of the ACS\* concept, and high praise from overseas automakers

The ACS concept was born in response to various demands by combining standards. Thanks to this idea of handling multiple processes by integrating elements common to each process into standardized modules, we reduced lead times, improved efficiency, and saved space. As a result, the Company's reputation among foreign automakers began to grow in the mid-1990s, accelerating the evolution of automobile assembly facilities.

\* Assembly Cell System

ACS concept based on the Engine assembly lines



## Value Creation Milestones

# Hirata has continued to support development and innovation in manufacturing globally



Our first overseas base

### Expanding overseas bases, and launching robot production

We began supplying assembly facilities not only to home electronics manufacturers in Japan but also to major overseas home electronics manufacturers, and established our first overseas base in the state of Indiana, United States, to further develop sales channels. Afterwards, we established affiliates in Europe, Southeast Asia, China, Mexico, and other regions.

We developed the horizontal multi-articulated four-axis robot "Arm-Base AR-300" and led the world in putting such a robot on sale. While expanding our industrial robot lineup, we worked to boost our engineering setup and add new factories in order to increase production.



ACS concept model exhibited at a trade show in North America as an effort to expand the Automotive-related Business



Cathode-ray tube (CRT) production lines using robot technology

1951

- Company founded
- Manufacture and sales of industrial vehicles
- Began conveyor manufacturing

1970

- Development of the free flow conveyor
- Birth of Hirata Corporation from the merger of three affiliated companies
- Development of industrial robots

1980

- Established Hirata Corporation of America subsidiary in Indiana, United States (currently a consolidated subsidiary)
- Introduced software technology and began full-scale production of manufacturing system
- CRT production lines using robot technology

- Transferred Headquarters to Shinagawa-ku, Tokyo, and designated former Headquarters as Kumamoto Head Office
- Developed the horizontal multi-articulated four-axis robot "Arm-Base AR-300"

1990

- Established Hirata FA Engineering (S) Pte. Ltd. subsidiary in Singapore (currently a consolidated subsidiary)
- Established Hirata TSUSHO (Shanghai) Co., Ltd. in China (currently a consolidated subsidiary)

- Established and deployed the ACS concept
- Entered the flat panel displays (FPDs) business

## Value Creation Milestones

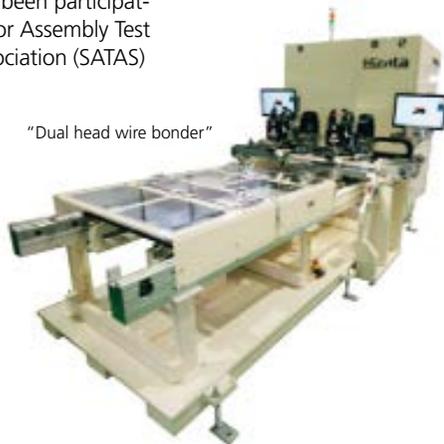
### Proactively entering new fields such as FPDs and semiconductors

We entered the flat panel displays (FPDs) market, anticipating a shrinking cathode-ray tube (CRT) TV market. We also started the Semiconductor-related Equipment Business and dealt with major overseas manufacturers, that moving to the world stage as a production system integrator.

Since then, we have worked to quickly grasp industry trends—such as the rapid popularization of OLED televisions and smartphones and the shift in the automobile industry from internal combustion engines to electric vehicles—and engaged with change by trying new things. We conduct business with many major manufacturers overseas, and have been participating as a founding member in the Semiconductor Assembly Test Automation and Standardization Research Association (SATAS) since 2024.



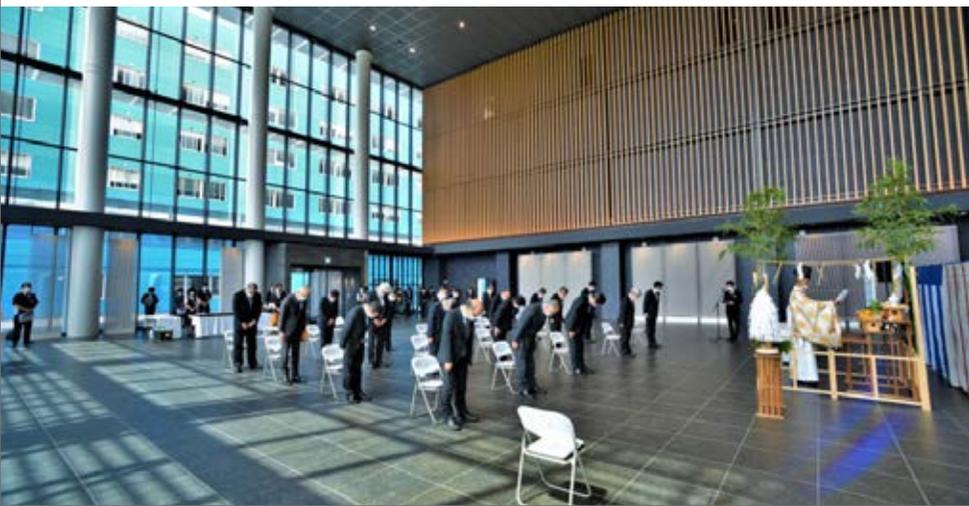
Wafer transport device: Equipment Front End Module/Sorter "Freedom®"



"Dual head wire bonder"

- Established Hirata Engineering S.A.de C.V. subsidiary in Mexico (currently a consolidated subsidiary)
- Established Hirata Automated Machinery (Shanghai) Co., Ltd. in China (currently a consolidated subsidiary)
- Established Taiwan Hirata Corporation in Taiwan (currently a consolidated subsidiary)

Ceremony in the entrance hall marking completion of the Kumamoto Plant Headquarters



2000

- Full-blown entry into the automotive market through the Automotive-related Business
- Entry into the semiconductor market through the Semiconductor-related Equipment Business

2006

- Stock listed on the former JASDAQ Securities Exchange

2012

- Established Hirata FA Engineering (M) Sdn. Bhd. in Malaysia (currently a consolidated subsidiary)

2016

- Transferred Headquarters from Tokyo to Kumamoto Prefecture

2017

- Changed market to the First Section of the former Tokyo Stock Exchange

2020

- Completed new Headquarters building at the Kumamoto Plant

2022

- Moved to the Prime Market of the Tokyo Stock Exchange

2024

- Launched the "HiABS" (formerly "Plant Pro") product development support service that uses plant genetic resources
- Became a founding member of the Semiconductor Assembly Test Automation and Standardization Research Association (SATAS)



Electric drive unit (EDU) assembly facilities

### Amplifying our business model to achieve sustainable growth

We are pushing forward on strengthening globally our sales, production, marketing, and service structures and on new product development so we can respond to the increased demand for semiconductors due to factors such as the once-in-a-century change in the automotive industry and advances in artificial intelligence. We are also building more manufacturing bases.

In response to changing needs for the realization of a sustainable society, we will respond with reliable quality and technology. Utilizing digital technology and DX, we propose smart factories that are highly convenient and contribute to the environment.

We will put the technologies that we have cultivated to use to promote our mass production business. Furthermore, we will develop new businesses in such sectors as battery, control panel, and electrified parts, as well as in the biological genetic resource business and in medical devices and equipment, aiming for the stabilization of management and sustainable growth.

# Hirata by Numbers

<p>Establishment</p> 	<p>In business for</p> <h2>74</h2> <p>years</p> <p>Company established on December 29, 1951</p>	<p>Number of employees</p> 	<p>Consolidated</p> <h2>1,995</h2> <p>(As of March 31, 2025)</p>	<p>Non-consolidated</p> <h2>1,196</h2> <p>Note: Excluding temporary employees</p>	<p>Production space</p> 	<h2>137,388</h2> <p>m<sup>2</sup></p> <p>(As of March 31, 2025; Hirata Corporation alone)</p>
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<p>Customers</p> 	<p>More than</p> <h2>40</h2> <p>countries and regions worldwide</p>	<p>More than</p> <h2>1,000</h2> <p>companies total</p>	<p>Bases</p> 	<p><b>7</b> domestic branches</p>	<p><b>3</b> domestic affiliates</p>	<p><b>7</b> overseas affiliates</p>
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Note: Affiliates in Germany and Thailand are currently being liquidated and are excluded from the number of bases.

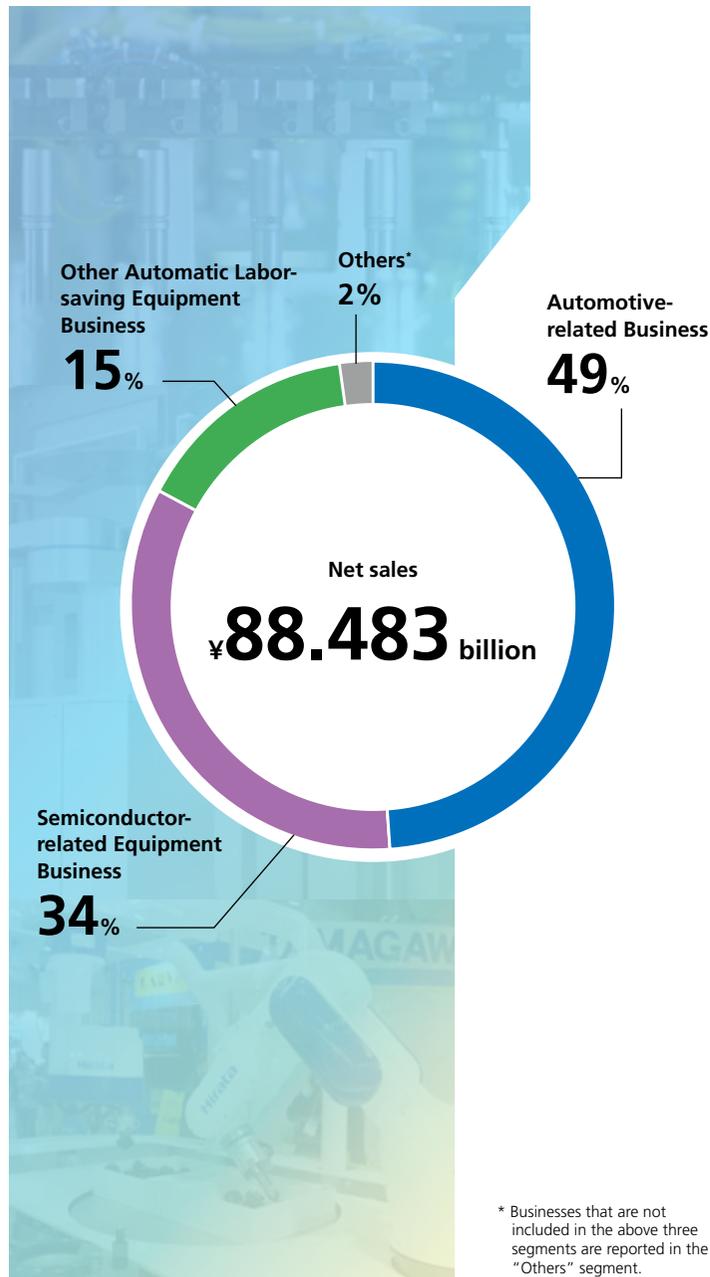
<p>Net sales</p> 	<p>¥ <b>88,483</b> million</p> <p>Up <b>6.8%</b> year-on-year (FY2024)</p>	<p>Operating profit</p> 	<p>¥ <b>6,898</b> million</p> <p>Up <b>14.1%</b> year-on-year (FY2024)</p>	<p>ROE</p> 	<p><b>7.2%</b></p> <p>(FY2024)</p>
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<p>Total assets</p> 	<p>¥ <b>130,278</b> million</p> <p>(As of March 31, 2025)</p>	<p>Equity-to-asset ratio</p> 	<p><b>52.7%</b></p> <p>(As of March 31, 2025)</p>	<p>Capital expenditures</p> 	<p>¥ <b>1,362</b> million</p> <p>(FY2024)</p>
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<p>R&amp;D expenses</p> 	<p>¥ <b>1,442</b> million</p> <p>(FY2024)</p>	<p>Number of registered patents</p> 	<p><b>586</b></p> <p>(FY2024; Hirata Corporation alone)</p>	<p>Shareholder returns</p> 	<p>Dividends per share</p> <p>¥ <b>120.00</b></p> <p>(FY2024)</p>	<p>Consolidated dividend payout ratio</p> <p><b>25.9%</b></p> <p>(FY2024)</p>
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## Business Overview (FY2024)



### Automotive-related Business

We comprehensively handle production systems for electric vehicles (EVs), engines, transmissions, and automotive components. We provide optimized solutions by means of pre-verification utilizing digital technologies and comprehensive commissioning at our plants. We continue to receive orders from North American automakers (including the Big Three), emerging North American EV manufacturers, and domestic electronic components manufacturers.

**Net sales**  
¥**43.059** billion

**Operating profit**  
¥**4.194** billion

**Operating profit ratio**  
**9.7%**



### Semiconductor-related Equipment Business

We manufacture and sell load ports that load silicon wafers into various processing equipment, wafer transfer robots that can handle atmospheric and vacuum environments, aligners and equipment front-end modules (EFEMs) that integrate the load ports and wafer transfer robots, and vacuum platforms. We continue to receive orders mainly for silicon wafer transfer equipment for domestic device manufacturers and handling devices that transport IC chips between inspection devices.

**Net sales**  
¥**30.186** billion

**Operating profit**  
¥**2.857** billion

**Operating profit ratio**  
**9.5%**



### Other Automatic Labor-saving Equipment Business

We manufacture and sell automatic labor-saving equipment in the fields of industrial robot; medical, chemistry, and physics devices; home electronics; logistics (transport systems); and FPDs. We also support single-item sales of factory automation (FA) equipment.

**Net sales**  
¥**13.096** billion

**Operating profit**  
-¥**0.101** billion

**Operating profit ratio**  
**-0.8%**



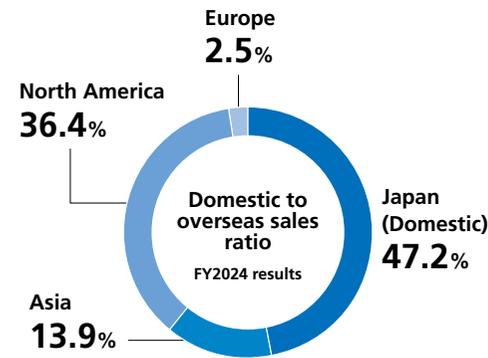
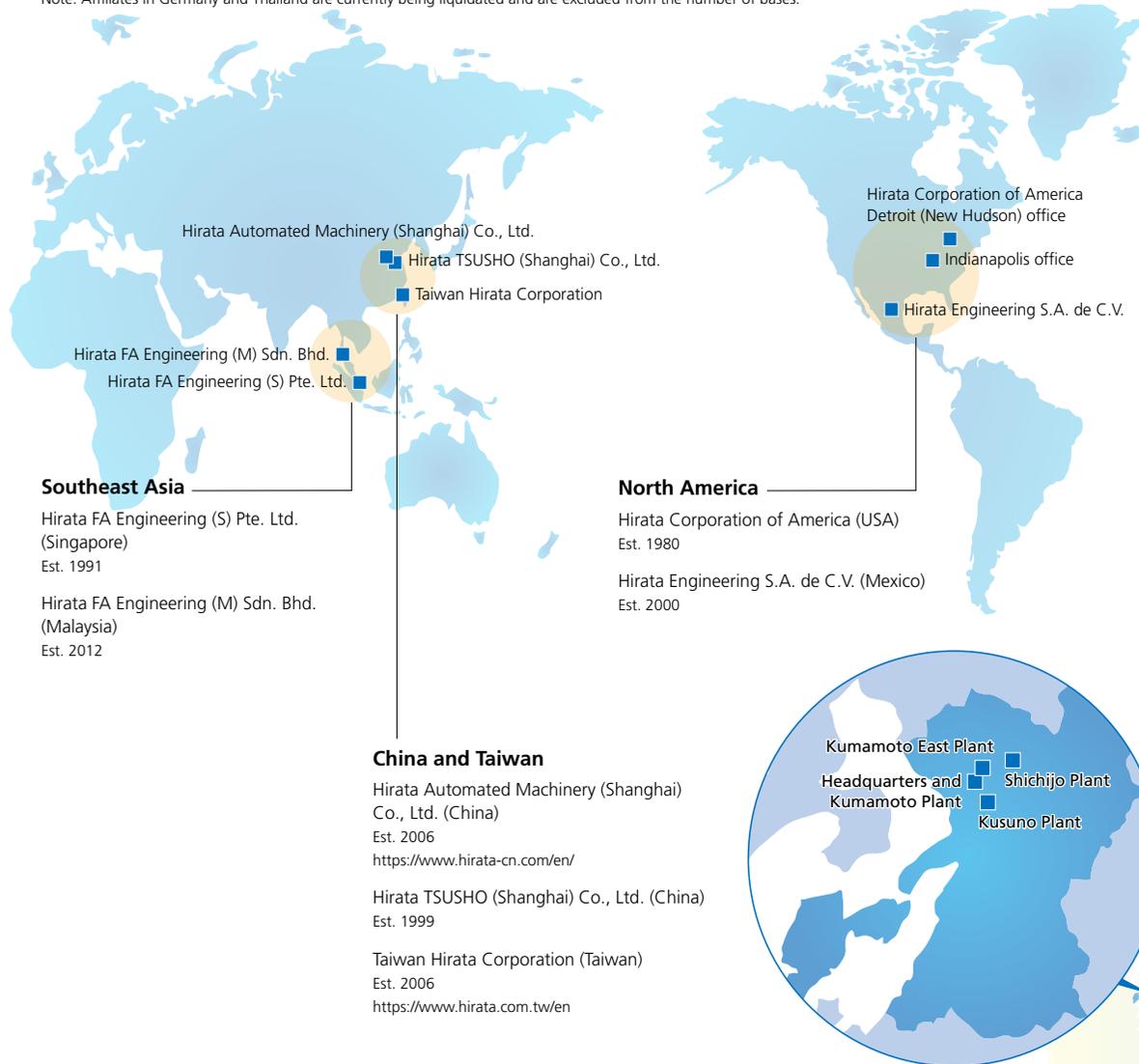
# Global Network

Hirata supports manufacturing around the world from Kumamoto Prefecture, the Company's home region.

### Overseas affiliates

Hirata has seven overseas affiliates located in regions including North America, Southeast Asia, China, and Taiwan.

Note: Affiliates in Germany and Thailand are currently being liquidated and are excluded from the number of bases.

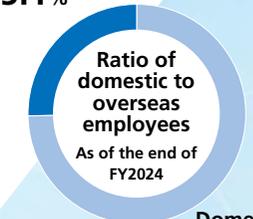


Note: Calculated according to where customers are based. "Domestic" includes a portion of sales where the final destination of products is overseas.

Number of consolidated employees

**1,995**

Overseas  
25.1%



Domestic  
74.9%

Note: Excluding temporary employees

### Domestic branches

With our Headquarters located in Kumamoto Prefecture, our domestic branches consist of 10 locations, including the Kumamoto Plant, Kumamoto East Plant, Kanto Plant, Kansai Plant, Kusuno Plant, Shichijo Plant, Tokyo Office, and affiliate locations.



### Hirata Corporation Domestic affiliates

Hirata Corporation	Domestic affiliates
Headquarters and Kumamoto Plant Est. 1964	Taihei Technos Co., Ltd. Est. 1980 <a href="https://www.taiheitechnos.co.jp">https://www.taiheitechnos.co.jp</a> (Japanese only)
Kusuno Plant Est. 1984	Hirata Field Engineering Co., Ltd. Est. 1999 <a href="https://www.hirata-fe.com/en/">https://www.hirata-fe.com/en/</a>
Kanto Plant Est. 1968	Trinity Inc. Est. 1986 <a href="https://www.3inc.jp">https://www.3inc.jp</a>
Tokyo Office Est. 2016	(Japanese only)
Kumamoto East Plant Est. 1988	
Shichijo Plant Est. 2008	
Kansai Plant Est. 1981 <a href="https://www.hirata.co.jp/en/corporate/office">https://www.hirata.co.jp/en/corporate/office</a>	

## Message from the President

### Pursuing the further enhancement of corporate value by boldly challenging the changing times and embodying "Jin-Gi-Kou-Ken"



**Yuichiro Hirata**  
President

### Hirata's continuing challenges

Hirata Corporation has constantly challenged new technologies and continued to reform in response to customer needs that change with the times. The products that we offer are always the production equipment needed for the manufacture of customers' new products, and the accumulation of new challenges in handling them boosts our technological capabilities and, in turn, enhances our competitiveness.

