



ULVAC, Inc.

The First Half of FY2026/6
Business Results

July 2025 – December 2025

Feb. 10, 2026

Disclaimer regarding forward-looking statements etc.

■ **Forward-looking statements**

Forward-looking statements of the company in this presentation are based on information that was available at the time these documents were prepared. There are several factors that directly or indirectly impact the company performance, such as the global economy; market conditions for display, semiconductor, electronic devices, and raw Materials; trends in capital expenditures and fluctuations in exchange rates. Please note that actual business results may differ significantly from these forecasts and future projections.

■ **Processing of numbers**

Figures and percentages in this document have been rounded to the nearest unit.

■ **Figures of Product Category**

Figures are presented on a management accounting basis.

ULVAC

This document has been translated from the Japanese initial for reference purposes only. In the event of any discrepancy between this translated document and the Japanese initial, the initial shall prevail.

■ FY26/6 H1 Consolidated Financial Highlights

- Orders received exceeded both the initial plan and the prior year, mainly due to increases in Semiconductor and Display-related businesses.
- Net sales and each profit item were generally in line with the initial plan.

■ Progress on Mid- to Long-Term Management Plan (Value Up Plan)

- Growth Strategy:
 - I. **Accelerating growth in Semiconductor electronics**
 - II. Emergence of opportunities for business expansion through **Rare-earth magnet-related** businesses.
- Business Reform and Production Reform: Progressing rapidly.

■ FY26/6 Earnings Forecast

- The forecast for orders received has been revised upward to **¥280.0 billion**, representing the second-highest order level since listing.
- AI-related businesses driving growth: The forecast for Semiconductor and Electronics orders received is expected to reach a record-high level of **¥94.0 billion**.

I will begin with a summary of our performance.

First, regarding our H1 FY2026 results:

Orders exceeded both our initial plan and the same period last year, driven by growth in the Semiconductor and Display segments.

Net sales and all profit line items were generally in line with the initial plan.

Second, regarding the progress of our Value Up Plan:

We are seeing an expansion in vacuum application fields driven by the adoption of AI. Additionally, we are seeing significant growth opportunities in the rare-earth magnet business. Our business and production reform initiatives are also progressing rapidly.

Third, regarding the full-year forecast:

We have upwardly revised our order forecast from the initial ¥250 billion to ¥280 billion, marking the second-highest level since listing.

This growth is led by AI-related sectors such as logic, memory, and packaging.

We expect semiconductor and electronics orders to reach a record high of ¥94 billion.



- **FY26/6 H1 Financial Highlights**

Progress on Mid- to Long-Term Management Plan
(Value Up Plan)

Growth Strategy

Business Reform & Production Reform

FY26/6 Earnings Forecast

FY26/6 H1 Financial Highlights

- » Orders received exceeded both the initial plan and the prior year, mainly due to increases in semiconductor and display-related businesses.
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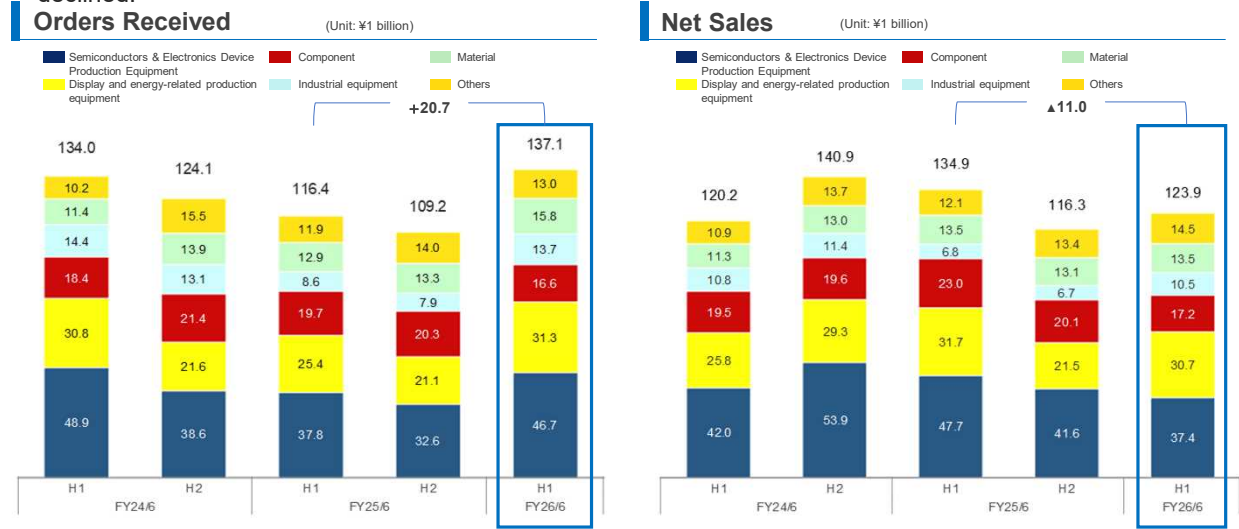
(Unit: ¥1 billion)	FY2025/6						FY2026/6							
	Q1	Q2	H1	Q3	Q4	Full Year	Q1	Q2	H1					
									Plan	Actual	Vs.Plan	YoY		
Orders Received	50.9	65.5	116.4	47.5	61.7	225.6	60.4	76.7	120.0	137.1	+17.1	+14%	+20.7	+18%
Net Sales	61.0	73.9	134.9	52.9	63.5	251.2	52.7	71.2	115.5	123.9	+8.4	+7%	-11.0	-8%
Gross Profit	19.1	23.8	42.9	17.6	19.3	79.9	15.7	20.7	35.5	36.4	+0.9	+2%	-6.6	-15%
Gross Profit Margin	31.3%	32.2%	31.8%	33.3%	30.5%	31.8%	29.7%	29.1%	30.7%	29.4%	-1.4pt	-	-2.5pt	-
SG&A	13.4	14.2	27.6	12.2	13.6	53.3	13.4	14.5	26.5	27.9	+1.4	+5%	+0.3	+1%
Operating Profit	5.8	9.6	15.3	5.4	5.8	26.5	2.3	6.2	9.0	8.5	-0.5	-6%	-6.9	-45%
Operating Profit Margin	9.4%	13.0%	11.4%	10.2%	9.1%	10.6%	4.3%	8.7%	7.8%	6.8%	-1.0pt	-	-4.6pt	-
Profit attributable to owners of parent	3.7	6.7	10.4	2.7	3.6	16.7	1.7	4.5	6.5	6.2	-0.3	-5%	-4.2	-40%
To net sales ratio	6.1%	9.0%	7.7%	5.1%	5.6%	6.6%	3.2%	6.4%	5.6%	5.0%	-0.6pt	-	-2.7pt	-

In H1, Orders received reached ¥137.1 billion, exceeding our target of ¥120 billion by ¥17.1 billion yen, primarily due to increases in semiconductors and displays.

Net sales amounted to ¥123.9 billion, ¥8.4 billion above our plan of ¥115.5 billion. All profit categories landed generally as planned.

Orders Received and Net Sales Results (Half-Year Trend)

- » Orders received: Increased by ¥20.7 billion YoY, driven by investments in semiconductor and display-related projects.
- » Net sales: Generally in line with the plan while the sales mix of Semiconductor and Electronics temporarily declined.



