Results for First Quarter of FY 2025 (Ended March 31, 2025)

May 8, 2025

SUMCO Corporation

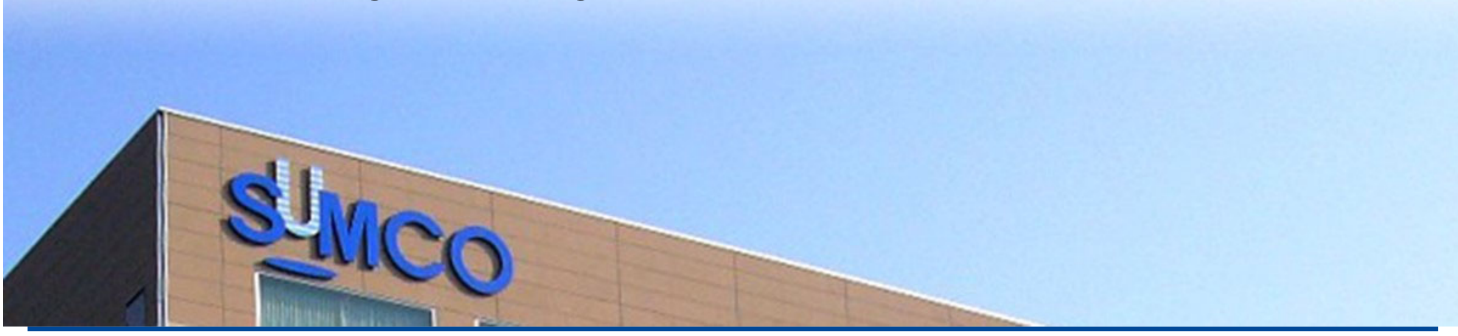
（Code：3436）

（LEI：353800SUSRUOM0V6KU92）

Notes Regarding the Forecasts

This material is prepared for the purpose of continuous disclosure to general shareholders and investors and will not constitute an offer or solicitation of securities of the Company in any states or jurisdictions.

The estimate, expectation, forecast and other future information is prepared based on the information which is available for the Company as of today and on certain assumptions and qualifications (which includes our subjective judgment) and the actual financial performance or result may be substantially different from such future information contained in the material due to risk factors including domestic and global economic conditions, trend of semiconductor market and foreign exchanges.



Summary and Market Environment

Mayuki Hashimoto

Representative Director,
CEO & Chairman of the Board

1Q-2025 Consolidated Business Result

(Billions of Yen)

	1Q-2025 Forecast	1Q-2025 Actual	Change
Net Sales	102.0	102.4	+0.4
Operating Profit	4.5	5.9	+1.4
Ordinary Profit	4.0	4.8	+0.8
Profit (Note)	1.5	3.0	+1.5
EBITDA margin (%)	28.4%	28.0%	(0.4%)
Exchange Rate (Yen/US$)	155.0	153.9	(1.1)

2Q-2025 Consolidated Business Forecast

(Billions of Yen)

	1Q-2025 Actual	2Q-2025 Forecast	Change
Net Sales	102.4	100.0	(2.4)
Operating Profit	5.9	0.0	(5.9)
Ordinary Profit	4.8	(1.0)	(5.8)
Profit (Note)	3.0	(2.0)	(5.0)
EBITDA margin (%)	28.0%	26.9%	(1.1%)
Exchange Rate (Yen/US$)	153.9	145.0	(8.9)

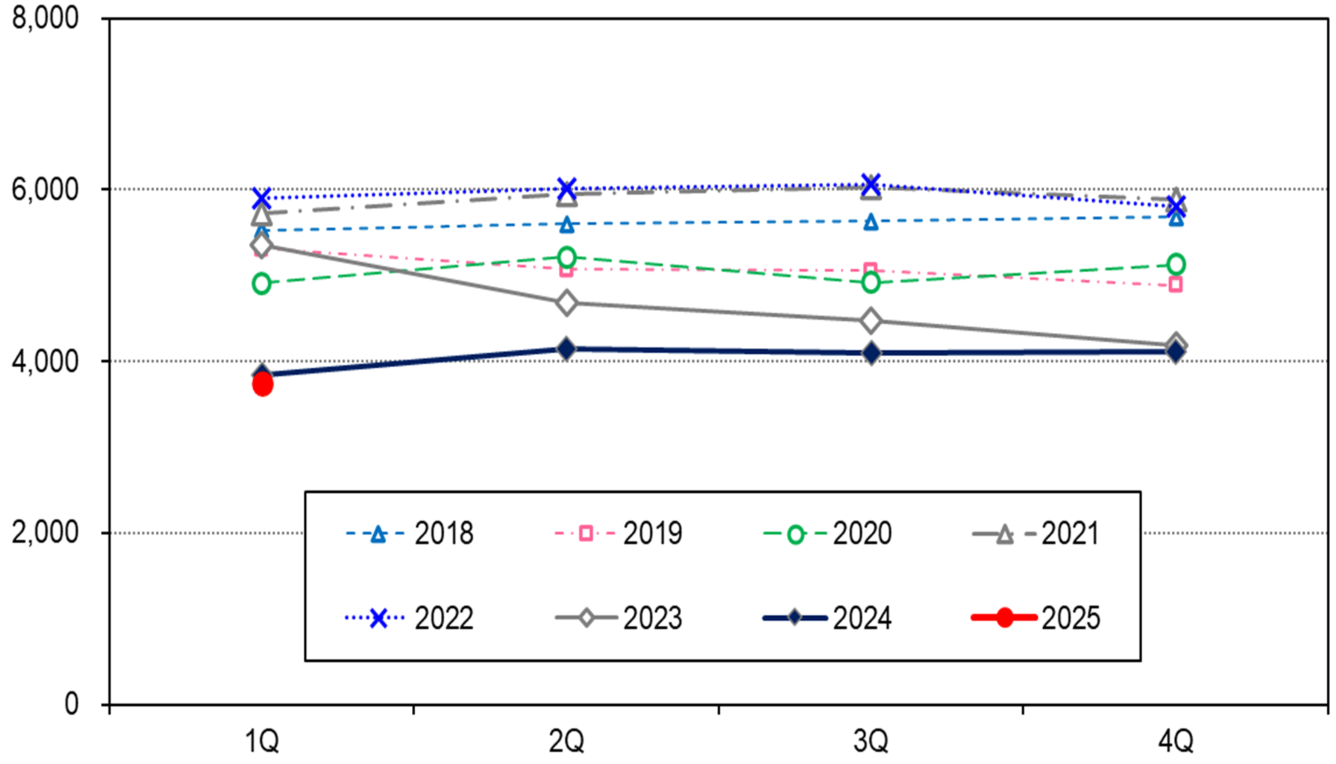
(Note) Profit attributable to owners of parent

