

(Securities code: 6728)

# Business Results

**FY2018 (First to Third Quarter)**  
**(July 2018–March 2019)**

**May 13, 2019**

**ULVAC, Inc.**

## ◆ **Disclaimer regarding forward-looking statements**

Forward-looking statements of the company in this presentation are based on information that was available at the time these documents were prepared. ULVAC's customers in the flat-panel display (FPD), semiconductor, and electronic devices industries face challenges due to the rapid pace of technological advances and fierce competition.

There are a number of factors that directly and indirectly impact performance, such as the global economy; fluctuations in exchange rates; market conditions for FPDs, semiconductors, electronic devices, and raw materials; and trends in capital expenditures. Consequently, actual net sales and profits may vary substantially from the projections included in this presentation.

## ◆ **Data included in the documents are stated as follows:**

(All figures are stated on a consolidated basis unless otherwise noted.)

Yen values: Rounded to the nearest 10<sup>th</sup> of the unit stated.

Percentages: Rounded to the nearest 10<sup>th</sup> after yen values are rounded.

### Abbreviations of accounting periods:

1Q to 3Q (cumulative): First to third quarter consolidated cumulative period

3Q: Third quarter consolidated period

## □ Orders Received: ¥ 173.6 billion (-11% year-on-year)

- Declined year-on-year due to the changes in customers' investment plans for semiconductor memory, however, increased quarter-on-quarter and exceeded last quarter as well mainly backed by FPD production equipment

## □ Net Sales: ¥168.9 billion (-11% year-on-year)

- Declined year-on-year due to the decrease from the last year's high level of net sales and the changes in customers' investment plans for semiconductor memory

## □ Operating Profit: ¥21.9 billion (-26% year-on-year)

- Declined year-on-year mainly due to the decrease in net sales

## □ Revised earnings forecast of FY2018

- Revised net income forecast upward to reflect the gain on sales mainly for investment securities in 3Q

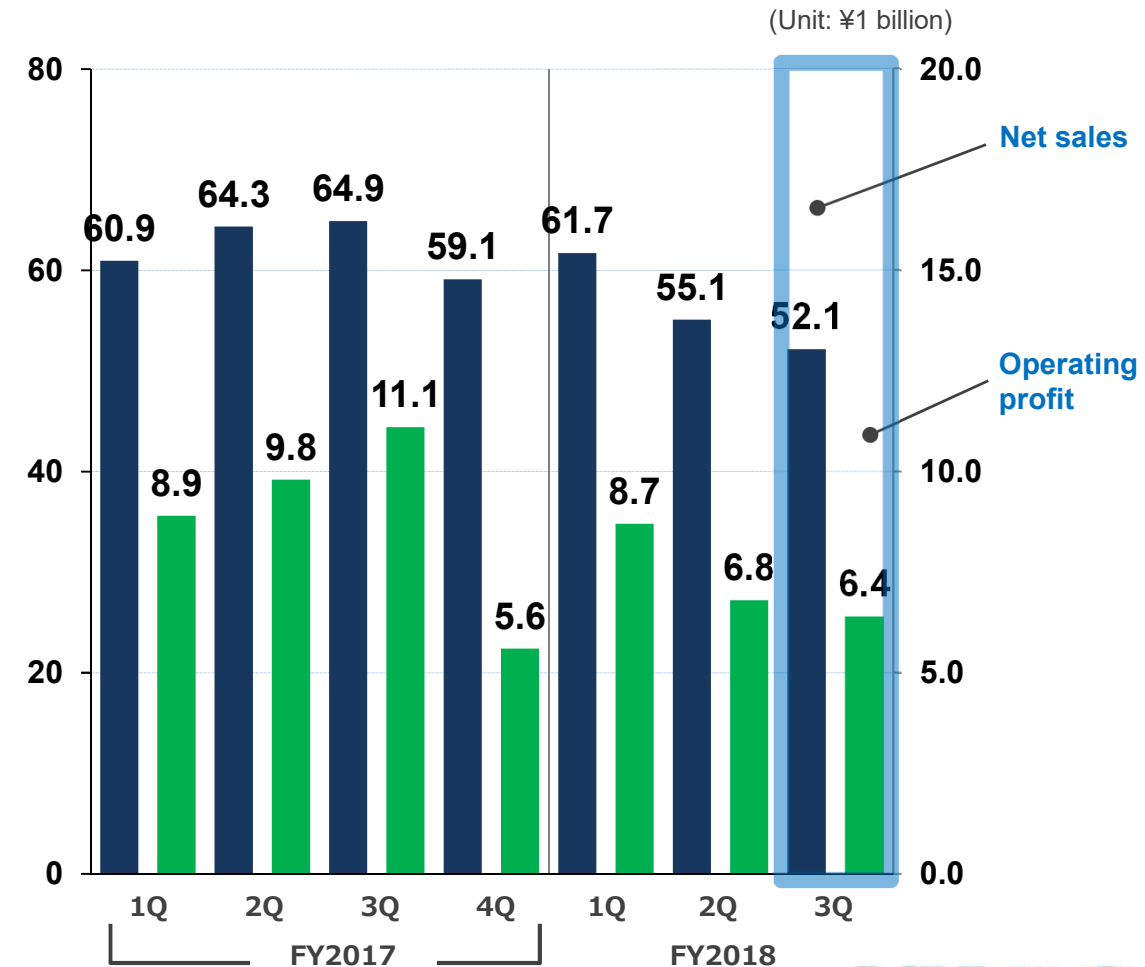
# Overview of 1Q to 3Q FY2018 Consolidated Business Results (Cumulative)