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Referring to the chart on the left, Orders received increased by ¥20.7 billion YoY to ¥137.1 billion.

This was driven by strong performance in logic and packaging (shown in blue) and increased display-related investments (shown in yellow).

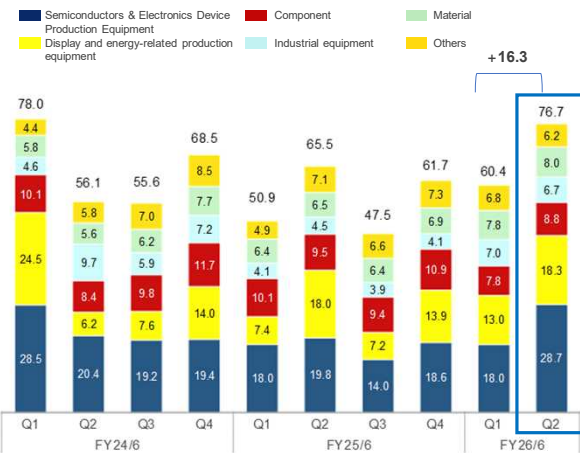
Regarding net sales on the right, while the percentage of semiconductor and electronics sales temporarily dropped due to a slowdown in power device investment, overall performance was in line with our plan.

Orders Received and Net Sales Results (Quarterly Trend)

- » Orders received: Increased by ¥16.3 billion QoQ, driven by investments in semiconductor and display-related projects.
- » Net sales: Increased QoQ across all product categories, mainly reflecting earlier-than-planned recognition.

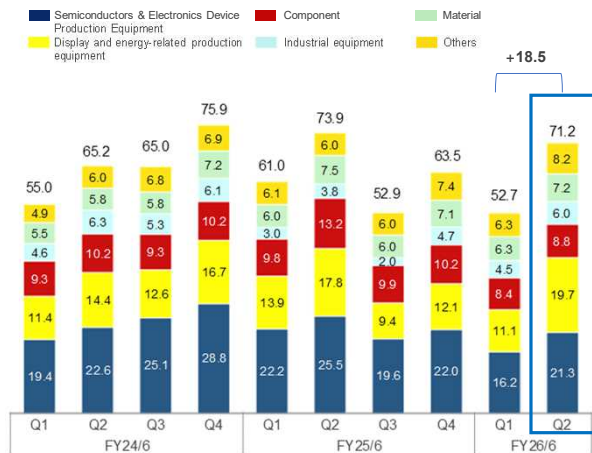
Orders Received

(Unit: ¥1 billion)



Net Sales

(Unit: ¥1 billion)



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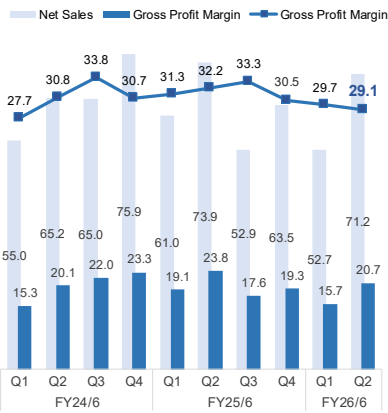
In Q2, orders increased by ¥16.3 billion compared to Q1, totaling ¥76.7 billion. Logic and packaging remained strong, and display-related investment showed recovery.

Q2 net sales increased across all segments compared to Q1, mainly reflecting earlier-than-planned recognition of the H2 schedule.

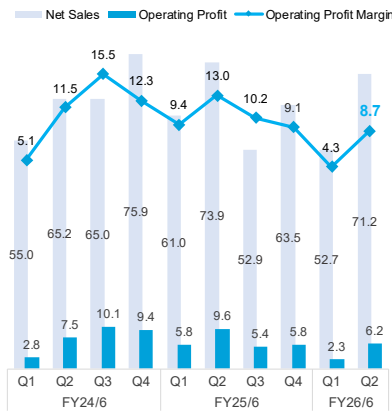
Profit Margins

- » Gross profit margin: Although declined QoQ due to temporary changes in the product mix, improvement is expected in H2 due to an increased semiconductor-related net sales.
- » Operating profit margin: Improved due to an increase in net sales in Q2 which led to a decline in the SG&A expense to net sales ratio.

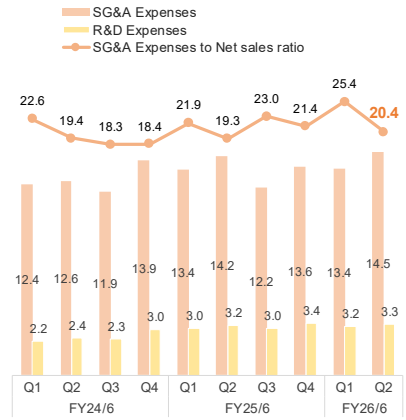
Gross Profit Margin (Unit: ¥1 billion, %)



Operating Profit Margin (Unit: ¥1 billion, %)



S.G.&A. Expenses (Unit: ¥1 billion, %)



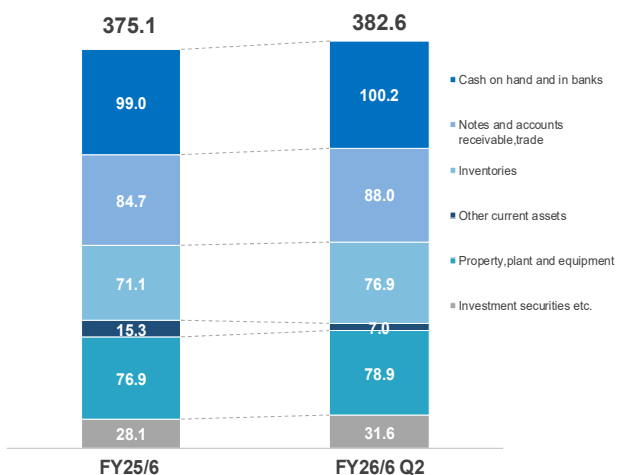
Regarding gross profit margin (left chart), the Q2 margin decreased by 0.6 percentage points to 29.1% due to temporary changes in the product mix. However, we expect improvement from Q3 onward as semiconductor-related sales increase.

Regarding operating profit margin (center chart), higher Q2 sales led to a lower SG&A ratio, resulting in an 8.7% operating margin—a 4.4 percentage point improvement over Q1.

