

FY2025

Fourth Quarter Financial Results

April 22, 2026

DISCLAIMER

Statements in this PowerPoint with respect to DISCO's current strategies, plans, estimates, and beliefs and other statements that are not historical facts are forward-looking statements about the future performance of DISCO. These statements are based on management's assumptions and beliefs in light of the information currently available to it and therefore you should not place undue reliance on them. DISCO cautions you that a number of important factors could cause actual results to differ materially from those discussed in the forward-looking statements, and you should not make decision on your investment thoroughly based on these statements. Such factors include, but not limited to, (i) general economic conditions and levels of demand in DISCO's markets; (ii) developments in technology and resulting changes in semiconductor and/or electronic component manufacturing process; (iii) levels of capital investment for manufacturing semiconductors and/or electronic components; (iv) expansions of the area for products and technologies using semiconductors and/or electronic components and its expanding speed; (v) DISCO's ability to continue to offer products and services corresponding to developments of new semiconductors and/or electronic components and new technologies for manufacturing them; (vi) exchange rates, particularly between the yen, the U.S. dollar, and the euro, and other currencies.

Net sales

436.8 B yen

Previous year : 393.3 B yen

Record high

GP margin

70.1 %

Previous year : 70.6 %

Operating income

184.9 B yen

Previous year : 166.8 B yen

Record high

Operating income margin

42.3 %

Previous year : 42.4 %

CAPEX

32.7 B yen

Previous year : 69.8 B yen

R&D

34.1 B yen

Previous year : 31.6 B yen

Total assets

743.4 B yen

Previous year : 654.0 B yen

Ordinary income margin averaged over a four-year period

41.4 %

Previous year : 40.0 %

FCF

-2.2 B yen

Previous year : 52.3 B yen

ROE

25.1 %

Previous year : 27.6 %

EPS

1,249.84 yen

Previous year : 1,143.26 yen

Record high

Annual dividend

505 yen
Per share

Previous year : 413 yen

Record high

FY2025 4Q Earnings Results



Billions of Yen	FY2025	FY2025 3Q	QoQ		FY2024 4Q	YoY	
	4Q		Amount	(%)		Amount	(%)
Net Sales	133.1	109.3	23.8	21.7%	120.7	12.3	10.2%
Gross Profit	94.4	78.1	16.3	20.9%	84.2	10.2	12.1%
Gross Profit Margin	70.9%	71.4%	-0.5p	-	69.8%	1.1p	-
SG&A	35.6	30.7	4.9	16.0%	32.5	3.1	9.7%
Operating Income	58.8	47.3	11.4	24.2%	51.7	7.0	13.6%
Ordinary Income	58.5	47.0	11.5	24.5%	51.9	6.6	12.8%
Ordinary Income Margin	44.0%	43.0%	1.0p	-	43.0%	1.0p	-
Income before income taxes and minority interests	58.4	46.8	11.6	24.9%	51.5	6.9	13.5%
Net Income	42.9	36.7	6.2	16.8%	38.6	4.2	11.0%

Sales: YoY Increased due to progress in equipment inspection/acceptance and steady consumable shipments.
 GP margin: YoY Increased profitability from high value-added products and due to the influence of the exchange rate.
 SG&A: YoY Increased due to an increase in personnel and R&D expenses.

FY2025 Earnings Results

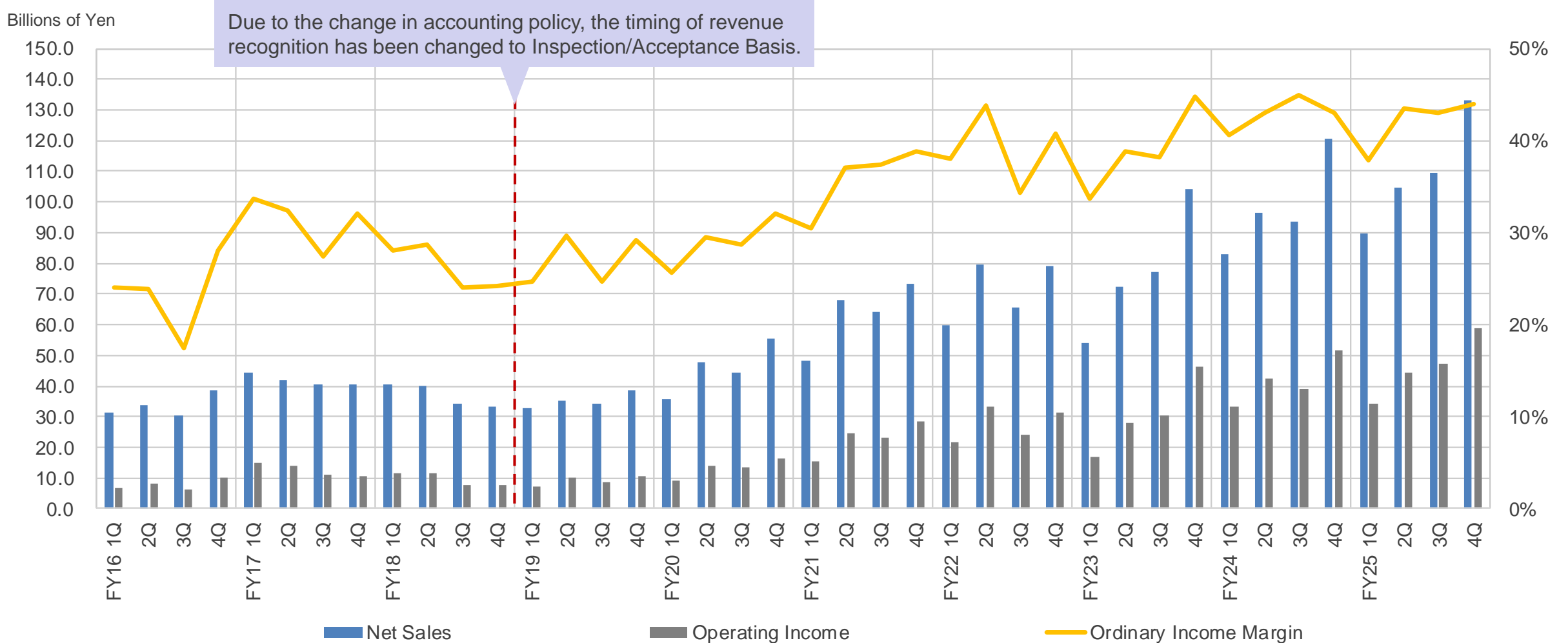


Billions of Yen	FY2025 Full Year	FY2024 Full Year	YoY	
			Amount	(%)
Net Sales	436.9	393.3	43.6	11.1%
Gross Profit	306.5	277.6	28.9	10.4%
Gross Profit Margin	70.1%	70.6%	-0.5p	-
SG&A	121.5	110.7	10.8	9.7%
Operating Income	185.0	166.8	18.2	10.9%
Ordinary Income	184.9	168.9	16.0	9.5%
Ordinary Income Margin	42.3%	43.0%	-0.7p	-
Income before income taxes and minority interests	183.8	168.1	15.7	9.3%
Net Income	135.5	123.9	11.6	9.4%

Net Sales:
GP margin:
SG&A:

Increased due to an increase in shipments for generative AI and progress in inspection/acceptance.
Remained at a high level despite a slight decrease due to changes in the product and application mix.
Increased mainly due to an increase in personnel and R&D expenses.

Quarterly Financial Results



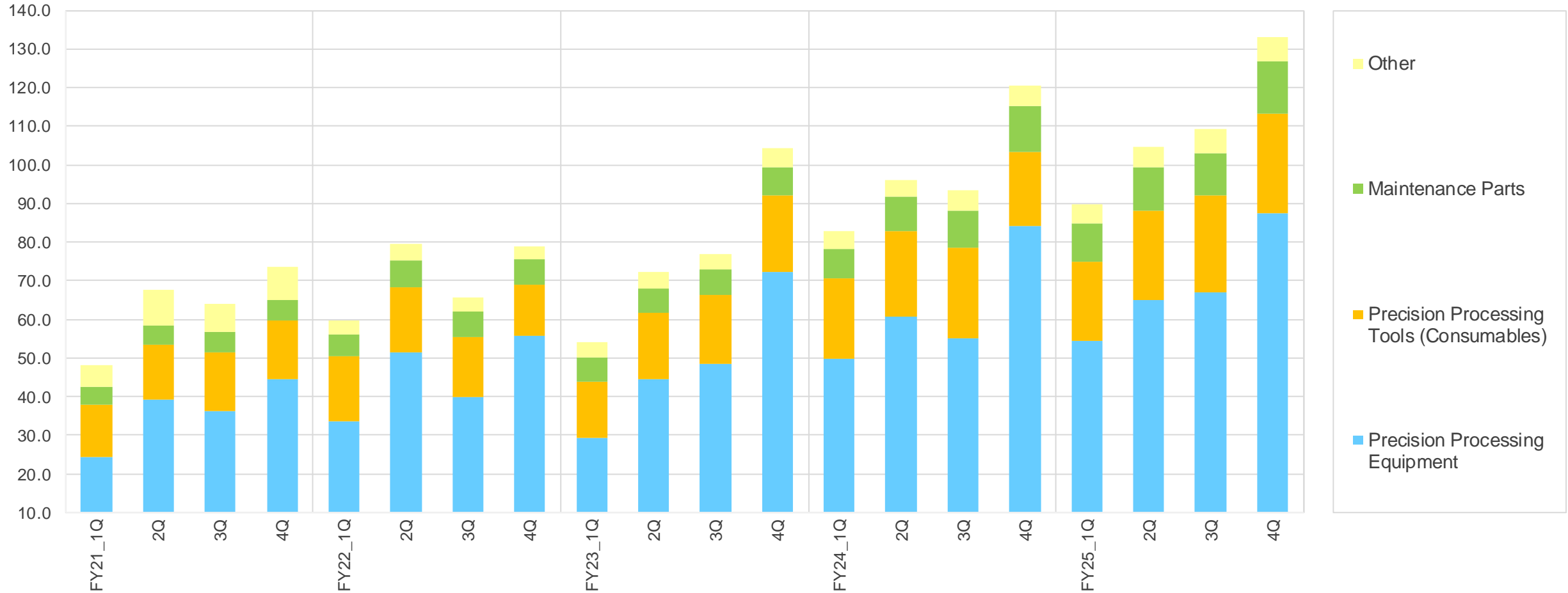
FY25 4Q Operating income margin 44.2%, Ordinary income margin 44.0%, Net income margin 32.2%

Note: Detailed data is available in the Consolidated Financial Information on DISCO's website.

