



Electronics for the Future

Financial Results for the Year Ended 2022/3 (FY2021)

(From April 1,2021 to March 31,2022)

ROHM CO., LTD.

As of May 11, 2022

- **Financial Results for the Year Ended 2022/3**
- **Plan for the Year Ending 2023/3**
- **Capital Expenditures**
- **Inventories**
- **Trend of Order Backlog**
- **Returns to Shareholders**
- **Progress of the Medium-Term Management Plan**
- **ROHM's Strategies**

Financial Results for the Full Year Ended 2022/3 (YoY)

(¥billion)

	'22/3 Results	'21/3 Results	Difference in Amount	Difference in %
Net Sales	452.1	359.8	+92.3	+25.6%
Operating Profit	71.4	38.4	+33.0	+85.7%
(Ratio)	(15.8%)	(10.7%)	-	-
Ordinary Profit	82.5	40.6	+41.9	+103.0%
(Ratio)	(18.3%)	(11.3%)	-	-
Net Profit	66.8	37.0	+29.8	+80.6%
(Ratio)	(14.8%)	(10.3%)	-	-
EBITDA	113.5	78.6	+34.9	+44.3%
(Ratio)	(25.1%)	(21.9%)	-	-

Average exchange rate (¥/US\$) (¥112.86) (¥106.20)

End of term exchange rate (¥/US\$) (¥122.39) (¥110.71)

Financial Results for the Full Year Ended 2022/3



(VS. Revised Plan as of March. 4th)

(¥billion)

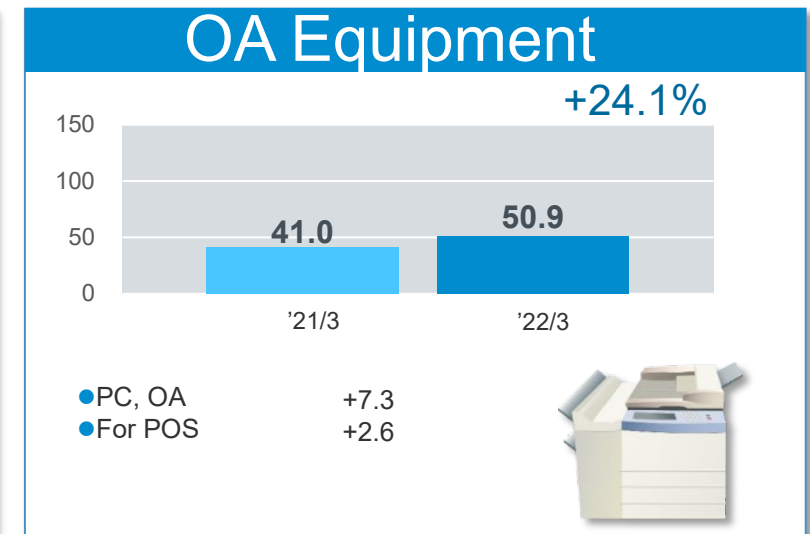
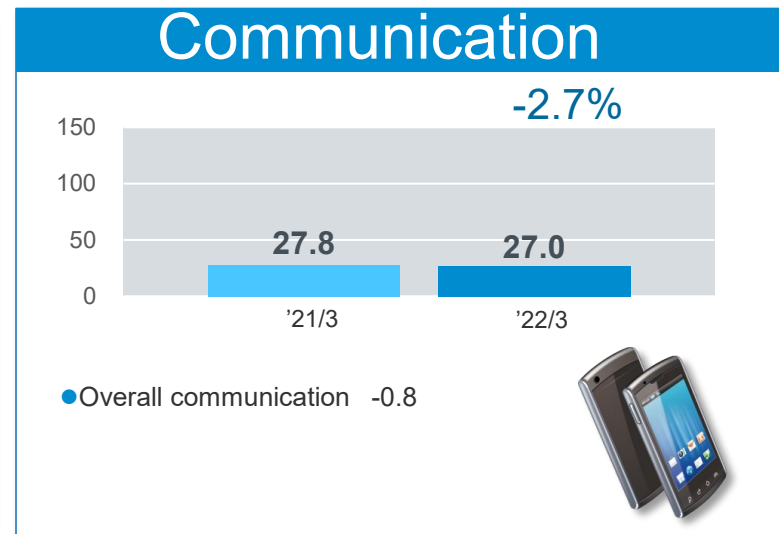
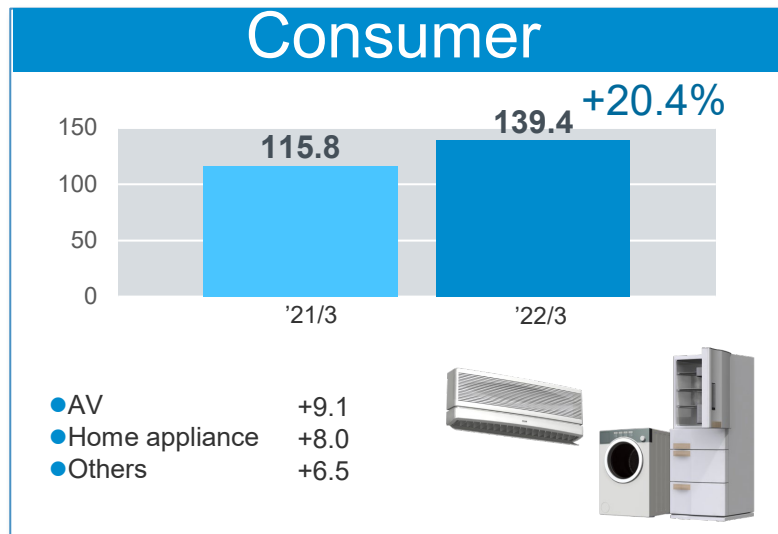
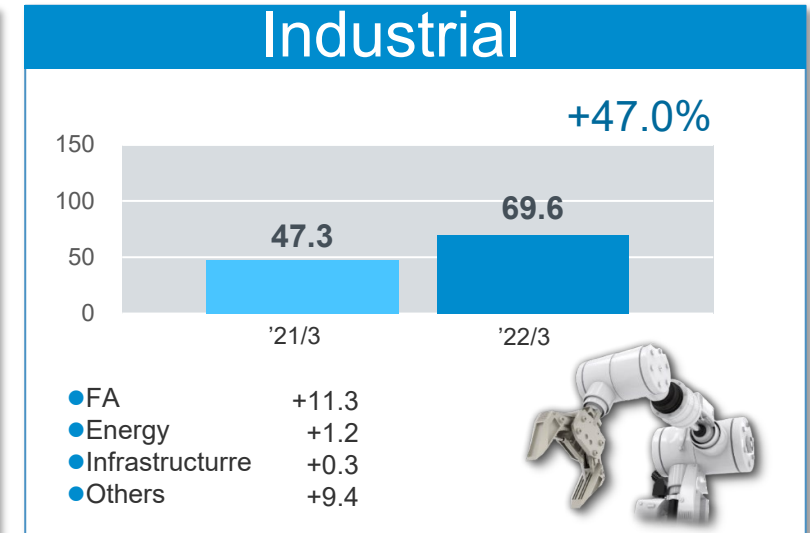
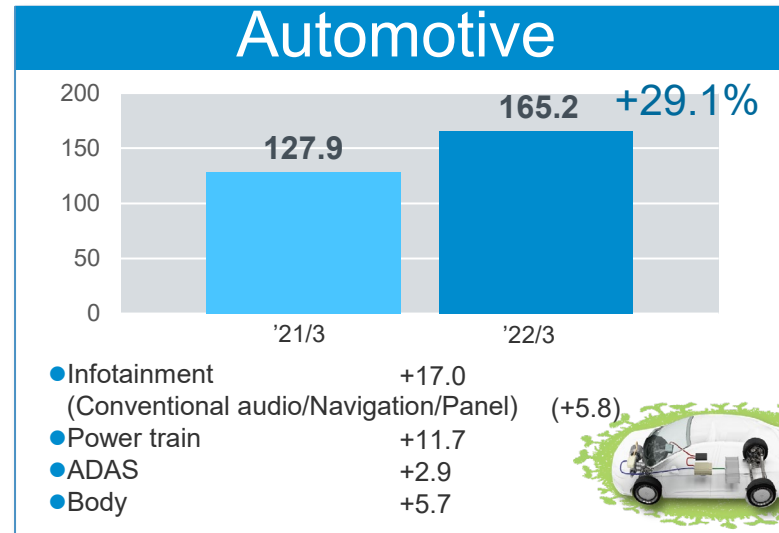
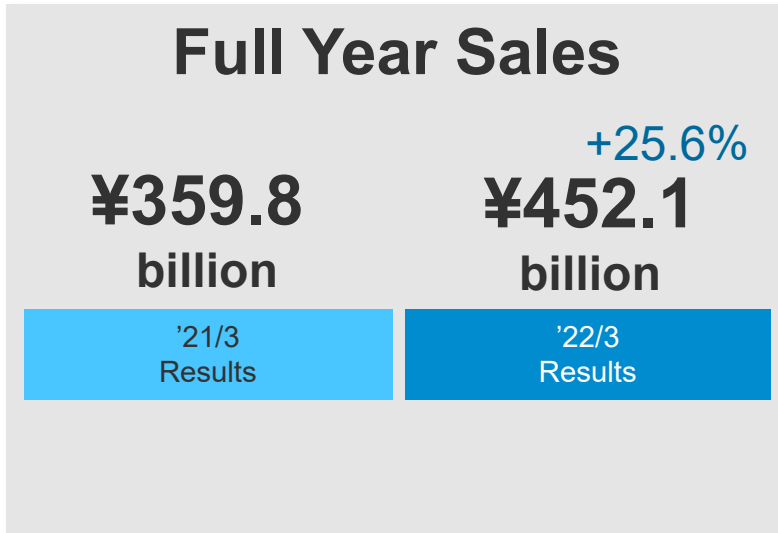
	'22/3 Results	'22/3 Revised Plan	Difference in Amount	Difference in %
Net Sales	452.1	450.0	+2.1	+0.5%
Operating Profit	71.4	69.0	+2.4	+3.6%
(Ratio)	(15.8%)	(15.3%)	-	-
Ordinary Profit	82.5	75.0	+7.5	+10.1%
(Ratio)	(18.3%)	(16.7%)	-	-
Net Profit	66.8	60.0	+6.8	+11.4%
(Ratio)	(14.8%)	(13.3%)	-	-

Average exchange rate (¥/US\$) (¥112.86) (¥112.31)

End of term exchange rate (¥/US\$) (¥122.39) (¥115.44)

'22/3 Full Year Sales Trend by Market Segments (YoY)

(¥billion)

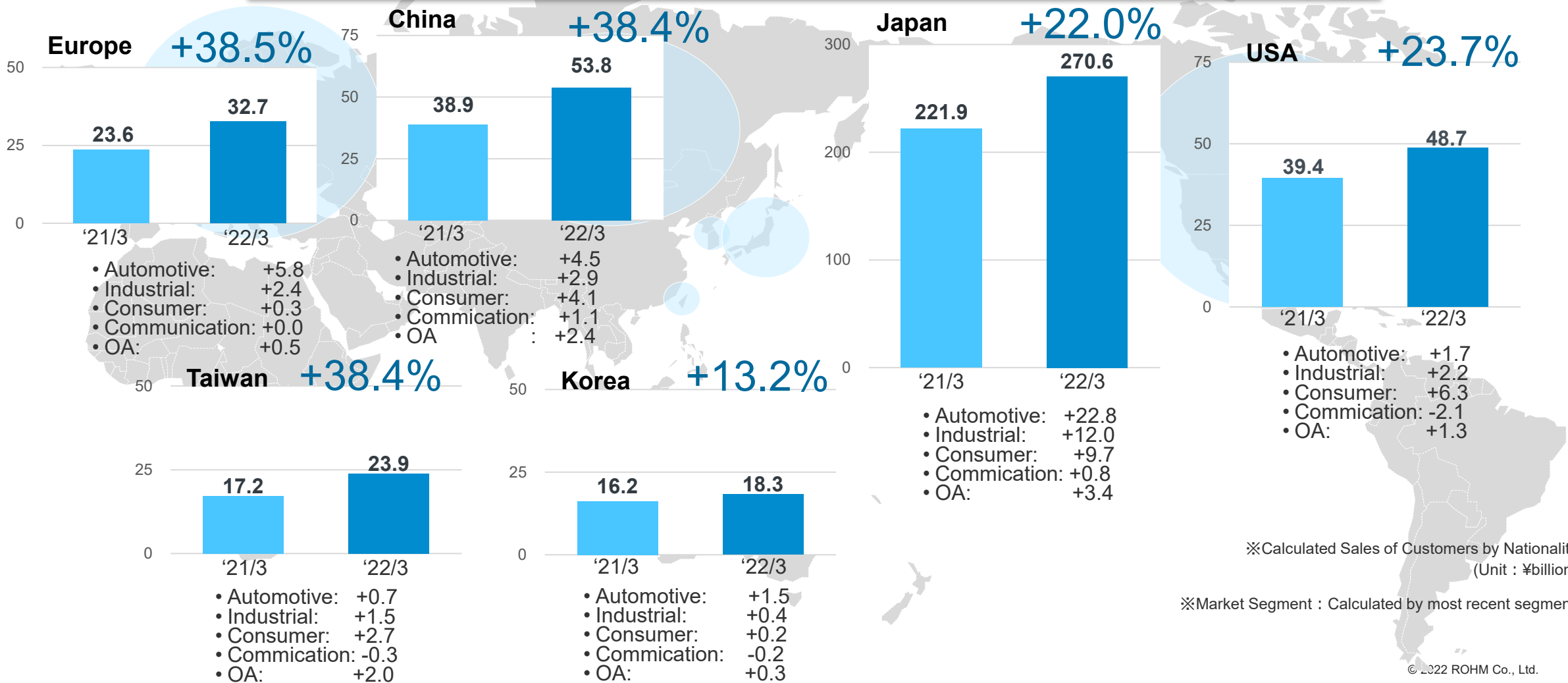


*Market Segment: Calculated by most recent segment

'22/3 Full Year Sales Trend by Customer Nationality ('21/3 vs '22/3)

