

# **FY2022 Second Quarter Consolidated Business Results**

**November 9, 2022  
SHIBAURA MECHATRONICS CORPORATION**

- 1. Financial Results for Q2 of the Year Ending March 31, 2023**
2. Financial Forecast for the Year Ending March 31, 2023
3. Progress of the Mid-Term Management Plan



## Summary of Financial Results

\*FY (fiscal year): April-March  
H1 (first half): April-September

### ■ Net sales, income

- Sales and income increased year-on-year.
- Sales were firm as planned, at 29.3 billion yen.
- Operating income increased 2.5 times year-on-year to 4.60 billion yen.
- Net income increased 4.5 times year-on-year to 3.41 billion yen.
- ROS has reached a record high of 15.7% on a half-year basis.

### ■ Orders received

- The SPE field performed well, and orders received increased 1.6 times year on year to 47.4 billion yen.

## Financial Results (YoY)

Increased sales and income,  
ROS 15.7%

Consolidated

Unit: 100 million yen

|                      | FY21/H1 | FY21/H2 | FY22/H1 results | YoY rate of change |
|----------------------|---------|---------|-----------------|--------------------|
| Net sales            | 219     | 274     | 293             | +33%               |
| Operating income     | 18.5    | 32.0    | 46.0            | +149%              |
| ROS                  | 8.4%    | 11.9%   | 15.7%           | +7.3pt             |
| Ordinary income      | 17.5    | 31.3    | 42.6            | +144%              |
| Extraordinary losses | 6.1     | -       | -               | -                  |
| Net income           | 7.5     | 22.3    | 34.1            | +354%              |
| Orders received      | 293     | 415     | 474             | +62%               |
| FCF                  | 30.8    | 47.1    | 43.8            | +13.0              |



## Summary of Financial Results (YoY) (ii)

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

### ■ Fine mechatronics

- **Net sales**                      Increased 35% YoY (13.7 ⇒ 18.6 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 remained flat mainly due to the effect of sluggish orders in previous year.

- **Ordinary income**            Increased 257% YoY (0.90 ⇒ 3.20 billion yen)

Income significantly increased due to a rise in net sales in front-end process equipment for semiconductors.

- **Orders received**            Increased 92% YoY (18.7 ⇒ 35.8 billion yen)

Orders for front-end process equipment for semiconductors were strong, particularly for Si wafers.

Orders for front-end process equipment for FPDs remained at a low level both for large panels and small- and medium-sized panels.

Won orders for inkjet tablet printing systems in the healthcare field.

## Summary of Financial Results (YoY) (iii)

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

### ■ Mechatronics systems

- **Net sales**                      Increased 39% YoY (6.2 ⇨ 8.6 billion yen)

Sales of back-end process equipment for semiconductors were firm mainly for advanced packages and FO-PLP.

Sales of back-end process equipment for FPDs increased driven by firm demand for large panels toward TVs and monitors.

In the vacuum sector, sales for electronic components and semiconductors increased.

- **Ordinary income**            Increased 61% YoY (0.93 ⇨ 1.50 billion yen)

Income increased due to a rise in net sales, etc.

- **Orders received**            Increased 10% YoY (8.7 ⇨ 9.5 billion yen)

Orders received for back-end process equipment for semiconductors were firm mainly for advanced packages such as 2.5D.

In back-end process equipment for FPDs, received orders for monitor panels and automotive panels, but postponed customer investment plans for large TVs.

In the vacuum sector, demand for electronic components and semiconductors remained firm.

## Financial Results (VS. Previous Projection)

Consolidated

\*1: Published in August 2022

Unit: 100 million yen

|                      | FY22/H1                   |         |   |
|----------------------|---------------------------|---------|---|
|                      | Previous projection<br>*1 | Results | Rate of change from the previous projection |
| Net sales            | 280                       | 293     | +4%   |
| Operating income     | 37.0                      | 46.0    | +24%  |
| ROS                  | 13.2%                     | 15.7%   | +2.5pt                                      |
| Ordinary income      | 35.0                      | 42.6    | +22%  |
| Extraordinary losses | -                         | -       | -   |
| Net income           | 28.0                      | 34.1    | +22%  |
| Orders received      | -                         | 474     | -   |



## Summary of Financial Results (VS. Previous Projection)

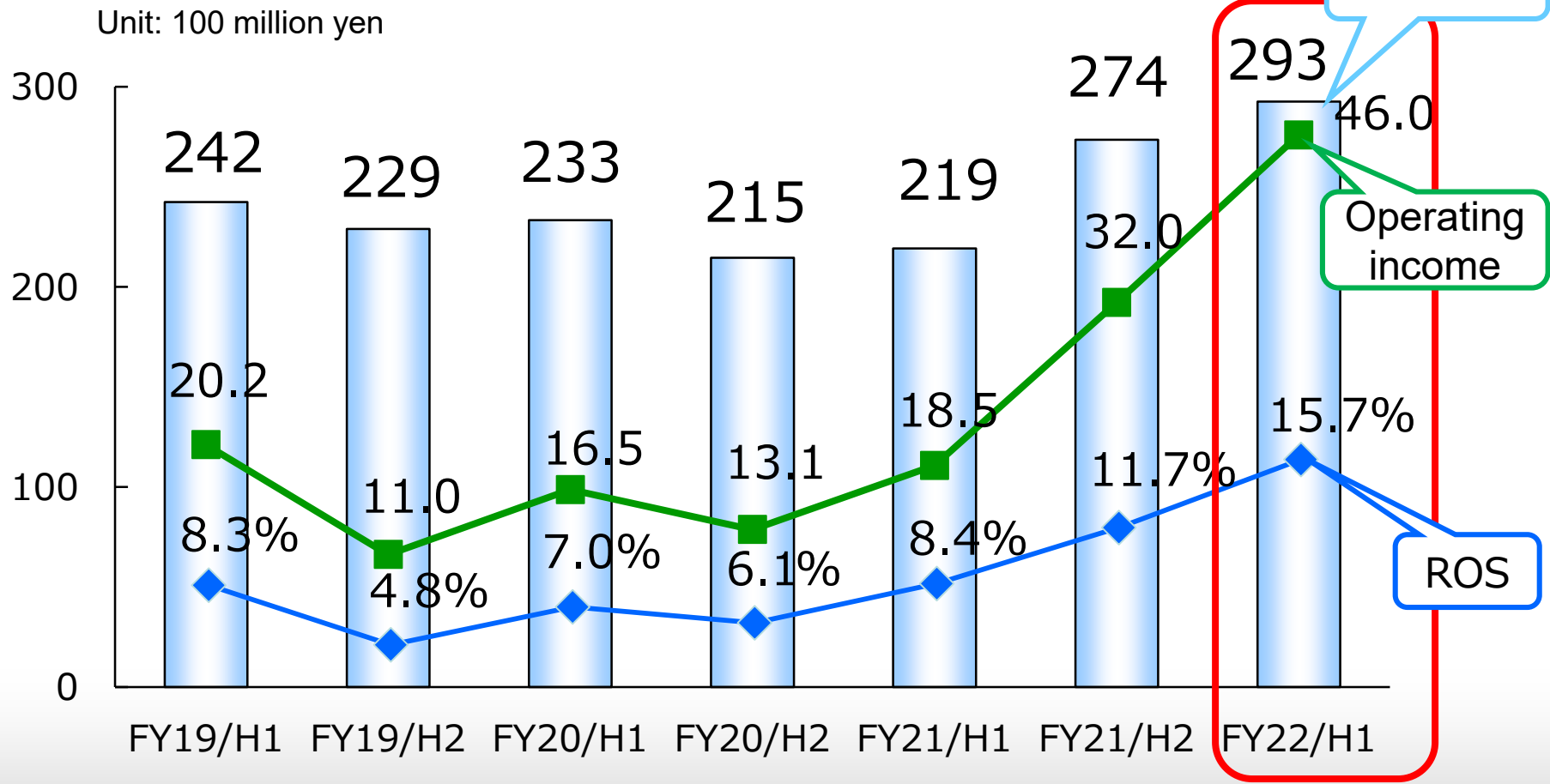
- **Net sales**                      Increased 4% from the previous projection  
(28.0 ⇒ 29.3 billion yen)
  - Net sales increased due to an increase in the SPE field.
  
- **Operating income**            Increased 24% from the previous projection  
(3.70 ⇒ 4.60 billion yen)
  - Operating income increased, reflecting a rise in net sales in the SPE field, a higher profit margin, and the control of expenses.
  
- **Net income**                      Increased 22% from the previous projection  
(2.80 ⇒ 3.41 billion yen)
  - Net income increased due to improved operating income.

