

Global Semiconductor Capital Equipment

China WFE Import Tracker (July 2026): July YTD YoY -7%, import gradually improving



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We track monthly Wafer Fabrication Equipment (WFE) imports to China through data from China Customs ([link](#)); this call provides an update to the July 2026 data ([excel](#)) and our analysis. July import was \$3.9 billion, +15% MoM and +4% YoY. July YTD YoY -7%. **July imports still improving MoM, and we expect 2H import to recover as memory WFE import should be much stronger.**

July single month total WFE imports at USD 3.9bn, higher than last year average of \$3.2bn. Litho import MoM +3%, YoY +7%, continued recovering from April's historical low point, but YTD YoY -14% is still the weaker segment due to supply shortage. By region, import from Singapore/Taiwan, China showed strong growth, YTD YoY +24%/20% YTD. YTD US+Malaysia+Singapore import share 42%, last year was 35%, showing that shipment from US vendors are still strong. YTD Shanghai & Beijing imports were still the largest (39%/20%), showing further concentration.

July Litho imports of EUR 713mn was +2% MoM and +10% YoY. Our model estimates that China sales will reach EUR 2.2bn in Q3, +141% QoQ and -5% YoY. This implies that China will represent 25% of total system sales in Q3. During Q2 results, ASML reiterated that China revenue is expected to decline to 20% of total revenue in FY26, compared to 33% in FY25. While we also forecast China declining as a % of revenue, we believe China demand will remain solid over the next few years, driven by persistently strong investment in capacity expansion, particularly in advanced logic. ASML's recent plans to expand DUV capacity by 30% over the next two years further reinforce our thesis.

For LRCX, the R^2 on the 1-month correlation suggests Sep-Q China revenues would decrease ~13% QoQ, with China exposure landing at ~18% of total revenues based on consensus revenue estimates. While management didn't officially guide China revenues, we note that they expect overall China WFE spending to be flat to slightly up this year and they acknowledge that this growth may be lumpy quarter to quarter, and we hesitate to read too much into one month's data.

AMAT's July quarter results are directionally consistent with our regression. AMAT has already reported their July quarter results, hence the July data (3-month correlation) carries no predictive power, rather we will use it as a check/verification. To that end, the correlation suggested China revenues up ~30% in the quarter landing at ~29.7% exposure, with AMAT's actual results indicating China revenues were up ~20% QoQ and were at ~27.5% exposure, directionally consistent with our regression.

For KLAC, July data (1-month correlation) suggests Sep-Q China revenues would increase ~31% QoQ, with China exposure landing at ~31% of total revenues based on consensus revenue estimates, vs ~26% in the Jun-Q. Management didn't provide guidance for their China revenue exposure this quarter, but last quarter they mentioned that overall China WFE will grow at a slower rate than broader WFE this year.

Continued on next page

For TEL, our regression suggests TEL's China revenue could be +18% YoY and +34% QoQ. Our 1-month regression implies slight upside to TEL's SepQ revenue, tracking ahead of consensus of +20% QoQ, and an implied China mix of 35% based on consensus estimates.

For Kokusai, our regression suggests their China revenue could be +15% YoY and +70% QoQ. Our 1-month regression implies upside to consensus of +10% QoQ, and an implied China contribution of 44%.

For Screen, our regression suggests their China revenue could be -45% YoY and +7% QoQ. Our 1-month regression implies downside to consensus of +69% QoQ, and an implied China contribution of 15%.

For Advantest, our regression suggests their China revenue could be +10% YoY and -17% QoQ. Our 1-month regression implies downside to consensus of +16% QoQ, and an implied China contribution of 14%.

BERNSTEIN TICKER TABLE

Ticker	Rating	Cur	20 Aug	Price	TTM	Reported EPS				Reported P/E (x)		
			2026		Rel.	Cur	2025A	2026E	2027E	2025A	2026E	2027E
			Closing									
688012.CH (AMEC)	O	CNY	365.50	660.00	139.9%	CNY	2.28	5.30	7.26	160.2	69.0	50.3
002371.CH (NAURA)	O	CNY	712.55	1,380.00	68.3%	CNY	5.66	10.76	20.21	125.8	66.2	35.2
688072.CH (Piotech)	O	CNY	671.26	1,200.00	258.4%	CNY	3.32	10.18	16.61	202.2	65.9	40.4
8035.JP (Tokyo Electron)	O	JPY	54,020	79,300	133.5%	JPY	1,250.88	1,687.17	2,635.81	43.2	32.0	20.5
6525.JP (Kokusai)	O	JPY	8,115.00	12,420	154.3%	JPY	128.63	262.29	373.69	63.1	30.9	21.7
7735.JP (Screen)	M	JPY	13,080	15,000	103.2%	JPY	486.61	574.49	759.55	26.9	22.8	17.2
6857.JP (Advantest)	O	JPY	35,360	45,800	192.0%	JPY	513.30	948.96	1,088.87	68.9	37.3	32.5
AMAT (Applied Materials)	O	USD	496.17	700.00	183.6%	USD	9.42	12.76	18.30	52.7	38.9	27.1
LRCX (Lam Research)	O	USD	307.17	385.00	188.8%	USD	5.82	9.22	10.97	52.8	33.3	28.0
KLAC	O	USD	187.27	250.00	90.7%	USD	3.76	5.47	7.05	49.8	34.2	26.6
ASML (ASML)	O	USD	1,751.73	2,859.00	112.7%	USD	27.95	44.01	60.58	53.7	34.1	24.8
ASMLNA (ASML)	O	EUR	1,505.40	2,500.00	119.1%	EUR	24.72	38.91	53.56	60.9	38.7	28.1
ASIAx			1,922.63									
JPL			2,603.96									
SPX			7,707.98									
EDME			1,616.62									

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

AMAT, LRCX, KLAC estimate is Adjusted EPS; AMAT, LRCX, KLAC valuation is Adjusted P/E (x); LRCX, KLAC base year is 2026;

Source: Bloomberg, Bernstein estimates and analysis.

INVESTMENT IMPLICATIONS

NAURA (Outperform, CNY 1,380.00): As the domestic WFE leader, NAURA has the broadest product portfolio covering Deposition (PVD, CVD), Dry Etch (ICP), Thermo Processes, and Cleaning, as well as a more diverse client base covering leading logic, DRAM, NAND players, benefiting from the WFE domestic substitution in China with acceleration share gain.

AMEC (Outperform, CNY 660.00): Primarily focused on Dry Etch (CCP, ICP) with rapid expansion in Deposition (ALD, LPCVD, EPI), commonly perceived as the domestic WFE company with the best technology and widest global recognition, continue to benefit from the WFE domestic substitution in China with acceleration share gain.

Piotech (Outperform, CNY 1,200.00): Rising domestic WFE vendor primarily focused on Deposition (PECVD, HDPCVD, SACVD, ALD) with expansion in W2W and C2W hybrid bonding equipment for advanced packaging. Piotech has a strong track record of product innovation, which should allow it to benefit from the WFE domestic substitution in China with acceleration share gain.

Tokyo Electron (Outperform, ¥79,300): TEL is the #4 SPE supplier globally and the biggest Japanese SPE supplier with major presence in 6 product segments. It is expected to gain share and expand margins with competitive pricing after yen depreciation.

Kokusai (Outperform, ¥12,420): Batch ALD should see more adoption in advanced nodes especially GAA (gate-all-around). The biggest use of batch ALD is in NAND, and NAND capex recovery is accelerating.

Screen (Market-Perform, ¥15,000): Cleaning intensity is not increasing, and the market is competitive with both global rivals (TEL, Lam) and Chinese (ACMR, Naura). Potential upside from panel level packaging is worth watching.

Advantest (Outperform, ¥45,800): Benefits from rising testing intensity for HBM and Blackwell. As the dominant supplier for HBM tester (~65%) and Nvidia AI GPU (100% share), Advantest should be able to lift ASP and margin with product migration, especially with HBM4 in 2025.

AMAT (Outperform, \$700.00): Exposure to key inflections is strong and valuation vs peers remains attractive.

LRCX (Outperform, \$385.00): The company is benefiting from key inflections (GAA, packaging, HBM, NAND upgrades) and CY26/27 commentary seems supportive.

KLAC (Outperform, \$250.00): Amid positive WFE trends KLAC possesses structural growth drivers, a strong and durable competitive position, lower China replacement risk, and disciplined capital allocation, warranting premium valuation, in our view.

ASML (Outperform, EUR 2,500.00): We rate **ASML Outperform** with a PT of €2,500.00 with 66% upside, driven by DRAM capacity growth acceleration and EUV intensity increase in 1c node. ASML is the top pick of EU Semis.

DETAILS

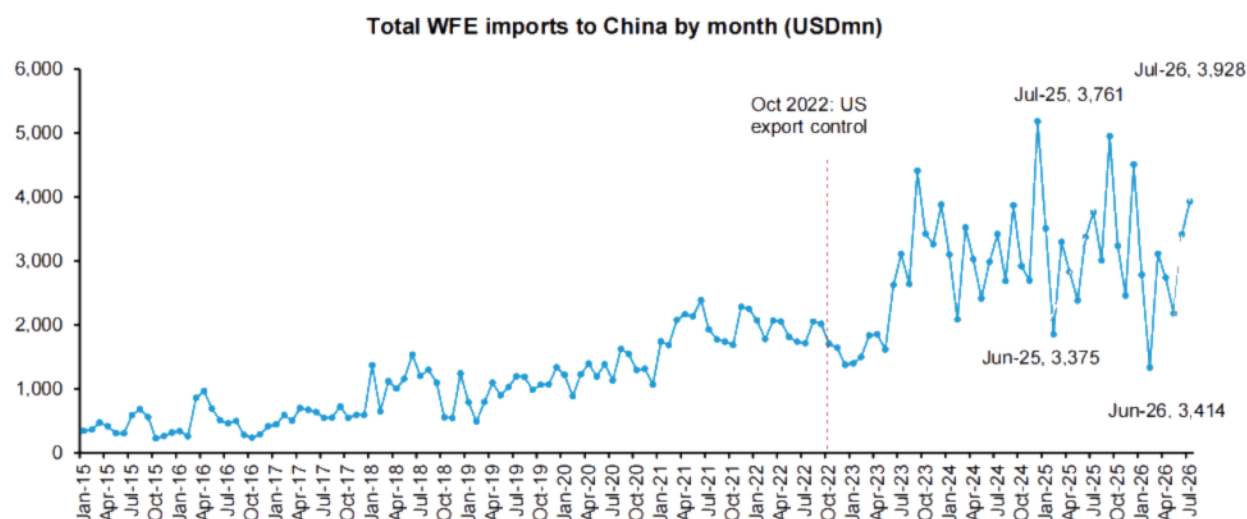
CHINA WFE IMPORT OVERVIEW

China is becoming increasingly important in the global WFE market, and there is intense debate around the sustainability of the demand, tracking the import data to China would provide valuable insights. The China Customs statistics website ([link](#)) provides data on monthly Wafer Fabrication Equipment (WFE) imports to China. This data includes a detailed breakdown by equipment type and region. More details on the data source and analysis methodology are illustrated in the appendix.

