

Securities ID code: 6859

ESPEC CORP.
Financial Results for Q3 of FY2025
(Fiscal Year Ending March 31, 2026)

February 19, 2026
ESPEC CORP.

Financial Result for the Nine Months Ended December 31, 2025

- In terms of orders received in the AI semiconductor field, test demand remained firm in Japan, Southeast Asia, and Taiwan; in the satellite communications field, momentum from the first half subsided but demand remained firm in North America; in the EV and battery field, orders decreased as anticipated. On a cumulative basis through Q3, a high level was maintained and a new record high was achieved.
- Net sales were roughly unchanged from the same period last year, mainly because many of the orders we handled involved large-scale products and multi-unit projects with long delivery lead times.
- Profitability for custom products continued to improve, but profit declined year on year due to deterioration in profitability in the China market and laboratory testing services.

		Year on Year		Comparison with Forecasts (Revised on 2025/11/13)	
Orders Received	Increase	Orders increased in the Equipment Business (environmental test chambers) and the Other Business, while the Service Business declined due to a decrease in laboratory testing services.	Above	The Equipment Business and Other Businesses performed as expected, while the Service Business fell below expectations.	
Net Sales	Increase	In the Equipment Business, semiconductor-related equipment increased, but environmental test chambers decreased due to many long delivery lead-time projects, resulting in overall performance roughly unchanged from the same period last year. The Service Business was roughly unchanged from the same period last year due to a decrease in laboratory testing services, while other businesses increased.	In Line	The Equipment Business and other businesses decreased but are expected to be recorded in Q4. In the Service Business, laboratory testing services mainly decreased.	
Operating Profit	Decrease	Declines were due to deterioration in profitability in the China market and in laboratory testing services, as well as an increase in SG&A expenses.	Below	Results fell below expectations due to insufficient sales and deterioration in profitability in the China market and in laboratory testing services.	
Profit Attributable to Owners of Parent	Decrease	Profit decreased due to lower operating profit.	Below	Fell short due to lower operating profit.	

• Dividend forecast: Interim ¥45, Year-end ¥70, Annual ¥115

Summary of Profits and Losses

(Millions of yen)	FY2024 3Q Results	FY2025 3Q Results	Year on Year
Orders Received	50,920	55,241	+8.5%
Net Sales	46,297	47,101	+1.7%
Cost of Sales	29,486	30,564	+3.7%
Cost Ratio	63.7%	64.9%	+1.2pt
Gross Profit	16,811	16,536	-1.6%
SG&A	11,894	12,253	+3.0%
Operating Profit	4,917	4,282	-12.9%
Profit Ratio	10.6%	9.1%	-1.5pt
Ordinary Profit	5,213	4,571	-12.3%
Profit Attributable to Owners of Parent	3,845	3,321	-13.6%

