



Securities Code: 6615

UMC Electronics Co., Ltd.

Fiscal Year Ended March 31, 2023 Financial Results Briefing Materials

May 2023

Note: This document has been translated from the Japanese original document for reference purposes only. The original Japanese document shall prevail in the event of any discrepancy between this translated document and the Japanese original one.

I. Financial Results Overview

Financial Summery FY2023 / Earnings Forecast FY2024

(Unit: Million yen)

	FY2022 (April 2021 - March 2022)	FY2023 (April 2022 - March 2023)	Change (Amount)	Change (%)	FY2024 Forecast (Apr 2023 - March 2024)	Change (Amount)
Net sales	134,550	161,706	27,156	20.2	153,000	(8,706)
Operating profit	1,489	2,222	724	48.3	2,500	277
(Profit rate)	1.1%	1.4%	0.3%	—	1.6%	—
Ordinary profit	2,093	1,179	(914)	(43.7)	2,000	820
(Profit rate)	1.6%	0.7%	(0.8%)	—	1.3%	—
Profit attributable to owners of the parent	1,570	637	(933)	(59.4)	1,500	862
(Profit rate)	1.2%	0.4%	(0.8%)	—	1.0%	—
Exchange rate (1USD=)	112 yen	135 yen	23 yen	—	135 yen	—
Earnings per share	55.56 yen	22.54 yen	(33.02 yen)	—	53.05 yen	—
Cash Dividends per share	—	—	—	—	—	—
Dividend payout ratio	—	—	—	—	—	—
Investments in tangible assets	2,012	2,233	221	11.0	—	—
Depreciation	2,800	3,243	443	15.8	—	—
	End of March 2022	End of March 2023	Change (Amount)	Change (%)		
Total assets	73,368	84,785	11,417	15.6		
Net assets	17,086	18,010	923	5.4	—	—
Capital ratio (%)	23.2	21.2	(2.0)	—		

Overview

<Global>

- Recovery trend from impact of COVID-19 through economic activities
- Energy and resource prices remain high with tight supply and demand of semiconductors, and with excessive currency volatility and continuous global inflation
- The economy inclined to recovery due to primarily domestic demand as the zero-corona restrictions in China have been removed.

<Domestic>

- Slight inclination for economic recovery with the effectiveness of COVID-19 policies
- Concern with lingering negative impact on the economy by price increases of imported raw materials and by global tight monetary policy

Sales

- Economic activity globally recovered due to downward trend of COVID-19
→Substantial net sales increased even without yen's depreciation impact.
- An increase of 20.2% compared to the same period of the previous year (+27,156 million yen)

Operating Profit

- Steady expenditure control by company-wide loss reduction activities
- While the impact on customer production adjustments anticipated to be improved, soaring energy/material prices and tight parts supply remain.
- An increase of 48.3% compared to the same period of the previous year (+724 million yen)

