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Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (Under Japanese GAAP)



May 12, 2025

Company name: GLTECHNO HOLDINGS, INC.
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 255A
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 Scheduled date of annual general meeting of shareholders: June 24, 2025
 Scheduled date to commence dividend payments: June 25, 2025
 Scheduled date to file annual securities report: June 23, 2025
 Preparation of supplementary material on financial results: Yes
 Schedule of financial results briefing session: Yes (for institutional investors and analysts)

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

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

(1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2025	43,261	—	6,344	—	6,626	—	4,064	—
March 31, 2024	—	—	—	—	—	—	—	—

(Note) Comprehensive income: Fiscal year ended March 31, 2025: ¥5,096 million [—%]
 Fiscal year ended March 31, 2024: ¥— million [—%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2025	348.90	—	10.4	11.6	14.7
March 31, 2024	—	—	—	—	—

(Note) Since the Company was established by way of a joint share transfer on October 1, 2024, there are no results for the previous fiscal year and percentage changes from the previous fiscal year.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2025	58,375	44,406	76.1	3,405.29
March 31, 2024	—	—	—	—

(Reference) Equity

As of March 31, 2025: ¥44,406 million

As of March 31, 2024: ¥—million

(Note) Since the Company was established by way of a joint share transfer on October 1, 2024, there are no results for the previous fiscal year.

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2025	6,400	(3,276)	(2,547)	7,391
March 31, 2024	—	—	—	—

(Note) Since the Company was established by way of a joint share transfer on October 1, 2024, there are no results for the previous fiscal year.

2. Dividends

	Annual dividends					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2024	—	—	—	—	—	—	—	—
March 31, 2025	—	—	—	107.00	107.00	1,395	30.7	3.2
Fiscal year ending March 31, 2026 (Forecast)	—	—	—	111.00	111.00		30.1	

(Note) Since the Company was established by way of a joint share transfer on October 1, 2024, there are no results for the previous fiscal year and up to the 2nd quarter of the fiscal year under review.

3. Consolidated Financial Results Forecasts for the Fiscal Year Ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(% indicates changes from the previous corresponding period.)

	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
First half	21,610	—	3,090	—	3,150	—	2,070	—	158.74
Full year	44,700	3.3	6,680	5.3	6,760	2.0	4,810	18.3	368.84

(Note) Since the Company was established by way of a joint share transfer on October 1, 2024, there are no percentage changes from the previous 2nd quarter of the fiscal year.

*** Notes**

- (1) Significant changes in the scope of consolidation during the period under review: None
- (2) Changes in accounting policies, changes in accounting estimates, and retrospective restatement

- 1) Changes in accounting policies due to the revisions of accounting standards: None
- 2) Changes in accounting policies other than 1) above: None
- 3) Changes in accounting estimates: Yes
- 4) Retrospective restatement: None

(Note) For details, please refer to “3. Consolidated Financial Statements and Principal Notes (5) Notes to Consolidated Financial Statements (Changes in accounting estimates)” on page 14 in the Attachment.

- (3) Number of issued shares (common shares)

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

March 31, 2025	13,681,230 shares
March 31, 2024	– shares

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

March 31, 2025	640,651 shares
March 31, 2024	– shares

- 3) Average number of shares outstanding during the period

Fiscal year ended March 31, 2025	11,650,174 shares
Fiscal year ended March 31, 2024	– shares

(Notes) 1. As the Company was established by way of a joint share transfer on October 1, 2024, the average number of common shares during the period was calculated as follows. For the period from April 1, 2024 to September 30, 2024, prior to the establishment of the Company: calculated by multiplying the average number of shares of GL Sciences Inc. during the period by the share transfer ratio. For the period from October 1, 2024 to March 31, 2025: calculated using the average number of shares of the Company during the period.

2. Since the Company was established on October 1, 2024, the number of shares for the previous corresponding period and the previous fiscal year are not shown.

* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

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

- The financial results forecast and other forward-looking statements contained in this document are based on information currently available to the Company and certain assumptions that are deemed reasonable, and do not constitute a promise that the Company will achieve them. Actual results may differ significantly from these statements due to various factors. Please refer to “1. Overview of Operating Results, etc. (4) Future Outlook” on page 5 of the Attachments for matters concerning the financial results forecast.
- The Company was established as a joint holding company of GL Sciences Inc. and Techno Quartz Inc. by way of a joint share transfer on October 1, 2024. Since Techno Quartz Inc. was a consolidated subsidiary of GL Sciences Inc. before the management integration, the scope of consolidation of the Company is substantially unchanged from that of GL Sciences Inc. prior to the management integration. Therefore, the financial results of the Company are to be calculated based on the previous full-year consolidated financial results of GL Sciences Inc.
- Since the financial results for the fiscal year under review (under Japanese GAAP) (consolidated) are the first to be submitted after the establishment of the Company, no comparison with the previous fiscal year has been made.
- The Company plans to hold an online briefing for institutional investors and analysts on May 28, 2025. The financial results presentation materials to be used at this briefing will be posted on the Company’s website on the same day.

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1. Overview of Operating Results, etc.

The Company was established as a wholly owning parent company of GL Sciences Inc. and Techno Quartz Inc. by way of a joint share transfer on October 1, 2024. Since Techno Quartz Inc. was a consolidated subsidiary of GL Sciences Inc. before the management integration, the scope of consolidation of the Company is substantially unchanged from that of GL Sciences Inc. prior to the management integration.

However, since the fiscal year under review is the first fiscal year after the establishment of the Company, no comparison with the previous fiscal year has been made.

(1) Overview of Operating Results for the Fiscal Year under Review

The Japanese economy in the fiscal year under review (from April 1, 2024 to March 31, 2025) showed signs of recovery due to the improvement in employment and income environment and increase in inbound demand. However, future prospects remain unclear due to lasting impact of soaring prices of crude oil and other energy sources and raw materials caused by the unstable international situation as well as inflation from the continued weakening of the Japanese yen.

Under these economic circumstances, the Group is working to build up production capacity and enhance sales capabilities to achieve our goals based on “strategic investment for sustainable growth” and “growth strategy focused on business competitiveness” as the basic policy set forth in our new Medium-term Management Plan (from the fiscal year ended March 31, 2025 to the fiscal year ending March 31, 2027).

As a result, during the fiscal year under review, net sales were 43,261 million yen. In profit figures, operating profit was 6,344 million yen, ordinary profit was 6,626 million yen, and profit attributable to owners of parent was 4,064 million yen.

Status of individual segments

(Analytical Instruments Business)

The Analytical Instruments Business remained strong amid the future prospects of the economy and international situation remaining unclear.

In Japan, net sales of both instruments and consumables were strong. Sales of instruments were driven by sales of high performance liquid chromatography-related instruments, gas chromatography-related instruments, and instruments for water quality analysis in many fields, including food, environmental, chemical, and pharmaceutical industries. Sales of consumables were also strong in a wide range of products including columns for liquid chromatography as well as solid-phase extraction cartridges and sample preparation containers.

Overseas net sales remained solid mainly for consumables including columns for liquid chromatography amid the impact of the stagnant Chinese economy. As for instruments, sales of gas chromatography peripheral instruments were strong.

As a result, net sales for the fiscal year under review were 19,965 million yen and operating profit was 2,045 million yen.

(Semiconductor Business)

In the semiconductor industry, capital investment remains at a high level against the backdrop of growing demand for products related to generative AI, and there is a continuing trend to construct and expand cutting-edge semiconductor fabs in and outside Japan. However, demand recovery for personal computers and smartphones remains slow, and the overall semiconductor market is expected to recover from the second half of 2025 onward.

