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August 8, 2025

Consolidated Financial Results for the Three Months Ended June 30, 2025 (Under Japanese GAAP)

Company name: Central Glass Co., Ltd.
Listing: Tokyo Stock Exchange (Prime)
Securities code: 4044
URL: <https://www.cgc-jp.com/>
Representative: Kazuhiko Maeda, Representative Director, President & CEO
Inquiries: Hidekazu Hashimoto, General Manager of Corporate Communications Department
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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 June 30, 2025 (from April 1, 2025 to June 30, 2025)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2025	33,368	(4.2)	1,586	(46.0)	1,781	(57.5)	834	(72.3)
June 30, 2024	34,830	(10.7)	2,940	3.3	4,190	9.2	3,012	6.4

Note: Comprehensive income For the three months ended June 30, 2025: 541 million yen [(87.5)%]
For the three months ended June 30, 2024: 4,346 million yen [2.4%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2025	33.65	-
June 30, 2024	121.57	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2025	201,039	118,105	56.8
March 31, 2025	204,834	121,063	57.0

Reference: Equity As of June 30, 2025: 114,249 million yen
As of March 31, 2025: 116,728 million yen

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	-	85.00	-	85.00	170.00
Fiscal year ending March 31, 2026	-				
Fiscal year ending March 31, 2026 (Forecast)		85.00	-	85.00	170.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Consolidated Financial Forecasts for the Year Ending March 31, 2026(April 1, 2025 to March 31, 2026)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First six months ending September 30, 2025	66,000	(3.0)	2,000	(57.9)	2,500	(51.7)	1,500	(46.1)	60.53
Fiscal year ending March 31, 2026	145,000	0.5	7,500	(29.4)	8,000	(34.2)	5,500	(3.1)	221.93

Note: Revision to the financial forecasts most recently announced: None

* 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
 - (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None
- (4) Number of issued shares (common shares)

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

As of June 30, 2025	26,000,000 shares
As of March 31, 2025	26,000,000 shares

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

As of June 30, 2025	1,215,194 shares
As of March 31, 2025	1,215,616 shares

- (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2025	24,784,470 shares
Three months ended June 30, 2024	24,780,219 shares

Note: Treasury stock, which is deducted from the calculation of the number of treasury stock at the end of the period and the average number of shares during the period, includes treasury stock held by the trust account for the granting of stock to directors and employees.

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

- * Cautionary note regarding forward-looking statements:

The above forecast is based on data available as of the date of release of this document as well as assumptions based on uncertain factors, which might have a material effect on the Company's performance in the future.

■ Overview of Business Results

1. Overview of quarterly operating results

Net sales amounted to 33,368 million yen, representing a 4.2% decrease compared to the previous fiscal year, although the Group engaged in proactive sales activities.

Although we have been promoting measures to improve efficiency and streamline operations in general management, ordinary profit decreased by 2,408 million yen year on year to 1,781 million yen, and quarterly profit attributable to owners of parent decreased by 2,178 million yen year on year to 834 million yen.

In the current fiscal year, we have changed the reportable segments into four segments: Electronic Materials Business, Energy Materials Business, Life & Healthcare Business and Glass Business in order to enhance information disclosure. For comparison purposes, the results for the first quarter of the previous consolidated cumulative period have been reclassified in accordance with the new segment breakdown.

Overview by Segment

[Electronic Materials Business]

Net sales increased 0.7% year on year to 6,068 million yen due mainly to increased sales of products for AI semiconductors, despite a decline in sales of some products resulting from inventory adjustments such as NAND memory, and a one-time decline in sales of some products due to transaction changes. Operating profit decreased by 232 million yen year on year to 1,012 million yen due in part to the impact of higher raw material and other costs.

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025	Change	
			Amount	%
Net sales	6,028	6,068	40	0.7
Operating profit	1,244	1,012	(232)	(18.7)

[Energy Materials Business]

Net sales decreased 46.6% year on year to 2,138 million yen due to a decrease in sales of electrolytes products for lithium-ion batteries caused by intensified competition, and operating loss worsened 817 million yen year on year to 1,073 million yen.

