Securities ID code: 6859

ESPEC CORP.

Financial Results for Q2 of FY2026
(Fiscal Year Ending March 31, 2027)

November 20, 2026
President
Satoshi Arata

FY2026 1H Financial Summary

- Full-year forecasts for orders received and net sales revised upward; profit forecasts unchanged. Aim to achieve initial profit forecasts, with the Equipment Business offsetting the decline in the Service Business.
- First-half orders received reached a record high, expanding across regions, led by AI semiconductors and satellite communications, the target markets of the medium-term management plan, with substantial increases year on year and compared with initial forecasts.
- First-half net sales increased year on year but fell slightly short of initial forecasts due to long delivery lead-time projects, including large projects and bulk orders for multiple units.
- First-half operating profit, despite growth in orders received driving up SG&A expenses, increased year on year mainly due to higher net sales, but fell short of initial forecasts mainly due to lower net sales from laboratory testing services.

	Year on Year		Comparison with Initial Forecasts	
Orders Received	Increase	Orders received increased in the Equipment Business (all product groups) and the Other Business, but decreased in the Service Business (laboratory testing services).	Above	Orders received exceeded initial forecasts in the Equipment Business (mainly environmental test chambers and semiconductor-related equipment) and the Other Business, but fell short in laboratory testing services in the Service Business.
Net Sales	Increase	Net sales increased in the Equipment Business (environmental test chambers and energy device equipment), but decreased in the Service Business (laboratory testing services) and the Other Business.	Unchanged	Net sales in the Equipment Business fell slightly short of initial forecasts due to long delivery lead-time projects, including large projects and bulk orders for multiple units; the Service Business and the Other Business also fell short.
Operating Profit	Increase	Operating profit increased in the Equipment Business due to higher net sales, decreased in the Service Business due to lower net sales from laboratory testing services, and decreased in the Other Business.	Below	Fell short of initial forecasts due to lower net sales in the Equipment Business and the Service Business.
Profit Attributable to Owners of Parent	Increase	Profit increased due to a gain on the sale of fixed assets associated with the relocation of a domestic subsidiary and higher operating profit, despite recognition of an impairment loss associated with the consolidation of facilities for laboratory testing services.	Below	Fell short due to lower-than-expected operating profit.

■ Shareholder returns Dividend Forecast: interim ¥45, year-end ¥70, annual ¥115; Dividend payout ratio: 40.6%
Share Repurchases by the Company: November 14, 2025–July 30, 2026: repurchases of 900,000 shares for ¥3.2 billion completed.
Announced a repurchase authorization for August 7, 2026–July 31, 2027: up to 1.3 million shares (6.07% of total shares outstanding) and up to ¥6.0 billion.

Forecasts for FY2026

(Millions of yen)	FY2025 Full Year Results	FY2026 Initial Forecasts 1H	FY2026 Initial Forecasts 2H	FY2026 Initial Forecasts Full Year	FY2026 1H Results	FY2026 Forecasts (Revised on Nov. 12) 2H	FY2026 Forecasts (Revised on Nov. 12) Full Year	FY2026 Forecasts (Revised on Nov. 12) Year on Year
Orders Received	72,596	35,800	34,200	70,000	46,582	36,417	83,000	+14.3%
Net Sales	70,034	33,800	39,200	73,000	32,751	42,249	75,000	+7.1%
Cost of Sales Cost Ratio	45,739 65.3%	21,650 64.1%	24,950 63.6%	46,600 63.8%	21,159 64.6%	26,990 63.9%	48,150 64.2%	+5.3% -1.1pt
Gross Profit Profit Ratio	24,295 34.7%	12,150 35.9%	14,250 36.4%	26,400 36.2%	11,591 35.4%	15,259 36.1%	26,850 35.8%	+10.5% +1.1pt
SG&A SG&A Ratio	17,210 24.6%	9,000 26.6%	9,400 24.0%	18,400 25.2%	8,751 26.7%	10,098 23.9%	18,850 25.1%	+9.5% +0.5pt
Operating Profit Profit Ratio	7,084 10.1%	3,150 9.3%	4,850 12.4%	8,000 11.0%	2,839 8.7%	5,160 12.2%	8,000 10.7%	+12.9% +0.6pt
Ordinary Profit Profit Ratio	7,473 10.7%	3,250 9.6%	4,850 12.4%	8,100 11.1%	3,032 9.3%	5,068 12.0%	8,100 10.8%	+8.4% +0.1pt
Profit Attributable to Owners of Parent Profit Ratio	5,879 8.4%	2,300 6.8%	3,580 9.1%	5,880 8.1%	2,024 6.2%	3,856 9.1%	5,880 7.8%	+0.0% -0.6pt
Basic Earnings per Share (yen)	270.39	107.63	167.54	275.17	96.10	187.21	283.31	+4.8%
ROE	10.0%	—	—	10.0%	-	-	10.0%	±0

Revisions to FY2026 Forecasts by Segment

(Millions of yen)		FY2025	FY2026	FY2026			
		Full year results	Full Year Initial Forecasts	1H results	Forecasts (Revised on Nov. 12)		
					2H	Full Year	Year on Year
Equipment Business	Orders received	62,216	59,450	40,870	31,579	72,450	+16.4%
	Net sales	59,468	62,550	28,753	36,646	65,400	+10.0%
	Operating profit	6,606	7,070	2,937	4,822	7,760	+17.5%
	Profit ratio	11.1%	11.3%	10.2%	13.2%	11.9%	+0.8pt
Service Business	Orders received	8,294	9,200	4,198	4,201	8,400	+1.3%
	Net sales	8,327	9,150	3,645	4,654	8,300	-0.3%
	Operating profit	228	840	-36	186	150	-34.3%
	Profit ratio	2.7%	9.2%	-1.0%	4.0%	1.8%	-0.9pt
Other Business	Orders received	2,529	1,900	1,786	913	2,700	+6.8%
	Net sales	2,747	1,850	584	1,265	1,850	-32.7%
	Operating profit	239	90	-60	150	90	-62.4%
	Profit ratio	8.7%	4.9%	-10.3%	11.9%	4.9%	-3.8pt
Elimination	Orders received	-442	-550	-273	- 276	- 550	-
	Net sales	-507	-550	-233	- 317	- 550	-
	Operating profit	10	0	-1	2	0	-
Total	Orders received	72,596	70,000	46,582	36,417	83,000	+14.3%
	Net sales	70,034	73,000	32,751	42,249	75,000	+7.1%
	Operating profit	7,084	8,000	2,839	5,160	8,000	+12.9%
	Profit ratio	10.1%	11.0%	8.7%	12.2%	10.7%	+0.6pt

FY2026 1H Summary of Profits and Losses

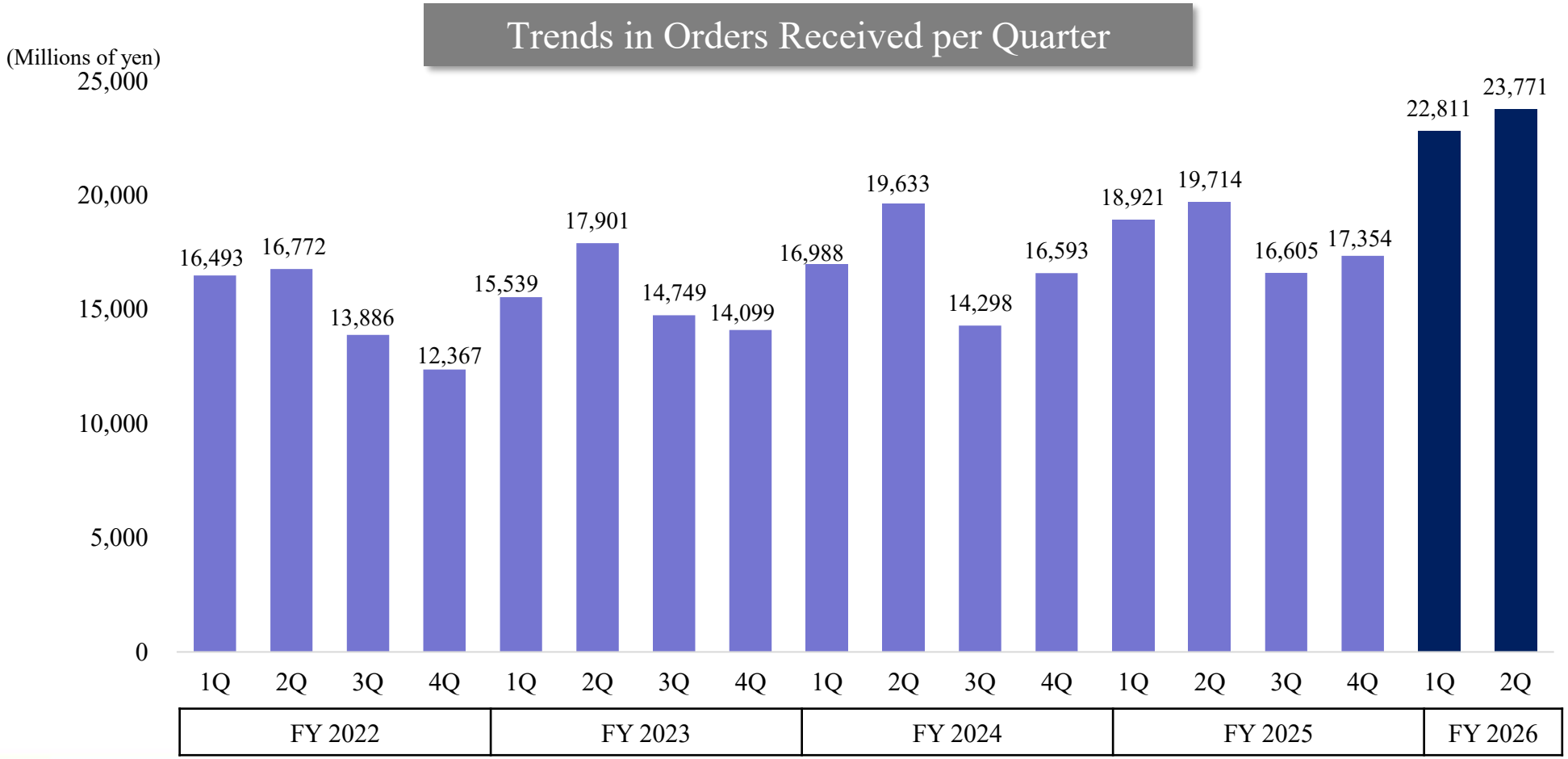
(Millions of yen)	FY 2025 1H Results	FY 2026 1H Forecasts	FY 2026 1H Results	Year on Year	Comparison with Initial Forecasts
Orders Received	38,636	35,800	46,582	+20.6%	+30.1%
Net Sales	30,322	33,800	32,751	+8.0%	-3.1%
Cost of Net Sales	19,767	21,650	21,159	+7.0%	-2.3%
Cost Ratio	65.2%	64.1%	64.6%	-0.6pt	+0.5pt
Gross Profit	10,554	12,150	11,591	+9.8%	-4.6%
Profit Ratio	34.8%	35.9%	35.4%	+0.6pt	-0.5pt
SG&A	7,947	9,000	8,751	+10.1%	-2.8%
SG&A Ratio	26.2%	26.6%	26.7%	+0.5pt	+0.1pt
Operating Profit	2,607	3,150	2,839	+8.9%	-9.9%
Profit Ratio	8.6%	9.3%	8.7%	+0.1pt	-0.6pt
Ordinary Profit	2,704	3,250	3,032	+12.1%	-6.7%
Profit Ratio	8.9%	9.6%	9.3%	+0.4pt	-0.3pt
Profit Attributable to Owners of Parent	1,912	2,300	2,024	+5.8%	-12.0%
Profit Ratio	6.3%	6.8%	6.2%	-0.1pt	-0.6pt

FY2026 1H Performance by Segment

	(Millions of yen)	FY 2025 1H Results	FY 2026 1H Forecasts	FY 2026 1H Results	Year on Year	Comparison with Initial Forecasts
Equipment Business	Orders Received	33,127	30,700	40,870	+23.4%	+33.1%
	Net Sales	25,887	29,350	28,753	+11.1%	-2.0%
	Operating Profit	2,551	3,010	2,937	+15.1%	-2.4%
	Profit Ratio	9.9%	10.3%	10.2%	+0.3pt	-0.1pt
Service Business	Orders Received	4,224	4,500	4,198	-0.6%	-6.7%
	Net Sales	3,780	4,070	3,645	-3.6%	-10.4%
	Operating Profit	56	190	-36	-	-
	Profit Ratio	1.5%	4.7%	-1.0%	-2.5pt	-5.7pt
Other Business	Orders Received	1,500	850	1,786	+19.1%	+110.2%
	Net Sales	880	630	584	-33.6%	-7.2%
	Operating Profit	-2	-50	-60	-	-
	Profit Ratio	-0.3%	-7.9%	-10.3%	-10.0pt	-2.4pt
Elimination	Orders Received	-215	-250	-273	-	-
	Net Sales	-226	-250	-233	-	-
	Operating Profit	1	0	-1	-	-
Total	Orders Received	38,636	35,800	46,582	+20.6%	+30.1%
	Net Sales	30,322	33,800	32,751	+8.0%	-3.1%
	Operating Profit	2,607	3,150	2,839	+8.9%	-9.9%
	Profit Ratio	8.6%	9.3%	8.7%	+0.1pt	-0.6pt

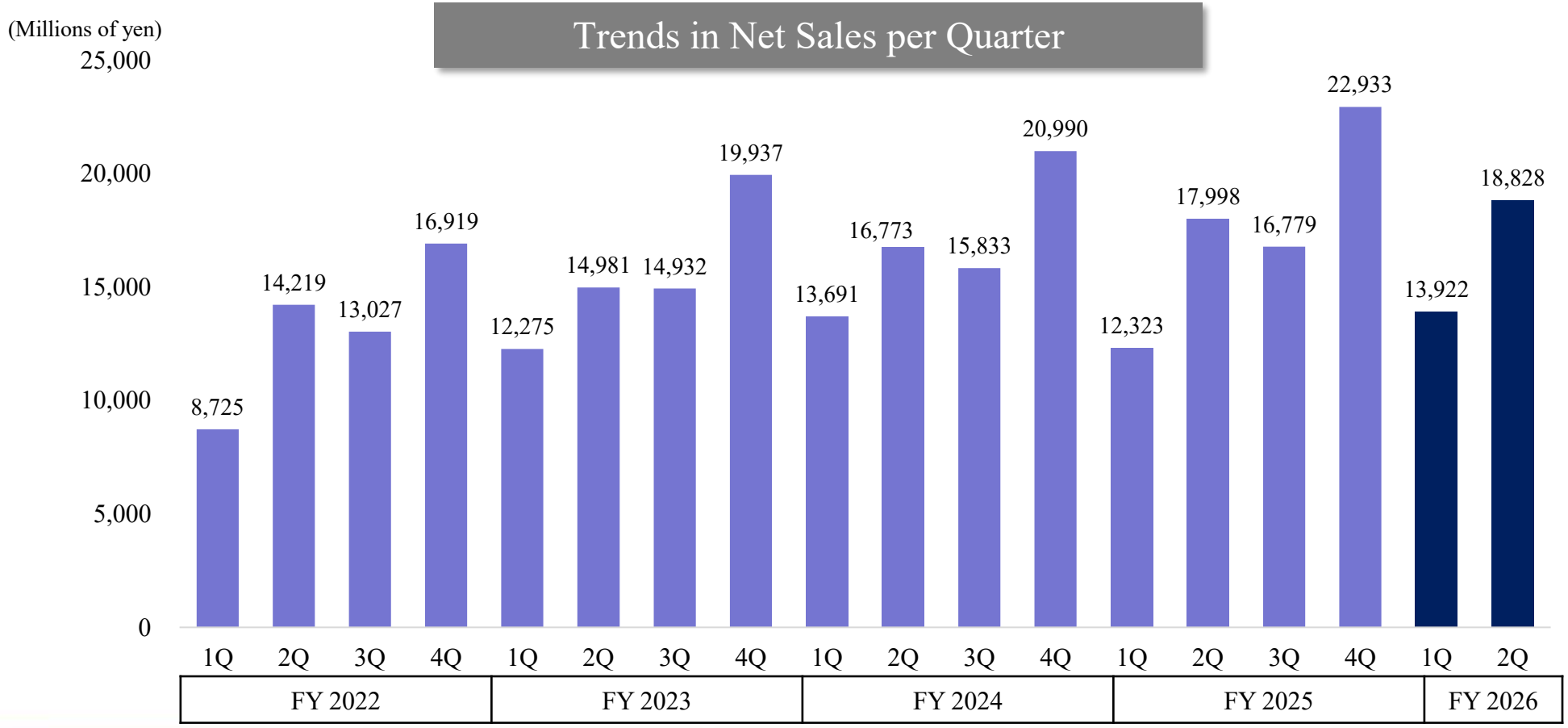
Trends in Orders Received per Quarter

Orders received were strong, driven by AI semiconductors and satellite communications, and exceeded ¥20.0 billion in Q2, following Q1. By region, orders received increased significantly in China and North America, and also increased in Japan, Taiwan, Europe, Southeast Asia, and South Korea.



