

FACTBOOK

7467/TSE 1st Section, NSE 1st Section
HAGIWARA ELECTRIC HOLDINGS CO., LTD.
 For the fiscal year ended on March 31, 2021



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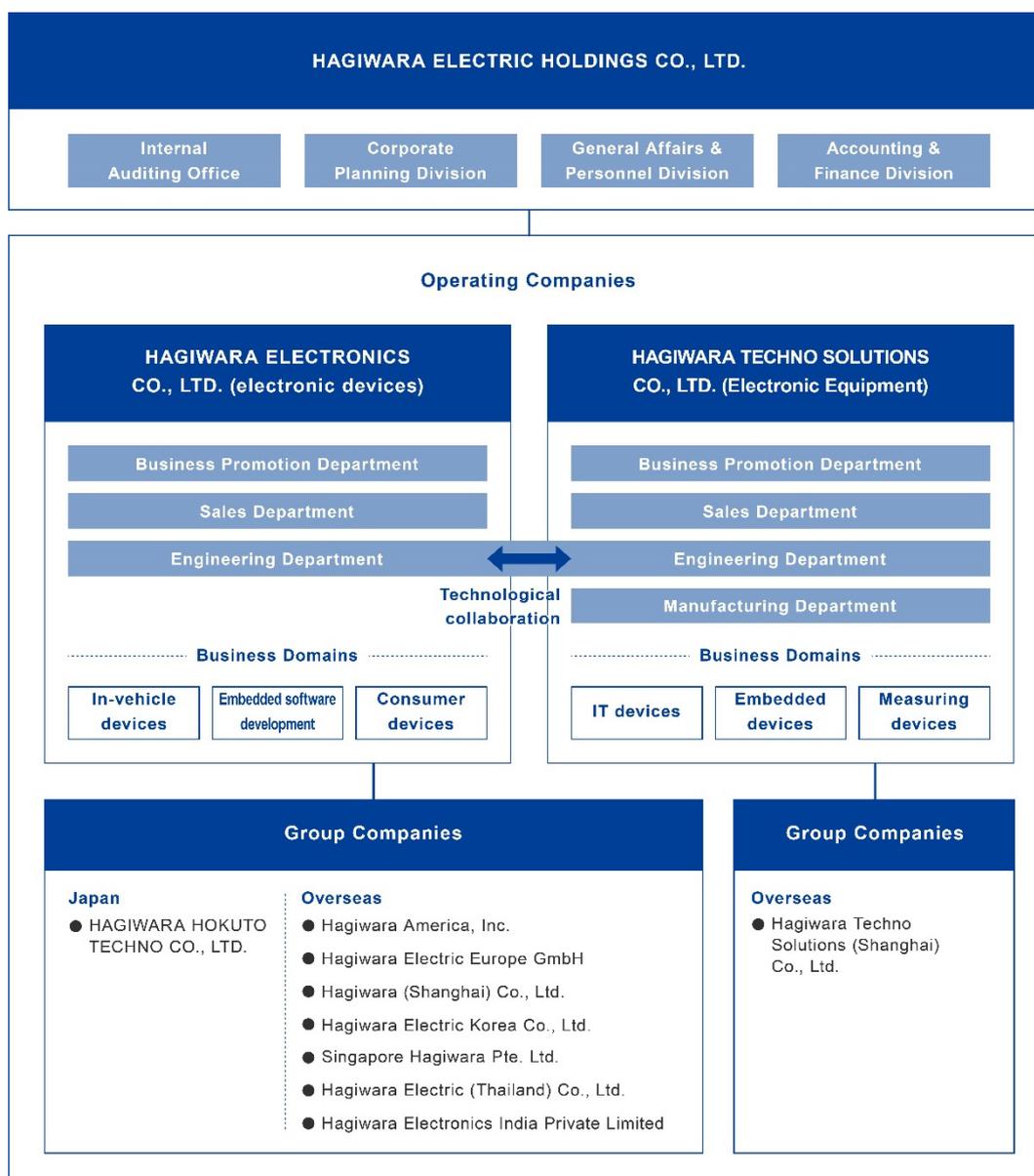
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Corporate Outline (as of March 31, 2021)

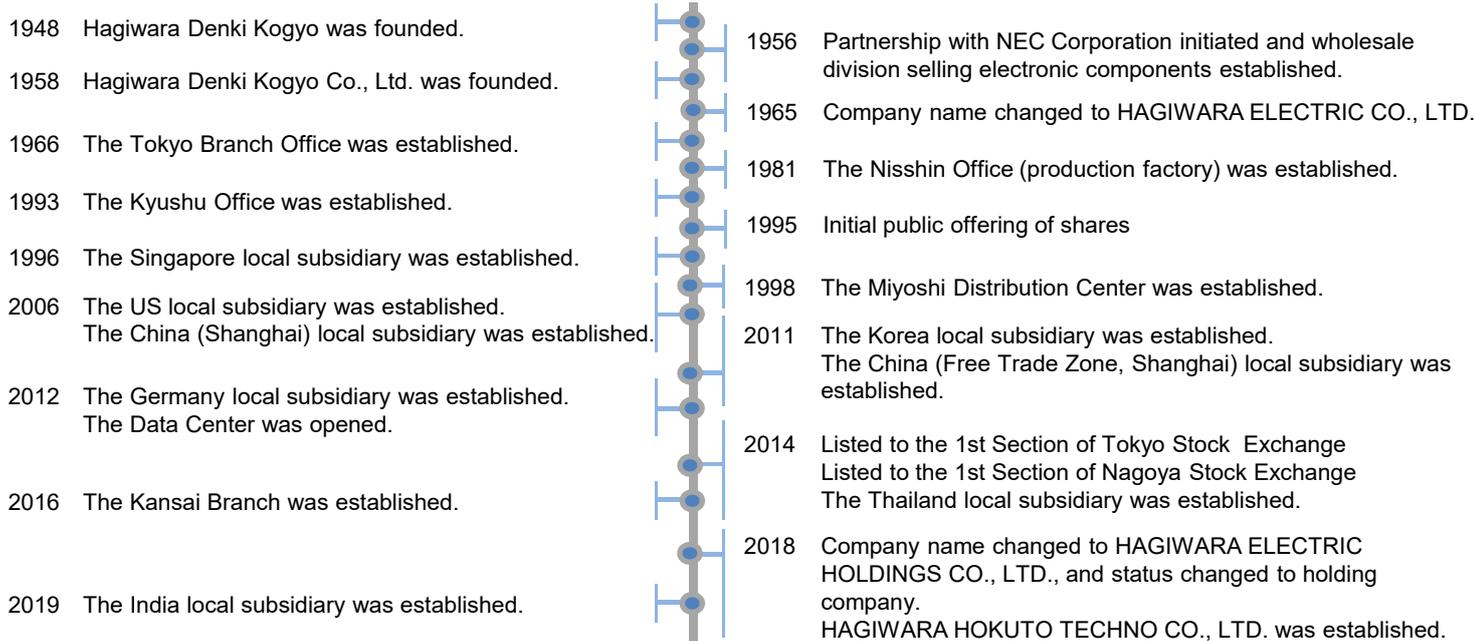
Name of Company	HAGIWARA ELECTRIC HOLDINGS CO., LTD.
Head Office	2-2-1 Higashisakura, Higashi-ku, Nagoya City, Aichi Pref. 461-8520 Japan
Representative	Mitsuo Iwai, President and Representative Director
Established	March 31, 1948
Share Capital	4,361,243,696 yen
Number of Employees	Consolidated: 594 *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