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025	Change	
			Amount	%
Net sales	4,005	2,138	(1,866)	(46.6)
Operating profit	(256)	(1,073)	(817)	-

[Life & Healthcare (L&HC) Business]

Net sales decreased 3.0% year on year to 9,601 million yen, and operating profit decreased 297 million yen to 952 million yen due in part to the impact of the LCM method (Applied Chemicals and Fertilizers).

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025	Change	
			Amount	%
Net sales	9,901	9,601	(300)	(3.0)
Operating profit	1,249	952	(297)	(23.8)

Medi-Chemicals

Net sales decreased year on year due to a decrease in sales of medical-related products.

Applied Chemicals

Net sales increased year on year due to increased sales of HFO products, despite the impact of withdrawing from PAC (water treatment coagulant) business in the previous year.

Fertilizers

Net sales increased year on year due to an increase in selling prices accompanying an increase in raw material prices.

Breakdown of net sales by business subsegment (Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025	Change	
			Amount	%
Medi-Chemicals	3,706	3,153	(552)	(14.9)
Applied Chemicals	4,248	4,453	204	4.8
Fertilizers	1,946	1,994	47	2.5
Total	9,901	9,601	(300)	(3.0)

[Glass Business]

Net sales increased 3.2% year on year to 14,299 million yen, but operating profit decreased 76 million yen year on year to 630 million yen due in part to the impact of higher raw material and fuel costs and other costs.

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025	Change	
			Amount	%
Net sales	13,858	14,299	441	3.2
Operating profit	706	630	(76)	(10.8)

Architectural glass

Net sales increased year on year due to an increase in sales of non-residential products.

Automotive glass

Net sales decreased from the same period of the previous fiscal year due to a decrease in sales of products resulting from the temporary suspension of production by customers.

Glass fiber

Net sales increased year on year due to an increase in sales of products for automobiles.

Breakdown of net sales by business subsegment (Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025	Change	
			Amount	%
Architectural glass	5,027	5,458	431	8.6
Automotive glass	6,800	6,721	(78)	(1.2)
Glass fiber	2,030	2,119	89	4.4
Others	0	0	(0)	(21.6)
Total	13,858	14,299	441	3.2

2. Overview of quarterly consolidated financial position

Total assets amounted to 201,039 million yen, down 3,794 million yen from the end of FY2024, due primarily to reductions of 5,412 million yen in notes, accounts receivable and contract assets, and 965 million yen in inventories, partially offset by an increase of 2,693 million yen in cash and deposits.

Liabilities amounted to 82,933 million yen, down 836 million yen from the end of FY2024, due primarily to a decrease of 1,952 million yen in interest-bearing debt, resulting from loan repayments and other contributing factors.

Net assets amounted to 118,105 million yen from the end of FY2024, reflecting a decrease of 2,957 million yen, due primarily to a decrease of 2,146 million yen resulting from the payment of cash dividends.

Equity ratio decreased by 0.2% from the end of FY2024 to 56.8%.

3. Overview of quarterly research and development activities

The Group's research and development (R&D) expenses for the three months ended June 30, 2025 amounted to 1,913 million yen.

There have been no significant changes in the status of the Group's R&D activities during the first quarter of the fiscal year under review.

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025	Change	
			Amount	%
R&D expenses	1,727	1,913	186	10.8

4. Future forecasts

The Company has reviewed our earnings forecasts for the second quarter in light of future demand trends. However, net sales, operating profit, ordinary profit, and quarterly net profit attributable to owners of parent were generally in line with the initial plan for the fiscal year, with no significant deviations from the original forecast that would require timely disclosure under applicable standards. Accordingly, the Company has not revised the consolidated forecasts for the second quarter and full year announced on May 14, 2025.

The consolidated financial forecasts are based on judgments made on information available to the Company at the present time. Actual results may differ from these forecasts due to various factors. We will carefully assess the impact of future changes in business conditions and review the forecasts as necessary.

