

Consolidated Business Results & Forecasts

FY2022/03 Ended March 31, 2022

May 11, 2022

SCREEN Holdings Co., Ltd.

• **Financial Summary of FY2022/03**

Yoichi Kondo, CFO, Senior Managing Director

• **Business Environment and Forecast**

Toshio Hiroe, CEO, President

* Cautionary statement with respect to these materials; The earnings forecasts contained in these materials and communicated verbally, are made in accordance with currently available information and rational assumptions. SCREEN Holdings does not promise that the forecasts or estimates will be accurate. Therefore, it should be noted that actual results could differ significantly due to a variety of factors.

* Figures have been rounded down to eliminate amounts less than 100 million JPY, except per share figures. A ratio has been rounded off.

* SCREEN's fiscal year (FY) encompasses the period from April 1 to March 31 of the following calendar year. (Ex. FY2022/03: April 1, 2021 - March 31, 2022)

Financial Summary of FY2022/03

May 11, 2022

SCREEN Holdings Co., Ltd.
CFO, Senior Managing Director
Yoichi Kondo

Financial Summary

Business results in FY2022/03

- **Company-wide:**
 - **Steady overall, both sales and profits hit record highs**
 - **Increased in sales and profit YoY, operating profit increased by 2.5 times, and net profit tripled**
 - Focus on SCM at an early stage amid concerns about parts shortages and rising logistics costs
- **SPE:**
 - **Major driver of company-wide performance. Record highs in sales, operating profit and OP margin**
 - **4Q OP margin achieves 23.0% and orders received of ¥105.3 bn, both record highs**
- **Financial position has improved significantly; CF remained stable, net cash of ¥88.8 bn**
- **Cash dividends expected to increase to a record high of ¥293**

FY2022/03 Business Results YoY

	FY2021/03					FY2022/03					Difference (YoY)	
	1Q	2Q	3Q	4Q	Full	1Q	2Q	3Q	4Q	Full		
(Billions of JPY)												
Net sales	66.8	75.8	73.7	103.8	320.3	82.8	104.3	103.9	120.7	411.8	91.5	28.6%
Operating income (to net sales ratio)	1.8 2.8%	4.6 6.1%	6.3 8.6%	11.6 11.3%	24.4 7.6%	8.6 10.5%	15.3 14.7%	16.0 15.5%	21.1 17.5%	61.2 14.9%	36.7	150.2% 7.3pt
Ordinary income	1.9	3.4	5.8	11.4	22.7	8.6	15.1	16.1	19.5	59.4	36.7	161.6%
Profit attributable to owners of parent	1.9	1.3	4.5	7.2	15.1	6.0	11.5	12.0	15.8	45.4	30.3	199.9%

FY2022/03 Business Results

Others

(Billions of JPY)	1H (FY2021/03 Result)	2H (FY2021/03 Result)	FY2022/03 (FY2021/03 Result)
Depreciation and amortization	4.7 (4.7)	4.7 (4.8)	9.5 (9.6)
Capital expenditures	4.1 (2.7)	9.2 (5.0)	13.4 (7.8)
R&D expenses	10.5 (10.2)	13.5 (11.2)	24.0 (21.5)

>> Year end cash dividend

- Dividend increase based on upward revision of profit attributable to owners of parent from the January forecast (to be resolved at the General Meeting of Shareholders in June 2022)
- Returning profits to shareholders in line with the target of maintaining a total consolidated shareholder return ratio of 30% or above as set forth in the medium-term management plan

(JPY)	FY2022/03 e (FY2021/03 Result)
Cash dividends per share	293 (90)

FY2022/03 Business Results YoY

(Billions of JPY)	FY2021/03					FY2022/03					Difference (YoY)	
	1Q	2Q	3Q	4Q	Full	1Q	2Q	3Q	4Q	Full		
Net sales	66.8	75.8	73.7	103.8	320.3	82.8	104.3	103.9	120.7	411.8	91.5	28.6%
SPE	52.6	54.7	54.5	73.5	235.5	59.7	81.6	84.6	93.2	319.3	83.8	35.6%
GA	7.9	9.0	9.3	11.1	37.4	9.6	11.2	9.9	12.3	43.3	5.9	15.8%
FT	3.6	8.9	7.1	14.9	34.7	10.2	7.2	5.5	10.1	33.2	(1.4)	-4.1%
PE	2.3	2.3	2.2	3.4	10.4	2.3	3.4	3.3	4.0	13.3	2.8	27.6%
Others	0.2	0.7	0.4	0.7	2.2	0.8	0.5	0.2	0.8	2.5	0.3	15.2%
Operating income (to net sales ratio)	1.8 2.8%	4.6 6.1%	6.3 8.6%	11.6 11.3%	24.4 7.6%	8.6 10.5%	15.3 14.7%	16.0 15.5%	21.1 17.5%	61.2 14.9%	36.7	150.2% 7.3pt
SPE	4.2	4.4	6.4	10.7	25.9	8.8	15.4	17.1	21.4	62.8	36.8	141.7%
GA	(0.3)	0.1	0.1	0.5	0.5	0.2	0.4	0.4	0.5	1.6	1.1	205.5%
FT	(1.5)	0.4	0.1	1.3	0.4	0.2	(0)	(0.3)	0.7	0.5	0.1	35.0%
PE	0.1	0.1	0	0.4	0.7	0.2	0.7	0.6	0.5	2.0	1.3	168.3%
Others	(0.6)	(0.6)	(0.5)	(1.4)	(3.2)	(0.8)	(1.0)	(1.7)	(2.1)	(5.8)	(2.6)	-
Ordinary income	1.9	3.4	5.8	11.4	22.7	8.6	15.1	16.1	19.5	59.4	36.7	161.6%
Profit attributable to owners of parent	1.9	1.3	4.5	7.2	15.1	6.0	11.5	12.0	15.8	45.4	30.3	199.9%

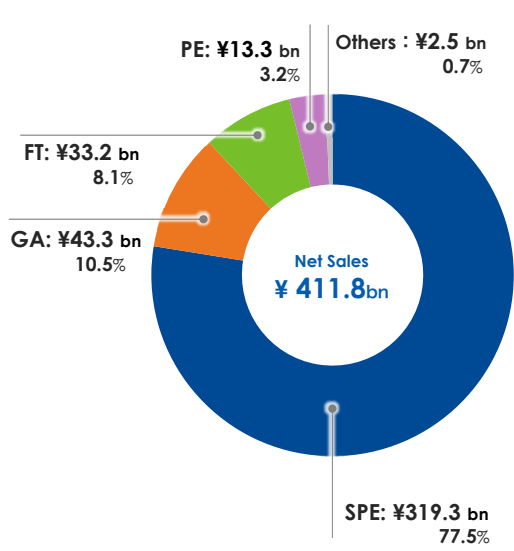
■ SPE: Semiconductor Production Equipment Business ■ GA: Graphic Arts Equipment Business
■ FT: Display Production Equipment and Coater Business ■ PE: PCB-related Equipment Business

