

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Consolidated Financial Results for the Year Ended December 31, 2024 [Japanese GAAP]

February 14, 2025

Company name: Tera Probe, Inc.

Listing: Tokyo

Securities code: 6627

URL: <https://www.teraprobe.com/>

Representative: Tsuyoshi Yokoyama

President

Inquiries: Daigo Obita

Financial Division Manager

Telephone: +81-45-476-5711

Scheduled date of annual general meeting of shareholders: March 27, 2025

Scheduled date to commence dividend payments: March 28, 2025

Scheduled date to file annual securities report: March 27, 2025

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated Financial Results for the Fiscal Year Ended December 31, 2024 (January 1, 2024 to December 31, 2024)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended December 31, 2024	37,108	4.8	6,949	(3.3)	7,005	(5.5)	3,509	(14.3)
December 31, 2023	35,403	6.6	7,188	5.1	7,411	0.9	4,094	30.6

(Note) Comprehensive income: Fiscal year ended December 31, 2024: ¥ 7,660 million [(9.7) %]
Fiscal year ended December 31, 2023: ¥ 8,484 million [25.9%]

	Net income per share	Net income per share (diluted)	Rate of return on equity	Ordinary income to total assets ratio	Operating income to net sales ratio
	Yen	Yen	%	%	%
Fiscal year ended December 31, 2024	385.75	-	9.8	9.7	18.7
December 31, 2023	450.11	-	12.9	10.5	20.3

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended December 31, 2024: ¥ - million
Fiscal year ended December 31, 2023: ¥ - million

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2024	75,357	53,924	49.6	4,111.57
December 31, 2023	69,438	49,006	49.1	3,750.86

(Reference) Equity: As of December 31, 2024: ¥ 37,403 million
As of December 31, 2023: ¥ 34,122 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended December 31, 2024	17,467	(14,609)	(3,559)	8,690
December 31, 2023	18,331	(14,663)	(9,615)	9,096

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	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	%	%
December 31, 2023	-	0.00	-	110.00	110.00	1,000	24.4	3.1
December 31, 2024	-	0.00	-	110.00	110.00	1,000	28.5	2.8
Fiscal year ending December 31, 2025 (Forecast)	-	0.00	-	-	-		-	

3. Consolidated Financial Results Forecast for the Three Months Ended March 31, 2025 (January 1, 2025 to March 31, 2025) and Consolidated Financial Results Forecast for the Six Months Ended June 30, 2025 (January 1, 2025 to June 30, 2025)

The semiconductor industry, to which our group belongs, is characterized by short-term changes in the market environment. This makes it difficult to make a forecast of consolidated financial results for a full year. Therefore, Tera Probe's Consolidated Financial Results Forecast only provides guidance for the next quarter and the first half of the fiscal year as far as reasonably possible.

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	
Three months ending March 31, 2025	9,400	5.0	1,840	8.4	1,840	7.3	650	(29.5)	Yen 71.45
Six months ending June 30, 2025	19,000	0.6	3,810	0.2	3,810	(2.3)	1,350	(25.7)	148.40

* Notes:

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

(2) Changes in accounting policies, changes in accounting estimates, and restatement

1) Changes in accounting policies due to revisions to accounting standards and other regulations: None

2) Changes in accounting policies due to other reasons: None

3) Changes in accounting estimates: None

4) Restatement: None

(3) Number of issued shares (common shares)

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

December 31, 2024: 9,282,500 shares

December 31, 2023: 9,282,500 shares

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

December 31, 2024: 185,449 shares

December 31, 2023: 185,371 shares

3) Average number of shares outstanding during the period:

Fiscal Year ended December 31, 2024: 9,097,092 shares

Fiscal Year ended December 31, 2023: 9,097,129 shares

(Reference) Overview of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended December 31, 2024 (January 1, 2024 to December 31, 2024)

(1) Non-consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2024	9,612	1.4	983	(18.1)	2,607	8.0	2,636	(4.5)
December 31, 2023	9,483	23.7	1,201	126.3	2,413	48.6	2,759	65.4

	Net income per share	Net income per share (diluted)
Fiscal year ended	Yen	Yen
December 31, 2024	289.78	-
December 31, 2023	303.33	-

(2) Non-consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
December 31, 2024	33,484	25,585	76.4	2,812.54
December 31, 2023	28,091	23,950	85.3	2,632.78

(Reference) Equity: As of December 31, 2024: ¥ 25,585 million
As of December 31, 2023: ¥ 23,950 million

※This Consolidated Financial Results report is out of scope of Financial Audit by certified public accountants or an audit firm.

※Explanation regarding the appropriate use of forecasts of business results

The financial forecast is based on the information available at a time of issuance of this report, and are not intended to be a commitment by the Company to achieve the forecasted figures. The actual results may change from the forecasted figures due to various factors.

