

Financial Results of FY2020 First-Half

From April 1, 2020 to September 30, 2020



**Brightening the Future
Since 1946**

Financial Results Overview of FY2020 First-Half (consolidated)

Financial Results	2
IC Leadframes	4
IC Packages	6
Hermetic Seal Parts	8

Forecast of FY2020 (consolidated)

Revised Forecast of FY2020	10
Sales/Profit/Cash Dividend	11
Capital Expenditure, Depreciation, Research and Development	13

Financial Results Overview of FY2020 First-Half (consolidated)



Financial Results

(Billions of yen)

	FY2019 1st-Half (Result)	FY2020 1st-Half (Result)	YoY		vs. Previous Forecast	
			Amount	Ratio of Change	As of June 12 2020	Amount
Net Sales	69.3	84.5	+15.2	+22%	82.8	+1.7
Operating Profit (Ratio against Net Sales)	-1.0 (-1%)	7.2 (+9%)	+8.2	—	6.7	+0.5
Ordinary Profit (Ratio against Net Sales)	-0.5 (-1%)	8.3 (+10%)	+8.9	—	6.7	+1.6
Profit* (Ratio against Net Sales)	-1.0 (-1%)	5.6 (+7%)	+6.6	—	4.3	+1.3

* Profit attributable to owners of parent

Earnings per Share	-7.40yen	41.25yen
--------------------	----------	----------

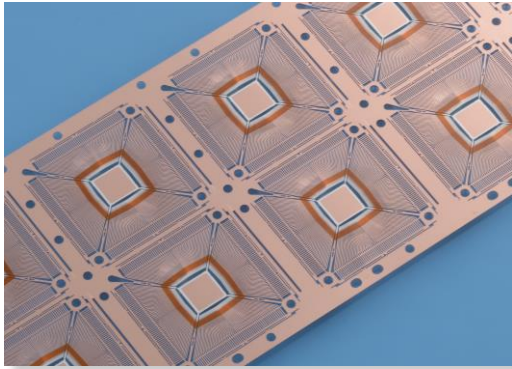
Net sales :

- In FY2020 first-half, there was the stagnation in the automobile market by spreading of COVID-19. Nevertheless, due to a large increase of sales of flip-chip type packages for servers for data centers and PCs supported by the expansion of teleworking and the online learning and the practical implementation of fifth-generation mobile communications systems(5G), expanding orders of ceramic electrostatic chucks for semiconductor manufacturing equipment as the trend of large demand, consolidated net sales increased 22% year on year.

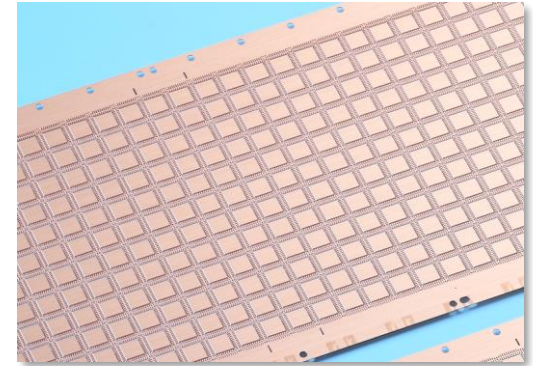
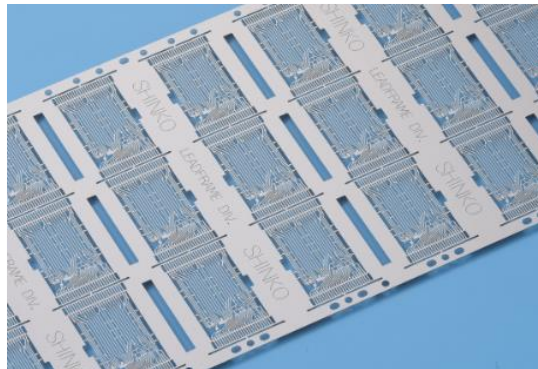
Profit :

- Profit took an upturn thanks to improving profitability by the growth in sales and the posting of foreign exchange gains.

