

# FY2022 Financial Results

Ushio Inc.  
May 11, 2023

This report contains forward-looking statements, including earnings forecasts, which are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Please be advised that actual results may differ substantially from those forward-looking statements due to various factors.

- \* All figures in the material have been rounded down to the nearest billion yen.
- \* FY2022 starts from April 1<sup>st</sup>, 2021 through March 31<sup>st</sup>, 2023.

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**USHIO**  
*Applying Light to Life*



1. FY2022 **revenues and earnings increased**
2. Projecting **higher revenues and lower earnings** in FY2023
3. Reportable segments changed as of FY2023

- I. Financial Results for FY2022**
- II. Full-Year Forecast for FY2023
- III. Supplementary Information

**Net Sales**  
**175.0 billion yen**

**+26.2 billion yen YoY (+17.6%)**

- Sales increased stemming from forex impact
- Optical Equipment: Sales increased due to demand increase in UV equipment
- Imaging Equipment: Sales increased owing to recovery trend from COVID-19 in general imaging

**Operating Profit**  
**15.8 billion yen**

**+2.7 billion yen YoY (+21.4%)**

- Impact of net sales increase (including forex impact)
- SG&A reduction from structural reforms

**Profit Attribute to Owners of Parent**  
**13.6 billion yen**

**+1.0 billion yen YoY (+8.7%)**

Non-operating Income

- Forex gain and loss: 1.9 billion yen (FY2021: 0.3 billion yen)

Extraordinary Income

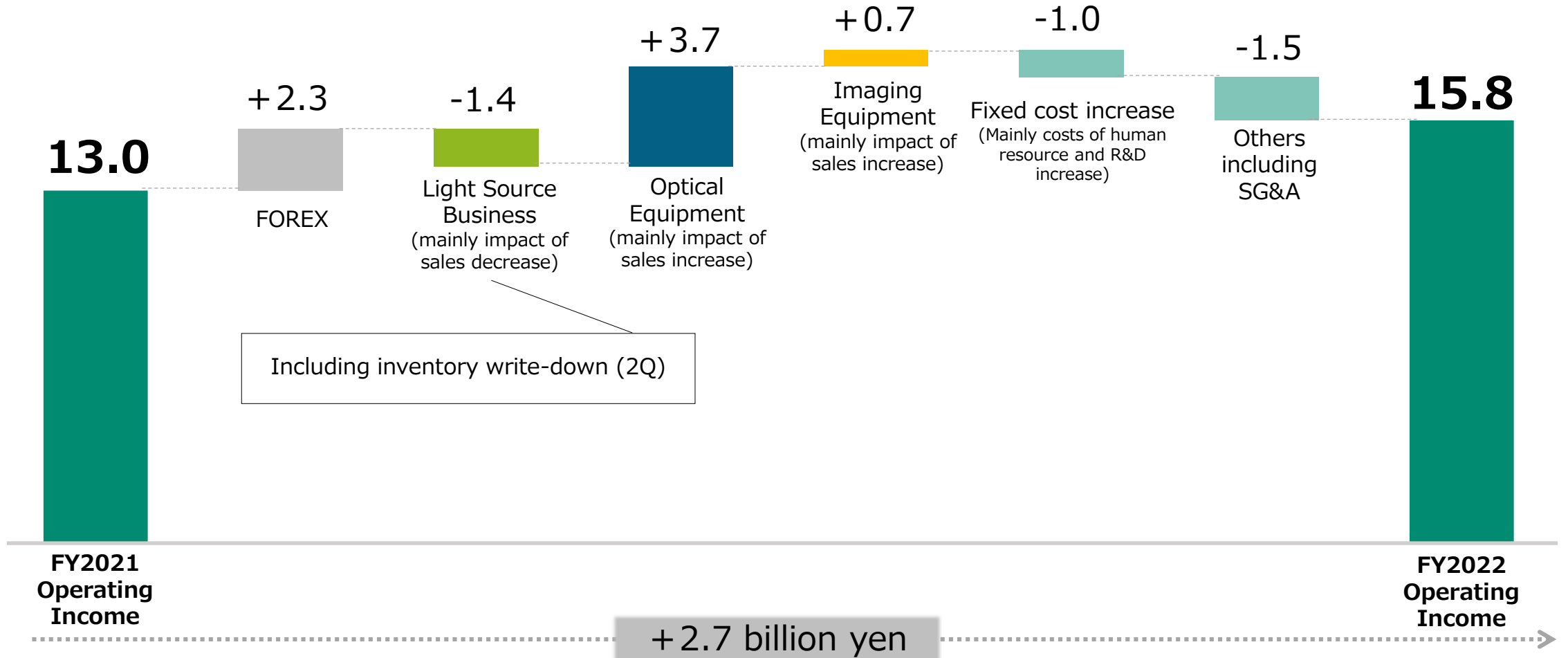
- Gain on sales of fixed assets: 0.2 billion yen (FY2021: 1.1 billion yen)

# Summary of Financial Results

|  | (Billions of yen) | FY2021<br>Result | FY2022<br>Result | YoY comparison |        |
|--|-------------------|------------------|------------------|----------------|--------|
|  |                   |                  |                  | Changes        | %      |
| Net Sales                              |                   | 148.8            | 175.0            | +26.2          | +17.6% |
| Operating Profit                       |                   | 13.0             | 15.8             | +2.7           | +21.4% |
| Operating Margin                       |                   | 8.8%             | 9.1%             | +0.3P          | -      |
| Ordinary Profit                        |                   | 15.1             | 20.1             | +4.9           | +32.6% |
| Profit Attributable to Owner of Parent |                   | 12.6             | 13.6             | +1.0           | +8.7%  |
| EPS (yen)                              |                   | 104.54           | 115.69           | +11.15         | +10.7% |
| FOREX (yen)                            | USD               | 112              | 135              | +23            | -      |
|  | EUR               | 131              | 141              | +10            | -      |

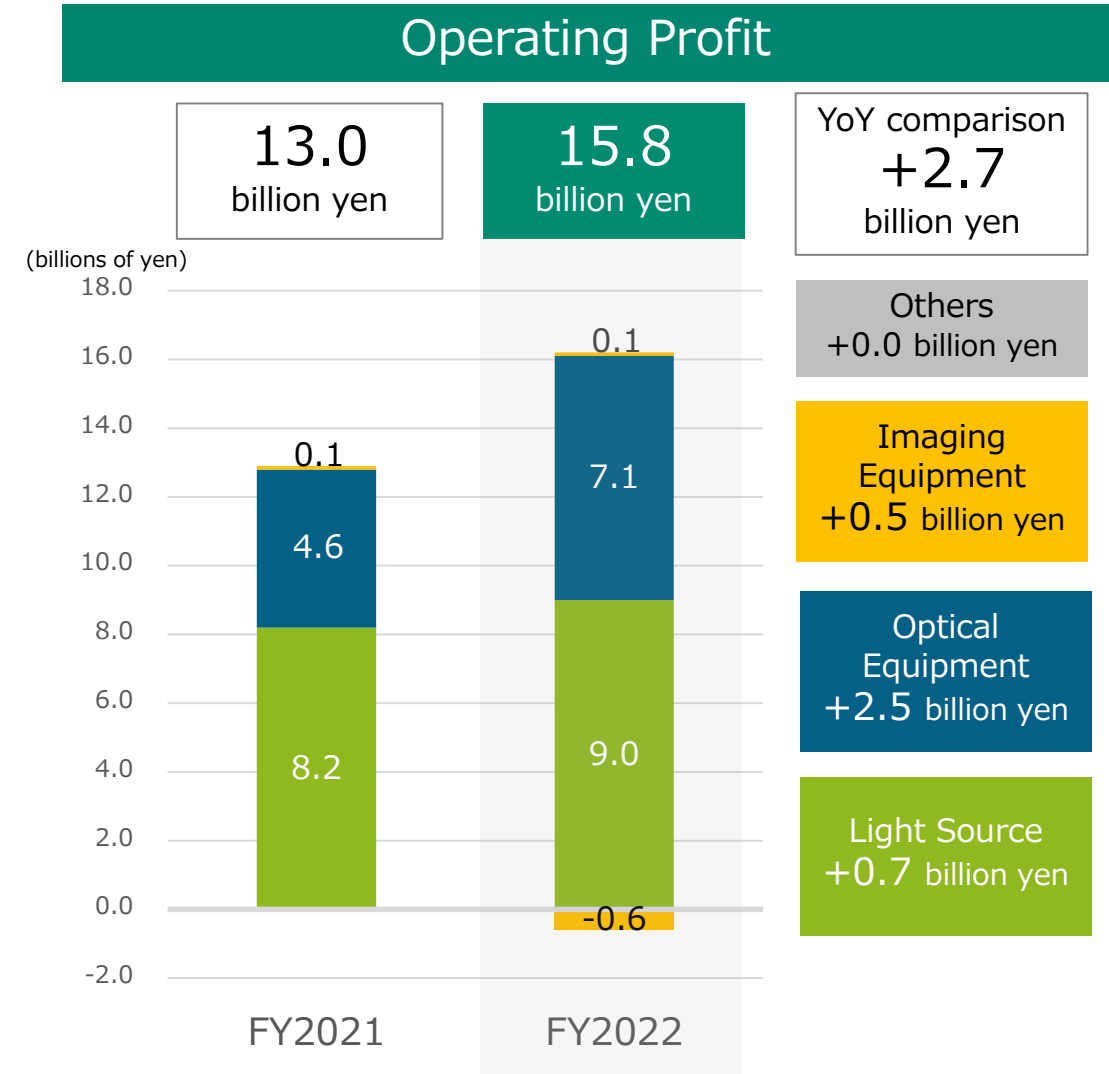
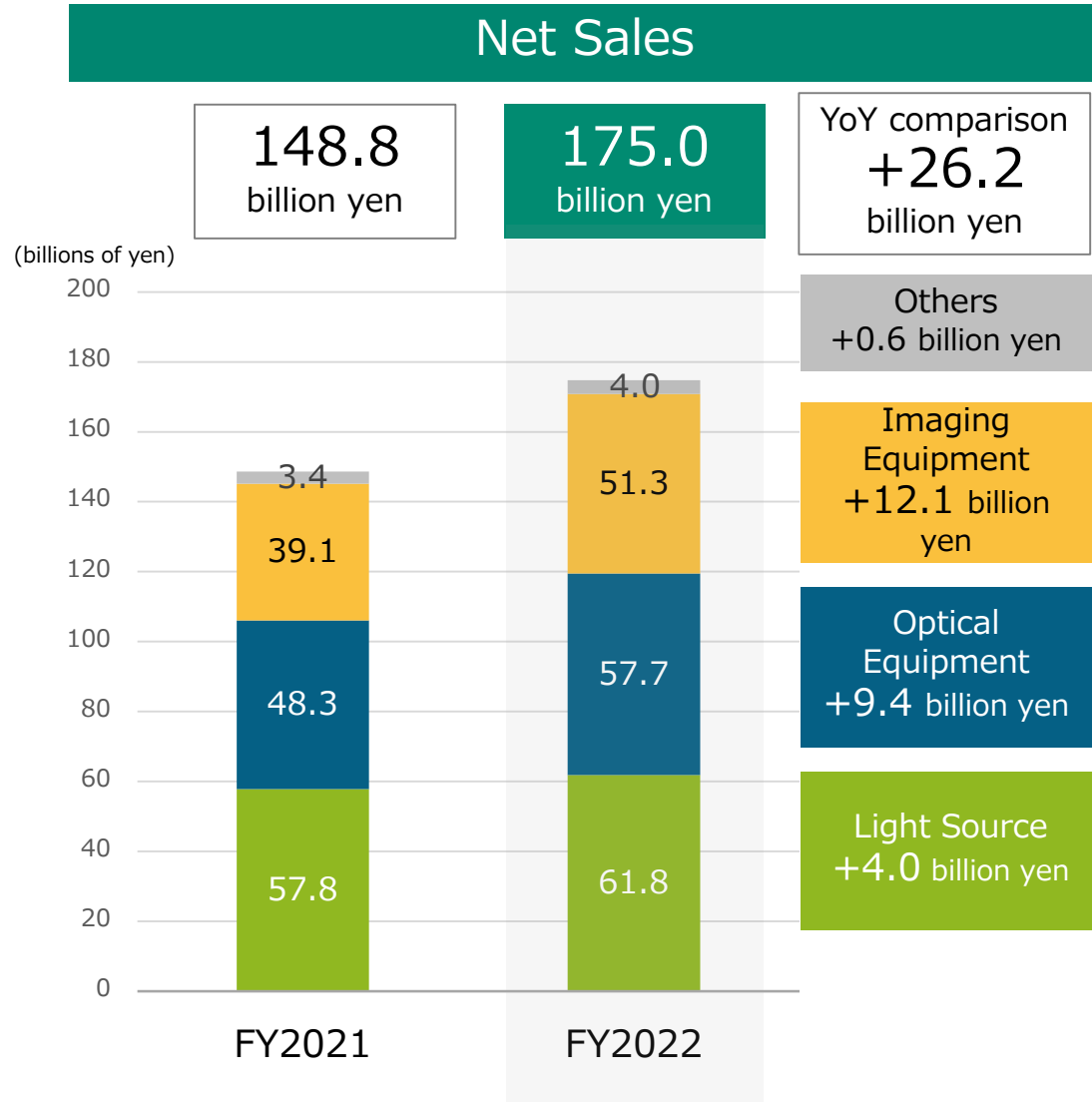
# YoY Variation Analysis of Operating Income

