

Tokyo Seimitsu Co., Ltd. Earnings Conference for FY2024/3

May 10th, 2024

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◆ Cautionary Statement with respect to Forward-Looking Statements

- ◆ This presentation data and information verbally provided contain “forward-looking statements” that are based on current best available information and policies.
- ◆ There are various factors such as world economic conditions and semiconductor/automobile market conditions which will directly and indirectly impact the Company’s results in the future.
- ◆ As a result, future outcomes may differ from those projected in this presentation.

◆ Wordings and Data in presentation

- ◆ Unless otherwise noted, “**SPE**” denotes our Semiconductor Production Equipment Business Segment, “**Metrology (or Metr.)**” denotes our Metrology Business Segment, “**Net profit**” denotes Net profit attributable to owner of the parent, and “**MTP**” denotes “Mid-term Business Plan.
- ◆ Information listed in this presentation is summarized in Billions of Yen (**BJPY or B**) or percentage except as otherwise noted. As a result, there may be a case where the total of individual amount and total amounts in each matter may differ.
- ◆ Effective from FY2023/3, income and expenses of foreign subsidiaries are converted to Japanese Yen using the average rate during the period, instead of the previous end-of-period rate. Accordingly, the figures for FY2022/3 are retroactively applied to the average rate for the period.

◆ Audit procedure

- ◆ This presentation is not subject to audit procedures.

Agenda

- ◆ **Business results for FY2024/3**
- ◆ **Forecast for FY2025/3**
- ◆ **FY2023/3 – FY2025/3 MTP Summary – 2nd Year**
- ◆ **Q&A**

FY2024/3 Business Results



Full Year Results (BJPY)	FY2023/3		FY2024/3		
	Full Year		Full Year	Vs.fcst	YoY
Orders	136.3		120.9	-	-11%
Sales	146.8		134.7	+1.7	-8%
Operating profit (Margin)	34.5 (24%)		25.3 (19%)	+0.3	-27%
Recurring profit	35.3		26.5	+0.7	-25%
Net profit	23.6		19.4	+1.4	-18%
Dividend per share	235Yen		192Yen	+14Yen	-43Yen

Quarter(BJPY)	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	QoQ	YoY
Orders	46.2	34.0	30.1	26.0	29.5	29.9	30.1	31.2	+4%	+20%
Sales	27.9	43.2	32.0	43.7	26.6	36.9	25.4	45.8	+81%	+5%
Operating profit (Margin)	5.7 (20%)	10.0 (23%)	7.4 (23%)	11.4 (26%)	4.3 (16%)	7.1 (19%)	3.0 (12%)	10.9 (24%)	+264%	-4%
Recurring profit	6.5	10.1	7.1	11.6	4.7	7.4	3.0	11.4	+282%	-2%
Net profit	4.8	7.1	3.3	8.4	3.2	5.3	2.1	8.8	+324%	+5%

- Sales and profits decreased YoY due to prolonged weak demand for consumer electronics
- 4Q Shipments proceeded as planned, and results were slightly above forecast

SPE Segment

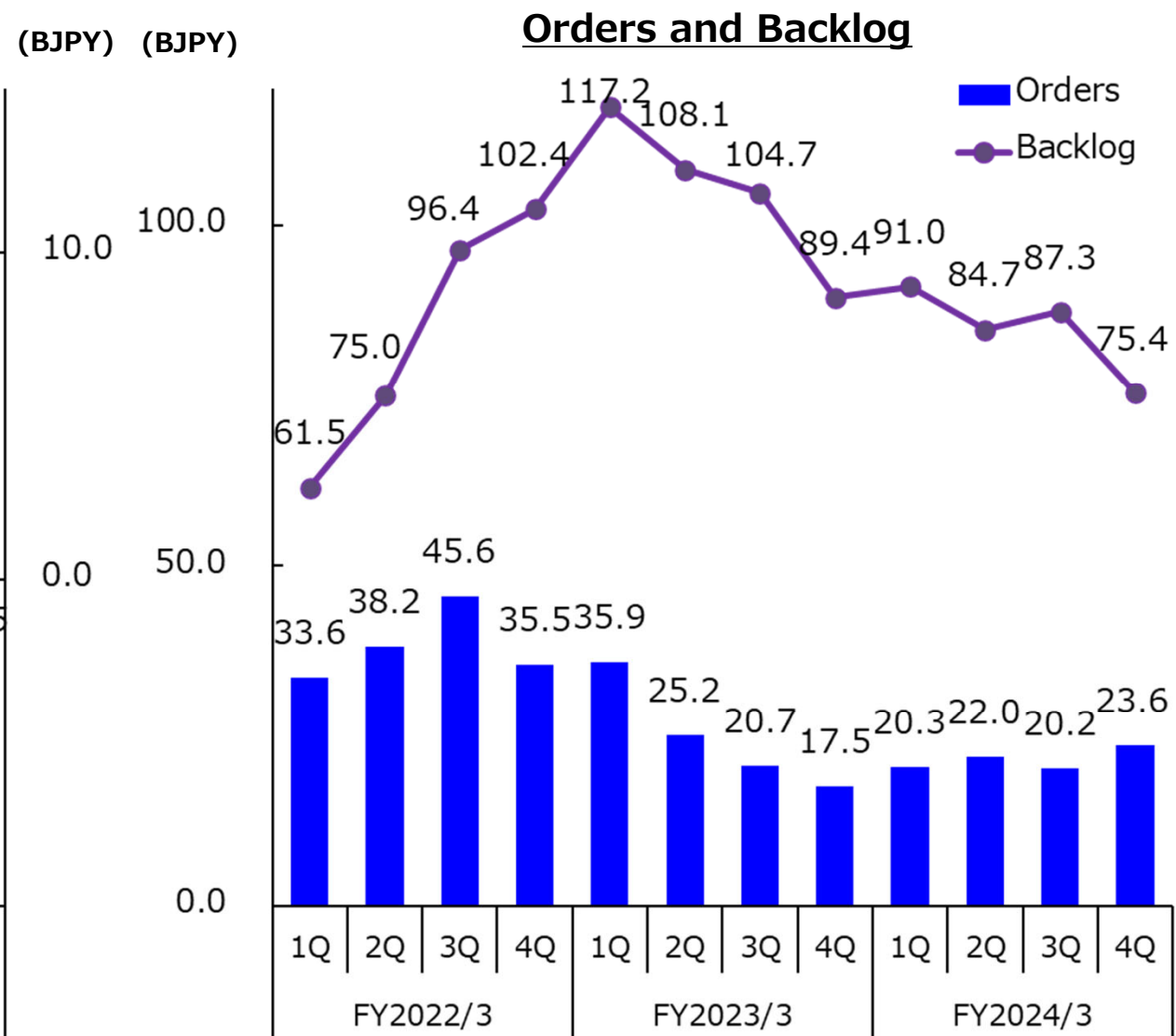
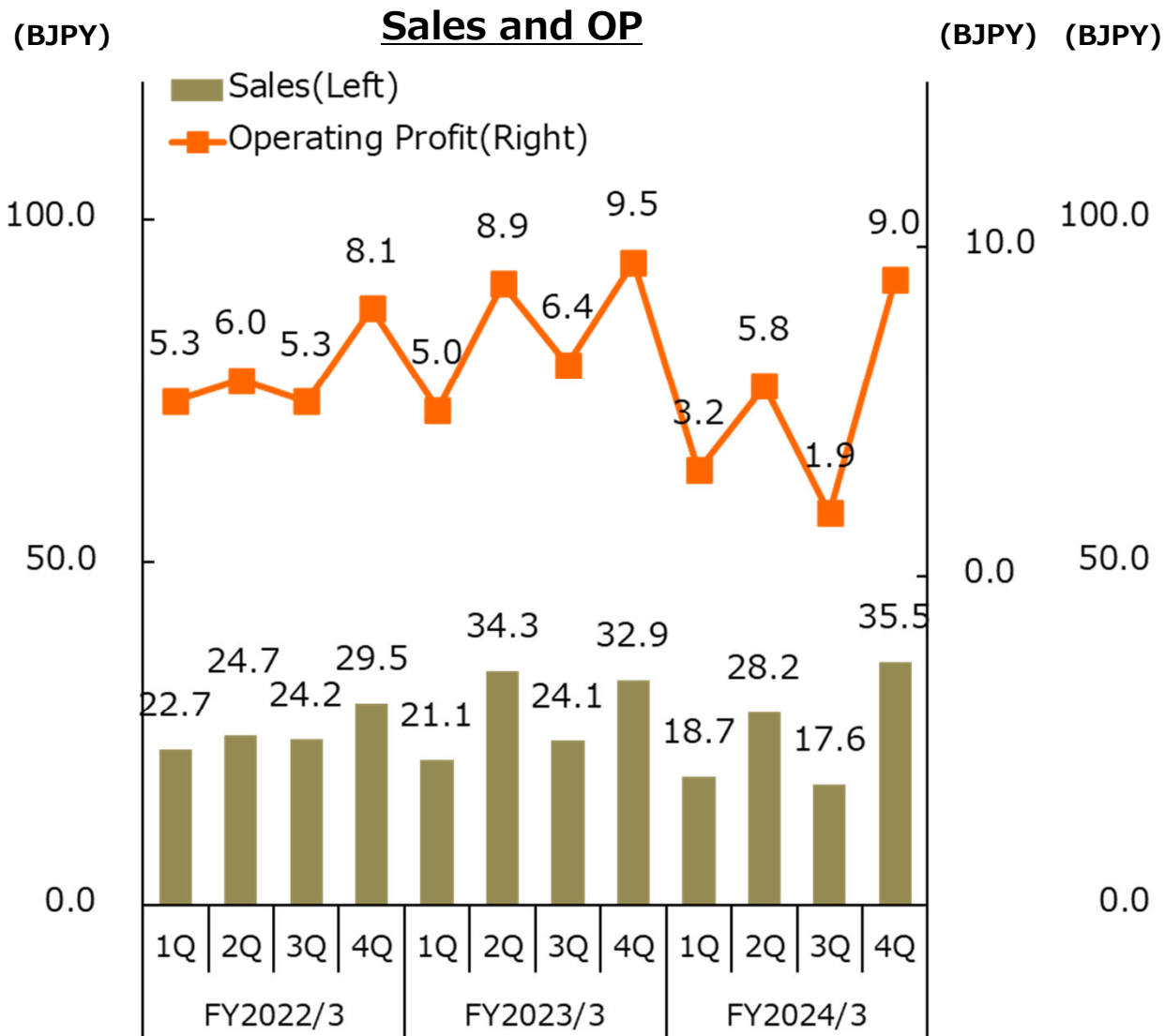