Quarterly Sales Breakdown by Product



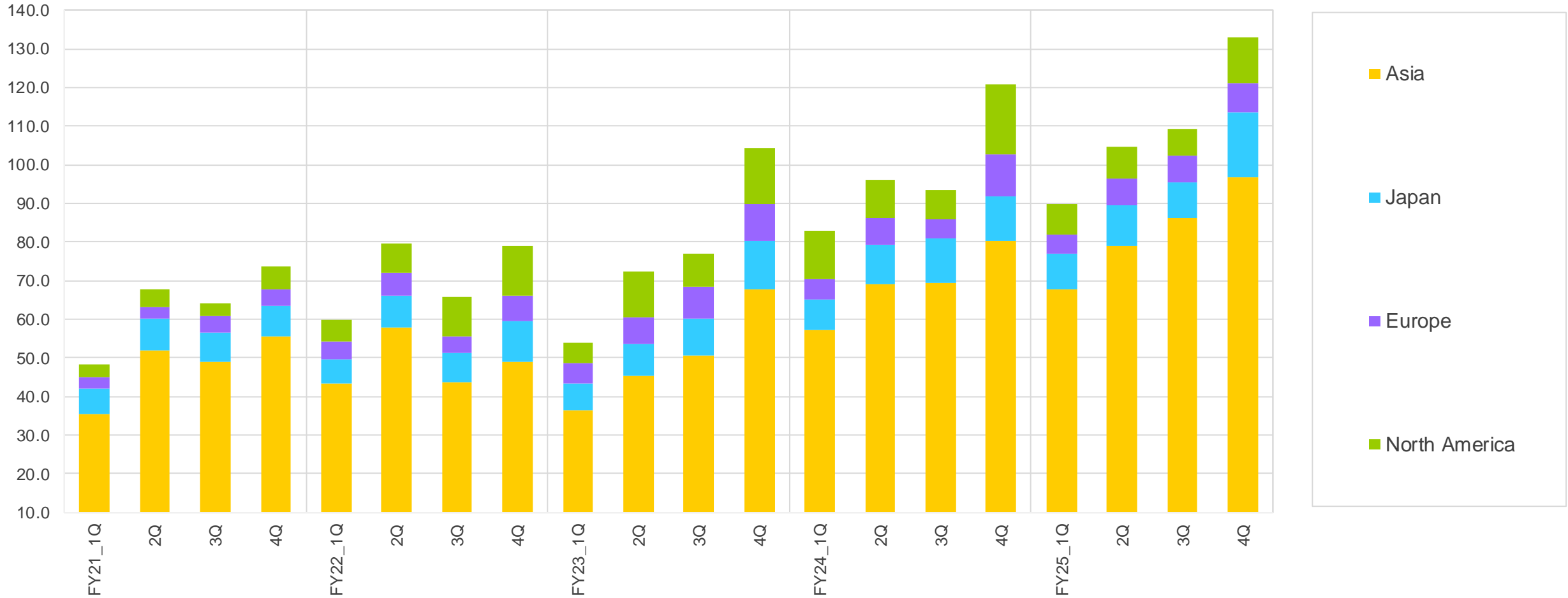
Billions of Yen



Note: Composition percentages are available in the “Consolidated Financial Information” on DISCO’s website.

Quarterly Sales Breakdown by Region

Billions of Yen

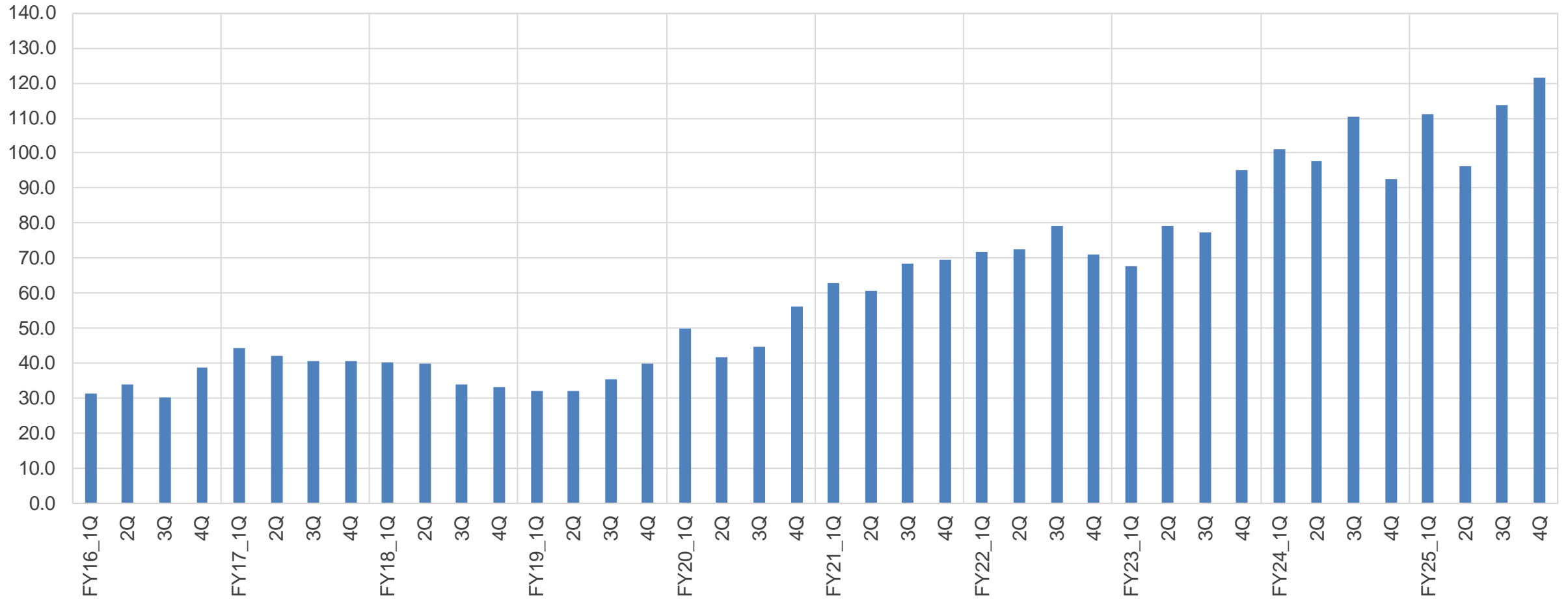


FY25 4Q Overseas sales ratio: 87.6%

Quarterly Shipments



Billions of Yen



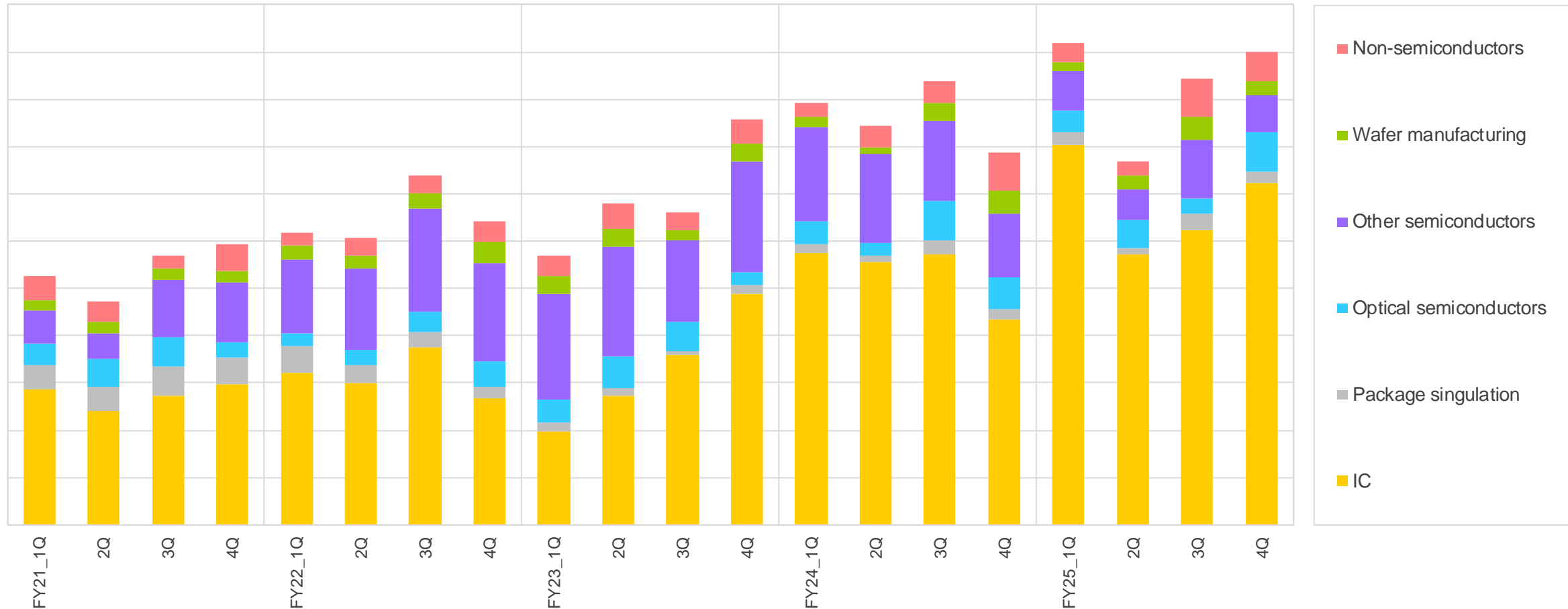
FY25 4Q Shipment volume: 121.6 billion yen (record high)

