



ROHM Co., Ltd. Financial Highlights for the First Six Months of the Year Ending March 31, 2021

(From April 1, 2020 to September 30, 2020)

October 29, 2020

1. Consolidated Financial Results

(Figures are rounded down to the nearest million yen. Any fraction less than the unit is rounded off.)

		'21/3	'20/3	Change from the previous year		'20/3	'21/3 (Projected)	Change from the previous year
				Amount	Percentage			
Net sales	Millions of yen	168,049	188,834	-20,785	-11.0%	362,885	340,000	-6.3%
Cost of sales	Millions of yen	115,882	130,433	-14,551	-11.2%	251,125	237,700	
Selling, general and administrative expenses	Millions of yen	39,479	40,630	-1,151	-2.8%	82,269	79,300	
Operating profit	Millions of yen	12,687	17,771	-5,084	-28.6%	29,489	23,000	-22.0%
		(7.5%)	(9.4%)	(-1.9%)		(8.1%)	(6.8%)	
Ordinary profit	Millions of yen	11,799	18,824	-7,025	-37.3%	35,774	23,000	-35.7%
		(7.0%)	(10.0%)	(-3.0%)		(9.9%)	(6.8%)	
Profit attributable to owners of parent	Millions of yen	12,527	13,713	-1,186	-8.7%	25,632	19,000	-25.9%
		(7.5%)	(7.3%)	(+0.2%)		(7.1%)	(5.6%)	
Figures in () indicate ratio to sales.								
Net income (loss) per share	yen	127.36	131.23	-3.87	-2.9%	247.66	193.37	
ROE	%					3.5		
ROA	%					3.0		
Net assets per share	yen	7,381.84	7,305.67	+76.17	+1.0%	7,185.83		
EBITDA ^{Note2}	Millions of yen	32,048	38,918	-6,870	-17.7%	73,817		
Capital expenditures	Millions of yen	11,929	15,868	-3,939	-24.8%	38,941	46,000	+18.1%
Depreciation	Millions of yen	19,360	21,146	-1,786	-8.4%	44,328	41,300	-6.8%
Research and development costs	Millions of yen	15,996	16,466	-470	-2.9%	33,384	31,600	-5.3%
Foreign exchange gains (losses)	Millions of yen	(loss) 2,669	(loss) 2,201	(loss) 468		(gain) 401		
Foreign exchange rate (Average yen-dollar rate)	yen/US\$	106.74	109.00	-2.26	-2.1%	109.10	105.94	

(Note) 1. As the projected data are based on the information that ROHM is currently acquiring as well as specific prerequisites judged as legitimate, actual data may be considerably different due to various factors.

2. EBITDA is calculated by adding back depreciation to operating profit.

Contact: Investor Relations Div., ROHM Co., Ltd.

21, Saiin Mizosaki-cho, Ukyo-ku, Kyoto 615-8585 Japan +81-75-311-2121

Note: This report is a translation of the financial highlights of the Company prepared in accordance with the provisions set forth in the Securities and Exchange Law and its related accounting regulations, and in conformity with accounting principles generally accepted in Japan. The original version of this report is written in Japanese. In the event of any discrepancies in words, accounts, figures, or the like between this report and the original, the original Japanese version shall govern.

1. Consolidated Financial Results (Continued from the previous page)

(Figures are rounded down to the nearest million yen. Any fraction less than the unit is rounded off.)