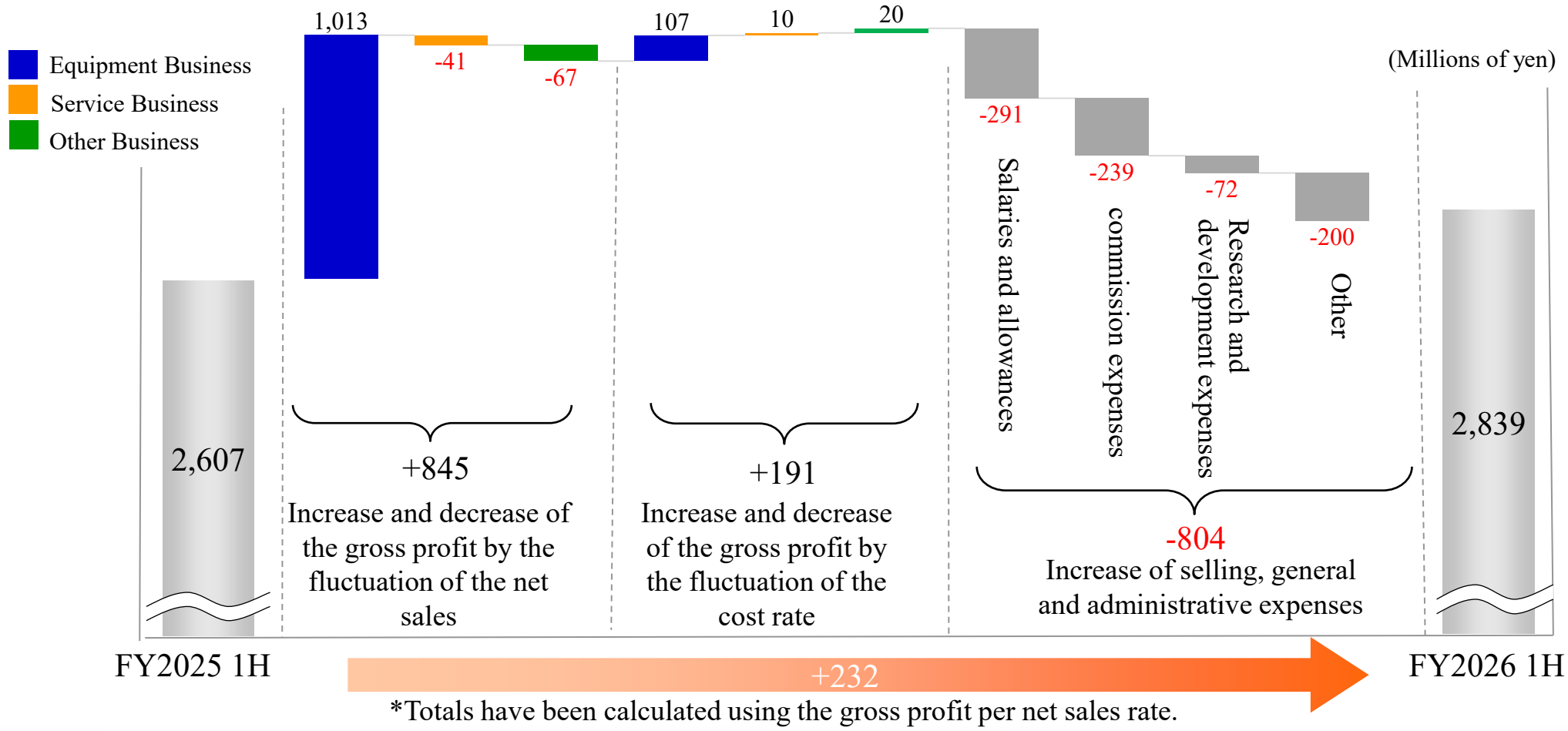
Trends in Net Sales per Quarter

First-half net sales increased year on year as recognition of sales in the Equipment Business progressed, including large projects delayed from Q1 to Q2. By region, net sales increased significantly in North America and Southeast Asia, also increased in China, Europe, and Taiwan, were on par with the same period last year in Japan, and decreased in South Korea.



Analysis of Operating Profit Increase and Decrease Factors

- Operating profit in the Equipment Business increased mainly due to higher net sales, despite an increase in SG&A expenses associated with growth in orders received.
- In the Service Business, although after-sales support profitability improved through revised technical service fees, operating profit decreased due to lower net sales from laboratory testing services.



*Totals have been calculated using the gross profit per net sales rate.

Test Demand and Market Development in Medium-Term Management Plan Target Markets

Orders received in target markets (AI semiconductors and satellite communications) increased by approximately 30% year on year, and net sales increased by approximately 40%. AI semiconductors grew in Japan, Southeast Asia, Taiwan, South Korea, and other markets, while satellite communications remained at a high level in North America.



Orders Received

Net Sales

	Test Targets	Products Provided	Area
AI Semiconductor Field	AI servers Semiconductors Electronic components Electronic materials	Temperature & Humidity Chambers Walk-In Chambers High-power Temperature & Humidity Chambers Rapid-rate Thermal Cycle Chambers Thermal Shock Chambers Highly Accelerated Stress Test Systems HDD Inspection Systems Burn-In Chamber Evaluation System	Japan Southeast Asia Taiwan South Korea China North America
Satellite Communications Field	Low earth orbit (LEO) satellites Satellite-mounted equipment and components	HALT/HASS Reliability Testing System Temperature & Humidity Chambers Walk-In Chambers Altitude Temperature Chamber High-power Temperature & Humidity Chambers Thermal Shock Chambers	North America Japan

※From Q2 of fiscal 2026, the autonomous driving field has been integrated into AI semiconductor field.

Target Markets

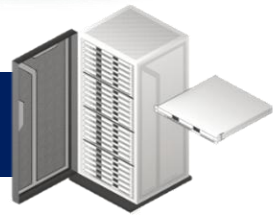
< AI Semiconductor Market >
Servers, Semiconductors, Electronic components, Electronic materials

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



Data centers

AI Servers



<Main Customers>
- Server manufacturers
- High-performance computing (HPC) manufacturers

<Main Applications>
Durability (environmental resistance) evaluation
Reliability evaluation



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

Semiconductors

GPUs, memory, logic

<Main Customers>
- Semiconductor manufacturers
- Foundries



<Main Applications>
Accelerated stress testing
Screening (inspection)



Rapid-rate Thermal Cycle Chamber

Electronic components

Capacitors, semiconductor boards, power supplies

<Main Customers>
- Electronic component manufacturers
- Semiconductor board manufacturers



<Main Applications>
Electrical characteristic evaluation (conductivity, etc.)
Operational testing



Highly Accelerated Stress Test System (HAST Chamber)

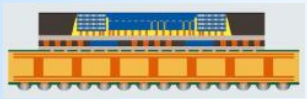


Measurement & Evaluation System

Electronic materials

Board materials, insulating materials

<Main Customers>
- Material manufacturers (base materials, resist materials, molding materials, etc.)



<Main Applications>
Material property evaluation (moisture absorption, etc.)
Storage testing



Burn-in Chamber

Target Markets

< AI Semiconductor Market >
Optical-Electrical Convergence Technology (Co-Packaged Optics, CPO)

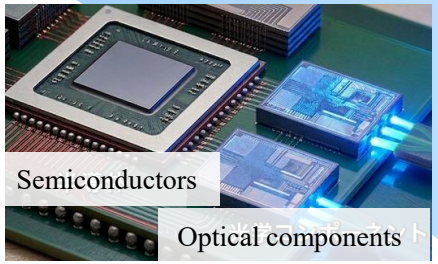
Co-packaged optics (CPO) integrates semiconductors and optical communication components on a common package substrate. This technology is gaining attention for reducing server power consumption and increasing communication speeds. Demand for environmental testing is also growing for the development and reliability evaluation of optical components and packaging technologies.



Data centers

AI Servers

Optical-Electrical Convergence Technology (Co-Packaged Optics)



Semiconductors and optical components integrated on the same package substrate

Semiconductors

GPU・CPU



<Main Customers>
- Semiconductor manufacturers
- Foundries

<Main Applications>
Package reliability evaluations



Thermal Shock Chambers



Rapid-rate Thermal Cycle Chambers

Optical components

Modulators, detectors, connectors



<Major customers>
- Electronic component manufacturers
- Electric cable manufacturers

<Main Applications>
Durability evaluations (temperature and humidity)
Reliability evaluations



High-power Temperature & Humidity Chamber



Bench-top Type Temperature (& Humidity) Chambers

Target Markets

< Satellite Communications Market >
Artificial satellites (Low earth orbit), Satellite-mounted equipment and components

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

Artificial satellites

Low earth orbit (LEO) satellites

Altitude: Several hundred to 2,000 km
Ground coverage area: Radius of several hundred km

<Main Customers>
- Communications satellite manufacturers

<Main Applications>
Durability (environmental resistance) evaluation
Reliability evaluation



HALT/HASS Reliability Testing System

Satellite-mounted equipment

Power supplies, communication equipment, attitude control systems

<Main Customers>
- Power supply equipment manufacturers
- Communication equipment manufacturers
- Observation equipment manufacturers

<Main Applications>
Durability (environmental resistance) evaluation
Reliability evaluation

Satellite-mounted components

Semiconductors, solar panels, batteries

<Main Customers>
- Semiconductor manufacturers
- Electronic component manufacturers
- Battery manufacturers

<Main Applications>
Qualification testing
Screening (inspection)



HALT/HASS Reliability Testing System



Thermal Shock Chamber



Global-N
Temperature Cycling Chambers



Platinous Series
Temperature and Humidity Chambers



Constant-pressure Temperature & Humidity Chamber MZ Series

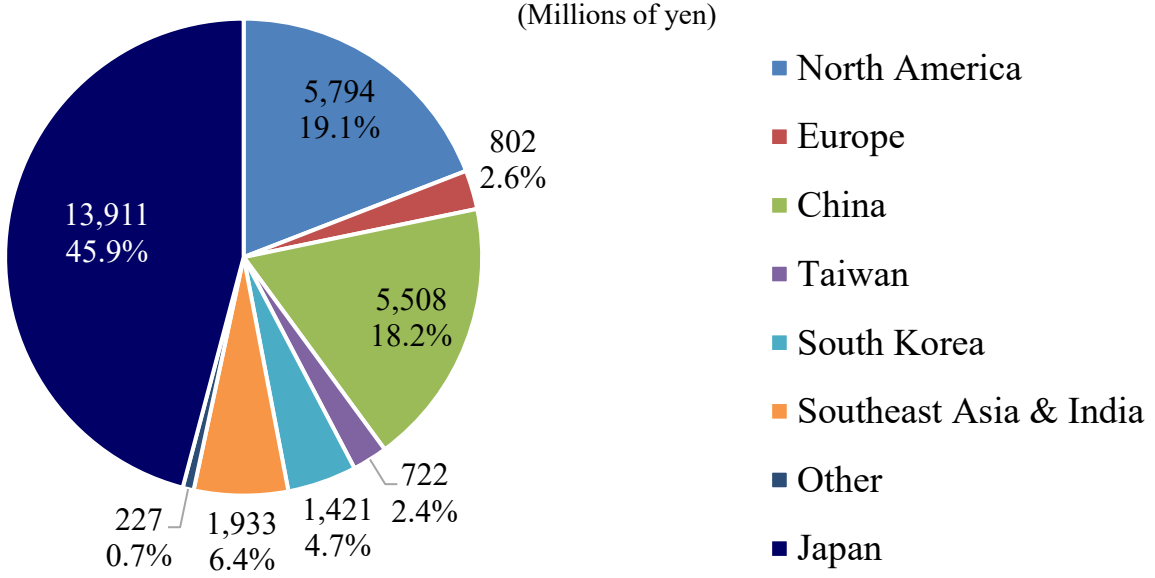
Breakdown by Region

Net sales increased significantly in North America and Southeast Asia, also increased in China, Europe, and Taiwan, were on par with the same period last year in Japan, and decreased in South Korea.

