

November 6, 2025

Consolidated Financial Results for the First Six Months of the Fiscal Year Ending March 31, 2026 <under Japanese GAAP>

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 Listing: Prime Market of the Tokyo Stock Exchange
 Stock code: 6925
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Scheduled date of semi-annual securities report filing: November 13, 2025
 Scheduled date for commencement of dividend payments: —
 Supplementary documents for financial results: Yes
 Holding of financial results briefing: Yes (for analysts)

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

1. Consolidated performance for the first six months of the fiscal year ending March 31, 2026 (from April 1, 2025 to September 30, 2025)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
First six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2025	81,425	(4.9)	4,014	(6.0)	5,032	(7.6)	240	(89.6)
September 30, 2024	85,643	0.8	4,270	(14.1)	5,445	(13.4)	2,304	(45.9)

(Note) Comprehensive income

For the first six months ended September 30, 2025: ¥ 4,439 million [—%]

For the first six months ended September 30, 2024: ¥ (4,021) million [—%]

	Basic earnings per share	Diluted earnings per share
First six months ended	Yen	Yen
September 30, 2025	2.77	—
September 30, 2024	22.95	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
As of	Millions of yen	Millions of yen	%
September 30, 2025	301,535	188,672	62.6
March 31, 2025	297,304	200,509	67.4

(Reference) Equity

As of September 30, 2025: ¥ 188,660 million

As of March 31, 2025 ¥ 200,499 million

2. Cash dividends

	Annual dividends				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	—	—	—	70.00	70.00
Fiscal year ending March 31, 2026	—	—			
Fiscal year ending March 31, 2026 (Forecast)			—	70.00	70.00

(Note) Revisions to the forecasts of cash dividends most recently announced: None

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	74.95

(Note) Revisions to the consolidated earnings forecasts most recently announced: None

* Notes

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Application of a specific accounting procedure for preparing semi-annual consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatements
 - a. Changes in accounting policies due to revisions to accounting standards: None
 - b. Changes in accounting policies due to other reasons: None
 - c. Changes in accounting estimates: None
 - d. Restatements: None
- (4) Number of issued shares (common stock)

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

As of September 30, 2025	92,500,000 shares
As of March 31, 2025	92,500,000 shares

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

As of September 30, 2025	9,096,405 shares
As of March 31, 2025	3,910,017 shares

- c. Average number of shares during the period

As of September 30, 2025	86,896,316 shares
As of September 30, 2024	100,411,773 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.

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

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

(Caution Regarding Forward-Looking Statements)

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 4 of the appended materials regarding earnings forecasts.

(How to obtain Financial Presentation)

The financial results presentation for securities analysts and institutional investors is planned on November 6, 2025.

The Financial Presentation will be posted on the website of USHIO INC. on November 6, 2025.

[Attached document]

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1. Overview of Financial Results for the Period

(1) Overview of Business Performance

The global economy remained uncertain during the first six-month period of the fiscal year ending March 31, 2026, because of the impact of U.S. tariffs, Chinese economic trends, exchange rate trends, and ongoing geopolitical risks.

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, liquid crystal display panel manufacturers operated at low levels amid lackluster demand for their offerings. In the visual imaging market, cinema attendances remained sluggish amid diversifying entertainment options, offsetting the impact of resolving movie shortages stemming from the Hollywood strike and recovering investment appetites. General imaging market conditions remained firm amid a rising need for advanced video production for events and other activities.

The average value of the yen against the U.S. dollar during the first six-month period was ¥146, a year-on-year appreciation of ¥8.

Consolidated net sales declined 4.9% year on year, to ¥81,425 million. Operating profit declined 6.0%, to ¥4,014 million. Ordinary profit declined 7.6%, to ¥5,032 million. Profit attributable to owners of parent declined 89.6%, to ¥240 million.

Segment results were as follows.

Industrial Processes Business

UV Lamps

Demand recovered steadily for such final products as personal computers and smartphones. While this and solid installed equipment utilization supported by demand for generative-AI semiconductor-related products contributed to increasing sales, revenues remained unchanged owing to the yen's appreciation.

OA Lamps

Revenues declined amid lower European and Chinese printer demand and the higher yen.

Optical Equipment Lamps

Sales increased and revenues grew, mainly due to rising demand for OLED displays for smartphones and tablets, amid signs of a gradual recovery in the flat panel display market.

Optical Equipment (Lithography Equipment)

Demand recovered steadily for personal computers and smartphones, increasing sales of direct imaging lithography equipment. At the same time, while demand rose for advanced packaging substrates related to generative AI semiconductors, investments were again restrained or postponed owing to sluggish demand from existing data centers, resulting in decreased sales of steppers and lower revenues.

Optical Equipment (Others)

Maintenance services revenue for EUV light sources for EUV lithography mask inspections decreased, and sales of photo-alignment equipment for flat panel displays declined, resulting in lower revenues.

