



*Smart Solutions & Services
for Your Manufacturing*

Business Results

Year Ended March 31, 2022

May 12, 2022
SHIBAURA MECHATRONICS CORPORATION

- 1. Summary of Financial Results for the Year Ended March 31, 2022**
2. Financial Forecast for the Year Ending March 31, 2023
3. Progress of the Mid-Term Management Plan

Financial Results (YoY)

Increased sales and income,
ROS10.3%

[Consolidated]

Unit: 100 million yen

	FY2020	FY21/1H	FY21/2H	FY2021	YoY rate of change
Net sales	448	219	274	493	+10%
Operating income	29.6	18.5	32.0	50.5	+71%
ROS	6.6%	8.4%	11.9%	10.3%	+3.7pt
Ordinary income	28.2	17.5	31.3	48.8	+73%
Extraordinary losses	-	6.1	-	6.1	-
Net income	19.7	7.5	22.3	29.8	+52%
ROE	9.5%	-	-	12.8%	+3.3pt
Orders received	420	293	415	709	+69%
FCF	74.1	-	-	77.9	+3.8

Summary of Financial Results (YoY)

* SPE: Front- and back-end process equipment for semiconductors

FPD: Front- and back-end process equipment for FPDs

- **Net sales** Increased by 10% YoY (44.8 ⇒ 49.3 billion yen)
 - While net sales decreased in the FPD field, net sales increased in the SPE field, resulting in an overall increase in net sales.

- **Operating income** Increased by 71% YoY (2.96 ⇒ 5.05 billion yen)
 - Operating income increased, reflecting a rise in net sales in the SPE field and higher profit margin.

- **Net income** Increased by 52% YoY (1.97 ⇒ 2.98 billion yen)
 - Net income increased despite extraordinary losses (0.61 billion yen) recorded in relation to redevelopment of the Yokohama Operations site, in the consolidated Q1 term.

- **Orders received** Increased by 69% YoY (42.0 ⇒ 70.9 billion yen)
 - Performance was strong in the SPE field and firm in the FPD field.

Summary of Financial Results by Segment (YoY) (i)

■ Fine mechatronics

* Fine mechatronics: Front-end process equipment for semiconductors and FPDs

- **Net sales** Increased by 6% YoY (29.6 ⇒ 31.4 billion yen)
Sales of front-end process equipment for semiconductors increased due to the firm performance of logic/foundry, power devices and Si wafers.
Sales of front-end process equipment for FPDs decreased due to the sluggish performance of orders in the previous fiscal year.
- **Ordinary income** Increased by 49% YoY (1.99 ⇒ 2.98 billion yen)
While sales in front-end process equipment for FPDs decreased, income increased reflecting a rise in net sales in front-end process equipment for semiconductors, resulting in an overall increase in income.
- **Orders received** Increased by 64% YoY (29.2 ⇒ 47.9 billion yen)
Orders for front-end process equipment for semiconductors were strong, particularly for Si wafers and power devices.
Orders for front-end process equipment for FPDs remained at a low level both for large panels and small- and medium-sized panels.
A good number of orders were received for the Inkjet Tablet Printing System in the healthcare field.

Summary of Financial Results by Segment (YoY) (ii)

■ Mechatronics systems

* Mechatronics systems: Back-end process equipment for semiconductors and FPDs, vacuum equipment

- **Net sales** Increased by 22% YoY (11.3 ⇒ 13.8 billion yen)

Sales of back-end process equipment for semiconductors increased due to strong overall performance for advanced packages such as 2.5D, FO-PLP and display driver ICs.

Sales of back-end process equipment for FPDs decreased due to postponed investment plans on the part of some customers, despite the firm performance of both large and small-/medium-sized panels.

- **Ordinary income** Increased by 158% YoY (0.79 ⇒ 2.04 billion yen)

Higher sales of back-end process equipment for semiconductors contributed to the increase in income.

- **Orders received** Increased by 103% YoY (9.1 ⇒ 18.5 billion yen)

Orders for back-end process equipment for semiconductors were strong mainly for advanced packages and FO-PLP.

Orders for back-end process equipment for FPDs were steady for large panels, and orders were received for small- and medium-sized panels for automotive applications.

Financial Results (vs. previous forecast)

*1: Published in November 2021

[Consolidated]

Unit: 100 million yen

	FY2021		
	Previous forecast *1	Results	Rate of change from the previous forecast
Net sales	480	493	+3%
Operating income	42.5	50.5	+19%
ROS	8.9%	10.3%	+1.4pt
Ordinary income	40.5	48.8	+20%
Extraordinary losses	6.1	6.1	-
Net income	25.0	29.8	+19%
ROE	11.0%	12.8%	+1.8pt
Orders received	-	709	-

Dividend

The year-end dividend for the year ended on March 31, 2022 is expected to be raised by 30 yen to 230 yen because net income exceeded the previous forecast.

We aim to achieve a consolidated dividend payout ratio of 25% to 30%, and the year-end dividend expected for the year ended March 31, 2022 represents the consolidated dividend payout ratio before extraordinary losses in consolidated Q1 term are taken into account.

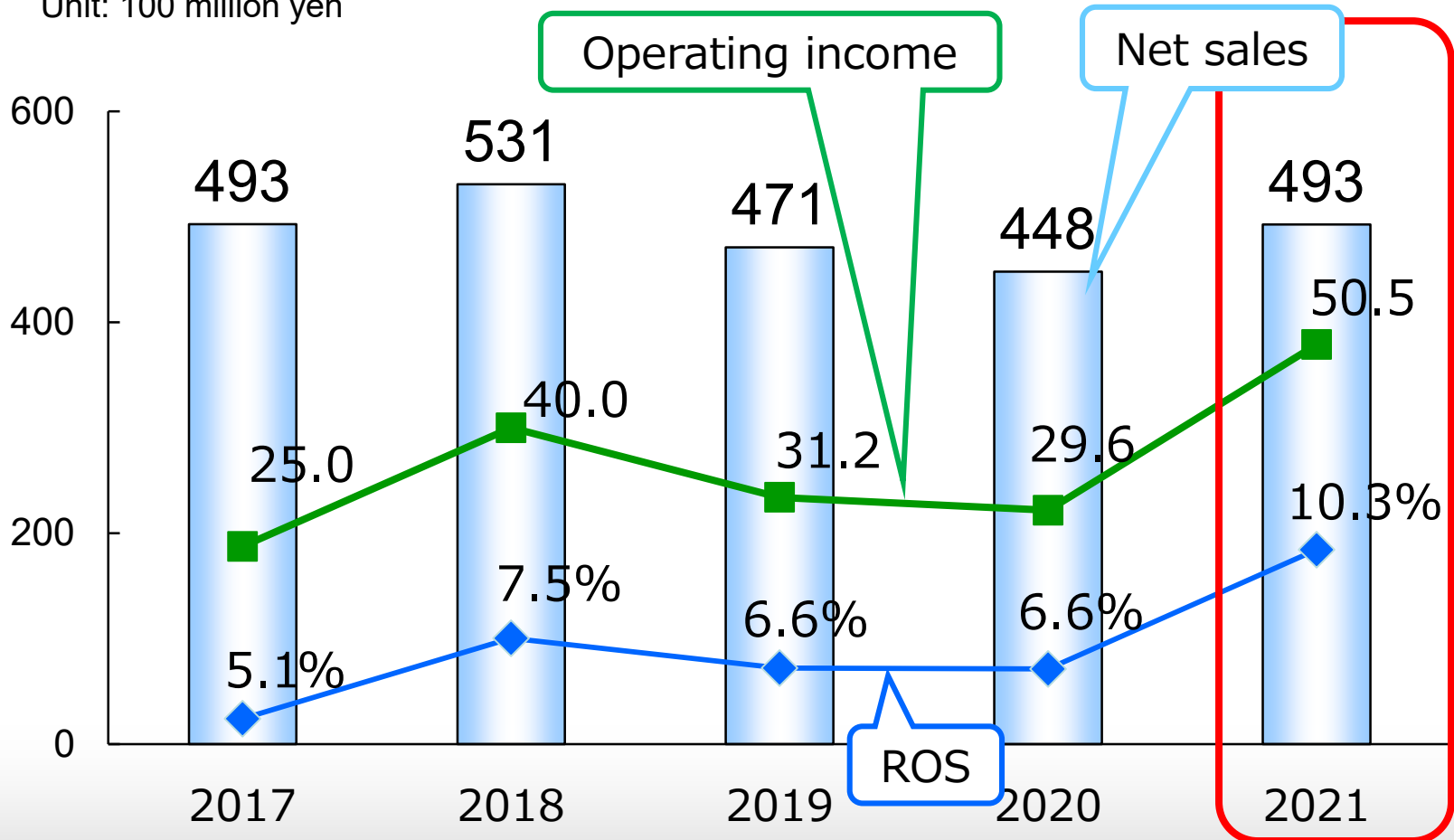
	Dividend at the end of Q2	Year-end dividend	Annual dividend
Year ended March 31, 2022	0 yen	230 yen	230 yen
Year ended March 31, 2022 (previous forecast)	0 yen	200 yen	200 yen
Year ended March 31, 2021	0 yen	110 yen	110 yen

Sales, Profit and ROS

ROS was 10.3% due to increases in the SPE field

[Consolidated]

Unit: 100 million yen



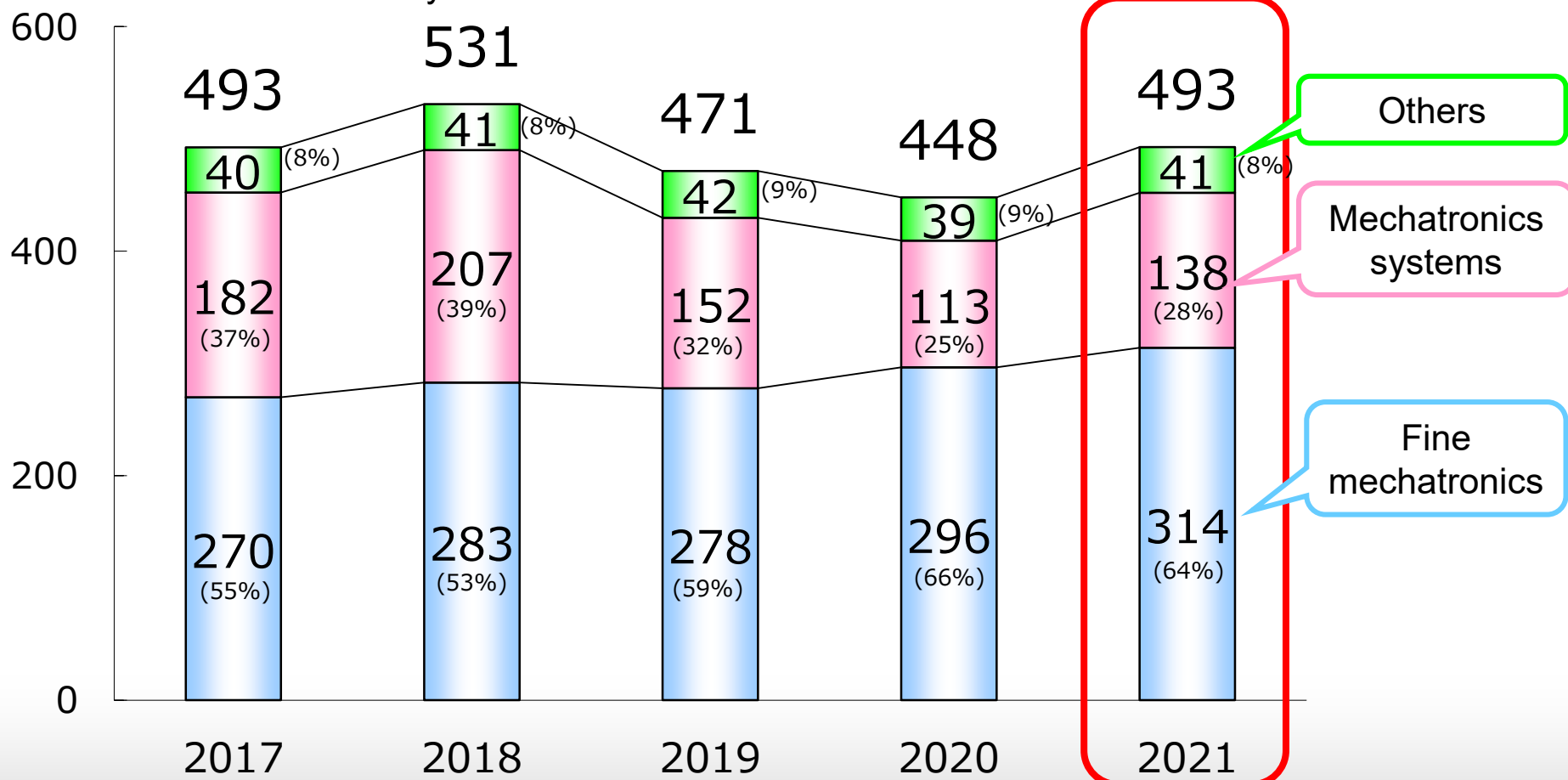
Sales by Segment

Fine mechatronics accounts for 64%

[Consolidated]

* Fine mechatronics: Front-end process equipment for semiconductors and FPDs
 Mechatronics systems: Back-end process equipment for semiconductors and FPDs, vacuum equipment