IC Leadframes



Stamped Leadframes



**Etched Leadframes
(QFN-Type)**

【Applications】

**Smartphones, Automobiles, PCs, Home applications,
Industrial equipment, etc.**

IC Leadframes (Consolidated)

(Billions of yen)

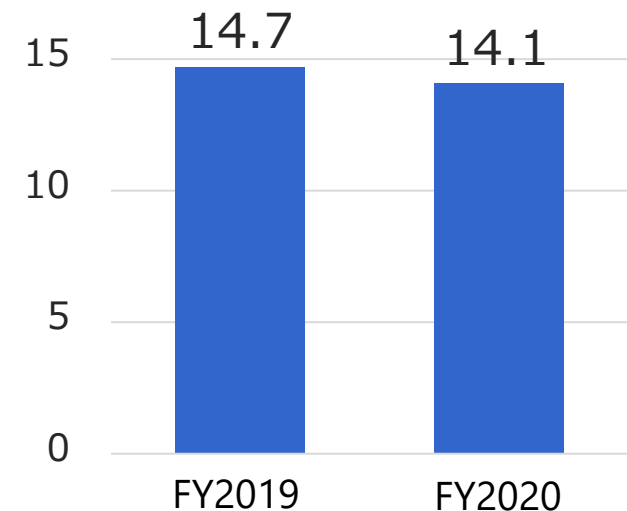
	FY2019 1st-Half (Result)	FY2020 1st-Half (Result)	YoY		FY2019 Total (Result)
			Amount	Ratio of Change	
Net Sales of IC Leadframes	14.7 [21%]*	14.1 [17%]*	-0.6	-4%	31.2

* Represent % of Net Sales

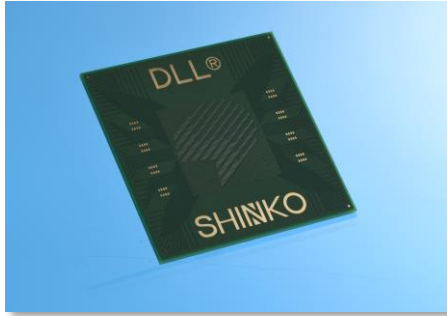
● Leadframes:

Since demand of QFN-type leadframes expanded for a wide range of applications, on the other hand, sales decreased for automobiles and memories.

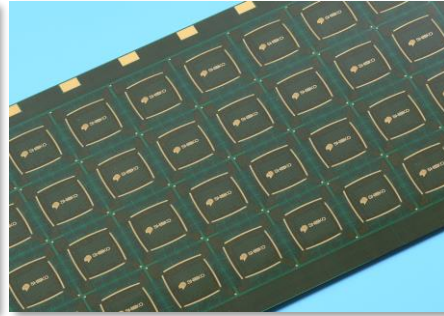
<Net Sales of 1st-Half>



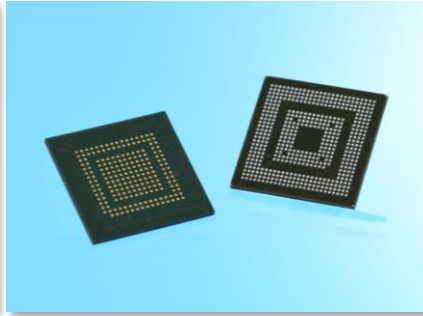
IC Packages



**Flip-Chip Type
Packages**



**Plastic BGA
Substrates**



IC Assemblies



Heat Spreaders

【Applications】

PCs, Servers, Smartphones, Consumer Products, etc.

IC Packages (Consolidated)

	FY2019 1st-Half (Result)	FY2020 1st-Half (Result)	YoY		FY2019 Total (Result)
			Amount	Ratio of Change	
Net Sales of IC Packages	43.3 [63%]*	56.5 [67%]*	+13.2	+30%	92.4

(Billions of yen)

* Represent % of Net Sales

- Flip-Chip Type Packages:**

Sales expanded significantly for servers and PCs.

- Plastic BGA Substrates:**

Orders greatly increased for advanced memory due to commence operation of the new production lines.

