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Financial Results Briefing

Third Quarter FY2023 Presentation

Macnica Holdings, Inc.

January 29, 2024

Business Performance Highlights for FY2023 Q3

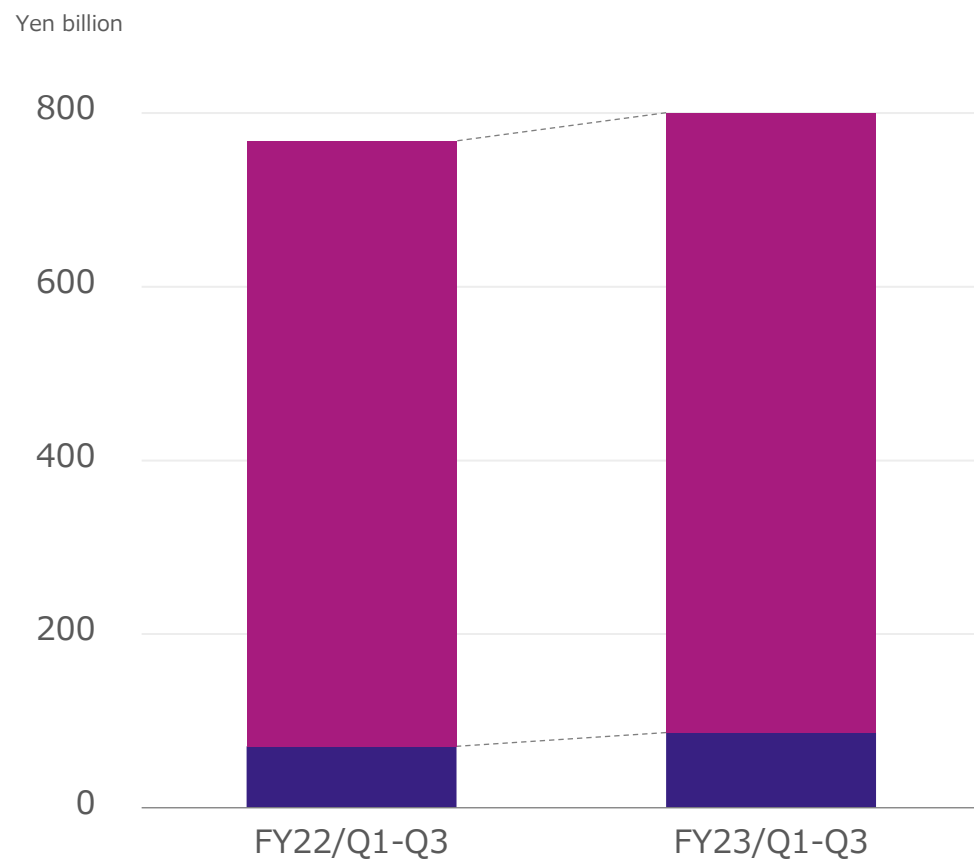
Yen billion	Q3				Q1-Q3			Outlook FY23	Progress
	Results	Y/Y change	Q/Q change	Results	Y/Y change				
Net Sales	253.3	▲22.1 ▲8%	▲15.1 ▲6%	800.3	+32.3 +4%		1100.0	73%	
Semiconductor Business	221.0	▲30.0 ▲12%	▲21.4 ▲9%	713.6	+16.3 +2%		1000.0	71%	
Network Business	32.3	+7.9 +32%	+6.3 +24%	86.7	+16.0 +23%		100.0	87%	
Operating Income	13.3	▲5.2 ▲28%	▲4.0 ▲23%	51.3	+6.0 +13%		66.0	78%	
Semiconductor Business	11.5	▲5.5 ▲32%	▲4.7 ▲29%	46.1	+5.3 +13%				
Network Business	1.8	+0.3 +14%	+0.7 +58%	5.2	+0.7 +15%				
Net Income attributable to Owners of Parent	9.3	▲3.2 ▲26%	▲3.0 ▲24%	35.2	+5.9 +20%		42.2	83%	
Cash Flows from Operating Activities				37.0	22.3 +152%				
Average exchange rate (JPY/USD)	149.09yen			142.16yen			140yen (4Q)		

- During the cumulative period of the third quarter, the semiconductor business experienced an adjustment phase, while the network business maintained strong domestic and international performance. In the semiconductor business, the industrial equipment and automotive, our focus markets, saw significant growth with +388 billion yen / +13% and +297 billion yen / +24% (revenue growth compared to the previous year). This growth helped offset the decline in memory-centric communication infrastructure.
- As for the fourth quarter, the semiconductor business is expected to continue facing adjustment challenges due to the sluggish Chinese market and delays in recovery in the memory sector. Meanwhile, the network business is expected to maintain strong performance both domestically and internationally, with a focus on security.
- Regarding the consolidated performance forecast for the fiscal year 2023, our forecast remains unchanged, but there is an upward revision in the expected year-end dividend.

