

FY2023 First Quarter Consolidated Business Results

August 3, 2023

SHIBAURA MECHATRONICS CORPORATION

Summary of Financial Results

■ Net sales, Operating income

- Increased sales and operating income year-on-year
- Sales were firm as planned, achieving 14.3 billion yen.
SPE sales increased by 30% year-on-year. (8.5 ⇒ 11.1 billion yen)
- Operating income was 2.13 billion yen (ROS at 14.9%), mainly due to increased sales of front-end process equipment for semiconductors.
- The FY2023 H1 projection is expected to be revised upward.

■ Orders received

- Orders for front-end process equipment and back-end process equipment for semiconductors were both firm, totaling 17.7 billion yen.
Orders received were firm, with orders for back-end process equipment for semiconductors rising massively from Q4 of the previous fiscal year.

■ Investments for sustainable growth

- Invested in the construction of a new R&D building (scheduled to be completed in summer 2025)

Financial Results (YoY)

Unit: 100 million yen

| | FY2022 | | | | FY2023 | YoY |
|------------------|--------|-------|-------|-------|--------|----------------|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Rate of change |
| Net sales | 138 | 154 | 162 | 155 | 143 | +3% |
| Operating income | 21.2 | 24.8 | 37.2 | 25.9 | 21.3 | +0.4% |
| ROS | 15.3% | 16.1% | 23.0% | 16.7% | 14.9% | -0.4pt |
| Ordinary income | 19.1 | 23.5 | 35.2 | 27.3 | 22.1 | +15% |
| Net income | 16.8 | 17.4 | 27.2 | 30.6 | 17.9 | +7% |
| Orders received | 289 | 185 | 114 | 179 | 177 | -39% |

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

FPD: Front and back-end process equipment for FPDs

■ Net sales

Increased by 3% YoY (13.8 ⇒ 14.3 billion yen)

- Net sales increased in the SPE field but decreased in the FPD field. Overall net sales increased.

■ Operating income

Increased by 0.4% YoY (2.12 ⇒ 2.13 billion yen)

- Income increased alongside the growth of sales of front-end process equipment for semiconductors.

■ Ordinary income

Increased by 15% YoY (1.91 ⇒ 2.21 billion yen)

- Income increased due to the impact of foreign exchange rates.

■ Orders received

Decreased by 39% YoY (28.9 ⇒ 17.7 billion yen)

- Overall orders received decreased because of the significant number of orders for front-end process equipment for semiconductors that were received in Q1 of the previous fiscal year.

Financial Results by Segment (YoY) (i)

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

■ Fine mechatronics

- Net sales Increased by 31% YoY (8.5 ⇒ 11.2 billion yen)

For front-end process equipment for semiconductors, there was a steady increase for logic/foundry and wafers.

In front-end process equipment for FPDs, net sales declined due to sluggish performance.

- Ordinary income Increased by 59% YoY (1.35 ⇒ 2.15 billion yen)

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

- Orders received Decreased by 47% YoY (21.8 ⇒ 11.5 billion yen)

Overall orders received were firm, although orders for front-end process equipment for semiconductors decreased due to large orders for wafers in Q1 of the previous fiscal year.

Orders received for front-end process equipment for FPDs were sluggish given the impact from customers' capital investments.

Financial Results by Segment (YoY) (ii)