		'21/3	'20/3	Change from the previous year		'20/3	'21/3 (Projected)	Change from the previous year
		First six months	First six months	Amount	Percentage	Annual	Annual	
Sales by segment and region (Note1)								
ICs	Millions of yen	78,605	88,889	-10,284	-11.6%	170,432	159,332	-6.5%
(Japan)		(35,282)	(38,623)	(-3,341)	(-8.7%)	(71,671)	(70,004)	(-2.3%)
(Asia)		(36,861)	(43,511)	(-6,650)	(-15.3%)	(84,821)	(75,622)	(-10.8%)
(Americas)		(3,945)	(3,956)	(-11)	(-0.3%)	(8,030)	(7,932)	(-1.2%)
(Europe)		(2,516)	(2,797)	(-281)	(-10.1%)	(5,908)	(5,772)	(-2.3%)
Discrete semiconductor devices	Millions of yen	65,432	71,174	-5,742	-8.1%	139,038	133,148	-4.2%
(Japan)		(19,964)	(22,905)	(-2,941)	(-12.8%)	(45,490)	(42,272)	(-7.1%)
(Asia)		(36,592)	(37,947)	(-1,355)	(-3.6%)	(73,239)	(71,483)	(-2.4%)
(Americas)		(3,214)	(4,479)	(-1,265)	(-28.2%)	(8,579)	(7,385)	(-13.9%)
(Europe)		(5,659)	(5,840)	(-181)	(-3.1%)	(11,728)	(12,007)	(+2.4%)
Modules	Millions of yen	15,126	18,311	-3,185	-17.4%	33,275	28,282	-15.0%
(Japan)		(3,340)	(4,797)	(-1,457)	(-30.4%)	(8,699)	(7,005)	(-19.5%)
(Asia)		(10,112)	(11,793)	(-1,681)	(-14.3%)	(21,264)	(17,917)	(-15.7%)
(Americas)		(669)	(667)	(+2)	(+0.3%)	(1,248)	(1,328)	(+6.4%)
(Europe)		(1,004)	(1,053)	(-49)	(-4.6%)	(2,063)	(2,031)	(-1.5%)
Others	Millions of yen	8,885	10,460	-1,575	-15.1%	20,139	19,235	-4.5%
(Japan)		(1,466)	(1,822)	(-356)	(-19.6%)	(3,579)	(3,525)	(-1.5%)
(Asia)		(5,915)	(6,479)	(-564)	(-8.7%)	(12,361)	(12,130)	(-1.9%)
(Americas)		(652)	(934)	(-282)	(-30.2%)	(1,799)	(1,565)	(-13.0%)
(Europe)		(851)	(1,223)	(-372)	(-30.4%)	(2,398)	(2,014)	(-16.0%)
Total	Millions of yen	168,049	188,834	-20,785	-11.0%	362,885	340,000	-6.3%
(Japan)		(60,053)	(68,150)	(-8,097)	(-11.9%)	(129,440)	(122,807)	(-5.1%)
(Asia)		(89,481)	(99,732)	(-10,251)	(-10.3%)	(191,686)	(177,153)	(-7.6%)
(Americas)		(8,481)	(10,037)	(-1,556)	(-15.5%)	(19,659)	(18,212)	(-7.4%)
(Europe)		(10,031)	(10,915)	(-884)	(-8.1%)	(22,098)	(21,826)	(-1.2%)

Sales by application

Consumer	%	34.7	33.0	+1.7	32.2
Telecommunications	%	8.1	8.4	-0.3	8.3
Automotive	%	31.7	34.6	-2.9	36.1
Industrial	%	13.6	12.2	+1.4	12.0
Computers and OA	%	11.9	11.8	+0.1	11.4

Major End Products

Consumer	TV, Video Camera, Audio, Microwave Oven, Air Conditioner, Refrigerator, Washing Machine, Air Cleaner, Digital Still Camera, Game Machine, Electronic Musical Instrument, Electronic Cigarette, Drone, etc.
Telecommunications	Smartphone, FAX, Wearable Electronics(excludes Medical Equipment), etc.
Automotive	Engine Control Unit, Air Bag, Car Navigation, Car Audio, ADAS, etc.
Industrial	Medical Equipment, Electrical Measuring Equipment, Machine Tool, Vending Machine, Solar Power, Smart Meter, Security Equipment, Communications Infrastructures, Cloud Server etc.
Computers and OA	PC, PC Server, Tablet PC, Printer, Data Storage(DVD, HDD, Semiconductor Memory), Monitor, Terminal, etc.

(Note1) The above amounts are sales to external customers.

2. Relevant information

(Figures are rounded down to the nearest million yen. Any fraction less than the unit is rounded off.)

		'21/3	'20/3	Change from the previous year		'20/3	'21/3 (Projected)	Change from the previous year
		First six months	First six months	Amount	Percentage	Annual	Annual	
Capital expenditures by segment								
ICs	Millions of yen	4,934	3,682	+1,252	+34.0%	8,550	16,100	+88.3%
Discrete semiconductor devices	Millions of yen	4,346	7,507	-3,161	-42.1%	22,001	21,800	-0.9%
Modules	Millions of yen	803	623	+180	+28.9%	1,922	2,300	+19.6%
Others	Millions of yen	668	2,173	-1,505	-69.2%	2,735	1,900	-30.6%
Sales and administrative division	Millions of yen	1,176	1,881	-705	-37.5%	3,731	3,900	+4.5%
Total	Millions of yen	11,929	15,868	-3,939	-24.8%	38,941	46,000	+18.1%
Number of shareholders								
	Number	25,204	25,660	-456	-1.8%	26,013		
Financial institution shareholding ratio	%	27.15	29.00	-1.85		26.40		
Foregin shareholding ratio	%	42.04	43.19	-1.15		40.40		
Number of employees								
	Domestic	Number	5,877	5,810	+67	+1.2%	5,693	
	Overseas	Number	16,284	16,706	-422	-2.5%	16,498	
	Total	Number	22,161	22,516	-355	-1.6%	22,191	
	(Number of R&D employees)	(Number)	(2,850)	(2,928)	(-78)	(-2.7%)	(2,836)	
Number of consolidated subsidiaries								
	Number	42	44	-2		43		
	(Domestic)	(Number)	(9)	(10)	(-1)		(10)	
	(Overseas)	(Number)	(33)	(34)	(-1)		(33)	
Number of affiliated companies								
	Number	3	3	0		3		
(Number of companies accounted for by equity method)	(Number)	(0)	(0)	(0)		(0)		
Number of non-consolidated subsidiaries								
	Number	1	1	0		1		
(Number of companies accounted for by equity method)	(Number)	(0)	(0)	(0)		(0)		



