Supplemental Financial Summary for the Fiscal Year Ended March 31, 2025

Securities Code: 6745

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HOCHIKI

2025 健康経営優良法人 KENKO Investment for Health 大規模法人部門

Consolidated Financial Results for FY3/2025

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Financial Highlights

Net sales exceeded ¥100 billion, and both sales and profits marked record highs for the fourth consecutive fiscal year.

Overseas sales increased by 17.4% with growth mainly in Europe and Southeast Asia

Net sales of the focus area in domestic operations, the stock-model business, increased by +6.4%.

Operating margin was +1.6 pp, improvement in profitability. The impact of price revisions and order-taking activities with a focus on profitability contributed to the improvement.

*Stock-model business : Defined as refurbishment/retrofit and maintenance business where business occurs over the long term during the life cycle of buildings

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Executive Summary

Consolidated Financial Results

(¥ million)	FY3/2025 Actual	YoY Change	
		Amount	Ratio
Net Sales	**100,900**	7,415	7.9%
		6,047	(6.5%)
Operating Profit	**9,553**	2,177	29.5%
		1,887	(25.6%)
Operating Margin	9.5%	1.6pp	-
Profit Attributable to Owners of Parent	**7,650**	1,988	35.1%
		1,740	(30.7%)
Exchange Rate (USD/JPY)	152.62	8.03	-
Exchange Rate (GBP/JPY)	194.73	13.02	-

*Figures in parentheses show those excluding impact amount from foreign exchange rate fluctuation.

- Both domestic and overseas businesses performed well, with both net sales and profits reaching record highs.

Key Indicators

(¥ million)	FY3/2025 Actual	YoY Change	
		Amount	Ratio
Stock-model Business Sales (Maintenance and Refurbishment/Retrofit)	**45,884**	2,767	6.4%
Composition ratio of stock-model business as a percentage of domestic business	58.6%	0.5pp	
Overseasa Sales	**22,579**	3,351	17.4%
Overseas sales ratio as a percentage of consolidated net sales	22.4%	1.8pp	

- Both stock-model business sales in the domestic business and overseas sales grew.

Profit and Loss by Segment

(¥ million)	FY3/2025 Actual		YoY Change	
	Amount	Ratio to Net Sales/ Profit Margin	Amount	Ratio
Net Sales	**100,900**	**100.0%**	7,415	7.9%
Fire Alarm Systems	62,486	61.9%	5,196	9.1%
Maintenance	21,085	20.9%	1,116	5.6%
Fire Extinguishing Systems	11,179	11.1%	1,118	11.1%
Security Systems	6,149	6.1%	△ 16	-0.3%
Reference: Total of 5 overseas group companies	27,216	27.0%	2,852	11.7%
Segment Profit	**9,553**	**9.5%**	2,177	29.5%
Fire Alarm Systems	8,974	14.4%	1,775	24.7%
Maintenance	5,044	23.9%	630	14.3%
Fire Extinguishing Systems	1,607	14.4%	556	53.0%
Security Systems	634	10.3%	259	69.2%
Adjustments	△ 6,708	-	△ 1,043	-
Reference: Total of 5 overseas group companies	2,716	10.0%	406	17.6%

*The earnings of overseas group companies are included in the Fire Alarm Systems segment with the figures after consolidated offsetting, but are presented here as a reference for the revenue structure of the overseas business.

- Net sales increased except for Security Systems, and operating profit increased in all segments.

Net Sales by Region

(¥ million)	FY3/2025		YoY Change	
	Actual	Ratio to Net Sales	Amount	Ratio
Net Sales	**100,900**	**100.0%**	7,415	7.9%
Domestic	78,321	77.6%	4,064	5.5%
Overseas	22,579	22.4%	3,351	17.4%
			(1,982)	(10.3%)
North America/ Central and South America	2,645	11.7%	△ 283	△9.7%
			(△ 424)	(△14.5%)
Asia Pacific	5,993	26.5%	1,380	29.9%
			(1,084)	(23.5%)
Europe/Middle East/India	13,939	61.8%	2,254	19.3%
			(1,322)	(10.3%)

*Figures in parentheses show those excluding impact amount from foreign exchange rate fluctuation.

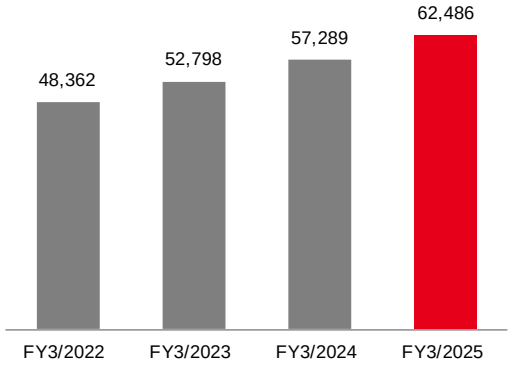
- Growth of Overseas was mainly in Europe.

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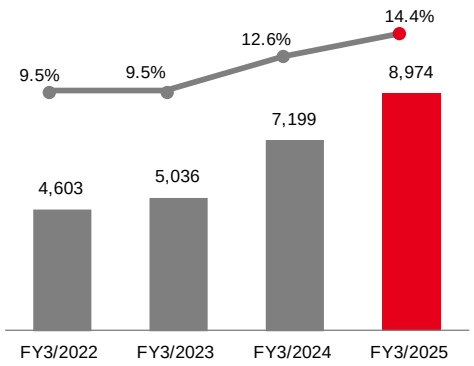
Results by Segment Fire Alarm Systems

Trend of Business Performance (¥million)

Net Sales



Segment Profit / Margin

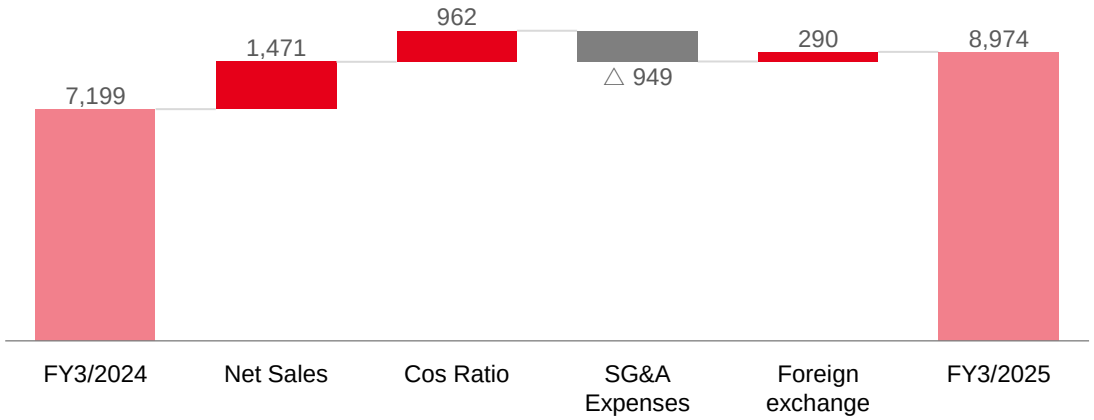


(¥ million)	FY3/2022 Actual	FY3/2023 Actual	FY3/2024 Actual	FY3/2025 Actual	YoY Change
Net Sales	48,362	52,798	57,289	62,486	9.1%
Domestic	34,873	36,167	38,061	39,907	4.8%
Overseas	13,489	16,631	19,227	22,579	17.4%
Segment Profit	4,603	5,036	7,199	8,974	24.7%
Orders Received	48,803	53,892	56,808	63,280	11.4%
Domestic	35,314	37,261	37,580	40,701	8.3%
Overseas	13,489	16,631	19,227	22,579	17.4%
Order Backlog	11,269	12,363	11,882	12,724	7.1%

Highlights

Business Environment	• In the domestic market, new installation projects steadily grew, supported by robust redevelopment demand, particularly in the Tokyo metropolitan area. • In the overseas markets, building demand is strong, especially in Southeast Asian markets, which are expanding in tandem with economic growth.
Net Sales	• In the domestic market, refurbishment/retrofit grew due to rising replacement demand driven by an accumulation of past delivered projects. The impact of price revisions also contributed. • In the overseas business, sales increased mainly in Europe and Southeast Asia, and including the impact of foreign exchange rates, sales increased significantly.
Segment Profit	• In the domestic business, profitability improved due to order-taking activities with a focus on profitability. • In the overseas business, profit increased primarily due to growth in net sales in the UK and Vietnam.