Precision Processing Equipment: Sales by Application



Shipment Basis

Precision Processing Equipment



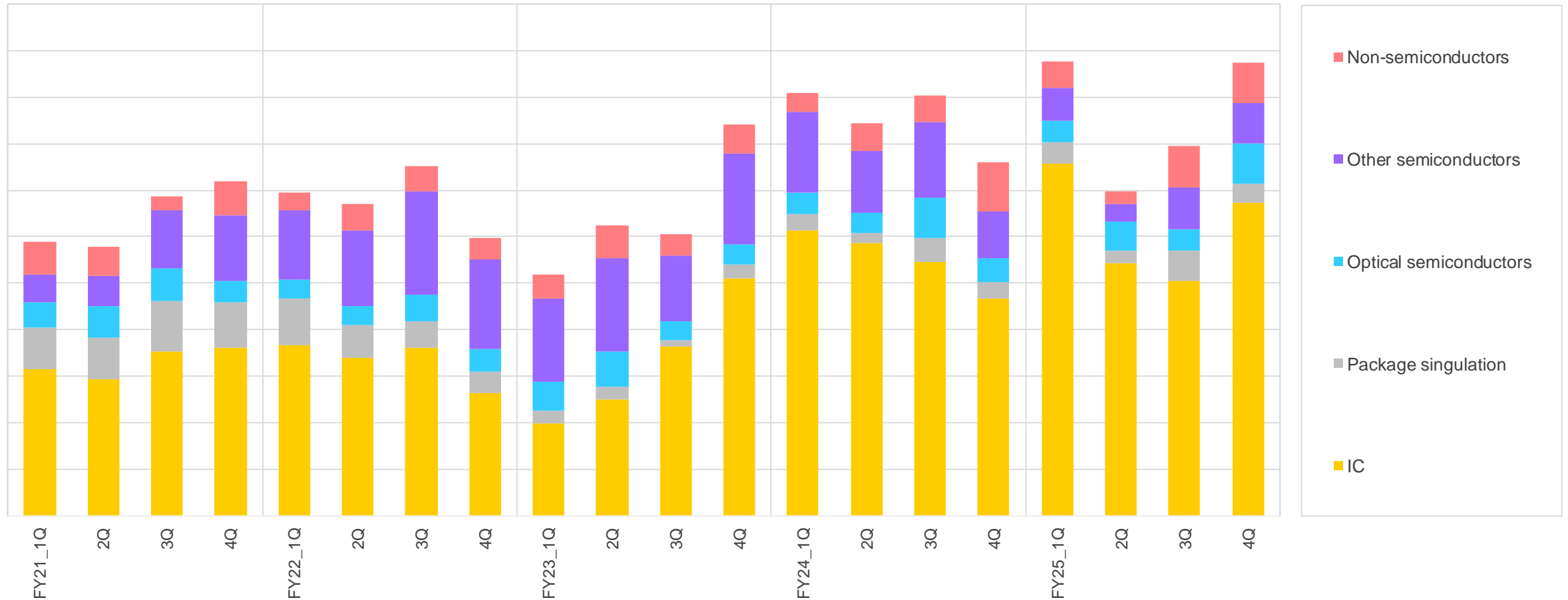
QoQ
YoY

An increase in sales for IC, mainly for generative AI, boosted overall sales.
IC applications grew supported by the strong demand for generative AI.

Dicer: Sales by Application

Shipment Basis

Dicer



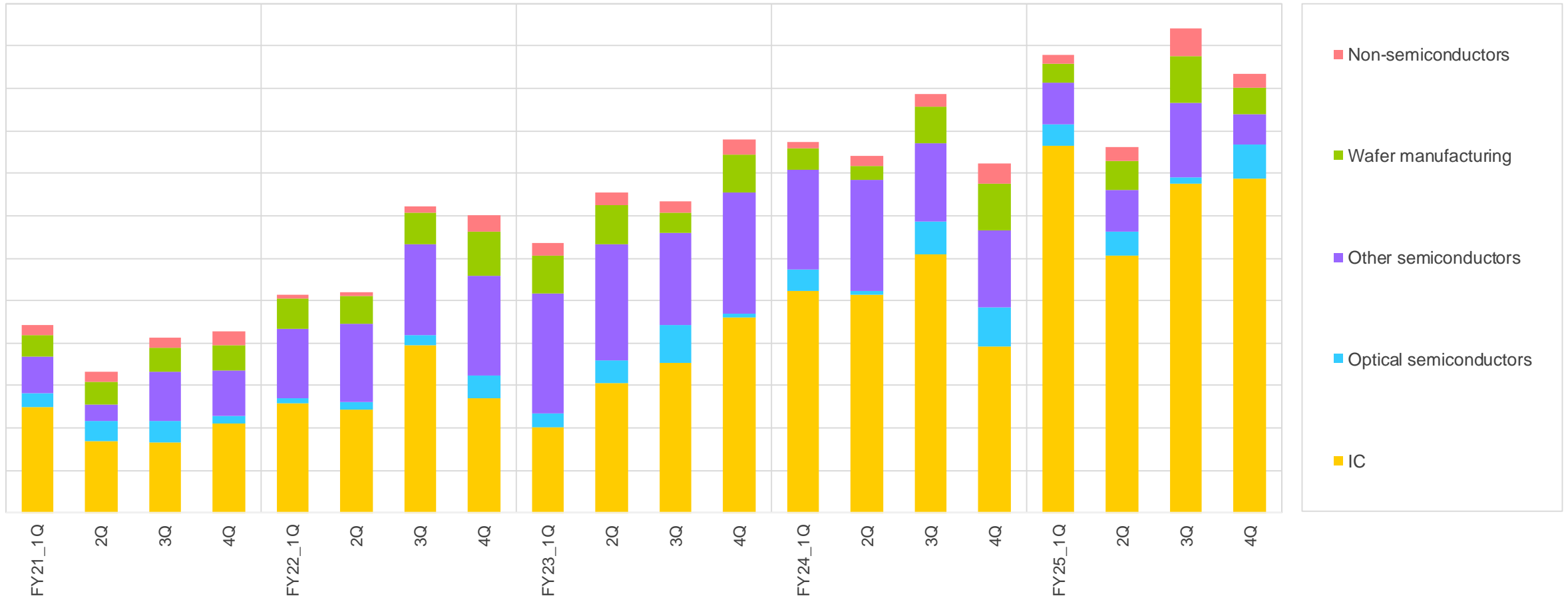
QoQ Increased for IC, mainly for generative AI and OSATs.

YoY Although sales for other semiconductor applications, mainly power semiconductors, decreased, sales for IC applications increased.

