

FY2025

Third Quarter Financial Results

January 21, 2026

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FY2025 3Q Earnings Results



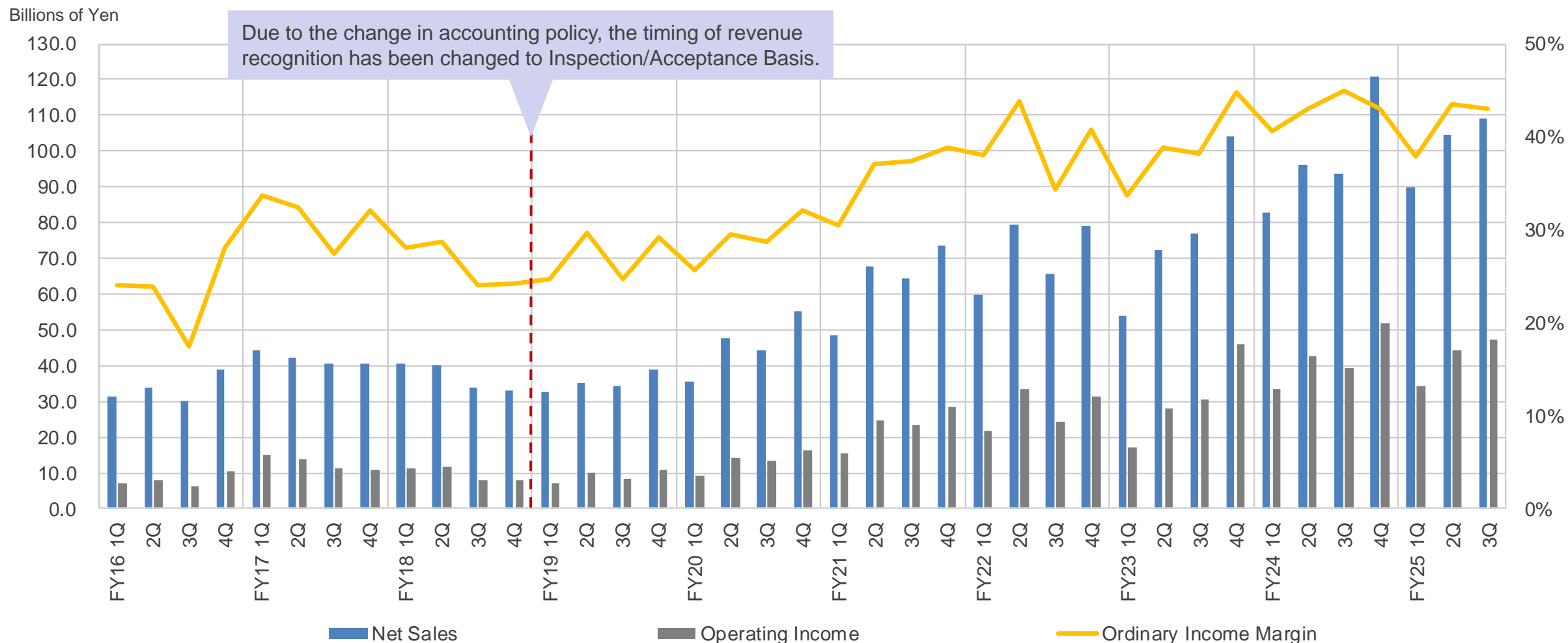
Billions of Yen	FY2025 3Q
Net Sales	109.3
Gross Profit	78.1
Gross Profit Margin	71.4%
SG&A	30.7
Operating Income	47.3
Ordinary Income	47.0
Ordinary Income Margin	43.0%
Income before income taxes and minority interests	46.8
Net Income	36.7

FY2025 2Q	QoQ	
	Amount	(%)
104.6	4.7	4.5%
72.7	5.3	7.3%
69.5%	1.9p	-
28.4	2.4	8.3%
44.4	2.9	6.6%
45.5	1.5	3.3%
43.5%	-0.5p	-
44.9	1.9	4.2%
32.1	4.6	14.3%

FY2024 3Q	YoY	
	Amount	(%)
93.6	15.7	16.8%
66.6	11.4	17.2%
71.2%	0.2p	-
27.5	3.2	11.8%
39.1	8.2	20.9%
42.0	5.0	11.8%
44.9%	-1.9p	-
41.9	4.9	11.8%
31.8	4.9	15.5%

