Consolidated Financial Results for the First Quarter Ended September 30, 2024 (Japanese GAAP)

October 31, 2024

Company name:	Lasertec Corporation
Stock exchange listing:	Tokyo Stock Exchange
Code number:	6920
URL:	https://www.lasertec.co.jp/
Representative:	Tetsuya Sendoda Representative Director, President & Chief Executive Officer
Contact for inquiries:	Hisashi Yokokawa Executive Officer Phone: +81-45-478-7111
Dividend payable date:	--
Preparation of supplementary material for financial results:	Yes
Financial results briefing:	Yes (for institutional investors and analysts)

(Figures less than a million yen are rounded down.)

1. Consolidated financial results for the three-month period ended September 30, 2024

(1) Consolidated operating results

(The percentage figures indicate changes from the same period of the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
Three months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
September 30, 2024	36,737	(22.3)	15,922	54.9	12,728	16.5	8,930	16.0
September 30, 2023	47,305	83.9	10,279	20.8	10,929	18.3	7,702	14.4

(Note) Comprehensive income: Three months ended September 30, 2024: 6,795 million yen [-12.2%]
Three months ended September 30, 2023: 7,744 million yen [13.4%]

	Net income per share	Net income per share, fully diluted
Three months ended	Yen	Yen
September 30, 2024	99.03	98.94
September 30, 2023	85.40	85.33

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
September 30, 2024	261,263	143,952	55.1	1,595.90
June 30, 2024	271,288	151,315	55.8	1,677.55

(Reference) Equity: September 30, 2024: 143,930 million yen June 30, 2024: 151,294 million yen

2. Dividends

	Dividend per share				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended June 30, 2024	--	73.00	--	157.00	230.00
Fiscal year ending June 30, 2025	--				
Fiscal year ending June 30, 2025 (Forecast)		115.00	--	173.00	288.00

(Note) Revision to forecast of dividends since the last announcement: No

3. Forecast of consolidated financial results for the year ending June 30, 2025

(The percentage figures indicate changes from the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Annual	240,000	12.4	104,000	27.8	104,000	26.8	74,000	25.3	820.52

(Note) Revision to forecast of financial results since the last announcement: No

※ Notes

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

Number of subsidiaries added to consolidation: None (Company names: --),
Number of subsidiaries excluded from consolidation: None (Company names: --)

(2) Application of special accounting procedures to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policy, changes or restatement of accounting estimates
① Changes in accounting policy due to revision of accounting standards: None
② Changes in accounting policy other than ①: None
③ Changes in accounting estimates: None
④ Restatement due to revision: None

(4) Number of issued shares (common stock):

(Shares)

① Number of issued shares at the end of the period (including treasury shares)	September 30, 2024	94,286,400	June 30, 2024	94,286,400
② Number of treasury shares at the end of the period	September 30, 2024	4,098,919	June 30, 2024	4,098,919
③ Average number of shares during the period ended	September 30, 2024	90,187,481	September 30, 2023	90,183,802

※ **Audits perfomed by certified public accountants for the quarterly condolidated financial statements attached to this report: None**

※ **Statement about proper use of forecast of financial results and other special notes**

(Cautions about forward-looking statements)
The forecast of financial results provided in this report is based on the information currently available to the company and based on certain assumptions it has judged as reasonable. Actual results may differ materially from the forecast due to various factors.

(Availability of presentation materials of financial results)
Lasertec will make a presentation of financial results to institutional investors and analysts on October 31, 2024. The presentation materials provided for this meeting will be available on our website.

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1. Overview of Operating Results and Others

(1) Overview of operating results for the quarter

During the first three months of this fiscal year, uncertainty in the economic outlook continued to prevail due to concerns over an economic slowdown amid geopolitical risks and monetary tightening.

In the semiconductor industry, our primary market, device makers partially revised their plans for investment in the expansion of their production capacity for leading-edge semiconductors. While investment in high bandwidth memory (HBM) for generative AI remained strong, investment in power semiconductors showed signs of slowing down against the backdrop of the slowdown of the electric vehicle (EV) market and others.

