

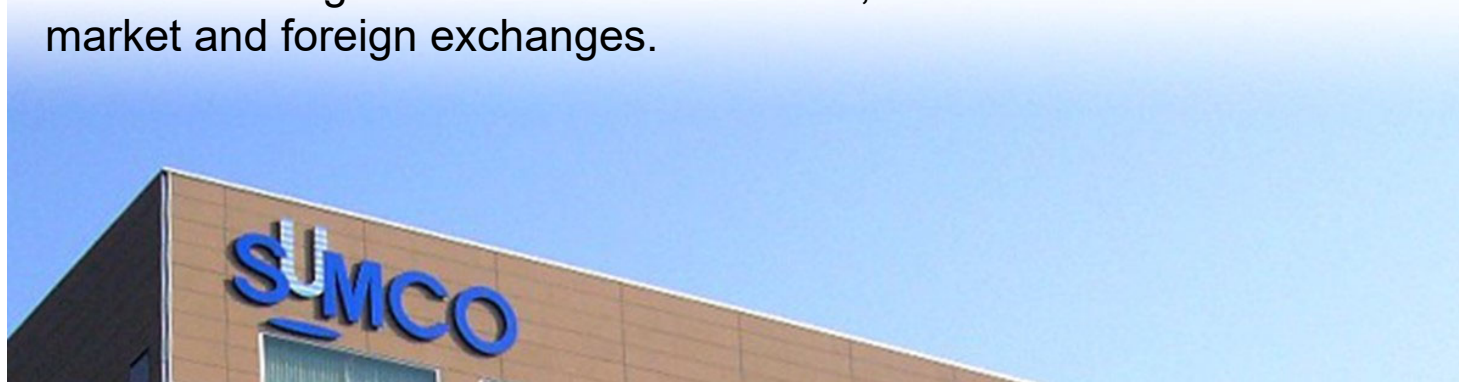
Results for Third Quarter of FY2024 (Ended September 30, 2024)

November 8, 2024
SUMCO Corporation
(Code : 3436)
(LEI : 353800SUSRUOM0V6KU92)

Notes Regarding the Forecasts

This material is prepared for the purpose of continuous disclosure to general shareholders and investors and will not constitute an offer or solicitation of securities of the Company in any states or jurisdictions.

The estimate, expectation, forecast and other future information is prepared based on the information which is available for the Company as of today and on certain assumptions and qualifications (which includes our subjective judgment) and the actual financial performance or result may be substantially different from such future information contained in the material due to risk factors including domestic and global economic conditions, trend of semiconductor market and foreign exchanges.



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Summary and Market Environment

Mayuki Hashimoto

Representative Director,
CEO & Chairman of the Board

■ 3Q-2024 Consolidated Business Result

(Billions of Yen)

	3Q-2024 Forecast	3Q-2024 Actual	Change
Net Sales	100.0	98.4	(1.6)
Operating Profit	7.0	9.1	+2.1
Ordinary Profit	5.0	5.6	+0.6
Profit (Note)	3.5	3.6	+0.1
Exchange Rate (Yen/US\$)	150.0	152.6	+2.6

■ 4Q-2024 Consolidated Business Forecast

(Billions of Yen)

	3Q-2024 Actual	4Q-2024 Forecast	Change
Net Sales	98.4	97.0	(1.4)
Operating Profit	9.1	5.0	(4.1)
Ordinary Profit	5.6	7.0	+1.4
Profit (Note)	3.6	4.0	+0.4
Exchange Rate (Yen/US\$)	152.6	150.0	(2.6)

(Note) Profit attributable to owners of parent

1-2. Shareholder Return (Forecast)

		FY2019 (Dec-2019)	FY2020 (Dec-2020)	FY2021 (Dec-2021)	FY2022 (Dec-2022)	FY2023 (Dec-2023)	FY2024 (Dec-2024)
Dividends per share for common stocks (Yen)	Interim	25	18	17	36	42	15
	Year-end	10	9	24	45	13	6
	Total	35	27	41	81	55	21
Dividends payment (Billions of Yen)	Interim	7.3	5.2	4.9	12.6	14.7	5.2
	Year-end	2.9	2.6	8.4	15.7	4.5	2.1
	Total	10.2	7.8	13.3	28.3	19.2	7.3
Dividend ratio (%)	Total	31.0%	30.9%	30.2%	40.4%	31.0%	^(*) 38.9%
Share Buyback							
Amount (Billions of Yen)	Total	3.3	2.5	-	-	-	-
	Ratio (%)	10.0%	9.8%	-	-	-	-
Total Return Ratio (%)	Total	41.0%	40.7%	30.2%	40.4%	31.0%	38.9%

*1. Subsidy income after tax is excluded from dividends.

■ 3Q-2024

- ✓ Volume - 300 mm wafers gradually recovered after bottoming out in 1Q.
- Shipments remained slow for 200 mm and smaller wafers.
- ✓ Pricing - Long-term contract prices were honored for both 300 mm and 200 mm wafers.