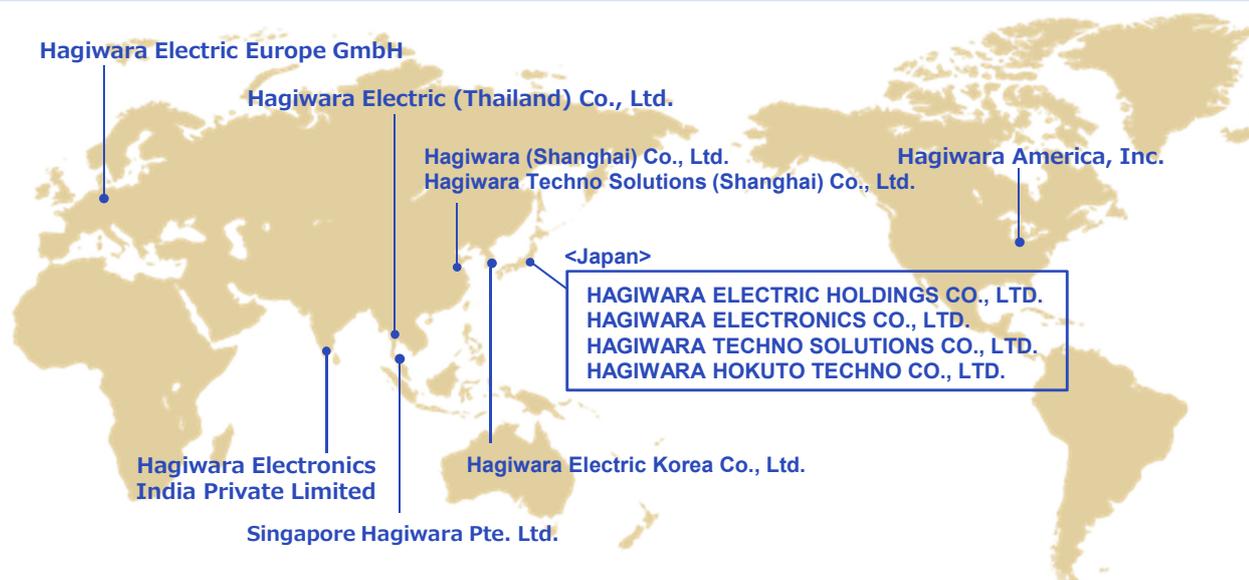
As of April 30, 2021



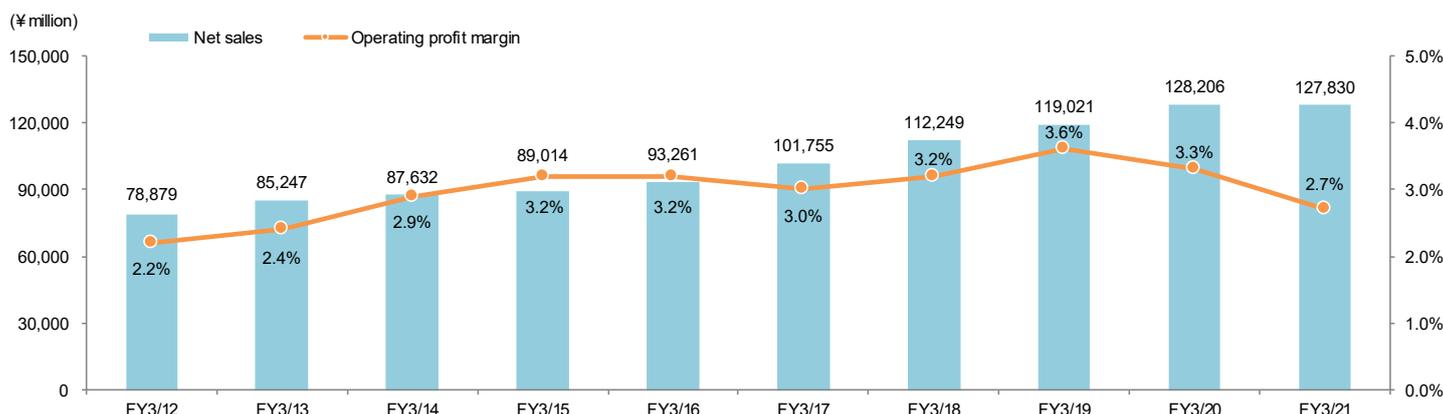
Corporate History Timeline



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)	FY3/17	FY3/18	FY3/19	FY3/20	FY3/21
Assets					
Total assets	52,370	57,688	63,179	68,293	73,342
Current assets	47,769	52,860	58,017	62,971	67,753
Cash and deposits	5,445	6,610	7,508	7,753	9,713
Notes and accounts receivable - trade	27,801	30,557	33,007	32,623	38,478
Electronically recorded monetary claims - operating	2,127	1,594	1,629	1,629	1,688
Merchandise and finished goods	10,977	12,860	14,170	16,866	16,389
Work in process	349	341	524	349	408
Raw materials and supplies	176	276	259	247	240
Deferred tax assets	373	—	—	—	—
Other	523	622	921	3,504	836
Allowance for doubtful accounts	(5)	(2)	(3)	(2)	(2)
Non-current assets	4,600	4,828	5,162	5,321	5,588
Property, plant and equipment	2,645	2,629	2,677	2,772	2,750
Buildings and structures	1,308	1,344	1,384	1,429	1,446
Accumulated depreciation	(838)	(874)	(913)	(953)	(993)
Buildings and structures, net	470	469	470	476	452
Machinery, equipment and vehicles	53	52	54	54	46
Accumulated depreciation	(34)	(39)	(40)	(42)	(36)
Machinery, equipment and vehicles, net	18	12	13	11	10
Land	1,917	1,917	1,917	1,917	1,917
Leased assets	141	131	155	253	321
Accumulated depreciation	(62)	(60)	(65)	(106)	(169)
Leased assets, net	79	70	90	147	151
Construction in progress	—	3	7	—	—
Other	668	707	774	853	902
Accumulated depreciation	(508)	(553)	(596)	(633)	(683)
Other, net	159	154	177	219	219
Intangible assets	107	108	218	199	186
Investments and other assets	1,847	2,089	2,266	2,349	2,651
Investment securities	1,470	1,448	1,317	1,250	1,504
Retirement benefit asset	—	—	—	—	8
Deferred tax assets	4	289	396	468	431
Other	372	352	553	630	705
Allowance for doubtful accounts	(0)	(0)	—	—	(0)

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)	FY3/17	FY3/18	FY3/19	FY3/20	FY3/21
Liabilities					
Total liabilities	26,688	28,808	29,730	33,178	36,289
Current liabilities	23,002	24,536	25,230	27,462	31,095
Notes and accounts payable - trade	12,884	11,585	11,727	13,738	17,295
Electronically recorded obligations - operating	1,731	2,914	3,159	2,252	2,663
Short-term borrowings	4,508	6,582	5,536	5,148	5,348
Current portion of long-term borrowings	1,320	918	925	600	2,700
Lease obligations	23	21	26	62	67
Accounts payable - other	—	—	—	3,538	—
Income taxes payable	639	526	1,536	671	604
Provision for bonuses for directors (and other officers)	52	48	93	77	75
Provision for loss on order received	0	11	—	—	—
Other	1,841	1,927	2,225	1,373	2,340
Non-current liabilities	3,686	4,272	4,499	5,715	5,194
Long-term borrowings	3,243	3,925	4,025	5,175	4,875
Lease obligations	51	44	59	83	86
Deferred tax liabilities	0	0	0	0	79
Retirement benefit liability	191	119	224	279	—
Asset retirement obligations	79	80	86	97	99
Other	119	102	104	79	53
