

Financial Results for FY2022

May 12, 2023

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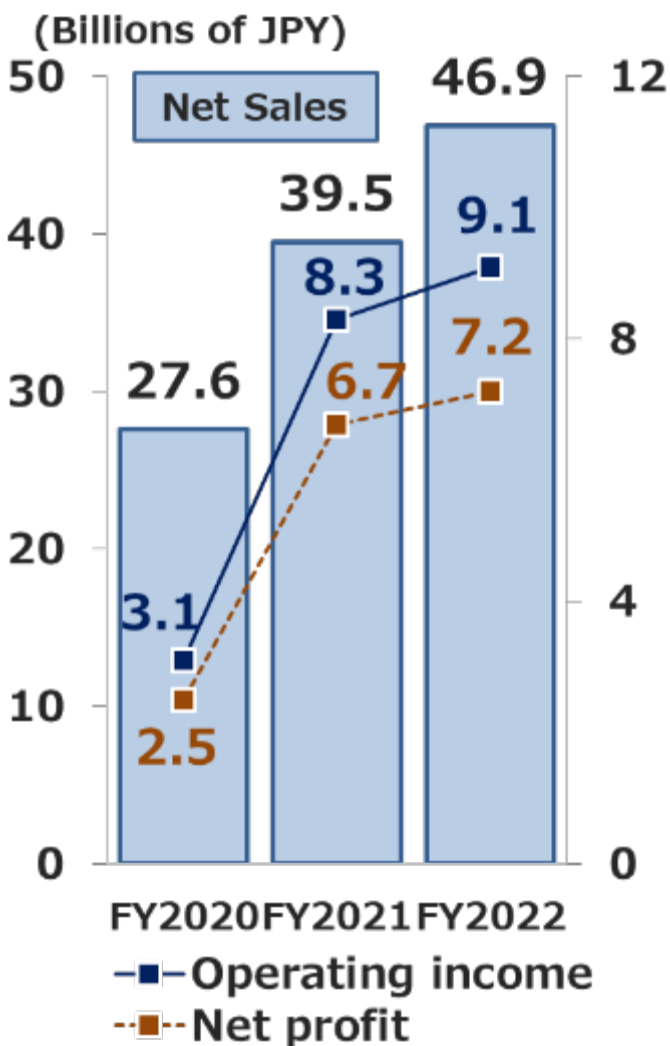
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Abbreviations Used in This Presentation

Business unit	Abbreviation
Test Solution Business	TS Business
Connector Solution Business	CS Business
Optical-Related Business	OPT Business

Results

We achieved record-high full-year consolidated net sales and income in FY2022.



(Billions of JPY)	FY2021 Full-year results	FY2022		YoY increase (amount)	YoY increase (%)
		Forecast (As of Feb. 3, 2023)	Full-year results		
Net Sales	39.5	46.4	46.9	7.4	18.7%
Operating Income	8.3	8.2	9.1	0.7	9.1%
Ordinary Income	8.7	8.6	9.4	0.7	8.1%
Net Profit	6.7	6.0	7.2	0.4	6.5%
EPS (JPY)	319.25	287.90	346.08	26.83	----
BPS (JPY)	1499.07	----	1770.47	271.40	----

Forex rate	FY2021	FY2022	YoY change
USD (JPY)	112.37	135.47	23.10
EUR (JPY)	130.56	140.97	10.41

Forex Impact on Results

Forex rate	FY2021	FY2021	YoY increase
USD (JPY)	112.37	135.47	+23.10
EUR (JPY)	130.56	140.97	+10.41



YoY Forex Impact	
Net sales	JPY 5.7 billion
Operating income	JPY 2.9 billion

Forex sensitivity (JPY1/year)	Impact on net sales	Impact on operating income
USD	JPY 0.2 billion	JPY 0.1 billion
EUR	JPY 0.08 billion	JPY 0.01 billion

