

FACTBOOK

7467/TSE Prime Market, NSE Premier Market
HAGIWARA ELECTRIC HOLDINGS CO., LTD.
 For the fiscal year ended on March 31, 2022



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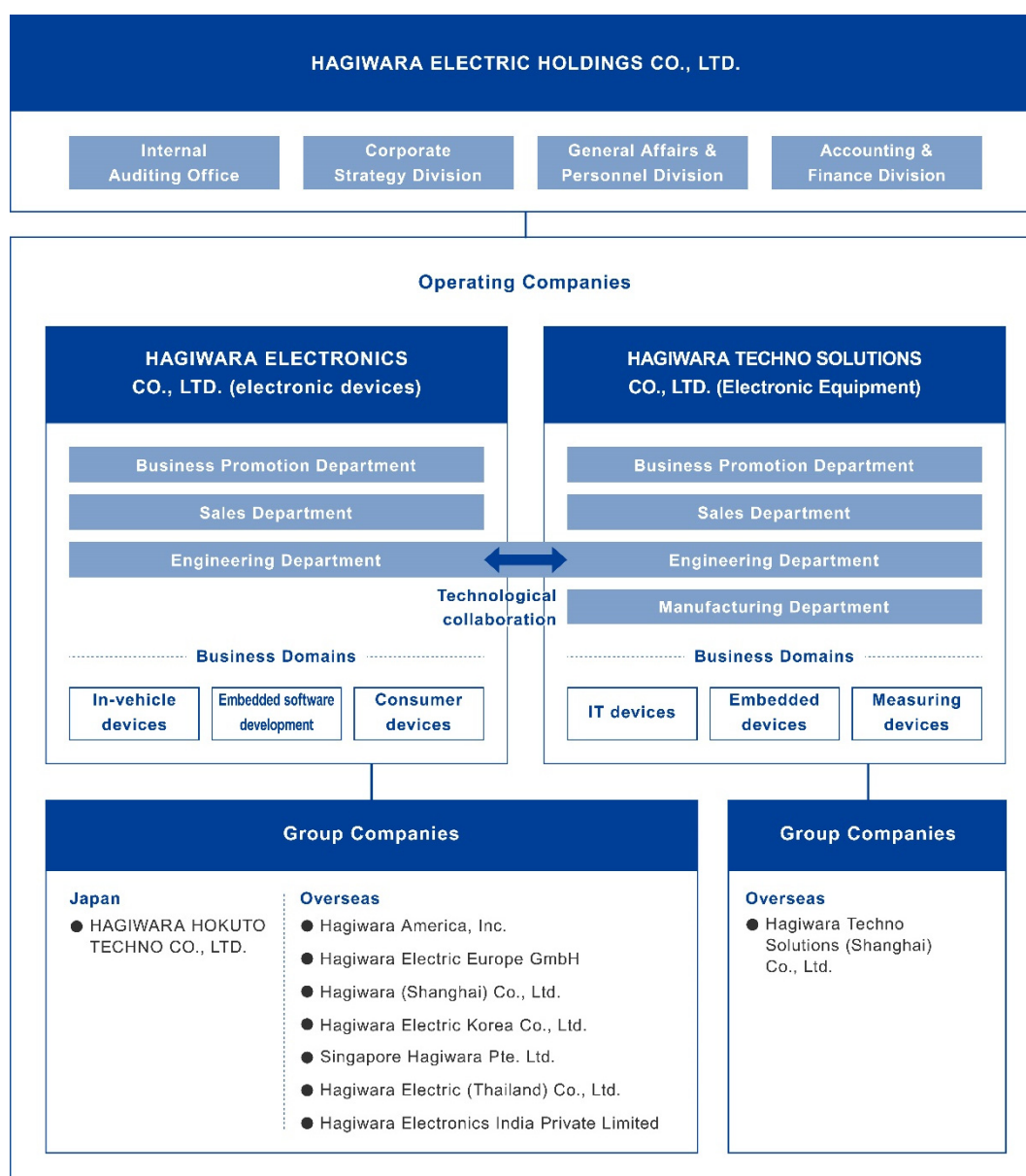
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Corporate Outline (as of March 31, 2022)

Name of Company	HAGIWARA ELECTRIC HOLDINGS CO., LTD.
Head Office	2-2-1 Higashisakura, Higashi-ku, Nagoya City, Aichi Pref. 461-8520 Japan
Representatives	Mitsuo Iwai, Chairman and Representative Director Moritaka Kimura, President and Representative Director
Established	March 31, 1948
Share Capital	4,361,243,696 yen
Number of Employees	Consolidated: 609 *Excluding temporary employees
Major Business	Formulation and management of business strategies for group companies selling electronic devices and electronic equipment and manufacturing and selling FA equipment
Subsidiaries	HAGIWARA ELECTRONICS CO., LTD. HAGIWARA TECHNO SOLUTIONS CO., LTD.

Organizational structure of the Group

As of March 31, 2022



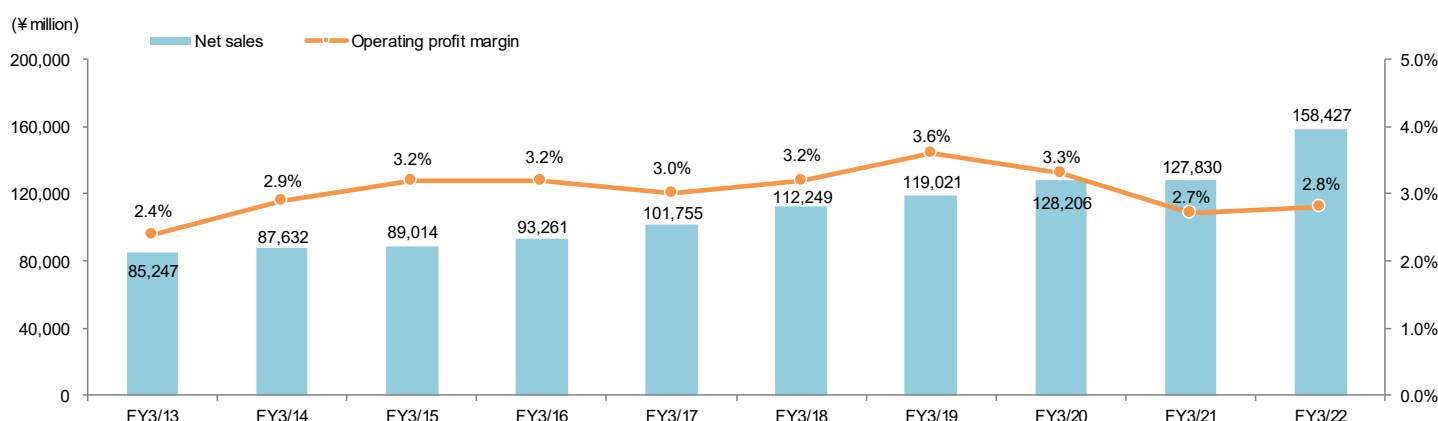
Corporate History Timeline

1948	Hagiwara Denki Kogyo was founded.		
1958	Hagiwara Denki Kogyo Co., Ltd. was founded.		
1966	The Tokyo Branch Office was established.		
1993	The Kyushu Office was established.		
1996	The Singapore local subsidiary was established.		
2006	The US local subsidiary was established. The China (Shanghai) local subsidiary was established.		
2012	The Germany local subsidiary was established. The Data Center was opened.		
2016	The Kansai Branch was established.		
2019	The India local subsidiary was established.		
1956	Partnership with NEC Corporation initiated and wholesale division selling electronic components established.		
1965	Company name changed to HAGIWARA ELECTRIC CO., LTD.		
1981	The Nisshin Office (production factory) was established.		
1995	Initial public offering of shares		
1998	The Miyoshi Distribution Center was established.		
2011	The Korea local subsidiary was established. The China (Free Trade Zone, Shanghai) local subsidiary was established.		
2014	Listed on the 1st Section of Tokyo Stock Exchange Listed on the 1st Section of Nagoya Stock Exchange The Thailand local subsidiary was established.		
2018	Company name changed to HAGIWARA ELECTRIC HOLDINGS CO., LTD., and status changed to holding company. HAGIWARA HOKUTO TECHNO CO., LTD. was established.		
2022	Listed on Tokyo Stock Exchange Prime Market Listed on Nagoya Stock Exchange Premier Market		

Group Network



Trend of Business Performance



Note: The Company transitioned to a holding company system on April 1, 2018.