Full Year YoY

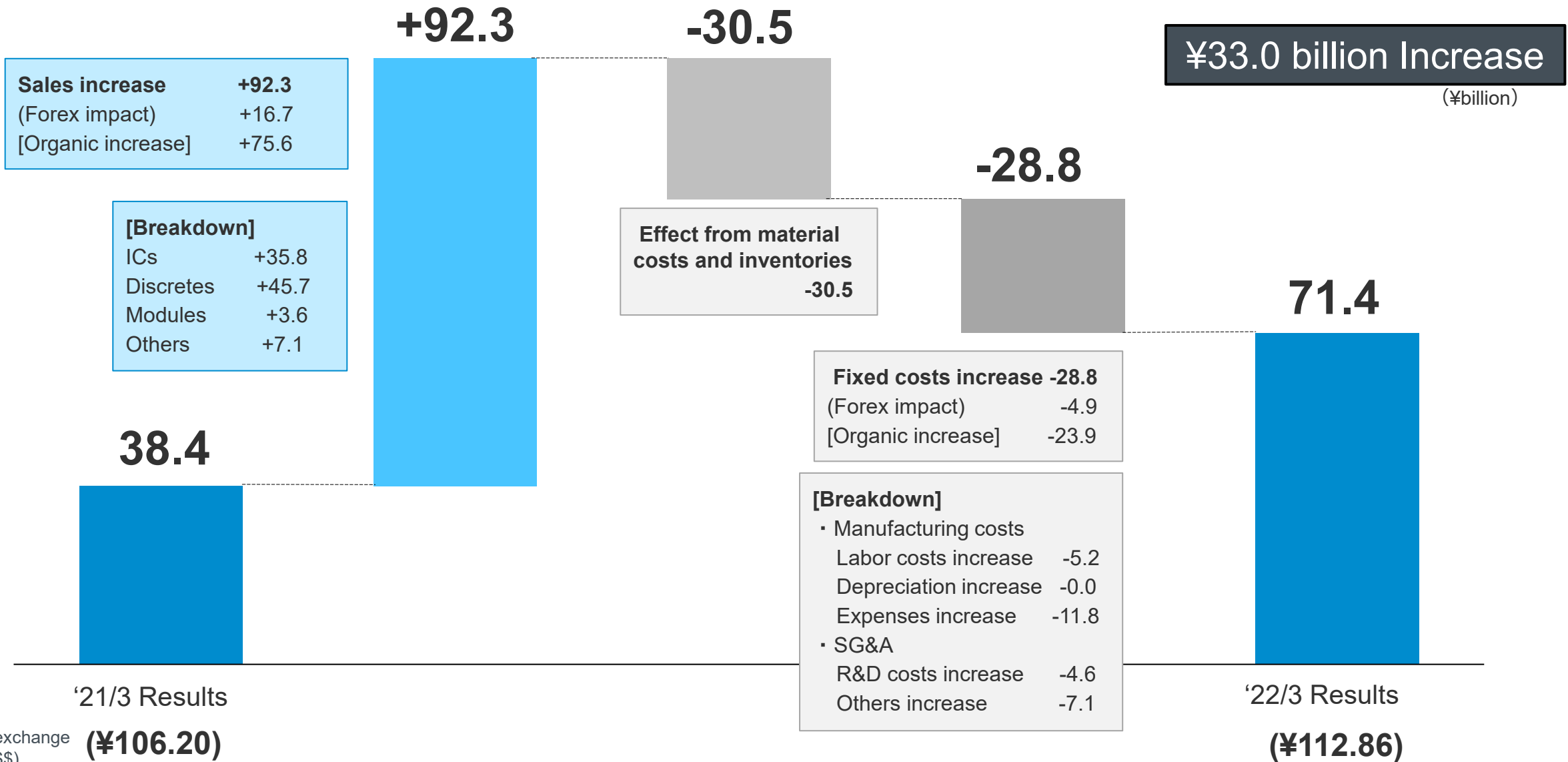
Full Year Sales **¥359.8 billion** **¥452.1 billion**
 '21/3 Results '22/3 Results **+25.6%**



※Calculated Sales of Customers by Nationality (Unit : ¥billion)

※Market Segment : Calculated by most recent segment

Changes in Operating Profit ('21/3 vs '22/3)



Average exchange rate (¥/US\$) **(¥106.20)**

Plan for the Full Year Ending 2023/3 (YoY)

(¥billion)

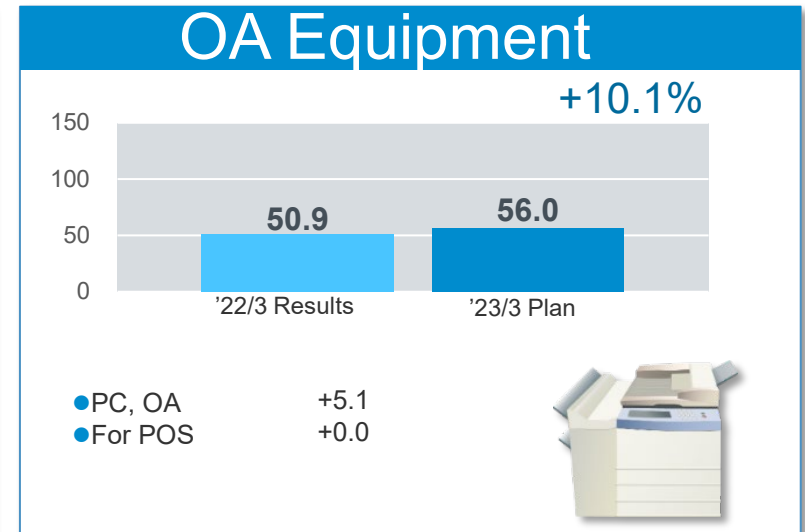
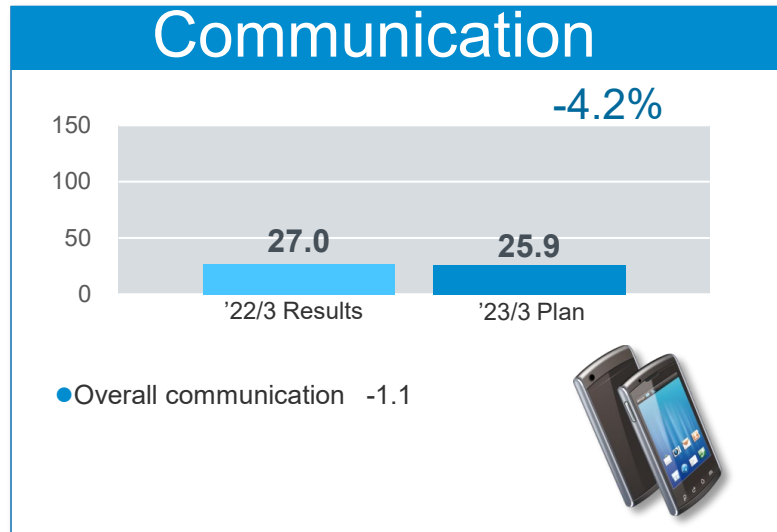
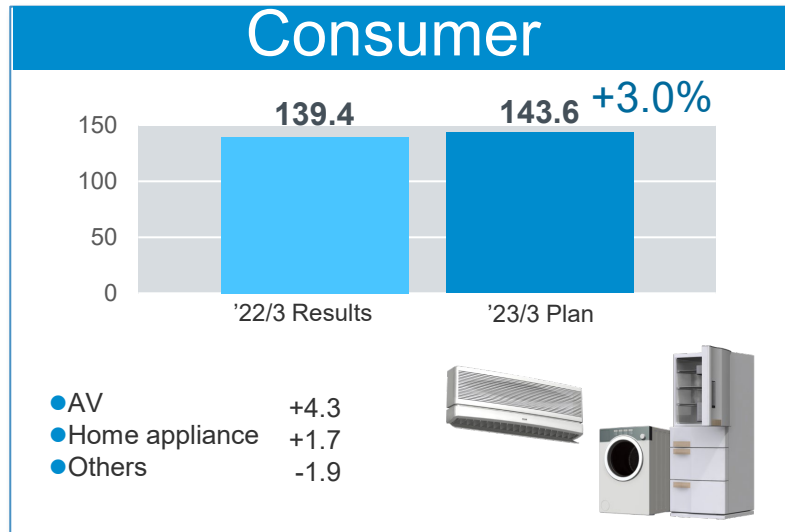
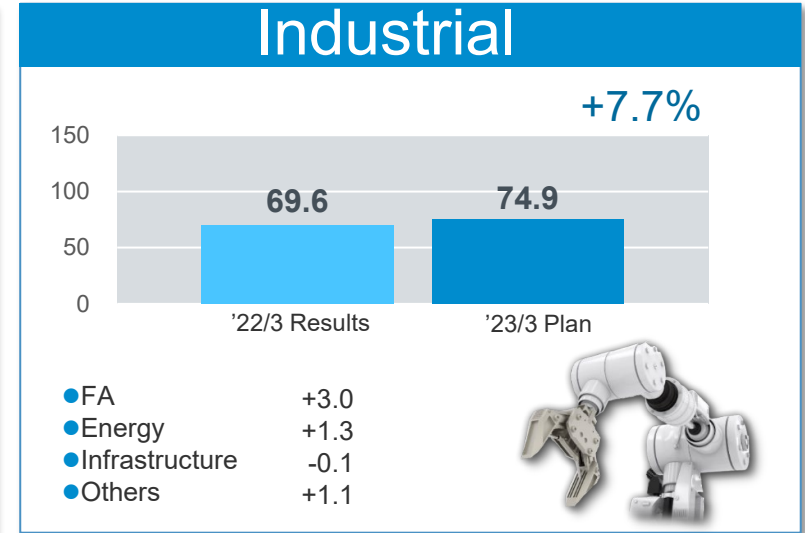
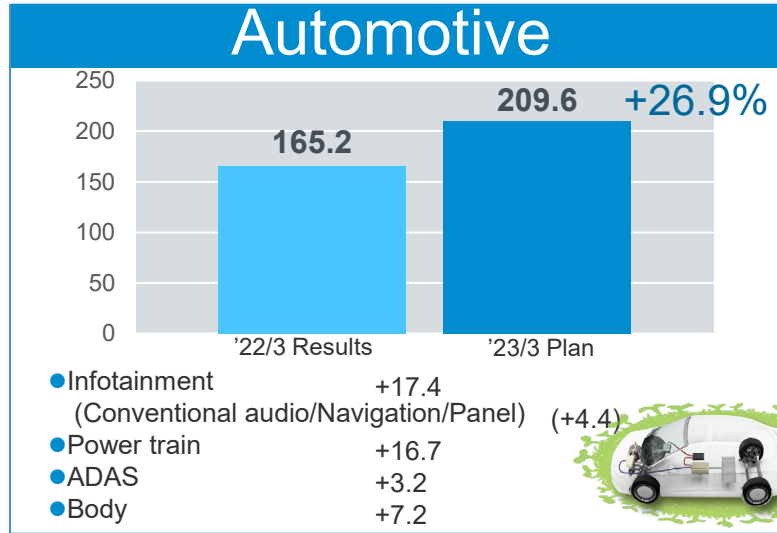
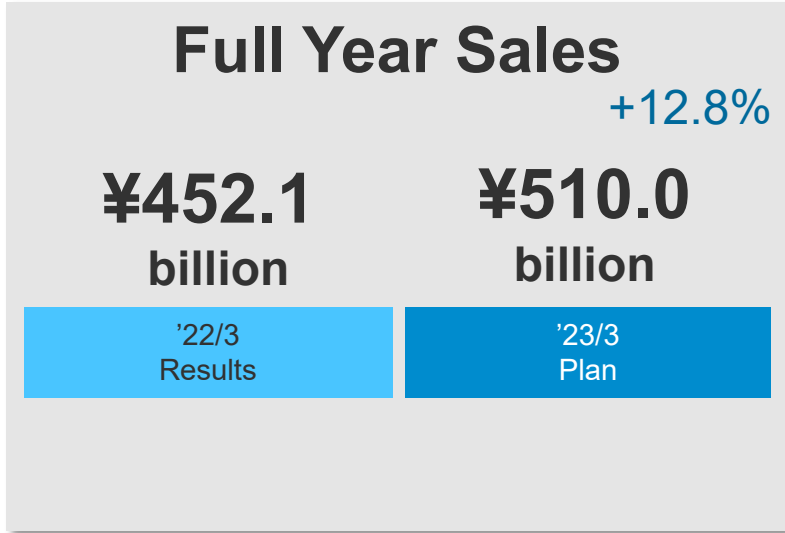
	'23/3 Plan	'22/3 Results	Difference in Amount	Difference in %
Net Sales	510.0	452.1	+57.9	+12.8%
Operating Profit	76.0	71.4	+4.6	+6.3%
(Ratio)	(14.9%)	(15.8%)	-	-
Ordinary Profit	74.0	82.5	-8.5	-10.4%
(Ratio)	(14.5%)	(18.3%)	-	-
Net Profit	60.0	66.8	-6.8	-10.2%
(Ratio)	(11.8%)	(14.7%)	-	-
EBITDA	139.5	113.5	+26.0	+22.9%
(Ratio)	(27.4%)	(25.1%)	-	-