Financial Report for the First Six Months of the Year Ending March 31, 2021 [Based on Japanese Standard] (Consolidated)

October 29, 2020

Stock Exchange Listings: Tokyo

Listed Company Name: ROHM CO., LTD.

Code No.: 6963 URL <https://www.rohm.com>

Company Representative: (Title) President, Chief Executive Officer

(Name) Isao Matsumoto

Contact Person: (Title) Director, Senior Corporate Officer,
Accounting & Finance Headquarters

(Name) Kunio Uehara

TEL +81-75-311-2121

Scheduled Date for Submitting the Quarterly Financial Reports

November 4, 2020

Scheduled Dividend Payment Date

December 4, 2020

Preparation of Supplementary Briefing Materials for the Quarterly Settlement:

Yes

Briefing Session for the Quarterly Settlement to Be Held:

Yes (For analysts and institutional investors)

(Figures are rounded down to the nearest million yen.)

1. Consolidated Financial Results for the First Six Months of the Year Ending March 31, 2021 (From April 1, 2020 to September 30, 2020)

(1) Consolidated Results of Operations (Accumulated total) (The percentages [%] represent change from the same time of the previous year.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
First six months of the year ending March 31, 2021	168,049	-11.0	12,687	-28.6	11,799	-37.3	12,527	-8.7
First six months of the year ended March 31, 2020	188,834	-10.4	17,771	-49.8	18,824	-57.4	13,713	-55.7

(Note) Comprehensive income First six months of the year ending March 31, 2021: 25,584 million yen (405.7%)
First six months of the year ended March 31, 2020: 5,059 million yen (-87.8%)

	Net income per share		Diluted net income per share	
	Yen		Yen	
First six months of the year ending March 31, 2021	127.36		122.97	
First six months of the year ended March 31, 2020	131.23		—	

(2) Consolidated Financial Position

	Total assets		Net assets		Equity ratio	
	Millions of yen		Millions of yen		%	
First six months of the year ending March 31, 2021	853,474		724,905		84.9	
Year ended March 31, 2020	848,873		715,479		84.2	

(Reference) Shareholder's equity First six months of the year ending March 31, 2021: 724,421 million yen
Year ended March 31, 2020: 714,990 million yen

2. Dividend Details

	Annual dividend				
	End of the first quarter	Interim	End of the third quarter	End of year	Total
	Yen				
Year ended March 31, 2020	—	75.00	—	75.00	150.00
Year ending March 31, 2021	—	75.00			
Year ending March 31, 2021 (Estimates)			—	75.00	150.00

(Note) Revision to recently disclosed dividend estimates: None

3. Consolidated Financial Results Forecast for the Year Ending March 31, 2021 (From April 1, 2020 to March 31, 2021)

(The percentages [%] represent change from the previous year.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	
Annual	340,000	-6.3	23,000	-22.0	23,000	-35.7	19,000	-25.9	193.37	

(Note) Revision to recently disclosed figures for consolidated financial results forecast: Yes

*Note

- (1) Major Changes in Subsidiaries During the First Six Months of the Current Fiscal Year
(Changes to specified subsidiaries accompanying revision on the scope of consolidation): None
- (2) Application of Specific Accounting Method for Compiling Consolidated Quarterly Financial Statement: None
- (3) Changes in Accounting Policies, Changes in Accounting Estimates, and Restatement of Revisions
- | | |
|---|------|
| [1] Changes in accounting policies according to revision to accounting standards: | None |
| [2] Other changes in accounting policies other than items indicated in [1]: | None |
| [3] Change in accounting estimates: | None |
| [4] Restatement of revisions: | None |

(4) Number of Shares Outstanding (common shares)

[1] Year-end number of shares outstanding (incl. treasury stocks)	First six months of the year ending March 31, 2021	103,000,000 shares	Year ended March 31, 2020	110,000,000 shares
[2] Year-end number of treasury stocks	First six months of the year ending March 31, 2021	4,864,423 shares	Year ended March 31, 2020	10,504,865 shares
[3] Average number of shares during the period (Accumulated total of the quarter)	First six months of the year ending March 31, 2021	98,364,086 shares	First six months of the year ended March 31, 2020	104,506,536 shares

* This quarterly financial report is not subject to the quarter review procedures under the Financial Instruments and Exchange Act.

