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April 30, 2025

Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (Japanese standard)

Company name: INES Corporation
 Listing: Tokyo Stock Exchange
 Securities code: 9742
 URL: <https://www.ines.co.jp/en/>
 Representative: Shuji Hattori, President and Representative Director
 Contacts: Satoshi Numazaki, General Manager, Corporate Staff Division
 Tel: +81-3-6775-4401
 Scheduled date of annual general meeting of shareholders: June 25, 2025
 Scheduled date to commence dividend payments: June 26, 2025
 Scheduled date to file annual securities report: June 25, 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 March 31, 2025 (April 1, 2024 to March 31, 2025)

(1) Consolidated operating results

(Figures in percentages denote year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	40,563	0.0	3,536	22.9	3,608	32.0	2,436	35.7
March 31, 2024	40,557	(4.4)	2,877	(24.3)	2,732	(29.6)	1,795	(29.3)

Note: Comprehensive income For the fiscal year ended March 31, 2025: ¥2,420 million [(4.3)%]
 For the fiscal year ended March 31, 2024: ¥2,529 million [1.5%]

Fiscal year ended	Profit per share	Fully diluted profit per share	Profit/Shareholders' equity	Ordinary profit/Total assets	Operating profit/Net sales
	Yen	Yen	%	%	%
March 31, 2025	117.13	—	6.3	6.5	8.7
March 31, 2024	86.33	—	4.8	5.3	7.1

Reference: Equity in earnings of affiliated companies
 For the fiscal year ended March 31, 2025: ¥— million
 For the fiscal year ended March 31, 2024: ¥— million

(2) Consolidated financial position

As of	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2025	56,727	39,192	69.1	1,884.21
March 31, 2024	54,427	37,790	69.4	1,816.54

Reference: Shareholders' equity
 As of March 31, 2025: ¥39,192 million
 As of March 31, 2024: ¥37,790 million

(3) Consolidated cash flow situation

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2025	1,478	(288)	1,536	7,991
March 31, 2024	2,142	(9,987)	3,948	5,265

2. Dividends

	Dividends per share					Total dividends (annual)	Dividend payout ratio (consolidated)	Dividends/ Net assets (consolidated)
	End of Q1	End of Q2	End of Q3	Fiscal year end	Annual			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2024	–	25.00	–	25.00	50.00	1,040	57.9	2.8
Fiscal year ended March 31, 2025	–	25.00	–	30.00	55.00	1,144	47.0	3.0
Fiscal year ending March 31, 2026 (Forecast)	–	–	–	–	60.00		44.6	

Note: The dividend forecasts for the end of the second quarter and the fiscal year end of the fiscal year ending March 31, 2026 are to be determined at this time.

3. Forecasts for consolidated financial results for the fiscal year ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(Figures in percentages denote year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	43,000	6.0	4,000	13.1	4,100	13.6	2,800	14.9	134.61

*** Notes**

- (1) Significant changes in the scope of consolidation during this fiscal year under review: No
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies associated with the revision of accounting standards, etc.: No
 - (ii) Changes in accounting policies other than (i): No
 - (iii) Changes in accounting estimates: No
 - (iv) Restatement: No

(3) Number of issued shares (common shares)

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

As of March 31, 2025	20,900,000 shares
As of March 31, 2024	20,900,000 shares

(ii) Number of treasury shares at the end of the period

As of March 31, 2025	99,687 shares
As of March 31, 2024	96,727 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2025	20,802,381 shares
Fiscal year ended March 31, 2024	20,802,125 shares

* Financial results reports are not subject to audit procedures performed by certified public accountants or audit corporations.

* Explanation regarding the proper use of results forecasts and other important notes
(Disclaimer regarding forward-looking statements)

Forward-looking statements such as results forecasts provided in this document are prepared based on currently available information and assumptions that are deemed reasonable, but the Company does not intend to guarantee their achievement. Actual results may differ significantly from the above forecasts for various reasons.