- **Order received:** Declined year-on-year mainly due to the postpone of semiconductor memory related investment plans
- **Net sales:** Declined year-on-year due to the decrease from the last year's high level of sales and the changes in customers' investment plans for semiconductor memory
- **Operating profit:** Declined year-on-year mainly due to the decrease in net sales

Net sales and operating profit (by quarterly period)

(Unit: ¥1 billion)

	FY2017 3Q (9 months) Result	FY2018 3Q (9 months) Result	Y-o-Y (Changes)
Orders Received	195.2	<b>173.6</b>	-11.1%
Net Sales	190.2	<b>168.9</b>	-11.2%
Gross Profit	57.2	<b>50.6</b>	-11.7%
Ratio	30.1%	29.9%	- 0.2 pt
SG&A	27.4	<b>28.6</b>	4.4%
Operating Profit	29.8	<b>21.9</b>	-26.4%
Ratio	15.7%	13.0%	- 2.7 pt
Net Income	25.3	<b>17.3</b>	-31.8%
Ratio	13.3%	10.2%	- 3.1 pt

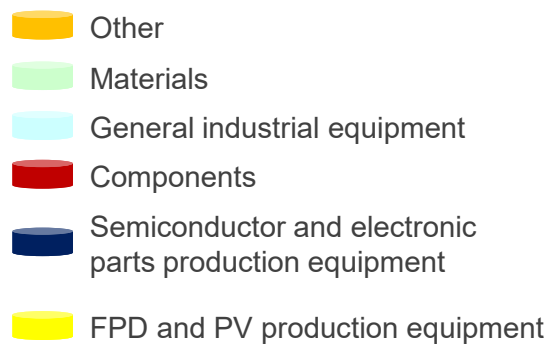
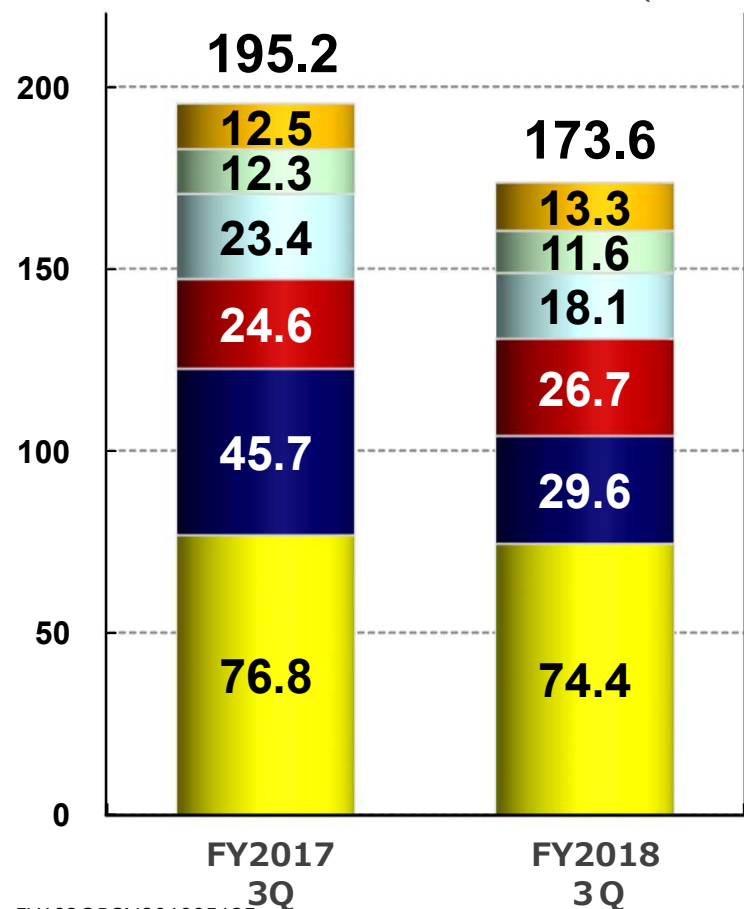