\*ROS: Return on sales

## Sales, Profit and ROS

ROS was 15.7% due to increases in the SPE field

Consolidated



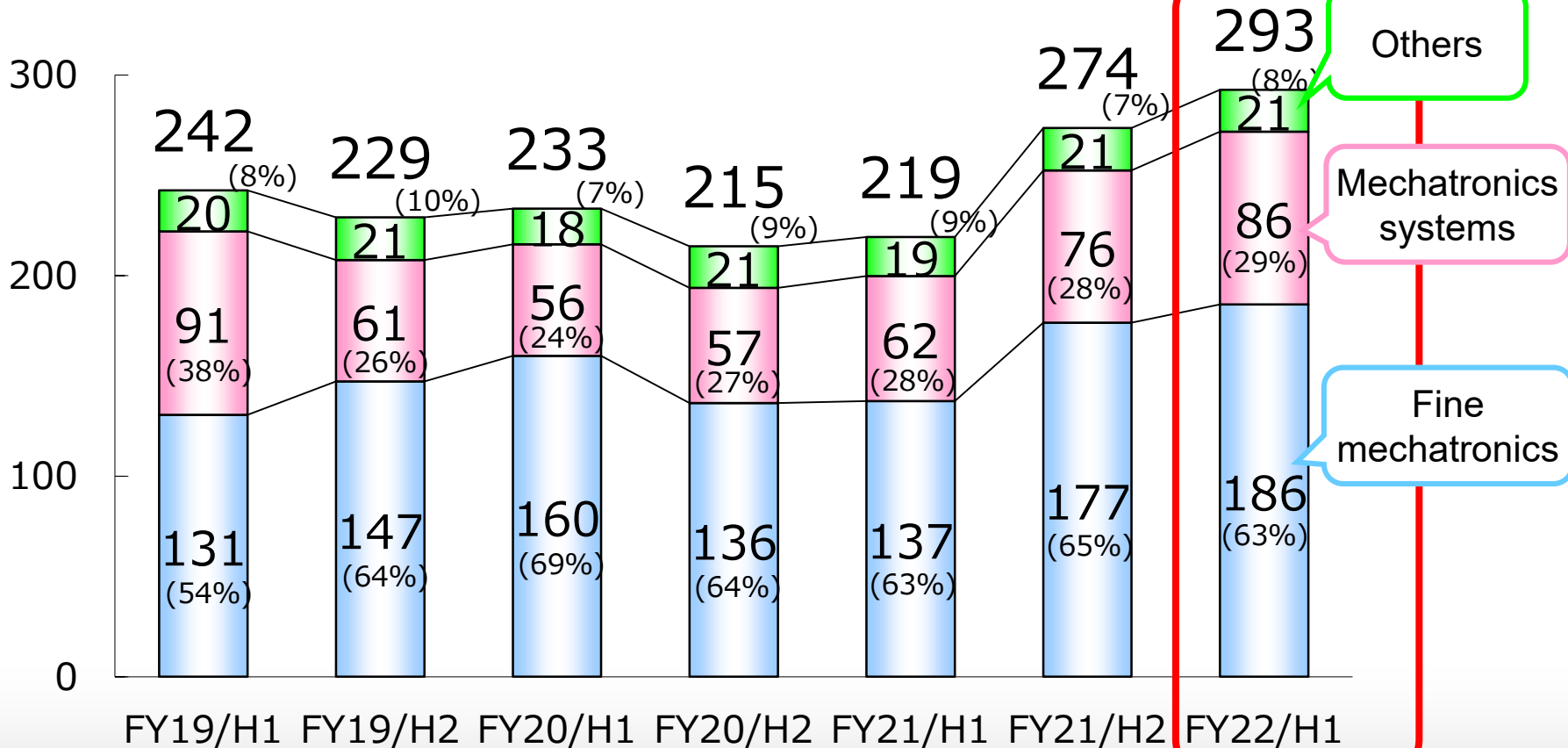
## Sales by Segment

Fine mechatronics accounts for 63%

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

### Consolidated

Unit: 100 million yen



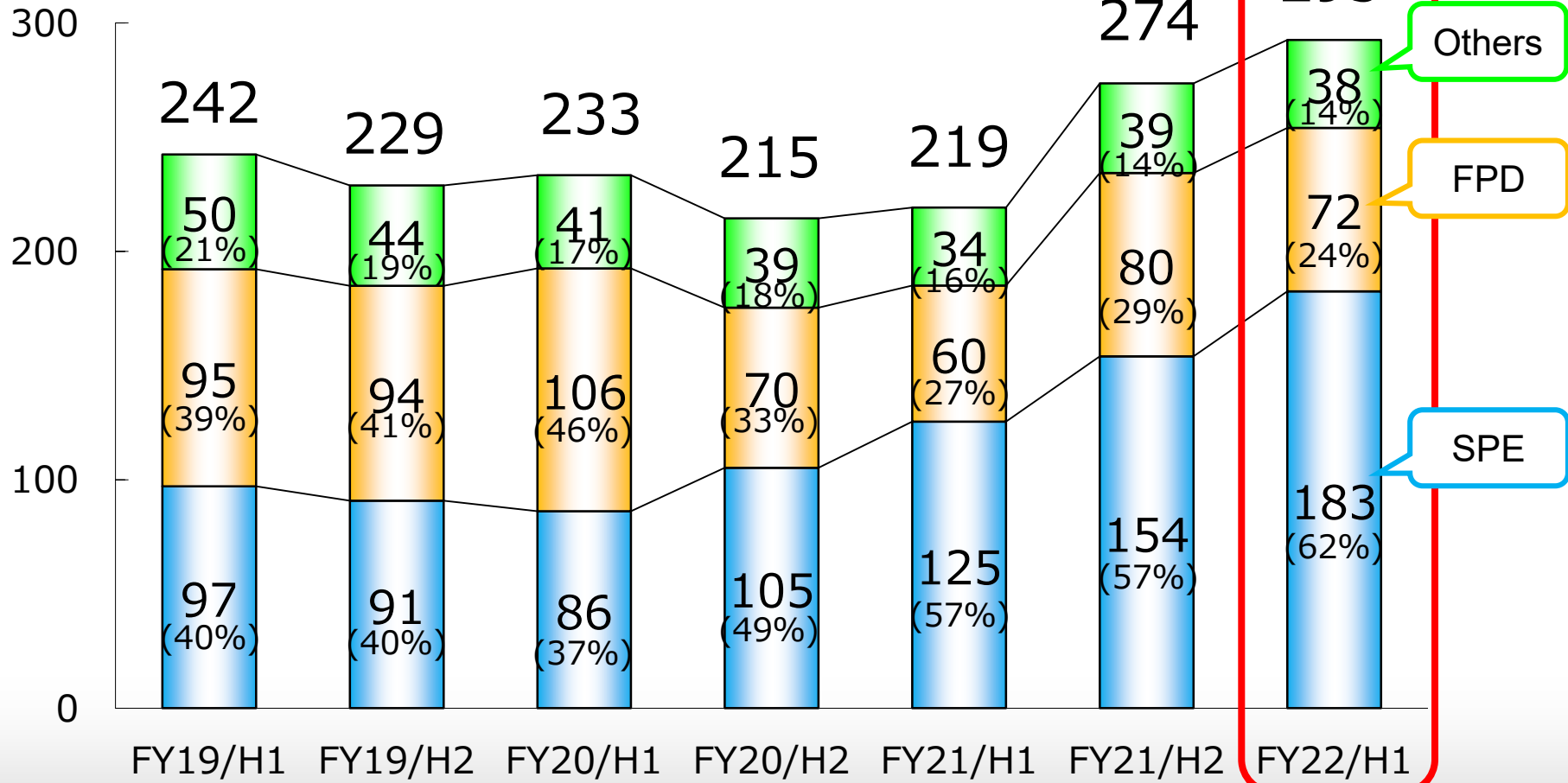
## Sales by Product Field

Sales in the SPE field have increased to 62%

Consolidated

Unit: 100 million yen

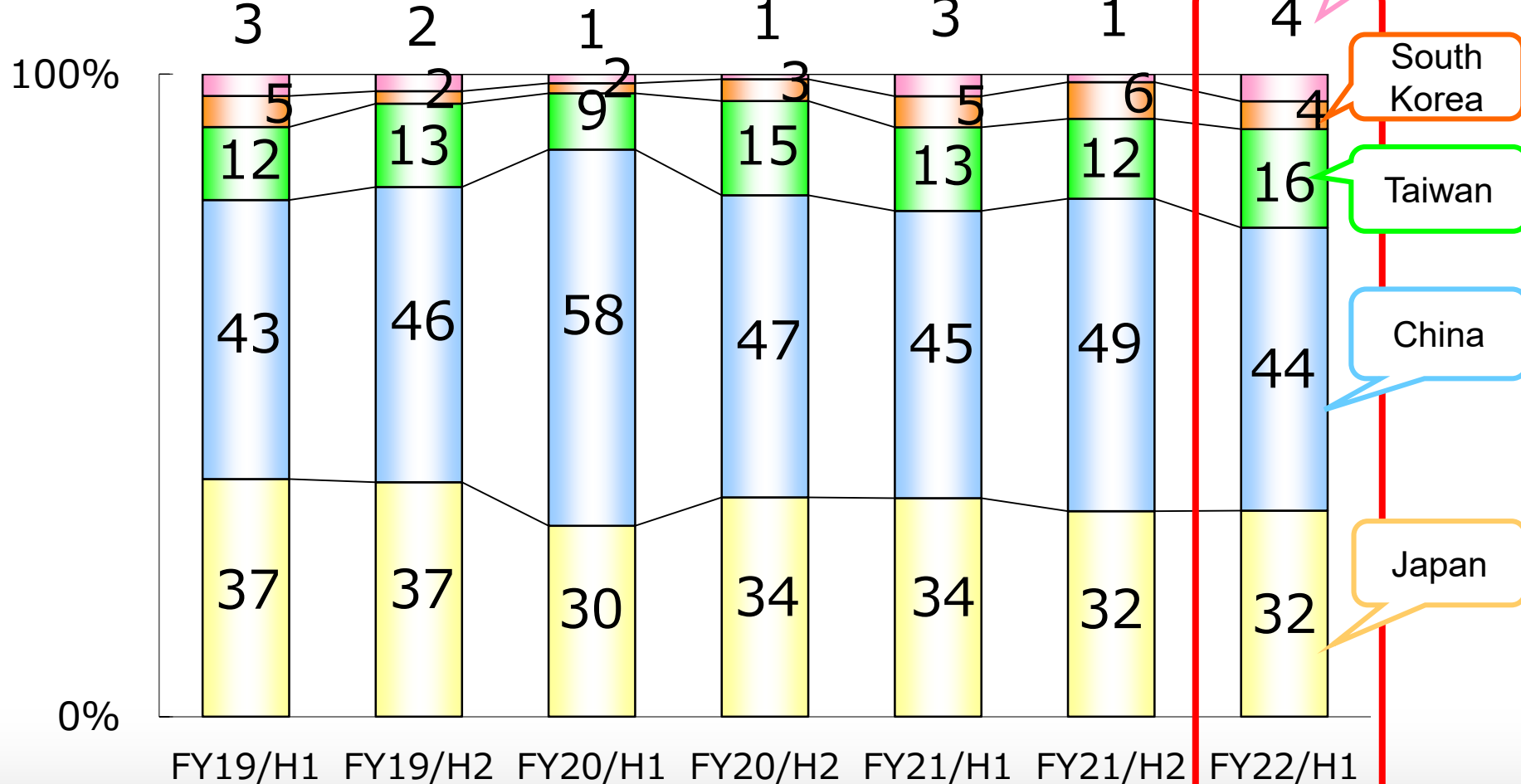
\*FPD: Front- and back-end process equipment for FPDs  
 SPE: Front- and back-end process equipment for semiconductors



## Sales Ratio by Destination

Overseas sales : 68%  
(China: 44%)