In the environment as mentioned above, to uncover new demand toward the future and strengthen competitiveness, this business is striving for further growth by expanding the market through developing and expanding sales of high value-added products, and making preparations for building a

framework for production expansion in Japan and overseas. Backed by an abundant order backlog and high factory utilization rates, net sales and operating profit significantly exceeded the plan at the beginning of the period.

As a result, net sales for the fiscal year under review were 21,313 million yen and operating profit was 4,167 million yen.

(Automated Recognition Business)

In the Automated Recognition Business, net sales remained strong, boosted by bidding projects related to entry/exit security systems.

By product category, net sales of products integrated into instruments were strong due to the introduction of products for vital check devices in addition to home security equipment. Net sales of finished products for attendance management systems for the education sector and office solution systems remained strong, while net sales of other products for automated recognition fell short of the plan due to delays in development related to product function updates.

As a result, net sales for the fiscal year under review were 1,982 million yen and operating profit was 115 million yen.

(2) Overview of Financial Position

(Assets)

Total assets as of March 31, 2025 were 58,375 million yen. The breakdown is as follows. 34,341 million yen in current assets including 7,897 million yen in cash and deposits and 9,706 million yen in accounts receivable-trade, 24,033 million yen in non-current assets, including 18,667 million yen in property, plant and equipment, 636 million yen in intangible assets, and 4,729 million yen in investments and other assets.

(Liabilities)

Total liabilities as of March 31, 2025 were 13,968 million yen. The breakdown is as follows. 9,890 million yen in current liabilities including 2,101 million yen in accounts payable-trade and 2,596 million yen in short-term borrowings, 4,078 million yen in non-current liabilities including 2,536 million yen in long-term borrowings and 689 million yen in deferred tax liabilities.

(Net assets)

Total net assets as of March 31, 2025 were 44,406 million yen. The breakdown is as follows. 41,818 million yen in shareholders' equity including 300 million yen in share capital, 10,371 million yen in capital surplus, and 31,221 million yen in retained earnings.

(3) Overview of Cash Flows for the Fiscal Year under Review

The balance of cash and cash equivalents as of March 31, 2025 was 7,391 million yen.

The status of cash flows for the fiscal year under review and the major factors for increase/decrease are as follows.

(Cash Flows from Operating Activities)

Net cash provided by operating activities in the fiscal year under review was 6,400 million yen.

This was mainly due to profit before income taxes of 6,500 million yen, income taxes paid of 1,937 million yen, and depreciation of 1,796 million yen.

(Cash Flows from Investing Activities)

Net cash used in investing activities in the fiscal year under review was 3,276 million yen.

This was mainly due to purchase of property, plant and equipment of 2,985 million yen.

(Cash Flows from Financing Activities)

Net cash used in financing activities in the fiscal year under review was 2,547 million yen.

This was mainly due to repayment of long-term borrowings of 955 million yen, dividends paid of 715 million yen, and net decrease in short-term borrowings of 619 million yen.

(Reference) Trends in cash flow indicators

	Fiscal year ended March 31, 2025
Equity ratio (%)	76.1
Equity ratio based on market value (%)	64.9
Ratio of interest-bearing debt to cash flow (years)	0.8
Interest coverage ratio (times)	126.5

Equity ratio: equity divided by total assets

Equity ratio based on market value: market capitalization divided by total assets

Ratio of interest-bearing debt to cash flow: interest-bearing debt divided by operating cash flow

Interest coverage ratio: cash flow divided by interest payments

(Note 1) All indicators are calculated based on consolidated financial figures.

(Note 2) Market capitalization is calculated by multiplying the closing stock price at the end of the fiscal year by the number of shares outstanding (excluding treasury shares) at the end of the fiscal year.

(Note 3) Cash flow refers to operating cash flow.

Operating cash flow is the net cash provided by operating activities in the consolidated statement of cash flows. Interest-bearing debt includes all liabilities on the consolidated balance sheet for which interest is paid. For interest payments, the amount of interest paid in the consolidated statement of cash flows is used.

