

August 15, 2022

## Summary of Consolidated Financial Results for the First Quarter Ended June 30, 2022 (Under Japanese GAAP)

Company Name: UMC Electronics Co., Ltd.  
 Listing: Tokyo Stock Exchange  
 Securities Code: 6615  
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 Scheduled date to file quarterly securities report: August 15, 2022  
 Scheduled date to commence dividend payments: -  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results briefing session: None

(Yen amounts are rounded down to millions unless otherwise noted.)

### 1. Financial Highlights for FY2023 First Quarter (April 1, 2022 - June 30, 2022)

#### (1) Consolidated Financial Results (Cumulative)

(Percentages indicate year-on-year changes.)

|                                   | Net Sales       |      | Operating Profit |        | Ordinary Profit |        | Profit Attributable to Owners of Parent |        |
|-----------------------------------|-----------------|------|------------------|--------|-----------------|--------|---|--------|
|                                   | Millions of yen | %    | Millions of yen  | %      | Millions of yen | %      | Millions of yen                         | %      |
| First Quarter Ended June 30, 2022 | 37,862          | 8.6  | 260              | (34.3) | 96              | (84.4) | 25                                      | (92.4) |
| June 30, 2021                     | 34,873          | 19.2 | 397              | —      | 618             | —      | 334                                     | —      |

Note: Comprehensive income: For the first quarter ended June 30, 2022; ¥804 million [73.6 %]

For the first quarter ended June 30, 2021; ¥463 million [ — %]

|                                   | Basic Earnings per share | Diluted Earnings per share |
|-----------------------------------|--------------------------|----------------------------|
|                                   | Yen                      | Yen                        |
| First Quarter Ended June 30, 2022 | 0.90                     | 0.90                       |
| June 30, 2021                     | 11.84                    | 11.80                      |

#### (2) Consolidated Financial Position

|                     | Total Assets    | Net Assets      | Equity-to-Asset Ratio |
|---------------------|-----------------|-----------------|-----------------------|
|                     | Millions of yen | Millions of yen | %                     |
| As of June 30, 2022 | 88,290          | 17,859          | 20.2                  |
| March 31, 2022      | 73,368          | 17,086          | 23.2                  |

Reference: Equity: As of June 30, 2022: ¥17,819 million

As of March 31, 2022: ¥17,002 million

### 2. Dividends

|  | Annual Dividends per share |                    |                   |                 |       |
|--|----------------------------|--------------------|-------------------|-----------------|-------|
|  | First Quarter-End          | Second Quarter-End | Third Quarter-End | Fiscal Year-End | Total |
|  | Yen                        | Yen                | Yen               | Yen             | Yen   |
| Fiscal Year Ended March 31, 2022             | —                          | 0.00               | —                 | 0.00            | 0.00  |
| Fiscal Year Ending March 31, 2023            | —                          |                    |                   |                 |       |
| Fiscal Year Ending March 31, 2023 (Forecast) |                            | —                  | —                 | —               | —     |

(Notes) 1. Changes in the dividend forecast from the latest announcement: None

2. The amount of dividends for the fiscal year ending March 2023 is undefined.

### 3. Forecasts of Consolidated Financial Results for FY2023 (April 1, 2022 - March 31, 2023)

(Percentages indicate year-on-year changes.)

|           | Net Sales       |      | Operating Profit |      | Ordinary Profit |        | Profit Attributable to Owners of Parent |        | Basic Earnings per share |
|-----------|-----------------|------|------------------|------|-----------------|--------|---|--------|--------------------------|
|           | Millions of yen | %    | Millions of yen  | %    | Millions of yen | %      | Millions of yen                         | %      | Yen                      |
| Full Year | 150,000         | 11.5 | 1,800            | 20.2 | 1,800           | (14.0) | 1,400                                   | (10.9) | 49.50                    |

(Notes) Changes in the forecast from the latest announcement: None

#### \*Notes

(1) Changes in significant subsidiaries during this period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