Consolidated



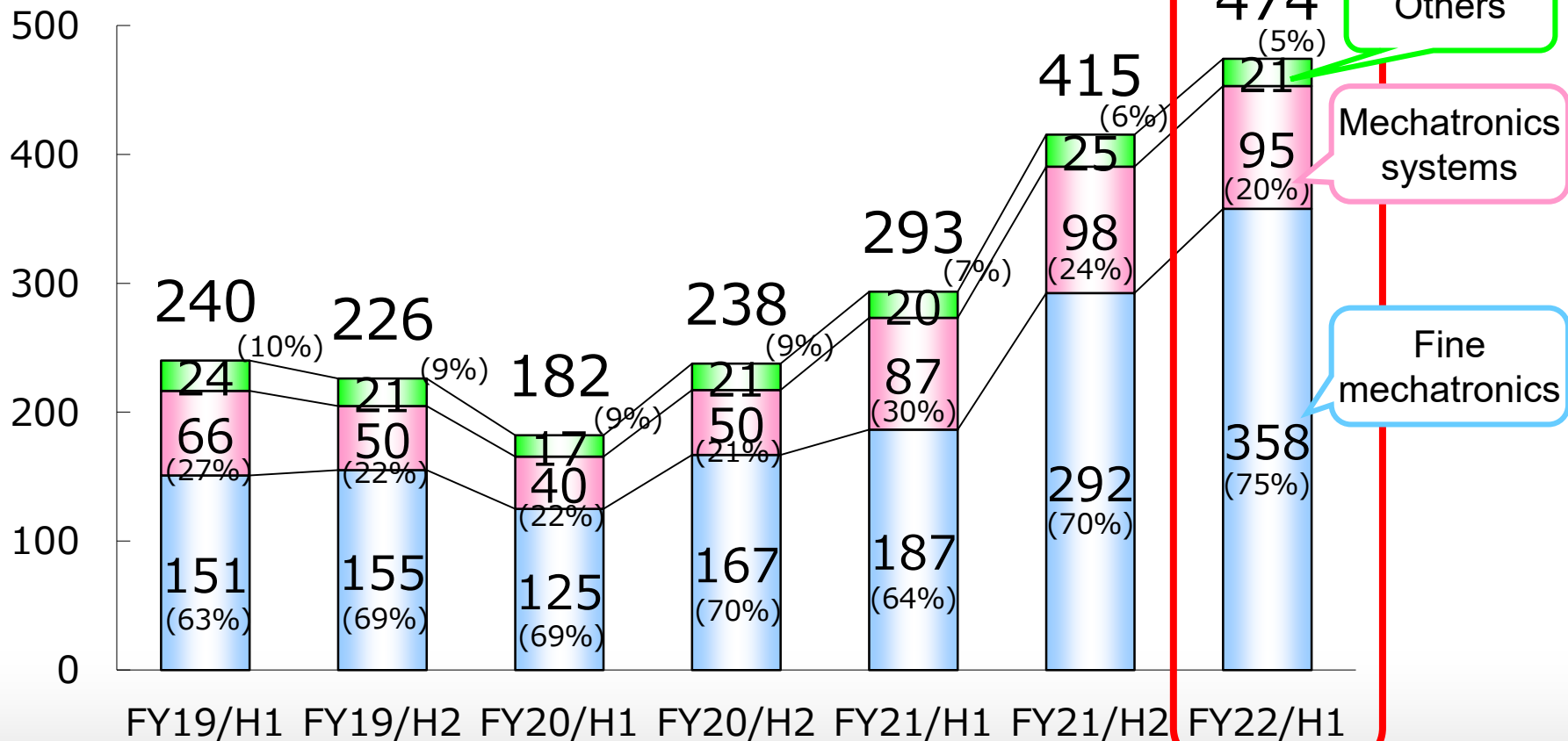
## Orders Received by Segment

Fine mechatronics accounts for 75%

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

### Consolidated

Unit: 100 million yen



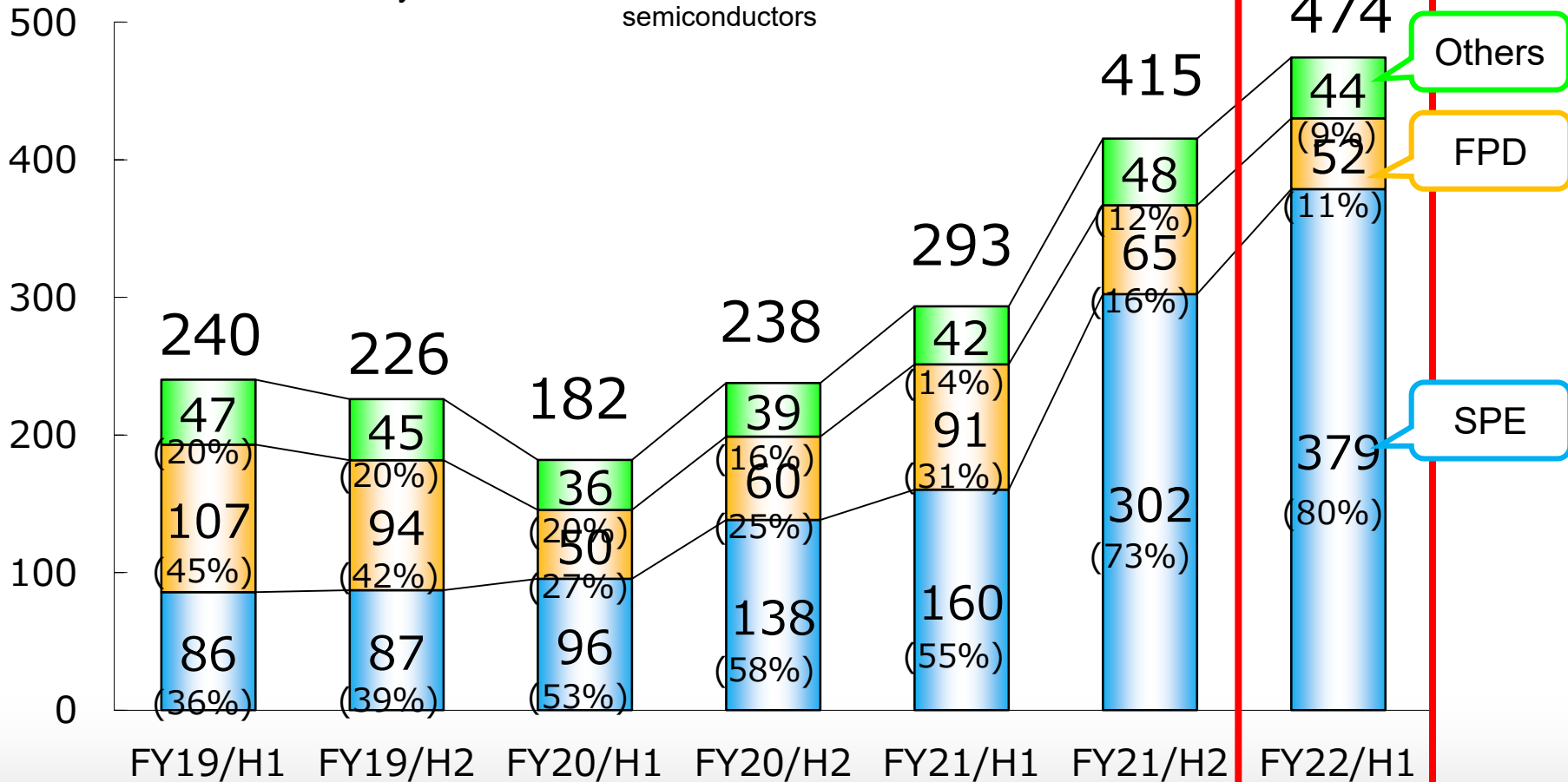
## Orders Received by Product Field

Orders received increased in the SPE field, accounting for 80%

Consolidated

Unit: 100 million yen

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

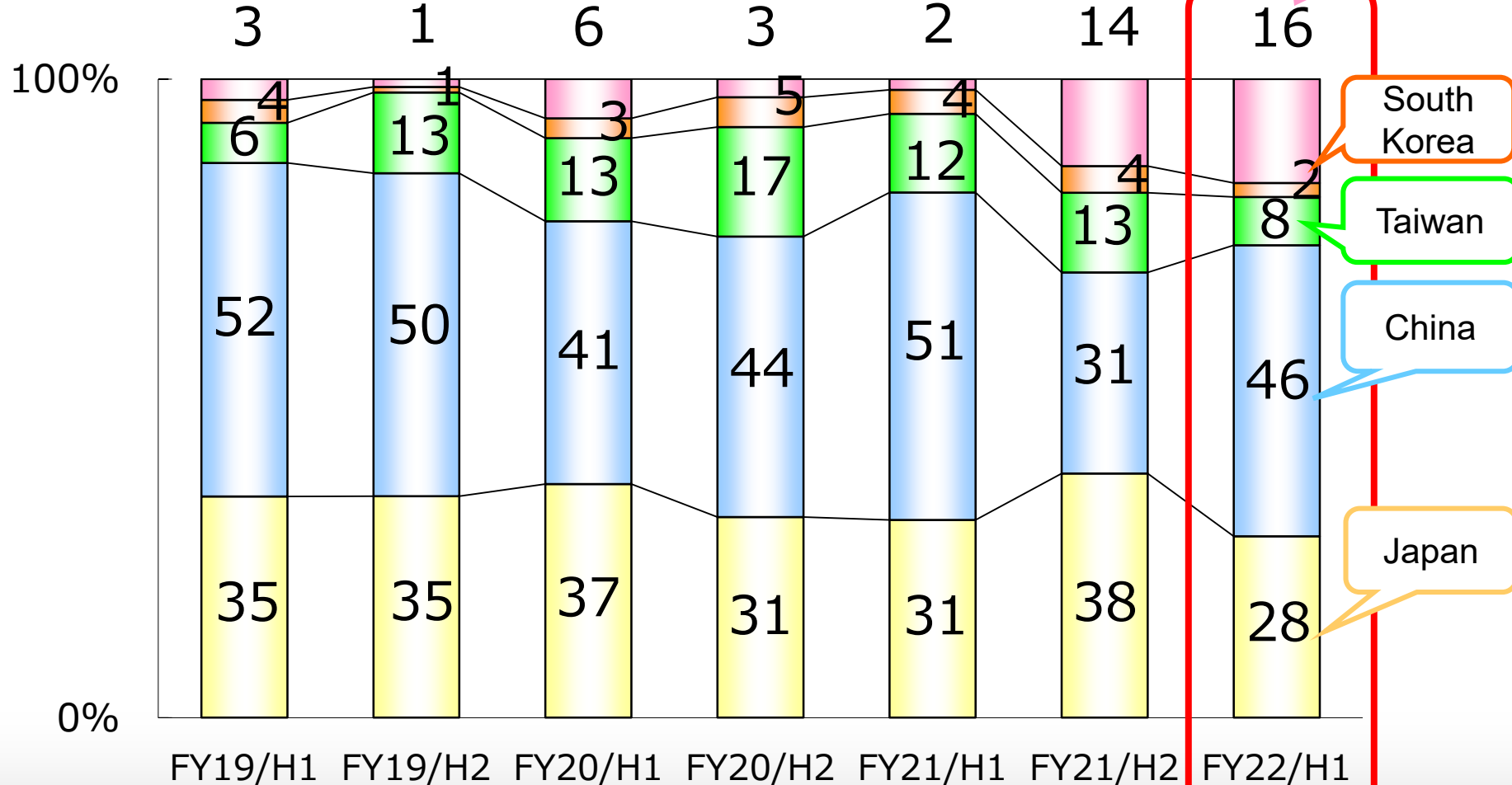


## Order Ratio by Destination

Overseas orders: 72%  
(China: 46%)

Europe, America,  
Southeast Asia,  
etc.

Consolidated



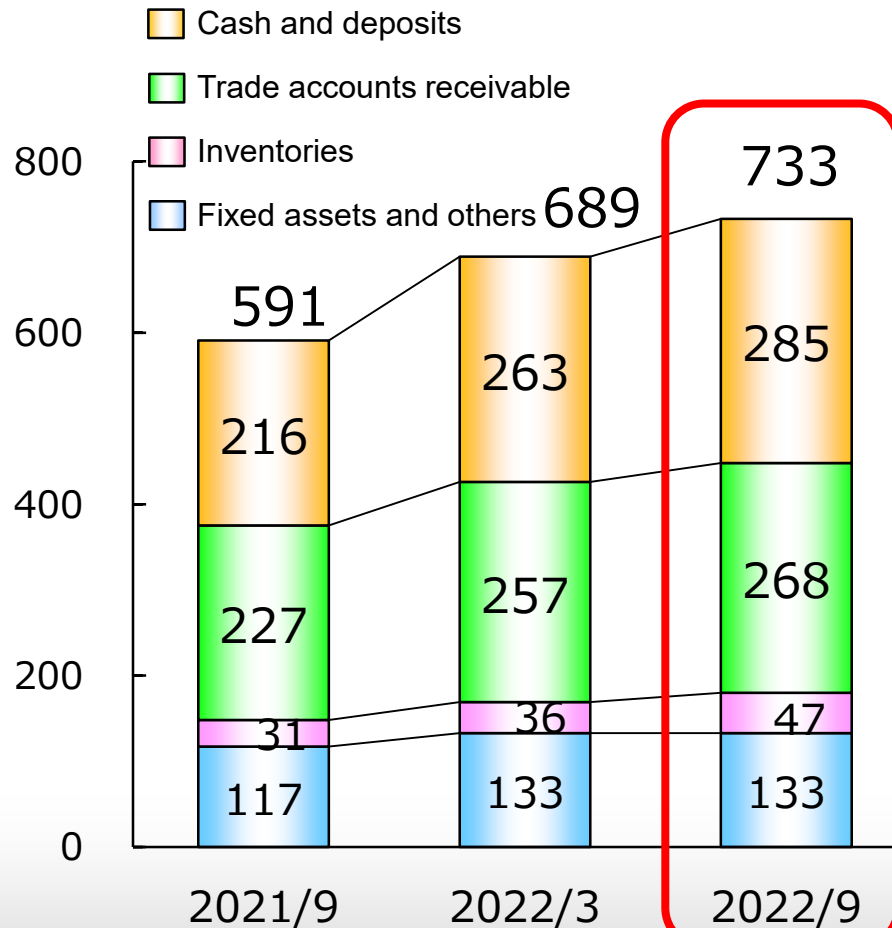


## Balance Sheet

Shareholders' equity ratio 36% ('22/3) → 37% ('22/9)  
 D/E ratio 41% ('21/3) → 32% ('22/9)

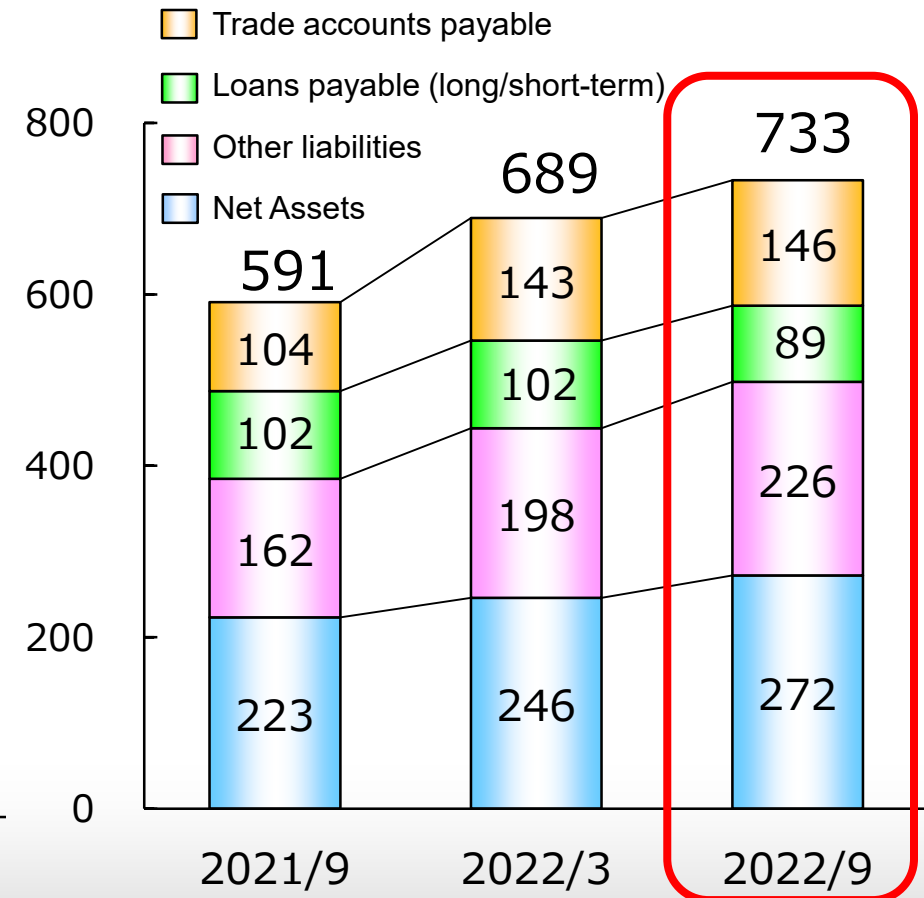
### Consolidated

Unit: 100 million yen



### Liabilities and Net Assets

Unit: 100 million yen



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Plan

## Financial Forecast

No changes to net sales from the previous forecast, but income is expected to beat forecasts

\*1: Published in August 2022

Unit: 100 million yen

### Consolidated

|                      |         |         |        | FY2022          |                    |                 | Previous forecast *1 |                    |        |
|----------------------|---------|---------|--------|-----------------|--------------------|-----------------|----------------------|--------------------|--------|
|                      | FY21/H1 | FY21/H2 | FY2021 | FY22/H1 results | FY22/H2 projection | FY2022 forecast | FY22/H1 projection   | FY22/H2 projection | FY2022 |
| Net sales            | 219     | 274     | 493    | 293             | 267                | 560             | 280                  | 280                | 560    |
| Operating income     | 18.5    | 32.0    | 50.5   | 46.0            | 30.0               | 76.0            | 37.0                 | 30.0               | 67.0   |
| ROS                  | 8.4%    | 11.7%   | 10.3%  | 15.7%           | 11.2%              | 13.6%           | 13.2%                | 10.7%              | 12.0%  |
| Ordinary income      | 17.5    | 31.3    | 48.8   | 42.6            | 29.4               | 72.0            | 35.0                 | 30.0               | 65.0   |
| Extraordinary losses | 6.1     | -       | 6.1    | -               | -                  | -               | -                    | -                  | -      |
| Net income           | 7.5     | 22.3    | 29.8   | 34.1            | 23.9               | 58.0            | 28.0                 | 23.0               | 51.0   |
| ROE                  | -       | -       | 12.8%  | -               | -                  | 21.4%           | -                    | -                  | 19.1%  |
| Dividend             | -       | -       | 230yen | -               | -                  | 390yen          | -                    | -                  | 350yen |
| FCF                  | 30.8    | 47.1    | 77.9   | 43.8            | 0                  | 43.8            | -                    | -                  | 15.0   |

## Dividend Forecast

We intend the consolidated dividend payout ratio to be approximately 30%.

As a result of the upward revision in the financial forecast for FY2022, the year-end dividend per share has been increased by 40 yen to 390 yen.