The business performance up to FY3/18 in this FACTBOOK refers to the figures of the former HAGIWARA ELECTRIC CO., LTD. before the transition.

Consolidated Balance Sheet

(¥ million)	FY3/18	FY3/19	FY3/20	FY3/21	FY3/22
Assets					
Total assets	57,688	63,179	68,293	73,342	82,482
Current assets	52,860	58,017	62,971	67,753	76,729
Cash and deposits	6,610	7,508	7,753	9,713	8,506
Notes and accounts receivable - trade	30,557	33,007	32,623	38,478	—
Notes receivable - trade	—	—	—	—	279
Accounts receivable - trade	—	—	—	—	26,149
Contract assets	—	—	—	—	141
Electronically recorded monetary claims - operating	1,594	1,629	1,629	1,688	9,471
Merchandise and finished goods	12,860	14,170	16,866	16,389	27,641
Work in process	341	524	349	408	603
Raw materials and supplies	276	259	247	240	861
Other	622	921	3,504	836	3,090
Allowance for doubtful accounts	(2)	(3)	(2)	(2)	(17)
Non-current assets	4,828	5,162	5,321	5,588	5,753
Property, plant and equipment	2,629	2,677	2,772	2,750	2,713
Buildings and structures	1,344	1,384	1,429	1,446	1,492
Accumulated depreciation	(874)	(913)	(953)	(993)	(1,038)
Buildings and structures, net	469	470	476	452	454
Machinery, equipment and vehicles	52	54	54	46	48
Accumulated depreciation	(39)	(40)	(42)	(36)	(40)
Machinery, equipment and vehicles, net	12	13	11	10	7
Land	1,917	1,917	1,917	1,917	1,903
Leased assets	131	155	253	321	383
Accumulated depreciation	(60)	(65)	(106)	(169)	(214)
Leased assets, net	70	90	147	151	169
Construction in progress	3	7	—	—	1
Other	707	774	853	902	918
Accumulated depreciation	(553)	(596)	(633)	(683)	(741)
Other, net	154	177	219	219	176
Intangible assets	108	218	199	186	243
Investments and other assets	2,089	2,266	2,349	2,651	2,796
Investment securities	1,448	1,317	1,250	1,504	1,444
Long-term loans receivable	—	—	—	—	44
Deferred tax assets	289	396	468	431	584
Retirement benefit asset	—	—	—	8	96
Other	352	553	630	705	670
Allowance for doubtful accounts	(0)	—	—	(0)	(44)

Note: The Company applied the "Partial Amendments to Accounting Standards for Tax Effect Accounting" (Accounting Standards Board of Japan (ASBJ) Statement No. 28 issued on February 16, 2018) from FY3/19. The figures for FY3/18 are after retrospective application for comparability.

Consolidated Balance Sheet

(¥ million)	FY3/18	FY3/19	FY3/20	FY3/21	FY3/22
Liabilities					
Total liabilities	28,808	29,730	33,178	36,289	43,113
Current liabilities	24,536	25,230	27,462	31,095	36,531
Notes and accounts payable - trade	11,585	11,727	13,738	17,295	17,376
Electronically recorded obligations - operating	2,914	3,159	2,252	2,663	3,126
Short-term borrowings	6,582	5,536	5,148	5,348	10,129
Current portion of long-term borrowings	918	925	600	2,700	1,025
Lease liabilities	21	26	62	67	98
Accounts payable - other	—	—	3,538	—	—
Income taxes payable	526	1,536	671	604	992
Contract liabilities	—	—	—	—	1,106
Provision for bonuses for directors (and other officers)	48	93	77	75	109
Provision for loss on order received	11	—	—	—	—
Other	1,927	2,225	1,373	2,340	2,567
Non-current liabilities	4,272	4,499	5,715	5,194	6,582
Long-term borrowings	3,925	4,025	5,175	4,875	6,250
Lease liabilities	44	59	83	86	78
Deferred tax liabilities	0	0	0	79	79
Retirement benefit liability	119	224	279	—	—
Asset retirement obligations	80	86	97	99	119
Other	102	104	79	53	54
Net assets					
Total net assets	28,880	33,449	35,114	37,052	39,369
Shareholders' equity	28,347	31,154	32,959	34,537	36,607
Share capital	3,916	4,361	4,361	4,361	4,361
Capital surplus	4,407	4,861	4,867	4,868	4,872
Retained earnings	20,378	22,274	24,063	25,626	27,679
Treasury shares	(354)	(343)	(332)	(319)	(305)
Accumulated other comprehensive income	528	263	69	410	638
Valuation difference on available-for-sale securities	388	296	225	414	325
Deferred gains or losses on hedges	—	—	—	—	(3)
Foreign currency translation adjustment	239	181	128	103	413
Remeasurements of defined benefit plans	(98)	(214)	(284)	(107)	(97)
Share acquisition rights	3	—	—	—	—
Non-controlling interests	—	2,032	2,085	2,103	2,123
Total liabilities and net assets	57,688	63,179	68,293	73,342	82,482

Consolidated Statement of Income

(¥ million)	FY3/18	FY3/19	FY3/20	FY3/21	FY3/22
Net sales	112,249	119,021	128,206	127,830	158,427
Cost of sales	101,365	106,825	115,491	115,941	143,814
Gross profit	10,883	12,196	12,714	11,888	14,612
Selling, general and administrative expenses	7,251	7,876	8,541	8,420	10,255
Operating profit	3,631	4,319	4,173	3,468	4,356
Non-operating income	96	82	105	212	114
Interest income	6	9	2	6	15
Dividend income	15	19	18	19	19
Insurance claim income	—	—	27	—	—
Foreign exchange gains	—	—	—	37	38
Income from fees for business	—	—	—	28	—
Surrender value of insurance policies	30	0	—	—	—
Gain on valuation of investment securities	17	24	—	53	—
Compensation income	—	—	—	24	10
Other	26	30	58	42	30
Non-operating expenses	140	126	184	124	135
Interest expenses	39	43	50	34	36
Loss on valuation of investment securities	—	—	18	—	—
Foreign exchange losses	9	27	72	—	—
Loss on sale of trade receivables	49	32	17	24	18
Commission expenses	23	6	12	53	15
Share issuance costs	10	12	—	—	—
Provision of allowance for doubtful accounts	—	—	—	—	51
Other	8	4	13	12	13
Ordinary profit	3,587	4,275	4,093	3,556	4,335
Extraordinary income	7	3	1	37	78
Gain on sale of non-current assets	0	—	0	0	0
Gain on sale of investment securities	0	3	1	36	77
Gain on liquidation of subsidiaries and associates	7	—	—	—	—
Extraordinary losses	3	22	7	0	10
Loss on disposal of non-current assets	2	1	0	0	9
Loss on valuation of investment securities	—	20	0	—	—
Loss on sale of investment securities	—	—	4	—	—
Loss on liquidation of investment securities	—	0	—	—	—
Loss on sale of membership	1	—	—	—	—
Loss on valuation of membership	—	—	2	—	—
Other	—	—	—	—	0
Profit before income taxes	3,591	4,256	4,087	3,593	4,403
Income taxes - current	1,012	1,445	1,320	1,268	1,562
Income taxes - deferred	37	(11)	(8)	(43)	(89)
Total income taxes	1,050	1,433	1,311	1,225	1,473
Profit	2,540	2,823	2,775	2,367	2,930
Profit attributable to non-controlling interests	—	17	59	53	54
Profit attributable to owners of parent	2,540	2,806	2,716	2,314	2,876

