

# Consolidated Business Results & Forecasts

FY2024/03 Second Quarter Ended September 30, 2023

October 31, 2023

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## SCREEN Holdings Co., Ltd.

•Financial Summary of FY2024/03 1H

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

# Financial Summary of FY2024/03 1H

October 31, 2023

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

## Financial Summary

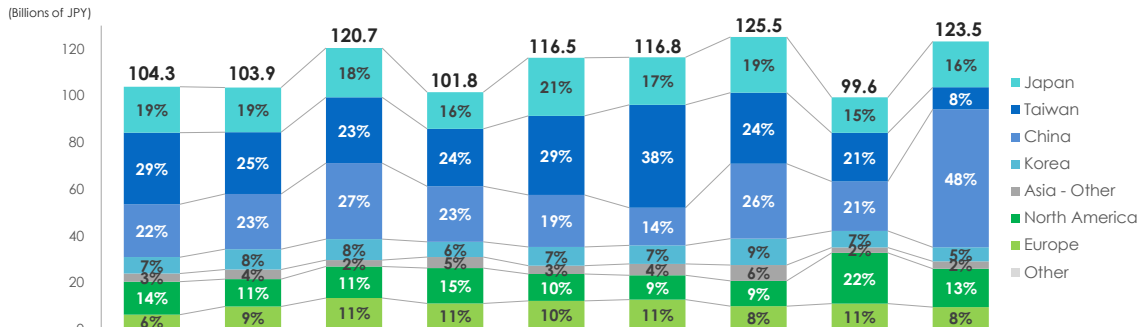
### ▀ Business results in 1H

- **Company-wide:**
  - Exceed previous July forecast
  - Increase in sales, OP income and ordinary income YoY
    - ➔ Despite slight increases, all reached record highs as a first-half-year results
- **SPE:**
  - Higher sales and OP income YoY
    - ➔ Both reached record highs as a first-half-year results
  - China ratio rose, covering the part sales shifted from 1Q

# FY2024/03 1H Business Results YoY

	FY2023/03						FY2024/03			Difference (YoY)	
	1Q	2Q	1H	3Q	4Q	Full	1Q	2Q	1H		
(Billions of JPY)											
<b>Net sales</b>	101.8	116.5	218.4	116.8	125.5	460.8	99.6	123.5	223.2	4.8	2.2%
<b>Operating income (to net sales ratio)</b>	17.8 17.5%	20.3 17.4%	38.1 17.5%	18.4 15.8%	19.7 15.8%	76.4 16.6%	13.4 13.5%	25.1 20.3%	38.5 17.3%	0.3	1.0% -0.2pt
<b>Ordinary income</b>	18.2	20.4	38.6	18.5	20.1	77.3	13.6	25.6	39.3	0.6	1.8%
<b>Profit attributable to owners of parent</b>	16.0	13.5	29.6	12.1	15.6	57.4	9.4	16.9	26.3	(3.3)	-11.3%

# Composition of the Whole Company Sales By Region

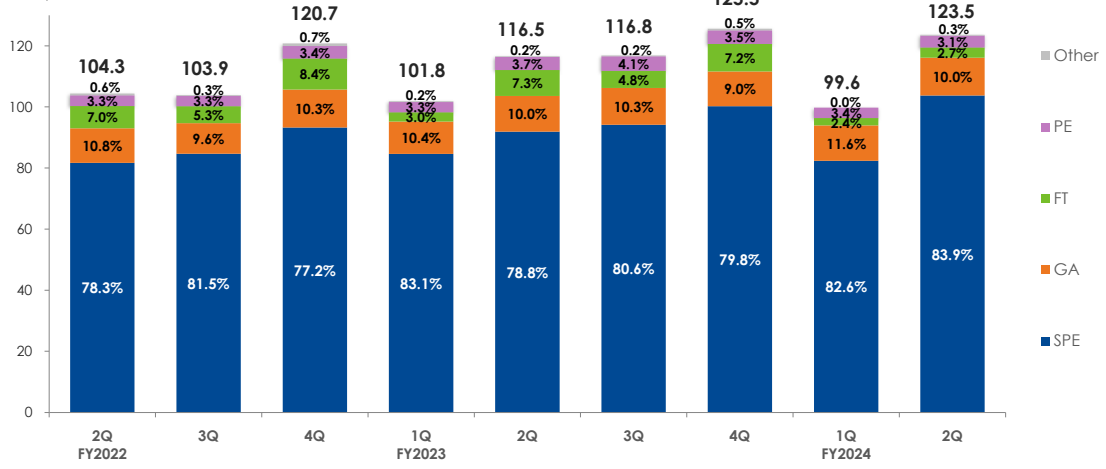


	FY2023/03				FY2024/03				
	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Japan	19.6	19.1	21.1	15.7	24.8	20.3	23.8	15.2	19.6
Taiwan	30.6	26.4	28.1	24.5	33.8	44.0	30.4	20.8	9.4
China	22.6	23.6	32.5	23.8	22.3	16.1	32.0	21.1	59.0
Korea	7.0	8.7	9.0	6.5	8.0	7.9	11.3	7.1	6.0
Asia - Other	3.5	4.1	2.7	4.7	3.5	4.9	6.8	2.3	3.2
North America	14.1	11.7	13.5	15.1	11.5	10.4	10.8	21.7	16.4
Europe	5.9	9.5	12.7	10.7	11.8	12.5	9.8	10.9	9.2
Other	0.5	0.4	0.8	0.5	0.5	0.3	0.2	0.2	0.4

# Composition of the Sales By Segment



(Billions of JPY)