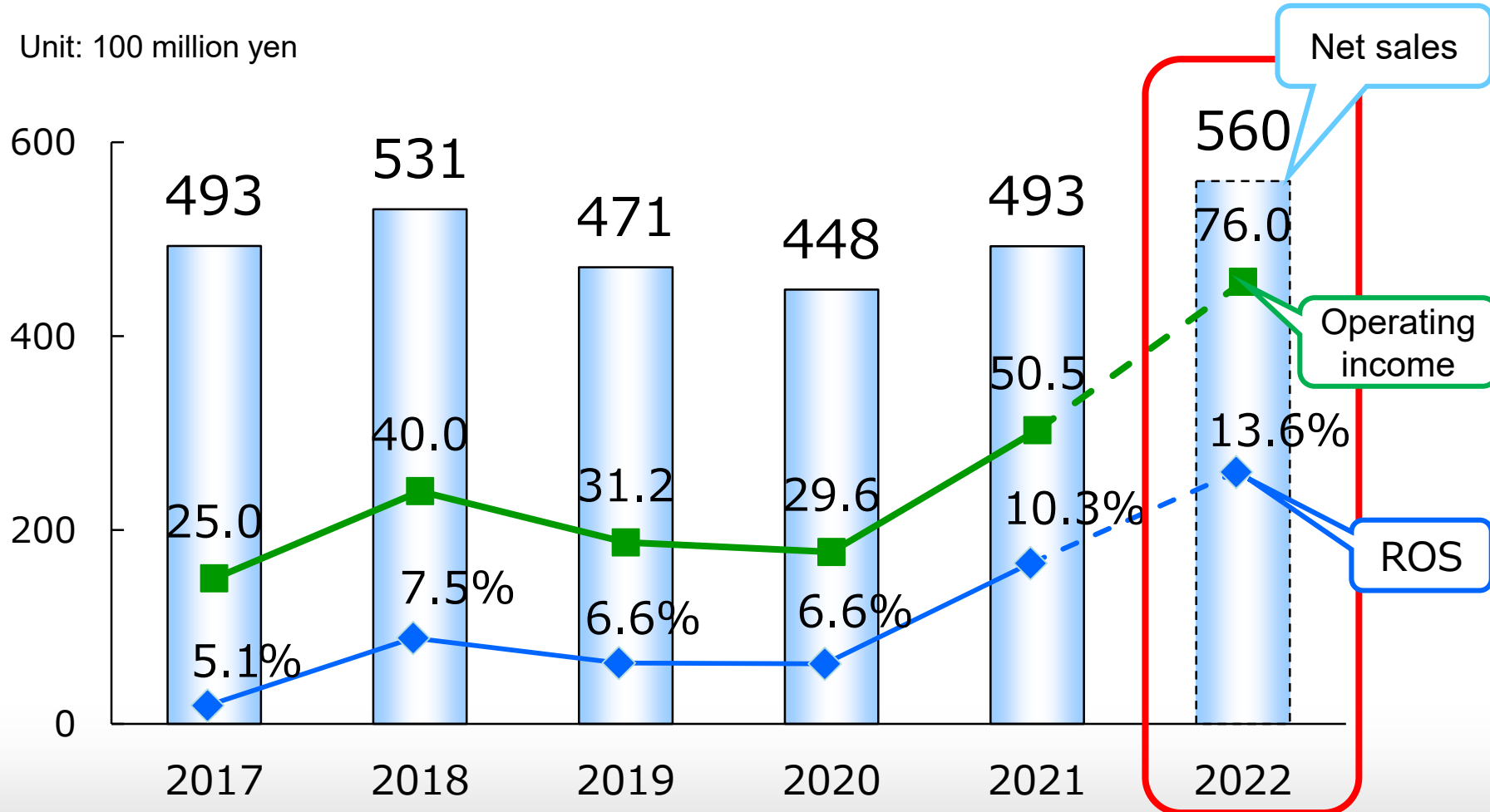
|   | Dividend at the end of Q2 | Year-end dividend | Annual dividend |
|---|---------------------------|-------------------|-----------------|
| Current forecast<br>(year ending March 31, 2023)  | 0 yen                     | 390 yen           | 390 yen         |
| Previous forecast<br>(year ending March 31, 2023) | 0 yen                     | 350 yen           | 350 yen         |

