



May 13, 2025

Summary of Financial Results for the Fiscal Year Ended March 31, 2025

[Japanese GAAP]

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Listing: Tokyo Stock Exchange
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Scheduled date of Annual General Meeting of Shareholders: June 26, 2025
 Scheduled date of filing of Annual Securities Report: June 27, 2025
 Scheduled date of payment of dividend: June 12, 2025
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for institutional investors and analysts)

Note: The original disclosure in Japanese was released on May 13, 2025 at 15:30. (GMT +9).

(All amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024–March 31, 2025)

(1) Consolidated results of operations (Percentages represent year-over-year changes)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | |
|--------|-------------|-------|------------------|--------|-----------------|--------|---|-------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % |
| FY3/25 | 28,356 | 14.1 | 10,513 | 30.8 | 10,920 | 32.9 | 7,497 | 35.6 |
| FY3/24 | 24,859 | (8.4) | 8,041 | (13.4) | 8,216 | (12.3) | 5,530 | (8.0) |

Note: Comprehensive income (million yen) FY3/25: 8,853 (up 24.6%) FY3/24: 7,104 (down 2.8%)

| | Net income per share | Diluted net income per share | Return on equity | Ordinary profit on total assets | Operating profit to sales |
|--------|----------------------|------------------------------|------------------|---------------------------------|---------------------------|
| | Yen | Yen | % | % | % |
| FY3/25 | 297.71 | – | 16.7 | 20.9 | 37.1 |
| FY3/24 | 216.95 | – | 13.8 | 17.4 | 32.3 |

Reference: Equity in earnings (loss) of affiliates (million yen) FY3/25: (47) FY3/24: (57)

(2) Consolidated financial position

| | Total assets | Net assets | Equity ratio | Net assets per share |
|---------------------|--------------|-------------|--------------|----------------------|
| | Million yen | Million yen | % | Yen |
| As of Mar. 31, 2025 | 54,841 | 47,812 | 87.2 | 1,918.56 |
| As of Mar. 31, 2024 | 49,641 | 42,250 | 85.1 | 1,667.82 |

Reference: Shareholders' equity (million yen) As of Mar. 31, 2025: 47,812 As of Mar. 31, 2024: 42,250

(3) Consolidated cash flow position

| | Cash flows from operating activities | Cash flows from investing activities | Cash flows from financing activities | Cash and cash equivalents at end of period |
|--------|--------------------------------------|--------------------------------------|--------------------------------------|--|
| | Million yen | Million yen | Million yen | Million yen |
| FY3/25 | 8,426 | (5,218) | (3,650) | 24,813 |
| FY3/24 | 6,029 | (781) | (3,061) | 24,587 |

2. Dividends

| | Dividends per share | | | | | Total dividends | Dividend payout ratio (consolidated) | Dividend on equity (consolidated) |
|--------------------|---------------------|--------|--------|----------|-------|-----------------|--------------------------------------|-----------------------------------|
| | 1Q-end | 2Q-end | 3Q-end | Year-end | Total | | | |
| | Yen | Yen | Yen | Yen | Yen | Million yen | % | % |
| FY3/24 | – | 35.00 | – | 35.00 | 70.00 | 1,779 | 32.3 | 4.5 |
| FY3/25 | – | 37.00 | – | 39.00 | 76.00 | 1,905 | 25.5 | 4.2 |
| FY3/26 (forecasts) | – | 41.00 | – | 41.00 | 82.00 | | 27.6 | |

3. Consolidated Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025–March 31, 2026)

(Percentages represent year-over-year changes)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | | Net income per share |
|------------|-------------|-----|------------------|------|-----------------|-------|---|-------|----------------------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % | Yen |
| First half | 13,900 | 9.1 | 5,170 | 10.8 | 5,200 | 4.4 | 3,600 | 6.3 | 144.46 |
| Full year | 28,500 | 0.5 | 10,700 | 1.8 | 10,800 | (1.1) | 7,400 | (1.3) | 296.94 |

*** Notes**

(1) Significant changes in the scope of consolidation during the period: None

Newly added: –

Excluded: –

(2) Changes in accounting policies and accounting estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, others: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Restatements: None

(3) Number of issued shares (common stock)

1) Number of shares issued at the end of the period (including treasury shares)

As of Mar. 31, 2025: 26,529,949 shares As of Mar. 31, 2024: 26,941,306 shares

2) Number of treasury shares at the end of the period

As of Mar. 31, 2025: 1,608,714 shares As of Mar. 31, 2024: 1,608,632 shares

3) Average number of shares outstanding during the period

FY3/25: 25,185,415 shares FY3/24: 25,491,652 shares

Reference: Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024–March 31, 2025)

(1) Non-consolidated results of operations (Percentages represent year-over-year changes)

| | Net sales | | Operating profit | | Ordinary profit | | Profit | |
|--------|-------------|------|------------------|------|-----------------|------|-------------|------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % |
| FY3/25 | 16,028 | 15.9 | 5,091 | 38.2 | 10,489 | 26.5 | 8,110 | 24.3 |
| FY3/24 | 13,832 | 9.3 | 3,684 | 43.0 | 8,288 | 9.1 | 6,523 | 10.1 |

| | Net income per share | Diluted net income per share |
|--------|-------------------------|---------------------------------|
| | Yen | Yen |
| FY3/25 | 322.01 | – |
| FY3/24 | 255.92 | – |

