

May 13, 2025

Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 <under Japanese GAAP>

Company name: **USHIO INC.**
 Listing: Prime Market of the Tokyo Stock Exchange
 Stock code: 6925
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Scheduled date of ordinary general meeting of shareholders: June 27, 2025
 Scheduled date to commence dividend payments: June 30, 2025
 Scheduled date to file Securities Report: June 26, 2025
 Preparation of supplementary material on earnings: Yes
 Holding of earnings performance review: Yes (for analysts)

(Millions of yen with fractional amounts discarded, unless otherwise noted)

1. Consolidated performance for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	177,616	(1.0)	8,825	(32.0)	12,451	(22.6)	6,797	(37.0)
March 31, 2024	179,420	2.5	12,976	(18.2)	16,088	(20.1)	10,785	(21.3)

(Note) Comprehensive income

For the fiscal year ended March 31, 2025: ¥(2,764) million [—%]

For the fiscal year ended March 31, 2024: ¥28,246 million [42.1%]

	Net income per share	Diluted net income per share	Net income/ Equity	Ordinary income/ total assets	Operating income/ net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2025	70.27	—	3.1	3.9	5.0
March 31, 2024	97.22	—	4.5	4.9	7.2

(Reference) Equity in losses of affiliates

For the fiscal year ended March 31, 2025: ¥—million

For the fiscal year ended March 31, 2024: ¥(164) million

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	297,304	200,509	67.4	2,263.23
March 31, 2024	337,546	236,975	70.2	2,313.48

(Reference) Equity

As of March 31, 2025: ¥200,499 million

As of March 31, 2024: ¥236,963 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Period-end cash and cash equivalents
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2025	20,424	2,719	(24,993)	59,995
March 31, 2024	8,966	5,394	(13,489)	62,498

2. Cash dividends

	Annual dividends					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2024	—	—	—	50.00	50.00	5,145	51.4	2.3
Fiscal year ended March 31, 2025	—	—	—	70.00	70.00	6,226	99.6	3.1
Fiscal year ending March 31, 2026 (Forecast)	—	—	—	70.00	70.00		88.1	

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2026	170,000	(4.3)	10,000	13.3	10,500	(15.7)	7,000	3.0	79.45

* Notes

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

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

a. Changes in accounting policies due to revisions to accounting standards: Yes

b. Changes in accounting policies due to other reasons: None

c. Changes in accounting estimates: None

d. Restatements: None

(Note) For details, see page 17 of the attached document, “(5) Notes to Consolidated Financial Statements (Notes on Changes in Accounting Policies)”.

(3) Number of issued shares (common stock)

a. Total number of issued shares at the end of the period (including treasury stock)

As of March 31, 2025	92,500,000 shares
As of March 31, 2024	107,500,000 shares

b. Number of shares of treasury stock at the end of the period

As of March 31, 2025	3,910,017 shares
As of March 31, 2024	5,072,501 shares

c. Average number of shares during the period

For the fiscal year ended March 31, 2025	96,729,678 shares
For the fiscal year ended March 31, 2024	110,933,321 shares

(Note) The Company’s shares held in trust introduced with respect to its stock remuneration plan for directors as

treasury shares within shareholders' equity are included in the number of treasury shares.

Non-consolidated performance for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	63,442	(4.0)	535	(38.7)	23,092	13.0	27,712	38.5
March 31, 2024	66,051	(4.9)	873	(88.2)	20,433	49.3	20,010	43.7

	Net income per share		Diluted net income per share	
Fiscal year ended	Yen		Yen	
March 31, 2025	286.49		—	
March 31, 2024	180.39		—	

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	166,332	101,248	60.9	1,142.88
March 31, 2024	178,089	115,497	64.9	1,127.60

(Reference) Equity

As of March 31, 2025: ¥101,248 million

As of March 31, 2024: ¥115,497 million

< Reason for the difference of the current fiscal year's non-consolidated result compared with the previous year >

There is a significant difference between the result for the current fiscal year and the one for the previous fiscal year, mainly due to an increase in gain on sale of investment securities.

* This Consolidated Financial Results is not subject to audit procedures by Certified Public Accountants or audit firm.

* Notes on the proper use of earnings forecasts and other special matters

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Actual business and other results may differ substantially due to various factors.

