

Financial Results of FY2021 First-Quarter

From April 1, 2021 to June 30, 2021



**Brightening the Future
Since 1946**

Financial Results Overview of FY2021 First-Quarter (consolidated)

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Financial Results Overview of FY2021 First-Quarter (consolidated)



Financial Results

(Billions of yen)

| | FY2020 1st-Quarter (Result) | FY2021 1st-Quarter (Result) | YoY | |
|---|-----------------------------------|-----------------------------------|--------|--------------------|
| | | | Amount | Ratio of Change |
| Net Sales | 42.4 | 58.1 | +15.6 | +37% |
| Operating Profit (Ratio against Net Sales) | 3.7 (9%) | 13.9 (24%) | +10.2 | +272% |
| Ordinary Profit (Ratio against Net Sales) | 4.7 (11%) | 14.6 (25%) | +9.9 | +210% |
| Profit* (Ratio against Net Sales) | 3.2 (8%) | 10.1 (17%) | +6.9 | +215% |

* Profit attributable to owners of parent

| | | |
|--------------------|----------|----------|
| Earnings per Share | 23.72yen | 74.65yen |
|--------------------|----------|----------|

©From the beginning of FY2021, Accounting Standard for Revenue Recognition and other standards are applied.

Net sales :

- Regarding the semiconductor industry, demand increased greatly for PCs, servers and a wide range of fields, on the back of the rapid advance of digitalization of society and economy. Moreover, business conditions remained favorable due to the recovery of sales for automobiles. Net sales increased significantly 37% year on year as the sales of flip-chip type packages, leadframes, ceramic electrostatic chucks and other products increased.

Profit :

- Profit increased greatly year on year by increased profitability thanks to the increase in net sales of each product on the back of buoyant demand.

Financial Results Overview of FY2021 First-Quarter (consolidated)



Net sales and ordinary profit by business segment

(Billions of yen)

| | | FY2020 1st-Quarter (Result) | | FY2021 1st-Quarter (Result) | | Ratio of change (YoY) | FY2020 | |
|---------------------|-------------------|-----------------------------------|-----------------------------|-----------------------------------|-----------------------------|-----------------------------|--------|-----------------------------|
| Net Sales * 1 | | | Represent % of Net Sales | | Represent % of Net Sales | | | Represent % of Net Sales |
| | Plastic Packages | 25.9 | [61%] | 35.5 | [61%] | +37% | 113.3 | [60%] |
| | Metal Packages | 14.8 | [35%] | 20.4 | [35%] | +38% | 66.4 | [35%] |
| | Others | 1.8 | [4%] | 2.2 | [4%] | +24% | 8.3 | [5%] |
| Total | | 42.4 | [100%] | 58.1 | [100%] | +37% | 188.1 | [100%] |
| Ordinary Profit * 2 | | | Ratio against Net Sales | | Ratio against Net Sales | | | Ratio against Net Sales |
| | Plastic Packages | 3.1 | (12%) | 10.9 | (31%) | +253% | 17.0 | (15%) |
| | Metal Packages | 1.8 | (12%) | 4.2 | (21%) | +135% | 9.1 | (14%) |
| | Others/Adjustment | -0.2 | | -0.6 | | | 0.4 | |
| Total | | 4.7 | (11%) | 14.6 | (25%) | +210% | 26.5 | (14%) |

* 1 Sales to external customers

* 2 Before inter-segment transaction adjustment

Financial Results Overview of FY2021 First-Quarter (consolidated)



Financial Status

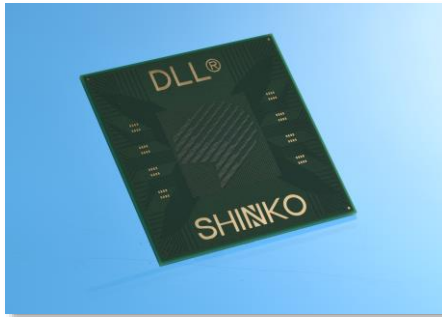
(Billions of yen)

| | FY2020 1st-Quarter | FY2021 1st-Quarter | FY2020 |
|--------------|-----------------------|-----------------------|--------|
| Total Assets | 211.8 | 250.5 | 241.0 |
| Net Assets | 139.2 | 161.0 | 153.4 |
| Equity Ratio | 66% | 64% | 64% |

