



半導体の技術で  
夢を、未来をカタチに。

ローム株式会社



# Financial Results Ended '21/3 1H

As of October 30, 2020

## ■ **Financial Updates of the year ending Mar., 2021.**

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)

(Unit: ¥billion)

	'21/3 1H Results	'20/3 1H Results	Difference in Amount	Difference in %
Net sales	<b>168.0</b>	<b>188.0</b>	<b>-20.7</b>	<b>-11.0%</b>
Operating Income	<b>12.6</b>	<b>17.7</b>	<b>-5.0</b>	<b>-28.6%</b>
(Ratio)	<b>( 7.5%)</b>	<b>( 9.4%)</b>	-	-
Ordinary Income	<b>11.7</b>	<b>18.8</b>	<b>-7.0</b>	<b>-37.3%</b>
(Ratio)	<b>( 7.0%)</b>	<b>( 10.0%)</b>	-	-
Net Income	<b>12.5</b>	<b>13.7</b>	<b>-1.1</b>	<b>-8.7%</b>
(Ratio)	<b>( 7.5%)</b>	<b>( 7.3%)</b>	-	-
EBITDA	<b>32.0</b>	<b>38.9</b>	<b>-6.8</b>	<b>-17.7%</b>
(Ratio)	<b>( 19.1%)</b>	<b>( 20.6%)</b>	-	-

Average Exchange Rate  
(¥/US\$)

(¥106.74)

(¥109.00)

# Financial Results '21/3 1H (VS.Plan)

(Unit: ¥billion)

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

Average Exchange Rate  
(¥/US\$)

(¥106.74)

(¥106.63)



# Financial Outlook '21/3 Full Year(YOY)

(Unit:¥billion)

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

Average Exchange Rate  
(¥/US\$)

(¥105.94)

(¥109.10)

# Financial Outlook '21/3 **2H** (VS.1H)

(Unit: ¥billion)

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

Average Exchange Rate  
(¥/US\$)

(¥105.11)

(¥106.74)

# '21/3 1H

## Sales changes (YOY)

## by Market Segments

(Unit : ¥billion)

### 1H Sales

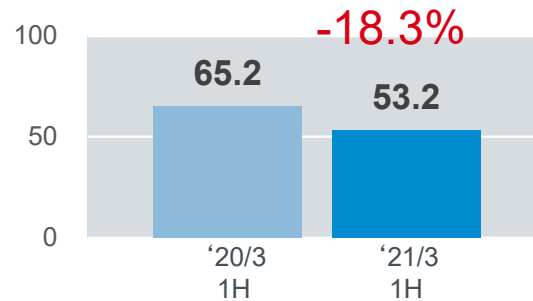
-11.0%

**¥188.8** **¥168.0**  
billion billion

'20/3 1H Results

'21/3 1H Results

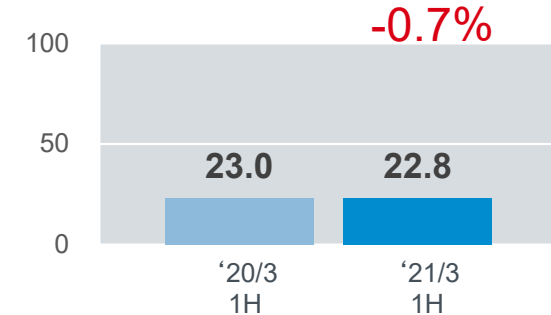
### Automotive



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



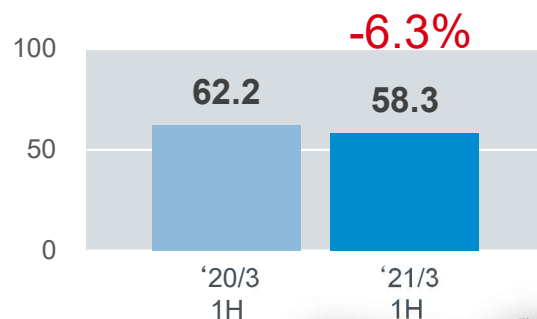
### Industrial



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



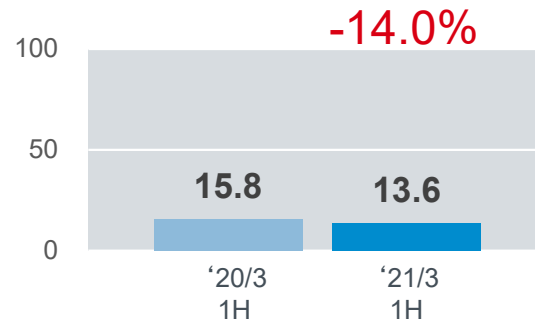
### Consumer



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



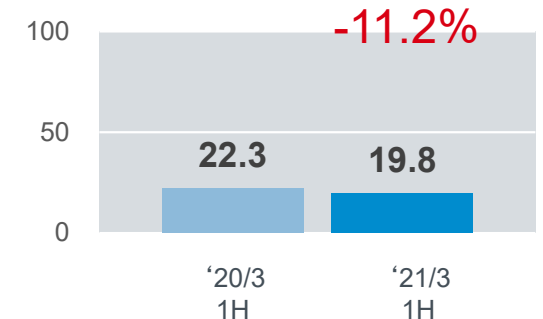
### Communication



- Overall communication: -2.2



### OA Equipment



- PC, OA: -1.2
- For POS: -1.2





# '21/3 Full Year Sales changes(YOY)

## by Market Segments



(Unit: ¥billion)

### Full Year Sales

-6.3%

**¥362.8** **¥340.0**

billion

billion

'20/3 Results

'21/3 Results

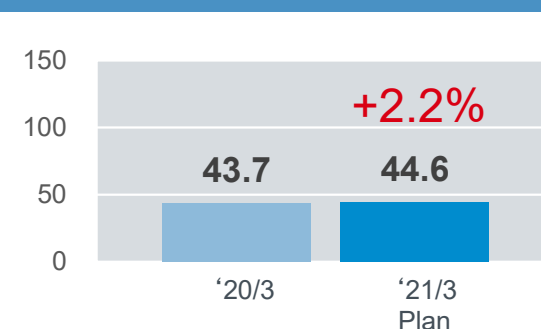
### Automotive



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



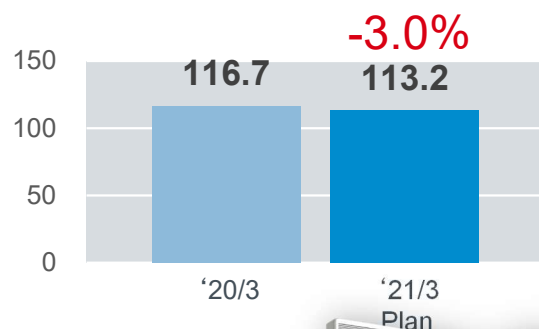
### Industrial



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



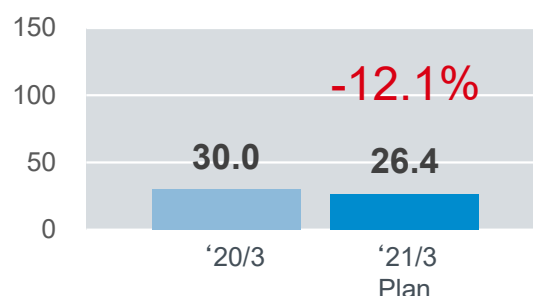
### Consumer



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



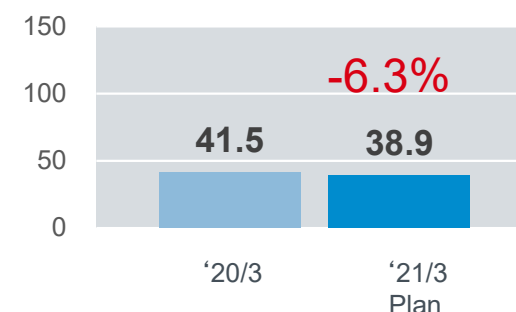
### Communication



- Overall communication: -3.6



### OA Equipment



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



(Unit : ¥billion)

