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Asian Industrial Technology

Global Automation: An evolving landscape -- FA demand and market share trends in China (1H2026)

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We present the latest Chinese industrial automation industry trends in 1H26. Our readers can download the data here for automation products and here for robots.

FA upcycle continued in 1H26. Key automation products' growth rates further accelerated, with AC servo and CNC sales growth reaching 25% YoY in 2Q, up from 17% and 22% YoY in 1Q, respectively (Exhibit 1). Industrial robot shipments grew 13% YoY in 2Q, a modest acceleration from 12% YoY in 1Q.

Battery demand accelerated in 1H26, while the solar sector remained a laggard (Exhibit 3 to Exhibit 6)**.** However, demand from solar returned to growth for both PLCs and AC servos starting in 1Q26. In battery, investment was from both EV and energy storage, making the growth resilient to EV cycles. Semiconductor industry accounts for less than 10% of demand across major automation products, but growth rate accelerate to very high levels (Exhibit 9). The electronics industry remains a key end market, accounting for approximately 25%, 15%, and 13% of demand for industrial robot, AC servos and small PLC, respectively. We have observed double-digit growth since 4Q25, with momentum accelerating over the past two quarters (Exhibit 10).

Localization rates further increased across products except for CNC. Medium/large PLC and CNC remain the least localized segments with localization rate of 17% and 18% in 2Q respectively (Exhibit 11). In advanced industrial sensors, the presence of Chinese companies remains limited due to the technology gap (Exhibit 12 see our report here). In robots, the localization rate in six-axis heavy industrial robots remains low while Chinese players dominate emerging segments such as cobots (Exhibit 13).

Inovance's share gain re-accelerated across all major product categories (Exhibit 15, Exhibit 17, Exhibit 19, Exhibit 21). In AC servo, Inovance's leading position was strengthened, and its share reached 37% in 2Q26. In both small PLC and medium/large PLCs, Inovance's share gain seemed stagnant in 2024-25, but revived in 1H26. The improvement in medium/large PLC share was primarily driven by breakthroughs in the automotive sector. Compared to 2Q25, Inovance increased its market share by 3.0ppt, 2.7ppt, 4.2ppt, and in AC servo, medium/large PLC, and small PLC respectively.

Keyence maintained its market share across advanced industrial sensor categories, where data is available (Exhibit 24 to Exhibit 27). Among foreign automation companies in China, Keyence is the most resilient to local competition, thanks to its innovative product portfolio (see our report here).

FANUC's CNC and robot market shares were temporarily impacted by components shortage, including PCBs and chips. In CNC, FANUC's typical order lead time extended from a few weeks to several months. In robotics, FANUC's China business largely tracked the market growth (Exhibit 44). In heavy six-axis robots, KUKA's share is steadily recovering, thanks to its deep localization to China; Estun's share trajectory is temporarily peaking out.

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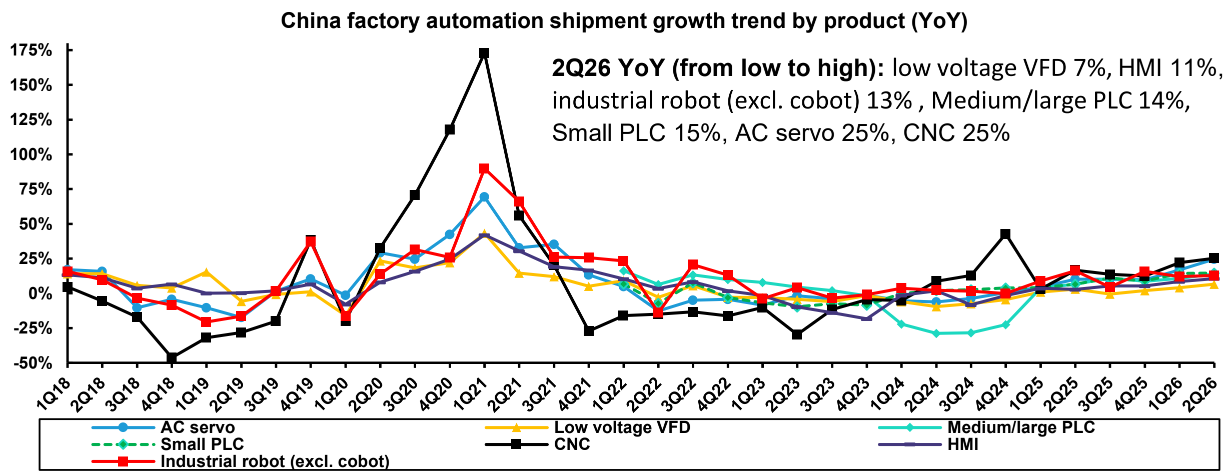
DETAILS

The figures are based on preliminary release from MIR Databank. Final revision may contain revisions, but we believe the key trends discussed here will hold. MIR classifies six-axis robot with payload >20kg as heavy six-axis robot. MIR classifies PLCs into small PLCs and medium/large PLCs based on production specifications and main applications. We use shipment volume to calculate % of demand for industrial robot, and sales value for AC servo, PLC, and VFD.

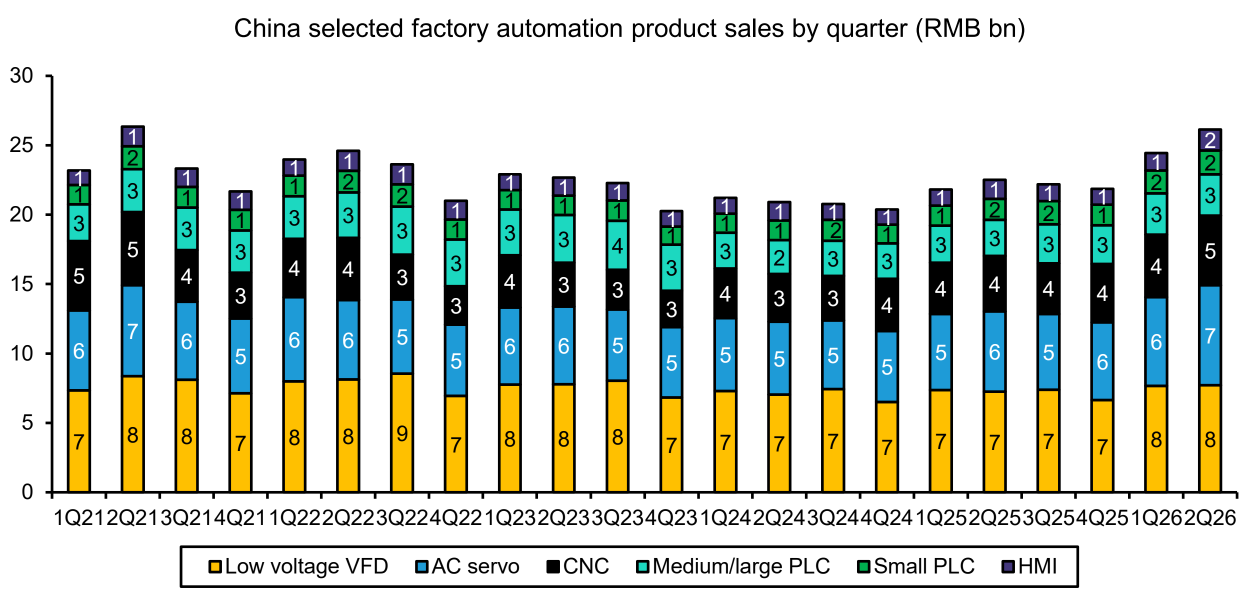
OVERALL MARKET

EXHIBIT 1: **Growth has accelerated across key automation products in China**



Industrial robot growth is measured by shipment volume, while growth for all other products is measured by sales value.
Source: MIR Databank, Bernstein analysis

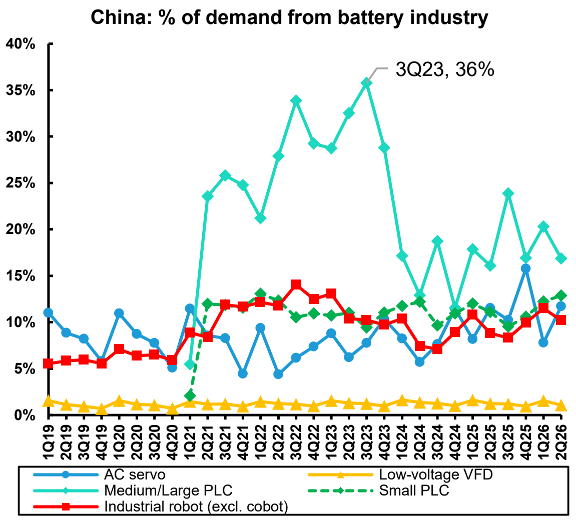
EXHIBIT 2: **China selected factory automation product sales by quarter (RMB bn)**



Source: MIR Databank, Bernstein analysis

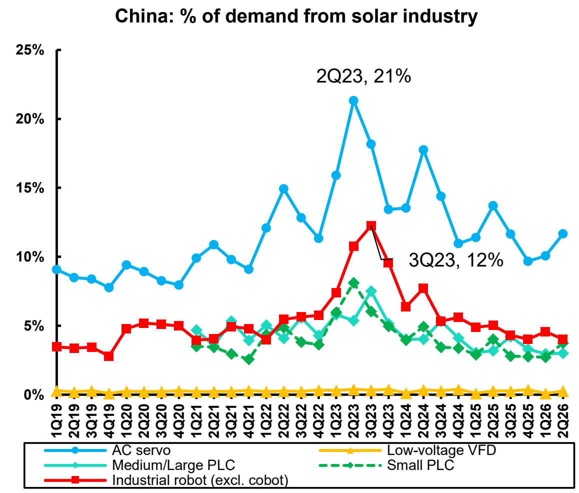
DEMAND FROM BATTERY, SOLAR, SEMICONDUCTOR, AND ELECTRONICS INDUSTRY

EXHIBIT 3: **Automation demand from battery industry in China**



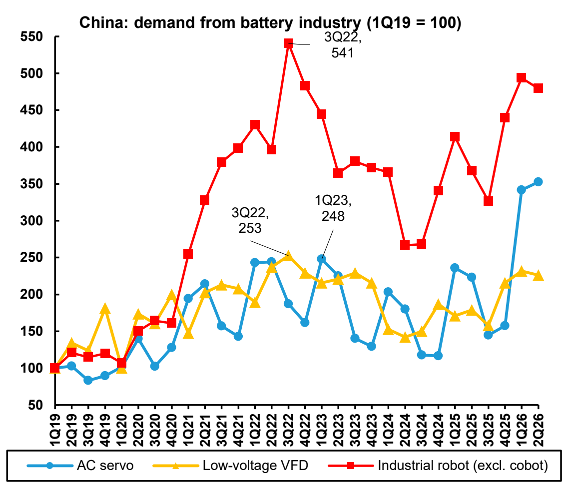
We use shipment volume to calculate % of demand from battery industry for industrial robot, and sales value for AC servo, PLC, and VFD.
Source: MIR Databank, Bernstein analysis

EXHIBIT 4: **Automation demand from solar industry in China**



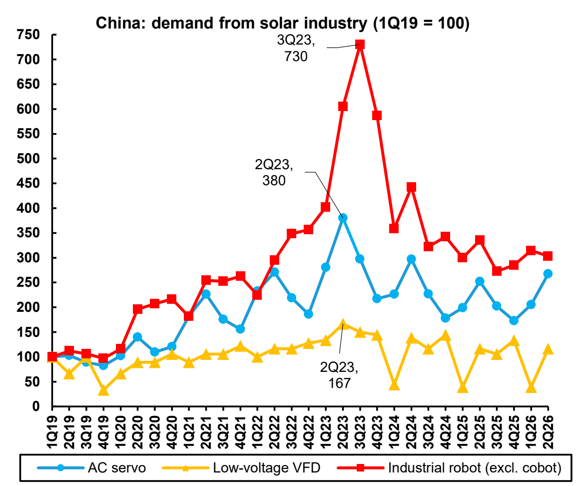
We use shipment volume to calculate % of demand from solar industry for industrial robot, and sales value for AC servo, PLC, and VFD.
Source: MIR Databank, Bernstein analysis

EXHIBIT 5: **Trends of demand from battery industry for industrial automation in China**



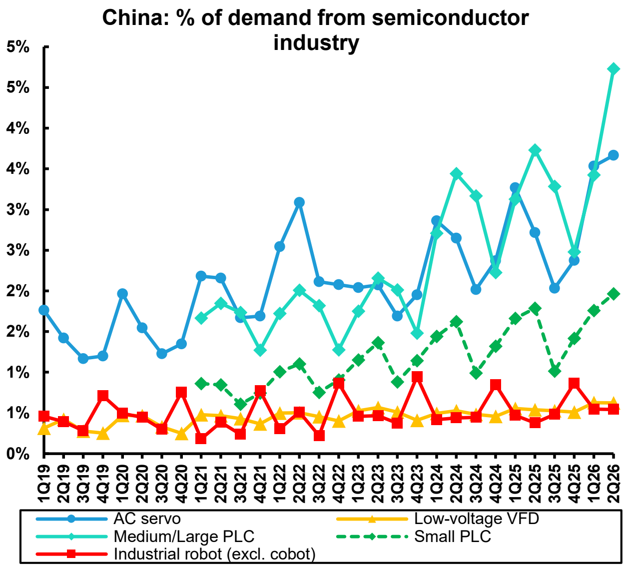
PLC data are not included, as the underlying data series has been restated since 1Q21.
Source: MIR Databank, Bernstein analysis

EXHIBIT 6: **Trends of demand from solar industry for industrial automation in China**



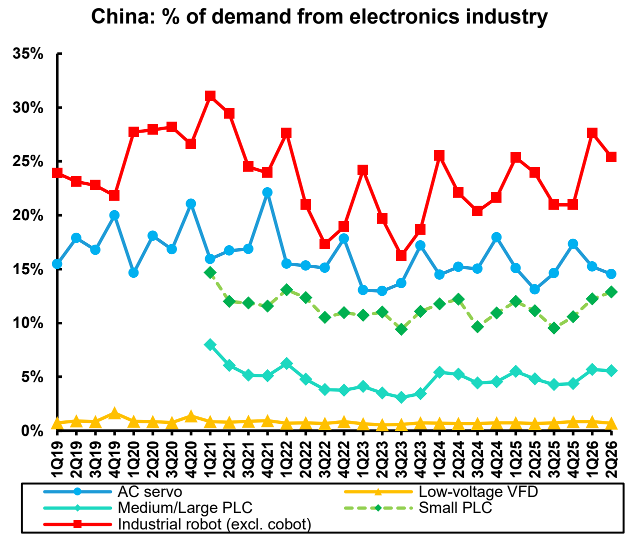
PLC data are not included, as the underlying data series has been restated since 1Q21
Source: MIR Databank, Bernstein analysis