Dividends (per share)			
Yen	Mid	End	Annual
FY2022	65	75	140
FY2023 (Est.)	80	110	190
Payout Ratio (Est.)			27%

Net Sales by Segment

¥800.3 billion Y/Y Change +4.2%

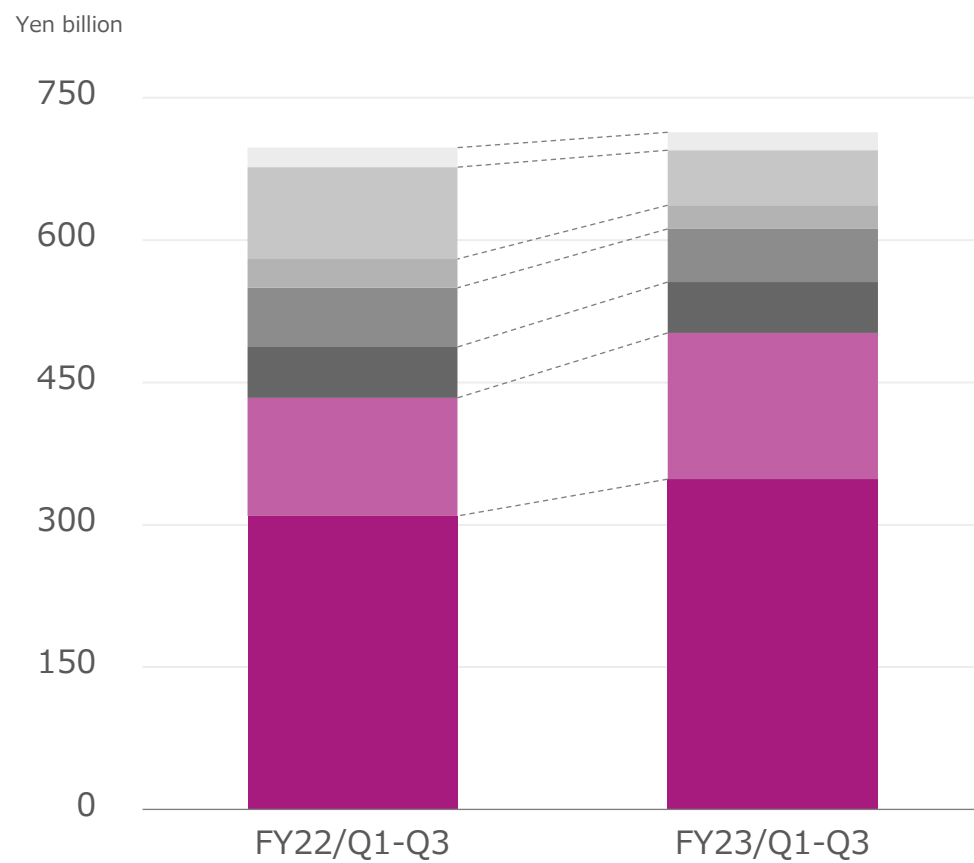


Y/Y Change +4.2%

	FY22/Q1-Q3		FY23/Q1-Q3		Y/Y	
	Results	Ratio	Results	Ratio	Change	Change%
(Yen billion)						
Semiconductor	697.3	91%	713.6	89%	+16.3	+2%
Network	70.7	9%	86.7	11%	+16.0	+23%
Total	768.0	100%	800.3	100%	+32.3	+4.2%