So far we have handled production equipment in a wide range of fields, including automobiles, semiconductors, and medical devices. By making production equipment in various fields, we acquire multilateral technologies

and improve our design engineering capabilities. Furthermore, by handling everything from the manufacture of parts to assembly, testing, and the start-up of production equipment in an integrated manner, we have become able to demonstrate all-round manufacturing capabilities.

The wellspring of this competitiveness is none other than employees who accumulate challenges and acquire knowledge by making mistakes through the process of trial and error. Our employees are an asset of which our company is rightly proud. Today's Hirata is built on a corporate culture of never ceasing to make challenges however much you err.

### Reflecting on the previous Medium-Term Management Plan (FY2022–24)

In the previous Medium-Term Management Plan(FY2022-24), we positioned automobile-related equipment and semiconductor-related equipment as growth markets and promoted business expansion by concentrating management resources in them.

In the Automotive-related Business, in the face of heightened demand from mainly North American makers, we promoted engineering-centered business development and obtained large orders for both internal combustion engine (ICE) vehicles and electric vehicles (EVs). Although there was an impact from price increases and other factors, thanks to cost reductions and improved production efficiency achieved by greater proficiency and appropriate price shifting, in fiscal 2024, the final fiscal year of the previous plan, we achieved net sales of ¥43.059 billion and an operating profit ratio of 9.7%, meaning that we were able to achieve our goals of ¥40 billion in net sales and 5% in operating profit ratio. I feel confident that Hirata's brand and technological strength for equipment relating to not only ICE but also electric and hybrid electric vehicles (HEVs) have won recognition in the world market.

In the Semiconductor-related Equipment Business,

anticipating the medium- to long-term expansion of semiconductor demand, we focused on strengthening production capability. We also endeavored to boost the efficiency of our design and manufacturing processes, expand production space, and utilize external resources, such as partner companies. Furthermore, in April 2024 we became a founding member of the Semiconductor Assembly Test Automation and Standardization Research Association (SATAS), thereby taking steady steps toward the strengthening of our medium- to long-term profitability in the Semiconductor-related Equipment Business. Regarding fiscal 2024 results, while net sales grew for wafer transfer equipment, on the profit side, due to inadequate price shifting and the incurrence of warranty costs for some products, net sales amounted to ¥30.186 billion and operating profit ratio to 9.5%, meaning that we were unable to achieve our goals of ¥40 billion for net sales and 15% for operating profit ratio.

Overall, we posted increases in both revenue and profit for the third consecutive term in fiscal 2024, with net sales reaching ¥88.483 billion (up 6.8% over the previous fiscal year) and operating profit ¥6.898 billion (up 14.1%).

## Message from the President

### New Medium-Term Management Plan (FY2025–27)

In the new Medium-Term Management Plan; our aims are to realize a high-profit structure and to expand our business domains. For automobile-related equipment and semiconductor-related equipment, although there will be some temporary fluctuations, we expect demand to be stable at a high level over the medium to long term.

Regarding automobile-related equipment, while capital investment relating to EV manufacturing may slow down due to sluggish EV sales, there will be a rekindling of capital investment for internal combustion engine vehicles following the return to gasoline engines, and investment in EV battery charging/discharging equipment is getting lively.

Regarding semiconductor-related equipment, demand relating to generative AI will be a significant driving force, and the scale of the semiconductor market is expected to reach US\$1 trillion in 2030. Toward the realization of a high-profit structure, by implementing aggressive growth investment and, at the same time, promoting the optimization of our cost structure and the strengthening of our management and financial foundations, we will aim for operating profit of ¥10 billion or more and ROE of 9.3% or more in fiscal 2027, the final year of the new

Medium-Term Management Plan. In addition, our goal for net sales is a compound annual growth rate (CAGR) of 6%–8% during the period of the new plan.

Regarding the Semiconductor-related Equipment Business, in October 2025 we acquired the land and building for a new plant in the city of Kikuchi in Kumamoto Prefecture, Japan, and we aim to begin full-scale operation during fiscal 2026. Centering on this new plant, we will reorganize our company-wide production plants and, among other things, promote the integration of our semiconductor plants, which until now have been scattered location-wise. As a result, I hope that by fiscal 2027 we can increase our production capacity by 50% over the fiscal 2024 level and expand the net sales of our Semiconductor-related Equipment Business by around 1.5 times.

Regarding the Automotive-related Business, we will strengthen our profitability by focusing on high-added-value business domains and regions. Specifically, we will concentrate management resources on the Japanese and North American markets, promote engineering-centered business development, and aim for an operating profit ratio in the Automotive-related Business of 10% or more.

### "Jin-Gi-Kou-Ken"

The expression "Jin-Gi-Kou-Ken" embraces the desire "to make everyone involved in Hirata content and contribute to society by means of technology."

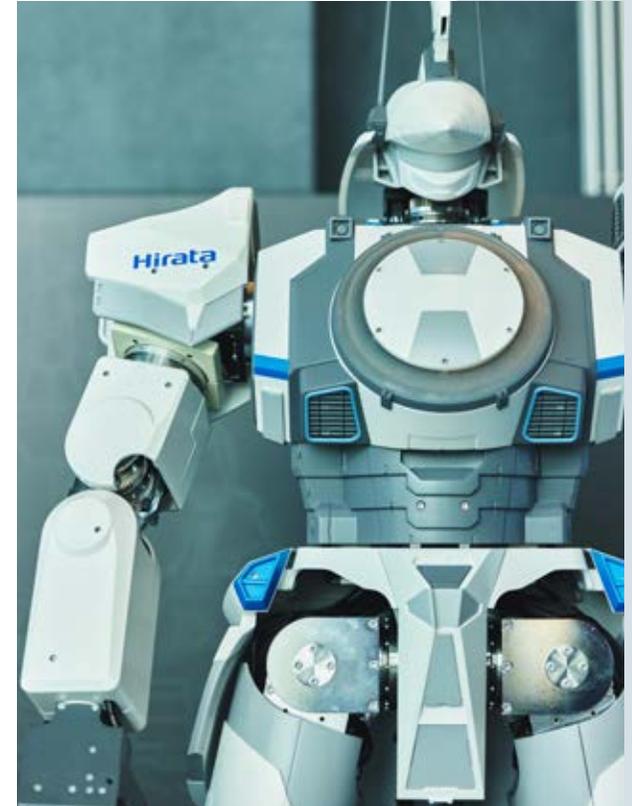
The recent progress of AI and other digital technology has been spectacular, and our lives and ways of working are changing rapidly. Hirata also is utilizing state-of-the-art technologies, such as DX and AI, in our development and

production processes, evolving product development processes, and contributing to society by means of technology. I would like to ask our stakeholders for their continued understanding and support of our company.

**Yuichiro Hirata**  
President

#### Notification of Change of President

On April 1, 2026, Yuichiro Hirata will be appointed representative director and chairman of Hirata Corporation, and Shigeru Maeda (currently director, vice-president, and executive officer) will be appointed representative director and president.

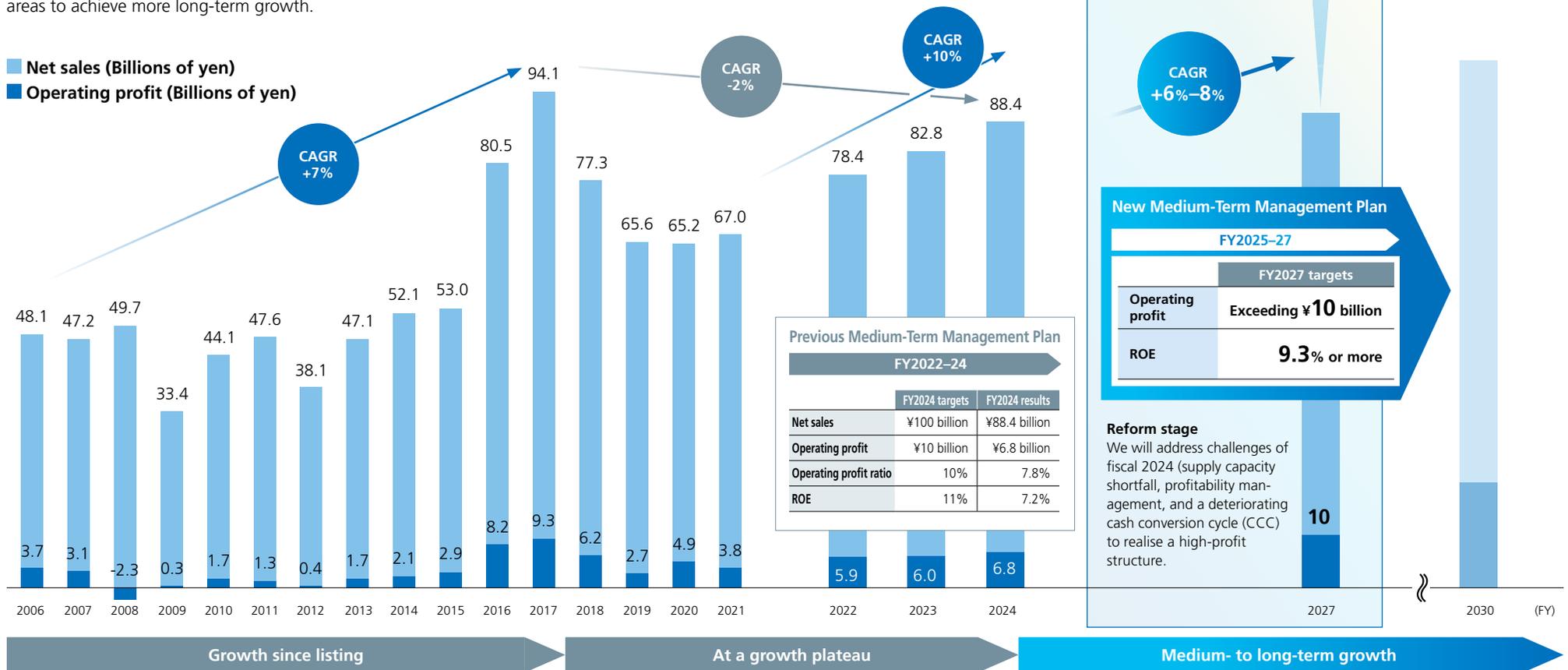


# Medium-Term Management Plan (FY2025–27)

## Positioning of the Medium-Term Management Plan (FY2025–27)

Hirata Corporation has grown globally by providing order-made value tailored to the times and its customers' needs. However, since around 2018, the pace of our growth has slackened, and we recognize that we have hit a plateau. The primary factor informing this situation is that our capacity expansion has failed to keep pace with persistently strong inquiries. We have therefore actively invested in capacity and resources since the previous Medium-Term Management Plan (FY2022–24). Looking ahead, we anticipate changes in macroeconomic and market conditions, including those pertaining to worsening labor shortages and innovations in digital technologies centered on AI, which will act as a tailwind for our business. We will therefore promote the concept of "Maximize profits by equipment innovation," as part of our newly formulated Medium-Term Management Plan (FY2025–27). We will continue to drive proactive investment in growth areas and precisely cater to our customers' needs for next-generation products. This will enable us to further the realization of a high-profit structure while undertaking initiatives for the enlargement of our business areas to achieve more long-term growth.

■ Net sales (Billions of yen)  
■ Operating profit (Billions of yen)



## Medium-Term Management Plan

FY2025–27

### Maximize profits by equipment innovation

- Support customers' next-generation products
- Aim to maximize mutual profits for both customers and our company
- Respond to all aspects in the Automotive-related Business
- Adapt to the evolution of manufacturing technology and capture demand for AI in the Semiconductor-related Equipment Business

#### Five strategic pillars

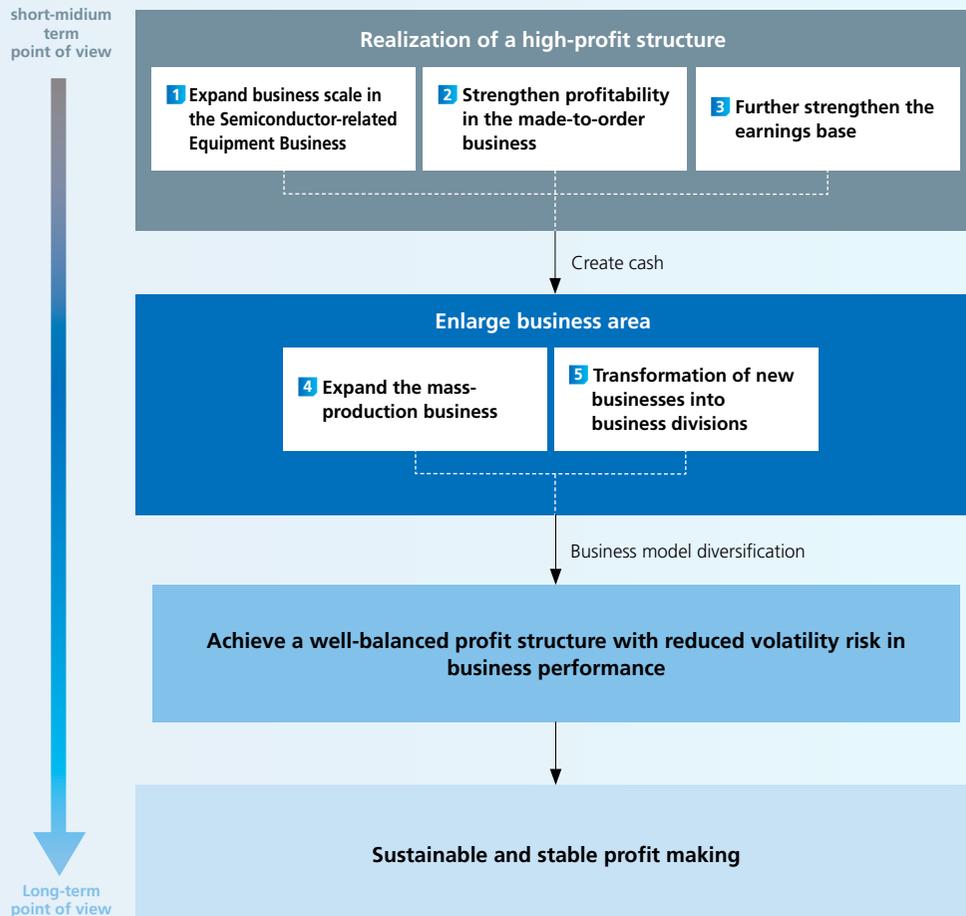
- 1 Expand business scale in the Semiconductor-related Equipment Business
- 2 Strengthen profitability in the made-to-order business
- 3 Further strengthen the earnings base
- 4 Expand the mass-production business
- 5 Transformation of new businesses into business divisions

# Positioning of Strategy and Directionality of Growth

Our newly formulated Medium-Term Management Plan has defined realization of a high-profit structure and enlargement of business areas as aims to thereby generate sustainable and stable profit making. We will strengthen our capabilities in HR, intellectual property, IT/DX, governance, and sustainability to ensure the steadfast execution of our business strategy centered on five strategic pillars for the realization of long-term growth.

We have also categorized each of our businesses as either a growth business, a core business, a new/next-generation business, or a continued business. We will strive to maximize mutual benefits for both our customers and Hirata by fluidly responding to advances in manufacturing technology in our Semiconductor-related Equipment Business and by responding to all-round needs in our Automotive-related Business.

## Positioning of strategy and directionality of growth



## Positioning of each business

Based on changes in the external environment, we have positioned the Semiconductor-related Equipment Business as a growth business and the Automotive-related Business as a core business and will aim for growth.

Category	Implications of category	Business segment (Different from accounting segment units)	Medium-term business policy
<b>Growth business</b>	•A business that shows high growth rates where future earnings growth is expected	Semiconductor-related Equipment Business	<ul style="list-style-type: none"> <li>•Supply capacity expansion and growth to meet market needs</li> <li>•Expand market share centered on new product development</li> </ul>
<b>Core business</b>	•A stable business that serves as a major source of earnings	Automotive-related Business	<ul style="list-style-type: none"> <li>•Response to the shift in automobile market and customer's strategies</li> <li>•Implement activities focused on profit by the transformation to an engineering-centered business structure</li> </ul>
<b>New/next generation business</b>	<ul style="list-style-type: none"> <li>•A business that aims to become a division by growth in sales and establishment of a business model</li> <li>•A field where business will be established during the next Medium-Term Management Plan (2028-) from a long-term perspective</li> </ul>	Battery-related Business Control Panel Business Electrification Component Business Biological Genetic Resources Business Medical, chemistry, and physics Device Business	<ul style="list-style-type: none"> <li>•<b>Batteries</b> <ul style="list-style-type: none"> <li>▶ Automobile + Entry into other battery fields</li> </ul> </li> <li>•<b>Control panels</b> <ul style="list-style-type: none"> <li>▶ Expand control panel production for semiconductor equipment manufacturers</li> </ul> </li> <li>•<b>Electrified components (EcoElectric series)</b> <ul style="list-style-type: none"> <li>▶ Develop new mass-production products and explore markets and customers (logistics, construction, etc.)</li> </ul> </li> </ul>
<b>Continued business</b>	•A business to be reviewed for continuation, shrinkage, etc. based on market changes	FPD Equipment (including organic EL) Business Home Appliance Equipment Business	<ul style="list-style-type: none"> <li>•Focus on responding to highly profitable inquiries; etc.</li> </ul>

## Five strategic pillars

<b>1 Expand business scale in the Semiconductor-related Equipment Business</b>	<ul style="list-style-type: none"> <li>•Stably supply for high-quality mass-production products to meet increasing demand</li> <li>•Sales promotion to current customers for adoption and scope expansion of our equipment</li> <li>•Expansion of coverage in response to technological evolution of market</li> </ul>
<b>2 Strengthen profitability in the made-to-order business</b>	<ul style="list-style-type: none"> <li>•Selecting and focusing of projects and specific areas</li> <li>•Shifting to engineering-centered services</li> <li>•Adding high added value to products and services</li> </ul>
<b>3 Further strengthen the earnings base</b>	<ul style="list-style-type: none"> <li>•Strengthen management and financial base</li> <li>•Optimize cost structure</li> </ul>
<b>4 Expand the mass-production business</b>	<ul style="list-style-type: none"> <li>•Organize the system and process toward promotion of product standardization</li> <li>•Promote development toward expansion of mass-production products</li> </ul>
<b>5 Transformation of new businesses into business divisions</b>	<ul style="list-style-type: none"> <li>•Establish business divisions in the fields of battery, control panel, and electrification (aiming at sales over ¥5 billion per business division)</li> </ul>

## Five Strategic Pillars

Strategic pillar

1

### Expand business scale in the Semiconductor-related Equipment Business

Growth drivers for the future

We will follow the globalization of our customers' production bases resulting from medium- to long-term semiconductor demand growth, strengthen our Group's operation, production, sales, and service systems; promote product development in anticipation of technological innovation in the semiconductor industry; and further expand the scale of our business.

#### Business deployment in various regions



We aim to further expand business in the markets of Japan, China/Taiwan/Southeast Asia, and North America. Additionally, we plan to increase production capacity by 50% compared to fiscal 2024 and add two overseas production bases.

#### Initiatives for expanding the business scale

##### Promotion of global business expansion

###### STEP 1

- Expand production capacity through reorganization of domestic production bases and review of production methods
- Promote initiatives to shorten production lead time

###### STEP 2

- Promote technology transfer to affiliate companies
- Promote new exploration of global customers
- Strengthen the integrated global system from engineering to after-sales services

###### STEP 3

- Establish a production system that can meet increasing demand while depressing costs through the use of external resources, the establishment of new production hubs, etc.

