

# Consolidated Business Results & Forecasts

FY2024/03 Third Quarter Ended December 31, 2023

January 31, 2024

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## SCREEN Holdings Co., Ltd.

• Financial Summary of FY2024/03 3Q cuml.

**Yoichi Kondo**, CFO, Senior Managing Director

• Business Environment and Forecasts

**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. FY2024/03: April 1, 2023 - March 31, 2024)

# Financial Summary of FY2024/03 3Q cuml.

January 31, 2024

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

## Financial Summary

### Business results in 3Q cuml.

- **Company-wide:**
  - **Increase in sales and profits YoY**  
>> Sales, OP income, OP margin, ordinary income and net income\* all reached record highs as 3Q cuml. results
  - **Operating CF is steady**
- **SPE:**
  - **Higher sales and profits YoY**  
>> Sales, OP income and OP margin all reached record highs as 3Q cuml. results

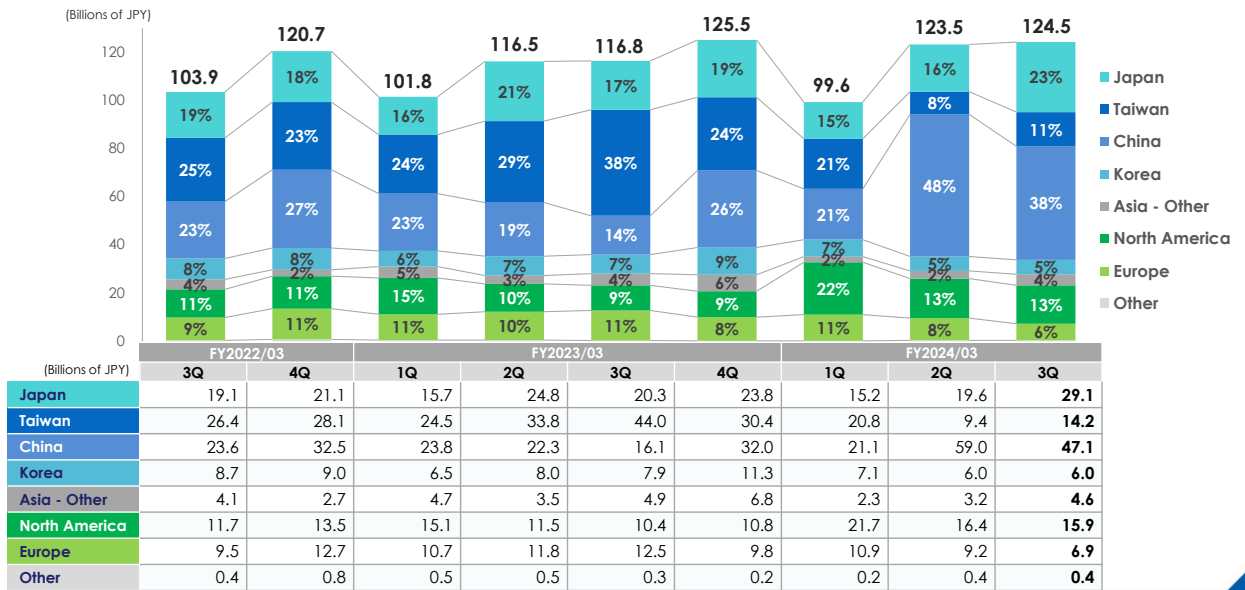
\* Net income: Profit attributable to owners of parent

## FY2024/03 3Q Business Results YoY

	FY2023/03						FY2024/03				Difference (YoY)	
	1Q	2Q	3Q	3Q cuml.	4Q	Full	1Q	2Q	3Q	3Q cuml.		
(Billions of JPY)												
<b>Net sales</b>	101.8	116.5	116.8	335.2	125.5	460.8	99.6	123.5	<b>124.5</b>	<b>347.8</b>	<b>12.5</b>	<b>3.8%</b>
<b>Operating income (to net sales ratio)</b>	17.8 17.5%	20.3 17.4%	18.4 15.8%	56.6 16.9%	19.7 15.8%	76.4 16.6%	13.4 13.5%	25.1 20.3%	<b>25.1</b> <b>20.2%</b>	<b>63.6</b> <b>18.3%</b>	<b>7.0</b>	<b>12.4%</b> <b>1.4pt</b>
<b>Ordinary income</b>	18.2	20.4	18.5	57.1	20.1	77.3	13.6	25.6	<b>25.3</b>	<b>64.6</b>	<b>7.4</b>	<b>13.1%</b>
<b>Profit attributable to owners of parent</b>	16.0	13.5	12.1	41.8	15.6	57.4	9.4	16.9	<b>18.2</b>	<b>44.5</b>	<b>2.7</b>	<b>6.6%</b>

# Composition of Group Sales by Region

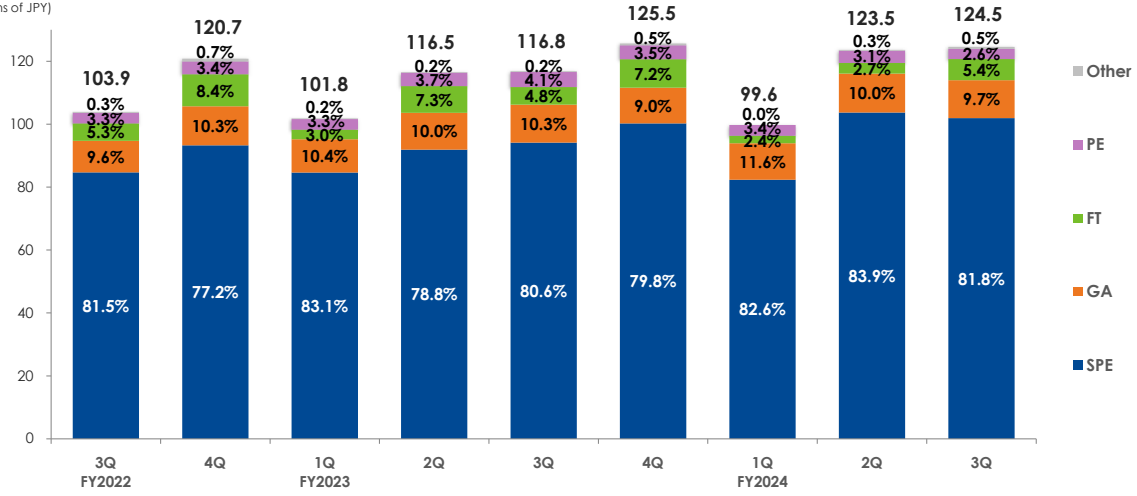
QoQ



# Composition of Group Sales by Segment

QoQ

(Billions of JPY)



# FY2024/03 3Q Business Results and Quarterly Trends

By Segment

		FY2022/03		FY2023/03				FY2024/03		
		3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
<b>SPE</b>	Net sales	84.6	93.2	84.6	91.9	94.1	100.2	82.3	103.7	<b>101.9</b>
	OP (to net sales ratio)	17.1 20.2%	21.4 23.0%	18.8 22.3%	19.5 21.3%	17.3 18.5%	21.1 21.1%	13.7 16.8%	25.1 24.2%	<b>25.5</b> <b>25.1%</b>
<b>GA</b>	Net sales	9.9	12.3	10.5	11.6	12.0	11.3	11.5	12.3	<b>12.0</b>
	OP (to net sales ratio)	0.4 4.3%	0.5 4.3%	0.6 6.4%	0.9 8.2%	1.0 9.0%	0.6 6.1%	0.9 8.0%	1.2 10.2%	<b>1.3</b> <b>11.0%</b>
<b>FT</b>	Net sales	5.5	10.1	3.0	8.4	5.6	9.0	2.3	3.3	<b>6.7</b>
	OP (to net sales ratio)	(0.3) -5.5%	0.7 7.2%	(0.8) -27.0%	(0.2) -3.1%	(0) -0.8%	(0.7) -7.8%	(0.4) -20.1%	(0.1) -4.9%	<b>(0)</b> <b>-0.2%</b>
<b>PE</b>	Net sales	3.3	4.0	3.3	4.2	4.7	4.4	3.4	3.8	<b>3.2</b>
	OP (to net sales ratio)	0.6 17.8%	0.5 12.9%	0.4 14.0%	1.1 26.2%	1.0 21.1%	0.7 17.2%	0.3 10.9%	0.6 17.6%	<b>0.2</b> <b>7.7%</b>