Semiconductor Business by Application: Net Sales

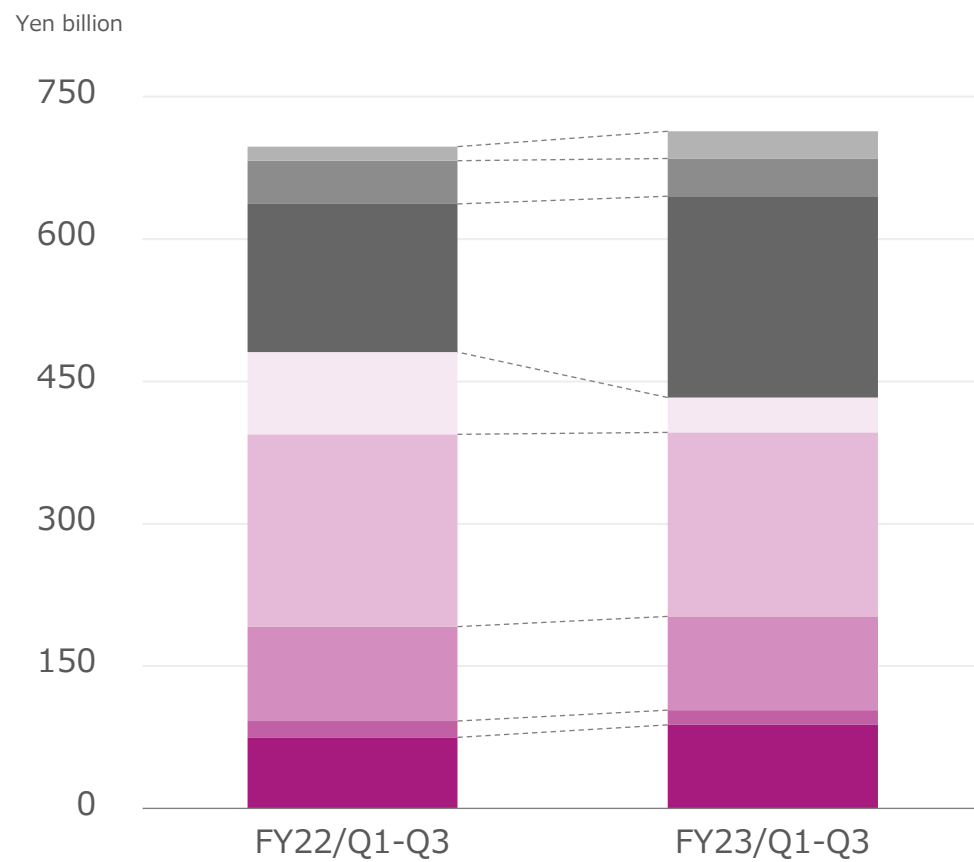
¥713.6 billion Y/Y Change **+2.3%**



(Yen billion)	FY22/Q1-Q3		FY23/Q1-Q3		Y/Y	
	Results	Ratio	Results	Ratio	Change	Change%
Telecom Terminals	20.5	3%	18.8	3%	▲1.7	▲8%
Telecom Infrastructure	96.7	14%	58.0	8%	▲38.7	▲40%
OA/Peripherals	30.3	4%	25.0	3%	▲5.3	▲18%
Computers	62.5	9%	55.8	8%	▲6.7	▲11%
Consumer Products	53.7	8%	53.9	7%	+0.2	+0%
Automotive Products	124.2	18%	153.9	22%	+29.7	+24%
Industrial Equipment	309.4	44%	348.2	49%	+38.8	+13%
Total	697.3	100%	713.6	100%	+16.3	+2.3%

