

January 31, 2024

CONSOLIDATED FINANCIAL REPORT FOR THE THIRD QUARTER ENDED DECEMBER 31, 2023 [Japanese GAAP]

SCREEN Holdings Co., Ltd. is listed on the Prime Market of the Tokyo Stock Exchange with the securities code number 7735.
(URL <https://www.screen.co.jp/en>)

Representative: Toshio Hiroe, President, Member of the Board and CEO
For further information contact: Akihiko Miyagawa, Corporate Officer and Department head of Finance & Accounting
Tel: +81-75-414-7155

Date planned for the filing of the quarterly report: February 13, 2024

Date of payment for cash dividends: —

Figures have been rounded down to eliminate amounts less than one million yen, except per share figures.

PERFORMANCE FOR THE THIRD QUARTER ENDED DECEMBER 31, 2023 (APR. 1, 2023-DEC. 31, 2023)

(Millions of yen, except per share figures)

(1) Business Results (Percentages are the rate of increase or decrease from the previous corresponding period.)

	Net Sales	Percentage Change	Operating Income	Percentage Change	Ordinary Income	Percentage Change
Nine months ended Dec. 31, 2023	¥ 347,831	3.8%	¥ 63,691	12.4%	¥ 64,690	13.1%
Nine months ended Dec. 31, 2022	335,243	15.2	56,655	41.1	57,194	43.3

Note: Comprehensive income

Nine months ended Dec. 31, 2023: ¥ 51,055 million (27.0 %)

Nine months ended Dec. 31, 2022: ¥ 40,186 million (21.7 %)

	Profit Attributable to Owners of Parent	Percentage Change	Basic Earnings per Share (Yen)	Diluted Earnings per Share (Yen)
Nine months ended Dec. 31, 2023	¥ 44,597	6.6%	¥ 470.26	¥ 458.06
Nine months ended Dec. 31, 2022	41,841	41.3	443.06	431.72

Note: The Company implemented a stock split of common stock in the ratio of 1 share into 2 shares on October 1, 2023. Earnings per share has been calculated on the presumption that the stock split was conducted at the beginning of the previous fiscal year.

(2) Financial Position

	Total Assets	Net Assets	Equity Ratio
Dec. 31, 2023	¥ 691,440	¥ 325,755	47.1%
Mar. 31, 2023	562,816	299,926	53.3

Reference: Equity

As of Dec. 31, 2023: ¥ 325,718 million

As of Mar. 31, 2023: ¥ 299,888 million

CASH DIVIDENDS

(Yen)

Record date	Cash Dividends per Share				
	First Quarter-end	Second Quarter-end	Third Quarter-end	Year-end	Annual
Fiscal year ended Mar. 31, 2023	¥ —	¥ —	¥ —	¥ 365.00	¥ 365.00
Fiscal year ending Mar. 31, 2024	—	167.00	—		
Fiscal year ending Mar. 31, 2024 (Forecast)				119.00	—

Note: Revision of the latest forecast of cash dividends: Yes

The Company implemented a stock split of common stock in the ratio of 1 share into 2 shares on October 1, 2023. The amount for the second quarter-end of the fiscal year ending March 31, 2024 is on a pre-split basis and the amount forecast for the year-end of the fiscal year ending March 31, 2024 is on a post-split basis. The annual dividend forecast is not shown since it cannot be simply summed up due to the stock split. The annual dividend on a pre-split basis is projected to be ¥405.00 per share. For details, please refer to "Explanation for appropriate use of forecasts and other notes."

BUSINESS FORECASTS FOR THE FISCAL YEAR ENDING MARCH 31, 2024

(Millions of yen, except per share figures)

(Percentages are the rate of increase or decrease from the previous corresponding period.)