(billions of yen)



Note: 「Light Source Business (mainly impact of net sales up/down)」 ~ 「Others including SGA」 exclude 「FOREX」

# Financial Results by Business Segments



## Common

**Impact of shortage of materials for semiconductors continues in some businesses, but is easing**  
**Rising material costs, energy prices, and logistics costs continue to affect some businesses**

## Electronics Field

**Signs of near-term adjustment in semiconductor industry amid growth over medium through long terms, with LCD panel production entering adjustment phase**

- Flat panel displays: Solid stay-at-home demand for LCD panels ran its course, with inventories and production entering adjustment phase
- Semiconductor market: Notwithstanding anticipated growth over medium through long terms on IoT and 5G innovation progressing, some adjustments amid slowing end-use demand
- With data volumes increasing through IoT uptakes, market for advanced semiconductor packaging solutions continued to expand on faster data processing and lower power consumption of these devices, including technological innovation necessity

## Visual Imaging Field

**Markets on recovery paths through global economic activity returning to normal from pandemic, and impact of material shortages and cost increases are easing**

- Cinema market: Recovery in operating rates worldwide; full-scale investments should recover from FY2023. While COVID-zero policy has caused low operating rates in China, a policy shift should drive a recovery there
- General imaging market: Investment recovered due to the lifting of restrictions and resumption of events
- Office automation equipment: Inventory adjustment due to economic slowdown despite easing impact of component shortages at set manufacturers



| (Billions of yen)               | FY2021 | FY2022 | YoY comparison |        |
|---------------------------------|--------|--------|----------------|--------|
|                                 | Result | Result |                |        |
| Net Sales                       | 57.8   | 61.8   | +4.0           | +6.9%  |
| <b>UV Lamp</b>                  | 38.3   | 38.7   | +0.4           | +1.1%  |
| <b>Halogen Lamps</b>            | 10.4   | 12.9   | +2.4           | +23.8% |
| <b>Solid State Light Source</b> | 9.0    | 10.0   | +1.0           | +11.9% |
| Operating Profit                | 8.2    | 9.0    | +0.7           | +8.8%  |
| Operating Margin                | 14.3%  | 14.6%  | +0.3P          | -      |

## Discharge lamps Net Sales YoY comparison

- **UV lamps (-0.7 billion yen, -6%)**  
Sales for LCD panel dropped
- **Cinema lamps (+1.7 billion yen, +24%)**  
Sales increased as cinemas reopened and operations recovering from pandemic's impact and owing to foreign exchange changes
- **Data projector lamps (+0.6 billion yen, +17%)**  
Sales for high-end projectors rose on event and other recoveries
- **Optical equipment lamps (+0.2 billion yen, +3%)**  
Sales of optical equipment for LCD panel production were down but increased in yen terms owing to foreign exchange changes
- **Others (-1.4 billion yen, -35%)**  
Sodium lamp sales fell amid rapid shift to solid-state light sources

## Halogen lamps Net Sales YoY comparison

- **OA lamps (+1.4 billion yen, +33%)**  
Sales increased as parts procurement issues relaxed among set manufacturers
- **Others (+0.6 billion yen, +15%)**  
Heater lamp sales increased, primarily for semiconductors on higher semiconductor demand

## Solid state light source Net Sales YoY comparison

- **Solid state light source (+1.0 billion yen, +12%)**  
Sales increased on recoveries from pandemic in entertainment- and sensor-related markets and owing to foreign exchange changes

## Optical equipment

| (Billions of yen) | FY2021 | FY2022 | YoY comparison |        |
|-------------------|--------|--------|----------------|--------|
|                   | Result | Result |                |        |
| Net Sales         | 48.3   | 57.7   | +9.4           | +19.4% |
| Operating Profit  | 4.6    | 7.1    | +2.5           | +55.0% |
| Operating Margin  | 9.5%   | 12.4%  | +2.8P          | -      |

### Optical equipment sales

- **UV equipment (+9.6 billion yen, +33%)**  
Sales increased for large field stepper for cutting-edge IC Package substrates and Direct Imaging lithography equipment
- **Curing equipment (-1.1 billion yen, -22%)**  
LCD equipment sales decreased because demand for LCD panels ran its course
- **Others (+0.8 billion yen, +6%)**  
Higher maintenance revenues offset lower unit sales of EUV light sources

## Imaging equipment

| (Billions of yen) | FY2021 | FY2022 | YoY comparison |        |
|-------------------|--------|--------|----------------|--------|
|                   | Result | Result |                |        |
| Net Sales         | 39.1   | 51.3   | +12.1          | +31.0% |
| Operating Profit  | -0.0   | -0.6   | -0.5           | -      |
| Operating Margin  | (0.1)% | (1.3)% | (1.1)P         | -      |

### Imaging equipment sales

- **Cinemas (+3.7 billion yen, +22%)**  
While unit shipments of DCP declined because of shortages of semiconductors and other materials, sales were up owing to a lower yen
- **General imaging (+7.7 billion yen, +39%)**  
Sales of related products increased owing to event businesses recovering particularly in North America