Consolidated Balance Sheet

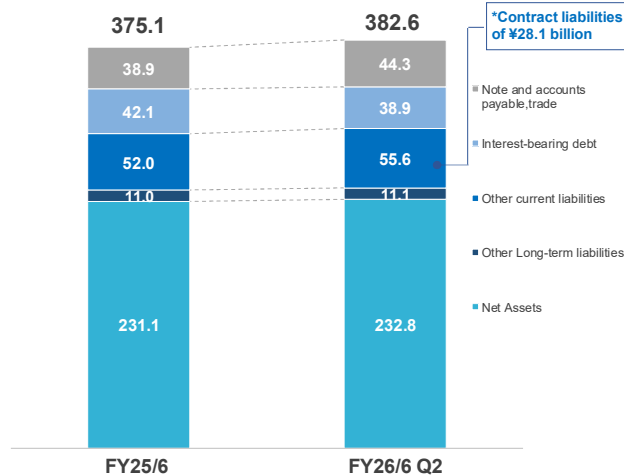
Assets

(Unit: ¥1 billion)



Liabilities and Net Assets

(Unit: ¥1 billion)

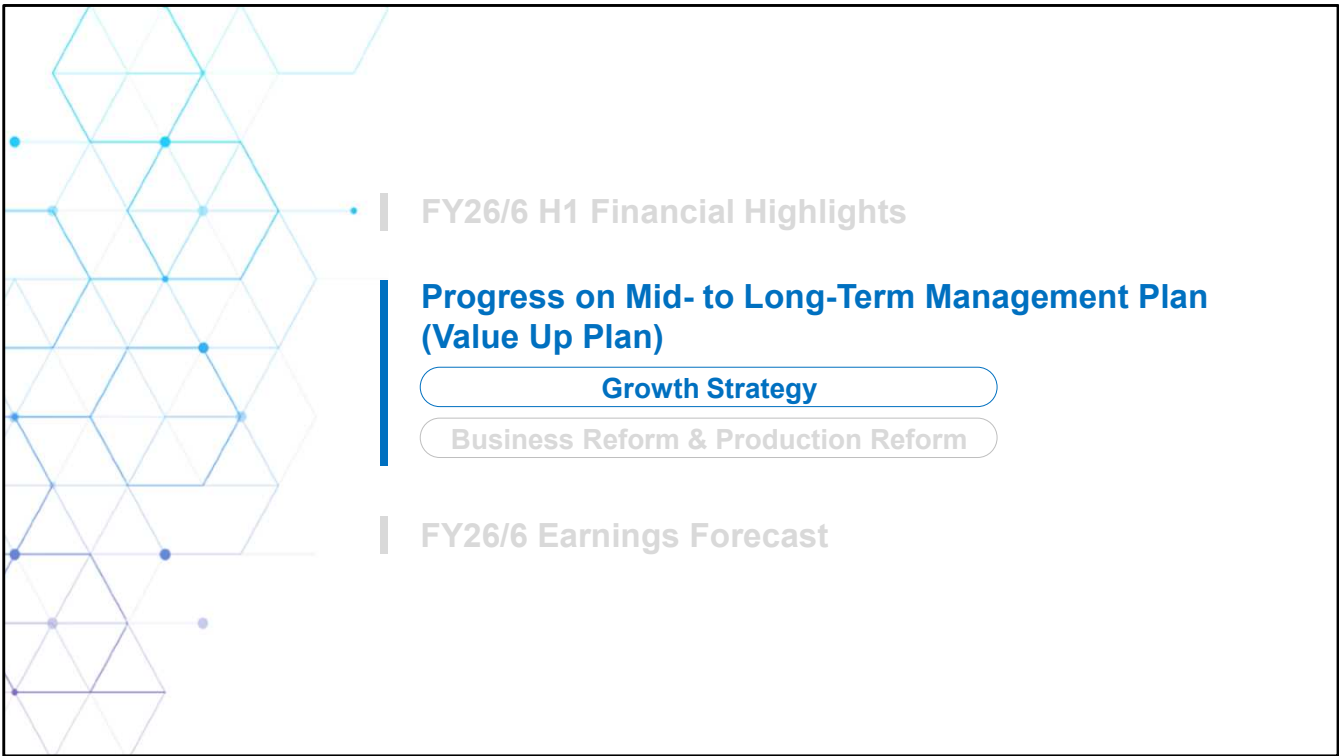


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Total assets (left) increased by ¥7.5 billion from the end of June 2025 to ¥382.6 billion, primarily due to an increase in accounts receivable and inventories alongside business expansion.

Regarding liabilities and net assets (right), while interest-bearing debt decreased, accounts payable and contract liabilities increased.

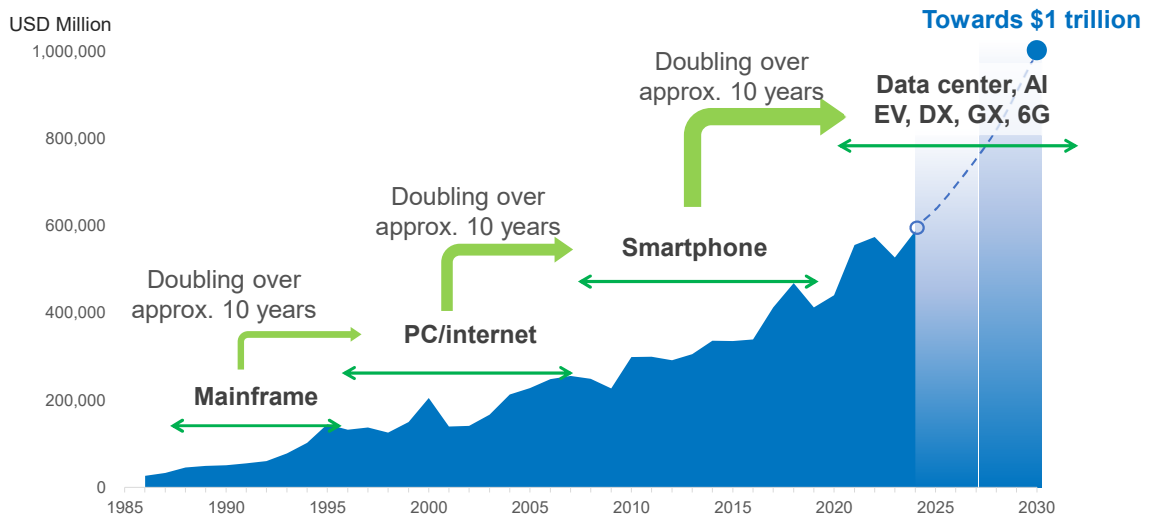
The equity ratio at the end of Q2 stood at 59.0%.



This fiscal year marks the start of our six-year medium-to-long-term "Value Up Plan" through 2031.

Our goal is to optimize management resources, concentrate our portfolio on semiconductors and electronics, and achieve high growth and profitability to enhance corporate value.