(2) Non-consolidated financial position

| | Total assets | Net assets | Equity ratio | Net assets per share |
|---------------------|--------------|-------------|--------------|----------------------|
| | Million yen | Million yen | % | Yen |
| As of Mar. 31, 2025 | 40,728 | 36,865 | 90.5 | 1,479.30 |
| As of Mar. 31, 2024 | 36,803 | 32,127 | 87.3 | 1,268.21 |

Reference: Shareholders' equity (million yen) As of Mar. 31, 2025: 36,865 As of Mar. 31, 2024: 32,127

Note 1: The financial report is not subject to audit by certified public accountants or auditing firms.

Note 2: Cautionary statement with respect to forward-looking statements and other special items

Forecasts of future performance in this report are based on assumptions judged to be valid and information currently available to the Company. Actual results may differ substantially from these forecasts for a number of reasons.

Contents of Attachments

Please note English translation is available with respect to major sections of the following only.

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1. Overview of Results of Operations

(1) Results of Operations

In the fiscal year ended March 31, 2025 (hereafter, “the fiscal year under review”), the domestic economy continued to show a modest recovery mainly due to the improving employment environment and corporate earnings, though consumer spending remained subdued in some categories due to rising prices. In the manufacturing sector, production activity experienced ups and downs, with some signs of recovery in the weak demand for electronic components and production machinery. Companies maintained a positive stance on their capital investment mainly for digitalization, with steady capital expenditures both in the manufacturing and non-manufacturing sectors.

Overseas, the Chinese economy remained at a standstill despite the effect of government policies, with consumer spending continuing to decrease moderately. Manufacturing industry in China remained strong due to a temporary increase in demand caused by trade disputes with the United States. In Europe and the United States, the economy has recovered thanks to alleviated inflationary pressure, despite being at a standstill in some areas. Looking ahead, the situation needs close monitoring on an ongoing basis of the impact of policy trends in the United States, the situation in the Middle East, and other factors.

As for the business environment surrounding the JCU Group, the electronics industry embarked a recovery trend in demand for various products, leading to an increase in shipments, as the global inventory adjustment of various high-performance electronic devices such as smartphones and PCs appears to have run its course. In the automotive industry, production volume increased in China due to demand recovery from emerging markets.

The results of operations of the JCU Group were as follows.

| | (Millions of yen, unless otherwise stated) | | |
|---|--|--|----------------------------|
| | FY3/24 (Apr. 1, 2023–Mar. 31, 2024) | FY3/25 (Apr. 1, 2024–Mar. 31, 2025) | Year-over-year % change |
| Net sales | 24,859 | 28,356 | Up 14.1% |
| Operating profit | 8,041 | 10,513 | Up 30.8% |
| Ordinary profit | 8,216 | 10,920 | Up 32.9% |
| Profit attributable to owners of parent | 5,530 | 7,497 | Up 35.6% |

The results of operations by segment were as follows.

Chemicals Business

Chemicals for electronics components

- China: The inventory adjustment of high-performance electronic devices including smartphones ran its course, resulting in a recovery trend in the demand for PWBs. As a result, sales of chemicals substantially increased year over year.
- Taiwan: With signs of recovery in the semiconductor market, demand for servers and semiconductor package substrates for high-performance electronic devices moderately expanded. As a result, sales of chemicals increased year over year.
- South Korea: Due to the bottoming out of the semiconductor market and the progress in inventory adjustment by customers, demand for semiconductor package substrates showed a moderate recovery. As a result, sales of chemicals increased year over year.

Chemicals for decoration

- Japan: Although the impact of the suspension of shipments by some automobile manufacturers eased, demand for chemicals declined due to changes in design trends. As a result, sales of chemicals decreased year over year.
- China: Despite increases in automobile production due to an improvement in shortages of semiconductors and parts, demand for automobile parts which is subject to our business decreased. As a result, sales of chemicals decreased year over year.

(Millions of yen, unless otherwise stated)

| | FY3/24 (Apr. 1, 2023–Mar. 31, 2024) | FY3/25 (Apr. 1, 2024–Mar. 31, 2025) | Year-over-year % change |
|----------------|--|--|----------------------------|
| Net sales | 21,681 | 24,154 | Up 11.4% |
| Segment profit | 8,440 | 10,680 | Up 26.5% |

Machine Business

Sales substantially increased thanks to the ordered projects progressing on schedule. However, orders received and order backlog decreased due to a decline in new orders as customers' investment projects have run their course.

