

Financial Results for  
the Third Quarter Fiscal Year Ended on March 31, 2026  
(Q3 FY03/26 Results)

Hakudo Co., Ltd. (7637)

February 10, 2026

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# 1. Q3 FY03/26 Financial Results

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# Result Highlights

## Net sales

49,680 million yen  
(down 0.9% YoY)

## Gross profit

7,518 million yen  
(down 3.8% YoY)

## Ordinary profit

2,153 million yen  
(down 7.8% YoY)

### Q3 FY03/26 summary

#### Net sales

- Sales decreased by 0.9% YoY mainly due to decreased sales volume to the semiconductor production equipment industry, caused by decrease in the demand of semiconductor production equipment despite higher unit selling prices due to Raw Material Market upward trends and increased sales volume to the Aircraft/aerospace industry with a focus on public demands. The overseas sale of North America increased YoY and on the other hand the sale of China and Thailand decreased.

#### Gross profit

- Gross profit decreased by 3.8% YoY due to decreased sales and increase in manufacturing fixed costs due to establishment of Saitama Process Center

#### Ordinary profit

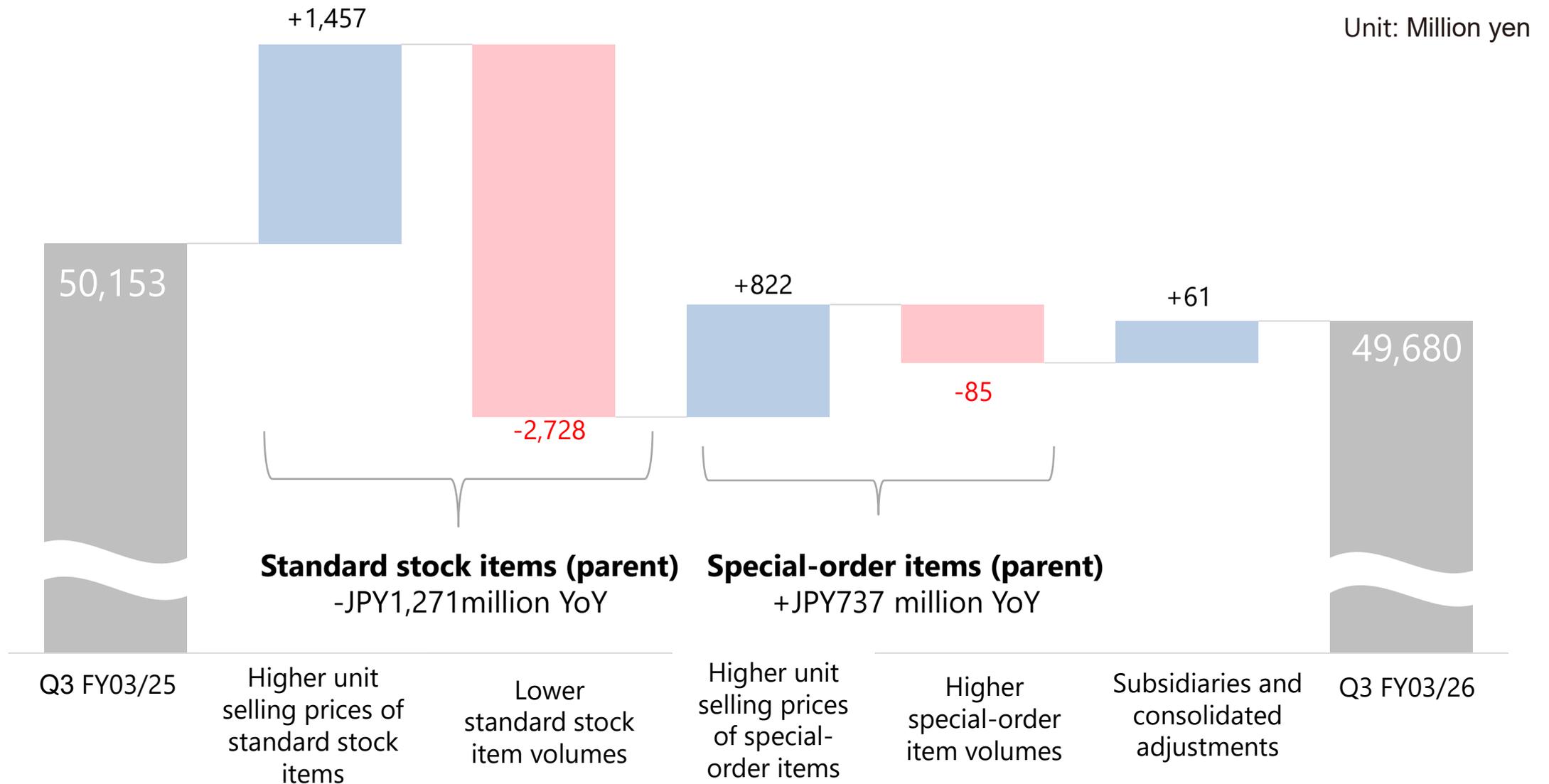
- Ordinary profit decreased by 7.8% YoY due to increased selling, general and administrative expenses such as increase in labor costs despite increased in non-operating incomes because of increased dividend income of Oristar corporation.

# Summary of Consolidated Statements of Income (PL)

	Q3 FY03/25	Sales ratio	Q3 FY03/26	Sales ratio	YoY Change (rate)	YoY Change (amount)
Net sales	50,153	-	49,680	-	-0.9%	-472
Standard stock items	29,529	58.9%	28,104	56.6%	-4.8%	-1,424
Special-order items	20,624	41.1%	21,576	43.4%	4.6%	952
Gross profit	7,811	15.6%	7,518	15.1%	-3.8%	-293
Operating profit	2,209	4.4%	1,951	3.9%	-11.7%	-257
Ordinary profit	2,335	4.7%	2,153	4.3%	-7.8%	-181
Inventory revaluation impact	318	0.6%	195	0.4%	-38.6%	-123
Ordinary profit (Excluding inventories impact)	2,016	4.0%	1,958	3.9%	-2.9%	-58
Profit attributable to owners of parent	1,556	3.1%	1,436	2.9%	-7.7%	-119

# Factors Affecting Year-on-Year Change in Net Sales

- Sales volume of the Standard stock items declined despite higher unit selling prices due to Raw Material Market upward trends.



For Hakudo's individual standard stock items: sales volume -9.6% YoY, selling price +5.5% YoY

# Net Sales by Product Category

- Consolidated net sales of Copper increased YoY due to higher unit selling prices.
- Others such as Special steel, titanium and plastic also increased YoY.
- Consolidated net sales of Aluminum decreased YoY due to decrease in sales volume to the semiconductor production equipment industry.

