半導体の技術で
夢を、未来をカタチに。

ROHM株式会社
Financial Results Ended ‘21/3 1H
As of October 30, 2020
AGENDA

  Financial results of 1H of the year ending Mar., 2021.
  Sales amount comparison with the last fiscal year
  by Market Segments and Geographic Region
  Analysis of Difference in Operating income
  Trends in Sales by Market Segments

- Capital Expenditures

- Inventories

- Returns to Shareholders

- Impact of the COVID-19 Pandemic

- ROHM’s Strategy
## Financial Results ‘21/3 1H (YOY)

<table>
<thead>
<tr>
<th></th>
<th>‘21/3 1H Results</th>
<th>‘20/3 1H Results</th>
<th>Difference in Amount</th>
<th>Difference in %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net sales</strong></td>
<td>168.0</td>
<td>188.0</td>
<td>-20.7</td>
<td>-11.0%</td>
</tr>
<tr>
<td><strong>Operating Income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Ratio)</td>
<td>(7.5%)</td>
<td>(9.4%)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Ordinary Income</strong></td>
<td>11.7</td>
<td>18.8</td>
<td>-7.0</td>
<td>-37.3%</td>
</tr>
<tr>
<td>(Ratio)</td>
<td>(7.0%)</td>
<td>(10.0%)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net Income</strong></td>
<td>12.5</td>
<td>13.7</td>
<td>-1.1</td>
<td>-8.7%</td>
</tr>
<tr>
<td>(Ratio)</td>
<td>(7.5%)</td>
<td>(7.3%)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>32.0</td>
<td>38.9</td>
<td>-6.8</td>
<td>-17.7%</td>
</tr>
<tr>
<td>(Ratio)</td>
<td>(19.1%)</td>
<td>(20.6%)</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

**Average Exchange Rate (¥/US$)**

- ‘21/3: ¥106.74
- ‘20/3: ¥109.00
## Financial Results  ‘21/3 1H (VS. Plan)

<table>
<thead>
<tr>
<th></th>
<th>'21/3 1H Results</th>
<th>'21/3 1H (Plan)</th>
<th>Difference in Amount</th>
<th>Difference in %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net sales</strong></td>
<td>168.0</td>
<td>160.0</td>
<td>+8.0</td>
<td>+5.0%</td>
</tr>
<tr>
<td><strong>Operating Income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>12.6</td>
<td>7.0</td>
<td>+5.6</td>
<td>+81.3%</td>
</tr>
<tr>
<td>(Ratio)</td>
<td>(7.5%)</td>
<td>(4.4%)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Ordinary Income</strong></td>
<td>11.7</td>
<td>5.5</td>
<td>+6.2</td>
<td>+114.5%</td>
</tr>
<tr>
<td>(Ratio)</td>
<td>(7.0%)</td>
<td>(3.4%)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net Income</strong></td>
<td>12.5</td>
<td>7.3</td>
<td>+5.2</td>
<td>+71.6%</td>
</tr>
<tr>
<td>(Ratio)</td>
<td>(7.5%)</td>
<td>(4.6%)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>32.0</td>
<td>26.8</td>
<td>+5.2</td>
<td>+19.6%</td>
</tr>
<tr>
<td>(Ratio)</td>
<td>(19.1%)</td>
<td>(16.8%)</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

**Average Exchange Rate (¥/US$)**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(Unit: ¥billion)</td>
<td></td>
</tr>
<tr>
<td><strong>Average Exchange Rate</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(¥106.74)</td>
</tr>
<tr>
<td></td>
<td>(¥106.63)</td>
</tr>
</tbody>
</table>
Financial Outlook ‘21/3 **Full Year** (Y.O.Y.)

<table>
<thead>
<tr>
<th></th>
<th>’21/3 Plan</th>
<th>’20/3 Results</th>
<th>Difference in Amount</th>
<th>Difference in %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net sales</strong></td>
<td>340.0</td>
<td>362.8</td>
<td>-22.8</td>
<td>-6.3%</td>
</tr>
<tr>
<td><strong>Operating Income</strong></td>
<td>23.0</td>
<td>29.4</td>
<td>-6.4</td>
<td>-22.0%</td>
</tr>
<tr>
<td>(Ratio)</td>
<td>(6.8%)</td>
<td>(8.1%)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Ordinary Income</strong></td>
<td>23.0</td>
<td>35.7</td>
<td>-12.7</td>
<td>-35.7%</td>
</tr>
<tr>
<td>(Ratio)</td>
<td>(6.8%)</td>
<td>(9.9%)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net Income</strong></td>
<td>19.0</td>
<td>25.6</td>
<td>-6.6</td>
<td>-25.9%</td>
</tr>
<tr>
<td>(Ratio)</td>
<td>(5.6%)</td>
<td>(7.1%)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>64.3</td>
<td>73.8</td>
<td>-9.5</td>
<td>-12.9%</td>
</tr>
<tr>
<td>(Ratio)</td>
<td>(18.9%)</td>
<td>(20.3%)</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