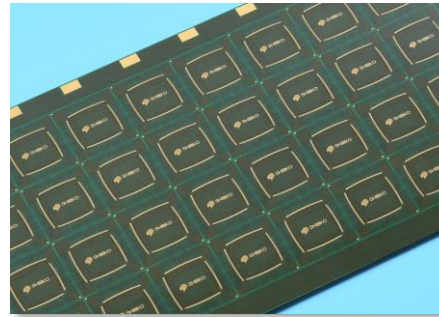
| | | | |
|-----------------------------------|-----|-----|------|
| Capital Expenditure* | 5.4 | 3.0 | 30.1 |
| Depreciation* | 3.1 | 4.4 | 17.4 |
| Research and Development | 0.7 | 0.8 | 3.0 |
| Exchange Rates (Yen/US dollar) | 106 | 108 | 105 |

* Except intangible assets

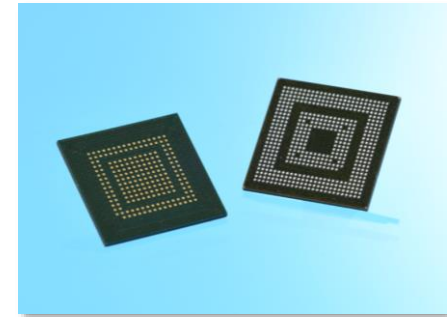
Plastic Packages



**Flip-Chip Type
Package**



**Plastic BGA
Substrates**



IC Assemblies

【Applications】

PCs, Servers, Smartphones, Consumer Products, etc.

Financial Results Overview of FY2021 First-Quarter (consolidated)



Plastic Packages

(Billions of yen)

| | FY2020 1st-Quarter (Result) | FY2021 1st-Quarter (Result) | YoY | |
|-----------------|-----------------------------------|-----------------------------------|--------|--------------------|
| | | | Amount | Ratio of Change |
| Net Sales | 25.9 [61%]* ¹ | 35.5 [61%]* ¹ | + 9.6 | + 37% |
| Ordinary Profit | 3.1 (12%)* ² | 10.9 (31%)* ² | + 7.8 | + 253% |

* 1 Represent % of Net Sales * 2 Ratio against Net Sales

<Net Sales>

● Flip-Chip Type Packages:

Sales increased greatly thanks to greater demand for PCs and servers.

● IC Assemblies:

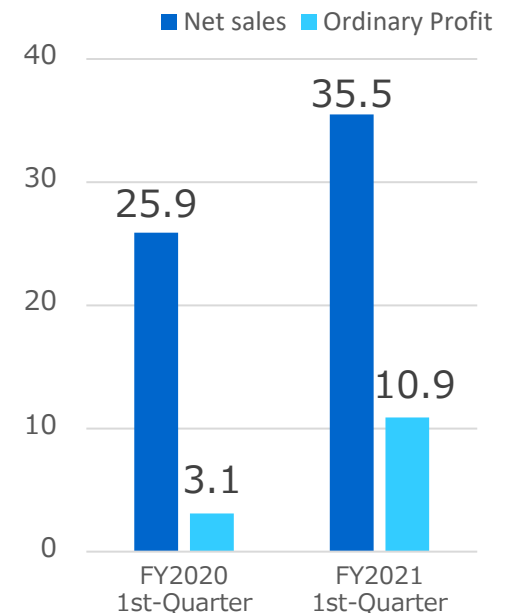
Orders increased for high-end smartphones.

● Plastic BGA Substrates:

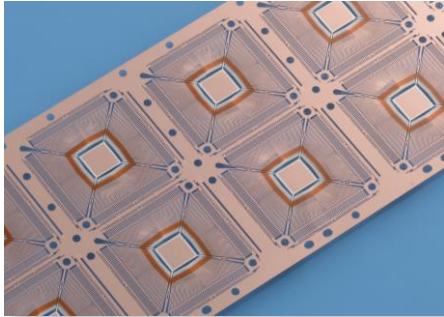
Orders for advanced memory maintained a high level.

