

Tokyo Stock Exchange (TSE): 6264

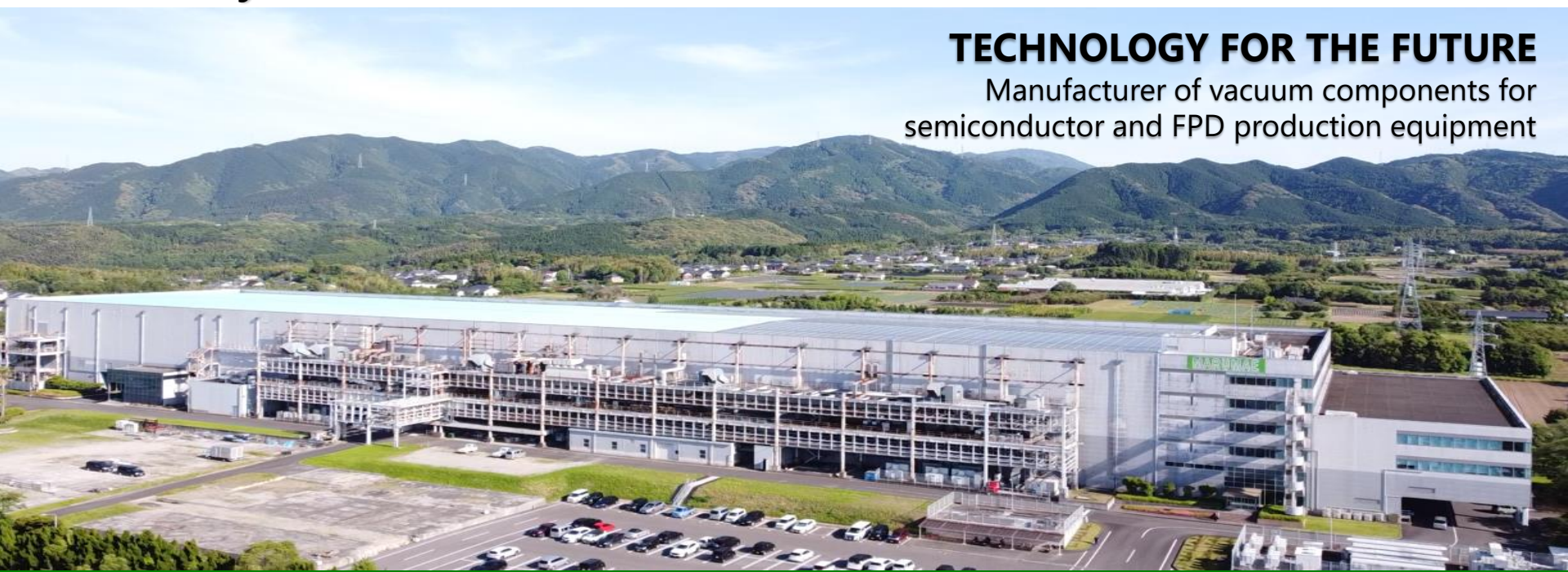
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MARUMAE CO., LTD.

Summary of Q3 FY2024 Financial Results

June 28, 2024

TECHNOLOGY FOR THE FUTURE
Manufacturer of vacuum components for
semiconductor and FPD production equipment



1. Overview of Financial Results

P/L Analysis

P/L	Third Quarter of the Fiscal Year Ended August 31, 2023		Third Quarter of the Fiscal Year Ending August 31, 2024		
	Amount (million yen)	Ratio (%)	Amount (million yen)	Ratio (%)	YoY change ratio (%)
Orders received*	4,045	–	3,592	–	(11.2)
Order backlogs*	1,383	–	1,402	–	0.0
Net sales	5,381	100.0	3,344	100.0	(37.8)
Cost of sales	4,043	75.1	2,820	84.3	(30.3)
Gross profit	1,337	24.9	524	15.7	(60.8)
Selling and administrative expenses	565	10.5	500	15.0	(11.5)
Operating profit	771	14.3	24	0.7	(96.9)
Ordinary profit	732	13.6	(58)	(1.7)	–
Extraordinary loss (income)	(2)	0.0	0	0.0	–
Profit	509	9.5	(51)	(1.5)	–
EPS (yen)	40.29	–	(4.05)	–	–

Point

1. Status of orders received*

- Semiconductor sector: 2,668 million yen (3.0% YoY decrease)
- FPD sector: 873 million yen (106.2% YoY increase)
- Other sectors: 50 million yen (94.2% YoY decrease)

2. Net sales

- 37.8% YoY decrease
(Details by sector are described on the next page.)