FY2022/03 Business Results By Segment

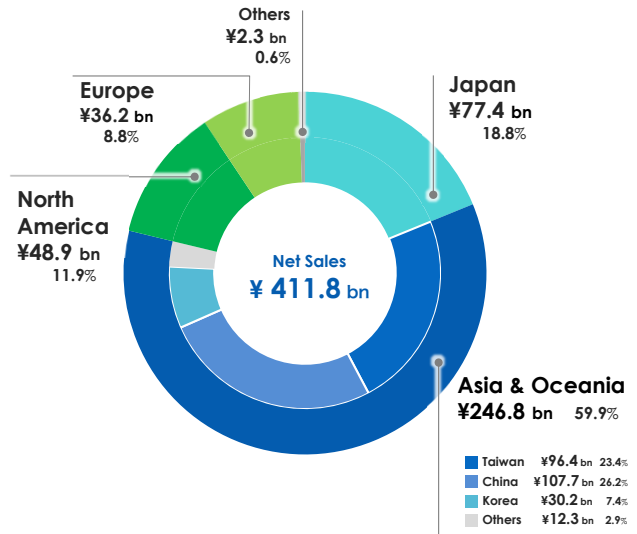
		FY2021/03					FY2022/03					
		1Q	2Q	3Q	4Q	Full	1Q	2Q	3Q	4Q	Full	
SPE	Foundry, DRAM and logic sales increased significantly Sales increased in each region mainly in Taiwan	Net sales	52.6	54.7	54.5	73.5	235.5	59.7	81.6	84.6	93.2	319.3
	Sales of foundry, DRAM and logic increased	OP (to net sales ratio)	4.2 8.1%	4.4 8.2%	6.4 11.9%	10.7 14.7%	25.9 11.0%	8.8 14.9%	15.4 18.9%	17.1 20.2%	21.4 23.0%	62.8 19.7%
GA	Sales of POD equipment and recurring business (RB) increased for a recovery in customers' capital expenditure appetite	Net sales	7.9	9.0	9.3	11.1	37.4	9.6	11.2	9.9	12.3	43.3
	Sales of RB remains steady	OP (to net sales ratio)	(0.3) -5.0%	0.1 1.9%	0.1 2.1%	0.5 5.0%	0.5 1.4%	0.2 2.7%	0.4 3.6%	0.4 4.3%	0.5 4.3%	1.6 3.8%
FT	Sales of OLEDs increased while sales LCD declined, resulting in lower sales Improved profitability by reforming our business structure	Net sales	3.6	8.9	7.1	14.9	34.7	10.2	7.2	5.5	10.1	33.2
	Recovered to a surplus. Hikone's production facilities and personnel are partly transferred to SPE. Demonstrate synergistic effects within the group	OP (to net sales ratio)	(1.5) -41.4%	0.4 5.2%	0.1 2.5%	1.3 8.8%	0.4 1.3%	0.2 2.2%	(0) -0.9%	(0.3) -5.5%	0.7 7.2%	0.5 1.8%
PE	Sales of direct imaging system increased, and profit increased significantly due to data center and 5G-related demand	Net sales	2.3	2.3	2.2	3.4	10.4	2.3	3.4	3.3	4.0	13.3
	Business performance remains steady Profit margin remains at a high level	OP (to net sales ratio)	0.1 5.2%	0.1 6.2%	0 1.4%	0.4 13.6%	0.7 7.4%	0.2 9.0%	0.7 21.0%	0.6 17.8%	0.5 12.9%	2.0 15.6%

FY2022/03 Business Results

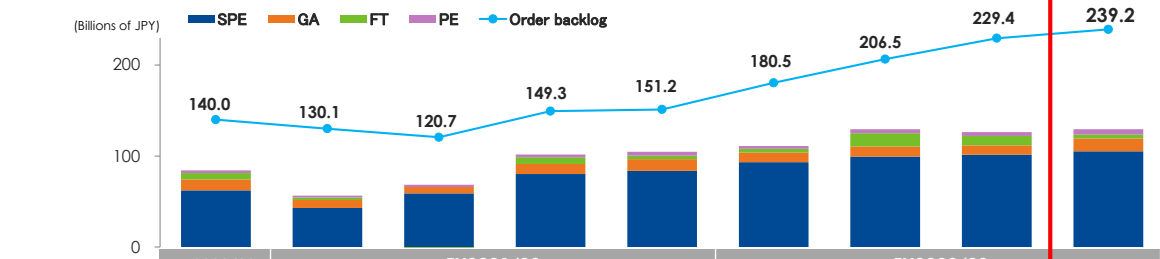
Sales by Segment



Sales by Region



Quarterly Orders Received and Order Backlog



(Billions of JPY)	FY2020/03		FY2021/03				FY2022/03			
	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	
Orders received	84.6	56.7	65.7	101.8	104.9	111.3	129.7	126.5	129.6	
SPE	62.4	43.0	59.1	80.3	83.9	93.3	99.4	101.5	105.3	
GA	12.0	8.9	7.0	11.0	12.7	10.5	11.2	10.3	14.1	
FT	6.9	2.5	(2.9)	7.4	3.9	4.2	14.6	10.3	4.4	
PE	3.1	2.2	2.4	3.0	4.3	3.1	4.3	4.2	5.7	
Order backlog	140.0	130.1	120.7	149.3	151.2	180.5	206.5	229.4	239.2	
SPE	84.1	74.4	78.8	104.6	115.0	148.6	166.4	183.3	195.4	
GA	5.3	6.4	4.4	6.1	7.8	8.6	8.6	9.0	10.7	
FT	49.1	48.0	36.1	36.3	25.4	19.4	26.8	31.6	25.9	
PE	1.3	1.2	1.3	2.1	3.0	3.7	4.6	5.4	7.0	

A record high

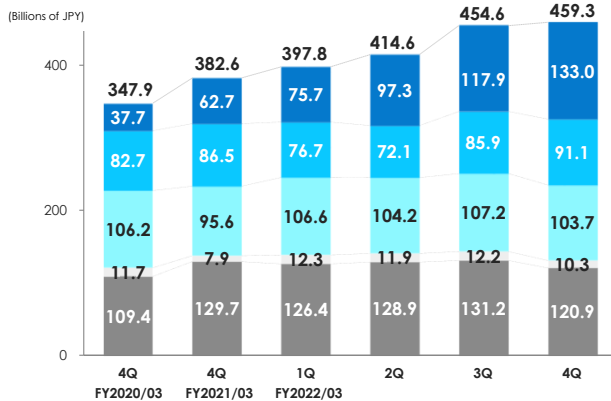
A record high

- 4Q Orders received
 - Company-wide: Above ¥100.0 bn for 6 consecutive quarters
 - SPE: ¥105.3 bn, a record high for 4 consecutive quarters

Financial Situation: B/S

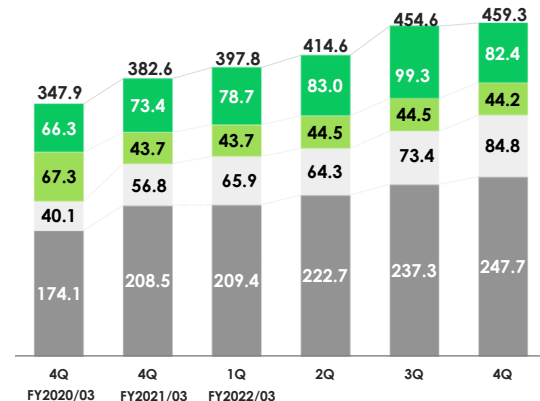
Assets

■ Cash & time deposits
 ■ Notes & accounts receivable
 ■ Inventories
■ Other current asset
 ■ Non-current asset