■ Quarterly Consolidated Financial Statements

1. Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	25,483	28,177
Notes and accounts receivable - trade, and contract assets	39,220	33,807
Merchandise and finished goods	28,655	27,367
Work in process	2,470	2,347
Raw materials and supplies	16,080	16,526
Other	3,122	2,871
Allowance for doubtful accounts	(142)	(135)
Total current assets	114,889	110,962
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	18,239	18,445
Machinery, equipment and vehicles, net	15,971	15,804
Land	20,398	20,401
Construction in progress	1,613	1,832
Other, net	4,629	4,549
Total property, plant and equipment	60,852	61,033
Intangible assets		
Other	1,055	1,177
Total intangible assets	1,055	1,177
Investments and other assets		
Investment securities	17,835	17,029
Other	10,286	10,924
Allowance for doubtful accounts	(85)	(86)
Total investments and other assets	28,036	27,866
Total non-current assets	89,944	90,076
Total assets	204,834	201,039

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	14,970	14,142
Short-term borrowings	7,711	7,218
Current portion of bonds payable	8,000	8,000
Income taxes payable	649	751
Contract liabilities	1,226	650
Provision for bonuses	1,289	437
Provision for business restructuring	105	105
Other	15,148	17,899
Total current liabilities	49,100	49,206
Non-current liabilities		
Bonds payable	15,000	15,000
Long-term borrowings	11,610	10,206
Provision for special repairs	2,477	2,580
Provision for share awards for directors (and other officers)	63	74
Provision for share awards for employees	379	420
Retirement benefit liability	4,949	4,968
Other	189	476
Total non-current liabilities	34,669	33,727
Total liabilities	83,770	82,933
Net assets		
Shareholders' equity		
Share capital	18,168	18,168
Capital surplus	8,109	8,109
Retained earnings	81,411	80,212
Treasury shares	(3,817)	(3,816)
Total shareholders' equity	103,872	102,674
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,772	5,484
Deferred gains or losses on hedges	8	(6)
Foreign currency translation adjustment	6,099	5,157
Remeasurements of defined benefit plans	975	939
Total accumulated other comprehensive income	12,856	11,574
Non-controlling interests	4,335	3,856
Total net assets	121,063	118,105
Total liabilities and net assets	204,834	201,039

2. Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net sales	34,830	33,368
Cost of sales	24,751	24,679
Gross profit	10,079	8,688
Selling, general and administrative expenses	7,138	7,101
Operating profit	2,940	1,586
Non-operating income		
Interest income	32	33
Dividend income	271	443
Share of profit of entities accounted for using equity method	108	—
Foreign exchange gains	848	—
Other	360	469
Total non-operating income	1,621	946
Non-operating expenses		
Interest expenses	79	67
Share of loss of entities accounted for using equity method	—	21
Foreign exchange losses	—	502
Other	291	160
Total non-operating expenses	371	752
Ordinary profit	4,190	1,781
Profit before income taxes	4,190	1,781
Income taxes	1,053	739
Profit	3,136	1,041
Profit attributable to non-controlling interests	124	207
Profit attributable to owners of parent	3,012	834

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Profit	3,136	1,041
Other comprehensive income		
Valuation difference on available-for-sale securities	348	(287)
Deferred gains or losses on hedges	28	(15)
Foreign currency translation adjustment	505	211
Remeasurements of defined benefit plans, net of tax	(31)	(36)
Share of other comprehensive income of entities accounted for using equity method	358	(372)
Total other comprehensive income	1,210	(500)
Comprehensive income	4,346	541
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,073	290
Comprehensive income attributable to non-controlling interests	273	250

3. Notes to Quarterly Consolidated Financial Statements

Notes on premise of going concern

Not applicable.

Important Items Forming the Basis for Preparation of Quarterly Consolidated Financial Statements

(Changes in matters relating to the fiscal year of consolidated subsidiaries)

Previously, consolidated subsidiaries whose fiscal year-end was December 31 used the financial statements as of that date. In addition, necessary adjustments were made to the consolidated financial statements for significant transactions occurring between the fiscal year-end and the consolidated fiscal year-end.

From the first quarter of the current fiscal year, the following eight consolidated subsidiaries have changed to a method of provisional settlement of accounts on the quarterly consolidated closing date in order to grasp more appropriate management information and disclose consolidated financial statements.