See page 6 of the appended materials regarding performance forecasts.

*To obtain Financial Presentation

The financial results presentation for securities analysts and institutional investors is planned on May 13, 2025.

The Financial Presentation will be posted on the website of USHIO INC. on May 13, 2025

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1. Overview of Financial Results for the Term

(1) Overview of Business Performance

The global economy remained uncertain during the fiscal year ended March 31, 2025. This was despite a gradual recovery and reflected such ongoing geopolitical risks as the conflict in Ukraine and a prolonged slowdown in Chinese economic growth.

Against this backdrop, the semiconductor, electronic device, and printed circuit board markets saw stable operations supported by a moderate recovery in global demand for PCs, smartphones, and other products, although related capital investment remained restrained. While the server market experienced new demand driven by generative AI, investment in existing data center servers was again constrained and postponed. While the flat panel display market experienced higher demand for organic light-emitting displays for smartphones and tablets, LCD panel manufacturers operated at low levels amid lackluster demand for their offerings. In the visual imaging market, movie shortages owing to Hollywood strikes and other factors slowed cinema operations, temporarily shrinking investment appetites. General imaging market conditions remained firm amid a rising need for advanced video production for events and other activities.

The average exchange rate during the term was ¥153 to the dollar, down ¥9 from a year earlier.

Consolidated net sales decreased 1.0% year on year, to ¥177,616 million. Operating profit fell 32.0%, to ¥8,825 million. Ordinary profit was down 22.6%, to ¥12,451 million. Profit attributable to owners of parent dropped 37.0%, to ¥6,797 million.

Segment results were as follows.

Industrial Processes Business

UV Lamps

Sales were up on a moderate recovery in demand for such final products as PCs and smartphones. This reflected higher semiconductor-related demand growth through solid operations of installed equipment on robust generative AI demand in semiconductor back-end processes. A weaker yen also contributed to sales.

OA Lamps

Segment sales increased on steady demand following the end of inventory adjustments among set manufacturers and the weaker yen.

Optical Equipment Lamps

While LCD panel revenues were down, higher sales for OLED displays for smartphones and tablets and the weaker yen drove overall sales growth.

Optical Equipment (Lithography Equipment)

While demand for such final products as PCs and smartphones was recovering moderately, demand for servers for existing data centers remained weak and investment constraints and postponements continued amid ongoing overcapacity in advanced package substrates, excluding those related to generative AI. Consequently, stepper and direct imaging lithography equipment revenues decreased. Segment sales thus declined.

Optical Equipment (Others)

Segment sales fell from maintenance services revenue declining as a result of lower operations of EUV light sources for EUV lithography mask inspections.

While efforts to pare down investment projects curbed selling, general and administrative expenses, earnings dwindled owing to lower lithography equipment sales and higher forward investments to support growth.

Industrial Processes business sales therefore declined 3.9%, to ¥78,932 million. Operating profit dropped 11.5%, to ¥9,623 million.

Visual Imaging Business

Projector Lamps

Sales of xenon lamps for cinema projectors were down owing to a decline in cinema operations that stemmed largely from movie shortages as a result of Hollywood strikes. Sales of lamps for general imaging projectors declined because of a shift to solid-state light sources. Segment sales thus fell.

Cinema Projectors

Sales of digital cinema projectors decreased owing to a temporary decline in investment appetites attributable to movie shortages stemming from the Hollywood strikes. Segment sales rose, however, as a result of the weaker yen.

General Imaging Projectors

While decreases in large deals posted in the previous fiscal year detracted from revenues, demand remained steady for advanced video production, particularly for events. This factor and the weaker yen increased segment sales.

Earnings declined for the term, owing primarily to one-time inventory write-down losses from product lineup reviews to improve the earnings structure as part of business portfolio revamping. Higher selling, general, and administrative expenses, stemming largely from increased personnel costs, also fueled the decrease.

Visual Imaging business sales therefore increased 0.4%, to ¥80,906 million. Operating profit dropped 87.6%, to ¥729 million.

Life Sciences Business

Sales increased on higher demand for sodium lamps for horticulture. Earnings were up as cost control measures, including concentrating investments in promising projects, improved profitability.

