

Innovation begins in a vacuum

【Code No:6728】

FY2014 3rd Quarter Business Result

(Year Ending June 30, 2015)

ULVAC, Inc.
14th May.,2015

- ◆ **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), Solar cell, semiconductor, 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, and electronic devices; 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

3rd Q(June '14)(Y-t-D)Result



3rd Q(June 2014) Result

Net sales: Down 3.6% on a year-over-year basis. However, progress regarding the full-year business forecast is close to what was expected (progress rate of 74% compared with the full-year forecast).

Operating profit: Down 32.9% on a year-over-year basis. However, progress regarding the full-year business forecast is better than originally expected because reduction in profit rate was small due to a reduction in manufacturing costs, etc. (This full year forecast was revised upward see page 10)

Ordinary profit and net income: Progress regarding the full-year business forecast is better than originally expected partly because non-operating income including foreign exchange gains and profits from the sale of inventories of the materials division exceeded the forecast. (This full year forecast was revised upward see page 10)

【Unit:Bn.Yen】

	June 2014 3Q (Y-T-D)	June 2015			June 2015 Full Year Revised *2
		Full Year Plan *1	3Q Result	Y-o-Y (Changes)	
Booking	125.7	170.0	123.8	-1.5%	176.0
Sales	133.9	175.0	129.1	-3.6%	175.0
Operating Profit	11.2	9.0	7.5	-32.9%	9.5
Ratio	8.4%	5.1%	5.8%		5.4%
Net Income	9.7	6.5	6.2	-36.7%	7.0
Ratio	7.3%	3.7%	4.8%		4.0%

※1 Figures announced on Aug 2014 (Original forecast)

※2 Figures announced on 14th May 2015

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

Sales and Operating profit (By quarterly base)

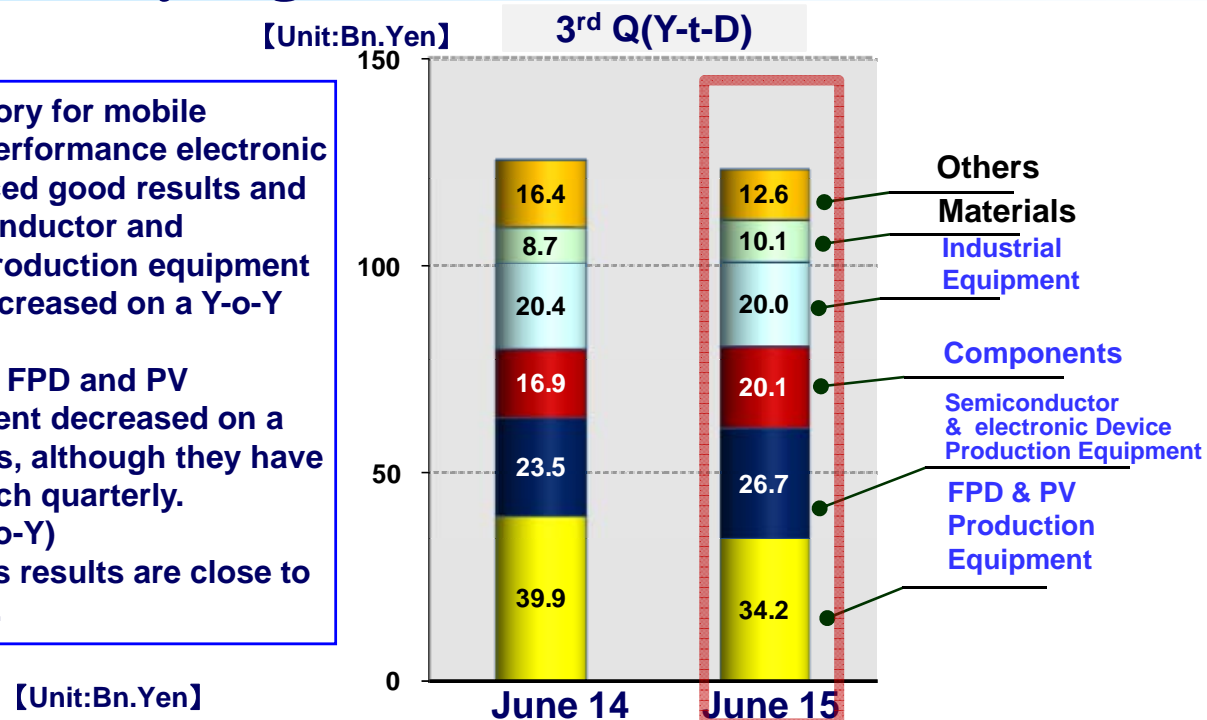


Orders Received by Segment

Investment in memory for mobile devices and high-performance electronic devices has produced good results and net sales of semiconductor and electronic device production equipment and components increased on a Y-o-Y basis.