## Half Year Sales

+2.3%

¥168.0 ¥171.9

billion

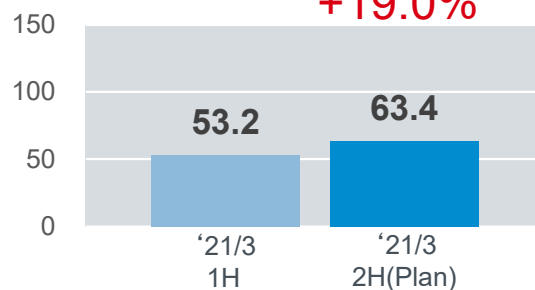
billion

'20/3 1H Results

'21/3 2H Plan

## Automotive

+19.0%

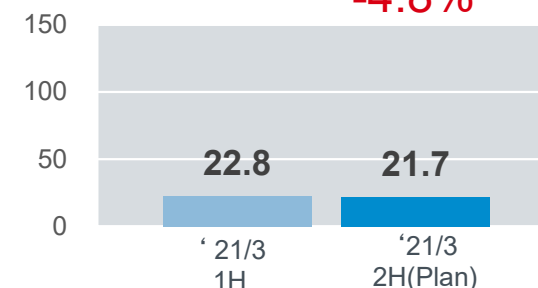


- Infotainment: +4.8
- Powertrain: +2.8
- ADAS: +0.3
- Body: +2.1



## Industrial

-4.8%

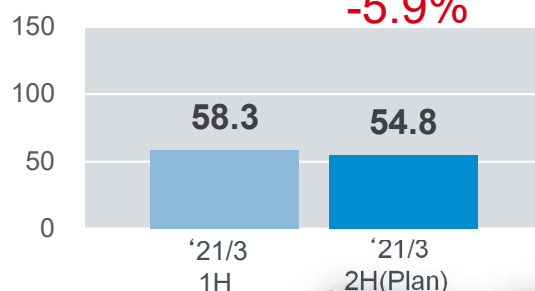


- FA : -0.8
- Energy: -0.1
- Infrastructure: -0.0
- Others: -0.1



## Consumer

-5.9%

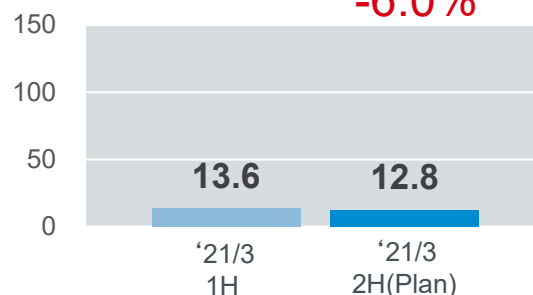


- AV: +0.9
- Home appliance: +0.1
- Amusement: -4.3
- Others: -0.2



## Communication

-6.0%

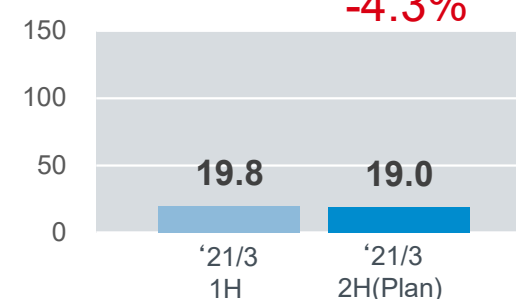


- Overall communication: -0.8



## OA Equipment

-4.3%



- PC, OA: -0.3
- For POS: -0.4



# '21/3 1H

## Sales changes (YOY) by Geographic region



### 1H Sales

**¥188.8 billion**

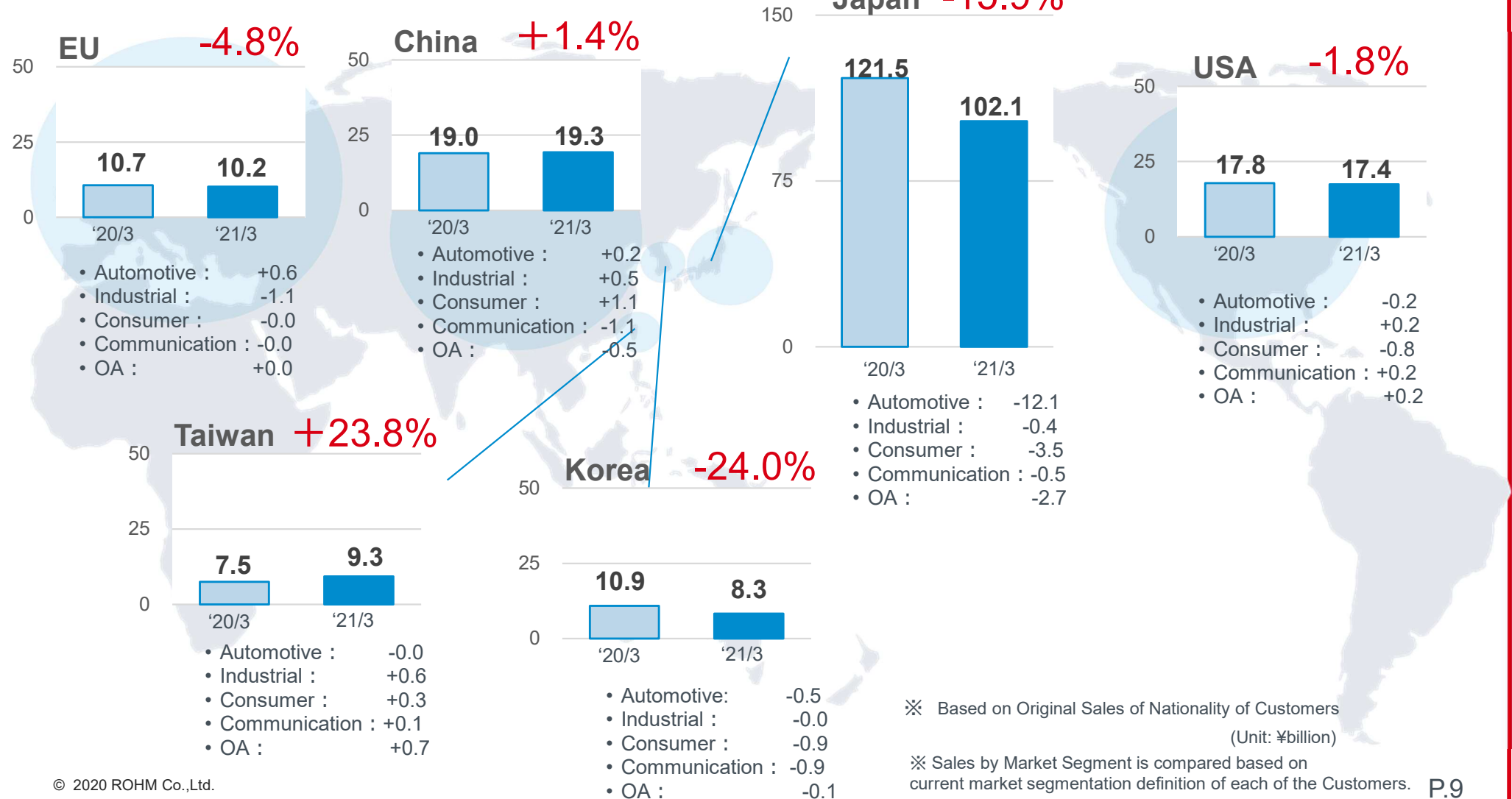
'20/3 1H Results

**¥168.0 billion**

'21/3 1H Results

**-11.0%**

### 1H YOY



# '21/3 Full Year Sales changes(YOY)

by Geographic region



Full Year Sales

**¥362.8** billion

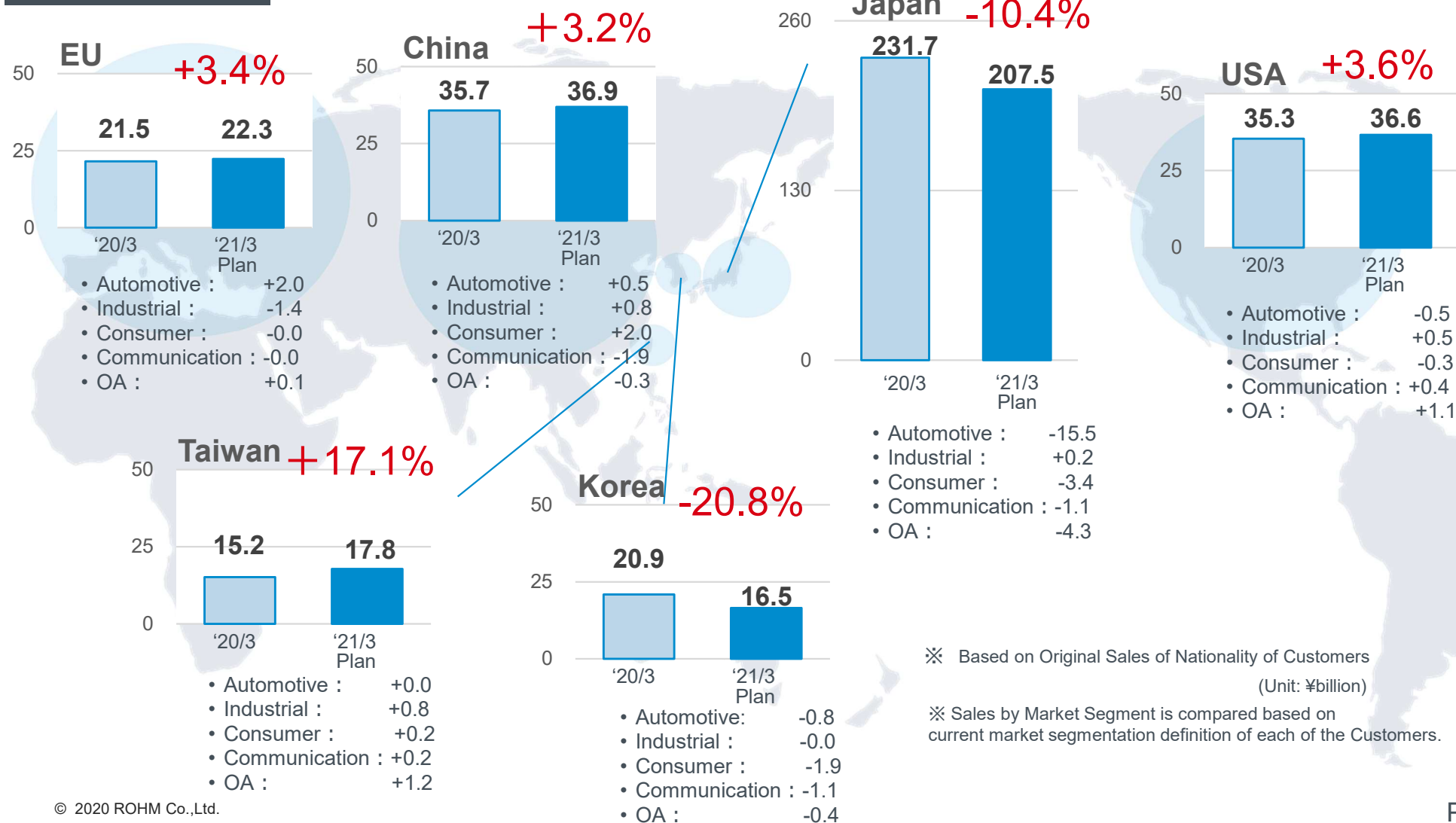
'20/3 Results

**¥340.0** billion

'21/3 Plan

**-6.3%**

## Full Year YOY



'21/3 2H

Sales changes(VS.1H)

