

A large, semi-transparent world map in shades of green and teal serves as the background for the central text.

FY2023 Third Quarter Consolidated Business Results

February 8, 2024

SHIBAURA MECHATRONICS CORPORATION

Summary of Financial Results (Cumulative Q3)

* FY (fiscal year): April-March
Cumulative Q3: April-December

■ Net sales, income

- Sales increased and operating income decreased year-on-year
- Sales were firm as planned, achieving 47.9 billion yen.
SPE sales were 37.7 billion yen, with the composition of net sales by product field at 79%.
- Operating income was firm in the SPE field, standing at 8.1 billion yen (ROS: 16.9%).
- Ordinary income increased year on year, to 8.0 billion yen, due to the impact of foreign exchange rates.

■ Orders received

- Orders received decreased by 21% year on year, to 46.6 billion yen.
For back-end process equipment for semiconductors, orders remained firm for advanced packages. For front-end process equipment, however, orders received were trending downward, mainly for wafers, as some customers revised their capital investment plans. Recovery is expected in the second half of FY2024.

■ Backlog of orders

- As of December 31, 2023 64.2 billion yen

■ Financial Forecast for FY2023

- Forecast net sales and income were revised up from the previous forecast. Year-end dividend is also planned to be increased.

Financial Results (YoY) (i)

Unit: 100 million yen

	FY2022						FY2023			YoY Rate of change	
	Q1	Q2	Q3	Q3 (Cumulative)	Q4	Full year	Q1	Q2	Q3		Q3 (Cumulative)
Net sales	138	154	162	455	155	610	143	162	174	479	+5%
Operating income	21.2	24.8	37.2	83.2	25.9	109.1	21.3	28.9	30.8	81.0	-3%
ROS	15.3%	16.1%	23.0%	18.3%	16.7%	17.9%	14.9%	17.8%	17.8%	16.9%	-1.4pt
Ordinary income	19.1	23.5	35.2	77.8	27.3	105.1	22.1	28.2	29.7	80.0	+3%
Net income	16.8	17.4	27.2	61.4	30.6	92.0	18.0	20.7	21.8	60.5	-1%
Orders received	289	185	114	589	179	768	177	156	133	466	-21%

Financial Results (YoY) (ii)

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

- Net sales Increased by 5% YoY (45.5 ⇒ 47.9 billion yen)
 - Net sales increased in the SPE field but decreased in the FPD field. Overall net sales increased.
- Operating income Decreased by 3% YoY (8.32 ⇒ 8.10 billion yen)
 - Operating income in the SPE field increased, while that in the FPD field declined. Overall operating income decreased, mainly reflecting an increase in selling, general and administrative expenses that resulted from the strengthening of R&D.
- Ordinary income Increased by 3% YoY (7.78 ⇒ 8.00 billion yen)
 - Income increased due to the impact of foreign exchange rates.
- Orders received Decreased by 21% YoY (58.9 ⇒ 46.6 billion yen)
 - Orders received decreased due in part to customers' revision of their capital investment plans.

Financial Results by Segment (YoY) (i)

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

■ Fine mechatronics

- Net sales Increased by 14% YoY (31.2 ⇒ 35.6 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 5% YoY (6.92 ⇒ 7.29 billion yen)

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

- Orders received Decreased by 36% YoY (44.8 ⇒ 28.8 billion yen)

For front-end process equipment for semiconductors, although orders remained firm mainly for logic/foundry and photomasks, they decreased primarily for wafers due in part to some customers revising their capital investment plans.

Orders for front-end process equipment for FPDs remained sluggish because of market conditions.

Financial Results by Segment (YoY) (ii)