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

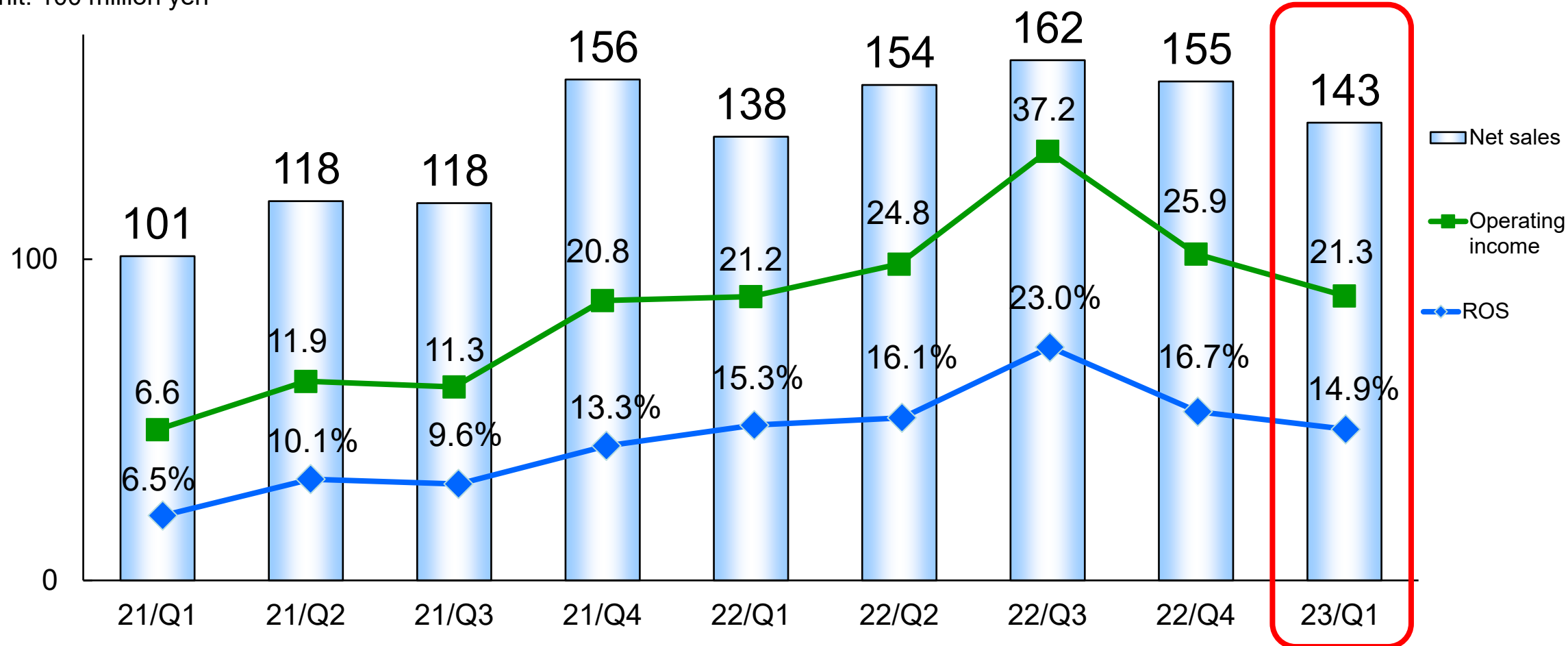
■ Mechatronics systems

- Net sales Decreased by 52% YoY (4.3 ⇒ 2.1 billion yen)
Sales of back-end process equipment for semiconductors decreased overall but were firm for advanced packages.
In back-end process equipment for FPDs, sales declined due to sluggish orders in the previous fiscal year.
Sales in the vacuum sector decreased despite firm sales for semiconductors.
- Ordinary income Decreased by 95% YoY (0.76 ⇒ 0.04 billion yen)
Income decreased due to a fall in sales of back-end process equipment for semiconductors.
- Orders received Decreased by 17% YoY (6.1 ⇒ 5.0 billion yen)
Orders received for back-end process equipment for semiconductors grew significantly from Q4 of the previous fiscal year. Following the growing demand for GPUs for generative AI, orders were strong for equipment for cutting-edge packages.
Orders received for back-end process equipment for FPDs were sluggish due to the impact from customers' capital investments.
In the vacuum sector, orders received were steady, mainly for semiconductors.

Sales, Profit and ROS

ROS 14.9%

Unit: 100 million yen



FY2023/Q1 Results (5)