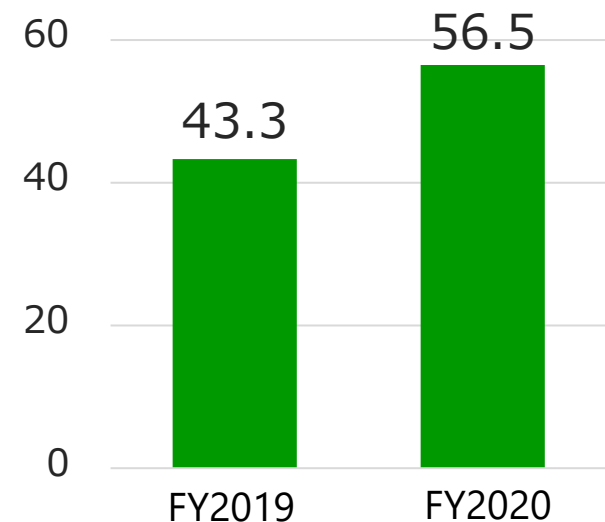
- Heat Spreaders for CPUs:**

Revenue increased due to increase of sales for servers.

- IC Assemblies:**

Orders showed recovery trend for automobiles.
Sales increased because of demand expanded for high-end smartphones.

<Net Sales of 1st-Half>



Hermetic Seal Parts



**Ceramic Electrostatic
Chuck**



**Glass-to-Metal Seals for
Optical Devices**



**Glass-to-Metal Seals for
Optical Communication
Equipment**

【Applications】

**Semiconductor Manufacturing Equipment, Automobiles,
Consumer Products, Communications Equipment, etc.**

Hermetic Seal Parts (Consolidated)

	FY2019 1st-Half (Result)	FY2020 1st-Half (Result)	YoY		FY2019 Total (Result)
			Amount	Ratio of Change	
Net Sales of Hermetic Seal Parts	10.7 [15%]*	13.8 [16%]*	+3.2	+30%	24.0

(Billions of yen)

* Represent % of Net Sales

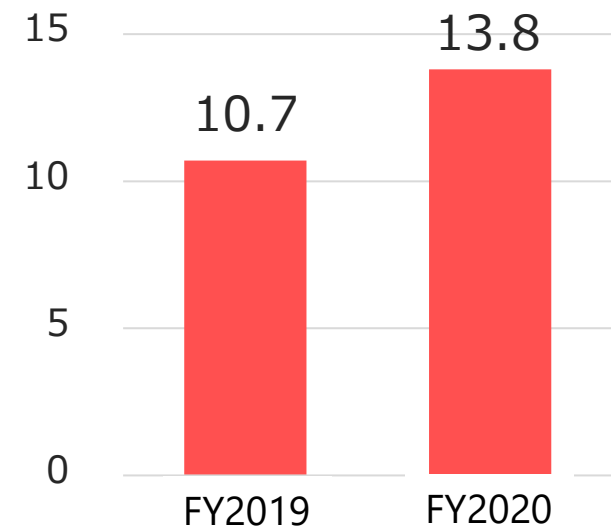
<Net Sales of 1st-Half>

- Ceramic Electrostatic Chucks:**

Sales increased greatly due to an ongoing lager-order environment.

- Glass-to-Metal Seals:**

Revenue decreased because of orders remained low for optical devices.



Revised Forecast of FY2020 (Announcement on October 27, 2020) (Billions of yen)

	FY2020			
	Previous Forecast: As of June 12 2020	Current Forecast: As of October 27 2020	vs. Previous Forecast	
			Amount	Ratio of Change
Net Sales	171.1	177.3	+6.2	+4%
Operating Profit	10.7	13.5	+2.8	+26%
Ordinary Profit	11.0	14.7	+3.7	+34%
Profit*	7.0	10.0	+3.0	+43%
Earnings per Share	51.82yen	74.02yen	—	—

* Profit attributable to owners of parent

Reasons for the revision of FY2020

- Orders of flip-chip type packages for servers and PCs are expected to remain high due to an upsurge in teleworking and online learning and the launch of 5G.
- The production lines for flip-chip type packages which have been made capital investments commenced operation from October in 2020 and expected to help sales increase.
- Orders of ceramic electrostatic chucks increased due to a large demand in semiconductor manufacturing equipment market.
- Sales of Plastic BGA Substrates are projected to expand thanks to the beginning operations of the new production lines for advanced memory.
- With these reasons, profit is exceeding the forecast especially. Given these factors, we revised the forecast of FY2020 released on June 12, 2020.
- We have revised the exchange rate which is the prerequisites for the forecast by transforming exchange rate from 105yen per dollar to 102yen per dollar.

