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August 9, 2022

Consolidated Financial Results for the Fiscal Year Ended June 30, 2022 (Under Japanese GAAP)

Company name: ULVAC, Inc.
 Listing: Tokyo Stock Exchange
 Securities code: 6728
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 Scheduled date of ordinary general meeting of shareholders: September 29, 2022
 Scheduled date to commence dividend payments: September 30, 2022
 Scheduled date of filing annual securities report: September 29, 2022
 Preparation of supplementary material on financial results: Yes
 Holding of 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 fiscal year ended June 30, 2022 (from July 1, 2021 to June 30, 2022)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2022	241,260	31.8	30,061	74.8	32,200	79.2	20,211	36.3
June 30, 2021	183,011	(1.3)	17,197	7.8	17,966	(0.5)	14,830	37.7

Note: Comprehensive income For the fiscal year ended June 30, 2022: ¥29,063 million [66.2%]
 For the fiscal year ended June 30, 2021: ¥17,483 million [83.3%]

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ordinary profit to total assets	Operating profit to net sales
	Yen	Yen	%	%	%
June 30, 2022	410.37	—	11.4	10.0	12.5
June 30, 2021	301.12	—	9.2	6.2	9.4

Reference: Share of profit (loss) of entities accounted for using equity method:

For the fiscal year ended June 30, 2022: ¥861 million
 For the fiscal year ended June 30, 2021: ¥569 million

Note: 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 current fiscal year, and each figure for the fiscal year ended June 30, 2022, is the figure after applying the accounting standard and relevant ASBJ regulations.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
June 30, 2022	354,304	196,484	53.3	3,837.17
June 30, 2021	292,761	173,699	57.0	3,388.87

Reference: Equity

As of June 30, 2022: ¥188,977 million

As of June 30, 2021: ¥166,899 million

Note: 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 current fiscal year, and each figure for the fiscal year ended June 30, 2022, is the figure after applying the accounting standard and relevant ASBJ regulations.

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
June 30, 2022	33,931	(7,432)	(6,445)	107,106
June 30, 2021	25,520	(6,925)	(16,061)	83,061

2. Cash dividends

	Annual dividends per share					Total dividend (Annual)	Payout ratio (Consolidated)	Dividend on equity (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended June 30, 2021	–	–	–	95.00	95.00	4,688	31.5	2.9
Fiscal year ended June 30, 2022	–	–	–	124.00	124.00	6,120	30.2	3.4
Fiscal year ending June 30, 2023 (Forecast)	–	–	–	141.00	141.00		30.2	

3. Consolidated earnings forecasts for the fiscal year ending June 30, 2023 (from July 1, 2022 to June 30, 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
Six months ending December 31, 2022	118,000	11.7	13,500	18.3	14,000	16.2	9,200	13.1	186.81
Fiscal year ending June 30, 2023	250,000	3.6	34,500	14.8	35,500	10.2	23,000	13.8	467.01

*** Notes**

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

(2) 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 “(5) Notes to consolidated financial statements (Notes - Changes in accounting policies)” in “3. Consolidated financial statements and significant notes” on page 22 of the attached material.

(3) 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	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 June 30, 2022	106,961 shares
As of June 30, 2021	106,931 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended June 30, 2022	49,248,995 shares
Fiscal year ended June 30, 2021	49,248,649 shares

[Reference] Summary of non-consolidated financial results

Non-consolidated financial results for the fiscal year ended June 30, 2022 (from July 1, 2021 to June 30, 2022)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended June 30, 2022	108,458	32.8	11,287	361.6	21,596	114.0	18,656	43.7
June 30, 2021	81,690	(16.1)	2,445	(25.7)	10,093	(18.8)	12,979	26.8

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
June 30, 2022	378.75	–
June 30, 2021	263.51	–

Note: 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 current fiscal year, and each figure for the fiscal year ended June 30, 2022, is the figure after applying the accounting standard and relevant ASBJ regulations.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
June 30, 2022	230,448	126,352	54.8	2,565.25
June 30, 2021	198,532	113,705	57.3	2,308.49

Reference: Equity

As of June 30, 2022: ¥126,352 million

As of June 30, 2021: ¥113,705 million

Note: 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 current fiscal year, and each figure for the fiscal year ended June 30, 2022, is the figure after applying the accounting standard and relevant ASBJ regulations.

* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

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 “(4) Outlook for the future” in “1. Overview of operating results, etc.” on page 6 of the attached material for the suppositions that form the assumptions for earnings forecasts and cautions concerning the use thereof.

Attached Material

Index

1. Overview of operating results, etc.	2
(1) Overview of operating results for the current fiscal year	2
(2) Overview of financial position for the current fiscal year	5
(3) Overview of cash flows for the current fiscal year	5
(4) Outlook for the future	6
(5) Basic policy on profit distribution and dividends for the current and next fiscal years	7
2. Basic approach to the selection of accounting standards	8
3. Consolidated financial statements and significant notes	9
(1) Consolidated balance sheet	9
(2) Consolidated statement of income and consolidated statement of comprehensive income	11
Consolidated statement of income	11
Consolidated statement of comprehensive income	12
(3) Consolidated statement of changes in equity	13
(4) Consolidated statement of cash flows	15
(5) Notes to consolidated financial statements	17
Notes - Going concern assumption	17
Significant matters that serve as the basis for preparing consolidated financial statements	17
Notes - Changes in accounting policies	22
Segment information, etc.	23
Per share information	26
Significant subsequent events	27

1. Overview of operating results, etc.

With the application of the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) and relevant ASBJ regulations from the current fiscal year, comparisons with the same period of the previous fiscal year and the end of the previous fiscal year in “(1) Overview of operating results for the current fiscal year,” “(2) Overview of financial position for the current fiscal year,” and “(3) Overview of cash flows for the current fiscal year” are calculated based on the consolidated financial statements for the previous fiscal year created before the application of such accounting standards. Details are as described in “3. Consolidated financial statements and significant notes, (5) Notes to consolidated financial statements (Changes in accounting policies).”

