

# Q&A of fiscal year 2026 (the 63<sup>rd</sup>) Annual General Shareholders' Meeting

Q. The Company's initiatives in the advanced packaging field including optoelectronic integration and growth opportunities

A. Various technologies are emerging in this field, which presents an opportunity for the Company to offer solutions that leverage its extensive product lineup, and it is actively pursuing those opportunities. In this field, the rollout of new products for test processes and for wafer-to-wafer bonding and de-bonding is progressing smoothly. In particular, the wafer bonding-related business has grown three-fold in the past two years, and in the previous fiscal year, net sales of this equipment were 30 billion yen. In the current fiscal year, we expect further growth of 60%, and we project that net sales will reach more than 300 billion yen by 2030, a 10-fold increase from fiscal 2025.

Q. Responses to rare earth procurement risks

A. Regarding the rare earths used in semiconductor production equipment, the Company has been responding to the risk of supply sources being concentrated in specific regions, such as China, by expanding procurement sources (development of alternative countries and sites) for several years, and it is also developing rare earth-free components. In addition, as part of our BCP initiatives, we have secured a certain level of inventory and created structures to limit the impacts on business performance.

Q. Stock splits

A. Regarding stock splits, we place importance on creating an environment that makes it easier for shareholders to invest while also giving careful consideration to the requests that we receive through dialogue at shareholders' meetings and so on. Going forward, we will continue to carry out stock splits in a timely and appropriate manner with the objective of maximizing market capitalization, taking into account dialogue with shareholders, the Tokyo Stock Exchange's guidelines, market trends, share liquidity, shareholder composition, and other factors.

Q. Further growth of the Company

A. We consider the present to be no more than a midpoint. It is important that we capture expanding business opportunities in cutting-edge semiconductor processes to achieve further growth. By using our diverse product lineup as a strength, we share technology roadmaps with customers four generations ahead, looking approximately 10 years into the future, and by creating next-generation products with high hit rates, we hope to achieve the No. 1 market share for all major product groups. In addition, we will enter and expand into the served available market (SAM) in the film deposition area. We will incorporate robotics and other DX solutions and work toward achieving further growth.

Q. Governance initiatives for transforming defense into offense

A. In relation to areas that are generally considered to be defensive, including safety, quality, legal compliance, engagement, risk management, and security, the Company is proactively engaging in initiatives based on its "aggressive style of management" concept. As a specific example of offensive governance, we introduced a framework at the industry's highest levels to monitor security 24 hours a day, 365 days a year. In terms of engagement, our separation rate in Japan is extremely low, and as a result, we are highly regarded by customers from the perspective of information security. Regarding safety, we have achieved one of the industry's highest levels of TCIR\* and are working to improve it even further. We will use these offensive governance efforts as Company's strengths to drive further improvement in corporate value.

\*TCIR (Total case incident rate): The number of workplace incidents per 200,000 work hours.

Q. Plasma etching equipment growth strategy and market share improvement

A. Within the etching market, we are maintaining a high market share of 55% for insulating film applications, and we believe that there is potential to raise the Company's share even further in conjunction with the future growth of DRAM and increase in the number of wiring layers. Meanwhile, although the Company's share for conductor etching is still small, it has acquired POR\* status for the most critical processes among cutting-edge logic customers, and going forward, it will expand applications with the aim of ultimately achieving the top market share.

\*POR (Process of record): Certification for the adoption of equipment in customer semiconductor manufacturing processes.

Q. Outlook for the Chinese market and other regions

A. Although cutting-edge equipment cannot be sold in China due to U.S.-China relations and the resulting Japanese regulations, as well as domestic policy in China, demand remains strong due to the positive evaluations of our safety, environmental performance, and quality. As a result, we continue to see China as a key market from the perspective of market scale. In addition, the global need for cutting-edge equipment is increasing as a result of the growing demand for AI servers, and we believe that the Company's market share will expand in conjunction with the growth of cutting-edge fields.

As for other regions, we see significant potential in India, and we are building foundations through strategic alliances, site development, and collaboration with software human resources and universities.

Going forward, we will maintain our technological innovation capabilities that lead the cutting-edge world and continue our efforts to ensure that our devices are adopted in various areas.

Q. Patent strategy taking into consideration the balance between protection of technology and information disclosure

A. We actively file patent applications in areas where patents are effective and we can assert our presence. On the other hand, in areas where we have concerns that public disclosure will provide technological hints to other companies, we take a selective approach, including choosing not to file for patent applications, while fully considering the balance between these two perspectives.

Q. Outlook for the future of Japan's semiconductor industry

A. As a global manufacturer, the Company has policies for responding fairly to customers. Furthermore, we believe that there is still room for substantial growth of Japan's semiconductor industry. There is broad recognition of the importance of semiconductors, and technological innovation and market expansion can be expected. Japanese device manufacturers command large market shares in supply chains as well, and there is a substantial market presence for semiconductor materials, such as wafers and resists. Accordingly, we believe that if these supply chains can be leveraged, there is potential for substantial growth. In addition, we feel that the Japanese government is proactive not only in the semiconductor industry, but also with regard to the development of semiconductor talent, and we believe that Japan's semiconductor industry will continue to grow in the future.