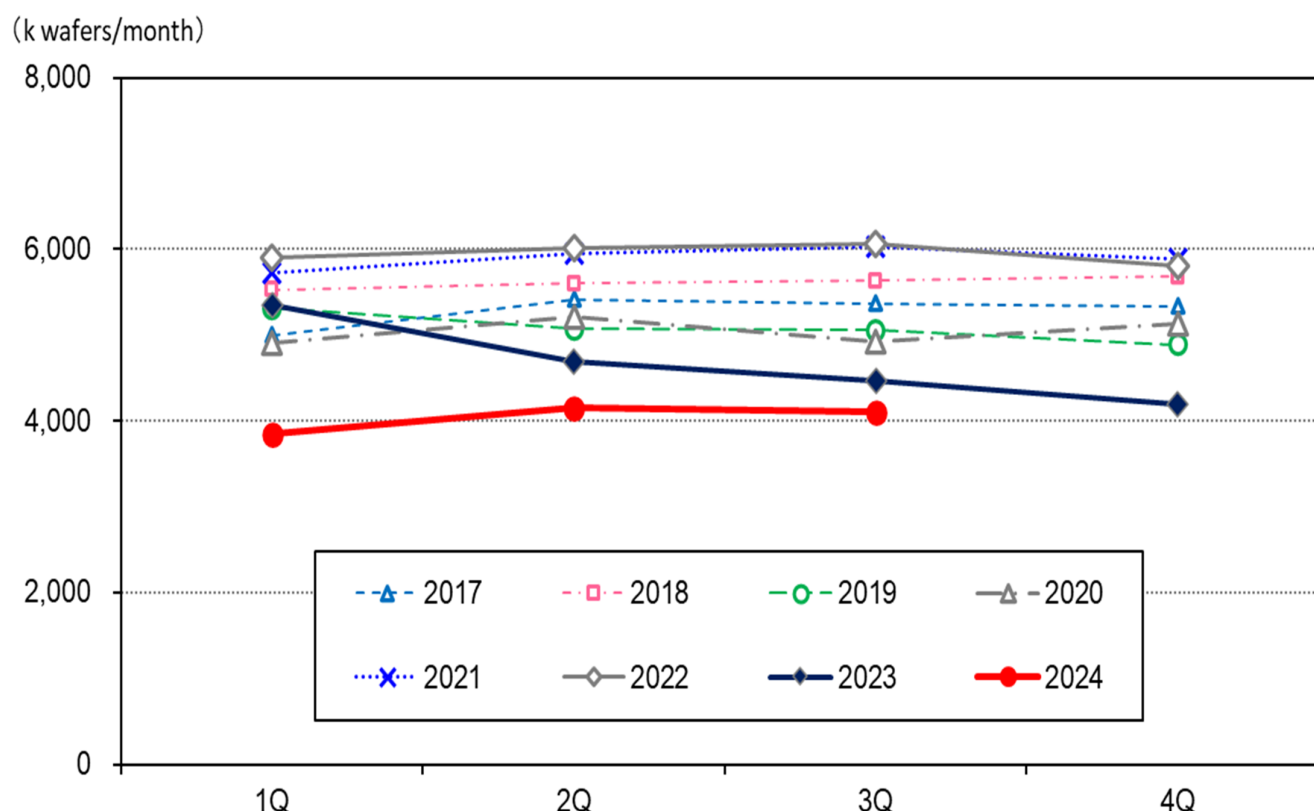
■ 4Q-2024 Forecast

- ✓ Volume - 300 mm wafers for leading-edge products remain strong, but those for legacy products will take more time for customers wafer inventory drawdown due to slow recovery in semiconductor demand, so that shipment recovery overall is expected to be delayed.
- 200 mm wafer shipments are expected to remain at low levels as production adjustments by customers continue.
- ✓ Pricing - Long-term contract prices are being maintained for both 300 mm and 200 mm wafers, while spot prices vary widely by region and application.

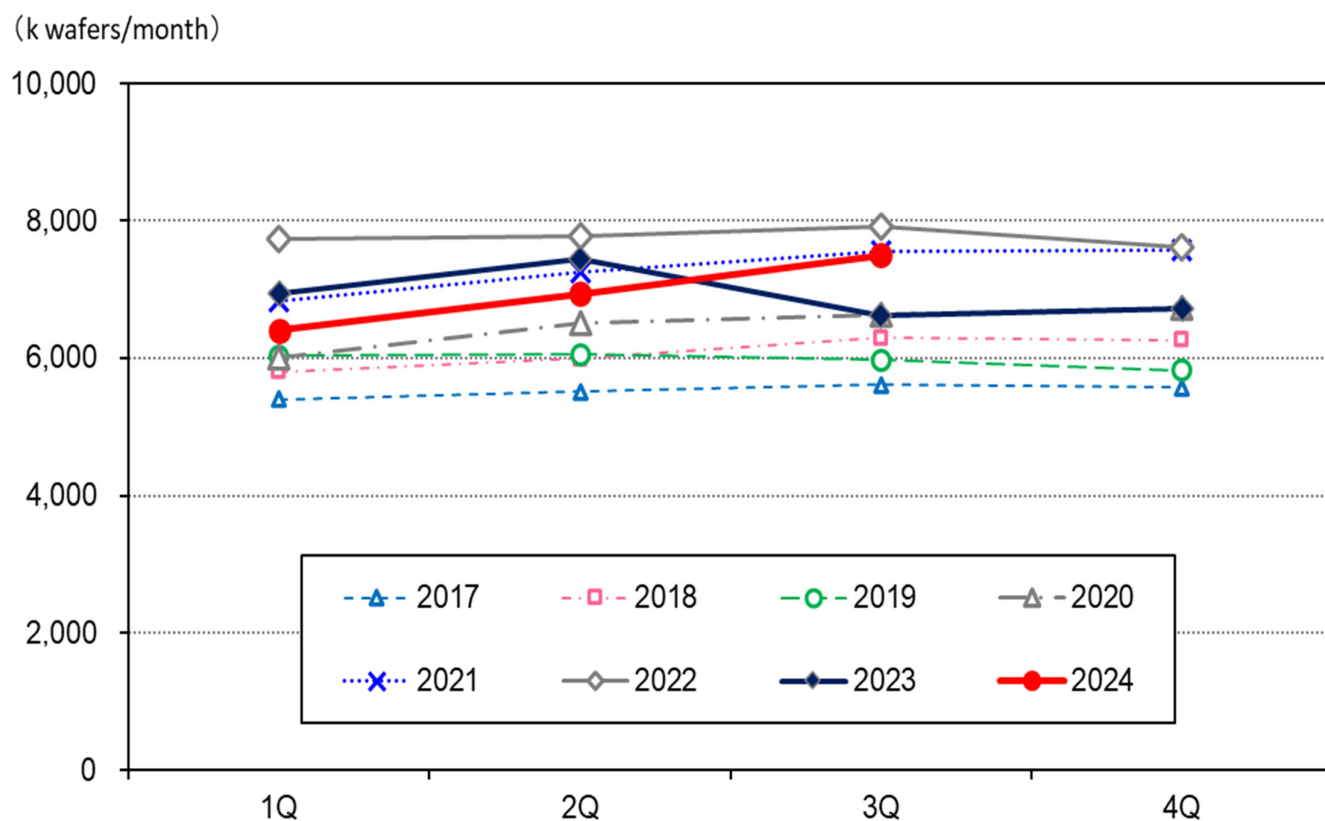
■ Outlook

- ✓ Semiconductor demand for data center use should continue strong driven by AI needs, while demand for automotive, consumer, and industrial uses will be weak, so that an overall gradual recovery is seen.
- ✓ 300 mm wafer demand will be on a slow recovery trend due to customers' lagging inventory drawdowns. For demand for 200 mm and smaller wafers, more time will be needed to recover as demand for their end products remains weak.