Consolidated Financial Statements

Consolidated Balance Sheets

(Thousands of yen)

	As of December 31, 2023	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	11,796,001	11,690,038
Accounts receivable - trade	8,960,448	10,057,634
Contract assets	842,753	750,120
Raw materials and supplies	348,282	513,445
Accounts receivable - other	341,705	554,673
Lease receivables	819,888	1,117,045
Other	385,038	376,030
Total current assets	23,494,119	25,058,988
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	10,982,543	12,476,923
Machinery, equipment and vehicles, net	31,359,352	31,802,378
Tools, furniture and fixtures, net	644,626	632,438
Land	1,982,920	2,068,183
Construction in progress	557,932	2,924,240
Total property, plant and equipment	45,527,375	49,904,164
Intangible assets	211,776	222,805
Investments and other assets		
Retirement benefit asset	10,879	15,772
Deferred tax assets	77,108	33,881
Other	117,301	121,763
Total investments and other assets	205,289	171,418
Total non-current assets	45,944,441	50,298,387
Total assets	69,438,560	75,357,376

(Thousands of yen)

	As of December 31, 2023	As of December 31, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	538,522	433,163
Short-term borrowings	300,000	-
Current portion of long-term borrowings	570,000	1,310,000
Accounts payable - other	453,484	2,116,542
Income taxes payable	1,191,281	867,933
Provision for bonuses	1,319,548	1,237,429
Provision for bonuses for directors (and other officers)	59,563	45,023
Provision for loss on orders received	5,516	1,526
Provision for repairs	32,131	5,021
Contract liabilities	9,122	6,229
Other	1,725,913	1,854,899
Total current liabilities	6,205,083	7,877,771
Non-current liabilities		
Long-term borrowings	13,260,986	12,459,561
Retirement benefit liability	226,763	226,155
Deferred tax liabilities	684,327	814,845
Asset retirement obligations	10,650	10,736
Provision for repairs	1,930	9,616
Contract liabilities	21,008	15,259
Other	21,478	19,379
Total non-current liabilities	14,227,145	13,555,553
Total liabilities	20,432,229	21,433,324
Net assets		
Shareholders' equity		
Share capital	11,823,312	11,823,312
Capital surplus	7,611,322	7,611,322
Retained earnings	11,937,606	14,446,135
Treasury shares	(120,123)	(120,520)
Total shareholders' equity	31,252,117	33,760,250
Accumulated other comprehensive income		
Foreign currency translation adjustment	2,873,607	3,631,714
Remeasurements of defined benefit plans	(3,660)	11,223
Total accumulated other comprehensive income	2,869,947	3,642,938
Non-controlling interests	14,884,266	16,520,862
Total net assets	49,006,331	53,924,051
Total liabilities and net assets	69,438,560	75,357,376

Consolidated Statements of Income and Comprehensive Income

(Thousands of yen)

	For the fiscal year ended December 31, 2023	For the fiscal year ended December 31, 2024
Net sales	35,403,590	37,108,684
Cost of sales	25,721,646	27,508,064
Gross profit	9,681,944	9,600,620
Selling, general and administrative expenses	2,493,310	2,651,344
Operating income	7,188,633	6,949,276
Non-operating income		
Interest income	70,381	43,509
Foreign exchange gains	70,486	87,552
Commission income	343,889	186,973
Rental income from facilities	47,523	47,644
Other	4,895	7,791
Total non-operating income	537,177	373,471
Non-operating expenses		
Interest expenses	255,659	157,533
Depreciation of inactive non-current assets	22,192	68,857
Compensation for damage	10,792	72,869
Other	26,048	17,863
Total non-operating expenses	314,693	317,124
Ordinary income	7,411,117	7,005,622
Extraordinary income		
Gain on sale of non-current assets	1,225,626	837,851
Local government subsidy	-	114,768
Total extraordinary income	1,225,626	952,619
Extraordinary losses		
Loss on sale of non-current assets	-	26
Loss on retirement of non-current assets	17,468	114
Impairment losses	97,022	51,529
Total extraordinary losses	114,490	51,670
Income before income taxes	8,522,253	7,906,571
Income taxes - current	1,758,708	1,599,296
Income taxes - deferred	137,274	149,621
Total income taxes	1,895,983	1,748,918
Refund of income taxes for prior periods	(20,237)	-
Net income	6,646,508	6,157,652
Net income attributable to		
Net income attributable to owners of parent	4,094,673	3,509,214
Net income attributable to non-controlling interests	2,551,835	2,648,438
Other comprehensive income		
Foreign currency translation adjustment	1,831,706	1,486,485
Remeasurements of defined benefit plans, net of tax	6,241	16,860
Total other comprehensive income	1,837,947	1,503,345
Comprehensive income	8,484,456	7,660,997
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,035,009	4,282,205
Comprehensive income attributable to non-controlling interests	3,449,447	3,378,792

Consolidated Statements of Changes in Equity
For the fiscal year ended December 31, 2023