##### Enlarge operating area

- Promote the renewal of products in line with technological innovations in the semiconductor industry and the development of new products through new perspectives
- Accelerate the expansion of business in the subsequent process markets whose market size is expected to continue growing in the future

## Five Strategic Pillars

Strategic pillar

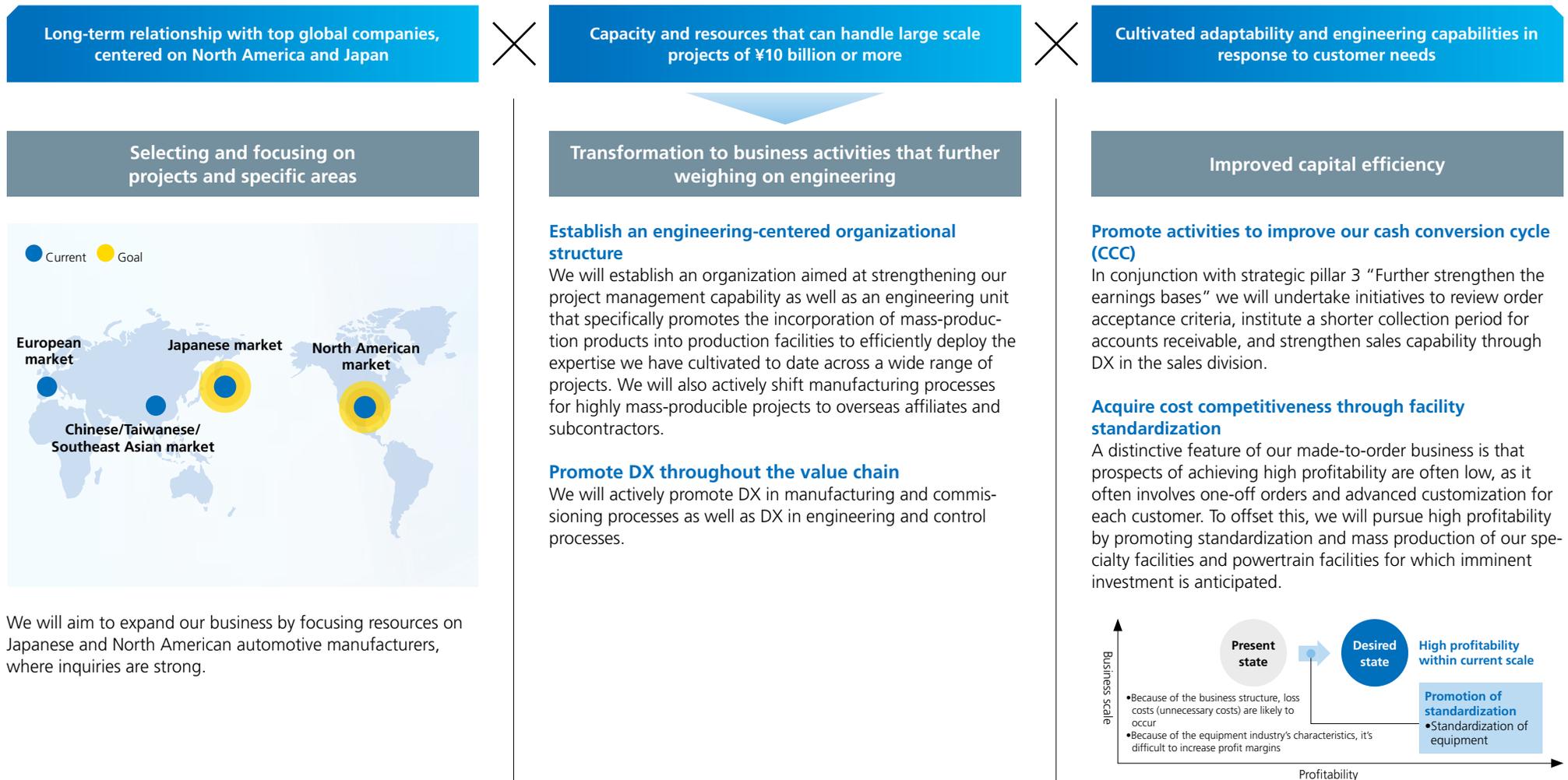
2

### Strengthen profitability in the made-to-order business

Improve profitability and strengthen the foundations of core businesses

We will actively strengthen profitability in the made-to-order business by utilizing our strengths in made-to-order manufacturing cultivated primarily in the Automotive-related Business, selecting and focusing on projects and specific areas, deploying an engineering-focused businesses, and improving capital efficiency.

#### Strength of our cultivated made-to-order business



We will aim to expand our business by focusing resources on Japanese and North American automotive manufacturers, where inquiries are strong.

## Five Strategic Pillars

Strategic pillar

3

### Further strengthen the earnings base

#### Improve ROE and reinforce the management base

We will realize high ROE over the medium to long term through optimization of cost structure and reinforcement of the management and financial base. For our management base, we will frequently review KPIs that contribute to improved profitability and institute improvements. For our financial base, we intend to achieve both the securing of growth investments and an increasing of shareholder returns by improving operating cash flow. We will aim to optimize our cost structure by promoting company-wide cost reduction activities and monitoring the effects of these reductions.

Scheme	Overview	Goals
Strengthen management base	Timely visualization of management information	Derive effective improvement measures Frequently check KPIs that contribute to improved profitability and take steps for improvement
	Improve management system for operation index	
	Enhance management accounting	Appropriate business evaluation Ensure that optimal business valuation is in place according to nature of business and changes
Strengthen financial base	Improve cash allocation	Achieve both growth and shareholder returns Cash allocation that achieves both growth investment and shareholder returns
	Strengthen cost monitoring system	
Optimize cost structure	Lower indirect cost	Acquire cost competitiveness Cost reduction activities are promoted as a whole across the company and reduction effects are monitored
	Promote cost reduction activities	

## Five Strategic Pillars

Strategic pillar

4

### Expand the mass-production business

New pillars of our high-profitability model

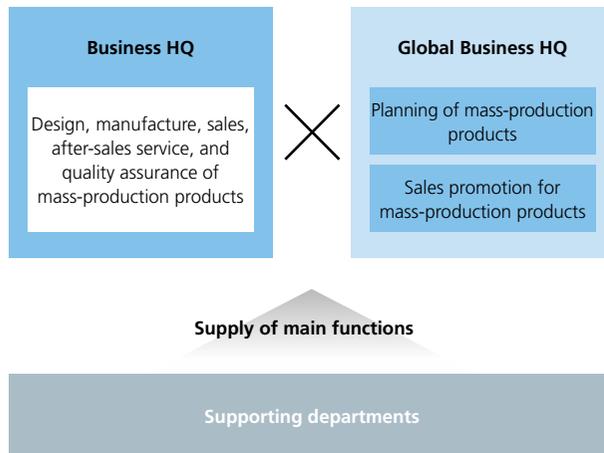
We will facilitate high profitability in existing businesses and create new businesses by leveraging the technological assets we have built up to date to create and market mass-production products that meet customer needs in a wide range of industries. To achieve these goals, we will strengthen our cross-organizational structure and further the formulation of business plans.

#### Background and importance of launching mass-production businesses

We have been exploring opportunities to develop our non-labor-intensive business while also evolving Hirata's made-to-order business. Meanwhile, customer needs in a wide range of industries are increasing, in addition to the increased momentum in the utilization of our technology assets. We will develop mass-production businesses capable of achieving high profitability regardless of shortages in human resources and actively diversify our business portfolio to create new business pillars.

#### Strengthen our cross-organizational structure for expansion

We will utilize the strengths of the various divisions and jointly review mass-production products while developing a business plan to quickly establish a mass-production business structure.



#### Specific examples of mass-production products

<b>Semiconductors</b>	Wafer stocker system New model FOPLP EFEM New model FOPLP transfer robot New model FOPLP load port New model wafer transfer robot New model load port Electric gate valve SMIF opener Aligner Chip mounter for down stream processing
<b>Electrified products</b>	Electrified products
<b>Robots</b>	Compact MB lineup expansion AR-F Series AR-V Series GR Series MB Series Auto-chamfering device Machine tool pallet auto feed/transfer system
<b>Distribution</b>	Automatic warehouse Sorting system AGV
<b>Batteries</b>	BEV battery production line
<b>Automobile</b>	Sintering unit for power modules Power module production line

## Five Strategic Pillars

Strategic pillar

5

### Transformation of new businesses into business divisions

Medium- to long-term seeds for growth

Based on Hirata's cultivated know-how and strengths, we will undertake initiatives for the establishment of new businesses, including through M&A and strategic alliances. We will pursue these initiatives with the goal of achieving total sales of over ¥15 billion by fiscal 2027 across three businesses: the Electrified Component Business, the Battery-related Business, and the Control Panel Business.

#### Electrified Component Business

- Full-scale deployment of human- and environmentally friendly all-electric transport systems
- Strengthen launch of new products and promotional investment by taking advantage of Hirata BLUE MOTOR



#### Battery-related Business

- Enter other battery businesses (all-solid-state, fuel, perovskite, etc.) in addition to automobile
- Establish a position in the battery-related market, not limited to automobile applications



#### Control Panel Business

- Further expand sales of control panel business for semiconductor equipment manufacturers



Pursue sales of at least ¥5 billion in each field and a total of at least ¥15 billion sales by fiscal 2027

#### High-intensity focused (HIFU) cancer treatment system

- High-intensity focused (HIFU) cancer treatment system under development in partnership with Sonire Therapeutics Inc.
- Aiming for medical regulatory approval in Japan in fiscal 2027
- Eyeing overseas medical regulatory approval and deployment in the future



#### Biological genetic resources

- Provision of the "HiABS" (formerly "Plant Pro") service that leverages unused plant genetic resources to expand the potential for the development of new functional foods, pharmaceuticals, etc.
- Resource provision contracts with two countries, Argentina and Indonesia



Cultivate as the new businesses

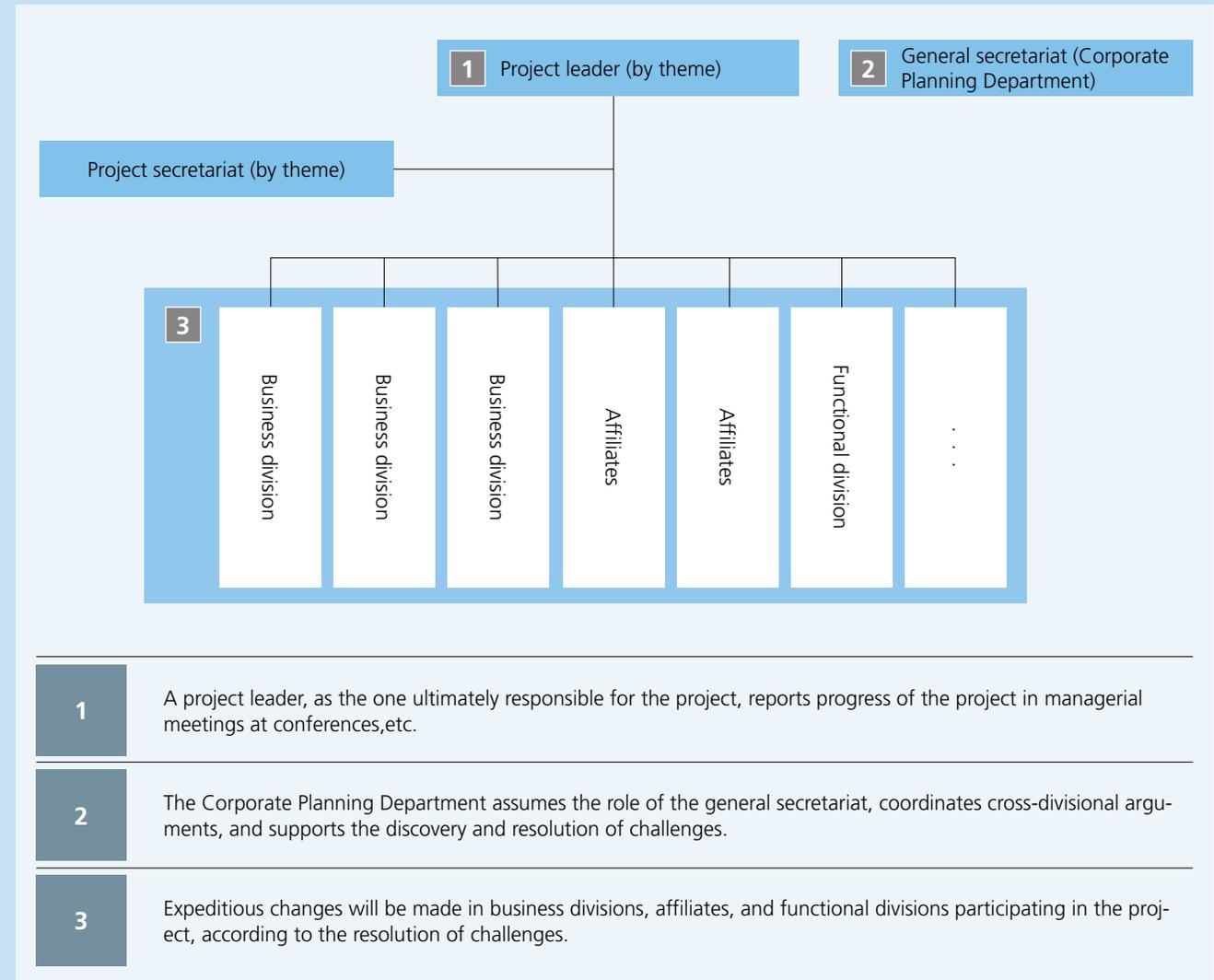
# A System That Ensures Workability

We will establish projects with clearly defined responsible parties by KPI and build a company-wide execution system to ensure the reliable achievement of the Medium-Term Management Plan. We will create a multi-layered environment for the monitoring of KPIs and regularly implement thorough progress reviews and strategic adjustments. We will furthermore enhance the effectiveness of our goal achievement while responding flexibly to environmental changes by enhancing coordination mechanisms, including a cross-departmental follow-up system.

## Making important activity themes into projects

<b>Overview</b>	We will make activity themes into projects from those outlined in the Medium-Term Management Plan that are particularly important and require cross-organizational attention.
<b>Medium-Term Management Plan Promotion Project</b>	Automobile strategy (across divisions/affiliates)
	Semiconductor strategy (across divisions/affiliates)
	Expand mass-production business
	Advanced business management
	IT/DX strategy
	Finance/capital strategy
	Corporate governance
	Human resources strategy

## Cross-organizational project promotion system (image)



## Message from the Officer in Charge of Finance



**We will strike a balance between growth investment and shareholder returns as we aim to realize a high-profit structure at an early stage.**

**Hideki Ninomiya**

Executive Officer  
Head of Administration Division

### Our mission as we look toward sustainable growth

In order for us to grow sustainably going forward, it is imperative that we expand the scale of our business while elevating profitability. We must ascertain the direction of our growth and efficiently allocate limited management resources. We also believe in the importance of eliciting a deep understanding of our lines of thinking and initiatives from our stakeholders and continuing to build relationships of trust with them.

I recognize the key role that I play for that purpose as

being fourfold: “providing information useful in management decisions through business and results analysis,” “optimizing necessary capital and assisting with efficient business operation,” “conveying our business policies and lines of thinking to our stakeholders with accuracy,” and “allocating the cash we generate to growth investment and shareholder returns in a balanced fashion.”

### Summary of the previous Medium-Term Management Plan and future challenges

Fiscal 2024, the final year of our previous Medium-Term Management Plan, was a year in which the positive outcomes of and challenges with our growth strategy clearly manifested themselves. Despite achieving increases in sales and profit for three consecutive fiscal years, with net sales at ¥88.483 billion and operating profit at ¥6.898 billion, these represent grim results that fell short of our targets of ¥100 billion in net sales and ¥10 billion in operating profit.

Behind this failure to meet targets was the considerable impact of changes in our external environment that include surges in raw material and transportation costs that eclipsed our assumptions at the time the Medium-Term Management Plan was formulated and ongoing wage hikes that exceeded the rise in prices. Additionally, changes made to capital investment plans on the customer side made sales recovery difficult as well.

In terms of financials, under the banner of improving capital efficiency, we took action with achieving a ROE of 11% and securing a return on invested capital (ROIC) that exceeds the weighted average cost of capital (WACC) as our goals. I feel that we managed to obtain a certain level of positive outcomes by thoroughly implementing profitability management for projects and reinforcing the sharing of information with business divisions.

On the other hand, the deterioration in our operating cash flow caused by the prolonging of the turnover period for

accounts receivable and inventories that accompanied an increase in large-scale projects is posing a challenge. To address this, we are advancing initiatives aimed at improvement, such as requesting cooperation with gradual payments, including advances, through discussions with customers, and are also holding training sessions and seminars to help improve the financial literacy of our employees.

As for our current financial status, our equity-to-asset ratio has exceeded 50%, and we are maintaining a stable financial base. This serves to underpin a system that enables us to flexibly handle challenging projects as well based on the fact that we employ a made-to-order business model and experience disparity in profit margins from project to project.

In the future, we will target an equity-to-asset ratio of 45% to 50% and effectively apply our financial leverage as well while simultaneously conducting growth investment and shareholder returns in a balanced fashion and tying those efforts into sustainable growth.

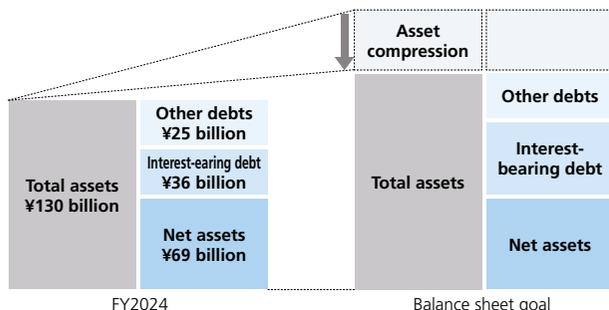
In addition, we are working on streamlining our balance sheet largely through the sale of policy shareholdings and inefficient assets. From November up through December 2024, we conducted share buybacks worth approximately ¥1 billion as a means of endeavoring to improve capital efficiency and bolster shareholder returns.

## Message from the Officer in Charge of Finance

### Target balance sheet configuration

To realize sustainable growth investment and medium- to long-term enhancement of corporate value, a capital efficiency conscious balance sheet has been established.

### Our balance sheet goal over the medium term



### Policies and measures

#### Asset compression to improve total asset turnover

- Reduce accounts receivable
- Optimize inventory
- Sell policy shareholdings
- Sell off inefficient fixed assets

#### Utilize interest-bearing debt through financial leverage

#### Equity-to-asset ratio goal: 45%–50%

Assume required equity capital, taking into account business risks and capital cost reductions.

Consider **expeditious implementation of share buybacks** depending on the equity capital ratio.

## Financial strategy in our new Medium-Term Management Plan

In our new Medium-Term Management Plan, we have set forth numerical targets of a ROE of 9.3% or more, operating profit of ¥10 billion or more, and a sales compound annual growth rate (CAGR) of 6% to 8%.

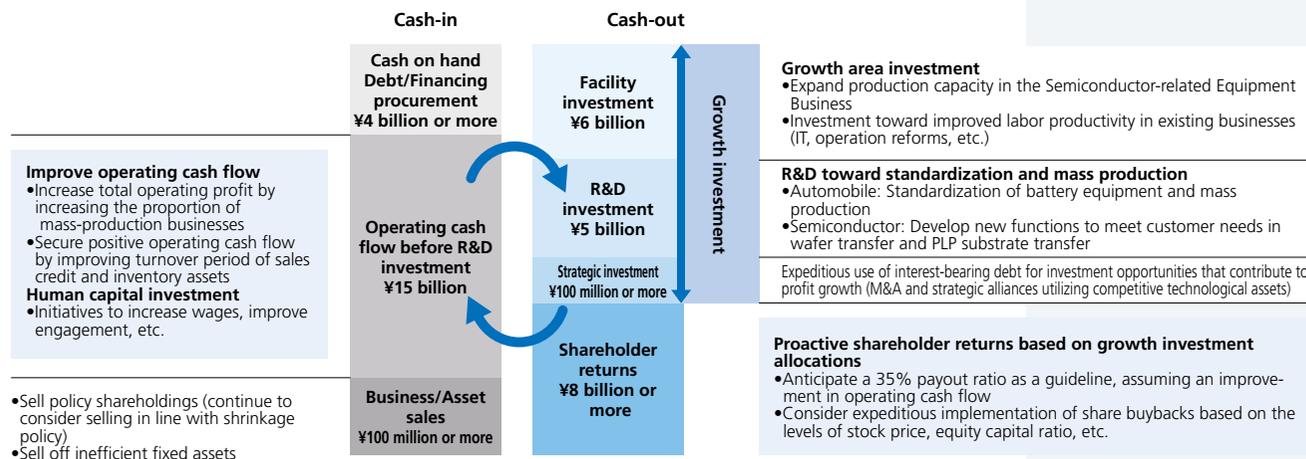
In order to achieve these targets, we have established five strategic pillars. For the pillar of “Further strengthen the earnings base” in particular, our finance division was deeply involved in the examination of concrete measures. Maximizing the generation of cash through the execution of our various business strategies and allocating it to growth investment and shareholder returns in a balanced fashion form the core of our financial strategy. Specifically, we will proceed to tackle areas such as the promotion of price pass-through, the optimization of our cost structure, and the reinforcement of our management and financial base.