Net assets					
Total net assets	25,681	28,880	33,449	35,114	37,052
Shareholders' equity	25,267	28,347	31,154	32,959	34,537
Share capital	3,301	3,916	4,361	4,361	4,361
Capital surplus	3,792	4,407	4,861	4,867	4,868
Retained earnings	18,527	20,378	22,274	24,063	25,626
Treasury shares	(354)	(354)	(343)	(332)	(319)
Accumulated other comprehensive income	413	528	263	69	410
Valuation difference on available-for-sale securities	282	388	296	225	414
Foreign currency translation adjustment	242	239	181	128	103
Remeasurements of defined benefit plans	(110)	(98)	(214)	(284)	(107)
Share acquisition rights	—	3	—	—	—
Non-controlling interests	—	—	2,032	2,085	2,103
Total liabilities and net assets	52,370	57,688	63,179	68,293	73,342

Consolidated Statement of Income



(¥ million)	FY3/17	FY3/18	FY3/19	FY3/20	FY3/21
Net sales	101,755	112,249	119,021	128,206	127,830
Cost of sales	92,011	101,365	106,825	115,491	115,941
Gross profit	9,744	10,883	12,196	12,714	11,888
Selling, general and administrative expenses	6,643	7,251	7,876	8,541	8,420
Operating profit	3,100	3,631	4,319	4,173	3,468
Non-operating income	66	96	82	105	212
Interest income	7	6	9	2	6
Dividend income	13	15	19	18	19
Insurance claim income	—	—	—	27	—
Foreign exchange gains	—	—	—	—	37
Income from fees for business	—	—	—	—	28
Operations consignment fee	3	—	—	—	—
Subsidy income	0	—	—	—	—
Refunded import duty	15	—	—	—	—
Surrender value of insurance policies	—	30	0	—	—
Gain on valuation of investment securities	—	17	24	—	53
Compensation income	—	—	—	—	24
Other	27	26	30	58	42
Non-operating expenses	112	140	126	184	124
Interest expenses	39	39	43	50	34
Loss on valuation of investment securities	—	—	—	18	—
Foreign exchange losses	26	9	27	72	—
Loss on sale of trade receivables	31	49	32	17	24
Commission expenses	—	23	6	12	53
Share issuance costs	—	10	12	—	—
Other	14	8	4	13	12
Ordinary profit	3,055	3,587	4,275	4,093	3,556
Extraordinary income	126	7	3	1	37
Gain on sale of non-current assets	120	0	—	0	0
Gain on sale of investment securities	2	0	3	1	36
Gain on reversal of asset retirement obligations	4	—	—	—	—
Gain on liquidation of subsidiaries and associates	—	7	—	—	—
Extraordinary losses	15	3	22	7	0
Loss on disposal of non-current assets	6	2	1	0	0
Loss on valuation of investment securities	—	—	20	0	—
Loss on sale of investment securities	—	—	—	4	—
Loss on liquidation of investment securities	—	—	0	—	—
Impairment losses	9	—	—	—	—
Loss on sale of membership	—	1	—	—	—
Loss on valuation of membership	—	—	—	2	—
Profit before income taxes	3,166	3,591	4,256	4,087	3,593
Income taxes - current	1,050	1,012	1,445	1,320	1,268
Income taxes - deferred	(83)	37	(11)	(8)	(43)
Total income taxes	967	1,050	1,433	1,311	1,225
Profit	2,198	2,540	2,823	2,775	2,367
Profit attributable to non-controlling interests	—	—	17	59	53
Profit attributable to owners of parent	2,198	2,540	2,806	2,716	2,314

