To whom it may concern:

October 27, 2026

Company name: Inabata & Co., Ltd.
Representative: Katsutaro Inabata, Director, President
(Stock code: 8098, Prime Market of the Tokyo Stock Exchange)
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Notice Concerning Changes in Associates Accounted for Using the Equity Method (Conversion to Subsidiaries)

Inabata & Co., Ltd. (the "Company") hereby announces that it has decided to acquire the equivalent of 65% of the shares of ULVAC COATING CORPORATION ("ULVAC COATING"), an associates accounted for using the equity method, from ULVAC, Inc. ("ULVAC") and make ULVAC COATING a wholly owned subsidiary. The Company has also decided to make subsidiaries of ULVAC COATING, namely, ULCOAT TAIWAN, Inc., ULVAC Coating Technology (HEFEI) Co., Ltd., and FINE SURFACE TECHNOLOGY CO., LTD., wholly owned subsidiaries.

1. Reasons for converting companies to consolidated subsidiaries

Since April 2024, the Company has been promoting the three-year Medium-term Management Plan "New Challenge 2026" ("NC2026"), which will end in the fiscal year ending March 31, 2027, as the third stage towards achieving our long-term vision "IK Vision 2030" by around 2030.

As one of the growth strategies of NC2026, the Company has established "expand earnings through proactive investment" with businesses related to semiconductors and electronic components, those related to automobiles, and those related to life industries, such as food products, as the target business domains, and this matter is in line with that strategy.

The Company's start in the semiconductor-related business dates back to the 1960s. Over the decades since, alongside its expanding business relationships with various manufacturers, centered on chemical manufacturers, the Company has also been steadily expanding the materials that it handles. Today, the Company is handling a vast array of materials from pre-processing to post-processing. Meanwhile, in 1971, Japan Vacuum Engineering Co., Ltd., the predecessor of ULVAC, developed a new product, special dry plates (mask blanks) used in the semiconductor IC manufacturing process, and the Company simultaneously participated in its sales. In 1987, ULVAC's mask division became an independent entity and the Company participated in the capital investment in ULVAC COATING, thereby strengthening our relationship.

In 1979, ULVAC COATING became an independent entity from ULVAC's coating business division, which had successfully developed mask blanks for the first time in the world in 1970. ULVAC COATING is

a comprehensive manufacturer of mask blanks, which are essential materials for the production of semiconductors and flat panel displays (FPDs), and it is one of the few companies in the world capable of integrating production from glass processing to finished mask blanks.

Going forward, long-term market growth is expected for semiconductor applications, while FPD applications are anticipated to gain high added value due to the shift to OLED technology. With the subsidiary conversion, the Company plans to further concentrate on semiconductor applications and maximize profits for FPD applications by leveraging our three production facilities in Japan, China, and Taiwan.

Furthermore, the Company plans to further expand the handling of semiconductor-related products and accelerate the expansion of its semiconductor-related businesses, including M&A for acquiring technology and business rights.

2. Overviews of subsidiaries to be transferred (ULVAC COATING CORPORATION, ULCOAT TAIWAN, Inc., and ULVAC Coating Technology (HEFEI) Co., Ltd.)

(1)	Name	ULVAC COATING CORPORATION	
(2)	Location	2804 Terao, Chichibu-shi, Saitama	
(3)	Name and title of representative	Naobumi Matsuki, President and CEO	
(4)	Business	Manufacture and sales of mask blanks for semiconductors and flat panel displays, and processing business of quartz substrates	
(5)	Capital stock	100 million yen	
(6)	Date of establishment	January 1, 1979	
(7)	Principal shareholders and percentages of shares outstanding	ULVAC, Inc.: 65.0% Inabata & Co., Ltd.: 35.0%	
(8)	Relationship between the listed company and the concerned company	Capital relationship	The Company holds a 35.0% investment in ULVAC COATING.
		Personal relationship	One employee of the Company is currently dispatched to ULVAC COATING as an officer of the concerned company.
		Business relationship	The Company has a product buying/selling relationship with the concerned company.

