

Ulvac, Inc.

Q&A for FY26/6 Q1 Financial Results Presentation (Held on November 11, 2025) and Analyst Meetings

[Q1 Financial Results Summary • Full-Year Earnings Forecast]

1. **Q1 order received, net sales, and each profit item were generally in line with the plan. How was this compared to the initial expectations and how is the outlook from Q2 onward?**

A: Q1 order received slightly exceeded the initial expectations, mainly due to additional and modification projects related to display equipment. Net sales for Q1 were in line with expectations. Although the profit margin declined due to a decrease in net sales and changes in the sales mix, this was also as anticipated. The decline in sales of high-margin power devices was a contributing factor to the lower profit margin.

From Q2 onward, semiconductor electronics orders are expected to increase, leading to improvements in net sales and profit (margin), with further growth anticipated in H2 of the fiscal year (FY).

2. **How is the business environment compared to three months ago?**

A: Since inquiries for power devices increased compared to the previous FY, we expected order received to gradually recover. However, currently, demand for power devices in China has softened, and companies are timing their investments cautiously. As a result, the timing of power device orders may be delayed.

Even if power devices decline, we will offset this by accumulating semiconductor-related areas such as logic and memory, the packaging business, and additional investment and modification projects for OLED.

3. **Although the current order plan and earnings forecast remain unchanged, what is the expected progression going forward?**

A: From Q2 onward, orders for semiconductor electronics and display-related businesses are expected to increase, and with other businesses progressing smoothly, we believe this will contribute to higher net sales and profits in H2 of the FY. Since profit margins are also expected to improve gradually from Q2 onward, there are no changes to the full-year earnings forecast or dividend forecast.

[Investment Trends]

4. **What are the investment trends in semiconductor Logic and Memory?**

A: Logic

In addition to steady investments in advanced nodes, projects related to MHM processes in China are expected to perform well. Furthermore, investments in North America are also anticipated to begin. Therefore, logic orders are expected to exceed the initial plan.

Memory (DRAM/NAND)

We had anticipated significant DRAM investments from the Korean manufacturer for this FY; however, due to adjustments in production capacity, the outlook is expected to fall short of the initial assumptions. In Q1, investment from a new customer was realized, contributing partially. Moving on to the next FY, we plan to increase the number of new PORs (Process of Record: certified processes used for mass production) to expand the DRAM business. Investments for next-generation NAND also continue steadily.

5. What are the investment trends in Packaging business?

A: In addition to strong performance of ashing equipment for advanced interposers, our ashing equipment is also being utilized for smartphone substrates, so we expect this favorable trend to continue. Investments for PLP (Panel Level Packaging) will also contribute starting this FY, and ashing equipment for hybrid bonding will partially contribute from H2, potentially exceeding the initial plan. Going forward, we will continue to release advanced packaging equipment leveraging our plasma technology in line with customers' technology roadmaps. By doing so, we aim to capture expansion opportunities in package substrates and the next generation packaging market, establishing a unique and unrivaled position.

6. What are the investment trends in Power devices and Optoelectronic devices?

A: Power Devices

Since inquiries for power devices increased compared to the previous FY, we expected order received to gradually recover. However, currently, demand for power devices in China has softened, and companies are timing their investments cautiously. As a result, the timing of power device orders may be delayed.

Under these business conditions, we will leverage our No.1 market share position in ion implantation equipment in the Chinese market to ensure growth as the market recovers. At the same time, we will strengthen market development in new material fields, such as technology deployment for next-generation power devices like Gallium Nitride (GaN), aiming for further market share expansion.

Optoelectronic Devices

Investments for AR/VR in the Chinese market are expected to contribute in this FY.

7. What are the investment trends in Display and Energy related business?

A: Investments for IT OLED continue, and sustained contributions from additional and modification projects may lead to exceeding the initial plan. On the other hand, although long-term growth is expected in the battery sector, market formation remains uncertain, and the timing of orders may be delayed.

[Value-Up Plan・Business Reforms,etc.]

8. Is the business reform progressing smoothly?

A: As part of the business reform measures, the partial transfer of the pump motor business has been completed, and it has transitioned from a consolidated subsidiary to an equity-method affiliate. Additionally, production at the Tomisato plant related to materials has been discontinued. Furthermore, the material business (display-related) is progressing smoothly toward completion within this FY. Other initiatives are also proceeding as planned, and we aim to complete the business reform efforts within two years.

9 What is the impact of tariffs?

A: Basically, tariffs are applied on a buyer-pays basis, so the direct impact of tariffs is limited. We will continue to monitor the indirect impact caused by a slowdown in end-user demand. At present, there are no noticeable changes in orders from customers. Additionally, due to the uncertainty surrounding semiconductor-related policies, the full-year earnings forecast does not factor in any tariff impact.