# FY2024/03 1H Business Results and Quarterly Trends

By Segment

		FY2022/03			FY2023/03				FY2024/03	
		2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
SPE	Net sales	81.6	84.6	93.2	84.6	91.9	94.1	100.2	82.3	<b>103.7</b>
	OP (to net sales ratio)	15.4 18.9%	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%	<b>25.1</b> <b>24.2%</b>
GA	Net sales	11.2	9.9	12.3	10.5	11.6	12.0	11.3	11.5	<b>12.3</b>
	OP (to net sales ratio)	0.4 3.6%	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%	<b>1.2</b> <b>10.2%</b>
FT	Net sales	7.2	5.5	10.1	3.0	8.4	5.6	9.0	2.3	<b>3.3</b>
	OP (to net sales ratio)	(0) -0.9%	(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%	<b>(0.1)</b> <b>-4.9%</b>
PE	Net sales	3.4	3.3	4.0	3.3	4.2	4.7	4.4	3.4	<b>3.8</b>
	OP (to net sales ratio)	0.7 21.0%	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%	<b>0.6</b> <b>17.6%</b>

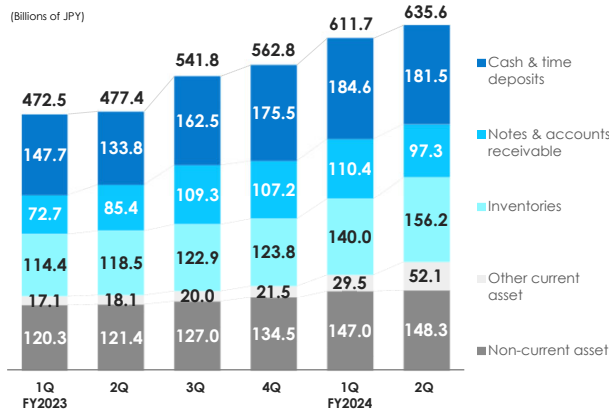
# FY2024/03 1H Business Results By Segment

	(Billions of JPY)	FY2024		QoQ				FY2023		FY2024		YoY			
		1Q	2Q	Difference (Net sales)		Difference (OP)		1H	1H	Difference (Net sales)		Difference (OP)			
<b>SPE</b>	Net sales	82.3	<b>103.7</b>	21.3	26.0%	11.3	82.1% 7.5pt	176.5	<b>186.0</b>	9.5	5.4%	0.5	1.4% -0.8pt		
	OP (to net sales ratio)	13.7 16.8%	<b>25.1</b> <b>24.2%</b>	Sales and profits increased. Ratio of China grew				38.3 21.7%	<b>38.9</b> <b>20.9%</b>	Sales to foundries increased, but those to memory decreased, resulting in higher sales and profits. Sales to China and North America increased, while those to Taiwan decreased					
<b>GA</b>	Net sales	11.5	<b>12.3</b>	0.7	6.6%	0.3	35.2% 2.2pt	22.2	<b>23.9</b>	1.7	7.7%	0.5	34.8% 1.8pt		
	OP (to net sales ratio)	0.9 8.0%	<b>1.2</b> <b>10.2%</b>	Sales and profits increased. POD and ink sales remain stable				1.6 7.3%	<b>2.1</b> <b>9.1%</b>	Sales of equipment and recurring business increased. Both sales and profits increased					
<b>FT</b>	Net sales	2.3	<b>3.3</b>	1.0	41.9%	0.3	- % 15.2pt	11.5	<b>5.7</b>	(5.7)	-49.9%	0.4	- % -1.8pt		
	OP (to net sales ratio)	(0.4) -20.1%	<b>(0.1)</b> <b>-4.9%</b>	Sales and profits increased. Deficits reduced due to increased sales				(1.0) -9.4%	<b>(0.6)</b> <b>-11.2%</b>	Sales declined due to sluggish capital investment by customers. Deficits improved					
<b>PE</b>	Net sales	3.4	<b>3.8</b>	0.4	12.8%	0.3	81.2% 6.6pt	7.6	<b>7.2</b>	(0.3)	-4.8%	(0.5)	-34.0% -6.4pt		
	OP (to net sales ratio)	0.3 10.9%	<b>0.6</b> <b>17.6%</b>	Sales and profit increased. Increase in OP margin due to growth in sales				1.5 20.8%	<b>1.0</b> <b>14.4%</b>	Sales decreased. Profits decreased due to decreased sales and increased fixed costs, etc					

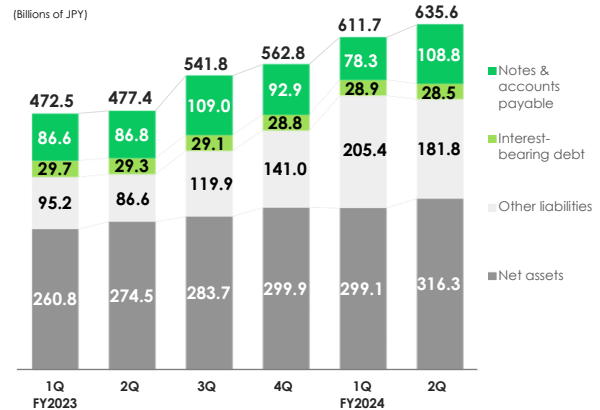


## Financial Standing: B/S

### Assets



### Liabilities & Net Assets

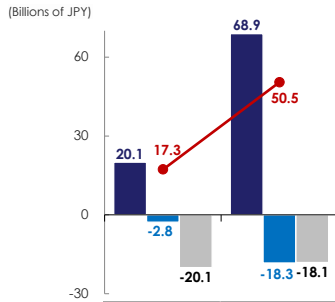


- Equity ratio is 49.8%, partly due to the remained high level of cash and time deposits associated with advances received. Net assets amounted to ¥ 316.3 bn

- Total assets:
  - Total assets stood as ¥635,6 bn, an increase of ¥72.7 bn, or 12.9%, compared with March 31, 2023.  
This was largely due to increases in inventories, securities (certificates of deposit) and other current assets.
- Total liabilities and total net assets:
  - Total liabilities amounted to ¥319.2 bn, up ¥56.3 bn, or 21.4% compared with March 31, 2023.  
This was mainly attributable to an increase in contract liabilities, notes and accounts payable including electronically recorded obligations.
  - Total net assets amounted to ¥316.3 bn, up ¥16.4 bn, or 5.5%, 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 September 30, 2023 stood at 49.8%.

