



1Q FY 5/2027 Financial Results Presentation

October 13, 2026

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Agenda

1. Financial Results Summary
2. Progress of the Mid-Term Management Plan

-Appendix-

- “1. Financial Results Summary” will be presented by Mr. Kyan, Chief of the Management Control Team.
- “2. Progress of the Mid-Term Management Plan” will be presented by Mr. Kiji, President and CEO.

Financial Highlights for 1Q FY 5/27



Results

➤ 1Q Results (3 months)

- **Net sales: 816 million yen** (down 22.1% YoY) **Operating loss: 142 million yen** (1Q FY 5/26: operating profit of 99 million yen)
- **IoT related business:** Lower revenue and profit YoY, as 1Q was a preparation period for large projects ordered last fiscal year.
- **Promotion of Industry 4.0 business:** Higher revenue, but lower profit due to increased R&D expenses for new products.
- Results are planned to expand gradually from 2Q to 4Q; **1Q progress was largely in line with the budget.**

Business Trends

- **Orders: 921 million yen** (up 60.5% YoY) and **Backlog: 3,596 million yen** (up 249.1% YoY), both up significantly.
- **IoT related business:**
Robust capex demand continued among major overseas customers; a large order of 747 million yen was received in September 2026 (2Q).
Revenue from the backlog will be recognized progressively from 2Q onward.
- **Promotion of Industry 4.0 business:**
Demand for precision vibration isolation systems and gear testing systems remained strong, and both orders and backlog increased YoY.

Financial Results Summary

- First, I will explain the Group's financial results for the first quarter.

1Q Results

IoT Related

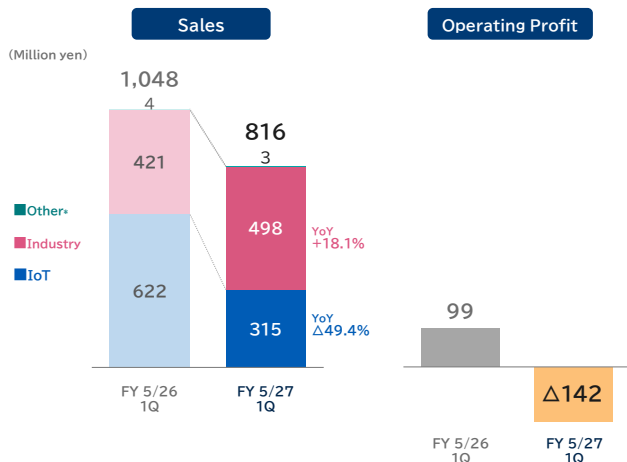
Industry 4.0
Promotion

New Business



POINT

- 1Q consolidated results showed lower revenue YoY and an operating loss, mainly because the IoT related business was preparing for large projects ordered last fiscal year. Results are expected to expand gradually from 2Q through 4Q; progress was largely in line with the budget.
- **IoT related business:** Sales of Illuminators and Pupil Lens Module® were sluggish as 1Q was a preparation period for large projects.
- **Promotion of Industry 4.0 business:** Revenue rose on strong sales of precision vibration isolation and gear testing systems; a segment loss resulted from higher R&D expenses for new products.

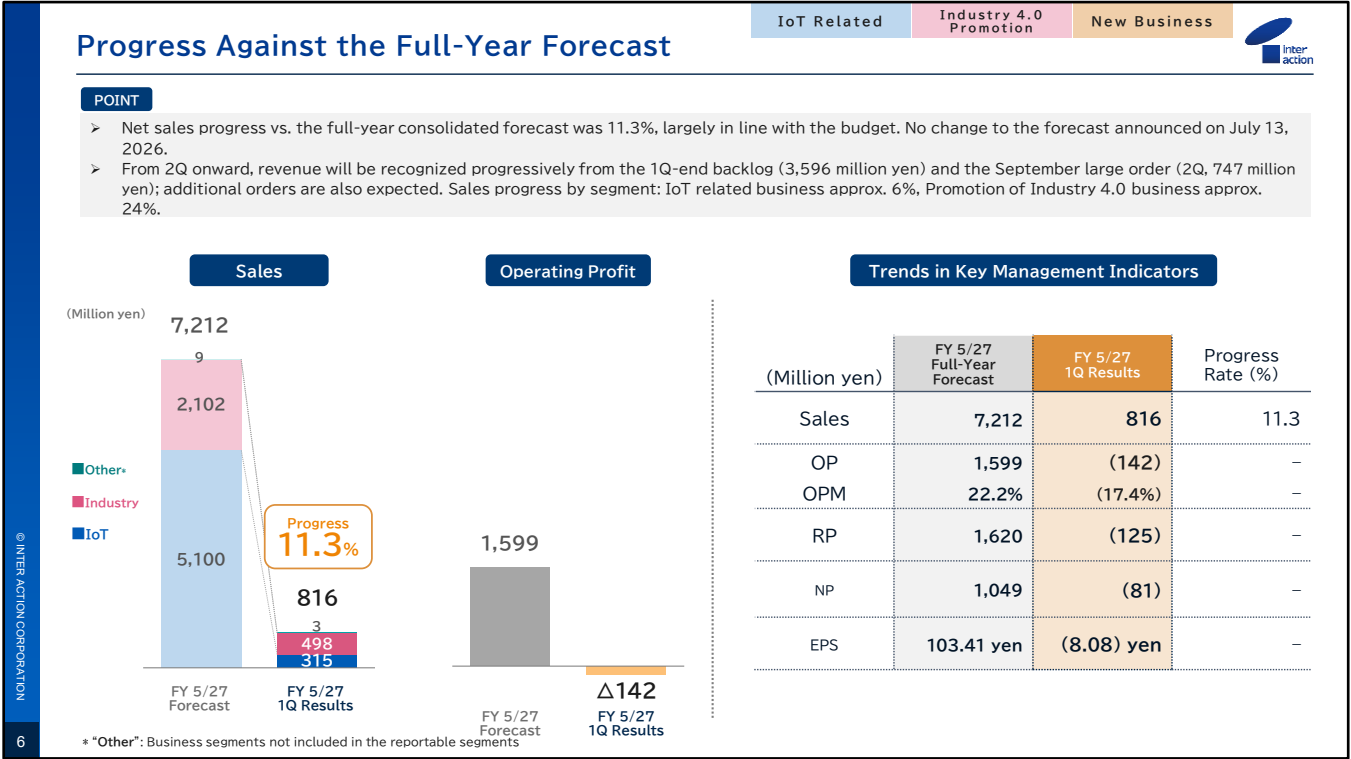


Trends in Key Management Indicators

(Million yen)	1Q 5/26	1Q 5/27	YoY Growth (%)
Sales	1,048	816	(22.1)
OP	99	(142)	-
OPM	9.5%	(17.4%)	-
RP	136	(125)	-
NP	47	(81)	-
EPS	4.44 yen	(8.08) yen	-

