



<u>Doc. No.: NR061116-1E</u> November 16, 2006

New factory for flat panel display manufacturing equipment completed Facility will support production and quality testing of manufacturing equipment for 8th and future generation glass substrates

The FPD Equipment Company (President: Yoshinari Yaoi) of Dainippon Screen Mfg. Co., Ltd. (Head-quarters: Kyoto, Japan) has recently completed construction of a new flat panel display (hereafter referred to as "FPD") manufacturing equipment factory within SCREEN's existing Hikone plant (480-1 Takamiya-cho, Hikone, Shiga), after breaking ground in May 2006. This new factory, which is known as "CS-1", will commence operations on November 17.

As flat panel televisions become more common, fierce price competition and the need for larger screens are expected to contribute to increased capital expenditure within the FPD industry, as the business moves towards the production of 40 to 50-inch class large-size panels. FPD manufacturing equipment makers are focused on enhancing their production systems and developing manufacturing equipment suitable for 8th generation panel sizes, to meet these emerging needs.

After investigating industry trends, SCREEN decided to construct a fifth FPD manufacturing equipment production factory, and the result is the new CS-1. This new factory will be used mainly for quality testing, demonstrations, and production of coater/developer equipment for TFT liquid-crystal display panels with 8th generation glass substrates. CS-1 features a large clean room measuring 50 meters in width and 85 meters in length, with a ceiling height of 6 meters, which can house two production lines for 8th generation equipment, each occupying 2,000 square meters of production space. CS-1 has been constructed without central pillars to enable a wider range of equipment layout variations and ensure the flexibility required to accommodate the production of the 9th generation large-scale panel manufacturing equipment that is likely to be necessary in the not-too-distant future.

Completion of the new CS-1 will increase SCREEN's FPD manufacturing equipment production space by a factor of 1.6. This new space will contribute to the creation of an expanded production equipment lineup and ensure that a diverse range of products can be provided to panel manufacturers in a timely manner. CS-1 is also environmentally friendly and features a DI water recovery and recycling system.

SCREEN, which produces the industry's leading coater/developer as well as a diverse range of other products, aims to increase its competitive edge with this new factory, and looks forward to strengthening its position within the FPD industry.





CS-1Please download the photo from http://www.screen.co.jp/press/nr-photo/indexE.html

New Factory Overview

Name: Hikone Plant CS-1

"CS" stands for "Crystal Square". It also reflects SCREEN's desire to generate contin-

ued Customer Satisfaction with the products created at this new factory.

Location: 480-1 Takamiya-cho, Hikone, Shiga Size of Site: Approximately 8,100 square meters

(The total area of the Hikone plant is approximately 144,300 square meters)

Building Footprint: Approximately 6,400 square meters Floor Space: Approximately 6,800 square meters

Building Type: Steel structure, single story building (with some 2-story sections)

Cost: Approximately 1.5 billion yen

Start of Operations: November 2006

Intended Use: Quality testing and production of FPD manufacturing equipment