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

Quarterly Financial Results



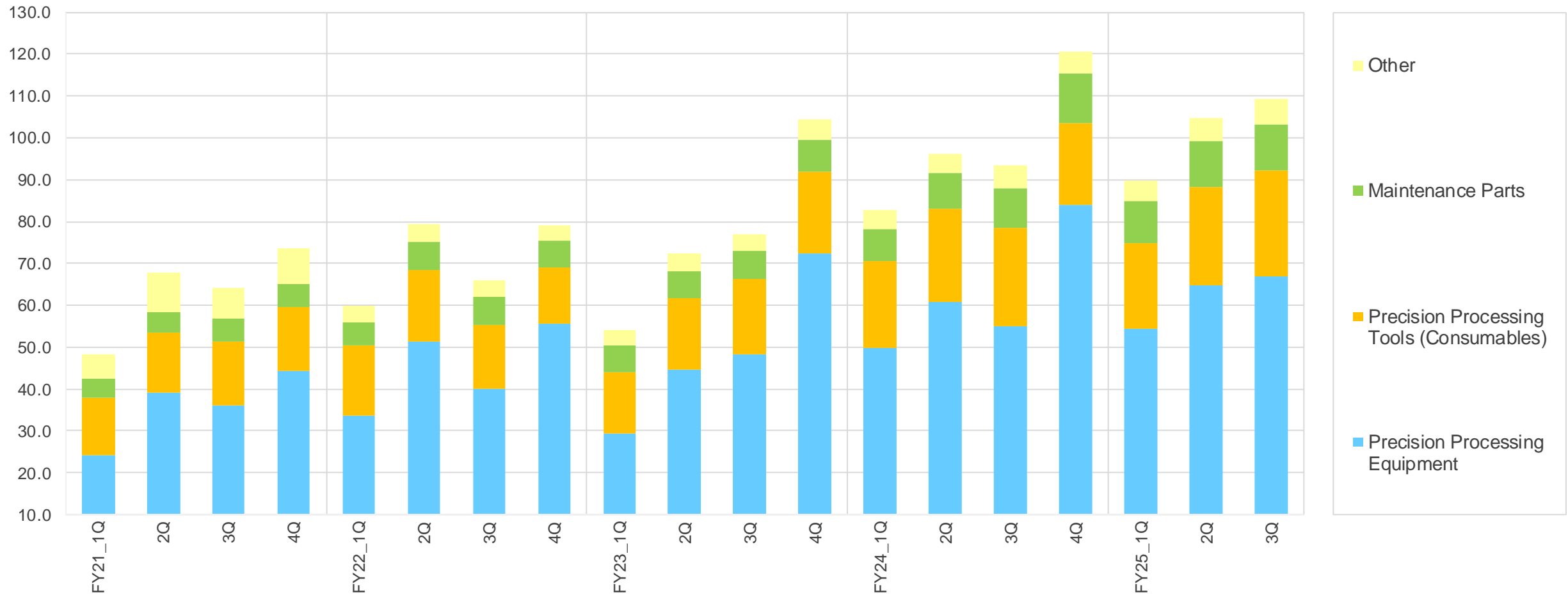
FY25_3Q Operating income margin 43.3%, Ordinary income margin 43.0%, Net income margin 33.6%