	Net Sales	Percentage Change	Operating Income	Percentage Change
Fiscal year ending Mar. 31, 2024	¥ 500,000	8.5%	¥ 88,500	15.8%

	Ordinary Income	Percentage Change	Profit Attributable to Owners of Parent	Percentage Change	Basic Earnings per Share (Yen)
Fiscal year ending Mar. 31, 2024	¥ 88,500	14.4%	¥ 64,000	11.3%	¥ 674.83

Note: Revision of the latest business forecasts: Yes

The Company implemented a stock split of common stock in the ratio of 1 share into 2 shares on October 1, 2023. The amount shown for basic earnings per share in the business forecasts for the fiscal year ending March 31, 2024, is calculated factoring in the impact of the stock split. For details, please refer to "Explanation for appropriate use of forecasts and other notes."

[Notes]

(1) Changes in significant consolidated subsidiaries (Changes in specified subsidiaries involving changes in scope of consolidation): No

New Company: Not applicable Exclusion: Not applicable

(2) Application of accounting methods specific to the preparation of quarterly consolidated financial statements: Yes

Please refer to P.11 [Notes for quarterly consolidated financial statements – (Application of accounting methods specific to the preparation of quarterly consolidated financial statements)] for more information.

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1. Changes in accounting policies accompanied by revision of accounting standard etc.: No
2. Changes in accounting policies other than 1: No
3. Changes in accounting estimates: No
4. Retrospective restatement: No

(4) Number of shares outstanding

1. Number of shares outstanding as of end of period (including treasury stock)

As of Dec. 31, 2023: 101,589,732 shares As of Mar. 31, 2023: 101,589,732 shares

2. Number of treasury stock as of end of period

As of Dec. 31, 2023: 6,743,265 shares As of Mar. 31, 2023: 6,770,028 shares

3. Average number of shares outstanding

Nine months ended Dec. 31, 2023: 94,836,062 shares Nine months ended Dec. 31, 2022: 94,438,078 shares

Note: The Company implemented a stock split of common stock in the ratio of 1 share into 2 shares on October 1, 2023. Number of shares outstanding as of end of period, number of treasury stock and average number of shares outstanding are calculated on the assumption that stock split was implemented at the beginning of the previous fiscal year.

*This quarterly earnings report is exempt from the quarterly review procedure by certified public accountants or audit firm.

*Explanation for appropriate use of forecasts and other notes

The forward-looking statements such as operational forecasts contained in this document are based on the information currently available to SCREEN Holdings and certain assumptions that are regarded as legitimate. SCREEN Holdings does not promise that the forecasts or estimates will be accurate.

Large discrepancies may be seen in the actual results due to various factors. Please refer to P.5 "3. Qualitative information regarding consolidated business forecasts" for the assumptions used and other notes.

Outlook of consolidated business results and dividends following the stock split

As a result of a resolution passed at the Board of Directors' Meeting on May 10, 2023, the Company has implemented a stock split in the ratio of 1 share into 2 shares on October 1, 2023. In addition, at the 82nd Ordinary General Meeting of Shareholders held on June 23, 2023, an amendment to the Articles of Incorporation was approved to allow the Company to pay an interim dividend by a resolution of the Board of Directors. The outlook for consolidated business results and dividends for the fiscal year ending March 31, 2024, calculated on a pre-split basis, is as follows.

1. Consolidated business forecasts for the fiscal year ending March 31, 2024

Basic earnings per share for the full year: ¥ 1,349.66

2. Dividends forecast for the fiscal year ending March 31, 2024

Cash dividends per share at second quarter-end: ¥ 167.00

Cash dividends per share at fiscal year-end: ¥ 238.00

Total: ¥ 405.00

[Qualitative Information, Financial Statements]**1. Qualitative information regarding the status of consolidated business results**

During the first nine months of the fiscal year ending March 31, 2024 (April 1, 2023 to December 31, 2023), although there were signs of a gradual recovery of the global economy, especially in the U.S., the recovery has been sluggish in some regions, including Europe and China, due to price increase, the impact of global monetary tightening in line with rising inflationary pressures, as well as the effects of the stagnant real estate market in China and other factors.