(9)	Operating result and financial position of the concerned company for the last three years (non-consolidated)		
Fiscal year-end	June 30, 2024	June 30, 2025	June 30, 2026
Net assets	3,301 million yen	3,962 million yen	4,700 million yen
Total assets	10,726 million yen	11,214 million yen	11,730 million yen
Net assets per share	6,820.89 yen	8,185.67 yen	9,710.47 yen
Net sales	7,564 million yen	8,417 million yen	8,920 million yen
Operating profit	765 million yen	883 million yen	1,076 million yen
Ordinary profit	734 million yen	920 million yen	930 million yen
Profit	569 million yen	951 million yen	1,010 million yen
Earnings per share	1,175.16 yen	1,965.67 yen	2,085.77 yen
Dividend per share	586.77 yen	588.84 yen	283.05 yen

(1)	Name	ULCOAT TAIWAN, Inc.	
(2)	Location	No.60, Industry III Road, An-Nan District, Tainan, Taiwan	
(3)	Name and title of representative	Naobumi Matsuki, Chairman	
(4)	Business	Manufacture and sales of mask blanks, large mask blanks and flat panel display related coating products	
(5)	Capital stock	512 million New Taiwan dollars	
(6)	Date of establishment	August 24, 2001	
(7)	Principal shareholders and percentages of shares outstanding	ULVAC COATING CORPORATION: 100%	
(8)	Relationship between the listed company and the concerned company	Capital relationship	There are no matters that should be described.
		Personal relationship	There are no matters that should be described.
		Business relationship	The Company has a product buying relationship with the concerned company.

(9)	Operating result and financial position of the concerned company for the last three years (non-consolidated)		
Fiscal year-end	June 30, 2024	June 30, 2025	June 30, 2026
Net assets	622 million New Taiwan dollars	631 million New Taiwan dollars	609 million New Taiwan dollars
Total assets	684 million New Taiwan dollars	715 million New Taiwan dollars	717 million New Taiwan dollars
Net sales	374 million New Taiwan dollars	379 million New Taiwan dollars	389 million New Taiwan dollars
Operating profit	(31 million New Taiwan dollars)	0 million New Taiwan dollars	(31 million New Taiwan dollars)
Ordinary profit	(34 million New Taiwan dollars)	11 million New Taiwan dollars	(27 million New Taiwan dollars)
Profit	(27 million New Taiwan dollars)	8 million New Taiwan dollars	(21 million New Taiwan dollars)

(1)	Name	ULVAC Coating Technology (HEFEI) Co., Ltd.	
(2)	Location	No.358, Ming Zhu Road, Hi-Tech District, Hefei City, Anhui Province	
(3)	Name and title of representative	Naobumi Matsuki, Chairman	
(4)	Business	Manufacture and sale of mask blanks	
(5)	Capital stock	80 million renminbi	
(6)	Date of establishment	May 14, 2018	
(7)	Principal shareholders and percentages of shares outstanding	ULVAC COATING CORPORATION: 92.3% ULVAC (CHINA) HOLDING CO., LTD.: 7.7%	
(8)	Relationship between the listed company and the concerned company	Capital relationship	There are no matters that should be described.
		Personal relationship	There are no matters that should be described.
		Business relationship	There are no matters that should be described.

(9)	Operating result and financial position of the concerned company for the last three years (non-consolidated)		
Fiscal year-end	December 31, 2023	December 31, 2024	December 31, 2025
Net assets	(117 million yuan)	(99 million yuan)	(76 million yuan)
Total assets	39 million yuan	35 million yuan	37 million yuan
Net sales	13 million yuan	31 million yuan	48 million yuan
Operating profit	(12 million yuan)	18 million yuan	24 million yuan
Ordinary profit	(12 million yuan)	18 million yuan	23 million yuan
Profit	(12 million yuan)	18 million yuan	23 million yuan

* No consolidated statements of income and balance sheets have been prepared for ULVAC COATING and its subsidiaries. The simple aggregated figures for ULVAC COATING, ULCOAT TAIWAN, Inc., ULVAC Coating Technology (HEFEI) Co., Ltd., and FINE SURFACE TECHNOLOGY CO., LTD. are as follows.