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

Quarterly Sales Breakdown by Product



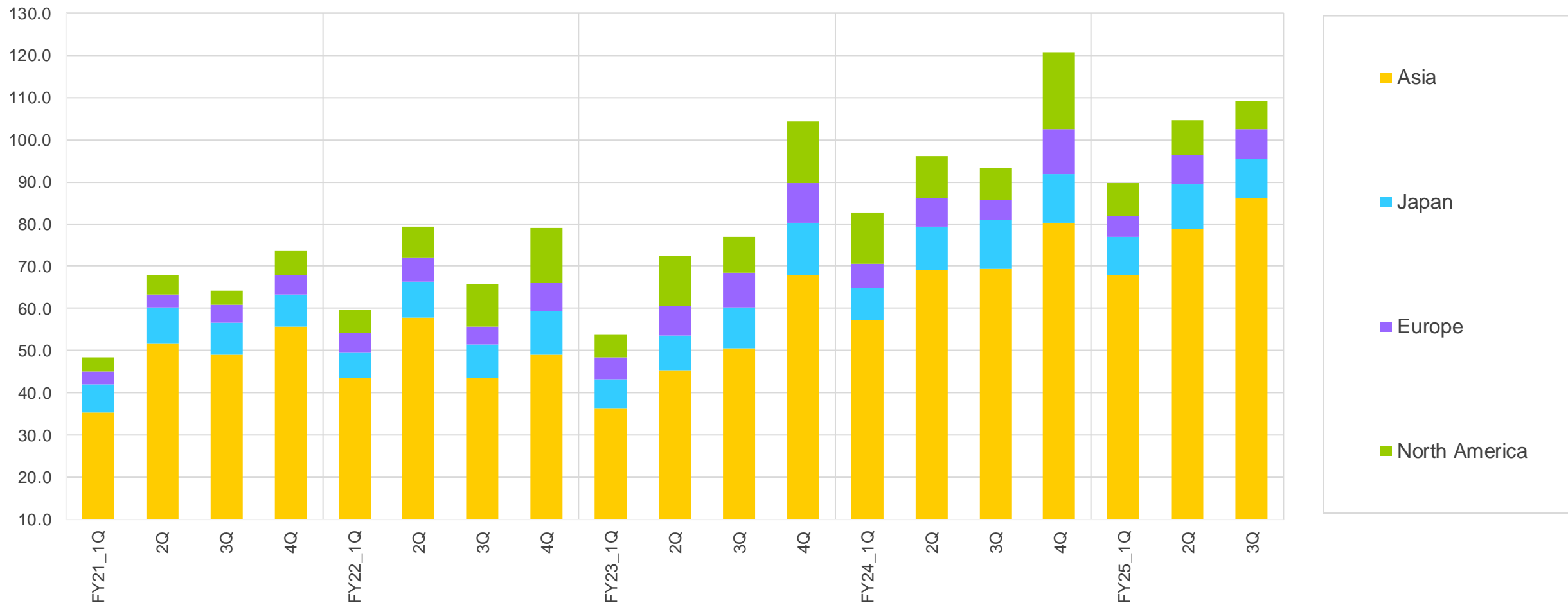
Billions of Yen



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

Quarterly Sales Breakdown by Region

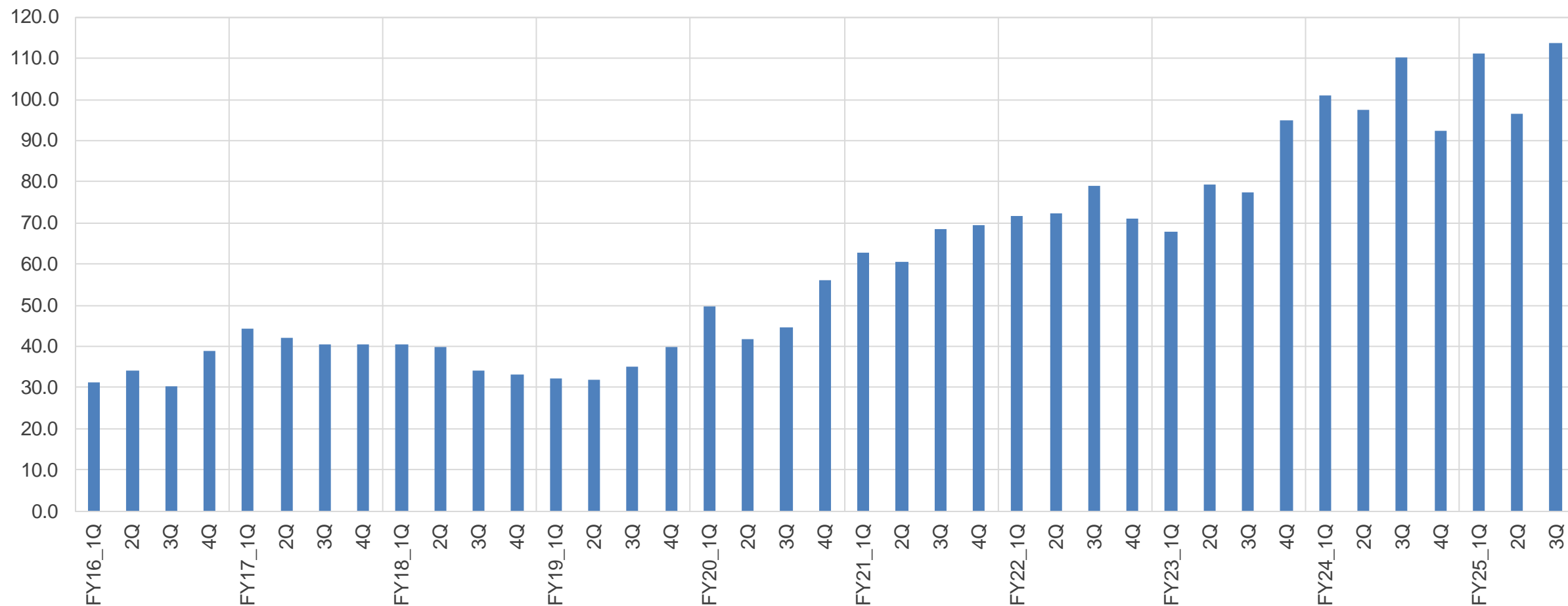
Billions of Yen



FY25_3Q Overseas sales ratio: 91.5%

Quarterly Shipments

Billions of Yen

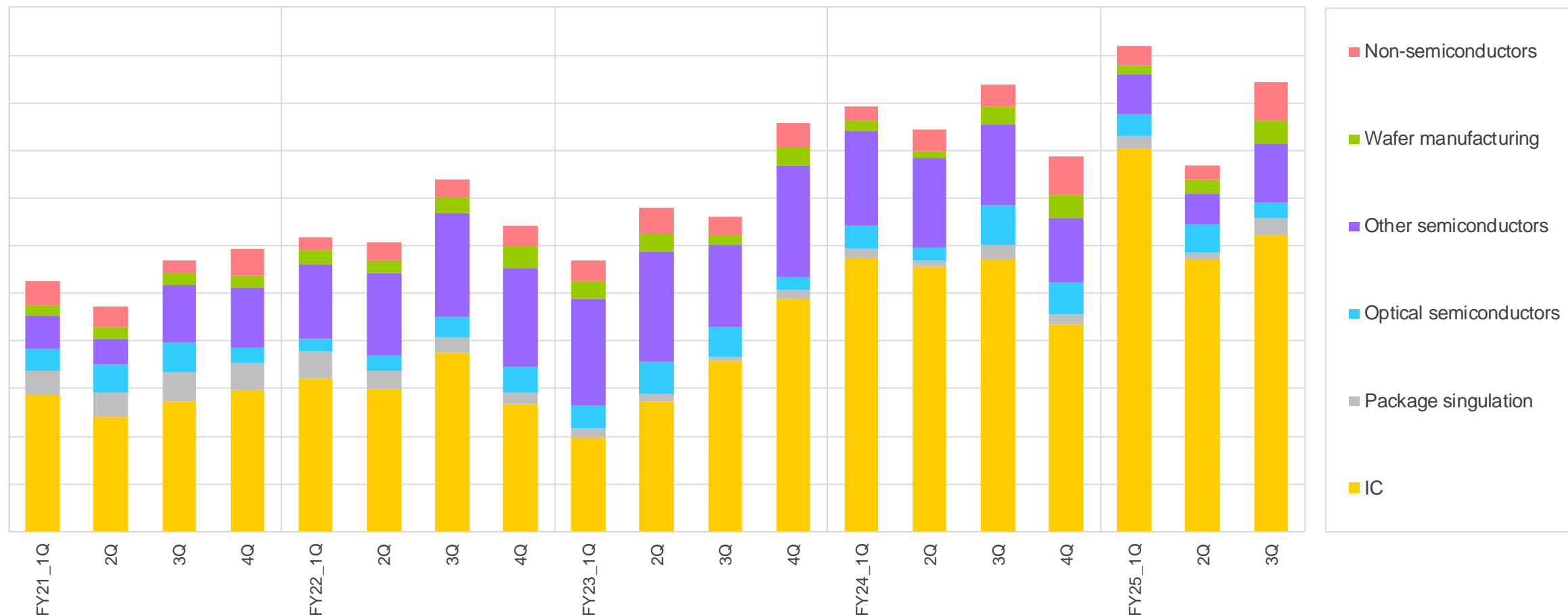


