

November 14, 2022

## Summary of Consolidated Financial Results for the Second Quarter Ended September 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: November 14, 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 Second Quarter (April 1, 2022 - September 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	%
Second Quarter Ended September 30, 2022	81,209	22.5	1,246	132.6	493	10.6	280	5.7
September 30, 2021	66,268	3.2	535	646.2	446	—	265	—

Note: Comprehensive income: For the second quarter ended September 30, 2022; ¥839 million [99.8 %]  
 For the second quarter ended September 30, 2021; ¥420 million [ — %]

	Basic Earnings per share	Diluted Earnings per share
	Yen	Yen
Second Quarter Ended September 30, 2022	9.92	9.92
September 30, 2021	9.38	9.35

#### (2) Consolidated Financial Position

	Total Assets	Net Assets	Equity-to-Asset Ratio
As of	Millions of yen	Millions of yen	%
September 30, 2022	91,667	17,894	19.5
March 31, 2022	73,368	17,086	23.2

Reference: Equity: As of September 30, 2022: ¥17,855 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	—	0.00			
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
Full Year	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
	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 September 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 September 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)

Six months ended September 30, 2022	28,277,549 shares
Six months ended September 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

In the global economic situation during the second quarter consolidated cumulative period, soaring energy and resource prices were triggered by Russia's invasion of Ukraine as tight supply and demand of semiconductors and other components as well as the excessive currency volatility, and global inflation further progressed, while economic activities recovered from the impact of the COVID-19. In addition, the outlook remains uncertain as recovery from the impact of the lockdown of Shanghai and other cities in China has been limited.

In Japan, the effects of various policies for the transition to a new phase with COVID-19 are expected, yet the outlook for the economy continues to be unpredictable due to concerns about the impact on economic activities both in corporate production as well as consumption, which is of a downturn in the international economy caused by geopolitical instability and monetary tightening.

Overall, total consolidated net sales during this period of FY2023 (the six months from April 1 to September 30, 2022) have resulted in 81,209 million yen (an increase of 22.5% compared to the same period of the previous year). In terms of profit and loss, operating profit has been 1,246 million yen (an increase of 132.6% compared to the same period of the previous year). Ordinary profit has been 493 million yen (an increase of 10.6% compared to the same period of the previous year). Quarterly profit attributable to owners of parent has been 280 million yen (an increase of 5.7% 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.

#### i) EMS Business

Net sales of the EMS business, which is our major business, have been 80,866 million yen (an increase of 22.6% compared to the same period of the previous year). The results by product category are outlined below.

##### (Automotive Equipment)

Products such as electric compressor components, in-vehicle chargers, and DC-DC converters for electrified vehicles have grown with the expansion of the electrified vehicle market despite production cuts by automobile manufacturers due to a shortage of components such as semiconductors caused by global political instability. As a result, sales have been 43,566 million yen (an increase of 8.1% compared to the same period of the previous year).

##### (Industrial Equipment)

Investment in advanced technology, investment in production capacity expansion, and demand for inverters and other control equipment have grown, and sales have resulted in 14,126 million yen (an increase of 39.5% 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 22,582 million yen (an increase of 57.9% compared to the same period of the previous year).

##### (Consumer Equipment)

Net sales have been 204 million yen (a decrease of 67.7% 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 386 million yen (a decrease of 35.9% compared to the same period of the previous year).

ii) Other Businesses

Net sales for the staffing business have been 343 million yen (an increase of 8.0% compared to the same period of the previous year).

(2) Overview of Financial Condition

i) Assets, liabilities, and net assets

At the end of the second quarter of FY2023, consolidated total assets have been 91,667 million yen (an increase of 18,299 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 73,773 million yen (an increase of 17,492 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 17,894 million yen (an increase of 807 million yen compared to the end of the previous consolidated fiscal year). It was mainly due to an increase in foreign currency translation adjustments.

ii) Cash Flow

Consolidated cash and cash equivalents for this consolidated period have been 10,793 million yen, which is an increase of 2,860 million yen compared to the end of the previous consolidated fiscal year. Overview of each cash flow for this consolidated period is as in the following.

(Cash Flow through Operating Activities)

Cash flow through operating activities has been 612 million yen income. This was primarily due to an increase in trade payables.

(Cash Flow through Investment Activities)

Cash flow through investing activities has been 7,927 million yen expenditure. This was primarily due to purchase of investment property.

(Cash Flow through Financial Activities)

Cash flow through financing activities has been 9,906 million yen income. This was primarily due to proceeds from long-term borrowings and an increase with short-term borrowings

(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

### (1) Quarterly Consolidated Balance Sheet

(Millions of yen)

