

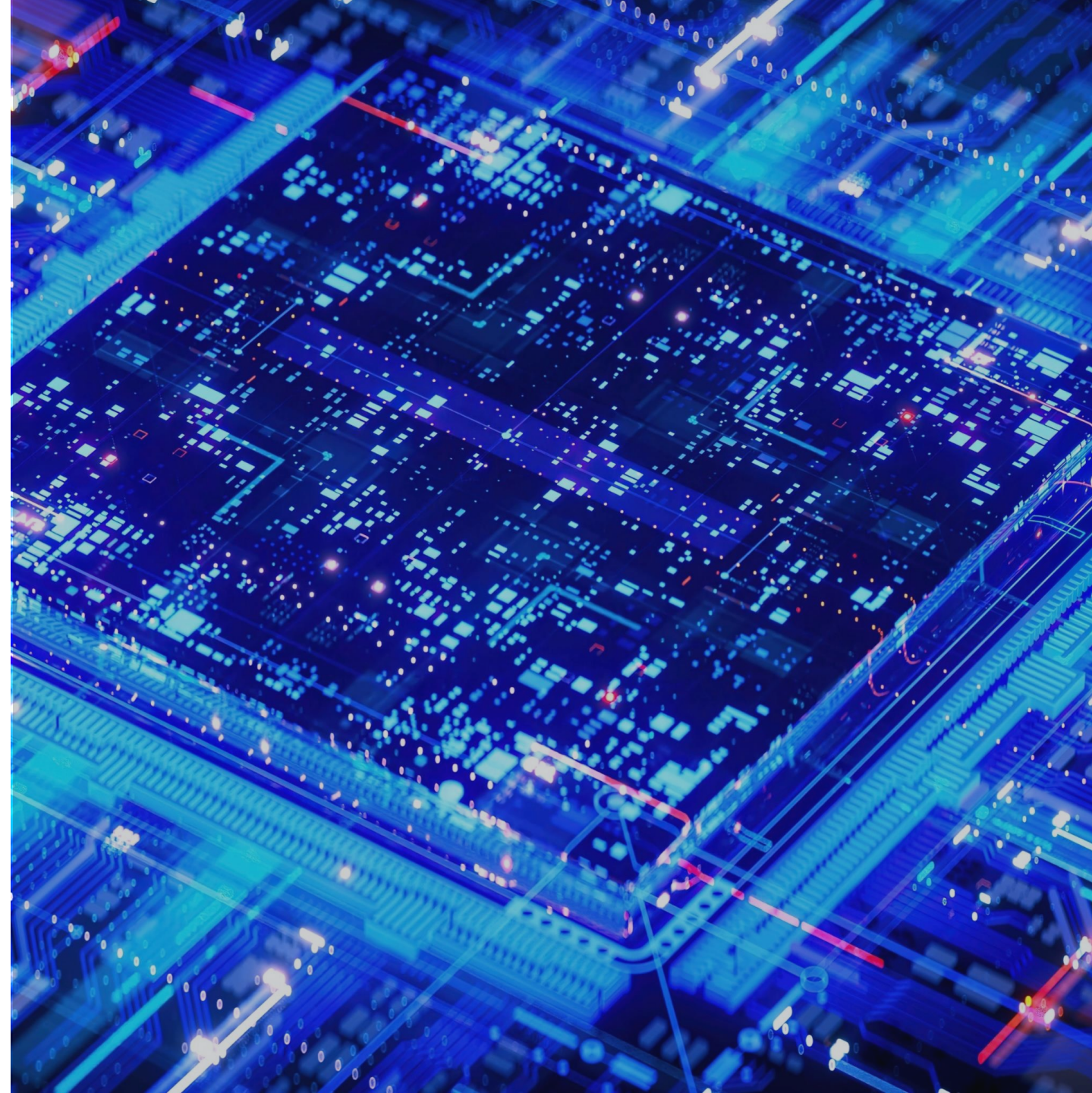


ULVAC, Inc.

**FY2024/6
Business Results**

(July 2023 - Jun 2024)

Aug.13, 2024





Disclaimer regarding forward-looking statements etc.

■ Forward-looking statements

Forward-looking statements of the company in this presentation are based on information that was available at the time these documents were prepared. There are several factors that directly or indirectly impact the company performance, such as the global economy; market conditions for FPDs, semiconductor, electronic devices, and raw Materials; trends in capital expenditures and fluctuations in exchange rates. Please note that actual business results may differ significantly from these forecasts and future projections.

■ Processing of numbers

Figures and percentages in this document have been rounded to the nearest unit.

■ Product Category Change

The name of “FPD production equipment” has been changed to “Display and Energy-Related Production Equipment”.

This document has been translated from the Japanese initial for reference purposes only. In the event of any discrepancy between this translated document and the Japanese initial, the initial shall prevail.

■ Consolidated Financial Results for FY24/6

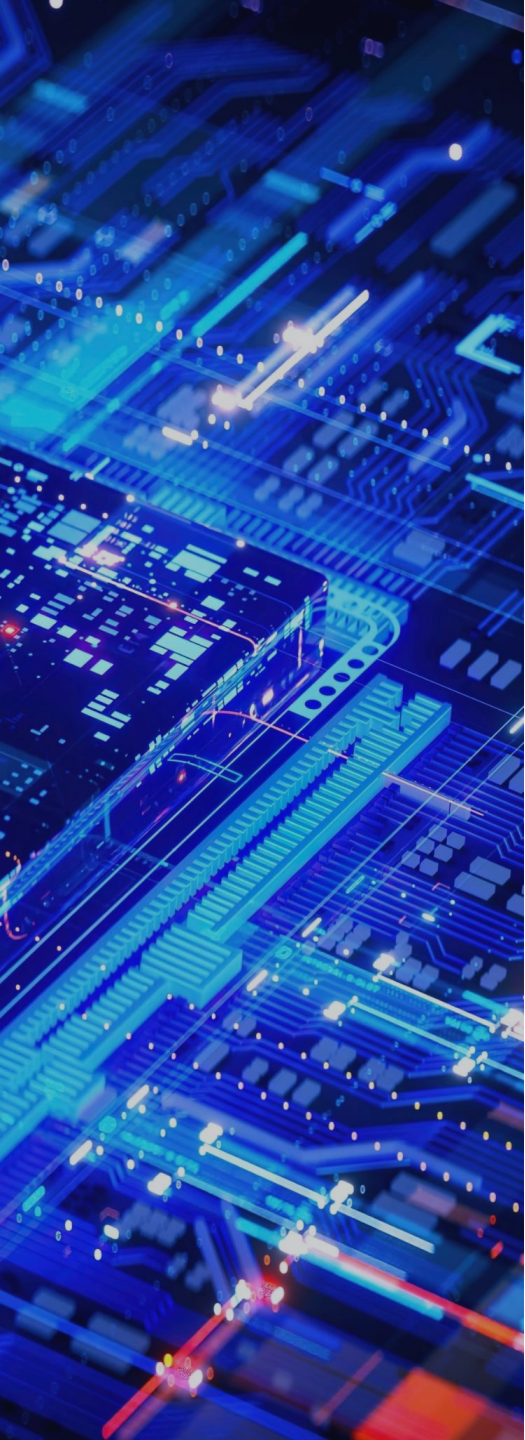
- Orders received, Net sales, and each profit item significantly exceeded YoY and the plan.
- Net sales: ¥261.1 billion, Gross profit margin: 30.9% ⇒ **Highest level since listing**
- FY24/6 dividend of ¥144 (+¥30 vs. previous forecast) ⇒ **Record high**

■ Forecast of Consolidated Financial Results for FY25/6

- Orders received: ¥270 billion, Net sales: ¥275 billion, Operating Profit: ¥34.5 billion
- Gross profit margin plan: 32.4%, Operating profit margin plan: 12.5%

■ Mid-Term Management Plan

- FY26/6 target: Net sales of ¥300 billion, Gross profit margin of 35%, and Operating profit (profit margin) of ¥48 billion (16%) remain unchanged.
- Continue to improve productivity and profit margins by strengthening manufacturing capabilities
- Continue R&D investment for growth



FY24/6 Business Results

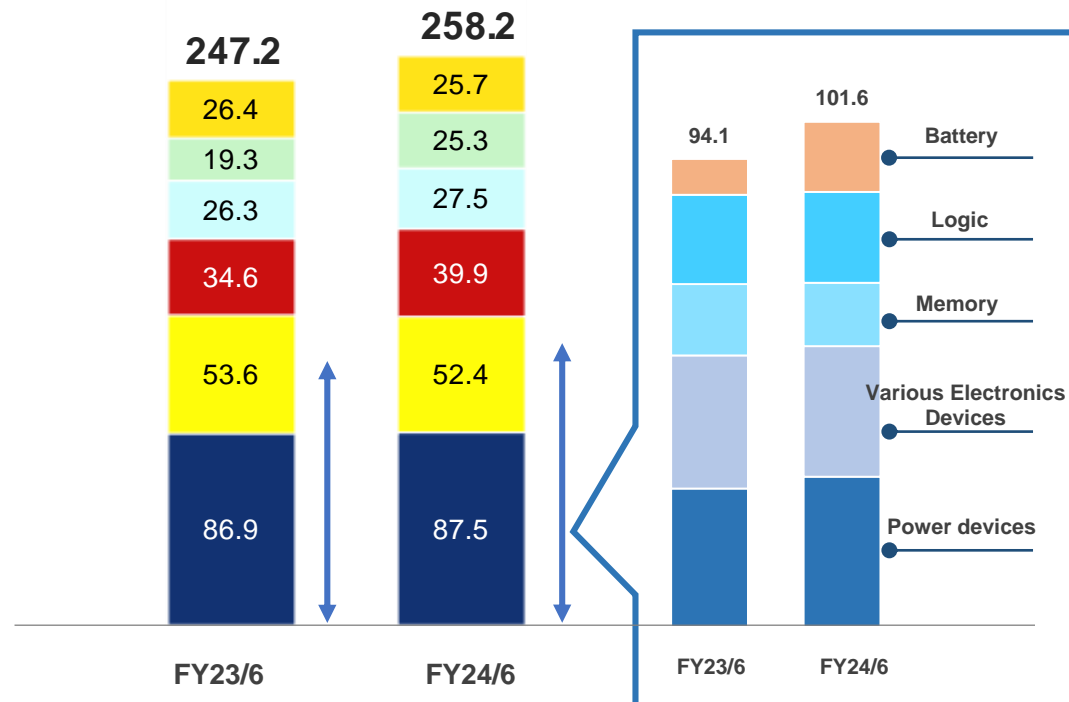
- Orders received, Net sales, and each profit item significantly exceeded both the previous year and the plan.
- Net sales: ¥261.1 billion, Gross profit margin: 30.9% ⇒ **Highest level since listing**
- FY24/6 dividend of ¥144 (+¥30 vs. previous forecast) ⇒ **Record high**

Unit: ¥1 billion	FY23/6 Actual	FY24/6					
		Plan	Actual	YoY		Vs.Plan	
				Amount	%	Amount	%
Orders Received	247.2	250.0	258.2	+11.0	+4%	+8.2	+3%
Net Sales	227.5	245.0	261.1	+33.6	+15%	+16.1	+7%
Gross Profit	67.2	-	80.7	+13.5	+20%	-	-
Gross Profit Margin	29.5%	-	30.9%	+1.4pt	-	-	-
SG&A	47.2	-	50.9	+3.7	+8%	-	-
Operating Profit	19.9	23.0	29.8	+9.8	+49%	+6.8	+29%
Operating Profit Margin	8.8%	9.4%	11.4%	+2.6pt	-	+2.0pt	-
Profit attributable to owners of parent	14.2	16.0	20.2	+6.1	+43%	+4.2	+26%
To net sales ratio	6.2%	6.5%	7.7%	+1.5pt	-	+1.2pt	-
Dividend per share(Yen)	109		144	+35			

- Orders received: Increased YoY due to **increased investment in Power devices, Batteries and Materials**
- Net sales: ¥261.1 billion, **the highest level since the company listing**, due to an increase in Orders received and the contribution of a high level of order backlog