## Sales, Profit and ROS

Increased sales and income

Consolidated

Unit: 100 million yen



## Sales by Segment

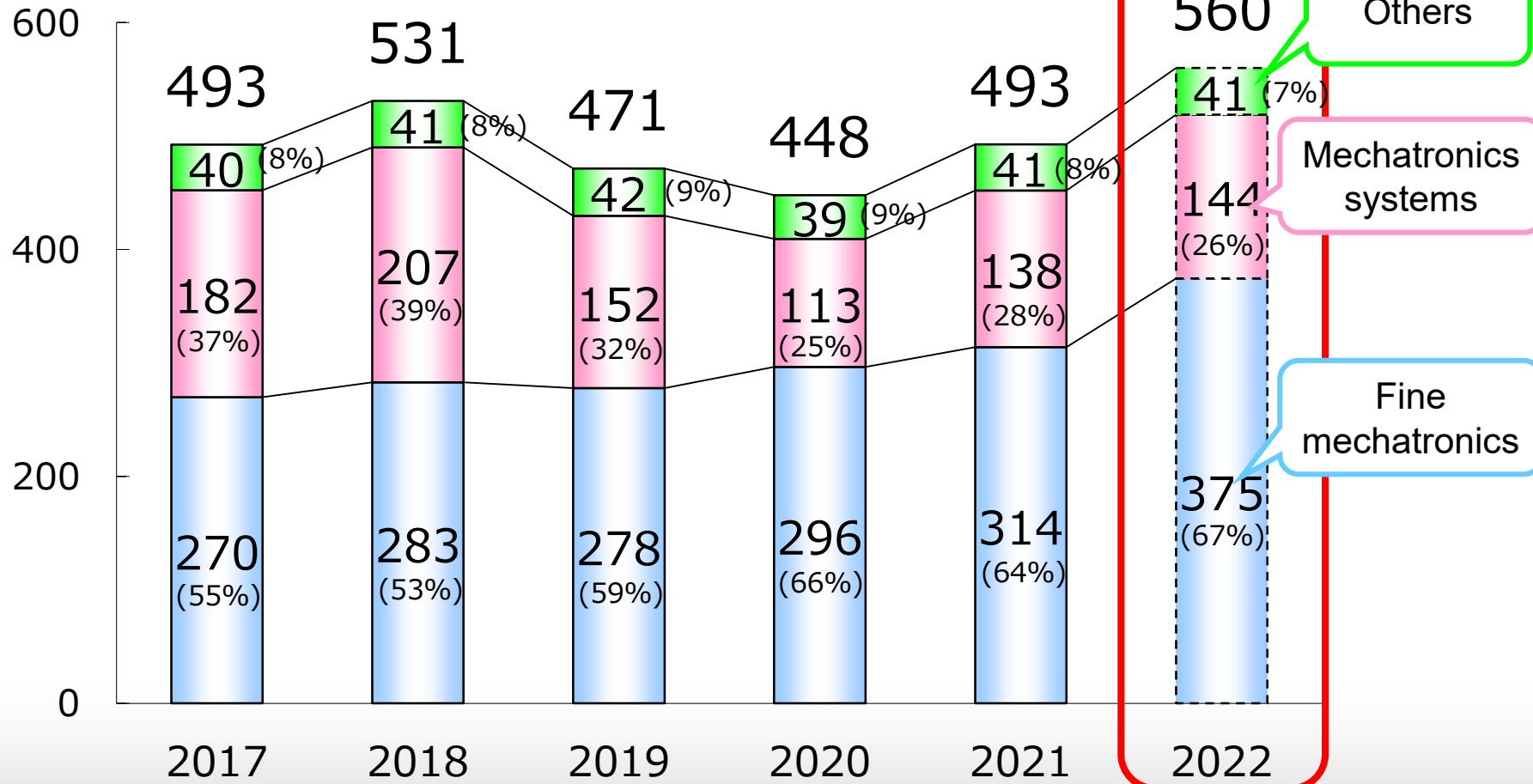
Fine mechatronics accounts for 67%

### 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



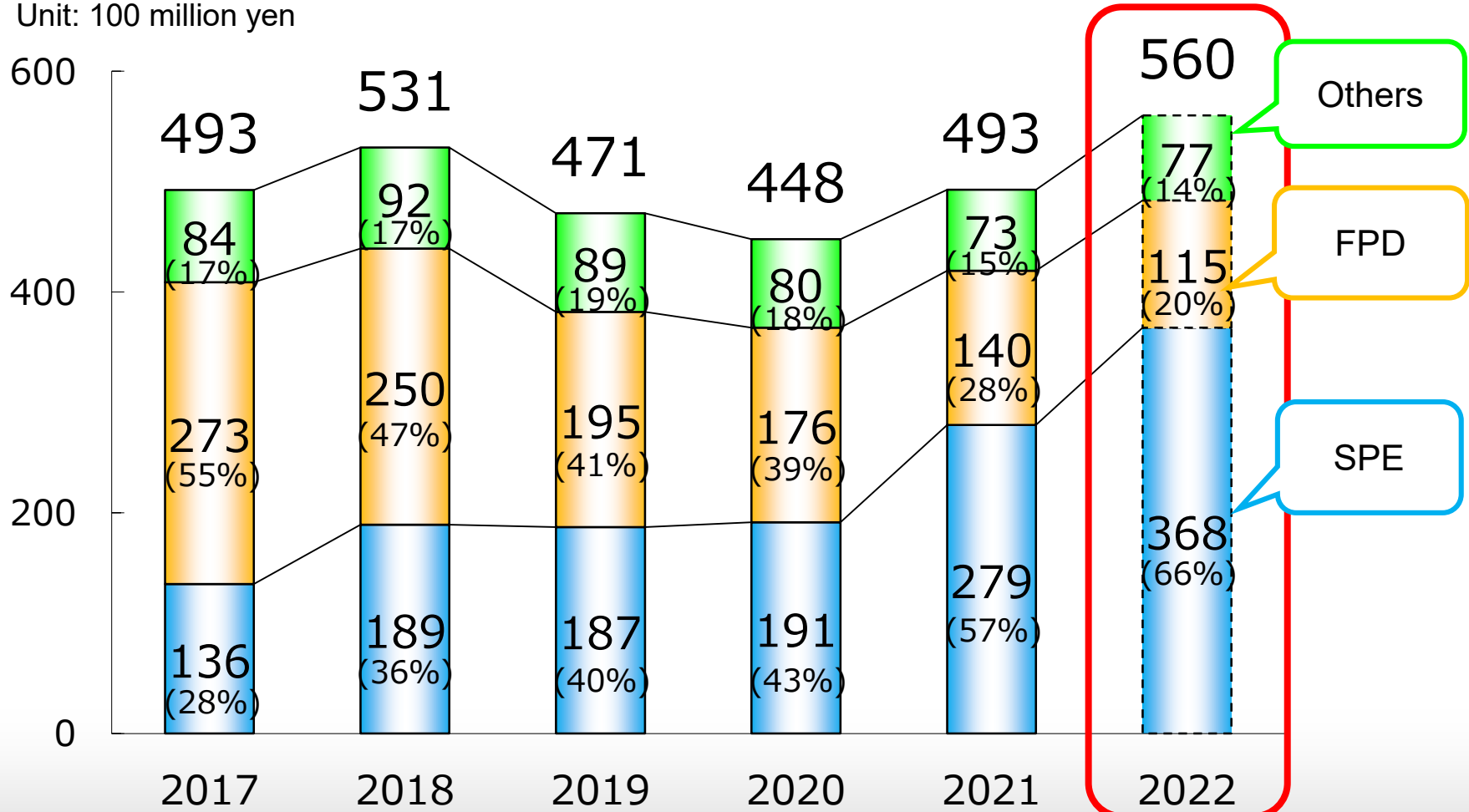
## Sales by Product Field

SPE field accounts for 66%

Consolidated

Unit: 100 million yen

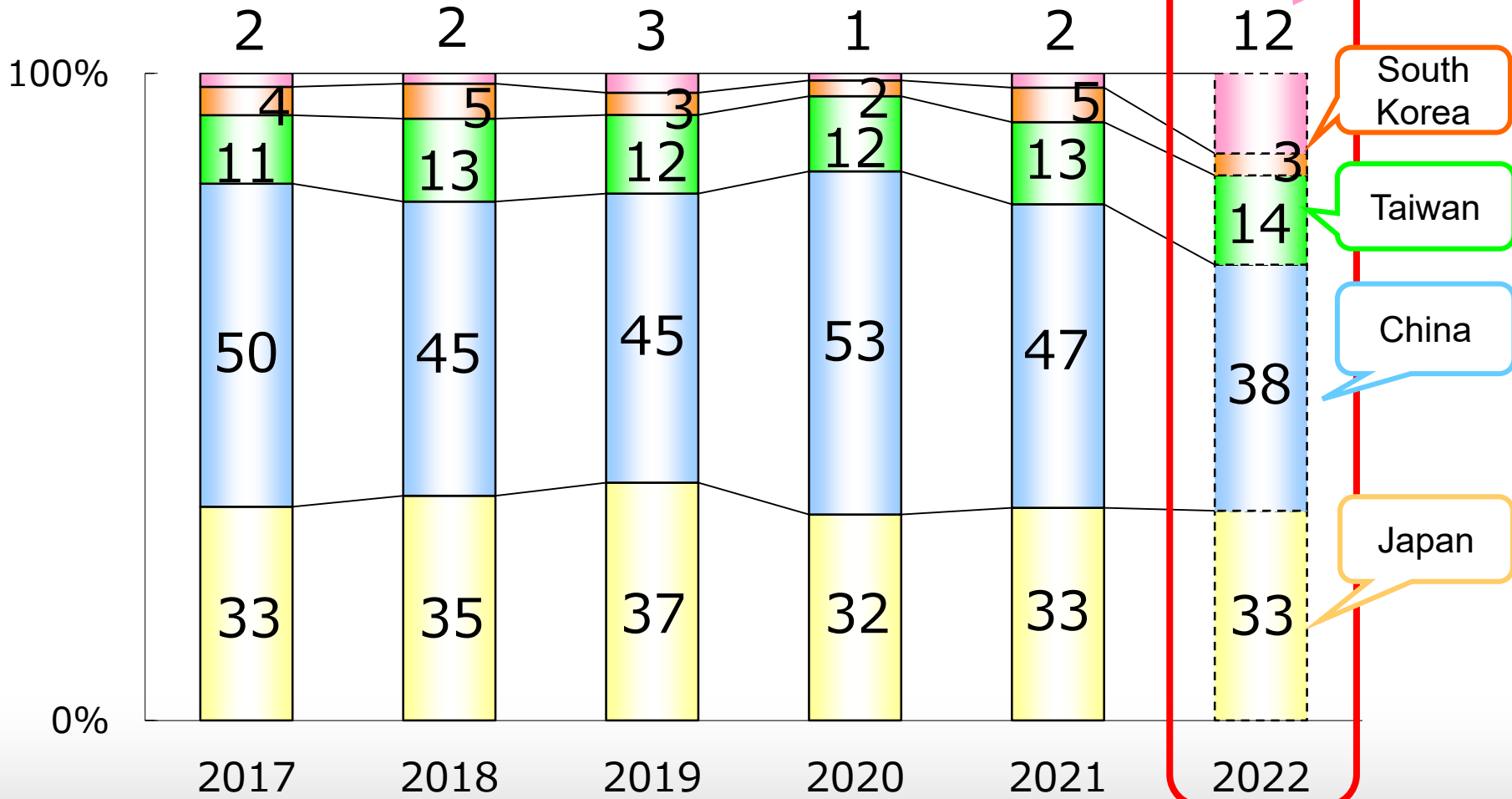
\*SPE: Front- and back-end process equipment for semiconductors  
 FPD: Front- and back-end process equipment for FPDs



## Sales Ratio by Destination

Overseas orders: 67%  
(China: 38%)

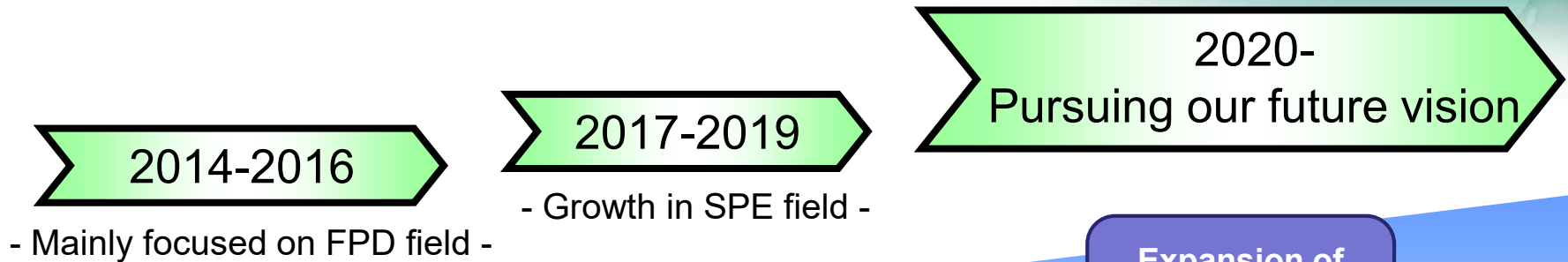
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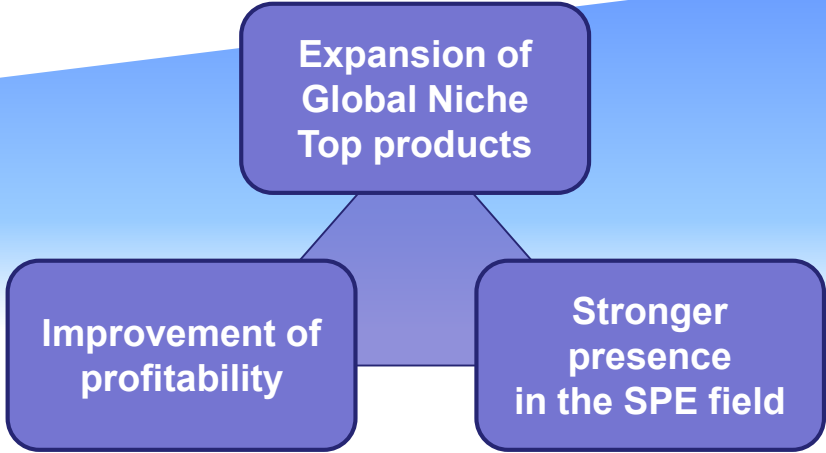
\*Classified by sales region



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**SPE**



**FPD**

| Future Vision   |
|---|
| <ul style="list-style-type: none"> <li>◆ 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.<br/>— From manufacturing to creating value —</li> <li>◆ Grow into a corporate group that demonstrates its presence at the top of the global niche in the SPE field and as a major supplier in the FPD field.</li> </ul> |

## 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

Consolidated

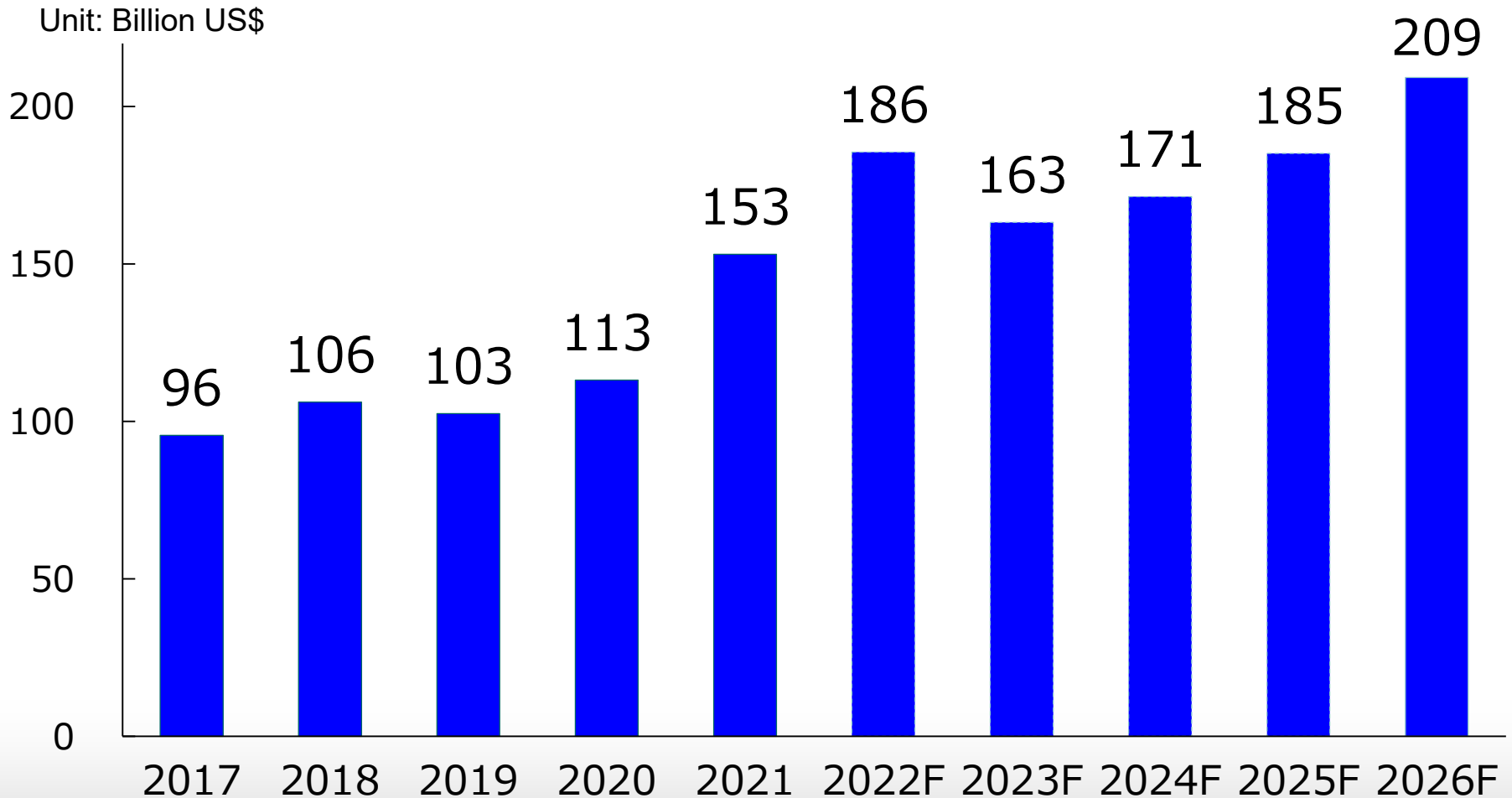
Unit: 100 million yen

|                  | FY2020<br>results | FY2021<br>results | FY2022<br>forecast | Mid-Term Management Plan Annual Targets *1 |        |        |
|------------------|-------------------|-------------------|--------------------|--|--------|--------|
|                  |                   |                   |                    | FY2020                                     | FY2021 | FY2022 |
| Net sales        | 448               | 493               | 560                | 460  | 480    | 510    |
| Operating income | 29.6              | 50.5              | 76.0               | 30.0                                       | 38.5   | 51.0   |
| ROS              | 6.6%              | 10.3%             | 13.6%              | 6.5%                                       | 8.0%   | 10.0%  |
| Ordinary income  | 28.2              | 48.8              | 72.0               | -  | -      | -      |
| Net income       | 19.7              | 29.8              | 58.0               | -  | -      | -      |
| ROE              | 9.5%              | 12.8%             | 21.4%              | 9.5%                                       | 11.5%  | 13.0%  |

## Semiconductor Plant/Equipment Investments Forecast

\*Source: IC Insights 2022 - 8  
(Graph prepared by our company)

2019-2022 CAGR: 21.9%  
(22.9% in forecast half a year ago)



## Business Environment Surrounding Our Company

- Demand for semiconductors is expected to expand with the development of IoT, 5G and AI technologies, but slowing demand for smartphones, PCs, and TVs is causing concerns about capital investment. It is necessary to continuously monitor the trends accompanying the tightening of US restrictions on exports to China.

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

- ✓ Front-end process equipment for semiconductors:
  - The market will temporarily slow down, but capital investment will continue in logic, Si wafers and power devices over the medium term.
- ✓ Back-end process equipment for semiconductors:
  - Investments in advanced packages remained firm.
  - Inquiries about fusion bonding are vigorous.

## 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)                      |
| Photomask manufacturing | <ul style="list-style-type: none"> <li>- Etching equipment</li> <li>- Single wafer cleaning equipment</li> </ul> | Mask and blanks for EUV<br>Mask and blanks for PSM |
| Wafer process           | Single wafer phosphoric etching equipment  | Logic/foundry                                      |
| Module process          | High-accuracy flip chip bonder   | FO-WLP/PLP, 2.5D, CoW fusion bonding               |

## Si Wafer-Manufacturing/Wafer-Process Examples

GNT

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

GNT



Single Si wafer cleaning equipment (SC300 Series)

### Features

- Single-wafer process support for high level of cleanliness
- Multi-chamber design enables high productivity
- Successfully used for a wide range of in-line connections with CMP equipment

### Roll-out

- Largest share of the global single wafer cleaning equipment market
- Orders are continuously brisk and inquiries are increasing due to increased adoption by major manufacturers and manufacturers in developing countries

GNT



Single wafer phosphoric etching equipment (SC300-HT Series)

### Features

- High-precision control of etching rate, low particles
- Next-generation drying technique
- Next-generation process support for 3 nm and future processes

### Roll-out

- Increasing number of orders received based on results of major foundries
- Applications of phosphoric acid etching equipment are expanding

## Module-Process Examples: High-Accuracy Flip Chip Bonders

GNT



Advanced package bonder  
(TFC-6500)

### Features

- Not only for 2.5 D packages, but also for microbump bonding
- High accuracy:  $\pm 1 \mu\text{m}$
- Cleanliness: Equivalent to Class 100

### Roll-out

- Orders continuously received from major foundries, device manufacturers and OSAT
- Expanding applications including in the automotive industry and silicon photonics field
- Adaptable to various processes

GNT



Fusion bonder (TFC-6700)