EXHIBIT 7: **Automation demand from semiconductor industry in China**



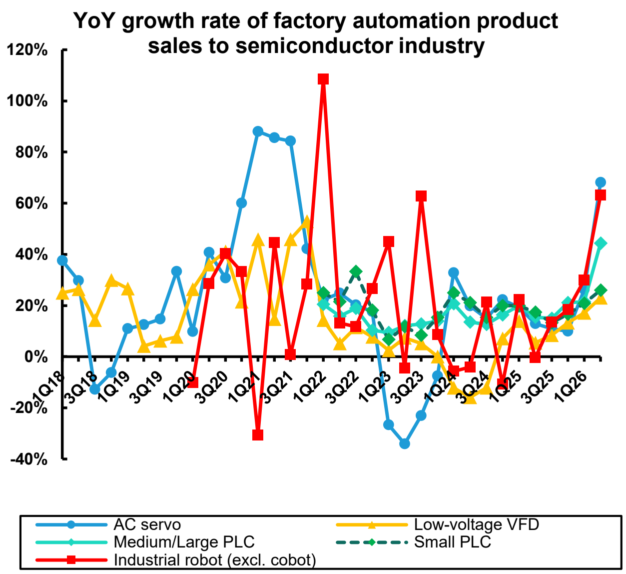
We use shipment volume to calculate % of demand from battery industry for industrial robot, and sales value for AC servo, PLC, and VFD.
Source: MIR Databank, Bernstein analysis

EXHIBIT 8: **Automation demand from electronics industry in China**



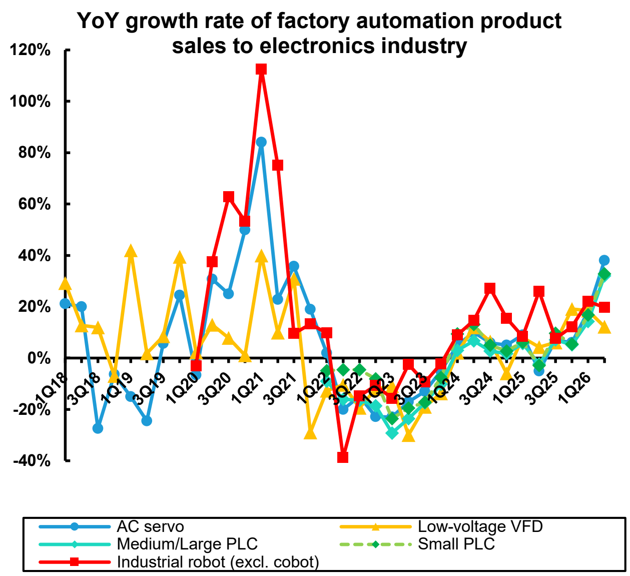
We use shipment volume to calculate % of demand from battery industry for industrial robot, and sales value for AC servo, PLC, and VFD.
Source: MIR Databank, Bernstein analysis

EXHIBIT 9: **Trends of demand from semiconductor industry for industrial automation in China**



Source: MIR Databank, Bernstein analysis

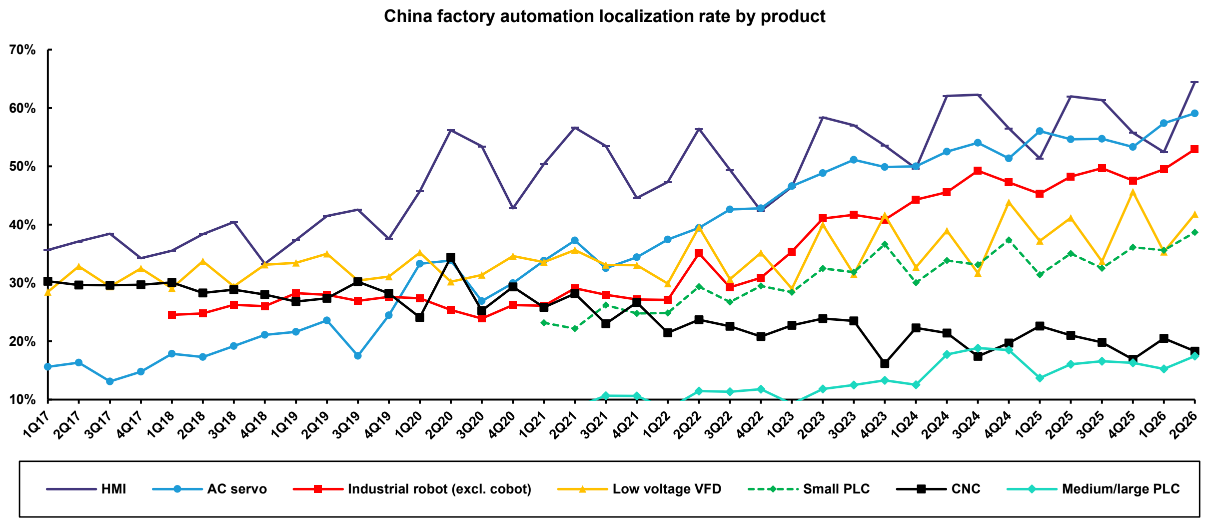
EXHIBIT 10: **Trends of demand from electronics industry for industrial automation in China**



Source: MIR Databank, Bernstein analysis

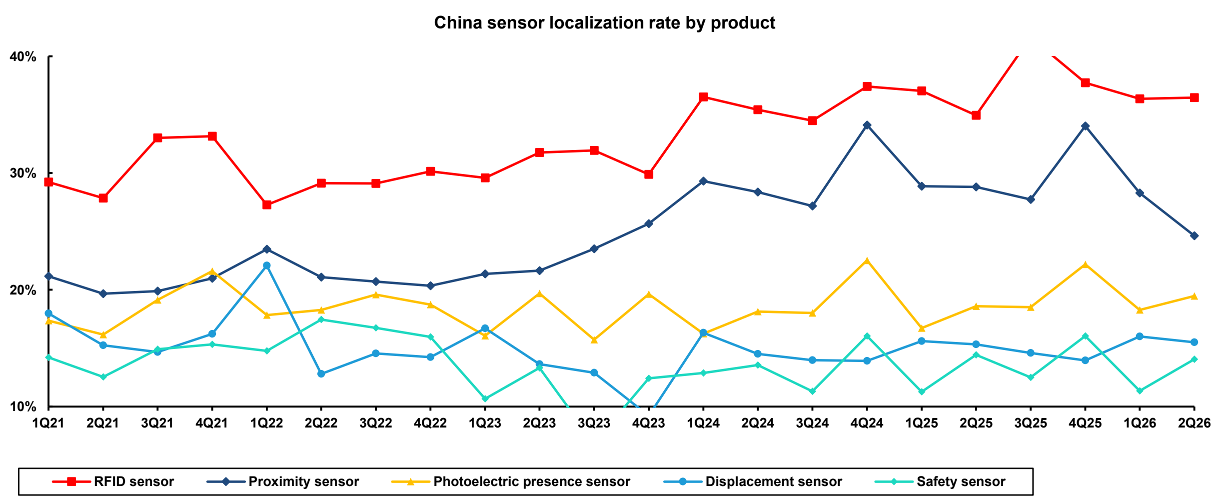
LOCALIZATION DEVELOPMENT

EXHIBIT 11: **CNC and medium/large PLC remain the least localized segments**



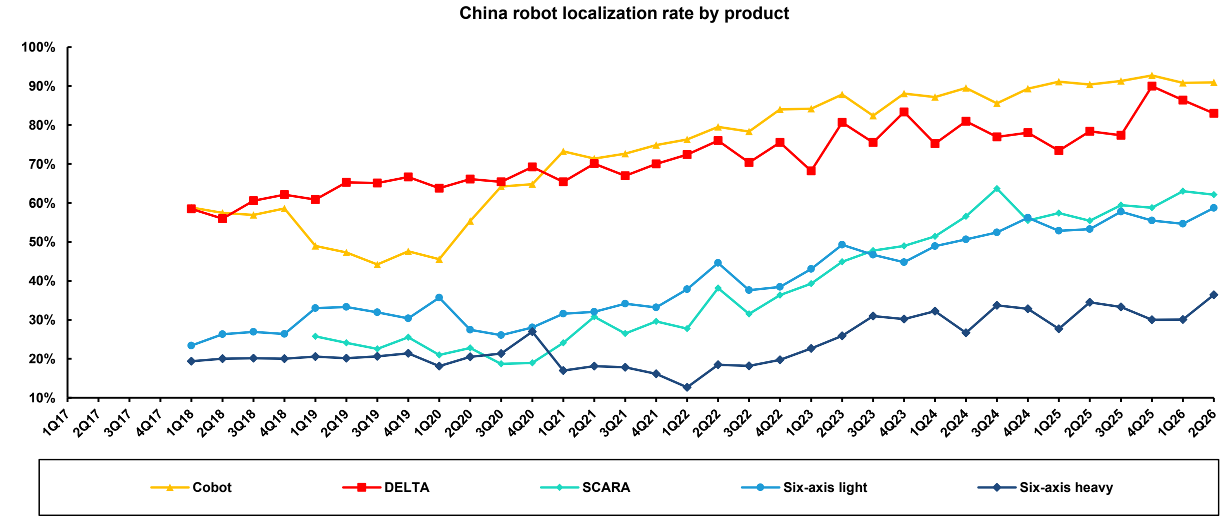
The localization rate is calculated as the value or volume of products supplied by Chinese mainland brands divided by the total market value or volume. Except for industrial robots, localization rates for all other segments are measured on a value basis.
Source: MIR Databank, Bernstein analysis

EXHIBIT 12: **China sensor localization rates remain low**



Source: MIR Databank, Bernstein analysis

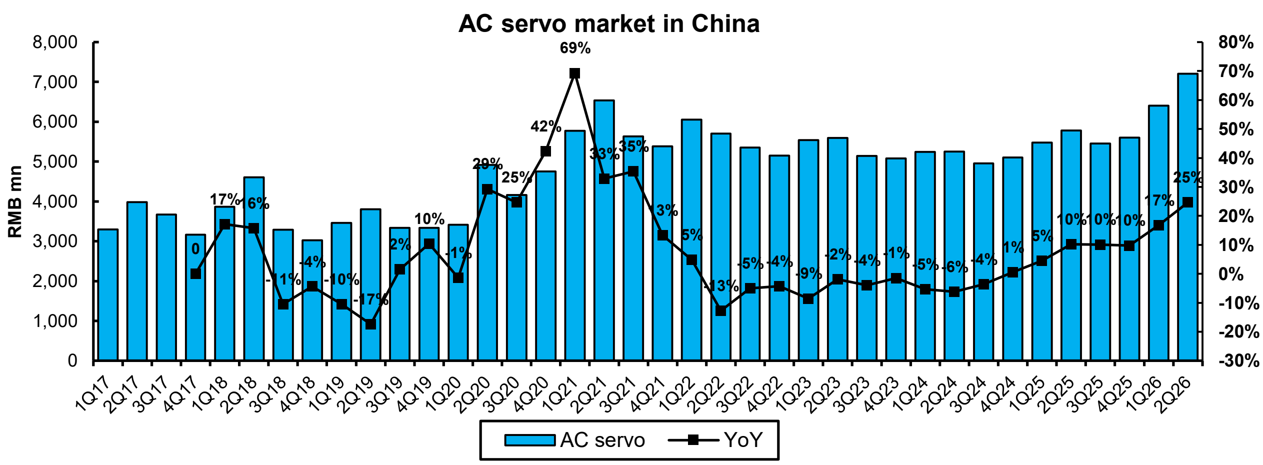
EXHIBIT 13: **While Chinese players dominate emerging segments such as cobots, the localization rate in six-axis heavy industrial robots remains low**



Source: MIR Databank, Bernstein analysis

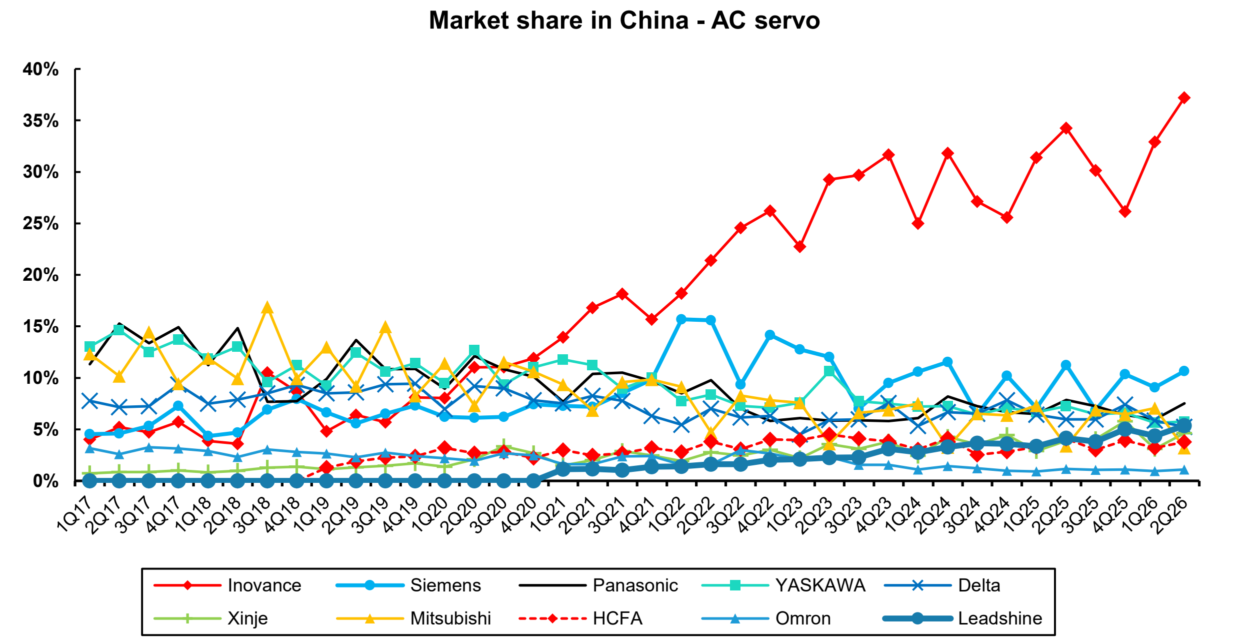
AUTOMATION COMPONENTS & DEVICES

EXHIBIT 14: **AC servo market in China**



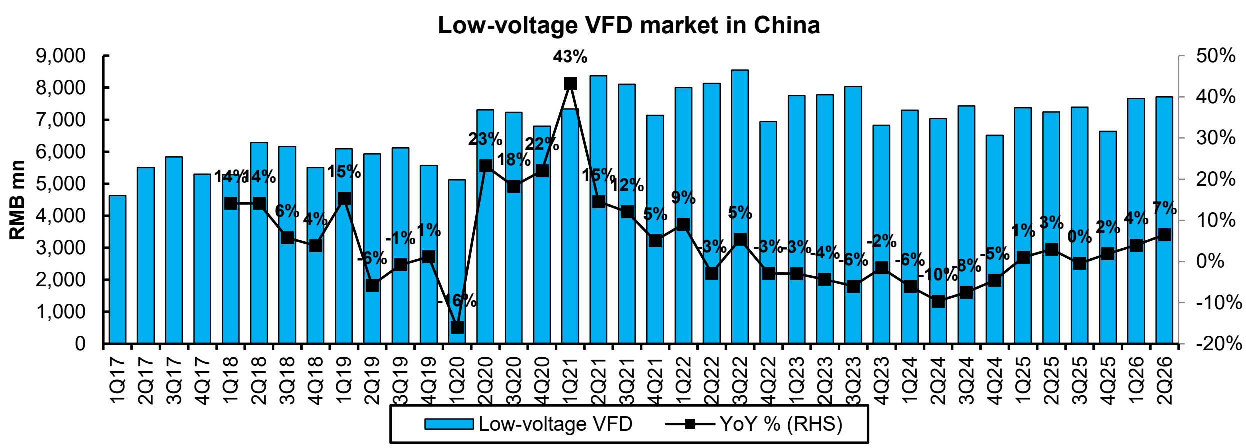
Source: MIR Databank, Bernstein analysis