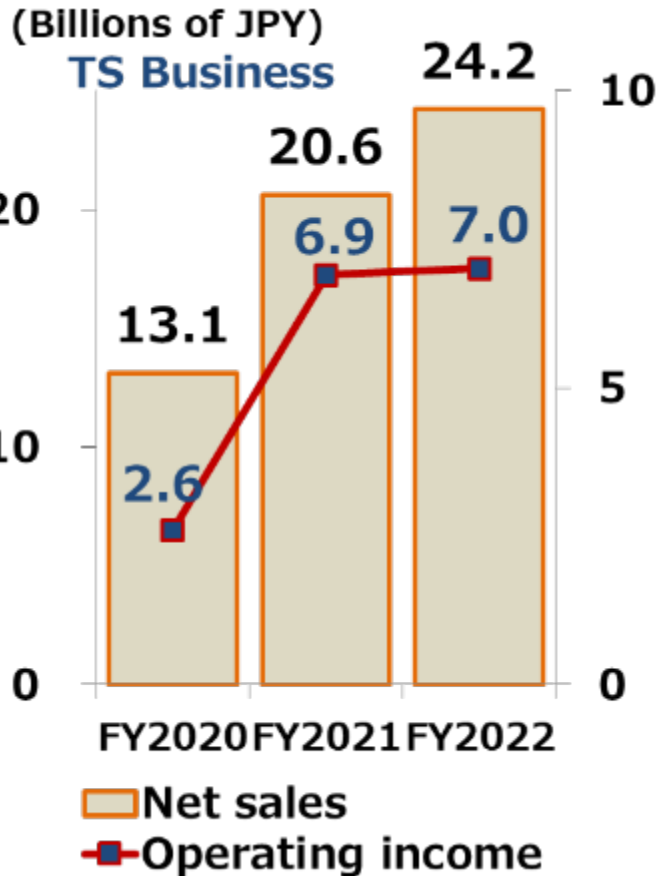
1. FY2022 Results

Results by Business

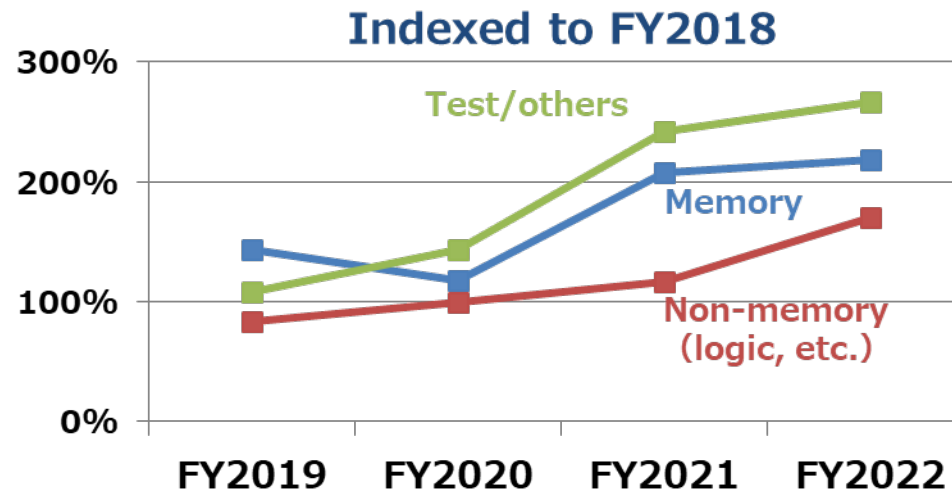
(Billions of JPY)		FY2021 Full-year results	FY2022		YoY increase (amount)	YoY increase (%)
			Forecast (As of Feb. 3, 2023)	Full-year results		
TS Business	Sales	20.6	24.0	24.2	3.5	17.0%
	Operating income	6.9	6.5	7.0	0.1	1.8%
CS Business	Sales	17.0	20.7	21.0	3.9	23.3%
	Operating income	1.3	1.5	1.6	0.2	21.0%
OPT Business	Sales	1.7	1.7	1.7	(0.0)	-4.9%
	Operating income	0.1	0.1	0.1	0.0	4.8%
Others	Operating income (Consolidated adjustment)	(0.1)	0.0	0.2	0.3	----
Total	Sales	39.5	46.4	46.9	7.4	18.7%
	Operating income	8.3	8.2	9.1	0.7	9.1%

TS Business Results

TS Business	YoY increase (Billions of JPY)	YoY increase (%)
Sales	+3.5	17.0%
Operating income	+0.1	1.8%

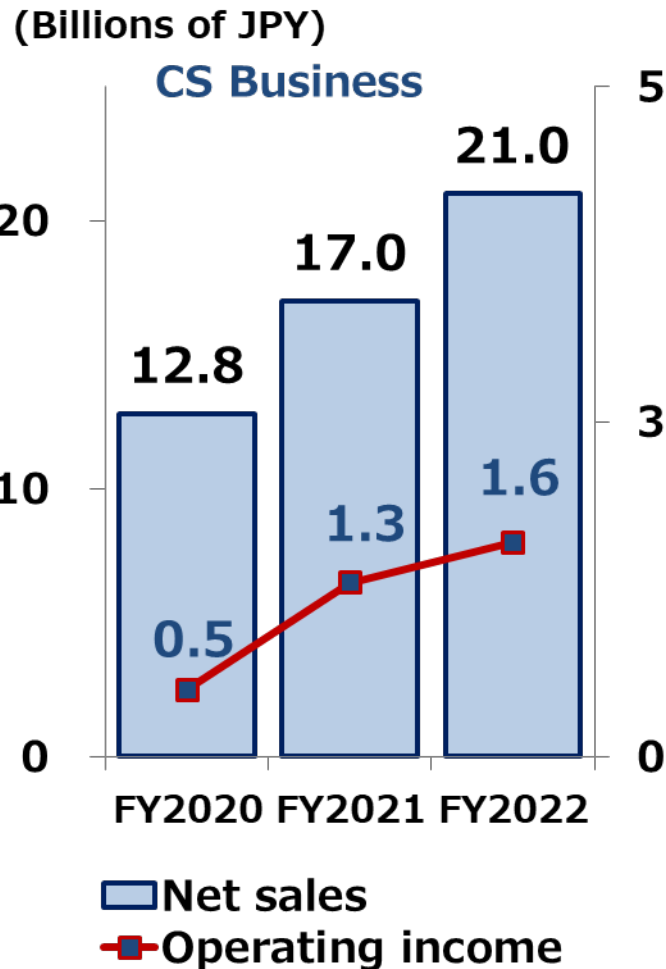


- ◆ Performance from test sockets for use with automobiles and PCs was favorable, but results generated through smartphone-related products incurred adverse impact in 2H from production cuts implemented by customers.
- ◆ Under the logic semiconductor sockets product group, we achieved strong sales primarily through products for in-vehicle ADAS/MCUs.
- ◆ We observed steady performance from products with NAND- and DRAM-related applications, but overall sales generated through the sockets for memory semiconductors were hindered by 2H capital investment adjustments conducted in response to increasingly disadvantageous market conditions encountered during the same period.