Segment Results (FY : BJPY)	FY2023/3		FY2024/3			
	Full Year		Full Year		Vs. fcst	YoY
Orders	99.4		86.1		-	-13%
Sales	112.4		100.1		+0.6	-11%
Operating profit (Margin)	29.9 (27%)		19.9 (20%)		-	-33%

Quarter (BJPY)	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	QoQ	YoY
Orders	35.9	25.2	20.7	17.5	20.3	22.0	20.2	23.6	+17%	+35%
Sales	21.1	34.3	24.1	32.9	18.7	28.2	17.6	35.5	+102%	+8%
Operating profit (Margin)	5.0 (24%)	8.9 (26%)	6.4 (27%)	9.5 (29%)	3.2 (17%)	5.8 (20%)	1.9 (11%)	9.0 (25%)	+371%	-5%

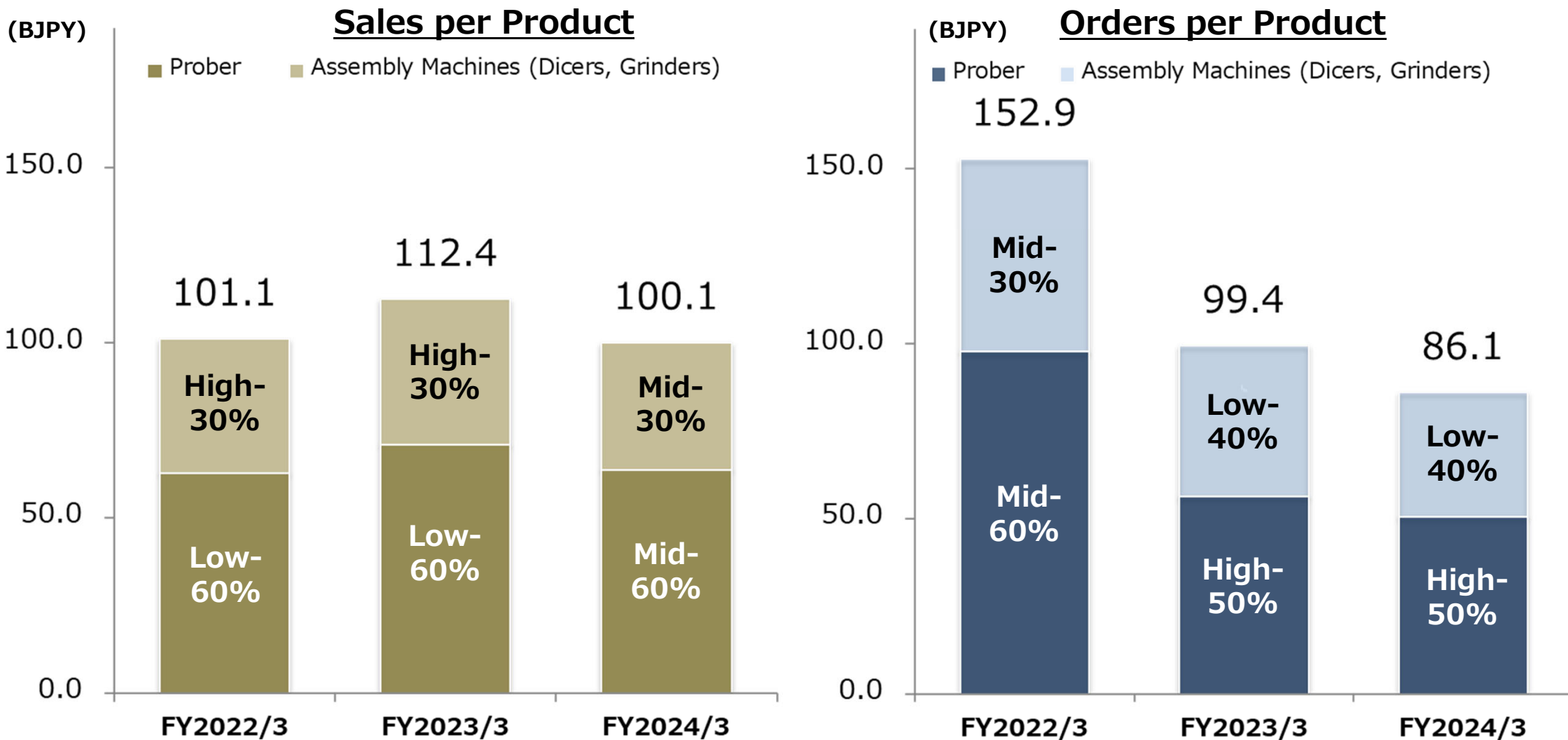
- Despite sluggish orders for consumer electronics, orders for generative AI, etc., supported
- Sales and OP within expected range

SPE – Quarterly Trend



- Sales • OP: 4Q sales and profit increased significantly including sales related to generative AI
- Orders • Backlog: Slightly higher than expected

SPE – per Product



➤ Sales · Orders : No significant changes in composition

Metrology Segment

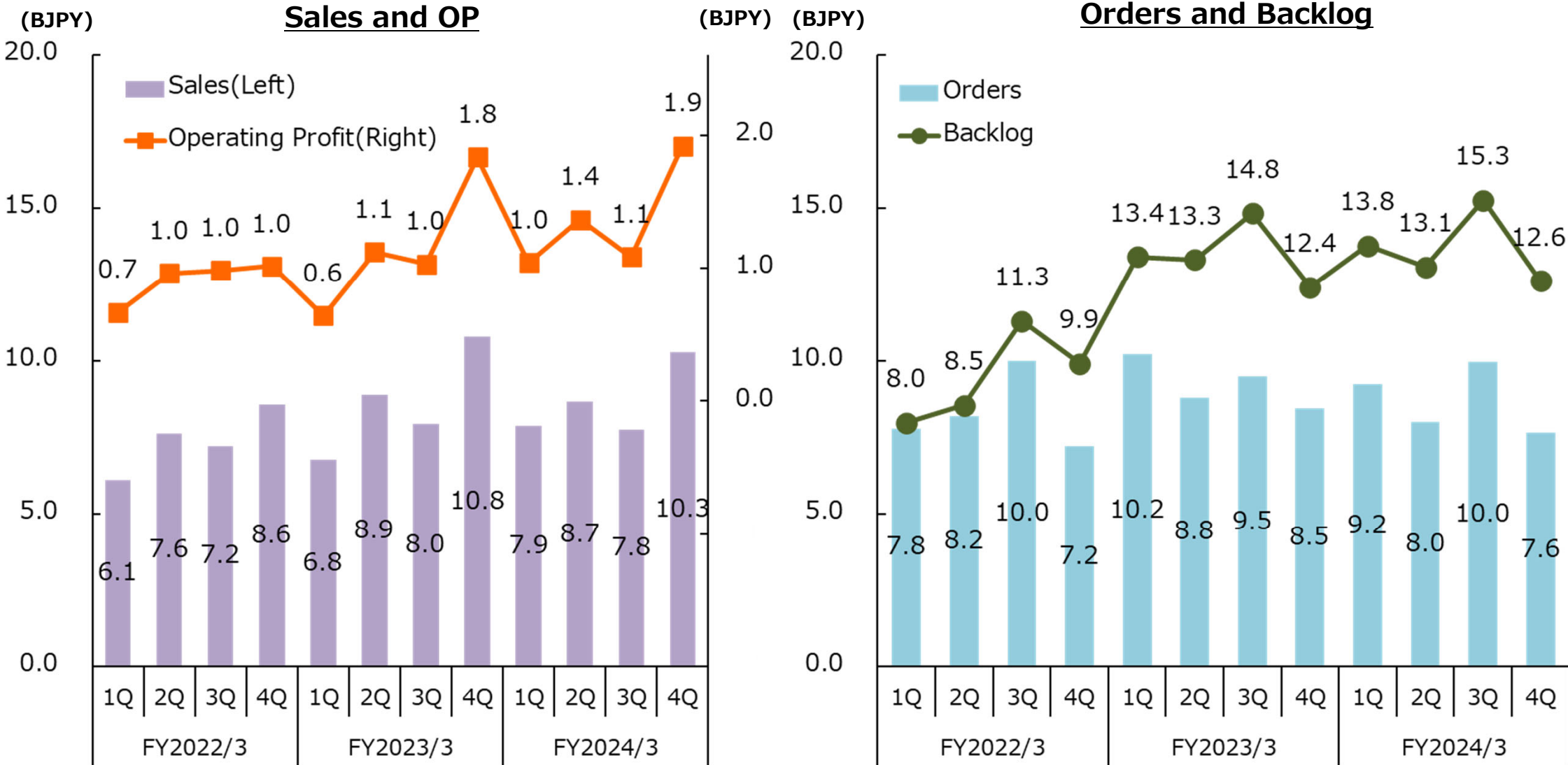


Segment Results (FY : BJPY)	FY2023/3		FY2024/3			
	Full Year		Full Year		Vs. fcst	YoY
Orders	37.0		34.8		-	-6%
Sales	34.4		34.6		+1.1	+1%
Operating profit (Margin)	4.6 (13%)		5.4 (16%)		-	+17%