(1) Overview of operating results for the current fiscal year

	(Millions of yen)		
	Fiscal year ended June 30, 2021	Fiscal year ended June 30, 2022	Year-on-year change rate (%)
Orders received	198,909	270,095	35.8
Net sales	183,011	241,260	31.8
Operating profit	17,197	30,061	74.8
Ordinary profit	17,966	32,200	79.2
Profit attributable to owners of parent	14,830	20,211	36.3

During the current fiscal year, uncertainty about the global economy increased due to rising raw material prices and supply chain disruptions caused by the global pandemic of a new variant of COVID-19, increased geopolitical risks due to the prolonged situation in Ukraine and other factors, prolonged supply shortages of semiconductor and other materials, and growing concerns about economic recession due to tightening monetary policies to control inflation in various countries.

Regarding the business environment in which the Group operates, in the semiconductor sector, investment in advanced equipment by foundries and logic manufacturers was active and investment in semiconductor memory continued at a high level. In the electronics field, investment in various electronic devices for the realization of a smart society along with the spread of 5G, investment in power devices in line with the shift to green energy and progress in EVs, etc., and investment aimed at shifting to domestic production in China were activated. In the flat panel display (FPD) sector, investment in LCDs for IT panels for tablets, PCs, and automotive applications, in addition to traditional TV applications, was activated, while investment continued in response to the shift from LCDs to organic light-emitting diode displays in smartphones, tablets, etc. Also, efforts have been made to develop mass production of large organic light-emitting diode display substrates for tablets, PCs, and medical, automotive, and game applications.

As a result, in the current fiscal year, orders received increased by 71,186 million yen (35.8%) year on year to 270,095 million yen and net sales increased by 58,250 million yen (31.8%) to 241,260 million yen. Regarding profit, operating profit increased by 12,864 million yen (74.8%) to 30,061 million yen, ordinary profit increased by 14,234 million yen (79.2%) to 32,200 million yen, and profit attributable to owners of parent increased by 5,381 million yen (36.3%) to 20,211 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)

	Fiscal year ended June 30, 2021	Fiscal year ended June 30, 2022	Year-on-year change rate (%)
Orders received	165,578	224,116	35.4
Net sales	151,269	200,098	32.3
Operating profit	15,557	27,129	74.4

Details for Vacuum Equipment Business by item are as follows.

FPD production equipment

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

Semiconductor and electronic device production equipment

In semiconductor production equipment, there was continued investment in semiconductor 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, 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, batteries for EVs, and consumer devices.

Industrial equipment

Orders received increased year on 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, while net sales decreased year on year.

As a result, the Vacuum Equipment Business recorded orders received of 224,116 million yen, order backlogs of 107,360 million yen, net sales of 200,098 million yen, and operating profit of 27,129 million yen.

[Vacuum Application Business]

(Millions of yen)

	Fiscal year ended June 30, 2021	Fiscal year ended June 30, 2022	Year-on-year change rate (%)
Orders received	33,331	45,978	37.9
Net sales	31,742	41,162	29.7
Operating profit	2,146	2,930	36.5

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 surface analyzer equipment and to mask blanks for high-definition, high-performance displays.

As a result, the Vacuum Application Business recorded orders received of 45,978 million yen, order backlogs of 12,809 million yen, net sales of 41,162 million yen, and operating profit of 2,930 million yen.

(2) Overview of financial position for the current fiscal year

(Millions of yen)

	Fiscal year ended June 30, 2021	Fiscal year ended June 30, 2022	Year-on-year change rate (%)
Assets	292,761	354,304	21.0
Liabilities	119,062	157,820	32.6
Net assets	173,699	196,484	13.1

Total assets increased by 61,543 million yen from the end of the fiscal year ended June 30, 2021. This was primarily due to an increase of 26,496 million yen in cash and deposits, an increase of 20,042 million yen in notes and accounts receivable - trade, and contract assets, and an increase of 12,282 million yen in inventories.

Total liabilities increased by 38,758 million yen from the end of the fiscal year ended June 30, 2021. This was primarily due to an increase of 18,957 million yen in notes and accounts payable - trade, and an increase of 12,587 million yen in contract liabilities.

Total net assets increased by 22,786 million yen from the end of the fiscal year ended June 30, 2021. This was primarily due to an increase of 14,941 million yen in retained earnings and an increase of 8,150 million yen in foreign currency translation adjustment.

(3) Overview of cash flows for the current fiscal year

(Millions of yen)

Category	Fiscal year ended June 30, 2021	Fiscal year ended June 30, 2022	Change
Cash flows from operating activities	25,520	33,931	8,411
Cash flows from investing activities	(6,925)	(7,432)	(507)
Cash flows from financing activities	(16,061)	(6,445)	9,616
Cash and cash equivalents at end of period	83,061	107,106	24,044
Interest-bearing debt	39,451	39,528	77

Cash flows from operating activities amounted to an inflow of 33,931 million yen. 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 7,432 million yen. Negative factors behind this included purchase of property, plant and equipment and intangible assets, while positive factors included proceeds from sale of shares of subsidiaries and associates.

Cash flows from financing activities amounted to an outflow of 6,445 million yen, primarily due to dividends paid.

As a result of the above, cash and cash equivalents at end of period for the fiscal year ended June 30, 2022 increased by 24,044 million yen from the end of the fiscal year ended June 30, 2021 to 107,106 million yen.

Trends in cash flow-related indicators

	Fiscal year ended June 30, 2020	Fiscal year ended June 30, 2021	Fiscal year ended June 30, 2022
Equity-to-asset ratio (%)	54.6	57.0	53.3
Equity-to-asset ratio based on market value (%)	54.2	94.7	64.2
Cash flow to interest-bearing debt ratio (years)	2.7	1.5	1.2
Interest coverage ratio (times)	41.6	50.6	83.4

Notes: Equity-to-asset ratio: Equity/Total assets

Equity-to-asset ratio based on market value: Market capitalization/Total assets

Cash flow to interest-bearing debt ratio: Interest-bearing debt/Cash flow

Interest coverage ratio: Cash flow/Interest payments

*1. All indicators are calculated based on consolidated financial figures.