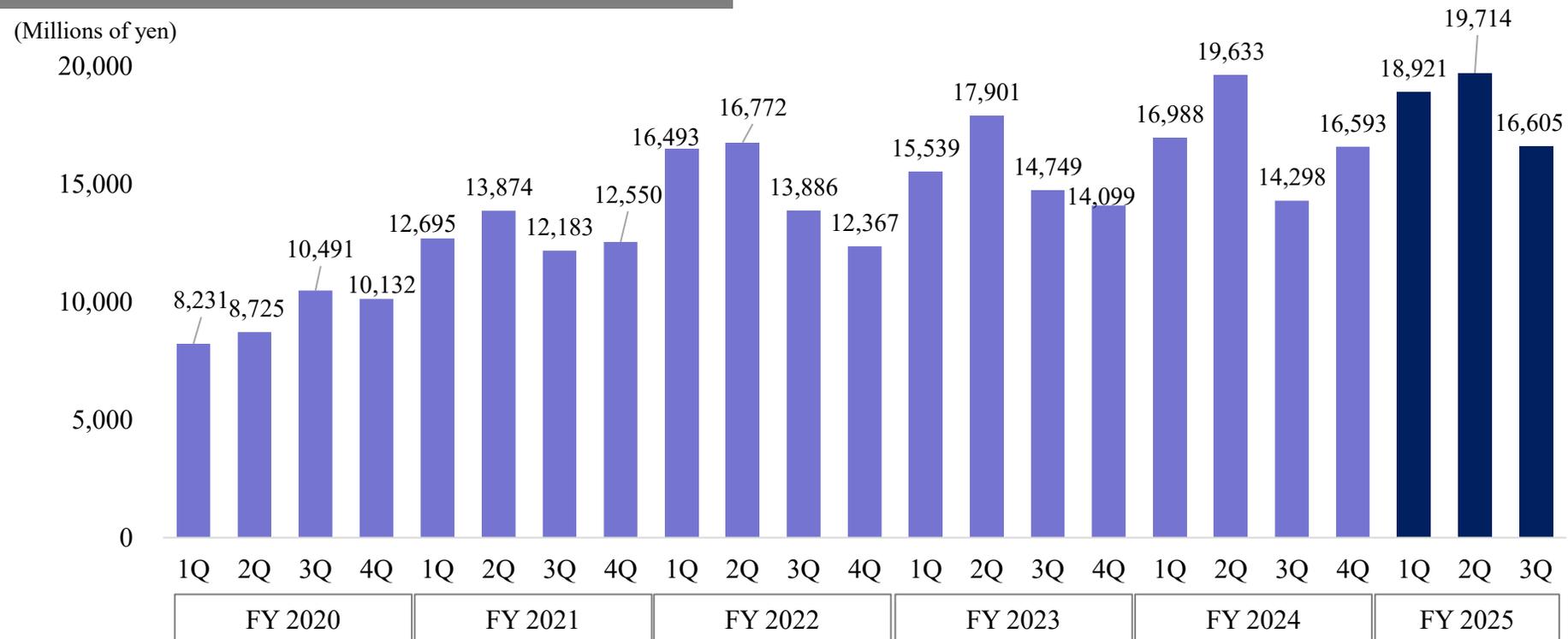
Performance by Segment

(Millions of yen)		FY2024 3Q Results	FY2025 3Q Results	Year on Year
Equipment Business	Orders Received	43,316	47,220	+9.0%
	Net Sales	39,923	40,134	+0.5%
	Operating Profit	4,349	4,074	-6.3%
Service Business	Orders Received	6,424	6,286	-2.1%
	Net Sales	5,750	5,710	-0.7%
	Operating Profit	563	119	-78.9%
Other Business	Orders Received	1,554	2,059	+32.5%
	Net Sales	929	1,626	+75.1%
	Operating Profit	14	87	+525.9%
Elimination	Orders Received	-375	-324	-
	Net Sales	-305	-370	-
	Operating Profit	-10	1	-
Total	Orders Received	50,920	55,241	+8.5%
	Net Sales	46,297	47,101	+1.7%
	Operating Profit	4,917	4,282	-12.9%

Trends in orders received per quarter

Orders received tend to be concentrated in the first half of the year. Although orders in Q3 decreased compared with Q1 and Q2, on a cumulative basis through Q3, AI semiconductor-related and satellite communications-related target markets remained firm allowing us to achieve a record high for the fifth consecutive year.

Trends in orders received per quarter

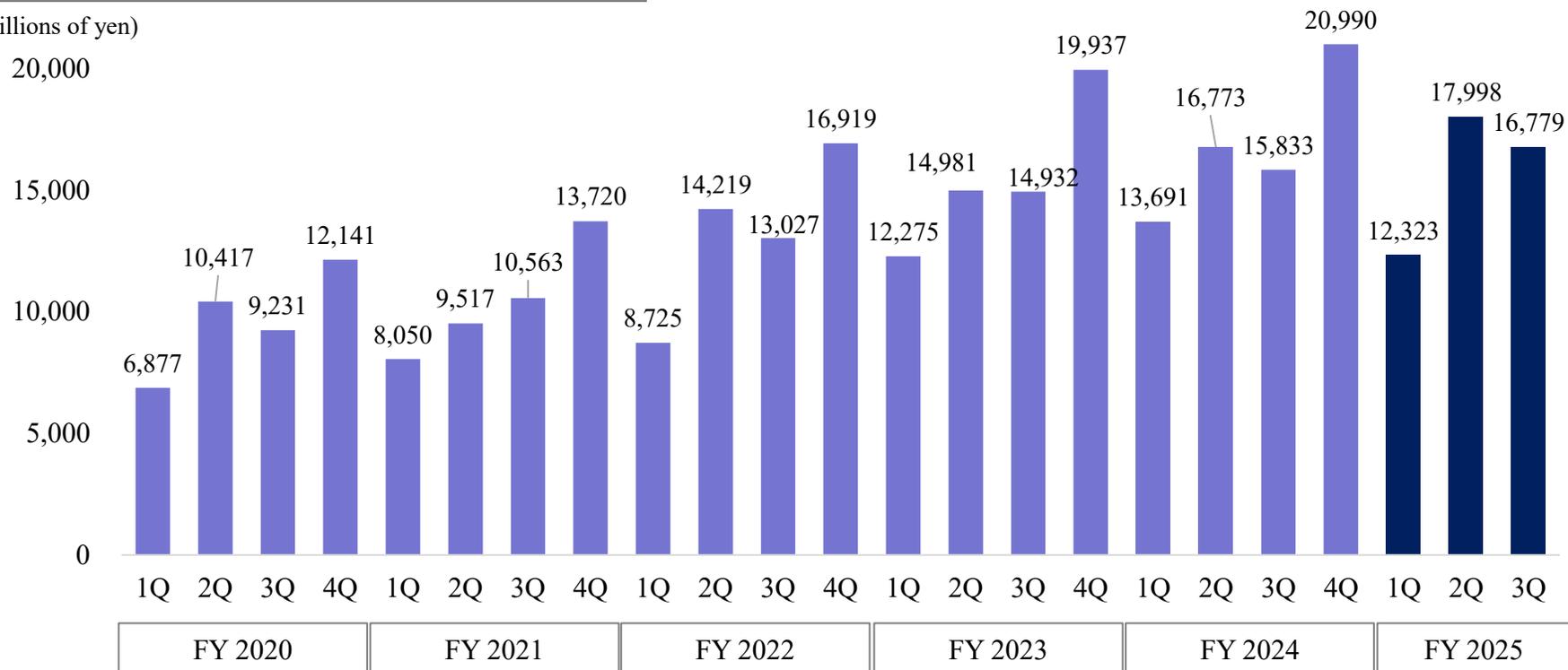


Trends in net sales per quarter

Net sales tend to be concentrated in Q2 and Q4. Net sales in Q3 decreased from Q2. Although orders received were firm, many projects involved large products or multiple units with long delivery times, resulting in cumulative sales through Q3 being roughly unchanged from the same period last year.