<Ordinary Profit>

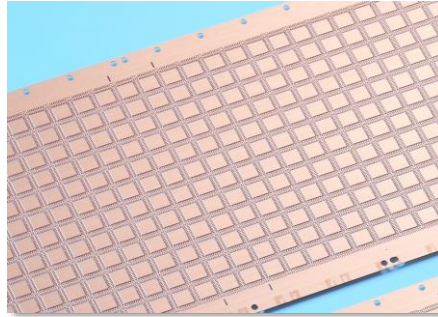
As net sales of flip-chip type packages, such as high-value added products, increased greatly and other factors profitability improved.



Metal Packages



Stamped Leadframes



**Etched Leadframes
(QFN-Type)**



**Ceramic Electrostatic
Chuck**



Glass-to-Metal Seals



Heat Spreaders

【Applications】

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

Financial Results Overview of FY2021 First-Quarter (consolidated)



Metal Packages

(Billions of yen)

| | FY2020 1st-Quarter (Result) | FY2021 1st-Quarter (Result) | YoY | |
|-----------------|-----------------------------------|-----------------------------------|--------|--------------------|
| | | | Amount | Ratio of Change |
| Net Sales | 14.8 [35%]* ¹ | 20.4 [35%]* ¹ | + 5.6 | + 38% |
| Ordinary Profit | 1.8 (12%)* ² | 4.2 (21%)* ² | +2.4 | + 135% |

* 1 Represent % of Net Sales * 2 Ratio against Net Sales

<Net Sales>

● Leadframes:

Revenue from leadframes increased greatly due to the recovery of automobile market which was impacted by the infection spread of COVID-19 last year and increasing demand for a wide range of applications.

● Ceramic Electrostatic Chucks:

Sales increased thanks to buoyant demand in semiconductor manufacturing equipment market.

● Glass-to-Metal Seals:

Orders recovered for optical devices.

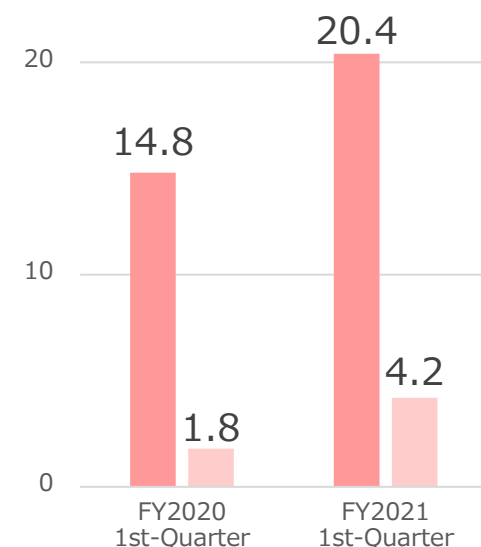
● Heat Spreaders for CPUs:

Consistent with the same period of previous year.

<Ordinary Profit>

Profit increased as sales increased from leadframes and ceramic electrostatic chucks.

■ Net sales ■ Ordinary Profit



Financial Results Overview of FY2021 First-Quarter (consolidated)

