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February 14, 2022

Consolidated Financial Results for the Six Months Ended December 31, 2021 (Under Japanese GAAP)

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 Listing: Tokyo Stock Exchange
 Securities code: 6728
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 Scheduled date to file quarterly securities report: February 14, 2022
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results briefing: Yes (for domestic institutional investors and analysts)

(Yen amounts are rounded to the nearest million, unless otherwise noted)

1. Consolidated financial results for the six months ended December 31, 2021 (from July 1, 2021 to December 31, 2021)

(1) Consolidated operating 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	%
Six months ended								
December 31, 2021	105,679	26.1	11,412	95.1	12,045	99.7	8,135	79.1
December 31, 2020	83,835	(13.3)	5,849	(30.3)	6,032	(39.4)	4,542	(41.7)

Note: Comprehensive income For the six months ended December 31, 2021: ¥10,671 million [86.6%]
 For the six months ended December 31, 2020: ¥5,719 million [(35.1)%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
December 31, 2021	165.19	–
December 31, 2020	92.22	–

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
December 31, 2021	305,980	178,511	56.1
June 30, 2021	292,761	173,699	57.0

Reference: Equity
 As of December 31, 2021: ¥171,807 million
 As of June 30, 2021: ¥166,899 million

2. Cash 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 June 30, 2021	–	–	–	95.00	95.00
Fiscal year ending June 30, 2022	–	–			
Fiscal year ending June 30, 2022 (Forecast)			–	110.00	110.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Consolidated earnings forecasts for the fiscal year ending June 30, 2022 (from July 1, 2021 to June 30, 2022)

(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
Fiscal year ending June 30, 2022	210,000	14.7	26,500	54.1	27,000	50.3	18,000	21.4	365.49

Note: Revisions to the earnings forecasts most recently announced: None

*** Notes**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None
- (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: Yes
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None

Note: For details, please refer to “(4) Notes to quarterly consolidated financial statements (Changes in accounting policies)” in “2. Quarterly consolidated financial statements and significant notes” on page 12 of the attached material.

- (4) Number of issued shares (common shares)

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

As of December 31, 2021	49,355,938 shares
As of June 30, 2021	49,355,938 shares

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

As of December 31, 2021	106,931 shares
As of June 30, 2021	106,931 shares

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

Six months ended December 31, 2021	49,249,007 shares
Six months ended December 31, 2020	49,248,211 shares

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

* Proper use of earnings forecasts, and other special matters

(Cautions on forward-looking statements, etc.)

The forward-looking statements, including the earnings forecasts shown in this document are based on information currently available to the Company and on certain assumptions deemed to be reasonable. As such, they do not constitute guarantees by the Company of future performance. Actual performance and other results may differ materially from these forecasts due to various factors. Please refer to “(3) Explanation regarding consolidated earnings forecasts and other forward-looking statements” in “1. Qualitative information regarding financial results for the period” on page 5 of the attached material for the suppositions that form the assumptions for earnings forecasts and cautions concerning the use thereof.

Attached Material

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1. Qualitative information regarding financial results for the period

Following the application of the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) and relevant ASBJ regulations from the first quarter of the current fiscal year, year-on-year comparisons and comparisons with the end of the previous fiscal year contained in “(1) Explanation regarding operating results and (2) Explanation regarding financial position” have been calculated based on consolidated financial statements for the previous fiscal year created before the application of said accounting standard, etc. Details can be found in “2. Quarterly consolidated financial statements and significant notes, (4) Notes to quarterly consolidated financial statements (Changes in accounting policies).”

(1) Explanation regarding operating results

	(Millions of yen)		
	Six months ended December 31, 2020	Six months ended December 31, 2021	Year-on-year change (%)
Orders received	90,962	144,573	58.9%
Net sales	83,835	105,679	26.1%
Operating profit	5,849	11,412	95.1%
Ordinary profit	6,032	12,045	99.7%
Profit attributable to owners of parent	4,542	8,135	79.1%

In the six months ended December 31, 2021, uncertainty persisted regarding the future outlook of the global economy, due to factors such as the continued global spread of the new variants of COVID-19, the disruption of the supply chain, the prolonged supply shortage of semiconductors and other parts, as well as US-China trade friction. However, movement toward a recovery continued as various countries enacted economic and anti-infection measures and vaccination rates rose.

