Consolidated Financial Results for the First Quarter of Fiscal Year ending September 30, 2025 (Japanese GAAP)

February 6, 2025

Company name: Hamamatsu Photonics K.K. Stock listing: Tokyo Stock Exchange
Stock code: 6965 URL: https://www.hamamatsu.com/jp/en.html
Representative: Tadashi Maruno, Representative Director and President, Chief Executive Officer
Contact: Kazuhiko Mori, Director, Managing Executive Officer & Chief of Finance and Accounting General Headquarters (Phone: +81-53-452-2141)
Scheduled date to begin dividend payments: –
Supplementary materials to the financial statements have been prepared: No
Presentation will be held to explain the financial statements: No

Note: All amounts are rounded down to the nearest million yen

1. Consolidated financial results for the three months ended Dec. 31, 2024 (From Oct. 1, 2024 through Dec. 31, 2024)

(1) Consolidated operating results

Note: Percentage figures represent changes from the same period of the previous year.

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended Dec. 31, 2024	50,587	(5.5)	4,281	(62.7)	5,030	(57.3)	4,188	(53.2)
Three months ended Dec. 31, 2023	53,512	(3.0)	11,480	(26.0)	11,792	(24.9)	8,945	(21.0)

Note: Comprehensive income
Three months ended Dec. 31, 2024: 9,700 million yen [37.4%]
Three months ended Dec. 31, 2023: 7,058 million yen [(11.7)%]

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended Dec. 31, 2024	13.76	–
Three months ended Dec. 31, 2023	28.88	–

Note: On October 1, 2024, the Company conducted a 2-for-1 stock split of shares of common stock. Earnings per share are calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of Dec. 31, 2024	448,501	316,814	70.3
As of Sep. 30, 2024	434,634	333,011	76.2

For reference: Equity
As of Dec. 31, 2024: 315,147 million yen
As of Sep. 30, 2024: 331,307 million yen

2. Dividends

	Dividends per share				
(Base date)	End of Q1	End of Q2	End of Q3	End of FY	Full FY
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Sep. 30, 2024	–	38.00	–	38.00	76.00
Fiscal year ending Sep. 30, 2025	–				
Fiscal year ending Sep. 30, 2025 (Forecast)		19.00	–	19.00	38.00

Notes: 1. Revision of the forecasts for dividends most recently announced: No
2. On October 1, 2024, the Company conducted a 2-for-1 stock split of shares of common stock. For the fiscal year ended Sep. 30, 2024, the figures presented are the actual dividend amounts before the stock split. For the fiscal year ending Sep. 30, 2025 (forecast), the figures presented are the dividend amounts after the stock split.

3. Forecast of consolidated financial results for the fiscal year ending Sep. 30, 2025 (From Oct. 1, 2024 through Sep. 30, 2025)

Note: Percentage figures represent changes from the same period of the previous year.

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending Mar. 31, 2025	110,100	5.9	12,100	(39.7)	13,140	(38.9)	9,200	(45.1)	29.70
Fiscal year ending Sep. 30, 2025	218,900	7.3	24,100	(25.0)	26,570	(23.0)	18,050	(28.2)	58.27

Note: Revision of the forecasts for consolidated financial results most recently announced: No

4. Others

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

(2) Application of special accounting treatment for preparing quarterly consolidated financial statements: Yes

(3) Changes in accounting principles, changes in accounting estimates, and changes in presentation due to revisions

(a) Changes in accounting principles accompanying revisions in accounting standards: Yes