*Explanation on Adequate Usage of Financial Results Forecast

Statements on financial results forecasts in this financial report are based on current information acquired by ROHM as well as specific legitimate premises for making decisions, therefore ROHM makes no promises as to attaining these forecasts.

Actual financial results may be considerably different due to various factors. For conditions and notes used for making prepositions of financial forecasts, please refer to “1. Qualitative Information Regarding Business Results, etc. for the First Six Months of the Current Fiscal Year, (3) Qualitative Information Regarding Consolidated Financial Results Forecast” on the Financial Report for the First Six Months of the Year Ending March 31, 2021 (Appendix).

Table of Contents

1. Qualitative Information Regarding Business Results, etc. for the First Six Months of the Current Fiscal Year.....	2
(1) Business Results	2
(2) Financial Conditions	3
(3) Qualitative Information Regarding Consolidated Financial Results Forecast.....	4
2. Consolidated Quarterly Financial Statements and Important Notes	5
(1) Consolidated Quarterly Balance Sheet.....	5
(2) Consolidated Quarterly Statement of Income and Consolidated Quarterly Statement of Comprehensive Income	7
(Consolidated quarterly statement of income).....	7
(Consolidated quarterly statement of comprehensive income).....	8
(3) Consolidated Quarterly Statements of Cash Flows	9
(4) Notes on Consolidated Quarterly Financial Statement	10
(Note on going concern).....	10
(Note in case of significant change in amount of shareholders' equity).....	10
(Additional information).....	10
(Segment information).....	10

* “Financial Highlights for the First Six Months of the Year Ending March 31, 2021” is separately attached as supplementary material.

1. Qualitative Information Regarding Business Results, etc. for the First Six Months of the Current Fiscal Year (1) Business Results

General Overview of Business Performance

During the first six months of the fiscal year ending March 31, 2021, the global economy slowed down as the global outbreak of the new coronavirus (COVID-19) took a heavy toll on production and consumer spending around the world, but we began to see signs of economic recovery later in the period, with industrial production rebounding in China, among other things.

In the electronics industry, both the automotive electronics and industrial equipment markets generally remained sluggish, but China's new vehicle sales saw some improvement during the period. Despite an increase in demand primarily due to lifestyle changes required to cope with COVID-19, the overall consumer product market also stagnated during the period.

Working within this business environment, the ROHM Group has continued to strengthen product lineups for the automotive electronics and industrial equipment markets – where mid- to long-term growth is expected – and to further strengthen its sales network in international markets. Moreover, we at the ROHM Group have directed time and resources to developing new products and technologies around a core of power, analog and standard products as well as other technological fields where the ROHM Group excels. In terms of production, we have continued to push ahead with “*monozukuri* (manufacturing) innovation”, primarily through the newly established Supply Chain Management (SCM) Headquarters, by establishing a state-of-the-art quality management system and promoting labor-saving and automation efforts. In addition, from the standpoint of business continuity management (BCM), we have accelerated the outsourcing of production to OSATs (*1) to ensure the further strengthening of our stable supply system. With operations at some of our factories being restricted by the COVID-19 outbreak, we have taken measures to ensure the continued supply of products by implementing alternate production at our other manufacturing sites and securing alternate logistics routes. We have also built a robust telework-based operating environment by strengthening remote access capabilities, among other things, for the purposes of improving operating efficiency and taking biosecurity measures.

With regard to the impact of COVID-19 on the ROHM Group's supply chain, the Group's factory operations in the Philippines and Malaysia were temporarily restricted, which did not have a material impact on the Group's business performance. With the Group-wide implementation of COVID-19 measures and the easing of local restrictions on factory operations, the Group's factory operations have returned to normal since September 2020. In addition, we at the ROHM Group have made utmost efforts to ensure stable supply, from the standpoint of BCM, by implementing appropriate COVID-19 measures and maintaining sufficient inventory at all times.

Under these circumstances, consolidated net sales for the first six months of the fiscal year ending March 31, 2021 were 168,049 million yen, down 11.0% from the same period last year, with net sales for the automotive electronics market showing the largest decline. Operating profit decreased 28.6% from the same period last year to 12,687 million yen, bringing operating margin down from 9.4% to 7.5%.