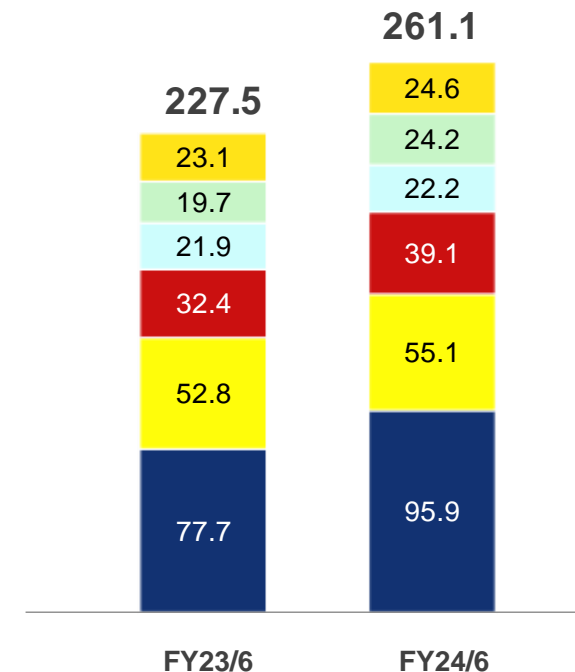
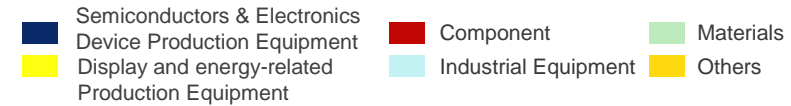
Orders Received

Unit: ¥1 billion



Net Sales

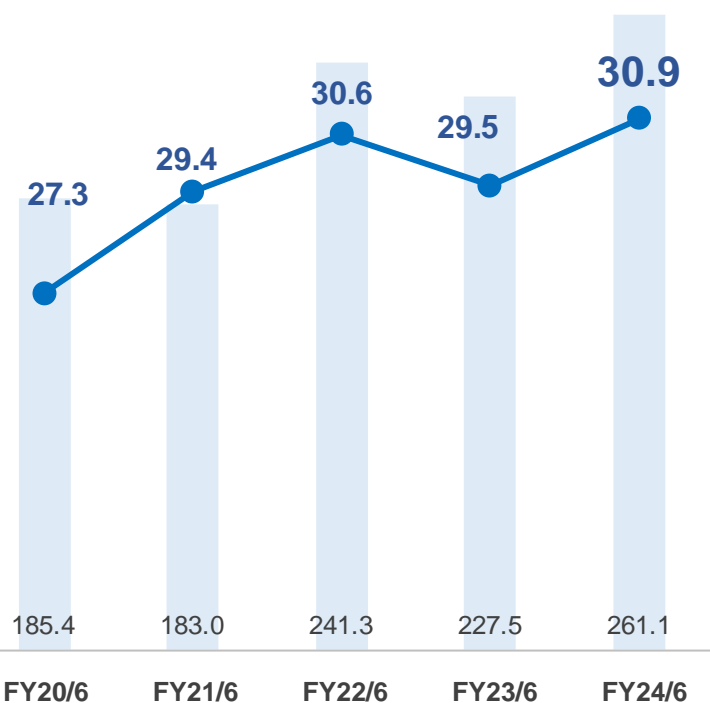
Unit: ¥1 billion



- Gross profit margin: 30.9%, **the highest level since listing**, due to increased Net sales, improved mix, etc.
- Operating profit margin: In addition to an improvement in Gross profit margin, the SG&A expense ratio also declined, resulting in **a significant improvement**.

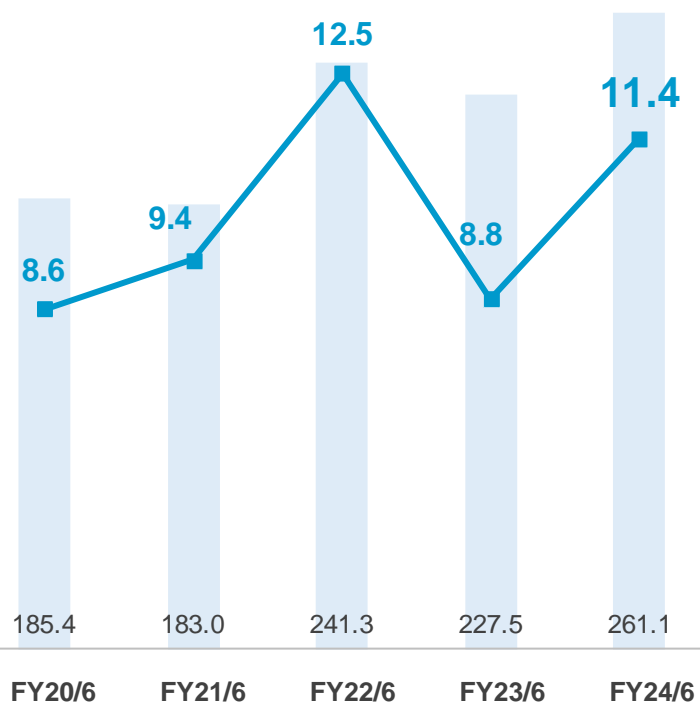
Gross Profit Margin

Net Sales (Unit: ¥1 billion, %)
Gross Profit Margin



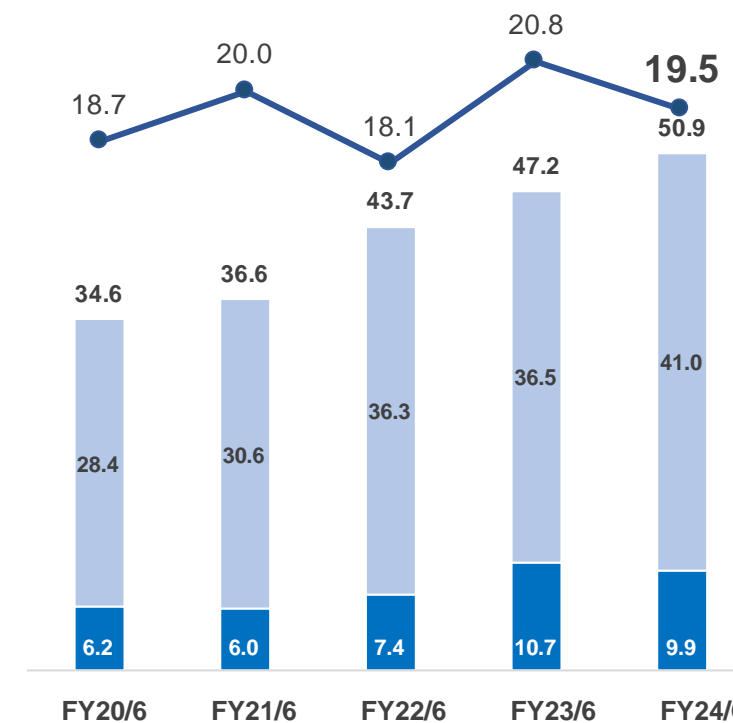
Operating Profit Margin

Net Sales (Unit: ¥1 billion, %)
Operating Profit Margin



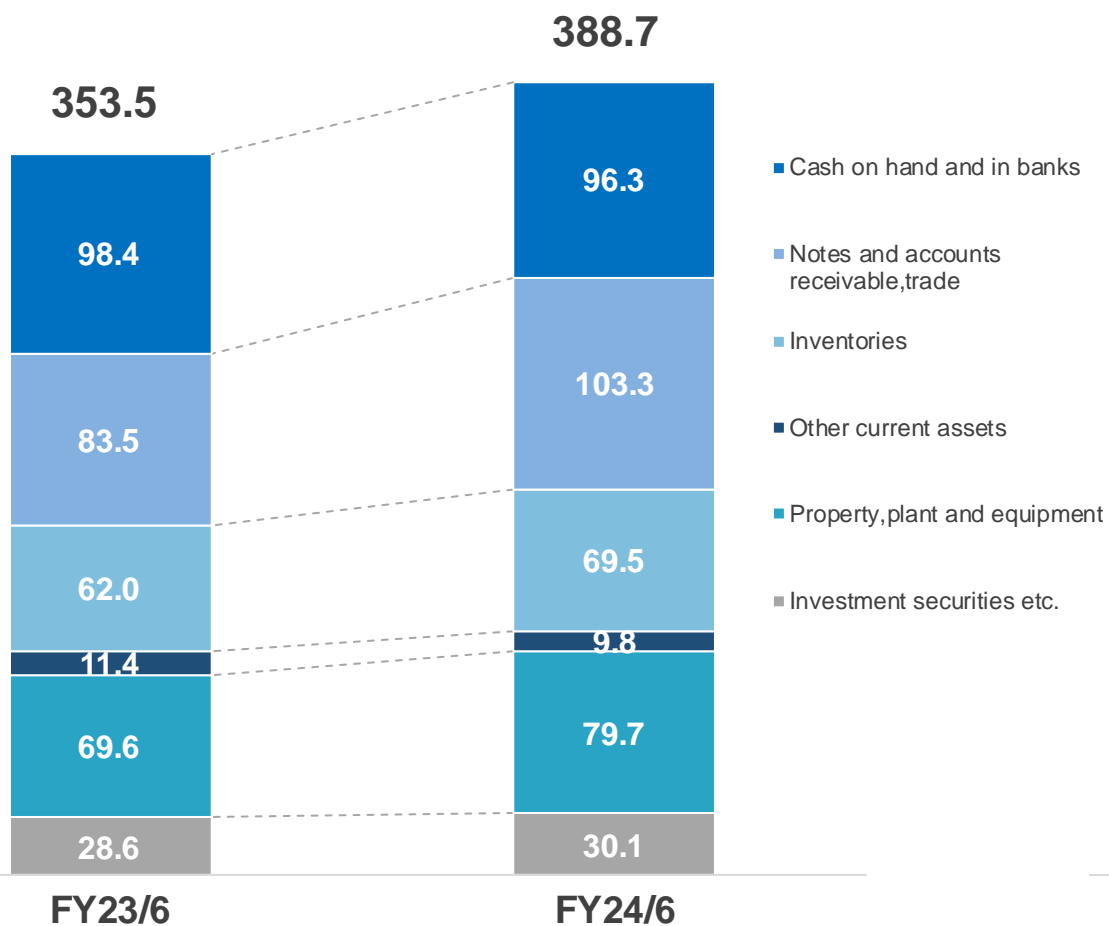
S.G.&A. Expenses (%)

SG&A Expenses (Unit: ¥1 billion, %)
R&D Expenses
SG&A Expenses to Net sales ratio