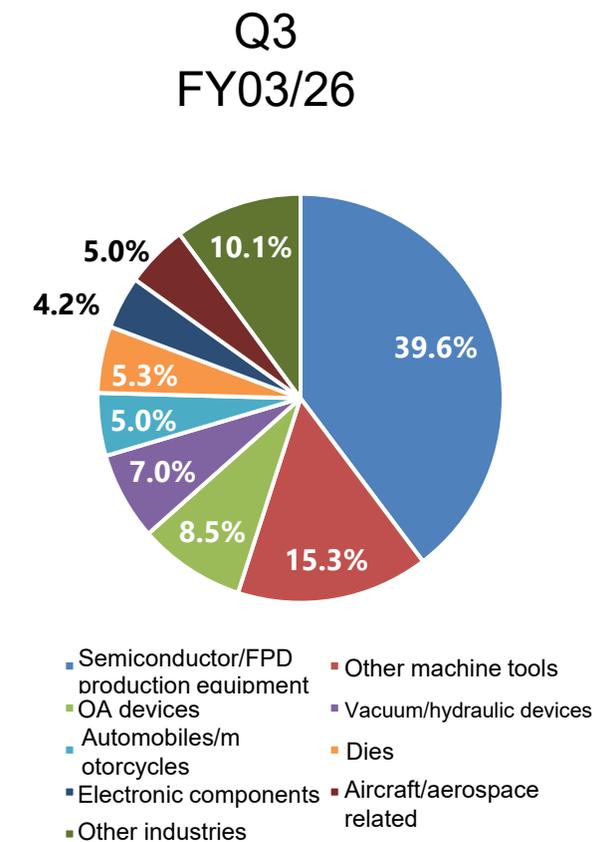
Unit: Million yen

	FY03/25					FY03/26				Vs. Q3 FY03/25
	Q1	Q2	Q3	Q3 Total	Q4	Q1	Q2	Q3	Q3 Total	
<b>Consolidated net sales</b>	15,745	16,742	17,665	<b>50,153</b>	16,256	17,059	15,640	16,981	<b>49,680</b>	<b>-0.9%</b>
<b>Aluminum</b>	9,363	10,449	10,984	<b>30,797</b>	10,017	10,455	9,514	10,304	<b>30,274</b>	<b>-1.7%</b>
<b>Copper</b>	2,442	2,312	2,425	<b>7,180</b>	2,321	2,345	2,302	2,602	<b>7,250</b>	<b>1.0%</b>
<b>Stainless steel</b>	3,061	3,122	3,347	<b>9,530</b>	3,073	3,317	2,975	3,158	<b>9,452</b>	<b>-0.8%</b>
<b>Others</b>	878	857	908	<b>2,645</b>	843	939	848	915	<b>2,703</b>	<b>2.2%</b>

# Composition Ratio of Net Sales by Industry (Japan)

- Sales ratio of Semiconductor/FPD production equipment industry tend to increase from Q2 FY03/26
- Aircraft/aerospace related and Automobiles/motorcycles sales occupies around 5% of the total sales.

	FY03/25				FY03/26		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Semiconductor/ FPD production equipment	37.3%	42.2%	43.0%	39.4%	36.9%	38.2%	<b>39.6%</b>
Other machine tools	17.8%	15.6%	14.9%	15.8%	15.9%	15.5%	<b>15.3%</b>
OA devices	10.3%	9.4%	8.7%	9.3%	9.8%	9.8%	<b>8.5%</b>
Vacuum/hydraulic devices	5.9%	5.5%	5.8%	5.3%	6.4%	6.3%	<b>7.0%</b>
Automobiles/ motorcycles	5.1%	5.1%	5.6%	5.7%	5.5%	4.9%	<b>5.0%</b>
Dies	5.4%	5.3%	5.2%	4.8%	5.4%	5.1%	<b>5.3%</b>
Electronic components	4.0%	3.8%	3.8%	4.3%	4.1%	4.0%	<b>4.2%</b>
Aircraft/aerospace related	4.3%	4.3%	4.3%	5.2%	6.2%	5.7%	<b>5.0%</b>
Other industries	9.9%	8.8%	8.7%	10.2%	9.8%	10.5%	<b>10.1%</b>



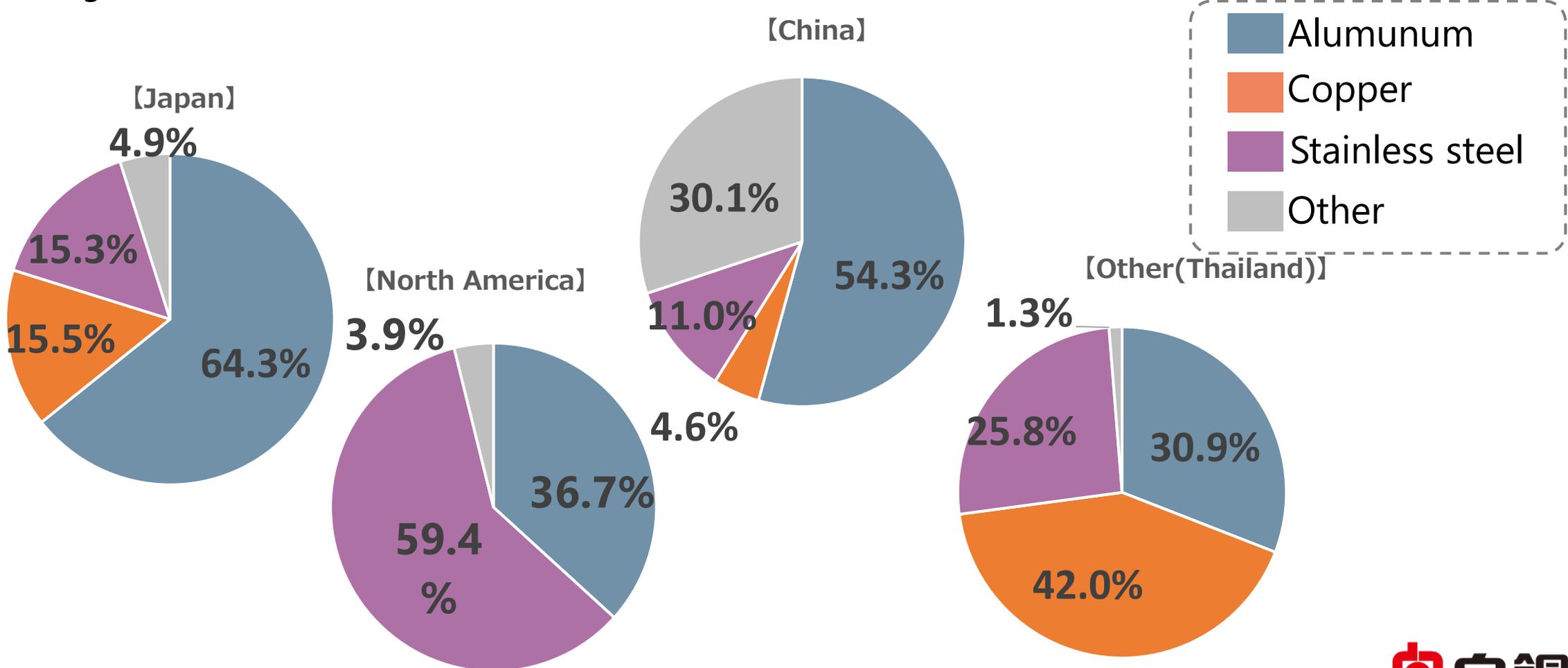
# Financial Performance by Segment

- Net sales of North America increased and both of Operating losses & Ordinary losses decreased.
- Net sales in China decreased because of sluggish economy in China.
- Sales of the other segment (Thailand) slightly decreased.

