

Medium-Term Business Plan: FV26

(Period: 2024-2026)



Disclaimer

The contents of this presentation were compiled based on information readily available at the time of this presentation. Outlooks and other forward-looking statements are subject to change based on many uncertain worldwide factors including but not limited to market conditions, competition as well as semiconductor / LCD industry trends. Accordingly, please take Note that the actual performance of the Company may vary considerably from the information and statements made in this presentation.



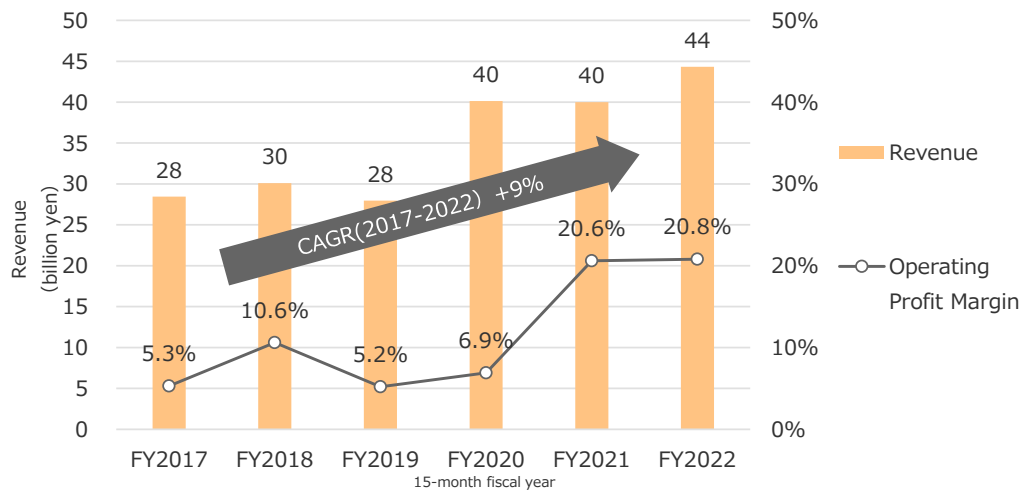
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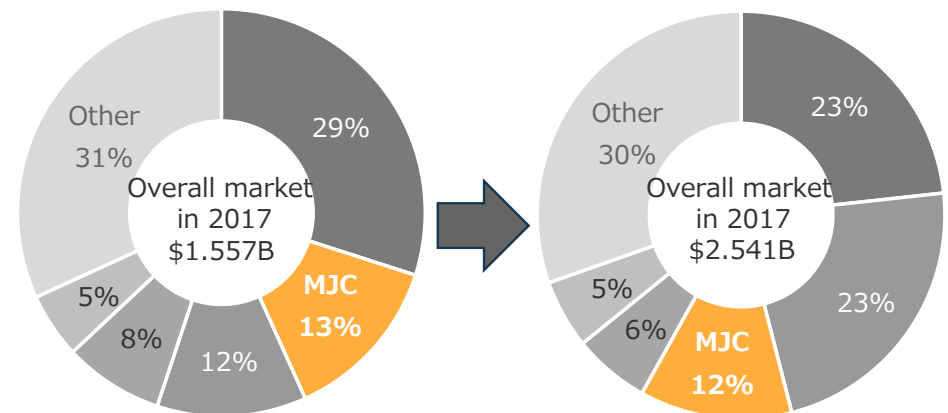
Review the MJC Future Vision

- In fiscal 2022, we achieved 12% market share in the probe card industry, and with the growth of the market, both our sales and operating income reached unprecedented levels.
- The DRAM probe card business has achieved an overwhelming No. 1 market share and demonstrated a gap of approximately twice the size compared to the No. 2 player.
- The NAND segment, sales revenue increased as the market expanded; however, there was a decrease in market share due to factors such as customer investment rebalancing.
- The non-memory (logic) probe card business fell short of reaching the target revenue composition ratio of 40%. However, efforts were made to establish a concentrated approach towards advanced probe cards, including discontinuation of domestic cantilever probe card production.
- The TE business, we are concentrating our resources on the semiconductor inspection division and focusing on the development of new products.