### Features

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

### Roll-out

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



## Expansion of SPE with Focus on Global Niche Top Products

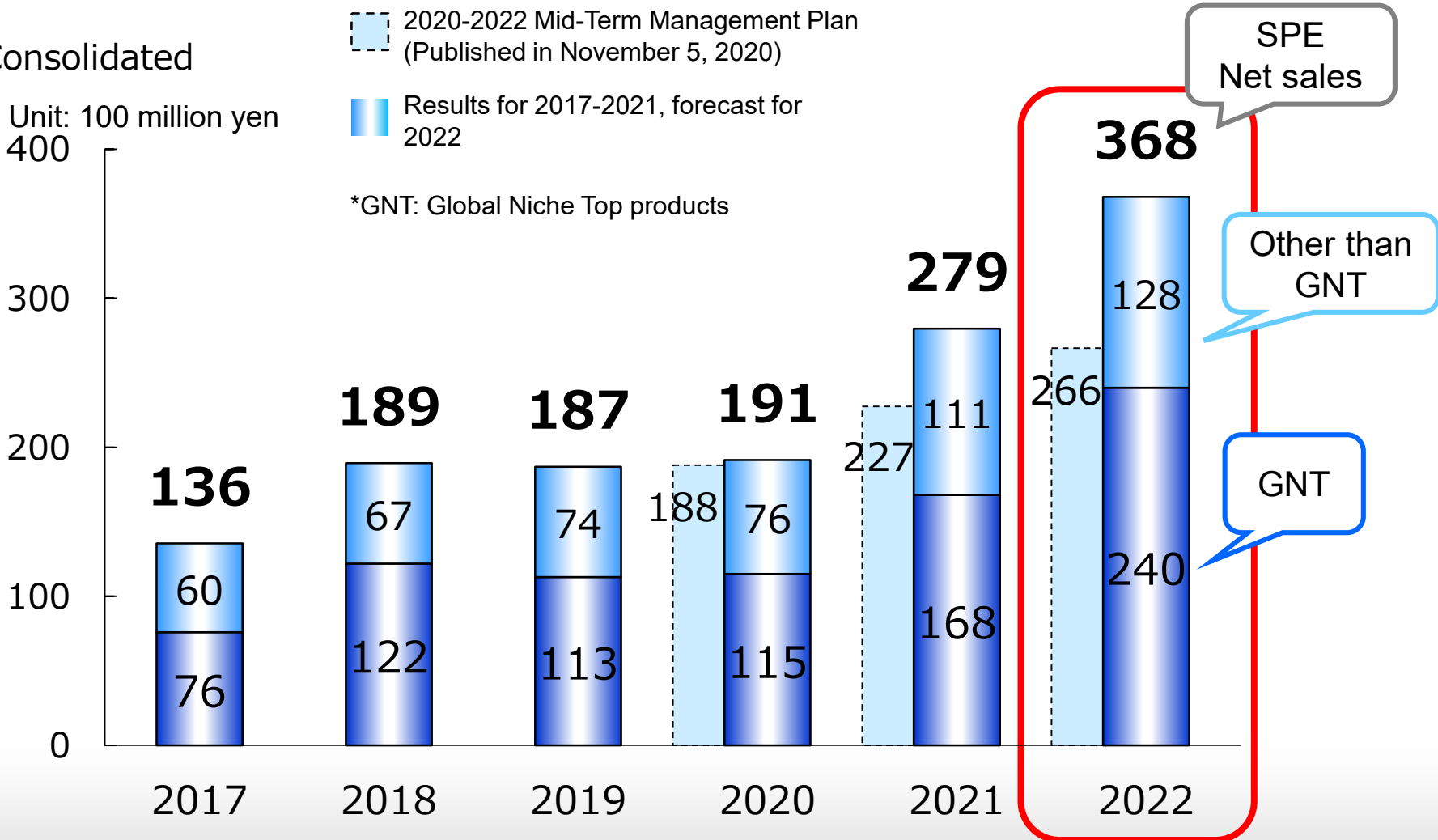
Consolidated

Unit: 100 million yen  
400

2020-2022 Mid-Term Management Plan  
(Published in November 5, 2020)

Results for 2017-2021, forecast for 2022

\*GNT: Global Niche Top products

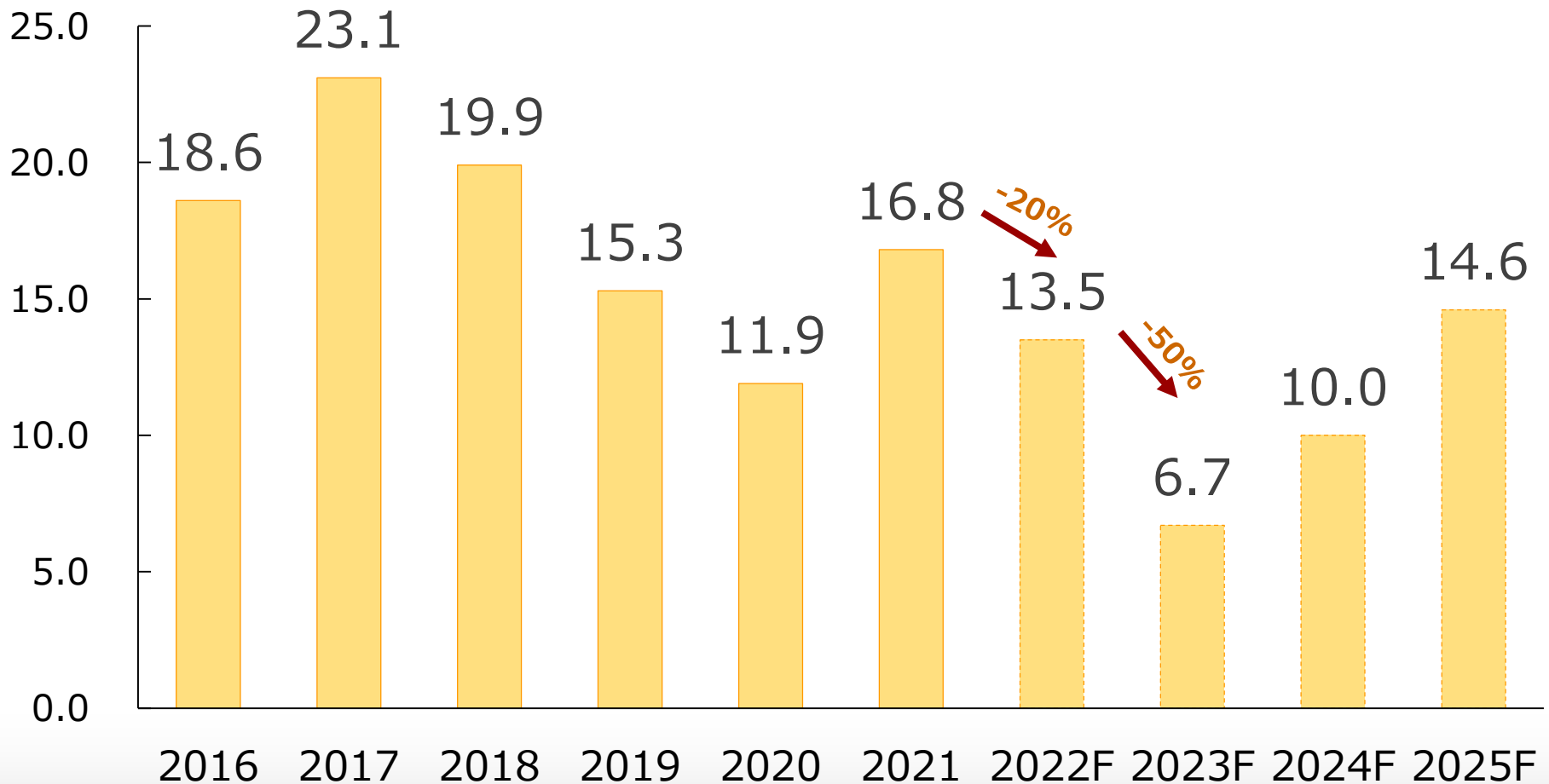


## Equipment Investments Forecast

\*Source: DSCC 2022-10  
(Graph prepared by our company)

2019-2022 CAGR: -4.1%

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:
  - Overall decline in FPD demand has been continuing longer than expected.
  - Panel makers are making large-scale adjustments in production operations.
  - The trend is that capital investment plans are postponed, and their timing is fluid.
  
- ✓ Back-end process equipment for FPDs:
  - Capital investment plans for TVs and IT panels have been postponed or canceled due to a decline in demand.
  - Steady investment in automotive panels

## Example 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
- Intend to increase market share in the automotive market through upsizing and firm investment

## Example 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 are available including the visual inspection of tablets.
- Self-development, manufacturing and sale of inks

### Roll-out

- Continuously receive orders from major pharmaceutical manufacturers
- Expectation that the demand for inkjet tablet printing will grow.

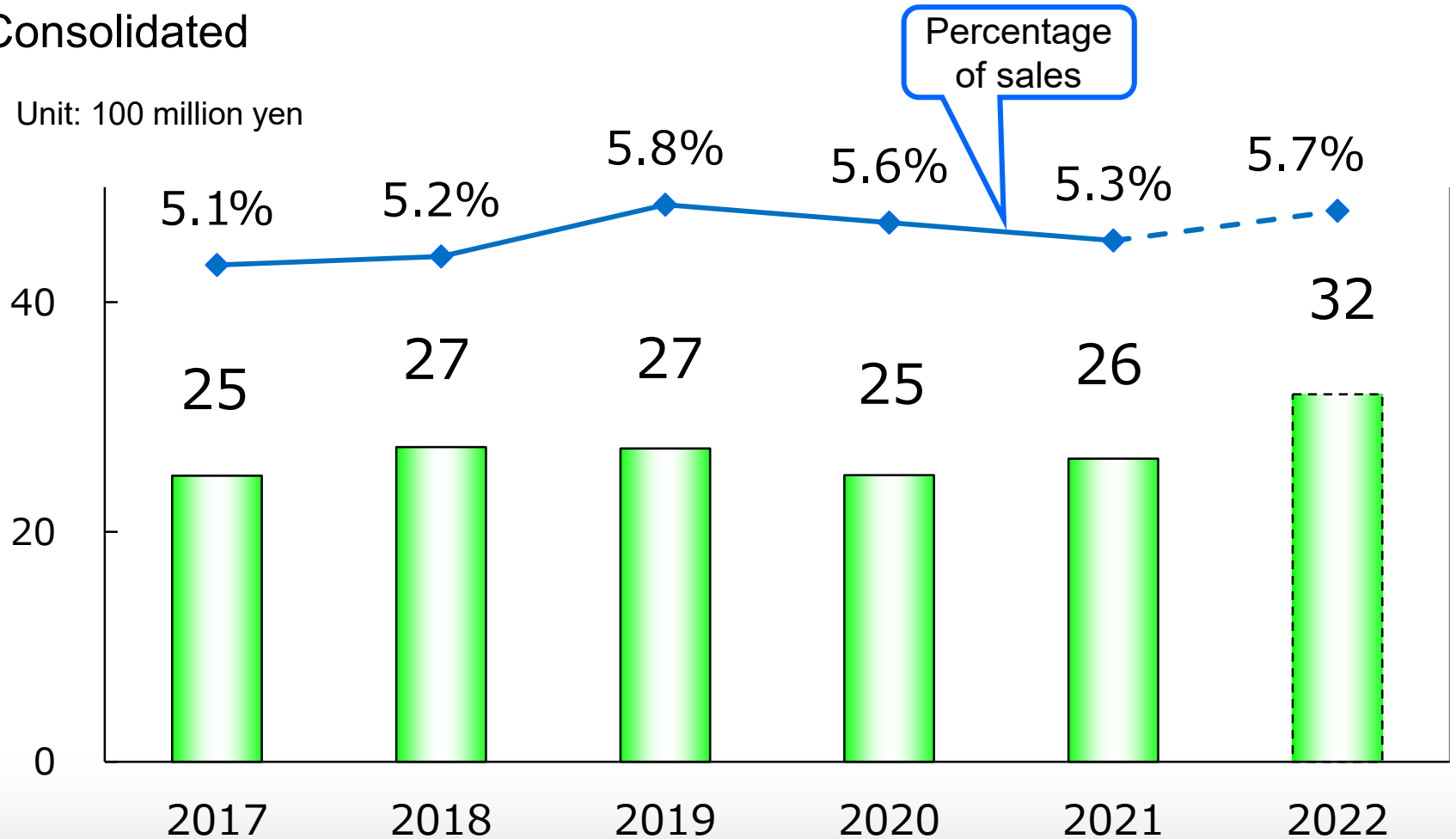
\*Inkjet Tablet Printing System:  
Included in Fine mechatronics division, front-end process for FPD

