

Innovation begins in a vacuum

【Code No : 6728】

**FY2009 3<sup>rd</sup> Quarter  
Business Result  
(Year Ending June 30, 2010)**

**ULVAC, Inc.**

**13<sup>th</sup> May, 2010**

## ◆ **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

## 2010/6 3<sup>rd</sup> Q Result

FPD production equipments for the Chinese and South Korean markets have contributed to the number of orders received. Semiconductor production equipments have also surpassed expectations.

As with orders received, FPD production equipments and semiconductor production equipment have contributed to sales.

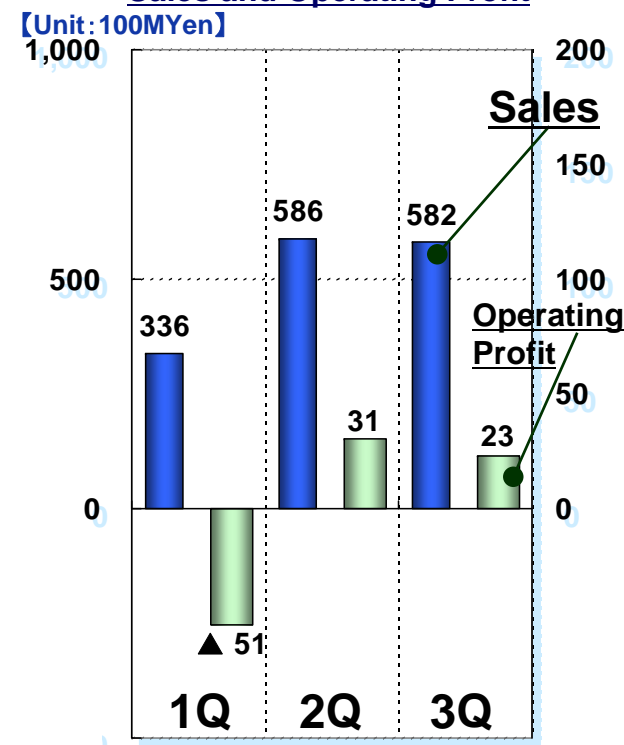
While operating earnings were in the red by a significant margin in the first quarter, they recovered in the second and third quarters to bring third-quarter cumulative earnings back into the black.

[Unit: 100MYen]

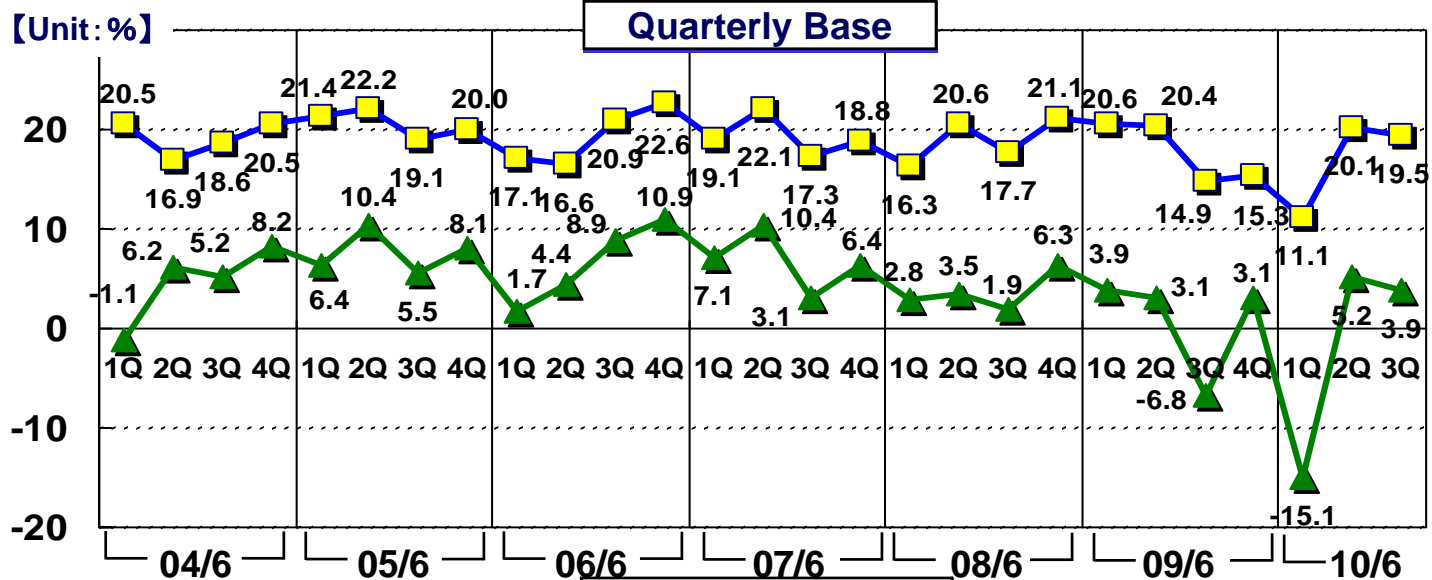
	1Q	2Q	1H	3Q	3Q (Y-T-D)	vs. 09/6 3Q(Y-T-D)	Changes (%)
Booking	411	778	1,189	577	1,766	1,387	+27%
Back-log	1,157	—	1,353	—	1,357	1,493	—
Sales	336	586	923	582	1,504	1,471	+2%
Gross Margin	37	118	155	113	269	280	-4%
Ratio	11.1%	20.1%	16.8%	19.5%	17.9%	19.0%	
Operating Profit	-51	31	-20	23	3	11	-75%
Ratio	-15.1%	5.2%	-2.2%	3.9%	0.2%	0.8%	
Net Income	-32	19	-12	25	13	1	—
Ratio	-9.4%	3.3%	-1.3%	4.3%	0.8%	0.0%	

Remarks: figures in brackets are rounded off to the nearest number.

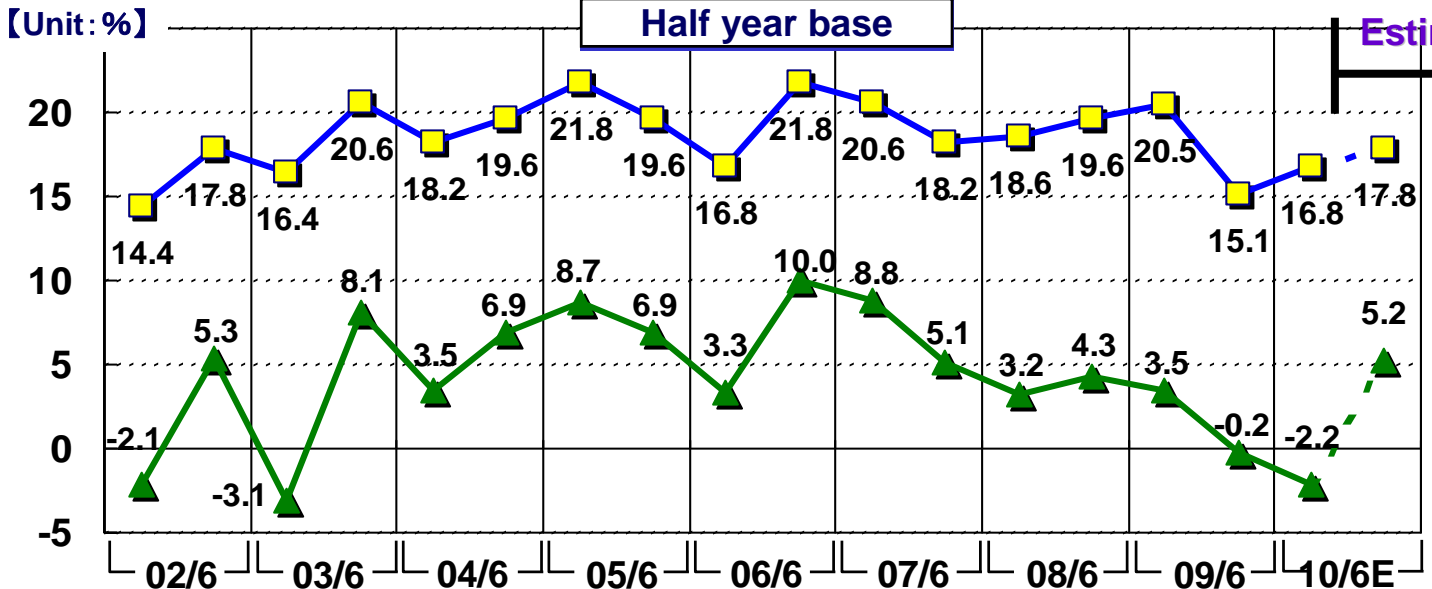
**Transition of  
Sales and Operating Profit**