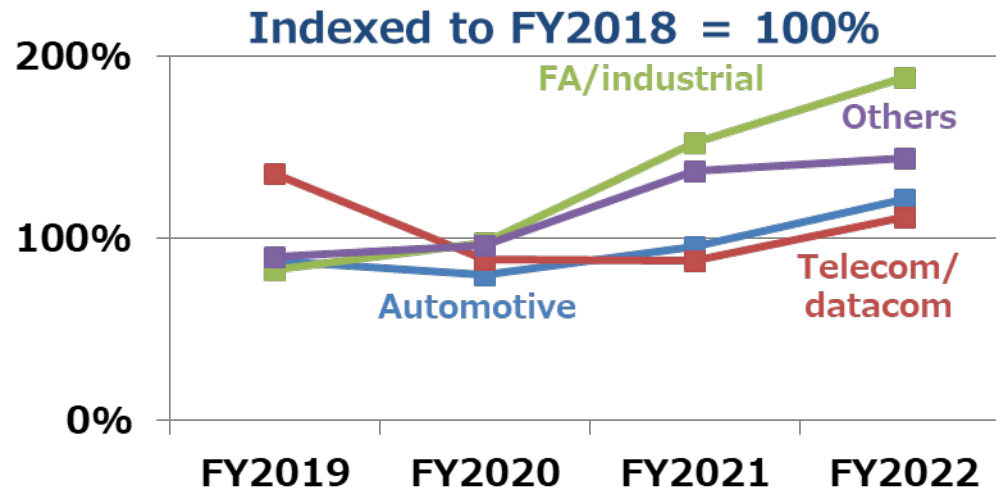


CS Business Results

CS Business	YoY increase (billions of JPY)	YoY increase (%)
Sales	+3.9	23.3%
Operating income	+0.2	21.0%



- ◆ We achieved growth in all three priority markets (telecom/datacom, automotive, and FA/industrial).
- ◆ Products associated with the FA/industrial market performed well, particularly in Europe.
- ◆ Products intended for the automotive market performed favorably due in part to growth in production volumes among major customers and the launch of new product shipments.
- ◆ Despite ongoing economic friction between the US and China, products created for use with telecommunications equipment generated robust performance thanks to growth in demand surrounding high-speed, large-capacity transmission, which was observed mainly in Europe and the US.
- ◆ We incurred increases in both raw material and transportation costs, but improvements in productivity and quality minimized their impact.



1. FY2022 Results

Balance sheet

Billions of JPY	End of Mar. 2022	End of Dec. 2023	Increase / decrease	Notes
Total current assets	30.2	32.6	2.4	Cash and deposits: +3,650 million yen
Total Non-current assets	15.1	17.6	2.5	Acquisition of production facilities, etc.: +800 million yen Proposed construction of new building at Sakura Factory: +430 million yen Acquisition of land in the Philippines, etc.: +760 million yen
Total assets	45.3	50.3	4.9	
Total current liabilities	10.6	10.4	(0.2)	
Total non-current liabilities	2.7	2.9	0.2	
Total liabilities	13.3	13.3	(0.0)	
Total net assets	31.9	37.0	5.0	
Total liabilities and net assets	45.3	50.3	4.9	

Business Highlights

◆ Notice regarding the acquisition of land in the Philippines

At a meeting held on September 22, 2022, our Board of Directors approved a resolution according to which consolidated subsidiary PMI Holdings, Inc. would acquire the land for its third factory in the Philippines. On November 8, 2022, PMI Holdings acquired the land.

As disclosed on February 24, 2023, Pricon Microelectronics, Inc., a Philippines-based consolidated subsidiary of Yamaichi Electronics, has begun construction of a new production factory on the acquired land with the aim of launching production in April 2024.

Location	Lots 1-2 Block 5 Elysan Road, Light Industry & Science Park IV (LISP IV), Brgy. Bulihan, Malvar, Batangas Philippines
Acquired land area	33,696 m ²
Acquisition amount (land)	350 million Philippine Pesos
Total investment (factory)	Approximately 1,100 million yen (not including land costs)
Financing plan	Internal funds

◆ Progress report concerning the construction of a new building at our Sakura Factory

At a meeting held on March 25, 2022, our Board of Directors approved a resolution regarding the construction of a new building on the premises of our Sakura Factory. We promptly disclosed this information on the same day in accordance with timely disclosure requirements. Preparations for the construction of this new building are currently underway, and corresponding facilities are on track to begin operating in April 2024.