Liabilities & Net Assets

■ Notes & accounts payable
 ■ Interest-bearing debt
 ■ Other liabilities
■ Net assets

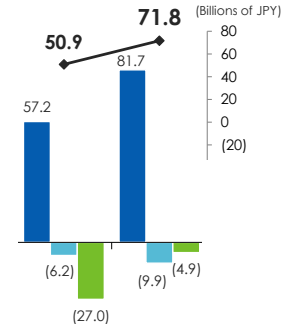
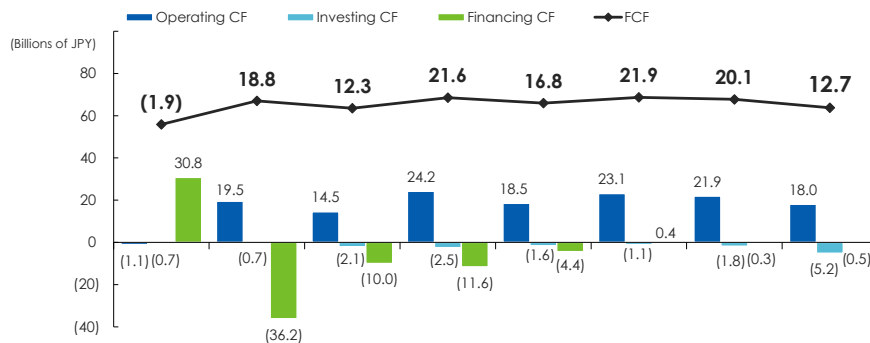


■ **Equity ratio: 53.9% (FY2022/03 4Q)**

■ **Cash flows remains stable although sales are increasing. Net cash of ¥88.8 bn**

- Total assets stood at ¥459.3 bn
- Assets:
 - Assets stood at ¥459.3 bn, an increase of ¥76.6 bn, compared with March 31, 2021. This was largely due to an increase in cash, time deposits and inventories.
- Total liabilities and total net assets:
 - Total liabilities amounted to ¥211.5 bn, up ¥37.4 bn from March 31, 2021. This was mainly attributable to an increase in notes and accounts payable including electronically recorded obligations and contract liabilities.
 - Total net assets amounted to ¥247.7 bn, up ¥39.2 bn from March 31, 2021. This was mainly attributable to the recording of quarterly profit attributable to owners of parent, despite payment of cash dividends.
- As a result, the equity ratio as of March 31, 2022, stood at 53.9%

Financial Situation: Cash Flows



(Billions of JPY)	FY2021/03				FY2022/03			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Operating CF	(1.1)	19.5	14.5	24.2	18.5	23.1	21.9	18.0
Investing CF	(0.7)	(0.7)	(2.1)	(2.5)	(1.6)	(1.1)	(1.8)	(5.2)
FCF	(1.9)	18.8	12.3	21.6	16.8	21.9	20.1	12.7
Financing CF	30.8	(36.2)	(10.0)	(11.6)	(4.4)	0.4	(0.3)	(0.5)

	FY2021/03	FY2022/03
Full	57.2	81.7
	(6.2)	(9.9)
Full	50.9	71.8
	(27.0)	(4.9)

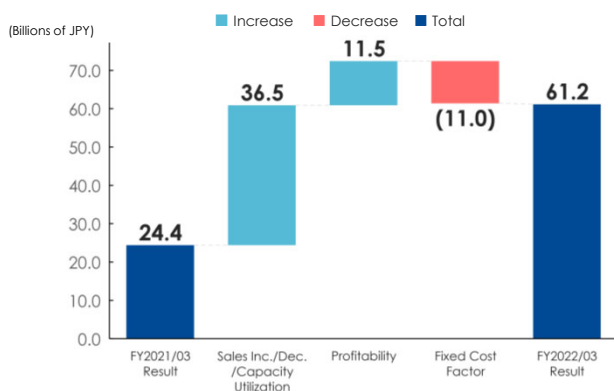
* FCF: Free Cash Flow

■ Full year operating CF maintains a stable level higher than operating income

Analysis of Comparison in Operating Income

FY2022/03 Result

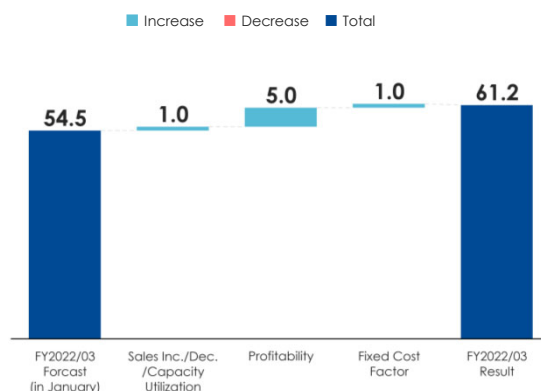
- Comparison with FY2021/03 result



- >> The effect of increasing sales was mainly due to SPE. Profitability improved due mainly to SPE and FT
- >> Fixed costs increased due mainly to SPE and GA. Increase in performance-linked remuneration and R&D expenses, etc.
- >> Foreign exchange effects included in each factor are net to be ¥2.5 bn

FY2022/03 Result

- Comparison with FY2022/03 forecast in January



* Operating Income Factor: approximate numbers per 0.5 bn

- >> The effect of increasing sales was mainly due to GA. Profitability improved due mainly to SPE
- >> Fixed costs decreased due to SPE
- >> Foreign exchange effects included in each factor are net to be ¥0.5 bn

FY2022/03 Result – Comparison with FY2021/03 result

>> Factors behind the change in net sales and capacity utilization: ¥36.5 bn increase

- Mainly attributable to SPE

>> Profitability: ¥11.5 bn increase

- Mainly attributable to SPE and FT

>> Fixed costs: ¥11.0 bn decrease

- Negative factors are largely attributable to SPE and GA

Performance-linked remuneration and R&D expenses, etc. increased due to good business performance

FY2022/03 Result – Comparison with FY2022/03 forecast in January

>> Factors behind the change in net sales and capacity utilization: ¥1.0 bn increase

- Mainly attributable to GA

>> Profitability: ¥5.0 bn increase

- Mainly attributable to SPE

>> Fixed costs: ¥1.0 bn increase

- Mainly attributable to SPE

Business Environment and Forecast

May 11, 2022

SCREEN Holdings Co., Ltd.

