



April 17, 2025

Consolidated Financial Results of Fiscal Year 2024

Company name: DISCO CORPORATION
 Stock code number: 6146 (TSE Prime Market)
 URL: <http://www.disco.co.jp>

- Notes: 1. The accompanying financial statements have been prepared in accordance with accounting principles and practices generally accepted in Japan.
 2. Amounts are rounded down to the nearest million yen.

1. Consolidated results of FY2024 (April 1, 2024, through March 31, 2025)

1) Consolidated operating results (Millions of yen)

	Fiscal year ended		
	March 31, 2024	March 31, 2025	YoY (%)
Net sales	307,554	393,313	27.9
Operating income	121,490	166,834	37.3
Ordinary income	122,393	168,943	38.0
Net income	84,205	123,891	47.1
Net income per share (yen)	777.29	1,143.26	—
Comprehensive income:	Year ended March 31, 2025:	124,061 million yen, 39.0 %	
	Year ended March 31, 2024:	89,270 million yen, 3.6 %	
Profit (loss) on equity method:	Year ended March 31, 2025:	267 million yen	
	Year ended March 31, 2024:	141 million yen	

2) Consolidated financial position (Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Total assets	556,058	654,087
Net assets	406,560	492,703
Equity ratio (%)	72.9%	75.1%

Equity: 491,166 million yen (as of March 31, 2025)
 405,228 million yen (as of March 31, 2024)

2. Dividends

	Fiscal Year 2023	Fiscal Year 2024 Actual	Fiscal Year 2025 Forecast
1Q-end dividend per share (yen)	—	—	—
2Q-end dividend per share (yen)	76.00	124.00	—
3Q-end dividend per share (yen)	—	—	—
Year-end dividend per share (yen)	231.00	289.00	—
Annual dividend per share (yen)	307.00	413.00	—

Note: Dividends forecast for fiscal year 2025 has not been determined at this point.

3. Consolidated forecasts for FY2025 1Q (April 1, 2025, through June 30, 2025)

(Millions of yen)

	Three months ending June 30, 2025	YoY (%)
Net sales	75,000	(9.4)
Operating income	23,800	(28.7)
Ordinary income	23,800	(29.2)
Net income	16,700	(29.6)
Net income per share (yen)	154.05	—
Shipment figures	102,000	0.9

4. Other

- 1) Important changes in subsidiaries: None
- 2) Changes in principles, procedures, or display of accounting method concerning consolidated statement policies.
 - 1. Changes in accounting policies along with changes in accounting standards: None
 - 2. Other changes: None
- 3) Number of shares outstanding (common stock)
 - (1) Number of shares issued (including treasury stocks)
 - As of March 31, 2025: 108,420,665 shares
 - As of March 31, 2024: 108,364,683 shares
 - (2) Number of shares of treasury stock
 - As of March 31, 2025: 15,978 shares
 - As of March 31, 2024: 15,837 shares
 - (3) Average number of shares
 - As of March 31, 2025: 108,366,683 shares
 - As of March 31, 2024: 108,332,434 shares

Explanation regarding appropriate use of earnings forecast:

The performance forecasts and estimates provided in this Financial Review are based on certain assumptions judged to be reasonable at the present time in light of information currently available. Consequently, actual operating results may differ substantially from the projections in the Financial Review.

Reference: non-consolidated forecasts for FY2025 1Q (April 1, 2025, through June 30, 2025)

(Millions of yen)

	Three months ending June 30, 2025	YoY (%)
Net sales	61,300	(10.6)
Operating income	20,100	(26.5)
Ordinary income	34,500	(14.7)
Net income	27,200	(12.5)
Net income per share (yen)	250.91	-

5. Business Performance Overview

(1) Overview of Operating Results

The semiconductor market in the current consolidated fiscal year saw capital investments continue at a high level for a portion of applications such as power semiconductors for EV and high-performance semiconductors related to generative AI, although a full-scale recovery in the demand for PCs and smartphones was not seen. In such a market environment, shipments of precision processing equipment remained steady with a focus on high-value added products, and shipments of precision processing tools (consumables) also remained high linked to high customer facility operation rates.

