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SEMI Business Q&A Minutes

Date/time: September 10, 2026 (Thu.) from 13:00 to 14:30

Ayako Egashira, Executive Officer and Chief General Manager of Solution Business Operations, Yamaha Motor Co., Ltd.

Ryosuke Nakamura, President & Representative Director, Yamaha Robotics Co., Ltd.

Pre-submitted Questions

What are the competitive advantages and market share of Yamaha Robotics' semiconductor back-end manufacturing equipment (SEMI) compared with competitors?

Our competitive advantage lies in our strong core process technologies, including wire bonders, flip-chip bonders, and molding equipment, as well as our ability to provide these solutions as an integrated offering. In terms of market position, we rank 11th globally among semiconductor back-end equipment manufacturers. We are the second-largest supplier of molding equipment and the third-largest supplier of wire bonders worldwide.

Could you explain the customer base for your semiconductor back-end manufacturing equipment business?

We sell our products globally to major foundries, integrated device manufacturers (IDMs), and outsourced semiconductor assembly and test providers (OSATs).

Questioner A

How is the SEMI business performing, and what is your forecast for achieving the targets set in the Medium-Term Management Plan by 2027?

The SEMI business has been receiving strong orders, particularly for molding equipment and wire bonders. On the other hand, revenue recognition tends to be weighted toward the second half of the fiscal year, and therefore the increase in orders has not yet been fully reflected in first-half sales. We aim to achieve the targets set in the Medium-Term Management Plan through sales growth in the second half.

<u>What initiatives are you undertaking to achieve the ROS targets outlined in the Medium-Term Management Plan?</u>

In the SMT business, performance in the first half was driven by growing demand from the AI server market. Going forward, we will continue expanding sales to major EMS manufacturers while improving profitability through fixed-cost reductions and cost improvement activities. Similar initiatives are being implemented in the SEMI business.

The order environment for the SEMI business also remains favorable. We are working to improve profitability through productivity enhancements, including cost reductions for wire bonders at our Thailand plant and shorter lead times for molding equipment.

<u>What is your forecast for the SEMI business in the current and next fiscal years?</u>

For the current fiscal year, we expect sales to be at a level broadly in line with the assumptions of the Medium-Term Management Plan. Orders continue to trend steadily, and our immediate priority is to convert those orders into revenue and profit. As for next fiscal year, we would like to refrain from providing specific guidance at this time.

Questioner B

<u>What are the strengths of Yamaha Robotics' One-Stop Smart Solution?</u>

In addition to our SEMI and SMT businesses, we also operate an industrial robotics business. Leveraging our deep understanding of customers' manufacturing sites and production processes, we are able to combine these product lines to propose factory-wide automation solutions. This capability is a key strength of our One-Stop Smart Solution.

While this initiative has primarily been promoted within the SMT business, we have also achieved multiple cross-selling successes in the SEMI business. Examples include orders combining wire bonders and molding equipment, as well as flip-chip bonders and molding equipment, generated from a single customer inquiry.

<u>Do you expect the benefits of Yamaha Robotics Holdings' One-Stop Smart Solution and cross-selling initiatives to expand going forward?</u>

There are three steps to realizing these benefits. The first is to develop new equipment with competitive strengths in each process. The second is to offer these products as an integrated lineup and leverage them for cross-selling opportunities. The final step is to develop functions that enable coordination among different equipment and provide them as solution-based offerings.

We have already progressed through the first two steps by offering integrated solutions based on new technologies and generating cross-selling opportunities. We are also advancing the third step through initiatives such as linking wire bonders with molding equipment and integrating wire bonders with wire inspection systems.

The SEMI business is targeting revenue growth of 14% to 15% year-on-year this year. Are you keeping pace with market growth?

Our molding equipment and wire bonder businesses are growing faster than the market. For flip-chip bonders, customer evaluations are currently underway, and once these evaluations are completed, we expect the product to become a new growth driver for the business.

Questioner C

What is the profitability of the SEMI business, and what are the lead times?

Yamaha Robotics has remained profitable since implementing structural reforms in 2021. Profitability has improved year by year, and its operating margin before corporate cost allocations is approaching the double-digit level. The company is targeting a profit margin of 15% by 2027 and aims to further improve profitability over the current and next fiscal years.