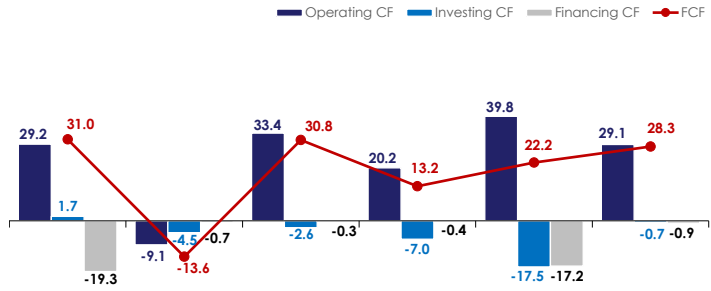
# Financial Standing: Cash Flows

## YoY



	FY2023/03		FY2024/03	
	1H		1H	
Operating CF	20.1		68.9	
Investing CF	(2.8)		(18.3)	
FCF	17.3		50.5	
Financing CF	(20.1)		(18.1)	

## QoQ



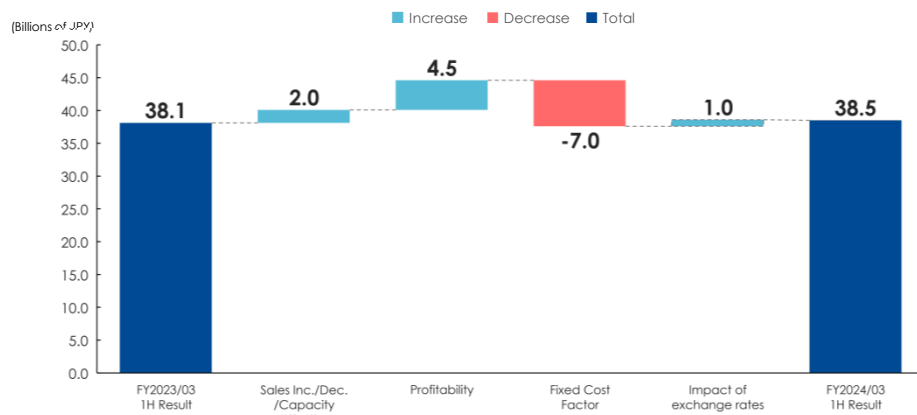
	FY2023/03				FY2024/03	
	1Q	2Q	3Q	4Q	1Q	2Q
Operating CF	29.2	(9.1)	33.4	20.2	39.8	29.1
Investing CF	1.7	(4.5)	(2.6)	(7.0)	(17.5)	(0.7)
FCF	31.0	(13.6)	30.8	13.2	22.2	28.3
Financing CF	(19.3)	(0.7)	(0.3)	(0.4)	(17.2)	(0.9)

\* FCF: Free Cash Flow

- Operating CF has remained steady, partly due to advances received
- Investment CF mainly reflects payments for factory constructions etc., enhancing production capacity
- Financing CF mainly consists of dividend payments

## Analysis of Operating Income Growth

### ■ FY2023/03 1H Result vs FY2024/03 1H Result



\* Operating Income Factor: approximate numbers per 0.5 bn

- >> Changes in sales and capacity utilization increased mainly due to SPE
- >> Profitability improved mainly due to SPE
- >> 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 due to GA and PE

# Business Environment and Forecast

October 31, 2023

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**SCREEN Holdings Co., Ltd.**

CEO, President

**Toshio Hiroe**

## Business Environment and Forecast

### Business Environment

- **SPE:** Investment in China for mature nodes will support WFE. Despite reduced investment by major foundries, investment in the fields of miniaturization, as well as power semiconductors is expected to remain robust, backed by the progress of digital transformation and green transformation. Recovery in memory investment is expected in late CY2024 to CY2025. Semiconductor market appears to have bottomed out in CY2023 2Q as inventory adjustment for PCs and smartphones progresses
- **GA:** Monitor US economic trends closely
- **FT and PE:** Enhancing investments in R&D for growth in the next term while waiting for market recovery

### Business Forecast

- **FY2024 full-year forecasts are revised upwards, sales and profits will increase YoY**
  - ➔ Expecting to reach record highs for the third consecutive fiscal year
- **Interim dividend of FY2024 is ¥167 and this is the first time an interim dividend has been paid. Year-end dividend will be up on previous year, record high (¥381 forecast on a pre-split basis)**
- **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: CY2023 is expected to decrease of just over 15%**
  - Foundries and logic: Investment will continue in anticipation of long-term market expansion
  - Memory : Significant investment recovery not yet expected
  - Investment in China will support WFE

- **Trends by applications**

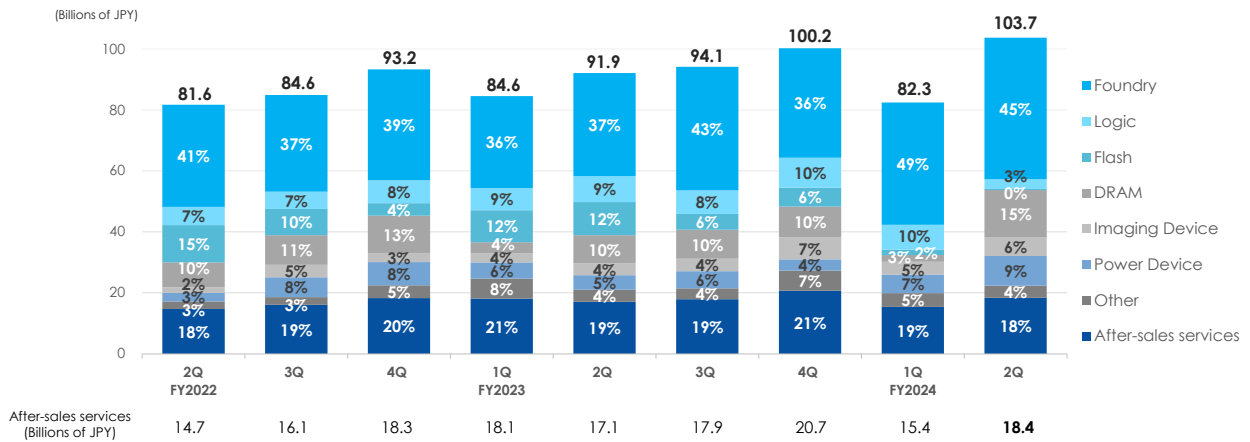
<b>Foundry</b>	Alongside active investment in mass production around the world, there are also investment plans for cutting-edge
<b>Logic</b>	Cautious attitude to capital investment
<b>Memory</b>	Recovery expected from late CY2024, with some positives for DRAM in AI-related areas
<b>Imaging Device</b>	Sluggish for smartphones, but steady for tablets and automotive use
<b>Power Device</b>	Active for SiC. Investment in automotive and server applications remains firm
<b>Other</b>	Solid investments in analog, sensors, optics, materials, etc. continue