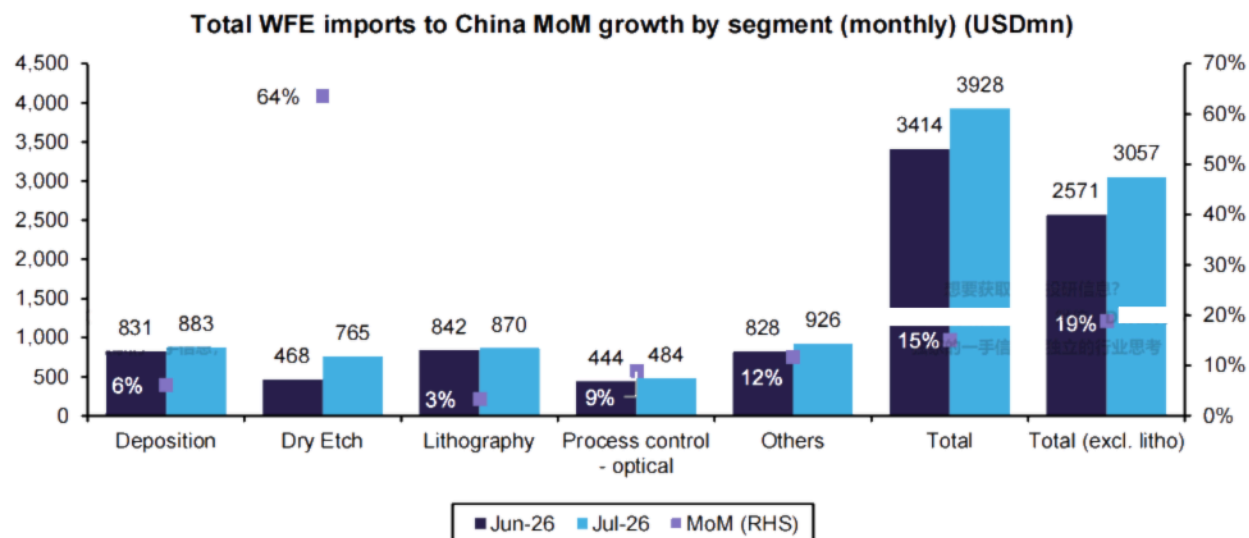
Key statistics for the overall imports are summarized in the below charts:

- **Monthly import data** ([Exhibit 1](#), [Exhibit 2](#), [Exhibit 3](#)): July import was \$3.9bn, much higher than last year's average of \$3.3bn/month.
- **By equipment, deposition and doping became the main drags for the July imports with decline YoY.** While lithography kept recovering from previous months' deep decline and resulted another month with positive increase YoY. Thermo process and process control showed double-digit increase YoY. By import region, Japan, Singapore, Taiwan, China, and Germany showed double-digit growth.

EXHIBIT 1: **July import was \$3.9 billion**

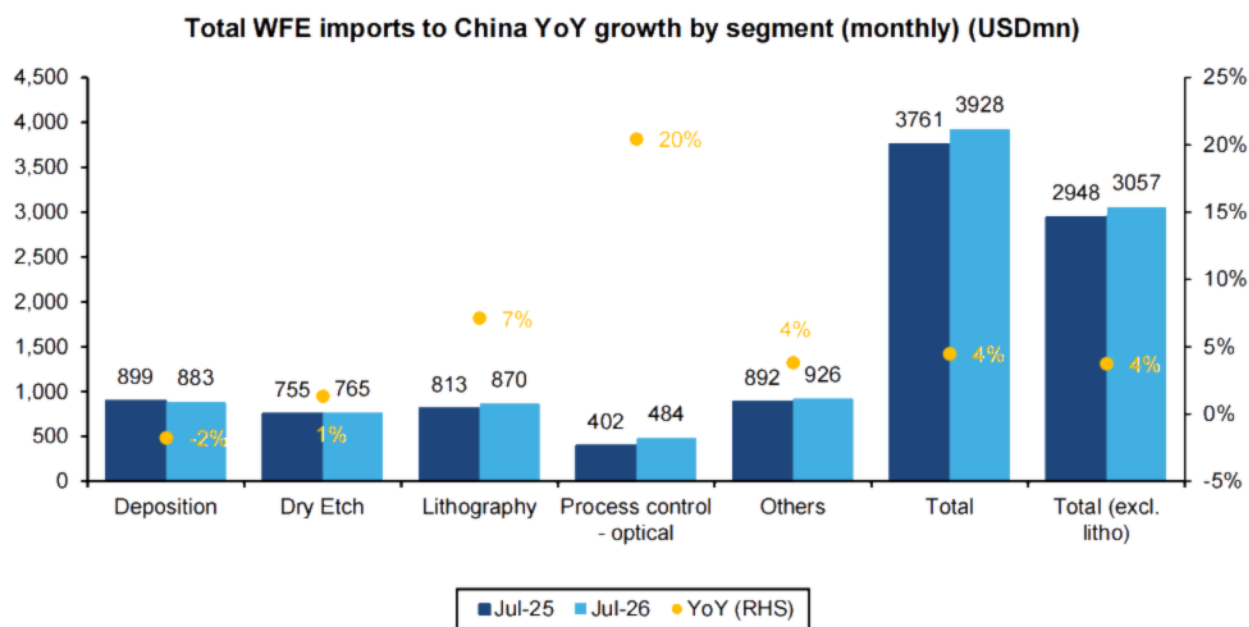


Source: General Administration of Customs of the People's Republic of China, Bernstein analysis

EXHIBIT 2: **Month-over-month showed 15% increase, largely driven by Dry Etch import.**

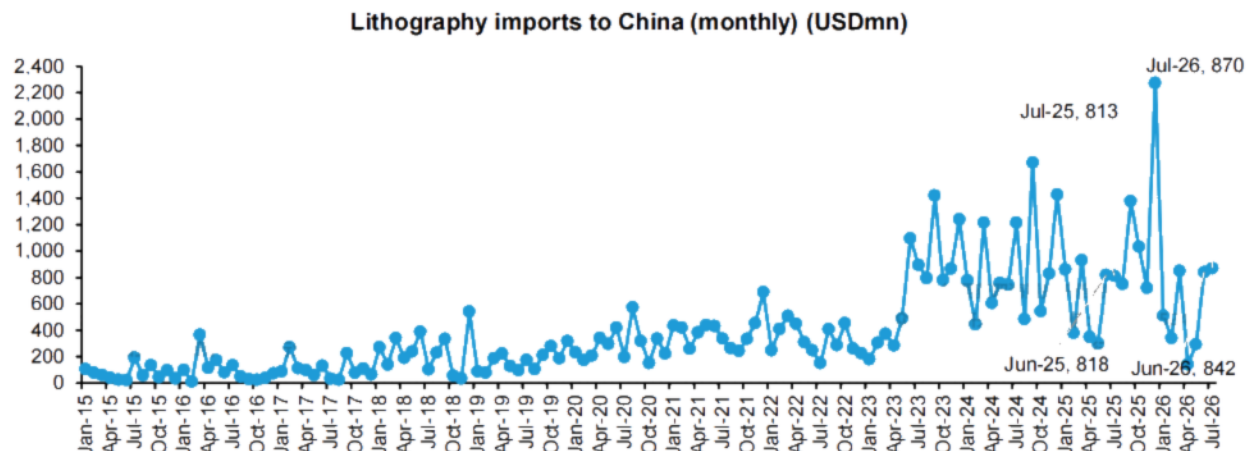
Others include: RTP and Oxidation/Diffusion (84862010), Doping (84862050), and Other equipment used in semiconductor devices or integrated circuits manufacturing (84862090)

Source: General Administration of Customs of the People's Republic of China, Bernstein analysis

EXHIBIT 3: **The year-over-year figures only show a modest increase, given that strong process control imports were offset by weak dry etch and deposition imports.**

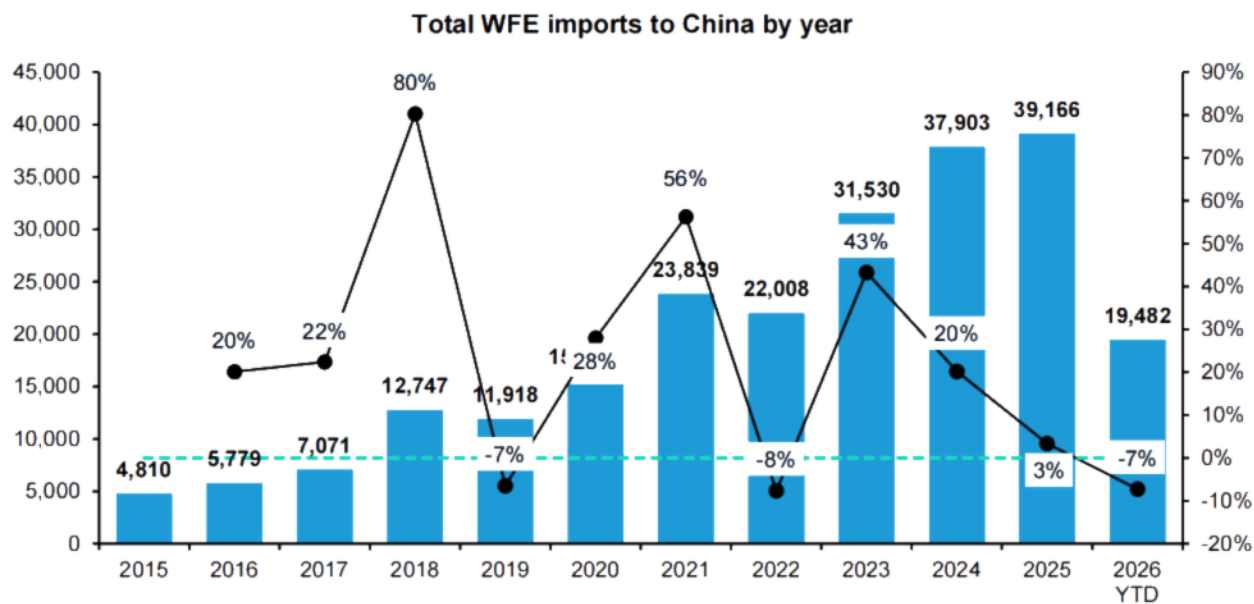
Source: General Administration of Customs of the People's Republic of China, Bernstein analysis

EXHIBIT 4: The lithography import was \$870 mn in July 2026, slightly higher than last year



Source: General Administration of Customs of the People's Republic of China, Bernstein analysis

EXHIBIT 5: 2026 YTD import -7% YoY



Source: General Administration of Customs of the People's Republic of China, Bernstein analysis

