



## Consolidated Financial Results for the Fiscal Year Ended June 30, 2025 [Japanese GAAP]

August 13, 2025

Company name: JTEC Corporation  
 Stock exchange listing: Tokyo Stock Exchange  
 Code number: 3446  
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 Date of the general annual meeting of shareholders: September 29, 2025  
 Scheduled date of commencing dividend payments: None  
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 Financial results briefing session: Scheduled (for institutional investors and analysts)

(Amounts of less than one million yen are rounded down.)

### 1. Consolidated Financial Results for the Fiscal Year Ended June 30, 2025 (July 1, 2024 to June 30, 2025)

#### (1) Consolidated Operating Results (cumulative) (Percentages indicate rates of year-on-year change)

	Net sales		Operating profit		Ordinary profit		Net profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2025	1,925	(4.2)	113	(60.2)	102	(67.2)	60	(69.8)
June 30, 2024	2,010	5.3	285	(6.8)	310	(14.6)	199	(16.2)

(Note) Comprehensive income: For the fiscal year ended June 30, 2025: ¥60 million [(69.8%)]

For the fiscal year ended June 30, 2024: ¥199 million [(16.2%)]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ordinary profit to total assets	Operating profit margin
Fiscal year ended	Yen	Yen	%	%	%
June 30, 2025	10.25	—	2.2	2.8	5.9
June 30, 2024	33.96	—	7.7	8.8	14.2

(Reference) Gain (loss) on equity-method investments: For the fiscal year ended June 30, 2025: —

For the fiscal year ended June 30, 2024: —

#### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	
As of June 30, 2025	3,688	2,775	75.3	471.26
As of June 30, 2024	3,567	2,696	75.6	458.71

(Reference) Shareholders' equity: As of June 30, 2025: ¥2,775 million

As of June 30, 2024: ¥2,696 million

#### (3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at year end
Fiscal year ended	Millions of yen	Millions of yen	%	
June 30, 2025	286	(104)	(79)	712
June 30, 2024	62	(160)	(75)	610

## 2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Ratio of total amount of dividends to net assets (consolidated)
	1 <sup>st</sup> quarter-end	2 <sup>nd</sup> quarter-end	3 <sup>rd</sup> quarter-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended June 30, 2024	—	0.00	—	0.00	0.00	—	—	—
Fiscal year ended June 30, 2025	—	0.00	—	0.00	0.00	—	—	—
Fiscal year ending June 30, 2026 (Forecast)	—	—	—	0.00	0.00		—	

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending June 30, 2026 (July 1, 2025 to June 30, 2026) (Percentages indicate rates of year-on-year change)

	Net sales		Operating profit		Ordinary profit		Net profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending December 31, 2025	683	21.0	(296)	—	(298)	—	(214)	—	(36.45)
Fiscal year ending June 30, 2026	2,655	37.9	278	144.9	274	168.8	172	185.9	29.32

### Notes:

(1) Changes in specific subsidiaries during the period (changes in specified subsidiaries resulting in a change in the scope of consolidation): None

Newly included: None

Excluded: None

(2) Changes in accounting policies, changes in accounting estimates, and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: Yes

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

3) Changes in accounting estimates: None

4) Retrospective restatement: None

(4) Total number of issued shares (common stock)

1) Total number of issued shares at the end of the period (including treasury shares):

June 30, 2025: 5,890,600 shares

June 30, 2024: 5,880,000 shares

2) Total number of treasury shares at the end of the period:

June 30, 2025: 970 shares

June 30, 2024: 970 shares

3) Average number of shares outstanding during the period:

Fiscal year ended June 30, 2025: 5,886,232 shares

Fiscal year ended June 30, 2024: 5,876,772 shares

\* The financial statements are outside the scope of reviews by certified public accountants and auditing firms.

\* Explanation of the proper use of financial results forecast and other notes

(Notes on forward-looking statements, etc.)

The earnings forecasts and other forward-looking statements herein are based on information currently available to the Company and certain assumptions deemed reasonable by the Company, and are not intended to be construed as assurance that they will be accomplished in the future. Actual results may differ significantly from the forecasts due to a wide range of factors. Please see page 4 of the attached materials, "1. Qualitative Information on Quarterly Financial Results (3) Explanation of Financial Results Forecast and Other Forward-Looking Information" for more information regarding assumptions made when formulating earnings projections and matters to note when using these projections.

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## 1. Overview of Operating Results and Other Information

### (1) Overview of Business Results

During the fiscal year ended June 30, 2025, the global economy continued to face many concerns, including persistent inflation, sharp foreign exchange fluctuations, U.S. policy developments, a sluggish Chinese economy, and regional conflicts in the Middle East and Ukraine, with the outlook remained uncertain.

