

JAPAN ELECTRONIC COMPONENTS/SEMICONDUCTORS

Potential onset of one of the largest cycles in history; remain bullish on Murata/Taiyo Yuden/Renesas/Ibiden, Rohm up to Buy, downgrade Nitto Denko/JAE

We update our earnings estimates, target prices, and ratings for the 22 companies in our Japan electronic components/semiconductor coverage. Our key messages are as follows.

This cycle could be one of the biggest and longest ever. The first wave will be technological evolution and rising content in AI servers (infrastructure), followed by a second wave of device proliferation, such as edge AI/physical AI. **We see the current phase as the early stage of the cycle.** We expect the sector's earnings/CROCI/ROE to surpass past peaks.

The gap in earnings growth between companies could widen further. We assess companies on three criteria: (1) how much the earnings impact from AI will increase in the short- and medium- to long-term; (2) how significant the impact of rising costs, such as for materials, will be in the short term; and (3) as a prerequisite, whether a company has the management structures in place (including governance) to operate successfully in a rapidly changing business environment.

Individual stock ratings

(1) Remain bullish on key AI beneficiaries: We meaningfully raise our 12m target prices for ABF substrate manufacturer **Ibiden (Buy)**, which has been viewed favorably by the equity market since 2025, as well as for MLCC makers **Murata Mfg. (Buy, on CL)** and **Taiyo Yuden (Buy)**, and PMIC major **Renesas (Buy)**, which we have been highlighting most prominently since the beginning of 2026. We maintain our bullish stance on each of these names.

(2) Group of stocks set to benefit increasingly from AI (or from data centers/semiconductors in a broader sense): We maintain our **Buy** ratings on **TDK**, **MinebeaMitsumi**, and **Nidec**, and upgrade **Rohm to Buy, from Neutral**, on the growing impact from AI-related semiconductors such as SiC. Among Neutral-rated stocks, we are raising our focus on **Hirose Electric**, **Nichicon**, **NGK Corp.**, and **Niterra** as companies with the potential to see increasing benefits from AI and semiconductors. We also maintain our **Buy** rating on **Kyocera** as a laggard name.

(3) Group of stocks susceptible to material cost impact and less likely to benefit from AI: We downgrade **Nitto Denko to Neutral, from Buy**, as it continues to see solid earnings growth but lacks visibility on non-linear change, and **Japan Aviation**

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Electronics Industry to Sell, from Neutral, as earnings growth in automotive and smartphone applications is slowing. We also maintain a wait-and-see stance on **Mabuchi Motor (Sell)**, for which we see high downside risk to 1H earnings, and **Alps Alpine (Neutral)**, where the impact of material costs is significant and a 1Q operating loss is likely.

Investor feedback: As of the close on June 3, Murata Mfg.'s market cap was ¥20.5 tn, placing it in the top 10 on the TSE Prime Market at a level approaching Sony and Hitachi. We are receiving a record level of inquiries from many investors globally. **In addition to Murata Mfg. and Taiyo Yuden, investor queries are currently centering around the next potential candidates to follow suit.**

Exhibit 1: Our ratings and new vs. old target prices

Ticker	Company name	Rating		Target Price		Change	6/5/2026 Price	Upside / downside	Implied		Implied		Current		Current	
		Old	New	Old	New				P/B	P/E	P/B	P/E	FY3/27E	FY3/28E	FY3/27E	FY3/28E
6981	Murata Mfg.	Buy*	Buy*	¥5,400	¥12,600	133%	¥9,695	30%	7.5x	60.9x	40.6x	30.0x	5.8x	46.9x	31.2x	23.1x
4062	Ibiden	Buy	Buy	¥9,600	¥25,500	166%	¥18,760	36%	11.5x	NM	57.1x	40.2x	8.5x	67.3x	42.0x	29.5x
6976	Taiyo Yuden	Buy	Buy	¥7,100	¥21,200	199%	¥15,850	34%	9.0x	NM	46.8x	30.8x	6.7x	64.0x	35.0x	23.0x
6963	Rohm	Neutral	Buy	¥3,300	¥6,500	97%	¥5,270	23%	3.2x	58.9x	34.5x	24.6x	2.6x	47.7x	27.9x	19.9x
5344	MARUWA	Buy	Buy	¥70,000	¥89,000	27%	¥73,930	20%	6.4x	41.3x	29.6x	23.1x	5.3x	34.3x	24.6x	19.2x
6723	Renesas Electronics	Buy	Buy	¥3,800	¥5,400	42%	¥4,568	18%	3.1x	20.3x	16.3x	13.4x	2.6x	17.2x	13.8x	11.3x
6594	Nidec	Buy	Buy	¥3,200	¥3,200	0%	¥2,773	15%	2.0x	18.0x	16.1x	-	1.7x	15.6x	13.9x	-
6971	Kyocera	Buy	Buy	¥2,700	¥4,200	56%	¥3,720	13%	1.6x	34.7x	29.3x	24.9x	1.4x	30.7x	26.0x	22.1x
6762	TDK	Buy	Buy	¥3,000	¥4,600	53%	¥4,111	12%	3.6x	34.5x	30.6x	27.8x	3.3x	30.8x	27.3x	24.8x
6479	MinebeaMitsumi	Buy	Buy	¥4,000	¥5,500	38%	¥4,994	10%	2.2x	23.4x	20.2x	18.6x	2.0x	21.2x	18.3x	16.9x
6908	IRISO Electronics	Neutral	Neutral	¥3,400	¥3,400	0%	¥3,170	7%	1.1x	16.8x	14.6x	12.9x	1.0x	15.7x	13.6x	12.0x
5334	Niterra	Neutral	Neutral	¥7,800	¥10,600	36%	¥10,155	4%	2.5x	17.9x	16.0x	14.7x	2.4x	17.1x	15.3x	14.0x
6770	Alps Alpine	Neutral	Neutral	¥2,200	¥2,200	0%	¥2,134	3%	1.2x	13.8x	10.4x	9.4x	1.1x	13.3x	10.1x	9.1x
6806	Hirose Electric	Neutral	Neutral	¥21,200	¥29,300	38%	¥28,630	2%	2.4x	24.6x	21.4x	19.2x	2.3x	24.0x	20.9x	18.8x
6988	Nitto Denko	Buy	Neutral	¥4,200	¥3,000	-29%	¥3,060	-2%	1.6x	14.7x	13.7x	12.8x	1.7x	14.9x	14.0x	13.1x
5333	NGK Corp.	Neutral	Neutral	¥4,500	¥6,400	42%	¥6,575	-3%	2.2x	21.7x	19.7x	18.1x	2.2x	22.3x	20.2x	18.6x
6524	Kohoku Kogyo	Neutral	Neutral	¥5,400	¥6,000	11%	¥6,400	-6%	5.9x	37.4x	29.2x	26.7x	6.3x	39.9x	31.1x	28.5x
6996	Nichicon	Neutral	Neutral	¥2,200	¥4,000	82%	¥4,375	-9%	2.1x	29.8x	23.2x	19.6x	2.3x	32.6x	25.3x	21.4x
6929	Nippon Ceramic	Sell	Sell	¥3,000	¥3,700	23%	¥4,045	-9%	1.7x	15.0x	13.7x	13.2x	1.8x	16.4x	15.0x	14.4x
6592	Mabuchi Motor	Sell	Sell	¥1,500	¥1,400	-7%	¥1,560	-10%	1.2x	18.9x	19.1x	16.8x	1.4x	21.1x	21.2x	18.7x
6810	Maxell, Ltd.	Sell	Sell	¥1,800	¥1,800	0%	¥2,062	-13%	0.7x	11.6x	8.5x	7.5x	0.8x	13.3x	9.7x	8.6x
6807	Japan Aviation Electronics Industry	Neutral	Sell	¥2,300	¥2,000	-13%	¥2,450	-18%	0.9x	20.4x	15.9x	14.0x	1.1x	25.0x	19.4x	17.2x
Average (22 companies)						45%		8%	3.3x	26.7x	23.9x	19.9x	2.9x	28.7x	21.6x	18.3x

*Denotes stock is on the APAC Conviction List. 12-month target prices. Mabuchi Motor, Nippon Ceramic, Renesas Electronics, and Kohoku Kogyo have December fiscal year-ends, so for these companies FY3/27E-FY3/29E figures correspond to FY12/26E-FY12/28E.

Source: LSEG Data & Analytics, Goldman Sachs Global Investment Research

Potential onset of one of the largest cycles in history; remain bullish on Murata/Taiyo Yuden/Renesas/Ibiden, Rohm up to Buy, downgrade Nitto Denko/JAE

Overall view: Potential for one of the biggest and longest cycles ever

We update our earnings estimates, target prices, and ratings for the 22 companies in our Japan electronic components/semiconductor coverage. Overall, we believe that:

- 1. The sector may have started to enter one of the biggest-ever cycles, driven by AI impact and;**
- 2. The current phase likely represents the early stage of the cycle.**

As we indicated in our January 12 report ("[Seizing the Global Growth Opportunity: A broader and deeper AI presence in the Asian supply chain](#)"), the magnitude of technological change in AI servers each year is extremely large (component content is rising at an unprecedented rate due to soaring power consumption and high-speed transmission of large-scale data), and a vast amount of money will be spent on AI infrastructure over the long term. We see this as the first chapter of the cycle.

Next, the rapid speed in social implementation of AI points to the possibility of a sustained wave of physical AI and edge AI as the second chapter of the cycle.

For the Japan electronic components/semiconductors sector, we think the biggest peak in demand will come in the second chapter (the device proliferation phase) even more so than in the first chapter (capex-related, such as infrastructure development). Against this backdrop, we believe this cycle has the potential to be one of the biggest and longest in history.

Comparison with past cycles (1): Correlation with semiconductors to strengthen again after a c.3-year lag

[Exhibit 2](#) compares the Japanese electronic components cycle with the semiconductor cycle (excluding memory, which has a large price impact) over the past c.30 years. Fundamentally, the yoy growth/decline rates of active elements (semiconductors) and passive elements (passive components) and other electronic components tend to correlate.

The chart also suggests there are two types of cycle: (1) macro cycles (such as inventory cycles due to macro fluctuations) and (2) product/technology cycles. For the latter, demand drivers can be broadly divided into capex-related (infrastructure) and consumer-related (devices).

The chart shows that the correlation between semiconductors and electronic components has broken down over the past three years or so. This is likely because semiconductors have greater exposure to capex-related areas like IT infrastructure, telecom infrastructure, and servers (receiving a balanced impact from both consumer-related and capex-related factors), whereas electronic components have a relatively smaller demand impact from capex (the initial impact of AI server/AI infrastructure development was small). On the other hand, a key characteristic is that large waves come in the phase of new device proliferation (in the past, this included digital home appliances, PCs, smartphones, and the electrification of automobiles such

as EVs).

In the current AI cycle, the semiconductor industry has seen meaningful benefits ahead of others from AI-related data center (DC) infrastructure investment. However, an unprecedented increase in component content has also begun on the back of soaring power consumption and high-speed transmission of large-scale data in AI servers, and **we believe this has started to have a significant impact on the sales and earnings of electronic component companies with a lag of about three years.** As mentioned earlier, the current phase is still the first chapter of the cycle. Considering that the second chapter - the device proliferation phase for edge AI and physical AI - is next, we think it is reasonable to consider the current period as the early stage of a major cycle.

Comparison with past cycles (2): Time lag between AI infra buildout and AI device proliferation may not be that long

Exhibit 3 is an updated version of the chart published in our January 12, 2026 report. Our key message as of January 12 was that this cycle is different from the IT bubble, and this view is unchanged. The main point of difference we want to emphasize this time is the rapid speed of social implementation following AI infrastructure development. In other words, **the time lag between AI infra buildout and device proliferation may not be that large.**

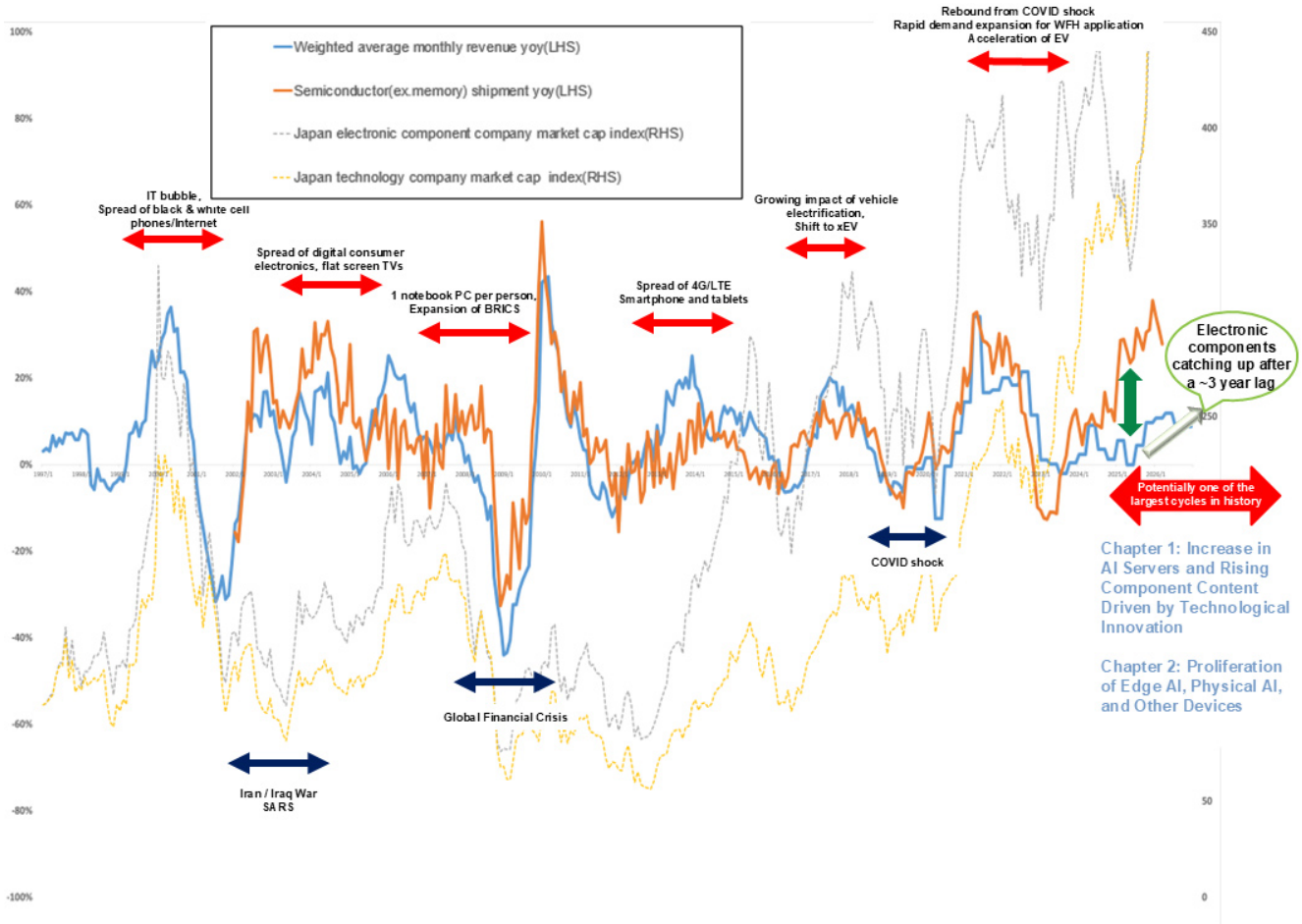
Infrastructure and devices evolve technologically in parallel. After the IT bubble, however, time was needed for technological advances in telecommunications infrastructure (2G→3G→4G/LTE). It took more than a decade for the explosive proliferation of the high-performance/multifunctional personal devices we use today such as smartphones and laptops.

This time, with 5G infrastructure already in place, there are signs that edge computing processing (i.e., the decentralization of concentrated power) is progressing quickly, not far behind the development of the AI server/DC infrastructure. Examples include autonomous vehicles and humanoid robots, which are positioned as mechanical edge devices, as well as wearables such as smart glasses in the consumer goods space. We also interpret NVDA's "reinvention" of the PC unveiled at Computex in Taiwan on June 2 as news that new edge devices will increasingly launch on the market.

While the first chapter of AI infrastructure alone appears to be a large and long cycle, the proliferation of edge AI and physical AI devices (the second chapter) that awaits beyond that indicates to us that the current cycle is at the early stage.

Exhibit 2: Comparison with past cycles (1): A 30-year comparison of electronic components and semiconductors

Electronic components catching up to semiconductors with a ~3-year lag; potential for one of the biggest and longest cycles in history

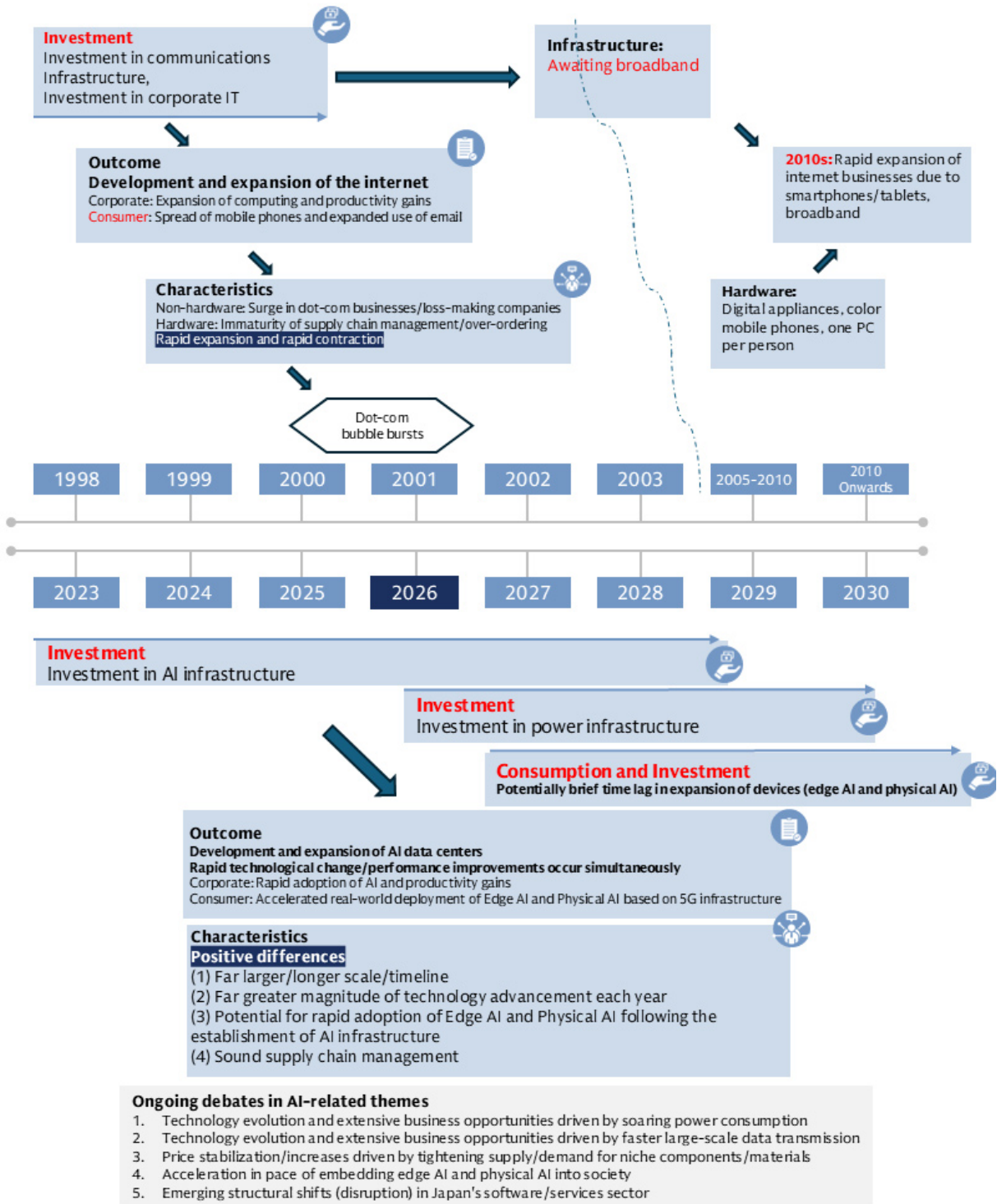


The weighted average yoy sales of electronic components are calculated based on electronic components-related stocks, including non-coverage names.

Source: Datastream, World Semiconductor Trade Statistics, Goldman Sachs Global Investment Research

Exhibit 3: Comparison with past cycles (2) Differences between the dot-com bubble (and subsequent tech cycles) and the current cycle

This time, the infrastructure buildout itself is larger and more sustained, with potential for device adoption utilizing AI infrastructure to progress relatively quickly post-deployment



Source: Goldman Sachs Global Investment Research

Perspectives of senior management are also starting to change

While maintaining the above industry view, over the past month we have confirmed the perspectives of corporate management teams via numerous company briefings and GS-hosted meetings with senior executives. As we discuss later, we believe the arrival of one of the biggest cycles in history will further widen the gap between companies that benefit and those that do not. It therefore comes as no surprise that not all senior management perspectives are the same. However, much of the company commentary on how management teams plan to confront the “big wave” expected to arrive left an impression on us. We introduce a portion here:

Murata Mfg. President Norio Nakajima said he was not concerned about external demand, noting that the challenges the company needs to overcome are more internal in nature. Management’s primary focus is on whether Murata can properly ramp up production capacity and appropriately allocate resources to its many technology development projects.

MinebeaMitsumi CEO Yoshihisa Kainuma highlighted that the biggest technological change and waves of demand in the company’s history are approaching. Management’s focus is on how to capture demand to the maximum extent without causing shortages. The company said it is necessary to prepare sufficient production capacity for products like bearings, while for humanoid robots, the need for reliable, high-precision, long-life parts will eventually increase.

Rohm President Katsumi Azuma said that he has been visiting Taiwan, and when management presented its sales outlook for AI/DC for FY2030, it received feedback asking if this was the demand forecast for just one customer, not for all customers (implying demand/needs exceeding expectations).

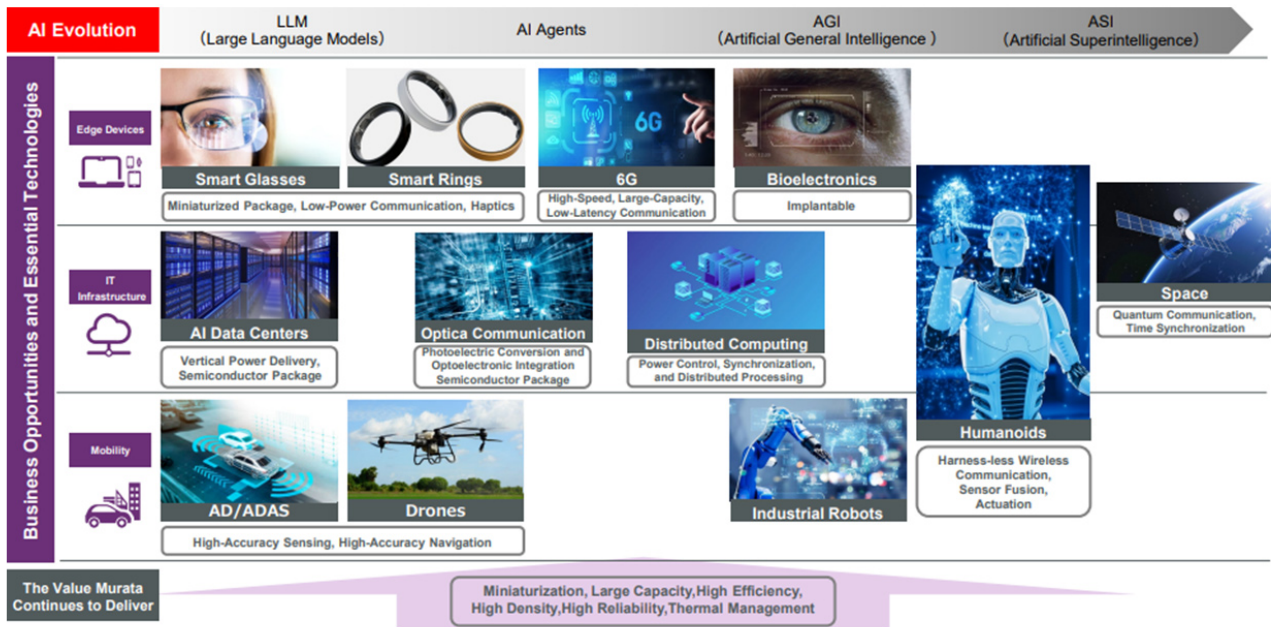
See the below links for further details of our meetings with senior management.