**Average Exchange Rate (¥/US$)**

(¥105.94) (¥109.10)
## Financial Outlook ‘21/3 2H (VS. 1H)

<table>
<thead>
<tr>
<th></th>
<th>‘21/3 2H Plan</th>
<th>‘21/3 1H Results</th>
<th>Difference in Amount</th>
<th>Difference in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>171.9</td>
<td>168.0</td>
<td>+3.9</td>
<td>+2.3%</td>
</tr>
<tr>
<td>Operating Income</td>
<td>10.3</td>
<td>12.6</td>
<td>-2.3</td>
<td>-18.7%</td>
</tr>
<tr>
<td>(Ratio) (6.6%)</td>
<td>(7.5%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Ordinary Income</td>
<td>11.2</td>
<td>11.7</td>
<td>-0.5</td>
<td>-5.1%</td>
</tr>
<tr>
<td>(Ratio) (6.5%)</td>
<td>(7.0%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net Income</td>
<td>6.4</td>
<td>12.5</td>
<td>-6.0</td>
<td>-48.3%</td>
</tr>
<tr>
<td>(Ratio) (3.8%)</td>
<td>(7.5%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>EBITDA</td>
<td>32.2</td>
<td>32.0</td>
<td>+0.2</td>
<td>+0.6%</td>
</tr>
<tr>
<td>(Ratio) (18.8%)</td>
<td>(19.1%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Average Exchange Rate (¥/US$)

- ‘21/3 2H: ¥105.11
- ‘21/3 1H: ¥106.74
'21/3 1H
Sales changes (Y/OY) by Market Segments

1H Sales

-11.0%

¥188.8 ¥168.0 billion

'b20/3 1H Results
'21/3 1H Results

Automotive

-18.3%

Infotainment: -7.5
Powertrain: -1.8
ADAS: -0.8
Body: -1.7

Industrial

-0.7%

FA: -0.1
Energy: -0.4
Infrastructure: -0.0
Others: +0.4

Consumer

-6.3%

AV: -3.6
Home appliance: +1.3
Amusement: -0.5
Others: -1.0

Communication

-14.0%

Overall communication: -2.2

OA Equipment

-11.2%

PC, OA: -1.2
For POS: -1.2

※ Sales by Market Segment is compared based on current market segmentation definition of each of the Customers.


**‘21/3 Full Year Sales changes (YOY) by Market Segments**

**Full Year Sales**

- **-6.3%**
- **¥362.8 billion**
- **¥340.0 billion**

- **‘20/3 Results**
- **‘21/3 Results**

**Automotive**

- 130.8
- 116.7
- **-10.8%**

- Infotainment: -9.5
- Powertrain: -1.8
- ADAS: -1.4
- Body: -1.3

**Industrial**

- 43.7
- 44.6
- **+2.2%**

- FA: +0.4
- Energy: -0.7
- Infrastructure: +0.0
- Others: +1.2

**Consumer**

- 116.7
- 113.2
- **-3.0%**

- AV: -3.8
- Home appliance: +1.7
- Amusement: +1.1
- Others: -2.5

**Communication**

- 30.0
- 26.4
- **-12.1%**

- Overall communication: -3.6

**OA Equipment**

- 41.5
- 38.9
- **-6.3%**

- PC, OA: -1.1
- For POS: -1.4

※ Sales by Market Segment is compared based on current market segmentation definition of each of the Customers.
Half Year Sales