Trends in net sales per quarter

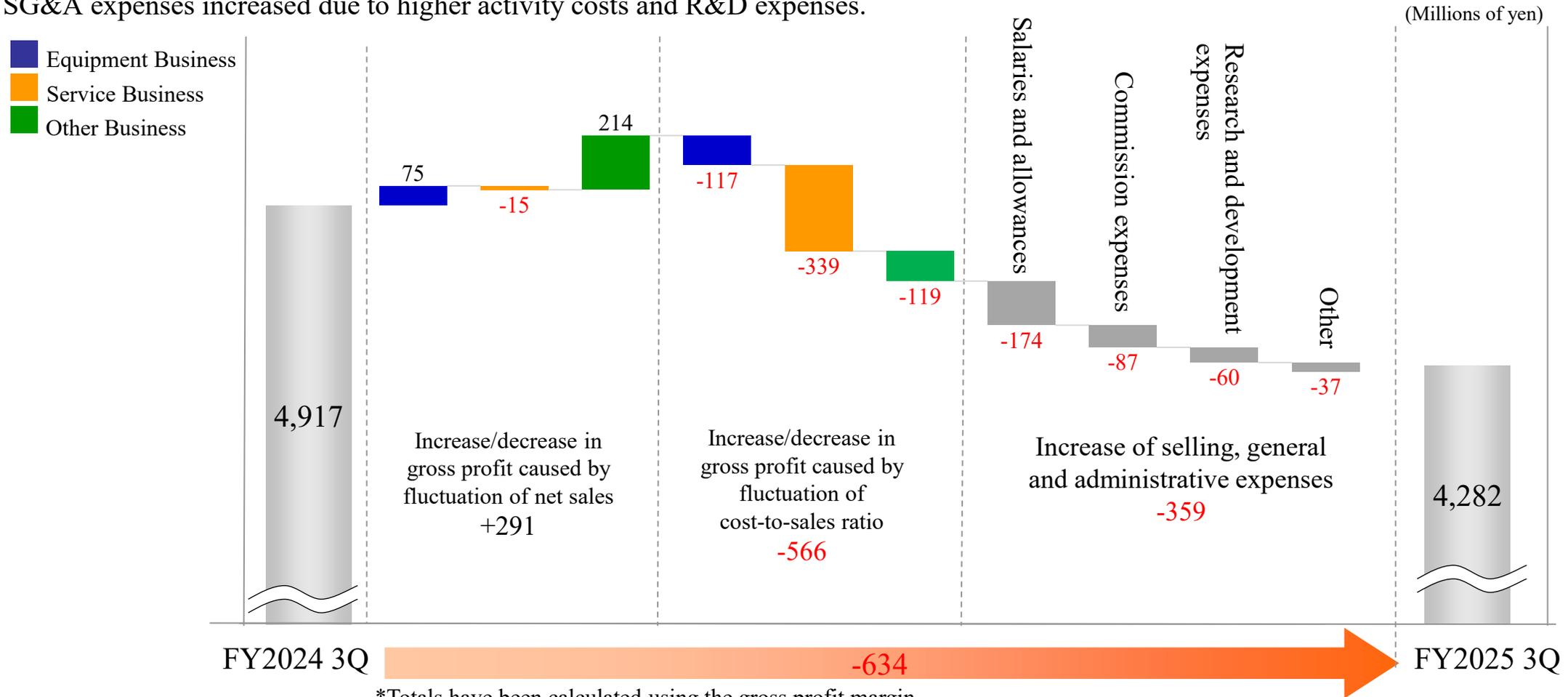
(Millions of yen)



Analysis of Operating Profit Increase and Decrease Factors

In the Equipment Business, improvements in profitability of custom products continued; however, profitability in the China market deteriorated due to intensifying competition.

The Service Business saw a decline in profits due to reduced revenue and rising depreciation expenses in laboratory testing services. SG&A expenses increased due to higher activity costs and R&D expenses.



Equipment Business

(Millions of yen)	FY2024 3Q Results	FY2025 3Q Results	Year on Year
Orders Received	43,316	47,220	+9.0%
Net Sales	39,923	40,134	+0.5%
Operating Profit	4,349	4,074	-6.3%
Profit Ratio	10.9%	10.2%	-0.7pt

Equipment Business

- In Japan, highly versatile standard products saw both orders received and net sales roughly unchanged from the same period last year. Custom products saw decreases in both orders received and sales year on year, mainly due to a pause in investment related to EV and battery applications.
- Overseas, orders received increased significantly in North America and Southeast Asia compared with last year, but net sales were roughly unchanged from the same period last year due to many long delivery lead-time projects.

Energy Device Equipment

- Investment in EV batteries has peaked, leading to a significant year-on-year decrease in orders received; however, sales were roughly in line with the previous year due to the recognition of sales from consolidated orders received in the prior period.

Semiconductor Equipment

- Orders received declined year on year, but net sales increased significantly due to recognizing revenue from a consolidated order for electronic components for AI servers.

Service Business

(Millions of yen)	FY2024 3Q Results	FY2025 3Q Results	Year on Year
Orders Received	6,424	6,286	-2.1%
Net Sales	5,750	5,710	-0.7%
Operating Profit	563	119	-78.9%
Profit Ratio	9.8%	2.1%	-7.7pt

After-Sales Service and Engineering

- Both preventive maintenance services and repair services remained solid, with increases in both orders received and net sales year on year.

Laboratory Testing Services and Facility Rentals

- Orders received and net sales both decreased year on year due to restrained investment and changes in development plans associated with slowing EV demand.

Other Business

(Millions of yen)	FY2024 3Q Results	FY2025 3Q Results	Year on Year
Orders Received	1,554	2,059	+32.5%
Net Sales	929	1,626	+75.1%
Operating Profit	14	87	+525.9%
Profit Ratio	1.5%	5.4%	+3.9pt