1H FY 2025

Overseas sales ratio: 54.1%

(Millions of yen)

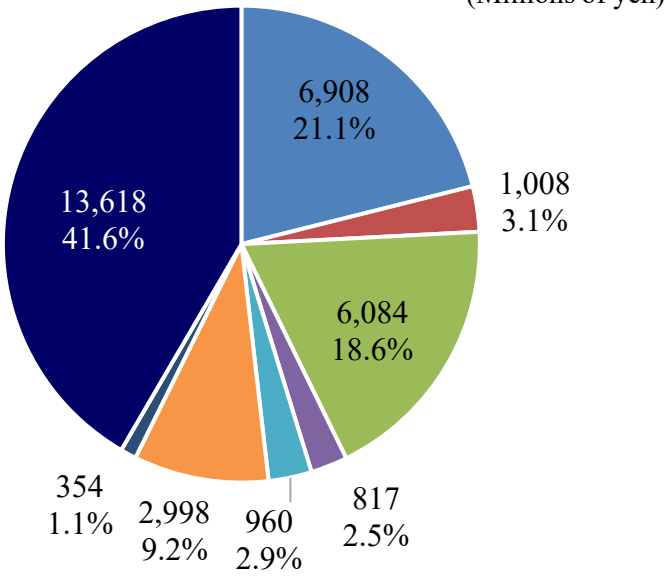


Total : 30,322 million yen
Overseas sales : 16,410 million yen
Domestic : 13,911 million yen

1H FY 2026

Overseas sales ratio: 58.4%

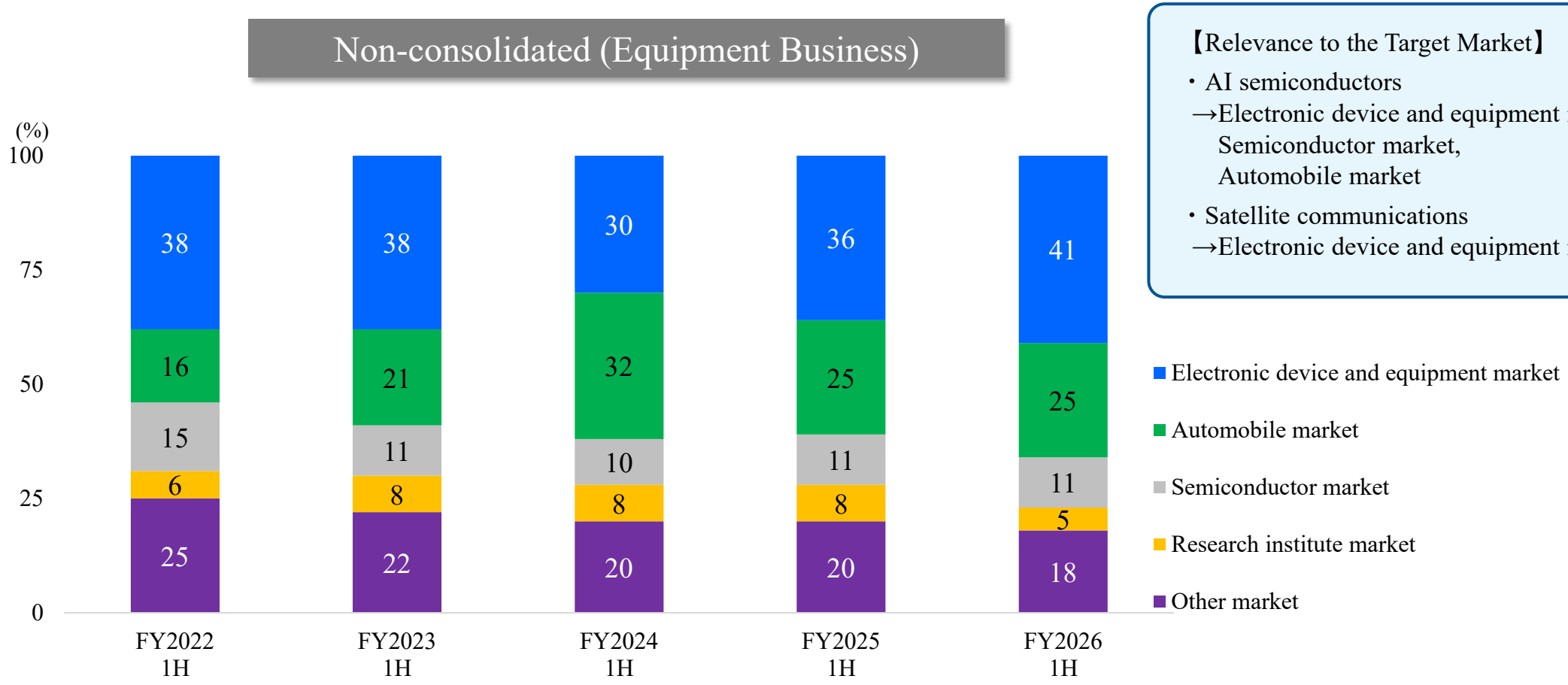
(Millions of yen)



Total : 32,751 million yen
Overseas sales : 19,132 million yen
Domestic : 13,618 million yen

Breakdown by Market

In the electronic device and equipment market, testing demand related to AI semiconductors remained strong, raising the sales share.
The automobile market maintained a sales share on par with the previous fiscal year due to recognition of sales from large projects.

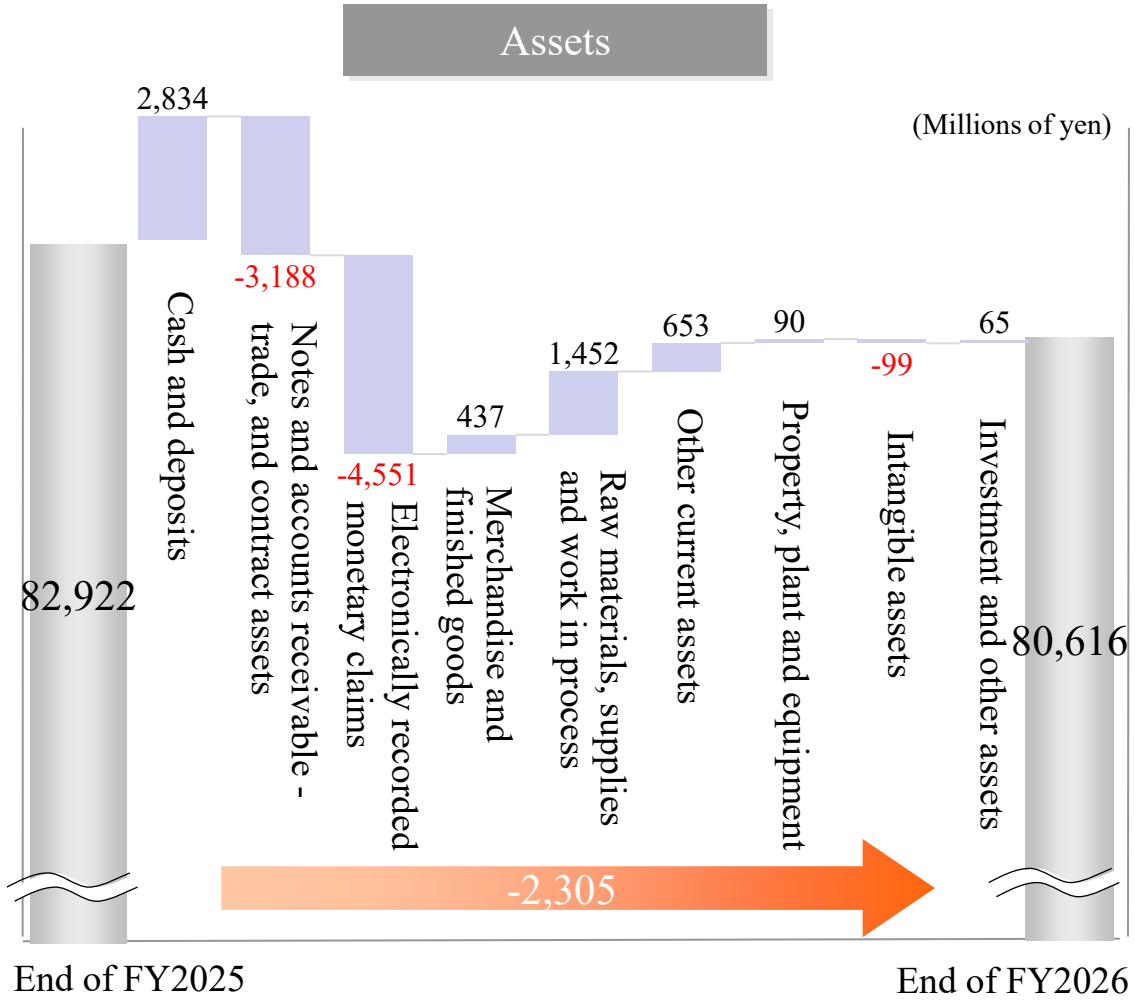


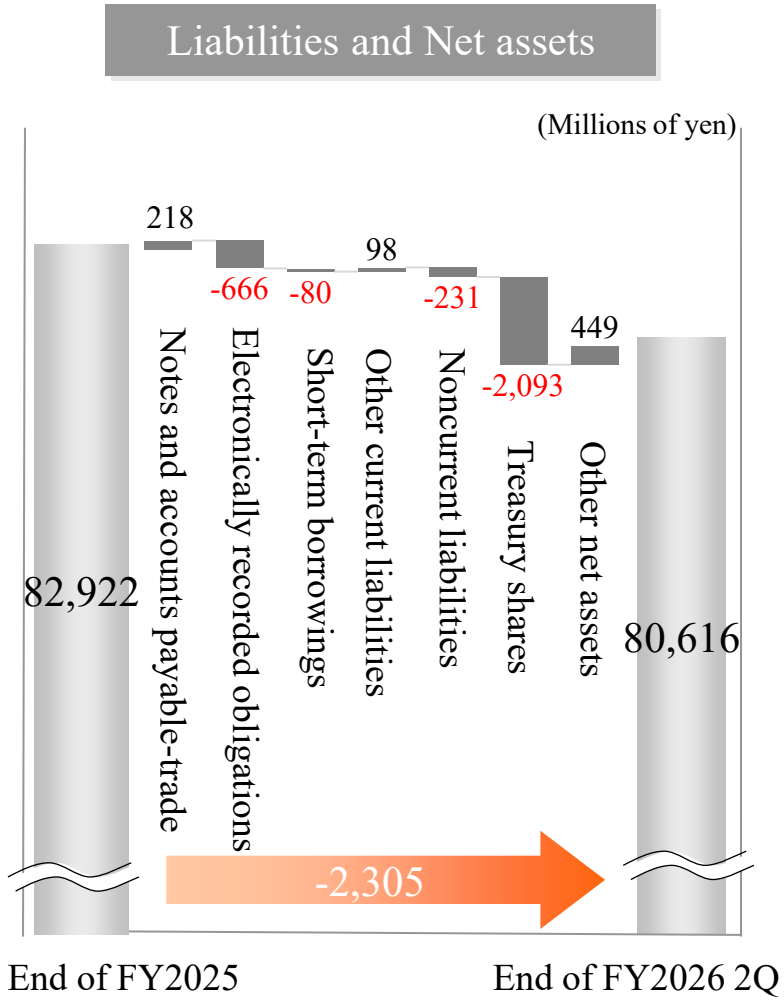
【Relevance to the Target Market】

- AI semiconductors
  →Electronic device and equipment market, Semiconductor market, Automobile market
- Satellite communications
  →Electronic device and equipment market

Statement of Assets and Liabilities

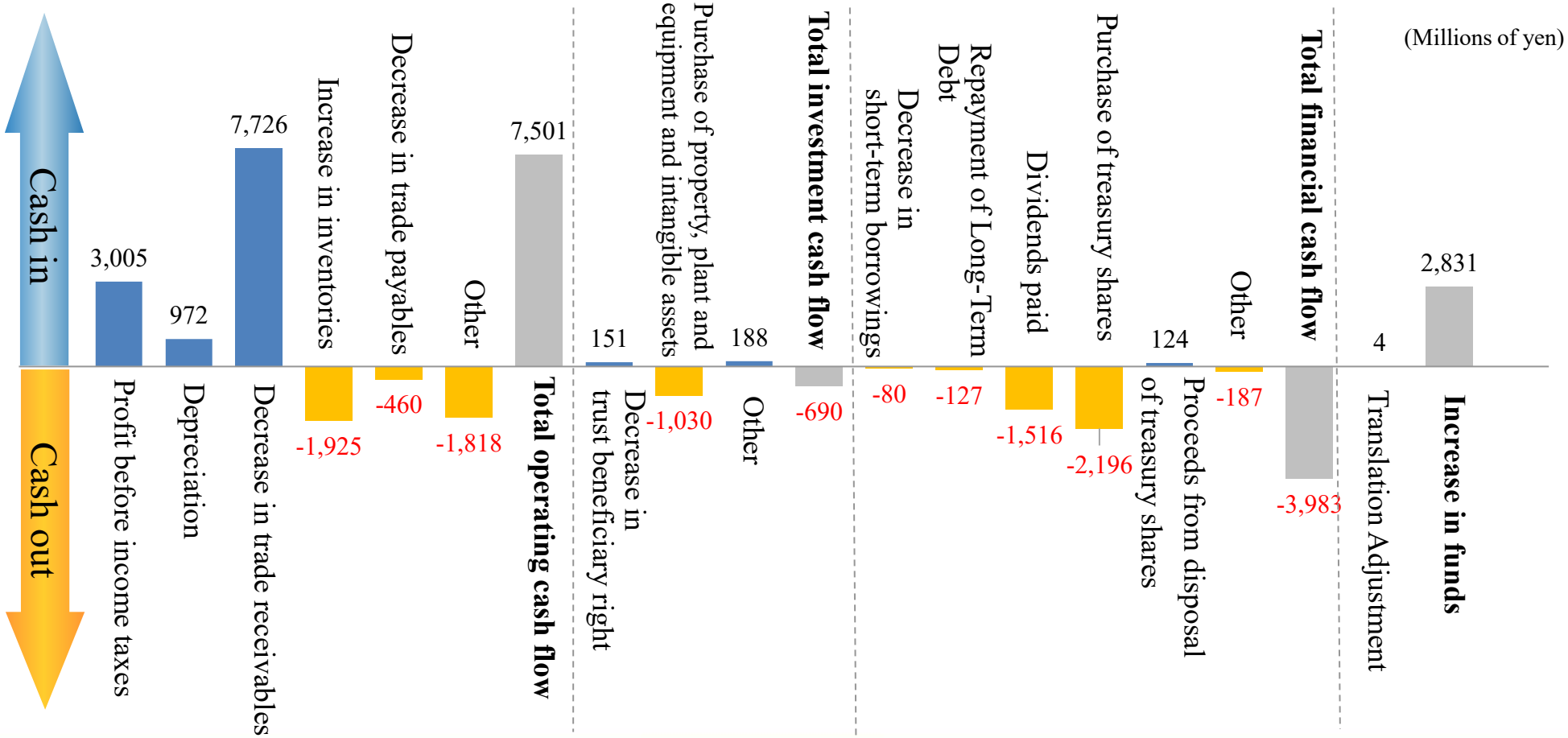
Total assets decreased by approximately ¥2.3 billion, mainly due to progress in collection of trade receivables.





Statements of Cash Flows

- Cash flow from operating activities: net cash inflow of ¥7.5 billion due to factors including recognition of interim profit before income taxes and a decrease in trade receivables.
- Cash flow from investing activities: net cash outflow of ¥690 million due to factors including purchases of fixed assets.
- Cash flow from financing activities: net cash outflow of ¥3.9 billion due to dividend payments and share repurchases by the Company; cash increased by approximately ¥2.8 billion.



Equipment Business

(Millions of yen)	FY 2025 1H Results	FY 2026 1H Forecasts	FY 2026 1H Results	Year on Year	Comparison with Initial Forecasts
Orders Received	33,127	30,700	40,870	+23.4%	+33.1%
Net Sales	25,887	29,350	28,753	+11.1%	-2.0%
Operating Profit	2,551	3,010	2,937	+15.1%	-2.4%
Profit Ratio	9.9%	10.3%	10.2%	+0.3pt	-0.1pt

Environmental Test Chambers

- In Japan, testing demand for electronic components and electronic devices remained strong, with increases in both orders received and net sales year on year.
- Overseas orders received increased significantly year on year in China and North America, and also increased in Taiwan, Europe, Southeast Asia, and South Korea. Net sales increased in North America, Southeast Asia, China, Europe, and Taiwan, but decreased in South Korea.