# Latest Status of Promising Products: Optical Equipment

| Product   | Latest Status   | Sales Forecast   |             |                |               |               |               |         |               |     |               |               |               |      |               |     |     |               |      |         |
|---|---|--|-------------|----------------|---------------|---------------|---------------|---------|---------------|-----|---------------|---------------|---------------|------|---------------|-----|-----|---------------|------|---------|
| <p>Large Field Stepper for Latest IC Package Substrates</p> | <ul style="list-style-type: none"> <li>Continued growth in the IC package market has led to firm orders and inquiries, but there is a tendency to postpone investment at present</li> <li>For further demand increase, production capacity was increased (1.3 times) in the H2/FY2022, and planning more than double the capacity after FY2023</li> <li>Investment in development of next-generation lithography equipment (high productivity X high resolution)</li> </ul> | <table border="1"> <caption>Sales Forecast for Large Field Stepper</caption> <thead> <tr> <th>Fiscal Year</th> <th>Sales Forecast</th> </tr> </thead> <tbody> <tr> <td>FY2018 Result</td> <td>Low</td> </tr> <tr> <td>FY2019 Result</td> <td>Low-Mid</td> </tr> <tr> <td>FY2020 Result</td> <td>Mid</td> </tr> <tr> <td>FY2021 Result</td> <td>Mid-High</td> </tr> <tr> <td>FY2022 Result</td> <td>High</td> </tr> </tbody> </table>   | Fiscal Year | Sales Forecast | FY2018 Result | Low           | FY2019 Result | Low-Mid | FY2020 Result | Mid | FY2021 Result | Mid-High      | FY2022 Result | High |               |     |     |               |      |         |
| Fiscal Year   | Sales Forecast  |  |             |                |               |               |               |         |               |     |               |               |               |      |               |     |     |               |      |         |
| FY2018 Result   | Low   |  |             |                |               |               |               |         |               |     |               |               |               |      |               |     |     |               |      |         |
| FY2019 Result   | Low-Mid   |  |             |                |               |               |               |         |               |     |               |               |               |      |               |     |     |               |      |         |
| FY2020 Result   | Mid   |  |             |                |               |               |               |         |               |     |               |               |               |      |               |     |     |               |      |         |
| FY2021 Result   | Mid-High  |  |             |                |               |               |               |         |               |     |               |               |               |      |               |     |     |               |      |         |
| FY2022 Result   | High  |  |             |                |               |               |               |         |               |     |               |               |               |      |               |     |     |               |      |         |
| <p>Direct Imaging Exposure System</p>                       | <ul style="list-style-type: none"> <li>With evolution of IoT and 5G, package substrates market and print circuit boards market are growing steady</li> <li>Sales of high resolution model (2<math>\mu</math>mL/S) has started and will be contributing to sales in FY22</li> </ul> <p>Target: latest IC package (Fan-out) and organic package substrates markets</p>  | <table border="1"> <caption>Sales Forecast for Direct Imaging Exposure System</caption> <thead> <tr> <th>Fiscal Year</th> <th>Sales Forecast</th> </tr> </thead> <tbody> <tr> <td>FY2018 Result</td> <td>Low</td> </tr> <tr> <td>FY2019 Result</td> <td>Low-Mid</td> </tr> <tr> <td>FY2020 Result</td> <td>Mid</td> </tr> <tr> <td>FY2021 Result</td> <td>Mid-High</td> </tr> <tr> <td>FY2022 Result</td> <td>High</td> </tr> </tbody> </table>  | Fiscal Year | Sales Forecast | FY2018 Result | Low           | FY2019 Result | Low-Mid | FY2020 Result | Mid | FY2021 Result | Mid-High      | FY2022 Result | High |               |     |     |               |      |         |
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| FY2018 Result   | Low   |  |             |                |               |               |               |         |               |     |               |               |               |      |               |     |     |               |      |         |
| FY2019 Result   | Low-Mid   |  |             |                |               |               |               |         |               |     |               |               |               |      |               |     |     |               |      |         |
| FY2020 Result   | Mid   |  |             |                |               |               |               |         |               |     |               |               |               |      |               |     |     |               |      |         |
| FY2021 Result   | Mid-High  |  |             |                |               |               |               |         |               |     |               |               |               |      |               |     |     |               |      |         |
| FY2022 Result   | High  |  |             |                |               |               |               |         |               |     |               |               |               |      |               |     |     |               |      |         |
| <p>EUV Light Source for Mask Inspection</p>                 | <ul style="list-style-type: none"> <li>Although EUV lithography mask inspection market continues to grow, FY2023 will be still demand adjusting phase</li> <li>High brightness APMI* actual implementation will be after FY2025</li> <li>Maintenance demand increase as planned</li> </ul>  | <table border="1"> <caption>Sales Forecast for EUV Light Source</caption> <thead> <tr> <th>Fiscal Year</th> <th>Maintenance</th> <th>Light Source</th> </tr> </thead> <tbody> <tr> <td>FY2018 Result</td> <td>Very Low</td> <td>None</td> </tr> <tr> <td>FY2019 Result</td> <td>Low</td> <td>None</td> </tr> <tr> <td>FY2020 Result</td> <td>Low-Mid</td> <td>None</td> </tr> <tr> <td>FY2021 Result</td> <td>Mid</td> <td>Low</td> </tr> <tr> <td>FY2022 Result</td> <td>High</td> <td>Low-Mid</td> </tr> </tbody> </table> | Fiscal Year | Maintenance    | Light Source  | FY2018 Result | Very Low      | None    | FY2019 Result | Low | None          | FY2020 Result | Low-Mid       | None | FY2021 Result | Mid | Low | FY2022 Result | High | Low-Mid |
| Fiscal Year   | Maintenance   | Light Source   |             |                |               |               |               |         |               |     |               |               |               |      |               |     |     |               |      |         |
| FY2018 Result   | Very Low  | None   |             |                |               |               |               |         |               |     |               |               |               |      |               |     |     |               |      |         |
| FY2019 Result   | Low   | None   |             |                |               |               |               |         |               |     |               |               |               |      |               |     |     |               |      |         |
| FY2020 Result   | Low-Mid   | None   |             |                |               |               |               |         |               |     |               |               |               |      |               |     |     |               |      |         |
| FY2021 Result   | Mid   | Low  |             |                |               |               |               |         |               |     |               |               |               |      |               |     |     |               |      |         |
| FY2022 Result   | High  | Low-Mid  |             |                |               |               |               |         |               |     |               |               |               |      |               |     |     |               |      |         |

\*APMI: Actinic Patterned Mask Defect Inspection

# Summary of Financial Results for FY2022

While lower than initially targeted owing to deteriorating semiconductor market conditions and materials shortages, results surpassed previously announced forecast revision because of minimal impact of light source production adjustments in Q4

|  | (Billions of yen) | FY2022<br>Result | Previous Revision<br>February 3, 2023 |         |                         | Initial Plan<br>May 11, 2022 |         |                         |
|--|-------------------|------------------|---------------------------------------|---------|-------------------------|------------------------------|---------|-------------------------|
|  |                   |                  | Full Year<br>Forecast                 | Changes | Achievement<br>rate (%) | Full Year<br>Forecast        | Changes | Achievement<br>rate (%) |
| Net Sales                                  |                   | 175.0            | 170.0                                 | +5.0    | 103.0%                  | 170.0                        | +5.0    | 103.0%                  |
| Operating Profit                           |                   | 15.8             | 15.0                                  | +0.8    | 105.7%                  | 17.0                         | -1.1    | 93.3%                   |
| Operating Margin                           |                   | 9.1%             | 8.8%                                  | +0.2P   | -                       | 10.0%                        | (0.9)P  | -                       |
| Ordinary Profit                            |                   | 20.1             | 19.5                                  | +0.6    | 103.3%                  | 18.5                         | +1.6    | 108.9%                  |
| Profit Attributable to<br>Owners of Parent |                   | 13.6             | 13.0                                  | +0.6    | 105.4%                  | 14.0                         | -0.3    | 97.9%                   |
| EPS (yen)                                  |                   | 115.69           | 109.78                                | +5.91   | 105.4%                  | 117.79                       | -2.10   | 98.2%                   |
| ROE (%)                                    |                   | 5.7%             | 5.5%                                  | +0.2P   | -                       | 5.9%                         | (-0.2)P | -                       |
| Annual dividend (yen)                      |                   | 50               | 50                                    | -       | -                       | 50                           | -       | -                       |
| Forex rate<br>(yen)                        | USD               | 135              | 133                                   | +2      | -                       | 120                          | +15     | -                       |
|  | EUR               | 141              | 139                                   | +2      | -                       | 130                          | +11     | -                       |

# Financial Results by Sub-Segment for 2022



|                              |                  | FY2022<br>Result | Previous Revision<br>February 3, 2022 |         |                         | Initial Plan<br>May 11, 2022 |         |                         |
|------------------------------|------------------|------------------|---------------------------------------|---------|-------------------------|------------------------------|---------|-------------------------|
|                              |                  |                  | Full Year<br>Forecast                 | Changes | Achievement<br>rate (%) | Full Year<br>Forecast        | Changes | Achievement<br>rate (%) |
| (Billions of yen)            |                  |                  |                                       |         |                         |                              |         |                         |
| <b>Light<br/>source</b>      | Net Sales        | 61.8             | 59.0                                  | +2.8    | 104.8%                  | 63.0                         | -1.1    | 98.1%                   |
|                              | Operating Profit | 9.0              | 7.7                                   | +1.3    | 117.2%                  | 9.8                          | -0.7    | 92.2%                   |
|                              | Operating Margin | 14.6%            | 13.1%                                 | +1.5P   | -                       | 15.6%                        | (1.0)P  | -                       |
| <b>Optical<br/>equipment</b> | Net Sales        | 57.7             | 56.0                                  | +1.7    | 103.2%                  | 51.0                         | +6.7    | 113.3%                  |
|                              | Operating Profit | 7.1              | 8.0                                   | -0.8    | 89.5%                   | 5.7                          | +1.4    | 125.6%                  |
|                              | Operating Margin | 12.4%            | 14.3%                                 | (1.9)P  | -                       | 11.2%                        | +1.2P   | -                       |
| <b>Imaging<br/>equipment</b> | Net Sales        | 51.3             | 51.0                                  | +0.3    | 100.6%                  | 52.0                         | -0.6    | 98.7%                   |
|                              | Operating Profit | -0.6             | -0.9                                  | +0.2    | -                       | 1.3                          | -1.9    | -                       |
|                              | Operating Margin | (1.3)%           | (1.8)%                                | +0.5P   | -                       | 2.5%                         | (3.8)P  | -                       |
| <b>Others</b>                | Net Sales        | 4.0              | 4.0                                   | +0.0    | 102.2%                  | 4.0                          | +0.0    | 102.2%                  |
|                              | Operating Profit | 0.1              | 0.2                                   | -0.0    | 95.9%                   | 0.2                          | -0.0    | 95.9%                   |
|                              | Operating Margin | 4.7%             | 5.0%                                  | (0.3)P  | -                       | 5.0%                         | (0.3)P  | -                       |
| <b>Total</b>                 | Net Sales        | 175.0            | 170.0                                 | +5.0    | 103.0%                  | 170.0                        | +5.0    | 103.0%                  |
|                              | Operating Profit | 15.8             | 15.0                                  | +0.8    | 105.7%                  | 17.0                         | -1.1    | 93.3%                   |
|                              | Operating Margin | 9.1%             | 8.8%                                  | +0.2P   | -                       | 10.0%                        | (0.9)P  | -                       |

- 
- I. Financial Results for FY2022
  - II. Full-year Forecast for FY2023**
  - III. Supplementary Information

# Summary of FY2023 Financial Forecast

Sales should increase due to the easing trend in the visual imaging-related materials problem, but business conditions remained uncertain, especially in the semiconductor market. Expand strategic investments to achieve the 2nd Medium-Term Management Plan and future business expansion. Management plans to maintain annual dividends at ¥50 per share.

| (Billions of yen)                      | FY2022<br>Result | FY2023<br>Forecast | YoY Comparison |         |
|--|------------------|--------------------|----------------|---------|
| Net Sales                              | 175.0            | 188.0              | +12.9          | +7.4%   |
| Operating Profit *1                    | 15.8             | 12.5               | -3.3           | (21.2)% |
| Operating Margin *1                    | 9.1%             | 6.6%               | (2.4)P         | -       |
| EBITDA *2                              | 23.6             | 21.0               | -2.6           | (11.2)% |
| EBITDA Margin                          | 13.5%            | 11.2%              | (2.3)P         | -       |
| Ordinary Profit                        | 20.1             | 14.0               | -6.1           | (30.5)% |
| Profit Attributable to Owner of Parent | 13.6             | 10.0               | -3.6           | (27.0)% |
| EPS (yen)                              | 115.69           | 90.58              | -25.11         | (21.7)% |
| ROE (%)                                | 5.7%             | 4.3%               | (1.4)P         | -       |
| Dividend per year (yen)                | 50               | 50                 | -              | -       |
| FOREX (yen)                            | USD              | 135                | -0             | -       |
|  | EUR              | 141                | +4             | -       |

