



**Financial year ending
Mar.31,2022**

Interim financial results

Nov.26,2021



Y.A.C. HOLDINGS Co., Ltd.

(Zip Code:6298)

<https://www.yac.co.jp>



▲ Notes regarding future prospect.

The prospects described in this document is based on the information we have as of the time this document is published, and the actual result may differ from such prospects due to various unexpected factors.

semiconductor business which we are involved is the business that technical innovation speed is very fast and very competitive. The forecasted figures stated in this material are based on the information currently available to us and certain assumptions that are regarded as legitimate. And world economy conditions, movement of foreigner exchange rate, market condition and new capital investment movement will influence directly to our business. We do not promise that the forecasts or estimates will be accurate. Large discrepancies may be seen in the actual results due to various factors

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1. Summary of financial results and future outlook of YAC group.

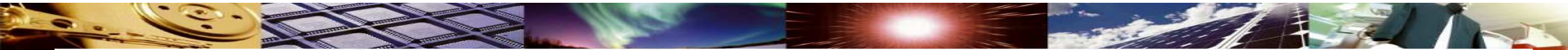
..... Representative Director & President

**MOMOSE
Takefumi**

2. Outline of interim financial results of year ending Mar.31, 2022.

.....Director & Managing Operating Officer,
Senior General Manger,
Administration Head quarter

**HATAKEYAMA
Osamu**



3. Outline of each segment

..... Director & Senior Managing Operating Officer cum President of YAC Mechatronics Co., Ltd.

ITOH Toshihiko

..... Director cum President of Ohkura Electric Co., Ltd.

**OHKURA
Akihiro**

..... President, YAC Machineries Co., Ltd.

SOEJIMA Yukio

..... President, YAC Technologies Co., Ltd.

**MURANO
Tsunetoshi**

4. Q&A



1. Summary of financial results and future outlook of YAC group.

.....**Representative Director &
President
MOMOSE Takefumi**

<Major points>

1. Operating income and profit for the period increased tremendously.

Big increase against the previous corresponding period.
Operating income ¥716 million is historically the biggest figure as interim financial results for past 10 years.

2. Gross margin ratio went up.

Gross margin ratio changed to uptrend.
Gross margin tremendously increased from 20.0% of the previous corresponding period to 26.3%.(This financial year, the 1st quarter:25.6%, 2nd quarter:26.8%)

3. Equity ratio went up.

Net equity ratio went up. It recovered 40% level for the first time in 5 years after the financial year ended Mar.31,2017. Because of repayment of emergency COVID-19 rescue plan borrowings and proceeded collection of trade note and accounts receivables, addition to this increased net assets by profit for the period.

1. Summary of Interim Financial results.

1-2



<Major points>

4. Increasing cash dividends.

¥2.00 per share increased from this interim financial year to ¥12.00 per share. We plan to pay ¥12.00 per share as year-end dividend and annual dividend will be ¥24.00 per share from ¥20.00 per share.

2. Future outlook of YAC Group.



1. Some of present the biggest targets of YAC Group.

Listing on TSE prime market.

- ① **Present, listed on TSE1. We continuously aim to be listed on the highest market.**
- ② **The issue is to increase market capitalization of shares in circulation.**

2. To achieve the historically highest sales and profit.

- ① **Our biggest target is to contribute to society by making profit.**
- ② **We aim to glow up more on the occasion of 50th anniversary day of May, 2023.**

2. Basic strategies to realize the highest sales & profit.

1. Gross margin ratio up.

(1) Unification of each company's procurement works.

① In September 2021, procurement works of group each company were unified to holdings company.

② Aiming to reduce costs by summarizing the order quantity.

(2) Proceeding standardization. Design and parts

(3) Proceeding digital transformation.

① Sales & Marketing. To increase new order received.

② Improvement of management efficiency.

③ Utilization ratio of direct personnel.

(4) Introducing new mass production products.

2. Proceeding evolution.

- (1) Unification of each company's administration, personnel, financing and accounting works.
..... To be executed in the financial year of 2020.
- (2) Proceeding business in PRC. To be executed during in 2021.
- (3) Unification of purchasing retailers. To be executed during in 2021.
- (4) Improving cashflow.
 - ① Decreasing inventories to half.
 - ② Collecting quickly trade note and accounts receivables
- (5) Strengthening financial conditions.

3. Proceeding SDGs management.

(1) Decarbonized management.

- ① Designing decarbonated equipment.**
- ② Proceeding save energy in office.**

(2) Decarbonized new mass production products.

- ① Various developments in progress.**

4. M & A

(1) Manufacturing companies which are expected synergy effects.

(2) Software related business.

5. Proceeding all employees management.

3. Past results & medium term management plan.

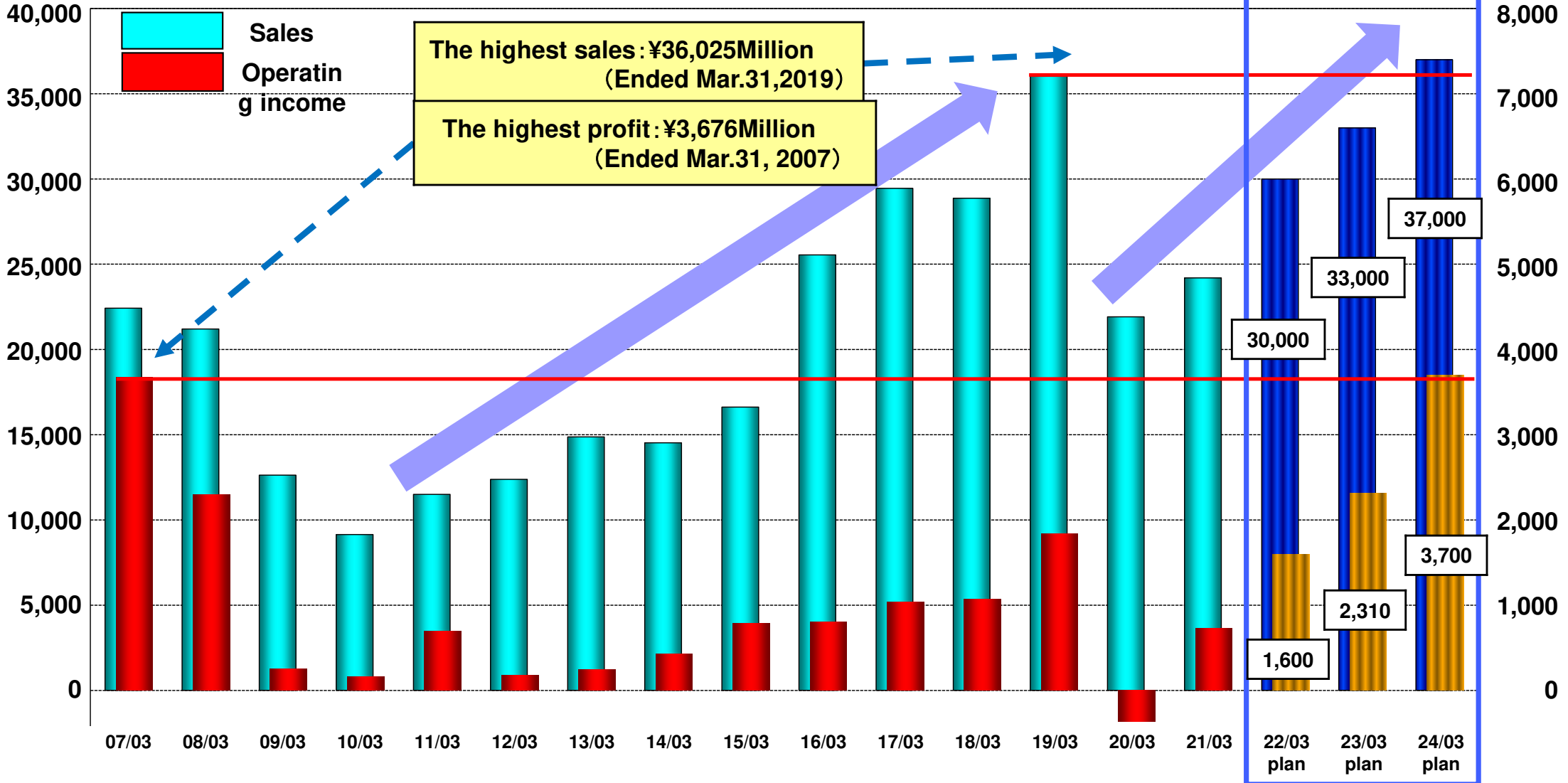
(Millions of ¥)


Aiming to revise the historically highest sales and profit in the financial year of 50th anniversary that is May. 2023.

Medium term plan in the year of 50th anniversary

Sales

Operating income



A horizontal banner at the top of the slide contains several small images: a golden gear, a grid pattern, a sunset, a bright sun, solar panels, and a person in a suit.

2. Outline of interim financial results of ending Mar.31, 2020.

- Director & Managing Operating Officer,
Senior General Manger,
Administration Headquarter.**

HATAKEYAMA Osamu

2-1 Business results.



