

Translation



February 6, 2026

Consolidated Financial Results
for the First Nine Months of the Fiscal Year Ending March 31, 2026
<under Japanese GAAP>

Company name: **USHIO INC.**
Listing: Prime Market of the Tokyo Stock Exchange
Stock code: 6925
URL: <https://www.ushio.co.jp/en/>
Representative: Takabumi Asahi, President and Chief Executive Officer
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Scheduled date to commence dividend payments : —
Preparation of supplementary material on earnings : Yes
Holding of earnings performance review : Yes (for analysts)

(Millions of yen with fractional amounts discarded, unless otherwise noted)

1. Consolidated performance for the first nine months of the fiscal year ending March 31, 2026
(from April 1, 2025 to December 31, 2025)

(1) Consolidated operating results (Cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
First nine months ended								
December 31, 2025	126,947	(0.9)	7,734	4.6	8,877	(15.1)	4,036	(29.8)
December 31, 2024	128,099	(3.3)	7,395	(27.5)	10,461	(17.1)	5,747	(33.9)

(Note) Comprehensive income

For the first nine months ended December 31, 2025: ¥ 18,107 million [92.8%]

For the first nine months ended December 31, 2024: ¥ 9,390 million [(54.3)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
First nine months ended		
December 31, 2025	47.25	—
December 31, 2024	58.22	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of			
December 31, 2025	314,940	197,881	62.8
March 31, 2025	297,304	200,509	67.4

(Reference) Equity

As of December 31, 2025: ¥ 197,867 million

As of March 31, 2025: ¥ 200,499 million

2. Cash dividends

	Annual dividends				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	—	—	—	70.00	70.00
Fiscal year ending March 31, 2026	—	—	—		
Fiscal year ending March 31, 2026 (Forecast)				70.00	70.00

(Note) Revisions to the forecasts of cash dividends most recently announced: None

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2026	170,000	(4.3)	10,000	13.3	10,500	(15.7)	7,000	3.0	79.45

(Note) Revisions to the consolidated earnings forecasts most recently announced: None

* Notes

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Application of a specific accounting procedure for preparing quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatements
 - a. Changes in accounting policies due to revisions to accounting standards: None
 - b. Changes in accounting policies due to other reasons: None
 - c. Changes in accounting estimates: None
 - d. Restatements: None
- (4) Number of issued shares (common stock)

- a. Total number of issued shares at the end of the period (including treasury stock)

As of December 31, 2025	92,500,000 shares
As of March 31, 2025	92,500,000 shares

- b. Number of shares of treasury stock at the end of the period

As of December 31, 2025	10,952,396 shares
As of March 31, 2025	3,910,017 shares

- c. Average number of shares during the period

As of December 31, 2025	85,435,934 shares
As of December 31, 2024	98,718,071 shares

(Note) The Company's shares held in trust introduced with respect to its stock remuneration plan for directors as treasury shares within shareholders' equity are included in the number of treasury shares.

* Review procedures by certified public accountants or audit firm on the attached Quarterly Consolidated Financial Statements: None

* Notes on the proper use of earnings forecasts and other special matters
(Caution Regarding Forward-Looking Statements)

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Actual business and other results may differ substantially due to various factors.

See page 3 of the appended materials regarding earnings forecasts.

(How to obtain Financial Presentation)

The financial results presentation for securities analysts and institutional investors is planned on February 6, 2026.

The Financial Presentation will be posted on the website of USHIO INC. on February 6, 2026.

[Attached document]

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1. Overview of Financial Results for the Period

(1) Overview of Business Performance

The global economy remained uncertain during the first nine-month period of the fiscal year ending March 31, 2026, because of the impact of U.S. tariffs, Chinese economic trends, exchange rate trends, and ongoing geopolitical risks.

Against this backdrop, the semiconductor, electronic device, and printed circuit board markets saw stable operations supported by a moderate recovery in global demand for PCs, smartphones, and other products, although related capital investment remained restrained. While the server market experienced new demand driven by generative AI, investment in existing data center servers was again constrained and postponed. While the flat panel display market experienced higher demand for organic light-emitting displays for smartphones and tablets, liquid crystal display panel manufacturers operated at low levels amid lackluster demand for their offerings. In the visual imaging market, cinema attendances remained sluggish amid diversifying entertainment options, offsetting the impact of resolving movie shortages stemming from the Hollywood strike and recovering investment appetites. General imaging market conditions remained firm amid a rising need for advanced video production for events and other activities.

The average value of the yen against the U.S. dollar during the first nine-month period was ¥149, a year-on-year appreciation of ¥3.