[Murata Mfg. \(6981.T\): CEO meeting: Positive on Murata’s strategy and competitiveness in gaining significant share of AI MLCC; Buy \(on CL\)](#)

[MinebeaMitsumi Inc. \(6479.T\): CEO meeting: Greater confidence in AI server and humanoid applications; maintain Buy](#)

[Rohm \(6963.T\): Top meeting: discussions on material cost impact, SiC, AI servers, reorganization/integration, and other topics](#)

Exhibit 4: “Business Opportunities in Core Fields Driven by AI Evolution,” presented at Murata Mfg’s 2025 IR Day
 As technology emerges concurrently across multiple fronts, strategically allocating resources among technology and product development teams to fully capture demand opportunities, while also preparing sufficient production capacity, is critical.



Source: Company data

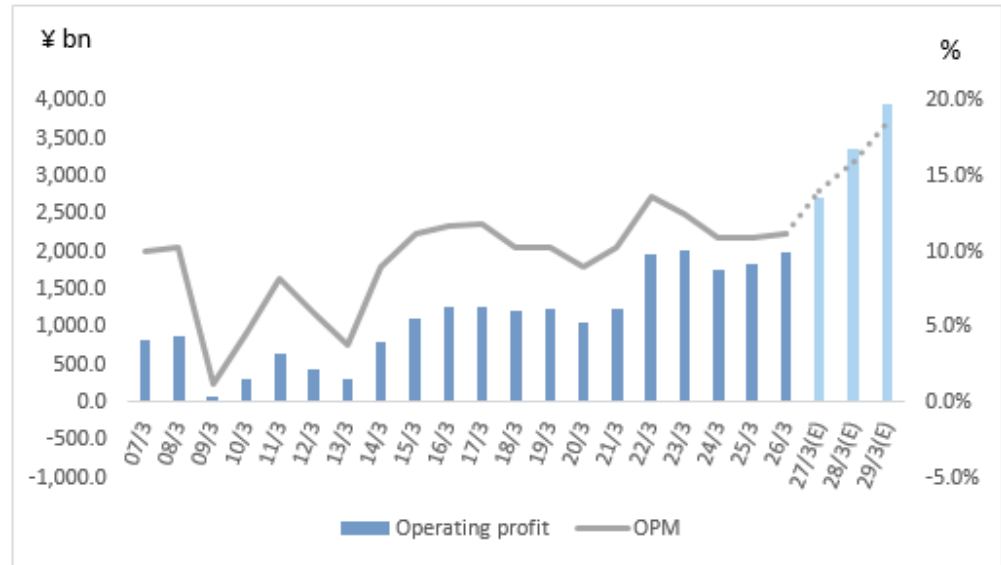
Sector-wide earnings likely to surpass past peaks; gap in earnings growth between companies set to widen further

Sector-wide earnings likely to surpass past peaks...

Against the backdrop of these industry trends, we have reviewed our earnings forecasts for the 22 companies in our Japan electronic components/semiconductor coverage. Overall, we raise our FY26-FY28 operating profit estimates by +3%/+9%/+17%. We expect the strong profit growth trend to continue, with sector average operating profit rising +36% yoy/+24% yoy/+20% yoy in FY26-FY28. In our latest review of earnings estimates, we have not updated our forecasts for Nidec or IRISO Electronics, as they have not yet disclosed their FY3/26 results (we have yet to introduce FY28 forecasts for Nidec).

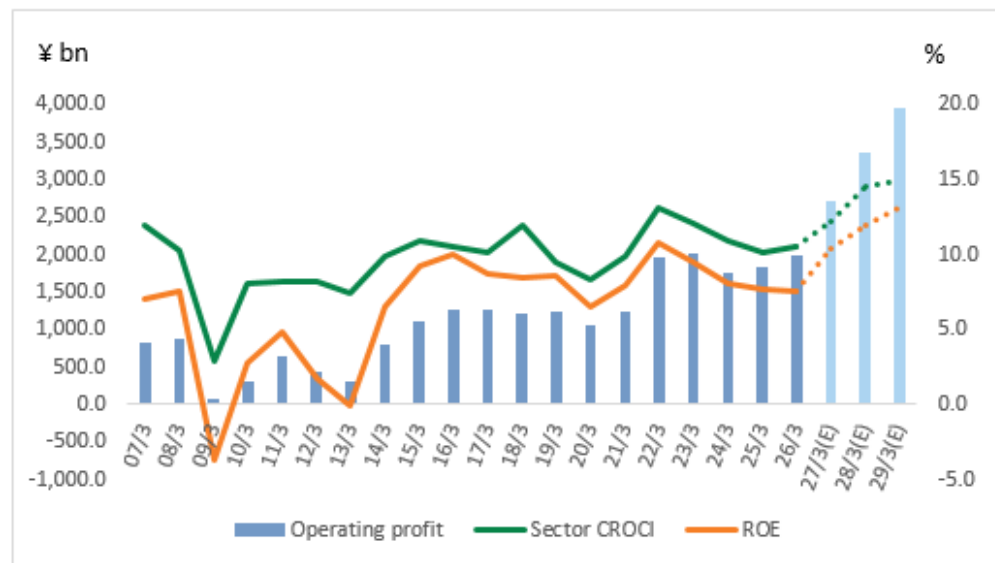
Exhibit 5 and Exhibit 6 show long-term trends in sector-wide operating profit and operating profit margin (OPM), as well as the sector’s CROCI and ROE. With profit levels likely to exceed historical peaks, we expect OPM, CROCI, and ROE to also surpass their past peaks by FY28. As discussed later, we believe the increase in our sector average valuation multiple assumption can also be justified by the earnings outlook.

Exhibit 5: Sector-wide operating profit and operating profit margin



Source: Goldman Sachs Global Investment Research, Company data, LSEG Data & Analytics

Exhibit 6: Sector-wide operating profit, operating profit margin, and ROE



Source: Goldman Sachs Global Investment Research, Company data, LSEG Data & Analytics

...but the gap in earnings growth between companies is set to widen further

However, we believe that the ability to successfully translate this AI-driven mega-cycle into profit growth will vary greatly by company. We think the trajectory of earnings and stock prices can be more easily understood by looking at three axes. Specifically, these are as follows.

1. How much will the earnings impact from AI increase in the short- and medium- to long-term?
2. How significant will the impact of rising costs, including for materials, be in the short

term?

3. As a prerequisite, does a company have the management structures in place (including governance) to operate successfully in a rapidly changing business environment?

We summarize the degree of impact for 1 and 2 in [Exhibit 7](#). **We are particularly focused on companies with a large operating profit contribution from AI/DC in our FY28 forecasts.** In our view, companies likely to deliver high growth (and be rewarded with high equity valuations) are those that see a small additional negative earnings impact from material costs and a high profit contribution from AI/DC. The opposite should be true for companies whose relative profit growth is lackluster (and whose equity valuations may accordingly see less upside).

Indeed, the equity market is assigning a high valuation to **Ibiden, reflecting prospects for an AI/DC profit contribution of 50% or more in FY28 (GSe), and to Murata Mfg., Taiyo Yuden, and MARUWA (40-49%),** and we too continue to take a very positive view of both their earnings and share prices. Furthermore, for **the group of companies with a 20-39% contribution (NGK Corp., Nidec, Renesas, TDK, MinebeaMitsumi)** and **the group with a 10-19% contribution (Hirose, Nichicon, Rohm, Niterra),** investor feedback is becoming more positive, with discussions around the next group of stocks that will follow suit starting to emerge.

One point to note when considering the AI/DC profit contributions (%) presented in [Exhibit 7](#) is that some businesses cannot be clearly classified as AI/DC-related, so the figures for some companies may be stronger or weaker than they appear. For example, the numbers for **NGK Corp.** and **Niterra** include all materials for semiconductor production equipment, so their AI/DC profit contributions may be inflated. On the other hand, while the profit contribution for **Rohm** is shown on a standalone basis, the calculation does not include the AI/DC-related businesses of Toshiba's analog/power semiconductors, which are scheduled to be integrated, or the portion of its holdings in Toshiba common shares (which investors view as equivalent to an investment in an AI-related company that handles infrastructure and memory). Therefore, it is possible that our calculation suggests a lower exposure to AI/DC-related business than is actually the case.

Ibiden, Murata Mfg., Taiyo Yuden, and Rohm see substantial upward earnings estimate revisions

Below, we provide additional context around the substantial upward revisions to earnings forecasts for four of our coverage names.

Ibiden: We make meaningful upward revisions to both our short- and medium/long-term forecasts, reflecting the company's medium- to long-term earnings plan presented together with FY25 results. Our forecasts are higher than the company's targets. For FY26, we believe capacity utilization of the new line at the Ono plant will increase faster than the company assumes, and we factor in the possibility of pricing trends being more favorable than Ibiden's assumption. For our medium- to long-term forecasts, we assume that pricing and mix will be more favorable than assumed by the company. If Ibiden makes any decision on additional capacity expansion, it could lead to further upside in FY29-FY30.

Murata Mfg. and Taiyo Yuden: We substantially revise upward our sales and operating profit outlook for MLCCs. We forecast MLCC sales growth in FY26-FY28 of +23%/+27%/+25% yoy for Murata and +24%/+23%/+22% for Taiyo Yuden (previously we assumed a +10% to +16% range for both). We assume capacity expansion of +10-15% for Murata in FY26 and +15-20% each in FY27-FY28, and about +10% each year for Taiyo Yuden. Assuming mix improvement (boost from higher ASP) of around +10% (+/- a few percentage points), we forecast continued high sales growth of around +25% for both companies. We are not expecting either company to hike prices for existing products on a like-for-like basis, but rather believe that the price resets that occur for new generations of products (we see potential for significant price increases from price resets mainly for AI server applications) will effectively serve as price increases (ASP increase/mix improvement effect). While such sales growth would normally translate into a higher marginal profit ratio, we model operating profits assuming a marginal profit ratio of c.50%, taking a conservative view on costs.

Rohm: In its FY25 results, the company raised its FY30 sales target for AI/DC to ¥100 bn from ¥30 bn (of which SiC accounts for ¥30 bn). However, we believe that sales could expand at a faster pace than the company's FY30 target, given the recent trend toward higher voltages in AI servers and the growing need for various semiconductors for AI servers. In particular, we believe the SiC business has the potential to transform from a large loss-maker to a highly profitable business. The SiC business recorded an impairment of just under ¥200 bn in FY25 due to a change in the EV demand outlook, and fixed costs for the business are expected by Rohm to decline from FY26 by about ¥20 bn. Even if EV sales do not grow significantly, it is possible that operating profitability could be achieved in FY27, ahead of the company's FY28 assumption (we forecast a loss of about ¥20 bn in FY26, a halving of the loss yoy, and have updated our forecast to breakeven in FY27). On top of that, if SiC sales for AI servers were to increase significantly from FY27-FY28, we would see potential for profits to rise more than expected. Currently, various companies are attempting to divert EV-related parts and devices (surplus capacity) that have strengths in voltage and heat resistance to AI server applications (around the power supply). Among these, we believe Rohm has the potential for earnings recovery with the most operating leverage.

Exhibit 7: Analysis of changes in AI/DC sales and operating profit contribution and earnings risk from rising material prices (based on GSe)

Share price trajectory depends on two factors: Degree of AI/DC capture and degree of risk from rising material costs

	% of AI/DC Related Revenues		% of AI/DC related OP		Additional Risk From Rising Material Costs
	FY25	FY28	FY25	FY28	
Ibiden	46%	72%	74%	89%	Low
TDK	10%	22%	12%	25%	Low
Hirose Electric	5%>	12%	5%	15%	Low
NGK Corp.	22%	30%	34%	39%	Low
Kyocera	5%>	6%	5%>	10%	Low
JAE	5%>	5%>	5%>	5%>	Middle
Nidec	17%	21%	NA	>30%	-
Nichicon	3%	13%	8%	17%	Low
Niterra	8%	10%	8%	13%	Middle
Murata Mfg.	10%	39%	12%	44%	Low
Alps Alpine	5%>	5%>	5%>	5%>	High
MinebeaMitsumi	6%	9%	16%	22%	Low
Taiyo Yuden	6%	27%	8%	40%	Middle
Nitto Denko	5%>	5%>	5%>	5%>	High
Mabuchi Motor	5%>	5%>	5%>	5%>	High
Kohoku Kogyo	5%>	5%	5%>	5%	Low
MARUWA	20%	40%	25%	45%	Low
IRISO Electronics	5%>	5%>	5%>	5%>	Low
Nippon Ceramic	5%>	5%>	5%>	5%>	Low
Maxell Holdings	5%>	5%>	5%>	5%>	High
Renesas Electronics	12%	25%	12%	25%	Low
Rohm	5%>	10%	5%>	13%	Middle

>50%
40-49%
20-39%
10-19%
10% >

Using FY3/28E in place of FY3/29E for Nidec as we have yet to introduce FY3/29E for this company.

Source: Goldman Sachs Global Investment Research

Exhibit 8: Our new vs. old operating profit estimates

Trajectory differs for individual companies - we make large upward revisions for some companies

(JPY mn)

Ticker	Company name	FY3/27E - OP			FY3/28E - OP			FY3/29E - OP			% change		
		Old	New	YoY	Old	New	YoY	Old	New	YoY	FY3/27E	FY3/28E	FY3/29E
6981	Murata Mfg.	407,000	458,000	63%	521,000	663,000	45%	597,000	864,000	30%	13%	27%	45%
6976	Taiyo Yuden	39,500	44,500	123%	58,500	81,500	83%	75,000	123,500	52%	13%	39%	65%
5344	MARUWA	38,000	37,000	48%	52,000	52,000	41%	66,000	67,000	29%	-3%	0%	2%
6762	TDK	311,000	322,000	18%	343,500	363,500	13%	370,500	400,000	10%	4%	6%	8%
4062	Ibiden	89,300	102,500	65%	114,200	163,500	60%	136,400	230,000	41%	15%	43%	69%
6963	Rohm	41,100	42,000	287%	69,900	80,100	91%	94,200	116,400	45%	2%	15%	24%
6479	MinebeaMitsumi	123,000	124,000	19%	138,500	141,500	14%	148,000	154,000	9%	1%	2%	4%
6723	Renesas Electronics	529,939	532,939	38%	629,330	641,830	20%	714,330	758,330	18%	1%	2%	6%
6594	Nidec	265,000	265,000	88%	297,000	297,000	12%	-	-	-	0%	0%	-
6971	Kyocera	139,000	140,000	19%	161,000	167,000	19%	182,000	193,000	16%	1%	4%	6%
6908	IRISO Electronics	7,000	7,000	15%	8,000	8,000	14%	9,000	9,000	13%	0%	0%	0%
5334	Niterra	154,500	159,000	15%	173,000	178,000	12%	186,500	194,000	9%	3%	3%	4%
6806	Hirose Electric	48,000	50,000	16%	53,500	57,000	14%	57,000	63,000	11%	4%	7%	11%
6770	Alps Alpine	48,000	48,500	15%	52,500	55,500	14%	58,500	61,500	11%	1%	6%	5%
6524	Kohoku Kogyo	5,800	5,800	25%	6,900	6,900	19%	8,400	8,400	22%	0%	0%	0%
6996	Nichicon	10,500	10,600	64%	13,000	13,700	29%	14,800	16,100	18%	1%	5%	9%
5333	NGK Corp.	115,000	117,000	23%	126,500	129,000	10%	136,000	140,000	9%	2%	2%	3%
6988	Nitto Denko	193,500	190,000	3%	209,000	204,500	8%	225,000	219,500	7%	-2%	-2%	-2%
6929	Nippon Ceramic	6,600	6,800	9%	7,100	7,300	7%	7,400	7,600	4%	3%	3%	3%
6592	Mabuchi Motor	25,600	24,500	-4%	27,300	26,100	7%	30,400	29,100	11%	-4%	-4%	-4%
6810	Maxell, Ltd.	10,000	9,000	14%	12,000	12,000	33%	13,500	13,500	13%	-10%	0%	0%
6807	Japan Aviation Electronics Industry	9,800	9,000	1%	12,000	11,500	28%	13,500	13,000	13%	-8%	-4%	-4%
	Total	2,617,138	2,705,138	36%	3,085,730	3,360,430	24%	3,143,430	3,680,930	-	3%	9%	17%

Mabuchi Motor, Nippon Ceramic, Renesas Electronics, and Kohoku Kogyo have December fiscal year-ends, so for these companies FY3/27E-FY3/29E figures correspond to FY12/26E-FY12/28E.

Source: Goldman Sachs Global Investment Research

Exhibit 9: Our quarterly and full-year operating profit forecasts vs. consensus

Ticker	Company name	FY3/27								FY3/28				FY3/29	
		1Q Est	2Q Est	3Q Est	4Q Est	FY Est	YoY	FY BBG	Consensus Diff	FY Est	YoY	FY BBG	Consensus Diff	FY Est	YoY
4062	Ibiden	20.7	24.3	26.8	30.7	102.5	65%	91.0	13%	163.5	60%	129.0	27%	230.0	41%
6762	TDK	68.8	98.7	97.3	57.2	322.0	18%	306.5	5%	363.5	13%	349.2	4%	400.0	10%
6806	Hirose Electric	12.0	13.0	13.0	12.0	50.0	16%	47.4	5%	57.0	14%	53.2	7%	63.0	11%
5333	NGK Corp.	27.7	29.8	30.0	29.5	117.0	23%	108.8	8%	129.0	10%	117.0	10%	140.0	9%
6971	Kyocera	27.2	38.3	39.4	35.1	140.0	19%	127.6	10%	167.0	19%	142.5	17%	193.0	16%
6807	Japan Aviation Electronics Industry	1.0	2.6	2.8	2.6	9.0	1%	12.4	-28%	11.5	28%	14.9	-23%	13.0	13%
6592	Mabuchi Motor	5.4	6.3	6.5	6.3	24.5	-4%	25.4	-3%	26.1	7%	27.4	-5%	29.1	11%
6594	Nidec	-	-	-	-	265.0	88%	246.7	7%	297.0	12%	281.3	6%	-	-
6996	Nichicon	1.3	2.5	3.2	3.6	10.6	64%	9.7	9%	13.7	29%	12.2	13%	16.1	18%
5334	Niterra	36.6	39.9	41.4	41.1	159.0	15%	153.7	3%	178.0	12%	172.6	3%	194.0	9%
6981	Murata Mfg.	99.5	117.5	126.0	115.0	458.0	63%	394.5	16%	663.0	45%	495.0	34%	864.0	30%
6770	Alps Alpine	0.9	9.5	17.8	20.3	48.5	15%	44.2	10%	55.5	14%	50.7	9%	61.5	11%
6479	MinebeaMitsumi	27.5	31.0	33.0	32.5	124.0	19%	119.6	4%	141.5	14%	133.9	6%	154.0	9%
6976	Taiyo Yuden	6.6	12.4	13.4	12.1	44.5	123%	36.1	23%	81.5	83%	52.8	54%	123.5	52%
6988	Nitto Denko	45.0	52.9	50.4	41.7	190.0	3%	193.2	-2%	204.5	8%	207.1	-1%	219.5	7%
6908	IRISO Electronics	1.6	1.8	1.9	1.7	7.0	15%	6.5	8%	8.0	14%	7.1	13%	9.0	13%
6929	Nippon Ceramic	1.6	1.7	1.8	1.7	6.8	9%	6.6	3%	7.3	7%	7.1	3%	7.6	4%
6810	Maxell, Ltd.	1.5	3.0	2.3	2.2	9.0	14%	10.7	-16%	12.0	33%	12.4	-3%	13.5	13%
6723	Renesas Electronics	125.4	127.8	137.3	142.3	532.9	38%	313.4	70%	641.8	20%	367.6	75%	758.3	18%
6963	Rohm	6.1	10.4	13.1	12.4	42.0	287%	36.8	14%	80.1	91%	58.1	38%	116.4	45%
5344	MARUWA	7.5	8.5	10.4	10.6	37.0	48%	36.1	3%	52.0	41%	43.8	19%	67.0	29%
6524	Kohoku Kogyo	1.2	1.5	1.5	1.4	5.8	25%	5.6	3%	6.9	19%	6.5	6%	8.4	22%
	Total					2,705.1		2,332.5	16%	3,360.4		2,741.2	23%		
	YoY (%)					36%				24%					

Mabuchi Motor, Nippon Ceramic, Renesas Electronics, and Kohoku Kogyo have December fiscal year-ends, so for these companies FY3/27E-FY3/29E figures correspond to FY12/26E-FY12/28E. Bloomberg, Goldman Sachs Global Investment Research

Source: Bloomberg, Goldman Sachs Global Investment Research

Exhibit 10: Our new vs. old EPS estimates

(Yen)

Ticker	Company name	FY3/27E - EPS			FY3/28E - EPS			FY3/29E - EPS			% change		
		Old	New	YoY	Old	New	YoY	Old	New	YoY	FY3/27E	FY3/28E	FY3/29E
6981	Murata Mfg.	182.5	206.8	61%	233.8	310.7	50%	266.4	420.0	35%	13%	33%	58%
4062	Ibiden	242.8	278.6	22%	315.5	446.9	60%	376.9	634.9	42%	15%	42%	68%
6976	Taiyo Yuden	218.3	247.7	128%	324.8	453.4	83%	416.7	688.6	52%	13%	40%	65%
6963	Rohm	108.5	110.4	NM	167.7	188.6	71%	218.7	264.5	40%	2%	12%	21%
5344	MARUWA	2,213.2	2,156.7	47%	3,003.6	3,003.6	39%	3,794.1	3,850.5	28%	-3%	0%	1%
6723	Renesas Electronics	264.6	265.8	37%	325.2	331.8	25%	380.4	403.7	22%	0%	2%	6%
6594	Nidec	177.6	177.6	88%	199.0	199.0	12%	-	-	-	0%	0%	-
6971	Kyocera	110.9	121.2	13%	135.3	143.3	18%	153.0	168.6	18%	9%	6%	10%
6762	TDK	126.3	133.4	29%	140.0	150.5	13%	150.5	165.5	10%	6%	8%	10%
6479	MinebeaMitsumi	232.8	235.3	-5%	265.7	272.2	16%	283.9	296.3	9%	1%	2%	4%
6908	IRISO Electronics	202.4	202.4	-4%	233.5	233.5	15%	264.6	264.6	13%	0%	0%	0%
5334	Niterra	575.8	592.6	3%	645.1	663.4	12%	695.0	723.0	9%	3%	3%	4%
6770	Alps Alpine	166.2	159.9	16%	206.8	210.6	32%	231.2	234.2	11%	-4%	2%	1%
6806	Hirose Electric	1,118.6	1,191.2	18%	1,259.7	1,369.0	15%	1,354.0	1,522.8	11%	6%	9%	12%
6988	Nitto Denko	209.9	204.7	3%	225.5	218.8	7%	242.6	234.4	7%	-2%	-3%	-3%
5333	NGK Corp.	291.3	295.0	44%	320.5	325.4	10%	344.6	353.1	9%	1%	2%	2%
6524	Kohoku Kogyo	160.4	160.4	39%	205.8	205.8	28%	224.5	224.5	9%	0%	0%	0%
6996	Nichicon	130.1	134.0	43%	159.3	172.7	29%	181.2	204.0	18%	3%	8%	13%
6929	Nippon Ceramic	239.7	246.6	-25%	263.1	270.4	10%	274.1	281.4	4%	3%	3%	3%
6592	Mabuchi Motor	78.5	74.1	-30%	77.9	73.4	-1%	88.6	83.6	14%	-6%	-6%	-6%
6810	Maxell, Ltd.	174.3	155.4	-31%	211.9	211.9	36%	240.2	240.2	13%	-11%	0%	0%
6807	Japan Aviation Electronics Industry	106.9	97.9	-7%	130.7	126.1	29%	147.0	142.4	13%	-8%	-4%	-3%

Mabuchi Motor, Nippon Ceramic, Renesas Electronics, and Kohoku Kogyo have December fiscal year-ends, so for these companies FY3/27E-FY3/29E figures correspond to FY12/26E-FY12/28E. Goldman Sachs Global Investment Research

Source: Goldman Sachs Global Investment Research

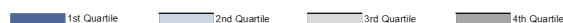
Exhibit 11: Factors behind changes to our earnings estimates

Ticker	Company	Reasons for our earnings revisions
6770	Alps Alpine	Although we have slightly raised our earnings assumptions for actuators and automotive modules, we maintain our forecasts below the company's medium-term plan due to significant earnings volatility risks, such as material costs.
6929	Nippon Ceramic	Our view that earnings growth will remain moderate from FY2026 to FY2028 remains unchanged, and we have slightly revised our earnings forecasts for this period.
6908	Isiso Electronics	We have not updated our earnings forecasts, given that the full-year financial results for FY2025 have not yet been announced.
6594	Nidec	We have not updated our earnings forecasts this time as financial results have not yet been disclosed.
6479	MinebeaMitsumi	We have revised our forecasts upward, anticipating an increase in bearings for AI/data center (DC) applications and their contribution to earnings.
6807	Japan Aviation Electronics Industry	We have revised our forecasts downward, reflecting a slow start in 1Q, sluggish medium-term growth in automotive and smartphone applications, and the impact of rising material costs.
6996	Nichicon	We have revised our forecasts upward, expecting earnings contributions from large aluminum electrolytic and polymer capacitors for AI applications.
6988	Nitto Denko	We have slightly revised our forecasts downward, taking a cautious view of the impact of rising material costs and the earnings contribution from foldable devices.
6762	TDK	We have revised our forecasts upward, anticipating earnings contributions from MLCCs and aluminum electrolytic capacitors (primarily for AI/DC applications), growth in HDD heads, and the ramp-up of industrial batteries.
6806	Hirose Electric	We have revised our forecasts upward, expecting expansion in industrial connectors and substantial growth in telecom infrastructure connectors and subsidiary SER (probe pins), driven by contributions from AI, DC, and semiconductor applications.
5334	Niterra	We have revised our forecasts upward due to a further increase and earnings contribution from electrostatic chucks for semiconductor production equipment (SPE), as well as improved profitability in spark plugs.
4062	Ibiden	We have reflected the new medium-to-long-term plan, which doubled the FY2030 operating profit target compared to the previous plan, driven by AI/DC applications. We have significantly raised our sales and profitability assumptions for ABF substrates used in GPUs, ASICs, and CPUs.
6976	Taiyo Yuden	We have significantly raised our sales and operating profit assumptions for MLCCs targeting AI/DC applications.
6592	Mabuchi Motor	We have revised our forecasts downward, considering the sluggishness in the first half of the calendar year (CY) due to slow volume growth in China, and the possibility that the impact of material costs from 2Q onward will be negative relative to the company's plan.
5344	MARUWA	We have slightly revised our FY2026 forecast downward and our FY2028 forecast upward. We expect a slow start in FY2026 1Q due to the timing of revenue recognition.
6981	Murata Mfg.	We have significantly raised our sales and operating profit assumptions for MLCCs targeting AI/DC applications.
5333	NGK Corp.	We have revised our forecasts upward, expecting contributions from electrostatic chucks and various ceramic materials for semiconductor production equipment (SPE), as well as HICERAM carriers (demo wafers for chiplets).
6971	Kyocera	We have revised our forecasts upward, anticipating profitability improvements from restructuring effects and earnings contributions from ceramic packages (for infrastructure), ABF substrates, and passive components (such as MLCCs and tantalum capacitors).
6524	Kohoku Kogyo	We have slightly revised our FY2026 forecasts upward, reflecting 1Q results that exceeded both our forecasts and the company's targets.
6810	Maxell, Ltd.	We take a cautious view of FY2026 first-half operating profit, considering the time lag before soaring silver and crude oil prices are reflected in costs and passed on to product prices.
6963	Rohm	We have revised our forecasts upward, expecting earnings contributions from semiconductors for AI/DC applications, centered on SiC products.
6723	Renesas Electronics	We have slightly revised our forecasts upward, anticipating further earnings contributions from PMICs and memory interfaces for AI/DC applications.