FOREX sensitivity:  
Amount of impact from 1 yen fluctuations (full-year)

|        | Net Sales               | Operating Profit         |
|--------|-------------------------|--------------------------|
| vs USD | Approx. 1.2 billion yen | Approx. 0.13 billion yen |

\*1 FY2023 operating profit, operating margin and ROE targets exclude new goodwill amortization  
\*2 EBITDA = operating profit + depreciation and amortization and amortization of goodwill

# Reporting Segment Changes

Changed reporting segments from 2<sup>nd</sup> Medium-Term Management Plan (FY2023~2025) to market-centered segments

| Old business segments      | Subsegments                               |                             |
|----------------------------|---|-----------------------------|
| Light Source Business      | Halogen lamps                             | • OA                        |
|                            |   | • Lamps                     |
|                            |   | • Others                    |
|                            | Discharge lamps                           | • UV lamps                  |
|                            |   | • Cinema                    |
|                            |   | • Data projector            |
|                            |   | • Optical equipment         |
|                            |   | • Others                    |
|                            |   | • Solid state light sources |
|                            | Optical Equipment Business                | • UV equipment              |
| • Curing equipment         |   |                             |
| • Others                   |   |                             |
| Imaging equipment Business | • Cinema                                  |                             |
|                            | • General imaging                         |                             |
|                            | • Lighting equipment, etc.                |                             |
| Others                     | • Machinery for industrial use and others |                             |

| New business segments       | Ref: Relevance to former business segments   |                     |
|-----------------------------|--|---------------------|
| Reporting segments          | Subsegments  | Reporting segments  |
| <b>Industrial Processes</b> | <ul style="list-style-type: none"> <li>● Halogen lamps: OA, other</li> <li>● Discharge lamps: UV lamps, Optical equipment lamps</li> </ul>     | (Light Source)      |
|                             | <ul style="list-style-type: none"> <li>● UV equipment</li> <li>● Curing equipment</li> <li>● Other (EUV, etc.)</li> </ul>                      | (Optical Equipment) |
|                             | <ul style="list-style-type: none"> <li>● Machinery for industrial use and other businesses</li> </ul>  | (Others)            |
| <b>Visual Imaging</b>       | <ul style="list-style-type: none"> <li>● Halogen lamps: Illumination</li> <li>● Discharge lamps: Cinema lamps, Data projector lamps</li> </ul> | (Light Source)      |
|                             | <ul style="list-style-type: none"> <li>● Cinema</li> <li>● General imaging</li> <li>● Illumination equipment, etc.</li> </ul>                  | (Imaging Equipment) |
| <b>Life Sciences</b>        | <ul style="list-style-type: none"> <li>● Discharge lamps: Optical equipment</li> </ul>   | (Light Source)      |
|                             | <ul style="list-style-type: none"> <li>● Other (Medical, etc.)</li> </ul>  | (Optical Equipment) |
| <b>Photonics Solutions</b>  | <ul style="list-style-type: none"> <li>● Solid-state light sources</li> </ul>  | (Light Source)      |
| <b>Others</b>               | <ul style="list-style-type: none"> <li>● Others</li> </ul>   | (Optical Equipment) |



# FY2023 Financial Forecasts by Sub-segment

IP: Decrease due to continued uncertainty in the semiconductor market and increased investment in development  
 VI: Increase in sales and income due to easing of material issues

| (billions of yen)           | Net Sales                      |                   |                |         | Operating Profit               |                   |                  |         |
|-----------------------------|--------------------------------|-------------------|----------------|---------|--------------------------------|-------------------|------------------|---------|
|                             | FY2022 Result<br>(Reference*1) | FY2023 Forecast*2 | YoY Comparison |         | FY2022 Result<br>(Reference*1) | FY2023 Forecast*2 | YoY Comparison   |         |
| <b>Industrial Processes</b> | 88.1                           | 86.0              | -2.1           | (2.4)%  | 17.2<br>(19.6%)                | 11.0<br>(12.8%)   | -6.2<br>((6.8)P) | (36.4)% |
| <b>Visual Imaging</b>       | 67.7                           | 83.5              | +15.7          | +23.2%  | 3.0<br>(4.5%)                  | 4.0<br>(4.8%)     | +0.9<br>(+0.3P)  | +32.2%  |
| <b>Life Sciences</b>        | 4.6                            | 4.5               | -0.1           | (3.3)%  | -4.9<br>((106.0)%)             | -2.0<br>((44.4)%) | +2.9<br>(+61.6P) | -       |
| <b>Photonics Solutions</b>  | 10.1                           | 10.5              | +0.3           | +3.7%   | -0.2<br>((2.9)%)               | -1.0<br>((9.5)%)  | -0.7<br>((6.6)P) | -       |
| Others                      | 4.3                            | 3.5               | ▲0.8           | (19.4)% | 0.7<br>(17.7%)                 | 0.5<br>(14.3%)    | -0.2<br>((3.4)P) | (34.8)% |
| <b>Total</b>                | 175.0                          | 188.0             | +12.9          | +7.4%   | 15.8<br>(9.1%)                 | 12.5<br>(6.6%)    | -3.3<br>((2.4)P) | (21.2)% |

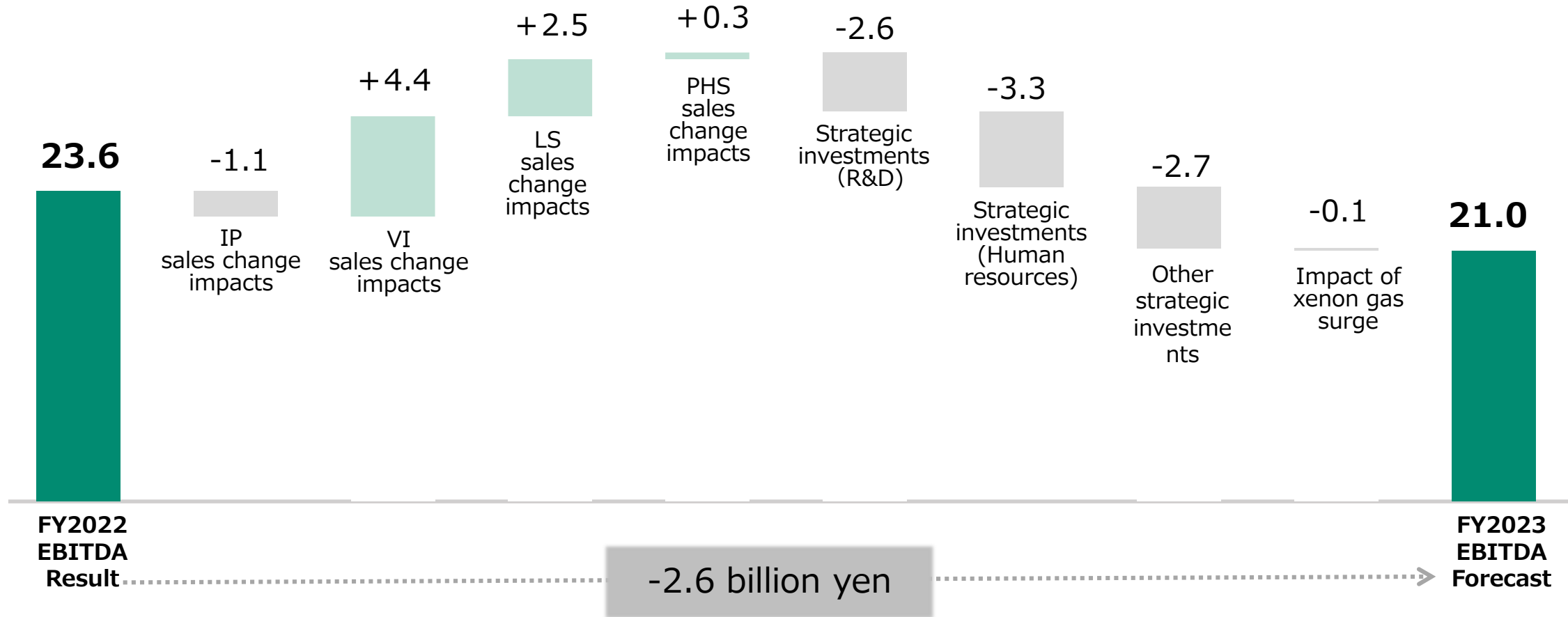
\*1. FY2022 segment figures are reference values that Ushio prepared for comparative purposes

\*2. FY2023 operating profit target excludes new goodwill amortization.

# FY2023 Segment Forecasts

|                             | Business climate assumptions   | Outlooks   |
|-----------------------------|--|--|
| <b>Industrial Processes</b> | <p><b>Business climate to remain generally uncertain, with moderate semiconductor market recovery from H2</b></p> <ul style="list-style-type: none"> <li>• Semiconductor market capacity utilization adjustments to continue amid final demand slowdown, with recovery beginning in second half of year</li> <li>• Demand to remain robust in cutting-edge IC package market, with trends remaining intact over medium and long terms, albeit with investment plans currently tending to be pushed back</li> <li>• Flat panel display market demand to remain flat after capacity utilization drops in response to stay-at-home demand running course</li> </ul> | <ul style="list-style-type: none"> <li>• Slightly higher sales of projection and Direct Imaging lithography equipment owing to some investment plan postponements</li> <li>• In EUV, sales only for maintenance amid ongoing total costs of ownership issues</li> <li>• UV lamp sales down from year earlier owing to ongoing operational adjustments</li> <li>• Investments expanding in lithography equipment and EUV to strengthen development and support structure with view to future</li> </ul> |
| <b>Visual Imaging</b>       | <p><b>Cinema market recovery ushering in full-fledged replacement demand, while general imaging market performing solidly</b></p> <ul style="list-style-type: none"> <li>• In cinema market, Chinese market recovering, driving robust replacement demand for digital cinema projectors</li> <li>• General imaging market solid, including for events and theme parks</li> <li>• Shortages easing of parts and materials for high-end projectors</li> </ul>  | <ul style="list-style-type: none"> <li>• Sales of digital cinema projectors rising amid easing of parts and materials shortages and full-fledged replacement demand</li> <li>• Higher sales of general imaging-related equipment owing to robust high-end demand</li> <li>• Sales of cinema lamps up on Chinese market recovery</li> <li>• Sales of data projector lamps dropping because of lower demand and shift to solid-state light sources</li> </ul>  |
| <b>Life Sciences</b>        | <ul style="list-style-type: none"> <li>• Moderate demand growth for light-based equipment in medical sector</li> </ul>   | <ul style="list-style-type: none"> <li>• UV light therapy equipment sales up on new product launches and market share gains</li> <li>• Higher medical lamp light source sales on demand boost</li> <li>• Sodium lamp sales off in shift to solid-state light sources</li> </ul>  |
| <b>Photonics Solutions</b>  | <ul style="list-style-type: none"> <li>• Steady growth on expanding optical applications, improved energy efficiency, and other factors</li> </ul>   | <ul style="list-style-type: none"> <li>• Higher sales of devices and modules for medical, healthcare, industrial sensor markets</li> <li>• Module sales up for OA printing and curing applications</li> </ul>  |