Energy Device Equipment

- Orders received increased significantly year on year, with orders secured for storage batteries for data centers in addition to automotive and motorcycle batteries. Net sales increased significantly due to recognition of sales from large automotive battery projects.

Semiconductor Equipment

- Orders received increased significantly year on year as testing demand in Japan and China remained strong. Due to recognition of sales from large projects in the same period last year, net sales decreased year on year.

Service Business

(Millions of yen)	FY 2025 1H Results	FY 2026 1H Forecasts	FY 2026 1H Results	Year on Year	Comparison with Initial Forecasts
Orders Received	4,224	4,500	4,198	-0.6%	-6.7%
Net Sales	3,780	4,070	3,645	-3.6%	-10.4%
Operating Profit	56	190	-36	-	-
Profit Ratio	1.5%	4.7%	-1.0%	-2.5pt	-5.7pt

After-Sales Service and Engineering

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

Laboratory Testing Services and Facility Rentals

- In laboratory testing services, both orders received and net sales decreased year on year due to restrained automotive-related investment, despite efforts to strengthen business in markets related to semiconductors, AI servers, and aircraft equipment.

Other Business

(Millions of yen)	FY 2025 1H Results	FY 2026 1H Forecasts	FY 2026 1H Results	Year on Year	Comparison with Initial Forecasts
Orders Received	1,500	850	1,786	+19.1%	+110.2%
Net Sales	880	630	584	-33.6%	-7.2%
Operating Profit	-2	-50	-60	-	-
Profit Ratio	-0.3%	-7.9%	-10.3%	-10.0pt	-2.4pt

Environmental Conservation, Plant Production Systems

- Orders received increased year on year, with a large green space management project secured in the environmental conservation business.
  Net sales decreased year on year due to recognition of sales from a large plant factory project in the same period last year.

FY2026 Business Environment

Work to capture testing demand globally, focusing on AI semiconductors and satellite communications, the target markets of the medium-term management plan

Equipment Business	Environmental Test Chambers	Japan : Semiconductors and electronics remain firm. China : Semiconductors and electronics remain firm. Southeast Asia : Semiconductors and electronics remain firm. India : Automotive and semiconductor demand remains firm. North America : Strong demand, centered on satellite communications. Europe : Recovery trend, centered on aerospace and semiconductors.
	Energy Device Equipment	EV-related investment remains weak; expectations are pinned on demand for ESS (stationary storage batteries).
	Semiconductor Equipment	Demand for both general-purpose memory semiconductors and advanced semiconductors (CPUs, GPUs, HBM, etc.) remains firm.
Service Business	After-Sales Service Laboratory Testing Services and Facility Rentals	After-Sales Support: Inspection and calibration remain firm. Laboratory Testing Services: Automotive demand is weak, while demand related to semiconductors, AI servers, and aircraft equipment remains firm.
Other Business	Environmental Conservation Plant Production Systems	The environmental conservation business remains firm.

FY2026 Investment Plans

(Millions of yen)

	FY2025	FY2026 Forecasts			
	Full Year Results	1H Results	2H	Full Year	Year on Year
Capital Expenditures	2,004	1,296	2,624	3,920	+95.5%
Depreciation	1,957	963	1,117	2,080	+6.3%
R&D Expenses	1,521	803	1,267	2,070	+36.1%

Main investments

- Fukuchiyama Plant renovation
- Expansion of production area at North American subsidiary

Main R&D activities

- Expand product lineup for the AI semiconductors field (Model changes and lineup expansions for mainstay products)
- Expand environmentally friendly products

FY2026 Assumed Exchange Rate

Assumed Exchange Rate

	FY2024	FY2025		FY2026	
	Full Year Results	1H Results	Full Year Results	1H Results	Full Year Assumption
U.S. dollar (yen)	152.62	146.03	150.67	159.49	155
Euro (yen)	163.87	168.05	174.64	184.42	180
Yuan (yen)	21.11	20.29	21.22	23.54	22

FY2026 exchange rate sensitivity

(Millions of yen)

	Net sales	Operating profit
U.S. dollar	+97	+14
Euro	+15	+8
Yuan	+50	+6

* Impact of a 1-yen depreciation of the Japanese yen (0.1-yen for the Chinese yuan)

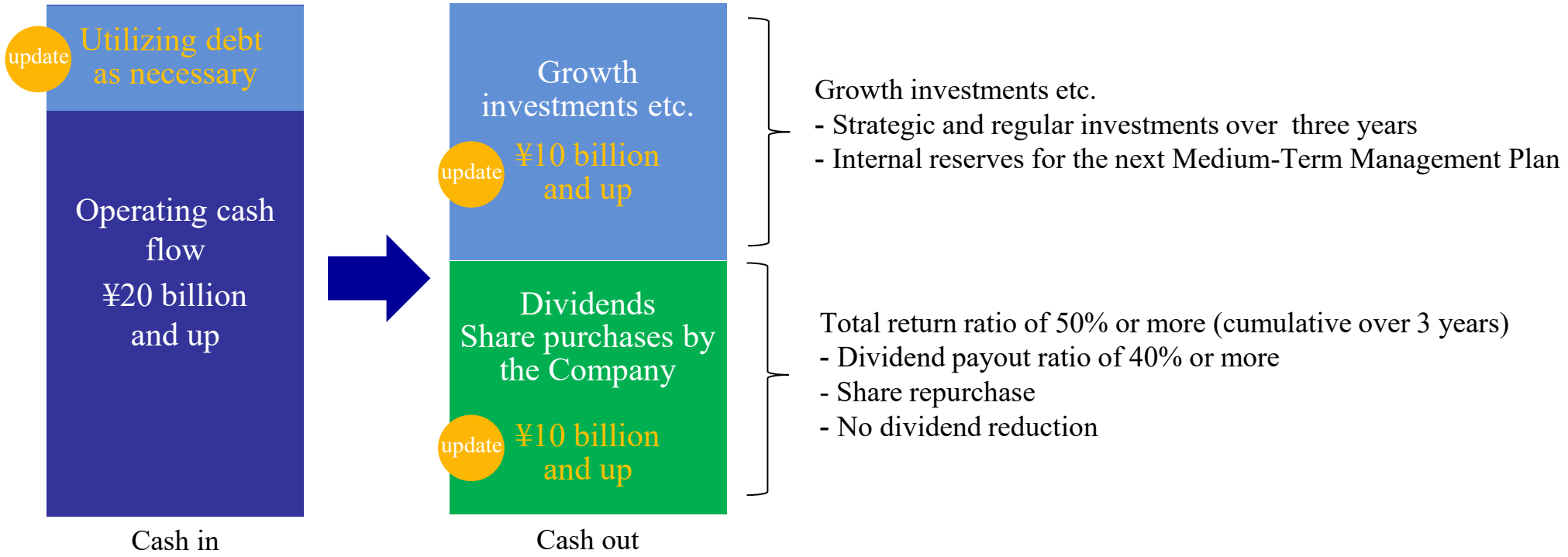
Cash Allocation (FY2025~FY2027)

Cash Allocation Policy

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

※Updated in May 2026

With an emphasis on capital efficiency, use debt as needed for growth investments and enhancing corporate value.
As part of shareholder returns, we will also flexibly consider and execute share repurchases.



Realize Management Conscious of Cost of Capital and Stock Price

Disclosed on May 14, 2026

Update on Measures to Realize Management Conscious of Cost of Capital and Stock Price.
Enhance capital profitability through strengthening the financial capital strategy, and aim to achieve the medium-term management plan target of ROE of 12% or more in FY2027.

Policies

* Underlining indicates the content updated in May 2026.

- Aim to achieve (net sales of ¥76.0 billion yen, operating profit of ¥9.1 billion yen, operating profit ratio of 12.0%, profit of ¥6.7 billion yen, and ROE of 12.0% or more) under the Medium-Term Management Plan "PROGRESSIVE PLUS 2027"
- Generate cash through improvement of the operating profit ratio and efficiency of total assets, while also utilizing debt as necessary
- Engage in balance sheet management with a focus on capital efficiency, using an equity-to-asset ratio of 70% or less and on-hand liquidity of within three months as indicators to control capital
- Aggressively invest in growth and return profits to shareholders based on the three-year cash allocation policy

Main Initiatives

(1) Increase profitability	Implement a growth strategy targeting the AI semiconductors, autonomous driving, and satellite communications fields, strengthen profitability
(2) Financial strategies	Optimize inventories and reduce trade receivable, and control capital
Shareholder returns	Implement proactive shareholder returns based on the shareholder return policy (P.25)
(3) Enhance IR activities	Enhance dialogue with shareholders and investors to improve reputation in the stock market and strengthen management

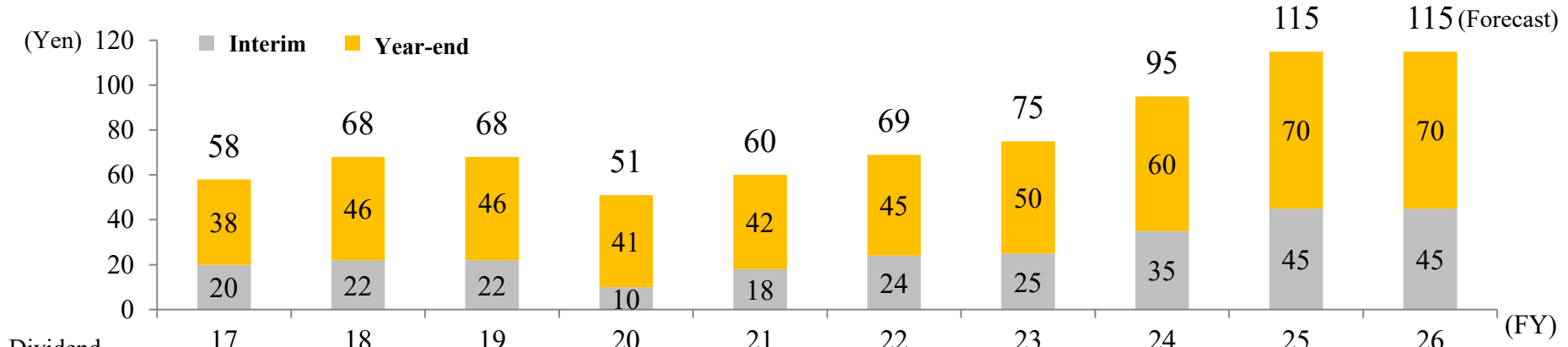
Shareholder Return Policy and FY2026 Dividend Forecast

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 FY2026, we are forecasting an annual dividend of ¥115 and a dividend payout ratio of 40.6%. On August 6, 2026, we announced a share repurchase (we plan to acquire up to 1,300,000 shares, representing 6.07% of total shares outstanding, for a total of up to ¥6.0 billion, from August 7, 2026 to July 31, 2027).



	17	18	19	20	21	22	23	24	25	26
Dividend payout ratio:	40.1%	36.2%	55.2%	59.4%	70.7%	45.9%	33.0%	34.5%	42.5%	40.6%
Total payout ratio:	40.1%	36.2%	55.2%	59.4%	126.9%	78.9%	33.0%	34.5%	75.3%	-

(Underlined sections indicate share repurchases by the Company)

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 Business Initiatives in FY2026

Equipment Business

- Capture additional testing demand in target markets and ramp up production to meet it.
- Development and market launch of high value-added products that meet testing requirements.
- Shortening of product lead times by improving ease of customization.

Global Strategy

Japan : Strengthening sales activities in AI semiconductors and satellite communications, and capturing replacement-demand opportunities.

North America: Strengthening sales in satellite communications and driving earnings growth by increasing production capacity.

China : Strengthening sales in semiconductors, electronic components and devices.

Service Business

After-sales service : Expand sales of inspection and calibration services, and increase profit by improving utilization rates.

Laboratory testing services: Secure orders related to semiconductors, AI servers, and aircraft equipment, and improve profitability.

Main ESG Initiatives in FY2026

■ E for Environment

- Advancing the 8th Mid-Term Plan on the Environment Plus II (FY2026–2027)
  Strengthening measures against global warming, promoting biodiversity conservation, promoting resource circulation and strengthening chemical substance management, and enhancing disclosed information (CDP, TCFD, TNFD)

■ S for Society

- Establishing a vision-realization-oriented HR system and promoting internal communication
- Introducing a work-sharing system and promoting health and productivity management
- Commencing operation of a stock compensation system for employees in management assistant positions

■ G for Governance

- Strengthening Group governance
- Implementing supply chain risk measures
- Strengthening risk management

Products for the AI Semiconductor Markets

AMR-SPM

Low-Current Conductor Reliability Evaluation System

- Evaluation system that captures minute resistance fluctuations at low currents.
- Supports the reliability evaluation of fine wiring and joints, including microvias and interposers, used in advanced packaging development.



AMR-SPM
Low-Current Conductor Reliability
Evaluation System

AMI-SPM

Low-Voltage Insulation Reliability Evaluation System

- Evaluation system for detecting insulation degradation in the low-voltage range with greater accuracy.
- Supports the application of low voltages of 10V or less, used in advanced packages and evaluate insulation degradation occurring in the low-voltage range.



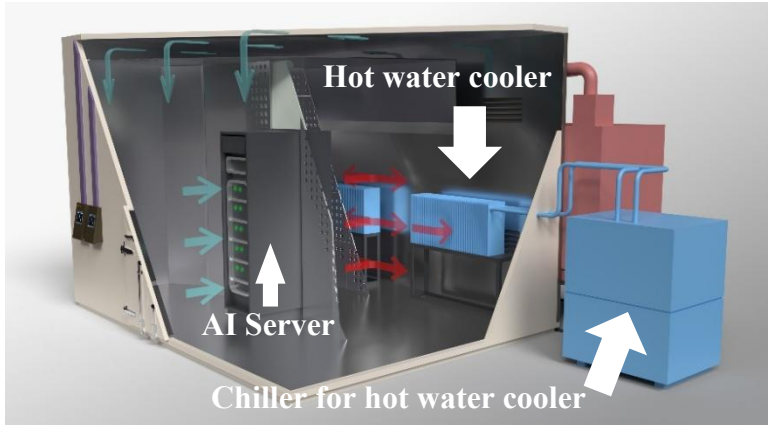
AMI-SPM
Low-Voltage Insulation
Reliability Evaluation System

Products for the AI Server Markets

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】



Newly developed air-conditioning system for improved energy and space savings



Walk-In Temperature & Humidity Chamber for High Heat-Generation Loads

TOPICS 3

Kobe R&D Center, a hub for biodiversity preservation activities
Received the Prime Minister's Award for Distinguished Service in the 2026 Greenery Promotion Campaign

- In April 2026, Kobe R&D Center received the Prime Minister's Award for Distinguished Service in the 2026 Greenery Promotion Campaign.
- The site features a forest of approximately 30,000 native trees planted and nurtured by employees, rooftop grassland featuring plant species native to the northern Rokko region on the roof, and a biotope consisting of two ponds and a stream.
- In October 2023, the site was certified as a "Natural Symbiosis Site" by the Ministry of the Environment, and registered as an OECM in the international database*.