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

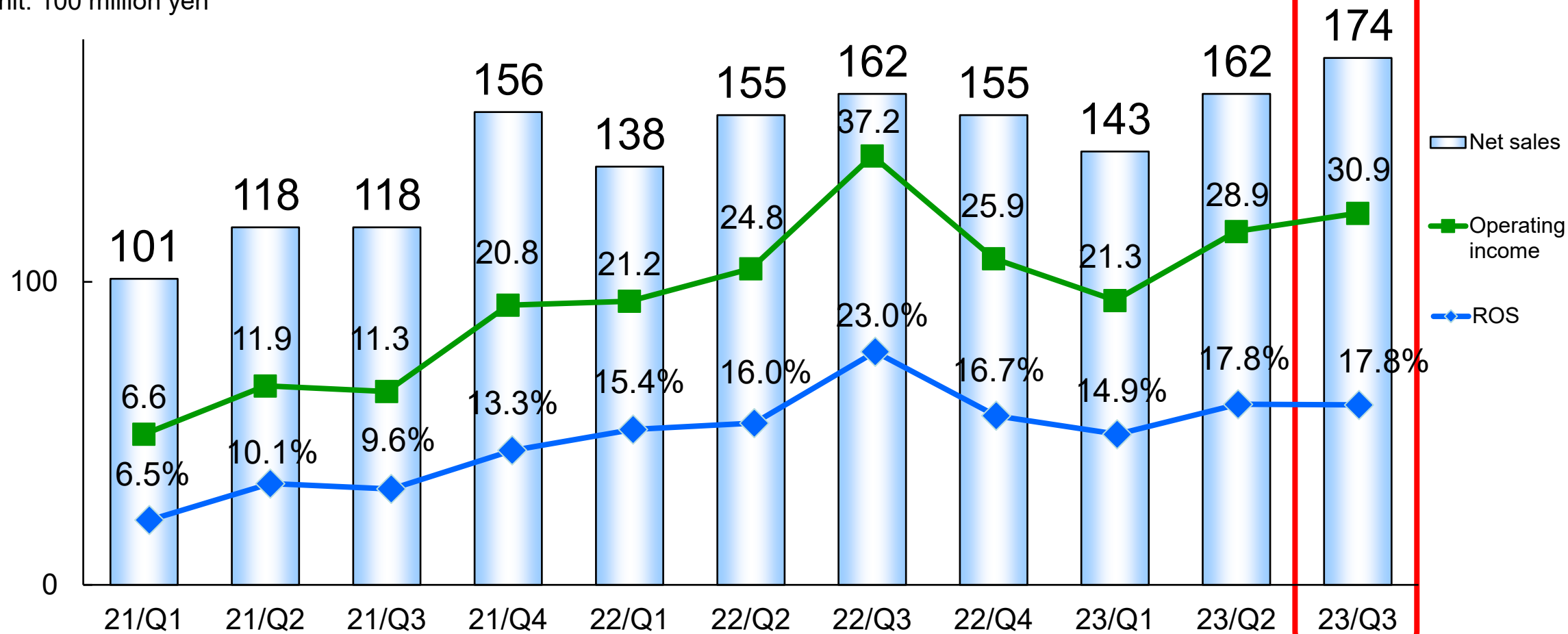
■ Mechatronics systems

- **Net sales** Decreased by 21% YoY (11.2 ⇒ 8.8 billion yen)
Overall sales for the three quarters decreased but Q3 sales increased from Q2. Above all, sales of back-end process equipment for semiconductors increased significantly.
Sales of back-end process equipment for semiconductors were firm for advanced packages and increased.
Sales of back-end process equipment for FPDs declined due to sluggish orders in the previous fiscal year.
Sales in the vacuum sector increased due to firm sales for semiconductors.
- **Segment income** Decreased by 36% YoY (1.59 ⇒ 1.02 billion yen)
Sales of back-end process equipment for semiconductors increased, but segment income decreased due to a decline in sales of back-end process equipment for FPDs.
- **Orders received** Increased by 20% YoY (11.0 ⇒ 13.1 billion yen)
Orders for back-end process equipment for semiconductors increased due to growth in demand for advanced package bonders.
Orders for back-end process equipment for FPDs decreased significantly due to the impact of market conditions.
In the vacuum sector, orders were steady, mainly for semiconductors.