3. Cost of sales

- Outsourcing expenses: 363-million-yen decrease (50.8% YoY decrease)
- Material cost: 338-million-yen decrease (42.1% YoY decrease)
- Labor costs: 191-million-yen decrease (16.8% YoY decrease)

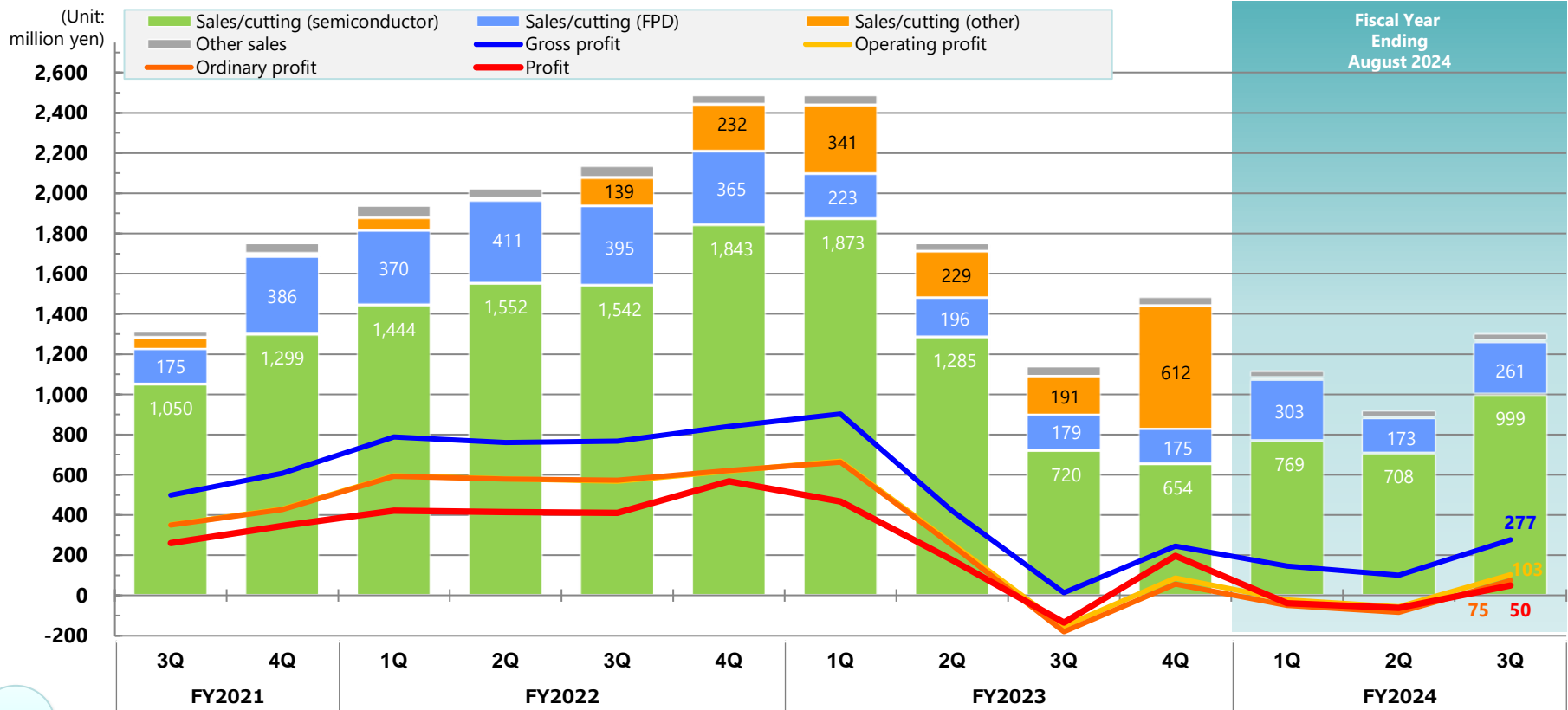
4. Selling and administrative expenses

- Personnel expenses: 34-million-yen decrease (12.0% YoY decrease)
- R&D expenses: 28-million-yen decrease (41.0% YoY decrease)

* Orders received and order backlogs include materials supplied for a fee.