EXHIBIT 15: **Market share trend of AC servo in China**



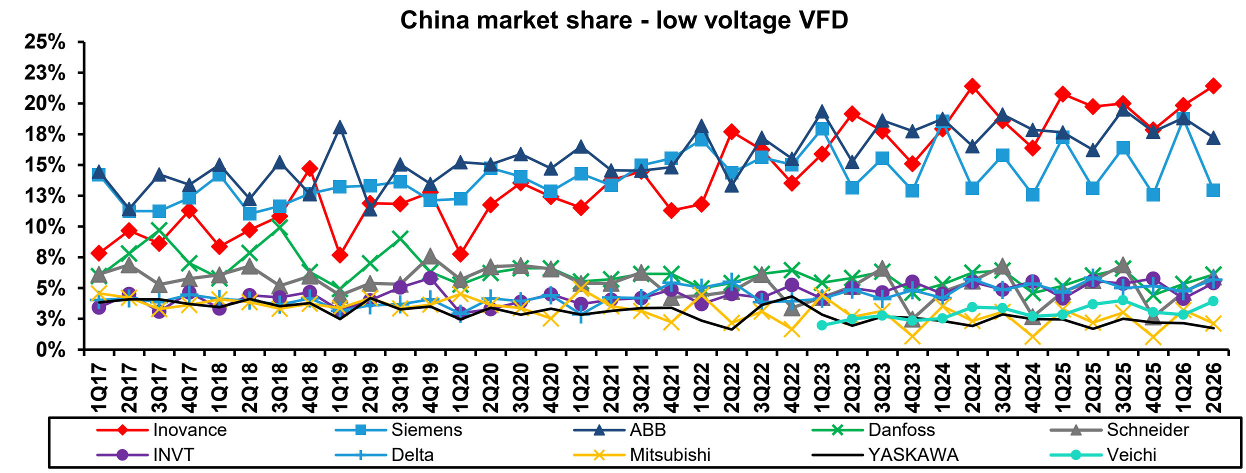
Delta is covered by Bernstein Asian Tech Hardware team. Siemens is covered by Bernstein European Capital Goods team. Yaskawa, Panasonic, Mitsubishi, HFCA, Xinje, Omron, and Leadshine are not covered by Bernstein.
Source: MIR Databank, Bernstein analysis

EXHIBIT 16: **Low voltage VFD market in China**



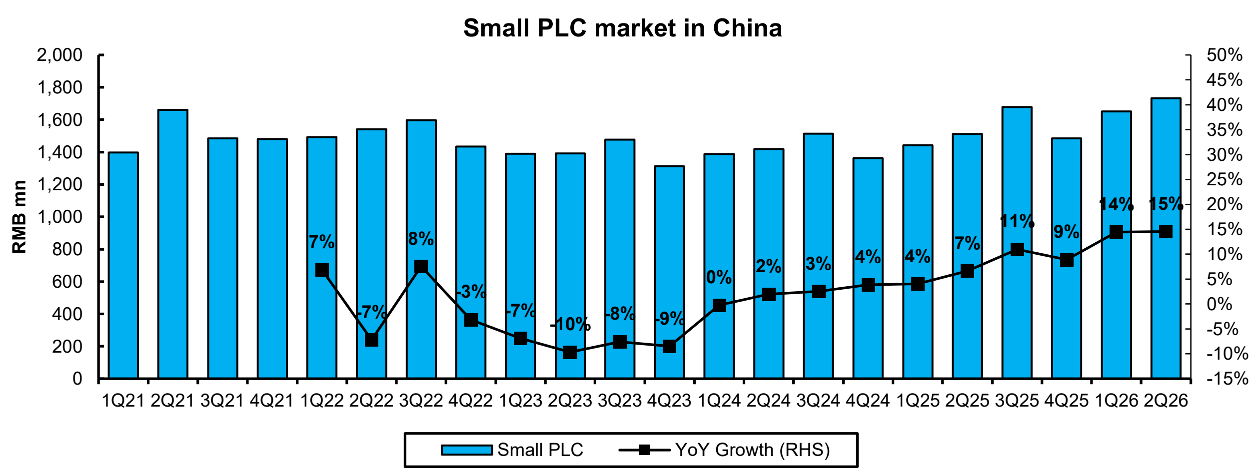
Source: MIR Databank, Bernstein analysis

EXHIBIT 17: **Market share trend of low voltage VFD in China**



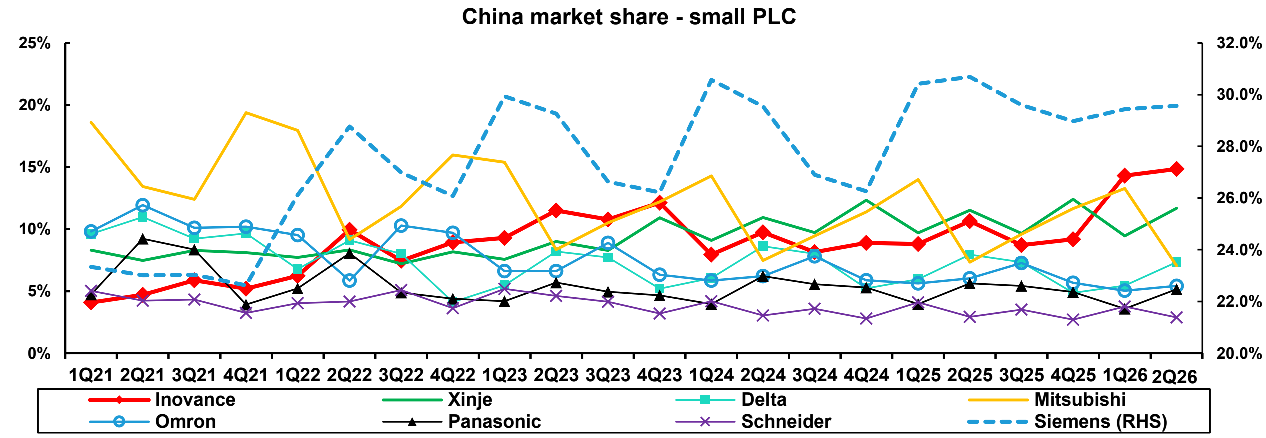
Siemens, ABB, Schneider are covered by Bernstein European Capital Goods teams, Delta is covered by Bernstein Asia Tech Hardware teams. INVT, Mitsubishi, Yaskawa and Veichi are not covered by Bernstein.
Source: MIR Databank, Bernstein analysis

EXHIBIT 18: **Small PLC market in China**



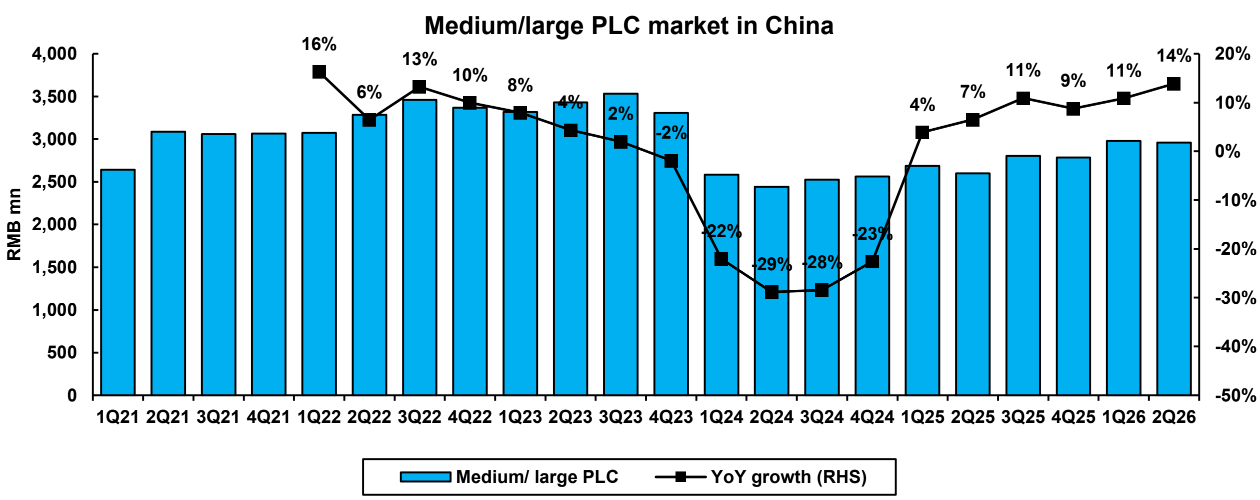
MIR Databank classifies PLCs into small PLCs and medium/large PLCs based on production specifications and main applications.
Source: MIR Databank, Bernstein analysis

EXHIBIT 19: **Market share trend of small PLC in China**



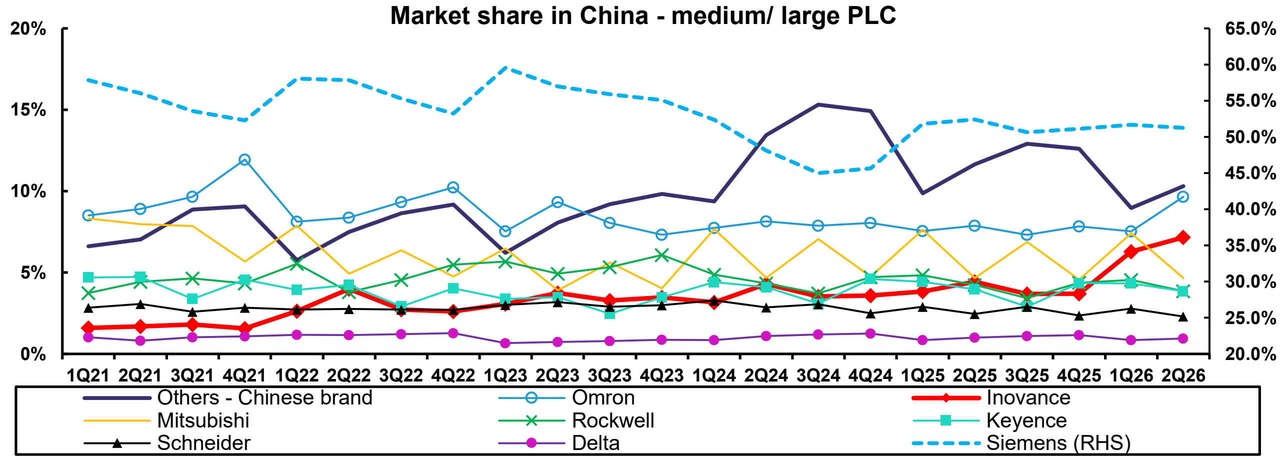
MIR Databank classifies PLCs into small PLCs and medium/large PLCs based on production specifications and main applications. Siemens and Schneider are covered by Bernstein European Capital Goods teams. Delta is covered by Bernstein Asia Tech Hardware teams. Mitsubishi, Omron, Xinje, and Panasonic are not covered by Bernstein.
Source: MIR Databank, Bernstein analysis

EXHIBIT 20: **Medium/large PLC market in China**



MIR Databank classifies PLCs into small PLCs and medium/large PLCs based on production specifications and main applications.
Source: MIR Databank, Bernstein analysis

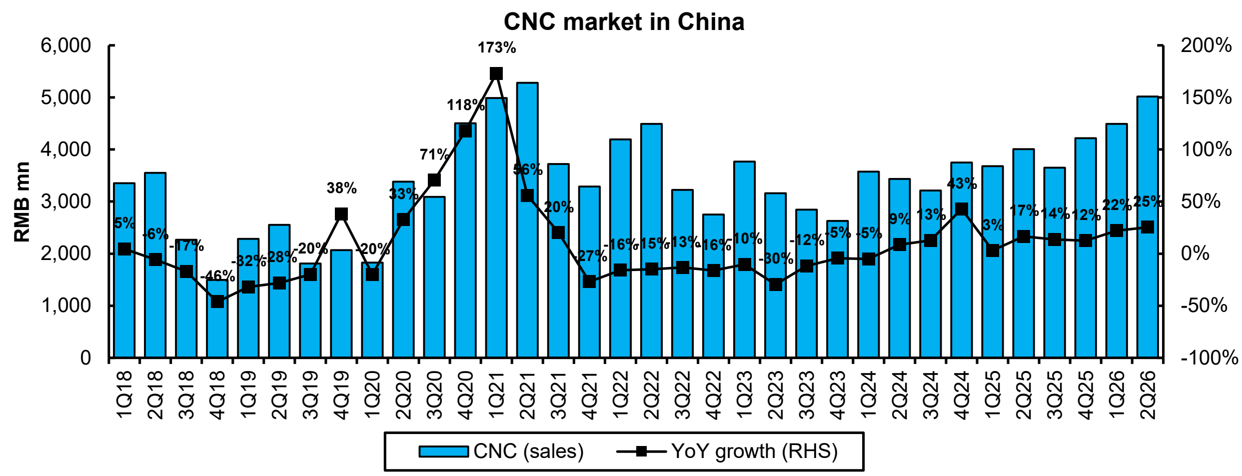
EXHIBIT 21: **Market share trend of medium/large PLC in China**



MIR Databank classifies PLCs into small PLCs and medium/large PLCs based on production specifications and main applications. Siemens and Schneider are covered by Bernstein European Capital Goods teams. Delta is covered by Bernstein Asia Tech Hardware teams. Mitsubishi, Omron, Xinje, and Panasonic are not covered by Bernstein.