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	11,823,312	7,611,322	8,334,177	(120,123)	27,648,689
Changes during period					
Net income attributable to owners of parent			4,094,673		4,094,673
Purchase of treasury shares					-
Dividends of surplus			(491,244)		(491,244)
Net changes in items other than shareholders' equity					
Total changes during period	-	-	3,603,428	-	3,603,428
Balance at end of period	11,823,312	7,611,322	11,937,606	(120,123)	31,252,117

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	1,939,437	(9,825)	1,929,611	12,628,402	42,206,703
Changes during period					
Net income attributable to owners of parent					4,094,673
Purchase of treasury shares					-
Dividends of surplus					(491,244)
Net changes in items other than shareholders' equity	934,170	6,165	940,335	2,255,863	3,196,199
Total changes during period	934,170	6,165	940,335	2,255,863	6,799,628
Balance at end of period	2,873,607	(3,660)	2,869,947	14,884,266	49,006,331

For the fiscal year ended December 31, 2024

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	11,823,312	7,611,322	11,937,606	(120,123)	31,252,117
Changes during period					
Net income attributable to owners of parent			3,509,214		3,509,214
Purchase of treasury shares				(397)	(397)
Dividends of surplus			(1,000,684)		(1,000,684)
Net changes in items other than shareholders' equity					
Total changes during period	-	-	2,508,529	(397)	2,508,132
Balance at end of period	11,823,312	7,611,322	14,446,135	(120,520)	33,760,250

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	2,873,607	(3,660)	2,869,947	14,884,266	49,006,331
Changes during period					
Net income attributable to owners of parent					3,509,214
Purchase of treasury shares					(397)
Dividends of surplus					(1,000,684)
Net changes in items other than shareholders' equity	758,107	14,883	772,991	1,636,596	2,409,587
Total changes during period	758,107	14,883	772,991	1,636,596	4,917,720
Balance at end of period	3,631,714	11,223	3,642,938	16,520,862	53,924,051

Consolidated Statements of Cash Flows

(Thousands of yen)

	For the fiscal year ended December 31, 2023	For the fiscal year ended December 31, 2024
Cash flows from operating activities		
Income before income taxes	8,522,253	7,906,571
Depreciation	12,400,165	13,468,539
Impairment losses	97,022	51,529
Increase (decrease) in retirement benefit liability	5,436	8,625
Increase (decrease) in provision for bonuses	(18,594)	(145,501)
Interest income	(70,381)	(43,509)
Interest expenses	255,659	157,533
Rental	(47,523)	(47,644)
Interest on refund	(192)	(100)
Loss (gain) on sale and retirement of non-current assets	(1,208,158)	(837,710)
Decrease (increase) in trade receivables	(448,571)	(851,395)
Decrease (increase) in contract asset	170,594	114,932
Decrease (increase) in inventories	(237,627)	(155,976)
Decrease (increase) in lease receivables	72,614	138,017
Increase (decrease) in trade payables	47,421	(137,557)
Subsidy income	-	(114,768)
Decrease (increase) in other current assets	1,840,220	(123,685)
Increase (decrease) in other current liabilities	(816,048)	38,439
Increase (decrease) in other non-current liabilities	9,678	(20,783)
Other, net	(116,448)	(155,174)
Subtotal	20,457,519	19,250,381
Interest received	71,737	41,438
Interest paid	(255,659)	(151,376)
Compensation paid for damage	(10,910)	(39,364)
Income taxes refund	18,922	233
Income taxes paid	(1,950,602)	(1,748,674)
Subsidies received	-	114,768
Net cash provided by (used in) operating activities	18,331,006	17,467,406

(Thousands of yen)

	For the fiscal year ended December 31, 2023	For the fiscal year ended December 31, 2024
Cash flows from investing activities		
Payments into time deposits	(3,800,000)	(4,800,000)
Proceeds from withdrawal of time deposits	2,200,000	4,500,000
Purchase of property, plant and equipment	(14,013,577)	(14,761,739)
Proceeds from sale of property, plant and equipment	980,954	455,230
Purchase of intangible assets	(53,764)	(49,471)
Proceeds from equipment rental	47,523	47,644
Other, net	(24,860)	(980)
Net cash provided by (used in) investing activities	(14,663,725)	(14,609,315)
Cash flows from financing activities		
Proceeds from short-term borrowings	1,200,000	600,000
Repayments of short-term borrowings	(1,200,000)	(900,000)
Proceeds from long-term borrowings	1,303,047	6,362,100
Repayments of long-term borrowings	(9,106,758)	(6,877,009)
Repayments of lease liabilities	(127,475)	(977)
Purchase of treasury shares	-	(397)
Dividends paid	(490,878)	(1,000,715)
Dividends paid to non-controlling interests	(1,193,583)	(1,742,196)
Net cash provided by (used in) financing activities	(9,615,647)	(3,559,196)
Effect of exchange rate change on cash and cash equivalents	453,122	295,143
Net increase (decrease) in cash and cash equivalents	(5,495,243)	(405,962)
Cash and cash equivalents at beginning of period	14,591,244	9,096,001
Cash and cash equivalents at end of period	9,096,001	8,690,038