		FY2021 (Dec-2021)	FY2022 (Dec-2022)	FY2023 (Dec-2023)	FY2024 (Dec-2024)	FY2025 (Dec-2025)
Dividends per share for common stocks (Yen)	Interim	17	36	42	15	10
	Year-end	24	45	13	6	-
	Total	41	81	55	21	-
Dividends payment (Billions of Yen)	Interim	4.9	12.6	14.7	5.2	3.5
	Year-end	8.4	15.7	4.5	2.1	-
	Total	13.3	28.3	19.2	7.3	-

Dividends are decided based on an overall consideration of profit levels, future outlook, funding needs for capital investment and other purposes, free cash flow, EBITDA, the status of dividend resources, and other factors.

2-1. 200 mm Wafer Trend

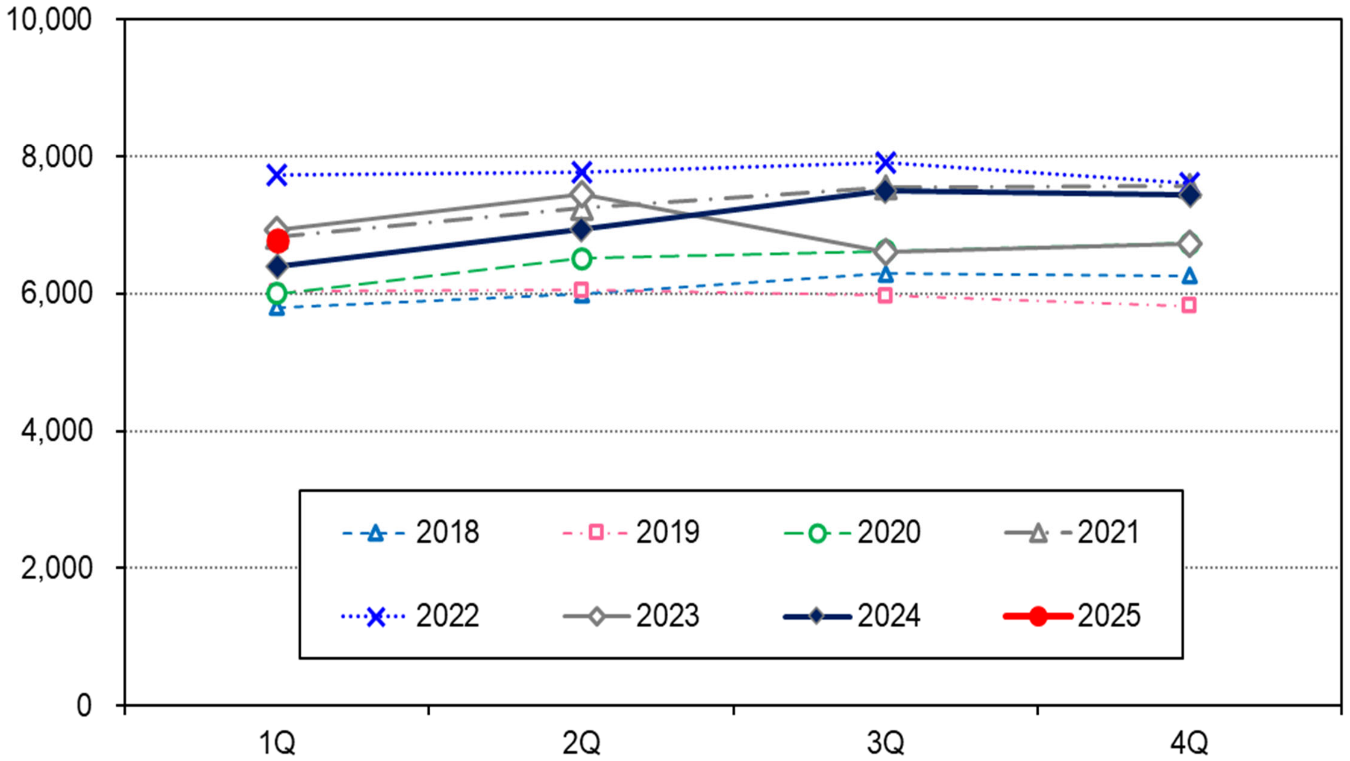
(k wafers/month)