2-2. 200mm Wafer Trend



(Source: SUMCO's estimation)

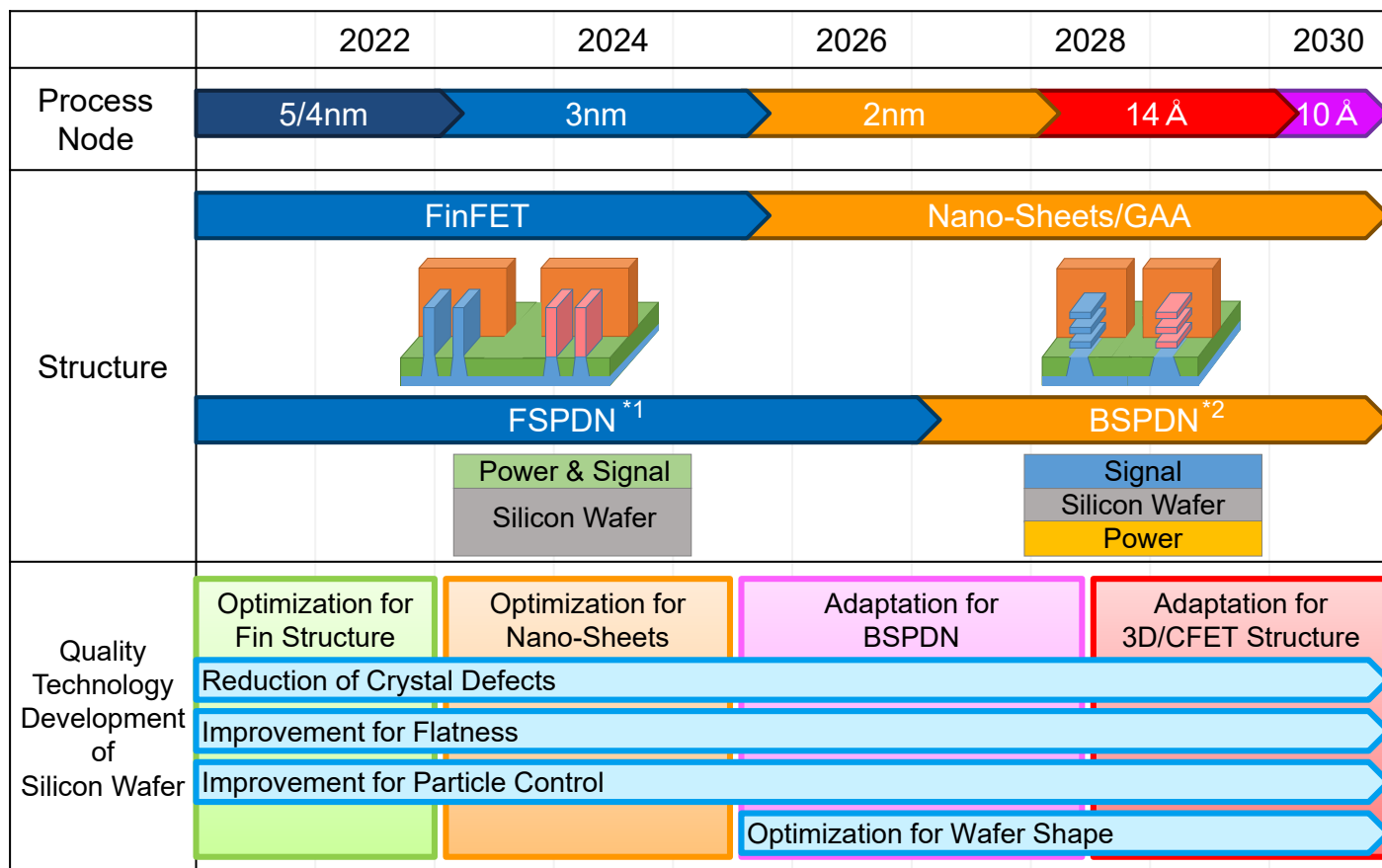


(Source: SUMCO's estimation)

3. Leading-Edge Logic and Silicon Wafers

1. Semiconductor scaling and structural changes, and wafer technology development
2. Leading-edge epi wafer demand forecast by application
3. Leading-edge epi wafer demand forecast by process node

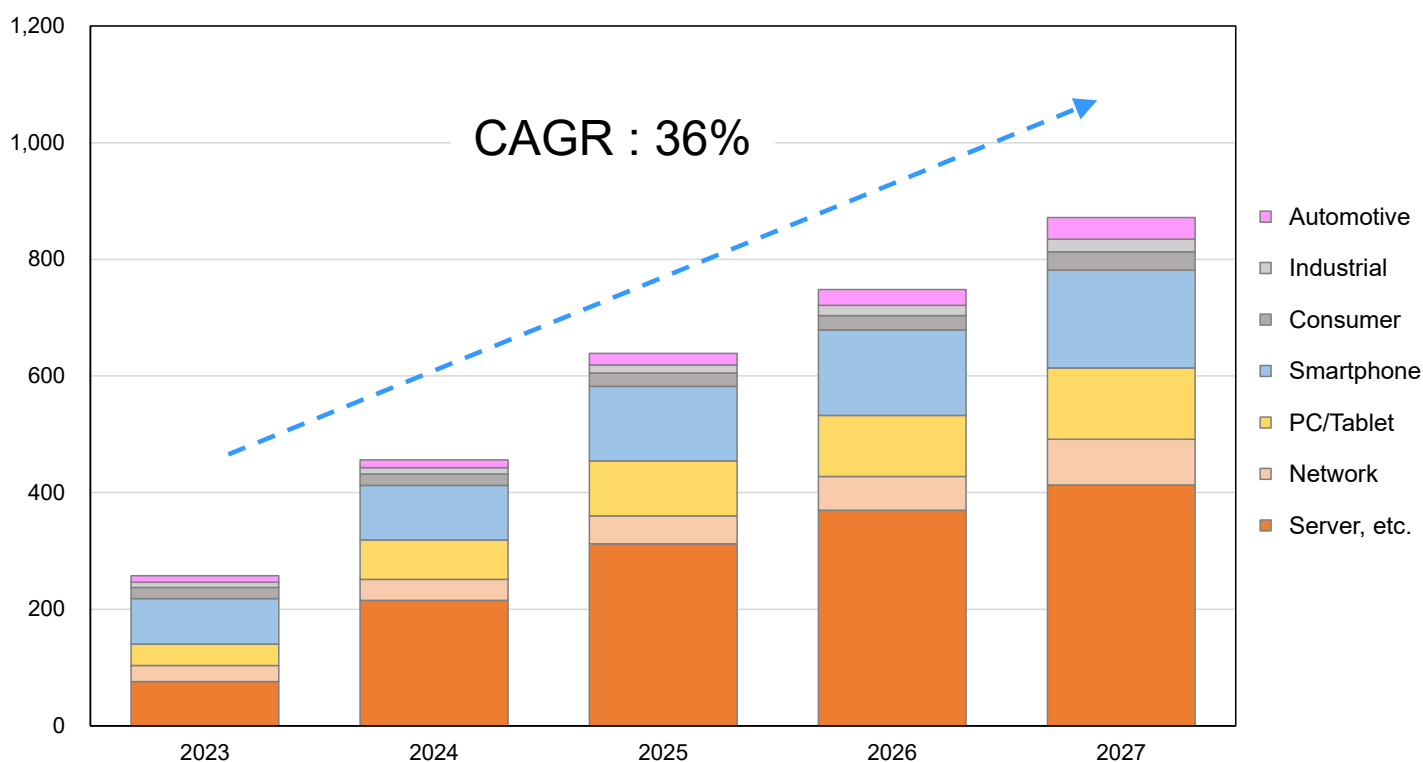
3-1. Roadmap for Leading-Edge Logic Semiconductors