	Q3 FY03/25				Q3 FY03/26			
	Net sales	Operating profit/losses	Ordinary profit/losses	Profit(loss) attributable to owners of parent	Net sales	Operating profit/losses	Ordinary profit/losses	Profit (loss) attributable to owners of parent
Japan	43,620	2,247	2,341	1,582	43,012	1,899	2,129	1,432
North America	3,874	-173	-162	-150	4,057	-54	-103	-104
China	1,392	3	24	18	1,360	-6	14	10
Other	1,267	132	131	105	1,250	123	123	98

# Sales Ratio by Demographic Segment

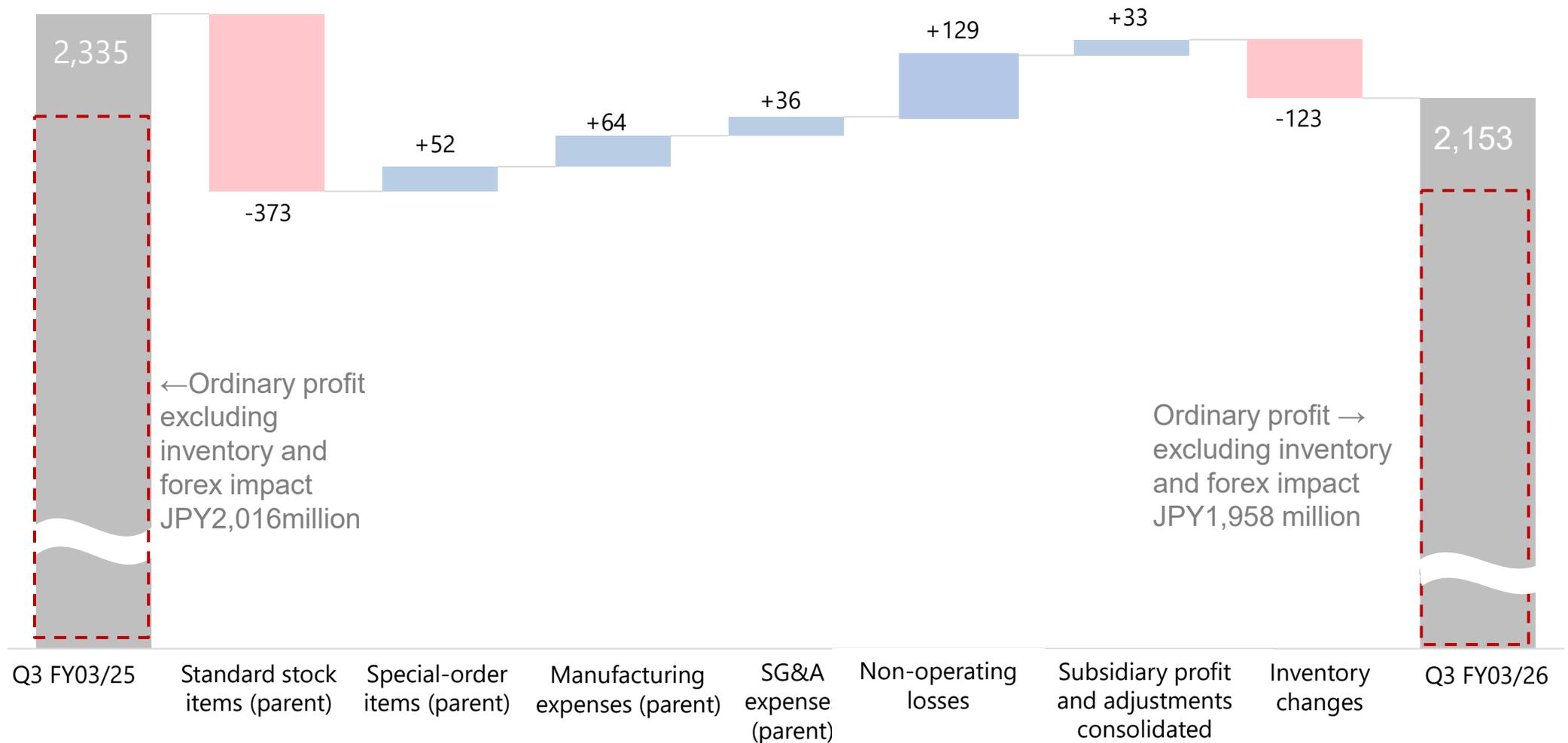
- 【Japan】 Aluminum products are a large proportion of sales and sales ratio of copper products and stainless steel products is the same due to the large sales to the semiconductor manufacturing equipment industry.
- 【North America】 Sales of Stainless steel products increased YoY.
- 【China】 Aluminum products are a large percentage out of total sales due to the large sales to the semiconductor manufacturing equipment industry, while the percentage of other products, including specialty steel products for the mold and die and automobile industries, is larger than that in Japan.
- 【Other (Thailand)】 Copper products for the metal mold and automobile industries account for a large share of the total.



# Factors Affecting Year-on-Year Change in Ordinary Profit

- Gross profit of Standard stock items (parent) and inventory evaluation profit decreased. Gross profit of Special-order items (parent) and consolidated subsidiary profits increased.
- Non-operating incomes increased because of increase in dividend income of Oristar Corporation.

Unit: Million yen



# Balance Sheet (BS)

- Cash and deposits increased due to sales increase of subsidiary companies.
- Real Estate refundable security deposits increased due to establishment of Saitama Process Center and expansion of our Headquarters office space.