(Source: SUMCO's estimation)

2-2. 300 mm Wafer Trend

(k wafers/month)



(Source: SUMCO's estimation)

2-3. Market Environment

1Q-2025

- ✓ Volume - Demand recovery for 300 mm wafers remained slow, except for those for leading-edge products.
  - Shipments for 200 mm and smaller wafers had been sluggish.
- ✓ Pricing - Long-term contract prices were honored for both 300 mm and 200 mm wafers.

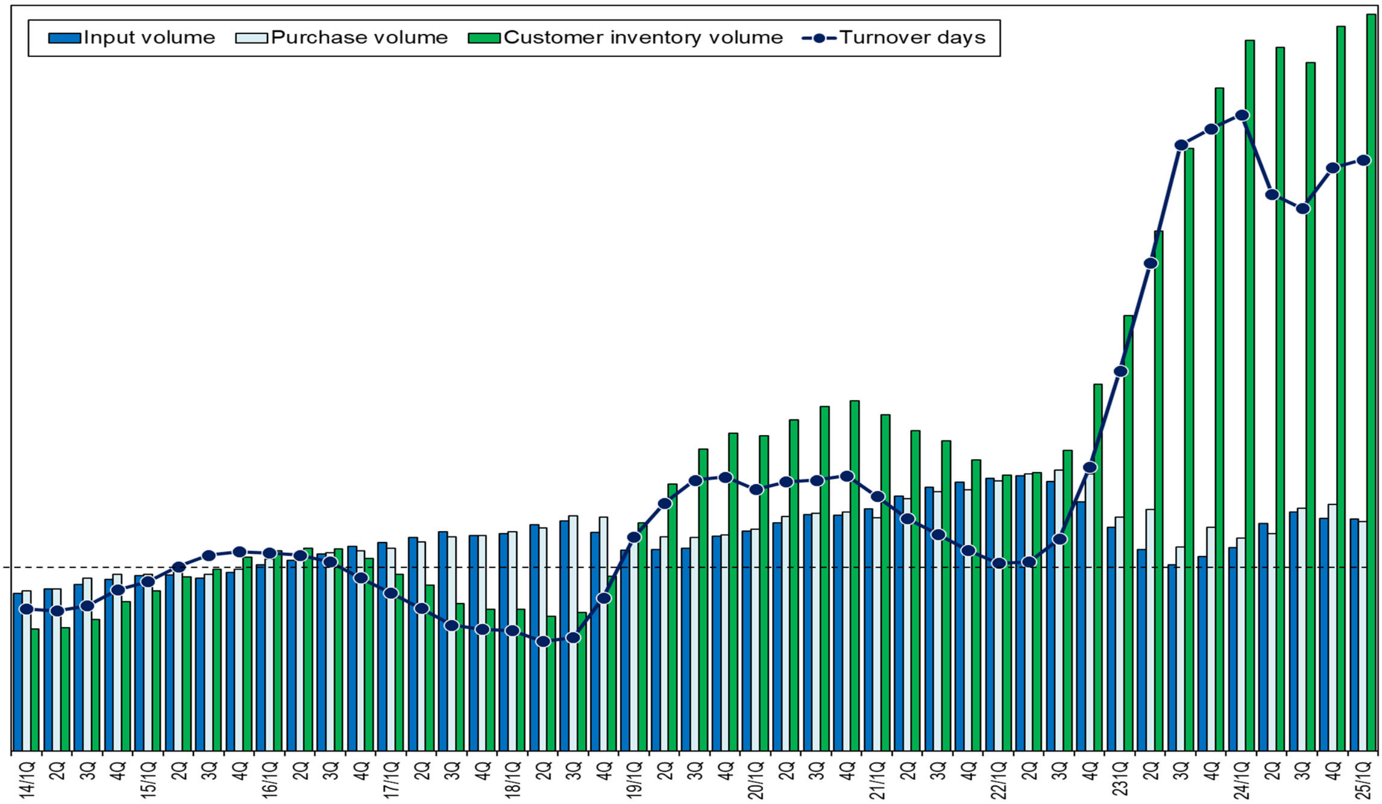
2Q-2025 Forecast

- ✓ Volume - For 300 mm wafers, those for leading-edge products remain strong driven by AI, but inventory drawdown will continue for wafers for other uses due to weak demand recovery, so that overall recovery is expected to be moderate.
  - Shipments for 200 mm wafers will remain at low levels with longer-than-expected weak demand for semiconductors.
- ✓ Pricing - Long-term contract prices are being maintained for both 300 mm and 200 mm wafers, while spot prices vary widely by region and application.