Growth of the semiconductor and electronics Market

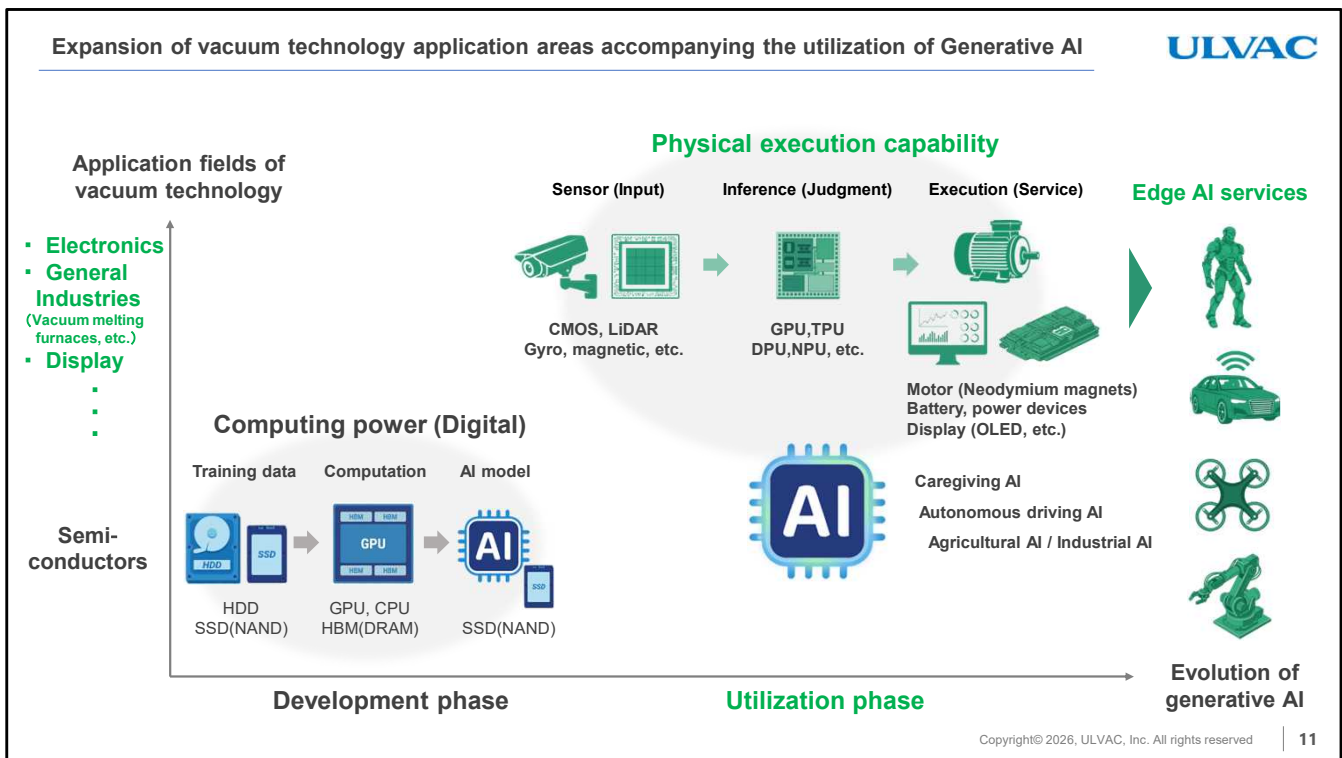


Source: WSTS, SEMI

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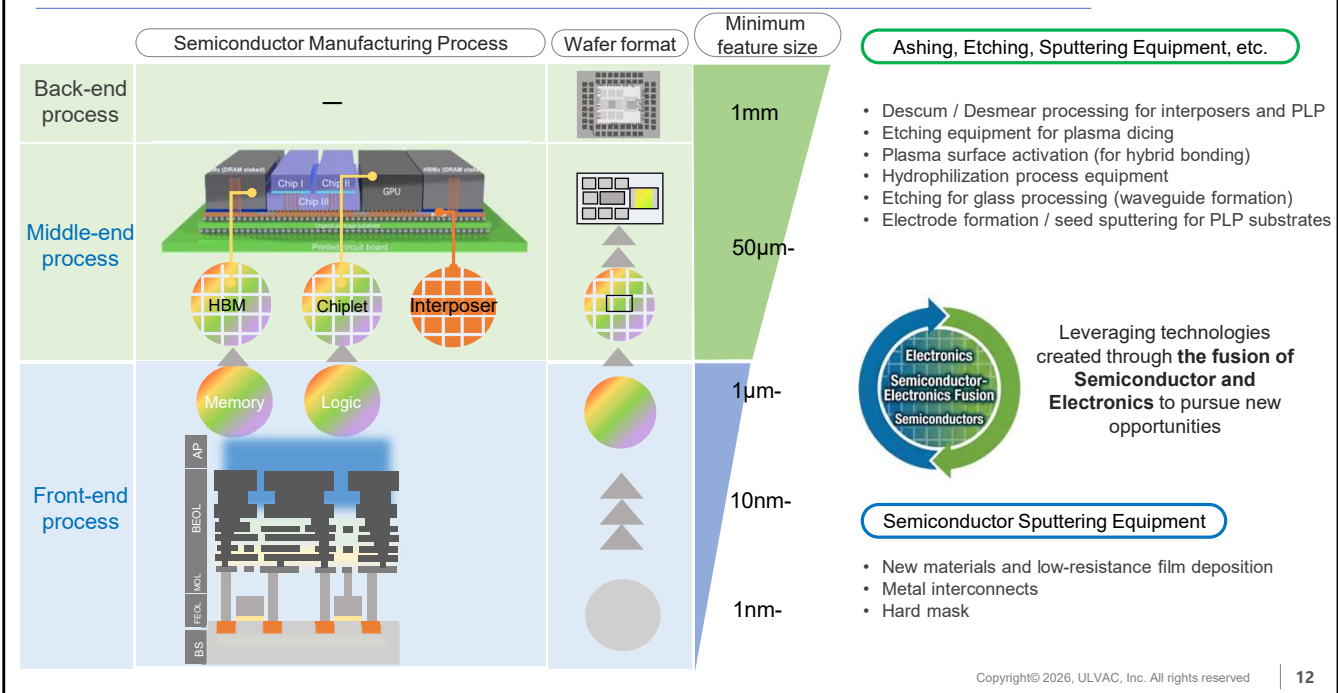
The semiconductor and electronics market is expected to reach \$1 trillion by 2030, with AI as the primary growth driver.



Over the past few years, significant investment has been made in high-performance chips like GPUs, HBM, and CPUs for AI computing. We have grown alongside this trend, but we also provide equipment for the "Physical AI" domain.

As AI becomes integrated into daily life and work—including sensors, motors, batteries, and robotics—our broad range of equipment for batteries, power devices, and displays will find massive new markets.

Our Position in the Semiconductor Manufacturing Process



We have labeled the 'Front-end' and 'Middle-end' processes in blue.

The area referred to as the Front-end belongs to the traditional semiconductor business sector, where sputtering equipment is utilized.

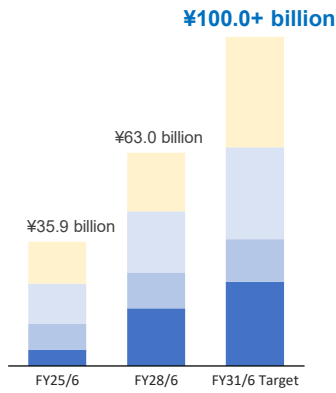
Furthermore, a wide range of equipment is also employed within the Middle-end process.

Our company offers a comprehensive equipment portfolio for both semiconductors and electronic devices.

As these two fields converge, our range of equipment continues to expand even further.