CEO, President

Toshio Hiroe

Business Environment and Forecast

Business Environment

- SPE:
 - Driven investments for both leading-edge and mass production nodes in each application
 - Demand for equipment, mainly in foundry and logic, is strengthening
 - 4Q Orders received was ¥105.3 bn, a record high for last four consecutive quarters
 - We expect to receive quarterly orders at the ¥100.0 bn level in the future
- GA and PE: Orders are high and strong

Full Year Business Forecast

- Both sales and profits are expected to reach record highs due to improvements in profitability and efficiency
- Capital expenditure, R&D expenses, and depreciation and amortization all reach record highs in order to achieve sustainable growth
- Expansion of the new plant S³-4 in Hikone to meet strong capital investment demand
- Expect to achieve numerical targets of economic value in the medium-term management plan one year ahead of schedule
- Cash dividends: record high of ¥322 planned

Market Trend and Outlook

SPE

- **WFE:** Strong investment continues, particularly in foundries and logic. Investment in legacy node continues undiminished
 - Customers' projects to start operation in 2024 steadily progressing
 - Expect more than 15% YoY growth in CY2022, around \$105 bn

- **Trend by applications**

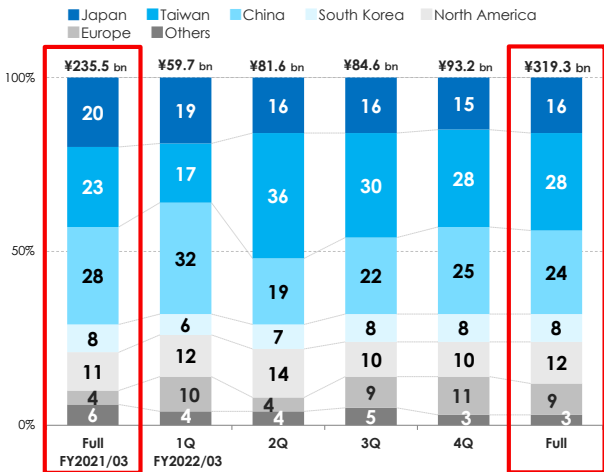
Foundry	Continued strong investment in all technology nodes, mainly at the leading-edge, through to legacy
Logic	Increased investment in development sites as well as in leading-edge mass production
Memory	Capital investment in DRAM for miniaturization and NAND for the shift toward multi-layered count and volume zone will continue this year
Imaging Device	Active investment not only in existing major customer but also in emerging manufacturers in China and other foundries
Power	The investment appetite of major European companies/customers remains undiminished. Investment also remains firm in Japan
Chinese market	There will be a wide variety of legacy node foundries, followed by memory and power device and others, including foreign capital
Others	Solid investments in analog, sensors, optics, etc. continue

- ▶ **We focus on the pipeline to leading-edge nodes and aim to secure POR absolutely**
- ▶ **Providing a variety of solutions not only for leading-edge node where needs for cleaning increasing due to miniaturization but also for volume zones to mature nodes**
- >> **We will take solid development and production system to fulfill supplier's responsibility**

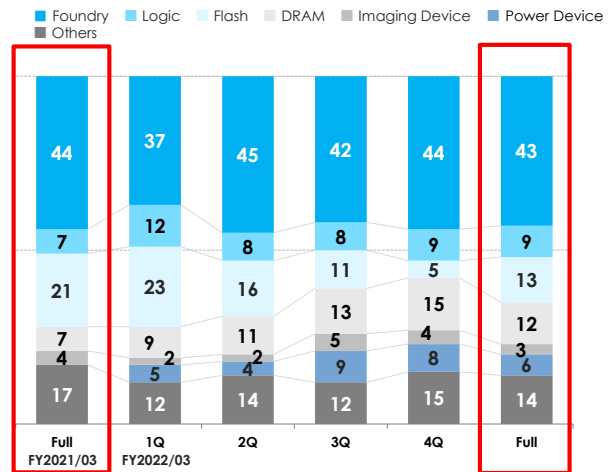
Composition of Sales

By Region (Consolidated) / By Application Device (Nonconsolidated)

By Region -destination-



By Application Device

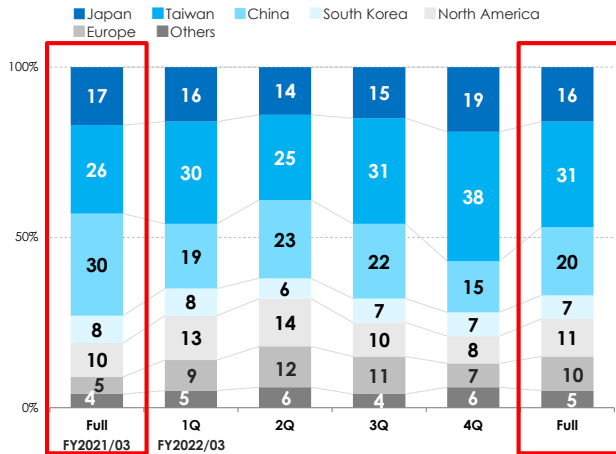


■ By Region: In FY2022/03 (YoY), Sales increased significantly in each region, especially in Taiwan
 ■ By Application Device: In FY2022/03 (YoY), foundry and logic were firm, and DRAM increased as well.

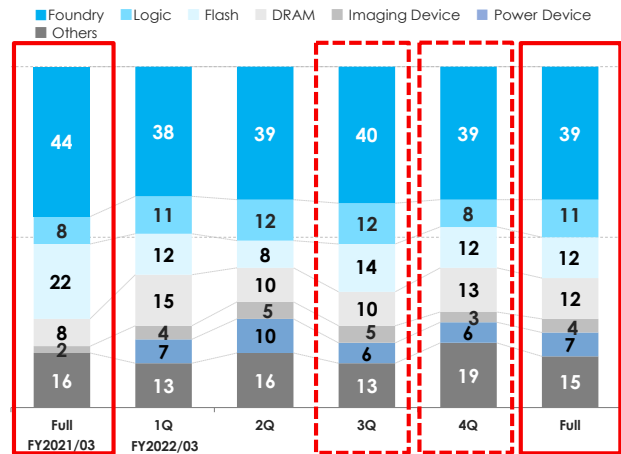
Orders Received Ratio (Nonconsolidated)

SPE

By Region -destination-



Quarterly by Application Device

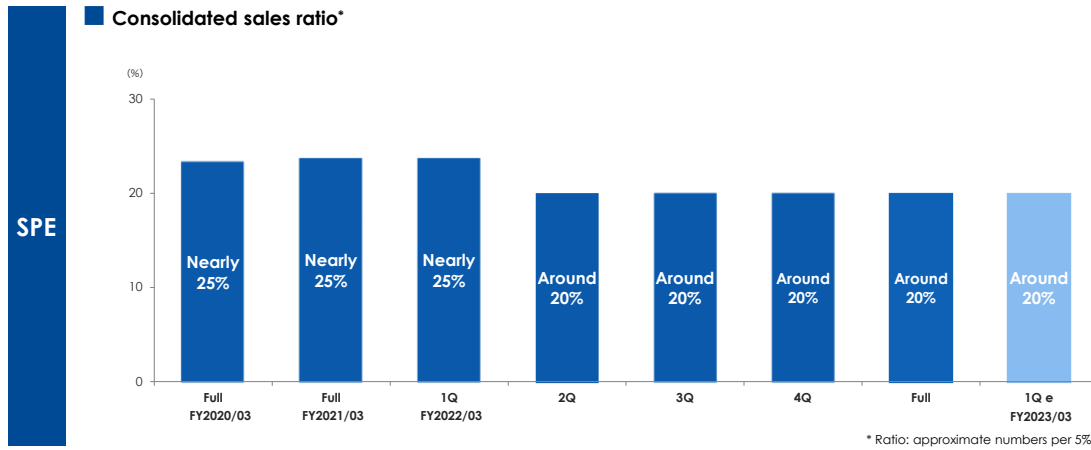


- By Region: In FY2022/03 (YoY), orders received increased in all regions, mainly in Taiwan. In 4Q (QoQ), Taiwan increased significantly, Japan also increased
- By Application Device: In FY2022/03 (YoY), logic, DRAM increased. In 4Q (QoQ), foundry remains firm, and DRAM increased
- Future orders: Expected to remain a level of ¥100.0 bn