The Trend in Revenue and Operating Profit Margin



The Trend in PC Market Revenue and Market Share



(Our company has created based on data from TechInsights)



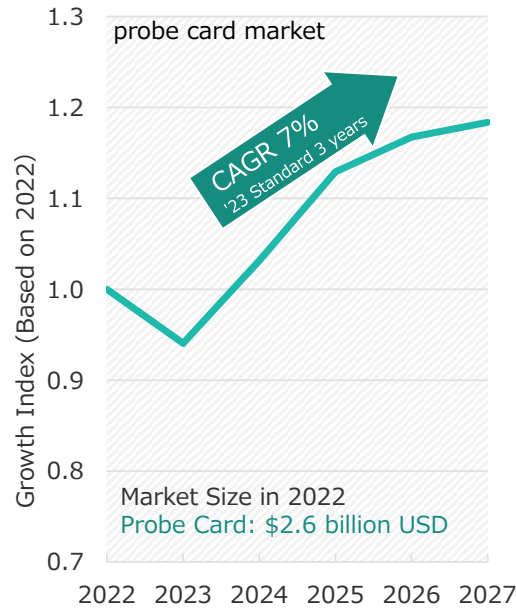
Future Prospects for the Probe Card Market

- From 2024 onwards, the probe card market is anticipated to experience a growth rate higher than that of the semiconductor manufacturing equipment market.
- We anticipate an increased demand for probe cards, driven by the expansion and enhanced functionality of semiconductor devices which result in extended testing durations.
- The proliferation of semiconductor devices integrated with chiplets has led to the emergence of new needs for wafer testing.
- We expect a continued demand for the development of high-performance probe cards due to the advancements in integration, speed, and energy efficiency of semiconductor devices.

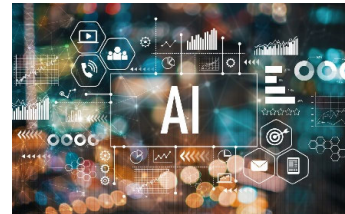


The graph was created by our company based on data calculated from Gartner Research.
Source: Gartner®, Forecast: Semiconductor Capital Spending, Wafer Fab Equipment and Capacity, Worldwide, 2Q23 Update, Bob Johnson et al., 4 July 2023.
Semiconductor Manufacturing Equipment Market, Total Wafer Fab Equipment.

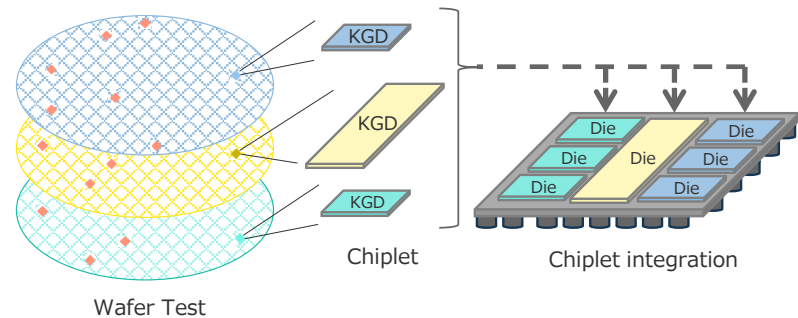
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Source: Probe Card Market: Our Company's Proprietary Forecast



The advancement of AI technologies and the subsequent expansion of data center demands.



The increasing adoption of semiconductor devices integrated with chiplets.

KGD: Known Good Die (Common name for bare chips that are guaranteed not to be defective)

Key Performance Indicators

- These are our KPIs. We aim for a revenue of 65 billion yen by the end of the fiscal year 2026 and strive for an average annual growth rate of more than 20% from 2024 to 2026.
- With our proactive investment plan, we are targeting an operating income margin of 23% and an ROE of 20%.

Key Performance Indicators (FY2026, Final Year)	
Revenue	65 billion yen※1
Operating income	15 billion yen
Operating profit margin	23%
ROE	20%