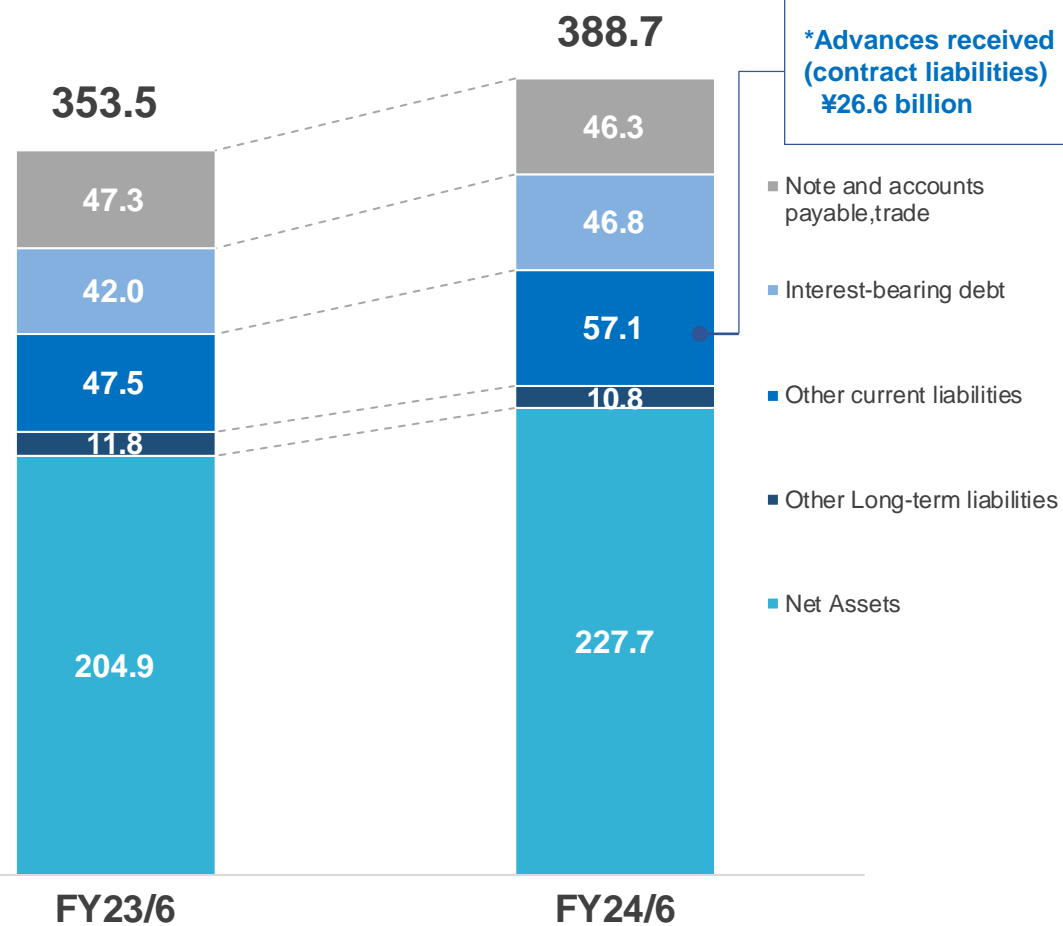
Assets

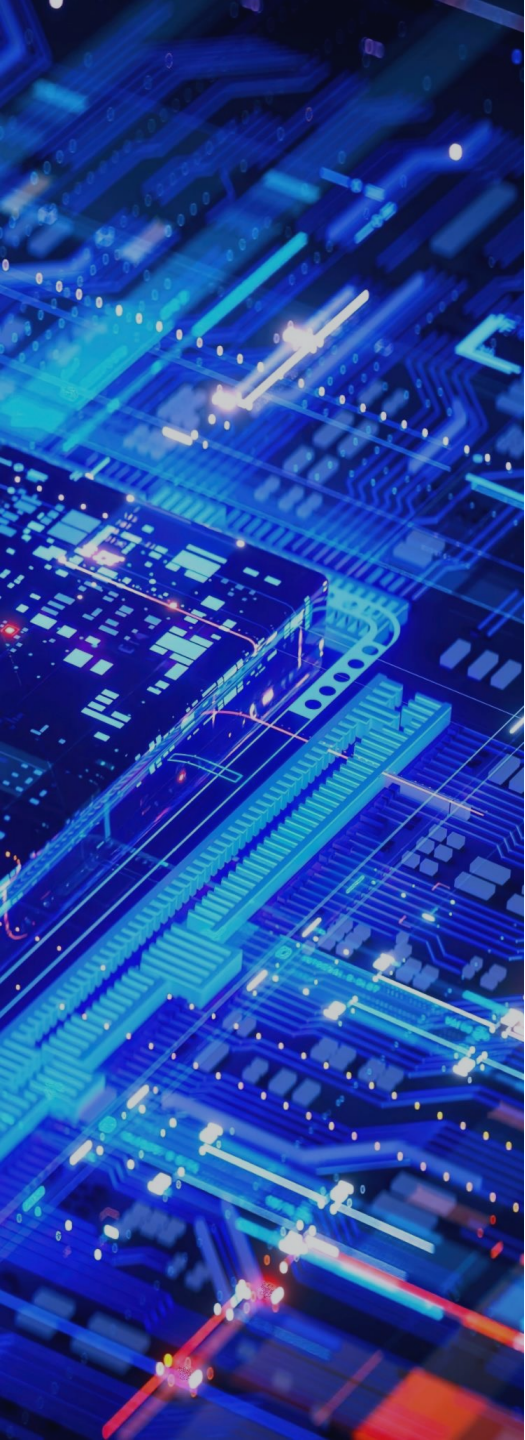
Unit: ¥1 billion



Liabilities and Net Assets

Unit: ¥1 billion





Review of Mid-Term Management Plan and FY25/6 Consolidated Earnings Forecast

- Mid-term management plan targets (FY26/6): Net sales of ¥300 billion and Operating profit margin of ¥48 billion (16%) remain unchanged.

Basic Policy

- Creating Social Value Through Vacuum Technology
- Enhancing Profit and Capital Efficiency Oriented Management

Priority Strategies

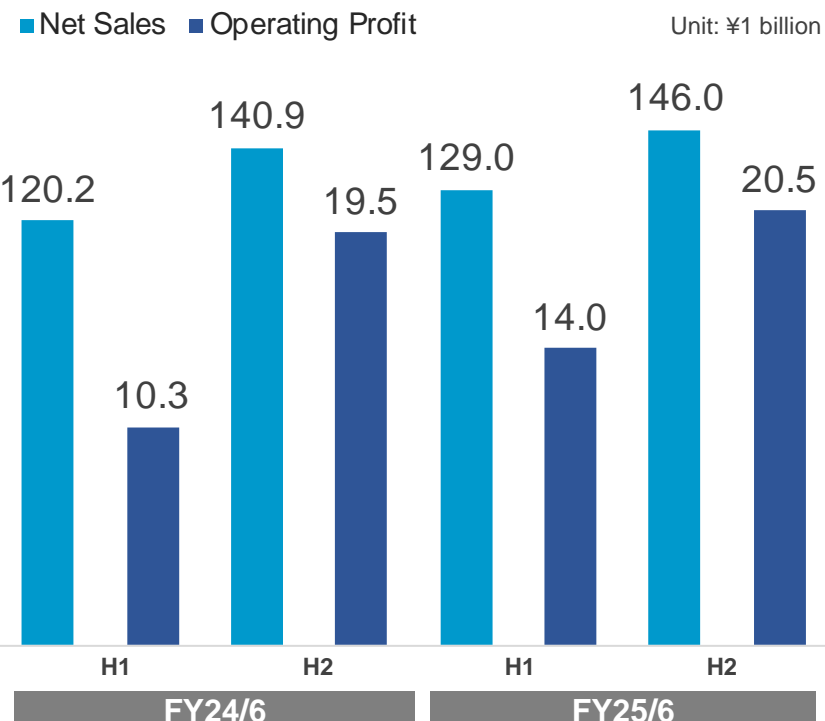
1. Strengthening Product Competitiveness in Growth Businesses
2. Improving Global Productivity
3. Strengthening Management Base

	FY23/6 Actual	FY24/6 Actual	FY25/6 Plan	FY26/6 Target
Net Sales	¥227.5 billion	¥261.1 billion	¥275.0 billion	¥300.0 billion
Gross Profit Margin	29.5%	30.9%	32.4%	35%
Operating Profit Margin(%)	¥19.9 billion (8.8%)	¥29.8 billion (11.4%)	¥34.5 billion (12.5%)	¥48.0 billion (16%)
ROE	7.3%	9.7%	10.1%	14%

- Orders received: **¥270.0 billion (+5% YoY)** due to recovery of investment in Semiconductors (Memory and Logic) and full-scale investment in OLEDs.
- Net sales: **¥ 275.0 billion (+5% YoY)**, mainly due to increased Orders received and contribution from high level of backlog
- Operating profit margin: **12.5% (+1.1 pt YoY)**
- Expect to increase both sales and income in 1H and 2H FY25/6 YoY.

	FY24/6	FY25/6 Plan					
	Actual	H1	H2	Full Year	YoY		
Unit: ¥1 billion							
Orders Received	258.2	134.0	136.0	270.0	+11.8	+5%	
Net Sales	261.1	129.0	146.0	275.0	+13.9	+5%	
Operating Profit	29.8	14.0	20.5	34.5	+4.7	+16%	
Operating Profit Margin	11.4%	10.9%	14.0%	12.5%	+1.1pt	-	
Profit attributable to owners of parent	20.2	9.0	14.0	23.0	+2.8	+14%	
To net sales ratio	7.7%	7.0%	9.6%	8.4%	+0.6pt	-	

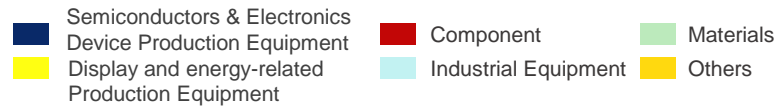
Net Sales and Operating Profit



- Orders received: ¥270.0 billion due to recovery of investment in Semiconductors (Memory and Logic), full-scale investment in OLEDs, and increases in Components (Leak Test Equipment, etc.) and Others (Surface Analysis Systems etc.)
- Net sales: ¥275.0 billion mainly due to increase in Orders received and contribution from high level of order backlogs

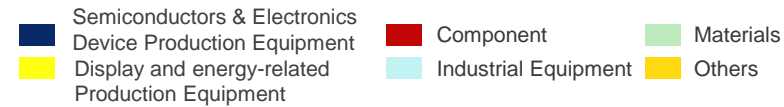
Orders Received

Unit: ¥1 billion



Net Sales

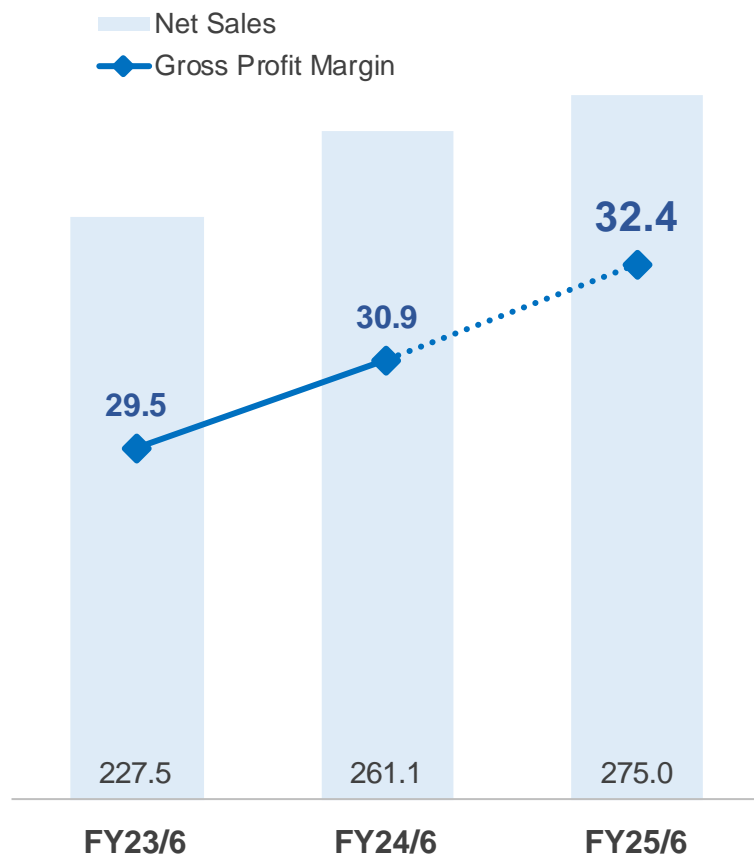
Unit: ¥1 billion



- Gross profit margin will steadily improve due to higher Net sales and the mix effect from the increased ratio of Semiconductors and Electronics.
- Operating profit margin is also expected to improve

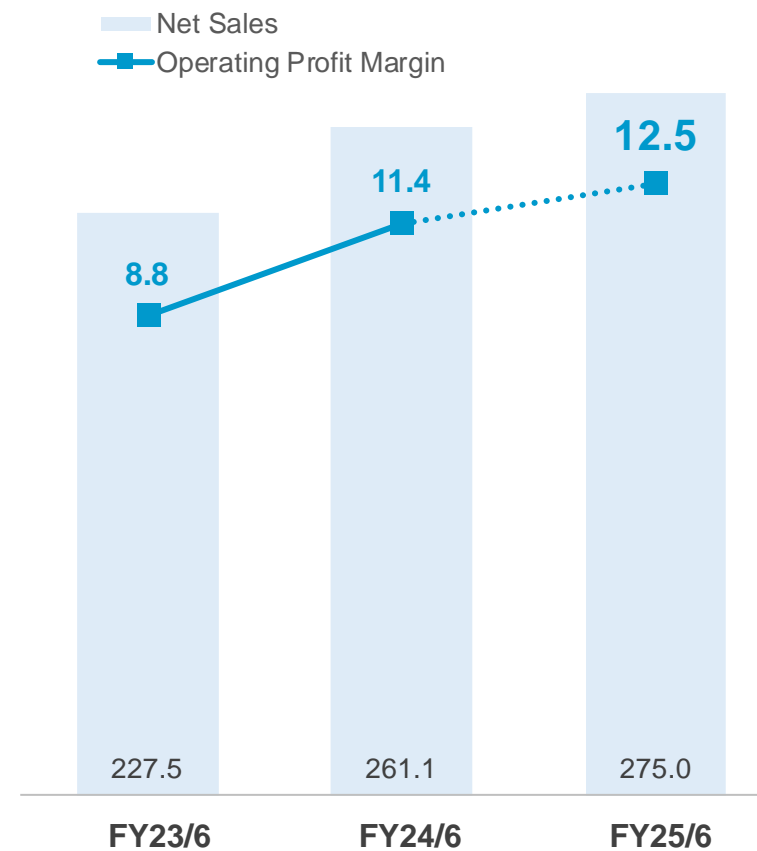
Gross Profit Margin

(Unit: ¥ 1 billion, %)