The Japanese economy is seeing a gradual recovery, with growing capital investment backed by strong corporate performance, improvements to real wages from wage increases leading to an uptrend in personal consumption, in addition to robust inbound demand.

Under these economic conditions, we pursued efforts to deliver high-quality products, strengthen research and development activities, and enhance our business foundation and corporate value through the three businesses which utilize our proprietary technology: Optical, Life Sciences & Equipment Development, and Other (including ESCO Ltd.).

As a result, in the fiscal year ended June 30, 2025, we recorded net sales of ¥1,925,592 thousand (-4.2% year-on-year), an operating profit of ¥113,823 thousand (-60.2% year-on-year), an ordinary profit of ¥102,071 thousand (-67.2% year-on-year), and a profit attributable to owners of parent of ¥60,348 thousand (-69.8% year-on-year).

Results by segment were as follows.

#### (Optical segment)

In the fiscal year ended June 30, 2025, the main performance drivers were sales to SPring-8, SACLA, and NanoTerasu in the Japanese market; SHINE (Shanghai), HALF (Hefei), IASF (Shenzhen), and TPS (Taiwan) in the Asian market; LCLS in the U.S.; and Eu-XFEL (Germany), PSI (Switzerland), and ESRF (France) in Europe.

With numerous upgrades and new facility developments planned globally, demand for mirrors has been increasing more than ever before. However, as the detailed design considerations required to achieve higher-precision specifications at each facility have taken more time than expected, the order plans for many projects have experienced changes or delays.

With regard to the delayed orders, while we significantly shortened lead times for some products by adjusting production plans, overall shipments remained below initial plan, resulting in slightly lower sales compared to the previous year. Segment profit also declined year-on-year due to higher labor costs that rose in tandem with an increase in personnel.

With regard to sales activities, we continued to promote our technologies through presentations at major domestic and international synchrotron conferences where we gave progress reports on the achievements made in research and development initiatives, and also consistently showcased our high-precision processing and measurement technology at exhibitions covering the entire field of optics. Furthermore, there were also more visits from overseas researchers, leading to not only business negotiations but also opportunities for joint research, as we pursued proactive sales efforts aimed at future revenue growth.

As a result, the Optical segment recorded sales of ¥1,234,131 thousand (-0.5% year-on-year) and segment profit of ¥526,759 thousand (-11.5% year-on-year).

#### (LS & Equipment Development segment)

In the fiscal year ended June 30, 2025, as a priority area in the Equipment Development business, we advanced efforts to develop equipment and sales of nano-surface processing technologies primarily for semiconductor materials, and order-taking/sales activities. We focused on sales expansion and developing potential business from four new polishing processes: plasma chemical vaporization machining (PCVM), plasma-assisted polishing (PAP), catalyst-referred etching (CARE), which were already ongoing, and the new addition, electro-chemical mechanical polishing (ECMP). As a result, prototype evaluation projects for potential equipment adoption increased significantly, and the segment booked orders for two plasma-assisted polishing units, contributing to sales. However, sales overall fell short of the initial plan, leading to weak results.

In Life Sciences, MakCell® and each of the products in the CellPet series contributed to sales. However, automated and large-scale cell culture systems did not meet order/sales expectations outlined in the initial plan due to change to budgets and policy areas at customers, resulting in underwhelming performance.

Consequently, the segment posted a year-on-year decline in both sales and profit.

With regards to sales activities, these not only included direct customer visits in response to website inquiries, but also participation in highly-specialized semiconductor industry-related exhibitions like SEMICON Taiwan 2024, SEMICON Japan 2024, and the SiC & GaN Processing Technology Expo, where we actively undertook PR activities and customer discovery. As a result, we received requests from multiple companies for test processing, particularly for PAP and ECMP technologies, and we are progressing with prototyping and customer evaluation. We will continue to drive sales expansion by further refining our technologies and enhance sales capabilities, deliver equipment that meets market needs, broaden distribution channels and realize joint development opportunities with customers going forward.

Furthermore, the response to our sales efforts, exhibitions and contributions to academic journals on our automated culture systems has reaffirmed that they are products with high market demand from the perspective of improving working environments in clinical settings. In addition, the mononuclear cell separation device, developed as part of a Japan Agency for Medical Research and Development (AMED) initiative, is expected to contribute to medical applications, and we plan to further advance efforts to identify potential customers by promoting the technology going forward.