Ordinary Profit

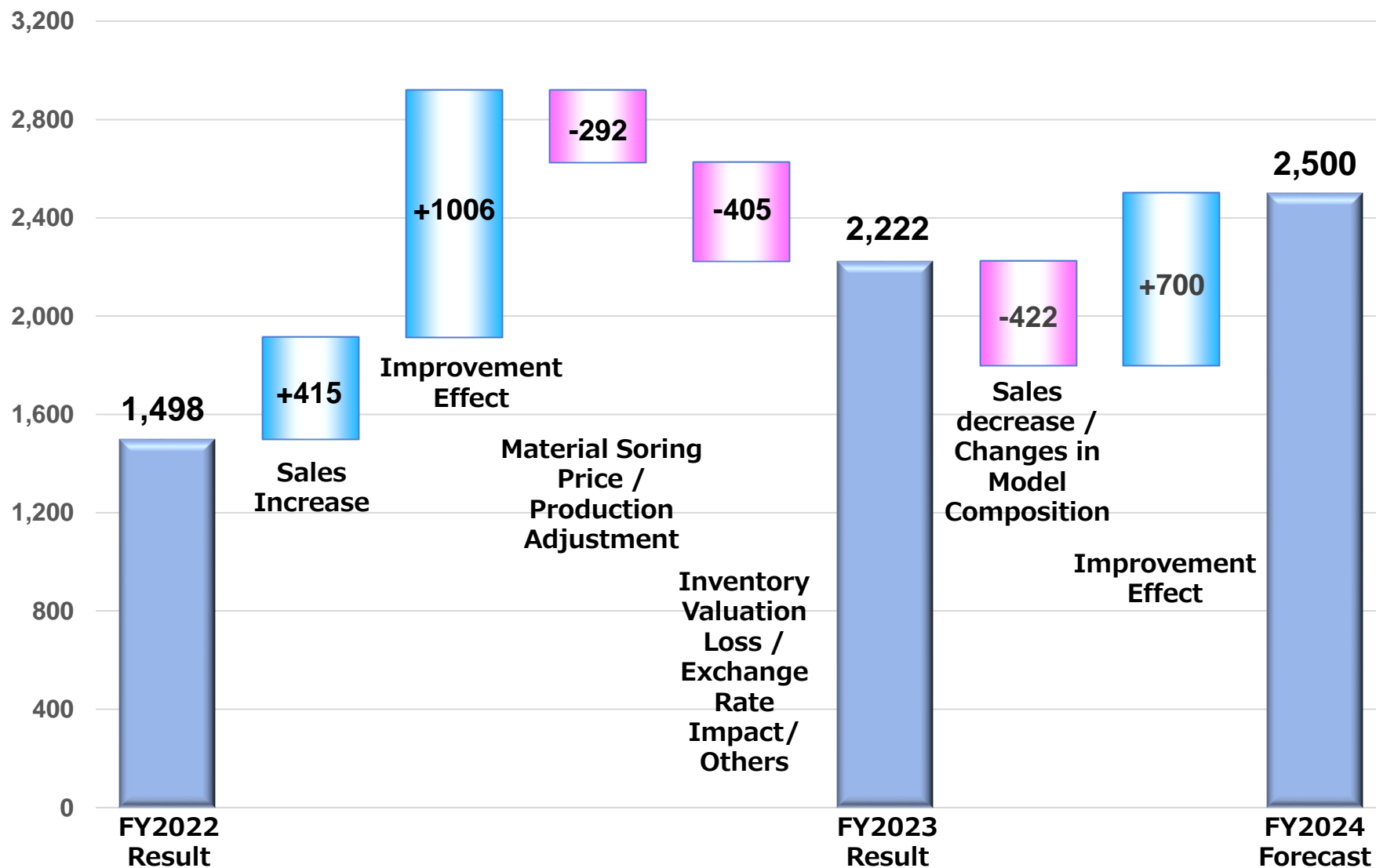
- With dollar-denominated debt of our subsidiary in China, foreign exchange loss of 889 million yen has been accounted for due to depreciation of yuan against dollar.
- A decrease of 43.7% compared to the same period of the previous year (-914 million yen)

Profit Attributable to Owners of the Parent

- A decrease of 59.4% compared to the same period of the previous year (-933 million yen)

Operating Profit Contributing Factors

(Million yen)