Operating Profit Margin

(Unit: ¥ 1 billion, %)



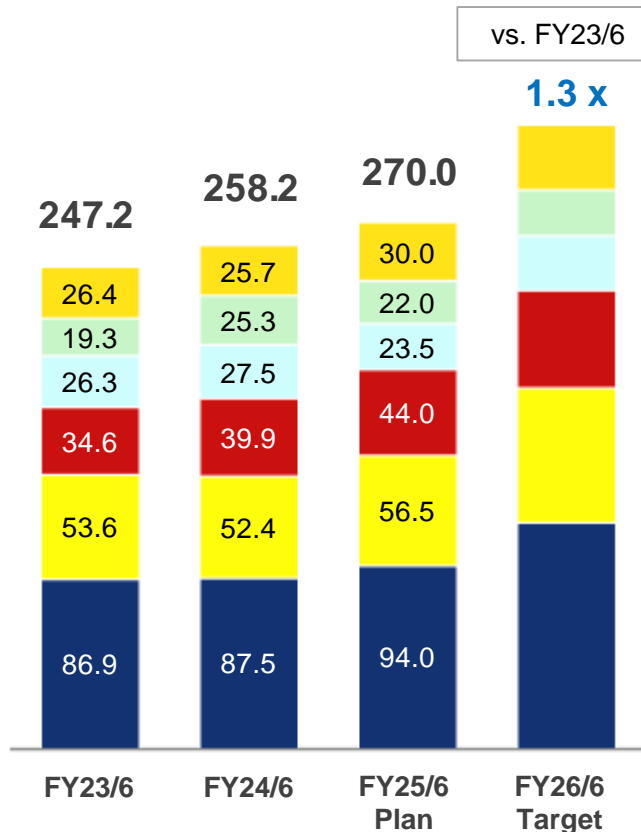
5 Orders Received Plan (Growth Driver)

- Growth driven by OLEDs for IT panels, Leak test equipment (Components), and Surface analysis system (Others), in addition to recovery of investment in Semiconductors (Memory and Logic), entry into new processes, and Batteries, etc.
- Accelerate growth from FY25/6 to FY26/6

Orders Received Plan

Unit: ¥1 billion

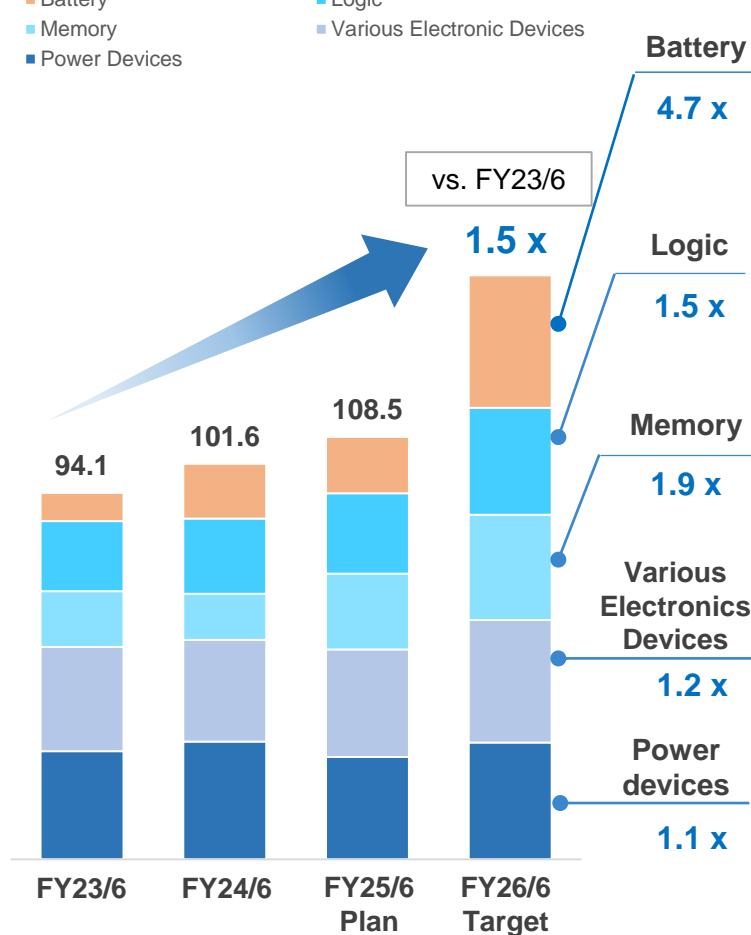
- Semiconductors & Electronics Device Production Equipment
- Component
- Materials
- Display and energy-related Production Equipment
- Industrial Equipment
- Others



Growth Driver Orders Received Plan

Unit: ¥1 billion

- Battery
- Logic
- Memory
- Various Electronic Devices
- Power Devices

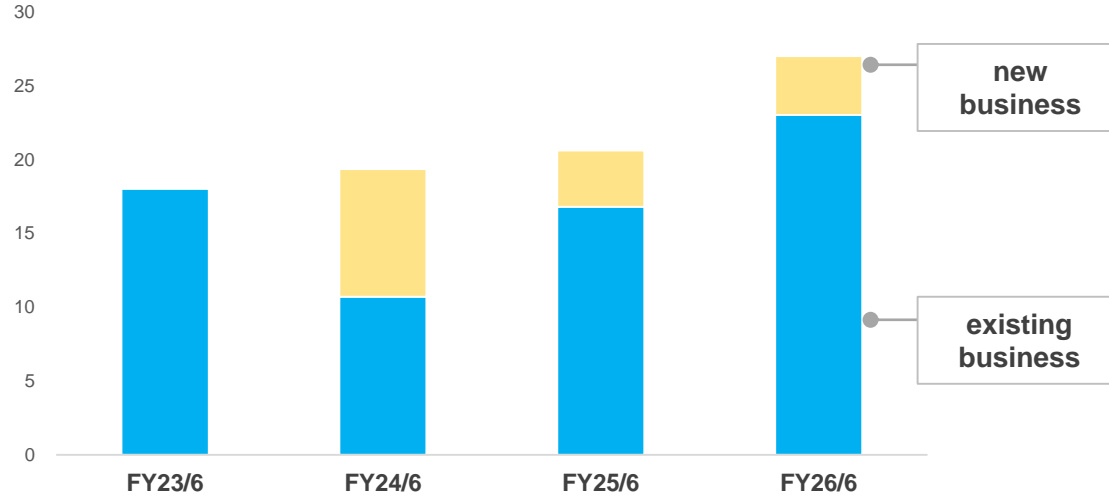


- Battery** 4.7 x
 - > Full-scale adoption of EVs Batteries for vehicles is expected in FY26/6 ⇒ Expand along with full-scale investment
- Logic** 1.5 x
 - > Adoption of new customers in the MHM process
 - > In addition to a recovery in Logic investment, growth driven by entry into new processes.
 - > Continued investment in legacy Semiconductors
- Memory** 1.9 x
 - > Growth due to recovery in investment in DRAM and NAND, etc. , as well as entry into new processes
- Various Electronic Devices** 1.2 x
 - > Continued investment in technological innovation and increased production in Packaging (WLP+PLP), Sensors, MEMS, μOLEDs, etc.
- Power devices** 1.1 x
 - > Due to a slow down in EVs growth, Full-scale investment is expected from FY27/6 onward ⇒ Growth by SiC: wafer size up and structural change

- Steady growth in memory (DRAM and NAND) and Logic due to investment recovery, new customer development, and entry into new processes

Logic Order Plan

Unit: ¥1 billion



- > **New Business:**
 - Acquiring new customers for the MHM process
 - Adoption of Transistor related process (FEOL)
 - Expansion of wiring related processes (expectation as a second vendor)

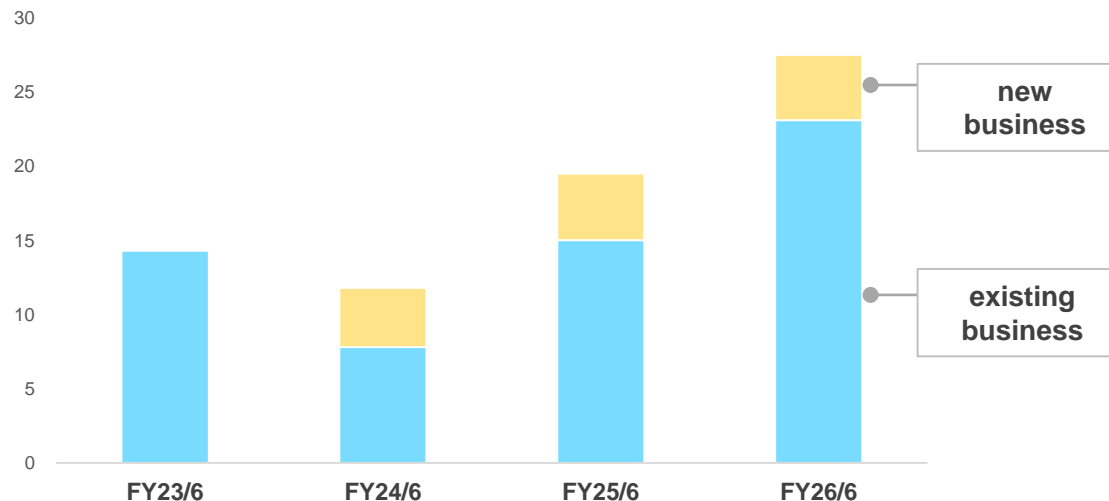
- > **Existing business:**

Slow down of investment in FY24/6 ⇒ Recovery from FY25/6

Legacy business ⇒ Continued investment for production expansion

Memory Order Plan

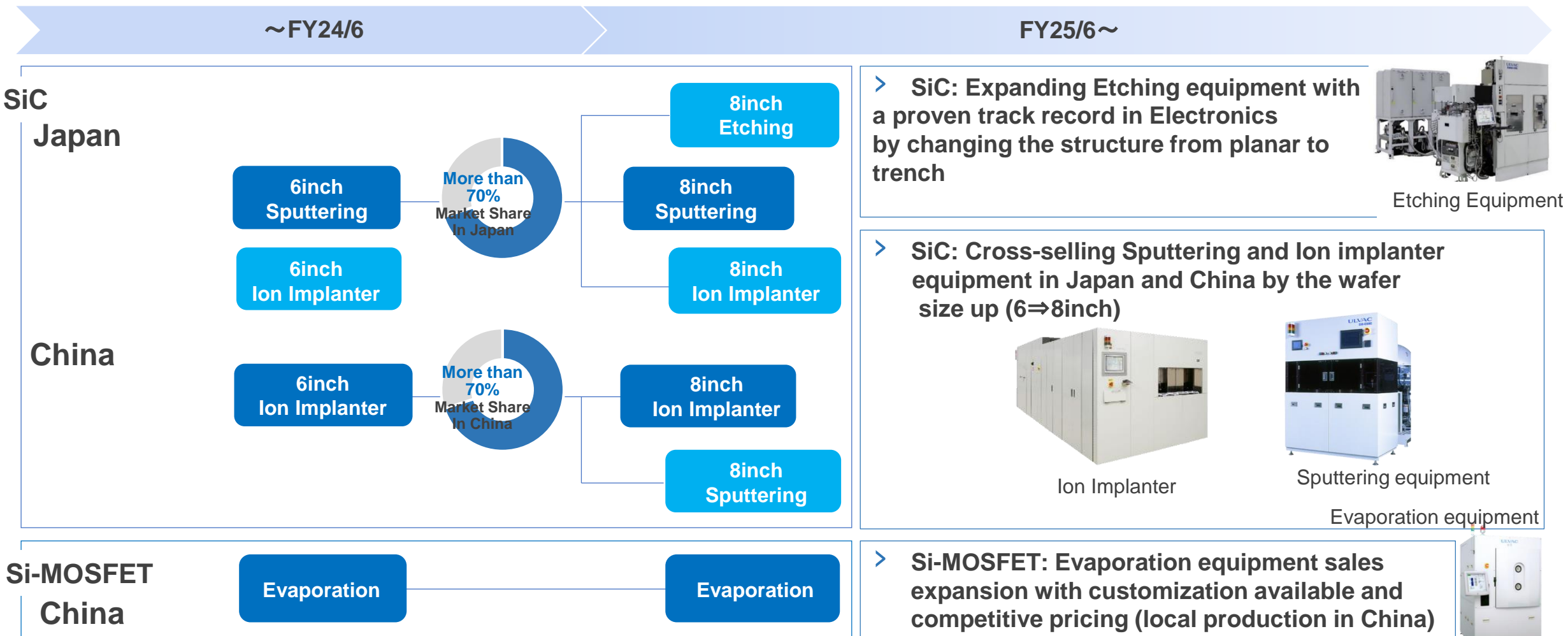
Unit: ¥1 billion



- > **New Business:**
 - Adoption of DRAM, HBM process, etc.
 - Expansion of wiring related processes (second vendor expected)