## R&D Expenses

Accelerated development in the SPE field

Consolidated

Unit: 100 million yen



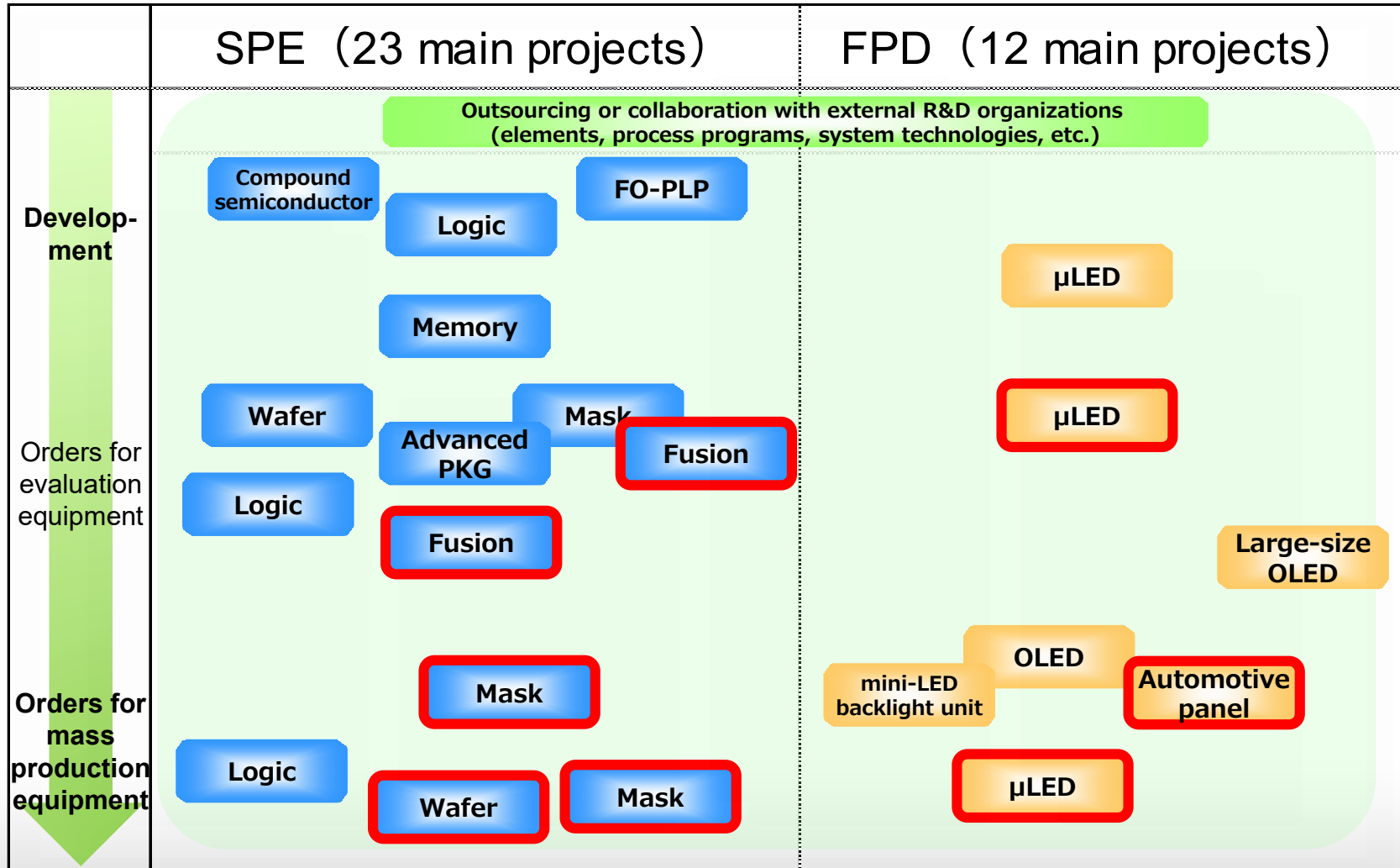
## Collaboration with Other Companies (i)

\*imec: Interuniversity Microelectronics Centre

- Collaborate with equipment, material and device manufacturers, research institutes, universities and other organizations to accelerate the development of strong products  
Participating in development with imec's semiconductor process program\*
- Collaborate with major shareholders (Toshiba Corporation, Shin-Etsu Engineering Co., Ltd. and NuFlare Technology, Inc.)
- Steady progress on every major theme

## Collaboration with Other Companies (ii)

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

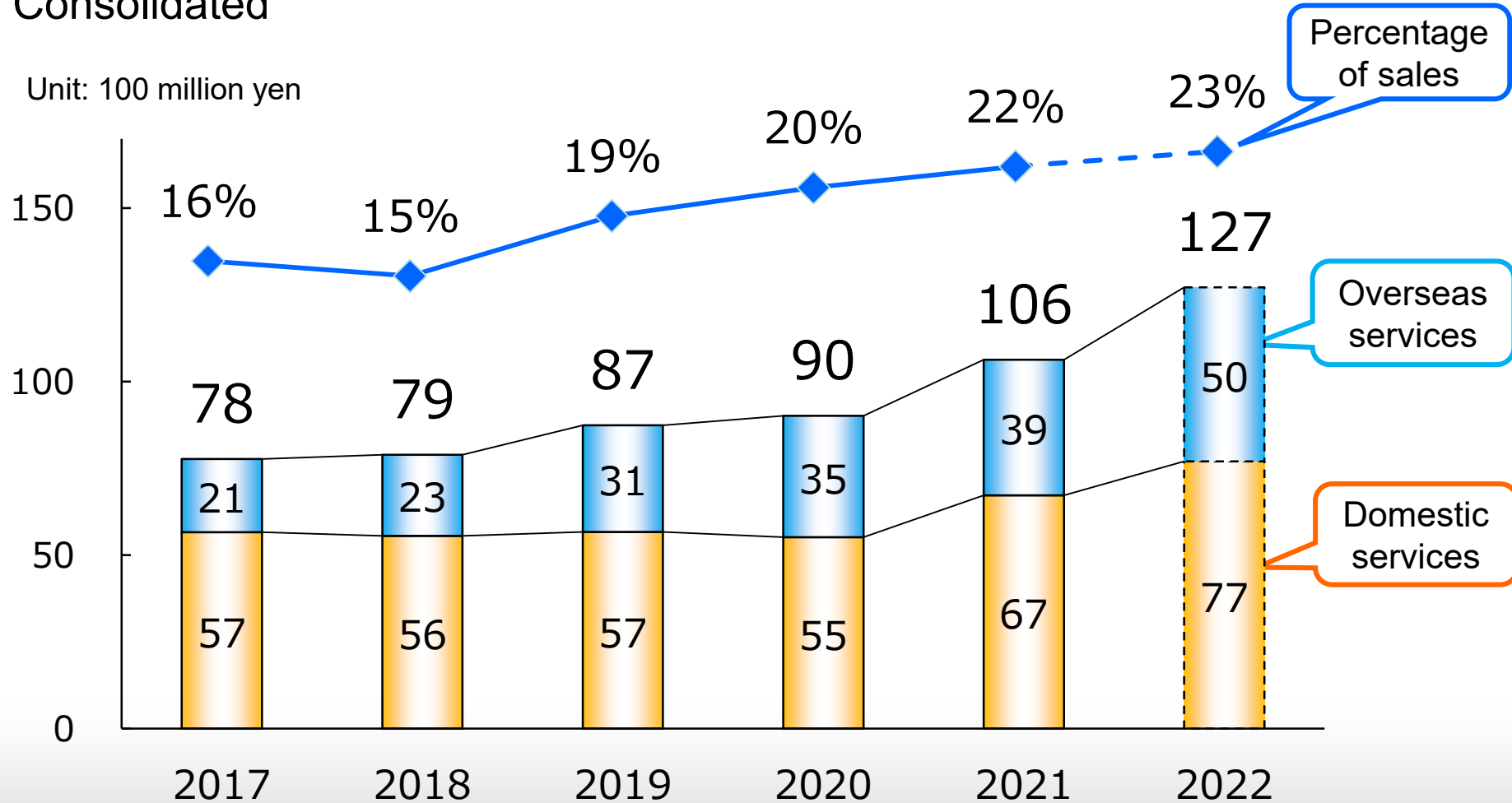


## Service Business Net Sales

Progressing as scheduled in the mid-term management plan.

Consolidated

Unit: 100 million yen





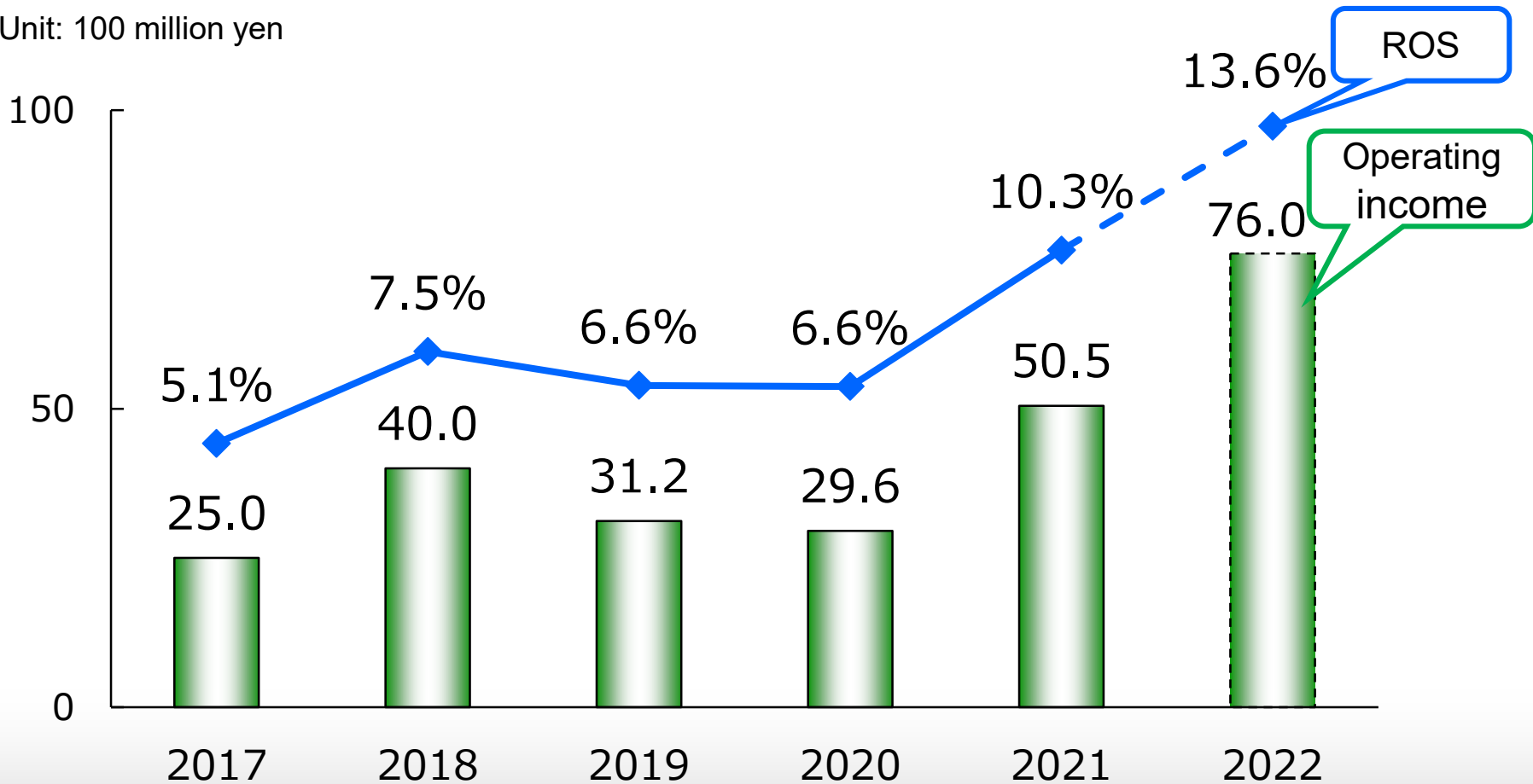
# Increased Profitability

## ROS Improvement

Expansion of high-value added products in SPE and other fields.  
 ROS greatly improved to 13.6%

Consolidated

Unit: 100 million yen



## Improving Previous CSR Activities and Moving Toward Sustainability Initiatives

- Established Sustainability Committee (developed from CSR Committee)
- Established Sustainability Policy
- Identifying material issues to work on



## Smart Solutions & Services for Your Manufacturing

We will facilitate customer manufacturing through the three  
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.

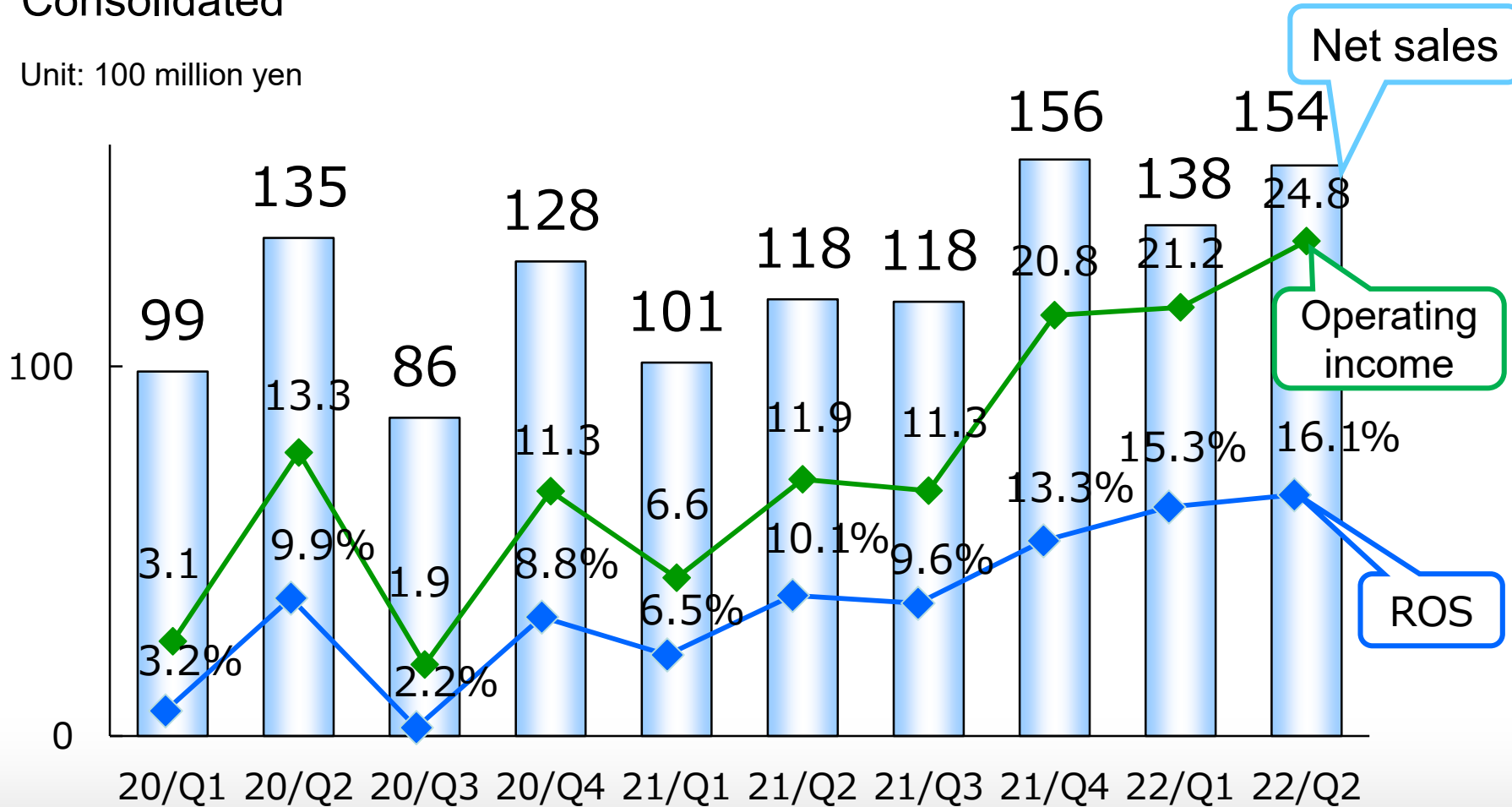
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# Appendix