表彰状

エスペック株式会社 神戸R&Dセンター 殿

貴殿は多年にわたり緑豊かな地域社会づくりに励み緑化の推進に尽くした功績は誠に顕著であります
よってこれを表彰します

令和八年四月二十四日

内閣総理大臣 高市早苗



*OECM (Other Effective Area-based Conservation Measures): Areas outside protected areas that contribute to biodiversity conservation

External Recognition

■ ESG-Related Evaluations

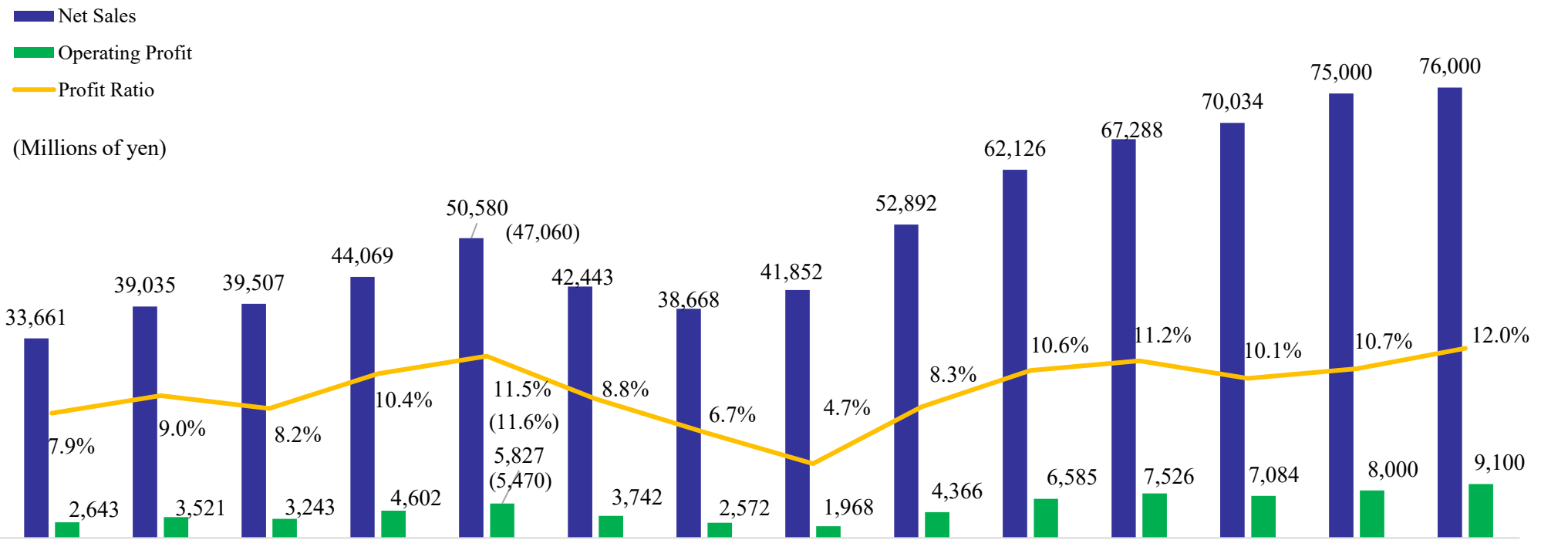
- Included in the ESG index “FTSE JPX Blossom Japan Sector Relative Index”
  Included in the ESG index “S&P/JPX Carbon Efficient Index”
- Rated “B” score in the CDP Climate Change Survey, Water Security receives “B-” score,
  Selected as Supplier Engagement Leader for four consecutive years,
  the Top Rank in the Supplier Engagement Ratings
- 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 FY2026 Prime Minister’s Award for Contributors to the Green Promotion Campaign.
- 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)
- Company with outstanding 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

Performance Trends

Performance Trends



(FY)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026 Revised Forecast	2027 Medium-Term Target
ROE(%)	6.3	6.8	6.1	8.6	10.5(9.9)	6.6	4.5	4.2	7.2	10.0	11.0	10.0	10.0	12.0% or more

* FY2018 was an irregular 15-month fiscal period for overseas consolidated subsidiaries. “( )” figures showing values based on a 12-month accounting period

Securities ID code:6859

Reference

Company Presentation and Business Overview

ESPEC CORP.
November 20, 2026

Company Profile

【Industry-leading manufacturer of environmental test chambers】

Name	ESPEC CORP.
Head Office	3-5-6, Tenjinbashi, Kita-ku, Osaka
Representative	President Satoshi Arata
Established	July 25, 1947
Incorporated	January 13, 1954
Paid-up Capital	¥6,895 million
Issued shares	23,781,394 Shares
Employees	1,898 (consolidated)
Main Business	Manufacture and Sales of Environmental Test Chambers, Energy Device Equipment, Semiconductor Equipment and Plant Factory. After-sales Service, Laboratory Testing Services and others.



Head Office

Share of Environmental Test Chambers

Over 30% worldwide, Over 60% domestic

* Market shares are ESPEC estimates

(As of March 31, 2026)

History of Environmental Test

What is Environmental Test

Test to analyze and evaluate effects of environmental factors such as temperature, humidity, pressure, and vibration on various industrial products like electronic components in order to ensure product quality.

1950s
The environmental test was JIS-standardized in Japan for consumer products.




1970s–1990s
"Reliability" and "quality control" became important issues in product development. Demand increased dramatically due to a rapid shift toward computerization and the use of electronic components.





Present
Demand is expanding in the development fields of AI/IoT and next-generation automobiles against the backdrop of digitalization and decarbonization.



1961 Japan's First Environmental Test Chamber



Low Temperature & Humidity Chamber "Lucifer"

Worldwide Market Share No.1

Over 60% domestic

Over 30% worldwide

* Market shares are ESPEC estimates

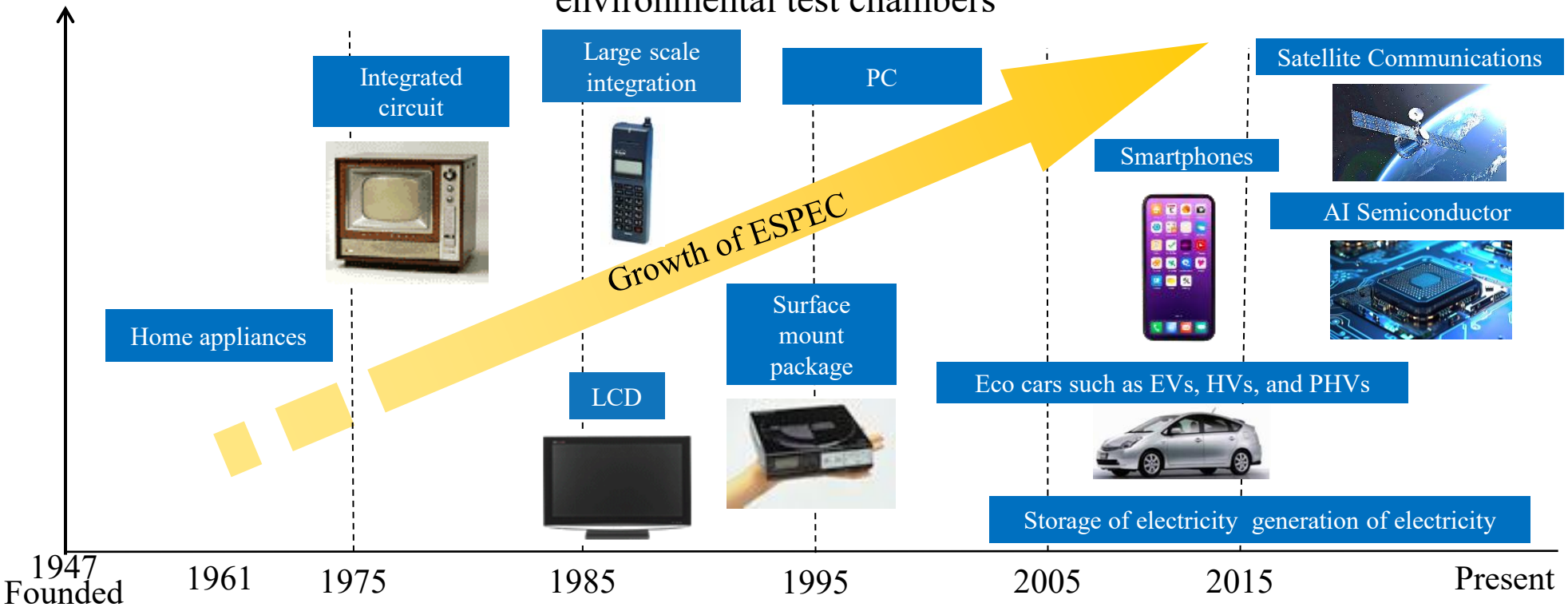
Consecutively selected as a winner of Ministry of Economy, Trade and Industry (METI)
"Global Niche Top Companies Selection 100" (FY 2013, FY 2020)



Temperature & Humidity Chamber "Platinous J series"

Transition in Business

Expanding business based on the “environmental creation technology” refined during the course of developing environmental test chambers



Business expansion

1961 Environmental test chambers developed



1982 Launching of the semiconductor equipment business



1986 Launching of the FPD Equipment business



1994 Launching of the measurement system business



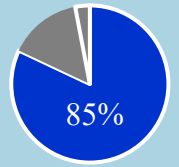
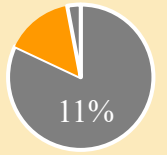
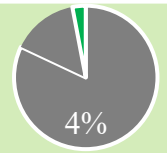
2011 Launching of the energy device equipment business



2015 Launching of battery safety testing business



Summary of ESPEC Business (Per Market / Use)

		Main Products	Market	Use	Sales Composition (FY2025)
Equipment Business	Environmental Test Chambers	- Temperature & humidity chamber - Walk-in type temperature & humidity chamber - Thermal shock chamber - Combined temperature & humidity chamber - Bench-top type temperature & humidity chamber - HALT test system - HAST chamber	- Electronic component and equipment market - Automobile market - Semiconductor market - Satellite Communications market - Pharmaceuticals and foods market	- For R&D about 70% - For credibility and evaluation about 20% - For production and inspection about 10%	
	Energy Device Equipment	- LIB charge-discharge cycle evaluation equipment - LIB safety evaluation system - Fuel cells evaluation system	- Next generation automobile market - Secondary batteries market - Fuel cells market	- For R&D - For credibility and evaluation - For safety evaluation - For production	
	Semiconductor Equipment	- Burn-in system - Semiconductor evaluation system	- Semiconductor market - Electronic component and equipment market - Automobile market	- For R&D - For credibility and evaluation - For production and inspection	
Service Business	After-sales Service and Engineering	- Repairs and preventive maintenance - Inspection and calibration - Construction around equipment	- Electronic component and equipment market - Automobile market - Semiconductor market - Aerospace equipment	—	
	Laboratory Testing Services and Facility Rentals	- Laboratory testing services - Resale - Equipment rental - Calibration		- For R&D - For credibility and evaluation	
Other Business	Environmental Conservation	Reforestation (Tree planting), Waterfront biotope restoration, Urban greening			
	Plant Production Systems	Plant factory, Research seedling cultivation systems			

Business Overview: Equipment Business

Providing comprehensive environmental testing solutions that support the development of advanced technologies

* Market shares are ESPEC estimates

Environmental Test Chambers

Over 60% market share in Japan and over 30% worldwide*

Providing products that support advanced technology development, reliability evaluation, production, and inspection processes across a wide range of fields, including electronic components, electronic devices, automobiles, semiconductors, satellite communications, pharmaceuticals, and foods.

Offering a diverse lineup according to temperature, humidity, pressure ranges, temperature change rate, size, and other requirements



Platinous J Series Temperature & Humidity Chambers



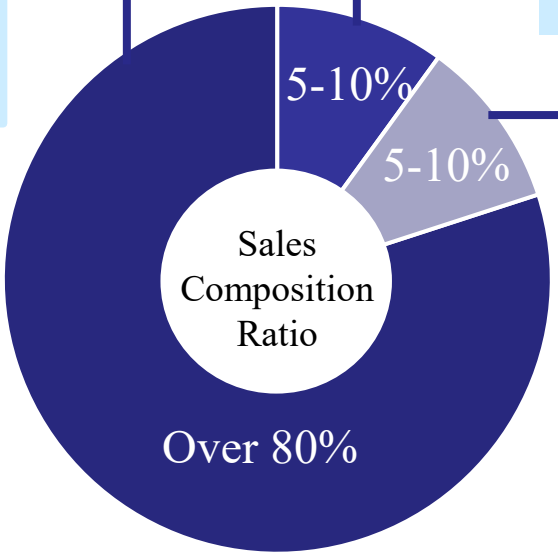
Thermal Shock Chamber



Walk-In Temperature & Humidity Chamber



Bench-top Type Temperature & Humidity Chamber



Semiconductor Equipment

Providing burn-in systems that sort good and defective products in semiconductor inspection processes, as well as measurement systems that evaluate the electrical characteristics of semiconductors, electronic components, and other products.



Measurement & Evaluation System



Burn-in Chamber

Energy Device Equipment

Providing rechargeable battery charge-discharge cycle test systems that evaluate the performance and service life of rechargeable batteries, safety evaluation systems, and fuel cell evaluation systems.



Rechargeable Battery Charge-Discharge Evaluation System



Temperature Chamber For Charge-Discharge Testing

Business Overview: Service Business

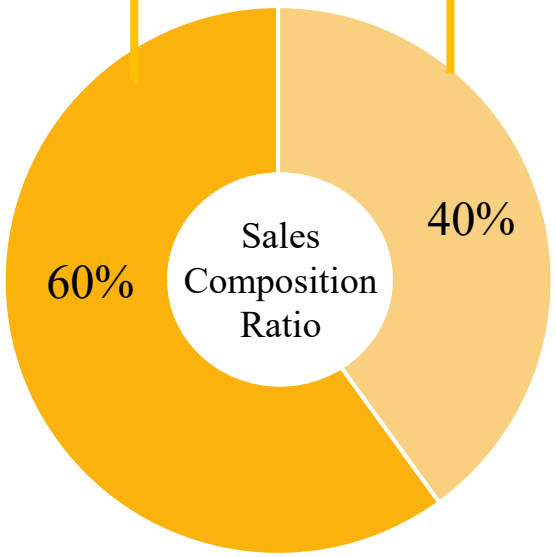
Providing services that resolve customer issues and offering total support for customer testing in accordance with various standards

After-Sales Service and Engineering

- Provide product maintenance and preventive maintenance so customers can use the equipment with confidence.
- Provide installation and relocation, peripheral construction work, and sales of peripheral equipment.
- Provide cloud-based network services.







Laboratory Testing Services and Facility Rentals

- Propose optimal solutions for the evaluation needs specific to each industry and conduct customers' environmental testing on their behalf at the Company's test laboratories.
- Provide rental and resale of environmental test chambers, as well as calibration services for measurement instruments.