1. Overview of Financial Results

Trends in Quarterly Business Results



Point

1. Sales are on an upward trend due to recovery in the semiconductor sector.

- Semiconductor sector: 2,477 million yen (36.1% YoY decrease)
 - Progress in inventory adjustment and contribution of new customers to sales.
- FPD sector: 738 million yen (23.2% YoY increase)
 - Solid orders due to strong demand for OLED products.

■ Other sectors: 28 million yen (96.2% YoY decrease)

- Continued inquiries for solar cell production equipment parts, but no orders received.

2. Profitability is improving due to sales recovery and improved utilization ratio, etc.

- Decrease of 81 million yen in provision for loss on orders received, etc. from the end of the previous fiscal year (improvement).
- Achieved operating profitability in the cumulative accounting period.

* This graph shows quarterly figures, but the numbers in the comments for each point are those for the fiscal year under review.

1. Overview of Financial Results

B/S Analysis

B/S	Fiscal year ended Aug 2023 End of Fiscal Year	Fiscal year ending Aug 2024 End of Q3
	(Unit: million yen)	
Current assets	5,448	5,493
Cash & deposits	3,496	3,265
Trade receivables (Notes receivable - trade, accounts receivable - trade, and electronically recorded monetary claims - operating)	982	1,319
Inventories	813	719
Non-current assets	6,163	5,881
Buildings & land	2,537	2,454
Machinery & equipment	3,271	2,699
Current liabilities	1,165	1,192
Interest-bearing liabilities (short-term)*	607	617
Non-current liabilities	2,973	3,090
Long-term borrowings	2,889	3,001
Total liabilities	4,138	4,282
Total net assets	7,473	7,092
Total assets	11,612	11,375

* Interest-bearing liabilities (short-term): Short-term borrowings + Current portion of long-term borrowings

Point

1. Assets: 11,375 million yen (236 million yen decrease from the end of the previous fiscal year)

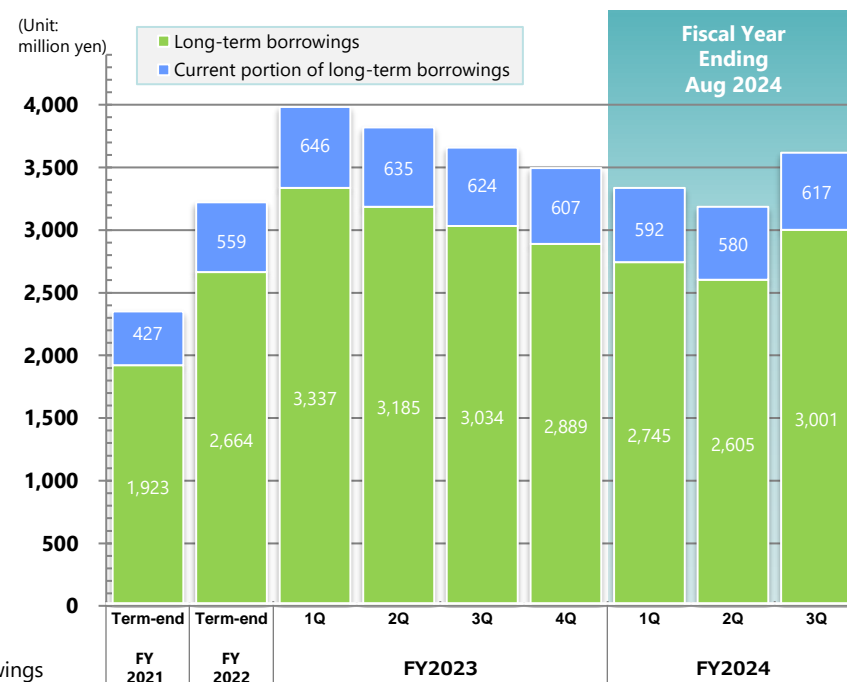
- Property, plant and equipment: 284-million-yen decrease
- Cash and deposits: 231-million-yen decrease