(Millions of ¥)

	6 months ended Sep. 30, 2020.	6 months ended Sep. 30, 2021	Increased (decreased) amount against previous corresponding period	Increased (decreased) percentage against previous corresponding period
Net sales	12,230	11,075	-1,154	-9.4%
Operating income (Operating income ratio)	311 (2.5%)	716 (6.5%)	404	129.9%
Ordinary income	307	730	423	137.9%
Profit for the period attributable to owners of parent.	273	524	251	91.9%
Profit per share (¥)	30.16	57.66	27.50	91.2%
R&D expenses.	211	232	20	9.9%
New capital investment	308	153	-155	-50.3%
Depreciation & amortization	282	259	-23	-8.3%

2-2 Sales and profit by business.



(Millions of ¥)

		6 months ended Sep.30,2020.	6 months ended Sep.30,2021.	Increased (decreased) amount against previous corresponding period.	Increased (decreased) percentage against previous corresponding period.	Remarks
Mechatronics related	Sales	5,132	6,055	923	18.0%	Laser annealer for power semiconductor and carrier tape for smartphone went well.
	Profit	281	678	396	140.7%	
Display related	Sales	3,669	952	-2,717	-74.1%	Business activities in PRC were restrained caused by COVID-19.
	Profit	-87	-201	-113	—	
Industrial machinery related	Sales	408	371	-36	-9.0%	Domestic and abroad market influenced by changed lifestyle including work remote
	Profit	-78	-49	28	—	
Electronics related	Sales	3,019	3,696	676	22.4%	Equipment for electric power business and dialyzer business went stably.
	Profit	79	179	99	125.8%	
HD & others	Profit	116	109	-6	-5.8%	
Total	Sales	12,230	11,075	-1,154	-9.4%	
	Profit	311	716	404	129.9%	

2-3 New order received & backlog ordered by business (Consolidated)

(Millions of ¥)

		6 months ended Sep.30,2020.	6 months ended Sep.30,2021.	Increased (decreased) amount against previous corresponding period.	Increased (decreased) percentage against previous corresponding period.
Mechatronics related	New order received	4,130	5,624	1,494	36.2%
	Backlog ordered	2,716	2,807	91	3.4%
Display related	New order received	1,575	2,938	1,363	86.5%
	Backlog ordered	6,083	5,742	▲341	▲5.6%
Industrial machinery related	New order received	345	438	92	26.8%
	Backlog ordered	93	226	132	141.0%
Electronics related	New order received	3,772	3,849	77	2.0%
	Backlog ordered	5,606	6,338	731	13.0%
Total	New order received	9,824	12,851	3,027	30.8%
	Backlog ordered	14,500	15,114	613	4.2%

2-4 Comparison of B/S



<Assets>

(Millions of ¥)

	Ended Mar.31, 2021	Ended Sep. 30, 2021	Increase/ Decrease	Remarks
Cash & deposits	10,009	8,517	-1,492	Repayment of loans payable
Trade note & accounts receivable	10,195	10,038	-157	
Inventories	8,377	7,896	-481	
Other current assets	584	418	-165	
Non current assets	8,341	8,129	-211	
Total assets	37,508	34,999	-2,508	

<Liabilities & Net assets>

(Millions of ¥)

	Ended Mar.31, 2021	Ended Sep. 30, 2021	Increase/ Decrease	Remarks
Notes & accounts payable-trade	3,937	3,814	-122	
Other current liabilities	11,451	9,032	-2,418	Repayment of short term loans payable.
Fixed liabilities	7,993	7,403	-590	
Net assets	14,125	14,749	623	Profit recorded
Total liabilities & net assets	37,508	34,999	-2,508	

