



UMC Electronics Co., Ltd.

Fiscal 2020 3Q Performance in Focus (April 1, 2020 – December 31, 2020)

1. Overview of Quarterly Results

(1) Overview of Operating Results

The Group's business results for the third quarter of the current consolidated cumulative period continued to be due to the temporary suspension of operations at some bases due to the global epidemic of the new coronavirus infection, a decrease in orders due to the suspension of operations at customer production bases, and electronic products. Despite the impact of delays in shipping some products due to difficulty in obtaining parts, Net sales the third quarter consolidated accounting period increased by 11.9% compared to the second quarter consolidated accounting period, and the cumulative total for the previous third quarter was consolidated. It decreased by 5.9% over the period, and although the uncertain situation continues, there are signs of recovery.

Net sales for the third quarter of the current consolidated cumulative period were 103,340 million yen (down 5.9% year-on-year). In terms of profit and loss, Operating income was 1,025 million yen (operating loss of 1,450 million yen in the same period of the previous year), and ordinary income was 936 million yen (ordinary income of 2,092 million yen in the same period of the previous year). Loss). Net income attributable to owners of the parent was 27 million yen (compared to 5,222 million yen in the same period of the previous year) due to the elimination of special factors such as expenses related to correction of settlement of accounts for previous years, which was recorded as an extraordinary loss in the previous fiscal year. Attributable quarterly net loss).

UMC Electronics and its consolidated subsidiaries (hereinafter collectively referred to "the Group") operates two segments: the EMS business and the Other business. Segment information is not provided in this document because the EMS business accounts for an overwhelming majority of the Group's operations.

Consolidated net sales for the EMS business by product category and consolidated net sales for the Other business are as follows. Consolidated net sales shown below are the figures after the elimination of inter-company transactions.

① EMS business

Net sales in the EMS business, which is the main business of the Group, were 120,281 million yen (down 5.9% year-on-year). The results by product category are outlined below.

(Automotive equipment)

critical safety parts Net sales were 53,515 million yen (down 0.1% year-on-year) due to the impact of a significant decrease in automobile production and production adjustments...

(Industrial equipment)

Net sales were 24,382 million yen (down 7.9% year-on-year) due to a decrease in FA equipment for the Chinese market, despite contributions from the handling of servers, storage, network equipment, and new products.

(Office automation equipment)

Net sales were 21,019 million yen (down 0.8% year-on-year), although there were changes by major customers.

(Consumer equipment)

Net sales were 1,860 million yen (down 50.5% year-on-year) due to a decrease in orders from existing Japanese customers.

(Information equipment)

Optical pickups are the main product, and Net sales were 888 million yen (down 66.1% year-on-year).

(Others)

Amusement equipment is the main product, and Net sales were 1,134 million yen (down 31.4% year-on-year).

② Other businesses

The temporary staffing business performed well, with Net sales of 538 million yen (up 6.2% year-on-year).

(2) Explanation of financial condition

Status of assets, liabilities and net assets

Total assets at the end of the third quarter of the current consolidated fiscal year were 65,589 million yen (up 6.8% from the end of the previous consolidated fiscal year). This was mainly due to an increase in cash and deposits, accounts receivable, and a decrease in inventories.

Liability was 61,789 million yen (up 6.5% from the end of the previous consolidated fiscal year). This was mainly due to an increase in accounts payable and short-term borrowings.

Net assets were 3.8 billion yen (up 11.3% from the end of the previous consolidated fiscal year). This was mainly due to an increase in retained earnings and foreign currency translation adjustment accounts.

(3) Explanation of Forward-looking Information Including Forecast of Consolidated Results

Net sales 136,647 million yen, operating loss of 430 million yen, ordinary loss of 718 million yen, attributable to owners of the parent company, based on the results for the third quarter of the current consolidated cumulative period. The net loss has been revised to 2,111 million yen.

Net Sales by Product Category

(Millions of yen)

	FY2019/3Q	FY2020/3Q
EMS business		
Automotive equipment	53,578	53,515
Share	48.8%	51.8%
YoY	16.9%	-0.1%
Industrial equipment	26,479	24,382
Share	24.1%	23.6%
YoY	-3.0%	-7.9%
Office automation equipment	21,194	21,019
Share	19.3%	20.3%
YoY	-6.5%	-0.8%
Consumer equipment	3,760	1,860
Share	3.4%	1.8%
YoY	25.1%	-50.5%
Information equipment	2,621	889
Share	2.4%	0.9%
YoY	-24.3%	-66.1%
Other EMS	1,655	1,134
Share	1.5%	1.1%
YoY	-8.5%	-31.4%
Other business	507	538
Share	0.5%	0.5%
YoY	11.8%	6.2%
Total	109,796	103,340
YoY	5.0%	-5.9%