# Overview of 1Q to 3Q FY2018 Consolidated Business Results (Cumulative) (Orders Received by Segment)

- FPD and PV production equipment: Continuous orders received of OLED mass-production equipment line for smartphones from China contributed to maintain the same level of year-to-year 3Q(cumulative) orders
- Semiconductor and electronic device production equipment : Declined year-on-year mainly due to the postpone of customers' investment plans for semiconductor memory

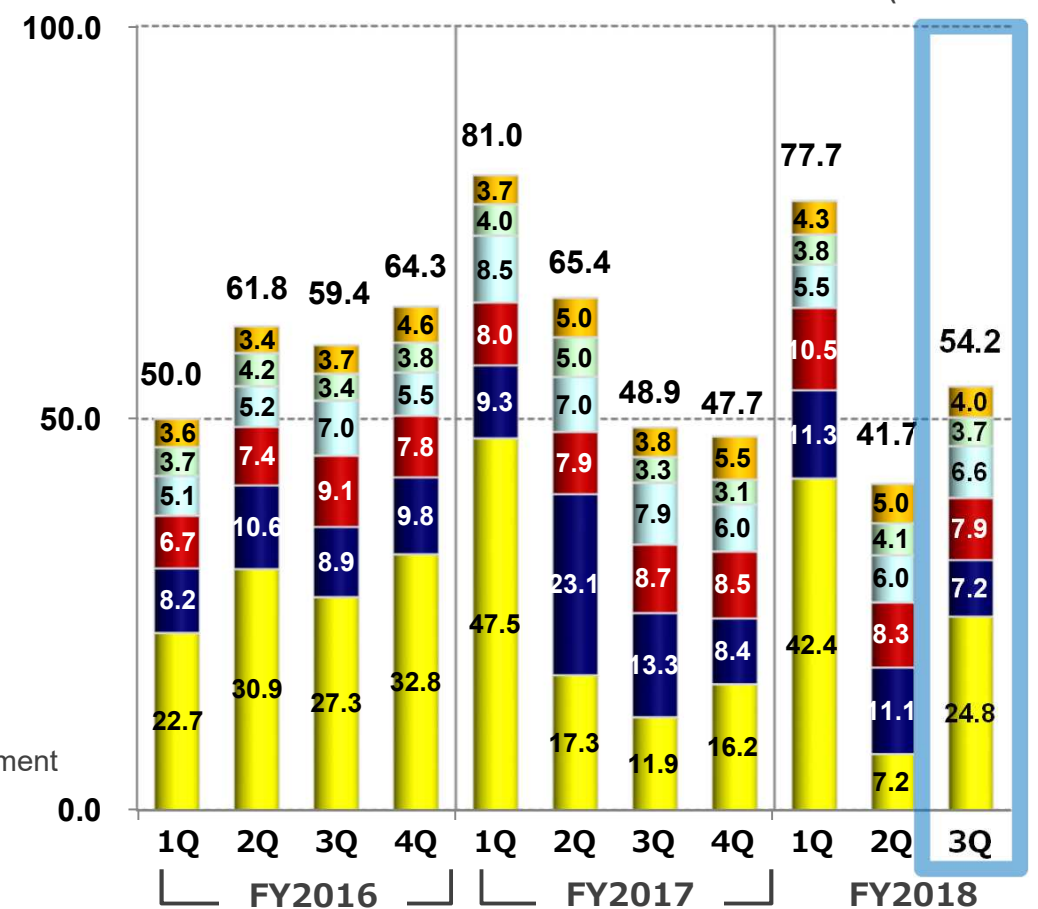
Vs. same period last year

(Unit: ¥1 billion)