FY25_3Q Shipment volume: 113.6 billion yen (record high)

Precision Processing Equipment: Sales by Application

Shipment Basis

Precision Processing Equipment



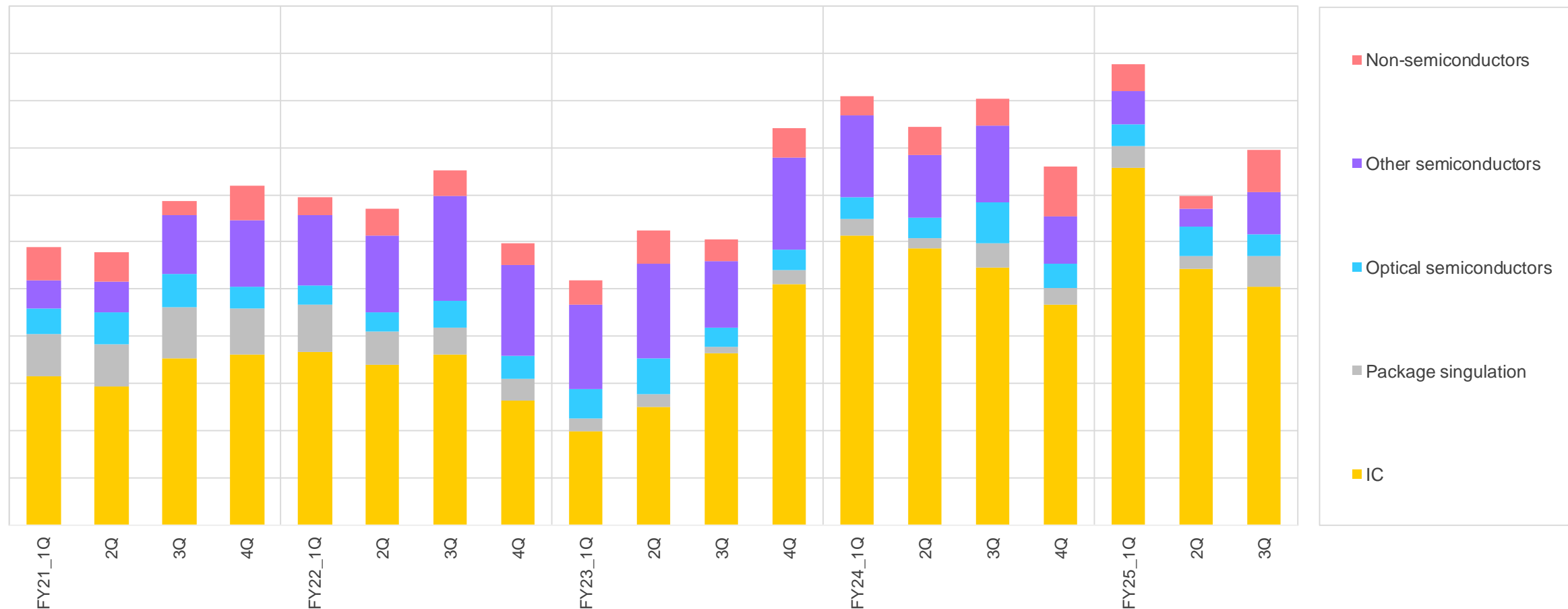
QoQ
YoY

In addition to steady shipments for generative AI, an increase in demand for non-IC applications boosted overall sales
Solid demand for generative AI applications continues to drive overall sales