Under these circumstances, our consolidated net sales for the three-month period ended September 30, 2024, totaled 36,737 million yen (down 22.3% year-on-year). By product segment, semiconductor-related products accounted for 25,681 million yen (down 38.5% year-on-year). Sales of other products accounted for 1,095 million yen (up 606.6% year-on-year) and services for 9,960 million yen (up 85.6% year-on-year).

As for consolidated incomes during this period, we recorded an operating income of 15,922 million yen (up 54.9% year-on-year), an ordinary income of 12,728 million yen (up 16.5% year-on-year), and 8,930 million yen in net income attributable to owners of parent (up 16.0% year-on-year).

(2) Overview of financial position for the quarter

① Financial position

Total assets at the end of the period amounted to 261,263 million yen, down 10,024 million yen from the end of the previous fiscal year. This was mainly due to the 8,858 million-yen decrease in notes and accounts receivable-trade, and contract assets, the 7,496 million-yen decrease in cash and deposits, and the 2,655 million-yen decrease in other current assets despite the 9,169 million-yen increase in work in process.

Liabilities at the end of the period amounted to 117,311 million yen, down 2,660 million yen from the end of the previous fiscal year. This was mainly due to the 10,653 million-yen decrease in income taxes payable, the 2,064 million-yen decrease in deferred revenue, and the 1,737 million-yen decrease in other current liabilities, despite the 10,000 million-yen increase in short-term borrowings and the 1,668 million-yen increase in provision for bonuses.

Total net assets, which consist of shareholders' equity, accumulated other comprehensive income, and subscription rights to shares, amounted to 143,952 million yen. The capital-to-asset ratio was 55.1%.

② Cash flows

Cash and cash equivalents at the end of the period amounted to 30,655 million yen, down 7,496 million yen from the end of the previous fiscal year. Following is the status of cash flows and their contributing factors during the three-month period.

Net cash used in operating activities amounted to 1,205 million yen (whereas 14,549 million yen was provided in the first quarter of the previous fiscal year). This was mainly due to the fact that the sum of cash payments, such as the 14,816 million yen spent for income taxes paid and the 10,703 million-yen increase in inventories, exceeded the sum of cash receipts, such as the 12,728 million yen in income before income taxes, the 7,811 million-yen decrease in notes and accounts receivable-trade, and the 3,372 million-yen increase in advances received.

Net cash used in investing activities amounted to 306 million yen (down 75.8% year-on-year). This is mainly due to the 283 million yen used in the purchase of property, plant and equipment and the 22 million yen used in the purchase of intangible assets.

Net cash used in financing activities amounted to 4,165 million yen (up 169.4% year-on-year). This is mainly due to the 14,159 million yen used for cash dividends and the 10,000 million yen increase in short-term borrowings.

There was also a 1,819 million-yen decrease in cash and cash equivalents due to the effect of exchange rate change on cash and cash equivalents.

(3) Information concerning forecast of consolidated financial results

We have not revised our forecast for the fiscal year ending June 2025 announced on August 7, 2024.

2. Consolidated Financial Statements and Notes

(1) Consolidated balance sheet

(In millions of yen)

	Previous (As at June 30, 2024)	Current (As at September 30, 2024)
Assets		
Current assets		
Cash and deposits	38,152	30,655
Notes and accounts receivable-trade, and contract assets	22,905	14,047
Work in process	126,087	135,257
Raw materials and supplies	36,314	36,289
Other	8,573	5,918
Allowance for doubtful accounts	(53)	(73)
Total current assets	231,978	222,095
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	10,862	10,722
Machinery, equipment and vehicles, net	2,233	2,114
Tools, furniture and fixtures, net	1,078	1,124
Leased assets, net	71	90
Land	13,146	13,146
Construction in progress	776	702
Total property, plant and equipment	28,168	27,899
Intangible assets	4,245	3,801
Investments and other assets		
Investment securities	1,320	965
Retirement benefit assets	72	29
Deferred tax assets	5,209	6,161
Other	292	309
Total investments and other assets	6,895	7,466
Total noncurrent assets	39,309	39,168
Total assets	271,288	261,263