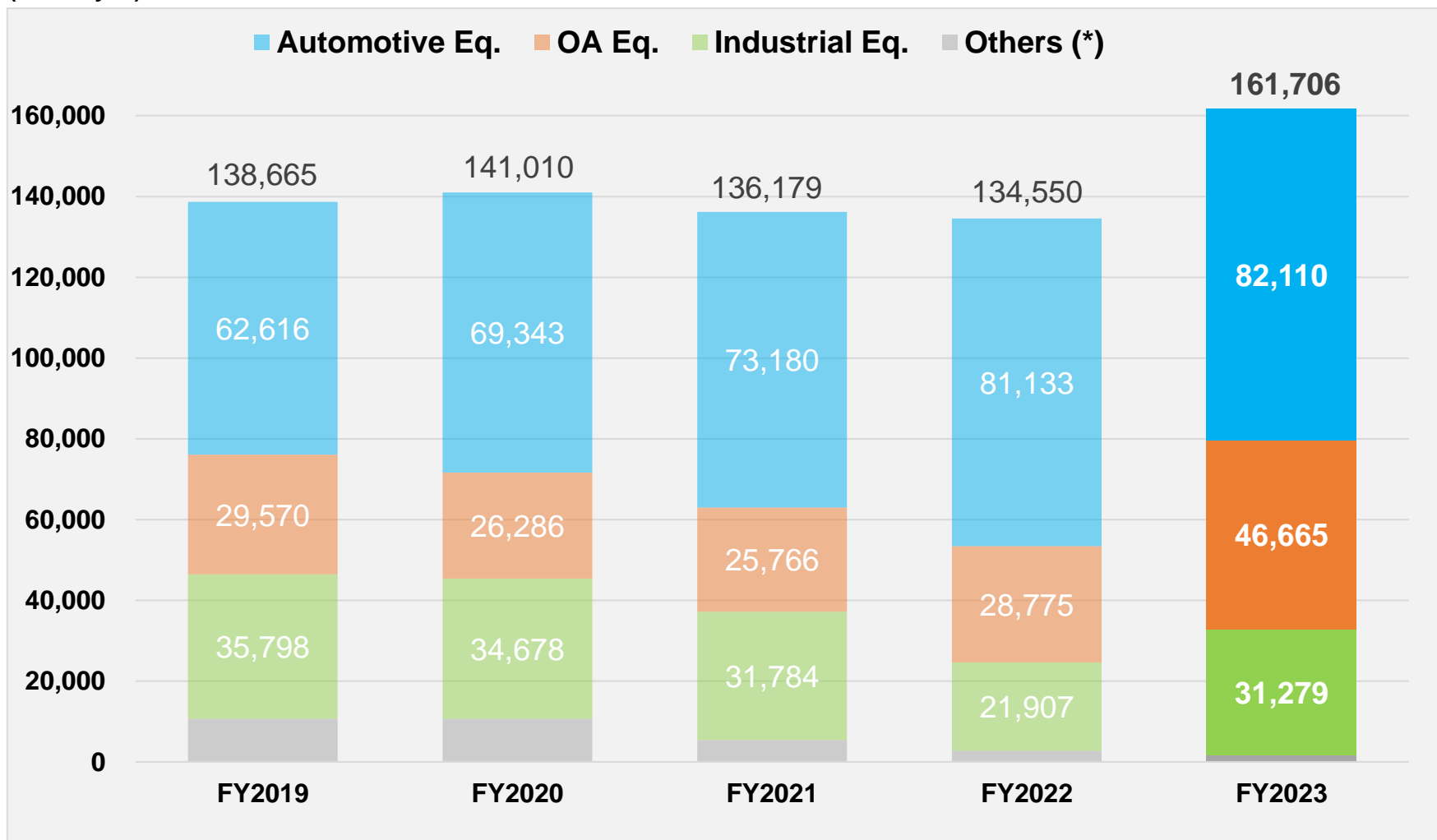
Sales by Product (vs Same Period of Previous Year)

(Million yen)

	FY2022 (Apr 2021-March 2022)	FY2023 (Apr 2022-March 2023)	Change (Amount)	Change (%)
Automotive Equipment	81,133	82,110	976	1.2
OA Equipment	28,775	46,665	17,890	62.2
Industrial Equipment	21,907	31,279	9,372	42.8
Consumer Equipment	848	297	(550)	(64.9)
Others (EMS Business)	1,256	649	(606)	(48.3)
Other Businesses	629	703	74	11.8
Total	134,550	161,706	27,156	20.2

Sales by Product (Past Five Years)

(Million yen)



※"Accounting Revenue Recognition Standard" has been implemented since FY2022 1Q.