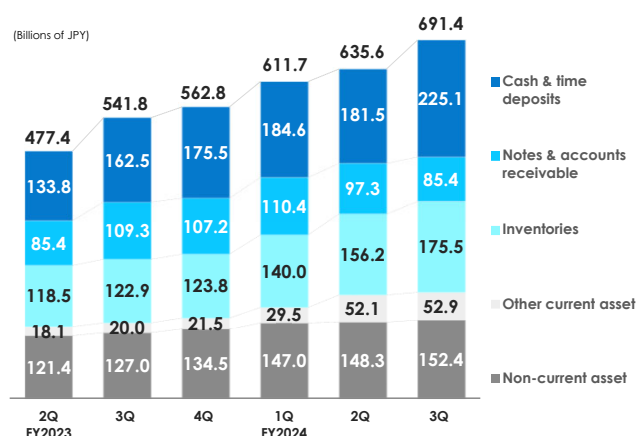
# FY2024/03 3Q Business Results By Segment

	(Billions of JPY)	FY2024		QoQ				FY2023	FY2024	YoY					
		2Q	3Q	Difference (Net sales)		Difference (OP)		3Q cuml.	3Q cuml.	Difference (Net sales)		Difference (OP)			
<b>SPE</b>	Net sales	103.7	<b>101.9</b>	(1.7)	-1.7%	0.4	1.7%	0.9pt	270.6	<b>287.9</b>	17.2	6.4%	8.7	15.7%	1.8pt
	OP (to net sales ratio)	25.1 24.2%	<b>25.5</b> <b>25.1%</b>	Sales decreased while profits increased. Ratio of China went down, while ratio of Japan and Taiwan went up				55.7 20.6%	<b>64.4</b> <b>22.4%</b>	Sales to foundries increased while those to memory decreased, resulting in higher sales and profits overall. Sales to China and North America increased, while those to Taiwan decreased					
<b>GA</b>	Net sales	12.3	<b>12.0</b>	(0.3)	-2.7%	0	4.6%	0.8pt	34.2	<b>35.9</b>	1.7	5.0%	0.7	29.4%	1.9pt
	OP (to net sales ratio)	1.2 10.2%	<b>1.3</b> <b>11.0%</b>	Sales declined slightly, while recurring business (RB) remained stable and profits increased				2.7 7.9%	<b>3.5</b> <b>9.8%</b>	Sales of equipment such as POD increased and so as RB. Sales and profits both grew					
<b>FT</b>	Net sales	3.3	<b>6.7</b>	3.3	98.5%	0.1	-%	4.7pt	17.1	<b>12.5</b>	(4.6)	-27.0%	0.4	-%	1.3pt
	OP (to net sales ratio)	(0.1) -4.9%	<b>(0)</b> <b>-0.2%</b>	Sales and profits increased. Deficits improved due to increased sales				(1.1) -6.6%	<b>(0.6)</b> <b>-5.3%</b>	Sales declined due to sluggish capital investment by customers. Deficits improved					
<b>PE</b>	Net sales	3.8	<b>3.2</b>	(0.6)	-16.0%	(0.4)	-63.0%	-9.8pt	12.3	<b>10.4</b>	(1.9)	-15.4%	(1.2)	-50.0%	-8.5pt
	OP (to net sales ratio)	0.6 17.6%	<b>0.2</b> <b>7.7%</b>	Sales and profit decreased. Declined in OP income due to lower sales				2.5 20.9%	<b>1.2</b> <b>12.4%</b>	Sales decreased. Profits decreased due to decreased sales and increased fixed costs, etc.					

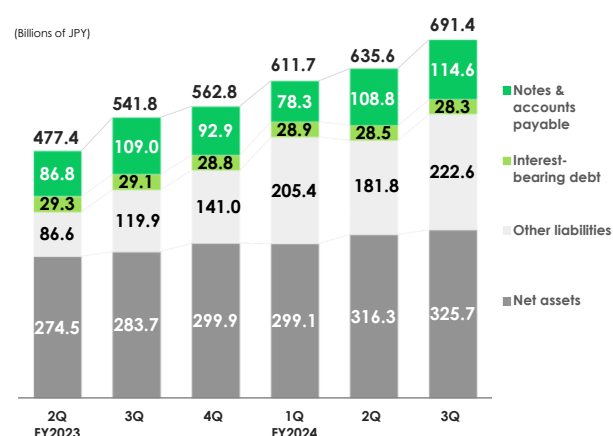


## Financial Standing: B/S

### Assets



### Liabilities & Net Assets



- Inventories rose due to increased orders and sales. In addition, cash and deposits remained high due to advances received and the holiday at the end of the 3Q, resulting in the equity ratio of 47.1%. Net assets amounted to ¥325.7 bn

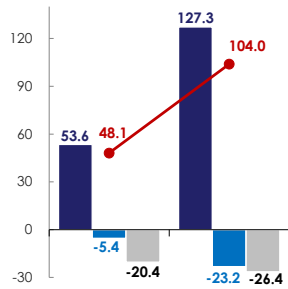
- Total assets:
  - Total assets stood as ¥691.4 bn, an increase of ¥128.6 bn, or 22.9%, compared with March 31, 2023.  
This was largely due to increases in inventories, cash and deposits and securities (certificates of deposit), despite a decrease in notes and accounts receivable including electronically recorded monetary claims.
- Total liabilities and total net assets:
  - Total liabilities amounted to ¥365.6 bn, up ¥102.7 bn, or 39.1% compared with March 31, 2023.  
This was mainly attributable to increases in contract liabilities, notes and accounts payable including electronically recorded obligations.
  - Total net assets amounted to ¥325.7 bn, up ¥25.8 bn, or 8.6%, compared with March 31, 2023.  
This was mainly attributable to the recording of quarterly profit attributable to owners of parent, despite the payment of cash dividends.
- As a result, the equity ratio as of December 31, 2023 stood at 47.1%.

# Financial Standing: Cash Flows

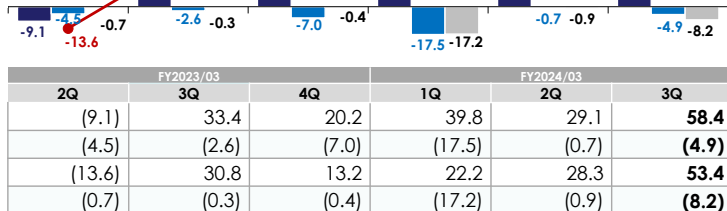
3Q cuml.