Semiconductor Business by Product: Net Sales

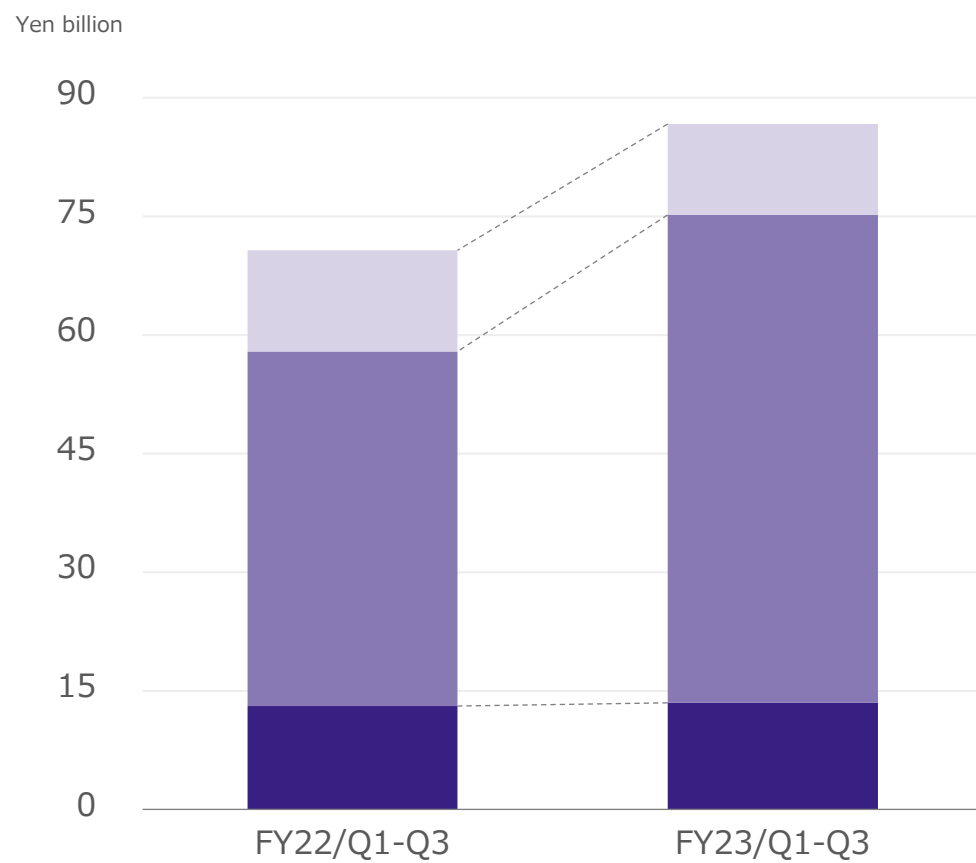
¥713.6 billion Y/Y Change **+2.3%**



(Yen billion)	FY22/Q1-Q3		FY23/Q1-Q3		Y/Y	
	Results	Ratio	Results	Ratio	Change	Change%
Other	14.7	2%	28.6	4%	+13.9	+95%
Electric Devices	45.6	7%	39.7	6%	▲5.9	▲13%
Other Standard IC	156.0	22%	212.2	30%	+56.2	+36%
Memory	86.8	12%	36.7	5%	▲50.1	▲58%
Analog	202.6	29%	194.0	27%	▲8.6	▲4%
ASSP	99.4	14%	98.9	14%	▲0.5	▲1%
ASIC	17.2	3%	15.3	2%	▲1.9	▲11%
PLD	75.0	11%	88.2	12%	+13.2	+18%
Total	697.3	100%	713.6	100%	+16.3	+2.3%

Network Business by Product: Net Sales

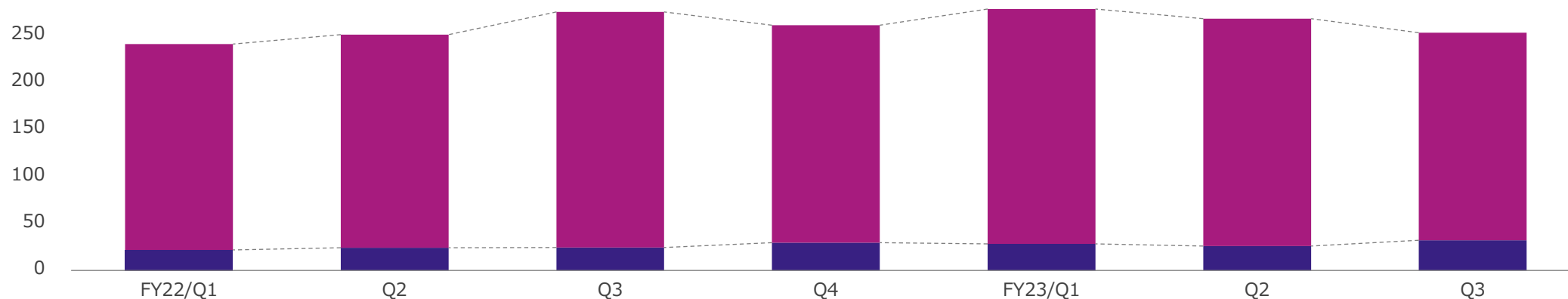
¥86.7 billion Y/Y Change **+22.6%**



(Yen billion)	FY22/Q1-Q3		FY23/Q1-Q3		Y/Y	
	Results	Ratio	Results	Ratio	Change	Change%
Hardware	12.8	18%	11.5	13%	▲1.3	▲10%
Software	44.8	63%	61.7	71%	+16.9	+38%
Service	13.1	19%	13.5	16%	+0.4	+3%
Total	70.7	100%	86.7	100%	+16.0	+22.6%

