

Innovation begins in a vacuum

【Code No:6728】

**FY2011 1st Quarter
Business Result**
(Year Ending June 30, 2012)

ULVAC, Inc.

10th November, 2011

◆ Disclaimer regarding forward-looking statements

Forward-looking statements of the company in these presentations are based on information available at the time these documents were prepared. ULVAC's customers in the flat-panel display (FPD), semiconductor, solar cell, and electronic parts industries face the challenge of the rapid pace of technological advances and fierce competition. Consequently, actual earnings may vary substantially from the projections included in these presentations due to a number of factors that could cause, directly or indirectly, performance to fluctuate. The factors that could cause results to differ materially from the statements herein include the world economy; fluctuations in the exchange rate; market conditions for flat-panel displays, semiconductors, solar cell ,electric devices and raw material; and trends in capital investments.

◆ Data included in the documents are stated as follows:

Figures are rounded off to the nearest unit, and rates are rounded off to the nearest unit after being determined in millions of yen

Situation in the 1st Q (June 2012)

Business Environment

- ▶ Ongoing European risk, super-strong yen, and weak won

Positive Factors

- ▶ Brisk investments in small- and medium-sized displays and organic EL displays(OLED) for tablet PCs and smartphones
- ▶ Liquid crystal(LCD) suppliers accelerating their readiness for transparent amorphous oxide semiconductors (IGZO)

Negative Factors

- ▶ Production reduced because of anemic sales in the large-screen television market.
 - ◆ Rapidly declining investments in large substrate LCD displays
 - ◆ Rapidly declining investments in LED-related areas in China, Taiwan, and Korea
- ▶ Demand for PCs continuously decreasing, causing declining investments in memory related areas
- ▶ Investment plans for PVs postponed or discontinued one after another because of low-price strategies of Chinese PV suppliers

1st Q (June 2012) Result

The order amount decreased to a greater degree than forecast because investment plans are postponed for FPD production equipments and general industrial equipments. The sales amount was as predicted because of FPD production equipment and vacuum components. In terms of operating profit, the deficit decreased compared with the 4th Q in the previous term(June 2010). On a country basis, Korea, Taiwan, and China showed strong results. The profitability decreased for semiconductors and electronic device production equipments, and some general industrial equipment; the decrease in profitability was almost as predicted.

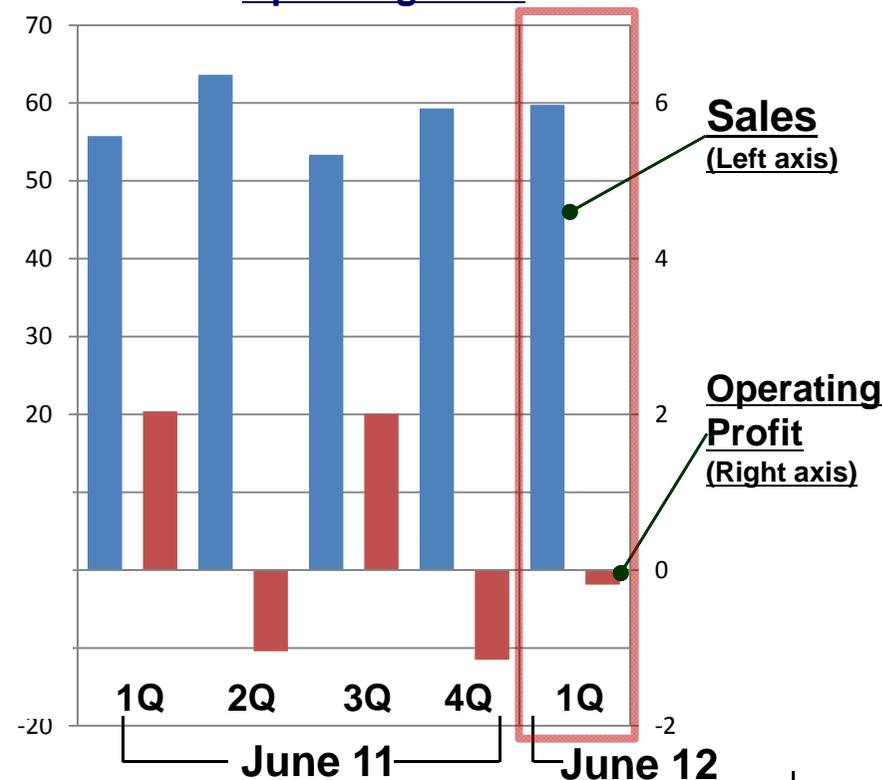
【Unit: B.Yen】

	June 2010 1Q	June 2011 1Q	June 2012 Result	
			1Q	vs.June 11 1Q (Changes)
Booking	41.1	60.4	39.1	-35%
Back-log	115.7	113.1	88.9	-21%
Sales	33.6	55.7	59.7	7%
Operating Profit Ratio	-5.1 -15.1%	2.0 3.7%	-0.2 -0.3%	-
Net Income Ratio	-3.2 -9.4%	1.2 2.2%	0.2 0.4%	-81%

【 Figures in brackets are rounded off to the nearest number.】

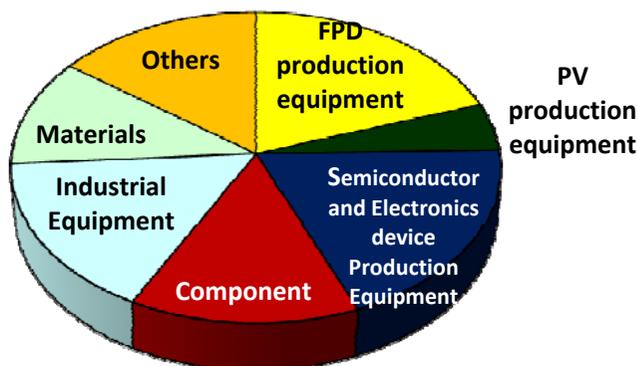
Transition of Sales and Operating Profit

