Tokyo Seimitsu Co., Ltd. Earnings Conference for the FY2027/3 1Q
Q&A Summary

Date of Conference: Aug 4th, 2026

- *This document is a summary of Q&A session at the Earnings Conference (via Web) for FY2027/1Q, held on aforementioned date, edited by Tokyo Seimitsu Co., Ltd.*
- *This information contains "forward-looking statements" that are based on best available information as at the date of Conference and policies. There are various factors such as world economic conditions and semiconductor/automobile market conditions which will directly and indirectly impact the Company's results in the future. As a result, future outcomes may differ from those projected in this document.*
- *Unless otherwise noted, "SPE" denotes our Semiconductor Production Equipment Business (or the Segment), "Metrology" denotes our Metrology Business (or the Segment).*
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1. We would like to hear more details on why SPE orders for the April–June quarter significantly exceeded expectations.

- First, inquiries related to HPC including generative AI were strong. Within that segment, demand for logic devices, particularly high-end products in China, remained robust.
- We believe the probing market is improving across most applications, with the exception of certain power discrete devices. For example, demand for analog devices and PMICs for data centers is strong and appears to be fairly sustainable, and inquiries for DDICs and other products are also increasing.
- In addition, orders for dicers were better than expected. We observed demand not only for capacity expansion investments but also for new applications such as silicon photonics.

2. **Please provide details on HPC-related orders including generative AI, for the April-June quarter.**

- Order amount for the Apr-Jun quarter was approximately ¥20.0B, and 3/4 of them were for Logic, and 1/4 were for HBM.
- Sales for the same period were approximately mid-40% of overall SPE sales and 2/3 of them were for Logic, and 1/3 were for HBM.

3. The company anticipates that SPE orders for the July–September quarter will decline compared to the April–June quarter and suggests that one possible factor is that the April–June quarter may have included orders that were brought forward; we would like to hear more details.

- We do not have a specific figure, but it appears there were projects that were brought forward.

- On the other hand, at this point, the company also anticipates that orders for the July–September quarter could be on par with those of the April–June quarter. This is because the company expects HBM-related orders to increase during the July–September quarter.

4. **Regarding the company's outlook for HPC-related orders in the FY2027/3 1H (slide 13 of the presentation materials), the company has lowered its projected growth rate for HBM orders compared to its previous forecast. I would like to ask about the reasons.**
   - This is due to the expectation that projects originally anticipated for the first half may be shifted to the second half (or the July–September quarter); no specific negative events have occurred.

5. **Please provide information on the lead times for each product.**
   - While it depends on the specifications, lead times for probers are approximately 4–8 months, and the situation is similar for dicers. Additionally, lead times for grinders have continued to exceed 6 months.

6. **Current order amounts exceed sales. How do you assess the current situation?**
   - The order environment is very strong, with orders amounting to about 1.5 times our production capacity.

7. **The company has revised its Capex plan upward FY2027/3. We would like to know the details of this revision, and how much the current capacity is expected to increase as a result of its implementation.**
   - First, to expand prober production, we will transfer components currently stored at our main plant, the *Hanno* Plant (Hanno City, *Saitama* Prefecture)—to an external warehouse and convert that space for production. The costs associated with this, such as utility system modifications, have been factored into the plan. We expect this to be completed within the current fiscal year.
   - Concurrently, the Company has assigned approximately 100 employees from within the company to support production.
   - These two actions will gradually increase capacity. We expect this to result in a capacity increase of approximately 1.2 times the current level by the beginning of FY2028/3.
   - Separately, we are moving forward with plans to construct a new plant near the *Hanno* Plant and have added a capital investment budget for this project. Based on total floor area, the new plant will increase production space in the *Hanno* region by 1.5 times, so a further increase in capacity is anticipated.

8. **The company has revised its full-year earnings forecast for FY2027/3 upward. While revenue is expected to exceed the quantitative target set in the medium-term management plan (MTP, for FY2026/3-2028/3), the operating profit forecast falls short of MTP target. We would like to ask if there have been any changes to the assumptions underlying the profit forecast compared to the previous forecast.**
   - There have been no significant changes to the assumptions since the previous forecast was formulated. Specifically, the forecast is based on the assumption that profit margins will improve due to increased sales of probers equipped with high-precision temperature control functions that offer added value.
   - In addition, the Company anticipates improved profit margins resulting from a shift in grinder sales from the current PG (Polish Grinder)-based products to the higher-value-added HRG (High Rigid Grinder), as well as increased profits driven by higher sales volumes of dicers.
   - Furthermore, the new earnings forecast incorporates increased costs related to the aforementioned capital investment at the *Hanno* Plant, as well as rising labor costs. However, since the full amount of planned expenses has been factored into the forecast, there is a possibility of a discrepancy between the forecast and actual results.
   - The new earnings forecast assumes a full-year OP margin of 25–6% for the SPE segment.

9. **Overall, we feel that revenue growth is limited relative to the growth in order. Is that correct?**
   - Risks to revenue growth are not limited to personnel and production space. We are also anticipating risks related to component procurement.
   - The revenue figures in our revised earnings forecast only include projects for which the procurement of components necessary for production has been confirmed. In other words, if we can secure additional components, our production capacity would be sufficient to support revenue projections by several billion yen more.
   - The SPE industry is highly volatile, making it difficult to maintain a structure with excess production capacity at all times. That said, we believe the market is certain to expand over the long term. To that end, we have a long-term capital expenditure plan; in addition to the construction of the new *Hanno* plant mentioned earlier, we are finalizing plans to build a new plant in Hachioji, Tokyo, targeting FY2031/3.

10. **Please share any updates regarding business opportunities for Hybrid Bonding grinders.**
   - There have been no significant changes from our outlook as of the May briefing (for NAND applications, we expect orders for mass-production equipment starting in the FY2027/3 2H, with shipments expected to begin in the FY2028/3 2H and beyond).

- We have shipped evaluation units to target customers, and we expect that some of these units will meet customer purchase criteria in FY2027/3, resulting in recognized revenue.
- Furthermore, the *Nagoya* Plant was established to strengthen production of these Hybrid Bonding grinders; while it is currently dedicated to grinders for AI packaging, we are proceeding with capital investments and personnel expansion to transition it to full-scale production.

11. I would like to ask about the current status of plasma dicing.

- We provide machines for the grooving process within the plasma dicing process flow.
- At present, we do not perceive that mass production adoption is expanding; rather, we understand that companies are currently conducting various evaluations.

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