Dicer: Sales by Application

Shipment Basis

Dicer



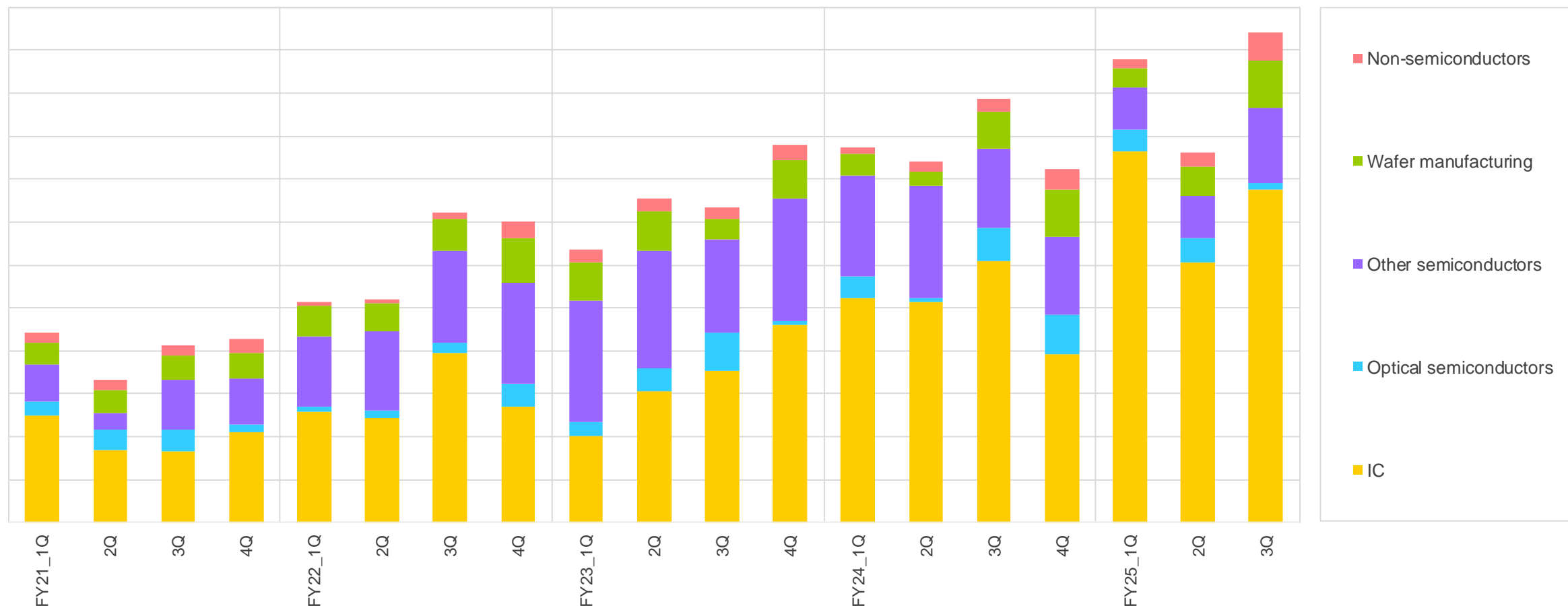
QoQ
YoY

Increased for other semiconductors (mainly power semiconductors) and non-semiconductors
Decreased mainly for power semiconductors (other semiconductors)

Grinder: Sales by Application

Shipment Basis

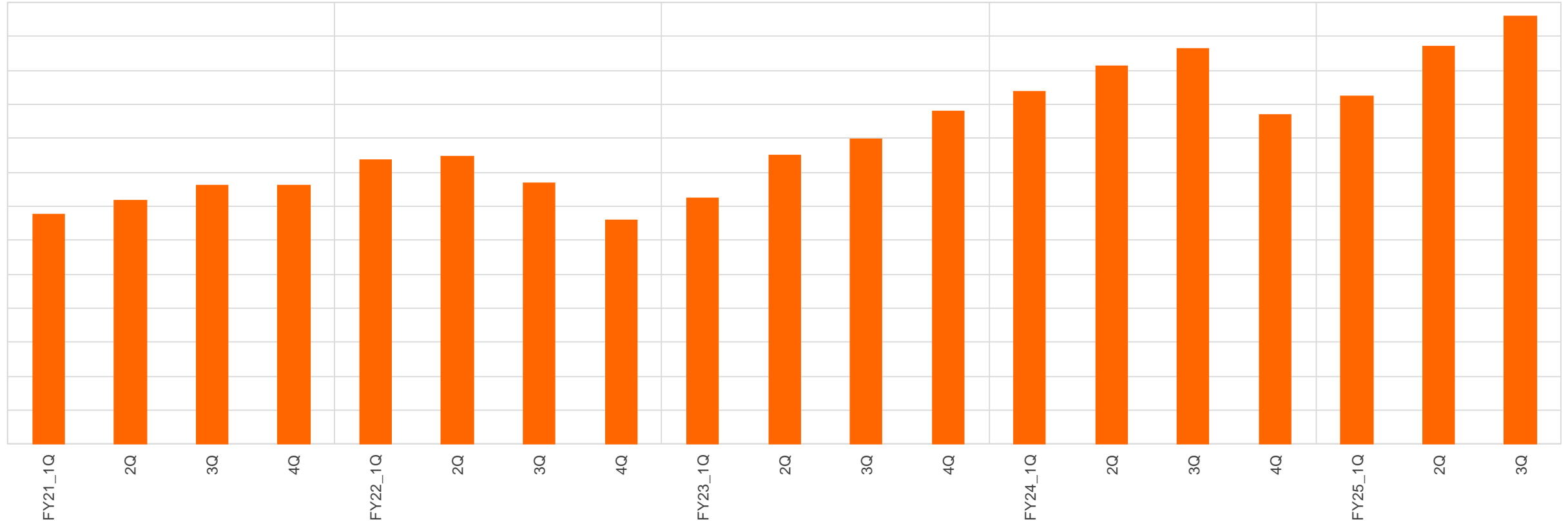
Grinder



QoQ
YoY

Increased for IC and other semiconductors (mainly power semiconductors)
Increased for IC, mainly for generative AI