Unit: Million yen

Assets	As of March 31, 2025	Composition ratio	As of Dec 31, 2025	Composition ratio	Change
Current assets	35,028	78.3%	34,368	77.4%	△660
Cash and deposits	5,473	12.2%	5,694	12.8%	+220
Notes and accounts receivable – trade (Including electronically recorded monetary claims - operating) Inventories	16,833	37.6%	16,928	38.1%	+95
Inventories	12,522	28.0%	11,552	26.0%	△969
Other current assets	199	0.4%	193	0.4%	△6
Non-current assets	9,716	21.7%	10,055	22.6%	+338
Property, plant and equipment	6,404	14.3%	6,286	14.2%	△118
Intangible assets	1,470	3.3%	1,323	3.0%	△146
Investments and other assets	1,841	4.1%	2,444	5.5%	+603
Total assets	44,745	100.0%	44,424	100.0%	△321
Liabilities and net assets	As of March 31, 2025	Composition ratio	As of Dec 31, 2025	Composition ratio	Change
Current liabilities	20,919	46.8%	19,901	44.8%	△1,017
Notes and accounts payable – trade (Including electronically recorded obligations – operating)	18,598	41.6%	17,691	39.8%	△907
Accrued expenses	888	2.0%	895	2.0%	+7
Income taxes payable	547	1.2%	266	0.6%	△280
Other current liabilities	885	2.0%	1,047	2.4%	+162
Non-current liabilities	70	0.2%	130	0.3%	+60
Total liabilities	20,990	46.9%	20,032	45.1%	△957
Net assets	23,755	53.1%	24,391	54.9%	+636
Total liabilities and net assets	44,745	100.0%	44,424	100.0%	△321

## Current assets: Down JPY660 million

- Cash and deposits increased.
- Inventories decreased due to decrease in Standard stock items inventory

## Non-current assets: Up JPY338million

- Real estate refundable security deposits increased due to establishment of Saitama Process Center and expansion of our Headquarters office space.
- Investment Securities increased

## Current liabilities: Down JPY1,017million

- Accounts payable amount decreased due to shortening of payment terms.

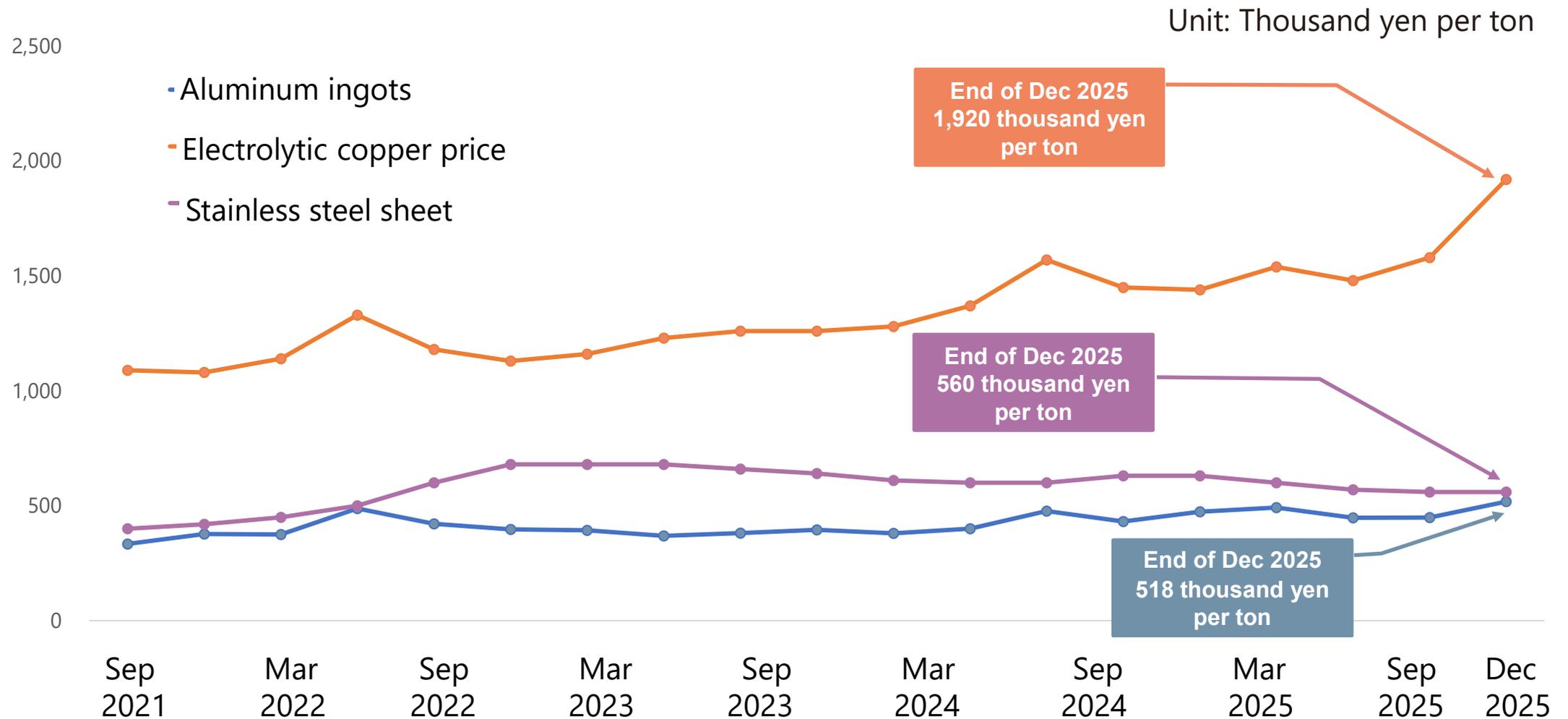
## Non-current liabilities: Down JPY60 million

## Net assets: Up JPY636 million

# Business Environment (1)

## Raw Material Market Trends for Aluminum, Copper and Stainless Steel

- Electrolytic copper price highly increased due to surging international prices driven by heightened copper supply risks.
- Aluminum ingots increased due to rising international prices and the weakening of the JPY.
- Stainless steel sheet price continued to move sideways.