Grinder: Sales by Application

Shipment Basis

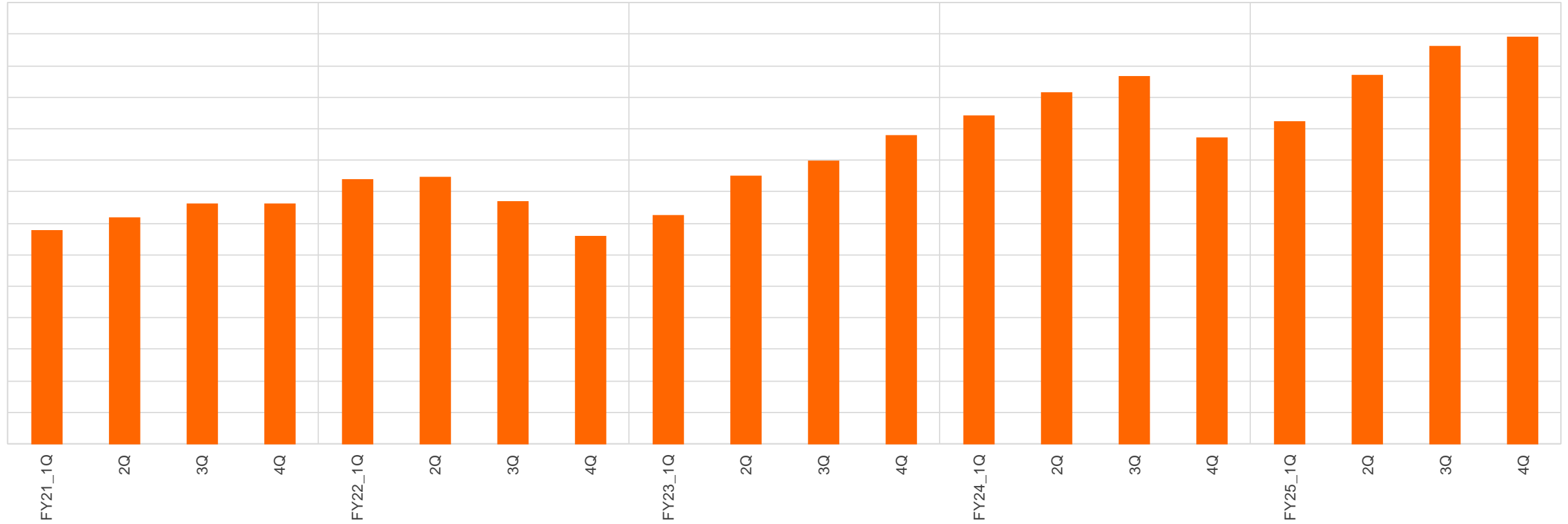
Grinder



QoQ Although sales for IC remained steady, sales for other semiconductor applications, mainly power semiconductors, decreased.

YoY Although sales for other semiconductor applications, mainly power semiconductors, decreased, sales for IC applications increased.

Precision Processing Tools Sales (Consumables)



Increased from the previous quarter driven by factors such as customer equipment operating rates, and hit a record high

Balance Sheet (Summary)

Billions of Yen	FY2025 4Q	FY2025 3Q	Amount
Cash and deposits	284.6	246.1	38.4
Notes and account receivable	57.5	50.8	6.7
Inventories	141.3	141.6	-0.3
Total current assets	494.6	447.0	47.6
Property, plant and equipment	223.2	211.6	11.7
Total noncurrent assets	248.8	231.3	17.5
Total assets	743.4	678.3	65.1
Current liabilities	154.5	134.7	19.7
Noncurrent liabilities	0.8	0.9	-0.1
Total liabilities	155.3	135.7	19.6
Total net assets	588.1	542.6	45.5
Total liabilities and net assets	743.4	678.3	65.1
Equity Ratio	78.9%	79.8%	-0.9p

Total assets: Increased mainly due to an increase in cash and deposits and property, plant and equipment.
 Liabilities: Increased mainly due to an increase in provision for bonuses and income taxes payable.
 Net assets: Increased mainly due to an increase in retained earnings.

Cash Flow (Summary)

Billions of Yen	FY2025 Full Year	FY2024 Full Year	Amount
Net cash provided by (used in) operating activities	133.5	120.4	13.2
Income before income taxes and minority interests	183.8	168.1	15.7
Depreciation and amortization	14.8	12.2	2.6
Decrease (increase) in notes and accounts receivable-trade	-11.0	2.9	-13.9
Decrease (increase) in inventories	-0.2	-24.6	24.4
Increase (decrease) in notes and accounts payable-trade	-10.7	-4.8	-5.9
Income taxes (paid) refund	-55.1	-37.7	-17.4
Others	11.9	4.3	7.7
Net cash provided by (used in) investing activities	-135.8	-68.0	-67.8
Purchase of property, plant and equipment	-35.1	-66.9	31.7
Others	-100.6	-1.1	-99.5
Free cash flow	-2.2	52.4	-54.6
Net cash provided by (used in) financing activities	-45.0	-38.2	-6.9
Cash dividends paid	-45.3	-38.5	-6.8
Net change in of cash and cash equivalents	-44.6	13.7	-58.3
Cash and cash equivalents at beginning of period	229.2	215.5	13.7
Cash and cash equivalents at end of period	184.6	229.2	-44.6

- Sales cash flow: approx. 133.5 B yen (increase)
Increased mainly due to income before taxes
- Investment cash flow: approx. JPY 135.7 B (decrease)
Cash outflows were incurred for the acquisition of property, plant and equipment and for time deposits (100 B yen).
- Free cash flow: approx. JPY 2.2 B (decrease)
- Financial cash flow: approx. JPY 45.0 B (decrease)
Decreased mainly due to dividend payout

→Cash balance as of the end of March: approx. JPY 184.5 B

Supplement:

Cash and deposits balance on the balance sheet is approx. 284.5 B yen. Surplus funds available for an additional dividend were calculated based on the balance of “Cash and deposits” on the balance sheet.

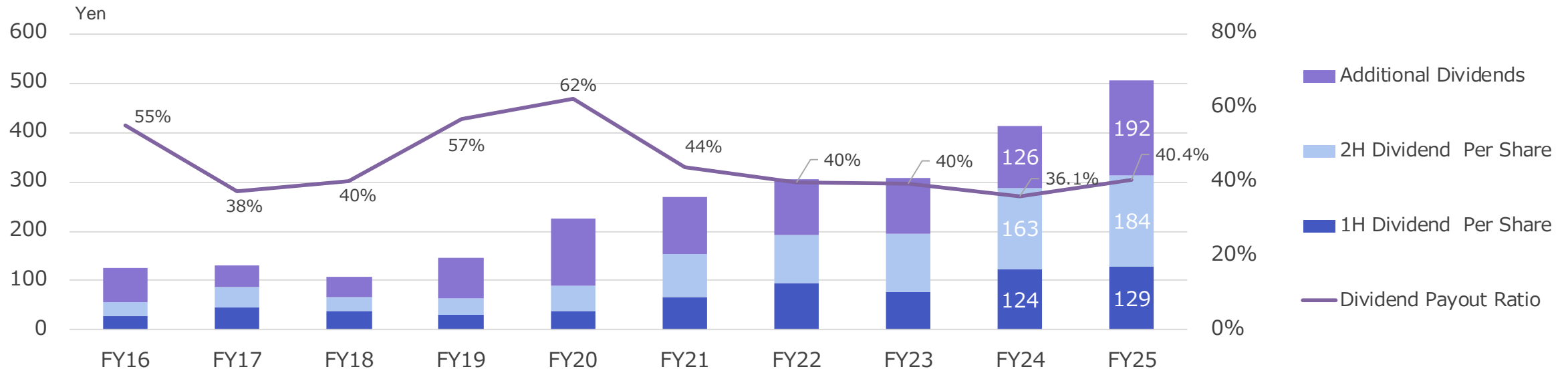
Dividend Policy and Dividend Payments

Dividend Policy

- Decisions concerning the distribution of surpluses are made at the general shareholders meetings, in the case of final dividends, and by the Board of Directors, in the case of interim dividends.
- 1. Adopting a performance-linked dividend policy and aiming at giving clearer priority to shareholder returns, our target dividend payout ratio is 25% of the consolidated half-yearly net income. There will be interim and final dividends, each of which will be equivalent to 25% of the half-yearly consolidated net income.
- 2. Irrespective of the level of income, a reliable dividend of ¥10 per half-year will be maintained. This means that the minimum yearly dividend will be ¥20.
- 3. Unless there is a loss, if the year-end balance of cash and deposits after payment of dividends and income taxes is greater than the projected funding requirements for the acquisition of technology resources, such as through patent purchases and investments in venture businesses, facility expansion, the retirement of interest-bearing debt, and other purposes, one-third of that surplus will be added to dividends.

[Remarks]

The ¥20 payout stipulated in our stable dividend policy may be reviewed if there are consolidated net losses for three consecutive years.



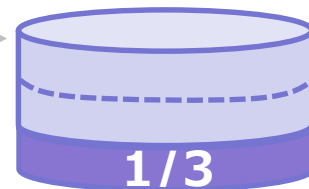
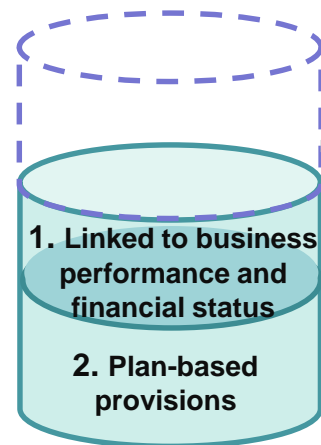
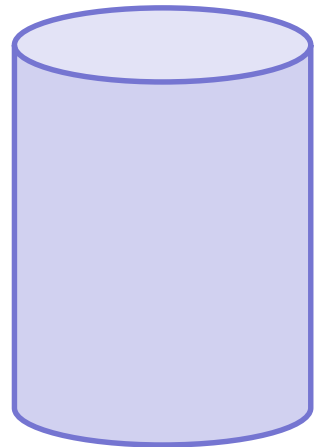
FY25 (actual figure) Interim: 129 yen Year-end: 376 yen Annual: 505 yen (record high)

*The Company implemented a stock split in the proportion of 1 share into 3 shares effective as of April 1, 2023

(The dividend trend before FY22 has been represented under the assumption that the applicable stock split has been done)

Formula for calculating additional dividends

<p>*Year-end balance of cash deposits</p> <p>218.5 B yen</p>	-	<p>Funds necessary</p> <p>156.1 B yen</p>	=	<p>Surplus funds</p> <p>62.4 B yen</p>
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20.8 B yen
Additional dividends

Breakdown of funds necessary:

1	Working capital	72.8 B yen
	Consolidated net sales for the previous period ÷ 12 months x 2 months	
	Reserve funds for technology acquisitions (including M&As)	32.0 B yen
	Average consolidated net sales for the past 3 years x 10%	
	Funds for repaying long-term interest-bearing debt	-
	Taxes, dividends, etc.	34.9 B yen
2	Funds for facility extensions	16.4 B yen
	Hiroshima Works new plant, etc.	