2. Liabilities: 4,282 million yen (144 million yen increase from the end of the previous fiscal year)

- Long-term borrowings: 112-million-yen increase
- Current portion of long-term borrowings: 10-million-yen increase

3. Net assets: 7,092 million yen (381 million-yen-decrease from the end of the previous fiscal year)

- Retained earnings: 405-million-yen decrease
- Increase of 24 million yen due to disposal of treasury shares
- Equity ratio: 64.4% → 62.3%



2. Business Environment

Future Environment and Policies by Sales Sector

Semiconductor

- ◆ The market environment continues to improve, especially for memory.
- ◆ Inventory clearance should progress, existing customers are expected to recover, and the outlook for new customers should expand rapidly.
- ◆ Prepare for growth for the next fiscal year by recruiting new staff and expanding investment in equipment.

FPD

- ◆ Increasing trend in investment plans for OLEDs for the next fiscal year.
- ◆ Slight delay in some G8 OLED investments, but expected to increase next fiscal year.
- ◆ Continue the strategy of expanding market share by leveraging EBW.

Others

- ◆ The Chinese PV* market remains stagnant; no PV orders.
- ◆ Receive an order for a prototype of new solar cell production equipment.
- ◆ Expand sales activities into various fields to utilize surplus capacity.

* PV is the abbreviation for photovoltaic. It refers to photovoltaic power generation.