Outlook

- ✓ In the semiconductor market, strong demand continues for leading-edge products for data center use driven by AI needs, but demand for semiconductors other than leading-edge products is weak, and inventory drawdown is taking time.
- ✓ The impact on the global economy of recent tariff policy moves by the U.S. government remains uncertain. A close watch will be kept on the impact on silicon wafer demand.

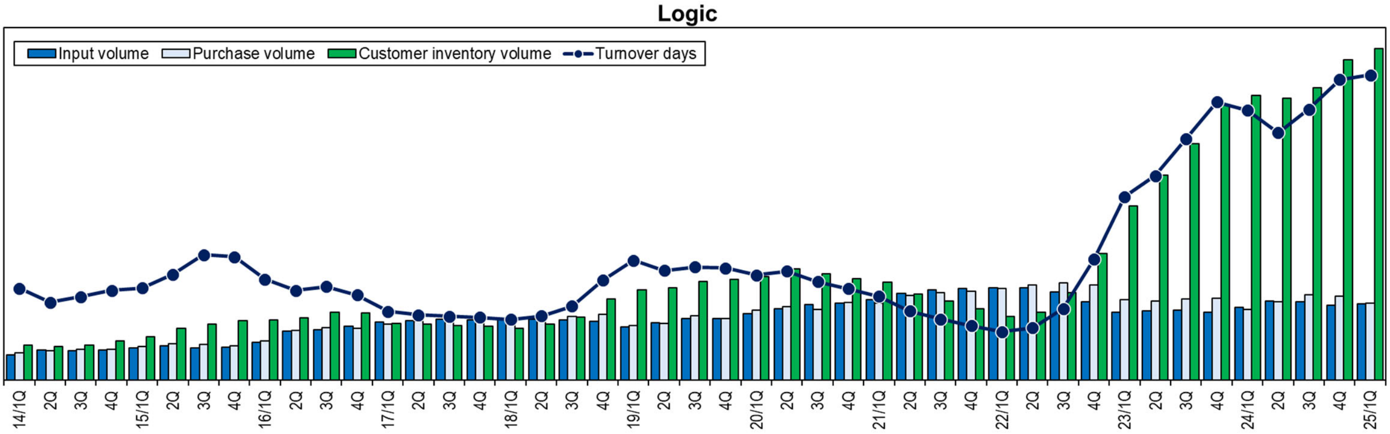
3-1. Customers' 300 mm Wafer Inventory Trend



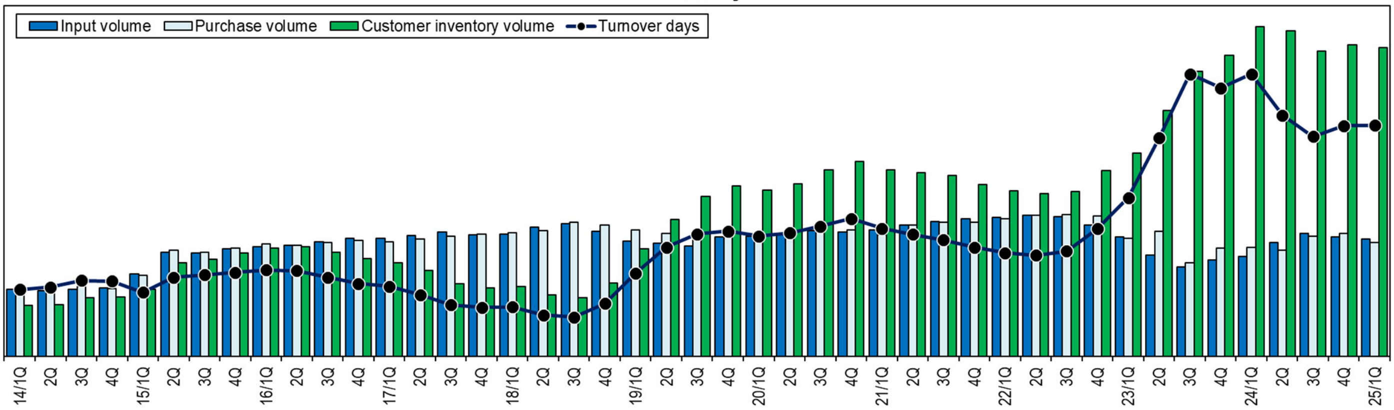
(Source: SUMCO's estimation)

3-2. Customers' 300 mm Wafer Inventory (Logic/Memory)

Logic



Memory



（Source：SUMCO's estimation)

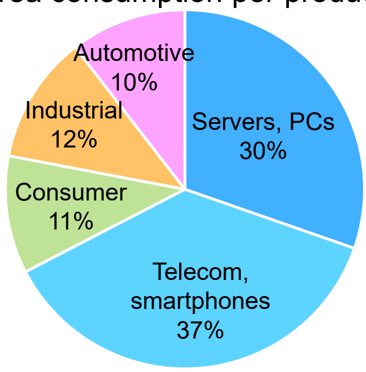
4-1. Risks and our initiatives

Concerns about U.S. tariff policies

- ✓ Impact on economy from higher prices and dampening of consumption
- ✓ Future decline in customer production and sales volumes

Due, however, to the frequently changing tariff rates and application scope, it is difficult at this point to predict their impact.

