

For the Fiscal Year Ended March 31, 2025

Annual Select[®] 2025

Hakuto Co., Ltd.

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(Securities Code: 7433)

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Corporate Profile

Since our establishment in 1953, Hakuto has been engaged in various businesses on the global stage, providing advanced products and solutions under our dual business approach as an electronics trading company and chemical manufacturer.

In our electronics business, the Hakuto Group has earned high praise as an electronics trading company supporting global manufacturing with our procurement and technical capabilities. Even as electronic products undergo rapid evolution, we accurately ascertain customer needs, procuring and supplying high value-added products from all over the world to contribute to cutting-edge product development as a partner that connects customers and suppliers.

In the chemicals business, we endeavor to develop and manufacture high-quality industrial chemicals in the aim of combining improved productivity with environmental conservation in industries such as oil refining and petrochemical, paper and pulp, and automotive. We also strive to create new value by such means as utilizing microbial polysaccharides to promote the development and manufacture of cosmetic products.

The future to which we aspire through our business activities is the coexistence between humans, technology, and the natural environment. We believe that advanced technology will bring vitality and prosperity to people's lives and the planet, so we are pushing forward to achieve an affluent society.



Hakuto Co., Ltd.



I. Summary of Selected Financial Data (Consolidated)

	69 th term Fiscal year ended March 31, 2021	70 th term Fiscal year ended March 31, 2022	71 st term Fiscal year ended March 31, 2023	72 nd term Fiscal year ended March 31, 2024	73 rd term Fiscal year ended March 31, 2025
Net sales (Millions of yen)	165,413	191,495	233,624	182,046	183,133
Ordinary profit (Millions of yen)	3,603	7,411	12,048	6,912	7,321
Profit attributable to owners of parent (Millions of yen)	3,064	4,970	8,929	5,175	5,131
Comprehensive income (Millions of yen)	4,897	7,337	9,578	7,277	4,633
Net assets (Millions of yen)	58,018	61,668	63,863	65,933	65,546
Total assets (Millions of yen)	116,422	131,490	145,900	137,759	130,376
Book value per share (BPS) (Yen)	2,817.95	3,142.83	3,416.27	3,506.81	3,483.44
Earnings per share (EPS) (Yen)	148.91	248.48	470.52	276.20	272.76
Diluted earnings per share (Yen)	—	—	—	—	—
Equity ratio (%)	49.8	46.9	43.8	47.9	50.3
Return on equity (ROE) (%)	5.5	8.3	14.2	8.0	7.8
Price earnings ratio (PER) (Times)	8.6	9.9	10.4	20.4	15.1
Net cash provided by (used in) operating activities (Millions of yen)	7,418	872	(3,382)	8,712	10,589
Net cash provided by (used in) investing activities (Millions of yen)	601	(527)	(300)	876	(4,568)
Net cash provided by (used in) financing activities (Millions of yen)	(5,280)	(379)	1,314	(11,451)	(6,507)
Cash and cash equivalents at end of period (Millions of yen)	17,867	18,620	16,751	15,568	14,929
Number of employees (Persons)	1,238	1,221	1,223	1,203	1,318

- Notes:
1. Diluted earnings per share is not presented because there were no potential shares.
 2. In the 70th, 71st, and 72nd terms, shares of the Company held by Employee Stockholding Association linked Trust ESOP have been treated as treasury shares when calculating BPS, so these are included in treasury shares excluded from the number of shares outstanding as of the end of the fiscal year.
 3. In the 70th, 71st, 72nd, and 73rd terms, shares of the Company held by Employee Stockholding Association linked Trust ESOP have been treated as treasury shares when calculating EPS, so these are excluded from the average number of outstanding shares during the fiscal year.
 4. “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) and relevant ASBJ regulations have been applied from the beginning of the 70th term. The selected financial data for the 70th term onward represent figures after the application of the accounting standard, etc.

II. Comments from the President



We have established the “Hakuto 2028” medium-term management plan as a milestone toward achieving our “2030 Vision” of becoming the irreplaceable enabler for accelerating client success, and the Group will work together as one to realize this vision.