(2) Adoption of accounting processing specific to the preparation of quarterly consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates, and restatement

- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- (ii) Changes in accounting policies due to reasons other than (i): None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None

(4) Number of Issued Shares (Common Shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

|                      |                   |
|----------------------|-------------------|
| As of June 30, 2022  | 28,277,620 shares |
| As of March 31, 2022 | 28,277,620 shares |

(ii) Number of treasury shares at the end of the period

|                      |           |
|----------------------|-----------|
| As of June 30, 2022  | 86 shares |
| As of March 31, 2022 | 47 shares |

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

|                                  |                   |
|----------------------------------|-------------------|
| Three months ended June 30, 2022 | 28,277,564 shares |
| Three months ended June 30, 2021 | 28,277,573 shares |

\*Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

\*Regarding proper use of performance forecasts and other special matters

The statements regarding the future such as the performance perspective described in this document are based on our currently available information and certain assumptions that we deem reasonable. Actual business results may differ significantly due to numerous factors. Regarding assumed conditions for performance forecasts as well as precautions upon using performance forecasts, please refer to “1. Overview of this Quarterly Financial Results (3) Overview of Forecast for FY2023 on page 4 in the document.

## 1. Overview of this Quarterly Financial Results

Matters concerning the future in the text are defined at the end of this current quarterly consolidated accounting period.

### (1) Overview of Business Results

While economic activities amid epidemic prevention against COVID-19 have been prevailing, rising inflationary pressure due to soaring energy prices triggered by Russia's invasion to Ukraine as well as tight supply and demand of parts such as semiconductors have lingered on. The global economic situation during this first quarter of the current consolidated cumulative period transitioned into such an unforeseeable situation with supply chain stagnation due to the lockdown of China in a city such as Shanghai and sharply accelerating depreciation of the Japanese yen, etc.

Despite firm overseas demand in developed countries, the outlook for the economic situation in our country has remained unpredictable as global instability with continuous seesawing of new coronavirus mutant strains have been impacting economic activities in terms of corporate production and consumption.

During the first quarter of FY2023 (the three months from April 1 to June 30, 2022), total consolidated net sales have resulted in 37,862 million yen (an increase of 8.6% compared to the same period of the previous year). In terms of profit and loss, operating profit has been 260 million yen (a decrease of 34.3% compared to the same period of the previous year). Ordinary profit has been 96 million yen (a decrease of 84.4% compared to the same period of the previous year). Quarterly profit attributable to owners of parent has been 25 million yen (a decrease of 92.4% compared to the same period of the previous year).

We are engaged in the EMS business and other businesses. Since most of our business is with EMS, segment information is omitted.

Net sales of EMS business by product and of other businesses are shown as in the following. The amount of net sales is based on figures after eliminating consolidated offsets.

#### ① EMS Business

Net sales of the EMS business, which is our major business, have been 37,688 million yen (an increase of 8.6% compared to the same period of the previous year). The results by product category are outlined below.

##### (Automotive Equipment)

Supply chain stagnation with the re-expansion of COVID-19 in some parts of China and parts shortages such as semiconductors due to global instability have provoked automakers to cut their production. However, sales of products such as electric compressor parts for electric vehicles, power control units, and DC-DC converters have grown, and net sales have resulted in 21,211 million yen (an increase of 1.1% compared to the same period of the previous year).

##### (Industrial Equipment)

Investment in advanced technology, investment in production capacity enhancement, and 5G-related demand have grown. In addition, demand for inverters has increased due to China's energy-saving policy, but because of a shortage of semiconductors for some products, sales have resulted in 6,290 million yen (a decrease of 6.9% compared to the same period of the previous year).

##### (Office Automation Equipment)

The impact of COVID-19 in Vietnam in the previous consolidated fiscal year has been largely alleviated. In addition, due to continuing demand trend of remote work, the transaction volume of products for MFP and laser printers has remained steady as sales have resulted in 9,958 million yen (an increase of 67.8% compared to the same period of the previous year).