Quarter (BJPY)	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	QoQ	YoY
Orders	10.2	8.8	9.5	8.5	9.2	8.0	10.0	7.6	-23%	-10%
Sales	6.8	8.9	8.0	10.8	7.9	8.7	7.8	10.3	+32%	-5%
Operating profit (Margin)	0.6 (10%)	1.1 (13%)	1.0 (13%)	1.8 (17%)	1.0 (13%)	1.4 (16%)	1.1 (14%)	1.9 (19%)	+77%	+4%

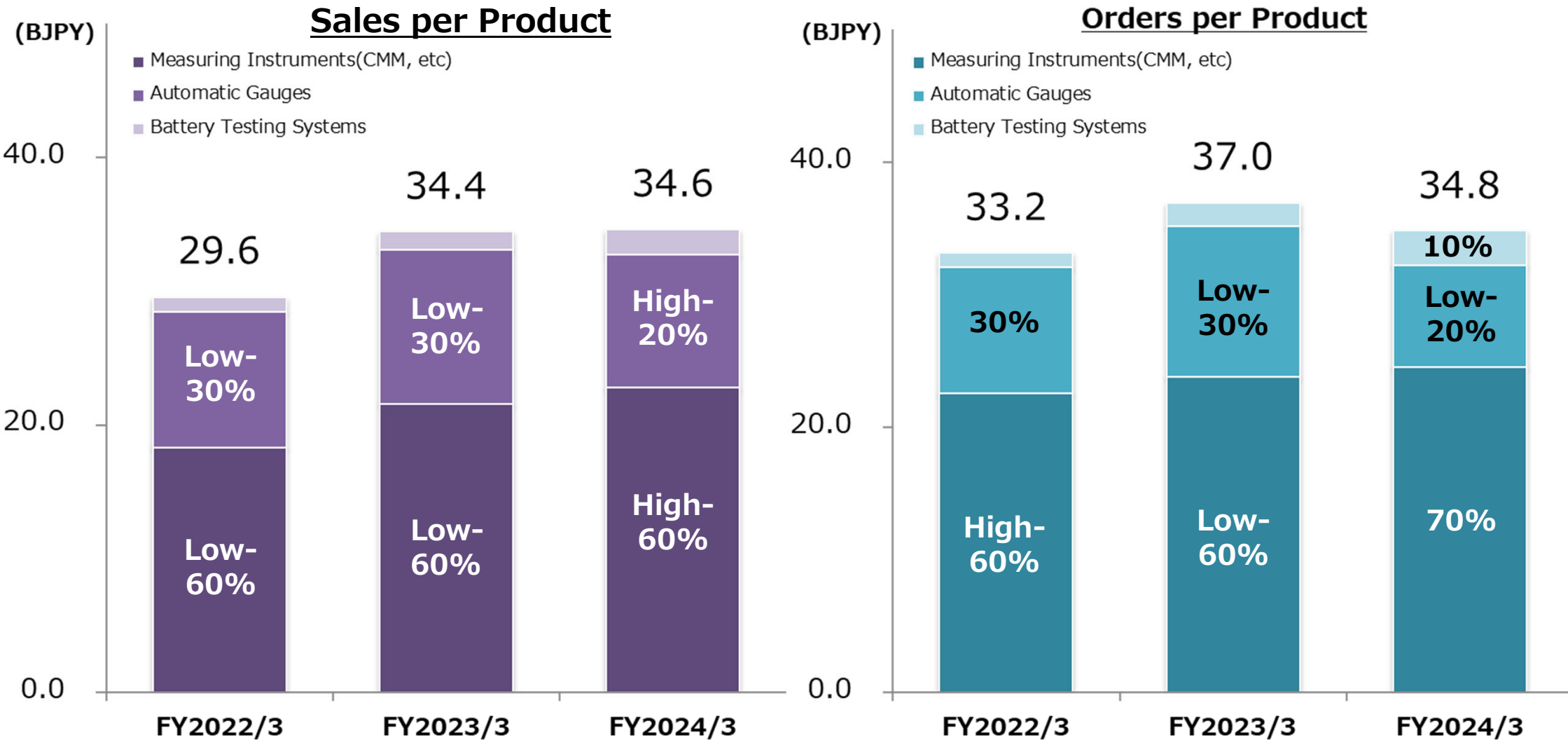
- Orders decreased due to postponement of capital investment in manufacturing market
- Sales remained flat YoY

Metrology – Quarterly Trend



- Sales · OP : Increase in sales and profit QoQ due to product price revisions in FY2023/3
- Orders: Decrease due to seasonality and reactionary decline from rush demand