Life Sciences business sales therefore increased 17.2%, to ¥6,110 million. There was an operating loss of ¥1,079 million, compared with an operating loss of ¥2,329 million in the previous corresponding period.

Photonics Solutions Business

Revenues rose amid higher sales of semiconductor-related devices. Earnings were up as cost controls from investment project reviews improved profitability.

Photonics Solutions business sales thus increased 0.6%, to ¥10,311 million. There was an operating loss of ¥415 million, compared with an operating loss of ¥1,513 million in the previous corresponding period.

Others

Although power supply sales increased on capacity utilization recoveries at customer production lines, earnings declined primarily due to an increase in selling, general, and administrative expenses.

Others segment sales thus increased 4.1%, to ¥1,382 million. Operating profit dropped 39.4%, to ¥82 million.

(2) Overview of Financial Position

Assets

Total assets at the end of the term were ¥297,304 million, down ¥40,241 million from a year earlier. This was due to lower inventories from sales of optical and imaging equipment and divestments of investment securities. These factors offset an increase in machinery, equipment and vehicles for capital investment.

Liabilities

Total liabilities decreased ¥3,776 million, to ¥96,794 million. This owed mainly to a decrease in notes and accounts payable - trade from lower purchases, the last day of the previous fiscal year being a holiday for financial institutions, and a decrease in deferred tax liabilities from sales of investment securities. These factors offset an increase in long-term borrowings because of dividend payment and share repurchase commitments.

Net Assets

Net assets decreased ¥36,465 million, to ¥200,509 million.

Key factors in this decline were lower retained earnings owing to dividend payments and treasury stock retirement and a decrease in the valuation difference on available-for-sale securities owing to sales of investment securities.

(3) Overview of Cash Flows

Cash and cash equivalents at the close of the term were down ¥2,502 million from a year earlier, to ¥59,995 million.

Cash flows were as follows.

Cash Flows from Operating Activities

Net cash provided by operating activities was ¥20,424 million yen, from ¥8,966 million in the previous corresponding period. This was due largely to ¥14,006 million in profit before income taxes, ¥7,871 million in depreciation, a ¥14,558 million decrease in inventories, a ¥6,306 million decrease in trade payables, and ¥7,048 million in income taxes paid.

Cash Flows from Investing Activities

Net cash provided by investing activities was ¥2,719 million, down from ¥5,394 million a year earlier. Key factors were ¥4,905 million in proceeds from withdrawal of time deposits, ¥11,886 million in proceeds from sale and redemption of securities, ¥3,153 million in payments into time deposits, and ¥13,641 million in purchase of property, plant and equipment.

Cash Flows from Financing Activities

Net cash used in financing activities was ¥24,993 million, from ¥13,489 million a year earlier. This was due largely to ¥10,000 million in proceeds from long-term borrowings, a ¥29,082 million purchase of treasury shares, and ¥5,141 million in cash dividends paid.

Group cash flow indicator trends are below.

	Years ended March 31				
	2021	2022	2023	2024	2025
Equity ratio (%)	72.7	73.2	75.4	70.2	67.4
Market value-based equity ratio (%)	60.6	68.6	60.5	59.2	55.2
Cash flow to interest-bearing debt ratio (years)	1.7	0.9	6.1	3.2	1.9
Interest coverage ratio (times)	33.2	64.9	4.1	34.6	59.4

Equity ratio: Shareholders' equity ÷ Total assets

Market value-based equity ratio: Market capitalization ÷ Total assets

Cash flow to interest-bearing debt ratio: Interest-bearing debt ÷ Operating cash flows

Interest coverage ratio: Operating cash flows ÷ Interest payments

Notes

1. All figures based on consolidated financial figures.
2. Market capitalization is based on the number of issued and outstanding shares and excludes treasury stock.
3. Cash flow is based on operating cash flows.
4. Interest-bearing debt includes all liabilities on the consolidated balance sheets for which interest is paid.

(4) Outlook

The outlook for the global economy over the next fiscal year remains uncertain because of the worldwide impact of U.S. tariffs, Chinese economic trends, exchange rate trends, and ongoing geopolitical risks.

For that term, Ushio thus forecasts net sales of ¥170,000 million, down 4.3% year-on-year, operating profit of ¥10,000 million, up 13.3%, ordinary profit of ¥10,500 million, down 15.7%, and profit attributable to shareholders of parent of ¥7,000 million, up 3.0%.