Quarterly change

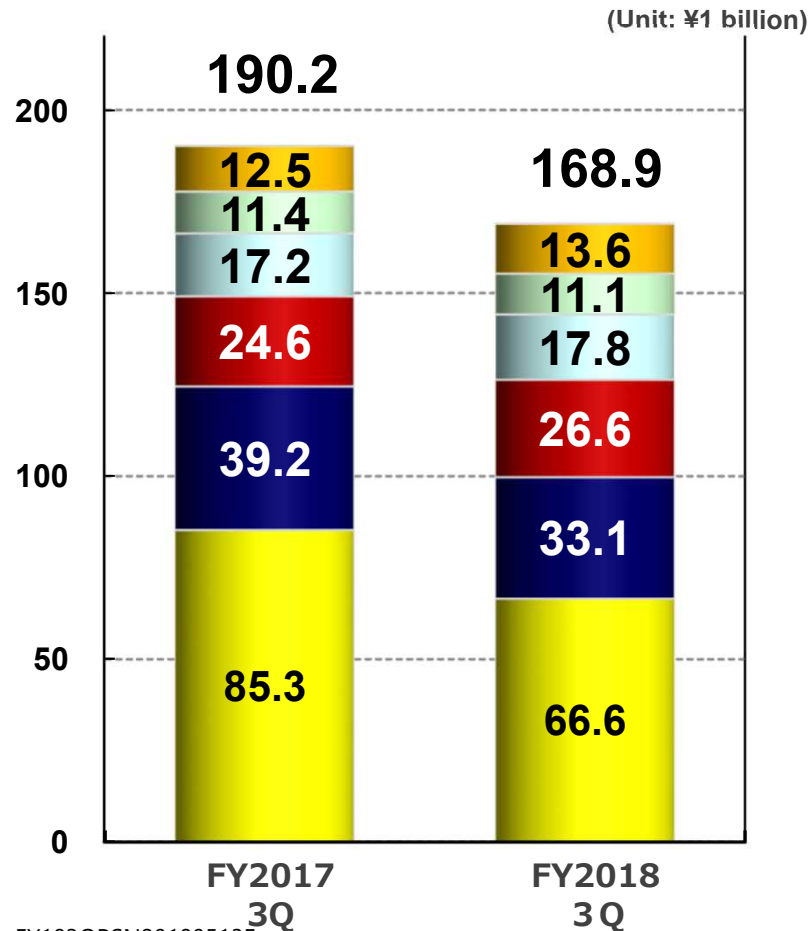
(Unit: ¥1 billion)