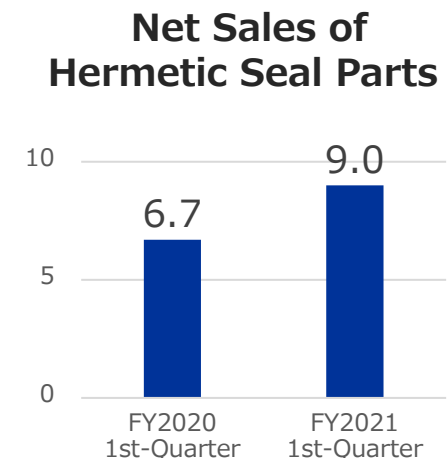
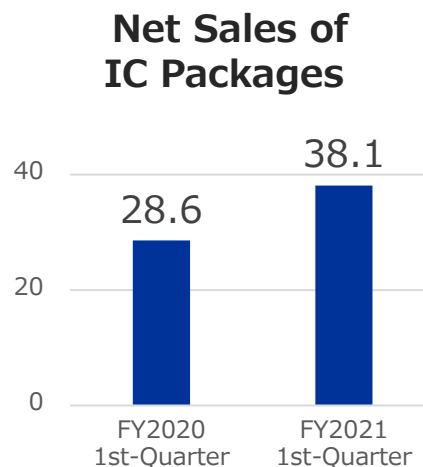
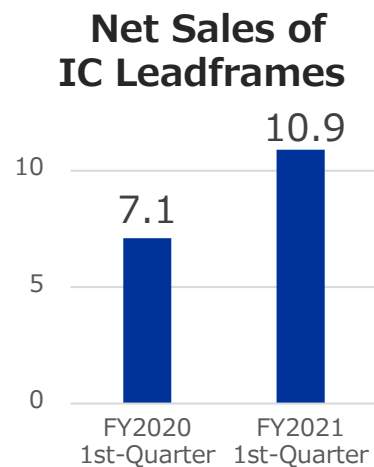


Net sales by product category

(Billions of yen)

| | FY2020 1st-Quarter (Result) | FY2021 1st-Quarter (Result) | YoY | | FY2020 (Result) |
|------------------------|-----------------------------------|-----------------------------------|--------|--------------------|--------------------|
| | | | Amount | Ratio of Change | |
| IC Leadframes | 7.1 [17%]* | 10.9 [19%]* | + 3.8 | +54% | 33.4 [18%]* |
| IC Packages | 28.6 [67%]* | 38.1 [66%]* | +9.5 | +33% | 123.1 [65%]* |
| Hermetic Seal Parts | 6.7 [16%]* | 9.0 [16%]* | +2.4 | +35% | 31.4 [17%]* |

* Represent % of Net Sales



Forecast of FY2021 First-Half and FY2021 (consolidated)

Revised Forecast of FY2021 First-Half and FY2021 (Announcement on July 29, 2021) (Billions of yen)

| | FY2021 1st-Half | | | | FY2021 | | | |
|--------------------|----------------------------------|---------------------------------|-----------------------|-----------------|----------------------------------|---------------------------------|-----------------------|-----------------|
| | Previous Forecast (4/27/2021) | Current Forecast (7/29/2021) | vs. Previous Forecast | | Previous Forecast (4/27/2021) | Current Forecast (7/29/2021) | vs. Previous Forecast | |
| | | | Amount | Ratio of Change | | | Amount | Ratio of Change |
| Net Sales | 108.9 | 121.6 | +12.7 | +12% | 227.3 | 242.0 | +14.7 | +6% |
| Operating Profit | 18.0 | 26.8 | +8.8 | +49% | 33.4 | 40.6 | +7.2 | +22% |
| Ordinary Profit | 18.1 | 27.6 | +9.5 | +52% | 33.7 | 39.5 | +5.8 | +17% |
| Profit* | 12.6 | 18.8 | +6.2 | +49% | 23.3 | 26.9 | +3.6 | +15% |
| Earnings per Share | 93.27yen | 139.17yen | — | — | 172.48yen | 199.13yen | — | — |

* Profit attributable to owners of parent

Reasons for the revision of FY2021 first-half and FY2021

- In the first-quarter of the fiscal year under review, net sales of flip-chip type package for PCs and servers increased greatly, moreover leadframes for automobile and ceramic electrostatic chucks for semiconductor manufacturing equipment significantly increased.
- Sales and profit has been exceeding the forecast, and favorable market conditions is anticipated to remain in the second-quarter of FY2021. In addition, yen exchange rate has remained low compared to expectations.
- Although it is expected to remain favorable order conditions for leadframes and ceramic electrostatic chucks from the third-quarter of the fiscal year, sales of flip-chip type packages is expected to decrease compared to the forecast at the beginning of the term on the back of changing product mix.
- With these reasons, we revised the forecast of FY2021 first-half and FY2021 released on April 27, 2021.
- We have revised the exchange rate which is the prerequisites for the forecast by changing exchange rate from 105yen per dollar to 108yen per dollar. (applied for only second-quarter accounting period.)