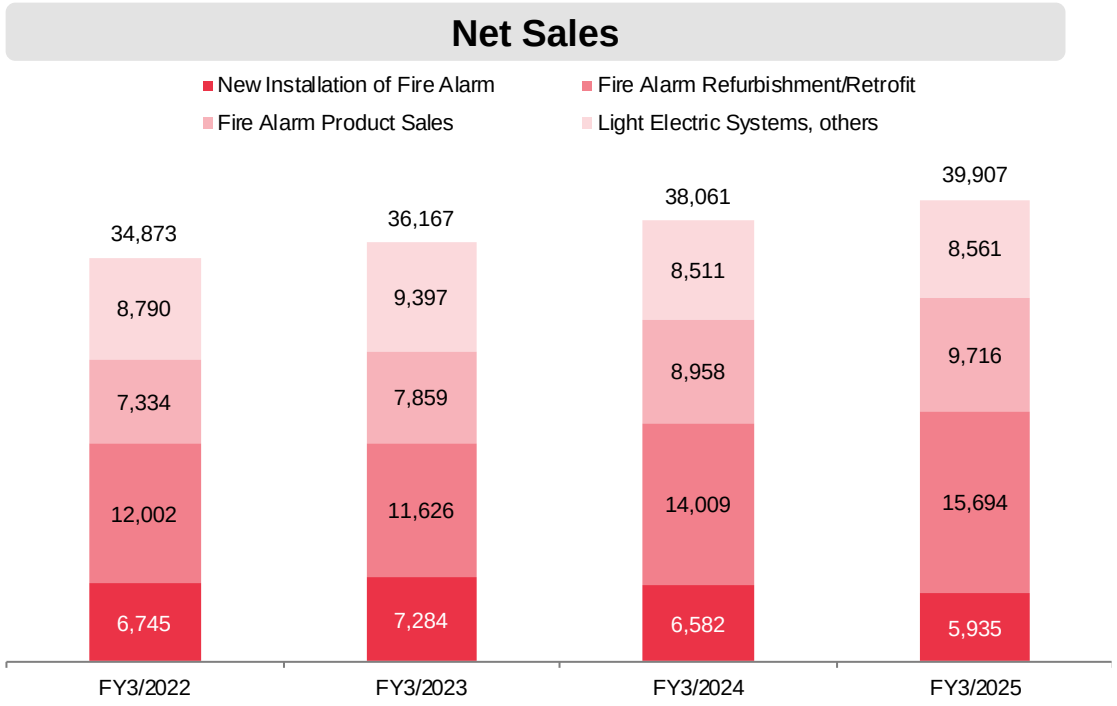
Analysis of factors for increase/decrease in operating profit



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Results by Segment Fire Alarm Systems, of which, Domestic

Trend of Business Performance (¥million)



(¥ million)	FY3/2022 Actual	FY3/2023 Actual	FY3/2024 Actual	FY3/2025 Actual	YoY Change
Domestic Net Sales	34,873	36,167	38,061	39,907	4.8%
New Installation of Fire Alarm	6,745	7,284	6,582	5,935	-9.8%
Fire Alarm Refurbishment/Retrofit	12,002	11,626	14,009	15,694	12.0%
Fire Alarm Product Sales	7,334	7,859	8,958	9,716	8.5%
Light Electric Systems, others	8,790	9,397	8,511	8,561	0.6%
Fire Alarm Involving Installation Work					
New Installation of Fire Alarm	36.0%	38.5%	32.0%	27.4%	
Fire Alarm Refurbishment/Retrofit	64.0%	61.5%	68.0%	72.6%	

*Regarding the fire alarm refurbishment/retrofit sales, a revision has been made to expand the scope to include consolidated figures from FY 3/2025. The results for FY3/2024 are based on the revised calculation formula

Highlights

- As a result of promoting order-taking activities focused on profitability, net sales for new installation of fire alarm decreased due to a significant decline in the number of small-scale projects.
- Fire Alarm Refurbishment/Retrofit saw steady growth, with profitability improving due to the impact of price revisions and order-taking activities emphasizing profitability.
- Product sales increased due to efforts to strengthen sales collaboration with agents and distributors, as well as the impact of price revisions.

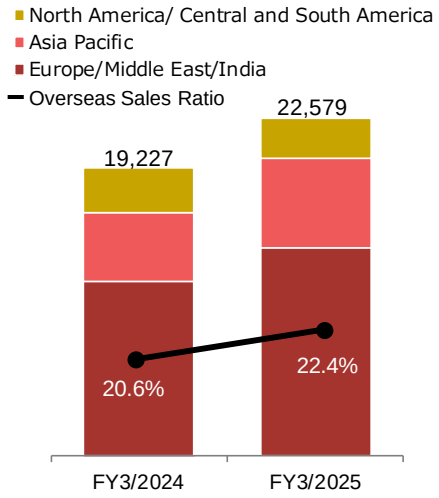
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Results by Segment

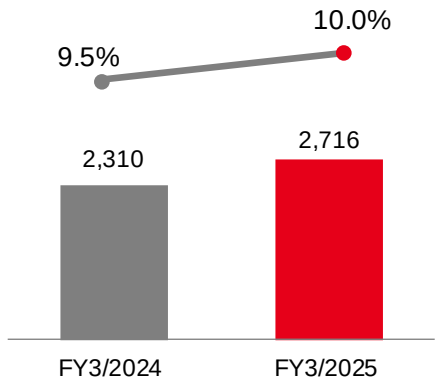
Fire Alarm Systems, of which, Overseas

Trend of Business Performance (¥million)

Net Sales



Combined operating profit and profit margin of 5 overseas group companies



(¥ million)	FY3/2024 Actual	FY3/2025 Actual	YoY Change
Total Overseas Sales	19,227	22,579	17.4% (10.3%)
North America/ Central and South America	2,928	2,645	△9.7% (△14.5%)
Asia Pacific	4,613	5,993	29.9% (23.5%)
Europe/Middle East/India	11,685	13,939	19.3% (11.3%)
Overseas Sales Ratio	20.6%	22.4%	1.8pp
Exchange Rate (USD/JPY)	144.59	152.62	-
Exchange Rate (GBP/JPY)	181.71	194.73	-

Net sales highlights by region

North America/ Central and South America

- The decline in sales was due to weak system sales.

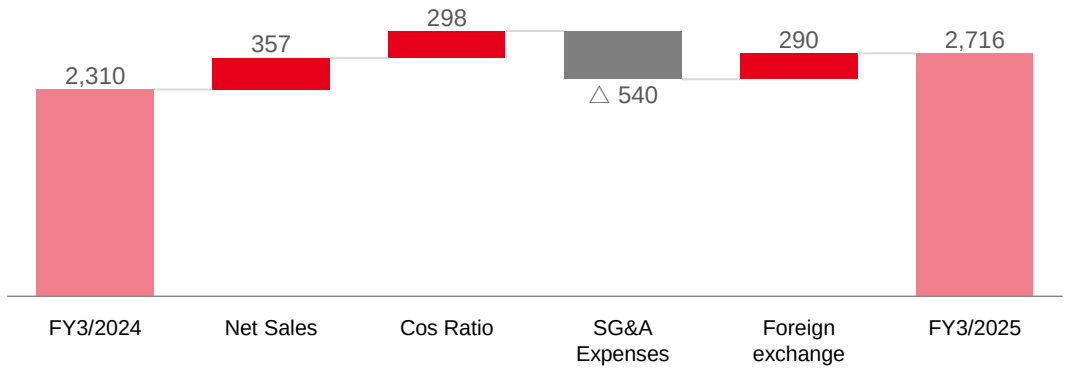
Asia Pacific

- Restrictions on the supply of products in the Southeast Asian market, which had occurred last year, have been resolved. Under the business environment of rising demand fueled by economic growth, sales were strong, especially in Vietnam.