Unit: 100 million yen



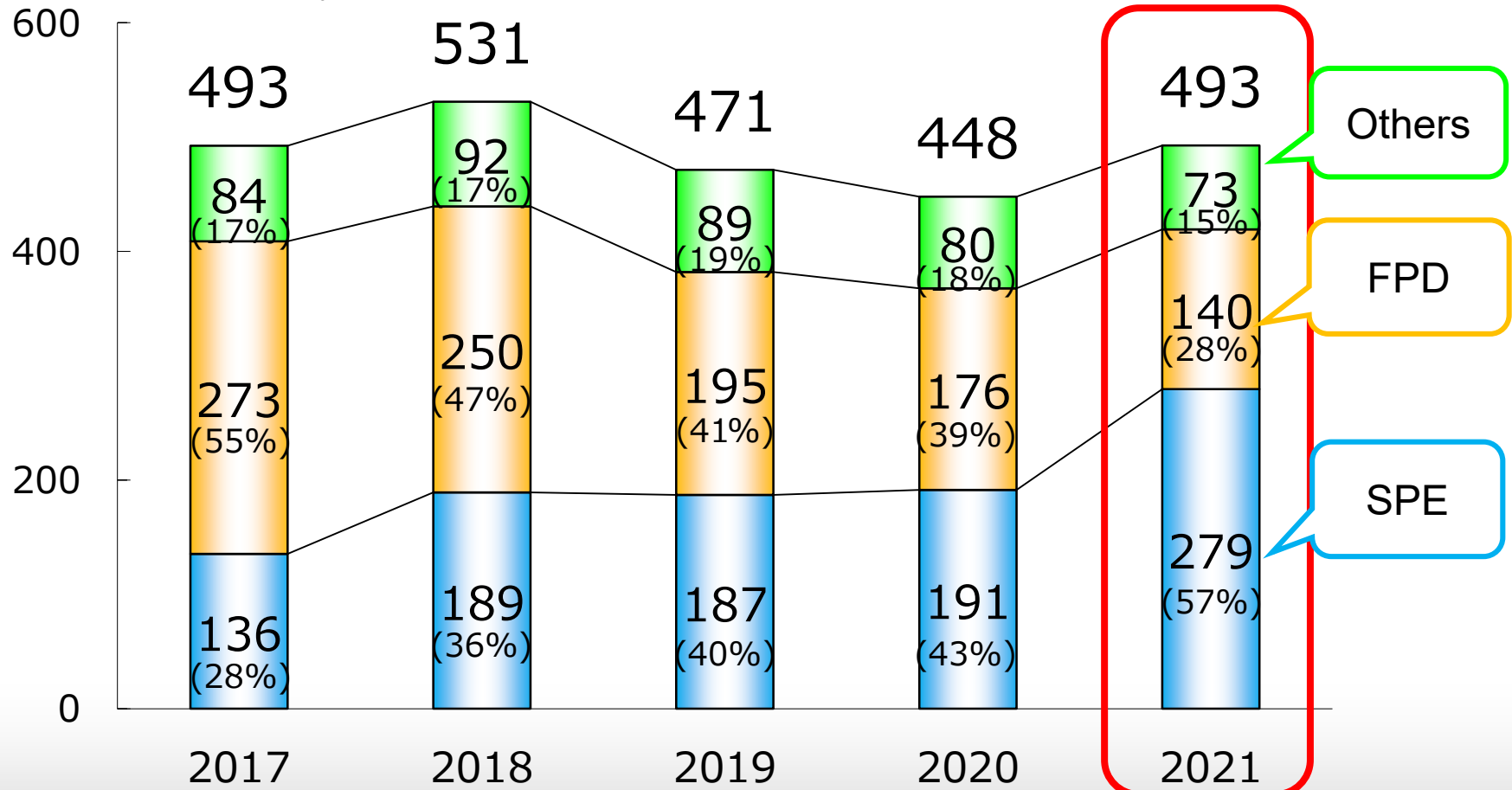
Sales by Product Field

Sales significantly increased in the SPE field, accounting for 57%.

[Consolidated]

Unit: 100 million yen

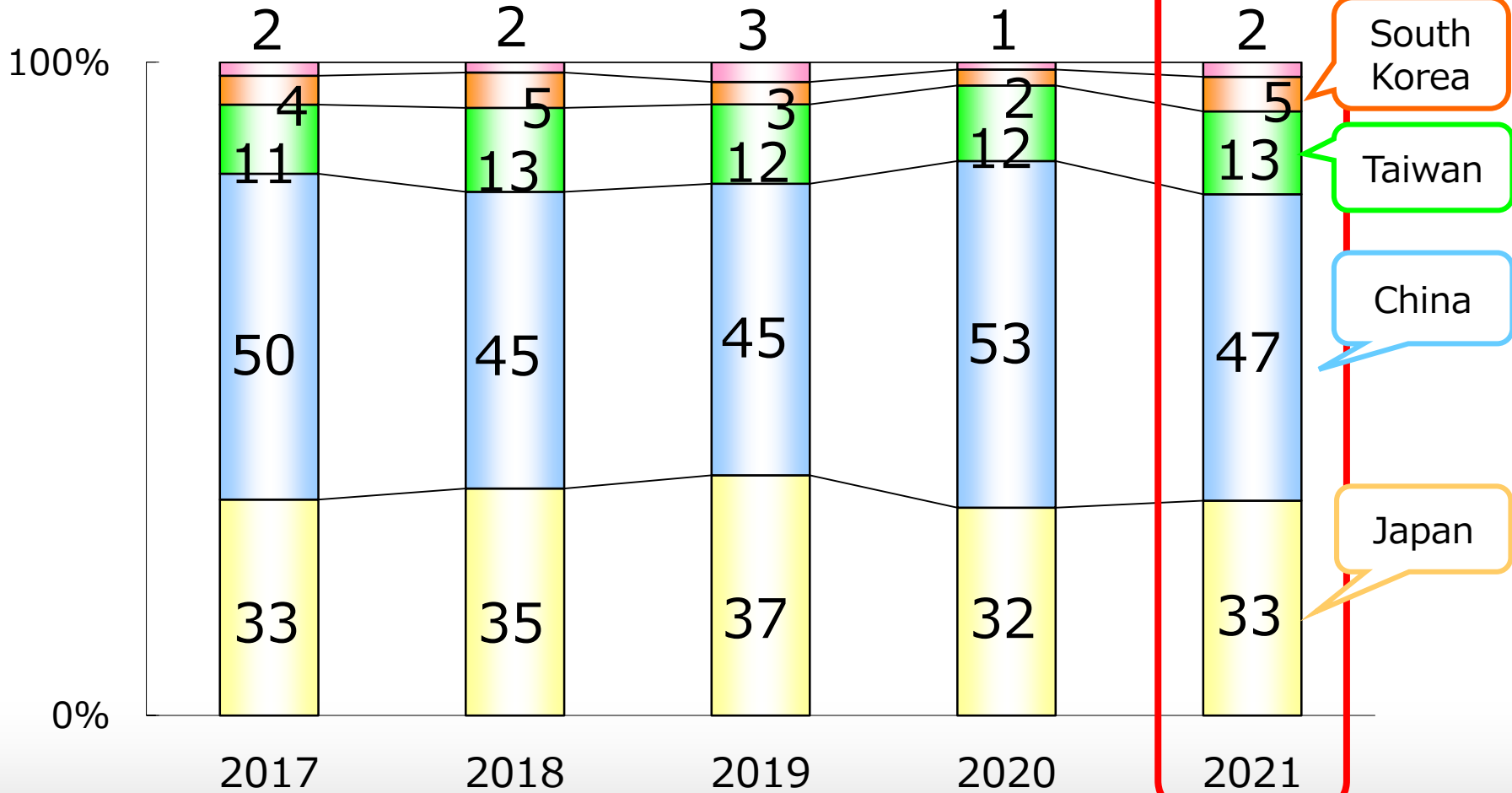
* SPE: Front- and back-end process equipment for semiconductors
 FPD: Front- and back-end process equipment for FPDs



Sales Ratio by Destination

Overseas sales: 67%
(China: 47%)

[Consolidated]



* Classified by sales region

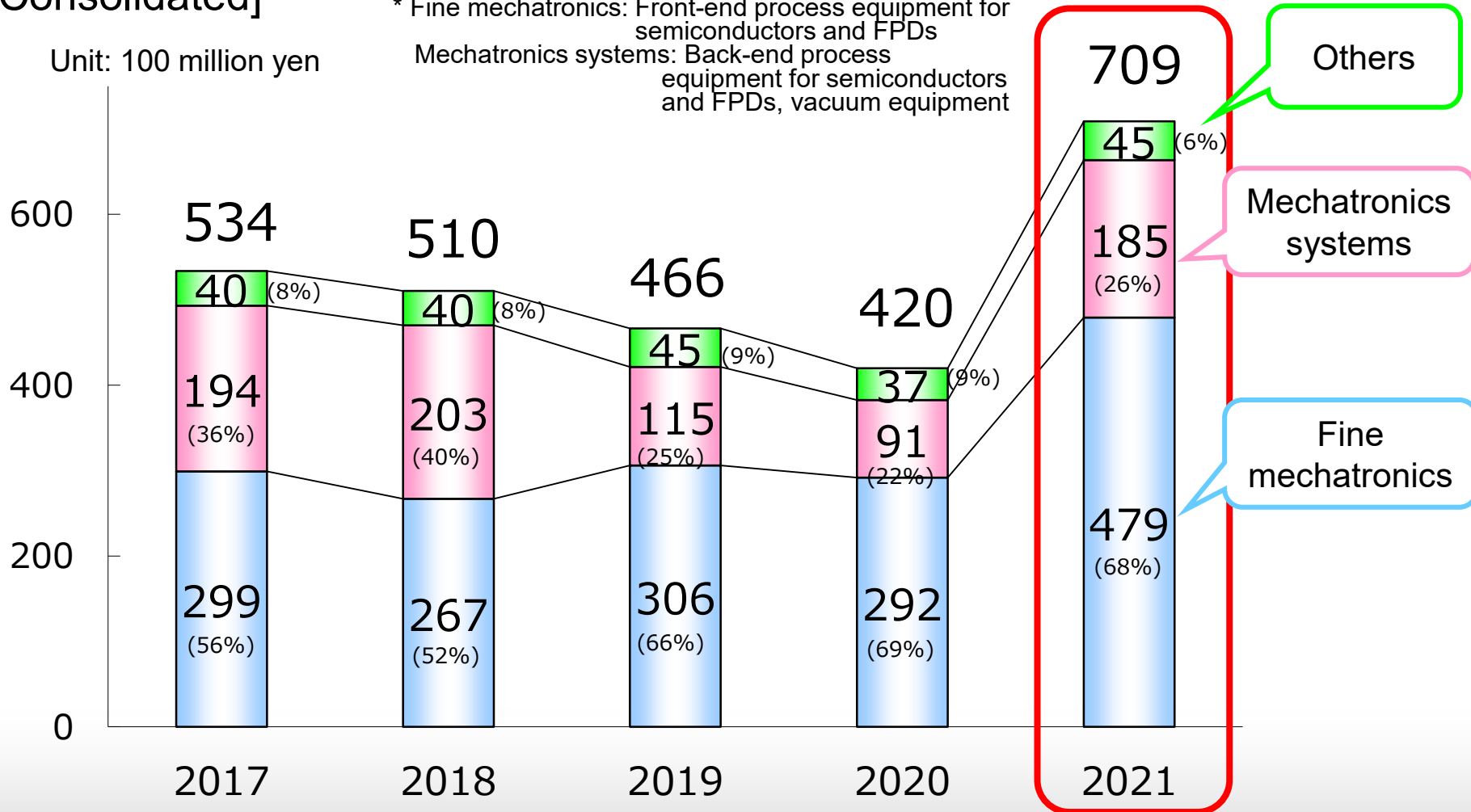
Orders Received by Segment

Strong orders received due to significant increase for both Fine mechatronics and Mechatronics systems.