Regarding the business environment in which the Group operates, in the semiconductor sector, there were signs of more active investment in advanced equipment by foundries and logic manufacturers and the continuation of investment in semiconductor memory. In the electronics field, there was increasingly vigorous investment aimed at promoting 5G and realizing smart societies, as well as at shifting to domestic production in China. In the flat-panel display (FPD) sector, there was continued investment in liquid crystal panels for TVs and IT products, as well as investment in response to the shift to organic light-emitting diode displays for smartphones and tablets. There were also indications of efforts to develop large substrate mass production of organic light-emitting diode displays for use in tablets, PCs, medical, automotive and game applications.

As a result, in the six months ended December 31, 2021, orders received increased by 53,612 million yen (58.9%) year-on-year to 144,573 million yen and net sales increased by 21,844 million yen (26.1%) to 105,679 million yen. Regarding profit, operating profit increased by 5,563 million yen (95.1%) to 11,412 million yen, ordinary profit increased by 6,013 million yen (99.7%) to 12,045 million yen, and profit attributable to owners of parent increased by 3,594 million yen (79.1%) to 8,135 million yen.

We carry out business all over the world, so factors such as travel restrictions in various regions that have accompanied the global spread of COVID-19 have had a certain amount of impact on the Group’s business. However, we are striving to minimize this impact by taking necessary measures in accordance with the situation.

Results by segment are as follows.

[Vacuum Equipment Business]

(Millions of yen)

	Six months ended December 31, 2020	Six months ended December 31, 2021	Year-on-year change (%)
Orders received	75,589	123,653	63.6%
Net sales	69,014	86,953	26.0%
Operating profit	5,574	10,417	86.9%

Details for Vacuum Equipment Business by item are as follows.

FPD production equipment

In FPD production equipment, investment in large liquid crystal panels and organic light-emitting diode panels for smartphones and tablets resulted in a year-on-year increase both in orders received and net sales.

Semiconductor and electronic device production equipment

In semiconductor production equipment, there was continued investment in memory and more active investment in logic. In electronic device production equipment, there was more active investment in devices such as power devices, optical devices, communications devices and sensors, and negotiations aimed at shifting to domestic electronics production advanced in China. As a result of these and other factors, orders received and net sales both increased year on year.

Components

In the components business, orders received and net sales both increased year on year, as demand remained strong for vacuum pumps, measurement devices, and power supply devices, among others, due to more active investment in areas related to semiconductors and electronic devices, FPDs, as well as consumer devices.

Industrial equipment

Orders received increased year on year and net sales were roughly in line with the previous year due to contributions from businesses in areas such as vacuum heat treatment furnaces for the manufacture of automobile components, high performance magnet production equipment, leak testing equipment, and vacuum freeze-drying equipment for the medical field.

As a result, the Vacuum Equipment Business recorded orders received of 123,653 million yen, order backlogs of 116,836 million yen, net sales of 86,953 million yen, and operating profit of 10,417 million yen.

[Vacuum Application Business]

(Millions of yen)

	Six months ended December 31, 2020	Six months ended December 31, 2021	Year-on-year change (%)
Orders received	15,373	20,921	36.1%
Net sales	14,821	18,726	26.4%
Operating profit	822	960	16.9%

Details for Vacuum Application Business by item are as follows.

Materials

Orders received and net sales both increased year on year, due to an increase in the operating rate of equipment for semiconductors and electronic devices as well as FPDs.

Others

Orders received and net sales both increased year on year due to contributions from businesses related to mask blanks for high-definition, high-performance displays and to surface analyzer equipment.

As a result, the Vacuum Application Business recorded orders received of 20,921 million yen, order backlogs of 9,698 million yen, net sales of 18,726 million yen, and operating profit of 960 million yen.

(2) Explanation regarding financial position

1) Assets, liabilities and net assets

Financial position as of December 31, 2021 is as follows.

Total assets increased by 13,219 million yen compared to the end of the previous fiscal year. This was primarily due to an increase of 9,902 million yen in notes and accounts receivable - trade, and contract assets, as well as an increase of 4,954 million yen in inventories.