As a result of the above, the LS & Equipment Development segment recorded net sales of ¥220,642 thousand (-33.2% year-on-year), and a segment loss of ¥52,055 thousand (compared to a loss of ¥25,659 thousand in the same period last year).

(Other segment)

The Other segment (ESCO, Ltd), whose sales structure is divided into the three areas of thermal desorption spectroscopy (TDS) equipment, large-scale construction, and equipment maintenance/contract analysis services, booked six sales (to customers in Korea, China, and Japan) in the high-value mainstay equipment sales and large-scale construction businesses, surpassing last year's performance. In addition, with regard to equipment sales, we achieved our first equipment delivery to a Chinese client, marking an important step toward expanding into what is becoming a major market. However, increased spending on talent acquisition and proactive R&D investment in pursuit of business growth weighed on segment profits.

As a result of the above, the Other segment recorded sales of ¥471,148 thousand (+5.2% year-on-year) and a segment profit of ¥41,111 thousand (-20.3% year-on-year).

## (2) Overview of Financial Condition

### 1. Status of assets, liabilities and net assets

(Assets)

As of June 30, 2025, current assets amounted to ¥1,939,634 thousand, up ¥123,905 thousand from the level on June 30, 2024. This was mainly due to an increase in cash and deposits of ¥102,149 thousand, an increase in work-in-process inventory by ¥98,171 thousand, and an increase in raw materials and supplies of ¥35,795 thousand, while accounts receivable decreased by ¥113,442 thousand. Non-current assets totaled ¥1,748,497 thousand, a decrease of ¥3,296 thousand compared to the level on June 30, 2024. This was mainly due to a decrease in intangible assets by ¥44,396 thousand from progress in amortization of goodwill, and a decrease in investment securities by ¥3,081 thousand, while leased assets increased by ¥44,550 thousand.

As a result, total assets were ¥3,688,131 thousand, down ¥120,608 thousand from their level on June 30, 2024.

(Liabilities)

As of June 30, 2025, current liabilities totaled ¥493,038 thousand, an increase of ¥79,852 thousand from the level on June 30, 2024. This was primarily due to an increase in contract liabilities of ¥65,710 thousand and an increase in lease liabilities of ¥10,692 thousand. Non-current liabilities amounted to ¥419,566 thousand, a decrease of ¥37,993 thousand compared to the level on June 30, 2024. This was mainly due to a decrease of ¥75,456 thousand in long-term borrowings due to progress in scheduled repayments, while lease obligations increased by ¥38,313 thousand.

As a result, total liabilities were ¥912,604 thousand, an increase of ¥41,858 thousand from their level on June 30, 2024.

(Net assets)

As of June 30, 2025, total net assets were ¥2,775,527 thousand, an increase of ¥78,750 thousand from the level on June 30, 2024. This was mainly due to the booking of ¥60,348 thousand in profit attributable to the owners of the parent.

### (3) Overview of Cash Flows

Cash flows

In the fiscal year ended June 30, 2025, cash and cash equivalents stood at ¥102,149 thousand decreased by ¥712,379 thousand compared to the level on June 30, 2024. The cash flows affecting this figure are outlined below.

(Cash flows from Operating Activities)

Net cash flows from operating activities for the fiscal year ended June 30, 2025 resulted in a cash inflow of ¥286,478 thousand (compared to a cash outflow of ¥62,651 thousand in the same period last year). Main factors include the recording of a decrease in accounts receivable of ¥124,442 thousand, profit before income taxes of ¥101,389 thousand, an increase in contract liabilities of ¥65,710 thousand, and amortization of goodwill of ¥42,382 thousand (inflows). However, there was also an increase in inventories of ¥121,948 thousand (inflows).

(Cash flows from Investing Activities)

Net cash flows from operating activities for the fiscal year ended June 30, 2025 resulted in a cash outflow of ¥104,294 thousand (compared to a cash outflow of ¥160,706 thousand in the same period last year). Main factors include the outflow of ¥103,659 thousand in purchases of property, plant and equipment.

(Cash flows from Financing Activities)

Net cash flows from financing activities for the fiscal year ended June 30, 2025 resulted in a cash outflow of ¥79,911 thousand (compared to a cash outflow of ¥75,526 thousand in the same period last year). Main factors include the outflow of ¥75,456 thousand for the repayment of long-term borrowings.

### (4) Outlook

Under the long-term growth strategy “Innovation 2030,” each segment will pursue the following initiatives:

In the Optical business, we have already supplied a great number of mirrors in response to growing demand, particularly in the Asian market, for new construction, upgrades, and mirror replacements that are actively progressing at facilities. However, the demand for even higher precision mirrors is increasing in tandem with the upgrades to fourth-generation synchrotron facilities and enhanced light source performance. To ensure we are able to handle orders without fail from upgrade and new-build projects worldwide planned in the medium term at facilities around the world, we will accelerate the development of ultra-precision mirror manufacturing and actively advance the development and sales of new optical systems.