[Consolidated]

Unit: 100 million yen

* Fine mechatronics: Front-end process equipment for semiconductors and FPDs
 Mechatronics systems: Back-end process equipment for semiconductors and FPDs, vacuum equipment



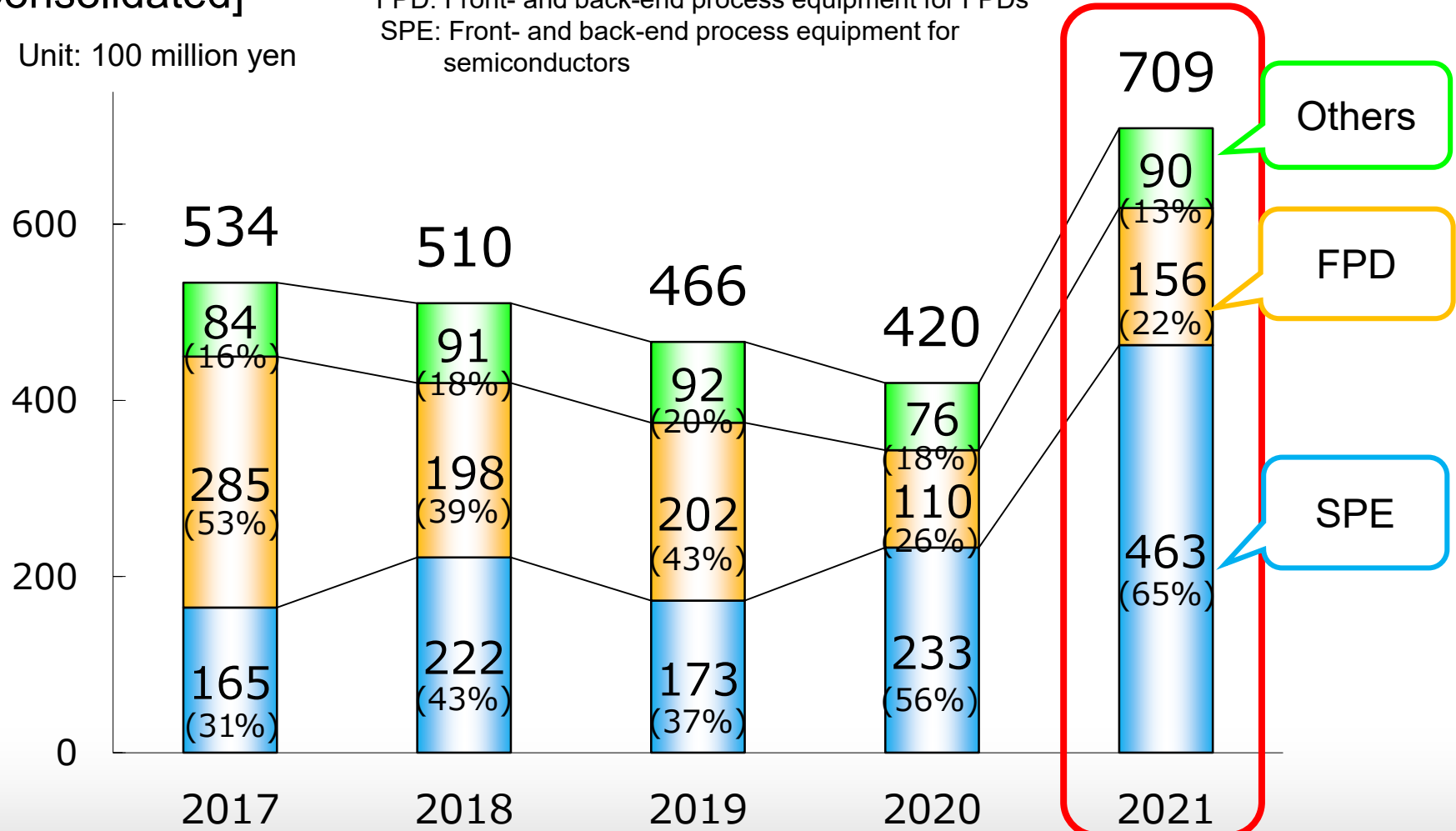
Orders Received by Product Field

Orders received significantly increased in the SPE field, accounting for 65%.

[Consolidated]

Unit: 100 million yen

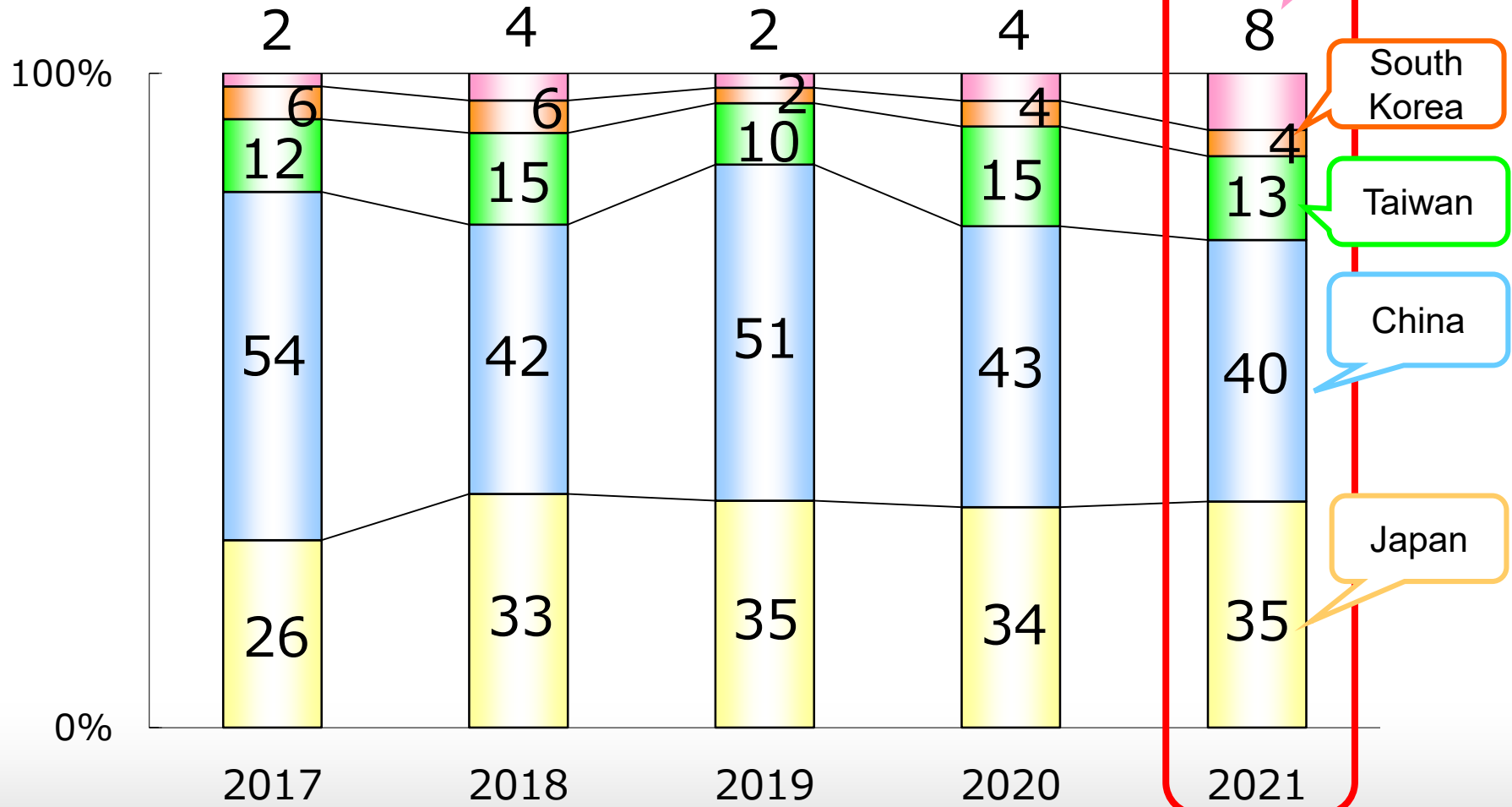
* FPD: Front- and back-end process equipment for FPDs
SPE: Front- and back-end process equipment for semiconductors



Order Ratio by Destination

Overseas orders: 65%
(China: 40%)

[Consolidated]



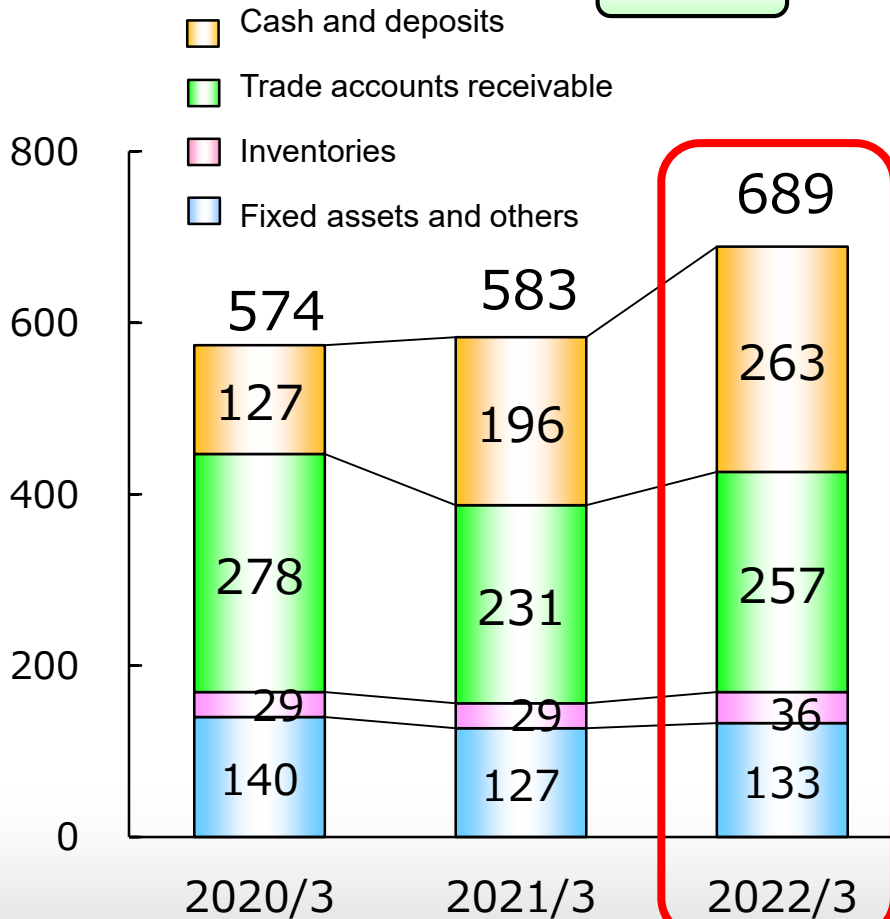
* Classified by sales region

Smart Solutions & Services for Your Manufacturing

Balance Sheet

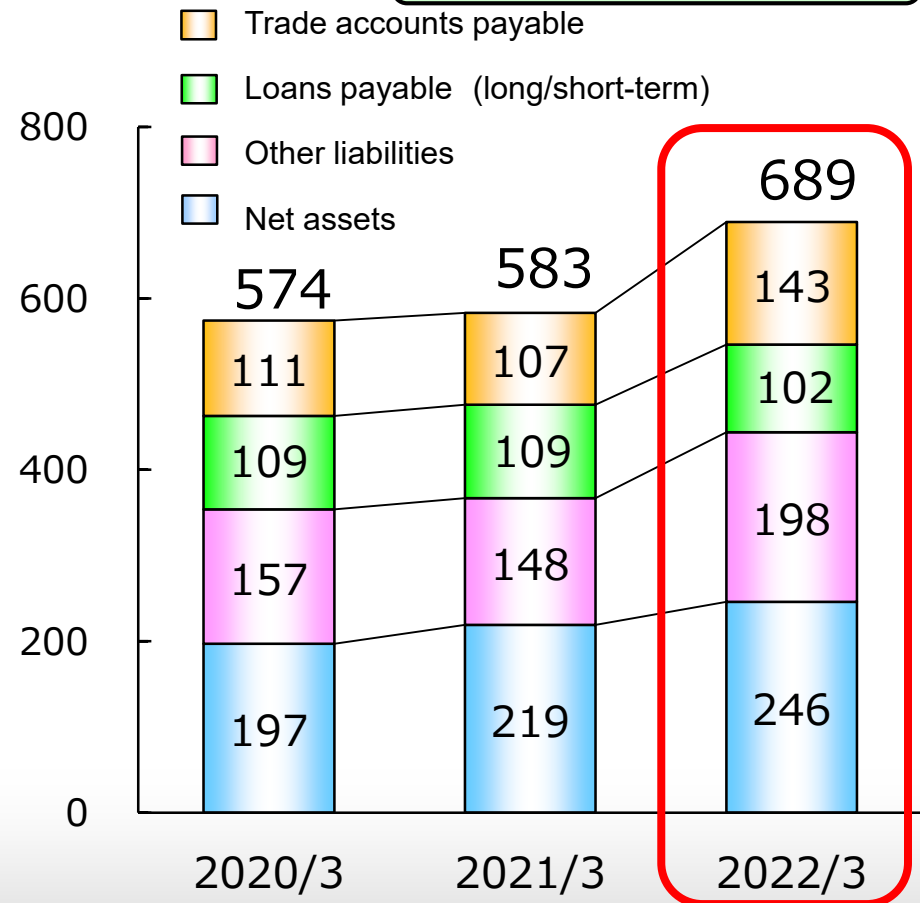
[Consolidated]

Unit: 100 million yen



Assets

Unit: 100 million yen



Liabilities and Net Assets

Shareholders' equity ratio	37% ('21/3) → 36% ('22/3)
D/E ratio	50% ('21/3) → 41% ('22/3)
ROE	9.5% ('21/3) → 12.8% ('22/3)

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3. Progress of the Mid-Term Management Plan

Financial Forecast

Increased sales and
income, ROS 12%

* FY22/1H and FY22/2H projections
are included for reference.

[Consolidated]

Unit: 100 million yen

						FY2022 forecast	YoY rate of change
	FY21/1H	FY21/2H	FY2021	FY22/1H projection	FY22/2H projection		
Net sales	219	274	493	270	290	560	+14%
Operating income	18.5	32.0	50.5	29.5	37.5	67.0	+33%
ROS	8.4%	11.7%	10.3%	10.9%	12.9%	12.0%	+1.7pt
Ordinary income	17.5	31.3	48.8	28.0	37.0	65.0	+33%
Extraordinary losses	6.1	-	6.1	-	-	-	-
Net income	7.5	22.3	29.8	23.5	27.5	51.0	+71%
ROE	-	-	12.8%	-	-	19.1%	+6.3pt
Dividend	-	-	230 yen	-	-	350 yen	120 yen
FCF	-	-	77.9	-	-	15.0	-62.9

Dividend Forecast

For the year ending March 31, 2023 and beyond, we aim to achieve a consolidated dividend payout ratio of about 30%.