Orders received for FPD and PV production equipment decreased on a year-over-year basis, although they have been recovering each quarterly. (increased on 3QY-o-Y)

Overall, actual sales results are close to what was expected.



June 2013 3Q (Y-T-D)			June 2014 3Q (Y-T-D)			Y-o-Y (Changes)
Segment	Order	%	Segment	Order	%	
Vacuum Equipment Business	100.7	80%	Vacuum Equipment Business	101.0	82%	0%
FPD and PV production equipment	39.9	32%	FPD and PV production equipment	34.2	28%	-14%
Semiconductor and Electronic device Production Equipment	23.5	19%	Semiconductor and Electronic device Production Equipment	26.7	22%	13%
Component	16.9	13%	Component	20.1	16%	19%
Industrial Equipment	20.4	16%	Industrial Equipment	20.0	16%	-2%
Vacuum Application Business	25.1	20%	Vacuum Application Business	22.8	18%	-9%
Materials	8.7	7%	Materials	10.1	8%	16%
Others	16.4	13%	Others	12.6	10%	-23%
Total	125.7	100%	Total	123.8	100%	-2%

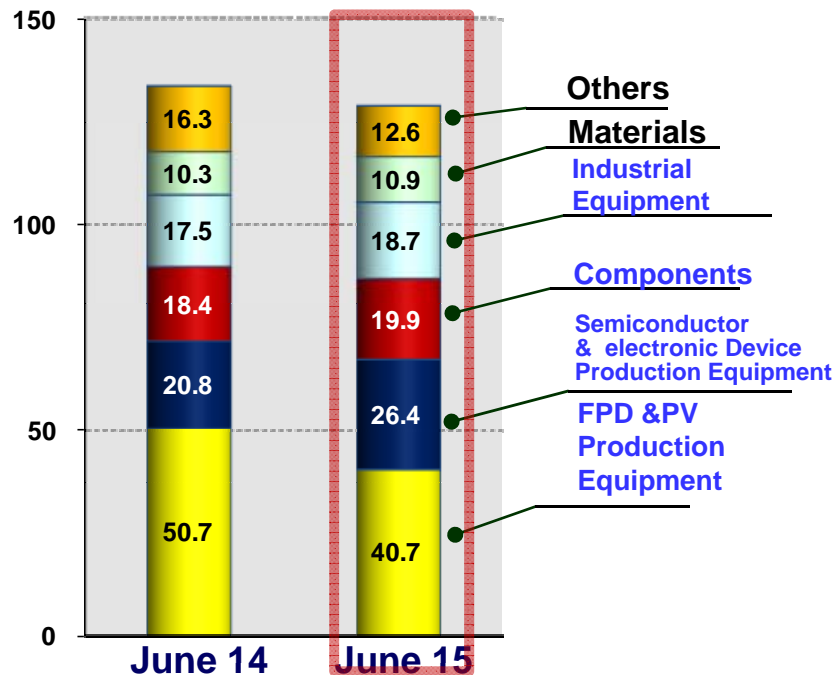
[Figures are rounded off to the nearest unit, and rates are rounded off to the nearest unit after being determined in millions of yen]

Net sales by Segment

Net sales of semiconductor and electronic device production equipment, components, and industrial equipment continued to be favorable and increased on a year-over-year basis. Orders received for FPD and PV production equipment decreased on a year-over-year basis, affected by a temporarily slump in receiving orders in the 1st quarter of this year. Overall, actual sales results are close to what was expected.