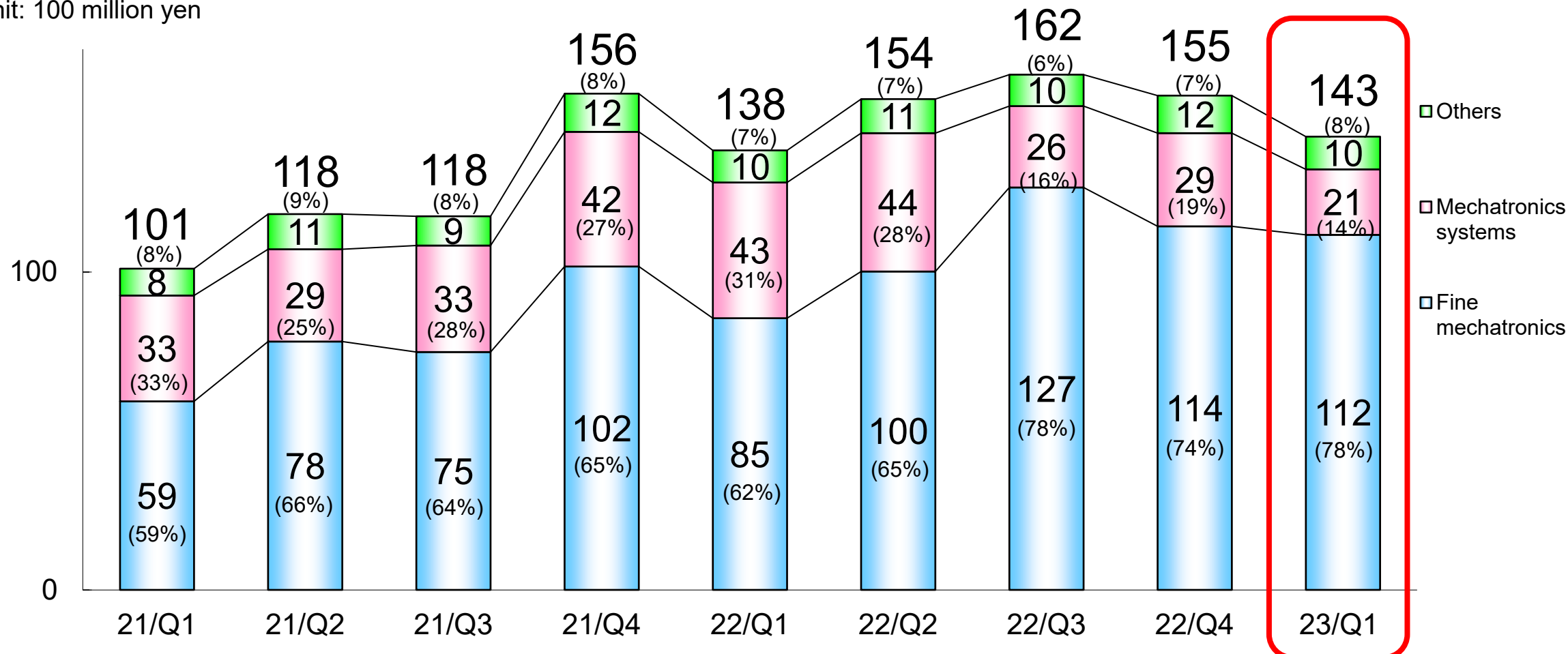
Sales by Segment

Fine mechatronics accounts for 78%

* 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

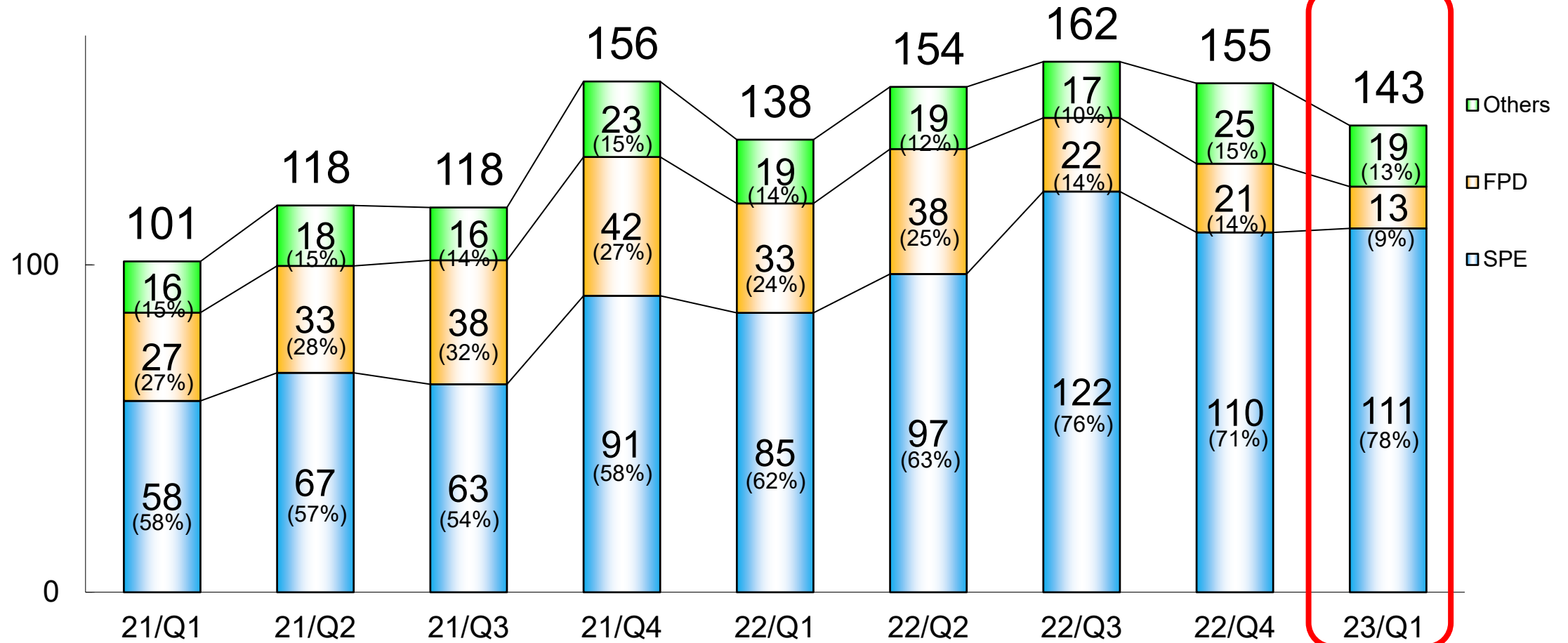


Sales by Product Field

SPE field accounts for 78%

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

Unit: 100 million yen

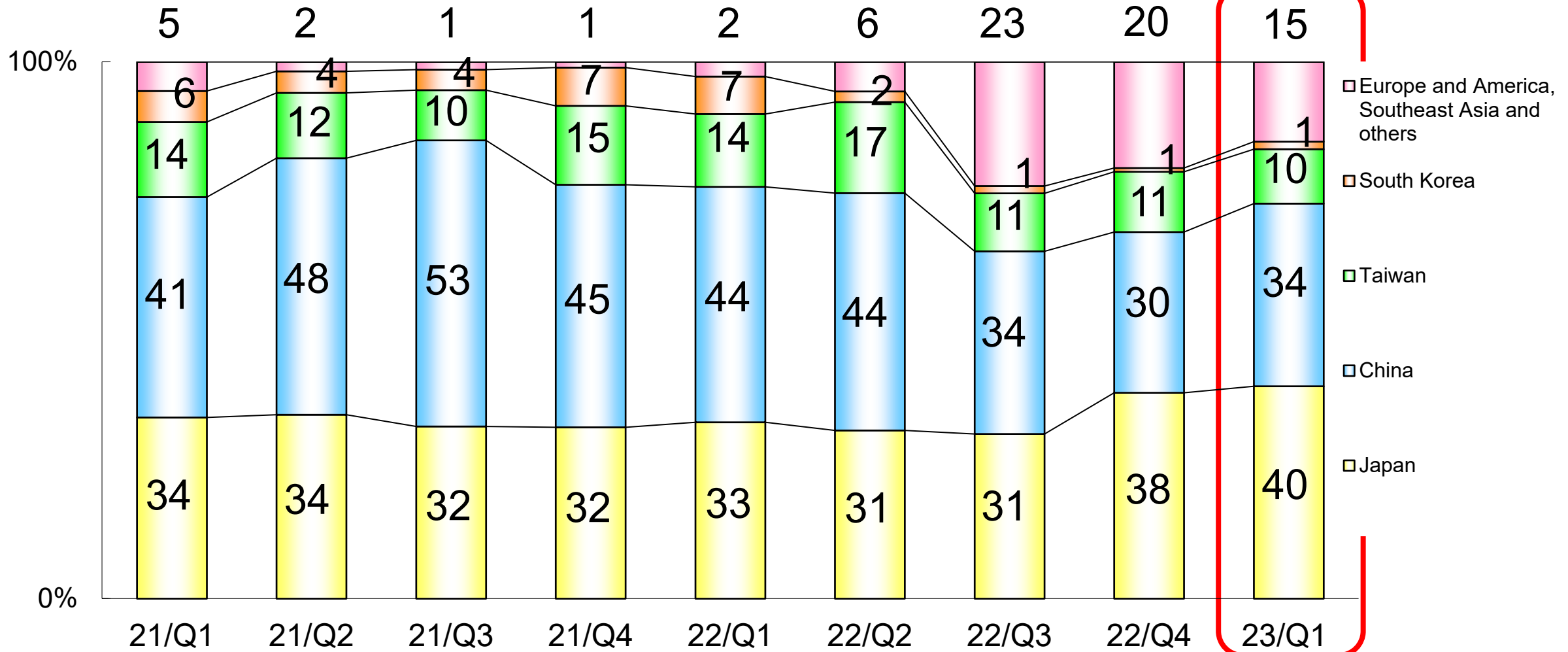


FY2023/Q1 Results (7)

Sales Ratio by Destination

Overseas orders: 60%
(China: 34%)