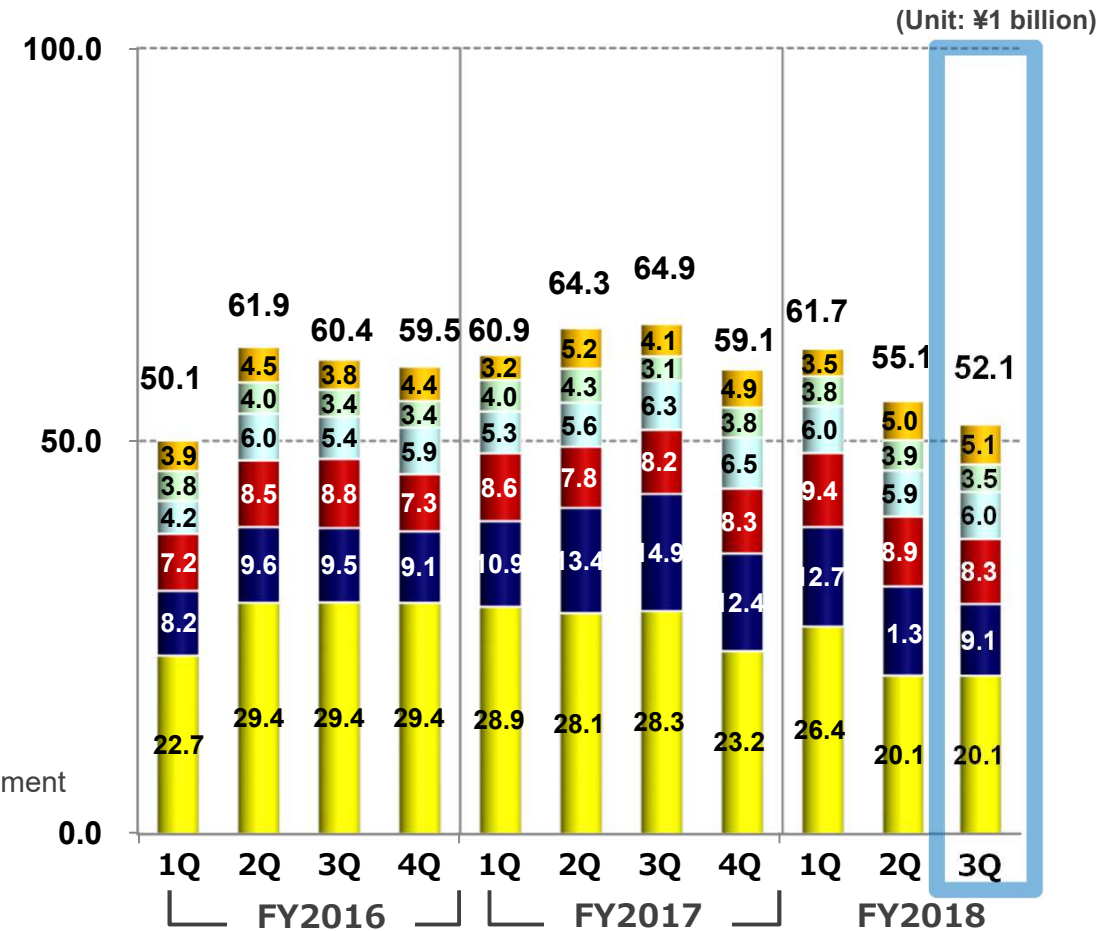
# Overview of 1Q to 3Q FY2018 Consolidated Business Results (Cumulative) (Net Sales by Segment)

- FPD and PV production equipment: Declined year-on-year even though LCD production equipment for large-screen TVs and OLED production equipment for smartphones have contributed.
- Semiconductor and electronic device production equipment: semiconductor production equipment declined year-on-year, however, electronic device production equipment remained strong.