Location	1-4-1 Osaku, Sakura-shi, Chiba Japan
Building area	3,000 m ² (planned)
Total floor space	6,000 m ² (planned)
Total amount of investment	Approx. 1,500 million yen
Financing plan	Internal funds

Business Highlights

◆ Signed LOI to expand business in the Philippines

On February 10, we participated in the LOI/MOU signing ceremony held on the occasion of President of the Philippines Ferdinand Marcos's official visit to Japan and signed an LOI expressing our intention to continue expanding our business in the Republic of the Philippines.



EMBASSY OF THE REPUBLIC OF THE PHILIPPINES)
CONSULAR SECTION) S.S.
TOKYO, JAPAN)

JURAT

SUBSCRIBED AND SWORN TO BEFORE ME, CHARMINE A. SERNA-CHUA, Consul General of the Embassy of the Republic of the Philippines, in and for Tokyo, Japan, duly commissioned and qualified, this 07 March 2023, by affiant, MARIA BERNARDETA ANGARA MATHAY, exhibiting Passport No. D0000811A issued by DFA MANILA valid until 15 December 2023.

Charmaine A. Serna-Chua
CHARMAINE A. SERNA-CHUA
CONSUL GENERAL

Attested document(s) date:

AFFIDAVIT executed on 07 March 2023 by
MARIA BERNARDETA ANGARA MATHAY and



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➤ Overview of LOI/MOU Signing Ceremony in the Republic of the Philippines

The signing ceremony was attended by the President of the Philippines, key cabinet ministers, business leaders, and Japanese companies with ties to the Republic of the Philippines.

ESG Highlights

◆ Governance highlight 1: Transition to a company with an Audit and Supervisory Committee

Our Board of Directors resolved, at a meeting held on March 25, 2022, to transition to a company with an Audit and Supervisory Committee, subject to approval at the 67th Ordinary General Meeting of Shareholders to be held on June 28, 2022.

During the 67th Ordinary General Meeting of Shareholders held on June 28, 2022, the necessary changes to the Articles of Incorporation were approved, and Yamaichi Electronics completed its transition into a company with an Audit and Supervisory Committee effective from the same date.

◆ Governance highlight 2: Establishment of a Sustainability Committee

At a meeting held on February 24, 2023, our Board of Directors resolved to establish a new Sustainability Committee.

1. Purpose of establishing the committee:

We recognize that the realization of a sustainable society through the resolution of environmental and social issues will lead to the growth of the Company as its surrounding environment changes dramatically and that these are important management issues. We have set up a Sustainability Committee to further strengthen our sustainability efforts.

2. Committee role:

This committee deliberates on policies, targets, and medium- to long-term plans related to sustainability, monitors efforts by each division to achieve targets, provides cross-sectional support, and makes proposals and reports to the Board of Directors depending on the content.

3. Committee composition:

This committee is chaired by the president and representative director, and consists of directors and department heads appointed by the chairman.

1. FY2022 Results

Purchase of Treasury Shares

Board of Directors Resolution			Purchase of Treasury Shares		
Resolution date	Maximum number of shares to be acquired	Maximum purchase price	Number of shares acquired	Purchase price	Acquisition period (based on delivery dates)
May 27, 2022	400,000	JPY 700,000,000	400,000	JPY 697,825,300	June 3, 2022 to August 12, 2022

Dividends in FY2022

- In its medium-term management plan, the Group announced its target for a 30% dividend payout ratio. We have maintained a ratio of 30% since FY2018. Based on operating results for the fiscal year under review, we revised the year-end dividend to JPY81.

	Announced on May 13, 2022	Revised on November 4, 2022	Announced on May 12, 2023
Dividend per share	JPY77 Interim: JPY 35 Year-end: JPY 42	JPY87 Interim: JPY 35 Year-end: JPY 52	JPY104 Interim: JPY 35 Year-end: JPY 69
Total dividend	—	—	JPY 2,156 million
Dividend payout ratio (consolidated)	30.1%	—	30.1%
Dividends to net assets (consolidated)	—	—	6.4%