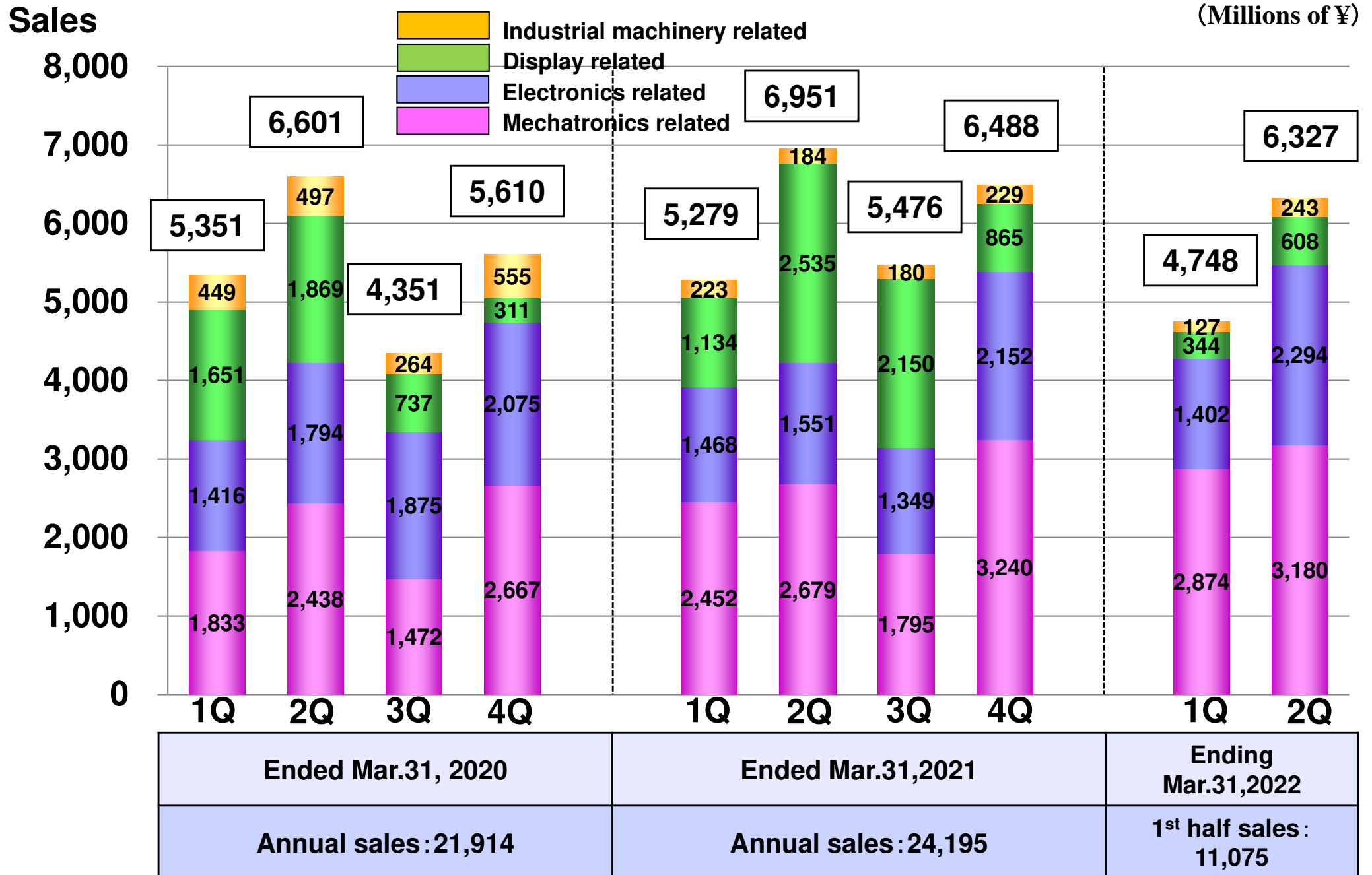
2-5 Summary of cash flows



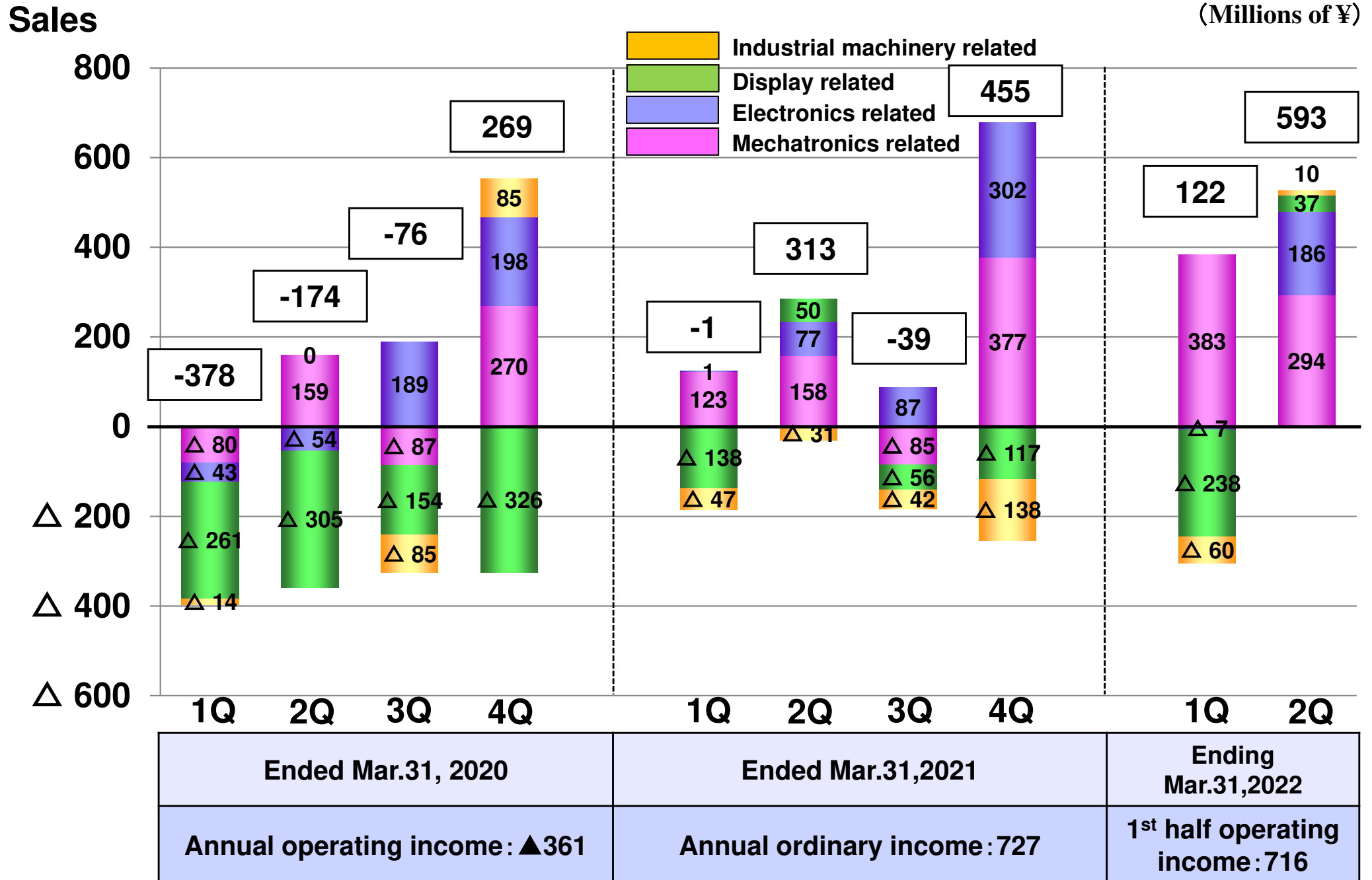
(Millions of ¥)

	Previous corresponding financial period	This financial period 6 months ended Sep.30,2021	Major increase & decrease	
CF from operating activities	1,543	566	Increase	Increase of profit for the period
			Decrease	Decrease of advance received
CF from investment activities	-166	-54	Increase	
			Decrease	
CF from financial activities	1,210	-2,053	Increase	
			Decrease	Repayment of long and short term payable.
Cash & cash equivalents at end of period	9,038	8,439	Decreased by ¥1,492 million against the previous financial year end.	

2-6 Historical sales by business.



2-7 Historical operating income by business



2-8 Business plan of FY ending Mar.31,2022

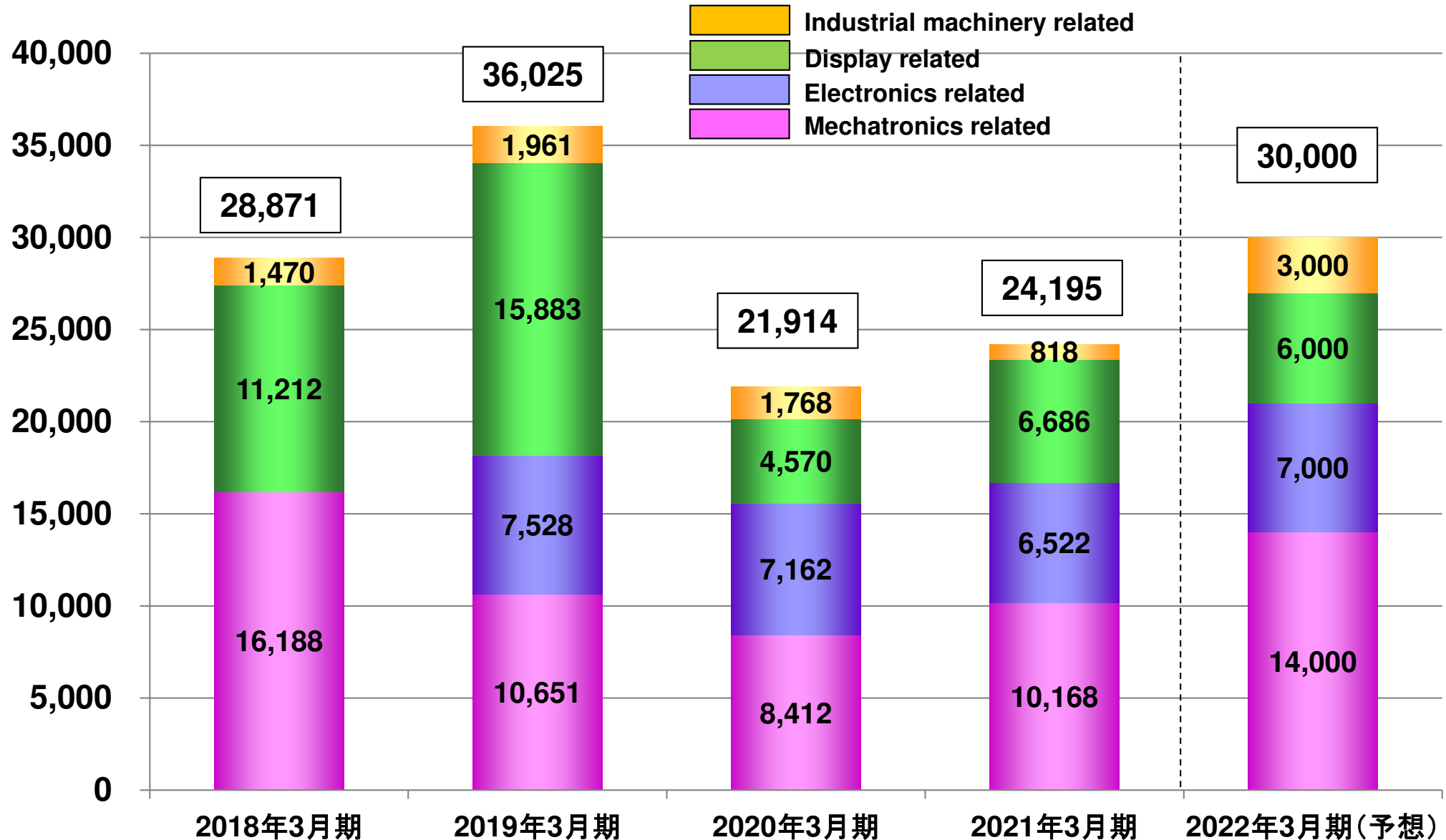
(Millions of ¥)

	Year ended Mar.31, 2019 Results	Year ended Mar.31, 2020 Results	Year ended Mar.31, 2021 Results	Year ending Mar.31, 2022 Forecasted	Increased /Decreased Against the previous year	Increased /Decreased (forecasted %)
Net sales	36,025	21,914	24,195	30,000	5,804	24.0%
Operating income	1,842	▲361	727	1,600	872	120.0%
Ordinary income	1,852	▲443	739	1,500	760	102.7%
Profit attributable to owners of parent	1,094	▲958	337	800	462	137.0%
Profit per share (¥)	121.68	▲106.08	37.19	88.04	50.85	136.7%

2-9 Historical results & forecast 【Sales】



(Millions of ¥)