	FY2022 (As of March 31, 2022)	FY2023 Second Quarter (As of September 30, 2022)
<b>Assets</b>		
Current assets		
Cash and deposits	7,933	10,793
Notes and accounts receivable - trade	16,441	18,926
Finished goods	1,608	2,465
Work in process	698	553
Raw materials and supplies	22,365	26,143
Accounts receivable - other	789	1,026
Consumption taxes refund receivable	1,526	2,039
Other	2,914	3,046
Allowance for doubtful accounts	(7)	(4)
Total current assets	54,268	64,990
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	5,267	7,086
Machinery, equipment and vehicles, net	6,875	7,747
Other, net	5,996	3,662
Total property, plant and equipment	18,138	18,495
Intangible assets	155	146
Investments and other assets	805	8,034
Total non-current assets	19,099	26,676
Total assets	73,368	91,667
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	22,399	26,405
Short-term borrowings	18,018	23,722
Current portion of long-term borrowings	1,092	1,922
Income taxes payable	325	525
Provision for bonuses	633	901
Other	5,304	6,063
Total current liabilities	47,772	59,541
Non-current liabilities		
Long-term borrowings	6,375	12,187
Retirement benefit liability	873	863
Deferred tax liabilities	136	123
Other	1,122	1,057
Total non-current liabilities	8,508	14,231
Total liabilities	56,281	73,773
<b>Net assets</b>		
Shareholders' equity		
Share capital	4,729	4,729
Capital surplus	10,472	10,484
Retained earnings	1,487	1,767
Treasury shares	(0)	(0)
Total shareholders' equity	16,689	16,981
Accumulated other comprehensive income		
Foreign currency translation adjustment	343	901
Remeasurements of defined benefit plans	(30)	(28)
Total accumulated other comprehensive income	312	873
Share acquisition rights	29	29
Non-controlling interests	54	9
Total net assets	17,086	17,894
Total liabilities and net assets	73,368	91,667

(2) Quarterly Consolidated Statements of Income and Quarterly Comprehensive Income  
(Quarterly Consolidated Statements of Income)

(Millions of yen)

	FY2022 Second Quarter (April 1, 2021 - September 30, 2021)	FY2023 Second Quarter (April 1, 2022 - September 30, 2022)
Net sales	66,268	81,209
Cost of sales	62,813	76,933
Gross profit	3,454	4,276
Selling, general and administrative expenses	2,918	3,029
Operating profit	535	1,246
Non-operating income		
Interest income	10	21
Dividend income	1	1
Rental income from land and buildings	131	605
Other	55	166
Total non-operating income	199	794
Non-operating expenses		
Interest expenses	164	235
Rental expenses	—	432
Foreign exchange losses	31	838
Other	92	40
Total non-operating expenses	288	1,547
Ordinary profit	446	493
Extraordinary income		
Gain on sale of non-current assets	29	48
Total extraordinary income	29	48
Extraordinary losses		
Loss on retirement of non-current assets	4	16
Loss on sale of non-current assets	—	8
Impairment losses	11	6
Total extraordinary losses	15	31
Profit before income taxes	460	511
Income taxes	207	232
Profit	252	278
Loss attributable to non-controlling interests	(12)	(1)
Profit attributable to owners of parent	265	280

## (Quarterly Comprehensive Income)

(Millions of yen)

	FY2022 Second Quarter (April 1, 2021 - September 30, 2021)	FY2023 Second Quarter (April 1, 2022 - September 30, 2022)
Profit	252	278
Other comprehensive income		
Foreign currency translation adjustment	153	558
Remeasurements of defined benefit plans, net of tax	13	2
Total other comprehensive income	167	560
Comprehensive income	420	839
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	430	841
Comprehensive income attributable to non- controlling interests	(10)	(1)

## (3) Consolidated Statements of Cash Flows

(Millions of yen)

	FY2022 Second Quarter (April 1, 2021 - September 30, 2021)	FY2023 Second Quarter (April 1, 2022 - September 30, 2022)
Cash flows from operating activities		
Profit before income taxes	460	511
Depreciation	1,457	1,614
Impairment losses	11	6
Amortization of goodwill	17	17
Increase (decrease) in provision for bonuses	183	240
Increase (decrease) in retirement benefit liability	(35)	(13)
Increase (decrease) in provision for product warranties	(587)	—
Interest and dividend income	(12)	(22)
Interest expenses	164	235
Foreign exchange losses (gains)	10	423
Loss (gain) on sale of non-current assets	(29)	(40)
Loss on retirement of non-current assets	4	16
Decrease (increase) in trade receivables	3,595	(1,214)
Decrease (increase) in inventories	(2,943)	(1,972)
Increase (decrease) in trade payables	(4,733)	1,439
Decrease (increase) in accounts receivable - other	353	(166)
Increase (decrease) in accounts payable - other	1,211	29
Other, net	(2,589)	(142)
Subtotal	(3,461)	960
Interest and dividends received	13	26
Interest paid	(151)	(239)
Income taxes refund (paid)	(181)	(135)
Net cash provided by (used in) operating activities	(3,780)	612
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,310)	(2,536)
Purchase of intangible assets	(13)	(43)
Proceeds from sale of property, plant and equipment	279	89
Proceeds from sale of investment securities	2	7
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	—	(31)
Purchase of investment property	—	(5,253)
Other, net	49	(159)
Net cash provided by (used in) investing activities	(992)	(7,927)
Cash flows from financing activities		
Proceeds from long-term borrowings	—	7,500
Net increase (decrease) in short-term borrowings	2,095	3,467
Repayments of long-term borrowings	(246)	(954)
Purchase of treasury shares	—	(0)
Repayments of lease liabilities	(156)	(106)
Net cash provided by (used in) financing activities	1,692	9,906
Effect of exchange rate change on cash and cash equivalents	143	269
Net increase (decrease) in cash and cash equivalents	(2,936)	2,860
Cash and cash equivalents at beginning of period	9,170	7,933
Cash and cash equivalents at end of period	6,233	10,793