

**(Reference) Q&A Summary of financial results briefing
for Fiscal Year Ended March 2022 (FY2021)**

Q. Please describe about the results for FY2021 and projections for FY2022 with respect to products in the SPE field, particularly those included in the Global Niche Top category.

A. As shown on page 33 of the business results presentation material, net sales came to 27.9 billion yen for the SPE field in FY2021, including total sales of 16.8 billion yen for products in the Global Niche Top product group referred to in the current mid-term management plan. Details are as follows.

Single wafer wet cleaning equipment for the manufacturing process of Si wafers	8.6 billion yen
Single wafer phosphoric acid etching equipment	2.5 billion yen
Products for the manufacturing process of photomasks	0.5 billion yen
High-accuracy flip chip bonders for the module process	5.1 billion yen

In addition, sales of chemical dry etching (CDE) amounting to 2.9 billion yen are included in 11.1 billion yen from sales of products not included in the Global Niche Top products referred to in the current mid-term management plan.

Looking at FY2022,

Single wafer wet cleaning equipment for the manufacturing process of Si wafers	12 billion yen
Single wafer phosphoric acid etching equipment	2 billion yen
Products for the manufacturing process of photomasks	3 billion yen
High-accuracy flip chip bonders for the module process	7 billion yen

In addition, we expect 3.0 billion yen for CDE.

Q. Please describe how you envision sales for FY2023.

A. It is still a little too early to provide specific forecasts individually. Having said that, with respect to Si wafer wet cleaning equipment, we expect to achieve sales of 12.0 billion yen, the same level as FY2022, given that customers are continuing to invest vigorously in the equipment.

Regarding phosphoric acid etching equipment, sales were affected by slippages from dates on which orders were expected to be received initially and differences in the timing of the contribution to sales due to the percentage-of-completion method. However, in light of strong inquiries we are receiving, we will increase sales to approximately 5.0 billion yen, or the level that we initially tried to achieve in FY2021, by FY2023.

Regarding CDE, with investments related to power devices expected to remain strong, we will boost sales to approximately 5.0 billion yen, or the level that we initially tried to achieve in FY2022.

Q. You explained that sales of phosphoric acid etching equipment and CDE are not expected to rise in FY2022 as much as initially expected. Taking external environments into account, however, I think that you should be more aggressive. Please describe the background to your expectations.

A. The 33rd page of the business results presentation material and an explanation that we gave earlier are based on net sales, which may be posted at a timing that is different from our expectations depending on the dates on which orders are received. Having said that, we are receiving both orders and inquiries steadily, mainly from large foundries. Customers had already decided to make investments but the timing was different from what we had anticipated initially. Once they are implemented, we expect that such investments will lead to increases in sales toward the first half of FY2023.

The CDE cannot be shipped in large quantities for process-related reasons. Nevertheless, we will take advantage of the trend of a shift to 300 mm wafers for power devices and increase sales by obtaining POR. As we explained earlier, we expect 3.0 billion yen for FY2022, which means an increase by a factor of three from the approximately 1.0 billion yen recorded in FY2020.

Moreover, we are taking proactive measures such as offering contracted processing services by CDE to increase the number of customers and broaden our customer base. Our intention is to increase sales to approximately 5.0 billion yen, the level we aimed to achieve in FY2022 initially, through a range of initiatives including such transactions with customers.

Q. Looking at the Q4 results of FY2021, I see profitability rising both on YoY and QoQ bases in both of the Fine mechatronics and Mechatronics systems segments. Does that come from an improvement attributable only to an increased percentage of SPE, or does it reflect an improvement in profitability of SPE as well?

Also, your projection indicates that profitability for the first half of FY2022 will be lower than the level in the second half of FY2021. What are your thoughts about profitability for FY2022?

A. The Q4 results reflect not only an increase in SPE but also results achieved through a number of initiatives, including activities for standardization.

We estimate to achieve results through a range of initiatives in FY2022 as well, but they might be offset by the delayed delivery of parts and materials and rises in raw material price. We will therefore factor these risks into projection for the first half of FY2022 and continue to advance initiatives to improve profitability, while also keeping in mind profitability for the second half and full year.

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.