Europe/Middle East/India

- Sales increased mainly in the U.K., the main sales destination in this region. In the U.K., growth was driven by the resolution of inventory adjustments at major distributors and an increase in system sales.

Analysis of factors for increase/decrease in operating profit

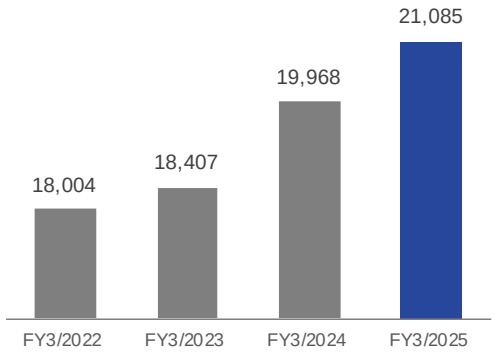


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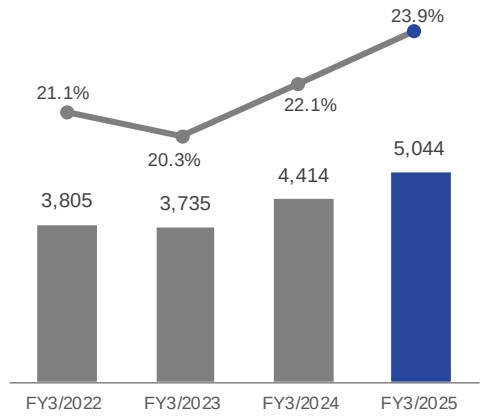
Results by Segment Maintenance

Trend of Business Performance (¥million)

Net Sales



Segment Profit / Margin

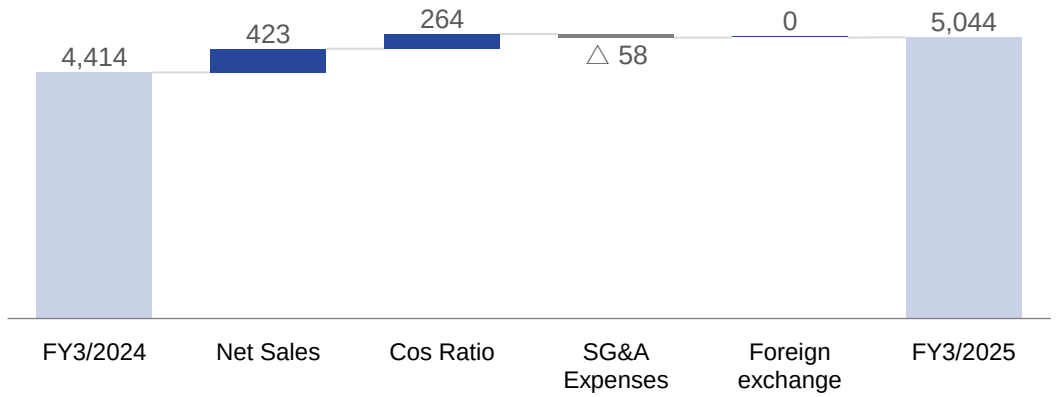


(¥ million)	FY3/2022 Actual	FY3/2023 Actual	FY3/2024 Actual	FY3/2025 Actual	YoY Change
Net Sales	18,004	18,407	19,968	21,085	5.6%
Inspection	11,109	11,177	11,472	11,653	1.6%
Improvement Work	6,895	7,229	8,496	9,432	11.0%
Segment Profit	3,805	3,735	4,414	5,044	14.3%
Orders Received	18,083	18,804	20,249	21,119	4.3%
Order Backlog	2,486	2,884	3,164	3,199	1.1%

Highlights

Business Environment	• The number of fire prevention objects subject to maintenance sales has been increasing every year. • Since the contract rate for maintenance and inspection services is not high for properties installed by the Company, it expects there to be ample room for market development.
Net Sales	• Although some contracts were reviewed based on profitability criteria, the holdings was maintained due to an increase in new contracts. • Improvement Work significantly increased due to the effectiveness of proactive proposals for regular replacements.
Segment Profit	• In inspection/improvement work, the promotion of activities to secure orders with emphasis on profitability contributed to the increase in profit.

Analysis of factors for increase/decrease in operating profit

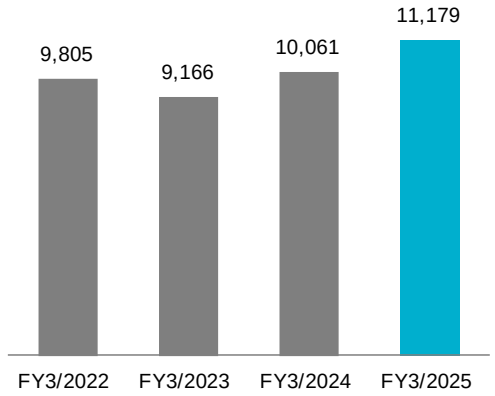


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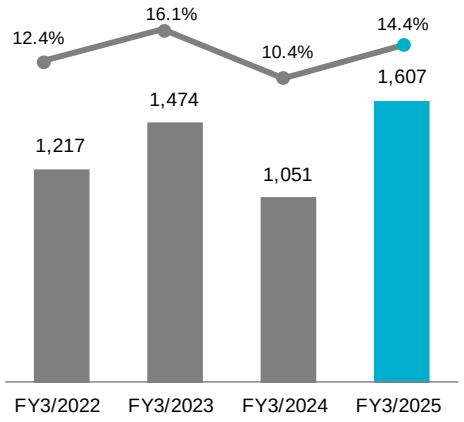
Results by Segment Fire Extinguishing Systems

Trend of Business Performance (¥million)

Net Sales



Segment Profit / Margin

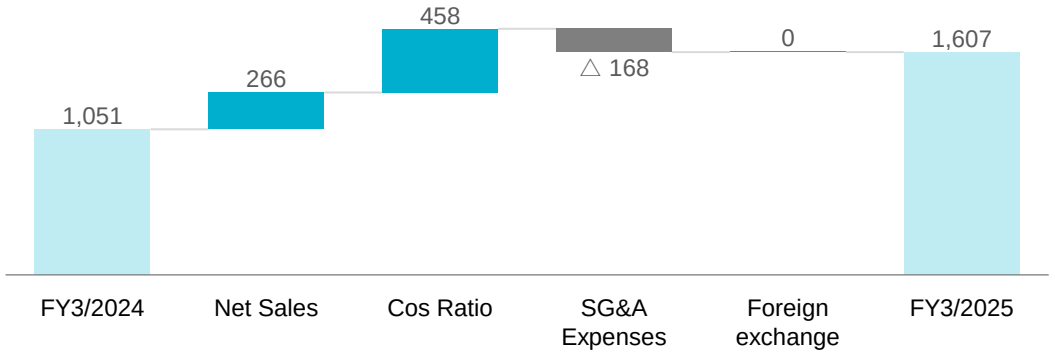


(¥ million)	FY3/2022 Actual	FY3/2023 Actual	FY3/2024 Actual	FY3/2025 Actual	YoY Change
Net Sales	9,805	9,166	10,061	11,179	11.1%
For general buildings	7,717	8,308	7,436	9,192	23.6%
For tunnels	2,088	857	2,624	1,987	-24.3%
Segment Profit	1,217	1,474	1,051	1,607	53.0%
Orders Received	9,234	11,626	11,099	10,115	-8.9%
Order Backlog	7,547	10,007	11,045	9,977	-9.7%

Highlights

Business Environment	• The fire extinguishing systems for general buildings remained stable, supported by robust construction demand, particularly in the Tokyo metropolitan area. However, the revenue fluctuation range is significant due to the increasing scale of projects. • The emergency systems for tunnels maintained a steady level of refurbishment/retrofit demand. However, the revenue fluctuation range is significant because orders often involve multiple tunnels consolidated into a single project.
Net Sales	• Net sales increased due to the growth of fire extinguishing systems for general buildings. • Net sales for tunnel emergency equipment decreased compared to the previous fiscal year when recorded revenues from large-scale project was included.
Segment Profit	• Profits increased due to the growth in net sales of fire extinguishing systems for general buildings. • Recorded revenues from large projects for profitable emergency systems for tunnels contributed to the increase.