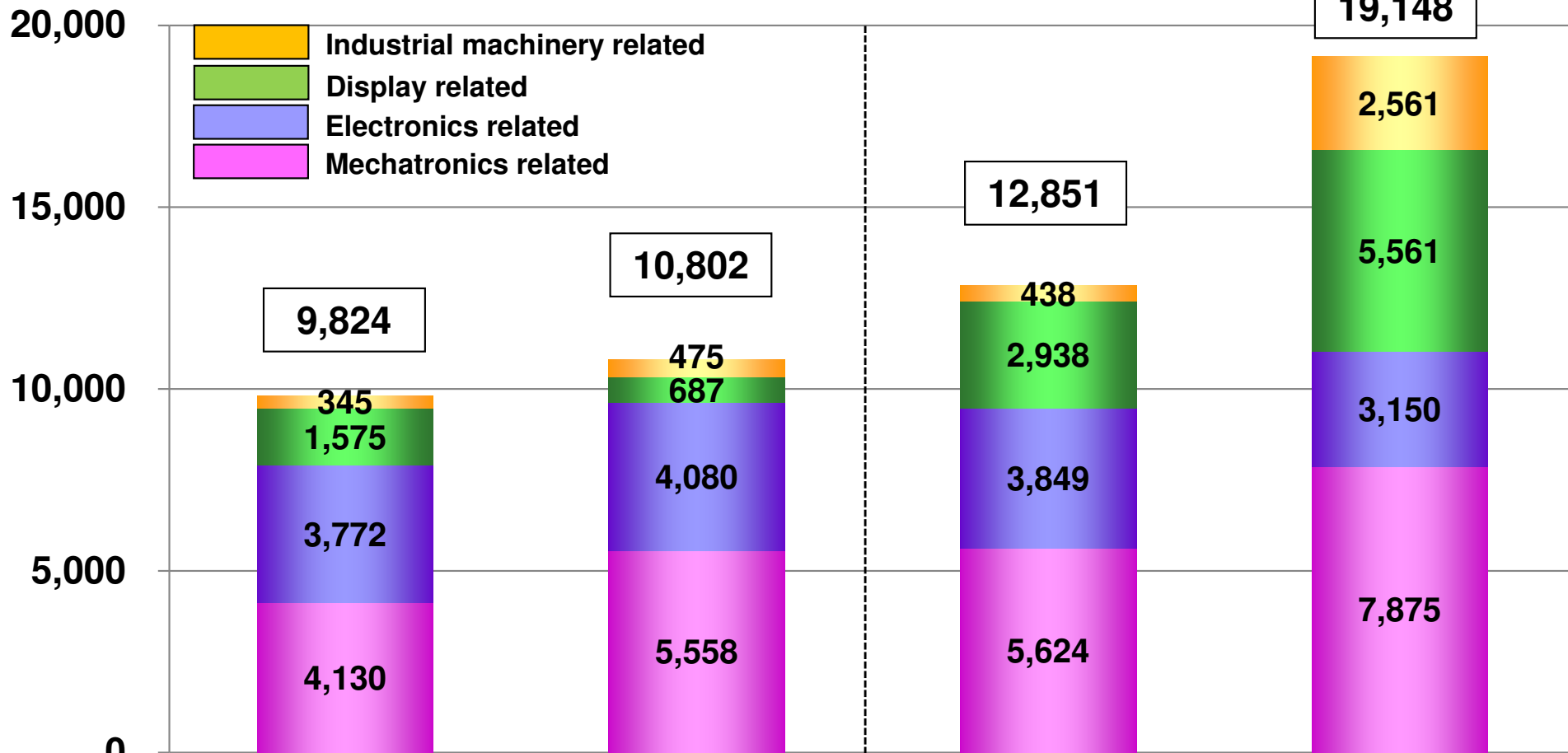


※ 2018年3月期は「メカトロニクス」「ディスプレイ」「クリーニングその他」の3セグメントによる実績

2-10 New order received by business results and forecasts

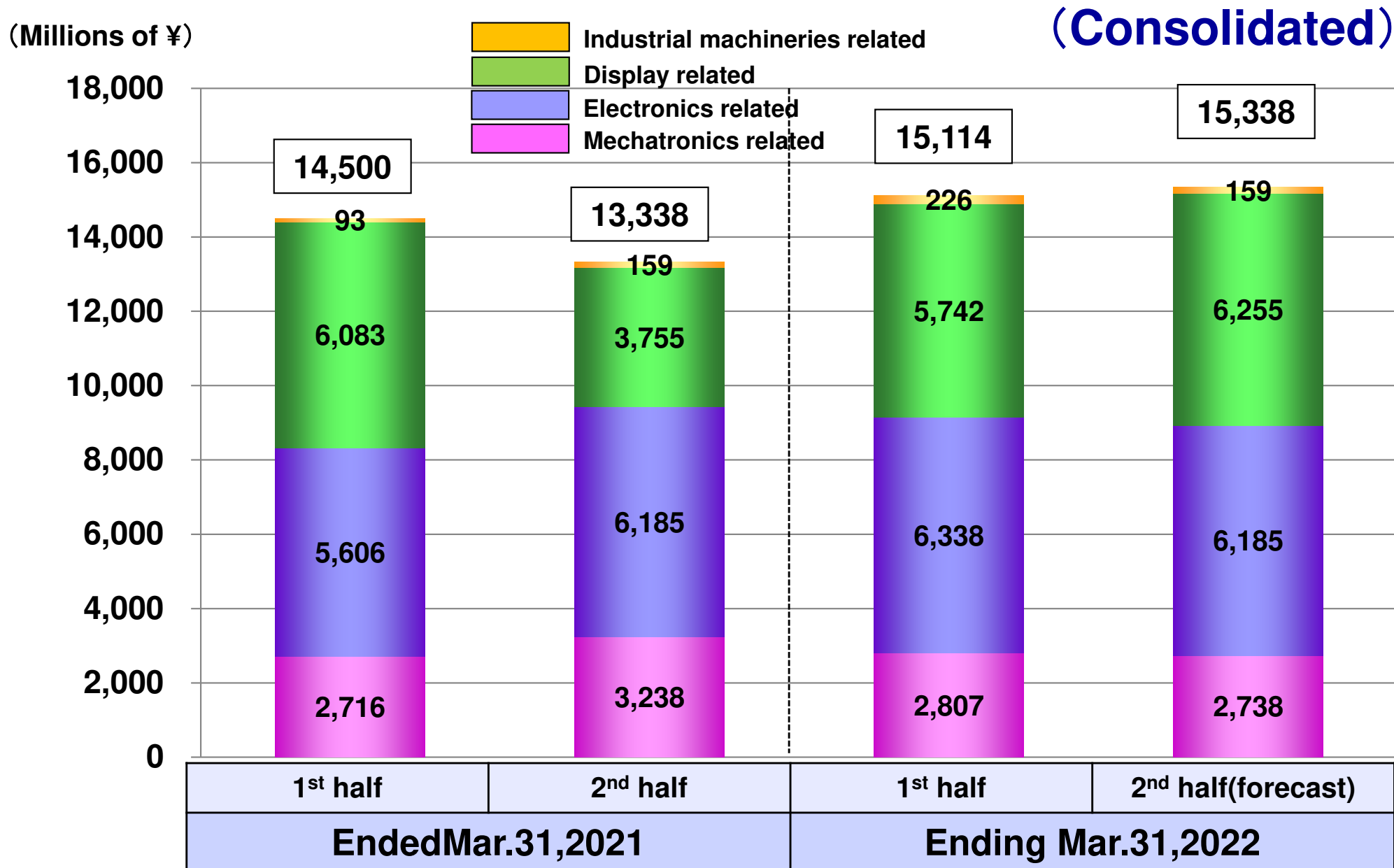
(Consolidated)

(Millions of ¥)



1st half	2nd half	1st half	2nd half(forecast)
Ended Mar.31,2021		Ending Mar.31,2022	
Actual annual amount ¥20,626 million.		Forecasted annual amount ¥32,000 million.	

2-11 Backlog ordered by business results and forecasts.





3. Outline of each segment

..... Director & Senior Managing
Operating Officer cum President of
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ITOH Toshihiko

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**OHKURA
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..... President, YAC Machineries
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..... President, YAC Technologies
Co., Ltd.

**MURANO
Tsunetoshi**

3-1 Mechatronics related business.



① Present atmosphere and issues.

* Extracted from our medium term business plan

With the progress of cloud-related, EV, and digital shifts, the market that our business is engaging is expected to expand significantly. Responding to increased demand for cloud-related HDD equipment sold exclusively, rapid horizontal expansion of power semiconductors and electronic components business such as laser annealing equipment, carrier tapes, automation equipment, cutting equipment, sales promotion of corona-related products will be an issue.

② Measures

H· Development of HDD process equipment for next-generation , and development added value equipment by installing IoT and AI.

- Deep cultivation in the power semiconductor market, and development new equipment for 5G and the sensor market, and application .
- Timely market launch of medical-related wet process equipment, which are under development, collaborative robot application and automation equipment.
- In addition, we will strengthen the competitiveness of our products and provide a stable supply through collaboration between domestic and overseas facilities



* Please refer to appendix regarding details

◆ Taping equipment and carrier tape for 5G smartphone parts and electronics.

: Expanded more than expected *YAC Garter : Profitmaking leader of group

◆ Power semiconductor related equipment such as laser annealing equipment, handler and IPA direct replacement dryer.

: Sudden increase of new order, inquiry and request for development. *YAC Beams and YAC Mechatronics.

◆ Burnisher equipment for HDD : Actual receiving of new order is backward but unchanged strong reaction

*YAC Mechatronics and YSS (Singapore)

◆ Ultrasonic cutter : Expecting demand from EV and ceramic condenser *YAC Dastech

A horizontal banner at the top of the slide contains several small images: a golden mechanical part, a grid of solar panels, a view of the aurora borealis, a bright sun with rays, a field of solar panels under a blue sky, and a person in a suit working at a desk.