Consolidated net sales declined 0.9% year on year, to ¥126,947 million. Operating profit increased 4.6%, to ¥7,734 million. Ordinary profit declined 15.1%, to ¥8,877 million. Profit attributable to owners of parent declined 29.8%, to ¥4,036 million.

Segment results were as follows.

Industrial Processes Business

UV Lamps

Demand recovered steadily for such final products as personal computers and smartphones. While this and solid installed equipment utilization supported by demand related to generative-AI semiconductor-related products contributed to increasing sales, revenues remained unchanged owing to the yen's appreciation.

OA Lamps

Revenues declined due to decreased sales resulting from the advancement of paperless operations. The stronger yen further accelerated the decline in revenues.

Optical Equipment Lamps

Sales for flat panel display increased as flat panel display market demand recovered gradually, owing mainly to OLED displays for smartphones and tablets. Robust semiconductor market activity boosted sales for thermal processes. Revenues thus increased.

Optical Equipment (Lithography Equipment)

Sales of direct imaging lithography equipment increased on rising server demand for generative AI and related optical communications. On the other hand, although demand for advanced packaging rose with the rapid spread of generative AI semiconductors, sales of steppers were down, as lackluster demand for existing data centers and the impact of past overinvestments continued to suppress capital expenditure, with customers holding back or postponing investments. Revenues thus declined.

Optical Equipment (Others)

Maintenance service sales decreased for EUV light sources for EUV lithography mask inspections because unit prices declined in response to customer cost reduction pressures. Sales of photo-alignment equipment also decreased as investments trended down for LCD panels. Revenues thus declined.

Earnings were down. This reflected lower revenues and higher forward investments related to our digital lithography system and other lithography equipment. Another factor was losses on valuation of slow-moving assets due to delayed recovery in demand for lithography equipment.

Industrial Processes business sales therefore declined 3.1%, to ¥52,954 million. Operating profit dropped 46.3%, to ¥3,811 million.

Visual Imaging Business

Projector Lamps

While cinema operations trended upward following the resolution of the Hollywood strike, sales of xenon lamps for cinema projectors declined due to the increasing adoption of laser projectors. Sales of lamps for general imaging projectors also dropped for this reason. The stronger yen further accelerated the decline in revenues.

Cinema Projectors

Cinema investment appetites recovered from a slowdown associated with the Hollywood strikes, and projector replacement demand recovered. However, a stronger yen offset this trend, resulting in flat revenues.

General Imaging Projectors

Sales of high-end projectors rose as demand remained steady for visual production in the entertainment area. Revenues thus increased.

Earnings were up as the loss on valuation of inventories was lower than a year earlier and profitability improved on a product portfolio review and structural reforms.

Visual Imaging business sales therefore increased 0.3%, to ¥60,587 million. Operating profit rose 145.1%, to ¥3,569 million.

Life Sciences Business

Revenues increased due to higher sales of horticultural sodium lamps. Earnings also rose, as the strategic selection of investment targets in new projects improved profitability.

Life Sciences business sales therefore increased 5.5%, to ¥4,742 million. Operating profit was ¥209 million, from an operating loss of ¥795 million in the previous corresponding period.

Photonics Solutions Business

Although demand for devices and modules remained steady in semiconductor-related and industrial applications, revenues were flat owing to strategic project selections, primarily for devices. Earnings improved, however, as strategic project selections and focuses boosted profitability.

Photonics Solutions business sales thus increased 0.8%, to ¥7,676 million. Operating profit was ¥244 million, from an operating loss of ¥330 million in the previous corresponding period.

Others

Although power supply sales increased on capacity utilization recoveries at customer production lines, earnings declined primarily due to an increase in selling, general, and administrative expenses.

Others segment sales thus increased 1.7%, to ¥1,010 million. There was an operating loss of ¥25 million, from an operating profit of ¥31 million in the previous corresponding period.

(2) Overview of Financial Position

Assets

Total assets as of the end of the term were ¥314,940 million, up ¥17,636 million from a year earlier. Key factors in this rise were an increase in cash and deposits from collecting accounts receivable and borrowing externally and an increase in investment securities owing to unrealized gains on holdings.

Liabilities

Total liabilities rose ¥20,264 million, to ¥117,059 million. This was due largely to higher long-term borrowings to fund dividend payments and share repurchases. Another factor was an increase in deferred tax liabilities owing to higher unrealized gains on investment securities holdings.

Net Assets

Net assets decreased ¥2,628 million, to ¥197,881 million. This was due principally to an increase in treasury stock and lower retained earnings from paying dividends, which offset a higher valuation difference on available-for-sale securities as a result of unrealized gains on investment securities held, as well as an increase in the foreign currency translation adjustment owing to the yen's depreciation through the end of the third quarter.