Forecast of FY2020 (consolidated)

Sales/Profit/Cash Dividend

(Billions of yen)

	FY2019 (Result)			FY2020 (Forecast: As of October 27)			YoY	
	1st Half	2nd Half	FY 2019	1st Half*1	2nd Half	FY 2020	Amount	Ratio of Change
Net Sales	69.3	79.1	148.3	84.5	92.8	177.3	+29.0	+20%
Operating Profit (Ratio against Net Sales)	-1.0 (-1%)	4.2 (+5%)	3.2 (+2%)	7.2 (+9%)	6.3 (+7%)	13.5 (+8%)	+10.3	+318%
Ordinary Profit (Ratio against Net Sales)	-0.5 (-1%)	5.3 (+7%)	4.8 (+3%)	8.3 (+10%)	6.4 (+7%)	14.7 (+8%)	+9.9	+205%
Profit*2 (Ratio against Net Sales)	-1.0 (-1%)	3.7 (+5%)	2.7 (+2%)	5.6 (+7%)	4.4 (+5%)	10.0 (+6%)	+7.3	+272%

Exchange Rates (Yen/US dollar)	107	105	102
-----------------------------------	-----	-----	-----

*1 Result of FY2020 1st-Half

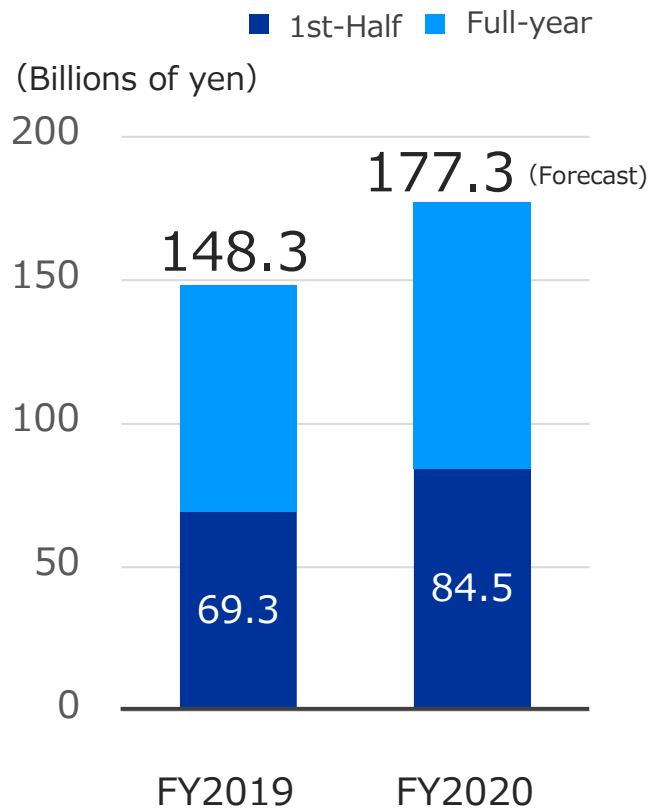
*2 Profit attributable to owners of parent

(Yen)