The exchange rate assumptions for these forecasts are ¥140 yen to the U.S. dollar and ¥155 yen to the euro.

Industrial Processes Business

For UV lamps, demand in the flat panel display market should remain lackluster, with no clear signs of a recovery. In the semiconductors, electronic devices, and printed circuit boards markets, demand for generative AI semiconductors should continue expanding. A modest demand recovery is likely for existing data center servers, PCs, and smartphones. Demand prospects for power semiconductors and other electronic devices should remain uncertain. UV lamp operations should accordingly stay solid, with overall UV lamp sales probably increasing.

Demand for lithography equipment for advanced packaging should rise on growing demand for generative AI. The substrate market, however, has yet to resolve its overcapacity, so investment plans should continue to experience postponements. Sales of steppers should accordingly dwindle, while overall optical equipment business sales should decrease. On the upside, despite some delays in projects due to the uncertain market environment, including recent U.S. tariff trends, sales recognition of the digital lithography system, a new offering for advanced packaging, should start.

Earnings will probably decline from expanding planned forward investments in digital lithography system. A downturn in the production capacity utilization rate for lithography equipment should be gradually resolved in view of an anticipated expansion in sales.

The Company therefore expects Industrial Processes business revenues and earnings to decline next fiscal year.

Visual Imaging Business

In the cinema field, management expects the impact of the Hollywood strike to dissipate, with digital cinema projector replacement demand remaining robust. In general imaging, demand from commercial facilities and events should remain firm as a need for advanced video production continues to grow, particularly for events. At the same time, overall sales of imaging equipment should decrease next fiscal year, as management assumes a stronger yen.

While cinema operations are recovering, projector lamp sales should decline amid a shift to solid-state light sources, with overall light source revenues decreasing.

Profitability should improve due to a decrease in inventory write-downs recorded a year earlier, associated with business portfolio revamping, and through undertaking structural reforms.

The Company accordingly expects Visual Imaging business revenues to decline and earnings to rise in the year ahead.

Life Sciences Business

Demand for light-based equipment in the medical industry should remain stable. Profitability should improve from more closely monitoring investment projects and curbing selling, general and administrative and other expenses.

This business should thereby increase earnings next fiscal year on unchanged sales.

Photonics Solutions Business

Demand for applications using photonics technology in the semiconductor and sensor markets and other industrial applications should remain robust. Management looks to control expenses by assessing and prioritizing development investments.

Photonics Solutions business revenues and earnings should thus remain unchanged in the year ahead.

Management based these forecasts on currently available information and certain reasonable assumptions. Results may differ owing to various factors.

2. Basic Approach to Choosing Accounting Standards

The Group's policy for the foreseeable future is to prepare its consolidated financial statements in accordance with Generally Accepted Accounting Principles in Japan, factoring in the comparability of consolidated financial statements from period to period and comparability among companies.

Ushio applies International Financial Reporting Standards in light of a range of domestic and international circumstances.

3. Consolidated Financial Statements and Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	65,651	61,348
Notes and accounts receivable - trade, and contract assets	39,753	40,321
Securities	4,120	2,200
Merchandise and finished goods	37,038	30,424
Work in process	25,030	20,146
Raw materials and supplies	29,982	25,786
Other	11,607	7,746
Allowance for doubtful accounts	△1,683	△1,413
Total current assets	211,501	186,560
Non-current assets		
Property, plant and equipment		
Buildings and structures	52,543	53,163
Accumulated depreciation	△34,143	△35,085
Buildings and structures, net	18,400	18,077
Machinery, equipment and vehicles	27,049	31,328
Accumulated depreciation	△22,981	△23,701
Machinery, equipment and vehicles, net	4,067	7,627
Land	9,062	8,879
Right-of-use assets	5,022	4,459
Accumulated depreciation	△1,365	△1,472
Right-of-use assets, net	3,657	2,987
Construction in progress	2,106	1,655
Other	35,849	37,139
Accumulated depreciation	△27,288	△26,449
Other, net	8,560	10,689
Total property, plant and equipment	45,854	49,916
Intangible assets		
Goodwill	780	635
Other	7,816	4,470
Total intangible assets	8,596	5,105
Investments and other assets		
Investment securities	54,305	37,473
Long-term loans receivable	28	13
Deferred tax assets	4,211	3,251
Retirement benefit asset	10,682	12,342
Other	2,502	2,782
Allowance for doubtful accounts	△136	△141
Total investments and other assets	71,593	55,721
Total non-current assets	126,045	110,744
Total assets	337,546	297,304

