

2Q FY2025 Tokuyama Corporation Investor Meeting Q&A

Date and time: October 29, 2025 (Wednesday) 12:00-13:00

Participant: Hiroshi Yokota, President, Representative Director
Tomohiro Inoue, Director, Managing Executive Officer

Regarding the Dental Material Business

Q: In the life science segment, regarding the dental materials business, is it correct to say that all the impacts of the system trouble at the end of FY2024 have gone and it's business as usual in Q2?

A: Shipments are back to normal, but production is actually behind. The number of orders we have received has increased considerably, and the order backlog is growing. We have to address this in H2.

Regarding the IVD/IVDM Business

Q: Could you please explain how the IVD/IVDM business is factored into the full-year earnings forecast. Initially, the impact on the second half of fiscal year 2025 was expected to be ¥6 billion in sales and nearly zero in operating profit when accounting for goodwill amortization. Has there been any change?

A: Operating profit before goodwill amortization for the second half of fiscal year 2025 is expected to be around ¥1.5 billion, with goodwill amortization costs projected to be roughly the same. While the net impact on earnings is expected to be neutral, there is a possibility of a slight negative effect depending on the actual goodwill amortization costs.

Regarding the shipment of polycrystalline silicon

Q: What is the current business environment for polysilicon?

A: In the advanced materials field for semiconductors, inventory moves relatively well, but wafer makers are having a tough time with legacy semiconductors with a process node wider than 7 nanometers. It is not easy to operate, especially for those focusing on such areas. We have heard that the inventory situation is particularly challenging. I think the major point will be how that part goes.

Regarding the Shareholders Returns

Q: Your performance has been improving so much. I often receive questions from institutional investors about returns when profits are generated. They want to know how.

Your dividend has risen, so I wonder if you can continue to increase your dividend at this pace and bring it to the point where it catches up with the market average. Is there another way to think about it, since you just made an acquisition and investments?

A: For this fiscal year, we expect to stay within our current plan. We will continue to monitor the investment plan and the progress of investment recovery, but in general, we believe that we need to consider further increases in dividends.