- **Chinese market: Investments for mature nodes in applications such as foundry, memory and imaging device are robust in established as well as emerging companies**

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

SPE

QoQ



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

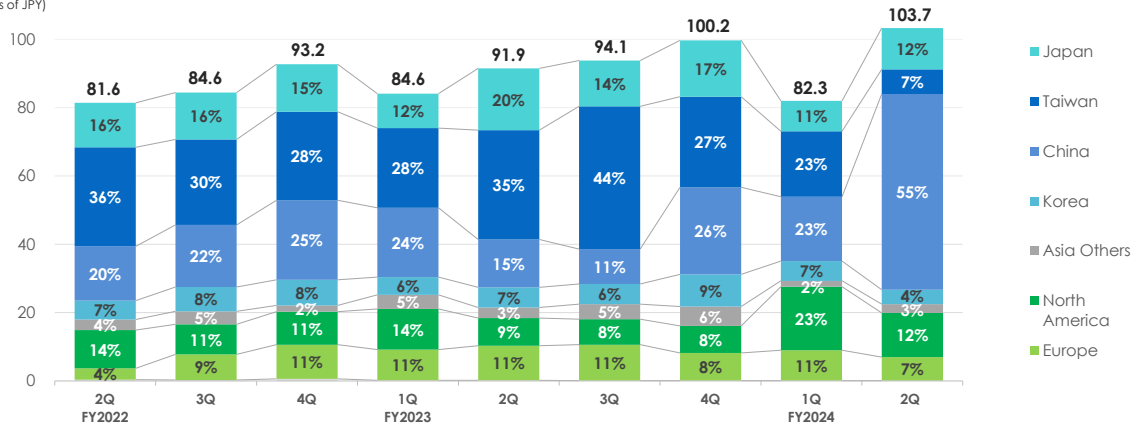
- By application QoQ: Significant increased in DRAM, driven by China. Power device increased, driven by Europe and China
- YoY: Foundry growth driven by China
- After-sales services: Increased by sales of ¥ 3.0 bn, maintained a ratio of around 20%

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

SPE

QoQ

(Billions of JPY)



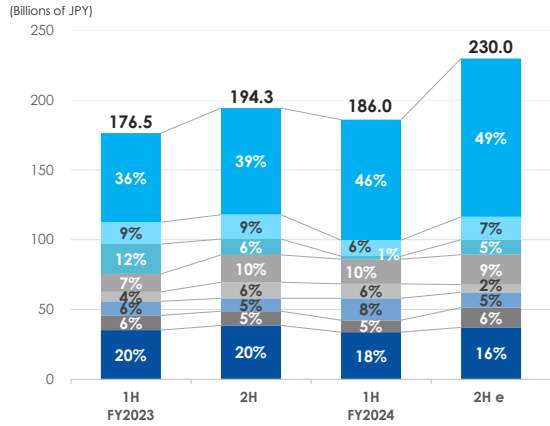
● 2Q, QoQ and YoY: Significant increase in sales to China due to active investment in China



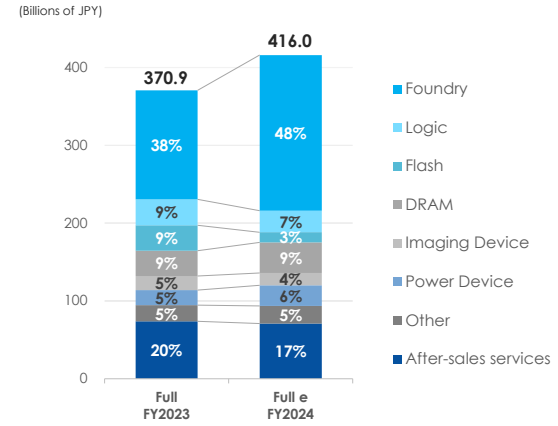
# SPE: Composition of the Sales Forecast on a Consolidated Base

## By Application

Half Year Results and Forecasts



Yearly comparison

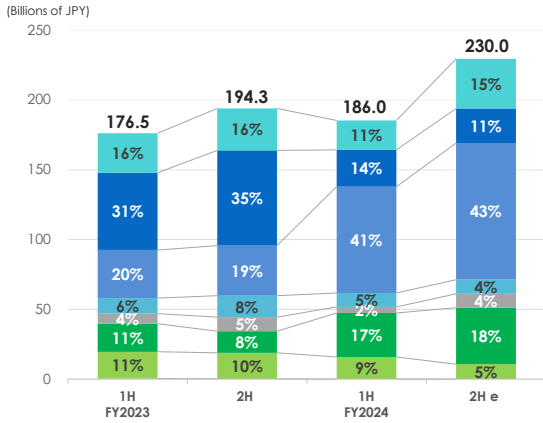


- 1H result vs. 2H forecast: Foundry will further increase. Flash will also increase, though only by a small proportion
- 2H forecast YoY: Expecting significant increase in foundry
- Full year forecast YoY: Increase significantly in Foundry and power device and DRAM steady