# Transition of Profitability - Estimate



▲ Gross margin ratio  
▲ Operating Profit ratio

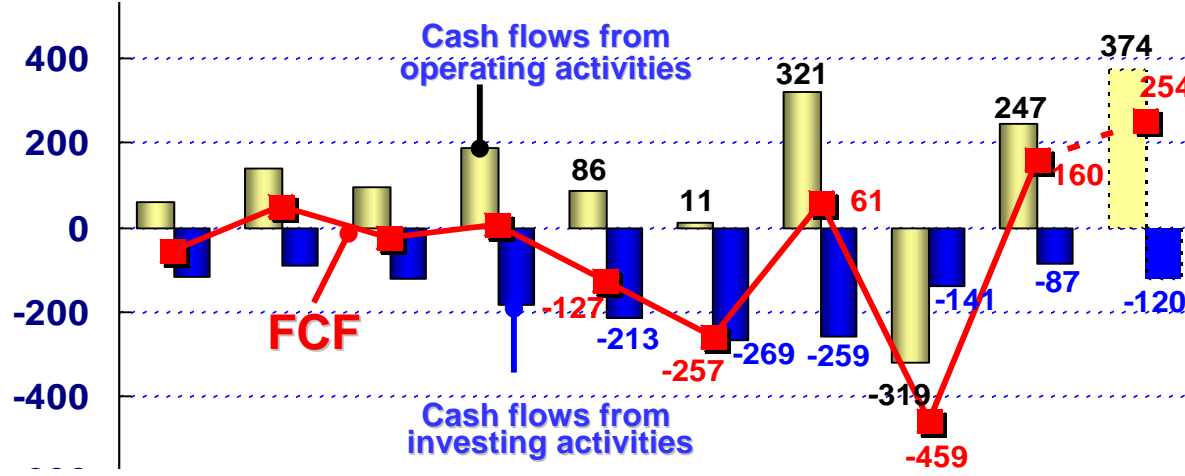


▲ Gross margin ratio  
▲ Operating Profit ratio

[Figures are rounded off to the first decimal place]

# Cash Flow and Liabilities with Interests - Estimate

[Unit:100 million Yen]



■ **Cash flow from operating activities:**  
**24.7BillionYen**

<Positive factors>

- Increase in Income before income taxes and minority interests **¥2.0Bill**
- Depreciation **¥8.6Bill**
- Decrease in inventories **¥12.4Bill**
- Increase in accounts payable **¥6.8 Bill**

<Negative factor>

100% Increase in accounts receivable **¥4.5Bill**

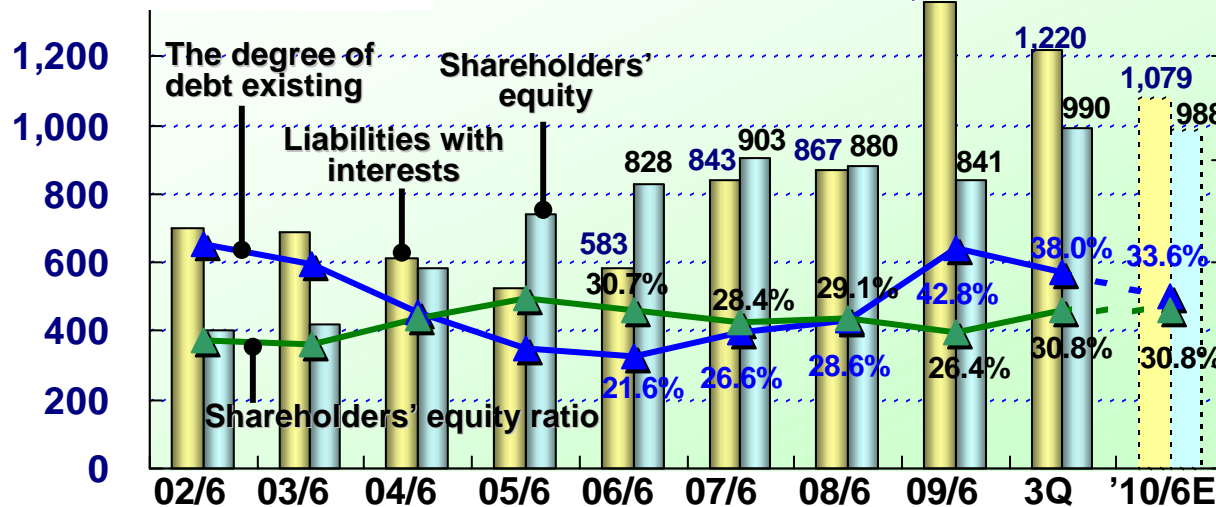
■ **Cash flow from investment activities:**

**▲8.7 Billion Yen**

- 60% • Investment in plants & equipments and others **▲¥5.5Bill**
- 40% • investment securities **▲¥ 3.9Bill**