*2. Market capitalization is calculated by multiplying the closing stock price at the end of the fiscal year by the number of shares outstanding at the end of the fiscal year (after deduction of treasury shares).

*3. Cash flows used are the cash flow from operating activities in the consolidated statement of cash flows. Interest-bearing debt includes all liabilities on the consolidated balance sheet for which interest is paid. For interest payments, the amount of interest paid in the consolidated statement of cash flows is used.

(4) Outlook for the future

(i) Outlook for the next fiscal year

As for the business environment surrounding us, in the semiconductor-related sector, although there are concerns about a slowdown in some areas such as investment in semiconductor memory, investment in cutting-edge logic is expected to continue to expand, and investment in power devices and various electronic devices based on China's policy of domestic production and investment by domestic electronic device manufacturers are also expected to expand and continue. On the other hand, the impact of longer delivery times and higher prices of parts and materials is expected to continue due to the expansion of geopolitical risks and shortages in the supply of parts and materials such as semiconductors. Based on these circumstances, we currently expect the following consolidated results for the fiscal year ending June 30, 2023.

The Group is working on a mid-term management plan that covers the period through the fiscal year ending June 30, 2023.

For the fiscal year ending June 30, 2023, the final year of the current mid-term management plan, we expect net sales of 250.0 billion yen and operating profit of 34.5 billion yen, which are higher than the net sales (+40.0 billion yen) and the operating profit (+500 million yen) in the original mid-term management plan.

We will continue to view the realization of a society that uses smart and digital solutions to solve social issues and the trend of technological innovation for green energy and low power consumption as business opportunities, further strengthen research and development investment for growth, and aim for sustainable growth based on the basic policies of "Investment in development for growth (selection and concentration)" and "Profit-oriented management through structural change."

<Net sales forecast by product>

(Billions of yen)			
	Fiscal year ended June 30, 2022 (Actual)	Fiscal year ending June 30, 2023 (Forecast)	
Net sales	241.3	250.0	[3.6%]
Vacuum Equipment Business	200.1	207.5	[3.7%]
FPD production equipment	81.3	66.0	[(18.8)%]
Semiconductor and electronic device production equipment	67.8	90.5	[33.5%]
Components	30.2	32.0	[6.0%]
Industrial equipment	20.8	19.0	[(8.7)%]
Vacuum Application Business	41.2	42.5	[3.2%]
Materials	21.9	23.5	[7.3%]
Others	19.3	19.0	[(1.6)%]
Operating profit	30.1	34.5	[14.6%]
Ordinary profit	32.2	35.5	[10.2%]
Profit attributable to owners of parent	20.2	23.0	[13.8%]

Note: Figures in brackets indicate year-on-year change rate. Percentages are calculated in millions of yen and rounded to the nearest million.

(ii) Outlook for cash flows in the next fiscal year

For cash flows in the next fiscal year, we will secure cash inflow from operating activities by posting profit before income taxes and preventing the prolonged cash conversion cycle (CCC) due to the impact of longer delivery times of parts and materials, etc.

In addition, we will promote “investment in development for growth (selection and concentration).” Funds for this purpose will be allocated from cash inflows from operating activities and other sources.

(5) Basic policy on profit distribution and dividends for the current and next fiscal years

We recognize that the distribution of profits to shareholders is one of our most important policies.

On the other hand, we are in an industry with significant fluctuations in capital investment trends and remarkable technological innovation. Taking into account the need to secure sufficient funds for research and development investments in growth areas and to enhance internal reserves necessary to build a stable financial base, we aim to return profits to shareholders in a performance-linked manner with a consolidated payout ratio of 30% or more.

Our basic policy is to pay dividends from surplus once a year as a year-end dividend. The decision-making body for this distribution of surplus is the general meeting of shareholders.

Based on the above policy, we plan to pay a dividend of 124 yen per share for the current fiscal year.

For the next fiscal year (ending June 30, 2023), we plan to pay a dividend of 141 yen per share based on the above policy.

Note: The future outlook for us in this financial results report are based on information currently available. The FPD, semiconductor and electronic devices sectors, which the Group’s main customers belong to, are particularly competitive industries with a very fast pace of technological innovation. In addition, there are various external factors that directly or indirectly affect the Group’s performance, such as the global economy, exchange rate fluctuations, raw material prices, market conditions for FPDs, semiconductors and electronic devices, and trends in capital

investment. Accordingly, please be aware that actual net sales and profits may differ significantly from the forecasts in this financial results report.

2. Basic approach to the selection of accounting standards

For the time being, the Group's policy is to prepare its consolidated financial statements in accordance with Japanese GAAP, taking into consideration the comparability of the consolidated financial statements from period to period and the comparability among companies.

Regarding the application of international accounting standards, we will take appropriate measures in consideration of various domestic and international situations.

