



Electronics for the Future

Financial Results for the First Half of FY2023

(From April 1, 2023 to September 30, 2023)

As of November 2, 2023
ROHM Co., Ltd.
Investor Relations Div.

- **Financial Results for FY2023 1H**
- **Revised Plan for FY2023**
- **Capital Expenditures**
- **Inventories**
- **Returns to Shareholders**
- **IC Strategies**
- **Power Device Strategies**
- **Participation in Toshiba Privatization**

Financial Results for FY2023 1H (vs Initial Plan, YoY)

(¥billion)

	FY2023 1H Results	FY2023 1H Initial Plan	Difference in %	FY2022 1H Results	Difference in %
Net sales	239.3	250.0	-4.3%	259.9	-7.9%
Operating profit	29.8	33.0	-9.6%	50.4	-40.8%
(Ratio)	(12.5%)	(13.2%)	-	(19.4%)	-
Ordinary profit	50.0	33.5	+49.5%	70.9	-29.4%
(Ratio)	(20.9%)	(13.4%)	-	(27.3%)	-
Net income	37.3	28.0	+33.2%	52.1	-28.4%
(Ratio)	(15.6%)	(11.2%)	-	(20.1%)	-
EBITDA	61.3	67.5	-9.2%	75.2	-18.5%
(Ratio)	(25.6%)	(27.0%)	-	(29.0%)	-

Average rate (¥/US\$)

(¥141.31)

(¥130.50)

(¥133.46)

Current rate (¥/US\$)

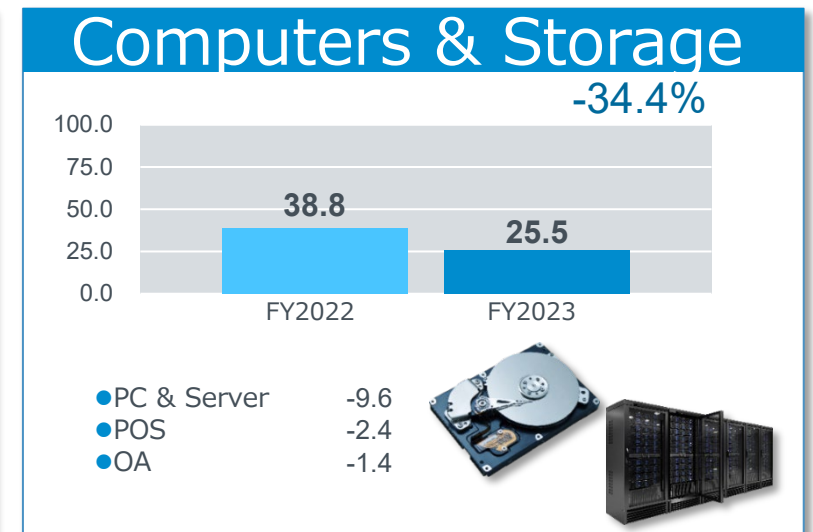
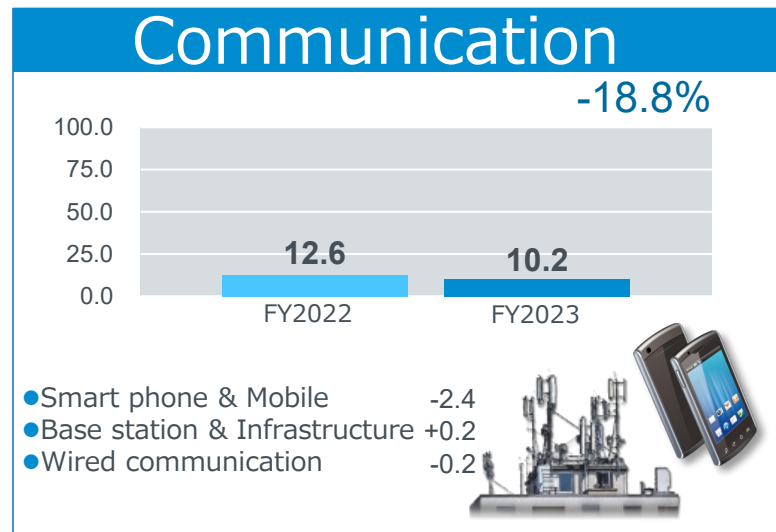
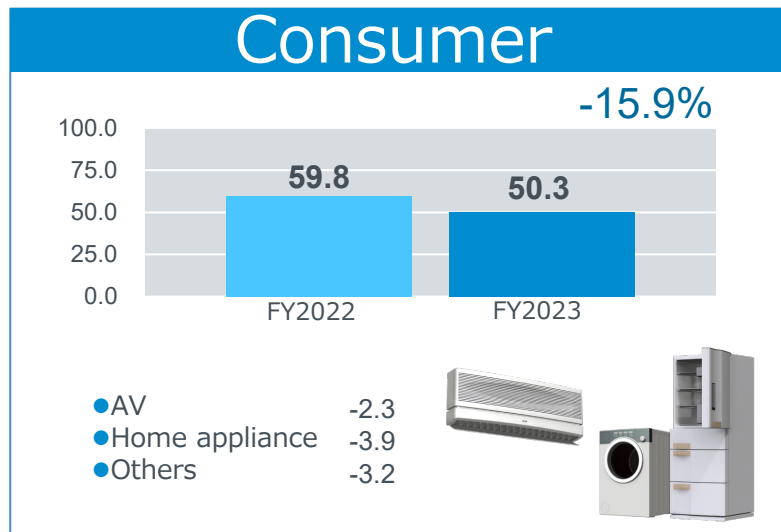
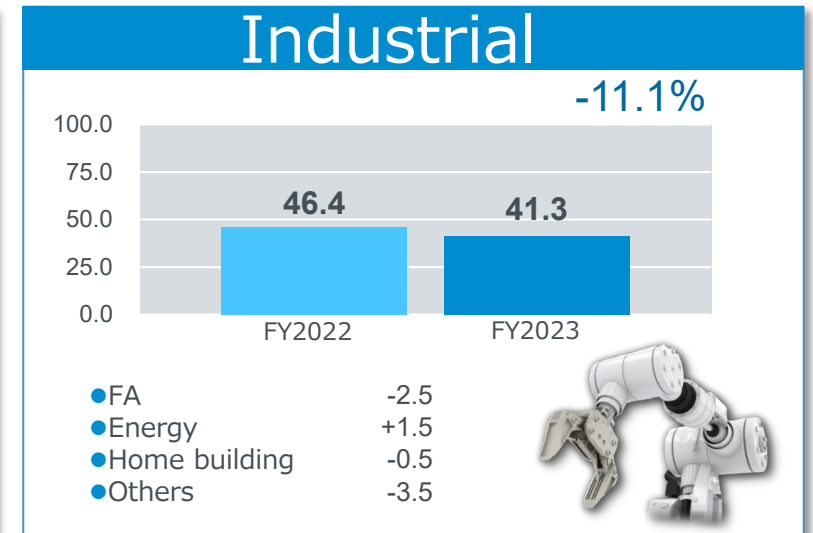
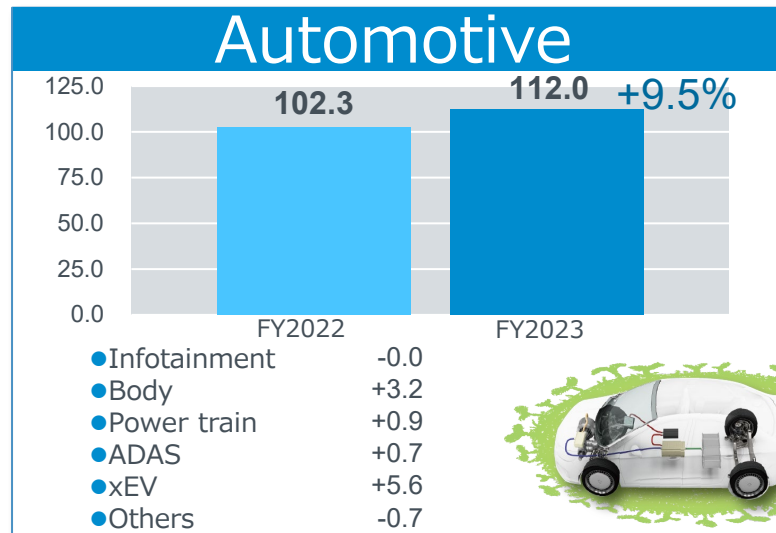
(¥149.58)

(¥130.00)

(¥144.81)

FY2023 1H Sales Trend by Market Segments (YoY)

(¥billion)



* Market Segment : Calculated by most recent segment

FY2023 1H Sales Trend by Customer Nationality (YoY)