- 4Q Consolidated orders received: ¥105.3 bn
- 1Q Guidance: expected continually to be strong equivalent to 4Q orders

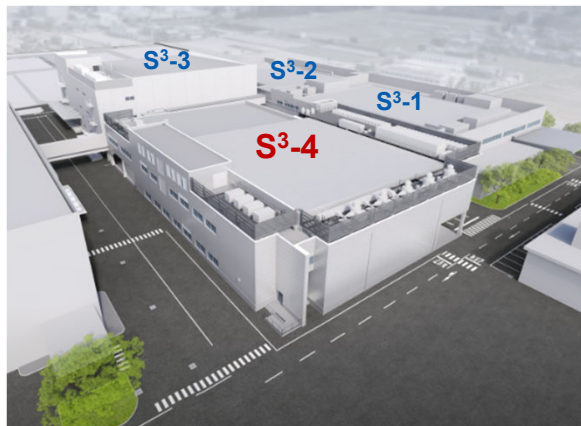
Business Situation

After sales services



- 4Q: QoQ sales increased steadily
- 1Q: Expected to be the same level of ratios as 4Q
- Going forward: Expect to contribute to further improvement in OP margins from increased maintenance and modification needs from newly delivered equipment

■ A new factory for semiconductor production equipment named S³-4 (S-Cube 4)



Conceptual drawing at completion
(scheduled to start operations in January 2023)

>> The operation of S³-4, which is linked to the main factory S³-3, will increase SPE production capacity by 20%

-Reorganize the production process of the entire Hikone Plant site. Increase production efficiency and contribute to higher profitability

>> In Hikone Plant and Taga Plant, dedicate to achieving SBT* through the adoption of renewable energy. Promote energy-saving investments, such as the renewal of air conditioning facilities

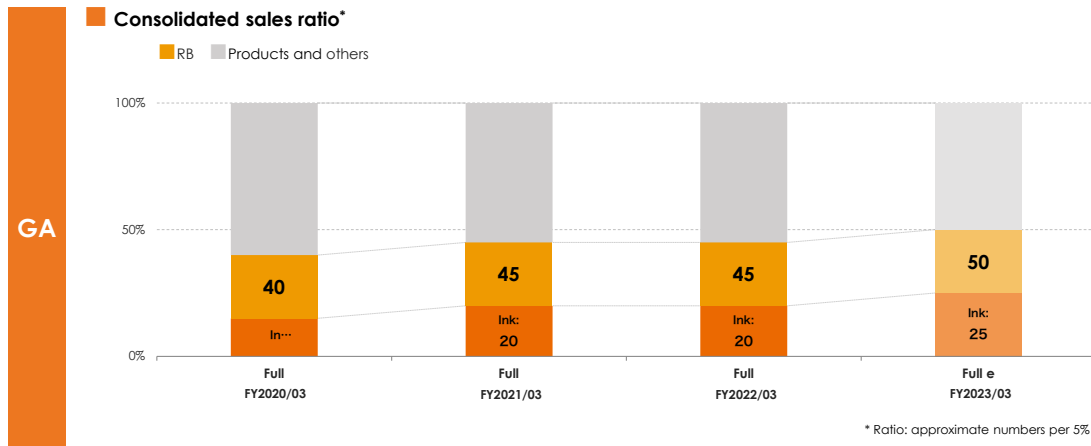
* SBT: Science Based Targets represent an international initiative to prevent global warming by setting CO2 reduction targets that are based on scientifically sound principles

>> Further production expansion is being discussed internally in a boosted market environment for semiconductors

Business Situation

GA

Recurring business is level off

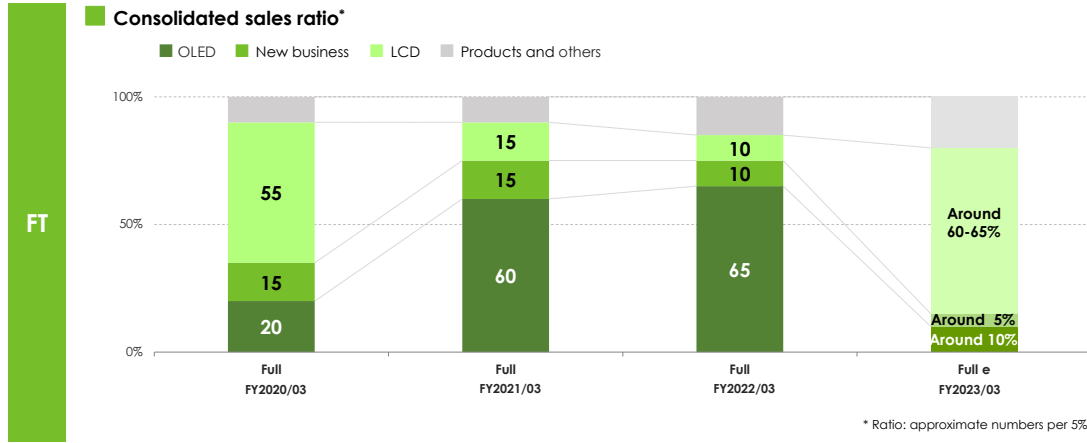


- Recurring business (RB), especially ink sales, remains firm
- Focus on growing demand for POD in North America and Europe, while controlling costs for parts shortages and transportation
- Recovered to an operating margin of 5% or more through improved profitability

Business Situation

FT

High resolution LCD sales will increase in FY2023/03

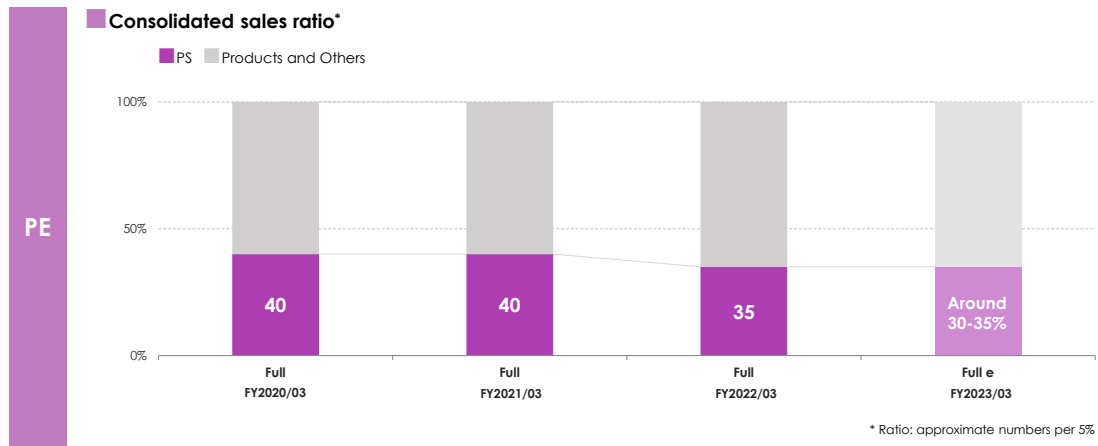


- Consolidated orders are ¥4.4 bn due mainly to LCD in 4Q, and expect 1Q orders also mainly from LCD
- Shifting production facilities and other resources to SPE, as well as structural reforms have been implemented in the previous fiscal year. These created synergies within the Group
- In 1Q, uncertain environment envisaged, including delays in deliveries due to the impact of the Shanghai lockdown