Analysis of factors for increase/decrease in operating profit

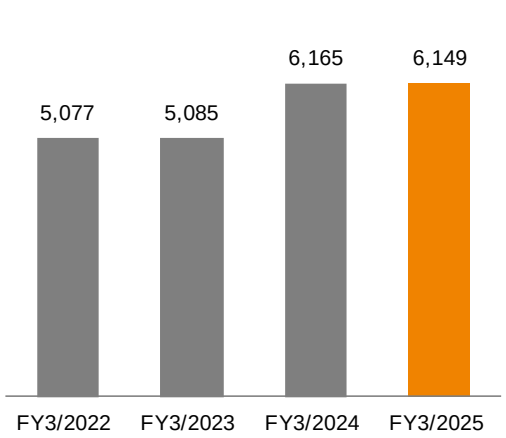


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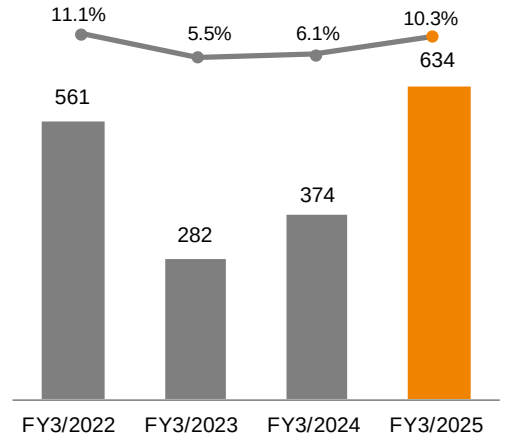
Results by Segment　Security Systems

Trend of Business Performance (¥million)

Net Sales



Segment Profit / Margin

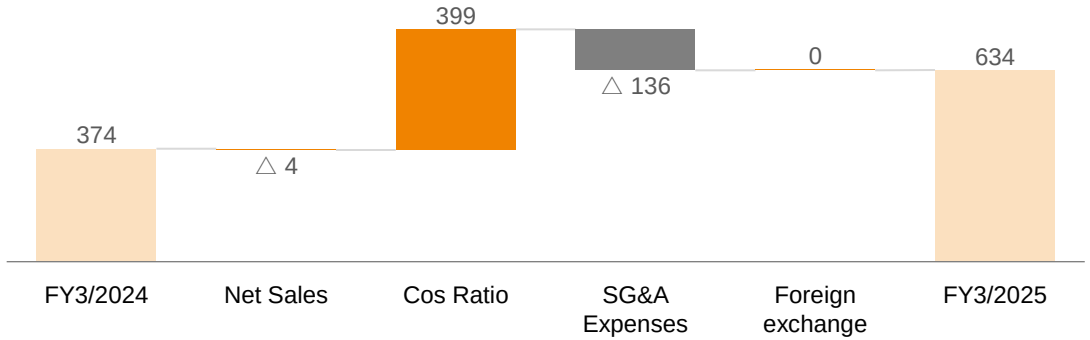


(¥ million)	FY3/2022 Actual	FY3/2023 Actual	FY3/2024 Actual	FY3/2025 Actual	YoY Change
Net Sales	5,077	5,085	6,165	6,149	-0.3%
Segment Profit	561	282	374	634	69.2%
Orders Received	5,146	5,168	6,171	6,057	-1.8%
Order Backlog	1,451	1,534	1,539	1,447	-6.0%

Highlights

Business Environment	• Demand is increasing due to the return of workplaces to the offices as a result of social and economic normalization from the COVID-19 pandemic. • There is a growing need for biometric authentication for security and convenience.
Net Sales	• The resolution of component procurement difficulties stabilized product supply, ensuring a certain level of net sales. • Net sales decreased due to a decline in OEM equipment sales, which had performed well in the previous fiscal year.
Segment Profit	• The impact of price revisions and the promotion of order-taking activities emphasizing profitability contributed to the increase in profit. • The gradual improvement in component procurement costs compared to last year also contributed to the increase in profits.

Analysis of factors for increase/decrease in operating profit



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Consolidated Balance Sheets/Consolidated Statement of Cash Flows

In addition to the increase in profits, the reduction in Trade Receivable and Inventories proved effective, resulting in an increase in Cash and Deposits.

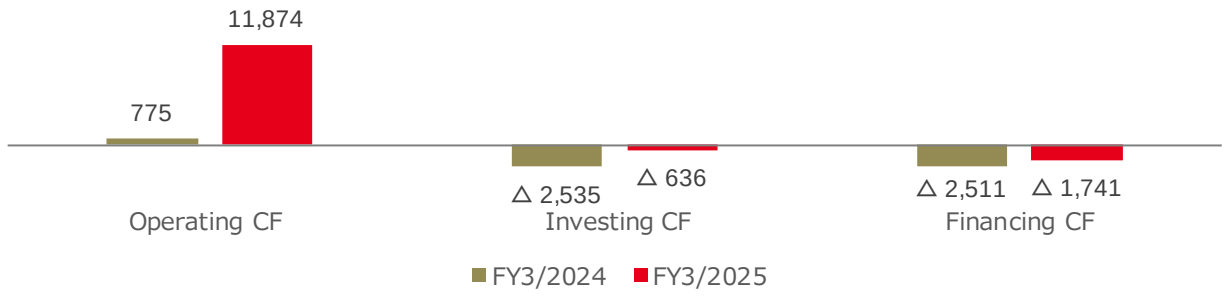
Consolidated Balance Sheets

(¥ million)	FY3/2024 Actual	**FY3/2025 Actual**	YoY Change
Current Assets	61,767	66,087	4,320
Cash and Deposits	11,629	21,161	9,531
Trade Receivables	31,551	28,110	△ 3,441
Inventories	17,997	15,737	△ 2,259
Non-current Assets	23,466	23,567	101
Total Assets	85,233	89,655	4,421
Liabilities	32,322	30,333	△ 1,988
Trade Payables	10,172	7,120	△ 3,052
Net Assets	52,911	59,321	6,410
Total Liabilities and Net Assets	85,233	89,655	4,421

Consolidated Statement of Cash Flows

Major YoY Change Amount

(¥ million)	YoY Change
Net profit before income taxes	+2,379
Increase/Decrease in Accounts Receivable (△ indicates an increase)	+5,176
Increase/Decrease in Inventories (△ indicates an increase)	+6,108
Proceeds from Sale of Investment Securities	+1,316



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Predicted Consolidated Financial Results Summary for FY3/2026

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Executive Summary of FY3/2026 Predictions

Consolidated Financial Forecasts

(¥ million)	FY3/2025		FY3/2026 Forecasts		YoY Change		YoY Change (Excluding impact of foreign exchange)	
					Amount	Ratio	Amount	Ratio
Net Sales	100,900	-	**100,900**	-	0	△0.0%	1,444	1.4%
Operating Profit	9,553	9.5%	**10,000**	9.9%	446	4.7%	575	6.0%
Ordinary Profit	9,736	9.6%	**10,000**	9.9%	263	2.7%	385	4.0%
Profit Attributable to Owners of Parent	7,650	7.6%	**7,200**	7.1%	△ 450	△5.9%	△ 353	△4.6%
ROE	13.7%	-	**11.7%**	-	△ 2.0pp	-	-	-
Exchange Rate (USD/JPY)	152.62	-	**140.00**	-	△ 12.6			
Exchange Rate (GBP/JPY)	194.73	–	**185.00**	-	△ 9.7			

- A favorable market environment is expected to continue both domestically and internationally.
- Assuming a stronger yen compared to the previous fiscal year, net sales are expected to remain at the same level as the previous year, while operating profit is forecast to increase. Excluding the impact of exchange rates, a 1.4% increase in net sales is expected.
- The decrease in profit attributable to owners of the parent is due to the absence of the ¥480 million gain on sales of investment securities recorded in the previous fiscal year.