Metrology – per Product

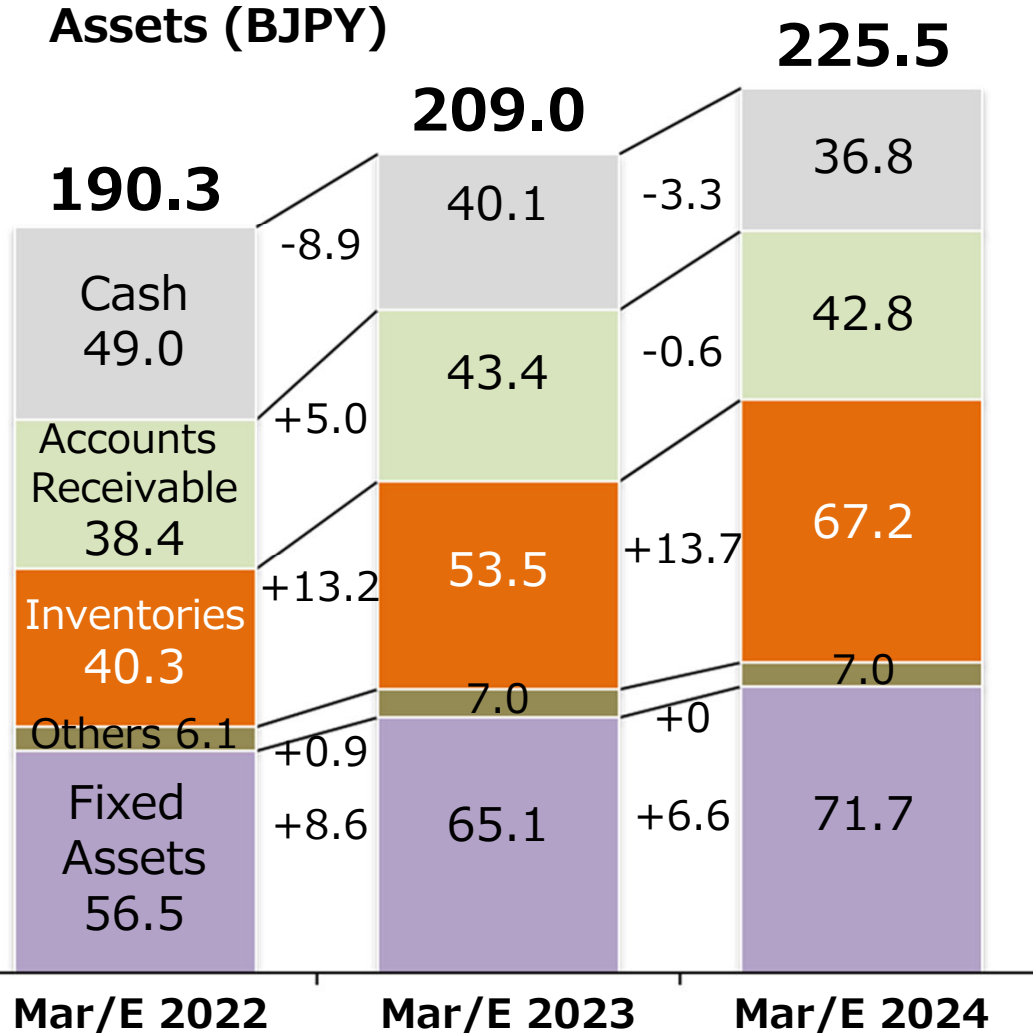


➤ Orders for charge/discharge testing systems increased in composition

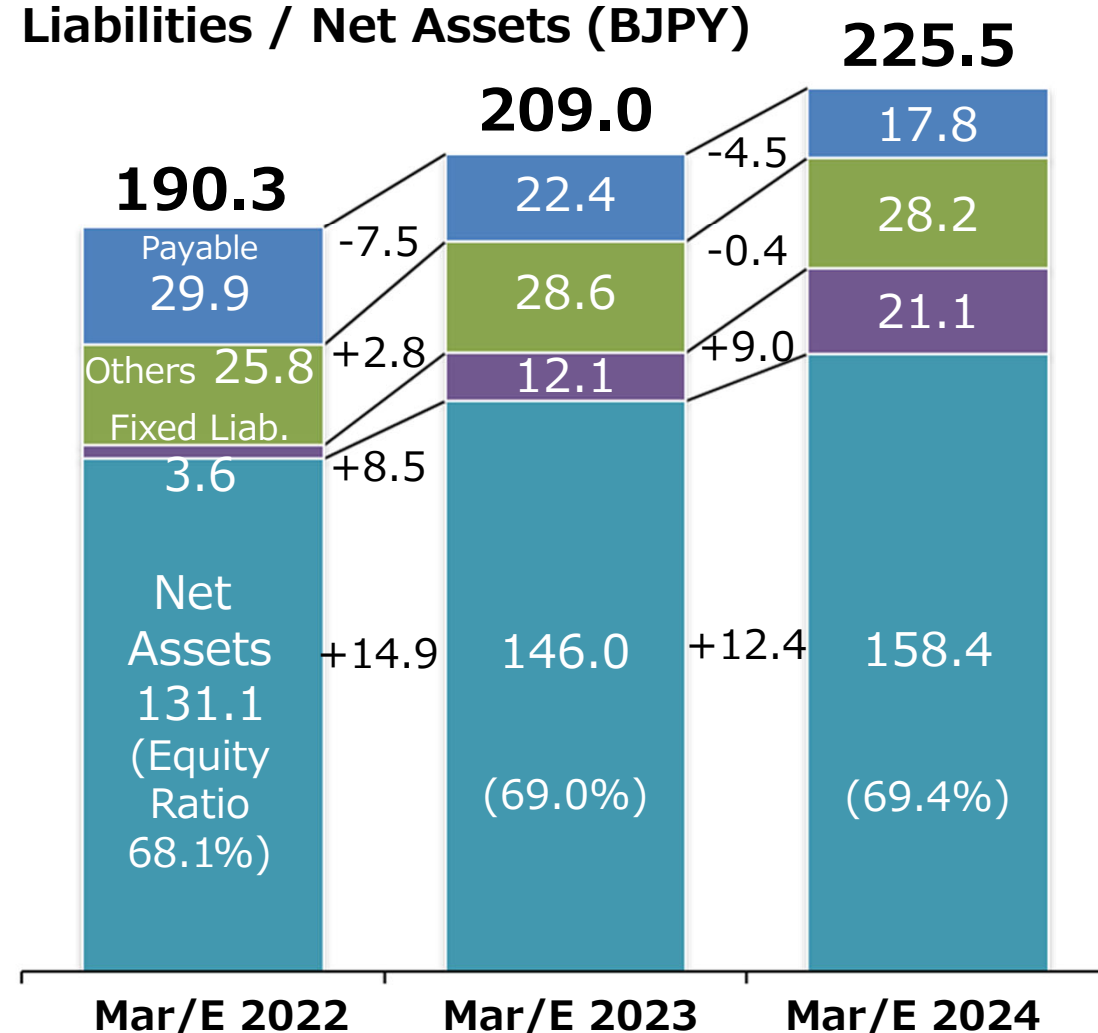
Balance Sheet



Assets (BJPY)



Liabilities / Net Assets (BJPY)

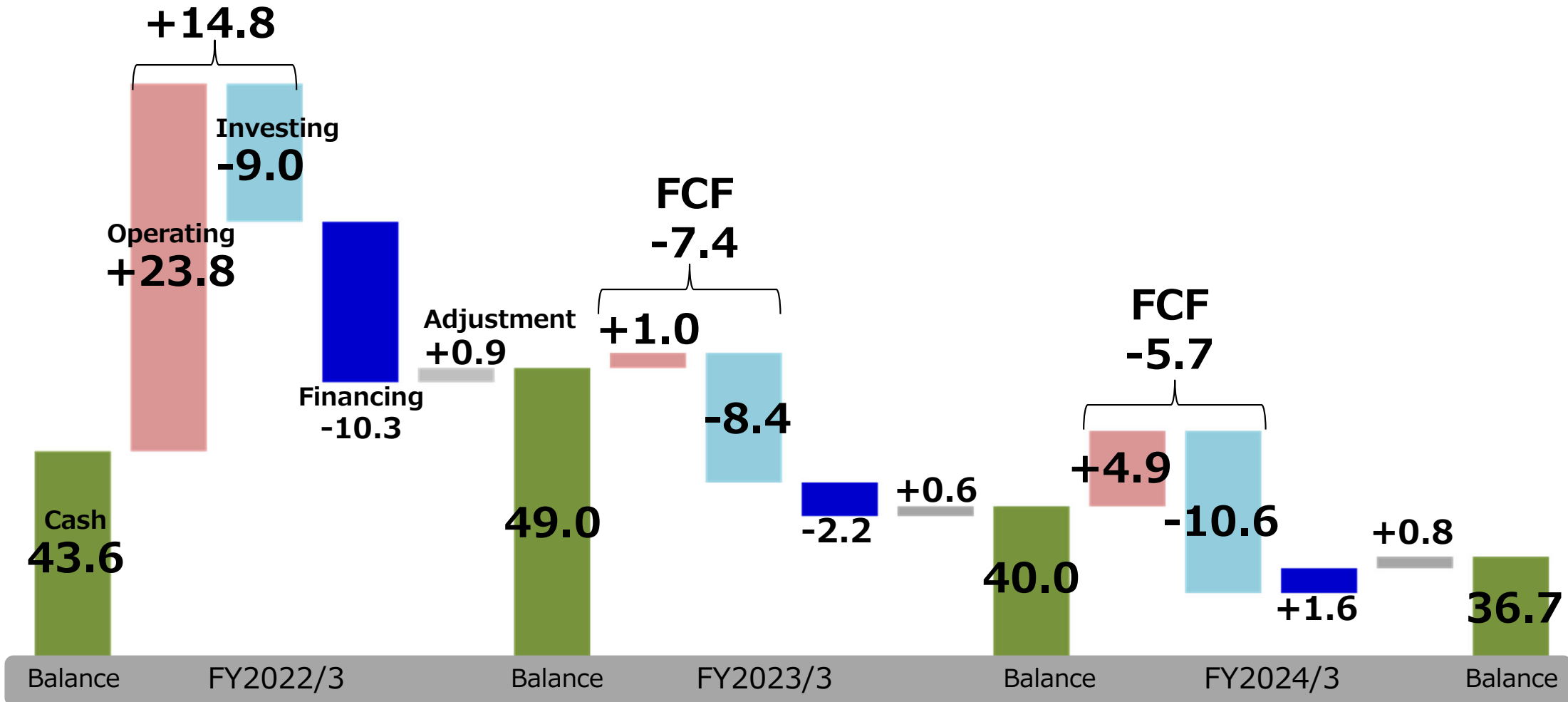


- Assets: Inventories I ncreased for future shipments
- Liabilities and Net Assets: Decrease in accounts payable due to shortened payment sites

Cash Flows(CF)

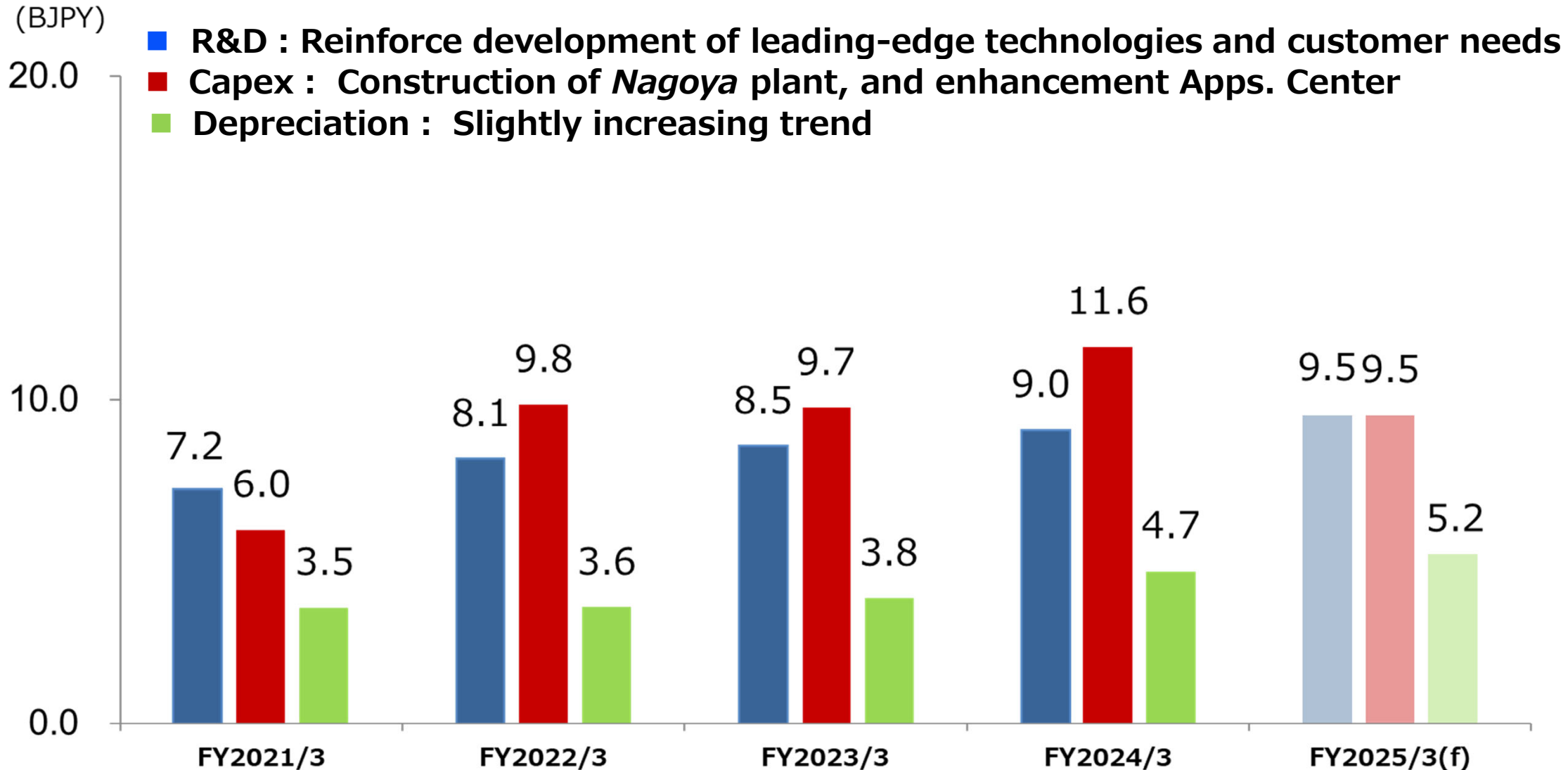
Free Cash Flow
(FCF)