(Millions of yen, unless otherwise stated)

| | FY3/24 (Apr. 1, 2023–Mar. 31, 2024) | FY3/25 (Apr. 1, 2024–Mar. 31, 2025) | Year-over-year % change |
|-----------------|--|--|----------------------------|
| Net sales | 3,178 | 4,202 | Up 32.2% |
| Segment profit | 484 | 740 | Up 52.6% |
| Orders received | 3,411 | 1,224 | Down 64.1% |
| Order backlog | 4,234 | 1,303 | Down 69.2% |

The Other Businesses segment has been abolished since the first quarter of this fiscal year, following the exclusion of Sorapuchi Farm Corp, which was included in the “Other” businesses segment in the previous fiscal year, from the scope of consolidation due to the transfer of all shares.

(2) Financial Position

Assets, liabilities and net assets

Assets

Total assets at the end of the fiscal year under review increased 5,199 million yen from the end of the previous fiscal year to 54,841 million yen.

Current assets decreased 608 million yen to 40,223 million yen mainly due to a decrease in cash and deposits.

Non-current assets increased 5,807 million yen to 14,617 million yen mainly due to increases in tools, furniture and fixtures, net, construction in progress, and deferred tax assets.

Liabilities

Total liabilities at the end of the fiscal year under review decreased 363 million yen from the end of the previous fiscal year to 7,028 million yen.

Current liabilities decreased 316 million yen to 6,347 million yen due to decreases in notes and accounts payable-trade, electronically recorded obligations-operating, short-term borrowings and contract liabilities, which were partially offset by an increase in income taxes payable.

Non-current liabilities decreased 46 million yen to 680 million yen mainly due to a decrease in long-term borrowings.

Net assets

Total net assets at the end of the fiscal year under review increased 5,562 million yen from the end of the previous fiscal year to 47,812 million yen, due to increases in retained earnings and foreign currency translation adjustment.

(3) Cash Flows

Cash and cash equivalents at the end of the fiscal year under review increased 226 million yen from the end of the previous fiscal year to 24,813 million yen.

Cash flows from operating activities

Net cash provided by operating activities increased 2,396 million yen year over year to 8,426 million yen.

This was mainly due to a decrease in accounts receivable-trade, and contract assets.

Cash flows from investing activities

Net cash used in investing activities increased 4,437 million yen year over year to 5,218 million yen. This was mainly due to an increase in purchase of property, plant and equipment.

Cash flows from financing activities

Net cash used in financing activities increased 589 million yen year over year to 3,650 million yen. This was mainly due to an increase in purchase of treasury shares.

(4) Outlook

Regarding the future outlook, for chemicals for electronics components, we expect demand for PWBs and semiconductor package substrates related to our business to expand in the medium and long term, resulting from innovation of various digital technologies in the semiconductor-related market including the spread of AI and IoT as well as automated vehicle operation. On the other hand, we expect demand for chemicals for decoration to remain flat, affected by situations in the automotive parts category, our main target, such as changes in design trends and sluggish demand resulting from the spread of electronic vehicles.

Given these circumstances, the Group has set up its medium-to long-term direction, *Our Vision for 2035*, to become *a global organization that continuously grows with society by fully utilizing distinctive strengths and making contributions to society and protecting the environment*. We will strive to enhance our corporate value by pursuing social and economic values by constantly strengthening our technology and support system while responding to the ever-changing external environment.

To that end, we formulated a new medium-term management plan called “JCU VISION 2035–1st stage–” (covering the period from the fiscal year ended March 31, 2025 to the fiscal year ending March 31, 2027). We are committed to implementing this plan based on basic policies: *big investments in growing markets; strengthening the management foundation; utilization of data through the promotion of DX; higher profitability in current markets; sustainability management; and utilization of human capital, intellectual property, and intangible assets*. The performance targets announced in “Notice Regarding the Formulation of the Medium-term Management Plan” on May 10, 2024 were revised, taking into account the situation throughout the fiscal year under review, the future outlook, and other factors. For details, see “Notice Regarding Revision of Performance Targets in the Medium-term Management Plan” released separately today.

2. Basic Approach for the Selection of Accounting Standards

The Group will continue to prepare its consolidated financial statements using Japanese GAAP for the time being, primarily to ensure cross-sectional as well as time-series comparability.

We will, however, make an appropriate policy decision on whether or not we should apply the International Financial Reporting Standards (IFRS) by carefully considering trends in our foreign investor ownership ratio and application of IFRS by our industry peers.