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Executive Summary of FY3/2026 Predictions

Profit and Loss by Segment

(¥ million)	Net Sales FY3/2025 Actual Amount	Ratio	Net Sales FY3/2026 Forecasts Amount	Ratio	YoY Cahnge Ratio	Profit FY3/2025 Actual Amount	Profit margin	Profit FY3/2026 Forecasts Amount	Profit margin	YoY Cahnge Ratio	Comments
Fire Alarm Systems	62,486	61.9%	**63,000**	**62.4%**	0.8%	8,974	14.4%	**9,600**	**15.2%**	7.0%	• Net sales and profits are expected to increase, driven by growth in both domestic and overseas markets. • In the domestic market, the increase in refurbishment/retrofit sales and the rebound effect from the disposal of inventory in the previous year contributed to the profit increase.
Maintenance	21,085	20.9%	**21,800**	**21.6%**	3.4%	5,044	23.9%	**5,350**	**24.5%**	6.0%	• In inspection, stricter profitability standards are being promoted, while improvement Work is planned to achieve increased revenue and profit through activities such as promoting regular replacement of equipment components.
Fire Extinguishing Systems	11,179	11.1%	**9,800**	**9.7%**	△12.3%	1,607	14.4%	**900**	**9.2%**	△44.0%	• Both fire extinguishing systems for general buildings and tunnel emergency equipment are expected to see a decrease in revenue and profit due to the rebound effect from large-scale projects that boosted sales last year.
Security Systems	6,149	6.1%	**6,300**	**6.2%**	2.4%	634	10.3%	**950**	**15.1%**	49.8%	• The market environment is expected to remain favorable, driven by the post-COVID return to offices and the increasing demand for security. • By promoting order-taking activities with a focus on profitability, we plan to significantly improve the business profit margin.
Total	100,900	100.0%	**100,900**	**100.0%**	△0.0%	9,553	9.5%	**10,000**	**9.9%**	4.7%	
Reference: Total of 5 overseas group companies	27,216	27.0%	27,000	**26.8%**	△0.8%	2,716	10.0%	3,000	**11.1%**	10.4%	

*The earnings of overseas group companies are included in the Fire Alarm Systems segment with the figures after consolidated offsetting, but are presented here as a reference for the revenue structure of the overseas business.

Net Sales by Region

(¥ million)	FY3/2025 Actual		FY3/2026 Forecasts		YoY Change Ratio	Comments
Total sales of overseas	22,579	22.4%	**23,000**	**22.8%**	1.9% (8.3%)	• A local currency-based revenue increase of 8.3% is projected, with the consolidated net sales ratio planned at 22.8%.
North America/ Central and South America	2,645	11.7%	**2,900**	**12.6%**	9.6% (19.2%)	• The sales structure is being strengthened through the selection and concentration of sales regions, with a projected growth of 19.2% on a local currency basis.
Asia Pacific	5,993	26.5%	**5,700**	**24.8%**	-4.9% (2.3%)	• Net sales are expected to increase, primarily driven by Vietnam, a key sales country. However, the growth rate is projected to slow compared to the previous fiscal year, which saw a rebound effect from the resolution of product supply constraints.
Europe/Middle East/India	13,939	61.8%	**14,400**	**62.6%**	3.3% (8.7%)	• Although economic stagnation in Europe is expected to continue, measures to strengthen the sales network in the key market of the United Kingdom are planned. • A further increase in gas extinguishing system control panels, which performed well in the previous fiscal year, is anticipated, with a planned local currency-based net sales growth of 8.7%.

*Figures in parentheses show those excluding impact amount from foreign exchange rate fluctuation.

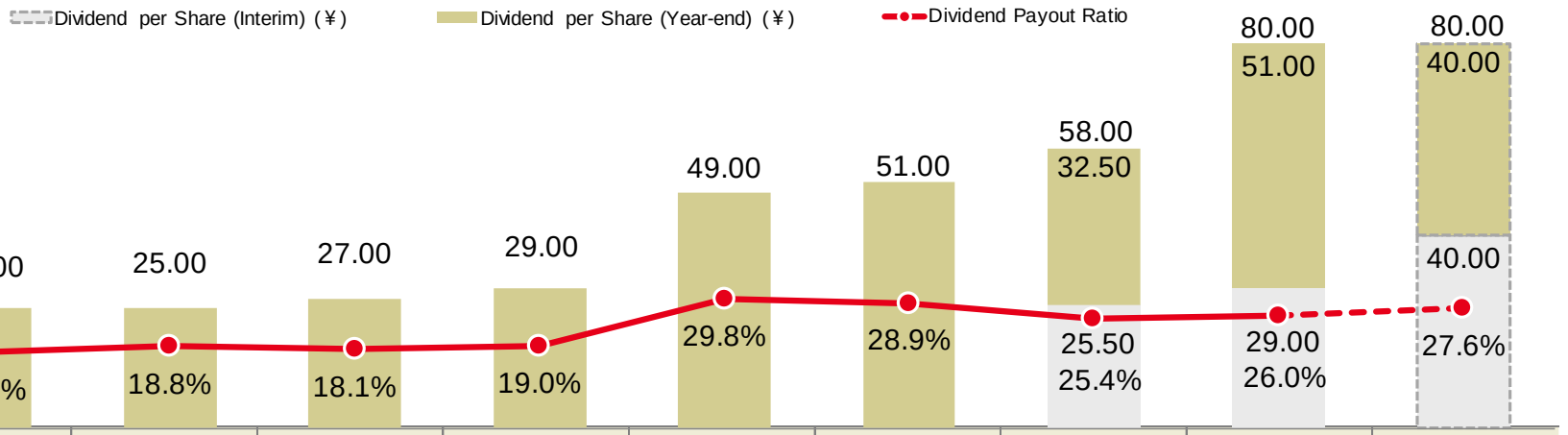
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Dividends Policy

The HOCHIKI Group recognizes that the distribution of profits to shareholders is one of the important management issues and therefore, as a basic policy, comprehensively examines the financial situation and profit level while maintaining a stable dividend to shareholders in principle.

We will strive to maintain our progressive dividend policy after making the investments necessary for sustained mid- to long-term growth, taking indicators such as dividend payout ratio and DOE into account as well.

For the current fiscal year, the dividend forecast includes an interim dividend of ¥40.00 per share and a year-end dividend of ¥40.00 per share, resulting in an annual dividend of ¥80.00 per share.



	FY3/2018 Actual	FY3/2019 Actual	FY3/2020 Actual	FY3/2021 Actual	FY3/2022 Actual	FY3/2023 Actual	FY3/2024 Actual	FY3/2025 Planned	FY3/2026 Forecast
Interim Dividend per Share (Yen)	-	-	-	-	-	-	25.50	29.00	40.00
Year-End Dividend per Share (Yen)	25.00	25.00	27.00	29.00	49.00	51.00	32.50	51.00	40.00
Dividend Payout Ratio	17.6%	18.8%	18.1%	19.0%	29.8%	28.9%	25.4%	26.0%	27.6%
Dividend on Equity (DOE)	2.3%	2.0%	2.0%	2.0%	3.0%	2.9%	2.9%	3.6%	-
Return on Equity（ROE)	12.9%	10.8%	11.3%	10.5%	10.1%	10.0%	11.4%	13.7%	11.7%

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Predicted Consolidated Financial Results Summary for FY3/2026 2Q

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Executive Summary of FY3/2026 2Q Predictions (midterm)

Consolidated Financial Forecasts

(¥ million)	FY3/2025 Actual (midterm)		FY3/2026 Forecasts (midterm)		YoY Change		YoY Change (Excluding impact of foreign exchange)	
					Amount	Ratio	Amount	Ratio
Net Sales	45,531	-	**46,000**	-	468	1.0%	1,224	2.7%
Operating Profit	3,376	7.4%	**3,400**	7.4%	23	0.7%	75	2.2%
Ordinary Profit	3,363	7.4%	**3,400**	7.4%	36	1.1%	85	2.5%
Midterm Profit Attributable to Owners of Parent	2,284	5.0%	**2,300**	5.0%	15	0.7%	57	2.5%
Exchange Rate (USD/JPY)	152.78	-	**140.00**	-	△ 12.8			
Exchange Rate (GBP/JPY)	195.57	–	**185.00**	-	△ 10.6			

- The assumed exchange rate reflects approximately a 10% yen stronger appreciation YoY. However, assuming that the robust demand environment will continue, both net sales and profits are expected to increase compared to the previous fiscal year.