QoQ

(Billions of JPY)



Operating CF Investing CF Financing CF FCF



(Billions of JPY)	FY2023/03	FY2024/03
Operating CF	53.6	127.3
Investing CF	(5.4)	(23.2)
FCF	48.1	104.0
Financing CF	(20.4)	(26.4)

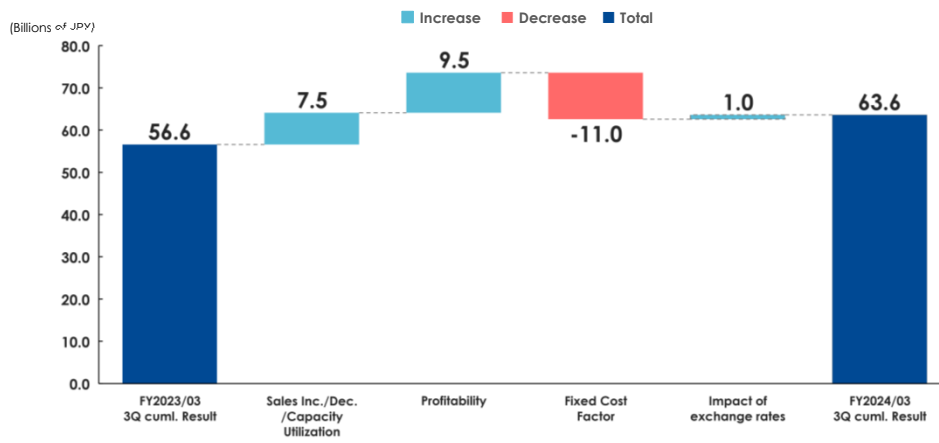
	FY2023/03			FY2024/03		
	2Q	3Q	4Q	1Q	2Q	3Q
Operating CF	33.4	20.2	39.8	29.1	58.4	
Investing CF	(4.5)	(7.0)	(17.5)	(0.7)	(4.9)	
FCF	(13.6)	13.2	22.2	28.3	53.4	
Financing CF	(0.7)	(0.3)	(0.4)	(17.2)	(0.9)	(8.2)

\* FCF: Free Cash Flow

- Operating CF has remained steady, partly due to advances received
- Investment CF mainly reflects payments for factory constructions in Takaoka in 2Q, followed by S<sup>3</sup>-5 and SPE Quartz in Iwaki City in 3Q, etc., aimed to enhance production capacity
- Financing CF mainly consists of dividend payments

# Analysis of Operating Income Growth

## FY2023/03 3Q cuml. Result vs FY2024/03 3Q cuml. Result



\* Operating Income Factor: approximate numbers per 0.5 bn

- >> Improvement in sales and capacity utilization is mainly attributable to SPE
- >> Profitability improved mainly in SPE and FT
- >> Fixed costs increased due mainly to higher personnel expenses, depreciation and amortization, and R&D expenses, etc., in SPE to drive further growth
- >> Impact of exchange rates mainly affected GA and PE

# Business Environment and Forecasts

January 31, 2024

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**SCREEN Holdings Co., Ltd.**

CEO, President

**Toshio Hiroe**

## Business Environment and Forecasts

### Business Environment

- **SPE:** The semiconductor market in CY2024 is expected to see positive growth for PCs, smartphones, and servers.  
WFE outlook: Investment in China for mature nodes remains active. Cutting-edge investment by major logic companies and foundries are expected to proceed as planned. Recovery in memory investment is expected from late CY2024. Investment of power semiconductors is expected to remain robust, backed by the progress of green transformation
- **GA:** Although holding-off buying will be seen before drupa (the industry's largest exhibition in May) for the first time in eight years, we expect recovery after the event
- **FT:** Demand for display is expected to turn upward in the next fiscal year
- **PE:** Enhancing investments in R&D while waiting for market recovery in 2H of the next fiscal year

### Business Forecasts

- **FY2024/03 full-year profit forecasts are revised upwards, sales and profits will increase YoY**  
>> Expecting sales and profits to reach record highs for the third consecutive fiscal year
- **Year-end dividend of FY2024/03 reached a record high** (¥405 forecast on a pre-split basis)  
>> Year-end dividend, increased from October forecast
- **In this final year of the medium-term management plan, numerical targets are on track to be achieved. Investment will be continued for sustainable growth**

Market Trends and Outlook

- **WFE: Landed at -10% in CY2023; Expected to grow in the lower single-digit percentage in CY2024**
  - Foundries and Logic: Investment will remain steady for both cutting-edge and mature nodes
  - Memory: Investment recovery mainly centered on DRAM while NAND recovery will require more time

- **Trends by applications**

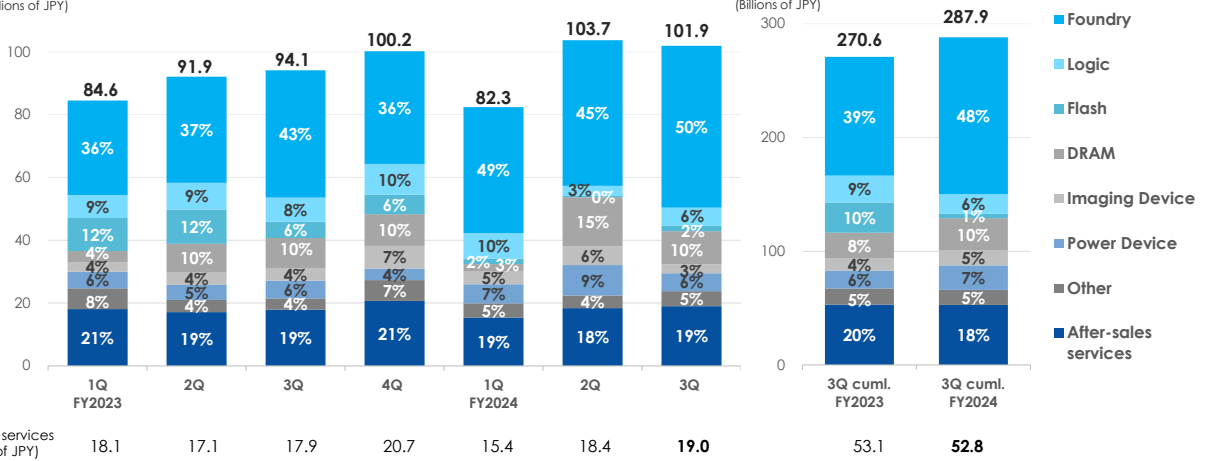
<b>Foundry</b>	Investment for cutting-edge nodes is proceeding as planned
<b>Logic</b>	Installation of equipment has started at a new plant in North America
<b>Memory</b>	Recovery expected from late CY2024, with some positives for DRAM in AI-related areas
<b>Imaging Device</b>	Capital investment remains steady for new markets such as automotive and AR/VR
<b>Power Device</b>	Steady growth centered on investments in SiC and 300mm power devices
<b>Other</b>	Solid investments in analog, electronic components and MEMS continue

- **Chinese market: Mature nodes investments for existing foundry and memory remain strong, as well as emerging companies**

# SPE: Trends of New Equipment Sales by Application and After-sales Service Revenue on a Consolidated Base

**QoQ**  
(Billions of JPY)

**3Q cuml.**  
(Billions of JPY)



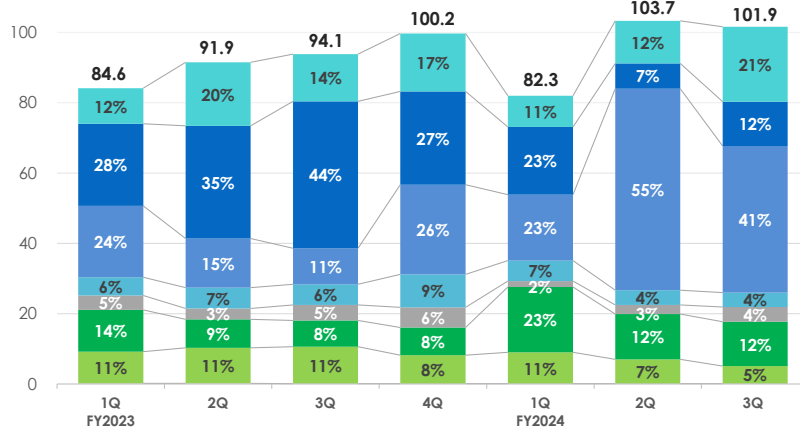
Note: After-sales service revenues for the previous years were adjusted based on the current accounting rules