20/3 1H Results

Sales changes (VS 1H) by Market Segments

Automotive

-19.0%

53.2

63.4

Infotainment: +4.8
Powertrain: +2.8
ADAS: +0.3
Body: +2.1

Industrial

-4.8%

22.8

21.7

FA: -0.8
Energy: -0.1
Infrastructure: -0.0
Others: -0.1

Consumer

-5.9%

58.3

54.8

AV: +0.9
Home appliance: +0.1
Amusement: -4.3
Others: -0.2

Communication

-6.0%

13.6

12.8

Overall communication: -0.8

OA Equipment

-4.3%

19.8

19.0

PC, OA: -0.3
For POS: -0.4

Half Year Sales

+2.3%

¥168.0 ¥171.9 billion

'21/3 2H Plan

¥168.0 billion

¥171.9 billion

'20/3 1H Results

\(\text{Unit: ¥billion}\)

※ Sales by Market Segment is compared based on current market segmentation definition of each of the Customers.
1H Sales changes (YOY) by Geographic region

1H Sales

¥188.8 billion '20/3 1H Results

¥168.0 billion '21/3 1H Results -11.0%

1H YOY

EU -4.8%

19.0 19.3

'20/3 '21/3

• Automotive : +0.2
• Industrial : +0.5
• Consumer : +1.1
• Communication : -1.1
• OA : -0.5

China +1.4%

10.7 10.2

'20/3 '21/3

• Automotive : +0.6
• Industrial : -1.1
• Consumer : -0.0
• Communication : -0.0
• OA : +0.0

Japan -15.9%

121.5 102.1

'20/3 '21/3

• Automotive : -12.1
• Industrial : -0.4
• Consumer : -3.5
• Communication : -0.5
• OA : -2.7

USA -1.8%

17.8 17.4

'20/3 '21/3

• Automotive : -0.2
• Industrial : +0.2
• Consumer : -0.8
• Communication : +0.2
• OA : +0.2

Taiwan +23.8%

7.5 9.3

'20/3 '21/3

• Automotive : -0.0
• Industrial : +0.6
• Consumer : +0.3
• Communication : +0.1
• OA : +0.7

Korea -24.0%

10.9 8.3

'20/3 '21/3

• Automotive : -0.5
• Industrial : -0.0
• Consumer : -0.9
• Communication : -0.9
• OA : -0.1

※ Based on Original Sales of Nationality of Customers
(Unit: ¥billion)

※ Sales by Market Segment is compared based on current market segmentation definition of each of the Customers.

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Full Year Sales changes (Y.O.Y.)

**Full Year Sales**

<table>
<thead>
<tr>
<th>'20/3 Results</th>
<th>'21/3 Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>¥362.8 billion</td>
<td>¥340.0 billion</td>
</tr>
</tbody>
</table>

-6.3% decrease

**Full Year YOY**

- **EU**
  - '20/3: 21.5
  - '21/3 Plan: 22.3
  - +3.4%

- **China**
  - '20/3: 35.7
  - '21/3 Plan: 36.9
  - +3.2%

- **Japan**
  - '20/3: 231.7
  - '21/3 Plan: 207.5
  - -10.4%

- **USA**
  - '20/3: 35.3
  - '21/3 Plan: 36.6
  - +3.6%

- **Taiwan**
  - '20/3: 15.2
  - '21/3 Plan: 17.8
  - +17.1%

- **Korea**
  - '20/3: 20.9
  - '21/3 Plan: 16.5
  - -20.8%

**Market Segment Changes**

- **Automotive**
  - '20/3: +2.0
  - '21/3 Plan: +0.5
  - EU: +2.0
  - China: +0.5
  - Japan: +0.5
  - USA: +0.5

- **Industrial**
  - '20/3: -1.4
  - '21/3 Plan: +0.8
  - EU: -1.4
  - China: +0.8
  - Japan: +0.8
  - USA: +0.8

- **Consumer**
  - '20/3: -0.0
  - '21/3 Plan: +2.0
  - EU: -0.0
  - China: +2.0
  - Japan: +2.0
  - USA: +2.0

- **Communication**
  - '20/3: -1.9
  - '21/3 Plan: -1.9
  - EU: -1.9
  - China: -1.9
  - Japan: -1.9
  - USA: -1.9

- **OA**
  - '20/3: +0.1
  - '21/3 Plan: -0.3
  - EU: +0.1
  - China: -0.3
  - Japan: -0.3
  - USA: +1.1