3. Consolidated Financial Statements and Notes

(1) Consolidated Balance Sheet

| | (Thousands of yen) | |
|--|---------------------------------|---------------------------------|
| | FY3/24 (As of Mar. 31, 2024) | FY3/25 (As of Mar. 31, 2025) |
| Assets | | |
| Current assets | | |
| Cash and deposits | 27,037,802 | 26,046,792 |
| Notes receivable-trade | 1,760,853 | 1,714,397 |
| Accounts receivable-trade | 8,149,301 | 8,324,242 |
| Contract assets | 261,093 | 356,346 |
| Securities | — | 66,956 |
| Merchandise and finished goods | 1,591,900 | 1,496,744 |
| Work in process | 120,658 | 106,851 |
| Raw materials and supplies | 805,536 | 711,720 |
| Other | 1,161,273 | 1,441,339 |
| Allowance for doubtful accounts | (56,860) | (42,122) |
| Total current assets | 40,831,559 | 40,223,270 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures | 6,200,742 | 6,473,113 |
| Accumulated depreciation | (2,796,741) | (3,071,608) |
| Buildings and structures, net | 3,404,001 | 3,401,505 |
| Machinery, equipment and vehicles | 3,463,615 | 3,670,333 |
| Accumulated depreciation | (2,449,926) | (2,644,556) |
| Machinery, equipment and vehicles, net | 1,013,688 | 1,025,776 |
| Tools, furniture and fixtures | 2,966,758 | 3,571,066 |
| Accumulated depreciation | (2,441,945) | (2,731,657) |
| Tools, furniture and fixtures, net | 524,812 | 839,409 |
| Land | 915,500 | 915,500 |
| Leased assets | 175,337 | 175,337 |
| Accumulated depreciation | (144,653) | (153,420) |
| Leased assets, net | 30,684 | 21,917 |
| Construction in progress | 276,907 | 5,626,511 |
| Total property, plant and equipment | 6,165,594 | 11,830,620 |
| Intangible assets | | |
| Other | 42,047 | 135,058 |
| Total intangible assets | 42,047 | 135,058 |
| Investments and other assets | | |
| Investment securities | 1,750,762 | 1,402,110 |
| Deferred tax assets | 415,955 | 798,288 |
| Other | 435,777 | 451,887 |
| Total investments and other assets | 2,602,494 | 2,652,286 |
| Total non-current assets | 8,810,136 | 14,617,965 |
| Total assets | 49,641,695 | 54,841,235 |

| | (Thousands of yen) | |
|---|-----------------------|-----------------------|
| | FY3/24 | FY3/25 |
| | (As of Mar. 31, 2024) | (As of Mar. 31, 2025) |
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable-trade | 2,085,890 | 1,934,818 |
| Electronically recorded obligations-operating | 1,036,978 | 407,231 |
| Short-term borrowings | 450,000 | 300,000 |
| Current portion of long-term borrowings | 166,863 | 91,564 |
| Lease liabilities | 13,804 | 14,527 |
| Income taxes payable | 1,304,255 | 2,065,424 |
| Provision for bonuses | 389,731 | 407,655 |
| Contract liabilities | 243,002 | 130,476 |
| Other | 973,507 | 996,234 |
| Total current liabilities | 6,664,033 | 6,347,931 |
| Non-current liabilities | | |
| Long-term borrowings | 121,564 | 30,000 |
| Lease liabilities | 36,402 | 21,875 |
| Retirement benefit liability | 126,954 | 146,891 |
| Deferred tax liabilities | 131,847 | 161,402 |
| Asset retirement obligations | 275,761 | 285,415 |
| Other | 34,722 | 34,722 |
| Total non-current liabilities | 727,251 | 680,306 |
| Total liabilities | 7,391,284 | 7,028,238 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 1,266,922 | 1,281,480 |
| Capital surplus | 1,208,364 | 1,222,922 |
| Retained earnings | 39,678,346 | 44,060,604 |
| Treasury shares | (4,770,809) | (4,975,500) |
| Total shareholders' equity | 37,382,824 | 41,589,506 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 467,027 | 304,759 |
| Foreign currency translation adjustment | 4,400,558 | 5,918,730 |
| Total accumulated other comprehensive income | 4,867,586 | 6,223,490 |
| Total net assets | 42,250,410 | 47,812,997 |
| Total liabilities and net assets | 49,641,695 | 54,841,235 |

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

| | (Thousands of yen) | |
|---|------------------------------|------------------------------|
| | FY3/24 | FY3/25 |
| | (Apr. 1, 2023–Mar. 31, 2024) | (Apr. 1, 2024–Mar. 31, 2025) |
| Net sales | 24,859,731 | 28,356,968 |
| Cost of sales | 9,675,057 | 9,754,799 |
| Gross profit | 15,184,673 | 18,602,169 |
| Selling, general and administrative expenses | | |
| Salaries and allowances | 2,329,509 | 2,458,844 |
| Bonuses | 653,364 | 725,703 |
| Retirement benefit expenses | 128,337 | 136,445 |
| Depreciation | 472,274 | 602,588 |
| Provision of allowance for doubtful accounts | – | 572 |
| Other | 3,560,088 | 4,164,251 |
| Total selling, general and administrative expenses | 7,143,575 | 8,088,405 |
| Operating profit | 8,041,098 | 10,513,763 |
| Non-operating income | | |
| Interest income | 193,978 | 185,343 |
| Dividend income | 35,401 | 40,695 |
| Foreign exchange gains | – | 225,316 |
| Reversal of allowance for doubtful accounts | 57,537 | – |
| Other | 36,736 | 29,416 |
| Total non-operating income | 323,653 | 480,772 |
| Non-operating expenses | | |
| Interest expenses | 6,309 | 4,651 |
| Foreign exchange losses | 10,186 | – |
| Share of loss of entities accounted for using equity method | 57,030 | 47,155 |
| Commission for purchase of treasury shares | 24,748 | 17,635 |
| Compensation expenses | 27,590 | – |
| Other | 22,693 | 4,683 |
| Total non-operating expenses | 148,559 | 74,126 |
| Ordinary profit | 8,216,192 | 10,920,410 |
| Extraordinary income | | |
| Gain on sale of non-current assets | 2,766 | 94 |
| Gain on sale of investment securities | – | 45,430 |
| Total extraordinary income | 2,766 | 45,525 |
| Extraordinary losses | | |
| Loss on sale of non-current assets | 79 | 703 |
| Loss on retirement of non-current assets | 10,081 | 2,491 |
| Impairment losses | 119,926 | – |
| Loss on valuation of investment securities | 62,889 | – |
| Loss on sale of shares of subsidiaries | 1,764 | – |
| Total extraordinary losses | 194,742 | 3,195 |
| Profit before income taxes | 8,024,216 | 10,962,740 |
| Income taxes-current | 2,683,108 | 3,786,412 |
| Income taxes-deferred | (189,356) | (321,659) |
| Total income taxes | 2,493,752 | 3,464,753 |
| Profit | 5,530,464 | 7,497,987 |
| Profit attributable to owners of parent | 5,530,464 | 7,497,987 |