3. Financial Forecast for FY2024

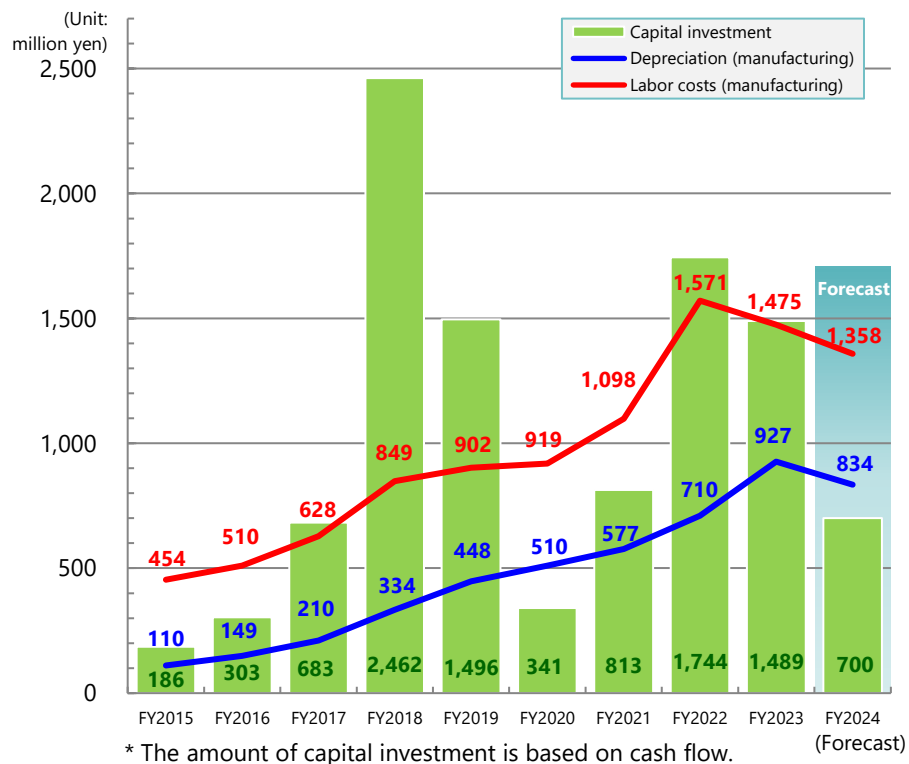
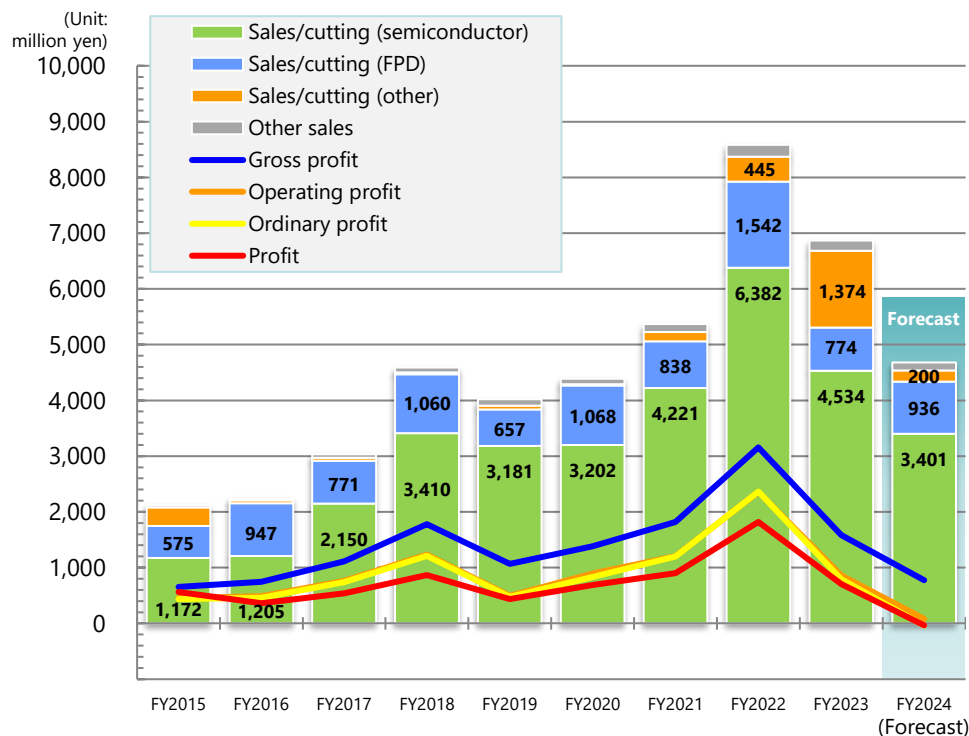
Forecast for the Current Period (Profit/Loss, Capital Investment, and Fixed Cost)

Financial forecast for FY2024	Net sales (millions of yen)	Operating profit (millions of yen)	Ordinary profit (millions of yen)	Profit (millions of yen)	Earnings per share (yen)
Full year	4,680	77	(39)	(34)	(2.69)

Point

- ✓ Significant increase in the forecast for new customer orders.
- ✓ Resumption of recruitment and capital investment in increased production.
- ✓ Concurrent implementation of CO₂ reduction measures and employee satisfaction initiatives.

Steady performance against the revised full-year forecast.



* The amount of capital investment is based on cash flow.

Our goal as a company is for our technology to make a social contribution through sustainable management.

Notes

Information that refers to future events, including the information listed in this material and content that has been orally explained, is an outlook based on certain assumptions, which include variable elements such as evaluations by Marumae's management.

This material has been prepared for shareholders and investors for them to grasp the current status and management policies of Marumae and does not provide readers with a basis for making any investment decision such as the purchase or sale of Company shares. The Company bears no responsibility for any investment decision.

Although the Company has taken care in preparing the listed information, including the numerical figures, this material contains many numerical figures that have not been audited. Therefore, the Company does not assure their accuracy. Moreover, the Company does not bear any responsibility for the information listed nor for any errors contained herein for any reason.