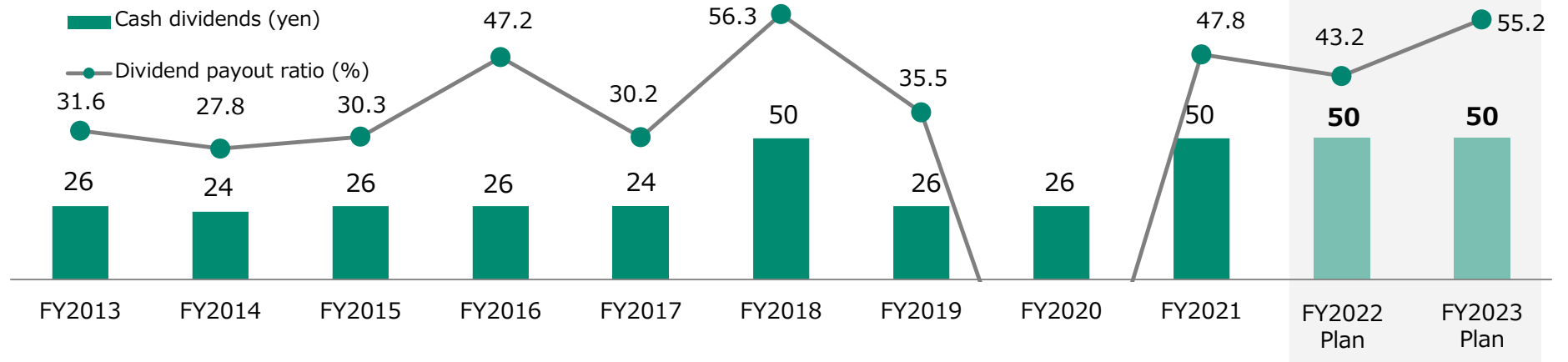
# YoY Variation Analysis of EBITDA



## Dividends per Share

### 【Dividend policy】 Generating stable returns

**50 yen** for FY2022 (plan)  
**50 yen** for FY2023 (continuation)

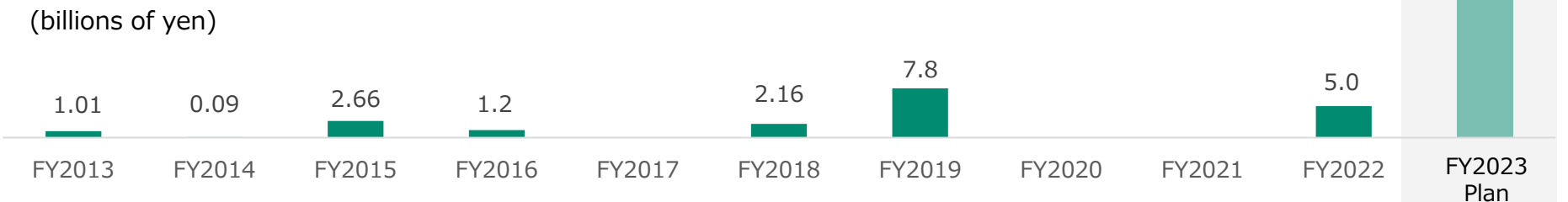


## Share Buybacks

### 【Buyback policy】

Ushio will flexibly repurchase shares. It will limit treasury stock holdings to 5% of the total number of issued and outstanding shares, annually retiring portions exceeding the 5% threshold

Purchase period: May 29, 2023 to May 10, 2024  
 Total amount to be purchased: 30 billion yen (max)  
 Total number to be purchased: 20 million shares (max)



- 
- I. Financial Results for FY2022
  - II. Full-year Forecast for FY2023
  - III. Supplementary Information**

## USHIO

**EUV light source for next-generation semiconductor mass-production process**  
 Development, Production, Sales



(Provided by TNO)



Sales of light source  
 Maintenance

**Mask Inspection equipment manufacturer/  
 Research & development institution**

Next-generation semiconductor mass-production needs with EUV lithography technology evolution

**Semiconductor device manufacturers**

Increase EUV light source needs for inspection and development

**Contribution of Ushio's EUV light source**

Expect to expand business opportunities of EUV light source for mask inspection

### Ushio EUV Light Source Development History

- 2000 EUV light source development started
- 2001 Established EUVA\*  
\*Extreme Ultraviolet Lithography System Development Association
- 2013 Withdrew from Lithography related development
- 2016 Delivered EUV light source to TNO
- 2018 Delivered first EUV light source for inspection (for test purpose)
- 2019 Delivered and received first acceptance for mass production process

### Ushio Strength

Long business experience in semiconductor industry

+

Many years of experience in EUV technology  
 (Compact/High-brightness/High Power)

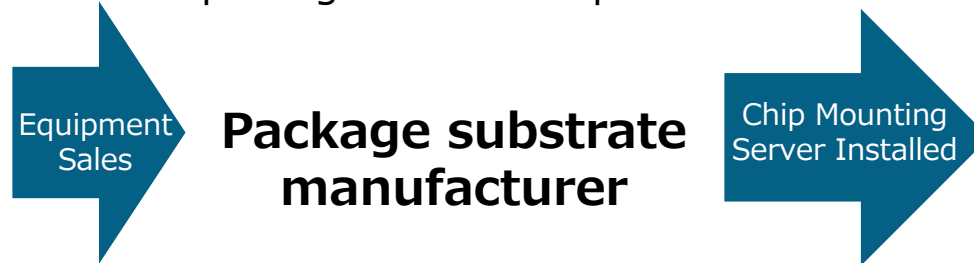


## Large Field Stepper (UX-5) Production and sales

- **World wide share:**  
**Maintain 90%**  
Cutting-edge IC package substrate market  
(Stepper market)



Cutting-edge & Next generation  
package demand expansion

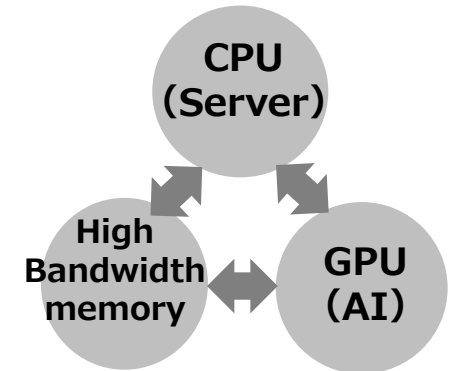


### ■ Ushio Strength

1. Large-area projection  
→ **High productivity & low CoO**
2. Non-contact mask work  
→ **Yield enhancement**
3. Deep depth of focus  
→ **Process margin & substrate warping**
4. High Resolution/alignment accuracy  
→ **Pitch miniaturization & process margin**

With IoT evolution, demand increased for servers for data centers processing high capacity and high speed data processing

**Data center market**  
>20% growth per year (self-survey)  
⇒ Expanding Adoption of  
next-generation package substrates



# Direct Imaging (DI) Lithography Equipment



## Direct Imaging Lithograph Equipment

Development · Production · Sales

Refinement

High Productivity



Print-wired board demand increasing as application innovation



### Print-wired board Package substrate manufacturer

High Density

Multi-layering



**As 5G progressed**  
Innovation of each application and demand increasing

**Data Center Base Station**  
Demand increasing

**Smartphone Communication Device**  
Demand increasing

**Vehicle Installation**  
Demand increasing

**5G Service**  
Started and expanding around the world

Lower Power Consumption  
Downsizing

### Ushio Strength

High Resolution (High end products)

World's fastest High Productivity (Middle end products)

+

Customer-first maintenance support capability

● World wide share : 20% (self-survey)



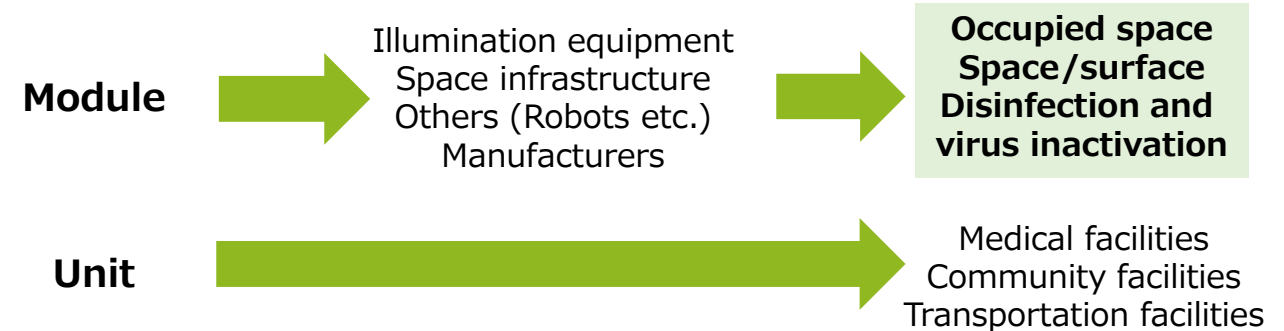
## Care222®: Disinfection and Virus Inactivation Solution

**Our Goal : Safe and reassured environment, which prevents from Pandemics**

Towards the needs for disinfection and virus inactivation under occupied space (providing safe and reassurance)

### ■ Ushio Strength

- Exclusive licensee of ultraviolet disinfection process, which is harmless to humans (Columbia University)
- Accumulated effective radiation process appropriate to spatial form
- High-quality excimer lamp/module production technology acquired from LCD and semiconductor industries



| Our Efforts |   |
|-------------|---|
| STEP0       | <ul style="list-style-type: none"> <li>• Build production system/product expansion<br/>Expanding product lineup by collaborative development and requirement</li> <li>• Awareness and brand value improvement<br/>Participating in exhibitions and advertising, opening brand site, and collaborating with sales partners</li> <li>• Expanding evidence/spreading safety of UV rays<br/>Continuous Conference presentation and clinical research<br/>Applying to worldwide certification with ACGIH* revision to accelerate relaxation of IEC standards* and international regulations</li> </ul> |
| STEP1       | <ul style="list-style-type: none"> <li>• Space infrastructure with high affinity<br/>⇒ MaaS market/medical care market</li> </ul>   |