Consolidated Statement of Comprehensive Income

| | (Thousands of yen) | |
|---|------------------------------|------------------------------|
| | FY3/24 | FY3/25 |
| | (Apr. 1, 2023–Mar. 31, 2024) | (Apr. 1, 2024–Mar. 31, 2025) |
| Profit | 5,530,464 | 7,497,987 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 353,044 | (162,267) |
| Foreign currency translation adjustment | 1,197,691 | 1,520,585 |
| Share of other comprehensive income of entities accounted for using equity method | 22,801 | (2,413) |
| Total other comprehensive income | 1,573,537 | 1,355,904 |
| Comprehensive income | 7,104,002 | 8,853,891 |
| Comprehensive income attributable to: | | |
| Owners of parent | 7,104,002 | 8,853,891 |

(3) Consolidated Statement of Changes in Shareholders' Equity

FY3/24 (Apr. 1, 2023–Mar. 31, 2024)

(Thousands of yen)

| | Shareholders' equity | | | | |
|--|----------------------|-----------------|-------------------|-----------------|----------------------------|
| | Share capital | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginning of period | 1,255,334 | 1,196,783 | 36,778,449 | (4,662,889) | 34,567,677 |
| Changes during period | | | | | |
| Issuance of new shares | 11,587 | 11,580 | | | 23,168 |
| Dividends of surplus | | | (1,738,467) | | (1,738,467) |
| Profit attributable to owners of parent | | | 5,530,464 | | 5,530,464 |
| Purchase of treasury shares | | | | (1,000,018) | (1,000,018) |
| Cancellation of treasury shares | | | (892,099) | 892,099 | – |
| Net changes in items other than shareholders' equity | | | | | |
| Total changes during period | 11,587 | 11,580 | 2,899,897 | (107,919) | 2,815,146 |
| Balance at end of period | 1,266,922 | 1,208,364 | 39,678,346 | (4,770,809) | 37,382,824 |

| | Accumulated other comprehensive income | | | Total net assets |
|--|---|---|--|------------------|
| | Valuation difference on available-for-sale securities | Foreign currency translation adjustment | Total accumulated other comprehensive income | |
| Balance at beginning of period | 113,982 | 3,180,065 | 3,294,048 | 37,861,725 |
| Changes during period | | | | |
| Issuance of new shares | | | | 23,168 |
| Dividends of surplus | | | | (1,738,467) |
| Profit attributable to owners of parent | | | | 5,530,464 |
| Purchase of treasury shares | | | | (1,000,018) |
| Cancellation of treasury shares | | | | – |
| Net changes in items other than shareholders' equity | 353,044 | 1,220,492 | 1,573,537 | 1,573,537 |
| Total changes during period | 353,044 | 1,220,492 | 1,573,537 | 4,388,684 |
| Balance at end of period | 467,027 | 4,400,558 | 4,867,586 | 42,250,410 |

FY3/25 (Apr. 1, 2024–Mar. 31, 2025)

(Thousands of yen)

| | Shareholders' equity | | | | |
|--|----------------------|-----------------|-------------------|-----------------|----------------------------|
| | Share capital | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginning of period | 1,266,922 | 1,208,364 | 39,678,346 | (4,770,809) | 37,382,824 |
| Changes during period | | | | | |
| Issuance of new shares | 14,557 | 14,557 | | | 29,115 |
| Dividends of surplus | | | (1,820,138) | | (1,820,138) |
| Profit attributable to owners of parent | | | 7,497,987 | | 7,497,987 |
| Purchase of treasury shares | | | | (1,500,283) | (1,500,283) |
| Cancellation of treasury shares | | | (1,295,592) | 1,295,592 | – |
| Net changes in items other than shareholders' equity | | | | | |
| Total changes during period | 14,557 | 14,557 | 4,382,257 | (204,691) | 4,206,682 |
| Balance at end of period | 1,281,480 | 1,222,922 | 44,060,604 | (4,975,500) | 41,589,506 |

