

Consolidated Financial Statements for the 3rd Quarter of the Fiscal Year Ending March 31st, 2025 (FY2025/3), Japan GAAP

February 4th, 2025

Company Name



Tokyo Seimitsu Co., Ltd.

Stock Listing: Tokyo

ACCRETECH

Code number: 7729

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Dividend Payment Date (planned): -

Supplementary Document for Financial Results: Yes

Holding of Financial Results Meeting: Yes (for Security Analysts, Investors)

(Millions of yen, rounded down)

1. Consolidated Results for the Accumulated 3rd Quarter of FY2025/3 (April 1st – December 31st, 2024)

(1) Consolidated sales and earnings (% figures represent changes from the previous year)

	Net Sales (Millions of Yen)		Operating Profit (Millions of Yen)		Recurring Profit (Millions of Yen)		Net Profit Attributable to Owners of the Parent (Millions of Yen)	
FY2025/3 3Q	103,137	16.0%	19,075	32.6%	19,791	31.4%	18,125	70.7%
FY2024/3 3Q	88,895	- 13.8%	14,386	- 37.8%	15,058	- 36.4%	10,615	- 30.4%

Note: Comprehensive Income in FY2025/3 3Q 18,361 million yen (53.6%), in FY2024/3 3Q 11,958 million yen (- 28.2%)

	Net Profit per Share (Yen)	Net Profit per Share (diluted) (Yen)
FY2025/3 3Q	448.08	444.19
FY2024/3 3Q	263.33	260.54

(2) Consolidated financial position

	Total Assets (Millions of Yen)	Net Assets (Millions of Yen)	Equity Ratio
FY2025/3 3Q	230,292	168,083	72.2%
FY2024/3	225,524	158,427	69.4%

Note: Equity in FY2025/3 3Q 166,242 million yen, FY2024/3 156,560 million yen

2. Dividends

	Dividend per share				
	Q1 End	Q2 End	Q3 End	Q4 End	Total
	Yen	Yen	Yen	Yen	Yen
FY2024/3	-	89.00	-	103.00	192.00
FY2025/3	-	114.00	-		
FY2025/3 (Projected)				114.00	228.00

Note: Changes due to revision of dividend projection: No

3. Forecast for FY2025/3 (April 1st, 2024 - March 31st, 2025)

(% figures represent changes from the previous year)

	Net Sales (Millions of Yen)		Operating Profit (Millions of Yen)		Recurring Profit (Millions of Yen)		Net Profit attributable to Owners of the Parent (Millions of Yen)		Net Profit per Share (yen)
Full Year	146,000	8.4%	28,500	12.6%	28,500	7.7%	23,300	20.2%	575.95

Note: Changes due to revision of forecast: Yes

* Notes

(1) Significant changes in subsidiaries during the term under review (ones that changes scope of consolidation): No

(2) Accounting procedures specific to the preparation of interim consolidated financial statements: No

(3) Changes in accounting principles, estimates and restatements

1) Changes due to revision of accounting standards, etc.: Yes

2) Changes other than 1): No

3) Changes in accounting estimates: No

4) Restatement: No

(4) Number of shares outstanding (common shares)

1) Number of shares outstanding at the end of period (including treasury stock):	FY2025/3 3Q	42,164,081 shares	FY2024/3	42,104,381 shares
2) Number of treasury stock at the end of period:	FY2025/3 3Q	1,705,241 shares	FY2024/3	1,705,058 shares
3) Average Number of shares outstanding during the period:	FY2025/3 3Q	40,451,168 shares	FY2024/3 3Q	40,313,793 shares

(Note) The Company has adopted a stock benefit trust (BBT) during the 1st half (accumulated 2nd quarter) of FY2025/3. The number of treasury stock at the end of the period and the one to be deducted in calculating the average number of shares outstanding during the period includes the Company's shares (200,000 shares for the accumulated 3rd quarter of FY2025/3) held by Custody Bank of Japan, Ltd., (Trust Account E) as trust assets related to the stock benefit trust (BBT).

*** This Consolidated Financial Statements report is not subject to audit procedures.**

* Cautionary Statements with respect to Forward-looking Statements

All forecasts and other forward-looking statements in this document are based on information currently available to the Company and assumptions that the Company considers reasonable. Various uncertainties could cause actual results to significantly differ from these forecasts. Please refer to supplementary statement.

* Cautionary Statements with respect to the translation of the document

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1. Qualitative Information regarding Business Performance for the Accumulated 3rd Quarter of FY2025/3

(1) Overview of Business Performance

During the nine months (accumulated 3rd quarter) of the Fiscal Year ending March 2025 (FY2025/3), the global economy witnessed the U.S. economy continuing to perform strongly, driven by domestic demand, such as increased consumer spending. However, in China, where the real estate market is in a slump, overall spending remained sluggish despite government support measures, and in Europe, the central bank implemented a further interest rate cut in response to economic stagnation. The Japanese economy also remained generally uncertain, with gradual recovery limited by factors such as rising prices due to the depreciation of the Yen.