Vs. same period last year

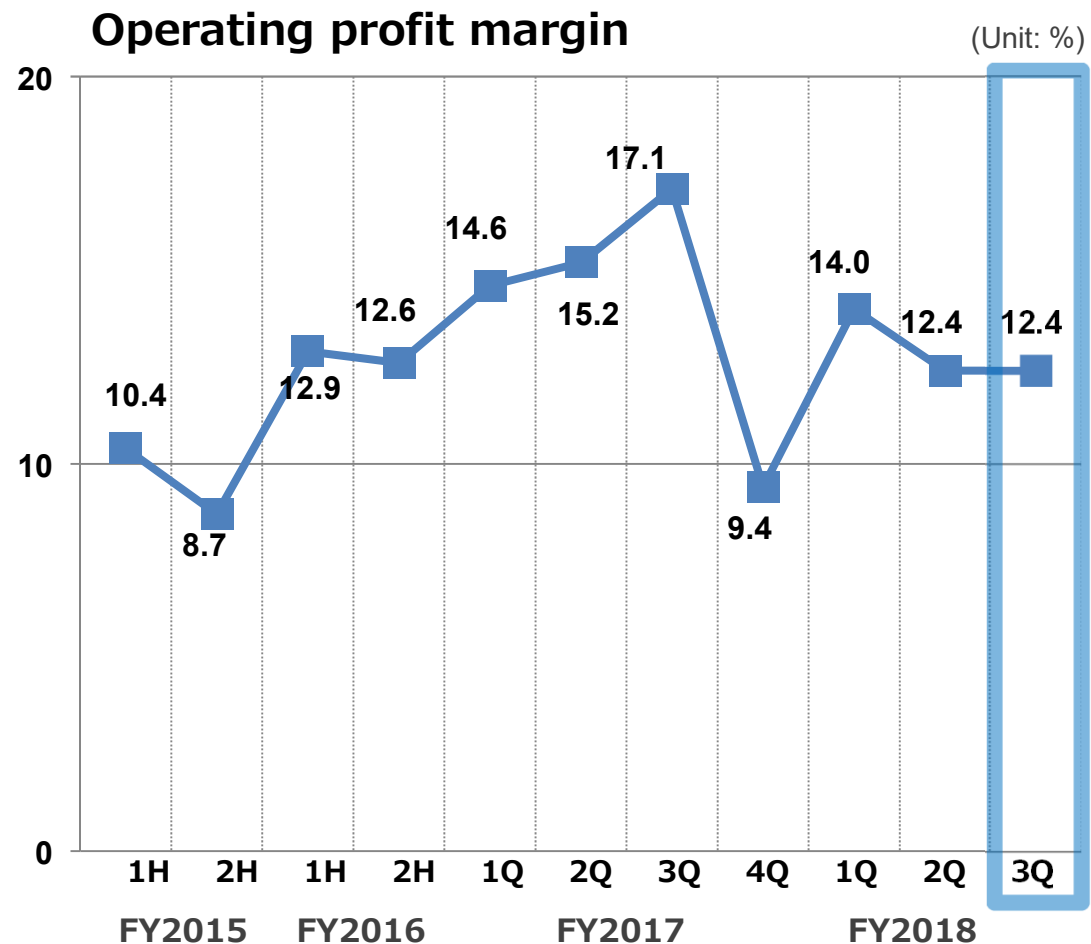
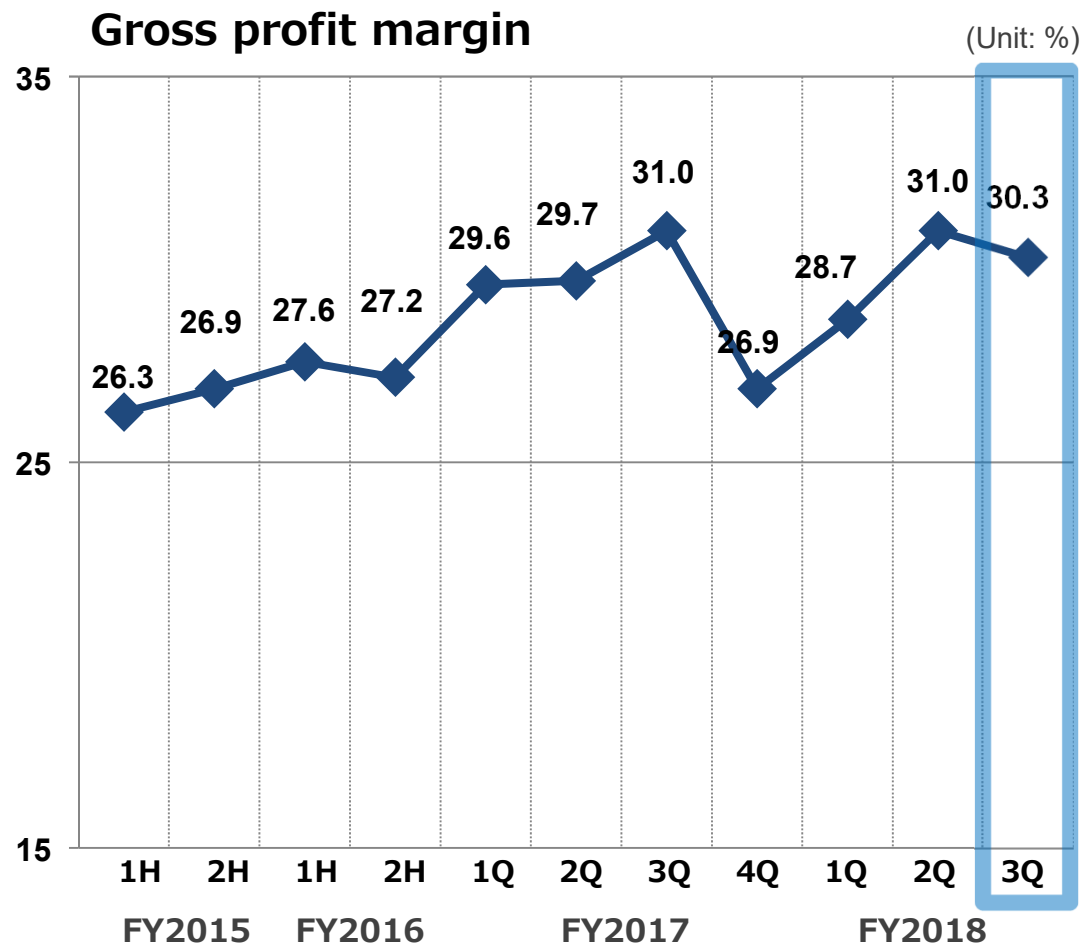


Quarterly change



# Overview of 1Q to 3Q FY2018 Consolidated Business Results (Cumulative) (Profit Margins)

- Gross profit margin continued to perform at a high level. Operating profit margin was flat compared with last quarter.