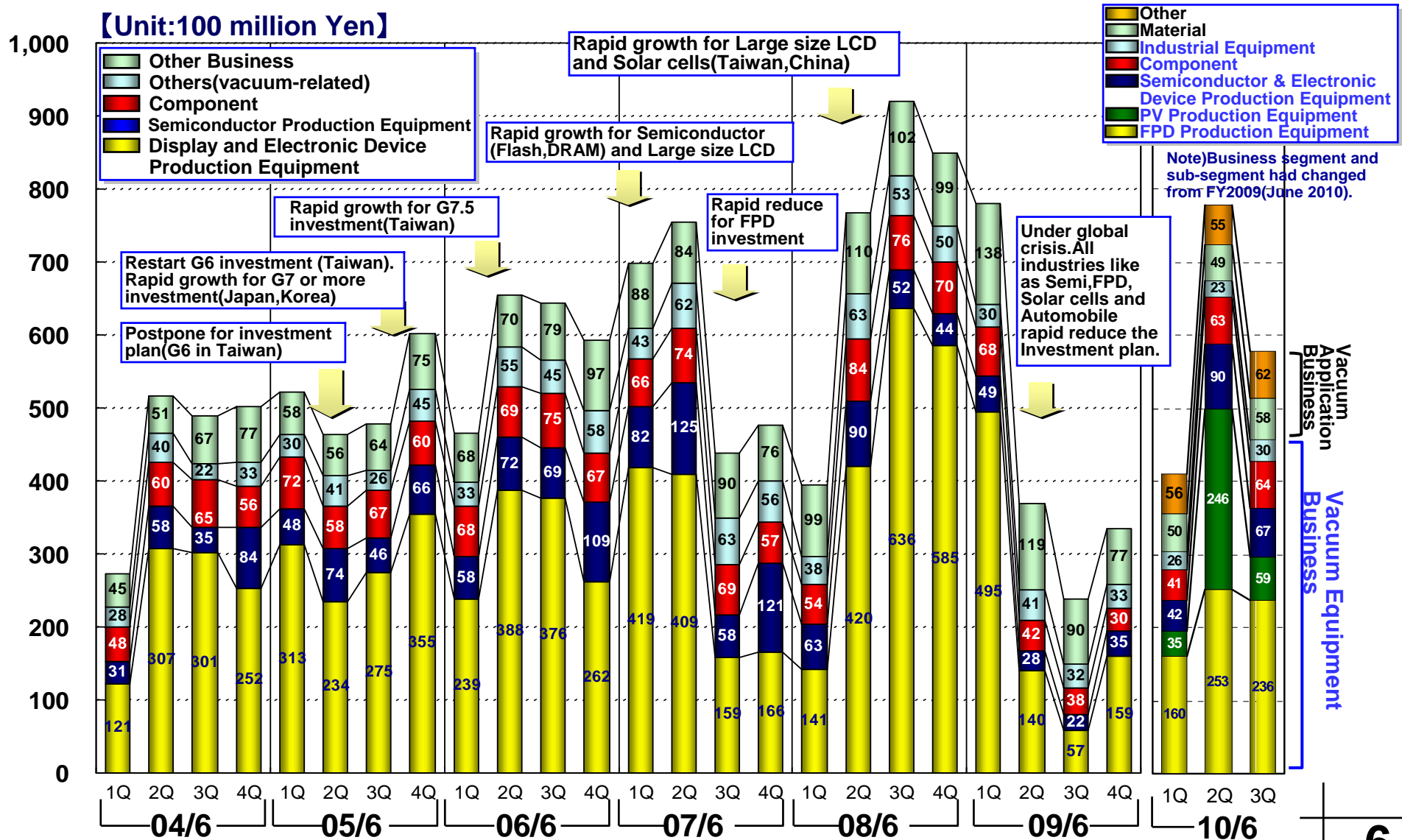
Made a contract of Commitment line for CB back-up line (¥15.5Bill)

[Unit:100 million Yen]



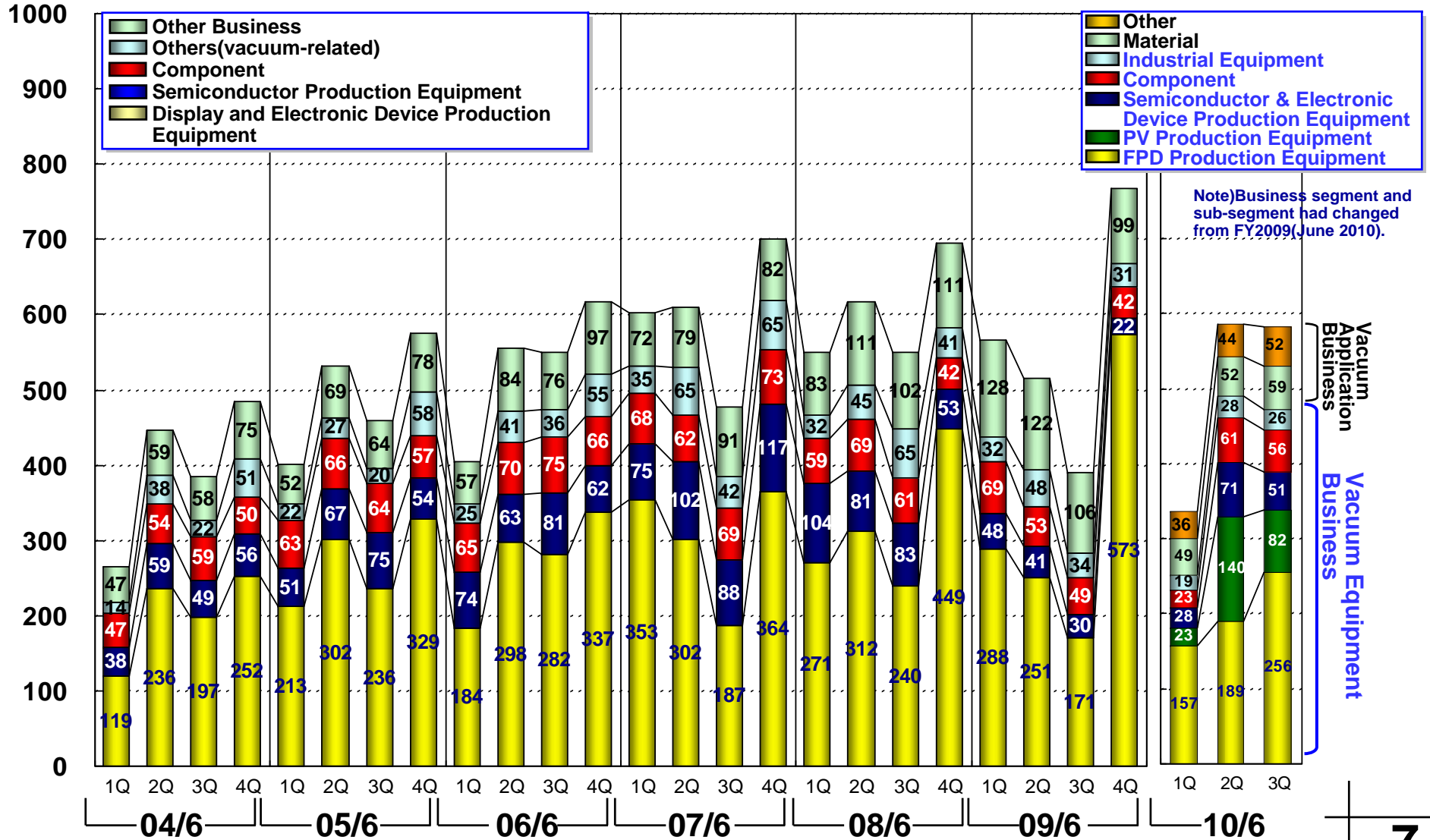
[Figures are rounded off to the first decimal place]

# Order received by Segment (Quarterly base)



# Net sales by Segment (Quarterly base)

[Unit:100 million Yen]



Note) Business segment and sub-segment had changed from FY2009(June 2010).

## Management environment (fourth quarter and beyond)

### Market overview

- Risks associated with anxiety over a double-dip scenario.
- Global manufacturing concentrated in China. Other emerging countries will also follow.

### FPD production equipment

The market for thin TVs is steadily recovering. New trends include links to Windows 7, 3D television, and electronic paper.