by Geographic region



Half Year Sales

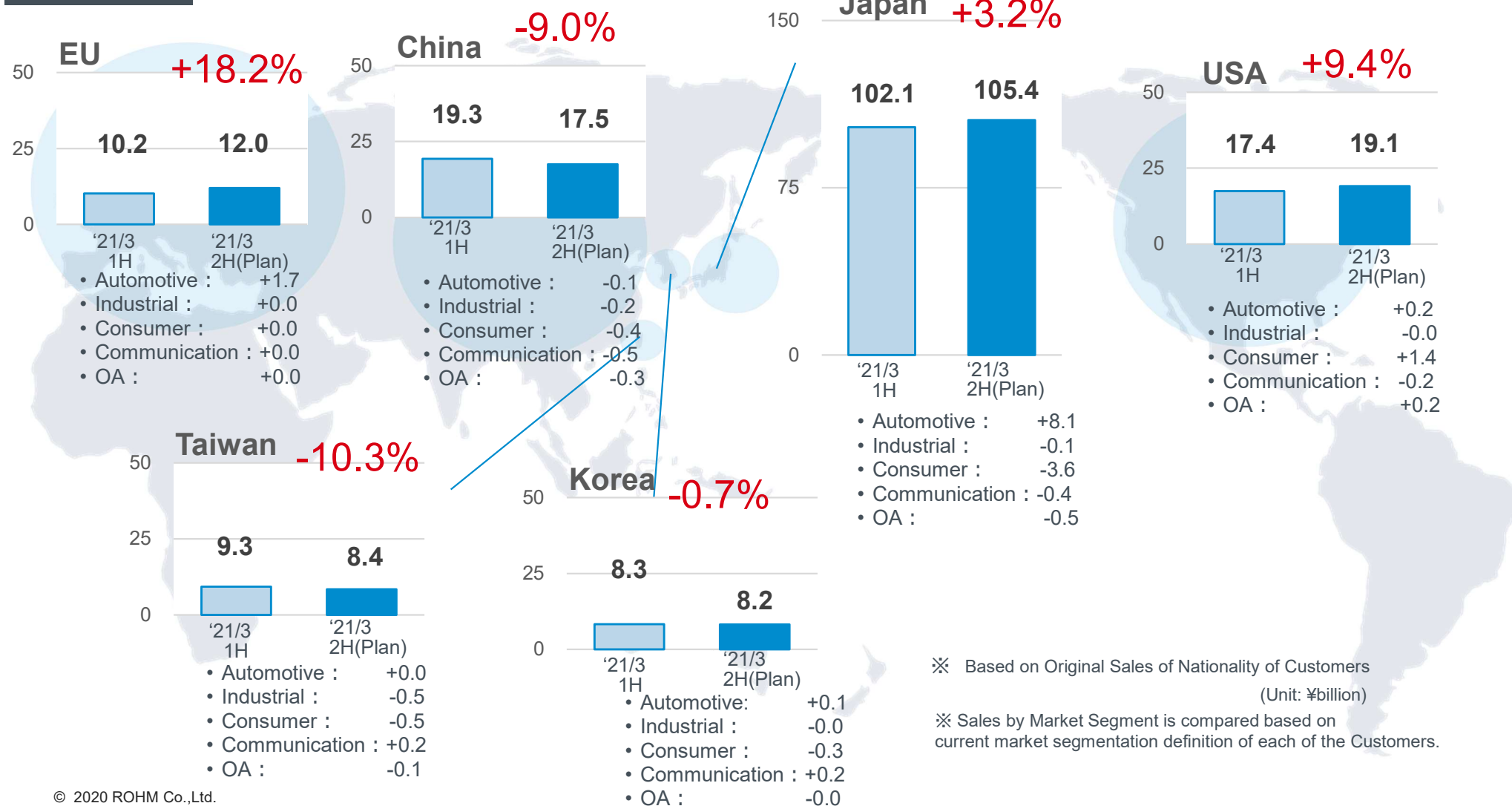
¥168.0 billion ¥171.9 billion

'21/3 1H Results

'21/3 2H Plan

+2.3%

1H VS 2H



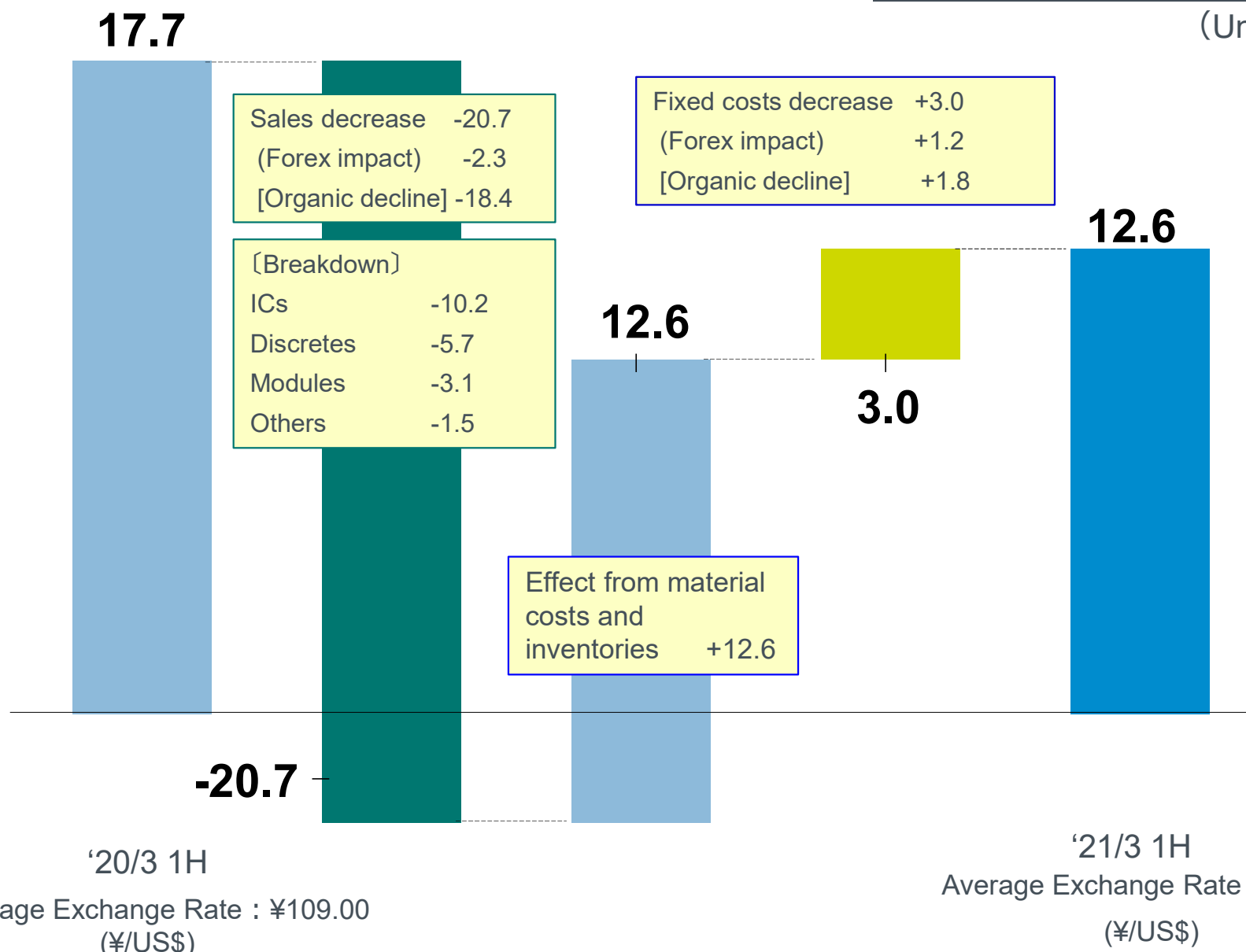
# '21/3 1H



## Difference in Operating Income (YOY)

¥ 5.0 billion Total decrease

(Unit : ¥billion)





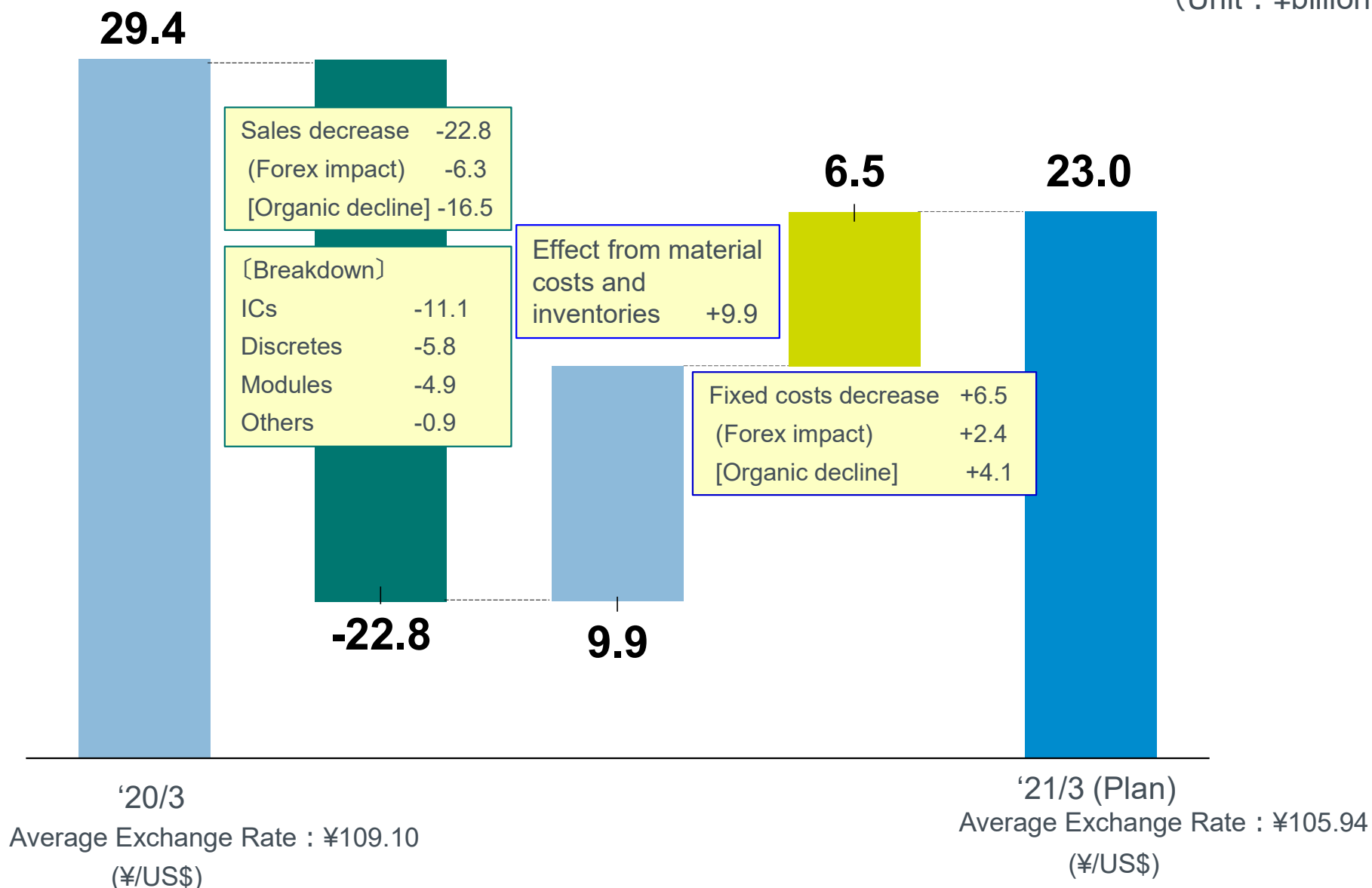
# '21/3 Full Year



## Difference in Operating Income (YOY)

¥ 6.4 billion Total decrease

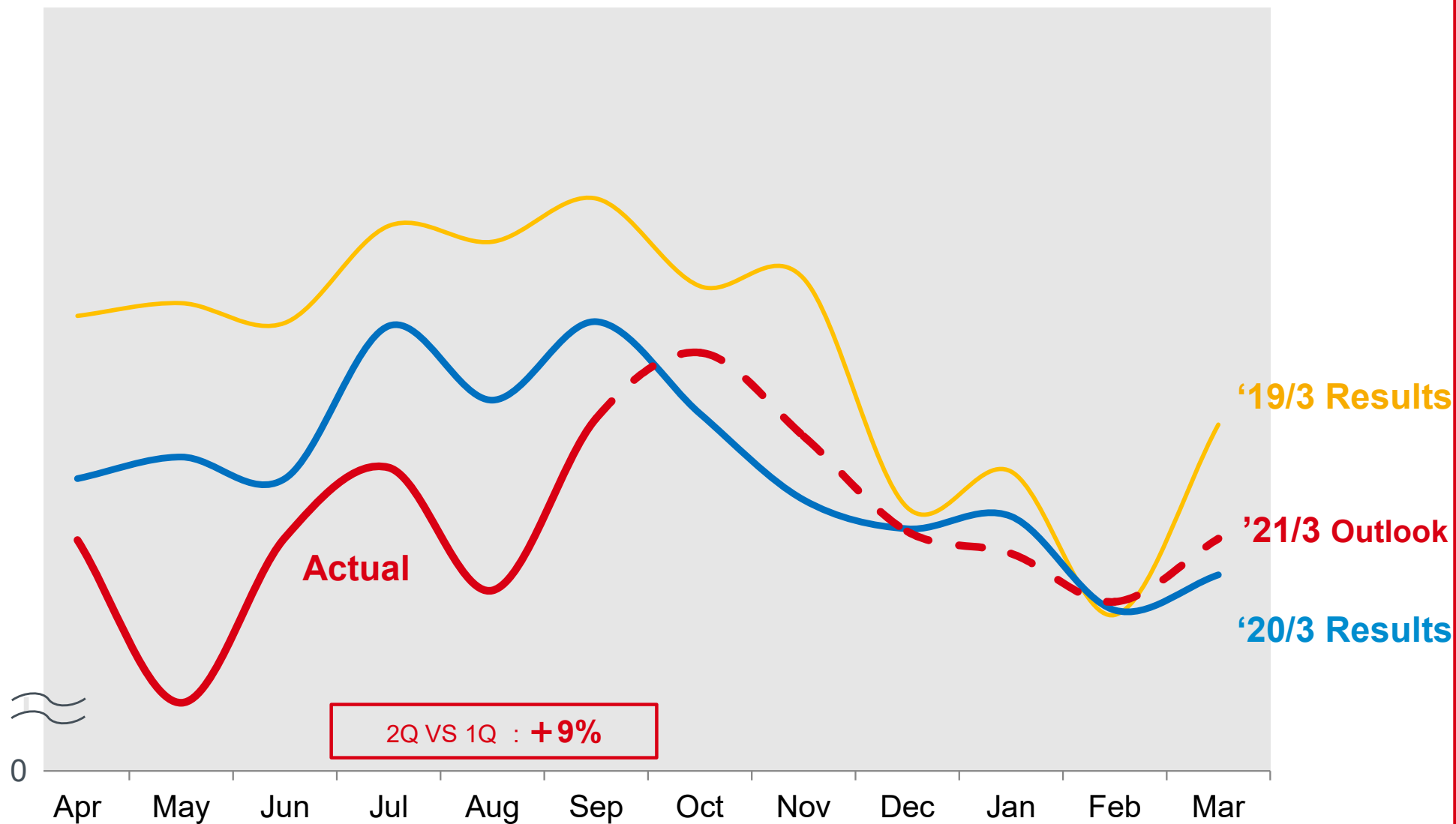
(Unit : ¥billion)