As a result of these, both the annual shipment amount and annual sales reached a record high for the fifth consecutive year.

For profits and losses, although SG&A such as personnel costs and R&D expenses increased significantly, due to an increase in revenue from progress in inspection/acceptance for shipped equipment and an increase in the GP margin due to an increase in high value-added transactions and the influence of the exchange rate, operating income increased significantly.

As a result, the consolidated business results for the fiscal year are as follows and DISCO hit record highs for each profit.

Net sales – 393.313 billion yen

(increased by 27.9 percentage points compared to the previous fiscal year)

Operating income – 166.834 billion yen

(increased by 37.3 percentage points compared to the previous fiscal year)

Operating income margin: 42.4%

Ordinary income – 168.943 billion yen

(increased by 38.0 percentage points compared to the previous fiscal year)

Ordinary income margin: 43.0%

Net income attributable to owners of parent – 123.891 billion yen

(increased by 47.1 percentage points compared to the previous fiscal year)

Net income margin: 31.5%

Furthermore, the four-year cumulative ordinary income margin as of this period was 40.0% (37.0% in the previous period), achieving the company's goal, "to maintain an ordinary income margin of 20% or more for 4 cumulative years," for 9 consecutive years.

(2) Overview of Consolidated Financial Conditions

The total assets for the current consolidated fiscal year were 654.087 billion yen, an increase of 98.029 billion yen compared to the end of the previous consolidated fiscal year. This was mainly caused by an increase in current assets focused on cash and deposits and inventories, and an increase in property, plant and equipment due to capital investments toward real estate and buildings for R&D purposes. Liabilities were 161.383 billion yen, an increase of 11.886 billion yen compared to the previous fiscal year. This was mainly caused by an increase in provision for bonuses and income taxes payable. The total net assets were 492.703 billion yen, an increase of 86.143 billion yen compared to the end of the previous fiscal year.

As a result of this capital composition, each of the indices are as follows.

Return on assets (ROA) – 20.5% (4.1 point increase compared to the previous fiscal year)

Return on equities (ROE) – 27.6% (5.2 point increase compared to the previous fiscal year)

Four-year cumulative return on risk assets (RORA) – 50.8% (5.6 point increase compared to the previous fiscal year)

Equity ratio – 75.1% (2.2 point increase compared to the end of the previous period)

(3) Overview of Consolidated Cash Flows

Net cash provided by operating activities was 120.364 billion yen.

(increased by 23.4 percentage points compared to the previous fiscal year)

This was mainly due to profit before income taxes and depreciation expenses.

Net cash used in investing activities was 68.002 billion yen.

(increased by 314.6 percentage points compared to the previous fiscal year)

This was mainly due to payments for the purchase of property, plant and equipment such as real estate and buildings for R&D purposes.

Net cash used in financing activities was 38.150 billion yen.

(increased by 23.3 percentage points compared to the previous fiscal year)

This was mainly due to dividend payments.

As a result of these factors, the balance for cash and cash equivalents at the end of this period was 229.167 billion yen (13.680 billion yen increase compared to the end of the previous fiscal year). Furthermore, free cash flow (the combined total of “Cash flows from operating activities” and “Cash flows from investing activities”) was an inflow of 52.362 billion yen.

(4) Future outlook

The drastic and rapid fluctuations in customer willingness to invest make it difficult to predict demand in the semiconductor and electronic components industries. For this reason, DISCO business forecasts are only disclosed for one upcoming quarter.

The shipment amount forecast for the first quarter of the fiscal year ending on March 31, 2026 is 102.0 billion yen.