\*ACGIH : American Conference of Governmental Industrial Hygienists, which prescribes Threshold Limit Values (TLVs)

\*IEC standards: Standards which International Electrotechnical Commission develops and publishes. Cover electrical safety, labeling, performance, test methods, and other guidelines for electrical and electronic products

# Reference: Summary of Quarterly Financial Results

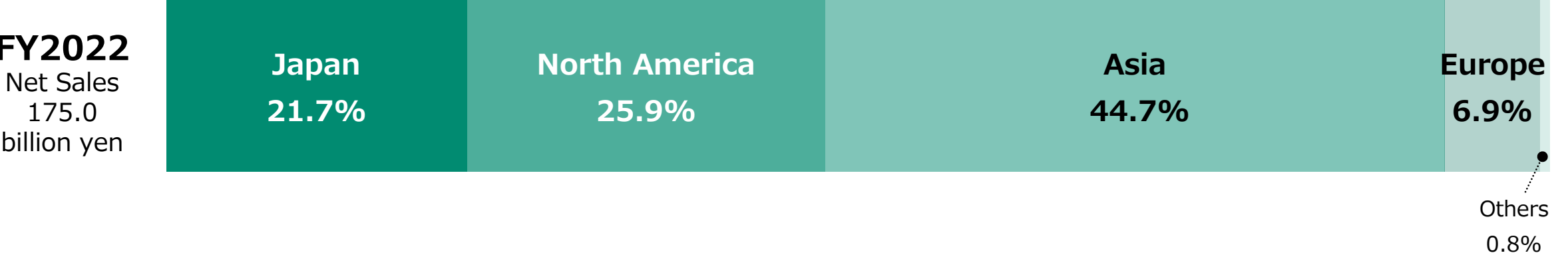
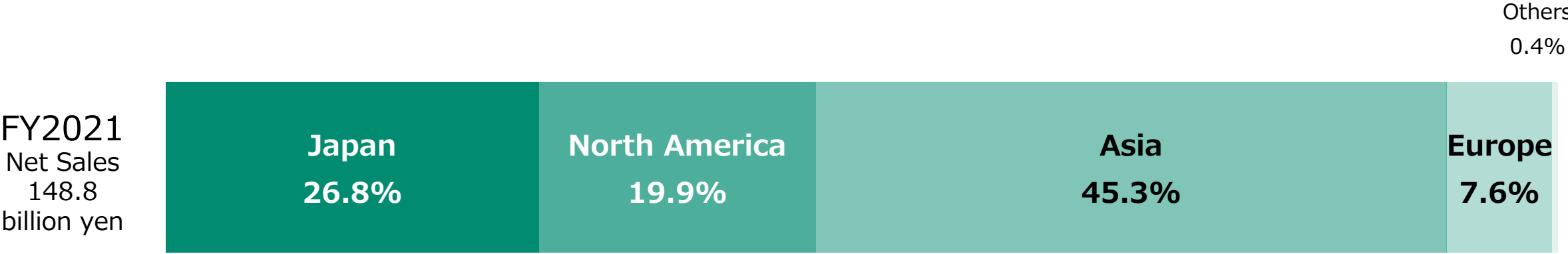


|  |     | FY2021 |       |       |       | FY2022 |       |       |       | YoY comparison |         |
|--|-----|--------|-------|-------|-------|--------|-------|-------|-------|----------------|---------|
|  |     | 1Q     | 2Q    | 3Q    | 4Q    | 1Q     | 2Q    | 3Q    | 4Q    | Changes        | %       |
| (Billions of yen)                      |     |        |       |       |       |        |       |       |       |                |         |
| Net Sales                              |     | 34.9   | 36.6  | 38.1  | 39.1  | 39.7   | 48.2  | 40.4  | 46.6  | +7.5           | +19.3%  |
| Operating Profit                       |     | 2.5    | 3.9   | 4.2   | 2.2   | 4.4    | 5.6   | 3.4   | 2.3   | -0.0           | (3.2)%  |
| Operating Margin                       |     | 7.4%   | 10.9% | 11.1% | 5.8%  | 11.3%  | 11.7% | 8.5%  | 5.0%  | (0.8)P         | -       |
| Ordinary Profit                        |     | 3.3    | 4.3   | 4.8   | 2.6   | 6.2    | 7.3   | 4.3   | 2.1   | -0.5           | (20.0)% |
| Profit Attributable to Owner of Parent |     | 3.3    | 3.1   | 3.6   | 2.4   | 3.8    | 5.6   | 2.5   | 1.6   | -0.7           | (33.0)% |
| EPS (yen)                              |     | 28.02  | 25.94 | 30.52 | 20.06 | 32.18  | 47.87 | 21.80 | 13.78 | -6.28          | (31.3)% |
| FOREX (yen)                            | USD | 110    | 110   | 113   | 115   | 126    | 137   | 144   | 133   | +18            | -       |
|  | EUR | 132    | 130   | 130   | 129   | 137    | 140   | 144   | 143   | +13            | -       |

# Reference: Summary of Quarterly Financial Results by Business Segments

|                   |                       | FY2021 |       |       |        | FY2022 |       |        |        | YoY comparison |          |
|-------------------|-----------------------|--------|-------|-------|--------|--------|-------|--------|--------|----------------|----------|
| (Billions of yen) |                       | 1Q     | 2Q    | 3Q    | 4Q     | 1Q     | 2Q    | 3Q     | 4Q     |                |          |
| Light Source      | Net Sales             | 13.6   | 14.3  | 15.2  | 14.5   | 16.0   | 16.4  | 15.0   | 14.2   | -0.3           | (2.3)%   |
|                   | Operating Profit      | 1.9    | 2.5   | 2.4   | 1.2    | 3.1    | 2.0   | 2.1    | 1.7    | +0.4           | +37.5%   |
|                   | Operating Margin      | 14.3%  | 17.8% | 16.3% | 8.8%   | 19.4%  | 12.2% | 14.1%  | 12.4%  | +3.6P          | -        |
| Optical equipment | Net Sales             | 12.4   | 12.0  | 10.8  | 13.0   | 11.5   | 18.6  | 11.3   | 16.1   | +3.0           | +23.6%   |
|                   | Operating Profit      | 1.0    | 1.3   | 1.0   | 1.0    | 1.0    | 3.4   | 1.7    | 0.8    | -0.2           | (20.2)%  |
|                   | Operating Margin      | 8.7%   | 11.3% | 10.1% | 8.4%   | 9.4%   | 18.7% | 15.1%  | 5.4%   | (3.0)P         | -        |
| Imaging equipment | Net Sales             | 8.2    | 9.4   | 11.1  | 10.4   | 11.3   | 11.9  | 12.9   | 15.0   | +4.6           | +44.2%   |
|                   | Operating Profit/Loss | -0.4   | 0.0   | 0.5   | -0.1   | 0.2    | 0.0   | -0.5   | -0.4   | -0.2           | (169.2)% |
|                   | Operating Margin      | (5.8)% | 0.3%  | 4.9%  | (1.4)% | 2.2%   | 0.2%  | (3.9)% | (2.7)% | (1.2)P         | -        |
| Others            | Net Sales             | 0.6    | 0.8   | 0.9   | 1.0    | 0.7    | 1.1   | 1.0    | 1.1    | +0.1           | +19.0%   |
|                   | Operating Profit/Loss | -0.0   | 0.0   | 0.0   | 0.0    | 0.0    | 0.0   | 0.0    | 0.0    | +0.0           | +170.4%  |
|                   | Operating Margin      | (0.2)% | 2.2%  | 7.8%  | 2.0%   | 1.5%   | 6.2%  | 5.6%   | 4.5%   | +2.5P          | -        |
| Total             | Net Sales             | 34.9   | 36.6  | 38.1  | 39.1   | 39.7   | 48.2  | 40.4   | 46.6   | +7.5           | +19.3%   |
|                   | Operating Profit/Loss | 2.5    | 3.9   | 4.2   | 2.2    | 4.4    | 5.6   | 3.4    | 2.3    | +0.0           | +3.2%    |
|                   | Operating Margin      | 7.4%   | 10.9% | 11.1% | 5.8%   | 11.3%  | 11.7% | 8.5%   | 5.0%   | (0.8)P         | -        |