(4) Future Outlook

In terms of future economic outlook, it is expected that economic activity will continue its trend toward normality due mainly to a boost in personal consumption from wage increases and a recovery in inbound consumption. However, the outlook is likely to remain uncertain due to the prolonged situation in Ukraine, geopolitical risks in the Middle East, and concerns about a slowdown in exports and deteriorating business sentiment due to tightening tariffs in the United States.

(Analytical Instruments Business)

In the Analytical Instruments Business, we will increase sales and profits by focusing on chromatography-related products, which are the mainstay of this business. For columns for liquid chromatography, we will continue to promote new product development and quality improvement. We will also target expansion into new fields aimed at sustainable growth through business alliances and new business research activities.

In sales activities in Japan, we will provide “total solutions” including the products of other companies by utilizing the functions of a trading company while leveraging the technical capabilities and brands of our own products. We aim to increase sales faster than the overall market growth rate by expanding the range of the equipment of other companies that field engineers can handle and by more actively utilizing e-commerce websites.

In overseas sales activities, we will continue to focus on sales of columns for liquid chromatography while also concentrating on other product lines. Continuing from the previous fiscal year, we will expand the range of products available in overseas markets to broaden the scope of our proposals and conduct more accurate promotional activities while responding to market trends such as PFAS analysis.

The outlook for this business segment in the next fiscal year is net sales of 20,500 million yen (up 2.7% from the previous fiscal year) and operating profit of 2,050 million yen (up 0.2% from the previous fiscal year).

(Semiconductor Business)

In the semiconductor industry, demand recovery for personal computers and smartphones remains slow, and the market as a whole has yet to recover. However, capital investment remains at a high level against the backdrop of growing demand for products related to generative AI, and the trend of growing demand for semiconductors is expected to continue over the medium to long term. The order environment for this business has been showing positive results in terms of prior capital investment by various manufacturers in anticipation of market recovery. Since the semiconductor market is expected to steadily expand backed by firm underlying demand, the outlook for order growth in this business over the medium to long term has not been changed.

Against this backdrop, in this business segment we will strive to cultivate deeper relationships with existing customers and uncover demand from new customers. In addition, in preparation for the future recovery of the semiconductor market, we will gradually make capital investments to establish a system to increase production both in Japan and overseas, including increased investment in automation.

The outlook for this business segment in the next fiscal year is net sales of 22,000 million yen (up 3.2% from the previous fiscal year) and operating profit of 4,470 million yen (up 7.3% from the previous fiscal year).

(Automated Recognition Business)

In the Automated Recognition Business, as part of new initiatives to support smartphones, we will take on the challenge of developing new markets by jointly exhibiting with Advanced Card Systems Ltd., focusing on Apple & Google Wallet-compatible RFID readers at the “Information Security Expo” in Japan IT Week 2025 at Tokyo Big Sight. In finished products, we will accelerate integration with IC and biometric authentication, and in solutions, we will aim to expand sales centering on integrated management systems for chemical substances, thereby increasing net sales and securing profits.

The outlook for this business segment in the next fiscal year is net sales of 2,200 million yen (up 11.0% from the previous fiscal year) and operating profit of 140 million yen (up 21.6% from the previous fiscal year).

2. Basic Policy on Selection of Accounting Standards

For the time being, the Group’s policy is to prepare its consolidated financial statements in accordance with Japanese GAAP, taking into consideration the comparability of the consolidated financial statements from period to period and comparability with other companies.

Our policy is to apply IFRS as appropriate in consideration of conditions in Japan and overseas.