3-2. Leading-Edge Epi Wafer Demand Forecast by Application

- ✓ Demand for advanced logic semiconductors for servers continues strong with the evolution of AI.
- ✓ Demand for leading-edge logic semiconductors grows with AI-capable smartphones and PCs.

(k wafers / month)

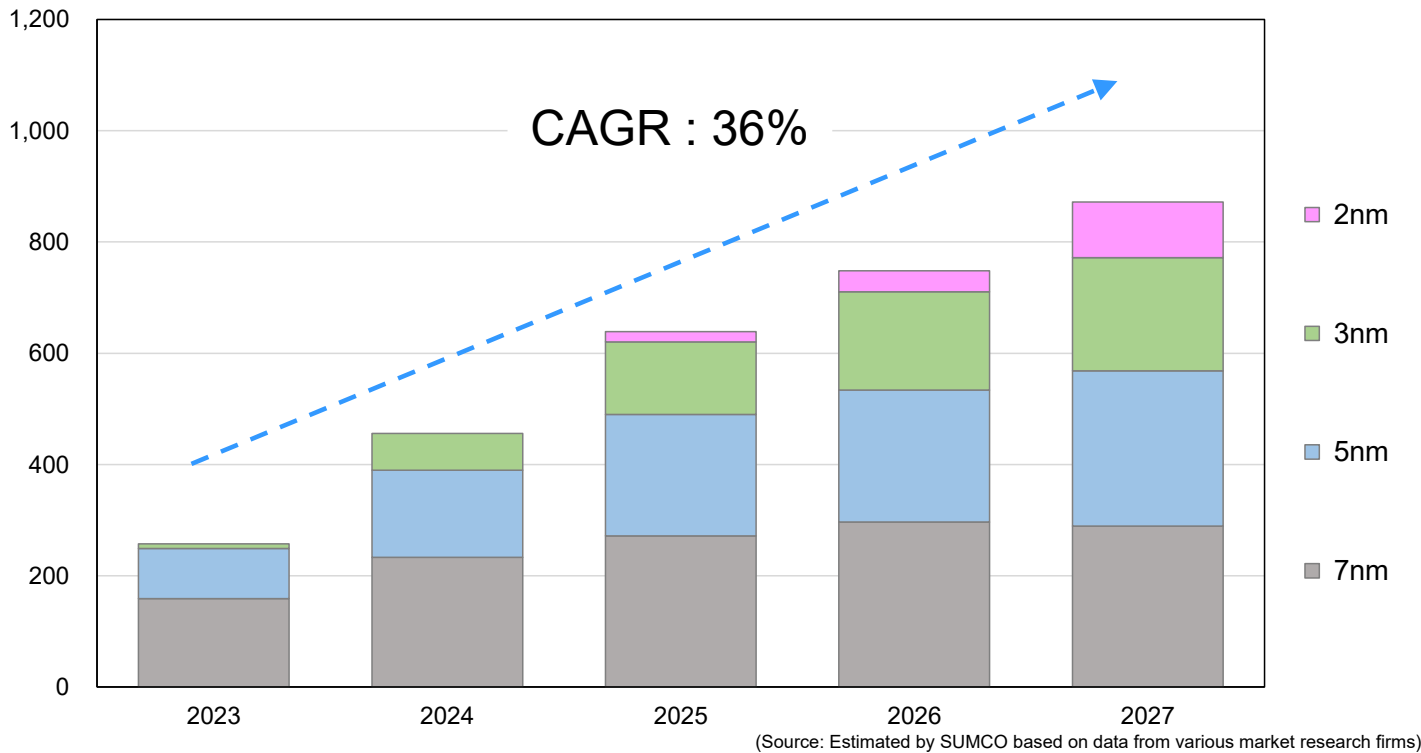


(Source: Estimated by SUMCO based on data from various market research firms)

3-3. Leading-Edge Epi Wafer Demand Forecast by Process Node

- ✓ Demand for epi wafers for leading-edge logic semiconductors continues strong.
- ✓ Growth is seen especially for logic semiconductors with scaling beyond 5nm.

(k wafers / month)