Business Situation

PE

After sales services is level off



- Demand is still robust for data centers, 5G and packages
- New products, such as Ledia Twin and Ledia7, have achieved steady customer penetration
- Strengthen new product development for growth in the next fiscal year and beyond

FY2023/03 Business Forecast (as of May 11, 2022)

* is a record high

(Billions of JPY)	FY2022/03 Result			FY2023/03 Forecast		
	1H	2H	Full	1H	2H	Full
Net sales	187.2	224.6	411.8	219.5	240.5	460.0
SPE	141.4	177.9	319.3	182.0	190.0	372.0
GA	20.9	22.3	43.3	19.5	19.5	39.0
FT	17.5	15.7	33.2	11.0	21.5	32.5
PE	5.8	7.4	13.3	6.0	8.0	14.0
Others	1.4	1.1	2.5	1.0	1.5	2.5
Operating income (to net sales ratio)	24.0 12.9%	37.1 16.6%	61.2 14.9%	32.0 14.6%	42.5 17.7%	74.5 16.2%
SPE	24.3	38.5	62.8	35.5*	42.5*	78.0*
GA	0.6	0.9	1.6	1.0*	1.0*	2.0*
FT	0.1	0.4	0.5	(1.0)*	1.5*	0.5*
PE	0.9	1.1	2.0	0.5*	1.5*	2.0*
Others	(1.9)	(3.8)	(5.8)	(4.0)*	(4.0)*	(8.0)*
Ordinary Income	23.7	35.6	59.4	31.0	42.0	73.0
Profit attributable to owners of Parent	17.6	27.8	45.4	22.0	28.0	50.0

Notes: Assumed Exchange Rate in FY2023/03 >> USD1 = ¥120, EUR1 = ¥132

Assumed exchange rate sensitivity in FY2023/03 (Full year Operating income base) >> To USD: ¥160 million, To EUR: ¥40 million

* Forecast operating income by segment: approximate numbers per ¥0.5 bn

Company-wide

- Net sales (¥460.0 bn), operating income (¥74.5 bn), ordinary income (¥73.0 bn) and profit attributable to owners of parent (¥50.0 bn) expected to be the highest on record
- Economic value targets in the medium-term management plan is expected to be realized in this, the third year during the term.
- SPE: Both sales and OPM expected to be a record high by favorable market conditions

Business Forecast for FY2023/03

Others

(Billions of JPY)	1H e (FY2022/03 Result)	2H e (FY2022/03 Result)	FY2023/03 e (FY2022/03 Result)
Depreciation and amortization	4.9 (4.7)	5.3 (4.7)	10.2 (9.5)
Capital expenditures	12.0 (4.1)	14.0 (9.2)	26.0 (13.4)
R&D expenses	14.5 (10.5)	14.5 (13.5)	29.0 (24.0)

- Strengthen HD development and aim to develop new products in the LS, AI, ADPKG, and hydrogen-related fields

>> Cash dividend (Forecast)

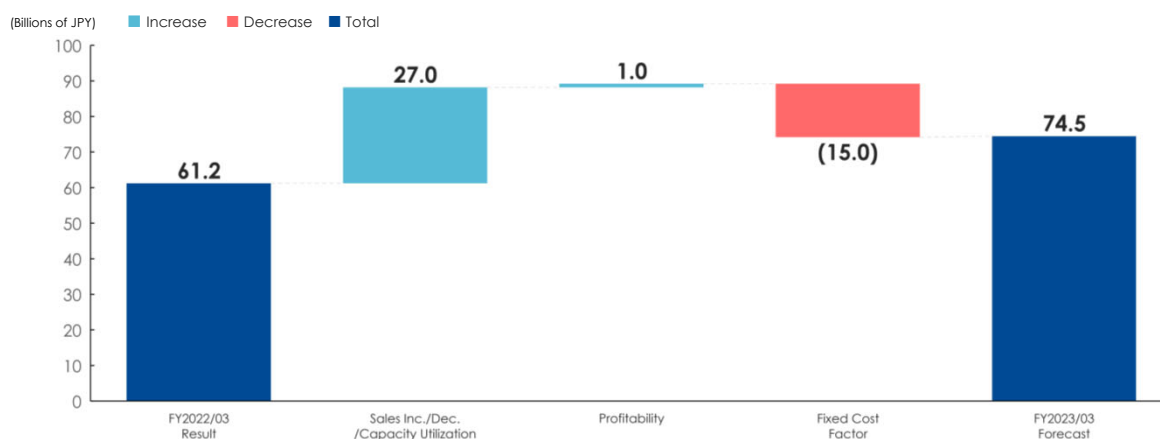
- Dividends will rise due to a significant increase in profit attributable to owners of parent
- Returning profits to shareholders in line with the target of maintaining a total consolidated shareholder return ratio of 30% or above as set forth in the medium-term management plan

(JPY)	FY2023/03 e (FY2022/03 Forecast)
Cash dividends per share	322 (293)

- Depreciation and amortization in FY2023/03 is expected to be ¥26.0 bn (record high)
- R & D expenses Capital expenditures in FY2023/03 is expected to be ¥2.90 bn (record high)
- Cash dividend (forecast) in FY2023/03 : ¥322, expected to be a record high

Analysis of Comparison in Operating Income

FY2023/03 Forecast - Comparison with FY2022/03 result



* Operating Income Factor: approximate numbers per 0.5 bn

>> We plan to invest in growth centered on SPE this fiscal year, while expecting increased profit due to higher sales and improved profitability, mostly affected by SPE

>> Fixed costs increased mainly due to SPE. We expect higher capital expenditures, R&D expenses and personnel expenses due to increased headcount, etc. in preparation for further growth

FY2023/03 Forecast vs FY2022/03 Result

>> Factors behind the change in net sales and capacity utilization: ¥27.0 bn increase

- Mainly attributable to SPE

>> Profitability: ¥1.0 bn increase

- Mainly attributable to SPE

>> Fixed costs: ¥15.0 bn decrease

- Negative factors were largely attributable to SPE

We expect higher capital expenditures, R&D expenses and personnel expenses due to increased headcount, etc. in preparation for further growth