- Chinese investments are fully underway. Multiple companies are awaiting authorization by the Chinese government.
- Inquiries regarding Low-Temperature Poly-Silicon and large organic EL panels are on the rise.

### PV (solar cells) production equipment

- Global warming countermeasures have commenced in earnest. Inquiries are notably on the rise (with respect to crystal type, compounds type, and thin-film silicon type).

### Semiconductor and electronic devices production equipment

- In line with the miniaturization of memory, investments to augment production have increased. There is ongoing growth in the field of LEDs as a result of their use for LCD backlighting, lighting applications, and other uses.

### Components

- Inquiries and orders submitted to production equipments dealing in semiconductors, LCDs, solar cells, and more are on the rise.

### Materials

- Orders for targeted materials are increasing as a result of rising demand for LCDs ; at the same time, prices of raw materials are rising.

### Other

- Intensified demand for EV infrastructure is leading to increasing inquiries pertaining to quick recharging systems, PV/EV integrated systems, solar power generation systems, and more.



## Forecast of '10/6 Full Year

While the recovery of PV in terms of the number of orders received has been slow, the expected number of orders received for FPDs and semiconductors has been revised upwards due to a recovery in investments. In terms of sales, FPDs, semiconductors, and electronics have compensated for the slump in PVs. It is expected that FPDs, semiconductors, and electronics, as well as South Korea and China in regional terms, will contribute to earnings.

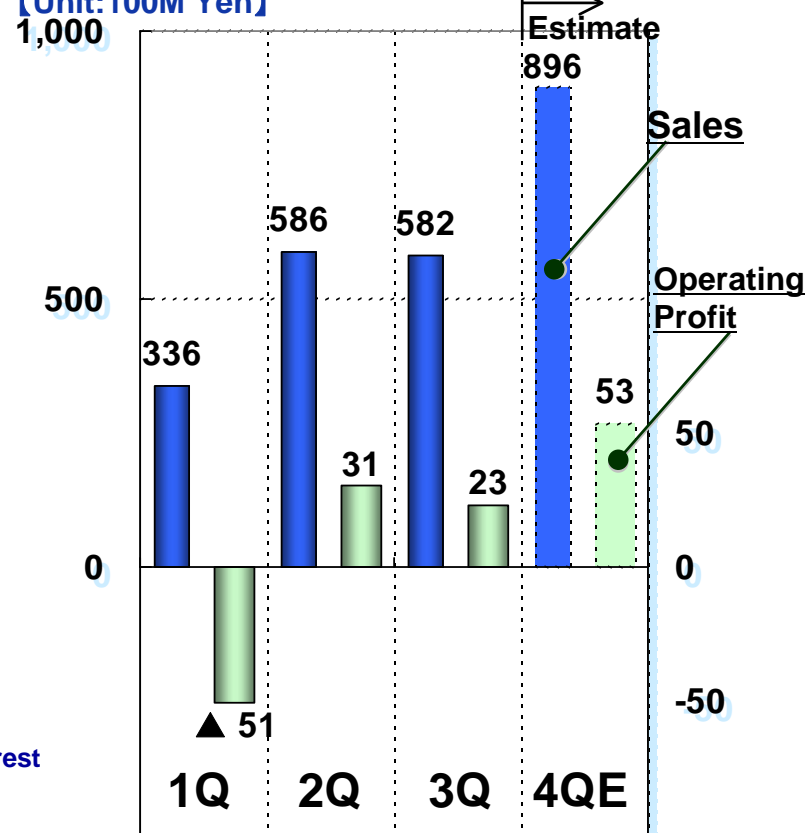
[Unit:100M Yen]

	2010/6 E		09/6 Result	vs.09/6 (Changes)
	Plan	Revised		
Booking	2,120	2,400	1,722	+39%
Back-log	807	1,096	1,079	—
Sales	2,400	2,400	2,238	+7%
Operating Profit	56	56	35	+61%
Ratio	2.3%	2.3%	1.6%	
Net Income	11	11	8	+36%

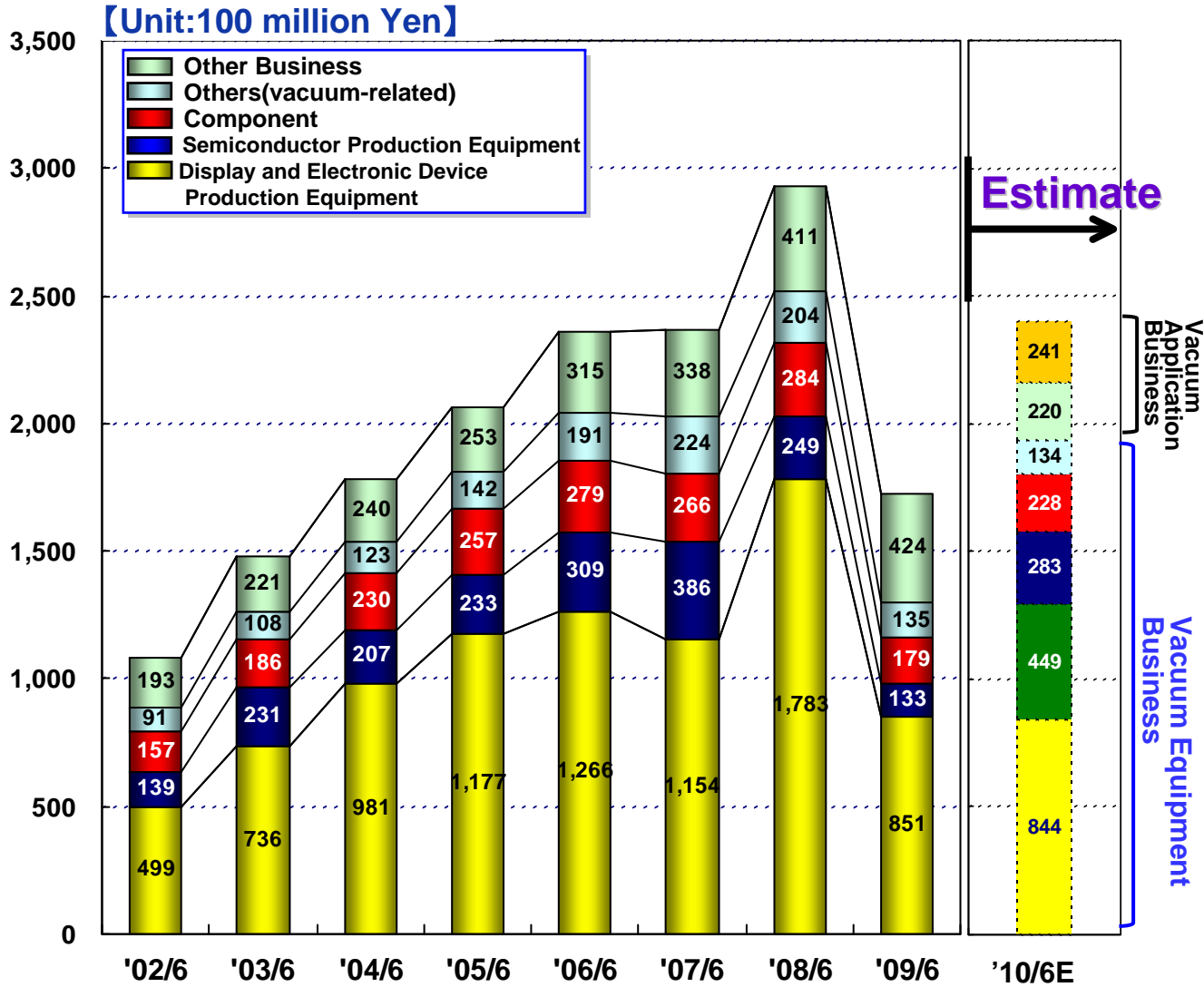
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Transition of Sales and Operating Profit

