



Since 1946
Brightening the Future

Financial Results of FY2022 Third-Quarter

From April 1, 2022 to December 31, 2022

SHINKO ELECTRIC INDUSTRIES CO., LTD.



Index

Financial Results Overview of FY2022 Third-Quarter (consolidated)

Financial Results	2
Plastic Packages	6
Metal Packages	8
Net Sales by Product Category	10

Forecast of FY2022 (consolidated)

Net Sales/Profit/Cash Dividend	11
Capital Expenditure, Depreciation, Research and Development	13

Financial Results Overview of FY2022 Third-Quarter (consolidated)

Financial Results

(Billions of yen)

	FY2021 3rd-Quarter* ¹ (Result)	FY2022 3rd-Quarter* ¹ (Result)	YoY	
			Amount	Ratio of Change
Net Sales	200.8	232.5	+31.7	+16%
Operating Profit (Ratio against Net Sales)	52.5 (+26%)	71.2 (+31%)	+18.7	+36%
Ordinary Profit (Ratio against Net Sales)	54.8 (+27%)	72.9 (+31%)	+18.1	+33%
Profit* ² (Ratio against Net Sales)	37.9 (+19%)	50.5 (+22%)	+12.6	+33%

*¹ Nine months ended December 31 *² Profit attributable to owners of parent

Earnings per Share	280.24 _{yen}	373.85 _{yen}
--------------------	-----------------------	-----------------------

Financial Results Overview of FY2022 Third-Quarter (consolidated)

Summary of Financial Statements

- In the semiconductor industry, demand remained strong for automobiles and industrial equipment. On the other hand, the slowdown in the semiconductor market became clear from the second to the third quarter due to the prolonged conflict in Russia and Ukraine, global inflation, the impact of slowdown in the Chinese economy, etc. as well as decline in demand for PCs and smartphones.
- Although flip-chip type packages were affected by the impact of decreased demand for PCs from the second quarter, the sales increased due to yen depreciation trend in the exchange rate until beginning of the third quarter and other factors. Net sales for ceramic electrostatic chucks for semiconductor manufacturing equipment and IC assemblies for high-end smartphones increased due to large yen depreciation, in addition to demand increase.
- **Net sales up 16% and all profits increased year on year.**

Financial Results Overview of FY2022 Third-Quarter (consolidated)

Net Sales and Ordinary Profit by Business Segment

(Billions of yen)

		FY2021 3rd-Quarter*1 (Result)		FY2022 3rd-Quarter*1 (Result)		Ratio of Change (YoY)	FY2021	
Net Sales *2			Represent % of Net Sales		Represent % of Net Sales			Represent % of Net Sales
	Plastic Packages	126.8	[63%]	144.6	[62%]	+14%	169.4	[62%]
	Metal Packages	67.3	[34%]	79.9	[34%]	+19%	92.9	[34%]
	Others	6.7	[3%]	8.0	[4%]	+19%	9.6	[4%]
Total		200.8	[100%]	232.5	[100%]	+16%	271.9	[100%]
Ordinary Profit *3			Ratio against Net Sales		Ratio against Net Sales			Ratio against Net Sales
	Plastic Packages	38.5	(+30%)	45.7	(+32%)	+19%	50.9	(+30%)
	Metal Packages	15.8	(+23%)	27.1	(+34%)	+72%	23.5	(+25%)
	Others/Adjustment	0.6		0.1			1.4	
Total		54.8	(+27%)	72.9	(+31%)	+33%	75.8	(+28%)

*1 Nine months ended December 31

*2 Sales to external customers

*3 Before inter-segment transaction adjustment

Financial Results Overview of FY2022 Third-Quarter (consolidated)

Financial Status, Capital Expenditure and Depreciation

(Billions of yen)

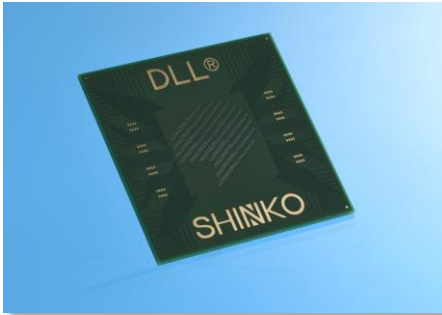
	FY2021 3rd-Quarter*1	FY2022 3rd-Quarter*1	FY2021
Total Assets	291.8	366.6	319.5
Net Assets	186.8	246.8	202.0
Equity Ratio	64%	67%	63%