Note that under our new Medium-Term Management Plan, in addition to cash generated through the execution of our business strategies, we are expecting to secure additional cash through the shortening of turnover periods for accounts receivable and inventories. Based on these, we have formulated a cash allocation policy for capital investment, R&D investment, strategic investment, and shareholder returns.

Also, regarding the scale of cash-in and cash-out, which we had not expressed as figures up to this point, we will establish concrete guidelines in order to conduct the timely monitoring of the status of execution of associated measures.

Additionally, for measures to bolster shareholder returns, we will clarify our policy to raise our consolidated payout ratio from the original figure of 20% or higher to 35%, and will proceed to roll out a more aggressive capital policy.

### Total cash allocation over the three-year period between FY2025–27



## Message from the Officer in Charge of Finance

### Aiming to realize a sustainable, stable, and high-profit structure

As we look to realize an earnings structure that generates sustainable and stable profits, our first and foremost priority is realizing a high-profit structure over the short to medium term. Moreover, we have set forth “Expanding our operational scale in the Semiconductor-related Equipment Business” and “Strengthen profitability in the made-to-order business” as strategic pillars for that purpose.

We will strive to improve our profit margin and capital efficiency by steadily carrying out these measures.

#### Expanding our operational scale in the Semiconductor-related Equipment Business

In the Semiconductor-related Equipment Business, our policy is to complete capital investment aimed at expanding our production capacity and a base restructuring intended to improve production efficiency at the initial stage of our new Medium-Term Management Plan. We believe this will enable us to

make contributions to sales growth and the improvement of our profitability at an early stage.

In the semiconductor market, growth is anticipated in the future as well, backed by an expansion in demand in fields such as AI, data centers, and automobiles. While we take the view that the volume of orders we receive is unlikely to significantly decrease, we have designed our existing production space and equipment to be converted to the production of products in other fields even if demand should temporarily become sluggish, thereby enabling us to respond flexibly.

#### Strengthen profitability in the made-to-order business

The characteristics of a made-to-order business are such that in order to elevate the profitability of each project, it is imperative that every single employee has improved awareness of cost and profit. To that end, we conduct training on the basics of accounting as a form of internal training to promote under-

standing from a P/L (profit and loss statement) perspective.

Furthermore, in fiscal 2025, we also commenced training that emphasizes a B/S (balance sheet) perspective, including the improvement of cash conversion cycle and operating cash flow, and have been pursuing efforts aimed at reinforcing our financial constitution. We believe that using these measures to elevate our employees' financial literacy and promote behavioral modification that directly links to improved profitability is of great importance.

### Embrace new challenges and evolve on a daily basis

Where fiscal 2025 is concerned, in our Automotive-related Business, while there are concerns of a growth slowdown in the electric vehicle (EV) market, demand for internal combustion engine (ICE) vehicles and hybrid electric vehicles (HEVs) is on the rise. We are capable of capturing demand for both of those, and received an order for engine assembly equipment worth around ¥10 billion in May 2025. In addition to developments in price pass-through, there are expectations on heightened profitability as well due to a greater level of proficiency in new fields.

In our Semiconductor-related Equipment Business, the market is anticipated to grow against the backdrop of greater demand for generative AI. We, too, are pushing forward with

reinforcing our production system and developing associated technologies. In addition, we expect that our efforts to promote appropriate price pass-through will translate into sizeable growth in both sales and profit. Moreover, with the easing of uncertainty surrounding the U.S.' tariff policy, the revitalization of investment in the United States and capital investment to accompany the realignment of global supply chains is predicted to be a tailwind for us.

As a result of the above, we forecast net sales of ¥96 billion for fiscal 2025, a year-on-year increase of 8.5%, which would set a new historical high.

As technological innovations gain in speed, we will continue to supply production equipment that meets the needs of

as many customers as possible by having each of our members embrace new challenges and evolve on a daily basis as we aim to maximize the profits of both our customers and our company.

For that purpose, I will also personally do my part to realize sustainable growth while lending my ear to various opinions from both internal and external parties. I encourage our stakeholders to look forward to the future growth of Hirata and ask them to continue blessing us with their support and patronage.

# FOCUS DX Initiatives in Manufacturing

## DX initiatives by value chain segment

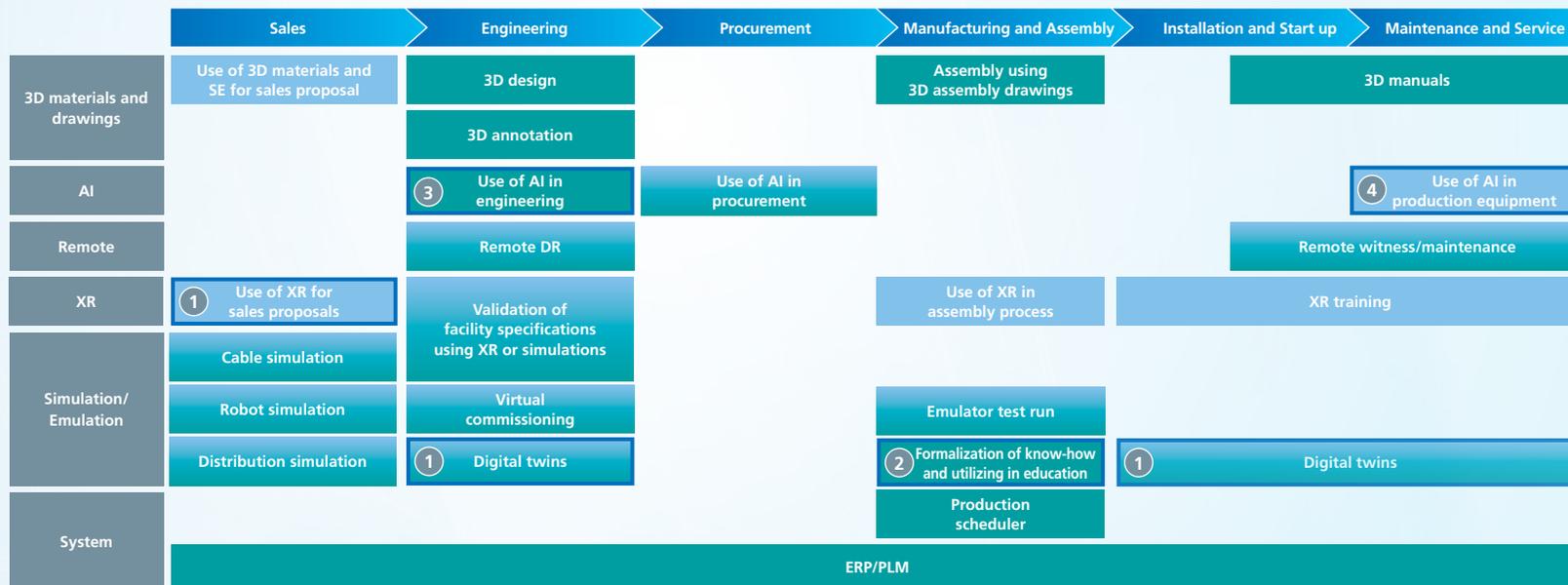
We will leverage digital transformation (DX) to drive the "Realization of a high-profit structure," which will form the foundation for long-term growth. We will focus on creating added value for the strategic pillar of "Strengthen profitability in the made-to-order business" and undertake initiatives to streamline production processes for the strategic pillar of "Further strengthen the earnings base."

### Priority measures for the Medium-Term Management Plan

<b>① Further utilization of XR/digital twins</b> •XR: Value creation by the fusion of reality and virtuality using augmented reality •Digital twin: Production process optimization by software definition of production lines	<b>② Utilization for in-house technical transfer</b> Digitization and transfer of knowledge using virtual environment and movies	<b>③ Utilization of AI in engineering</b> Constructing a design support system utilizing AI to promptly and accurately retrieve past assets, etc.	<b>④ Utilization of AI in production equipment</b> AI-based production equipment failure assessments, advanced detection of signs, automatic teaching and correction, etc.
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### DX promotion theme in manufacturing

- Creating added value
- Streamlining of production processes



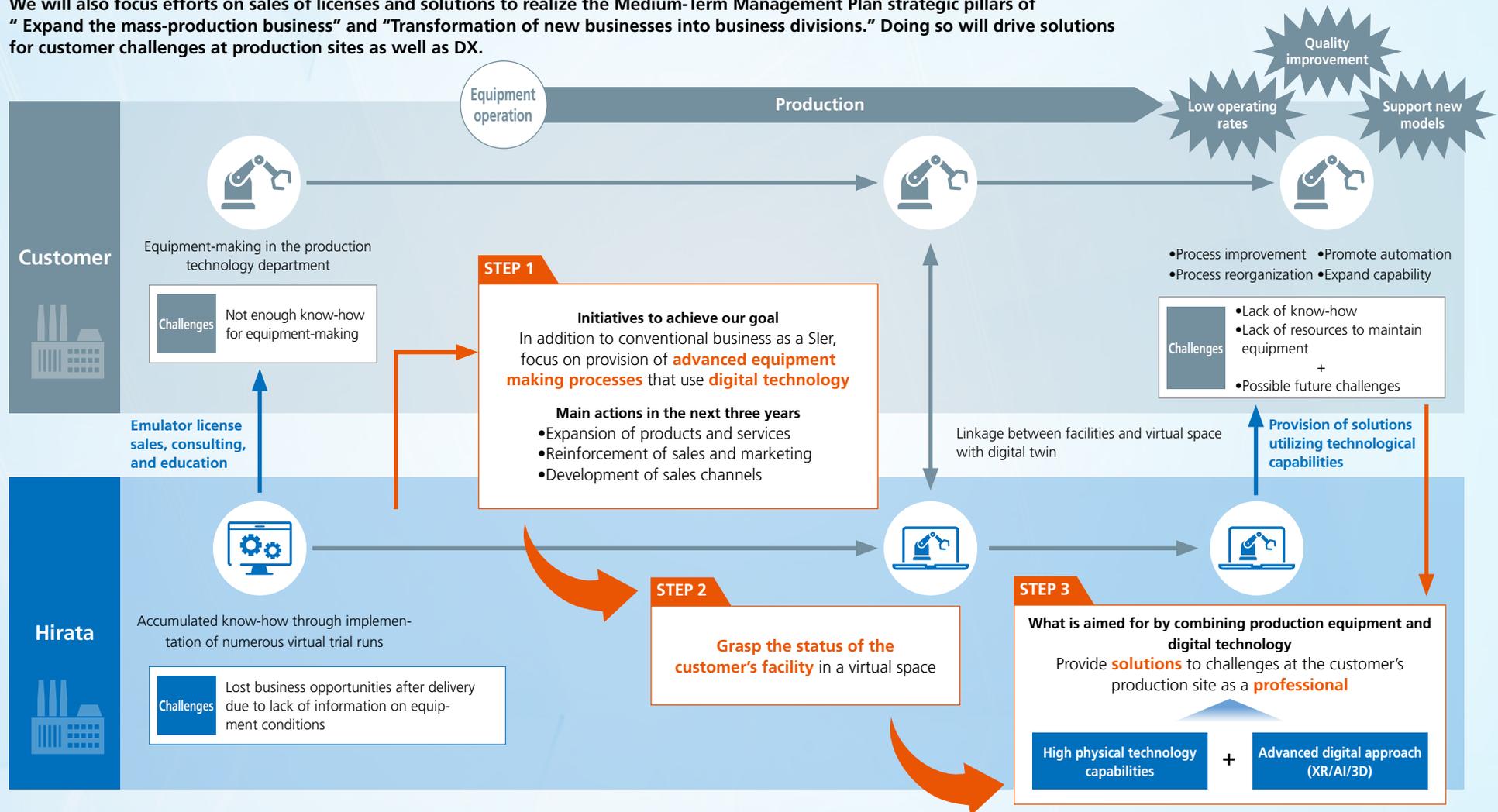
Terminology  
 SE: Simultaneous engineering  
 DR: Design review  
 XR: Extended/Cross reality  
 ERP: Enterprise resource planning  
 PLM: Product lifecycle management



# DX Initiatives in Manufacturing

## DX initiatives at our customers' production sites

We will also focus efforts on sales of licenses and solutions to realize the Medium-Term Management Plan strategic pillars of "Expand the mass-production business" and "Transformation of new businesses into business divisions." Doing so will drive solutions for customer challenges at production sites as well as DX.

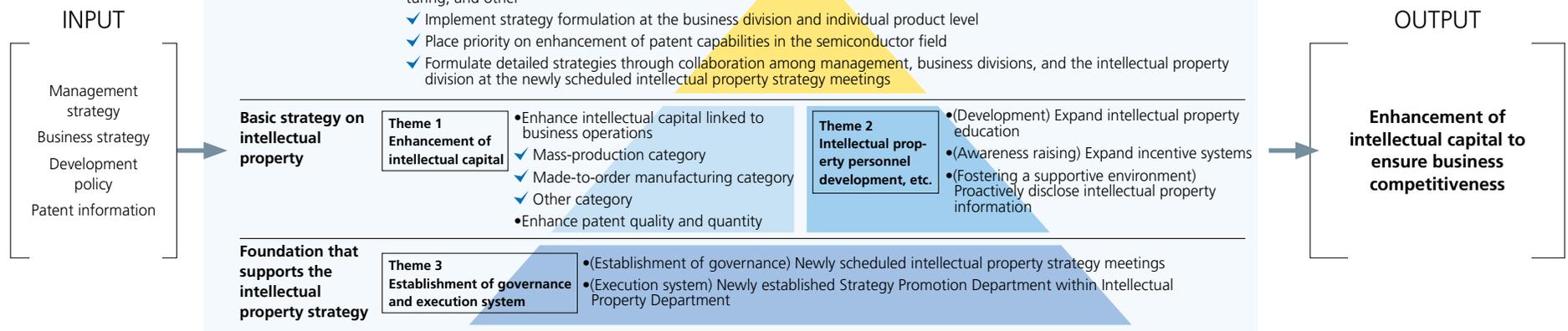


# Functional Strategy Overview

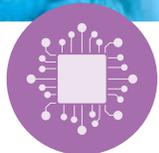
We will enhance our sustainability, human resources, intellectual property, IT/DX, and governance capabilities to achieve our Medium-Term Management Plan and smoothly execute our business strategy.

		Main policies	Main measures in the period covered by this Medium-Term Management Plan
Activities across the entire supply chain	Sustainability strategy	<ul style="list-style-type: none"> <li>Group-wide promotion of sustainability activities to achieve our 10 materiality targets for FY2030</li> </ul>	<ul style="list-style-type: none"> <li>Implementing measures to achieve materiality-specific KPIs for FY2027</li> <li>Involvement of some affiliated companies in the activities</li> </ul>
	Human resources strategy	<ul style="list-style-type: none"> <li>Improving each employee's intrinsic motivation</li> <li>Fostering a system and organizational culture that empower diverse human resources</li> </ul>	<ul style="list-style-type: none"> <li>Further enhancement of training</li> <li>Visualization and proper evaluation of required skills</li> <li>Career support</li> </ul>
	Intellectual property strategy	<ul style="list-style-type: none"> <li>Strengthening of intellectual capital</li> <li>Developing intellectual property personnel</li> <li>Building governance and ensuring an execution system</li> </ul>	<ul style="list-style-type: none"> <li>Enhancement of the quality and quantity of intellectual property in alignment with our business strategy</li> <li>Development and awareness-raising as well as fostering a supportive environment for intellectual property personnel</li> <li>Scheduling of intellectual property strategy meetings through collaboration among management, business, and intellectual property functions</li> </ul>
	IT/DX strategy	<ul style="list-style-type: none"> <li>Renovation of legacy systems</li> <li>Promotion of digital transformation</li> <li>Maintenance and improvement of security levels</li> </ul>	<ul style="list-style-type: none"> <li>Renovation of core systems</li> <li>Training of digital-proficient personnel and promotion of data-driven management</li> <li>Promotion of ISMS and Zero Trust security</li> </ul>
	Governance strategy	<ul style="list-style-type: none"> <li>Establishing a more effective corporate governance system</li> <li>Improving the effectiveness of Group governance</li> </ul>	<ul style="list-style-type: none"> <li>Project-based cross-departmental activities</li> <li>Review of all roles, responsibilities, and authorities</li> </ul>

## Hirata's intellectual property strategy



## Strategies by Business



### Semiconductor-related Equipment Business

#### Growth business that drives forward the expansion of our operational scale

We develop, manufacture, and sell components such as openers for various storage containers used for wafer transfer components in semiconductor manufacturing processes, atmospheric and vacuum robots, and aligners. In addition, we are focusing on system products that apply these technologies. For semiconductor manufacturing equipment manufacturers, we provide EFEMs<sup>\*1</sup> optimized for each equipment type in the form of OEM and ODM, and for semiconductor manufacturers (foundries), we offer EFEMs and sorters under our brand name. We are also responding to innovations in semiconductor manufacturing technology. In addition to the development, manufacture, and sale of various components and system products (EFEMs) used for the transportation of PLP<sup>\*2</sup>, we offer N<sub>2</sub> EFEMs to transport wafers in N<sub>2</sub> (nitrogen) environments to curb the adverse effect that the atmosphere has on wafers.

\*1 Equipment Front End Modules

\*2 Panel Level Packaging

#### Strengths

- (1) Extensive lineup of wafer transfer components
- (2) Provide lineup of components for PLP substrate transfer
- (3) Lineup of system products that combine various components
- (4) Knowledge and technology necessary for customization and optimization of components and system products
- (5) Large-scale clean rooms at our domestic production bases

#### Weaknesses

- (1) Delays in strengthening overseas production bases (cost competitiveness) and in responding to local production for local consumption trend
- (2) Strengthening of sales structure in European and U.S. markets
- (3) Profitability of parts sales and after-sales service business
- (4) Strengthening the lineup of our own-brand system products

#### Opportunities

- (1) Further growth of semiconductor market
- (2) Innovation in semiconductor manufacturing technology
- (3) Acceleration of electrification due to stricter environmental regulations
- (4) Local production for local consumption
- (5) Trends toward vertical setup and standardization of facilities for fabrications by end users
- (6) Establishment, revisions, and additions of SEMI industry association standards

#### Threats

- (1) Soaring material prices and longer delivery times
- (2) Rise of emerging market companies and start-ups
- (3) Innovation in semiconductor manufacturing technology
- (4) Economic friction, sanctions, and disputes
- (5) Market exclusion due to legal regulations and economic policies
- (6) Establishment, revisions, and additions of SEMI industry association standards

#### Business environment

##### Industry outlook

With global demand for semiconductors increasing every year, the semiconductor market is expected to be worth approximately US\$1 trillion by 2030. More specifically, AI and environmental considerations are expected to boost semiconductor demand. In terms of technology, there is a growing need for miniaturization to improve processing speed and efficiency, and competition at the development level is intensifying.

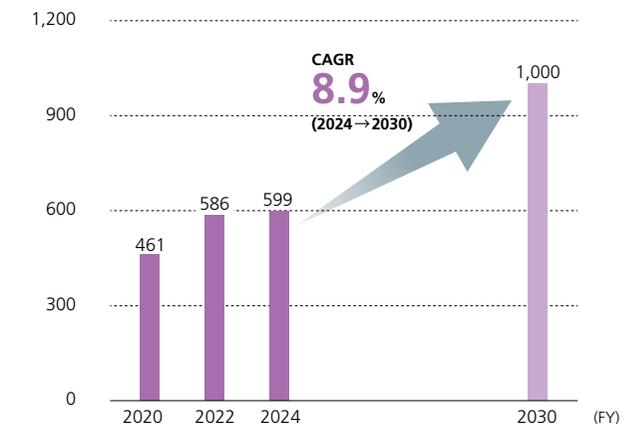
Similarly, semiconductor production equipment market is also expected to continue to grow with capital investment by semiconductor manufacturers in China, Taiwan, and South Korea accelerating in recent years.

##### Major business partners

Our major business partners include DISCO CORPORATION, EBARA CORPORATION, Tokyo Electron Ltd., ULVAC, Inc., and ADVANTEST CORPORATION.