With regard to the business conditions surrounding the Company, in the electronics industry, memory manufacturers and others continued to curb investment as demand for smartphones, PCs, and other products declined due to the saturation of the special demand caused by COVID-19. Meanwhile, we saw steady growth of capital investments in the fields of miniaturization, power semiconductors, and packaging technology in line with the progress in IoT technologies and digital transformation driven by the growing use of 5G and AI, as well as green transformation. On the other hand, display manufacturers continue to face a challenging situation, although there are signs of a turnaround in the supply-demand balance for TV use panel.

Under these circumstances, for the first nine months of the fiscal year ending March 31, 2024, the Company posted consolidated net sales of ¥347,831 million, an increase of ¥12,587 million (3.8%) from the corresponding period of the previous fiscal year. On the earnings front, as the result of an increase in net sales and an improvement in profitability, although fixed costs increased, operating income totaled ¥63,691 million, an increase of ¥7,036 million (12.4%) from the corresponding period of the previous fiscal year. Ordinary income amounted to ¥64,690 million, an increase of ¥7,496 million (13.1%) year on year. In addition, quarterly profit attributable to owners of parent totaled ¥44,597 million, an increase of ¥2,755 million (6.6%) compared with the corresponding period of the previous fiscal year.

Performance by reportable segment is explained below.

The Semiconductor Production Equipment (SPE) Business

In the SPE business, sales to foundry increased year on year, despite a decrease in sales to memory manufacturers. By region, sales to China and North America rose, but those to Taiwan declined. As a result, net sales in this segment amounted to ¥287,986 million, up 6.4% year on year. On the earnings front, operating income in this segment came to ¥64,484 million, up 15.7% year on year, mainly reflecting the increase in sales and an improvement in profitability, despite increased fixed costs.

The Graphic Arts Equipment (GA) Business

In the GA business, net sales in this segment amounted to ¥35,967 million, up 5.0% year on year, due to increased sales of equipment and recurring business, mainly ink. On the earnings front, operating income was ¥3,506 million, up 29.4% year on year due mainly to an increase in sales.

The Display Production Equipment and Coater (FT) Business

In the FT business, sales of display production equipment declined due to the sluggish capital investment by display manufacturers. As a result, net sales in this segment amounted to ¥12,518 million, down 27.0% year on year. On the earnings front, operating loss came to ¥662 million, compared with operating loss of ¥1,135 million in the corresponding period of the previous fiscal year, mainly reflecting a decrease in sales, despite our efforts to control fixed costs.

The PCB-Related Equipment (PE) Business

In the PE business, due to a decrease in direct imaging systems, net sales in this segment amounted to ¥10,479 million, down 15.4% year on year. On the earnings front, operating income in this segment came to ¥1,296 million, down 50.0% year on year due mainly to a decrease in sales and an increase in fixed costs.

2. Qualitative information regarding changes in consolidated financial position

Total assets as of December 31, 2023 stood at ¥691,440 million, an increase of ¥128,624 million, 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 amounted to ¥365,685 million, up ¥102,795 million, or 39.1%, compared with the end of the previous fiscal year. This was mainly attributable to increases in contract liabilities, notes and accounts payable including electronically recorded obligations.

Total net assets amounted to ¥325,755 million, up ¥25,829 million, or 8.6%, compared with the end of the previous fiscal year. 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%.

Status of Cash Flows

The status of cash flows for the first nine months of the fiscal year ending March 31, 2024 is as follows.

Net cash provided by operating activities amounted to ¥127,328 million, compared with ¥53,654 million provided by operating activities in the first nine months of the previous fiscal year. This was because the sum of income before income taxes, an increase in contract liabilities, a decrease in notes and accounts receivable including electronically recorded monetary claims, a decrease in contract assets, an increase in notes and accounts payable including electronically recorded obligations and other inflows exceeded increases in inventories, income taxes paid and other outflows.

Net cash used in investing activities amounted to ¥23,257 million, compared with ¥5,469 million used in investing activities in the first nine months of the previous fiscal year. This was largely attributable to payments associated with construction of a new factory, the purchase of property, plant and equipment, such as equipment for R&D, and other outflows.

Net cash used in financing activities amounted to ¥26,416 million, compared with ¥20,477 million used in financing activities in the first nine months of the previous fiscal year. This was due mainly to cash dividends paid.