[Unit:Bn.Yen]

3rd Q(Y-t-D)



[Unit:Bn.Yen]

June 2014 3Q (Y-T-D)		
Segment	Sales	%
Vacuum Equipment Business	107.3	80%
FPD and PV production equipment	50.7	38%
Semiconductor and Electronic device Production Equipment	20.8	16%
Component	18.4	14%
Industrial Equipment	17.5	13%
Vacuum Application Business	26.6	20%
Materials	10.3	8%
Others	16.3	12%
Total	133.9	100%

June 2015 3Q (Y-T-D)			Y-o-Y (Changes)
Segment	Sales	%	
Vacuum Equipment Business	105.6	82%	-2%
FPD and PV production equipment	40.7	32%	-20%
Semiconductor and Electronic device Production Equipment	26.4	20%	27%
Component	19.9	15%	8%
Industrial Equipment	18.7	14%	7%
Vacuum Application Business	23.5	18%	-12%
Materials	10.9	8%	5%
Others	12.6	10%	-22%
Total	129.1	100%	-4%

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

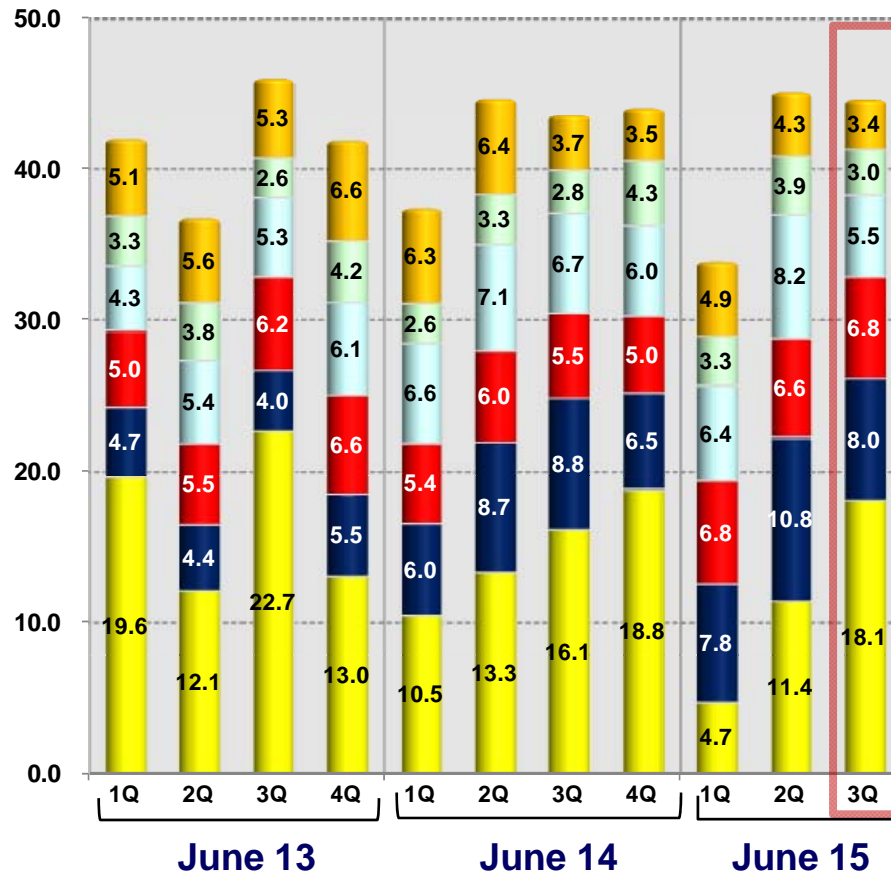
Orders Received and Net sales by Segment(Quarterly base)

In the 3rd quarter, orders received for FPD and PV production equipment recovered, mainly for medium and small liquid crystal display.

- FPD & PV Production Equipment
- Semiconductor & Electronic Device Production Equipment
- Components
- Industrial Equipment
- Others
- Materials