Environmental Conservation, Plant Production Systems

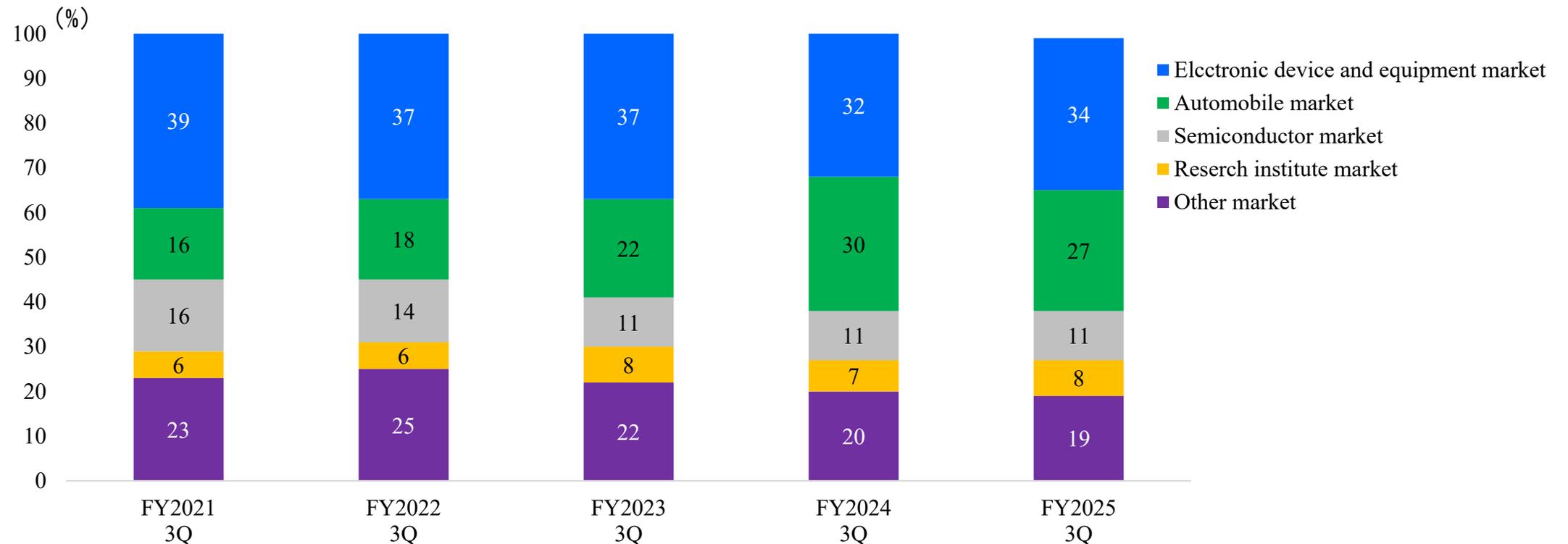
- We secured a large plant factory project, and forest development projects also remained strong.

Sales by Market

In the electronic device and equipment market, testing demand related to AI semiconductors increased, raising the sales share.

In the automobile market, investment related to EVs and batteries has paused, resulting in a lower sales share.

Non-consolidated (Equipment Business)

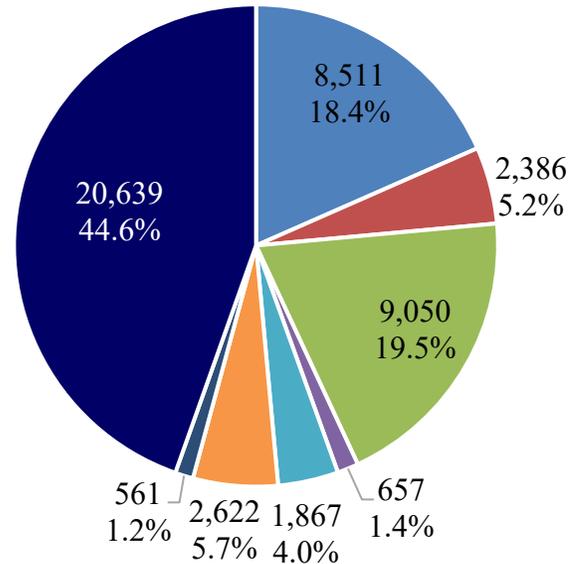


Sales by Region

Sales increased in Japan, North America, Taiwan, and Southeast Asia and India, while China was roughly unchanged from the same period last year.

FY2024 3Q

Overseas sales ratio : 55.4%



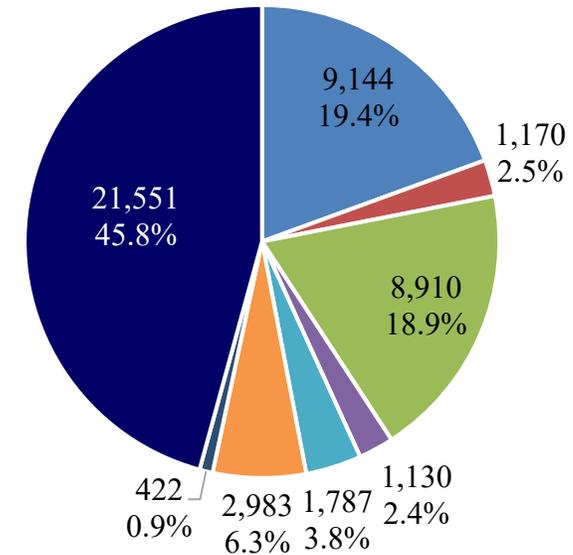
Total: 46,297 million yen

Overseas sales: 25,658 million yen

FY2025 3Q

Overseas sales ratio : 54.2%

- North America
- Europe
- China
- Taiwan
- South Korea
- Southeast Asia & India
- Other
- Japan



Total: 47,101 million yen

Overseas sales: 25,549 million yen

Forecasts for FY2025

On a cumulative basis through Q3, profitability fell below expectations due to deterioration in profitability in the China market and in laboratory testing services, as well as an increase in SG&A expenses; however, we are working to improve performance by steadily executing and monetizing the order backlog.