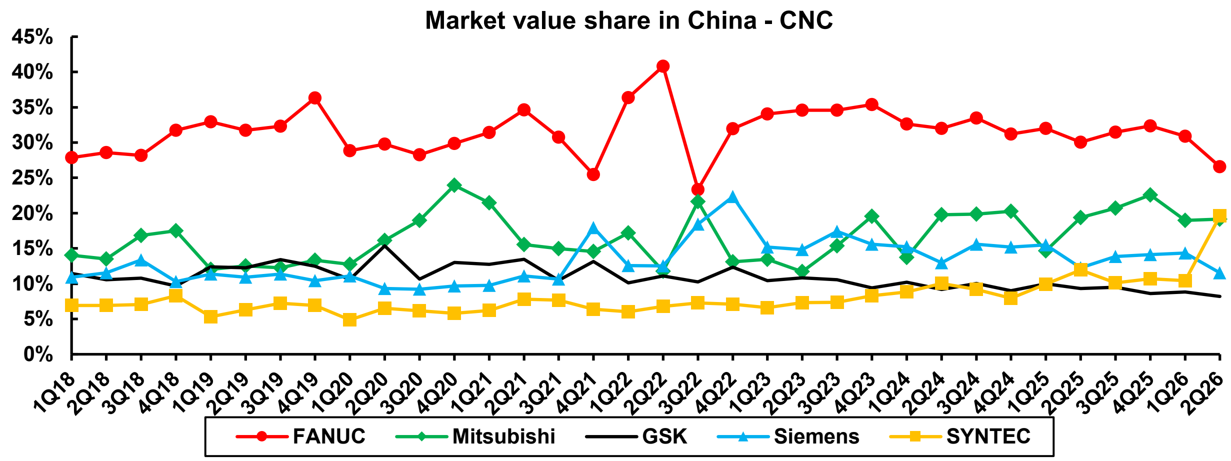
Source: MIR Databank, Bernstein analysis

EXHIBIT 22: **CNC market in China**



Source: MIR Databank, Bernstein analysis

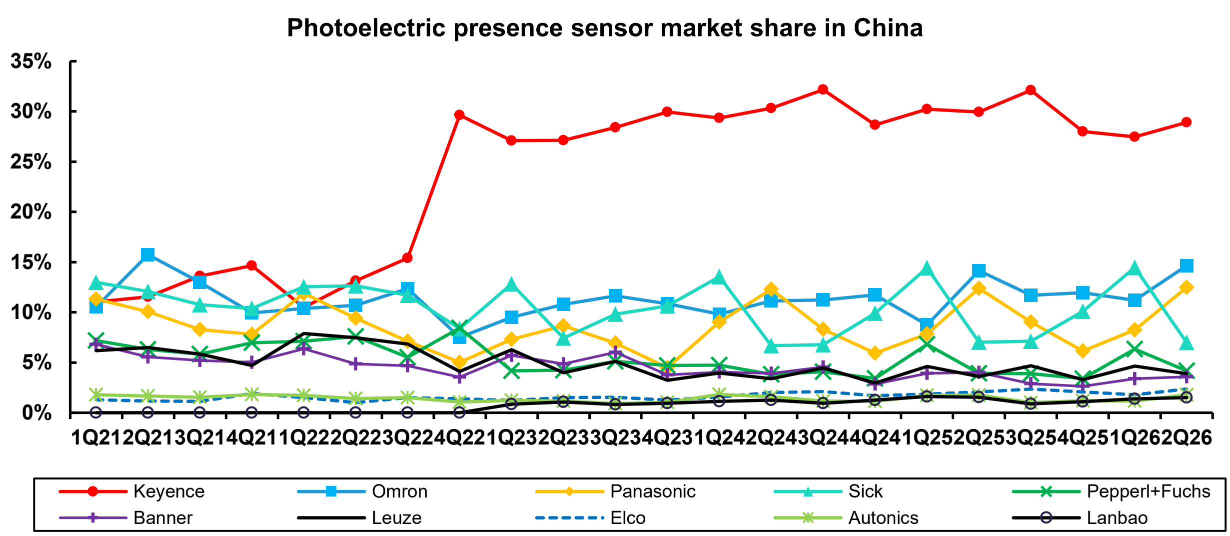
EXHIBIT 23: **Market share trend of CNC in China**



Siemens is covered by Bernstein European Capital Goods team. Mitsubishi are not covered by Bernstein. Syntec and GSK (Guangzhou Shu Kong) are private.
Source: MIR Databank, Bernstein analysis

SENSORS

EXHIBIT 24: **Market share trend of photoelectric presence sensor in China**



Besides our coverage (Keyence), the remaining companies are private or not covered by Bernstein.
Source: MIR Databank, Bernstein analysis

EXHIBIT 25: **Market share trend of displacement sensor in China**

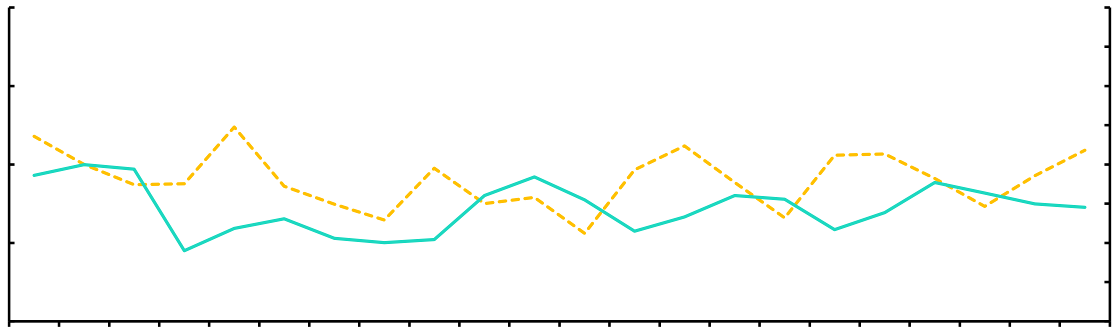
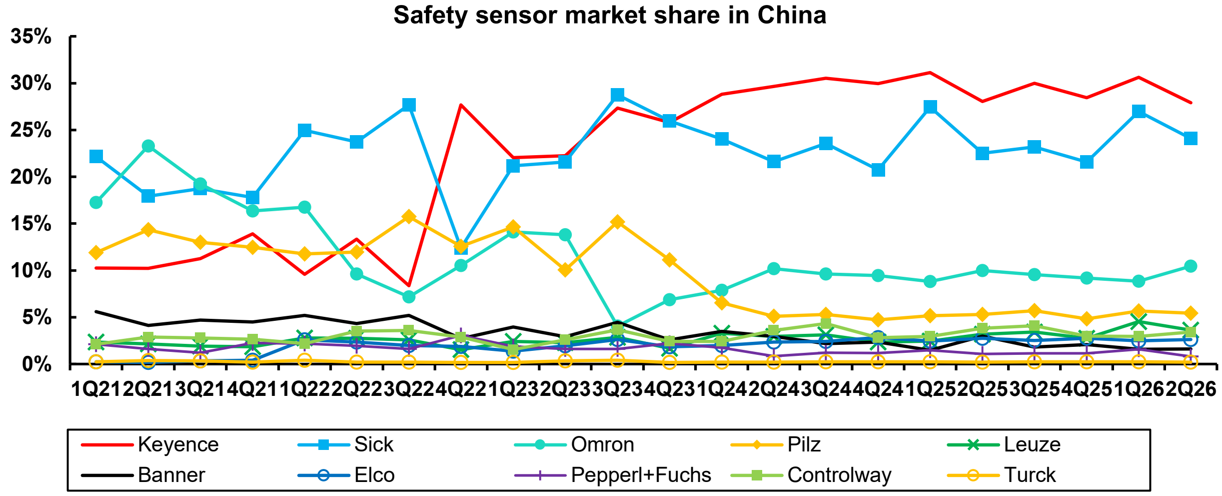
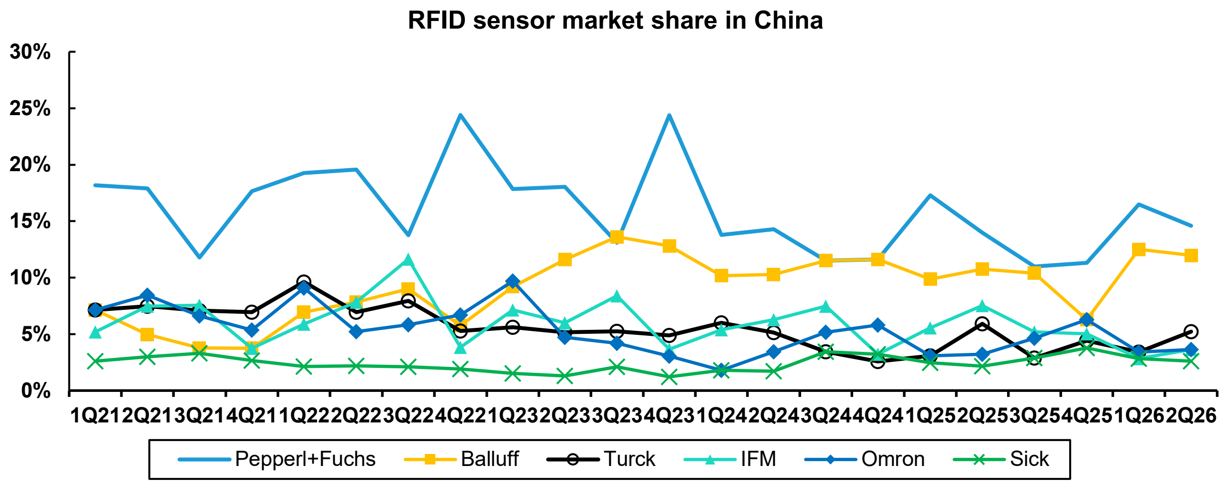


EXHIBIT 27: **Market share trend of safety sensor in China**



Besides our coverage (Keyence), the remaining companies are private or not covered by Bernstein.
Source: MIR Databank, Bernstein analysis

EXHIBIT 28: **Market share trend of RFID sensor in China**

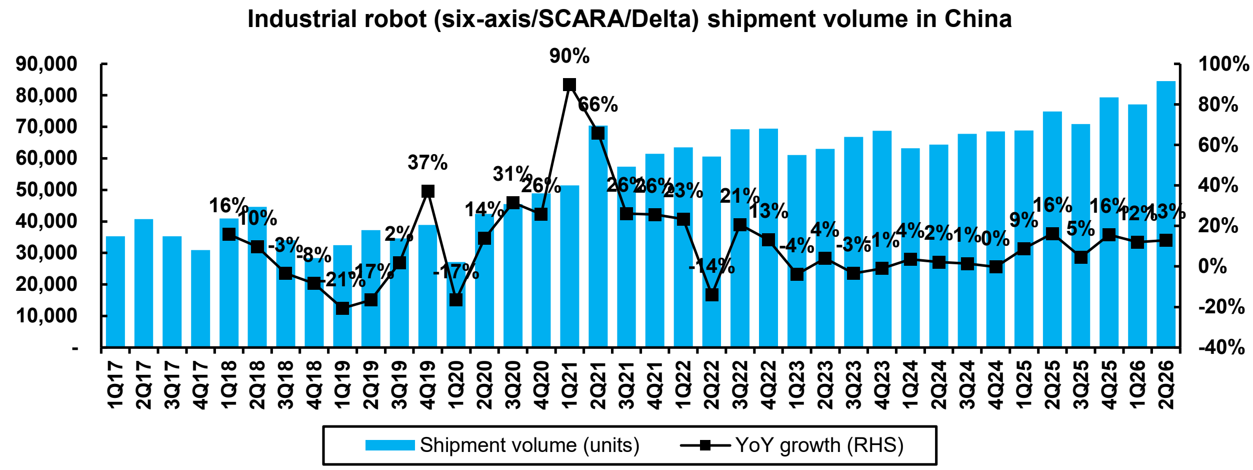


Omron is public (not covered by Berstein) and the others are private.
Source: MIR Databank, Bernstein analysis

ROBOTICS

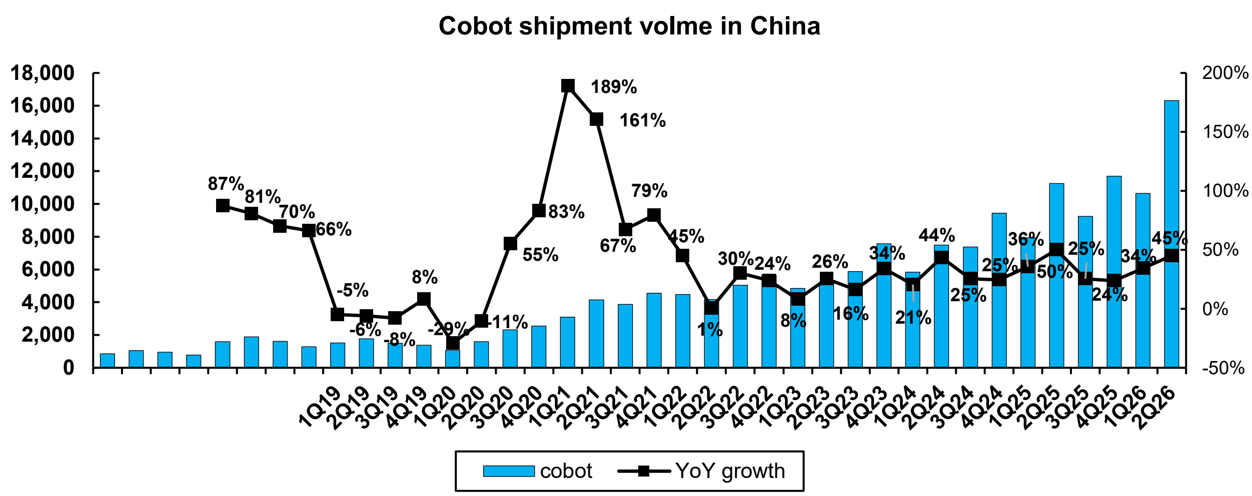
The figures are based on preliminary release from MIR Databank. Final revision may contain revisions, but we believe the key trends discussed here will hold. MIR classifies six-axis robot with payload larger than 20kg as heavy six-axis robot.

EXHIBIT 29: **Industrial robot (six-axis + SCARA + Delta) shipment volume in China**



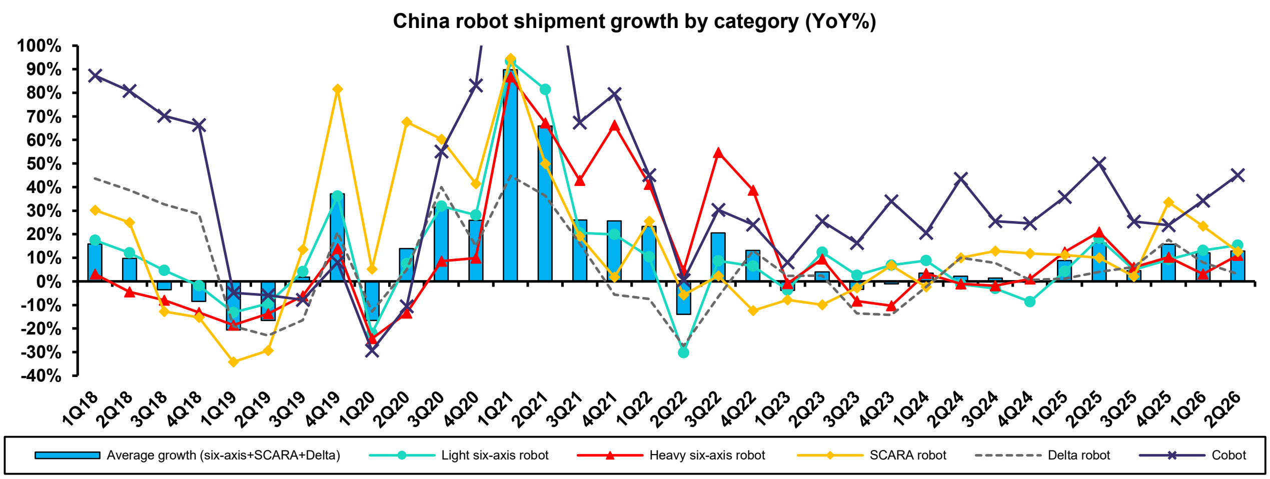
Source: MIR Databank, Bernstein analysis

EXHIBIT 30: **Cobot shipment volume in China**



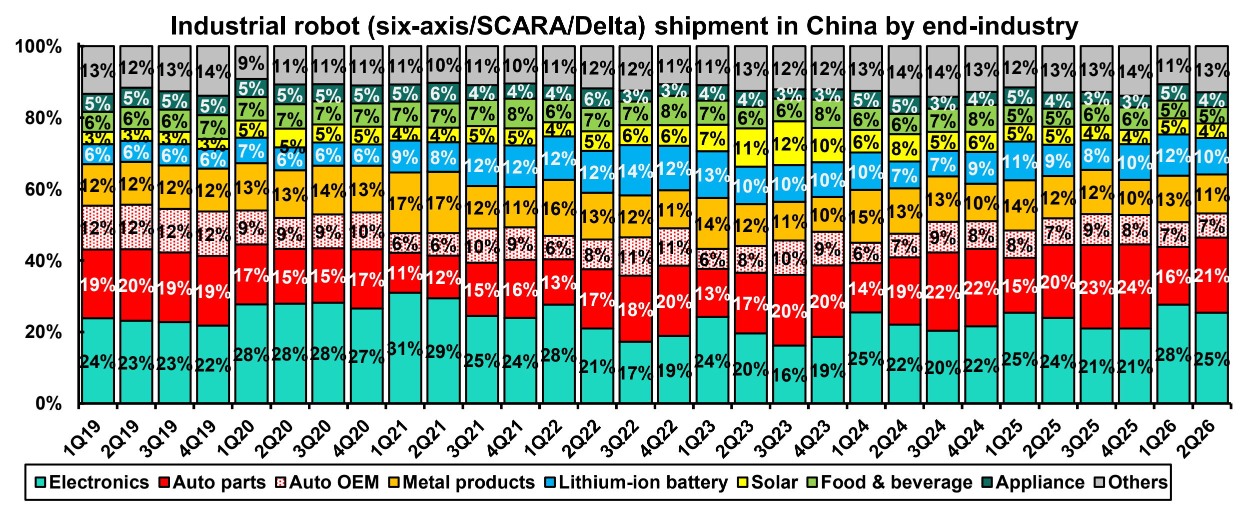
Source: MIR Databank, Bernstein analysis