**Unit:** ¥ billion

※ Based on Original Sales of Nationality of Customers

※ Sales by Market Segment is compared based on current market segmentation definition of each of the Customers.
21/3 2H
Sales changes (VS. 1H)

by Geographic region

Half Year Sales

¥168.0 billion
‘21/3 1H Results

¥171.9 billion
‘21/3 2H Plan

+2.3%

1H VS 2H

EU
+18.2%

China
-9.0%

Japan
+3.2%

USA
+9.4%

Taiwan
-10.3%

Korea
-0.7%

EU

10.2
21/3 1H
Automotive : +1.7
Industrial : +0.0
Consumer : +0.0
Communication : +0.0
OA : +0.0

21/3 2H (Plan)

12.0

China

19.3
21/3 1H
Automotive : -0.1
Industrial : -0.2
Consumer : -0.4
Communication : -0.5
OA : -0.3

17.5
21/3 2H (Plan)

Japan

102.1
21/3 1H
Automotive : +8.1
Industrial : -0.1
Consumer : -3.6
Communication : -0.4
OA : -0.5

105.4
21/3 2H (Plan)

USA

17.4
21/3 1H
Automotive : +0.2
Industrial : -0.0
Consumer : +1.4
Communication : -0.2
OA : +0.2

19.1
21/3 2H (Plan)

Taiwan

9.3
21/3 1H
Automotive : +0.0
Industrial : -0.5
Consumer : -0.5
Communication : +0.2
OA : -0.1

8.4
21/3 2H (Plan)

Korea

8.3
21/3 1H
Automotive : +0.1
Industrial : -0.0
Consumer : -0.3
Communication : +0.2
OA : -0.0

8.2
21/3 2H (Plan)

※ Based on Original Sales of Nationality of Customers
(Unit: ¥billion)

※ Sales by Market Segment is compared based on current market segmentation definition of each of the Customers.
Difference in Operating Income (YOY)

\[ \text{Sales decrease} -20.7 \text{ (Forex impact) } -2.3 \text{ [Organic decline]} -18.4 \]

\[ \text{Fixed costs decrease} +3.0 \text{ (Forex impact)} +1.2 \text{ [Organic decline]} +1.8 \]

\[ \text{Effect from material costs and inventories} +12.6 \]

**Breakdown**
- ICs: -10.2
- Discretes: -5.7
- Modules: -3.1
- Others: -1.5

\[ \text{Average Exchange Rate} : ¥109.00 \text{ (¥/US$)} \]

\[ \text{Average Exchange Rate} : ¥106.74 \text{ (¥/US$)} \]
Difference in Operating Income (Y/Y)

¥ 6.4 billion Total decrease
(Unit: ¥billion)

<table>
<thead>
<tr>
<th>Breakdown</th>
<th>20/3</th>
<th>21/3 (Plan)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales decrease</td>
<td>-22.8</td>
<td>-11.1</td>
</tr>
<tr>
<td>(Forex impact)</td>
<td>-6.3</td>
<td>-5.8</td>
</tr>
<tr>
<td>[Organic decline]</td>
<td>-16.5</td>
<td>-4.9</td>
</tr>
<tr>
<td>Effect from material costs</td>
<td>+9.9</td>
<td>+6.5</td>
</tr>
<tr>
<td>and inventories</td>
<td></td>
<td>(Forex impact) +2.4</td>
</tr>
<tr>
<td>Fixed costs decrease</td>
<td>+6.5</td>
<td>[Organic decline] +4.1</td>
</tr>
<tr>
<td>(Forex impact)</td>
<td>+2.4</td>
<td></td>
</tr>
<tr>
<td>[Organic decline]</td>
<td>+4.1</td>
<td></td>
</tr>
</tbody>
</table>

Average Exchange Rate:

20/3: ¥109.10 (¥/US$)
21/3 (Plan): ¥105.94 (¥/US$)
Sales Trend within the Year

Excluding effect from forex

2Q VS 1Q: +9%

'19/3 Results

'21/3 Outlook

'20/3 Results

Actual
Five Year Trends in Sales by Market

Average Exchange Rate (¥/US$)

(¥106.43) (¥111.42) (¥110.07) (¥109.00) (¥106.74)

※ Sales by Market Segment is compared based on current market segmentation definition of each of the Customers.
Full Year Five Year Trends in Sales by Market

(¥billion)

-6%

Japanese Consumer
Composition Ratio 28.3%

Overseas Consumer
Composition Ratio 24.2%

Industrial
Composition Ratio 13.1%

Automotive
Composition Ratio 34.4%

Average Exchange Rate (¥/US$)

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## Capital Expenditures

(Unit: ¥billion)