Central Glass Czech s.r.o., Central Glass International, Inc., Giga Gas & Electronic Materials Company, Giga Gas & Electronic Materials (Singapore) Pte. Ltd., Central Glass Chemspec Company Ltd., Central Glass Trading (Shanghai) Co.,Ltd., JCEL Co., Ltd., Central Glass Korea Co.,Ltd.

The gain or loss of these consolidated subsidiaries for the period from January 1, 2025 to March 31, 2025 has been adjusted as retained earnings.

Adoption of specific accounting policies for quarterly consolidated financial statement

Income tax expenses of the Company and some consolidated subsidiaries are calculated by multiplying quarterly income before income taxes by the effective tax rate that is reasonably estimated by applying tax effect accounting to the projected annual income before income taxes.

Notes to segment information

1. The first quarter ended June 30, 2024

(Millions of yen)

	Reportable Segments					Others	Adjustments (*)	Consolidated
	Electronic Materials	Energy Materials	L&HC	Glass	Total			
Net sales:								
External customers	6,028	4,005	9,901	13,858	33,793	1,037	-	34,830
Intersegment	1	1	12	0	14	602	(617)	-
Total	6,029	4,006	9,913	13,858	33,807	1,640	(617)	34,830
Segment profit or loss (Operating profit)	1,244	(256)	1,249	706	2,944	(3)	-	2,940

2. The first quarter ended June 30, 2025

(Millions of yen)

	Reportable Segments					Others	Adjustments (*)	Consolidated
	Electronic Materials	Energy Materials	L&HC	Glass	Total			
Net sales:								
External customers	6,068	2,138	9,601	14,299	32,108	1,259	-	33,368
Intersegment	24	1	18	0	44	505	(549)	-
Total	6,093	2,140	9,619	14,300	32,152	1,764	(549)	33,368
Segment profit or loss (Operating profit)	1,012	(1,073)	952	630	1,521	65	-	1,586

*Adjustments are intersegment eliminations.

3. Change in reportable segments

Previously, the Company's reportable segments were the Chemicals Business and the Glass Business.

In the current fiscal year, we have changed the reportable segments into four segments: Electronic Materials Business, Energy Materials Business, Life & Healthcare Business and Glass Business in order to enhance information disclosure.

Due to segment changes, segment information for the first quarter of the previous fiscal year has been prepared using the new segment breakdown.

Notes on significant changes in the amount of shareholders' equity

Not applicable.

Notes to quarterly consolidated statement of cash flows

Quarterly consolidated statements of cash flows have not been prepared for the first quarter of the current fiscal year. Depreciation (including amortization related to intangible assets) for the first quarter of the fiscal year under review are as follows.

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Depreciation	2,199	1,974

Material subsequent events**Sale of a Consolidated Subsidiary (Entire Equity)**

1. Reason for the sale

With the aim of expanding the fine chemicals business through the reagent business in Europe, the Company took an equity stake in Apollo Scientific Ltd. ("ASL") in 2003 and made ASL a consolidated subsidiary in 2007, and we are advancing efforts to accelerate the business. However, since 2019, ASL's performance has been sluggish in recent years, due in part to the rise of major competitors and the UK exit.

To date, we have implemented various measures to improve ASL's profitability. However, aiming for drastic improvement will require further investment, and the reagent business will not be a focus area for us in the future. Therefore, we decided to sell all shares of ASL to Shanghai Titan Scientific Co., Ltd.

The Company allocates management resources to areas with high growth potential and profitability to optimize our business portfolio and increase corporate value.

2. Name of acquiring company

Shanghai Titan Scientific Co., Ltd.

3. Timeline

- (1) Resolution of Board of Directors July 22, 2025
- (2) Conclusion of contract July 23, 2025
- (3) Execution of share sale October 2025 (Scheduled)

4. Overview of the subsidiary to be sold

- (1) Name Apollo Scientific Ltd.
- (2) Business activities Reagent business centered on organic fluorine products
- (3) Business relationship with the Company Sales of the Company's products

5. Sale price, gain or loss of sale and the status of the shares owned before and after sale

- (1) Sale price 5,756,429 £
- (2) Gain or loss on sale an extraordinary loss of approximately 1.3 billion yen
- (3) Shareholding ratio before sale 100%
- (4) Shareholding ratio after sale 0%