Forecast of FY2021 First-Half and FY2021 (consolidated)



Net Sales/Profit/Cash Dividend

(Billions of yen)

| | FY2020 (Result) | | | FY2021 (Forecast) | | | YoY(Upper : Amount/Lower : Ratio of Change) | | |
|--|-----------------|---------------|---------------|-------------------|---------------|---------------|---|----------------|----------------|
| | 1st Half | 2nd Half | FY 2020 | 1st Half | 2nd Half | FY 2021 | 1st Half | 2nd Half | Full Year |
| Net Sales | 84.5 | 103.6 | 188.1 | 121.6 | 120.4 | 242.0 | 37.1 (+44%) | 16.8 (+16%) | 53.9 (+29%) |
| Operating Profit (Ratio against Net Sales) | 7.2 (9%) | 16.1 (16%) | 23.3 (12%) | 26.8 (22%) | 13.8 (11%) | 40.6 (17%) | 19.6 (+270%) | -2.3 (-14%) | 17.3 (+74%) |
| Ordinary Profit (Ratio against Net Sales) | 8.3 (10%) | 18.2 (18%) | 26.5 (14%) | 27.6 (23%) | 11.9 (10%) | 39.5 (16%) | 19.3 (+231%) | -6.3 (-34%) | 13.0 (+49%) |
| Profit* (Ratio against Net Sales) | 5.6 (7%) | 12.4 (12%) | 18.0 (10%) | 18.8 (15%) | 8.1 (7%) | 26.9 (11%) | 13.2 (+237%) | -4.3 (-35%) | 8.9 (+49%) |
| Exchange Rates (Yen/US dollar) | 105 | | | 108 | 105 | | | | |

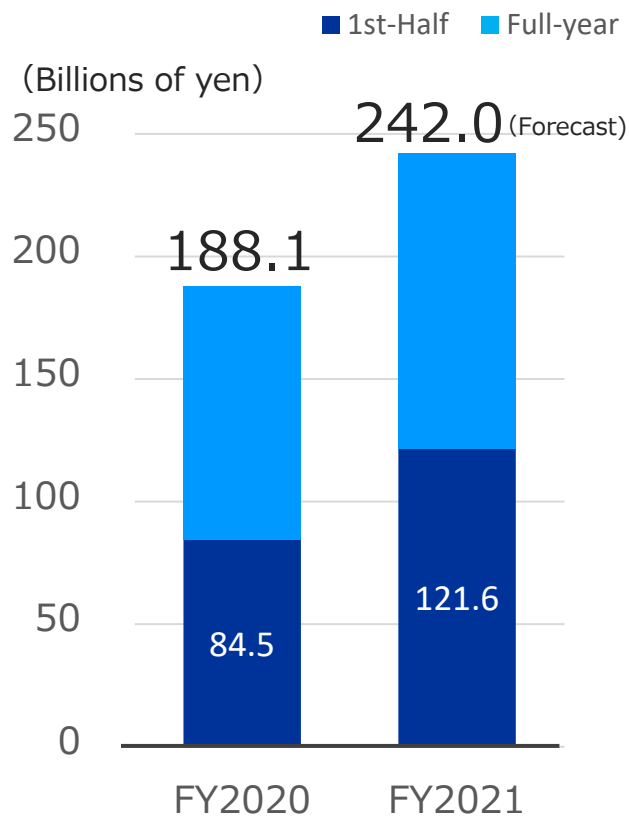
* Profit attributable to owners of parent

(Yen)

