

February 4, 2026

ROHM Co., Ltd. FY2025 Q3 Presentation Q&A

No.1	Q.	Within the revised plan (February), what is the breakdown of the amounts for SiC quality assurance costs, increased material costs, and write-downs?
	A.	Quality assurance costs amounted to ¥4.2 billion in Q3 and are expected to be ¥2.0 billion in Q4. A write-down of ¥1.7 billion is expected in Q4 for specific SiC substrates. Furthermore, other write-downs of ¥2.6 billion are projected for Q4. These factors are one-off; notably, the total ¥6.2 billion in quality assurance costs are not expected to recur. There will be no additional negative impact on material costs.
No.2	Q.	Why were SiC-related quality assurance costs recorded in 2H of this fiscal year?
	A.	Amidst the rapid expansion of the automotive inverter business, adjustments were needed to meet customer specifications before and after mass production commenced, incurring additional costs.
No.3	Q.	Are SiC devices for which quality assurance costs have been incurred mainly for the 4th generation?
	A.	The issue occurred with 4th generation devices manufactured on 6-inch wafers, but the devices themselves had no quality problems.
No.4	Q.	For customers in which region did the SiC quality assurance costs occur? Could they occur again in the future?
	A.	The issue originated from businesses with customers in Europe and China. Going forward, we expect the problem to be temporary and conclude within this fiscal year, as we will transition to high-yield 5th generation and 8-inch and have established a warranty system based on this experience.
No.5	Q.	What are the background factors behind the significant adjustment to the external sales business for SiC substrates, and what is the outlook for the next fiscal year?
	A.	This was due to order cancellations caused by customer inventory adjustments. However, there is no need to return the cash received as advance payments, and profits equivalent to sales have been secured. There are no prospects for resuming external sales next fiscal year either, and SiCrystal (Germany) plans to focus on producing 8-inch substrates for its own use.
No.6	Q.	Is there a downside risk to next fiscal year's sales for the SiC business relative to the Medium-Term Management Plan?
	A.	Even without external sales of SiC substrates, sales of SiC devices remain strong, particularly in the automotive market for Europe. We forecast that next fiscal year's SiC business sales will increase by 30-40% compared to the current fiscal year. The downside risk associated with adjustments to external SiC substrate sales is expected to be offset.
No.7	Q.	Regarding the top-line outlook, what are the risks and market conditions, for instance due to memory shortages?
	A.	Memory shortages could pose a significant risk for cameras and in-vehicle navigation/audio systems, potentially having a major impact on our company where automotive applications account for 50% of sales. Conversely, the AI server segment is performing well, showing signs of reaching ¥50 billion in sales by 2030 – exceeding our projections.
No.8	Q.	How much impact from price increases can be expected to offset the rising costs associated

	<p>with the surge in gold prices in the next fiscal year?</p> <p>A. In price negotiation discussions, we have reached agreement with 70% of customers, with an estimated recovery of approximately ¥5 billion expected in the next fiscal year. Whilst gold prices have risen further recently, rather than engaging in further price negotiations, we are promoting the replacement of gold with copper.</p>
No.9	<p>Q. What is the progress of discussions with Toshiba? What is the impact on reorganization of manufacturing sites in the Medium-Term Management Plan, and what is the future timeline?</p> <p>A. Discussions with Toshiba are in their final stages, but we will not accept unfavorable terms simply because we are in a hurry. To prevent loss of opportunities, we aim to reach a conclusion with Toshiba before this fiscal year's full-year results announcement. Currently, we are advancing plans we can execute independently, and reorganization plans are progressing both domestically and overseas, including the conversion from 6-inch to 8-inch lines.</p>