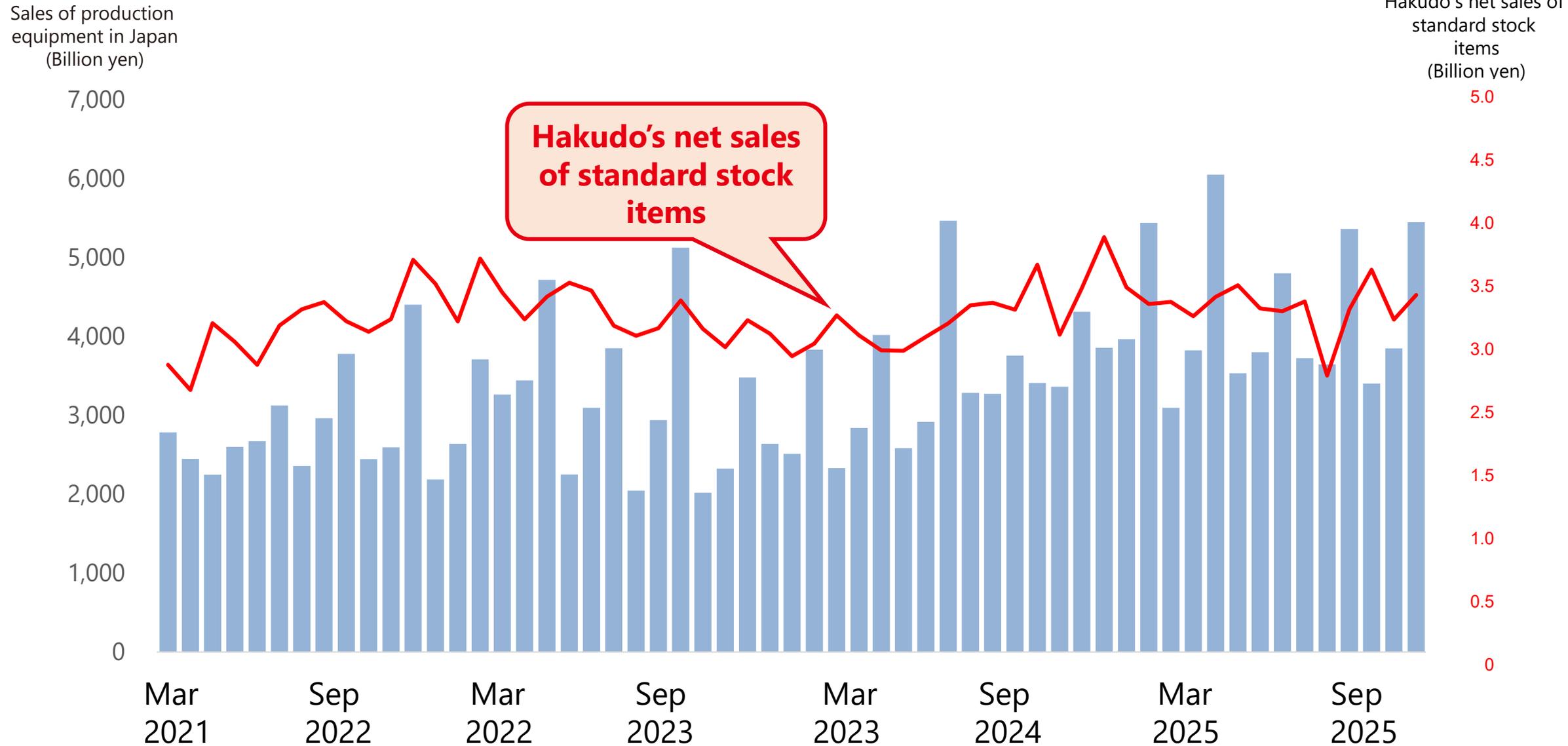


Electrolytic copper price: JX Nippon Mining & Metals    Stainless steel sheet: Japan Metal Daily median  
Aluminum ingots: Nikkei monthly average

# Business Environment (2)

## Comparison of Semiconductor Production Equipment Sales and Standard Stock Items Sales

- Semiconductor production equipment sales is expected to increase going forward.
- However, future prospect is still unclear due to latest increase in long-term interest rate and volatile movement in foreign exchange rate.

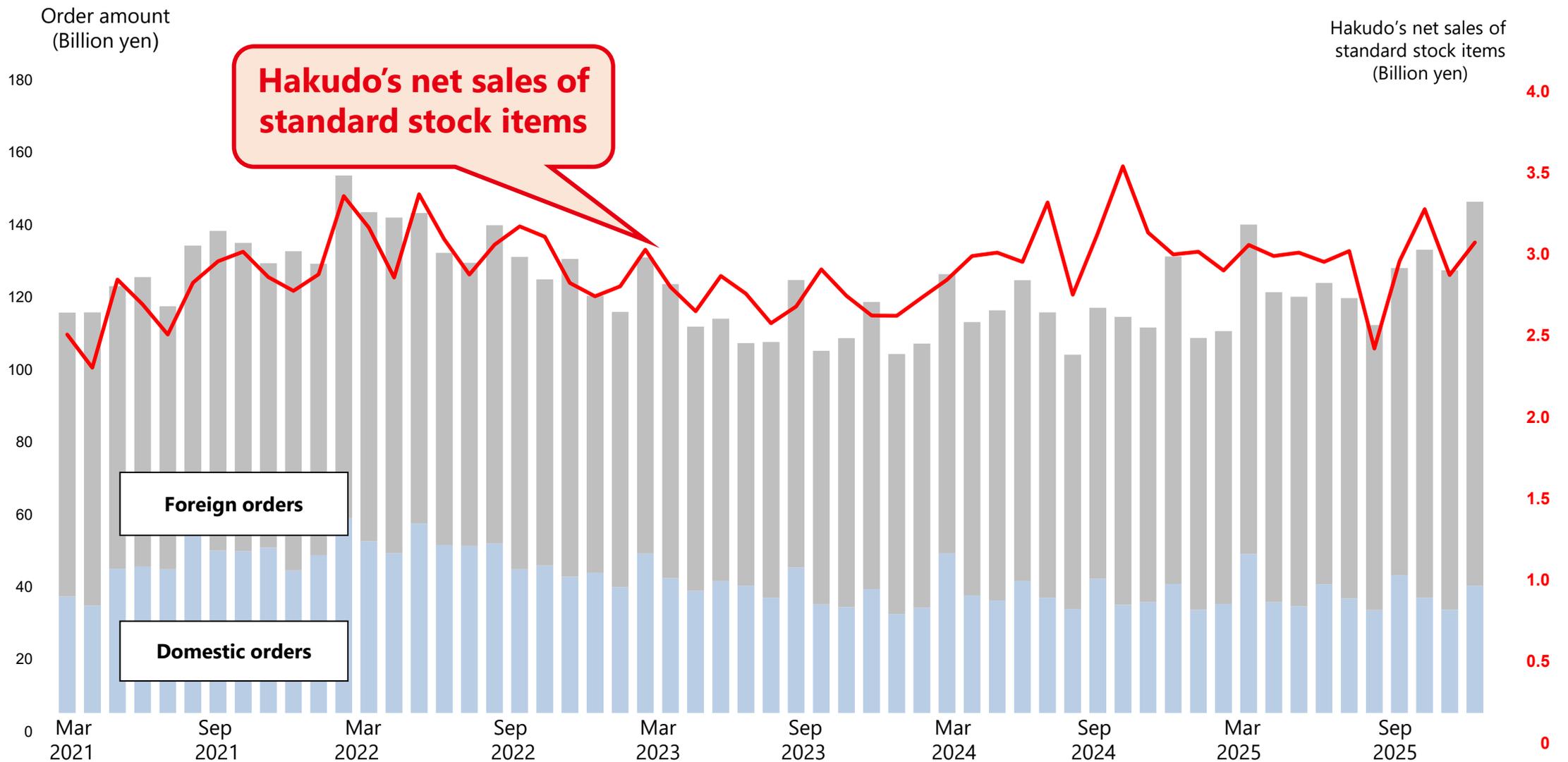


Source: Semiconductor Equipment Association of Japan - statistical data

# Business Environment (3)

## Comparison of Machine Tool Orders and Standard Stock Items Sales

- Demand in Machine tool industry recovered and foreign orders increased due to an increase in demand in Asia, mainly in China. There also appeared to be some movements for restarting capital investments in North America after the U.S. presidential election.
- Compared to the Q3 (October-December) in the previous fiscal year, domestic orders increased by 2.9% and foreign orders increased by 9.9%.