(For reference) Estimated wafer area consumption per product



Source: SUMCO estimates based on market research company data

Prioritize structural reforms amid uncertain business environment

Focus on boosting supply capacity of 300 mm leading-edge wafers

With increasing demand for wafers for leading-edge products centering on AI, upgrade our existing 300 mm plants and maintain a high share of this market segment

Consolidation of production for 200 mm and smaller wafers

Consolidate wafer production at the Miyazaki Plant in other facilities toward greater efficiency and profitability

4-2. 300 mm Wafer Demand Forecast

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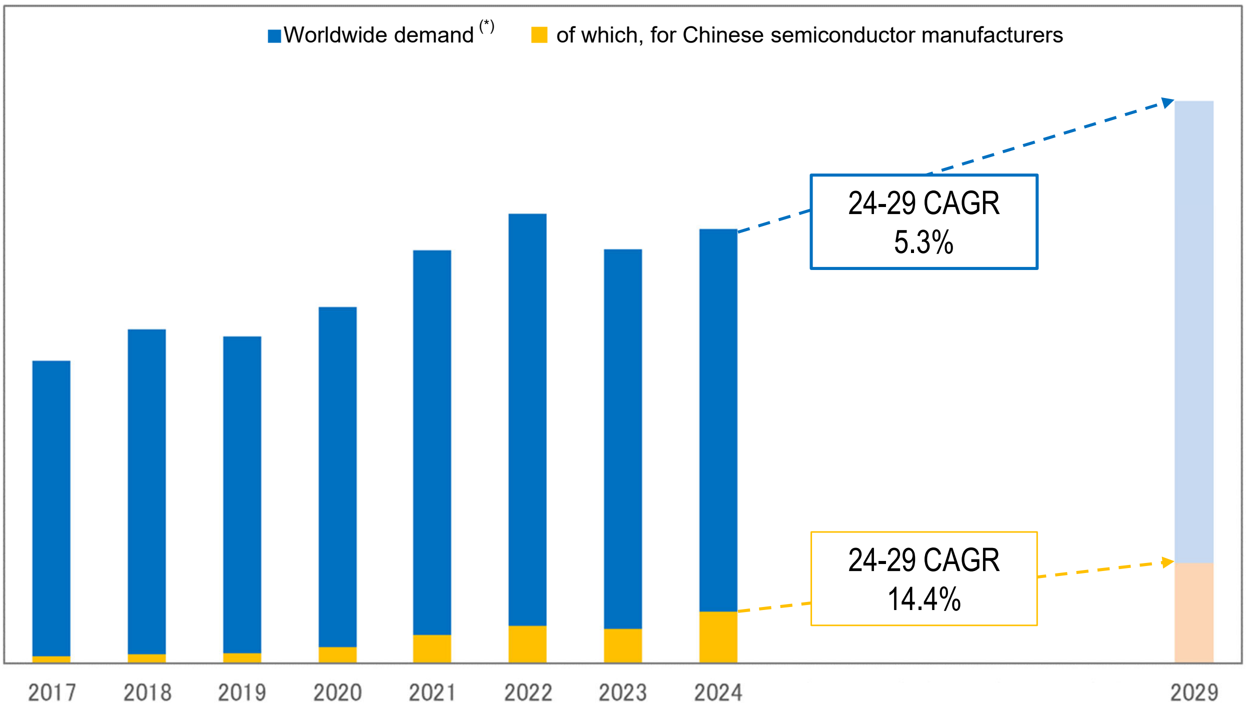
- ✓ 300 mm wafer demand is projected to grow at a CAGR of 5.3% toward 2029.
- ✓ Of which, that for Chinese semiconductor manufacturers is assumed to grow at a CAGR of 14.4%, a significantly higher rate.

300 mm wafer demand forecast: worldwide and for Chinese semiconductor manufacturers



(*) Forecasts: estimated on a PPP-GDP basis

(Source：SUMCO's estimation)

4-3. Assumed Impact of U.S. Tariffs

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Assumed impact of U.S. tariff policies on wafer demand for automotive use
(scope of assumption: some of our major customers)

(wafers/month)

Region	Diameter	Before affected by U.S. Tariffs	After affected by U.S. Tariffs	Change	Assumptions
Japan	300 mm	17,000	17,000	0	
	200 mm	146,000	145,000	▲1,000	
	150 mm	59,000	59,000	0	
U.S.	200 mm	28,000	29,000	+1,000	
Europe	300 mm	56,000	52,000	▲4,000	semiconductor shipments to U.S. halved
	200 mm	260,000	243,000	▲17,000	
	150 mm	39,000	36,000	▲3,000	
Asia *	300 mm	15,000	13,000	▲2,000	semiconductor shipments to U.S. halved
	200 mm	33,000	18,000	▲15,000	
	150 mm	119,000	109,000	▲10,000	
China	200 mm	58,000	58,000	0	
	150 mm	8,000	8,000	0	