Consolidated Statement of Cash Flows



(¥ million)	FY3/17	FY3/18	FY3/19	FY3/20	FY3/21
Cash flows from operating activities					
Net cash provided by (used in) operating activities	1,003	(1,829)	419	1,092	887
Profit before income taxes	3,166	3,591	4,256	4,087	3,593
Depreciation	193	172	186	215	247
Impairment losses	9	—	—	—	—
Loss (gain) on sale and retirement of non-current assets	(114)	2	1	0	(0)
Increase (decrease) in allowance for doubtful accounts	(13)	(2)	0	(0)	0
Increase (decrease) in provision for bonuses for directors (and other officers)	(1)	(3)	44	(16)	(1)
Increase (decrease) in retirement benefit liability	(74)	(56)	(61)	(44)	(25)
Increase (decrease) in provision for loss on order received	—	10	(11)	—	—
Interest and dividend income	(20)	(22)	(28)	(20)	(26)
Interest expenses	39	39	43	50	34
Surrender value of insurance policies	—	(30)	(0)	—	—
Loss (gain) on valuation of investment securities	—	(17)	(9)	18	(53)
Gain on reversal of asset retirement obligations	(4)	—	—	—	—
Loss (gain) on sale of investment securities	(2)	(0)	(3)	3	(36)
Loss (gain) on liquidation of subsidiaries and associates	—	(7)	—	—	—
Loss (gain) on sale of membership	—	1	—	—	—
Decrease (increase) in trade receivables	(3,424)	(2,222)	(2,576)	315	(5,849)
Decrease (increase) in inventories	(287)	(1,975)	(1,475)	(2,509)	424
Increase (decrease) in trade payables	2,104	(115)	386	1,104	3,967
Other, net	445	(65)	613	(341)	21
Subtotal	2,015	(703)	1,366	2,862	2,294
Interest and dividends received	21	23	29	21	27
Interest paid	(38)	(38)	(42)	(50)	(29)
Income taxes paid	(994)	(1,110)	(933)	(1,740)	(1,405)
Cash flows from investing activities					
Net cash provided by (used in) investing activities	93	125	(430)	(274)	(69)
Proceeds from withdrawal of time deposits	300	—	70	—	—
Payments into time deposits	—	—	(200)	—	—
Purchase of investment securities	(348)	(25)	(19)	(78)	(11)
Proceeds from sale of investment securities	10	0	30	21	119
Proceeds from redemption of investment securities	100	200	0	—	—
Purchase of property, plant and equipment	(157)	(72)	(157)	(123)	(123)
Proceeds from sale of property, plant and equipment	231	0	0	1	10
Purchase of intangible assets	(41)	(40)	(147)	(42)	(54)
Proceeds from cancellation of insurance funds	—	86	2	—	—
Other, net	0	(22)	(8)	(51)	(10)
Cash flows from financing activities					
Net cash provided by (used in) financing activities	(1,200)	2,871	1,037	(519)	1,165
Net increase (decrease) in short-term borrowings	(10)	2,084	(1,046)	(388)	200
Proceeds from long-term borrowings	1,950	1,600	1,100	1,750	2,400
Repayments of long-term borrowings	(2,195)	(1,320)	(993)	(925)	(600)
Purchase of treasury shares	(341)	(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	(575)	(691)	(907)	(929)	(749)
Proceeds from share issuance to non-controlling shareholders	—	—	2,009	—	—
Repayments to non-controlling shareholders	—	—	—	(5)	(34)
Other, net	(28)	(21)	(24)	(37)	(65)
Effect of exchange rate change on cash and cash equivalents	(64)	(2)	(57)	(52)	(23)
Net increase (decrease) in cash and cash equivalents	(168)	1,164	968	245	1,960
Cash and cash equivalents at beginning of period	5,543	5,375	6,540	7,508	7,753
Cash and cash equivalents at end of period	5,375	6,540	7,508	7,753	9,713

Net Sales Breakdown by Business Segment and Major Client



Net Sales Breakdown by Business Segment

(¥ million)	FY3/17	FY3/18	FY3/19	FY3/20	FY3/21
Net sales	101,755	112,249	119,021	128,206	127,830
Electronic Devices Business	83,878	91,971	95,692	103,700	105,905
Technology Solutions Business	17,877	20,278	23,328	24,505	21,924
Segment profit	3,100	3,631	4,319	4,173	3,468
Electronic Devices Business	3,539	4,061	2,870	2,674	2,164
Technology Solutions Business	1,052	1,242	1,449	1,498	1,303
Reconciling items	(1,491)	(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)	FY3/17	FY3/18	FY3/19	FY3/20	FY3/21
Net sales	101,755	112,249	119,021	128,206	127,830
DENSO CORPORATION	58,209	63,388	66,954	70,427	74,422
Toyota Motor Corporation	8,541	9,020	9,329	9,703	4,902
TOKAI RIKA CO., LTD.	4,960	4,940	4,502	4,533	4,057
Others	30,044	34,899	38,235	43,541	44,447

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

Consolidated Profitability Indicators

(%)	FY3/17	FY3/18	FY3/19	FY3/20	FY3/21
Gross profit on Net sales	9.6	9.7	10.2	9.9	9.3
Operating profit margin	3.0	3.2	3.6	3.3	2.7
Ordinary profit margin	3.0	3.2	3.6	3.2	2.8
Net profit margin	2.2	2.3	2.4	2.1	1.8
ROA	6.0	6.5	7.1	6.2	5.0
ROE	8.8	9.3	9.3	8.4	6.8
DOE	2.6	2.9	3.0	2.9	2.1