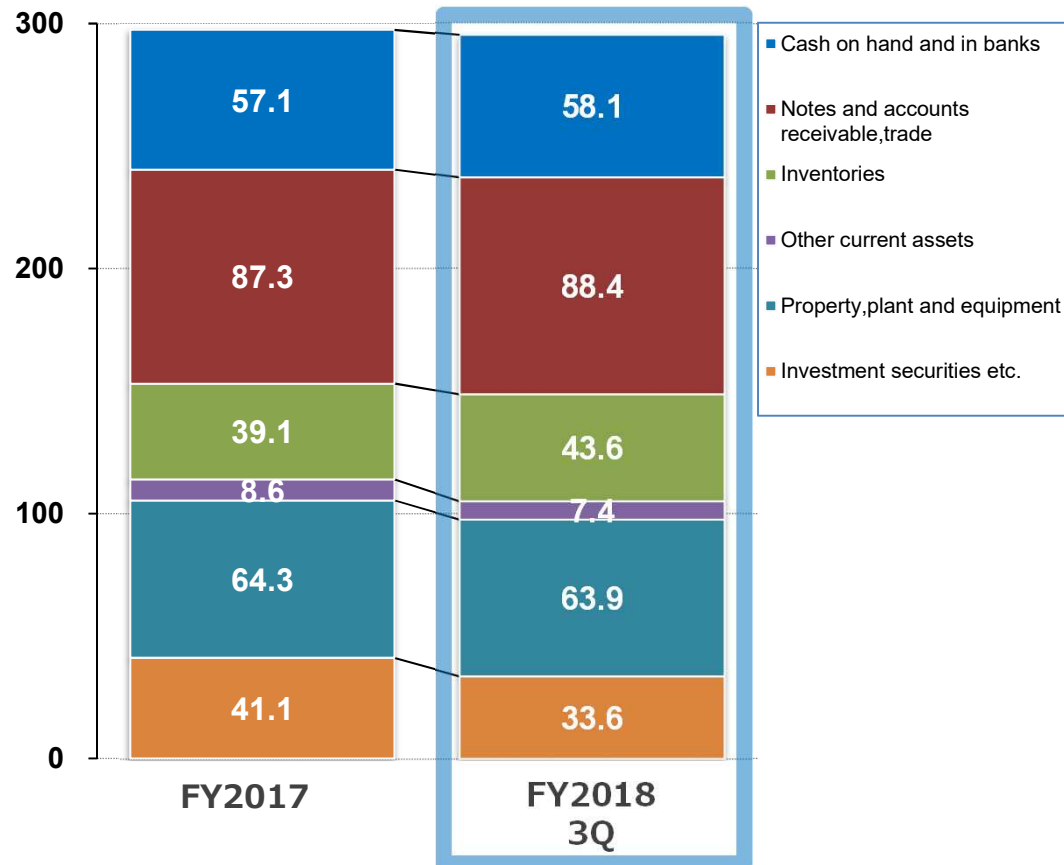


# Overview of 1Q to 3Q FY2018 Consolidated Business Results (Cumulative) (Consolidated Balance Sheet)

- Inventories increased by ¥4.5billion, notes and accounts payable decreased by ¥9.9billion, interest-bearing debt increased by ¥5.1billion
- The equity ratio improved to 51.1% due to net assets increased by ¥3.2billion

