August 14, 2026
Citizen Watch Co., Ltd.

Main questions and answers at the financial results presentation for the first quarter ended June 30, 2026

Date/Time: August 14, 2026 (Friday) 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:

[General]

Q) What is the expected amount of the refunds for the additional US tariffs?

A) Refunds have not been factored into the financial forecasts because the timing and amount of refunds remain uncertain. We have submitted a claim for approximately 4 billion yen.

[Watches]

Q) What is the reason behind the company's strong performance? How long is this trend expected to last?

A) Our strong performance is mainly due to net sales in the mainstay North American market, which significantly exceeded the plan. In North America, both unit sales price and sales volumes increased year on year at similar rates. The high sales volume also contributed to our strong performance. In addition to higher net sales, the growth of shipments of high-value-added models also contributed to operating profit. Demand remains strong in North America. We expect this trend to continue in the second quarter and onwards. Distribution inventory is at a suitable level, and the sell-through remains solid.

Q) Regarding the strong in-house e-commerce sales in North America

A) We are enhancing our digital marketing efforts in the mainstay North American market. This has begun to yield positive results. In-house e-commerce outlets strongly appeal to young users, and we expect sales to remain strong.

[Machine Tools]

Q) Regarding the company's production capacity enabling it to fulfill a large number of orders and achieve targeted lead times

A) Since the previous Medium-term Management Plan period, we have been enhancing our production capacity and improving productivity by automating processes to achieve net sales of 100 billion yen. The lead time for small machines used in probe pin processing has now exceeded one year due to a surge in demand that began in the previous fiscal year. Lead times for other products designed for AI data centers are trending longer compared to three months ago.

Q) Regarding the revised financial forecasts

A) The revised financial forecasts reflect our currently anticipated production capacity as well as component procurement conditions. Discrepancies have arisen between the assumptions used to develop the current Medium-term Management Plan and the current conditions, including the surge in orders for small machines used in probe pin processing that began in the latter half of the previous fiscal year. Results in the current fiscal year will depend on our ability to produce and ship the ordered products.