Consolidated Statement of Cash Flows

(¥ million)	FY3/18	FY3/19	FY3/20	FY3/21	FY3/22
Cash flows from operating activities					
Net cash provided by (used in) operating activities	(1,829)	419	1,092	887	(4,905)
Profit before income taxes	3,591	4,256	4,087	3,593	4,403
Depreciation	172	186	215	247	282
Loss (gain) on sale and retirement of non-current assets	2	1	0	(0)	8
Increase (decrease) in allowance for doubtful accounts	(2)	0	(0)	0	58
Increase (decrease) in provision for bonuses for directors (and other officers)	(3)	44	(16)	(1)	34
Increase (decrease) in retirement benefit liability	(56)	(61)	(44)	(25)	—
Decrease (increase) in retirement benefit asset	—	—	—	—	(71)
Increase (decrease) in provision for loss on order received	10	(11)	—	—	—
Interest and dividend income	(22)	(28)	(20)	(26)	(34)
Interest expenses	39	43	50	34	36
Surrender value of insurance policies	(30)	(0)	—	—	—
Loss (gain) on valuation of investment securities	(17)	(9)	18	(53)	1
Loss (gain) on sale of investment securities	(0)	(3)	3	(36)	(77)
Loss (gain) on liquidation of subsidiaries and associates	(7)	—	—	—	—
Loss (gain) on sale of membership	1	—	—	—	—
Decrease (increase) in trade receivables	(2,222)	(2,576)	315	(5,849)	4,219
Decrease (increase) in inventories	(1,975)	(1,475)	(2,509)	424	(12,067)
Increase (decrease) in trade payables	(115)	386	1,104	3,967	544
Other, net	(65)	613	(341)	21	(1,103)
Subtotal	(703)	1,366	2,862	2,294	(3,765)
Interest and dividends received	23	29	21	27	35
Interest paid	(38)	(42)	(50)	(29)	(41)
Income taxes paid	(1,110)	(933)	(1,740)	(1,405)	(1,134)
Cash flows from investing activities					
Net cash provided by (used in) investing activities	125	(430)	(274)	(69)	(171)
Proceeds from withdrawal of time deposits	—	70	—	—	—
Payments into time deposits	—	(200)	—	—	—
Purchase of investment securities	(25)	(19)	(78)	(11)	(114)
Proceeds from sale of investment securities	0	30	21	119	118
Proceeds from redemption of investment securities	200	0	—	—	—
Purchase of property, plant and equipment	(72)	(157)	(123)	(123)	(87)
Proceeds from sale of property, plant and equipment	0	0	1	10	10
Purchase of intangible assets	(40)	(147)	(42)	(54)	(90)
Proceeds from cancellation of insurance funds	86	2	—	—	—
Other, net	(22)	(8)	(51)	(10)	(8)
Cash flows from financing activities					
Net cash provided by (used in) financing activities	2,871	1,037	(519)	1,165	3,564
Net increase (decrease) in short-term borrowings	2,084	(1,046)	(388)	200	4,780
Proceeds from long-term borrowings	1,600	1,100	1,750	2,400	2,400
Repayments of long-term borrowings	(1,320)	(993)	(925)	(600)	(2,700)
Purchase of treasury shares	(0)	—	—	(0)	(0)
Proceeds from issuance of shares resulting from exercise of share acquisition rights	1,219	879	—	—	—
Proceeds from sale of treasury shares	—	19	16	14	—
Dividends paid	(691)	(907)	(929)	(749)	(796)
Proceeds from share issuance to non-controlling shareholders	—	2,009	—	—	—
Repayments to non-controlling shareholders	—	—	(5)	(34)	(34)
Other, net	(21)	(24)	(37)	(65)	(84)
Effect of exchange rate change on cash and cash equivalents	(2)	(57)	(52)	(23)	304
Net increase (decrease) in cash and cash equivalents	1,164	968	245	1,960	(1,207)
Cash and cash equivalents at beginning of period	5,375	6,540	7,508	7,753	9,713
Cash and cash equivalents at end of period	6,540	7,508	7,753	9,713	8,506

Net Sales Breakdown by Business Segment and Major Client



Net Sales Breakdown by Business Segment

(¥ million)	FY3/18	FY3/19	FY3/20	FY3/21	FY3/22
Net sales	112,249	119,021	128,206	127,830	158,427
Electronic Devices Business	91,971	95,692	103,700	105,905	134,661
Technology Solutions Business	20,278	23,328	24,505	21,924	23,766
Segment profit	3,631	4,319	4,173	3,468	4,356
Electronic Devices Business	4,061	2,870	2,674	2,164	2,663
Technology Solutions Business	1,242	1,449	1,498	1,303	1,692
Reconciling items	(1,672)	—	—	—	—

Note: The Company changed the calculation method of segment profit in FY3/19.

Along with this, unattributable costs and income related to the Company (the holding company) are allocated to each segment.

Net Sales Breakdown by Major Client

(¥ million)	FY3/18	FY3/19	FY3/20	FY3/21	FY3/22
Net sales	112,249	119,021	128,206	127,830	158,427
DENSO CORPORATION	63,388	66,954	70,427	74,422	80,073
Toyota Motor Corporation	9,020	9,329	9,703	4,902	3,492
TOKAI RIKA CO., LTD.	4,940	4,502	4,533	4,057	4,383
Others	34,899	38,235	43,541	44,447	70,479

Note: Net sales to overseas subsidiaries of DENSO CORPORATION, etc. are included in "Others."

Consolidated Profitability Indicators

(%)	FY3/18	FY3/19	FY3/20	FY3/21	FY3/22
Gross profit on Net sales	9.7	10.2	9.9	9.3	9.2
Operating profit margin	3.2	3.6	3.3	2.7	2.8
Ordinary profit margin	3.2	3.6	3.2	2.8	2.7
Net profit margin	2.3	2.4	2.1	1.8	1.8
ROA	6.5	7.1	6.2	5.0	5.6
ROE	9.3	9.3	8.4	6.8	8.0
DOE	2.9	3.0	2.9	2.1	2.5