Source: Goldman Sachs Global Investment Research

Exhibit 12: CROCI trend and outlook

	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026E	FY2027E	FY2028E
Nidec	6.4%	12.3%	13.7%	14.5%	17.1%	14.9%	11.9%	9.7%	11.5%	13.3%	9.2%	11.6%	10.1%	10.0%	14.4%	15.0%	
Murata Mfg.	10.4%	14.1%	19.8%	18.0%	14.9%	17.9%	15.1%	11.9%	16.6%	15.5%	10.9%	11.6%	12.1%	13.7%	17.2%	22.0%	26.3%
TDK	5.8%	9.3%	9.8%	11.3%	14.1%	10.5%	11.8%	11.2%	16.6%	18.6%	13.5%	14.2%	15.3%	15.7%	16.4%	19.9%	21.2%
Nitto Denko	13.2%	10.7%	15.8%	11.2%	12.9%	15.3%	11.0%	10.0%	12.3%	14.1%	13.3%	12.6%	15.0%	12.6%	13.3%	13.6%	13.7%
IRISO Electronics	12.7%	20.6%	20.7%	17.4%	14.2%	18.6%	13.7%	9.5%	11.3%	12.3%	13.7%	11.7%	10.9%	10.8%	9.8%	9.9%	10.2%
Taiyo Yuden	6.0%	6.7%	8.7%	10.0%	7.3%	9.5%	12.3%	10.1%	11.1%	16.2%	6.6%	6.8%	4.8%	7.8%	9.0%	12.1%	15.1%
Ibiden	8.8%	8.1%	9.4%	7.7%	3.0%	5.2%	4.5%	6.4%	8.9%	13.1%	17.7%	18.6%	6.7%	9.2%	29.6%	45.9%	37.7%
Renesas Electronics	-0.8%	-2.8%	5.9%	10.3%	17.5%	14.2%	8.6%	7.9%	9.0%	13.3%	18.5%	12.7%	7.4%	13.7%	9.4%	10.8%	12.3%
MinebeaMitsumi Inc.	5.0%	8.8%	12.0%	11.8%	8.1%	12.5%	8.3%	11.6%	9.2%	10.4%	10.4%	7.6%	7.3%	9.5%	8.7%	9.5%	9.9%
Niterra	7.6%	10.1%	7.0%	7.8%	7.6%	16.3%	7.1%	5.7%	9.7%	13.8%	10.3%	13.1%	14.3%	12.7%	13.0%	14.5%	15.4%
Nippon Ceramic	9.0%	8.7%	6.7%	3.3%	7.4%	11.5%	11.9%	9.6%	11.6%	12.9%	24.1%	11.5%	18.1%	16.1%	15.4%	15.3%	15.2%
JAE	12.8%	16.2%	15.9%	12.7%	11.1%	13.9%	12.9%	10.3%	11.1%	12.6%	10.3%	10.5%	9.3%	6.7%	7.4%	7.7%	8.0%
NGK Corp.	3.0%	9.9%	9.4%	11.7%	9.5%	8.9%	11.8%	3.9%	10.0%	10.4%	8.8%	8.9%	9.5%	9.2%	11.5%	12.4%	12.8%
Mabuchi Motor	8.8%	12.3%	14.4%	13.3%	15.8%	12.9%	14.7%	11.4%	8.3%	8.5%	6.7%	10.4%	9.1%	10.6%	8.5%	7.8%	8.0%
Rohm	5.8%	4.4%	7.7%	6.0%	6.9%	8.5%	7.3%	5.1%	5.3%	12.0%	18.5%	7.8%	3.0%	7.1%	9.0%	14.1%	15.3%
Alps Alpine	6.7%	10.3%	14.4%	12.2%	11.4%	13.3%	9.3%	6.8%	5.6%	7.6%	4.5%	1.9%	5.6%	6.6%	5.6%	5.9%	5.9%
Kyocera	6.3%	5.5%	6.3%	6.3%	4.9%	4.7%	5.1%	4.9%	4.0%	6.1%	4.7%	4.0%	2.3%	3.4%	5.5%	6.6%	7.7%
Hirose Electric	12.6%	17.3%	13.9%	14.3%	13.2%	14.3%	11.3%	11.1%	10.0%	17.4%	16.1%	11.8%	12.9%	12.3%	13.0%	13.8%	14.4%
Nichicon	-1.4%	3.5%	3.0%	3.6%	0.8%	4.1%	-8.0%	3.4%	4.5%	4.1%	7.7%	9.5%	-0.3%	5.1%	6.3%	7.3%	7.9%
Maxell Ltd.	7.3%	4.7%	2.5%	2.4%	3.8%	4.9%	1.8%	2.8%	8.3%	4.3%	5.5%	4.2%	6.4%	5.8%	6.6%	6.7%	
MARUWA	12.4%	9.0%	8.3%	9.8%	11.3%	20.1%	16.4%	14.2%	16.0%	29.2%	22.4%	24.5%	26.9%	18.3%	25.0%	29.6%	32.5%
Kohoku Kogyo									12.8%	18.9%	15.4%	13.1%	17.8%	13.6%	16.3%	18.6%	18.6%
Sector Avg	7.5%	9.5%	10.7%	10.3%	10.1%	12.0%	9.6%	8.4%	9.9%	13.1%	12.2%	10.9%	10.1%	10.5%	12.3%	14.5%	15.0%



Source: Goldman Sachs Global Investment Research

Exhibit 13: OPM trend and outlook

	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026E	FY2027E	FY2028E	FY25 → FY28
Nidec	2.5%	9.7%	10.8%	10.6%	11.7%	11.3%	9.1%	7.2%	9.9%	8.9%	4.5%	6.9%	9.1%	5.4%	9.6%	10.4%		-
Murata Mfg.	8.6%	14.9%	20.6%	22.7%	17.7%	11.8%	16.9%	16.5%	19.2%	23.4%	17.7%	13.1%	16.0%	15.4%	21.9%	25.9%	28.5%	13%
TDK	2.5%	3.7%	6.7%	8.1%	17.7%	6.7%	7.8%	7.2%	7.5%	8.8%	7.7%	8.2%	10.2%	10.9%	11.9%	12.5%	12.8%	2%
Nitto Denko	10.2%	9.6%	12.9%	12.9%	12.1%	14.7%	11.5%	9.4%	12.3%	15.5%	15.8%	15.2%	18.3%	17.9%	17.7%	18.2%	18.5%	1%
IRISO Electronics	10.3%	17.2%	18.5%	17.2%	17.7%	19.9%	14.2%	11.7%	7.9%	10.3%	13.1%	10.7%	9.4%	9.9%	11.3%	12.5%	13.6%	4%
Taiyo Yuden	2.6%	5.5%	5.8%	9.7%	5.4%	8.3%	12.8%	13.2%	13.5%	19.5%	10.0%	2.8%	3.1%	5.6%	10.6%	16.4%	21.1%	15%
Ibiden	1.9%	7.6%	8.2%	7.2%	2.7%	5.6%	3.5%	6.7%	11.9%	17.7%	17.3%	12.8%	12.9%	14.9%	19.5%	24.6%	27.5%	13%
Renesas Electronics	-3.0%	8.1%	13.2%	13.6%	13.6%	10.0%	13.7%	12.9%	19.2%	29.8%	37.2%	34.1%	29.5%	29.3%	33.7%	35.5%	37.1%	8%
MinebeaMitsumi Inc.	3.6%	8.7%	12.0%	8.4%	7.7%	9.0%	8.1%	6.0%	5.2%	8.2%	7.9%	5.2%	6.2%	6.2%	7.3%	7.8%	8.1%	2%
Niterra	7.8%	15.7%	17.9%	17.3%	14.4%	16.4%	13.8%	10.9%	11.1%	15.4%	15.9%	17.5%	19.9%	18.9%	19.9%	21.4%	22.4%	4%
Nippon Ceramic	12.0%	10.5%	9.1%	9.0%	14.0%	16.7%	19.0%	17.1%	16.6%	15.8%	18.0%	18.7%	19.8%	22.8%	23.9%	25.1%	25.3%	3%
JAE	6.6%	10.3%	13.5%	10.0%	5.8%	8.1%	7.8%	6.8%	4.2%	8.0%	7.4%	6.4%	7.0%	3.9%	3.7%	4.6%	4.9%	1%
NGK Corp.	8.2%	14.3%	16.3%	18.6%	15.8%	15.5%	14.0%	12.4%	11.2%	16.4%	11.9%	11.5%	13.1%	14.2%	16.2%	16.7%	17.2%	3%
Mabuchi Motor	10.9%	8.6%	13.8%	16.0%	17.4%	16.4%	14.8%	13.3%	11.1%	10.3%	6.9%	8.7%	11.0%	12.7%	11.5%	11.5%	12.2%	-1%
Rohm	-0.3%	7.1%	10.7%	9.5%	9.0%	14.4%	14.0%	8.1%	10.7%	15.8%	18.2%	9.3%	-8.9%	2.3%	8.1%	14.1%	18.5%	16%
Alps Alpine	1.3%	4.2%	7.2%	6.8%	5.9%	8.4%	5.8%	3.3%	1.8%	4.4%	3.6%	2.0%	3.4%	4.1%	4.6%	5.1%	5.5%	1%
Kyocera	6.0%	8.3%	6.1%	6.3%	7.3%	6.1%	5.8%	6.3%	4.6%	8.1%	6.3%	4.6%	1.4%	5.7%	7.0%	8.0%	8.8%	3%
Hirose Electric	21.9%	26.4%	25.9%	23.9%	24.7%	22.9%	18.6%	16.7%	20.9%	24.9%	25.5%	20.6%	22.5%	20.4%	20.7%	21.4%	21.9%	2%
Nichicon	-3.7%	4.0%	3.6%	4.4%	3.0%	5.4%	4.5%	2.1%	1.4%	4.5%	6.9%	4.9%	3.0%	3.8%	5.5%	6.5%	6.8%	3%
Maxell Ltd.	1.6%	5.0%	3.3%	4.7%	5.6%	6.0%	3.6%	-0.1%	2.7%	6.8%	4.2%	6.3%	7.2%	6.1%	6.4%	8.1%	8.6%	3%
MARUWA	9.4%	10.0%	7.3%	12.5%	15.4%	23.8%	23.2%	22.7%	24.7%	33.5%	34.3%	32.2%	37.5%	33.5%	39.3%	45.7%	50.6%	17%
Kohoku Kogyo								14.8%	23.1%	28.2%	24.8%	20.9%	24.7%	26.5%	29.0%	30.8%	33.3%	7%
Sector Avg	5.5%	9.5%	11.1%	11.3%	11.1%	11.7%	11.0%	9.8%	10.9%	14.5%	13.7%	11.9%	12.0%	12.6%	14.8%	16.6%	18.3%	6%

Source: Goldman Sachs Global Investment Research, Company data, LSEG Data & Analytics

Investment ratings: Meaningfully raise target prices for Murata/Taiyo Yuden/Renesas/Ibiden and maintain Buy; Rohm up to Buy, downgrade Nitto Denko/JAE

We revisit our investment ratings in the context of our expectation for one of the biggest cycles in history to emerge and for the earnings gap to widen among individual companies, and based on how we see share price formation evolving as the market prices in fundamental changes. We divide our coverage names broadly into three groups.

(1) Remain bullish on key AI beneficiaries

We meaningfully raise our 12m target prices for ABF substrate manufacturer **Ibiden (Buy)**, which has been viewed favorably by the equity market since 2025, as well as for MLCC makers **Murata Mfg. (Buy, on CL)** and **Taiyo Yuden (Buy)**, and PMIC major **Renesas (Buy)**, which we have been highlighting most prominently since the beginning of 2026. We also remain bullish on **MARUWA (Buy)**, which is benefiting from heat-dissipating substrates for AI servers.

(2) Group of stocks set to benefit increasingly from AI (or from data centers/semiconductors in a broader sense)

We maintain our **Buy** ratings on **TDK**, **MinebeaMitsumi**, and **Nidec**, and upgrade **Rohm to Buy, from Neutral**, on the growing impact from AI-related semiconductors such as SiC. Among Neutral-rated stocks, we are raising our focus on **Hirose Electric**, **Nichicon**, **NGK Corp.**, and **Niterra** as companies with the potential to see increasing benefits from AI and semiconductors. As for **Kyocera (Buy)**, although its AI benefits are small, earnings are likely to improve due to restructuring effects, and the company continues to buy back shares. We maintain our Buy rating, viewing the risk-return as favorable, including the potential for creating AI-related products and businesses as a passive components company.

(3) Group of stocks susceptible to material cost impact and less likely to benefit from AI

We downgrade **Nitto Denko to Neutral, from Buy**, as it continues to see solid earnings

growth but lacks visibility on non-linear change, and **Japan Aviation Electronics Industry to Sell, from Neutral**, as earnings growth in automotive and smartphone applications is slowing. We also maintain a wait-and-see stance on **Mabuchi Motor (Sell)**, for which we see high downside risk to 1H earnings, and **Alps Alpine (Neutral)**, where the impact of material costs is significant and a 1Q operating loss is likely. We believe that other small- and mid-cap stocks such as **Nippon Ceramic (Sell)**, **Maxell (Sell)**, and **Iriso Electronics (Neutral)** will also continue to have difficulty achieving higher relative valuations.

Exhibit 14: Our ratings and new vs. old target prices

Ticker	Company name	Rating		Target Price		Change	6/5/2026 Price	Upside / downside	Implied		Implied		Current		Current	
		Old	New	Old	New				P/B	P/E	P/B	P/E	FY3/27E	FY3/28E	FY3/27E	FY3/28E
6981	Murata Mfg.	Buy*	Buy*	¥5,400	¥12,600	133%	¥9,695	30%	7.5x	60.9x	40.6x	30.0x	5.8x	46.9x	31.2x	23.1x
4062	Ibiden	Buy	Buy	¥9,600	¥25,500	166%	¥18,760	36%	11.5x	NM	57.1x	40.2x	8.5x	67.3x	42.0x	29.5x
6976	Taiyo Yuden	Buy	Buy	¥7,100	¥21,200	199%	¥15,850	34%	9.0x	NM	46.8x	30.8x	6.7x	64.0x	35.0x	23.0x
6963	Rohm	Neutral	Buy	¥3,300	¥6,500	97%	¥5,270	23%	3.2x	58.9x	34.5x	24.6x	2.6x	47.7x	27.9x	19.9x
5344	MARUWA	Buy	Buy	¥70,000	¥89,000	27%	¥73,930	20%	6.4x	41.3x	29.6x	23.1x	5.3x	34.3x	24.6x	19.2x
6723	Renesas Electronics	Buy	Buy	¥3,800	¥5,400	42%	¥4,568	18%	3.1x	20.3x	16.3x	13.4x	2.6x	17.2x	13.8x	11.3x
6594	Nidec	Buy	Buy	¥3,200	¥3,200	0%	¥2,773	15%	2.0x	18.0x	16.1x	-	1.7x	15.6x	13.9x	-
6971	Kyocera	Buy	Buy	¥2,700	¥4,200	56%	¥3,720	13%	1.6x	34.7x	29.3x	24.9x	1.4x	30.7x	26.0x	22.1x
6762	TDK	Buy	Buy	¥3,000	¥4,600	53%	¥4,111	12%	3.6x	34.5x	30.6x	27.8x	3.3x	30.8x	27.3x	24.8x
6479	MinebeaMitsumi	Buy	Buy	¥4,000	¥5,500	38%	¥4,994	10%	2.2x	23.4x	20.2x	18.6x	2.0x	21.2x	18.3x	16.9x
6908	IRISO Electronics	Neutral	Neutral	¥3,400	¥3,400	0%	¥3,170	7%	1.1x	16.8x	14.6x	12.9x	1.0x	15.7x	13.6x	12.0x
5334	Niterra	Neutral	Neutral	¥7,800	¥10,600	36%	¥10,155	4%	2.5x	17.9x	16.0x	14.7x	2.4x	17.1x	15.3x	14.0x
6770	Alps Alpine	Neutral	Neutral	¥2,200	¥2,200	0%	¥2,134	3%	1.2x	13.8x	10.4x	9.4x	1.1x	13.3x	10.1x	9.1x
6806	Hirose Electric	Neutral	Neutral	¥21,200	¥29,300	38%	¥28,630	2%	2.4x	24.6x	21.4x	19.2x	2.3x	24.0x	20.9x	18.8x
6988	Nitto Denko	Buy	Neutral	¥4,200	¥3,000	-29%	¥3,060	-2%	1.6x	14.7x	13.7x	12.8x	1.7x	14.9x	14.0x	13.1x
5333	NGK Corp.	Neutral	Neutral	¥4,500	¥6,400	42%	¥6,575	-3%	2.2x	21.7x	19.7x	18.1x	2.2x	22.3x	20.2x	18.6x
6524	Kohoku Kogyo	Neutral	Neutral	¥5,400	¥6,000	11%	¥6,400	-6%	5.9x	37.4x	29.2x	26.7x	6.3x	39.9x	31.1x	28.5x
6996	Nichicon	Neutral	Neutral	¥2,200	¥4,000	82%	¥4,375	-9%	2.1x	29.8x	23.2x	19.6x	2.3x	32.6x	25.3x	21.4x
6929	Nippon Ceramic	Sell	Sell	¥3,000	¥3,700	23%	¥4,045	-9%	1.7x	15.0x	13.7x	13.2x	1.8x	16.4x	15.0x	14.4x
6592	Mabuchi Motor	Sell	Sell	¥1,500	¥1,400	-7%	¥1,560	-10%	1.2x	18.9x	19.1x	16.8x	1.4x	21.1x	21.2x	18.7x
6810	Maxell, Ltd.	Sell	Sell	¥1,800	¥1,800	0%	¥2,062	-13%	0.7x	11.6x	8.5x	7.5x	0.8x	13.3x	9.7x	8.6x
6807	Japan Aviation Electronics Industry	Neutral	Sell	¥2,300	¥2,000	-13%	¥2,450	-18%	0.9x	20.4x	15.9x	14.0x	1.1x	25.0x	19.4x	17.2x
Average (22 companies)						45%		8%	3.3x	26.7x	23.9x	19.9x	2.9x	28.7x	21.6x	18.3x

*Denotes stock is on the APAC Conviction List. 12-month target prices. Mabuchi Motor, Nippon Ceramic, Renesas Electronics, and Kohoku Kogyo have December fiscal year-ends, so for these companies FY3/27E-FY3/29E figures correspond to FY12/26E-FY12/28E.