Consolidated financial statements and significant notes thereto**(1) Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	6,479	8,205
Notes and accounts receivable - trade, and contract assets	11,855	15,473
Work in process	383	399
Raw materials and supplies	69	55
Prepaid expenses	431	505
Other	1,084	139
Allowance for doubtful accounts	(19)	(15)
Total current assets	20,283	24,764
Non-current assets		
Property, plant and equipment		
Buildings and structures	1,479	5,951
Accumulated depreciation	(628)	(665)
Buildings and structures, net	851	5,286
Tools, furniture and fixtures	3,996	4,020
Accumulated depreciation	(2,971)	(2,951)
Tools, furniture and fixtures, net	1,025	1,068
Land	5,299	5,299
Construction in progress	4,587	-
Total property, plant and equipment	11,764	11,654
Intangible assets		
Software	2,498	3,216
Other	23	22
Total intangible assets	2,522	3,238
Investments and other assets		
Investment securities	13,535	11,836
Long-term prepaid expenses	767	503
Deferred tax assets	4,147	3,514
Other	1,407	1,215
Total investments and other assets	19,857	17,069
Total non-current assets	34,143	31,963
Total assets	54,427	56,727

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	1,909	2,639
Short-term borrowings	–	3,000
Current portion of long-term borrowings	416	833
Accrued expenses	1,297	960
Income taxes payable	722	253
Accrued consumption taxes	272	571
Advances received	129	136
Provision for bonuses	959	925
Provision for bonuses for directors (and other officers)	80	107
Provision for loss on orders received	49	–
Asset retirement obligations	230	10
Other	1,533	526
Total current liabilities	7,601	9,965
Non-current liabilities		
Long-term borrowings	4,583	3,749
Provision for retirement benefits for directors (and other officers)	88	35
Retirement benefit liability	3,411	2,866
Asset retirement obligations	154	146
Other	798	772
Total non-current liabilities	9,035	7,569
Total liabilities	16,637	17,535
Net assets		
Shareholders' equity		
Share capital	15,000	15,000
Capital surplus	10,099	10,102
Retained earnings	12,438	13,835
Treasury shares	(140)	(120)
Total shareholders' equity	37,398	38,816
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	54	153
Remeasurements of defined benefit plans	336	222
Total accumulated other comprehensive income	391	375
Total net assets	37,790	39,192
Total liabilities and net assets	54,427	56,727

(2) Consolidated statement of income and consolidated statement of comprehensive income
Consolidated statement of income

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales	40,557	40,563
Cost of sales	30,827	30,847
Gross profit	9,729	9,715
Selling, general and administrative expenses	6,851	6,179
Operating profit	2,877	3,536
Non-operating income		
Interest income	52	51
Dividend income	27	37
Rental income from real estate	–	8
Dividend income of insurance	14	16
Other	17	18
Total non-operating income	112	133
Non-operating expenses		
Interest expenses	11	40
Rental expenses on real estate	–	5
Loss on investments in investment partnerships	8	1
Office relocation expenses	233	10
Other	3	3
Total non-operating expenses	257	61
Ordinary profit	2,732	3,608
Extraordinary income		
Gain on sale of investment securities	5	–
Gain on sale of membership	–	18
Gain on liquidation of subsidiaries and associates	18	0
Total extraordinary income	24	18
Extraordinary losses		
Loss on retirement of non-current assets	19	21
Removal expenses of non-current assets	4	20
Special retirement benefits	59	71
Other	0	2
Total extraordinary losses	84	114
Profit before income taxes	2,672	3,511
Income taxes - current	860	440
Income taxes - deferred	16	634
Total income taxes	877	1,075
Profit	1,795	2,436
Profit attributable to owners of parent	1,795	2,436

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit	1,795	2,436
Other comprehensive income		
Valuation difference on available-for-sale securities	234	98
Remeasurements of defined benefit plans, net of tax	499	(114)
Total other comprehensive income	733	(15)
Comprehensive income	2,529	2,420
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,529	2,420