EXHIBIT 31: **China robot shipment growth by category**



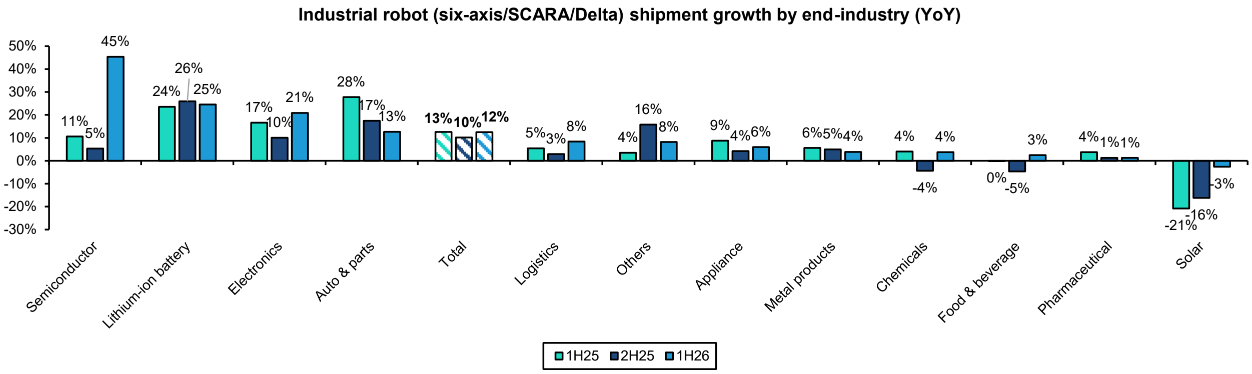
Source: MIR Databank, Bernstein analysis

EXHIBIT 32: **Industrial robot shipment in China by end-industry**



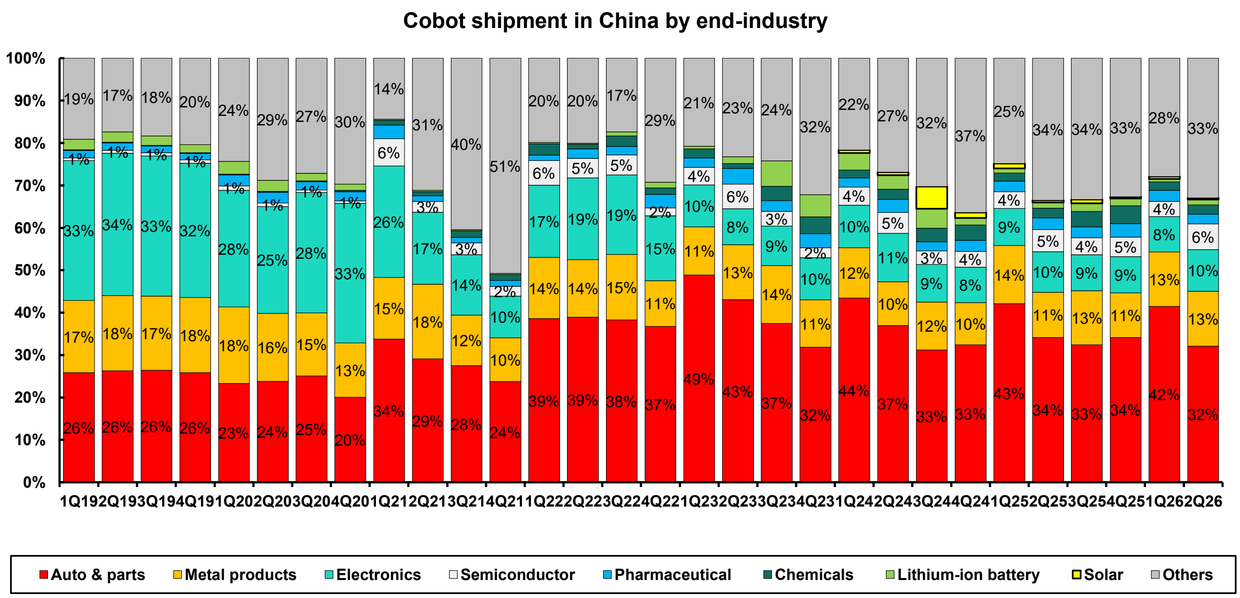
We include auto electronics in the auto parts category
Source: MIR Databank, Bernstein analysis

EXHIBIT 33: **Industrial robot shipment growth by end-industry in 1H25, 2H25, and 1H26**



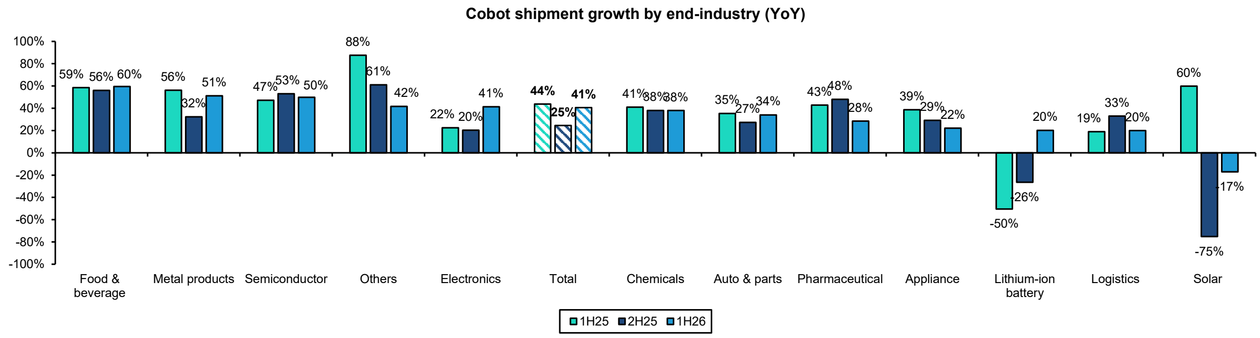
Auto & parts includes auto OEM, auto parts, and auto electronics.
Source: MIR Databank, Bernstein analysis

EXHIBIT 34: **Cobot shipment in China by end-industry**



Auto & parts includes auto OEM, auto parts, and auto electronics.
Source: MIR Databank, Bernstein analysis

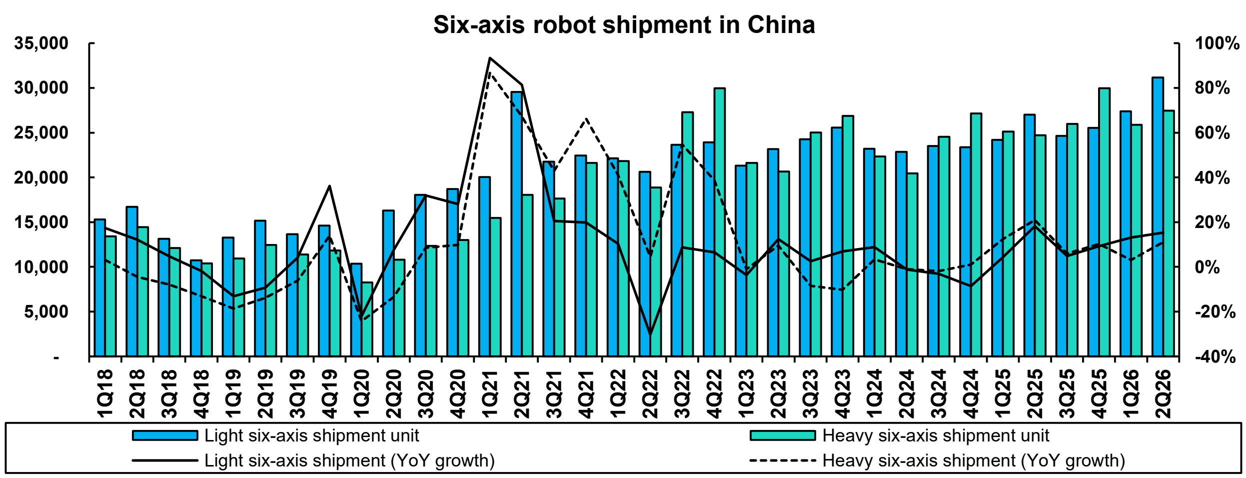
EXHIBIT 35: **Cobot shipment growth by end-industry in 1H25, 2H25, and 1H26**



Auto & parts includes auto OEM, auto parts, and auto electronics.
Source: MIR Databank, Bernstein analysis

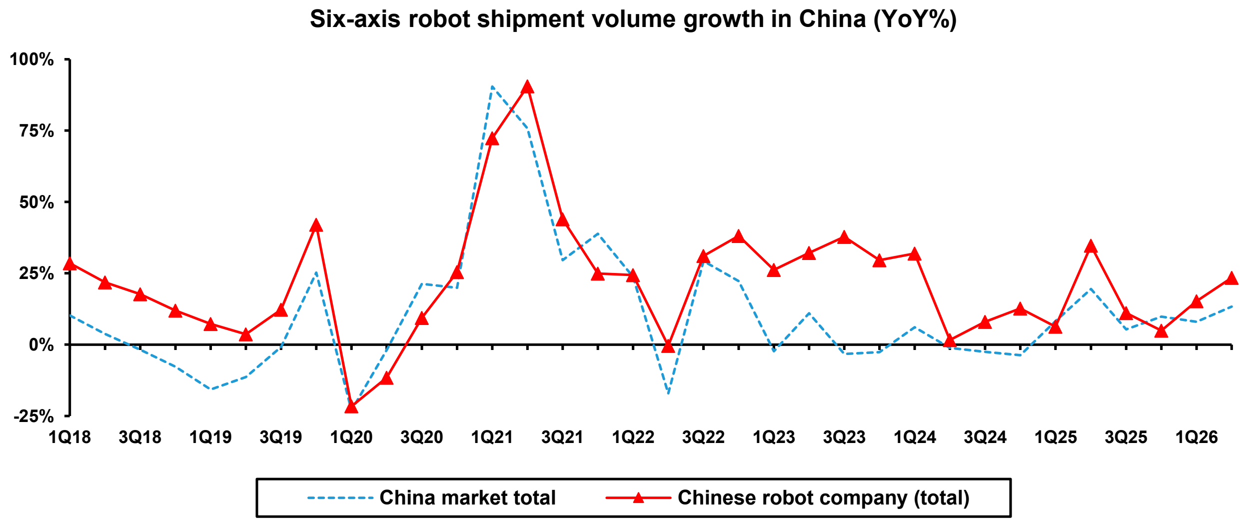
Six-axis robot

EXHIBIT 36: **Six-axis robot shipment in China**



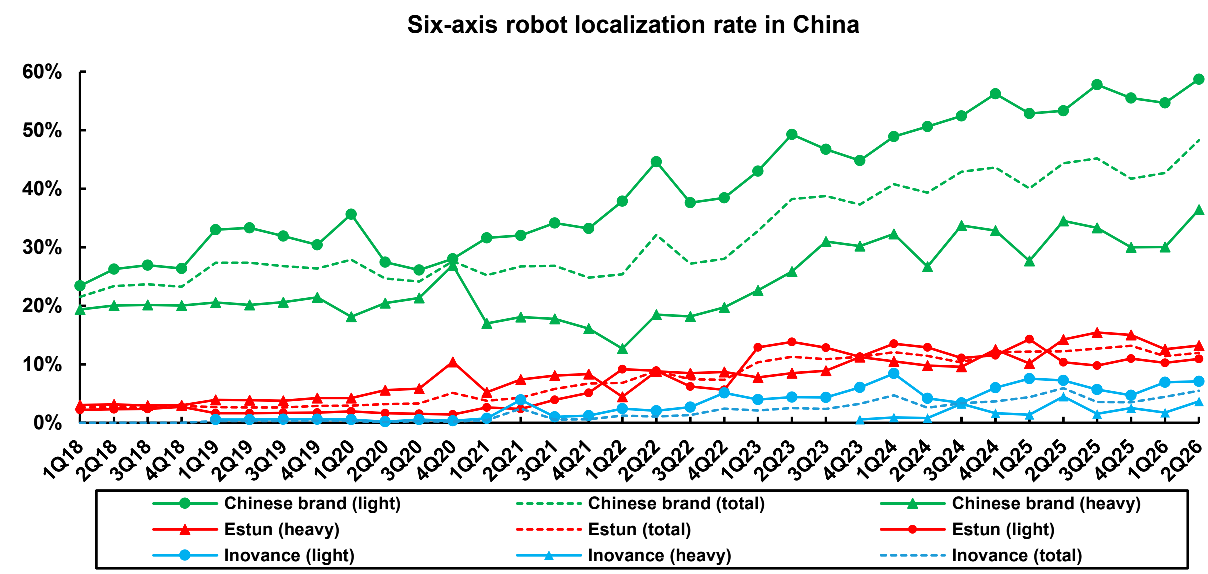
Source: MIR Databank, Bernstein analysis