Gross profit on Net sales=Gross profit/Net sales

Operating profit margin = Operating profit/Net sales

Ordinary profit margin = Ordinary profit/Net sales

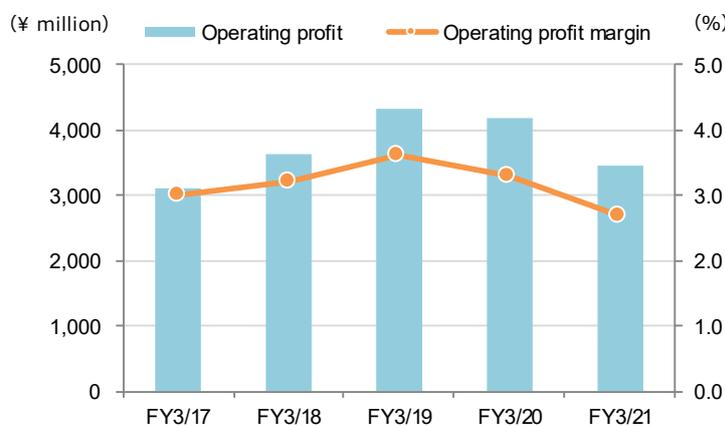
Net profit margin = Profit attributable to owners of parent/Net sales

ROA=Ordinary profit/Average total assets

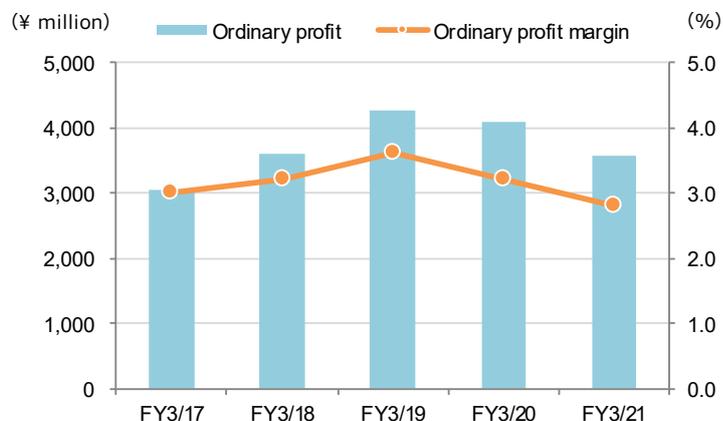
ROE=Profit attributable to owners of parent/Average equity

DOE=Total dividend/Average net assets

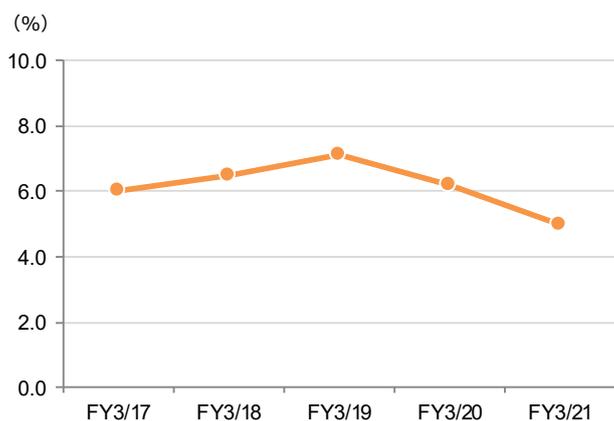
Operating profit margin



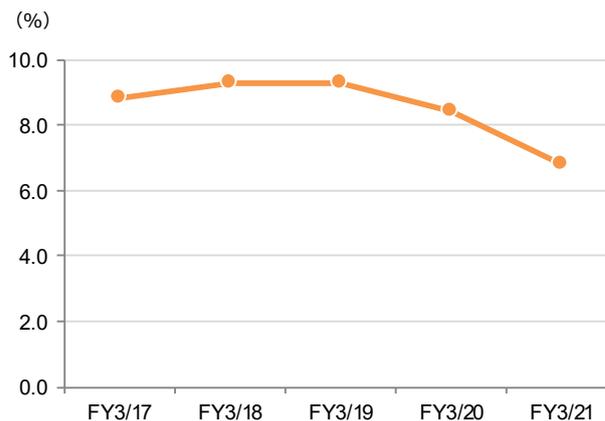
Ordinary profit margin



ROA



ROE



Consolidated Profitability/Efficiency Indicators

(times)	FY3/17	FY3/18	FY3/19	FY3/20	FY3/21
Total assets turnover	2.0	2.0	2.0	2.0	1.8
Equity turnover	4.1	4.1	3.9	4.0	3.8
Property, plant and equipment turnover	38.2	42.6	44.9	47.1	46.3
Interest coverage ratio	79.1	93.2	100.9	83.5	102.4

	FY3/17	FY3/18	FY3/19	FY3/20	FY3/21
Number of employees at end of period	499	523	544	585	594
Number of temporary employees at end of period	43	47	51	59	78
Net sales per employee (¥ thousand)	187,741	196,928	200,036	199,078	190,224
Ordinary profit per employee (¥ thousand)	5,637	6,293	7,186	6,357	5,292
Net profit per employee (¥ thousand)	4,056	4,458	4,716	4,218	3,445

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

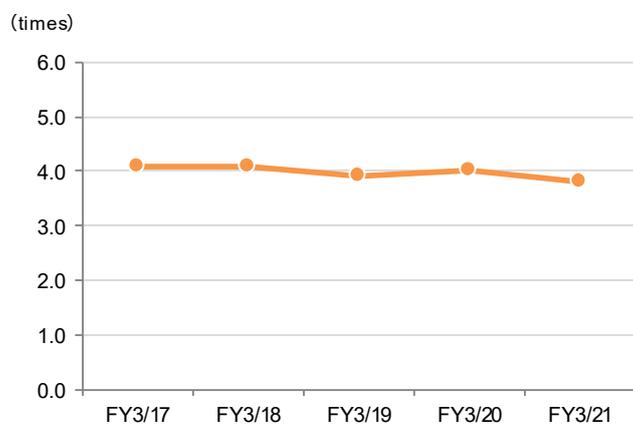
Interest coverage ratio=(Operating profit+Interest income+Dividend income)/Interest expenses