【Unit: B.Yen】

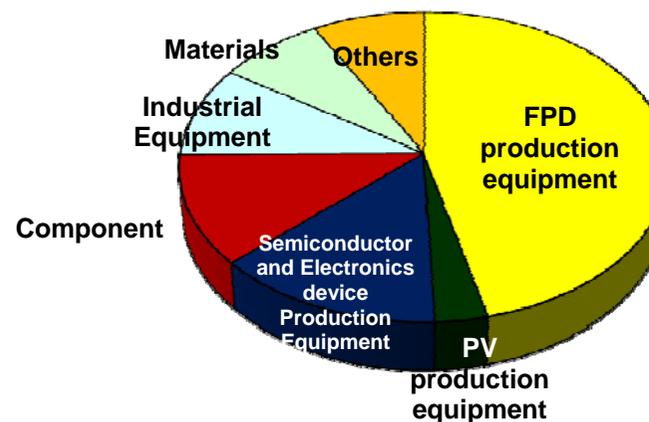


1st Q (June 2012) Result for Order booking and Net sales by segment

Order booking by segment



Net Sales by segment



【Unit: B.Yen】

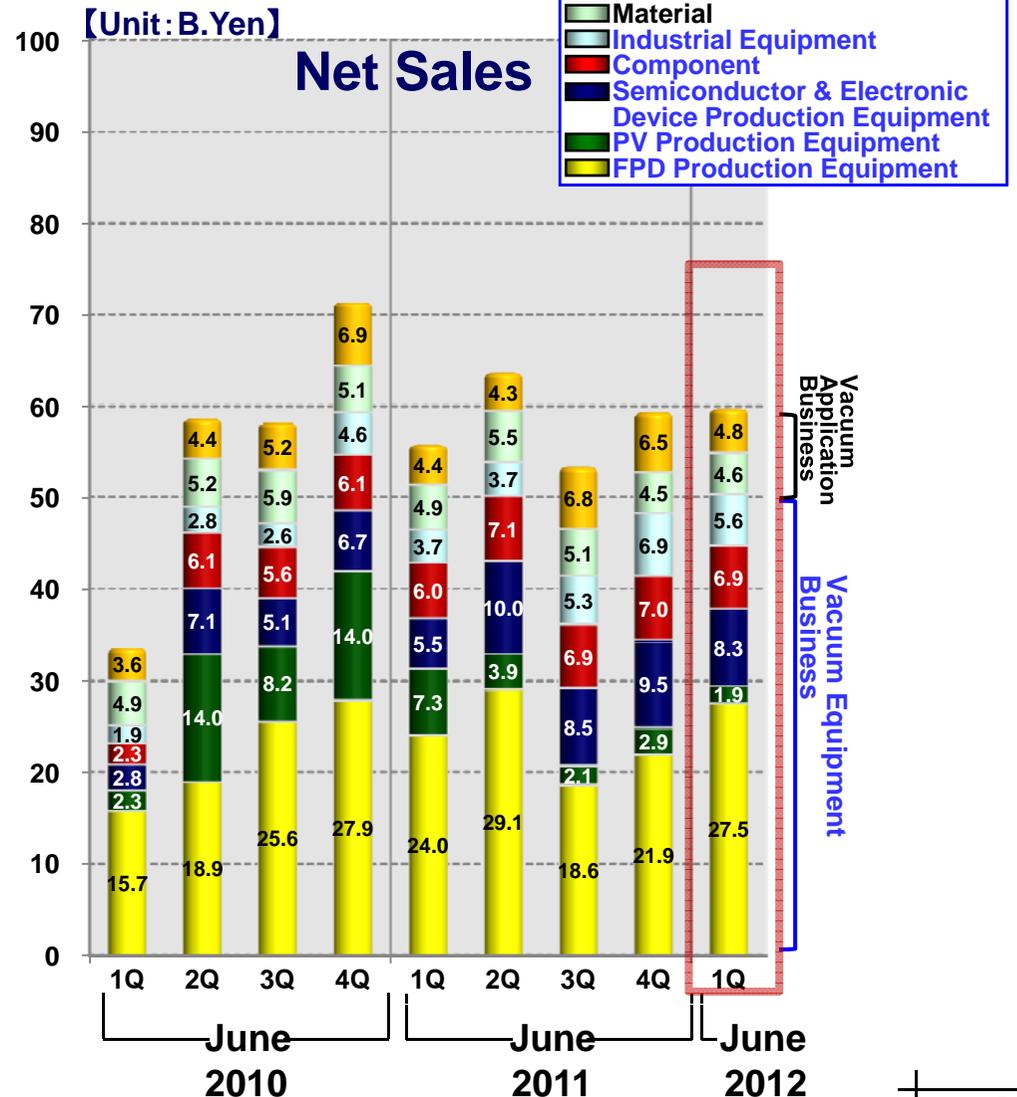
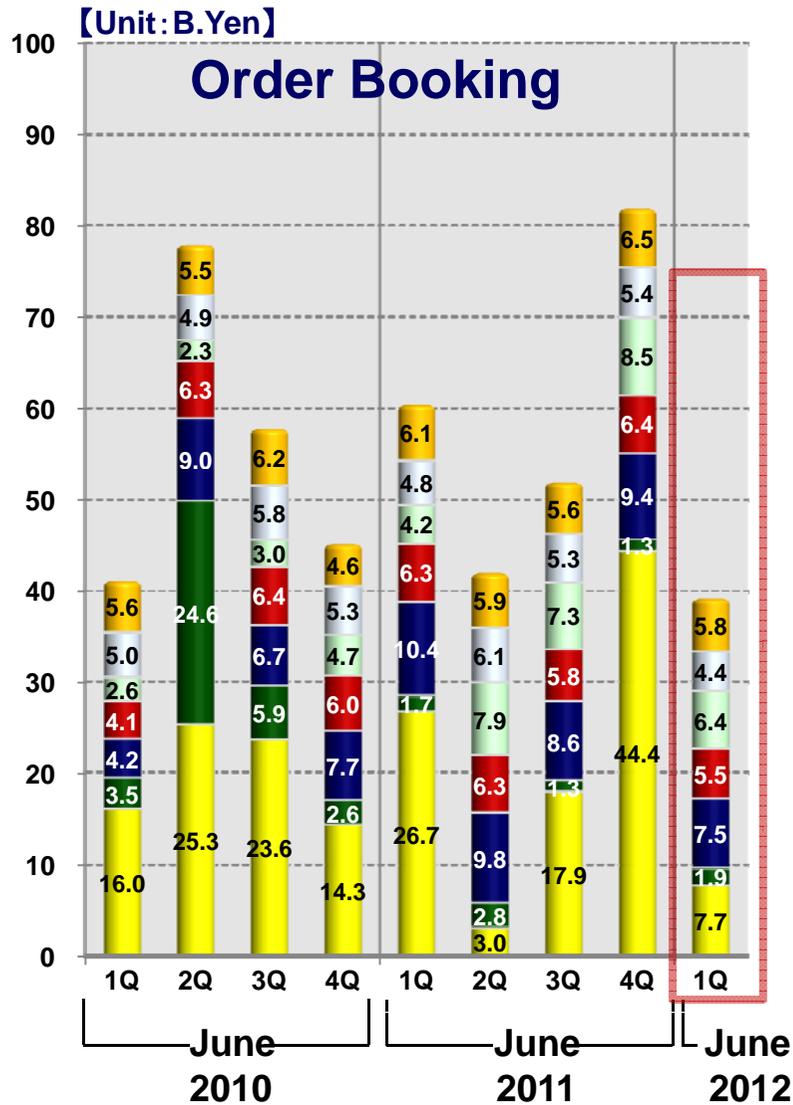
June 2012 1Q			vs.'11/6 (Changes)
Segment	Order	%	
Vacuum Equipment Business	29.0	74.0%	-41.4%
FPD production equipment	7.7	19.7%	-71.1%
PV production equipment	1.9	4.9%	12.6%
Semiconductor and Electronics device Production Equipment	7.5	19.2%	-28.0%
Component	5.5	14.0%	-13.6%
Industrial Equipment	6.4	16.2%	50.4%
Vacuum Application Business	10.2	26.0%	-7.1%
Materials	4.4	11.2%	-9.3%
Others	5.8	14.8%	-5.4%
Total	39.1	100.0%	-35.2%

【Unit: B.Yen】

June 2012 1Q			vs.'11/6 (Changes)
Segment	Sales	%	
Vacuum Equipment Business	50.3	84.3%	8.2%
FPD production equipment	27.5	46.1%	14.6%
PV production equipment	1.9	3.2%	-74.0%
Semiconductor and Electronics device Production Equipment	8.3	14.0%	52.8%
Component	6.9	11.6%	14.5%
Industrial Equipment	5.6	9.4%	52.9%
Vacuum Application Business	9.4	15.7%	1.4%
Materials	4.6	7.6%	-6.7%
Others	4.8	8.1%	10.6%
Total	59.7	100.0%	7.1%