EXHIBIT 37: **Six-axis robot shipment volume growth in China**



Source: MIR Databank, Bernstein analysis

EXHIBIT 38: **Six-axis robot localization rate in China**



Source: MIR Databank, Bernstein analysis

EXHIBIT 39: **Six-axis robot localization rate in China**

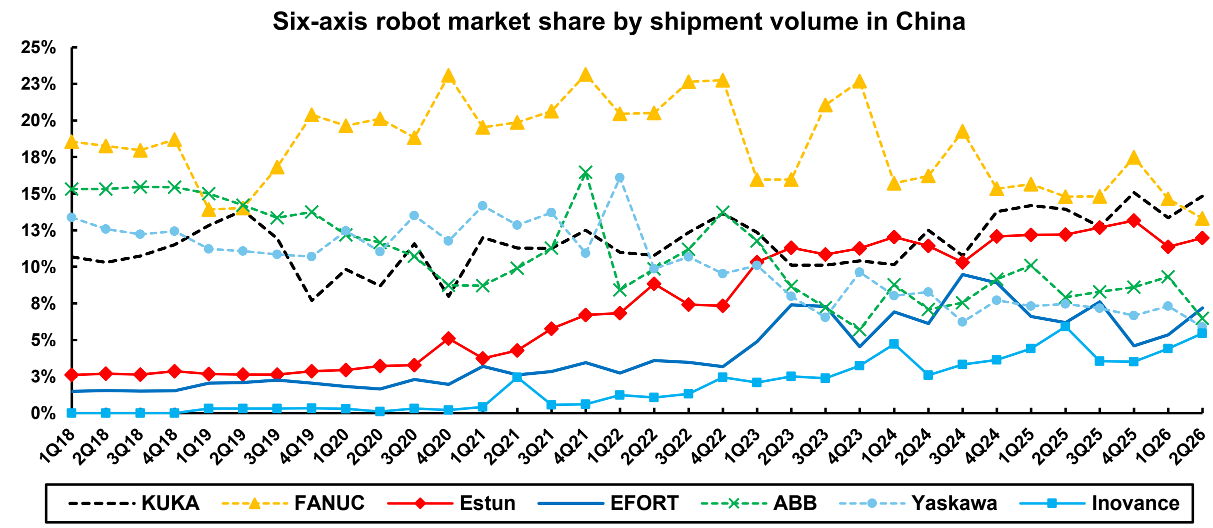
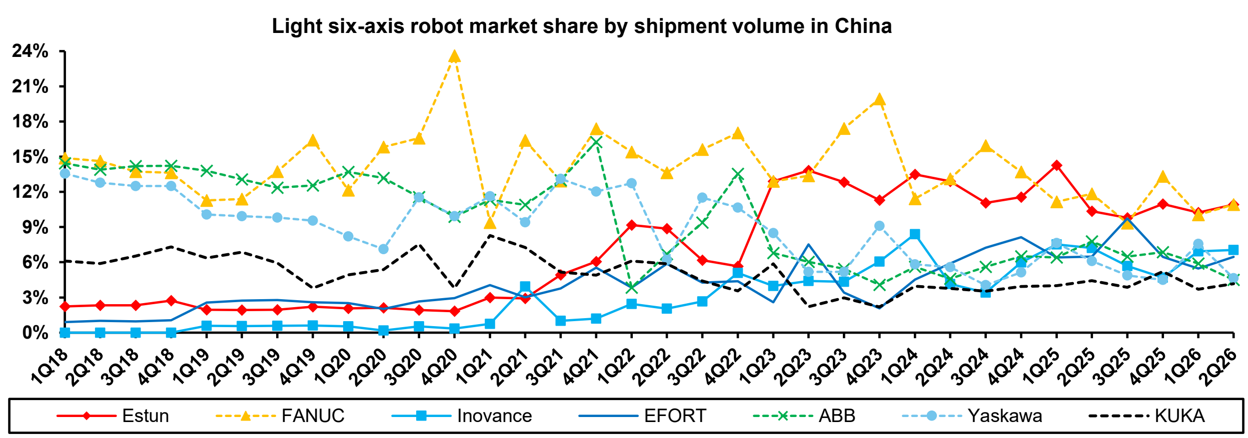


ABB has agreed to sell its robotics business to Softbank. ABB is covered by Bernstein European Capital Goods & Industrial Technology team. Softbank is coverd by Bernstein Japan and EU Semicondutors team. KUKA is a subsidiary of Midea (not covered by Bernstein). EFORT and Yaskawa are not covered by Bernstein.
Source: MIR Databank, Bernstein analysis

EXHIBIT 40: **Market share trend of light six-axis robot in China**



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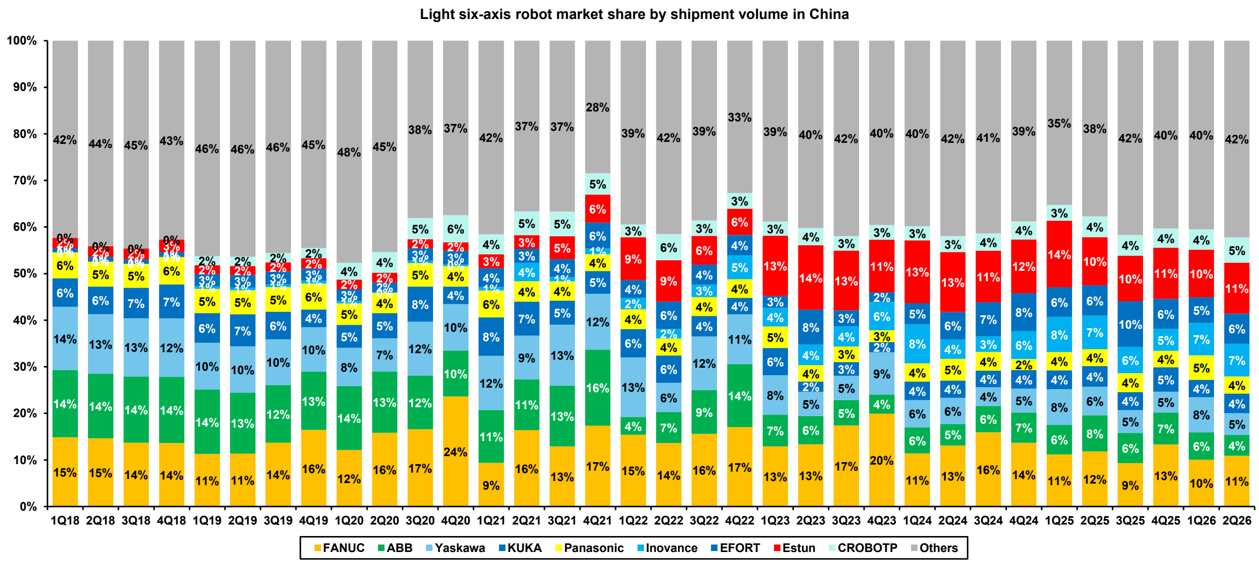
Source: MIR Databank, Bernstein analysis

EXHIBIT 41: **Light six-axis robot market share by shipment volume in China**



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Source: MIR Databank, Bernstein analysis

EXHIBIT 42: **Heavy six-axis robot market share by shipment volume in China**

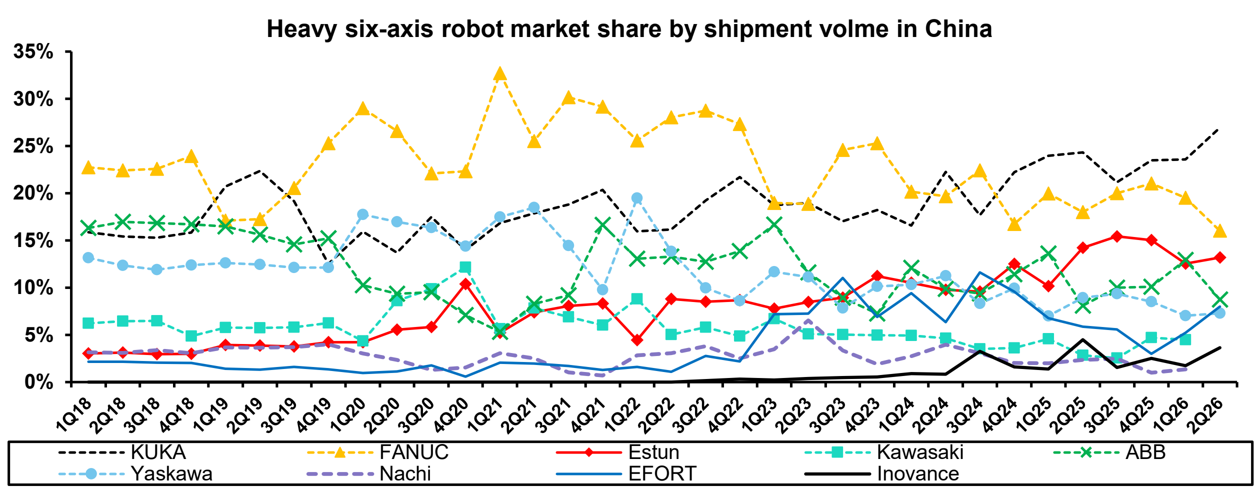


ABB has agreed to sell its robotics business to Softbank. ABB is covered by Bernstein European Capital Goods & Industrial Technology team. Softbank is coverd by Bernstein Japan and EU Semicondutors team. KUKA is a subsidiary of Midea (not covered by Bernstein). EFORT, Kawasaki, Nachi, and Yaskawa are not covered by Bernstein.

Source: MIR Databank, Bernstein analysis

EXHIBIT 43: **Heavy six-axis robot market share by shipment volume in China**

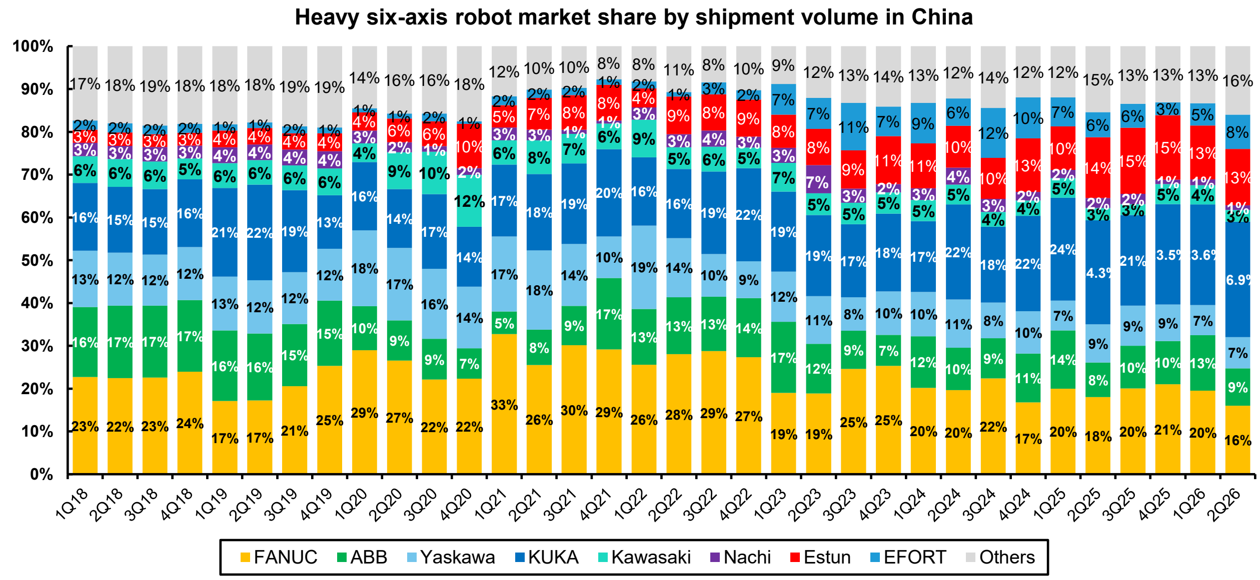
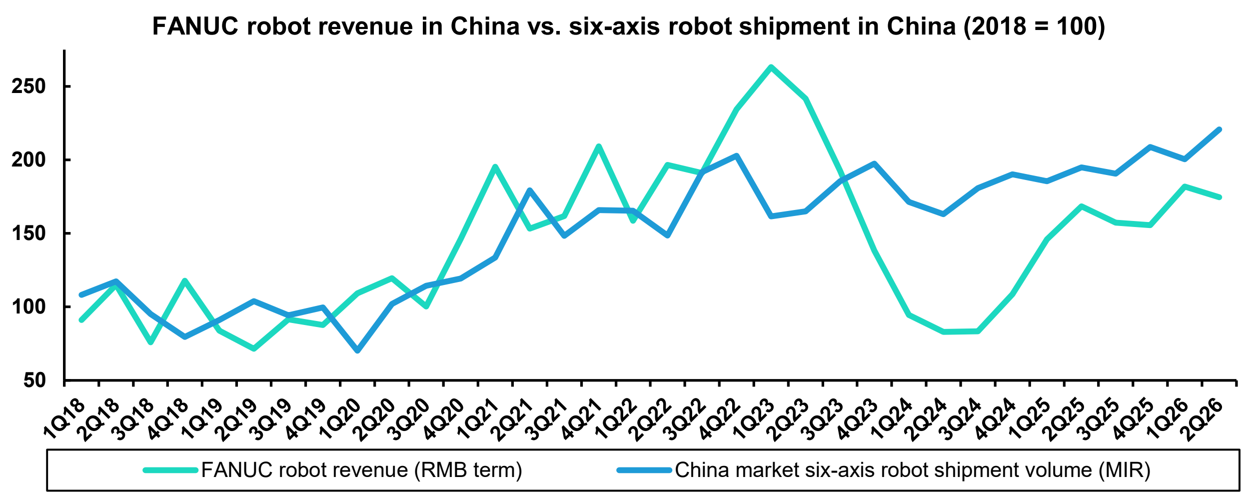


ABB has agreed to sell its robotics business to Softbank. ABB is covered by Bernstein European Capital Goods & Industrial Technology team. Softbank is coverd by Bernstein Japan and EU Semicondutors team. KUKA is a subsidiary of Midea (not covered by Bernstein). EFORT, Kawasaki, Nachi, and Yaskawa are not covered by Bernstein.

Source: MIR Databank, Bernstein analysis

EXHIBIT 44: **FANUC robot revenue in China vs. overall six-axis robot shipment in China**

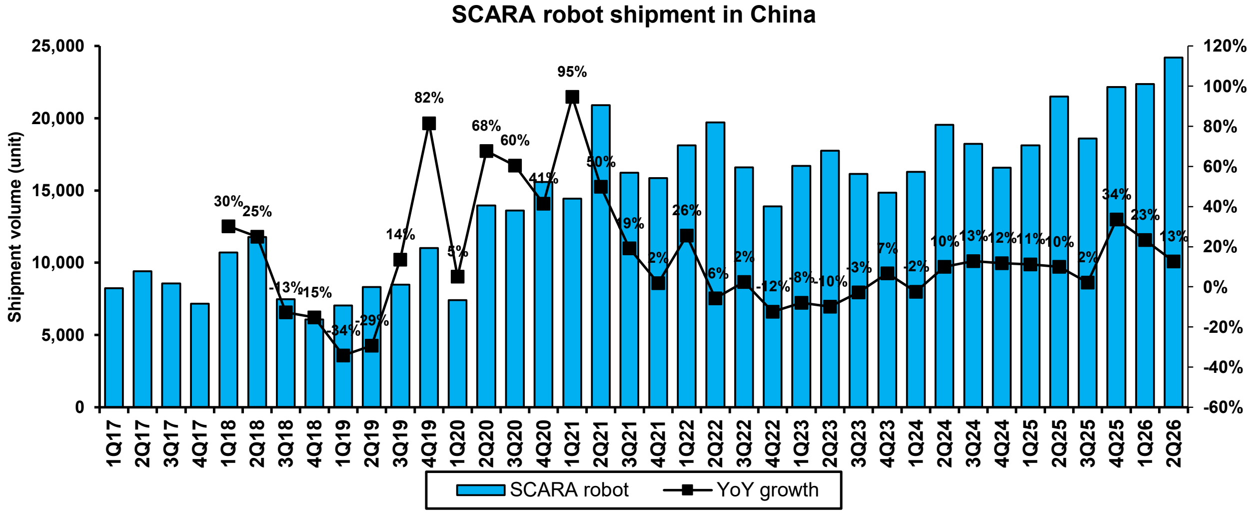


We removed the FX impact on FANUC's robot revenue in China by converting the sales value from Japan Yen to RMB using the quarterly average JPY/RMB exchange rate.