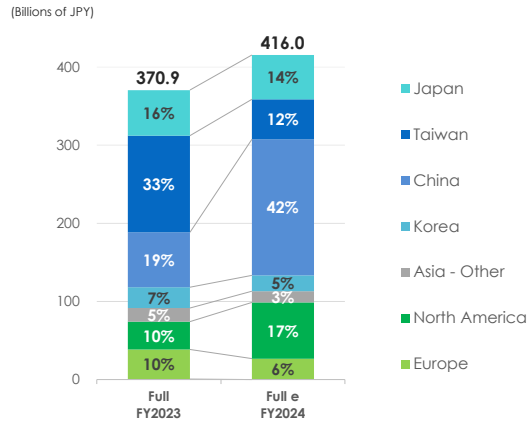
# SPE: Composition of the Sales Forecast on a Consolidated Base

## By Region -destination-

### Half Year Results and Forecasts



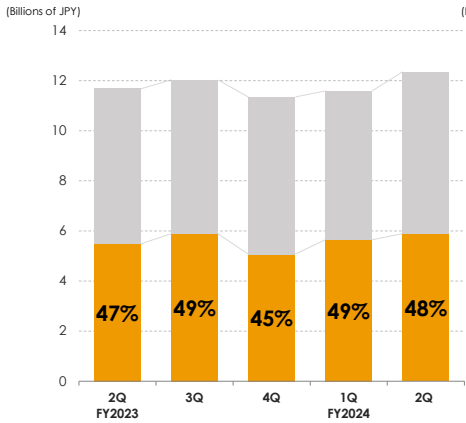
### Yearly comparison



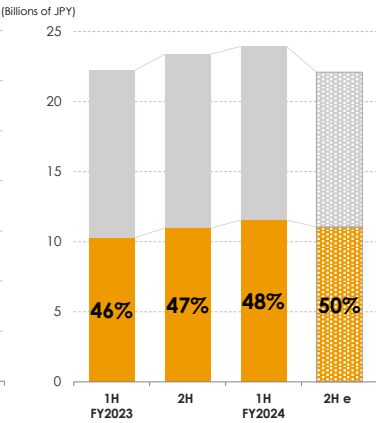
- 1H result vs. 2H forecast: China ratio will further increase in 2H, so as Japan and North America
- 2H forecast YoY: China ratio will grow more than two times. North America ratio will also increase significantly
- Full year forecast YoY: China ratio in the full year forecast is expected to grow by more than two times. North America ratio will also increase

# GA: Trends of Sales on a Consolidated Base

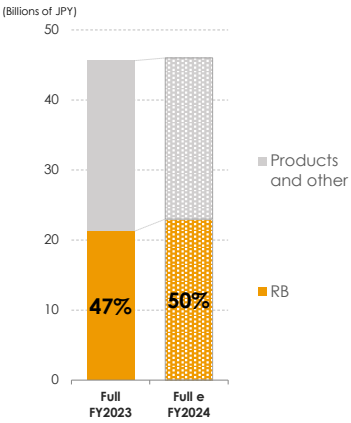
## Quarterly Results



## Half Year Results and Forecasts



## Yearly comparison

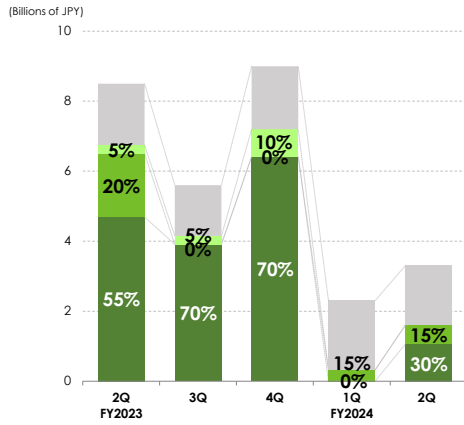


\* Ratio: Approximate numbers per 5%

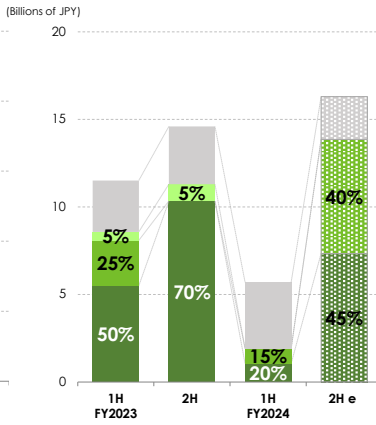
- Recurring business (RB), especially ink sales, remains firm
- Monitor US economic trends closely
- OP margin is expected to remain in the 7% range for the full year

# FT: Trends of Sales on a Consolidated Base

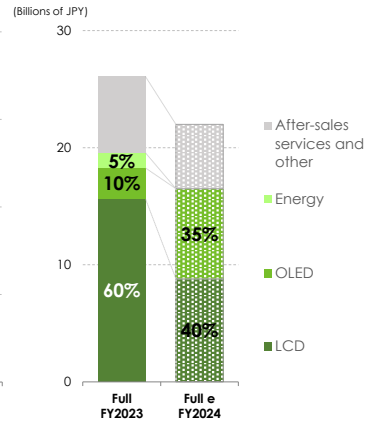
## Quarterly Results



## Half Year Results and Forecasts



## Yearly comparison

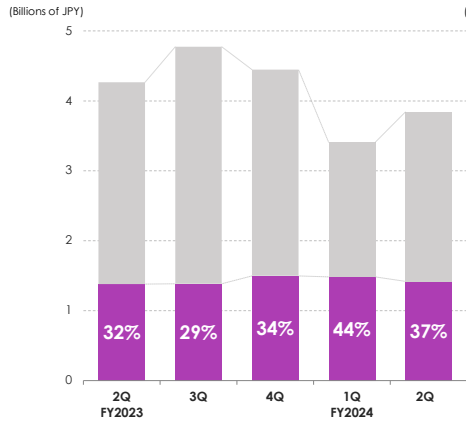


\* Ratio: Approximate numbers per 5%. From FY2024, Energy will be included in "other."