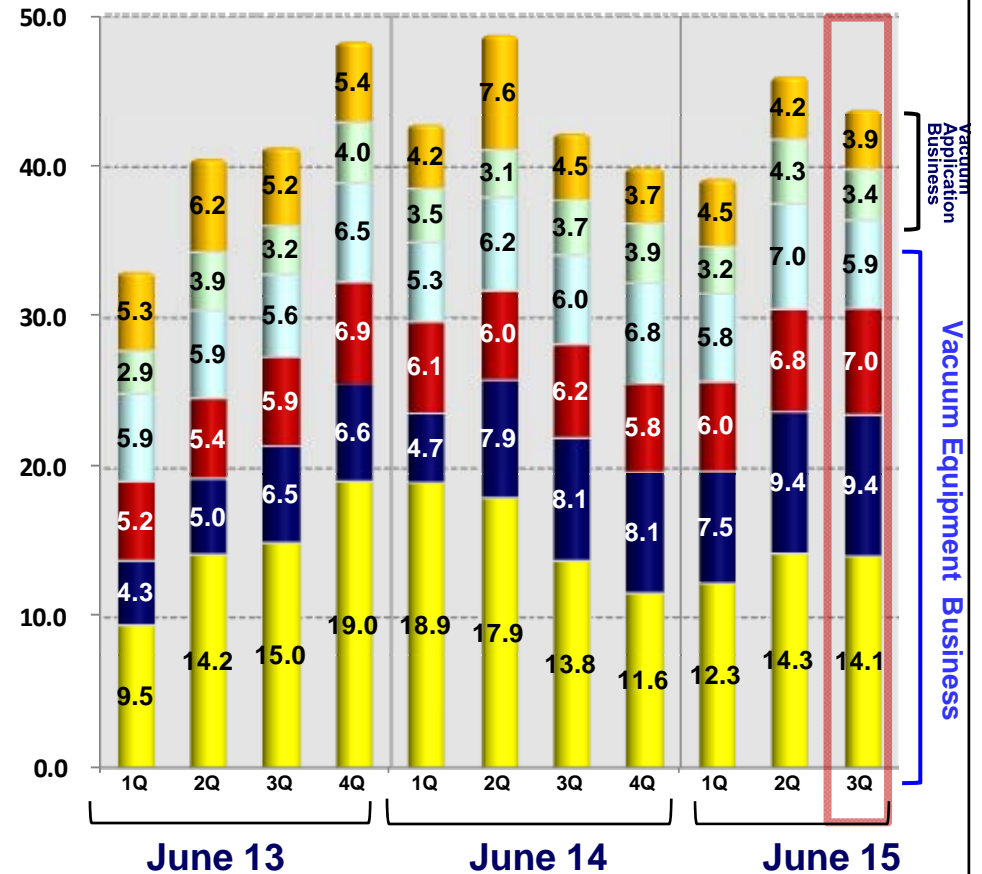
Orders received

[Unit:Bn.Yen]



Net sales

[Unit:Bn.Yen]