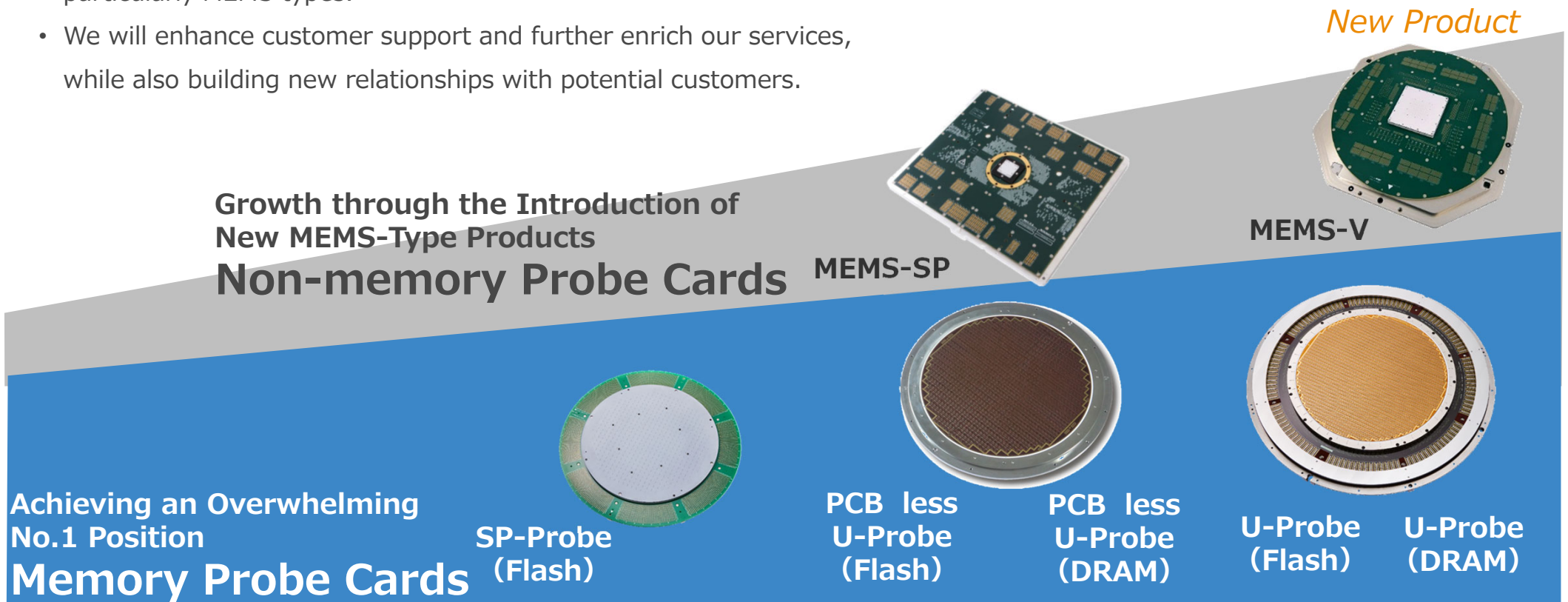
※1. Assumption: Assuming the probe card market grows at an annual average growth rate of 7% ('24-'26).

※2. Assuming USD to JPY exchange rate: 130 yen

Investment Plan (FY2023 to FY2026)	
Capital investments	30 billion yen
R&D expenses	20 billion yen
Total amount	50 billion yen