Total liabilities increased by 8,408 million yen compared to the end of the previous fiscal year. This was primarily due to an increase of 6,342 million yen in notes and accounts payable - trade and an increase of 4,897 million yen in contract liabilities, despite a decrease of 2,807 million yen in long-term borrowings.

Net assets increased by 4,812 million yen compared to the end of the previous fiscal year. This was primarily due to an increase of 2,866 million yen in retained earnings and an increase of 1,897 million yen in foreign currency translation adjustment.

2) Cash flows

The status of cash flows for the six months ended December 31, 2021 is as follows.

Cash flows from operating activities amounted to an inflow of 9,232 million yen (compared to an inflow of 11,270 million yen in the same period of the previous fiscal year). Positive factors behind this included profit before income taxes, depreciation, increase in trade payables, and increase in contract liabilities, while negative factors included increases in trade receivables and inventories.

Cash flows from investing activities amounted to an outflow of 3,296 million yen (compared to an outflow of 2,835 million yen in the same period of the previous fiscal year). The main factors behind this were the purchase of property, plant and equipment and intangible assets and proceeds from sale of shares of subsidiaries and associates.

Cash flows from financing activities amounted to an outflow of 8,500 million yen (compared to an outflow of 6,671 million yen in the same period of the previous fiscal year), primarily due to repayments of long-term borrowings and dividends paid.

As a result of the above, cash and cash equivalents at the end of the six months ended December 31, 2021, amounted to 81,449 million yen, a decrease of 1,613 million yen compared to the end of the previous fiscal year.

(3) Explanation regarding consolidated earnings forecasts and other forward-looking statements

Earnings forecasts for the fiscal year ending June 30, 2022 are unchanged from the previous forecasts announced on August 10, 2021.

Note: Earnings forecasts and other forward-looking statements provided in this document are based on information currently available to the Company. Actual business performance and results may differ significantly from these forecasts and other forward-looking statements due to various factors including the global economic situation, market conditions in the semiconductor, electronic device, FPD, raw materials, and other markets, capital expenditure trends, response to rapid technological innovation, and exchange rate fluctuations.

2. Quarterly consolidated financial statements and significant notes

(1) Quarterly consolidated balance sheet

(Millions of yen)

	As of June 30, 2021	As of December 31, 2021
Assets		
Current assets		
Cash and deposits	91,545	90,785
Notes and accounts receivable - trade	66,289	-
Notes and accounts receivable - trade, and contract assets	-	76,191
Merchandise and finished goods	4,064	3,845
Work in process	22,785	25,283
Raw materials and supplies	10,309	12,983
Other	7,858	6,872
Allowance for doubtful accounts	(319)	(422)
Total current assets	202,530	215,537
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	28,321	27,584
Machinery, equipment and vehicles, net	19,253	17,615
Tools, furniture and fixtures, net	1,448	1,493
Land	8,480	8,345
Leased assets, net	2,967	3,006
Construction in progress	5,617	7,832
Total property, plant and equipment	66,086	65,874
Intangible assets		
Leased assets	34	27
Software	1,347	1,469
Other	2,115	1,923
Total intangible assets	3,496	3,418
Investments and other assets		
Investment securities	7,360	7,915
Deferred tax assets	6,385	6,105
Other	8,763	9,050
Allowance for doubtful accounts	(1,859)	(1,919)
Total investments and other assets	20,649	21,151
Total non-current assets	90,231	90,443
Total assets	292,761	305,980

ULVAC, Inc. (Securities code: 6728)
Consolidated Financial Results for the Six Months Ended December 31, 2021

(Millions of yen)

	As of June 30, 2021	As of December 31, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	36,073	42,415
Short-term borrowings	8,508	8,615
Lease obligations	722	688
Income taxes payable	2,182	2,495
Advances received	12,659	-
Contract liabilities	-	17,556
Provision for bonuses	3,048	4,427
Provision for bonuses for directors (and other officers)	355	197
Provision for product warranties	1,222	1,366
Provision for loss on order received	1,253	57
Other	11,797	11,150
Total current liabilities	77,819	88,966
Non-current liabilities		
Long-term borrowings	30,943	28,136
Lease obligations	2,361	2,429
Deferred tax liabilities	42	69
Retirement benefit liability	6,968	6,830
Provision for share awards for directors (and other officers)	198	235
Asset retirement obligations	406	414
Other	326	391
Total non-current liabilities	41,243	38,504
Total liabilities	119,062	127,470
Net assets		
Shareholders' equity		
Share capital	20,873	20,873
Capital surplus	3,912	3,912
Retained earnings	137,573	140,439
Treasury shares	(343)	(343)
Total shareholders' equity	162,015	164,880
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,174	2,183
Foreign currency translation adjustment	4,132	6,029
Remeasurements of defined benefit plans	(1,422)	(1,285)
Total accumulated other comprehensive income	4,884	6,927
Non-controlling interests	6,800	6,703
Total net assets	173,699	178,511
Total liabilities and net assets	292,761	305,980

