



UMC Electronics Co., Ltd.

## **Fiscal Summary for the Fiscal Year Ended March 31, 2021 (April 1, 2020 – March 31, 2021)**

### **1. Business Results**

#### **(1) Overview on Consolidated Business Results**

The economic environment in the current consolidated fiscal year deteriorated rapidly in the first half of the first half due to the effects of refraining from economic activities accompanying the spread of the global coronavirus infection, but there are signs of a gradual recovery from the second half of the first half. It was seen. In China, the spread of the new coronavirus has quickly settled down, and the economy is recovering moderately, but social and economic activities are still being restrained in many parts of the world. In Japan, the infection spread again from the end of the year to the beginning of the year, and the situation is far from recovering, except for some industries where the effects of the infection were limited.

Under these circumstances, Net sales for the current consolidated fiscal year were 136,179 million yen (down 3.4% from the previous consolidated fiscal year). In terms of profit and loss, Operating income was 857 million yen (operating loss of 5,188 million yen in the previous consolidated fiscal year) and ordinary income was 1,117 million yen (6,609 million yen in the previous consolidated fiscal year). For extraordinary income items, 212 million yen was recorded due to insurance claims received, gain on reversal of stock acquisition rights, etc. Regarding extraordinary loss items, 1,023 million yen has been recorded due to a surcharge by the Financial Services Agency, impairment loss on fixed assets, etc. As a result, the net loss attributable to owners of the parent was 97 million yen (net loss attributable to owners of the parent was 12,571 million yen in the previous consolidated fiscal year).

In addition, on November 27, 2020, we applied for a specific certification dispute resolution procedure (hereinafter referred to as "business revitalization ADR procedure") based on the Industrial Competitiveness Enhancement Law, and regarding the business revitalization plan formulated by our company. , The business revitalization ADR procedure was completed with the consent of all financial institutions at the creditors' meeting on January 18, 2021. With the establishment of the business revitalization ADR procedure, there is no longer any significant uncertainty regarding the going concern assumption, and in the third quarter of the current consolidated cumulative period, the description of "Notes on the going concern assumption" has been deleted. It was.

A total of 13,926 million yen has been recorded for short-term loans and long-term loans scheduled to be repaid within one year. , The amount of loans that have been agreed to maintain a certain amount of principal balance and are scheduled to be repaid during the next consolidated fiscal year will be 717 million yen.

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 135,458 million yen (down 3.5% from the previous consolidated fiscal year). The results by product category are outlined below.

(Automotive equipment)

Net sales were 73,180 million yen (previously consolidated) due to an increase in power control products for electric vehicles in critical safety parts, although it was affected by the production adjustment of automobiles due to the spread of the new coronavirus infection. It increased by 5.5% from the fiscal year.

(Industrial equipment)

Net sales were 31,784 million yen (down 8.3% from the previous consolidated fiscal year) due to a decrease in FA equipment for the Chinese market, etc., despite contributions from the handling of servers, storage, network equipment, and new products.

(Office automation equipment)

Net sales were 25,766 million yen (down 2.0% from the previous consolidated fiscal year), although there were changes by major customers.

(Consumer equipment)

Net sales were 2,632 million yen (down 40.8% from the previous consolidated fiscal year) due to a decrease in orders from existing Japanese customers.

(Information equipment)

Optical pickups are the main product, and Net sales were 891 million yen (down 70.7% from the previous consolidated fiscal year).

(Others)

Amusement equipment is the main product, and Net sales were 1,204 million yen (down 52.4% from the previous consolidated fiscal year).

## ② Other businesses

The dispatched labor business performed well, with net sales of 720 million yen (up 5.3% from the previous consolidated fiscal year).

## (2) Overview on Consolidated Financial Condition

### Status of assets, liabilities and net assets

Total assets at the end of the current consolidated fiscal year were 67,357 million yen (up 9.7% from the end of the previous consolidated fiscal year). This was mainly due to an increase in cash and deposits and an increase in trade receivables.

Liability was 52,434 million yen (down 9.6% from the end of the previous consolidated fiscal year). This is mainly due to a decrease in short-term borrowings and a decrease in long-term borrowings.

Net assets were 14,923 million yen (up 337.0% from the end of the previous consolidated fiscal year). This was mainly due to an increase in retained earnings due to the transfer of stated capital and capital reserve that increased due to a capital increase through third-party allotment.

## (3) Overview on Cash Flows

Cash and cash equivalents at the end of the current fiscal year amounted to 9,170 million yen (up 117.3% from the end of the previous fiscal year).

### (Cash flow from operating activities)

Cash flows from operating activities amount to 2,592 million yen (427 million yen in the previous consolidated fiscal year), mainly due to a decrease in depreciation (2,931 million yen), a decrease in inventories (797 million yen), and an increase in trade receivables (1,651 million yen).

### (Cash flow from investing activities)

Cash flows from investing activities amounted to 1,951 million yen ((3,618) million yen in the previous fiscal year), mainly due to purchase of property, plant and equipment (1,700 million yen).

### (Cash flow from financing activities)

Cash flows from financing activities amount to 4,528 million yen (1,122 million yen in the previous consolidated fiscal year), mainly due to proceeds from issuance of shares (11,500 million yen), a decrease in short-term loans payable (2,774) million yen), and a decrease in long-term loans payable (3,740 million yen).

## (4) Future Outlook

In the global economy for the fiscal year ending March 2022, although the impact of the spread of the new coronavirus on the economy will continue for the time being, economic activity will recover due to

the effects of infectious disease countermeasures such as the spread of vaccinations around the world. Is expected. In addition, people's lifestyles have changed drastically due to the spread of telecommuting and online communication, and the speed of change in the fields of politics, economy, and technology is accelerating.

Along with this, each sales destination company in the EMS business, which is the main business of the Group, is also promoting the transformation of the industrial structure by developing new fields and utilizing digital technology. On the other hand, the outlook for the global economic situation remains unpredictable, as potential risks and vulnerabilities in the supply chain are exposed due to the global supply shortage of semiconductors.

In such a business environment, the outlook for the next Net sales 140,000 million yen (up 2.8% from the previous consolidated fiscal year), Operating income 1,500 million yen (up 75.0% from the previous consolidated fiscal year), and ordinary income of 1,000 million yen. Net income attributable to owners of the parent was 500 million yen (an increase of 805 million yen compared to the previous consolidated fiscal year). The exchange rate is 105 yen per US dollar.