The year-end dividend for the year ending on March 31, 2023 is expected to be 350 yen.

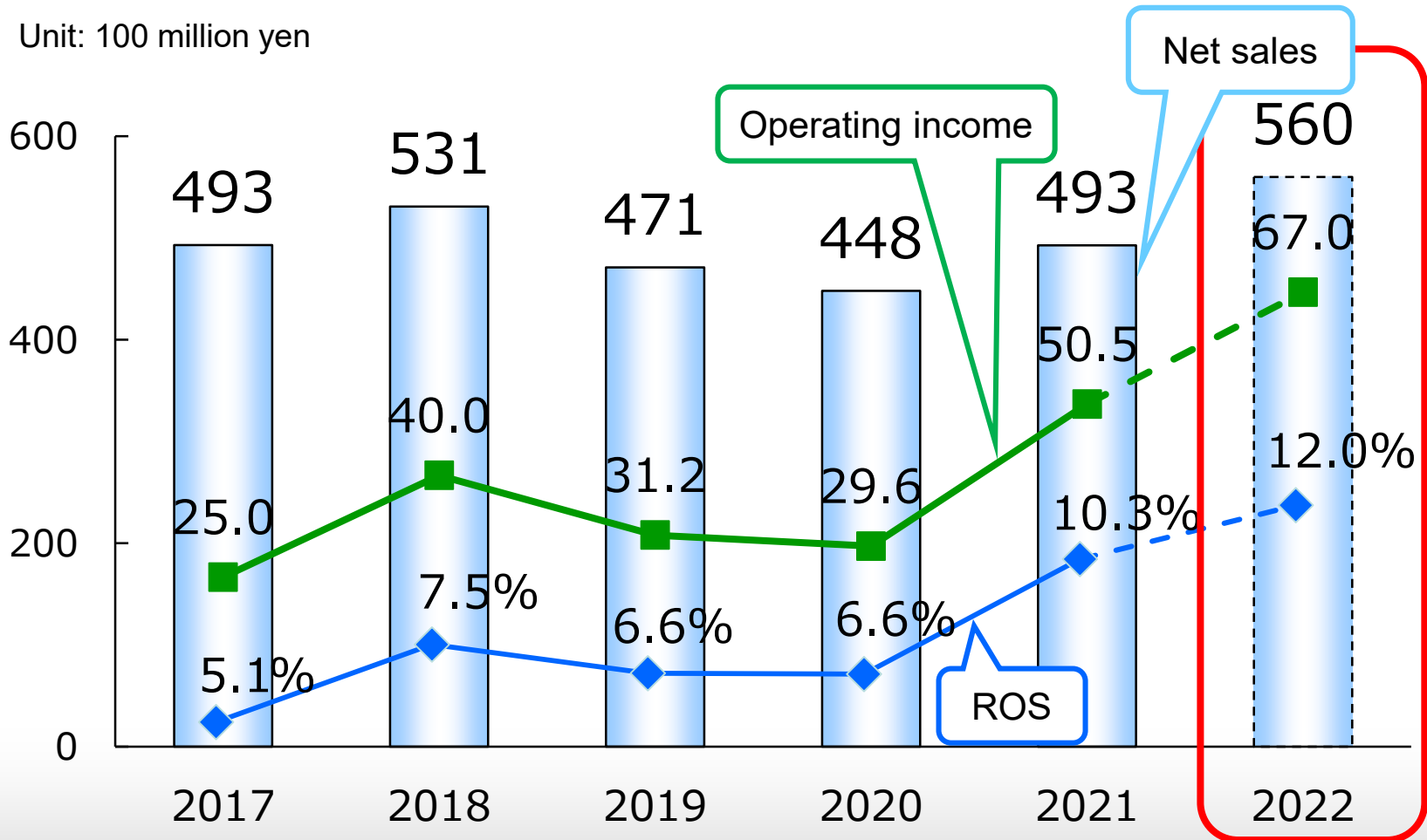
	Dividend at the end of Q2	Year-end dividend	Annual dividend
Year ending March 31, 2023	0 yen	350 yen	350 yen
Year ended March 31, 2022	0 yen	230 yen	230 yen

Sales, Profit and ROS

Increased sales and income

[Consolidated]

Unit: 100 million yen



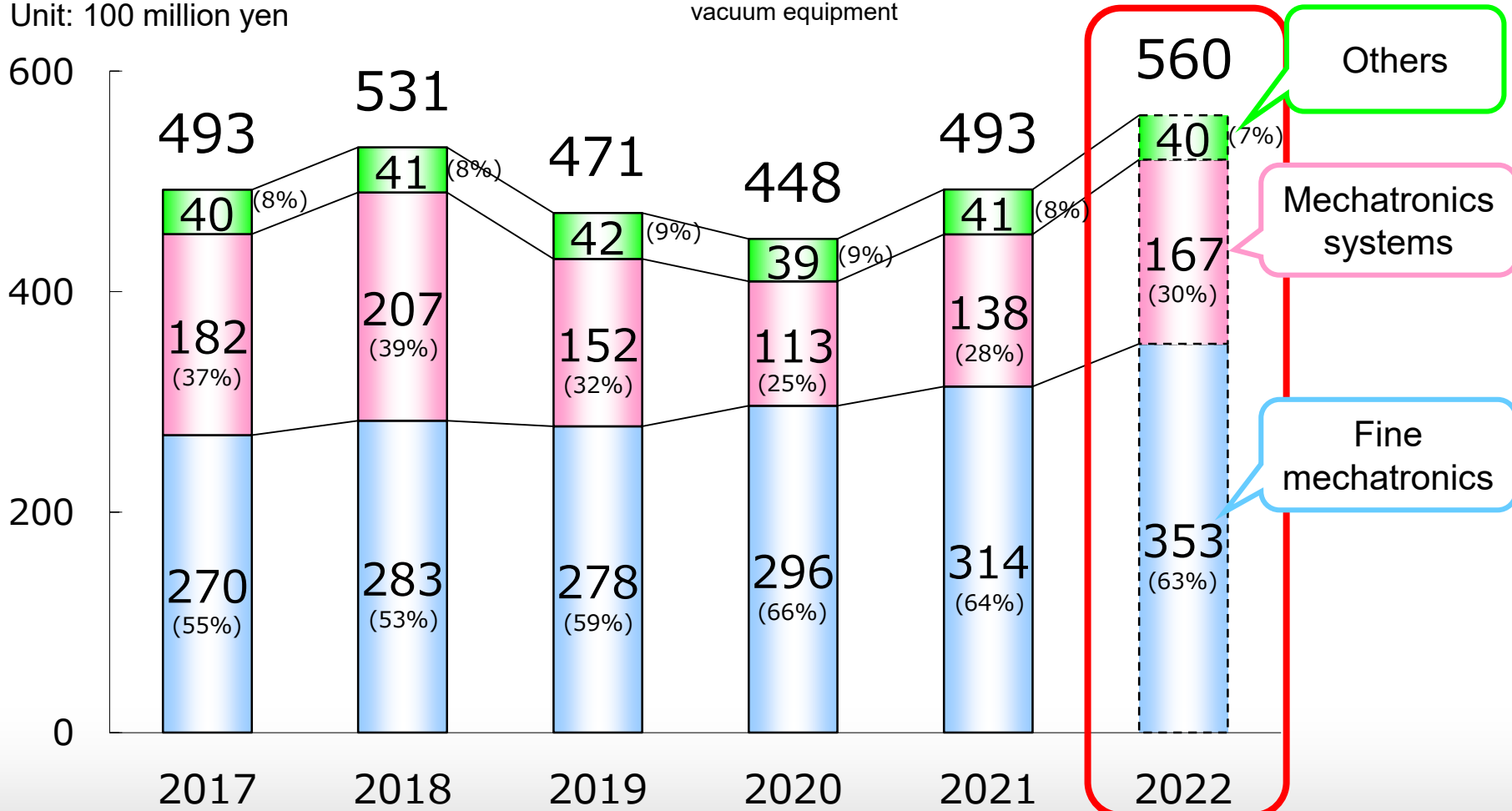
Sales by Segment

Fine mechatronics accounts for 63%.

[Consolidated]

* Fine mechatronics: Front-end process equipment for semiconductors and FPDs
 Mechatronics systems: Back-end process equipment for semiconductors and FPDs, vacuum equipment

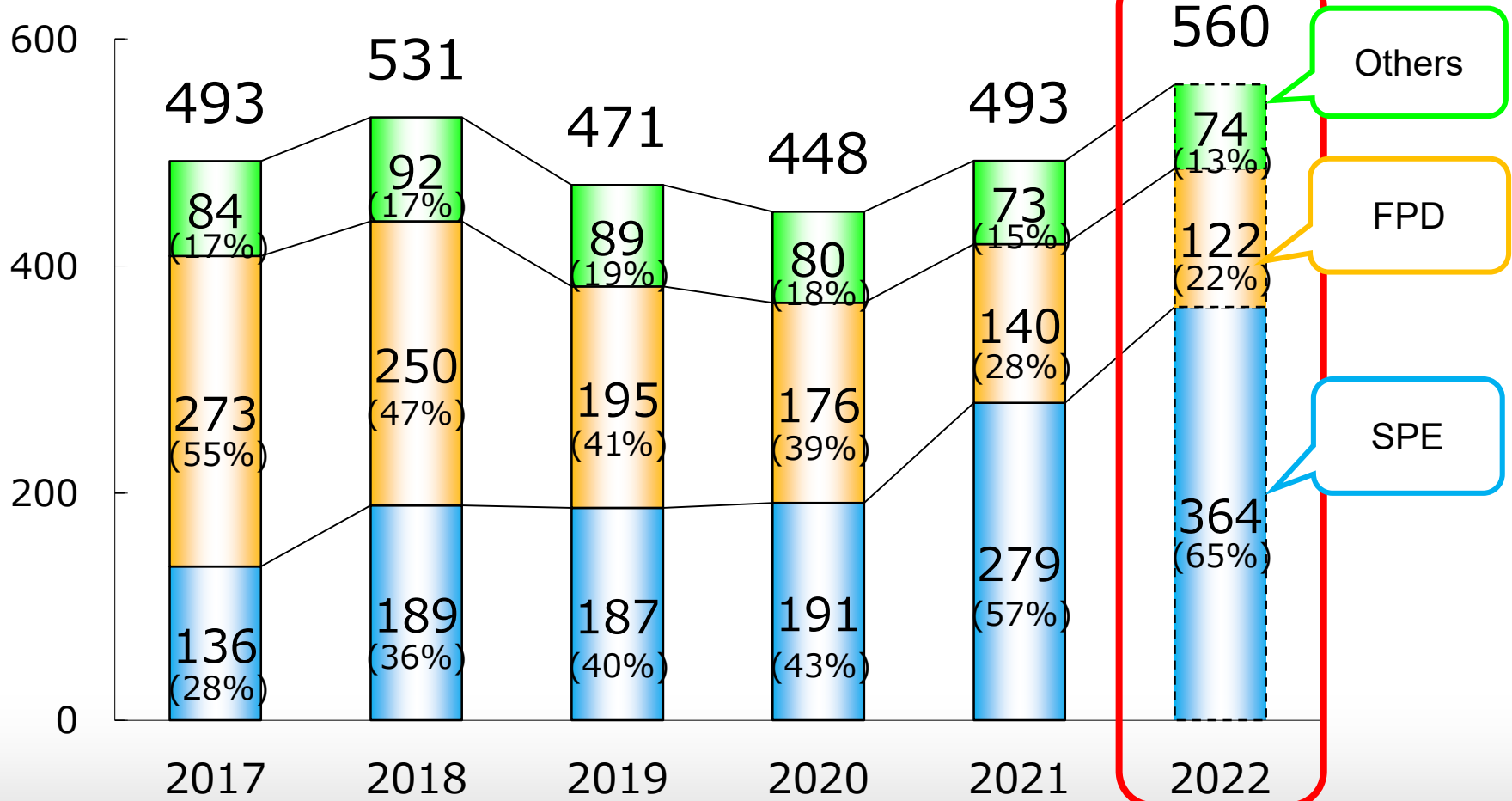
Unit: 100 million yen



Sales by Product Field

[Consolidated]