*Contract liabilities (advances received) are taken into account.

Earnings Forecast 1Q FY2026



Billions of Yen

Forecast

	FY25 1Q	2Q	3Q	4Q	FY26 1Q
Net Sales	89.9	104.6	109.3	133.1	106.1
Operating Income	34.5	44.4	47.3	58.8	42.0
Ordinary Income	34.0	45.5	47.0	58.5	42.3
Net Income	23.8	32.1	36.7	42.9	29.5
Operating Income Margin	38.4%	42.4%	43.3%	44.2%	39.6%
Ordinary Income Margin	37.8%	43.5%	43.0%	44.0%	39.9%
Net Income Margin	26.5%	30.7%	33.6%	32.2%	27.8%
Shipment Figures	111.1	96.3	113.6	121.6	132.0

*Rounded to the nearest 100 million yen

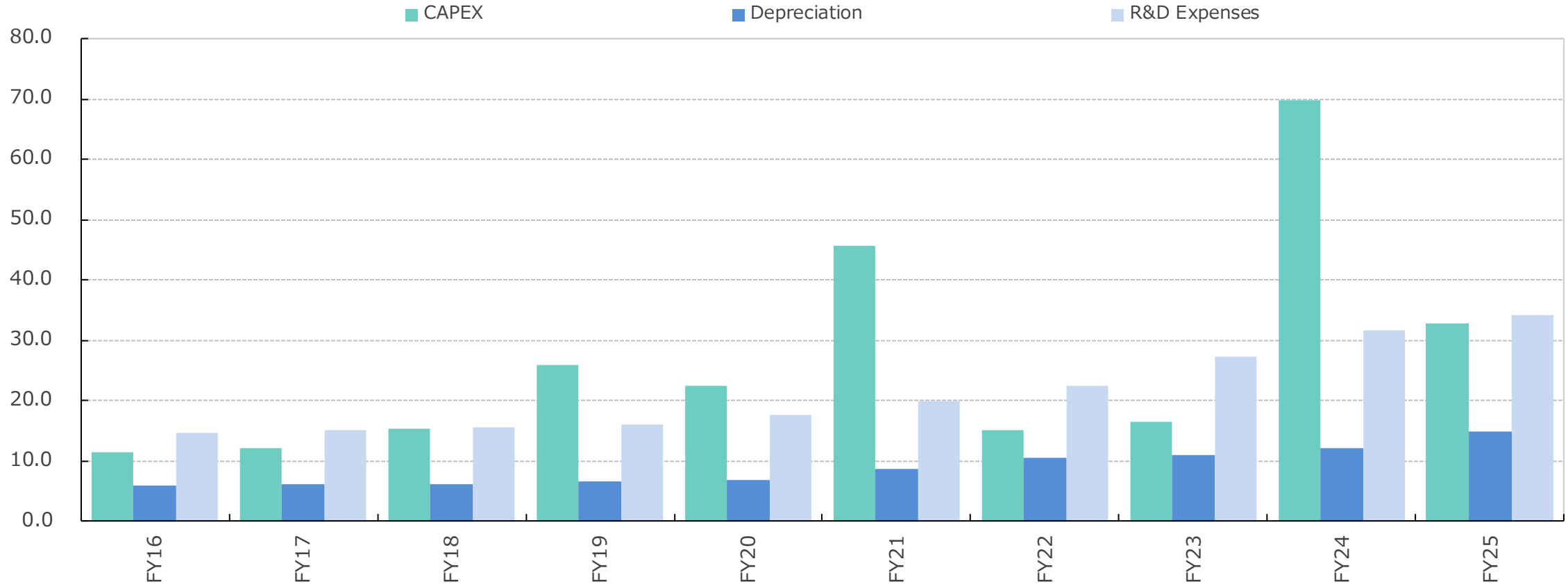
Assumed exchange rate for 1Q (Apr-Jun): 1 US dollar = 157 yen, 1 euro = 181 yen
 Currency sensitivity (annualized) US dollar: Approx. 1.7 billion yen, Euro: Approx. 0.1 billion yen

Sales Forecast By Product

Shipment Basis

Product		Forecast FY26 1Q (QoQ)
Dicers	Blade dicers	15%
	Laser Saws	15%
	Dicers	15%
	Grinders	25%
	Accessory Equipment	15%
Precision Processing Equipment		20%
Precision Processing Tools (Consumables)		0%
Others		-20%

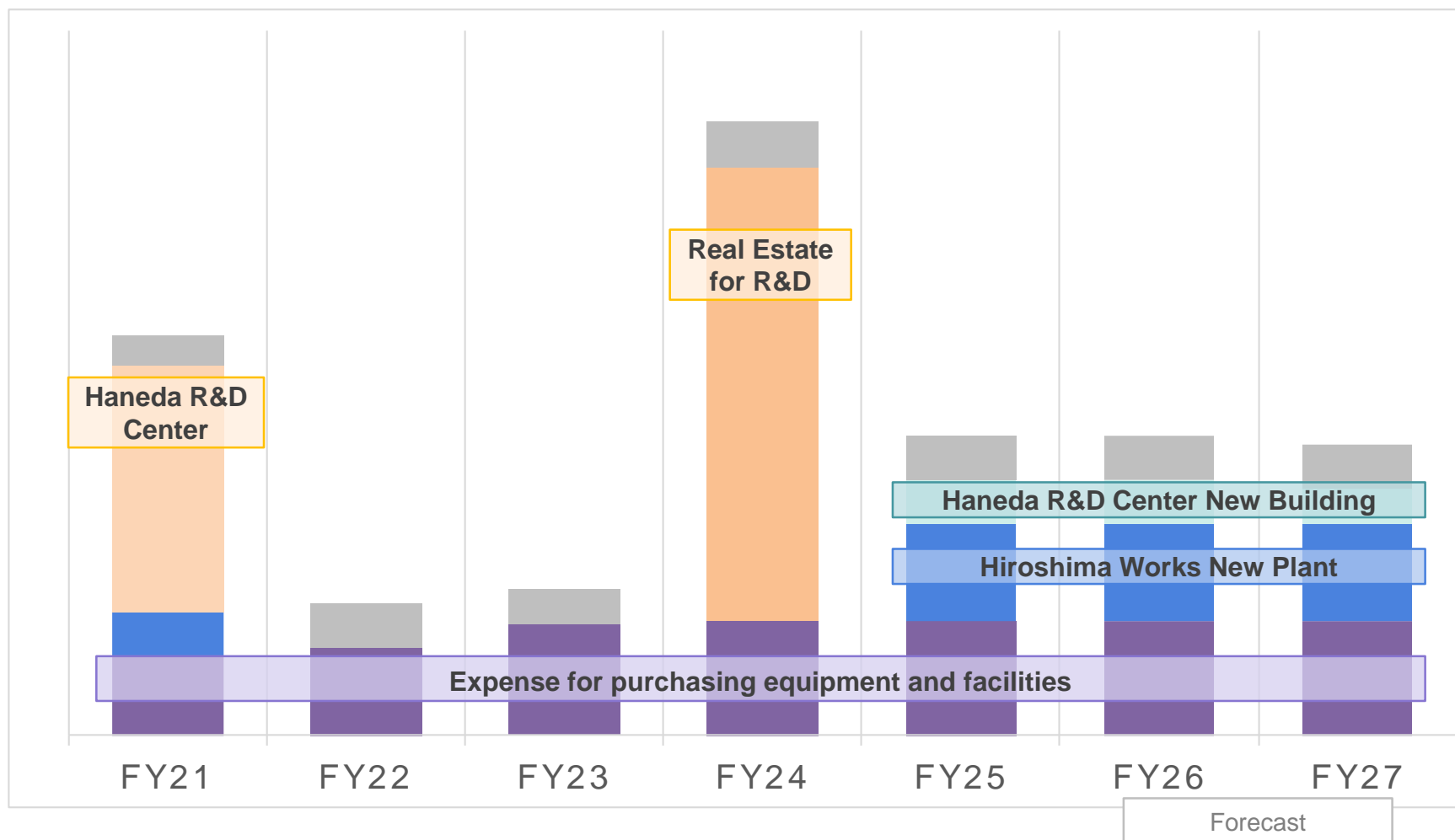
Billions of Yen



FY26 Forecast

CAPEX: Approx. 33.0 billion yen; including rationalization investment, reconstruction of the Haneda R&D Center, and construction of a new plant.
Depreciation: Approx. 15.0 billion yen
R&D Expenses: Approx. 36.0 billion yen; proactive research and development continues.