Tamaki Miyashita
President

■ Summary of Fiscal Year Ended March 31, 2025

The electronics market during the fiscal year under review was expected to continue growing at a high rate, mainly due to AI-related investments, and new business opportunities have emerged in the areas of alternative energy and environmental measures such as for water and air. However, there was a continued downturn in demand, primarily for automotive and industrial equipment. In the Group’s electronic components business, due to ongoing inventory adjustments by customers in the industrial equipment sector and other factors, revenue decreased year on year. In the electronic and electric equipment business, sales increased due to shipments of orders from the previous fiscal year for equipment related to power devices, resulting in a year-on-year increase in revenue. In the industrial chemicals business, revenue slightly increased year on year, partly due to passing on the surge in raw material costs to the selling prices in the paper and pulp sector.

As a result, consolidated net sales for the fiscal year under review increased 0.6% year on year to ¥183,133 million, consolidated gross profit increased 3.9% to ¥27,878 million, consolidated selling, general and administrative expenses increased 4.0% to ¥19,965 million, consolidated operating profit increased 3.6% to ¥7,913 million, consolidated ordinary profit increased 5.9% to ¥7,321 million, and profit attributable to owners of parent decreased 0.9% to ¥5,131 million.

■ Outlook and Initiatives for Fiscal Year Ending March 31, 2026

The Group has formulated a medium-term management plan “Hakuto 2028” targeting 2028 as the final year, aiming for medium- to long-term growth expansion and the creation of new value. As a hybrid company that combines two business areas, electronics and chemicals, along with the functions of both a trading company and a manufacturer, we are committed to improving customer-centric value and aiming to achieve greater medium- to long-term growth.

The Group, in the electronic components business, will expand the product portfolio through new product development, and offer comprehensive solutions to resolve customer issues. In the electronic and electric equipment business, we will develop a system for training engineers. In the industrial chemicals business, while expanding existing business solutions, we will create new businesses in areas such as environment, energy, and life sciences.

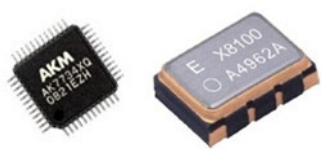
In consideration of the above, the Group forecasts consolidated results of operations for the fiscal year ending March 31, 2026, as follows: net sales to increase 1.6% year on year to ¥186,000 million, operating profit to decrease 24.2% to ¥6,000 million, ordinary profit to decrease 22.2% to ¥5,700 million, and profit attributable to owners of parent to decrease 4.5% to ¥4,900 million.

III. Business Overview

Electronics Business

Electronic Components Business

Electronic devices



Providing cutting-edge devices that are the basis for electronic products.

We support our customers' product development through field application engineering support and design-in activities.

Electronic components



Addressing customer needs with a rich lineup from connectors to electric components and materials.

In recent years, we have been developing our solar power generation system business.

We also have an overwhelming advantage over other trading companies in the rapidly growing optical-related segment.

Electronic and Electric Equipment Business

Electronic and electric equipment



Procuring cutting-edge equipment from all over the world.

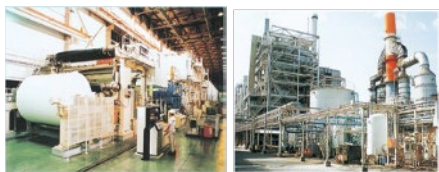
Supporting manufacturing with engineering-based support.

Providing inspection equipment used in research and development and cutting-edge equipment used on manufacturing lines for semiconductors, touch panels, and other devices.

Our brand of exposure apparatus for PCBs has earned a high reputation in Japan and other countries.

Chemicals Business

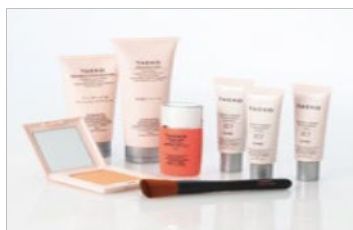
Industrial Chemicals Business



Chemicals and cosmetics

Providing industrial chemicals that contribute to enhanced productivity in the oil refining and petrochemical, paper and pulp, and automotive industries.

We actively strive to develop next-generation products, including cosmetics.