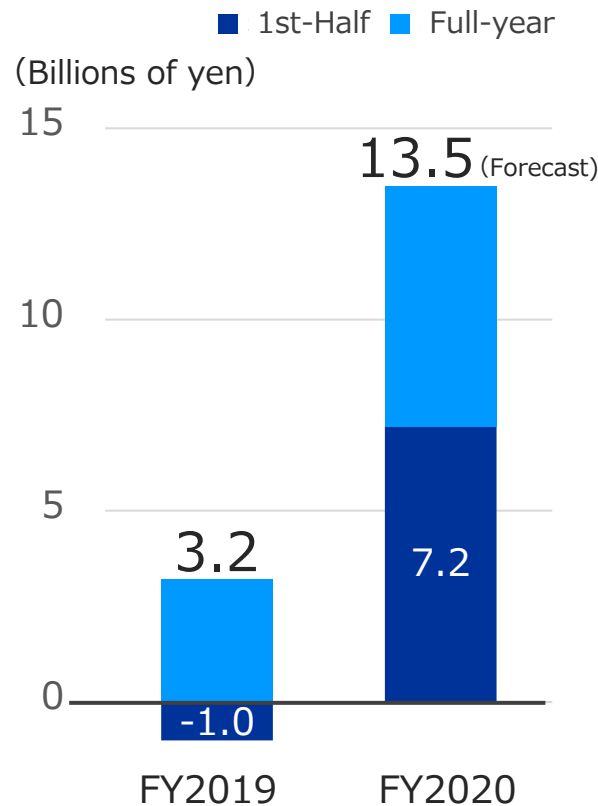
Cash Dividend per Share (Payout Ratio)	12.5 [Interim]	12.5 [Year-end]	25.0 (+126%)	12.5 [Interim]	12.5 [Year-end]	25.0 (+34%)
---	-------------------	--------------------	-----------------	-------------------	--------------------	----------------

Forecast of FY2020 (consolidated)