(BJPY)



- Operating CF decreased due to decrease in accounts payable and increase in inventories

R&D, Capex and Depreciation



➤ Capex: Part of the FY2024/3 plan (14.5 BJPY) carried forward to FY2025/3

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- ◆ **Forecast for FY2025/3**
- ◆ FY2023/3 – FY2025/3 MTP Summary – 2nd Year
- ◆ Q&A

➤ Market assumptions as of May 2022 plan disclosure (summary)

- Mass Production/Mass Consumption of Semis and Electronic Components by Society 5.0
- SPE: Growing importance of Back-end processes in device manufacturing → New growth stage
- Metrology: Decreasing demand for ICE, changing measurement needs → Continued sustainable growth

◆ Current Views:

◆ SPE: Back-end importance is increasing, but mass production/consumption stagnates in the short term

→ High-precision temperature control testing in Probers, Grinders for hybrid bonding, etc.

→ New Business Opportunities for generative AI

→ Demand in China is high, but consumer demand, especially in Taiwan, is uncertain at present

◆ Metrology: Gradual change in measurement needs continues

→ Expansion of charge/discharge testing system business

◆ Uncertainly remains to foresee timing of recovery in consumer-related demand

◆ Consequently, the Company concluded forecasting 1H results only

SPE

- Overall demand including AI, HBM, SiC, CIS, China, etc. is likely be flat HoH
 - AI/HBM only incorporates projects with clear order timing
 - SiC is expected to double HoH, mainly because of device processing demand
- Hybrid Bonding will contribute to orders from the FY2025/3 2H

Metrology

- Machine tool orders, a leading indicator, to be flat YoY
- Assume moderate market recovery in our focusing areas (NEVs, robots, etc.)
- Increased demand for charge-discharge testing systems for EV battery development

Overall

- Company-wide efforts to achieve the Mid-Term business plan and execute forward-looking investment plans

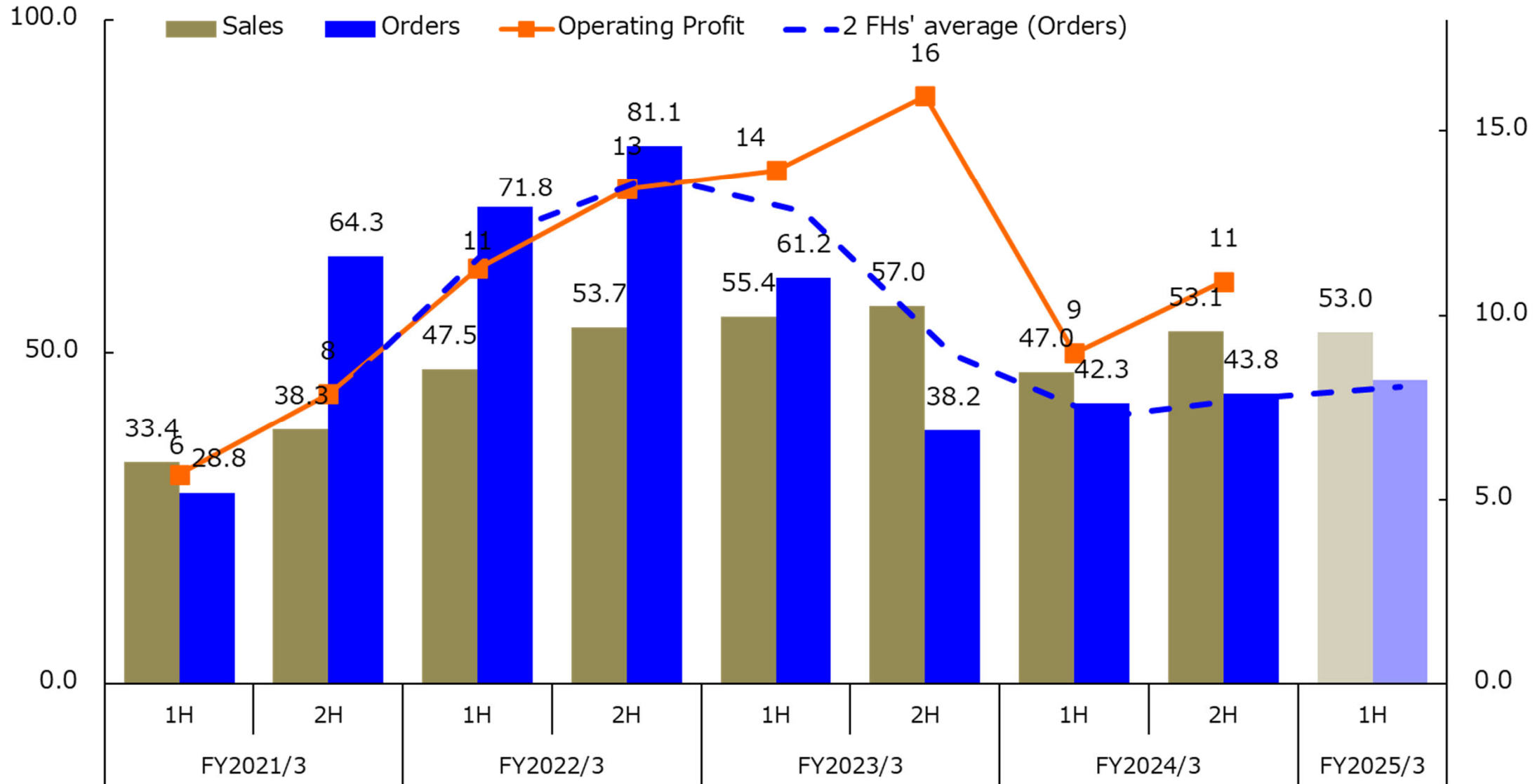
FY2025/3 Forecast



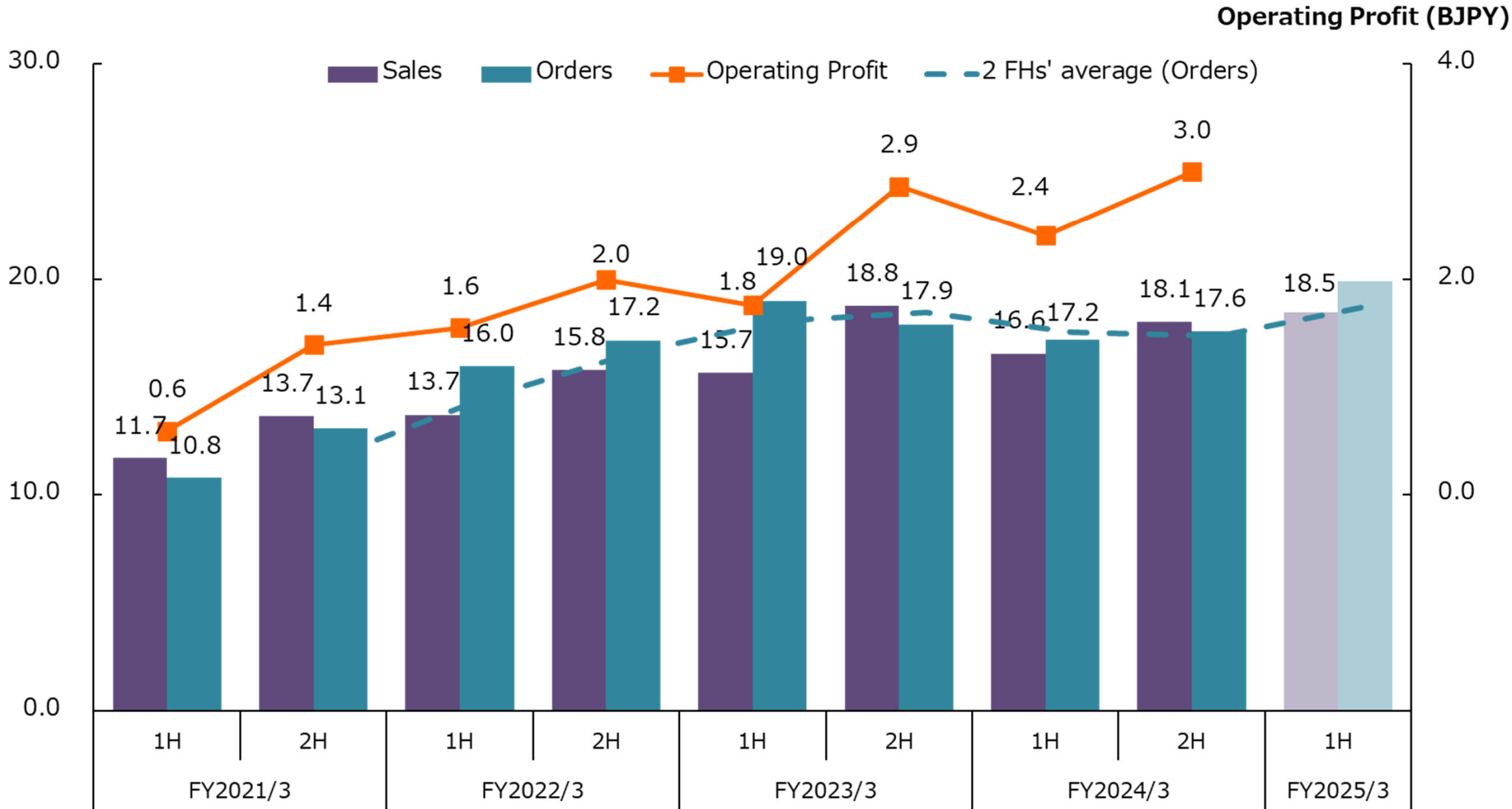
Full Year Results And Forecast(BJPY)	FY2024/3			FY2025/3	
	1H	2H	FY	1H(f)	YoY
Sales	63.5	71.1	134.7	71.5	+13%
Operating Profit (OP Margin)	11.4 (18%)	13.9 (20%)	25.3 (19%)	14.0 (20%)	+23%
Recurring Profit	12.1	14.4	26.5	13.8	+14%
Net Profit	8.5	10.8	19.4	9.5	+11%
Dividend per Share	89Yen		192Yen	95Yen	+6Yen
Per Segment	(Interim)			(Interim)	
(SPE)	Orders	42.3	43.8	86.1	
	Sales	47.0	53.1	100.1	53.0 +13%
(Metr.)	Orders	17.2	17.6	34.8	
	Sales	16.6	18.1	34.6	18.5 +12%