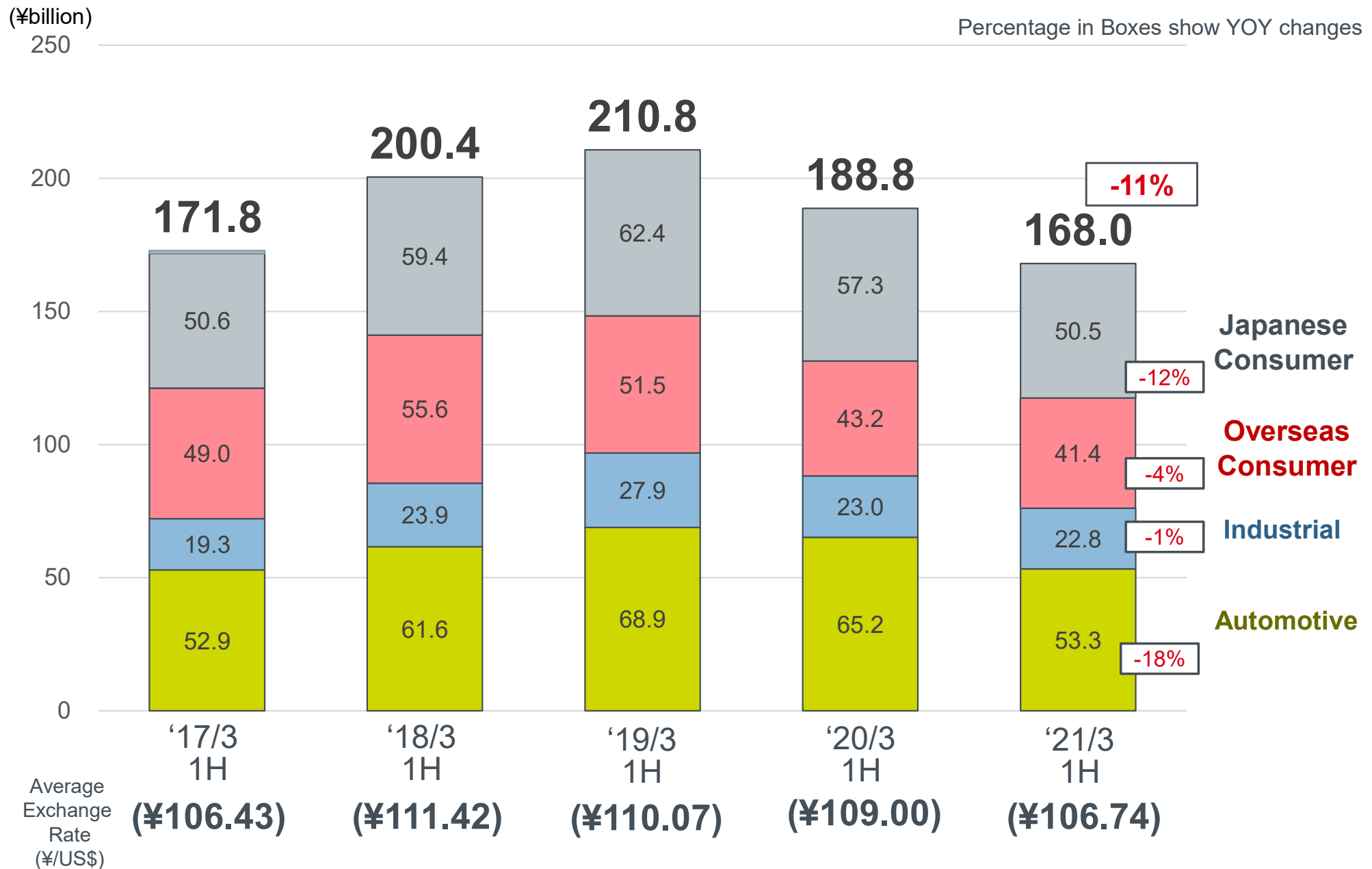
# Sales Trend within the Year



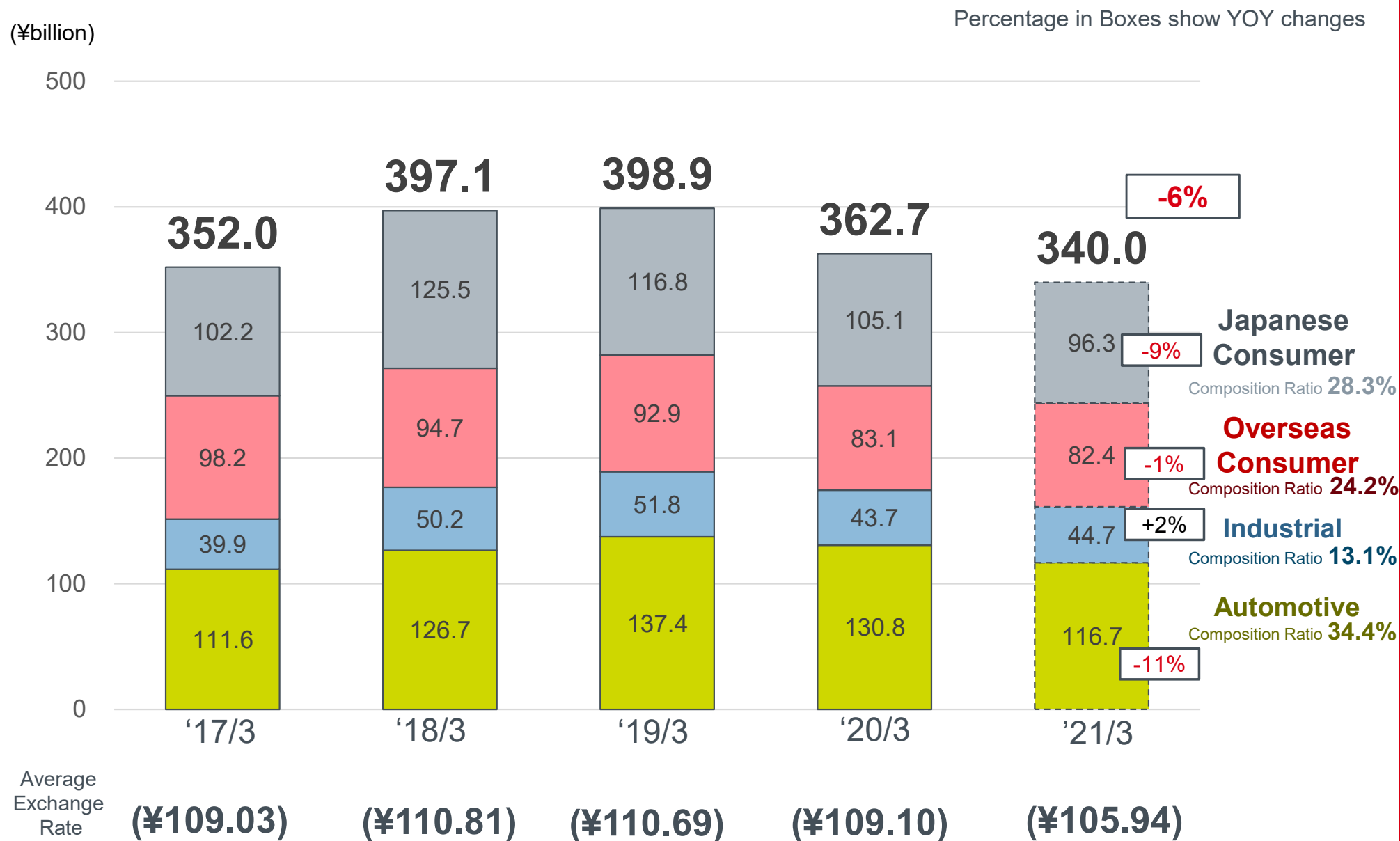
Excluding effect from forex



# 1H Five Year Trends in Sales by Market



# Full Year Five Year Trends in Sales by Market



Average  
Exchange  
Rate  
(¥/US\$)