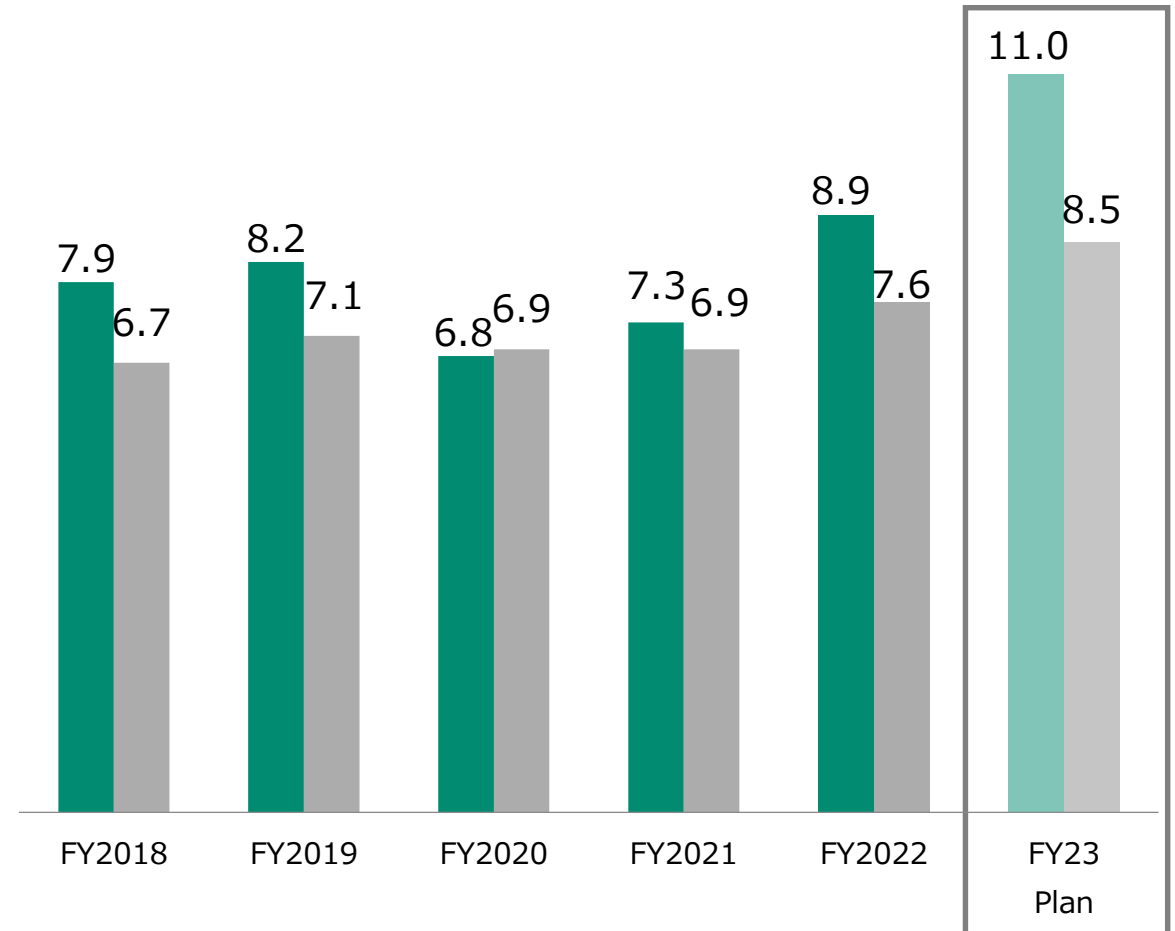
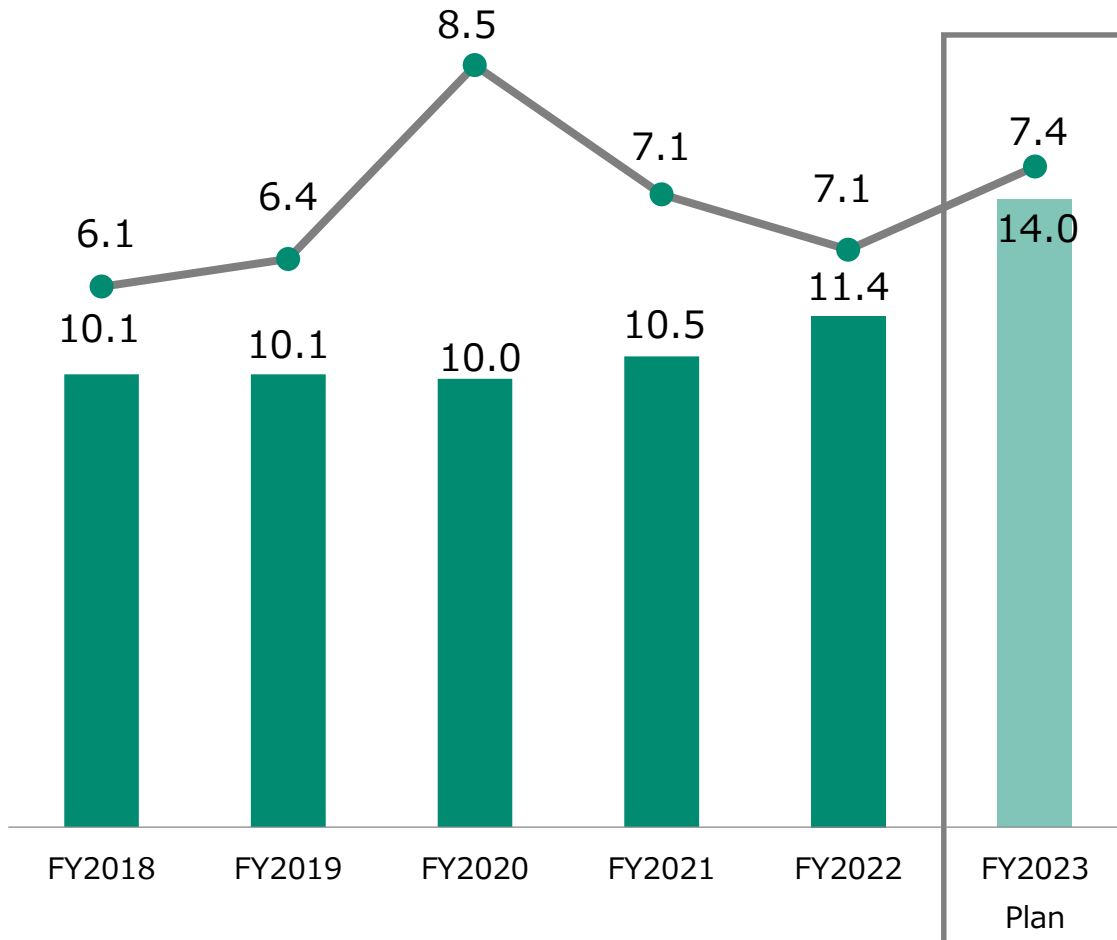
Reference: Sales Ratio by Region



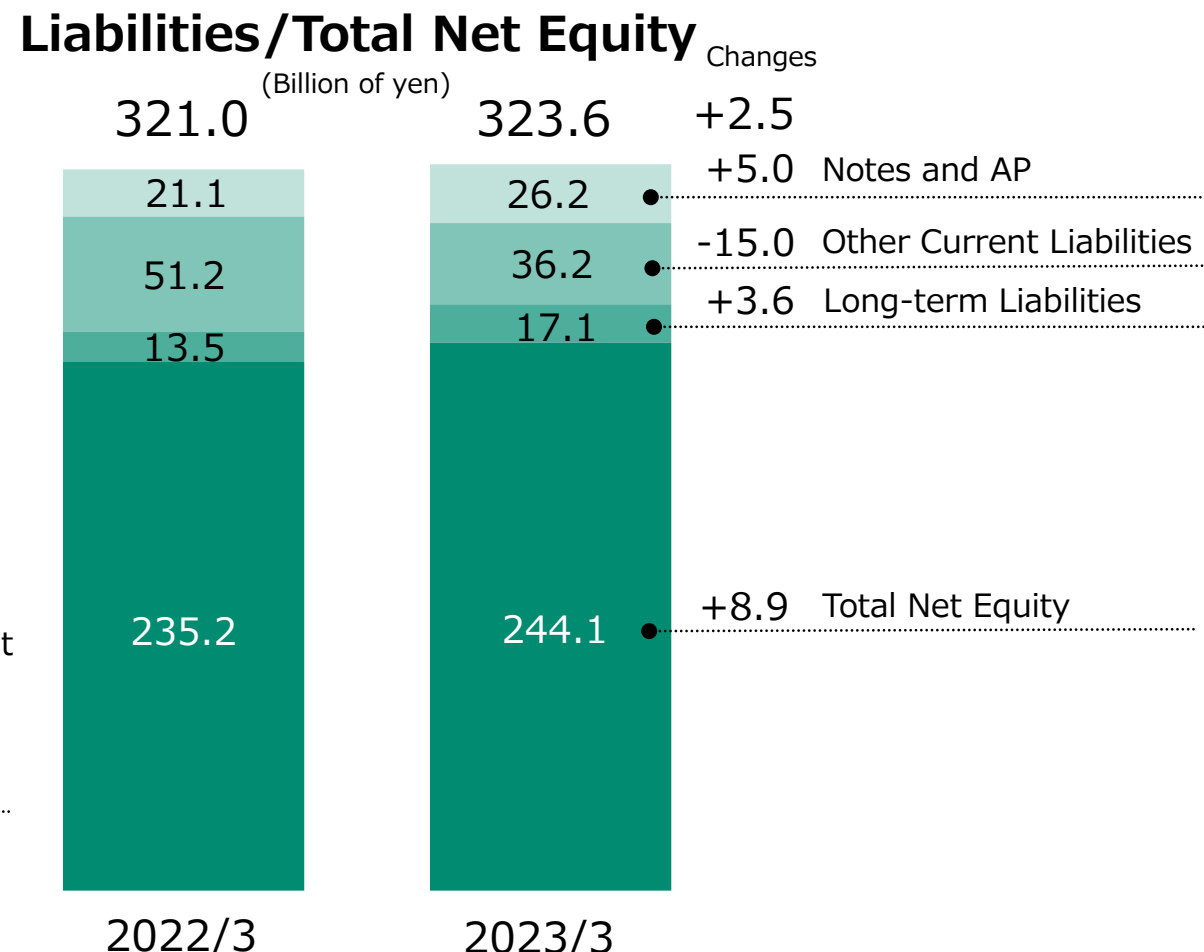
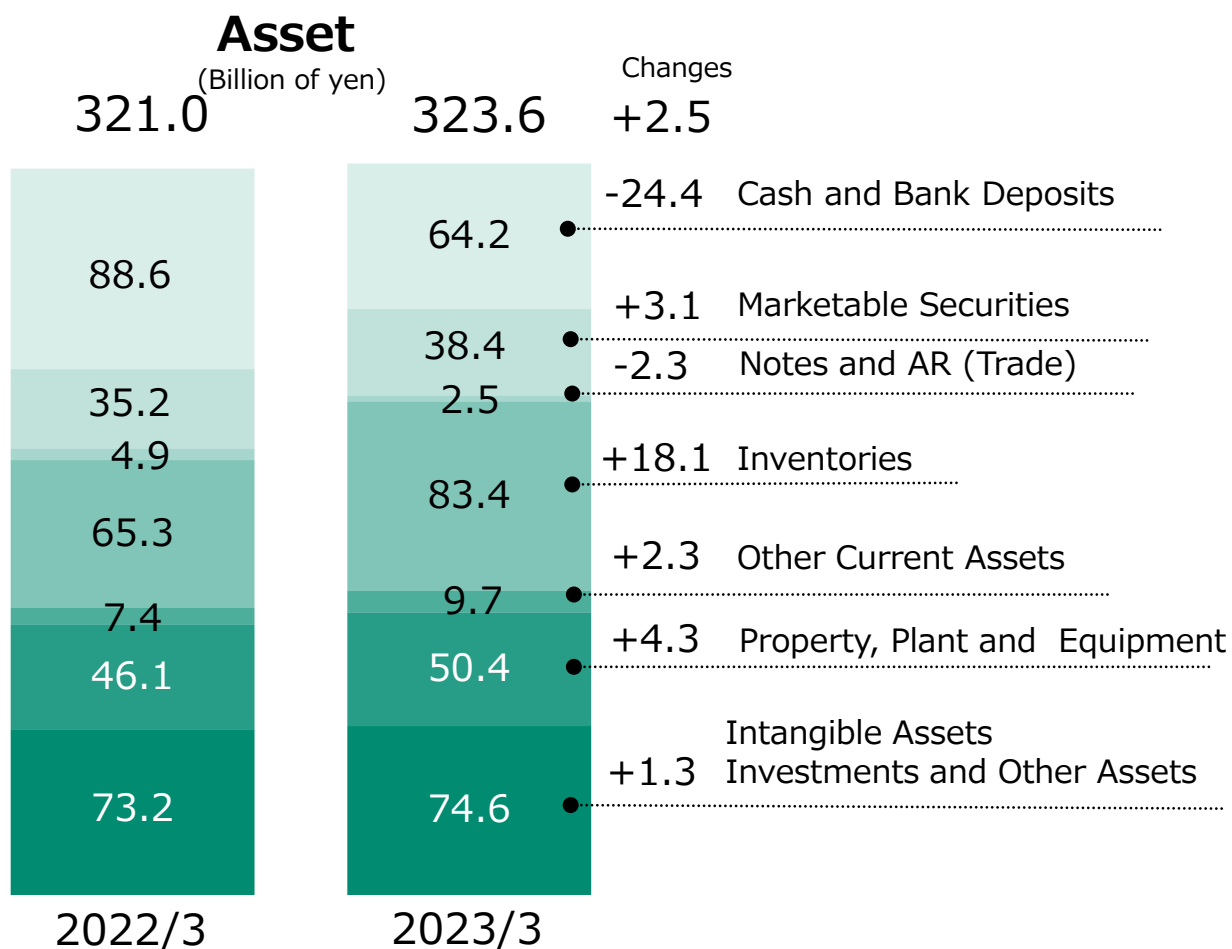
# Reference: R&D Expenses/Capital Expenditures and Depreciation