| | Accumulated other comprehensive income | | | Total net assets |
|--|---|---|--|------------------|
| | Valuation difference on available-for-sale securities | Foreign currency translation adjustment | Total accumulated other comprehensive income | |
| Balance at beginning of period | 467,027 | 4,400,558 | 4,867,586 | 42,250,410 |
| Changes during period | | | | |
| Issuance of new shares | | | | 29,115 |
| Dividends of surplus | | | | (1,820,138) |
| Profit attributable to owners of parent | | | | 7,497,987 |
| Purchase of treasury shares | | | | (1,500,283) |
| Cancellation of treasury shares | | | | – |
| Net changes in items other than shareholders' equity | (162,267) | 1,518,172 | 1,355,904 | 1,355,904 |
| Total changes during period | (162,267) | 1,518,172 | 1,355,904 | 5,562,586 |
| Balance at end of period | 304,759 | 5,918,730 | 6,223,490 | 47,812,997 |

(4) Consolidated Statement of Cash Flows

(Thousands of yen)

| | FY3/24 (Apr. 1, 2023–Mar. 31, 2024) | FY3/25 (Apr. 1, 2024–Mar. 31, 2025) |
|---|--|--|
| Cash flows from operating activities | | |
| Profit before income taxes | 8,024,216 | 10,962,740 |
| Depreciation | 727,316 | 866,102 |
| Impairment losses | 119,926 | – |
| Increase (decrease) in allowance for doubtful accounts | (84,755) | (17,176) |
| Increase (decrease) in provision for bonuses | (83,239) | 19,373 |
| Increase (decrease) in retirement benefit liability | 14,546 | 21,217 |
| Interest and dividend income | (229,380) | (226,039) |
| Interest expenses | 6,309 | 4,651 |
| Foreign exchange losses (gains) | (4,553) | 15,256 |
| Share of loss (profit) of entities accounted for using equity method | 57,030 | 47,155 |
| Gain on sale of non-current assets | (2,766) | (94) |
| Loss on sale of non-current assets | 79 | 703 |
| Loss on retirement of non-current assets | 10,081 | 2,491 |
| Loss (gain) on valuation of investment securities | 62,889 | – |
| Loss (gain) on sale of investment securities | – | (45,430) |
| Decrease (increase) in accounts receivable-trade, and contract assets | (1,289,277) | 276,273 |
| Increase (decrease) in contract liabilities | 215,324 | (113,116) |
| Decrease (increase) in inventories | 555,704 | 459,529 |
| Increase (decrease) in trade payables | 463,971 | (821,496) |
| Decrease (increase) in advance payments-trade | 207,694 | 240,678 |
| Other, net | 52,282 | (492,472) |
| Subtotal | 8,823,403 | 11,200,348 |
| Interest and dividends received | 211,765 | 266,067 |
| Interest paid | (6,303) | (4,649) |
| Income taxes paid | (2,999,108) | (3,066,919) |
| Income taxes refund | 112 | 31,970 |
| Net cash provided by (used in) operating activities | 6,029,869 | 8,426,816 |
| Cash flows from investing activities | | |
| Decrease (increase) in time deposits | (152,548) | 1,171,078 |
| Purchase of property, plant and equipment | (624,773) | (6,452,767) |
| Proceeds from sale of property, plant and equipment | 9,299 | 733 |
| Purchase of intangible assets | (5,335) | (96,597) |
| Purchase of investment securities | (1,581) | (1,589) |
| Proceeds from sale of investment securities | – | 163,289 |
| Payments for sale of shares of subsidiaries resulting in change in scope of consolidation | (2,553) | – |
| Other, net | (4,042) | (2,898) |
| Net cash provided by (used in) investing activities | (781,534) | (5,218,750) |

| | (Thousands of yen) | |
|---|------------------------------|------------------------------|
| | FY3/24 | FY3/25 |
| | (Apr. 1, 2023–Mar. 31, 2024) | (Apr. 1, 2024–Mar. 31, 2025) |
| Cash flows from financing activities | | |
| Net increase (decrease) in short-term borrowings | (57,984) | (150,000) |
| Repayments of long-term borrowings | (251,431) | (166,863) |
| Repayments of finance lease obligations | (13,111) | (13,804) |
| Purchase of treasury shares | (1,000,018) | (1,500,283) |
| Dividends paid | (1,738,908) | (1,819,678) |
| Net cash provided by (used in) financing activities | (3,061,454) | (3,650,630) |
| Effect of exchange rate change on cash and cash equivalents | 402,431 | 668,957 |
| Net increase (decrease) in cash and cash equivalents | 2,589,312 | 226,393 |
| Cash and cash equivalents at beginning of period | 21,997,846 | 24,587,158 |
| Cash and cash equivalents at end of period | 24,587,158 | 24,813,552 |

(5) Notes to Consolidated Financial Statements

Going Concern Assumption

Not applicable.

Segment and Other Information

1. Overview of reportable segments

(1) Method for identifying reportable segments

Segments used for financial reporting are the Company's constituent units for which separate financial information is available and for which the Board of Directors performs periodic studies for the purposes of determining the allocation of resources and evaluating performance.