Earnings were down owing to lower revenues and such factors as higher forward investments related to lithography equipment, including the digital lithography system, and the losses on valuation of inventories in light of delay in demand recovery for lithography equipment.

Industrial Processes business sales therefore declined 8.4%, to ¥34,434 million. Operating profit dropped 60.9%, to ¥2,048 million.

Visual Imaging Business

Projector Lamps

Notwithstanding signs of a recovery in cinema operations after the resolution of the Hollywood strike, sales of xenon lamps for cinema projectors were down amid a shift to solid-state light sources. Sales of lamps for general imaging projectors also declined for this reason, with the stronger yen further accelerating the decline in revenues.

Cinema Projectors

Demand for replacement models recovered on investment appetites recovering after the Hollywood strikes, boosting digital cinema projector revenues and segment sales.

General Imaging Projectors

While demand remained steady for advanced visual production, particularly for events, a stronger yen reduced segment sales.

Earnings were up as the loss on valuation of inventories was lower than a year earlier and profitability improved on a product portfolio review and structural reforms.

Visual Imaging business sales therefore declined 3.0%, to ¥38,077 million. Operating profit was ¥1,805 million, from an operating loss of ¥120 million in the previous corresponding period.

Life Sciences Business

Revenues increased due to higher sales of horticultural sodium lamps. Earnings also rose, as the strategic selection of investment targets in new projects improved profitability.

Life Sciences business sales therefore increased 7.8%, to ¥3,288 million. Operating profit was ¥169 million, from an operating loss of ¥554 million in the previous corresponding period.

Photonics Solutions Business

Revenues declined due to lower sales of devices for industrial applications and others. Earnings improved, however, as strategic project selections and focuses boosted profitability.

Photonics Solutions business sales thus declined 2.8%, to ¥4,976 million. Operating profit was ¥85 million, from an operating loss of ¥281 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 5.4%, to ¥666 million. There was an operating loss of ¥45 million, from an operating profit of ¥33 million in the previous corresponding period.

(2) Overview of Financial Position

Assets

Total assets as of the end of the term were ¥301,535 million, up ¥4,231 million from a year earlier. Key factors in this rise were an increase in cash and deposits from collecting trade receivables and borrowing externally and an increase in investment securities owing unrealized gains on holdings.

Liabilities

Total liabilities rose ¥16,068 million, to ¥112,863 million. This was due largely to higher long-term borrowings to fund dividend payments and share repurchases.

Net Assets

Net assets decreased ¥11,837 million, to ¥188,672 million. This was due principally to lower retained earnings from paying dividends and increasing treasury stock.

Cash and Cash Equivalents

Cash and cash equivalents at the end of the term were ¥67,025 million, up ¥7,029 million from a year earlier. Cash flows were as follows.

Cash Flows from Operating Activities

Net cash provided by operating activities was ¥8,318 million, from ¥7,269 million in the previous corresponding period. This was due to ¥2,154 million in profit before income taxes, ¥3,990 million in depreciation, and a ¥5,901 million decrease in trade receivables, which offset ¥3,236 million in income taxes paid.

Cash Flows from Investing Activities

Net cash used in investing activities was ¥2,660 million, compared with ¥6,778 million used such activities a year earlier. Prime factors were ¥2,207 million in proceeds from withdrawal of time deposits, ¥1,770 million in proceeds from sale and redemption of securities, and ¥2,867 million in proceeds from sale and redemption of investment securities, against which there were ¥3,579 million in payments into time deposits and ¥5,581 million in purchase of property, plant and equipment.

Cash Flows from Financing Activities

Net cash provided by financing activities was ¥779 million, from ¥5,720 million used in such activities a year earlier. This was due largely to ¥16,500 million in proceeds from long-term borrowings, a ¥9,501 million in purchase of treasury shares, and ¥6,219 million in cash dividends paid.

(3) Explanation of Consolidated Earnings Forecasts and Other Forward-looking statements

For the fiscal year ending March 31, 2026, management has retained the full-year forecasts announced on May 13, 2025. These forecasts are based on information currently available to the Company and on certain assumptions that management deems reasonable. Actual results may vary due to various factors.