Source: LSEG Data & Analytics, Goldman Sachs Global Investment Research

Exhibit 15: Breakdown of target price changes

Old TP	BS Update		PL update		Roll over		Sector multiple change		Premium/Discount change		Valuation Methodology change		New TP		
	BS Update (26/3)	% chg	PL update	% chg	Roll over	% chg	Sector multiple change	% chg	Premium/Disc out change	% chg	Valuation Methodology Change	% chg	New TP	Total % chg	
4062	Ibiden	¥9,600	¥10,200	6%	¥13,600	33%	¥19,600	44%	¥24,000	22%	¥25,500	6%	¥25,500	166%	
6762	TDK	¥3,000	¥3,000	0%	¥3,300	10%	¥3,800	15%	¥4,600	21%			¥4,600	53%	
6806	Hirose	¥21,200	¥22,000	4%	¥22,200	1%	¥24,700	11%	¥28,100	14%	¥29,300	4%	¥29,300	38%	
5333	NGK Corp.	¥4,500	¥4,700	4%	¥4,800	2%	¥5,300	10%	¥6,400	21%			¥6,400	42%	
6971	Kyocera	¥2,700	¥2,900	7%	¥3,000	3%	¥3,200	7%			¥4,200	31%	¥4,200	56%	
6807	JAE	¥2,300	¥2,300	0%	¥2,200	-4%	¥2,400	9%	¥3,000	25%	¥2,000	-33%	¥2,000	-13%	
6594	Nidec	¥3,200											¥3,200	0%	
6996	Nichicon	¥2,200	¥2,300	5%	¥2,300	0%	¥2,600	13%	¥3,200	23%	¥4,000	25%	¥4,000	82%	
5334	Niterra	¥7,800	¥7,100	-9%	¥7,200	1%	¥8,700	21%	¥10,600	22%			¥10,600	36%	
6981	Murata Mfg.	¥5,400	¥5,400	0%	¥6,500	20%	¥8,700	34%	¥10,600	22%	¥12,600	19%	¥12,600	133%	
6770	AlpsAlpine	¥2,200	¥2,300	5%	¥2,400	4%	¥2,600	8%	¥3,200	23%	¥2,200	-31%	¥2,200	0%	
6479	MinebeaMitsumi	¥4,000	¥3,700	-8%	¥3,800	3%	¥4,400	16%	¥5,500	25%			¥5,500	38%	
6976	Taiyo Yuden	¥7,100	¥7,400	4%	¥8,900	20%	¥12,400	39%	¥15,400	24%	¥21,200	38%	¥21,200	199%	
6988	Nitto Denko	¥4,200	¥4,100	-2%	¥4,000	-2%	¥4,300	8%	¥5,200	21%	¥3,000	-42%	¥3,000	-29%	
6592	Mabuchi Motor	¥1,500			¥1,500	0%	¥1,600	7%	¥1,900	19%	¥1,400	-26%	¥1,400	-7%	
6524	Kohoku Kogyo	¥5,400			¥6,000	11%							¥6,000	11%	
5344	MARUWA	¥70,000	¥68,000	-3%	¥70,000	3%	¥89,000	27%					¥89,000	27%	
6908	IRISO Electronics	¥3,400											¥3,400	0%	
6929	Nippon Ceramic	¥3,000			¥3,700	23%	¥3,700	0%	¥4,300	16%	¥3,700	-14%	¥3,700	23%	
6810	Maxell Ltd.	¥1,800	¥1,800	0%	¥1,800	0%	¥1,800	0%					¥1,800	0%	
6723	Renesas	¥3,800			¥3,900	3%	¥5,000	28%	¥5,400	8%			¥5,400	42%	
6963	Rohm	¥3,300	¥3,800	15%	¥4,000	5%	¥4,900	23%	¥6,000	22%	¥6,500	8%	¥6,500	97%	
Avg.				2%		7%		17%		21%		-4%		31%	45%

Source: Goldman Sachs Global Investment Research

Exhibit 16: Valuations

Ticker	Company	Rating	Price 6/5/26 (¥)	Mkt cap. (¥ bn)	Net debt 2027/3 (¥ bn)	Fully diluted EPS			Fully diluted P/E			EV/EBITDA multiple			BPS 2027/3 (¥)	P/B 2027/3 (X)	ROE 2027/3 (%)
						2027/3 (E)	2028/3 (E)	2029/3 (E)	2027/3 (E)	2028/3 (E)	2029/3 (E)	2027/3 (E)	2028/3 (E)	2029/3 (E)			
Passive component companies																	
6881	Murata Mfg.	Buy*	9,695	19,031.3	-814.8	206.8	310.7	420.0	46.9x	31.2x	23.1x	26.4x	19.4x	15.2x	1,670	5.8x	12.8%
6762	TDK	Buy	4,111	7,991.2	-439.5	133.4	150.5	165.5	30.8x	27.3x	24.8x	14.0x	11.2x	10.1x	1,264	3.3x	11.0%
6976	Taiyo Yuden	Buy	15,850	2,064.0	53.4	247.7	453.4	688.6	64.0x	35.0x	23.0x	23.0x	15.5x	11.4x	2,367	6.7x	10.9%
6971	Kyocera	Buy	3,720	5,279.1	-282.7	121.2	143.3	168.6	30.7x	26.0x	22.1x	17.2x	14.4x	12.0x	2,613	1.4x	4.5%
6996	Nichicon	Neutral	4,375	306.2	-15.5	134.0	172.7	204.0	32.6x	25.3x	21.4x	15.2x	12.9x	11.5x	1,873	2.3x	7.1%
Average									41.0x	29.0x	22.9x	19.2x	14.7x	12.0x		3.9x	9.3%
Mechanical component companies																	
6770	Alps Alpine	Neutral	2,134	444.1	-42.2	159.9	210.6	234.2	13.3x	10.1x	9.1x	4.3x	3.9x	3.6x	1,858	1.1x	8.8%
Average									13.3x	10.1x	9.1x	4.3x	3.9x	3.6x		1.1x	8.8%
Package and PWB companies																	
4062	Ibiden	Buy	18,760	5,285.1	-194.3	278.6	446.9	634.9	67.3x	42.0x	29.5x	27.2x	16.2x	11.4x	2,213	8.5x	13.2%
5334	Niterra	Neutral	10,155	2,023.4	1.9	592.6	663.4	723.0	17.1x	15.3x	14.0x	9.6x	8.3x	7.6x	4,290	2.4x	14.4%
Average									42.2x	28.6x	21.8x	18.4x	12.3x	9.5x		5.4x	13.8%
Other companies																	
6594	Nidec	Buy	2,773	3,307.0	99.3	177.6	199.0	-	15.6x	13.9x	-	9.0x	8.3x	-	1,600	1.7x	11.2%
6479	MinebeaMitsumi Inc.	Buy	4,994	2,132.8	159.8	235.3	272.2	296.3	21.2x	18.3x	16.2x	11.8x	10.4x	9.6x	2,473	2.0x	9.8%
5344	MARUWA	Buy	73,930	914.7	-86.6	2,156.7	3,003.6	3,850.5	34.3x	24.6x	19.2x	18.9x	14.0x	11.2x	13,940	5.3x	16.7%
6524	Kohoku Kogyo	Neutral	6,400	166.4	-7.4	160.4	205.8	224.5	39.9x	31.1x	28.5x	23.1x	19.4x	16.1x	1,010	6.3x	16.8%
6988	Nitto Denko	Neutral	3,060	2,076.7	-421.0	204.7	218.8	234.4	14.9x	14.0x	13.1x	6.4x	5.9x	5.5x	1,832	1.7x	11.6%
6807	Japan Aviation Electronics Industry	Sell	2,450	172.2	-5.3	97.9	126.1	142.4	25.0x	19.4x	17.2x	5.1x	4.7x	4.3x	2,189	1.1x	4.5%
6806	Hirose Electric	Neutral	28,630	988.6	-165.5	1,191.2	1,369.0	1,522.8	24.0x	20.9x	18.8x	11.5x	10.3x	9.4x	12,250	2.3x	9.9%
5333	NGK Corp.	Neutral	6,575	1,880.4	-134.0	295.0	325.4	353.1	22.3x	20.2x	18.6x	10.3x	9.3x	8.6x	2,975	2.2x	10.2%
6592	Mabuchi Motor	Sell	1,560	406.5	-138.8	74.1	73.4	83.6	21.1x	21.2x	18.7x	7.3x	7.0x	6.5x	1,137	1.4x	6.6%
Average									24.3x	20.4x		11.5x	9.9x		2.7x	10.8%	
Automotive electronic component companies																	
6908	IRISO Electronics	Neutral	3,170	77.5	-7.7	202.4	233.5	264.6	15.7x	13.6x	12.0x	4.6x	4.3x	4.0x	3,024	1.0x	6.8%
6929	Nippon Ceramic	Sell	4,045	110.2	-28.5	246.6	270.4	281.4	16.4x	15.0x	14.4x	9.5x	8.9x	8.6x	2,194	1.8x	10.1%
6810	Maxell, Ltd.	Sell	2,062	96.8	-20.1	155.4	211.9	240.2	13.3x	9.7x	8.6x	5.3x	4.5x	4.2x	2,640	0.8x	6.4%
Average									14.5x	11.7x	10.3x	6.5x	5.9x	5.6x		1.2x	7.8%
Semiconductor companies																	
6723	Renesas Electronics	Buy	4,568	8,545.0	708.4	265.8	331.8	403.7	17.2x	13.8x	11.3x	15.5x	13.0x	11.2x	1,735	2.6x	17.1%
6963	Rohm	Buy	5,270	2,127.8	-73.4	110.4	188.6	264.5	47.7x	27.9x	19.9x	22.3x	12.9x	10.5x	2,055	2.6x	5.5%
Average of 22 companies									28.7x	21.6x		13.5x	10.7x		2.9x	10.3%	

*Denotes stock is on the APAC Conviction List. 12-month target prices. Mabuchi Motor, Nippon Ceramic, Renesas Electronics, and Kohoku Kogyo have December fiscal year-ends, so for these companies FY3/27E-FY3/29E figures correspond to FY12/26E-FY12/28E.

Source: LSEG Data & Analytics, Goldman Sachs Global Investment Research

Exhibit 17: Risks to target price attainment

Ticker	Company Name	Key Risks
6770	Alps Alpine	Key risks include forex fluctuations and changes in auto production.
6929	Nippon Ceramic	Greater-than-expected increase in automobile production, increase in the number of ultrasonic sensors installed per vehicle, emergence of sales growth for current sensors, additional share buybacks, and forex swings.
6908	IRISO Electronics	Changes in automobile production volume, changes in materials and distribution costs, changes in plant operations, changes in the competitive environment in growth fields like connectors for automotive powertrains, forex swings.
6594	Nidec	Slower-than-expected recovery in auto production volume, a greater-than-expected slowdown in the European economy, tougher competition in the water cooling module business, a further rise in materials prices.
6479	MinebeaMitsumi	Sharper-than-expected rises in input costs, a decline in auto production, and yen appreciation.
6807	Japan Aviation Electronics Industry	Increased interest in aerospace themes, strengthening of the relationship with Kyocera, upside in smartphone and automotive production, declining material costs.
6996	Nichicon	Exchange rate fluctuations, changes in demand, material costs, and power costs for aluminum electrolytic capacitors, fluctuations in EV market volumes, and the impact of subsidies.
6988	Nitto Denko	Material cost fluctuations, exchange rate fluctuations, changes in shipment volumes of smartphones, PCs, and tablets primarily in North America.
6762	TDK	Decline in smartphone production volume, higher input costs, and yen appreciation.
6806	Hirose Electric	Greater-than-expected yen appreciation/depreciation, changes in smartphone and auto production.
5334	Niterra	Changes in auto production, input cost fluctuations, the speed of new business development, and forex swings.
4062	Ibiden	Road map changes of main customers, weaker PC and server demand, and a reduction in diesel vehicle sales
6976	Taiyo Yuden	Weaker-than-expected smartphone demand, deterioration in MLCC supply/demand, and yen appreciation.
6592	Mabuchi Motor	Stronger-than-expected auto production volume, a decline in input costs, and yen depreciation.
5344	MARUWA	A decline in investment in applications that support end demand, such as AI/general-purpose servers, xEVs, and semiconductor manufacturing equipment; a decline in end product demand due to supply chain disruptions and inventory adjustments; the emergence of substitute technologies.
6981	Murata Mfg.	A decline in smartphone production volume, deterioration in MLCC supply/demand, and yen appreciation.
5333	NGK Corp.	Forex fluctuation, auto production volatility, and pace of the recovery in the semiconductor cycle.
6971	Kyocera	Slower-than-expected progress on planned management changes, inefficient investment or deployment of surplus capital, a delayed cycle recovery, and yen appreciation.
6524	Kohoku Kogyo	Optical components and devices business: Demand fluctuation for major end-use products (automobiles, telecommunications equipment such as communication stations, industrial machinery, home appliances, etc.) Lead terminals business: Sudden changes in the schedule of telecom submarine cable laying projects, reactionary decline in demand due to excessive component production for telecom submarine cable laying companies. Company-wide: FX fluctuations, political instability in major production locations such as Sri Lanka and Dongguan in China
6810	Maxell, Ltd.	A greater-than-expected recovery in automobile output, increased adoption of the company's automotive products, acceleration in margin improvement for consumer electronics products, lower costs relating to projector business downsizing, and yen depreciation.
6963	Rohm	Further increases in precious metal prices, delays in business portfolio transformation, uncertainty surrounding reorganization and integration schemes, fluctuations in the market valuation of Toshiba shares.
6723	Renesas Electronics	A slowdown or delayed recovery in consumer electronics-related demand, stagnant automobile production, protracted reduction in semiconductor inventories, delayed recovery for industrial equipment applications, and yen appreciation

Source: Goldman Sachs Global Investment Research

Factors behind target price changes and changes to valuation assumptions

There are five main factors that influence our target prices this time.

- 1. Update of balance sheet items to reflect actual results (for companies with March fiscal year-ends; already reflected for companies with December fiscal year-ends)**
- 2. Valuation rollover (rolling over the earnings base year from FY27E to FY28E)**
- 3. Change in the EV/DACF sector multiple from 8x to 10x due to rising CROCI**
- 4. Changes to individual company valuation premiums/discounts**
- 5. Revisions to our earnings forecasts**

For 1, we update BS items for 16 of the 22 companies, excluding the four with December FY-ends and the two that have not yet announced results (Nidec and IRISO Electronics).

For 2, given our view that we are in the early stages of one of the biggest cycles in history, we judge it appropriate to value stocks based on FY28E earnings rather than FY27E. This has a generally positive impact on our target prices.

For 3, we judge it appropriate to update our sector EV/DACF multiple from 8X to 10X based on our view that earnings and CROCI will rise above their historical ranges (and be sustained) in this cycle.

For 4, we update and change valuation discounts/premiums for individual stocks, referencing historical and recent trends, to reflect the earnings growth gap among individual companies.

For companies in a high-growth phase, we checked the validity of our valuations by looking at the rate of change in OP and CROCI, the tolerance for a +1 standard deviation from the historical average P/E, comparison with past peak P/Es, and the trend in the EV/DACF premium over the past year to the present.

For companies with weaker earnings growth, we checked the validity by looking at the rate of change in OP and CROCI, the historical average P/E, comparison with historical average and trough P/B levels, and the trend in the EV/DACF premium over the past year to the present. For companies with no significant changes (where a multiple change was not necessary), we made adjustments by increasing the individual discount rate, offsetting the increased sector multiple.

For Nidec and IRISO Electronics, which have not yet announced their results, we have not updated our earnings forecasts and have not changed the valuation base year from FY27E earnings. We have also not updated their individual premiums/discounts versus the sector EV/DACF multiple.

We had previously calculated our target price for Kyocera based on P/B-ROE correlation, but we are now returning to an EV/DACF-based valuation methodology (we adopt the sector average EV/DACF multiple of 10X to calculate our target price). As we had previously anticipated, we believe that the company has changed its management to emphasize balance sheet reform and ROE, and that the series of governance reforms has passed its peak. We expect investors to shift focus to cash flow-based earnings/share price valuation, including the development of growth businesses, and thus we revert to an EV/DACF metric.

Premium/discount changes (1): Positive direction for Ibiden, Murata Mfg., Taiyo Yuden, Rohm, Nichicon, and Renesas

We make positive changes to sector-relative premium/discounts for Ibiden, Murata Mfg., Taiyo Yuden, Rohm, and Nichicon. For Renesas, we mark-to-market and raise multiples in our global peer comparison (TXN, NXPI, IFX, STM).

Ibiden, Murata Mfg., and Taiyo Yuden: To consider an upcycle multiple, we referenced a valuation of +1 standard deviation from the historical average P/E range. This implies a target P/E of 40X for Ibiden and 30X for Murata and Taiyo Yuden, which we consider to be acceptable multiples in past upcycles for all three companies.

For **Rohm and Nichicon**, we also update (raise) sector-relative EV/DACF premium/discounts to reflect recent levels, given the growing contribution from AI applications and the improving trend in CROCI. For Rohm, we discuss details below, with the valuation of its stake in Toshiba also a factor behind its higher premium.

For **Renesas**, we mark-to-market global peer multiples (TXN, NXPI, IFX, STM), resulting in an increase in our target EV/DACF multiple from 12X to 13X.

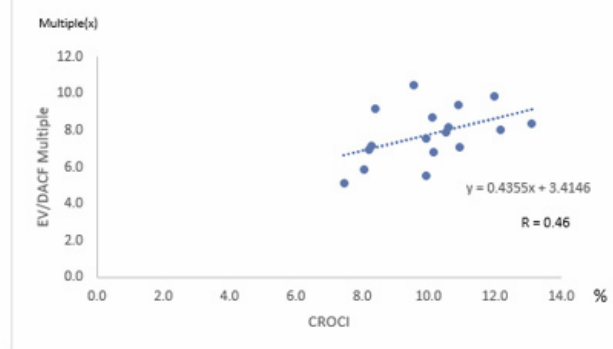
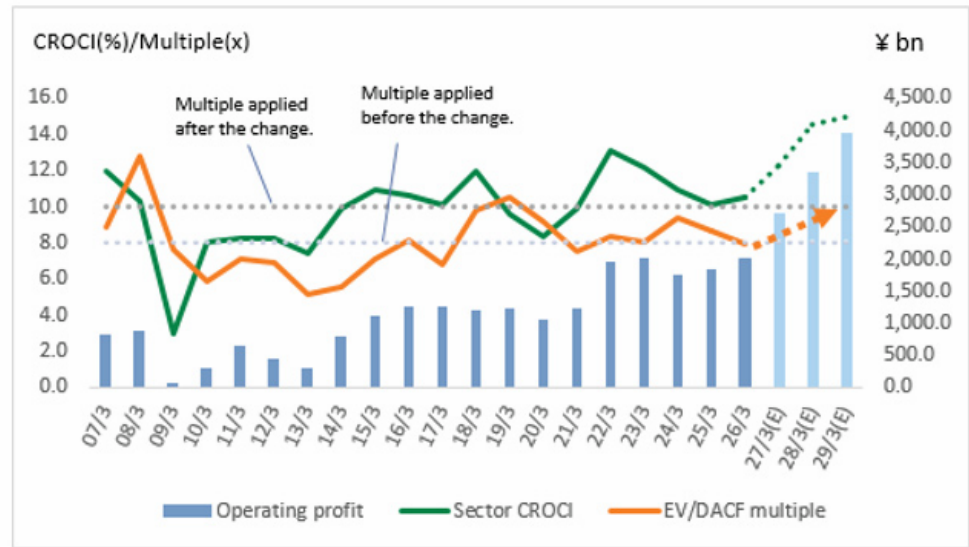
Premium/discount changes (2): Negative direction for JAE, Alps Alpine, Nitto Denko, Mabuchi Motor, and Nippon Ceramic

On the other hand, we make negative changes to sector-relative premium/discounts for JAE, Alps Alpine, Nitto Denko, Mabuchi Motor, and Nippon Ceramic.

Key points for these companies are (1) small earnings benefits from AI/DC, (2) earnings structures relatively susceptible to the impact of rising material costs, and (3) while we make slight upward revisions to our earnings forecasts for Alps Alpine and Nippon Ceramic, we lower them slightly for the other three names. Overall, we see no need to significantly revise our approach to multiple setting; we adjust our premiums/discounts for individual names by applying a discount vs. prior levels to account for the increase in our sector EV/DACF multiple from 8X to 10X.

For the two companies with rating downgrades, our thoughts include: (A) for Nitto Denko, we judged it will be difficult for the stock to break out of its historical P/E range despite continued solid profit growth (we previously adopted an upcycle multiple assuming a phase where niche-leading product groups would drive growth, but now believe the shares will remain at the historical average P/E level), and (B) for JAE, we see a risk that the P/B ratio will return to below 1X due to sluggish earnings growth, while P/E valuation lacks any obvious appeal.

Exhibit 18: Correlation between sector-wide CROCI and EV/DACF multiple
Raising our sector multiple from 8X to 10X



Correlation between CROCI and EV/DACF Multiple	
CROCI Estimate (29/3)	15.0%
Calculated multiple	9.9

Source: Goldman Sachs Global Investment Research, Company data, LSEG Data & Analytics

Exhibit 19: List of individual company valuation methodologies

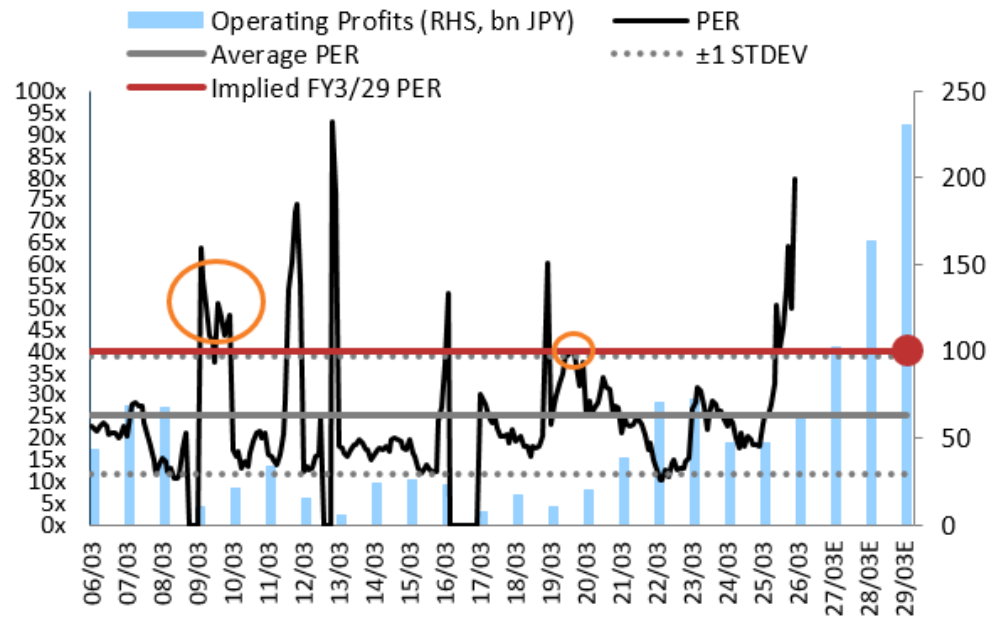
Summary of Valuation										
Ticker	Company name	Target price	Valuation methodology		Period		Target Multiple		Premium/Discount	
			Old	New	Old	New	Old	New	Old	New
6594.T	Nidec	12 months	EV/GCI vs CROCI/WACC		FY3/28	Unchanged	8.0x	Unchanged	30%	30%
6770.T	Alps Alpine	12 months	EV/GCI vs CROCI/WACC		FY3/28	FY3/29	8.0x	10.0x	-40%	-60%
6479.T	MinebeaMitsumi Inc.	12 months	EV/GCI vs CROCI/WACC		FY3/28	FY3/29	8.0x	10.0x	-	-
5334.T	Niterra	12 months	EV/GCI vs CROCI/WACC		FY3/28	FY3/29	8.0x	10.0x	-10%	-10%
6807.T	JAE	12 months	EV/GCI vs CROCI/WACC		FY3/28	FY3/29	8.0x	10.0x	-40%	-60%
4062.T	Ibiden	12 months	EV/GCI vs CROCI/WACC		FY3/28	FY3/29	8.0x	10.0x	50%	60%
5333.T	NGK Insulators	12 months	EV/GCI vs CROCI/WACC		FY3/28	FY3/29	8.0x	10.0x	-10%	-10%
6988.T	Nitto Denko	12 months	EV/GCI vs CROCI/WACC	Unchanged	FY3/28	FY3/29	8.0x	10.0x	20%	-40%
6762.T	TDK	12 months	EV/GCI vs CROCI/WACC		FY3/28	FY3/29	8.0x	10.0x	10%	10%
6806.T	Hirose Electric	12 months	EV/GCI vs CROCI/WACC		FY3/28	FY3/29	8.0x	10.0x	-	-
6976.T	Taiyo Yuden	12 months	EV/GCI vs CROCI/WACC		FY3/28	FY3/29	8.0x	10.0x	30%	80%
6996.T	Nichicon	12 months	EV/GCI vs CROCI/WACC		FY3/28	FY3/29	8.0x	10.0x	-20%	0%
6981.T	Murata Mfg.	12 months	EV/GCI vs CROCI/WACC		FY3/28	FY3/29	8.0x	10.0x	50%	80%
6592.T	Mabuchi Motor	12 months	EV/GCI vs CROCI/WACC		FY12/27	FY12/28	8.0x	10.0x	-	-30%
6971.T	Kyocera	12 months	PBR/ROE	EV/GCI vs CROCI/WACC	FY3/28	FY3/29	-	10.0x	-	-
6908.T	IRISO Electronics	12 months	EV/GCI vs CROCI/WACC		FY3/28	Unchanged	8.0x	Unchanged	-30%	-30%
6929.T	Nippon Ceramic	12 months	EV/GCI vs CROCI/WACC		FY12/27	FY12/28	8.0x	10.0x	-	-20%
6810.T	Maxell Ltd.	12 months	PBR		FY3/28	FY3/29	0.7x	Unchanged	-	-
6723.T	Renesas Electronics	12 months	EV/GCI vs CROCI/WACC	Unchanged	FY12/27	FY12/28	12.0x	13.0x	-	-
6963.T	Rohm	12 months	EV/GCI vs CROCI/WACC		FY3/28	FY3/29	8.0x	10.0x	10%	20%
5344.T	MARUWA	12 months	EV/EBITDA vs EBITDA Margin		FY3/28	FY3/29	12.3x	Unchanged	-	-
6524.T	Kohoku Kogyo	12 months	DCF		FY12/26-FY12/35	Unchanged	-	Unchanged	-	-

Source: Goldman Sachs Global Investment Research

Ibiden

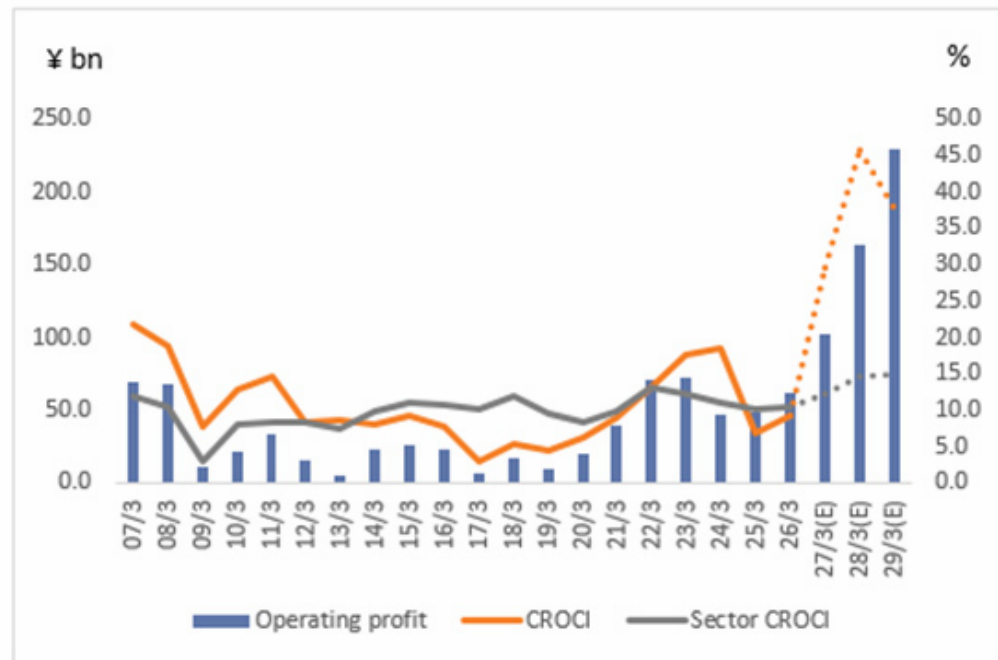
Exhibit 20: Ibiden: Historical average P/E

