

## Question-and-Answer Session

Financial Results Briefing Outline

Wednesday, November 10, 2021, 4:00 p.m. - 5:00 p.m. / Japan Standard Time

Zoom webinar

For institutional investors and analysts

**Question 1            What is the background to the good sales in the July-September period?**

Answer Sales were good in general, but the demand for CZs, mainly for servers, was very high. Sales of PKGs for memory and COFs for displays were also good.

**Question 2            The consolidated full-year earnings forecast has been revised upward. What is the background to the anticipation of a slowdown in the fourth quarter and an increase in SG & A expenses?**

Answer Sales in the third quarter were very good. We have seasonality in sales. Sales in the fourth quarter tend to drop while SG & A expenses tend to rise in the same quarter. It is expected that expenses, such as for personnel, repairs, and advisory fees, will increase.

**Question 3            What about other costs such as raw materials and transportation?**

Answer So far, the increase in raw material costs and transportation costs has not had a significant impact in the current fiscal year. Many of the raw materials used in our products are not derived from petroleum. Although transportation costs went up, transportation efficiency improved due to an increase in the shipment volume of chemicals. However, we are currently examining in detail what will happen to these costs in the next period and onward.

**Question 4            What is the background to the good sales in the third quarter?**

Answer We normally have good sales in the third quarter because of seasonality. In addition, there may have been demand that was pushed forward. It is not that anything particular was good, but that overall sales were good.

**Question 5            What is the background to the increase in the ratio of "Other CZs" in the CZ series? Is the number of CZs for AiP increasing?**

Answer CZs for AiP have not had so much impact yet. The number of pre- and post-treatment agents for CZ treatment is on the rise.

**Question 6**      **What are the relevant products for memory?**

Answer We have the CZ series for the production of package boards for memory.