IV. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	15,568	14,929
Notes and accounts receivable - trade, and contract assets	38,101	39,696
Electronically recorded monetary claims - operating	6,277	6,098
Merchandise and finished goods	54,863	42,854
Work in process	35	83
Raw materials and supplies	1,250	1,546
Other	6,012	4,391
Allowance for doubtful accounts	(1,254)	(67)
Total current assets	120,853	109,532
Non-current assets		
Property, plant and equipment		
Buildings and structures	5,510	6,112
Accumulated depreciation	(4,588)	(4,933)
Buildings and structures, net	921	1,179
Machinery and equipment	5,259	5,726
Accumulated depreciation	(4,058)	(4,415)
Machinery and equipment, net	1,200	1,310
Land	3,053	3,053
Other	5,436	5,950
Accumulated depreciation	(3,990)	(4,505)
Other, net	1,445	1,444
Total property, plant and equipment	6,621	6,988
Intangible assets		
Goodwill	–	3,028
Other	778	1,596
Total intangible assets	778	4,625
Investments and other assets		
Investment securities	8,670	8,333
Deferred tax assets	400	447
Other	457	472
Allowance for doubtful accounts	(23)	(23)
Total investments and other assets	9,505	9,229
Total non-current assets	16,905	20,843
Total assets	137,759	130,376

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	21,348	15,863
Electronically recorded obligations - operating	2,919	1,708
Short-term borrowings	24,670	19,598
Lease liabilities	350	313
Income taxes payable	613	1,292
Provision for bonuses	2,567	2,538
Provision for bonuses for directors (and other officers)	76	75
Provision for product warranties	16	12
Other	6,144	5,795
Total current liabilities	58,706	47,196
Non-current liabilities		
Long-term borrowings	11,175	15,218
Lease liabilities	288	152
Deferred tax liabilities	1,363	1,541
Provision for retirement benefits for directors (and other officers)	18	59
Retirement benefit liability	244	279
Other	29	380
Total non-current liabilities	13,119	17,632
Total liabilities	71,825	64,829
Net assets		
Shareholders' equity		
Share capital	8,100	8,100
Capital surplus	5,863	2,532
Retained earnings	50,059	49,375
Treasury shares	(8,872)	(4,746)
Total shareholders' equity	55,150	55,261
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,865	4,569
Deferred gains or losses on hedges	175	(13)
Foreign currency translation adjustment	5,725	5,557
Remeasurements of defined benefit plans	17	171
Total accumulated other comprehensive income	10,783	10,285
Total net assets	65,933	65,546
Total liabilities and net assets	137,759	130,376

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

(Consolidated Statements of Income)

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales	182,046	183,133
Cost of sales	155,213	155,254
Gross profit	26,833	27,878
Selling, general and administrative expenses		
Salaries and allowances	6,078	6,394
Provision for bonuses	2,217	2,169
Retirement benefit expenses	775	593
Other	10,125	10,808
Total selling, general and administrative expenses	19,196	19,965
Operating profit	7,636	7,913
Non-operating income		
Interest income	19	40
Dividend income	58	330
Rental income from buildings	46	46
Share of profit of entities accounted for using equity method	–	13
Other	136	222
Total non-operating income	261	653
Non-operating expenses		
Interest expenses	186	315
Loss on sale of trade receivables	19	9
Foreign exchange losses	753	897
Share of loss of entities accounted for using equity method	5	–
Other	20	23
Total non-operating expenses	985	1,244
Ordinary profit	6,912	7,321
Extraordinary income		
Gain on sale of non-current assets	20	3
Gain on sale of investment securities	1,672	290
Total extraordinary income	1,693	294
Extraordinary losses		
Loss on sale and retirement of non-current assets	9	4
Loss on valuation of investment securities	–	49
Provision of allowance for doubtful accounts	1,156	–
Total extraordinary losses	1,166	54
Profit before income taxes	7,439	7,561
Income taxes - current	2,041	2,315
Income taxes - deferred	221	114
Total income taxes	2,263	2,429
Profit	5,175	5,131
Profit attributable to owners of parent	5,175	5,131

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit	5,175	5,131
Other comprehensive income		
Valuation difference on available-for-sale securities	(173)	(296)
Deferred gains or losses on hedges	111	(188)
Foreign currency translation adjustment	1,910	(168)
Remeasurements of defined benefit plans, net of tax	252	154
Share of other comprehensive income of entities accounted for using equity method	0	0
Total other comprehensive income	2,101	(498)
Comprehensive income	7,277	4,633
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	7,277	4,633
Comprehensive income attributable to non-controlling interests	—	—