#### Global semiconductor market forecast

(USD billions)

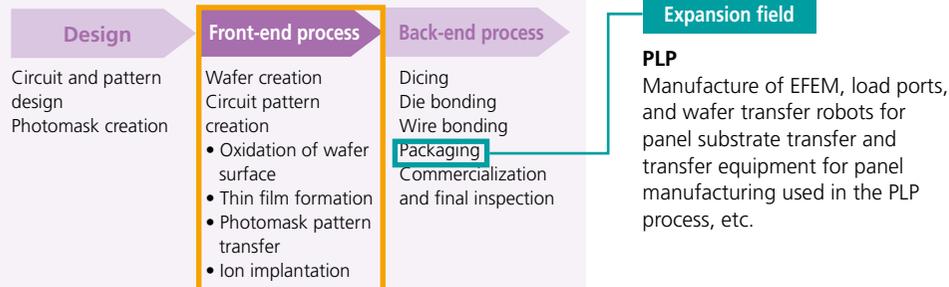


Source: SEMI Japan

## Strategies by Business

### Main and expansion fields

#### Semiconductor manufacturing processes



#### Wafer transport device

Manufacture of load ports that load silicon wafers into various processing equipment, wafer transfer robots that can handle atmospheric and vacuum environments, and EFEMs that integrate the load ports and wafer transfer robots

#### Focus categories

#### Wafer-related transport devices



#### PLP-related transport devices



Wafer-related transport devices are the main field, accounting for roughly 70% of net sales in our Semiconductor-related Equipment Business. Additionally, we have also positioned PLP-related transport devices, which are gaining attention as cutting-edge packaging technology, as an expansion field, and are currently pursuing product development in that field. We sell those devices mainly to domestic and overseas manufacturing equipment manufacturers and to overseas device manufacturers.

### Fiscal 2024 results

We saw an increase in orders received due to growth in generative AI-related demand. Additionally, progress in the production of mostly wafer transfer-related equipment also yielded an increase in sales year on year. Conversely, our cost rate worsened due to a decrease in high profit-margin projects coupled with surging parts and material costs and delays in price pass-through.

The impact of these factors together with that

of the provisions we made for warranty expenses for certain products resulted in a decrease in operating profit year on year.

	FY2023 results	FY2024 results
Net sales (millions of yen)	27,390	30,186
Operating profit (millions of yen)	4,450	2,857
Operating profit ratio	16.2%	9.5%

### Business strategies

#### Basic strategies

- Ensure stable supply of high-quality components to meet growing demand
- Promote sales to increase use of our equipment by current customers
- Expand business range in response to technological advances in the market

As our Semiconductor-related Equipment Business has demonstrated a high growth rate and is expected to yield an increase in earnings in the future, we have positioned it as a growth business. In order to keep up with the globalization of our customers' production bases due to the medium- to long-term expansion of semiconductor demand, we strengthen our sales, production, marketing, and service systems within our Group by promoting product development and keeping technological innovation in the semiconductor industry in mind to aim to further expand our business scale.

Specifically, to increase production capacity and improve production efficiency, in addition to endeavoring to reorganize Japanese production bases, we will promote the review of production methods to increase efficiency and measures to shorten production lead times. Moreover, we are looking into promoting technology transfers to affiliated companies, establishing local production systems, actively utilizing external resources in the mass production of products, and establishing new production bases.

In addition, with a view to increasing sales, we will promote the development of new global customers, the strengthening of relationships with current customers, and sales to expand the use of our equipment by current customers.

Also, to promote research and development, we will work toward establishing specialized design teams in PLP, accelerating development, and renovating wafer and PLP-related components and systems.

#### FY2027 targets

Production capacity (based on number of units of each product)

**Up 50%** (compared to FY2024)

Overseas production bases

**+2** (compared to FY2024)

#### Business scale target

(Millions of yen)



## Strategies by Business

### Initiatives by focus market

#### Japan

Our focus will be on expanding our Semiconductor-related Equipment Business by strengthening relationships with target customers and promoting sales to increase the use of our equipment.

#### North America

We have an ongoing business relationship with a specific semiconductor manufacturer in the United States and have maintained a system that enables us to realize local sales and maintenance while cooperating with our manufacturing bases in Japan. Our focus will be on expanding our Semiconductor-related Equipment Business by developing new customers and establishing an optimal production system.

#### China and Taiwan

The investment environment for semiconductors has been improving due to China's national policies, such as "Made in China 2025" and "Strong Manufacturing Country 2030." We have focused on providing technical education for employees so that we can expand the manufacturing of wafer transport devices in China, which is already advanced in Japan and Taiwan. Our focus will be on establishing our Semiconductor-related Equipment Business as we endeavor to set up a system capable of production within China and strengthen our quality control system.

In Taiwan, our focus will be on expanding our Semiconductor-related Equipment Business by strengthening relationships with target customers.

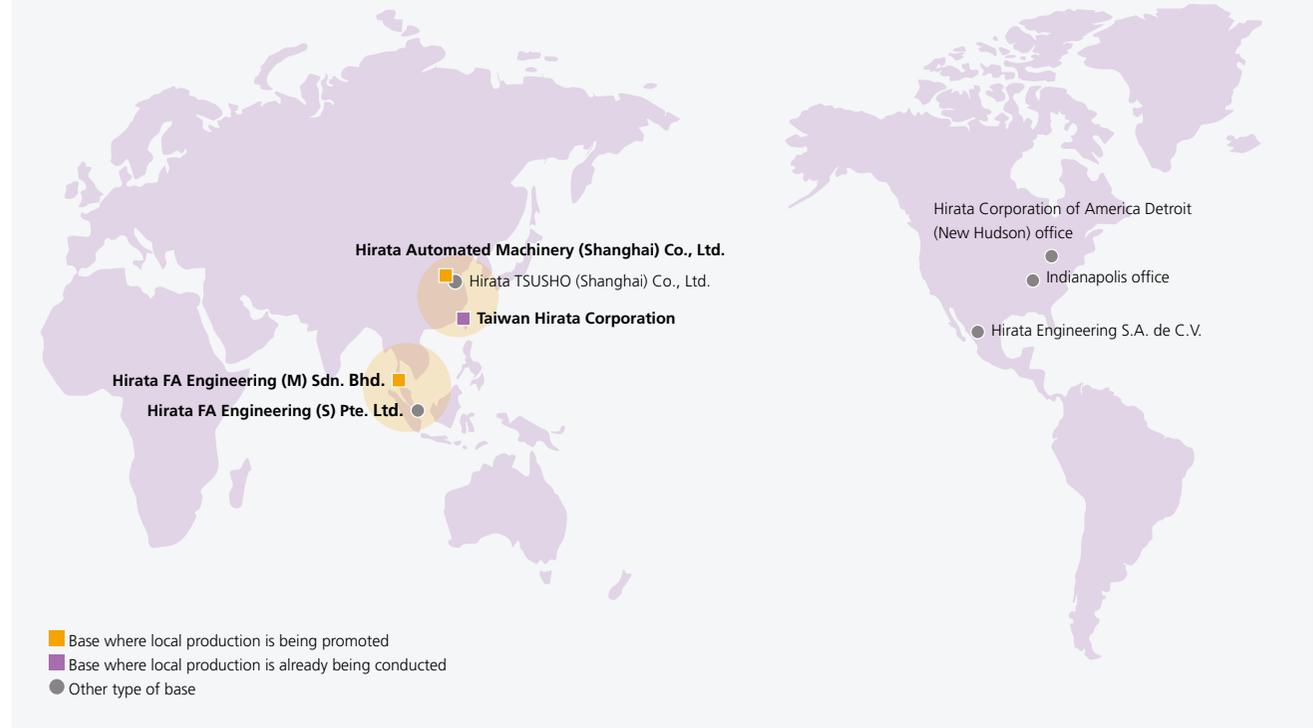
#### Southeast Asia

In Singapore and Malaysia, as semiconductor fab investments have been announced one after another, we have been promoting sales of wafer transport devices, recognizing that these regions are expected to grow in sales in the future. We will push forward with the establishment of our

Semiconductor-related Equipment Business as we endeavor to form a strong customer base by building relationships with major semiconductor manufacturers based in Southeast Asia and enhance our production capabilities and quality control system through the transfer of technology.

#### Promotion of local production

In addition to Taiwan, we have established a system that enables production and sales in China (Shanghai) and Southeast Asia (Malaysia and Singapore) and are promoting local procurement of components.



<b>Production efficiency</b>	Strengthen cooperation with suppliers to reduce the risk of delays in component delivery and improve productivity
<b>Development of next-generation equipment</b>	Development of transport devices for back-end processes, which will see growing demand

## Strategies by Business



### Automotive-related Business

#### Core business that realizes a stable profit structure

We handle a wide range of production systems, starting with primary components of power transmissions and drive trains (powertrains), electronic equipment such as computers to control said components, sensors and other in-vehicle electronic components, and the air compressors used in air conditioning. Completely producing a large number of devices and items of equipment, we run comprehensive in-house tests to ensure their correct operation before delivering them to our customers' factories. Hirata's standardized parts improve ease of maintenance for the end user. In addition, we utilize digital twins to design and develop production systems more efficiently.

#### Strengths

- (1) Integrated systems, from development to production and maintenance
- (2) Engineering capabilities that enable us to fulfill customer requirements
- (3) Vast plants where entire production lines can be verified
- (4) Trust and continuous transactions from customers
- (5) Broad product lineup
- (6) Ability to utilize our achievements in different fields such as home electronics, semiconductors, and displays

#### Weaknesses

- (1) Profitability management and profitability in new development projects
- (2) Development capabilities for own key devices and standard equipment
- (3) Competitiveness in specific regional markets
- (4) Support for outsourcing management

#### Opportunities

- (1) Expansion of market for products that address environmental issues
- (2) Local production for local consumption (strengthening of local procurement at each manufacturing company)
- (3) Advancement of digital transformation (DX) for business
- (4) Cooperation with domestic companies to enter new fields and expand overseas

#### Threats

- (1) Changes in market environment due to tightening of environmental regulations
- (2) Decrease in number of parts and demand for production systems due to shift to EVs
- (3) Rise of equipment manufacturers in emerging countries
- (4) Exchange rate fluctuations
- (5) Rapid market changes due to geopolitical influences

#### Business environment

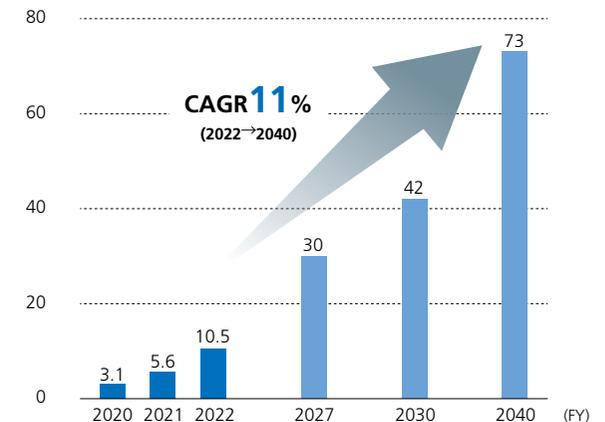
##### Industry outlook

Although sales of electric vehicles (EVs) are growing steadily in China and Asia, the spread of EVs is slowing in Europe and the United States. Additionally, the introduction of new plug-in hybrid vehicles (PHVs) is expected to accelerate as hybrid vehicles (HVs) and other types of vehicles are once again attracting attention.

On the other hand, over the long term, EV sales are expected to continue to increase due to advances in next-generation battery technology, with sales expected to reach 42 million vehicles in fiscal 2030.

#### EV global sales volume forecast

(Millions of units)

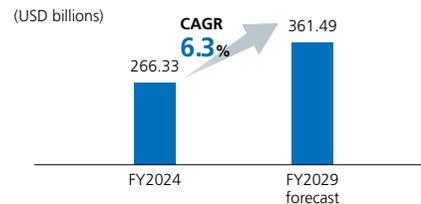


Source: BloombergNEF

## Strategies by Business

Considering factors such as the price difference between internal combustion engine vehicles (ICEs) and EVs, inadequate charging infrastructure, and progress in development efforts aimed at improving engine efficiency, demand for ICEs is expected to remain strong in the near future with investment in conventional powertrain equipment also expected to continue.

### Global ICE market forecast



Source: Mordor Intelligence

### Major business partners

We are doing business with General Motors and Ford Motor Company in North America, Stellantis N.V. in Europe, Toyota Motor Corporation, Honda Motor Co., Ltd., and DENSO CORPORATION in Japan, as well as emerging EV manufacturers and battery manufacturers.

## Main and expansion fields

### Main EV-related products

#### Main field 1 EDU assembly equipment

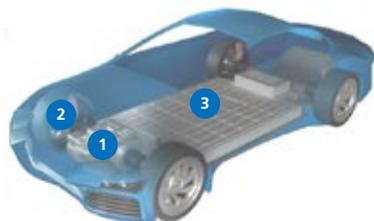
Assembly equipment for EV-drive parts that combine an in-vehicle motor and gearbox called an electric unit (EDU)

#### Main field 2 IGBT and inverter assembly equipment

Assembly equipment for in-vehicle electronic components mounted on EVs and transmissions vehicles such as IGBT and inverters

#### Expansion field 3 Battery charging/discharging-related equipment (cell charging/discharging process)

Conveying equipment for the charging/discharging process that is part of the battery cell manufacturing process



### Main ICE-related products

#### Main field 1 Engine-related assembly equipment

- Equipment for assembling gasoline, diesel, and other engines. Because of the sheer number of parts, long equipment lines can exceed a total length of 1 km in some cases.
- This equipment supports various configurations, including in-line and V-type. Equipment by the Company is even capable of handling operational testing.

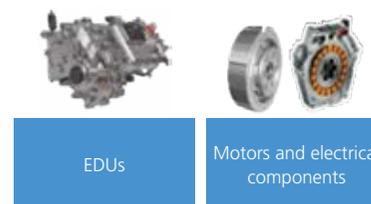
#### Main field 2 Transmission-related assembly equipment

Equipment for assembling transmissions that transmit the power generated by engines to the wheels. This equipment supports various kinds of transmissions, including CVT and AT.

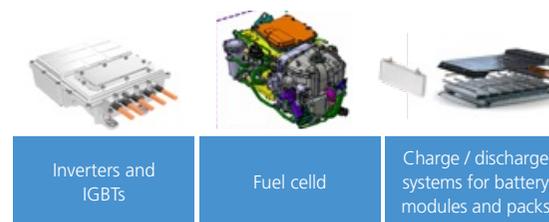


## Focus categories

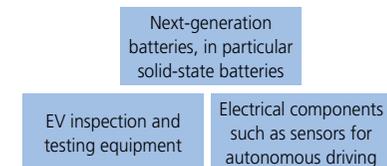
### EV, HV, FCV (fuel cell vehicle)-related



### ICE-related



### Categories worth pursuing in the future



Main EV-related fields are EDU assembly equipment and IGBT and inverter assembly equipment. Main ICE-related fields are engine-related assembly equipment and transmission-related equipment. We have an extensive track record in sales to North American automakers (including the Big Three), emerging EV manufacturers, and domestic automobile manufacturers. Additionally, battery charging/discharging-related equipment (cell charging/discharging process) holds promise as an expansion field. We are expanding our sales to domestic battery manufacturers.

## Fiscal 2024 results

While the expansion of demand in the EV market is showing signs of deceleration, net sales of production equipment for EVs have remained firm as evidenced by the ongoing receipt of orders for battery charging/discharging-related equipment since fiscal 2023. As a result, both net sales and profit have remained steady. Additionally, net sales of production equipment for internal combustion have also been trending favorably, having increased year on year.

	FY2023 results	FY2024 results
Net sales (millions of yen)	36,984	43,059
Operating profit (millions of yen)	1,651	4,194
Operating profit ratio	4.5%	9.7%

## Strategies by Business

### Business strategies

#### Basic strategies

- (1) Selecting and focusing of projects and areas
- (2) Shift to engineering centered services

We have positioned the Automotive-related Business as our core business given that it is a stable business that serves as a major source of earnings. In order to further fortify its earnings base, improving production efficiency is of the essence. As such, we will carry out organizational reforms for strengthening project management capabilities, and will establish a design team specialized in promoting the incorporation of mass-produced products into production equipment. Moreover, we will promote the implementation of digital transformation(DX) across the value chain as well as the standardization of EV- and powertrain-related equipment. Furthermore, we will work toward the improvement of capital efficiency, revise order-related standards, shorten collection periods for accounts receivable, and further strengthen negotiation and sales skills.

In addition, we will proactively incorporate current customers' needs and strengthen relationships with those customers with a view to increasing sales as well as promote research and development that links to the solving of customer-side problems. We will also establish a track record in development machines and pilot lines for next-generation batteries, in particular solid-state batteries, fuel cells, and EV-related parts.

#### FY2027 targets

Operating profit ratio for Automotive-related Business

**10% or more** (consolidated)

**Reduce** cash conversion cycle (CCC) by **20%** (compared to FY2024)

Existing fields	Significant progress was made in standardizing entire facilities and developing customers: EDU assembly facilities for EVs, IGBT module assembly facilities, inverter assembly facilities, gear-box assembly facilities, rotor assembly facilities, and stator assembly facilities.
Prior investment/ New fields	We have already started working on the standardization of all equipment used in the battery module and battery pack manufacturing process as well as the charge/discharge system (within the cell manufacturing process), participation in the cell manufacturing process, and the development and trial production of mass-production equipment for next-generation batteries, such as all-solid-state batteries and new-type LIBs, and fuel cell production equipment.
Development of key devices	Four of the five development themes set forth in the previous Medium-Term Management Plan have been completed: (1) Chargers/Dischargers, (2) Improvement of Automated Warehouses, (3) Dual Head Wire Bonder (hard wiring device with two heads), (4) AGV Improvements, and (5) Plant Simulation (Software). Charging / discharging machine manufacturing was switched from in-house production to external procurement.

### Initiatives by focus market

#### Japan

The release of EVs by automobile manufacturers is on an upward trend from a long-term perspective. As such, we will aggressively take part in inquiries for battery projects in particular and secure stable orders.

#### North America

Since we are seeing a slowdown in EV sales, for the time being we aim to receive orders for conventional powertrain equipment. We are also monitoring changes in the external environment, such as the effects of tariffs, in order to flexibly adjust our production system, for example, by producing in North America depending on the situation.

## Highlight

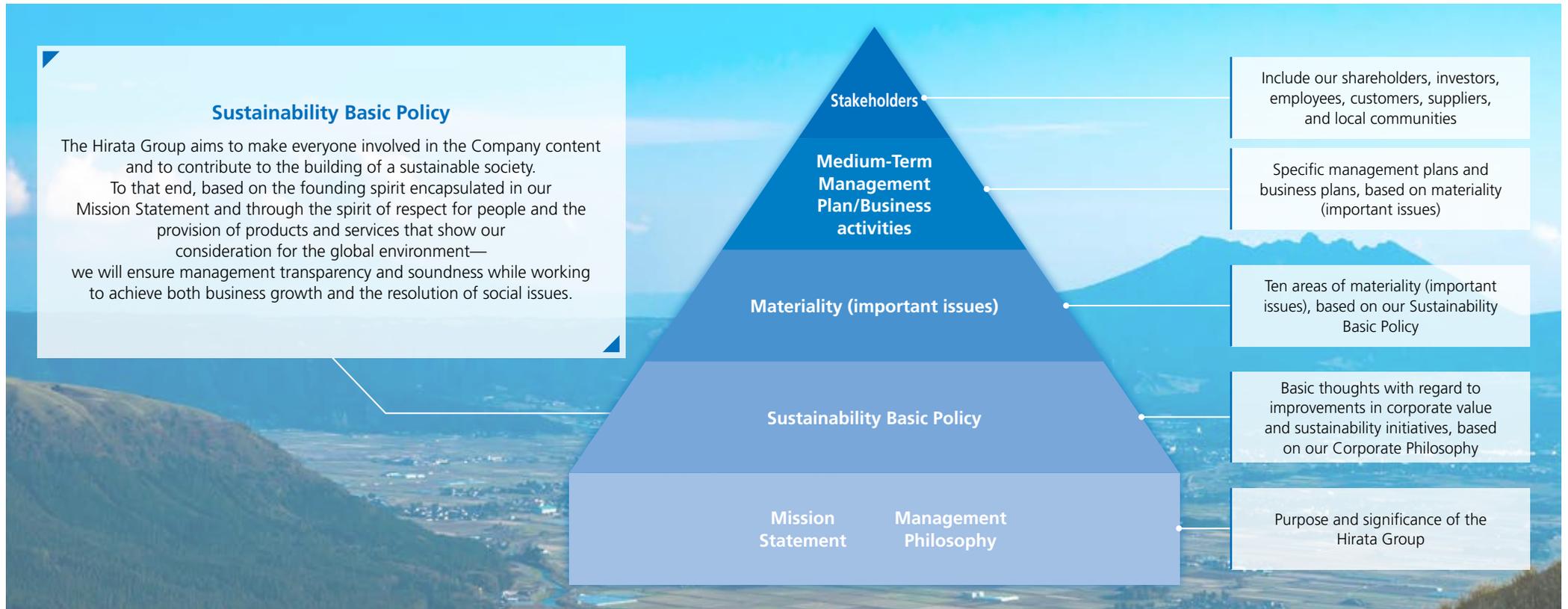
#### Ongoing receipt of orders for large-scale projects for both EVs and ICEs

- Orders related to automobiles have been strong in recent years, particularly in North America. Even after the start of FY2025, we have disclosed orders received for large-scale projects amounting to over ¥16 billion in total.
- While there were concerns of the impact of tariffs initially, that impact was surpassed by tailwinds from investment activities, hence our current success in receiving orders for large-scale projects.