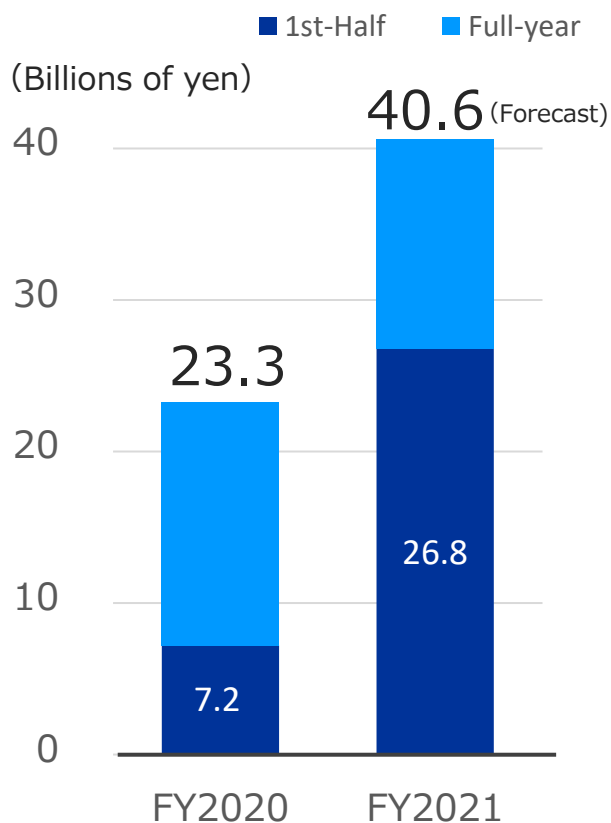
| | | | | | | |
|--|-------------------|--------------------|---------------|-------------------|--------------------|---------------|
| Cash Dividend per Share (Payout Ratio) | 12.5 [Interim] | 17.5 [Year-end] | 30.0 (22%) | 17.5 [Interim] | 17.5 [Year-end] | 35.0 (18%) |
|--|-------------------|--------------------|---------------|-------------------|--------------------|---------------|

Forecast of FY2021 (consolidated)