- Only the 1H forecast is disclosed due to uncertainty over the timing of recovery in consumer electronics
- Assumed exchange rate ¥145 per US dollar

SPE – Sales/Orders incl. Forecasts



Metrology – Sales/Orders incl. Forecasts



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➤ Quantitative target for FY2025/3

ROE	15% or more
Sales	¥170.0B (SPE ¥132.0B/Metrology ¥38.0B)
OP	¥37.5B (OP Margin : 22%)

➤ Company-wide actions

R&D

Reinforce development of leading-edge technologies and customer needs

Expand MFG capacity

Hanno Plant (FY2024/3) will realize ¥140B+ annual SPE capacity
Additional plant to be considered

Environment

Decrease CO2 emissions by 50% at CY2030 from FY2019/3
Investment also to be considered

KPIs for investment

Consider adopting ROIC for assessment to investment opportunities

Application enhancement

Strengthen demonstration capacity world-wide

Sustainability

Strengthen ESG initiatives

FY2023/3-FY2025/3 MTP 2nd Year Summary

Major Initiatives and Results



<p>R&D</p>	<ul style="list-style-type: none"> ➤ Vigorous development proceeded ➤ Ablation dicers, New Prober and Dicer models, Grinders for hybrid bonding, etc. unveiled
<p>Expand MFG Capacity</p>	<ul style="list-style-type: none"> ➤ <i>Hanno</i> Plant started operations (July 2023) ➤ Achieved SPE capacity of 14.0 BJPY + α, including space re-utilization at <i>Hachioji</i> Plant ➤ Started construction of <i>Nagoya</i> Plant in preparation for the next mid-term business plan
<p>Environment</p>	<ul style="list-style-type: none"> ➤ Analysis of plant electricity use and CO₂ emissions ➤ Reduction of LCA for each product (power consumption reduction, throughput improvement)
<p>KPIs for Investment</p>	<ul style="list-style-type: none"> ➤ Commenced ROIC evaluation per business segment
<p>Application Enhancement</p>	<ul style="list-style-type: none"> ➤ Reinforcement of demo center functions at key locations
<p>Sustainability (Strengthen ESG initiatives)</p>	<ul style="list-style-type: none"> ➤ Strengthened diversity (increase employment of women and persons with disabilities, etc.) ➤ Conducted human rights due diligence and assessment ➤ MSCI BBB → A , FTSE 3.4 Maintain

FY2023/3-FY2025/3 MTP 2nd Year Summary

Capital Investment



- Expanded production capacity (plant investment) as planned
 - Completion of *Hanno* Plant → Strengthening of prober production
 - Started construction of *Nagoya* Plant → Responded to demand for high-end grinders



***Hanno* Plant (Saitama Pref.)**
Start of operation: July 2023
Prober-centered production system



***Nagoya* Plant (Aichi, Japan)**
Operation scheduled for FY2025
Grinder-centered production system

Basic approach

CF from operating

Operating Profit
 + Depreciation
 – Change in working capital
 – Tax payment
 ± Others

R&D Cost

CF from investing

– Purchases /sales of fixed assets
 ± Others

Capex

Free CF

CF from financing

– Dividend payment
 – Repurchase of treasury stock
 ± Change in loans payable

Profit distribution

M&A etc.

Mid-term Cash allocation plan

R&D cost

- Target R&D to Sales ratio : 10%

Capex

- Usual : 25% or less of EBITDA
- Max : 50% of EBITDA
 (EBITDA = Operating profit + Depreciation)

Profit distribution

- Target dividend payout ratio 40%
- Share buybacks in consideration of investment trends, etc.

M&A etc.

- FCF consideration not to be negative

FY2023/3-FY2025/3 MTP 2nd Year Summary

Materiality and Targets



Materiality	FY2024/3 Main Initiatives	FY2025/3 Main Initiatives
Products, services and biz activities that solve Environmental issues	<ul style="list-style-type: none"> ➢ CO2 emissions reduction (equipment/device efficiency improvement, introduction of solar power generation) ➢ Reduction of electricity, water, and paper consumption ➢ Developing Environmentally friendly products ➢ Saving electricity and water at the <i>Hanno</i> Plant 	<ul style="list-style-type: none"> ➢ Building a management system that positions climate change as a management risk ➢ Declare carbon neutral ➢ SCOPE1/2 reduction (50% reduction in 2030 compared to FY2018) ➢ Set and implement SCOPE 3 (cat-1/cat-11) reduction targets ➢ Reduction of water consumption
Building high-value-added products and supply chains that solve social issues	<ul style="list-style-type: none"> ➢ Advancement of quality control ➢ Stricter management of chemical substances ➢ Strengthening the Supply Chain 	<ul style="list-style-type: none"> ➢ Advancement and establishment of quality control ➢ Proper management and use of chemical substances control ➢ Promoting Sustainable Procurement ➢ Increased supplier engagement
Creating a workplace where a diverse range of people can play an active role with healthy and rewarding manner	<ul style="list-style-type: none"> ➢ Improving Health and Safety ➢ Diversity Promotion ➢ Promotion of Human Resource Development ➢ Improve engagement 	<ul style="list-style-type: none"> ➢ Promote safety activities to achieve zero accidents ➢ Diversity Promotion ➢ Promotion of Human Resource Development ➢ Improve engagement ➢ Improving employee health and safety
Strengthen management infrastructure, compliance, and risk management to support corporate activities	<ul style="list-style-type: none"> ➢ Maintain and improve internal control functions ➢ Stricter corporate ethics and legal compliance ➢ Timely and appropriate information disclosure ➢ Maintain sound operation of the whistleblower system ➢ Effective compliance training ➢ BCP Advancement 	<ul style="list-style-type: none"> ➢ Maintain and improve internal control functions ➢ Stricter corporate ethics and legal compliance ➢ Timely and appropriate information disclosure ➢ Maintain sound operation of the whistleblower system ➢ Advanced business continuity planning (expanded to supply chain) ➢ Expanding Sustainability Activities to Group Companies
Respect for human rights	<ul style="list-style-type: none"> ➢ Implementation of human rights education ➢ Conduct human rights due diligence ➢ Building a relief system 	<ul style="list-style-type: none"> ➢ Strengthening activities to respect human rights ➢ Expand human rights due diligence ➢ Building a relief system