- > **Existing Business:** Investment recovery from FY25/6 in both DRAM and NAND

- Due to a slow down in EV growth, full-scale investment in **8 inch SiC** is expected in **FY27/6 and onward**
- (1) Japan: Sputtering equipment and China: Ion Implanter and Etching systems, in addition to (2) Japan: Ion Implanter and Etching systems, which have a high market share, China: Aiming to **expand sales of Sputtering equipment through cross-selling**



- Expect investment for this year to be in the same level YoY, but **full-scale investment will begin in FY26/6** along with the adoption of EVs Batteries for vehicles.
- **Growth through (1) productivity improvement by wider film width (aluminum), (2) correspondence to anode current collector (copper), and (3) development of anode for next-generation batteries (lithium)**

Double-sided Evaporation Roll to Roll Equipment for EV Batteries

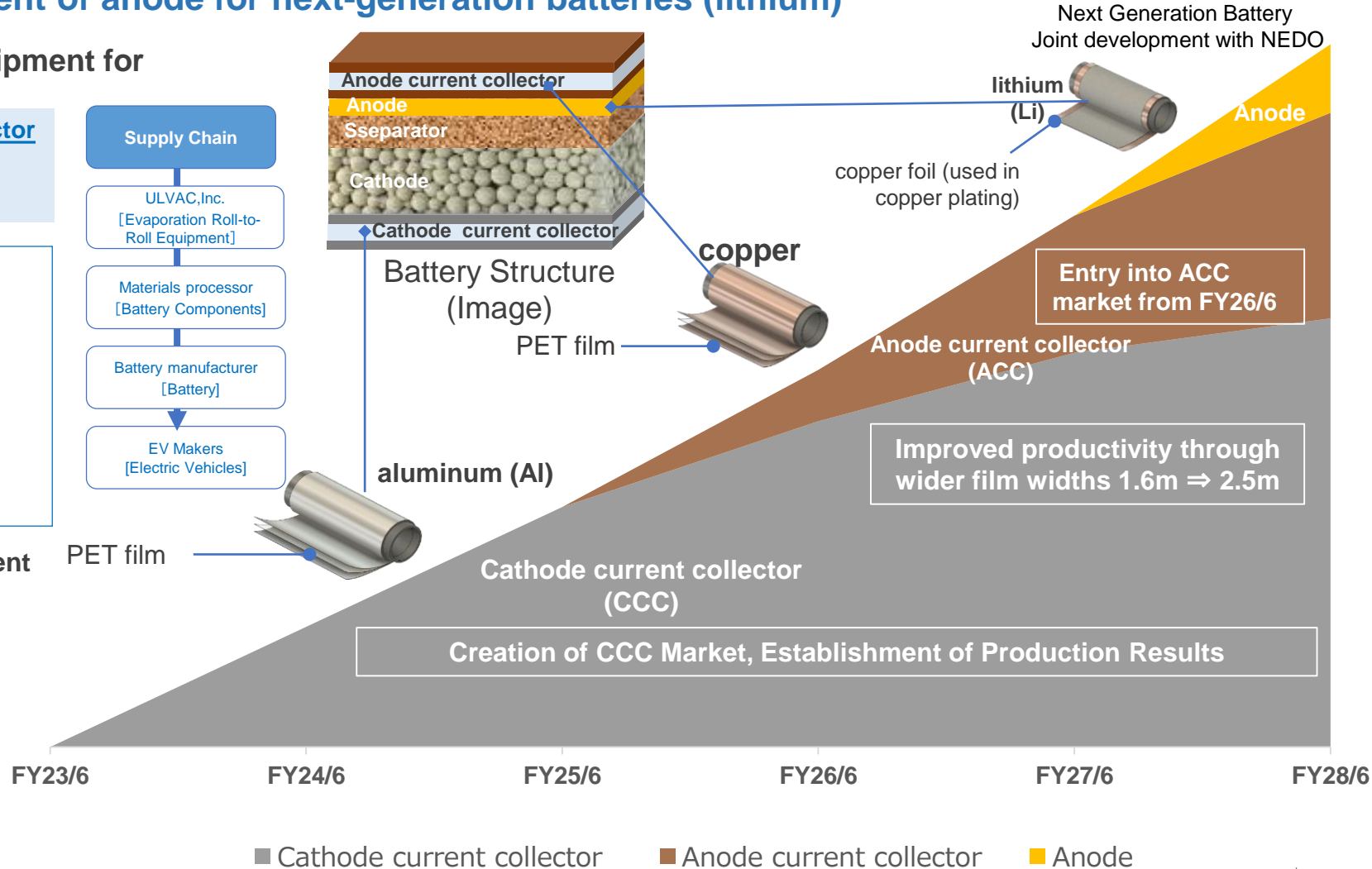
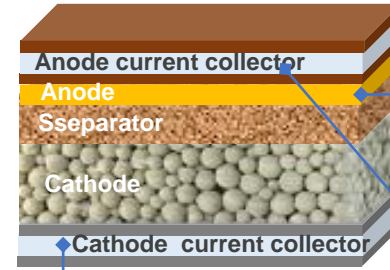
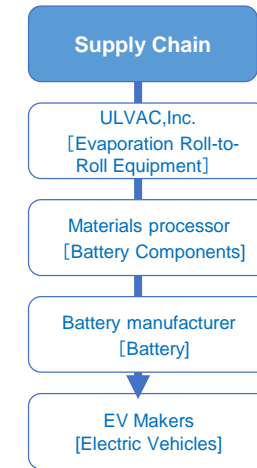
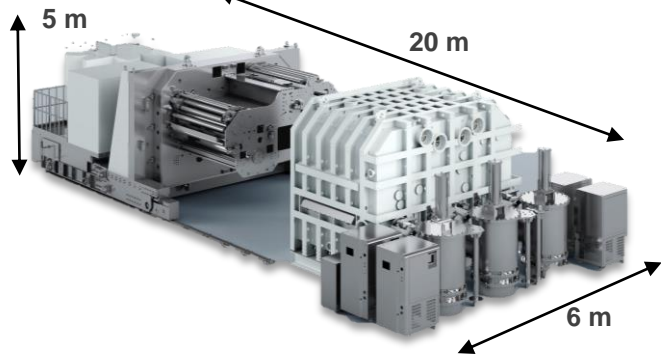
Effect of double-sided evaporation film current collector

- (1) Improved safety (2) Smaller and lighter
- (3) Material cost reduction (4) GHG reduction

Advantages

- Technical capabilities and reliability cultivated through Evaporation Roll-to-Roll Equipment for automotive film capacitors
- **High productivity** by double-sided batch and thick film deposition
- High-speed, long-length deposition with thermal damage suppression

Double-sided Evaporation Roll-to-Roll Equipment



■ Cathode current collector ■ Anode current collector ■ Anode

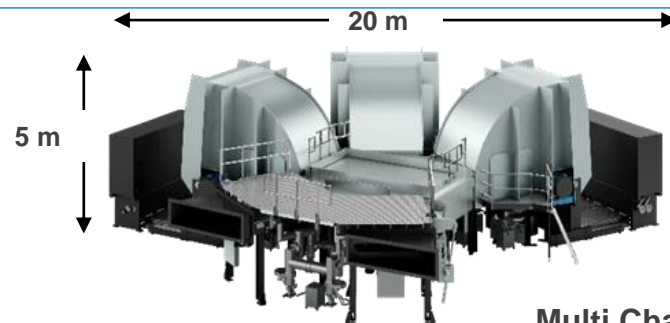
- Full-scale investment in mass production of OLEDs (G8.7 class) for IT panels (tablets and PC)
⇒ Business opportunity with G8.7 Sputtering equipment and Cryopumps

OLEDs (G8.7) Sputtering equipment for IT panels

Multi chamber sputtering equipment for larger size, lower particle, and lower temperature deposition

Advantage

- (1) Larger size (G8.7) and lower particle in multi chamber
Realization of low particles with circuit wiring width equivalent to that for smartphones (G6)
Productivity due to larger size and lower particles
- (2) High-speed deposition of touch sensors
Low temperature deposition in temperature-sensitive OLEDs process
⇒ High productivity realized by high speed deposition



Multi Chamber Sputtering System (G8.7)

Cryopumps Classified as "Components"

De facto standard for cryopumps for OLEDs Evaporation equipment

Advantage

- (1) Low vibration: Minimized impact on Evaporation mask alignment (positioning)
- (2) High performance exhaust performance
- (3) Energy conservation

Large-diameter cryopump (Type 22)



FY2023 Japan Vacuum Industry Association (JVIA) Winner of the "Vacuum Components, Components and Materials Category Award"

As OLEDs Evaporation equipment has become Larger, improved exhaust performance and energy saving (30% vs. conventional models)

- Increased business opportunities due to growing demand for leak testing, etc., in conjunction with EVs, and expanding needs for surface analysis, etc.