* "Other": Business segments not included in the reportable segments

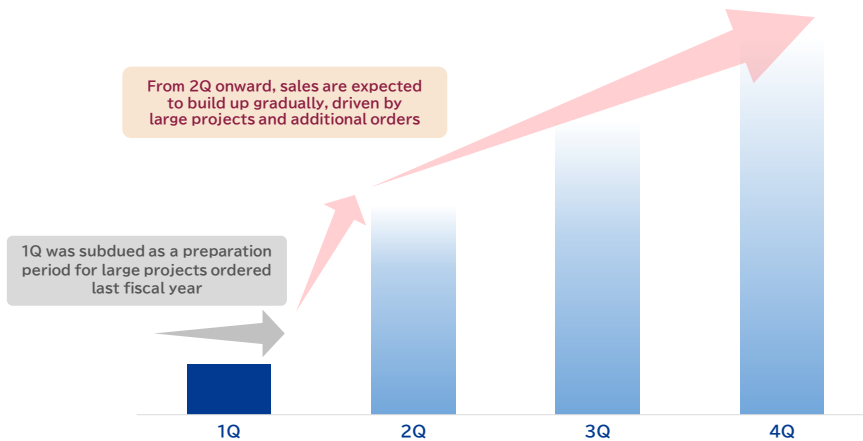
- For the first quarter of the current fiscal year, the Group's financial results were as follows: net sales of 816 million yen, operating loss of 142 million yen, ordinary loss of 125 million yen, net loss attributable to owners of the parent of 81 million yen, and net loss per share of 8.08 yen.
- Compared to the same period of the previous year, net sales decreased by 22.1%, and we recorded an operating loss, compared with operating income of 99 million yen in the same period of the previous year.
- By segment, in the IoT related business, sales of Illuminators and Pupil Lens Module® remained sluggish because the quarter was a preparation period for large projects, and net sales decreased by 49.4% year on year.
- On the other hand, in the Promotion of Industry 4.0 business, sales of precision vibration isolation systems and gear testing systems remained strong, and net sales increased by 18.1% year on year; however, the segment recorded a loss due to higher R&D expenses and other costs associated with new product development.
- For the current fiscal year, results are expected to expand gradually from the second quarter through the fourth quarter, and progress in the first quarter was largely in line with the budget.



POINT

- 1Q net sales were subdued, partly because the IoT related business was preparing for large projects ordered last fiscal year.
- From 2Q onward, net sales are expected to expand gradually, driven by these large projects and additional orders.

<Net Sales Trend: Illustrative (Cumulative)>



- Let me once again explain the expected trend in consolidated net sales for the fiscal year ending May 2027.
- In the first quarter, net sales were subdued, partly because the IoT related business was in a preparation period for the large projects ordered in the previous fiscal year.
- From the second quarter onward, net sales are expected to expand gradually, driven by contributions from these large projects and the accumulation of additional orders.

IoT Related Business

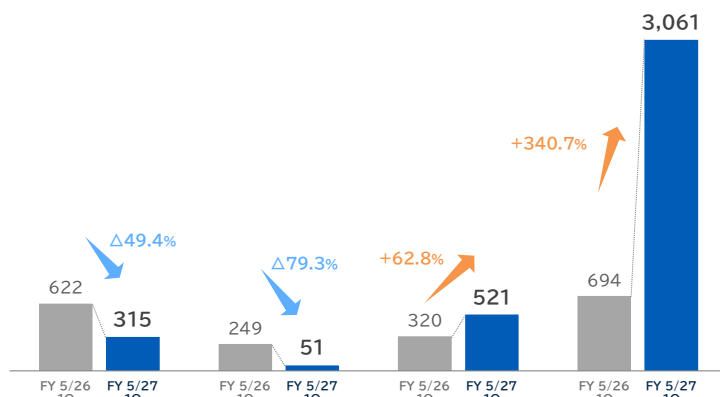
IoT Related



Preparation period for large projects: **lower revenue and profit**
Meanwhile, demand for Illuminators from overseas customers remained strong,
and orders and backlog **increased significantly**

Sales Segment Profit Orders Backlog

(Million yen)



- Orders increased YoY on strong demand for Illuminators, mainly from overseas customers.
- Backlog rose sharply as orders accumulated, including the 2,278 million yen large order from major overseas customers received last fiscal year.
- A 747 million yen large order was received in September (included in 2Q orders); revenue is scheduled within this fiscal year.

- Sales of Illuminators and Pupil Lens Module® were sluggish, as 1Q was a preparation period for large projects.

Notes

- From 2Q onward, revenue from the backlog will be recognized progressively, and additional orders are expected.
- Capex demand from major domestic customers is expected to remain subdued.
- For major overseas customers, robust capex demand is expected to continue, reflecting their progress in winning new clients and resulting changes in smartphone market competition.

- In the IoT related business (the segment primarily engaged in the sale of Illuminators and Pupil Lens Module®), sales of Illuminators and Pupil Lens Module® remained sluggish because the first quarter was a preparation period for the large projects ordered in the previous fiscal year. As a result, both revenue and profit decreased year on year; however, progress was largely in line with the budget.
- On the other hand, order intake and order backlog increased significantly. Order intake amounted to 521 million yen (up 62.8% year on year), mainly due to strong demand for Illuminators from overseas customers. The order backlog reached 3,061 million yen (up 340.7% year on year) as orders accumulated, including the large order of 2,278 million yen from major overseas customers received in the previous fiscal year.
- In addition, although it is not included in order intake or order backlog for the first quarter, we received a large order of 747 million yen in September, which will be recorded in order intake for the second quarter. Revenue from this order is scheduled to be recognized within the current fiscal year.
- From the second quarter onward, revenue from the order backlog will be recognized progressively, and we also expect additional orders.
- For major domestic customers, we expect capital expenditure demand to remain subdued.
- For major overseas customers, we expect robust capital expenditure demand to continue, against the backdrop of the customers' progress in acquiring new clients and the resulting changes in the competitive environment of the smartphone market.

Promotion of Industry 4.0 Business

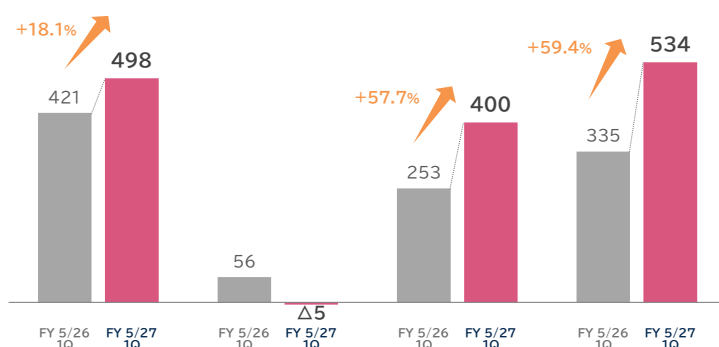
Industry 4.0
Promotion



Strong sales of vibration isolation and gear testing systems: **higher revenue**
Meanwhile, higher R&D expenses led to a **segment loss**
Orders and backlog **increased YoY**

Sales Segment Profit Orders Backlog

(Million yen)



➤ Sales of products in the precision vibration isolation systems and gear testing systems fields were strong.
➤ Demand for precision vibration isolation systems and gear testing systems remained strong, and both orders and backlog increased YoY.