*Others indicate Consumer Equipment, Others (EMS Business), and Other Businesses

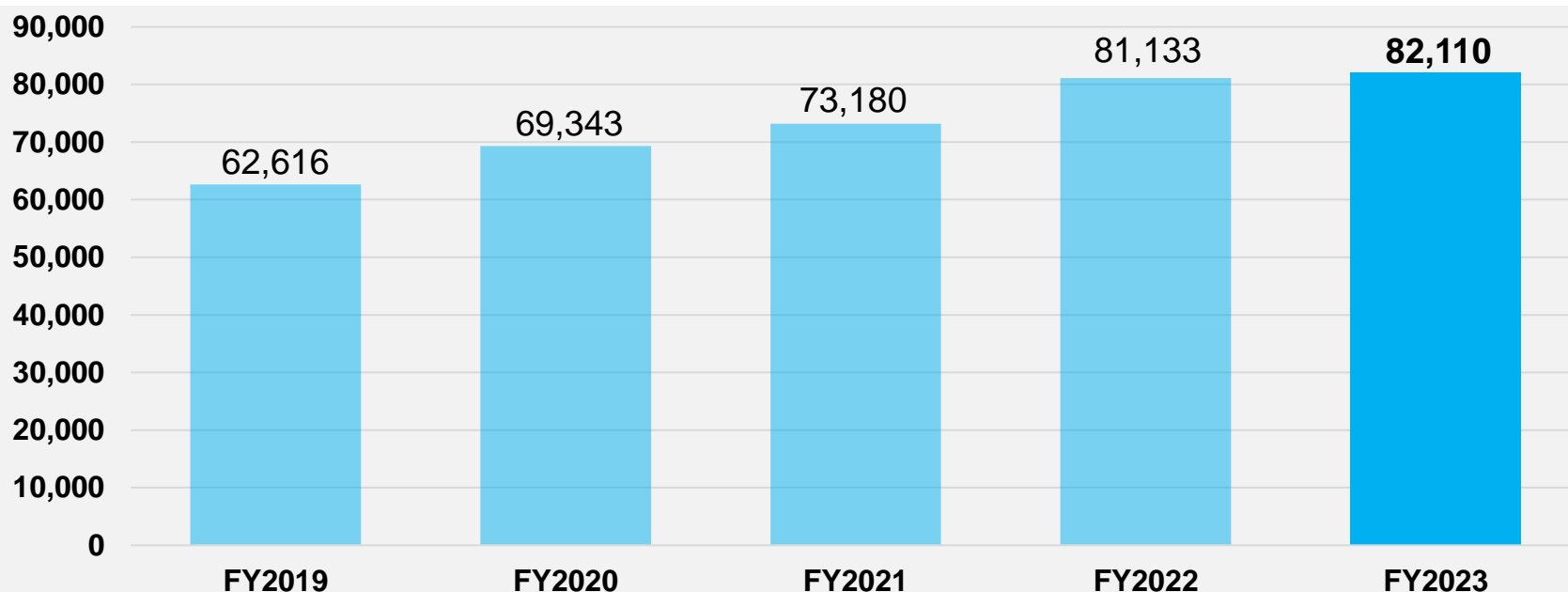
II. Net Sales for Three Primary Segments

Sales : Automotive Equipment (Past Five Years)

Point

- Sales increase in key products for electrified vehicle (HV/PHEV/EV) such as electric compressor inverters, in-vehicle chargers, and DC-DC converters
- Increase in demand by market expansion despite reduced production for semiconductors shortage

(Million yen)



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Overview : Automotive Equipment

- We are the industry's first EMS company (Electric Manufacturing Services) on important safety parts that require reliability of automobiles such as "running, turning, and stopping", with plenty of experiences.
- Electronic vehicle equipment is supplied through the primary contractors of the Japanese as well as Western automobile makers.
- High technology and considerable time requirements from planning to mass production: stable orders can be possible once starting up with a new order.
- Production of various key components of automotive electrification has been particularly growing with business perspective.