(3) Consolidated Statements of Changes in Equity

Fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	8,100	5,679	50,509	(9,108)	55,181
Changes during period					
Dividends of surplus			(5,625)		(5,625)
Profit attributable to owners of parent			5,175		5,175
Disposal of treasury shares		183		237	420
Cancellation of treasury shares		—		—	—
Purchase of treasury shares				(1)	(1)
Transfer of the negative balance of other capital surplus					
Net changes in items other than shareholders' equity					
Total changes during period	—	183	(449)	235	(30)
Balance at end of period	8,100	5,863	50,059	(8,872)	55,150

	Accumulated other comprehensive income					Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	5,038	63	3,814	(235)	8,681	63,863
Changes during period						
Dividends of surplus						(5,625)
Profit attributable to owners of parent						5,175
Disposal of treasury shares						420
Cancellation of treasury shares						—
Purchase of treasury shares						(1)
Transfer of the negative balance of other capital surplus						
Net changes in items other than shareholders' equity	(173)	111	1,910	252	2,101	2,101
Total changes during period	(173)	111	1,910	252	2,101	2,070
Balance at end of period	4,865	175	5,725	17	10,783	65,933

Fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	8,100	5,863	50,059	(8,872)	55,150
Changes during period					
Dividends of surplus			(5,079)		(5,079)
Profit attributable to owners of parent			5,131		5,131
Disposal of treasury shares		23		35	58
Cancellation of treasury shares		(4,091)		4,091	—
Purchase of treasury shares				(0)	(0)
Transfer of the negative balance of other capital surplus		736	(736)		—
Net changes in items other than shareholders' equity					
Total changes during period	—	(3,330)	(684)	4,126	110
Balance at end of period	8,100	2,532	49,375	(4,746)	55,261

	Accumulated other comprehensive income					Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	4,865	175	5,725	17	10,783	65,933
Changes during period						
Dividends of surplus						(5,079)
Profit attributable to owners of parent						5,131
Disposal of treasury shares						58
Cancellation of treasury shares						—
Purchase of treasury shares						(0)
Transfer of the negative balance of other capital surplus						—
Net changes in items other than shareholders' equity	(295)	(188)	(168)	154	(498)	(498)
Total changes during period	(295)	(188)	(168)	154	(498)	(387)
Balance at end of period	4,569	(13)	5,557	171	10,285	65,546

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	7,439	7,561
Depreciation	1,007	1,235
Amortization of goodwill	–	159
Increase (decrease) in provision for bonuses	(600)	(25)
Increase (decrease) in allowance for doubtful accounts	1,181	(1,197)
Interest and dividend income	(78)	(371)
Interest expenses	186	315
Share of loss (profit) of entities accounted for using equity method	5	(13)
Loss (gain) on sale of investment securities	(1,672)	(290)
Loss (gain) on valuation of investment securities	–	49
Loss (gain) on sale and retirement of non-current assets	(10)	0
Increase (decrease) in accrued consumption taxes	0	72
Decrease (increase) in trade receivables	15,682	(1,231)
Decrease (increase) in inventories	(7,040)	11,733
Increase (decrease) in trade payables	(2,662)	(6,715)
Other, net	(1,042)	952
Subtotal	12,396	12,237
Interest and dividends received	94	387
Interest paid	(185)	(313)
Income taxes refund	55	–
Income taxes paid	(3,649)	(1,721)
Net cash provided by (used in) operating activities	8,712	10,589

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from investing activities		
Purchase of property, plant and equipment	(564)	(808)
Proceeds from sale of property, plant and equipment	19	4
Purchase of intangible assets	(568)	(248)
Purchase of investment securities	(9)	(72)
Proceeds from sale of investment securities	2,040	305
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	(3,714)
Other, net	(42)	(34)
Net cash provided by (used in) investing activities	876	(4,568)
Cash flows from financing activities		
Proceeds from short-term borrowings	212,600	259,000
Repayments of short-term borrowings	(219,500)	(261,900)
Repayments of lease liabilities	(310)	(266)
Proceeds from long-term borrowings	7,600	12,000
Repayments of long-term borrowings	(6,464)	(10,296)
Purchase of treasury shares	(1)	(0)
Proceeds from disposal of treasury shares	237	35
Dividends paid	(5,612)	(5,079)
Net cash provided by (used in) financing activities	(11,451)	(6,507)
Effect of exchange rate change on cash and cash equivalents	680	(152)
Net increase (decrease) in cash and cash equivalents	(1,182)	(639)
Cash and cash equivalents at beginning of period	16,751	15,568
Cash and cash equivalents at end of period	15,568	14,929

V. Summary of Operating Performance

(1) Summary of Operating Performance in the Fiscal Year Under Review

The global economy for the fiscal year under review maintained solid growth, supported by a recovery in real incomes due to settled inflation. However, there are also downside risks such as the “America First” policies promoted by the Trump administration, the unclear recovery trends of the Chinese economy, and the political instability in major European countries like Germany and France. These factors also raise concerns about their potential adverse effects on the global economy in the future.