➤ SG&A expenses rose due to higher R&D and personnel expenses for new product development, resulting in a segment loss.

Notes

- R&D expenses for new products such as Semiconductor-Related Measurement Products will continue in FY 5/27.
- New product development is also active in gear testing systems; we will exhibit gear testing and AI image processing systems at "JIMTOF2026 (trade show)." (Two AI image processing systems were sold in 1Q)
- Demand for precision vibration isolation systems is expected to stay strong amid a buoyant semiconductor market.

- In the Promotion of Industry 4.0 business (the segment primarily engaged in the sale of precision vibration isolation systems and gear testing systems), sales of products in both the precision vibration isolation systems and gear testing systems fields were strong, and net sales increased year on year.
- On the other hand, SG&A expenses increased due to higher R&D and personnel expenses associated with new product development, resulting in a segment loss of 5 million yen. In the fiscal year ending May 2027, we expect to continue incurring R&D expenses for the development of new products, such as Semiconductor-Related Measurement Products.
- Owing to strong demand for precision vibration isolation systems and gear testing systems, order intake was 400 million yen (up 57.7% year on year) and order backlog was 534 million yen (up 59.4% year on year), both increasing compared to the same period of the previous year.
- We are also actively promoting new product development in the gear testing systems field and plan to exhibit at the JIMTOF2026 trade show, where we will showcase AI image processing systems in addition to gear testing systems.
- As for precision vibration isolation systems, we expect demand to remain strong, supported by the buoyant semiconductor market.

Progress of the Mid-Term Management Plan

- I would now like to explain the progress of our Mid-Term Management Plan and our outlook for the current fiscal year.

Key Points for 1Q FY 5/27

IoT Related

Industry 4.0
Promotion

New Business



POINT

- 1Q posted an operating loss but progressed largely in line with the budget. No change to the full-year forecast announced on July 13, 2026.
- Initiatives to build up Base Sales and develop new businesses are also progressing smoothly.

1 IoT Related Business Trends (Image sensor inspection)

4 projects

Four main projects in progress

- Expanding the Illuminator lineup
- Co-developing a new Pupil Lens Module®
- Pupil Lens Module® automated line
- AI total solutions

2 FY 5/27 Budget Progress (IoT related business)

81%

Expected progress vs. IoT budget

- 4,123 million yen (approx. 81%) secured from 1Q sales, backlog and the large September order
- Aiming to win orders for the remaining 977 million yen by around 3Q

3 Base Sales Progress

18–20%

Base Sales as % of FY 5/27 budget

- Share of total sales rising year by year
- The entire 747 million yen large September order is Base Sales

4 Partnerships & New Businesses

Over 5 partners

Strategic partnerships (as of 1Q)

- Exceeds the Mid-Term Plan target of 5 companies by 2030
- 3 areas: **Deepening, Expansion, Exploration**
- New semiconductor measurement products on track

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Summary

Creating Sales That Raise PSR

3 billion yen

Mid-Term Plan Base Sales target (FY 5/30)

Grow sales that raise PSR, not just sales volume.

The same sales can affect market cap differently, depending on their "quality."
Building up Base Sales raises PSR via both profitability and stability

- Regarding the progress of the Mid-Term Management Plan, I have summarized five points I would like to share with you today.
- The first point concerns trends in the IoT related business (the image sensor inspection field). Four main projects are progressing: expanding the Illuminator lineup, co-developing a new Pupil Lens Module®, the Pupil Lens Module® automated production line, and AI total solutions.
- The second point is progress against the budget for the fiscal year ending May 2027. Against the sales budget for the IoT related business, we have already secured 4,123 million yen, or approximately 81%, consisting of first-quarter net sales, the order backlog, and the large order received in September. We aim to secure orders for the remaining 977 million yen by around the third quarter.
- The third point is the progress of Base Sales. We expect Base Sales to account for 18–20% of this fiscal year's sales budget, and their share of total sales has been increasing year by year. In addition, the entire 747 million yen large order received in September is Base Sales.
- The fourth point is the progress of partnerships and new businesses. The number of strategic partnerships has already exceeded the Mid-Term Management Plan target of five companies by 2030. We classify our partners into three areas—Deepening, Expansion, and Exploration—and the development of Semiconductor-Related Measurement Products in our new business is also progressing as initially planned.
- The fifth point, which summarizes the above, is the creation of sales that raise our PSR. What we aim for is not simply to increase sales, but to increase sales that raise our PSR. Even with the same level of sales, the impact on market capitalization differs depending on the "quality" of those sales. By building up Base Sales, we will raise our PSR in terms of both profitability and stability. Our Mid-Term Management Plan target of 3,000 million yen in Base Sales for the fiscal year ending May 2030 is also based on this approach.

IoT Related



① IoT Related Business Trends: Progress of Key Initiatives

Customer Trends

Major Overseas (Korea)

Strong

Robust capex demand continues, driven by the customer's gains in new clients and shifts in smartphone competition

European Customers

Solid

Record-high sales in the previous fiscal year
Illuminator orders continued in 1Q

Major Domestic Customers

Flat

Capex demand remains subdued
New plant for physical AI planned;
recovery expected in the medium to long term

Key Initiatives	Progress Highlights	Status
<div>① Expanding the Illuminator Lineup</div> <div>Acquiring new customers</div>	<ul style="list-style-type: none"> Developing new models for high-end, mid-range and low-end markets (completion/release expected from around 2027) Leasing products to a new Chinese customer; under customer evaluation 	In development
<div>② Co-Developing a New Pupil Lens Module®</div> <div>Enhancing existing products</div>	<ul style="list-style-type: none"> Joint technical presentation with Japan Electronic Materials at SWTest Asia 2025 Co-developing with multiple partners toward full commercialization 	Co-developing
<div>③ Pupil Lens Module® Automated Production Line</div> <div>Kumamoto / Building mass production</div>	<ul style="list-style-type: none"> Partly delayed by shifting customer needs and the July 2026 earthquake (no impact on FY 5/27 order plans or revenue timing) Completion scheduled within FY 5/27 	<div>Partly delayed</div> <div>No impact on results</div>
<div>④ AI-Powered Total Solutions</div> <div>New value from proprietary data × AI</div>	<ul style="list-style-type: none"> Aiming for AI solution services that solve customer issues with data × AI, going beyond supplying equipment Exploring partner companies and the solutions to offer 	<div>Exploring</div> <div>Selecting partners (several visited)</div>