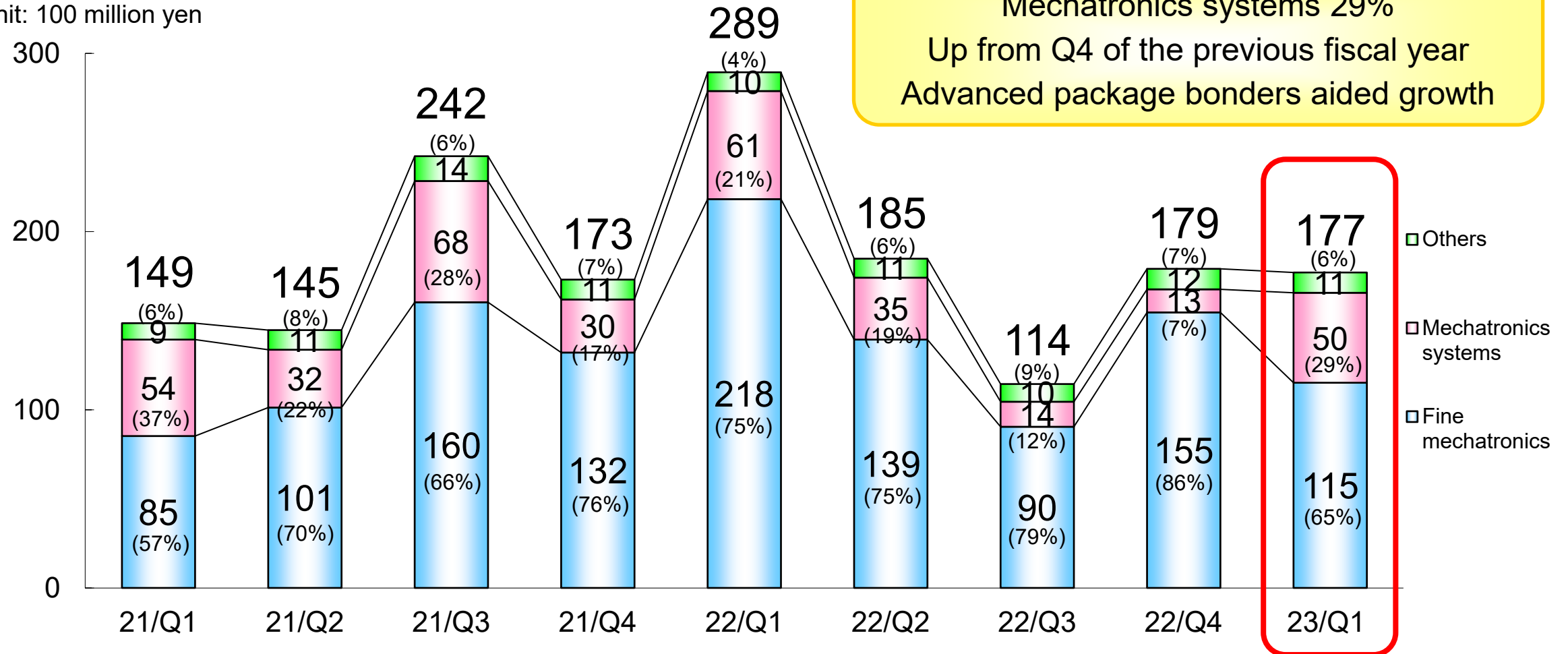
* Classified by destination



Orders Received by Segment

* 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



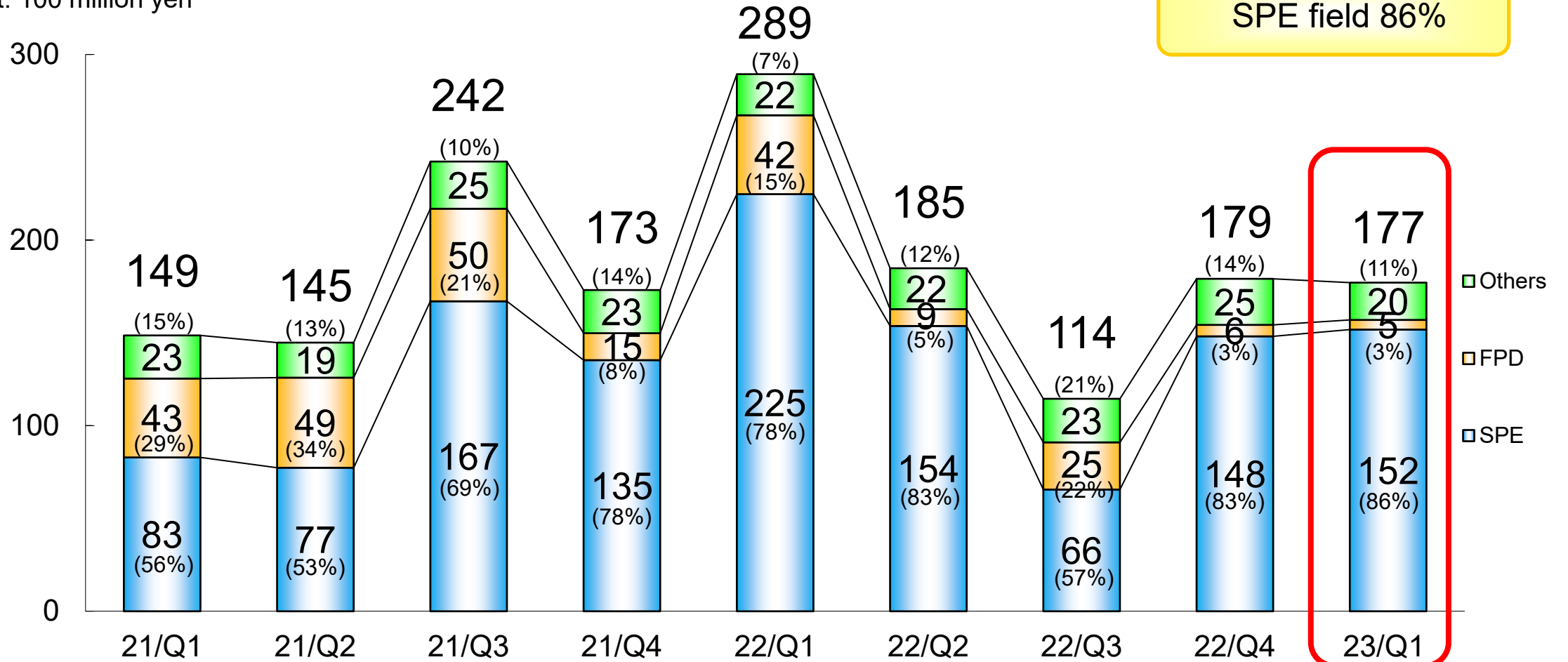
Mechatronics systems 29%
 Up from Q4 of the previous fiscal year
 Advanced package bonders aided growth