APPENDIX

(Mechatronics related business)

① Taping equipment for 5G smartphone parts



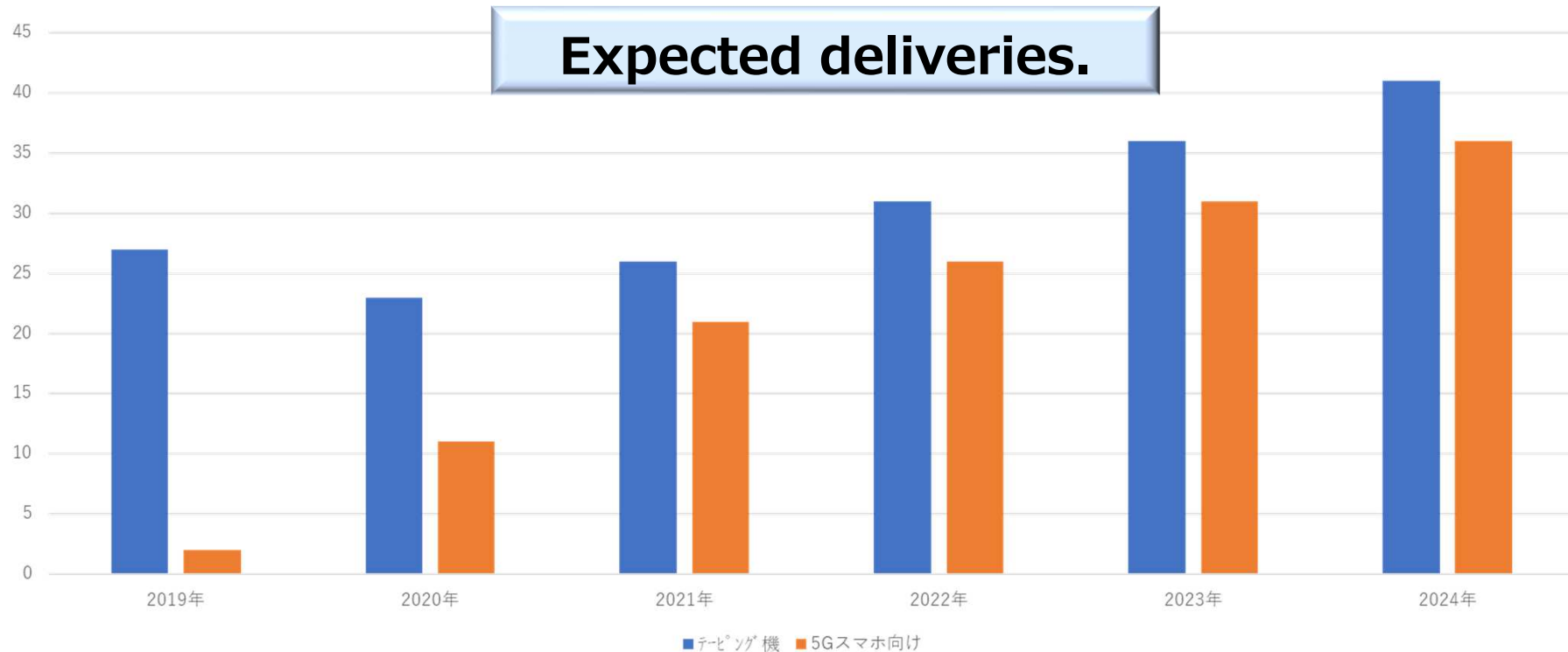
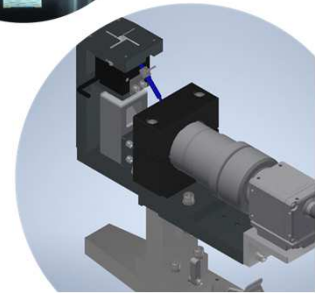
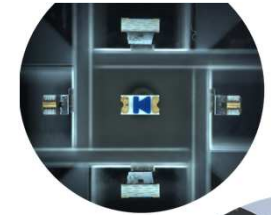
Visual inspection : Taping equipment as final process

excluding visual checking.

Good points : Visual inspection is available like looking from

5 dimensions by one camera.

Prevention of outflow of defective products such as scratches and mixing of different types.



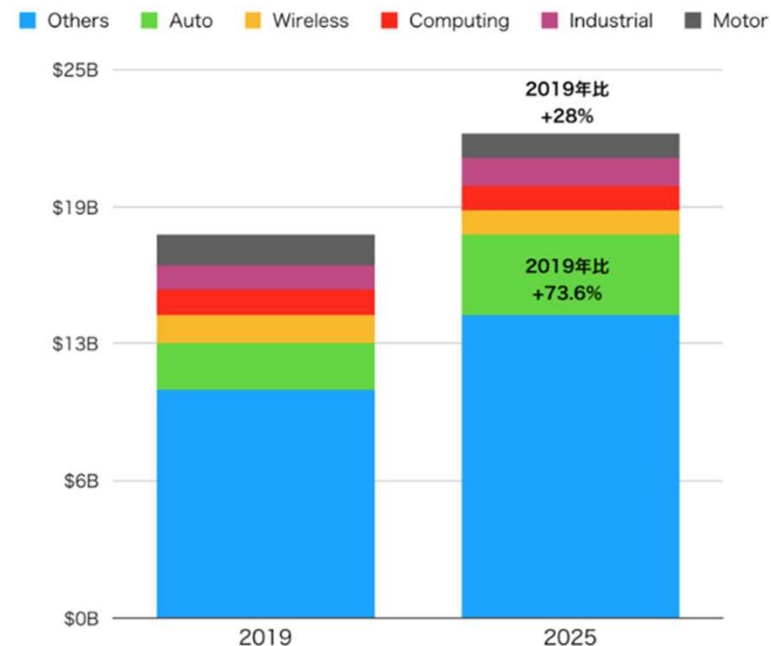
② Power semiconductor market.



パワー半導体の市場規模予想 (データ 富士経済)



パワー半導体の市場規模予想 (データ Yole Development)



	Year of 2020	Against year of 2019	Forecast of year 2030	Against year of 2020
Silicon	¥2,752,900 M.	96.0%	¥3,798,100 M.	138.0%
Next generation material	¥51,400 M.	109.6%	¥249,000 M.	4.8 times.
Total	¥2,804,300 M.	96.2%		144.3%

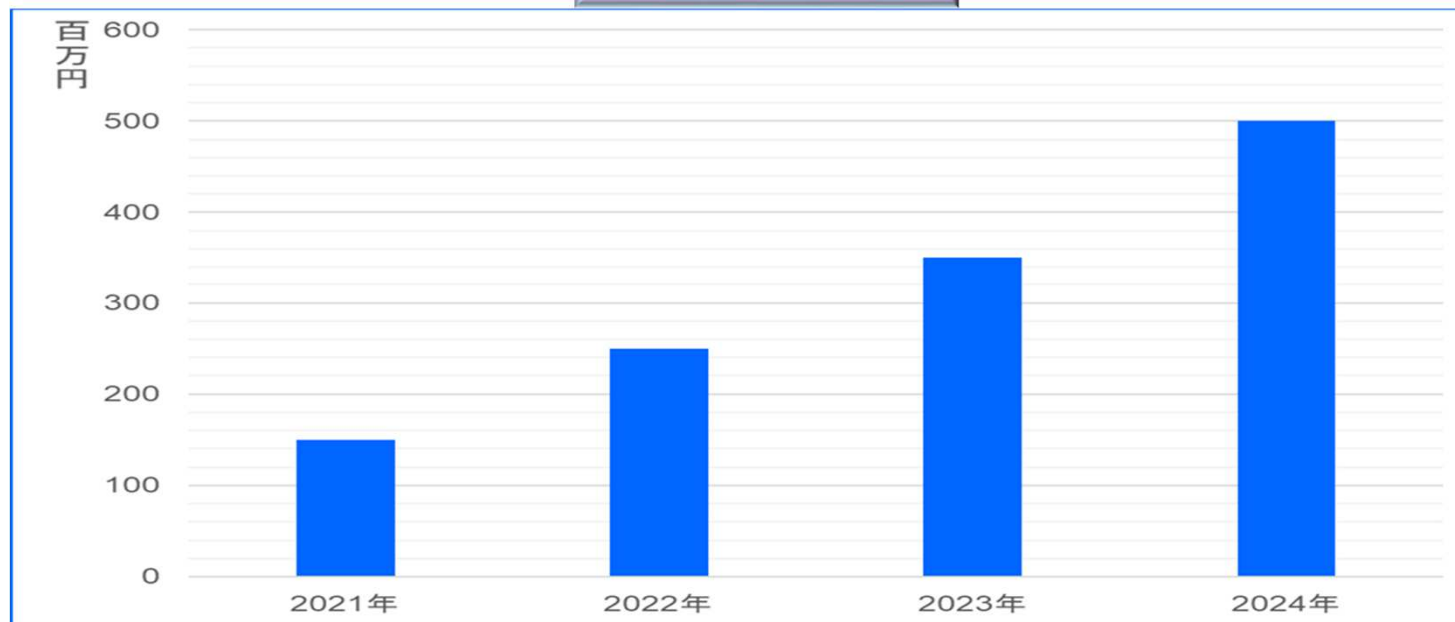
③ Handler for power semiconductor.