[Unit:100M Yen]

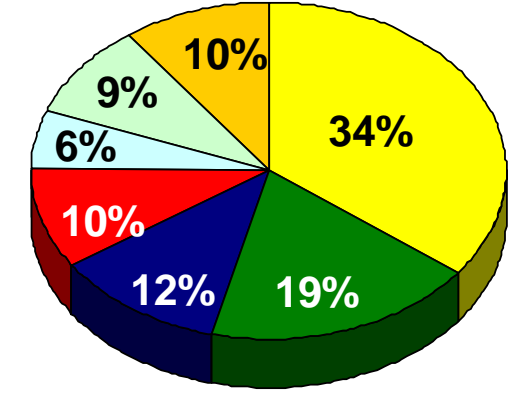


# Transition of Orders received by segment - Estimate



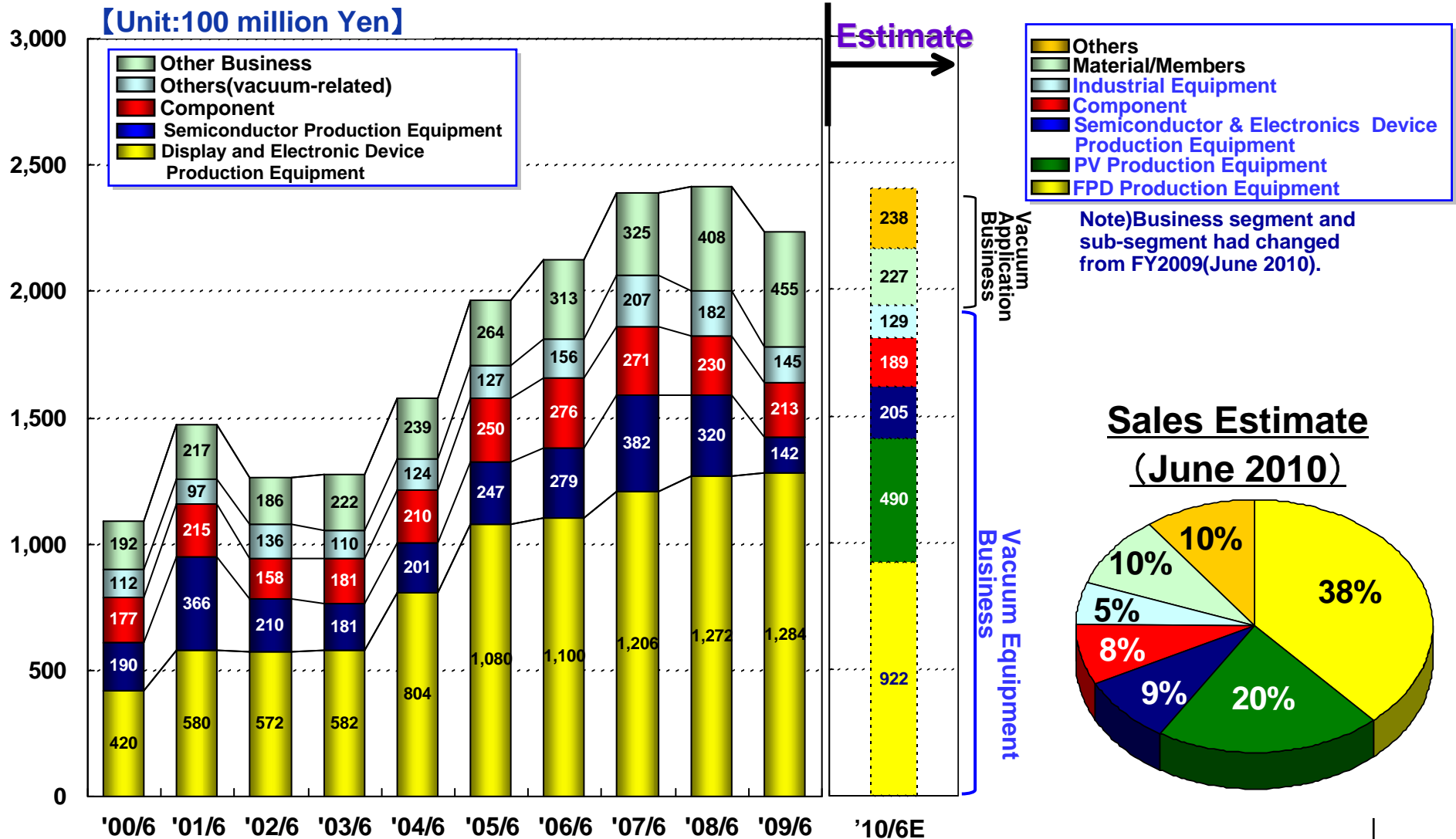
Note) Business segment and sub-segment had changed from FY2009(June 2010).

**Order Estimate (June 2010)**  
(May 13<sup>th</sup> revised)

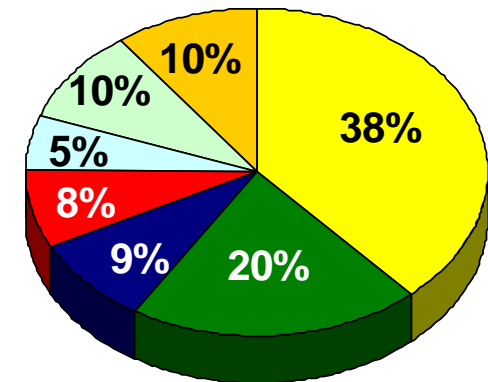


[Figures are rounded off to the first decimal place]