■ R&D Expenses (Billions of yen)  
— Ratio of R&D Expenses to net sales (%)

■ Capital Expenditures (Billions of yen)  
■ Depreciation (Billions of yen)



# Reference: Balance Sheet

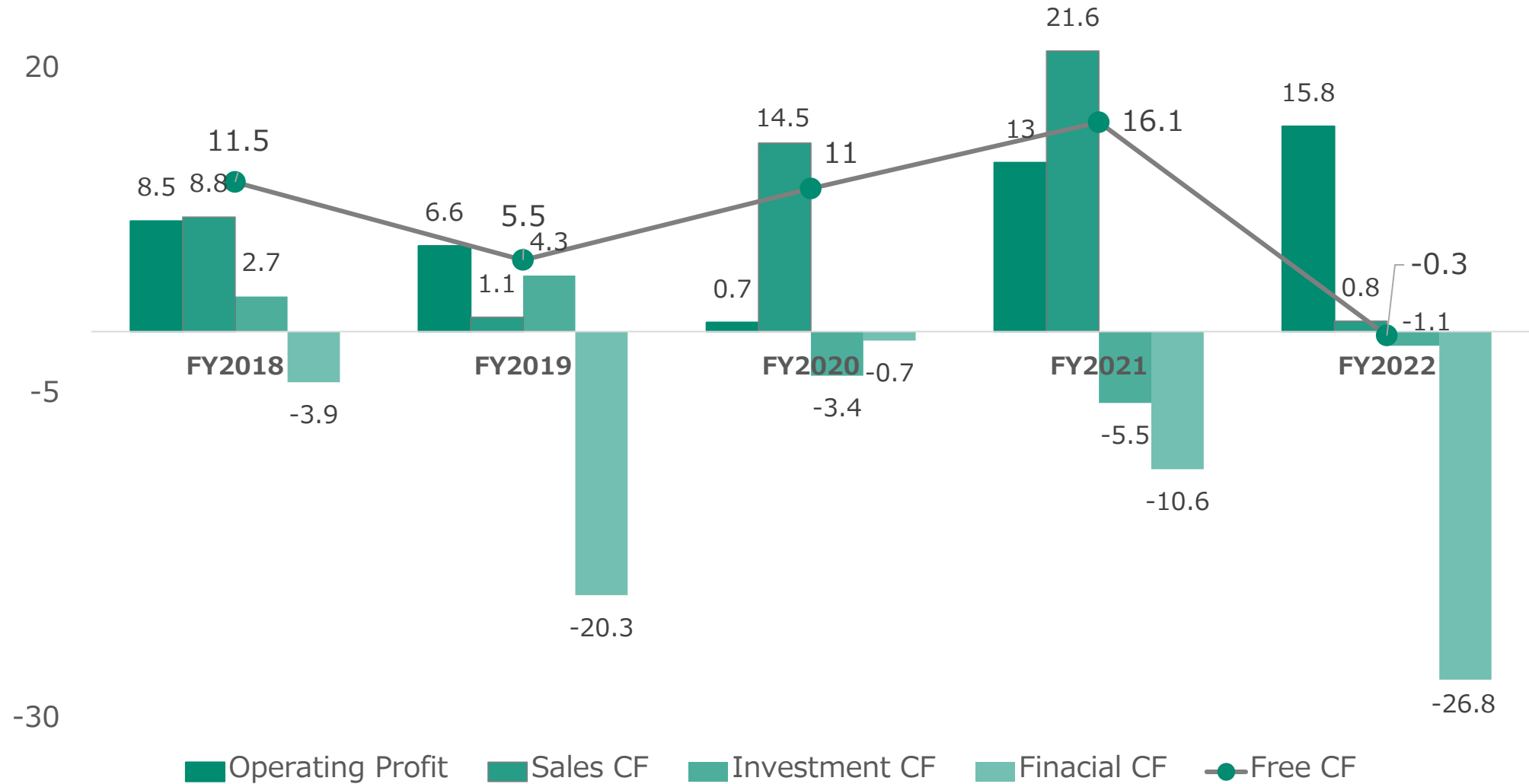


| ● Turnover (months) | 2022/3 | 2023/3 |
|---------------------|--------|--------|
| Receivable-trade    | 2.8    | 2.5    |
| Inventories         | 5.0    | 5.1    |

| ● Equity Ratio (%) | 2022/3 | 2023/3 |
|--------------------|--------|--------|
|                    | 73.2   | 75.4   |

# Reference: Cash Flow

(Billions of yen)



# Renewed IR Website/ IR Mail Distribution Feature

- Our official website "Investor Relations Information" has been renewed. We have reorganized the contents to make it more accessible and to let you know about Ushio's present to future.
- We added new feature "IR E-mail distribution" to send our IR information in a timely manner to the shareholders. Please register for this feature.

## Renewal Point 01

Opened "To our individual shareholders" page



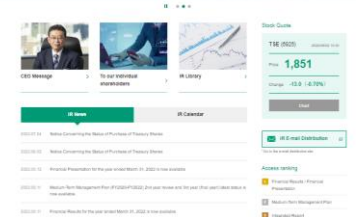
## Renewal Point 02

Set up new contents "Ushio in Life"



## Renewal Point 03

Added IR E-mail distribution feature



Please register from here




































---

|      |   |
|------|---|
| AI   | Artificial Intelligence                                     |
| APMI | Actinic Patterned Mask Defect Inspection                    |
| BGA  | Ball Grid Array   |
| CoO  | Cost of Ownership   |
| CPU  | Central Processing Unit                                     |
| DCP  | Digital Cinema Projector                                    |
| DI   | Direct Imaging  |
| EUV  | Extreme Ultraviolet Radiation                               |
| FPD  | Flat Panel Display  |
| GPU  | Graphic Processing Unit                                     |
| IoT  | Internet of Things  |
| OA   | Office Automation   |
| TNO  | The Netherlands Organization of Applied Scientific Research |
| UV   | Ultraviolet   |
| 5G   | 5 <sup>th</sup> Generation                                  |

# (Old) Business Segments and Main Products

| Business segments               | Main products  | Product examples  |   |   |  |   |   |
|---------------------------------|--|---|---|---|--|---|---|
| <p><b>Light Source</b></p>      | <p>Discharge lamps<br/>Halogen lamps<br/>Solid state light sources</p>   | <br>UV lamps                   | <br>Cinema lamps                         | <br>Data projector lamps                     | <br>OA lamps                  | <br>Solid-state light sources (LD/LED)         | <br>Care222 related products |
| <p><b>Optical Equipment</b></p> | <p>Large field steppers<br/>Direct imaging lithography equipment<br/>EUV light source for EUV mask inspection<br/>Maintenance services</p> | <br>Large field steppers       | <br>Direct imaging lithography equipment | <br>EUV light source for EUV mask inspection | <br>Photo-alignment equipment | <br>UV irradiation unit for bonding LCD panels |   |
| <p><b>Imaging Equipment</b></p> | <p>Digital cinema projectors<br/>Projectors for general imaging<br/>Display<br/>Maintenance service</p>                                    | <br>Digital cinema projector | <br>Projectors for general imaging     | <br>LED Wall Display                       | <br>Peripheral equipment    |   |   |

# (New) Business Segments and Main Products

| New Business Segment               | Main Products  | Product Examples  |   |   |   |   |   |
|------------------------------------|--|---|---|---|---|---|---|
| <p><b>Industrial Processes</b></p> | <p><b>Light Source:</b><br/>UV lamps, OA lamps, Optical equipment lamps, etc.<br/><b>Equipment:</b><br/>UV Equipment, Curing equipment, EUV light source for mask inspection, Maintenance service etc.</p> | <br>UV lamps                             | <br>OA lamps   | <br>Large filed steppers                                   | <br>Direct imaging lithography equipment | <br>EUV light source for EUV mask inspection |   |
| <p><b>Visual Imaging</b></p>       | <p><b>Light Source:</b><br/>Cinema lamps, Data projector lamps, etc.<br/><b>Equipment:</b><br/>Digital cinema projectors, projectors for general imaging, Peripheral equipment, Maintenance, etc.</p>      | <br>Cinema lamps                         | <br>Data projector lamps                                     | <br>Digital cinema projector                               | <br>Projectors for general imaging       | <br>LED wall display                         | <br>Peripheral equipment |
| <p><b>Life Sciences</b></p>        | <p><b>Light Source:</b> Care222 related products<br/><b>Equipment:</b> UV curing equipment, etc.</p>   |                                        | <br>Disinfection and virus inactivation solution "Care222" | <br>Excimer light phototherapy device "TheraBeam series" |   |   |   |
| <p><b>Photonics Solutions</b></p>  | <p><b>Light Source:</b> Solid-state light sources (Laser Diode/LED)</p>  | <br>Solid-state light sources (LD/LED) | <br>Laser module   |   |   |   |   |

# USHIO

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