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

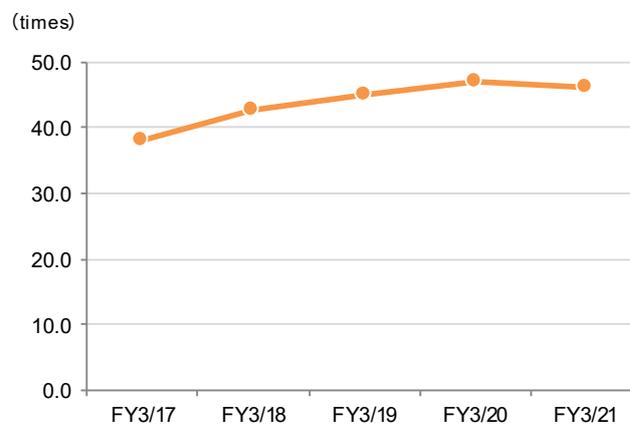
Ordinary profit per employee=Ordinary profit/(No. of employees at end of period+No. of temp. employees at end of period)

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)

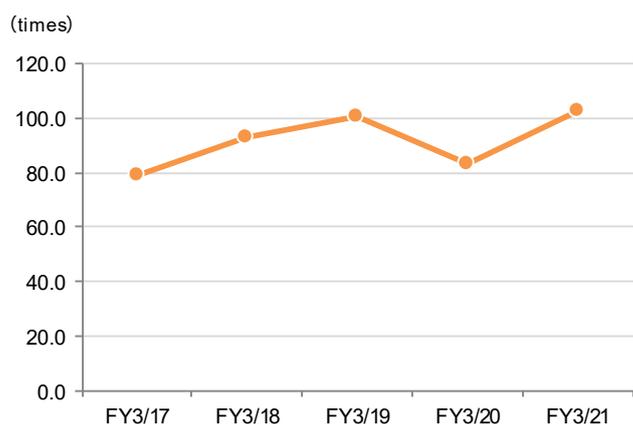
Equity turnover



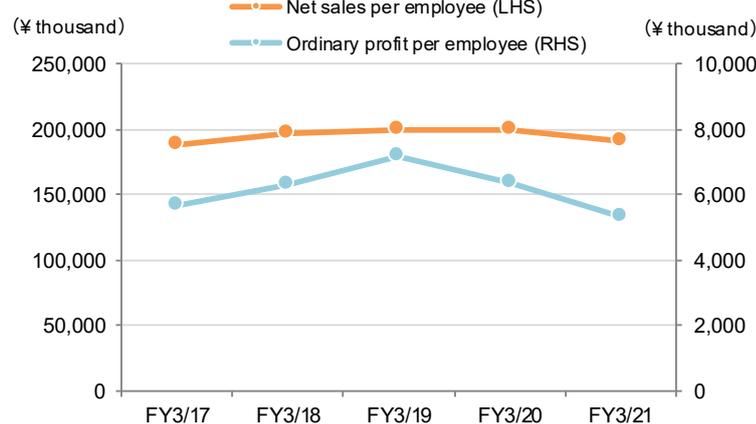
Property, plant and equipment turnover



Interest coverage ratio



Net sales/Ordinary profit per employee



(%)	FY3/17	FY3/18	FY3/19	FY3/20	FY3/21
Equity ratio	49.0	50.1	49.7	48.4	47.7
Interest-bearing debt ratio	17.3	19.8	16.6	16.0	17.6
Acid-test ratio	153.8	158.0	167.0	153.0	160.4
Current ratio	207.7	215.4	229.9	229.3	217.9
Non-current ratio	17.9	16.7	16.4	16.1	16.0
Non-current assets to Non-current liability ratio	15.7	14.6	14.4	13.7	13.9

Equity ratio=Equity/Total assets

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

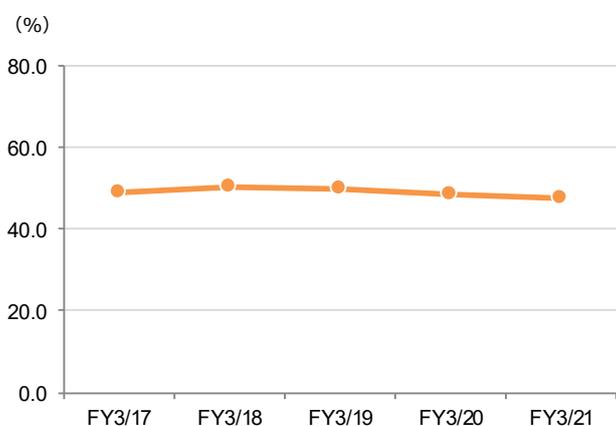
Acid-test ratio=Liquid assets/Current liabilities

Current ratio=Current assets/Current liabilities

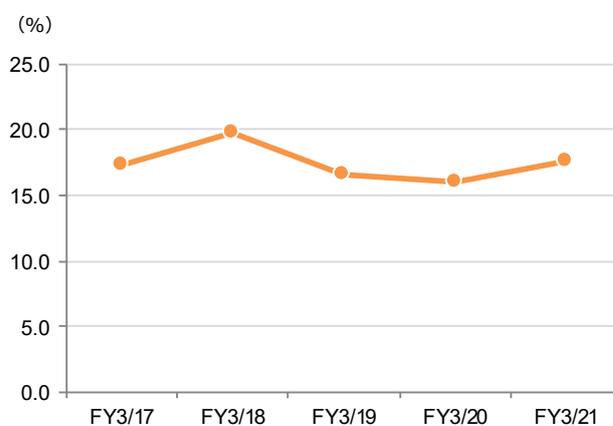
Non-current ratio=Non-current assets/Equity