(2) Quarterly consolidated statement of income and quarterly consolidated statement of comprehensive income

Quarterly consolidated statement of income (cumulative)

(Millions of yen)

	Six months ended December 31, 2020	Six months ended December 31, 2021
Net sales	83,835	105,679
Cost of sales	60,516	73,556
Gross profit	23,319	32,122
Selling, general and administrative expenses	17,470	20,710
Operating profit	5,849	11,412
Non-operating income		
Interest income	91	96
Dividend income	353	264
Share of profit of entities accounted for using equity method	298	392
Other	1,066	935
Total non-operating income	1,809	1,687
Non-operating expenses		
Interest expenses	266	206
Expenses to deal with COVID-19	504	440
Other	856	408
Total non-operating expenses	1,626	1,054
Ordinary profit	6,032	12,045
Extraordinary income		
Gain on sale of shares of subsidiaries and associates	-	670
Gain on sale of non-current assets	52	-
Total extraordinary income	52	670
Extraordinary losses		
Impairment losses	-	333
Total extraordinary losses	-	333
Profit before income taxes	6,084	12,382
Income taxes - current	1,963	3,342
Income taxes - deferred	(545)	535
Total income taxes	1,418	3,877
Profit	4,666	8,505
Profit attributable to non-controlling interests	124	370
Profit attributable to owners of parent	4,542	8,135

Quarterly consolidated statement of comprehensive income (cumulative)

(Millions of yen)

	Six months ended December 31, 2020	Six months ended December 31, 2021
Profit	4,666	8,505
Other comprehensive income		
Valuation difference on available-for-sale securities	(738)	4
Foreign currency translation adjustment	1,557	1,829
Remeasurements of defined benefit plans, net of tax	124	136
Share of other comprehensive income of entities accounted for using equity method	109	197
Total other comprehensive income	1,053	2,166
Comprehensive income	5,719	10,671
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,451	10,179
Comprehensive income attributable to non-controlling interests	268	493

(3) Quarterly consolidated statement of cash flows

(Millions of yen)

	Six months ended December 31, 2020	Six months ended December 31, 2021
Cash flows from operating activities		
Profit before income taxes	6,084	12,382
Depreciation	4,065	4,126
Impairment losses	–	333
Increase (decrease) in allowance for doubtful accounts	(1,177)	128
Increase (decrease) in provision for bonuses	427	1,292
Increase (decrease) in retirement benefit liability	(14)	44
Increase (decrease) in provision for share awards for directors (and other officers)	13	37
Increase (decrease) in provision for product warranties	(464)	119
Increase (decrease) in provision for loss on order received	7	(861)
Interest and dividend income	(444)	(360)
Interest expenses	266	206
Loss (gain) on sale of shares of subsidiaries and associates	–	(670)
Loss (gain) on sale of non-current assets	(52)	–
Decrease (increase) in trade receivables	4,643	(9,941)
Decrease (increase) in inventories	(195)	(5,410)
Increase (decrease) in trade payables	(1,573)	5,535
Increase (decrease) in advances received	173	–
Increase (decrease) in contract liabilities	–	4,531
Increase (decrease) in accrued consumption taxes	19	221
Other, net	1,002	(7)
Subtotal	12,779	11,705
Interest and dividends received	497	388
Interest paid	(271)	(204)
Income taxes paid	(1,735)	(2,656)
Net cash provided by (used in) operating activities	11,270	9,232
Cash flows from investing activities		
Payments into time deposits	(2,373)	(10,254)
Proceeds from withdrawal of time deposits	2,327	9,594
Purchase of property, plant and equipment and intangible assets	(3,152)	(3,545)
Proceeds from sale of property, plant and equipment and intangible assets	283	–
Proceeds from sale of shares of subsidiaries and associates	–	700
Other, net	81	209
Net cash provided by (used in) investing activities	(2,835)	(3,296)