Prober's high-precision temperature control expansion of added value →

SiC processing market to shift from substrate to device

Growth in grinder with Hybrid bonding

Increase in AI-related demand

Additional demand arisen from geopolitical changes

Dramatic unit growth of NEV batteries

**Synergies from the fusion of SPE and Metrology →
Over ¥13.0B in 2025**

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Investor Relations Site



<https://www.accretech.com/en/ir/index.html>

Sustainability Information Site



<https://www.accretech.com/en/sustainability/index.html>

補足資料

Supplementary Data

セグメント別業績推移 Segment Information



(百万円) Million Yen		会計期間 Fiscal Year				四半期 Quarter							
		2021年 3月期 FY2021/3	2022年 3月期 FY2022/3	2023年 3月期 FY2023/3	2024年 3月期 FY2024/3	2023年3月期 FY2023/3				2024年3月期 FY2024/3			
						1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
受注高 Orders	半導体 SPE	93,181	152,896	99,366	86,082	35,918	25,246	20,663	17,537	20,345	21,957	20,175	23,604
	計測 Metr.	23,878	33,159	36,960	34,802	10,246	8,788	9,472	8,452	9,225	7,981	9,963	7,632
	合計 Total	117,060	186,056	136,326	120,885	46,165	34,034	30,136	25,990	29,571	29,938	30,139	31,236
受注残高 Backlog	半導体 SPE	50,619	102,370	89,371	75,398	117,153	108,134	104,714	89,371	90,993	84,710	87,300	75,398
	計測 Metr.	6,301	9,904	12,428	12,606	13,367	13,263	14,782	12,428	13,758	13,061	15,253	12,606
	合計 Total	56,920	112,274	101,799	88,004	130,520	121,398	119,496	101,799	104,752	97,771	102,553	88,004
売上高 Sales	半導体 SPE	71,745	101,145	112,365	100,055	21,135	34,264	24,084	32,880	18,722	28,241	17,585	35,505
	計測 Metr.	25,359	29,556	34,436	34,624	6,783	8,892	7,954	10,806	7,895	8,678	7,772	10,278
	合計 Total	97,105	130,702	146,801	134,680	27,919	43,156	32,038	43,687	26,618	36,919	25,357	45,784
営業利益 OP	半導体 SPE	13,565	24,698	29,866	19,899	5,049	8,874	6,416	9,526	3,208	5,773	1,912	9,004
	計測 Metr.	1,996	3,628	4,628	5,408	641	1,120	1,031	1,834	1,042	1,365	1,084	1,916
	合計 Total	15,562	28,327	34,494	25,307	5,691	9,994	7,448	11,361	4,250	7,138	2,997	10,921
営業利益率 OP Margin	半導体 SPE	18.9%	24.4%	26.6%	19.9%	23.9%	25.9%	26.6%	29.0%	17.1%	20.4%	10.9%	25.4%
	計測 Metr.	7.9%	12.3%	13.4%	15.6%	9.5%	12.6%	13.0%	17.0%	13.2%	15.7%	14.0%	18.6%
	合計 Total	16.0%	21.7%	23.5%	18.8%	20.4%	23.2%	23.2%	26.0%	16.0%	19.3%	11.8%	23.9%

損益計算書

Statements of Income



(百万円) Million Yen	会計期間 Fiscal Year				四半期 Quarter							
	2021年 3月期 FY2021/3	2022年 3月期 FY2022/3	2023年 3月期 FY2023/3	2024年 3月期 FY2024/3	2023年3月期 FY2023/3				2024年3月期 FY2024/3			
					1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
売上高 Net Sales	97,105	130,702	146,801	134,680	27,919	43,156	32,038	43,687	26,618	36,919	25,357	45,784
売上原価 Cost of goods sold	60,190	77,694	84,967	79,917	15,940	25,783	18,220	25,022	15,415	22,387	14,894	27,220
売上総利益 Gross Profit on Sales	36,914	53,008	61,834	54,762	11,978	17,372	13,817	18,664	11,203	14,531	10,462	18,564
販売費および一般管理費 Selling, general and administrative expenses	21,351	24,681	27,339	29,454	6,287	7,378	6,369	7,303	6,952	7,392	7,465	7,643
営業利益 Operating profit	15,562	28,327	34,494	25,307	5,691	9,994	7,448	11,361	4,250	7,138	2,997	10,921
営業外収益 Non-operating income	540	987	965	1,404	824	96	-229	274	563	245	52	541
営業外費用 Non-operating expenses	235	153	162	259	18	25	111	7	103	22	64	67
経常利益 Recurring Profit	15,867	29,160	35,297	26,453	6,496	10,065	7,107	11,628	4,710	7,361	2,985	11,394
特別利益 Extraordinary gains	1,354	390	103	824	5	58	12	25	26	-	3	794
特別損失 Extraordinary losses	1,074	34	2,099	21	-	-	1,751	347	-	14	-	7
税引前利益 Profit before income taxes and minority interests	16,147	29,516	33,301	27,255	6,502	10,124	5,368	11,306	4,736	7,347	2,989	12,181
法人税等合計 Total Income tax and others	3,978	8,132	9,607	7,791	1,660	3,019	2,011	2,916	1,456	1,998	897	3,437
親会社株主に帰属する当期純利益 Net Profit attributable to Owners of the Parent	12,175	21,326	23,630	19,378	4,812	7,096	3,338	8,383	3,245	5,302	2,067	8,763
1株当たり当期純利益(円) Net Profit per Share (Yen)	293.83	522.52	581.33	480.49	118.38	174.47	82.05	206.60	80.63	131.49	51.23	217.00
潜在株式調整後 1株当たり当期純利益(円) Net Profit per Share (diluted) (Yen)	291.43	517.51	575.62	475.42	-	-	-	-	-	-	-	-

貸借対照表 Balance Sheet



(百万円) (Million Yen)		2021年3月期 FY2021/3	2022年3月期 FY2022/3	2023年3月期 FY2023/3	2024年3月期 FY2024/3
流動資産 Current Assets	現金及び預金 Cash and cash equivalents	43,657	49,033	40,080	36,782
	売上債権※1 Accounts Receivable※1	30,946	38,367	43,403	42,801
	在庫 Inventories	32,886	40,325	53,482	67,225
	その他 Others	4,025	6,103	7,005	7,022
	合計 Total	111,516	133,829	143,972	153,831
固定資産合計 Total Fixed Assets		50,039	56,457	65,060	71,693
総資産 Total Assets		161,556	190,287	209,032	225,524
流動負債 Current Liabilities	買入債務※2 Accounts Payable※2	23,062	29,876	22,359	17,845
	その他 Others	16,233	25,765	28,588	28,156
	合計 Total	39,296	55,641	50,947	46,002
固定負債合計 Total long-term liabilities		5,482	3,564	12,057	21,094
負債合計 Total Liabilities		44,778	59,206	63,004	67,097
純資産合計 Total Net Assets		116,777	131,081	146,028	158,427
負債・純資産合計 Total Liabilities and Net Assets		161,556	190,287	209,032	225,524
有利子負債合計 Total interest-bearing debt		7,581	5,497	14,191	25,171
自己資本比率 Equity Ratio(%)		71.4%	68.1%	69.0%	69.4%
自己資本利益率 ROE(%)		10.9%	17.4%	17.3%	12.9%

※1: 電子記録債権、契約資産を含む

Incl. Electronically recorded monetary claims

※2: 電子記録債務を含む

Incl. Electronically recorded obligations-operating

各種費用, キャッシュフロー Expenses and Cash Flows



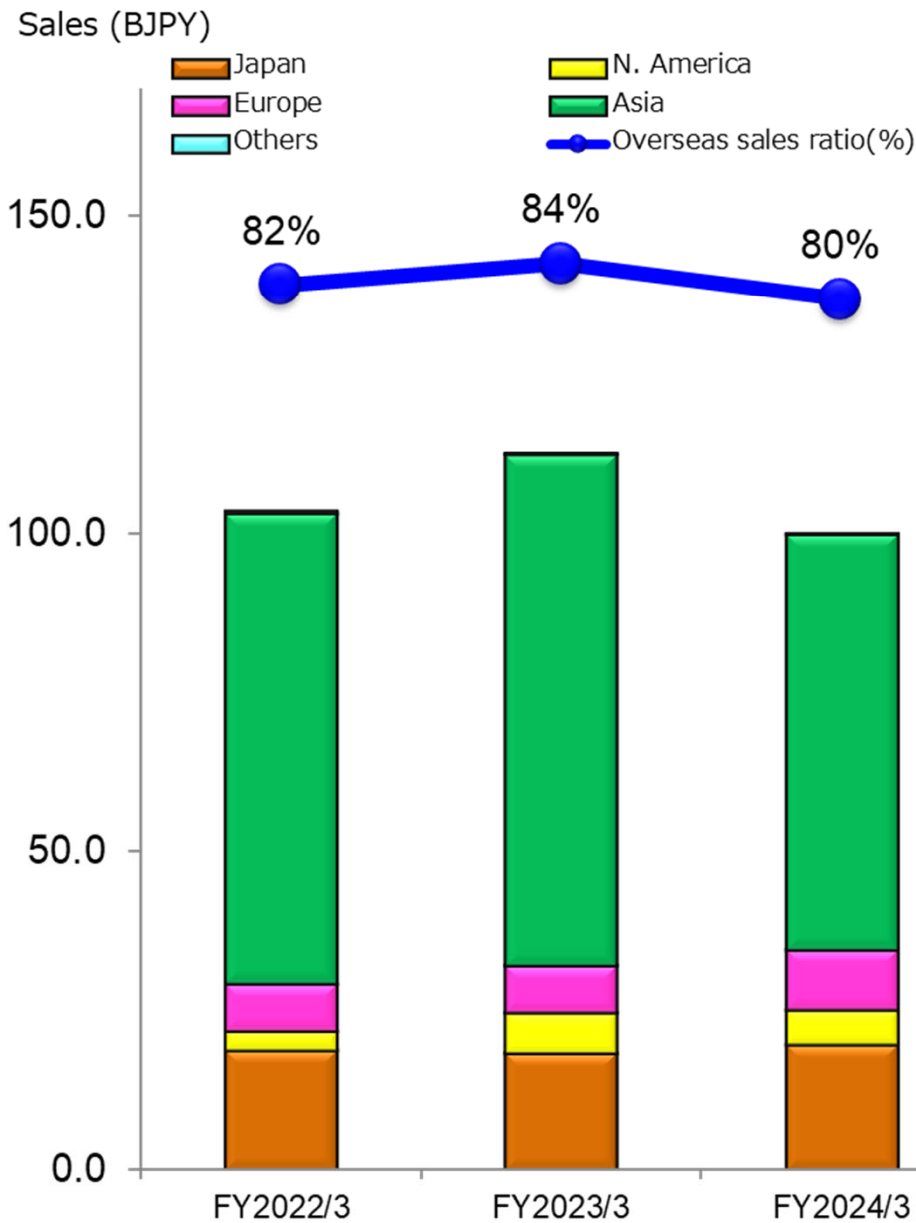
(百万円) (Million Yen)	2021年3月期 FY2021/3	2022年3月期 FY2022/3	2023年3月期 FY2023/3	2024年3月期 FY2024/3
試験研究費 R&D expenses	7,193	8,146	8,542	9,042
設備投資 Capex	5,950	9,793	9,725	11,602
減価償却費 (のれん除く) Depreciation (excl. Amortization)	3,516	3,551	3,832	4,673