(Millions of yen)	FY2024	FY2025			
	Full year results	3Q cumulative Results	Forecasts (revised on 2025/11/13)		
			4Q	Full year	Year on year
Orders received	67,514	55,241	13,759	69,000	+2.2%
Net sales	67,288	47,101	20,899	68,000	+1.1%
Gross profit	23,987	16,536	7,664	24,200	+0.9%
Profit ratio	35.6%	35.1%	36.7%	35.6%	±0pt
SG&A	16,460	12,253	4,347	16,600	+0.8%
SG&A ratio	24.5%	26.0%	20.8%	24.4%	-0.1pt
Operating profit	7,526	4,282	3,318	7,600	+1.0%
Profit ratio	11.2%	9.1%	15.9%	11.2%	±0pt
Ordinary profit	7,793	4,571	3,179	7,750	-0.6%
Profit ratio	11.6%	9.7%	15.2%	11.4%	-0.2pt
Profit attributable to owners of parent	6,003	3,321	2,479	5,800	-3.4%
Profit ratio	8.9%	7.1%	11.9%	8.5%	-0.4pt
Basic earnings per share (yen)	274.97	152.10	113.93	266.03	-3.3%
ROE	11.0%	-	-	10.0%	-1.0pt

Segment Financial Forecasts

		FY2024	FY2025			
		Full year results	3Q cumulative results	Forecasts (revised on 2025/11/13)		
				4Q	Full year	Year on year
(Millions of yen)						
Equipment Business	Orders received	57,283	47,220	11,420	58,640	+2.4%
	Net sales	57,507	40,134	17,426	57,560	+0.1%
	Operating profit	6,610	4,074	2,906	6,980	+5.6%
	Profit ratio	11.5%	10.2%	16.7%	12.1%	+0.6pt
Service Business	Orders received	8,532	6,286	2,234	8,520	-0.2%
	Net sales	8,425	5,710	2,930	8,640	+2.5%
	Operating profit	793	119	381	500	-37.0%
	Profit ratio	9.4%	2.1%	13.0%	5.8%	-3.6pt
Other Business	Orders received	2,170	2,059	281	2,340	+7.8%
	Net sales	1,758	1,626	674	2,300	+30.8%
	Operating profit	126	87	33	120	-5.5%
	Profit ratio	7.2%	5.4%	4.9%	5.2%	-2.0pt
Elimination	Orders received	-472	-324	-176	-500	-
	Net sales	-403	-370	-130	-500	-
	Operating profit	-4	1	-1	0	-
Total	Orders received	67,514	55,241	13,759	69,000	+2.2%
	Net sales	67,288	47,101	20,899	68,000	+1.1%
	Operating profit	7,526	4,282	3,318	7,600	+1.0%
	Profit ratio	11.2%	9.1%	15.9%	11.2%	±0pt

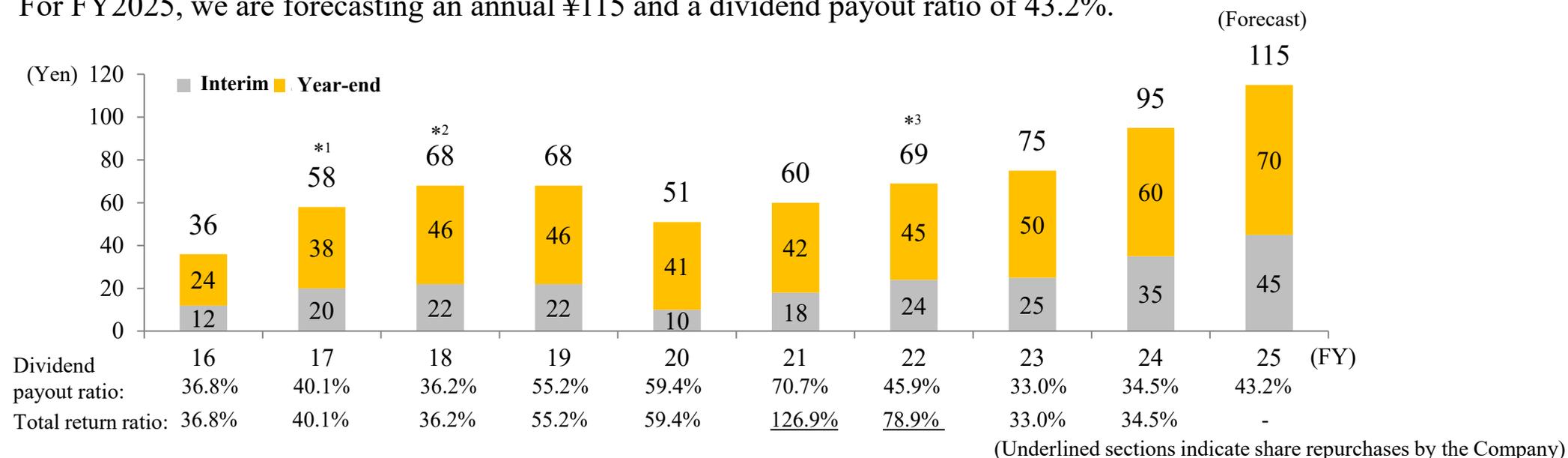
Shareholder Return Policy and FY2025 Dividend Forecast

Shareholder Return Policy

Set the consolidated dividend payout ratio at 40% or more, and flexibly carry out acquisition of treasury shares. During the period of the Medium-Term Management Plan PROGRESSIVE PLUS 2027 (FY2025–2027), the total return ratio cumulative over the three-year period will be 50% or more, and no dividend reductions will be made.

Dividend per Share and Dividend Payout Ratio/Total Return Ratio

For FY2025, we are forecasting an annual ¥115 and a dividend payout ratio of 43.2%.



*1. Includes a dividend of ¥2 (interim dividend of ¥1 and year-end dividend of ¥1) to commemorate the 70th anniversary of our foundation in FY2017.

*2. FY2018 was an irregular 15-month fiscal period for overseas consolidated subsidiaries. The dividend payout ratio for a 12-month period is 39% (reference).