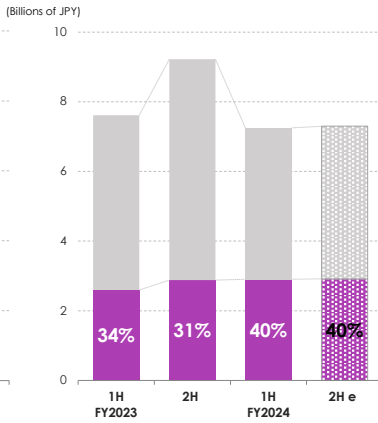
- The display market is expected to remain in an uncertain environment, while demand is expected to recover slightly towards FY2025
- Looking forward to investments for G8.6 OLEDs in the next fiscal year onwards

# PE: Trends of Sales on a Consolidated Base

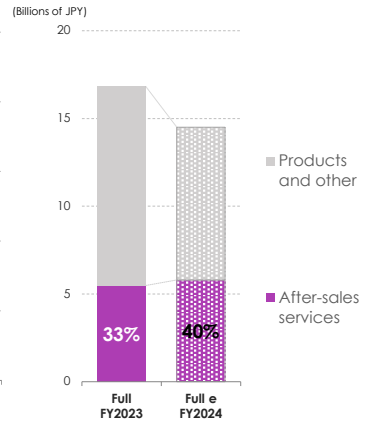
## Quarterly Results



## Half Year Results and Forecasts



## Yearly comparison



\* Ratio: Approximate numbers per 5%

- Demand for data centers is expected to recover in the next fiscal year and beyond
- Aiming to launch new products for further growth after market recovery during the current fiscal year
- After-sales services are robust and expected to generate stable operating income

## FY2024/03 Business Forecast (as of October 31, 2023)

	FY2023/03 Result	FY2024/03						
		Full	1H		2H		Full	
			July Forecast	October Result	July Forecast	October Forecast	July Forecast	October Forecast
(Billions of JPY)								
<b>Net sales</b>	<b>460.8</b>	215.5	<b>223.2</b>	279.5	<b>276.8</b>	495.0	<b>500.0</b>	
<b>Operating income (to net sales ratio)</b>	<b>76.4</b> 16.6%	32.5 15.1%	<b>38.5</b> 17.3%	52.5 18.8%	<b>49.0</b> 17.7%	85.0 17.2%	<b>87.5</b> 17.5%	
<b>Ordinary Income</b>	<b>77.3</b>	31.0	<b>39.3</b>	51.0	<b>46.7</b>	82.0	<b>86.0</b>	
<b>Profit attributable to owners of parent</b>	<b>57.4</b>	20.0	<b>26.3</b>	38.0	<b>33.7</b>	58.0	<b>60.0</b>	
<b>SPE</b>								
Net sales	<b>370.9</b>	180.0	<b>186.0</b>	230.0	<b>230.0</b>	410.0	<b>416.0</b>	
Operating income (to net sales ratio)	<b>76.9</b> 20.7%	36.0 20.0%	<b>38.9</b> 20.9%	54.0 23.5%	<b>54.1</b> 23.5%	90.0 22.0%	<b>93.0</b> 22.4%	
<b>GA</b>								
Net sales	<b>45.6</b>	22.5	<b>23.9</b>	23.5	<b>22.1</b>	46.0	<b>46.0</b>	
Operating income (to net sales ratio)	<b>3.3</b> 7.4%	1.5 6.7%	<b>2.1</b> 9.1%	2.0 8.5%	<b>1.4</b> 6.3%	3.5 7.6%	<b>3.5</b> 7.6%	
<b>FT</b>								
Net sales	<b>26.1</b>	5.0	<b>5.7</b>	17.0	<b>16.3</b>	22.0	<b>22.0</b>	
Operating income (to net sales ratio)	<b>(1.8)</b> -7.0%	(1.5) -30.0%	<b>(0.6)</b> -11.2%	0 0%	<b>(0.9)</b> -5.5%	(1.5) -6.8%	<b>(1.5)</b> -6.8%	
<b>PE</b>								
Net sales	<b>16.8</b>	7.0	<b>7.2</b>	7.5	<b>7.3</b>	14.5	<b>14.5</b>	
Operating income (to net sales ratio)	<b>3.3</b> 19.9%	1.0 14.3%	<b>1.0</b> 14.4%	1.0 13.3%	<b>1.0</b> 13.7%	2.0 13.8%	<b>2.0</b> 13.8%	
<b>Other</b>								
Net sales	<b>1.2</b>	1.0	<b>0.2</b>	1.5	<b>1.3</b>	2.5	<b>1.5</b>	
Operating income	<b>(5.4)</b>	(4.5)	<b>(2.9)</b>	(4.5)	<b>(6.6)</b>	(9.0)	<b>(9.5)</b>	

Notes: Assumed Exchange Rate in FY2024/03 >> USD1.00 = JPY 140, EUR1.00 = JPY 150

Assumed exchange rate sensitivity in FY2024/03 (full year operating income base) >> To USD: ¥140 million, To EUR: ¥30 million

\* 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 ¥87.5 bn, ordinary income of ¥86.0 bn and profit attributable to owners of parent of ¥60.0 bn are projected – all the highest on record.

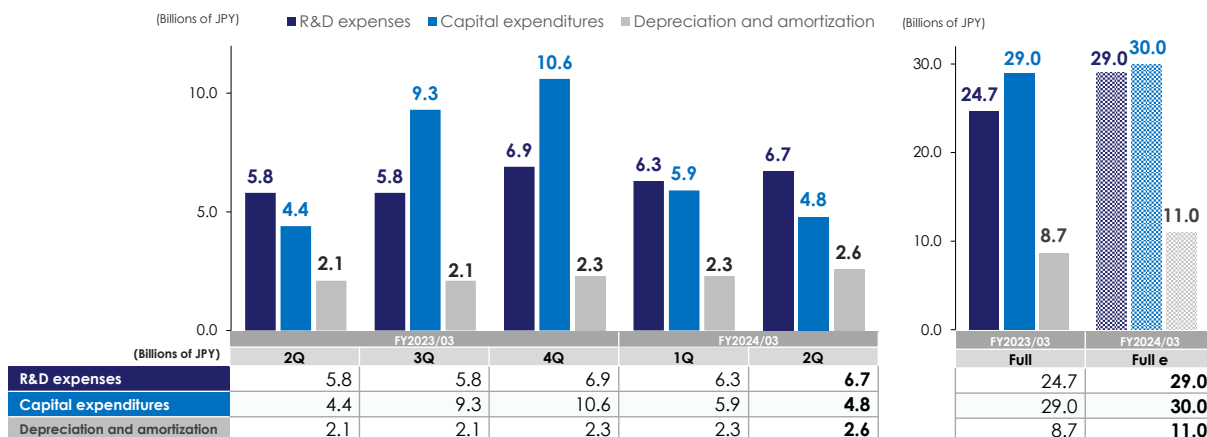
### ● SPE:

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

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

QoQ

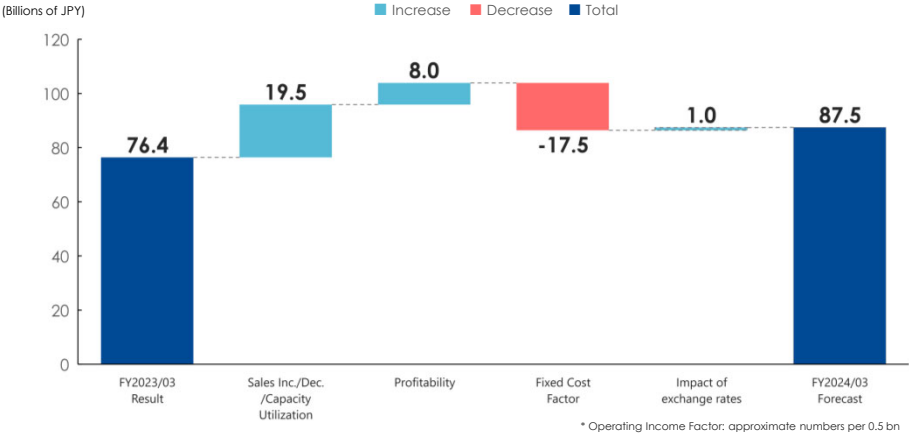
YoY



- R&D expenses: Mainly used by SPE, including new product development in new business fields, such as life science, AI, advanced packaging, energy/hydrogen-related fields, etc.
- Capital expenditures: Construction of new SPE factory building S<sup>3</sup>-5, etc., aiming to enhance production and service capabilities in Hikone

# Analysis of Operating Income Growth

## FY2023/03 Result vs FY2024/03 Forecast



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



## Dividend

### FY2024/03

- Projected to achieve the record high for the full year
- Interim dividend introduced
  - Enhancing opportunities for shareholder returns
  - Record Date: September 30 of each year

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

## Recent Group News (Excerpts from our website news releases from July 29, 2023, to October 31, 2023)

HD

- Signed a top uniform partner agreement with the Kyoto Hannaryz professional basketball team (August 30, 2023)
- Selected for R&D of next-generation adaptive optics devices for satellite communications sponsored by Japanese government (August 31, 2023)
- Growth investment planned at the Hikone Plant (September 14, 2023)
- Held IR Day for institutional investors and securities analysts (September 25, 2023)

SPE

- Takaoka plant established in Toyama a new factory dedicated to the production of chemical solution cabinets for single-wafer cleaning equipment, accommodating the growing demand (August 22, 2023)
- Accelerating sustainability development by visualizing water management - Introducing a visualization application into the Hikone Plant's process technology center - (October 5, 2023)

GA

- Released high-speed, water-based inkjet system for flexible packaging (October 2, 2023)
- Chiyoda and SCREEN agreed to drive digital printing of flexible packaging (October 2, 2023)
- Signed an agreement of cooperation with SAGA2024 to provide Hiragino font (October 25, 2023)

PE

- Launched Ledia 8F direct imaging system for high-precision substrates (October 25, 2023)

## ESG-related Initiatives

### E (Environmental)

- **Introduced a visualization application into the Hikone Plant's Process Technology Center**  
- Accelerating sustainability development by visualizing water management -

### S (Social)

- **Corporate Philosophy Instillation Measures**  
- Implemented dialogue between management and employees, named *town hall meetings*, at more than 15 companies, including overseas subsidiaries and ongoing in the second half of the year
- **Strengthening the foundation of health and productivity management**  
- Health promotion e-learning (Women's health/back pain, etc., for domestic Group employees)  
- Hold a lively health promotion campaign (November, for domestic Group employees)

### G (Governance)

- **Strengthening shareholders relations (engagement) activity based on ESG**  
- For dialogue tools, we used Annual Report 2023 (published in September)  
- Continuously focus on shareholders relations / ESG engagement. Conducting dialogue with voting representatives and ESG investment representatives globally
- **Continuously selected for ESG-related stock indices**  
- SCREEN Holdings Co., Ltd. is a constituent of the FTSE4Good Index Series (since 2004), the FTSE Blossom Japan Index (since 2017), FTSE Blossom Japan Sector Relative Index (since 2022) and the SOMPO Sustainability Index (since 2018)



## Topics>>

### Annual Report 2023 released in September 2023

◆ **Theme: We have the power to change the world**

◆ **Structure:**

**A special emphasis placed on creating coherence and narrative relevance with the value creation process and material issues**

>> Clearly stated the redefined corporate philosophy and the outline of revised Management Grand Design, detailed explained from the perspective of the four material issues



Please download from our [website](#)



◆ **2023 Edition points:**

- Clearly stated the redefined corporate philosophy, including purpose, and the outline of Management Grand Design
  - Materiality and outcome targets to be addressed to realize our 10-year vision
  - Disclose of financial targets as net sales of ¥1 trillion or above and operating margin of 20% or above for the first time
- Reviewed the value creation process
  - Enriched contents of portfolio management, including intellectual property strategies, and marketing strategies, innovation management / new businesses
- Posted message from each business operating company president, including CSVs and medium-term management plan, SWOT analysis, and interviews with SPE development departments
- Enhanced disclosure of non-financial information, including contents of human resources and responsibility to the supply chain

**Growth Investment Planned at the Hikone Plant** (announced on September 14, 2023)

**Decided to build a new building with administrative office for SPE and an extra space for experiments and production related to hydrogen business**