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Capacity Increase</th>
<th>Land/Building</th>
<th>Quality Improvement</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>‘19/3</td>
<td>57.2</td>
<td>28.5</td>
<td>12.2</td>
<td>3.3</td>
<td>13.8</td>
</tr>
<tr>
<td>‘20/3</td>
<td>39.0</td>
<td>17.1</td>
<td>8.5</td>
<td>2.5</td>
<td>10.9</td>
</tr>
<tr>
<td>‘21/3 1H</td>
<td>11.9</td>
<td>3.7</td>
<td>1.6</td>
<td>0.7</td>
<td>5.9</td>
</tr>
<tr>
<td>‘21/3 Plan</td>
<td>46.0</td>
<td>12.4</td>
<td>14.8</td>
<td>3.4</td>
<td>15.4</td>
</tr>
</tbody>
</table>

### Trend of CAPEX

(Unit: ¥billion)

<table>
<thead>
<tr>
<th>Year</th>
<th>CAPEX</th>
</tr>
</thead>
<tbody>
<tr>
<td>'17/3</td>
<td>42.1</td>
</tr>
<tr>
<td>'18/3</td>
<td>55.9</td>
</tr>
<tr>
<td>'19/3</td>
<td>57.2</td>
</tr>
<tr>
<td>'20/3</td>
<td>39.0</td>
</tr>
<tr>
<td>'21/3(Plan)</td>
<td>46.0</td>
</tr>
</tbody>
</table>
Inventories (Amount)

Trend of Inventories

<table>
<thead>
<tr>
<th>Period</th>
<th>Merchandise and finished goods</th>
<th>Work in process</th>
<th>Raw material and supplies</th>
</tr>
</thead>
<tbody>
<tr>
<td>‘19/3</td>
<td>30.3 (34.1)</td>
<td>56.6 (34.5)</td>
<td>57.0</td>
</tr>
<tr>
<td>1Q</td>
<td>27.5 (23.7)</td>
<td>49.8 (35.7)</td>
<td>49.8</td>
</tr>
<tr>
<td>2Q</td>
<td>24.5 (23.7)</td>
<td>50.4 (37.0)</td>
<td>50.4</td>
</tr>
<tr>
<td>3Q</td>
<td>27.6 (27.6)</td>
<td>48.4 (35.8)</td>
<td>48.4</td>
</tr>
<tr>
<td>4Q</td>
<td>31.6 (31.6)</td>
<td>48.9 (40.2)</td>
<td>50.2</td>
</tr>
<tr>
<td>‘20/3</td>
<td>29.6 (31.6)</td>
<td>50.2 (40.3)</td>
<td>50.2</td>
</tr>
<tr>
<td>1Q</td>
<td>120.9 (120.9)</td>
<td>120.9 (120.9)</td>
<td>120.9 (120.9)</td>
</tr>
<tr>
<td>2Q</td>
<td>118.9 (118.9)</td>
<td>118.9 (118.9)</td>
<td>118.9 (118.9)</td>
</tr>
<tr>
<td>4Q</td>
<td>111.9 (111.9)</td>
<td>111.9 (111.9)</td>
<td>111.9 (111.9)</td>
</tr>
<tr>
<td>‘21/3</td>
<td>120.6 (120.6)</td>
<td>120.6 (120.6)</td>
<td>120.6 (120.6)</td>
</tr>
<tr>
<td>1Q</td>
<td>120.1 (120.1)</td>
<td>120.1 (120.1)</td>
<td>120.1 (120.1)</td>
</tr>
<tr>
<td>2Q</td>
<td>111.7 (111.7)</td>
<td>111.7 (111.7)</td>
<td>111.7 (111.7)</td>
</tr>
<tr>
<td>4Q</td>
<td>118.9 (118.9)</td>
<td>118.9 (118.9)</td>
<td>118.9 (118.9)</td>
</tr>
</tbody>
</table>

¥billion
ROHM is planned on buying back shares and returning special dividend because of the three factors below:
① Reduction of strategic shareholdings
② Current stock market outlook
③ Mid-to long-term financial outlook

No changes to our finance and return to shareholders policies including:
(Aggressive investment for business growth, targeting payout ratio of 30% or more, avoid dividend cut as much as possible, and etc.)