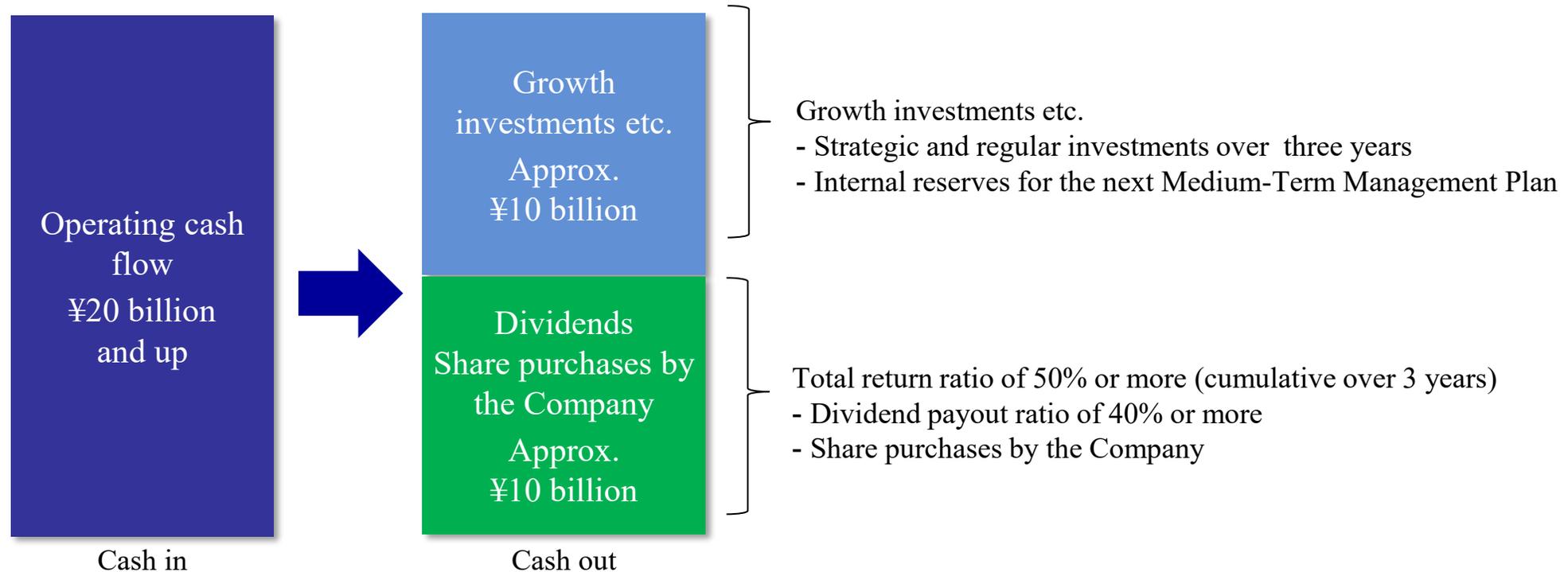
*3. Includes a dividend of ¥4 (interim dividend of ¥2 and year-end dividend of ¥2) to commemorate the 75th anniversary of our foundation in FY2022.

Financial Capital Strategy (FY2025 - FY2027)

Cash Allocation Policy

Proactively allocate cash generated over three years to growth investments and shareholder returns

- Implement shareholder returns with a total return ratio of 50% (cumulative over 3 years) or more through dividends and share purchases by the Company



[Cash Allocation Image]

Implementation of share repurchases (disclosed on November 13, 2025)

In line with our shareholder return policy, on November 13, 2025, the Company announced its basic policy regarding the acquisition and cancellation of treasury shares.

- Acquisition of treasury shares

 - Maximum shares to be acquired: 900,000 (4.05% of total shares outstanding)

 - Maximum acquisition amount: ¥3.5 billion

 - Acquisition period: November 14, 2025 to July 31, 2026

 - Method of acquisition: Market purchases on the Tokyo Stock Exchange

- Basic policy on treasury share cancellation

 - The upper limit on treasury share holdings is set at approximately 10% of total shares outstanding, and in principle, any portion exceeding this limit will be cancelled.

Main Initiatives in FY2025

Equipment Business

- Converting order backlog into sales, strengthening sales of standard products, and continuing to improve profitability for custom products.
- Development and expanded sales of high value-added products that meet testing needs in target markets.

Service Business

After-sales service: Reviewing service fees and reducing costs through improved utilization.

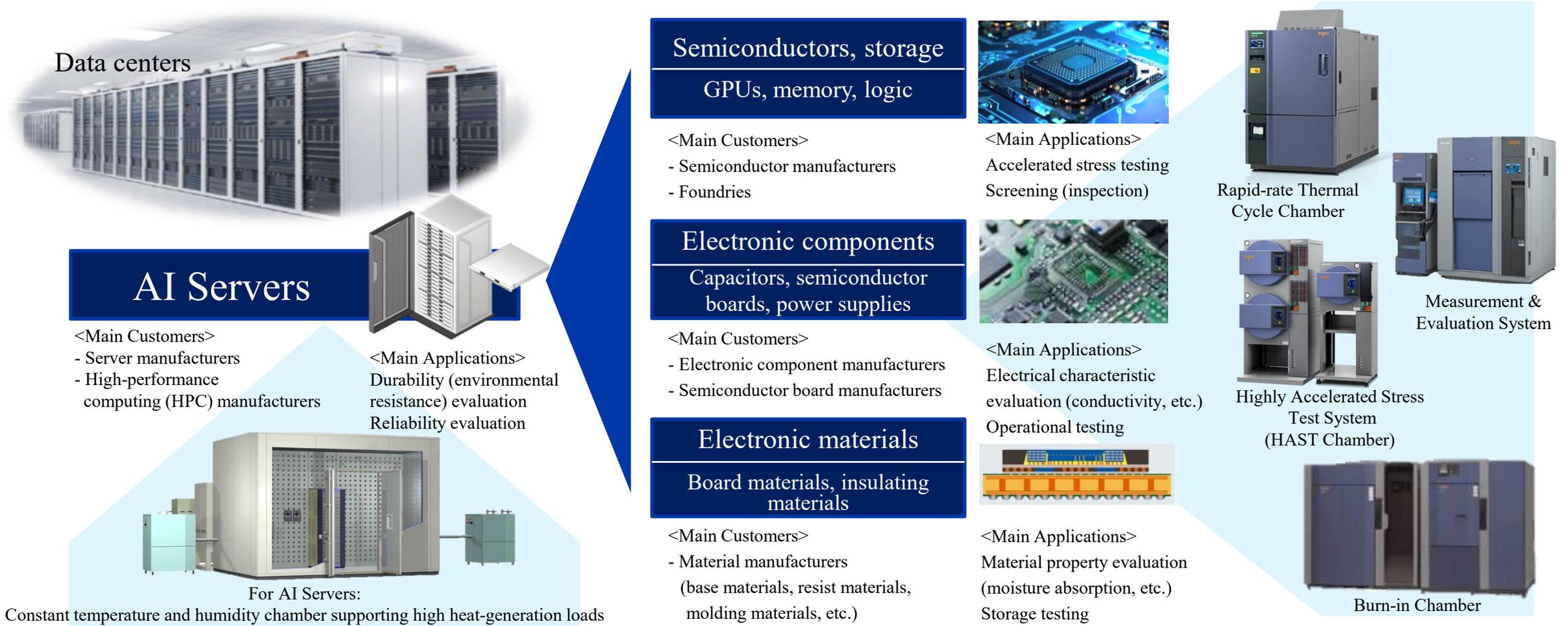
Laboratory testing services: Expanding orders for electrification and autonomous driving modules, as well as aerospace-related equipment.