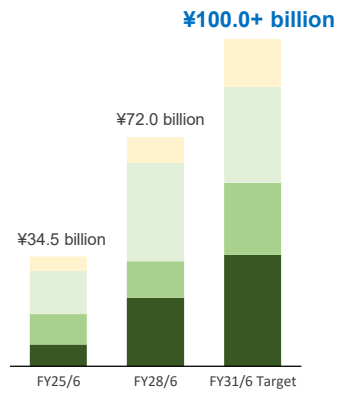
Semiconductor

■ DRAM ■ NAND ■ Logic ■ CS(Semiconductor)



Electronics

■ Power ■ Packaging ■ Others ■ CS(Electronics)



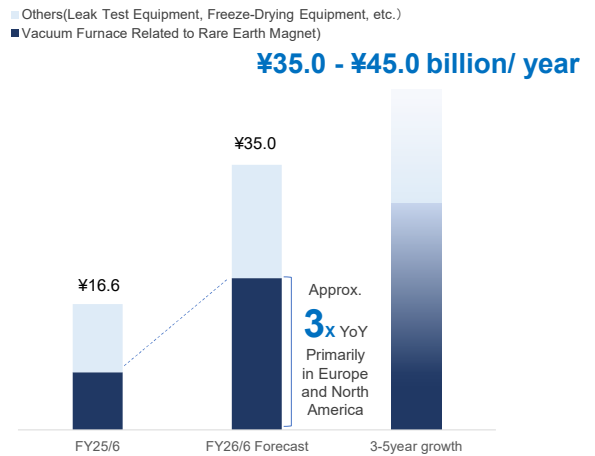
Our target for the semiconductor and electronics sectors is to achieve ¥100 billion yen in orders for each field by FY31/6, aiming for a total of ¥200 billion over the six-year period.

We anticipate achieving nearly half of this total order volume in the very first year (FY26/6).

Growth is further supported by expectations for expanded production resulting from supply-chain diversification



Industrial equipment orders received (Unit: ¥1 billion)



Note: From FY26/6, orders received for leak-testing equipment have been reclassified from Components to Industrial Equipment.

We maintain a significant business presence across the entire Rare-earth value chain—from mining and melting to powder production and final magnet manufacturing.

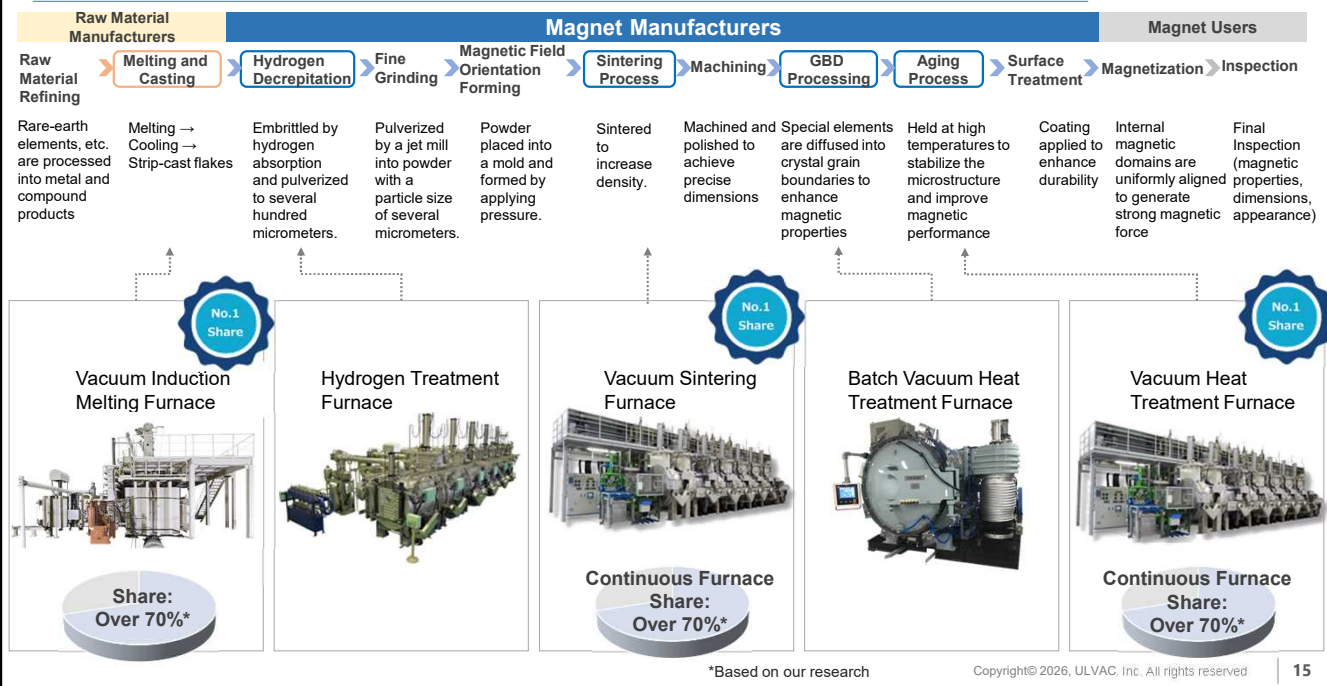
As illustrated by the world map on the left, new potential regions and markets are emerging alongside our established markets.

On the right, we have provided forecasts for FY25/6 and FY26/6.

We expect nearly threefold growth in vacuum furnaces for Rare-earths within a single year.

Looking ahead three to four years, we are targeting annual orders in the range of ¥35 to ¥45 billion.

Nd (Neodymium) Magnet Manufacturing Process



Within the manufacturing process of converting rare earths into magnets, we currently hold nearly 70% of the market share for processes involving vacuum induction melting furnaces, vacuum sintering furnaces, and vacuum heat treatment furnaces.

We recognize that potential demand in new markets for this business is immense, and we are currently planning to shift our resources to capitalize on these opportunities.



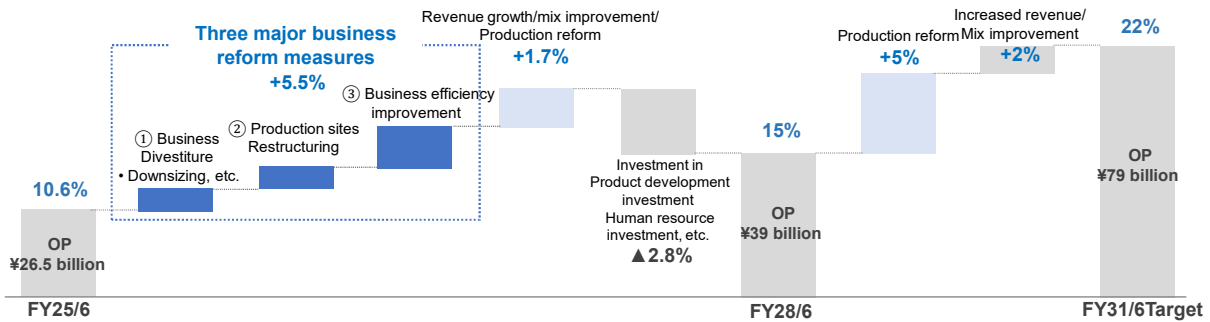
• | FY26/6 H1 Financial Highlights

**Progress on Mid- to Long-Term Management Plan
(Value Up Plan)**

Growth Strategy

Business Reform & Production Reform

| FY26/6 Earnings Forecast



	Initiatives	Details
Business Reform	① Business divestiture, downsizing, etc.	Including deconsolidation through equity divestitures, we aim to divest or downsize six businesses → Transfer of one business completed. Progress is underway toward business divestitures; CS office (Southeast Asia): scheduled to close in March.
	② Production facility restructuring	Factory downsizing (1 site/ Production ended) ; after reducing production of certain operations within the factory, preparations are underway to repurpose for other operations (2 sites).
	③ Business Efficiency Improvement	Actions are underway to streamline operations through the integration of functions and business processes.
Production Reform		Reduction of variable costs through MD implementation and parts standardization, improvement of design and manufacturing efficiency, and reduction of fixed costs through site consolidation: In progress.