<DC-DC converter for Power Control Unit>

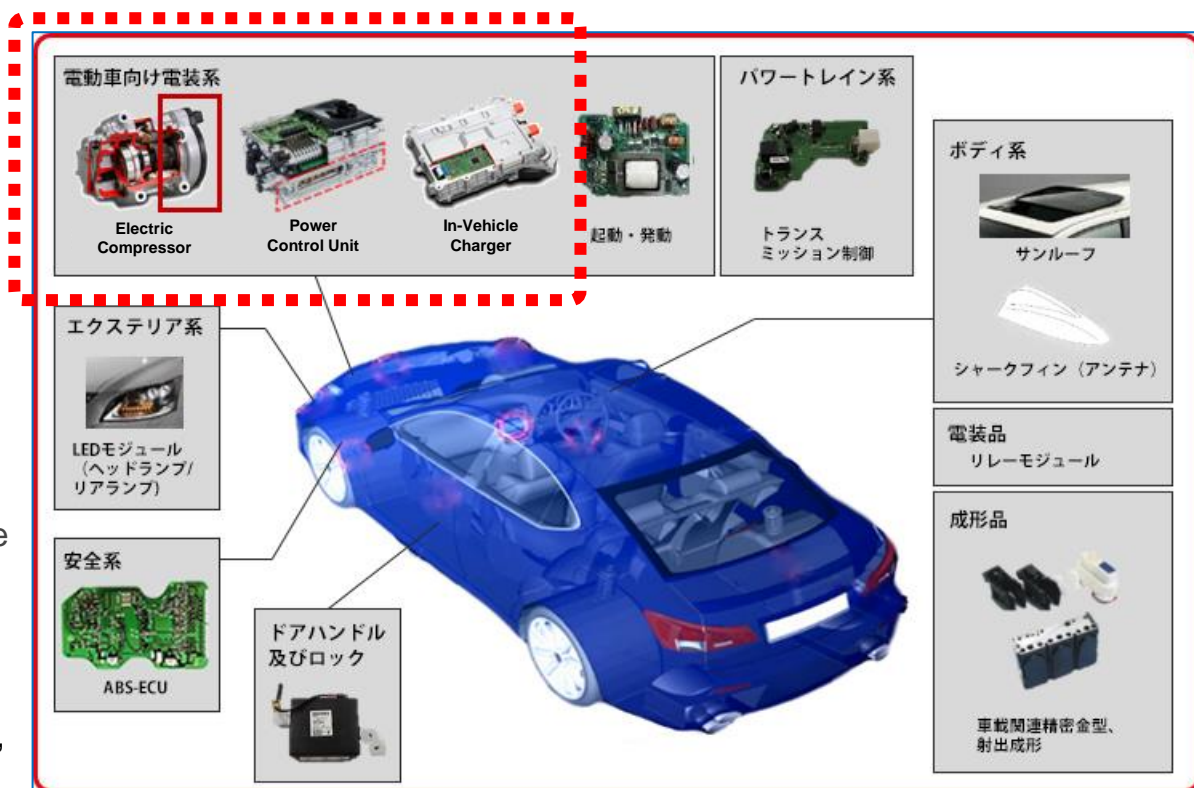
A power control device that supplies direct current (DC) to electronic equipment in a vehicle, and to headlights and other equipment that operate at various voltages

<In-vehicle charger>

Products that convert household alternating current (AC) to direct current (DC) to charge high-voltage batteries for PHEVs and EVs

<Inverter for electric compressor>

Compressor with a built-in motor, utilized for air conditioning and cooling battery for HVs, PHEVs, and EVs. Inverter supplies alternating current (AC) to built-in motor.