Under these circumstances, in the Semiconductor Production Equipment (SPE) segment, while demand related to consumer electronics was slow to recover, demand related to generative AI and demand from China, which promotes the domestic production of various semiconductor devices, remained steady. In the Metrology Equipment segment, while new investments continued to stagnate, the replacement demand underpinned the company's overall business.

Consequently, Consolidated Orders in the 9 months (accumulated 3rd quarter) of the Fiscal Year 2025/3 (April 1st, 2024 - December 31st, 2024) were ¥110,369 million (up 23.1% Year over Year, hereinafter referred to as YoY), sales were ¥103,137 million (up 16.0% YoY), operating profit was ¥19,075 million (up 32.6% YoY), recurring profit was ¥19,791 million (up 31.4% YoY), and net profit attributable to owners of the parent was ¥18,125 million (up 70.7% YoY).

The business results during the term for each segment were as follows:

[SPE Segment]

In the SPE segment, the demand for assembly equipment for semiconductor packages related to generative AI and for testing equipment for memory semiconductors, as well as the demand from China, which promotes the domestic production of various semiconductor devices and electronic components, continued to be firm from the previous period. Although there is a weak demand for equipment for OSAT (outsourced semiconductor assembly and testing) companies and power semiconductors due to the sluggish growth in demand for consumer electronics products and semiconductors for EVs, the aforementioned demand factors provided support, and orders increased YoY.

In terms of sales, the company was able to increase YoY sales by shipping products generally in line with customer delivery requirements.

Consequently, orders for the SPE segment in the same period were ¥81,169 million (up 29.9% YoY), sales were ¥77,362 million (up 19.9% YoY), and operating profit was ¥15,589 million (up 43.1% YoY).

[Metrology Equipment Segment]

In the Metrology Equipment segment, investment in new equipment in industries such as automobiles and machine components, which are the target markets for measuring instruments and auto gauges, stagnated. However, orders increased YoY owing to a wide range of demand for replacements and a certain number of orders from Japanese automakers in the charge/discharge battery testing system business.

In terms of sales, shipments were generally in line with plans and increased YoY.

Consequently, the orders for the Metrology Equipment segment in the same period were ¥29,199 million (up 7.5% YoY), sales were ¥25,774 million (up 5.9% YoY), and operating profit was ¥3,486 million (down 0.2% YoY).

(2) Analysis of Financial Position

[Assets, Liabilities, and Net Assets]

As of December 31st, 2024, total assets amounted to ¥230,292 million, which is an increase of ¥4,767 million from the end of FY2024/3. The major factors underlying this change include an increase in the cash and cash equivalents of ¥16,241 million; a decrease in accounts receivable, such as notes and accounts, contract assets, and electronically recorded monetary claims of ¥10,179 million; an increase in inventories including finished goods, raw materials and supplies, and work in progress of ¥7,707 million; and a decrease in tangible fixed assets of ¥4,478 million.

Total liabilities decreased by ¥4,888 million to ¥62,208 million, respectively. This is primarily due to a decrease in loans payable of ¥4,000 million; an increase in the accounts payable, such as Notes and accounts payable and electronically recorded obligations-operating of ¥834 million; and an increase in the reserves for bonus of ¥447 million.

The net assets increased by ¥9,656 million, totaling ¥168,083 million, and the Equity Ratio reached 72.2%.

(3) Financial Estimates such as Consolidated Business Forecasts for current Fiscal Year

In response to the current business situation, the forecast for FY2025/3 previously announced on November 1st, 2024, has been revised as follows:

The revision mainly revises the forecast for the SPE segment (upward revision).

FY2025/3 Full Year (April 1st, 2024 – March 31st, 2025)

	Net Sales (Millions of Yen)	Operating Profit (Millions of Yen)	Recurring Profit (Millions of Yen)	Net Profit attributable to owners of the parent (Millions of Yen)	Net Profit per Share (Yen)
Previous Forecast (A)	145,000	28,000	28,000	23,000	568.57
Revised Forecast (B)	146,000	28,500	28,500	23,300	575.95
Change (B-A)	1,000	500	500	300	-
Change Ratio (%)	0.7%	1.8%	1.8%	1.3%	-
Results for the FY2024/3	134,680	25,307	26,453	19,378	480.49

Note: The forecasts contain forward-looking statements based on information available to the management at the time of this announcement that it has judged to be rational, including such factors as economic conditions in Japan and other countries or fluctuations in exchange rates, which may affect the Company's performance. These forecasts are subject to a number of risks and uncertainties, including market conditions, competition, and new product releases. Accordingly, actual results may differ materially from those projected in this earnings summary.