As a result, cash and cash equivalents as of December 31, 2023, totaled ¥254,084 million, up ¥80,424 million from March 31, 2023, including effect of exchange rate changes on cash and cash equivalents.

3. Qualitative information regarding consolidated business forecasts

SCREEN Holdings has revised its consolidated business forecasts for the fiscal year ending March 31, 2024, from the previous forecasts announced on October 31, 2023, as shown below. The revision is mainly due to the current client investment trends. In addition, based on the revision of business forecasts for the fiscal year ending March 31, 2024, it has been decided to revise the cash dividend forecast for the fiscal year ending March 31, 2024. For details, please refer to today's "Notice: Revision of Year-end Cash Dividend Forecast for the Fiscal Year Ending March 31, 2024."

Business forecasts

Fiscal year ending March 31, 2024 (April 1, 2023 to March 31, 2024)

(Millions of yen)

		Fiscal year ending Mar. 31, 2024
Net Sales		¥ 500,000
	SPE	416,000
	GA	46,500
	FT	22,000
	PE	14,500
	Other and Adjustments	1,000
Operating Income		88,500
Ordinary Income		88,500
Profit Attributable to Owners of Parent		64,000

Note: The aforementioned forecasts are based on foreign currency exchange rate for the fourth quarter estimates of USD1.00 = ¥140 and EUR1.00 = ¥150. Business forecasts are also made in accordance with currently available information and rational assumptions. However, it should be noted that actual results could differ significantly due to a variety of factors.

CONSOLIDATED BALANCE SHEETS

(Millions of yen)

	Mar. 31, 2023	Dec. 31, 2023
ASSETS		
Current assets:		
Cash and deposits	¥ 175,576	¥ 225,101
Notes and accounts receivable - trade, and contract assets	100,048	72,787
Electronically recorded monetary claims - operating	7,168	12,630
Securities	—	30,000
Merchandise and finished goods	45,865	86,391
Work in process	59,721	66,066
Raw materials and supplies	18,289	23,079
Other	22,467	23,545
Allowance for doubtful accounts	(870)	(607)
Total current assets	428,267	538,994
Non-current assets:		
Property, plant and equipment:		
Buildings and structures	72,649	82,520
Machinery, equipment and vehicles	52,022	56,132
Other	43,547	42,343
Accumulated depreciation	(95,552)	(98,188)
Total property, plant and equipment	72,667	82,808
Intangible assets:		
Other	4,879	4,893
Total intangible assets	4,879	4,893
Investments and other assets:		
Investment securities	40,697	46,344
Net defined benefit asset	6,395	7,090
Deferred tax assets	5,948	6,653
Other	4,056	4,905
Allowance for doubtful accounts	(96)	(249)
Total investments and other assets	57,001	64,744
Total non-current assets	134,548	152,446
Total assets	562,816	691,440

CONSOLIDATED BALANCE SHEETS

(Millions of yen)

	Mar. 31, 2023	Dec. 31, 2023
LIABILITIES		
Current liabilities:		
Notes and accounts payable - trade	¥ 41,300	¥ 39,484
Electronically recorded obligations - operating	51,669	75,200
Short-term loans payable	17	—
Current portion of long-term loans payable	10,400	10,200
Lease obligations	1,115	1,217
Income taxes payable	10,617	11,295
Notes payable-facilities	215	205
Electronically recorded obligations - facilities	6,162	4,691
Contract liabilities	74,674	134,142
Provision for bonuses	6,107	5,622
Provision for directors' bonuses	296	125
Provision for product warranties	10,418	10,799
Provision for loss on order received	1,164	2,188
Other	22,979	43,503
Total current liabilities	237,137	338,675
Non-current liabilities:		
Convertible bond-type bonds with share acquisition rights	15,023	15,015
Long-term loans payable	4	4
Lease obligations	2,292	1,924
Net defined benefit liability	957	1,071
Provision for directors' retirement benefits	146	143
Provision for stock payment	55	53
Provision for management board incentive plan trust	47	47
Asset retirement obligations	100	122
Other	7,124	8,625
Total non-current liabilities	25,751	27,009
Total liabilities	262,889	365,685
NET ASSETS		
Shareholders' equity:		
Capital stock	54,044	54,044
Capital surplus	10,308	10,308
Retained earnings	229,596	248,887
Treasury stock	(14,894)	(14,814)
Total shareholders' equity	279,055	298,426
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	18,616	21,203
Foreign currency translation adjustment	3,036	6,857
Remeasurements of defined benefit plans	(820)	(768)
Total accumulated other comprehensive income	20,832	27,292
Non-controlling interests	38	37
Total net assets	299,926	325,755
Total liabilities and net assets	562,816	691,440