3. Consolidated financial statements and significant notes

(1) Consolidated balance sheet

(Millions of yen)

	As of June 30, 2021	As of June 30, 2022
Assets		
Current assets		
Cash and deposits	91,545	118,040
Notes and accounts receivable - trade	66,289	-
Notes and accounts receivable - trade, and contract assets	-	86,331
Merchandise and finished goods	4,064	4,500
Work in process	22,785	29,090
Raw materials and supplies	10,309	15,849
Other	7,858	10,562
Allowance for doubtful accounts	(319)	(525)
Total current assets	202,530	263,847
Non-current assets		
Property, plant and equipment		
Buildings and structures	83,821	85,821
Accumulated depreciation	(55,500)	(58,939)
Buildings and structures, net	28,321	26,883
Machinery, equipment and vehicles	79,326	78,272
Accumulated depreciation	(60,073)	(62,537)
Machinery, equipment and vehicles, net	19,253	15,735
Tools, furniture and fixtures	14,098	14,682
Accumulated depreciation	(12,651)	(12,908)
Tools, furniture and fixtures, net	1,448	1,774
Land	8,480	8,360
Leased assets	4,516	5,079
Accumulated depreciation	(1,549)	(1,922)
Leased assets, net	2,967	3,157
Construction in progress	5,617	9,087
Total property, plant and equipment	66,086	64,995
Intangible assets		
Leased assets	34	27
Software	1,347	1,603
Other	2,115	2,085
Total intangible assets	3,496	3,715
Investments and other assets		
Investment securities	7,360	6,882
Deferred tax assets	6,385	6,990
Other	8,763	9,869
Allowance for doubtful accounts	(1,859)	(1,995)
Total investments and other assets	20,649	21,746
Total non-current assets	90,231	90,457
Total assets	292,761	354,304

ULVAC, Inc. (Securities code: 6728)
Consolidated Financial Results for the Fiscal Year Ended June 30, 2022

(Millions of yen)

	As of June 30, 2021	As of June 30, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	36,073	55,030
Short-term borrowings	8,508	9,618
Lease liabilities	722	679
Income taxes payable	2,182	3,813
Advances received	12,659	–
Contract liabilities	–	25,245
Provision for bonuses	3,048	5,918
Provision for bonuses for directors (and other officers)	355	404
Provision for product warranties	1,222	1,387
Provision for loss on orders received	1,253	16
Other	11,797	14,651
Total current liabilities	77,819	116,762
Non-current liabilities		
Long-term borrowings	30,943	29,910
Lease liabilities	2,361	2,562
Deferred tax liabilities	42	128
Retirement benefit liability	6,968	7,400
Provision for share awards for directors (and other officers)	198	272
Asset retirement obligations	406	416
Other	326	368
Total non-current liabilities	41,243	41,057
Total liabilities	119,062	157,820
Net assets		
Shareholders' equity		
Share capital	20,873	20,873
Capital surplus	3,912	3,912
Retained earnings	137,573	152,514
Treasury shares	(343)	(344)
Total shareholders' equity	162,015	176,955
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,174	1,440
Foreign currency translation adjustment	4,132	12,282
Remeasurements of defined benefit plans	(1,422)	(1,700)
Total accumulated other comprehensive income	4,884	12,022
Non-controlling interests	6,800	7,508
Total net assets	173,699	196,484
Total liabilities and net assets	292,761	354,304

(2) Consolidated statement of income and consolidated statement of comprehensive income
Consolidated statement of income

(Millions of yen)

	Fiscal year ended June 30, 2021	Fiscal year ended June 30, 2022
Net sales	183,011	241,260
Cost of sales	129,247	167,517
Gross profit	53,764	73,743
Selling, general and administrative expenses		
Selling expenses	14,801	18,036
General and administrative expenses	21,766	25,646
Total selling, general and administrative expenses	36,567	43,682
Operating profit	17,197	30,061
Non-operating income		
Interest income	199	248
Dividend income	650	745
Foreign exchange gains	–	571
Share of profit of entities accounted for using equity method	569	861
Other	1,742	1,312
Total non-operating income	3,160	3,736
Non-operating expenses		
Interest expenses	498	410
Foreign exchange losses	373	–
Commission for syndicated loans	–	195
Other	1,520	994
Total non-operating expenses	2,391	1,598
Ordinary profit	17,966	32,200
Extraordinary income		
Gain on sale of investment securities	4,998	343
Gain on sale of shares of subsidiaries and associates	–	797
Gain on sale of non-current assets	55	59
Total extraordinary income	5,053	1,199
Extraordinary losses		
Loss on retirement of non-current assets	99	–
Impairment losses	–	3,090
Loss on liquidation of subsidiaries and associates	378	–
Cost to deal with COVID-19	984	1,028
Total extraordinary losses	1,460	4,118
Profit before income taxes	21,559	29,280
Income taxes - current	4,867	7,549
Income taxes - deferred	1,218	290
Total income taxes	6,085	7,839
Profit	15,474	21,441
Profit attributable to non-controlling interests	644	1,231
Profit attributable to owners of parent	14,830	20,211

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended June 30, 2021	Fiscal year ended June 30, 2022
Profit	15,474	21,441
Other comprehensive income		
Valuation difference on available-for-sale securities	(3,137)	(738)
Foreign currency translation adjustment	4,748	8,015
Remeasurements of defined benefit plans, net of tax	58	(279)
Share of other comprehensive income of entities accounted for using equity method	342	624
Total other comprehensive income	2,010	7,622
Comprehensive income	17,483	29,063
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	16,467	27,348
Comprehensive income attributable to non-controlling interests	1,016	1,714

(3) Consolidated statement of changes in equity

Fiscal year ended June 30, 2021

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	20,873	3,912	126,571	(349)	151,007
Cumulative effects of changes in accounting policies					-
Restated balance	20,873	3,912	126,571	(349)	151,007
Changes during period					
Dividends of surplus			(3,948)		(3,948)
Profit attributable to owners of parent			14,830		14,830
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares				7	7
Increase / decrease due to merger between consolidated and non-consolidated subsidiaries			120		120
Net changes in items other than shareholders' equity					
Total changes during period	-	-	11,002	6	11,008
Balance at end of period	20,873	3,912	137,573	(343)	162,015

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	5,301	(572)	(1,482)	3,246	6,840	161,093
Cumulative effects of changes in accounting policies						-
Restated balance	5,301	(572)	(1,482)	3,246	6,840	161,093
Changes during period						
Dividends of surplus						(3,948)
Profit attributable to owners of parent						14,830
Purchase of treasury shares						(1)
Disposal of treasury shares						7
Increase / decrease due to merger between consolidated and non-consolidated subsidiaries						120
Net changes in items other than shareholders' equity	(3,127)	4,704	60	1,637	(40)	1,598
Total changes during period	(3,127)	4,704	60	1,637	(40)	12,605
Balance at end of period	2,174	4,132	(1,422)	4,884	6,800	173,699