Turning to the Japanese economy, the real GDP growth rate for the calendar year 2024 barely maintained a positive level with a year-on-year increase of 0.1%. However, there remains a sense of uncertainty about the future due to factors such as rising food prices, stagnation in personal consumption primarily caused by sluggish real wage growth, and the impact on trade from tariff measures implemented by the Trump administration.

With regard to the electronics industry, the mainstay area of the business of the Group, demand for data centers related to generative AI continued to be strong. On the other hand, there was a continued downturn in final demand, primarily for automotive and industrial equipment, resulting in prolonged inventory adjustments. This has led to a continued polarization between the robust performance of AI-related sectors and the poor performance of others.

Under these circumstances, in the Group’s electronic components business, there was a temporary increase in sales to major customers in the automotive-related field. However, due to ongoing inventory adjustments by customers in the industrial equipment sector and other factors, revenue decreased year on year.

In the electronic and electric equipment business, sales increased due to shipments of orders from the previous fiscal year for equipment related to power devices, resulting in a year-on-year increase in revenue.

In the industrial chemicals business, revenue slightly increased year on year, partly due to passing on the surge in raw material costs to the selling prices in the paper and pulp sector.

As a result, consolidated net sales for the fiscal year under review amounted to ¥183,133 million, a 0.6% year-on-year increase.

Regarding profit and loss, consolidated gross profit increased 3.9% to ¥27,878 million, and consolidated selling, general and administrative expenses increased 4.0% to ¥19,965 million. As a result, consolidated operating profit increased 3.6% to ¥7,913 million, consolidated ordinary profit increased 5.9% to ¥7,321 million, and profit attributable to owners of parent decreased 0.9% to ¥5,131 million.

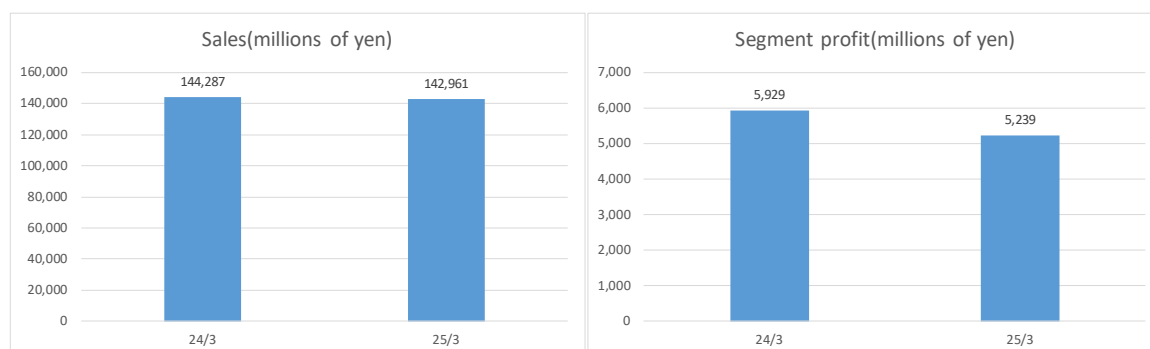
Furthermore, EPS amounted to ¥272.76, a decrease of ¥3.44 from the previous fiscal year.

In terms of the indicators used to determine profitability and capital efficiency, for the fiscal year under review, the operating profit margin was 4.3% (4.2% in the previous fiscal year), return on assets (ROA) was 5.5% (4.9%), and return on equity (ROE) was 7.8% (8.0%).

[Electronic Components Business]

In the electronic components business, there was a temporary increase in sales to major customers for automotive applications. However, sales for smartphones and PCs remained weak, and while there were some orders from customers who had finished depleting their inventories in the industrial equipment sector, overall sales declined due to prolonged inventory adjustments by customers.

As a result, net sales in this segment for the fiscal year under review decreased 0.9% year on year to ¥142,961 million, and segment profit decreased 11.6% to ¥5,239 million, due to factors such as the decline in the amount of profit because of lower sales and impact of exchange rate fluctuations.



