

(Securities code: 6728)

Business Results

The First Quarter of FY2019
(July 2019–September 2019)

Nov. 13, 2019

ULVAC Inc.

□ Orders Received: ¥35.2 billion (-55% year-on-year)

- Sharply declined year-on-year mainly due to the temporary end of LCD business for large-screen TVs as well as the postponement of investment in OLED for smartphones.

□ Net Sales: ¥46.8 billion (-24% year-on-year)

- Declined year-on-year mainly due to the decreased sales of the production equipments for LCDs for large-screen TVs and semiconductor memory.
- 48% progress of the business plan for the first half

□ Operating Profit: ¥4.9 billion (-44% year-on-year)

- A sharp decline in sales year-on-year.
- 58% progress of the business plan for the first half

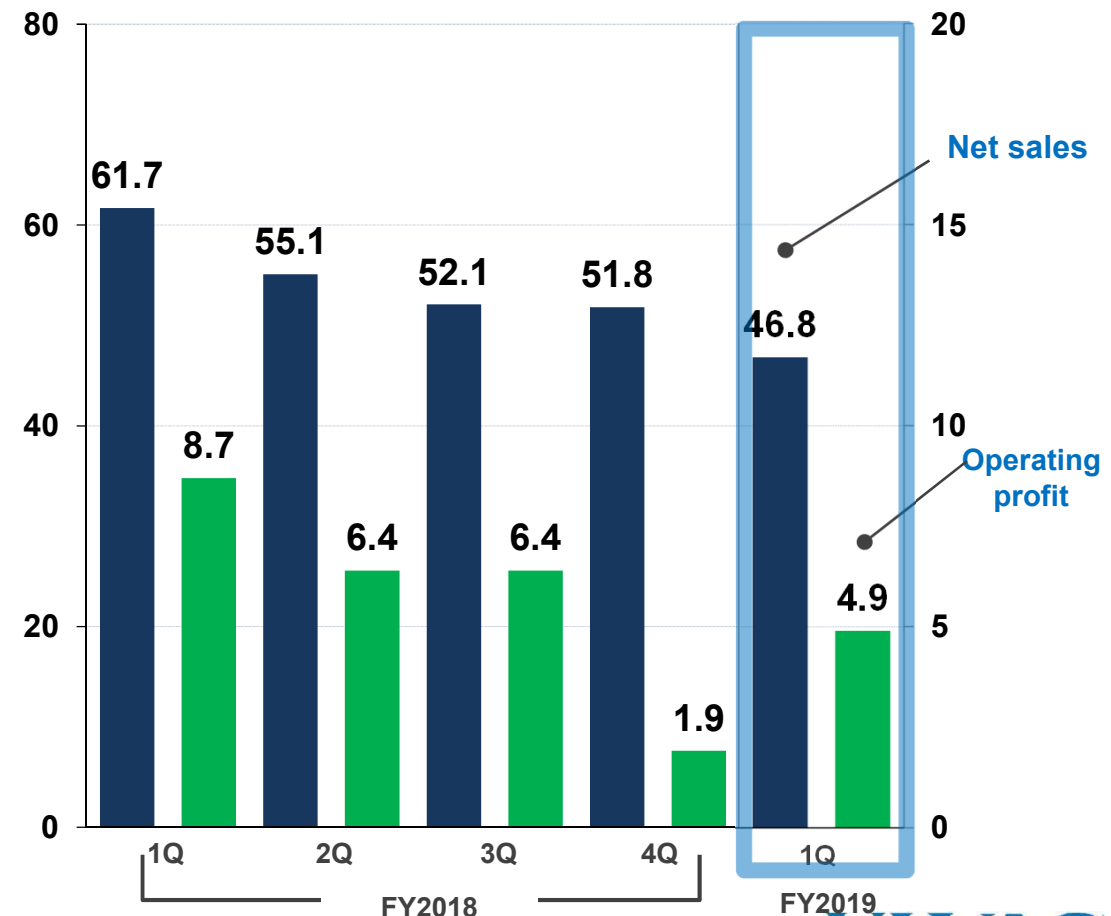
Overview of First Quarter FY2019 Business Results

- **Orders received** : Sharply declined year-on-year mainly due to the temporary end of LCD business for large-screen TVs as well as the postponement of investment in OLED for smartphones.
- **Net sales** : Declined year-on-year mainly due to the decreased sales of production equipments for LCDs for large-screen TVs and semiconductor memory (48% progress of the business plan for the first half).
- **Operating profit** : sharply declined due to the decrease in sales (58% progress of the business plan for the first half).