(In millions of yen)

	Previous (As at June 30, 2024)	Current (As at September 30, 2024)
Liabilities		
Current liabilities		
Accounts payable-trade	11,514	11,500
Short-term borrowings	--	10,000
Income taxes payable	15,903	5,250
Advances received	74,426	75,614
Deferred revenue	9,011	6,946
Provision for bonuses	177	1,845
Provision for directors' bonuses	1,060	221
Other	6,191	4,453
Total current liabilities	118,284	115,832
Noncurrent liabilities		
Retirement benefit liability	492	503
Provision for share awards	874	634
Asset retirement obligations	248	253
Other	72	86
Total noncurrent liabilities	1,688	1,479
Total liabilities	119,972	117,311
Net assets		
Shareholders' equity		
Capital stock	931	931
Capital surplus	1,290	1,290
Retained earnings	146,500	141,271
Treasury shares	(976)	(976)
Total shareholders' equity	147,744	142,516
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	828	581
Foreign currency translation adjustment	2,748	859
Remeasurements of defined benefit plans	(27)	(27)
Total accumulated other comprehensive income	3,549	1,414
Subscription rights to shares	21	21
Total net assets	151,315	143,952
Total liabilities and net assets	271,288	261,263

(2) Consolidated statement of income and consolidated statement of comprehensive income

(Consolidated statement of income)

(First three months of the fiscal year)

(In millions of yen)

	Previous (July 1, 2023 thru September 30, 2023)	Current (July 1, 2024 thru September 30, 2024)
Net sales	47,305	36,737
Cost of sales	30,217	15,643
Gross profit	17,087	21,094
Selling, general and administrative expenses	6,807	5,171
Operating income	10,279	15,922
Non-operating income		
Interest income	10	12
Foreign exchange gains	642	--
Other	2	115
Total non-operating income	655	128
Non-operating expenses		
Interest expenses	4	5
Foreign exchange losses	--	3,313
Other	0	3
Total non-operating expenses	5	3,322
Ordinary income	10,929	12,728
Income before income taxes	10,929	12,728
Income taxes-current	2,272	4,671
Income taxes-deferred	955	(873)
Total income taxes	3,227	3,797
Net income	7,702	8,930
Net income attributable to owners of parent	7,702	8,930

(Consolidated statement of comprehensive income)

(First three months of the fiscal year)

(In millions of yen)

	Previous (July 1, 2023 thru September 30, 2023)	Current (July 1, 2024 thru September 30, 2024)
Net income	7,702	8,930
Other comprehensive income		
Valuation difference on available-for-sale securities	(139)	(246)
Foreign currency translation adjustment	182	(1,888)
Remeasurements of defined benefit plans, net of tax	0	0
Total other comprehensive income	42	(2,134)
Comprehensive income	7,744	6,795
Comprehensive income attributable to owners of parent	7,744	6,795
Comprehensive income attributable to non-controlling interests	--	--

(3) Consolidated statement of cash flows

(In millions of yen)