(2) Types of products and services belonging to each reportable segment

The Chemicals Business designs, manufactures, and sells surface treatment chemicals as well as sells related materials in domestic and overseas markets.

The Machine Business designs, manufactures, and sells surface treatment machines, and sells PWB cleaning equipment utilizing the plasma technology, as well as generates and sells solar power in domestic and overseas markets.

2. Calculation methods for sales, profits/losses, assets, liabilities, and other items for each reportable segment

The accounting treatment methods for reportable business segments are generally the same as the accounting treatment method adopted in the preparation of consolidated financial statements.

Profits for reportable segments are generally operating profit figures.

Internal revenues and transfer amounts between segments are based on transaction prices determined as the result of price negotiations between the transaction parties using asking prices calculated, with market prices and total cost taken into account.

Segment assets and liabilities are not listed as they are not allocable by business segment.

3. Information related to sales, profit/losses, assets, liabilities, and other items for each reportable segment

FY3/24 (Apr. 1, 2023–Mar. 31, 2024)

(Thousands of yen)

| | Reportable segment | | | Other (Note 1) | Total | Adjustments (Note 2) | Amounts shown on consolidated statement of income (Note 4) |
|-----------------------------------|-----------------------|---------------------|------------|-------------------|------------|-------------------------|---|
| | Chemicals Business | Machine Business | Subtotal | | | | |
| Sales | | | | | | | |
| Sales to outside customers | 21,681,165 | 3,178,454 | 24,859,620 | 111 | 24,859,731 | – | 24,859,731 |
| Inter-segment sales and transfers | – | – | – | – | – | – | – |
| Total | 21,681,165 | 3,178,454 | 24,859,620 | 111 | 24,859,731 | – | 24,859,731 |
| Segment profit (loss) | 8,440,865 | 484,852 | 8,925,717 | (17,504) | 8,908,212 | (867,114) | 8,041,098 |
| Other items | | | | | | | |
| Depreciation expense (Note 3) | 686,550 | 22,921 | 709,471 | 196 | 709,668 | 17,648 | 727,316 |

FY3/25 (Apr. 1, 2024–Mar. 31, 2025)

(Thousands of yen)

| | Reportable segment | | | Other (Note 1) | Total | Adjustments (Note 2) | Amounts shown on consolidated statement of income (Note 4) |
|-----------------------------------|-----------------------|---------------------|------------|-------------------|------------|-------------------------|---|
| | Chemicals Business | Machine Business | Subtotal | | | | |
| Sales | | | | | | | |
| Sales to outside customers | 24,154,504 | 4,202,463 | 28,356,968 | – | 28,356,968 | – | 28,356,968 |
| Inter-segment sales and transfers | – | – | – | – | – | – | – |
| Total | 24,154,504 | 4,202,463 | 28,356,968 | – | 28,356,968 | – | 28,356,968 |
| Segment profit | 10,680,936 | 740,055 | 11,420,991 | – | 11,420,991 | (907,227) | 10,513,763 |
| Other items | | | | | | | |
| Depreciation expense (Note 3) | 826,772 | 22,279 | 849,052 | – | 849,052 | 17,050 | 866,102 |

- Notes: 1. The Other Businesses segment represents business activities that are not included in either of the two reportable segments, and included the cultivation and sale of grapevines for wine production and grape seedlings in FY3/24.
2. Details of the above adjustments to segment profit (loss) are as follows.

| To segment profit (loss) | (Thousands of yen) | |
|---------------------------------------|--------------------|-----------|
| | FY3/24 | FY3/25 |
| Inter-segment transaction elimination | – | – |
| Corporate expenses* | (867,114) | (907,227) |
| Total | (867,114) | (907,227) |

* Corporate expenses mainly include general and administrative expenses that cannot be attributed to any reportable segment.

3. Depreciation expenses include amortization related to long-term prepaid expenses. The adjusted amounts of depreciation for the previous fiscal year and the fiscal year under review are corporate expenses.
4. Segment profit (loss) is adjusted to be consistent with operating profit shown on the consolidated financial statements.

(Related information)

FY3/24 (Apr. 1, 2023–Mar. 31, 2024)

1. Information for each product and service

(Thousands of yen)

| | Surface treatment chemicals and related materials | Surface treatment machines | Plasma surface treatment machines | Environment-related equipment | Other | Total |
|----------------------------|---|----------------------------|-----------------------------------|-------------------------------|--------|------------|
| Sales to outside customers | 21,681,165 | 2,544,139 | 537,202 | 42,235 | 54,987 | 24,859,731 |

2. Information for each region

(1) Net sales

(Thousands of yen)

| Japan | China | Taiwan | South Korea | Other Asian regions | Other | Total |
|-----------|-----------|-----------|-------------|---------------------|-----------|------------|
| 6,715,092 | 8,715,224 | 3,302,637 | 2,221,208 | 2,600,807 | 1,304,761 | 24,859,731 |