(3) Consolidated statements of changes in shareholders' equity

Previous fiscal year (April 1, 2023 to March 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	15,000	10,100	11,682	(155)	36,627
Changes during period					
Dividends of surplus			(1,039)		(1,039)
Profit attributable to owners of parent			1,795		1,795
Purchase of treasury shares				(2)	(2)
Disposal of treasury shares		(1)		18	17
Net changes in items other than shareholders' equity					
Total changes during period	–	(1)	755	15	770
Balance at end of period	15,000	10,099	12,438	(140)	37,398

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	(179)	(162)	(341)	36,286
Changes during period				
Dividends of surplus				(1,039)
Profit attributable to owners of parent				1,795
Purchase of treasury shares				(2)
Disposal of treasury shares				17
Net changes in items other than shareholders' equity	234	499	733	733
Total changes during period	234	499	733	1,503
Balance at end of period	54	336	391	37,790

Fiscal year under review (April 1, 2024 to March 31, 2025)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	15,000	10,099	12,438	(140)	37,398
Changes during period					
Dividends of surplus			(1,040)		(1,040)
Profit attributable to owners of parent			2,436		2,436
Purchase of treasury shares				(2)	(2)
Disposal of treasury shares		2		21	24
Net changes in items other than shareholders' equity					
Total changes during period	–	2	1,396	19	1,417
Balance at end of period	15,000	10,102	13,835	(120)	38,816

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	54	336	391	37,790
Changes during period				
Dividends of surplus				(1,040)
Profit attributable to owners of parent				2,436
Purchase of treasury shares				(2)
Disposal of treasury shares				24
Net changes in items other than shareholders' equity	98	(114)	(15)	(15)
Total changes during period	98	(114)	(15)	1,402
Balance at end of period	153	222	375	39,192

(4) Consolidated statement of cash flow

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	2,672	3,511
Depreciation	1,993	1,917
Increase (decrease) in provision for bonuses	0	(34)
Increase (decrease) in provision for bonuses for directors (and other officers)	7	26
Increase (decrease) in provision for loss on orders received	1	(49)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(13)	(53)
Increase (decrease) in retirement benefit liability	(495)	(735)
Loss (gain) on liquidation of subsidiaries and associates	(18)	(0)
Loss on retirement of non-current assets	19	21
Loss (gain) on sale of investment securities	(5)	–
Loss (gain) on sale of membership	–	(18)
Office relocation expenses	233	10
Removal expenses of non-current assets	4	20
Special retirement benefits	59	71
Decrease (increase) in trade receivables	42	(3,610)
Decrease (increase) in inventories	(117)	(2)
Decrease (increase) in other assets	16	(67)
Increase (decrease) in trade payables	(297)	907
Increase (decrease) in other liabilities	(724)	408
Other, net	21	(86)
Subtotal	3,398	2,237
Income taxes refund	6	398
Income taxes paid	(1,262)	(1,158)
Net cash provided by (used in) operating activities	2,142	1,478
Cash flows from investing activities		
Net decrease (increase) in time deposits	(1,000)	999
Net decrease (increase) in short-term investment securities	2,300	–
Purchase of property, plant and equipment	(9,626)	(1,432)
Purchase of intangible assets	(1,048)	(1,508)
Purchase of long-term prepaid expenses	(460)	(98)
Purchase of investment securities	(10)	(2)
Proceeds from sale of investment securities	5	–
Proceeds from redemption of investment securities	–	1,800
Proceeds from sale of membership	–	38
Proceeds from liquidation of subsidiaries and associates	30	0
Payments of leasehold and guarantee deposits	(168)	(259)
Proceeds from refund of leasehold and guarantee deposits	87	423
Payments for asset retirement obligations	(99)	(271)
Other, net	1	22
Net cash provided by (used in) investing activities	(9,987)	(288)

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	–	3,000
Proceeds from long-term borrowings	5,000	–
Repayments of long-term borrowings	–	(416)
Repayments of lease liabilities	(11)	(5)
Purchase of treasury shares	(2)	(2)
Dividends paid	(1,037)	(1,039)
Net cash provided by (used in) financing activities	3,948	1,536
Net increase (decrease) in cash and cash equivalents	(3,896)	2,726
Cash and cash equivalents at beginning of period	9,162	5,265
Cash and cash equivalents at end of period	5,265	7,991