Breakdown of CAPEX



Real Estate for R&D:
 Haneda R&D Center new building:
 Hiroshima Works new plant:

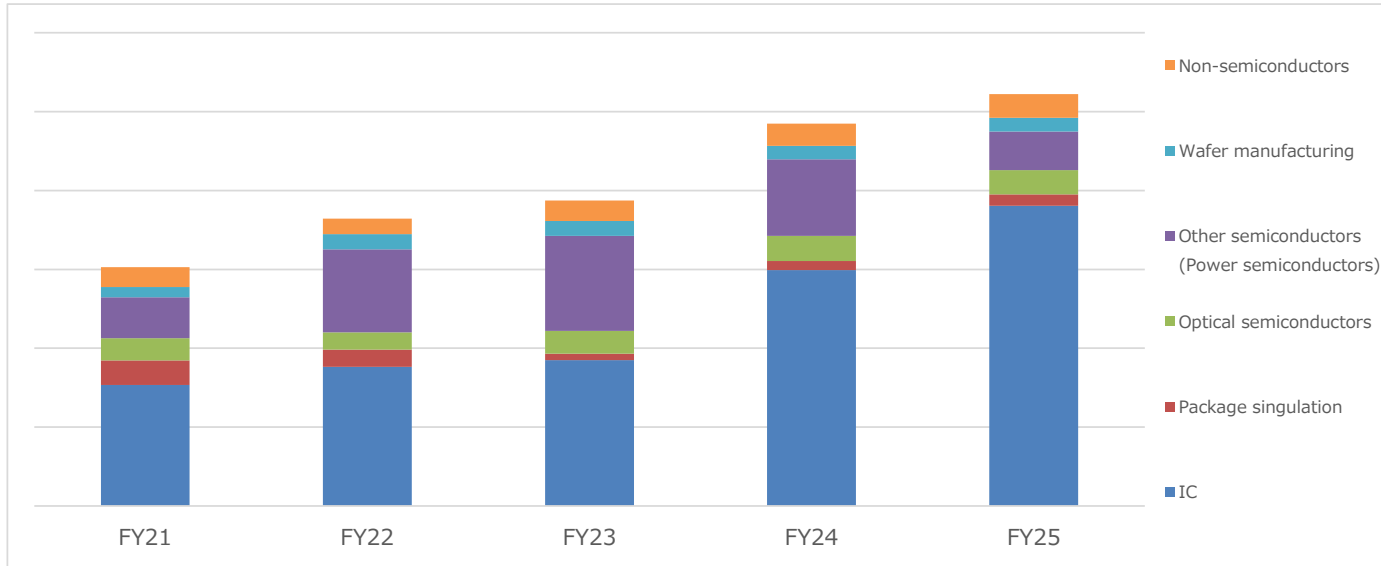
Approx. 50 billion yen
 Approx. 14 billion yen
 Approx. 33 billion yen

Payment timing: FY24
 Payment timing: FY25~27
 Payment timing: FY25~27

■ **Shipment trend: Equipment shipments for generative AI grew.**

The increasing complexity and sophistication of semiconductor packaging technologies acted as a tailwind.

High value-added products boosted shipment figures for memory and logic.



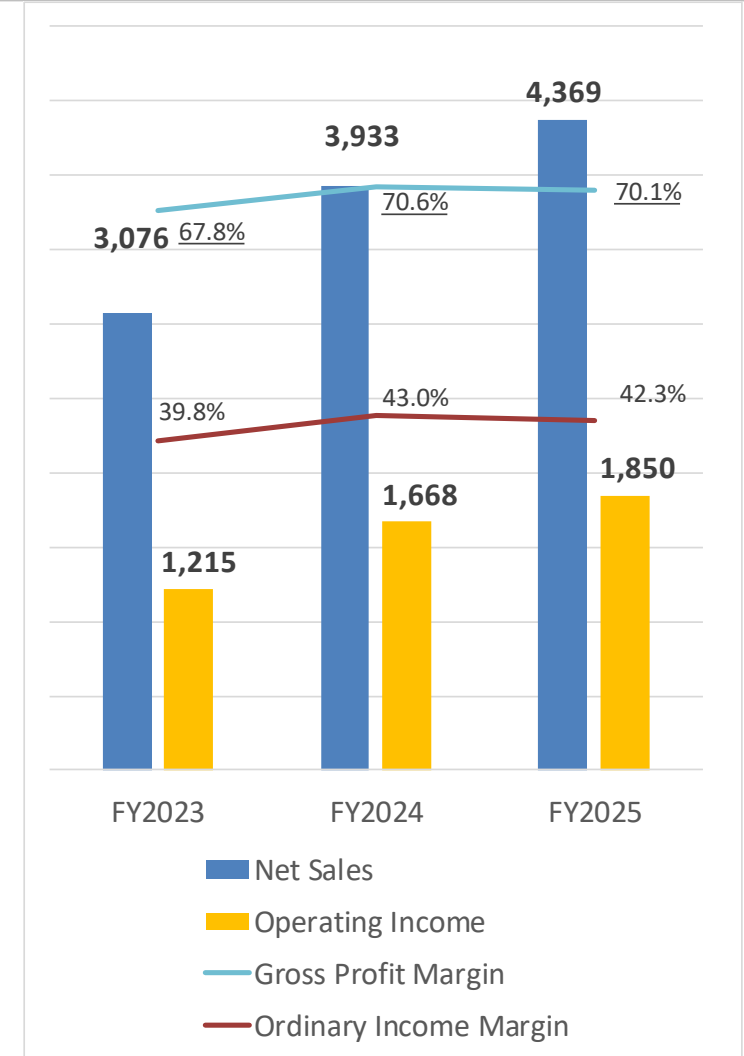
■ **Performance: Profitability remained high, and a record-high profit was achieved for the sixth consecutive period.**

The GP margin crossed the 70% mark, and an ordinary income margin of over 40% was recorded for the second consecutive period.

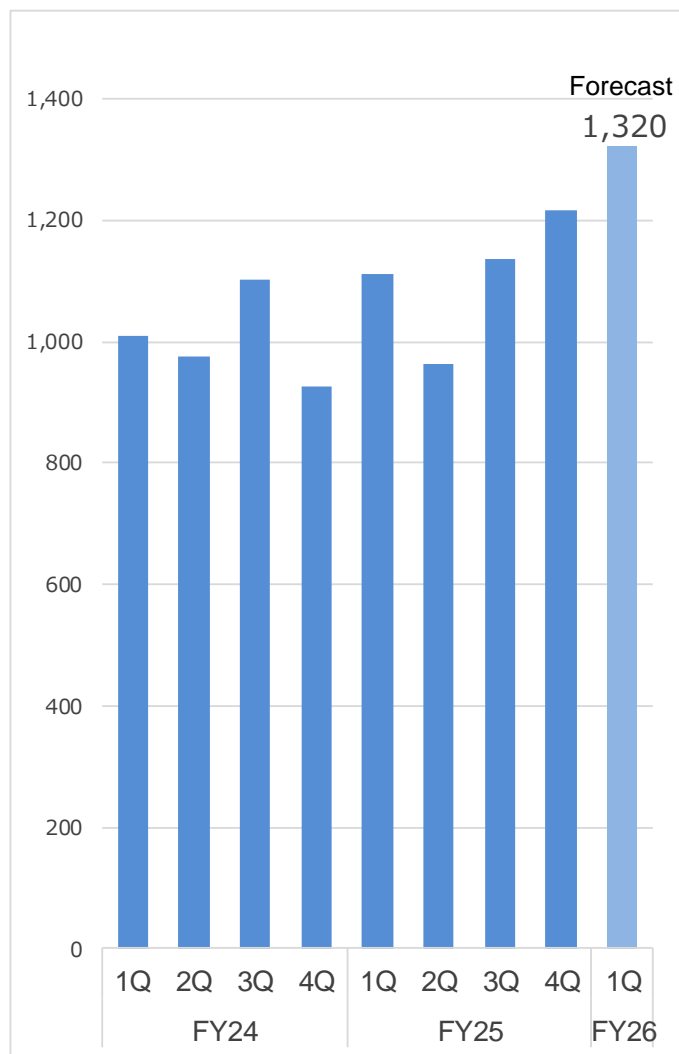
Various improvements in areas such as R&D, in-house manufacturing, and production efficiency contributed to strong earning power.

■ **The annual dividend was 505 yen (record high), supported by a record-high profit and surplus funds.**

Business Performance Trend (acceptance basis)
(100 million yen)



Quarterly Shipment Total Trends (100 million yen)



- **Customers' investment appetite continues to remain steady focused on generative AI-related applications.**
High value-added product shipments are expected to continue.
Demand trends for applications other than AI need to be closely monitored.
- **Broader adoption and a full-scale ramp-up are expected to be seen for advanced packaging technologies.**
- **The impact of international developments on the business environment needs to be closely monitored.**
DISCO will continue initiatives to strengthen our BCM while closely monitoring procurement and cost trends.
- **DISCO will continue to improve both the quantity and quality of production and make investments to strengthen the company**
We will strengthen our R&D abilities and enhance our production capacity to fulfil our responsibility to supply products to our customers.
Proactive facility investments will be continued in line with our Fab-Important strategy (addition of a new building at the Haneda R&D Center, construction of the new Gohara Plant as part of Hiroshima Works, etc.)
- **High-quality corporate culture is a source of an organization's strength**
We will continue to strengthen the company by putting effort into organizational management through DISCO VALUES, Will Accounting, and PIM activities.