#### Major orders received from FY2023 onward

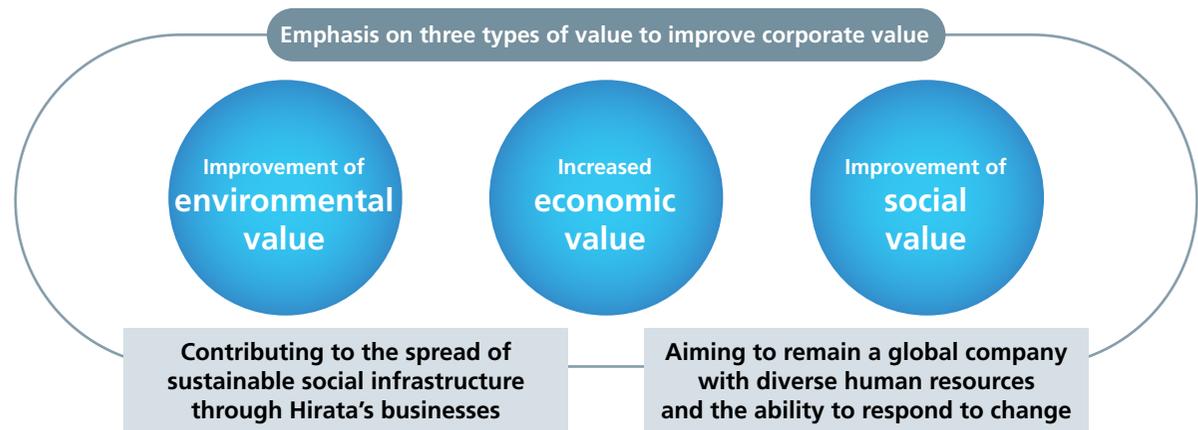
Year	Equipment name	Amount	Destination
2023	Electric drive unit assembly facilities for EVs	Exceeding ¥8 billion	(Undisclosed)
2024	EV battery charging/discharging-related equipment	Exceeding ¥4 billion	(Undisclosed)
	Internal combustion engine assembly equipment	Approx. ¥13 billion	North America
	EV battery charging/discharging-related equipment	Approx. ¥2.5 billion	(Undisclosed)
	EV battery charging/discharging-related equipment	Approx. ¥5.6 billion	(Undisclosed)
2025	Electric drive unit assembly facilities for EVs	Approx. ¥8.7 billion	(Undisclosed)
	Internal combustion engine assembly equipment	Approx. ¥10 billion	North America
	Assembly equipment for in-vehicle electronic components	Exceeding ¥6 billion	North America, Southeast Asia

# Sustainability Management

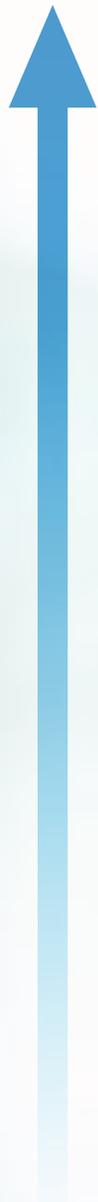


## Basic concept behind sustainability

Our Sustainability Basic Policy was decided at a Board of Directors' meeting held in April 2022. The Sustainability Basic Policy clearly states in writing our policy to contribute to the realization of a sustainable society through corporate activities from the three perspectives of the environment, society, and economy. The starting point of our sustainability is the perspective of continuing to grow our business while fulfilling our social responsibilities to all stakeholders.



# Sustainability Management



## 2050

**Achieve carbon neutrality across all businesses, including their supply chains.**  
**Lead global sustainability efforts and contribute to the well-being of everyone involved with Hirata and the creation of a sustainable society.**

## 2030

**Instill engagement in sustainability activities throughout the Group while balancing business growth with social issues.**  
**Meet stakeholders' expectations at a high level.**

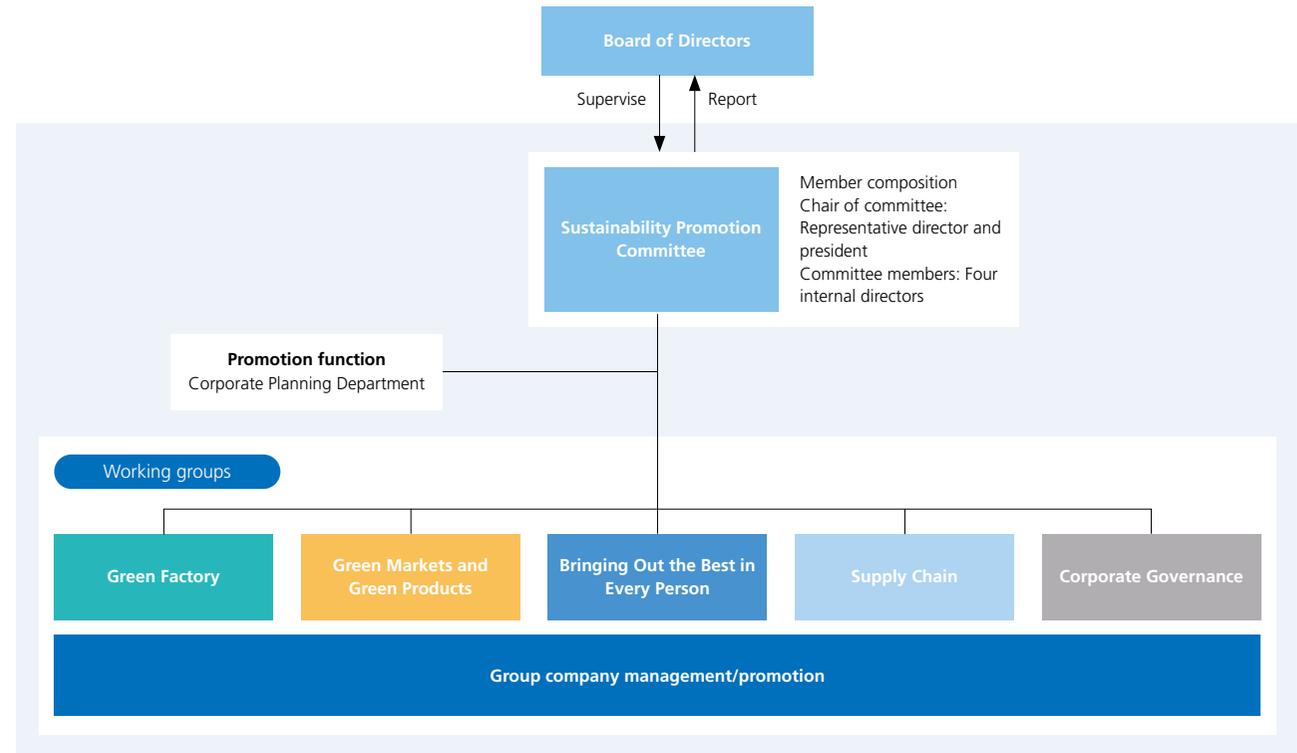
## 2025

**By the previous year, determine the direction of sustainability initiatives and formulate a road map for sustainability activities.**  
**Understanding of sustainability initiatives within the Company is widespread.**

### Sustainability promotion system

We have established the Sustainability Promotion Committee to promote sustainability management. Chaired by the representative director and president, the Sustainability Promotion Committee incorporates the opinions of outside directors and external experts as observers, and working groups have been established under the

committee to promote sustainability activities. In principle, the committee meets at least twice a year, and under the supervision of the Board of Directors, the committee formulates sustainability targets and policies, discusses issues, and confirms the progress of activities.



Note: System structure current as of March 31, 2025

For detailed information concerning the materiality identification process, please visit the Company website.  
<https://www.hirata.co.jp/en/sustainability/materiality>

To achieve both sustainable business growth and the resolution of social issues, we conduct sustainability management based on materiality (important issues).

Materiality (important issues)	Risks	Opportunities	Main initiatives	Goals and KPIs* for 2030	FY2024 results
<b>Response to climate change</b>					
					   
<b>(1) Reduction of environmental impact by the Company and in the supply chain</b>	<ul style="list-style-type: none"> <li>Decrease in business opportunities and increase in costs for handling cases where the Company is unable to comply with the environmental requirements of our business partners or industry codes of conduct</li> <li>Restrictions on business activities due to laws and regulations</li> </ul>	<ul style="list-style-type: none"> <li>Acquisition of trust by stakeholders by strengthening environmental initiatives and improvement of long-term corporate value</li> <li>Reduction of GHG emissions at our plants and reduction of environmental impact on local communities</li> </ul>	<ul style="list-style-type: none"> <li>Implementation of environmental management (ISO 14001 certification acquired)</li> <li>Investigation of measures for reducing GHG emissions toward achieving carbon neutrality</li> <li>Installation of on-site solar power generation facilities for in-house use</li> <li>Reinforcement of visualization of electric power usage</li> </ul>	<ul style="list-style-type: none"> <li>Achieve carbon neutrality (zero Scope 1 and 2 emissions)</li> <li>Reduce the amount of water used by 1% or more in comparison with actual production (compared to FY2023)</li> </ul>	<ul style="list-style-type: none"> <li>CO<sub>2</sub> emissions Scope 1 302 t-CO<sub>2</sub> Scope 2 6,786 t-CO<sub>2</sub></li> <li>Reduced water usage by 9.2% in comparison with actual production (compared to FY2023)</li> </ul>
<b>(2) Contribution to carbon neutrality through products and services</b>	<ul style="list-style-type: none"> <li>Trade impact due to the provision of products that do not meet the environmental requirements of our business partners</li> <li>Reduced competitiveness of our products</li> </ul>	<ul style="list-style-type: none"> <li>Acquisition of business opportunities through the provision of products and services with low environmental impact</li> </ul>	<ul style="list-style-type: none"> <li>Expanded the EcoElectric series lineup</li> <li>Expanded opportunities to make carbon-neutral-related proposals to customers</li> </ul>	<ul style="list-style-type: none"> <li>Expand contribution to sales by EcoElectric series</li> </ul>	<ul style="list-style-type: none"> <li>Although efforts were focused on large-scale projects in North America, where business is performing well, adoption of the EcoElectric series did not increase, and orders from customers in Japan, where introduction is relatively advanced, decreased, resulting in a reduced contribution to sales</li> </ul>
<b>Building of a sustainable society</b>					
					   
<b>(3) Creation of new customer needs in accordance with social changes</b>	<ul style="list-style-type: none"> <li>Decrease of business opportunities due to delays in understanding needs and R&amp;D due to social changes</li> </ul>	<ul style="list-style-type: none"> <li>Improve competitive advantage by creating products and services that contribute to carbon neutrality</li> <li>Expand business fields beyond existing products and services</li> </ul>	<ul style="list-style-type: none"> <li>Developed and improved key devices in the battery field for electric vehicles (EVs)</li> <li>Developed and improved products to meet customer needs</li> <li>Carried out efforts in new fields such as medicine and plant genetic resource research</li> </ul>	<ul style="list-style-type: none"> <li>Expansion of battery and fuel cell-related equipment sales</li> <li>Expansion of semiconductor-related equipment sales</li> </ul>	<ul style="list-style-type: none"> <li>Battery and fuel cell-related equipment sales increased 11% compared to FY2023</li> <li>Semiconductor-related equipment sales increased 10% compared to FY2023</li> </ul>
<b>(4) Response to progress of digitalization</b>	<ul style="list-style-type: none"> <li>Decline in competitiveness and outflow of human resources due to a delay in responding to digitalization</li> </ul>	<ul style="list-style-type: none"> <li>Effective strategy formulation by understanding customer behavior and market trends through data analysis</li> </ul>	<ul style="list-style-type: none"> <li>Development of foundations toward creating a smart society</li> <li>Enhancement of the advancement of 3D design (implementation and training)</li> <li>Use of CADVR and emulators</li> <li>Automation of other business processes</li> </ul>	<ul style="list-style-type: none"> <li>Improve work efficiency by 30% by replacing core systems (compared to FY2024)</li> <li>Reduce the number of working hours per employee per year by 3% (compared to FY2023)</li> </ul>	<ul style="list-style-type: none"> <li>Reduce the number of working hours per employee per year by 0.5% (compared to FY2023)</li> </ul>

\* The goals and KPIs above are for Hirata Corporation alone

# Sustainability Management

Materiality (important issues)	Risks	Opportunities	Main initiatives	Goals and KPIs* for 2030	FY2024 results
<b>Bringing out the best in every person</b>					
<b>(5) Securing and training human resources</b>	<ul style="list-style-type: none"> <li>Lack of a group of engineers, which is necessary for establishing an order business when human resource development is insufficient</li> <li>Productivity decline due to inferior recruitment of human resources amid the shrinking labor force in Japan</li> </ul>	<ul style="list-style-type: none"> <li>Increase in employee engagement</li> <li>Acquisition of a competitive advantage in proposal-based businesses</li> <li>Opportunity to demonstrate organizational strength through diverse human resources in a highly uncertain business environment</li> </ul>	<ul style="list-style-type: none"> <li>Securing and training human resources</li> <li>Diversity, equity &amp; inclusion (DE&amp;I)</li> <li>Engagement surveys</li> <li>Expansion of training (specialized themes such as harassment, anger management, mental health, communication, evaluator training, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>Percentage of employees who are engaged: 20%</li> <li>Make the percentage of female employees in managerial positions equal to the percentage of male employees in managerial positions</li> <li>Increase the employment rate of persons with disabilities by 0.3% over the rate required by law</li> </ul>	<ul style="list-style-type: none"> <li>Percentage of employees who are engaged: 8%</li> <li>Percentage of female employees in managerial positions: 6.6%</li> <li>Employment rate of persons with disabilities: 2.14%</li> </ul>
	<b>(6) Creating diverse, safe, and secure workplaces</b>	<ul style="list-style-type: none"> <li>Impact on the physical and mental health of employees</li> <li>Stagnation of business activities due to occupational accidents</li> </ul>	<ul style="list-style-type: none"> <li>Realization of diverse workstyles</li> <li>Preservation of the physical and mental health of employees</li> </ul>	<ul style="list-style-type: none"> <li>Improve employees' work-life balance</li> <li>Create safe workplaces where employees can work with confidence</li> </ul>	<ul style="list-style-type: none"> <li>Strengthen health and productivity management initiatives (acquire "White 500" certification)</li> <li>Achieve occupational accident frequency rate of 0.4 or less</li> <li>Establish a human rights due diligence PDCA cycle for the Hirata Group and its suppliers</li> </ul>
<b>Strengthening of our management foundation</b>					
<b>(7) Improvement of product safety and quality</b>	<ul style="list-style-type: none"> <li>Distrust in the safety and quality of products and services</li> <li>Distrust of QCD and poor quality</li> </ul>	<ul style="list-style-type: none"> <li>Establish and strengthen trust in QCD</li> </ul>	<ul style="list-style-type: none"> <li>Promote quality management (ISO 9001 certification acquired)</li> <li>Promote standardization</li> </ul>	<ul style="list-style-type: none"> <li>Achieve response rate of 90% for customer satisfaction survey</li> <li>Achieve a weighted average score of 4.5 points or more for the customer satisfaction survey</li> <li>Continue to report zero serious accidents caused by products</li> </ul>	<ul style="list-style-type: none"> <li>Response rate: 76%</li> <li>Weighted average score on customer satisfaction survey: 3.94 points</li> <li>Serious accident caused by products: 0</li> </ul>
<b>(8) Supply chain management</b>	<ul style="list-style-type: none"> <li>Stagnation of business activities and nonfulfillment of contracts due to delays in delivery</li> <li>Decrease of business opportunities due to delays in environmental and social practices</li> </ul>	<ul style="list-style-type: none"> <li>Maintaining business continuity and strengthening of the production system</li> <li>Creation of trustful relationships with business partners</li> </ul>	<ul style="list-style-type: none"> <li>Reinforce and promote supply chain management</li> </ul>	<ul style="list-style-type: none"> <li>Ensure that there are no suppliers with a CSR procurement self-assessment score lower than 3.7 points (top 90% in transaction value)</li> </ul>	<ul style="list-style-type: none"> <li>Number of suppliers with a CSR procurement self-assessment score lower than 3.7 points: 131</li> </ul>
<b>(9) Enhancement of corporate governance</b>	<ul style="list-style-type: none"> <li>Loss of opportunities due to lack of investor relations and shareholder relations</li> <li>Deterioration of the business environment and stagnation of business due to lack of governance function</li> </ul>	<ul style="list-style-type: none"> <li>Acquisition of trust from stakeholders by responding to global standards</li> <li>Increased momentum for strategic change through appropriate oversight and execution of responsibilities</li> </ul>	<ul style="list-style-type: none"> <li>Stakeholder engagement</li> <li>Enhancement of corporate governance</li> </ul>	<ul style="list-style-type: none"> <li>Zero serious legal violations</li> <li>Zero key compliance item violations</li> </ul>	<ul style="list-style-type: none"> <li>Zero serious legal violations</li> <li>Number of key compliance item violations: 4</li> </ul>
<b>(10) Risk management</b>	<ul style="list-style-type: none"> <li>Loss of social credibility due to violations of laws, regulations, and compliance</li> </ul>	<ul style="list-style-type: none"> <li>Improvement of management and corporate culture by acting with integrity and ethics in addition to compliance with laws and regulations</li> <li>Establishment of a risk management system that aligns with management strategies</li> </ul>	<ul style="list-style-type: none"> <li>Adhere to compliance requirements for fair trade</li> <li>Risk management</li> <li>Maintenance of the soundness of financial capital</li> </ul>	<ul style="list-style-type: none"> <li>Zero serious legal violations</li> <li>Zero key compliance item violations</li> </ul>	<ul style="list-style-type: none"> <li>The key compliance items for FY2024 were child and forced labor, money laundering, conflicts of interest, accounting fraud, corruption and bribery, and harassment. During the year, there were four violations relating to harassment. In response, we implemented corrective and recurrence prevention measures following confirmation by the Compliance Committee and in accordance with our helpline operating regulations.</li> </ul>

\* The goals and KPIs above are for Hirata Corporation alone

## FOCUS Sustainability-related Initiatives

### Silver medal acquired in EcoVadis sustainability assessment

In March 2025, Hirata Corporation acquired a Silver medal in a sustainability assessment conducted by the international rating agency EcoVadis.

EcoVadis is an organization involved in evaluating the corporate social responsibility (CSR) of companies and organizations and assesses the sustainability initiatives within supply chains across the four domains of "Environment," "Labor & Human Rights," "Ethics," and "Sustainable Procurement" of over 150,000 companies in 185 countries worldwide.

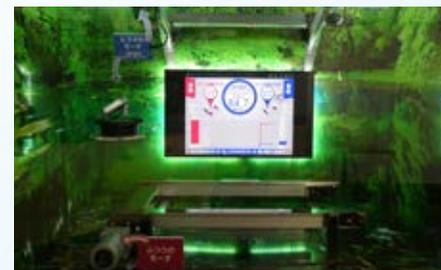
While Hirata Corporation received a Bronze rating in the previous assessment, it successfully achieved a Silver rating in the most recent assessment through continuous efforts to enhance its sustainability initiatives. A Silver medal is awarded to those ranking in the top 15% of corporations evaluated. Hirata Corporation will continue to fulfill its social responsibilities and engage in sustainable business activities.



### Exhibiting at Japan's first corporate partnership SDGs education facility, Kumamoto SDGs Mirai Park

Hirata Corporation is currently exhibiting at the Kumamoto SDGs Mirai Park, which has opened within the Sorayoka Visitor Center (Mashiki-machi, Kamimashiki-gun, Kumamoto Prefecture) in Aso Kumamoto Airport. This facility is an educational theme park at which children and student visitors on school or educational field trips from Japan and overseas engage in exploratory learning centered on the implementation of SDGs and on careers. It aims to provide the children who will be responsible for shaping the region's future with opportunities to put the SDGs into practice as well as to disseminate information about corporate SDGs initiatives.