1H Sales

¥259.9billion

¥239.3billion

FY2022 1H Results

FY2023 1H Results

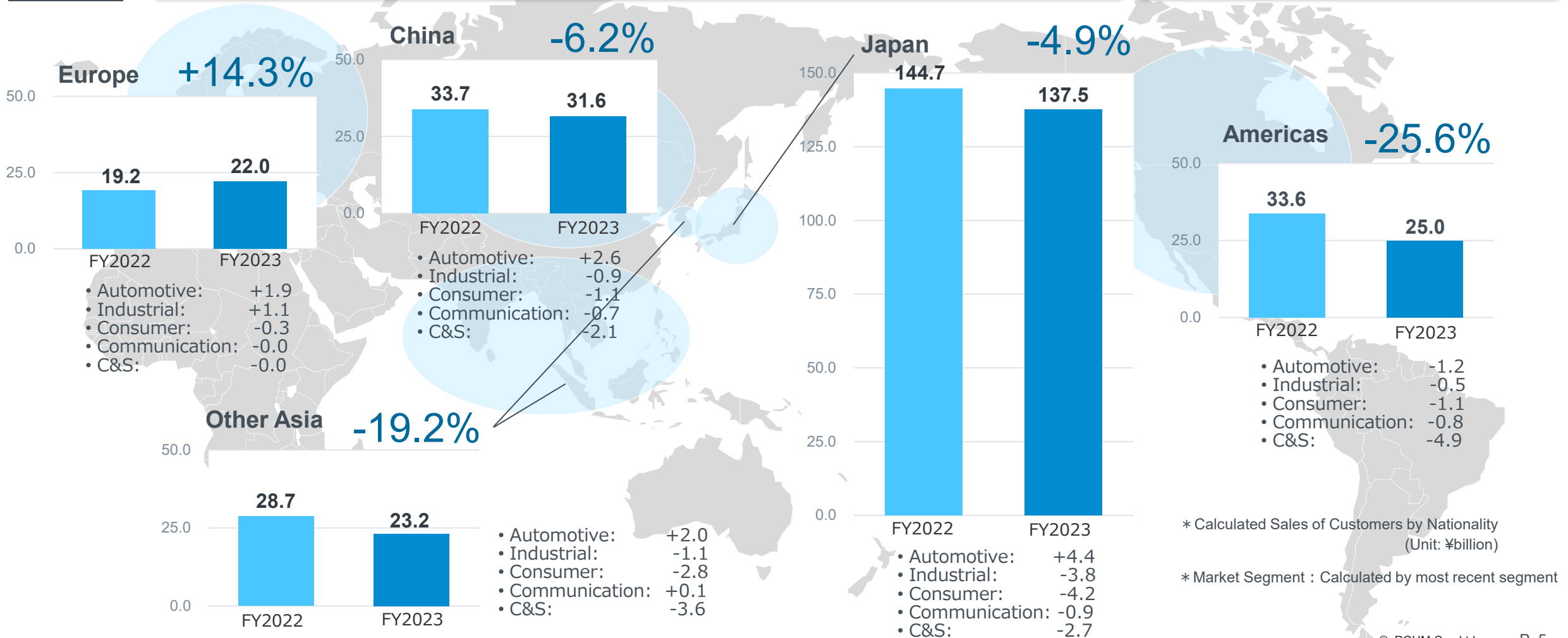
-7.9%

Sales ratio outside Japan

44.3%
FY2022 1H

42.5%
FY2023 1H

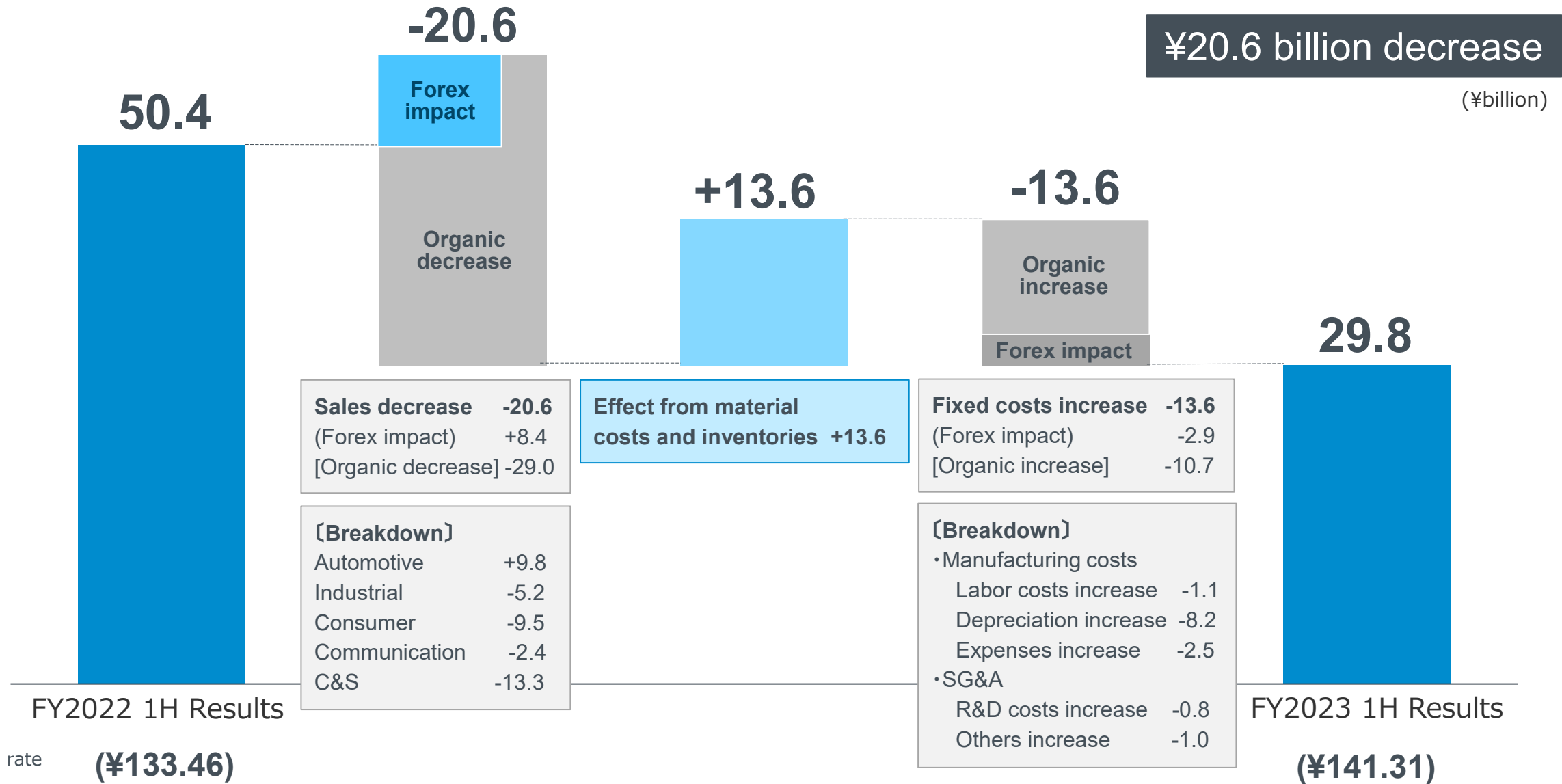
1H YoY



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

* Market Segment : Calculated by most recent segment

FY2023 1H Changes in Operating Profit (YoY)



Financial Results for FY2023 1H by Segment (YoY)

(¥billion)

		FY2023 1H Results	FY2022 1H Results	Difference in Amount	Difference in %
ICs	Net sales	107.3	117.0	-9.7	-8.3%
	Operating profit	12.2	25.7	-13.5	-52.6%
	(Ratio)	(11.4%)	(22.0%)	-	-
Discretes	Net sales	102.0	109.5	-7.5	-6.8%
	Operating profit	13.0	18.9	-5.9	-31.3%
	(Ratio)	(12.7%)	(17.3%)	-	-
Modules	Net sales	16.9	18.2	-1.3	-7.2%
	Operating profit	1.9	2.8	-0.9	-32.0%
	(Ratio)	(11.4%)	(15.6%)	-	-
Others	Net sales	12.9	15.1	-2.2	-14.2%
	Operating profit	1.2	3.0	-1.8	-59.6%
	(Ratio)	(9.6%)	(20.3%)	-	-

FY2023 Full Year Plan (vs Initial Plan, YoY)

***Revised this term**

(¥billion)

	FY2023 Revised Plan	FY2023 Initial Plan	Difference in %	FY2022 Results	Difference in %
Net sales	500.0	540.0	-7.4%	507.8	-1.6%
Operating profit	53.0	75.0	-29.3%	92.3	-42.6%
(Ratio)	(10.6%)	(13.9%)	-	(18.2%)	-
Ordinary profit	70.0	87.0	-19.5%	109.5	-36.1%
(Ratio)	(14.0%)	(16.1%)	-	(21.6%)	-
Net income	59.0	70.0	-15.7%	80.3	-26.6%
(Ratio)	(11.8%)	(13.0%)	-	(15.8%)	-
EBITDA	131.4	159.0	-17.4%	148.4	-11.5%
(Ratio)	(26.3%)	(29.4%)	-	(29.2%)	-

Average rate (¥/US\$) (¥140.71)

(¥130.27)

(¥134.95)