##### (Consumer Equipment)

Net sales have been 109 million yen (a decrease of 84.8% compared to the same period of the previous year) due to a decrease in orders from existing Japanese customers.

##### (Others)

Amusement equipment is the primary product, and net sales have been 118 million yen (a decrease of 61.6% compared to the same period of the previous year).

#### ② Other Businesses

Net sales for the staffing business have been 173 million yen (an increase of 0.7% compared to the same period of the previous year).

(2) Overview of Financial Condition

Assets, liabilities, and net assets

At the end of the first quarter of FY2023 (the three months from April 1 to June 30, 2022), total consolidated total assets have been 88,290 million yen (an increase of 14,922 million yen compared to the end of the previous consolidated fiscal year). It was mainly due to an increase in cash and deposits, inventories, and investments and other assets.

Liabilities have been 70,430 million yen (an increase of 14,149 million yen compared to the end of the previous consolidated fiscal year). It was mainly due to an increase in accounts payable-trade, short-term borrowings, and long-term borrowings.

Net assets have been 17,859 million yen (an increase of 772 million yen compared to the end of the previous consolidated fiscal year). It was mainly due to an increase in foreign currency translation adjustments.

(3) Overview of Forecast for FY2023

There has been no change with the May 16, 2022 released forecasts for FY2023 consolidated financial results. Our projections are based on exchange rates of 113 yen to the U.S. dollar for the forecasts.

## 2. Quarterly Consolidated Financial Statements and Major Notes

### (1) Quarterly Consolidated Balance Sheet

(Millions of yen)

|  | FY2022<br>(As of March 31, 2022) | FY2023 First Quarter<br>(As of June 30, 2022) |
|--|----------------------------------|---|
| <b>Assets</b>  |                                  |   |
| Current assets   |                                  |   |
| Cash and deposits  | 7,933                            | 10,859  |
| Notes and accounts receivable - trade, and contract assets | 16,441                           | 15,845  |
| Finished goods   | 1,608                            | 1,865   |
| Work in process  | 698                              | 801   |
| Raw materials and supplies                                 | 22,365                           | 25,816  |
| Accounts receivable - other                                | 789                              | 1,083   |
| Consumption taxes refund receivable                        | 1,526                            | 2,373   |
| Other  | 2,914                            | 3,205   |
| Allowance for doubtful accounts                            | (7)                              | (7)   |
| Total current assets                                       | 54,268                           | 61,844  |
| Non-current assets   |                                  |   |
| Property, plant and equipment                              |                                  |   |
| Buildings and structures, net                              | 5,267                            | 6,960   |
| Machinery, equipment and vehicles, net                     | 6,875                            | 7,192   |
| Other, net   | 5,996                            | 4,074   |
| Total property, plant and equipment                        | 18,138                           | 18,228  |
| Intangible assets  | 155                              | 134   |
| Investments and other assets                               | 805                              | 8,083   |
| Total non-current assets                                   | 19,099                           | 26,446  |
| Total assets   | 73,368                           | 88,290  |
| <b>Liabilities</b>   |                                  |   |
| Current liabilities  |                                  |   |
| Notes and accounts payable - trade                         | 22,399                           | 25,955  |
| Short-term borrowings                                      | 18,018                           | 20,584  |
| Current portion of long-term borrowings                    | 1,092                            | 1,925   |
| Income taxes payable                                       | 325                              | 336   |
| Provision for bonuses                                      | 633                              | 485   |
| Other  | 5,304                            | 6,372   |
| Total current liabilities                                  | 47,772                           | 55,659  |
| Non-current liabilities                                    |                                  |   |
| Long-term borrowings                                       | 6,375                            | 12,636  |
| Retirement benefit liability                               | 873                              | 846   |
| Deferred tax liabilities                                   | 136                              | 136   |
| Other  | 1,122                            | 1,152   |
| Total non-current liabilities                              | 8,508                            | 14,771  |
| Total liabilities  | 56,281                           | 70,430  |
| <b>Net assets</b>  |                                  |   |
| Shareholders' equity                                       |                                  |   |
| Share capital  | 4,729                            | 4,729   |
| Capital surplus  | 10,472                           | 10,484  |
| Retained earnings  | 1,487                            | 1,512   |
| Treasury shares  | (0)                              | (0)   |
| Total shareholders' equity                                 | 16,689                           | 16,726  |