(b) Changes other than those in (a) above: None

(c) Changes in accounting estimates: None

(d) Changes in presentation due to revisions: None

(4) Number of shares issued

(a) Number of shares issued at end of period including treasury shares

As of Dec. 31, 2024: 330,167,540 shares

As of Sep. 30, 2024: 330,167,540 shares

(b) Number of treasury shares at end of period

As of Dec. 31, 2024: 31,468,030 shares

As of Sep. 30, 2024: 20,429,132 shares

(c) Average number of shares outstanding during the period

Three months ended Dec. 31, 2024: 304,362,626 shares

Three months ended Dec. 31, 2023: 309,703,020 shares

Note: On October 1, 2024, the Company conducted a 2-for-1 stock split of shares of common stock. Number of shares issued at end of period including treasury shares, number of treasury shares at end of period, and average number of shares outstanding during the period are calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

1. Overview of Operating Results and Others

(1) Overview of Operating Results for the First Quarter of This Fiscal Year

During the first quarter of this fiscal year (three months ended December 31, 2024), Japan's economy showed signs of a gradual recovery with improvement in the employment and income environment and the effects of various government policies. On the other hand, the outlook remained uncertain mainly due to continuing high interest rate levels in Europe and the US, concerns over the future of the Chinese economy and other such downside risks for the overseas economies that could put downward pressure on the Japanese economy.
Given these circumstances, the Group worked to secure net sales and earnings by making reforms in order to improve corporate value from both a financial and a non-financial perspective and promoting research and product development utilizing the proprietary photonics technologies.
As a result, we closed the first quarter with net sales of JPY 50,587 million, down by JPY 2,924 million (5.5%) compared with the same period one year ago. From an earnings perspective, operating profit was JPY 4,281 million, down by JPY 7,199 million (62.7%), ordinary profit was JPY 5,030 million, down by JPY 6,761 million (57.3%), and profit attributable to owners of parent was JPY 4,188 million, down by JPY 4,757 million (53.2%) from the same period one year ago.

Operating results by segment are as follows:
Effective from the third quarter of the previous fiscal year, classifications of reportable segments have been changed. Details are as stated in "Segment and Other Information" of "Consolidated Financial Statements." In accordance with these changes, comparative analysis concerning the comparisons against the first quarter of the previous fiscal year stated below is based on figures restated to reflect segment classifications after the changes.

(Electron Tube)

In photomultiplier tubes (PMT), imaging devices and light sources, although sales of deuterium lamps for liquid chromatography and other analyzers increased, sales of microfocus X-ray sources for non-destructive testing devices in the industrial field decreased due to the stagnant EV (electric vehicles) market, mainly for automotive battery testing applications and circuit board inspection applications. In addition, sales of PMT for geological exploration decreased.
As a result, the Electron Tube business closed the first quarter with net sales of JPY 18,928 million, down by 10.4%, and operating profit of JPY 5,137 million, down by 31.7% from the same period one year ago.

(Opto-semiconductor)

In opto-semiconductor devices, while sales of image sensors for semiconductor fabrication and inspection equipment remained strong in the industrial field, sales of silicon photodiodes for X-ray CT and sales of flat panel sensors for dental diagnostic equipment decreased in the medical field, partly due to the high interest rates in Europe and the US.
As a result, net sales in the Opto-semiconductor business were JPY 18,261 million, down by 9.4%, and operating profit was JPY 3,412 million, down by 41.4% from the same period one year ago.

(Imaging and Measurement Instruments)

In image processing and measurement systems, while sales of X-ray line sensor cameras for non-destructive testing increased, sales of failure analysis systems for semiconductor devices declined, due to the slowdown in demand from the previous fiscal year, particularly in China.
As a result, net sales for the Imaging and Measurement Instruments business were JPY 6,735 million, down by 29.5%, and operating profit was JPY 1,868 million, down by 38.7% from the same period one year ago.

(Laser)

In laser-related products, sales of Stealth Dicing Engine for high-speed, high-quality silicon wafer dicing increased accompanying strong capital investment for generative AI (artificial intelligence).
As a result, net sales for the Laser business were JPY 5,245 million, up by 257.9%, and operating loss was JPY 973 million, compared with an operating profit of JPY 118 million in the same period one year ago.