Average exchange rate (¥/US\$) (¥115.57) (¥112.86)

End of term exchange rate (¥/US\$) (¥115.00) (¥122.39)

'23/3 Full Year Sales Trend by Market Segments ('22/3 vs '23/3 Plan)

(¥billion)



※Category: Aggregate by current state

'23/3 Full Year Sales Trend by Customer Nationality ('22/3 vs '23/3 Plan)

Full Year YoY

Full Year Sales

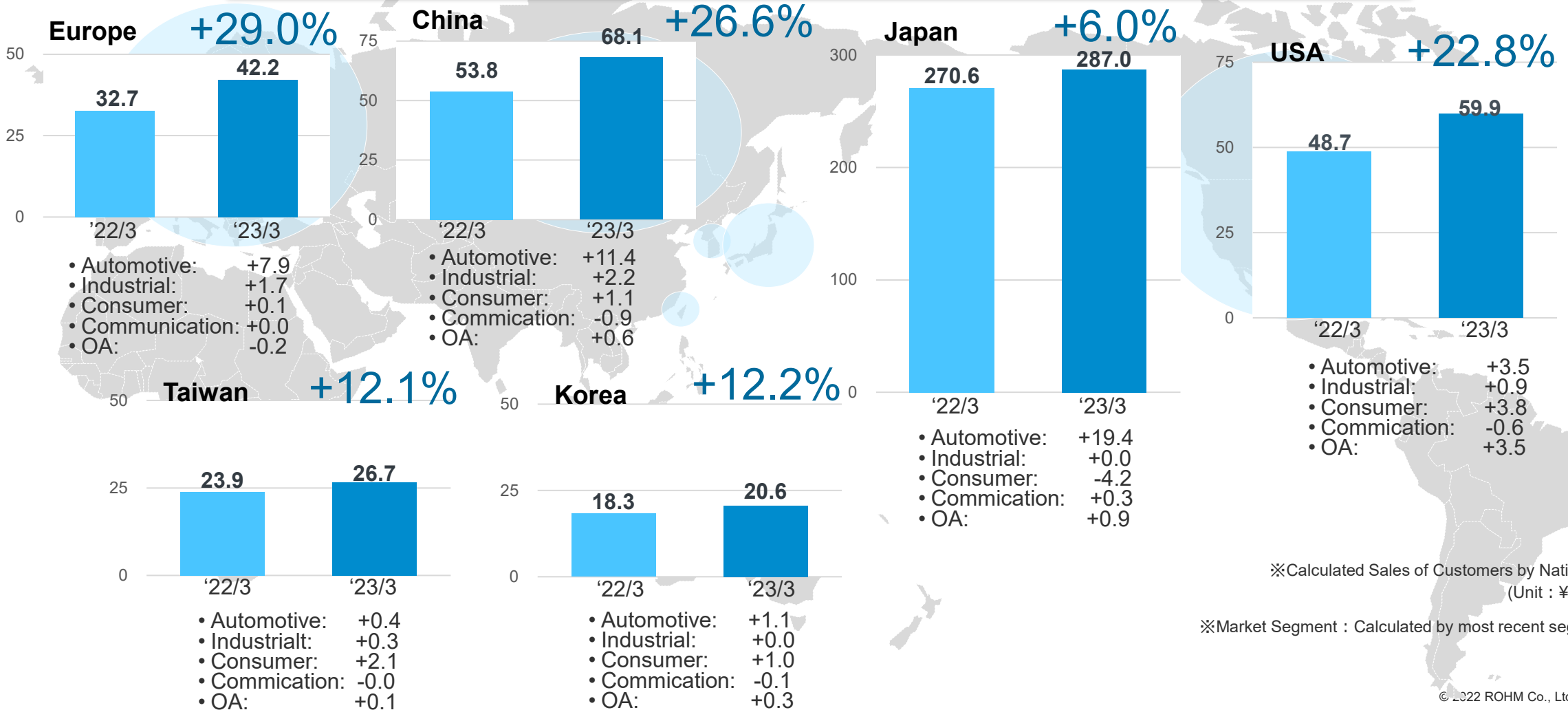
¥452.1 billion

¥510.0 billion

'22/3 Results

'23/3 Plan

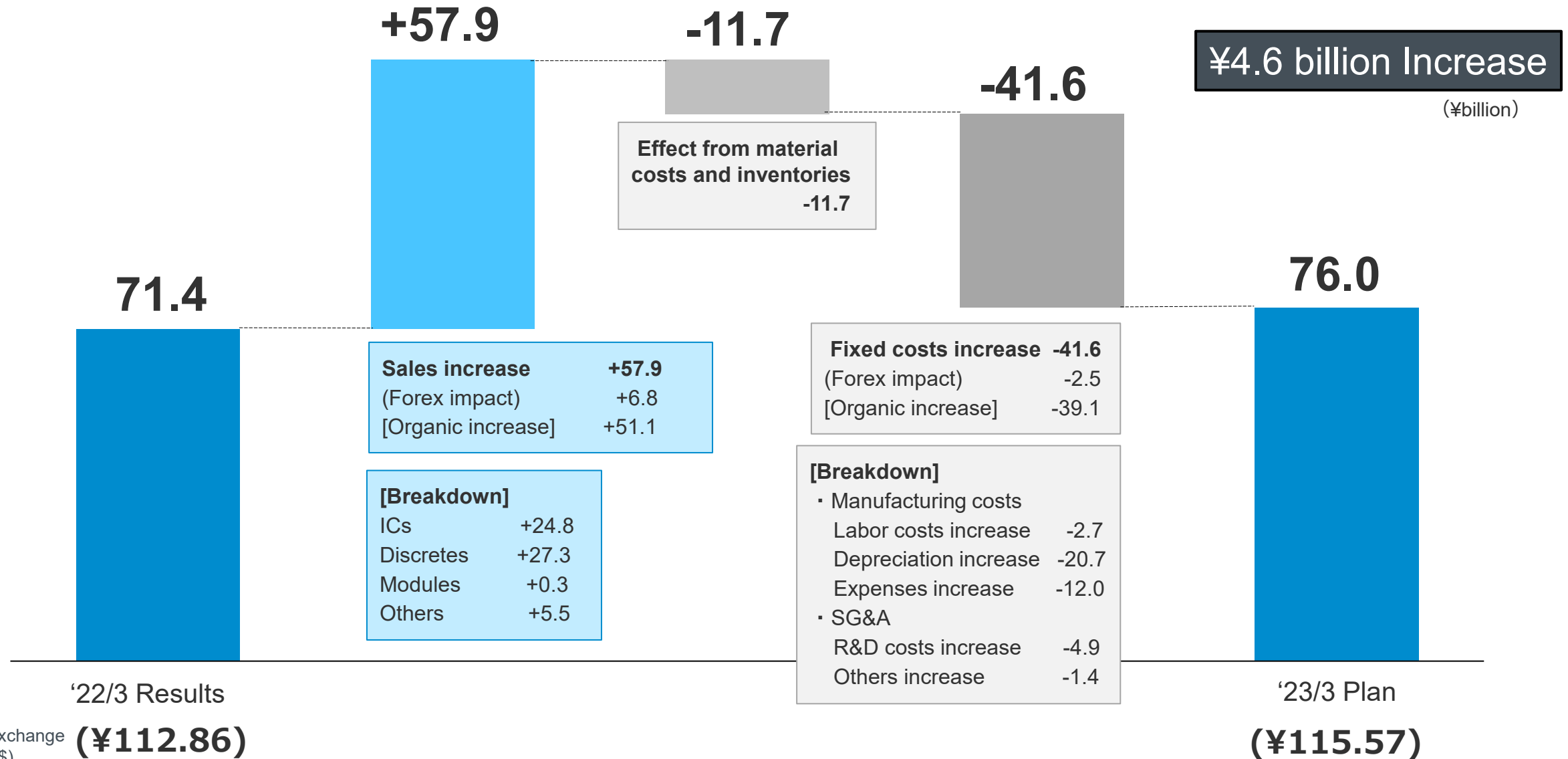
+12.8%



※Calculated Sales of Customers by Nationality (Unit : ¥billion)

※Market Segment : Calculated by most recent segment

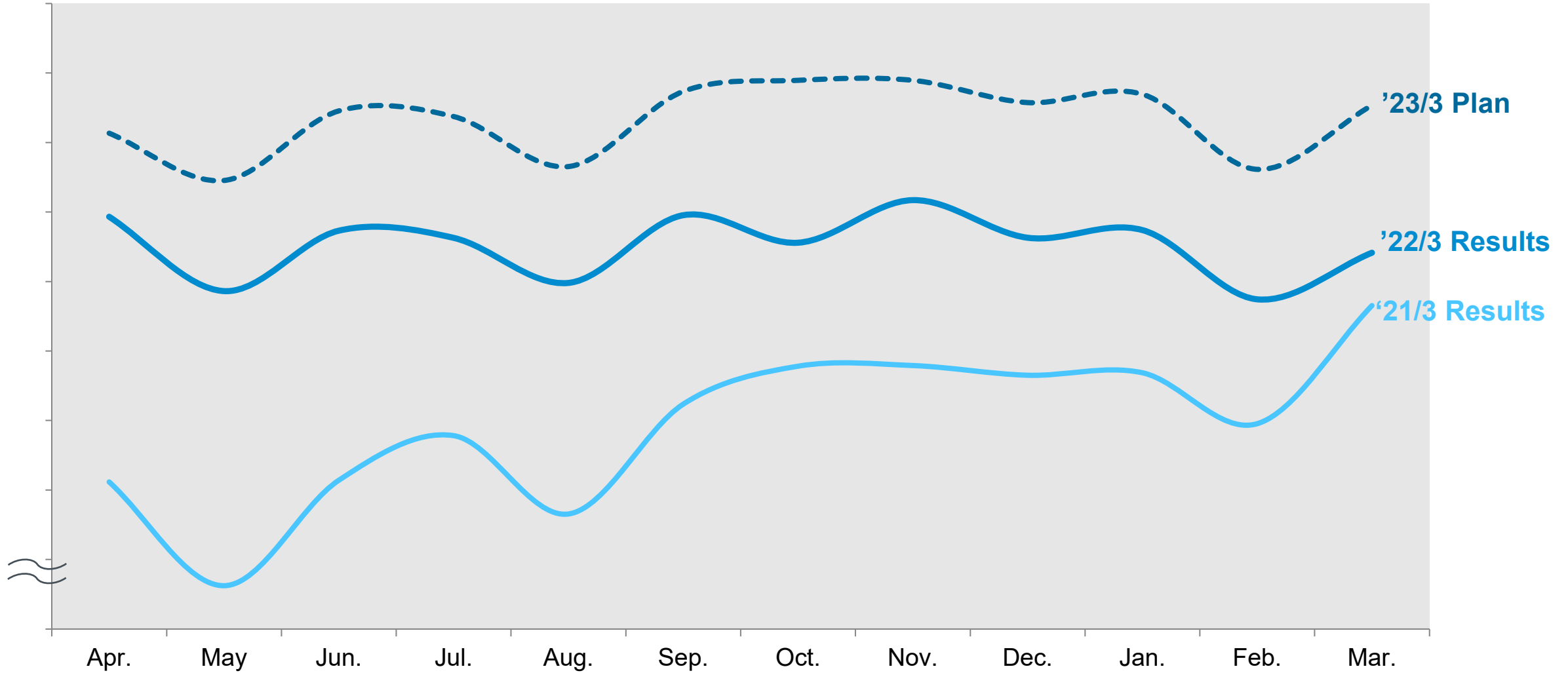
Changes in Operating Profit ('22/3 Results vs '23/3 Plan)



