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Consolidated Financial Results for the Three Months Ended March 31, 2025 [Japanese GAAP]

May 15, 2025

Company name: Tera Probe, Inc.
 Listing: Tokyo Stock Exchange
 Securities code: 6627
 URL: <https://www.teraprobe.com/>
 Representative: Tsuyoshi Yokoyama President
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 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: None

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

1. Consolidated Financial Results for the Three Months Ended March 31, 2025 (January 1, 2025 to March 31, 2025)

(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	%
Three months ended March 31, 2025	9,249	3.4	1,753	3.3	1,675	(2.3)	712	(22.7)
March 31, 2024	8,949	8.5	1,697	0.4	1,714	1.1	921	(19.0)

(Note) Comprehensive income: Three months ended March 31, 2025: ¥ (882) million [-%]
 Three months ended March 31, 2024: ¥ 2,385 million [9.6%]

	Net income per share	Net income per share (diluted)
	Yen	Yen
Three months ended March 31, 2025	78.31	-
March 31, 2024	101.30	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Millions of yen	Millions of yen	%
As of March 31, 2025	71,543	52,040	50.2
December 31, 2024	75,357	53,924	49.6

(Reference) Equity: As of March 31, 2025: ¥ 35,943 million
 As of December 31, 2024: ¥ 37,403 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2024	-	0.00	-	110.00	110.00
Fiscal year ending December 31, 2025	-				
Fiscal year ending December 31, 2025 (Forecast)		0.00	-	-	-

(Note) Revision to the forecast for dividends announced most recently: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2025(January 1, 2025 to December 31, 2025)

(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	%	
Six months ending June 30, 2025	18,550	(1.7)	3,500	(7.9)	3,250	(16.6)	1,220	(32.9)	Yen 134.11
Nine months ending September 30, 2025	28,250	0.5	5,320	(3.0)	4,970	(7.8)	1,760	(31.6)	193.47

(Note) Revision to the financial results forecast announced most recently: Yes

* Notes:

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

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes

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

1) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

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

3) Changes in accounting estimates: None

4) Restatement: None

(4) Number of issued shares (common shares)

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

March 31, 2025: 9,282,500 shares

December 31, 2024: 9,282,500 shares

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

March 31, 2025: 185,449 shares

December 31, 2024: 185,449 shares

3) Average number of shares outstanding during the period:

Three months ended March 31, 2025: 9,097,051 shares

Three months ended March 31, 2024: 9,097,116 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

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.

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Thousands of yen)

	As of December 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	11,690,038	9,620,086
Accounts receivable - trade and contract assets	10,807,755	10,511,209
Raw materials and supplies	513,445	493,909
Accounts receivable - other	554,673	806,672
Lease receivables	1,117,045	988,707
Other	376,030	345,873
Total current assets	25,058,988	22,766,457
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	12,476,923	12,685,090
Machinery, equipment and vehicles, net	31,802,378	31,635,580
Other, net	5,624,862	4,047,700
Total property, plant and equipment	49,904,164	48,368,371
Intangible assets	222,805	219,705
Investments and other assets	171,418	188,629
Total non-current assets	50,298,387	48,776,706
Total assets	75,357,376	71,543,164

(Thousands of yen)

	As of December 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	433,163	316,449
Short-term borrowings	-	300,000
Current portion of long-term borrowings	1,310,000	1,814,434
Lease liabilities	654	290,774
Accounts payable - other	2,116,542	463,177
Income taxes payable	867,933	1,100,387
Contract liabilities	6,229	4,552
Provision for bonuses	1,237,429	1,437,362
Provision for bonuses for directors (and other officers)	45,023	11,755
Provision for loss on orders received	1,526	815
Provision for repairs	5,021	9,876
Other	1,854,245	1,612,857
Total current liabilities	7,877,771	7,362,442
Non-current liabilities		
Contract liabilities	15,259	14,469
Long-term borrowings	12,459,561	10,519,227
Lease liabilities	981	522,150
Retirement benefit liability	226,155	223,903
Asset retirement obligations	10,736	10,757
Deferred tax liabilities	814,845	818,833
Provision for repairs	9,616	12,006
Other	18,398	18,381
Total non-current liabilities	13,555,553	12,139,731
Total liabilities	21,433,324	19,502,174
Net assets		
Shareholders' equity		
Share capital	11,823,312	11,823,312
Capital surplus	7,611,322	7,611,322
Retained earnings	14,446,135	14,157,891
Treasury shares	(120,520)	(120,520)
Total shareholders' equity	33,760,250	33,472,005
Accumulated other comprehensive income		
Foreign currency translation adjustment	3,631,714	2,459,933
Remeasurements of defined benefit plans	11,223	11,874
Total accumulated other comprehensive income	3,642,938	2,471,807
Non-controlling interests	16,520,862	16,097,176
Total net assets	53,924,051	52,040,989
Total liabilities and net assets	75,357,376	71,543,164

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income and Comprehensive Income (For the three months)

(Thousands of yen)

	For the three months ended March 31, 2024	For the three months ended March 31, 2025
Net sales	8,949,365	9,249,627
Cost of sales	6,611,111	6,848,125
Gross profit	2,338,254	2,401,501
Selling, general and administrative expenses	641,168	647,576
Operating income	1,697,085	1,753,924
Non-operating income		
Interest income	1,007	3,238
Commission income	46,405	46,125
Other	63,515	6,801
Total non-operating income	110,928	56,165
Non-operating expenses		
Interest expenses	40,758	44,011
Depreciation of inactive non-current assets	23,385	28,767
Compensation for damage	22,000	-
Foreign exchange losses	-	60,210
Other	7,623	1,997
Total non-operating expenses	93,766	134,986
Ordinary income	1,714,246	1,675,102
Extraordinary income		
Gain on sale of non-current assets	205,273	67,585
Local government subsidy	82,627	-
Total extraordinary income	287,900	67,585
Extraordinary losses		
Loss on retirement of non-current assets	-	1,400
Total extraordinary losses	-	1,400
Income before income taxes	2,002,147	1,741,287
Income taxes	376,862	326,712
Net income	1,625,284	1,414,574
Net income attributable to		
Net income attributable to owners of parent	921,510	712,430
Net income attributable to non-controlling interests	703,774	702,143
Other comprehensive income		
Foreign currency translation adjustment	759,588	(2,297,610)
Remeasurements of defined benefit plans, net of tax	898	650
Total other comprehensive income	760,486	(2,296,960)
Comprehensive income	2,385,771	(882,386)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,309,798	(458,700)
Comprehensive income attributable to non-controlling interests	1,075,972	(423,685)