	FY2021 3rd-Quarter*2	FY2022 3rd-Quarter*2	FY2021
Capital Expenditure*3	45.9	20.2	57.5
Depreciation*3	20.2	25.1	30.0
Research and Development	2.6	2.7	3.5
Exchange Rates (Yen/US dollar)	110	135	111

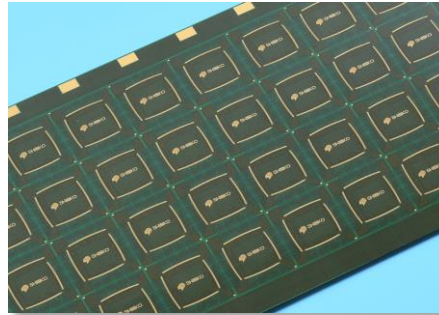
*1 As of December 31 *2 Nine months ended December 31 *3 Except intangible assets

Financial Results Overview of FY2022 Third-Quarter (consolidated)

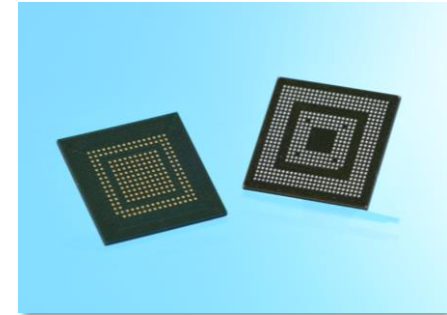
Plastic Packages



**Flip-Chip Type
Package**



**Plastic BGA
Substrates**



IC Assemblies

【Applications】

PCs, Servers, Smartphones, Consumer Products, etc.

Financial Results Overview of FY2022 Third-Quarter (consolidated)

Plastic Packages

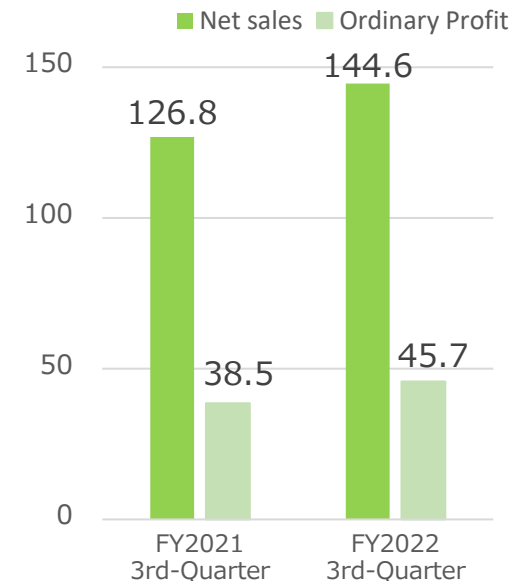
(Billions of yen)

	FY2021 3rd-Quarter* ¹ (Result)	FY2022 3rd-Quarter* ¹ (Result)	YoY	
			Amount	Ratio of Change
Net Sales	126.8 [63%]* ²	144.6 [62%]* ²	+ 17.8	+ 14%
Ordinary Profit	38.5 (+30%)* ³	45.7 (+32%)* ³	+ 7.2	+ 19%

*¹ Nine months ended December 31 *² Represent % of Net Sales *³ Ratio against Net Sales

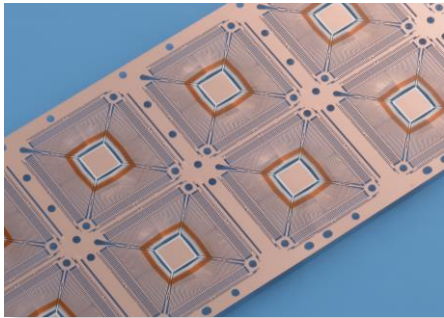
Net sales and ordinary profit both increased year on year due to the increase in orders of IC assemblies and plastic BGA substrates as well as significant yen depreciation, etc.