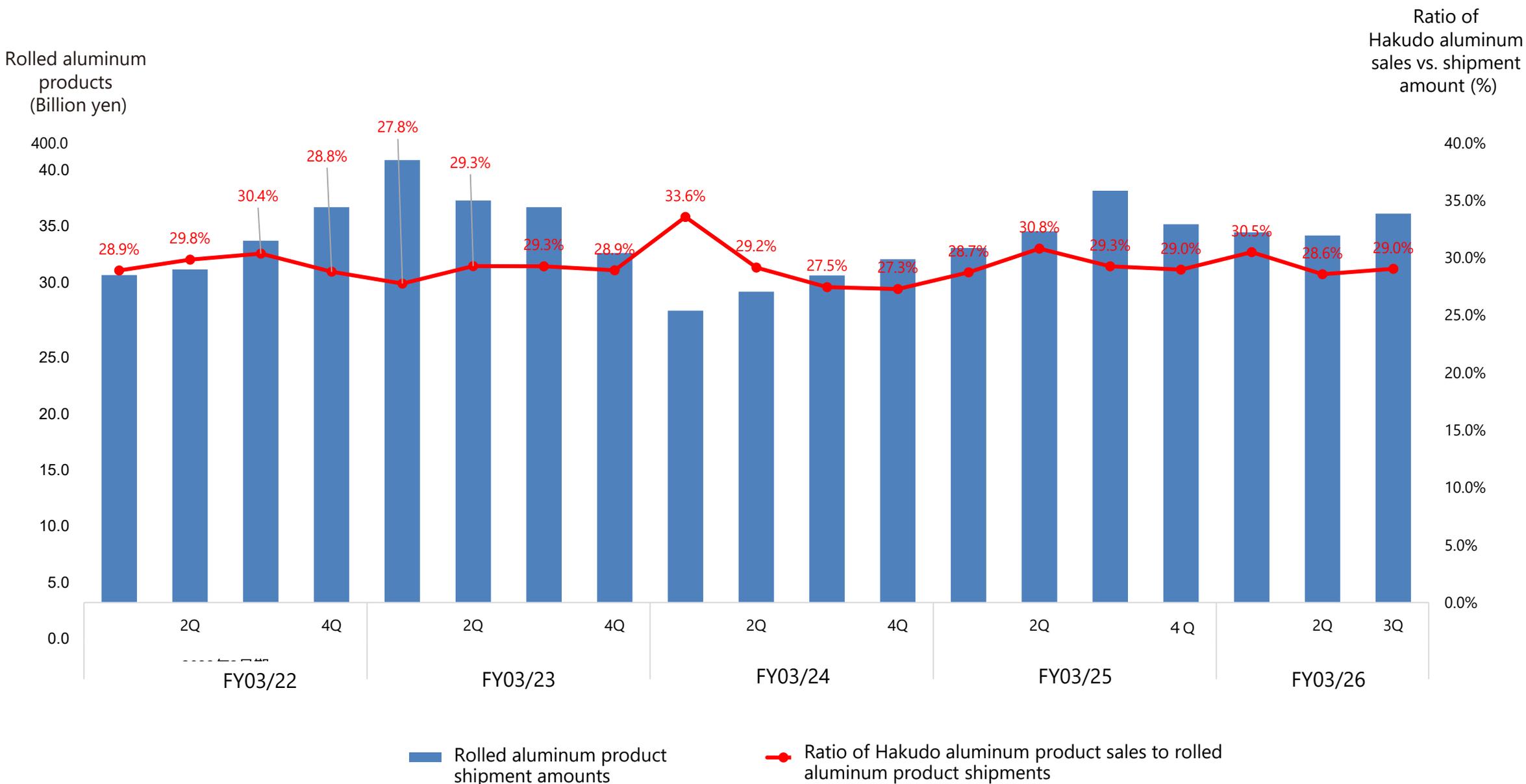


Source: Japan Machine Tool Builders' Association - machine tool orders statistics

# Business Environment (4)

## Ratio of Hakudo aluminum product sales to rolled aluminum product shipment value

- Hakudo's aluminum product sales are around 30% of rolled aluminum product shipment value, and our industry market share has remained stable.



Note: Aluminum rolled products shipment value is the total of sheets (6.0 mm+), disks, tubes, and bars.

Source: Rolled Aluminum Statistics Monthly Report, Japan Aluminum Association

## 2. FY03/26 Financial Forecasts

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# FY03/26 Financial Forecasts

- As a result of the steady execution of various initiatives, including the launch of new products, the introduction of new processing methods, and the enhancement of functions of the “Hakudo Net Service” , together with the appropriate pass-through of increased costs to selling prices, signs of profit improvement were observed in the third quarter of the current fiscal year.
- In addition, demand in the semiconductor manufacturing equipment industry that has a significant impact on the performance of the Group is expected to increase going forward, driven primarily by memory products for generative AI applications.
- Furthermore, gains arising from inventory valuation effects due to rising raw material market prices, as well as the foreign exchange rate trending weaker than initially assumed, also contributed to increased profitability.