- Notes: 1. Net sales is based on the locations of customers and classified by country and region.
 2. Countries and regions are classified in accordance with geographical proximity
 3. Details of the regions excluding Japan, China, Taiwan, and South Korea are as follows:
 Other Asian regions Thailand, Vietnam, Indonesia, Malaysia, and India
 Other Mexico and the United States of America

(2) Property, plant and equipment

(Thousands of yen)

| Japan | China | Other Asian regions | Other | Total |
|-----------|-----------|---------------------|--------|-----------|
| 2,870,491 | 2,234,689 | 993,136 | 67,276 | 6,165,594 |

- Note: 1. Details of the regions excluding Japan and China are as follows:
 Other Asian regions Taiwan, South Korea, Thailand, Vietnam, Indonesia, Malaysia, and India
 Other Mexico and the United States of America

3. Information for each major customer

Since no net sales to a specific outside customer exceeded 10% of the net sales reported on the consolidated income statements, the disclosure of information for each major customer is omitted.

FY3/25 (Apr. 1, 2024–Mar. 31, 2025)

1. Information for each product and service

(Thousands of yen)

| | Surface treatment chemicals and related materials | Surface treatment machines | Plasma surface treatment machines | Environment-related equipment | Other | Total |
|----------------------------|---|----------------------------|-----------------------------------|-------------------------------|--------|------------|
| Sales to outside customers | 24,154,504 | 3,778,011 | 288,440 | 86,659 | 49,352 | 28,356,968 |

2. Information for each region

(1) Net sales

(Thousands of yen)

| Japan | China | Taiwan | South Korea | Other Asian regions | Other | Total |
|-----------|------------|-----------|-------------|---------------------|-----------|------------|
| 7,612,673 | 10,803,295 | 3,645,766 | 2,325,165 | 2,754,961 | 1,215,105 | 28,356,968 |

- Notes: 1. Net sales is based on the locations of customers and classified by country and region.
 2. Countries and regions are classified in accordance with geographical proximity.
 3. Details of the regions excluding Japan, China, Taiwan, and South Korea are as follows:
 Other Asian regions Thailand, Vietnam, Indonesia, Malaysia, and India
 Other Mexico and the United States of America

(2) Property, plant and equipment

(Thousands of yen)

| Japan | China | Other Asian regions | Other | Total |
|-----------|-----------|---------------------|--------|------------|
| 7,794,152 | 2,254,489 | 1,725,885 | 56,092 | 11,830,620 |

Note: 1. Details of the regions excluding Japan and China are as follows:

Other Asian regions Taiwan, South Korea, Thailand, Vietnam, Indonesia, Malaysia, and India

Other Mexico and the United States of America

3. Information for each major customer

Since no net sales to a specific outside customer exceeded 10% of the net sales reported on the consolidated income statements, the disclosure of information for each major customer is omitted.

(Information of impairment loss on non-current assets for each reportable segment)

FY3/24 (Apr. 1, 2023–Mar. 31, 2024)

(Thousands of yen)

| | Reportable segment | | | Other (Note) | Total | Adjustments | Amounts shown on consolidated statement of income |
|-------------------|-----------------------|---------------------|----------|-----------------|---------|-------------|---|
| | Chemicals Business | Machine Business | Subtotal | | | | |
| Impairment losses | – | – | – | 119,926 | 119,926 | – | 119,926 |

Note: The amount in the Other Businesses segment pertains to the business assets used in Sorapuchi Farm Corp.

FY3/25 (Apr. 1, 2024–Mar. 31, 2025)

Not applicable.

(Information related to goodwill amortization and the unamortized balance for each reportable segment)

FY3/24 (Apr. 1, 2023–Mar. 31, 2024)

Not applicable.

FY3/25 (Apr. 1, 2024–Mar. 31, 2025)

Not applicable.

(Information related to gain on bargain purchase for each reportable segment)

FY3/24 (Apr. 1, 2023–Mar. 31, 2024)

Not applicable.

FY3/25 (Apr. 1, 2024–Mar. 31, 2025)

Not applicable.

Per Share Information

(Yen)

| | FY3/24 (Apr. 1, 2023–Mar. 31, 2024) | FY3/25 (Apr. 1, 2024–Mar. 31, 2025) |
|----------------------|--|--|
| Net assets per share | 1,667.82 | 1,918.56 |
| Net income per share | 216.95 | 297.71 |

Notes: 1. Diluted net income per share is not presented because there are no dilutive shares outstanding.

2. The basis for calculating net income per share is as follows:

(Thousands of yen, unless otherwise stated)

| | FY3/24 (Apr. 1, 2023–Mar. 31, 2024) | FY3/25 (Apr. 1, 2024–Mar. 31, 2025) |
|---|--|--|
| Net income per share | | |
| Profit attributable to owners of parent | 5,530,464 | 7,497,987 |
| Net income not attributable to common shareholders | – | – |
| Net income attributable to owners of parent attributable to common stock | 5,530,464 | 7,497,987 |
| Average number of outstanding shares during the fiscal year (thousands of shares) | 25,491 | 25,185 |

Significant Subsequent Events

Not applicable.

** This summary report is solely a translation of “Kessan Tanshin” (in Japanese, including attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.*