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

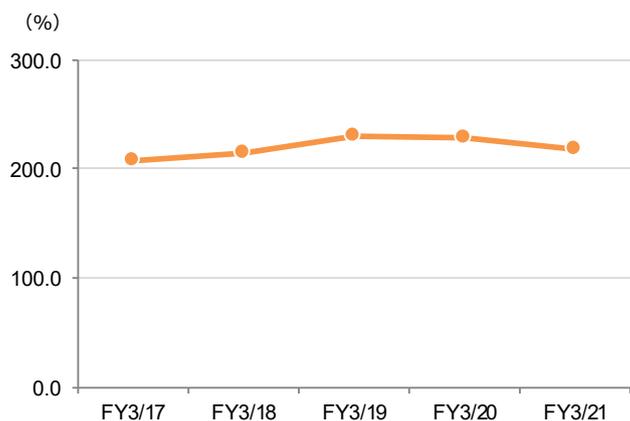
Equity ratio



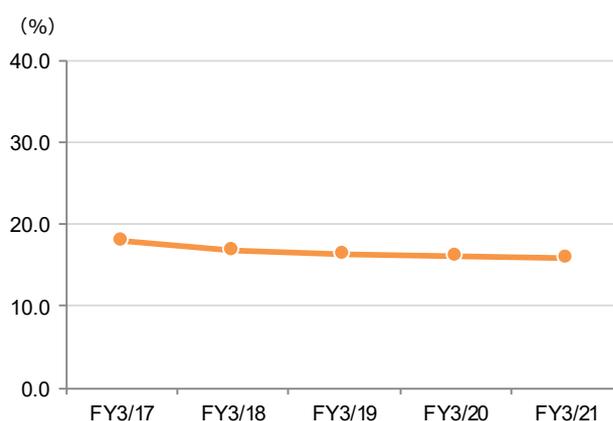
Interest-bearing debt ratio



Current ratio



Non-current ratio



Per Share Indicators

(¥)	FY3/17	FY3/18	FY3/19	FY3/20	FY3/21
Share price at end of period	2,158	3,225	3,080	2,197	2,629
Closing stock price range for the last 12 months	1,736-2,201	2,092-3,990	2,589-3,405	1,934-3,135	1,860-2,830
Earnings per share (EPS)	269.12	310.45	319.72	307.45	261.82
Book-value per share (BPS)	3,160.68	3,393.75	3,557.48	3,737.88	3,951.86
Dividend per share (DPS)	80.00	95.00	105.00	105.00	80.00

Other Indicators

		FY3/17	FY3/18	FY3/19	FY3/20	FY3/21
Total amount of dividends	(¥ million)	650	792	927	927	707
Dividend payout ratio	(%)	29.7	30.6	32.8	34.2	30.6
Price earnings ratio (PER)	(times)	8.02	10.39	9.63	7.15	10.04
Price book-value ratio (PBR)	(times)	0.68	0.95	0.87	0.59	0.67
Term-average number of shares outstanding (thousand shares)		8,168	8,184	8,777	8,834	8,841
Number of shareholders	(persons)	3,118	2,864	2,753	3,143	2,862

Notes: The Company conducted acquisition of treasury shares through market purchases during the first half of FY3/17.

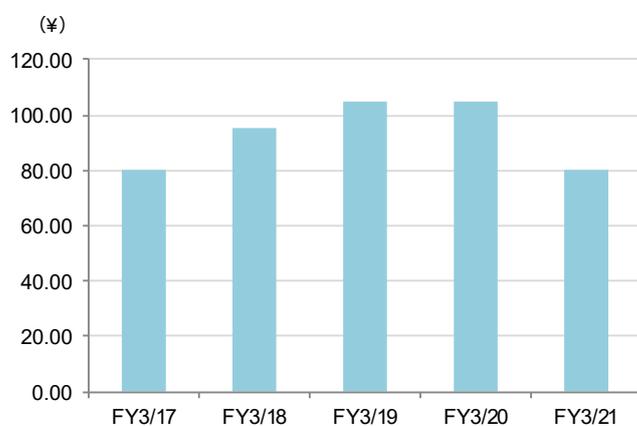
: The Company issued the share acquisition rights during the second half of FY3/18.

Dividend payout ratio=DPS/EPS

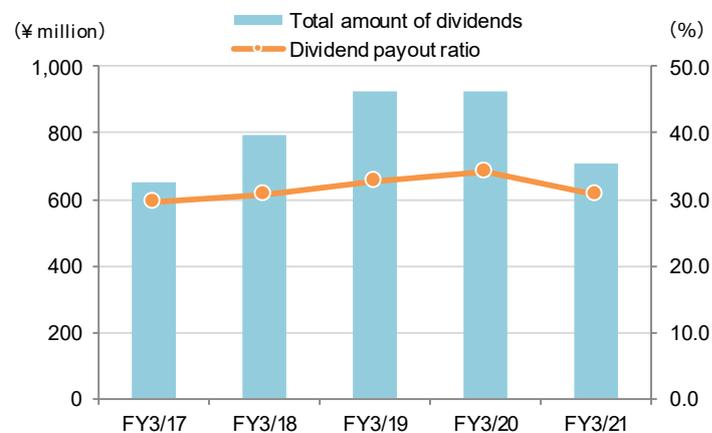
PBR=Share price at end of period/BPS

PER=Share price at end of period/EPS

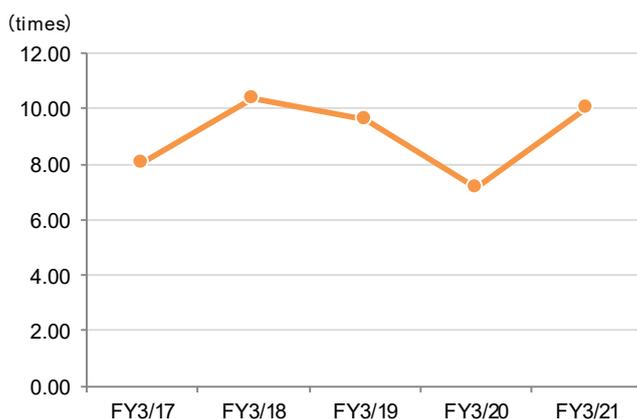
Dividend per share



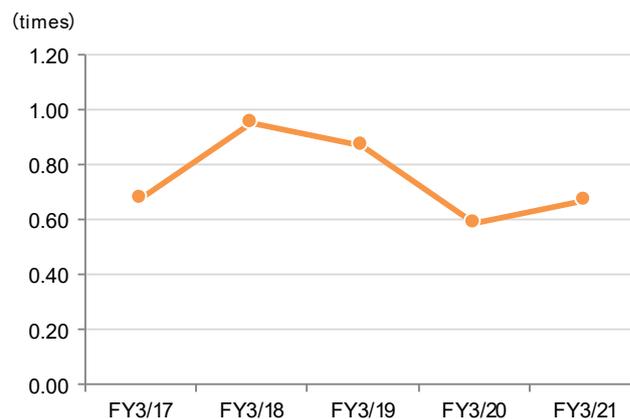
Total amount of dividends/Dividend payout ratio