2. Consolidated Financial Statements and Notes

(1) Consolidated Balance Sheet

(Millions of Yen)

	FY2024/3 (March 31 st , 2024)	FY2025/3 3Q (December 31 st , 2024)
ASSETS		
Current Assets		
Cash and cash equivalents	36,782	53,023
Notes, accounts receivable and contract assets	35,497	25,857
Electronically recorded monetary claims	7,303	6,763
Merchandise and finished goods	2,254	3,213
Work in progress	38,682	44,928
Raw materials and supplies	26,288	26,790
Others	7,056	4,125
Allowance for doubtful accounts	- 33	- 35
Total current assets	153,831	164,668
Fixed Assets		
Tangible fixed assets		
Building and structures(net)	28,723	27,750
Others(net)	27,273	23,769
Total Tangible Fixed Assets	55,997	51,519
Intangible Fixed Assets		
Goodwill	255	222
Others	3,814	3,518
Total Intangible Fixed Assets	4,069	3,741
Investments and other assets		
Others	11,738	10,475
Allowance for doubtful accounts	- 112	- 112
Total Investments and other assets	11,626	10,363
Total Fixed Assets	71,693	65,624
Total Assets	225,524	230,292

(Millions of Yen)

	FY2024/3 (March 31 st , 2024)	FY2025/3 3Q (December 31 st , 2024)
LIABILITIES		
Current Liabilities		
Notes and accounts payable	8,517	9,018
Electronically recorded obligations-operating	9,328	9,661
Short-term debt	1,300	1,300
Current portion of long-term debt	5,000	5,000
Income taxes payable	2,600	2,879
Contract liabilities	9,981	9,660
Reserves for bonus	2,228	2,676
Reserves for director's bonuses	15	13
Others	7,030	6,118
Total current liabilities	46,002	46,328
Fixed Liabilities		
Long-term debt	18,000	14,000
Allowance for director retirement benefits	44	52
Net defined benefit liabilities	1,171	1,200
Asset retirement obligations	103	104
Provision for loss on litigation	960	-
Others	813	523
Total fixed liabilities	21,094	15,880
Total Liabilities	67,097	62,208
NET ASSETS		
Shareholder's Equity		
Common stock	11,450	11,560
Capital surplus	22,593	23,148
Retained earnings	124,705	134,034
Treasury stock	- 7,983	- 8,430
Total Shareholder's Equity	150,765	160,312
Accumulated other comprehensive income		
Holding gain or loss in investment	989	1,020
Foreign currency translation adjustment	3,674	3,909
Remeasurements of defined benefit plans	1,130	1,000
Total accumulated other comprehensive income	5,794	5,930
Share subscription rights	1,082	955
Non-controlling interests	784	885
Total Net Assets	158,427	168,083
Total Liabilities and Net Assets	225,524	230,292

(2) Consolidated Statements of Income, and Comprehensive Income

(Consolidated Statements of Income)

(Millions of Yen)

	FY2024/3 3Q (April 1 st , 2023 - December 31 st , 2023)	FY2025/3 3Q (April 1 st , 2024 - December 31 st , 2024)
Net Sales	88,895	103,137
Cost of goods sold	52,697	60,471
Gross Profit on Sales	36,197	42,666
Selling, general and administrative expenses	21,811	23,590
Operating Profit	14,386	19,075
Non-operating income		
Interest income	33	33
Dividend income	137	251
Foreign exchange gains	308	131
Gain on investments in investment partnerships	134	66
Compensation income	16	108
Others	233	274
Total Non-operating income	862	866
Non-operating expenses		
Interest expenses	68	99
Loss on disposal of fixed assets	64	1
Loss on transportation accident	39	-
Others	19	48
Total Non-operating expenses	191	150
Recurring Profit	15,058	19,791
Extraordinary gains		
Gain on reversal of subscription rights to shares	6	10
Gain on sales of investment securities	23	179
Gain on sales of tangible fixed assets	-	4,303
Total Extraordinary gains	29	4,493
Extraordinary losses		
Loss on liquidation of subsidiaries	-	40
Extra retirement payments	14	117
Total Extraordinary losses	14	157
Profit before income taxes and minority interests	15,073	24,127
Income tax and other taxes	3,343	6,122
Adjustment on income tax	1,009	- 187
Total Income tax and others	4,353	5,935
Net Profit before minority interests	10,719	18,192
Net Profit attributable to minority interests	104	66
Net Profit attributable to Owners of the Parent	10,615	18,125