	Numerical Targets of Economic Value	FY2021/03 Result	FY2022/03 Result	FY2023/03 Forecast
Net sales	¥400.0 bn or above	¥320.3 bn	¥411.8 bn	¥460.0 bn
OPM	15% or above	7.6%	14.9%	16.2%
ROE	15% or above	7.9%	19.9%	20% or above
Operating CF	Cumulative total of ¥120.0 bn in 4 years	¥57.2 bn	¥138.9 bn (Two-year cumulative)	¥170.0 bn-¥190.0 bn (Three-year cumulative)
Shareholder Returns	Total consolidated shareholder return ratio of 30% or above	27.7%	30.1%	30.0% or above

*The above figures are predicated on organic growth

*The shaded background of FY2022/03 Result shows the items achieved

- **HD: Pursuing profitability and efficiency through the penetration of ROIC management**
 - Internal awareness changes due to the introduction of Gemba KPIs
- **SPE: Strengthen the competitiveness of cleaning equipment by miniaturization and development for leading-edge technologies**
 - To achieve an OP margin of 20% or above, structural reforms in unprofitable fields and continued improvements in production efficiency S³⁻⁴, new factory scheduled to start operations in January 2023, will contribute
- **GA: Strengthen POD strategy and stabilize recurring business**
- **FT: Profitability improved in existing display businesses and growth Investment made for energy business**
- **PE: Focus on new product development and increase market share with new models introduced in the previous fiscal year**

Recent Group News (Excerpt from our website: January 29, 2022 to May 11, 2022)

HD

- Chosen as a Clarivate Top 100 Global Innovator for 2022
- Received New Credit Rating from BBB+ positive to A- positive
- Donation from SCREEN for Humanitarian Relief Activities in Ukraine
- Donated an emergency preparedness shed to Kamigyo Ward in Kyoto City
- Got a three-star rating, the highest, in the FY2021 Shiga Prefecture Biodiversity Initiative Certification Program
- Erected a stone memorial to commemorate the provision of a temporary emergency housing area for earthquake victims "the Temporary Technopark Area" on Company grounds in Mashiki Town, Kumamoto Prefecture
- Awarded the top prize at the 66th Kyoto Inventor Awards for inventing a circuit board processing device
- Transfer of Shares of Subsidiaries and Related Service Business
- SCREEN concluded an agreement with the NPO Tensai Art Kyoto to support the art creation activities of people with disabilities

GA

- Won EDP 2021 "Best label printer" award for its Truepress Jet L350UV SAI S

FT

- Began a mass production business for a fuel cell part membrane electrode assembly (MEA) to help realize a decarbonized, hydrogen-based economy

ESG-Related Initiatives

E (Environmental): Realizing environmental management and initiatives to address climate change

- TCFD initiatives
 - SCREEN will conduct scenario analyses for its SPE business and disclose the results online (scheduled for late May 2022)
- Switching to renewable energy (installed at main SPE bases in Hikone and Taga)
 - Combined with continual efforts, such as equipment upgrades, SCREEN reduced emissions around 15% in the fiscal year ended March 31, 2022 compared with the fiscal year ended March 31, 2019 (Reference: Targets for Scope 1, 2 emissions based on SBT: 10% reduction by the fiscal year ended March 31, 2024; 30% reduction by the fiscal year ended March 31, 2030)

S (Social): Realizing decent work* and creating social value

- SCREEN reduced regular working hours as a part of efforts to promote workstyle reforms
 - *humane, satisfying working conditions
- SCREEN is practicing health and productivity management and boosting employee health
 - The Company is administering a third round of workplace COVID-19 vaccinations at its Head Office and in Hikone
 - SCREEN was certified as a Health & Productivity Management Outstanding Organization in 2022

G (Governance): Building risk-resilient governance systems and organizations

- Evaluating the effectiveness of the Board of Directors
 - A survey was conducted by a third-party organization. Results of the evaluation are scheduled for online disclosure in the near future
- SCREEN's long-term issuer rating from the Japan Credit Rating Agency (JCR) was changed to A- (forecast: positive) on March 18, 2022
 - Note: Prior rating was BBB+ (positive)
- Enhancing Group risk management
 - SCREEN integrated its domestic and overseas reporting hotlines, upgrading to an online reporting system from March 1, 2022



■ Chosen as a Clarivate Top 100 Global Innovator for 2022

SCREEN Holdings Co., Ltd. has been selected as one of the Top 100 Global Innovators for 2022 by Clarivate. Based on Clarivate's analysis of patent data, SCREEN has been recognized as one of the world's most innovative companies or institutions.

- Clarivate creates its list of the top 100 global innovators from patent data it possesses as one of the world's leading information services companies. To compile this list, it analyzes and evaluates trends in intellectual property for companies and institutions in every country and region
- The evaluation process itself employs a two-step approach
 - The first uses the basic volume of patents as its criteria
 - The second takes into account the candidates' influence, success and globalization as well as the range of technology fields in which they operate

Top 100
Global
Innovator
2022

Clarivate™

- >> Going forward, continue undertaking research and development designed to foster innovation and further strengthening the creation of intellectual property to support these activities
- >> Established strategic planning department in HD aim to strengthen IP strategy and integrate it with management strategy

Received New Credit Rating, as a New Long-term Issuer

Released by Japan Credit Rating Agency, Ltd. on March 18, 2022

	Rating	Outlook
Before change	BBB+	Positive
After change	A-	Positive

Agreement signed to transfer shares of subsidiaries and related service businesses on April 19, 2022

A share transfer agreement between SCREEN Holdings Group company SCREEN Graphic Solutions Co., Ltd. and Belgium-based Agfa-Gevaert N.V. has been signed, under which all shares of SCREEN Graphic Solutions Co., Ltd.'s wholly owned subsidiaries Inca Digital Printers Ltd. (UK) and SCREEN GP IJC Ltd. (UK), as well as its Inca Digital Printers Ltd.-related services business in the US will be transferred to Agfa-Gevaert N.V. Planned completion of transfer at the end of May 2022

Share transfer

Trade Name	Business description
Inca Digital Printers Ltd.	Develops, manufactures, and maintenance industrial inkjet printers for wide formats
SCREEN GP IJC Ltd.	Development and manufacture of print engine for BHS Corrugated Maschinen- und Anlagenbau GmbH's inline corrugator

Business transfer

Inca Digital Printers Ltd.-related services business in the US under the control of SCREEN GP AMERICAS, LLC

■ Began a mass production business for a fuel cell part membrane electrode assembly (MEA) to help realize a decarbonized, hydrogen-based economy

SCREEN Finetech Solutions Co., Ltd., in partnership with Mitsubishi Corporation R&M Japan Ltd., has begun the mass production of membrane electrode assemblies (MEAs),¹ an important component of fuel cells.

- SCREEN Finetech Solutions started development of fuel cell MEA mass production technology in 2013 and successfully developed technologies for the direct coating/drying of electrode catalysts on electrolyte films.² Using Group expertise, we have created an entire manufacturing process for the mass production of high-quality fuel cell MEAs.
- In 2021, the size of the fuel cell market was ¥370.0 bn. This market is expected to grow to ¥5 tn by 2030, of which the market for MEAs is forecast to be ¥700.0 bn.
- SCREEN Finetech Solutions Co., Ltd. was selected as one of the Companies Taking on the Zero-Emission Challenge³ by the Ministry of Economy, Trade and Industry for its development of technologies for utilizing fuel cells across a broader range of applications.