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 3Q	FY2025 2Q	Amount
Cash and deposits	246.1	222.9	23.2
Notes and account receivable	50.8	53.8	-3.0
Inventories	141.6	138.7	2.9
Total current assets	447.0	421.6	25.3
Property, plant and equipment	211.6	211.0	0.6
Total noncurrent assets	231.3	229.7	1.6
Total assets	678.3	651.4	26.9
Current liabilities	134.7	132.7	2.0
Noncurrent liabilities	0.9	1.0	0.0
Total liabilities	135.7	133.7	2.0
Total net assets	542.6	517.7	24.9
Total liabilities and net assets	678.3	651.4	26.9
Equity Ratio	79.8%	79.2%	0.6p

Total assets: Increased mainly for cash and deposits and inventories
 Liabilities: Although income taxes payable decreased, contract liabilities and accounts payable increased
 Net assets: Increased mainly for retained earnings

Earnings Forecast 4Q FY2025



Billions of Yen

Forecast

	FY24 1Q	2Q	3Q	4Q	FY25 1Q	2Q	3Q	4Q
Net Sales	82.8	96.2	93.6	120.7	89.9	104.6	109.3	115.2
Operating Income	33.4	42.6	39.1	51.7	34.5	44.4	47.3	45.9
Ordinary Income	33.6	41.4	42.0	51.9	34.0	45.5	47.0	45.9
Net Income	23.7	29.7	31.8	38.6	23.8	32.1	36.7	33.8
Operating Income Margin	40.3%	44.3%	41.8%	42.8%	38.4%	42.4%	43.3%	39.8%
Ordinary Income Margin	40.6%	43.0%	44.9%	43.0%	37.8%	43.5%	43.0%	39.8%
Net Income Margin	28.6%	30.9%	34.0%	32.0%	26.5%	30.7%	33.6%	29.3%
Shipment Figures	101.1	97.6	110.3	92.5	111.1	96.3	113.6	116.9

*Rounded to the nearest 100 million yen

Assumed exchange rate for 4Q (Jan-Mar): 1 US dollar = 154 yen, 1 euro = 181 yen
 Currency sensitivity (annualized) US dollar: Approx. 1.7 billion yen, Euro: Approx. 0.1 billion yen

Dividend Policy and Dividend Payments

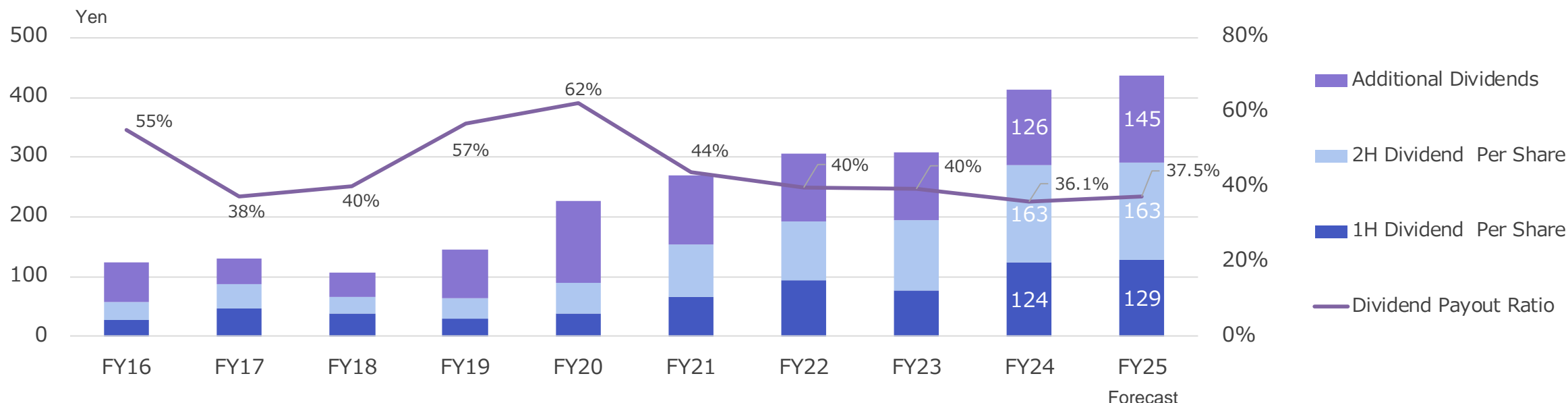


Dividend Policy

- 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.

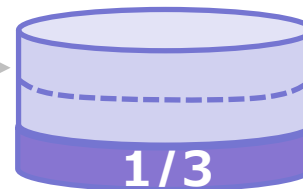
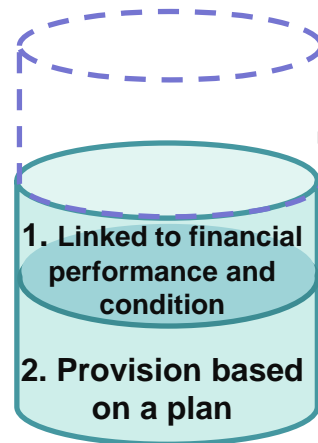
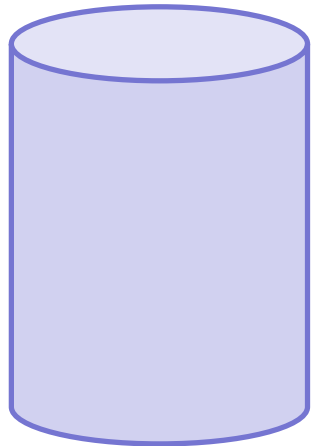


FY25 Interim (actual) 129 yen Year-end (forecast): 308 yen

*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)