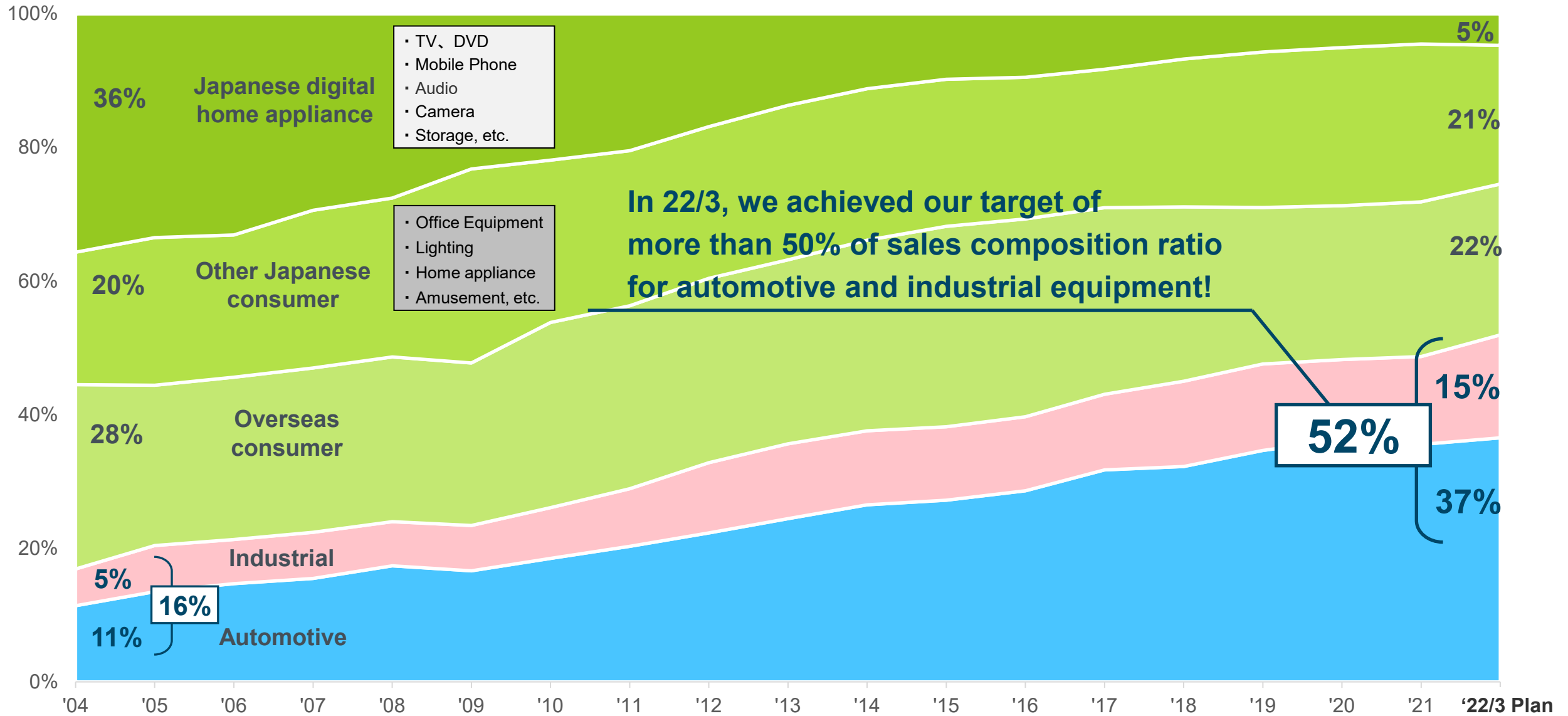
Average exchange rate (¥/US\$) **(¥112.86)**

(¥115.57)

Excluding effect from forex



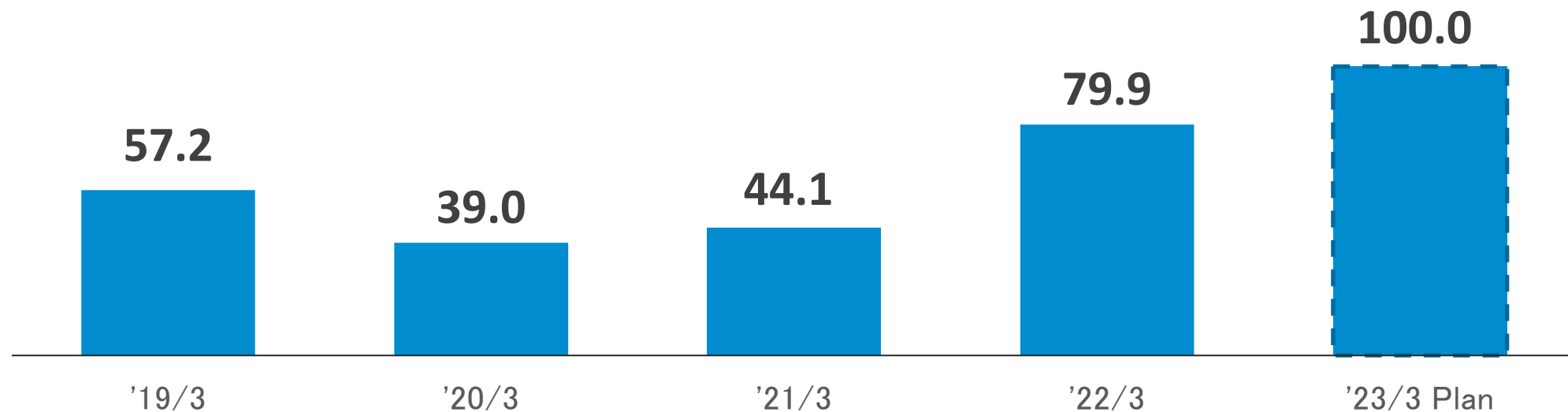
Trend of Sales Composition Ratio by Market



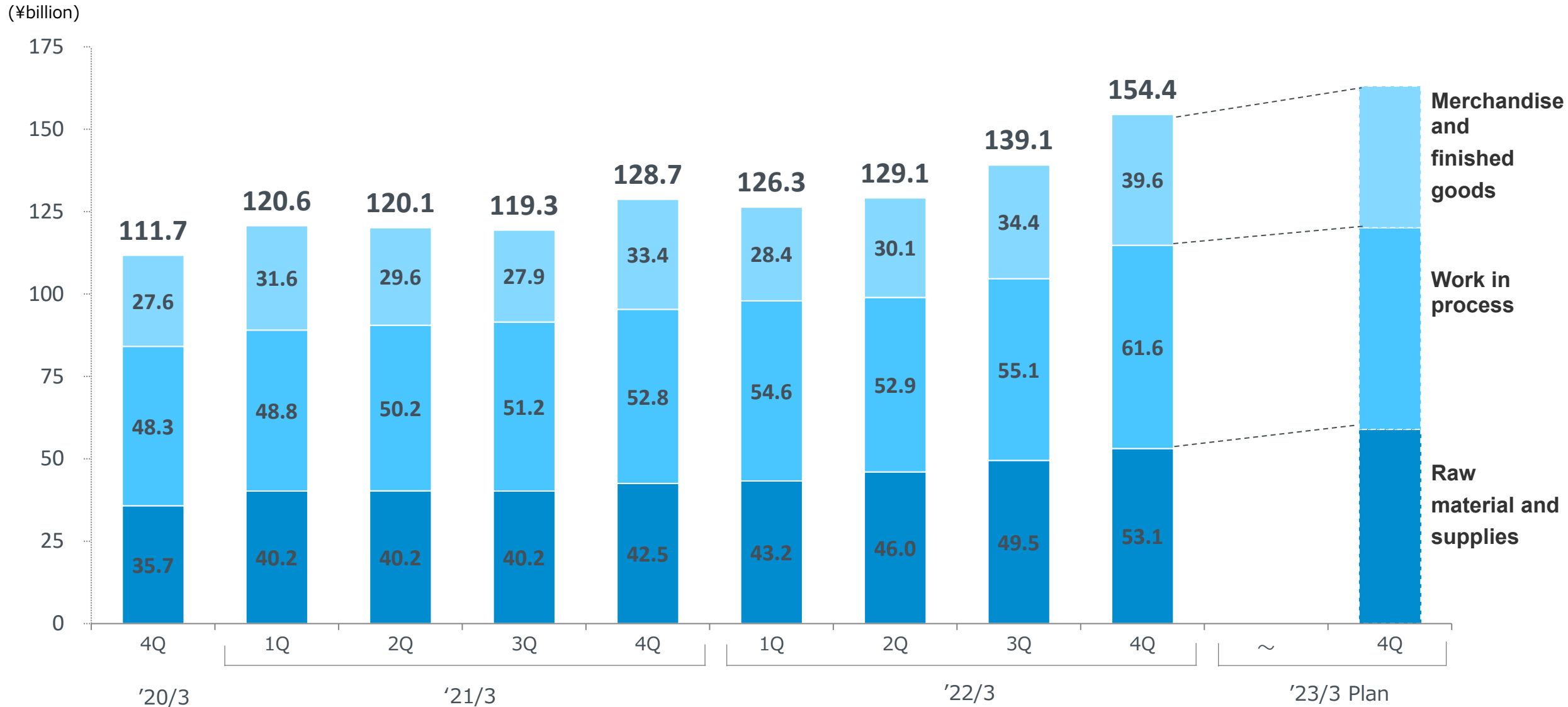
Capital Expenditures

(¥billion)

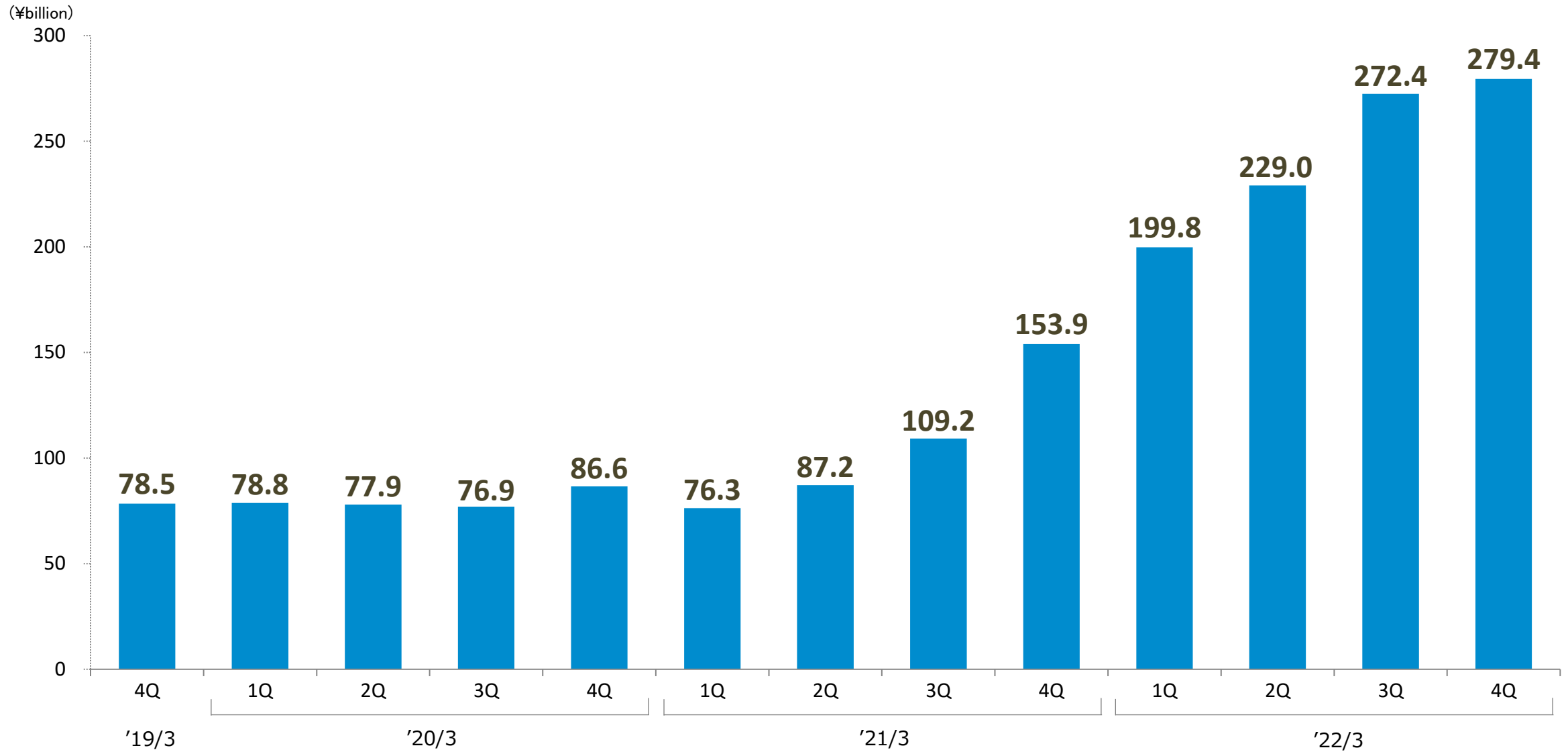
(¥billion)	Total	Capacity Increase	Land/ Building	Improve Quality	Others
'21/3 Results	44.1	12.2	16.0	2.7	13.2
'22/3 Plan	70.0	37.7	15.7	3.1	13.5
'22/3 Results	79.9	45.2	19.8	1.9	13.0
'23/3 Plan	100.0	51.3	35.4	2.0	11.3