- By application QoQ: Sales in Foundry increased, driven by China, those in Logic also, driven by North America  
3Q YoY: Growth in Foundry driven by China
- After-sales services QoQ: Sales increased slightly, maintained a ratio of around 20%

# SPE: Composition of the Sales By Region on a Consolidated Base -destination-

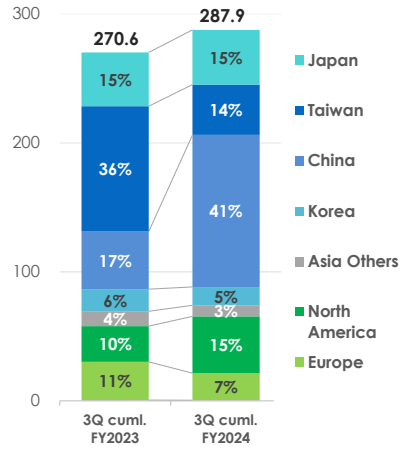
## QoQ

(Billions of JPY)



## 3Q cuml.

(Billions of JPY)



- 3Q (QoQ): Ratio of sales to China decreased QoQ, but still remains high. Ratio of sales to Japan rose as well
- 3Q cuml. (YoY): Ratio of sales to China increased drastically. Ratio of sales to North America also rose

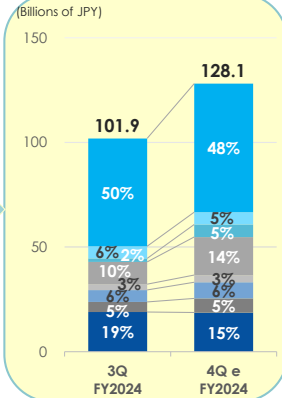
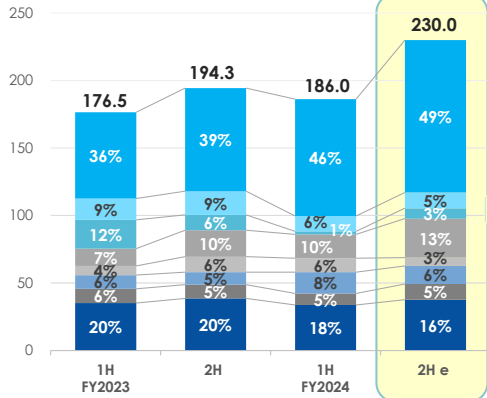


# SPE: Composition of the Sales Forecast on a Consolidated Base

## By Application

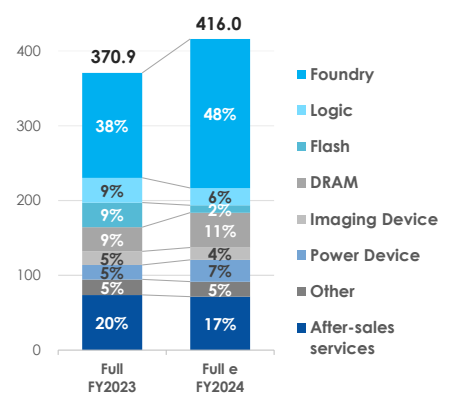
### Half Year Results and Forecasts

(Billions of JPY)



### Yearly comparison

(Billions of JPY)

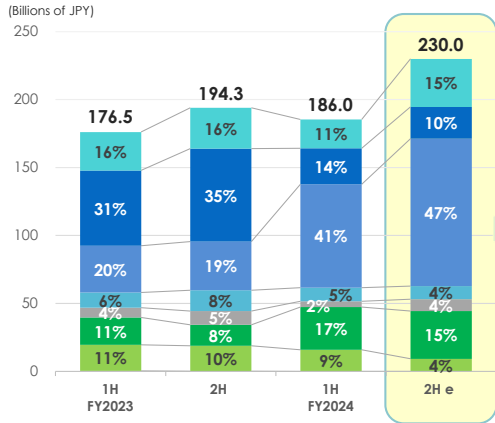


- 1H result vs. 2H forecast: Further increase expected in Foundry. Increase also expected in DRAM and Flash, albeit modest
- 2H forecast YoY: Expecting significant increase in Foundry
- 3Q result vs. 4Q forecast: DRAM growth in 4Q driven by China
- Full year forecast YoY: Significant increase expected in Foundry. Steady growth expected in Power Device and DRAM

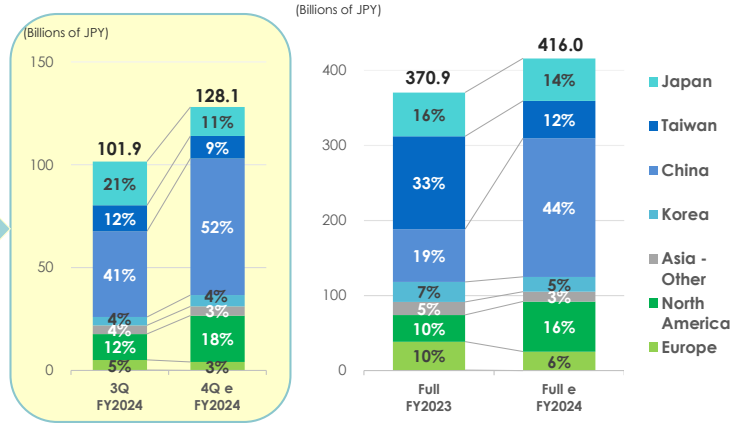
# SPE: Composition of the Sales Forecast on a Consolidated Base

## By Region -destination-

### Half Year Results and Forecasts



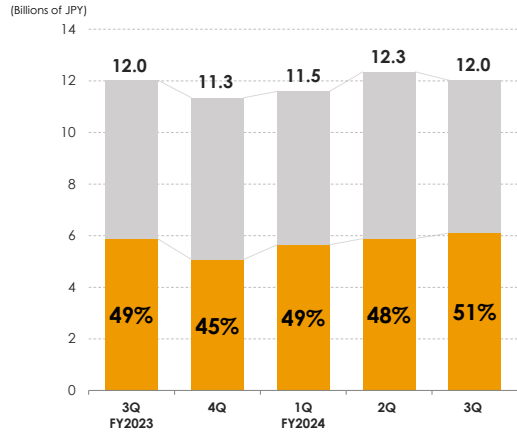
### Yearly comparison



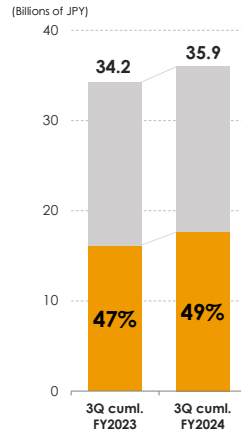
- 1H result vs. 2H forecast: Increase expected in Japan. Ratio of China in 2H is expected to be higher than the October forecast. Ratio of sales to North America is expected to decrease despite the increase in absolute sales volume
- 2H forecast YoY: Significant increase expected in China while increase is also expected in North America
- 3Q result vs. 4Q forecast: Ratio of China is expected to be over 50% again in 4Q. The ratio of North America is also expected to increase
- Full year forecast YoY: Ratio of China in the FY forecast is expected to grow by more than twice. Ratio of North America ratio is also expected to rise