Fiscal year-end	June 30, 2024	June 30, 2025	June 30, 2026
Net assets	16,037 million yen	16,930 million yen	18,899 million yen
Total assets	4,444 million yen	5,582 million yen	7,201 million yen
Net sales	11,768 million yen	13,570 million yen	15,451 million yen
Operating profit	530 million yen	1,612 million yen	2,231 million yen
Ordinary profit	493 million yen	1,710 million yen	2,091 million yen
Profit	312 million yen	1,620 million yen	1,876 million yen

3. Overview of counterparty for the acquisition of shares

(1)	Name	ULVAC, Inc.	
(2)	Location	2500 Hagisono, Chigasaki-shi, Kanagawa	
(3)	Name and title of representative	Junya Kiyota, Representative Director and President	
(4)	Business	Development, manufacture, sales, and customer support of semiconductor and electronic device production equipment, display and energy-related production equipment, industrial equipment, components, materials, etc.	
(5)	Capital stock	20,873,042,500 yen	
(6)	Date of establishment	August 23, 1952	
(7)	Net assets	148,956 million yen	
(8)	Total assets	250,541 million yen	
(9)	Principal shareholders and percentages of shares outstanding	The Master Trust Bank of Japan, Ltd. (Trust Account): 15.40%	
		Custody Bank of Japan, Ltd. (Trust Account): 8.61%	
		BBH (LUX) FOR FIDELITY FUNDS-GLOBAL TECHNOLOGY POOL: 7.48%	
		Nippon Life Insurance Company: 6.57%	
		STATE STREET BANK AND TRUST COMPANY 505001: 3.63%	
		JPMorgan Securities Japan Co., Ltd.: 2.75%	
		STATE STREET BANK AND TRUST COMPANY 505103: 1.77%	
		THE BANK OF NEW YORK MELLON 140044: 1.47%	
		JP MORGAN CHASE BANK 385781: 1.46%	
		Mizuho Bank, Ltd.: 1.29%	
(10)	Relationship between the listed company and the concerned company	Capital relationship	There are no matters that should be described.
		Personal relationship	There are no matters that should be described.
		Business relationship	The Company has a product buying and selling relationship with the concerned company.
		Related-party relationship	There are no matters that should be described.

4. Number of shares acquired, value of acquisition, status of ownership before and after acquisition

(1)	Number of shares owned before the transfer	169,400 shares (Units of voting rights: 1,694) (Ownership ratio: 35.0%)
(2)	Number of shares to be acquired	314,600 shares (Units of voting rights: 3,146) (Ownership ratio: 65.0%)
(3)	Value of acquisition	4.9 billion yen
(4)	Number of shares to be held after the transfer	484,000 shares (Units of voting rights: 4,840) (Ownership ratio: 100.0%)

5. Schedule

(1)	Acquisition determination date	October 27, 2026
(2)	Contract date	October 30, 2026 (Planned)
(3)	Execution date of share transfer	December 18, 2026 (Planned)

6. Future outlook

The impact of this matter on the consolidated financial results and financial position is currently under examination. If an event that requires disclosure arises, we will promptly announce such an event.

(Reference) Forecast of consolidated financial results for the fiscal year ending March 31, 2027 (announced on May 11, 2026) and consolidated financial results for the fiscal year ended March 31, 2026

	Consolidated net sales	Consolidated operating profit	Consolidated ordinary profit	Profit attributable to owners of parent
Forecast of consolidated financial results for the fiscal year ending March 31, 2027 (forecast)	890,000 million yen	27,500 million yen	27,500 million yen	21,000 million yen
Consolidated financial results for the fiscal year ended March 31, 2026	832,745 million yen	26,164 million yen	27,748 million yen	20,632 million yen