(Assumes an exchange rate of 1 US dollar = 135 yen)

6. Consolidated balance sheets

	(Millions of yen)	
	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	215,486	229,167
Notes receivable - trade	3,565	3,205
Accounts receivable - trade	43,242	39,972
Merchandise and finished goods	28,858	32,955
Work in process	35,365	44,762
Raw materials and supplies	50,768	61,285
Other	9,776	13,293
Allowance for doubtful accounts	(116)	(140)
Total current assets	386,945	424,502
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	89,000	103,769
Machinery, equipment and vehicles, net	15,245	18,539
Tools, furniture and fixtures, net	1,675	1,942
Land	27,271	62,816
Construction in progress	14,258	16,946
Total property, plant and equipment	147,451	204,014
Intangible assets	261	246
Investments and other assets		
Investment securities	3,346	3,510
Deferred tax assets	14,044	17,952
Retirement benefit asset	1,112	1,131
Other	2,895	2,729
Total investments and other assets	21,399	25,324
Total non-current assets	169,112	229,585
Total assets	556,058	654,087

	(Millions of yen)	
	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	7,748	7,950
Electronically recorded obligations - operating	28,481	22,918
Income taxes payable	19,463	30,175
Contract liabilities	48,467	43,933
Provision for bonuses	31,055	41,639
Provision for product warranties	1,621	1,866
Asset retirement obligations	32	-
Other	11,844	11,909
Total current liabilities	148,715	160,392
Non-current liabilities		
Asset retirement obligations	565	593
Other	215	397
Total non-current liabilities	781	991
Total liabilities	149,497	161,383
Net assets		
Shareholders' equity		
Share capital	21,838	22,089
Capital surplus	23,826	24,077
Retained earnings	346,293	431,718
Treasury shares	(41)	(47)
Total shareholders' equity	391,917	477,838
Accumulated other comprehensive income		
Valuation difference on available-for-sale	365	348
Foreign currency translation adjustment	12,936	13,023
Remeasurements of defined benefit plans	8	(45)
Total accumulated other comprehensive income	13,310	13,327
Share acquisition rights	1,136	1,188
Non-controlling interests	195	348
Total net assets	406,560	492,703
Total liabilities and net assets	556,058	654,087

7. Consolidated statement of (comprehensive) income

(Millions of yen)

	Fiscal year ended 31-Mar-24	Fiscal year ended 31-Mar-25
Net sales	307,554	393,313
Cost of sales	98,912	115,743
Gross profit	208,642	277,570
Selling, general and administrative expenses	87,151	110,736
Operating profit	121,490	166,834
Non-operating income		
Interest income	79	84
Share of profit of entities accounted for using equity	141	267
Foreign exchange gains	-	811
Rental income	205	255
Subsidy income	1,031	582
Other	390	247
Total non-operating income	1,848	2,247
Non-operating expenses		
Foreign exchange losses	889	-
Depreciation	37	119
Commission expenses	5	6
Other	12	12
Total non-operating expenses	946	138
Ordinary profit	122,393	168,943
Extraordinary income		
Gain on sale of non-current assets	11	17
Gain on reversal of share acquisition rights	-	6
Total extraordinary income	11	23
Extraordinary losses		
Loss on sale and retirement of non-current assets	71	67
Impairment losses	7,530	-
Extra retirement payments	25	23
Demolition expenses	202	730
Total extraordinary losses	7,829	821
Profit before income taxes	114,576	168,146
Income taxes - current	35,005	47,860
Income taxes - deferred	(4,641)	(3,790)
Total income taxes	30,364	44,070
Profit	84,211	124,075
Profit attributable to		
Profit attributable to owners of parent	84,205	123,891
Profit attributable to non-controlling interests	5	184
Other comprehensive income		
Foreign currency translation adjustment	4,629	141
Remeasurements of defined benefit plans, net of tax	32	(54)
Share of other comprehensive income of entities accounted for using equity method	396	(102)
Total other comprehensive income	5,058	(14)
Comprehensive income	89,270	124,061
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	89,246	123,907
Comprehensive income attributable to non-controlling interests	23	153