Inventories (Amount)

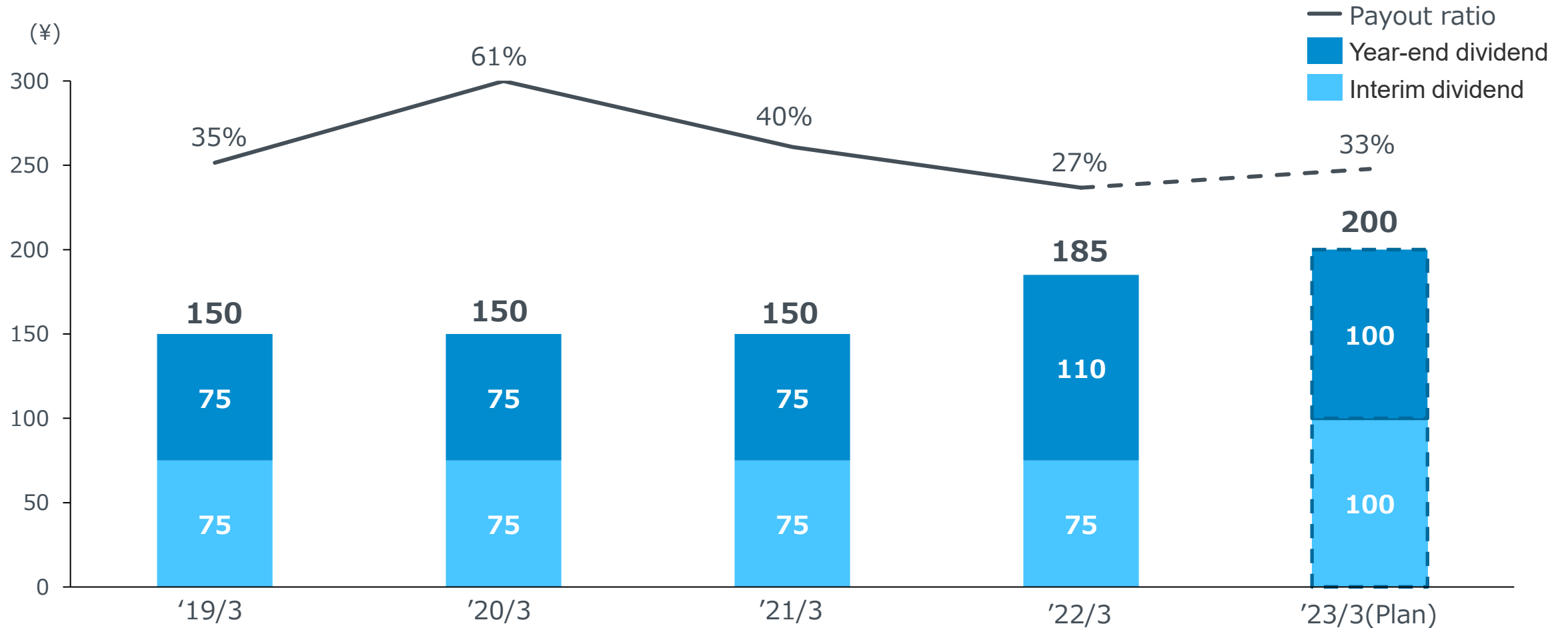


Trend of Order Backlog



Returns to Shareholders

- Aim to return a dividend ratio on a consolidated basis of 30% or more
- Timely implementation of share buybacks to improve capital efficiency



Medium-Term Management Plan (MOVING FORWARD to 2025)

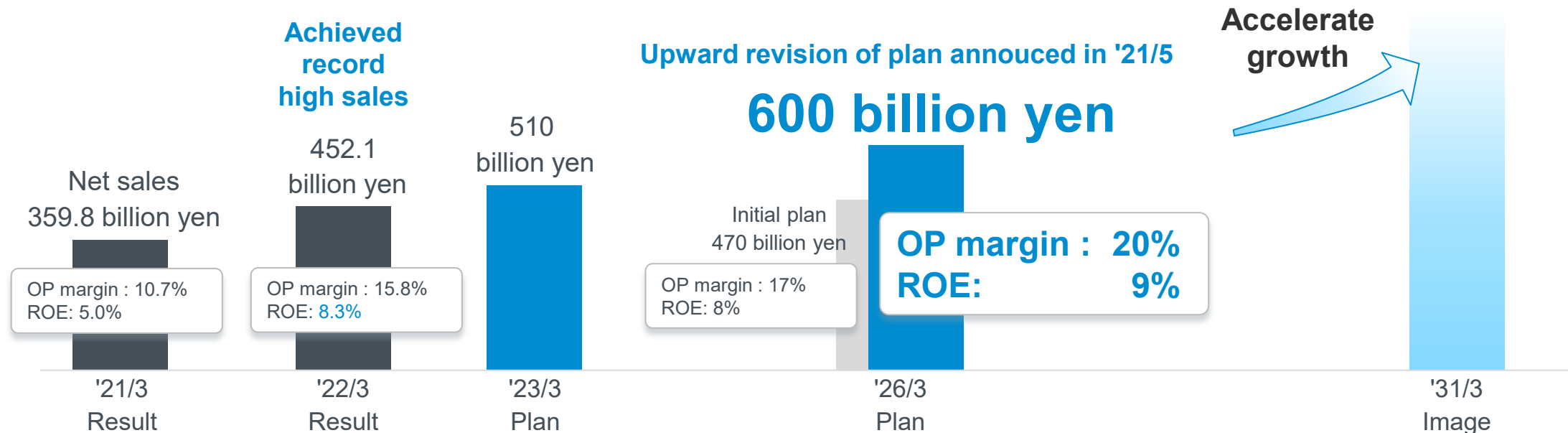
FY2021-FY2025

FY2030

Achieve growth in the "automotive segment" and "markets outside of Japan" and build a foundation for further growth

Become a major global player

- Five years to return to growth trajectory
- Establish global top market share in the electric vehicle market (SiCs, Isolated gate drivers)
- Achieve outside of Japan sales ratio of **50% or more** (previous plan: 45% or more)
- Strengthen profit structure (raise unit prices and further improve production efficiency through high value-added products)
- Establish sales/development structures that can compete globally



Upward revision of Management Targets announced in May 2021

Financial Targets

Net sales **¥600+ billion**
(Initial plan: ¥470+ billion)

Operating margin **20%+**
(Initial plan: 17%+)

ROE **9%+**
(Initial plan: 8%+)

Non-Financial Targets (Abridged)

Environment (FY2030)

- Reduce GHG emissions by **50.5%** (vs. FY2018)
(Initial plan: reduce by 30%)
- Promote 100% introduction of renewable energy by FY2050
- Achieve zero waste emissions

Diversity and Employees

- Achieve global female manager ratio of 15%
- Reach employee engagement score above industry average

Customers

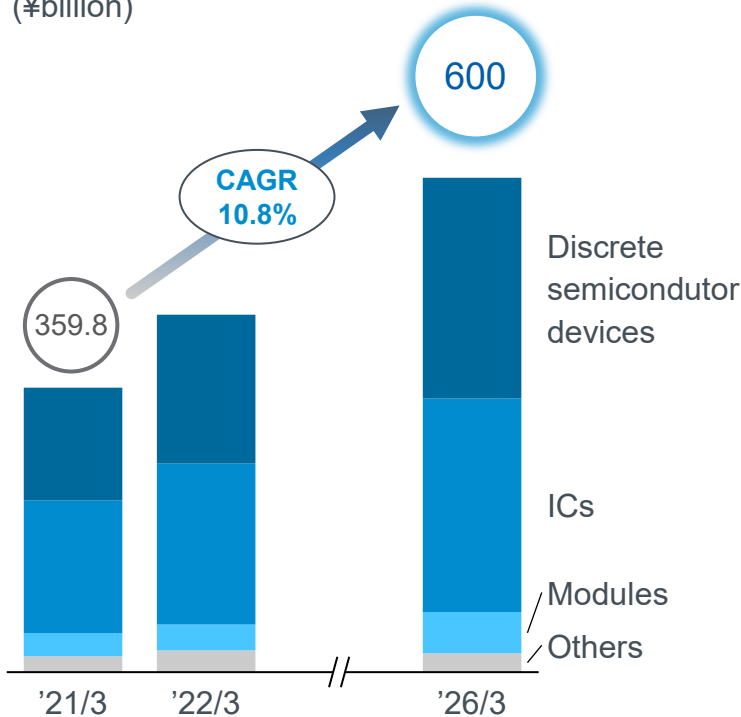
- Improve quality satisfaction score by +10% (vs. FY2020)

Company-Wide Growth Policy in the Medium-Term Management Plan

Achieve significant growth in power and analog, mainly in automotive segment and markets outside of Japan (policy remains unchanged)

Medium-Term Management Sales Plan

(¥billion)



38% → 50%+

Sales ratio outside of Japan

Growth Policies per Business

Grow

Significantly increase sales in core growth businesses

Evolve

Achieve qualitative transformations including shift to higher value-added products and markets outside of Japan

Create

Plant new seeds for growth for FY2025 and beyond

Automotive



Industrial equipment



Consumer



Discrete semiconductor devices

Power devices

General-purpose devices

- Expand market share of 4th-gen. SiC-MOS
- Enter markets for 5G/6G servers/base stations with 6th-gen. Si-MOS

- Develop SiC power modules for electric vehicle main inverters
- Develop IGBT devices for electric vehicle main inverters

- Expand high-efficiency products for energy-saving home appliances and accelerate overseas expansion
 - IGBT
 - FRD
 - Si-MOS

- Increase product value through miniaturization while maintaining top share as a cash cow business
- Build a production system capable of responding to changes in demand

Discrete semiconductor devices

ICs

- Strengthen products for electric vehicles
- Expand entry into automotive segment outside of Japan
 - Isolated gate drivers
 - Power management ICs (PMICs)
 - LED driver ICs

- Develop new products for base stations and data centers

- Maintain consumer sales with compact, high-efficiency products
 - IPM, ACDC for energy-saving home appliances

Discrete semiconductor devices

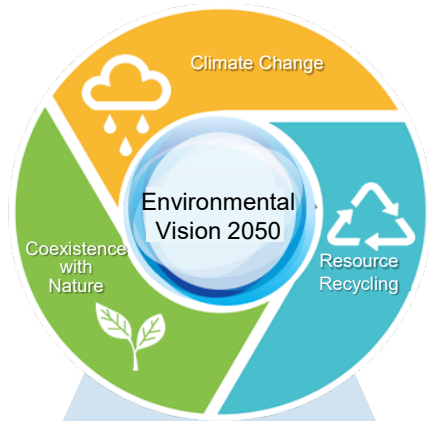
Modules Others

- Focus on self driving support modules and sensing devices for security (certification)

Initiatives to Address Environmental Issues: Progress of the Environmental Vision 2050 and SDGs

- Accelerate initiatives to reduce environmental impact by raising GHG reduction targets and actively introducing renewable energy to achieve our Environmental Vision 2050

Priority Issues for Sustainability Management of ROHM Group



FY2050 Sustainable future

FY2030 Recognized as a turning point toward a sustainable future

FY2022 - Member of RE100 and collaborative agreements with the government
- Disclosure based on TCFD

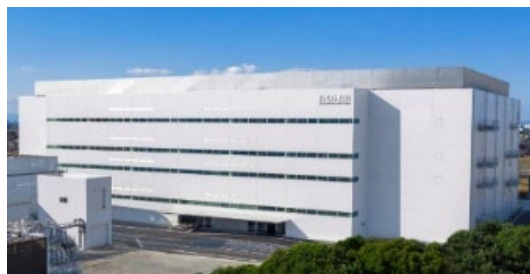
FY2021 TCFD endorsement and acquisition of SBTi certification