Unit: 100 million yen



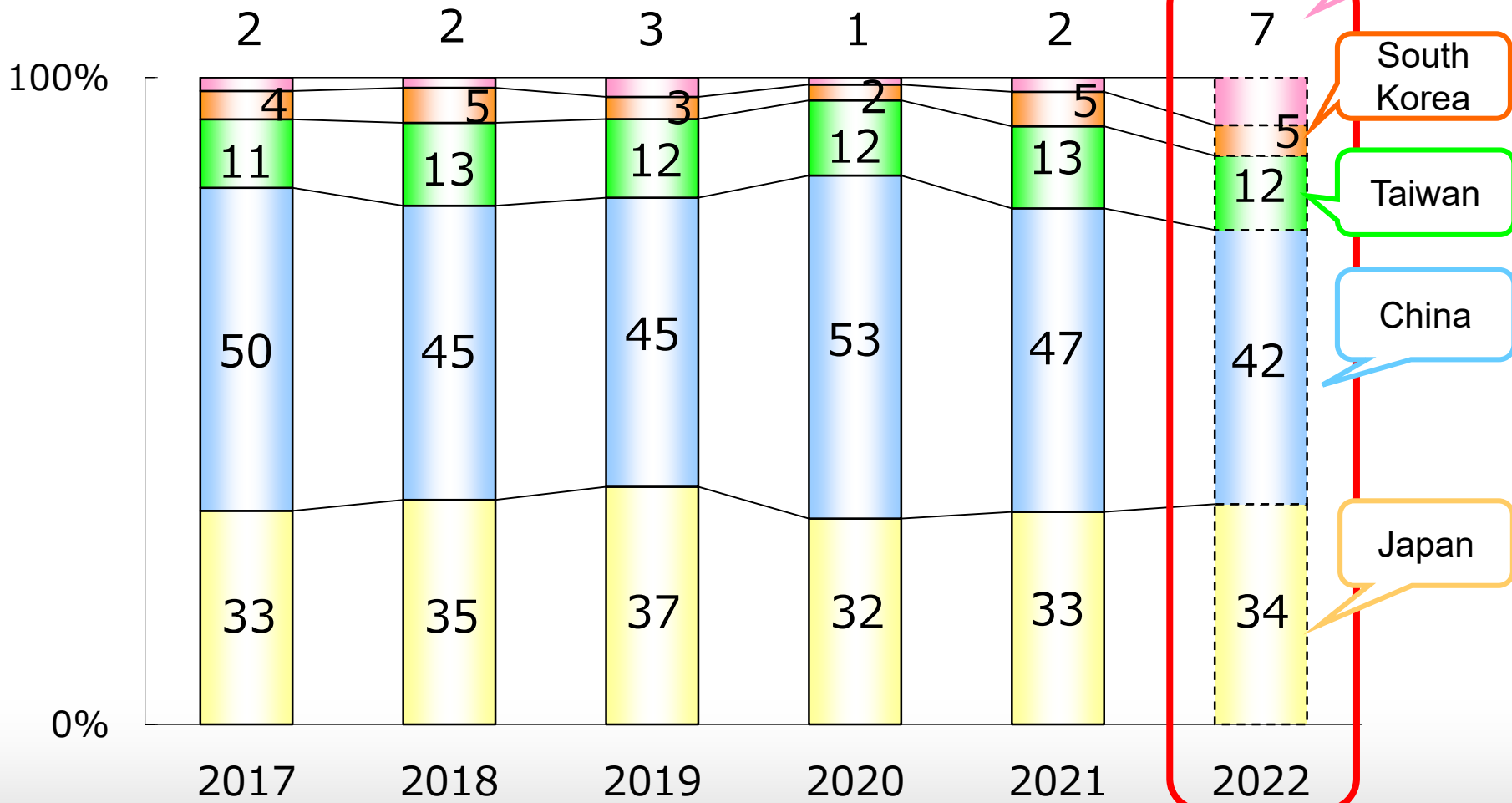
SPE field accounts for 65%.

* SPE: Front- and back-end process equipment for semiconductors
 FPD: Front- and back-end process equipment for FPDs

Sales Ratio by Destination

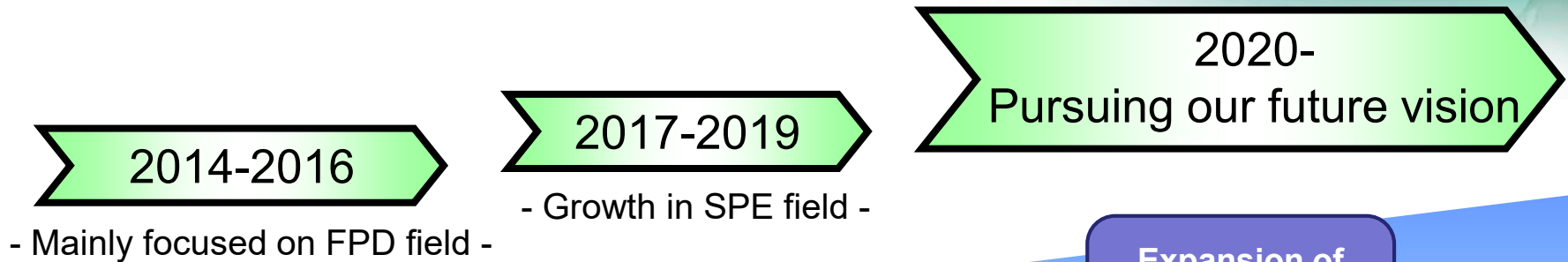
Overseas orders: 66%
(China: 42%)

[Consolidated]

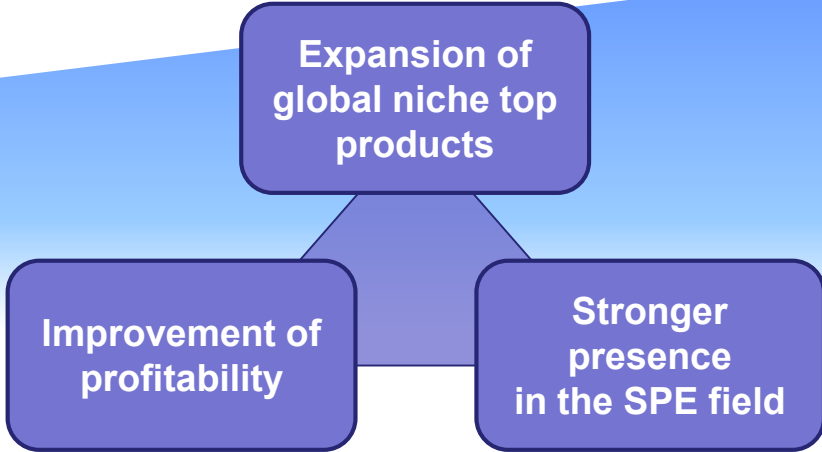


* Classified by sales region

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SPE



FPD

Future Vision
<ul style="list-style-type: none"> ◆ Contribute not only to IoT, 5G and AI technologies but also to the data society that will develop further in the coming years by providing cutting edge technologies through manufacturing equipment for semiconductors and FPD. -- From "manufacturing" to "creating value" -- ◆ Grow into a corporate group that demonstrates its presence as the top of the global niche in the SPE field and as a major supplier in the FPD field.

Progress of the Mid-Term Management Plan

Forecast for FY2022 is expected to exceed the annual sales and income targets of the mid-term management plan.

*1: Published in November 2020

Unit: 100 million yen

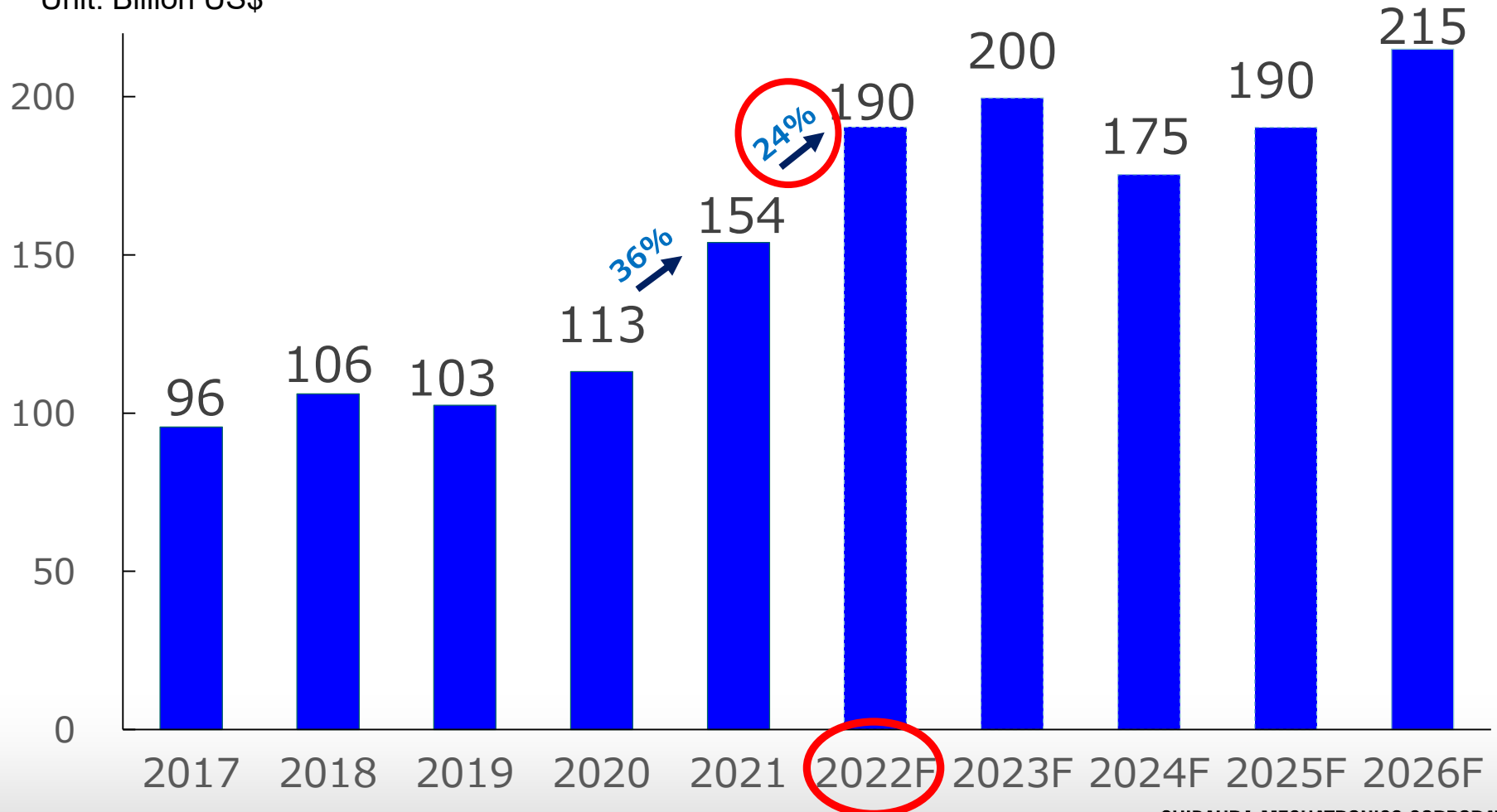
	FY2020	FY2021	FY2022	Mid-Term Management Plan Annual Targets *1		
	results	results	forecast	FY2020	FY2021	FY2022
Net sales	448	493	560	460	480	510
Operating income	29.6	50.5	67.0	30.0	38.5	51.0
ROS	6.6%	10.3%	12.0%	6.5%	8.0%	10.0%
Ordinary income	28.2	48.8	65.0	-	-	-
Net income	19.7	29.8	51.0	-	-	-
ROE	9.5%	12.8%	19.1%	9.5%	11.5%	13.0%

* Source: IC Insights 2022 - 2
(Graph prepared by our company)

Semiconductor Plant/Equipment Investments Forecast

2019 - 2022CAGR : 22.9%

Unit: Billion US\$



Business Environment Surrounding our Company

- Capital investment is expected to expand with the development of IoT, 5G and AI technologies.

Looking at the current business environment surrounding our company in terms of orders received:

- ✓ Front-end process equipment for semiconductors:
Investment continues and expands for logic, Si wafers and power devices.
- ✓ Back-end process equipment for semiconductors:
Investment is strong for advanced packages such as high-accuracy Fan-Out and 2.5D
Inquiries for new technology hybrid bonding are increasing.

Groups of Global Niche Top products in the current mid-term management plan

Process	Applicable Equipment	Main Applicable Products, etc.
Si wafer manufacturing	Single Si wafer cleaning equipment	300 mm wafer (prime, reclaim) Topic 1
Photomask manufacturing	- Etching equipment - Single wafer cleaning equipment	Mask and blanks for EUV Mask and blanks for PSM
Wafer process	Single wafer phosphoric etching equipment	Logic / foundry Topic 1
Module process	High-accuracy flip chip bonder	FO-WLP/PLP, 2.5D, CoW fusion bonding Topic 2

Si wafer manufacturing / wafer process example

GNT

Groups of Global Niche Top products in the current mid-term management plan

GNT



Single Si wafer cleaning equipment (SC300 Series)

<Features>

- Support for high-level cleanliness with single water
- Support for high productivity with multi-chamber design
- Wide range of successful adoption of in-line connections with CMP equipment

<Roll-out>

- Top global market share in single wafer cleaning
- Continuous brisk orders due to increased adoption by major manufacturers and developing countries

GNT



Single wafer phosphoric etching equipment (SC300-HT Series)

<Features>

- High-precision control of etching rate, low particle
- Next generation drying technique
- Next generation process support for 3 nm and after

<Roll-out>

- Increasing number of orders received on the basis of results with major foundries
- Expanding applications of phosphoric acid etching equipment

Module process - High-accuracy Flip Chip Bonder example

GNT



Advanced package bonder
(TFC-6500)

<Features>

- Not only for 2.5D package, also applicable to microbump bonding
- Realizes high accuracy of $\pm 1 \mu\text{m}$
- Cleanliness: Equivalent to Class 100

<Roll-out>

- Orders continuously received from major foundries, device manufacturers and OSAT
- Expanding applications including automotive application, silicon photonics field, etc.