Gross profit on Net sales=Gross profit/Net sales

Operating profit margin = Operating profit/Net sales

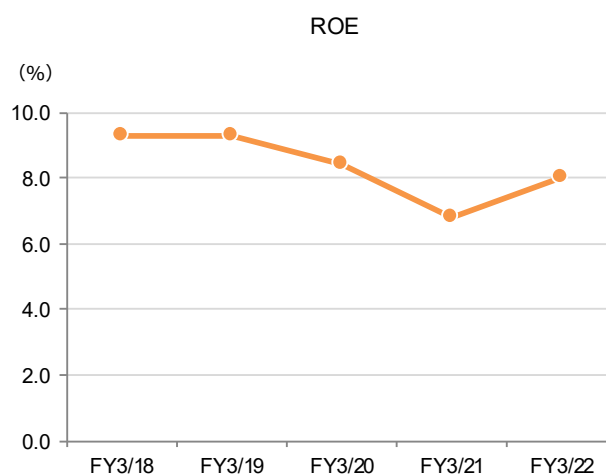
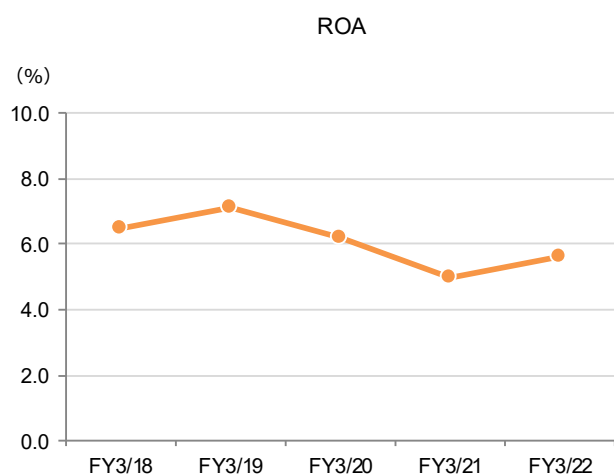
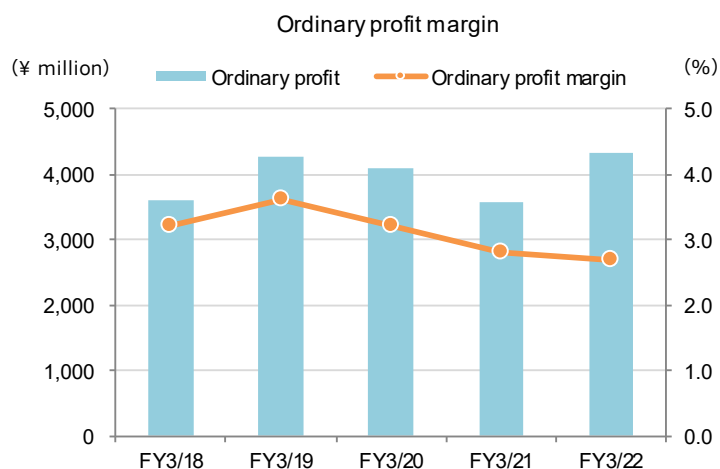
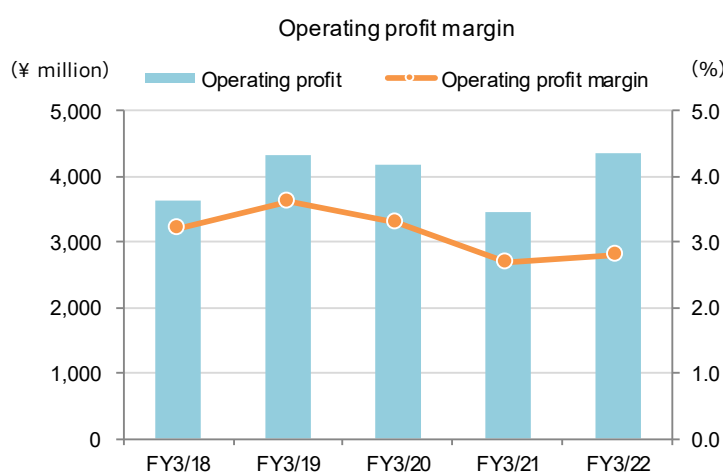
Ordinary profit margin = Ordinary profit/Net sales

Net profit margin = Profit attributable to owners of parent/Net sales

ROA=Ordinary profit/Average total assets

ROE=Profit attributable to owners of parent/Average equity

DOE=Total dividend/Average net assets



Consolidated Profitability/Efficiency Indicators

(times)	FY3/18	FY3/19	FY3/20	FY3/21	FY3/22
Total assets turnover	2.0	2.0	2.0	1.8	2.0
Equity turnover	4.1	3.9	4.0	3.8	4.4
Property, plant and equipment turnover	42.6	44.9	47.1	46.3	58.0
Interest coverage ratio	93.2	100.9	83.5	102.4	119.7

	FY3/18	FY3/19	FY3/20	FY3/21	FY3/22
Number of employees at end of period	523	544	585	594	609
Number of temporary employees at end of period	47	51	59	78	85
Net sales per employee (¥ thousand)	196,928	200,036	199,078	190,224	228,282
Ordinary profit per employee (¥ thousand)	6,293	7,186	6,357	5,292	6,247
Net profit per employee (¥ thousand)	4,458	4,716	4,218	3,445	4,145

Total assets turnover=Net sales/Average total assets

Equity turnover = Net sales/Average equity

Property, plant and equipment turnover=Net sales/Average property, plant and equipment

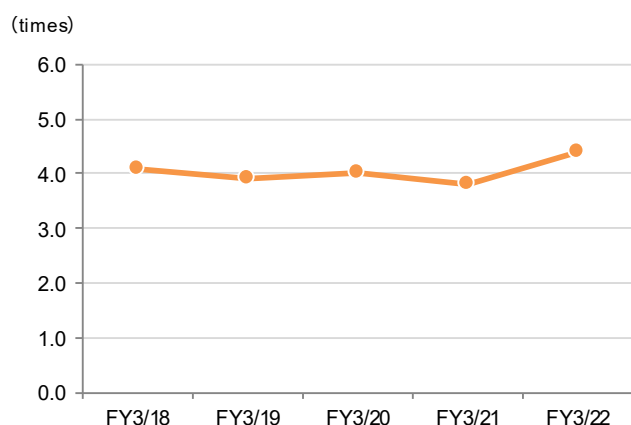
Interest coverage ratio=(Operating profit+Interest income+Dividend income)/Interest expenses

Net sales per employee=Net sales/(No. of employees at end of period+No. of temp. employees at end of period)

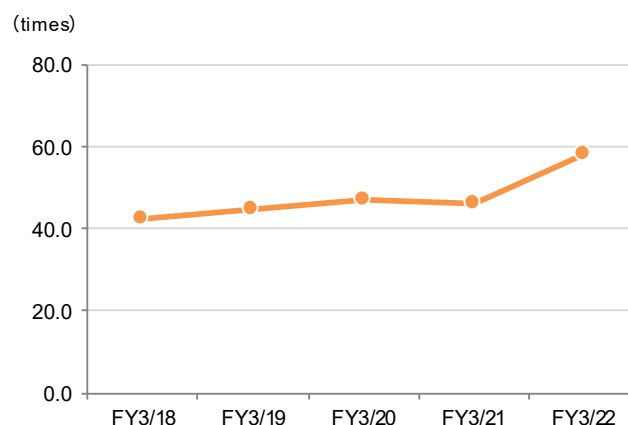
Ordinary profit per employee=Ordinary profit/(No. of employees at end of period+No. of temp. employees at end of period)

Net profit per employee=Profit attributable to owners of parent/(No. of employees at end of period+No. of temp. employees at end of period)