Important SDGs Issues	Category	Targets for FY2030
<p>Climate Change</p> <p>Net zero CO₂ emissions</p>	Reduction of GHG	- Reduce GHG emissions by 30% vs. FY2018 ⇒ Raised the reduction target to 50.5% - Reduce emissions per unit of production by 45% vs. FY2018
	Promotion of use of renewable energy	- Promote shift to renewable energy with the goal of 100% introduction by FY2050
<p>Resource Recycling</p> <p>Zero emissions</p>	Reduction of resources	- Improve water recovery/reuse rate by 5.5% or more vs. FY2019
	Reduction of waste	- Achieve zero waste emissions
<p>Coexistence with Nature</p> <p>Harmonize business activities with natural cycles</p>	Promotion of greening	- Promote factory greening at all locations - Improve conservation of organisms inhabiting each region
	Management of chemical substances	- Respond to policies and regulations in various countries around the world regarding chemical substances - Reduce the use of chemical substances

FY2022 Locations where renewable energy is installed



SiCrystal (Germany)



ROHM Apollo
(Chikugo, Fukuoka)



Kyoto

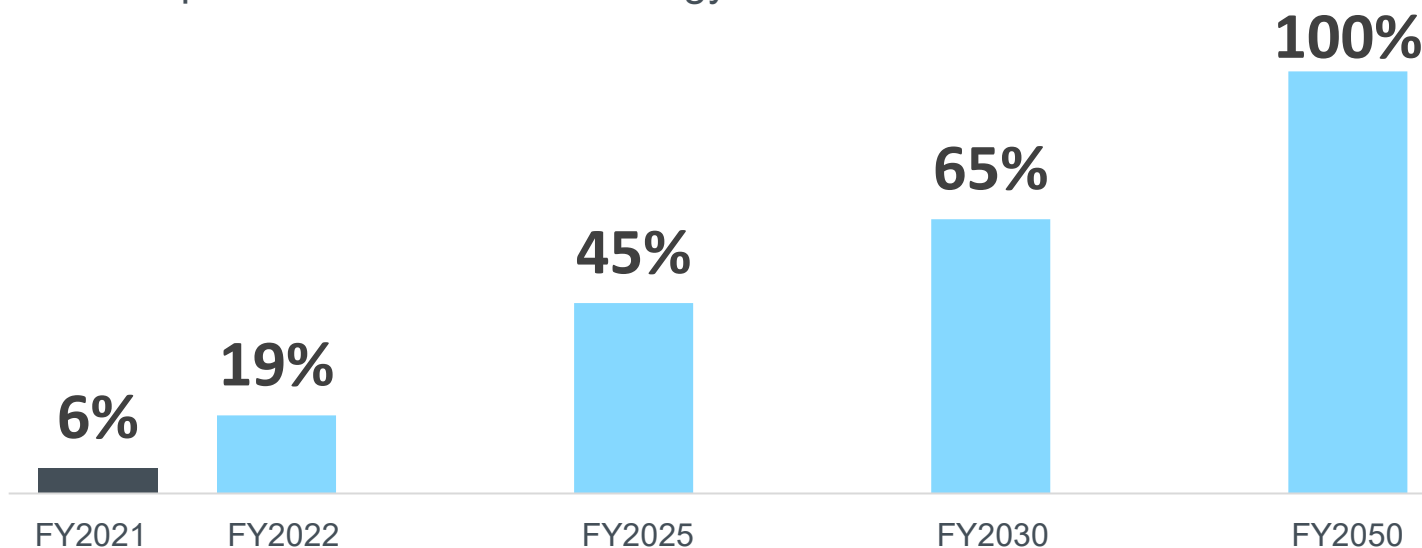


Shinyokohama



RIST (Thailand)

■ ROHM Group's ratio of renewable energy



FY2050
Achieve 100%
renewable energy

RE100



Major External Evaluations



Awarded the highest Platinum ranking



Selected as a CDP Water Security A-List company in the survey on water resource management (highest ranking)



FTSE4Good

19 consecutive years



FTSE Blossom Japan

6 consecutive years

Continuously selected in major ESG indexes

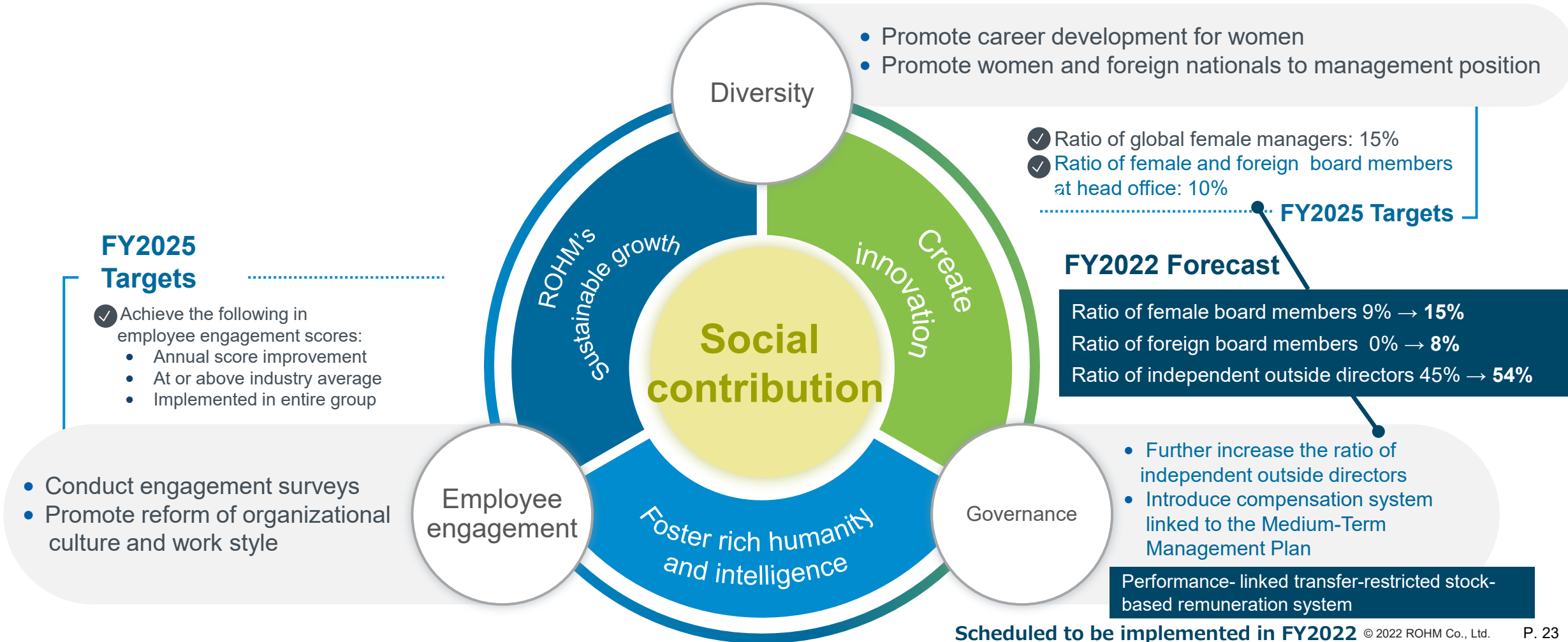


SCIENCE BASED TARGETS

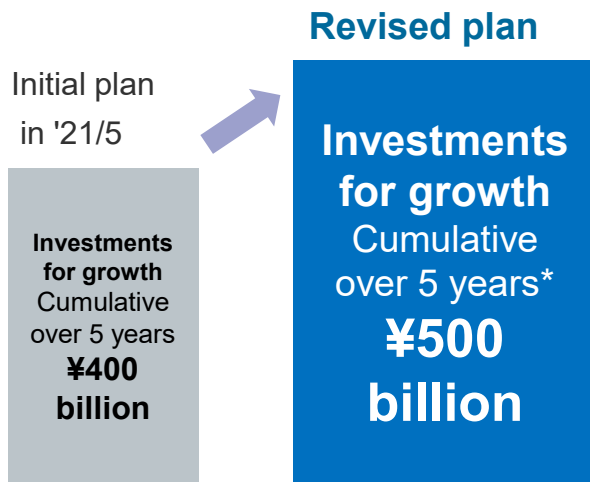
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Acquired SBT1.5°C certification for GHG emission reduction targets

- Diverse employees with rich humanity and intelligence will maintain high engagement and create innovation continuously
- Achieve sustainable corporate growth along with effective governance reforms



- Reduce cash on hand gradually over five years to a level around 50% of annual sales in FY2025
- Invest **¥500 billion** for business growth in the five years and ensure proactive shareholder's return



- Development of next-generation SiC devices
- Power Devices (SiC New Building 8inch Production Line/ Si-MOS and IGBT Production Line Enhancement)
- ICs (12-inch Bi-CDMOS production line, isolated gate driver production line enhancement)
- Establishment of Manufacturing Innovation Hub on the premises of the head office
- M&A and capital tie-ups to expand business and acquire technologies

* Five years within FY2021~FY2025

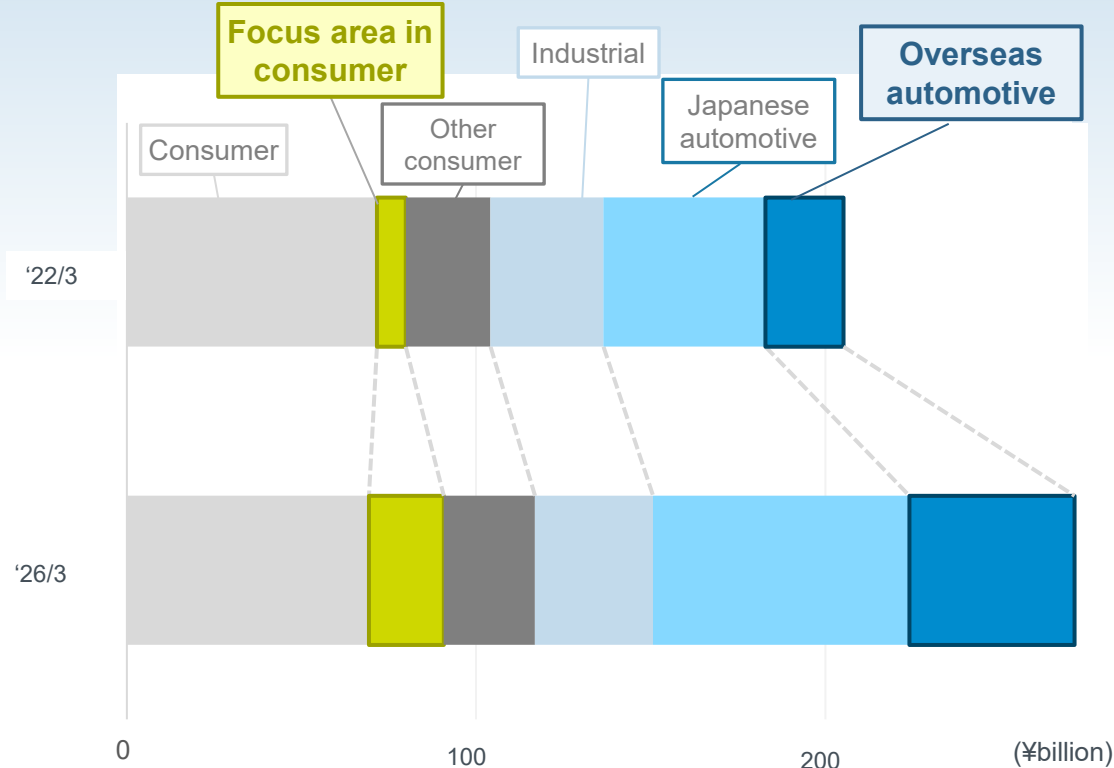
Return to Shareholders

- Dividend payout ratio on a consolidated basis: 30%+
- Timely share buybacks to improve capital efficiency