Net Sales

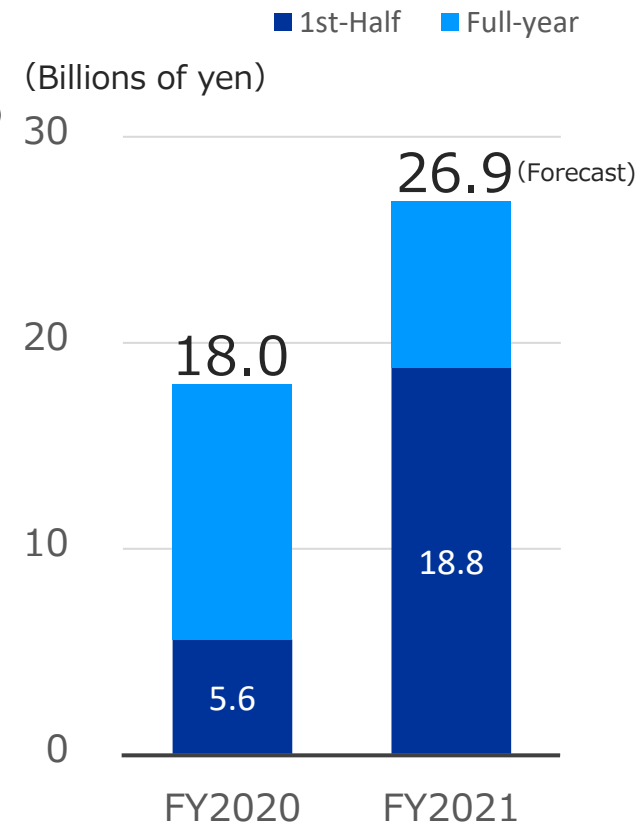


Operating Profit



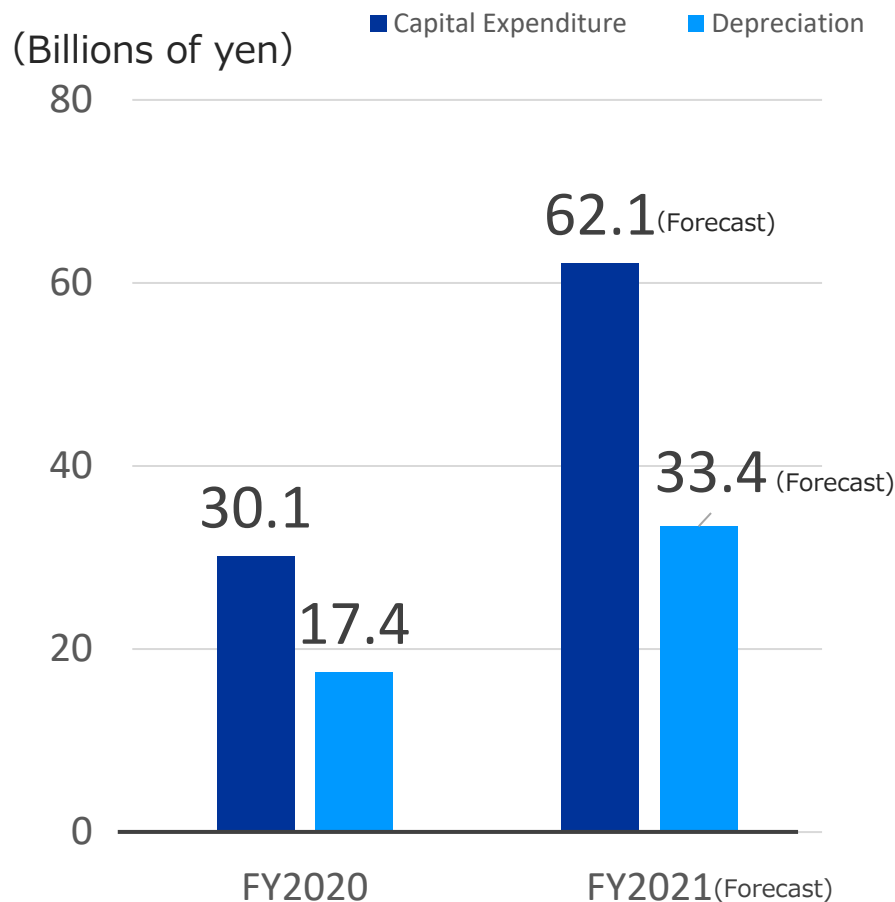
Profit*

* Profit attributable to owners of parent

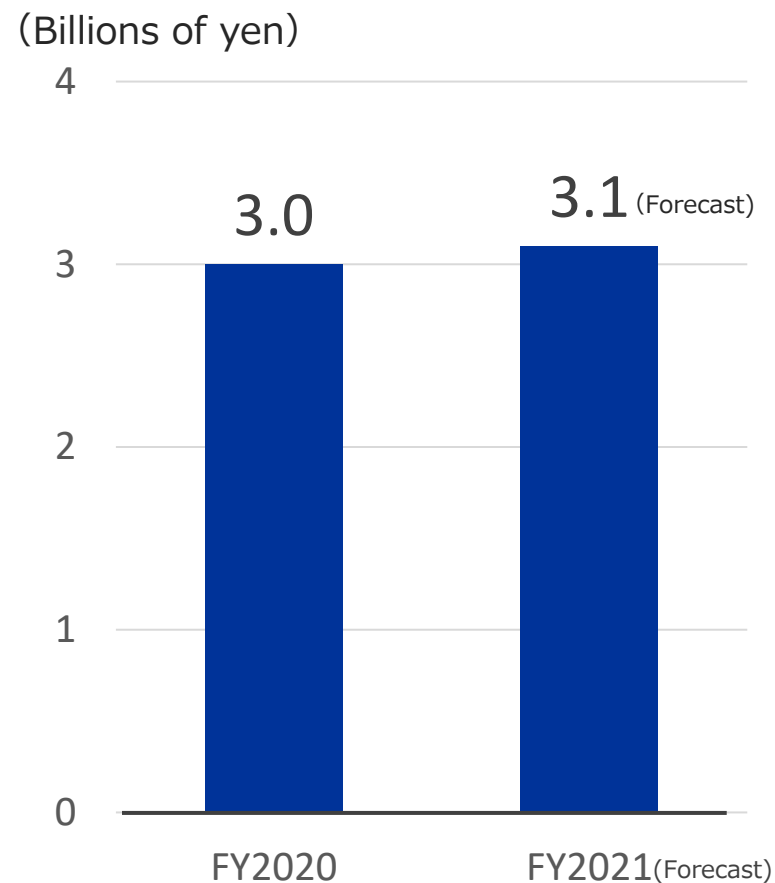


Forecast of FY2021 (consolidated)

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.