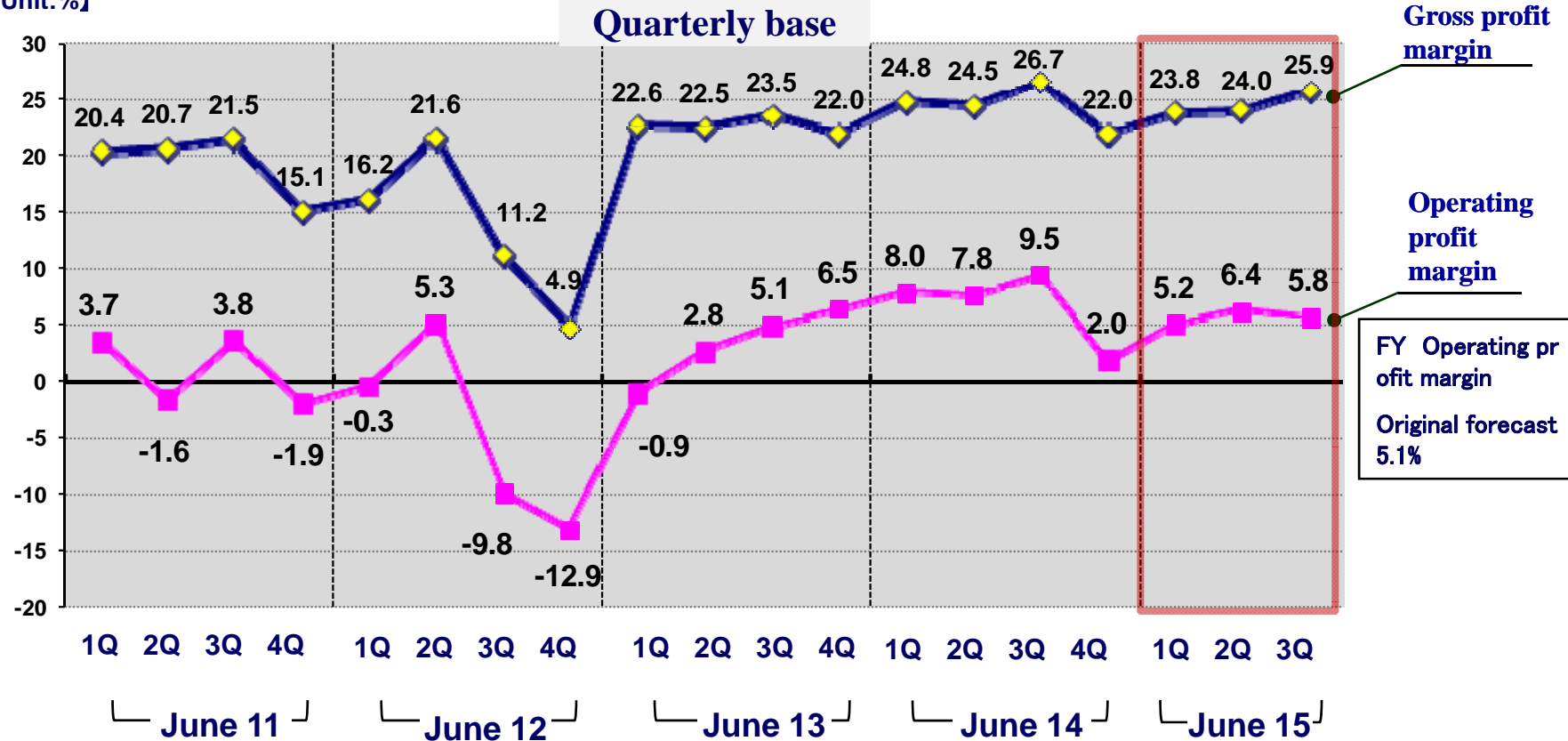


[Figures are rounded off to the nearest unit, and rates are rounded off to the nearest unit after being determined in millions of yen]

Profitability (Quarterly base)

It was expected that the operating profit margin would decrease this year considering the reaction to many high-margin orders received last year (FY ended June 2014) and fierce competition mainly in China. However, due to a reduction in manufacturing costs, etc., sales were not affected so significantly compared to the forecast.

[Unit:%]

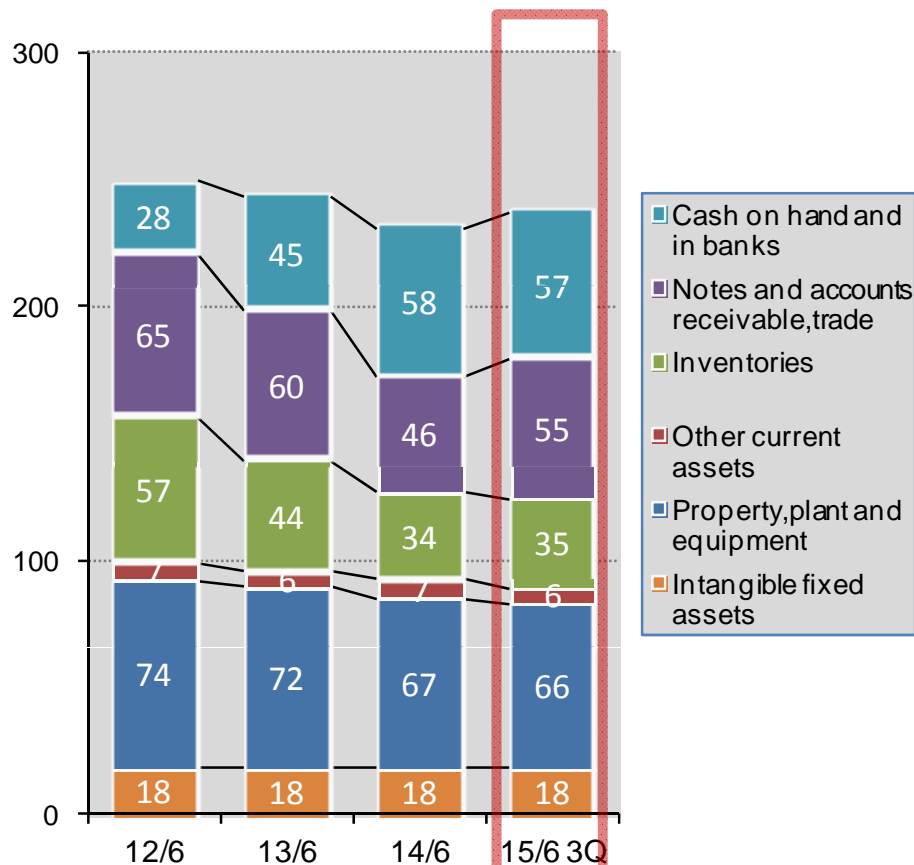


[Figures are rounded off to the first decimal place]