(Unit: ¥1 billion)

	FY2018 1Q Result	FY2019 1Q Result	
	1Q	1Q	Y-o-Y (Changes)
Orders Received	77.7	35.2	-54.8%
Net Sales	61.7	46.8	-24.2%
Operating Profit	8.7	4.9	-43.5%
Ratio	14.0%	10.5%	
Net Income	6.1	3.4	-43.4%
Ratio	9.9%	7.4%	

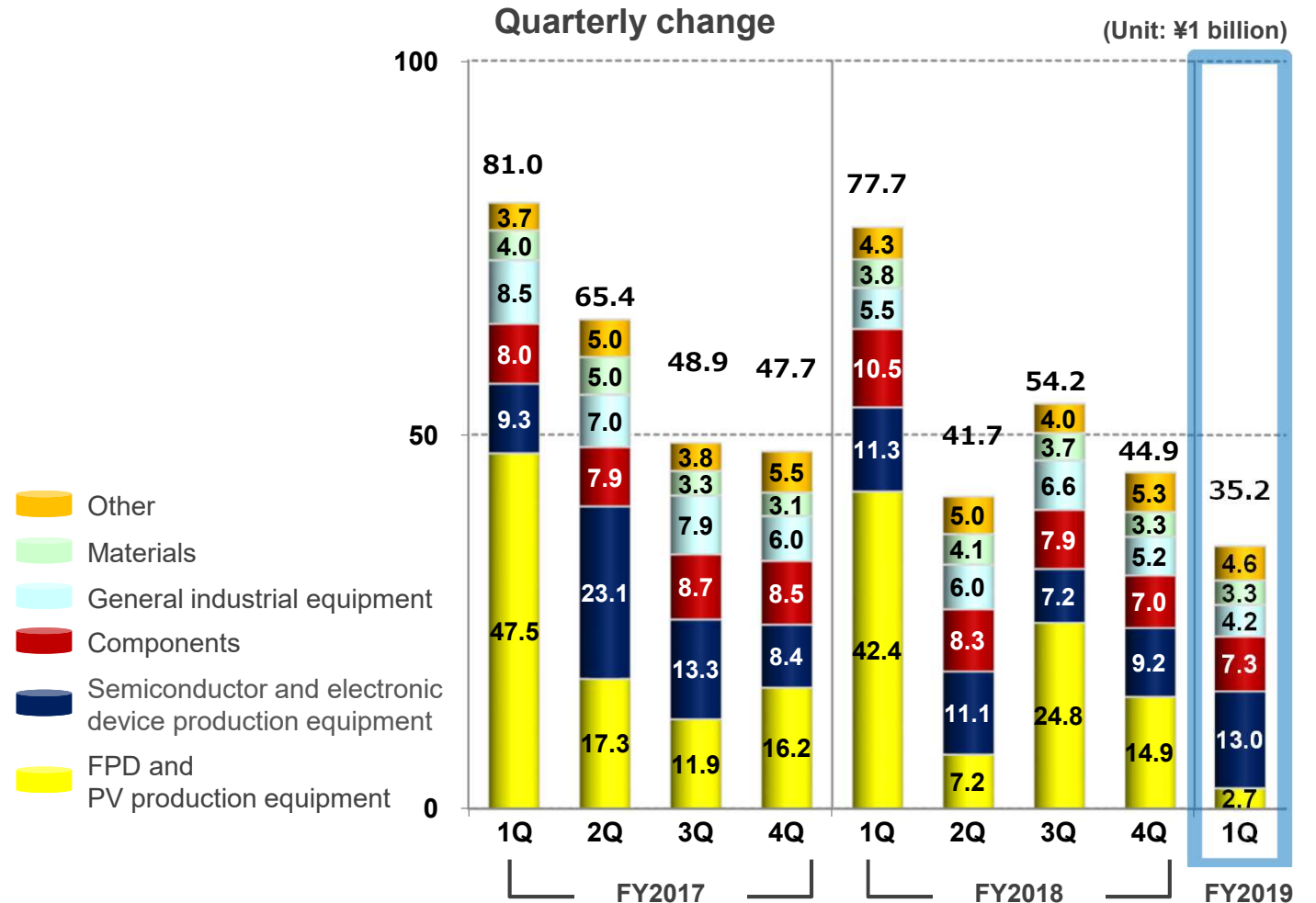
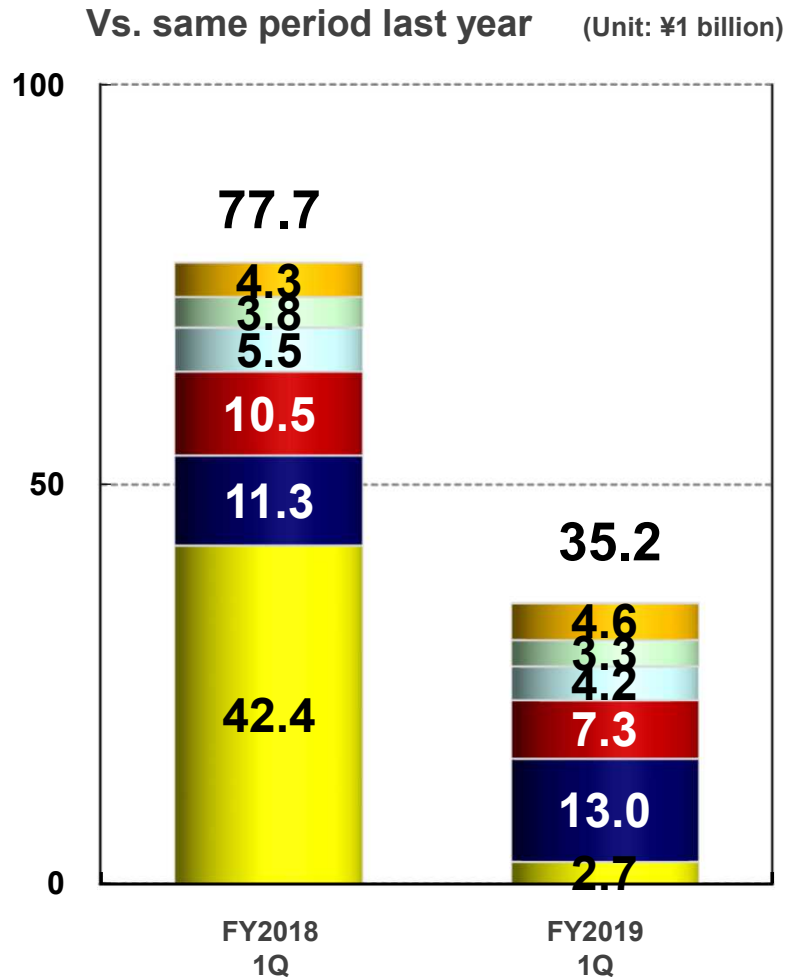
Progression of net sales and operating profit (quarterly)