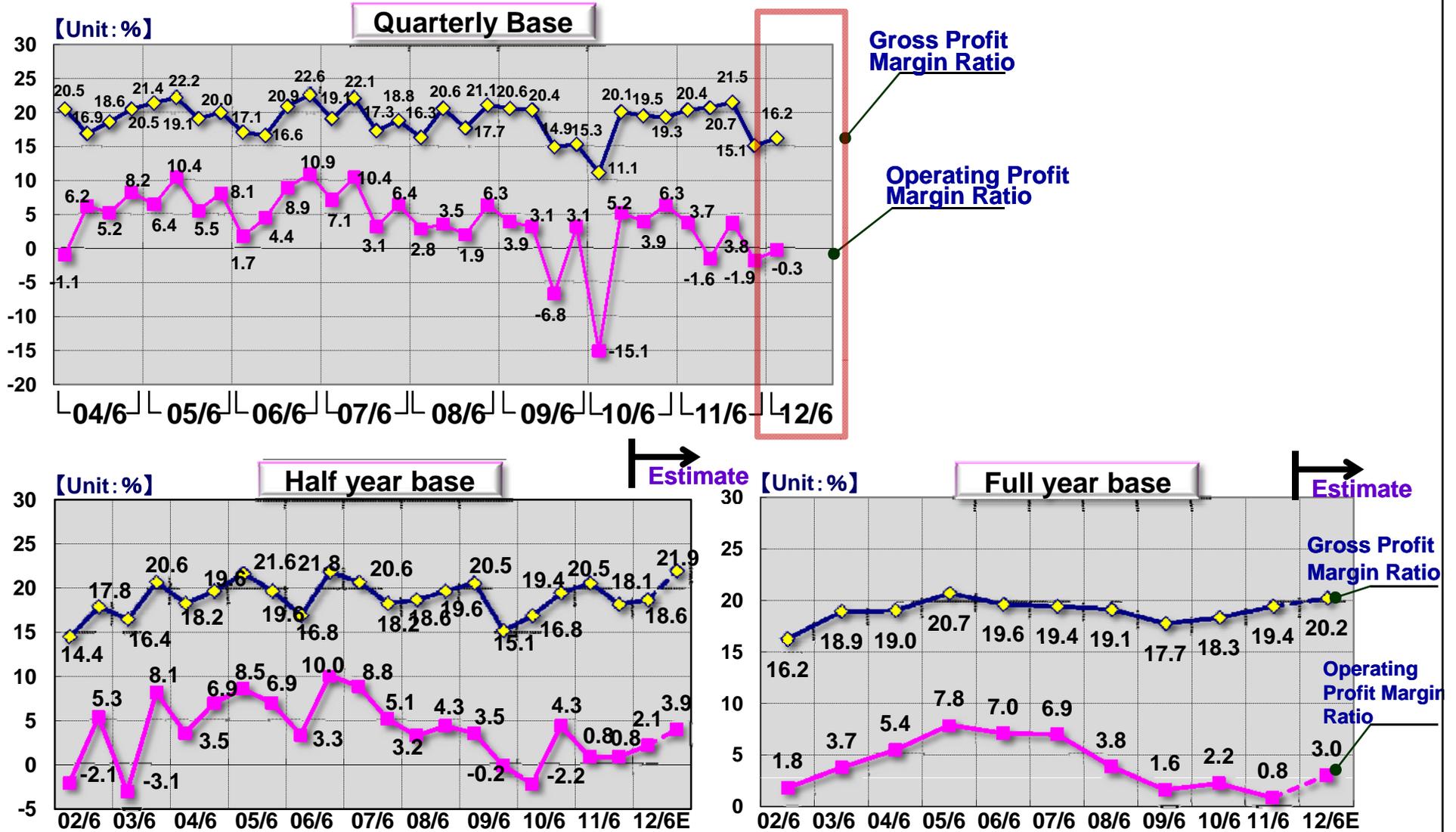
【Figures indicated above are rounded off to the nearest unit and may not coincide with the total.】

Order Booking and Net Sales by Segment (Quarterly base)



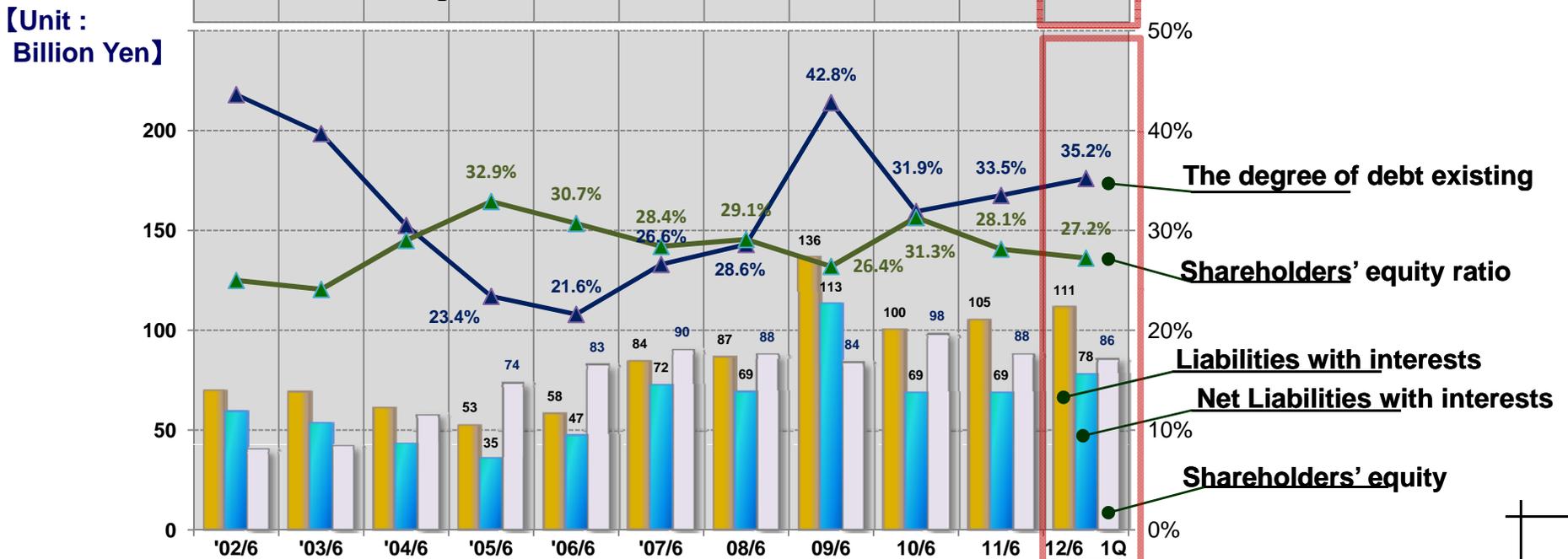
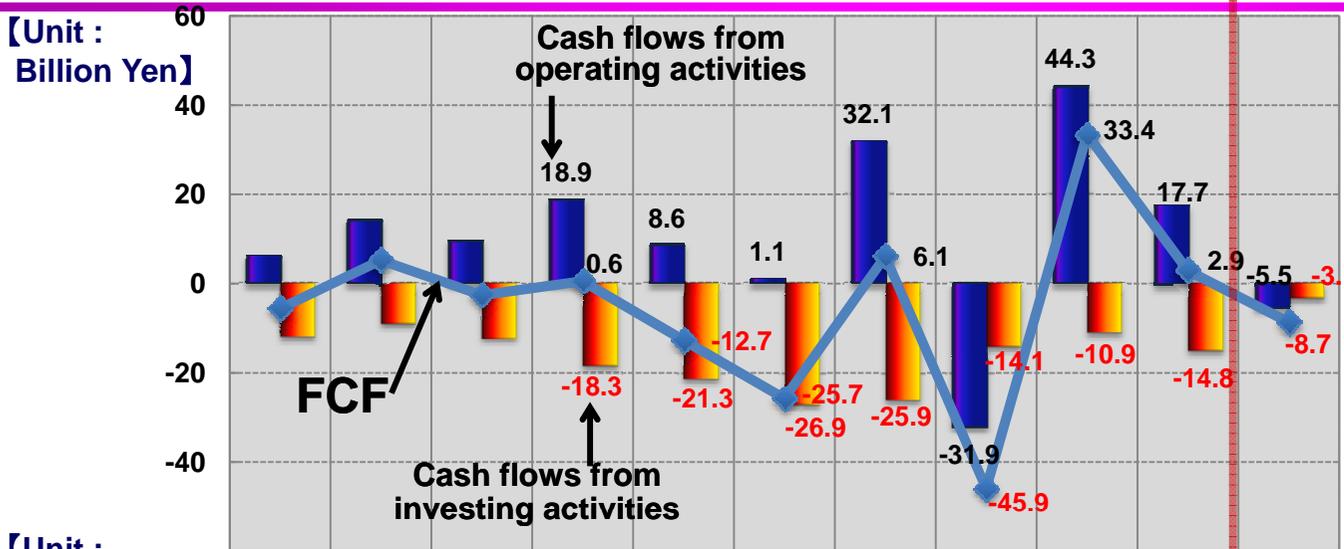
[Figures indicated above are rounded off to the nearest unit and may not coincide with the total.]