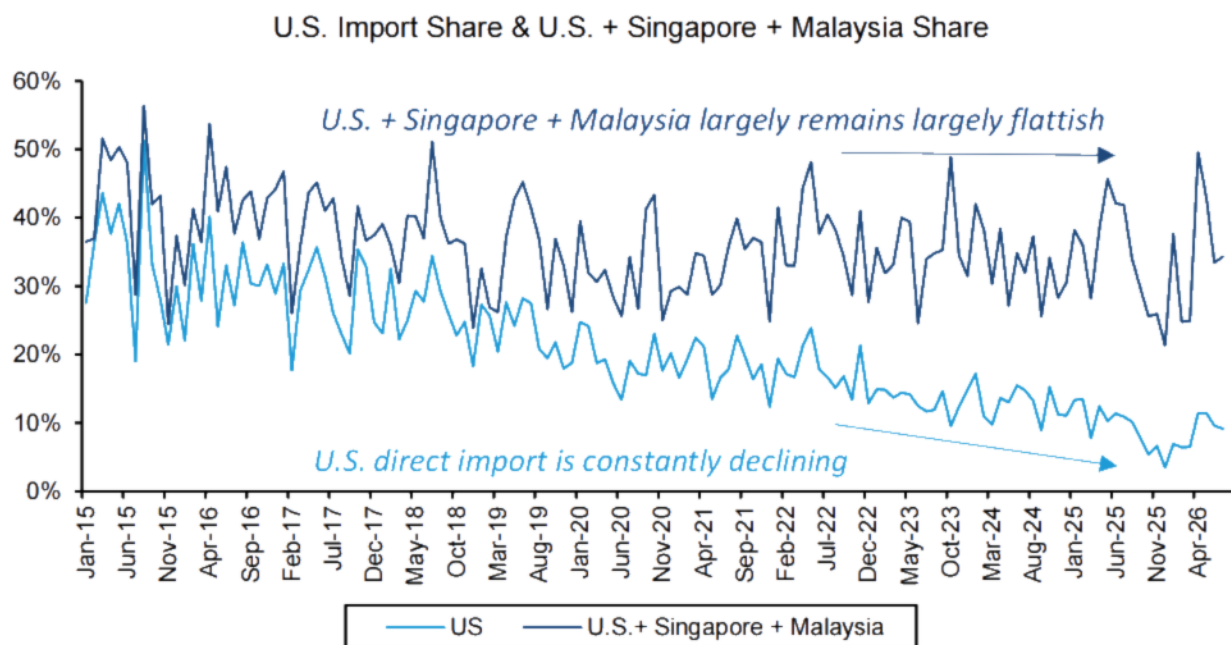
BY REGION & BY EQUIPMENT TYPE SEGMENTATION

From the imports by region breakdown, [Exhibit 7](#) and [Exhibit 8](#) reveal imports from the Netherlands has increased since 2023 due to aggressive lithography imports.

By region, US and SEA imports combined continue to gain share. 2026 YTD US+Malaysia+Singapore import share was 43%, while 2025 US+Malaysia+Singapore import share was 35% and 33% in 2024; 2026 YTD Japan import share was 21%, while 2025 Japan import share was 23% and 26% in 2024; 2026 YTD Netherlands import share was 18%, while 25% in both 2025 & 2024.

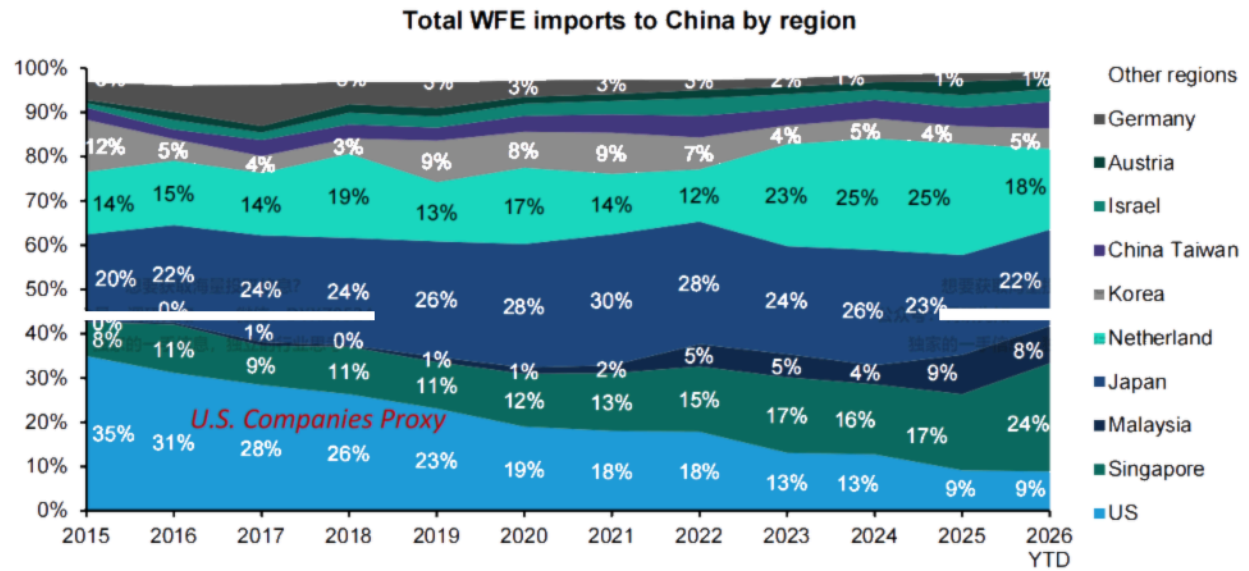
Excluding lithography, there has been a gradual uptick in imports from Singapore/Malaysia since 2021, coupled with a decrease in imports from the US ([Exhibit 8](#)). This trend is likely influenced by US suppliers opting to ship goods from their Singapore/Malaysia production facilities to China instead of directly from the US manufacturing sites (for example, Applied Materials has a Singapore manufacturing site).

EXHIBIT 6: U.S. import share & U.S. + Singapore + Malaysia import share



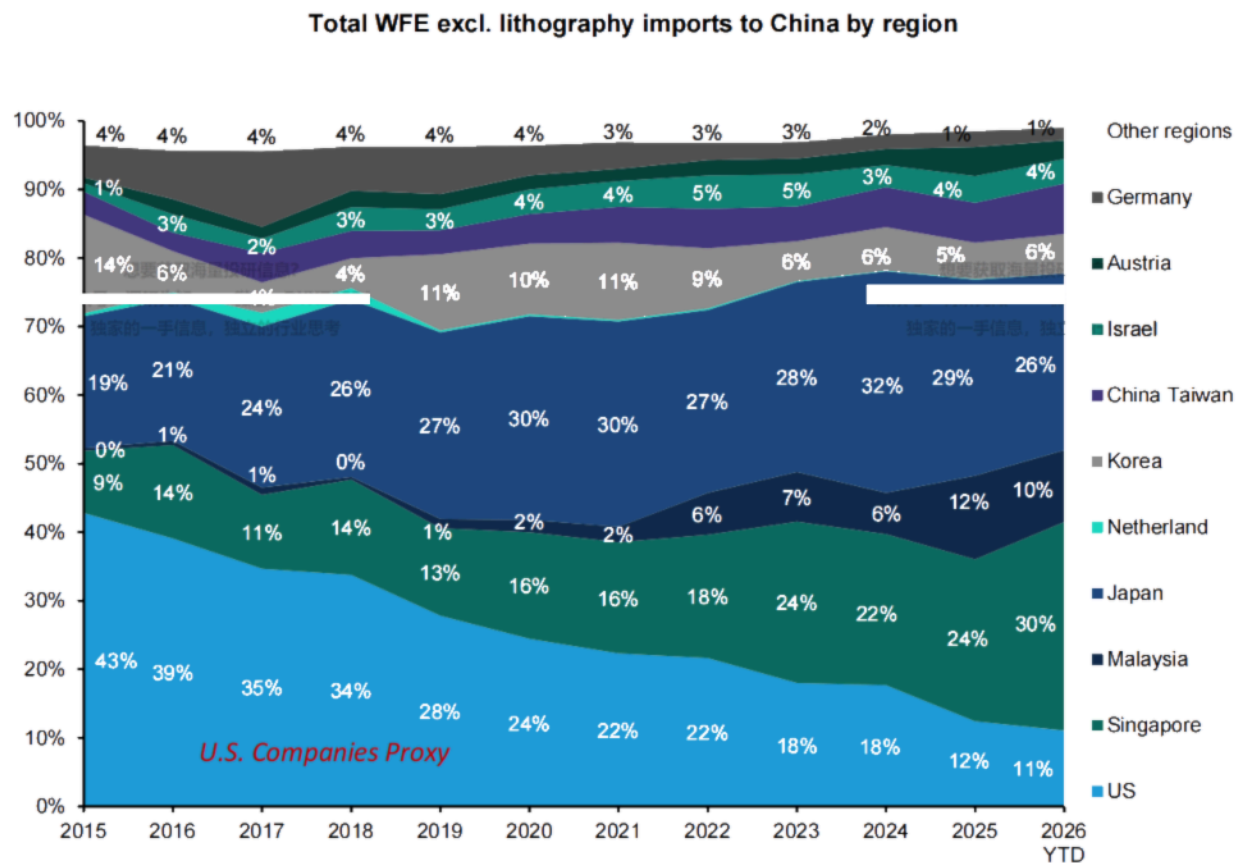
Source: China Custom, Bernstein analysis

EXHIBIT 7: **Netherlands' share decreased, Japan was flat, US+Singapore+Malaysia in aggregate grew slightly**



Source: General Administration of Customs of the People's Republic of China, Bernstein analysis

EXHIBIT 8: **Excluding lithography, there has been a gradual uptick in imports from Singapore and Malaysia to offset the share loss for US, indicating a shift in production for US vendors.**

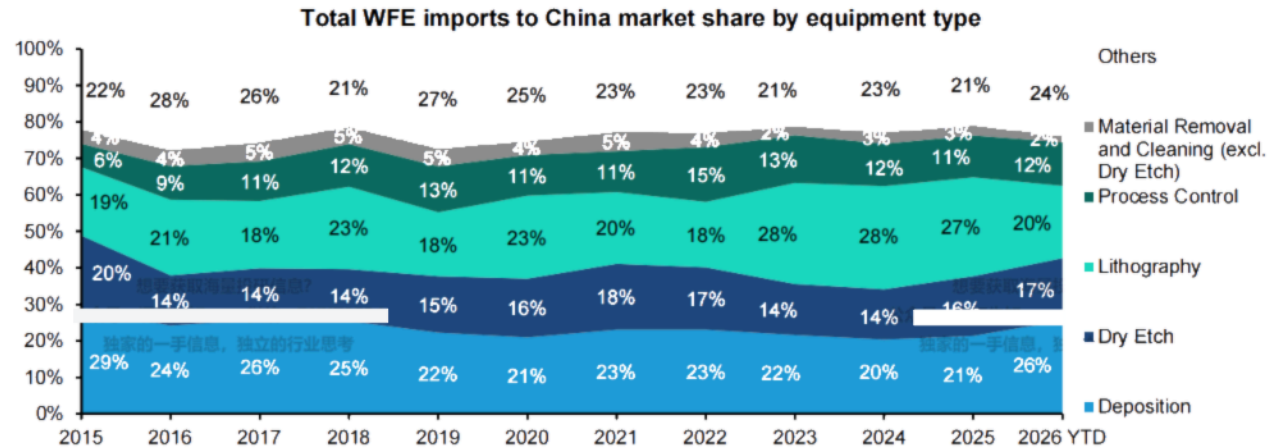


Source: General Administration of Customs of the People's Republic of China, Bernstein analysis

For the imports by equipment type breakdown ([Exhibit 9](#)), Lithography's 2024 share remains high at 28% and is the same as 2023 full-year average (28%). 2025 the share dropped by 1ppt to 27%. In 2026 YTD, the share dropped further to 19%.