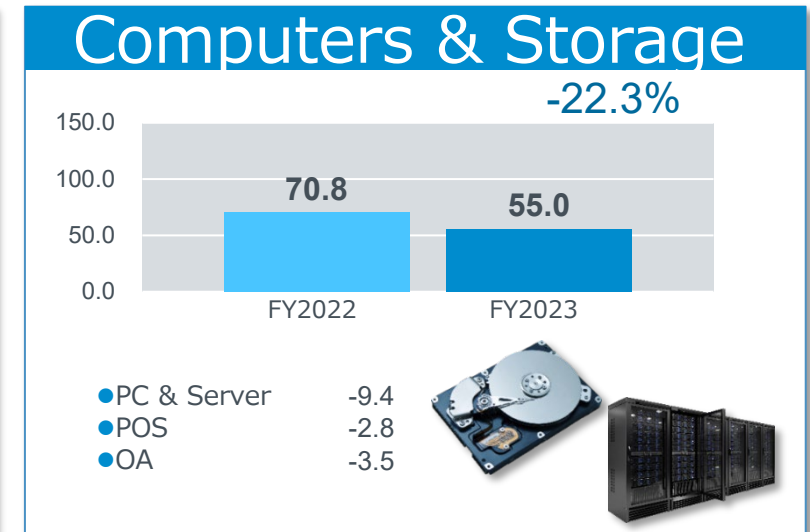
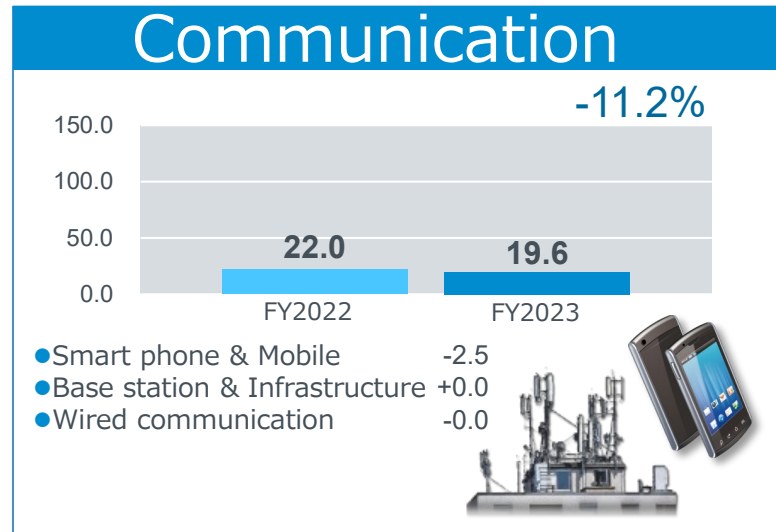
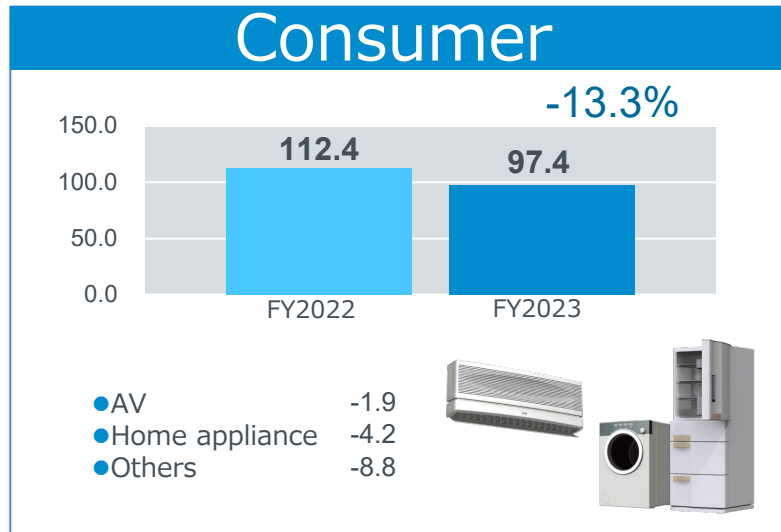
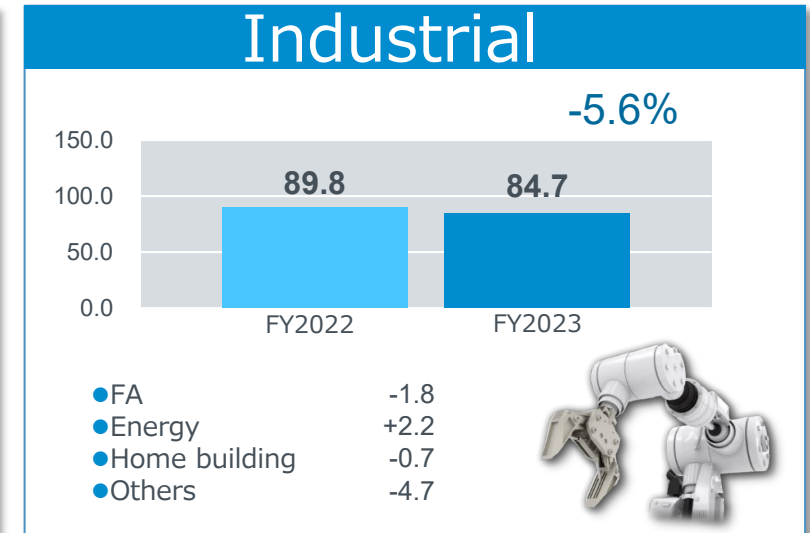
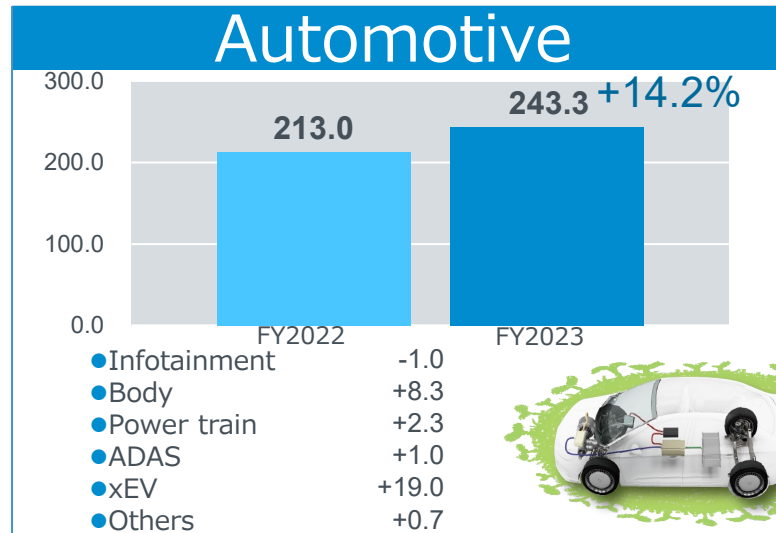
End of term rate (¥/US\$) (¥140.00)

(¥130.00)

(¥133.53)

FY2023 Full Year Plan Sales Trend by Market Segments (YoY)

(¥billion)



※業種分類：現在の状態で集計

FY2023 Full Year Plan Sales Trend by Customer Nationality (YoY)