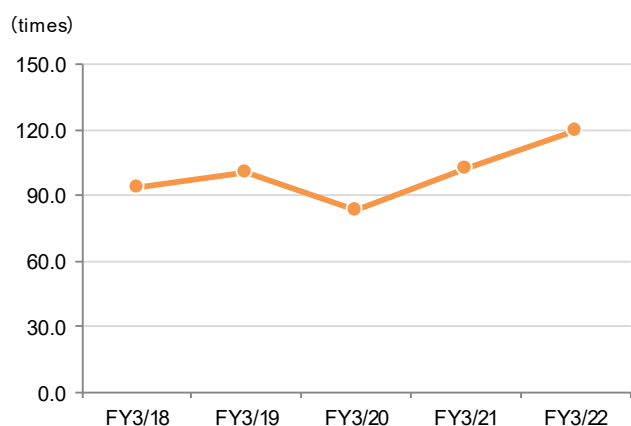
Equity turnover



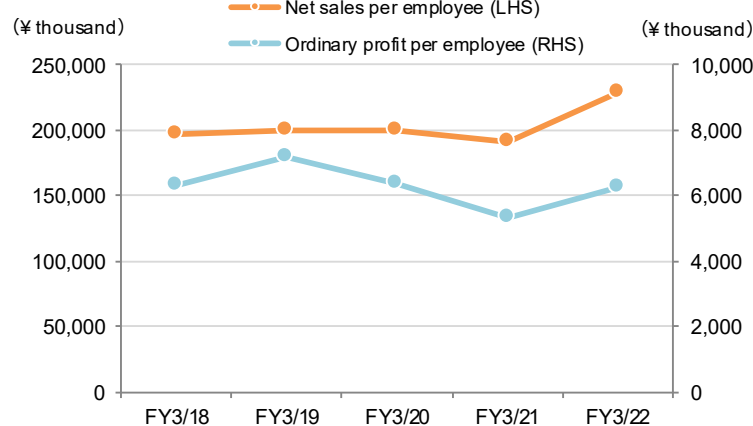
Property, plant and equipment turnover



Interest coverage ratio



Net sales/Ordinary profit per employee



Consolidated Efficiency/Stability Indicators

(%)	FY3/18	FY3/19	FY3/20	FY3/21	FY3/22
Equity ratio	50.1	49.7	48.4	47.7	45.2
Interest-bearing debt ratio	19.8	16.6	16.0	17.6	21.1
Acid-test ratio	158.0	167.0	153.0	160.4	121.6
Current ratio	215.4	229.9	229.3	217.9	210.0
Non-current ratio	16.7	16.4	16.1	16.0	15.4
Non-current assets to Non-current liability ratio	14.6	14.4	13.7	13.9	13.1

Equity ratio=Equity/Total assets

Interest-bearing debt ratio = Interest-bearing debt/Total assets

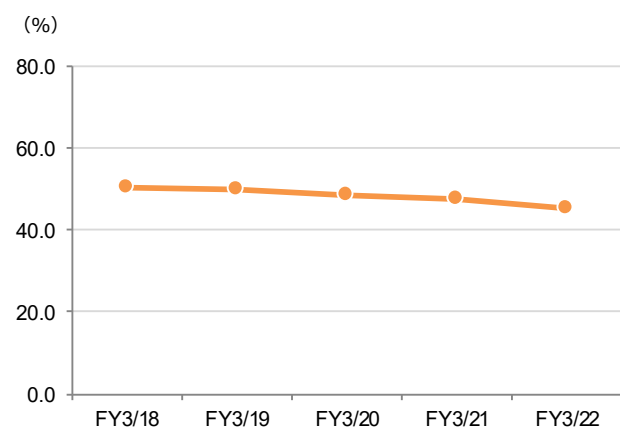
Acid-test ratio=Liquid assets/Current liabilities

Current ratio=Current assets/Current liabilities

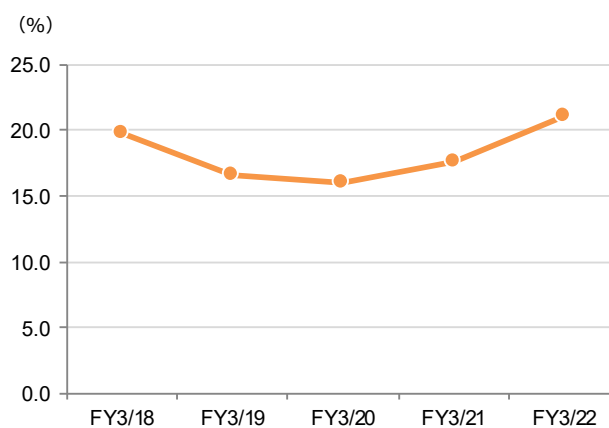
Non-current ratio=Non-current assets/Equity

Non-current assets to Non-current liability ratio=Non-current assets/(Equity+Non-current liabilities)

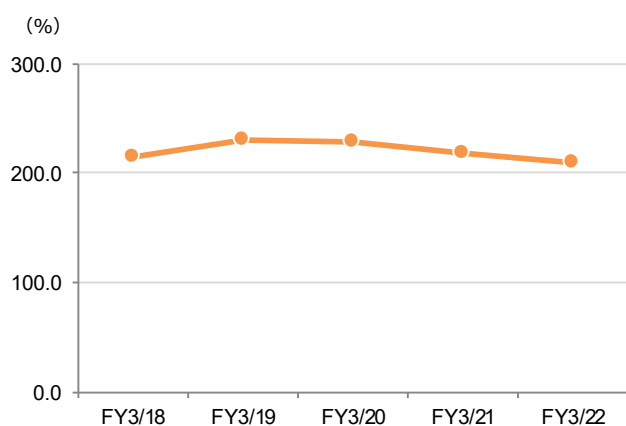
Equity ratio



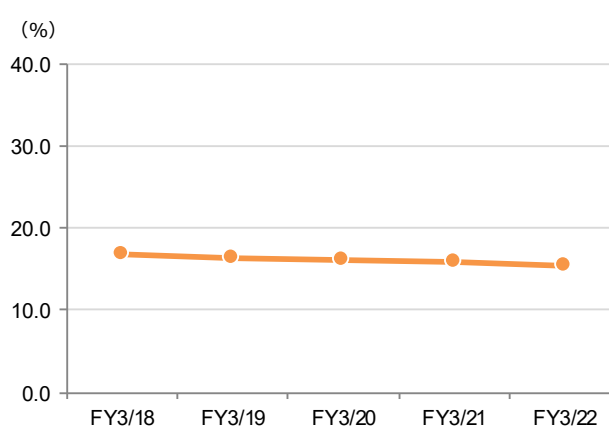
Interest-bearing debt ratio



Current ratio



Non-current ratio



Per Share Indicators

(¥)	FY3/18	FY3/19	FY3/20	FY3/21	FY3/22
Share price at end of period	3,225	3,080	2,197	2,629	2,020
Closing stock price range for the last 12 months	2,092-3,990	2,589-3,405	1,934-3,135	1,860-2,830	1,903-2,686
Earnings per share (EPS)	310.45	319.72	307.45	261.82	325.07
Book-value per share (BPS)	3,393.75	3,557.48	3,737.88	3,951.86	4,208.13
Dividend per share (DPS)	95.00	105.00	105.00	80.00	100.00

Other Indicators

		FY3/18	FY3/19	FY3/20	FY3/21	FY3/22
Total amount of dividends	(¥ million)	792	927	927	707	885
Dividend payout ratio	(%)	30.6	32.8	34.2	30.6	30.8
Price earnings ratio (PER)	(times)	10.39	9.63	7.15	10.04	6.21
Price book-value ratio (PBR)	(times)	0.95	0.87	0.59	0.67	0.48
Term-average number of shares outstanding	(thousand shares)	8,184	8,777	8,834	8,841	8,848
Number of shareholders	(persons)	2,864	2,753	3,143	2,862	3,078

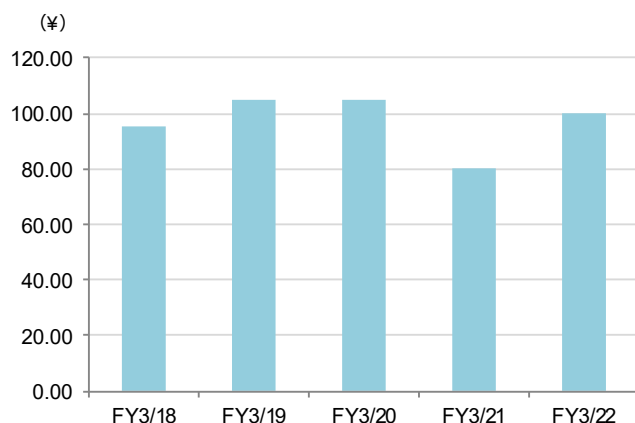
Note: The Company issued the share acquisition rights during the second half of FY3/18.