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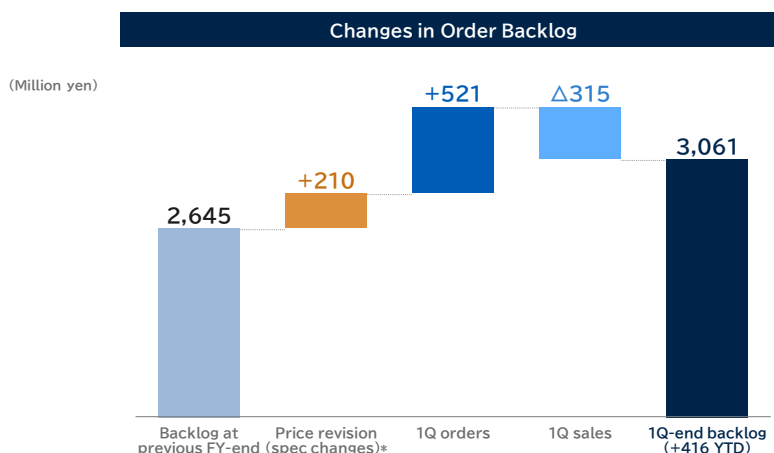
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- First, I will explain the first point: trends in the IoT related business.
- Here are the trends among our major customers. For our major overseas customer in South Korea, robust capital expenditure demand continues against the backdrop of the customer's progress in acquiring new clients and the resulting changes in the competitive environment of the smartphone market, and in September we secured a large order of 747 million yen. For European customers, sales reached a record high in the previous fiscal year, and orders for Illuminators continued in the first quarter. For major domestic customers, capital expenditure demand remains subdued; however, as a new plant for physical AI applications is planned, we expect a recovery over the medium to long term.
- Next, I will explain the progress of our key initiatives.
- The first is acquiring new customers by expanding our Illuminator lineup. We are developing new models for three markets—high-end, mid-range, and low-end—with completion and release expected from around 2027. We have also started leasing products to a new Chinese customer, and the customer is currently evaluating them.
- The second is the co-development of a new Pupil Lens Module® to strengthen the competitiveness of our existing products. At SWTest Asia 2025, we gave a joint technical presentation with Japan Electronic Materials Corporation. We are currently promoting co-development with multiple partner companies toward full commercialization.
- The third is the Pupil Lens Module® automated production line at our Kumamoto facility, which aims to establish a mass production system. Completion of the line has been partly delayed due to changes in customer needs and the impact of the July 2026 earthquake in Kumamoto; however, there is no impact on order plans or the timing of revenue recognition for the fiscal year ending May 2027. Completion is scheduled within the fiscal year ending May 2027.
- The fourth is AI-powered total solutions. To create new value by combining proprietary data with AI, we aim to go beyond simply supplying equipment and create AI solution services that solve customers' issues using data and AI. We are currently selecting partners and, having visited several companies, are exploring potential collaborators and the solutions we will offer.

② FY 5/27 Budget Progress: Changes in Order Backlog (IoT Related)

POINT

- In the IoT related business, a South Korean customer changed the specifications of some projects in the backlog at the previous fiscal year-end; price revisions for added or changed functions **increased the backlog by approx. 210 million yen**. Trends in end products (smartphones) and technology are making customers' specifications and capex timing more fluid.
- 1Q orders (521 million yen) exceeded sales (315 million yen), lifting the 1Q-end backlog to **3,061 million yen (+416 million yen YTD)**.



*The price revision of approx. 210 million yen due to specification changes reflects increases in the contract amounts of projects included in the backlog at the end of the previous fiscal year.

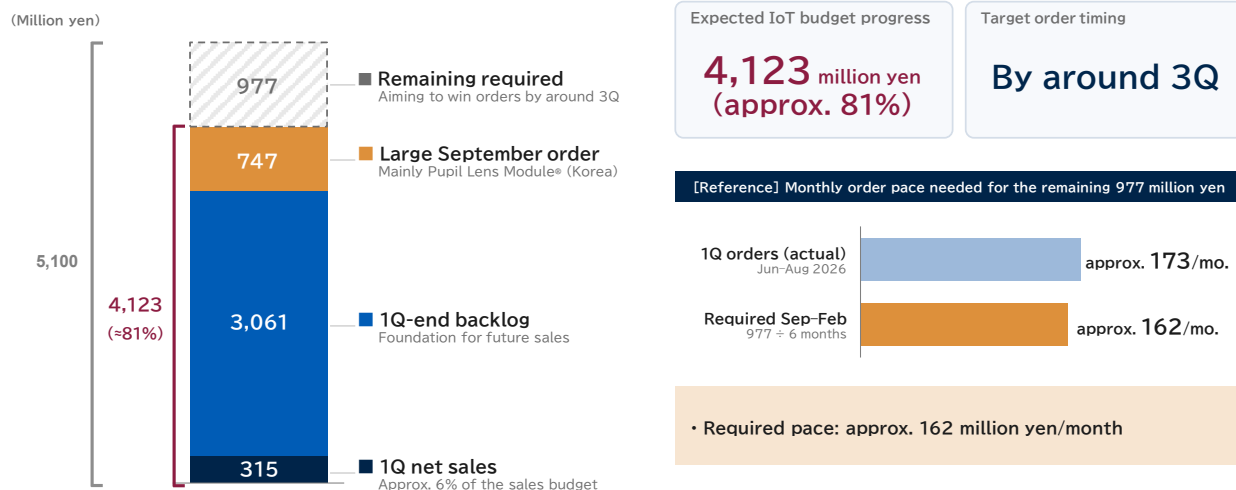
- Next is the second point: progress against the budget for the fiscal year ending May 2027. First, I will explain the changes in the order backlog of the IoT related business.
- The order backlog at the end of the previous fiscal year was 2,645 million yen. For some of the projects for a South Korean customer included in this backlog, the customer changed specifications, and price revisions associated with added or changed functions increased the order backlog by approximately 210 million yen. This reflects the increase in the contract amounts of projects that were included in the order backlog at the end of the previous fiscal year.
- Customer specification requirements and the timing of capital investment tend to be fluid, reflecting trends in end products such as smartphones and changes in technology trends.
- On top of this, we received orders of 521 million yen in the first quarter and recorded net sales of 315 million yen. Because order intake exceeded net sales and the increase from the price revisions was also reflected, the order backlog at the end of the first quarter grew by 416 million yen from the beginning of the fiscal year. This order backlog will form the foundation for sales from the second quarter onward.

② FY 5/27 Budget Progress: Outlook for Meeting the Budget (IoT Related)

POINT

- Of the IoT related business's full-year forecast of 5,100 million yen, **4,123 million yen (approx. 81%) is secured**: 1Q sales (315), 1Q-end backlog (3,061) and the September large order (747), all to be recognized this fiscal year. For the remaining 977 million yen, we aim to win orders by around 3Q for revenue within this fiscal year.