GNT



Fusion bonder (TFC-6700)

<Features>

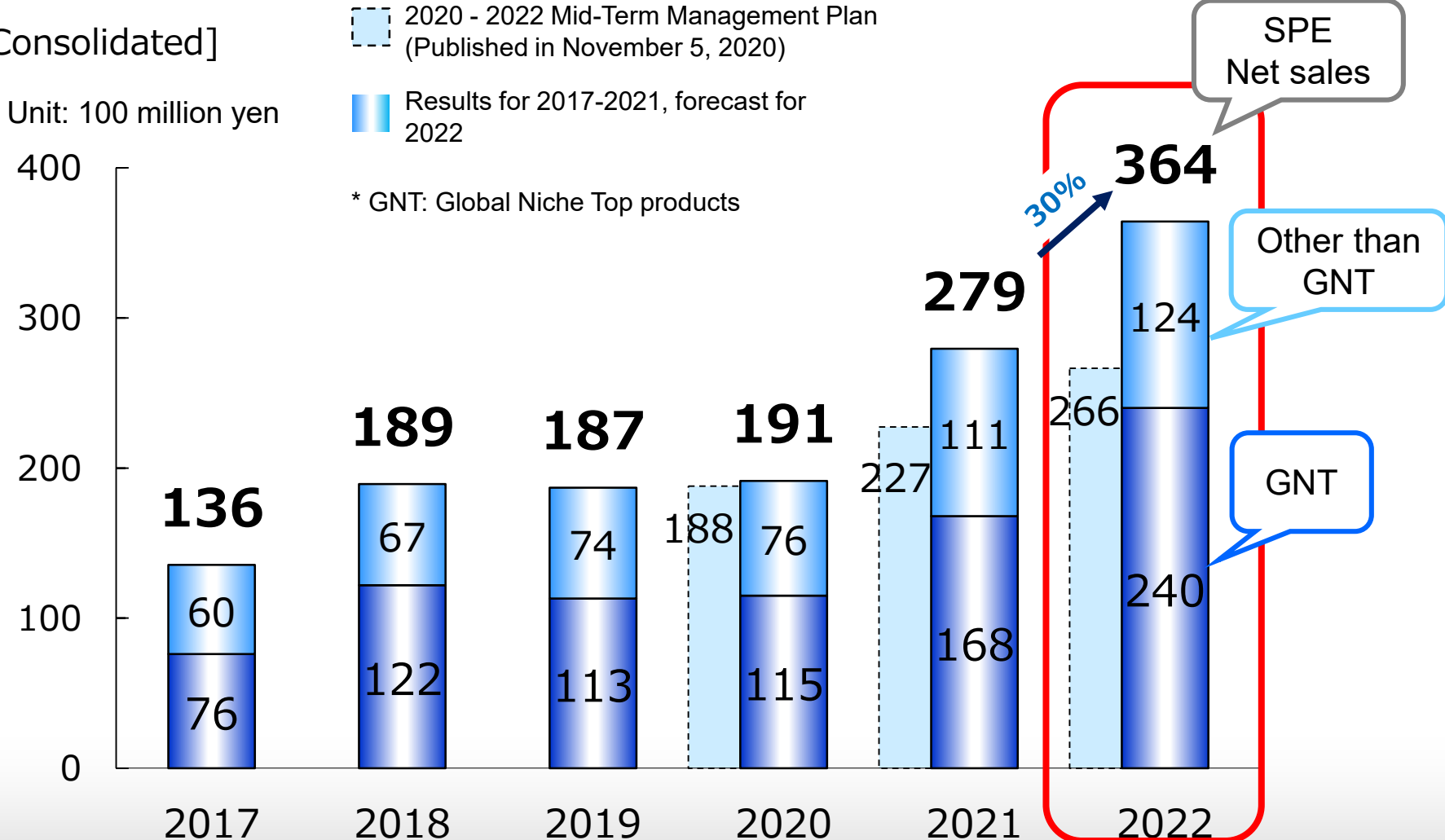
- Fusion bonder that supports CoW chiplet
- Realizes ultra-high accuracy of $\pm 0.2 \mu\text{m}$
- Cleanliness: Equivalent to Class 1

<Roll-out>

- Currently being rolled out in multiple fields including logic semiconductors and CIS
- Delivery accomplishment to multiple customers
- Ongoing product development in view of mass production and roll-out to mass market

Expansion of SPE with focus on Global Niche Top Products

[Consolidated]

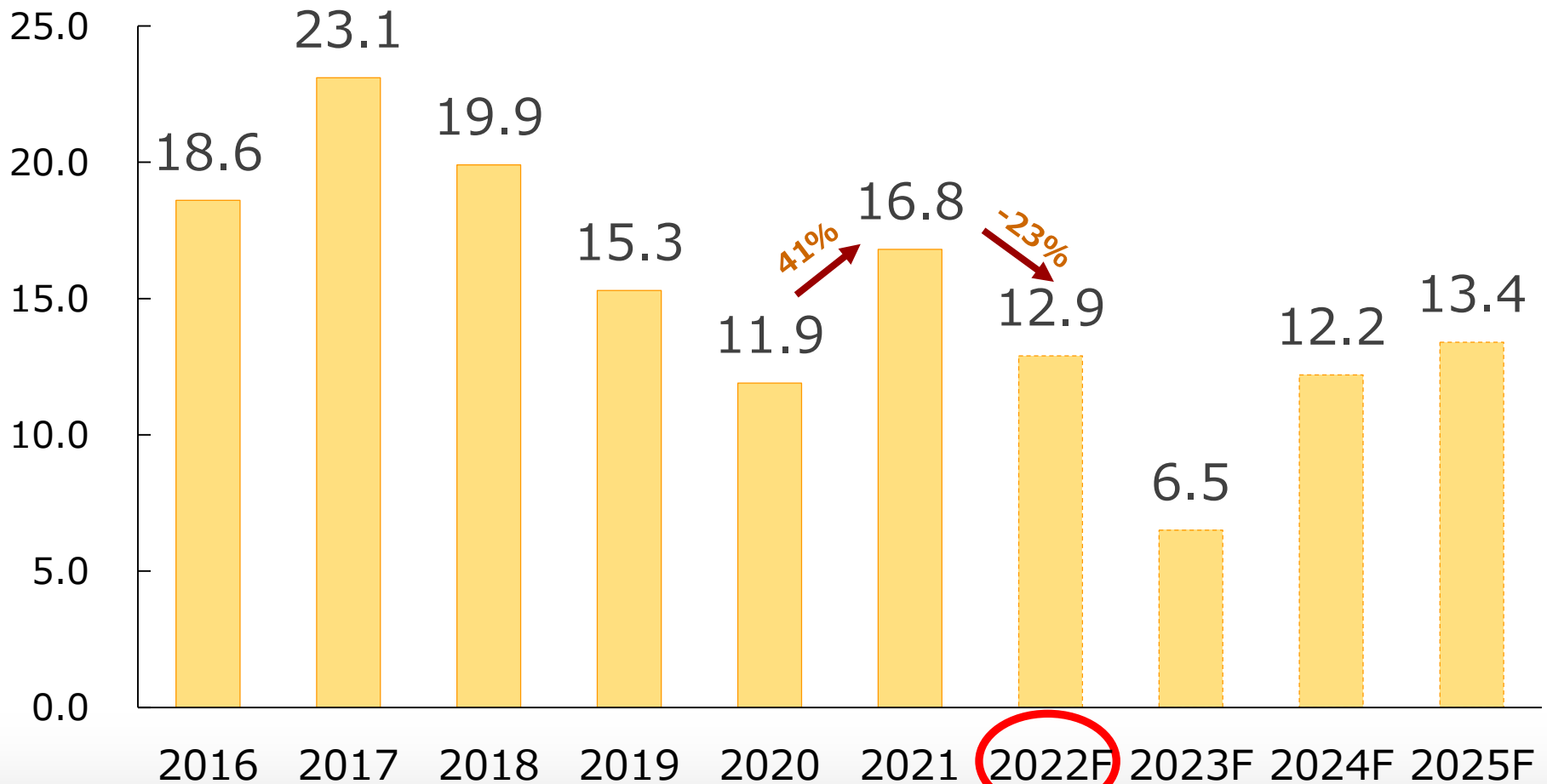


Equipment Investments Forecast

* Source: DSCC 2022-5
(Graph prepared by our company)

2019 - 2022 CAGR: -5.5%

Unit: Billion US\$



Business Environment Surrounding our Company

Looking at the current business environment surrounding our company in terms of orders received:

- ✓ **Front-end process equipment for FPDs:**
New and increased investment plans are expected to materialize due to increased demand for LCD panels for TVs and IT panels. Investment timing for small- and medium-sized OLED panels is expected to remain fluid.

- ✓ **Back-end process equipment for FPDs:**
Continuous investments are expected in both large panels and small- and medium-sized panels; investment in the latter is expected to be firm especially in automotive and monitor applications.

Examples of new FPD products



Medium-sized OLB
(TTO-H3000M)

<Features>

- Caters to a wide variety of market needs by combining various applicable panel sizes with high accuracy technologies
- High productivity and stable operations

<Roll-out>

- Orders continuously received from major panel manufacturers
- Willing to expand market share in the monitor and automotive markets

Examples of healthcare products



Inkjet Tablet Printing System
(TIE-9000P/TIE-4500P)

<Features>

- Applies our core technology (IJ)
- High speed and high resolution printing
- Optional functions of visual inspection of tablets are available
- Self-development, manufacture and sales of inks

<Roll-out>

- Deliveries to pharmaceutical companies and being in operation for mass production
- Aiming to increase domestic market share and sales in overseas markets, featuring functions such as inspection of 3D shapes, an industry's first

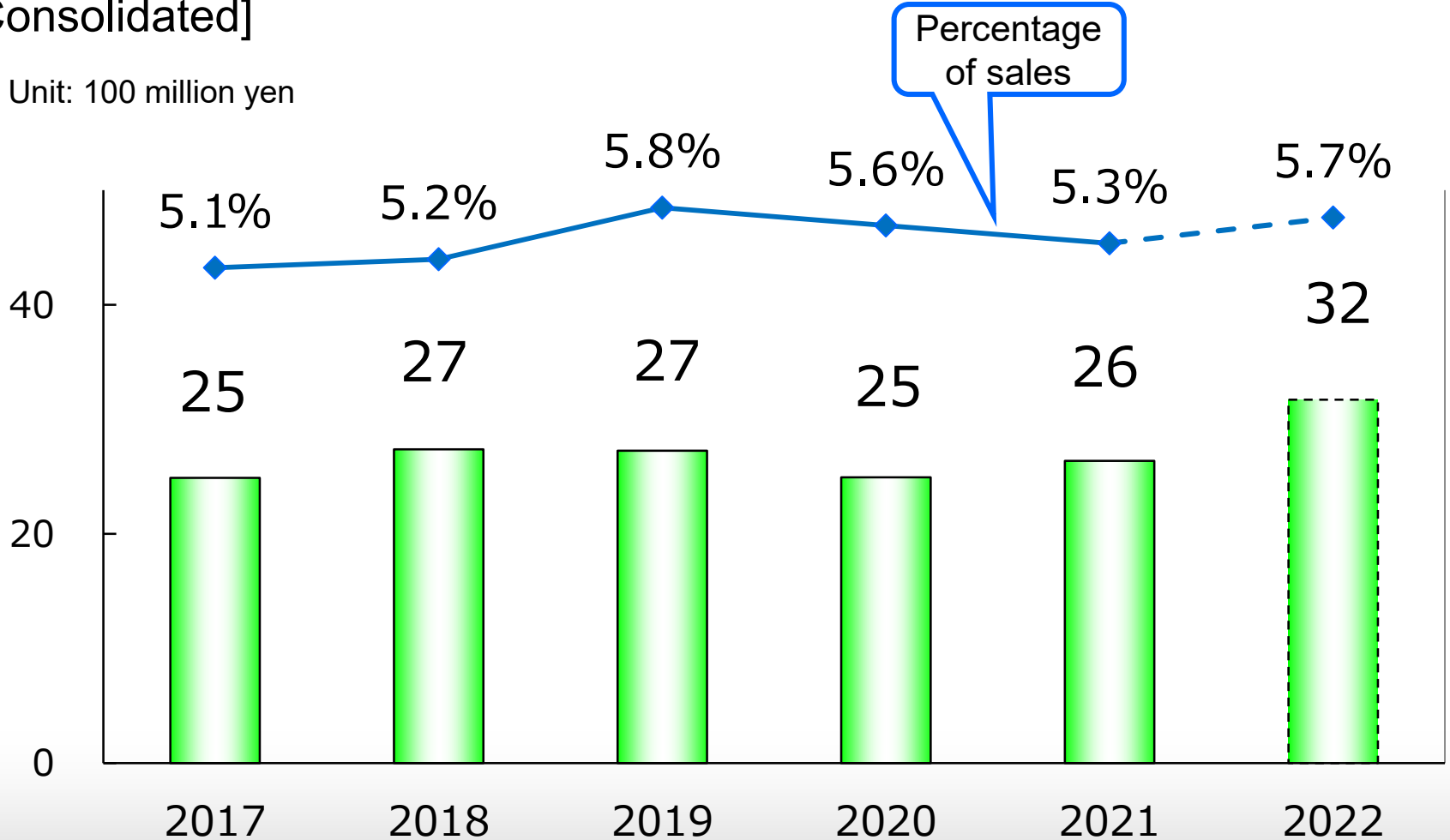
* Inkjet Tablet Printing System:
Included in Fine mechatronics division, front-end process for FPD