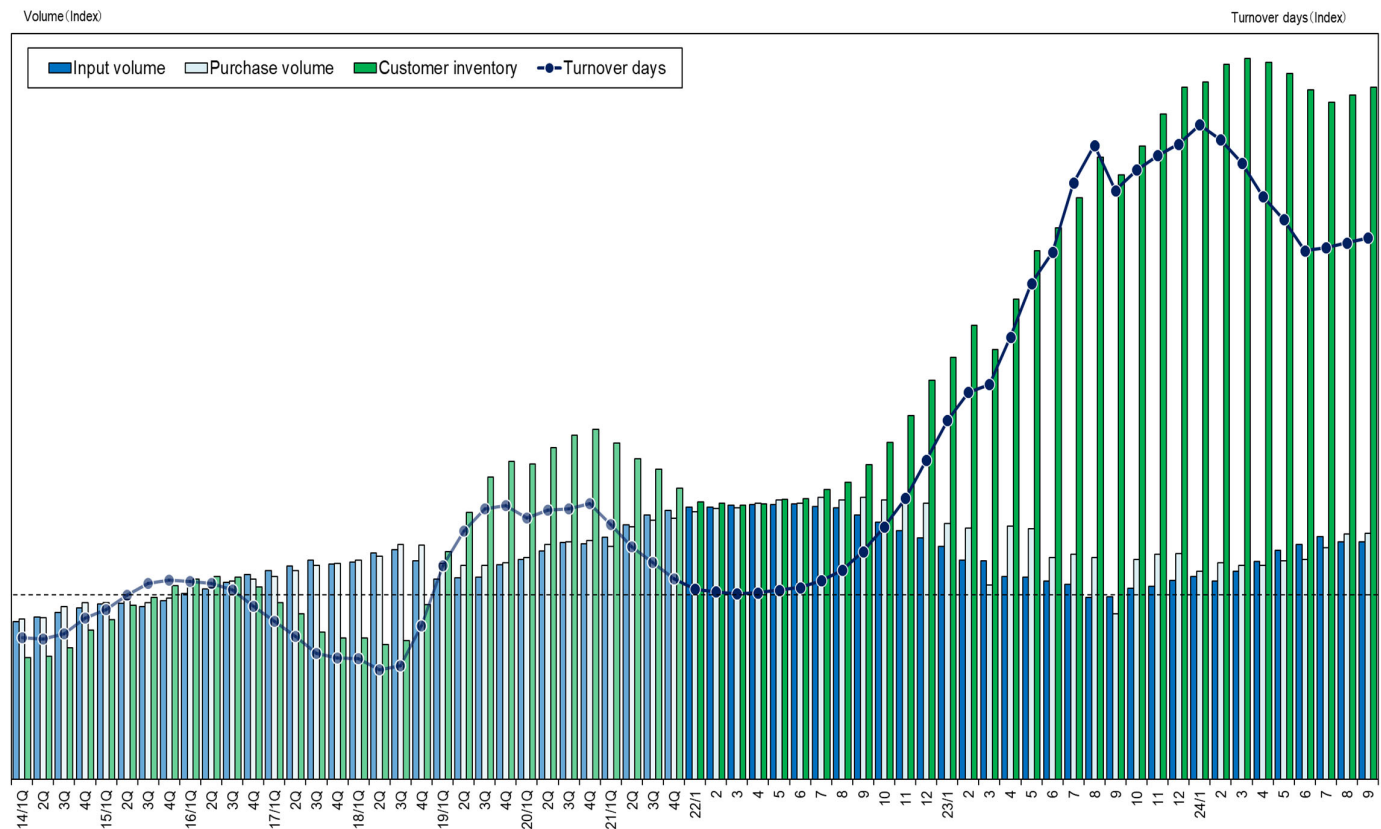


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4-1. Customers' 300mm Wafer Inventory Trend



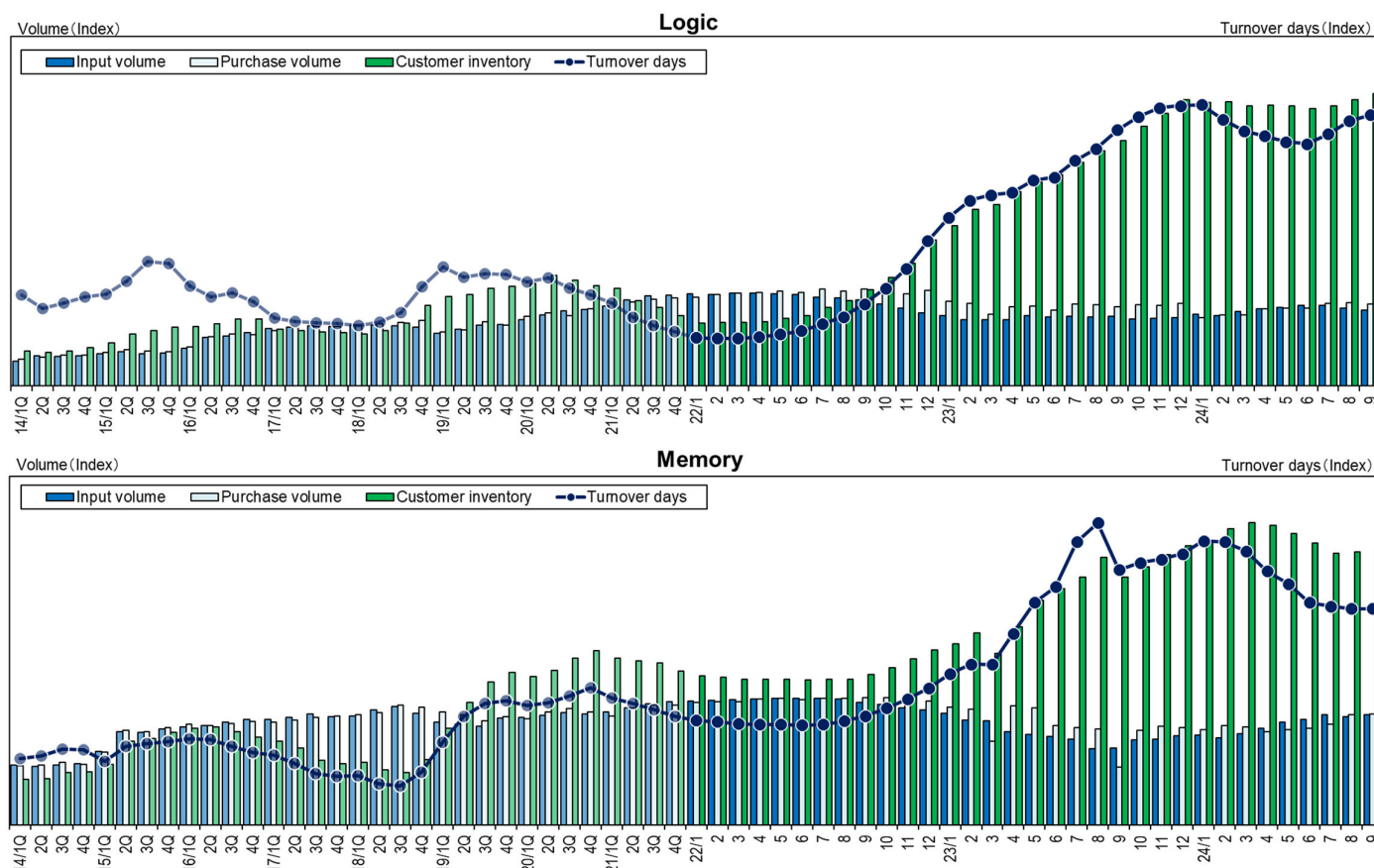
(Source: SUMCO's estimation)