Sales, Profit and ROS

ROS 17.8%

Unit: 100 million yen

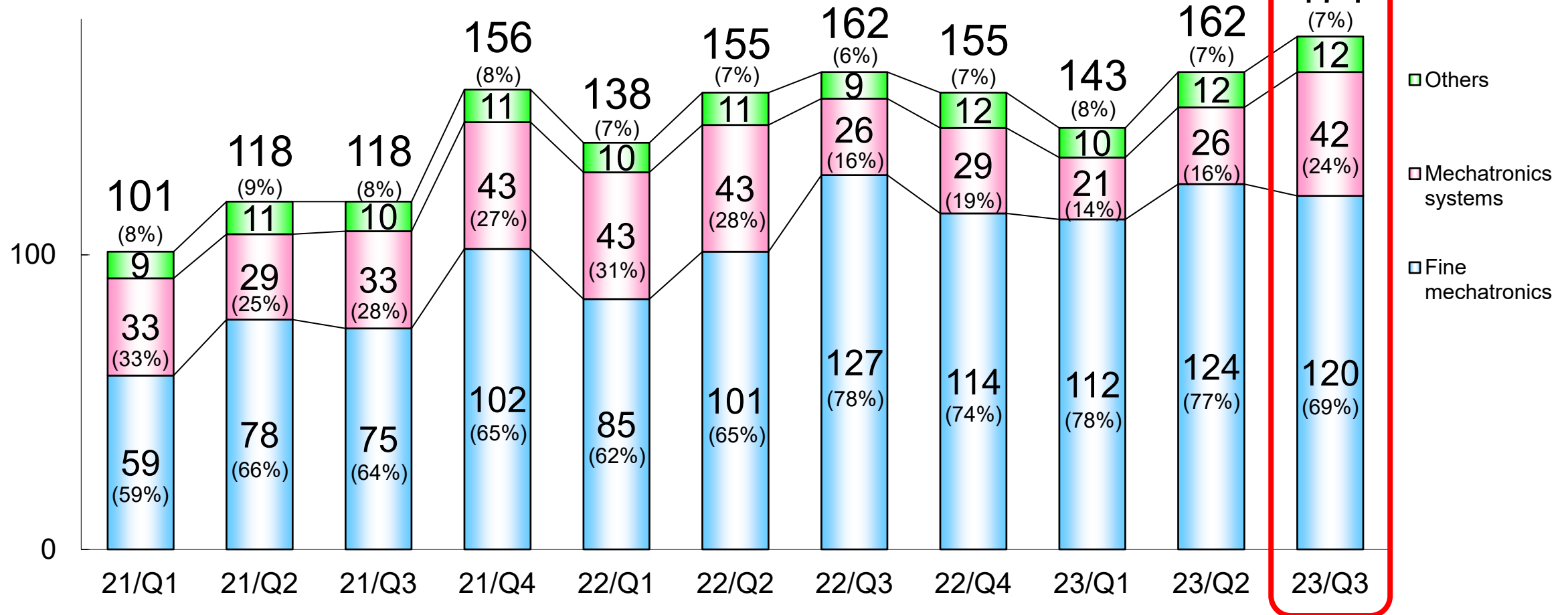


Sales by Segment

Fine mechatronics
accounts for 69%
Mechatronics systems 24%

* 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