- Net sales of flip-chip type packages increased due to yen depreciation trend in the exchange rate until beginning of the third quarter and other factors, despite the impact of decrease in demand for PCs after the second quarter.
- Orders for IC assemblies increased for high-end smartphones and orders for plastic BGA substrates were strong for advanced memories and automobiles. In addition to these factors, the significant yen depreciation contributed to the increase in these sales.

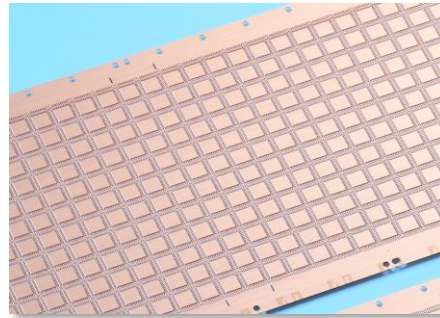


Financial Results Overview of FY2022 Third-Quarter (consolidated)

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 FY2022 Third-Quarter (consolidated)

Metal Packages

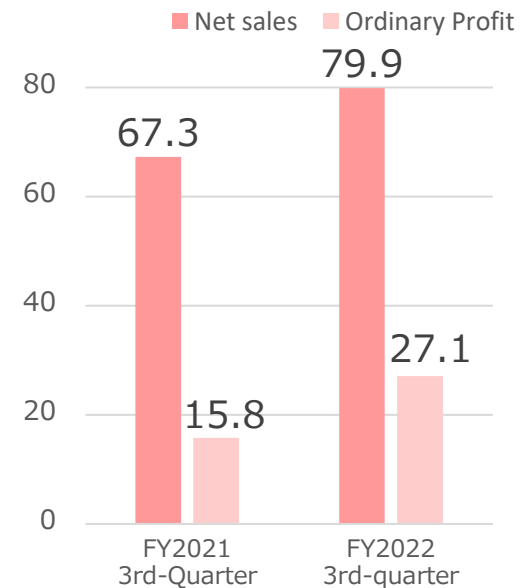
(Billions of yen)

	FY2021 3rd-Quarter* ¹ (Result)	FY2022 3rd-Quarter* ¹ (Result)	YoY	
			Amount	Ratio of Change
Net Sales	67.3 [34%]* ²	79.9 [34%]* ²	+ 12.6	+ 19%
Ordinary Profit	15.8 (+23%)* ³	27.1 (+34%)* ³	+ 11.3	+ 72%

*¹ Nine months ended December 31 *² Represent % of Net Sales *³ Ratio against Net Sales

Net sales and ordinary profit both increased year on year due to increased demand for ceramic electrostatic chucks as well as the significant yen depreciation, etc.

- Demand for ceramic electrostatic chucks increased for semiconductor manufacturing equipment. In addition to this factor, the significant yen depreciation contributed to the increase in the revenue.
- Demand for leadframes and heat spreaders for CPUs declined from the second to the third quarter, due to the slowdown in the semiconductor market, but revenue increased due to yen depreciation trend in the exchange rate, etc.
- Revenue of glass-to-metal-seals decreased due to the sluggish sales for optical devices.



Financial Results Overview of FY2022 Third-Quarter (consolidated)

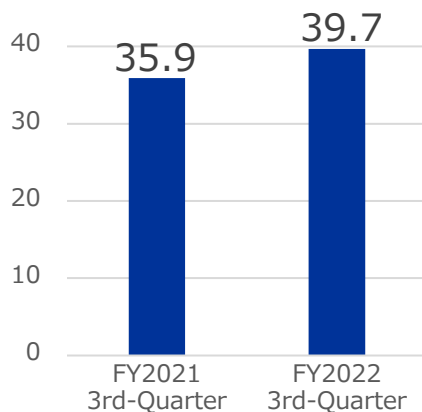
Net Sales by Product Category

(Billions of yen)