[Reference] Full-Year Transition Graphs

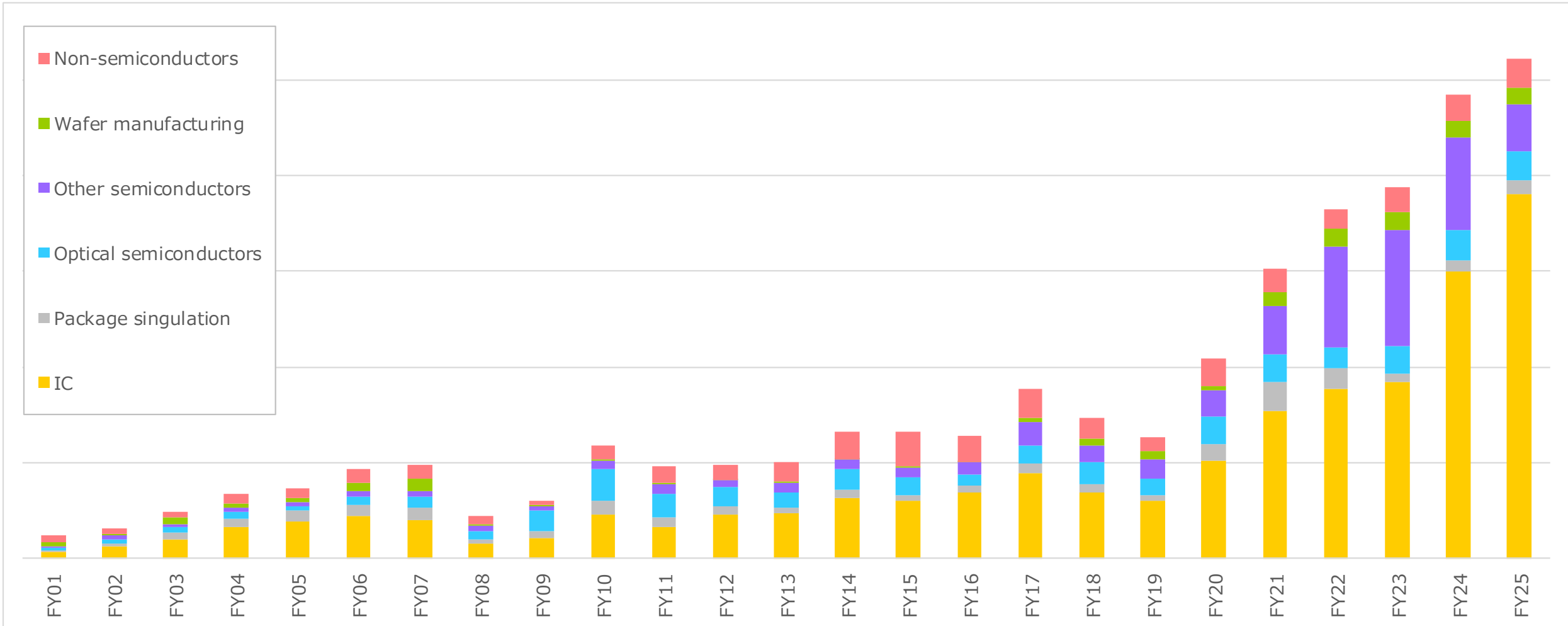
Precision Processing Equipment Sales by Application