Area Strategy

- Japan: Strengthen sales activities in the AI semiconductor and autonomous driving fields, acquisition of replacement demand.
- U.S. : Strengthening sales in satellite communications and increasing production capacity to translate strong orders into revenue.
- China: Improving profit levels through competitive product launches and stronger sales efforts in semiconductor and communications fields.

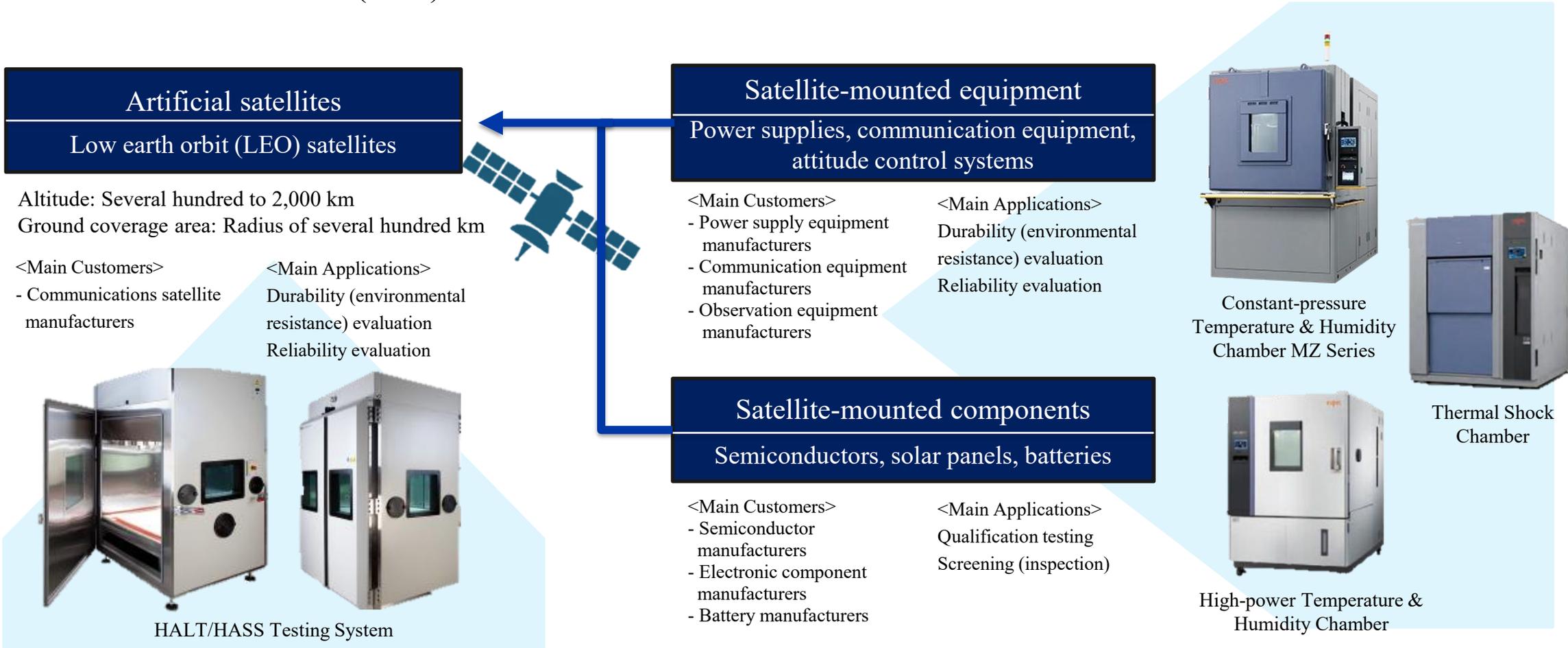
AI Semiconductor Market: Applications for Environmental Test Chambers

As generative AI spreads throughout society, demand is increasing for environmental testing aimed at evaluating the reliability of AI servers and the semiconductors, storage devices, electronic components, and electronic materials that comprise them.



Satellite Communications Market: Applications for Environmental Test Chambers

In the field of commercial satellite communications technology led by private operators, demand is increasing for environmental testing to evaluate the reliability of communication equipment, semiconductors, and electronic components installed in low earth orbit (LEO) satellites and other artificial satellites.



Main ESG Initiatives in FY2025

■ E for Environment

- Advancing the 8th Mid-Term Plan on the Environment (FY2022 - FY2025)
- Global warming measures:
 - Transitioning to low-GWP refrigerants and reducing CO₂ emissions from manufacturing and other operations.
- Biodiversity conservation activities:
 - Contributing through environmental preservation projects and promoting conservation initiatives such as the ESPEC's 50-Year Forest.
 - Disclosure of natural capital-related information based on TNFD recommendations.