(Received an order from an electrical equipment manufacturer)

- **HV-AC/Handler for DC testing.**
Equipment for measuring chip form static characteristics (AC) and dynamic characteristics (DC) of power devices such as IGBT, MOS, Diode.
- **Handler for 3 temperature measurement**
The process used to be measured by multiple testers and handlers became possible to be performed with a single device.

Sales plan



④ IPA direct replacement dryer.



Equipment used in the drying process of the cleaning process (about 30% of the semiconductor manufacturing process) of LSI / power semiconductor device manufacturing. Highly evaluated as an important drying equipment in processes that require high clean drying. The important factors in the drying process applied to a semiconductor after cleaning are that moisture does not remain on the surface and that particles, metals, organic substances do not adhere to the wafer. And the result of the cleaning and drying is an important process that is directly proportional to the yield rate and production rate, and will improve semiconductor manufacturing technology.

The application of wafers for Si / SiC wafers used in power semiconductor is thinned to the limit thickness (50 μm or less) in order to improve device performance, and the drying equipment used in the current drying process became difficult to apply.

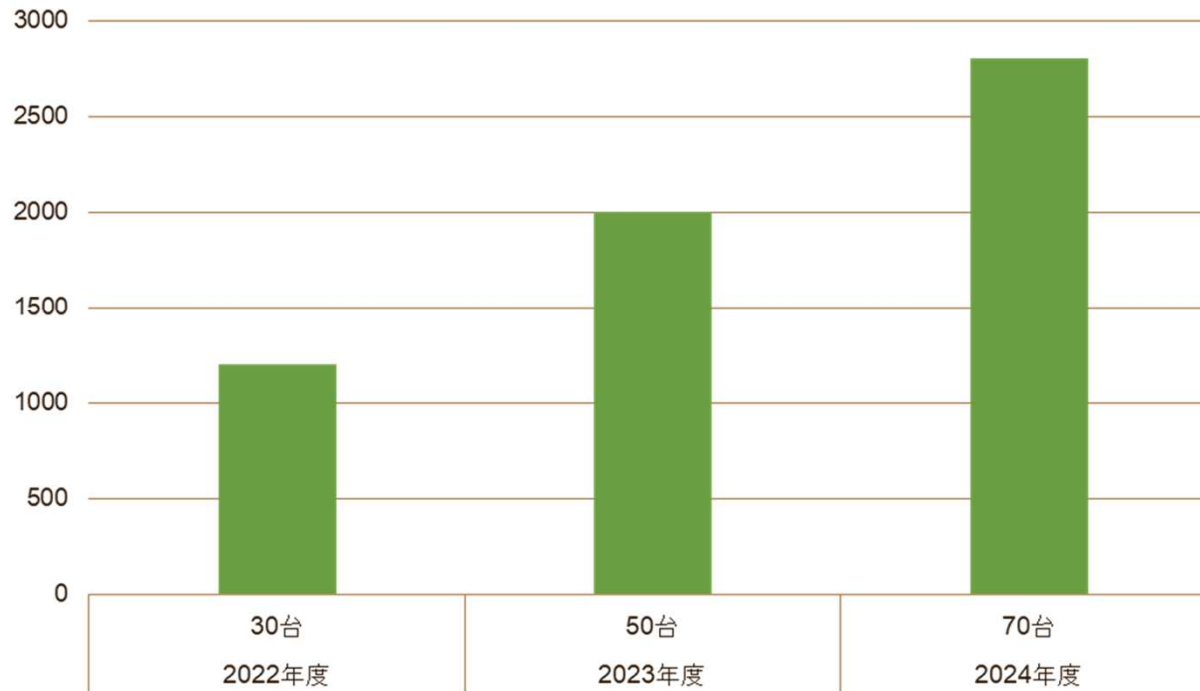
Delivery number of unit and amount (forecast)

	Financial year of 2020	Financial year of 2023	Financial year of 2024	Financial year of 2025
Number of unit	10	20	25	30
Amount	¥150 million.	¥300 million.	¥375 million.	¥450 million.

⑤ Vanisher equipment



装置出荷台数と売上見込(百万)



- ◆ Our vanisher device is a equipment (world share 100%) used in the vanish process in the HD (hard disk) manufacturing, and is an indispensable equipment.
- ◆ The vanish process is used in process applications such as disc surface protrusions, lubricant homogenization, and particle removal, which allows the distance between the disc and head in the drive to be as close as possible to the disc. This will lead to an increase in HDD capacity, such as an increase in capacity and an increase in the number of built-in drives.

⑥ Ultrasonic cutter device.



- Chopper type cutting machine using the latest ultrasonic cutter technology. The blade of cemented carbide is lowered vertically to cut the object to be cut stress-free. Developed for cutting all-solid-state batteries (multilayer capacitors, ceramic packages) such as parts for next-generation vehicles and energy storage systems (ESS).
- Cutting of the laminated body of each part by ultrasonically assisting, it is possible to eliminate the sagging of the cut surface and the tensile joint (short circuit) of the metal leaf and improve the yield of the product.
- Market : Automobile, electronics and smartphone/Communication equipment.

Sales forecast (number of units)

Year of 2022	Year of 2023	Year of 2024	Year of 2025
5	10	15	25

3-2 Electronics related business.



① Present atmosphere

* Extracted from our medium term business plan

We anticipate that dialysis machine will continue to expand due to increasing global demand for diabetes. COVID-19 had a negative impact on the adjustment of production cuts for old models and the introduction of new models to the market, but sales of old models recovered from the latter half of the third quarter of this financial year, and new models are expected to be launched in the fall of next financial year. The challenges are to steadily obtain certification in the newly admitted countries and to secure the next product. On the other hand, demand for electric power control and communication equipment is still strong, but it is not expanding rapidly. Therefore, the issue in this field is that entry into renewable energy, which is expected to grow in the future, is a key word for further growth.

② Measures

In the medical field, quality improvement and cost reduction of existing artificial dialysis machines are one of the utmost importance, while we will work on the development of new products that make use of our technology. In the electricity market, we will develop equipment for renewable energy mainly on offshore wind power and will also focus on developing communication equipment that will lead to automation of maintenance.

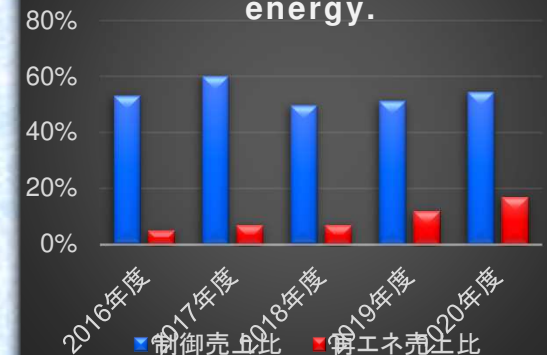
Artificial dialysis machine: With the launch of new products for OEMs, the sales volume is expected to increase mainly in overseas markets where the market is expected to expand in the future.

"Contributing to the construction of social infrastructure such as electric power and water services by information transmission control equipment"

In recent years, with the aim of SDGs, "By 2030, we will significantly increase the proportion of renewable energy in the global energy mix." In Japan as well, solar power generation has been increasing since about 10 years ago toward the goal. From now on, offshore wind power generation is attracting attention.

In order to maintain a stable supply, electric power companies have a major mission and challenge to balance supply and demand. In order to reduce the ratio of stable power generation such as nuclear power and thermal power, and increase the ratio of solar power, wind power, and hydroelectric power generation. It is necessary to collect information such as power generation information and meteorological information, and control it when suppression is necessary.

Percentage of stable electric and renewable energy.



3-3 Industrial machinery related. ①



① Present atmosphere

The home cleaning market has shrunk sharply by disaster of COVID-19, but demand for related industries, linen supplies, especially medical linen supplies, has increased significantly. In addition, film packaging, which is the core technology for cleaning finishes, is expected to create a new market in the EC logistics industry, where many eco-friendly films and papers will be handled due to the trend of decarbonization and de-plasticization. The issue is to accelerate entry into both markets.