CONSOLIDATED STATEMENTS OF INCOME

(Millions of yen)

	Apr.1, 2022- Dec. 31, 2022	Apr.1, 2023- Dec. 31, 2023
Net sales	¥ 335,243	¥ 347,831
Cost of sales	221,145	219,874
Gross profit	114,097	127,957
Selling, general and administrative expenses	57,442	64,265
Operating income	56,655	63,691
Non-operating income		
Interest income	128	340
Dividends income	717	816
Gain on sales of non-current assets	47	773
Other	659	963
Total non-operating income	1,552	2,892
Non-operating expenses		
Interest expenses	176	174
Foreign exchange losses, net	175	969
Share of loss of entities accounted for using equity method	219	243
Other	442	506
Total non-operating expenses	1,013	1,893
Ordinary income	57,194	64,690
Extraordinary income		
Gain on sales of investment securities	—	20
Gain on sales of shares of subsidiaries and associates	3,461	—
Gain on sales of businesses	91	—
Total extraordinary income	3,553	20
Extraordinary loss		
Loss on valuation of investment securities	0	4
Total extraordinary loss	0	4
Income before income taxes	60,746	64,706
Income taxes	18,930	20,114
Profit	41,815	44,592
Loss attributable to non-controlling interests	(26)	(4)
Profit attributable to owners of parent	41,841	44,597

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Millions of yen)

	Apr.1, 2022- Dec. 31, 2022	Apr.1, 2023- Dec. 31, 2023
Profit	¥ 41,815	¥ 44,592
Other comprehensive income		
Valuation difference on available-for-sale securities	(5,010)	2,587
Foreign currency translation adjustment	3,482	3,809
Remeasurements of defined benefit plans	(106)	51
Share of other comprehensive income of entities accounted for using equity method	5	13
Total other comprehensive income	(1,629)	6,462
Comprehensive income	40,186	51,055
Comprehensive income attributable to:		
Owners of parent	40,208	51,057
Non-controlling interests	(22)	(1)

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Millions of yen)