Orders Received by Product Field

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

Unit: 100 million yen

SPE field 86%

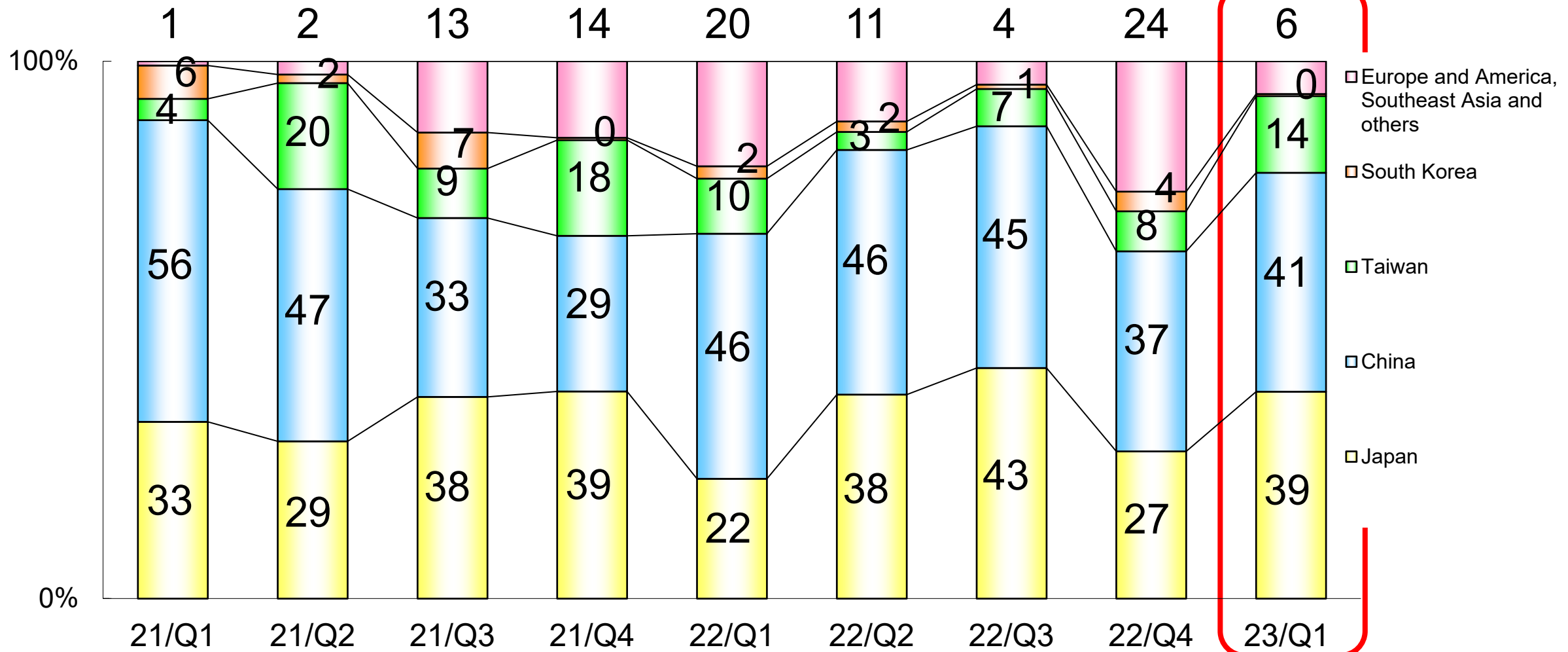


FY2023/Q1 Results (10)

Order Ratio by Destination

Overseas orders: 61%
(China: 41%)

* Classified by destination

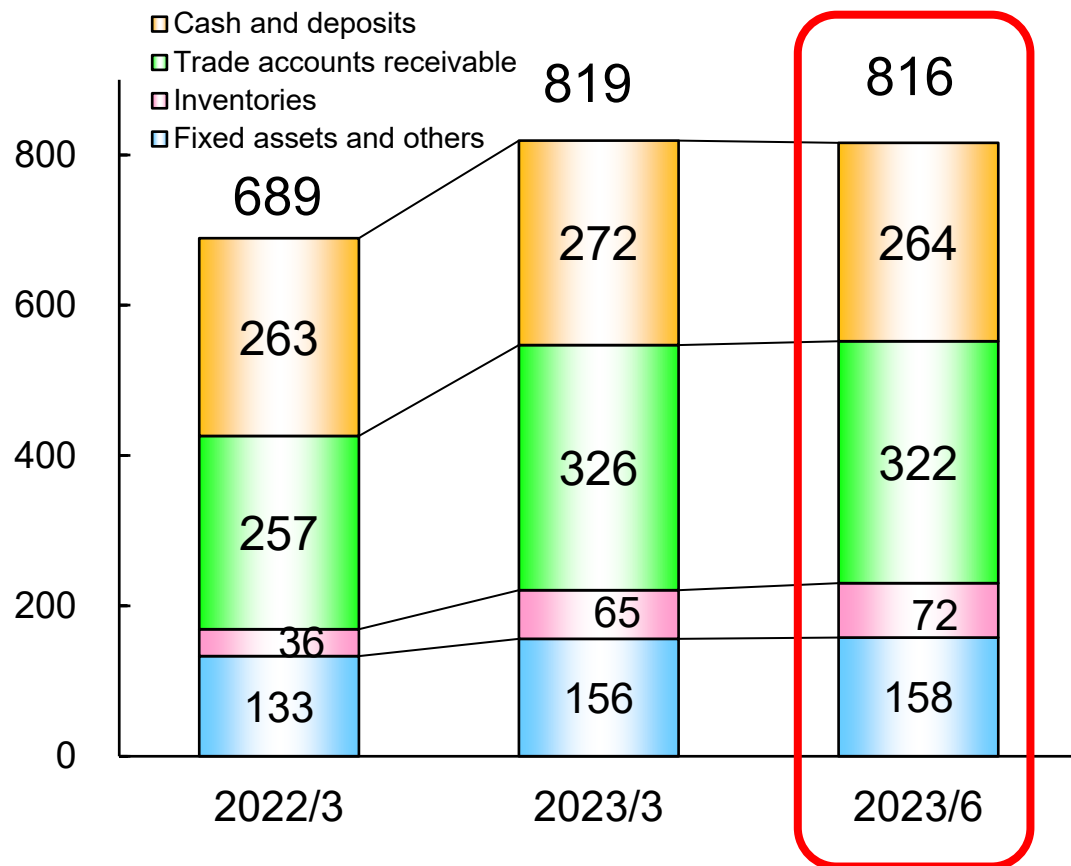


Balance Sheet

Shareholders' equity ratio 40% ('22/3) → 40% ('23/6)
 D/E ratio 0.27 times ('23/3) → 0.27 times ('23/6)

