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Question-and-Answer Session

Results Briefing for the 1H of the Fiscal Year Ending December 31, 2026

Outline of briefing session

16:30-17:30 on Monday, August 10, 2026, (Zoom webinar)

For institutional investors and analysts

Question 1. Sales by region: Sales increase in China and decrease in Japan (including South Korea)

Answer. The increase in China is attributable to growing demand for package substrates, particularly for the CZ series. The decrease in sales in Japan was mainly due to the pullback following machinery sales recorded in the first quarter. Sales to South Korea through distributors in Japan also decreased due to the timing of shipments, despite strong demand for memory-related products.

Question 2. Background of the second quarter profit margin decline compared to the first quarter

Answer. This was mainly due to the fact that expenses that were expected to be incurred in the first quarter were instead incurred later in the second quarter, and one-time expenses were also incurred.

Question 3. Background of the plan for the second half of the fiscal year ending December 31, 2026

Answer. It reflects the fact that points that were not apparent in the full-year plan disclosed in May are becoming clear. The impact of the Strait of Hormuz is not expected to be significant, and we expect supply and demand for glass cloth to gradually ease. As such, we have revised the sales forecast upward. Regarding profit, we expect an increase in expenses, including personnel expenses, shipping costs associated with higher sales, and depreciation expenses for the Kitakyushu Plant, which will begin operations in December.

Question 4. Product price revisions

Answer. They will be carefully considered.

Question 5. PCB-related products

Answer. Establishing new technology is difficult. Evaluation and development are proceeding with the aim of user-friendliness.

Question 6. Future capital investment

Answer. Capacity for the Kitakyushu Factory will be gradually increased after closely examining demand. Future capital investment will be determined based on the circumstances.