Testing areas for laboratory testing services:
- Automobiles
- Rechargeable batteries
- Aviation and electric vertical takeoff and landing aircraft (eVTOLs)
- Electronic components and electronic devices
- Semiconductors, etc.



Five locations in Japan (Utsunomiya, Tokoname, Toyota, Kariya, and Kobe)
Test laboratories established at two locations in China (Shanghai and Suzhou) and one location in Thailand

GREEN POWER

Laboratory testing service in Japan powered 100% by renewable energies

Business Overview: Other Business

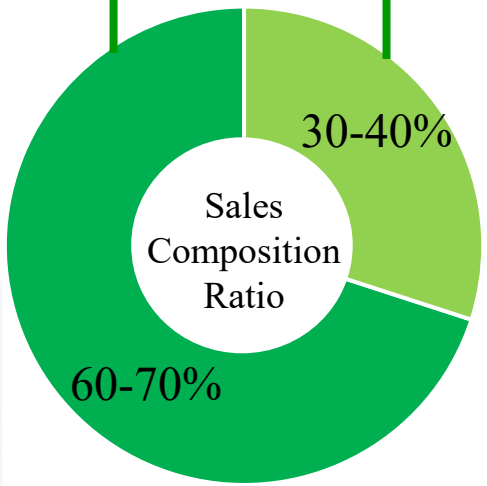
Plant Production Systems

Provide plant factories that control light, temperature, humidity, nutrients, as well as seedling cultivation systems for research purposes.





Experimental System for Analyzing Responses of Dryland plants to Climate Changes
(Arid Land Research Center, Tottori University)



Environmental Conservation

Forest and waterfront development focused on local species.



ESPEC's Strengths

Top Market Share

- Share of Environmental Test Chambers:
  Over 30% worldwide, Over 60% domestic (ESPEC estimates)
- First in Japan to develop environmental test chambers, rapidly established a brand in Japan and overseas and have held the top market share for many years

Technological Capabilities Product and Service Capabilities

- Developed a variety of products with high quality and meeting customer requirements
- Production technology capabilities that enable high-mix, low-volume production
- Total solutions for environmental tests, including products, laboratory testing services and technical support, and after-sales service capabilities

Global Structure

- Provide products globally that comply with the needs of respective countries through an extensive global network

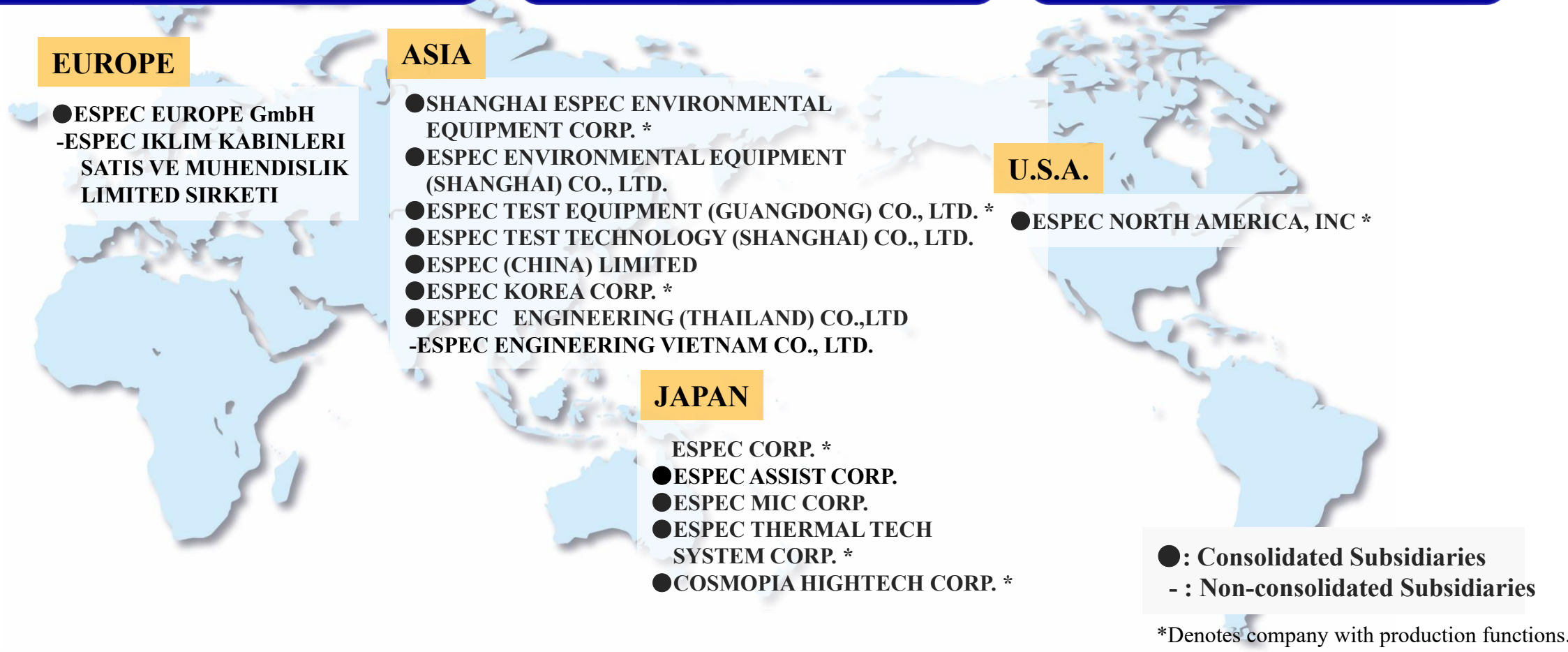
  Consolidated subsidiaries: 13 (9 overseas, 4 domestic)
  Overseas production bases: North America 1 company,
  China 2 companies, South Korea 1 company
  Overseas network: 50 locations (countries or territories), 44 companies

Global Network

Consolidated Subsidiaries
13 companies
(Global 9 companies, Domestic 4 companies)

Global Network
50 locations
44 companies

Business Facilities in Japan: 16
Domestic Agencies in Japan: 46



EUROPE

●ESPEC EUROPE GmbH
-ESPEC IKLIM KABINLERI SATIS VE MUHENDISLIK LIMITED SIRKETI

ASIA

●SHANGHAI ESPEC ENVIRONMENTAL EQUIPMENT CORP. *
●ESPEC ENVIRONMENTAL EQUIPMENT (SHANGHAI) CO., LTD.
●ESPEC TEST EQUIPMENT (GUANGDONG) CO., LTD. *
●ESPEC TEST TECHNOLOGY (SHANGHAI) CO., LTD.
●ESPEC (CHINA) LIMITED
●ESPEC KOREA CORP. *
●ESPEC ENGINEERING (THAILAND) CO.,LTD
-ESPEC ENGINEERING VIETNAM CO., LTD.

JAPAN

ESPEC CORP. *
●ESPEC ASSIST CORP.
●ESPEC MIC CORP.
●ESPEC THERMAL TECH SYSTEM CORP. *
●COSMOPIA HIGHTECH CORP. *

U.S.A.

●ESPEC NORTH AMERICA, INC *

●: Consolidated Subsidiaries
- : Non-consolidated Subsidiaries

*Denotes company with production functions.

Target Markets

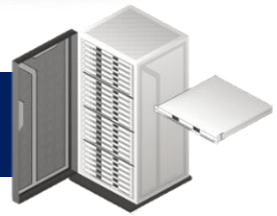
< AI Semiconductor Market >
Servers, Semiconductors, Electronic components, Electronic materials

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



Data centers

AI Servers



<Main Customers>
- Server manufacturers
- High-performance computing (HPC) manufacturers

<Main Applications>
Durability (environmental resistance) evaluation
Reliability evaluation



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

Semiconductors

GPUs, memory, logic

<Main Customers>
- Semiconductor manufacturers
- Foundries



<Main Applications>
Accelerated stress testing
Screening (inspection)



Rapid-rate Thermal Cycle Chamber

Electronic components

Capacitors, semiconductor boards, power supplies

<Main Customers>
- Electronic component manufacturers
- Semiconductor board manufacturers



<Main Applications>
Electrical characteristic evaluation (conductivity, etc.)
Operational testing



Highly Accelerated Stress Test System (HAST Chamber)

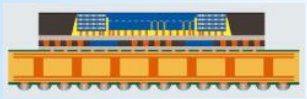


Measurement & Evaluation System

Electronic materials

Board materials, insulating materials

<Main Customers>
- Material manufacturers (base materials, resist materials, molding materials, etc.)



<Main Applications>
Material property evaluation (moisture absorption, etc.)
Storage testing



Burn-in Chamber

Target Markets

< AI Semiconductor Market >
Optical-Electrical Convergence Technology (Co-Packaged Optics, CPO)

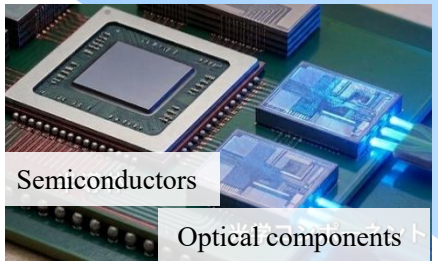
Co-packaged optics (CPO) integrates semiconductors and optical communication components on a common package substrate. This technology is gaining attention for reducing server power consumption and increasing communication speeds. Demand for environmental testing is also growing for the development and reliability evaluation of optical components and packaging technologies.



Data centers

AI Servers

Optical-Electrical Convergence Technology (Co-Packaged Optics)



Semiconductors and optical components integrated on the same package substrate

Semiconductors

GPU・CPU



<Main Customers>
- Semiconductor manufacturers
- Foundries

<Main Applications>
Package reliability evaluations



Thermal Shock Chambers



Rapid-rate Thermal Cycle Chambers

Optical components

Modulators, detectors, connectors



<Major customers>
- Electronic component manufacturers
- Electric cable manufacturers

<Main Applications>
Durability evaluations (temperature and humidity)
Reliability evaluations



High-power Temperature & Humidity Chamber



Bench-top Type Temperature (& Humidity) Chambers

Target Markets

< Satellite Communications Market >
Artificial satellites (Low earth orbit), Satellite-mounted equipment and components

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



Artificial satellites

Low earth orbit (LEO) satellites

Altitude: Several hundred to 2,000 km
Ground coverage area: Radius of several hundred km

<Main Customers>
- Communications satellite manufacturers

<Main Applications>
Durability (environmental resistance) evaluation
Reliability evaluation



HALT/HASS Reliability Testing System

Satellite-mounted equipment

Power supplies, communication equipment, attitude control systems

<Main Customers>
- Power supply equipment manufacturers
- Communication equipment manufacturers
- Observation equipment manufacturers

<Main Applications>
Durability (environmental resistance) evaluation
Reliability evaluation

Satellite-mounted components

Semiconductors, solar panels, batteries

<Main Customers>
- Semiconductor manufacturers
- Electronic component manufacturers
- Battery manufacturers

<Main Applications>
Qualification testing
Screening (inspection)



HALT/HASS
Reliability Testing System



Thermal Shock Chamber



Global-N
Temperature Cycling Chambers



Platinous Series
Temperature and Humidity Chambers



Constant-pressure
Temperature & Humidity Chamber MZ Series

Equipment Business/Service Business: All Weather Simulation Chamber (in the Kobe R&D Center)

Opened the world's first All Weather Simulation Chamber
Encouraging open innovation and strengthening environmental creation technology

(Mar. 2021)

Replicates dynamic climate environments with high-precision control and variation of seven environmental factors (temperature, humidity, snow, fog, rain, sunlight and wind)

■ All Weather Simulation Chamber





Test chamber: Width 6 m x Depth 9 m x Height 3 m
A black coating is applied to suppress the diffuse reflection of light.

■ Examples of tests in dynamic environments



(1) Tests to replicate the change from sleet to snow

Snow with different amounts of water content can be replicated, including snowfall at temperatures around 0°C, which is close to snowfall in a natural environment. By controlling the snow quality and temperature, the laboratory replicates the change from sleet to snow. The laboratory can confirm the performance of automated driving sensors for which snow accretion has become a problem.



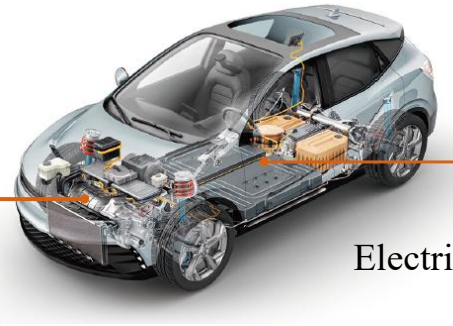
(2) Experiment to replicate the change from rain to fog

The laboratory controls the thickness, temperature and humidity of fog and replicates the change from rain to fog. The laboratory can confirm the performance of automated driving sensors in response to the effects of fog.

Equipment Business: Usage Case with Environmental Test Chambers

Ensure reliability of new technologies and new products by repeatedly testing each component, module and finished product

In-vehicle parts/electrical components
・ECU ・Inverter
・Converter ・Sensor ・Motor etc.



Automotive Batteries
・Lithium-ion battery
・All solid-state battery etc.

Electric Vehicle (EV) image

Representative Examples for Environmental Testing

Device	Process/Test Condition		Our Products
【Power Device】 	Inspection	■Thermal shock test: －40℃⇔＋125℃	Thermal shock chamber
		■High temperature exposure: ＋175℃、＋85℃	(Compact size) Oven
		■Burn-in test	Burn-in chamber
【In-vehicle Sensor】 	Inspection	■Temperature cycle test of printed circuit board: －40℃⇔＋110℃	Temperature & humidity chamber (Platinous) /Oven
		■ Temperature characteristic test after soldering: Linear change between -30℃ and +85℃	Burn-in chamber, Rapid-rate thermal cycle chamber
	Evaluation	■ Thermal shock test : －30℃⇔RT⇔＋80℃、－55℃⇔＋155℃	Thermal shock chamber
【CCD／CMOS】 	Production	■ Diffusion Test: +150℃	Compact size Oven
		■ Drying after cleaning: +85℃	Clean Oven
	Evaluation	■Screening: ＋85℃	Temperature chamber (Platinous)／Burn-in chamber
	Inspection	■Temperature and humidity test: ＋85℃／＋85%rh、＋60℃／90%rh	Temperature & humidity chamber (Platinous)
		■Acceleration test: ＋120℃／100%rh	HAST chamber
		■ Thermal shock test : －40℃⇔＋125℃、－20℃⇔＋85℃	Thermal shock chamber

Equipment Business: Main New Products

Release Date	Name of product	Features
Aug.2026	Equipped with CO_2 refrigerant “R-744” Platinous J Series Low Temperature (& Humidity) Chamber Environmental Stress Chamber AR Series	- Launched a total of 8 chamber models for the European market. - Comes standard with the CO_2 refrigerant “R-744,” a natural refrigerant with an extremely low GWP* value of “1.”
Jul. 2026	Low-Voltage Insulation Reliability Evaluation System AMI-SPM	- Addresses insulation degradation occurring under low-voltage conditions - Enables insulation reliability evaluation in the actual usage environment for increasingly miniaturized advanced packaging
Jul. 2026	Low-Current Conductor Reliability Evaluation System AMR-SPM	- Applies a minute current that does not place excessive stress on samples - Enables both low-current application and high-precision measurement, which are required for joint evaluation in advanced packaging
Dec. 2025	Walk-in Temperature & Humidity Chamber for High Heat-generation Loads	- Handling high heat-generation loads for AI server reliability testing - Enables testing compliant with ASHRAE standards used for server reliability evaluation
Oct. 2025	Highly Accelerated Stress Test System (HAST Chamber) Model supporting large substrates	- Meeting testing demands in the AI semiconductor and autonomous driving markets - Capable of evaluating a large number of samples in a single test, and improving testing efficiency
Apr. 2025	Ultra-Low-Temperature Shock Freezer	- Preservation of perishable food freshness through rapid freezing to an ultra-low temperature of -70℃ - Automatically completes the entire process of food freezing, storing, defrosting and reheating
Apr. 2025	Rapid-Rate Thermal Cycle Chamber High-Performance Model	- Capable of specimen temperature ramp control at a rate of 20K/min - Complies with semiconductor package reliability test standards and international standards for electronics and automotive markets, among others

*GWP : Global Warming Potential. The smaller the value, the less environmental impact.