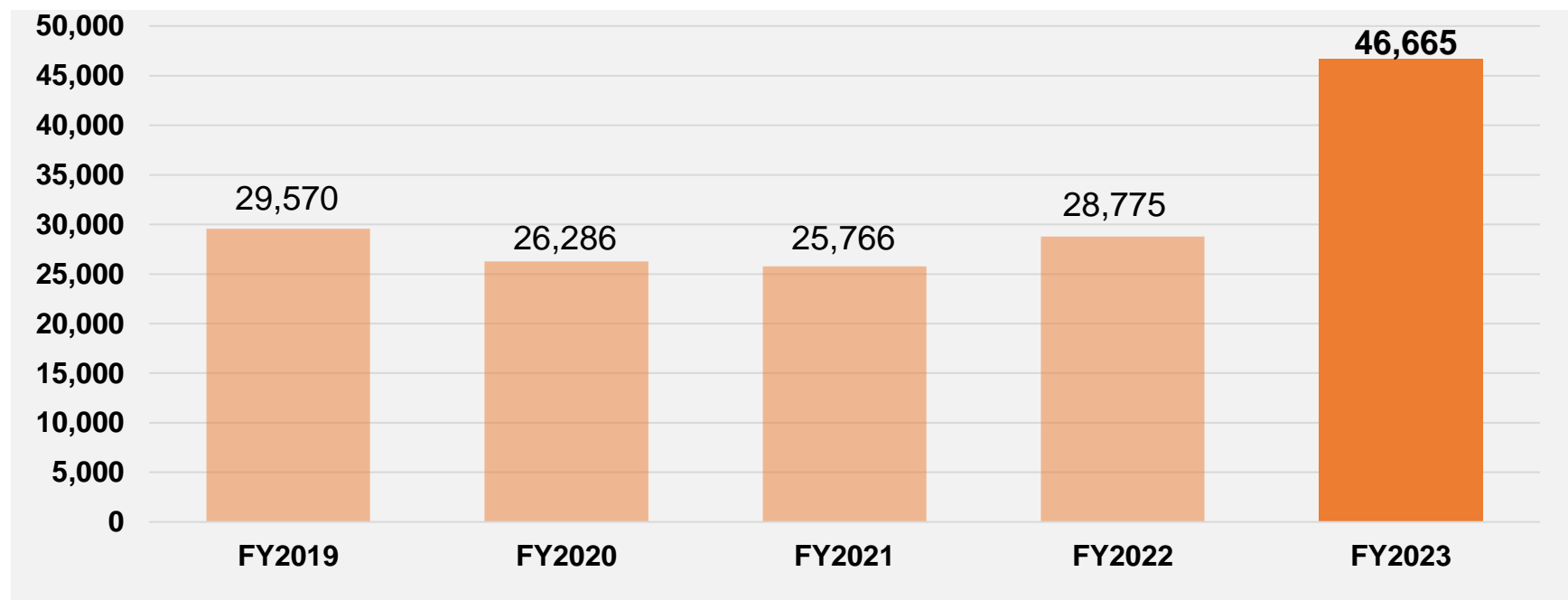


Sales : OA Equipment (Past Five Years)

Point

- Steady transaction volume of products for MFP (*) and laser printers due to continuing demand trend of remote work
- Less impact of COVID-19 from the previous consolidated fiscal year

(Million yen)