R&D Expenses

Accelerated development in the SPE field

[Consolidated]

Unit: 100 million yen



Collaboration with Other Companies (i)

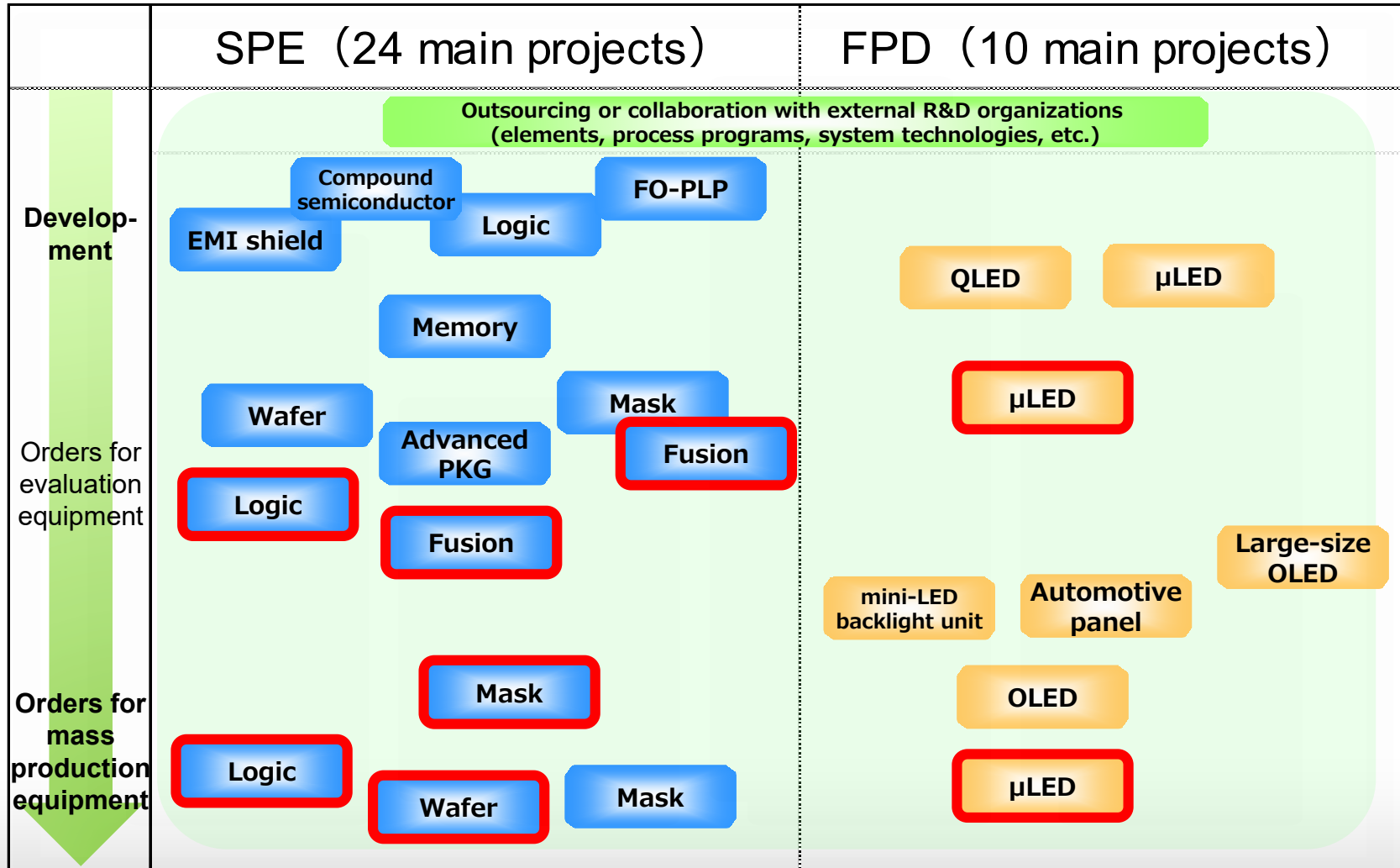
* imec: Interuniversity Microelectronics Centre

- Collaborate with equipment, material and device manufacturers, research institutes, universities and other organizations to speed up the development of strong products
Participate in a new semiconductor process program with imec, an international research organization
- Collaborate with major shareholders (Toshiba Corporation, Shin-Etsu Engineering Co., Ltd., and NuFlare Technology, Inc.)
- Projects underway on a total of 34 major themes (31 previously).
Steady progress with wafers, masks, logic, fusion and μ LED in particular, contributing to business expansion.
Three themes newly added focusing on SPE.

Collaboration with Other Companies (ii)

Over 30% of orders received in FY2021 were contributed by these collaboration.

* Multiple projects that fall under the same theme for which similar progress has been made are displayed together.

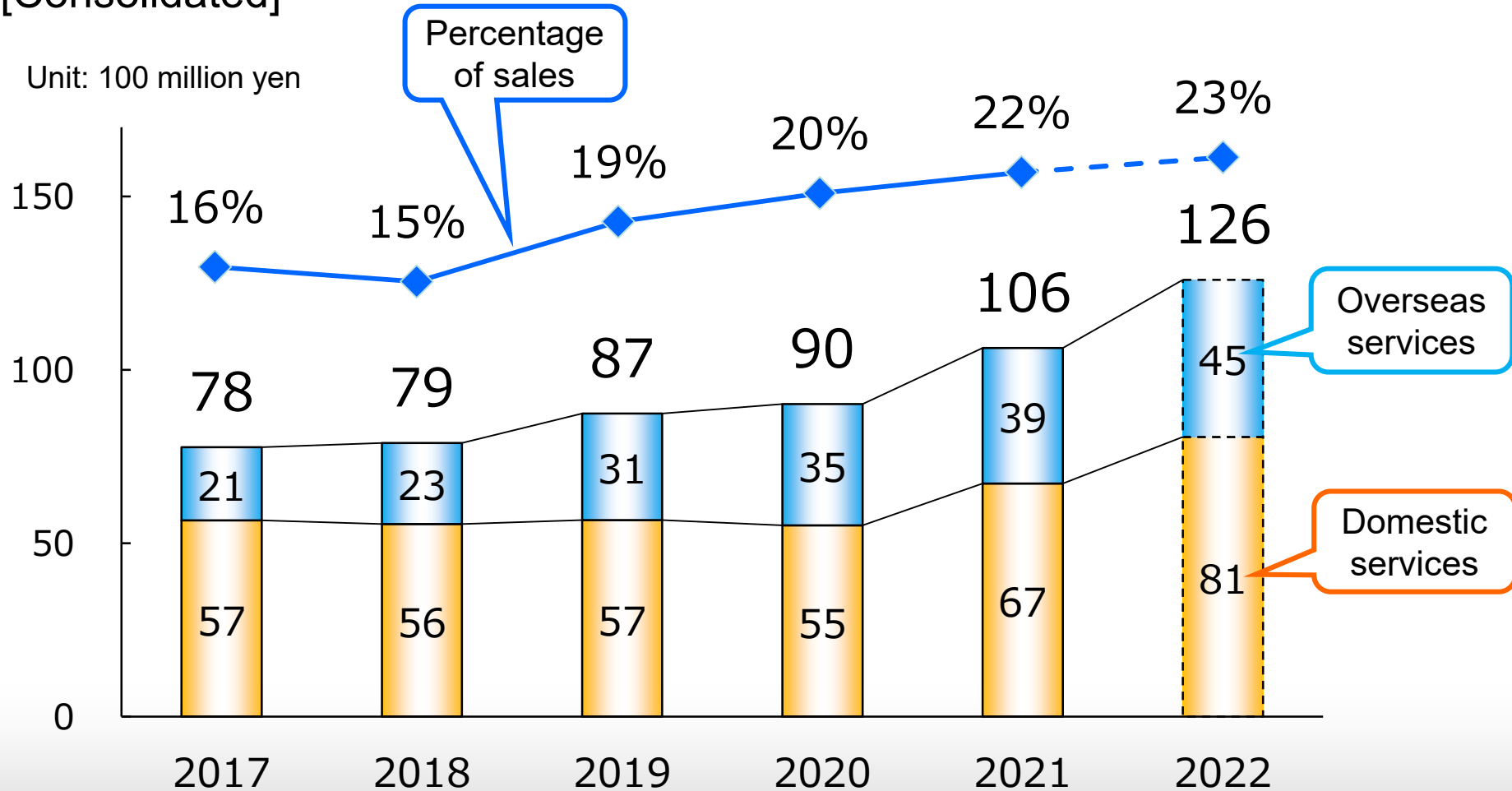


Service Business Net Sales

Progressing as scheduled in the mid-term management plan.

[Consolidated]

Unit: 100 million yen

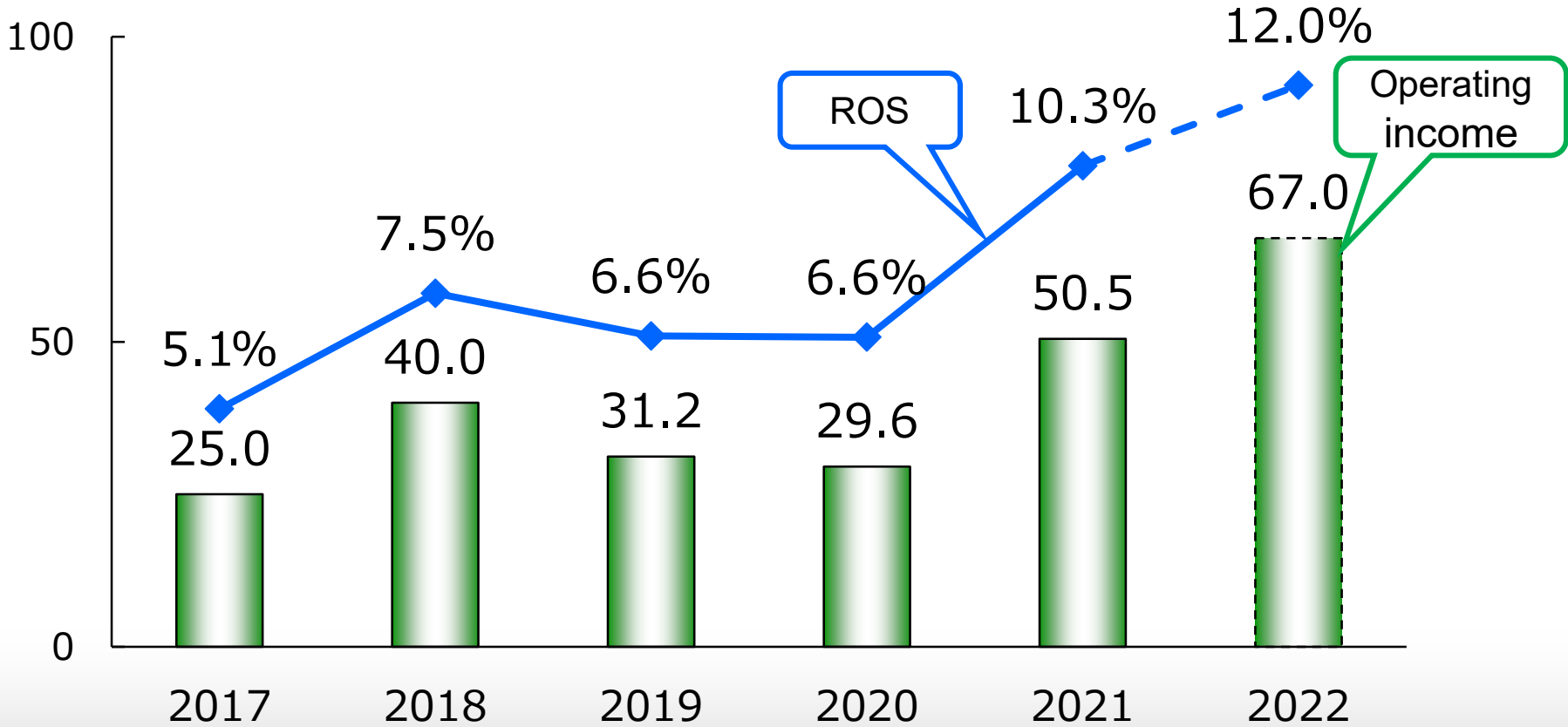


ROS Improvement

[Consolidated]

Unit: 100 million yen

Expansion of high-value added products in SPE and other fields.
 Mid-term management plan target of ROS for FY2022: 10% ➔ improve to 12%



Product Target

Ratio of environmentally conscious products

FY2021 result: 93% to sales

(Target: 85% or higher)

Business Process Targets

Energy consumption at business offices*1

FY2021 result: Reduced by 15.1% from the previous year *2

(Target: 1% reduction)

Zero emission ratio*3

FY2021 result: 0.04%

(Target: 0.5% or less)

*1: Per unit of production

*2: Including effects from the demolition of the building at Yokohama Operations site for redevelopment purposes

*3: Landfill amount/total waste amount

We will engage in management with a focus on ESG to achieve a sustainable society and enrich people's lives.



Smart Solutions & Services for Your Manufacturing

We will contribute to manufacturing through three S's:
"Smart," "Solutions," and "Services."