Source: FANUC, MIR Databank, Bernstein analysis

SCARA robot

EXHIBIT 45: **SCARA robot shipment in China**



Source: MIR Databank, Bernstein analysis

EXHIBIT 46: **Market share trend of SCARA robot in China**

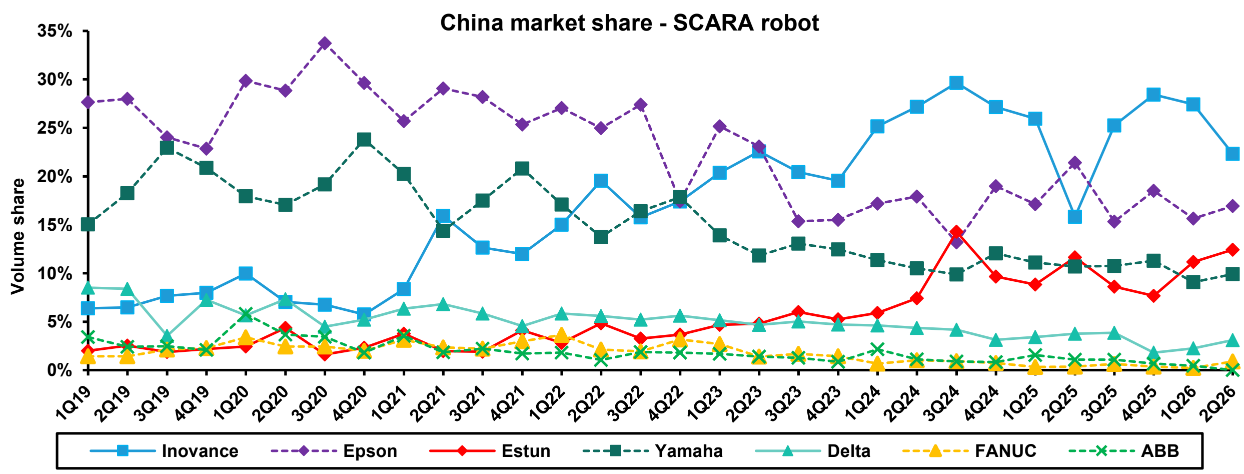


ABB has agreed to sell its robotics business to Softbank. ABB is covered by Bernstein European Capital Goods & Industrial Technology team. Softbank is coverd by Bernstein Japan and EU Semicondutors team. Delta is covered by Bernstein Asia Tech Hardware team. Epson and Yamaha are not covered by Bernstein.
Source: MIR Databank, Bernstein analysis

EXHIBIT 47: **SCARA robot market share by shipment volume in China**

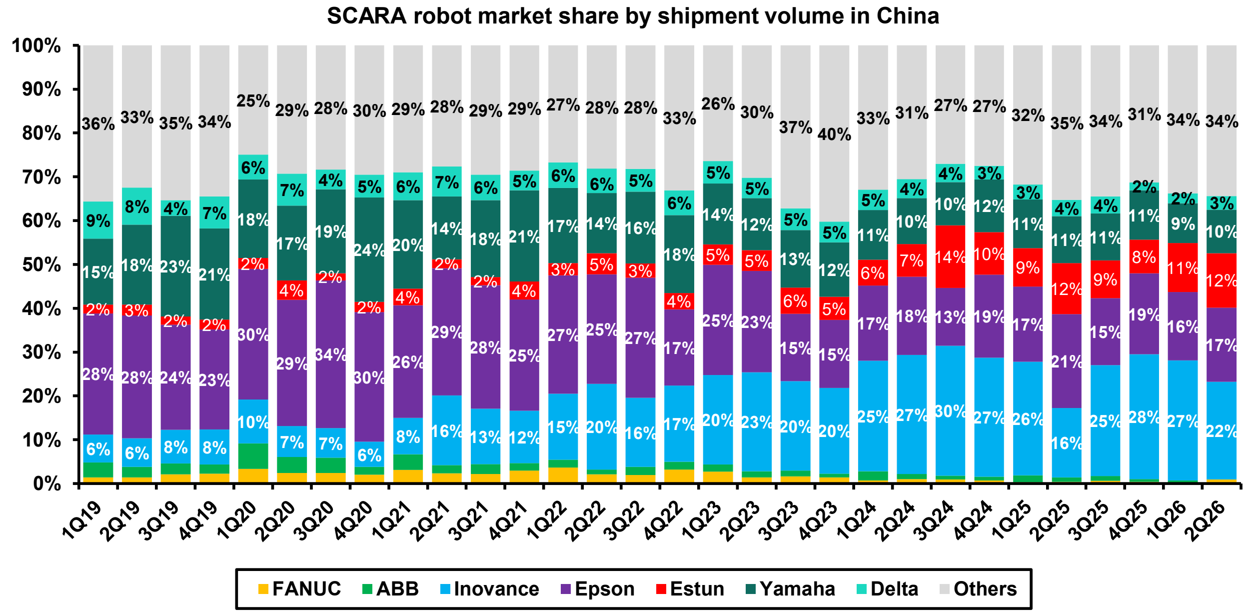
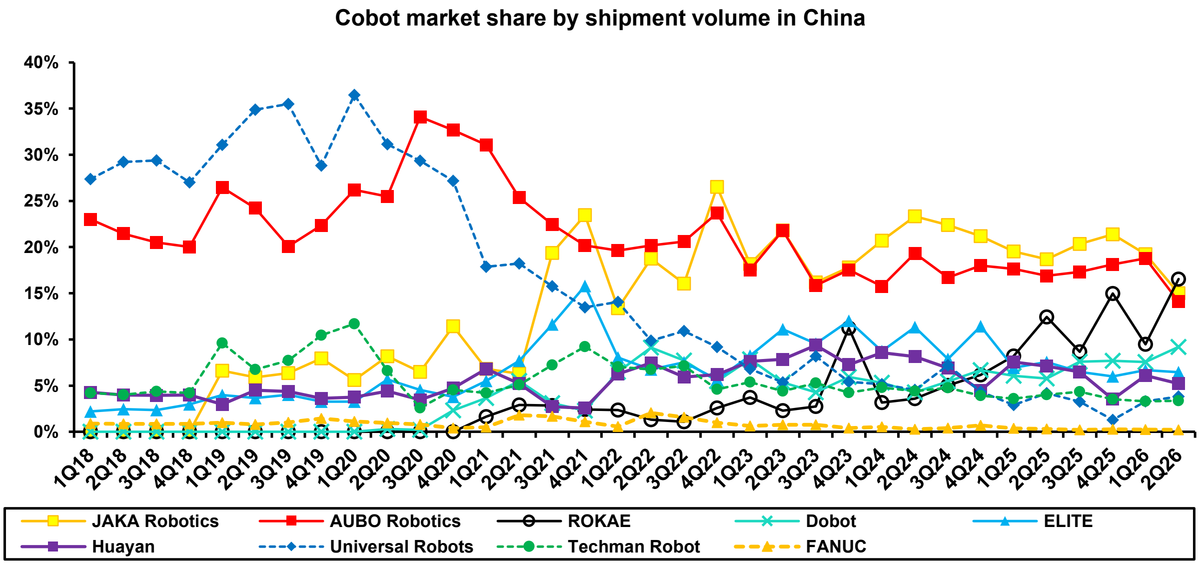


ABB has agreed to sell its robotics business to Softbank. ABB is covered by Bernstein European Capital Goods & Industrial Technology team. Softbank is coverd by Bernstein Japan and EU Semicondutors team. Delta is covered by Bernstein Asia Tech Hardware team. Epson and Yamaha are not covered by Bernstein.
Source: MIR Databank, Bernstein analysis

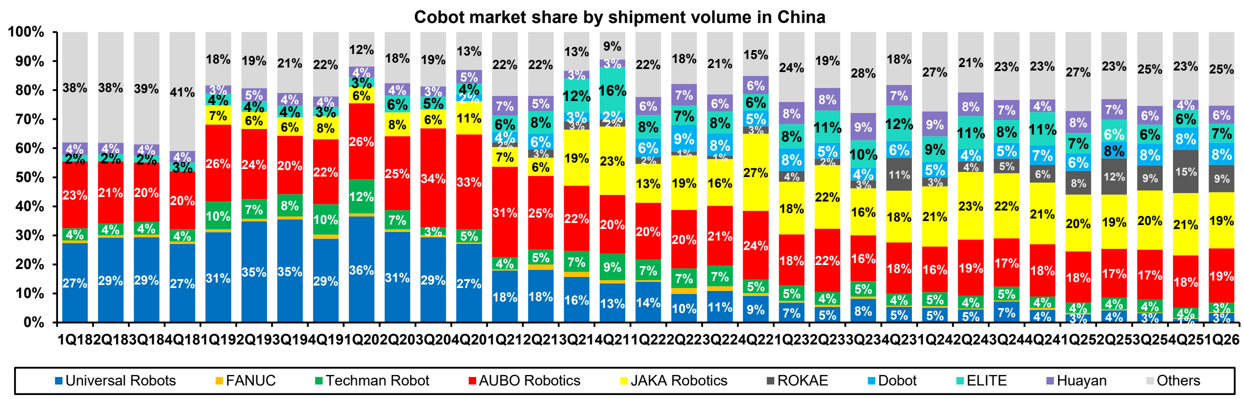
Cobot

EXHIBIT 48: **Cobot market share by shipment volume in China**



Note: Except FANUC, other companies are private or not covered by Bernstein.
Source: MIR Databank, Bernstein analysis

EXHIBIT 49: **Cobot market share by shipment volume in China**



Except FANUC, other companies are private or not covered by Bernstein.
Source: MIR Databank, Bernstein analysis

INVESTMENT IMPLICATIONS

Reiterate Outperform for Keyence, FANUC, Inovance; Market-Perform for Estun.

BERNSTEIN TICKER TABLE

			7 Aug 2026		TTM	Reported EPS				Reported P/E (x)		
			Closing	Price	Rel.							
Ticker	Rating	Cur	Price	Target	Perf.	Cur	2025A	2026E	2027E	2025A	2026E	2027E
002747.CH (Estun)	M	CNY	35.13	26.00	20.0%	CNY	0.05	0.31	0.32	702.6	114.3	108.6
6954.JP (Fanuc)	O	JPY	6,535.00	7,200.00	12.9%	JPY	178.47	221.78	207.13	36.6	29.5	31.5
300124.CH (Inovance)	O	CNY	64.60	82.00	(30.5)%	CNY	1.87	2.19	2.65	34.5	29.5	24.4
6324.JP (HDSI)	O	JPY	7,160.00	7,800.00	146.3%	JPY	16.99	57.37	79.51	421.4	124.8	90.1
6861.JP (Keyence)	O	JPY	85,110	95,000	16.5%	JPY	1,835.62	2,420.47	2,675.94	46.4	35.2	31.8
002415.CH (Hikvision)	O	CNY	37.24	45.00	(1.2)%	CNY	1.55	2.08	2.14	24.1	17.9	17.4
ASIAX			1,914.02									
JPL			2,643.59									

O - Outperform, M - Market-Perform, U - Underperform, NR - Not Rated, CS - Coverage Suspended

6954.JP, 6861.JP base year is 2026;

Source: Bloomberg, Bernstein estimates and analysis.

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VALUATION METHODOLOGY

Estun Automation Co Ltd

We use EV/EBITDA multiple as the primary valuation method. Our price target of RMB26.0 (A-share) and HKD 17.3 (H-share) are based on an EV/EBITDA multiple of 35.9x against our 1-year forward EBITDA estimate of RMB677.2mn. We set the multiple referencing previous cycles but adjust for secular or competitive trends that we believe are moving multiples higher or lower across multiple cycles. We set Estun’s H-share TP based on the average A/H share premium. We use DCF as reference for the company's long-term intrinsic value. As we move along the different stages of a cycle, the time-dependent target price may deviate from the DCF-implied value.

FANUC Corp

We use EV/EBITDA multiple as the primary valuation method. We set a JPY7,200 target price using an EV/EBITDA multiple of 23.0x against our 1-year forward-looking EBITDA estimates (from the PT date) of JPY 255 bn. We set the target multiple referencing previous cycles but adjust for secular or competitive trends that we believe are moving multiples higher or lower across multiple cycles. We use DCF as reference for the company's long-term intrinsic value. As we move along the different stages of a cycle, the time-dependent target price may deviate from the DCF-implied value.

Shenzhen Inovance Technolo-A

We use EV/EBITDA multiple as the primary valuation method. We set a RMB82 target price using an EV/EBITDA multiple of 24.0x against our 1-year forward-looking EBITDA estimates (from the PT date) of RMB 8971.6 million. We set the multiple referencing previous cycles but adjust for secular or competitive trends that we believe are moving multiples higher or lower across multiple cycles. We use DCF as reference for the company's long-term intrinsic value. As we move along the different stages of a cycle, the time-dependent target price may deviate from the DCF-implied value.

Harmonic Drive Systems Inc

We use EV/EBITDA multiple as the primary valuation method. We set a JPY 7,800 target price using an EV/EBITDA multiple of 45.5x against our 1-year forward-looking EBITDA estimates (from the PT date) of JPY16,194 mn. We set the target multiple referencing previous cycles but adjust for secular or competitive trends that we believe are moving multiples higher or lower across multiple cycles. We use DCF as reference for the company's long-term intrinsic value. As we move along the different stages of a cycle, the time-dependent target price may deviate from the DCF-implied value.

Keyence Corp

We use EV/EBITDA multiple as the primary valuation method. We set a JPY95,000 target price using an EV/EBITDA multiple of 22x against our 1-year forward-looking EBITDA estimates (from the PT date) of JPY 913.2bn. We apply our target multiple on the upcoming cycle peak to get the enterprise value, and discount it back to derive our price target. We use DCF as reference for the company's long-term intrinsic value. As we move along the different stages of a cycle, the time-dependent target price may deviate from the DCF-implied value.

Hangzhou Hikvision Digital Technology Co Ltd

We use EV/EBITDA multiple as the primary valuation method. We set a RMB 45.0 target price using an EV/EBITDA multiple of 15x to 1-yr forward-looking EBITDA estimates (from the PT date) of RMB 25,968mn. We set the multiple referencing previous cycles but adjust for secular or competitive trends that we believe are moving multiples higher or lower across multiple cycles. We use DCF as reference for the company's long-term intrinsic value. As we move along the different stages of a cycle, the time-dependent target price may deviate from the DCF-implied value.

RISKS

Estun Automation Co Ltd

The risks to our view on Estun are mainly associated with China and global macro economy, including industrial capex cycles, trade frictions, and currency. In addition, the integration of Cloos and realization of planned synergies are important to our thesis and sources of additional risks. The upside risks include 1) faster than expected margin expansion; 2) faster than expected market share gain. The downside risks include 1) weaker than expected automation demands in China; 2) delayed or slower than expected in operating and net margin improvement; 3) delayed or slower than expected market share gain.

FANUC Corp

FANUC's end user markets are cyclical in nature. The risks are mainly associated with the global macro economy and currency. The downside risks include 1) delayed or weaker than expected global automation demand, 2) losing market share to competitors, and 3) appreciation of JPY.

Shenzhen Inovance Technolo-A

The risks to our view on Inovance are mainly associated with macro economy, including industrial capex cycles, trade frictions, and currency. The downside risks to our view on Inovance include 1) weaker than expected automation demands in China, 2) weaker or slower than expected share gain in China in segments besides servo motor and VFD, 3) weaker than expected EV demands.

Harmonic Drive Systems Inc

The risks to our view on HDSI are mainly associated with the global macro economy, including industrial capex cycles, competition and currency. As HDSI has >50% of global share in strain wave reducer, potential change in competitive landscape would be a more relevant risk than to other companies. Therefore, the downside risks include: 1) weaker than expected global robot demand, 2) losing market share to competitors, and 3) appreciation of JPY.