Fiscal year ended June 30, 2022

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	20,873	3,912	137,573	(343)	162,015
Cumulative effects of changes in accounting policies			(581)		(581)
Restated balance	20,873	3,912	136,992	(343)	161,433
Changes during period					
Dividends of surplus			(4,688)		(4,688)
Profit attributable to owners of parent			20,211		20,211
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares					-
Increase / decrease due to merger between consolidated and non-consolidated subsidiaries					-
Net changes in items other than shareholders' equity					
Total changes during period	-	-	15,522	(0)	15,522
Balance at end of period	20,873	3,912	152,514	(344)	176,955

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	2,174	4,132	(1,422)	4,884	6,800	173,699
Cumulative effects of changes in accounting policies						(581)
Restated balance	2,174	4,132	(1,422)	4,884	6,800	173,117
Changes during period						
Dividends of surplus						(4,688)
Profit attributable to owners of parent						20,211
Purchase of treasury shares						(0)
Disposal of treasury shares						-
Increase / decrease due to merger between consolidated and non-consolidated subsidiaries						-
Net changes in items other than shareholders' equity	(733)	8,150	(279)	7,138	707	7,845
Total changes during period	(733)	8,150	(279)	7,138	707	23,367
Balance at end of period	1,440	12,282	(1,700)	12,022	7,508	196,484

(4) Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended June 30, 2021	Fiscal year ended June 30, 2022
Cash flows from operating activities		
Profit before income taxes	21,559	29,280
Depreciation	8,386	8,587
Impairment losses	–	3,090
Loss on retirement of non-current assets	99	–
Increase (decrease) in allowance for doubtful accounts	(823)	203
Increase (decrease) in provision for bonuses	217	2,593
Increase (decrease) in retirement benefit liability	(402)	(38)
Increase (decrease) in provision for share awards for directors (and other officers)	42	75
Increase (decrease) in provision for product warranties	(508)	67
Increase (decrease) in provision for loss on orders received	(70)	(906)
Interest and dividend income	(850)	(993)
Interest expenses	498	410
Loss (gain) on sale of investment securities	(4,998)	(343)
Loss (gain) on sale of shares of subsidiaries and associates	–	(797)
Loss (gain) on sale of non-current assets	(55)	(59)
Share of loss (profit) of entities accounted for using equity method	(569)	(861)
Decrease (increase) in trade receivables	2,505	(16,971)
Decrease (increase) in inventories	(2,568)	(11,348)
Increase (decrease) in trade payables	3,215	15,544
Increase (decrease) in advances received	153	–
Increase (decrease) in net contract liabilities	–	10,788
Increase (decrease) in accrued consumption taxes	65	594
Other, net	3,004	(850)
Subtotal	28,899	38,067
Interest and dividends received	1,178	1,573
Interest paid	(505)	(407)
Income taxes paid	(4,052)	(5,302)
Net cash provided by (used in) operating activities	25,520	33,931
Cash flows from investing activities		
Payments into time deposits	(11,033)	(20,656)
Proceeds from withdrawal of time deposits	5,338	18,908
Purchase of property, plant and equipment and intangible assets	(7,147)	(7,344)
Proceeds from sale of property, plant and equipment and intangible assets	277	224
Proceeds from sale of investment securities	5,346	391
Proceeds from sale of shares of subsidiaries and associates	–	1,200
Other, net	295	(155)
Net cash provided by (used in) investing activities	(6,925)	(7,432)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(361)	331
Proceeds from long-term borrowings	3,750	5,400
Repayments of long-term borrowings	(13,689)	(5,685)
Repayments of lease liabilities	(825)	(741)
Dividends paid	(3,945)	(4,684)
Purchase of treasury shares	(1)	(0)
Dividends paid to non-controlling interests	(984)	(1,065)

ULVAC, Inc. (Securities code: 6728)
 Consolidated Financial Results for the Fiscal Year Ended June 30, 2022

(Millions of yen)

	Fiscal year ended June 30, 2021	Fiscal year ended June 30, 2022
Other, net	(5)	-
Net cash provided by (used in) financing activities	(16,061)	(6,445)
Effect of exchange rate change on cash and cash equivalents	2,468	3,991
Net increase (decrease) in cash and cash equivalents	5,002	24,044
Cash and cash equivalents at beginning of period	77,948	83,061
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	112	-
Cash and cash equivalents at end of period	83,061	107,106

(5) Notes to consolidated financial statements

Notes - Going concern assumption

Not applicable.

Significant matters that serve as the basis for preparing consolidated financial statements

1. Scope of consolidation

(1) Number of consolidated subsidiaries: 30

The names of consolidated subsidiaries are as follows:

ULVAC TECHNO, Ltd.

ULVAC KYUSHU CORPORATION

ULVAC TOHOKU, Inc.

ULVAC Technologies, Inc.

ULVAC KIKO, Inc.

ULVAC EQUIPMENT SALES, Inc.

ULVAC CRYOGENICS INCORPORATED

ULVAC-PHI, Inc.

ULVAC KOREA, Ltd.

ULVAC TAIWAN INC.

ULVAC SINGAPORE PTE LTD.

ULVAC (SUZHOU) CO., LTD.

ULVAC Orient (Chengdu) Co., Ltd.

ULVAC Automation Technology (Shanghai) Corporation

ULVAC Tianma Electric (Jingjiang) Co., Ltd.

ULVAC (Shenyang) Co., Ltd.

ULVAC (CHINA) HOLDING CO., LTD.

ULVAC MALAYSIA SDN. BHD.

Physical Electronics USA, Inc.

TIGOLD CORPORATION

Pure Surface Technology, Ltd.

ULVAC CRYOGENICS KOREA INCORPORATED

ULTRA CLEAN PRECISION TECHNOLOGIES CORP.