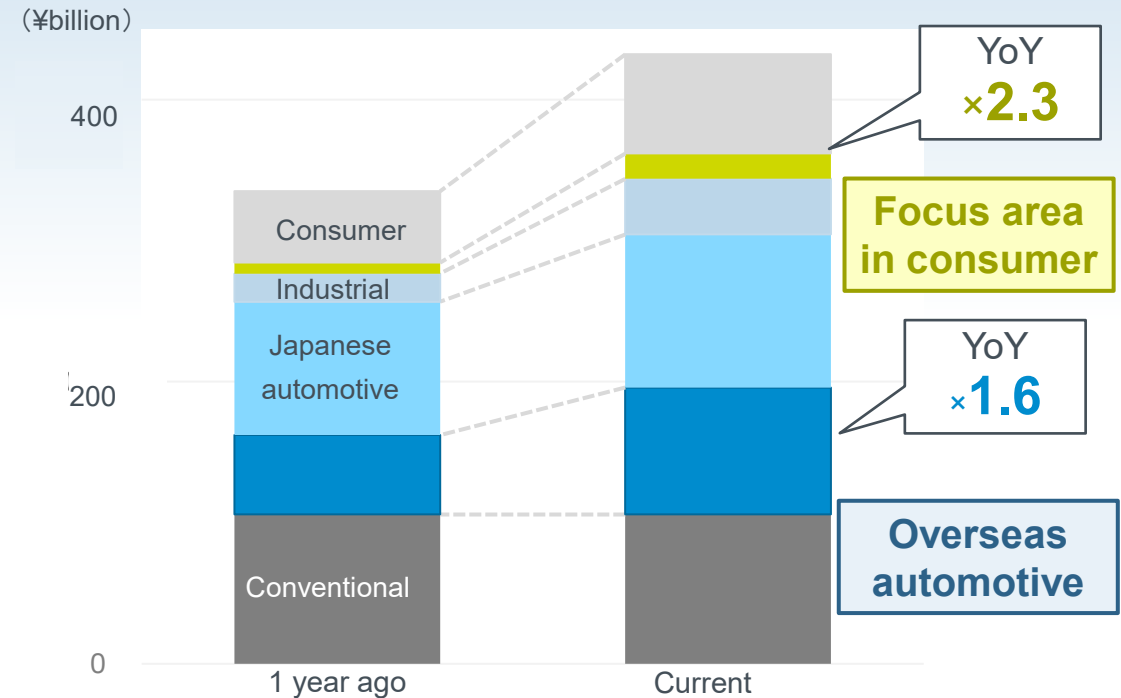
Strengthen businesses outside of Japan in the automotive segment and servers and home appliances in the consumer segment to expand sales and profit.

- Expand sales by enhancing ROHM's strengths in **customer orientation, IDM, and matching technologies.**
- Strengthen businesses inside and **outside of Japan in the automotive segment** and **servers and home appliances** in the consumer segment with our high-quality products developed over many years.

Sales plan by segments



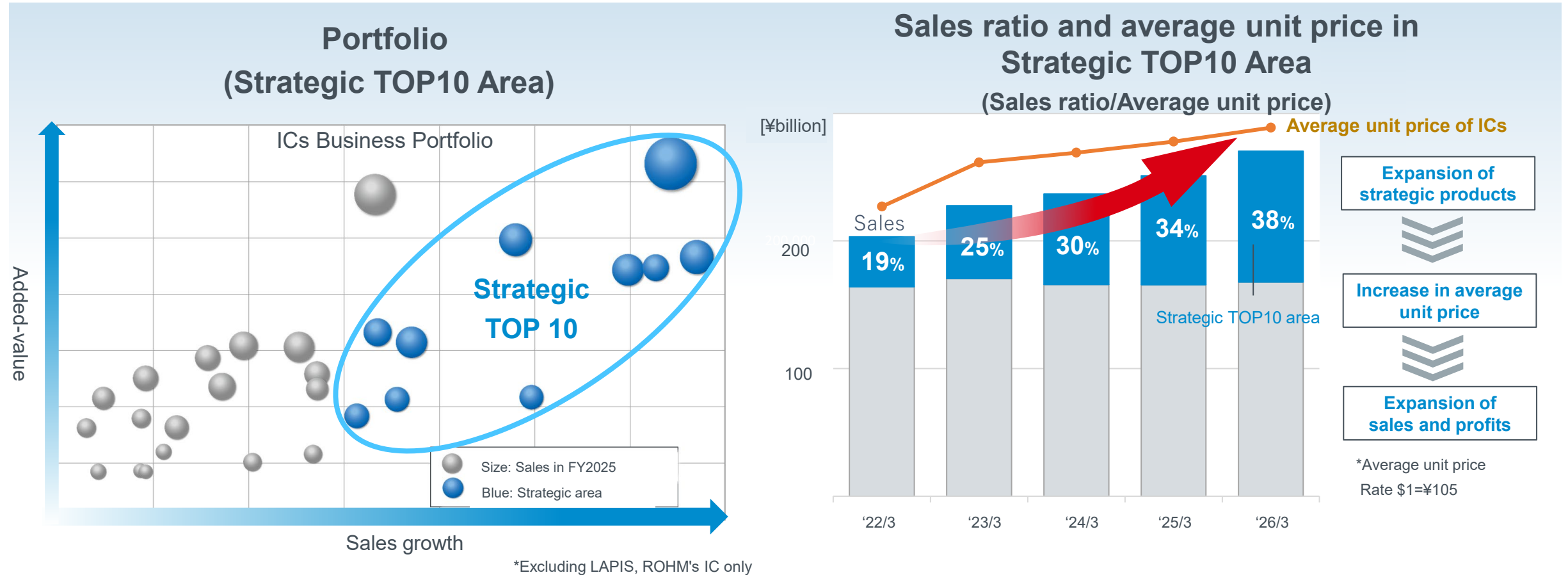
'26/3 YoY Comparison of Pipeline



Enhance development/support in the strategic TOP10 area of ASSP products

Defined the TOP10 ASSP products with **high sales growth and added-value** as the strategic TOP10 area.

Raise the **sales ratio** of the top 10 strategic products to **increase average unit price and expand sales and profits**.



- Promote product development centered on **high-performance general-purpose ASSP**
- Carry out product development on the strength of distinctive **original processes and circuit technologies**

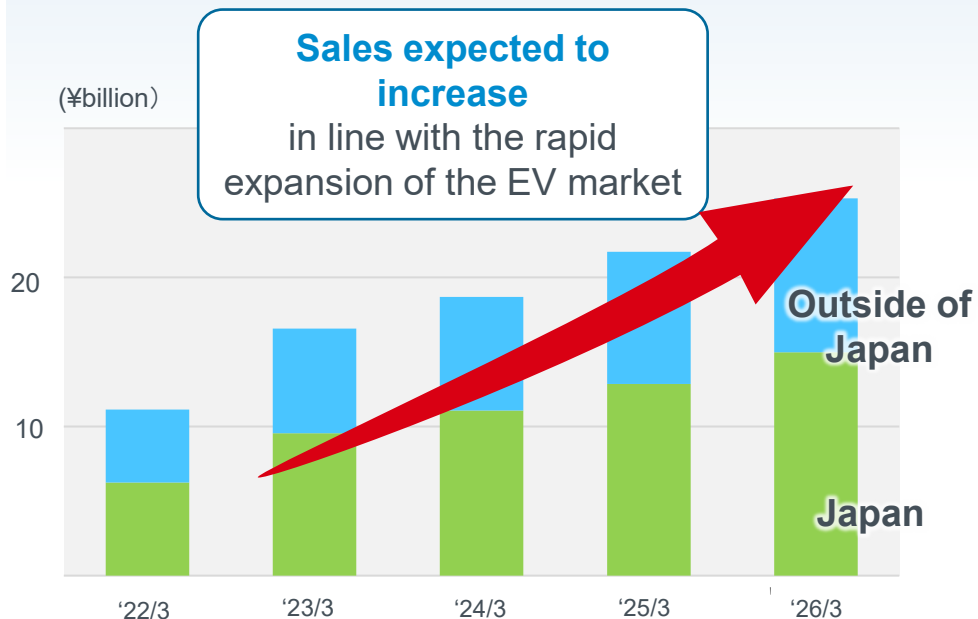
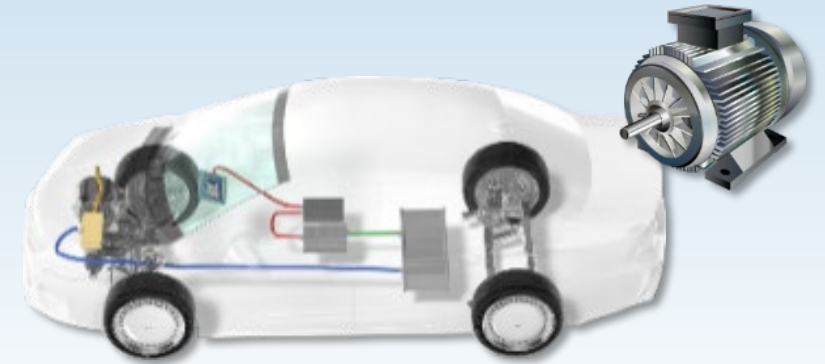
Power Solutions

Isolated Gate drivers

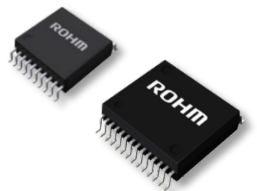
Implement-unique coreless transformer technology.

Integrate power supply, temperature monitoring, protection circuits, and more.

Unique design (including the package) to achieve **high noise immunity and reliability.**



- **Maintain the top share among major Japanese manufacturers. Significantly expand market share in the US and China.**
- **20-pin, 28-pin, and even 38-pin packages are available.** Enables further multifunctionalization.
- **Construction of a new building at the Malaysian plant is underway to accommodate future growth. Mass production is slated to begin in 2024.**



No.1 Global market share of isolated gate drivers for traction inverters

Isolated Gate Driver

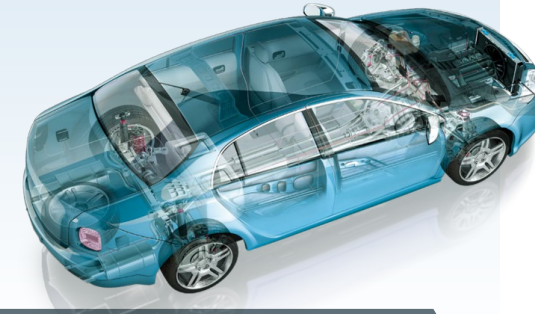
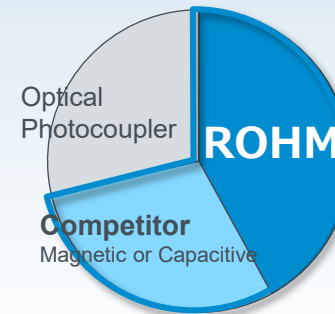
Started development of isolated gate drivers that drives SiC to promote miniaturization of automotive inverters

Started development

What are we aiming for?

- Ensure a reliable operation under automotive environment
- Fulfill the requirements of inverters' continuous evolution

ROHM currently has a W/W share of **approximately 60%** of non-optical gate driver ICs for automotive