* excl. Japan and China

Total	300 mm	88,000	82,000	▲6,000	▲7%
	200 mm	524,000	492,000	▲32,000	▲6%
	150 mm	225,000	212,000	▲13,000	▲6%

(Source：SUMCO's estimation)

1Q-2025
Consolidated Business Result

Shinichi Kubozoe

Representative Director,
Executive Vice President,
Chief Financial Officer

5-1. Summary of Consolidated Business Result

(Billions of Yen)

	1Q-2024 Actual	4Q-2024 Actual	1Q-2025 Actual	Change	
				YoY	QoQ
Net sales	93.5	100.0	102.4	+8.9	+2.4
Operating profit	8.6	7.0	5.9	(2.7)	(1.1)
Non-operating income and expenses	0.5	4.4	(1.1)	(1.6)	(5.5)
Ordinary profit	9.1	11.4	4.8	(4.3)	(6.6)
Extraordinary income and losses	-	(5.8)	-	-	+5.8
Income taxes	(3.0)	(1.0)	(1.2)	+1.8	(0.2)
Profit attributable to non-controlling interests	(1.1)	(1.0)	(0.6)	+0.5	+0.4
Profit attributable to owners of parent	5.0	3.6	3.0	(2.0)	(0.6)
Capital expenditure (Acceptance basis)	76.2	47.1	32.7	(43.5)	(14.4)
Depreciation	17.8	22.8	22.7	+4.9	(0.1)
Operating depriciation	17.4	22.3	22.6	+5.2	+0.3
EBITDA (*1)	26.1	29.2	28.6	+2.5	(0.6)
Exchange rate (Yen/US$) (*2)	147.0	149.2	153.9	+6.9	+4.7
Operating margin (%)	9.3%	7.0%	5.8%	(3.4%)	(1.1%)
EBITDA margin (%)	27.9%	29.3%	28.0%	+0.1%	(1.3%)
ROE (%)	3.2%	1.9%	1.8%	(1.3%)	(0.1%)
Basic Earnings per share (Yen)	14.46	10.34	8.71	(5.75)	(1.63)

*1. EBITDA = Operating profit + Operating Depreciation + Amortization of Goodwill

*2. If the yen appreciates by 1 yen against the US dollar, operating profit of SUMCO will decrease by 1.2 billion yen per year

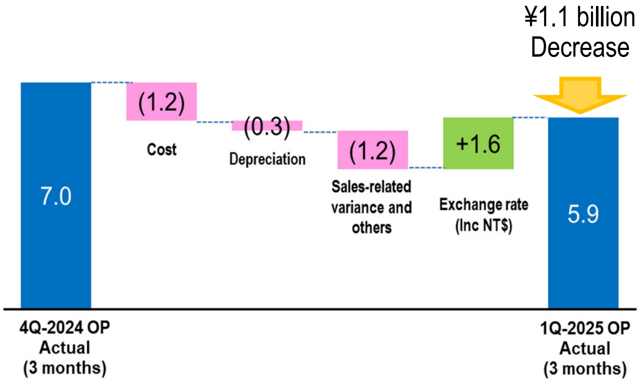
5-2. Analysis of Changes in Operating Profit

SUMCO

1. 4Q-2024 Actual → 1Q-2025 Actual

(Billions of Yen)

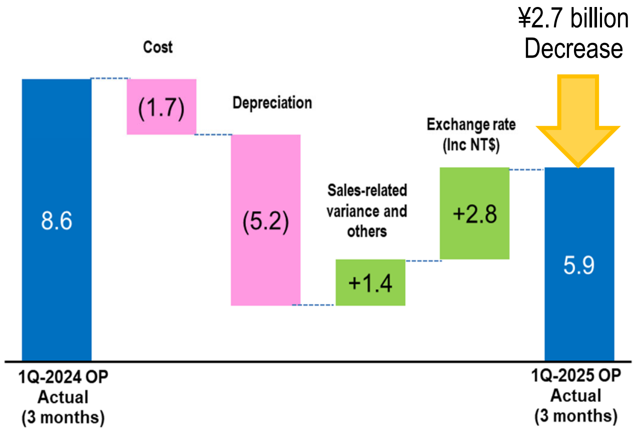
	4Q-2024 Actual	1Q-2025 Actual	Change
Net Sales	100.0	102.4	+2.4
Operating Profit	7.0	5.9	(1.1)
Exchange Rate (Yen/US$)	149.2	153.9	+4.7



2. 1Q-2024 Actual → 1Q-2025 Actual

(Billions of Yen)

	1Q-2024 Actual	1Q-2025 Actual	Change
Net Sales	93.5	102.4	+8.9
Operating Profit	8.6	5.9	(2.7)
Exchange Rate (Yen/US$)	147.0	153.9	+6.9



5-3. Balance Sheet and Cash-Flow (Consolidated)

SUMCO

1. Consolidated Balance Sheet

(Billions of Yen)