Outlook for profitability • Estimate



[Figures are rounded off to the first decimal place]

Cash Flow and Liabilities with Interests



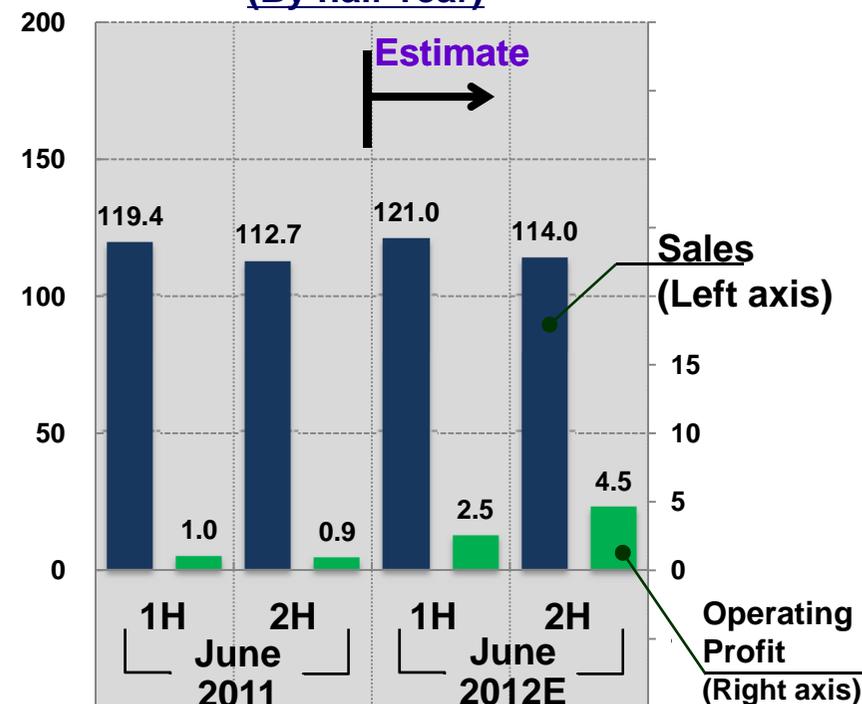
Forecast of June 2012 Full Year

The projected order amount was revised downward because investment plans were postponed for FPDs, semiconductors, general industrial equipment due to the downturn in economy and other factors. In terms of sales amount, the major drivers were FPD production equipment such as organic EL(OLED) and small- and medium-sized displays. The projected sales amount remains unchanged. In terms of operating profit, while the segments of FPDs, semiconductors, general industrial equipment, and others showed declines, materials and mask blank for vacuum application business related areas made a recovery. We will reduce the fixed and other costs. The projected profits remain unchanged.

【Unit:B.Yen】

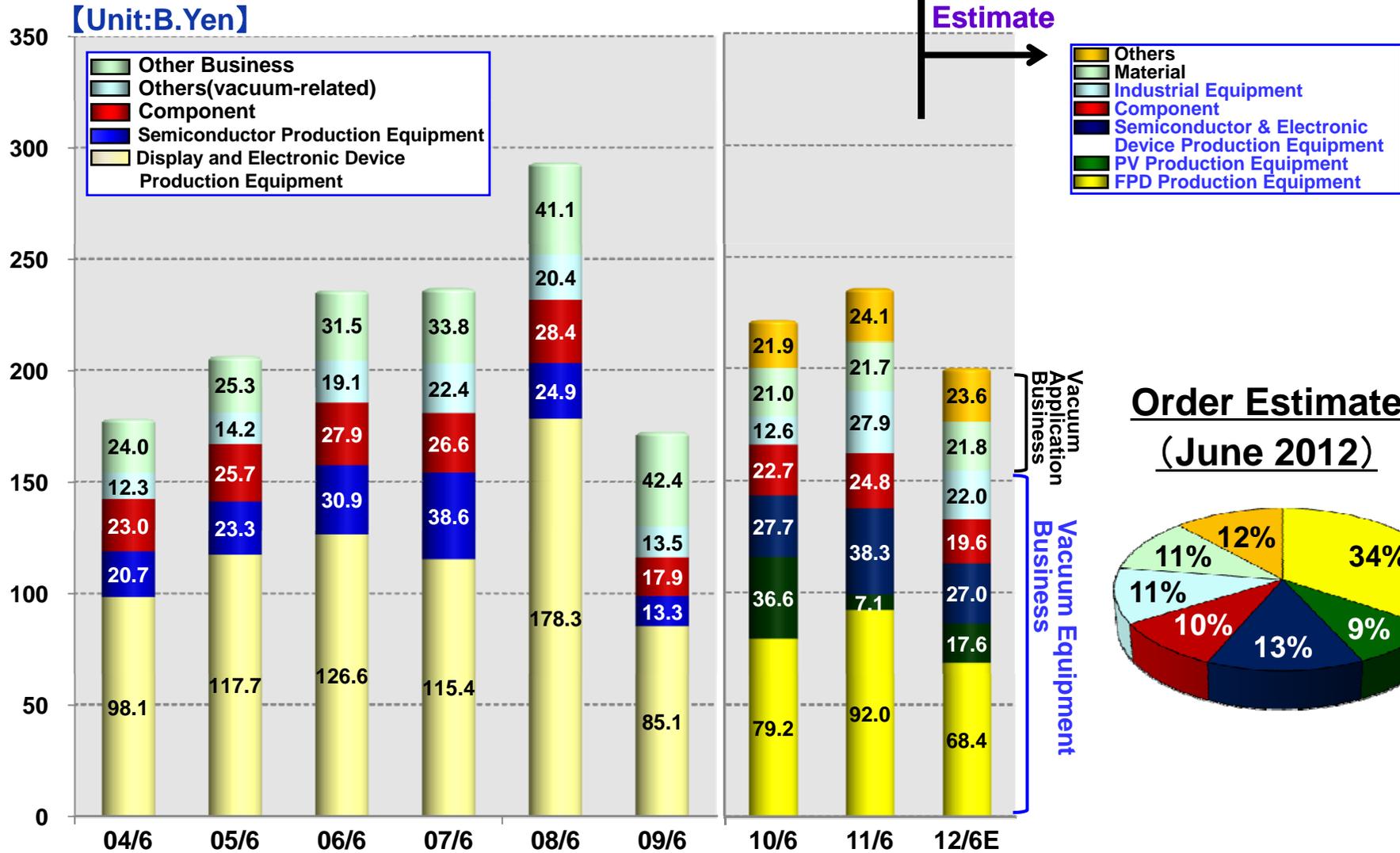
	June '11	June '12 E	
		1H	Full Year
Booking	235.9 (+6%)	98.0 (-4%)	200.0 (-15%)
Back-log	110.9	86.4	74.4
Sales	232.0 (+5%)	121.0 (+1%)	235.0 (+1%)
Operating profit	1.9 (-62%)	2.5 (+151%)	7.0 (+278%)
Ratio	0.6%	2.1%	3.0%
Net Income	-8.7	0.4	3.1
	—	—	—

Sale and Operating Profit
【Unit:B.Yen】 (By half Year)



