

## 1. Explanation for Quarterly Financial Results

Following matters concerning the future are based on judgments as of the end of the first quarter of the consolidated fiscal period.

Due to the application of revenue recognition standards, etc., the accounting treatment for revenue differs from the same period of the previous fiscal year, therefore the amount of increase / decrease and year-on-year comparison (%) are not omitted in the explanation of sales by product category below.

### (1) Explanation for Business Results

As for the global economic situation during the first quarter of the consolidated fiscal period, in Europe and the United States, vaccine against COVID-19 is progressing and economic activity is heading toward normalization. Also, in China, the spread of infection has been suppressed and corporate activities are proceeding smoothly. On the other hand, in Southeast Asia, the economic situation remains uncertain, with signs of re-spreading of infection. In Japan as well, the expansion of COVID-19 has led to sluggish personal consumption and contraction of corporate activities. Measures are underway, such as the start of vaccination, but the state of emergency issued in April has been extended to June. The timing of convergence is still unpredictable, and the outlook remains uncertain.

As a result, net sales for the first quarter of the consolidated fiscal period amounted to 34,873 million yen. In terms of profit and loss, operating income amounted to 397 million yen, an increase of 788 million yen compared to the same period of the previous fiscal year. Ordinary income amounted to 618 million yen, an increase of 1,248 million yen compared to the same period of the previous fiscal year. Profit attributable to owners of parent amounted to 334 million yen, an increase of 1,042 million yen compared to the same period of the previous fiscal year.

"Accounting Standards for Revenue Recognition" (Corporate Accounting Standard No. 29, March 31, 2020) and "Accounting Standards for Revenue Recognition" (Accounting Standards for Corporate Accounting No. 30, March 26, 2021) have been applied since the beginning of the first quarter of the consolidated fiscal period.

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 of 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

Consolidated net sales of the EMS business, which is the main business of the Group, amounted to 34.7 billion yen. The results by product category are outlined below.

(Automotive equipment)

Consolidated net sales totaled 20,983 million yen due to eliminating the impact of the market decline caused by the expansion of COVID-19 during the same period of the previous fiscal year. In addition, sales of products for electric vehicles such as power control units, DC-DC converters, and electric compressors grew, and other automotive equipment-related products also performed well overall.

(Industrial equipment)

Consolidated net sales totaled 6,752 million yen due to a decrease in Factory Automation (FA) equipment, servers, storage, and network equipment.

(Office automation equipment)

Consolidated net sales totaled 5,933 million yen due to an increase in transaction volume of major customers in China despite the impact of the suspension of operations at major customer factories in Vietnam caused by the expansion of COVID-19.

(Consumer equipment)

Consolidated net sales totaled 721 million yen due to a temporary increase in production by the end of production for some existing Japanese customers.

(Information equipment)

Due to the discontinuation of production of Optical pickups, there were no sales in the first quarter of the consolidated fiscal period.

(Others)

Consolidated net sales totaled 399 million yen, and Amusement equipment is the main product.

② Other businesses

Consolidated net sales totaled 172 million yen due to favorable transition of the dispatching

business

(2) Explanation for Financial Condition

Status of assets, liabilities and net assets

Total assets at the end of the first quarter of the consolidated fiscal period amounted to 70,635 million yen, an increase of 3,277 million yen from the end of the previous fiscal year, mainly due to an increase in inventories.

Liability amounted to 55,248 million yen, an increase of 2,813 million yen from the end of the previous fiscal year, mainly due to an increase in notes and accounts payable - trade.

Net assets amounted to 15,387 million yen, an increase of 436 million yen from the end of the previous fiscal year, mainly due to an increase in retained earnings.

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

There are no changes in the forecasts of consolidated financial results from the forecast announced on March 17, 2021. Our projections are based on exchange rates of 105 yen to the U.S. dollar.