	Apr.1, 2022- Dec. 31, 2022	Apr.1, 2023- Dec. 31, 2023
Cash flow from operating activities:		
Income before income taxes	¥ 60,746	¥ 64,706
Depreciation and amortization	6,482	7,826
Loss (gain) on valuation of investment securities	0	4
Loss (gain) on sales of investment securities	—	(20)
Gain on sales of non-current assets	(47)	(773)
Share of loss (profit) of entities accounted for using equity method	219	243
Increase (decrease) in net defined benefit asset and liability	(404)	(541)
Increase (decrease) in provision for bonuses	(784)	(484)
Increase (decrease) in provision for directors' bonuses	(136)	(170)
Increase (decrease) in provision for stock payment	(5)	(2)
Increase (decrease) in provision for management board incentive plan trust	(5)	0
Increase (decrease) in provision for product warranties	1,141	356
Increase (decrease) in provision for loss on order received	(67)	1,024
Loss (gain) on sales of shares of subsidiaries and associates	(3,461)	—
Loss (gain) on sales of businesses	(91)	—
Interest and dividend income	(846)	(1,156)
Interest expenses	176	174
Decrease (increase) in notes and accounts receivable including electronically recorded monetary claims, and contract assets	(18,886)	22,190
Decrease (increase) in inventories	(20,193)	(49,921)
Decrease (increase) in other current assets	(787)	545
Increase (decrease) in notes and accounts payable including electronically recorded obligations	26,171	21,708
Increase (decrease) in contract liabilities	18,108	60,049
Increase (decrease) in other current liabilities	11,209	22,700
Other, net	(710)	(47)
Subtotal	77,828	148,413
Interest and dividend income received	840	1,177
Interest expenses paid	(171)	(172)
Income taxes paid	(24,842)	(22,089)
Net cash provided by (used in) operating activities	53,654	127,328
Cash flow from investing activities:		
Decrease (increase) in time deposits	822	1,043
Purchase of property, plant and equipment	(11,950)	(21,489)
Proceeds from sales of property, plant and equipment	419	1,216
Purchase of intangible assets	(1,083)	(1,337)
Purchase of investment securities	(310)	(2,235)
Proceeds from sales of investment securities	—	72
Proceeds from sales of shares of subsidiaries and associates resulting in change in scope of consolidation	5,725	—
Proceeds from sales of businesses	572	—
Other, net	335	(527)
Net cash provided by (used in) investing activities	(5,469)	(23,257)
Cash flow from financing activities:		
Net increase (decrease) in short-term loans payable	—	(16)
Repayments of long-term loans payable	(200)	(200)
Repayments of lease obligations	(908)	(936)
Redemption of convertible bond-type bonds with share acquisition rights	(5,681)	—
Net decrease (increase) in treasury stock	(4)	(11)
Cash dividends paid	(13,683)	(25,251)
Net cash provided by (used in) financing activities	(20,477)	(26,416)
Effect of exchange rate changes on cash and cash equivalents	2,509	2,770
Net increase (decrease) in cash and cash equivalents	30,217	80,424
Cash and cash equivalents at beginning of period	131,011	173,660
Cash and cash equivalents at end of period	161,228	254,084

[Notes for quarterly consolidated financial statements]

(Note for going concern assumption)

Not Applicable

(Note for significant changes in the amount of shareholders' equity)

Not Applicable

(Application of accounting methods specific to the preparation of quarterly consolidated financial statements)

Calculation of income taxes

Income tax amount is calculated principally by multiplying reasonably estimated annual effective tax rate through the third quarter ended December 31, 2023, with the effects of deferred taxes reflected, by the amount of year-to-date income before income taxes.

When calculation using reasonably estimated annual effective tax rate causes irrational results, income tax amount is calculated based on the legal tax rate.

SEGMENT INFORMATION

[Segment Information]

I Nine months ended Dec. 31, 2022

Net sales and income (loss) in reportable segment

(Millions of yen)

	Reportable segment *1					Other *2	Total	Adjustments *3	Consolidated *4
	SPE	GA	FT	PE	Total				
Sales									
(1) Sales to outside customers	¥ 270,697	¥ 34,074	¥ 16,841	¥ 12,315	¥ 333,928	¥ 1,315	¥ 335,243	¥ -	¥ 335,243
(2) Intersegment sales and transfers	-	188	316	72	577	11,753	12,331	(12,331)	-
Total	270,697	34,262	17,158	12,388	334,506	13,068	347,575	(12,331)	335,243
Segment income (loss)	55,753	2,710	(1,135)	2,592	59,922	(196)	59,725	(3,070)	56,655

Notes:

- *1. The SPE segment develops and manufactures semiconductor production equipment and conducts sales and maintenance services. In the GA segment, graphic arts equipment is developed, manufactured, sold and maintained. The FT segment develops, manufactures and markets display production equipment and coater equipment, and it also conducts maintenance services. In the PE segment, PCB related equipment is developed, manufactured, sold and maintained.
- *2. The "Other" category incorporates operations not included in reportable segments, including development, manufacturing and sales of equipment in the life science business, software development, planning and production of printed matter and other businesses.
- *3. Segment income (loss) adjustment of ¥ (3,070) million is the Company's profit (loss) not attributable to reportable segment.
- *4. Segment income (loss) is reconciled to operating income in the consolidated statements of income.