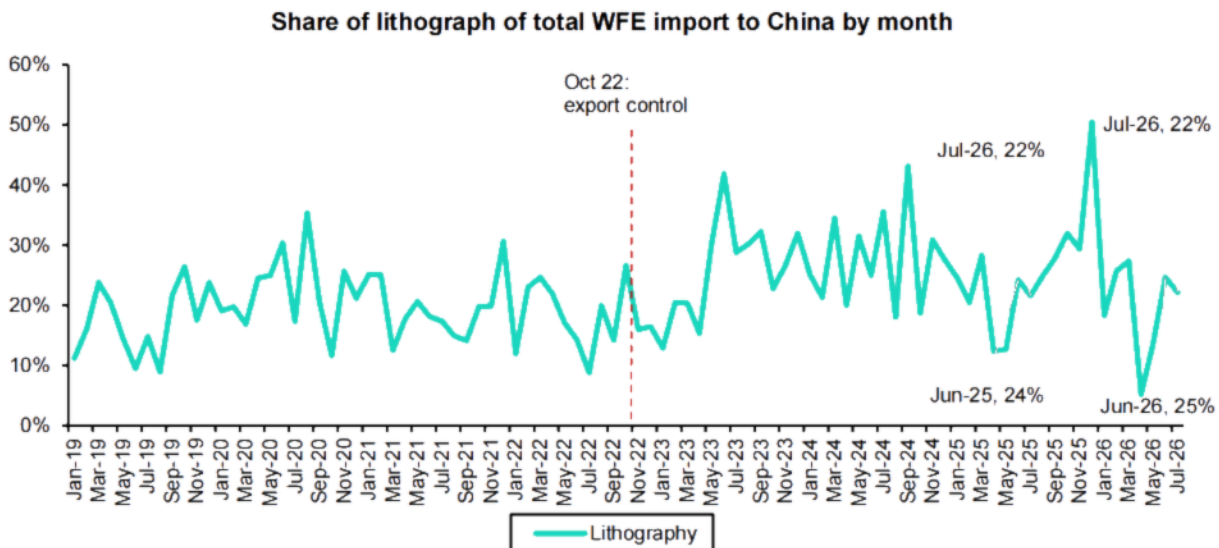
If we further zoom into lithography's monthly import share, it didn't change immediately after Oct 2022 export control, but it took off in June 2023 ([Exhibit 10](#)). By region, the Netherlands's share in lithography imports started to increase in Aug 2023 ([Exhibit 11](#)), and its share gradually expanded over 2024. As a result, 2024 hit a record high at 89% ([Exhibit 12](#)). In 2025, the share further grew to 92%, and it maintained at 92% in YTD 2026.

EXHIBIT 9: In 2025, imported Lithography intensity just slightly dropped by 1ppt, further declined in 2026

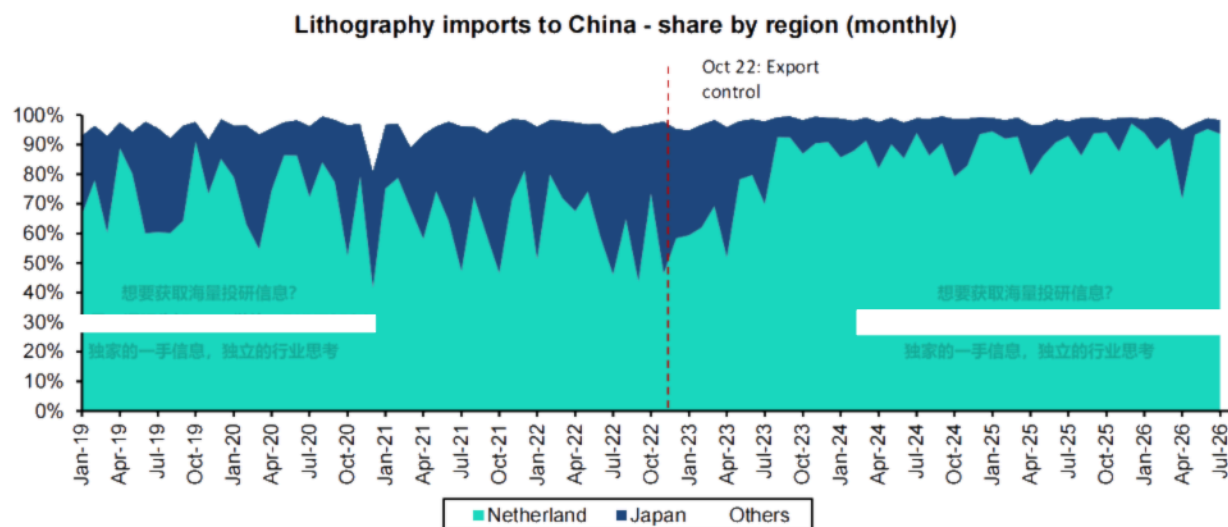


Source: General Administration of Customs of the People's Republic of China, Bernstein analysis

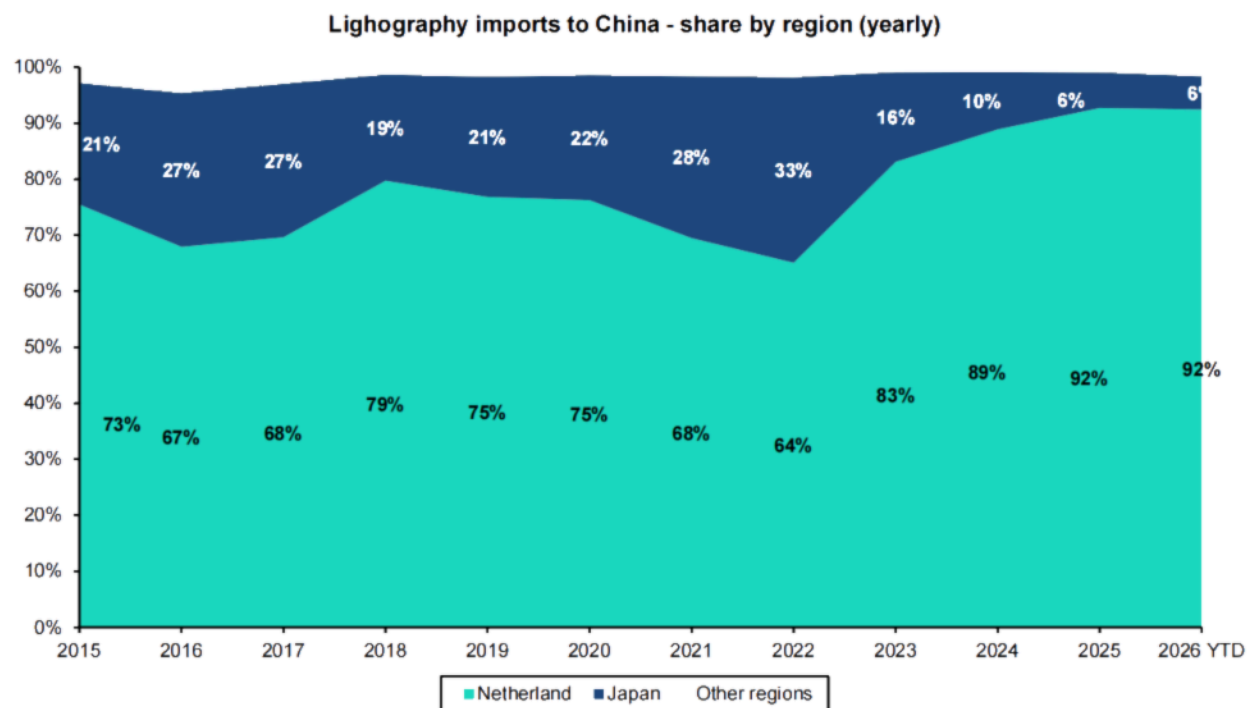
EXHIBIT 10: The share of lithography imports was to 22% in July 2026, flattish compared with that in July 2025



Source: General Administration of Customs of the People's Republic of China, Bernstein analysis

EXHIBIT 11: **Share of lithography imports from Japan has decreased since Aug 2023 and remains relatively low.**

Source: General Administration of Customs of the People's Republic of China, Bernstein analysis

EXHIBIT 12: **Netherlands' lithography imports share increased materially after 2022 and is still increasing in 2026**

Source: General Administration of Customs of the People's Republic of China, Bernstein analysis

REGRESSION ANALYSIS

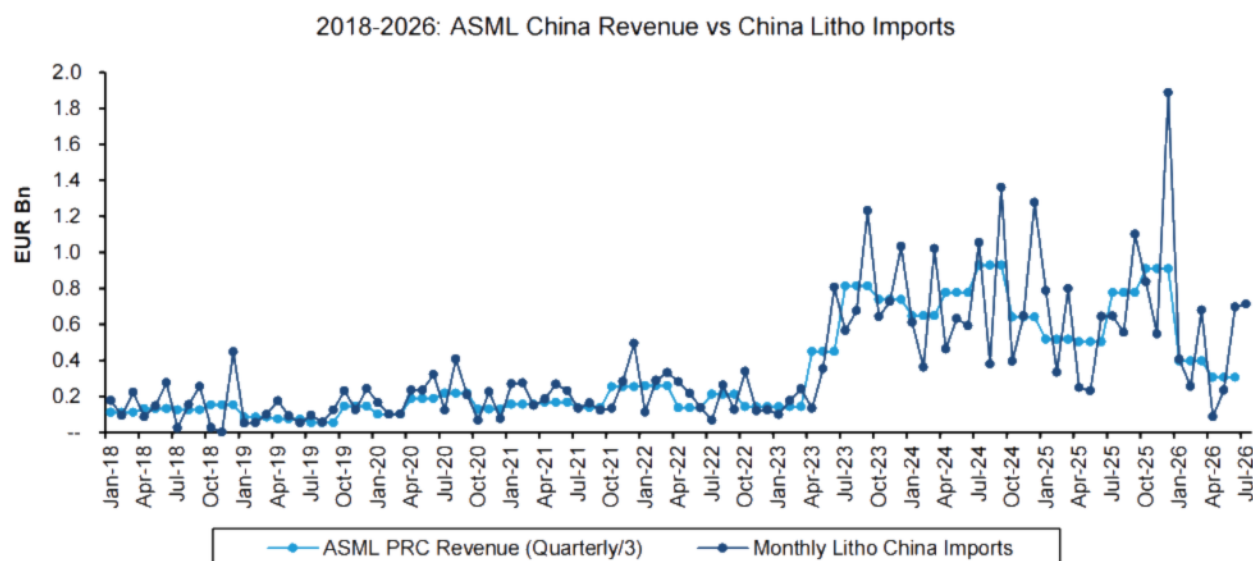
ASML

China lithography import data published on the China Customs statistics website has proven useful in predicting ASML's China systems revenue. Our regression model, using one month of data for a given quarter, has a decent R^2 of 0.80, indicating good predictive power. China's lithography imports in July was EUR 713mn, +2% MoM and +10% YoY. ([Exhibit 13](#)).

Our regression model estimates that China sales could grow to EUR 2.2bn in Q3, +141% QoQ and -5% YoY. This implies China revenue representing 25% of Q3 total system sales, +11%pt sequentially compared to Q2, or -17%pt lower than the Q3 2025 level of 42%. ([Exhibit 14](#), [Exhibit 15](#), [Exhibit 16](#), [Exhibit 17](#)).