(3) Explanation of Consolidated Earnings Forecasts and Other Forward-looking statements

For the fiscal year ending March 31, 2026, management has retained the full-year forecasts announced on May 13, 2025. These forecasts are based on information currently available to the Company and on certain assumptions that management deems reasonable. Actual results may vary due to various factors.

2. Quarterly Consolidated Financial Statements and Notes
(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025
Assets		
Current assets		
Cash and deposits	61,348	70,129
Notes and accounts receivable - trade, and contract assets	40,321	35,901
Securities	2,200	4,180
Merchandise and finished goods	30,424	30,965
Work in process	20,146	20,172
Raw materials and supplies	25,786	26,520
Other	7,746	11,624
Allowance for doubtful accounts	△1,413	△1,667
Total current assets	186,560	197,826
Non-current assets		
Property, plant and equipment		
Buildings and structures	53,163	55,019
Accumulated depreciation	△35,085	△36,800
Buildings and structures, net	18,077	18,219
Machinery, equipment and vehicles	31,328	32,130
Accumulated depreciation	△23,701	△24,741
Machinery, equipment and vehicles, net	7,627	7,388
Land	8,879	8,516
Right-of-use assets	4,459	4,682
Accumulated depreciation	△1,472	△2,213
Right-of-use assets, net	2,987	2,469
Construction in progress	1,655	1,815
Other	37,139	40,563
Accumulated depreciation	△26,449	△28,890
Other, net	10,689	11,673
Total property, plant and equipment	49,916	50,082
Intangible assets		
Goodwill	635	581
Other	4,470	4,186
Total intangible assets	5,105	4,767
Investments and other assets		
Investment securities	37,473	43,958
Long-term loans receivable	13	12
Deferred tax assets	3,251	3,254
Retirement benefit asset	12,342	12,469
Other	2,782	2,692
Allowance for doubtful accounts	△141	△123
Total investments and other assets	55,721	62,263
Total non-current assets	110,744	117,113
Total assets	297,304	314,940

(Millions of yen)

As of March 31, 2025 As of December 31, 2025

Liabilities		
Current liabilities		
Notes and accounts payable - trade	15,268	18,208
Short-term borrowings	1,617	1,471
Current portion of long-term borrowings	1,410	25,000
Lease liabilities	961	994
Income taxes payable	4,019	1,476
Contract liabilities	10,874	14,588
Provision for bonuses	2,572	1,389
Provision for bonuses for directors (and other officers)	78	35
Provision for product warranties	3,317	3,434
Provision for loss on orders received	0	—
Other	11,275	10,050
Total current liabilities	51,396	76,650
Non-current liabilities		
Long-term borrowings	35,000	26,500
Lease liabilities	2,410	1,830
Deferred tax liabilities	3,205	7,543
Provision for retirement benefits for directors (and other officers)	86	85
Provision for share awards for directors (and other officers)	151	187
Retirement benefit liability	3,523	3,273
Asset retirement obligations	358	366
Other	662	622
Total non-current liabilities	45,398	40,409
Total liabilities	96,794	117,059
Net assets		
Shareholders' equity		
Share capital	19,556	19,556
Capital surplus	27,767	27,768
Retained earnings	111,776	109,586
Treasury shares	△7,672	△22,183
Total shareholders' equity	151,428	134,728
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	12,326	19,356
Foreign currency translation adjustment	32,295	39,538
Remeasurements of defined benefit plans	4,449	4,245
Total accumulated other comprehensive income	49,071	63,139
Non-controlling interests	10	13
Total net assets	200,509	197,881
Total liabilities and net assets	297,304	314,940

(2) Quarterly Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
(Quarterly Consolidated Statements of Income (cumulative))

(Millions of yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Net sales	128,099	126,947
Cost of sales	81,143	80,371
Gross profit	46,955	46,575
Selling, general and administrative expenses	39,560	38,841
Operating profit	7,395	7,734
Non-operating income		
Interest income	1,024	959
Dividend income	922	646
Gain on sale of securities	—	9
Foreign exchange gains	1,156	—
Gain on investments in investment partnerships	27	32
Other	392	495
Total non-operating income	3,522	2,143
Non-operating expenses		
Interest expenses	241	271
Loss on redemption of investment securities	0	150
Foreign exchange losses	—	508
Litigation expenses	125	—
Other	89	69
Total non-operating expenses	456	1,000
Ordinary profit	10,461	8,877
Extraordinary income		
Gain on sale of non-current assets	16	38
Gain on sale of investment securities	22	3,529
Total extraordinary income	39	3,567
Extraordinary losses		
Loss on retirement of non-current assets	169	176
Loss on sale of non-current assets	0	31
Impairment losses	108	389
Loss on valuation of investment securities	500	159
Business restructuring expenses	—	4,101
Total extraordinary losses	777	4,857
Profit before income taxes	9,722	7,587
Income taxes - current	3,079	2,114
Income taxes - deferred	897	1,434
Total income taxes	3,976	3,548
Profit	5,745	4,038
Profit (loss) attributable to non-controlling interests	△1	2
Profit attributable to owners of parent	5,747	4,036