Equipment Business: New Product Introduction 1

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
- 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.

Equipment Business: New Product Introduction 2

Launched low temperature (& humidity) chambers Platinous J Series ECO Type with low-GWP refrigerant

- In November 2024, launched the ECO Type in the Platinous J Series, the global standard model for environmental test chambers
- Proprietary refrigeration technology reduces power consumption by up to 70% compared to conventional models, contributing to the reduction of greenhouse gas emissions by adopting low- GWP* refrigerant “R-449A”



Low Temperature (& Humidity) Chambers
Platinous J Series ECO Type

First domestic launch by COSMOPIA HIGHTECH of a rapid temperature change device using low-GWP refrigerant

- In October 2024, COSMOPIA HIGHTECH, part of our Group, launched the first domestic rapid temperature change device equipped with low-GWP* refrigerant “R-473A”
- Complies with international test standards and contributes to the reduction of greenhouse gas emissions



Rapid Temperature Change Device
Premium Excellent Series
(EC-28PXHH)

*GWP：Global Warming Potential. The smaller the value, the less environmental impact.

Equipment Business: New Product Introduction 3

Commissioned Measurement Services

Contribute to improving the accuracy of thermal analysis CAE and heat dissipation design of semiconductor packages, mounting substrates, etc.

(Expansion in Jan. 2025)

- Thermal Dependent Warpage Measurement Service
  - Visualize the warpage deformation of semiconductor packages and mounting substrates
  - Supports reflow oven temperature environment (-40℃ to +260 ℃)
  - Supports large substrate sizes up to 300 mm
- Thermal Image Analysis Service
  - Visualize the temperature distribution of specimens under constant temperature environment (-40 ℃ to +100 ℃)



Thermal Dependent Warpage Measurement Service

-70°C Ultra-Low Temperature Shock Freezer for delicious rapid freezing

- In April 2025, launched the “Ultra-Low Temperature Shock Freezer” capable of freezing food rapidly at -70°C, preserving freshness even for perishable items
- Enables freezing in a low airflow environment, preventing food from drying out, and allows a seamless process from freezing to thawing and reheating in a single unit



Ultra-Low Temperature Shock Freezer

Equipment Business: Examples of Products Delivered

(Delivered in Jul. 2018)

Walk-in Type Temperature (& Humidity) Chamber, for building materials

Uses:

Reproduce the environment inside apartments (temperature and humidity) and outdoors (weather such as rain, snow, and sunlight), conduct performance evaluations and durability tests of building materials for sash, balcony, etc.



Walk-in Type Temperature (& Humidity) Chambers, for use for building materials



Temperature (& Humidity) Chambers are movable so that building materials for testing can be easily changed



Furnished with irradiation equipment and watering (rain) equipment, to reproduce an outdoor weather environment

Equipment Business: Usage Case with Energy Device Equipment

Charge-discharge Cycle Evaluation Equipment

Equipment for ensuring the reliability and safety of lithium-ion secondary batteries for next-generation vehicles (e.g., hybrid and electric vehicles)

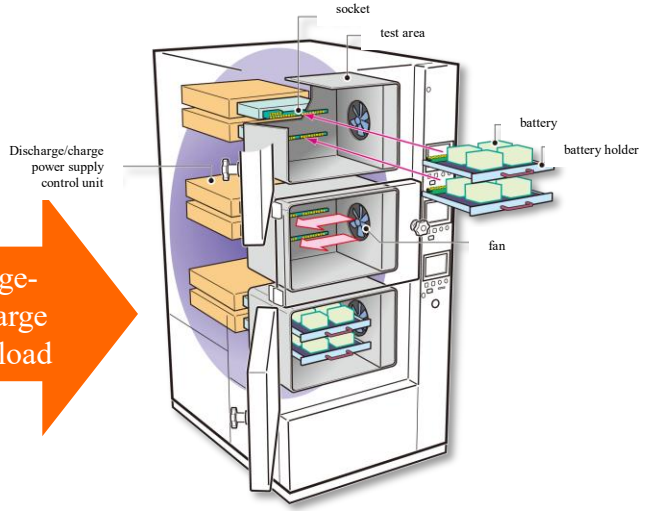


Secondary Battery Charge-Discharge Evaluation System

Secondary Batteries



Charge-discharge cycle load



Checking the charge-discharge characteristics of secondary batteries

Evaluating the performance and life of secondary batteries

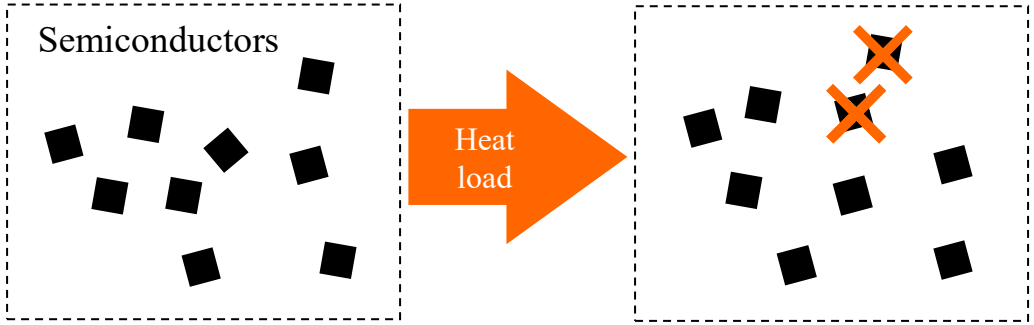
Equipment Business: Usage Case with Semiconductor Equipment

Screening

Eliminate defective products to maintain initial-period quality at the final inspection stage of semiconductor device manufacturing



Burn-In Chamber



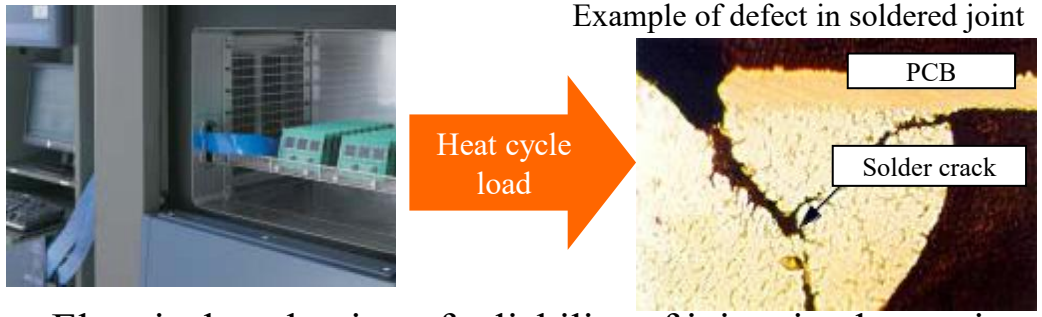
Elimination of latent early failures

Reliability Evaluation

Used to evaluate basic failure patterns to ensure reliability in the development of new technologies



Conductor Resistance Evaluation System



Electrical evaluation of reliability of joints in electronic parts

Service Business: Features of Maintenance Agreement Services

Stable operation of equipment

A service engineer checks and diagnoses equipment once a year, replaces wear parts, and supports the stable operation of equipment.

Remote monitoring of equipment / email notification of abnormalities



The operational status of equipment can be checked from a PC. Email notification when an abnormality occurs.

Reduction of downtime



Quickly solve equipment abnormalities through advance diagnosis using equipment data.

Shift to fixed maintenance costs



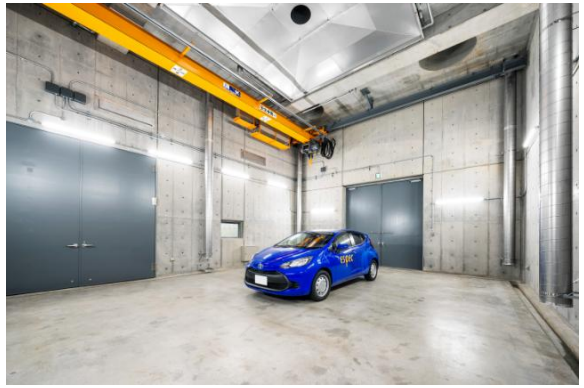
Enables fixed maintenance costs with no emergency repair costs incurred. Also reduces the work involved in managing equipment.

Service Business: Laboratory Testing Services

Aichi xEV Battery Safety Test & Certification Center, One of Japan's Largest Dedicated Automotive Rechargeable Battery Testing Centers

- Supports larger and higher capacity automotive rechargeable batteries with cutting-edge testing facilities.

- In the large-scale safety testing chambers, it is possible to conduct various safety tests simulating thermal runaway, as required for stationary batteries.



A safety testing room that can accommodate one car

NITE* "Safety Guidelines for Battery Energy Storage Systems for Public Procurement and Critical Infrastructure" One-stop service from testing to certification

* National Institute of Technology and Evaluation, an incorporated administrative agency.

- In collaboration with TÜV SÜD Japan, provide integrated services from testing to certification for five safety requirements (seismic shock resistance, fire propagation resistance, rainwater immersion resistance, saltwater immersion resistance, and drop resistance).

- Help ensure the safety and reliability of battery energy storage systems, which are critical social infrastructure.



Fire resistance test in progress

Other Business: Environmental Preservation/Plant Production Systems

At Expo 2025 Osaka-Kansai
cooperating in venue greening and aquaponics exhibitions

■Provision of planted mats and seedlings at the venue

- Supplying mats planted with Japanese native cogon grass and seedlings of silver grass for the “Grand Ring”, and wild grasses and aquatic plants to border the pond’s edge in the “Forest of Tranquility”.
- Also supplying for the EXPO National Day Hall, Hungary Pavilion, Kuwait Pavilion, Signature Pavilions, etc.



The Grand Ring

■Cooperation in exhibitions at the Osaka Healthcare Pavilion

- Collaboration with the Osaka Metropolitan University R&D Center for the Plant Factory to support aquaponics exhibits.
- Provision of vegetable cultivation technologies and expertise.

What is aquaponics?
A recycling production system that combines hydroponics and land-based cultivation. Bodily waste from fish is decomposed by microorganisms and used as a source of nutrients needed to grow plants. This enables vegetables to be grown either without using chemical fertilizers or reducing the amount of their use.



Aquaponics “Cradle of Life”

Securities ID code:6859

Reference

Sustainability Initiatives

ESPEC CORP.
November 20, 2026

About ESPEC's Sustainability

Guided by our corporate philosophy,
"THE ESPEC MIND," ESPEC will help to solve social and environmental issues through businesses centered on environmental creation technology, with the aim of achieving sustainable growth.

Corporate Philosophy

Our important values that have been passed on since our inception
"THE ESPEC MIND" (Excerpt)

The Origin	Aim for better value exchange as a public institution
Mission	Provide more certain Seikankyo (living environment) via environmental creation technology
Style	Progressive, Reliable, Open, Fair
Declaration	What ESPEC promises society "compliance, " " culture, " " human rights, " " the environment, " "education/enlightenment. "

Sustainability Policy and Materiality

Looking toward sustainable growth, we formulated a sustainability policy, and identified materiality (important issues) that must be addressed in order to produce social and economic value.

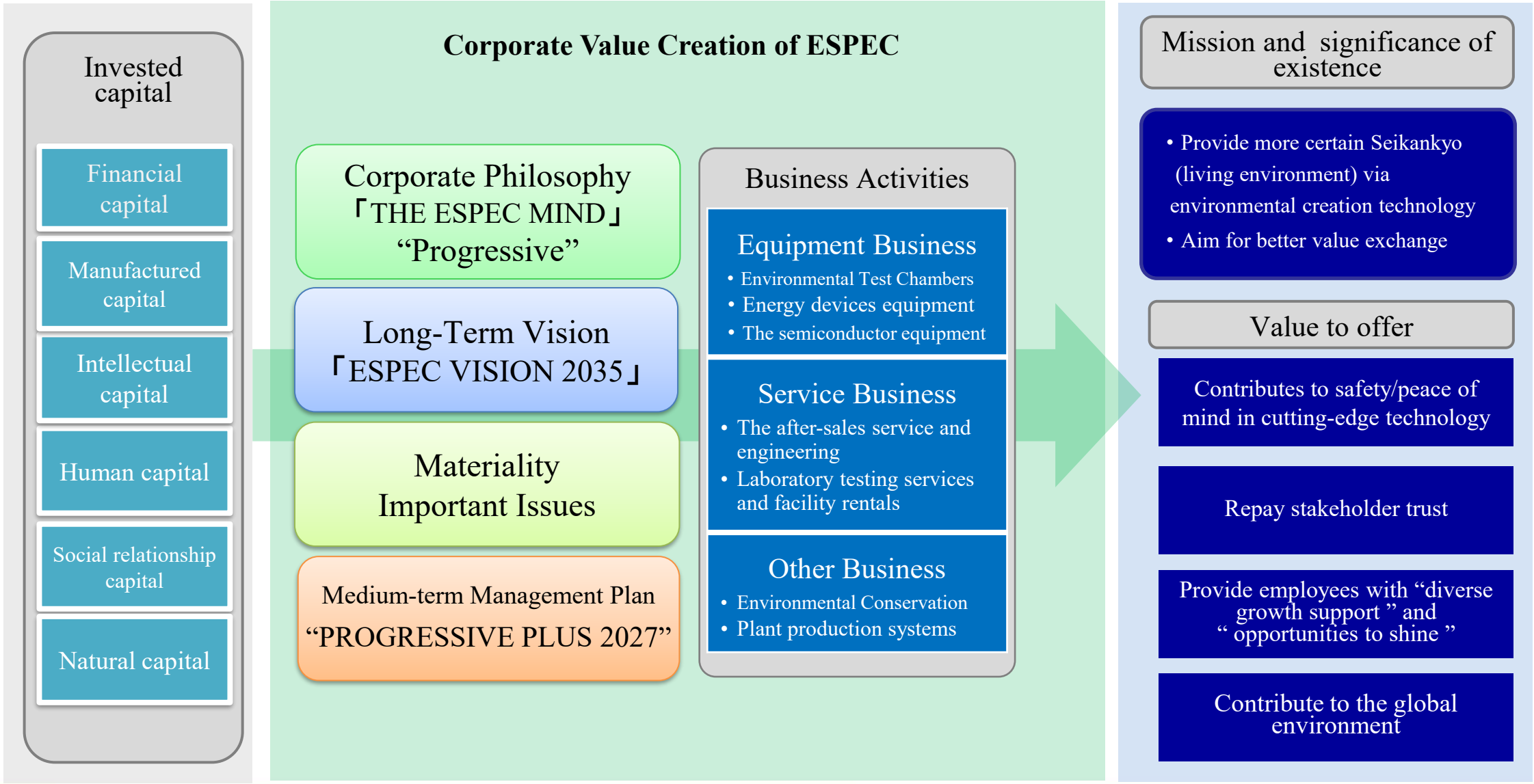
Sustainability Policy

- By putting our corporate philosophy (THE ESPEC MIND) into practice, we are working to create and improve both social value and economic value.
- By maintaining a good exchange of value with our stakeholders, we are aiming for continuing growth.
- Based on ESPEC VISION 2035, we will contribute to solutions for the global environment and social issues through our business activities, centering on Environmental Creation Technology.
- We will engage in active disclosure of information related to sustainability.