ULVAC COATING CORPORATION

ULCOAT TAIWAN, Inc.

ULVAC (Shanghai) Trading Co., Ltd.

ULVAC Materials (Suzhou) Co., Ltd.

ULVAC VACUUM EQUIPMENT (SHANGHAI) CO., LTD.

ULVAC Coating Technology (HEFEI) Co., Ltd.

ULVAC ORIENT TEST AND MEASUREMENT TECHNOLOGY (CHENGDU) CO., LTD.

In the current fiscal year, the newly established ULVAC ORIENT TEST AND MEASUREMENT TECHNOLOGY (CHENGDU) CO., LTD. is included in the scope of consolidation.

(2) Number of unconsolidated subsidiaries: 8

The names of unconsolidated subsidiaries are as follows:

ULVAC GmbH

ULVAC SOFTWARE CREATIVE TECHNOLOGY, CO., LTD.

ULVAC Materials Taiwan, Inc.
NISSIN SEIGYO Co., LTD.
ULVAC (THAILAND) LTD.
ULVAC CRYOGENICS (NINGBO) INCORPORATED
ULVAC Research Center SUZHOU Co., Ltd.
FINE SURFACE TECHNOLOGY CO., LTD.

(3) Reason for excluding unconsolidated subsidiaries from the scope of consolidation

The unconsolidated subsidiaries are all small companies and do not have a material impact on the consolidated financial statements in terms of total assets, net sales, profit/loss, retained earnings, etc.

2. Application of equity method

(1) Number of unconsolidated subsidiaries accounted for by the equity method: none

(2) Number of associates accounted for by the equity method: 3

SHOWA SHINKU CO., LTD.
ULVAC AUTOMATION TAIWAN Inc.
ULVAC (NINGBO) CO., LTD.

REJ Co., Ltd. has been excluded from the scope of application of the equity method due to the sale of all shares of REJ during the current fiscal year.

(3) Unconsolidated subsidiaries (8 companies) and associates (5 companies) that are not accounted for by the equity method are excluded from the scope of application of the equity method because they do not have a material impact on consolidated profit/loss, retained earnings, etc., and are not significant as a whole.

3. Fiscal year, etc. of consolidated subsidiaries

Among the consolidated subsidiaries, the fiscal year closing date of ULVAC (SUZHOU) CO., LTD., ULVAC Orient (Chengdu) Co., Ltd., ULVAC Automation Technology (Shanghai) Corporation, ULVAC Tianma Electric (Jingjiang) Co., Ltd., ULVAC (Shenyang) Co., Ltd., ULVAC (CHINA) HOLDING CO., LTD., ULVAC (Shanghai) Trading Co., Ltd., ULVAC Materials (Suzhou) Co., Ltd., ULVAC VACUUM EQUIPMENT (SHANGHAI) CO., LTD., ULVAC Coating Technology (HEFEI) Co., Ltd., and ULVAC ORIENT TEST AND MEASUREMENT TECHNOLOGY (CHENGDU) CO., LTD. is December 31, and that of ULVAC KIKO, Inc., ULVAC Technologies, Inc., ULVAC SINGAPORE PTE LTD. and ULVAC MALAYSIA SDN. BHD. is March 31.

In preparing the consolidated financial statements, provisional financial statements prepared for consolidation as of the consolidated balance sheet date are used for consolidated subsidiaries of which the fiscal year closing date is December 31. Regarding consolidated subsidiaries of which the fiscal year closing date is March 31, financial statements as of the consolidated balance sheet date are used. However, necessary adjustments are made for significant transactions that occurred between their closing dates and the consolidated balance sheet date.

4. Accounting policies

(1) Valuation standards and methods for significant assets

Inventories

Mainly stated at cost determined by the specific identification method (balance sheet amount is calculated by writing down the book value of assets which decreased in profitability).

Securities

Available-for-sale securities

Other than stocks, etc. with no market price

Stated at fair value (valuation differences are booked directly in a separate component of net assets, and cost of securities sold is determined by the moving average method).

Stocks, etc. with no market price

Stated at cost determined by the moving-average method.

Derivatives

Stated at fair value

(2) Depreciation method for significant depreciable assets

Property, plant and equipment (excluding leased assets)

In addition to the declining-balance method, the straight-line method is used for our research and development division, Fuji Susono Plant, and property, plant and equipment for lease.

However, buildings (excluding facilities attached to buildings) acquired on or after April 1, 1998 are depreciated by the straight-line method, and facilities attached to buildings and structures acquired by domestic consolidated subsidiaries on or after April 1, 2016 are depreciated by the straight-line method.

Assets with an acquisition cost of 100,000 yen or more but less than 200,000 yen are depreciated in equal amounts over three years.

The useful lives of major assets are as follows.

Buildings and structures: 10 to 50 years

Machinery, equipment and vehicles: 4 to 13 years

Intangible assets (excluding leased assets)

The straight-line method is used.

However, software (for internal use) is amortized by the straight-line method over its useful life as internally determined (5 years).

Leased assets

The straight-line method is used, where the lease period is deemed as the useful life of the asset and the residual value is set as zero.

Foreign consolidated subsidiaries except for the U.S. have adopted IFRS 16 "Leases." For lessees of leases, in principle, all leases are recorded as assets and liabilities on the balance sheet, and the recorded assets are depreciated on a straight-line basis.

(3) Accounting policy for significant provisions

(i) Allowance for doubtful accounts

The allowance for doubtful accounts is provided for possible losses on receivables based on the historical write-off ratio for general receivables and on the estimated amount of uncollectible receivables based on a case-by-case determination of collectability for specific receivables such as highly doubtful receivables.

(ii) Provision for bonuses

To provide for the payment of bonuses to employees, an amount accrued for the current fiscal year among the estimated amount of bonus payments is recorded.

(iii) Provision for bonuses for directors (and other officers)

To provide for the payment of bonuses to directors and other officers, we accrue an estimated amount of bonuses to be paid.