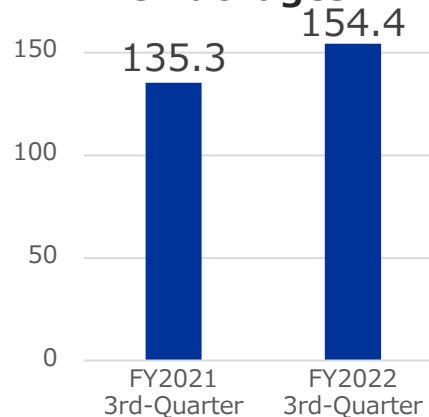
	FY2021 3rd-Quarter* ¹ (Result)	FY2022 3rd-Quarter* ¹ (Result)	YoY		FY2021 (Result)
			Amount	Ratio of Change	
IC Leadframes	35.9 [18%]* ²	39.7 [17%]* ²	+ 3.8	+11%	49.9[18%]* ²
IC Packages	135.3 [67%]* ²	154.4 [66%]* ²	+19.1	+14%	180.8[67%]* ²
Hermetic Seal Parts	29.6 [15%]* ²	38.4 [17%]* ²	+8.8	+30%	41.2[15%]* ²

*1 Nine months ended December 31 *2 Represent % of Net Sales

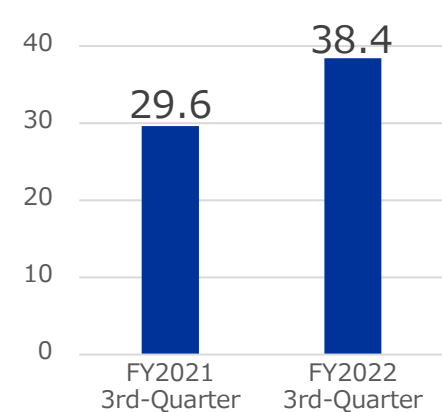
**Net Sales of
IC Leadframes**



**Net Sales of
IC Packages**



**Net Sales of
Hermetic Seal Parts**



Forecast of FY2022 (consolidated)

Net Sales/Profit/Cash Dividend

(Billions of yen)

	FY2021 (Result)			FY2022 (Forecast)			YoY(Upper : Amount / Lower : Ratio of Change)		
	1st Half	2nd Half	FY 2021	1st Half	2nd Half	FY 2022	1st Half	2nd Half	Full Year
Net Sales	125.9	146.0	271.9	157.0	165.0	322.0	31.1 (+25%)	19.0 (+13%)	50.1 (+18%)
Operating Profit (Ratio against Net Sales)	30.1 (+24%)	41.3 (+28%)	71.4 (+26%)	51.0 (+32%)	42.0 (+25%)	93.0 (+29%)	20.9 (+69%)	0.7 (+2%)	21.6 (+30%)
Ordinary Profit (Ratio against Net Sales)	31.6 (+25%)	44.3 (+30%)	75.8 (+28%)	54.6 (+35%)	42.4 (+26%)	97.0 (+30%)	23.1 (+73%)	-1.9 (-4%)	21.2 (+28%)
Profit* (Ratio against Net Sales)	21.7 (+17%)	30.9 (+21%)	52.6 (+19%)	37.9 (+24%)	29.1 (+18%)	67.0 (+21%)	16.2 (+74%)	-1.8 (-6%)	14.4 (+27%)
Exchange Rates (Yen/US dollar)	111			1Q-3Q (Result) 135		4Q (Assumption) 125			

* Profit attributable to owners of parent

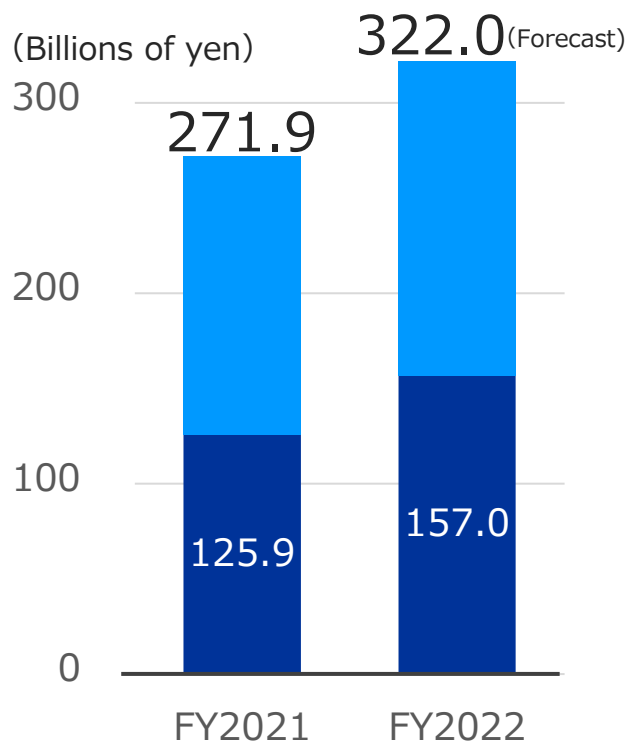
(Yen)