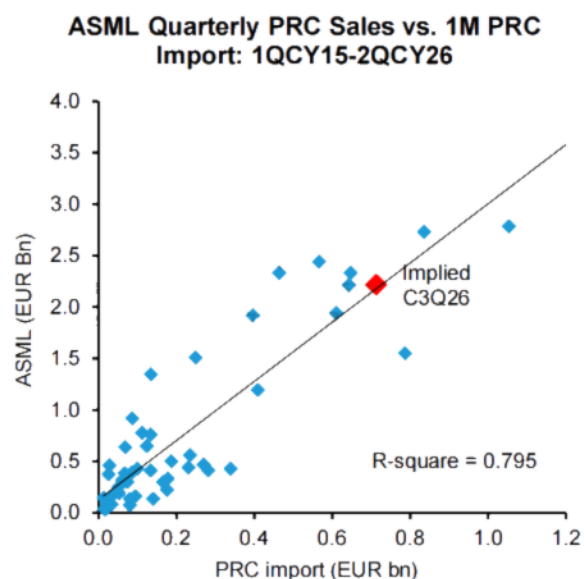
While we also forecast China declining as a % of revenue, we believe China demand will remain solid over the next few years, driven by persistently strong investment in capacity expansion, particularly in advanced logic. ASML's recent plans to expand DUV capacity by 30% over the next two years further reinforce our thesis.

EXHIBIT 13: The correlation between monthly China litho imports and ASML's quarterly China systems revenue (divided by 3) is fairly solid.



Source: Company reports, General Administration of Customs of the People's Republic of China, Bernstein estimates and analysis

EXHIBIT 14: Our regression yields an R2 of 0.80 indicating decent predictive power using 1M of data.



Source: Company reports, General Administration of Customs of the People's Republic of China, Bernstein estimates and analysis

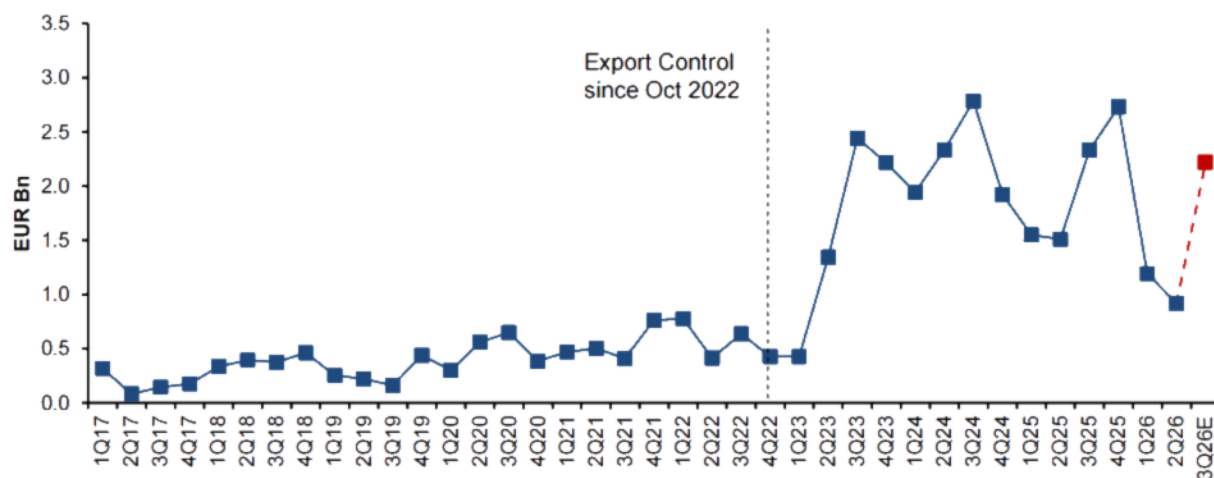
EXHIBIT 15: The regression suggests ASML's revenue from China to be +141% QoQ in SepQ.

	Revenue (EUR Mn)		QoQ
	2QFY26	3QFY26E	
ASML China System Sales	919	2,218	141%
ASML System Sales	6,565		
Bernstein		8,839	35%
Consensus		8,809	34%
China as % of System Sales	14%		
Bernstein		25%	11%
Consensus		25%	11%

Source: Company disclosures, General Administration of Customs of the People's Republic of China, Bloomberg, Bernstein estimates and analysis

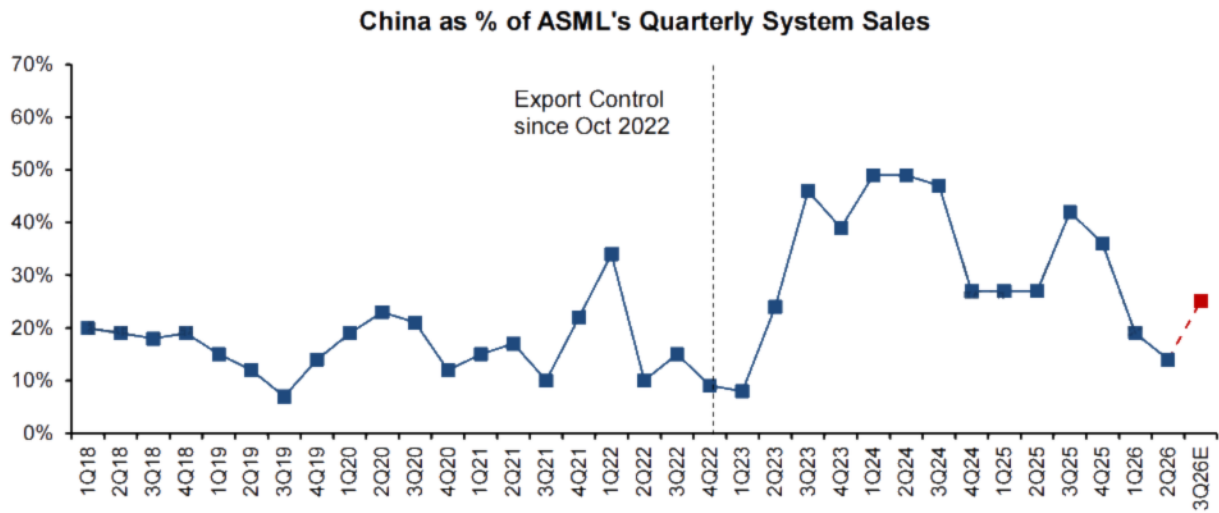
EXHIBIT 16: Our estimate for ASML's China system sales in Q3 implies a 141% QoQ growth and a 5% YoY drop.

ASML China Quarterly System Sales



Source: Company reports, General Administration of Customs of the People's Republic of China, Bernstein estimates and analysis

EXHIBIT 17: **ASML's China sales mix is expected to increase to 25% based on Consensus revenue.**



Source: Company reports, General Administration of Customs of the People's Republic of China, Bernstein estimates and analysis

LAM RESEARCH (LRCX), APPLIED MATERIALS (AMAT), AND KLA CORPORATION (KLAC)

For LRCX, the R^2 on the 1-month correlation is ~0.83 and hence should have decent predictive power. The June data (1-month correlation) suggests Sep-Q China revenues would decrease ~13% QoQ, with China exposure landing at ~18% of total revenues based on consensus revenue estimates (**Exhibit 18, Exhibit 19, Exhibit 20**) though we hesitate to read too much into one month's data.

EXHIBIT 18: LRCX 1-month regressions yields an R2 of 0.83 and should have decent predictive power...

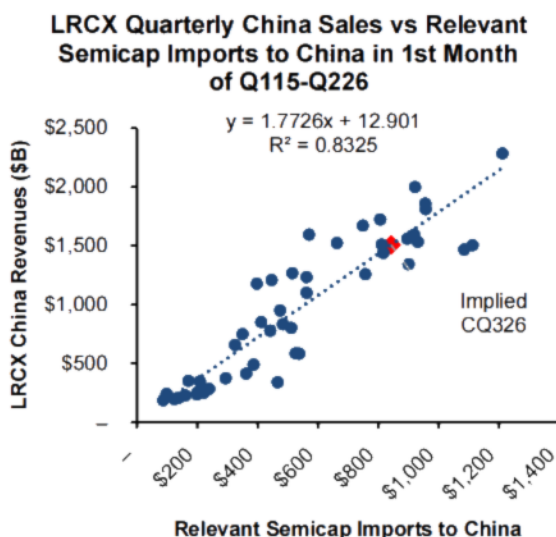


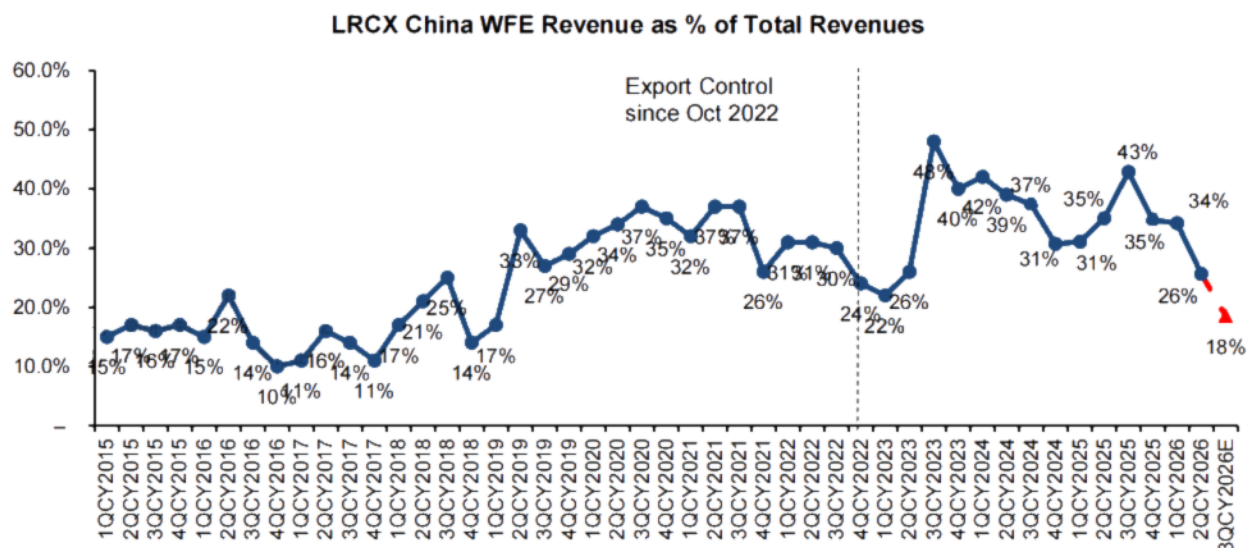
EXHIBIT 19: ...with our analysis suggesting China revenues for LRCX down ~13% sequentially in Sep-Q...

LRCX	Revenues (\$M, USD)			YoY	QoQ
	3QCY2025	2QCY2026	3QCY2026E		
China Revenues (incl. Predicted Value)	\$2,283	\$1,722	\$1,506	(34.0%)	(12.5%)
Total Revenues (incl. Consensus Estimate)	\$5,324	\$6,722	\$8,150	53.1%	21.2%
China as % of Total	42.9%	25.6%	18.5%		

Source: Company reports, Bloomberg, General Administration of Customs of the People's Republic of China, Bernstein estimates and analysis

China semicap imports relevant for LRCX, given their manufacturing footprint, include shipments from the U.S., Malaysia, Korea, Taiwan and Austria
Source: Company reports, Bloomberg, General Administration of Customs of the People's Republic of China, Bernstein estimates and analysis

EXHIBIT 20: ...with overall Sep-Q China exposure predicted at ~18% vs Mar-Q exposure of ~26%



Source: Company reports, Bloomberg, General Administration of Customs of the People's Republic of China, Bernstein estimates and analysis

AMAT has already reported their July quarter results, hence the July data (3-month correlation) carries no predictive power, rather we will use it as a check/verification. To that end, the correlation suggested China revenues would be up ~30% in the quarter and land at ~29.7% revenue exposure, with AMAT's actual results indicating China revenues were up ~20% QoQ and were at ~27.5% revenue exposure, directionally consistent with our regression (Exhibit 21, Exhibit 22, Exhibit 23).