(Consolidated Statements of Comprehensive Income)

(Millions of Yen)

	FY2024/3 3Q (April 1 st , 2023 - December 31 st , 2023)	FY2025/3 3Q (April 1 st , 2024 - December 31 st , 2024)
Net Profit before minority interests	10,719	18,192
Accumulated other comprehensive income		
Holding gain or loss in investment	176	30
Foreign currency translation adjustment	1,188	269
Remeasurements of defined benefit plans	- 126	- 129
Total accumulated other comprehensive income	1,238	169
Comprehensive Income	11,958	18,361
(breakdown)		
Comprehensive income attributable to owners of the parent	11,826	18,260
Comprehensive income attributable to non-controlling interests	131	101

(3) Notes to Consolidated Financial Statements

(Note on Assumptions for Going Concern)

Not applicable.

(Significant Changes in Shareholder's Equity)

Not applicable.

(Changes in Accounting Policy)

1. Accounting Standard for Current Income Taxes

The Group has applied "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28th, 2022), "Accounting Standard for Presentation of Comprehensive Income" (ASBJ Statement No. 25, October 28th, 2022), and "Guidance on Accounting Standard for Tax Effect Accounting" (ASBJ Guidance No.28, October 28th, 2022) from the beginning of FY2025/3. There are no impacts from these changes in the Consolidated Financial Statements.

(Additional Information)

Adoption of Performance-linked stock compensation plan

Based on a resolution of the Company's 101st Annual General Meeting of shareholders held on June 21st, 2024, The Company has adopted a performance-linked stock compensation plan called the Board Benefit Trust (BBT) for the Company's Directors (excluding Directors serving as Audit and Supervisory Committee Members and Outside Directors), Executive Officers, as well as some Directors (excluding External Directors) and Executive Officers of the Company's subsidiaries and affiliated companies) to raise awareness of contributing to an improvement in business performance and an increase in corporate value over the medium to long term by further clarifying the link between Director remuneration and the Company's business performance and share value, and enabling Directors to share not only the benefits of rising share prices but also the risks of declining share prices together with shareholders.

1. Outline of the Plan

This plan is a performance-linked stock compensation plan in which shares of the Company are acquired through a trust (hereinafter, the trust established based on the Plan shall be referred to as "the Trust") with the source of funds consisting of money contributed by the Company, and in which the Company's shares and money equivalent to the amount of Company shares converted at market value (hereinafter, "Company Shares, etc.") are granted to eligible officers through the Trust in accordance with the regulations governing share benefits for officers established by the Company.

There are two types of grants under the Plan: "Grant 1" and "Grant 2." As a general rule, the timing for Eligible Officers to receive the Company's shares, etc. is at the time of retirement of such eligible officer for Grant 1 and at a certain time every year, in principle, for Grant 2.

2. Shares of the Company remaining in the Trust

Shares of the Company remaining in the Trust are recorded as treasury stock in the Net assets section at the book value (excluding the amount of related expenses) of the Trust. The book value and number of shares of treasury stock as of December 31st, 2024, are ¥1,381 million and 200,000 shares respectively.

(Segment Information and others)

Accumulated 3rd Quarter of FY2024/3 (April 1st, 2023 – December 31st, 2023)

Net sales, profit and/or losses per each reportable segment

(Millions of yen)

	Reportable Segments		Consolidated Total
	SPE	Metrology Equipment	
Sales			
Sales to third party:	64,549	24,345	88,895
Intersegment sales to transfer	—	—	—
Total	64,549	24,345	88,895
Segment Profit	10,894	3,492	14,386

Note) Total Segment profit of reportable segments equals Operating profit of Consolidated Financial Statement.

Accumulated 3rd Quarter of FY2025/3 (April 1st, 2024 – December 31st, 2024)

Net sales, profit and/or losses per each reportable segment

(Millions of yen)

	Reportable Segments		Consolidated Total
	SPE	Metrology Equipment	
Sales			
Sales to third party:	77,362	25,774	103,137
Intersegment sales to transfer	—	—	—
Total	77,362	25,774	103,137
Segment Profit	15,589	3,486	19,075

Note) Total Segment profit of reportable segments equals Operating profit of Consolidated Financial Statement.

(Notes to the Cash Flow Statement)

A quarterly consolidated cash flow statement has not been prepared for the accumulated 3rd quarter of FY2025/3. Depreciation (including amortization of intangible assets excluding goodwill) and amortization of goodwill during the period are as follows.

	FY2024/3 3Q (April 1 st , 2023 - December 31 st , 2023)	FY2025/3 3Q (April 1 st , 2024 - December 31 st , 2024)
Depreciation and amortization	¥3,359 million	¥3,765 million
Amorization of goodwill	¥34 million	¥36 million

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