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3Q-2024 Results
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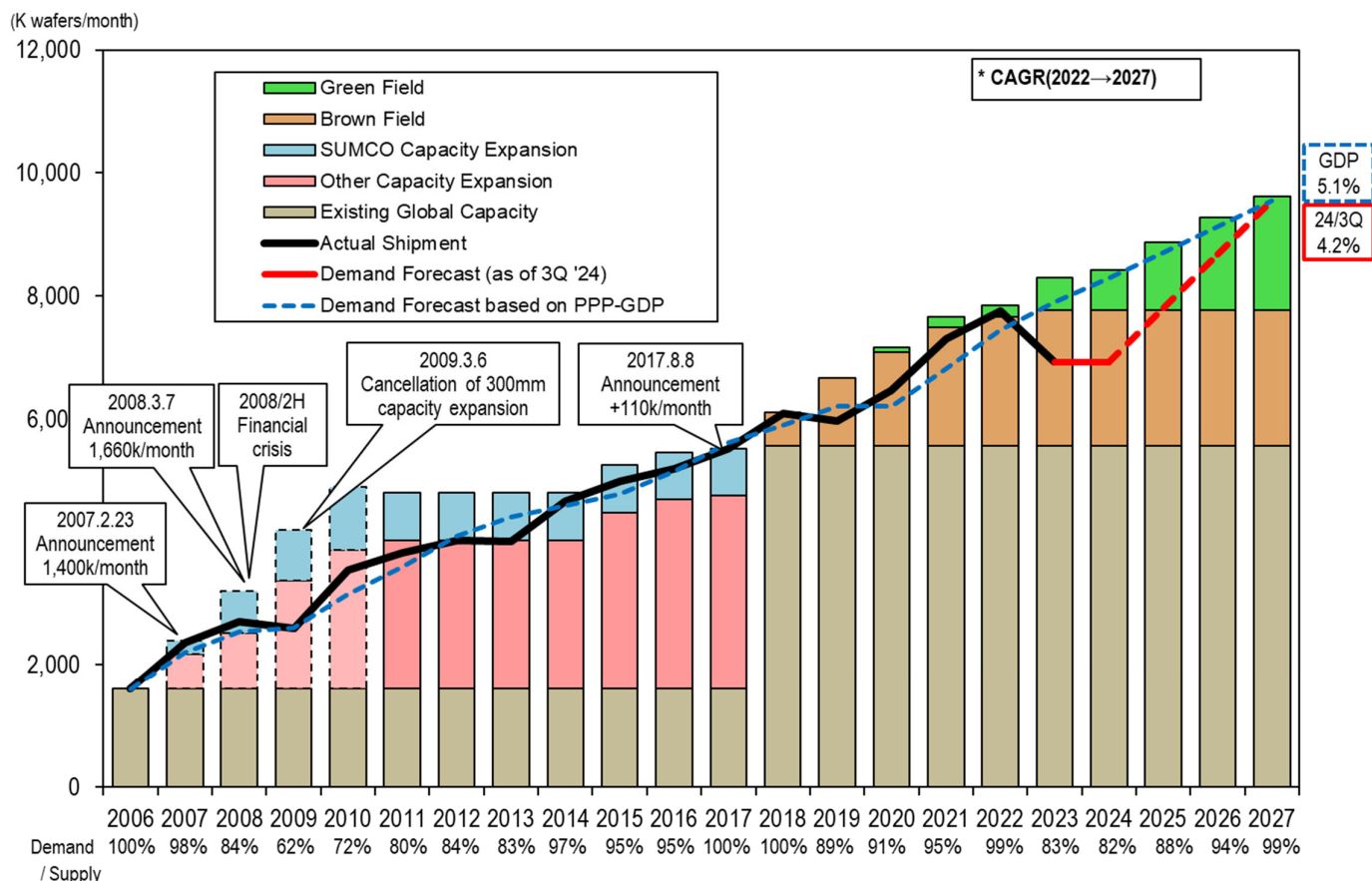
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4-2. Customers' 300mm Wafer Inventory (Logic/Memory)



(Source: SUMCO's estimation)

5. 300mm Wafer Global Capacity and Demand FCST



(Source: SUMCO's estimation)

3Q-2024 Consolidated Business Result

Shinichi Kubozoe

Representative Director,
Executive Vice President,
Chief Financial Officer

6-1. Summary of Consolidated Business Result

(Billions of Yen)

	3Q-2023 (9 months)	3Q-2024 Actual (9 months)				Change
		1Q	2Q	3Q	Total	
Net sales	320.8	93.5	104.7	98.4	296.6	(24.2)
Operating profit	61.8	8.6	12.2	9.1	29.9	(31.9)
Non-operating income and expenses	2.1	0.5	(0.9)	(3.5)	(3.9)	(6.0)
Ordinary profit	63.9	9.1	11.3	5.6	26.0	(37.9)
Extraordinary income	20.1	-	-	-	-	(20.1)
Income taxes	(18.3)	(3.0)	(2.9)	(1.4)	(7.3)	+11.0
Profit attributable to non-controlling interests	(6.8)	(1.1)	(0.8)	(0.6)	(2.5)	+4.3
Profit attributable to owners of parent	58.9	5.0	7.6	3.6	16.2	(42.7)
Capital expenditure (Acceptance basis)	225.3	76.2	48.5	43.1	167.8	(57.5)
Depreciation	49.7	17.8	18.1	20.2	56.1	+6.4
Operating depreciation	49.7	17.4	17.6	19.8	54.8	+5.1
EBITDA ^(*1)	111.7	26.1	29.7	29.0	84.8	(26.9)
Exchange rate (Yen/US\$) ^(*2)	137.3	147.0	155.2	152.6	151.8	+14.5
Operating margin (%)	19.3%	9.3%	11.6%	9.3%	10.1%	(9.2%)
EBITDA margin (%)	34.8%	27.9%	28.4%	29.4%	28.6%	(6.3%)
ROE (%)	12.9%	3.2%	5.1%	2.5%	3.7%	(9.2%)
Basic Earnings per share (Yen)	168.42	14.46	21.61	10.42	46.50	(121.92)

*1. EBITDA = Operating profit + Operating Depreciation + Amortization of Goodwill

*2. If the yen appreciates by 1 yen against the US dollar, operating profit of SUMCO will decrease by 1.1 billion yen per year