Current Forecast

* Year-end balance 195.4 B yen	-	Necessary funds 148.4 B yen	=	Surplus funds 47.0 B yen
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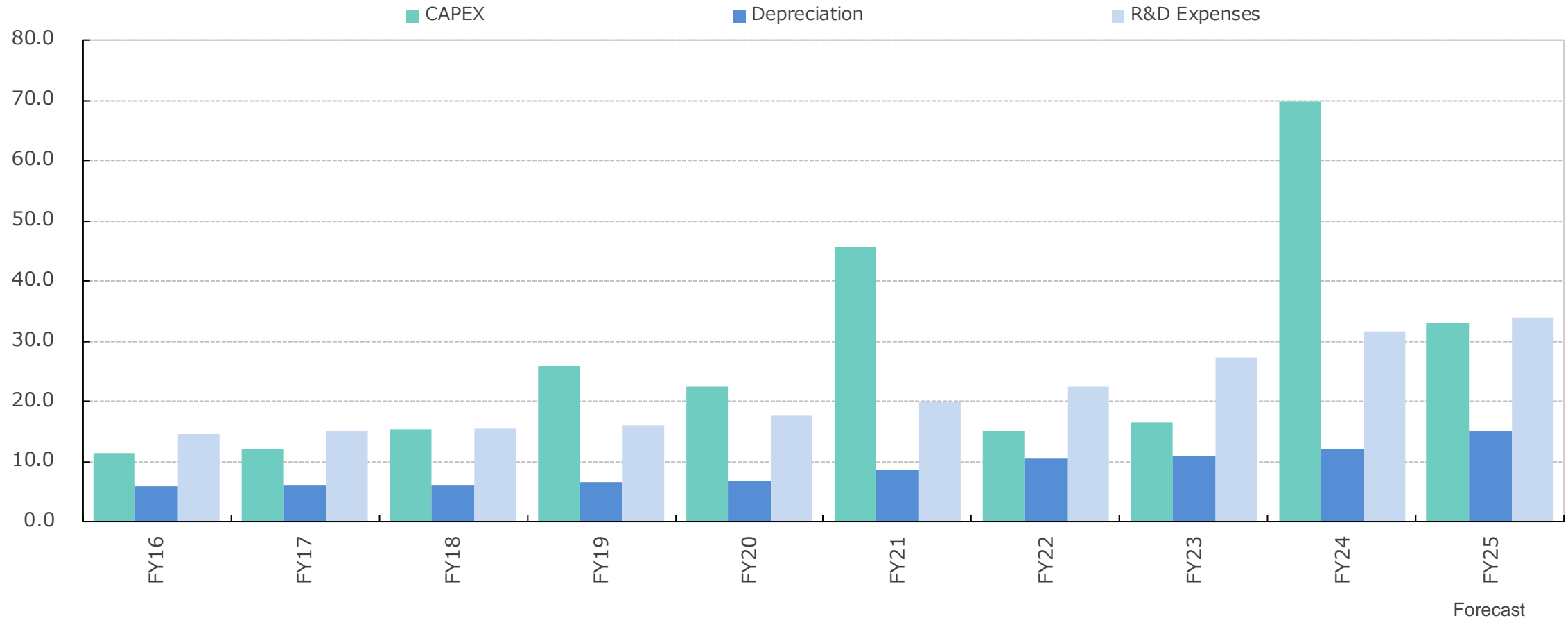
15.6 B yen
Additional dividends

Breakdown of necessary funds:

1	Operating funds [Previous year Consolidated sales ÷ 12 months x 2]	69.8 B yen
	Technical purchases (including M&A) [Consolidated sales Average of past 3 years x 10%]	32.0 B yen
	Refund of interest bearing debt	—
	Taxes and dividends	30.2 B yen
2	Facility expansion [Hiroshima Works new plant, etc.]	16.4 B yen