We consider a valuation up to approximately +1sd from the historical average P/E as reasonable



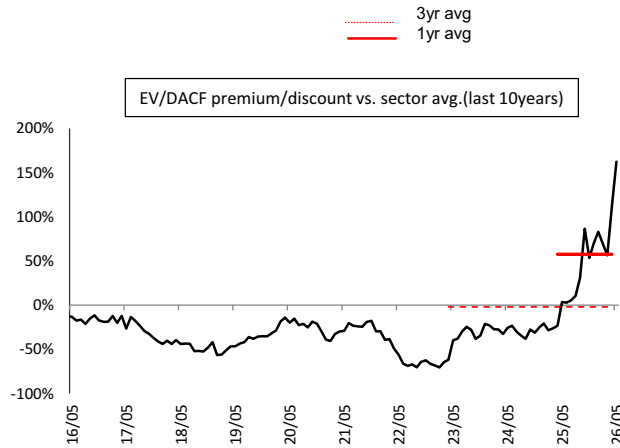
Source: LSEG Data & Analytics, Goldman Sachs Global Investment Research

Exhibit 21: Ibiden: Operating profit/CROCI trend and outlook



Source: Company data, LSEG Data & Analytics, Goldman Sachs Global Investment Research

Exhibit 22: Ibiben: EV/DACF premium/discount trend

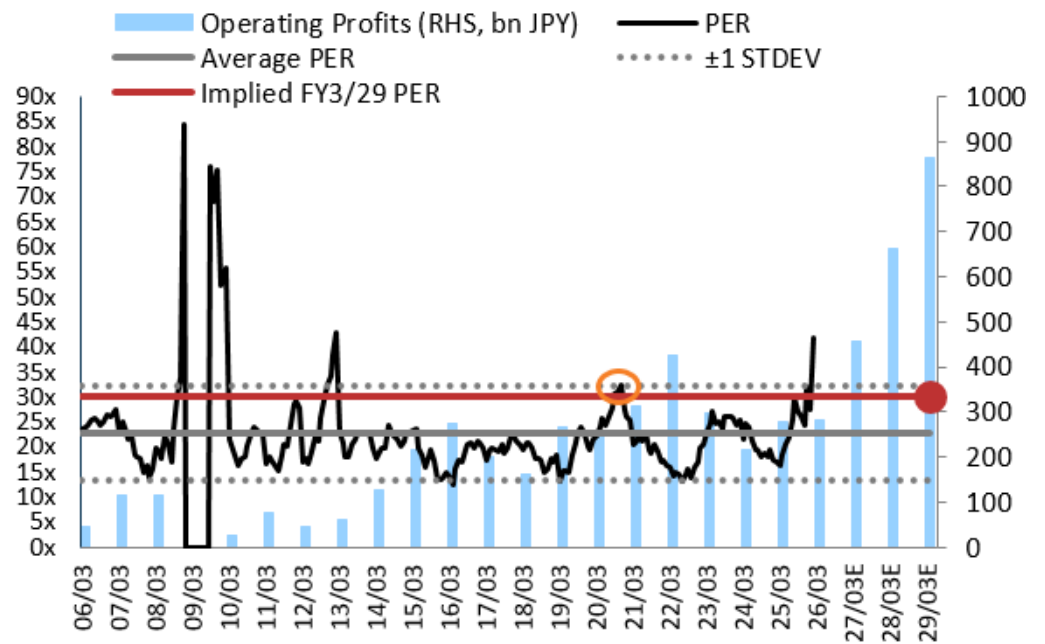


Source: LSEG Data & Analytics, Goldman Sachs Global Investment Research

Murata Mfg.

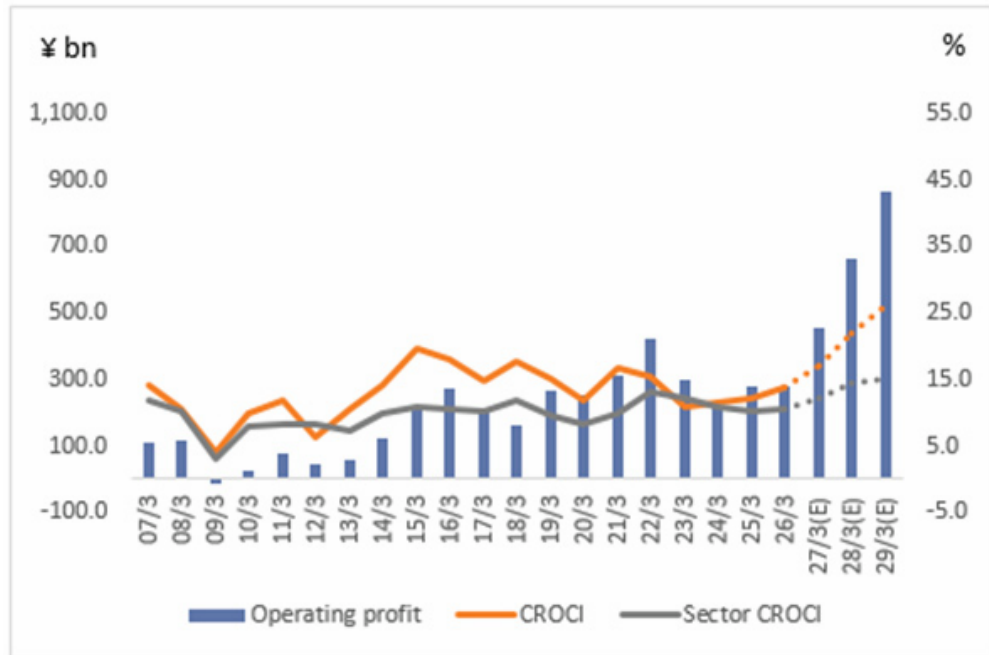
Exhibit 23: Murata Mfg: Historical average P/E

We consider a valuation up to approximately +1sd from the historical average P/E as reasonable



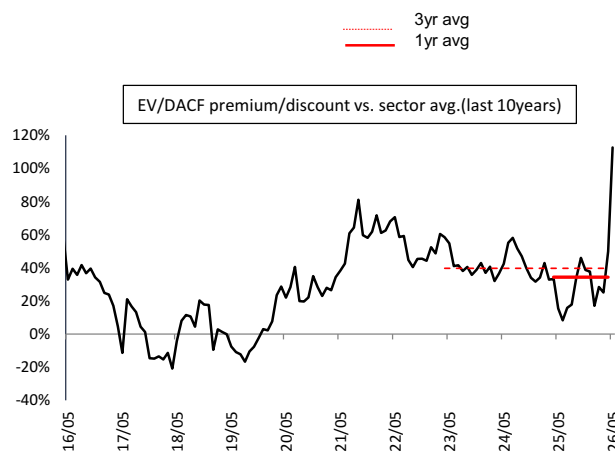
Source: LSEG Data & Analytics, Goldman Sachs Global Investment Research

Exhibit 24: Murata Mfg: Operating profit/CROCI trend and outlook



Source: Company data, LSEG Data & Analytics, Goldman Sachs Global Investment Research

Exhibit 25: Murata Mfg: EV/DACF premium/discount trend

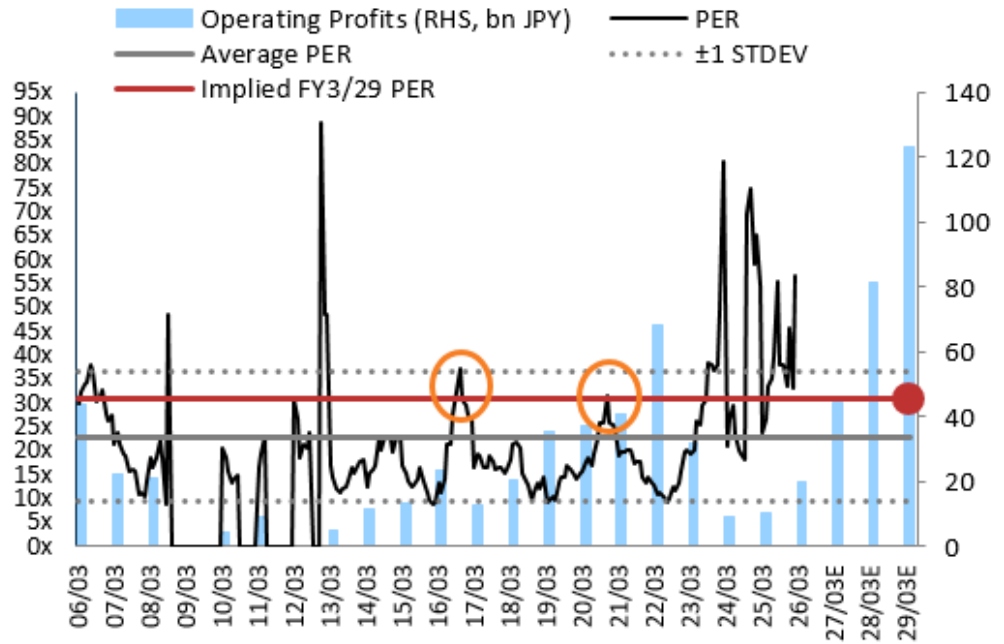


Source: LSEG Data & Analytics, Goldman Sachs Global Investment Research

Taiyo Yuden

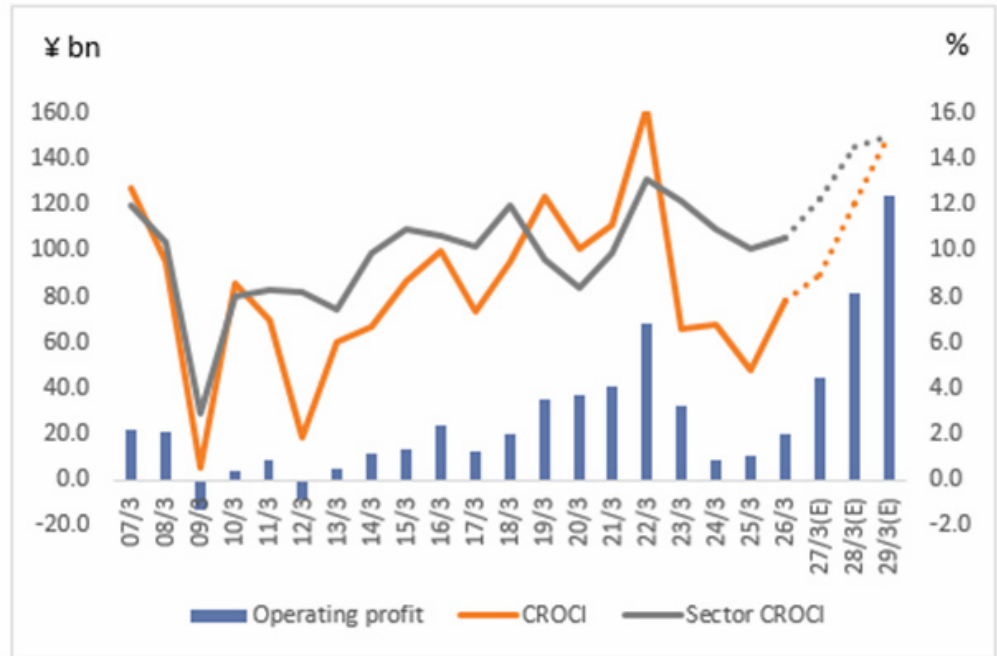
Exhibit 26: Taiyo Yuden: Historical average P/E

We consider a valuation up to approximately +1sd from the historical average P/E as reasonable



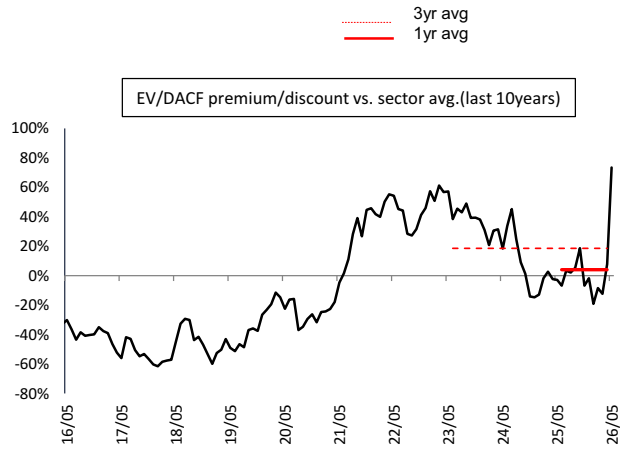
Source: LSEG Data & Analytics, Goldman Sachs Global Investment Research

Exhibit 27: Taiyo Yuden: Operating profit/CROCI trend and outlook



Source: Company data, LSEG Data & Analytics, Goldman Sachs Global Investment Research

Exhibit 28: Taiyo Yuden: EV/DACF premium/discount trend



Source: LSEG Data & Analytics, Goldman Sachs Global Investment Research

Rohm: Reassessing potential benefits from AI; up to Buy, from Neutral

6963.T	12m Price Target: ¥6500	Price: ¥5270	Upside: 23.3%		
Buy	GS Forecast				
		3/26	3/27E	3/28E	3/29E
Market cap: ¥2.1tr / \$12.9bn	Revenue (¥ bn)	481.1	516.1	569.1	628.7
Enterprise value: ¥1.9tr / \$12.0bn	Op. profit (¥ bn) New	10.9	42.0	80.1	116.4
3m ADTV :¥22.9bn/ \$144.1mn	Op. profit (¥ bn) Old	10.9	41.1	69.9	94.2
Japan	Op. profit CoE (¥ bn)	6.0	30.0	--	--
Japan Electronic Components/Semiconductors	EPS (¥) New	(417.0)	110.4	188.6	264.5
	EPS (¥) Old	(417.0)	108.5	167.7	218.7
M&A Rank: 3	P/E (X)	NM	47.7	27.9	19.9
	P/B (X)	1.1	2.6	2.4	2.2
	CROCI (%)	7.1	9.0	14.1	15.3
		3/26	6/26E	9/26E	12/26E
	EPS (¥)	(456.0)	18.7	27.1	32.9

Source: Company data, Goldman Sachs Research estimates, FactSet. Price as of June 5th 2026 close.

Investment view

We are substantially raising our 12-month target price to ¥6,500 from ¥3,300 and changing our rating to Buy from Neutral. For this company, three points warrant discussion: (1) earnings evaluation on a Rohm standalone basis, (2) the valuation of its holding of Toshiba common stock, and (3) the outlook for the proposed reorganization and integration with Toshiba and Mitsubishi Electric. Our rating change is mainly a judgment based on our assessment of the potential of its semiconductor product group for AI servers in (1). In particular, we believe that SiC, after the large impairment loss in FY3/26, has the potential for greater-than-previously-expected earnings leverage in the phase where the growth driver shifts from EVs to AI servers. We judge that this potential is not priced into the stock. We are turning bullish, expecting a sharp earnings recovery toward FY27-FY28.

Differences between our earnings estimates and consensus

We raise our FY26-FY28 operating profit estimates by +2%/+15%/+24% vs. previous estimates, and our FY26-FY27 estimates are +14%/+38% above the Bloomberg consensus primarily on our forecasts of rising revenues for AI and data center applications.

Outlook

The company has raised its FY2030 AI/DC sales target to ¥100 bn from ¥30 bn (of which SiC is ¥30 bn). However, we believe that sales could expand at a faster pace than the company's FY30 assumption, given the recent trend toward higher voltages in AI servers and the growing need for various semiconductors for AI servers.

In particular, we believe the SiC business has the potential to transform from a large loss-maker to a highly profitable one. The SiC business booked an impairment of just under ¥200 bn in FY25 due to a decline in the EV demand outlook, and fixed costs are expected by Rohm to decrease by about ¥20 bn from FY26. Even if EV sales do not grow much, there is a possibility that the business will achieve operating profitability in FY27,

ahead of the company's FY28 assumption (our forecast is for a loss of about ¥20 bn in FY26, halving the loss yoy, but we forecast breakeven in FY27).

On top of that, if SiC sales for AI servers were to increase significantly from FY27-FY28, we would see potential for profits to rise more than expected. Currently, various companies are attempting to divert or switch EV-related parts and devices (surplus capacity) that have strengths in voltage and heat resistance to AI server applications (around the power supply). Rohm, after its impairment, has the potential for the most leveraged earnings recovery among them given excessive upfront investments made in the past.

Valuation

We continue to use EV/GCI vs. CROCI/WACC as our valuation methodology. We have marked to market the premium to sector average that we apply from +10% previously to +20%, referencing recent and past-year trends. Our new target price of ¥6,500 implies a P/E of 25x on FY28E. The historical average P/E is over 30x, but relatively low EPS is one reason for this. As a cross-check, the target price-implied P/Es for the three companies in our coverage highly regarded by the equity market for their AI-related businesses are about 40x for Ibiden and about 30x for Murata and Taiyo Yuden. Considering the AI/DC sales/operating profit exposure (as mentioned in [Exhibit 7](#) above), we believe 25x is a reasonable multiple.

Of the increase in our target price from ¥3,300 to ¥6,500, just over 50% reflects the impact of higher net cash, the upward revision to our DACF forecast, and the valuation rollover and multiple/premium increase as they pertain to Rohm on a standalone basis. The remainder reflects the impact from how we consider the market is ascribing value to other factors including its holding of Toshiba common shares (about 14%) and expectations for its collaboration with Toshiba and Mitsubishi Electric, via the higher multiple/premium for Rohm. Based on our illustrative simulation analysis in [Exhibit 33](#), we judge that this remaining impact (other than Rohm standalone) is within the range of change in our analysis of Toshiba's potential market cap range derived from Toshiba's actual results (disclosed) and peer multiples versus our previous calculation (as of [Exhibit 13](#) in our March 26, 2026 [report](#)). This leads us to conclude that the higher premium we have set versus our increased sector multiple to derive our new target price is reasonable.

Key risks

We note the following four risks.

Rising precious metal prices: Rohm is susceptible to rising gold prices. In addition to passing on prices to customers, the company plans to switch to copper wiring for many products in FY27, so the medium-term impact is expected to decline. However, the risk remains that further increases in gold prices could affect short-term earnings.

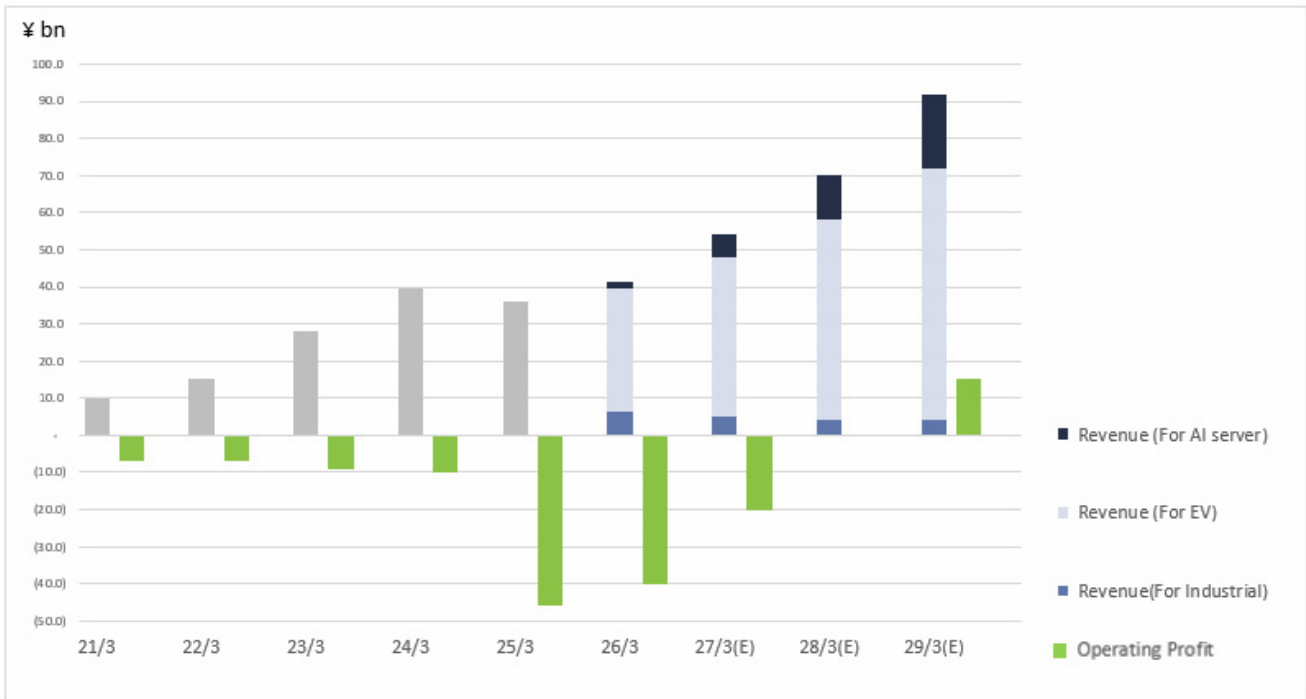
Speed of product/business portfolio transformation: On a standalone basis, Rohm is shifting its product mix toward higher value-added product groups, including expansion in AI/DC applications. As integration and reorganization are being discussed, it is necessary to monitor whether the speed of this shift proceeds as planned. Delays could cause earnings forecasts to fall short of our estimates.

Integration scheme with Toshiba and Mitsubishi Electric and profit generation

capability: If market share were to increase as a result of the proposed integration and reorganization, this could have a positive impact on future earnings and competitiveness. However, the full details of the integration scheme are unclear, and there remains uncertainty about the division of business after the proposed integration and reorganization, changes in fixed costs, and profit generation capability.

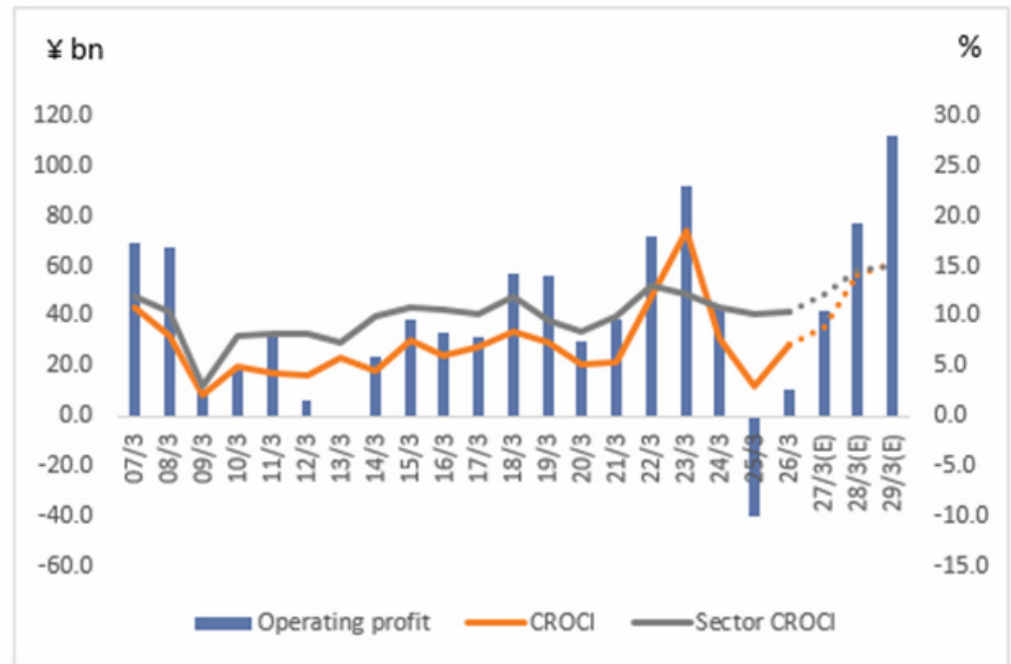
Fair value of Toshiba common stock: It is unknown how Toshiba’s earnings outlook and multiple setting will progress (our simulation is calculated based on actual results and current peer comparisons).