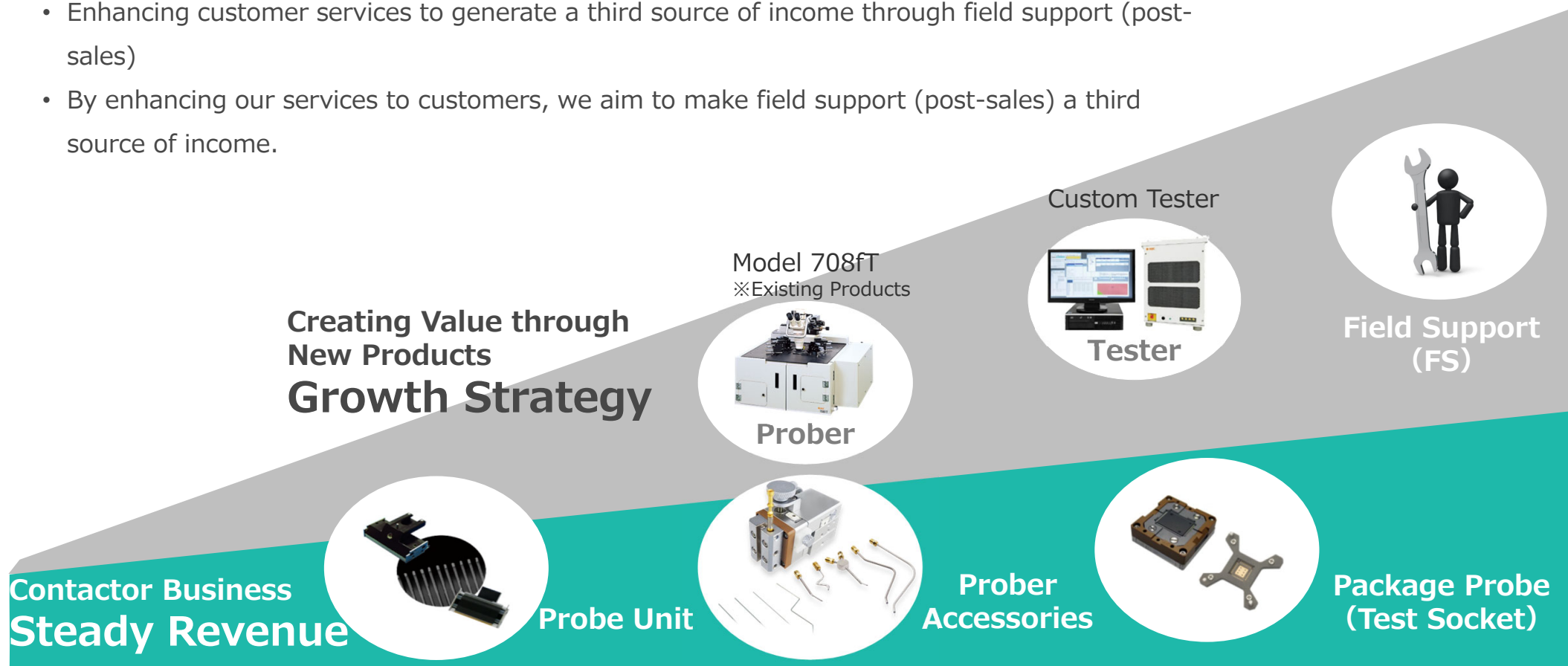
Probe Card Business

- For memory probe cards, we aim to maintain an overwhelming No.1 share through production capacity enhancement and new technology development.
- For non-memory probe cards, we seek to expand our share through the introduction of new products, particularly MEMS types.
- We will enhance customer support and further enrich our services, while also building new relationships with potential customers.



TE business

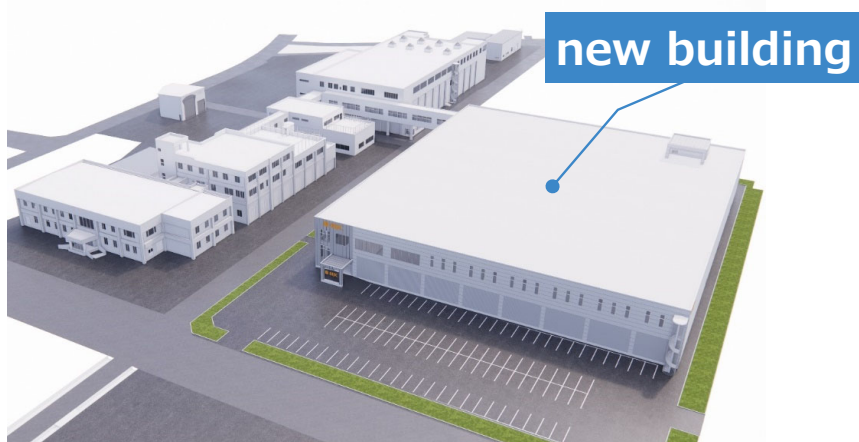
- While we secure a stable revenue stream through the growth of our contactor business
- Creating new value and growth through new products for semiconductor testing
- Enhancing customer services to generate a third source of income through field support (post-sales)
- By enhancing our services to customers, we aim to make field support (post-sales) a third source of income.



Initiatives for Growth (Capital Expenditure)

Construction of a new building at our Aomori plant

- Expanding facilities in response to increased demand for Probe Cards.
- The new building will span approximately 9,200 square meters.
- We plan to begin operations step by step starting from the first quarter of 2025.



【Image of new building at Aomori Plant】

Construction of a new plant for MEK Co.,Ltd. in Korea

- Expansion of production space to meet the growing semiconductor demand.
- Building area of 2,349 square meters.
- Scheduled to commence operations in September 2023.