For inquiries regarding this material, please contact the following:

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E-mail: inquiry_en@marumae.com

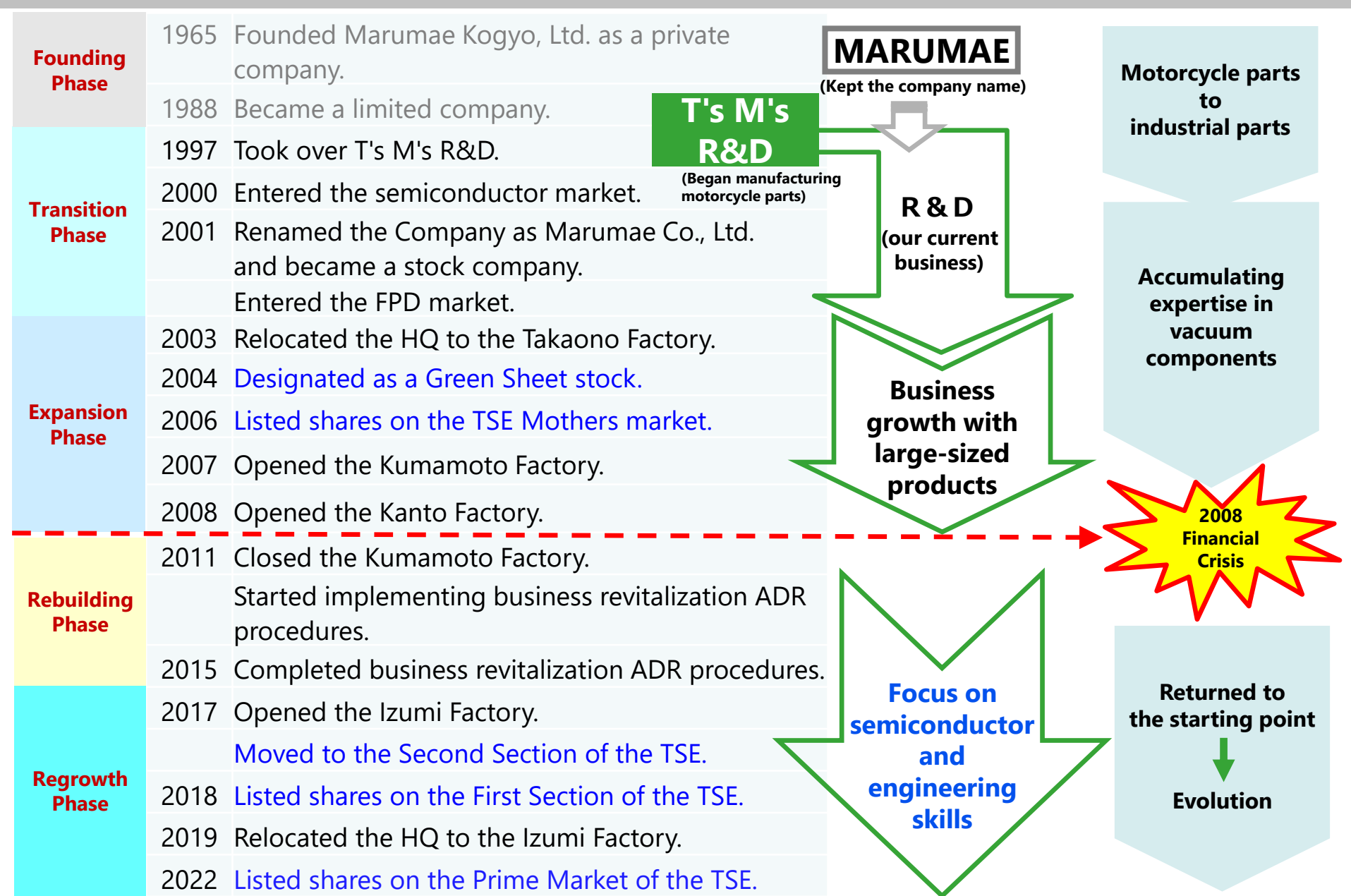
Company Profile

Reference (Our History)

We got our start in motorcycle racing.