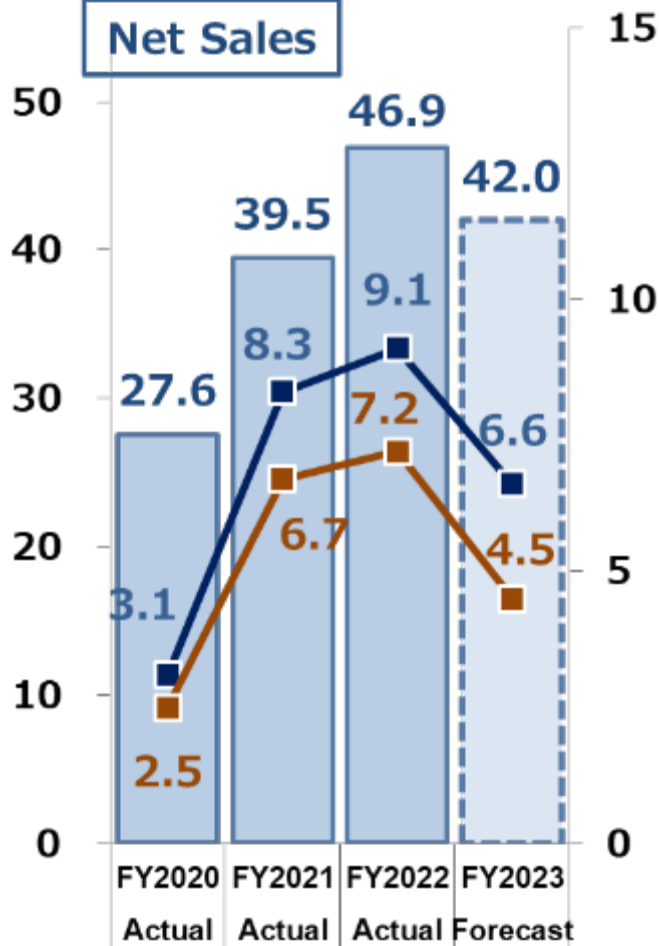
- We plan to propose the year-end dividend for the fiscal year ended March 31, 2023 during the Ordinary General Meeting of Shareholders scheduled for June 2023.

FY2023 Annual Forecast

Global economic activities are approaching normalcy at an increasingly rapid pace due to the implementation of policies formulated to facilitate pragmatic lifestyles during the COVID-19 era. At the same time, geopolitical risks, growth in energy and resource prices, ongoing inflation, persistent economic friction between the US and China, and financial instability are expected to continue fueling uncertainty moving forward.

(Billions of JPY)

Net Sales



(Billions of JPY)	FY2022 Actual		FY2023 Forecast			
	1H	Full year	1H	YoY increase	Full year	YoY increase
Net Sales	27.1	46.9	19.6	(7.4)	42.0	(4.9)
Operating Income	6.6	9.1	2.4	(4.2)	6.6	(2.5)
Ordinary Income	7.2	9.4	2.4	(4.8)	6.4	(3.0)
Net Profit	5.2	7.2	1.7	(3.5)	4.5	(2.7)
EPS (JPY)	250.41	346.08	81.98	(168.43)	217.01	(129.07)
BPS (JPY)	1741.63	1770.47	----	----	----	----

Exchange Rate Assumption

Forex Rate	FY2022	FY2022	YoY Change
USD (JPY)	135.47	130.00	(5.47)
EUR (JPY)	140.97	138.00	(2.97)

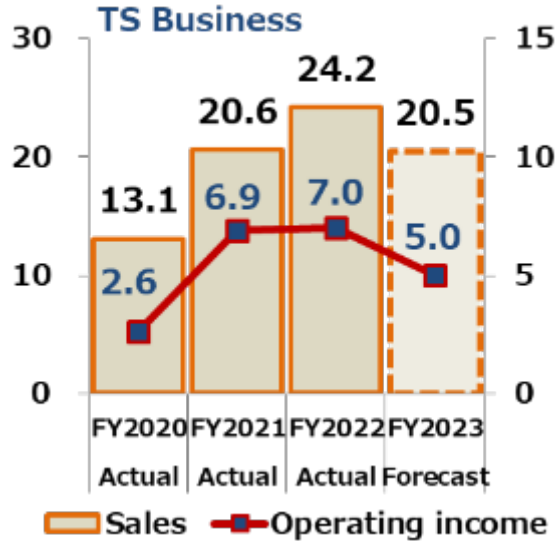
2. FY2023 Full-Year Forecast

FY2023 Annual Forecast by Business Division

(Billions of JPY)		FY2022 actual		FY2023 forecast			
		1H	Full year	1H	YoY increase	Full year	YoY increase
TS Business	Sales	15.5	24.2	9.0	(6.5)	20.5	(3.7)
	Operating income	5.6	7.0	1.7	(3.9)	5.0	(2.0)
CS Business	Sales	10.6	21.0	9.8	(0.8)	19.8	(1.2)
	Operating income	0.7	1.6	0.7	(0.0)	1.5	(0.1)
OPT Business	Sales	0.9	1.7	0.8	(0.1)	1.7	0.0
	Operating income	0.1	0.1	0.0	(0.0)	0.1	(0.0)
Others	Operating income (Consolidated adjustment)	(0.0)	0.2	0.0	(0.0)	0.0	(0.2)
Total	Net sales	27.1	46.9	19.6	(7.4)	42.0	(4.9)
	Operating income	6.6	9.1	2.4	(4.2)	6.6	(2.5)

FY2023 Annual Forecast by Business Division

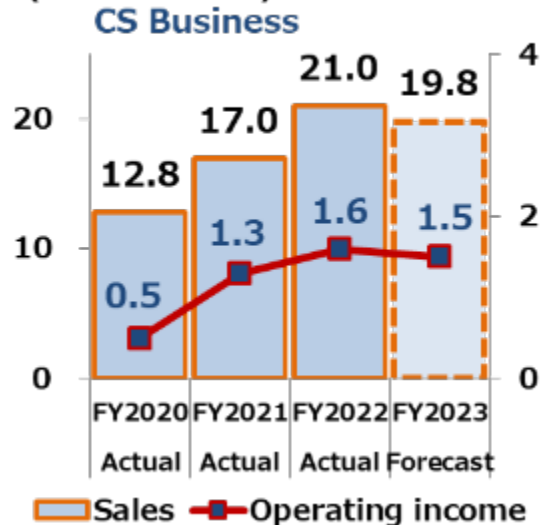
(Billions of JPY)