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Executive Summary of FY3/2026 2Q Predictions (midterm)

Profit and Loss by Segment

(¥ million)	Net Sales					Profit					Comments
	FY3/2025 Actual (midterm)		FY3/2026 Forecasts (midterm)		YoY Change Ratio	FY3/2025 Actual (midterm)		FY3/2026 Forecasts (midterm)		YoY Change Ratio	
	Amount	Ratio	Amount	Ratio		Amount	Profit margin	Amount	Profit margin		
Fire Alarm Systems	28,235	62.0%	**28,000**	**60.9%**	△0.8%	3,549	12.6%	**3,350**	**12.0%**	△5.6%	• Net sales and profits are predicted to decline due to the heavy emphasis on domestic refurbishment/retrofit activities in the second half compared to the previous fiscal year.
Maintenance	9,495	20.9%	**10,100**	**22.0%**	6.4%	2,029	21.4%	**2,470**	**24.5%**	21.7%	• Net sales are expected to increase, primarily driven by the growth in improvement work. • A significant increase in profits is expected due to the growth in net sales and order-taking activities focused on profitability.
Fire Extinguishing Systems	5,137	11.3%	**5,200**	**11.3%**	1.2%	683	13.3%	**529**	**10.2%**	△22.4%	• Net sales are expected to increase, driven by the growth in fire extinguishing systems for general buildings. • A decrease in profits is expected due to a rebound from the previous year's large-scale, high-profitability tunnel emergency equipment projects.
Security Systems	2,663	5.8%	**2,700**	**5.9%**	1.4%	109	4.1%	**280**	**10.4%**	156.3%	• Net sales are expected to increase, driven by the growth in OEM equipment sales. • An increase in profits is expected due to the growth in net sales and improved profitability through order-taking activities focused on profitability.
Total	45,531	100.0%	**46,000**	**100.0%**	1.0%	3,376	7.4%	**3,400**	**7.4%**	0.7%	
Reference: Total of 5 overseas group companies	13,979	30.7%	13,400	**29.1%**	△4.1%	1,598	11.4%	1,600	**11.9%**	0.1%	

*The earnings of overseas group companies are included in the Fire Alarm Systems segment with the figures after consolidated offsetting, but are presented here as a reference for the revenue structure of the overseas business.

Net Sales by Region

(¥ million)	FY3/2025 Actual (midterm)		FY3/2026 Forecasts (midterm)		YoY Change Ratio	Comments
Total sales of overseas	11,335	24.9%	**11,500**	**25.0%**	1.4% (8.1%)	• A local currency-based net sales increase of 8.1% is projected.
North America/ Central and South America	1,359	12.0%	**1,450**	**12.6%**	6.7% (16.4%)	• A local currency-based net sales increase of 16.4% is projected, reflecting the emerging effects of sales promotion measures implemented since the previous year.
Asia Pacific	2,608	23.0%	**2,800**	**24.3%**	7.3% (15.4%)	• A local currency-based net sales increase of 7.3% is projected, with Vietnam continuing to perform strongly, as in the previous year.
Europe/Middle East/India	7,367	65.0%	**7,250**	**63.0%**	-1.6% (4.0%)	• A local currency-based net sales increase of 4.0% is projected. The U.K. remains strong, and other European regions are also performing well, particularly with key customers.

*Figures in parentheses show those excluding impact amount from foreign exchange rate fluctuation.

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Appendix

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Business Summary

Providing total solutions that contribute to safety and security in buildings, centered on fire alarm systems.
Net sales from overseas business accounted for 22.4% of total net sales.

Security Systems

Manufacturing, sales and installation of security systems

- Access control systems
- Key management systems
- Electrical locks control systems, etc.

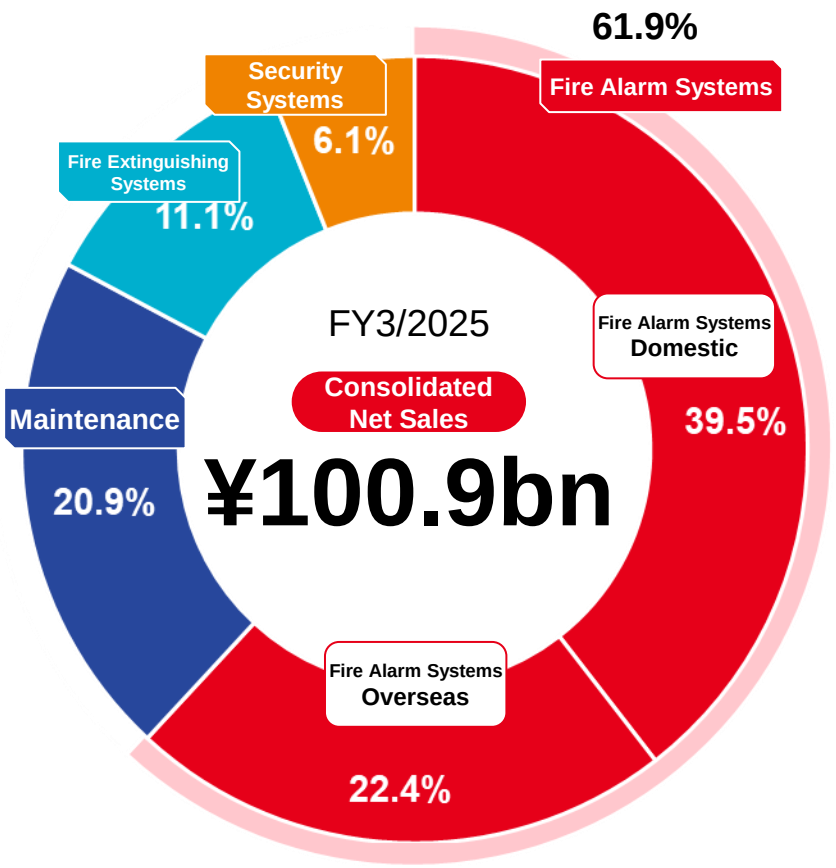



Fire Extinguishing Systems

Manufacturing, sales and installation of fire extinguishing systems

- Sprinkler systems
- Water cannon fire extinguishing systems
- Indoor and outdoor fire hydrants, etc.



Fire Alarm Systems

Manufacturing, sales and installation of fire alarm systems

- Automatic fire alarm systems
- Emergency alarm systems
- Fire reporting device
- High sensitivity aspirating smoke detection system, etc.