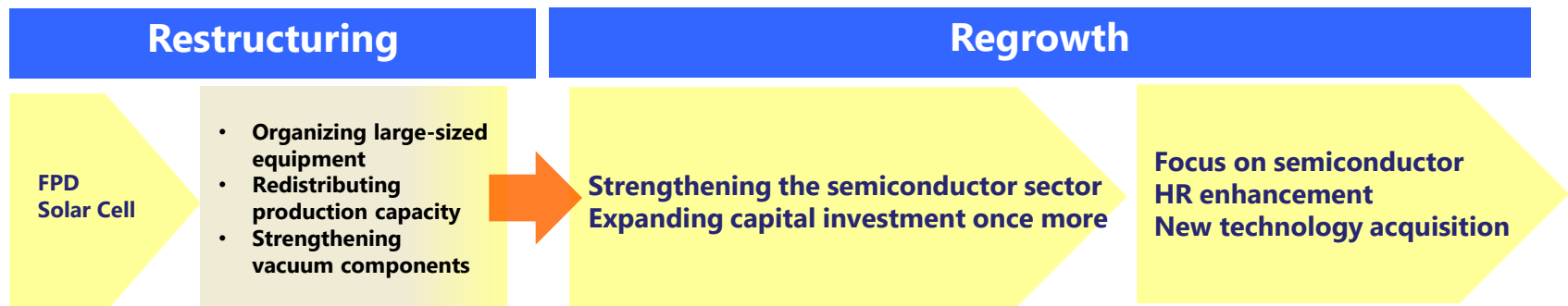
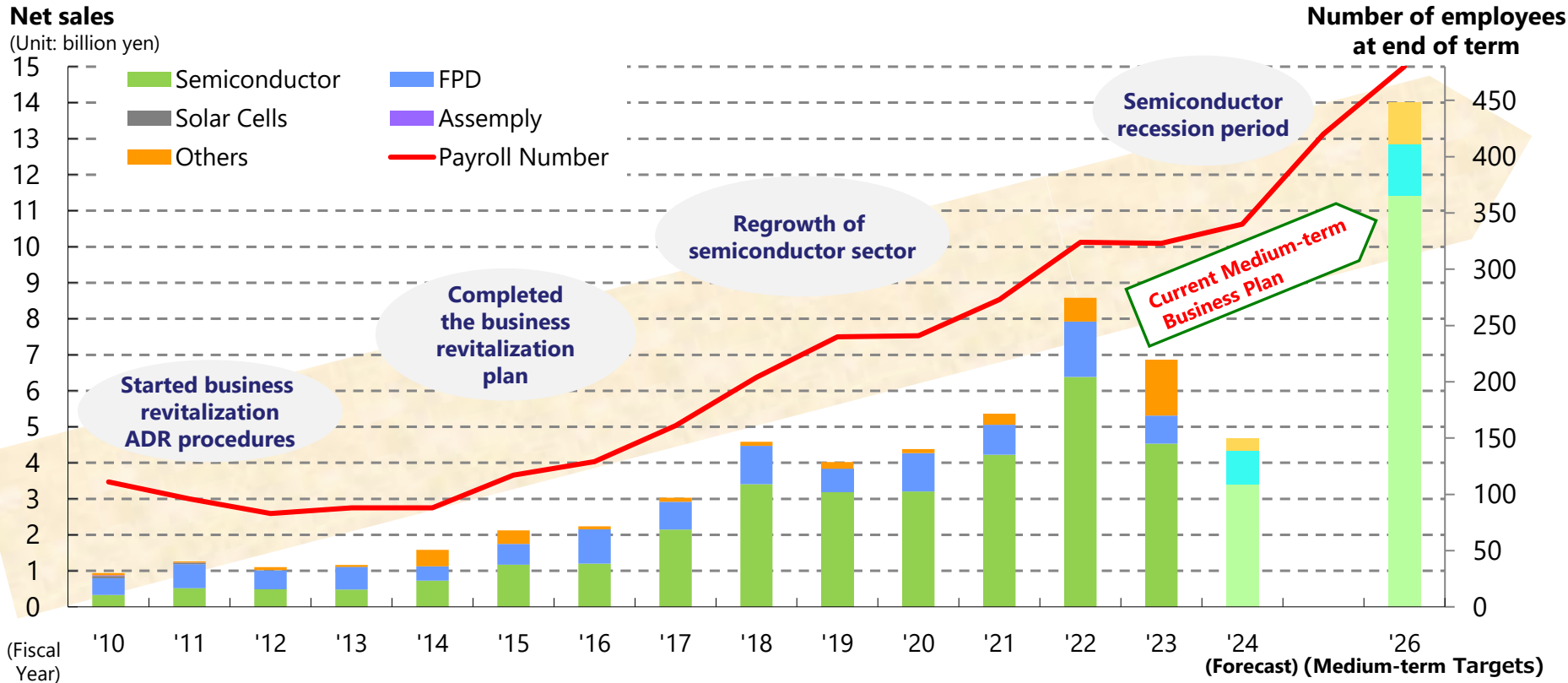