# Transition of Net sales by segment - Estimate



**Sales Estimate  
(June 2010)**



**[Figures are rounded off to the first decimal place]**

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**Innovation begins**

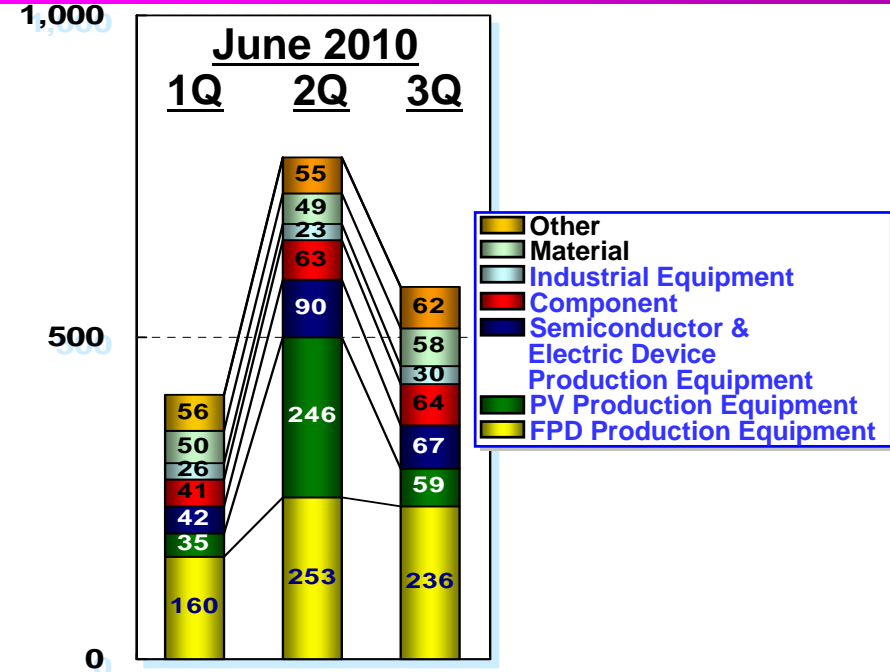
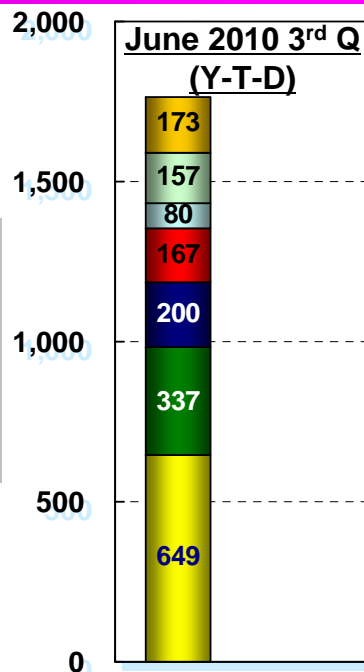
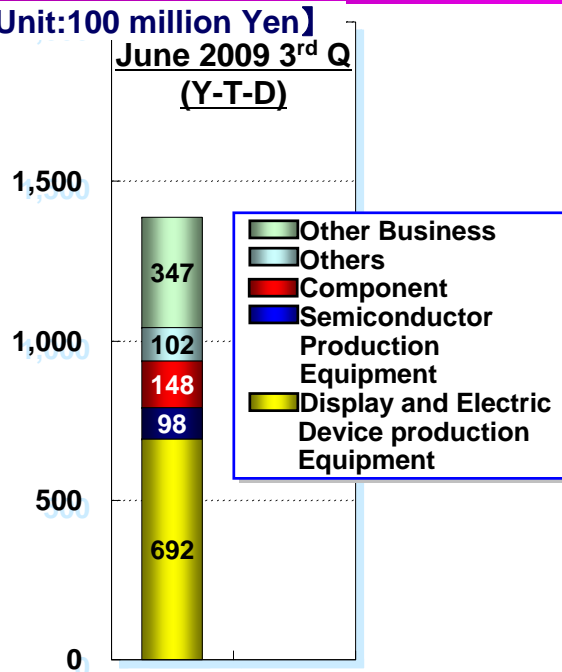
**in a vacuum**

**ULVAC**

# 3<sup>rd</sup> Quarter Order received by segment

Appendix

[Unit:100 million Yen]



09/6 3Q (Y-T-D)		
Segment	Order	%
Vacuum Related Business	1,040	75%
Display and Electronic Device Production Equipment	692	50%
Semiconductor Production Equipment	98	7%
Component	148	11%
Other	102	7%
Other Business	347	25%
<b>Total</b>	<b>1,387</b>	<b>100%</b>

10/6 3Q (Y-T-D)		
Segment	Order	%
Vacuum Equipment Business	1,436	81%
FPD production equipment	649	37%
PV production equipment	340	19%
Semiconductor and Electric device Production Equipment	200	11%
Component	167	9%
Industrial Equipment	80	5%
Vacuum Application Business	330	19%
Materials	157	9%
Other	173	10%
<b>Total</b>	<b>1,766</b>	<b>100%</b>

1Q		2Q		3Q	
Order	%	Order	%	Order	%
305	74%	675	87%	456	79%
160	39%	253	32%	236	41%
35	9%	246	32%	59	10%
42	10%	90	12%	67	12%
41	10%	63	8%	64	11%
26	6%	23	3%	30	5%
106	26%	104	13%	121	21%
50	12%	49	6%	58	10%
56	14%	55	7%	62	11%
<b>411</b>	<b>100%</b>	<b>778</b>	<b>100%</b>	<b>577</b>	<b>100%</b>

(Note)

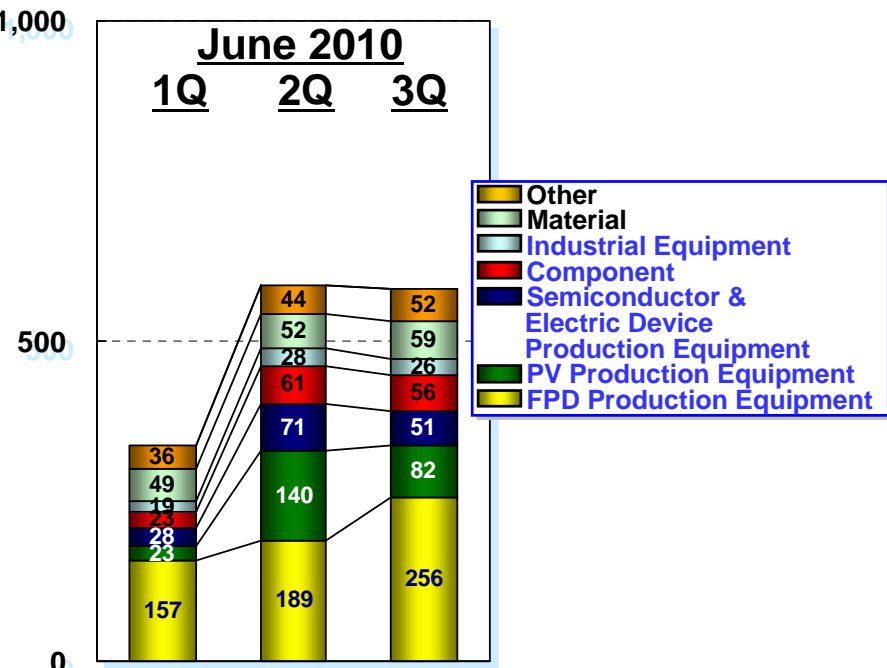
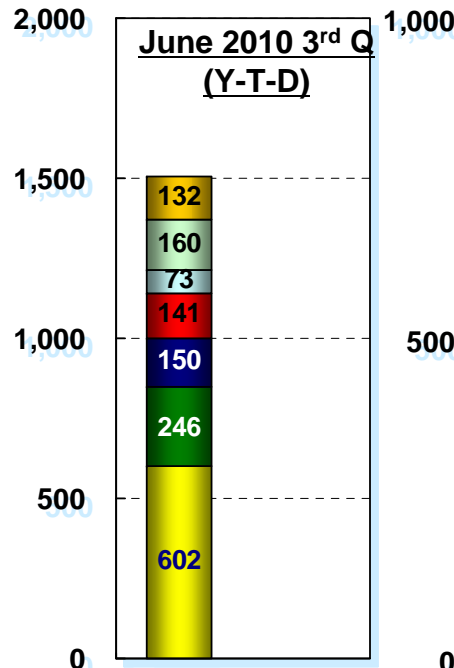
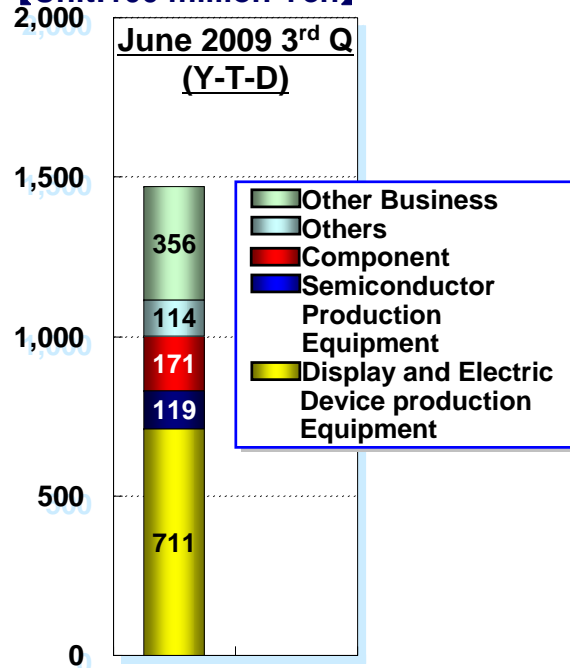
1) Business segment and sub-segment had changed from FY2009(June 2010).