Forward-looking statements including business forecasts contained in this document are based on information currently available to the company and certain assumptions the company deems reasonable, and the Company does not guarantee that they will be realized. Please note that actual results may differ materially due to various factors.

END

Appendix

Financial Results

[Consolidated]

Unit: 100 million yen

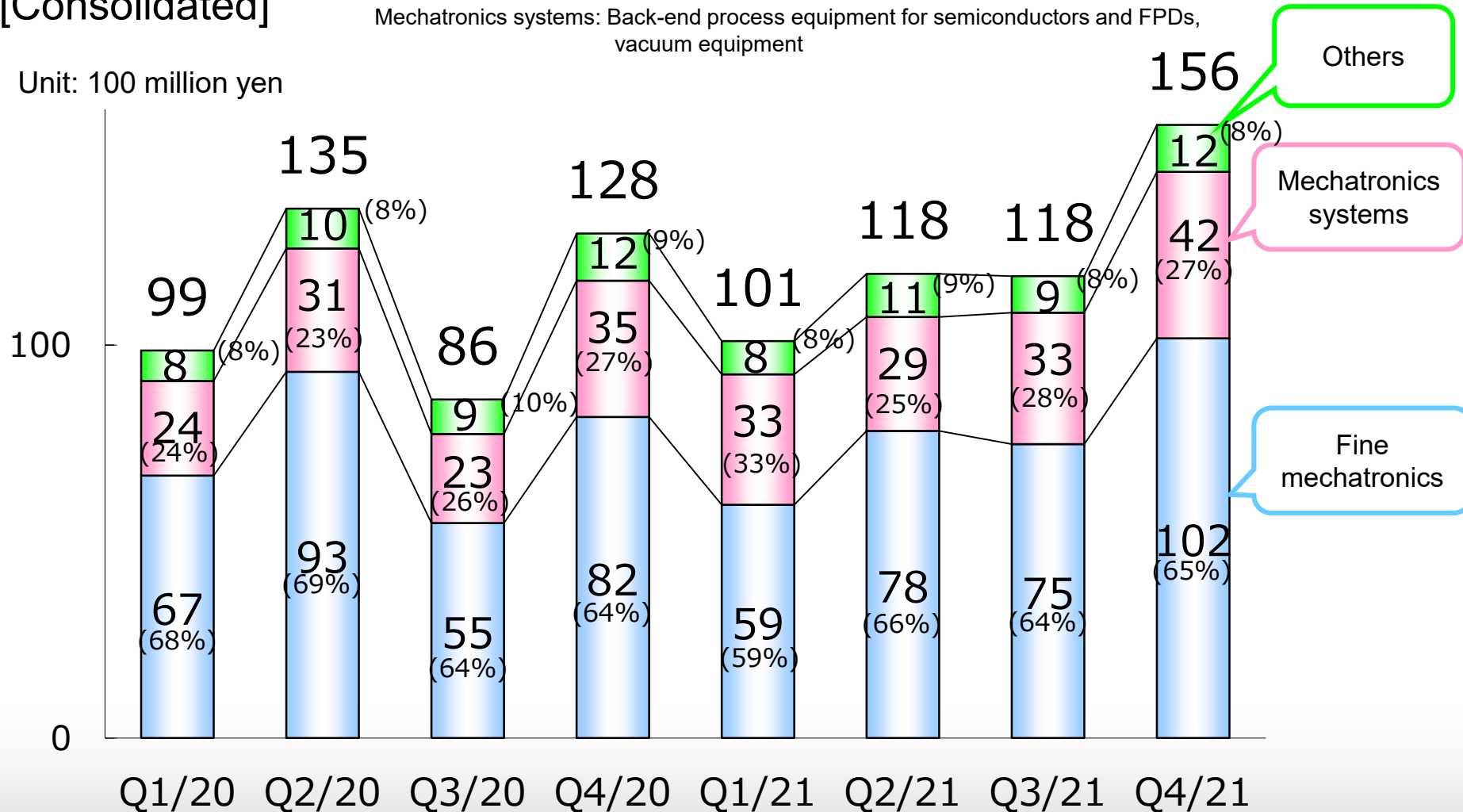
	FY2020					FY2021				
	1Q	2Q	3Q	4Q	FY	1Q	2Q	3Q	4Q	FY
Net sales	99	135	86	128	448	101	118	118	156	493
Operating income	3.1	13.3	1.9	11.3	29.6	6.6	11.9	11.3	20.8	50.5
ROS	3.2%	9.9%	2.2%	8.8%	6.6%	6.5%	10.1%	9.6%	13.3%	10.3%
Ordinary income	3.1	12.7	1.3	11.0	28.2	6.1	11.4	10.8	20.5	48.8
Extraordinary losses	-	-	-	-	-	6.1	-	-	-	6.1
Net income	0.7	10.7	0.2	8.0	19.7	-1.9	9.4	7.7	14.6	29.8
Orders received	88	94	125	113	420	149	145	242	173	709

Sales by Segment

[Consolidated]

* Fine mechatronics: Front-end process equipment for semiconductors and FPDs
 Mechatronics systems: Back-end process equipment for semiconductors and FPDs, vacuum equipment

Unit: 100 million yen

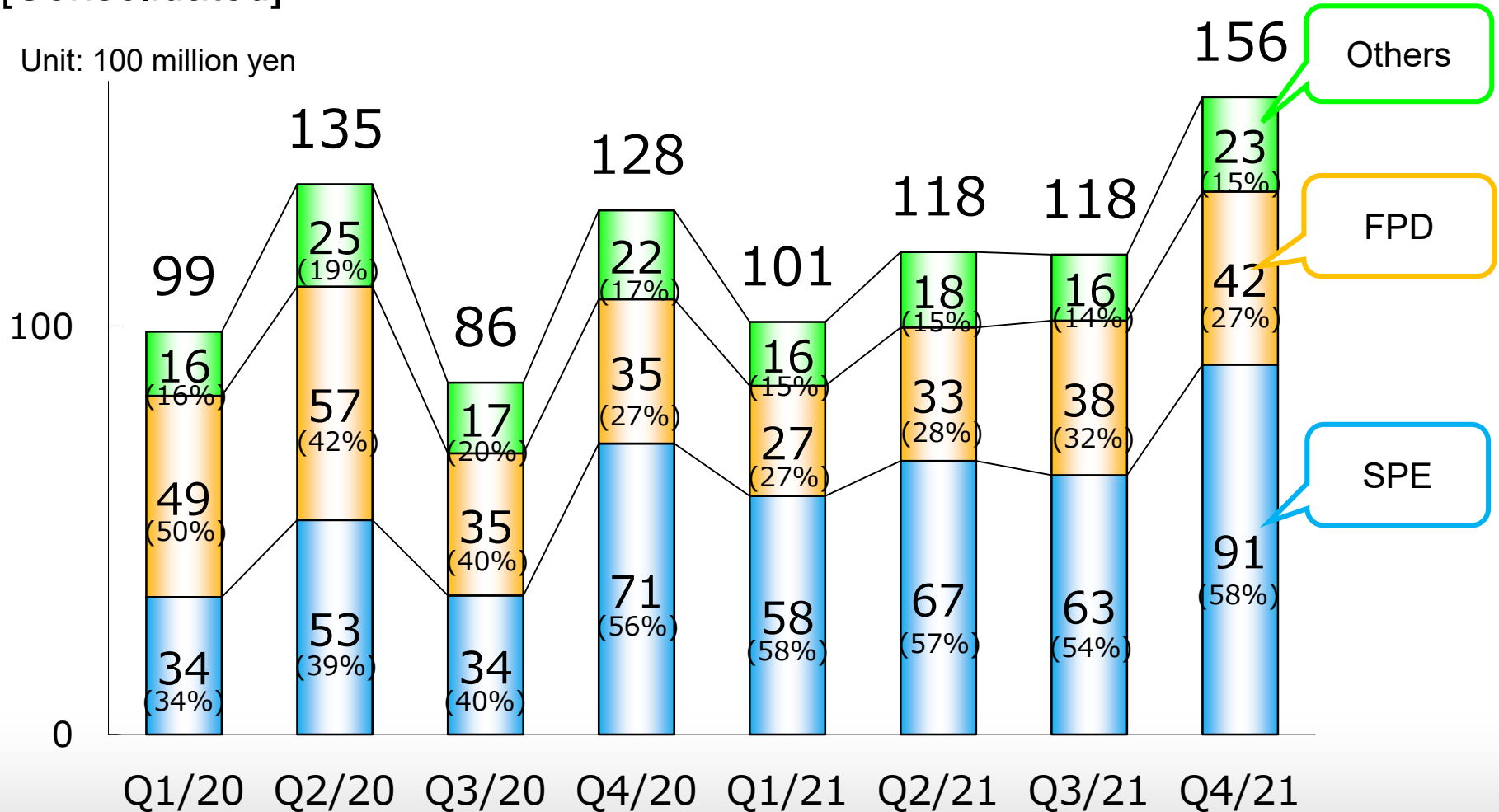


Sales by Product Field

* SPE: Front- and back-end process equipment for semiconductors
 FPD: Front- and back-end process equipment for FPDs

[Consolidated]

Unit: 100 million yen

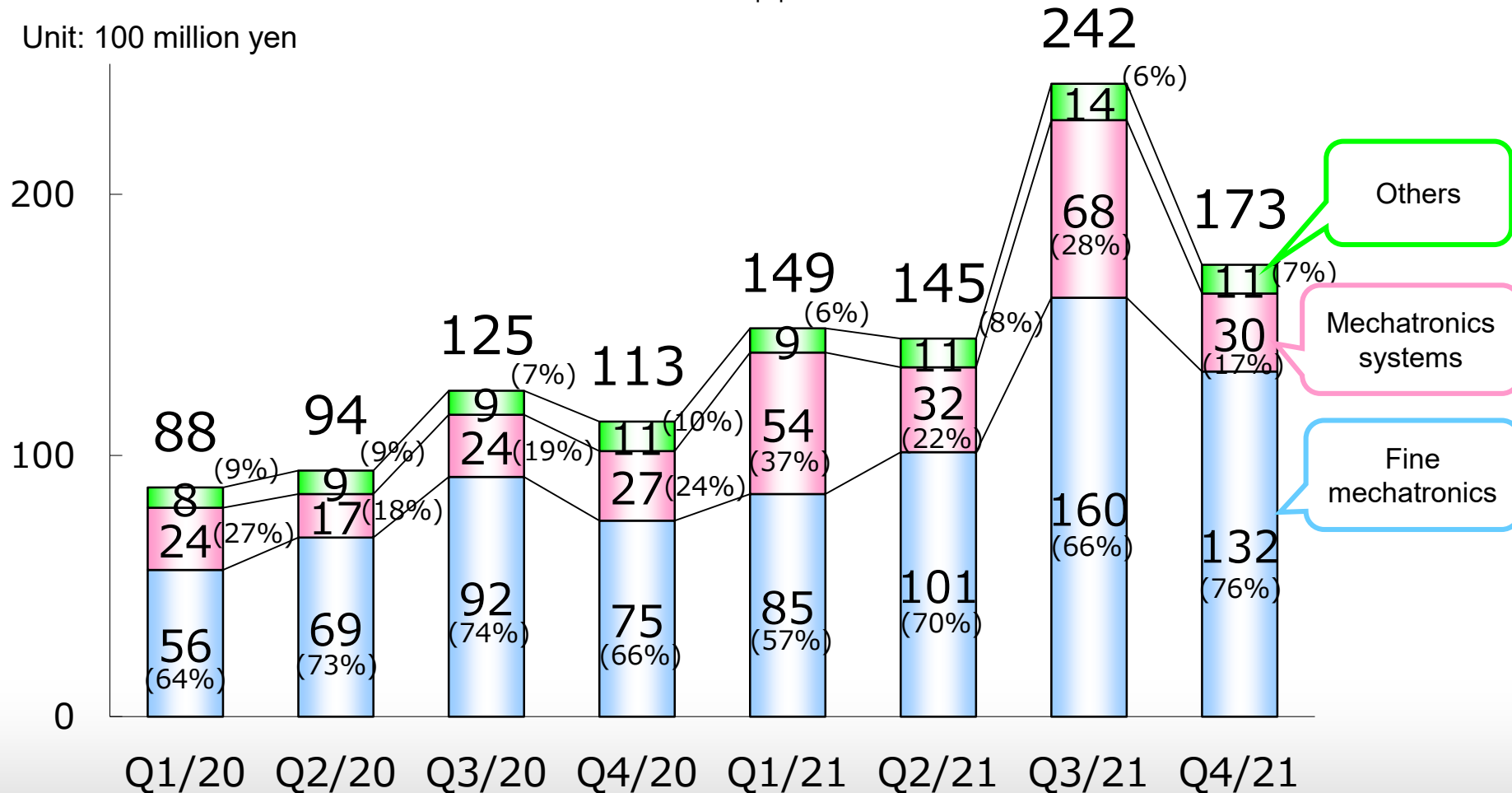


Orders Received by Segment

[Consolidated]

* Fine mechatronics: Front-end process equipment for semiconductors and FPDs
 Mechatronics systems: Back-end process equipment for semiconductors and FPDs, vacuum equipment

Unit: 100 million yen



Orders Received by Product Field

[Consolidated]

* SPE: Front- and back-end process equipment for semiconductors
 FPD: Front- and back-end process equipment for FPDs

Unit: 100 million yen