6-2. Analysis of Changes in Operating Profit

1. 2Q-2024 Actual → 3Q-2024 Actual

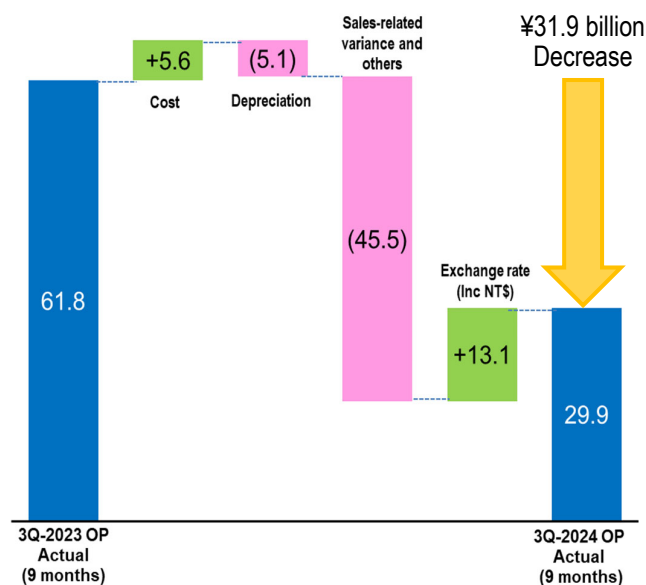
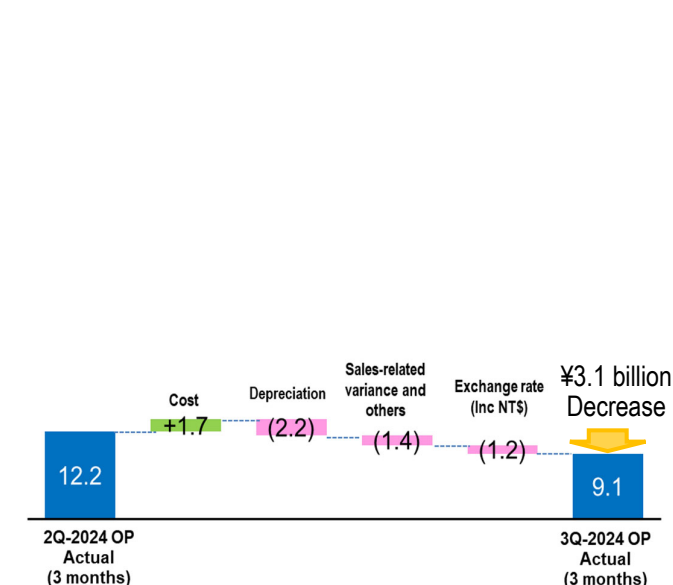
(Billions of Yen)

	2Q-2024 Actual	3Q-2024 Actual	Change
Net Sales	104.7	98.4	(6.3)
Operating Profit	12.2	9.1	(3.1)
Exchange Rate (Yen/US\$)	155.2	152.6	(2.6)

2. 3Q-2023 Actual → 3Q-2024 Actual

(Billions of Yen)

	3Q-2023 Act (9 months)	3Q-2024 Act (9 months)	Change
Net Sales	320.8	296.6	(24.2)
Operating Profit	61.8	29.9	(31.9)
Exchange Rate (Yen/US\$)	137.3	151.8	+14.5



6-3. Balance Sheet and Cash-Flow (Consolidated)

1. Consolidated Balance Sheet

(Billions of Yen)

	End of Dec-2023	End of Sep-2024	Change
Cash and deposits	156.3	111.9	(44.4)
Notes and accounts receivable	82.8	81.2	(1.6)
Finished goods and WIP	52.0	51.7	(0.3)
Raw materials and supplies	166.3	174.9	+8.6
Tangible and intangible assets	559.6	665.4	+105.8
Deferred tax assets	7.3	6.5	(0.8)
Other assets	48.7	43.0	(5.7)
Total Assets	1,073.0	1,134.6	+61.6
Interest-bearing debt	224.4	339.8	+115.4
Other liabilities	213.1	156.7	(56.4)
Total Liabilities	437.5	496.5	+59.0
Share capital	199.0	199.0	-
Capital surplus	85.2	85.2	+0.0
Retained earnings	267.7	274.1	+6.4
Non-controlling interests etc.	83.6	79.8	(3.8)
Total Net Assets	635.5	638.1	+2.6
Equity-to-asset ratio	53.3%	51.0%	(2.3%)
Net assets per share (Yen)	1,636.2	1,654.4	+18.2
D/E ratio (gross)	0.39x	0.59x	+0.20x
D/E ratio (net)	0.12x	0.39x	+0.27x

2. Consolidated Cash-Flow

(Billions of Yen)

	3Q-2024 (9months)
Profit before income taxes	26.0
Depreciation	56.1
Subtotal	82.1
Decrease (increase) in inventories	(6.4)
Others, net	(22.5)
Net cash provided by operating activities	53.2
Capital expenditure (Acceptance basis)	(167.8)
Others, net	(33.0)
Net cash used in investing activities	(200.8)
Free cash-flow	(147.6)
Cash flow from financing activities, etc.	
Dividends paid	(14.6)
Net proceeds from borrowings	117.9
Effect of exchange rate change and others	(0.1)
Net increase (decrease) in cash and cash equivalents	(44.4)

4Q-2024

Consolidated Business Forecast

7-1. 4Q-2024 Consolidated Business Forecast

(Billions of Yen)							
	FY 2023 Actual	FY2024 Forecast				Total	Change
		1Q ACT	2Q ACT	3Q ACT	4Q FCST		
Net sales	425.9	93.5	104.7	98.4	97.0	393.6	(32.3)
Operating profit	73.0	8.6	12.2	9.1	5.0	34.9	(38.1)
Non-operating income and expenses	(0.4)	0.5	(0.9)	(3.5)	2.0	(1.9)	(1.5)
Ordinary profit	72.6	9.1	11.3	5.6	7.0	33.0	(39.6)
Extraordinary income	20.1	-	-	-	-	-	(20.1)
Income taxes	(20.3)	(3.0)	(2.9)	(1.4)	(2.5)	(9.8)	+10.5
Profit attributable to non-controlling interests	(8.6)	(1.1)	(0.8)	(0.6)	(0.5)	(3.0)	+5.6
Profit attributable to owners of parent	63.8	5.0	7.6	3.6	4.0	20.2	(43.6)
Depreciation	71.4	17.8	18.1	20.2	23.0	79.1	+7.7
Operating depreciation	71.4	17.4	17.6	19.8	22.5	77.3	+5.9
EBITDA	144.6	26.1	29.7	29.0	27.5	112.3	(32.3)
Exchange rate (Yen/US\$) (*1)	139.8	147.0	155.2	152.6	150.0	151.2	+11.4
Operating margin (%)	17.2%	9.3%	11.6%	9.3%	5.2%	8.9%	(8.3%)
EBITDA margin (%)	34.0%	27.9%	28.4%	29.4%	28.4%	28.5%	(5.5%)
ROE (%)	11.6%	3.2%	5.1%	2.5%	2.2%	3.5%	(8.1%)
Basic Earnings per share (Yen)	182.59	14.46	21.61	10.42	11.44	57.93	(124.66)

*1 . If the yen appreciates by 1 yen against the US dollar, operating profit of SUMCO will decrease by 1.1 billion yen per year.