II Nine months ended Dec. 31, 2023

Net sales and income (loss) in reportable segment

(Millions of yen)

	Reportable segment *1					Other *2	Total	Adjustments *3	Consolidated *4
	SPE	GA	FT	PE	Total				
Sales									
(1) Sales to outside customers	¥ 287,986	¥ 35,787	¥ 11,919	¥ 10,396	¥ 346,089	¥ 1,741	¥ 347,831	¥ -	¥ 347,831
(2) Intersegment sales and transfers	-	180	599	83	863	12,980	13,843	(13,843)	-
Total	287,986	35,967	12,518	10,479	346,952	14,722	361,675	(13,843)	347,831
Segment income (loss)	64,484	3,506	(662)	1,296	68,626	(822)	67,803	(4,112)	63,691

Notes:

- *1. The SPE segment develops and manufactures semiconductor production equipment and conducts sales and maintenance services. In the GA segment, graphic arts equipment is developed, manufactured, sold and maintained. The FT segment develops, manufactures and markets display production equipment and coater equipment, and it also conducts maintenance services. In the PE segment, PCB related equipment is developed, manufactured, sold and maintained.
- *2. The "Other" category incorporates operations not included in reportable segments, including development, manufacturing and sales of equipment in the life science business, software development, planning and production of printed matter and other businesses.
- *3. Segment income (loss) adjustment of ¥ (4,112) million is the Company's profit (loss) not attributable to reportable segment.
- *4. Segment income (loss) is reconciled to operating income in the consolidated statements of income.

Consolidated Financial Highlights for the Third Quarter Ended December 31, 2023

(Figures less than one million yen have been omitted and other figures have been rounded.)

	FY2023	FY2024	Difference		FY2023	FY2024
	9 months ended Dec. 31, 2022	9 months ended Dec. 31, 2023			12 months ended Mar.31, 2023	12 months ending Mar.31, 2024
	Result	Result	Amount	Percentage	Result	Forecast
Net sales	¥ 335,243	¥ 347,831	¥ 12,587	3.8%	¥ 460,834	¥ 500,000
Operating income	56,655	63,691	7,036	12.4%	76,452	88,500
[to net sales ratio]	16.9%	18.3%	1.4 pt	—	16.6%	17.7%
Ordinary income	57,194	64,690	7,496	13.1%	77,393	88,500
[to net sales ratio]	17.1%	18.6%	1.5 pt	—	16.8%	17.7%
Profit attributable to owners of parent	41,841	44,597	2,755	6.6%	57,491	64,000
[to net sales ratio]	12.5%	12.8%	0.3 pt	—	12.5%	12.8%
Total assets	541,866	691,440	* 128,624	22.9%	562,816	—
Net assets	283,705	325,755	* 25,829	8.6%	299,926	—
Equity	283,655	325,718	* 25,830	8.6%	299,888	—
Equity ratio	52.3%	47.1%	* (6.2) pt	—	53.3%	—
Net assets per share (Yen)	2,991.52	3,434.17	* 271.45	8.6%	3,162.72	—
Interest-bearing debt	29,118	28,362	* (490)	-1.7%	28,852	—
Net interest-bearing debt	(133,428)	(226,739)	* (80,015)	—	(146,723)	—
Cash flows from operating activities	53,654	127,328	—	—	73,906	—
Cash flows from investing activities	(5,469)	(23,257)	—	—	(12,514)	—
Cash flows from financing activities	(20,477)	(26,416)	—	—	(20,961)	—
Depreciation and amortization	6,482	7,826	1,344	20.7%	8,799	11,000
Capital expenditures	18,352	18,233	(119)	-0.6%	29,015	30,000
R&D expenses	17,805	19,657	1,852	10.4%	24,760	29,000
Number of employees	5,979	6,267	* 280	4.7%	5,987	—
Number of consolidated subsidiaries	55	52	* (3)	—	55	—
[Domestic]	[26]	[23]	* [(3)]	—	[26]	—
[Overseas]	[29]	[29]	* [—]	—	[29]	—
Number of non-consolidated subsidiaries	4	5	* 1	—	4	—
[Number of non-consolidated subsidiaries accounted for by equity method]	[1]	[2]	* [1]	—	[1]	—
Number of affiliates	1	2	* 1	—	1	—
[Number of affiliates accounted for by equity method]	[1]	[2]	* [1]	—	[1]	—