3. Consolidated Financial Statements and Principal Notes

(1) Consolidated Balance Sheet

(Thousands of yen)

As of March 31, 2025	
Assets	
Current assets	
Cash and deposits	7,897,107
Notes receivable – trade	290,245
Electronically recorded monetary claims - operating	3,078,024
Accounts receivable - trade	9,706,644
Merchandise and finished goods	2,738,824
Work in process	4,111,486
Raw materials and supplies	5,696,573
Other	825,841
Allowance for doubtful accounts	(3,328)
Total current assets	34,341,419
Non-current assets	
Property, plant and equipment	
Buildings and structures	14,045,973
Accumulated depreciation	(6,724,130)
Buildings and structures, net	7,321,842
Machinery, equipment and vehicles	12,039,404
Accumulated depreciation	(8,411,551)
Machinery, equipment and vehicles, net	3,627,852
Land	5,137,685
Construction in progress	1,988,964
Other	3,472,641
Accumulated depreciation	(2,881,203)
Other, net	591,438
Total property, plant and equipment	18,667,783
Intangible assets	636,679
Investments and other assets	
Investment securities	3,603,807
Retirement benefit asset	517,102
Other	608,768
Allowance for doubtful accounts	(376)
Total investments and other assets	4,729,302
Total non-current assets	24,033,764
Total assets	58,375,184

(Thousands of yen)

As of March 31, 2025

Liabilities	
Current liabilities	
Notes payable - trade	372,330
Electronically recorded obligations - operating	1,082,260
Accounts payable - trade	2,101,796
Short-term borrowings	2,596,945
Income taxes payable	954,763
Provision for bonuses	848,924
Other	1,933,087
Total current liabilities	9,890,108
Non-current liabilities	
Long-term borrowings	2,536,028
Deferred tax liabilities for land revaluation	99,876
Provision for retirement benefits for directors (and other officers)	1,925
Retirement benefit liability	363,072
Deferred tax liabilities	689,572
Other	387,653
Total non-current liabilities	4,078,127
Total liabilities	13,968,236
Net assets	
Shareholders' equity	
Share capital	300,000
Capital surplus	10,371,833
Retained earnings	31,221,949
Treasury shares	(75,754)
Total shareholders' equity	41,818,027
Accumulated other comprehensive income	
Valuation difference on available-for-sale securities	1,302,869
Revaluation reserve for land	(315,086)
Foreign currency translation adjustment	1,570,649
Remeasurements of defined benefit plans	30,487
Total accumulated other comprehensive income	2,588,920
Total net assets	44,406,948
Total liabilities and net assets	58,375,184

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statement of Income

(Thousands of yen)

	Fiscal year ended March 31, 2025
Net sales	43,261,049
Cost of sales	28,130,344
Gross profit	15,130,704
Selling, general and administrative expenses	
Salaries and allowances	2,297,718
Provision for bonuses	369,836
Provision of allowance for doubtful accounts	(3,898)
Retirement benefit expenses	64,329
Provision for retirement benefits for directors (and other officers)	25,849
Experimentation and research expenses	1,101,213
Other	4,931,176
Total selling, general and administrative expenses	8,786,226
Operating profit	6,344,478
Non-operating income	
Interest income	5,073
Dividend income	88,044
Foreign exchange gains	387
Subsidy income	164,956
Rental income from real estate	100,197
Other	66,525
Total non-operating income	425,185
Non-operating expenses	
Interest expenses	50,988
Rental costs on real estate	66,963
Other	25,412
Total non-operating expenses	143,363
Ordinary profit	6,626,300
Extraordinary income	
Gain on sale of investment securities	5,253
Total extraordinary income	5,253
Extraordinary losses	
Loss on retirement of non-current assets	15,048
Loss on sale of investment securities	2,666
Loss on termination of retirement benefit plan	113,482
Other	5
Total extraordinary losses	131,203
Profit before income taxes	6,500,350
Income taxes - current	1,864,467
Income taxes - deferred	82,265
Total income taxes	1,946,733
Profit	4,553,616
Profit attributable to non-controlling interests	488,874
Profit attributable to owners of parent	4,064,741

Consolidated Statement of Comprehensive Income

(Thousands of yen)