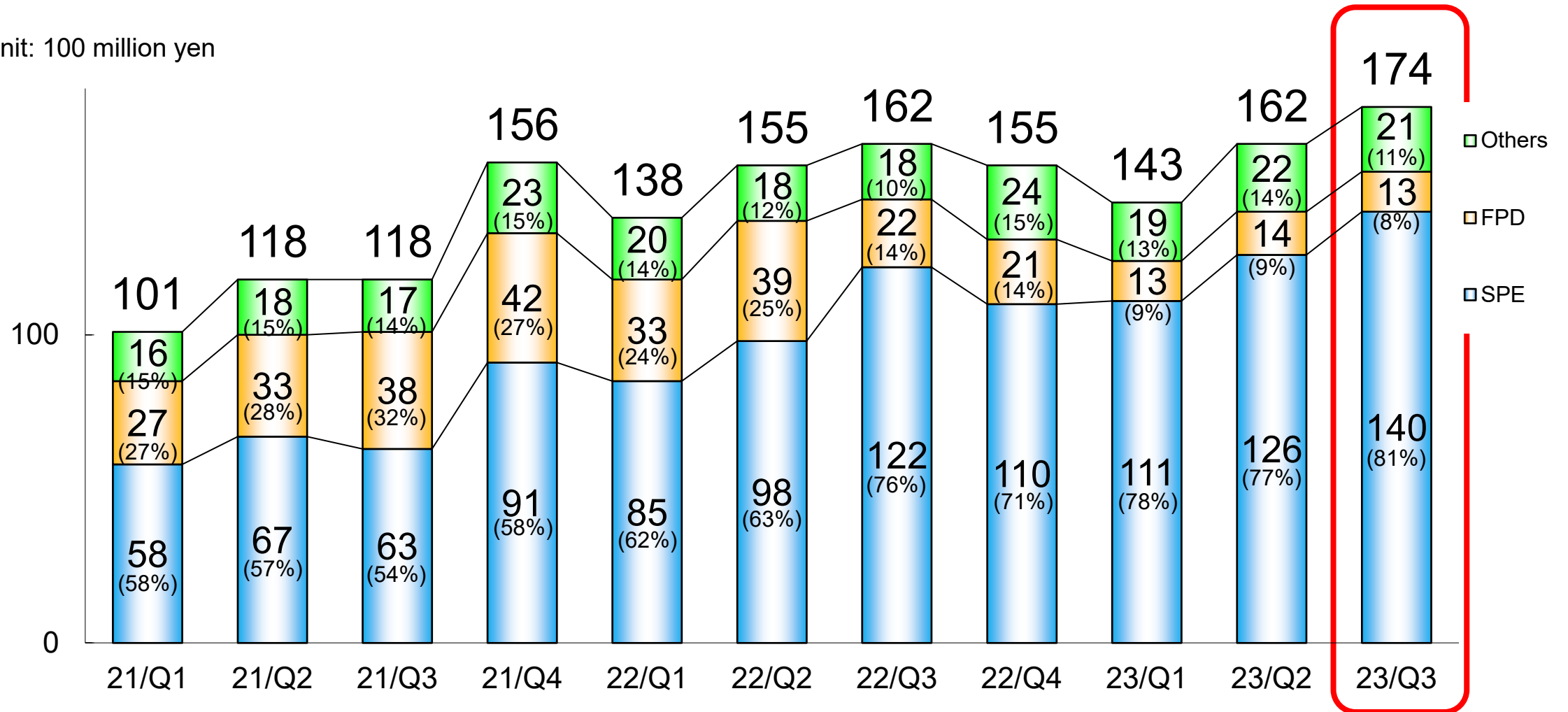


Sales by Product Field

SPE field accounts for 81%

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

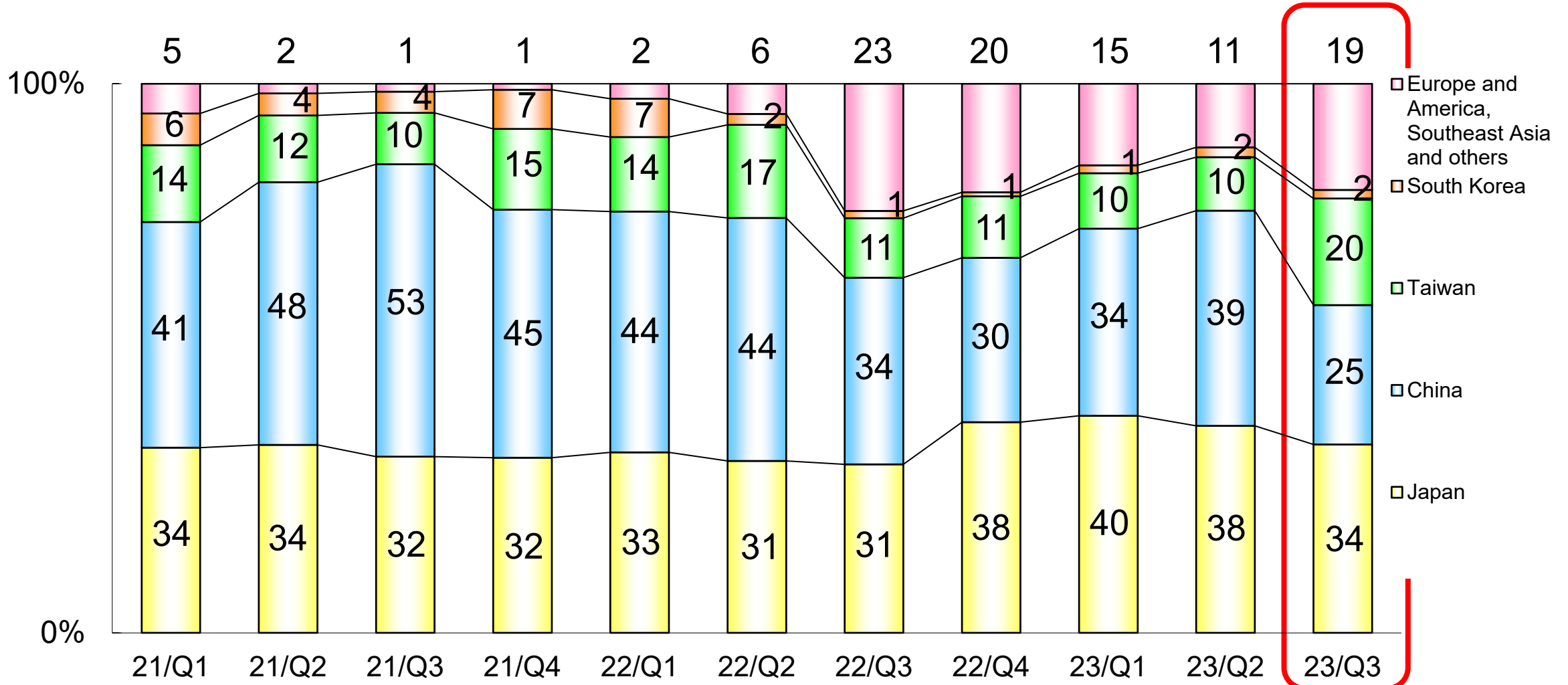
Unit: 100 million yen



Sales Ratio by Destination

Overseas sales 66% (China: 25%)