(Million yen)	FY03/26 Q3 result	FY03/26 full-year forecast	Progress rate	Progress Change
Net sales	67,200	68,000	1.2%	800
Operating profit	2,450	2,690	9.8%	240
Ordinary profit	2,580	3,000	16.3%	420
Profit attributable to owners of parent	1,690	1,960	16.0%	270

# Shareholder Returns (Dividends)

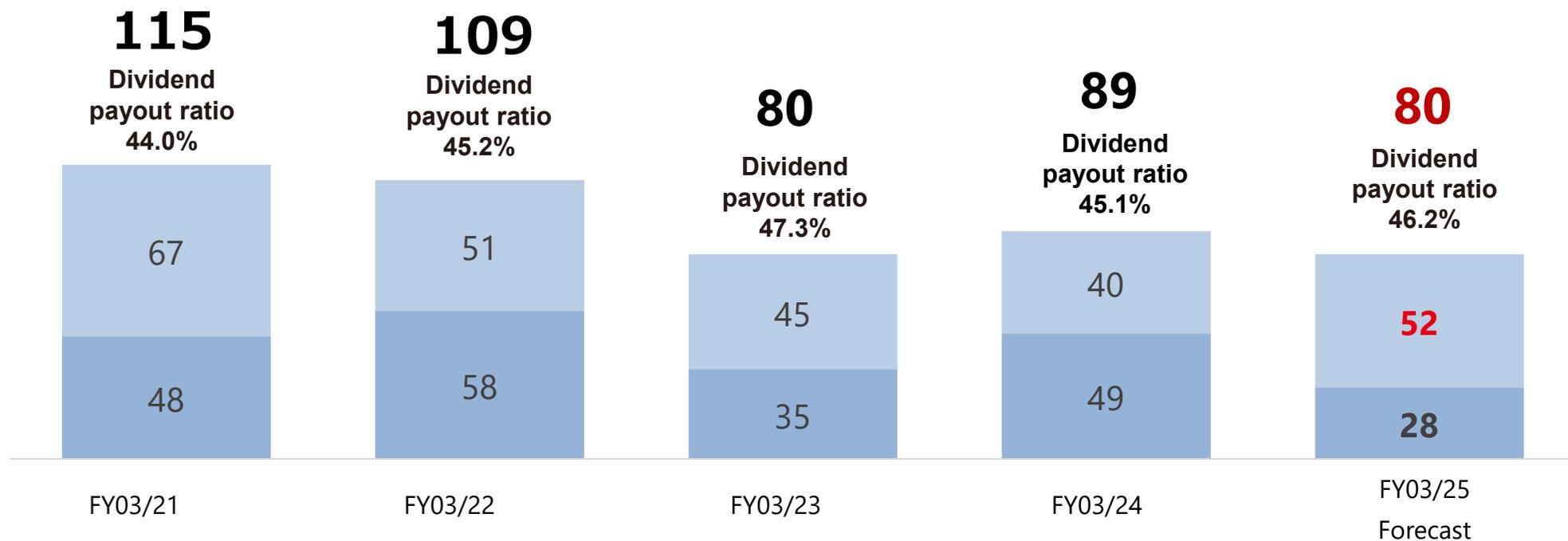
- The annual dividend forecast remains unchanged at 80 yen per share, according to our dividend policy of “minimum annual dividend of 80 yen per share.”

## Dividend Forecast for FY03/26

Unit: yen

### Dividend Policy

- Dividend payout ratio of 45% or more for the full year
- Minimum annual dividend of 80 yen per share
- ※ In principle, whichever is higher shall be the dividend amount.



The lower section indicates the interim dividend, while the upper section represents the year-end dividend.

\*The dividend for FY03/22 includes a commemorative dividend of JPY9 per share.

# 3. Progress on Key Business Strategies

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# Progress of Mid-Term Business Strategies (1)

## (1) Strengthen and expand customer base, raise profit margins through Hakudo Network Service (E-Commerce) evolution

Hakudo standard stock  
**5,700** items  
+  
Inventory at other companies  
**206,000** items

※by the end of December 2025

companies using  
**15,000** companies  
registered users  
**31,000** users

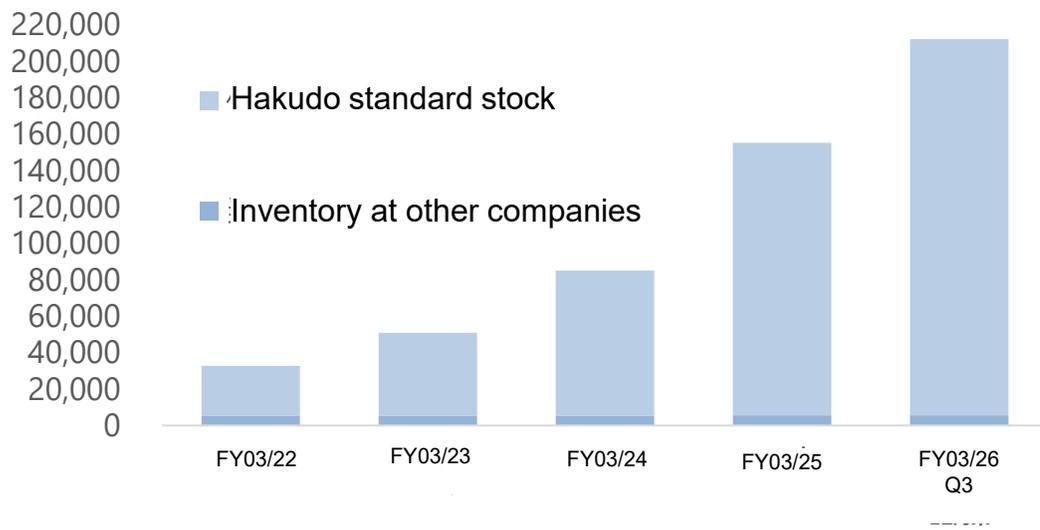
※Including the number of registrations for CS net services  
※by the end of December 2025

**Handles custom-made parts**

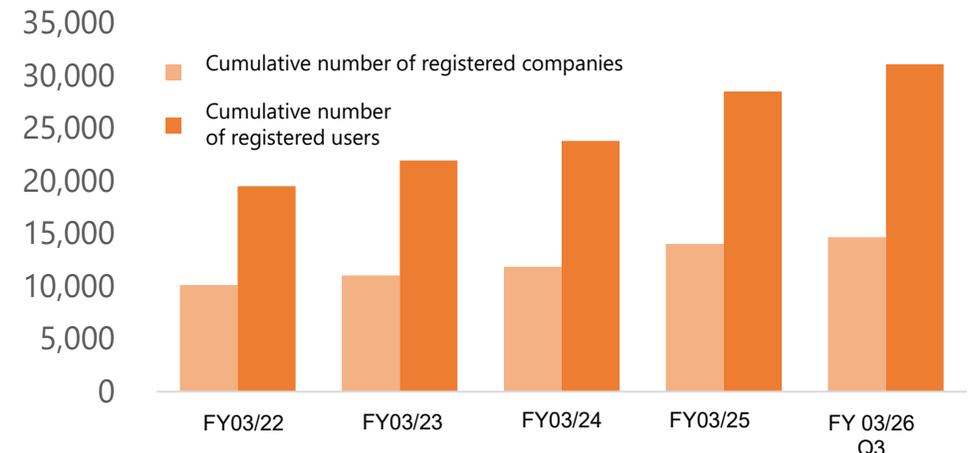
Metal 3D Printing Quotes & Orders  
Data-Based Quotes & Orders  
Sketch-Based Quotes & Orders  
Material Sourcing Assistance