PER



PBR



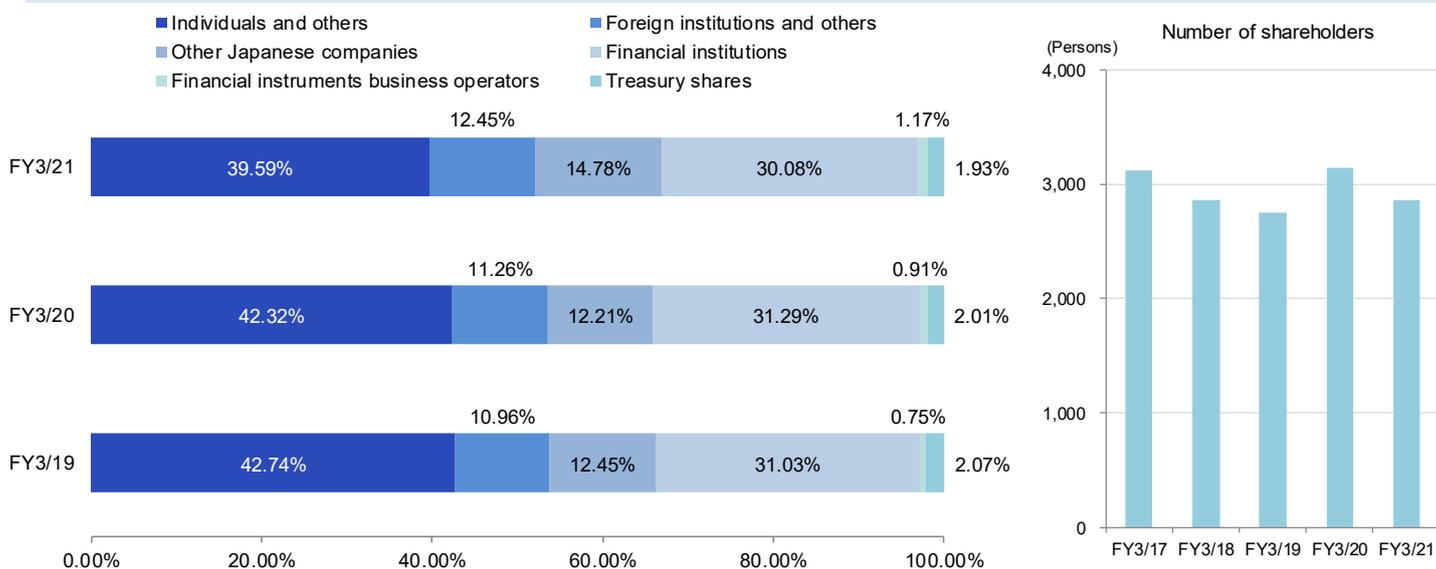
Status of Major Shareholders

as of March 31, 2021

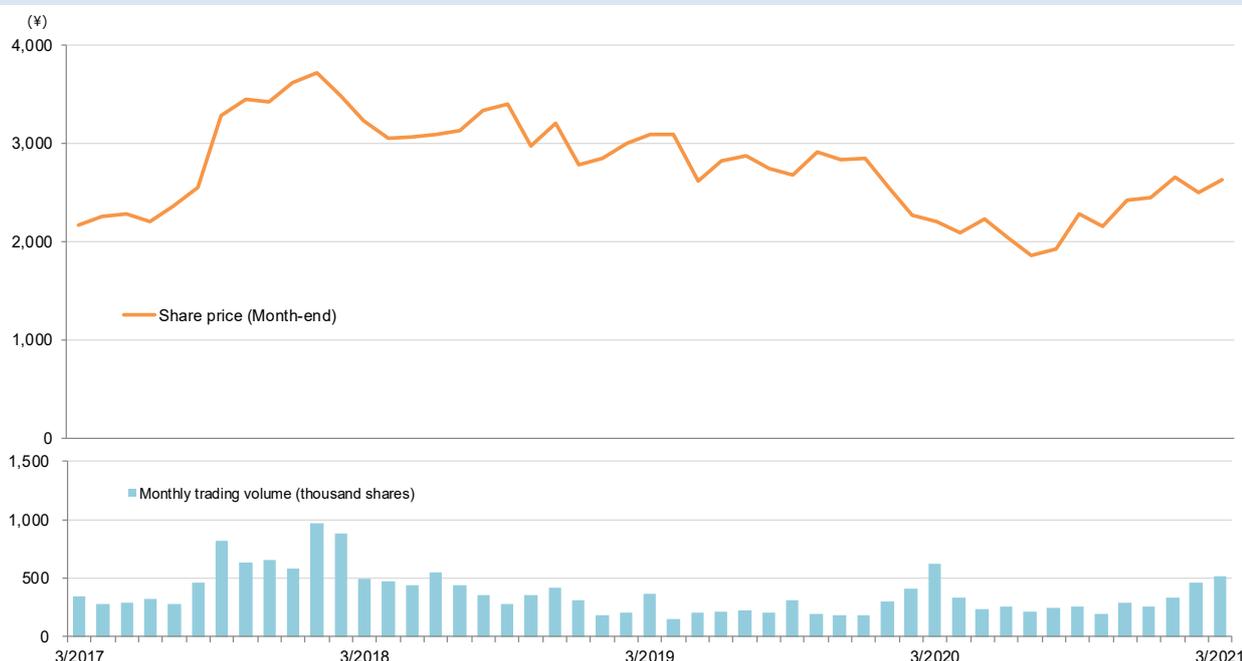
Top 10 Shareholders	Number of shares	Shareholding ratio (%)
Custody Bank of Japan, Ltd. (trust account)	710,600	8.04
The Master Trust Bank of Japan, Ltd.(trust account)	638,700	7.22
STANY Co., Ltd.	495,250	5.60
BBH FOR FIDELITY PURITAN TR: FIDELITY SR INTRINSIC OPPORTUNITIES FUND	350,000	3.96
Tomoaki Hagiwara	337,658	3.82
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	225,275	2.55
Sumitomo Mitsui Trust Bank, Limited	178,000	2.01

Note: Shareholding ratio is calculated excluding treasury shares (174,378 shares).

Breakdown of Type of Shareholders



Share Price and Trading Volume





Contact

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