(Quarterly Consolidated Statements of Comprehensive Income (cumulative))

(Millions of yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Profit	5,745	4,038
Other comprehensive income		
Valuation difference on available-for-sale securities	601	7,029
Foreign currency translation adjustment	3,159	7,243
Remeasurements of defined benefit plans, net of tax	△105	△204
Share of other comprehensive income of entities accounted for using equity method	△10	—
Total other comprehensive income	3,645	14,069
Comprehensive income	9,390	18,107
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	9,392	18,105
Comprehensive income attributable to non-controlling interests	△1	2

(3) Notes to Quarterly Consolidated Financial Statements

(Notes on Segment Information)

I. First nine months of the fiscal year ended March 31, 2025 (from April 1, 2024 to December 31, 2024)

Information concerning net sales and profit/loss by reportable segment

(Millions of yen)

	Reportable Segment					Others (Note 1)	Total	Adjustment (Note 2)	Amount on consolidated financial statements (Note 3)
	Industrial Processes	Visual Imaging	Life Sciences	Photonics Solutions	Total				
Sales									
Sales to outside customers	54,624	60,377	4,493	7,617	127,113	985	128,099	—	128,099
Inter-segment sales or transfer among segment	3	6	1	0	11	7	18	(18)	—
Total	54,627	60,384	4,494	7,617	127,124	993	128,117	(18)	128,099
Segment profit (loss)	7,101	1,456	(795)	(330)	7,430	31	7,461	(66)	7,395

- (Notes) 1. “Others” represents business segments that are not included in other reportable segments and other revenue-generating business activities.
2. Total adjustment of ¥(66) million for segment profit (loss) includes ¥1 million in eliminations of inter-segment transactions and ¥(67) million in corporate expenses. The latter expenses are primarily general and administrative expenses that are not included in reportable segments or other revenue-generating business activities.
3. Segment profit (loss) is adjusted with operating profit in the quarterly consolidated statements of income.

II. First nine months of the fiscal year ending March 31, 2026 (from April 1, 2025 to December 31, 2025)

Information concerning net sales and profit/loss by reportable segment

(Millions of yen)

	Reportable Segment					Others (Note 1)	Total	Adjustment (Note 2)	Amount on consolidated financial statements (Note 3)
	Industrial Processes	Visual Imaging	Life Sciences	Photonics Solutions	Total				
Sales									
Sales to outside customers	52,952	60,579	4,739	7,676	125,948	999	126,947	—	126,947
Inter-segment sales or transfer among segment	1	7	3	—	12	11	23	(23)	—
Total	52,954	60,587	4,742	7,676	125,960	1,010	126,970	(23)	126,947
Segment profit (loss)	3,811	3,569	209	244	7,835	(25)	7,809	(75)	7,734

- (Notes) 1. “Others” represents business segments that are not included in other reportable segments and other revenue-generating business activities.
2. Total adjustment of ¥(75) million for segment profit (loss) includes ¥3 million in eliminations of inter-segment transactions and ¥(82) million in corporate expenses. The latter expenses are primarily general and administrative expenses that are not included in reportable segments or other revenue-generating business activities.
3. Segment profit (loss) is adjusted with operating profit in the quarterly consolidated statements of income.

(Notes on Significant Changes in the Amount of Shareholders' Equity)

The Company repurchased 6,493,900 shares following a resolution of the Board of Directors on August 5, 2025. This and other transactions for acquiring and disposing treasury stock increased treasury stock holdings by ¥14,510 million during the term.

(Notes on Premise of Going Concern)

Not applicable.

(Notes on Quarterly Consolidated Statements of Cash Flows)

The Company has not prepared consolidated statements of cash flows for the first three quarters of the year under review. Depreciation (including depreciation related to intangible assets except goodwill) and amortization of goodwill for the third quarter of this fiscal year were as follows.

	First nine months of the fiscal year ended March 31, 2025 (from April 1, 2024 to December 31, 2024)	First nine months of the fiscal year ending March 31, 2026 (from April 1, 2025 to December 31, 2025)
Depreciation	5,724 Millions of yen	6,519 Millions of yen
Amortization of Goodwill	90	77