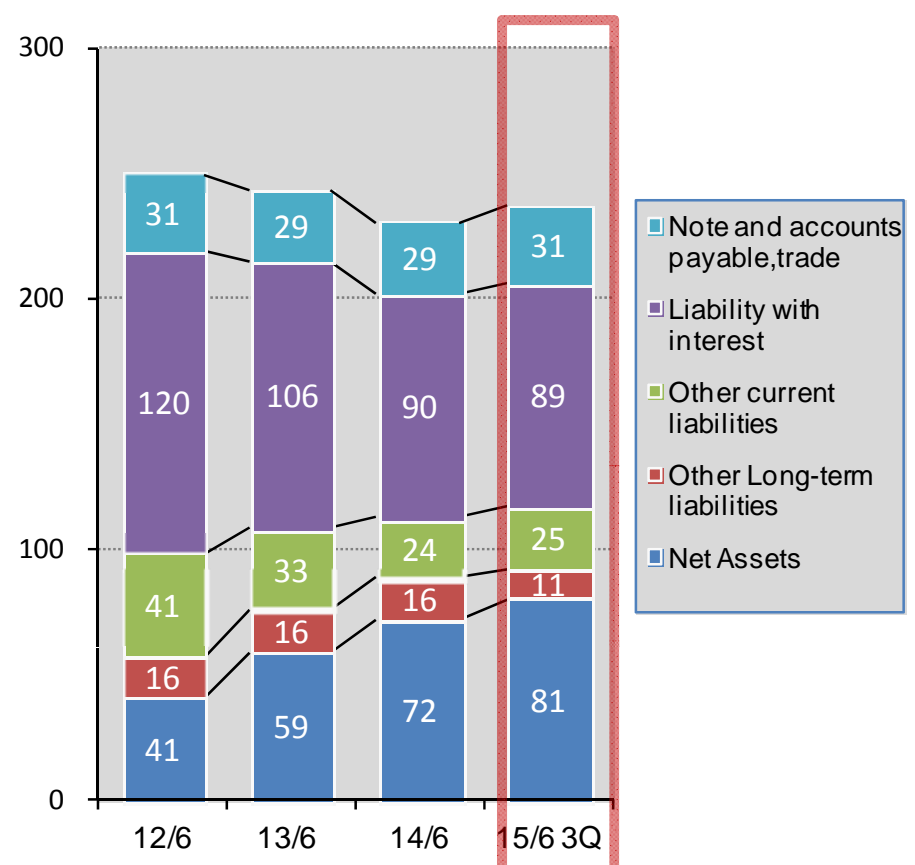
Balance sheet

As a result of notes and accounts receivable (trade), inventory, and notes and accounts payable (trade) increased, recent increases in net sales.
 Net assets increased by 8.5 billion yen.