(Millions of yen)

|  | FY2022<br>(As of March 31, 2022) | FY2023 First Quarter<br>(As of June 30, 2022) |
|--|----------------------------------|---|
| Accumulated other comprehensive income       |                                  |   |
| Foreign currency translation adjustment      | 343                              | 1,121   |
| Remeasurements of defined benefit plans      | (30)                             | (28)  |
| Total accumulated other comprehensive income | 312                              | 1,093   |
| Share acquisition rights                     | 29                               | 29  |
| Non-controlling interests                    | 54                               | 9   |
| Total net assets                             | 17,086                           | 17,859  |
| Total liabilities and net assets             | 73,368                           | 88,290  |

(2) Quarterly Consolidated Statements of Income and Quarterly Comprehensive Income  
(Quarterly Consolidated Statements of Income)  
(First Quarter Period)

(Millions of yen)

|  | FY2022 First Quarter<br>(April 1, 2021<br>- June 30, 2021) | FY2023 First Quarter<br>(April 1, 2022<br>- June 30, 2022) |
|--|--|--|
| Net sales                                      | 34,873   | 37,862   |
| Cost of sales                                  | 32,931   | 36,123   |
| Gross profit                                   | 1,941  | 1,738  |
| Selling, general and administrative expenses   | 1,544  | 1,478  |
| Operating profit                               | 397  | 260  |
| Non-operating income                           |  |  |
| Interest income                                | 3  | 8  |
| Dividend income                                | 1  | 1  |
| Rental income from land and buildings          | 65   | 306  |
| Foreign exchange gains                         | 271  | —  |
| Other  | 16   | 83   |
| Total non-operating income                     | 359  | 400  |
| Non-operating expenses                         |  |  |
| Interest expenses                              | 84   | 81   |
| Rental expenses                                | —  | 221  |
| Foreign exchange losses                        | —  | 252  |
| Other  | 54   | 9  |
| Total non-operating expenses                   | 138  | 564  |
| Ordinary profit                                | 618  | 96   |
| Extraordinary income                           |  |  |
| Gain on sale of non-current assets             | 29   | 2  |
| Total extraordinary income                     | 29   | 2  |
| Extraordinary losses                           |  |  |
| Loss on retirement of non-current assets       | 4  | 21   |
| Impairment losses                              | —  | 6  |
| Total extraordinary losses                     | 4  | 27   |
| Profit before income taxes                     | 642  | 70   |
| Income taxes                                   | 312  | 46   |
| Profit   | 330  | 24   |
| Loss attributable to non-controlling interests | (4)  | (1)  |
| Profit attributable to owners of parent        | 334  | 25   |

(Comprehensive Income)  
(First Quarter Period)

(Millions of yen)

|  | FY2022 First Quarter<br>(April 1, 2021<br>- June 30, 2021) | FY2023 First Quarter<br>(April 1, 2022<br>- June 30, 2022) |
|--|--|--|
| Profit   | 330  | 24   |
| Other comprehensive income   |  |  |
| Foreign currency translation adjustment                            | 126  | 778  |
| Remeasurements of defined benefit plans, net<br>of tax             | 6  | 2  |
| Total other comprehensive income                                   | 133  | 780  |
| Comprehensive income   | 463  | 804  |
| Comprehensive income attributable to                               |  |  |
| Comprehensive income attributable to owners of<br>parent           | 467  | 806  |
| Comprehensive income attributable to non-<br>controlling interests | (3)  | (1)  |