Full Year Sales **¥507.8billion** **¥500.0billion**

FY2022 Results

FY2023 Revised Plan

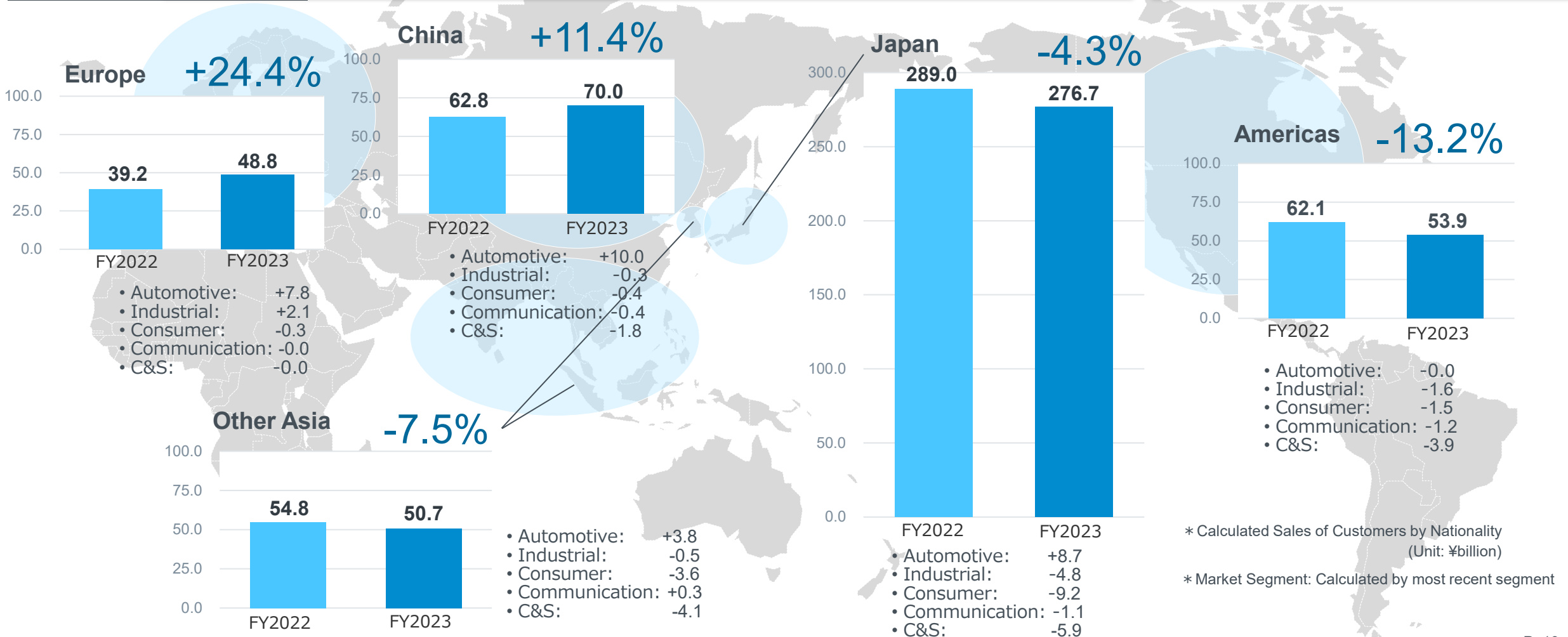
-1.6%

Full Year Plan YoY

Sales ratio outside Japan

43.1%
FY2022

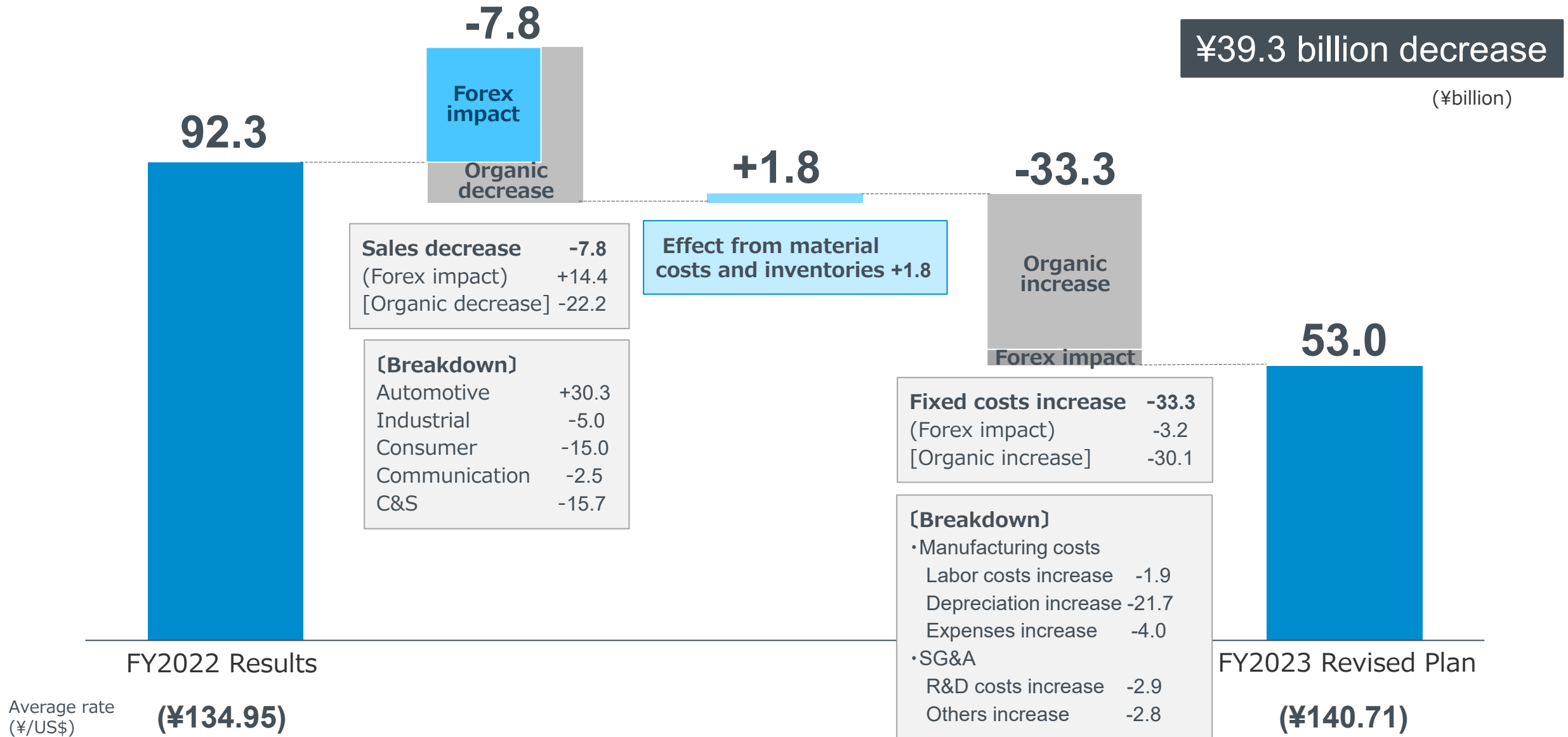
44.7%
FY2023



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

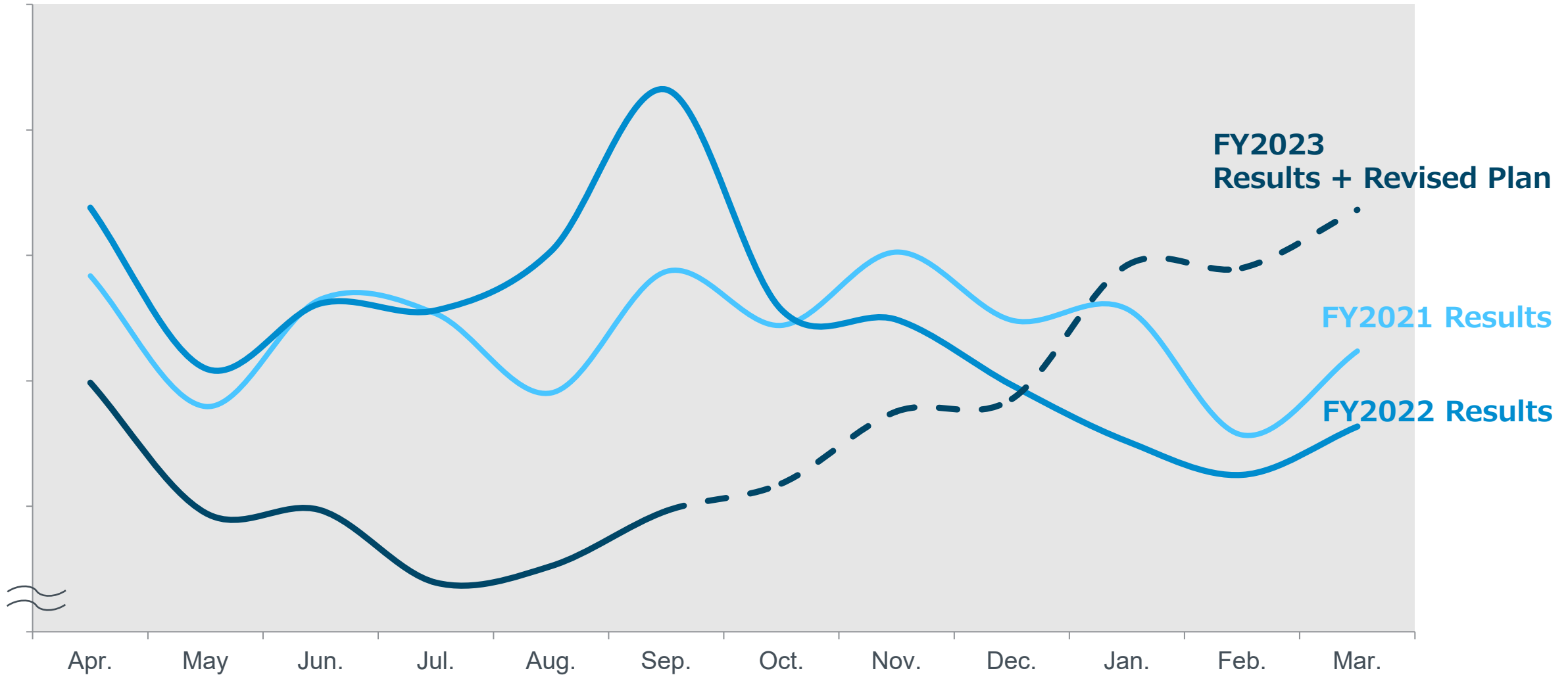
* Market Segment: Calculated by most recent segment

FY2023 Full Year Plan Changes in Operating Income (YoY)