ULVAC, Inc. (Securities code: 6728)
 Consolidated Financial Results for the Six Months Ended December 31, 2021

(Millions of yen)

	Six months ended December 31, 2020	Six months ended December 31, 2021
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(177)	25
Proceeds from long-term borrowings	3,700	-
Repayments of long-term borrowings	(5,013)	(2,743)
Dividends paid	(3,941)	(4,681)
Purchase of treasury shares	(1)	-
Other, net	(1,239)	(1,100)
Net cash provided by (used in) financing activities	(6,671)	(8,500)
Effect of exchange rate change on cash and cash equivalents	814	951
Net increase (decrease) in cash and cash equivalents	2,578	(1,613)
Cash and cash equivalents at beginning of period	77,948	83,061
Cash and cash equivalents at end of period	80,526	81,449

(4) Notes to quarterly consolidated financial statements

Notes – Going concern assumption

Not applicable.

Notes when there are significant changes in amounts of equity

Not applicable.

Notes – Changes in accounting policies

Application of Accounting Standard for Revenue Recognition, etc.

The Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) and relevant ASBJ regulations from the beginning of the first quarter of the current fiscal year, and it has recognized revenue at the time when the control of promised goods or services is transferred to the customer at the amount expected to be received upon exchange of said goods or services.

Previously, in regard to build-to-order production equipment, the percentage-of-completion method was used to recognize contracts for which the outcome was deemed as being certain, the completed contract method was applied to recognize other contracts, and components and materials were recognized at time of shipment. However, the method for recognizing production equipment, etc., in the Vacuum Equipment Business and Vacuum Application Business which have a performance obligation that is satisfied over a certain amount of time has been changed and now involves making an estimate for the rate of progress made on fulfilling the performance obligation and then recognizing revenue over time based on this rate of progress. Likewise, the method for recognizing components and materials, etc., in the Vacuum Equipment Business and Vacuum Application Business which have a performance obligation that is satisfied at a single point in time has been changed so that revenue is recognized at the time the control of promised goods or services is transferred to the customer.

As for the method of estimating the rate of progress made on satisfying a performance obligation over a certain amount of time, the rate of progress is calculated at the proportion of costs generated to estimated total costs.

Also, for domestic sales of components and materials, etc., the alternative treatment stipulated in paragraph 98 of the “Implementation Guidance on Accounting Standard for Revenue Recognition” has been applied, meaning that in cases where the period of time between time of shipment and the time the control is transferred to the customer is regular, revenue is recognized at time of shipment.

The application of the Accounting Standard for Revenue Recognition and its guidance is subject to the transitional treatment provided in the proviso to paragraph 84 of the Accounting Standard for Revenue Recognition. The cumulative effect of the retrospective application assuming the new accounting policy had been applied to periods prior to the start of the first quarter ended September 30, 2021, was added to or subtracted from the opening balance of retained earnings of the first quarter ended September 30, 2021, and thus the new accounting policy is applied from such opening balance.

As a result of this change, for the six months of the current fiscal year, net sales decreased by 1,934 million yen, cost of sales decreased by 1,175 million yen, while operating profit, ordinary profit, and profit before income taxes each decreased by 759 million yen. In addition, the opening balance of retained earnings decreased by 581 million yen.

Due to the application of the Accounting Standard for Revenue Recognition and its guidance, notes and accounts receivable - trade recorded under current assets in the consolidated balance sheet as of the end of the previous fiscal year has been included in notes and accounts receivable - trade, and contract assets from the three months ended September 30, 2021, onward. Likewise, advances received recorded under current liabilities has been changed to contract liabilities from the three months ended September 30, 2021, onward. In addition, in the quarterly consolidated statement of cash flows for the six months ended December 31, 2020, increase (decrease) in advances received

recorded under cash flows from operating activities has been changed to increase (decrease) in contract liabilities from the six months ended December 31, 2021, onward.