At our exhibition corner, we are showcasing semiconductor wafer transfer robots and energy-saving conveyors utilizing the Hirata BLUE MOTOR.



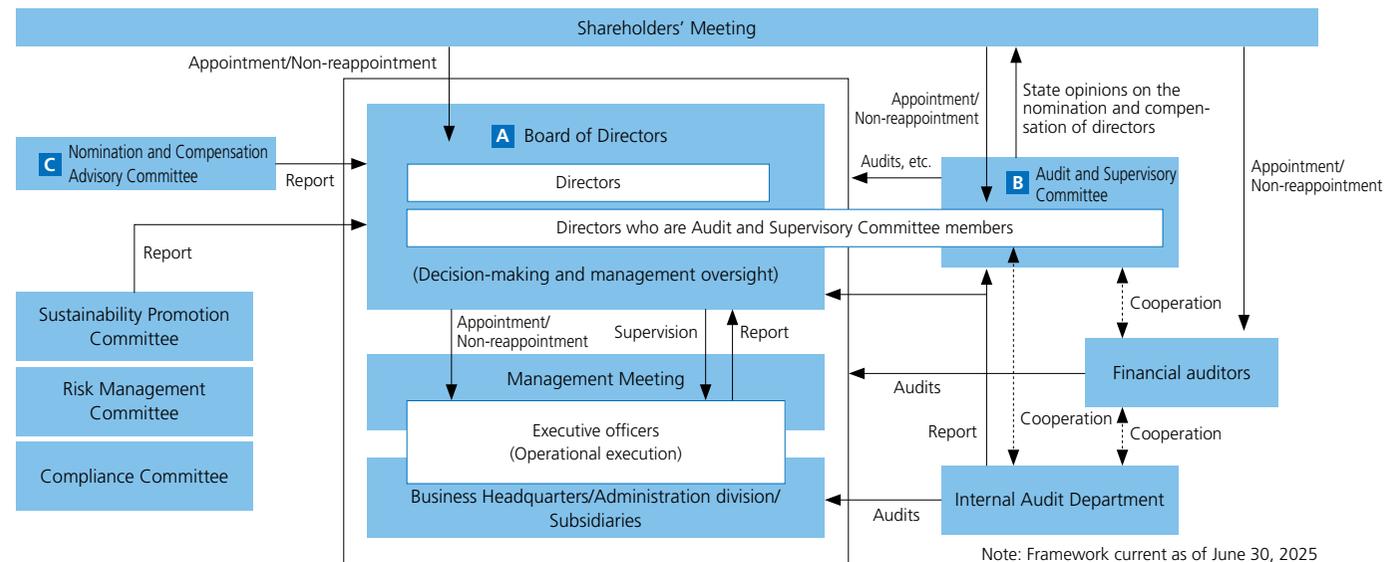
# Corporate Governance

## Basic stance

As a company that targets the global marketplace, Hirata Corporation has promoted sound and effective management activities with an emphasis on corporate governance to fulfill its social responsibilities. Hirata is thus working to enhance its compliance system, continuously strengthen its business competitiveness, and further improve its corporate value.

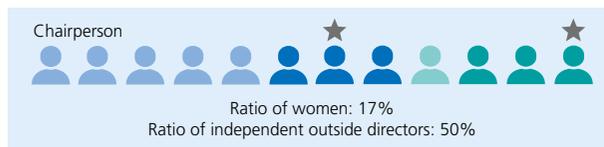
From the standpoint that a company is an entity that bears public responsibility, public interest, and social responsibilities, Hirata believes that the maintenance of good relationships with all stakeholders will lead to improved shareholder value over the long term.

## Governance framework



## Operational status of Board of Directors, Audit and Supervisory Committee, and Nomination and Compensation Advisory Committee (FY2024)

### A Board of Directors



The Board of Directors makes decisions regarding key matters including management policies for our corporate group and medium-term business plans and annual strategies. It also supervises the progress of the business plans and the execution of duties by the executive team to ensure appropriate governance. To clarify the responsibilities of directors, the term of office of directors is set at one year (two years for directors who serve as Audit and Supervisory Committee members). Regular board meetings are held once a month, with additional extraordinary meetings convened as necessary.

In fiscal 2024, the Board of Directors convened 13 times, and an average attendance rate by directors and directors who serve as Audit and Supervisory Committee members was 98.75%. The main topics addressed included the Medium-Term Management Plan, financial strategies, capital policy, various functional strategies such as human resource strategies, and the status of business execution.

### B Audit and Supervisory Committee



Each Audit and Supervisory Committee member possesses a high level of expertise, and since they hold the position of director, they are able to conduct more accurate auditing. Also, as part of the Board of Directors' effectiveness assessments, we conduct surveys and analyses on the effectiveness of the Audit and Supervisory Committee, targeting only those directors who are also Audit and Supervisory Committee member.

In fiscal 2024, the Audit and Supervisory Committee convened 18 times with an average attendance rate of 100% (all members). The main topics discussed included the practice of risk-based auditing, the status of progress on management strategy initiatives, efforts to enhance the effectiveness of the Board of Directors, the development and operation of Group quality management systems, and the improvements concerning recommendations from previous fiscal years.

### C Nomination and Compensation Advisory Committee



The Company established the Nomination and Compensation Advisory Committee as a voluntary advisory body to the Board of Directors. The purpose of this committee is to deliberate important matters, such as the nomination and compensation of directors and executive officers, and to thereby ensure the objectivity and transparency of these matters and to further strengthen the corporate governance system.

The committee convened 10 times in fiscal 2024 with an average attendance rate of 100% (all members). The main topics discussed were nomination of and compensation for directors and executive officers, determination of policies on nomination and compensation, operation of succession plans for executives including the president, and other matters referred by the Board of Directors.

Internal director (blue circle), Internal director (full-time Audit and Supervisory Committee member) (teal circle), Independent outside director (light blue circle), Independent outside director (Audit and Supervisory Committee member) (dark teal circle), Woman (star)

## Corporate Governance

### Evaluations of effectiveness of Board of Directors' meetings (FY2024)

To improve the effectiveness of its Board of Directors' meetings, the Company has evaluations of their effectiveness conducted by a third-party organization. Based on the results of the evaluations, the issues are shared and countermeasures are discussed at Board of Directors' meetings.

<b>Method of evaluation</b>	Anonymous questionnaires and individual interviews for all directors, including Audit and Supervisory Committee members, conducted by a third-party organization (individual interviews held every other year)
<b>Main evaluation question items</b>	<ul style="list-style-type: none"> <li>The role, composition, operation, discussion, and monitoring of the Board of Directors</li> <li>Director performance</li> <li>Support system and training for directors</li> <li>Dialogue with shareholders (investors)</li> <li>Operational status of discretionary committees, etc.</li> </ul>

FY2023 evaluation results (issues)	FY2024 initiatives	FY2024 evaluation results (issues)	Future initiatives
<ul style="list-style-type: none"> <li>Discussions on medium- to long-term strategies and business plans</li> <li>Discussions on human capital and intellectual property</li> <li>Strengthening of Group governance</li> <li>Creation of ways to enhance discussions among directors</li> <li>Effective succession plan implementation etc.</li> </ul>	<ul style="list-style-type: none"> <li>Enhancement of opportunities for and quality of discussions toward the formulation of the next Medium-Term Management Plan</li> <li>Review the approach to explaining agenda items to directors in advance of Board of Directors' meetings</li> <li>Deepening of discussions during Nomination and Compensation Advisory Committee meetings and appropriate reporting to the Board of Directors</li> </ul>	<ul style="list-style-type: none"> <li>Enhancement of discussions at Board Meetings and follow-up</li> <li>Strengthening oversight of internal control system operations</li> <li>Further promotion of human capital management etc.</li> </ul>	<ul style="list-style-type: none"> <li>Further review of board operations and utilization of off-site meetings to enhance the quality of discussions</li> <li>Deepening discussions on group governance and human resources strategy, with appropriate reporting to the Board of Directors</li> </ul>

### Executive training and support system for outside directors

We are working to deepen our understanding of the Company through training for officers, providing and explaining support systems for outside officers, and visiting production bases. Additionally, the Company provides necessary support for outside officers to fulfill their roles, such as holding preliminary briefings for outside officers prior to meetings of the Board of Directors and providing opportunities for interviews with key executive officers and employees.

For more detailed information concerning corporate governance, see the Corporate Governance Report (Japanese only) or the Company website.  
[https://www.hirata.co.jp/burger\\_editor/burger\\_editor/dl/306\\_Y2dfMjAyNTA2Mjc-d-.pdf](https://www.hirata.co.jp/burger_editor/burger_editor/dl/306_Y2dfMjAyNTA2Mjc-d-.pdf)  
<https://www.hirata.co.jp/en/sustainability/esg/corporate>

### Changes to corporate governance

<b>2005</b>	<ul style="list-style-type: none"> <li>Introduction of executive officer system</li> <li>Management meeting held</li> </ul>
<b>2006</b>	<ul style="list-style-type: none"> <li>Stock listed on the former JASDAQ Securities Exchange</li> </ul>
<b>2014</b>	<ul style="list-style-type: none"> <li>Appointed one independent outside director</li> <li>Abolition of executive retirement benefits system</li> </ul>
<b>2016</b>	<ul style="list-style-type: none"> <li>Appointed two independent outside directors</li> </ul>
<b>2017</b>	<ul style="list-style-type: none"> <li>Stock market listing changed to First Section of Tokyo Stock Exchange</li> <li>Establishment of independence standards for outside directors</li> <li>Introduction of stock options</li> <li>Began evaluations of Board of Directors' effectiveness</li> </ul>
<b>2018</b>	<ul style="list-style-type: none"> <li>Establishment of voluntary Nomination and Compensation Advisory Committee</li> </ul>
<b>2019</b>	<ul style="list-style-type: none"> <li>Shortened director term of office from two years to one year</li> <li>Independent outside directors to account for at least one-third of those present at Board of Directors' meetings</li> </ul>
<b>2021</b>	<ul style="list-style-type: none"> <li>Policy decisions on executive compensation, etc.</li> <li>Introduction of performance-linked compensation system</li> </ul>
<b>2022</b>	<ul style="list-style-type: none"> <li>Moved to Tokyo Stock Exchange Prime Market</li> <li>Appointed two female directors</li> <li>Appointed one female Audit and Supervisory Board member</li> <li>Skills matrix disclosure</li> </ul>
<b>2023</b>	<ul style="list-style-type: none"> <li>Transitioned to a company with an audit and supervisory committee</li> </ul>
<b>2024</b>	<ul style="list-style-type: none"> <li>Independent outside director appointed as committee chair of the Nomination and Compensation Advisory Committee</li> </ul>

## Message from the Chair of the Audit and Supervisory Committee



**We contribute to the enhancement of corporate value with audits mindful of developing human resources and emphasizing dialogue.**

**Naoya Otsuka**

Director, Full-time Audit and Supervisory Committee Member

I have been involved with internal auditing operations at Hirata Corporation since 2023. Since June 2025, I have been in a position to contribute more directly toward strengthening governance as both a full-time Audit and Supervisory Committee member and as chair of that same committee. Through my activities to date, I have come in contact with Hirata Corporation's advanced technological strengths, the teamwork in its workplaces, and its corporate philosophy of valuing people, and gotten a real sense of how great a role our company plays in society.

Prior to my current position, I worked as a branch manager for a regional bank. Following that, I dealt with risk management and so forth in a business management position at the head office. Furthermore, as one of the responsible parties in the audit department, I worked to bolster internal controls and compliance systems. Later, I also got involved in management as the representative of an affiliated company, and cultivated expertise in both auditing and management. Through these experiences, I was able to learn in depth about the importance of management that draws out the power of the frontline workplace and the impact that organizational culture has on management. I believe that such information can be seriously put to work toward strengthening governance at Hirata Corporation.

For example, I firmly believe that prioritizing connections with the local community while making efforts into early risk detection and improving the effectiveness of internal controls is useful toward building an organization trusted by its stakeholders at a company like ours that pursues global and diverse businesses. I also feel my attitude when I was a bank employee of valuing dialogue with customers is something that leads to such matters as enhancing information disclosure.

My mission as chair of the Audit and Supervisory Committee is to carry out audits that lead to improving corporate value. Since fiscal 2025, based on our Principles of Conduct for Audit Committee Members, each committee member holds a higher sense of ethics and humble attitude in their actions while maintaining their independence and objectivity. We are directing our energies particularly to the detection of management issues, and while carefully picking up on what is being said in workplaces we are strengthening our monitoring of management in collaboration with internal auditors and financial auditors. Paying respect to Hirata's Management Philosophy that "brings out the best in every person," we also want to contribute to the development of

human resources by making sound evaluations of their strengths and providing constructive feedback on those areas for improvement.

Our governance framework is well-balanced between internal and outside directors. Discussions are actively carried out by the Board of Directors to ensure the transparency and soundness of management. Our outside directors provide constructive opinions using expert knowledge from their respective fields and contribute significantly to improving the quality of decision-making. The Audit and Supervisory Committee is a place where we can work together with the Internal Audit Department to steadily move forward on initiatives that are highly effective.

When it comes to the issues for the future, one is that of strengthening the risk management capabilities of the Group as a whole. With the environment around companies changing rapidly, what is called for is creating a system that can flexibly respond to unforeseen circumstances. We will heighten the capabilities of the Group as a whole to deal with risk by pushing forward on strengthening the information collection structures that include Group companies and developing an emergency response framework.

The digitalization of auditing operations is also an important theme. By using technologies like generative AI, we expect to see further improvements in the efficiency of information organization and operations that in turn will enable deeper analyses and faster responses. Through this, we believe that the quality and speed of our audits will improve, and that the level of our contribution to corporate value will also rise.

Furthermore, when it comes to human resource development, we need to deal with it from a long-term perspective. As the Audit and Supervisory Committee, we will provide advice and support such that the human resources who will represent the future will be fostered through support for obtaining qualifications and educational opportunities. In particular, we believe it is necessary to train the personnel engaged in audit work such that they go beyond just performing checks so to have a perspective that is also conducive to improving corporate value.

Going forward, we will continue to contribute to the sound development of the Hirata Corporation by fulfilling our responsibilities as the Audit and Supervisory Committee while working to achieve highly transparent management and build trusting relationships with society. We sincerely hope for the understanding and support of our shareholders and investors for our initiatives.

## Messages from Outside Directors



**Ryoko Ueda**  
Outside Director

### Enhancing value by polishing technological capabilities and bolstering the driving force of management

Under the concept of “*Jin-Gi-Kou-Ken*,” the employees of Hirata have endeavored to polish their technological capabilities and to work with pride and motivation. In addition to this high level of technological prowess nurtured over Hirata’s long history, bolstering the driving force of management in the form of drafting and executing strategies has led to the further enhancement of corporate value. This, I believe, is the foundation of trustworthy relations with all our stakeholders.

Over the three years since my appointment as an outside director of Hirata, there has been an increase in opportunities for lively discussions, mindful of Hirata’s corporate value, between outside directors, in-house officers, and employees. I feel that the results of these discussions have been crystallized as the Medium-Term Management Plan announced in May 2025.

Hirata’s Board of Directors comprises members with a wide range of professional backgrounds. In the compilation of the Medium-Term Management Plan, we pitted these expert and diverse opinions against one another. Through these lively discussions, I sense that the driving force of Hirata’s management has risen to an even higher level. Our next challenge is to steadily execute the new plan.

At the same time, there are problems as well. Hirata engages in global businesses, and Group governance, including the running of

overseas affiliates, often takes place from a business perspective. In particular, it cannot be said that the Headquarters’ control of risk management is adequate. Going forward, it is necessary for us to put more effort into Group governance and strive to enhance the corporate value of the entire global Group.

For more than 20 years I was involved in work relating to the capital market and corporate governance at a financial institute, and I have experience of being stationed in London too. After my return to Japan, I changed my job and became a university professor. Currently, in parallel with my research, I serve as a member of a government council. In addition to being involved in the revision of Japan’s Stewardship Code and Corporate Governance Code, I have experienced the activities of the International Financial Reporting Standards (IFRS) and other international bodies.

On the basis of these varied experiences, I will contribute to the promotion of Hirata’s global management and the value enhancement of the Group as a whole. And while highlighting the culture based on Hirata’s technological prowess, I intend to lend an ear to shareholders and stakeholders and work hard toward enhancing Hirata’s corporate value and achieving our sustained growth.

### Giving shape to highly original ideas ourselves and thereby achieving a further leap in Hirata’s high level of technological strength

Since my appointment as an outside director in June 2024, I myself have been greatly inspired through not only meetings of all kinds but also brainstorming lectures and other wide-ranging activities. In particular, plant tours have given me a firm belief in Hirata’s technological proficiency, which is top-class both domestically and globally. This is not something that can be acquired overnight. It is the result of the whole company coming together under the slogan “*Jin-Gi-Kou-Ken*” and making modest, painstaking efforts over many years. The products and services created by this technological strength have the potential for further development.

I have been involved in robot-related research at such places as the Massachusetts Institute of Technology, Tohoku University, the University of Electro-Communications, and the University of Osaka. Within the field of robot engineering, I have been consistently involved in creating mechanism principles and realizing actual devices. I have come up with

ideas for some highly innovative mechanisms, such as the Omni-Ball omnidirectional wheel. Rather than being content with simply conceiving ideas, I place importance on the procedures of designing an actual device, moving it with my own hands to give it shape, and checking the feasibility of ideas through tests. I hope to utilize the knowledge and ideas that I have accumulated so far to further heighten Hirata’s technological prowess.

On the manufacturing floor, it is important to not only see things but also be mindful of them. There are many synonyms of the word seeing, such as watching, observing, gazing, or examining, but being mindful embraces a desire to extend consideration to other people and things. There is a proverb about not being able to see the wood for the trees. Being mindful about both the wood and the trees, I want to support Hirata’s value creation by engendering activities to build both the present and the future.



**Kenjiro Tadakuma**  
Outside Director

## List of Officers (As of September 1, 2025)

### Directors



#### Yuichiro Hirata

Representative Director

As representative director and president, Mr. Hirata has led the management of the Company and made a meaningful contribution to the development of its businesses.

**Number of shares owned:** 875,100 shares  
**Number of Board of Directors' meetings attended:** 13/13



#### Shigeru Maeda

Director

Having previously served as manager mainly of automobile sector departments as well as manager of the Business Promotion Division for the entire company, and manager of the Business Headquarters and made a meaningful contribution to the development of its businesses, Mr. Maeda is currently leading the Company's management as vice president.

**Number of shares owned:** 6,000 shares  
**Number of Board of Directors' meetings attended:** 13/13



#### Masaru Kozaki

Director

In addition to having served in the capacity of representative of a local affiliate in Singapore for six years, Mr. Kozaki has made a meaningful contribution to the business development of the Group globally by, for example, being in charge of affiliate companies. He is currently in charge of the Global Business.

**Number of shares owned:** 2,400 shares  
**Number of Board of Directors' meetings attended:** 13/13



#### Hideki Ninomiya

Director

Mr. Ninomiya has been mainly responsible for legal affairs, risk management, and corporate governance and has made a significant contribution to strengthening the Company's governance and management base. He is currently head of the Administration Division.

**Number of shares owned:** 9,600 shares  
**Number of Board of Directors' meetings attended:** 13/13



#### Takenori Hirakawa

Director

Mr. Hirakawa has served primarily as the head of business divisions in the robotics field as well as the head of sites for production engineering, processing, and electronic component manufacturing and development and currently leads the Company's management from a business perspective as head of the Business Headquarters.

**Number of shares owned:** 13,200 shares  
**Number of Board of Directors' meetings attended:** – (appointed in June 2025)



#### Satoru Ogawa

Outside Director Outside Independent Officer

In addition to extensive experience in the formulation of information strategies and corporate management at other companies, Mr. Ogawa possesses sophisticated insight into manufacturing and corporate management. He has served as an outside director of the Company since 2021.

**Number of shares owned:** 300 shares  
**Number of Board of Directors' meetings attended:** 13/13  
**Status of important concurrent positions:**  
Representative Director and President, Wako Industries Co., Ltd.



#### Ryoko Ueda

Outside Director Outside Independent Officer

Ms. Ueda possesses extensive experience and sophisticated insight as an expert on corporate governance and ESG. She has served as an outside director of the Company since 2022.

**Number of shares owned:** 1,200 shares  
**Number of Board of Directors' meetings attended:** 13/13  
**Status of important concurrent positions:**  
Senior Research Fellow, Mizuho Investor Relations Co., Ltd.  
Member, Certified Public Accountants and Auditing Oversight Board  
Professor, SBI Graduate School  
Visiting Professor, Kyoto University Outside Director, TOKAI Holdings Corporation  
Outside Director, Koei Chemical Co., Ltd.  
Outside Director and Member of the Audit Committee, Eisai Co., Ltd.