[Electronic and Electric Equipment Business]

In the electronic and electric equipment business, sales of PCB-related equipment continued to be sluggish as capital investment by package board manufacturers did not recover. On the other hand, the vacuum physicochemical-related sector maintained solid performance, and although there was a slowdown in capital investment in semiconductor plants for power devices, sales significantly increased due to shipments of orders received in the previous fiscal year.

As a result, net sales in this segment for the fiscal year under review increased 2.6% year on year to ¥27,241 million, and segment profit increased 40.6% to ¥2,498 million.



[Industrial Chemicals Business]

In the industrial chemicals business, sales decreased in the oil and petrochemical sector due to reduced operations at overseas plants and continued production adjustments at domestic plants. However, in the paper and pulp sector, profits improved due to the pass-through of rising raw material costs to selling prices. Additionally, demand in the cosmetics sector began to improve and some inventory of major customers was cleared, but a full recovery remains uncertain.

As a result, net sales in this segment for the fiscal year under review increased 0.0% year on year to ¥10,789 million, and there was a segment loss of ¥9 million (segment profit of ¥35 million in the previous fiscal year), mainly due to the decline in the amount of profit caused by increased raw material costs.



[Other Business]

In other businesses, in addition to our entrusted general business and logistics management and solar power generation operations, we have also been conducting entrusted analysis and testing evaluation businesses, such as material investigation, from this fiscal year. Net sales in this segment for the fiscal year under review increased 134.8% year on year to ¥2,560 million, and segment profit increased 272.1% to ¥131 million, due to the addition of the entrusted analysis and testing evaluation business from this fiscal year.

(2) Summary of Financial Position in the Fiscal Year Under Review

Balance sheet highlights

Current assets at the end of the fiscal year under review decreased ¥11,320 million to ¥109,532 million, a year-on-year decrease of 9.4%. This was mainly attributed to a ¥12,009 million decrease in merchandise and finished goods, as a result of the progress of inventory shipments.

Non-current assets increased ¥3,937 million to ¥20,843 million, a year-on-year increase of 23.3%. This was primarily due to a ¥3,028 million increase in goodwill due to the purchase of shares of CLEARIZE Co., Ltd.

As a result of the above, total assets at the end of the fiscal year under review decreased ¥7,383 million to ¥130,376 million, a year-on-year decrease of 5.4%.

As for liabilities, current liabilities decreased ¥11,509 million to ¥47,196 million, a year-on-year decrease of 19.6%. This was primarily due to a ¥5,485 million decrease in notes and accounts payable - trade and a ¥5,071 million decrease in short-term borrowings associated with the decrease in operating capital (inventory procurement).

Non-current liabilities increased ¥4,512 million to ¥17,632 million, a year-on-year increase of 34.4%. This was primarily due to a ¥4,043 million increase in long-term borrowings.

As a result of the above, total liabilities at the end of the fiscal year under review decreased ¥6,996 million to ¥64,829 million, a year-on-year decrease of 9.7%.

Net assets decreased ¥387 million to ¥65,546 million, a year-on-year decrease of 0.6%. This was primarily due to a ¥295 million decrease in valuation difference on available-for-sale securities due to the sale of investment securities.

(3) Summary of Cash Flows in the Fiscal Year Under Review

In regard to consolidated cash flows in the fiscal year under review, net cash provided by operating activities amounted to ¥10,589 million, net cash used in investing activities amounted to ¥4,568 million, and net cash used in financing activities amounted to ¥6,507 million. The effect of an exchange rate change on cash and cash equivalents decreased ¥152 million. As a result, cash and cash equivalents at the end of the fiscal year under review decreased ¥639 million year on year to ¥14,929 million.

(Cash flows from operating activities)

Net cash provided by operating activities amounted to ¥10,589 million. The principal sources of cash were ¥7,561 million in profit before income taxes and a ¥11,733 million decrease in inventories, while uses of cash included a ¥6,715 million decrease in trade payables. In the previous fiscal year, net cash provided by operating activities amounted to ¥8,712 million due primarily to a ¥15,682 million decrease in trade receivables.

(Cash flows from investing activities)

Net cash used in investing activities amounted to ¥4,568 million due primarily to ¥3,714 million in purchase of shares of subsidiaries resulting in change in scope of consolidation. In the previous fiscal year, net cash provided by investing activities totaled ¥876 million, primarily as a result of ¥2,040 million in proceeds from sale of investment securities.