TS Business

- ◆ While focusing on sales of test socket products for smartphones, we will also continue to expand sales of test socket products with applications related to automobiles and PC servers.
- ◆ With regard to sockets for memory semiconductors, we anticipate further investment associated with new types of DRAM, but we also expect challenging market conditions in 1H.
- ◆ Turning to performance from the logic semiconductor sockets product group, we project that sales will remain steady, particularly with regard to products intended for applications related to in-vehicle ADAS and MCUs. We also anticipate strong results from products with applications related to PCs and servers.
- ◆ We will strive to conduct proactive capital investment and expand our production capacity as we target improved profitability.

(Billions of JPY)

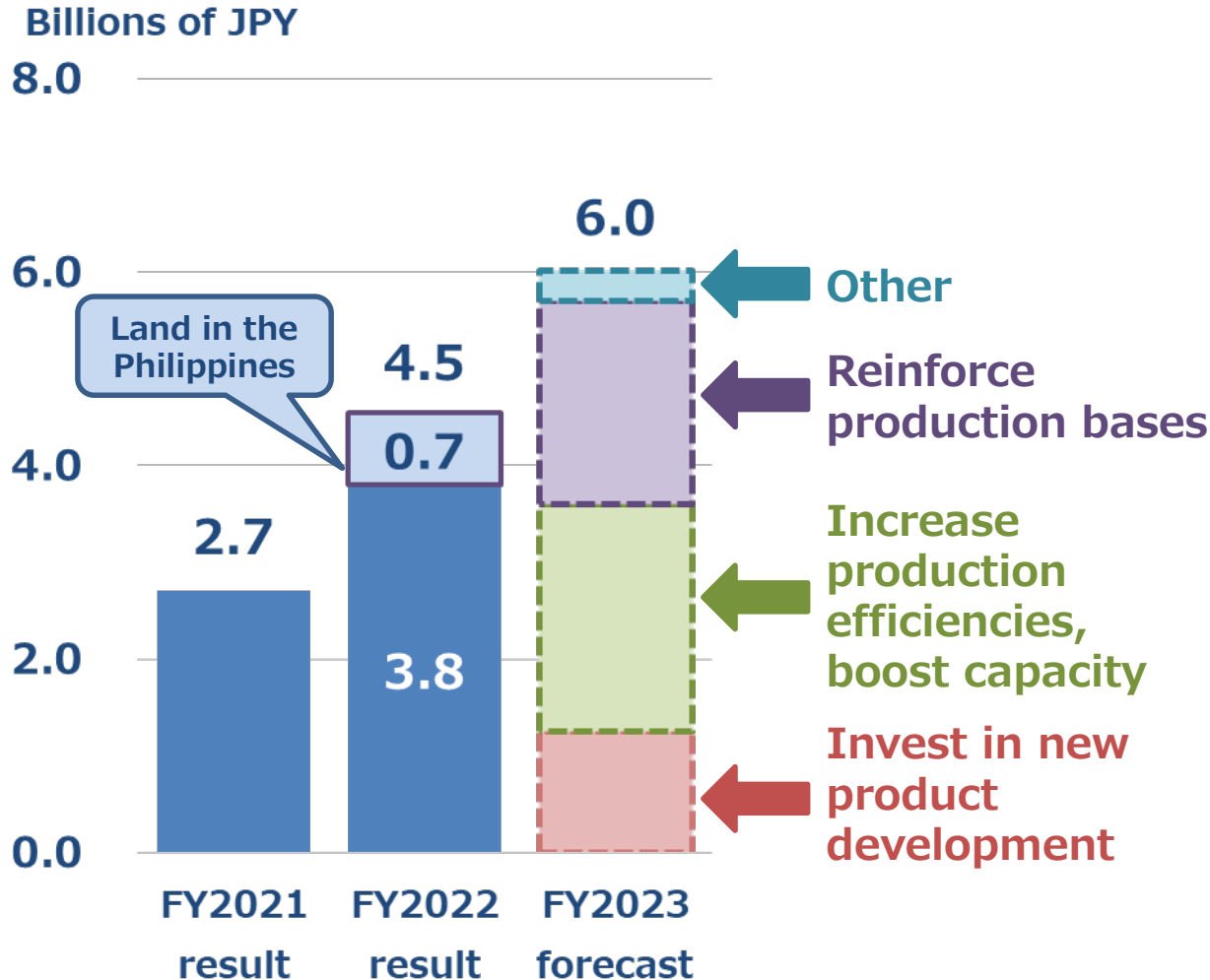


CS Business

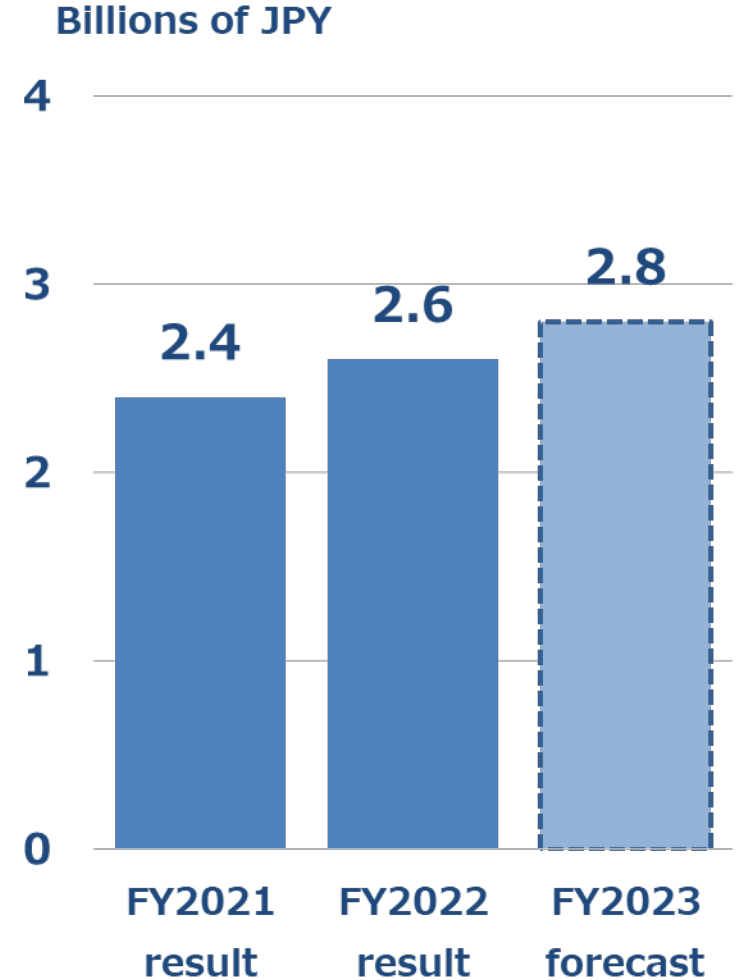
- ◆ Although we anticipate inventory adjustment among some customers in 1H, we also expect strong demand surrounding products for industrial equipment.
- ◆ We project strong results from products for in-vehicle equipment thanks to an anticipated increase in production volumes among major customers and expectations of favorable impact from new product shipments.
- ◆ Products associated with telecommunications equipment are expected to generate strong performance despite lingering impact from economic friction between the US and China and the disadvantageous effects of production and inventory adjustments in the US and Europe.
- ◆ We anticipate growth in raw material and transportation costs, but we will continue striving to minimize this impact.

Capex and Depreciation

Capital Investment



Depreciation



Acquisition and Cancellation of Treasury Shares

- ◆ At a meeting held on May 12, 2023, our Board of Directors reached decisions regarding details associated with the acquisition of treasury stock in accordance with Article 156 of the Companies Act of Japan (the "Companies Act") as applied pursuant to Paragraph 3, Article 165 of the Companies Act. During the same meeting, our Board of Directors additionally approved a resolution regarding details associated with the cancellation of treasury stock in accordance with Article 178 of the Companies Act.

➤ Details of treasury stock acquisition:

Details of Resolution Approved by the Board of Directors

Date of resolution	Maximum number of shares to be acquired	Maximum acquisition amount	Acquisition period
May 12, 2023	400,000*1	700,000,000 yen	May 29, 2023–September 30, 2023

*1) Percentage of outstanding shares (excluding treasury shares): 1.92%

➤ Details of treasury share cancellation

Details of Resolution Approved by the Board of Directors

Date of resolution	Total number of shares to be cancelled	Projected number of shares outstanding following cancellation	Scheduled cancellation date
May 12, 2023	1,500,000*2	21,829,775	May 26, 2023