IoT Related Business: Progress vs. FY Sales Forecast (Expected)



- Next is our outlook for achieving the budget.
- Against the full-year forecast of 5,100 million yen for the IoT related business, we have already secured 4,123 million yen, or approximately 81%, by combining first-quarter net sales of 315 million yen, the order backlog of 3,061 million yen as of the end of the first quarter, and the large order of 747 million yen received in September. Revenue from the order backlog and the September large order is scheduled to be recognized within the current fiscal year.
- For the remaining 977 million yen, we aim to secure orders by around the third quarter and recognize the revenue within the current fiscal year. Assuming roughly three months from order receipt to revenue recognition, we will need to accumulate orders by the end of February 2027, the end of the third quarter.
- For reference, the pace required to secure orders of 977 million yen over the six months from September to February is approximately 162 million yen per month on average.
- We will maintain this order pace and make every effort to recognize revenue from the orders already secured in line with delivery schedules, with the aim of achieving the budget.

③ Base Sales Progress: What Are Base Sales?

IoT Related

Industry 4.0
Promotion

New Business



POINT

- Sales that do not depend on customers' "capex trends (investment decisions)". A new indicator defined in the Mid-Term Management Plan.
- Base Sales are not expected to increase simply by adding sales through M&A, etc.

IoT Related Business (core business)

Criterion — What it is linked to on the customer side

× Excluded Linked to capex / Illuminators

Demand arises when new inspection lines are set up.
Linked to changes in production capacity; highly volatile.

○ Included Linked to production volume / Retrofits, Pupil Lens Module®, other new products

Needed as long as the customer continues production.
Linked to the level of production volume; low volatility.

Other Businesses (existing and new)

Criterion — Created standalone or through combination

× Excluded Products held by a subsidiary on its own

Existing products of acquired companies are not the result of combination, so they are excluded from Base Sales.

○ Included Products created through combination with the Company

Products the subsidiary could not have developed on its own (including products actually created from past M&A)

Common feature: Neither depends on the discontinuous decision-making of "customer investment decisions." Both reduce earnings volatility and improve gross profit margin, operating profit per employee, and capital efficiency.

- Next is the third point: the progress of Base Sales. First, let me once again explain the definition of Base Sales.
- Base Sales is an indicator newly defined in our Mid-Term Management Plan to represent business resilience. It refers to sales that do not depend on customers' capital expenditure trends—in other words, their investment decisions. We also assume that Base Sales will not increase simply through the addition of sales via M&A, etc.
- In our core IoT related business, we determine whether sales qualify based on what they are linked to on the customer side. Demand for Illuminators arises when customers set up new inspection lines and fluctuates significantly in line with changes in production capacity, so Illuminators are not included in Base Sales.
- On the other hand, Illuminator retrofits, Pupil Lens Module®, and other new products are needed as long as customers continue production, and they fluctuate less because they are linked to the level of production volume, so they are included in Base Sales.
- In our other businesses, we determine whether sales qualify based on whether a product was created on a standalone basis or through combination. Products that a subsidiary held on its own—that is, the existing products of acquired companies—are not the result of combination and are therefore not included in Base Sales.
- On the other hand, products created through combination with the Company, which the subsidiary could not have developed on its own, are included in Base Sales. This also includes products that are actually being created as a result of past M&A.
- In both cases, these are sales that do not depend on the discontinuous decision-making of "customer investment decisions," and they reduce the volatility of our business performance.

③ Base Sales Progress: FY 5/27 Outlook and Policy

IoT Related

Industry 4.0
Promotion

New Business



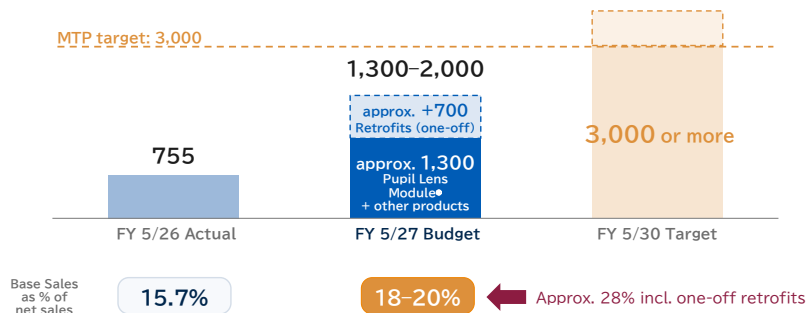
POINT

- Base Sales (excl. one-off retrofit demand) should reach about 1,300 million yen in FY 5/27, with a steadily rising share of sales.
- Toward FY 5/30, we will reduce dependence on specific customers and businesses and build new revenue pillars, targeting Base Sales of 3,000 million yen or more.

Base Sales and Their Share of Total Sales

= Retrofit projects specific to this FY (shown separately; not expected to recur)

(Million yen)



Toward the FY 5/30 Target

Issue: Dependence on specific customers and businesses

- In FY 5/27, over half of Base Sales is expected to come from one South Korean customer in the IoT related business.
- We will grow not only the "amount" but also the "number of customers."
- Diversify the customer base via recovering domestic demand, a broader lineup, new customers and partner collaboration, aiming for Base Sales of 3,000 million yen or more.
- Reduce reliance on the IoT related business, put new businesses on a growth track and build new revenue pillars.

- Next, I will explain our outlook for Base Sales for the fiscal year ending May 2027 and our future policy.
- Base Sales for the previous fiscal year were 755 million yen. This fiscal year, Base Sales excluding one-off demand from retrofit projects (approximately 700 million yen) are expected to expand to around 1,300 million yen, driven by Pupil Lens Module® and other products.
- The ratio of Base Sales to consolidated net sales is expected to rise steadily from 15.7% in the previous fiscal year to 18-20% this fiscal year (approximately 28% including retrofit projects).
- On the other hand, there are also challenges. In the fiscal year ending May 2027, more than half of Base Sales is expected to come from a single South Korean customer in the IoT related business, and we currently depend heavily on specific customers and businesses. Going forward, we will focus on growing not only the "amount" but also the "number of customers."
- Toward our target for the fiscal year ending May 2030, we will diversify our customer base through the recovery of domestic demand, expansion of our product lineup, acquisition of new customers, and collaboration with partners, aiming to achieve Base Sales of 3,000 million yen or more. At the same time, we will reduce our dependence on the IoT related business and put new businesses on a growth track to establish new revenue pillars.

④ Progress of Partnerships and New Businesses

IoT Related

New Business



POINT

- Strategic partnerships are formed mainly with “Technology Partners” and “Marketing Partners.”
- They are further classified into three business areas—“Deepening,” “Expansion” and “Exploration”—with defined roles for collaboration in each area.

① Deepening Deepen the core market

Image sensor inspection market (IoT related business)

Partner composition

Optical product makers, semiconductor-related equipment makers, optical equipment trading companies, etc.

Aim of collaboration

Strengthen existing products' competitiveness by co-developing a new Pupil Lens Module*

Potential (through 2030)

1–2 billion yen

Recent progress

Co-development underway toward full commercialization (the most certain of the three areas)

② Expansion Expand to adjacent markets

Semiconductor market (other than image sensors)

Partner composition

Semiconductor equipment makers, research equipment and capital goods trading companies, etc.