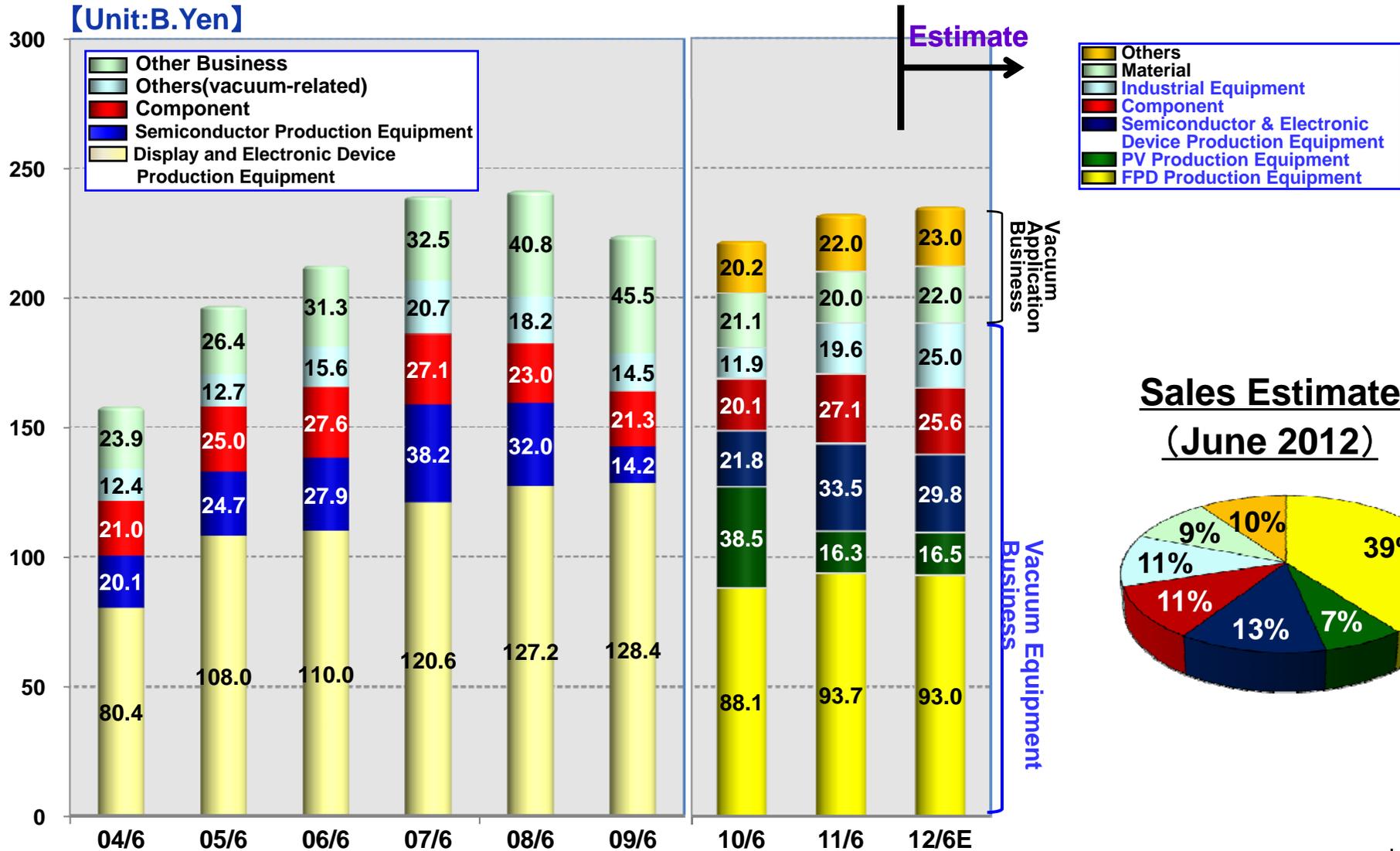
【Figures in brackets indicate the percentage change over the preceding year.
Figures are rounded off to the nearest unit, and rates are rounded off to the nearest unit after being determined in millions of yen】

Transition of Orders received by segment - Estimate



[Figures are rounded off to the first decimal place. Business segment and sub-segment had changed from FY2009(June 2010).]

Transition of Net sales by segment - Estimate



【Figures are rounded off to the first decimal place. Business segment and sub-segment had changed from FY2009(June 2010).】

Management Environment (In Q2 and Later)

Surroundings of ULVAC

- ▶ It is conceivable that the yen will continue to be strong.
- ▶ It has not been yet determined how the investment environment will change because of the financial crisis in Europe, the flood in Thailand, and other factors.
- ▶ It is not foreseeable whether or not the investment activities for the energy and environmental segments will recover.

Existing Business

- ▶ The investment activities for the semiconductor segment are expected to recover, which will not be vigorous.
- ▶ Investments in large liquid-crystal displays will be postponed for the time being.
- ▶ The LED segment will be not expected to recover in China, Korea, or Taiwan.

New Business

- ▶ Brisk inquiries about organic EL(OLED) as applications for smartphones, TV sets, and general lighting fixtures.
- ▶ Japanese PV manufacturers show sign of shifting production to overseas countries
- ▶ The segments of automobiles and environmentally friendly cars are brisk.

Actions ULVAC Will Take

- ▶ Global production to reduce costs and counter the strong yen.
- ▶ Continuous reduction of fixed costs and expenses
- ▶ Reduction of capital investments and others

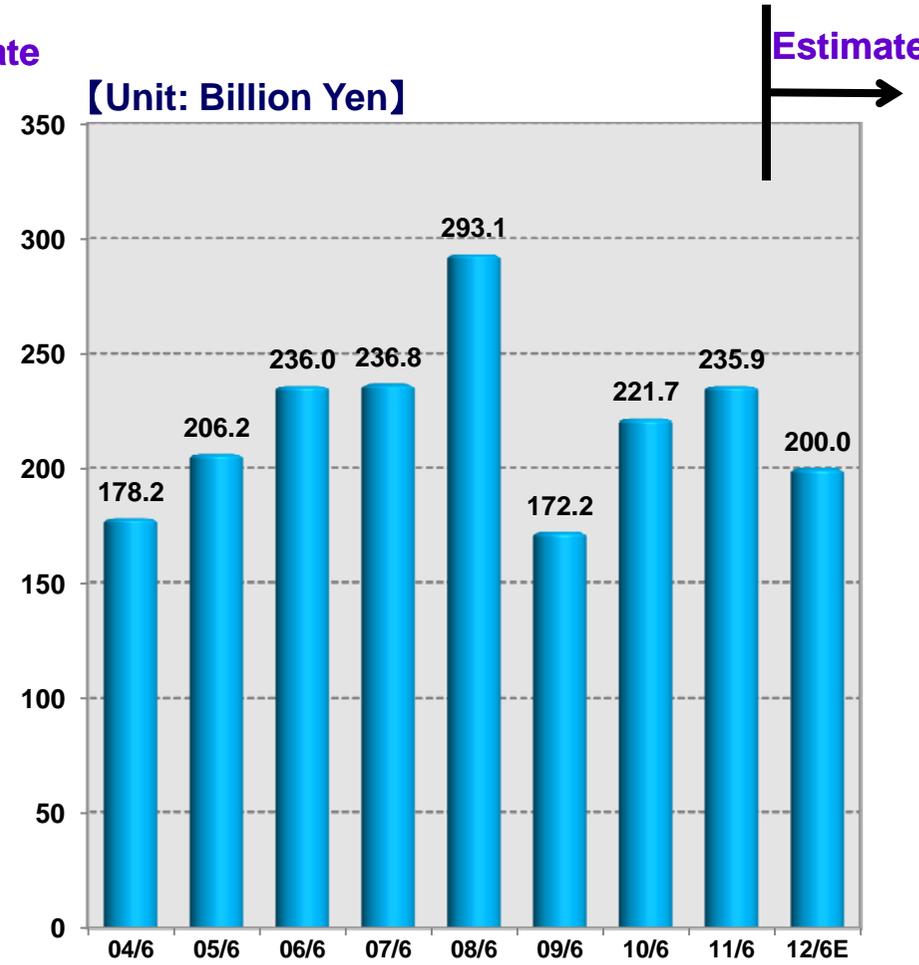
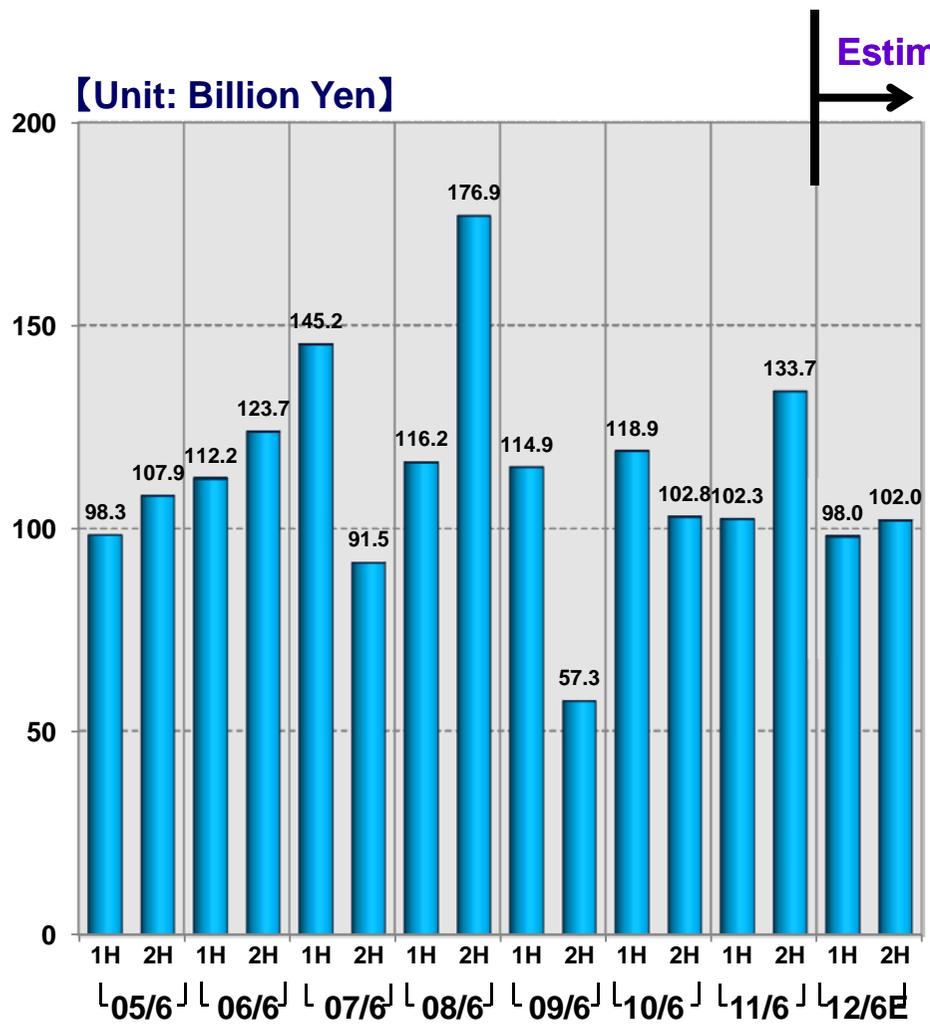
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Transition of Orders received - Estimate