Quarterly Net Sales by Segment

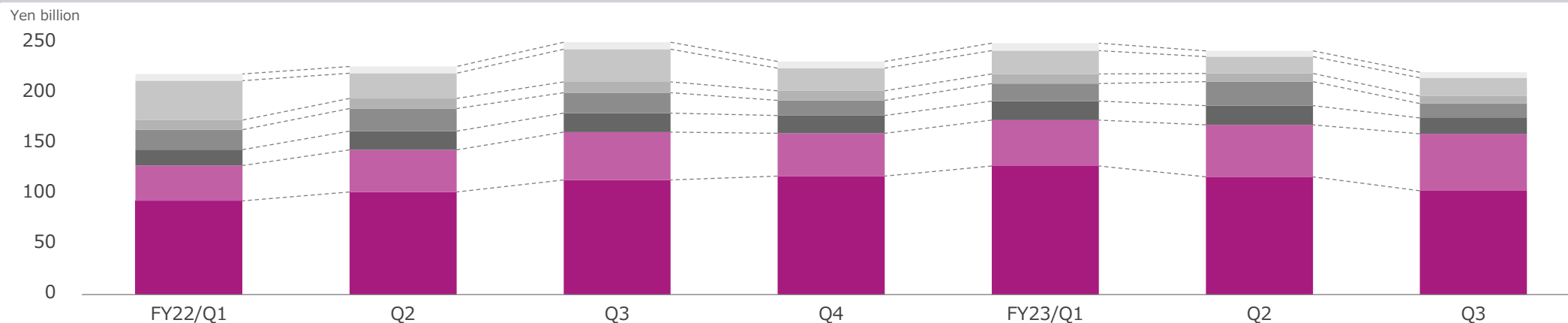
Yen billion



Result Ratio (B¥ %)	Segment	FY22/Q1		Q2		Q3		Q4		FY23/Q1		Q2		Q3	
		Result	Ratio	Result	Ratio	Result	Ratio	Result	Ratio	Result	Ratio	Result	Ratio	Result	Ratio
	Semiconductor	219.3	91%	227.0	90%	251.0	91%	231.7	89%	250.1	90%	242.4	90%	221.0	87%
	Network	22.0	9%	24.2	10%	24.4	9%	29.6	11%	28.4	10%	26.0	10%	32.3	13%

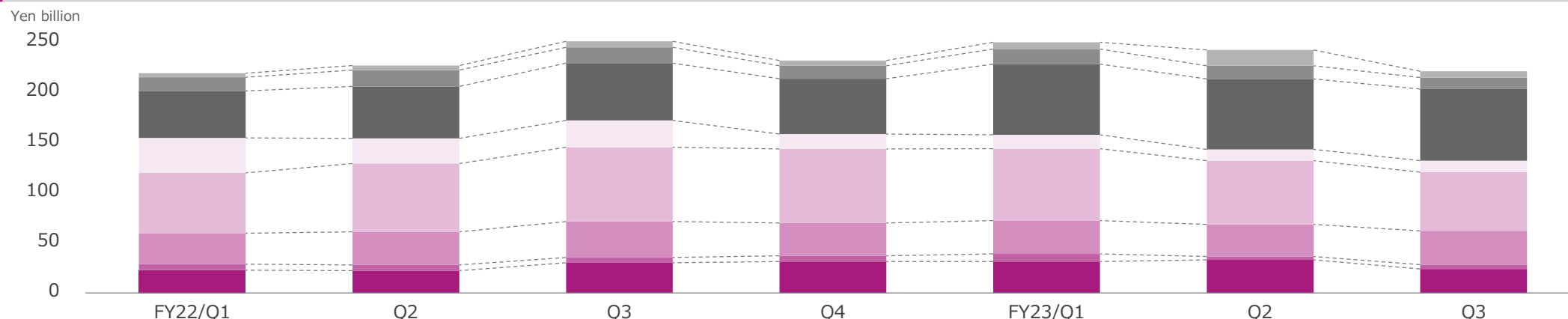
Y/Y Q/Q	Segment	FY22/Q1		Q2		Q3		Q4		FY23/Q1		Q2		Q3	
		Y/Y	Q/Q	Y/Y	Q/Q	Y/Y	Q/Q	Y/Y	Q/Q	Y/Y	Q/Q	Y/Y	Q/Q	Y/Y	Q/Q
	Semiconductor	+38%	22%	+37%	+4%	+45%	+11%	+28%	▲8%	+14%	+8%	+7%	▲3%	▲12%	▲9%
	Network	+18%	▲9%	+27%	+10%	+14%	+1%	+22%	+21%	+29%	▲4%	+7%	▲9%	+32%	+24%