In Japan, it has been reported that both the stable operation of fourth-generation synchrotron radiation facility, NanoTerasu that was newly-built last year and the upgrade of SPring-8 are progressing as planned. Growth in the Asian synchrotron market is especially pronounced, with new facilities in Hefei and Shenzhen in China advancing smoothly, and large-scale replacements expected at each of the facilities in Taiwan and South Korea. In Europe, major upgrade plans for large facilities have already been announced, but with cutting-edge research in energy and semiconductors as catalysts, upgrades are now being actively planned and implemented at mid-size facilities. Facilities are pursuing a great diversity of mirror designs that take advantage of the characteristics of each of their light sources, and in this favorable market environment, we are actively engaging in efforts to win new orders.

In the Equipment Development business of the LS & Equipment Development segment, we continue to promote the development of equipment using the four nano-surface polishing processes primarily for semiconductor materials: plasma chemical vaporization machining (PCVM), plasma-assisted polishing (PAP), catalyst-referred etching (CARE), and electro-chemical mechanical polishing (ECMP), and their commercialization as new key business areas. We have been increasing market adoption and sales expansion through exhibiting and holding technology seminars at events such as SEMICON.

In particular, PAP and ECMP for high-precision surface processing of materials like SiC wafers and single-crystal diamond wafers used in power devices which are key to EV market expansion, as well as large-diameter polycrystalline diamond substrates used in AI data center heat spreaders are gaining attention. We will continue to enhance and try to commercialize these surface processing technologies for various semiconductor materials, while expanding domestic and international sales channels, and collaborating with promising customers to promote product development. Furthermore, we will concurrently develop equipment for surface processing technology for wafers for next-generation semiconductor devices, such as GaN and Ga<sub>2</sub>O<sub>3</sub>.

In Life Sciences, with improvement of working conditions by reducing long work shifts and the decline of the working population becoming important issues in all industries of late, the impact on incubation experiments and development of cultures, which are carried out at all hours and on holidays, is becoming noticeable at medical and research institutions too. Automated culturing systems for labor-saving, continuous, unmanned operation are expected to be one solution for this. In terms of target markets, we will not only focus on the established pharmaceutical and drug discovery fields, but also food and cosmetics, where there is growing interest in introducing automated culture systems, and we are working quickly to develop new markets. Tokyo Medical and Dental University has successfully created human intestinal organoids (HIOs) from iPS cells using our proprietary 3D rotary culture system. In addition, the joint development of a stem cell separation (medical) device for the treatment of stroke with the Foundation for Biomedical Research and Innovation at Kobe, is progressing as planned. As a result, we are receiving increasing enquiries regarding our products both in Japan and overseas. Going forward, we will strive to expand our base of joint development partners and customers more broadly, whether universities, hospitals, and pharmaceutical companies, to drive business growth.

In addition, at the Other segment (subsidiary ESCO, Ltd.), we plan to launch new products in TDS (thermal desorption spectroscopy) equipment, our mainstay product, with enhanced functions for the semiconductor industry in addition to new functions. Furthermore, we plan to launch new hydrogen analysis equipment for steel, electronics, and automotive sectors as new products in anticipation of a hydrogen-based society. By releasing existing products with higher accuracy, in addition to hydrogen analysis equipment as new products, we aim to find new customers and enhance profitability.

Based on the above, for the consolidated fiscal year ending June 30, 2026, we expect net sales of ¥2,655 million, operating profit of ¥278 million, ordinary profit of ¥274 million, and profit attributable to owners of parent of ¥172 million.

The above forecasts are based on information currently available to the Company. Actual performance may differ from these forecasts because of a wide range of factors.

## 2. Basic Views on Selection of Accounting Standards

The Group's policy is to prepare financial statements in accordance with Japanese GAAP for the time being to ensure comparability between consolidated financial statements for different fiscal years and companies, and in consideration of the burden required to create a system for preparing financial statements. In future, we will monitor trends regarding adoption of the International Financial Reporting Standards (IFRS) and make efforts to develop a system to appropriately respond to the trend.