	Previous (July 1, 2023 thru September 30, 2023)	Current (July 1, 2024 thru September 30, 2024)
Cash flows from operating activities		
Income before income taxes	10,929	12,728
Depreciation and amortization	1,078	965
Increase (decrease) in allowance for doubtful accounts	(25)	20
Increase (decrease) in provision for bonuses	1,266	1,684
Increase (decrease) in provision for directors' bonuses	(732)	(838)
Increase (decrease) in retirement benefit liability	(4)	11
Increase (decrease) in provision for share awards	87	(208)
Interest and dividend income	(10)	(12)
Interest expenses	4	5
Foreign exchange losses (gains)	(167)	2,342
Decrease (increase) on notes and accounts receivable-trade	9,525	7,811
Decrease (increase) in inventories	1,978	(10,703)
Increase (decrease) in accounts payable-trade	440	168
Increase (decrease) in advances received	3,315	3,372
Other, net	1,370	(3,744)
Sub-total	29,055	13,603
Interest and dividend income received	10	12
Interest paid	(4)	(5)
Income taxes paid	(14,512)	(14,816)
Net cash provided by (used in) operating activities	14,549	(1,205)
Cash flows from investing activities		
Purchase of property, plant and equipment	(821)	(283)
Purchase of intangible assets	(439)	(22)
Payments for guarantee deposits	(4)	(0)
Net cash provided by (used in) investing activities	(1,264)	(306)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	10,000	10,000
Cash dividends paid	(11,543)	(14,159)
Other, net	(2)	(6)
Net cash provided by (used in) financing activities	(1,546)	(4,165)
Effect of exchange rate change on cash and cash equivalents	659	(1,819)
Net increase (decrease) in cash and cash equivalents	12,398	(7,496)
Cash and cash equivalents at beginning of period	29,773	38,152
Cash and cash equivalents at end of period	42,171	30,655

(4) Notes to consolidated financial statements

(Notes on information by business segment)

Since we only have one business segment—the design, manufacture, and sale of inspection and measurement systems—we do not provide information by business segment.

(Notes on significant changes in the amount of shareholders' equity)

None

(Notes on going concern assumption)

None

(Revenue recognition)

Revenue from contracts with customers

Following is a breakdown of the Group's revenue by major region, the timing of its recognition, and its relation to the Group's main products and services.

First three months of the previous fiscal year

(In millions of yen)

	(July 1, 2023 thru September 30, 2023)			
	Sales of products		Services	Total
	Semiconductor-related products	Other products		
By country/region				
Japan	701	152	558	1,412
Korea	6,882	--	467	7,349
Taiwan	26,923	--	1,131	28,055
Asia (Other)	1,073	3	469	1,545
United States of America	1,302	--	2,164	3,467
Europe	4,897	--	577	5,474
Total	41,781	155	5,368	47,305
By timing of revenue recognition				
Goods transferred at a point in time	39,256	146	3,182	42,585
Services transferred over time	2,525	8	2,186	4,719
Total	41,781	155	5,368	47,305

(Note) Figures for sales by country/region are based on the location of the customer.

First three months of the current fiscal year

(In millions of yen)

	(July 1, 2024 thru September 30, 2024)			
	Sales of products		Services	Total
	Semiconductor-related products	Other products		
By country/region				
Japan	2,019	176	709	2,905
Korea	10,701	49	1,176	11,928
Taiwan	6,634	13	1,788	8,436
Asia (Other)	1,328	855	906	3,090
United States of America	4,634	--	4,601	9,235
Europe	362	--	778	1,141
Total	25,681	1,095	9,960	36,737
By timing of revenue recognition				
Goods transferred at a point in time	21,874	1,069	6,008	28,952
Services transferred over time	3,806	26	3,952	7,785
Total	25,681	1,095	9,960	36,737

(Note) Figures for sales by country/region are based on the location of the customer.

3. Supplementary Information

(1) Production by category

Production by category for the first three months of the fiscal year is as follows.

(In millions of yen)

Category	(July 1, 2024 thru September 30, 2024) Previous	Current	Year-on-year increase (%)
Finished goods			
Semiconductor-related products	46,364	54,610	17.8
Other products	952	1,656	74.0
Subtotal	47,316	56,267	18.9
Services	5,368	9,960	85.6
Total	52,685	66,228	25.7

(Note) Figures shown above are based on sales prices.

(2) Sales by category

Sales by category for the first three months of the fiscal year are as follows.

(In millions of yen)

Category	(July 1, 2024 thru September 30, 2024) Previous	Current	Year-on-year increase (%)
Finished goods			
Semiconductor-related products	41,781	25,681	(38.5)
Other products	155	1,095	606.6
Subtotal	41,936	26,776	(36.1)
Services	5,368	9,960	85.6
Total	47,305	36,737	(22.3)