

3Q FY2025 Tokuyama Corporation Investor Meeting Q&A

Date and time: January 30, 2026 (Friday) 12:00-12:45

Participant: Tomohiro Inoue, Director, Managing Executive Officer

Regarding the shipment of polycrystalline silicon

Q: I would like to ask you to briefly tell us about polysilicon. Some customers are talking about inventory adjustment, and we are wondering how we should look at the next fiscal year, whether the inventory adjustment will end and return to normal levels. Also, please let us know the numerical trends you are looking at.

A: There were some inventory adjustments in the current fiscal year, mainly due to special circumstances of our overseas customers, but we expect that these will recover and return to normal in Q4.

However, we initially expected the mass market of semiconductors to recover in terms of overall volume and to increase YoY by 20%, but the recovery in the mass market has not been strong enough, so we expect a YoY increase of 2% to 3% for FY2025.

As for your next question, the forecast for the next fiscal year is that cutting edge will be strong, and as the wafer maker announced, there will be further growth in this area, and as for the inventory situation, in the cutting-edge area, inventories will be gradually shipped out.

We are uncertain about the mass market. The quality level of our products is the level of polysilicon used for advanced devices, so we expect a slight recovery from the current fiscal year, perhaps by 5% to 10%.

Q: Please explain whether sales volume of polysilicon varies depending on the region and whether there are differences between cutting edge and others

A: In terms of polysilicon shipment, there are only a few wafer makers that have advanced into cutting-edge fields, and their geographic presence is extremely limited.

In this sense, Chinese wafer makers are still in the mass market, and the impact of the inventory adjustment on the cutting-edge field is, as I mentioned earlier, particularly on the customers who use our products in the cutting-edge field in China. In this sense, the overall regional level has been relatively unaffected. Concerning the cutting-edge field and the legacy field, it is certain that the legacy field lacks momentum. We announced previously that sales volume of polysilicon would increase 20% YoY, but the recovery will not be easy on the mass market.

As for the ratio of legacy to cutting edge, we really don't know. We can tell only cutting edge growth because our products are sold.

Regarding the Performance forecast of FY2025

Q: The electronic and advanced materials forecast has been revised upward, and if we compare the estimates for Q3 and Q4, I think there would be an increase of about JPY2 billion in profit. Is this largely owing to the recovery in polysilicon, or is it largely owing to an increase in thermal management materials and IC chemicals?

A: If we look at the QoQ analysis, the increase is JPY2 billion, but this is due to inventory adjustment for one-year contracts. The inventory adjustment was made in such a way that they were able to purchase more polysilicon, and this is the reason for the increase in profit in Q4. Until Q3, we saw a YoY decrease. In contrast, in Q4, they will purchase according to the one-year contract in terms of volume, which will result in a slight YoY increase. As a result, Q4 will see an increase of JPY2 billion from Q3.