(百万円) (Million Yen)	2021年3月期 FY2021/3	2022年3月期 FY2022/3	2023年3月期 FY2023/3	2024年3月期 FY2024/3
営業活動によるキャッシュフロー Cash flows from operating activities	22,062	23,837	1,000	4,892
投資活動によるキャッシュフロー Cash flows from investing activities	-5,191	-8,990	-8,421	-10,563
フリーキャッシュフロー Free cash flows	16,871	14,846	-7,421	-5,671
財務活動によるキャッシュフロー Cash flows from financing activities	-8,282	-10,346	-2,174	1,616
現金及び現金同等物に係る換算差額等 Adjustments	429	882	625	755
現金及び現金同等物の期末残高 Cash and cash equivalents at the end of year	43,624	49,006	40,036	36,736

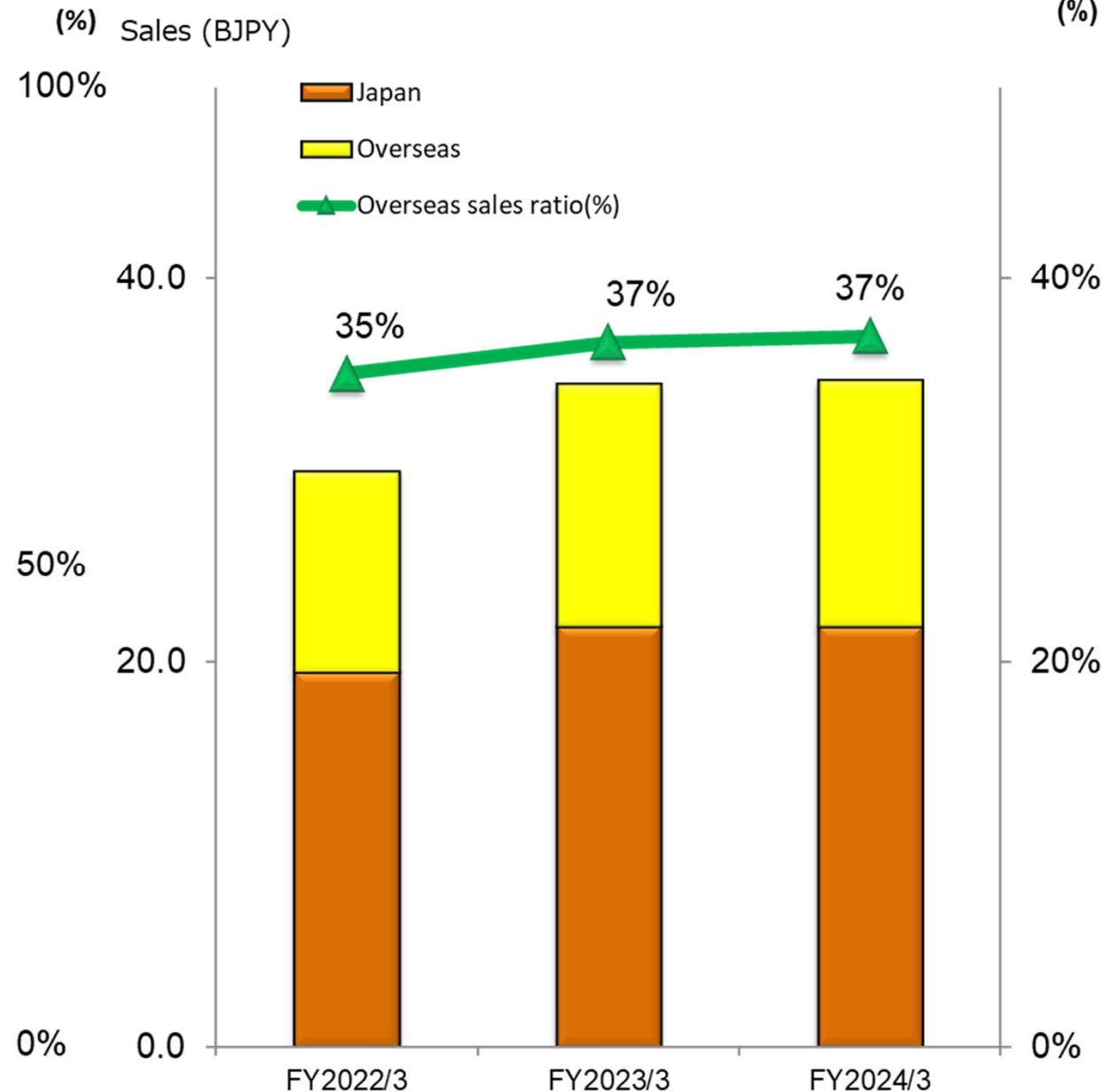
Sales per Region



SPE Segment



Metrology Segment

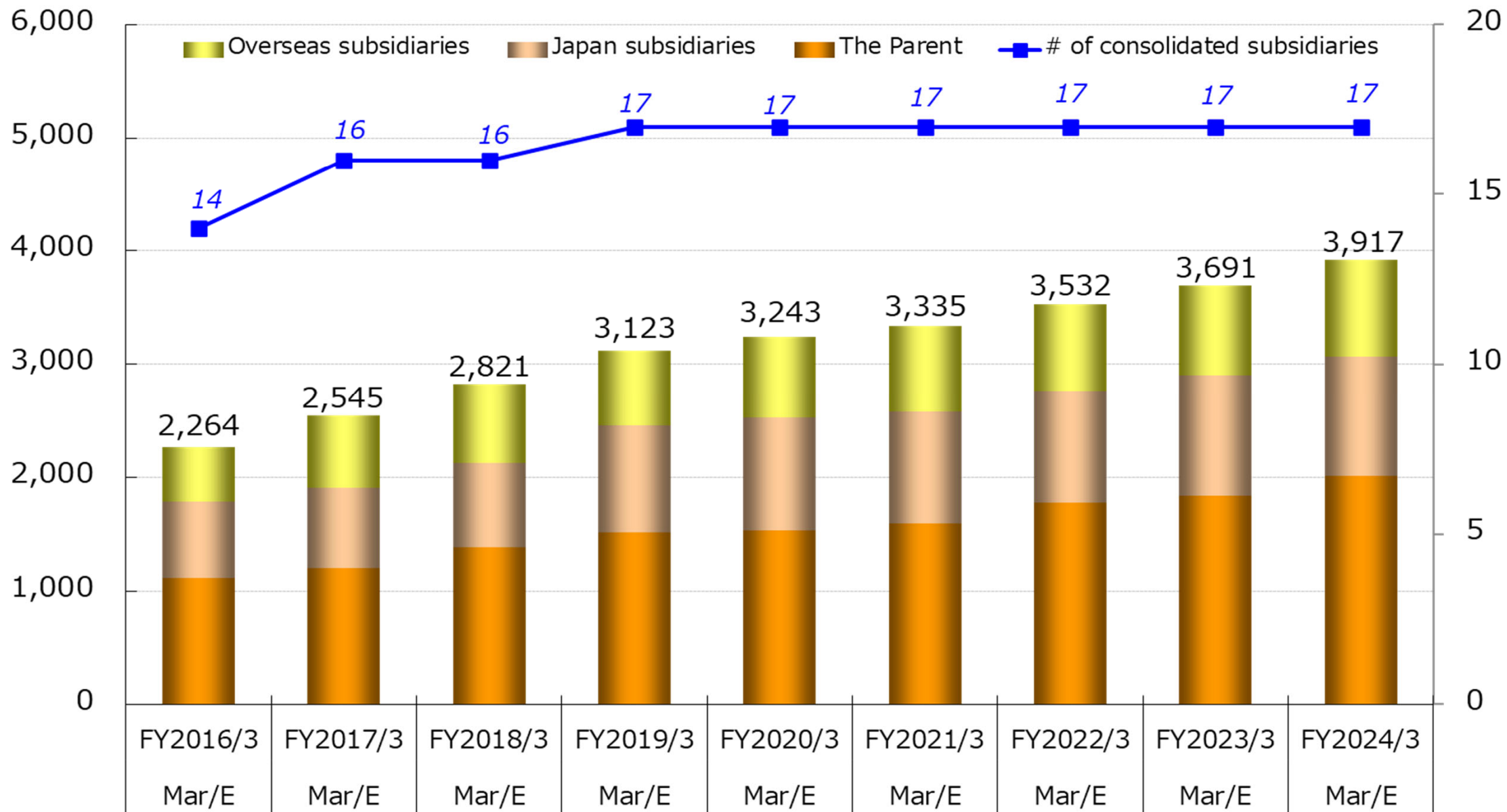


Number of employees



Number of Employees (person)

of Consolidated Subsidiaries



Note) Above figures include part time employees as at the end of each term