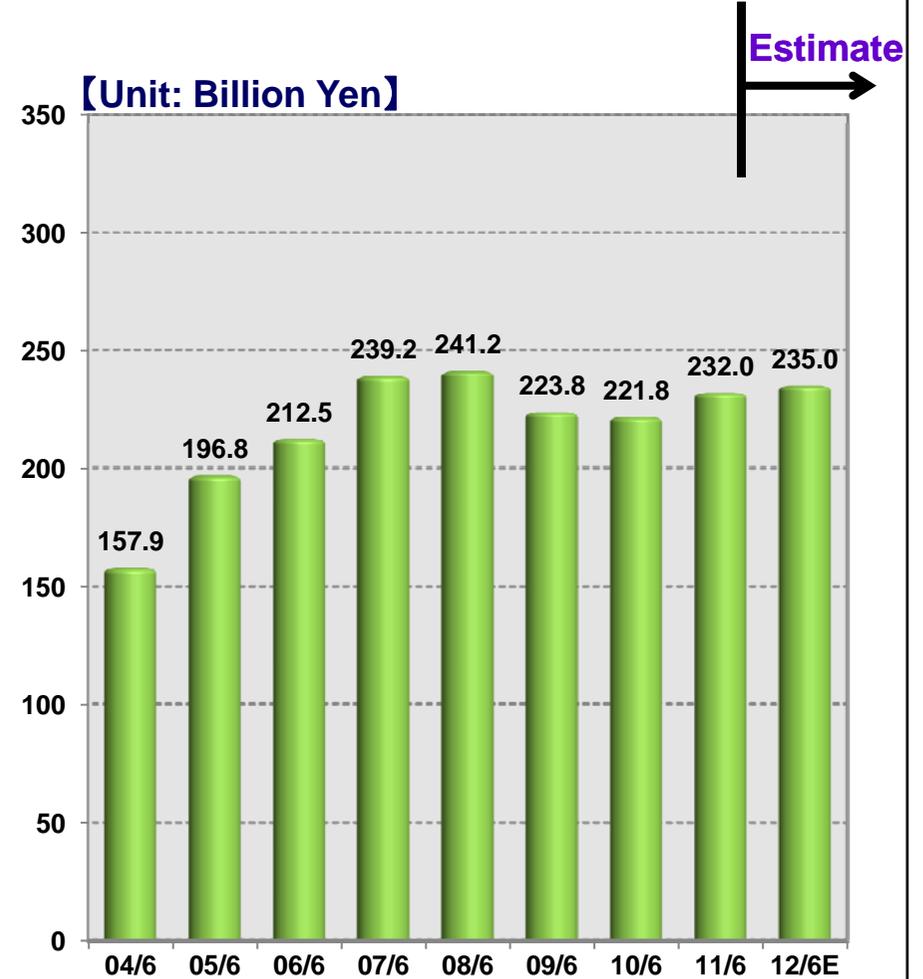
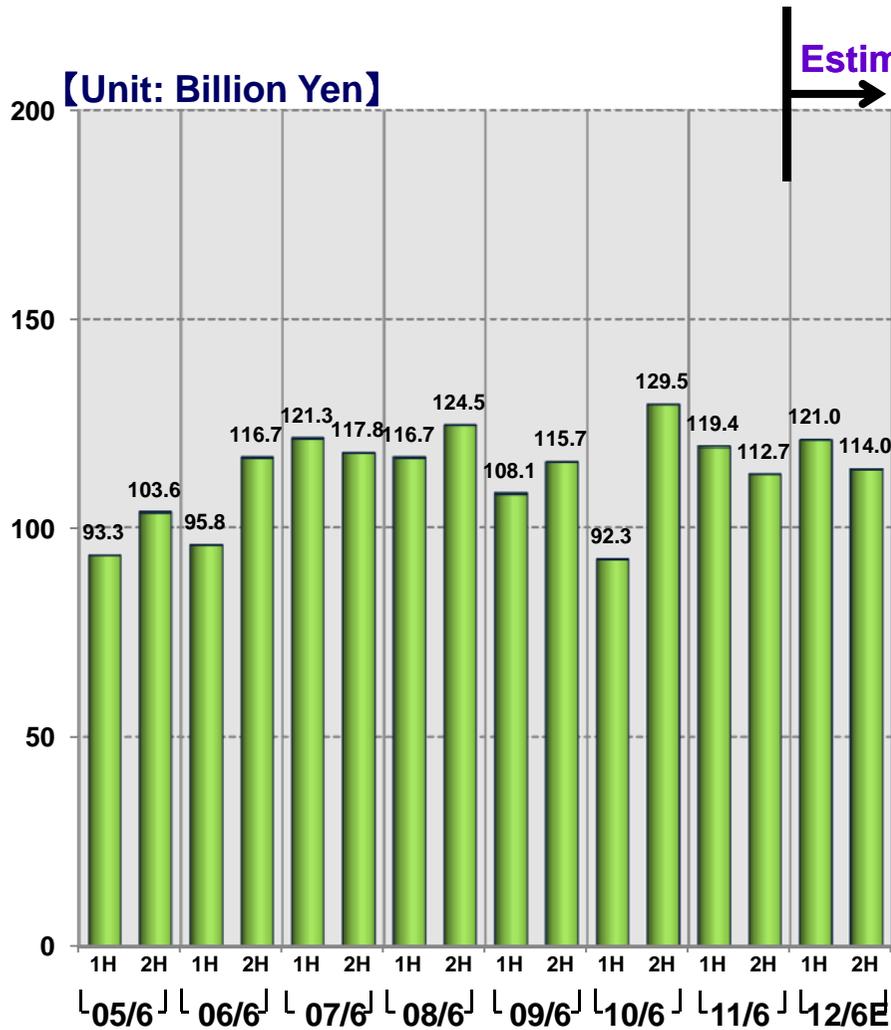
Appendix