### 3. Consolidated Financial Statements and Primary Notes

#### (1) Consolidated Balance Sheet

(Thousands of yen)

	As of June 30, 2024	As of June 30, 2025
<b>Assets</b>		
Current assets		
Cash and deposits	610,230	712,379
Electronically recorded monetary claims - operating	11,000	—
Accounts receivable - trade	803,528	690,086
Merchandise and finished goods	101,376	89,356
Work in process	107,162	205,334
Raw materials and supplies	74,340	110,135
Other	108,371	134,945
Allowance for doubtful accounts	(280)	(2,604)
Total current assets	1,815,729	1,939,634
Non-current assets		
Property, plant and equipment		
Buildings and structures (net)	712,659	700,828
Machinery, equipment and vehicles (net)	241,550	208,806
Land	340,429	340,429
Leased assets, net	—	44,550
Construction in progress	36,319	71,101
Other, net	8,364	12,234
Total property, plant and equipment	1,339,324	1,377,950
Intangible assets		
Goodwill	307,276	264,893
Other	5,191	3,178
Total intangible assets	312,468	268,072
Investments and other assets		
Investment securities	30,833	27,751
Deferred tax assets	49,197	55,152
Other	19,969	19,569
Total investments and other assets	100,000	102,474
Total non-current assets	1,751,793	1,748,497
<b>Total assets</b>	<b>3,567,522</b>	<b>3,688,131</b>



(Thousands of yen)

	As of June 30, 2024	As of June 30, 2025
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	58,399	61,188
Current portion of long-term borrowings	75,456	75,456
Lease liabilities	—	10,692
Income taxes payable	40,708	28,379
Contract liabilities	110,179	175,889
Provision for bonuses	28,622	29,744
Provision for loss on orders received	—	10,756
Other	99,819	100,931
Total current liabilities	413,185	493,038
Non-current liabilities		
Long-term borrowings	446,507	371,051
Lease liabilities	—	38,313
Provision for retirement benefits for directors (and other officers)	1,650	1,650
Retirement benefit liability	538	593
Other	8,864	7,959
Total non-current liabilities	457,560	419,566
Total liabilities	870,746	912,604
<b>Net assets</b>		
Shareholders' equity		
Share capital	837,948	847,148
Capital surplus	797,941	807,141
Retained earnings	1,061,509	1,121,857
Treasury shares	(621)	(621)
Total shareholders' equity	2,696,776	2,775,527
Total net assets	2,696,776	2,775,527
Total liabilities and net assets	3,567,522	3,688,131

## (2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income

### Consolidated Statement of Income

Fourth quarter Consolidated Cumulative Period

(Thousands of yen)

	Fiscal year ended June 30, 2024	Fiscal year ended June 30, 2025
Net sales	2,010,340	1,925,592
Cost of sales	757,585	746,815
Gross profit	1,252,754	1,178,776
Selling, general and administrative expenses	966,917	1,064,953
Operating profit	285,836	113,823
Non-operating income		
Interest income	6	402
Dividend income	1	1
Subsidy income	20,007	—
Foreign exchange gains	4,855	—
Temporary transfer charges income	1,940	3,341
Amount of directors' remuneration returned	—	5,050
Other	3,011	1,532
Total non-operating income	29,822	10,328
Non-operating expenses		
Interest expenses	3,282	4,753
Loss on investments in investment partnerships	1,262	2,954
Foreign exchange losses	—	14,338
Other	158	87
Total non-operating expenses	4,703	22,133
Ordinary profit	310,955	102,017
Extraordinary income		
Gain on sale of non-current assets	—	200
Total extraordinary income	—	200
Extraordinary losses		
Loss on retirement of non-current assets	2,355	807
Impairment losses	23,857	21
Total extraordinary losses	26,213	828
Profit before income taxes	284,742	101,389
Income taxes - current	67,641	46,995
Income taxes - deferred	17,508	(5,954)
Total income taxes	85,150	41,040
Profit	199,591	60,348
Profit attributable to non-controlling interests	—	—
Profit attributable to owners of parent	199,591	60,348

Consolidated Statement of Comprehensive Income  
Fourth quarter Consolidated Cumulative Period

(Thousands of yen)

	Fiscal year ended June 30, 2024	Fiscal year ended June 30, 2025
Net profit (loss)	199,591	60,348
Comprehensive income	199,591	60,348
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	199,591	60,348
Comprehensive income attributable to non-controlling interests	—	—

### (3) Consolidated Statement of Changes in Equity

Fiscal year ended June 30, 2024 (July 1, 2023 to June 30, 2024)

(Thousands of yen)

	Shareholders' equity					Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	
Balance at beginning of period	828,771	788,771	861,917	(550)	2,478,908	2,478,908
Changes during period						
Issuance of new shares	9,177	9,170			18,347	18,347
Profit (loss) attributable to owners of parent			199,591		199,591	199,591
Purchase of treasury shares				(70)	(70)	(70)
Total changes during period	9,177	9,170	199,591	(70)	217,868	217,868
Balance at end of period	837,948	797,941	1,061,509	(621)	2,696,776	2,696,776