Net Sales

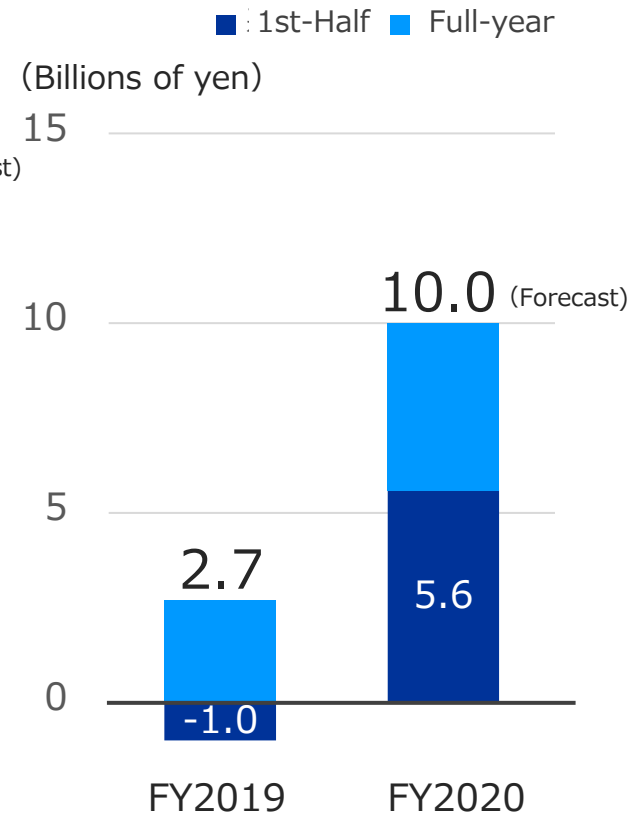


Operating Profit

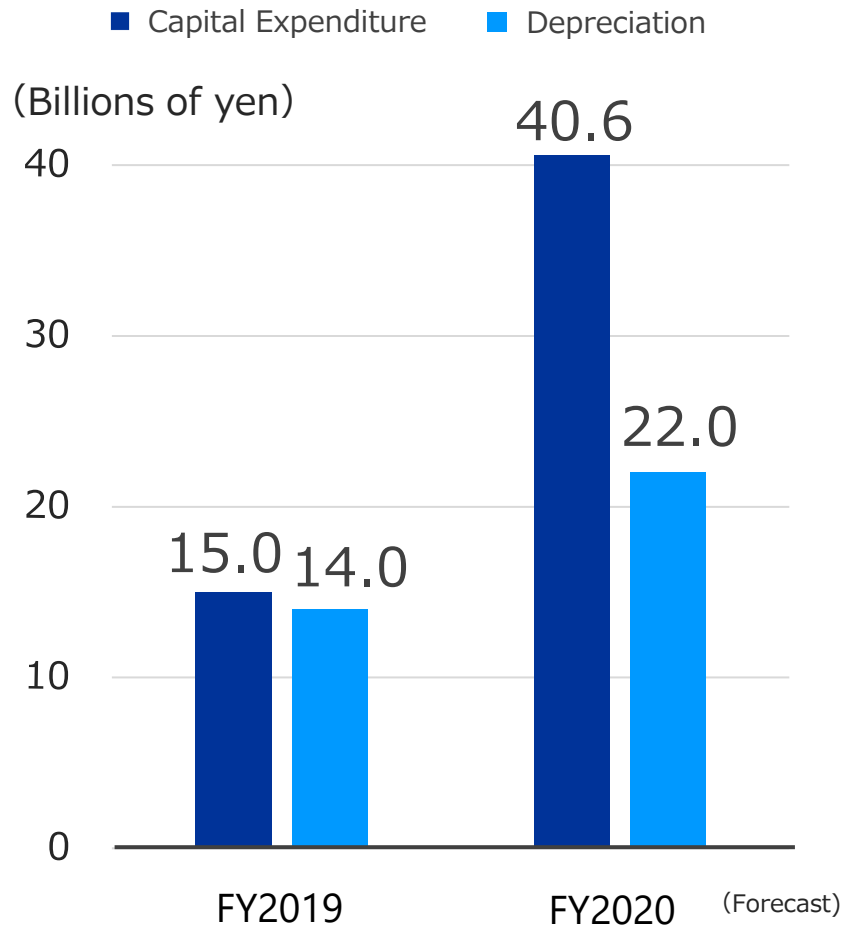


Profit*

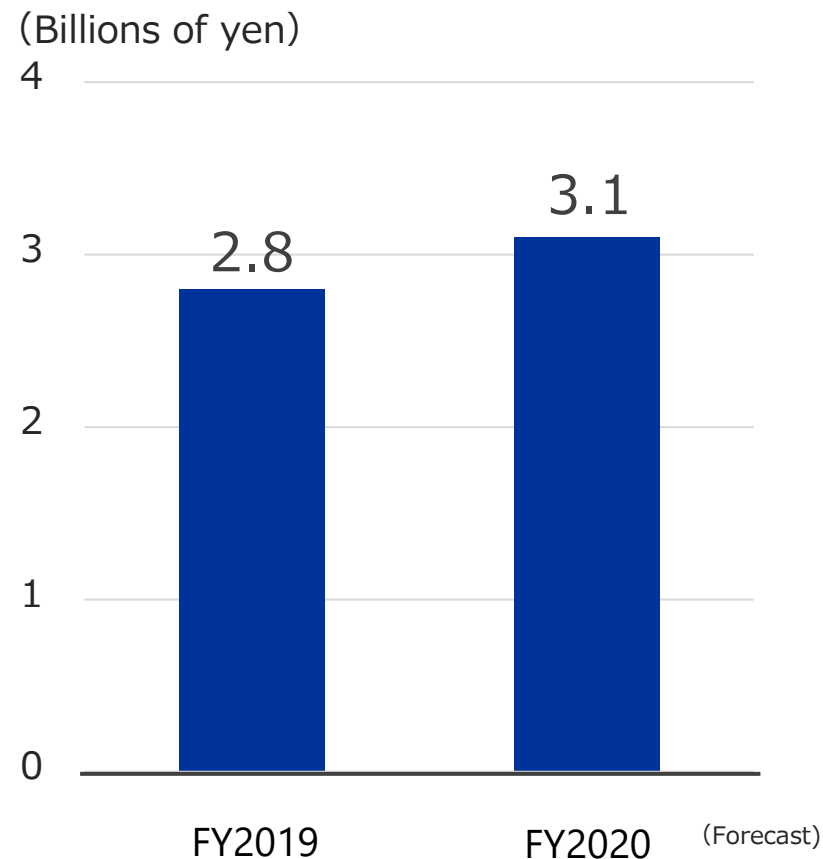
* Profit attributable to owners of parent



Capital Expenditure/ Depreciation



Research and Development



Notes to projected financial results:

The above projections were prepared based on estimates using information currently available. Actual results may differ from the projections. Also, many numerical values are shown in units of a billion yen as a general outline of business performance in this material. Because original values, which are managed in units of a million yen, are round off, the totals, difference, etc. shown in these materials may appear inaccurate. For assumptions and the other information regarding the projections, please refer to “the Financial Results” on IR library of our corporate website.