Returns to Shareholders
(Transition of Free Cash Flow and Shareholder Returns)
Impact of the COVID-19 Pandemic by ROHM Group Locations

- **Items produced and operational status at ROHM Group business locations (post-manufacturing)**

  **Company-wide**

  - **Production ratio**
  - **In-operation ratio**
  - **Jan Feb Mar Apr May Jun Jul Aug Sep**

  **The Philippines**

  - **Mar 17**: Reduced operations
  - **Apr 2**: One infected employee, operations halted
  - **Apr 5**: Partially resumed operations
  - **Jul 9**: Infected employees, operations halted
  - **Jul 11**: Partially resumed operations
  - **Sep 1**: Resumed normal operations

  **Malaysia**

  - **Mar 17**: Reduced operations
  - **Feb 1**: Delayed restart of operations until after Chinese New Year
  - **Feb 16**: Partially resumed operations
  - **Mar 4**: Resumed normal operations

  **China**

  - **Feb 1**: Delayed restart of operations until after Chinese New Year
  - **Feb 16**: Partially resumed operations
  - **Mar 4**: Resumed normal operations

  **OSAT, etc**
New Organizational Strategy:
Improve QCDS and Customer Satisfaction by Accelerated Execution and Deepening of Strategy.

Management Vision

We focus on power and analog solutions and solve social problems by contributing to our customers’ needs for "energy saving" and "downsizing" of their products.

<table>
<thead>
<tr>
<th>Key points of Improvement</th>
<th>Core technologies and core strategies</th>
</tr>
</thead>
</table>

**1. Focusing Market**
- Increase industrial market sales ratio
- Reinforce Power/ASSP line-up
- Cultivate undeveloped markets and potential customers

**2. Focusing Products**
- Sustain Superiority in Market, including SiC wafer sales.
- Differentiated analog technology and digital controls
- Standard Products line-up

**3. Improving Production**
- BCM system that can handle all kinds of risks.
- Japanese domestic sales has re-defined its organization into account-based sales and technical sales to increase Customer Satisfaction.
- Overseas sales has been integrated into one organization to optimize overall operation.
- Increase SCM efficiency, including sales companies and warehouses
- Establish mass-production of 4th-gen. SiC as early as possible and promote them as solutions
- Reinforce Nano Series and MCU core digital control technology
- Improve Silicon discrete and shunt resistor product lineup to boost market coverage ratio
- Complete manpower reduction and flexible production line development and transfer the system for mass production as early as possible.
- SCM Headquarters and IT Headquarters are newly established to optimize information infrastructure and strengthen QCDS
Market Strategies  ROHM’s Strategies from Mar 2021 onwards

- Improve sales ratio in Industrial equipment market
- Establish product lineups appropriate for the market, and strengthen sales

**Automotive**
- Air conditioners electric compressor
- Power control unit
- Charger
- Autonomous unit
- LED light
- Meter panel

**Consumer (home appliances)**
- Air conditioners
- Vacuum cleaners
- Washing machines
- Refrigerators
- Electromagnetic cookers
- Game devices

**Industrial**
- Magnetic storage devices
- Semiconductor memory
- Communication bases, Baseband devices, wireless units
- High-voltage DC power sources

**High quality**
**Compact, eco-friendly**
**Stable long-term supply**

- Industrial motors
- AGV
- Electronic watt-hour meters
- Photovoltaic (solar) panels
- Charging stations
- Air-conditioning equipment
Sales Strategies  Sales Innovation

Improve sales organization optimized for the new era (digitalization), while retaining ROHM’s original strengths (customer-oriented sales)

Starts June 26

Japan Sales Headquarters
- Consolidate two Japan Sales Headquarters into one.
- Improve customer satisfaction by dividing them into two functions.

Promotion sales
- Improve our “design-in” approach and technical service

Account-based sales
- Become No. 1 in the market by total strengths in QCDS.

International Sales Headquarters
- Consolidate five groups into one, speeding up the pace of reforms

Sales Innovation Headquarters
- Lead global data-based sales reforms.

Sales innovation
- Product integration • Review of Sales office locations • Logistic innovation

Digital marketing
- Make use of digital data to strengthen our customer support

Existing domestic sales
- East Japan Sales Headquarters
- West Japan/Tokai Sales Headquarters

Existing international sales
- Greater China Sales Headquarters
- Euro Sales Headquarters
- American Sales Headquarters
- Korean Sales Headquarters
- Asia Sales Headquarters

Advertising and publicity
# Products Strategies  IC Products 1

## Power solutions

**Isolated gate drivers**
Featuring proprietary coreless transformer technology. Integrating power supply, temperature monitor, protection circuit and others. Featuring high noise resistance and high reliability with proprietary design including package.