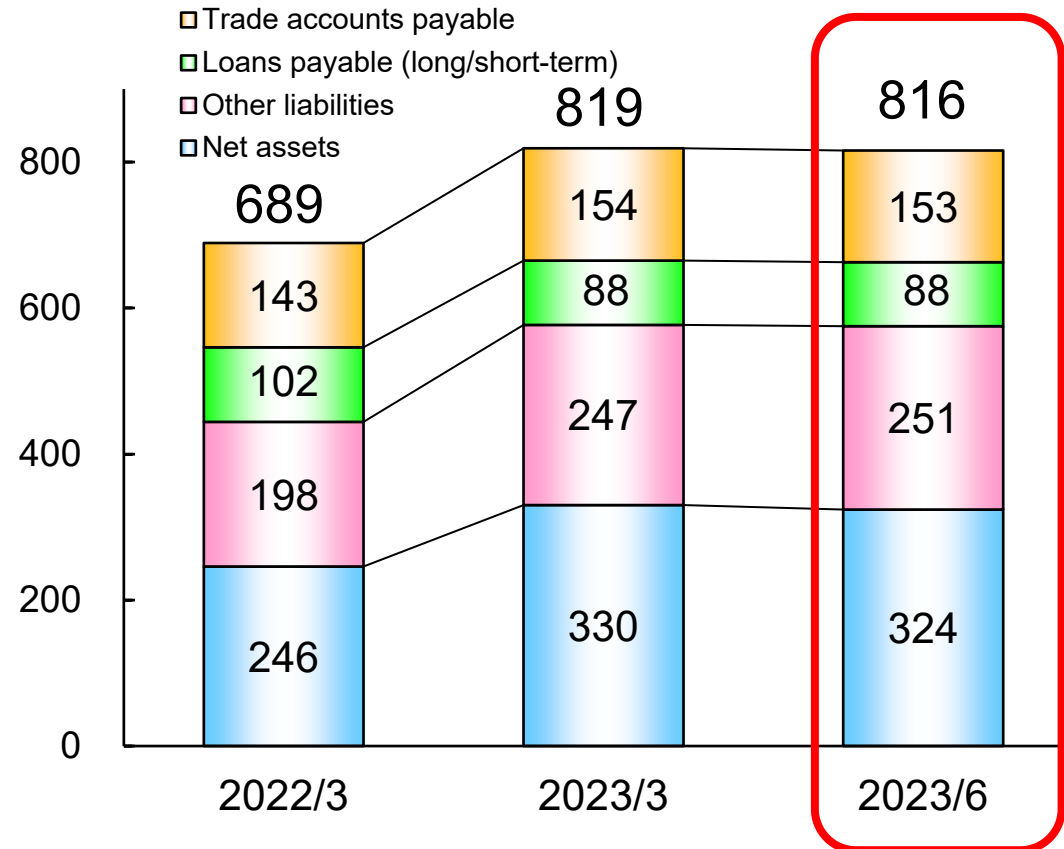
Assets

Unit: 100 million yen



Liabilities and Net Assets

Unit: 100 million yen



Financial Forecast for FY2023

Financial Forecast

The previously announced full-year financial forecast has not been changed. Results for FY2023 H1 are expected to rise.

*1: Published in May 2023
Projections for FY23/H1 and FY23/H2 are for reference.

Unit: 100 million yen

| | FY2020 | FY2021 | FY2022 | | | FY2023 | | FY2023 forecast | Previous forecast *1 | | |
|------------------|--------|--------|---------|---------|--------|-----------------------|-----------------------|--------------------|-----------------------|-----------------------|--------|
| | | | FY22/H1 | FY22/H2 | FY2022 | FY23/H1 projection | FY23/H2 projection | | FY23/H1 projection | FY23/H2 projection | FY2023 |
| Net sales | 448 | 493 | 293 | 317 | 610 | 290 | 300 | 590 | 260 | 330 | 590 |
| Operating income | 29.6 | 50.5 | 46.0 | 63.1 | 109.1 | 40.0 | 33.0 | 73.0 | 31.0 | 42.0 | 73.0 |
| ROS | 6.6% | 10.3% | 15.7% | 19.9% | 17.9% | 13.8% | 11.0% | 12.4% | 11.9% | 12.7% | 12.4% |
| Ordinary income | 28.2 | 48.8 | 42.6 | 62.6 | 105.1 | 39.0 | 28.0 | 67.0 | 28.0 | 39.0 | 67.0 |
| Net income | 19.7 | 29.8 | 34.1 | 57.9 | 92.0 | 31.0 | 21.0 | 52.0 | 23.0 | 29.0 | 52.0 |
| ROE | 9.5% | 12.8% | - | - | 31.9% | - | - | 15.0% | - | - | 15.0% |
| FCF | 74.1 | 77.9 | 43.8 | -11.9 | 32.0 | - | - | 30.0 | - | - | 30.0 |

SPE

- Sales of global niche top products were firm.
GNT sales amount to 7.8 billion yen (70%) of total SPE sales of 11.1 billion yen.
- After the acquisition of new customers and new processes, sales of single wafer phosphoric acid etching equipment were solid.
- Orders for advanced package bonders increased following growing demand for GPUs for generative AI.

* GNT: Global Niche Top Product Group in the current Mid-Term Management Plan



Single wafer phosphoric acid etching equipment (SC300-HT Series)

FPD

- Capital investments in front-end and back-end process equipment were still at low levels.
- Hopes are laid on the growth of demand for automotive panels and large OLED panels.



Advanced package bonder (TFC-6500)

Research and development

- Construction of a new R&D building at Yokohama Operations
 - A cleanroom for advanced research and development of front-end process equipment for semiconductors
 - A three-story building with an approximate total floor area of 4,300 m²
 - Completion scheduled for summer 2025
- Additional cleanrooms at Sagamino Operations
 - Cleanrooms for the development, evaluation and testing of back-end process equipment for semiconductors
 - Completion scheduled for spring 2024
- R&D facilities

Capital investments are being implemented in accordance with the mid-term management plan.

Investments being made for continuous growth



Yokohama Operations new R&D building

Smart Solutions & Services for Your Manufacturing

We will facilitate customer manufacturing through three Ss: “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.