# GA: Trends of Sales on a Consolidated Base

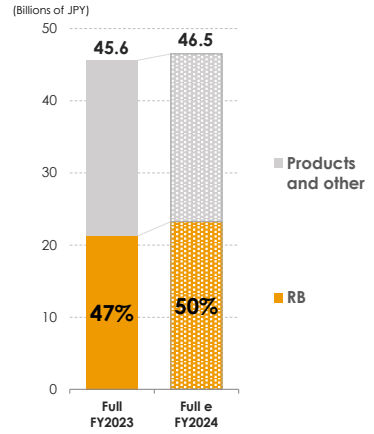
## Quarterly Results



## 3Q cuml.



## Yearly comparison

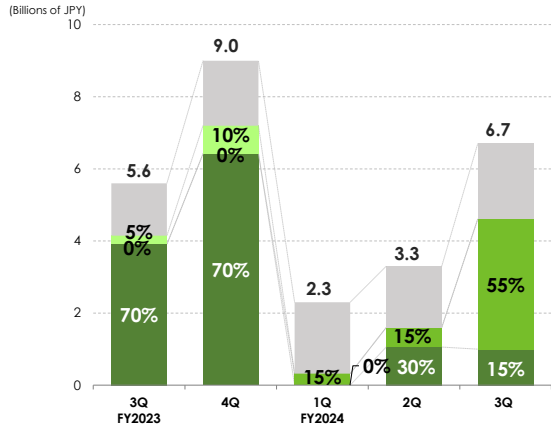


\* Ratio: Approximate numbers per 5%

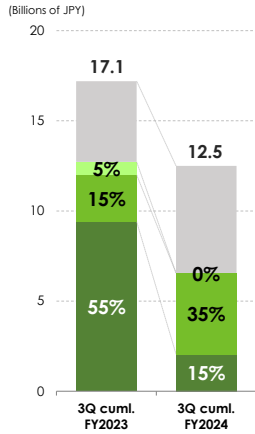
- Recurring business (RB), especially ink sales, remains firm
- Although holding-off buying will be seen before drupa in May (the industry's largest exhibition for the first time in eight years), we expect recovery after the event
- Targeting the OP margin of the 8% range for the full year

# FT: Trends of Sales on a Consolidated Base

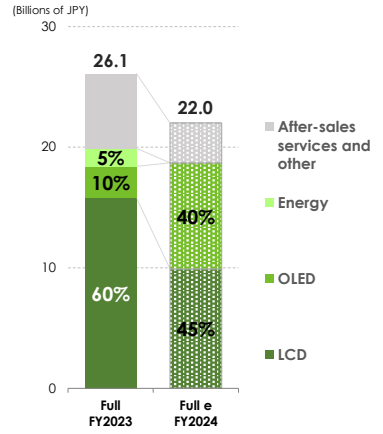
## Quarterly Results



## 3Q cuml.



## Yearly comparison

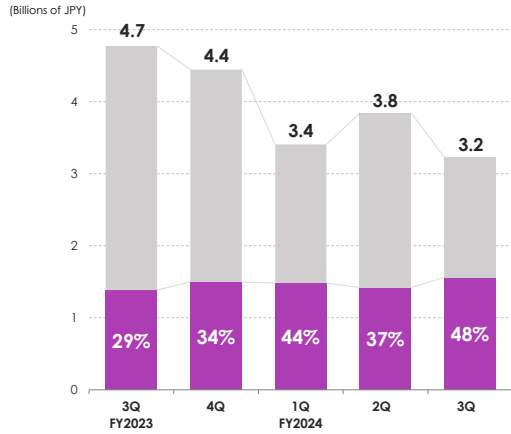


\* Ratio: Approximate numbers per 5%. From FY2024, Energy will be included in "other."

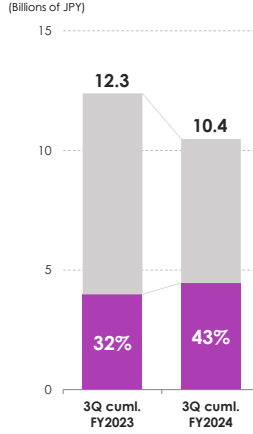
- Demand for displays is expected to turn upward in the next fiscal year. Earnings are also expected to recover
- Sales in the next fiscal year will mainly focus on LCDs. Expecting an increase in orders for OLEDs from 2H

# PE: Trends of Sales on a Consolidated Base

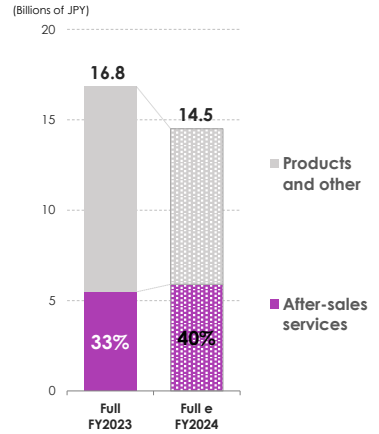
## Quarterly Results



## 3Q cuml.



## Yearly comparison



\* Ratio: Approximate numbers per 5%

- Demand for data centers is expected to recover in 2H of the next fiscal year
- We will continue to launch new products for further growth after market recovery during the next fiscal year
- After-sales services are solid, operating income staying above 10%

## FY2024/03 Business Forecast (as of January 31, 2024)

	FY2023/03		FY2024/03					
	Full Result	1H Result	3Q Result	2H	January 2H Forecast	July Forecast	October Forecast	Full
(Billions of JPY)								
<b>Net sales</b>	<b>460.8</b>	<b>223.2</b>	<b>124.5</b>	<b>152.3</b>	<b>276.8</b>	495.0	500.0	<b>500.0</b>
<b>Operating income (to net sales ratio)</b>	<b>76.4</b> 16.6%	<b>38.5</b> 17.3%	<b>25.1</b> 20.2%	<b>24.9</b> 16.3%	<b>50.0</b> 18.1%	85.0 17.2%	87.5 17.5%	<b>88.5</b> 17.7%
<b>Ordinary Income</b>	<b>77.3</b>	<b>39.3</b>	<b>25.3</b>	<b>23.9</b>	<b>49.2</b>	82.0	86.0	<b>88.5</b>
<b>Profit attributable to owners of parent</b>	<b>57.4</b>	<b>26.3</b>	<b>18.2</b>	<b>19.5</b>	<b>37.7</b>	58.0	60.0	<b>64.0</b>
<b>SPE</b>								
Net sales	<b>370.9</b>	<b>186.0</b>	<b>101.9</b>	<b>128.1</b>	<b>230.0</b>	410.0	416.0	<b>416.0</b>
Operating income (to net sales ratio)	<b>76.9</b> 20.7%	<b>38.9</b> 20.9%	<b>25.5</b> 25.1%	<b>28.6</b> 22.3%	<b>54.1</b> 23.5%	90.0 22.0%	93.0 22.4%	<b>93.0</b> 22.4%
<b>GA</b>								
Net sales	<b>45.6</b>	<b>23.9</b>	<b>12.0</b>	<b>10.6</b>	<b>22.6</b>	46.0	46.0	<b>46.5</b>
Operating income (to net sales ratio)	<b>3.3</b> 7.4%	<b>2.1</b> 9.1%	<b>1.3</b> 11.0%	<b>0.6</b> 5.7%	<b>1.9</b> 8.4%	3.5 7.6%	3.5 7.6%	<b>4.0</b> 8.6%
<b>FT</b>								
Net sales	<b>26.1</b>	<b>5.7</b>	<b>6.7</b>	<b>9.6</b>	<b>16.3</b>	22.0	22.0	<b>22.0</b>
Operating income (to net sales ratio)	<b>(1.8)</b> -7.0%	<b>(0.6)</b> -11.2%	<b>(0)</b> -0.2%	<b>0.1</b> 1.0%	<b>0.1</b> 0.6%	(1.5) -6.8%	(1.5) -6.8%	<b>(0.5)</b> -2.3%
<b>PE</b>								
Net sales	<b>16.8</b>	<b>7.2</b>	<b>3.2</b>	<b>4.1</b>	<b>7.3</b>	14.5	14.5	<b>14.5</b>
Operating income (to net sales ratio)	<b>3.3</b> 19.9%	<b>1.0</b> 14.4%	<b>0.2</b> 7.7%	<b>0.3</b> 7.3%	<b>0.5</b> 6.8%	2.0 13.8%	2.0 13.8%	<b>1.5</b> 10.3%
<b>Other</b>								
Net sales	<b>1.2</b>	<b>0.2</b>	<b>0.6</b>	<b>0.2</b>	<b>0.8</b>	2.5	1.5	<b>1.0</b>
Operating income	<b>(5.4)</b>	<b>(2.9)</b>	<b>(1.9)</b>	<b>(4.7)</b>	<b>(6.6)</b>	(9.0)	(9.5)	<b>(9.5)</b>