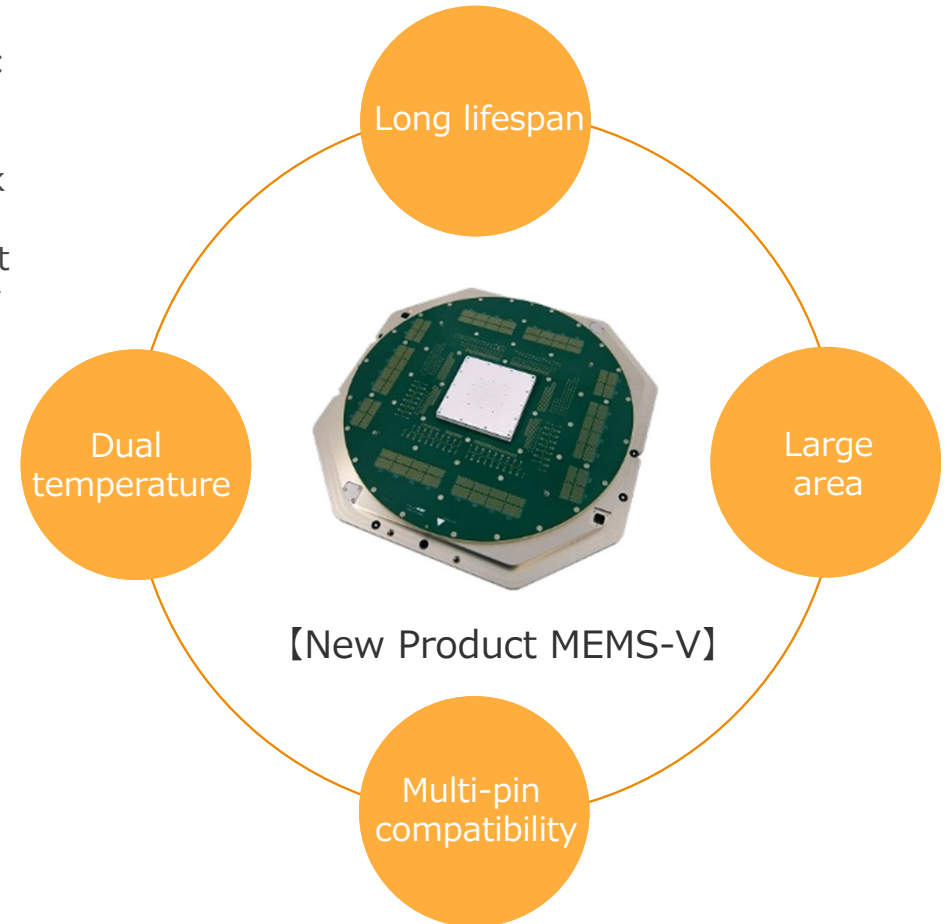
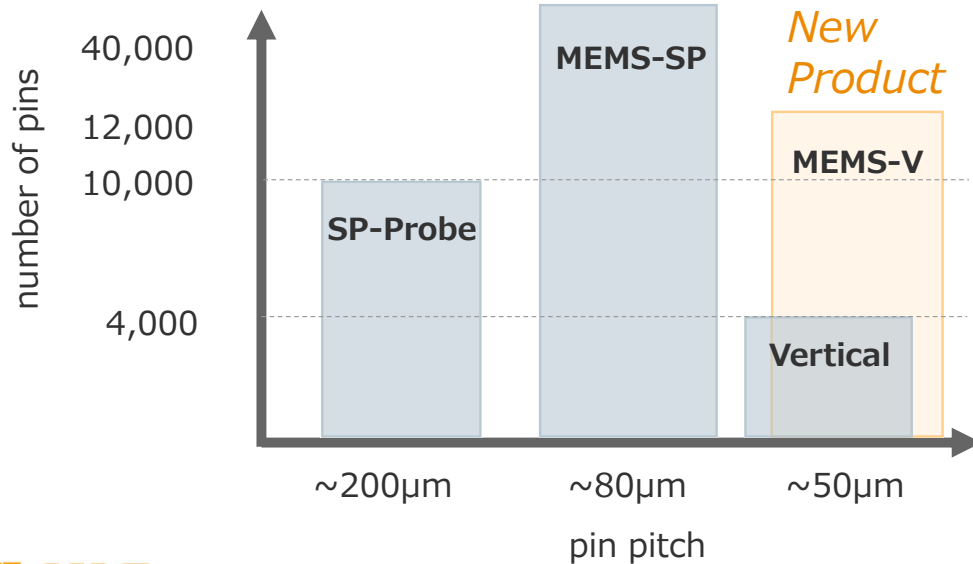
【New MEK plant】

Initiatives for Growth (Research & Development)

New Product Release 「MEMS-V」

We have commenced sales of the vertical MEMS probe cards for logic semiconductors within the MEMS-V product range.