- **Expand sales to triple**
- **New products**
- **Existing products**

- Begin sample shipment of world's smallest-class single-channel isolated gate drivers

## Proprietary ROHM MCU core “Matisse”

*Micro Arithmetic unit for Tiny Size Sequencer*
A core that realizes high speed, small surface area and low power consumption. Can be used on analog ICs.

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Support distributed processing system</td>
<td>Support timely specification changes (No need for software development at customers.)</td>
</tr>
<tr>
<td>Provide cost-effective products</td>
<td></td>
</tr>
</tbody>
</table>

- Oct 2020: Technical information listed in a well-known industry publication
- Apr 2021: Sample MCU cores planned for shipment

## Product development focusing on high-performance standard ASSPs.

Establish product line-ups utilizing unique original processes and circuit technology as our advantages.

- **Centralized processing system**
  - Conventional type

- **Distributed processing system**
  - Built-in Matisse

**Processing is concentrated on the host processor**

**Host processor load reduction**

- **Built in Matisse** driver IC products

<table>
<thead>
<tr>
<th>System control</th>
<th>Distance calculation</th>
<th>Rotational speed calculation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sequencer</td>
<td>Driver</td>
<td>Motor driver</td>
</tr>
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<td>Matisse</td>
<td>Driver</td>
<td>Motor driver</td>
</tr>
</tbody>
</table>

- Mar 2021 estimate
- Mar 2022 estimate
- Mar 2023 estimate
- Mar 2024 estimate
- Mar 2025 estimate

While maintaining top market share, along with growth in xEV

Expand sales to triple
Product development focusing on high-performance standard ASSPs.

Establish product line-ups utilizing unique original processes and circuit technology as our advantages.

**Nano Cap™ technology**

New products

Develop a non-oscillating high-speed operational amplifier and LDO, through our unique stable control technologies.

Generate new income at an early stage!

**Fusing our power core technologies**

PMIC

New switching power supply IP that can reduce noise, in addition to our existing Nano Pulse™ technology. To be utilized for various PMICs.

Double our sales of millimeter-wave radar PMIC, in support of ADAS (automated driving).

- Begin shipment on Nano Cap™ operational amplifier samples
- Begin sequential shipment on Nano Cap™ LDO samples, from end of year

Dec 2021: Sample PMIC for ADAS millimeter-wave applications planned for shipment

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Products Strategies  Power device Products 1 (SiC)

New 4th-gen SiC-MOSFET is winning designs mainly for xEV applications. Accelerate and expand market coverage ratio with substrate, device and module products

- Improve competitiveness with 4th-gen. products offering top-class industry performance
- Increased design-ins of 4th-gen. products especially on xEVs.
- Reinforce production capacity; new SiC factory is scheduled to complete in December

**SiC-MOSFET**

<table>
<thead>
<tr>
<th>Amount</th>
<th>Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Existing SiC-MOSFET</td>
<td></td>
</tr>
<tr>
<td>4th-gen, SiC-MOSFET</td>
<td>5x</td>
</tr>
<tr>
<td>Mar 2021 estimate</td>
<td></td>
</tr>
<tr>
<td>Mar 2022 estimate</td>
<td></td>
</tr>
<tr>
<td>Mar 2023 estimate</td>
<td></td>
</tr>
<tr>
<td>Mar 2024 estimate</td>
<td></td>
</tr>
<tr>
<td>Mar 2025 estimate</td>
<td></td>
</tr>
</tbody>
</table>

**SiC-Module**

- Began supply of 2nd-gen. SiC module for xEV
- First design-in for passenger car power train

**SiC substrates**

- Expand sales through long-term supply agreements
- Strengthen cost competitiveness through increased production quantities and improvements in quality
- 200 mm large-diameter substrate now being developed

Substrates for SiC power
- Mass producing 150 mm
- 200 mm under development

© 2020 ROHM Co., Ltd.
Expanding voltage and package line-ups to support wide range of industrial and consumer applications

Performance comparison of 6th-gen. products

- Gen.1 Mesh Trench
- Gen.3 Stripe Trench
- Gen.4 0.18um Trench
- Gen.6 Split Gate MOS
  - Company A
  - Company B
  - Company C
- Gen.7

■ Catch up to the competition with our 6th-gen. products
■ Expand market share with product performance and cost competitiveness

Focusing Market and Target Sales

Target area and application

Sales

15 companies now evaluating our samples
6x

Amount

Sales

Mar 2021 estimate
Mar 2022 estimate
Mar 2023 estimate
Mar 2024 estimate
Mar 2025 estimate

■ Enter the markets through industrial/consumer products, expand into automotive
■ Expand sales other than Japan
■ Increase market coverage ratio with an abundant product lineup

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Expanding market share in growing automotive and Chinese market with stable-suppliability, high reliability, and cost competitiveness.