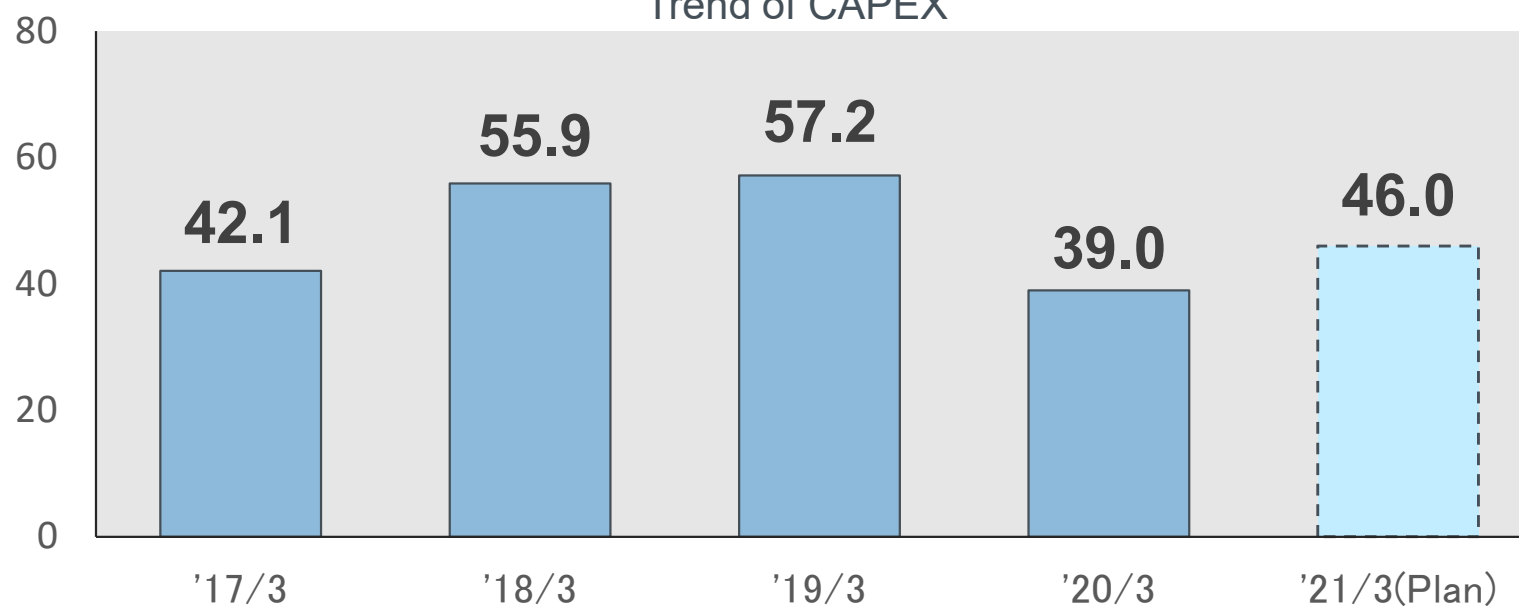
# Capital Expenditures

(Unit: ¥billion)

	Total	Capacity Increase	Land/ Building	Quality Improvement	Others
'19/3	57.2	28.5	12.2	3.3	13.8
'20/3	39.0	17.1	8.5	2.5	10.9
'21/3 1H	11.9	3.7	1.6	0.7	5.9
'21/3 Plan	46.0	12.4	14.8	3.4	15.4

Trend of CAPEX

(Unit: ¥billion)

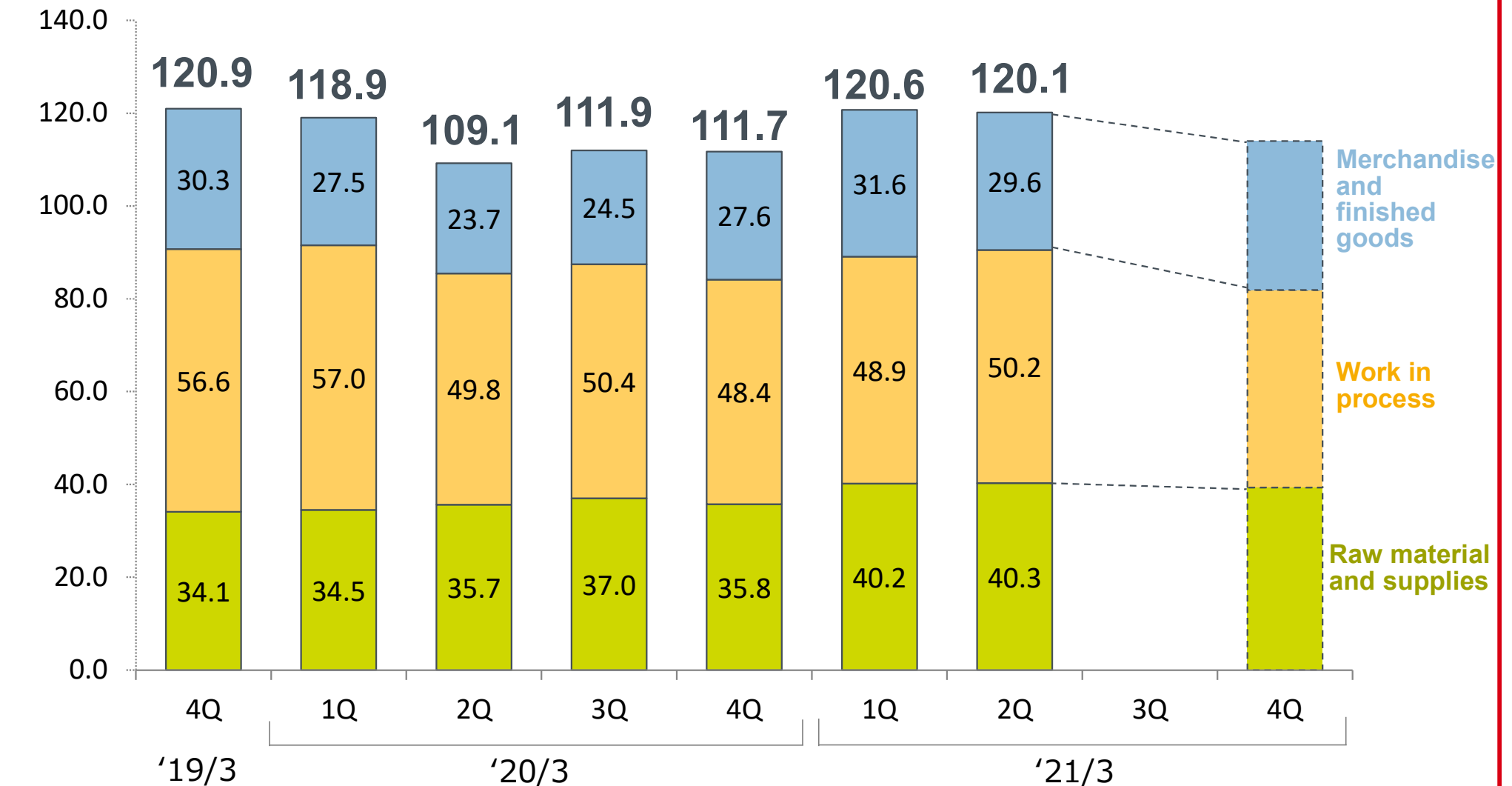


# Inventories (Amount)



## Trend of Inventories

(¥billion)





# Returns to Shareholders

(Transition of Free Cash Flow and Shareholder Returns)

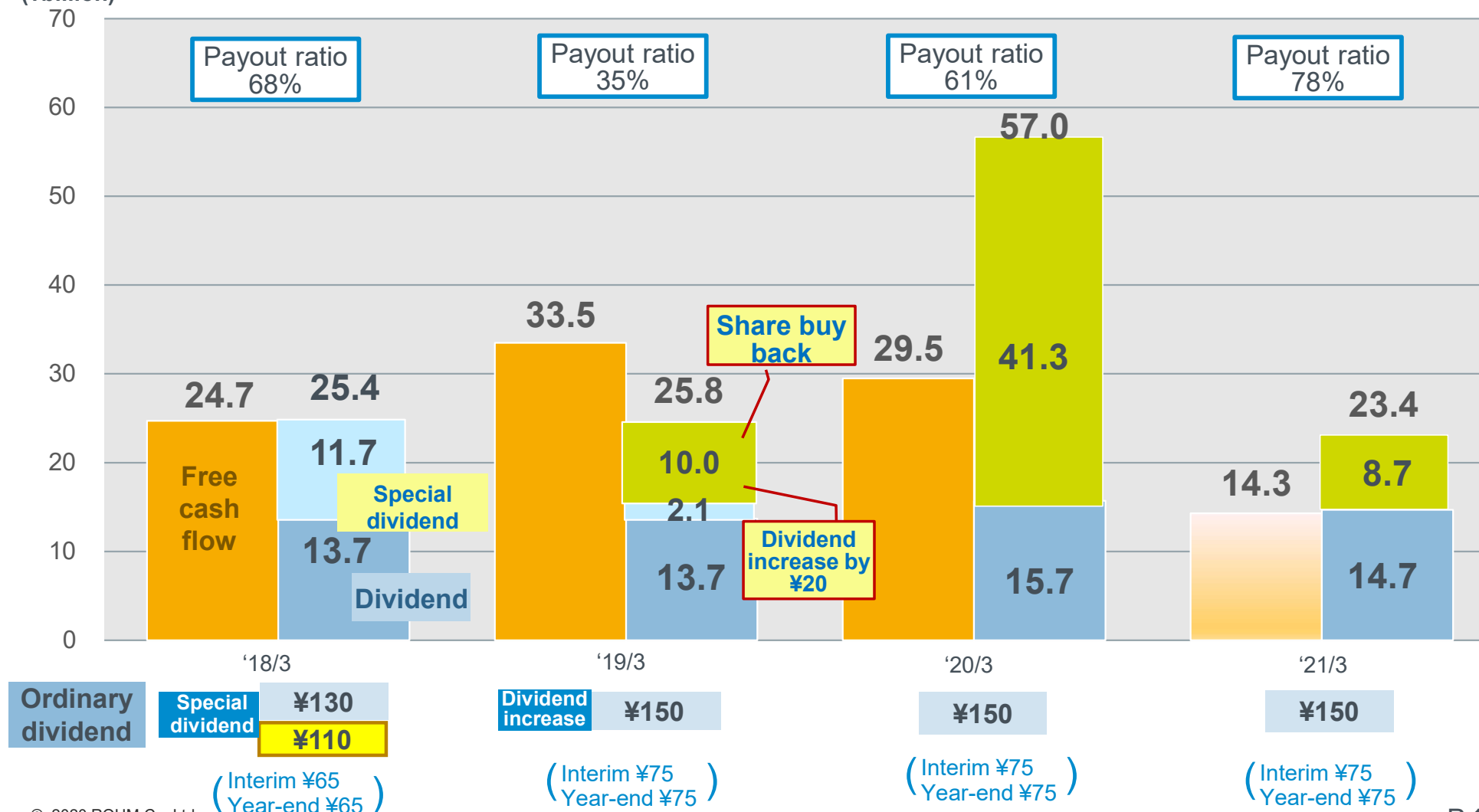
ROHM is planned on buying back shares and returning special dividend because of the three factors below:

①Reduction of strategic shareholdings ②Current stock market outlook ③Mid-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.)