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	21,648	15,268
Short-term borrowings	2,455	1,617
Current portion of long-term borrowings	—	1,410
Lease liabilities	940	961
Income taxes payable	4,362	4,019
Contract liabilities	11,294	10,874
Provision for bonuses	2,616	2,572
Provision for bonuses for directors (and other officers)	77	78
Provision for product warranties	4,068	3,317
Provision for loss on orders received	—	0
Other	11,788	11,275
Total current liabilities	59,252	51,396
Non-current liabilities		
Long-term borrowings	26,410	35,000
Lease liabilities	3,046	2,410
Deferred tax liabilities	6,706	3,205
Provision for retirement benefits for directors (and other officers)	159	86
Provision for share awards for directors (and other officers)	298	151
Retirement benefit liability	3,654	3,523
Asset retirement obligations	326	358
Other	717	662
Total non-current liabilities	41,318	45,398
Total liabilities	100,571	96,794
Net assets		
Shareholders' equity		
Share capital	19,556	19,556
Capital surplus	27,767	27,767
Retained earnings	140,163	111,776
Treasury shares	△9,155	△7,672
Total shareholders' equity	178,331	151,428
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	20,146	12,326
Foreign currency translation adjustment	35,004	32,295
Remeasurements of defined benefit plans	3,481	4,449
Total accumulated other comprehensive income	58,632	49,071
Non-controlling interests	11	10
Total net assets	236,975	200,509
Total liabilities and net assets	337,546	297,304

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

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales	179,420	177,616
Cost of sales	114,504	115,400
Gross profit	64,916	62,215
Selling, general and administrative expenses	51,939	53,389
Operating profit	12,976	8,825
Non-operating income		
Interest income	1,581	1,320
Dividend income	1,111	950
Foreign exchange gains	560	1,438
Gain on investments in investment partnerships	29	17
Fair value adjustment of contingent consideration	195	—
Subsidy income	145	—
Other	447	566
Total non-operating income	4,070	4,293
Non-operating expenses		
Interest expenses	305	319
Loss on sale of securities	14	—
Share of loss of entities accounted for using equity method	164	—
Loss on valuation of securities	6	—
Commission expenses	167	48
Loss on tax purpose reduction entry of non-current assets	120	—
Litigation expenses	—	125
Other	178	174
Total non-operating expenses	958	668
Ordinary profit	16,088	12,451
Extraordinary income		
Gain on sale of non-current assets	1	60
Gain on sale of investment securities	7,006	9,522
Total extraordinary income	7,007	9,583
Extraordinary losses		
Loss on retirement of non-current assets	189	214
Loss on sale of non-current assets	0	2
Impairment losses	7,171	1,137
Loss on sale of investment securities	18	—
Loss on valuation of investment securities	34	966
Business restructuring expenses	—	5,707
Total extraordinary losses	7,414	8,027
Profit before income taxes	15,681	14,006
Income taxes - current	7,075	7,142
Income taxes - deferred	△2,177	67
Total income taxes	4,898	7,210
Profit	10,783	6,796
Loss attributable to non-controlling interests	△1	△1
Profit attributable to owners of parent	10,785	6,797

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit	10,783	6,796
Other comprehensive income		
Valuation difference on available-for-sale securities	276	△7,820
Foreign currency translation adjustment	14,168	△2,698
Remeasurements of defined benefit plans, net of tax	2,960	968
Share of other comprehensive income of entities accounted for using equity method	57	△10
Total other comprehensive income	17,463	△9,560
Comprehensive income	28,246	△2,764
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	28,247	△2,763
Comprehensive income attributable to non-controlling interests	△1	△1