	End of Dec-2024	End of Mar-2025	Change
Cash and deposits	95.6	93.7	(1.9)
Notes and accounts receivable	92.5	87.9	(4.6)
Finished goods and WIP	54.7	53.3	(1.4)
Raw materials and supplies	178.5	180.6	+2.1
Tangible and intangible assets	699.6	695.8	(3.8)
Deferred tax assets	9.3	9.0	(0.3)
Other assets	42.4	41.0	(1.4)
Total Assets	1,172.6	1,161.3	(11.3)
Interest-bearing debt	353.9	363.8	+9.9
Other liabilities	161.5	150.9	(10.6)
Total Liabilities	515.4	514.7	(0.7)
Share capital	199.0	199.0	-
Capital surplus	85.5	85.5	-
Retained earnings	277.8	278.7	+0.9
Non-controlling interests etc.	94.9	83.4	(11.5)
Total Net Assets	657.2	646.6	(10.6)
Equity-to-asset ratio (%)	50.5%	50.5%	+0.0%
Net assets per share (Yen)	1,693.2	1,677.9	(15.2)
D/E ratio (gross)	0.60x	0.62x	+0.02x
D/E ratio (net)	0.44x	0.46x	+0.02x

2. Consolidated Cash-Flow

(Billions of Yen)

		1Q-2025 (3months)
	Profit before income taxes	4.8
	Depreciation	22.7
	Subtotal	27.5
	Decrease (increase) in inventories	(1.8)
	Others, net	1.0
Net cash provided by operating activities		26.7
	Capital expenditure (Acceptance basis)	(32.7)
	Others, net	(6.7)
Net cash used in investing activities		(39.4)
Free cash-flow		(12.7)
Cash flow from financing activities, etc.	Dividends paid	(2.1)
	Net proceeds from borrowings	16.4
	Effect of exchange rate change and others	(3.5)
Net increase (decrease) in cash and cash equivalents		(1.9)

2Q-2025 Consolidated Business Forecast

6-1. 2Q-2025 Consolidated Business Forecast

(Billions of Yen)

	2Q-2024 Actual (6 months)	2Q-2025 1Q ACT (3 months)	2Q-2025 2Q FCST (3 months)	2Q-2025 Total (6months)	Change
Net sales	198.2	102.4	100.0	202.4	+4.2
Operating profit	20.8	5.9	0.0	5.9	(14.9)
Non-operating income and expenses	(0.4)	(1.1)	(1.0)	(2.1)	(1.7)
Ordinary profit	20.4	4.8	(1.0)	3.8	(16.6)
Income taxes	(5.9)	(1.2)	(0.4)	(1.6)	+4.3
Profit attributable to non-controlling interests	(1.9)	(0.6)	(0.6)	(1.2)	+0.7
Profit attributable to owners of parent	12.6	3.0	(2.0)	1.0	(11.6)
Depreciation	35.9	22.7	27.5	50.2	+14.3
Operating depriciation	35.0	22.6	26.9	49.5	+14.5
EBITDA	55.8	28.6	26.9	55.5	(0.3)
Exchange rate (Yen/US$) (*1)	151.3	153.9	145.0	149.4	(1.9)
Operating margin (%)	10.5%	5.8%	0.0%	2.9%	(7.6%)
EBITDA margin (%)	28.2%	28.0%	26.9%	27.4%	(0.7%)
ROE (%)	4.2%	1.8%	(1.4%)	0.3%	(3.9%)
Basic Earnings per share (Yen)	36.07	8.71	(5.85)	2.86	(33.21)

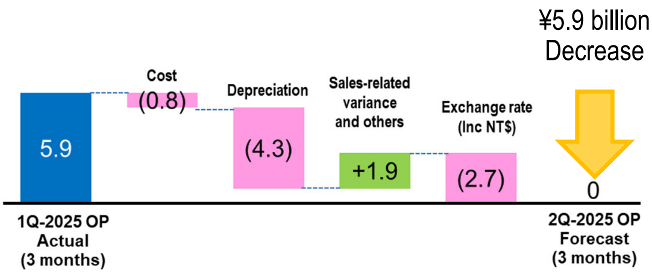
*1 . If the yen appreciates by 1 yen against the US dollar, operating profit of SUMCO will decrease by 1.2 billion yen per year.

6-2. Analysis of Changes in Operating Profit

1. 1Q-2025 Actual → 2Q-2025 Forecast

(Billions of Yen)