[Unit:Bn.Yen] **Asset**



Liabilities and Net assets



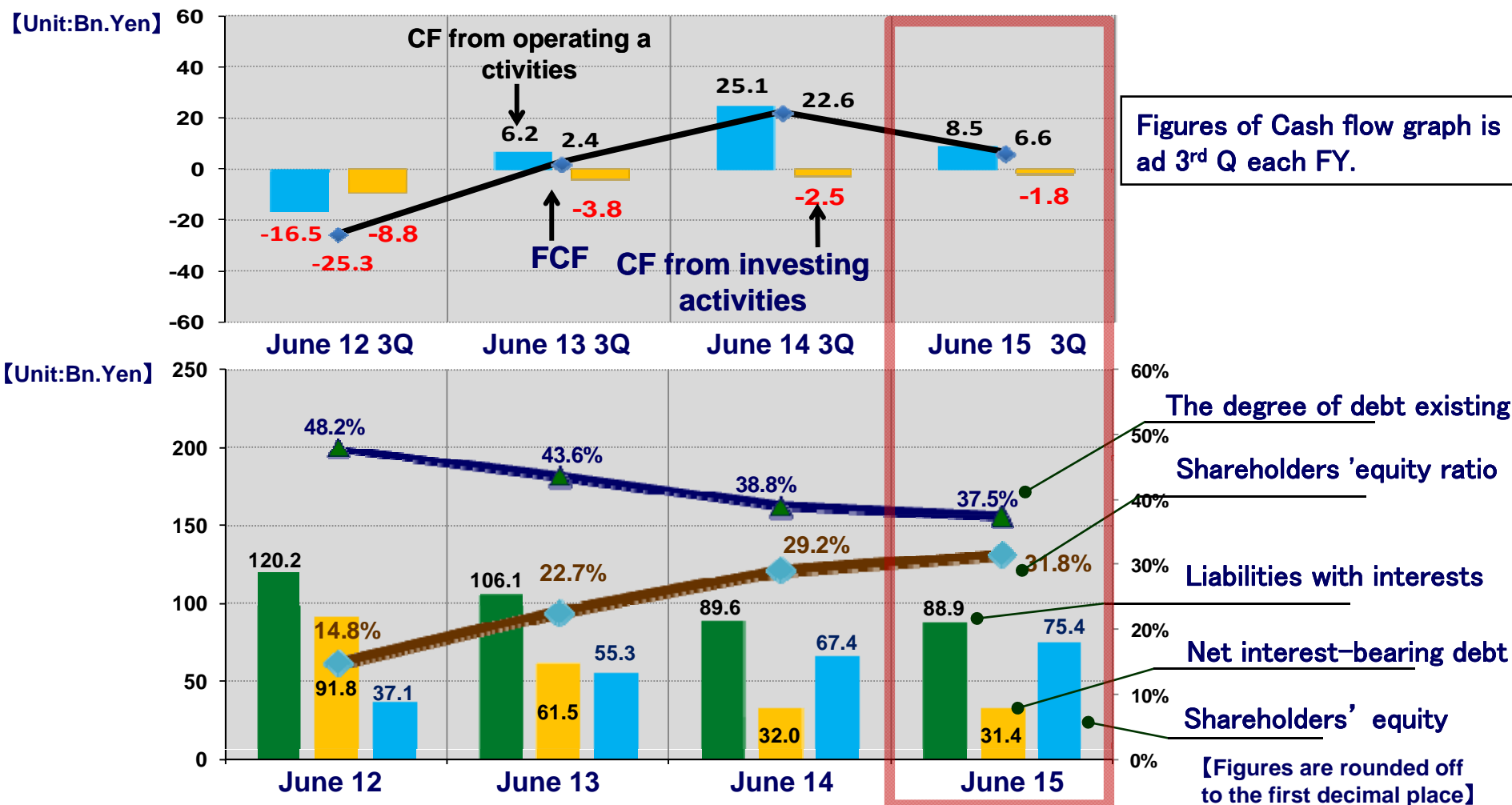
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3rd Q(June '14)(Y-t-D)Result



Cash Flow and Liabilities with interests

Equity ratio improved to 31.8%. Cash flow from operating activities and free cash flow were slightly in the black. In the 2nd quarter, Class A shares (principal = 5 billion yen) were partially redeemed.



Forecast of June 2015 Full Year

Orders received: Towards 4Q, An increase of order is expected in the FPD·PV production equipment segment resulting to change orders received to 176 billion yen.(Increase of 6 billion yen from the previous forecast)

Operating profit: Taking into the possibility of additional custom duties(It is a transient) in an overseas subsidiary toward our fiscal year-end, Operating profit is revised upward to 9.5 billion yen because profit margin has been higher than expected.(Increase of 0.5 billion yen from the previous forecast)

Ordinary income, net income: The 3Q total foreign exchange and inventory sales non-operating income gain has exceeded expectation therefore the ordinary income is revised upward to 10.5 billion yen (increase of 2 billion yen from the previous forecast), net income is also revised upward to 7 billion yen (increase of 0.5 billion yen from the previous forecast).