7-2. Analysis of Changes in Operating Profit

1. 3Q-2024 Actual → 4Q-2024 Forecast

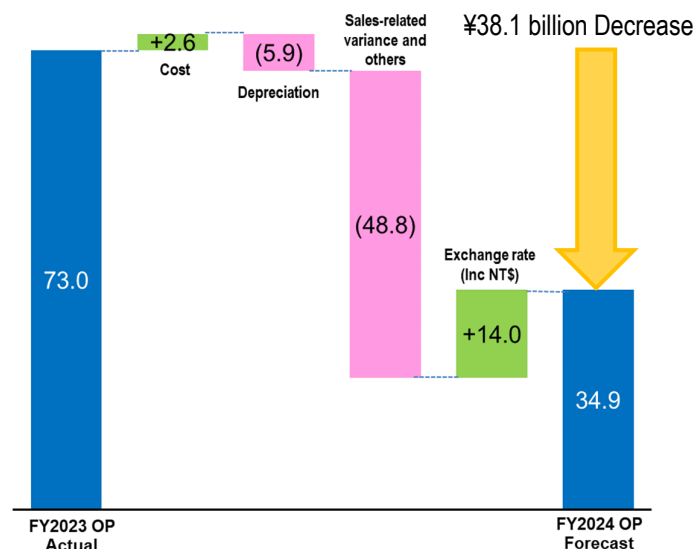
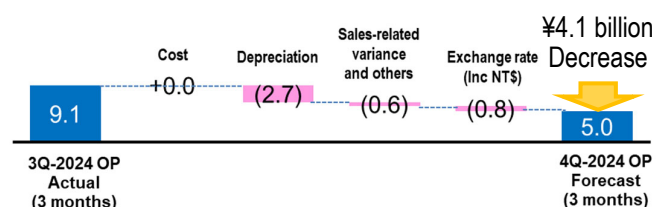
(Billions of Yen)

	3Q-2024 Actual	4Q-2024 Forecast	Change
Net Sales	98.4	97.0	(1.4)
Operating Profit	9.1	5.0	(4.1)
Exchange Rate (Yen/US\$)	152.6	150.0	(2.6)

2. 2023 Actual (12 months) → 2024 Forecast (12 months)

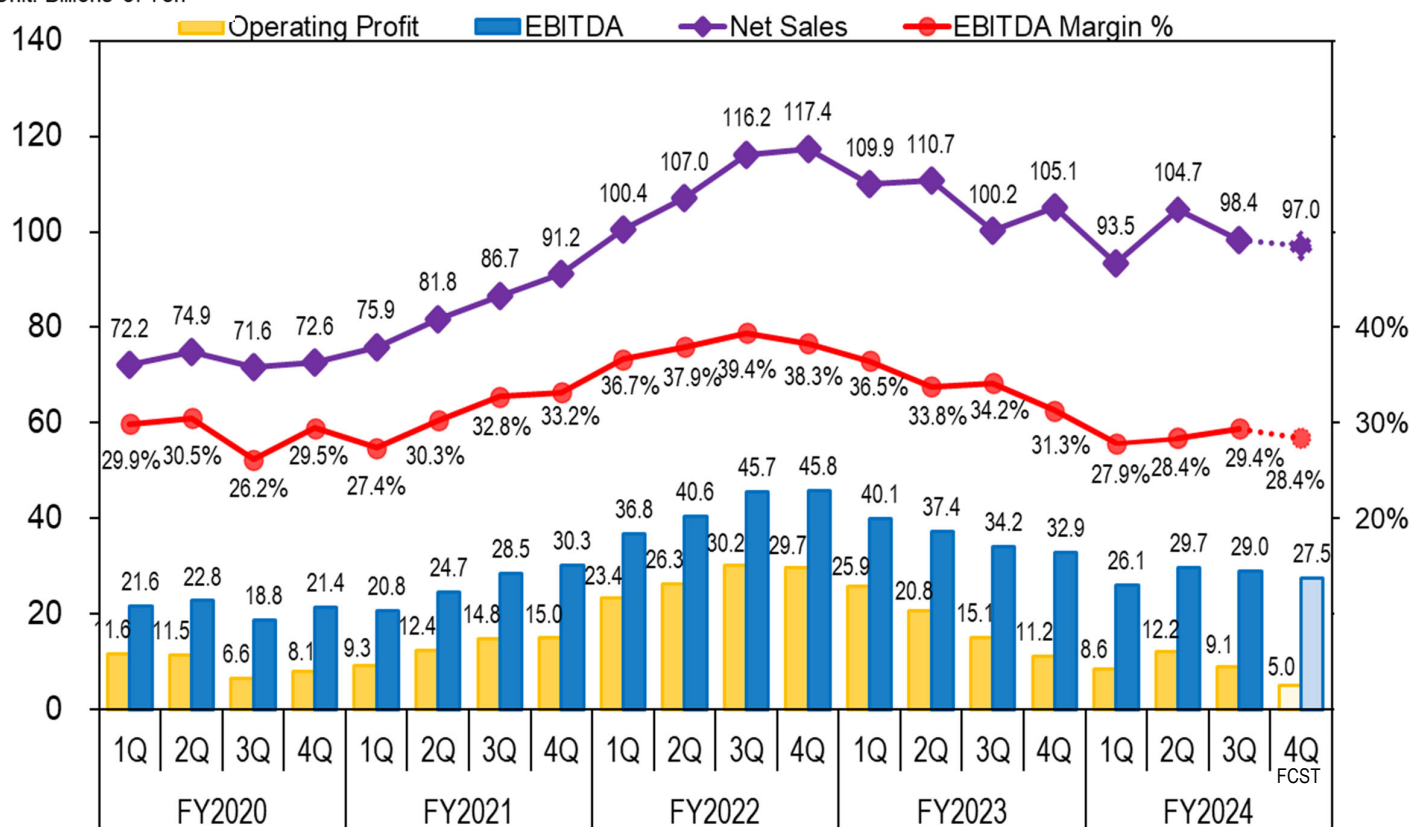
(Billions of Yen)

	FY2023 Actual	FY2024 Forecast	Change
Net Sales	425.9	393.6	(32.3)
Operating Profit	73.0	34.9	(38.1)
Exchange Rate (Yen/US\$)	139.8	151.2	+11.4



Reference Materials

Unit: Billions of Yen



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