The lead time from order receipt to revenue recognition is typically four to ten months for wire bonders and eight to fourteen months for flip-chip bonders and molding equipment.

Do you have sufficient production capacity to achieve the 2027 sales target of 50 billion yen?

We have already secured sufficient production capacity to support our 2027 sales target of 50 billion yen. However, achieving our next growth milestone of 100 billion yen in sales will require further expansion of our production facilities.

We have been making strategic investments in growth markets, including the acquisition of a mold manufacturer in Nagano Prefecture. These investments have also contributed to the recent increase in order intake.

What synergies do you see between the Robotics business and Yamaha Motor as a whole?

The Robotics business has a different earnings cycle from Yamaha Motor's motorcycle and marine products businesses, contributing to earnings stability through portfolio diversification.

In addition, we leverage the expertise in automation and digital transformation cultivated at Yamaha Motor's own manufacturing sites and apply it to the Robotics business. By developing these capabilities into solutions for external customers, we are creating synergies in the manufacturing domain.

Questioner D

What is the current level of AI-related demand in the SMT business, and what opportunities do you see going forward?

Driven by the expansion of the AI server market, major EMS manufacturers are currently evaluating our products. Our expertise in mounting large electronic components, developed through our automotive business, aligns well with the requirements of AI server substrates, and evaluations for mass-production adoption are progressing steadily.

Going forward, we will continue expanding sales to major EMS manufacturers and work toward achieving the targets set forth in the Medium-Term Management Plan.

What is your growth outlook for the SMT business?

In addition to demand related to generative AI, we expect demand to expand in the automotive sector as automation and connectivity continue to advance. By capturing these market opportunities, we aim to achieve further growth.

Could you explain the process from customer evaluation to adoption in the SEMI business, and the visibility of project wins?

In the SEMI industry, adoption decisions are typically made after customers complete document reviews and evaluations using actual equipment. Currently, multiple customers are evaluating our wire bonders and molding equipment, and our new products have been receiving favorable feedback from the market.

Going forward, we will continue expanding sales and market share by capturing growth opportunities driven by market trends, including demand related to generative AI.

Questioner E

What is the scale of your future investments?

In the SMT business, we expanded our Hamamatsu Site in 2024 and have already secured sufficient production capacity to accommodate future demand growth.

In the SEMI business, we acquired NIDEC PRECISION YAMADA CORPORATION in 2025 and established APIC YAMADA PRECISION CORPORATION (AYP), which has enhanced our mold production capacity. At the same time, we expanded the production area for molding equipment and will increase assembly capacity from November.

In terms of investment, we have invested more than one billion yen through initiatives such as the AYP acquisition and factory renovations. Looking ahead, particularly in the SEMI business, we expect that continued upfront investment in research and development will be necessary.

Questioner F

What is your growth outlook for advanced semiconductor applications? Which will be the primary growth driver, bonding equipment or molding equipment? In addition, what aspects of your One-Stop Smart Solution are most highly valued by customers?

Demand for molding equipment used in current advanced semiconductor packaging processes continues to grow steadily. In addition, our products have begun receiving favorable evaluations for next-generation processes, leading us to expect growth both in the near term and over the medium to long term.

Wire bonders are also gaining market share as customers highly value the compact design, high-speed performance, and energy efficiency of our latest models, against the backdrop of overall market growth.

While flip-chip bonders are still in the customer evaluation phase, the feedback received so far has been positive, and we expect them to become a future growth driver.

Regarding our total solution offerings, there is particularly strong demand in the conventional semiconductor market for integrated solutions covering everything from wire bonders to molding equipment. In the advanced semiconductor market as well, our service and support capabilities are highly regarded, and inquiries for proposals combining molding equipment and flip-chip bonders are increasing.

How confident are you in achieving the growth target set out in the Medium-Term Management Plan, from 50 billion yen in sales in 2027 to 100 billion yen in 2030?

We believe the growth scenarios for our molding equipment and wire bonder businesses have a high likelihood of being realized.

Flip-chip bonders are currently in the final stage of customer evaluations. If these evaluations proceed smoothly, we believe they will not only increase the likelihood of achieving the targets in the Medium-Term Management Plan but also create additional growth opportunities beyond those targets.