Ordinary profit decreased 37.3% from the same period last year to 11,799 million yen due to a decline in operating profit. With ROHM Shiga Co., Ltd. becoming ROHM's wholly-owned subsidiary through absorption-type merger as of April 1, 2020, profit attributable to owners of parent decreased 8.7% from the same period last year to 12,527 million yen due to a decrease in the valuation reserve of the former ROHM Shiga Co., Ltd.'s deferred tax assets for tax loss carryforward.

Moreover, EBITDA (*2), an accounting metric that we emphasize in the ROHM Group, was 32,048 million yen for the first six months of the fiscal year ending March 31, 2021, down 17.7% from the same period last year.

*1. OSAT (Outsourced semiconductor assembly and test)

A contract manufacturer that handles the assembly and testing processes during the production of semiconductors.

*2. EBITDA (Earnings before interest, taxes, depreciation and amortization)

An accounting metric widely used around the world to compare businesses in terms of earning power, calculated by adding interest and depreciation to a company's pretax earnings. The ROHM Group simplifies the EBITDA calculation by adding back depreciation to operating profit.

Overview of Performance by Segment

Integrated Circuits (ICs)

Consolidated net sales for the first six months of the fiscal year ending March 31, 2021 were 78,605 million yen, down

11.6% from the same period last year, and segment profit was 3,712 million yen, down 40.6% from the same period last year.

In the automotive electronics market, sales of power ICs for automotive infotainment (*3) and a variety of driver ICs decreased due to market downturn. The industrial equipment market showed signs of bottoming out, thanks largely to strong sales for factory automation (FA) applications. Despite the strong sales of ICs for PC applications, the overall consumer product market remained sluggish, most notably with sales for smartphones and audio-visual products slumping.

***3. Infotainment**

A collective term, mainly for automotive use, for systems that provide a combination of entertainment and information.

Discrete Semiconductor Devices

Consolidated net sales for the first six months of the fiscal year ending March 31, 2021 were 65,432 million yen, down 8.1% from the same period last year, and segment profit was 7,683 million yen, up 0.8% from the same period last year. With regard to sales of transistors and diodes, overall sales declined, led by a slump in sales for the automotive electronics market, but sales for the industrial equipment market showed signs of improvement. In addition, sales of power devices for the automotive electronics market declined. Light-emitting diode (LED) sales also declined, with LEDs for audio-visual products showing the largest drop. Meanwhile, laser diode sales increased, primarily in the consumer electronics market.

Modules

Consolidated net sales for the first six months of the fiscal year ending March 31, 2021 were 15,126 million yen, down 17.4% from the same period last year, and segment profit was 1,174 million yen, down 49.8% from the same period last year.

With regard to sales of printheads, overall sales declined, led by sales for mobile payment terminals. As for optical modules, sales of automotive LED modules for rear lights declined in the automotive electronics market.

Others

Consolidated net sales for the first six months of the fiscal year ending March 31, 2021 were 8,885 million yen, down 15.1% from the same period last year, and segment profit was 477 million yen, down 56.4% from the same period last year.

Sales of resistors for the automotive electronics market declined, while sales of tantalum capacitors increased, primarily in the PC market.

Sales referenced in the “Overview of Performance by Segment” section above were to customers outside of the ROHM Group.

(2) Financial Conditions

At the end of the second quarter of the fiscal year ending March 31, 2021, total assets were 853,474 million yen, an increase of 4,601 million yen from the end of the previous fiscal year, which can be largely explained by increases respectively in securities of 21,981 million yen, investment securities of 16,284 million yen and inventories of 8,396 million yen, partially offset by a decrease in cash and deposits of 38,759 million yen.

Total liabilities were 128,568 million yen, a decrease of 4,825 million yen from the end of the previous fiscal year, which can be largely explained by a decrease in accounts payable (other) of 6,229 million yen, partially offset by increases respectively in non-current liabilities (other) of 1,428 million yen (of which 1,207 million yen is attributable to long-term accounts payable – other) and deferred tax liabilities of 1,099 million yen.

Total net assets were 724,905 million yen, an increase of 9,426 million yen from the end of the previous fiscal year, which can be largely explained by an increase of 14,276 million yen in valuation difference on available-for-sale securities, partially offset by a decrease in total shareholders’ equity of 3,608 million yen primarily due to the acquisition of treasury shares.

As a result, the equity ratio increased to 84.9% from 84.2% at the end of the previous fiscal year.

The status of cash flows for the first six months of the fiscal year ending March 31, 2021 is as follows:

Cash flows from operating activities were positive 12,872 million yen, a decrease of 20,977 million yen from the same period last year of positive 33,850 million yen, which can be largely explained by an increase in inventories and a decrease in profit before income taxes, partially offset by a decrease in income taxes paid.

