

FY2025 Q1

DISCO's Tidbits

July 2025

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We cannot answer questions regarding specific customers.

Please note that we cannot answer questions that may lead to the prediction of a specific customer's manufacturing process, production capacity, inquiry and investment trends, confidential production information, etc.

Each semiconductor manufacturer may have different technologies and manufacturing processes, which constitute confidential production information of each company. In principle, we do not provide answers regarding specific customers' orders, equipment specifications, throughput, etc.

- ✓ Shipment volume: not much change in the market situation and business sentiment regardless of decline in demand in Q2 due to focused shipments in Q1.
- ✓ Equipment shipment for generative AI continues linked to end product demand (forecast amount not disclosed).
- ✓ Shipments for OSAT increased in Q1.
Close monitoring is required regarding whether this situation will continue in the future.
- ✓ There is some activity, although small in scale, in several package technologies.
Equipment demand remains limited in the R&D and small-scale mass production phases, but more activity is expected in the future.
- ✓ Equipment demand for power semiconductors remains low.
For SiC, investment trends in device fabrication due to a decline in wafer price need to be monitored.
- ✓ There are no significant changes in the competitive environment.

- ✓ Sales to the U.S. market account for about 10% of total sales, and in principle, transactions are conducted in U.S. dollars.
- ✓ We are under the impression that there are currently no U.S. manufacturers who are supplying products that are the same or similar to DISCO's products.
- ✓ All of DISCO's products are manufactured in Japan.
- ✓ DISCO directly sells our products to our customers.

We will closely monitor future demand for end products and the influence / trend of the U.S.' situation on semiconductor manufacturers' willingness to invest.

- ✓ Actual results of shipment for generative AI: FY24 approx. 55 billion yen
 - Detailed breakdown by region, product, and quarterly transition is not disclosed.

- ✓ The situation is fluid as investment plans in back-end processes are difficult to predict, and orders are not finalized until just before shipment.
 - Investment plans will fluctuate depending on changes in the final demand trend and outlook for generative AI.
 - Our customers' investment appetite varies depending on the market share held by each semiconductor manufacturer.
 - Each manufacturer's capital investment differs in terms of capacity expansion, technology trends, etc.

- ✓ Forecast amount is not disclosed.
 - Difficult to discern future demand due to the various factors mentioned above.
 - Details are not disclosed as the information is related to the capital investment status of specific customers.

Composition Ratio of All Equipment (Shipment Basis)



Composition ratio of all equipment (Shipment Basis)

(Forecast)

		FY24				FY25	
		Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep
Customer	OSAT	Slightly less than 30%	30%	20%	Slightly more than 20%	30%	Slightly less than 30%
Application	Memory *	Slightly more than 30%	35%	Slightly more than 30%	25%	Slightly more than 40%	35%
	Power	20%	20%	15%	15%	Slightly less than 10%	Slightly less than 10%

* Including generative AI related

FY25

- Actual (April–June)
Actual exchange rate: USD 144 yen
Impact of exchange rate: + 1 pt. increase, approx. 4 billion yen increase due to a 10 yen depreciation compared to the forecast.
Except for the exchange rate, the results were higher than the forecast formulated based on the previous fiscal year's trend.
If the rate was equivalent to the same quarter of the previous year (USD 158 yen), the estimated GPM would be approx. 70%.
- Profit plan (July–September): formulated based on QoQ approx. -2 pts.
Predicted exchange rate: USD 135 yen
This plan has been formulated based on the previous year's trend (FY24).
Detailed profit plans for individual cases have not been calculated.
Trends such as high value-added cases and increase in price pressure need to be closely monitored and assessed.

Basic Way of Thinking About SG&A

1. A large portion of SG&A is personnel costs (including R&D personnel costs)
 2. Significantly fluctuates due to provision of performance-based bonuses
 3. Can fluctuate on a quarterly basis as it is generally linked to the shipment volume
- Actual (April–June): approx. 26.7 billion yen
A slight increase from the forecast due to factors such as a higher shipment volume than forecasted.
 - Forecast (July–September): approx. 27.0 billion yen
Partially carried over from the previous quarter.
Actual SG&A is expected to fluctuate due to several factors, including an increase in R&D personnel, overtime work compensation, and other miscellaneous expenses.

No change from April

■ CAPEX

- F24 Actual: 69.8 billion yen
Acquisition of real estate for R&D purposes (Approx. 50 billion yen)
- F25 Forecast: Approx. 33 billion yen
Construction start of Haneda R&D Center new building & Hiroshima Works new plant
- Reference: [Plans to Construct Gohara Plant as Part of Hiroshima Works \(2025/4/18\)](#)

■ DEP

- F24 Actual 12.1 billion yen
- F25 Forecast Approx. 13.0 billion yen
Increase of 1 billion yen per year due to acquisition of real estate for R&D

■ R&D

- F24 Actual 31.6 billion yen
- F25 Forecast Approx. 32.0 billion yen
Continue to proactively engage in R&D

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.

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