(Other)

Sales from other operations include the hotel operations run by Iwata Grand Hotel Inc., a subsidiary, and business relating to the proprietary products of Beijing Hamamatsu Photon Techniques, Inc., which is also a subsidiary.

In our other businesses, net sales were JPY 1,415 million, up by 15.2%, and operating loss was JPY 242 million, compared with an operating profit of JPY 289 million in the same period one year ago.

(2) Overview of Financial Conditions for the First Quarter of This Fiscal Year

Current assets increased by JPY 7,884 million from the end of the previous fiscal year, mainly reflecting increases in cash and deposits of JPY 4,633 million and inventories of JPY 4,339 million.

Non-current assets increased by JPY 5,982 million from the end of the previous fiscal year, mainly reflecting an increase in buildings and structures of JPY 9,441 million as a result of construction of new buildings and the completion of a hotel reconstruction project despite a decrease in construction in progress of JPY 5,362 million.

As a result, total assets at the end of the first quarter were JPY 448,501 million, up by JPY 13,867 million from the end of the previous fiscal year.

Current liabilities increased by JPY 29,045 million from the end of the previous fiscal year, mainly reflecting an increase in short-term borrowings of JPY 20,220 million.

Non-current liabilities increased by JPY 1,019 million from the end of the previous fiscal year, mainly due to an increase in long-term borrowings of JPY 552 million.

As a result, total liabilities at the end of the first quarter were JPY 131,687 million, up by JPY 30,064 million from the end of the previous fiscal year.

Net assets at the end of the first quarter were JPY 316,814 million, down by JPY 16,197 million from the end of the previous fiscal year, mainly reflecting a decrease of JPY 20,001 million from the purchase of treasury shares despite an increase in foreign currency translation adjustment of JPY 5,533 million.

(3) Projection for the Year

There is no change to the forecast of consolidated financial results for the first six months ending March 31, 2025 and for the fiscal year ending September 30, 2025, released on November 8, 2024.

We assume the yen/US dollar exchange rate will be JPY 145, the yen/Euro exchange rate will be JPY 155 and the yen/RMB exchange rate will be JPY 20.

Consolidated Financial Statements

Consolidated Balance Sheets

(Millions of Japanese Yen)

	As of Sep. 30, 2024	As of Dec. 31, 2024
Assets		
Current assets		
Cash and deposits	97,021	101,655
Notes and accounts receivable - trade	45,717	45,287
Securities	2,854	2,689
Merchandise and finished goods	15,458	16,112
Work in process	39,897	42,445
Raw materials and supplies	25,214	26,351
Other	13,248	12,576
Allowance for doubtful accounts	(402)	(223)
Total current assets	239,009	246,894
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	56,476	65,917
Machinery, equipment and vehicles, net	16,125	16,324
Tools, furniture and fixtures, net	6,758	7,258
Land	19,511	19,540
Leased assets, net	546	785
Right-of-use assets, net	3,564	3,957
Construction in progress	29,912	24,550
Total property, plant and equipment	132,895	138,333
Intangible assets		
Goodwill	30,827	31,064
Customer-related intangible assets	1,113	1,132
Other	3,789	4,164
Total intangible assets	35,731	36,360
Investments and other assets		
Investment securities	4,386	4,563
Retirement benefit asset	5,236	5,322
Deferred tax assets	12,608	12,245
Other	4,786	4,802
Allowance for doubtful accounts	(19)	(19)
Total investments and other assets	26,997	26,913
Total non-current assets	195,624	201,607
Total assets	434,634	448,501

Consolidated Financial Statements

Consolidated Balance Sheets

(Millions of Japanese Yen)