Fiscal year ended June 30, 2025 (July 1, 2024 to June 30, 2025)

(Thousands of yen)

	Shareholders' equity					Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	
Balance at beginning of period	837,948	797,941	1,061,509	(621)	2,696,776	2,696,776
Changes during period						
Issuance of new shares	9,200	9,200			18,401	18,401
Profit (loss) attributable to owners of parent			60,348		60,348	60,348
Purchase of treasury shares				—	—	—
Total changes during period	9,200	9,200	60,348	—	78,750	78,750
Balance at end of period	847,148	807,141	1,121,857	(621)	2,775,527	2,775,527

## (4) Consolidated Statement of Cash Flows

(Thousands of yen)

	Fiscal year ended June 30, 2024	Fiscal year ended June 30, 2025
<b>Cash flows from operating activities</b>		
Profit before income taxes	284,742	101,389
Depreciation	106,771	116,362
Impairment losses	23,857	21
Amortization of goodwill	42,382	42,382
Increase (decrease) in provision for loss on orders received	—	10,756
Increase (decrease) in allowance for doubtful accounts	(2,948)	2,323
Increase (decrease) in provision for bonuses	5,946	1,122
Increase (decrease) in retirement benefit liability	(1,660)	54
Loss (gain) on investments in investment partnerships	1,262	2,954
Interest and dividend income	(7)	(403)
Interest expenses	3,282	4,753
Subsidy income	(20,007)	—
Loss on retirement of non-current assets	2,355	807
Decrease (increase) in trade receivables	(235,962)	124,442
Decrease (increase) in inventories	(9,574)	(121,948)
Decrease (increase) in prepaid expenses	(5,550)	22,796
Increase (decrease) in trade payables	(47,242)	2,788
Increase (decrease) in accrued expenses	8,353	1,534
Increase (decrease) in contract liabilities	18,283	65,710
Other, net	(38,649)	(23,893)
Subtotal	135,636	353,954
Interest and dividends received	7	403
Interest paid	(3,344)	(4,839)
Income taxes paid	(89,655)	(63,040)
Subsidies received	20,007	—
Net cash provided by (used in) operating activities	62,651	286,478
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(141,406)	(103,659)
Purchase of intangible assets	(920)	—
Purchase of investment securities	(15,000)	—
Other, net	(3,379)	(635)
Net cash provided by (used in) investing activities	(160,706)	(104,294)
<b>Cash flows from financing activities</b>		
Repayments of long-term borrowings	(75,456)	(75,456)
Other, net	(70)	(4,455)
Net cash provided by (used in) financing activities	(75,526)	(79,911)
Effect of exchange rate change on cash and cash equivalents	682	(123)
Net increase (decrease) in cash and cash equivalents	(172,898)	102,149
Cash and cash equivalents at beginning of period	783,128	610,230
Cash and cash equivalents at end of period	610,230	712,379

## (5) Notes to the Consolidated Financial Statements

(Notes on going concern assumption)

There is no relevant information.

(Notes on changes in accounting policies due to the revision of accounting standards)

(Application of accounting standards for corporation tax, enterprise tax and inhabitants' taxes, etc)

The "Accounting Standard for Taxes on Corporation tax, Enterprise tax and Inhabitants' taxes (Accounting Standards Board of Japan Statement No.27 (ASBJ Statement No. 27, October 28, 2022; hereinafter, "Revised Accounting Standard 2022"), etc. has been applied since the beginning of the first quarter of the fiscal year ending June 30, 2025.

Revisions concerning the categories in which current income taxes should be recorded (taxes on other comprehensive income) are subject to the transitional treatment set forth in the proviso of paragraph 20-3 of the Revised Accounting Standard 2022 and the transitional treatment set forth in the proviso of paragraph 65-2 (2) of the Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022; hereinafter, "Revised Guidance 2022"). This change in accounting policy has had no impact on the quarterly consolidated financial statements.

With regard to revisions related to changes in the accounting treatment for consolidated financial statements when gains/losses on sale of shares, etc. in subsidiaries resulting from transactions between consolidated subsidiaries are deferred for tax purposes, the Company has applied the Revised Guidance 2022 from the beginning of the first quarter under review. This change in the accounting policy has had no impact on the quarterly consolidated financial statements or the consolidated financial statements.