- Three-story. Connected with SPE's S<sup>3</sup>-2 factory on 2nd floor
  - 1F: Space for experiment, workshop etc.
  - 2F: Clean room for hydrogen related business etc.
  - 3F: Office for SPE engineers and hydrogen related business etc.
- Continuing our efforts to reduce the environmental impact of our production facilities, through such means as introducing energy-saving air conditioners, toward the achievement of the Science Based Targets



>> Secure the space for production and experiment of hydrogen related business which supports our 10-year vision  
 >> Used for expanding space for SPE, and will also be used as facilities for further business expansion

## Selected for R&D of Next-generation Adaptive Optics Devices for Satellite Communications Sponsored by Japanese Government (announced on August 31, 2023)

Open call from Japan's Ministry of Internal Affairs and Communications (MIC) for "Solicitation of Proposals for Information and Communications Technology R&D (R&D of ICT Priority Technology)"

- SCREEN HD's application accepted in the category for the "Research and development of next-generation adaptive optics devices for satellite optical communications"
  - SCREEN HD, together with the National Institutes of Natural Sciences, National Astronomical Observatory of Japan and the National Institute of Information and Communications Technology jointly applied for and adopted
- 
- SCREEN Holdings has been selected to undertake R&D of technologies for adaptive optical devices. These devices are used to compensate for atmospheric fluctuations, which present a major obstacle to improving the speed of satellite optical communications

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

**>> SCREEN intends to utilize the optical technologies has developed over many years for its direct imaging systems to advance space optical communications. As well as expanding its own business in this area, the company hopes to contribute to the continuing growth of the wider space communications field**

## Released High-speed, Water-based Inkjet System for Flexible Packaging

(announced on October 2, 2023)

SCREEN Graphic Solutions Co., Ltd. (SCREEN GA) will start accepting orders for the Truepress PAC 830F, a new high-speed, water-based inkjet system designed for flexible packaging, on Monday, October 2, 2023.

- Using drop on demand inkjet technology, it can deliver an industry-leading speed of 75 meters per minute with a resolution of 1,200 dpi x 1,200 dpi
- It has a built-in primer coater that increases ink adherence, and its CMYK and white water-based inks conforming to food safety regulations. These features allow system to deliver both excellent safety and color consistency
- In the flexible packaging sector, small to medium lot printing production enables efficient printing, while reducing impact on the environment
- Can handle media of up to 830 millimeters wide



Truepress PAC 830F

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

>> Contributing to the overall growth of this segment by continuing efforts to understand market needs ahead of other manufacturers in the package printing field and incorporate its insights into product functions and solutions

## Chiyoda and SCREEN Agree to Drive Digital Printing of Flexible Packaging

(announced on October 2, 2023)

Chiyoda and SCREEN GA have reached an agreement to work together to drive the use of digital printing for flexible packaging materials, utilizing Truepress PAC 830F

- SCREEN GA have installed the Truepress PAC 830F at Chiyoda's facility, which water-based digital inkjet press has been specifically developed to enable full-scale mass production of small to medium lot jobs
- Both companies have agreed to jointly drive the increased use of digital printing for flexible packaging, with the shared aims of expanding target applications as a production system, constructing an improved digital workflow, and identifying and resolving various issues that occur in small to medium lot production processes



Chiyoda President Hiroyoshi Sato (left) and SCREEN GA President Yukiyoishi Tanaka formalize their companies' collaborative agreement.



Truepress PAC 830F

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

**>> Using the current collaborative framework not only to develop solutions related to small and medium lot work under actual production conditions ,but also set the wider goal of constructing an optimal production flow that will contribute to the continuing digital transformation of the flexible packaging market**



**SCREEN Launches Ledia 8F Direct Imaging System for High-precision Substrates**  
(announced on October 25, 2023)

SCREEN PE will release the latest addition, high-precision model Ledia 8F, to its Ledia series, broad wavelength direct imaging system

- Ledia 8F shares the same precise imaging capabilities and stability that has become so highly regarded from the industry, along with SCREEN PE's proprietary wavelength mixing technology, enabling to deliver more accurate imaging than ever before
- The Ledia 8F is also equipped with new "Constant Calibration" technology. It is already performing positioning and correction for the next substrate to be processed in the background meanwhile exposing one substrate, which helps to maximize system performance
- This new system is scheduled to be released in November 2023



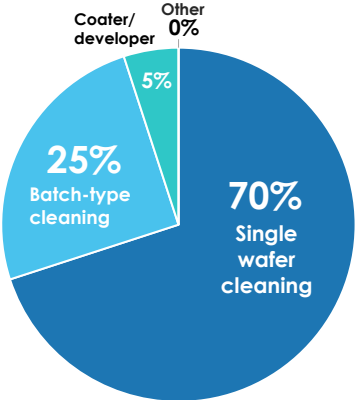
Ledia 8F

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

**>> Accelerating business in the PCB market, experiencing and continuing growth centered around the deployment of telecommunications and IoT infrastructure**  
**>> Meeting the diverse needs of the electronic device industry and promoting growth in this important field**

# Appendix>> Composition of Sales

## ▀ Sales Ratio of Equipment by Product in FY2024/03 1H



(%)	FY2022/03 Full	FY2023/03 Full	FY2024/03 1Q	FY2024/03 2Q	FY2024/03 1H
<b>Single wafer cleaning</b>	70	65	70	<b>70</b>	<b>70</b>
Percentage of SU-3200	60	60	75	<b>85</b>	<b>80</b>
<b>Batch-type cleaning</b>	25	25	25	<b>25</b>	<b>25</b>
<b>Coater/developer</b>	5	5	5	<b>5</b>	<b>5</b>
<b>Other</b>	0	5	0	<b>0</b>	<b>0</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>87.5</b>
Operating income ratio (%)	8.1	3.9	7.6	14.9	16.6	<b>17.5</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>632.65</b> *1
Cash Dividends (JPY)	97	30	90	293	365	- *2

\*1 FY2024/03 EPS forecast takes into account the effect of the stock split  
 \*2 FY2024/03 dividend forecast is not shown because it cannot be simply summed up due to the stock split



**Innovation for a Sustainable World**