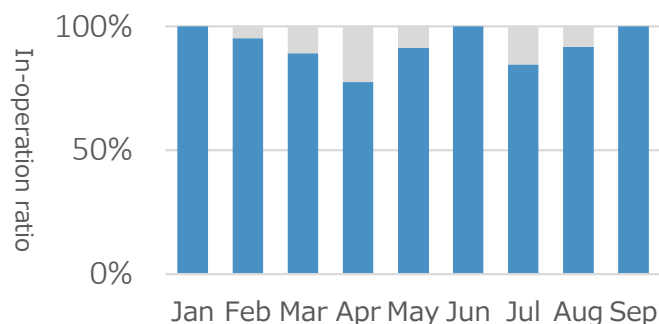
(¥billion)



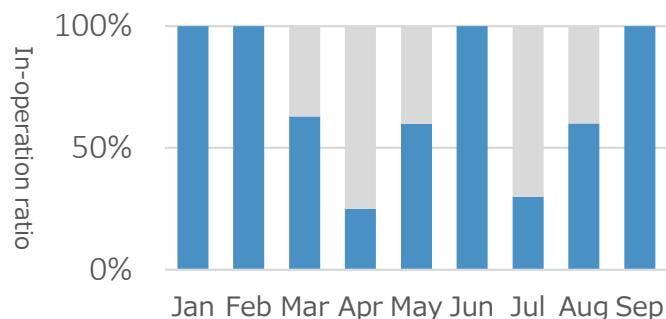
# Impact of the COVID-19 Pandemic by ROHM Group Locations

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

### Company-wide

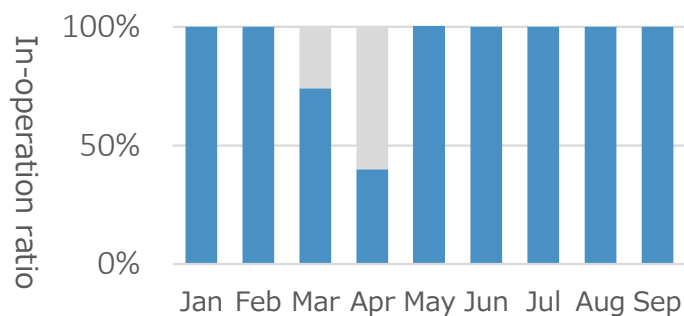


### The Philippines



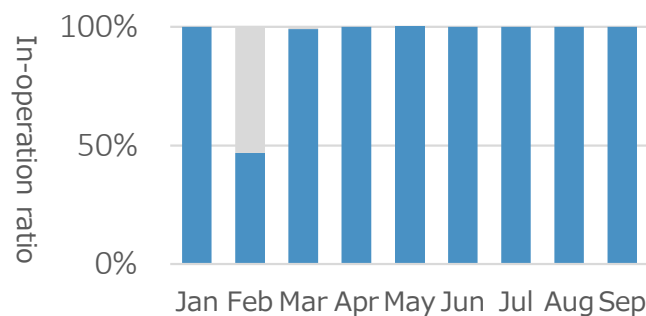
Mar 17: Reduced operations  
 Apr 2: One infected employee, operations halted  
 Apr 5: Partially resumed operations  
 Jul 9: Infected employees, operations halted  
 Jul 11: Partially resumed operations  
 Sep 1: Resumed normal operations

### Malaysia



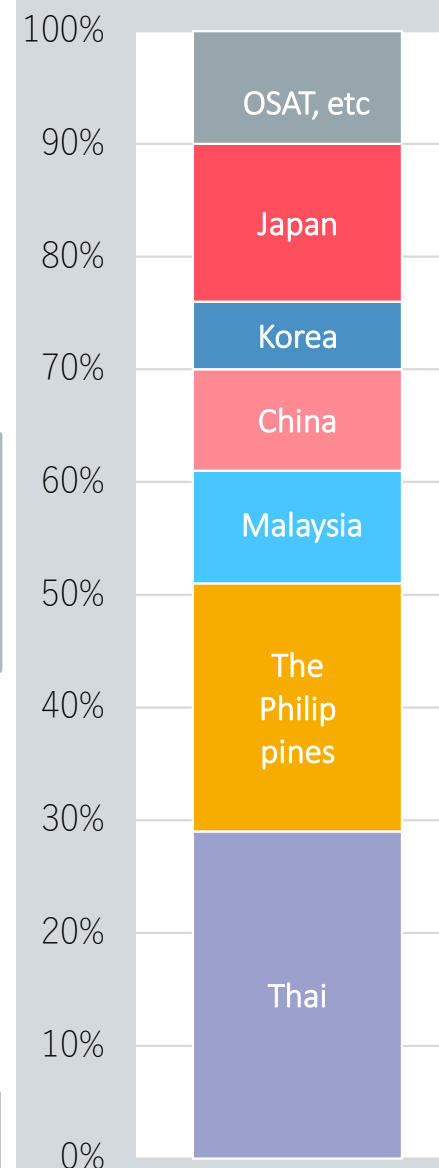
Mar 17 : Reduced operations  
 Apr 18 : Resumed normal operations

### China



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

### Production ratio



# 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.**

	Key points of Improvement	Core technologies and core strategies
<b>1. Focusing Market</b>  Automotive Industrial Overseas	<ul style="list-style-type: none"><li>• Increase industrial market sales ratio</li><li>• Reinforce Power/ASSP line-up</li><li>• Cultivate undeveloped markets and potential customers</li></ul>	<ul style="list-style-type: none"><li>• Japanese domestic sales has re-defined its organization into account-based sales and technical sales to increase Customer Satisfaction.</li><li>• Overseas sales has been integrated into one organization to optimize overall operation.</li><li>• Increase SCM efficiency, including sales companies and warehouses</li></ul>
<b>2. Focusing Products</b>  Power Analog Standard Products	<ul style="list-style-type: none"><li>• Sustain Superiority in Market, including SiC wafer sales.</li><li>• Differentiated analog technology and digital controls</li><li>• Standard Products line-up</li></ul>	<ul style="list-style-type: none"><li>• Establish mass-production of 4th-gen. SiC as early as possible and promote them as solutions</li><li>• Reinforce Nano Series and MCU core digital control technology</li><li>• Improve Silicon discrete and shunt resistor product lineup to boost market coverage ratio</li></ul>
<b>3. Improving Production</b>  Establish production system that assures long-term stable supply and flexibility to demand fluctuation	<ul style="list-style-type: none"><li>• BCM system that can handle all kinds of risks.</li></ul>	<ul style="list-style-type: none"><li>• Complete manpower reduction and flexible production line development and transfer the system for mass production as early as possible.</li><li>• SCM Headquarters and IT Headquarters are newly established to optimize information infrastructure and strengthen QCDS</li></ul>

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



# Sales Strategies Sales Innovation

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

## 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

**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

**New**

**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

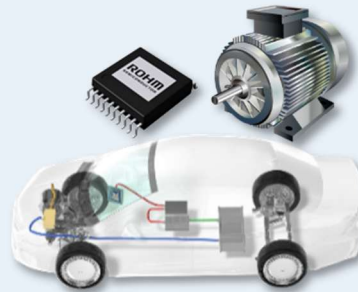
## Product development focusing on high-performance standard ASSPs.

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

### 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.



While maintaining top market share, along with growth in xEV

Expand sales to triple

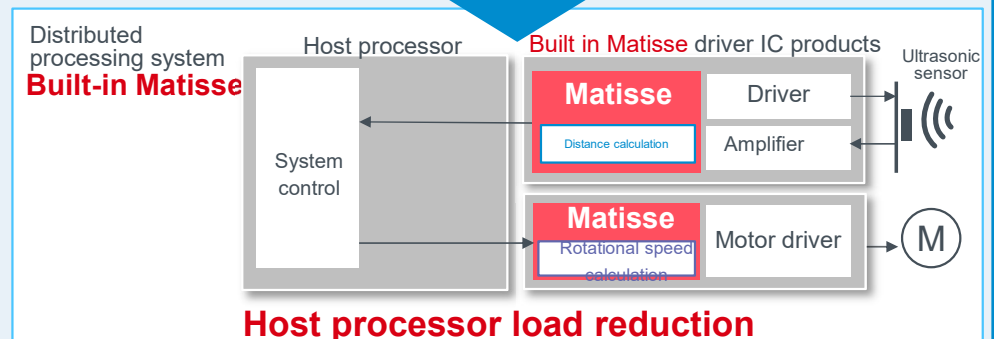
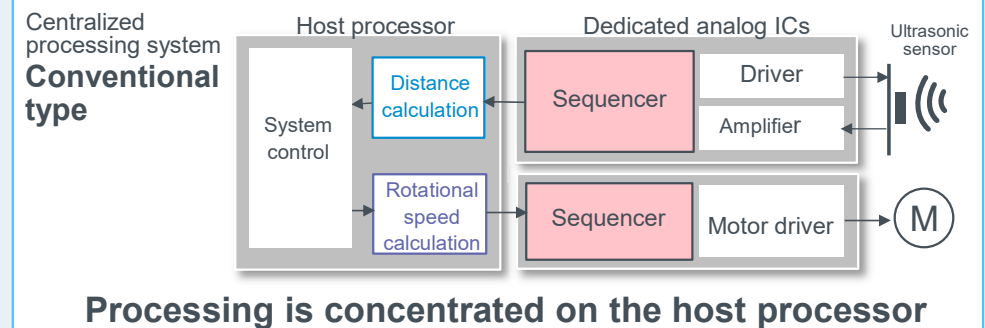


■ Begin sample shipment of **world's smallest-class single-channel isolated gate drivers**

### 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.



【Characteristics】  
 Support distributed processing system  
 Support timely specification changes (No need for software development at customers.)  
 Provide cost-effective products

