

**Notice Regarding Q&A at the Financial Results Briefing for Analysts and Institutional Investors for the Fiscal Year Ended March 2026**

At the financial results briefing for analysts and institutional investors held by the Company on June 3, 2026 at 4:00 p.m., comments were made regarding the financial outlook for the fiscal year ending December 2026, specifically concerning figures related to net sales and operating profit. In accordance with the spirit of the Fair Disclosure Rule under the Financial Instruments and Exchange Act, and from the perspective of ensuring equitable disclosure of information, the Company hereby discloses the content of those comments. Please note that the full details of the Q&A session will be disclosed at a later date.

**1. Comments on the Financial Outlook for the Fiscal Year Ending December 2026 from the Q&A Session**

- “This fiscal year, we would like to pursue net sales of ¥400.0 billion. An operating profit of approximately ¥50.0 billion is also considered achievable. Net sales from January to June are expected to be approximately ¥180.0 billion, and we are expecting operating profit of between ¥28.0 billion and ¥30.0 billion.  
These figures reflect the aspirations of the sales side — they are targets we are aiming for.”  
(Note) The Company’s forecast for net sales for the fiscal year ending December 2026, as disclosed in the financial results summary dated May 15, 2026, is ¥350.0 billion, with operating profit of ¥38.0 billion.

**2. Other Key Q&A Topics**

- Financial Results for FY2026/3
  - The operating profit margin for the fiscal year ended March 2026 fell below 10% (to 9.5%), due in part to the new Malaysia factory still being in the ramp-up phase and not yet making a sufficient contribution to earnings.
  - In Q4 of the fiscal year ended March 2026, operating profit declined due to inventory write-downs at the metal OEM in Malaysia factory, which is still in the ramp-up phase, and at the crucible business, where PV-use quartz crucible operations have been scaled back.
- Thermo-module Business
  - The Company is increasing production capacity for thermos-modules for optical communication transceivers from 4 million to 6 million units per month. Ongoing automation efforts have created a competitive advantage, enabling the Company to meet growing demand. The Company aims to expand capacity to 9 million units per month by the end of this year.
  - When optical communication module capacity transitions from 800G (gigabit) to 1.6T (terabit), the number of thermos-modules installed per unit may decrease in silicon photonics applications. However, the Company aims to grow revenue by increasing its market share.
- Malaysia Factory and Ceramics Business
  - The Company aims to complete construction of the Kulim 2nd factory in August and hold a completion ceremony in October.
  - Demand for ceramics is strong and current capacity is insufficient. The Company is receiving strong requests from customers to increase production and is working hard to respond.
  - The Company is also considering the construction of a Kulim 3rd factory, with plans to lease the building.

**3. Notes**

The figures presented in Section 1 above reflect the aspirations of the sales side and represent targets the Company is aiming for; they do not constitute an official announcement of financial forecasts. Should a revision to the financial forecast become necessary, the Company will make a timely and appropriate disclosure.