EXHIBIT 21: The AMAT 3-month regression yields an R2 of 0.88 and should have solid predictive power...

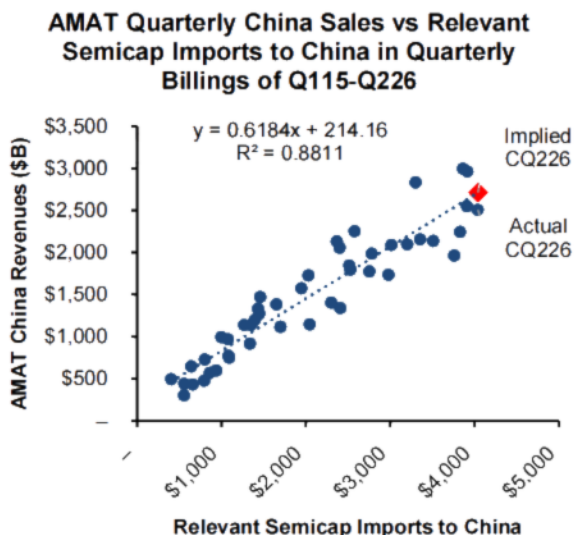


EXHIBIT 22: The regression predicted AMAT's China revenues would grow ~30% in the July quarter vs the ~20% QoQ growth reported by the company last week, directionally consistent...

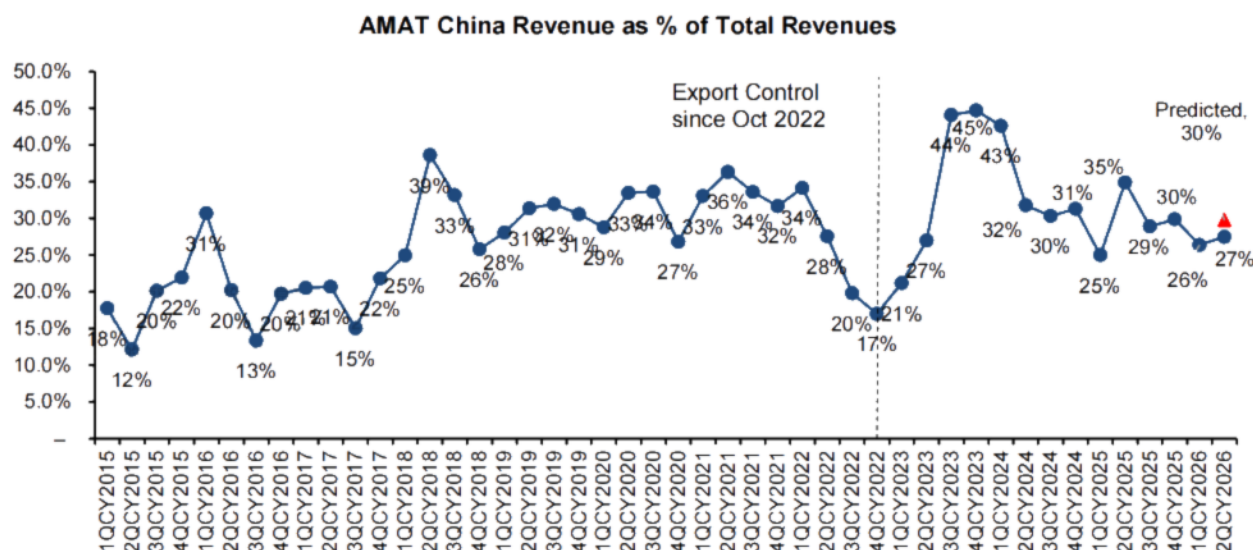
AMAT	Revenues (\$M, USD)			YoY	QoQ
	2QCY2025	1QCY2026	2QCY2026		
China Revenues	\$2,548	\$2,087	\$2,506	(1.6%)	20.1%
China Revenues (incl. Predicted Value)			\$2,712	6.4%	29.9%
Total Revenues	\$7,302	\$7,910	\$9,115	24.8%	15.2%
China as % of Total	34.9%	26.4%	27.5%		
Predicted China as % of Total			29.7%		

Source: Company reports, Bloomberg, General Administration of Customs of the People's Republic of China, Bernstein estimates and analysis

Normalized for AMAT Fiscal Quarter's ~1 month offset.

China semicap imports relevant for AMAT, given their manufacturing footprint, include shipments from the U.S., Singapore, Taiwan, Germany, and Israel.
Source: Company reports, Bloomberg, General Administration of Customs of the People's Republic of China, Bernstein estimates and analysis

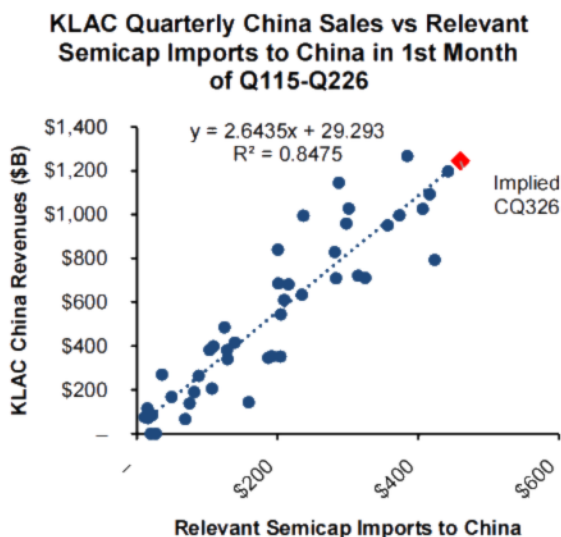
EXHIBIT 23: AMAT's China revenue exposure rose slightly to ~27.5%, vs the ~29.7% predicted value from our regression analysis



Source: Company reports, Bloomberg, General Administration of Customs of the People's Republic of China, Bernstein estimates and analysis

For KLAC, the R^2 on the 1-month correlation is ~ 0.85 and hence should have good predicting power. The July data (1-month correlation) suggests Sep-Q China revenues would increase $\sim 31\%$ QoQ, with China exposure landing at $\sim 31\%$ of total revenues based on consensus revenue estimates, vs $\sim 26\%$ in the Jun-Q (**Exhibit 24, Exhibit 25**). Management didn't provide guidance for their China revenue exposure this quarter, but last quarter they mentioned that overall China WFE will grow at a slower rate than broader WFE this year (**Exhibit 26**).

EXHIBIT 24: The KLAC 1-month regression yields an R^2 of 0.85 and hence should have decent predictive power



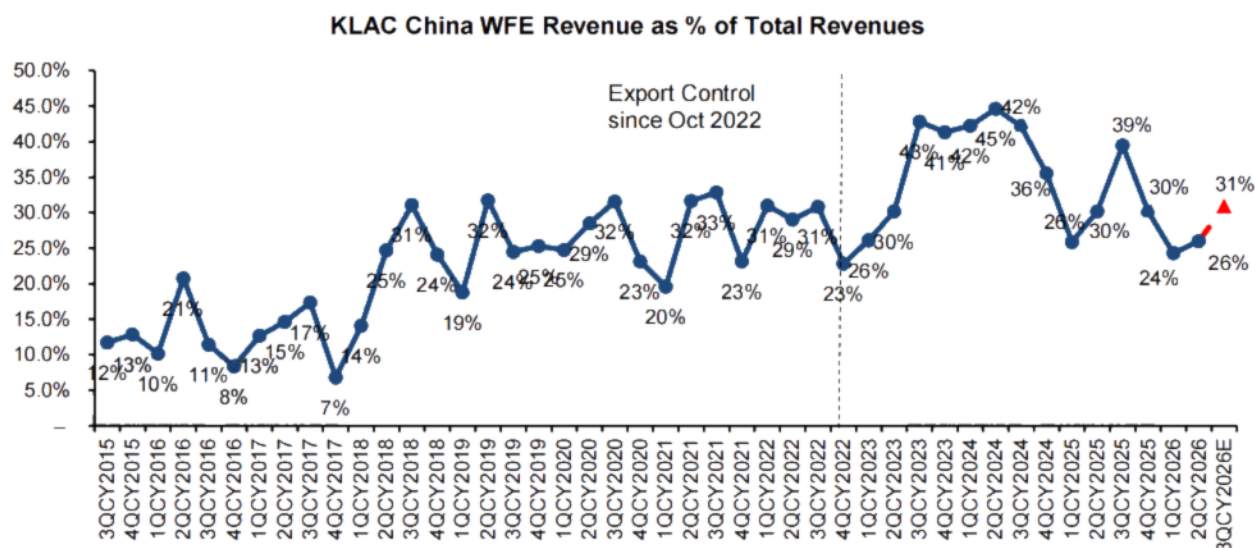
China semicap imports relevant for KLAC include global process control tools.
Source: Company reports, Bloomberg, General Administration of Customs of the People's Republic of China, Bernstein estimates and analysis

EXHIBIT 25: ...with our analysis suggesting China revenues for KLAC up $\sim 31\%$ sequentially in the Sep-Q...

KLAC	Revenues (\$M, USD)			YoY	QoQ
	3QCY2025	2QCY2026	3QCY2026E		
China Revenues (incl. Predicted Value)	\$1,267	\$951	\$1,244	(1.8%)	30.8%
Total Revenues (incl. Consensus Estimate)	\$3,210	\$3,658	\$4,025	25.4%	10.0%
China as % of Total	39.5%	26.0%	30.9%		

Source: Company reports, Bloomberg, General Administration of Customs of the People's Republic of China, Bernstein estimates and analysis

EXHIBIT 26: ...with overall Sep-Q China exposure predicted at $\sim 31\%$ vs Jun-Q exposure of $\sim 26\%$

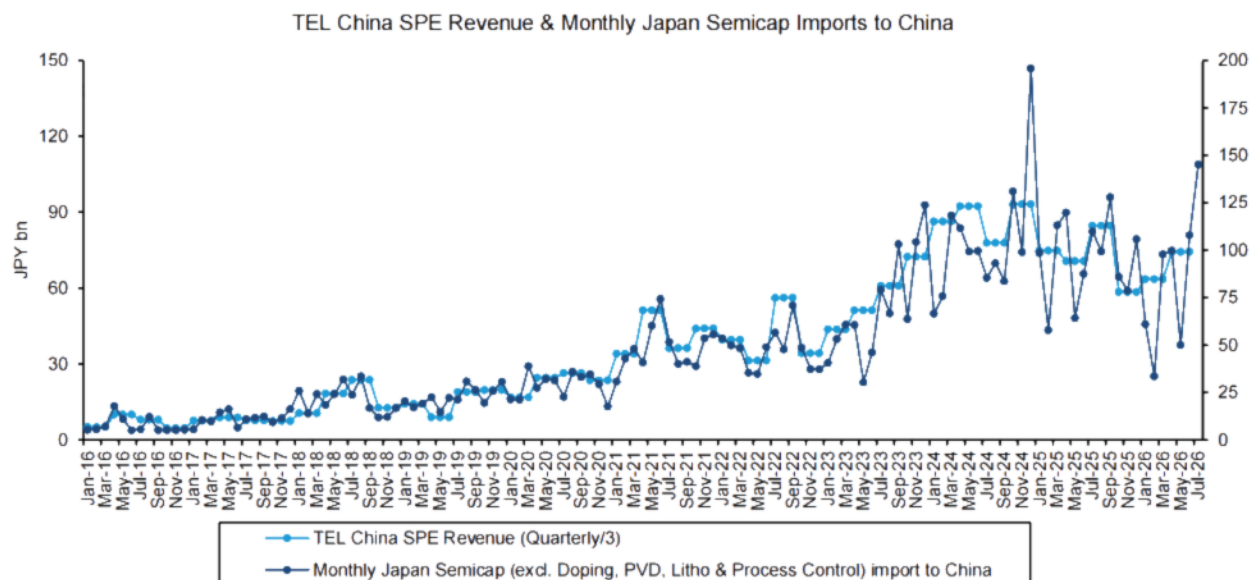


Source: Company reports, Bloomberg, General Administration of Customs of the People's Republic of China, Bernstein estimates and analysis