In addition, a gain recognition of ¥3.2 billion on sales of partial investment securities is scheduled in the first half of the fiscal year.

Overview of First Quarter FY2019 Business Results (Orders received by segment)

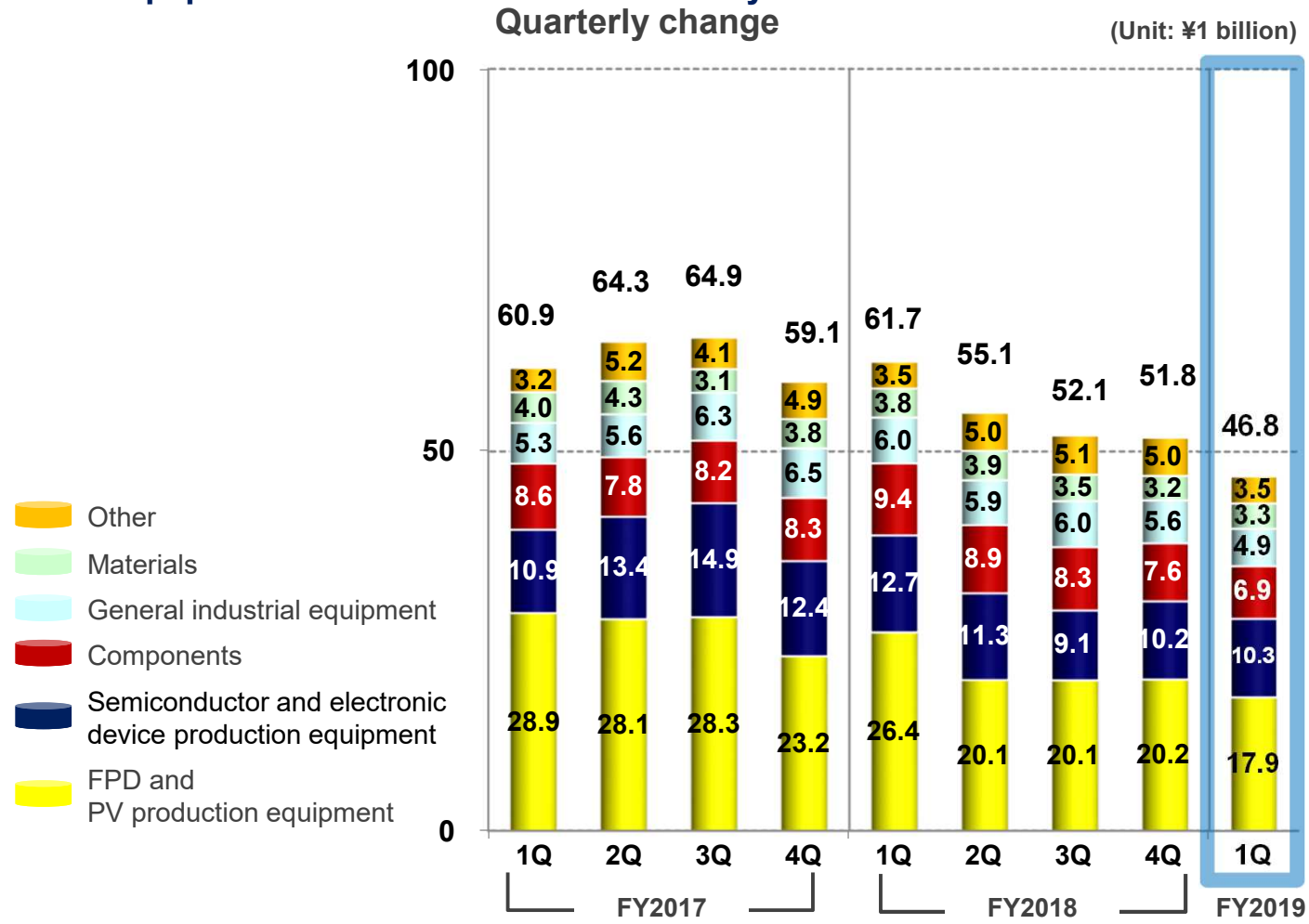
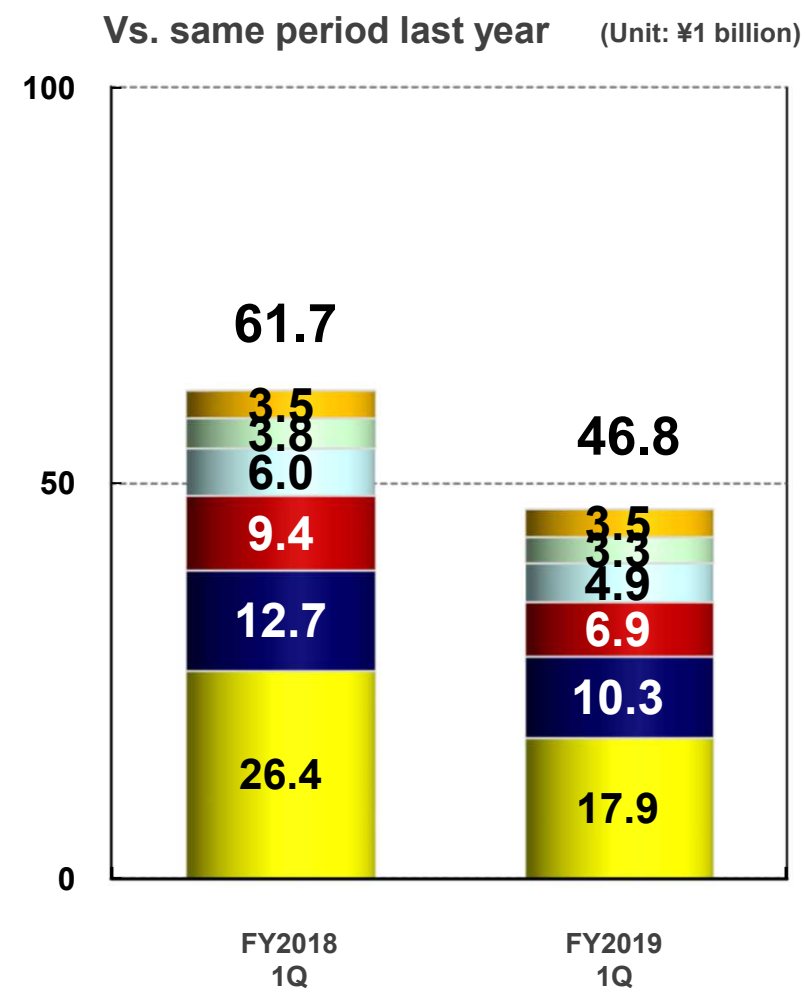
- FPD and PV production equipment: Sharply decreased year-on-year due to the temporary end of LCD business for large-screen TVs, the postponement of investment in OLED for smartphones as well as cancellation of contract✕.
- Semiconductor and electronic device production equipment: Increased year-on-year contributed by increased orders of production equipments for semiconductor logic and communication devices.