Notes: Assumed Exchange Rate in FY2024/03 >> USD1.00 = JPY140, EUR1.00 = JPY150

Assumed exchange rate sensitivity in FY2024/03 (full year operating income base) >> To USD: ¥1.3 bn, To EUR: ¥0.3 bn

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

### ● Group-wide, FY2024/03 full-year forecast

- Net sales of ¥500.0 bn, operating income of ¥88.5 bn, ordinary income of ¥88.5 bn and profit attributable to owners of parent of ¥64.0 bn are projected – all the highest on record

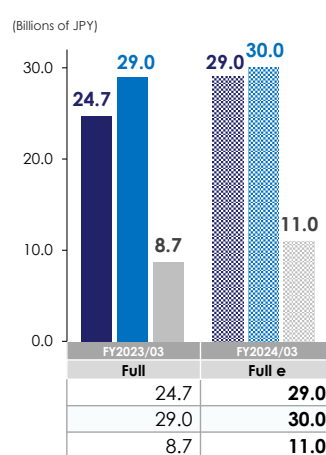
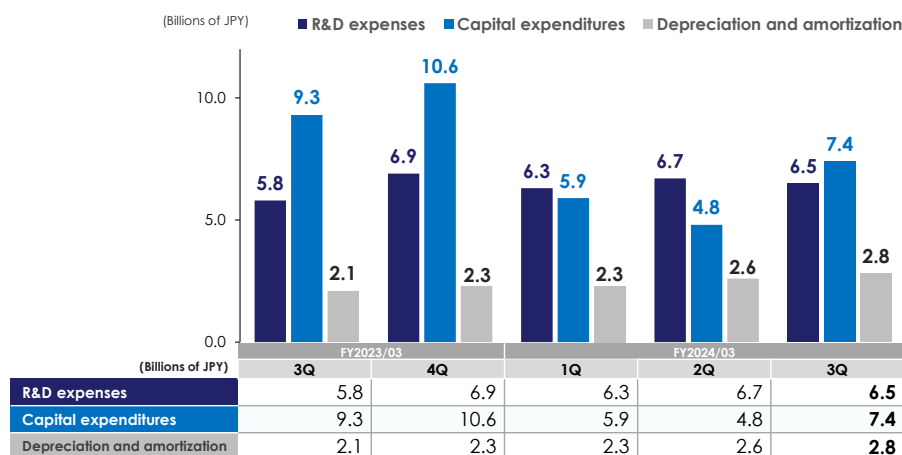
### ● SPE:

- Investment in the Chinese market remains active and will support the WFE market
- Investments in advanced and mature nodes in applications of foundry, logic and power device are expected to remain firm
- We expect investment in memory to recover from 2H of CY2024 onward

# R&D Expenses, Capital Expenditures and Depreciation/Amortization

QoQ

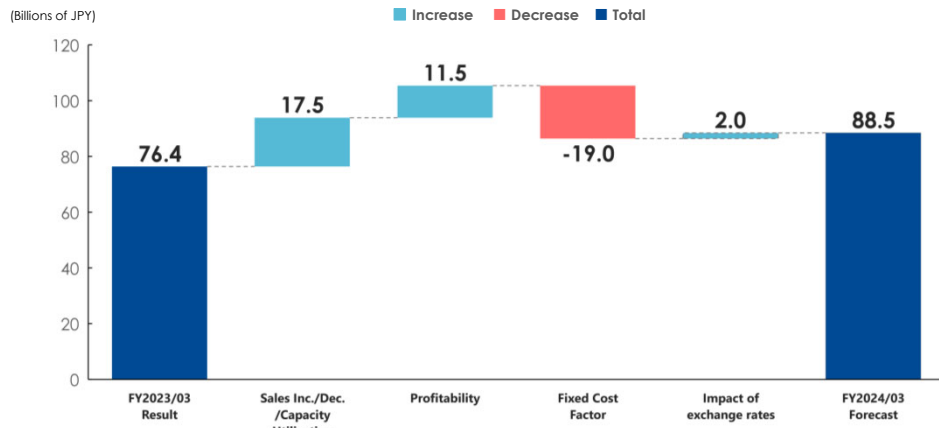
YoY



- R&D expenses: Mainly used for R&D by SPE and for the product development in new business fields, such as life science, AI, advanced packaging, energy/hydrogen-related fields, etc.
- Capital expenditures: Mainly used for enhancing SPE production capabilities, including construction in Takaoka in 2Q, S<sup>3</sup>-5 and SPE Quartz's new factory building in Iwaki City in 3Q, etc.

# Analysis of Operating Income Growth

## FY2023/03 Result vs FY2024/03 January Forecast



\* Operating Income Factor: approximate numbers per 0.5 bn

- >> Improvement in sales and capacity utilization is mainly attributable to SPE
- >> Profitability improved mainly due to SPE, FT
- >> Fixed costs increased due mainly to high MY (高MY) personnel expenses, depreciation and amortization, and R&D expenses, etc., in SPE to drive further growth
- >> Impact of exchange rates mainly affected GA and PE



## スライド 24

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**MY(雄0** [@Jin Lili (金 立里)] [@Miyagi Yoko (宮城 陽子)] このFTが抜けてます。[@Otobe Chiho (乙部 千穂)] [@Muranobu Saki (村信 早希)]  
Miura Yuichi (三浦 雄一),

## Dividend

### FY2024/03

- Projected to achieve the record high for the full year

(JPY)	FY2024/03				Pre-split basis		
	July Forecast	October Forecast	January Announcement	Remarks	July Forecast	October Forecast	January Announcement
	Per-share interim dividend	140	167		167 Distributed	Dividend on a pre-split basis	140
Per-share annual dividend Forecast	114	107	119	Dividend on a post-split basis in the ratio of 1:2	228	214	238
Total	-	-	-	Not shown for it cannot be summed up simply	368	381	405