【Figures are rounded off to the nearest unit, and rates are rounded off to the nearest unit after being determined in millions of yen】

Transition of Net Sales - Estimate

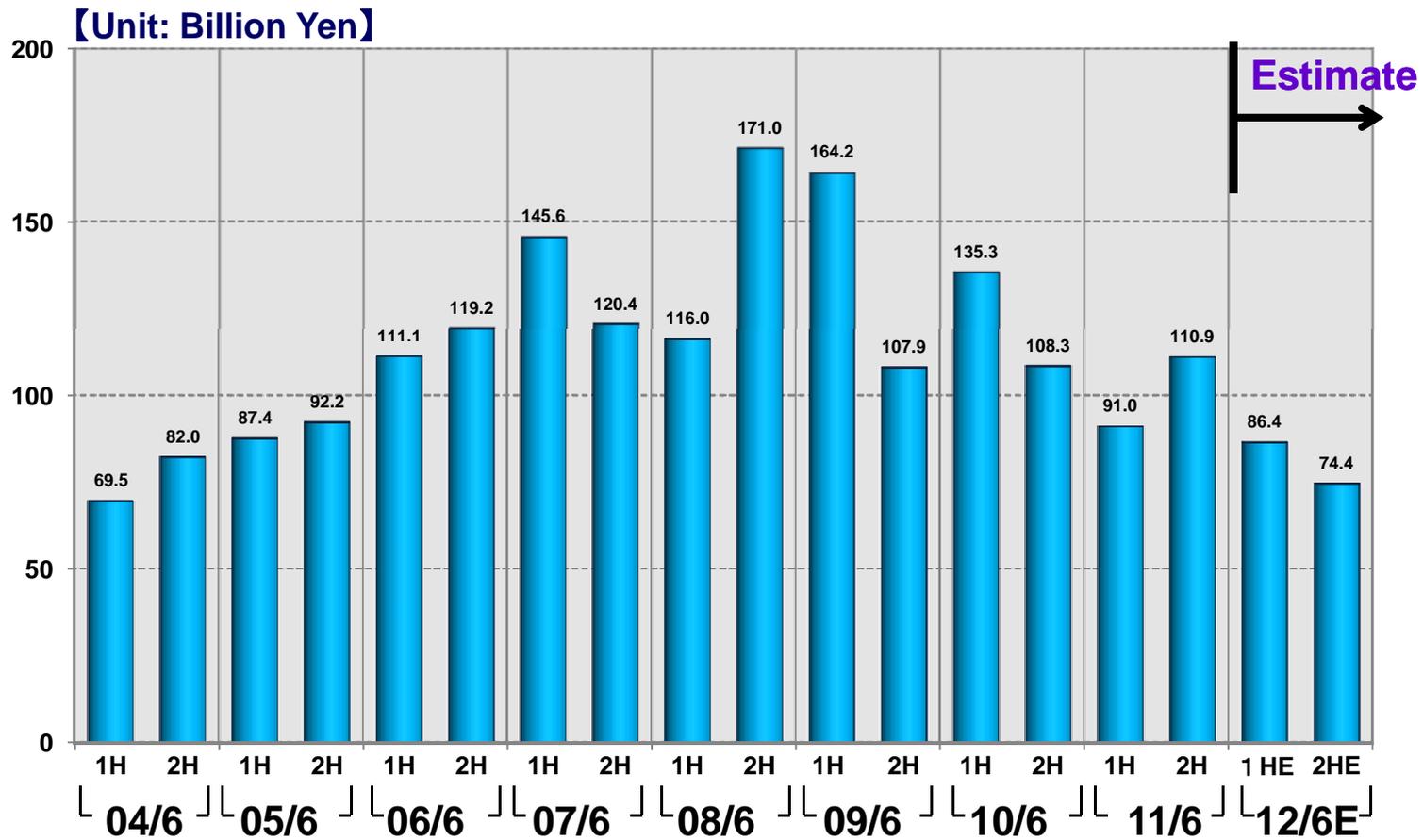
Appendix



[Figures are rounded off to the nearest unit, and rates are rounded off to the nearest unit after being determined in millions of yen]

Transition of Orders Backlogs - Estimate

Appendix

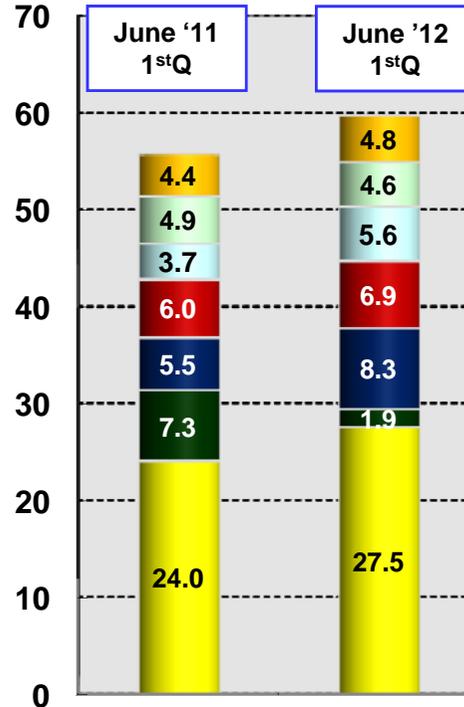


【Figures are rounded off to the nearest unit, and rates are rounded off to the nearest unit after being determined in millions of yen】

1st Quarter Net Sales(By segment)

Appendix

[Unit:B. Yen]



(Note)

Figures indicated above are rounded off to the nearest unit and may not coincide with the total.

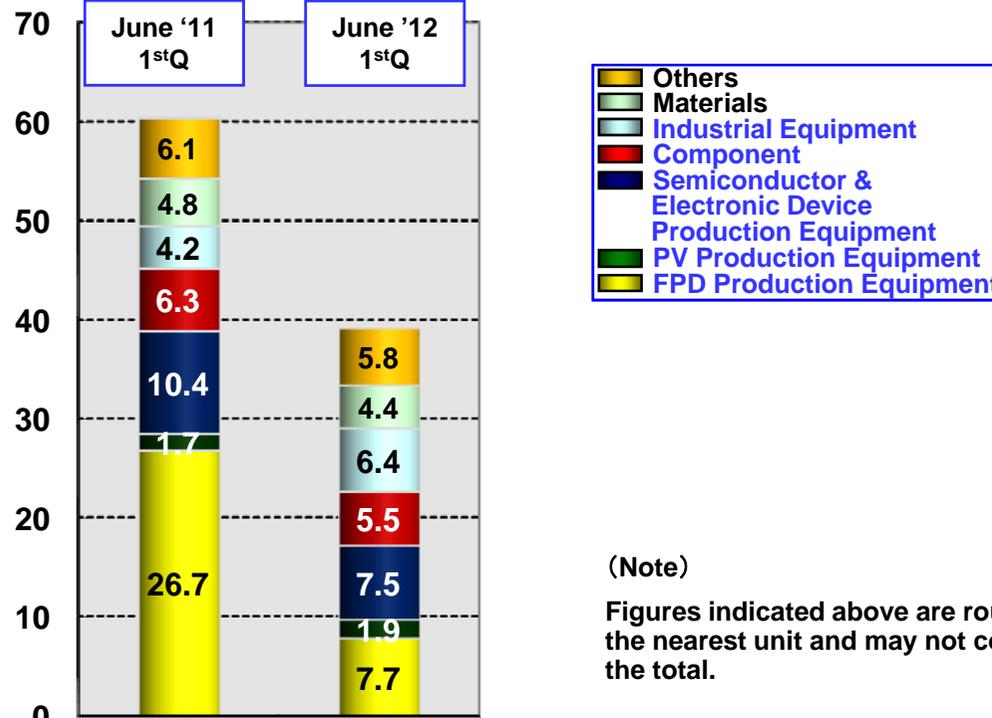
[Unit:B. Yen]