	As of Sep. 30, 2024	As of Dec. 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	6,558	10,148
Electronically recorded obligations - operating	6,795	6,126
Short-term borrowings	25,281	45,501
Current portion of long-term borrowings	3,114	3,099
Income taxes payable	955	1,360
Provision for bonuses	6,933	3,373
Other	31,096	40,169
Total current liabilities	80,734	109,779
Non-current liabilities		
Long-term borrowings	8,522	9,075
Retirement benefit liability	7,758	7,820
Deferred tax liabilities	231	213
Other	4,374	4,798
Total non-current liabilities	20,888	21,907
Total liabilities	101,623	131,687
Net assets		
Shareholders' equity		
Share capital	35,146	35,146
Capital surplus	34,426	34,426
Retained earnings	261,277	259,571
Treasury shares	(20,798)	(40,800)
Total shareholders' equity	310,052	288,343
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,096	1,096
Foreign currency translation adjustment	18,071	23,605
Remeasurements of defined benefit plans	2,086	2,102
Total accumulated other comprehensive income	21,255	26,803
Non-controlling interests	1,704	1,666
Total net assets	333,011	316,814
Total liabilities and net assets	434,634	448,501

Consolidated Financial Statements

Consolidated Statements of Income

(Millions of Japanese Yen)

	Three months ended Dec. 31, 2023	Three months ended Dec. 31, 2024
Net sales	53,512	50,587
Cost of sales	25,224	26,169
Gross profit	28,287	24,417
Selling, general and administrative expenses	16,807	20,136
Operating profit	11,480	4,281
Non-operating income		
Interest income	330	342
Share of profit of entities accounted for using equity method	150	132
Foreign exchange gains	–	527
Other	298	239
Total non-operating income	779	1,242
Non-operating expenses		
Interest expenses	22	147
Commission for purchase of treasury shares	–	330
Foreign exchange losses	426	–
Other	17	14
Total non-operating expenses	466	492
Ordinary profit	11,792	5,030
Extraordinary income		
Gain on sale of non-current assets	17	35
Gain on sale of investment securities	–	7
Gain on bargain purchase	–	767
Subsidy income	85	1,458
Total extraordinary income	103	2,268
Extraordinary losses		
Loss on sale of non-current assets	–	2
Loss on retirement of non-current assets	5	3
Loss on tax purpose reduction entry of non-current assets	69	1,231
Total extraordinary losses	74	1,237
Profit before income taxes	11,821	6,062
Income taxes	2,830	1,836
Profit	8,991	4,225
Profit attributable to non-controlling interests	45	36
Profit attributable to owners of parent	8,945	4,188

Consolidated Financial Statements

Consolidated Statements of Comprehensive Income

(Millions of Japanese Yen)

	Three months ended Dec. 31, 2023	Three months ended Dec. 31, 2024
Profit	8,991	4,225
Other comprehensive income		
Valuation difference on available-for-sale securities	(88)	(0)
Foreign currency translation adjustment	(1,852)	5,567
Remeasurements of defined benefit plans, net of tax	(12)	15
Share of other comprehensive income of entities accounted for using equity method	21	(107)
Total other comprehensive income	(1,932)	5,474
Comprehensive income	7,058	9,700
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,994	9,737
Comprehensive income attributable to non-controlling interests	64	(37)

Segment and Other Information

I. Three months ended Dec. 31, 2023 (From Oct. 1, 2023 through Dec. 31, 2023)

1. Information on the amounts of sales and profit (loss) for reportable segments and information on disaggregation of revenue

(Millions of Japanese Yen)

	Reportable Segment					Other (Note 1)	Total	Adjust-ments (Note 2)	Consoli-dated total (Note 3)
	Electron Tube	Opto-semiconductor	Imaging and Measurement Instruments	Laser	Total				
Net sales									
Japan	3,452	4,556	1,494	1,201	10,705	19	10,725	–	10,725
North America	5,623	5,694	1,936	56	13,311	37	13,348	–	13,348
Europe	4,164	4,949	2,480	72	11,666	44	11,711	–	11,711
Asia excluding Japan	7,779	4,933	3,643	134	16,491	1,126	17,617	–	17,617
Other	95	11	0	1	108	–	108	–	108
Revenue from contracts with customers	21,115	20,146	9,556	1,465	52,283	1,228	53,512	–	53,512
Outside customers	21,115	20,146	9,556	1,465	52,283	1,228	53,512	–	53,512
Intersegment	258	239	4	26	528	51	580	(580)	–
Total net sales	21,373	20,385	9,560	1,491	52,812	1,279	54,092	(580)	53,512
Segment profit	7,522	5,822	3,048	118	16,511	289	16,801	(5,321)	11,480