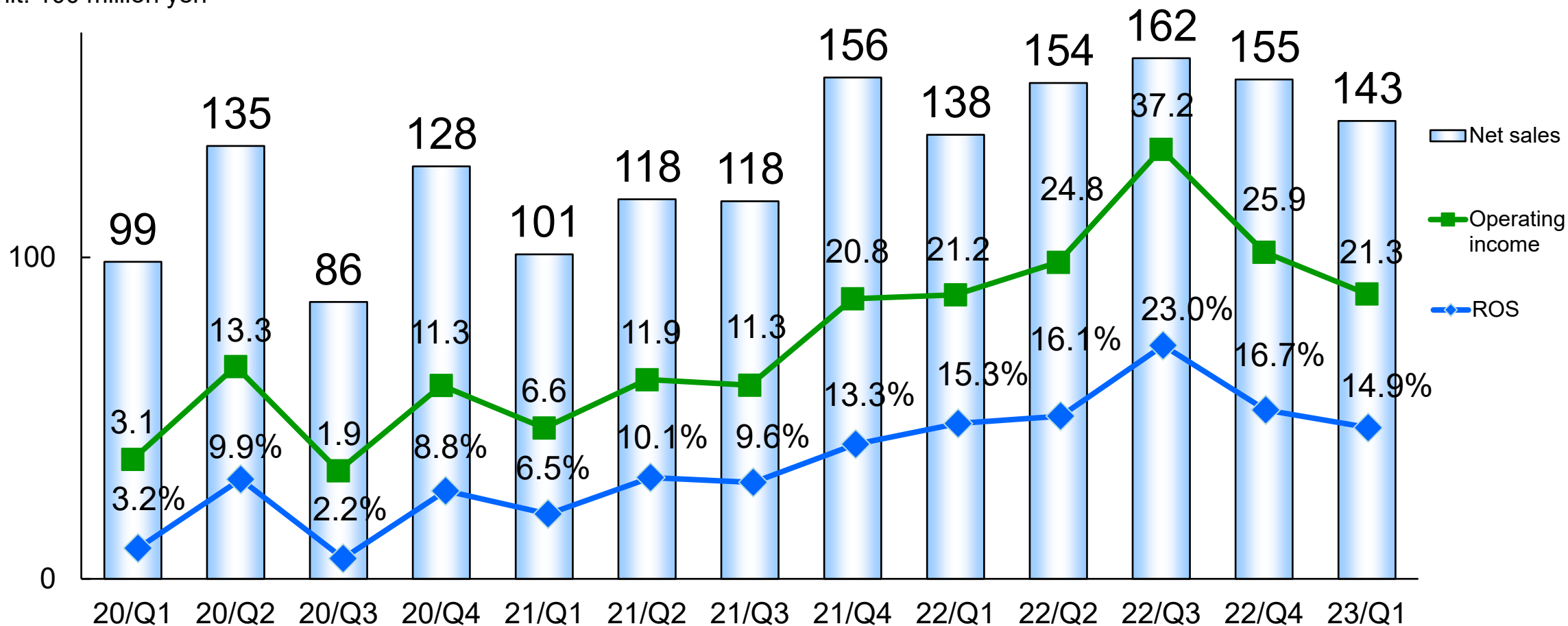
Please note that actual results may differ materially due to various factors.