Reference (Our History & Business Transition)



Reference (Our History & Business Transition)

Business Growth & Growth Drivers



Reference (Business Overview)

Major Processes and Products

Our products provide core support for semiconductor and FPD production equipment.

Main processes of customers who use our products:

(Semiconductors)

Etching
CVD
Coating/developing
Cleaning

(FPD)

Etching
CVD
Coating/developing
Sputtering
Cleaning
Ion implantation

Our main products:

Vacuum chambers
Shower heads
Exhaust plates
Electrostatic chucks
Heaters
Upper electrodes
Targets
Parts for transfer systems
Various vacuum components

* This photo is a sample image

Reference (Company Overview)

Company name	Marumae Co., Ltd.	Total number of issued shares	13,053,000 shares	
Established	October 1988	Share unit number	100 shares	
Capital	1,241,150,000 yen (as of May 31, 2024)	Total number of shareholders	10,744	
Executives	<ul style="list-style-type: none"> Toshikazu Maeda, President and Representative Director Kota Kaizaki, Director Hiroto Ando, Director Akiko Kadota, Outside Director Kumiko Seko, Outside Director Keiji Hokanishi, Director (Audit and Supervisory Committee Member) Satoshi Momokino, Outside Director (Audit and Supervisory Committee Member) Takaaki Yamamoto, Outside Director (Audit and Supervisory Committee Member) Hirotsugu Miyakawa, Outside Director (Audit and Supervisory Committee Member) 	Major shareholders (Common shares)	<ul style="list-style-type: none"> Toshikazu Maeda 4,835,783 shares The Master Trust Bank of Japan, Ltd. (trust account) 1,046,400 shares Misako Maeda 504,000 shares Nomura Securities Co., Ltd. 275,438 shares STATE STREET BANK AND TRUST COMPANY FOR STATE STREET BANK INTERNATIONAL GMBH, LUXEMBOURG BRANCH ON BEHALF OF ITS CLIENTS: CLIENT OMNI OM25 187,886 shares Yoshiko Maeda 180,000 shares Koei Igarashi 169,000 shares Custody Bank of Japan, Ltd. (trust account) 149,700 shares BNYMSANV RE GCLB RE JP RD LMGC 135,746 shares Marumae Kyoeikai 130,000 shares 	
Number of employees	326 (including 126 temporary workers) as of May 31, 2024, and 26 dispatched workers		(Note) There are 399,162 treasury shares (as of February 29, 2024).	
Locations	<ul style="list-style-type: none"> Izumi Factory (Headquarters): 2141 Onohara, Izumi, Kagoshima 899-0216, Japan Takaono Factory: 3816-41 Okubo, Takaono, Izumi, Kagoshima 899-0401, Japan Kanto Factory: 2-17-15 Hizaori, Asaka, Saitama 351-0014, Japan 			
Business description	<ul style="list-style-type: none"> Design, manufacture, processing, and assembly of precision machinery and precision equipment Design and manufacture of precision machine components Design, manufacture, and sale of industrial and medical equipment Inspection and repair of precision machine parts, machinery, and equipment Development and sale of software Plate working Plumbing Transportation Real estate leasing 		Management philosophy	<ul style="list-style-type: none"> Seek technological perfection Respect competition and cooperation Contribute to society as a company that focuses on technology <p>We focus on parts machining, which is the foundation of the <i>monozukuri</i> (manufacturing) that supports our economy. To become a company that can support comprehensive manufacturers in various areas, we aim to be a leading parts machining company with advanced technology and supply capabilities.</p>