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Vacuum Equipment Business	46.5	83.4%	Vacuum Equipment Business	50.3	84.3%	8.2%
FPD production equipment	24.0	43.1%	FPD production equipment	27.5	46.1%	14.6%
PV production equipment	7.3	13.1%	PV production equipment	1.9	3.2%	-74.0%
Semiconductor and Electronics device Production Equipment	5.5	9.8%	Semiconductor and Electronics device Production Equipment	8.3	14.0%	52.8%
Component	6.0	10.8%	Component	6.9	11.6%	14.5%
Industrial Equipment	3.7	6.6%	Industrial Equipment	5.6	9.4%	52.9%
Vacuum Application Business	9.3	16.6%	Vacuum Application Business	9.4	15.7%	1.4%
Materials	4.9	8.8%	Materials	4.6	7.6%	-6.7%
Others	4.4	7.8%	Others	4.8	8.1%	10.6%
Total	55.7	100.0%	Total	59.7	100.0%	7.1%

1st Quarter Order Booking(By segment)

Appendix

【Unit:B. Yen】

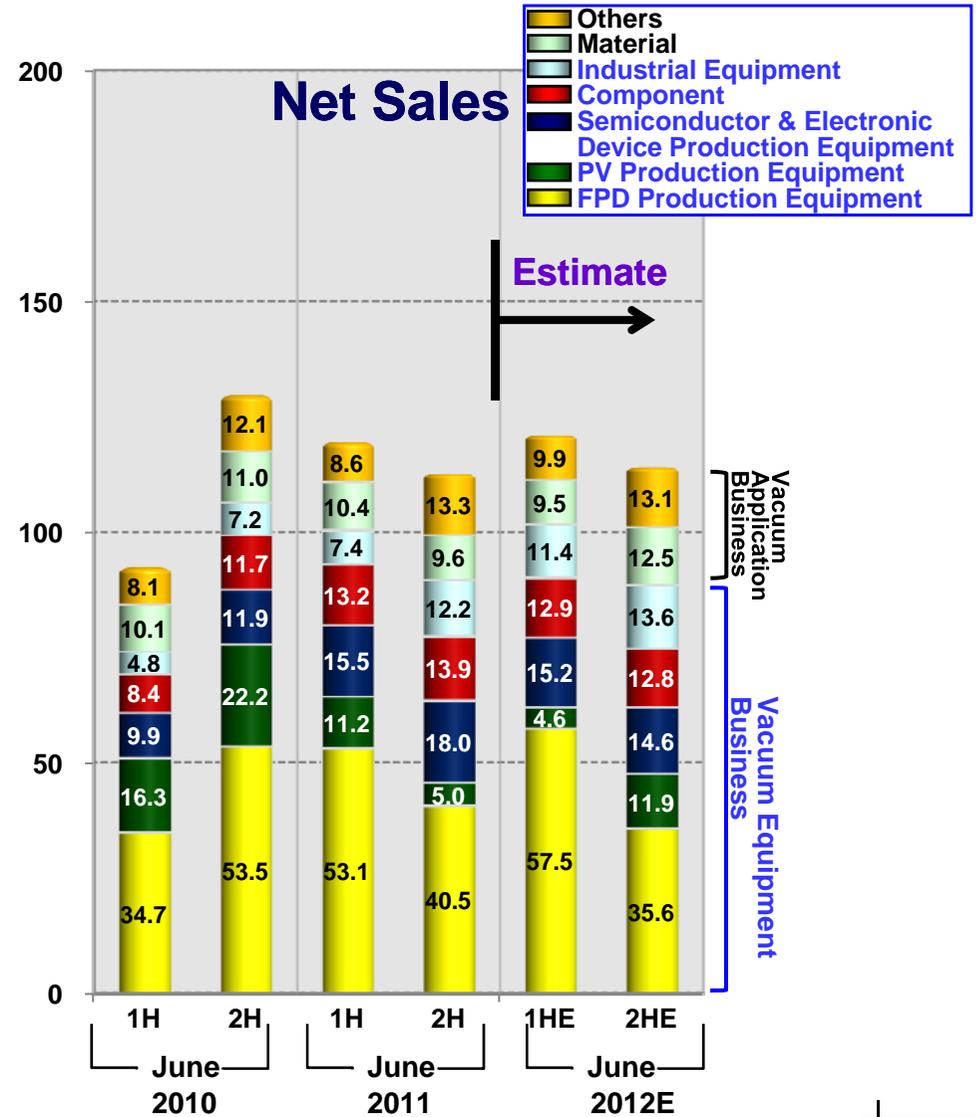
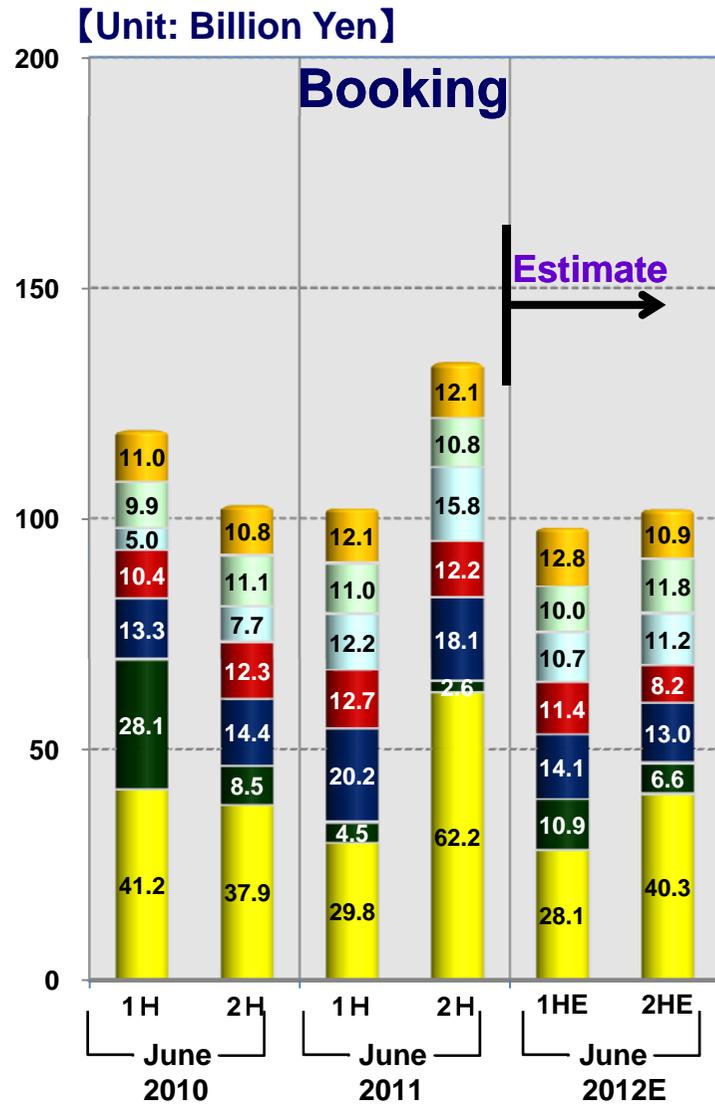


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June 2011 1Q			June 2012 1Q			vs.'11/6 (Changes)
Segment	Order	%	Segment	Order	%	
Vacuum Equipment Business	49.4	81.8%	Vacuum Equipment Business	29.0	74.0%	-41.4%
FPD production equipment	26.7	44.3%	FPD production equipment	7.7	19.7%	-71.1%
PV production equipment	1.7	2.8%	PV production equipment	1.9	4.9%	12.6%
Semiconductor and Electronics device Production Equipment	10.4	17.2%	Semiconductor and Electronics device Production Equipment	7.5	19.2%	-28.0%
Component	6.3	10.5%	Component	5.5	14.0%	-13.6%
Industrial Equipment	4.2	7.0%	Industrial Equipment	6.4	16.2%	50.4%
Vacuum Application Business	11.0	18.2%	Vacuum Application Business	10.2	26.0%	-7.1%
Materials	4.8	8.0%	Materials	4.4	11.2%	-9.3%
Others	6.1	10.2%	Others	5.8	14.8%	-5.4%
Total	60.4	100.0%	Total	39.1	100.0%	-35.2%

Net sales and Order Booking by Segment (By Half Year)



【Figures indicated above are rounded off to the nearest unit and may not coincide with the total.】

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