Cash Dividend per Share (Payout Ratio)	17.5 [Interim]	27.5 [Year-end]	45.0 (+11.6%)	25.0 [Interim]	25.0 [Year-end]	50.0 (+10.1%)
--	-------------------	--------------------	------------------	-------------------	--------------------	------------------

Forecast of FY2022 (consolidated)

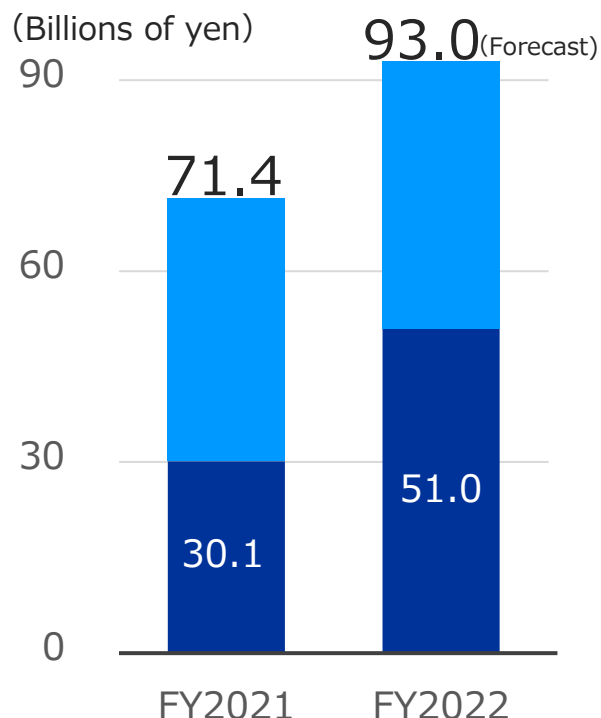
Net Sales

■ 1st-Half ■ Full-year



Operating Profit

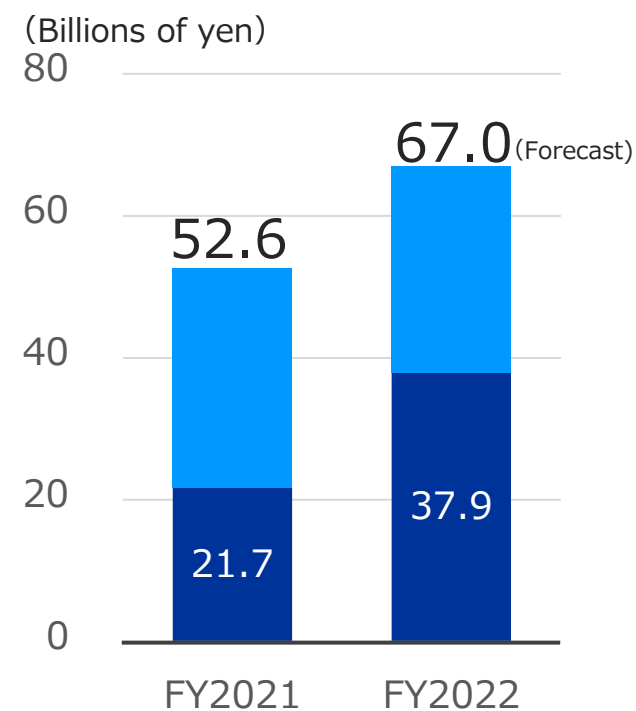