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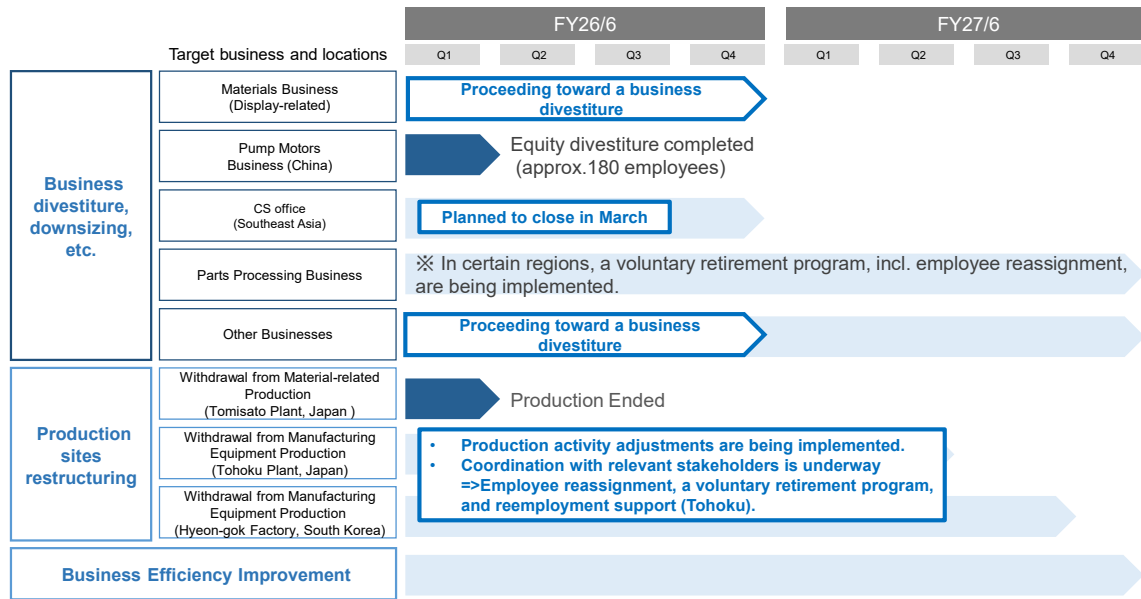
In addition to our growth strategies, we would like to discuss our ongoing business and production reforms. This framework was previously shared in August of last year.

Over this six-year period, we are implementing comprehensive business and production reforms, with a particular focus on launching and generating results from all key transformative initiatives within these first two years.

Our business reforms center on three primary pillars :
Business divestiture • downsizing, Restructuring of production sites, and the enhancement of business efficiency.

Through these initiatives, we aim to improve our operating margin by 5.5 percentage points.

Business Reform: Progressing Steadily as Planned



We have listed the three main elements of our business reforms here on this slide. Through business divestitures, restructuring our production bases, and streamlining operations, we aim to increase our profit margin by 5.5%.

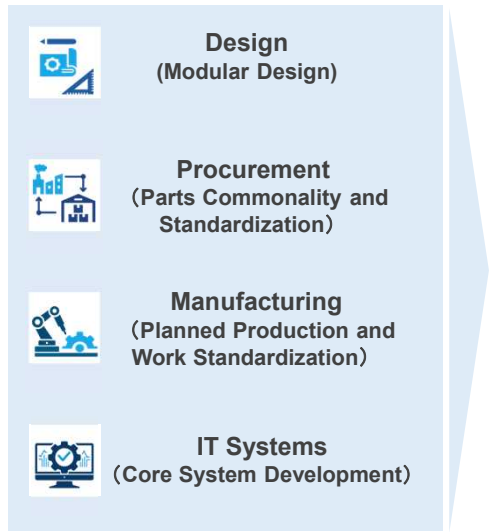
In this context, I would like to mention the progress of some specific projects in business reforms.

For example, we are making considerable progress on the business transfer of the materials business, and we will probably be able to bring this to a conclusion ahead of schedule, or even a little earlier.

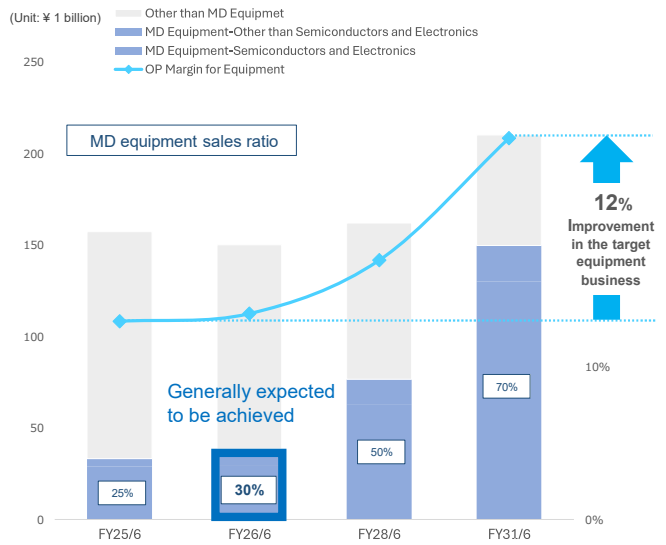
We are on track to close the CS office in March.

Furthermore, the restructuring of our production facility is moving ahead of schedule, or at least exactly as planned.

In this regard, we have already begun discussions and coordination with relevant parties and local governments regarding our Tohoku plant in Japan and our Hyeon-gok factory in Korea.