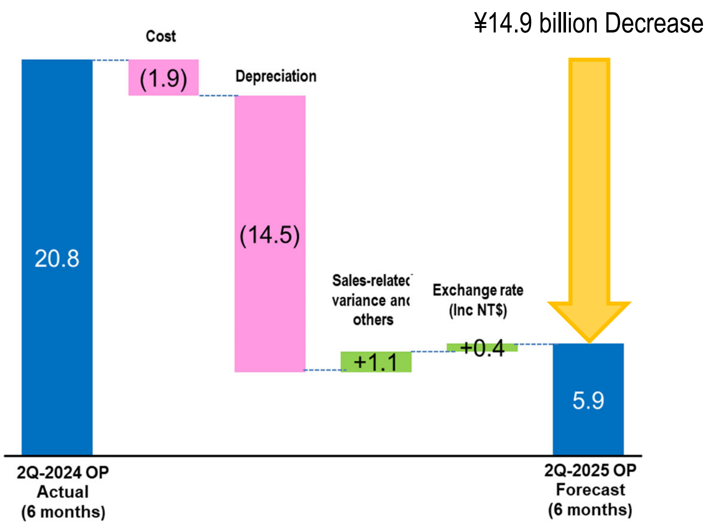
	1Q-2025 Actual	2Q-2025 Forecast	Change
Net Sales	102.4	100.0	(2.4)
Operating Profit	5.9	0.0	(5.9)
Exchange Rate (Yen/US$)	153.9	145.0	(8.9)



2. 2Q-2024 Actual (6 months) → 2Q-2025 Forecast (6 months)

(Billions of Yen)

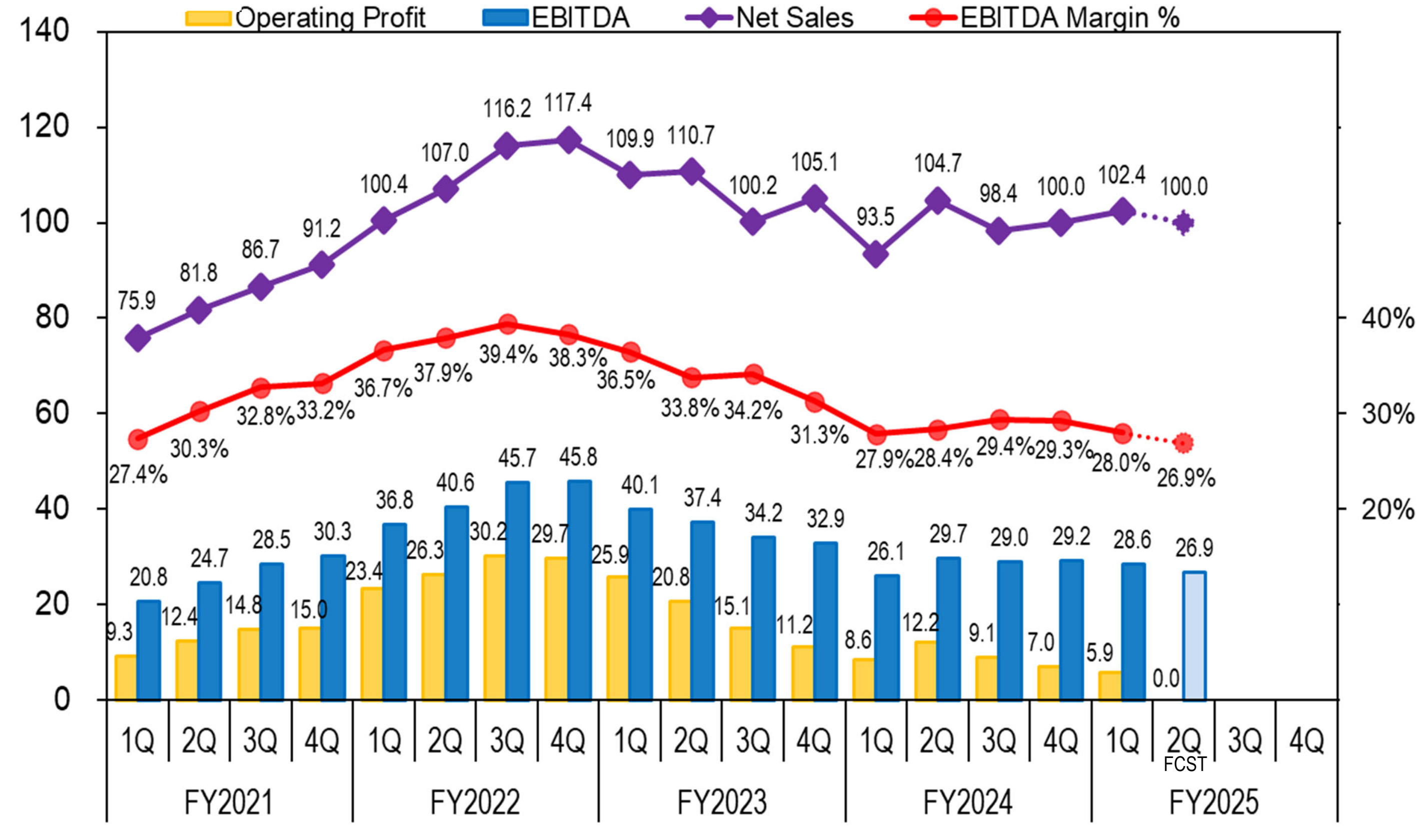
	2Q-2024 Act (6 months)	2Q-2025 Fcst (6 months)	Change
Net Sales	198.2	202.4	+4.2
Operating Profit	20.8	5.9	(14.9)
Exchange Rate (Yen/US$)	151.3	149.4	(1.9)



Reference Materials

Quarterly Trend

Unit: Billions of Yen



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