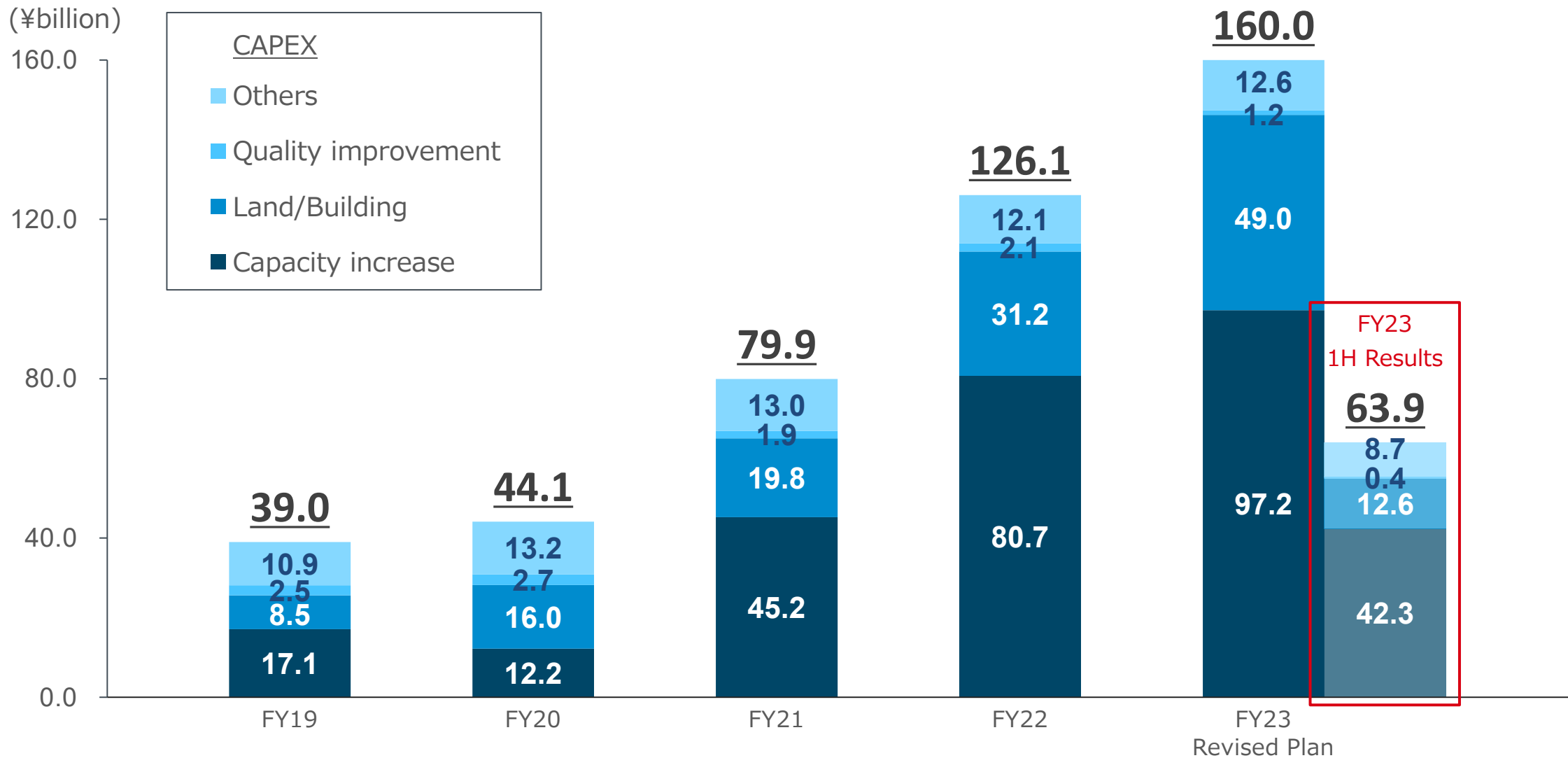


Sales Trends

*Exchange rate: 1USD = ¥105

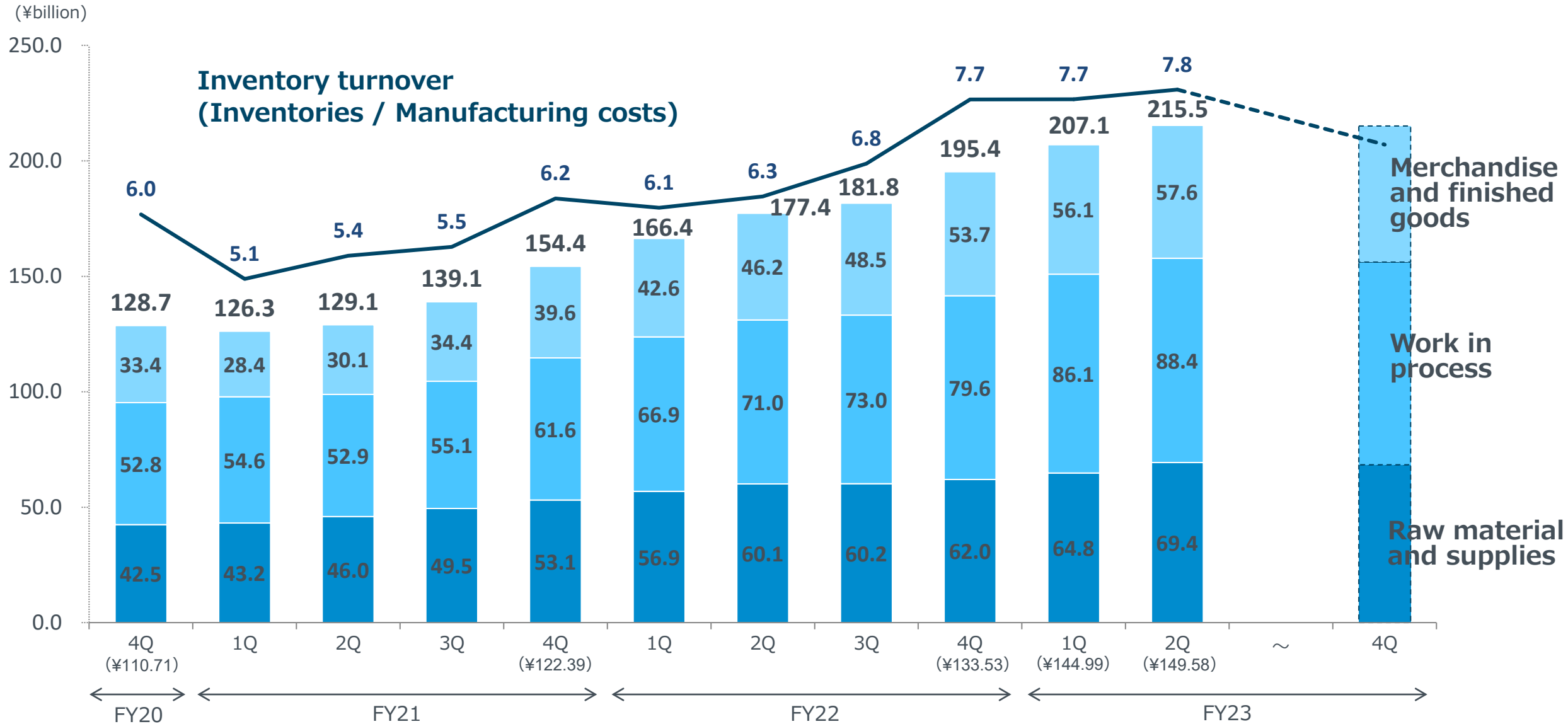


Capital Expenditures

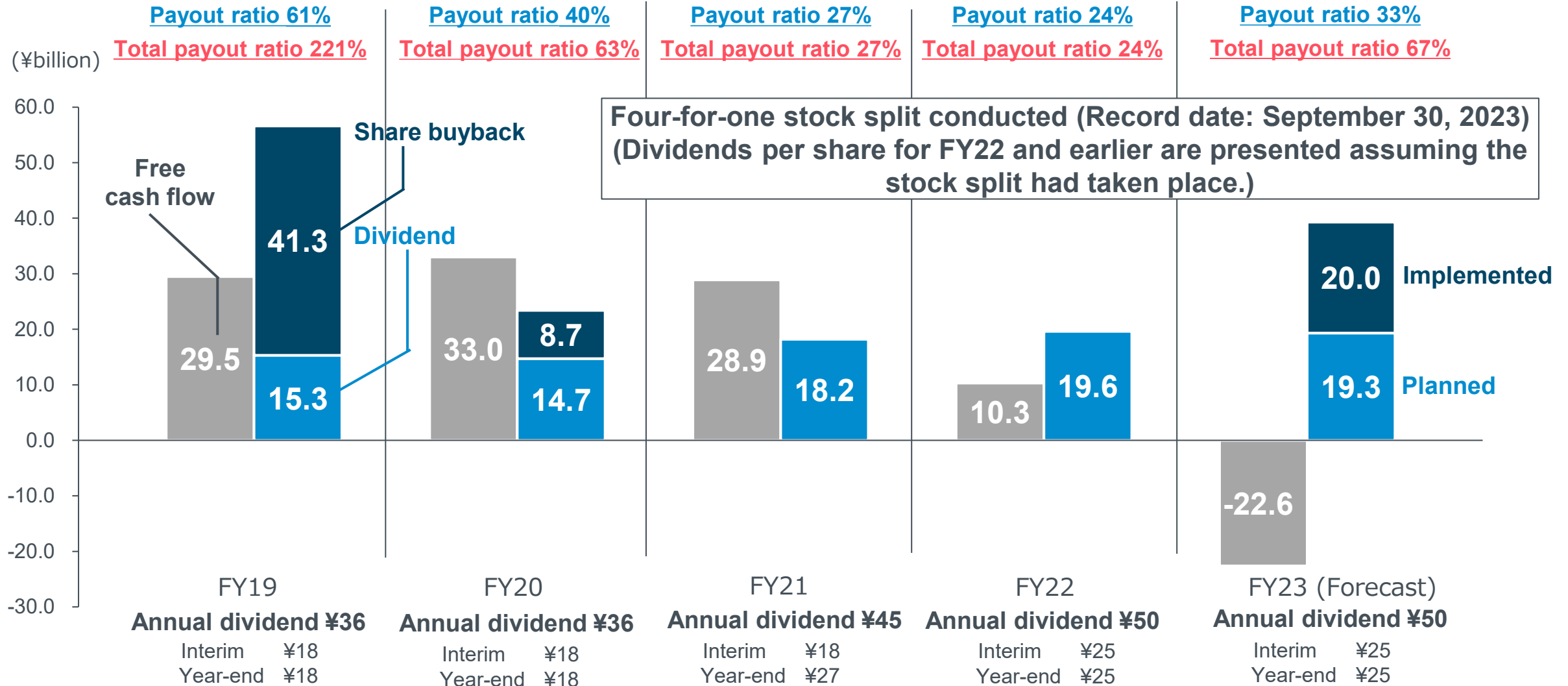


*Unchanged from initial plan

Inventories (Amount)



Returns to Shareholders

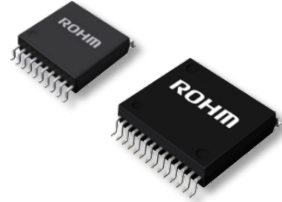


*Free cash flow: Net profit + depreciation - CAPEX

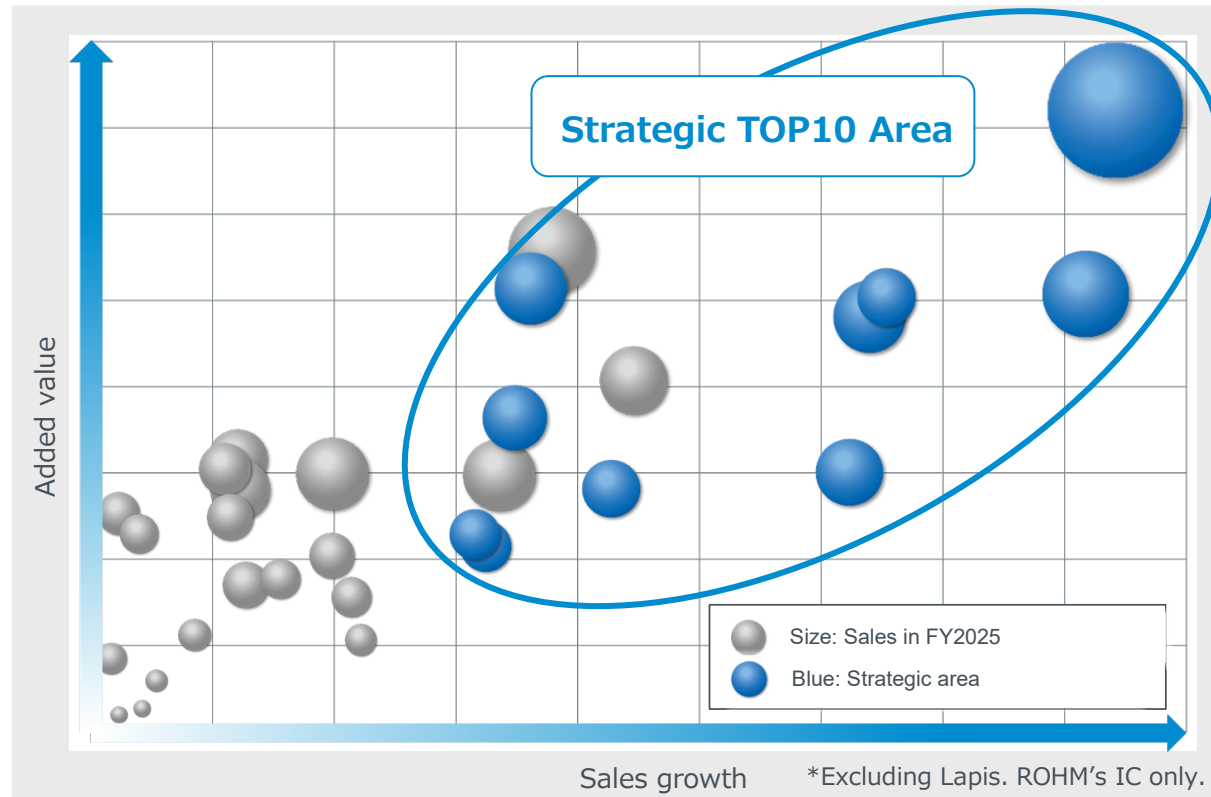
Enhance development/support in the strategic TOP10 area of ASSP products

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

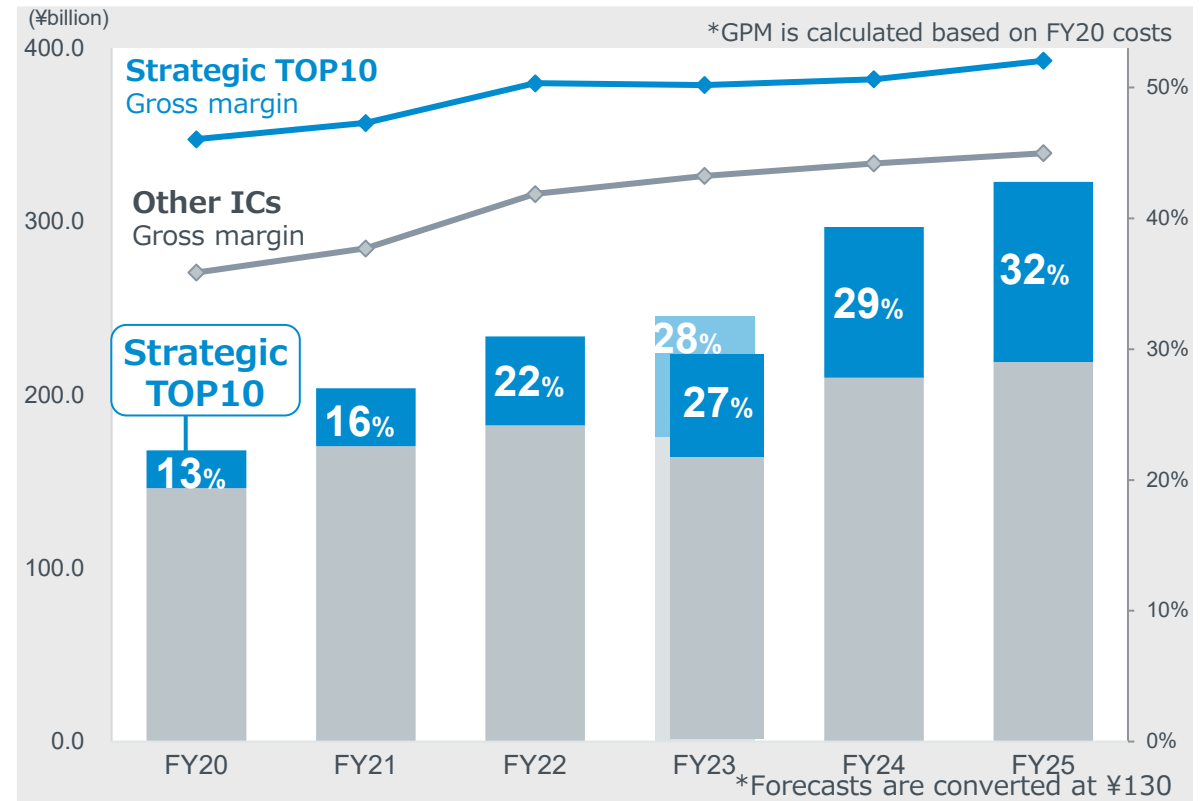
Raise the **sales ratio** of the top 10 strategic products to **increase average unit price and expand sales and profits**.