1. Membrane electrode assembly (MEA): An important component that affects the durability and performance of polymer electrolyte fuel cells. It is composed of an ion exchange membrane, catalyst membranes and gas diffusion layers.

2. Achieved with sponsorship from the New Energy and Industrial Technology Development Organization (NEDO).

3. A selection by the Ministry of Economy, Trade and Industry of companies that are boldly taking on innovation aimed at realizing a decarbonized society.

>> Going forward, we aim to build up our track record in the mass production of fuel cell MEAs and become a global leader in MEA manufacturing.
>> We will advance initiatives aimed at reducing environmental burden and realizing a sustainable society

■ Won EDP 2021 “Best label printer” award for its Truepress Jet L350UV SAI S

SCREEN Graphic Solutions Co., Ltd. has won an award for its Truepress Jet L350UV SAI S, the 3rd prize awarded to the Japanese leader in digital inkjet technology by the European Digital Press Association (EDP)*. The jury voted the Truepress Jet L350UV SAI S “Best label printer” for its ease-of-use thanks to its excellent software, as well as for its improved quality and speed.

- Compared to the previous model, the Truepress Jet L350UV+, various features have been updated, including improved productivity, an extended colour gamut with 7-color configuration and reduced the amount of ink. It has also been evaluated for its ease-of-use thanks to in-house developed software
- In 2014, the company won the award for the first Truepress Jet L350UV, and in 2018, it was also awarded the next-generation Truepress Jet L350UV+LM. The third time this model was awarded

* Founded in 2006, EDP is an industry association consisting of 21 printing magazines focused on the digital printing process. The European Digital Press Association (EDP) Award celebrates innovative technologies that have had a significant impact on the digital printing industry in terms of productivity, cost, usability, functionality and environmental response.



- >> Truepress Jet L350UV series is highly regarded worldwide, particularly in Europe where market demand is high
- >> Continue to contribute to the development of the label printing industry by providing solutions that meet the diverse needs of the industry and increase the value of its products

Appendix>> Business Situation

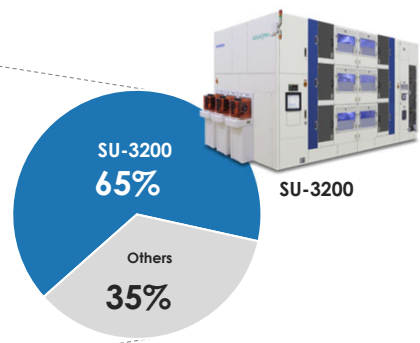
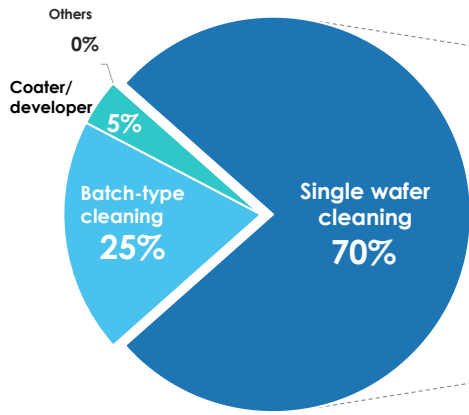
SPE

Comparison (YoY)	FY2021/03	FY2022/03	Difference	
	Full	Full		
(Billions of JPY)				
Net sales	235.5	319.3	83.8	35.6%
Operating income (to net sales ratio)	25.9 11.0%	62.8 19.7%	36.8	141.7% 8.6pt

Comparison (QoQ)	FY2022/03	FY2022/03	Difference	
	3Q	4Q		
(Billions of JPY)				
Net sales	84.6	93.2	8.5	10.1%
Operating income (to net sales ratio)	17.1 20.2%	21.4 23.0%	4.3	25.3% 2.8pt

Appendix>> Composition of Sales (Nonconsolidated)

Total Sales Ratio of Equipment by Product in FY2022/03



unit: %	FY2019/03	FY2020/03	FY2021/03	FY2022/03
Single wafer cleaning	65	65	70	70
Batch-type cleaning	20	25	25	25
Coater/developer	10	5	5	5
Others	5	5	0	0

* Ratio: approximate numbers per 5%

Appendix>> Business Situation

GA

Comparison (YoY)	FY2021/03	FY2022/03	Difference	
	Full	Full		
(Billions of JPY)				
Net sales	37.4	43.3	5.9	15.8%
Operating income (to net sales ratio)	0.5 1.4%	1.6 3.8%	1.1	205.5% 2.3pt

Comparison (QoQ)	FY2022/03	FY2022/03	Difference	
	3Q	4Q		
(Billions of JPY)				
Net sales	9.9	12.3	2.3	23.9%
Operating income (to net sales ratio)	0.4 4.3%	0.5 4.3%	0	22.9% 0pt

Appendix>> Business Situation

FT

Comparison (YoY)	FY2021/03	FY2022/03	Difference	
	Full	Full		
(Billions of JPY)				
Net sales	34.7	33.2	(1.4)	-4.1%
Operating income (to net sales ratio)	0.4 1.3%	0.5 1.8%	0.1	35.0% 0.5pt

Comparison (QoQ)	FY2022/03	FY2022/03	Difference	
	3Q	4Q		
(Billions of JPY)				
Net sales	5.5	10.1	4.6	83.7%
Operating income (to net sales ratio)	(0.3) -5.5%	0.7 7.2%	1.0	- 12.7pt

Appendix>> Business Situation

PE

Comparison (YoY)	FY2021/03	FY2022/03	Difference	
	Full	Full		
(Billions of JPY)				
Net sales	10.4	13.3	2.8	27.6%
Operating income (to net sales ratio)	0.7 7.4%	2.0 15.6%	1.3	168.3% 8.2pt

Comparison (QoQ)	FY2022/03	FY2022/03	Difference	
	3Q	4Q		
(Billions of JPY)				
Net sales	3.3	4.0	0.6	20.2%
Operating income (to net sales ratio)	0.6 17.8%	0.5 12.9%	(0)	-12.4% -4.8pt

Appendix>> Changes in Main Index

(Billions of JPY)	FY2018/03	FY2019/03	FY2020/03	FY2021/03	FY2022/03	FY2023/03 Forecast
Net sales	339.3	364.2	323.2	320.3	411.8	460.0
Operating income	42.7	29.6	12.5	24.4	61.2	74.5
Operating income ratio (%)	12.6	8.1	3.9	7.6	14.9	16.2
Total assets	365.8	380.9	347.9	382.6	459.3	-
Equity	170.8	179.1	173.9	208.3	247.7	-
Equity ratio (%)	46.7	47.0	50.0	54.5	53.9	-
ROE (%)	18.2	10.3	2.8	7.9	19.9	-
Depreciation and amortization	5.7	6.8	8.8	9.6	9.5	10.2
Capital expenditures	14.4	24.0	7.9	7.8	13.4	26.0
R&D expenses	20.8	22.8	21.5	21.5	24.0	29.0
EPS (JPY)	608.62	387.10	107.37	325.21	976.55	1,073.47
Cash Dividends (JPY)	110	97	30	90	293	322



Innovation for a Sustainable World