### Small-signal separate semiconductors

**Exceed 20% share worldwide**

- **Points to implement:**
  - Development of compact MOSFET (industry's smallest class)

- **Current ID (A):**
  - 0
  - 1
  - 2
  - 3
  - 4
  - 5
  - 6
  - 7

- **Dimensions:**
  - 1.0×1.0mm
  - 1.2×1.2mm
  - 1.6×1.6mm

- **Supports wettable flanks!**

- **New product**
  - Sep 2020

- **Jul 2019 Releases**

- **Applications:**
  - ECU
  - LED headlights
  - ADAS-related devices

Rohm's new products contribute to down-sizing of substrates for wide range of applications.

### Resistors

**Reach No. 1 worldwide in automotive and industrial markets**

- **Points to implement:**
  - Expand power shunt resistor product lineup

- **Power (W):**
  - 0.5
  - 1
  - 2
  - 3
  - 4
  - 5
  - 6
  - 7

- **Resistance (mΩ):**
  - 0.5
  - 1
  - 2
  - 3
  - 4
  - 5
  - 6
  - 7
  - 8
  - 9
  - 10
  - 11
  - 12
  - 13
  - 14
  - 15

- **Development Status:**
  - Under development
  - Finish development
  - Under mass production

Rohm's new products contribute to down-sizing of substrates for wide range of applications.
“Manufacturing Reform” Strategies
Strengthen function-based organizations

Optimize company-wide operation with matrix organization reinforcing cross-functions.

Cross-functional organization

AP Production Headquarters
Oversees process-based assembly manufacturing

WP Production Headquarters
Oversees preprocess manufacturing

Corporate Quality Headquarters
Unifies quality throughout the company

“Monozukuri”

Supply Chain Management Headquarters

Further strengthen BCP

IT Headquarters

Further strengthen network infrastructure for entire company and between business locations

New

Optimize company-wide operation with matrix organization reinforcing cross-functions.

New

Organization based on business functions

Business Units

IC Business Unit

Power Device Business Unit

General Purpose Device Business Unit

Optical Module Business Unit

Technological Development

Market Strategy

Product Strategy

Bringing Together Technology

Sharing Knowledge

Company-wide Optimization

New

Further strength BCP

Administrative Headquarters

Sales Headquarters

Further strengthen network infrastructure for entire company and between business locations
“Manufacturing Reform” Strategies : “Monozukuri” Innovation 1
Strengthen BCP’s ability for pandemic situations

Under all circumstances, fulfill our duty to supply products to our customers

■ Improve productivity at our assembly plants and accelerate automation
- Begin flexible line productions (planned for Mar 2021)
- Support high-mix low-volume production and BCP production
  Produce right products, at the right time and in the right quantities

Areas of focus

<table>
<thead>
<tr>
<th>Developmental targets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Processing point capability</td>
</tr>
<tr>
<td>Lead time</td>
</tr>
<tr>
<td>Personal productivity</td>
</tr>
<tr>
<td>Length of logistical paths of motion</td>
</tr>
</tbody>
</table>
Quality First

High-mix low-volume

Reduce manpower

Production line that does not rely on manpower

Automatic replacement of jig tools

Automatic replacement of dies

Control room

Constant monitoring of key processing points

Automated concentration management of plating fluid

Automatic supply robots

Automatic supply of material

“Manufacturing Reform” Strategies: “Monozukuri” Innovation 2

Strengthen BCP’s ability for pandemic situations

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<Note>

1. This material is originally written in Japanese. In the event of any differences or discrepancies in the contents including contexts, figures, and others between Japanese and English version of the material, Japanese original version shall govern.

2. The forecasts for the fiscal year ending March, 2021 are based upon the information which the company considers reasonable at this time. Actual results may differ considerably by the changes of environment and so forth.

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