Notes:

1. The “Other” classification encompasses business segments not included in the reportable segments, and is the hotel operations run by Iwata Grand Hotel Inc., a subsidiary, and business relating to the proprietary products of Beijing Hamamatsu Photon Techniques, Inc., which is also a subsidiary.
2. Adjustment of segment profit of negative JPY 5,321 million represents intersegment transactions of negative JPY 269 million and unallocated corporate expenses of negative JPY 5,051 million. Corporate expenses mainly consist of general and administrative expenses and basic research expenses that are unattributable to reportable segments.
3. Segment profit has been reconciled with operating profit presented in the consolidated financial statements.
4. Net sales is classified by country or region, based on where the customer resides.

II. Three months ended Dec. 31, 2024 (From Oct. 1, 2024 through Dec. 31, 2024)

1. Information on the amounts of sales and profit (loss) for reportable segments and information on disaggregation of revenue

(Millions of Japanese Yen)

	Reportable Segment					Other (Note 1)	Total	Adjust-ments (Note 2)	Consoli-dated total (Note 3)
	Electron Tube	Opto-semiconductor	Imaging and Measurement Instruments	Laser	Total				
Net sales									
Japan	3,186	4,224	1,194	1,701	10,307	252	10,559	–	10,559
North America	4,898	4,826	942	824	11,492	41	11,534	–	11,534
Europe	3,906	4,488	2,026	2,085	12,508	172	12,680	–	12,680
Asia excluding Japan	6,870	4,698	2,571	632	14,773	948	15,721	–	15,721
Other	66	22	0	1	90	–	90	–	90
Revenue from contracts with customers	18,928	18,261	6,735	5,245	49,171	1,415	50,587	–	50,587
Outside customers	18,928	18,261	6,735	5,245	49,171	1,415	50,587	–	50,587
Intersegment	143	173	14	31	363	20	383	(383)	–
Total net sales	19,072	18,434	6,750	5,276	49,535	1,436	50,971	(383)	50,587
Segment profit (loss)	5,137	3,412	1,868	(973)	9,445	(242)	9,202	(4,921)	4,281

Notes:

1. The “Other” classification encompasses business segments not included in the reportable segments, and is the hotel operations run by Iwata Grand Hotel Inc., a subsidiary, and business relating to the proprietary products of Beijing Hamamatsu Photon Techniques, Inc., which is also a subsidiary.
2. Adjustment of segment profit (loss) of negative JPY 4,921 million represents intersegment transactions of negative JPY 177 million and unallocated corporate expenses of negative JPY 4,744 million. Corporate expenses mainly consist of general and administrative expenses and basic research expenses that are unattributable to reportable segments.
3. Segment profit (loss) has been reconciled with operating profit presented in the consolidated financial statements.
4. Net sales is classified by country or region, based on where the customer resides.

2. Matters related to changes in reportable segments

The “Laser” segment, which was previously included in the “Other” classification, has become quantitatively more important due to the acquisition of shares of NKT Photonics A/S, newly including it in the scope of consolidation from the third quarter of the fiscal year ended September 30, 2024, and is therefore presented as a reportable segment. Following these changes, segment information for the three months ended December 31, 2023 is disclosed based on the new segment classifications.

Notes When There Are Significant Changes in Amounts of Equity

Purchase of treasury shares

Based on resolutions at the Board of Directors meetings held on June 21, 2024 and August 30, 2024, the Company purchased 11,038,100 treasury shares during the three months ended December 31, 2024. As a result, treasury shares increased by JPY 19,999 million.