Aim of collaboration

Partners share sales channels, manufacturing and development to cut lead times and fixed costs

Potential (through 2030)

1–1.5 billion yen

Recent progress

Launched a joint working group with a semiconductor inspection equipment maker

③ Exploration Explore new areas

AI total solutions / physical AI

Partner composition

Several AI-related companies

Aim of collaboration

Use inspection and calibration expertise to assure the measurement quality of data used by AI

Potential (through 2030)

Not in plan

Recent progress

Candidate partners selected; several visited
Investment decisions made with discipline

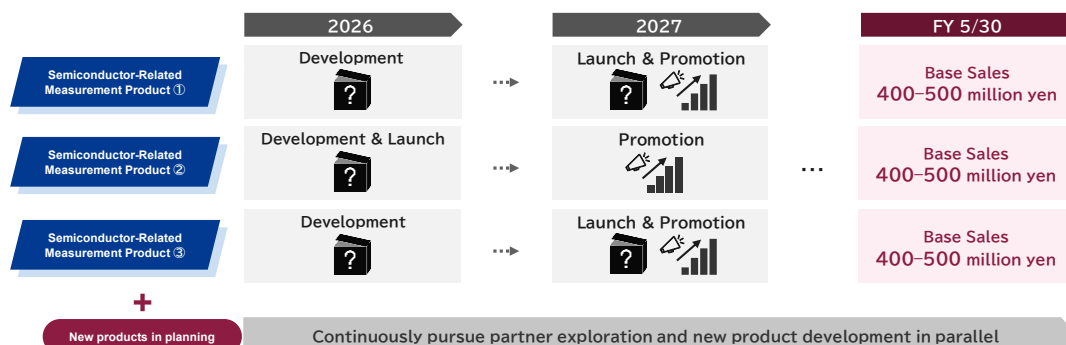
- Next is the fourth point: the progress of partnerships and new businesses.
- Our strategic partnerships are formed mainly with “Technology Partners” and “Marketing Partners.” We further classify them into three business areas—“Deepening,” “Expansion,” and “Exploration”—and are promoting collaboration with partners by assigning distinct roles to each area.
- The first area, “Deepening,” is about deepening our existing core market, the image sensor inspection market. In collaboration with optical product manufacturers, semiconductor-related equipment manufacturers, optical equipment trading companies, and others, we are working to strengthen the competitiveness of our existing products through the co-development of a new Pupil Lens Module®. We estimate the potential through 2030 at 1–2 billion yen, and co-development toward full commercialization is underway. This is the most certain of the three areas.
- The second area, “Expansion,” is about expanding into the semiconductor market beyond image sensors. By sharing sales channels, manufacturing, and development with partners such as semiconductor manufacturing equipment makers, research equipment trading companies, and capital goods trading companies, we will reduce development lead times and costs. We estimate the potential through 2030 at 1–1.5 billion yen, and we recently launched a joint working group with a semiconductor inspection equipment manufacturer.
- The third area, “Exploration,” is about exploring a new field: AI total solutions and physical AI. In collaboration with several AI-related companies, we aim to leverage our inspection and calibration expertise to assure the measurement quality of the data used by AI. This initiative is not currently included in our plan; we have selected candidate partners and visited several of them.
- Please note that the potential figures are the Company's assumptions and not planned values.

④ Semiconductor-Related Measurement Products: Development Schedule

POINT

- Development schedules for Products ①②③ are unchanged from the previous disclosure (July 2026); each is progressing as initially planned.
- Each targets Base Sales of 400–500 million yen in FY 5/30; **several new products are also being planned** with partners such as AI-related companies.

Future Schedule (New Business)



Promotional Activities

- Dedicated website (updated as needed): <https://www.inter-action.co.jp/media/>

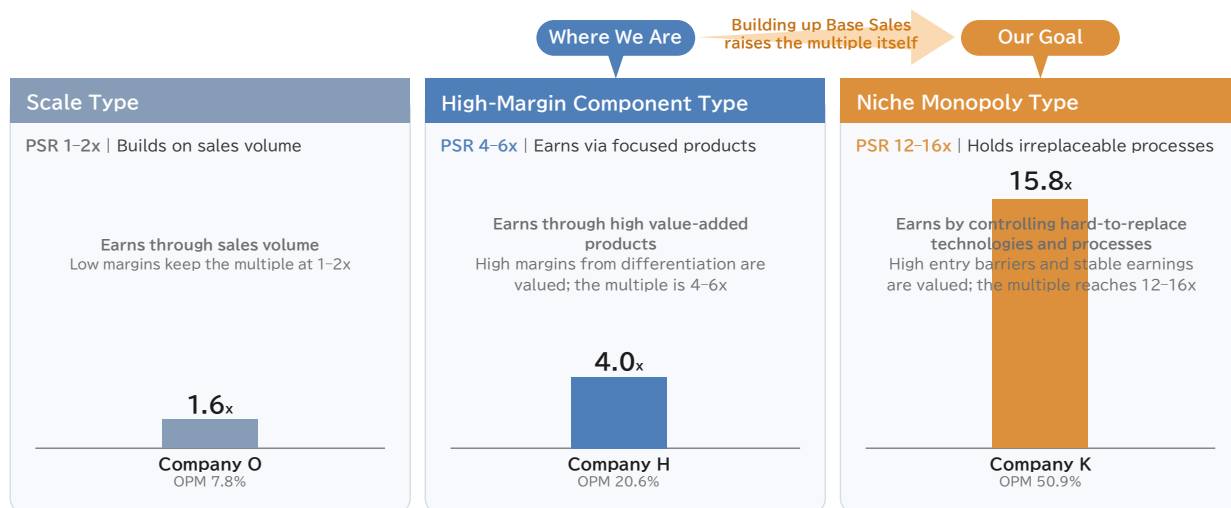
- Next is the development schedule for Semiconductor-Related Measurement Products, our new business.
- The development schedule for Semiconductor-Related Measurement Products ①, ②, and ③ is unchanged from the previous disclosure (July 2026), and development of each product is progressing as initially planned.
- Product ② is scheduled to be launched in 2026, and Products ① and ③ are scheduled to be launched in 2027. We aim to achieve Base Sales of 400 million to 500 million yen for each product in the fiscal year ending May 2030.
- In addition, several new products are in the planning stage, and we will continue to pursue partner exploration and new product development in parallel.
- As part of our promotional activities, we have also launched a dedicated website, which we will update as needed.

⑤ Creating Sales That Raise PSR: Enhancing Corporate Value Through “High-Quality Sales”



POINT

- Even with the same sales, market valuation (PSR = market cap ÷ net sales) differs. The difference comes not from scale but from **profitability (difficulty of substitution) and the stability of sales**.
- We are currently at the “High-Margin Component” level; by building up Base Sales, we aim to become the “Niche Monopoly” type.