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Appendix

Sales, Profit and ROS

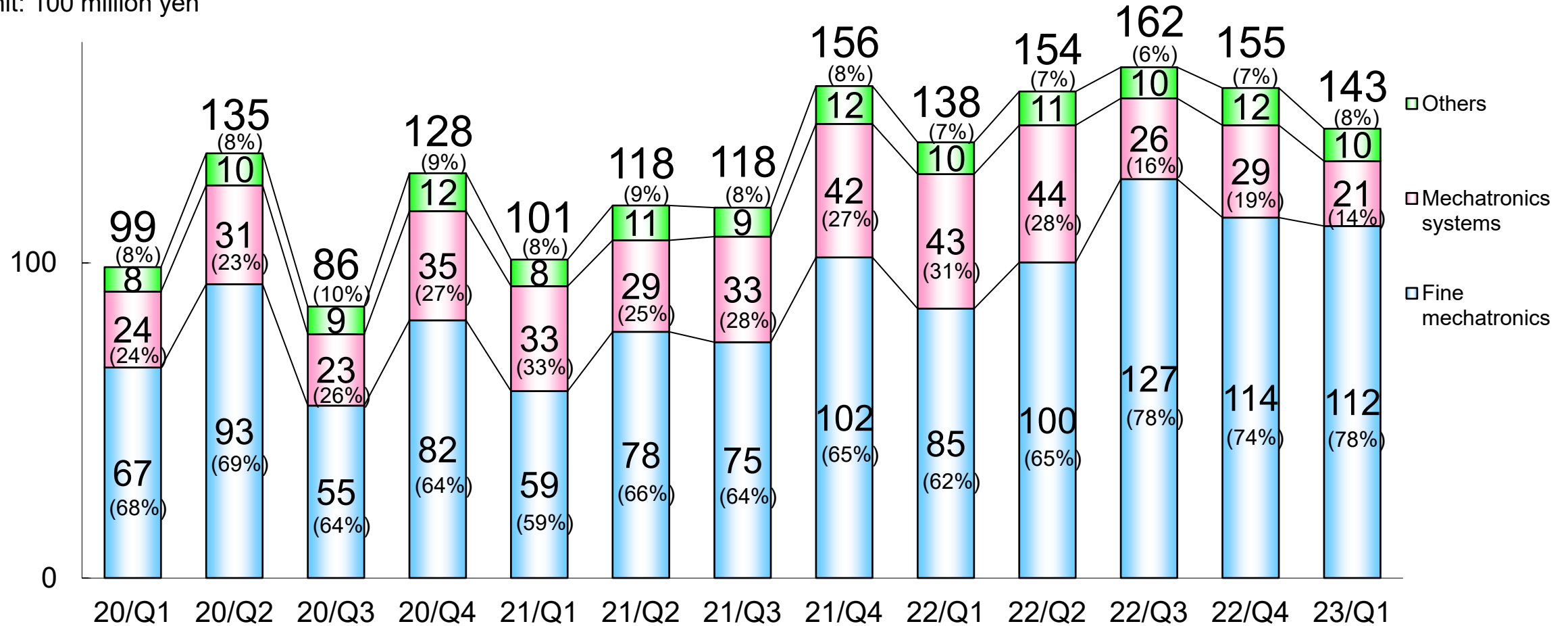
Unit: 100 million yen



Sales by Segment

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

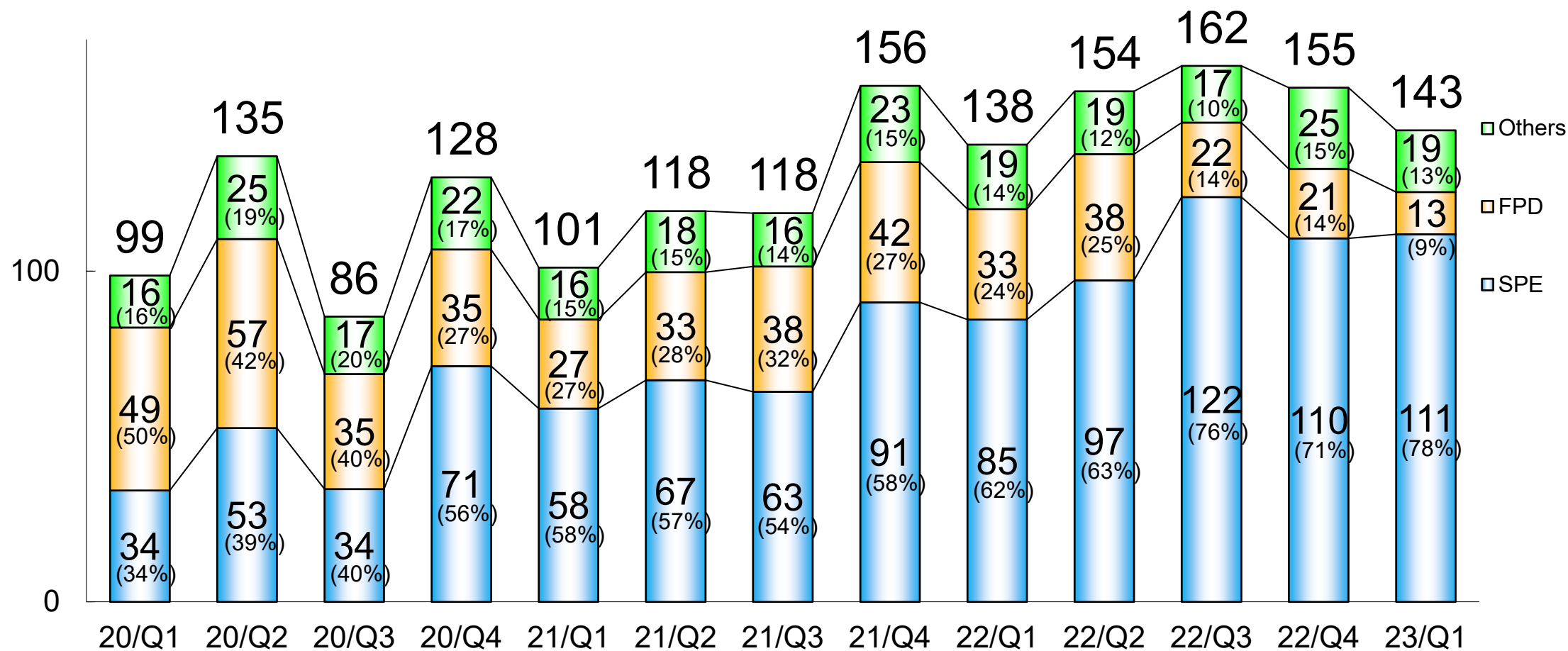
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Sales by Product Field

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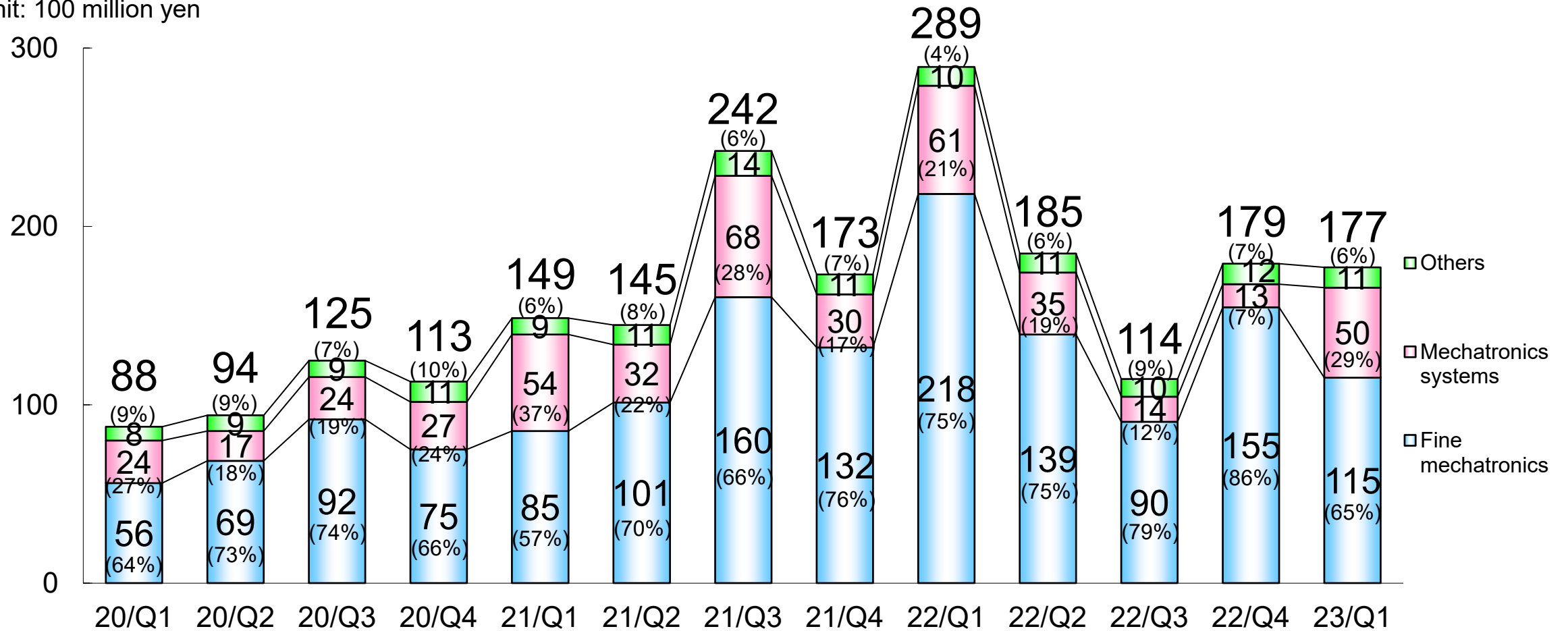
Unit: 100 million yen



Orders Received by Segment

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Unit: 100 million yen



Orders Received by Product Field

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

Unit: 100 million yen