Extracted from our medium-term business plan

② Measures

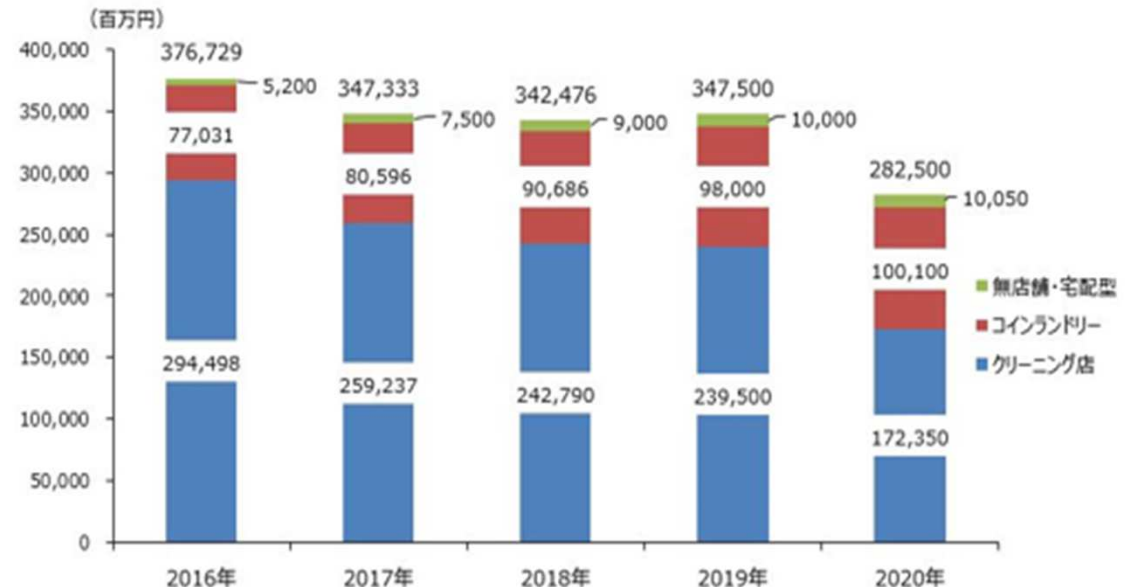
In medical linen supply, we provide "safety and security" by automating and improving the accuracy of the inspection function at the time of arrival check, which has been developed since last year. Regarding EC logistics, we will contribute to society as a part of decarbonization and de-plasticization by applying our core technology.



Cleaning market

Number of cleaning shops-
28%(against previous year)
Coin-laundry 2% increased
Internet slightly increased

**Business style
changed**



3-3 Industrial machinery related②



Introducing new products to linen supply

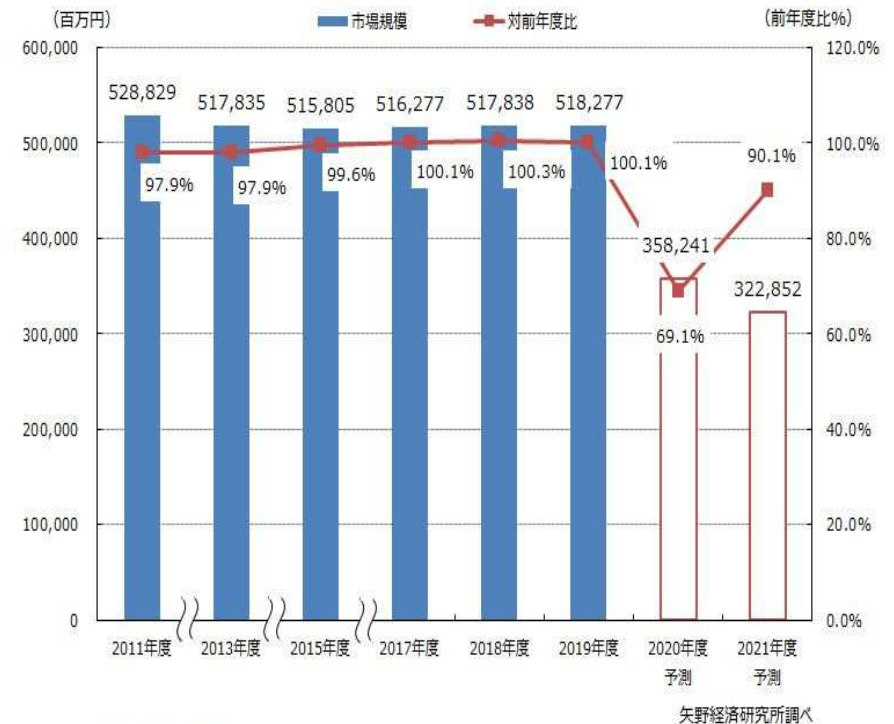
- The uniform finishing machine has already been sold.
- The new introduction machine is a tunnel finishing machine.
- Introducing an X-ray foreign matter inspection device at the arrival part that has not been automated.
- Automatic bag breaking machine for disinfectant bags.

Expansion to EC logistics

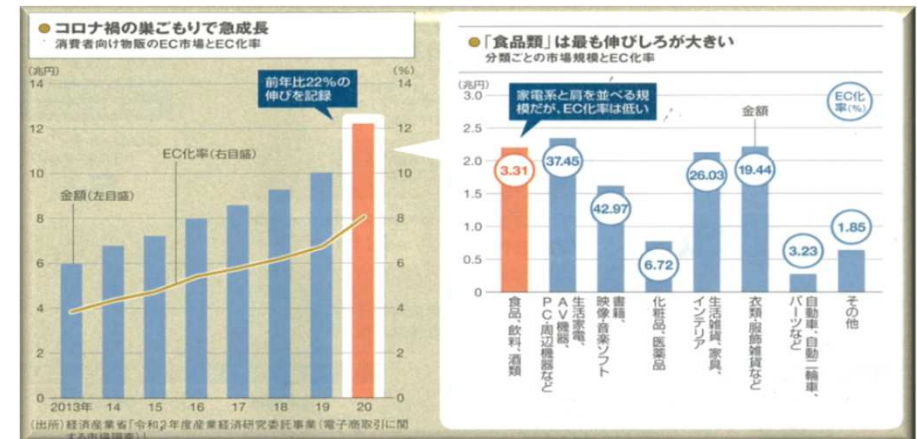
- Logistics market has increased by 50% in 10 years.
- The EC market increased by 22% year-on-year.
- The EC rate of logistics is 8%. 20% of EC for apparel.
- There is no automation of apparel logistics.
- Applying the packaging machine, which is the core technology. Supports the latest sealing methods and paper packaging from film materials.

Overseas strategy

Reconstruction of distributors in Europe and the United States.
Accelerating the business of NET cleaning in PRC.



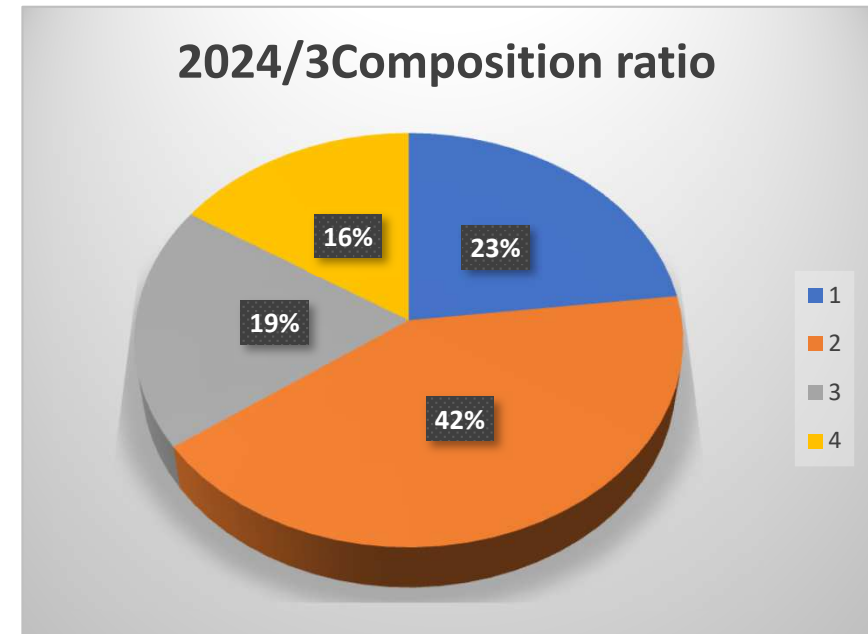
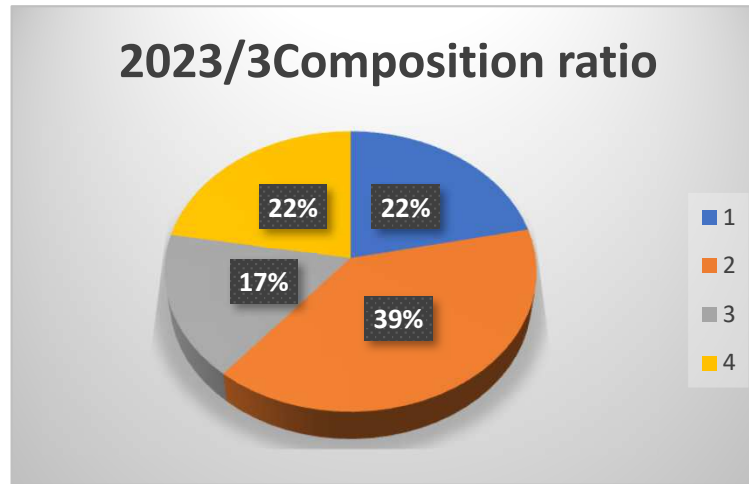
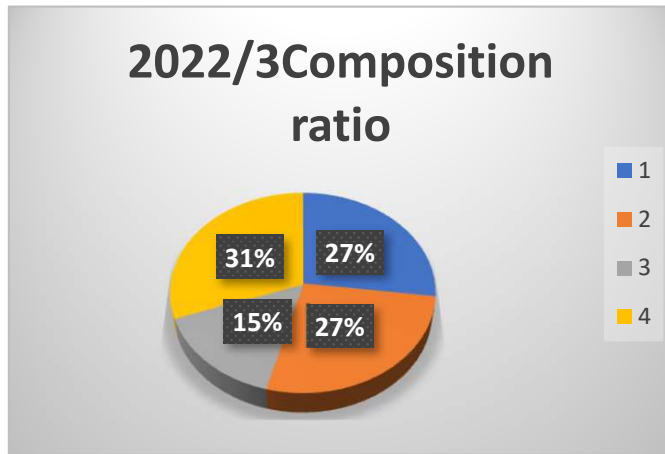
注1. 事業者売上高ベース
注2. 2020年度以降は予測値。2017年度の前年度比は2015年度比、2015年度以前も同じ。



3-3 Industrial machinery related ③



* The overall and itemized volumes are being re-examined in light of the current situation.



