

November 10, 2022

FOR IMMEDIATE RELEASE

V Technology Co., Ltd.
 Shigeto Sugimoto: President & CEO
 Shogo Yoshimura: IR Group Leader

Notice on Revision of Earnings and Dividends Forecast

In light of recent business trends, we have revised our business forecast announced on May 13, 2022 as follows.

1. Earnings Forecast for the Fiscal Year ending March 31, 2023 (April 1, 2022 through March 31, 2023)

	Net sales (Millions of Yen)	Operating profit (Millions of Yen)	Ordinary profit (Millions of Yen)	Income attributable to owners of the parent (Millions of Yen)	Net income per share (Yen)
Previous Forecast (A)	45,000	4,500	4,400	2,900	444.70
Current Forecast (B)	44,000	700	1,500	1,200	124.10
Change (B-A)	△1,000	△3,800	△2,900	△1,700	—
Change (%)	△2.2%	△84.4%	△65.9%	△58.6%	—
Results of FY22 (*Ref)	51,418	5,461	5,868	4,198	434.21

Reasons of Revision of Earnings Forecast

In the flat panel display (FPD) equipment business, our customers' business performance deteriorated significantly due to the sharp downturn in the panel market, and they requested that we postpone the delivery and start-up of equipment due to changes in their plant start-up plans.

We have continued to negotiate with our customers to deliver and uplift equipment as planned, but we were forced to accept their request and revise our full-year sales plan.

Under these circumstances, sales declined only slightly from the forecast, as some of the projects that were not planned at the beginning of the period were able to be booked this fiscal year, compensating for the decline in sales due to the postponement.

However, the product mix deteriorated due to the postponement of high-profit projects that were expected to be booked at the beginning of the fiscal year to the next fiscal year, and the impact of soaring component procurement prices could not be absorbed by cost reductions through design rationalization and other cost-cutting measures, resulting in a significant decrease in profit.

2. Dividends Forecast for the Fiscal Year ending March 31, 2023 (April 1, 2022 through March 31, 2023)

	1st Half	Second Half	One Year
Previous Forecast(JPY)	60.00	60.00	120.00
Current Forecast (JPY)	60.00	30.00	90.00
Results of FY22 (*Ref)	60.00	60.00	120.00

Reasons of Revision of Dividends Forecast

The Company's basic policy regarding dividend policy is to return profits to shareholders in proportion to operating results, taking into consideration the stability and continuity of dividends, while taking into account various investments for further business expansion in the future and the enhancement of internal reserves necessary to strengthen the management base.

However, in light of the recent deterioration in business performance due to changes in the FPD equipment business environment and net income in the second half of the fiscal year, the Company has revised its year-end dividend for the fiscal year ending March 31, 2023, from 60 yen per share to 30 yen per share, a reduction of 30 yen per share.

3. About our future initiatives

The supply-demand balance for LCD panels is expected to gradually improve after bottoming out in 2022, and the FPD equipment business is also expected to contribute to earnings, including extension projects and OLED-related products that are under development. In the FPD equipment business, we expect to see contributions from extension projects and OLED-related products that are under development. In addition, the semiconductor and photomask equipment business is also expected to grow steadily, and we will strive to achieve earnings recovery by steadily implementing various measures aimed at business growth and reforming our earnings structure.

*Note: Above forecasts were prepared based on information available at this time and therefore actual results may be affected by a number of important factors and materially different from those discussed in forward-looking statements.