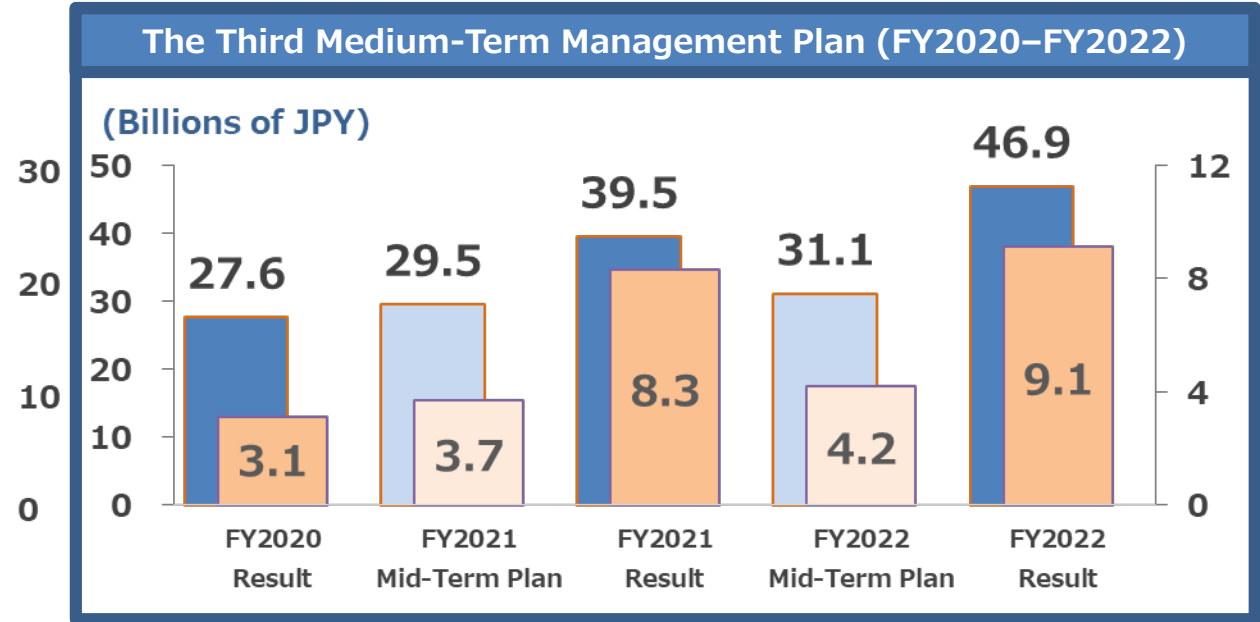
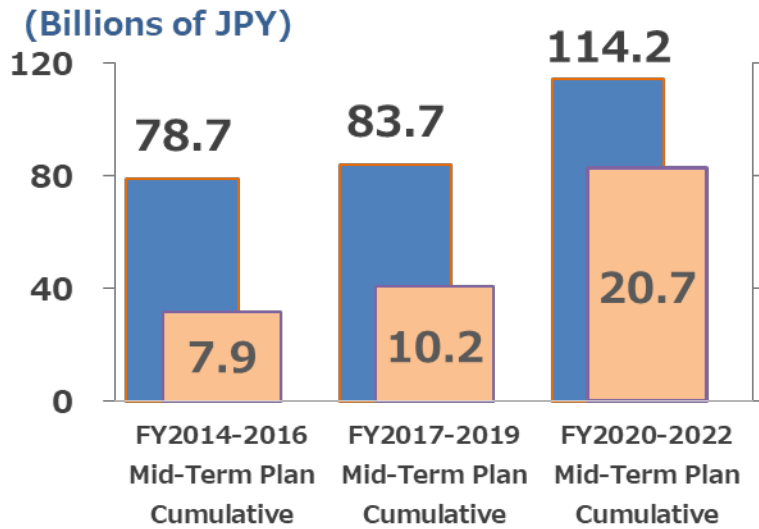
*2) Percentage of shares outstanding before cancellation: 6.42%

Reference: Treasury share holdings as of March 31, 2023

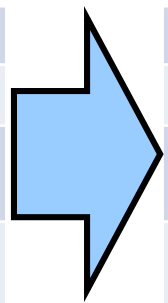
Outstanding shares (excluding treasury shares):	20,736,352
Treasury shares:	2,593,423

3. Results of Medium-Term Management Plan for FY2020 through FY2022

Medium-Term Management Plan (Mid-Term Plan) Results



(Billions of JPY)	Targets for period of 3rd Mgmt. Plan
Net sales	88.3
Operating income	11.1
Capital investment	10.0
Dividend payout ratio	30.0% +
ROE	10.0% +



FY2020 Actual	FY2021 Actual	FY2022 Actual	Total for 3rd Mgmt. Plan	Achievement (%)
27.6	39.5	46.9	114.2	129%
3.1	8.3	9.1	20.7	186%
3.8	2.7	4.5	11.1	111%
30.6%	30.1%	30.1%	—	Accomplished
10.7%	23.7%	21.1	—	Accomplished

New Medium-Term Management Plan

The Yamaichi Electronics Group has formulated a new three-year Medium-Term Management Plan (FY2023–FY2025) that will begin with April 2023. Through this plan, we will continue striving to provide products and services that satisfy our customers. While pursuing this ongoing management goal, we will maintain a perspective focused on global collaboration and the creation of products that will lead us into the future. Strategically, we will centrally focus on implementing growth strategies and structural reforms that will enable us to grow and continue meeting the needs of our customers while further strengthening our financial position and solidifying our management base for future growth. Through these efforts, we will draw closer to our goal of management objective of becoming a company with a strong vision for the future.

For more details concerning our Medium-Term Management Plan, please refer to the documents entitled "Medium-Term Management Plan for FY2023–2025" and "Yamaichi Electronics Group Medium-Term Management Plan," which will be posted to our website on May 24, 2023.

Thank you for your attention.

**(Q1 FY2023 results are scheduled for release
at 3:00 PM on Friday, August 4, 2023.)**

Disclaimer

This material is intended to provide information on the Group's business, management strategies, and performance that is current as of May 12, 2023. It is not intended as a solicitation to invest in securities issued by the Company.

The opinions and forecasts contained in these materials are based on our own judgments, which were made while preparing these materials. Accordingly, we do not guarantee or promise the accuracy or completeness of these opinions or forecasts, which are subject to change without notice.

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