Leak Testing System Classified as "Components"

Expanding applications for airtightness testing of products and components

Advantage

- (1) Customized for a wide range of applications, including EV Batteries, in addition to conventional automotive parts and home appliances
- (2) Industry-leading performance
- (3) Full after-sales support through local production and sales in China



Surface Analysis System Classified as "Other"

Majority share of the world market for laboratory-type surface analyzers

Advantage

- (1) Wide range of surface analysis techniques
- (2) High productivity through automation and simplified operation
- (3) High-precision data acquisition and utilization

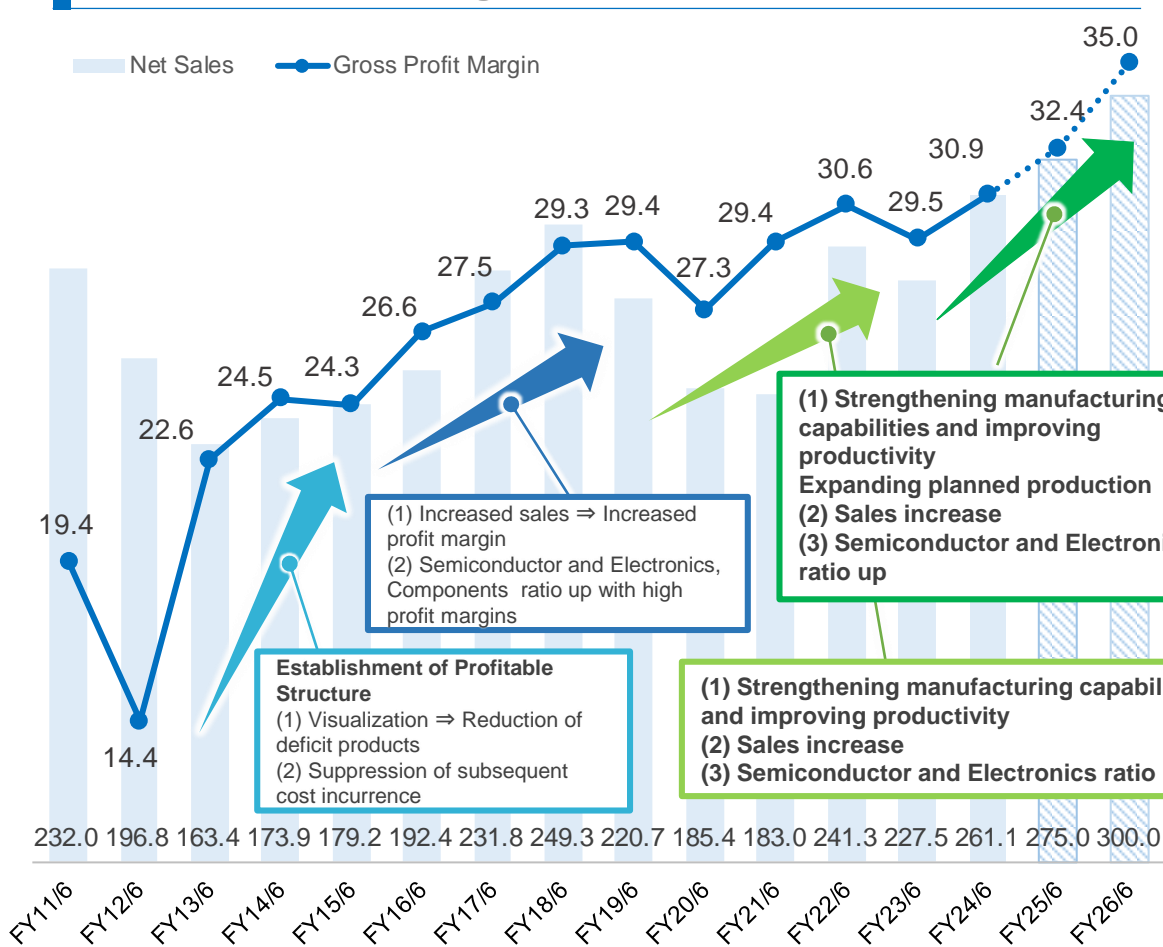


Surface analysis methods of competitors		ULVAC	A	B	C	D	E
Analysis Method	XPS (X-ray Photoelectron Spectroscopy)	●	●	●	●		
	AES (Auger electron spectroscopy)	●			●		
	SIMS (Secondary Ion Mass Spectrometry)	●				●	
	TOF-SIMS (Top Surface Analysis)	●					
	D-SIMS (Depth Analysis)	●					●

- Expand planned production system for Semiconductors, Power devices, Batteries, etc.
- Improved profit margin by promoting planned production expansion, strengthening product planning, productivity improvement, and strategic purchasing
- Aim for a Gross profit margin of **35% in FY26/6** through increased Net sales and an improved mix by increasing the ratio of Semiconductors and Electronics.

Gross profit margin

(Unit: ¥1 billion, %)



Strengthen Product Planning Capabilities

Strengthen collaboration among Development, Sales, Technical Design Reform, Purchasing, Manufacturing, and Service Promote thorough product planning with QCD mindset

Strengthening Strategic Purchasing Capabilities

Establish a strategic purchasing system for planned production Strengthen collaboration with key suppliers



Productivity Improvement

Optimize production site Building a flexible management resource allocation system

Planned Production Expansion

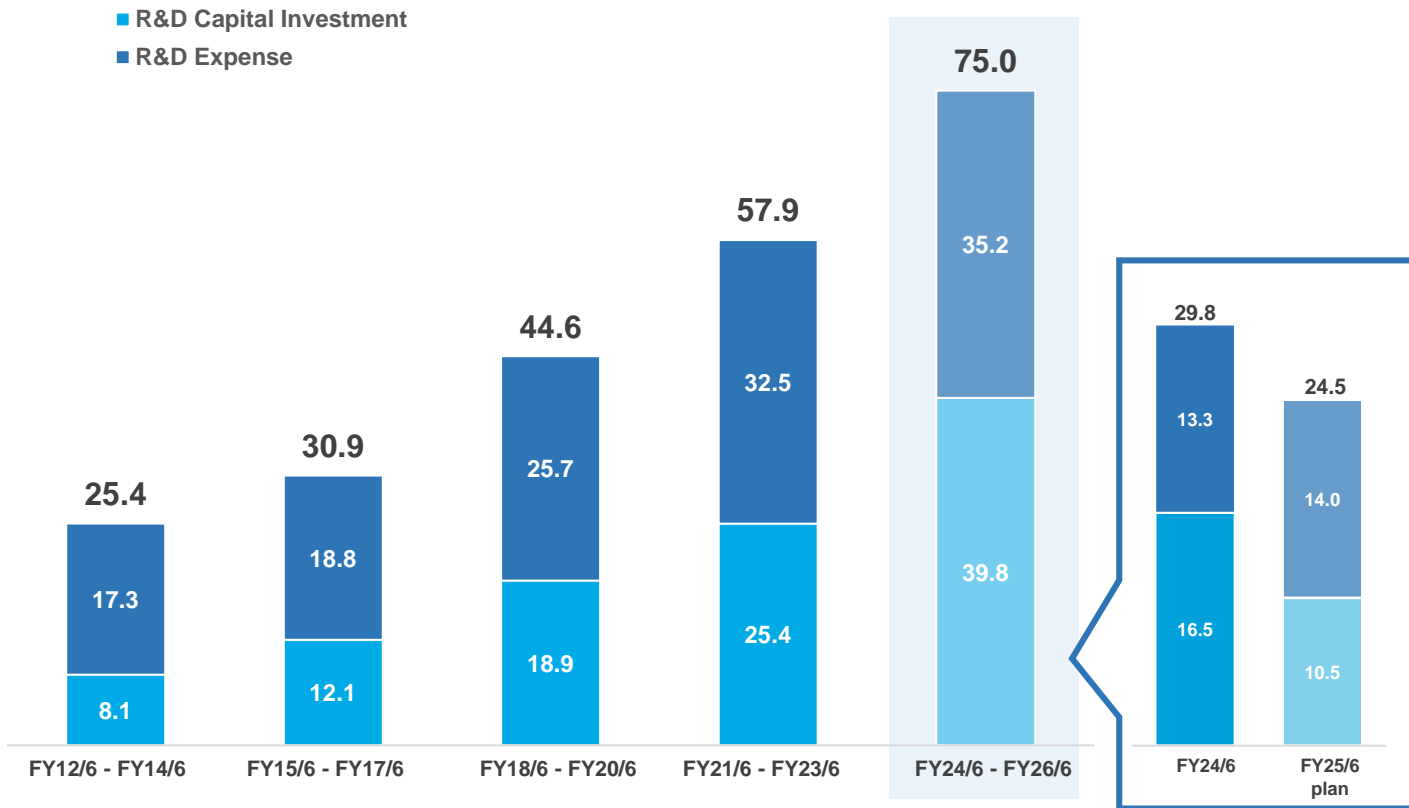
Modularization and standardization Reduce lead time

Reinforcement of Information System Infrastructure

- Strengthen R&D on growth drivers (Semiconductors, Power devices, Batteries, etc.)
 - No change in R&D Investment Plan (R&D Capital Investment + R&D Expenses, FY24/6-FY26/6) of ¥75.0 billion
 - Completion of Korea Technology Center: Accelerating joint development and verification of devices and mass production technologies to drive semiconductor business growth
- ⇒ Continued investment in R&D for mid- to long-term growth

R&D Investment Trends (3-year total)

Unit: ¥1 billion

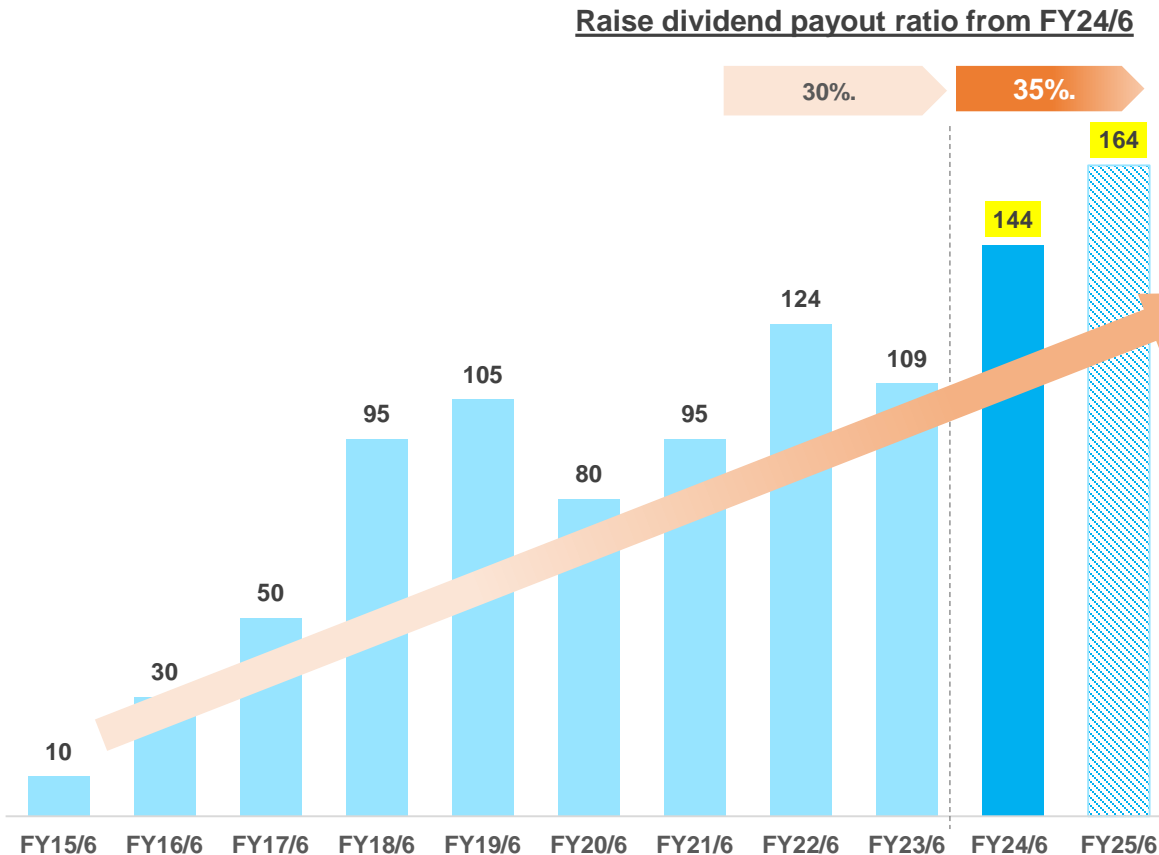


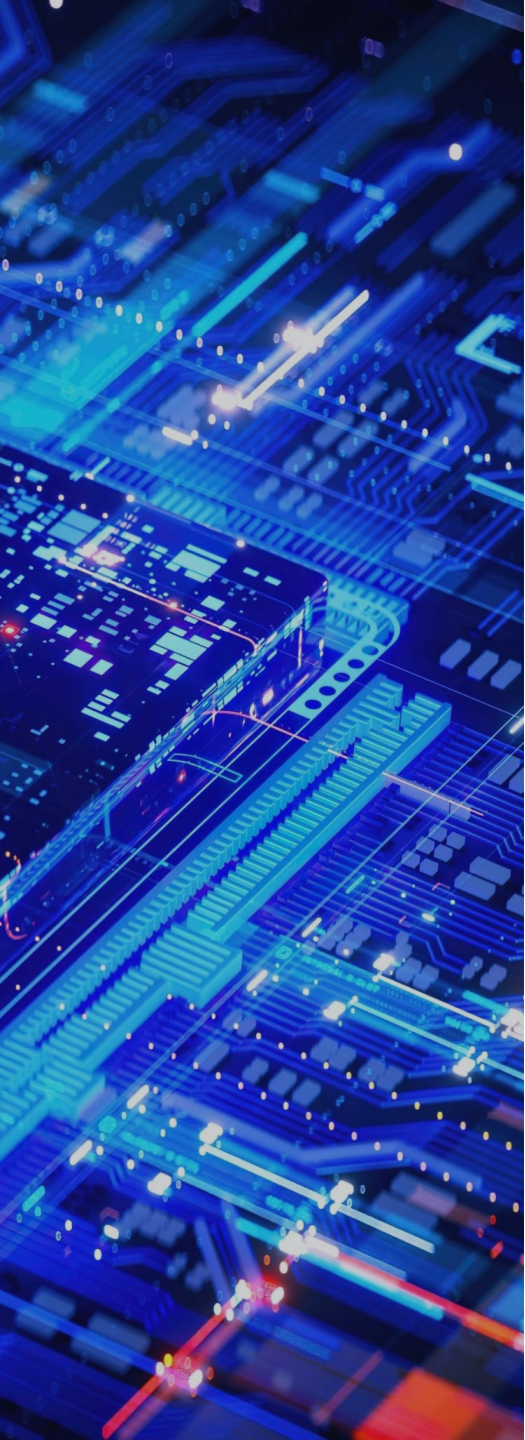
- > **Semiconductors: more than 40%.**
Logic and Memory (Sputtering for MHM and interconnect process)
- > **Electronics : More than 20%.**
Power devices (Ion Implanter, Sputtering, Etching, etc.)
- > **Display energy : mid-10%.**
Battery (Evaporation)
- > **Others : Over 20%.**