[Unit:Bn.Yen]

	June 2015		
	3Q Result (Y-t-D)	Full Year	
		Plan	Revised
Booking	123.8	170.0	176.0
Sales	129.1	175.0	175.0
Operating Profit	7.5	9.0	9.5
Ratio	5.8%	5.1%	5.4%
Net Income	6.2	6.5	7.0
Ratio	4.8%	3.7%	4.0%

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

Redeem the preferred Shares



Redeem the Preferred Shares

• Transition of Class A classified stock

- Sep 2012 Issued (15 billion yen)
- Nov 2014 Cash redemption the principal 5 billion yen (balance 10 billion yen)
- Jul 2015 (this time) Cash redemption the principal 10 billion yen (balance 0)

• The consolidated capital adequacy (the equity ratio) increased and free cash flows accumulated (the net debt equity ratio improved). Thus the financial position has improved to a certain extent (improved more than expected at the time of issuance).

⇒ We have decided that the total remaining amount of 10 billion yen will be redeemed in cash.

	June 2012 (before issued)	Assumption at Issued June 2015 (after redemption) (Note 2)	June 2015 Estimate	This time After redemption (Note3)
Shareholders' equity ratio	14.8%	22.1%	32.6%	29.0%
Net debt equity ratio	2.48times	0.74times	0.43times	0.69times
		Assumption at Issued (Note2)	June 2015 Estimate	
Free Cash flow (Cumulative total from July 2012 through June15)		29.9 billion yen	53.2 billion yen	

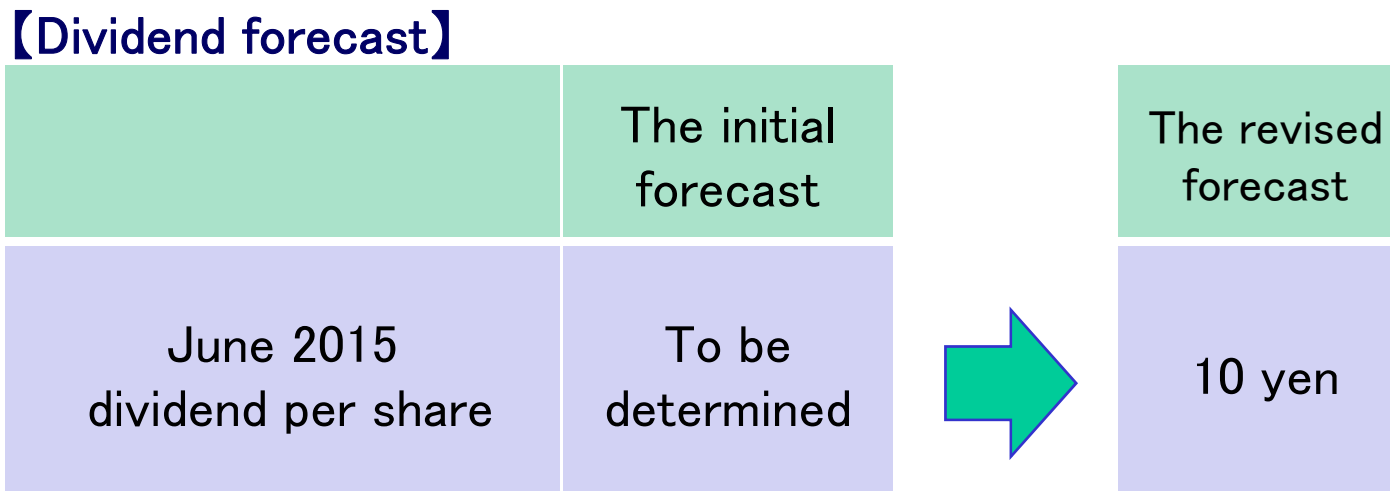
(Note 1) all consolidated data

(Note 2) Excerpt of June 2012 Business results presentation (14th Aug. 2012)

(Note 3) Redemption scheduled date 3rd July 2015

Resumption of dividends of common stock

- For the period ending June 2015, we expect to secure a certain level of net income. (See Page10)
 - We have decided that all the remaining Class A classified stock will be redeemed in cash. (See Page11)
- ⇒ For common shares, the dividend per share which had been left undetermined has been revised to 10 yen as we have judged that prospects are good for resuming dividend payments.
- (This matter will be submitted to the general meeting of shareholders to be held in late September 2015.)



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