(Cash flows from financing activities)

Net cash used in financing activities amounted to ¥6,507 million due primarily to ¥2,900 million of repayments of short-term borrowings (net) and ¥5,079 million of dividends paid. In the previous fiscal year, net cash used in financing activities totaled ¥11,451 million, primarily as a result of a ¥5,612 million of dividends paid.

VI. Corporate Data

Basic Information (as of March 31, 2025)

Trade name:	Hakuto Co., Ltd.
Established:	November 1953
Listed market:	Prime Market of the Tokyo Stock Exchange (Securities Code: 7433)
Listed:	March 2000
Business year:	From April 1 to March 31
Share capital:	8,100 million yen
Number of employees:	1,318 persons (Consolidated)
Head office:	1-13, Shinjuku 1-chome, Shinjuku-ku, Tokyo
Telephone:	+81-3-3225-8910
Consolidated subsidiaries:	Hakuto Enterprises Ltd. Hakuto Singapore Pte. Ltd. Hakuto Taiwan Ltd. Hakuto Enterprises (Shanghai) Ltd. Hakuto (Thailand) Ltd. Hakuto Engineering (Thailand) Ltd. Hakuto Trading (Shenzhen) Ltd. Hakuto America Inc. Hakuto Czech s.r.o. Hakuto Logistics Co., Ltd. MOLDEC Co., Ltd. CLEARIZE Co., Ltd.

Directors (as of June 24, 2025)

President & Chief Executive Officer (Representative Director)	Tamaki Miyashita
Director, V.P. & Executive Managing Officer	Nobuhito Shintoku
Director, V.P. & Managing Officer	Yugo Ishishita
Director, V.P. & Managing Officer	Ken Ebihara
Director, V.P. & Managing Officer	Tsutomu Matsuura
Director, V.P. & Managing Officer	Hideki Takahashi
Director	Ichiro Takayama
Director*	Tomohiro Murata
Director*	Akira Minamikawa
Director*	Shigenori Oyama
Director* (Full-time Audit and Supervisory Committee Member)	Fumiaki Yamamoto
Director* (Audit and Supervisory Committee Member)	Keiji Okanan
Director* (Audit and Supervisory Committee Member)	Junko Kato

* External Director

Stock Status (as of March 31, 2025)

Total number of authorized shares:	54,000,000 shares
Total number of issued shares:	21,137,213 shares
Number of shareholders:	26,646

Major shareholders (Top 10)

Name	Number of shares held (Thousands of shares)	Shareholding ratio (excluding treasury shares) (%)
Takayama International Education Foundation	4,226.2	22.46
The Master Trust Bank of Japan, Ltd.	1,828.0	9.72
Ichiro Takayama	1,058.9	5.63
Ken Takayama	1,058.9	5.63
Ryutaro Takayama	1,058.8	5.63
Hakuto Employee Stock Ownership Plan	513.2	2.73
SMBC Trust Bank Ltd.	241.0	1.28
Custody Bank of Japan, Ltd.	222.5	1.18
BNYM AS AGT/CLTS NON TREATY JASDEC	154.4	0.82
(Standing proxy: MUFG Bank, Ltd.)		
STATE STREET BANK WEST CLIENT - TREATY 505234	105.5	0.56
(Standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department)		

Notes: 1. Of the above number of shares held, the number of shares in association with fiduciary activities is as follows:

The Master Trust Bank of Japan, Ltd.	1,828.0 thousand shares
SMBC Trust Bank Ltd.	241.0 thousand shares
Custody Bank of Japan, Ltd.	222.5 thousand shares

2. In addition to the above, the Company holds 2,320,518 shares as treasury shares. However, since the treasury shares do not have voting rights, they are excluded from the above list.

Treasury shares (number of shares held)	2,320,518 shares
Shareholding ratio	10.98%

* Annual Select is an English-language disclosure format developed by ZAIHON, INC. to increase the level of convenience of investors outside Japan based on Japanese-language statutory disclosure material, timely disclosure material prescribed by securities exchanges and voluntarily disclosed IR material. Annual Select is a registered trademark of ZAIHON, INC. Reproduction or copying without prior permission is prohibited.

* While every best effort has been made to provide a translation meeting the quality standards required of professionals, the Company does not guarantee it is 100% accurate. Therefore, please verify the original Japanese text for any final judgments made based on this information.