#### Kenjiro Tadakuma

Outside Director Outside Independent Officer

As a researcher in robot technology, which is our business field, Mr. Tadakuma possesses a wealth of experience and an outstanding track record, and is currently engaged in advanced technology research at a university. He has served as an outside director of the Company since 2024.

**Number of shares owned:** –  
**Number of Board of Directors' meetings attended:** 10/10 (appointed in June 2024)  
**Status of important concurrent positions:**  
Professor, Graduate School of Engineering Science, Osaka University

Note: On April 1, 2025, the Company implemented a three-for-one stock split of its common shares. The number of shares outstanding is presented on a post-split basis.

## List of Officers (As of September 1, 2025)

### Directors and Audit and Supervisory Committee Members



#### Naoya Otsuka

Director, Full-time Audit and Supervisory Committee Member

Mr. Otsuka possesses specialized knowledge and experience as an auditor in financial institutions and as a representative director of a general company. He has served as a director and full-time Audit and Supervisory Committee member for the Company since 2025.

**Number of shares owned:** –  
**Number of Board of Directors' meetings attended:** – (appointed in June 2025)  
**Number of Audit and Supervisory Committee meetings attended:** – (appointed in June 2025)



#### Yasuhiko Endo

Outside Director, Audit and Supervisory Committee Member Outside Independent Officer

Mr. Endo possesses specialized knowledge as a certified fraud examiner (CFE) and a wealth of experience and insight regarding stocks and management. He has served as an outside Audit and Supervisory Board member for the Company since 2018.

**Number of shares owned:** 1,800 shares  
**Number of Board of Directors' meetings attended:** 13/13  
**Number of Audit and Supervisory Committee meetings attended:** 18/18  
**Status of important concurrent positions:**  
 Outside Director and Audit and Supervisory Committee Member, SAC'S BAR HOLDINGS INC.



#### Ken Imamura

Outside Director, Audit and Supervisory Committee Member Outside Independent Officer

Mr. Imamura possesses specialized knowledge and experience as a lawyer handling corporate legal affairs. He has served as an outside Audit and Supervisory Board member for the Company since 2015.

**Number of shares owned:** –  
**Number of Board of Directors' meetings attended:** 13/13  
**Number of Audit and Supervisory Committee meetings attended:** 18/18  
**Status of important concurrent positions:**  
 Partner, Okuno & Partners



#### Asako Okabe

Outside Director, Audit and Supervisory Committee Member Outside Independent Officer

As a certified public accountant (CPA) possessing specialized knowledge and extensive experience in corporate accounting, Ms. Okabe has served as an outside Audit and Supervisory Board member for the Company since 2022.

**Number of shares owned:** –  
**Number of Board of Directors' meetings attended:** 13/13  
**Number of Audit and Supervisory Committee meetings attended:** 18/18  
**Status of important concurrent positions:**  
 Representative, Okabe Asako Certified Public Accountant Office  
 Audit and Supervisory Committee Member and Outside Director, Mr Max Holdings Ltd.  
 Outside Director, ZENRIN CO., LTD  
 Vice President, Hokubu Kyushu Chapter, Japanese Institute of Certified Public Accountants (JICPA)

### Skills matrix of the Company's directors

For the Board of Directors to fulfill its responsibilities of realizing sustainable growth and supervising business execution, the Company has defined the key skills and areas of experience required of its directors—corporate management, industry knowledge, technology and R&D, global perspective, risk management, finance and accounting, and ESG expertise—and aims to maintain a Board of Directors that is well balanced in terms of its composition.

Name	Corporate management	Industry knowledge	Technology and R&D	Global perspective	Risk management	Finance and accounting	ESG expertise
<b>Directors (excluding directors who are Audit and Supervisory Committee members)</b>							
Yuichiro Hirata	●	●	●	●			●
Shigeru Maeda	●	●	●				●
Masaru Kozaki	●	●		●			
Hideki Ninomiya	●				●	●	●
Takenori Hirakawa	●	●	●				
Satoru Ogawa (Outside Director)	●			●	●		
Ryoko Ueda (Outside Director)	●				●	●	●
Kenjiro Tadakuma (Outside Director)		●	●				
<b>Directors who are Audit &amp; Supervisory Committee members</b>							
Naoya Otsuka	●				●	●	
Ken Imamura (Outside Director)	●				●		
Yasuhiko Endo (Outside Director)	●				●	●	
Asako Okabe (Outside Director)	●				●	●	

Note: The above shows the knowledge, experience, and capabilities particularly expected of each individual and is not a complete list of all the expertise possessed by said individuals.

### Executive Officers

#### Yuichiro Hirata

Representative Director, President

#### Shigeru Maeda

Director, Vice Presidents and Executive Officer

#### Masaru Kozaki

Director, Managing Executive Officer  
 Division Director, Global Business Headquarters

#### Hideki Ninomiya

Director, Executive Officer  
 Division Director, Administration Division

#### Takenori Hirakawa

Director, Executive Officer  
 Division Director, Business Headquarters

#### Toshiyuki Matsuzaki

Executive Officer  
 Division Director, Procurement Division, In Charge of Quality Control

#### Shigeharu Nishimura

Executive Officer  
 Division Director, Research and Development Headquarters

#### Nobuyuki Ono

Executive Officer  
 Executive General Manager, #1 Business Unit, Business Headquarters

#### Hidetoshi Eto

Executive Officer  
 Deputy Division Director, Business Headquarters and Executive General Manager, #2 Business Unit

#### Seigo Murakami

Executive Officer  
 Executive General Manager, #3 Business Unit, Business Headquarters

#### Kazuhiro Nakao

Executive Officer  
 Executive General Manager and Director of Device Center, #4 Business Unit, Business Headquarters

#### Jo Yoneda

Executive Officer  
 In Charge of General Affairs, Information Systems, and Secretarial Section, Administration Division

#### Miho Mori

Executive Officer  
 In Charge of Human Resources, Legal & Compliance, Administration Division

#### Kenichi Nishida

Executive Officer  
 In Charge of Finance & Accounting, Corporate Communication, Administration Division

## Principal Financial/Non-financial Data

## Financial data (consolidated)

Item	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
<b>Net sales (Thousands of yen)</b>	52,145,406	53,048,377	80,542,366	94,163,561	77,302,745	65,612,306	65,255,919	67,087,433	78,443,846	82,839,457	<b>88,483,792</b>
<b>Operating profit (Thousands of yen)</b>	2,123,053	2,924,843	8,247,285	9,371,006	6,249,169	2,736,754	4,995,273	3,856,104	5,920,209	6,047,910	<b>6,898,151</b>
<b>Profit before adjustment for income taxes (Thousands of yen)</b>	1,935,017	2,734,125	8,400,835	9,242,225	6,215,587	2,881,784	5,169,129	4,266,785	5,861,257	6,762,644	<b>6,904,886</b>
<b>Profit attributable to owners of parent (Thousands of yen)</b>	946,787	1,713,342	5,891,441	6,666,227	4,637,978	1,744,770	4,075,964	2,682,267	4,269,969	4,344,188	<b>4,778,142</b>
<b>Net assets (Thousands of yen)</b>	21,864,968	21,584,433	27,571,776	46,582,462	46,610,448	46,993,088	51,999,042	54,938,509	59,575,645	65,302,388	<b>68,839,271</b>
<b>Total assets (Thousands of yen)</b>	61,798,755	59,681,671	88,246,646	95,330,813	90,573,727	85,409,651	92,794,895	99,485,900	114,522,788	130,787,926	<b>130,278,558</b>
<b>D/E ratio (Times)</b>	0.91	0.81	0.95	0.46	0.41	0.31	0.36	0.44	0.50	0.57	<b>0.50</b>
<b>Cash flows from operating activities (Thousands of yen)</b>	3,704,748	2,651,214	(5,862,118)	(1,932,931)	10,579,685	8,094,504	690,065	(3,444,072)	(5,687,502)	(4,592,173)	<b>9,427,955</b>
<b>Cash flows from investing activities (Thousands of yen)</b>	(402,881)	(872,030)	(1,445,514)	(4,425,279)	(1,994,763)	(2,629,885)	(2,378,900)	(1,082,530)	(2,057,413)	(2,233,081)	<b>(2,023,079)</b>
<b>Cash flows from financing activities (Thousands of yen)</b>	(2,816,534)	(3,549,306)	8,152,082	6,990,056	(6,002,410)	(5,719,431)	3,536,717	4,150,348	5,101,568	5,866,978	<b>(5,591,004)</b>
<b>R&amp;D expenses (Thousands of yen)</b>	449,500	601,756	677,866	784,561	1,162,175	1,005,512	866,310	1,020,326	1,229,849	1,385,428	<b>1,442,389</b>
<b>Capital expenditures (Thousands of yen)</b>	790,003	1,047,573	2,090,645	2,397,132	4,135,668	2,580,584	3,160,102	1,464,615	2,708,959	5,200,948	<b>1,362,822</b>
<b>Depreciation (Thousands of yen)</b>	951,832	920,171	971,026	1,080,489	1,198,906	1,225,779	1,453,916	1,478,400	1,494,281	1,813,969	<b>1,952,378</b>
<b>Basic earnings per share (Yen)</b>	91.19	171.13	624.39	640.73	440.89	168.15	392.70	258.42	411.23	418.27	<b>154.33</b>
<b>Dividends per share (Yen)</b>	15.0	30.0	100.0	125.0	125.0	40.0	65.0	65.0	90.0	100.0	<b>120.0</b>
<b>Dividend payout ratio (%)</b>	16.4	17.5	16.0	19.5	28.4	23.8	16.6	25.2	21.9	23.9	<b>25.9</b>
<b>Operating profit ratio (%)</b>	4.1	5.5	10.2	10.0	8.1	4.2	7.7	5.7	7.5	7.3	<b>7.8</b>
<b>ROE (%)</b>	4.7	8.0	24.3	18.2	10.1	3.8	8.3	5.1	7.5	7.0	<b>7.2</b>
<b>ROA (%)</b>	1.6	2.8	8.0	7.3	5.0	2.0	4.6	2.8	4.0	3.5	<b>3.7</b>
<b>Equity-to-asset ratio (%)</b>	34.9	35.6	30.9	48.3	50.9	54.4	55.5	54.8	51.7	49.7	<b>52.7</b>

Notes: 1. The Company applied the Partial Amendments to Accounting Standard for Tax Effect Accounting (Accounting Standards Board of Japan [ASBJ] Statement No. 28, issued on February 16, 2018) from the beginning of fiscal 2018, and the main management indicators, etc., related to fiscal 2017 are those after retroactive application of said accounting standard.

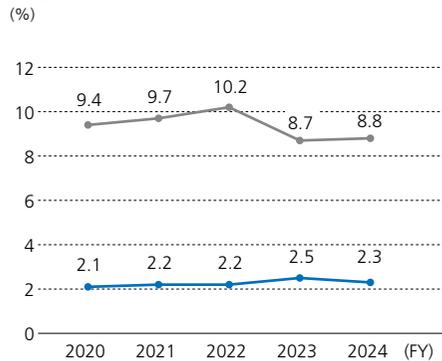
2. The Company applied the Accounting Standard for Revenue Recognition from fiscal 2021.

3. On April 1, 2025, the Company implemented a three-for-one stock split of its common shares. Accordingly, earnings per share for fiscal 2024 have been retrospectively adjusted to reflect the stock split.

# Principal Financial/Non-financial Data

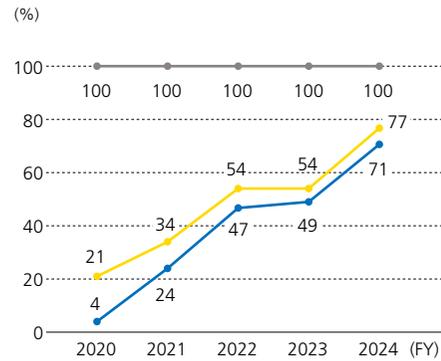
## Non-financial data (non-consolidated)

### Employee turnover rate



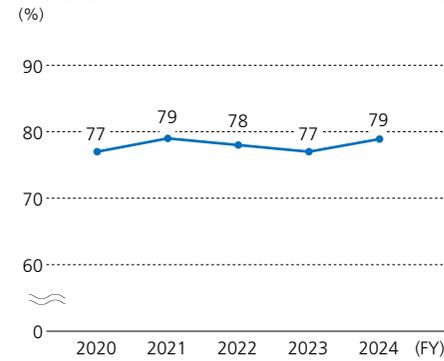
◆ Hirata Corporation ◆ National average\*  
 Note: In reference to employee turnover rate (between January and December of each year) in the manufacturing industry, based on "Outline of Employment Trend Survey Results," Ministry of Health, Labour and Welfare

### Childcare leave utilization rate



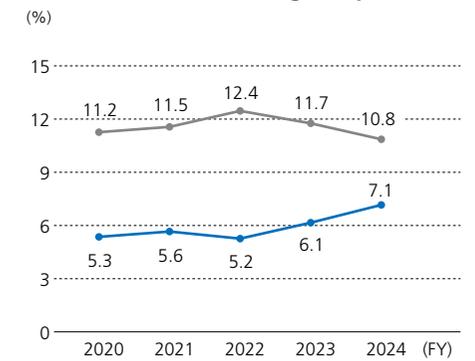
◆ Men ◆ Women ◆ Total

### Salary gap between male and female employees



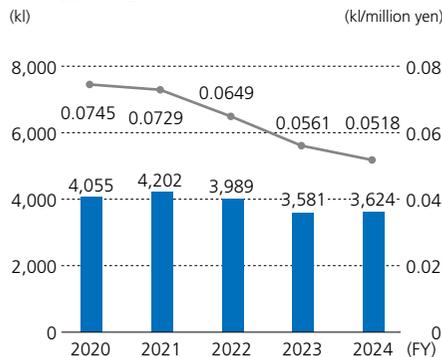
Notes: 1. Average salary ratio for women assuming the average salary (annual salary) for men is 100  
 2. Full-time employee basis

### Ratio of women in managerial positions



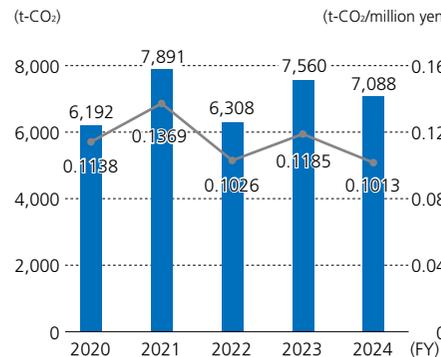
◆ Ratio of women in managerial positions  
 ◆ Ratio of women serving as section heads

### Energy usage



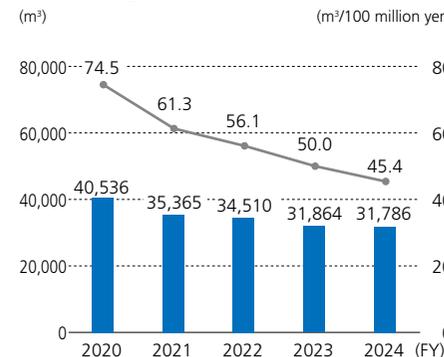
■ Electricity usage  
 ◆ Energy usage per unit of output  
 Note: Calculations are for Scope 1 and Scope 2 emissions.

### CO<sub>2</sub> emissions



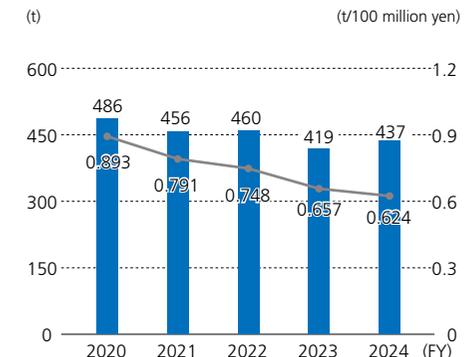
■ CO<sub>2</sub> emissions  
 ◆ CO<sub>2</sub> emissions per basic unit  
 Note: Calculations are for Scope 1 and Scope 2 emissions.

### Water usage



■ Water usage  
 ◆ Amount of water usage per 100 million yen of actual production

### Industrial waste output



■ Industrial waste output  
 ◆ Amount of industrial waste target substance output per 100 million yen of actual production

Note: Figures for prior years have been retrospectively revised to reflect corrections to calculation coefficients.

## Company Profile/Stock Status

### Policy for dialogue with shareholders and investors

The Company discloses information appropriately in accordance with relevant laws and regulations. In order to gain the correct understanding and trust of shareholders and investors, even if the disclosure items do not fall under laws and regulations, we strive to disclose corporate information that is judged to have a material impact on investment decisions in a timely, accurate, and fair manner.

We formulated an IR strategy from a medium- to long-term perspective and reported it to the Board of Directors in April 2024. Going forward, we will continue to strengthen our efforts to enhance dialogue with capital markets.

#### Specific examples of initiatives

- Holding financial results briefings quarterly, instead of semi-annually, starting from fiscal 2024
- Increasing the number of company briefings for individual investors
- Holding company briefings for overseas investors
- Holding company briefing sessions for securities company sales representatives (strengthening appeal to individual investors)
- Prepared “Investors’ Guide 2025” and made it available on our corporate website (<https://www.hirata.co.jp/files/uploads/investorguide2025.pdf>) (Japanese only)
- Main products, distribution channels, major customers, competitive advantages, etc., for each business segment are described in the financial results briefing materials.

In addition, the content of communication with shareholders and investors is reflected in the enhancement of day-to-day IR activities and is reported quarterly to the Board of Directors, which is utilized in management activities aimed at further enhancing corporate value.



### IR activity performance

Activity	Times held in FY2021	Times held in FY2022	Times held in FY2023	Times held in FY2024
Meetings for analysts and institutional investors	133	166	211	189
Financial results briefings	2	2	2	4
Company briefings for individual investors	0	1	3	4

### Social contribution activities

We contribute to the realization of a sustainable society by engaging in social contribution activities such as disaster recovery support activities, environmental protection activities, and support activities for higher education.



Regional clean-up activity



Food drive to support children's cafeterias



A ceremony to commemorate the establishment of the Kumamoto Future Scholarship Association



Donated food supplies to children's cafeterias

## Company Profile/Stock Status

### Company profile (as of March 31, 2025)

<b>Company name</b>	HIRATA Corporation
<b>Headquarters</b>	111 Hitotsugi, Ueki, Kita, Kumamoto, 861-0198 Japan
<b>Representative</b>	Yuichiro Hirata, Representative Director, President
<b>Date established</b>	December 29, 1951
<b>Fields of business</b>	Manufacture and sale of various manufacturing line systems, industrial robots, and logistics equipment

<b>Capital</b>	¥2,633 million
<b>Employees</b>	Consolidated: 1,995; Non-consolidated: 1,196 (excluding temporary employees)
<b>Fiscal year-end</b>	March 31
<b>Stock exchange listing</b>	Listing Tokyo Stock Exchange Prime Market

### Stock Status (as of March 31, 2025)

#### Stock information

<b>Authorized number of shares</b>	37,000,000
<b>Issued number of shares</b>	10,756,090
<b>Total number of shareholders</b>	15,445

#### Major shareholders

Name/Company name	Number of shares held	Percentage of shares held
The Master Trust Bank of Japan, Ltd. (Trust Account)	1,010,000	9.85
Custody Bank of Japan, Ltd. (Trust Account)	589,900	5.75
SMC Corporation	500,000	4.87
Higo Bank, Ltd.	456,000	4.45
Mizuho Trust & Banking Co., Ltd. (Trust Account) Securities Management Trust 0700096	400,000	3.90
Yuichiro Hirata	291,700	2.84
NIKKON Holdings Co., Ltd.	272,400	2.66
Hirata Corporation Employees Stockholdings	229,710	2.24
SANYO DENKI CO., LTD.	192,900	1.88
BNP PARIBAS LUXEMBOURG/2S/JASDEC/FIM/LUXEMBOURG FUNDS/ UCITS ASSETS (Standing proxy: Custody Services Department, Tokyo Branch, the Hongkong and Shanghai Banking Corporation Limited)	180,000	1.75

Note 1. In addition to the above, the Company holds 499,193 treasury shares.

2. Treasury shares do not include the 60,100 shares held by the trust for granting shares to officers.

3. On April 1, 2025, the Company implemented a three-for-one stock split of its common shares.