✕The cancellation of contract for ¥3.4 billion due to the cancellation of FPD related contract (allowance for doubtful accounts booked in 4Q 2019/6). Excluding the cancellation contract, orders received would be ¥6.1 billion for FPD and PV and ¥38.6 billion on consolidated basis.

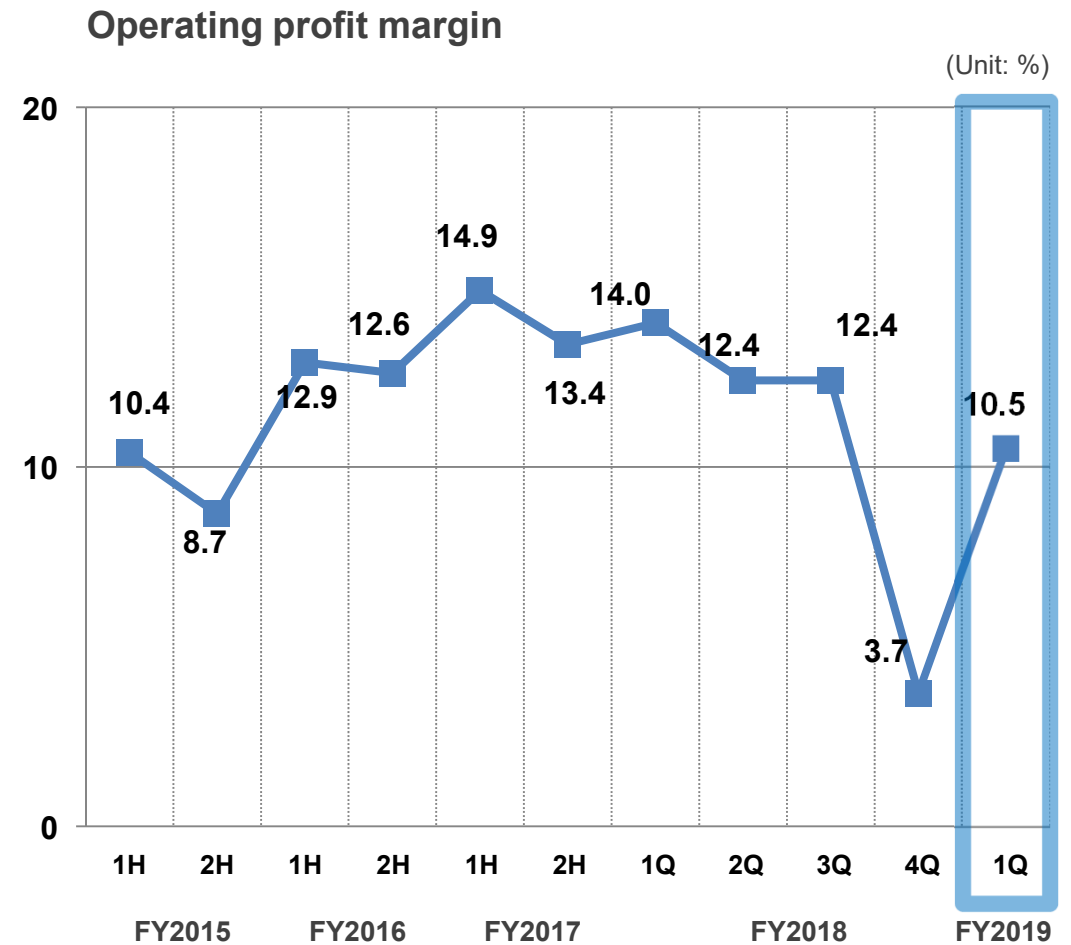
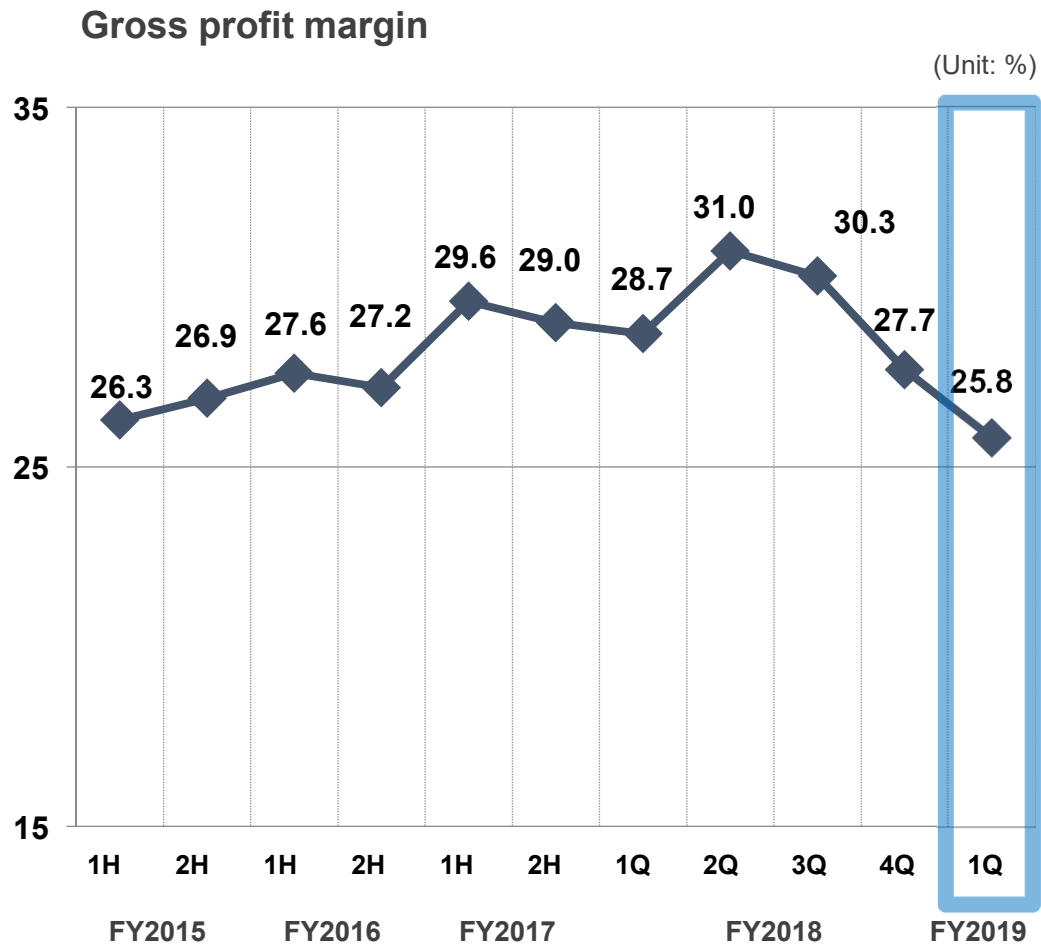
Overview of First Quarter FY2019 Business Results (Net sales by segment)

- FPD and PV production equipment: Declined year-on-year mainly due to decreased sales of production equipments for LCDs for large-screen TVs.
- Semiconductor and electronic device production equipment: Declined year-on-year mainly due to decreased sales of production equipments for semiconductor memory.