## Sales, Profit and ROS

Consolidated

Unit: 100 million yen



## Sales by Segment

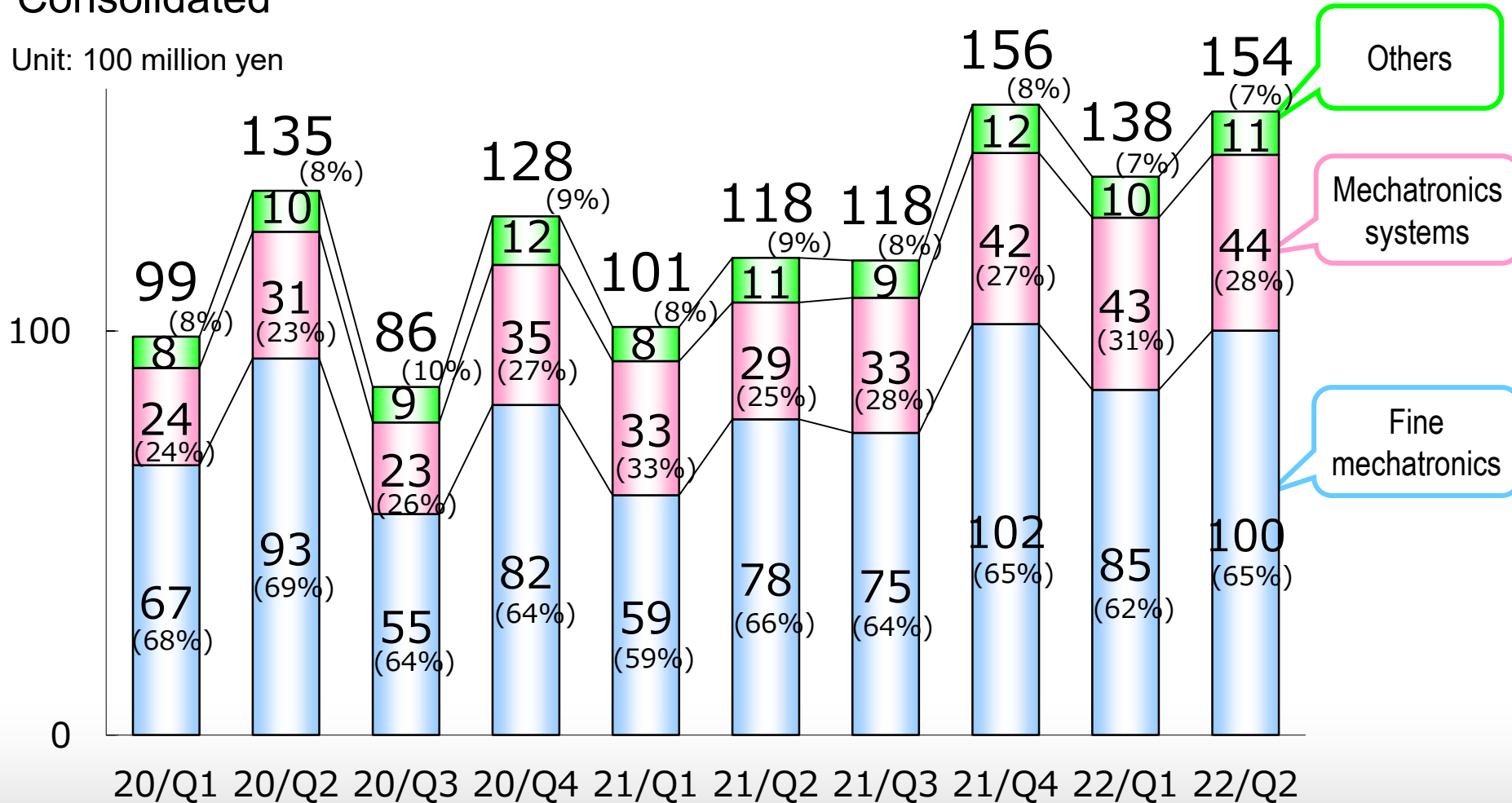
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Consolidated

Unit: 100 million yen



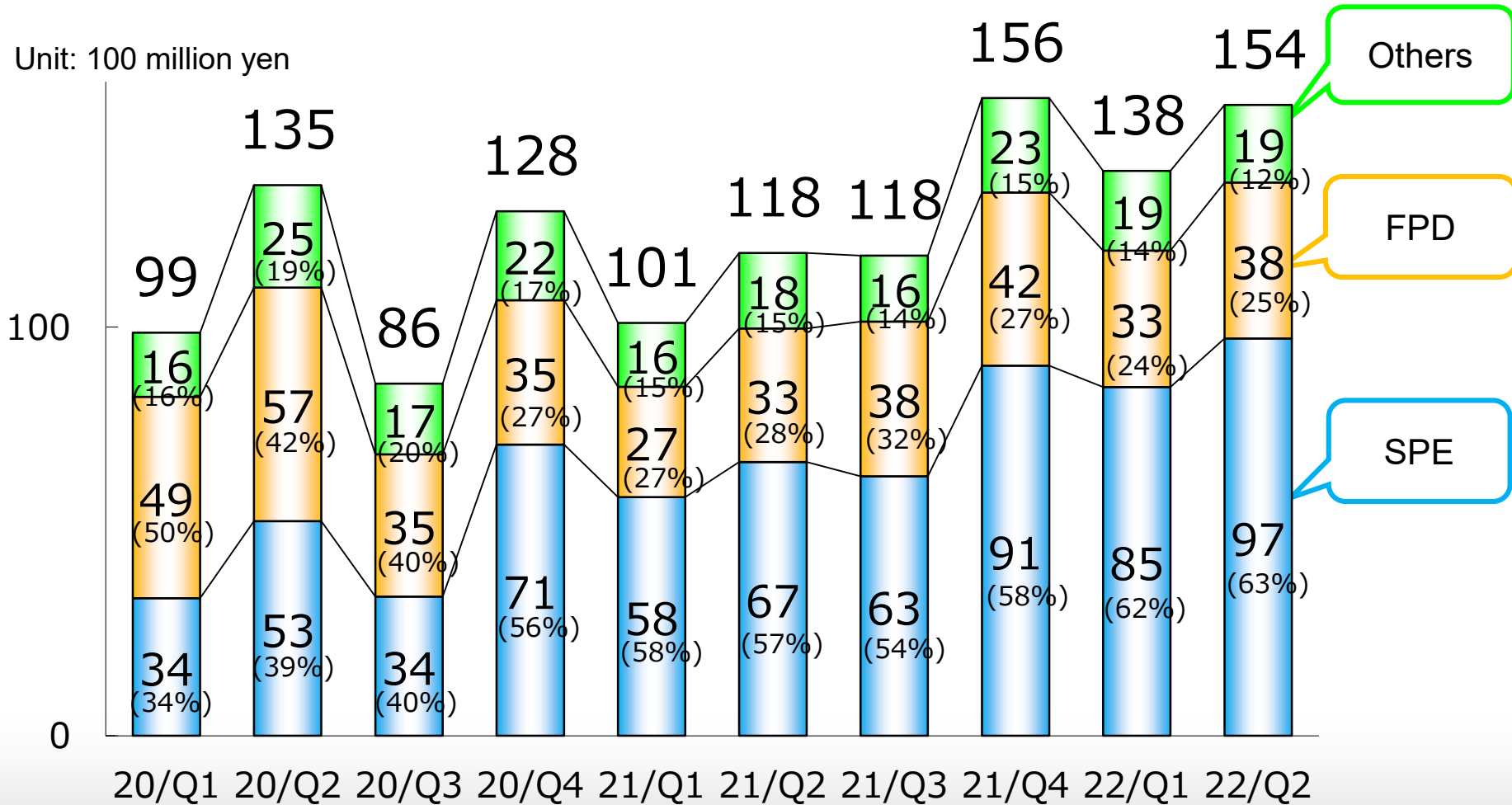


## Sales by Product Field

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

Consolidated

Unit: 100 million yen

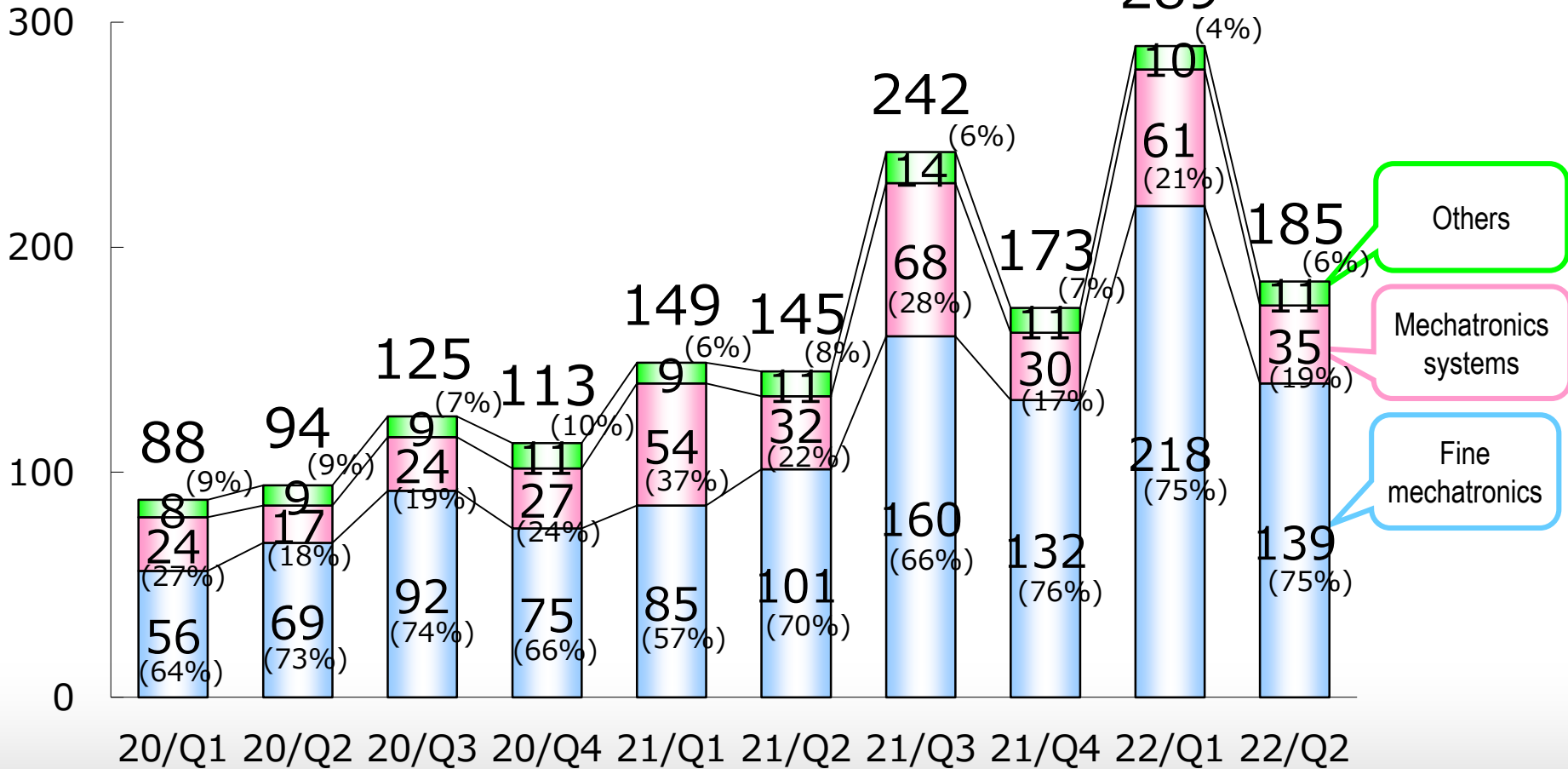




## Orders Received by Segment

Consolidated

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

Consolidated

Unit: 100 million yen

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

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