*PSR = market capitalization ÷ net sales for the most recent fiscal year; figures as of September 2026
 *Sources: Each company's financial results materials, securities company information, etc.

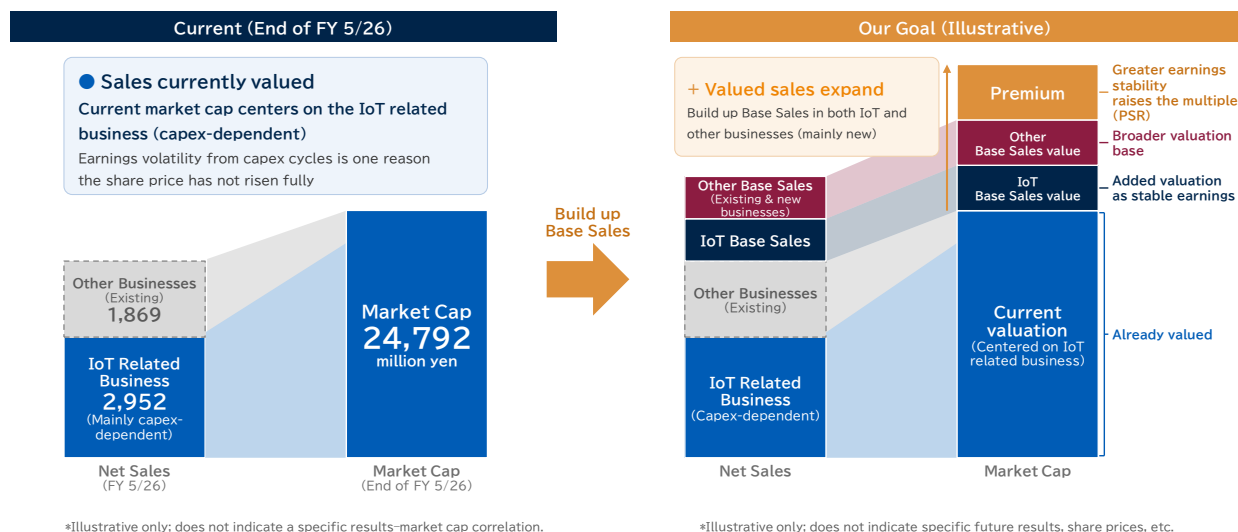
- Finally, I will explain the fifth point: creating sales that raise our PSR. Using PSR, I will explain why we place importance on Base Sales.
- Even with the same level of sales, market valuation—namely PSR, which is market capitalization divided by net sales—differs. We believe that PSR can be divided into three types according to operating margin: the Scale Type, the High-Margin Component Type, and the Niche Monopoly Type.
- The “Scale Type,” which earns through absolute sales volume, has low margins, and its valuation multiple remains at 1-2x.
- The “High-Margin Component Type,” which earns through high value-added products, is valued for the high margins that result from product differentiation, and its valuation multiple is 4-6x.
- The “Niche Monopoly Type,” which earns by controlling hard-to-replace technologies and processes, is valued for its high barriers to entry and earnings stability, and its valuation multiple reaches 12-16x.
- In this way, market valuation can differ by nearly tenfold even with the same level of sales. What makes the difference is not the scale of sales, but the difficulty of substitution and the stability of sales.
- The Company is currently at the level of the “High-Margin Component Type.” By building up Base Sales, we will raise the valuation multiple itself and aim to become a “Niche Monopoly Type” company in the future.

⑤ Creating Sales That Raise PSR: Why PSR and Base Sales Matter



POINT

- Our current market cap is formed mainly by the performance of the IoT related business (capex-dependent).
- By **building up Base Sales** in each business (incl. new businesses), market cap rises through more valued sales and a **premium** for earnings stability.



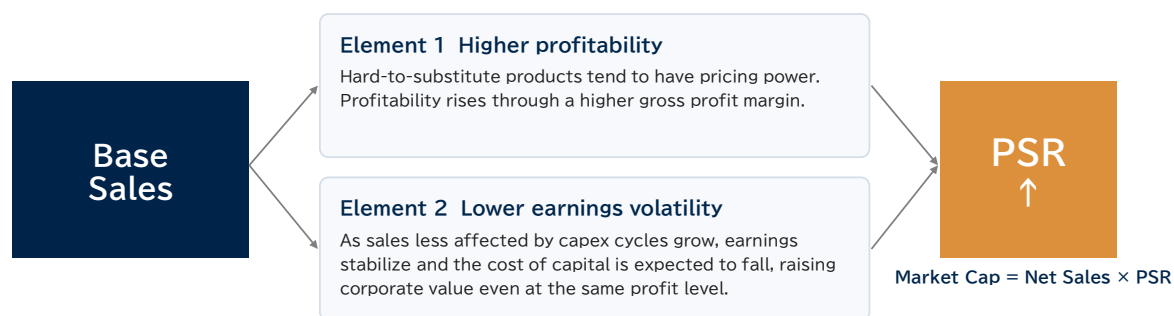
- This figure applies the concept to our Company. (The figure is for illustrative purposes only and does not specifically indicate the correlation between business results and market capitalization or future trends.)
- The left side shows the current situation. We believe that our current market capitalization is formed mainly by the performance of the IoT related business, which depends on capital expenditure. We also see earnings volatility caused by capital expenditure cycles as one of the reasons our share price has not risen to its full potential.
- The right side shows where we aim to be. We will build up Base Sales in both the IoT related business and other businesses, centered on new businesses. As the range of valued sales expands, Base Sales in the IoT related business will receive additional valuation as stable earnings, and Base Sales in other businesses will also become subject to valuation. Furthermore, we believe that greater earnings stability will raise the valuation multiple (PSR), and the resulting premium will lead to higher market capitalization.

⑤ Sales That Raise PSR = Base Sales



POINT

- Base Sales raise PSR through two elements: “profitability” and “stability.”
- The Mid-Term Management Plan’s Base Sales target of 3,000 million yen (FY 5/30) is a target for the “quality” of sales, not their “quantity.”



FY 5/30 Target

3 billion yen

Having Base Sales that are not affected by capex demand **underpins business performance and forms the foundation for raising PSR.**

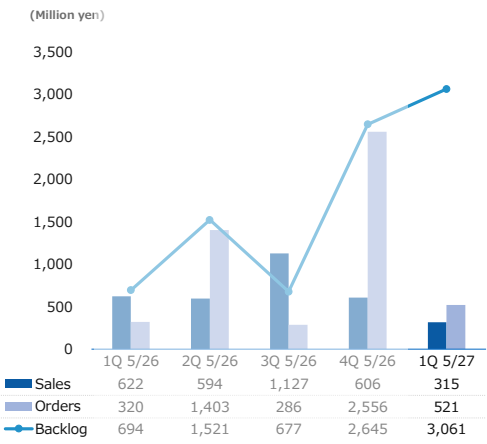
- We believe that Base Sales raise PSR through two elements: “profitability” and “stability.”
- The first element is profitability. Products that are difficult to substitute tend to have pricing power, and profitability rises through an improved gross profit margin.
- The second element is earnings stability. As sales that are less affected by capital expenditure cycles increase, earnings stability improves and the cost of capital is expected to decline. A lower cost of capital leads to higher corporate value even at the same level of profit.
- Having Base Sales that are not affected by capital expenditure demand underpins our business performance and serves as the foundation for raising PSR. The 3,000 million yen target is not a target for the “quantity” of sales, but for their “quality.”