Portfolio (Strategic TOP10 Area)



Sales Ratio / Gross Margin (Strategic TOP10 Area)

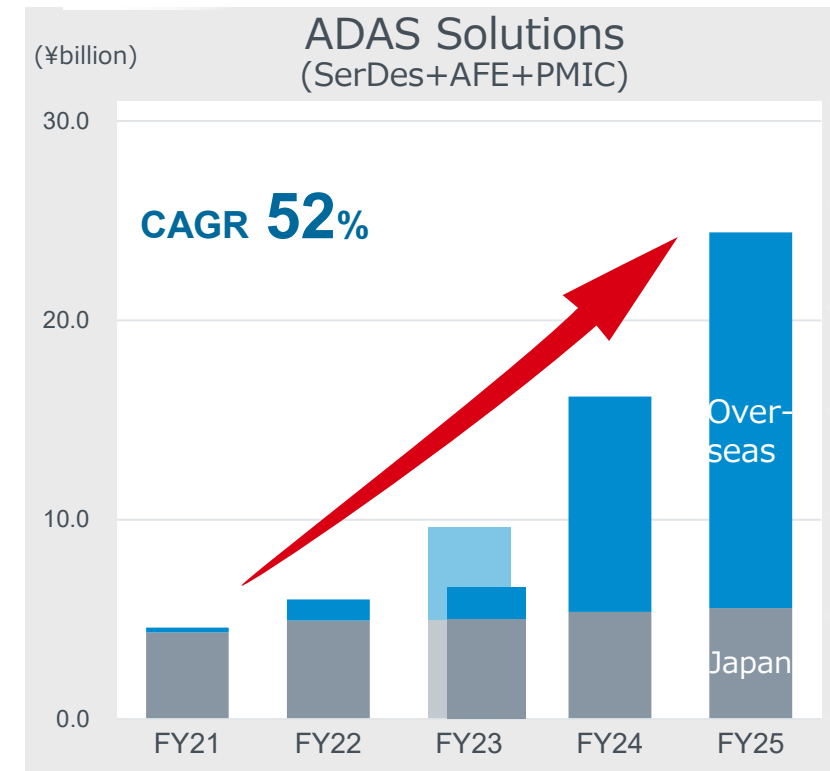
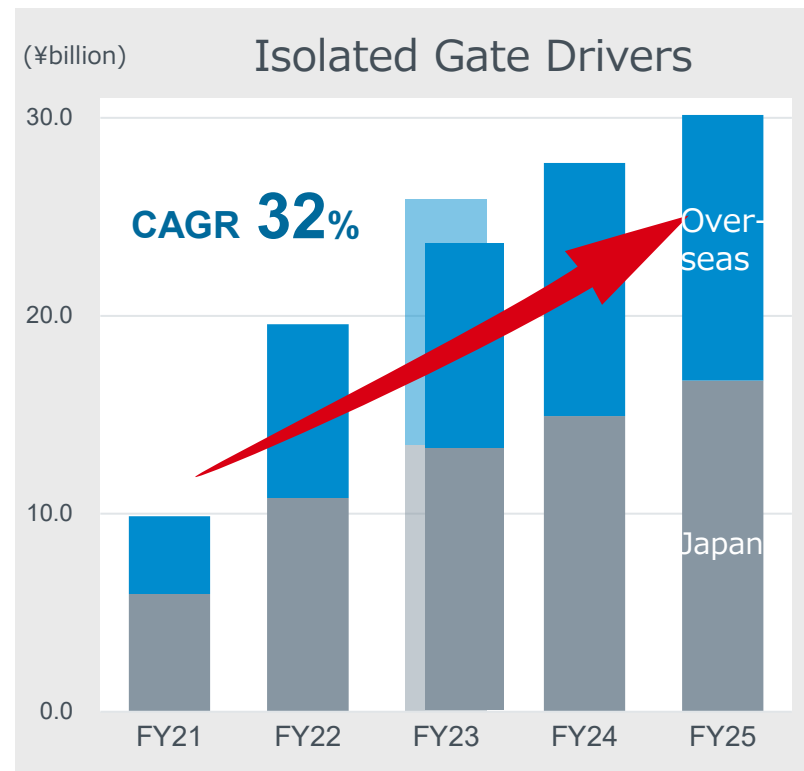
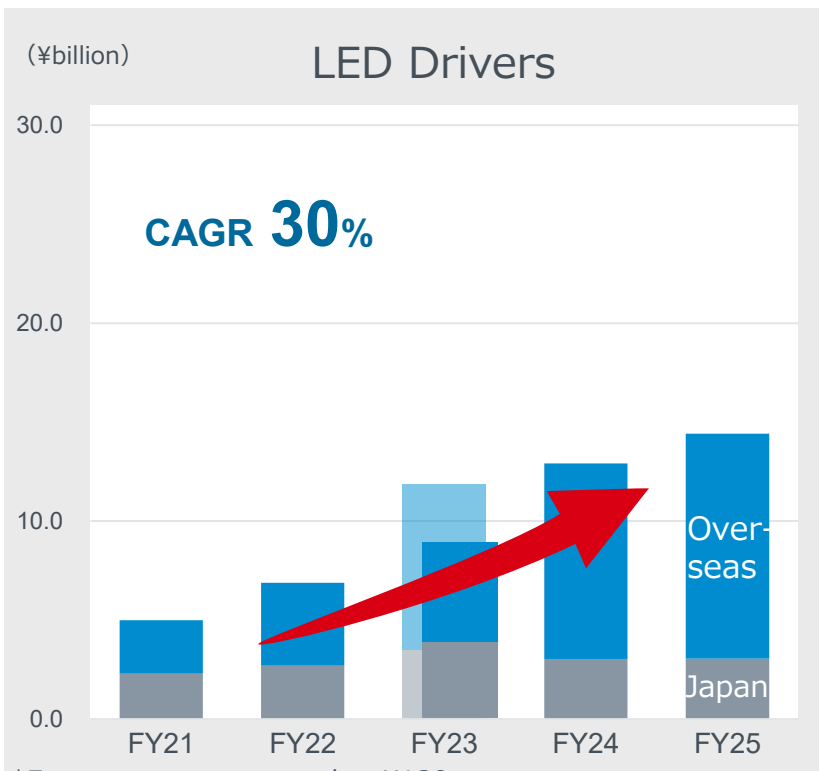


Solutions for Automotive ICs

Expand sales in the focused area of automotive solutions

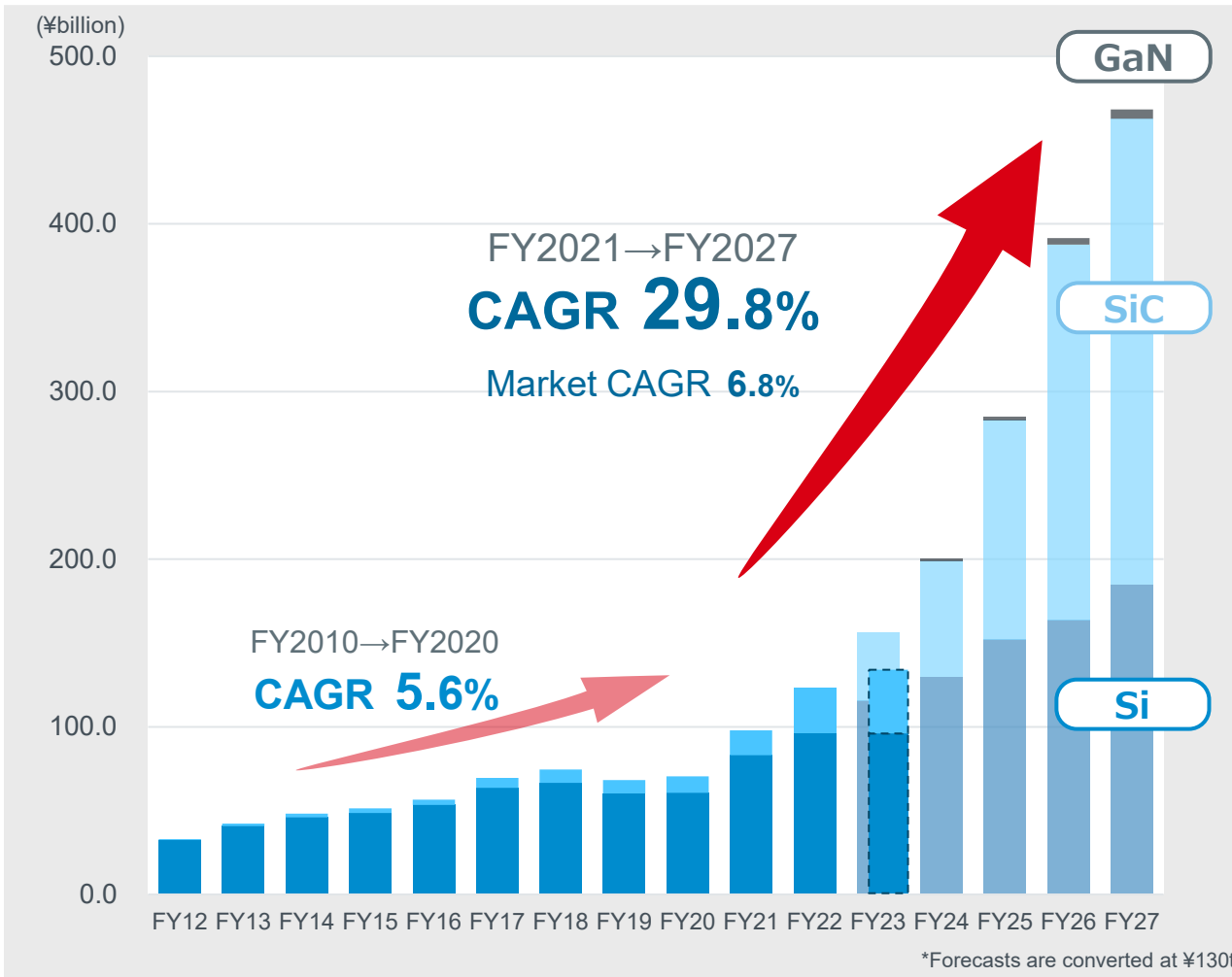
Continue to introduce **value-added products** in the automotive market, which is expected to grow further due to the **increasing use of electronics and electrification**.