Exhibit 29: Rohm: SiC business sales and operating profit trend and outlook



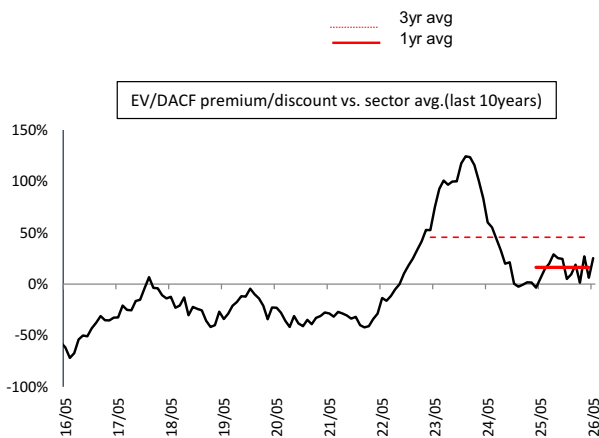
Source: Goldman Sachs Global Investment Research, Company data

Exhibit 30: Rohm: Trend and outlook for operating profit, CROCI, and sector CROCI



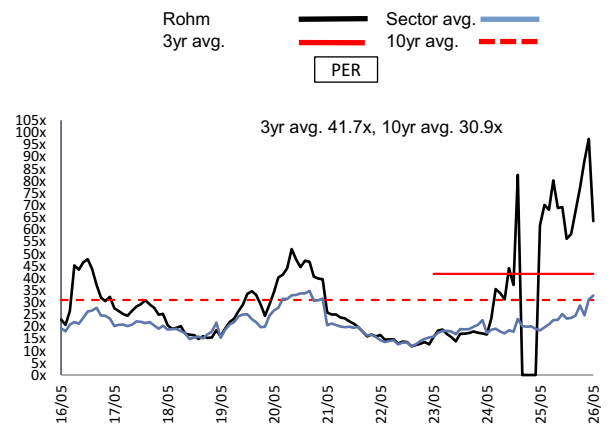
Source: Goldman Sachs Global Investment Research, Company data, LSEG Data & Analytics

Exhibit 31: Rohm: EV/DACF valuation premium/discount trend



Source: LSEG Data & Analytics, Goldman Sachs Global Investment Research

Exhibit 32: Rohm: Historical P/E trend



Source: LSEG Data & Analytics, Goldman Sachs Global Investment Research

Exhibit 33: Rohm: Illustrative simulation analysis of potential valuation gain on Toshiba stock holding

Previous analysis(as of March 23, 2026)

Multiple (EV/EBITDA)	EBITDA	Toshiba's Stake in Kioxia	Net Debt	MV of Toshiba	Rohm's Stake in Toshiba	Corporate Tax	Valuation gain on Rohm's stake
7.0x				3,530.1			272.8
8.0x				3,967.8			315.2
9.0x				4,405.5			357.7
10.0x	437.7	1,692.5	1,226.4	4,843.2	14%	30.6%	400.1
11.0x				5,280.9			442.5
12.0x				5,718.6			485.0
13.0x				6,156.3			527.4
14.0x				6,594.0			569.8

*ex.book value JPY 100.0B

Peer Multiple

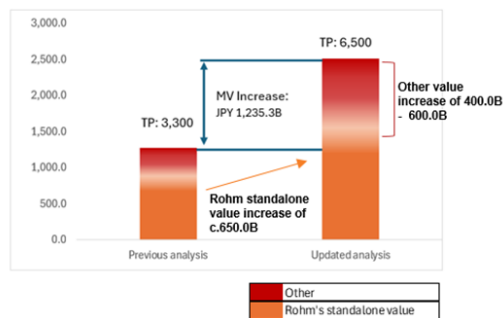
Multiple	Company name	Toshiba's Business Segment			
		Energy	Digital Infra	Devices & Tech	Retail & Printing
16.5	Mitsubishi Heavy Industries	✓	✓		
14.1	Mitsubishi Electric	✓	✓	✓	
12.1	Hitachi	✓	✓		
10.9	Fuji Electric	✓		✓	
10.8	Fujitsu		✓		
10.3	AVERAGE				
9.3	NEC		✓		
8.4	Canon				✓
6.0	Konica Minolta				✓
5.0	Ricoh				✓

Updated analysis

Multiple (EV/EBITDA)	EBITDA	Toshiba's Stake in Kioxia	Net Debt	MV of Toshiba	Rohm's Stake in Toshiba	Corporate Tax	Valuation gain on Rohm's stake
6.0x				7,231.2			631.6
7.0x				7,713.0			678.3
8.0x				8,194.8			725.0
9.0x				8,676.6			771.7
10.0x	481.8	4,798.6	458.3	9,158.4	14%	30.6%	818.4
11.0x				9,640.2			865.1
12.0x				10,122.0			911.8
13.0x				10,603.8			958.5
14.0x				11,085.6			1,005.2
15.0x				11,567.4			1,051.9

*ex.book value JPY 100.0B

In our illustrative simulation, value of Rohm's stake in Toshiba has increased in a range of ¥400-600 bn



Toshiba's Earnings

EBITDA (Last Twelve Month) **481.8***

* Based on Toshiba's earnings report

Valuation gain on Toshiba's stake in Kioxia

Kioxia's Market Cap (As of June 3, 2026) **42,559.1**

Market Value of Toshiba's Stake (ex.tax) **4,798.6**

Toshiba's Net Debt

Net Debt **458.3***

*GS estimate based on Bloomberg report and company data

Rohm's Stake in Toshiba

Type	Amount	Percentage
Common Stock	100.0	14%*

*GS estimate based on company data

Source: Goldman Sachs Global Investment Research, Company data, LSEG Data & Analytics, Bloomberg

Exhibit 34: Rohm: Financial summary

Profit model (¥bn)	3/25	3/26	3/27E	3/28E	3/29E	Balance sheet (¥bn)	3/25	3/26	3/27E	3/28E	3/29E
Revenue	448.5	481.1	516.1	569.1	628.7	Cash & equivalents	248.6	434.2	423.4	457.9	511.9
Cost of goods sold	-374.2	-365.9	-365.7	-369.5	-380.3	Accounts receivable	80.6	84.9	86.0	94.9	104.8
Gross profit	74.3	115.2	150.4	199.6	248.4	Inventory	203.5	202.3	172.0	189.7	209.6
SG&A and other	-114.3	-104.4	-108.4	-119.5	-132.0	Other current assets	28.6	28.7	28.7	28.7	28.7
Operating profit	-40.1	10.9	42.0	80.1	116.4	Total current assets	561.2	750.1	710.1	771.2	855.0
Net interest income/(expense)	9.1	4.1	8.0	8.0	8.0	Net PP&E	491.3	325.8	335.8	329.8	329.8
Equity in earnings of affiliates					0.0	Net intangibles	6.4	4.8	4.8	4.8	4.8
Net other nonoperating inc/(exp)					0.0	Total investments	351.5	158.0	158.0	158.0	158.0
Recurring profit	-29.7	19.2	52.9	91.0	127.3	Other long-term assets	30.3	44.8	44.8	44.8	44.8
Extraordinary income	14.2	25.4	1.5	1.5	1.5	Total assets	1,440.8	1,283.6	1,253.6	1,308.7	1,392.5
Extraordinary expense	-41.2	-215.5	-0.6	-0.6	-0.6	Accounts payable	22.8	26.6	23.7	26.1	28.8
Pretax profit	-56.7	-170.9	53.8	91.9	128.2	Short-term debt	100.0	100.0	150.0	150.0	150.0
Income tax	6.7	12.5	-11.8	-20.2	-28.2	Other current liabilities	96.8	71.4	71.4	71.4	71.4
Minority interest	-0.0	-0.0	-0.0	-0.0	-0.0	Total current liabilities	219.6	198.0	245.1	247.5	250.3
Net income	-50.1	-158.4	41.9	71.7	100.0	Long-term debt	300.0	300.0	200.0	200.0	200.0
Capital expenditures (excl. leases)	-133.0	-82.4	-70.0	-90.0	-100.0	Other long-term liabilities	96.8	71.4	71.4	71.4	71.4
Capital expenditures (incl. leases)	-133.0	-82.4	-70.0	-90.0	-100.0	Total long-term liabilities	331.5	326.9	226.9	226.9	226.9
Depreciation & amortization	-83.4	-57.0	-60.0	-96.0	-100.0	Total liabilities	551.1	524.9	472.0	474.4	477.2
EPS (basic) (¥)	-129.7	-417.0	110.4	188.6	264.5	Minority interest	0.6	0.7	0.7	0.7	0.7
EPS (fully diluted) (¥)						Total common equity	889.0	758.0	780.9	833.6	914.6
BVPS (¥)	2,303.3	1,994.9	2,055.3	2,193.9	2,420.0	Total liabilities & equity	1,440.8	1,283.6	1,253.6	1,308.7	1,392.5
DPS (¥)	50.0	50.0	50.0	50.0	50.0	Net debt	151.4	-34.2	-73.4	-107.9	-161.9
Dividend payout ratio (%)	-38.5	-12.0	45.3	26.5	18.9	Ratios	3/25	3/26	3/27E	3/28E	3/29E
Year-on-year change (%)	3/25	3/26	3/27E	3/28E	3/29E	CROCI (%)	3.0	7.1	9.0	14.1	15.3
Revenue	-4.1	7.3	7.3	10.3	10.5	ROE (%)	-5.4	-19.2	5.5	8.9	11.4
Operating profit	-192.5	127.1	286.6	90.7	45.3	ROA (%)	-3.4	-11.6	3.3	5.6	7.4
Recurring profit	-142.9	164.7	175.2	72.0	39.9	Net debt/equity (%)	17.0	-4.5	-9.4	-12.9	-17.7
Net income	-192.8	-216.4	126.5	70.9	39.5	Interest coverage ratio (X)	-38.5	7.1			
EPS (basic)	-192.8	-221.5	126.5	70.9	40.3	Valuation	3/25	3/26	3/27E	3/28E	3/29E
EPS (fully diluted)	NM	NM	NM	NM	NM	P/E (X)			48.1	28.1	20.1
Margins (%)	3/25	3/26	3/27E	3/28E	3/29E	EV/EBITDA (X)	51.5	30.2	19.7	11.2	8.9
Operating profit	-8.9	2.3	8.1	14.1	18.5	EV/GCI (X)	0.6	0.7	1.8	1.6	1.4
EBITDA	9.7	14.1	19.8	30.9	34.4	P/B (X)	0.8	1.1	2.6	2.4	2.2
Recurring profit	-6.6	4.0	10.2	16.0	20.2	Dividend yield (%)	2.8	2.4	0.9	0.9	0.9
Net income	-11.2	-32.9	8.1	12.6	15.9	FCF yield (%)	-	2.4	0.3	2.8	2.6
Cash flow statement (¥bn)	3/25	3/26	3/27E	3/28E	3/29E						
Net income	-50.1	-158.4	41.9	71.7	100.0						
D&A add-back	83.4	57.0	60.0	96.0	100.0						
Minority interest add-back	0.0	0.0	0.0	0.0	0.0						
Net (inc)/dec in working capital	38.2	0.6	26.2	-24.1	-27.1						
Other operating cash flow	12.4	190.2	0.0	0.0	0.0						
Cash flow from operations	84.0	89.4	128.2	143.6	173.0						
Capital expenditures (incl. leases)	-133.0	-82.4	-70.0	-90.0	-100.0						
Purchases of long-term securities											
Sales of long-term securities											
Other investing cash flow	17.3	191.0	-0.0	-0.0	-0.0						
Cash flow from investments	-115.7	108.6	-70.0	-90.0	-100.0						
Dividends paid (common & preferred)	-19.3	-19.3	-19.0	-19.0	-18.9						
Incr./(decr.) in debt	-100.0										
Common stock issuance	-0.0	0.0	0.0	0.0	0.0						
Other financing cash flow	158.4	-1.5	-50.0	-0.0	-0.0						
Cash flow from financing	39.1	-20.8	-69.0	-19.0	-18.9						
Total cash flow	7.3	177.2	-10.8	34.6	54.0						

Note: Last actual year may include reported and estimated data.

Source: Goldman Sachs Global Investment Research, Company data

Nitto Denko: Solid earnings growth, but we see it as insufficient for a valuation re-rating; downgrading from Buy to Neutral

6988.T	12m Price Target: ¥3000	Price: ¥3060	Downside: 2%		
Neutral	GS Forecast				
		3/26	3/27E	3/28E	3/29E
Market cap: ¥2.2tr / \$13.5bn	Revenue (¥ bn)	1,028.2	1,070.7	1,125.5	1,184.5
Enterprise value: ¥1.6tr / \$10.2bn	Op. profit (¥ bn) New	183.6	190.0	204.5	219.5
3m ADTV :¥11.8bn/ \$74.6mn	Op. profit (¥ bn) Old	183.6	193.5	209.0	225.0
Japan	Op. profit CoE (¥ bn)	186.0	193.0	--	--
Japan Electronic Components/Semiconductors	EPS (¥) New	198.2	204.7	218.8	234.4
	EPS (¥) Old	198.2	209.9	225.5	242.6
M&A Rank: 3	P/E (X)	16.5	14.9	14.0	13.1
	P/B (X)	1.9	1.7	1.6	1.4
	CROCI (%)	12.6	13.3	13.6	13.7
		3/26	6/26E	9/26E	12/26E
	EPS (¥)	41.3	95.9	48.5	57.4

Source: Company data, Goldman Sachs Research estimates, FactSet. Price as of June 5th 2026 close.

Investment view

We are lowering our 12-month target price to ¥3,000 from ¥4,200 and changing our rating from Buy to Neutral. We had expected the company's four niche-leading product groups (films for foldable phones, electrical release tapes, high-performance circuit materials, and oligonucleotide therapeutics CDMO) to drive earnings, and for the valuation to re-rate, referencing similar past phases. However, while many of the niche-leading product groups appear to be solid as we expected, additional positive factors are becoming difficult to see, such as (1) the company's adoption share for foldable phones in FY26 will remain a minority, and (2) it is premature to price in the niche-leading product groups related to semiconductors, in our view. In addition, we now believe that the valuation will remain within the historical average range because (A) the impact of rising costs for naphtha (toluene solvent) will continue to weigh on the stock price, and (B) the shareholder return presented in the new medium-term plan did not exceed expectations.

Differences between our earnings estimates and consensus

We lower our FY26-FY28 operating profit estimates by -2% each vs. previous estimates, and our FY26-FY27 estimates are slightly below the Bloomberg consensus by -1%/-1%.

Outlook

The new medium-term plan disclosed on May 29 targets FY28 operating profit of ¥220 bn (OPM 20%) and ROE of 14%. This is in line with our previous operating profit forecast (¥225 bn). In terms of the breakdown, the FY28 profit contribution is 65% from optronics, 30% from tape, and 5% from human life, with optronics remaining the main profit pillar.

The company commented that it could not secure its desired share for foldable films in FY26. On the other hand, in the semiconductor field, the company highlighted thin

substrates for chip mounting, sheet-type electronic components, and high-speed communication interposers, and indicated that it would increase semiconductor-related sales (currently just under ¥50 bn) to ¥100 bn (OPM 30% or more) by FY2030. However, the specific details are currently unknown, and we believe it is premature to incorporate this into our forecasts.

At the medium-term plan briefing, regarding the impact from the Middle East, the company stated that it has secured a line on material procurement for the next few months (previously it had a line until the end of June), and that the cost impact would not be large enough to cause a major downward revision to earnings. However, we continue to take a cautious view on the additional impact of costs. As for capital allocation, the company commented that if the cumulative capex for FY26-FY28 (in the ¥300-¥400 bn range) falls short of ¥400 bn, the remainder will be returned to shareholders. We found the stance on shareholder returns to be somewhat underwhelming.

Valuation

We continue to use EV/GCI vs CROCI/WACC for our valuation methodology. While raising the sector EV/DACF multiple from 8x to 10x (as discussed earlier in this report), we also change the individual company EV/DACF premium/discount from a +20% premium previously to a -40% discount, as we mark-to-market to reflect recent trends. The implied P/E at our target price is 15x on FY26E. This is in line with the historical average P/E (3-year/10-year) of 15-16x. We believe a valuation around the historical average is appropriate, given that the earnings impact from AI is likely to be small, the impact of rising material costs is large, and we find it difficult to see any non-linear change.

Since we added Nitto Denko to our Buy list on October 2, 2025, the stock has declined by 12% while the Topix has risen 28%. We believe the underperformance can be attributed to the risk of rising input costs arising from the situation in the Middle East and the outlook for the company's adoption share for foldable phones in FY26 to remain a minority.

Key upside/downside risks

Material cost fluctuations: Many of the company's tape and optronics products use adhesives, and the raw material is a toluene solvent (derived from naphtha). Fluctuations in material costs and the speed of pass-throughs could cause earnings volatility going forward.

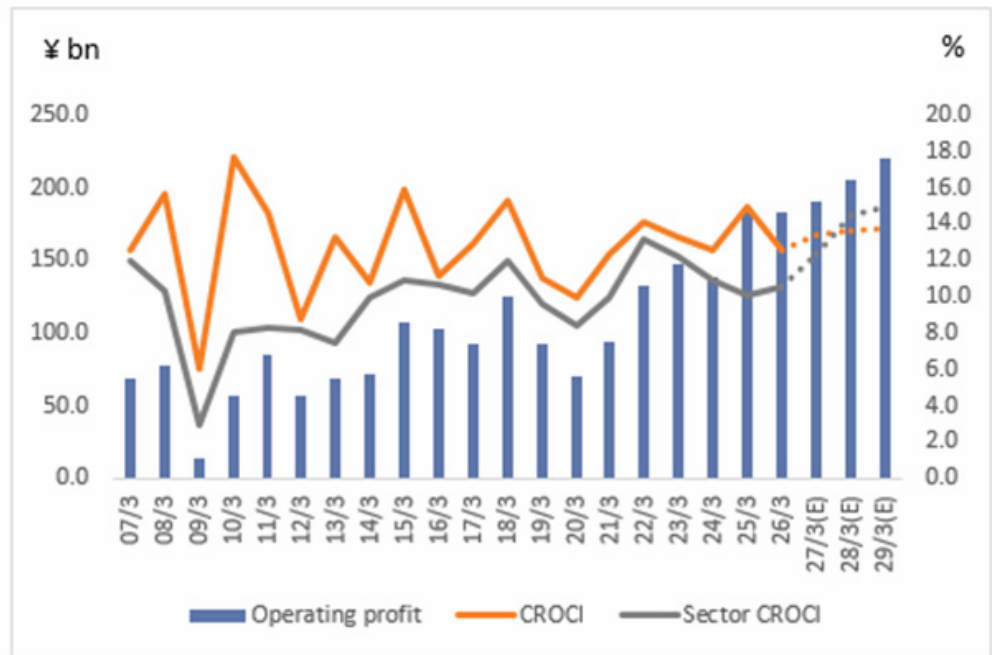
FX fluctuations: The earnings structure has a relatively large impact within the sector, with annual operating profit fluctuating by just under ¥3.0 bn per ¥1 change in the USD/JPY rate. A stronger or weaker yen than we assume could cause earnings to deviate from our forecasts.

Fluctuations in North American smartphone/PC demand: Many of the niche-leading product groups currently driving growth are dependent on increased adoption in North American smartphones and PCs. The company is relatively susceptible to the impact of changes to customer product roadmaps and supplier selection.

Visibility: Because they are niche-leading product groups, many have high competitiveness and profitability. On the other hand, disclosure is often limited on the adoption trends and outlook for individual products, making it difficult to estimate the

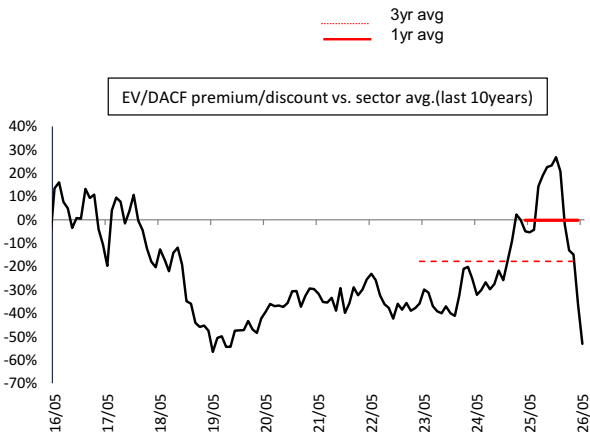
degree of their contribution to earnings.

Exhibit 35: Nitto Denko: Trend and outlook for operating profit, CROCI, and sector CROCI



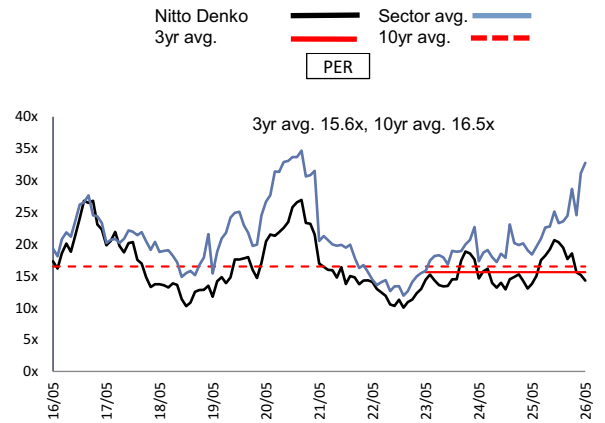
Source: Goldman Sachs Global Investment Research, Company data, LSEG Data & Analytics

Exhibit 36: Nitto Denko: EV/DACF valuation premium/discount trend



Source: LSEG Data & Analytics, Goldman Sachs Global Investment Research

Exhibit 37: Nitto Denko: Historical P/E trend



Source: LSEG Data & Analytics, Goldman Sachs Global Investment Research

Exhibit 38: Nitto Denko: Financial summary

Profit model (¥bn)	3/25	3/26	3/27E	3/28E	3/29E	Balance sheet (¥bn)	3/25	3/26	3/27E	3/28E	3/29E
Revenue	1,013.9	1,028.2	1,070.7	1,125.5	1,184.5	Cash & equivalents	363.3	359.8	421.0	471.7	535.4
Cost of goods sold	-618.4	-637.4	-665.7	-696.0	-725.0	Accounts receivable	210.4	231.9	227.6	239.2	251.8
Gross profit	395.5	390.8	405.0	429.5	459.5	Inventory	142.9	157.9	167.1	174.7	182.0
SG&A and other	-209.8	-207.1	-215.0	-225.0	-240.0	Other current assets	33.5	47.7	47.7	47.7	47.7
Operating profit	185.7	183.6	190.0	204.5	219.5	Total current assets	750.2	797.3	863.5	933.4	1,017.0
Net interest income/(expense)	0.3	0.3	0.3	0.3	0.3	Net PP&E	417.6	467.0	508.0	538.0	563.0
Equity in earnings of affiliates						Net intangibles	74.2	81.1	81.1	81.1	81.1
Net other nonoperating inc/(exp)	-0.6	1.1	-0.3	-0.3	-0.3	Total investments	7.8	7.8	7.8	7.8	7.8
Recurring profit	185.3	185.0	190.0	204.5	219.5	Other long-term assets	72.1	88.6	88.6	88.6	88.6
Extraordinary income						Total assets	1,321.9	1,441.8	1,548.9	1,648.9	1,757.4
Extraordinary expense						Accounts payable	100.5	103.6	124.4	130.0	135.5
Pretax profit	185.3	185.0	190.0	204.5	219.5	Short-term debt	0.5	0.0	0.0	0.0	0.0
Income tax	-48.0	-51.4	-52.0	-57.0	-61.5	Other current liabilities	120.8	122.4	122.4	122.4	122.4
Minority interest	-0.1	-0.0	-0.1	-0.1	-0.1	Total current liabilities	221.7	226.0	246.7	252.4	257.8
Net income	137.2	133.5	137.9	147.4	157.9	Long-term debt					
Capital expenditures (excl. leases)	-93.0	-86.8	-120.0	-115.0	-115.0	Other long-term liabilities	55.1	66.7	66.7	66.7	66.7
Capital expenditures (incl. leases)	-93.0	-86.8	-120.0	-115.0	-115.0	Total long-term liabilities	55.1	66.7	66.7	66.7	66.7
Depreciation & amortization	-65.6	-70.7	-79.0	-85.0	-90.0	Total liabilities	276.8	292.7	313.4	319.1	324.5
EPS (basic) (¥)	191.2	196.7	203.2	217.2	232.7	Minority interest	1.0	1.1	1.2	1.3	1.4
EPS (fully diluted) (¥)	194.0	198.2	204.7	218.8	234.4	Total common equity	1,044.1	1,148.0	1,234.3	1,328.5	1,431.6
BVPS (¥)	1,476.3	1,704.2	1,832.3	1,972.1	2,125.0	Total liabilities & equity	1,321.9	1,441.8	1,548.9	1,648.9	1,757.4
DPS (¥)	56.0	60.0	64.0	66.0	68.0	Net debt	-362.9	-359.8	-421.0	-471.7	-535.4
Dividend payout ratio (%)	28.9	30.3	31.3	30.2	29.0						
						Ratios	3/25	3/26	3/27E	3/28E	3/29E
Year-on-year change (%)	3/25	3/26	3/27E	3/28E	3/29E	CROCI (%)	15.0	12.6	13.3	13.6	13.7
Revenue	10.8	1.4	4.1	5.1	5.2	ROE (%)	13.5	12.2	11.6	11.5	11.4
Operating profit	33.4	-1.1	3.5	7.6	7.3	ROA (%)	10.7	9.7	9.2	9.2	9.3
Recurring profit	33.4	-0.2	2.7	7.6	7.3	Net debt/equity (%)	-34.7	-31.3	-34.1	-35.5	-37.4
Net income	33.7	-2.7	3.3	6.9	7.1	Interest coverage ratio (X)	36,966.1	73,115.1			
EPS (basic)	33.7	2.9	3.3	6.9	7.1						
EPS (fully diluted)	33.7	2.1	3.3	6.9	7.1	Valuation	3/25	3/26	3/27E	3/28E	3/29E
						P/E (X)	13.3	16.5	14.9	14.0	13.0
Margins (%)	3/25	3/26	3/27E	3/28E	3/29E	EV/EBITDA (X)	7.2	7.1	6.5	5.8	5.3
Operating profit	18.3	17.9	17.7	18.2	18.5	EV/GCI (X)	1.0	1.2	1.0	0.9	0.8
EBITDA	24.8	24.7	25.1	25.7	26.1	P/B (X)	1.7	1.9	1.7	1.6	1.4
Recurring profit	18.3	18.0	17.7	18.2	18.5	Dividend yield (%)	2.2	1.8	2.1	2.2	2.2
Net income	13.5	13.0	12.9	13.1	13.3	FCF yield (%)	5.2	3.3	5.2	4.8	5.5
Cash flow statement (¥bn)	3/25	3/26	3/27E	3/28E	3/29E						
Net income	137.2	133.5	137.9	147.4	157.9						
D&A add-back	65.6	70.7	79.0	85.0	90.0						
Minority interest add-back	0.1	0.0	0.1	0.1	0.1						
Net (inc)/dec in working capital	-5.7	-33.3	15.8	-13.6	-14.4						
Other operating cash flow	9.3	-12.6	0.0	-0.0	0.0						
Cash flow from operations	206.5	158.3	232.8	218.9	233.6						
Capital expenditures (incl. leases)	-93.0	-86.8	-120.0	-115.0	-115.0						
Purchases of long-term securities											
Sales of long-term securities											
Other investing cash flow	4.6	-35.0	0.0	0.0	0.0						
Cash flow from investments	-88.3	-121.9	-120.0	-115.0	-115.0						
Dividends paid (common & preferred)	-45.2	-48.4	-51.6	-53.2	-54.8						
Incr./(decr.) in debt		-0.3									
Common stock issuance											
Other financing cash flow	-32.0	18.8	0.0	0.0	0.0						
Cash flow from financing	-77.2	-29.9	-51.6	-53.2	-54.8						
Total cash flow	21.1	-3.5	61.2	50.7	63.8						

Note: Last actual year may include reported and estimated data.