Overview of First Quarter FY2019 Business Results (profit margins)

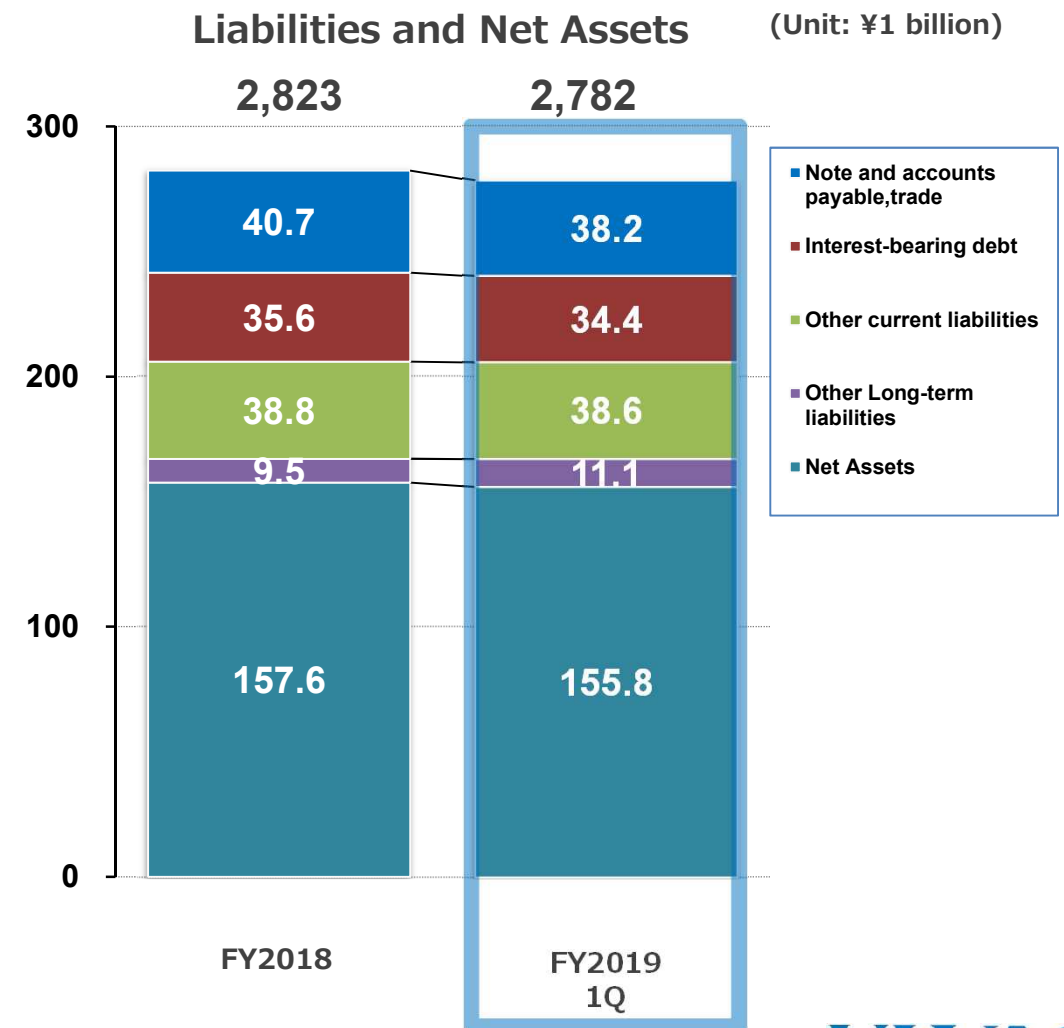
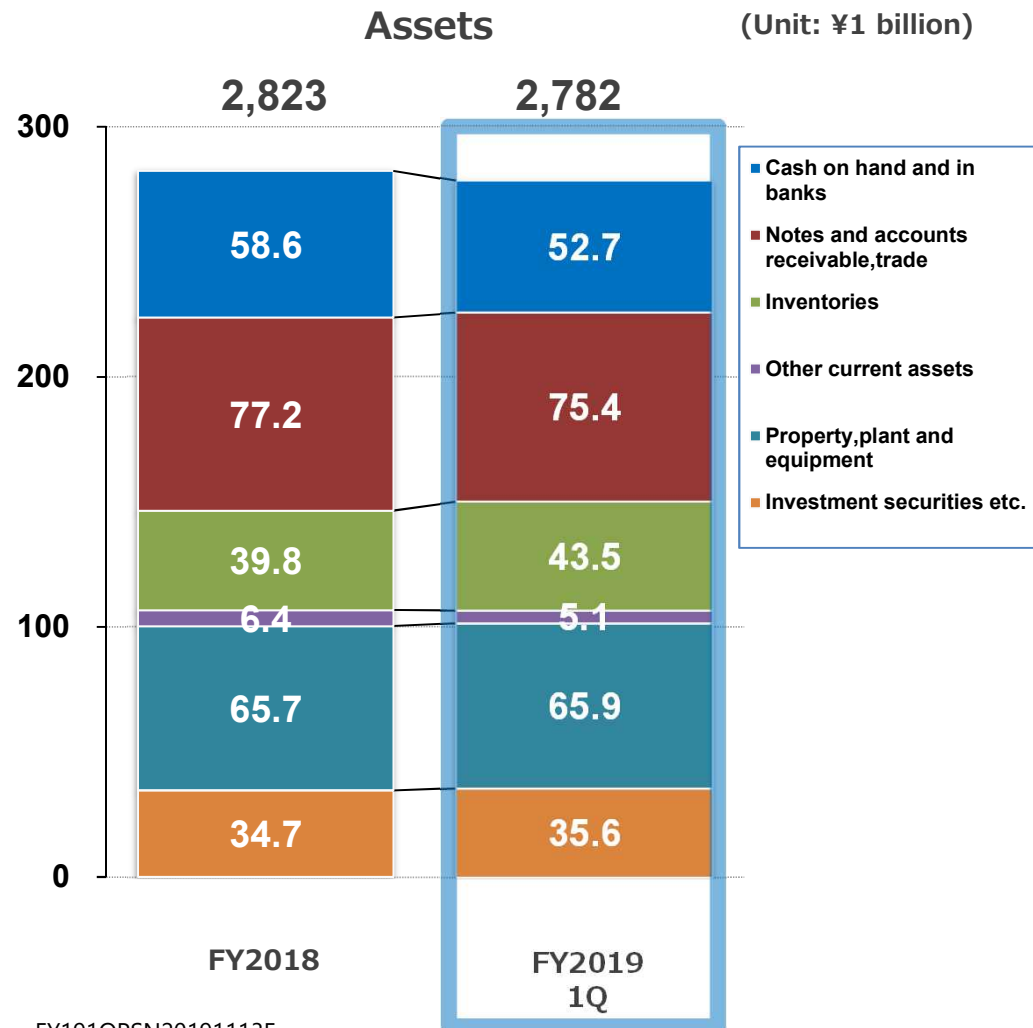
- Gross profit margin declined due to cancellation of contract※ (Excluding the cancellation of contract: 29.6%)



※ Gross profit margin declined to 25.8% due to the cancellation of contract.

Overview of First Quarter FY2019 Business Results (consolidated balance sheet)

- Inventory assets increased by ¥3.7 billion, while Notes and accounts receivable decreased by ¥2.6 billion, and Cash on hand and in banks decreased by ¥5.9 billion.
- The equity ratio improved to 53.8% mainly due to a ¥4.1 billion decrease in total assets.



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Aerospace
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Pharmaceutical
医療・薬剤



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ウェアラブル/VR



Power Device
パワーデバイス



MEMS Device
MEMS デバイス



Architectural Glass
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Optical
光学



Flexible
フレキシブル



Packaging Materials
パッケージング



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