- Strengthen development investment in growth areas, particularly Semiconductors and Electronics
- Positioning shareholder returns as one of our most important policies, we aim to increase dividends over the long term through further growth.
- Increased performance-linked dividend payout ratio to 35% from FY24/6 to enhance shareholder returns
⇒ FY24/6 dividend of ¥144 yen (+¥30 vs. previous forecast) ⇒ Record high
- In an industry that is subject to rapid industry fluctuations and technological innovation, we are expanding our financial base to respond to these risks and capital needs.

Dividend per Share

Unit: Yen



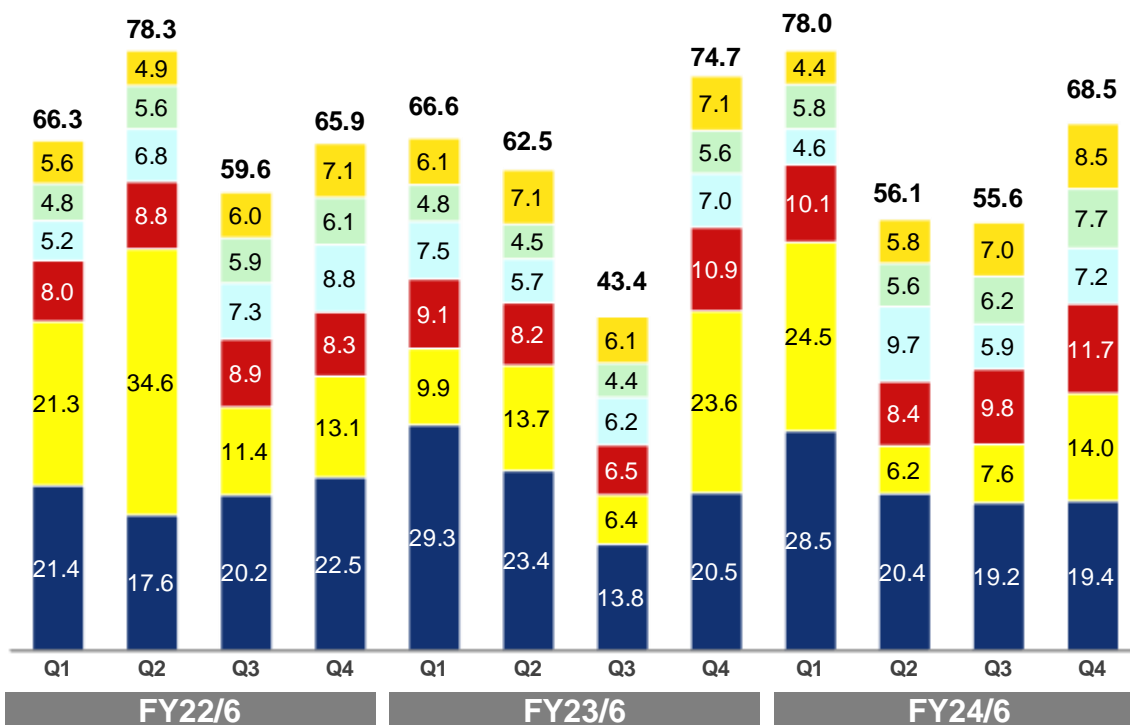
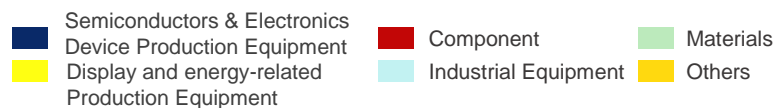


Appendix

Unit: ¥1 billion	FY 23/6				FY 24/6						
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	YoY		
									Amount	%	
Orders Received	66.6	62.5	43.4	74.7	78.0	56.1	55.6	68.5	-6.2	-8%	
Net Sales	56.2	55.2	49.6	66.6	55.0	65.2	65.0	75.9	+9.3	+14%	
Gross Profit	16.5	16.8	14.7	19.1	15.3	20.1	22.0	23.3	+4.2	+22%	
Gross Profit Margin	29.3%	30.5%	29.7%	28.7%	27.7%	30.8%	33.8%	30.7%	+2.0pt	-	
SG&A	11.3	11.5	12.5	11.9	12.4	12.6	11.9	13.9	+2.0	+17%	
Operating Profit	5.1	5.3	2.3	7.2	2.8	7.5	10.1	9.4	+2.2	+30%	
Operating Profit Margin	9.1%	9.7%	4.6%	10.8%	5.1%	11.5%	15.5%	12.3%	+1.5pt	-	
Profit attributable to owners of parent	4.1	5.3	2.4	2.4	1.1	5.7	6.4	6.9	+4.5	+188%	
To net sales ratio	7.2%	9.6%	4.9%	3.6%	2.1%	8.8%	9.9%	9.1%	+5.5pt	-	

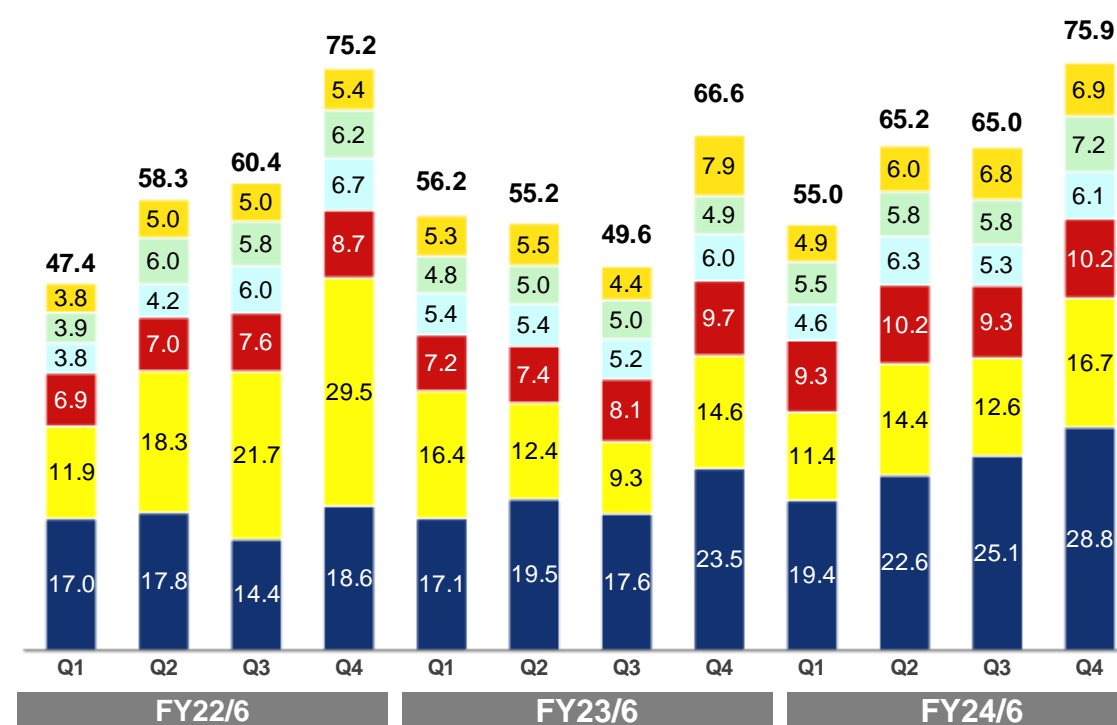
Orders Received

Unit: ¥1 billion



Net Sales

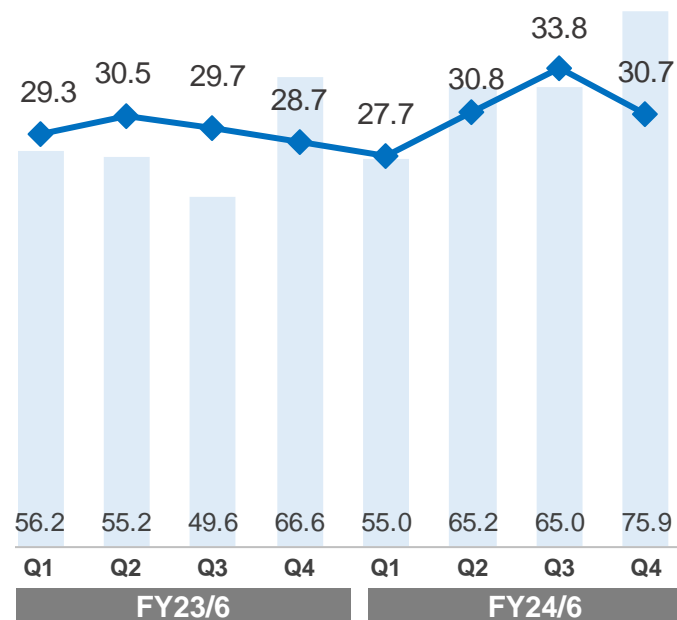
Unit: ¥1 billion



Gross Profit Margin

(Unit: ¥ 1 billion, %)

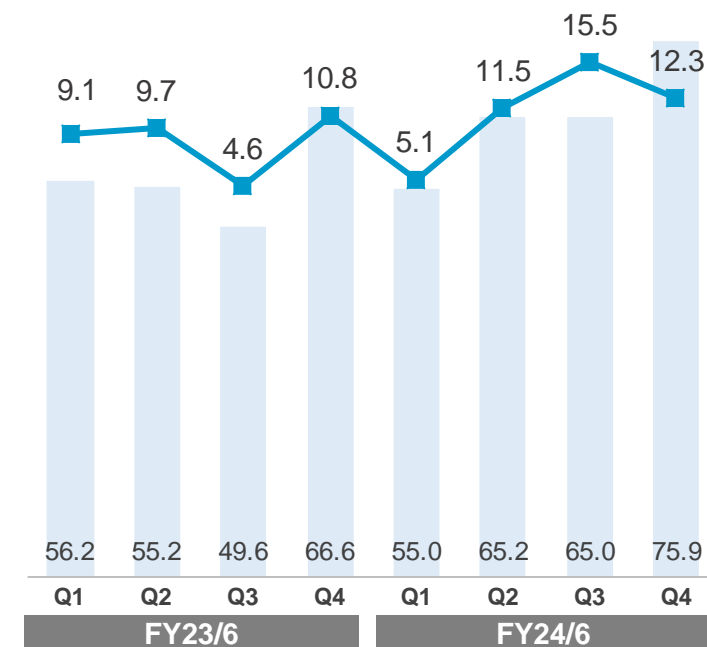
Net Sales Gross Profit Margin



Operating Profit Margin

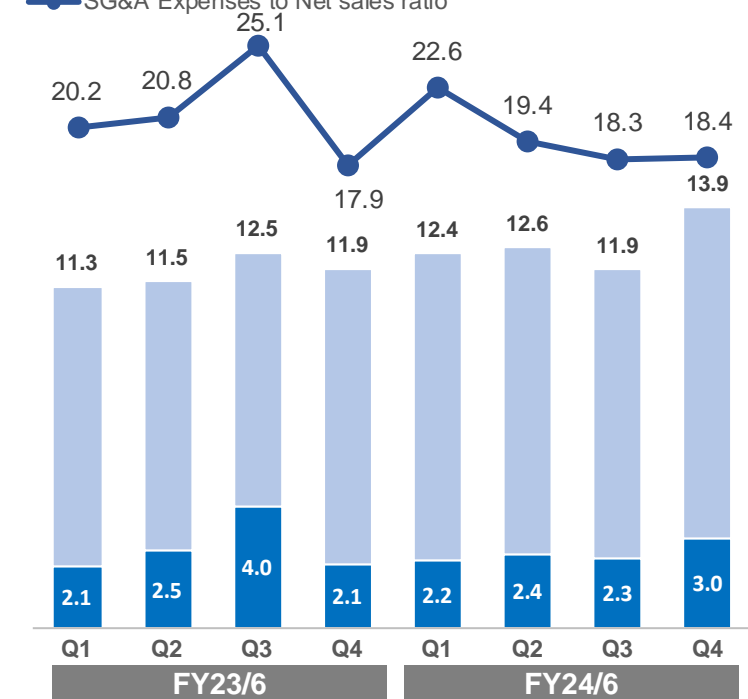
(Unit: ¥ 1 billion, %)