* show changes from Mar. 31, 2023

Notes:

*1 The Company implemented a stock split of common stock in the ratio of 1 share into 2 shares on October 1, 2023. Net assets per share shown above are calculated based on the assumption that the consolidation of shares had been implemented at the beginning of the fiscal year ended March 31, 2023.

*2 Net interest-bearing debt is calculated by subtracting cash and cash equivalents and time deposits from balance of interest-bearing debt.

*3 The decrease in the number of consolidated subsidiaries was due to the liquidation of SCREEN MFG Service Co., Ltd. and two other companies in the second quarter of the current fiscal year.

Sales Breakdown (Consolidated)

(Millions of yen)

		FY2023				FY2024					
		6 months ended Sept. 30, 2022	3 months ended Dec. 31, 2022	9 months ended Dec. 31, 2022	12 months ended Mar.31, 2023	3 months ended Jun. 30, 2023	3 months ended Sept. 30, 2023	6 months ended Sept. 30, 2023	3 months ended Dec. 31, 2023	9 months ended Dec. 31, 2023	12 months ending Mar.31, 2024
		Result	Result	Result	Result	Result	Result	Result	Result	Result	Forecast
Semiconductor Production Equipment Business (SPE)	Domestic	28,314	13,484	41,798	58,347	8,981	12,130	21,112	21,375	42,487	—
	Overseas	148,233	80,665	228,899	312,587	73,362	91,584	164,947	80,551	245,498	—
	Total	176,548	94,149	270,697	370,934	82,343	103,715	186,059	101,926	287,986	416,000
Graphic Arts Equipment Business (GA)	Domestic	9,488	5,447	14,936	19,979	5,073	5,155	10,228	5,114	15,342	—
	Overseas	12,741	6,584	19,325	25,630	6,518	7,197	13,715	6,909	20,624	—
	Total	22,230	12,031	34,262	45,609	11,591	12,352	23,944	12,023	35,967	46,500
Display Production Equipment and Coater Business (FT)	Domestic	748	318	1,066	1,658	771	491	1,262	1,199	2,462	—
	Overseas	10,792	5,299	16,092	24,530	1,619	2,902	4,521	5,534	10,056	—
	Total	11,540	5,617	17,158	26,189	2,391	3,393	5,784	6,734	12,518	22,000
PCB-Related Equipment Business (PE)	Domestic	1,757	850	2,608	3,831	603	1,686	2,290	911	3,201	—
	Overseas	5,856	3,924	9,780	13,004	2,803	2,157	4,960	2,317	7,278	—
	Total	7,613	4,774	12,388	16,835	3,407	3,843	7,250	3,228	10,479	14,500
Other	Domestic	662	410	1,072	1,758	356	358	715	619	1,335	—
	Overseas	180	62	242	306	132	119	251	155	406	—
	Total	842	472	1,315	2,064	489	477	967	774	1,741	2,000
Intersegment sales	Domestic	(369)	(207)	(577)	(799)	(533)	(213)	(746)	(116)	(863)	—
	Overseas	—	—	—	—	—	—	—	—	—	—
	Total	(369)	(207)	(577)	(799)	(533)	(213)	(746)	(116)	(863)	(1,000)
Grand Total	Domestic	40,600	20,302	60,903	84,775	15,253	19,609	34,863	29,103	63,966	—
	Overseas	177,803	96,536	274,340	376,058	84,436	103,960	188,397	95,467	283,864	—
	Total	218,404	116,839	335,243	460,834	99,690	123,569	223,260	124,570	347,831	500,000
	Overseas Ratio	81.4%	82.6%	81.8%	81.6%	84.6%	84.1%	84.3%	76.6%	81.6%	—