Modular Design(MD) Equipment Sales Ratio

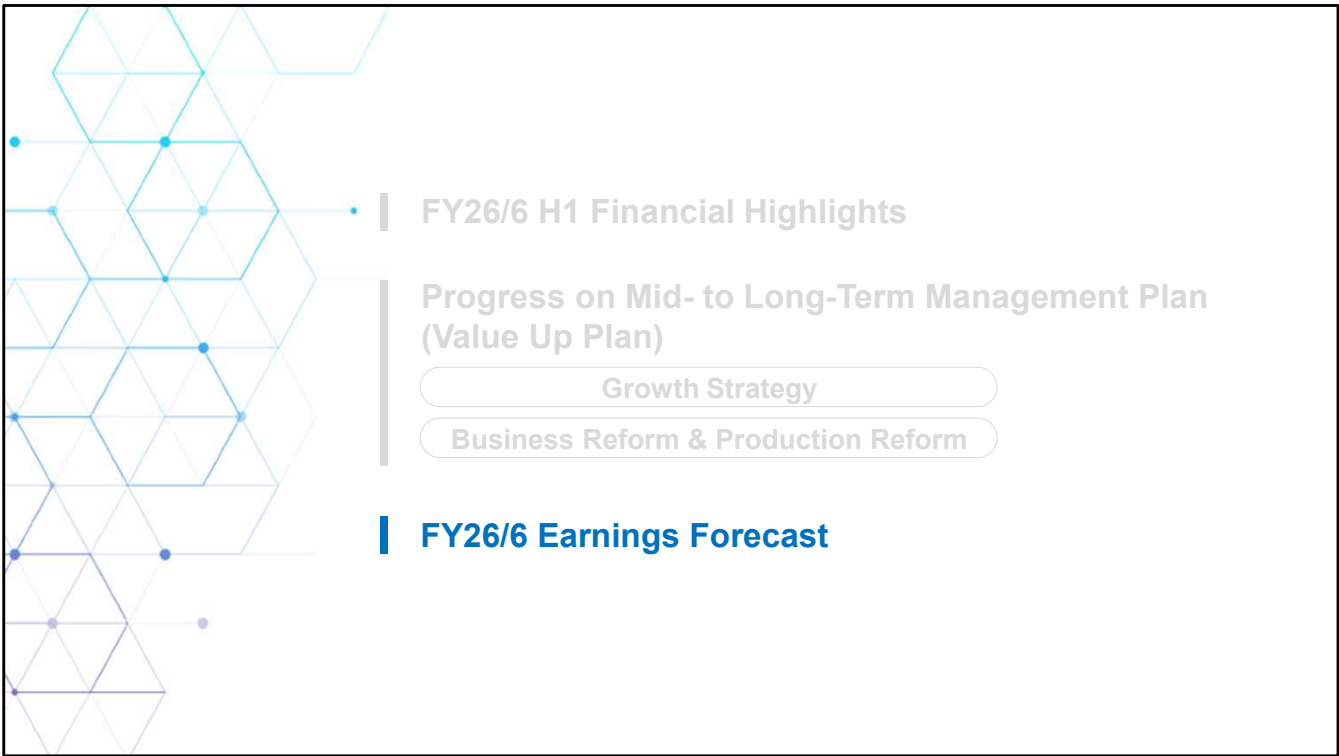


As for production reforms, we will focus on modular design.

While this was difficult to implement in flat panel displays, our former core business, we will now deploy it extensively across our semiconductor and electronics operations.

So, we are almost at the point where we are going to expand this target equipment to 30% by June of this year.

In order to do this, it is actually necessary to change various internal systems and mechanisms, but this is definitely in the works, and we are moving ahead of schedule.



FY26/6 Earnings Forecast

- » Orders received: Expected to increase by ¥30.0 billion from the initial plan, reaching **¥280.0 billion**, the second-highest order level since listed.
- » Net sales and profit items (margins): No revisions to the earnings or dividend forecasts; steady improvement is expected heading into H2.

(Unit: ¥1 billion)	FY25/6	FY26/6		YoY	
		H1	Full Year	Amount	%
Orders Received	225.6	137.1	Initial 250.0	+24.4	+11%
			Latest 280.0	+54.4	+24%
Net Sales	251.2	123.9	250.0	-1.2	-0.5%
Gross Profit	79.9	36.4	82.5	+2.6	+3%
Gross Profit Margin	31.8%	29.4%	33.0%	+1.2pt	-
Operating Profit	26.5	8.5	28.5	+2.0	+7%
Operating Profit Margin	10.6%	6.8%	11.4%	+0.8pt	-
Profit attributable to owners of parent	16.7	6.2	20.0	+3.3	+20%
To net sales ratio	6.6%	5.0%	8.0%	+1.4pt	-
Dividend per share(Yen)	164.0		164.0		

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Next, I would like to present our earnings forecast through June of this year.

As I mentioned earlier, we plan to add ¥300 billion in orders this fiscal year to reach ¥280 billion, the second-highest level in ULVAC history. In fact, the probability of achieving this has become very high.

On the other hand, we expect to see steady improvements in sales and all profit line items toward H2.

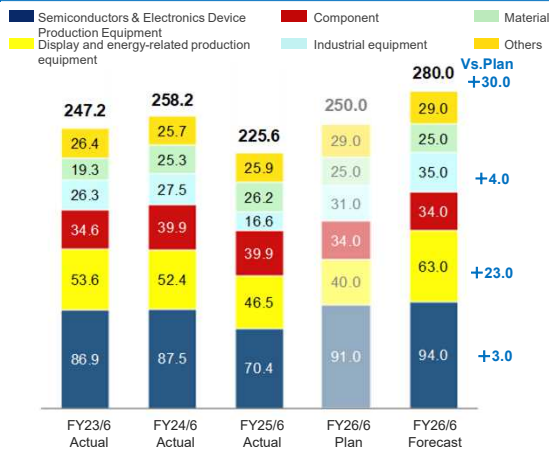
At this point, we are maintaining our current earnings and dividend forecasts.

Revisions to Orders Received and Net Sales Forecast by Product Category

- » Orders received : Revised upward to ¥280.0 billion, reflecting Semiconductor and Electronics expected to reaching a past record, and steady performance in display and Industrial equipment.
- » Net sales : Maintained at ¥250.0 billion as planned, reflecting increases and decreases in the product mix.

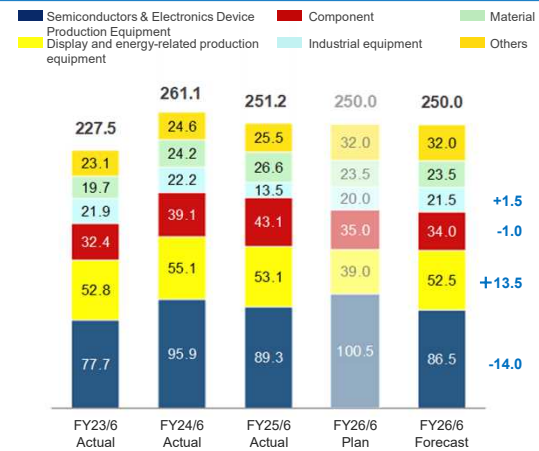
Orders received

(Unit: ¥1 billion)



Net sales

(Unit: ¥1 billion)



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looking at the breakdown by segment within our ¥280 billion order target, for the blue section, semiconductors and electronics, we expect an increase of ¥3 billion.

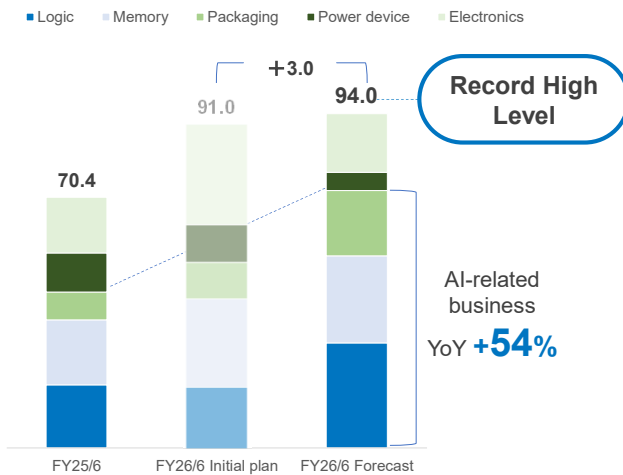
For the yellow section, displays, we anticipate a significant jump of ¥23 billion.