■ 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

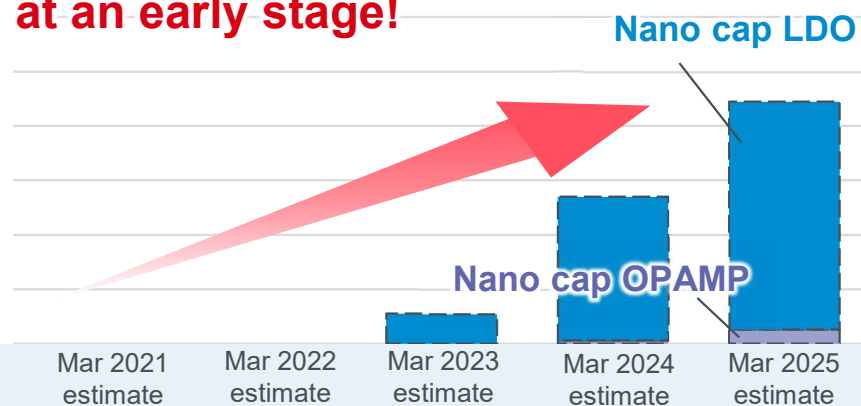
### Nano Cap™ technology

#### 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!**



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

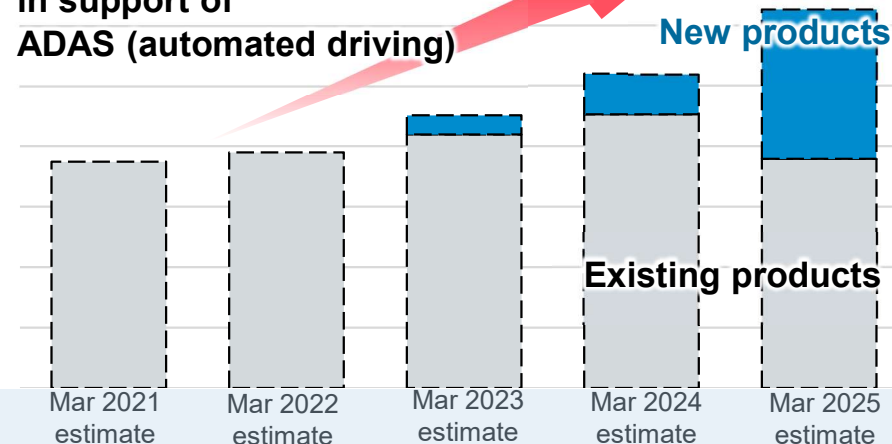
### Fusing our power core technologies

#### PMIC

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



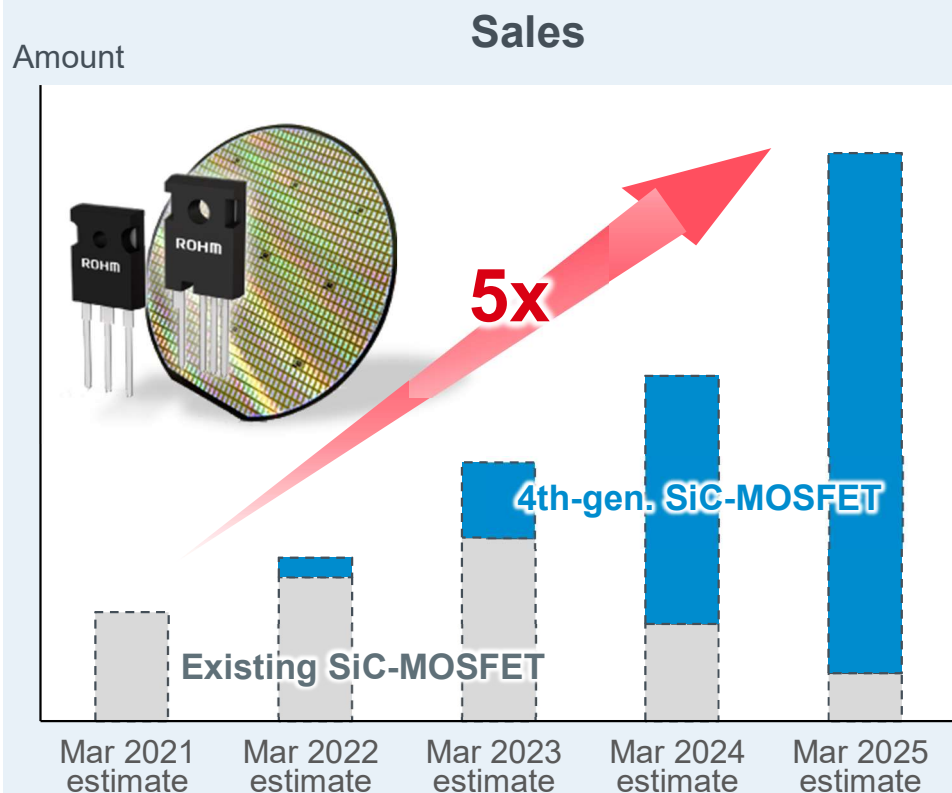
**Double our sales of millimeter-wave radar PMIC, in support of ADAS (automated driving)**



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

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

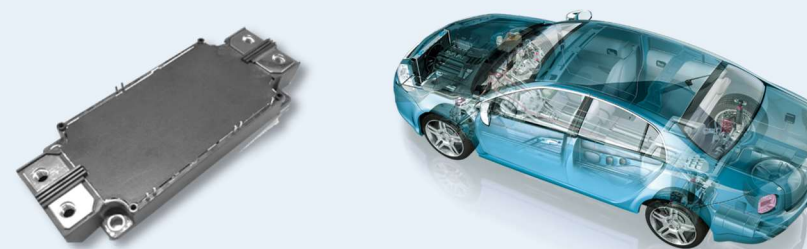
## SiC-MOSFET



- 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



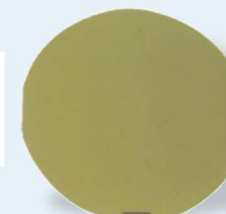
## SiC-Module



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

## SiC substrates

**SiCrystal**  
A ROHM Group Company



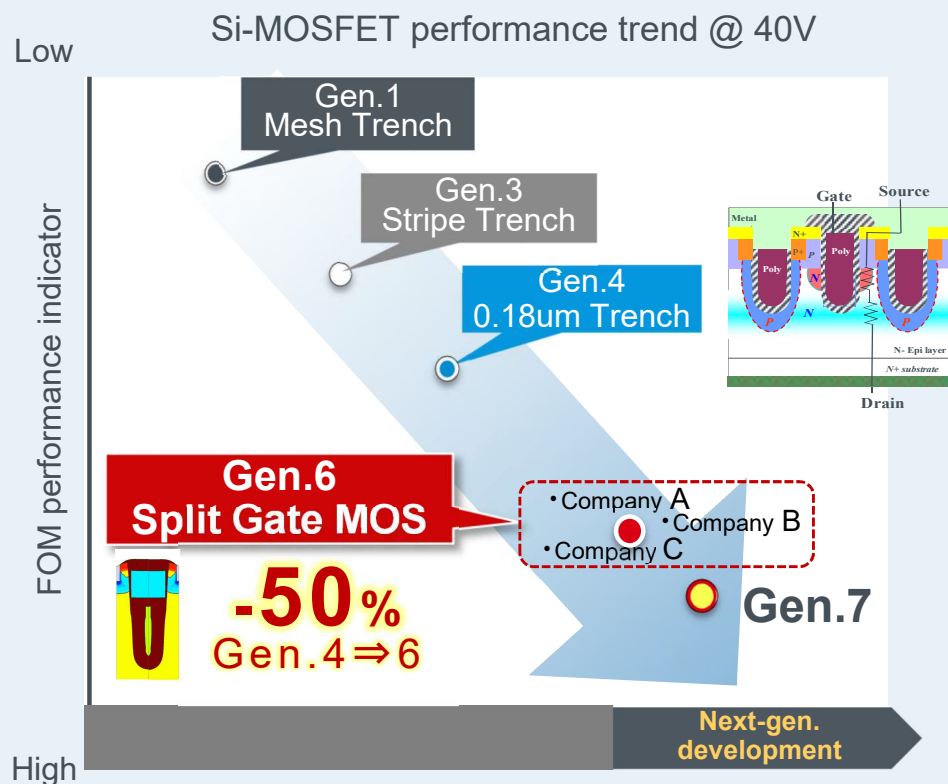
**Substrates for SiC power**

- Mass producing 150 mm
- 200 mm under development

- 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

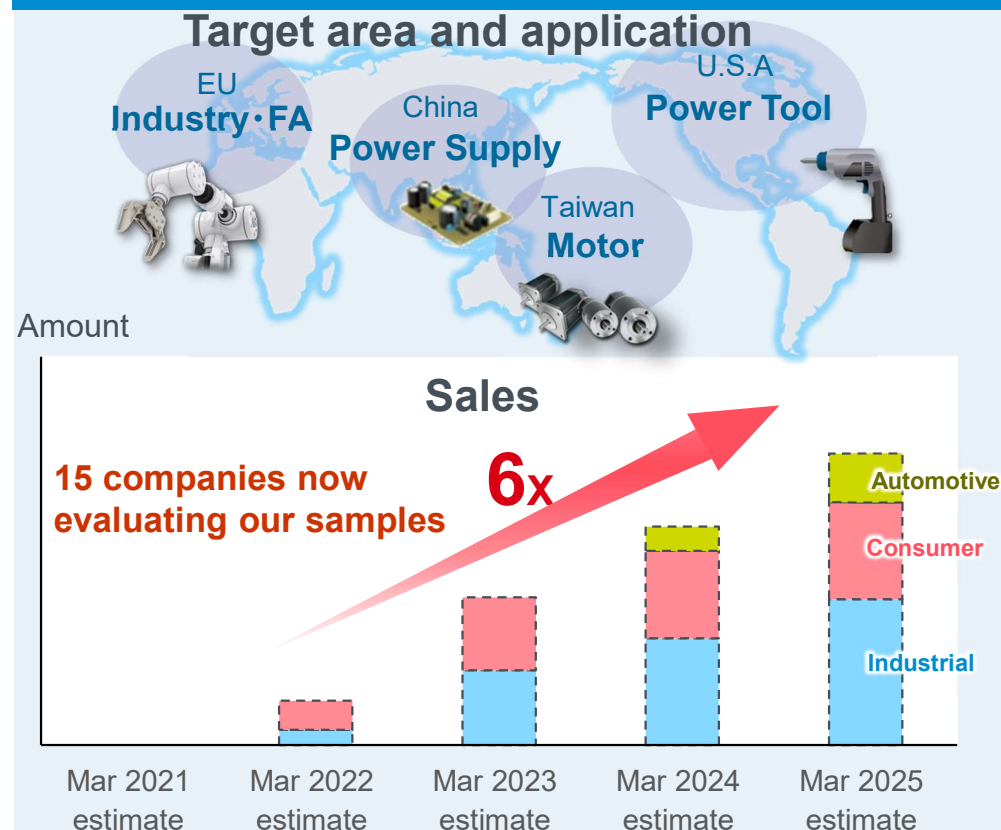
Expanding voltage and package line-ups  
to support wide range of industrial and consumer applications

## Performance comparison of 6th-gen. products



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

## Focusing Market and Target Sales



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

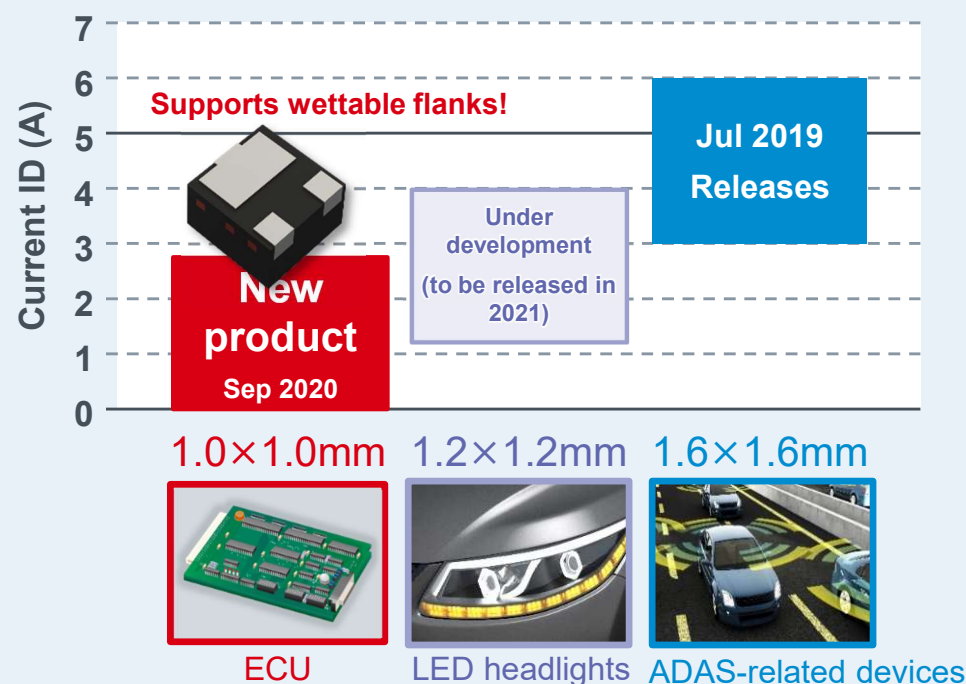
Expand market share in growing **automotive** and **Chinese market** with stable-suppliability, high reliability, and cost competitiveness.