Quarterly Semiconductor Business by Application: Net Sales



		FY22/Q1	Q2	Q3	Q4	FY23/Q1	Q2	Q3
Result Ratio (B¥ %)	Telecom Terminals	6.7 3%	6.8 3%	7.0 3%	6.5 3%	7.5 3%	5.9 2%	5.5 2%
	Telecom Infrastructure	39.1 18%	25.2 11%	32.4 13%	22.5 10%	23.2 9%	16.6 7%	18.2 8%
	OA/Peripherals	9.5 4%	10.0 4%	10.8 4%	9.6 4%	9.5 4%	8.1 3%	7.4 3%
	Computers	19.9 9%	22.5 10%	20.2 8%	15.2 7%	17.5 7%	24.1 10%	14.3 6%
	Consumer	15.9 7%	18.7 8%	19.0 8%	17.6 8%	18.9 8%	19.1 8%	15.9 7%
	Automotive	35.0 16%	41.7 18%	47.5 19%	42.6 18%	45.7 18%	51.6 21%	56.6 26%
	Industrial	93.3 43%	102.1 45%	114.1 45%	117.8 51%	127.8 51%	117.1 48%	103.3 47%
Y/Y Q/Q	Telecom Terminals	+28% +28%	+26% +2%	+16% +3%	+24% ▲7%	+12% +16%	▲14% ▲22%	▲22% ▲7%
	Telecom Infrastructure	+65% +50%	▲9% ▲36%	+24% +29%	▲14% ▲31%	▲41% +4%	▲34% ▲29%	▲44% +10%
	OA/Peripherals	+32% +17%	+34% +6%	+34% +8%	19% ▲11%	+1% ▲1%	▲19% ▲15%	▲32% ▲9%
	Computers	+5% ▲13%	+24% +13%	▲3% ▲10%	▲34% ▲25%	▲12% +15%	+7% +38%	▲29% ▲41%
	Consumer	+6% +19%	+27% +18%	+41% +2%	+32% ▲8%	+19% +7%	+2% +2%	▲16% ▲17%
	Automotive	+49% +27%	+75% +19%	+88% +14%	+54% ▲10%	+31% +7%	+24% +13%	+19% +10%
	Industrial	+42% +21%	+50% +10%	+56% +12%	+53% +3%	+37% +9%	+15% ▲8%	▲9% ▲12%

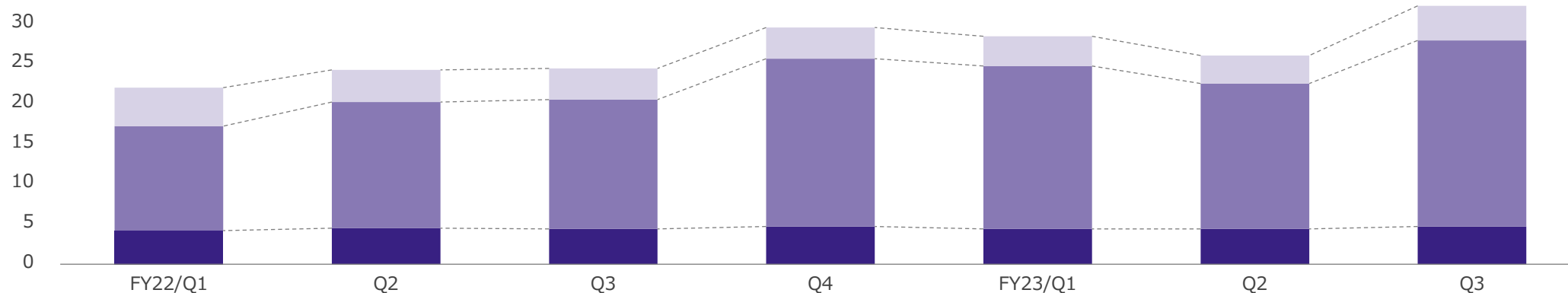
Quarterly Semiconductor Business by Product: Net Sales



