

## Tokyo Seimitsu Co., Ltd. Earnings Conference for the FY2026/3 Q&A Summary

Date of Conference: May 13<sup>th</sup>, 2026

- *This document is a summary of Q&A session at the Earnings Conference (via Web) for FY2026/3, 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. Please provide details on HPC-related orders, including Generative AI, for the Jan-Mar quarter and the 2H of FY2026/3, compared to the February forecast.**

- Order mix for the Jan-Mar quarter; (composition in HPC)
  - Forecast: 50% for Logic, 50% for HBM
  - Actual: Mid-50 for Logic, Mid-40% for HBM
- Order mix for the Oct-Mar (2H);
  - Forecast: 60% for Logic, 40% for HBM
  - Actual: 70% for Logic, 30% for HBM

**2. Regarding non-HPC demand in the near term, does the Company see any changes from the February forecast?**

- Overall, we do not feel that momentum has changed significantly.
- However, I do feel that demand for general-purpose DRAM, NAND, LCD driver ICs, and analog devices is increasing.

**3. Please share the Company’s views on the SPE business environment in China.**

- Demand for high-end use remains strong in the Chinese market. The Company received strong inquiries for high-precision probers, grinders, and laser dicers. We anticipate the sales to China to remain at a level of approximately 30% or more of total SPE sales for the foreseeable future.
- Several Chinese SPE players have appeared in the market, and competition is particularly intense for blade dicers. However, for probers, high-precision temperature control technology and other factors remain significant barriers to entry. The Company believes the barriers to entry are similarly high in the grinders.

- The Company believes that continuing to develop and market high-precision products is a key strategy to keep competitiveness for the Chinese market.
- 4. Please share any updates regarding business opportunities for Hybrid Bonding grinders.**
- No significant changes have occurred from our outlook as of the February briefing (expecting contributions to order for NAND applications starting for FY2027/3 2H).
  - The Company has shipped evaluation units to target customers and announced at the February briefing that some sales had already been realized; however, we now anticipate additional sales from these evaluation units.
  - Mass production of devices utilizing Hybrid Bonding is expected to accelerate toward CY2028, and the Company anticipates more concrete business discussions beginning in the FY2027/3 2H.
- 5. Please share any updates regarding “AA Diamond Technology Co., Ltd.,” the joint venture with Asahi Diamond Industrial Co., Ltd. announced by the Company in 2025 for the development, manufacture, and sale of hub blades.**
- There are no additional updates beyond the information already disclosed. As previously announced, the party is proceeding with plans to complete the mass-production plant for hub blades in FY2028/3..
- 6. Please provide information on the facility utilization rates for probers and grinders.**
- The prober production *Hanno* plant (*Saitama*, Japan) continues to operate at very high utilization rate.
  - As a short-term measure, the Company plans to increase shipments by utilizing the sites of our existing *Hachioji* (*Tokyo*, Japan) and *Tsuchiura* (*Ibaraki*, Japan) plants.
  - As a medium-term countermeasure, as indicated at the February briefing, the Company plans to construct a facility nearby the *Hanno* Plant. The Company aims to utilize this facility not only of storing inventories but also of manufacturing and shipping certain key components. Operations are expected to begin in CY2027.
  - Regarding grinders, the *Nagoya* Plant (*Aichi*, Japan), which was completed in CY2025, is operating at a high utilization rate. While the Company initially anticipated expanding production of grinders for hybrid bonding, demand for grinders for AI packages remains strong at this time, contributing significantly to production growth.
- 7. Please provide information on the lead times for each product.**
- Depending on the specifications, lead times for probers are currently around 5 months, while those for grinders exceed 6 months. Production volumes continue to rise, leading to

an increase in man-hours.

**8. Please comment on the improvement in profitability of the Metrology business.**

- The metrology measuring instruments that the Company sells to the aerospace and defense sectors—which the Company identifies as growth areas—are generally high-precision products; as a result, they will contribute to some extent in improving the profit margin of the Metrology Segment.
- However, given that product delivery times are approximately six months and that customer orders tend to be placed after the start of the fiscal year (April), the contribution of these factors to the segment's performance improvement is expected to become apparent in the FY2027/3 2H or later.
- Regarding charge/discharge testing systems, although the EV market is currently sluggish, related companies are continuing to invest in battery development. The Company aims to expand its business through contract measurement services and sales of testing systems.

**9. Please comment on any potential impact arisen from a conflict in in the Middle East, particularly on component procurement.**

- While information regarding procurement risks has been reported internally, the Company is currently working on securing alternative sources for each item, so there is no immediate impact.
- Regarding this matter, while the Company has observed price increases for some components, these are currently limited to relatively low-cost parts within the Company's product lineup, and do not immediately impact the Company's cost of goods sold.

**10. Please comment on the rationale behind the OP margin assumption for FY2027/3.**

- The company has set a full-year OP margin forecast of 22% for FY2027/3.
- The OP margin for SPE in the Jan–Mar quarter of FY2026/3 was 26%, and one of the factors to this was the increased share of high-value-added products in total SPE sales.
- The Company assumes that as the sales mix of these high-value-added products increases from FY2027/3 onward, the gross margin is expected to improve by several percentage points compared to previous levels.
- For FY2027/3, sales are projected to increase in both segments from the 1H FY2027/3 to 2H, and this is expected to lead to improved margins in the 2Hsecond half..
- However, in preparing these earnings forecasts, the Company also factored in assumptions such as an increase of sales not limited to than high-value-added products and the full budgeted amount of expenses; therefore, the set profit margin can be viewed as conservative in a sense.

**11. Please provide a breakdown of the SPE order outlook for the FY2027/3 1H by quarter.**

- As indicated on page 19 of the earnings presentation, the Company anticipates that orders will be somewhat concentrated in the Apr–Jun quarter.

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