■ 1st-Half ■ Full-year



Profit*

* Profit attributable to owners of parent

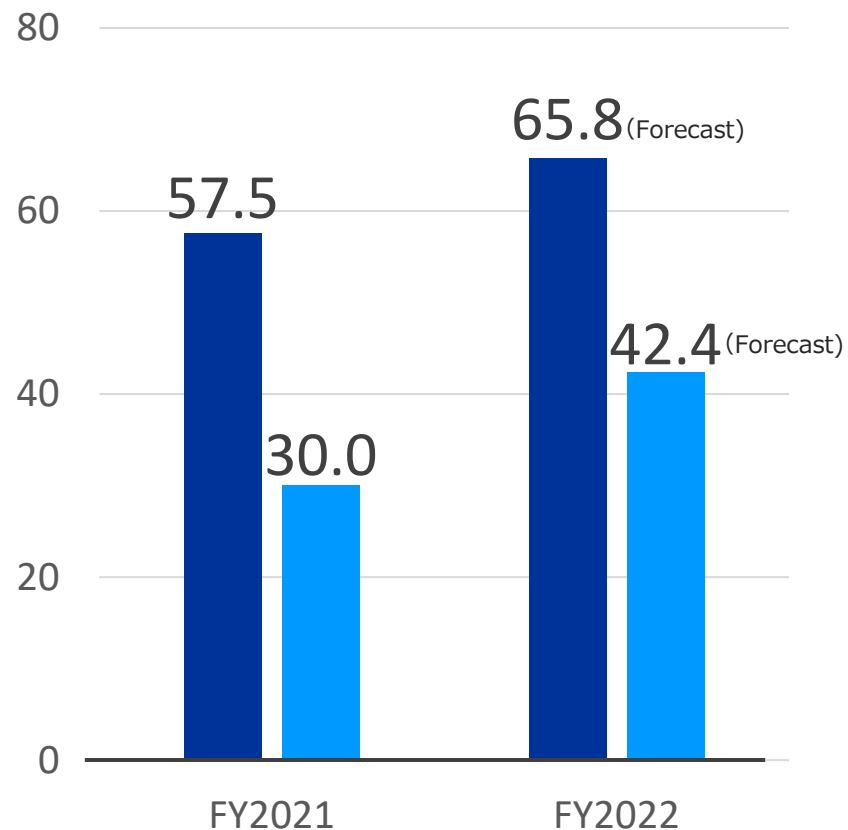
■ 1st-Half ■ Full-year



Forecast of FY2022 (consolidated)

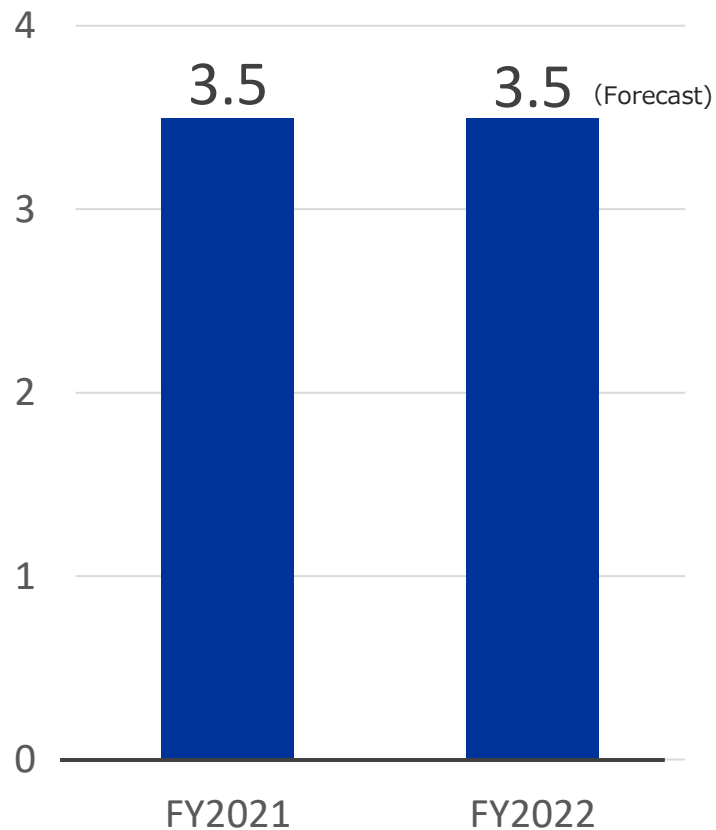
Capital Expenditure / Depreciation

(Billions of yen) ■ Capital Expenditure ■ Depreciation



Research and Development

(Billions of yen)





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.