## Recent Group News (Selected news releases from November 1, 2023, to January 31, 2024)

HD

- Signed comprehensive collaborative agreement to create a sustainable society with Kyoto Financial Group (November 28, 2023)
- Donated rice grown in SCREEN-owned rice field to eight child protection facilities in Kyoto Prefecture (November 30, 2023)
- Acquired shares in Sigma-i, provider of an R&D solution for quantum annealing technology (December 1, 2023)
- Received renewed approval from Science Based Targets Initiative - Greenhouse gas targets consistent with the levels required to keep the global temperature rise to 1.5°C - (January 11, 2024)
- Announced new brand, SCRAIS - Promoting cutting-edge AI-driven inspection and measurement solutions - (January 29, 2024)

SPE

- Launched coat/develop track systems for next-generation power devices - New RF-200EX and RF-300EX Expand Lineup - (November 7, 2023)
- Single wafer cleaning equipment SU-3400 received 2023 Nikkei Business Daily Awards (January 9, 2024)
- Completed the construction of new factory S<sup>3</sup>-5 for semiconductor production equipment (January 17, 2024)

FT

- Developed Lemotia coater/dryer system for advanced semiconductor packaging (December 5, 2023)

AS

- Launched "KH Coder Official Package," a text mining tool (December 20, 2023)

## ESG-related Initiatives

### ■ E (Environmental)

- **Renewed approval from Science Based Targets initiative (SBTi)**
  - Greenhouse gas targets consistent with the levels required to keep the global temperature rise to 1.5°C - (For details, refer to page 31)

### ■ S (Social)

- **Corporate Philosophy Instillation Measures**
  - Continued dialogue between management and employees, such as town hall meetings and workshops  
(Implemented in more than 30 times in total including overseas subsidiaries, and has been ongoing in 2H of this fiscal year)
- **Conducted the 2<sup>nd</sup> engagement surveys**
  - To achieve our 10-year vision, we gauged the diverse attitudes and opinions of our employees to grasp the current situation
  - Reflecting the survey results in various measures to nurture solution creators, while feeding them back to the management level to revitalize each organization

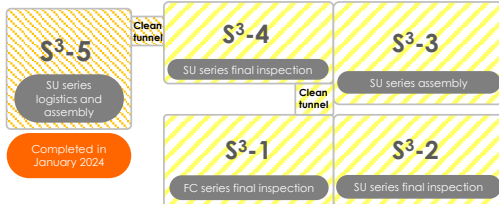


Topics >>

**SCREEN Completed the Construction of New Factory S<sup>3</sup>-5 for Semiconductor Production Equipment** (announced on January 17, 2024)



Image of S<sup>3</sup>-5



**S<sup>3</sup>-5 (S-Cube 5)**

- The new factory was constructed in the Hikone site and connected to the existing S<sup>3</sup>-3 and S<sup>3</sup>-4 buildings, achieving a more efficient production flow than ever from pre-production to shipment
- S<sup>3</sup>-5 will enhance the production capacity of our flagship single-wafer cleaning equipment, by automating parts sorting and supporting component assembly
- With the operation of S<sup>3</sup>-5, production capacity will increase further by 20%, compared to the start of operation of S<sup>3</sup>-4. Combined, S<sup>3</sup>-4 and S<sup>3</sup>-5 will boost production capacity by over 40% compared to CY2022
- Total cost: Approx. ¥8.0 bn

Please visit our [website](#) for more information

>> Aiming to further expand market share by enhancing production capacity, while improving profitability and competitiveness  
 >> Installed energy-saving air conditioning systems in all clean rooms, reducing environmental impact from production facilities

## SCREEN Launches Coat/Develop Track Systems for Next-generation Power Devices (Sales start in November 2023)

- New RF-200EX and RF-300EX Expand Lineup - (announced on November 7, 2023)

- Delivering both outstanding productivity and a smaller footprint
- Distinctly more environmentally friendly, dramatically reducing resist consumption during wafer coating and electricity consumption throughout the manufacturing process



RF-200EX

- Greater flexibility in the handling of a variety of production flows and chemicals
- Designed for 150 and 200mm wafers



RF-300EX

- Supporting a wide selection of wafer thickness ranging from standard to thin and offers smooth processing of thick film coatings such as polyimide
- Designed for 300mm wafers

Please visit our [website](#) for more information

>> Contributing to the steady production of rapidly diversifying next-generation power devices

>> Meeting the need for more environmentally-friendly production systems and supporting further advances in technologies for semiconductor devices

## Single-wafer Cleaning Equipment SU-3400 Receives 2023 Nikkei Business Daily Awards (announced on January 9, 2024)

- At 2023 Nikkei Excellent Products and Services Awards sponsored by Nikkei Inc., the SU-3400, a single-wafer cleaning equipment for semiconductor wafers with the world's highest level of productivity and high environmental performance, receives the Nikkei Business Daily Awards

### ■ Nikkei Excellent Products and Services Awards

Sponsored by Nikkei Inc. Once a year, awards are presented to particularly outstanding new products and services. Around 40 award-winning new products and services are selected through a rigorous screening process from a list of approximately 20,000 candidates

**2023 Nikkei Excellent Products and Services Awards  
(Japanese website)**

<https://www.nikkei.com/edit/news/special/newpro/2023/>



SU-3400

>> We will continue to promote energy conservation and environmental impact reduction for semiconductor devices. Meanwhile, we will contribute to the further development of the semiconductor industry as a leading company of semiconductor cleaning equipment

**SCREEN Receives Renewed Approval from Science Based Targets initiative (SBTi)**  
**- Greenhouse Gas (GHG) targets consistent with the internationally agreed levels required to keep the global temperature rise to 1.5°C - (announced on January 11, 2024)**

In 2020, SCREEN received approval from the SBTi for its targets to reduce GHG emissions to a level required to keep the global temperature rise to well below 2°C above pre-industrial levels. SCREEN has now received approval for new targets that are consistent with the level required to keep the global temperature rise to 1.5°C.

**Targets for Reducing GHG Emissions (FY2030)**

Scope	Target
GHG emissions from business activities (Scope 1, Scope 2)	50.4% reduction compared with FY2019 (absolute volume)
GHG emissions from the use of sold products (Scope 3, category 11)	58.1% reduction compared with FY2019 (per unit of value added: gross profit)



SCIENCE  
 BASED  
 TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Please visit our [website](#) for more information

>> SCREEN will accelerate its efforts to combat climate change by expanding its adoption of renewable energy and promoting energy conservation and generation measures. It will also continue its efforts to develop superior products that deliver advanced energy saving capabilities



## SCREEN Develops Lemotia Coater/Dryer System for Advanced Semiconductor Packaging (announced on December 5, 2023)

SCREEN FT has finalized the development of its new Lemotia coater/dryer system, specifically designed for use in advanced semiconductor packaging of FOPLP<sup>\*1</sup>, glass core<sup>\*2</sup> and related substrates. These substrates continue to be in high demand for 5G/post-5G, IoT infrastructure and data center applications. Lemotia is scheduled for release in April 2024 via SCREEN Holdings Co., Ltd.