2. Semi-annual Consolidated Financial Statements and Notes

(1) Semi-annual Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	61,348	69,911
Notes and accounts receivable - trade, and contract assets	40,321	34,617
Securities	2,200	1,613
Merchandise and finished goods	30,424	29,320
Work in process	20,146	20,405
Raw materials and supplies	25,786	26,432
Other	7,746	7,524
Allowance for doubtful accounts	△1,413	△1,487
Total current assets	186,560	188,338
Non-current assets		
Property, plant and equipment		
Buildings and structures	53,163	53,995
Accumulated depreciation	△35,085	△35,823
Buildings and structures, net	18,077	18,172
Machinery, equipment and vehicles	31,328	31,683
Accumulated depreciation	△23,701	△24,152
Machinery, equipment and vehicles, net	7,627	7,530
Land	8,879	8,906
Right-of-use assets	4,459	4,445
Accumulated depreciation	△1,472	△1,888
Right-of-use assets, net	2,987	2,557
Construction in progress	1,655	1,669
Other	37,139	39,695
Accumulated depreciation	△26,449	△28,246
Other, net	10,689	11,448
Total property, plant and equipment	49,916	50,285
Intangible assets		
Goodwill	635	580
Other	4,470	4,171
Total intangible assets	5,105	4,752
Investments and other assets		
Investment securities	37,473	39,933
Long-term loans receivable	13	7
Deferred tax assets	3,251	3,188
Retirement benefit asset	12,342	12,430
Other	2,782	2,720
Allowance for doubtful accounts	△141	△121
Total investments and other assets	55,721	58,160
Total non-current assets	110,744	113,197
Total assets	297,304	301,535

(Millions of yen)

As of March 31, 2025 As of September 30, 2025

Liabilities		
Current liabilities		
Notes and accounts payable - trade	15,268	15,857
Short-term borrowings	1,617	1,748
Current portion of long-term borrowings	1,410	26,410
Lease liabilities	961	948
Income taxes payable	4,019	2,263
Contract liabilities	10,874	12,480
Provision for bonuses	2,572	2,505
Provision for bonuses for directors (and other officers)	78	21
Provision for product warranties	3,317	3,306
Provision for loss on orders received	0	—
Other	11,275	9,415
Total current liabilities	51,396	74,957
Non-current liabilities		
Long-term borrowings	35,000	26,500
Lease liabilities	2,410	1,970
Deferred tax liabilities	3,205	4,966
Provision for retirement benefits for directors (and other officers)	86	108
Provision for share awards for directors (and other officers)	151	181
Retirement benefit liability	3,523	3,240
Asset retirement obligations	358	362
Other	662	575
Total non-current liabilities	45,398	37,906
Total liabilities	96,794	112,863
Net assets		
Shareholders' equity		
Share capital	19,556	19,556
Capital surplus	27,767	27,767
Retained earnings	111,776	105,790
Treasury shares	△7,672	△17,723
Total shareholders' equity	151,428	135,391
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	12,326	15,660
Foreign currency translation adjustment	32,295	33,291
Remeasurements of defined benefit plans	4,449	4,317
Total accumulated other comprehensive income	49,071	53,269
Non-controlling interests	10	11
Total net assets	200,509	188,672
Total liabilities and net assets	297,304	301,535

(2) Semi-annual Consolidated Statements of Income and Semi-annual Consolidated Statements of Comprehensive Income
(Semi-annual Consolidated Statements of Income)

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Net sales	85,643	81,425
Cost of sales	54,676	51,798
Gross profit	30,966	29,627
Selling, general and administrative expenses	26,696	25,612
Operating profit	4,270	4,014
Non-operating income		
Interest income	700	655
Dividend income	466	341
Gain on sale of securities	—	9
Gain on investments in investment partnerships	23	41
Other	218	341
Total non-operating income	1,408	1,388
Non-operating expenses		
Interest expenses	156	147
Loss on redemption of investment securities	0	59
Foreign exchange losses	30	117
Other	47	46
Total non-operating expenses	234	371
Ordinary profit	5,445	5,032
Extraordinary income		
Gain on sale of non-current assets	14	20
Gain on sale of investment securities	2	1,848
Total extraordinary income	17	1,868
Extraordinary losses		
Loss on retirement of non-current assets	121	130
Loss on sale of non-current assets	0	2
Impairment losses	51	371
Loss on valuation of investment securities	500	159
Business restructuring expenses	—	4,082
Total extraordinary losses	673	4,746
Profit before income taxes	4,788	2,154
Income taxes - current	2,064	1,544
Income taxes - deferred	422	367
Total income taxes	2,486	1,912
Profit	2,301	241
Profit (loss) attributable to non-controlling interests	△2	0
Profit attributable to owners of parent	2,304	240

(Semi-annual Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Profit	2,301	241
Other comprehensive income		
Valuation difference on available-for-sale securities	△ 823	3,334
Foreign currency translation adjustment	△ 5,427	995
Remeasurements of defined benefit plans, net of tax	△ 62	△ 131
Share of other comprehensive income of entities accounted for using equity method	△ 10	—
Total other comprehensive income	△ 6,323	4,198
Comprehensive income	△ 4,021	4,439
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	△ 4,018	4,438
Comprehensive income attributable to non-controlling interests	△ 2	0