For Domestic



For Overseas



Maintenance

Maintenance, inspection and improvement work of fire prevention systems



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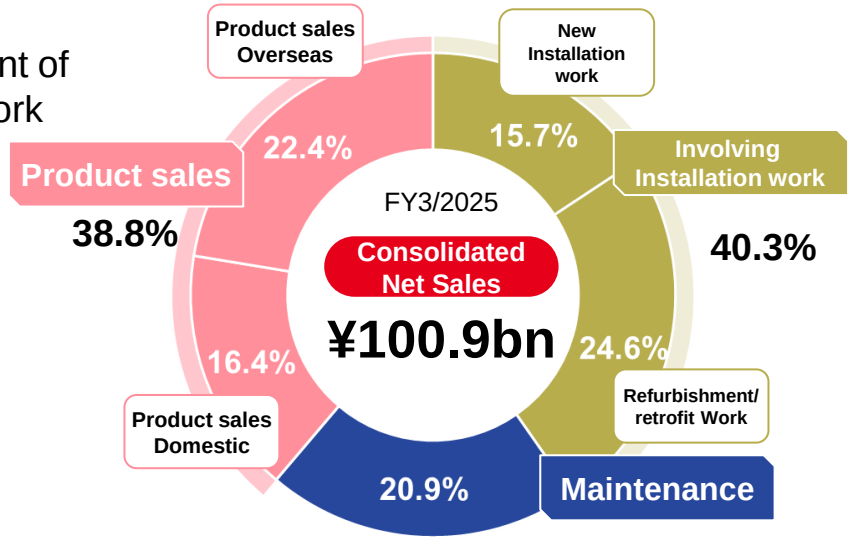
HOCHIKI's Business Types

HOCHIKI deploys three business types

Involving Installation work
- Sales of systems including installation and test adjustment of products for new installation and refurbishment/retrofit work

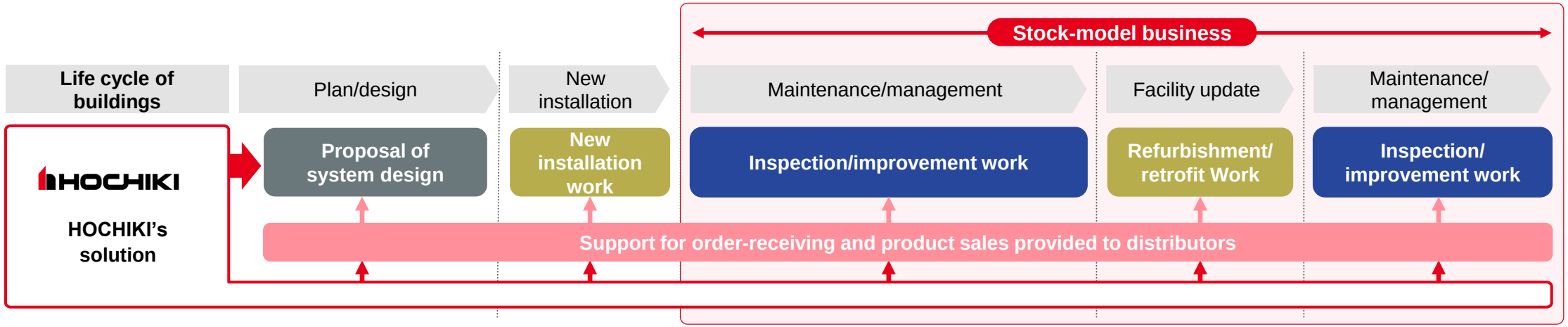
Maintenance
- Inspection and improvement work of fire defense equipment

Product sales
- Product sales to distributors, etc.
- For Overseas markets, only product sales are conducted



HOCHIKI's value offering throughout the life cycle of buildings

- Long-term relationships with customers are established through the provision of solutions adapted to the life cycle of buildings.



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Consolidated Financial Results Summary by Segment for FY3/2025

(¥ million)		FY3/2024 Actual	FY3/2025 Forecast	FY3/2025 Actual	YoY Change		Versus Forecasts	
					Amount	Ratio	Amount	Ratio
Fire Alarm Systems	Net Sales	57,289	61,400	62,486	5,196	9.1%	1,086	1.8%
	Operating Profit	7,199	8,210	8,974	1,775	24.7%	764	9.3%
	Operating Margin	12.6%	13.4%	14.4%	1.8pp		1.0pp	
Maintenance	Net Sales	19,968	20,800	21,085	1,116	5.6%	285	1.4%
	Operating Profit	4,414	4,900	5,044	630	14.3%	144	3.0%
	Operating Margin	22.1%	23.6%	23.9%	1.8pp		0.4pp	
Fire Extinguishing Systems	Net Sales	10,061	10,900	11,179	1,118	11.1%	279	2.6%
	Operating Profit	1,051	1,380	1,607	556	53.0%	227	16.5%
	Operating Margin	10.4%	12.7%	14.4%	3.9pp		1.7pp	
Security Systems	Net Sales	6,165	5,900	6,149	△ 16	△0.3%	249	4.2%
	Operating Profit	374	510	634	259	69.2%	124	24.4%
	Operating Margin	6.1%	8.6%	10.3%	4.2pp		1.7pp	
Total	**Net Sales**	**93,485**	**99,000**	**100,900**	**7,415**	**7.9%**	**1,900**	**1.9%**
	Operating Profit	**7,375**	**9,000**	**9,553**	**2,177**	**29.5%**	**553**	**6.1%**
	Operating Margin	**7.9%**	**9.1%**	**9.5%**	**1.6pp**		**0.4pp**	
*Reference: Total of 5 overseas group companies	Net Sales	24,363	26,400	27,216	2,852	11.7%	816	3.1%
	Operating Profit	2,310	2,500	2,716	406	17.6%	216	8.7%
	Operating Margin	9.5%	9.5%	10.0%	0.5pp		0.5pp	

*The earnings of overseas group companies are included in the Fire Alarm Systems segment with the figures after consolidated offsetting, but are presented here as a reference for the revenue structure of the overseas business.

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Orders Received / Order Backlog for FY3/2025 3Q

(¥ million)	FY3/2024		FY3/2025		YoY Change	
	Actual	Ratio	Actual	Ratio	Amount	Ratio
Orders Received	94,327	100.0%	100,572	100.0%	6,244	6.6%
Fire Alarm Systems	56,808	60.2%	63,280	62.9%	6,471	11.4%
(of which, Overseas)	19,227	20.4%	22,579	22.5%	3,351	17.4%
Maintenance	20,249	21.5%	21,119	21.0%	870	4.3%
Fire Extinguishing Systems	11,099	11.8%	10,115	10.1%	△ 983	△8.9%
Security Systems	6,171	6.5%	6,057	6.0%	△ 113	△1.8%
Orders Backlog	27,632	100.0%	27,348	100.0%	△ 284	△1.0%
Fire Alarm Systems	11,882	42.9%	12,724	46.5%	841	7.1%
(of which, Overseas)	-	-	-	-	-	-
Maintenance	3,164	11.5%	3,199	11.7%	34	1.1%
Fire Extinguishing Systems	11,045	40.0%	9,977	36.5%	△ 1,068	△9.7%
Security Systems	1,539	5.6%	1,447	5.3%	△ 92	△6.0%

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Trends in FY3/2025 Consolidated Net Sales by Business Type and Market

(¥ million)	FY3/2024		FY3/2025		YoY Change	
	Actual	Ratio to Net Sales	Actual	Ratio to Net Sales	Amount	Ratio
Total of Domestic Business	74,257	79.4%	78,321	77.6%	4,064	5.5%
Installation Work Sales	38,652	52.1%	40,667	51.9%	2,015	5.2%
New Installation Sales	15,503	40.1%	15,868	39.0%	364	2.4%
(of which, New Installation of Fire Alarm Sales)	(6,582)	(17.0%)	(5,935)	(14.6%)	(△646)	(△9.8%)
Refurbishment/Retrofit Sales	23,148	59.9%	24,799	61.0%	1,650	7.1%
(of which, Fire Alarm Refurbishment/Retrofit Sales)	(14,009)	(36.2%)	(15,694)	(38.6%)	(1,685)	(12.0%)
Maintenance Sales	19,968	26.9%	21,085	26.9%	1,116	5.6%
Stock-model Business Sales (Refurbishment/Retrofit + Maintenance)	43,117	58.1%	45,884	58.6%	2,767	6.4%
Product Sales	15,636	21.1%	16,568	21.2%	932	6.0%
Total of Overseas Business	19,227	20.6%	22,579	22.4%	3,351	17.4%
Total of Consolidated Net Sales	93,485	-	100,900	-	7,415	7.9%
Installation Work Sales	38,652	41.3%	40,667	40.3%	2,015	5.2%
Maintenance Sales	19,968	21.4%	21,085	20.9%	1,116	5.6%
Product Sales	34,864	37.3%	39,148	38.8%	4,283	12.3%