TOKYO ELECTRON (TEL)

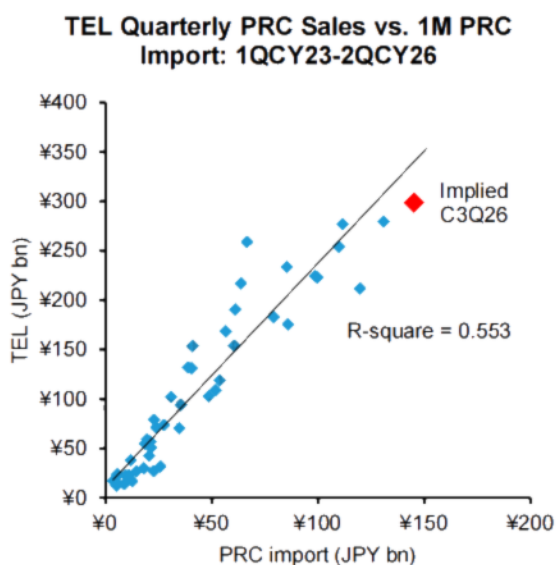
For TEL, the R^2 on the 1-month correlation is ~0.55 and hence should have limited predicting power. July import data suggests China revenues would be +34% QoQ. Based on consensus revenue estimates, China exposure is expected to be 35% of SPE revenues (Exhibit 27-Exhibit 30).

EXHIBIT 27: There is good correlation between the monthly imports to China and TEL's quarterly SPE revenue from China divided by 3 without a notable time shift between them.



Source: Company disclosures, General Administration of Customs of the People's Republic of China, Bernstein analysis

EXHIBIT 28: 1-month China import yields some correlation with TEL's China revenue.



Source: Company disclosures, General Administration of Customs of the People's Republic of China, Bernstein estimates and analysis

EXHIBIT 29: The regression suggests TEL's revenue from China to be +34% QoQ in SepQ.

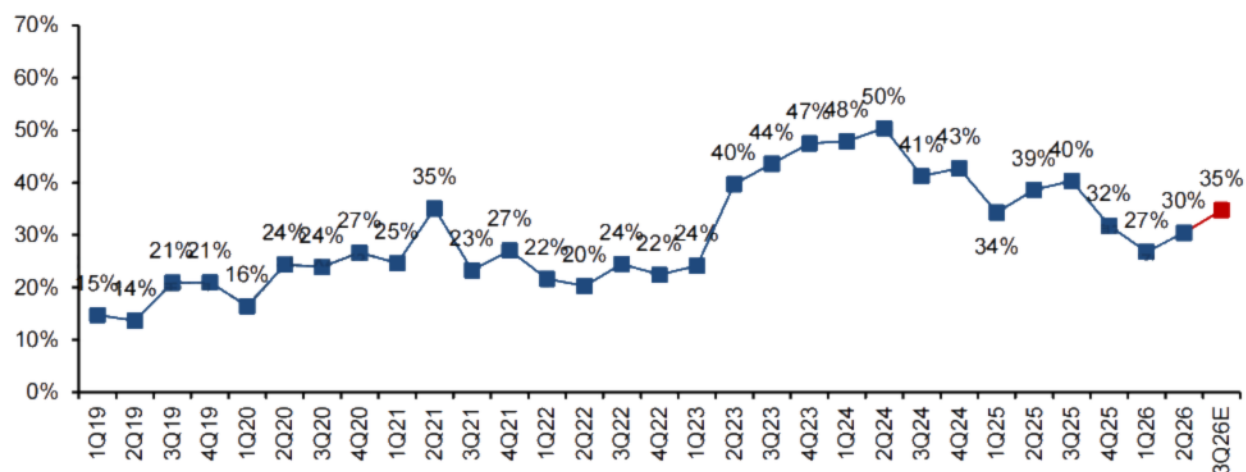
	Revenue (JPY B)		QoQ
	1QFY27 (2QCY26)	2QFY27E (3QCY26E)	
China SPE	223	299	34%
Total SPE	719		
Bernstein		876	22%
Consensus		861	20%
China as % of Total SPE Rev	31%		
Bernstein		34%	3%
Consensus		35%	4%

Source: Company disclosures, General Administration of Customs of the People's Republic of China, Bloomberg, Bernstein estimates and analysis



EXHIBIT 30: ...with implied China exposure of 35% vs JunQ exposure of 30%.

China as % of TEL's Quarterly SPE Revenue

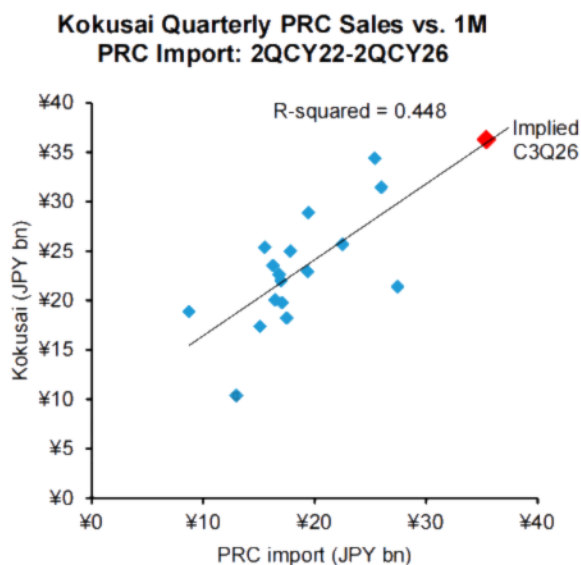


Source: Company disclosures, General Administration of Customs of the People's Republic of China, Bloomberg, Bernstein estimates and analysis

KOKUSAI

For Kokusai, the R^2 on the 1-month correlation is ~0.45 and hence should have some predicting power. July import data suggests China revenues could be +70% QoQ. Based on consensus revenue estimates, China exposure is implied to jump back to 44% of total revenues (Exhibit 31-Exhibit 33).

EXHIBIT 31: Kokusai's Quarterly China sales shows some correlation with 1-month PRC import.



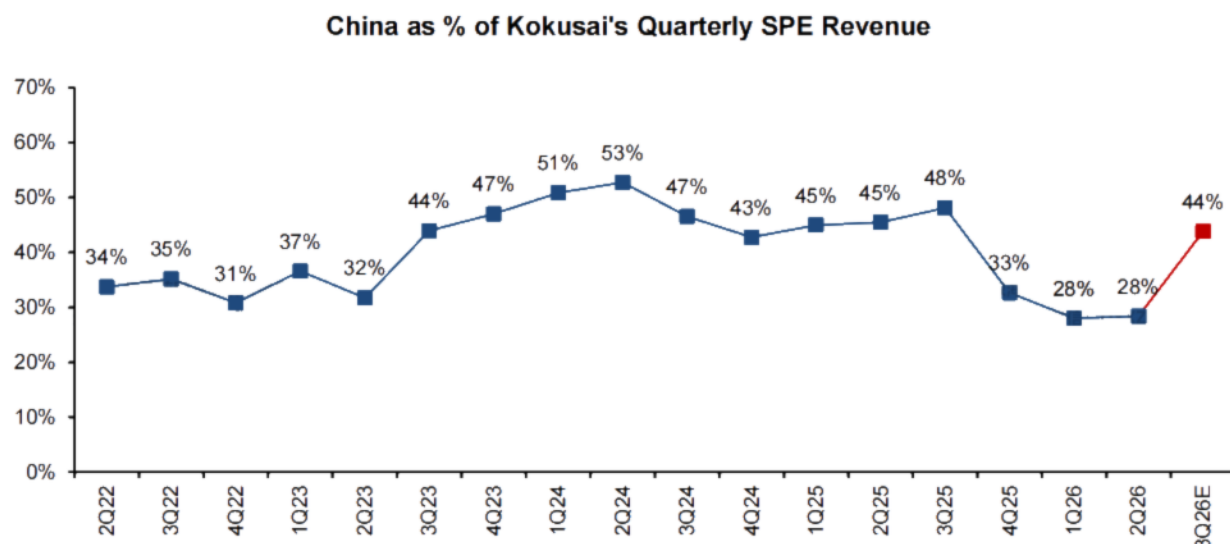
Source: Company disclosures, General Administration of Customs of the People's Republic of China, Bernstein estimates and analysis

EXHIBIT 32: The regression suggests Kokusai's revenue from China could be +70% QoQ in SepQ.

	Revenue (JPY bn)		QoQ
	1QFY27 (2QCY26)	2QFY27E (3QCY26E)	
PRC Sales	21	36	70%
Total Sales	75		
Bernstein		85	13%
Consensus		83	10%
PRC %	28%		
Bernstein		42%	14%
Consensus		44%	15%

Source: Company disclosures, Bloomberg, General Administration of Customs of the People's Republic of China, Bernstein estimates and analysis

EXHIBIT 33: ...with implied China exposure at 44% vs JunQ exposure of 28%

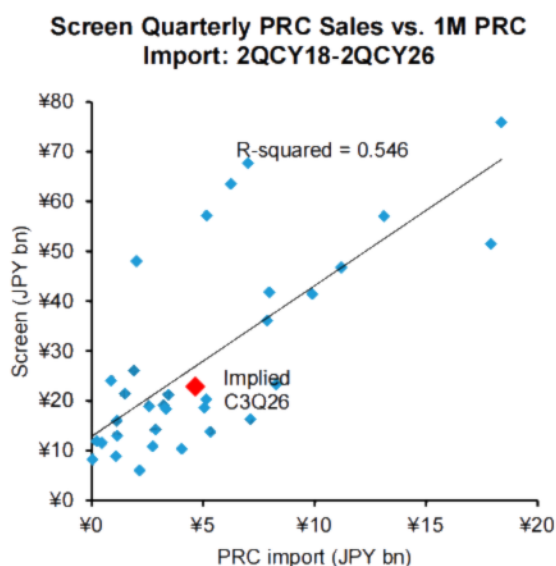


Source: Company disclosures, Bloomberg, General Administration of Customs of the People's Republic of China, Bernstein estimates and analysis

SCREEN

For Screen, the R^2 of the 1-month correlation is ~0.55, indicating some predicative power. The July import data suggests that China revenues could be +7% QoQ. Based on consensus revenue estimates, implied China exposure is expected to be 15% of SPE revenues (Exhibit 34-Exhibit 36).

EXHIBIT 34: Screen's Quarterly China sales shows some correlation with 1-month PRC import.