Dividend payout ratio=DPS/EPS

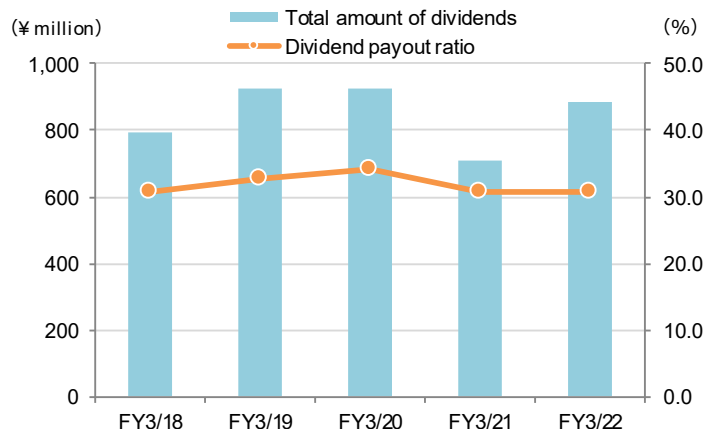
PBR=Share price at end of period/BPS

PER=Share price at end of period/EPS

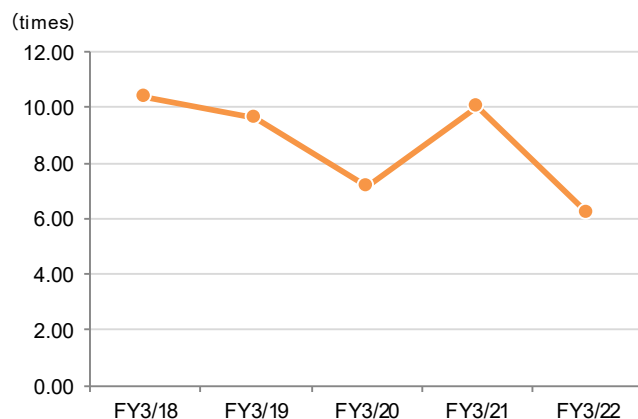
Dividend per share



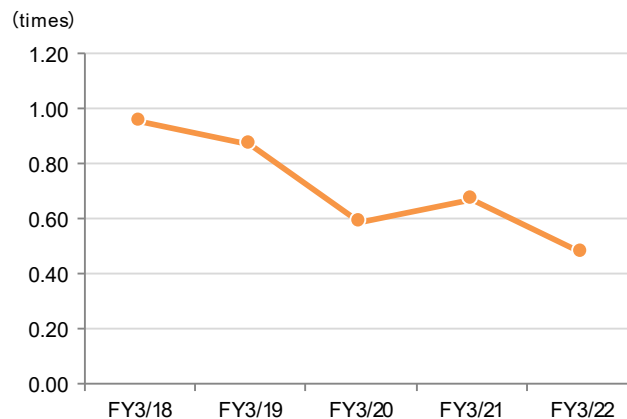
Total amount of dividends/Dividend payout ratio



PER



PBR



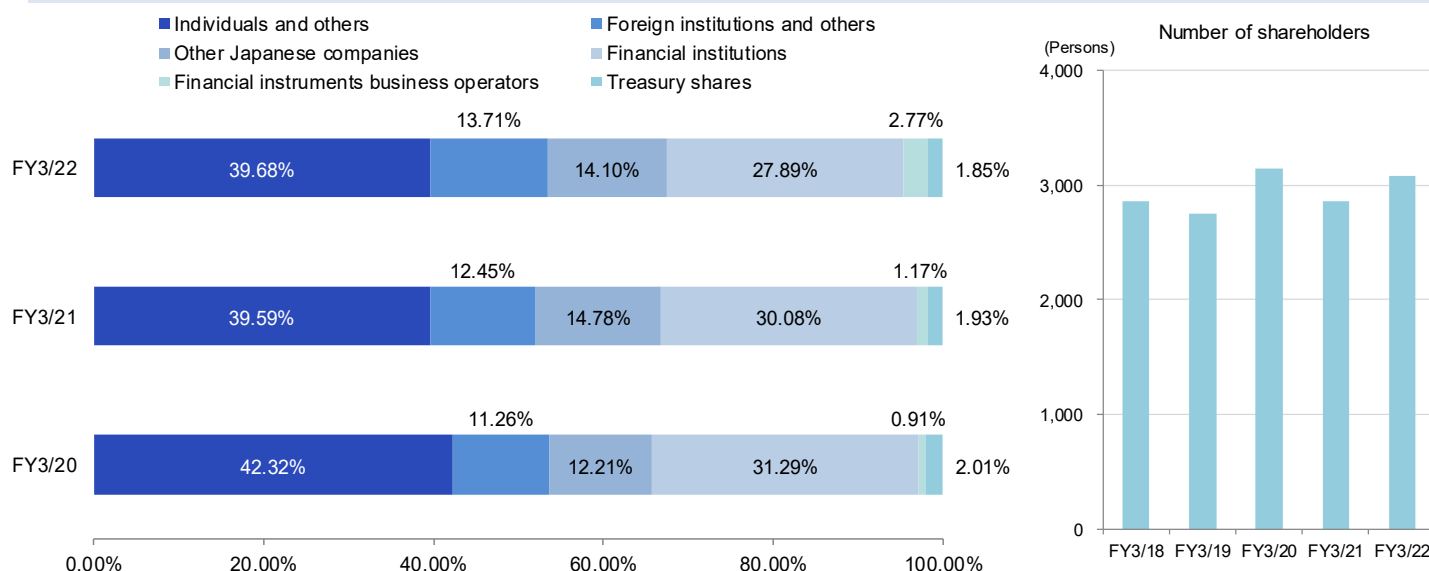
Status of Major Shareholders

as of March 31, 2022

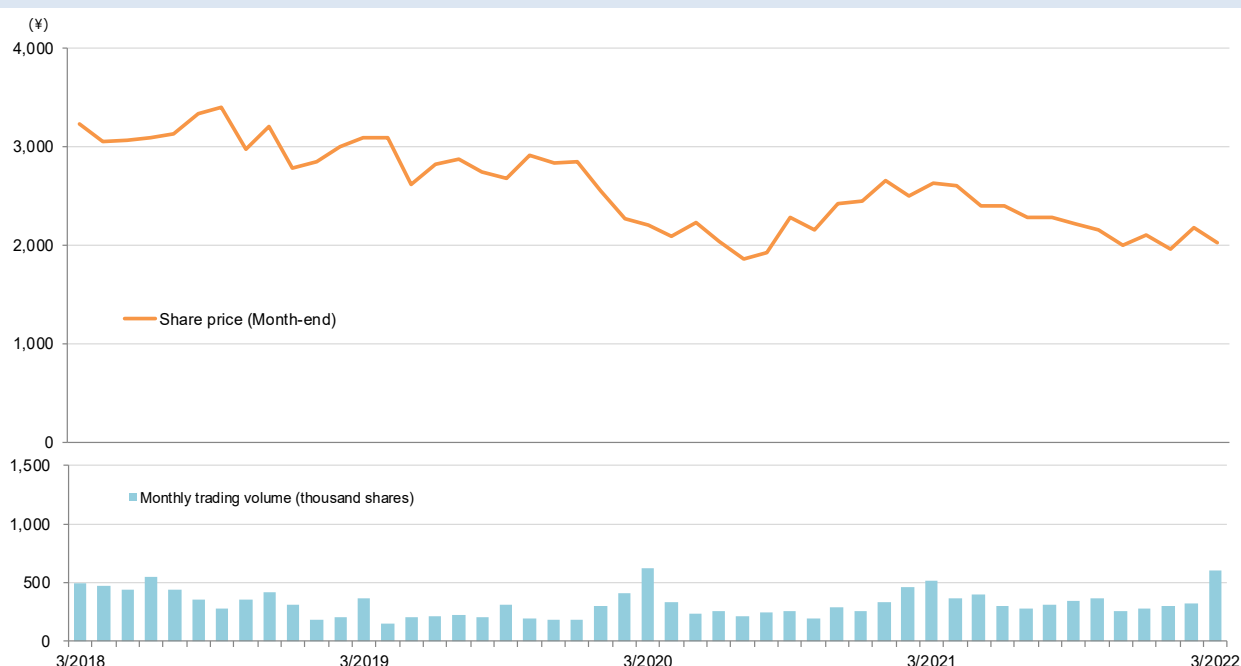
Top 10 Shareholders	Number of shares	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd.(trust account)	955,400	10.79
Custody Bank of Japan, Ltd. (trust account)	571,500	6.46
STANY Co., Ltd.	495,250	5.60
BBH FOR FIDELITY PURITAN TR: FIDELITY SR INTRINSIC OPPORTUNITIES FUND	350,000	3.95
Tomoaki Hagiwara	338,746	3.83
MUFG Bank, Ltd.	232,500	2.63
Nagoya Small and Medium Business Investment & Consultation Co., Ltd.	230,000	2.60
HAGIWARA FOUNDATION OF JAPAN	230,000	2.60
Employees' Stockholding	194,288	2.20
Sumitomo Mitsui Trust Bank, Limited	178,000	2.01