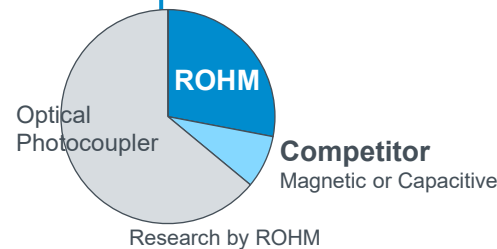
Since 2008

2016 February

Current Status of Market

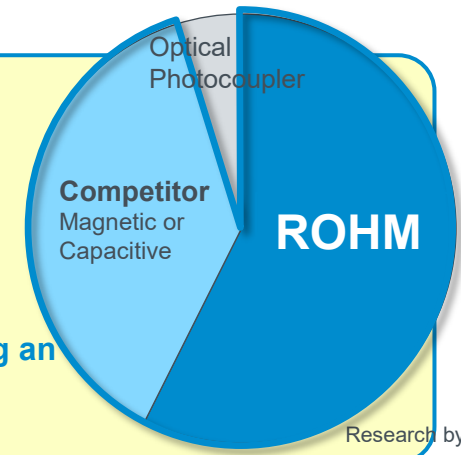
2026

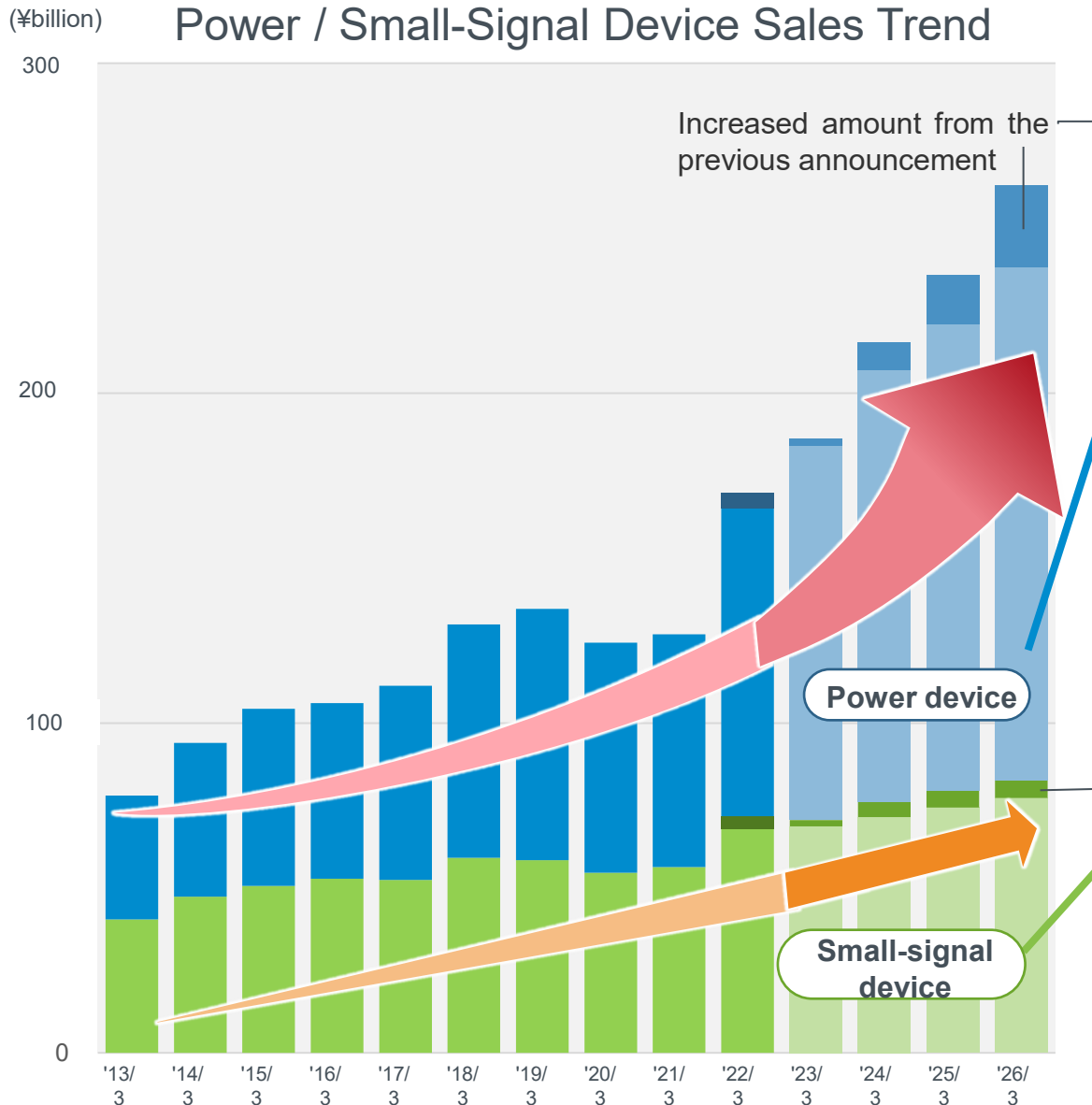
World's first



Started mass production of magnetically isolated gate drivers
Integrates temperature monitoring & power supply in a single package

- The increasing demand for miniaturization of EVs (inverters, etc.), will increase the market ratio of magnetically isolated gate drivers.
- ROHM aims to expand sales while maintaining an overwhelming market share.





Power device business

※ROHM study

Raise the top line and grow into a core business

- WW-share (2020 ⇒ 2025) 8th ⇒ 5th place※
(4th place ⇒ 2nd place as a Japanese semi. manufacturer) ※

Increase share

Large-scale growth

- Develop industry-leading performance**
 - 7th generation low withstand -voltage MOSFETs
 - 4th generation IGBTs
- Strengthen sales promotion**
 - Solution proposals (including gate drivers and shunt resistors)

Small signal device business

Maintain the top share to remain a cash cow business

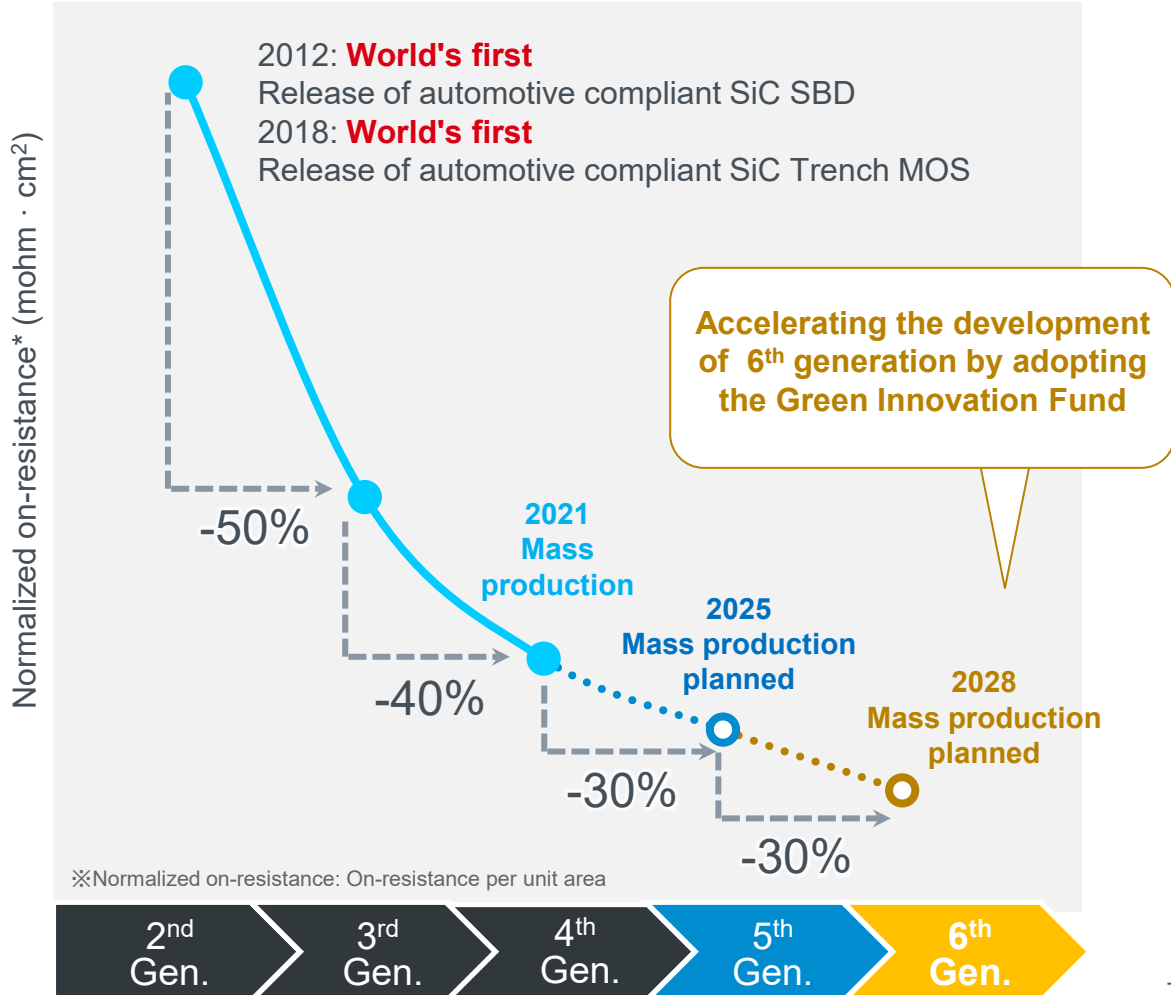
- Review inventory design
- Level production

Stable supply

TOP share

- Lower cost**
 - Increase the number of high-efficiency production lines
 - Introduce labor saving lines
- Improve service**
 - Introduce flexible lines
 - Low volume/High mix/Low TAT

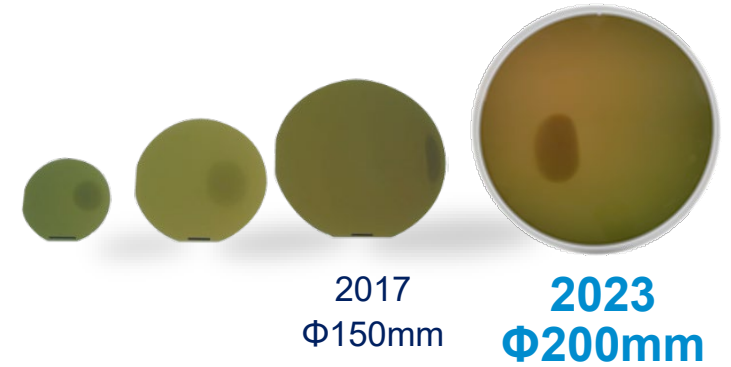
- Industry-leading low ON-resistance technology



- Increasing wafer diameter improves production efficiency



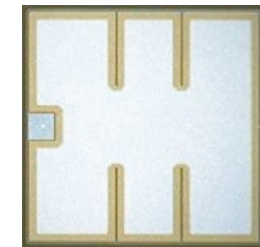
SiCrystal
A ROHM Group Company



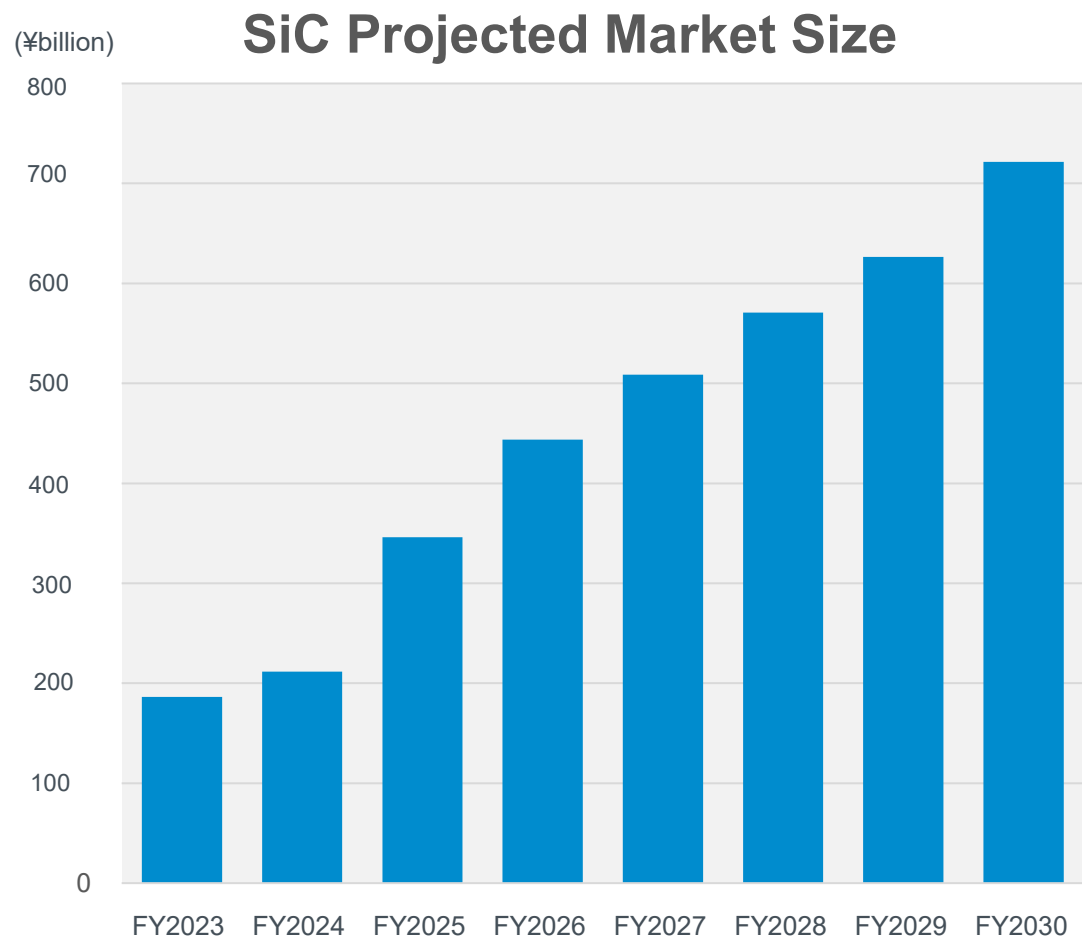
- Supporting high output inverters by increasing element size



From 2015
25mm²



From 2024
50mm²



*ROHM's estimation

FY2025	
Sales (Single year)	>¥100 billion
Pipeline (Cumulative)	¥840 billion (until FY2025)
Production capacity (Single year)	>6 times (vs. FY2021)
Investment (Cumulative)	¥120 billion - ¥170 billion (FY2021-FY2025)

<Note>

1. This material is originally written in Japanese. In the event of any differences or discrepancies in the contents including contexts, figures, and others between Japanese and English version of the material, Japanese original version shall govern.

2. The forecasts for the fiscal year ending March 2023 are based upon the information which the company considers reasonable at this time. Actual results may differ considerably by the changes of environment and so forth.

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Electronics for the Future