	Fiscal year ended March 31, 2025
Profit	4,553,616
Other comprehensive income	
Valuation difference on available-for-sale securities	(60,944)
Deferred gains or losses on hedges	(6,709)
Revaluation reserve for land	(2,851)
Foreign currency translation adjustment	638,694
Remeasurements of defined benefit plans, net of tax	(24,980)
Total other comprehensive income	543,208
Comprehensive income	5,096,824
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	4,363,192
Comprehensive income attributable to non-controlling interests	733,632

(3) Consolidated Statement of Changes in Equity

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

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,207,795	1,815,038	28,839,443	(509,720)	31,352,556
Changes during period					
Changes by share transfer	(907,795)	9,168,382	(522,696)		7,737,890
Dividends of surplus			(718,181)		(718,181)
Profit attributable to owners of parent			4,064,741		4,064,741
Purchase of treasury shares				(618,979)	(618,979)
Cancellation of treasury shares		(611,587)	(441,357)	1,052,945	—
Net changes in items other than shareholders' equity					
Total changes during period	(907,795)	8,556,794	2,382,505	433,965	10,465,471
Balance at end of period	300,000	10,371,833	31,221,949	(75,754)	41,818,027

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	1,361,945	6,709	(312,234)	1,178,581	55,468	2,290,469	6,566,026	40,209,053
Changes during period								
Changes by share transfer							(6,638,063)	1,099,827
Dividends of surplus							(172,198)	(890,380)
Profit attributable to owners of parent								4,064,741
Purchase of treasury shares							(522)	(619,502)
Cancellation of treasury shares								—
Net changes in items other than shareholders' equity	(59,076)	(6,709)	(2,851)	392,068	(24,980)	298,450	244,757	543,208
Total changes during period	(59,076)	(6,709)	(2,851)	392,068	(24,980)	298,450	(6,566,026)	4,197,894
Balance at end of period	1,302,869	—	(315,086)	1,570,649	30,487	2,588,920	—	44,406,948

(4) Consolidated Statement of Cash Flows

(Thousands of yen)

	Fiscal year ended March 31, 2025
Cash flows from operating activities	
Profit before income taxes	6,500,350
Depreciation	1,796,861
Amortization of goodwill	30,241
Increase (decrease) in provision for bonuses	12,655
Increase (decrease) in allowance for doubtful accounts	(6,275)
Increase (decrease) in provision for retirement benefits	103,269
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(126,745)
Interest and dividend income	(93,117)
Interest expenses	50,988
Loss (gain) on sale of investment securities	(2,586)
Loss on retirement of non-current assets	15,048
Decrease (increase) in trade receivables	(230,283)
Decrease (increase) in inventories	100,728
Increase (decrease) in trade payables	(316,489)
Other, net	475,144
Subtotal	8,309,790
Interest and dividends received	57,246
Interest paid	(50,584)
Income taxes paid	(1,937,919)
Income taxes refund	21,506
Net cash provided by (used in) operating activities	6,400,039
Cash flows from investing activities	
Payments into time deposits	(616,741)
Proceeds from withdrawal of time deposits	695,236
Purchase of property, plant and equipment	(2,985,124)
Proceeds from sale of property, plant and equipment	764
Purchase of intangible assets	(121,384)
Purchase of investment securities	(318,724)
Proceeds from sale of investment securities	36,357
Loan advances	(2,240)
Proceeds from collection of loans receivable	7,551
Other, net	27,787
Net cash provided by (used in) investing activities	(3,276,519)

(Thousands of yen)

	Fiscal year ended March 31, 2025
Cash flows from financing activities	
Increase (decrease) in short-term borrowings	(619,536)
Repayments of long-term borrowings	(955,397)
Purchase of treasury shares	(2,560)
Repayments of lease liabilities	(81,297)
Dividends paid	(715,153)
Dividends paid to non-controlling interests	(173,666)
Net cash provided by (used in) financing activities	(2,574,611)
Effect of exchange rate change on cash and cash equivalents	(51,452)
Net increase (decrease) in cash and cash equivalents	524,455
Cash and cash equivalents at beginning of period	6,866,907
Cash and cash equivalents at end of period	7,391,363

(5) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Changes in accounting estimates)

(Changes in estimates for writing down the book value of inventories based on a decline in profitability]

In the Group, the amount of inventories on the consolidated balance sheet that are stored beyond a certain period of time has been calculated by writing down the book value.