- EC ↑
- Service →
- Lynen ↑
- Home ↓

3-4 Display related①



① Present atmosphere

In the flat panel display (FPD) industry, investment in liquid crystal displays (LCD) for large TVs has settled down, and investment in organic EL displays (OLED) is currently in the adjustment phase, although efforts are being made to develop mass production of large substrates. In this related business, main issues are to overcome this situation by specializing in fields where we can utilize our strengths (withdrawal from the WET business in the previous fiscal year) and expanding (expanding the application of heat treatment equipment), and continue to strengthen our constitution.

* Extracted from our medium-term business plan

② Measures

In addition to brushing up and increasing market share in terms of both technology and cost, we will develop it into a base business by actively developing maintenance and services (proposal-type sales). On the other hand, in order to achieve dramatic expansion, we will promote product development through collaboration between our core technology and technologies of other companies, and promote introduction to markets other than the FPD industry.

Present situation

We have been shifting sales to overseas panel manufacturers due to a decrease in capital investment by domestic panel manufacturers, but in recent years profits have declined significantly due to cost competition caused by the entering of overseas equipment manufacturers and malfunctions of delivered equipment.

In particular, in fiscal year of 2019, profits deteriorated significantly due to the complete withdrawal from the wet equipment business and the allocation of deductions.

In fiscal year of 2020, we carried out structural reforms to strengthen the profit structure of the display-related business, and have continued to this day.

3-4 Display related business ②



Improvement measures

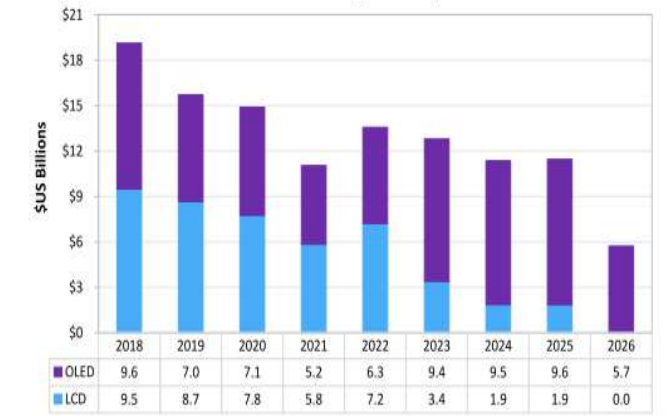
FPD equipment revenues & growth rate forecast (January 2021)



Source: Omdia

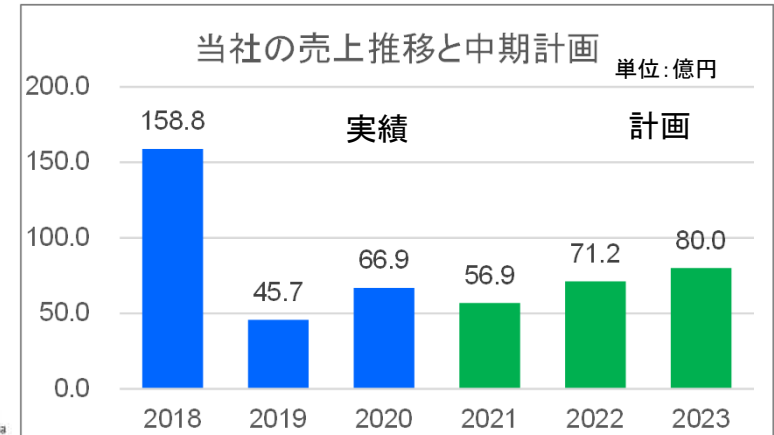
FPD装置の収入と成長予測(出所:OMDIA)

FPD equipment revenues & OLED vs LCD forecast (June 2021)



Source: Omdia

FPD装置 (LCD及びOLED)の収入予測(出所:OMDIA)



Although there is a delay in the plan for capital investment in FPD manufacturing equipment due to the impact of the Corona disaster, it is expected to continue during these medium term, and demand is strong against our medium-term plan.

We will receive orders for large-scale equipment and improve our business performance by using our strong proposal capabilities based on our track record in high-value-added processes in Japan and overseas and our know-how on countermeasures for troubleshooting.

3-4 Display related business③



FPD manufacturing equipment

- Sales of high-precision annealing equipment and high-density plasma dry etching equipment to Chinese panel makers who continue to make large-scale capital investment
- We won a large-scale equipment order from a Korean manufacturer, which is ahead of the others in terms of AMOLED manufacturing equipment, after having a track record in a Chinese panel manufacturer. From January 2022, we will ship multiple AMOLED annealing equipment to Chinese customers.
- Recognized for its track record in IGZO manufacturing equipment in Japan, we got a large-scale equipment order from a Chinese panel manufacturer. From November 2021, we started manufacturing multiple high-temperature annealing equipment for Chinese customers.
- From the financial year of 2022, we will start selling high-density plasma dry etching equipment equipped with a new plasma source that can realize the high technology required by customers.

◆ Improving business performance and stabilizing business.

- Targeted high value-added equipment
Focus on sales and improve profit margin.
- Propose FPD manufacturing equipment with new technology through technical collaboration with FPD equipment manufacturers to panel manufacturers and promote sales.



Outlook of high density dry etching equipment of G6



Outlook of annealing equipment of G10.5

3-4 Display related business ④



Stabilization of FPD business base.

● Strengthen sales power of equipment

- Propose equipment of process changes, partial expansion, and renewal demand for existing customers.

● Strengthen customer support

- Strengthen sales of maintenance, inspection, parts, backed by historical record of more than 1,000 equipment performance in Japan, China, and South Korea
- Proposal to reduce CO2 emissions by proposing higher efficiency of equipment

● Strengthen collaboration

- Supplying our core technologies, parts, units to other companies in the same industry
- Creating innovation that leads to solving various social issues through industry-academia-government collaboration



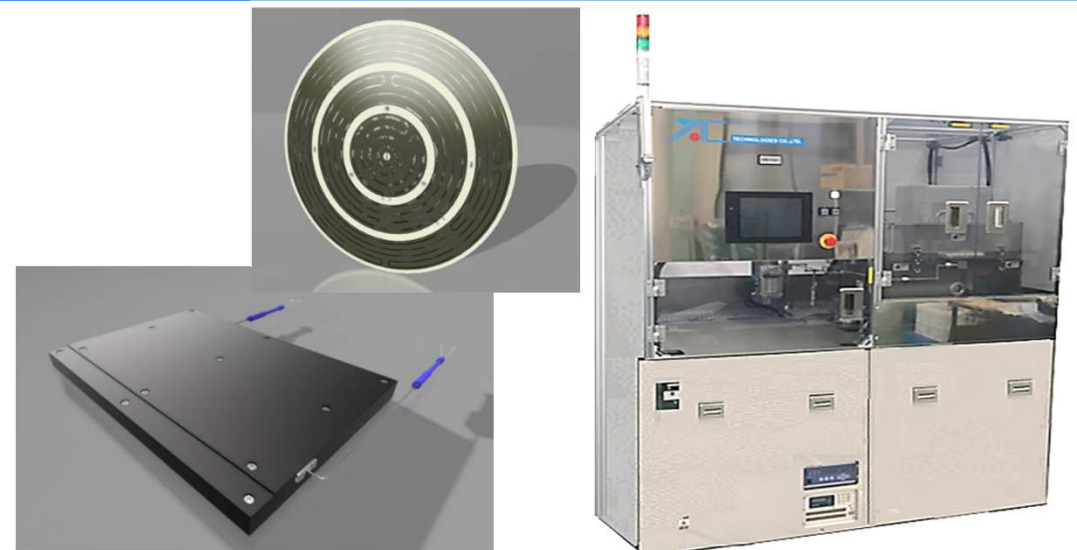
Bringing core technology to various markets

● Precision heat treatment technology

- Started sales of heaters for semiconductor manufacturing equipment
- Started sales of heaters for small hot plates
- Started selling high power heater for mold preheating

● Plasma technologies

- Started selling plasma dry etching equipment for R & D to various fields such as the electronic parts market.





*Well, Today should be
a Fascinating and Prosperous Day, again !*

Flexible High-Technology Business Group



Y.A.C. HOLDINGS Co., Ltd.

Amounts are rounded down to the nearest million yen.