

Aug. 8, 2023

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Name of the Representative:	Iwashita Setsuo President & CEO (Code No.6728; TSE Prime Market)
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Announcement on Mid-term Management Plan

We hereby announce that we formulated our mid-term management plan, the first year of which is the fiscal year ending June 30, 2024.

1. Background to the Formulation of the Mid-Term Management Plan

In August 2020, we established and have been working on our mid-term management plan "breakthrough 2022," which targets net sales of ¥210 billion, gross profit margin of at least 35%, and operating profit margin of at least 16% by June 2023. Sales of semiconductor electronics, which we positioned as a pillar of growth, increased more than planned, and consolidated sales exceeded the initial plan every year. On the other hand, improvement in profit margin by strengthening manufacturing capabilities improved steadily until the first half of FY22/6, but thereafter the impact of longer delivery lead times for parts and materials became apparent, and we were unable to reach our final profit margin target.

Against this backdrop, we formulated a three-year mid-term management plan through the fiscal year ending June 30, 2026.

In order to support the realization of a smart and digital society, which will also help solve social issues, and the shift to green energy and low power consumption through technological innovation, the mid-term management plan aims to achieve sustainable growth based on the basic policies of "Creating Social Value through Vacuum Technology" and "Enhancing Profit and Capital Efficiency-Oriented Management".

2. Plan Period

FY2024/6 ~FY2026/6

3. Basic Policies in the Mid-Term Management Plan
 - **Creating Social Value through Vacuum Technology**
 - **Enhancing Profit and Capital Efficiency-Oriented Management**

(Priority Strategies)

- I. Strengthening product competitiveness in growth businesses
 - Promoting innovation through co-creation
 - Expanding Semiconductor and Electronics equipment business
 - Strengthening customer support business
- II. Improving Global Productivity
 - Strengthening manufacturing capabilities
 - Promoting digitization
- III. Strengthening Management Basis
 - Strengthening ESG management
 - Strengthening financial basis and CF management
 - Promoting human resource management

4. Numerical Targets

	FY23/6 (Actual)	FY26/6(Final Fiscal Year)
Net Sales	¥227.5 billion	¥300.0billion
Gross Profit Margin	29.5%	35%
Operating Profit(Margin)	¥19.9 billion (8.8%)	¥48.0 billion (16%)
ROE	7.3%	14%
CF from Operation (Accumulated over 3 years)	¥60.5 billion	¥63.0 billion

Please refer to the Company's website for further details.

(Note) This document contains plans, numerical targets, etc., of the Company, which are based on information available at this time. Actual results may differ significantly from the above plans and numerical targets due to changes in business conditions and other factors.

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