		FY22/Q1		Q2		Q3		Q4		FY23/Q1		Q2		Q3	
Result Ratio (B¥ %)	Other	4.0	2%	4.6	2%	6.1	2%	5.2	2%	6.7	3%	15.7	6%	6.2	3%
	Electric Devices	13.6	6%	16.3	7%	15.7	6%	12.9	6%	15.1	6%	13.1	5%	11.5	5%
	Other Standard IC	46.9	21%	52.0	23%	57.1	23%	55.2	24%	70.4	28%	70.3	29%	71.5	32%
	Memory	35.0	16%	25.0	11%	26.8	11%	14.8	6%	13.9	6%	11.3	5%	11.5	5%
	Analog	60.2	27%	68.2	30%	74.2	30%	73.9	32%	71.8	29%	63.6	26%	58.7	27%
	ASSP	30.7	14%	32.9	15%	35.8	14%	32.8	14%	33.2	13%	32.0	13%	33.7	15%
	ASIC	6.1	3%	5.7	3%	5.4	2%	5.7	2%	7.6	3%	3.5	1%	4.1	2%
	PLD	22.7	10%	22.3	10%	30.0	12%	31.3	14%	31.3	13%	32.9	14%	24.0	11%
Y/Y Q/Q	Other	+19%	+18%	+59%	+13%	+55%	+33%	+53%	▲14%	+67%	+29%	+245%	+134%	+2%	▲61%
	Electric Devices	+31%	+27%	+94%	+20%	+67%	▲4%	+20%	▲18%	+11%	+17%	▲20%	▲13%	▲27%	▲12%
	Other Standard IC	+38%	+11%	+46%	+11%	+46%	+10%	+30%	▲3%	+50%	+28%	+35%	▲0%	+25%	+2%
	Memory	+40%	+11%	▲17%	▲29%	▲12%	+7%	▲53%	▲45%	▲60%	▲6%	▲55%	▲19%	▲57%	+2%
	Analog	+38%	+29%	+57%	+13%	+60%	+9%	+58%	▲0%	+19%	▲3%	▲7%	▲11%	▲21%	▲8%
	ASSP	+36%	+33%	+46%	+7%	+73%	+9%	+42%	▲8%	+8%	+1%	▲3%	▲4%	▲6%	+5%
	ASIC	+118%	+63%	+17%	▲6%	+29%	▲7%	+51%	+6%	+25%	+35%	▲38%	▲54%	▲24%	+15%
	PLD	+31%	+22%	+29%	▲2%	+56%	+35%	+68%	+4%	+38%	+0%	+48%	+5%	▲20%	▲27%

Quarterly Network Business by Product: Net Sales

Yen billion



Result Ratio (B¥ %)	Product	FY22/Q1		Q2		Q3		Q4		FY23/Q1		Q2		Q3	
		Value	Ratio	Value	Ratio	Value	Ratio	Value	Ratio	Value	Ratio	Value	Ratio	Value	Ratio
	Hardware	4.8	22%	4.0	17%	3.9	16%	3.9	13%	3.7	13%	3.5	13%	4.3	13%
	Software	13.0	59%	15.7	65%	16.1	66%	20.9	71%	20.3	71%	18.1	70%	23.2	72%
	Service	4.2	19%	4.5	18%	4.4	18%	4.7	16%	4.4	15%	4.4	17%	4.7	15%

Y/Y Q/Q	Product	FY22/Q1		Q2		Q3		Q4		FY23/Q1		Q2		Q3	
		Y/Y	Q/Q	Y/Y	Q/Q	Y/Y	Q/Q	Y/Y	Q/Q	Y/Y	Q/Q	Y/Y	Q/Q	Y/Y	Q/Q
	Hardware	+13%	+6%	▲9%	▲17%	▲13%	▲2%	▲14%	▲0%	▲23%	▲5%	▲13%	▲7%	+8%	+22%
	Software	+56%	▲1%	+76%	+22%	+51%	+2%	+61%	+30%	+57%	▲3%	+15%	▲11%	+45%	+28%
	Service	▲30%	▲36%	▲20%	+6%	▲29%	▲1%	▲29%	+6%	+4%	▲7%	▲2%	+0%	+7%	+8%

MACNICA