Materiality

- Solve social challenges through global business
- Provide products and services with responsibility
- Be environmentally friendly
- Securing and developing human resources
- Respect for human rights
- Enhancement of group governance

Corporate Value Creation Process



ESPEC's Business

Equipment Business

Contribute to the development of advanced technologies
through the supply of products and services leveraging environmental creation technology

•Supply products and services that contribute to the development of advanced technologies to solve social and environmental issues

●Environmental Test Chamber

Supply environmental test chambers that artificially replicate environmental factors such as temperature and humidity, thereby ensuring the reliability of products

●Energy Device Equipment

Supply evaluation systems for secondary batteries and fuel cells installed in eco cars

●Semiconductor Equipment

Supply products such as burn-in chambers and systems for semiconductor inspection and measurement and evaluation systems



Temperature & Humidity Chamber
"Platinous J series"



Drive-In Chamber for Vehicle Testing



Burn-In chamber
for semiconductor inspection



Secondary Battery Charge-Discharge
Evaluation System

Service Business

Contribute to the development of advanced technologies
through the supply of products and services leveraging environmental creation technology

•Supply products and services that contribute to the development of advanced technologies to solve social and environmental issues

●After-sales Service and Engineering

Conduct product maintenance and preventive maintenance so that customers can use systems with peace of mind.





Technical support using IT

●Laboratory Testing Services and Facility Rentals

Provide laboratory testing services based on technologies and testing expertise developed through environmental tests. Environmental test chamber rentals and resales are also available.





Laboratory testing services using 100% renewable energies (domestic)

ESPEC's Business

Environmental Conservation Business

Contribute to biodiversity conservation

Environmental conservation business to restore the natural environment, including reforestation (tree planting) that contributes to biodiversity and CO2 fixation, waterfront biotope restoration to restore natural rivers, and grassland creation using native species.



A forest restored along the approach to Rinno-ji Temple in Sendai



Waterfront biotope restoration on the Sumida River Terrace in Tokyo

Plant Production Systems Business

Contribute to a stable food supply to address global warming and extreme weather

Provide plant factories and research devices that can efficiently produce vegetables by controlling temperature, light, and other factors, as well as systems such as aquaponics that circulate water and nutrients to grow vegetables and fish together.



Plant factory using deep sea water
Produce and sell vegetables high in minerals



Experimental System for Analyzing Responses of Dryland Plants to Climate Change
(Arid Land Research Center, Tottori University)

Environment Targets/Mid-term Plan on the Environment

Environment Targets for FY2030

Reduce greenhouse gas emissions by 60% for SCOPE 1+2, 30% for SCOPE 3 (compared with FY2019 levels)

■ In July 2023, received Science Based Targets (SBT) certification from the international SBT Initiative*

*SBT Initiative
An international initiative that encourages firms to set scientifically-grounded targets for reducing greenhouse gas emissions so that the goals of the Paris Agreement may be achieved. Jointly managed by CDP, which is an NGO involved in environmental information disclosure, UNGC (United Nations Global Compact), WRI (World Resources Institute), and WWF (World Wide Fund for Nature).

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

8th Mid-Term Plan on the Environment Plus II (FY2026–2027)

Reduce greenhouse gas emissions by 57% for SCOPE 1+2 (compared with FY2019 levels)

<Priority Themes>

- Strengthen measures to address global warming
- Promote resource circulation and strengthen chemical substance management
- Promote biodiversity conservation
- Enhance disclosed information

Biodiversity Preservation Initiatives 1

Kobe R&D Center, a hub for biodiversity preservation activities
Received the Prime Minister's Award for Distinguished Service in the 2026 Greenery Promotion Campaign

- The site features a forest of approximately 30,000 native trees planted and nurtured by employees, rooftop grassland featuring plant species native to the northern Rokko region on the roof and a biotope consisting of two ponds and a stream.
- In October 2023, the site was certified as a "Natural Symbiosis Site" by the Ministry of the Environment, and registered as an OECM in the international database*.
- In April 2026, Kobe R&D Center received the Prime Minister's Award for Distinguished Service in the 2026 Greenery Promotion Campaign.




表彰状

エスペック株式会社神戸R&Dセンター殿

貴殿は多年にわたり緑豊かな
地域社会づくりに励み緑化の
推進に尽くした功績は誠に
顕著であります
よってこれを表彰します

令和八年四月二十四日

内閣総理大臣 高市早苗

Certificate of the Prime Minister's Award for Distinguished Service in the 2026 Greenery Promotion Campaign

*OECM (Other Effective Area-based Conservation Measures): Areas outside protected areas that contribute to biodiversity conservation

Biodiversity Preservation Initiatives 2

Biodiversity conservation activities “ESPEC’s 50-Year Forest”

- In November 2022, started the forest creation for “ESPEC’s 50-Year Forest” using the “corporate forests” system under the Ministry of Agriculture, Forestry and Fisheries in Sanda City, Hyogo Prefecture
- Held a total of three tree-planting festivals by April 2024
- Approximately 400 employees and others participated in planting a total of 12,000 trees over the past two years



The 3rd Tree-Planting Festival
Seeds were selected based on carbon fixation and biodiversity functions.

ESPEC Foundation for Earth Environment Research and Technologies

- Provides funding support every year for research, technology development on global environmental conservation
- Grants totaling ¥182.9 million have been provided to a total of 361 groups over the past 28 years since the Foundation was established in 1977



29th award ceremony

Initiatives to Maximize Human Resources

Improving the quality of corporate culture and organizational management

- Round-up Training Course, Direct Communication sessions, Company-wide event, 1 on 1 meetings, address people with “san” rather than their job titles
- Engagement surveys, personnel assessments, and 360° Surveys
- A performance evaluation system that fosters ambition and growth

Individual growth support

- Career training
- Support for language study
- Recurrent education
- Remote learning

Company
- Diverse growth support
- Providing opportunities to shine

Enhancing corporate value

Sharing the joy of growth
Employees and management joining together in vigorous activity

Employees
- Independent growth
- Work satisfaction

Management strategy-linked human resources development

- Training of next-generation management
- Global human resources
- DX personnel and digital personnel

Diversity and inclusion Ensuring employee health and safety

- Promoting the utilization of women and senior citizen employees
- Promotion of Health and Productivity Management, mental healthcare
- Increasing the rate of disability hires
- Respect for human rights, harassment education

Contributions to Society

ESPEC Smile Club: a donation system featuring employee participation

- Donated to an organization that conducts CSR activities related to children and medical care through the matching gift system in which the Company matches donations made by employees.

- In April 2026, we donated a total of 1,403,900 yen to Japan Heart*, a specified nonprofit corporation.

* Japan Heart: An international medical NGO founded in Japan that provides free medical services both domestically and abroad.

Vegetables harvested at a plantation staffed by workers with disabilities were donated to children's cafeterias

- Periodically donated vegetables harvested at ESPEC Smile Farm*, a plantation staffed by workers with disabilities, to local children's cafeterias

* Opened in November 2021 in a rental farm operated by a company that supports employment of people with disabilities. 4 individuals were hired to work at ESPEC Smile Farm, specifically 3 staff members with disabilities and 1 farm foreman.



Non-Financial Data 1 Environmental

(Fiscal Year)		Scope	2021	2022	2023	2024	2025
Greenhouse Gas Emissions(t-CO2e)	SCOPE 1+2＋3	Consolidated*2	883,400	1,098,905	1,048,332	1,292,432	1,282,803
	SCOPE 1*1		3,293	3,576	3,622	3,768	3,404
	SCOPE 2(Market-based) *1		4,248	3,717	4,285	5,563	5,855
	SCOPE 3		875,859	1,091,612	1,040,425	1,283,101	1,273,544
Water withdrawal/Water emissions (1,000㎥)	Water withdrawal	Consolidated*2	77	92	99	129	109
	Water emissions		73	89	99	118	101
Total Amount of Emissions (t)	Total amount of waste and recycled materials	Consolidated*3	1,701	1,207	1,282	1,185	1,159
	Waste disposed		840	542	479	467	389
	Recycled materials		861	664	803	718	769
Amount of Fluorocarbon Recovered (kg)		Non-consolidated	3,208	3,695	3,471	3,115	3,200
Number of products recycled*4	Total Amount	Non-consolidated	431	473	482	489	433
ESPEC Foundation for Global Environment Research and Technology Cumulative grant amount	Total Amount	Non-consolidated	14,741	15,641	16,491	17,391	18,291
Number of trees planted through environmental preservation business		ESPEC MIC CORP.	53,132	80,650	60,314	39,593	45,833

*1 Figures are based on an independent third-party assurance report.
*2 For the fiscal year ended March 2024, COSMOPIA HIGHTECH CORP.,is excluded
*3 ESPEC ENVIRONMENTAL EQUIPMENT (SHANGHAI) CO., LTD., a sales subsidiary, is excluded.
For the fiscal year ended March 31, 2022, SHANGHAI ESPEC ENVIRONMENTAL EQUIPMENT CORP., ESPEC KOREA CORP., and ESPEC ENGINEERING (THAILAND) CO., LTD. are excluded
For the fiscal year ended March 31, 2023, SHANGHAI ESPEC ENVIRONMENTAL EQUIPMENT CORP.,
For the fiscal year ended March 2024, 2025, COSMOPIA HIGHTECH CORP.,is excluded
* 4 We have been certified under the Ministry of the Environment's Wide-Area Certification System, and we collect our used environmental testing equipment for a fee and recycle it.

Non-Financial Data 2 Social

(Fiscal Year)		Scope	2021	2022	2023	2024	2025
Number of employees in Japan and Overseas (Persons) *1	Total	Consolidated	1,628	1,691	1,775	1,860	1,898
	Domestic		901	906	982	1,042	1,053
	Overseas		727	785	793	818	845
Number of employees by gender (Persons) *1	Total	Non-consolidated	770	778	790	838	845
	Male		643	636	633	663	659
	Female		127	142	157	175	186
Average years of service (Years)		Non-consolidated	19.1	17.2	17.0	15.3	14.4
Average age (Years old)		Non-consolidated	43.0	41.2	41.4	40.3	39.7
Turnover rate (%) *2		Non-consolidated	1.6	1.4	3.3	2.3	1.8
Monthly average overtime hours (Hours)		Non-consolidated	15.5	22.6	20.1	21.9	20.7
Annual paid leave utilization rate (%)		Non-consolidated	69.1	75.1	74.3	77.8	83.8
Ratio of female managers rate (%) *3		Non-consolidated	6.0	7.0	9.5	9.8	8.1
Ratio of female new graduate hires (%) *3		Non-consolidated	28.6	40.0	39.3	30.4	25.0
Gender pay gap (%)		Non-consolidated	-	70.3	72.5	73.5	72.6
Ratio of employees with disabilities (%) *1		Non-consolidated	2.50	2.47	2.37	2.46	2.35
Ratio of employees taking childcare leave (%)	Male	Non-consolidated	30.8	13.3	52.9	56.0	46.7
	Female	Non-consolidated	100	100	100	100	100
Investment in employee education and development (million yen)		Non-consolidated	-	101	129	135	125
Number of participants in the Round-up training courses (Persons) *4		Non-consolidated*5	343	856	485	375	496
Work Engagement *6*7		Non-consolidated	-	-	-	B	B
Employee Engagement *6*8		Non-consolidated	-	-	-	C	B
Frequency rate (%) *9 *10		Non-consolidated	1.34	0	0.55	0	0

*1 as of the end of each fiscal year. *2 Excluding mandatory retirement employees. *3 as of April 1 of the following fiscal year. *4 The workshop designed to promote understanding and penetration of our corporate philosophy.
*5 Includes some domestic group companies. *6 Results from the engagement survey. (S: Excellent, A: Good, B: Average, C: Needs Improvement, D: Requires Immediate Improvement)
*7 A proactive and positive mindset toward work. *8 A sense of attachment to the company or organization. *9 Excludes temporary workers. *10 calculated as (number of lost time accidents/ total worked hours) × 1,000,000

Non-Financial Data 3 Governance

(Fiscal Year)			Scope	2021	2022	2023	2024	2025
Board of Directors*1	Composition (%)	Ratio of independent outside	Non-consolidated	25	40	40	40	40
		Female ratio		0	20	20	20	20
	Attendance rates (%)		Non-consolidated	100	100	99.2	100	96.9
Audit & Supervisory Committee*1	Composition (%)	Ratio of independent outside	Non-consolidated	-	67	67	67	67
		Female ratio	Non-consolidated	-	33	33	33	33
	Attendance rates (%)		Non-consolidated	-	100	100	100	100
Nomination and Compensation Committee*2	Composition (%)	Committee chairperson	Non-consolidated	Outside director	Outside director	Outside director	Outside director	Outside director
		Ratio of independent outside	Non-consolidated	60	60	60	60	60
	Attendance rates (%)		Non-consolidated	100	100	100	100	100
Total number of reports to the internal hotlines(Cases)			Non-consolidated	0	0	1	0	0
Number of compliance issues hotlines(Cases)			Non-consolidated	1	3	2	2	0

*1 The Company has transitioned from a company with an Audit & Supervisory Board to a company with an Audit & Supervisory Committee in June 2022.
*2 The Company changed the name of the Personnel Advisory Committee, a voluntary body that deliberates on director appointments and compensation, to the Nomination and Compensation Advisory Committee in March 2021, and changed to the Nomination and Compensation Committee in March 2022.

External Recognition

■ ESG-Related Evaluations

- Included in the ESG index “FTSE JPX Blossom Japan Sector Relative Index”
  Included in the ESG index “S&P/JPX Carbon Efficient Index”
- Rated “B” score in the CDP Climate Change Survey, Water Security receives “B-” score,
  Selected as Supplier Engagement Leader for four consecutive years,
  the Top Rank in the Supplier Engagement Ratings
- 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 FY2026 Prime Minister’s Award for Contributors to the Green Promotion Campaign.
- 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)
- Company with outstanding 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.

INQUIRIES:
ESPEC CORP.
Sustainability Management Department
IR & Public Relations Group
E-mail : ir-div@espec.jp
Website: https://www.espec.co.jp/english/

Quality is more than a word