Increase sales to customers outside of Japan and expand the scale of overall automotive sales.

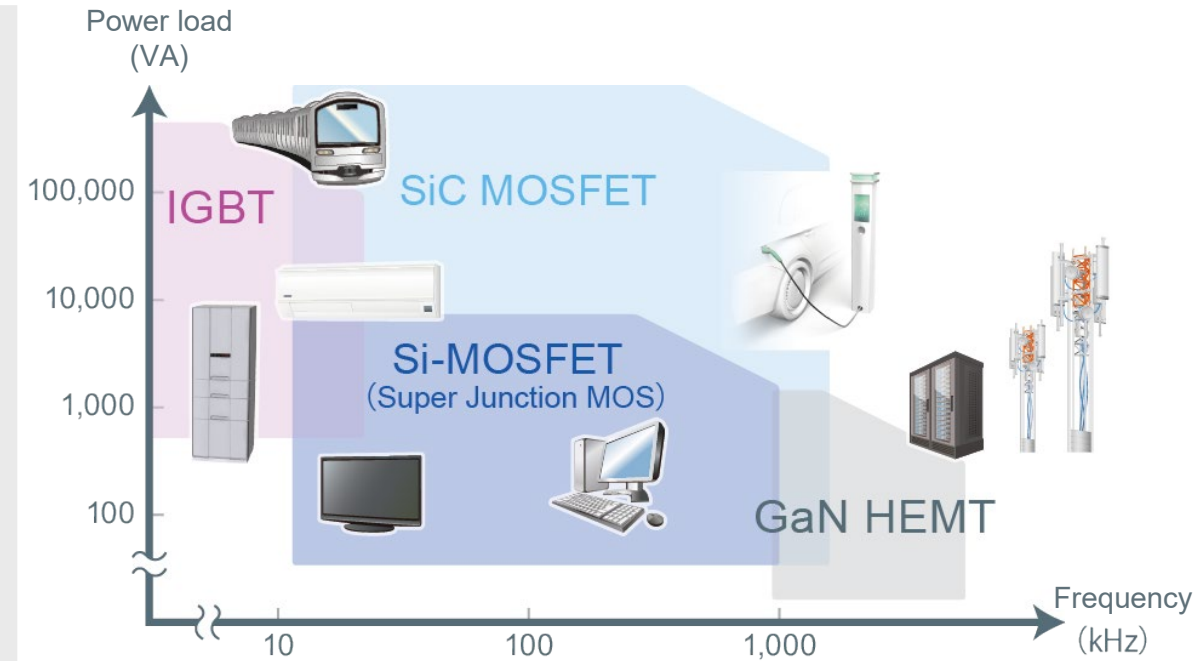


*Forecasts are converted at ¥130

Sales Target of the Power Device Business



Application Coverage of Power Devices



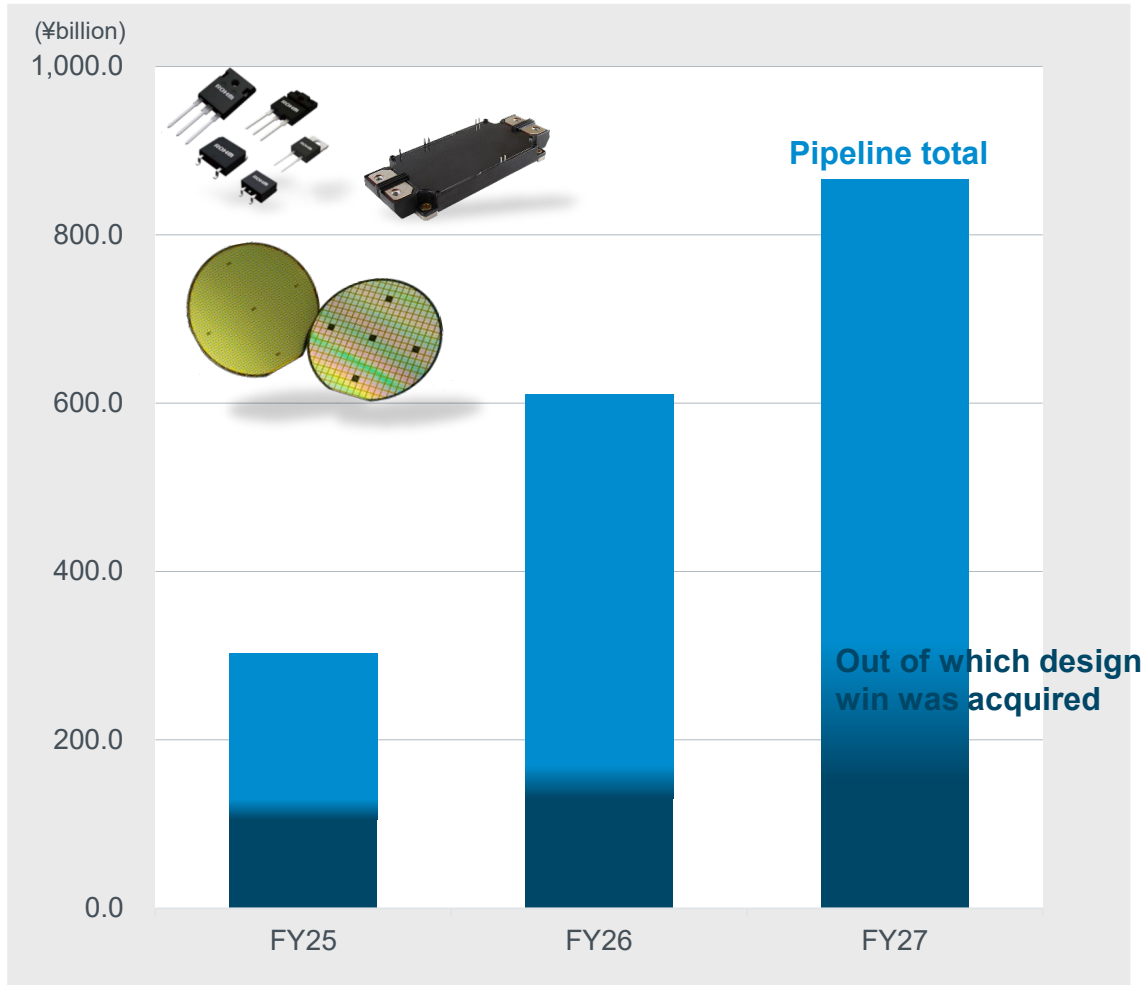
SiC

- High power
- High voltage (> 600V)
- High frequency (20 - 200kHz)

GaN

- Middle power
- Middle voltage (100 - 600V)
- High frequency (Over 200kHz)

Pipeline of the SiC business (New+Existing)



Targets for the SiC Business

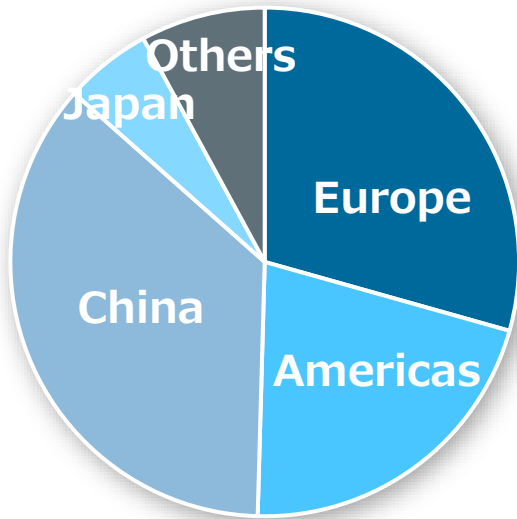
Sales Target	<p>> ¥270 billion (FY2027)</p> <p>> ¥130 billion (FY2025)</p>
Pipeline (New+Existing)	<p>¥5,000 billion</p> <p>(FY2024~FY2030)</p>
Design Win	<p>¥1,000 billion</p> <p>(FY2024~FY2030)</p>