However, as the period of storing inventories in the semiconductor industry has changed, that in the Company's Semiconductor Business has also changed. In addition, sufficient data has been accumulated to value inventories stored beyond a certain period of time. Therefore, the Company has changed the method of valuating the amount of write-down of book value in the Semiconductor Business from the beginning of the fiscal year under review.

As a result, compared with the previous method, cost of sales for the fiscal year under review decreased by 110 million yen and operating profit, ordinary profit, and profit before income taxes increased by the same amount.

(Business combinations)

1. Transaction under common control, etc.

(1) Outline of the transactions

1) Name of the parties to the business combination and description of their business

Wholly-owned subsidiaries in the share transfer

GL Sciences Inc. (manufacture and sale of analytical instruments-related products, and purchase and sale of similar products)

Techno Quartz Inc. (manufacture, purchase, and sale of quartz products for semiconductor manufacturing equipment, etc.)

2) Date of business combination

October 1, 2024

3) Legal form of the business combination

Establishment of a holding company by way of a joint share transfer

4) Name of the entity after the business combination

GLTECHNO HOLDINGS, INC.

5) Overview of other transactions

GL Sciences Inc. and Techno Quartz Inc., which have been operating under a common basic philosophy, will establish a stronger, more integrated management foundation as a group and merge their respective strengths more effectively than before to achieve sustainable growth as a group, increase corporate value, and make further contributions to all stakeholders.

(2) Outline of accounting treatment implemented

The transaction is treated as a transaction with a non-controlling interests under a transaction under common control, in accordance with the "Accounting Standard for Business Combinations," and "Implementation Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures."

(3) Matters related to additional acquisition of shares of subsidiaries

Acquisition cost and breakdown by consideration

Market value of the Company's common shares delivered on the date of business combination

7,387,754 thousand yen

Acquisition cost

7,387,754 thousand yen

(4) Transfer ratio by type of shares, its calculation method, and number of shares delivered

1) Transfer ratio by type of shares

One share of the Company's common stock was delivered for one share of common stock of GL Sciences, Inc. and 2.1 shares of the Company's common stock were delivered for one share of common stock of Techno Quartz Inc., respectively.

2) Calculation method of share transfer ratio

GL Sciences Inc. and Techno Quartz Inc. each requested a third-party calculation agency to calculate the share transfer ratio, and based on the reports submitted, carefully considered it with reference to advice from their legal advisors, and reached an agreement after negotiations and discussions between two parties.

3) Number of shares delivered

18,379,430 shares

(Segment information, etc.)

(Segment information)

1. Overview of reportable segments

The Company's reportable segments are units of the Group for which separate financial information is available and are subject to periodic review by the Board of Directors for the purpose of determining the allocation of management resources and evaluating performance.

The Group formulates comprehensive strategies and develops business activities in Japan and overseas by business unit.

Therefore, the Company has three reportable segments: Analytical Instruments Business, Semiconductor Business, and Automated Recognition Business.

The Analytical Instruments Business manufactures and sells gas chromatography and liquid chromatography products, etc.

The Semiconductor Business manufactures and sells quartz jigs for semiconductors and quartz cell products for optical polishing and spectrophotometers, etc.

The Automated Recognition Business manufactures and sells non-contact IC cards and their peripheral products.

2. Calculation method of net sales, profit or loss, assets, liabilities and other items by reportable segment

Accounting methods for reported business segments are generally the same as those described in the "Significant Bases for Presenting Consolidated Financial Statements."