Note: Shareholding ratio is calculated excluding treasury shares (167,113 shares).

Breakdown of Type of Shareholders



Share Price and Trading Volume



A solution design company that is creating the future through advanced electronics

We aim to be a corporate group that contributes to a sustainable society by designing new value for the future of our mobility society and manufacturing through digital transformation.

The foundation of our corporate activities is to prioritize our customers' perspective. We not only meet our customers' needs, but we exceed their expectations by using our knowledge as a trading company to make proposals and leverage our proven technologies to deliver the best solution.

The Hagiwara Electric Group works as one to fulfill its role and

mission as a technology-related trading company. We contribute to the achievement of a prosperous society by creating technological bases to support our electronic devices business, technology solutions business, and overseas business expansion, through which we create solutions that add new value and create greater opportunities for success in all fields.



Electronic Devices Business

Supporting a More Prosperous Lifestyle Through Advanced Technology

We evolve together with our customers through advanced electronics technology and logistics services

The digital revolution has finally begun to change the nature of the automobile. We help to solve our customers' problems by providing new services based on our many years of experience in the automotive industry.

Overseas Business Expansion

Supporting Your Global Expansion

Delivering value globally ~Contributing to our customers' overseas expansion and the development of local businesses~

The Hagiwara Electric Group supports the globalization of manufacturing by actively promoting overseas expansion. We currently have a worldwide network originating in Japan and covering North America, Asia and Europe. By utilizing the group know-how and resources of our local bases, we are able to provide the same level of support for customers engaged in overseas manufacturing operations as for customers operating in Japan.

Technology Solutions Business

Supporting the Digital Society of the Future

Toward a digital society transformed by data and technology: expanding the possibilities of the future through digital transformation

We provide solutions for achieving a connected society by integrating and developing the measurement and digitalization technologies that we have cultivated in the manufacturing field, and for achieving the digital transformations that will lead to the digital society of the future.

Technological Base

Supporting Hagiwara Electric Technologies

Creating new value in society with the power of technology

From development of original component technologies to applied technology and cutting-edge technology, we actively pursue new potential and functional diversity in addition to seeking new technologies. We create new value in society by being responsive to the expanding markets of many different industries, while at the same time, using our strengths to support the business of Hagiwara Electric Group.

Electronic Devices Business

We evolve together with our customers through advanced electronics technology and logistics services

The digital revolution has finally begun to change the nature of the automobile. We help to solve our customers' problems by providing new services based on our many years of experience in the automotive industry.

Business Domains

Contributing to the automotive society of tomorrow, transitioning beyond conventional concepts, by providing the cutting edge solutions



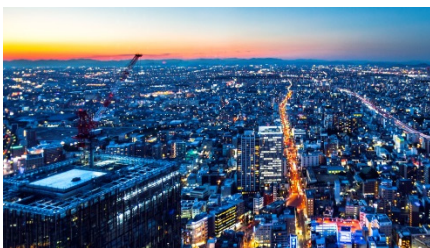
Supporting the Latest Innovations

Internal vehicle devices

The safety and comfort of one's car is paramount to a relaxed and enjoyable driving experience. We handle a diverse selection of electronic devices that support these developments. What's more, our team is equipped to provide a personalized experience with advanced device solutions. Our specialists are experienced in developing new cutting edge products that are customized and tailored to suit your company's needs.

Embedded software development

With the increasing usage of electronics in vehicles, the demand for microcontrollers has increased. To meet this ever increasing demand, we are developing improved software to advance the quality and performance of automotive microcontrollers.



Supporting the Evolution of Industry

Devices for industry and social infrastructure

As automation and motorization expand, so too does the technology used in our daily lives. The electronic devices we supply support these developments and allow us to respond quickly to our customers' needs in a variety of fields even as the global demand outgrows production.

Features of Electronic Devices Business

1. The Hagiwara of Cars

A wealth of achievements in the automotive industry especially in the Chubu region

The Hagiwara Electric Group is based in Nagoya, where the world's top automobile and auto parts manufacturers are located. When the Hagiwara Electric Group was founded, we put down roots in the Chubu region, where we have been able to create and foster close relationships with our customers. These relationships have been cultivated over many years and at their cores are built on trust. This has allowed us to gather the latest knowledge about industry trends as well as accumulate the latest and most advanced technology available with which the cars of the future will be fashioned.

2. The Hagiwara of Solutions

Established partnerships with global leaders and drivers of growth

The partnerships we promote are those that will benefit our customers and provide us the tools to resolve any issues they might face. With a focus on long-established global brands, we are always in pursuit of manufacturers who will be the leaders of the next generation. This commitment to coordinating and selecting only the best assists us in providing our customers with most innovative solutions available.

3. The Hagiwara of Technological Strengths

Our efforts in the field of hardware development and EMS/ODM

In recent years, semiconductors such as LSIs with integrated functionality have become mainstream. The Hagiwara Electric Group utilizes its technological strengths to support the functional development of semiconductors as well as the incorporation of "plus alpha" functions into general purpose products. Due to our advancements in software creation and design, we are able to provide electronics manufacturing services (EMS) and original design manufacturing (ODM).

4. The Hagiwara That Is Everywhere in Society

A presence in multiple fields including industry, robots, housing equipment, and nursing care

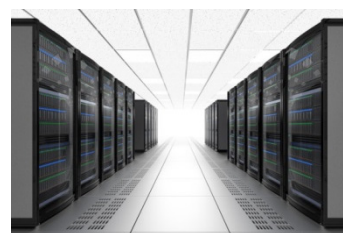
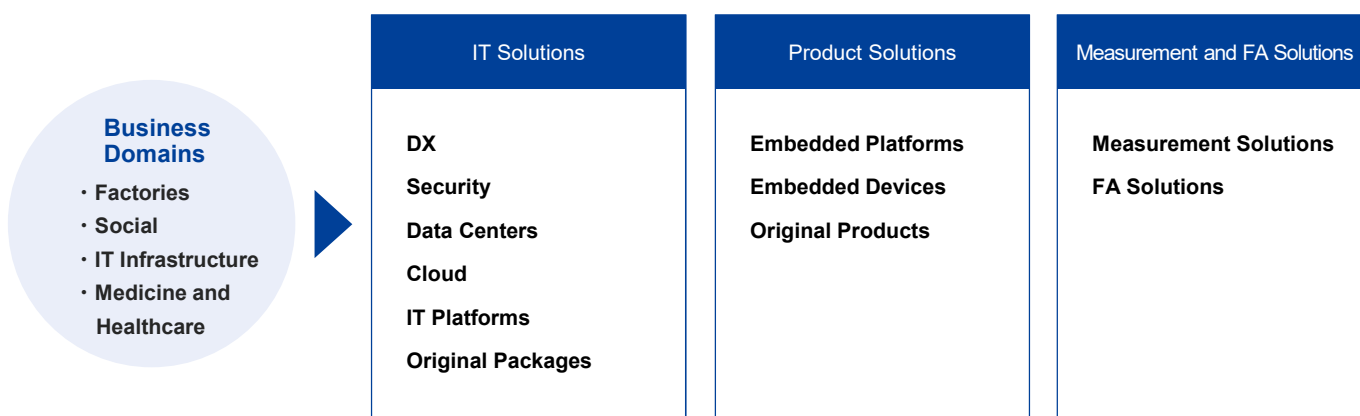
Device solutions from the Hagiwara Electric Group are utilized in factories to accelerate factory automation (FA). Additionally, our solutions are used in both the housing equipment field and the nursing care field. Our cutting-edge inventory of electronic components and ability to propose solutions support automation and motorization, bringing more convenience to our lives.