Appendix ①

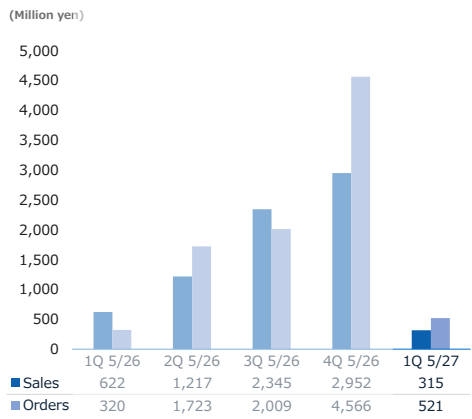
Sales, Orders & Order Backlog



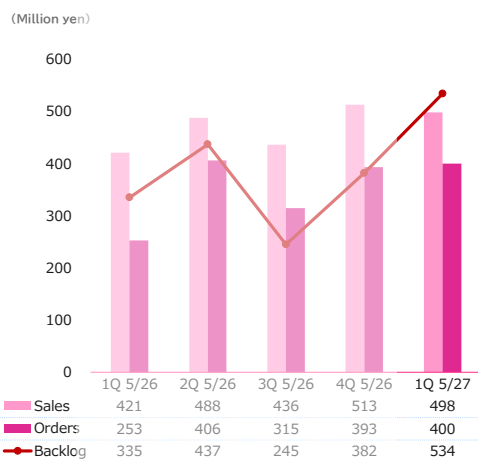
Sales/Orders/Order Backlog (by quarter)



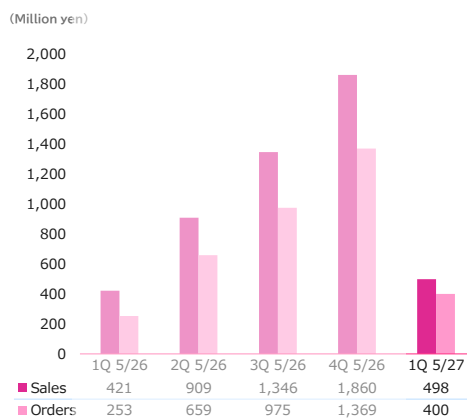
Sales/Orders (cumulative)



Sales/Orders/Order Backlog (by quarter)



Sales/Orders (cumulative)

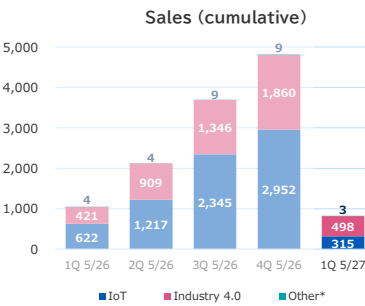
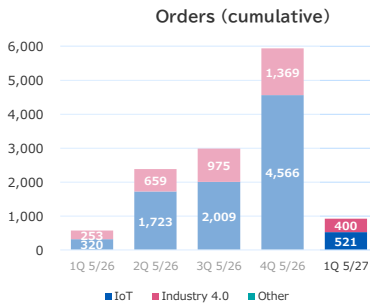
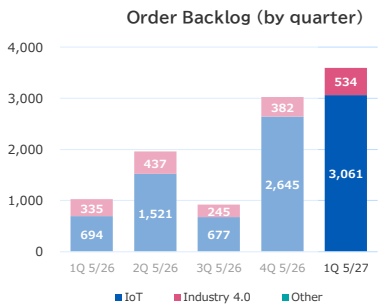




1Q FY 5/27

(Million yen)

Segment	Sales		Orders		Order Backlog	
	Results	YoY Growth	Results	YoY Growth	Results	YoY Growth
IoT Related Business	315	(49.4%)	521	62.8%	3,061	340.7%
Industry 4.0 Promotion Business	498	18.1%	400	57.7%	534	59.4%
Other (former Environmental Energy Business)*	3	(20.4%)	-	-	-	-
Total	816	(22.1%)	921	60.5%	3,596	249.1%



**Other* is the Environmental Energy Business, a business segment not included in the reportable segments. As it is not a build-to-order business, orders and backlog are shown as "-".

Appendix ②

Company Information

Purpose

Innovation born from the interaction of
people, technology, and organization
Shining a light on “invisible value”

Vision

Combining our “competitive strengths” with
“diverse technologies” to become a company
that “implements change” globally

Value

Interaction Value



Company Information

Name	INTER ACTION Corporation	Listed Market	Tokyo Stock Exchange Prime Market
Established	June 25, 1992	Stock Code	7725
Representative	Nobuo Kiji, President & CEO	Fiscal Year	June 1 to May 31
Capital	1,760 million yen	URL	https://www.inter-action.co.jp
Employees	123 (as of May 31, 2026)	Group Companies	MEIRITZ SEIKI CO., LTD. Tokyo Technical Instruments Inc. Xian INTER ACTION Solar Technology Corporation Shaanxi Chaoyangitong Precision Device Co., Ltd. MEIRITZ KOREA CO.,LTD Taiwan Tokyo Technical Instruments Corp. TOKYO TECHNICAL INSTRUMENTS (SHANGHAI) CO., LTD Lastec Co., Ltd.
Head Office	14th Floor, Yokohama Kanazawa High-Tech Centre 1-1 Fukuura, Kanazawa-ku, Yokohama, Kanagawa TEL:045-788-8373 FAX:045-788-8371		
Offices	Naka Ward, Yokohama City Koshi City, Kumamoto Prefecture Nagasaki City, Nagasaki Prefecture		



Company Information

KPIs	Base Sales, gross profit margin, OP per employee, OP growth rate (CAGR), ROE (consolidated)
Dividend Policy	DOE of 4.0% or higher
M&A Policy	Fields that are growing or expected to grow Fields where our technologies and business know-how can be leveraged Positive NPV with projected five-year cash flows discounted at WACC

Mailing List

We deliver a variety of information about the INTER ACTION Group by email.

"Email Delivery Service" page on our website:
https://www.inter-action.co.jp/ir_mail/

Registered information will be used solely for our IR email delivery service.

Details on how we handle personal information are available on our website.

Please see our "Privacy Policy":
<https://www.inter-action.co.jp/privacy/>

Contact

INTER ACTION Corporation
IR, President's Office

10th Floor, Industry & Trade Center Building,
2 Yamashita-cho, Naka-ku, Yokohama, Kanagawa
TEL: 045-263-9220

<https://www.inter-action.co.jp/inquiry/>

Please contact us via the inquiry form on our website.

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