(3) Semi-annual Consolidated Statements of Cash Flows

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	4,788	2,154
Depreciation	3,664	3,990
Impairment losses	51	371
Increase (decrease) in retirement benefit liability	△69	△368
Amortization of goodwill	60	51
Increase (decrease) in allowance for doubtful accounts	△10	124
Business restructuring expenses	—	4,082
Interest and dividend income	△1,166	△997
Interest expenses	156	147
Loss (gain) on valuation of investment securities	500	159
Loss (gain) on sale of non-current assets	△14	△17
Loss on retirement of non-current assets	121	130
Loss (gain) on sale of investment securities	△2	△1,848
Decrease (increase) in trade receivables	564	5,901
Decrease (increase) in inventories	4,169	299
Increase (decrease) in trade payables	△5,964	589
Increase (decrease) in contract liabilities	1,914	1,513
Other, net	1,060	△875
Subtotal	9,823	15,408
Interest and dividends received	1,193	1,137
Interest paid	△175	△166
Payments for business structure improvement expenses	—	△4,824
Income taxes paid	△3,573	△3,236
Net cash provided by (used in) operating activities	7,269	8,318
Cash flows from investing activities		
Payments into time deposits	△1,618	△3,579
Proceeds from withdrawal of time deposits	3,068	2,207
Short-term loan advances	△7	△3
Proceeds from collection of short-term loans receivable	54	19
Proceeds from sale and redemption of securities	2,890	1,770
Purchase of property, plant and equipment	△10,204	△5,581
Proceeds from sale of property, plant and equipment	145	136
Purchase of intangible assets	△863	△395
Purchase of investment securities	△4	△4
Proceeds from sale and redemption of investment securities	2	2,867
Payments for acquisition of businesses	△103	△96
Long-term loan advances	△3	△2
Other, net	△134	1
Net cash provided by (used in) investing activities	△6,778	△2,660

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from financing activities		
Proceeds from long-term borrowings	10,000	16,500
Purchase of treasury shares	△10,589	△9,501
Dividends paid	△5,131	△6,219
Net cash provided by (used in) financing activities	△5,720	779
Effect of exchange rate change on cash and cash equivalents	△1,912	593
Net increase (decrease) in cash and cash equivalents	△7,142	7,029
Cash and cash equivalents at beginning of period	62,498	59,995
Cash and cash equivalents at end of period	55,355	67,025

(4) Notes to Semi-annual Consolidated Financial Statements

(Notes on Segment Information)

I. First six months of the fiscal year ended March 31, 2025 (from April 1, 2024 to September 30, 2024)

Information concerning net sales and profit/loss by reportable segment

(Millions of yen)

	Reportable Segment					Others (Note 1)	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	37,582	39,264	3,050	5,120	85,017	625	85,643	—	85,643
Inter-segment sales or transfer among segment	2	2	1	—	6	6	13	(13)	—
Total	37,584	39,267	3,051	5,120	85,023	632	85,656	(13)	85,643
Segment profit (loss)	5,241	(120)	(554)	(281)	4,285	33	4,318	(48)	4,270

- (Notes) 1. “Others” represents business segments that are not included in other reportable segments and other revenue-generating business activities.
2. Total adjustment of ¥(48) million for segment profit (loss) includes ¥1 million in eliminations of inter-segment transactions and ¥(43) million in corporate expenses. The latter expenses are primarily general and administrative expenses that are not included in reportable segments or other revenue-generating business activities.
3. Segment profit (loss) is adjusted with operating profit in the semi-annual consolidated statements of income.

II. First six months of the fiscal year ending March 31, 2026 (from April 1, 2025 to September 30, 2025)

Information concerning net sales and profit/loss by reportable segment

(Millions of yen)

	Reportable Segment					Others (Note 1)	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	34,433	38,071	3,285	4,975	80,765	659	81,425	—	81,425
Inter-segment sales or transfer among segment	0	6	2	0	9	7	17	(17)	—
Total	34,434	38,077	3,288	4,976	80,755	666	81,442	(17)	81,425
Segment profit (loss)	2,048	1,805	169	85	4,108	(45)	4,063	(48)	4,014

- (Notes) 1. “Others” represents business segments that are not included in other reportable segments and other revenue-generating business activities.
2. Total adjustment of ¥(48) million for segment profit (loss) includes ¥0 million in eliminations of inter-segment transactions and ¥(58) million in corporate expenses. The latter expenses are primarily general and administrative expenses that are not included in reportable segments or other revenue-generating business activities.
3. Segment profit (loss) is adjusted with operating profit in the semi-annual consolidated statements of income.

(Notes on Significant Changes in the Amount of Shareholders' Equity)

The Company repurchased 4,636,200 shares following a resolution of the Board of Directors on August 5, 2025. This and other transactions for acquiring and disposing treasury stock increased treasury stock holdings by ¥10,050 million during the term.

(Notes on Premise of Going Concern)

Not applicable.