(iv) Provision for product warranties

To provide for expenses related to warranties for products sold, we accrue an estimated amount of expenses to be incurred in and after the next fiscal year based on the historical rate of occurrence.

(v) Provision for loss on orders received

To provide for losses related to orders received for manufacturing equipment, we record estimated losses to be incurred in and after the next fiscal year for contracts in which losses are expected and the amount of the losses can be reasonably estimated.

(vi) Provision for share awards for directors (and other officers)

To provide for our payment of Company shares, etc. to directors, etc. based on the Directors' Share Benefit Regulations, we record an amount based on the estimated share benefit obligation at the end of the current fiscal year.

(4) Accounting methods for retirement benefits

(i) Method of attributing estimated retirement benefits to periods

For calculation of retirement benefit obligation, the estimated amount of retirement benefits is attributed to the period up to the end of the current fiscal year based on the benefit formula method.

(ii) Method of amortizing actuarial gains and losses and prior service cost

Prior service cost is amortized by the straight-line method over a fixed number of years (10 years) within the average remaining service period of employees at the time the cost is incurred.

Actuarial gains and losses are amortized by the straight-line method over a fixed number of years (10 years) within the average remaining service period of employees at the time the gains or losses are recognized in the fiscal year following the year in which they are recognized.

(5) Basis for recognition of significant revenues and expenses

(i) Main performance obligations of major businesses

The Group is classified into the Vacuum Equipment Business, which is based on vacuum technology and provides vacuum equipment represented by sputtering equipment for LCDs, organic EL production equipment, sputtering equipment for semiconductor manufacturing, vacuum pumps, measuring instruments and components, and the Vacuum Application Business, which is based on peripheral technologies of vacuum technology and provides sputtering target materials, analytical instruments, etc. Both businesses identify the provision of equipment, devices, and materials as the main performance obligation.

(ii) Normal point in time at which performance obligations are satisfied (normal point in time at which revenue is recognized)

In the provision of equipment in the Vacuum Equipment Business and Vacuum Application Business, those that create assets that cannot be assigned to other customers or to another use and for which we have the right to receive payment for completed performance obligations are considered to be performance obligations that will be satisfied over a specified period of time, and we estimate the progress towards satisfaction of performance obligations and recognize revenue based on the progress. The method of estimating the degree of progress for performance obligations to be satisfied over a certain period of time is calculated at the proportion of the cost incurred to the estimated total cost. Other than the above, revenue is recognized when control is transferred upon completion of acceptance inspection, etc. by the customer.

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 consideration for transactions is mainly received in advance from the time the order is received until the performance obligation is satisfied, or payment is required after the performance obligation is satisfied. Payments after satisfaction of performance obligations do not include a significant financial component, because they are due within one year from the time of satisfaction of the performance obligation.

(6) Standards for translation of significant foreign currency-denominated assets or liabilities into Japanese currency

Monetary receivables and payables denominated in foreign currencies are translated into Japanese yen at the spot exchange rates prevailing as of the balance sheet date, with translation differences recognized as gains or losses.

Assets and liabilities, and income and expenses of overseas subsidiaries are translated into yen at the spot exchange rates prevailing as of the balance sheet date, and the translation differences are included in the foreign currency translation adjustment and non-controlling interests in net assets.

(7) Scope of cash and cash equivalents in consolidated statements of cash flows

Cash on hand, demand deposits, and short-term investments with maturities of three months or less from the time of acquisition that can be withdrawn on demand and are exposed to insignificant risk of price fluctuations.

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 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.

The method of estimating the degree of progress for performance obligations to be satisfied over a certain period of time is calculated at the proportion of the cost incurred to the estimated total cost.

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 beginning of the current fiscal year, was added to or subtracted from the opening balance of retained earnings of the current fiscal year, and thus the new accounting policy is applied from such opening balance.

As a result of this change, net sales and cost of sales decreased 141 million yen and 365 million yen, respectively, and operating profit, ordinary profit, and profit before income taxes each increased by 225 million yen in the current fiscal year. 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 current fiscal year. Advances received recorded under current liabilities has been changed to contract liabilities from the current fiscal year. In addition, in the consolidated statement of cash flows for the previous fiscal year, increase (decrease) in advances received recorded under cash flows from operating activities has been changed to increase (decrease) in contract liabilities from the current fiscal year, onward.

Application of Accounting Standard for Fair Value Measurement, etc.

The Company has adopted the “Accounting Standard for Fair Value Measurement” (ASBJ Statement No. 30, July 4, 2019) and relevant ASBJ regulations from the beginning of the current fiscal year, and have adopted 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). This change has no effect on the consolidated financial statements.

Segment information, etc.

Segment information

1. Overview of reportable segments

Our reportable segments are our components for which separate financial information is available and are subject to periodic review by the highest management decision-making body to determine the allocation of management resources and evaluate their performance.

We are composed of product and service segments based on business units, with “Vacuum Equipment Business” and “Vacuum Application Business” as reportable segments.

The Vacuum Equipment Business consists of products such as sputtering equipment for LCDs, organic EL production equipment, sputtering equipment for semiconductor production, roll coater, vacuum pumps, and measuring equipment, and we develop, manufacture, sell, and provide maintenance services for these products.

The Vacuum Application Business consists of vacuum-applied products such as sputtering target materials and analytical instrument-related products, and we develop, manufacture, sell, and provide maintenance services for these products.

2. Calculation of net sales, profit or loss, assets, and other items by reportable segment

The accounting method for reported business segments is generally the same as that described in “Significant matters that serve as the basis for preparing consolidated financial statements.”

Profit by reportable segment is based on operating profit.

Intersegment revenues and transfers are based on prevailing market prices.