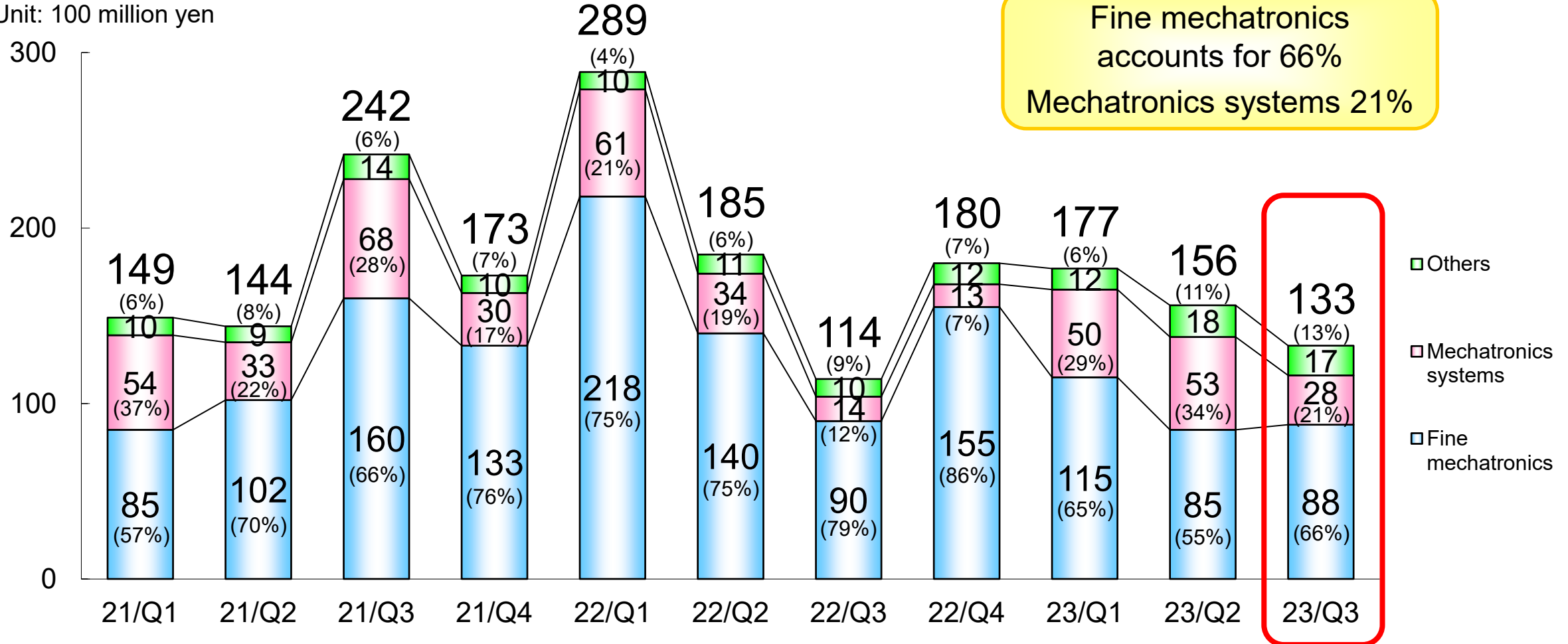
* Classified by destination



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



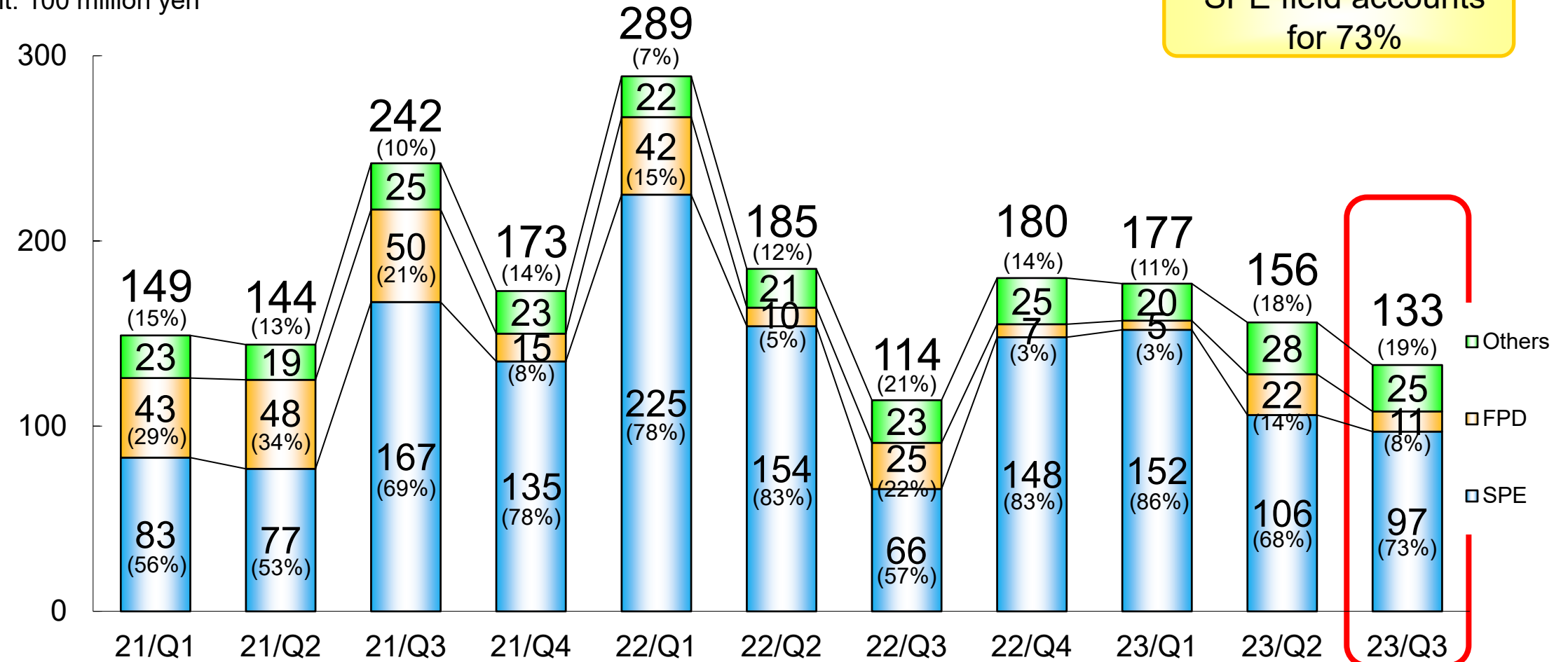
Fine mechatronics accounts for 66%
 Mechatronics systems 21%