## Small-signal separate semiconductors

**Exceed 20% share worldwide**

Points to implement:

Development of compact MOSFET (industry's smallest class)



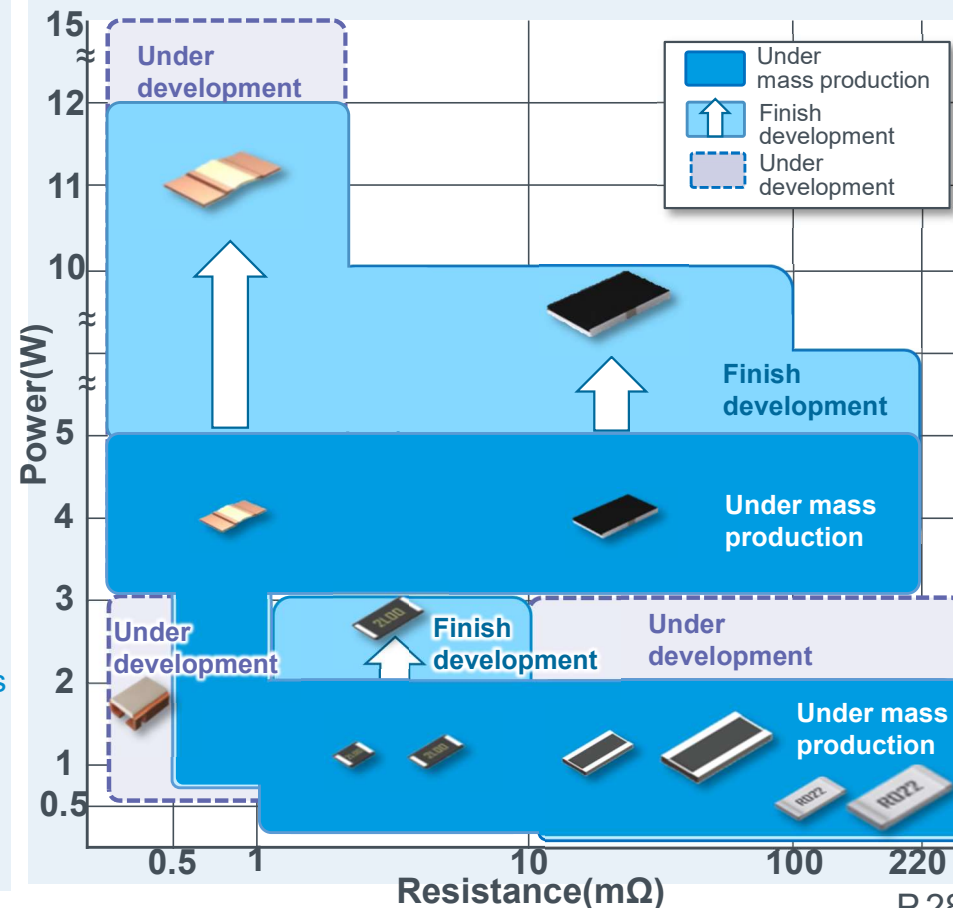
Rohm's new products contributes to down-sizing of substrates for wide range of applications.

## Resistors

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

Points to implement:

Expand power shunt resistor product lineup





# “Manufacturing Reform” Strategies

Strengthen function-based organizations



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

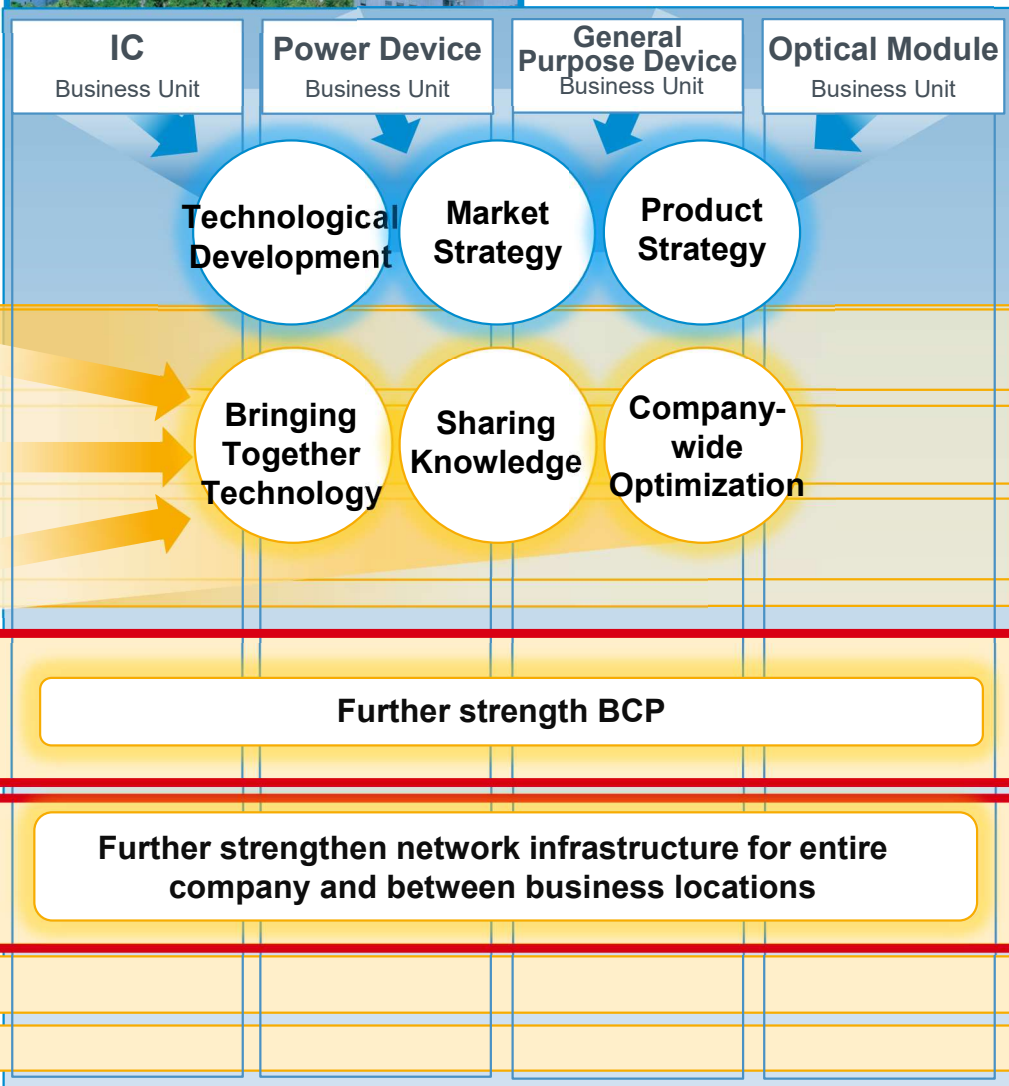
## Cross-functional organization



<b>AP</b> Production Headquarters	Oversees process-based assembly manufacturing
<b>WP</b> Production Headquarters	Oversees preprocess manufacturing
<b>Corporate Quality</b> Headquarters	Unifies quality throughout the company

## Organization based on business functions

### Business Units



New

**Supply Chain Management**  
Headquarters

Further strength BCP

New

**IT**  
Headquarters

Further strengthen network infrastructure for entire company and between business locations

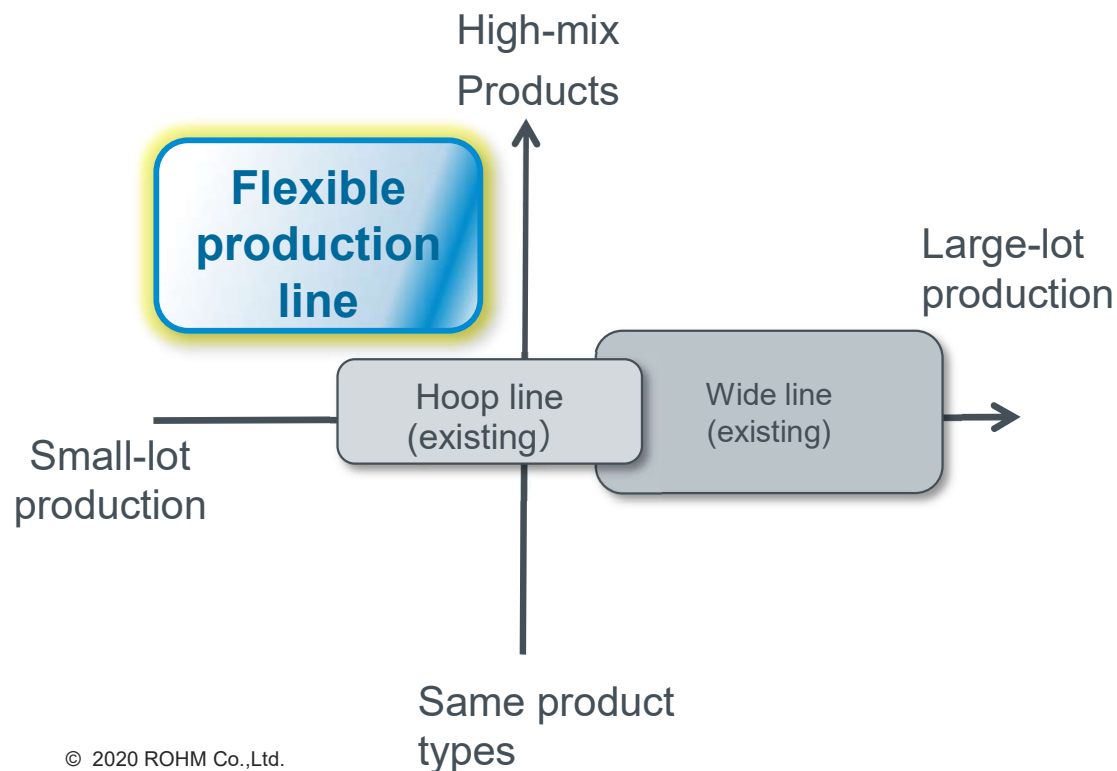
Sales Headquarters

Administrative Headquarters

**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	Developmental targets
Processing point capability	Cpk = 2.0
Lead time	1 / 10 (vs.previous)
Personal productivity	2 x ( " )
Length of logistical paths of motion	1 / 8 ( " )



# “Manufacturing Reform” Strategies : “Monozukuri” Innovation 2

Strengthen BCP's ability for pandemic situations



Production line that does not rely  
o n m a n p o w e r

Quality First

High-mix  
low-volume

Reduce manpower



Automatic replacement of  
jig tools

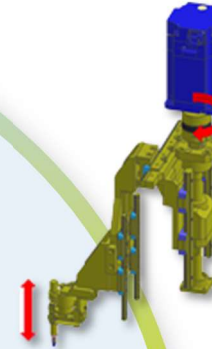


Automatic replacement  
of dies

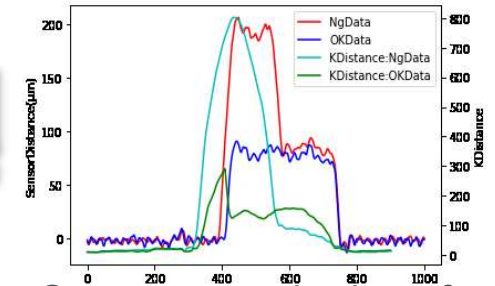


Control room

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Automatic  
supply  
robots



Constant monitoring of  
key processing points



Automated concentration  
management of plating fluid



Automatic supply of  
material



## <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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