Source: Company reports, General Administration of Customs of the People's Republic of China, Bernstein estimates and analysis

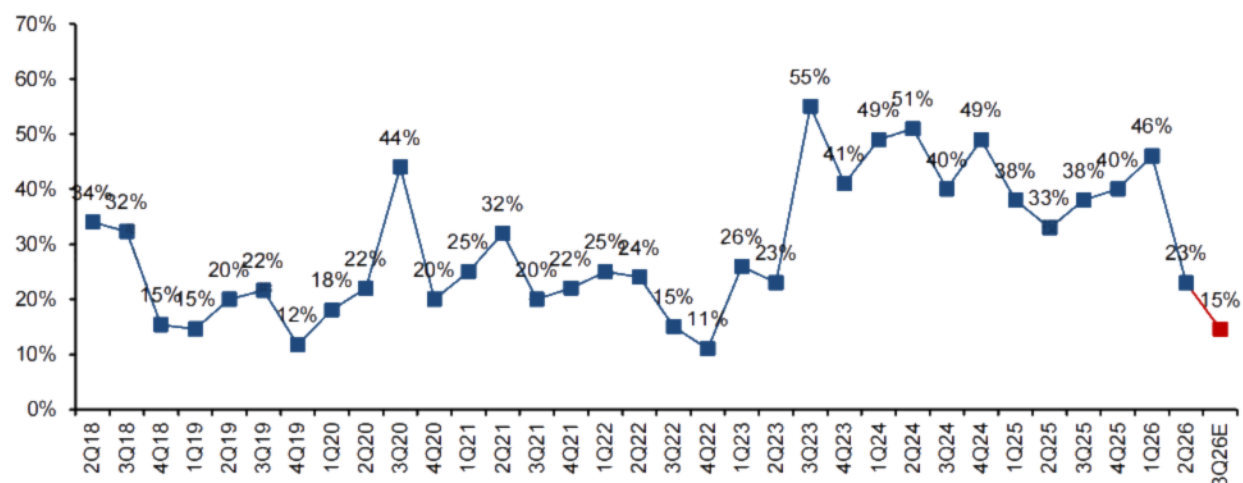
EXHIBIT 35: The regression suggests Screen's revenue from China to be +7% QoQ in SepQ.

	Revenue (JPY bn)		QoQ
	1QFY27 (2QCY26)	2QFY27E (3QCY26E)	
China Sales	21	23	7%
Total SPE	93		
Bernstein		157	68%
Consensus		157	69%
China %	23%		
Bernstein		15%	-8%
Consensus		15%	-8%

Source: Company reports, Bloomberg, General Administration of Customs of the People's Republic of China, Bernstein estimates and analysis

EXHIBIT 36: ...with overall China exposure predicted at 15% vs JunQ exposure of 23%

China as % of Screen's Quarterly SPE Revenue

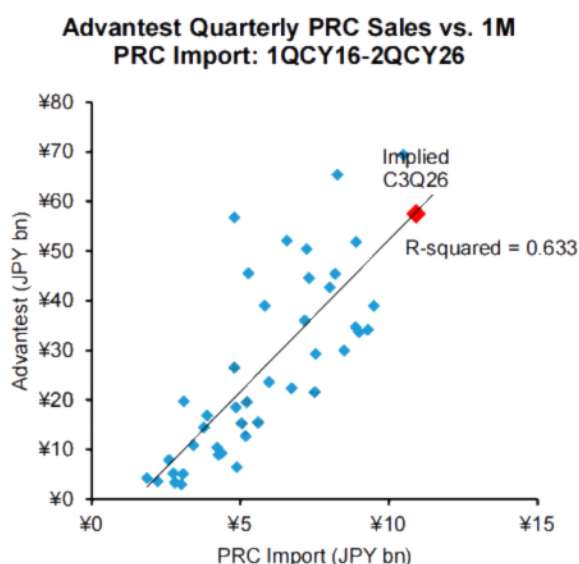


Source: Company disclosures, Bloomberg, General Administration of Customs of the People's Republic of China, Bernstein estimates and analysis

Advantest

For Advantest, the R^2 on the 1-month correlation is ~0.63, indicating some predicting power. July import data suggests China revenues could be -17% QoQ. Based on consensus revenue estimates, China exposure is implied to be dropping to 14%, down from 19% in JunQ (Exhibit 37-Exhibit 39).

EXHIBIT 37: Advantest's Quarterly China sales shows decent correlation with 1-month PRC import.



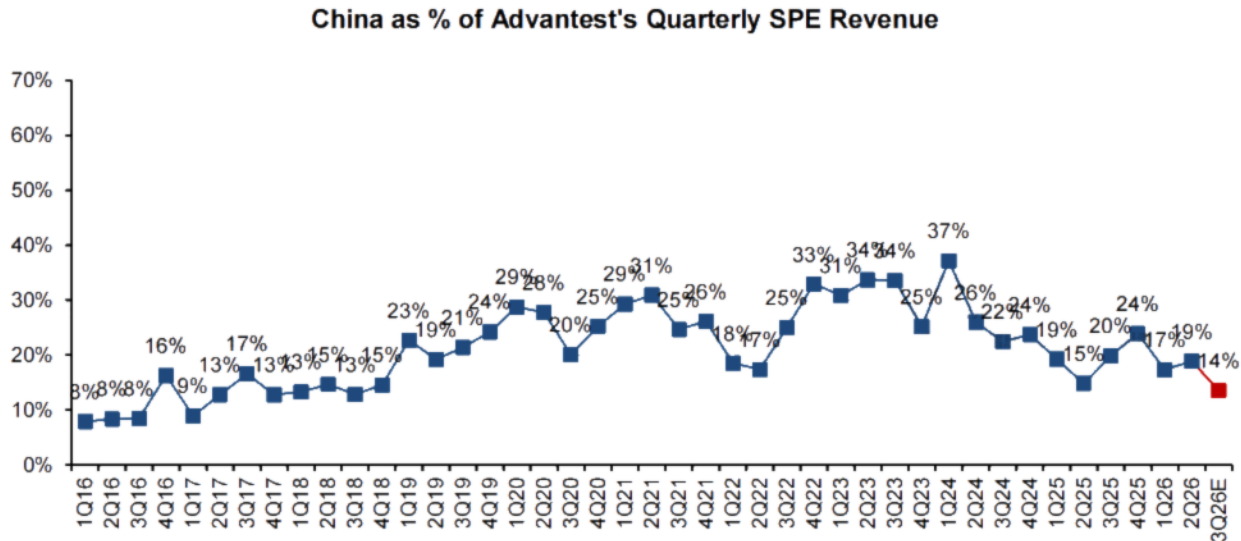
Source: Company reports, General Administration of Customs of the People's Republic of China, Bernstein estimates and analysis

EXHIBIT 38: Our regression suggests Advantest's China sales to be -17% QoQ in SepQ.

	Revenue (JPY bn)		QoQ
	1QFY27 (2QCY26)	2QFY27E (3QCY26E)	
PRC Sales	69	57	-17%
Total Sales	367		
Bernstein		441	20%
Consensus		425	16%
PRC %	19%		
Bernstein		13%	-6%
Consensus		14%	-5%

Source: Company disclosures, Bloomberg, General Administration of Customs of the People's Republic of China, Bernstein estimates and analysis

EXHIBIT 39: ...with overall China exposure predicted at 14% vs JunQ exposure of 19%



Source: Company disclosures, Bloomberg, General Administration of Customs of the People's Republic of China, Bernstein estimates and analysis

APPENDIX: DATA SOURCE AND ANALYSIS METHODOLOGY

We collected the data from the China Customs statistics website ([link](#)), with two major filters:

Equipment types, including 11 codes:

- 84862010: RTP and Oxidation/Diffusion (制半导体器件或IC的氧化扩散等热处理设备)
- 84862021: Deposition - CVD (制造半导体器件或IC的化学气相沉积装置)
- 84862022: Deposition - PVD (制造半导体器件或IC的物理气相沉积装置)
- 84862029: Deposition - Others (其他制半导体器件或集成电路用薄膜沉积设备)
- 84862031: Lithography - Stepper (制半导体器件或集成电路用的分步重复光刻机), which include the following examples:
 - Steppers (for back-end use), 制造半导体器件或集成电路用分布重复光刻机 (后道用)
 - Front-end krypton fluoride (KrF) stepper 制造半导体器件或集成电路用分布重复光刻机 (前道用氟化氪 (KrF) 光刻机)
 - Front-end i-line stepper 制造半导体器件或集成电路用分布重复光刻机 (前道用I线光刻机)
 - Other steppers 其他制造半导体器件或集成电路用分布重复光刻机
- 84862039: Lithography (excl. stepper) (其他投影绘制电路图的制半导体器件或IC的装置), which include the following examples:
 - ArF lithography (excl. stepper) 制造半导体器件或集成电路用的氟化氪 (ArF) 光刻机 (步进式除外)
 - KrF lithography (excl. stepper) 制造半导体器件或集成电路用的氟化氪 (KrF) 光刻机 (步进式除外)
 - EUV (excl. stepper) 制造半导体器件或集成电路用的极紫外 (EUV) 光刻机 (步进式除外)
 - ArFi lithography (excl. stepper) 制造半导体器件或集成电路用的氟化氪浸没式 (ArFi) 光刻机 (步进式除外)
 - Other lithography 未列名制造半导体器件或集成电路用的光刻设备
 - I-line lithography (excl. stepper) 制造半导体器件或集成电路用的I线光刻机 (步进式除外)
- 84862041: Dry Etch (制造半导体器件或IC的等离子体干法刻蚀机)
- 84862049: Material Removal and Cleaning (excl. Dry Etch) (制造半导体器件或IC的其他刻蚀及剥离设备)
- 84862050: Doping (制造半导体器件或集成电路用的离子注入机)
- 84862090: Other equipment used in semiconductor devices or integrated circuits manufacturing (其他制半导体器件或集成电路用的机器及装置)
- 90314100: Process Control - Optical (full name: Optical instruments and apparatus for testing semiconductor wafers and devices (including integrated circuits) or testing photomasks and gratings when manufacturing semiconductor devices (including integrated circuits) 制造半导体器件 (包括集成电路) 时检测半导体晶圆、器件 (包括集成电路) 或检测光掩膜、光栅用的光学仪器及器具)
- Note that the definition of each equipment type can't be strictly mapped to Gartner's categorization; for example, we believe CMP is classified into others in this dataset, while it's a separate category in Gartner's definition.

- Material removal & cleaning category here excludes dry etch equipment (even though dry etch equipment is a type of material removal equipment categorized by Gartner).
- Process Control equipment mainly includes two types: electronic beam and optical; the category 903 14 100 here only includes optical equipment.

Trading Partners by region, including 10 codes:

- 309: Netherland
- 502: United States
- 116: Japan
- 133: Korea
- 143: China Taiwan
- 132: Singapore
- 304: Germany
- 115: Israel
- 315: Austria
- 122: Malaysia
- LRCX has manufacturing sites in Austria, Korea, Malaysia, China Taiwan, and United States (refer to <https://www.lamresearch.com/company/locations>).
- AMAT has volume manufacturing facilities in the United States, and Singapore, with additional manufacturing facilities in Germany, Israel, Italy, Korea, China Taiwan and the United States (refer to <https://www.appliedmaterials.com/us/en/about/manufacturing.html>).