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

Billions of Yen

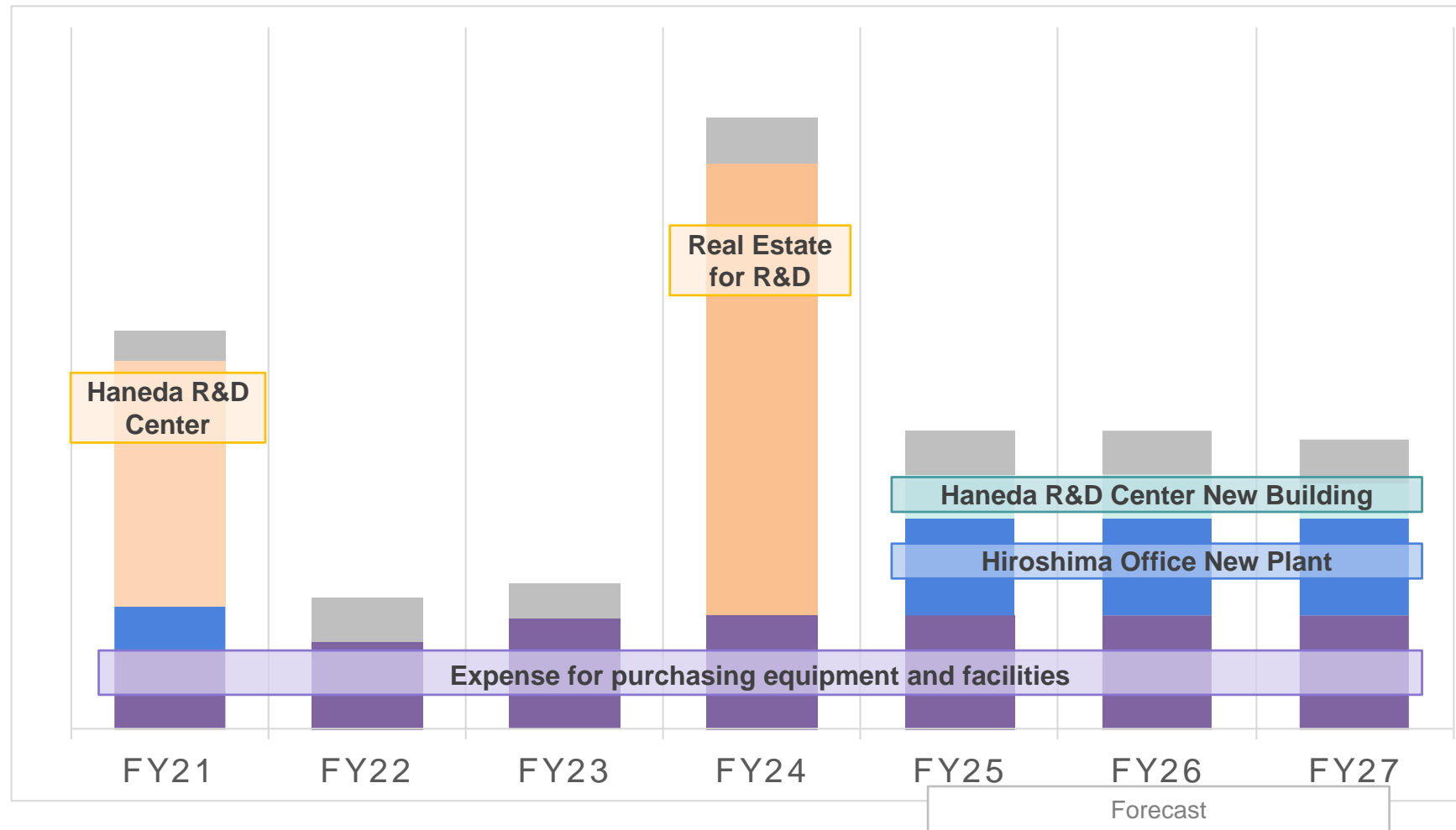


FY25 Forecast

CAPEX: Approx. 33 billion yen; including rationalization investment, reconstruction of the Haneda R&D Center, and construction of a new plant.

Depreciation: Approx. 15 billion yen

R&D Expenses: Approx. 34 billion yen; proactive research and development continues.



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 Basis

Product		Forecast FY25_4Q (QoQ)
	Blade dicers	30%
	Laser Saws	20%
	Dicers	25%
	Grinders	-10%
	Accessory Equipment	80%
Precision Processing Equipment		10%
Precision Processing Tools (Consumables)		-5%
Others		-15%

Reference Data

Shipment Basis

Product	3Q		
	Composition	QoQ	YoY
Precision Processing Equipment	61%	23%	0%
Dicers	28%	14%	-12%
Blade Dicers	13%	-6%	-25%
Laser Saws	15%	41%	4%
Grinders	30%	32%	16%
Accessory Equipment	3%	30%	-14%
Precision Processing Tools	22%	8%	9%
Others	17%	14%	9%
Total	100%	18%	3%

Composition by Application

Shipment Basis

		FY24				FY25		
Product	Application	24-1Q	24-2Q	24-3Q	24-4Q	25-1Q	25-2Q	25-3Q
Dicers	IC	67%	69%	60%	62%	78%	78%	64%
	Package singulation	4%	3%	6%	4%	5%	4%	8%
	Optical semiconductors	5%	5%	10%	7%	5%	9%	6%
	Other semiconductors	19%	16%	18%	13%	7%	5%	11%
	Non-semiconductors	5%	7%	7%	14%	6%	4%	11%
Dicers		100%	100%	100%	100%	100%	100%	100%
Grinders	IC	60%	61%	62%	48%	80%	71%	68%
	Optical semiconductors	6%	1%	8%	11%	5%	6%	1%
	Other semiconductors	27%	31%	19%	22%	9%	11%	15%
	Wafer manufacturing	6%	4%	9%	14%	4%	8%	10%
	Non-semiconductors	2%	3%	3%	6%	2%	4%	6%
Grinders		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
Dicers	IC	210%	135%	50%	-8%	23%	-7%	-7%
	Package singulation	23%	-15%	270%	7%	33%	14%	24%
	Optical semiconductors	-26%	-46%	112%	26%	-5%	50%	-47%
	Other semiconductors	-3%	-33%	15%	-48%	-58%	-72%	-45%
	Non-semiconductors	-17%	-13%	26%	65%	34%	-54%	55%
Dicers		75%	36%	49%	-10%	7%	-17%	-12%
Grinders	IC	160%	68%	73%	-14%	66%	18%	28%
	Optical semiconductors	46%	-86%	-15%	819%	-1%	652%	-84%
	Other semiconductors	-16%	-4%	-15%	-37%	-59%	-63%	-5%
	Wafer manufacturing	-45%	-62%	79%	26%	-8%	104%	28%
	Non-semiconductors	-50%	-24%	19%	31%	46%	29%	125%
Grinders		37%	11%	34%	-6%	24%	2%	16%

Shipment Basis

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

Composition by Region

Inspection/Acceptance Basis

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

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