New probes using MEMS manufacturing technology with proven track record for memory and dual balance support using our original substrate technology, etc., mainly for automobiles. For logic devices, it contributes to improving the quality of testing. This is one of the new core products of the non-memory probe card business in our Medium-Term Business Plan.



Addressing Societal Issues and Advancing Productivity

Addressing sustainability.

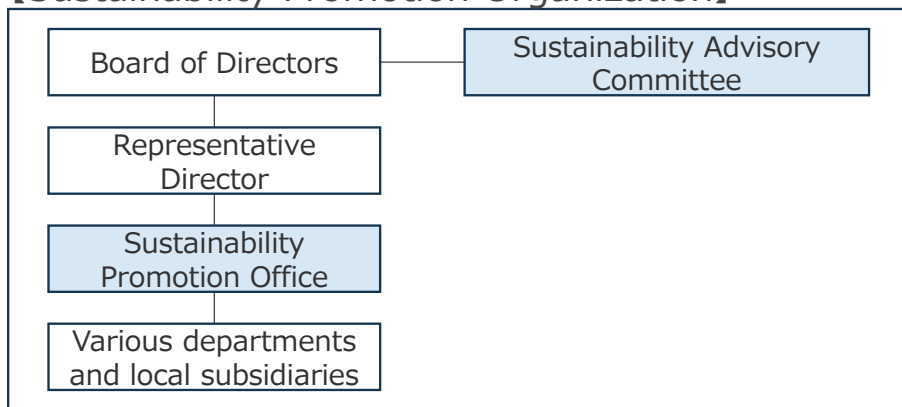
In March 2023, we established a new division specifically focused on sustainability.

1. Sustainability Promotion Office.
2. Sustainability Advisory Committee as a consultative body to the Board of Directors.

Advancing our commitment to sustainability through the dedicated efforts of our Sustainability Promotion Office, complemented by the oversight of the Sustainability Advisory Committee.

- Response to climate change through initiatives such as TCFD* and CDP**
- Initiatives related to human capital development, diversity, employee engagement, and more.

【Sustainability Promotion Organization】



TCFD* Task Force on Climate-related Financial Disclosures
CDP** Carbon Discloser Project



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Adapting to digital transformation.

Led by the DX Information Systems Department within the Corporate Planning and Strategy Division.

In addition to strengthening our internal infrastructure and enhancing information security, we are committed to leveraging a wide range of data using IT and digital technologies to improve operational efficiency and productivity.

【Examples of DX Promotion Efforts】

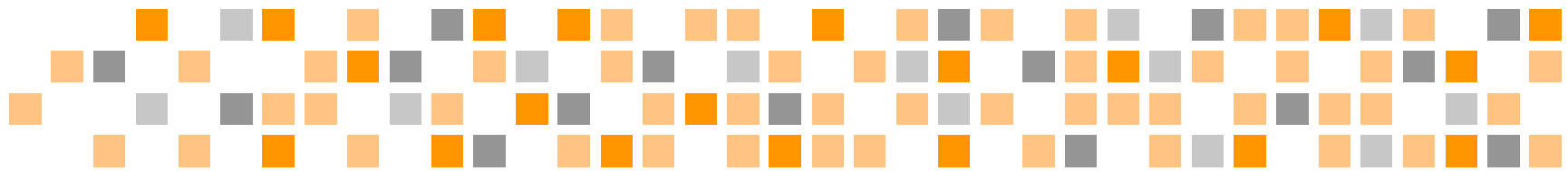
We showcase initiatives for "Business Efficiency Enhancement and Productivity Improvement" on our internal portal site. We recognize and award outstanding efforts that contribute to these goals.





Summary

- In conclusion, we aspire to realize the growth that outpaces market expansion with 2026 as our targeting year of our new Medium-Term Business Plan: FV26, which is based upon the "MJC Future Vision".
- We are committed to addressing our customers' needs and achieving mutual growth by actively investing in CAPEX and R&D.
- We will view the promotion of Sustainability Initiatives and DX as opportunities for growth and strengthen and promote human resource development and organizational capabilities.
- We aim to elevate our corporate value by leveraging electronic testing technology while actively contributing to society.



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