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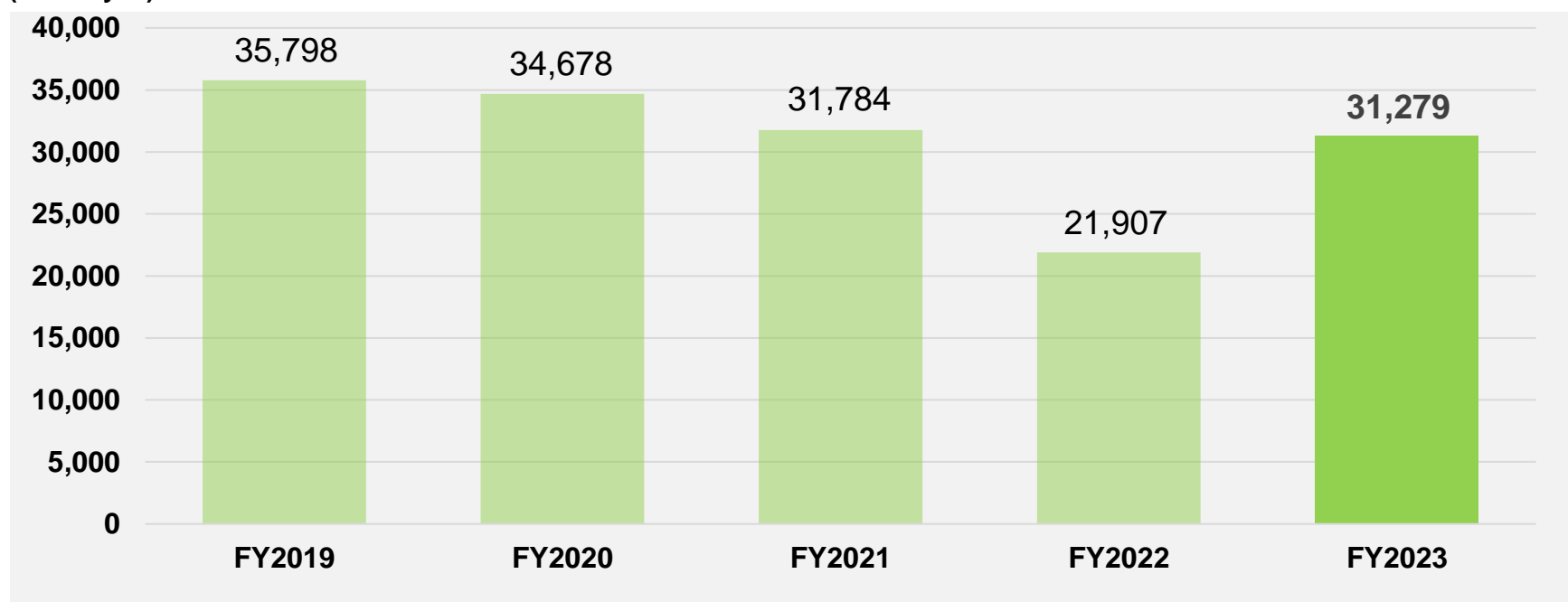
* MFP: Multifunction printer

Sales : Industrial Equipment (Past Five Years)

Point

- Investment in advanced technology, investment in production capacity expansion, and demand for inverters and other control equipment have grown as the economic activities have been rebooted out of the COVID-19 crisis.

(Million yen)



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III. Topics

FY2023 Sustainability Activities/Results of the Group

In formulating our medium-term vision for 2030, the Group hopes to make various stakeholders around us happy through the corporate activities of each group company.



Since the inauguration of the Sustainability Committee in December 2022, we have been pursuing the sustainability of the Group, focusing on environmental and human capital initiatives.

■ FY2023 Activities/Achievements

To all stakeholders involved	Activity / Achievement
Employee	<p>Health maintenance and management / Stress check / Safety and health patrol / Safety check operation / Traffic safety prediction education / Review disaster cases of other companies among employee / Reduce disposable cutlery usage / Green plant curtain / Revision of personnel evaluation system / Employee Poster Design Contest ※UMC Vietnam</p> <p>★Employee Poster Design Contest (UMC Vietnam) Theme : 「Safety first」</p>  <p>Concept of winning work : 「Staying safe is protecting yourself and your family's happiness」</p>
Customer and Local government	<p>From the BROTHER INDUSTRIES (VIETNAM) Received the first place in "Quality Award" for the third consecutive year / From Hai Duong Province Received the "Outstanding Company Award" ※Both UMC Vietnam</p>
Shareholders and investors	<p>Started disclosing Financial results in English / Platform for exercising voting rights at general meetings of shareholders / Started disclosing Board members' Skill Matrix / Business revitalization ADR debt repayment finished</p>



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