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

### 3<sup>rd</sup> Quarter Net Sales by segment

**Appendix**

【Unit:100 million Yen】



09/6 3Q (Y-T-D)		
Segment	Sales	%
Vacuum Related Business	1,115	76%
Display and Electronic Device Production Equipment	711	48%
Semiconductor Production Equipment	119	8%
Component	171	12%
Other	114	8%
Other Business	356	24%
<b>Total</b>	<b>1,471</b>	<b>100%</b>

10/6 3Q(Y-T-D)		
Segment	Sales	%
Vacuum Equipment Business	1,212	81%
FPD production equipment	602	40%
PV production equipment	246	16%
Semiconductor and Electronics device Production Equipment	150	10%
Component	141	9%
Industrial Equipment	73	5%
Vacuum Application Business	292	19%
Materials	160	11%
Other	132	9%
<b>Total</b>	<b>1,504</b>	<b>100%</b>

1Q		2Q		3Q	
Sales	%	Sales	%	Sales	%
251	75%	490	83%	471	81%
157	47%	189	32%	256	44%
23	7%	140	24%	82	14%
28	8%	71	12%	51	9%
23	7%	61	10%	56	10%
19	6%	28	5%	26	4%
85	25%	97	17%	110	19%
49	14%	52	9%	59	10%
36	11%	44	8%	52	9%
<b>336</b>	<b>100%</b>	<b>586</b>	<b>100%</b>	<b>582</b>	<b>100%</b>

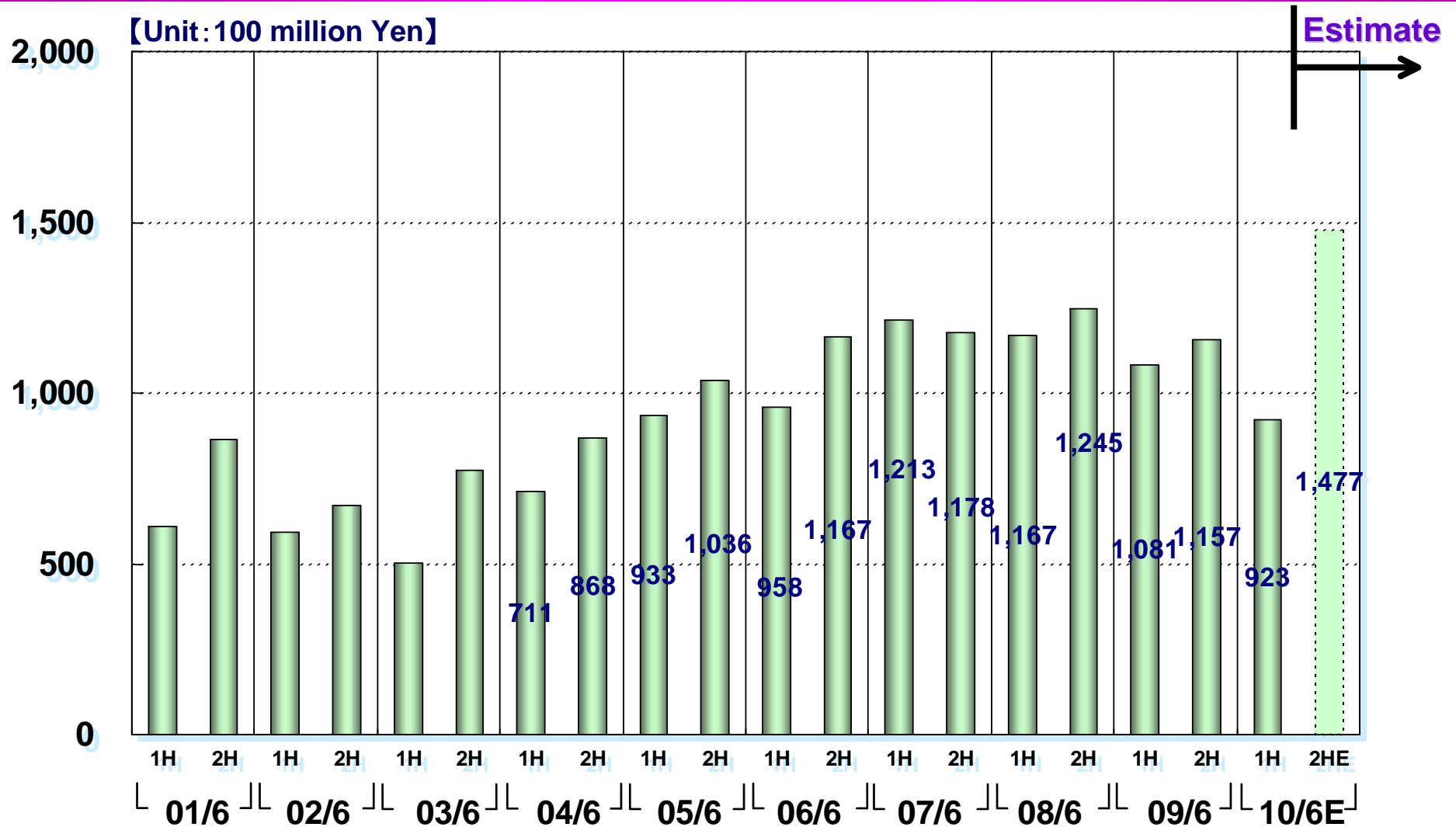
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# Transition of Net Sales - Estimate

