

Revised Mid-term Management Plan and Growth Strategies

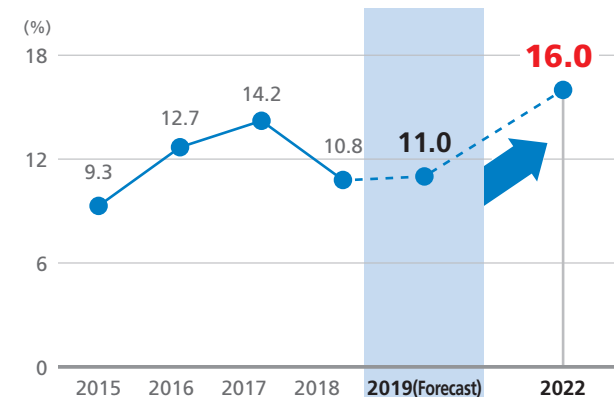
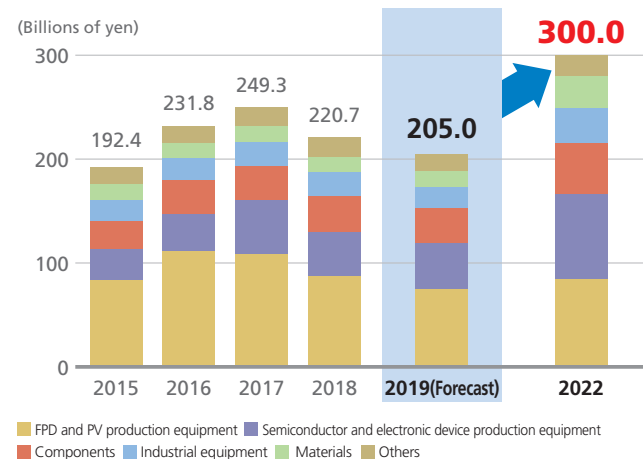
Whereas ULVAC's targets under the current three-year mid-term management plan (covering the period from fiscal 2017 to fiscal 2019) were net sales of ¥265 billion and operating profit of ¥38 billion on a consolidated basis for the fiscal year ending June 30, 2020 (fiscal 2019), the final year of the plan, our earnings are forecast to fall short of these targets owing to delays in the resumption of electronics-related capital expenditures. However, the future targets set for the fiscal year ending June 30, 2023 (fiscal 2022) remain unchanged. ULVAC aims to achieve "net sales of ¥300 billion" and "operating profit margin of 16%" on a consolidated basis under its growth strategy, based on the mid- to long-term market prospects.

Vision

- Highly profitable corporate management by comprehensively utilizing vacuum technology, maximizing synergy among equipment, materials, deposition processing, analysis & services, and cooperating with global business partners
- Human resources development for the next leap forward and a corporate culture that relishes challenges

Targets for FY2022 Net sales: ¥300billion

Operating profit margin: 16.0%



Strengthening of management base

Current specific measures

Human resources development	More powerful business promotion capabilities	<ul style="list-style-type: none"> Promotion of global human resources and training of next-generation executive candidates Improvements for fairer assessment to bring out the full potential of employees' capabilities
Deepening relationships and coordination within the Group	More powerful manufacturing capabilities	<ul style="list-style-type: none"> Establishment of systems for efficient utilization of the Group's management resources Reinforcement of the global supply chain system and strengthening of cost competitiveness by enhancing manufacturing capabilities
Information platform development	Improve business judgments	<ul style="list-style-type: none"> Strengthening of global strategic marketing functions to respond to new markets and new technologies Facilitation of greater and vigorous use of IT in business processes
Financial strength improvement	Improve capabilities for growth investment	<ul style="list-style-type: none"> Improvement of the equity ratio to 53% (at the end of fiscal 2018) by a ¥3.5 billion increase in net assets and a ¥15.1 billion decrease in total assets The amount of R&D investment is scheduled to be unchanged from the amount planned in the mid-term management plan

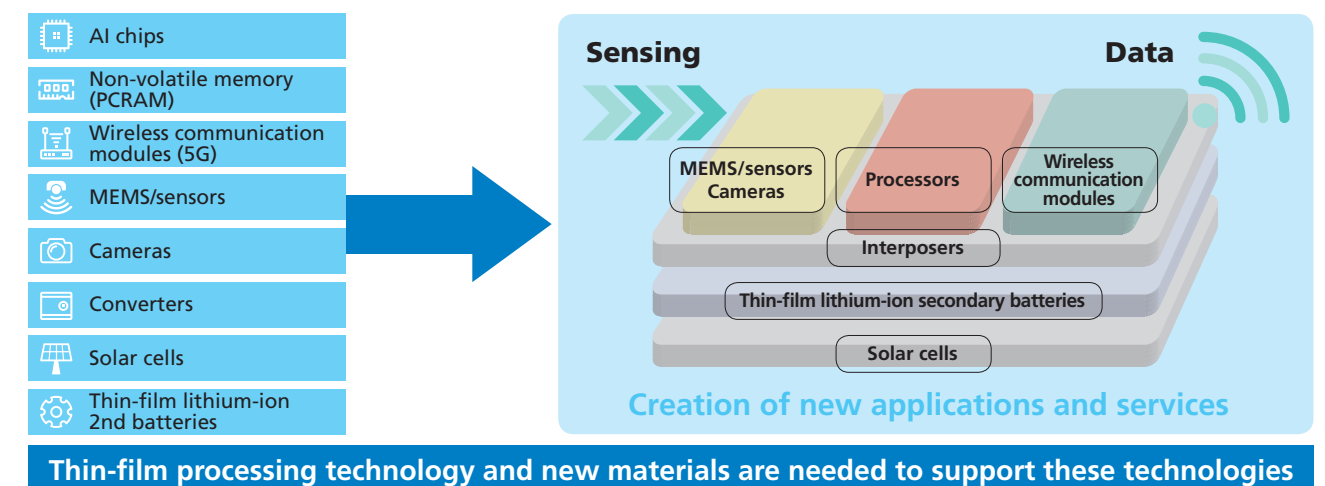
Growth strategies

Promotion of business growth	
Expand business in growth markets	The smart society in which industries become increasingly electronics-oriented is a growth market for ULVAC.
Provide solutions capitalizing on technical advantage	Create new application fields through integration of core technologies for semiconductors, electronic devices, energy, packaging, etc. to address new market needs
Further active strategic collaboration	Acquire top position in both technology development and business development
Further develop business in growth regions	Utilize local production systems, supply chains, and networks built in the high-growth regional markets
Promote initiatives to realize new value	Attract new customers and strengthen marketing by using ULVAC's wide technical coverage

Technology enabling the smart society = Growth market



ULVAC's technical advantages (examples); Integration of core technologies (semiconductors, electronic devices, energy, packaging)



Example of strategic collaborations (PiezoMEMS)