Source: Goldman Sachs Global Investment Research, Company Data

Japan Aviation Electronics Industry: Growth slowdown trend likely to persist for now; downgrading to Sell from Neutral on a relative basis

6807.T	12m Price Target: ¥2000	Price: ¥2450	Downside: 18.4%		
Sell	GS Forecast				
		3/26	3/27E	3/28E	3/29E
Market cap: ¥165.0bn / \$1.0bn	Revenue (¥ bn)	227.9	242.5	252.5	263.5
Enterprise value: ¥159.9bn / \$998.0mn	Op. profit (¥ bn) New	8.9	9.0	11.5	13.0
3m ADTV :¥575.2mn/ \$3.6mn	Op. profit (¥ bn) Old	8.9	9.8	12.0	13.5
Japan	Op. profit CoE (¥ bn)	10.0	9.5	--	--
Japan Electronic Components/Semiconductors	EPS (¥) New	104.8	97.9	126.1	142.4
	EPS (¥) Old	105.0	106.9	130.7	147.0
M&A Rank: 3	P/E (X)	23.6	25.0	19.4	17.2
	P/B (X)	1.6	1.5	1.5	1.4
	CROCI (%)	6.7	7.4	7.7	8.0
		3/26	6/26E	9/26E	12/26E
	EPS (¥)	37.4	10.4	29.7	29.7

Source: Company data, Goldman Sachs Research estimates, FactSet. Price as of June 5th 2026 close.

Investment view

We are lowering our 12-month target price to ¥2,000 from ¥2,300 and revising our rating to Sell from Neutral based on a relative sector basis, with 18% potential downside compared to 8% upside for our coverage. Although we see emerging business opportunities in the recovery of industrial applications and in aerospace, we believe that the company's earnings growth is slowing because (1) the mainstay automotive business could enter a product adoption gap from around FY27 (affected by major customers' roadmaps), and (2) the smartphone and mobile device business has switched to a profitability-focused strategy, making it difficult for us to expect volume effects. We also judge that earnings expansion from the collaboration with Kyocera is unlikely to have an immediate effect given the time needed to establish sales and production operations overseas. Considering that the burden of rising material costs will also persist for some time, we believe the stock will continue to lag the sector.

Differences between our earnings estimates and consensus

We lower our FY26-FY28 operating profit estimates by -8%/-4%/-4%, and our FY26-FY27 estimates are -28%/-23% below the Bloomberg consensus as we take a cautious view of the impact of rising material costs, including precious metals. Our 1Q operating profit forecast is low at ¥1.0 bn vs. consensus at ¥1.6bn.

Outlook

In FY26, we expect sales growth, price increases/mix improvement, and cost improvements to be positive, but we expect an increase in raw material costs and fixed costs to be a negative yoy factor. The impact of rising raw material costs is particularly large due to the yoy increase in the price of gold, and we believe it is uncertain whether this can be fully offset by price pass-throughs and material-saving measures.

On the sales side, the automotive business, which has been strong due to increased

adoption by major customers, is expected to enter a product delivery gap from around FY27. The smartphone business is also prioritizing profitability for North American customers and is considering withdrawing from low-end products for Chinese customers, giving us the impression that medium- to long-term growth drivers are weakening.

For the aerospace business, new projects for North America are emerging as a theme, but we believe it will be several years before the impact on company-wide earnings becomes a key topic of discussion.

Valuation

We continue to use EV/GCI vs CROCI/WACC for our valuation methodology. While raising the sector EV/DACF multiple from 8X to 10X, we change our company-specific EV/DACF discount from -40% previously to -60% this time, as a mark-to-market referencing recent trends. The implied P/E at our target price is 16x on FY27E, and P/B is 0.9x. The stock is currently trading at FY27E P/E of 19x, vs the historical average P/E (3-year/10-year) is 17x/15x — in our view suggesting the stock is overvalued, particularly given that we believe the earnings impact from AI is limited and the impact of rising material costs is large. We have also factored in the risk that the P/B could fall below 1x this time, as it has done in past phases of sluggish earnings.

Key risks and what could make us more positive

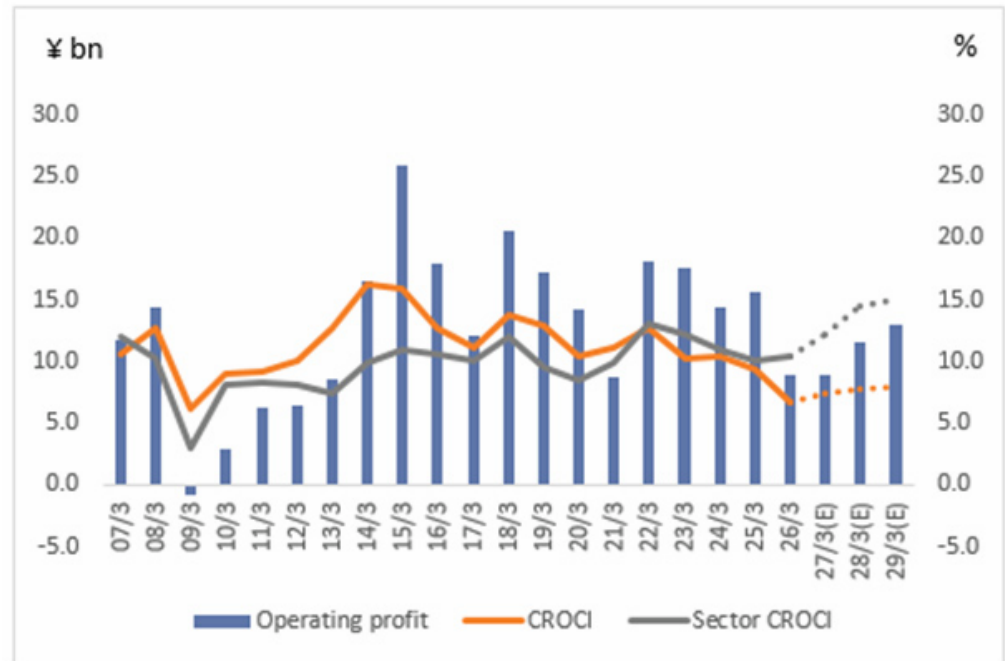
Attention to emerging themes: Some of the company's connectors and sensors are related to the aerospace industry. We do not discount that positive news relating to this industry could potentially lead to a short-term rise in the stock price. However, we believe it will be some time before any of JAE's related products would have an actual impact on earnings. Since the direction of accelerating market expansion into the space sector has already been disclosed in JAE's results briefing, we believe it is unlikely that such products will be a new focus for the market.

Strengthening relationship with Kyocera: How the collaboration with Kyocera progresses may offer potential for a future rise in JAE's share price, e.g., through expansion of overseas sales via use of Kyocera's production sites and sales channels. However, given low visibility on the contribution to earnings, we believe that progress the collaboration between the two companies will take time. At this juncture, there is also little visibility on whether the capital relationship (Kyocera holds a 33% stake in JAE) could be strengthened in future, despite ongoing debate in the stock market.

Upside in smartphone and automobile production: The company's earnings have very limited exposure to AI servers and are predominantly influenced by the trends of specific smartphone and automobile manufacturers. If customer production increases more than expected, it could have a positive impact.

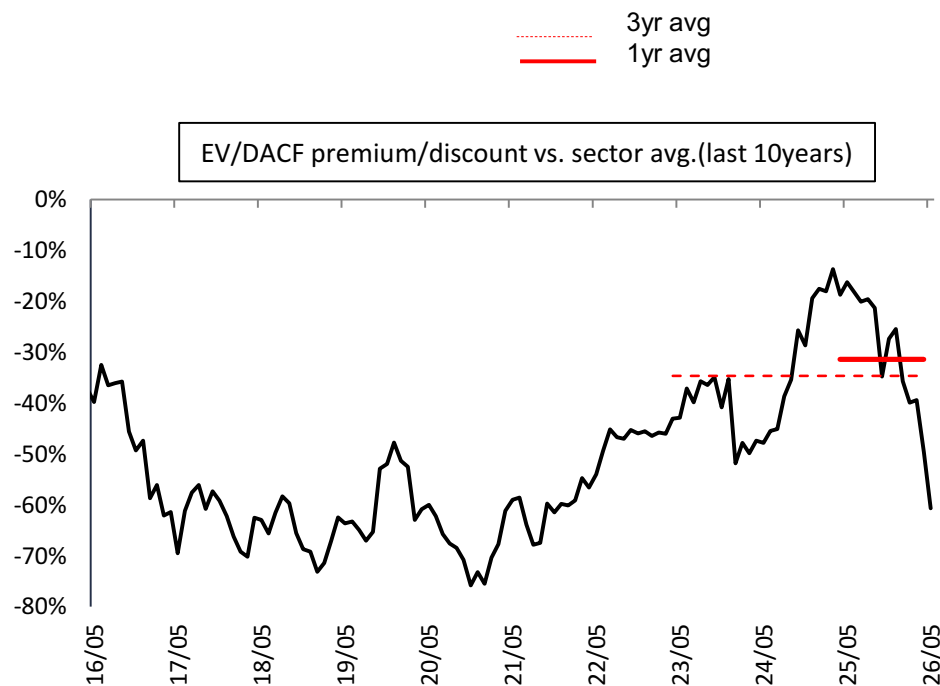
Decline in material costs: Since the impact of material costs, mainly gold prices, is large, a decline in gold prices could have a positive impact on earnings.

Exhibit 39: JAE: Trend and outlook for operating profit, CROCI, and sector CROCI



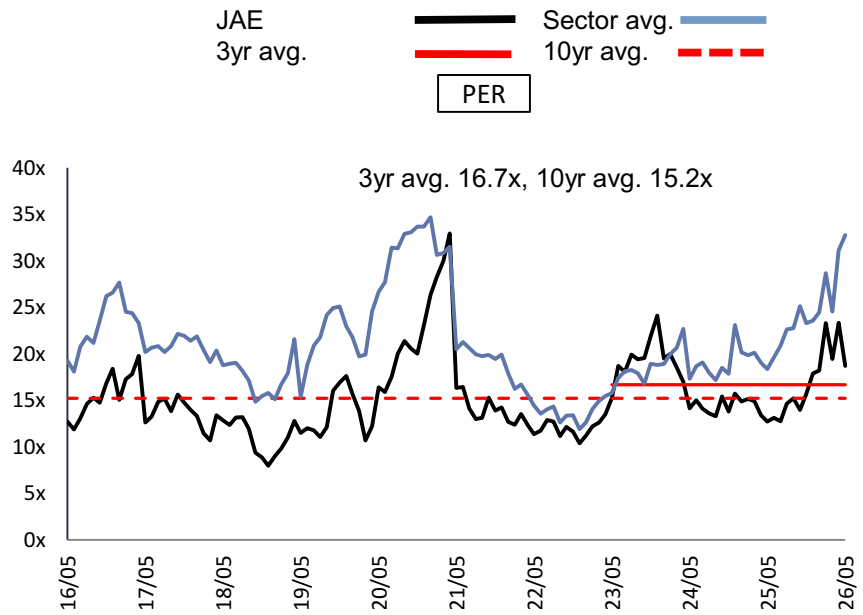
Source: Goldman Sachs Global Investment Research, Company data, LSEG Data & Analytics

Exhibit 40: JAE: EV/DACF valuation premium/discount trend



Source: LSEG Data & Analytics, Goldman Sachs Global Investment Research

Exhibit 41: JAE: Historical P/E trend



Source: LSEG Data & Analytics, Goldman Sachs Global Investment Research

Exhibit 42: JAE: Financial summary

Profit model (¥bn)	3/25	3/26	3/27E	3/28E	3/29E	Balance sheet (¥bn)	3/25	3/26	3/27E	3/28E	3/29E
Revenue	221.6	227.9	242.5	252.5	263.5	Cash & equivalents	52.8	48.5	42.0	40.6	39.7
Cost of goods sold	-179.6	-191.4	-205.0	-211.0	-218.5	Accounts receivable	37.7	38.9	44.8	46.6	48.6
Gross profit	42.1	36.4	37.5	41.5	45.0	Inventory	29.2	32.8	36.1	37.6	39.2
SG&A and other	-26.4	-27.5	-28.5	-30.0	-32.0	Other current assets	5.7	10.4	10.4	10.4	10.4
Operating profit	15.6	8.9	9.0	11.5	13.0	Total current assets	125.3	130.7	133.3	135.2	138.1
Net interest income/(expense)	0.3	0.1	0.4	0.4	0.4	Net PP&E	70.3	77.6	77.1	78.1	79.1
Equity in earnings of affiliates						Net intangibles	2.7	3.1	3.1	3.1	3.1
Net other nonoperating inc/(exp)	-1.0	-0.8	-0.5	-0.5	-0.5	Total investments	15.3	18.4	18.4	18.4	18.4
Recurring profit	14.8	8.2	8.9	11.4	12.9	Other long-term assets	1.9	2.5	2.5	2.5	2.5
Extraordinary income	0.3	2.3				Total assets	215.4	232.1	234.3	237.2	241.0
Extraordinary expense		-0.4				Accounts payable	28.4	25.5	24.4	22.9	21.5
Pretax profit	15.2	10.2	8.9	11.4	12.9	Short-term debt	6.0	11.0	6.0	6.0	6.0
Income tax	-3.6	-3.1	-2.3	-2.9	-3.3	Other current liabilities	14.6	16.4	16.4	16.4	16.4
Minority interest						Total current liabilities	48.9	52.9	46.8	45.3	43.9
Net income	11.6	7.1	6.6	8.5	9.6	Long-term debt	31.0	30.8	30.8	30.8	30.8
Capital expenditures (excl. leases)	15.0	23.7	21.0	23.0	24.0	Other long-term liabilities	1.8	4.1	4.1	4.1	4.1
Capital expenditures (incl. leases)	-15.0	-23.7	-21.0	-23.0	-24.0	Total long-term liabilities	32.8	34.9	34.9	34.9	34.9
Depreciation & amortization	-21.0	-19.5	-21.5	-22.0	-23.0	Total liabilities	81.7	87.8	81.7	80.2	78.8
EPS (basic) (¥)	172.1	104.8	97.9	126.1	142.4	Minority interest					
EPS (fully diluted) (¥)	172.1	104.8	97.9	126.1	142.4	Total common equity	133.7	144.4	147.6	152.0	157.3
BVPS (¥)	1,985.0	2,141.0	2,188.9	2,254.9	2,332.3	Total liabilities & equity	215.4	232.1	234.3	237.2	241.0
DPS (¥)	60.0	60.0	50.0	60.0	65.0	Net debt	-15.8	-11.7	-5.3	-3.8	-3.0
Dividend payout ratio (%)	34.9	57.2	51.1	47.6	45.7	Ratios	3/25	3/26	3/27E	3/28E	3/29E
Year-on-year change (%)	3/25	3/26	3/27E	3/28E	3/29E	CROCI (%)	9.3	6.7	7.4	7.7	8.0
Revenue	-1.8	2.8	6.4	4.1	4.4	ROE (%)	8.9	5.1	4.5	5.7	6.2
Operating profit	8.3	-42.8	0.7	27.8	13.0	ROA (%)	5.1	3.2	2.8	3.6	4.0
Recurring profit	0.5	-44.4	7.9	28.1	13.2	Net debt/equity (%)	-11.8	-8.1	-3.6	-2.5	-1.9
Net income	-5.3	-39.0	-6.6	28.8	12.9	Interest coverage ratio (X)	24.6	10.9	18.0	23.0	26.0
EPS (basic)	-5.3	-39.1	-6.6	28.8	12.9	Valuation	3/25	3/26	3/27E	3/28E	3/29E
EPS (fully diluted)	-5.3	-39.1	-6.6	28.8	12.9	P/E (X)	15.1	23.6	25.0	19.4	17.2
Margins (%)	3/25	3/26	3/27E	3/28E	3/29E	EV/EBITDA (X)	4.1	5.4	5.2	4.8	4.5
Operating profit	7.0	3.9	3.7	4.6	4.9	EV/GCI (X)	0.5	0.4	0.4	0.4	0.4
EBITDA	16.5	12.5	12.6	13.3	13.7	P/B (X)	1.3	1.2	1.1	1.1	1.1
Recurring profit	6.7	3.6	3.7	4.5	4.9	Dividend yield (%)	2.3	2.4	2.0	2.4	2.7
Net income	5.2	3.1	2.7	3.4	3.6	FCF yield (%)	13.0	4.7	1.9	1.6	2.1
Cash flow statement (¥bn)	3/25	3/26	3/27E	3/28E	3/29E						
Net income	11.6	7.1	6.6	8.5	9.6						
D&A add-back	21.0	19.5	21.5	22.0	23.0						
Minority interest add-back											
Net (inc)/dec in working capital	4.7	-7.8	-10.2	-4.9	-5.1						
Other operating cash flow	-0.8	-2.9	0.0	-0.0	0.0						
Cash flow from operations	36.5	15.9	17.9	25.6	27.5						
Capital expenditures (incl. leases)	-15.0	-23.7	-21.0	-23.0	-24.0						
Purchases of long-term securities											
Sales of long-term securities											
Other investing cash flow	-1.7	-1.7	0.0	0.0	0.0						
Cash flow from investments	-16.7	-25.4	-21.0	-23.0	-24.0						
Dividends paid (common & preferred)	-4.0	-4.0	-3.4	-4.0	-4.4						
Incr./(decr.) in debt	-27.5	-0.3									
Common stock issuance											
Other financing cash flow	-0.7	7.6	0.0	-0.0	0.0						
Cash flow from financing	-32.2	3.3	-3.4	-4.0	-4.4						
Total cash flow	-15.5	-4.3	-6.5	-1.4	-0.8						

Note: Last actual year may include reported and estimated data.

Source: Goldman Sachs Global Investment Research, Company data

Appendix: Updated Investment Theses

Investment Thesis - Rohm

Rohm is a semiconductor device supplier, based in Kyoto. It produces semiconductor products, mainly analog semiconductors and power semiconductors, and passive components such as resistors. Its main segments are LSI and semiconductor devices. In the Silicon Carbide (SiC) power semiconductor business within its semiconductor devices segment, the company recorded a substantial impairment loss against the backdrop of a slowdown in the global EV market and intensifying competition in China. However, we see a growing possibility that capacity originally intended for EVs could be utilized for AI servers in the future. Consequently, we believe it has become easier to envision a scenario where the SiC business transitions to profitability. Regarding its collaboration with Toshiba, while some uncertainty remains regarding the scheme with Mitsubishi Electric newly joining the partnership, we view this as a positive development for future earnings and competitiveness. Furthermore, while we do not hold a view on the value of Rohm's stake in Toshiba, we highlight increased investor attention in the holding as an investment that enhances Rohm's market value. Overall, we are Buy-rated on the stock, expecting that Rohm on a standalone basis, the reorganized Rohm, and the value of its Toshiba shareholding will collectively move the stock's positioning closer to an AI-related name.

Investment Thesis - Nitto Denko

Nitto Denko's primary operations consist of three segments: (1) Industrial Tape, which manufactures functional base products; (2) Optronics, which produces information fine materials and printed circuits; and (3) Human Life, which includes oligonucleotide therapeutics, contract development and manufacturing organization (CDMO) services, and the membrane business manufacturing high-polymer separation membranes. While many of the company's "Global Niche Top" product lines appear solid, additional positive catalysts are becoming harder to identify. This is due to factors such as its adoption share for foldable devices remaining in the minority, and the prematurity of pricing in its semiconductor-related niche top product lines. Additionally, the relatively large impact of rising costs for naphtha (toluene solvent) is weighing on the stock price. Furthermore, the shareholder returns outlined in the new medium-term plan did not exceed expectations. Although the company maintains a strong earnings structure and steady profit growth, its valuation (P/E) is in line with historical averages and we rate the stock Neutral relative to the sector.

Investment Thesis- Japan Aviation Electronics

Japan Aviation Electronics Industry mainly manufactures connectors for mobile equipment, automotive, and industrial machinery/infrastructure applications. Among the connector makers we cover, the company features a relatively high weighting for mobile equipment applications. In addition to connectors, the company is developing a user interface solutions (UIS) business, which mainly manufactures automotive capacitive touch panels, various touch panels for industrial and medical equipment applications, and control panels, as well as an aerospace business that primarily supplies flight control systems, sensor packages for oil drilling, and automotive rotation angle (gyro) sensors. We believe the company's earnings growth momentum is slowing, given

its strategy for mobile devices has shifted to prioritizing profitability (meaning volume benefits cannot be expected) and its automotive business is entering a plateau in adoption expansion (which will slow the pace of sales growth from FY27 onward). Considering the relatively small impact of AI on its earnings and the significant negative impact of elevated material costs, we rate the stock Sell relative to the sector.