8. Consolidated statement of cash flow

	(Millions of yen)	
	Fiscal year ended 31-Mar-24	Fiscal year ended 31-Mar-25
Cash flows from operating activities		
Profit before income taxes	114,576	168,146
Depreciation	11,031	12,198
Impairment losses	7,530	-
Demolition expenses	202	730
Share of loss (profit) of entities accounted for using equity method	(141)	(267)
Increase (decrease) in allowance for doubtful	16	30
Increase (decrease) in provision for bonuses	3,437	10,849
Increase (decrease) in provision for product	517	263
Increase (decrease) in net defined benefit asset and liability-OpeCF	(86)	(19)
Loss (gain) on sale and retirement of property, plant and equipment	59	49
Subsidy income	(1,031)	(582)
Interest and dividend income	(108)	(84)
Decrease (increase) in trade receivables	(2,650)	2,874
Decrease (increase) in inventories	(22,226)	(24,596)
Increase (decrease) in trade payables	9,591	(4,795)
Increase (decrease) in accounts payable - other	1,477	(819)
Increase (decrease) in contract liabilities	5,784	(3,856)
Other, net	104	(2,892)
Subtotal	128,083	157,227
Subsidies received	963	782
Interest and dividends received	77	93
Income taxes refund (paid)	(31,600)	(37,738)
Net cash provided by (used in) operating activities	97,524	120,364
Cash flows from investing activities		
Purchase of property, plant and equipment	(16,140)	(66,861)
Proceeds from sale of property, plant and equipment	24	22
Payments for demolition of non-current assets	(74)	(1,091)
Purchase of intangible assets	(111)	(69)
Long-term loan advances	(106)	(8)
Proceeds from collection of long-term loans receivable	37	39
Other, net	(34)	(33)
Net cash provided by (used in) investing activities	(16,403)	(68,002)
Cash flows from financing activities		
Proceeds from issuance of shares	260	323
Dividends paid	(31,115)	(38,467)
Dividends paid to non-controlling interests	(74)	-
Other, net	(8)	(5)
Net cash provided by (used in) financing activities	(30,938)	(38,150)
Effect of exchange rate change on cash and cash	2,251	(531)
Net increase (decrease) in cash and cash equivalents	52,433	13,680
Cash and cash equivalents at beginning of period	163,053	215,486
Cash and cash equivalents at end of period	215,486	229,167

9. Subsequent events

(Significant capital investment)

DISCO CORPORATION hereby announces that a resolution was passed at the Board of Directors meeting held on April 17, 2025 to build a new manufacturing plant (Hiroshima Works Gohara Plant, hereinafter "Gohara Plant") in the Kure City Sports Center (Gohara-cho, Kure City) that the company purchased from Kure City, Hiroshima Prefecture. Precision processing tool production is planned at the Gohara Plant, and construction of the plant is planned in three phases. The construction plans for phase 1 are as follows.

1. Purpose of capital investment

(1) Improved production capability

With the further spread of generative AI and next-generation communication technologies, promotion of autonomous driving technology, and the role of semiconductors in the move to carbon neutrality, a mid-to-long term expansion of the semiconductor and electronic components market is expected. As it is expected that the demand for DISCO's precision processing tools, which are used in the manufacturing of semiconductors and electronic components, will also continue to increase, there is a need to expand production capability. In order to be able to respond to the needs of customers, DISCO has made the decision to build the new Gohara Plant.

(2) Improved BCM capability and production efficiency

Among the precision processing tools that are currently being manufactured at the Kure and Kuwabata Plants in Hiroshima Works and the Chino Plant in Nagano Works, the production functionalities of the Kure and Kuwabata Plants are planned to be moved and integrated to the Gohara Plant. This will result in increased production efficiency, in addition to increased BCM capability, as the production being done at the Kure Plant, which is at risk of being affected by tidal waves, can be relocated to the Gohara Plant.

2. Outline of capital investment

(1) Outline of Gohara Plant's Construction Phase 1

Address – Inside Warahino mountain region, Gohara-cho, Kure-shi, Hiroshima

Building investment – 33 billion yen

Construction start date – February 1, 2026

Construction completion date – April 30, 2028

Construction plans for phases 2 and 3 will be decided appropriately based on the situation.

(2) Timeline of Acquiring the Kure City Sports Center

Feb. 2023 – Acquired preferential rights to negotiate with Kure City

Nov. 2023 – Officially concluded the sales contract

Apr. 2025 – Ownership transferred from Kure City to DISCO

Acquisition amount – 2.5 billion yen