3. Information on net sales, profit or loss, assets, and other items by reportable segment and breakdown of income

Previous fiscal year (from July 1, 2020 to June 30, 2021)

	Reportable segments			Adjustments (Note 1)	Recorded amount in consolidated financial statements (Note 2)
	Vacuum Equipment Business	Vacuum Application Business	Total		
Net sales					
Sales to external customers	151,269	31,742	183,011	–	183,011
Intersegment sales or transfers	3,217	1,744	4,961	(4,961)	–
Total	154,486	33,485	187,972	(4,961)	183,011
Segment profit	15,557	2,146	17,703	(507)	17,197
Segment assets	244,031	45,171	289,203	3,558	292,761
Other Items					
Depreciation	6,577	1,821	8,397	(12)	8,386
Increase in property, plant and equipment and intangible assets	8,481	1,487	9,968	–	9,968

Notes: 1. Adjustments are as follows:

(1) Adjustments to net sales, segment profit, and depreciation represent elimination of intersegment transactions.

(2) Adjustment of segment assets is long-term investment assets (investment securities), etc.

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

Current fiscal year (From July 1, 2021 to June 30, 2022)

(Millions of yen)

	Reportable segments			Adjustments (Note 1)	Recorded amount in consolidated financial statements (Note 2)
	Vacuum Equipment Business	Vacuum Application Business	Total		
Net sales					
Goods or services transferred at a point in time	71,836	32,638	104,474	–	104,474
Goods or services transferred over time	128,262	8,524	136,787	–	136,787
Revenue from contracts with customers	200,098	41,162	241,260	–	241,260
Sales to external customers	200,098	41,162	241,260	–	241,260
Intersegment sales or transfers	3,934	2,137	6,070	(6,070)	–
Total	204,032	43,299	247,331	(6,070)	241,260
Segment profit	27,129	2,930	30,060	1	30,061
Segment assets	298,347	53,475	351,822	2,482	354,304
Other Items					
Depreciation	6,556	2,042	8,598	(11)	8,587
Increase in property, plant and equipment and intangible assets	9,696	1,351	11,047	–	11,047

Notes: 1. Adjustments are as follows:

- (1) Adjustments to net sales, segment profit, and depreciation represent elimination of intersegment transactions.
 - (2) Adjustment of segment assets is long-term investment assets (investment securities), etc.
2. Segment profit is adjusted with operating profit in the consolidated statement of income.
 3. The amount of revenue other than revenue from contracts with customers is not presented separately from revenue from contracts with customers, because it is not material.

Related information

Previous fiscal year (From July 1, 2020 to June 30, 2021)

1. Information by product and service

Description is omitted, because the product and service categories are the same as the reportable segment categories.

2. Information by region

(1) Net sales

(Millions of yen)

Japan	China	South Korea	Others	Total
65,504	62,748	25,357	29,401	183,011

Note: Net sales are based on the location of customers and are classified by country or region.

(2) Property, plant and equipment

(Millions of yen)

Japan	China	Others	Total
47,510	8,392	10,185	66,086

3. Information by major customer

Information is omitted, because sales to specific customers do not account for 10% or more of net sales on the consolidated statements of income.

Current fiscal year (From July 1, 2021 to June 30, 2022)

1. Information by product and service

Description is omitted, because the product and service categories are the same as the reportable segment categories.

2. Information by region

(1) Net sales

(Millions of yen)

Japan	China	South Korea	Taiwan	Others	Total
72,741	89,858	35,269	29,201	14,191	241,260

Note: Net sales are based on the location of customers and are classified by country or region.

(2) Property, plant and equipment

(Millions of yen)

Japan	Others	Total
46,683	18,312	64,995

3. information by major customer

Information is omitted, because sales to specific customers do not account for 10% or more of net sales on the consolidated statements of income.

[Information on impairment losses on non-current assets by reportable segment]

Previous fiscal year (From July 1, 2020 to June 30, 2021)

Not applicable.

Current fiscal year (From July 1, 2021 to June 30, 2022)

(Millions of yen)

	Vacuum Equipment Business	Vacuum Application Business	Total
Impairment loss	333	2,758	3,090

[Information on amortization of goodwill and unamortized balance by reportable segment]

Previous fiscal year (From July 1, 2020 to June 30, 2021)

Not applicable.

Current fiscal year (From July 1, 2021 to June 30, 2022)

Not applicable.

[Information on gain on bargain purchase by reportable segment]

Previous fiscal year (From July 1, 2020 to June 30, 2021)

Not applicable.

Current fiscal year (From July 1, 2021 to June 30, 2022)

Not applicable.

Per share information

	Previous fiscal year (from July 1, 2020 to June 30, 2021)	Current fiscal year (from July 1, 2021 to June 30, 2022)
Net assets per share	3,388.87 yen	3,837.17 yen
Basic earnings per share	301.12 yen	410.37 yen

Notes: 1. Diluted earnings per share are not stated, as there are no dilutive shares.

2. Basis for calculation of basic earnings per share is as follows:

	Previous fiscal year (from July 1, 2020 to June 30, 2021)	Current fiscal year (from July 1, 2021 to June 30, 2022)
Basic earnings per share		
Profit attributable to owners of parent (Millions of yen)	14,830	20,211
Amount not attributable to common shareholders (Millions of yen)	-	-
Profit attributable to owners of parent related to common stock (Millions of yen)	14,830	20,211
Average number of shares of common stock during the fiscal year (thousand shares)	49,249	49,249

Note: Our shares remaining in the "Board Benefit Trust (BBT)," which are recorded as treasury shares in shareholders' equity, are included in treasury shares deducted from the total number of shares outstanding at the end of the period for the calculation of net assets per share. The number of such treasury shares at the end of the fiscal year deducted in the calculation of net assets per share was 97 thousand shares for the previous fiscal year and 97 thousand shares for the current fiscal year. In the calculation of basic earnings per share, they are included in treasury shares which is deducted in the average number of shares outstanding during the period. The average number of such treasury shares deducted in the calculation of basic earnings per share for the period was 97 thousand shares for the previous fiscal year and 97 thousand shares for the current fiscal year.

Significant subsequent events

Not applicable.