

**Translation**

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## Summary of Consolidated Financial Results for the Nine Months Ended September 30, 2023 (Based on Japanese GAAP)

October 16, 2023

Company name: HIOKI E.E. CORPORATION  
 Stock exchange listing: Tokyo  
 Stock code: 6866 URL <https://www.hioki.co.jp/>  
 Representative: President Takahiro Okazawa  
 Director, Senior Managing Executive Officer,  
 Inquiries: Chief Financial Officer (CFO) and Director Yoshikazu Suyama TEL 0268-28-0555  
 of Administration Department  
 Scheduled date to file Quarterly Securities Report: November 1, 2023  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: No  
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the nine months ended September 30, 2023 (from January 1, 2023 to September 30, 2023)

#### (1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended September 30, 2023	29,563	18.8	6,294	26.7	6,511	23.2	4,830	21.0
Nine months ended September 30, 2022	24,888	15.6	4,967	15.6	5,287	17.7	3,992	17.7

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended September 30, 2023	353.72		–	
Nine months ended September 30, 2022	292.48		–	

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2023	42,350	35,725	84.4	2,615.92
As of December 31, 2022	40,605	32,779	80.7	2,401.01

### 2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended December 31, 2022	–	80.00	–	80.00	160.00
Year ending December 31, 2023	–	90.00	–		
Year ending December 31, 2023 (Forecast)				90.00	180.00

### 3. Forecast of consolidated financial results for the year ending December 31, 2023 (from January 1, 2023 to December 31, 2023)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	38,900	13.2	7,940	12.3	8,080	10.9	6,080	14.1	445.39

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended September 30, 2023  
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of September 30, 2023	14,024,365 shares	As of December 31, 2022	14,024,365 shares
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Number of treasury shares at the end of the period

As of September 30, 2023	367,382 shares	As of December 31, 2022	372,001 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended September 30, 2023	13,655,452 shares	Nine months ended September 30, 2022	13,650,501 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Thousands of yen)

	As of December 31, 2022	As of September 30, 2023
Assets		
Current assets		
Cash and deposits	13,616,619	14,313,204
Notes and accounts receivable - trade, and contract assets	3,639,339	4,016,645
Electronically recorded monetary claims - operating	316,839	218,393
Merchandise and finished goods	1,354,928	1,660,212
Work in process	983,886	1,131,843
Raw materials and supplies	6,093,739	6,485,999
Other	897,838	396,580
Allowance for doubtful accounts	(23,041)	(25,299)
Total current assets	26,880,151	28,197,579
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	7,556,613	7,573,455
Machinery, equipment and vehicles, net	405,685	409,519
Tools, furniture and fixtures, net	904,223	1,245,111
Land	1,961,951	1,961,951
Construction in progress	106,914	318,947
Total property, plant and equipment	10,935,388	11,508,985
Intangible assets		
Software	322,756	369,448
Other	101,165	184,757
Total intangible assets	423,922	554,206
Investments and other assets	2,366,505	2,089,489
Total non-current assets	13,725,817	14,152,680
Total assets	40,605,968	42,350,260

(Thousands of yen)

	As of December 31, 2022	As of September 30, 2023
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	1,253,051	971,681
Income taxes payable	717,028	484,657
Provision for bonuses	–	2,773,872
Provision for bonuses for directors (and other officers)	–	59,010
Other	4,707,340	1,290,002
Total current liabilities	6,677,419	5,579,224
Non-current liabilities		
Deferred tax liabilities	9,335	5,242
Retirement benefit liability	604,361	503,313
Other	535,372	536,925
Total non-current liabilities	1,149,069	1,045,481
Total liabilities	7,826,489	6,624,705
<b>Net assets</b>		
Shareholders' equity		
Share capital	3,299,463	3,299,463
Capital surplus	3,993,207	4,023,028
Retained earnings	25,655,500	28,164,389
Treasury shares	(717,074)	(709,090)
Total shareholders' equity	32,231,097	34,777,791
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	211,562	343,431
Foreign currency translation adjustment	627,329	852,096
Remeasurements of defined benefit plans	(290,510)	(247,765)
Total accumulated other comprehensive income	548,380	947,762
Total net assets	32,779,478	35,725,554
<b>Total liabilities and net assets</b>	<b>40,605,968</b>	<b>42,350,260</b>

**Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)**

**Consolidated statements of income (cumulative)**

(Thousands of yen)

	Nine months ended September 30, 2022	Nine months ended September 30, 2023
Net sales	24,888,629	29,563,570
Cost of sales	13,495,452	15,619,913
Gross profit	11,393,177	13,943,657
Selling, general and administrative expenses	6,425,417	7,649,217
Operating profit	4,967,759	6,294,440
Non-operating income		
Interest income	5,410	8,171
Dividend income	15,385	17,503
Rental income from buildings	5,664	5,256
Foreign exchange gains	37,037	141,113
Subsidy income	98,837	5,466
Refund income	117,559	-
Other	45,627	45,884
Total non-operating income	325,522	223,395
Non-operating expenses		
Interest expenses	5,717	5,942
Other	8	29
Total non-operating expenses	5,726	5,971
Ordinary profit	5,287,555	6,511,863
Extraordinary income		
Gain on sale of non-current assets	2,293	1,790
Total extraordinary income	2,293	1,790
Extraordinary losses		
Loss on retirement of non-current assets	3,588	5,649
Loss on valuation of membership	2,600	-
Total extraordinary losses	6,188	5,649
Profit before income taxes	5,283,661	6,508,004
Income taxes - current	1,459,166	1,278,300
Income taxes - deferred	(167,977)	399,498
Total income taxes	1,291,189	1,677,798
Profit	3,992,472	4,830,205
Profit attributable to owners of parent	3,992,472	4,830,205

**Consolidated statements of comprehensive income (cumulative)**

(Thousands of yen)

	Nine months ended September 30, 2022	Nine months ended September 30, 2023
Profit	3,992,472	4,830,205
Other comprehensive income		
Valuation difference on available-for-sale securities	18,664	131,869
Foreign currency translation adjustment	416,155	224,767
Remeasurements of defined benefit plans, net of tax	33,211	42,745
Total other comprehensive income	468,031	399,382
Comprehensive income	4,460,504	5,229,587
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,460,504	5,229,587