Keyence Corp

The risks are mainly associated with the global macro economy. Our analysis shows that company's growth correlates with the overall utilization of manufacturing capacity in the major economies. Fluctuations in utilization may lead to unexpected near term fluctuations in growth rates. A global recession as severe as that of 2009 may even result in decline in Keyence's revenue. In addition, there is currency risk associated with the exchange rate of JPY. Therefore, the downside risks include: 1) weaker than expected overall utilization, 2) delayed or weaker than expected global automation demand, and 3) appreciation of JPY.

Hangzhou Hikvision Digital Technology Co Ltd

Hikvision's core business in China has significant exposure to domestic infrastructure investment, and the risks are associated with China's macro cycles and relevant government policies. Outside China, there is a certain degree of sensitivity to using Chinese surveillance products. The downside risks include 1) weaker than expected macro-economy, 2) weaker than expected government spending, and 3) stronger than expected sanction and weaker than expected overseas demands due to political concerns.

RATINGS DEFINITIONS, BENCHMARKS AND DISTRIBUTION

EQUITY RATINGS DEFINITIONS

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The Bernstein brand rates stocks based on forecasts of relative performance for the next 12 months versus the S&P 500 for stocks listed on the U.S. and Canadian exchanges, versus the Bloomberg Europe Developed Markets Large and Mid Cap Price Return Index EUR (EDME) for stocks listed on the European exchanges and emerging markets exchanges outside of the Asia Pacific region, versus the Bloomberg Japan Large and Mid Cap Price Return Index USD (JPL) for stocks listed on the Japanese exchanges, and versus the Bloomberg Asia ex-Japan Large and Mid Cap Price Return Index (ASIAX) for stocks listed on the Asian (ex-Japan) exchanges -unless otherwise specified.

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- Market-Perform: Stock will perform in line with the market index to within +/-15 pp
- Underperform: Stock will trail the performance of the market index by more than 15 pp

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Not Covered (NC) denotes companies that are not under coverage.

Bernstein brand stock ratings are based on a 12-month time horizon.

Autonomous brand – common stocks

The Autonomous brand rates common stocks as indicated below. As our benchmarks we use the Bloomberg Europe 600 Financials Price Return Index (E600BK) and Bloomberg Europe Dev Mkt Financials Large and Mid Cap Price Ret Index EUR (EDMFI) index for developed European banks and Payments, the Bloomberg Europe 600 Insurance Price Return Index (E600IN) for European insurers, the S&P 500 and S&P Financials for US banks and Payments coverage, S5LIFE for US Insurance, the S&P Insurance Select Industry (SPSIINS) for US Non-Life Insurers coverage, the Bloomberg Emerging Markets Financials Large, Mid and Small Cap Price Return Index (EMLSF) for emerging market banks and insurers and Payments, and the Bloomberg Japan Financials Large & Mid Cap Price Return Index (JPFILM) for Japanese Financials. Ratings are stated relative to the sector (not the market).

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- Neutral (N): Stock will perform in line with the market index to within +/-10 pp
- Underperform (UP): Stock will trail the performance of the relevant index by more than 10 pp

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Those denoted as ‘Feature’ (e.g., Feature Outperform FOP, Feature Under Outperform FUP) are our core ideas.

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- Neutral (N): The total return of the preferred instrument is expected to perform in line with preferred securities of other issuers operating in similar sectors or rating categories over the next six months.
- Underperform (UP): The total return of the preferred instrument is expected to underperform preferred securities of other issuers operating in similar sectors or rating categories over the next six months.

Autonomous preferred stock ratings are based on a 6-month time horizon.

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- Credit Outperform (C-OP): The total return of the Reference Credit Instrument is expected to outperform the credit spread of bonds of other issuers operating in similar sectors or rating categories over the next six months.
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- Credit Underperform (C-UP): The total return of the Reference Credit Instrument is expected to underperform the credit spread of bonds of other issuers operating in similar sectors or rating categories over the next six months.

Autonomous credit ratings are based on a 6-month time horizon.

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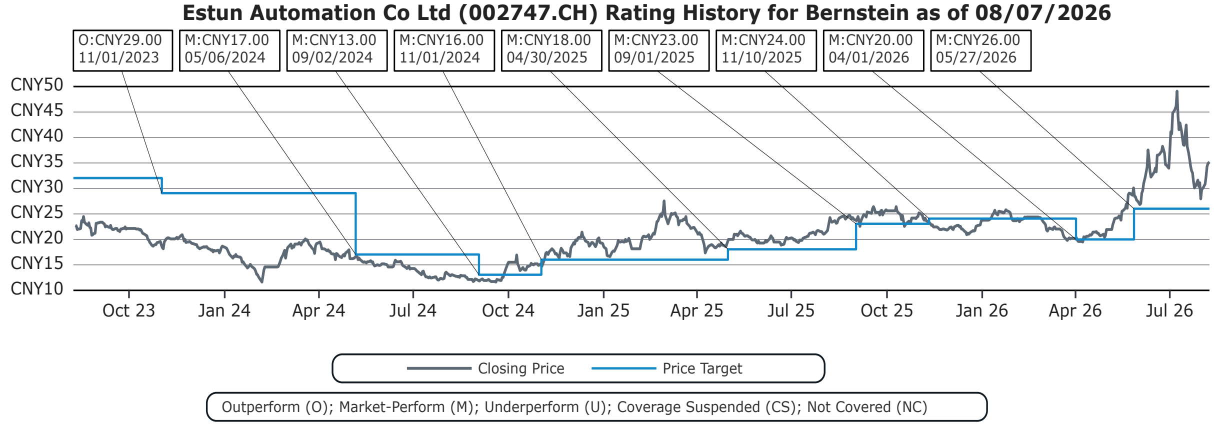
Outperform	BUY	51.2%	15.3%
Market-Perform (Bernstein Brand) Neutral (Autonomous Brand)	HOLD	35.8%	16.2%
Underperform	SELL	13.1%	13.6%

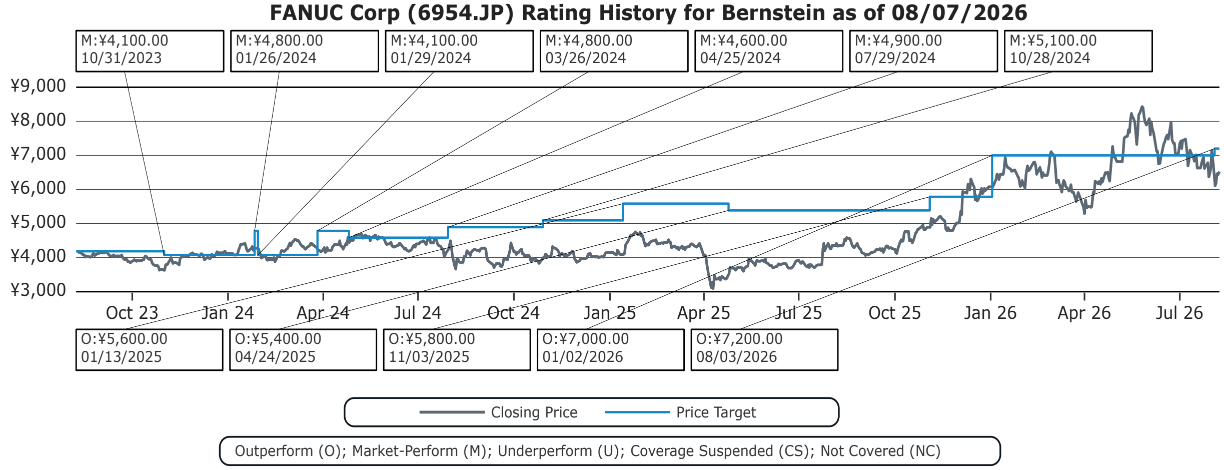
* These figures represent the percentage of companies within each equity rating category for which affiliates of Bernstein have provided investment banking services within the previous 12 months.
As of June 30, 2026. All figures are updated quarterly.

PRICE CHARTS / RATINGS AND PRICE TARGET HISTORY

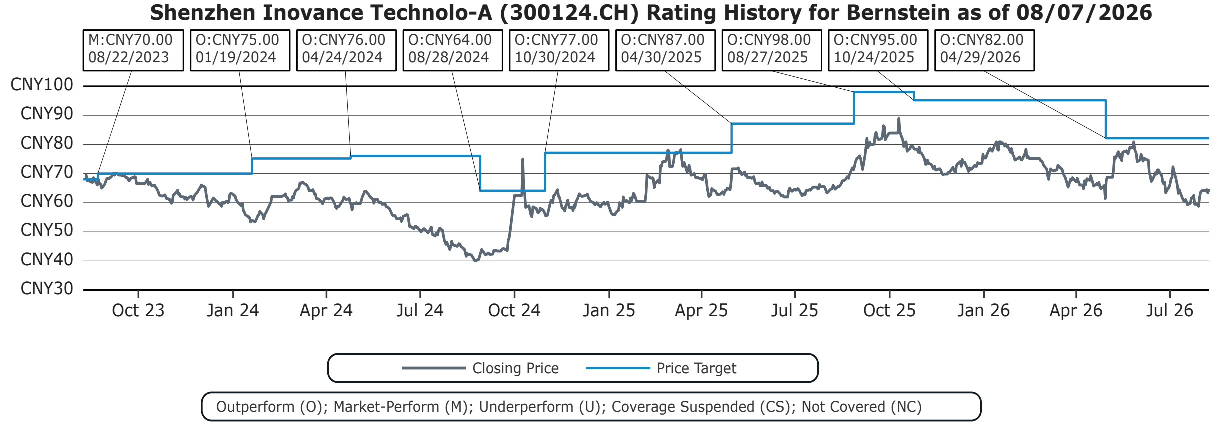
Estun Automation Co Ltd (002747.CH) Rating History for Bernstein as of 08/07/2026

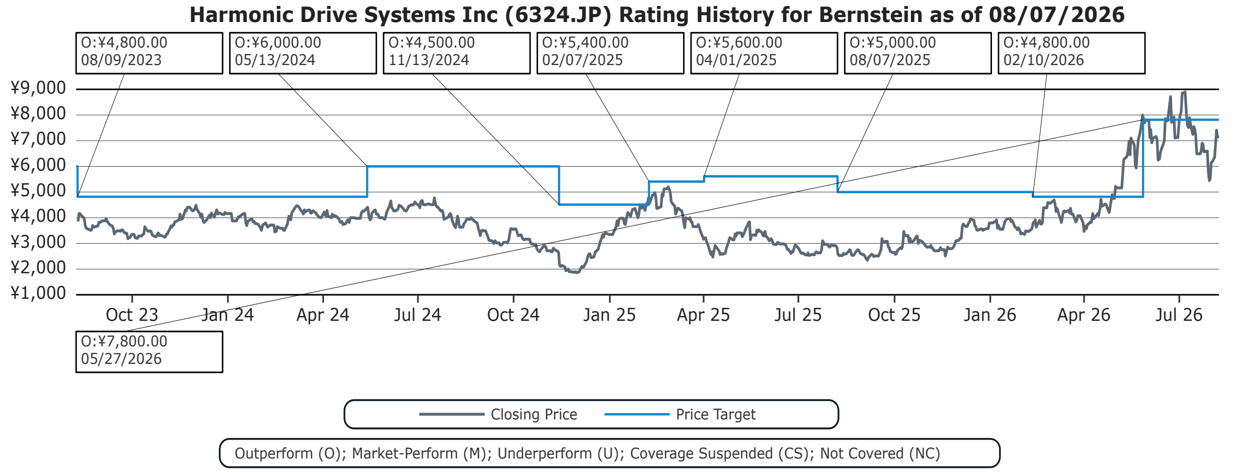


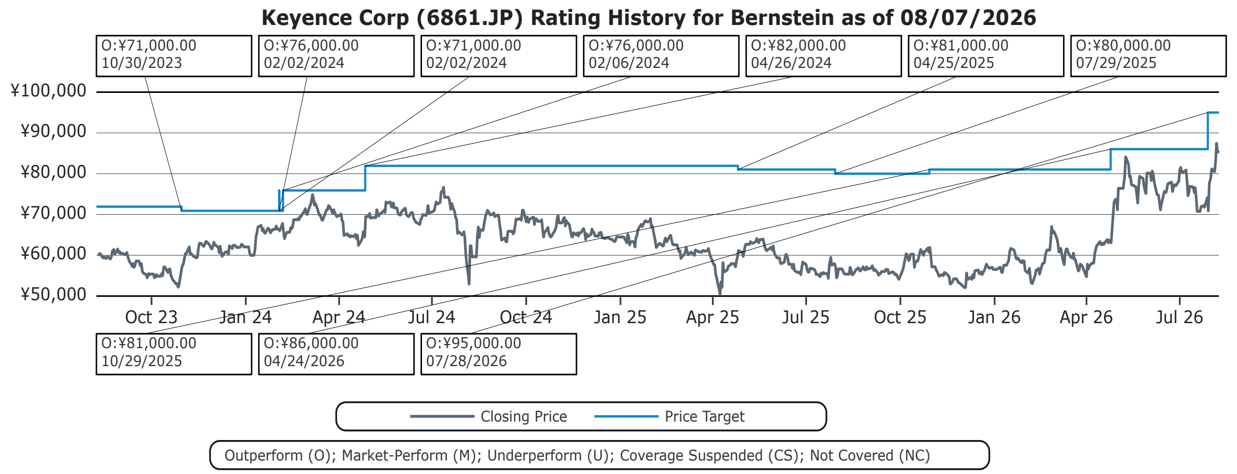
FANUC Corp (6954.JP) Rating History for Bernstein as of 08/07/2026

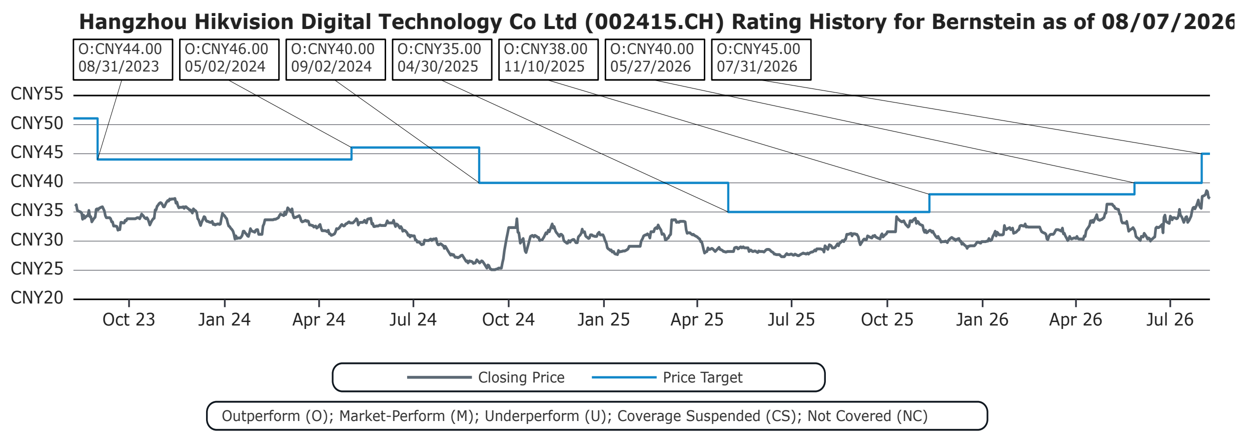


Shenzhen Inovance Technolo-A (300124.CH) Rating History for Bernstein as of 08/07/2026









All price target and closing price data in the chart(s) above are denominated in the currency noted in the Ticker Table of this report.

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