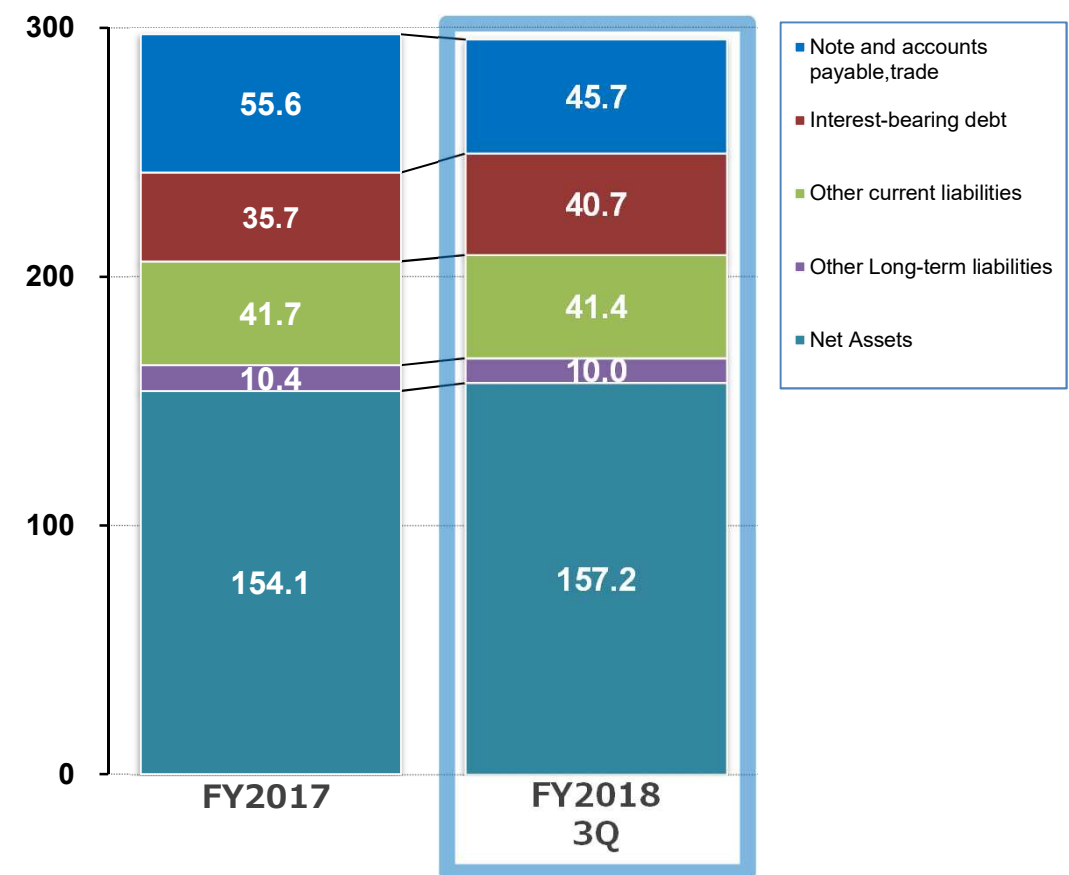
## Assets

(Unit: ¥1 billion)



## Liabilities and Net Assets

(Unit: ¥1 billion)





# Revision of FY2018 Full Year Consolidated Earnings Forecast

- Revised net income forecast upward to reflect the gain on sales mainly for investment securities in 3Q
- No changes in Net sales, other profit items and the year-end dividend forecast

(Unit: ¥1 billion)

	FY2017	FY2018		
		Initial Forecast ※	Revised Forecast	Y-O-Y (Changes)
<b>Orders Received</b>	243.0	225.0	<b>225.0</b>	-7.4%
<b>Net Sales</b>	249.3	225.0	<b>225.0</b>	-9.7%
<b>Operating Profit</b>	35.4	23.5	<b>23.5</b>	-33.5%
<b>Ratio</b>	14.2%	10.4%	<b>10.4%</b>	- 3.7 pt
<b>Net Income</b>	35.9	16.0	<b>17.5</b>	-51.3%
<b>Ratio</b>	14.4%	7.1%	<b>7.8%</b>	- 6.6 pt

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No changes

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Revised

※Figures published on Feb.13,2019

ULVAC was recognized by METI as a 2019 Certified Health and Productivity Management Organization (White 500) large-sized corporate sector for the second straight year.

ULVAC Equipment sales Inc. (Head office located in Minato-Ku, Tokyo, CEO : Mr. Toshio Koide ) was recognized by METI as a 2019 Certified Health and Productivity Management Organization small and medium-sized corporate sector.

We promoted physical strength age measuring project, walking project and relay race in our building site together with the Health insurance association. We will continue to treat health as an important management goal and to work on health management so that every employee can be healthy, active, and able to maximize his or her potential.



# ULVAC, leading the world in vacuum technology



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**Magnetic Device**  
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ウェアラブル/VR



**Power Device**  
パワーデバイス



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**Flexible**  
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in Vacuum technology

**ULVAC**