(Notes on segment information)

(Segment information)

1. Overview of reportable segments

Method of determining reportable segments

The Group's reportable segments are the components of the Company for which separate financial information is available. These components are subject to periodic review by the Board of Directors, which determines the distribution of management resources and evaluates performance.

The Group consists of three reportable segments with different products and services: the Optical segment, the LS & Equipment Development segment, and the Other segment. The Optical segment manufactures and processes X-ray nano focusing mirrors for synchrotron radiation facilities. The LS & Equipment Development segment manufactures automated equipment, such as biotechnology-related equipment, including automated cell culture systems and drug discovery automated screening systems for iPS cells, etc. The Other segment corresponds to ESCO, Ltd., which manufactures thermal desorption spectrometry (TDS) equipment.

2. Information on the method of calculating sales, profits or losses, assets, and other items by reportable segment

The accounting method for reported business segments is in accordance with the accounting policies used to prepare the financial statements.

3. Information on amounts of sales, profits or losses, assets, and other items by reportable segment

Fiscal year ended June 30, 2024 (July 1, 2023 to June 30, 2024)

(Thousands of yen)

	Reportable segments				Adjustments (Note 1)	Amounts stated in the consolidated financial statements (Note 3)
	Optical Business	Development of Automatic System for Life-Science Devices	Other	Total		
Net sales						
Sales to external customers	1,240,241	322,153	447,945	2,010,340	—	2,010,340
Inter-segment sales and transfers	—	8,150	—	8,150	(8,150)	—
Net sales	1,240,241	330,303	447,945	2,018,490	(8,150)	2,010,340
Segment profit (loss)	595,237	(25,659)	51,567	621,145	(335,309)	285,836
Assets	1,244,542	330,995	841,014	2,416,552	1,150,970	3,567,522
Other items						
Depreciation	76,204	—	3,603	79,807	26,963	106,771
Amortization of goodwill	—	—	42,382	42,382	—	42,382
Increase in property, plant and equipment and intangible assets (Note 2)	84,553	23,857	14,634	123,045	1,597	124,642

(Notes)

1. "Adjustments" are company-wide expenses, depreciation for administrative departments, etc., and property, plant and equipment and intangible assets for administrative departments, etc., not attributable to reportable segments.

2. Increase in property, plant and equipment and intangible assets does not include increase in construction in progress.

3. Segment profit (loss) is adjusted to operating loss in the consolidated financial statements.

Fiscal year ended June 30, 2024 (July 1, 2024 to June 30, 2025)

(Thousands of yen)

	Reportable segments				Adjustments (Note 1)	Amounts stated in the consolidated financial statements (Note 3)
	Optical Business	Development of Automatic System for Life-Science Devices	Other	Total		
Sales						
Revenues from external customers	1,234,131	220,642	470,818	1,925,592	—	1,925,592
Transactions with other segments	—	—	330	330	(330)	—
Net sales	1,234,131	220,642	471,148	1,925,922	(330)	1,925,592
Operating profit (loss)	526,759	(52,055)	41,111	515,814	(401,991)	113,823
Assets	1,231,387	235,446	798,355	2,265,189	1,422,942	3,688,131
Other items						
Depreciation	84,947	433	6,288	91,668	24,693	116,362
Amortization of goodwill	—	—	42,382	42,382	—	42,382
Increase in property, plant and equipment and intangible assets	84,881	21	24,783	109,686	8,568	118,254

(Notes)

1. "Adjustments" are company-wide expenses, depreciation for administrative departments, etc., and property, plant and equipment and intangible assets for administrative departments, etc., not attributable to reportable segments.
2. Increase in property, plant and equipment and intangible assets does not include increase in construction in progress.
3. Segment profit (loss) is adjusted to operating loss in the consolidated financial statements.

(Related information)

Fiscal year ended June 30, 2024 (July 1, 2023 to June 30, 2024)

1. Information by product and service

This information is omitted because the same information is disclosed in the Segment information.

2. Information by region

(1) Net sales

(Thousands of yen)

Japan	Asia	Europe	Americas	Total
704,189	716,826	371,674	217,649	2,010,340

(Notes)

1. Based on location of sales, classified by country or region
2. Sales in Asia includes ¥329,982 thousand in China, which account for more than 10% of consolidated sales, and ¥302,400 thousand in Taiwan. Americas includes ¥217,649 thousand in the United States.

(2) Property, plant and equipment

Not applicable since we have no property, plant and equipment outside Japan.

3. Information by major customer

(Thousands of yen)

Customer name	Net sales	Name of related segment
RIKEN	208,288	Optical, LS & Equipment Development



Fiscal year ended June 30, 2025 (July 1, 2024 to June 30, 2025)

1. Information by product and service

This information is omitted because the same information is disclosed in the Segment information.