(3) Consolidated Statements of Changes in Net Assets

Fiscal year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	19,556	27,767	164,332	△8,733	202,922
Changes during period					
Dividends of surplus			△5,895		△5,895
Profit (loss) attributable to owners of parent			10,785		10,785
Purchase of treasury shares				△30,486	△30,486
Disposal of treasury shares		122		881	1,004
Cancellation of treasury shares		△122	△29,058	29,181	—
Net changes in items other than shareholders' equity					—
Total changes during period	—	—	△24,168	△422	△24,591
Balance at end of period	19,556	27,767	140,163	△9,155	178,331

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	19,869	20,779	520	41,170	12	244,105
Changes during period						
Dividends of surplus						△5,895
Profit (loss) attributable to owners of parent						10,785
Purchase of treasury shares						△30,486
Disposal of treasury shares						1,004
Cancellation of treasury shares						—
Net changes in items other than shareholders' equity	276	14,224	2,960	17,462	△0	17,461
Total changes during period	276	14,224	2,960	17,462	△0	△7,130
Balance at end of period	20,146	35,004	3,481	58,632	11	236,975

Fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	19,556	27,767	140,163	△9,155	178,331
Changes during period					
Dividends of surplus			△5,145		△5,145
Profit (loss) attributable to owners of parent			6,797		6,797
Purchase of treasury shares				△29,033	△29,033
Disposal of treasury shares		21		456	477
Cancellation of treasury shares		△21	△30,038	30,060	—
Net changes in items other than shareholders' equity					—
Total changes during period	—	—	△28,386	1,483	△26,903
Balance at end of period	19,556	27,767	111,776	△7,672	151,428

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	20,146	35,004	3,481	58,632	11	236,975
Changes during period						
Dividends of surplus						△5,145
Profit (loss) attributable to owners of parent						6,797
Purchase of treasury shares						△29,033
Disposal of treasury shares						477
Cancellation of treasury shares						—
Net changes in items other than shareholders' equity	△7,820	△2,709	968	△9,560	△1	△9,562
Total changes during period	△7,820	△2,709	968	△9,560	△1	△36,465
Balance at end of period	12,326	32,295	4,449	49,071	10	200,509

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	15,681	14,006
Depreciation	8,325	7,871
Impairment losses	7,171	1,137
Increase (decrease) in retirement benefit liability	△283	△194
Amortization of goodwill	115	120
Increase (decrease) in allowance for doubtful accounts	△483	△110
Business restructuring expenses	—	5,707
Interest and dividend income	△2,692	△2,271
Fair value adjustment of contingent consideration	△195	—
Subsidy income	△145	—
Litigation expenses	—	125
Interest expenses	305	319
Commission expenses	167	48
Share of loss (profit) of entities accounted for using equity method	164	—
Loss (gain) on sale of non-current assets	△0	△57
Loss on retirement of non-current assets	189	214
Loss on tax purpose reduction entry of non-current assets	120	—
Loss (gain) on sale of investment securities	△6,987	△9,522
Loss (gain) on valuation of investment securities	34	966
Decrease (increase) in trade receivables	1,340	△1,036
Decrease (increase) in inventories	△3,000	14,558
Increase (decrease) in trade payables	△5,698	△6,306
Increase (decrease) in contract liabilities	△1,563	△302
Other, net	146	398
Subtotal	12,711	25,671
Interest and dividends received	2,726	2,314
Interest paid	△259	△343
Payments for business structure improvement expenses	△307	△169
Income taxes paid	△5,904	△7,048
Net cash provided by (used in) operating activities	8,966	20,424
Cash flows from investing activities		
Payments into time deposits	△8,188	△3,153
Proceeds from withdrawal of time deposits	12,453	4,905
Short-term loan advances	△52	△14
Proceeds from collection of short-term loans receivable	42	72
Proceeds from sale and redemption of securities	3,237	4,280
Purchase of property, plant and equipment	△7,936	△13,641
Proceeds from sale of property, plant and equipment	239	530
Purchase of intangible assets	△2,070	△1,938
Purchase of investment securities	△533	△33
Proceeds from sale and redemption of investment securities	9,898	11,886
Payments for acquisition of businesses	△1,286	△103
Long-term loan advances	△26	△11
Proceeds from collection of long-term loans receivable	—	1
Purchase of shares of subsidiaries resulting in change in scope of consolidation	△526	—
Subsidies received	145	—
Other, net	△0	△61
Net cash provided by (used in) investing activities	5,394	2,719