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Net Sales by Overseas Region for FY3/2025

(Unit: ¥ million)	FY3/2024 Actual	FY3/2025 Actual	YoY Change	
			Amount	Ratio
North America/Central and South America	2,928	2,645	△ 283	△9.7%
North America	2,299	2,110	△ 189	△8.2%
Others	628	534	△ 94	△15.0%
Asia Pacific	4,613	5,993	1,380	29.9%
Vietnam	1,963	2,452	488	24.9%
Philippine	308	292	△ 16	△5.2%
Bangladesh	250	332	81	32.7%
East Asia (excl. Japan)	785	1,550	765	97.5%
Others	1,306	1,366	60	4.6%
Europe/Middle East/India	11,685	13,939	2,254	19.3%
United Kingdom	5,807	7,476	1,668	28.7%
Europe (excl. UK)	3,123	3,661	538	17.2%
Middle East	2,049	2,060	10	0.5%
Others	704	741	37	5.3%
Total	19,227	22,579	3,351	17.4%

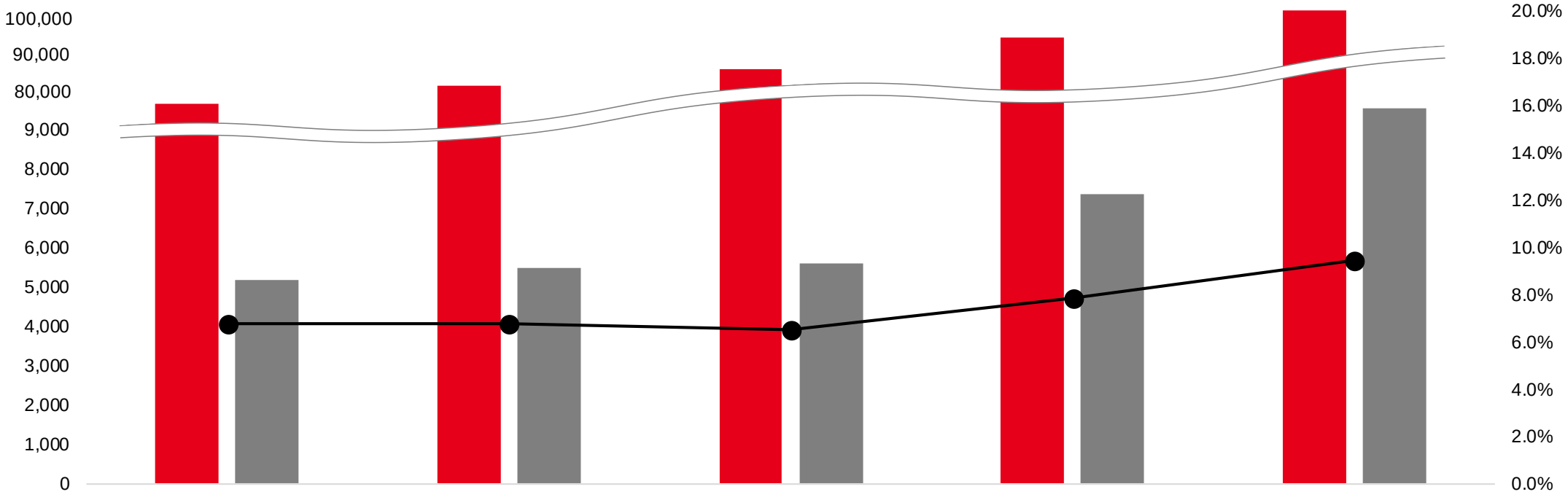
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Overview of Consolidated Balance Sheet for FY3/2025

(¥ million)	FY3/2024 (Year-end)	**FY3/2025 (Year-end)**	YoY Change	
			Amount	Ratio
Total Assets	**85,233**	**89,655**	**4,421**	**5.2%**
Current Assets	61,767	66,087	4,320	**7.0%**
Non-Current Assets	23,466	23,567	101	**0.4%**
Property, Plant and Equipment	12,272	12,663	390	**3.2%**
Intangible Assets	857	1,060	202	**23.6%**
Investments and Other Assets	10,336	9,844	△ 492	**△4.8%**
Total Liabilities	**32,322**	**30,333**	**△ 1,988**	**△6.2%**
Current Liabilities	25,153	23,055	△ 2,098	**△8.3%**
Non-Current Liabilities	7,168	7,278	109	**1.5%**
Total Net Assets	**52,911**	**59,321**	**6,410**	**12.1%**
Shareholders' Equity	48,145	54,373	6,227	**12.9%**
Share Capital	3,798	3,798	-	**-**
Capital Surplus	2,728	2,728	-	**-**
Retained Earnings	46,180	49,681	3,500	**7.6%**
Treasury Shares	△ 4,561	△ 1,835	2,726	**-**
Accumulated Other Comprehensive Income	4,592	4,743	151	**3.3%**
Non-Controlling Interests	173	204	30	**17.7%**
Total Liabilities and Net Assets	**85,233**	**89,655**	**4,421**	**5.2%**
Equity Ratio (%)	61.9%	65.9%	4.0pp	-

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Trends of Consolidated Financial Results



(¥ million)

	FY3/2021 3Q Actual	FY3/2022 3Q Actual	FY3/2023 3Q Actual	FY3/2024 3Q Actual	FY3/2025 3Q Actual
Net Sales	76,567	81,251	85,457	93,485	100,900
Operating Profit	5,180	5,479	5,590	7,375	9,553
Operating Margin	6.8%	6.7%	6.5%	7.9%	9.5%

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Reference Indicators

Domestic private non-residential construction investment

(¥ trillion)	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Estimate	2023 Estimate	2024 Forecast	2025 Forecast	CAGR (17-24)
Construction investment amount	11.5	11.5	11.6	9.0	9.5	10.2	10.2	10.6	11.1	△1.2%

Source : Prepared by the Company based on ""QUARTERLY OUTLOOK OF CONSTRUCTION AND MACRO ECONOMY (April 2025)""
(Research Institute of Construction and Economy)

Number of domestic fire prevention objects

(thousand objects)	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Actual	CAGR (17-24)
Number of fire prevention objects	4,089	4,119	4,185	4,215	4,228	4,247	4,265	4,280	0.7%
Of which, multiple-use	625	630	645	655	663	667	669	671	1.0%

Source : Prepared by the Company based on ""White Paper on Fire Service"" (Fire and Disaster Management Agency)

Global market size of fire alarm systems

($m)	2021 Actual	2022 Actual	2023 Actual	2024 Forecast	2025 Forecast	2026 Forecast	2027 Forecast	2028 Forecast	CAGR (23-28)
Total	5,553	5,860	6,161	6,425	6,698	7,020	7,377	7,763	4.7%
America	1,621	1,686	1,787	1,884	1,938	2,002	2,094	2,202	4.3%
EMEA	2,028	2,144	2,244	2,306	2,408	2,536	2,662	2,792	4.5%
Asia & Oceania	1,904	2,030	2,130	2,235	2,351	2,483	2,620	2,769	5.4%

Source: Prepared by the Company based on ""Fire Detection & Suppression Equipment Report -2024 Analysis"" (Omdia)

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Disclaimer

This document contains descriptions of future forecasts.

The Group's future growth plans include these forecasts as well as other information and assumptions.

The description of future forecasts should be contained of the future growth plans in our Groups in conjunction with other information. The future forecast is based on information currently available to us and merely describes our current outlook, expectations and plans for future events. We will inform you of the future forecast with information about new results and future events. However, we are not obligated to update or correct the latest information. We are not liable or responsible to update or revise this forward-looking statement, either with information about new results or future events.

In addition, the predicted future events discussed in this material may not happen for real or may differ materially from what was expected, and these differences can be attributed to many factors.

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