* 130円で換算

SiC Pipeline: Breakdown by Region

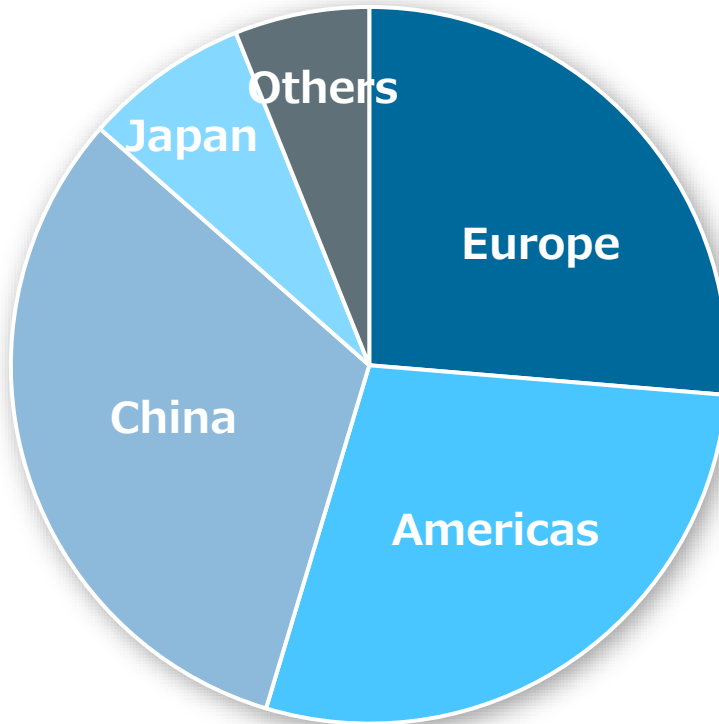
FY2025

¥300 billion



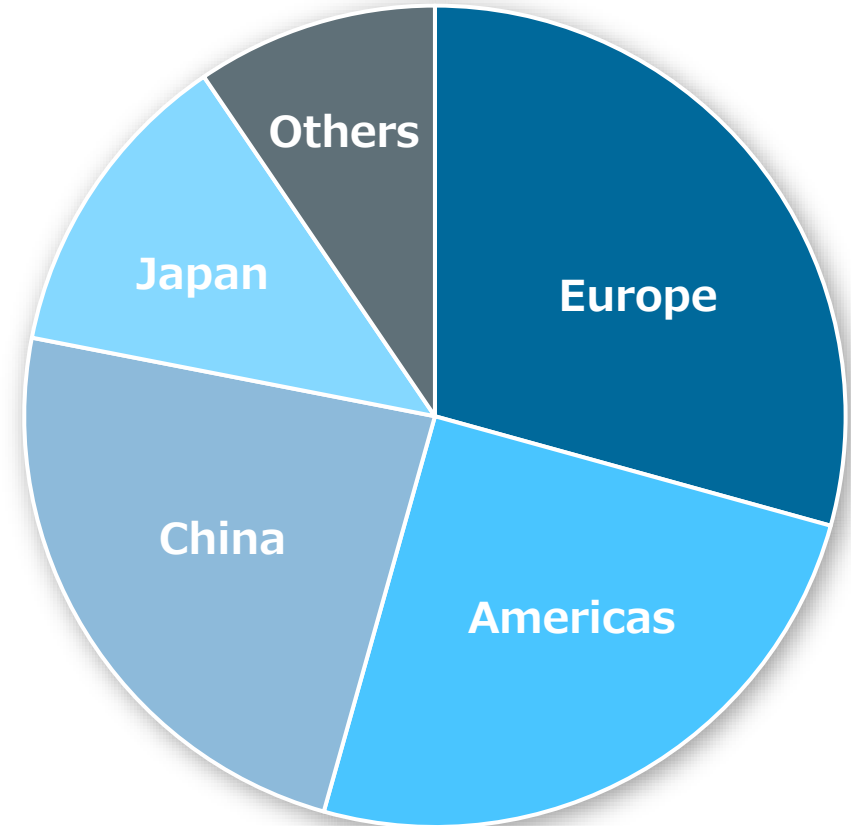
FY2026

¥600 billion

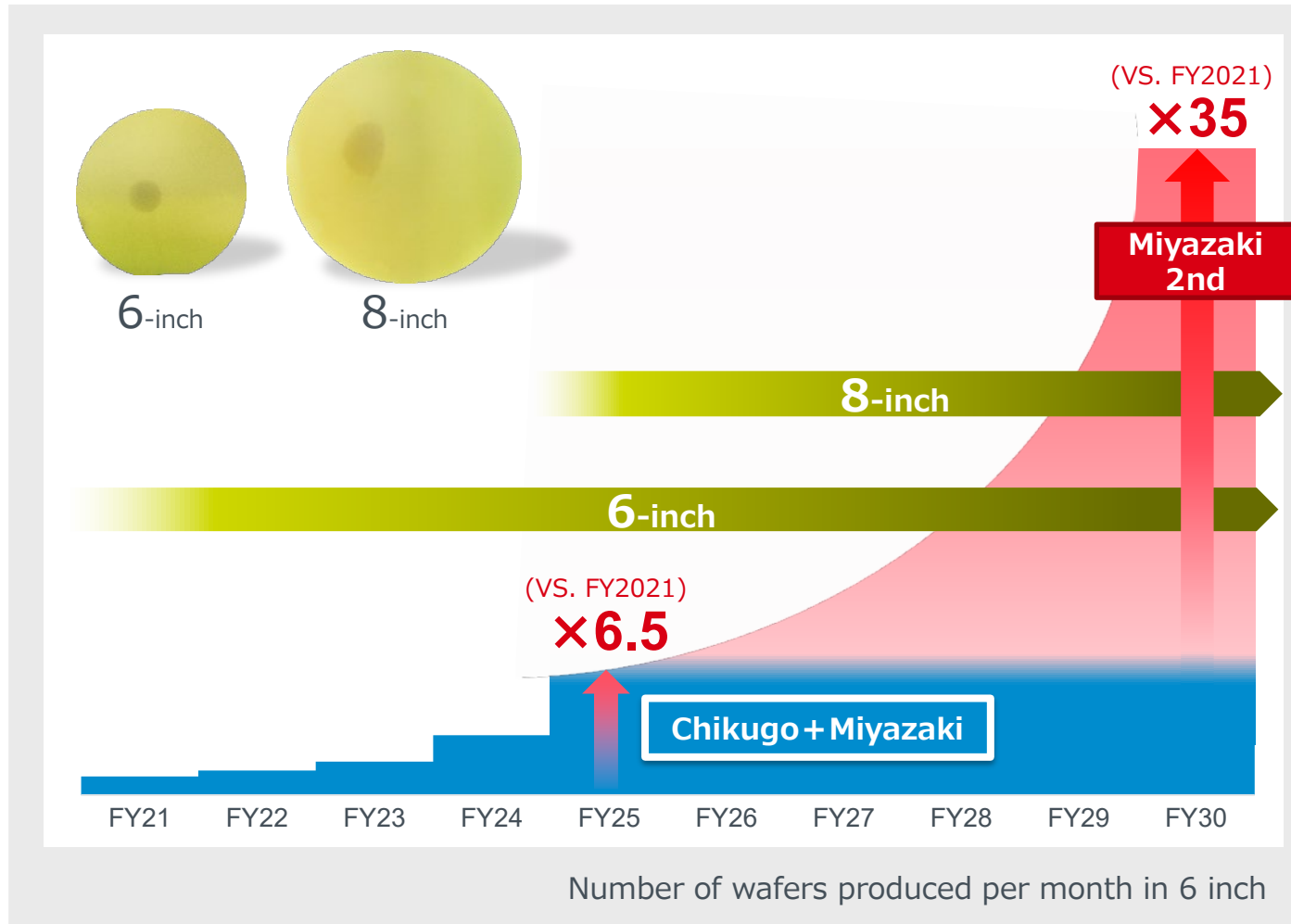


FY2027

¥850 billion



Capacity Expansion Plan of the SiC Business



Miyazaki Plant No.2 (Kunitomi)

New plant 8-inch

- To start operation in 2024
- To produce SiC substrates in addition to SiC devices



Miyazaki Plant

6-inch

- Started mass production of 4th generation SiC-MOSFETs from 2021



Chikugo Plant

6-inch / 8-inch

- Introduction of facilities that support 8-inch wafers
- Started mass production of 6-inch products at new building from December 2022



Type of investment

- LP investment: ¥100 billion
- Non-voting preferred stock: ¥200 billion

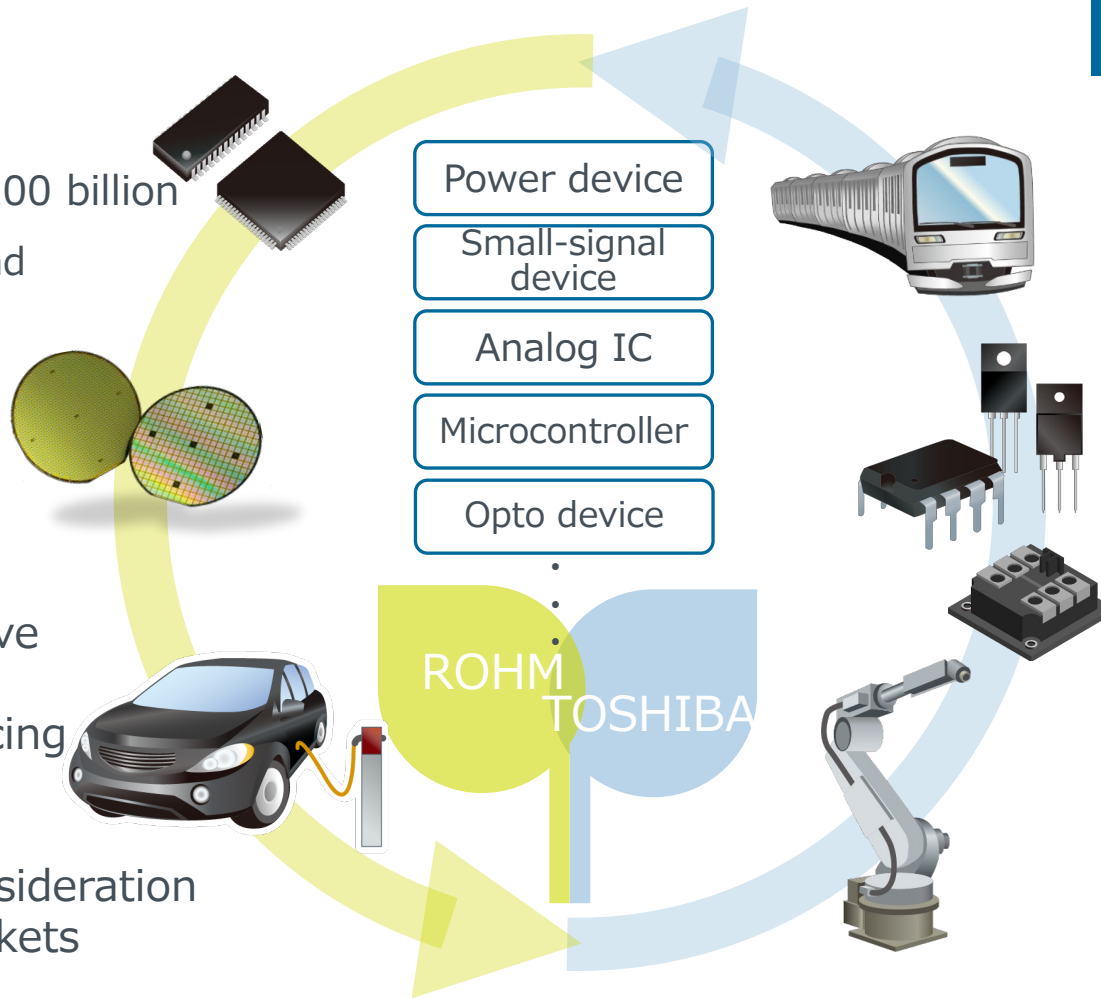
Interest rate of preferred dividend

Time from issuance:

- ≤ 3 yrs: 1%
- 3 yrs <: 20%
- 7.5 yrs ≤: 13%

Financial plan

- ¥300 billion bridge loan by five financial institutions
- Implement permanent financing within a year
- Careful consideration in consideration of financial and capital markets



Purpose of investment

- To participate in the privatization of Toshiba and help to resolve their issues
- We assess that significant improvement of Toshiba's corporate value is possible under the framework of the investment consortium made by JIP, and consider this as a productive investment opportunity that can gain reasonable return

Toshiba's semiconductor business is highly compatible with ROHM. There is potential for creation of various synergies together and we plan to start specific discussions after privatization.



Electronics for the Future