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



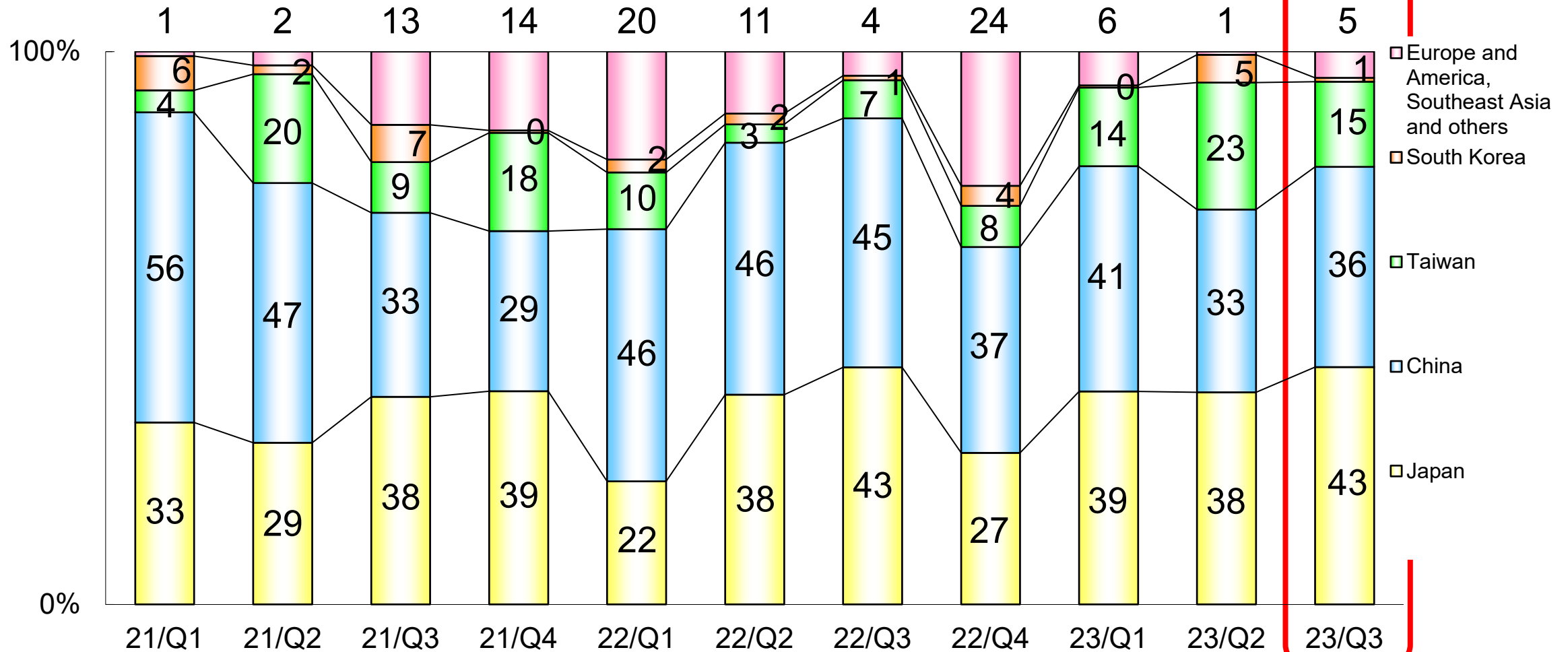
SPE field accounts for 73%

Others
FPD
SPE