Cash flows from investing activities were negative 28,570 million yen, as compared with the same period last year of positive 5,888 million yen. This outflow is primarily due to an increase in time deposits, partially offset by a decrease in purchase of property, plant and equipment.

Cash flows from financing activities were negative 16,955 million yen, a deterioration of 8,650 million yen from the same period last year of negative 8,304 million yen, which can be largely explained by an increase in purchase of treasury shares.

After factoring in a negative effect of exchange rate change of 1,431 million yen on cash and cash equivalents, cash and cash equivalents at the end of the second quarter of the fiscal year ending March 31, 2021 were 241,454 million yen, a decrease of 34,085 million yen from the end of the previous fiscal year.

(3) Qualitative Information Regarding Consolidated Financial Results Forecast

The COVID-19 pandemic, which took a heavy toll on the world economy during the first half of 2020, is still rampant around the world and there are no signs of the pandemic ending anytime soon. That said, economic activities are gradually recovering in many parts of the world, and we have seen a recovery in production and sales in the electronics market, especially in the automotive electronics sector.

Given these circumstances and in light of our business results for the first half of this fiscal year and the order situation from October onwards, we would like to hereby publish our full-year earnings forecast for the fiscal year ending March 31, 2021, which is described below.

In the electronics market, we believe that the automotive electronics sector and the industrial equipment sector will continue to grow over the longer term with the growing need for digital transformation, and that the consumer electronics sector will also continue to grow, supported by the ongoing energy efficiency and downsizing trends.

We at the ROHM Group will continue to engage in the development of high value-added products that meet market needs. In terms of production, we will continue to push ahead with the “*monozukuri* (manufacturing) innovation” by establishing a state-of-the-art quality management system and promoting labor-saving and automation efforts, among other things, to ensure sales increase and the strengthening of our profit structure.

Consolidated Financial Results Forecast

(in Billions of yen)

	Year ended March 31, 2020	Year ending March 31, 2021 (Estimates)	Percentage Change from the Previous Year
Sales	362.8	340.0	-6.3%
Operating profit	29.4	23.0	-22.0%
Ordinary profit	35.7	23.0	-35.7%
Profit attributable to owners of parent	25.6	19.0	-25.9%

Sales forecast by segment

	Year ended March 31, 2020	Year ending March 31, 2021 (Estimates)	Percentage Change from the Previous Year
ICs	170.4	159.3	-6.5%
Discrete semiconductor devices	139.0	133.1	-4.2%
Modules	33.2	28.2	-15.0%
Others	20.1	19.2	-4.5%

Figures are based on an exchange rate of 1 USD to 105 JPY in the second half of the fiscal year.

2. Consolidated Quarterly Financial Statements and Important Notes

(1) Consolidated Quarterly Balance Sheet

(Millions of yen)

	End of the accounting year ended March 31, 2020 (March 31, 2020)	First six months of the year ending March 31, 2021 (September 30, 2020)
Assets		
Current assets		
Cash and deposits	298,296	259,537
Notes and accounts receivable - trade	74,834	80,115
Electronically recorded monetary claims - operating	5,604	5,352
Securities	17,427	39,408
Merchandise and finished goods	27,616	29,614
Work in process	48,352	50,223
Raw materials and supplies	35,753	40,281
Income taxes receivable	488	804
Other	9,639	9,276
Allowance for doubtful accounts	-123	-142
Total current assets	517,888	514,472
Non-current assets		
Property, plant and equipment		
Buildings and structures	241,085	241,592
Machinery, equipment and vehicles	586,018	585,791
Tools, furniture and fixtures	51,267	52,240
Land	66,594	66,648
Construction in progress	26,207	26,537
Other	4,036	4,742
Accumulated depreciation	-731,425	-743,067
Total property, plant and equipment	243,784	234,486
Intangible assets		
Goodwill	1,391	1,242
Other	3,208	4,522
Total intangible assets	4,599	5,765
Investments and other assets		
Investment securities	66,237	82,521
Retirement benefit asset	1,340	1,569
Deferred tax assets	4,862	5,189
Other	10,232	9,551
Allowance for doubtful accounts	-72	-82
Total investments and other assets	82,600	98,749
Total non-current assets	330,984	339,002
Total assets	848,873	853,474

(Millions of yen)