For industrial equipment, which includes the vacuum furnaces we mentioned earlier, we expect an increase of ¥4 billion.

As for sales, while there are various increases and decreases for each product line, we are proceeding with a total of ¥250 billion as planned.

Orders received

(Unit: ¥1 billion)



Main Factors (vs.Plan)

Logic (+71%)

- Solid advanced-node investment; expanded investment in MHM processes for mature nodes
- commencement of investments by foreign manufacturers in North America

Memory (±0%)

- <DRAM> (+10%)
 - Increased investment by the top three manufacturers driven by growth in AI demand.
- <NAND · Non-volatile memory> (▲17%)
 - Continued next-generation investment, but slightly below plan.

Packaging (+75%)

- Continued strong performance of WLP for generative AI; full-scale investment in PLP

Power devices (▲50%)

- Order timing delayed due to customer requests.

Electronic components (▲41%)

- Orders limited to selected models with an emphasis on profitability for opto-device projects.

The semiconductor and electronics sectors, which form the core of our growth strategy, are currently seeing record-high order levels. Combined orders for memory, packaging, and power devices have grown significantly compared to the same period last year.

In particular, AI-related growth has achieved a remarkably high rate of 54%.

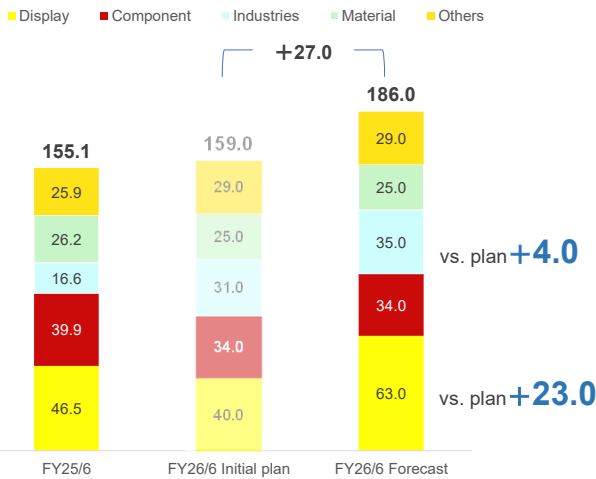
Performance by application is as follows:

- Logic: +71% (vs. Plan)
- Packaging: +75% (vs. Plan)

These gains were achieved despite stagnation in the power device market.

Orders received

(Unit: ¥1 billion)



Increase Factors (vs. Plan)

Display (+58%)

- Increased investment driven by the expansion of OLED panel sizes.
- Sustained contributions from equipment additions and retrofit projects for LCD and OLED.

Industrial equipment (+13%)

- Increased investment associated with expanded production in the rare-earth magnet market.

The display and general industry sectors are also performing steadily.

We have made upward revisions as follows:

- Display is up by ¥23 billion (vs. Plan).
- Industries is up by ¥4 billion (vs. Plan)

Investment Trends

Item	Investment Trends	CY26
Semiconductors Logic and Memory	<ul style="list-style-type: none"> • DRAM: Investment by the top three manufacturers is expanding, driven by increased AI-related demand. • NAND: Investment for next-generation technologies continues. • Logic: Investment in advanced nodes remains steady and is expanding in mature-node MHM processes. New investments by overseas manufacturers in North America are underway. 	
Various Electronic Devices	<ul style="list-style-type: none"> • Investment related to WLP for generative AI applications continues to perform steadily and for hybrid bonding is expected to expand. • PLP development investment is entering a full-scale phase. • Development of Optoelectronic integration technologies is accelerating. 	
Power Devices	<ul style="list-style-type: none"> • Inquiries related to 8-inch SiC investment, mainly from major Chinese device manufacturers, are increasing. However, due to customer requests for delays, the timing of orders tends to be postponed. 	
Display	<ul style="list-style-type: none"> • Investment is increasing due to expansion of OLED panel sizes. • Additional equipment investment and retrofit projects continue to contribute on a sustained basis. 	
Battery-related	<ul style="list-style-type: none"> • Expectations for composite current collectors are increasing; however, market formation remains uncertain. • Mid- to long-term growth is expected through continued development of double-sided copper deposition films, lithium films, and related technologies. 	
Components, General Industry, Materials, and Others	<ul style="list-style-type: none"> • Stable performance continues as a base business, supported by ongoing capital investment related to semiconductor and electronics. • Opportunities for business expansion are emerging in rare-earth magnet-related markets. 	

We have catalogued and listed the overall market trends by category.

As you can see, the EV-related, power device and battery business, remains unfortunately sluggish, but on the other hand, the AI-related semiconductor, packaging, various electronic devices, displays, rare earths, and other areas are expected to remain strong.

Recognition from Customers

Received the “Appreciation Award” from Samsung Electronics Co., Ltd.

Awarded at Samsung Electronics’ “Appreciation Day 2025”.
Recognition was given for contributions to improvements in product quality and productivity.



Received the “2025 TSMC Excellent Performance Award” from TSMC

Awarded the “Excellent Production Support” category under the 2025 TSMC Excellent Performance Award program.
Recognition was given for outstanding production support, including expansion of production capacity and technical collaboration.



Received the “Best Partner Award” from SK Hynix Inc.

Awarded at SK Hynix’s “2025 Partners Day.”
“The sputtering system “ENTRON” achieved POR (Process of Record) in manufacturing processes and was recognized for its high level of technical reliability, among other factors.



This fiscal year, ULVAC had the great honor of receiving prestigious awards simultaneously from three of the world’s top companies, Samsung Electronics, SK Hynix, and TSMC.

We believe that this is a testament to the market's deep trust in our semiconductor production equipment and our track record of supporting our customers' technological innovations at the forefront.

We will continue to further deepen our relationships with these global partners and strive to increase our corporate value over the medium to long term.

We have decided to implement a voluntary retirement program as outlined below.

1. Reason for the Recruitment of Voluntary Retirement Applicants

The environment surrounding our group is undergoing rapid change, and under the mid- to long-term management plan, the Value Up Plan, we have commenced initiatives to optimize management resources and review our business portfolio with a focus on Semiconductor and Electronics. In order to maintain high competitiveness and productivity and to achieve sustainable high growth and high profitability, it is necessary to pursue the Growth Strategy, Business Reform, and Production Reform set forth in the basic policy and vision of the Value Up Plan. Toward the realization of these initiatives, we will proceed with a review of the personnel structure, including employee reassignment, and have decided to implement a voluntary retirement program to support employees' life planning based on each individual's values.

2. Overview of the Voluntary Retirement

1) Program Eligible employees: Employees designated by us among those belonging to the Tohoku Plant, the Kyushu Plant, and the Kumamoto Processing Center (approximately 170 employees)

2) Number of applicants: Not specified

3) Application period: February 10, 2026 – April 17, 2026

4) Planned retirement date: June 30, 2026

5) Support measures: A special additional payment will be provided in addition to the statutory retirement allowance.

Reemployment support will also be provided through external outplacement service providers for applicants who request such support.

3. Impact on Business Performance

At this time, the number of applicants and the total amount of retirement payments have not been determined; therefore, the impact on business performance is currently undetermined.

ULVAC