Order Ratio by Destination

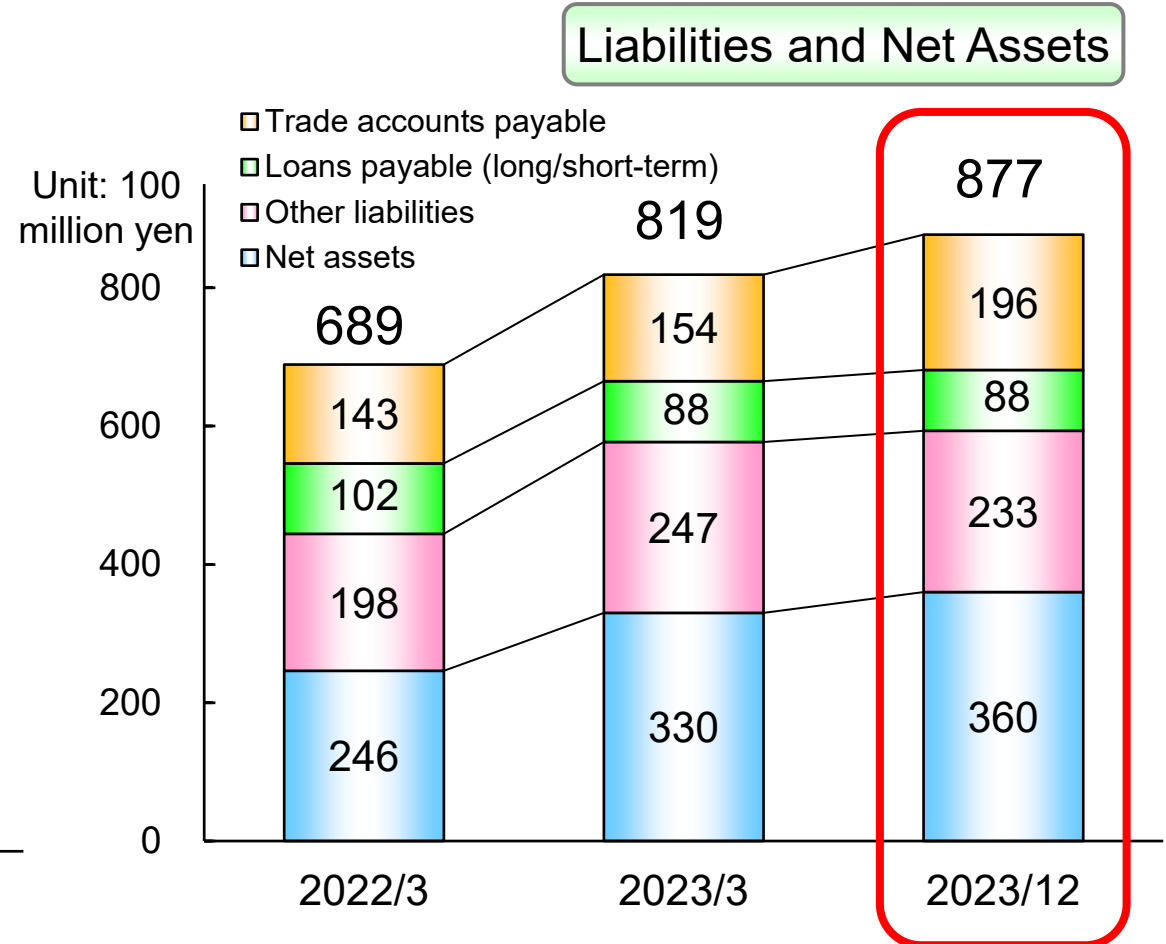
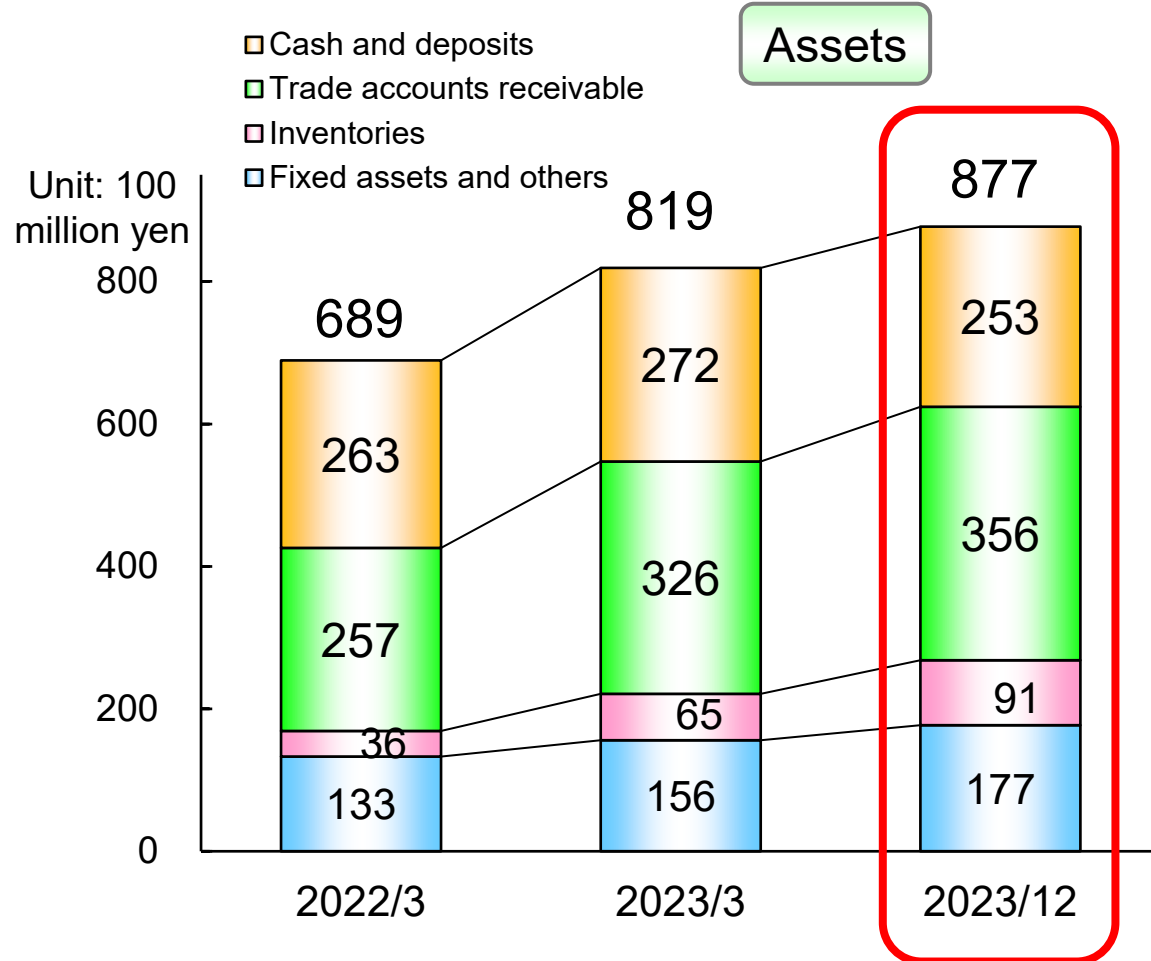
Overseas sales 57% (China: 36%)