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	△1,910	△770
Proceeds from long-term borrowings	25,000	10,000
Purchase of treasury shares	△30,654	△29,082
Dividends paid	△5,891	△5,141
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	△33	—
Net cash provided by (used in) financing activities	△13,489	△24,993
Effect of exchange rate change on cash and cash equivalents	4,110	△653
Net increase (decrease) in cash and cash equivalents	4,982	△2,502
Cash and cash equivalents at beginning of period	57,516	62,498
Cash and cash equivalents at end of period	62,498	59,995

(5) Notes to Consolidated Financial Statements

(Notes on Premise of Going Concern)

Not applicable.

(Notes on Change in Accounting Policy)

(Application of Accounting Standard for Current Income Taxes)

Ushio applied the Accounting Standard for Current Income Taxes (ASBJ Statement No. 27, October 28, 2022) at the start of the year under review. For amendments to the classification of income taxes (taxation on other comprehensive income), the Company follows transitional provisions in Section 20-3 of this standard and Section 65-2(2) of the revised Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28, dated October 28, 2022). This change in accounting policy did not affect the consolidated financial statements for the term.

For revisions related to changes in accounting for consolidated financial statements when gains and losses on the sale of shares of subsidiaries, etc., arising from transactions between consolidated companies that are deferred for tax purposes under Japanese tax law, Ushio applied the revised guidance from the start of the year. The Company applied this accounting policy change retrospectively to consolidated financial statements for the previous fiscal year. This change in accounting policy did not affect the consolidated financial statements for the previous fiscal year.

(Notes on Segment Information)

1. Overview of Reporting Segments

The Ushio Group's reporting segments are business units for which separate financial data are available. These segments are subject to periodic Board of Directors reviews to assess businesses and decide how to allocate operating resources and evaluate results.

The Group formulates comprehensive strategies to develop, manufacture, sell, and service Group products and do business worldwide.

Ushio accordingly organizes segments by market. Its four reportable segments are Industrial Processes, Visual Imaging, Life Sciences, and Photonics Solutions.

Industrial Processes produces and sells UV, office automation, and optical equipment lamps, primarily for the semiconductor market.

Visual Imaging produces and sells lamps for projectors and imaging equipment, largely for the cinema and general imaging markets.

Life Sciences produces and sells UV equipment and light sources, mainly for the environmental hygiene solutions and healthcare markets.

Photonics Solutions produces and sells solid-state light sources.

2. Methods for Calculating Net Sales, Earnings, Assets, Liabilities, and Other Line Items by Reporting Segments

Ushio accounts for reportable business segments in line with the accounting principles and procedures used to prepare its consolidated financial statements. Earnings for these segments are based on operating profit. Inter-segment revenues and transfers are based on prevailing market prices.

3. Monetary Information Concerning Net Sales, Profit or Loss, Assets, Liabilities, and Other Line Items for Reporting Segments

Fiscal year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(Millions of yen)

	Reportable Segment					Others (Note 1)	Total	Total Adjustment (Note 2)	Amount on Consolidated Financial Statements (Note 3)
	Industrial Processes	Visual Imaging	Life Sciences	Photonics Solutions	Total				
Sales									
Sales to outside customers	82,124	80,534	5,212	10,243	178,115	1,305	179,420	—	179,420
Inter-segment sales or transfer among segments	7	23	3	6	40	21	61	(61)	—
Total	82,131	80,557	5,215	10,250	178,155	1,327	179,482	(61)	179,420
Segment profit (loss)	10,876	5,887	(2,329)	(1,513)	12,920	136	13,056	(79)	12,976
Segment assets	161,824	102,848	6,066	19,578	290,317	6,541	296,859	40,686	337,546
Other line items									
Depreciation and amortization	3,571	3,182	342	1,038	8,135	189	8,325	—	8,325
Amortization of goodwill	33	18	—	63	115	—	115	—	115
Investments in equity-method affiliates	—	—	10	—	10	—	10	—	10
Increase in property, plant and equipment and intangible fixed assets (Notes 4)	5,829	4,779	451	2,024	13,084	139	13,223	—	13,223

(Notes)