Technology Solutions Business

Toward a digital society transformed by data and technology: expanding the possibilities of the future through digital transformation

We provide solutions for achieving a connected society
by integrating and developing the measurement and digitalization technologies
that we have cultivated in the manufacturing field,
and for achieving the digital transformations that will lead to the digital society of the future.

Solutions for Every Area



Features of Technology Solutions Business

1. Trading Company with Manufacturing Functions

Partnerships with a variety of manufacturers and our own manufacturing function

In addition to the major manufacturers we have been working with for many years, we also actively collaborate with leading manufacturers across the globe. We assist our customers in finding state-of-the-art technologies and products that suit them. We also have a manufacturing arm where we develop and manufacture our own original products. We resolve the issues faced by our customers through our commitment to quality and meticulous support.

2. Achievements in Industry

A wealth of achievements at auto factories and other production sites especially in the Chubu region

The Chubu region is where many world-class automobile manufacturers and automobile parts manufacturers have their production bases. The region is also playing host to an increasing number of companies engaged in manufacturing equipment for production facilities such as machine tools. Headquartered in Nagoya—the heart of the Chubu—the Hagiwara Electric Group has a proven track record in production site-related business. We are also leveraging these achievements to develop a wide range of solutions in various other fields such as IT and security.

3. Looking Ahead and Being a Pioneer

Using our technological strengths stay new and on trend

From selling computers and servers to building networks and IT platforms, we have always used state-of-the-art and trending technologies such as measurement solutions that support model-based development. We will continue to use our proven, extensive technological resources to seek new technologies that will form the foundation of the next generation.

4. Promoting Digital Transformation and Creating New Value

Delivering new value in the data-driven digital integration and factory integration services market

We are able to utilize our experience in IT, embedded devices, measurement, and other aspects of factory automation (FA) in order to import data from various machines and objects. We create new value by processing the data we collect into meaningful information and promoting digital transformation.

Overseas Business Expansion

Delivering value globally ~Contributing to our customers' overseas expansion and the development of local businesses~

The Hagiwara Electric Group supports the globalization of manufacturing by actively promoting overseas expansion. We currently have a worldwide network originating in Japan and covering North America, Asia and Europe. By utilizing the group know-how and resources of our local bases, we are able to provide the same level of support for customers engaged in overseas manufacturing operations as for customers operating in Japan. Our goal is to strengthen the development support system of local subsidiaries by implementing measures such as stationing engineers at each location. This allows us to contribute to the creation and expansion of global markets with our customers while at the same time developing new products and new businesses.

Approach to Overseas Business

- Meeting the global needs of Japanese companies
- Proposing Solutions That Correspond with Local Needs
- Expanding Our Overseas Network
- Business localization
- Enhancing development and design
- Creating new markets

Technological Base

Creating new value in society with the power of technology

From development of original component technologies to applied technology and cutting-edge technology, we actively pursue new potential and functional diversity in addition to seeking new technologies. We create new value in society by being responsive to the expanding markets of many different industries, while at the same time, using our strengths to support the business of Hagiwara Electric Group.

Hagiwara Electric's Strengths



The Hagiwara Electric Group's strength lies in the ability to use our technological advantages to provide solutions for issues and challenges faced by our customers. Our technologies are largely divided into support technology and development technology, and at the heart of both of these is our component technology and experience. Electronic products are becoming increasingly sophisticated and complex. What is needed now is not only product lineup, but also the ability to support all the technical aspects of a customer's project by utilizing expertise in each field of the customer's business. Utilizing our proven track record and the experience we have accrued, we serve the role of a bridge between suppliers and customers. Our competencies translate into an ability to support our customers' product development and to help their business succeed. At the heart of our ability to provide solutions is the technological strength of the Hagiwara Electric Group and we will further enhance it as a horizontally interconnected foundation that supports the entire Group.

Our Technologies

Examples of Support Technologies



Support for Component Selection

- Introduction of new products from manufacturing partners
- Provision of the latest product information and technical trends
- Assistance in new product evaluation and comparative evaluation of parts



Development Support for Customers

- Support for advance development of embedded systems
- Support for development of embedded software and hardware mass production
- Support for constructing IT and other systems (system integrator)
- Introduction of partner companies that can perform development and evaluation



Support for Failure Analysis

- Cooperation in failure classification, reproduction testing and analysis
- Follow up on failure analysis in collaboration with manufacturing partners

Examples of Development Technologies



Contracted Development of Embedded Systems

- Embedded software development and evaluation
- Development of embedded system hardware
- Circuit design and evaluation of system LSIs and ICs



Contracted Development Related to IT Solutions

- IoT-related system development
- System development for production management systems, etc.
- Construction of various FA and measurement systems



Establishment of Evaluation Environments and Contracted Development of Component Technologies for Automated Driving and Other Systems

- Acquisition of car driving video and data tagging
- Image processing that can be applied to electronic mirrors and peripheral monitoring
- Implementation of new algorithms in embedded systems

Corporate Profile

(Operating companies in Japan)

HAGIWARA ELECTRONICS CO., LTD.

Name of Company	HAGIWARA ELECTRONICS CO., LTD.
Location	Takaoka Park Building, 2-2-1 Higashi Sakura, Higashi-ku, Nagoya-shi, Aichi
Representative	Takeshi Soejima, President and Representative Director
Established	May 1, 2017 (Business operation commenced on April 1, 2018)
Share Capital	1,310 million yen
Major Business	Sale of integrated circuits, semiconductors and electron devices



HAGIWARA TECHNO SOLUTIONS CO., LTD.

Name of Company	HAGIWARA TECHNO SOLUTIONS CO., LTD.
Location	Takaoka KANAME Building, 2-28-23 Izumi, Higashi-ku, Nagoya-shi, Aichi
Representative	Chihiro Kashima, President and Representative Director
Established	May 1, 2017 (Business operation commenced on April 1, 2018)
Share Capital	310 million yen
Major Business	Sale of electronic equipment and manufacture and sale of FA equipment



HAGIWARA HOKUTO TECHNO CO., LTD.

Name of Company	HAGIWARA HOKUTO TECHNO CO., LTD.
Location	Takaoka Park Building, 2-2-1 Higashi Sakura, Higashi-ku, Nagoya-shi, Aichi
Representative	Atsunori Shigenobu, President and Representative Director
Established	April 2, 2018
Share Capital	45 million yen
Equity ownership ratio	HAGIWARA ELECTRONICS CO., LTD.: 66.56% Hokuto System Co., Ltd.: 33.44%
Major Business	Consignment and services related to in-vehicle software verification and development





Contact

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