* Classified by destination



Balance Sheet

Shareholders' equity ratio 40% ('23/3) → 41% ('23/12)
 D/E ratio 0.27 times ('23/3) → 0.24 times ('23/12)



Financial Forecast for FY2023 (1)

Financial Forecast

Both sales and income are expected to exceed the previous forecast.

*1: Published in May 2023

*2: Published in November 2023

Unit: 100 million yen

	FY2020	FY2021			FY2022			FY2023 forecast
			FY22/Q3 (Cumulative)	FY22/Q4		FY23/Q3 cumulative results	FY23/Q4 forecast	
Net sales	448	493	455	155	610	479	181	660
Operating income	29.6	50.5	83.2	25.9	109.1	81.0	24.0	105.0
ROS	6.6%	10.3%	18.3%	16.7%	17.9%	16.9%	13.2%	15.9%
Ordinary income	28.2	48.8	77.8	27.3	105.1	80.0	20.0	100.0
Net income	19.7	29.8	61.4	30.6	92.0	60.5	14.0	74.5
ROE	9.5%	12.8%	-	-	31.9%	-	-	21.0%
Dividend	110 yen	230 yen	-	-	560 yen	-	-	*170 yen

Previous forecast *2 FY2023	Initial forecast *1 FY2023
650	590
100.0	73.0
15.4%	12.4%
97.0	67.0
72.0	52.0
20.5%	15.0%
*165 yen	*120 yen

* Figures after the 3-for-1 stock split, with the effective date being October 1, 2023.

Dividend forecast

The Company targets the consolidated dividend payout ratio to be approximately 30%. Due to the upward revision in the financial forecast for FY2023, the year-end dividend is expected to increase by 5 yen, to 170 yen (Dividend payout ratio of 30.0%).

	Dividend at the end of Q2	Year-end dividend	Annual dividend
Current forecast (year ending March 31, 2024)	0 yen	170 yen	170 yen
Previous forecast (year ending March 31, 2024)	0 yen	165 yen	165 yen

* Figures after the 3-for-1 stock split, with the effective date being October 1, 2023.
Equivalent to a dividend of 510 yen based on pre-split calculations

SPE

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

- Sales of global niche top products were firm.
GNT sales amount to 10.0 billion yen (71%) of total SPE sales of 14.0 billion yen.
- Single Si wafer cleaning equipment is in the adjustment phase overall, but a certain number of inquiries have continued to be received.
- Orders received for single wafer phosphoric acid etching equipment were firm, reflecting expansion of customer segments and applications.
- For photomask etching equipment, inquiries from new customers increased.
- Orders received for equipment for advanced packages were firm.

FPD

- Regarding equipment for LCD panels, capital investments in front-end and back-end process equipment were still at low levels.
- Recovery of investment in equipment for OLED panels is expected. Efforts will also be focused on micro OLED and micro LED markets.

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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