- Lemotia incorporates the same technologies and expertise FT has refined with its SK series of coater/developers. It is ideally suited for PLP. Compared to conventional systems, Lemotia has a 30% smaller footprint and requires 10% less power
- It is capable of handling a wide range of chemicals from high to low viscosity, making it ideal for the increasingly complex and high precision FOPLP production process
- Each of Lemotia's processing units is also equipped with a mechanism that prevents warping to ensure excellent uniformity during film deposition

\*1 Fan-out panel level packaging: A semiconductor packaging technology utilized when the production method for fan-out wafer level packages (FOWLP) is applied to larger panels rather than wafers

\*2 A type of semiconductor packaging substrate that uses glass instead of a conventional resin substrate

Please visit our [website](#) for more information

>> Contributing to the ever-expanding semiconductor packaging industry by meeting the various needs

## ■ SCREEN Acquires Shares in Sigma-i, Provider of an R&D Solution for Quantum Annealing Technology (announced on December 1, 2023)

SCREEN Holdings has acquired shares in Sigma-i Co., Ltd. through partial transfer from SPARX Group Co., Ltd. This investment takes SCREEN's equity ratio in Sigma-i beyond 20%, making the company an equity method affiliate

- Quantum annealing is a fundamental technology needed to instantly process high-dimensional data on a large scale. Industries that includes manufacturing, logistics, agriculture, and disaster prevention are applying quantum annealing to machine learning-based predictions, materials search, and production scheduling using combinatorial optimization solutions
- SCREEN will work with SPARX to support the efforts of Sigma-i for the early commercialization of quantum annealing technology. Moreover, we will collaborate with Sigma-i in diverse areas, including SPE and other core businesses as well as new business fields, leveraging a profound synergy of technologies and insights between the two companies

### ■ Details of investment partner

- (1) Company name: Sigma-i Co., Ltd.
- (2) Headquarters: 1-2-70 (6F) Konan, Minato-ku, Tokyo
- (3) Representative: Masayuki Ohzeki, Representative Director
- (4) Established: April 2019

Please visit our [website](#) for more information

>> Sigma-i has a proprietary core technology in quantum annealing. It is promoting joint development with various research institutions and companies to share with society the research findings of Tohoku University in quantum annealing applications

**SCREEN Launches New Brand, SCRAIS**  
**- Promoting cutting-edge AI-driven inspection and measurement solutions –**  
**(announced on January 29, 2024)**

SCREEN Holdings has launched a new brand, SCRAIS, jointly with its group companies\*1 for AI-driven inspection and measurement solutions. It will release new solutions targeting semiconductor wafers and printed circuit boards under this brand, starting June 2024.

- Combining our proprietary image processing technology with AI. Releasing a successor model of our AI-driven false call filtering system, proven inspection and measurement solutions, under the new brand name, SCRAIS
- We aim to eliminate over 80% of false calls and minimize oversight rate to below 0.1%\*2 on the client side. Promote efforts such as optimizing algorithm and applying Deep Learning to auto defect classification, while simplifying setting procedures and reducing data labeling processes for AI modeling

\*1 SCREEN Semiconductor Solutions Co., Ltd., SCREEN PE Solutions Co., Ltd., and SCREEN Advanced Systems Solutions Co., Ltd.

\*2 0.1% is considerably above the average human oversight rate and is judged to be non-critical

Please visit our [website](#) for more information

>> Continuing to provide AI-driven solutions to help our clients overcome challenges pertaining to inspection, such as saving man-hours and costs while improving yields

## Topics >>

### ■ Signed Comprehensive Collaborative Agreement to Create a Sustainable Society with Kyoto Financial Group (announced on November 28, 2023)

Through the collaboration with Kyoto Financial Group, Inc., which has built a client base centered in Kyoto Prefecture, SCREEN aims to leverage both parties' expertise and expand efforts to solve social issues throughout the supply chain.

#### Contents of Agreement

- (1) Reducing the negative socio-environmental impact on the global and local levels
- (2) Raising awareness of respect for human rights in the supply chain
- (3) Initiatives to promote sustainability

etc.



#### Signing ceremony

From left:

Mr. Nobuhiro Doi, President of Kyoto Financial Group, Inc.  
Mr. Eiji Kakiuchi, Chairman of SCREEN Holdings

>> Contributing to sustainable development by actively working to resolve social issues, particularly environmental and human rights issues

## Our website was selected for the Bronze award from Daiwa Investor Relations and the All-industries Silver award from Nikko Investor Relations

### ■ Daiwa Investor Relations: Internet IR Award 2023

- ✓ Evaluate 4,048 listed companies (as of June 1, 2023) based on the principle of "5T&C: Timeliness, Transparency, Traceability, Trustworthiness, Totality and Communication," measuring the degree of alignment of investor relations to online disclosure
- ✓ After the second-round evaluation, the 232 companies which scored more than 70/100 on their Japanese websites were also evaluated based on their English IR sites. The combined score (5:5) of the Japanese and English sites was used for the comprehensive ranking
- ✓ SCREEN was selected among the 144 companies for the Bronze award



### ■ Nikko Investor Relations: 2023 Official Site Disclosure Ranking (all listed companies)

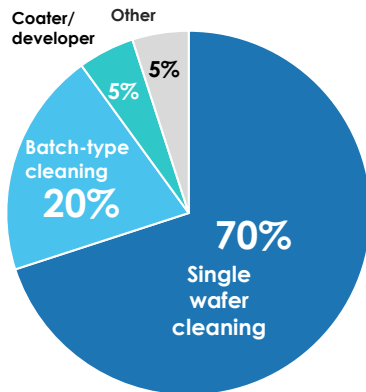
- ✓ Evaluated the official websites of all listed companies (3,970 as of July 3, 2023) from a third-person perspective based on "clarity of information," "ease of navigation," and "amount of information available"
- ✓ The 1,173 selected companies underwent the second-round evaluation and awarded gold, silver or bronze status under four categories: All-industries, By-industry, Standard\*, and Growth
  - \* TSE category introduced in 2022 for the companies between the Prime and Growth markets
- ✓ SCREEN was selected among the 132 companies for the All-industries Silver award
  - Note: Awarded Silver in 2022 and Bronze in 2021.

>> We will continue to enhance the content and quality of investor information to facilitate dialogue with our stakeholders

## Appendix >> Composition of Sales

SPE

### ▀ Sales Ratio of Equipment by Product in FY2024/03 3Q cuml.



(%)	FY2021/03 Full	FY2022/03 Full	FY2023/03 Full	FY2024/03 3Q cuml.
Single wafer cleaning	70	70	65	<b>70</b>
Batch-type cleaning	25	25	25	<b>20</b>
Coater/developer	5	5	5	<b>5</b>
Other	0	0	5	<b>5</b>

\* Ratio: approximate numbers per 5%

## Appendix >> Changes in Major KPIs

(Billions of JPY)	FY2019/03	FY2020/03	FY2021/03	FY2022/03	FY2023/03	FY2024/03 Forecast
Net sales	364.2	323.2	320.3	411.8	460.8	<b>500.0</b>
Operating income	29.6	12.5	24.4	61.2	76.4	<b>88.5</b>
Operating income ratio (%)	8.1	3.9	7.6	14.9	16.6	<b>17.7</b>
Total assets	380.9	347.9	382.6	459.3	562.8	-
Equity	179.1	173.9	208.3	247.7	300.1	-
Equity ratio (%)	47.0	50.0	54.5	53.9	53.3	-
ROE (%)	10.3	2.8	7.9	19.9	21.0	-
Depreciation and amortization	6.8	8.8	9.6	9.5	8.7	<b>11.0</b>
Capital expenditures	24.0	7.9	7.8	13.4	29.0	<b>30.0</b>
R&D expenses	22.8	21.5	21.5	24.0	24.7	<b>29.0</b>
EPS (JPY)	387.10	107.37	325.21	976.55	1,216.33	<b>674.83</b> <sup>*1</sup>
Cash Dividends (JPY)	97	30	90	293	365	- <sup>*2</sup>

<sup>\*1</sup> FY2024/03 EPS forecast takes into account the effect of the stock split

<sup>\*2</sup> FY2024/03 dividend forecast is not shown because it cannot be simply summed up due to the stock split



**Innovation for a Sustainable World**