In accordance with the transitional treatment provided for in paragraph 89-2 of the Accounting Standard for Revenue Recognition, figures for the previous fiscal year have not been restated in accordance with the new approach to presentation. Furthermore, the information on disaggregation of revenue from contracts with customers during the first six months of the previous fiscal year has not been disclosed as allowed by the transitional treatment provided for in paragraph 28-15 of the Accounting Standard for Quarterly Financial Reporting (ASBJ Statement No. 12, March 31, 2020).

Application of Accounting Standard for Fair Value Measurement, etc.

The Company has applied the “Accounting Standard for Fair Value Measurement” (ASBJ Statement No. 30, July 4, 2019) and relevant ASBJ regulations from the beginning of the first quarter of the fiscal year under review, and it has applied the new accounting policy provided for by the Accounting Standard for Fair Value Measurement, etc. prospectively in accordance with the transitional measures provided for in paragraph 19 of the Accounting Standard For Fair Value Measurement, and paragraph 44-2 of the “Accounting Standard for Financial Instruments” (ASBJ Statement No. 10, July 4, 2019).

There is no effect of this application on the quarterly consolidated financial statements.

Segment information

I Six months ended December 31, 2020

1. Information regarding the amounts of net sales and profit or loss for each reportable segment

(Millions of yen)

	Reportable segments			Adjustments (Note 1)	Amount in the quarterly consolidated statement of income (Note 2)
	Vacuum Equipment Business	Vacuum Application Business	Total		
Net sales					
Sales to external customers	69,014	14,821	83,835	–	83,835
Intersegment sales or transfers	1,602	799	2,401	(2,401)	–
Total	70,616	15,620	86,237	(2,401)	83,835
Segment profit	5,574	822	6,396	(546)	5,849

Notes: 1. The adjustments resulted from eliminating intersegment transactions.

2. Segment profit is adjusted with operating profit in the quarterly consolidated statement of income.

2. Information regarding impairment losses on non-current assets or goodwill by reportable segment

Significant impairment losses related to non-current assets

Not applicable.

Significant changes in amount of goodwill

Not applicable.

Significant gain on bargain purchase

Not applicable.

II Six months ended December 31, 2021

1. Information regarding the amounts of net sales and profit or loss and information on disaggregation of revenue for each reportable segment

(Millions of yen)

	Reportable segments			Adjustments (Note 1)	Amount in the quarterly consolidated statement of income (Note 2)
	Vacuum Equipment Business	Vacuum Application Business	Total		
Net sales					
Goods or services transferred at a point in time	33,089	14,682	47,771	–	47,771
Goods or services transferred over time	53,864	4,044	57,907	–	57,907
Revenue from contracts with customers	86,953	18,726	105,679	–	105,679
Sales to external customers	86,953	18,726	105,679	–	105,679
Intersegment sales or transfers	1,771	815	2,586	(2,586)	–
Total	88,724	19,542	108,265	(2,586)	105,679
Segment profit	10,417	960	11,377	35	11,412

Notes: 1. The adjustments resulted from eliminating intersegment transactions.

2. Segment profit is adjusted with operating profit in the quarterly consolidated statement of income.

2. Information regarding impairment losses on non-current assets or goodwill by reportable segment

Significant impairment losses related to non-current assets

Omitted for lack of significance.

Significant changes in amount of goodwill

Not applicable.

Significant gain on bargain purchase

Not applicable.

3. Supplemental Information

(1) Sales results

The sales performance of each segment in the six months ended December 31, 2021, is as follows.

Segment	Sales (Millions of yen)	Change (%)
Vacuum Equipment Business	86,953	126.0
Vacuum Application Business	18,726	126.4
Total	105,679	126.1

Notes: 1. The sales performance and proportion of total sales of the main products in the Vacuum Equipment Business are as follows.

Items	Six months ended December 31, 2021	
	Sales (Millions of yen)	Percentage (%)
FPD production equipment	30,179	34.7
Semiconductor and electronic device production equipment	34,820	40.0
Components	13,874	16.0
Industrial equipment	8,080	9.3
Total	86,953	100.0

2. The sales performance and proportion of total sales of the main products in the Vacuum Application Business are as follows.

Items	Six months ended December 31, 2021	
	Sales (Millions of yen)	Percentage (%)
Materials	9,890	52.8
Others	8,836	47.2
Total	18,726	100.0