2. Information by region

(1) Net sales

(Thousands of yen)

Japan	Asia	Europe	Americas	Total
780,030	762,352	270,158	113,051	1,925,592

(Notes)

1. Based on location of sales, classified by country or region

2. Sales in Asia includes ¥526,363 thousand in China, which account for more than 10% of consolidated sales

(2) Property, plant and equipment

Not applicable since we have no property, plant and equipment outside Japan.

3. Information by major customer

Not applicable as no customers account for more than 10% of consolidated sales.

(Information on impairment losses on non-current assets by reportable segment)

Fiscal year ended June 30, 2024 (July 1, 2023 to June 30, 2024)

(Thousands of yen)

	Optical	LS & Equipment Development	Other	Total	Elimination and corporate	Amount stated in the consolidated financial statements
Impairment losses	—	23,857	—	23,857	—	23,857

Fiscal year ended June 30, 2025 (July 1, 2024 to June 30, 2025)

(Thousands of yen)

	Optical	LS & Equipment Development	Other	Total	Elimination and corporate	Amount stated in the consolidated financial statements
Impairment losses	—	21	—	21	—	21

(Information on amortization of goodwill and unamortized balance by reportable segment)

Fiscal year ended June 30, 2024 (July 1, 2023 to June 30, 2024)

(Thousands of yen)

	Optical	LS & Equipment Development	Other	Total	Elimination and corporate	Amount stated in the consolidated financial statements
Amortization of goodwill	—	—	42,382	42,382	—	42,382
Goodwill	—	—	307,276	307,276	—	307,276

Fiscal year ended June 30, 2025 (July 1, 2024 to June 30, 2025)

(Thousands of yen)

	Optical	LS & Equipment Development	Other	Total	Elimination and corporate	Amount stated in the consolidated financial statements
Amortization of goodwill	—	—	42,382	42,382	—	42,382
Goodwill	—	—	264,893	264,893	—	264,893

(Information on amortization of goodwill and unamortized balance by reportable segment)

Fiscal year ended June 30, 2024 (July 1, 2023 to June 30, 2024)

There is no relevant information

Fiscal year ended June 30, 2025 (July 1, 2024 to June 30, 2025)

There is no relevant information

## (Revenue recognition)

## Breakdown of revenue from contracts with customers

Fiscal year ended June 30, 2024 (July 1, 2023 to June 30, 2024)

(Thousands of yen)

	Reportable segment			Total
	Optical	LS & Equipment Development	Other	
Optical mirrors, components	1,235,482	-	-	1,235,482
General purpose LS machinery	-	47,378	-	47,378
Equipment development	-	234,880	-	234,880
TDS	-	-	330,508	330,508
Others	4,758	39,893	117,437	162,090
Revenue from contracts with customers	1,240,241	322,153	447,945	2,010,340
Sales to external customers	1,240,241	322,153	447,945	2,010,340

Fiscal year ended June 30, 2025 (July 1, 2024 to June 30, 2025)

(Thousands of yen)

	Reportable segment			Total
	Optical	LS & Equipment Development	Other	
Optical mirrors, components	1,222,932	-	-	1,222,932
General purpose LS machinery	-	56,926	-	56,926
Equipment development	-	130,916	-	130,916
TDS	-	-	328,289	328,289
Others	11,199	32,800	142,529	186,528
Revenue from contracts with customers	1,234,131	220,642	470,818	1,925,592
Sales to external customers	1,234,131	220,642	470,818	1,925,592

## (Per share information)

	Fiscal year ended June 30, 2024 (July 1, 2023 to June 30, 2024)	Fiscal year ended June 30, 2025 (July 1, 2024 to June 30, 2025)
Net assets per share	¥458.71	¥471.26
Net income (loss) per share)	¥33.96	¥10.25

## (Notes)

1. Net income per share after dilution for this year and last year are not shown as there are no potentially dilutive shares
2. The basis of calculation for basic net income (loss) per share is as follows:

	Fiscal year ended June 30, 2024 (July 1, 2023 to June 30, 2024)	Fiscal year ended June 30, 2025 (July 1, 2024 to June 30, 2025)
Net income (loss per share)		
Net income (loss) attributable to owners of the parent (thousands of yen)	199,591	60,348
Amount not attributable to common shareholders ((thousands of yen)	—	—
Net income (loss) attributable to shareholders of the parent company related to common stock (thousands of yen)	199,591	60,348
Average number of shares of common stock during the period (no. of shares)	5,876,772	5,886,232

## (Material subsequent events)

There is no relevant information.