	End of the accounting year ended March 31, 2020 (March 31, 2020)	First six months of the year ending March 31, 2021 (September 30, 2020)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	11,024	10,705
Electronically recorded obligations - operating	3,838	3,364
Accounts payable - other	20,803	14,574
Income taxes payable	3,990	4,039
Other	22,710	22,305
Total current liabilities	62,367	54,988
Non-current liabilities		
Bonds payable	40,935	40,835
Deferred tax liabilities	17,430	18,529
Retirement benefit liability	10,908	11,034
Other	1,752	3,180
Total non-current liabilities	71,026	73,580
Total liabilities	133,393	128,568
Net assets		
Shareholders' equity		
Share capital	86,969	86,969
Capital surplus	102,403	102,403
Retained earnings	644,563	592,160
Treasury shares	-88,726	-39,931
Total shareholders' equity	745,210	741,602
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	22,015	36,291
Foreign currency translation adjustment	-47,517	-49,219
Remeasurements of defined benefit plans	-4,716	-4,253
Total accumulated other comprehensive income	-30,219	-17,181
Non-controlling interests	488	483
Total net assets	715,479	724,905
Total liabilities and net assets	848,873	853,474

(2) Consolidated Quarterly Statement of Income and Consolidated Quarterly Statement of Comprehensive Income
 (Consolidated quarterly statement of income)
 (First six months of the year ending March 31, 2021)

(Millions of yen)

	First six months of the year ended March 31, 2020 (From April 1, 2019 to September 30, 2019)	First six months of the year ending March 31, 2021 (From April 1, 2020 to September 30, 2020)
Net sales	188,834	168,049
Cost of sales	130,433	115,882
Gross profit	58,401	52,167
Selling, general and administrative expenses	40,630	39,479
Operating profit	17,771	12,687
Non-operating income		
Interest income	2,076	1,010
Dividend income	538	386
Other	907	487
Total non-operating income	3,522	1,884
Non-operating expenses		
Foreign exchange losses	2,201	2,669
Settlement package	162	-
Other	104	103
Total non-operating expenses	2,468	2,772
Ordinary profit	18,824	11,799
Extraordinary income		
Gain on sales of non-current assets	145	65
Gain on sales of investment securities	1,734	-
Total extraordinary income	1,879	65
Extraordinary losses		
Loss on sales of non-current assets	44	38
Loss on abandonment of non-current assets	68	96
Impairment loss	112	47
Loss on sales of investment securities	5	-
Loss on valuation of investment securities	32	139
Extra retirement payments	620	-
Total extraordinary losses	883	322
Profit before income taxes	19,821	11,542
Income taxes - current	5,807	4,600
Income taxes - deferred	289	-5,598
Total income taxes	6,097	-997
Profit	13,723	12,539
Profit attributable to non-controlling interests	9	12
Profit attributable to owners of parent	13,713	12,527

(Consolidated quarterly statement of comprehensive income)
 (First six months of the year ending March 31, 2021)

(Millions of yen)

	First six months of the year ended March 31, 2020 (From April 1, 2019 to September 30, 2019)	First six months of the year ending March 31, 2021 (From April 1, 2020 to September 30, 2020)
Profit	13,723	12,539
Other comprehensive income		
Valuation difference on available-for-sale securities	-177	14,276
Foreign currency translation adjustment	-8,485	-1,695
Remeasurements of defined benefit plans, net of tax	-0	463
Total other comprehensive income	-8,664	13,044
Comprehensive income	5,059	25,584
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,052	25,565
Comprehensive income attributable to non- controlling interests	6	18

(3) Consolidated Quarterly Statements of Cash Flows

(Millions of yen)

	First six months of the year ended March 31, 2020 (From April 1, 2019 to September 30, 2019)	First six months of the year ending March 31, 2021 (From April 1, 2020 to September 30, 2020)
Cash flows from operating activities		
Profit before income taxes	19,821	11,542
Depreciation	21,146	19,360
Impairment loss	112	47
Increase (decrease) in allowance for doubtful accounts	-597	31
Increase (decrease) in retirement benefit liability	-688	182
Decrease (increase) in retirement benefit asset	60	261
Extra retirement payments	620	-
Interest and dividend income	-2,614	-1,396
Foreign exchange losses (gains)	2,088	446
Loss (gain) on valuation of short-term and long-term investment securities	32	139
Loss (gain) on sales of non-current assets	-101	-27
Decrease (increase) in trade receivables	-5,186	-5,092
Decrease (increase) in inventories	10,178	-8,569
Increase (decrease) in trade payables	-1,229	-769
Increase (decrease) in accounts payable - other	-1,783	-1,511
Other, net	-17	2,147
Subtotal	41,841	16,792
Interest and dividends received	2,697	1,550
Interest paid	-5	-0
Income taxes (paid) refund	-8,449	-4,861
Extra retirement payments	-2,233	-608
Net cash provided by (used in) operating activities	33,850	12,872
Cash flows from investing activities		
Decrease (increase) in time deposits	25,663	-13,083
Purchase of short-term and long-term investment securities	-4,703	-5,596
Proceeds from sales and redemption of short-term and long-term investment securities	11,168	6,102
Purchase of property, plant and equipment	-25,549	-15,544
Proceeds from sales of property, plant and equipment	414	77
Other, net	-1,104	-525
Net cash provided by (used in) investing activities	5,888	-28,570
Cash flows from financing activities		
Purchase of treasury shares	-2	-8,710
Dividends paid	-7,837	-7,462
Other, net	-464	-782
Net cash provided by (used in) financing activities	-8,304	-16,955
Effect of exchange rate change on cash and cash equivalents	-4,722	-1,431
Net increase (decrease) in cash and cash equivalents	26,712	-34,085
Cash and cash equivalents at beginning of period	228,065	275,539
Cash and cash equivalents at end of period	254,778	241,454