■ S for Society

- Advancing human capital strategies and implementing a new personnel evaluation system.
- Strengthening internal communication, establishing a health-management declaration and policy, and conducting engagement surveys.
- Developing women leaders (female manager ratio at 9.8% in April 2025) and promoting and supporting stable employment of persons with disabilities.
- Introduction of incentive plans for employees
(August 2025 for the employee stock ownership association; February 2026 for the management support staff level).

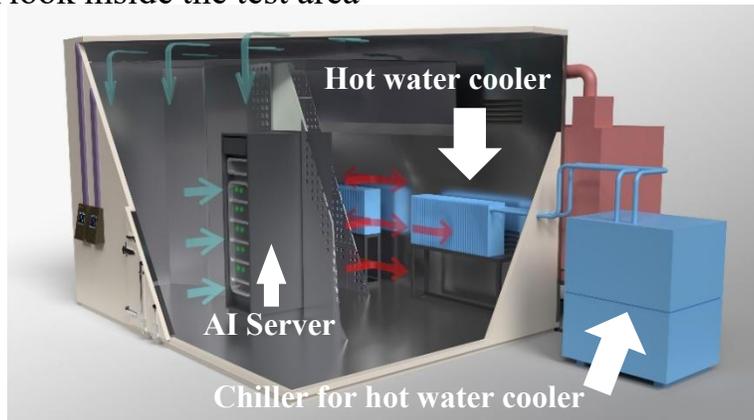
■ G for Governance

- Rebuilding the Business Continuity Plan (BCP).
- Established a human rights policy.

Walk-in Temperature & Humidity Chamber for High Heat-generation Loads

- In December 2025, we launched two models designed to handle high heat-generation loads for AI server reliability testing.
- Our proprietary control system provides precise temperature and humidity control to support heat-generation loads of 30 kW and 60 kW generated by servers.
- Enables testing compliant with ASHRAE standards used for server reliability evaluation.

<A look inside the test area>



By combining a conventional air-conditioning system with a hot-water cooler, the system handles heat-generation loads over 60 kW even in humid conditions.



Walk-In Temperature & Humidity Chamber

New Products for AI Semiconductor and Autonomous Driving Markets

Highly Accelerated Stress Test System (HAST Chamber)

EHS-222M-L

- In October 2025, we added the EHS-222M-L model, which supports testing of large substrates, to the Highly Accelerated Stress Test System (HAST Chamber) lineup.
- Capable of evaluating a large number of samples in a single test.
- Contributes to shorter development cycles and higher reliability for electronic components.



Highly Accelerated Stress Test System
EHS-222M-L

Rapid-Rate Thermal Cycle Chamber

TCC-151W-20

- In April 2025, a high-performance model capable of controlling specimen temperature at 20 K/min was added to the lineup of rapid-rate thermal cycle chambers
- Complies with international standards such as semiconductor package reliability test standards and standards for electronics and automotive markets, and comes standard with low-GWP* refrigerant “R-449A”



Rapid-Rate Thermal Cycle Chamber
TCC-151W-20

* Metric for expressing the warming potential of greenhouse gases relative to carbon dioxide. The smaller the value, the lower the environmental impact.

Start of “Aichi Next-Generation Mobility Test Lab” service Responding to testing demand for automotive batteries and EV/automation modules

■ Aichi xEV Battery Safety Test & Certification Center

- Opened in February 2025 as one of Japan’s largest dedicated automotive battery testing facilities
- Equipped with state-of-the-art testing systems to support larger and higher-capacity automotive batteries
- Supports various testing standards such as the UN ECE-R100 regulation for safety testing



Aichi xEV Battery Safety Test & Certification Center

■ Toyota Test Center

- Expanded functions of the Toyota Testing Center, the Company’s largest integrated test center (service began in April 2025)
- Supports the larger size of test samples such as e-Axles, PCUs, and ECUs
- Newly enhanced services to recreate usage environments for EV/automation modules under operating conditions for evaluation and measurement



Toyota Test Center

External Recognition

■ ESG-Related Evaluations

- Included in the ESG index “FTSE Blossom Japan Sector Relative Index”
Included in the ESG index “S&P/JPX Carbo Efficient Index”
- Rated “B” score for the sixth consecutive year in the CDP Climate Change Survey,
Water Security receives “B-” score for second consecutive year
Selected as Supplier Engagement Leader for three consecutive years, the Top Rank in the Supplier Engagement Ratings
- Selected for the second consecutive year as an Asia-Pacific Climate Leader by the Financial Times in the UK and German data provider Statista
- Received a 3.5-star rating in the NIKKEI Sustainable Management Survey, SDGs Edition
- Received a 3-star rating in the NIKKEI Sustainable Management Survey, Smart Work Edition
- The Kobe R&D Center received the Minister of Economy, Trade and Industry’s Award as the National Award for Greenery Factory
- Received the Platinum Kurumin certification from the Minister of Health, Labour and Welfare as a company supporting child-raising.
- Earned the “Three Star Certification” under the “Osaka City Leading Company in Women’s Participation” and also certified as a “Company Promoting Ikumen”

■ IR Website Evaluations

- Awarded a Silver Prize in the Gomez IR Website Ranking (5th in its industry)
- Awarded as an excellent company in the Gomez ESG Website Ranking
- Selected as a Commendation Award of the Internet IR Award of Daiwa IR
- Selected as a “GRADE AAA” company website in the Nikko Investor Relations’ All-Japanese Listed Companies’ Website Ranking



These materials contain forward-looking statements, including the Company's present plans and forecasts of performance, that reflect the Company's plans and forecasts based on the information presently available. These forward-looking statements are not guarantees of future performance, and plans, forecasts, and performance are subject to change depending on future conditions and various other factors.

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Quality is more than a word

ESPEC