- Others includes business segments not included in reportable segments and other revenue-producing operations.
- Adjustments are as follows:
 - Total adjustment of ¥ (79) million for segment profit (loss) includes ¥4 million in eliminations of inter-segment transactions and ¥ (91) million in corporate expenses. The latter expenses are general and administrative expenses that are not included in reportable segments or other revenue-generating business activities.
 - The total adjustment in segment assets of ¥40,686 million includes elimination of a ¥134 million loss in inter-segment receivables and payables and corporate assets of ¥40,837 million that are not included in reportable segments or other revenue-generating business activities. Corporate assets consist primarily of surplus operating capital (cash and marketable securities) and funds for long-term investment (investment securities).
- Segment profit (loss) is adjusted with operating profit in the consolidated statements of income.
- The increase in property, plant and equipment and intangible fixed assets includes an increase in long-term advanced payment expenses.

Fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable Segment					Others (Note 1)	Total	Total Adjustment (Note 2)	Amount on Consolidated Financial Statements (Note 3)
	Industrial Processes	Visual Imaging	Life Sciences	Photonics Solutions	Total				
Sales									
Sales to outside customers	78,925	80,897	6,108	10,311	176,242	1,373	177,616	—	177,616
Inter-segment sales or transfer among segments	6	9	2	0	18	8	26	(26)	—
Total	78,932	80,906	6,110	10,311	176,261	1,382	177,643	(26)	177,616
Segment profit (loss)	9,623	729	(1,079)	(415)	8,858	82	8,941	(115)	8,825
Segment assets	138,930	89,042	7,139	18,326	253,438	6,374	259,812	37,491	297,304
Other line items									
Depreciation and amortization	3,009	3,833	311	527	7,681	190	7,871	—	7,871
Amortization of goodwill	33	20	—	67	120	—	120	—	120
Increase in property, plant and equipment and intangible fixed assets (Notes 4)	8,195	5,329	530	747	14,803	44	14,848	—	14,848

(Notes)

- Others includes business segments not included in reportable segments and other revenue-producing operations.
- Adjustments are as follows:
 - Total adjustment of ¥ (115) million for segment profit (loss) includes ¥7 million in eliminations of inter-segment transactions and ¥ (121) million in corporate expenses. The latter expenses are general and administrative expenses that are not included in reportable segments or other revenue-generating business activities.
 - The total adjustment in segment assets of ¥37,491 million includes elimination of a ¥89 million loss in inter-segment receivables and payables and corporate assets of ¥37,598 million that are not included in reportable segments or other revenue-generating business activities. Corporate assets consist primarily of surplus operating capital (cash and marketable securities) and funds for long-term investment (investment securities).
- Segment profit (loss) is adjusted with operating profit in the consolidated statements of income.
- The increase in property, plant and equipment and intangible fixed assets includes an increase in long-term advanced payment expenses.

(Notes on Per Share Information)

Year ended March 31, 2024		Year ended March 31, 2025	
Net assets per share	¥2,313.48	Net assets per share	¥2,263.23
Basic earnings per share	¥97.22	Basic earnings per share	¥70.27
Ushio does not present diluted basic earnings per share because there are no dilutive shares.		Ushio does not present diluted basic earnings per share because there are no dilutive shares.	

Note 1. The basis for calculating basic earnings per share is as follows.

	Year ended March 31, 2024	Year ended March 31, 2025
Profit attributable to owners of parent (millions of yen)	10,785	6,797
Amount not attributable to common shareholders (millions of yen)	—	—
Profit related to common stock attributable to owners of parent (millions of yen)	10,785	6,797
Average number of shares of common stock during period	110,933,321	96,729,678

Note 2: In calculating net assets per share, Ushio shares held in trust for the directors' stock compensation plan, recorded as treasury stock in shareholders' equity, are included in treasury stock and deducted from the total number of shares issued and outstanding at the ends of terms (475,680 in the year ended March 31, 2024, and 360,260 in the year ended March 31, 2025).

In calculating basic earnings per share, Ushio shares held in trust for the directors' stock compensation plan, recorded as treasury stock in shareholders' equity, are included in treasury stock and deducted from the average number of shares issued and outstanding during terms (361,737 in the year ended March 31, 2024, and 401,272 in the year ended March 31, 2025).

(Notes on Significant Subsequent Events)

None.