(4) Notes on Consolidated Quarterly Financial Statement

(Note on going concern)

Not applicable items

(Note in case of significant change in amount of shareholders' equity)

(Acquisition of treasury shares)

We acquired 1,364,700 treasury shares based on the resolution of the Board of Directors meeting held on November 19, 2019. As a result, treasury shares increased by 8,709 million yen during the first six months of the year ending March 31, 2021.

(Cancellation of treasury shares)

Based on a resolution of the Board of Directors meeting held on June 12, 2020, we canceled 7,000,000 treasury shares on June 24, 2020. As a result, retained earnings and treasury shares each decreased by 57,462 million yen during the first six months of the year ending March 31, 2021.

(Additional information)

(About accounting estimates of the spread of new coronavirus (COVID-19))

In the ROHM Group, in addition to the decrease in demand due to the new coronavirus (COVID-19), the factory's operation restrictions due to the governmental announcement of the new coronavirus (COVID-19) countermeasures in the Philippines and other factors temporarily affected the shipment of the entire ROHM Group, although we return to the normal operation situation at this time.

But with regard to the outlook for the global economy and the market environment of the ROHM Group, the future is still extremely uncertain because it's difficult to predict when the spread of the virus stamps out and how the impact affects the domestic and overseas economies.

Under these circumstances, under the assumption that the reduction in orders due to production adjustments by customers will occur at least throughout the fiscal year ending March 2021, we are making accounting estimates for recoverability of deferred tax assets and valuation of non-current assets, etc.

(Segment information)

First six months of the year ended March 31, 2020 (From April 1, 2019 to September 30, 2019)

Information on net sales, profits or losses by individual reportable segments

(Unit: Millions of yen)

	Reportable segments				Others (Note 1)	Total	Adjusted amount (Note 2)	Amount on consolidate quarterly statement of income (Note 3)
	ICs	Discrete Semicondu ctor devices	Modules	Total				
Sales								
Sales to customer	88,889	71,174	18,311	178,374	10,460	188,834	—	188,834
Inter-segment sales or transfer	965	2,733	—	3,699	30	3,729	-3,729	—
Total	89,854	73,907	18,311	182,073	10,490	192,564	-3,729	188,834
Segment profit	6,247	7,623	2,340	16,212	1,094	17,307	463	17,771

- (Note) 1. "Others" is an operational segment that is not included in reportable segments, consisting of business in resistors and tantalum capacitors.
2. The adjusted amount of the segment profit, 463 million yen, mainly includes general administrative expenses of -245 million yen that do not attribute to the segment and the settlement adjusted amount of 709 million yen, which is not allocated to the segment (such as adjustment for retirement benefits).
3. For segment profit, adjustments are made using the operating profit of the consolidated quarterly statement of income.

First six months of the year ending March 31, 2021 (From April 1, 2020 to September 30, 2020)
 Information on net sales, profits or losses by individual reportable segments

(Unit: Millions of yen)

	Reportable segments				Others (Note 1)	Total	Adjusted amount (Note 2)	Amount on consolidate quarterly statement of income (Note 3)
	ICs	Discrete Semicondu ctor devices	Modules	Total				
Sales								
Sales to customer	78,605	65,432	15,126	159,163	8,885	168,049	—	168,049
Inter-segment sales or transfer	773	2,830	—	3,604	28	3,633	-3,633	—
Total	79,378	68,263	15,126	162,768	8,914	171,682	-3,633	168,049
Segment profit	3,712	7,683	1,174	12,570	477	13,047	-360	12,687

- (Note) 1. "Others" is an operational segment that is not included in reportable segments, consisting of business in resistors and tantalum capacitors.
2. The adjusted amount of the segment profit, -360 million yen, mainly includes general administrative expenses of -777 million yen that do not attribute to the segment and the settlement adjusted amount of 417 million yen, which is not allocated to the segment (such as adjustment for retirement benefits).
3. For segment profit, adjustments are made using the operating profit of the consolidated quarterly statement of income.