Net Sales Operating Profit Margin



S.G.&A. Expenses (%)

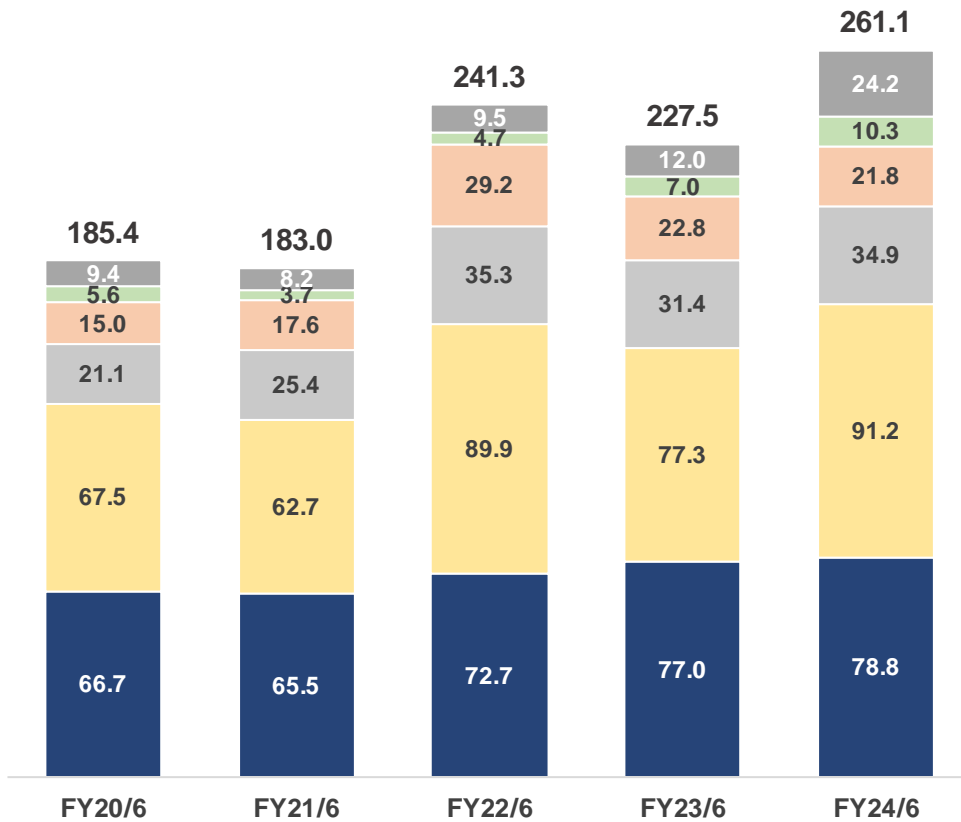
(Unit: ¥ 1 billion, %)

SG&A Expenses
R&D Expenses
SG&A Expenses to Net sales ratio

Net Sales

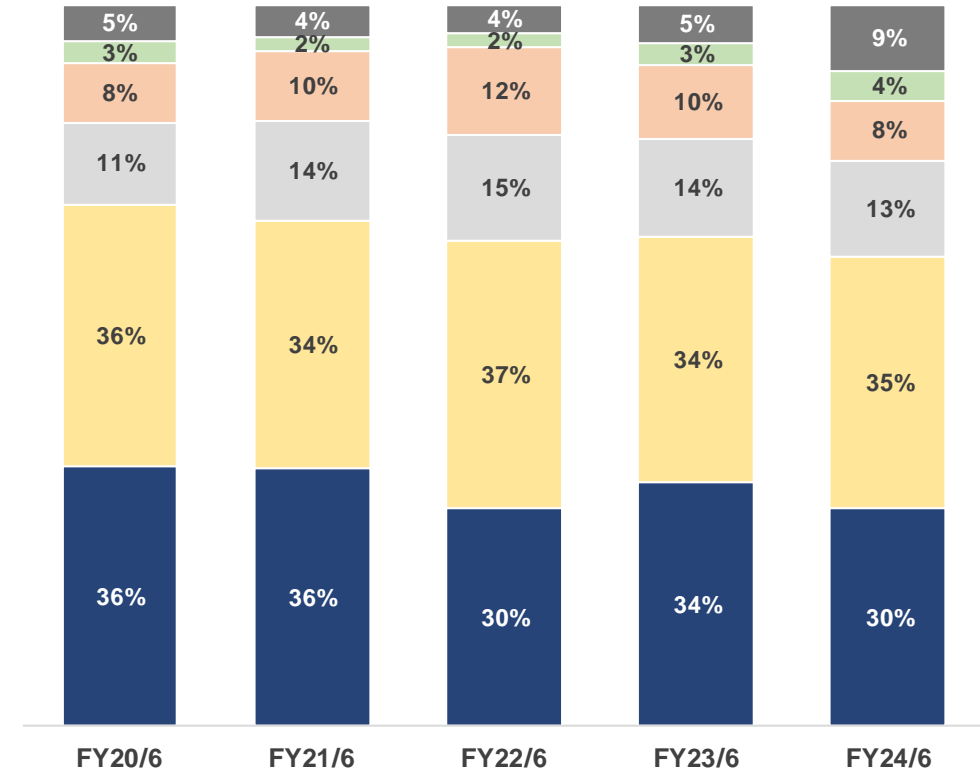
Unit: ¥1 billion

■ Japan ■ China ■ Korea ■ Taiwan ■ Other Asia ■ Europe, others



Net Sales Ratio

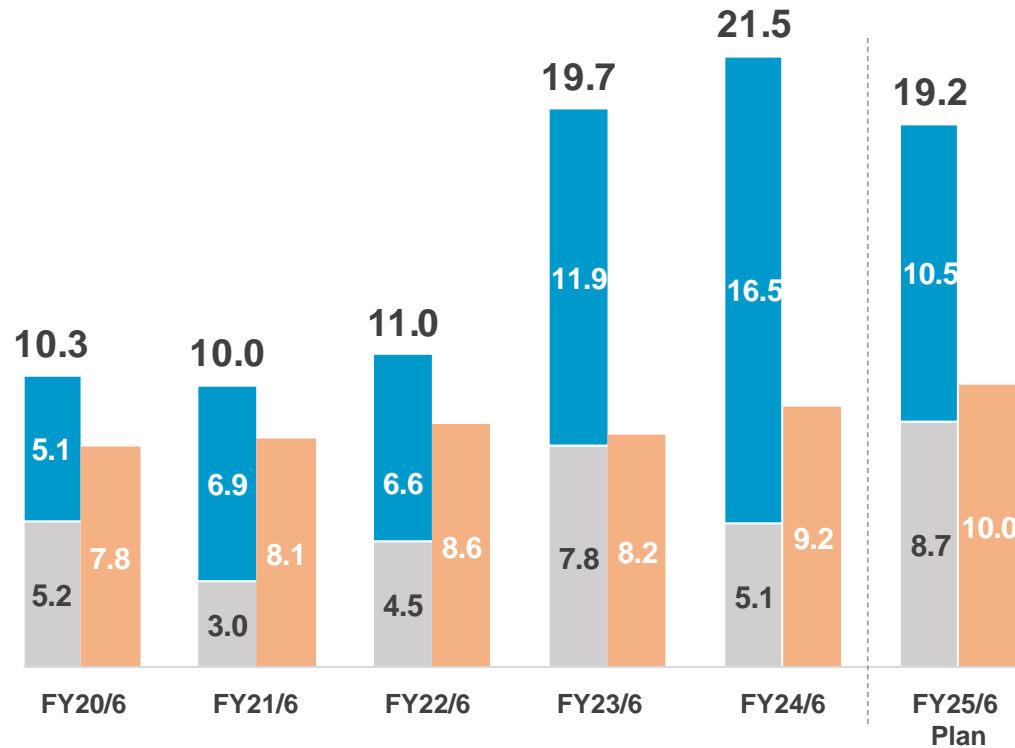
■ Japan ■ China ■ Korea ■ Taiwan ■ Other Asia ■ Europe, others



Capital Expenditure

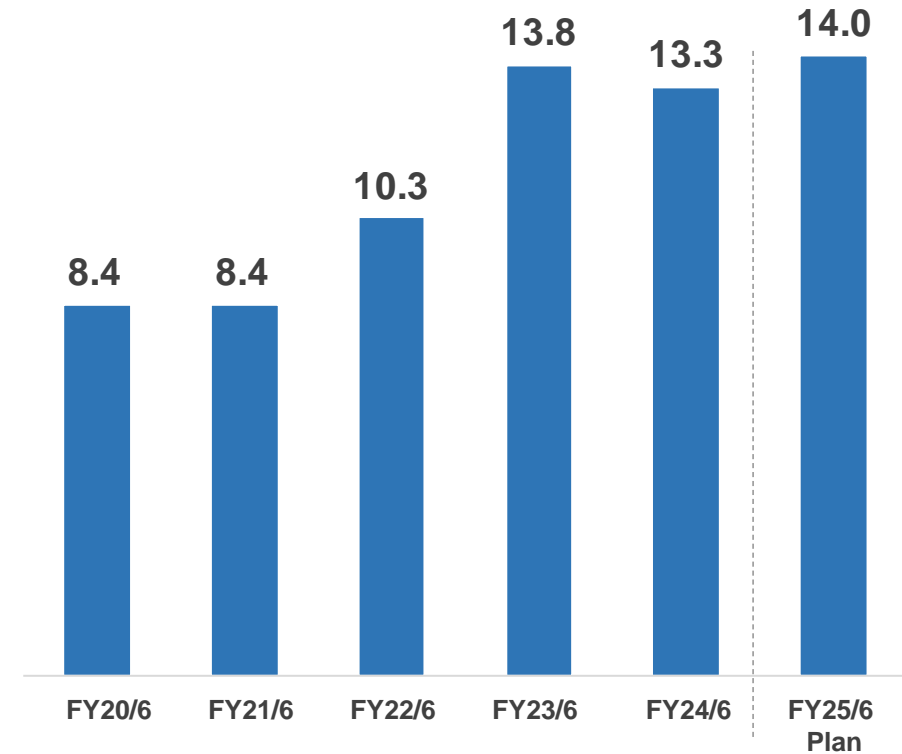
Unit: ¥1 billion

- Buildings, production facilities, etc.
- Depreciation and amortization
- Research and Development Facilities



R&D Expenses

Unit: ¥1 billion



Solving Social Issues

Smart and Digital Society
Realization



Green Energy Conversion
Low Power Consumption

Memory

Logic IC

Sensor ·
Electronic Devices

Power Device

Battery

Miniaturization/ High performance/ Low power consumption



Wafer



Glass



Plastic

Vacuum Thin Film
Processing Technology

Sputtering

Vacuum Evaporation

CVD

Etching/
Ashing

Ion Implanter

Components

Materials

Customer Support

ULVAC Vacuum Technology Contributes to Many Industries and Applications



ULVAC