November 12, 2025
Citizen Watch Co., Ltd.

Main questions and answers at the financial results presentation for the second quarter ended September 30, 2025

Date/Time: November 12, 2025 (Wednesday) 4:30 p.m. -5:30 p.m.
Participants from the Company:
Yoshitaka Oji, President & CEO; Toshiyuki Furukawa, Senior Managing Director;
Keiichi Kobayashi, Director

Main questions and answers:

[Watches]
Q) Were there any changes to sales in North America after the price increase in late June? Do you plan any additional measures to address the US tariffs?
A) There was last-minute demand in some distribution channels before the price increase. Overall, however, there has been no major impact, and sales remained strong in the second quarter. We are not considering any additional price increases at the moment.

Q) What drove the performance in North America in the first half?
A) While both the CITIZEN and BULOVA brands grew, BULOVA, which is more profitable, grew significantly and contributed to the improvement of profitability.

[Machine Tools]
Q) What is the cause of the decline in profit alongside the increase in sales?
A) The composition ratio of products for China, whose unit prices are low, has been increasing. In addition, unit selling prices slightly declined in some other regions as well.

Q) What are the prospects for orders to be received in each region in the second half?
A) While orders received in October were sufficient, it is far from a full-scale recovery. In Japan, semiconductor-related demand is trending upward. In Asia, we received more orders than we expected in China in the second quarter. In North America, there was last-minute demand in September ahead of the price increase in October. However, we were able to receive orders exceeding the first half average in October—after the price increase. In Europe, job-shop products and medical-related products were strong.

[Devices and Components]

Q) What is behind the quarter-on-quarter improvement of performance in the second quarter?

A) There are no major factors behind it. The performance of each product improved. The products related to ceramic parts, sales of high-profitability products were relatively high and demand for quartz device products grew. The quarter-on-quarter increase in photo printer sales and profit also contributed to the results.