Intersegment revenues and transfers are based on prevailing market prices.

3. Information on net sales, profit or loss, assets, liabilities and other items by reportable segment
Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Thousands of yen)

	Reportable segment				Others (Note 1)	Adjustment (Note 2)	Amount recorded in consolidated financial statements (Note 3)
	Analytical Instruments Business	Semi- conductor Business	Automated Recognition Business	Total			
Net sales							
Net sales to external customers	19,965,532	21,313,194	1,982,322	43,261,049	–	–	43,261,049
Inter-segment net sales or transfers	–	26,822	43,159	69,982	227,946	(297,928)	–
Total	19,965,532	21,340,016	2,025,482	43,331,031	227,946	(297,928)	43,261,049
Segment profit (loss)	2,045,726	4,167,348	115,153	6,328,227	17,164	(913)	6,344,478
Segment assets	28,221,322	27,477,964	1,634,783	57,334,070	39,405,597	(38,364,483)	58,375,184
Segment liabilities	7,625,098	5,366,369	745,898	13,737,366	1,907,599	(1,676,729)	13,968,236
Other items							
Depreciation	595,486	1,189,952	10,857	1,796,297	1,407	(842)	1,796,861
Increase in property, plant and equipment and intangible assets	1,255,841	1,771,040	14,852	3,041,734	15,424	(1,508)	3,055,649

(Notes) 1. The “Others” is a business segment that is not included in the reportable segment and includes Group operation business, contracted administrative services, and other businesses.

2. Adjustment represents the elimination of intersegment transactions.

3. Segment profit (loss) was adjusted with operating profit reported on the consolidated statement of income.

(Per share information)

Net assets per share and the basis for calculation of net assets per share, and basic earnings per share and the basis for calculation of basic earnings per share are as follows.

Item	As of March 31, 2025
(1) Net assets per share (yen)	3,405.29
(Basis for calculation)	
Total net assets (thousands of yen)	44,406,948
Net assets related to common stock (thousands of yen)	44,406,948
Main breakdown of difference (thousands of yen)	
Non-controlling interests	—
Number of shares of common stock issued (shares)	13,681,230
Number of treasury shares of common stock (shares)	640,651
Number of common shares used in the calculation of net assets per share (shares)	13,040,579

Item	Fiscal year ended March 31, 2025
(2) Basic earnings per share (yen)	348.90
(Basis for calculation)	
Profit attributable to owners of parent (thousands of yen)	4,064,741
Profit attributable to owners of parent related to common stock (thousands of yen)	4,064,741
Amount not attributable to common shareholders (thousands of yen)	—
Average number of shares of common stock during the period (shares)	11,650,174

(Significant subsequent events)

Establishment of an overseas subsidiary

1. Purpose of establishment

In the Company's Semiconductor Business, the policy of "building up production capacity and maximizing efficiency," "improving sustainable profitability," and "developing new customers and markets" is upheld as a growth strategy focused on business competitiveness.

The Company will establish a new company in the Socialist Republic of Vietnam to enhance production capacity in response to increasing global demand for semiconductors, as well as to develop new customers and markets by strengthening access to the global market, and improve customer satisfaction by flexibly and swiftly responding to market needs, in an effort to improve corporate value.

2. Overview of the overseas subsidiary(the Company's sub-subsidiary)

(1) Name	TECHNO QUARTZ VIETNAM CO.,LTD.(tentative name)
(2) Location	Ha Nam, the Socialist Republic of Vietnam
(3) Title and name of representative	President, Seiji Tokairin
(4) Business	Manufacture, purchase, and sale of quartz products for semiconductor manufacturing equipment, etc.
(5) Capital	\$3.5million
(6) Date of establishment	June ,2025 scheduled
(7) Major shareholder and Investment ratio	the Company's consolidated subsidiary(Techno Quartz Inc.)(100%)