Target price methodologies

Exhibit 43: Target price methodologies

Company Name	Ticker	Analyst	TP Methodology
Ibiden	4062.T	Daiki Takayama	Our target price is based on FY3/29E EV/GCI vs. CROCI/WACC, applying +60% premium to our sector average EV/DACF multiple of 10X.
NGK Corp.	5333.T	Daiki Takayama	Our target price is based on FY3/29E EV/GCI vs. CROCI/WACC, applying -10% discount to our sector average EV/DACF multiple of 10X.
Niterra	5334.T	Daiki Takayama	Our target price is based on FY3/29E EV/GCI vs. CROCI/WACC, applying -10% discount to our sector average EV/DACF multiple of 10X.
MinebeaMitsumi Inc.	6479.T	Daiki Takayama	Our target price is based on FY3/29E EV/GCI vs. CROCI/WACC, in-line with our sector average EV/DACF multiple of 10X.
Mabuchi Motor	6592.T	Daiki Takayama	Our target price is based on FY12/28E EV/GCI vs. CROCI/WACC, applying -30% discount to our sector average EV/DACF multiple of 10X.
Nidec	6594.T	Daiki Takayama	Our target price is based on the average of FY3/27E-FY3/28E EV/GCI vs. CROCI/WACC, applying +30% premium to our sector average EV/DACF multiple of 8X.
Renesas Electronics	6723.T	Daiki Takayama	Our target price is based on FY12/28E EV/GCI vs. CROCI/WACC, applying EV/DACF multiple of 13X.
TDK	6762.T	Daiki Takayama	Our target price is based on FY3/29E EV/GCI vs. CROCI/WACC, applying +10% premium to our sector average EV/DACF multiple of 10X.
Alps Alpine	6770.T	Daiki Takayama	Our target price is based on FY3/29E EV/GCI vs. CROCI/WACC, applying -60% discount to our sector average EV/DACF multiple of 10X.
Hirose Electric	6806.T	Daiki Takayama	Our target price is based on FY3/29E EV/GCI vs. CROCI/WACC, in-line with our sector average EV/DACF multiple of 10X.
Japan Aviation Electronics Industry	6807.T	Daiki Takayama	Our target price is based on FY3/29E EV/GCI vs. CROCI/WACC, applying -60% discount to our sector average EV/DACF multiple of 10X.
Rohm	6963.T	Daiki Takayama	Our target price is based on FY3/29E EV/GCI vs. CROCI/WACC, applying +20% premium to our sector average EV/DACF multiple of 10X.
Kyocera	6971.T	Daiki Takayama	Our target price is based on FY3/29E EV/GCI vs. CROCI/WACC, in-line with our sector average EV/DACF multiple of 10X.
Taiyo Yuden	6976.T	Daiki Takayama	Our target price is based on FY3/29E EV/GCI vs. CROCI/WACC, applying +80% premium to our sector average EV/DACF multiple of 10X.
Murata Mfg.	6981.T	Daiki Takayama	Our target price is based on FY3/29E EV/GCI vs. CROCI/WACC, applying +80% premium to our sector average EV/DACF multiple of 10X.
Nitto Denko	6988.T	Daiki Takayama	Our target price is based on FY3/29E EV/GCI vs. CROCI/WACC, applying -40% discount to our sector average EV/DACF multiple of 10X.
Nichicon	6996.T	Daiki Takayama	Our target price is based on FY3/29E EV/GCI vs. CROCI/WACC, in-line with our sector average EV/DACF multiple of 10X.
MARUWA	5344.T	Mitsuhiro Icho	Our target price is based on the correlation between EV/EBITDA multiple and EBITDA margin. (FY3/29E)
Maxell Ltd.	6810.T	Mitsuhiro Icho	Our target price is based on a P/B of 0.7X (FY3/29E)
IRISO Electronics	6908.T	Mitsuhiro Icho	Our target price is based on FY3/28E EV/GCI vs. CROCI/WACC, applying -30% discount to our sector average EV/DACF multiple of 8X.
Nippon Ceramic	6929.T	Mitsuhiro Icho	Our target price is based on FY12/28E EV/GCI vs. CROCI/WACC, applying -20% discount to our sector average EV/DACF multiple of 10X.
Kohoku Kogyo	6524.T	Mitsuhiro Icho	Our target price is calculated using a 10-year DCF model (terminal growth rate of 0%)

Source: Goldman Sachs Global Investment Research

Disclosure Appendix

Reg AC

We, Daiki Takayama, Mitsuhiro Icho, Makoto Takahara and Yuji Hidaka, hereby certify that all of the views expressed in this report accurately reflect our personal views about the subject company or companies and its or their securities. We also certify that no part of our compensation was, is or will be, directly or indirectly, related to the specific recommendations or views expressed in this report.

Unless otherwise stated, the individuals listed on the cover page of this report are analysts in Goldman Sachs' Global Investment Research division.

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Unless otherwise stated, the individuals listed in the Contributing Authors disclosure of this report are analysts in Goldman Sachs' Global Investment Research division.

GS Factor Profile

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Growth is based on a stock's forward-looking sales growth, EBITDA growth and EPS growth (for financial stocks, only EPS and sales growth), with a higher percentile indicating a higher growth company. **Financial Returns** is based on a stock's forward-looking ROE, ROCE and CROCI (for financial stocks, only ROE), with a higher percentile indicating a company with higher financial returns. **Multiple** is based on a stock's forward-looking P/E, P/B, price/dividend (P/D), EV/EBITDA, EV/FCF and EV/Debt Adjusted Cash Flow (DACF) (for financial stocks, only P/E, P/B and P/D), with a higher percentile indicating a stock trading at a higher multiple. The **Integrated** percentile is calculated as the average of the Growth percentile, Financial Returns percentile and (100% - Multiple percentile).

Financial Returns and Multiple use the Goldman Sachs analyst forecasts at the fiscal year-end at least three quarters in the future. Growth uses inputs for the fiscal year at least seven quarters in the future compared with the year at least three quarters in the future (on a per-share basis for all metrics).

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Across our global coverage, we examine stocks using an M&A framework, considering both qualitative factors and quantitative factors (which may vary across sectors and regions) to incorporate the potential that certain companies could be acquired. We then assign a M&A rank as a means of scoring companies under our rated coverage from 1 to 3, with 1 representing high (30%-50%) probability of the company becoming an acquisition target, 2 representing medium (15%-30%) probability and 3 representing low (0%-15%) probability. For companies ranked 1 or 2, in line with our standard departmental guidelines we incorporate an M&A component into our target price. M&A rank of 3 is considered immaterial and therefore does not factor into our price target, and may or may not be discussed in research.

Quantum

Quantum is Goldman Sachs' proprietary database providing access to detailed financial statement histories, forecasts and ratios. It can be used for in-depth analysis of a single company, or to make comparisons between companies in different sectors and markets.

Disclosures

The rating(s) for Alps Alpine, Hirose Electric, IRISO Electronics, Ividen, Japan Aviation Electronics Industry, Kohoku Kogyo, Kyocera, MARUWA, Mabuchi Motor, Maxell Ltd., MinebeaMitsumi Inc., Murata Mfg., NGK Corp., Nichicon, Nidec, Nippon Ceramic, Niterra, Nitto Denko, Renesas Electronics, Rohm, TDK and Taiyo Yuden is/are relative to the other companies in its/their coverage universe: Alps Alpine, Dai Nippon Printing, Hirose Electric, IRISO Electronics, Ividen, Japan Aviation Electronics Industry, Kohoku Kogyo, Kyocera, MARUWA, Mabuchi Motor, Maxell Ltd., MinebeaMitsumi Inc., Murata Mfg., NGK Corp., Nichicon, Nidec, Nippon Ceramic, Niterra, Nitto Denko, Renesas Electronics, Rohm, TDK, TOPPAN Holdings, Taiyo Yuden

Company-specific regulatory disclosures

Compendium report: please see disclosures at <https://www.gs.com/research/hedge.html>. Disclosures applicable to the companies included in this compendium can be found in the latest relevant published research

Distribution of ratings/investment banking relationships

Goldman Sachs Investment Research global Equity coverage universe

	Rating Distribution			Investment Banking Relationships		
	Buy	Hold	Sell	Buy	Hold	Sell
Global	50%	34%	16%	65%	60%	45%

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Price target and rating history chart(s)

Compendium report: please see disclosures at <https://www.gs.com/research/hedge.html>. Disclosures applicable to the companies included in this compendium can be found in the latest relevant published research

Target price history table(s)**Nichicon (6996.T)**

Date of report	Target price (¥)	Closing price (¥)
08-May-26	2,200	2,494
23-Mar-26	2,000	1,765
06-Feb-26	1,700	1,680
12-Jan-26	1,600	1,564
05-Nov-25	1,400	1,518
05-Aug-25	1,500	1,309
09-May-25	1,400	1,169
31-Mar-25	1,500	1,224
06-Feb-25	1,400	1,029
06-Nov-24	1,300	1,012
01-Oct-24	1,200	978
06-Aug-24	1,300	968
02-Jul-24	1,500	1,200
09-May-24	1,700	1,373
09-Feb-24	1,800	1,254
06-Dec-23	1,900	1,441
04-Oct-23	1,800	1,313
04-Jul-23	1,900	1,535

Alps Alpine (6770.T)

Date of report	Target price (¥)	Closing price (¥)
23-Mar-26	2,200	2,101
30-Jan-26	2,300	2,015
12-Jan-26	2,200	1,942
31-Oct-25	2,100	1,946
02-Oct-25	2,000	1,857
31-Jul-25	1,700	1,600
07-Jul-25	1,600	1,478
30-Apr-25	1,400	1,448
31-Mar-25	1,500	1,521
31-Jul-24	1,700	1,603
02-Jul-24	1,600	1,525
05-Jun-24	1,500	1,549
09-May-24	1,400	1,541
03-Apr-24	1,240	1,202
30-Jan-24	1,150	1,307
04-Jul-23	1,300	1,266

Nippon Ceramic (6929.T)

Date of report	Target price (¥)	Closing price (¥)
02-Oct-25	3,000	3,485
01-Aug-25	2,900	3,200
31-Mar-25	2,700	2,870
07-Feb-25	2,400	2,580
08-Nov-24	2,300	2,596
02-Aug-24	2,200	2,330
03-Apr-24	2,500	2,668
06-Dec-23	2,550	2,899

IRISO Electronics (6908.T)

Date of report	Target price (¥)	Closing price (¥)
23-Mar-26	3,400	3,310
03-Feb-26	3,300	3,365
12-Jan-26	3,100	3,215
05-Nov-25	3,000	3,020
04-Aug-25	2,800	2,878
07-Jul-25	2,900	2,767
07-May-25	2,700	2,600
31-Mar-25	2,900	2,596
04-Feb-25	3,000	2,534
09-Aug-24	2,900	2,332
02-Jul-24	3,300	3,130
08-May-24	3,400	3,140
03-Apr-24	3,200	2,866
02-Feb-24	3,900	3,410
02-Aug-23	4,300	3,960
04-Jul-23	4,500	4,175

Maxell Ltd. (6810.T)

Date of report	Target price (¥)	Closing price (¥)
14-Apr-26	1,800	2,225
23-Mar-26	1,900	1,960
12-Jan-26	2,000	2,366
31-Jul-25	1,800	2,015
07-Jul-25	1,700	1,852
27-Apr-25	1,600	1,825
01-Oct-24	1,700	1,831
31-Jul-24	1,800	1,733
23-Jul-24	1,700	1,785
02-Jul-24	1,570	1,845
05-Jun-24	1,530	1,818
29-Apr-24	1,390	1,508
03-Apr-24	1,470	1,574
06-Dec-23	1,530	1,661
04-Oct-23	1,480	1,594
27-Jul-23	1,430	1,562
04-Jul-23	1,400	1,646

TDK (6762.T)

Date of report	Target price (¥)	Closing price (¥)
28-Apr-26	3,000	2,677
23-Mar-26	2,900	2,043
12-Jan-26	2,800	2,142
31-Oct-25	2,700	2,673
02-Oct-25	2,400	2,154
01-Aug-25	2,100	1,876
28-Apr-25	2,000	1,460
31-Mar-25	2,100	1,546
01-Nov-24	2,300	1,848
01-Oct-24	2,230	1,948
02-Sep-24	11,300	2,023
30-Jul-24	11,500	2,029
02-Jul-24	11,200	2,004
26-Apr-24	8,300	1,462
03-Apr-24	8,700	1,488
31-Jan-24	7,800	1,488
06-Dec-23	7,500	1,338

Maxell Ltd. (6810.T)

Date of report	Target price (¥)	Closing price (¥)
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08-May-26	70,000	68,930
16-Apr-26	72,000	69,200
23-Mar-26	67,000	53,790
03-Feb-26	55,000	51,620
12-Jan-26	54,000	44,550
02-Oct-25	48,000	38,170
24-Jul-25	45,000	46,930
07-Jul-25	46,000	40,020
08-May-25	44,000	32,210
25-Apr-25	42,000	29,375
31-Mar-25	47,000	30,320
01-Feb-25	55,000	38,320
31-Jan-25	54,000	38,320
29-Jan-25	55,000	40,900
22-Jan-25	58,000	50,150
29-Oct-24	51,000	41,650
01-Oct-24	53,000	43,300
29-Jul-24	49,000	40,500
02-Jul-24	45,000	38,300
25-Apr-24	39,000	33,300
03-Apr-24	40,000	32,350

TDK (6762.T)

Date of report	Target price (¥)	Closing price (¥)
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01-Nov-23	6,500	1,158
04-Oct-23	6,400	1,052
02-Aug-23	6,500	1,089
04-Jul-23	6,900	1,150

MARUWA (5344.T)

Date of report	Target price (¥)	Closing price (¥)
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08-May-26	70,000	68,930
16-Apr-26	72,000	69,200
23-Mar-26	67,000	53,790
03-Feb-26	55,000	51,620
12-Jan-26	54,000	44,550
02-Oct-25	48,000	38,170
24-Jul-25	45,000	46,930
07-Jul-25	46,000	40,020
08-May-25	44,000	32,210
25-Apr-25	42,000	29,375
31-Mar-25	47,000	30,320
01-Feb-25	55,000	38,320
31-Jan-25	54,000	38,320
29-Jan-25	55,000	40,900
22-Jan-25	58,000	50,150
29-Oct-24	51,000	41,650
01-Oct-24	53,000	43,300
29-Jul-24	49,000	40,500
02-Jul-24	45,000	38,300
25-Apr-24	39,000	33,300
03-Apr-24	40,000	32,350

Japan Aviation Electronics Industry (6807.T)

Date of report	Target price (¥)	Closing price (¥)
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24-Apr-26	2,300	2,484
28-Jan-26	2,400	2,476
12-Jan-26	2,600	2,518
30-Oct-25	2,500	2,807
02-Oct-25	2,600	2,459
23-Jul-25	2,500	2,450
23-Apr-25	2,700	2,283
31-Mar-25	2,800	2,609
29-Jan-25	2,700	2,893
23-Oct-24	2,800	2,553
02-Jul-24	2,700	2,611
24-Apr-24	2,800	2,331
03-Apr-24	2,700	2,392
29-Jan-24	2,900	3,040
06-Dec-23	3,000	2,850
27-Oct-23	2,700	2,750
27-Jul-23	3,000	2,877
04-Jul-23	3,200	3,070

Hirose Electric (6806.T)

Date of report	Target price (¥)	Closing price (¥)
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11-May-26	21,200	22,430
23-Mar-26	20,900	20,675
12-Jan-26	19,600	17,390
04-Nov-25	18,500	21,255
02-Oct-25	18,900	18,415
07-Jul-25	17,500	16,725
09-May-25	18,400	16,565
31-Mar-25	19,200	17,250
03-Feb-25	19,800	17,955
01-Oct-24	19,000	18,380
01-Aug-24	18,500	17,625
02-Jul-24	18,300	18,200
03-Apr-24	17,200	14,980
01-Feb-24	17,800	17,305
06-Dec-23	18,000	16,270
01-Nov-23	17,300	17,165
04-Oct-23	17,700	16,870
01-Aug-23	17,900	17,995
04-Jul-23	19,400	18,565

Mabuchi Motor (6592.T)

Date of report	Target price (¥)	Closing price (¥)
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23-Mar-26	1,500	1,556
13-Feb-26	1,400	1,611
12-Jan-26	1,300	1,458
31-Oct-25	2,500	1,364
14-Aug-25	2,300	1,216
07-Jul-25	2,100	1,060
31-Mar-25	2,300	1,146
01-Oct-24	2,200	1,124
02-Jul-24	2,300	1,183
03-Apr-24	2,400	1,318
14-Feb-24	2,200	1,348
06-Dec-23	3,900	1,171
02-Nov-23	3,700	1,150
04-Oct-23	3,600	1,099
04-Jul-23	3,500	985

Kyocera (6971.T)

Date of report	Target price (¥)	Closing price (¥)
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23-Mar-26	2,700	2,336
12-Jan-26	2,600	2,228
02-Oct-25	2,400	1,952
30-Jul-25	2,300	1,645
14-May-25	2,200	1,793

Niterra (5334.T)

Date of report	Target price (¥)	Closing price (¥)
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23-Mar-26	7,800	7,069
30-Jan-26	6,700	6,751
12-Jan-26	6,800	6,770
31-Oct-25	6,000	6,342
02-Oct-25	5,700	5,739

Kyocera (6971.T)

Date of report	Target price (¥)	Closing price (¥)
31-Mar-25	2,000	1,676
03-Feb-25	2,100	1,579
30-Oct-24	2,200	1,756
01-Oct-24	2,300	1,687
26-Apr-24	2,500	1,928
03-Apr-24	2,700	1,958
09-Jan-24	2,600	2,010
06-Dec-23	8,600	2,045
01-Nov-23	7,600	1,889
04-Oct-23	7,700	1,794
31-Jul-23	7,800	1,911
04-Jul-23	7,900	1,934

Niterra (5334.T)

Date of report	Target price (¥)	Closing price (¥)
07-Jul-25	5,100	4,794
31-Jan-25	4,800	5,141
01-Oct-24	4,500	4,082
30-Apr-24	4,900	5,172
03-Apr-24	5,000	4,891
31-Jan-24	4,000	4,000
06-Dec-23	3,700	3,381
04-Oct-23	3,500	3,116
31-Jul-23	3,100	3,002
04-Jul-23	3,000	2,923

Taiyo Yuden (6976.T)

Date of report	Target price (¥)	Closing price (¥)
08-May-26	7,100	6,663
23-Mar-26	4,900	3,926
12-Jan-26	4,300	3,405
02-Oct-25	3,800	3,382
05-Aug-25	3,200	2,841
07-Jul-25	3,100	2,488
09-May-25	3,200	2,202
31-Mar-25	3,400	2,467
07-Nov-24	3,600	2,781
01-Oct-24	4,100	3,081
02-Jul-24	4,800	4,105
08-May-24	4,000	3,643
07-Feb-24	4,100	3,431
06-Dec-23	4,500	3,627
07-Nov-23	4,400	3,695
04-Oct-23	4,800	3,963
03-Aug-23	4,900	4,164
04-Jul-23	5,000	4,330

Renesas Electronics (6723.T)

Date of report	Target price (¥)	Closing price (¥)
24-Apr-26	3,800	3,141
23-Mar-26	3,600	2,276
05-Feb-26	3,300	2,767
12-Jan-26	2,900	2,380
24-Apr-25	2,500	1,670
31-Mar-25	2,900	1,988
06-Feb-25	2,700	2,306
31-Oct-24	2,600	2,110
01-Oct-24	2,900	2,161
25-Jul-24	3,400	2,584
02-Jul-24	3,800	3,014
03-Apr-24	3,400	2,650
08-Feb-24	3,200	2,542
27-Nov-23	3,300	2,563
26-Oct-23	2,900	2,106
04-Oct-23	3,000	2,148
04-Jul-23	3,300	2,786

Rohm (6963.T)

Date of report	Target price (¥)	Closing price (¥)
23-Mar-26	3,300	3,102
04-Feb-26	2,300	2,735
12-Jan-26	2,400	2,385
06-Nov-25	2,100	2,370
02-Oct-25	2,300	2,198
04-Aug-25	1,940	1,930
07-Jul-25	1,900	1,852
13-May-25	1,480	1,423
31-Mar-25	1,620	1,429
03-Feb-25	1,800	1,473
07-Nov-24	1,900	1,720
01-Oct-24	2,100	1,715
05-Aug-24	2,500	1,657
02-Jul-24	2,700	2,119
08-May-24	2,900	2,255
03-Apr-24	3,300	2,447
01-Feb-24	3,400	2,592
27-Nov-23	3,500	2,725
01-Nov-23	3,300	2,492
04-Oct-23	3,700	2,706
01-Aug-23	16,800	3,383
04-Jul-23	16,700	3,514

Murata Mfg. (6981.T)

Date of report	Target price (¥)	Closing price (¥)
30-Apr-26	5,400	5,156
23-Mar-26	4,200	3,508
12-Jan-26	3,900	3,194
31-Oct-25	3,600	3,392
02-Oct-25	3,300	2,770
30-Apr-25	3,000	2,214
31-Mar-25	3,400	2,306
01-Oct-24	3,500	2,893
02-Jul-24	3,800	3,364
03-Apr-24	3,400	2,768
06-Dec-23	3,300	2,892
04-Oct-23	3,100	2,657
04-Jul-23	9,500	2,778

MinebeaMitsumi Inc. (6479.T)

Date of report	Target price (¥)	Closing price (¥)
12-May-26	4,000	3,566
23-Mar-26	3,800	2,541
12-Jan-26	3,700	2,997
06-Nov-25	3,400	3,114
02-Oct-25	3,300	2,764
05-Aug-25	3,000	2,395
09-May-25	2,900	2,177
31-Mar-25	3,000	2,174
05-Feb-25	3,300	2,447
06-Nov-24	3,400	2,858
01-Oct-24	3,500	2,941
02-Jul-24	3,700	3,552
03-Apr-24	3,400	2,907
02-Feb-24	3,200	3,101
06-Dec-23	3,100	2,831
02-Nov-23	2,800	2,504
04-Oct-23	2,700	2,398
04-Aug-23	2,800	2,500
04-Jul-23	3,000	2,699

Ibiden (4062.T)

Date of report	Target price (¥)	Closing price (¥)
23-Mar-26	9,600	7,540
12-Jan-26	8,100	6,714
30-Oct-25	14,600	6,798
02-Oct-25	10,600	4,577
07-Jul-25	7,200	3,185
08-May-25	6,300	2,062
31-Mar-25	6,200	1,995
04-Feb-25	6,500	2,250
01-Oct-24	7,000	2,296
02-Jul-24	8,400	3,235
01-May-24	8,000	3,074
03-Apr-24	9,000	3,189
01-Feb-24	8,700	3,784
29-Nov-23	8,900	3,548
26-Oct-23	9,600	3,602
23-Jul-23	10,000	4,135
04-Jul-23	9,700	4,200

Nitto Denko (6988.T)

Date of report	Target price (¥)	Closing price (¥)
27-Apr-26	4,200	3,302
12-Jan-26	4,600	3,630
27-Oct-25	4,100	4,068
02-Oct-25	4,000	3,491
25-Apr-25	2,800	2,630
27-Jan-25	3,000	2,820
01-Oct-24	2,800	2,489
26-Jul-24	14,400	2,565
02-Jul-24	13,600	2,550
26-Apr-24	13,400	2,851
03-Apr-24	13,700	2,756
26-Jan-24	11,400	2,251
06-Dec-23	10,700	2,077
26-Oct-23	10,200	1,860
04-Oct-23	10,400	1,863
26-Jul-23	10,700	2,060
04-Jul-23	11,200	2,094

Kohoku Kogyo (6524.T)

Date of report	Target price (¥)	Closing price (¥)
13-May-26	5,400	6,760
23-Mar-26	4,700	4,225
13-Feb-26	4,300	3,965
12-Feb-26	4,100	3,900
12-Jan-26	3,600	2,963
02-Oct-25	4,000	3,100
07-Aug-25	3,500	2,640
07-Jul-25	3,200	2,452
12-May-25	2,400	1,892
21-Apr-25	2,500	1,668

NGK Corp. (5333.T)

Date of report	Target price (¥)	Closing price (¥)
30-Apr-26	4,500	4,961
23-Mar-26	4,200	3,792
12-Jan-26	3,300	3,490
31-Oct-25	2,600	2,606
02-Oct-25	2,400	2,462
31-Jul-25	2,000	1,917
07-Jul-25	1,900	1,782
28-Apr-25	2,000	1,794
31-Mar-25	2,100	1,836
01-Oct-24	1,900	1,897
29-Jul-24	2,000	2,080
26-Apr-24	1,900	2,177
03-Apr-24	1,800	1,983
31-Jan-24	1,600	1,852
27-Oct-23	1,500	1,769

Nidec (6594.T)

Date of report	Target price (¥)	Closing price (¥)
14-Nov-25	3,200	2,246
24-Apr-25	3,500	2,232
31-Mar-25	3,600	2,492
23-Jan-25	4,400	2,947
01-Oct-24	4,500	2,970
02-Jul-24	9,600	3,538
16-May-24	8,100	3,603
03-Apr-24	7,400	3,060
24-Jan-24	7,000	2,949
06-Dec-23	7,100	2,761
23-Oct-23	8,000	3,350
04-Oct-23	8,700	3,413
20-Jul-23	9,300	3,892
04-Jul-23	8,900	3,921

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