【Number of Items Available at Hakudo Net Service】



【Number of Companies Registered at Hakudo Net Service (Total)】



Note: Includes CS Net Service registrations

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# Progress of Mid-Term Business Strategies (2)

## (2) Expand growth fields, strengthen sales



**Semiconductor industry**

Q3 FY03/25 sales ratio **39.6%**

### Consolidate the industry through specialized departments

Establish a method for accumulating industry knowledge through consolidation of semiconductor related sales partners



**Automotive industry**

Q3 FY03/25 sales ratio **5.0%**

### Obtaining new customers

Utilize 3D printers to acquire new customers in automotive-related fields



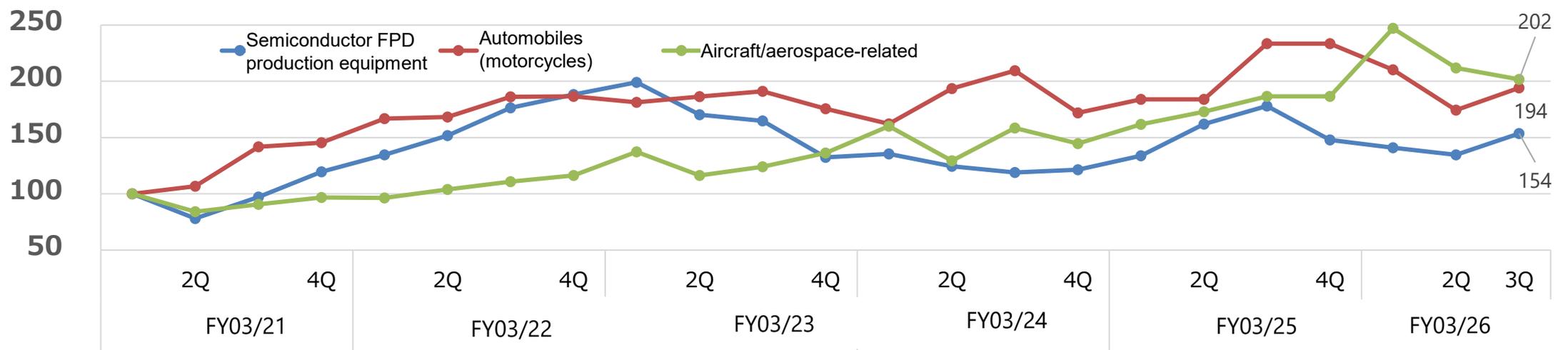
**Aircraft/aerospace industry**

Q3 FY03/25 sales ratio **5.0%**

### Enhanced overseas procurement function

Collaboration with WCAS to strengthen import procurement capabilities for aerospace standard materials made by overseas manufacturers

## 【Growth domain quarterly sales indicators】

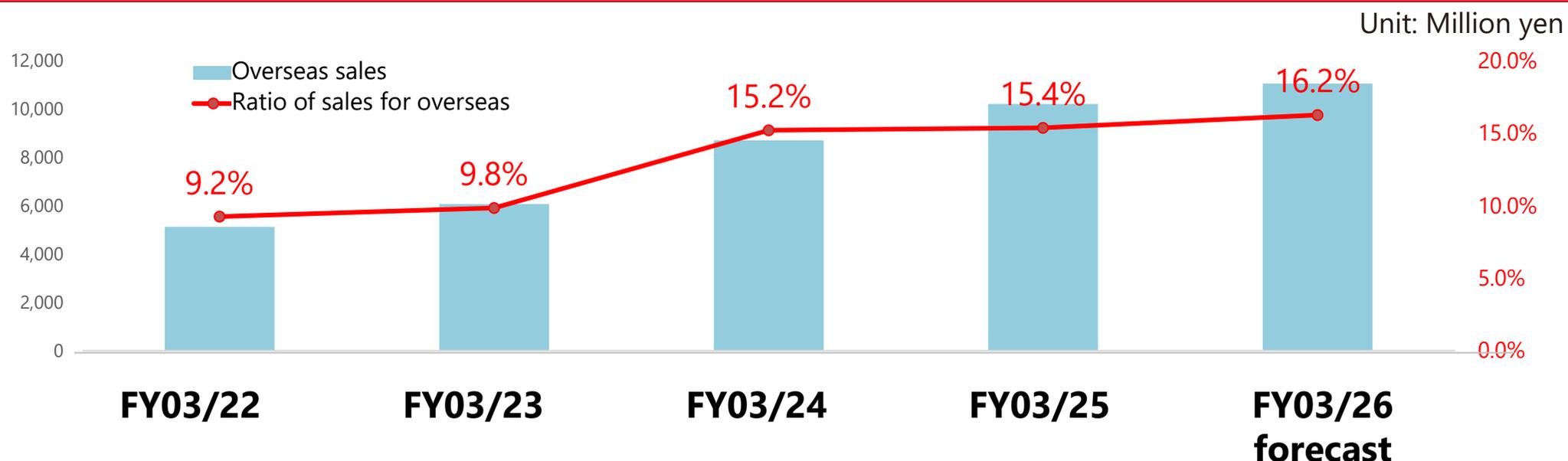


Note: Sales index based on sales in Q1 FY03/21

# Progress of Mid-Term Business Strategies (3)

## (3) Overseas business expansion

### Overseas Net Sales and Sales Ratio



Note: Overseas sales calculated as the sum of overseas subsidiary sales and head office export sales to non-subsidary companies overseas.

### Status of Activities

#### ◆ Utilization of EC packages

Preparing for newly implementing EC packaged software in our subsidiaries in China & North America and our minor-invested local partner in Vietnam. The subsidiary in Thailand has already implemented it. Considering implementation to our partnered distributors in Malaysia and Indonesia.

Planning to start E-commerce with our EC packaged software for South Korea, Taiwan, India and the Philippines

#### ◆ Business expansion overseas

In the U.S., acquired the remaining 49% of WCAS to make it a wholly owned subsidiary.

Made a minority investment in Patriot Metals, a company based in the Midwest in the U.S.

Planning to expand the sales in South Korea, Taiwan, India and the Philippines.

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# Thank you very much for your attention.

## ■ Hakudo Official Social Media Accounts

We have created official accounts on LINE and Facebook to regularly disseminate product introductions, exhibition announcements and other useful information. Please use the QR codes to follow Hakudo online!



## ■ Disclaimer

This document contains projections based on assumptions, outlooks, and plans regarding the future as of December 2025. Actual results may differ materially from those projected in forward-looking statements due to risks and uncertainties related to the global economy, competitive conditions, and other factors.

## ■ For more information, please contact:

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