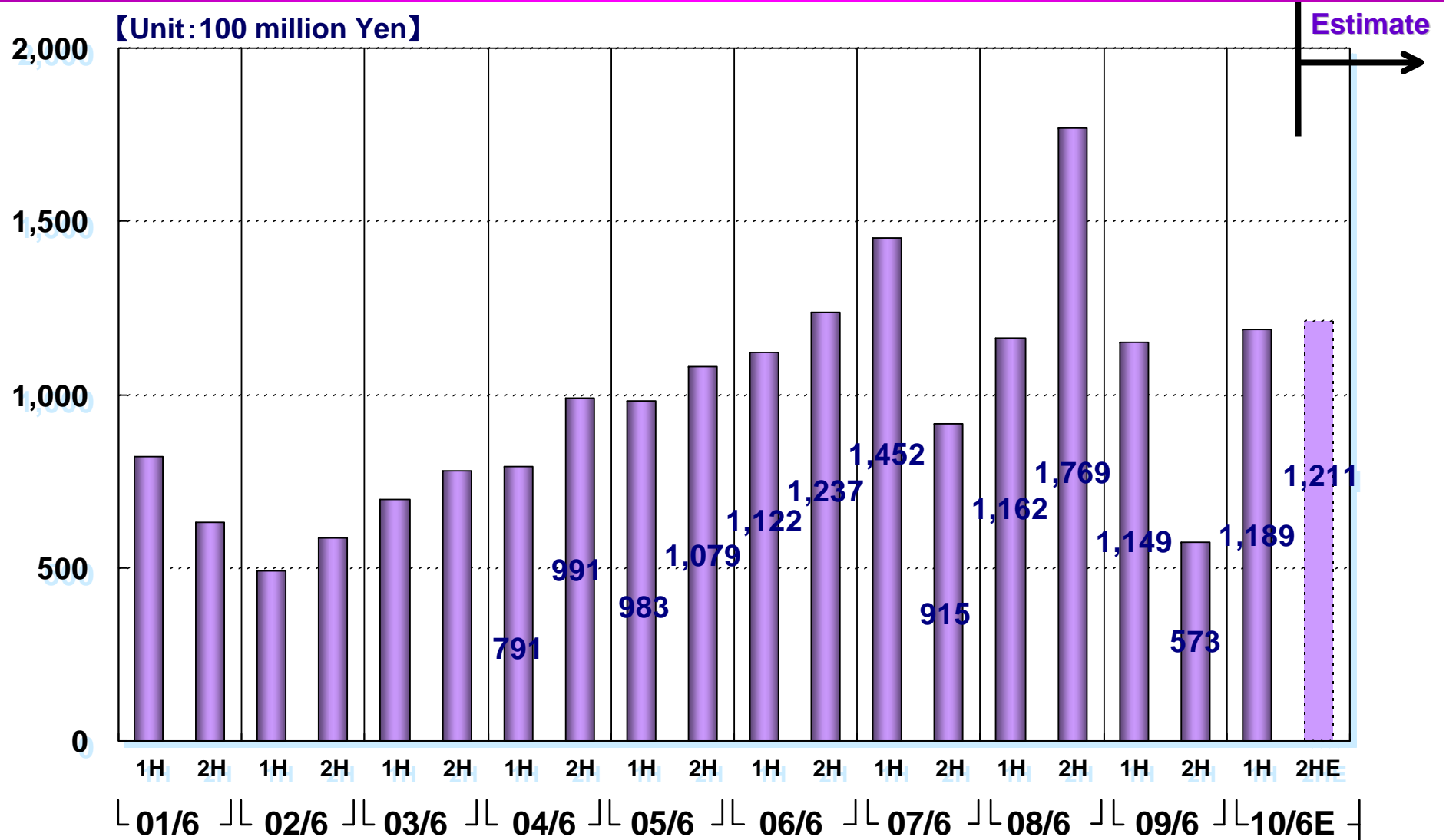
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**[Figures are rounded off to the first decimal place]**

# Transition of Orders received - Estimate

Appendix

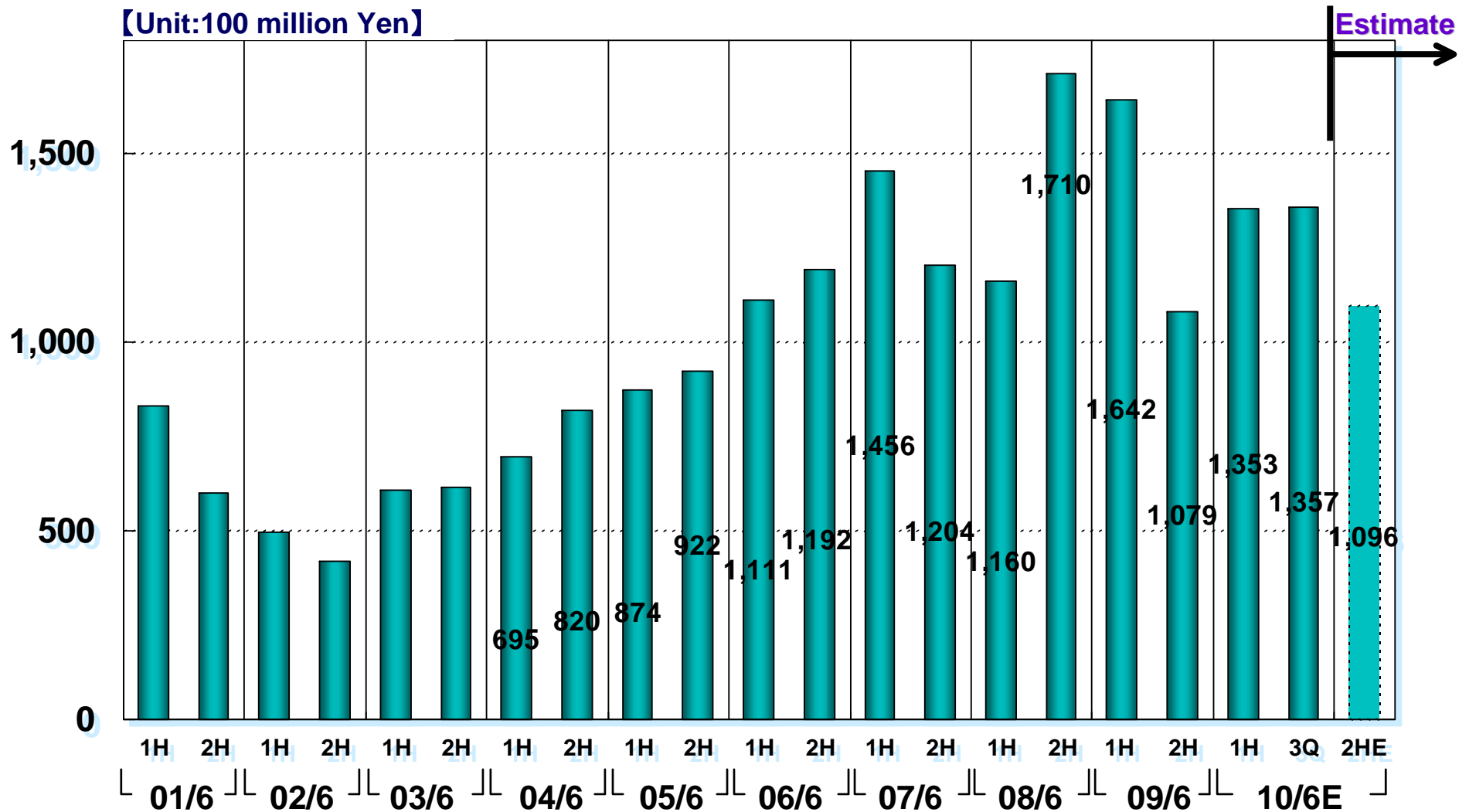


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# Transition of Orders Backlogs - Estimate

Appendix



**[Figures are rounded off to the first decimal place]**

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