Shipment Basis

Full-year

Precision Processing Equipment

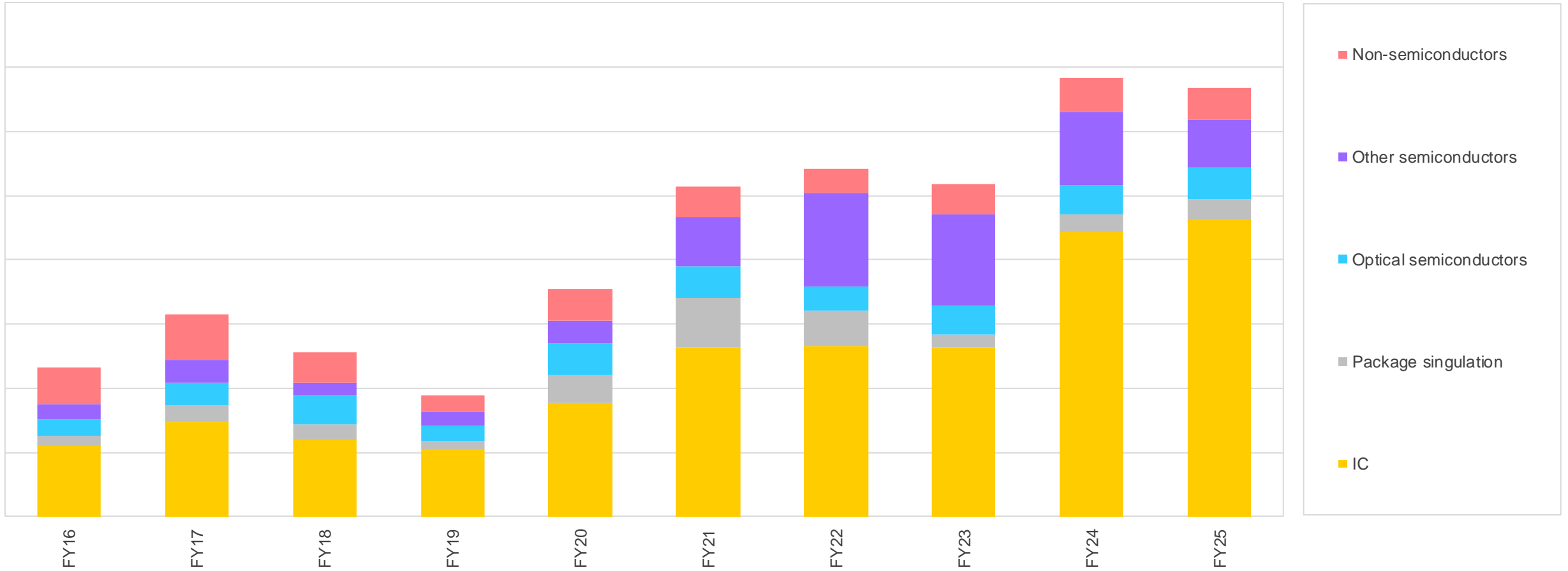


Dicing Saw Sales by Application

Shipment Basis

Full-year

Dicer

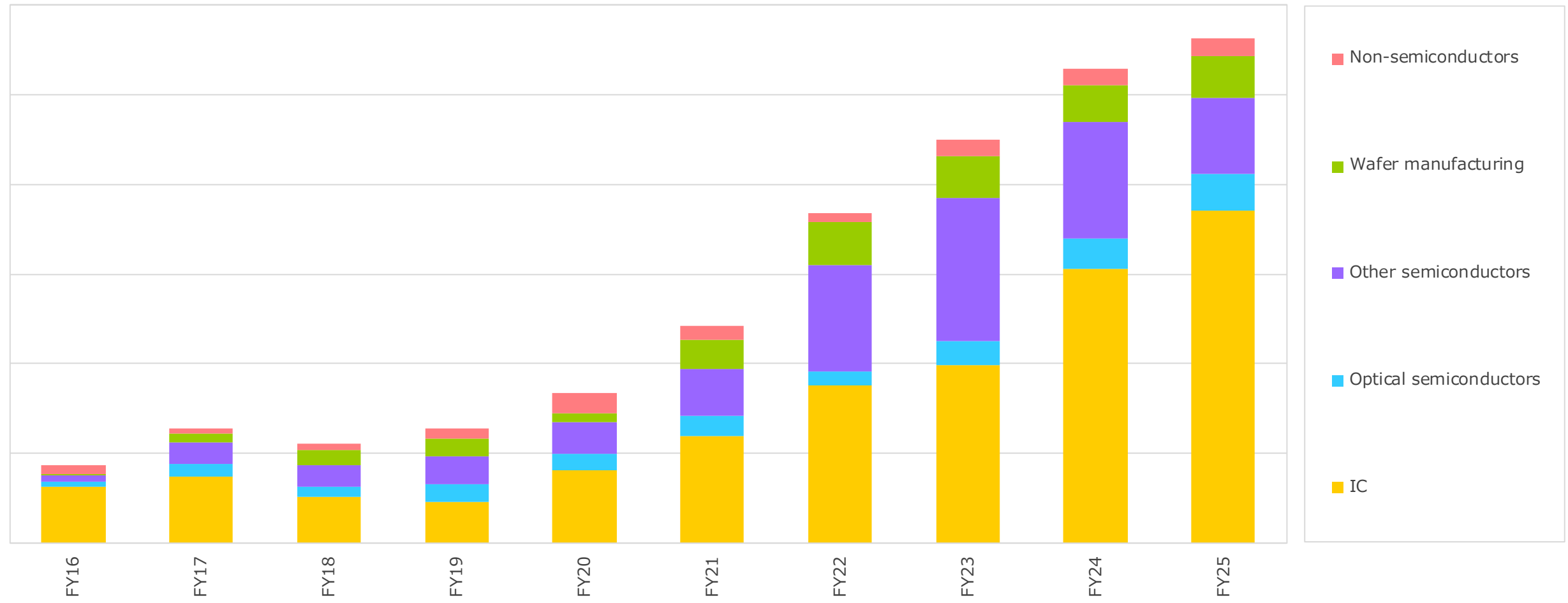


Grinder Sales by Application

Shipment Basis

Full-year

Grinder



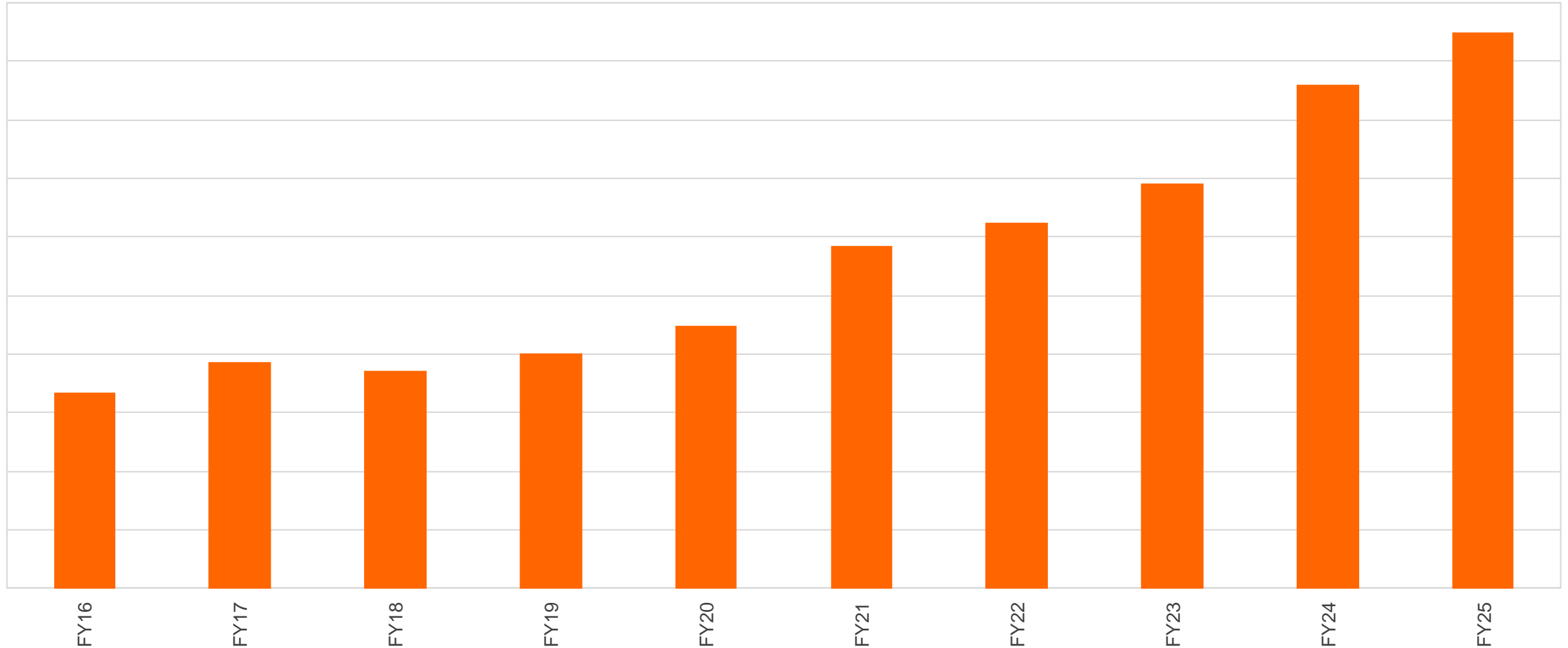
- Non-semiconductors
- Wafer manufacturing
- Other semiconductors
- Optical semiconductors
- IC

Precision Processing Tools Sales (Consumables)



Shipment Basis

Full-year



Reference Data

Shipment Basis

Product	4Q		
	Composition	QoQ	YoY
Precision Processing Equipment	62%	9%	28%
Dicers	32%	23%	29%
Blade Dicers	16%	28%	36%
Laser Saws	16%	18%	22%
Grinders	25%	-9%	26%
Accessory Equipment	4%	69%	44%
Precision Processing Tools	21%	2%	31%
Others	17%	7%	46%
Total	100%	7%	31%

Full Year	
Composition	YoY
62%	7%
31%	1%
16%	3%
15%	-1%
28%	17%
3%	-2%
21%	9%
16%	26%
100%	10%

Composition by Application



Shipment Basis

		FY24				FY25			
Product	Application	24-1Q	24-2Q	24-3Q	24-4Q	25-1Q	25-2Q	25-3Q	25-4Q
Dicers	IC	67%	69%	60%	62%	78%	78%	64%	69%
	Package singulation	4%	3%	6%	4%	5%	4%	8%	4%
	Optical semiconductors	5%	5%	10%	7%	5%	9%	6%	9%
	Other semiconductors	19%	16%	18%	13%	7%	5%	11%	9%
	Non-semiconductors	5%	7%	7%	14%	6%	4%	11%	9%
Dicers		100%	100%	100%	100%	100%	100%	100%	100%
Grinders	IC	60%	61%	62%	48%	80%	71%	68%	76%
	Optical semiconductors	6%	1%	8%	11%	5%	6%	1%	8%
	Other semiconductors	27%	31%	19%	22%	9%	11%	15%	7%
	Wafer manufacturing	6%	4%	9%	14%	4%	8%	10%	6%
	Non-semiconductors	2%	3%	3%	6%	2%	4%	6%	3%
Grinders		100%	100%	100%	100%	100%	100%	100%	100%

YoY by Application



Shipment Basis

		FY24				FY25			
Product	Application	24-1Q	24-2Q	24-3Q	24-4Q	25-1Q	25-2Q	25-3Q	25-4Q
Dicers	IC	210%	135%	50%	-8%	23%	-7%	-7%	44%
	Package singulation	23%	-15%	270%	7%	33%	14%	24%	22%
	Optical semiconductors	-26%	-46%	112%	26%	-5%	50%	-47%	64%
	Other semiconductors	-3%	-33%	15%	-48%	-58%	-72%	-45%	-13%
	Non-semiconductors	-17%	-13%	26%	65%	34%	-54%	55%	-17%
Dicers		75%	36%	49%	-10%	7%	-17%	-12%	29%
Grinders	IC	160%	68%	73%	-14%	66%	18%	28%	101%
	Optical semiconductors	46%	-86%	-15%	819%	-1%	652%	-84%	-14%
	Other semiconductors	-16%	-4%	-15%	-37%	-59%	-63%	-5%	-61%
	Wafer manufacturing	-45%	-62%	79%	26%	-8%	104%	28%	-42%
	Non-semiconductors	-50%	-24%	19%	31%	46%	29%	125%	-34%
Grinders		37%	11%	34%	-6%	24%	2%	16%	26%

QoQ by Application



Shipment Basis

		FY24				FY25			
Product	Application	24-1Q	24-2Q	24-3Q	24-4Q	25-1Q	25-2Q	25-3Q	25-4Q
Dicers	IC	20%	-4%	-7%	-14%	62%	-28%	-7%	33%
	Package singulation	14%	-34%	119%	-35%	43%	-44%	138%	-36%
	Optical semiconductors	10%	-12%	115%	-40%	-16%	40%	-23%	83%
	Other semiconductors	-11%	-22%	19%	-37%	-28%	-48%	134%	0%
	Non-semiconductors	-34%	46%	-3%	77%	-47%	-50%	227%	-5%
Dicers		8%	-7%	7%	-16%	29%	-29%	14%	23%
Grinders	IC	14%	-2%	18%	-35%	120%	-30%	28%	2%
	Optical semiconductors	402%	-85%	952%	20%	-46%	10%	-78%	547%
	Other semiconductors	-17%	10%	-29%	-3%	-46%	-1%	80%	-60%
	Wafer manufacturing	-45%	-29%	148%	29%	-59%	56%	56%	-41%
	Non-semiconductors	-59%	62%	24%	61%	-55%	44%	115%	-53%
Grinders		-1%	-4%	17%	-16%	31%	-20%	32%	-9%

Composition by Region

Inspection/Acceptance Basis

Composition by Region	FY2024				FY2025			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Japan	9%	11%	12%	10%	10%	10%	9%	12%
North America	15%	10%	8%	15%	9%	8%	6%	9%
Asia	69%	72%	74%	66%	75%	75%	79%	73%
Singapore	6%	8%	8%	7%	7%	7%	10%	9%
Taiwan	16%	17%	19%	22%	27%	28%	28%	26%
Korea	14%	12%	9%	9%	9%	10%	6%	6%
China (Note 1)	32%	33%	37%	27%	30%	28%	34%	31%
Other	1%	1%	1%	2%	3%	2%	1%	1%
Europe	7%	7%	5%	9%	6%	7%	6%	6%
Total	100%	100%	100%	100%	100%	100%	100%	100%

Note 1: Including sales to local factories of foreign manufacturers

DISCO believes that striving to increase Mission-achievability connects to increase in our Value-exchangeability and competitiveness, and enables us to respond to the expectations of all capital-market stakeholders.

- ✓ Pursuing Quality of Business
- ✓ Utilization of Tangible Net Worth and Purpose
- ✓ Shareholder Return Policy
- ✓ Action to Implement Management that is Conscious of Cost of Capital and Stock Price

[Click here](#) for more details on our policy regarding the above

These materials

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Notation

The yearly accounting period from April of the current year to March of the following year is denoted by FY (Fiscal Year), and quarterly accounting periods are denoted by 1Q (April – June), 2Q (July – September), 3Q (October – December), and 4Q (January – March). Depending on the monetary unit, figures lower than the minimum unit may be rounded up or down, as a result of which the total sum may not match.

Percentages are calculated based on the actual figures.

Disclaimer

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