

Business Results & Forecast

The Third Quarter Ended December 31, 2014

Feb. 9, 2015

SCREEN Holdings Co., Ltd.

Managing Director & CFO
Yoichi Kondo

Cautionary statement with respect to these materials;

The earnings forecasts contained in these materials and communicated verbally, are made in accordance with currently available information and rational assumptions. SCREEN Holdings does not promise that the forecasts or estimates will be accurate. Therefore, it should be noted that actual results could differ significantly due to a variety of factors.

Figures have been rounded down to eliminate amounts less than ¥100 million, except per share figures.



Agenda

1. FY2015 3Q Business Results
2. Business Situation in 3 Segments <SE, GP, FT>
3. Financial Situation
4. FY2015 Business Forecast
5. Overview

FY2015 3Q Business Results (Consolidated)

| (Unit : Billions of JPY) | FY2014 | | | | | FY2015 | | | | |
|----------------------------|--------|-------|-------|----------|-------|--------|-------|-------|----------|----------|
| | Result | | | | | Result | | | | Y/Y |
| | 1Q | 2Q | 3Q | 3Q total | 4Q | 1Q | 2Q | 3Q | 3Q total | 3Q total |
| Net sales | 59.3 | 51.8 | 52.1 | 163.2 | 72.6 | 52.4 | 60.0 | 49.8 | 162.3 | (0.9) |
| SE | 43.3 | 32.3 | 36.7 | 112.4 | 50.6 | 35.1 | 40.6 | 34.6 | 110.4 | (1.9) |
| GP | 11.6 | 12.4 | 11.7 | 35.8 | 16.2 | 12.1 | 15.0 | 12.1 | 39.4 | 3.5 |
| Graphic Arts Equip. (MT) | 10.0 | 10.4 | 10.1 | 30.7 | 13.2 | 10.2 | 12.7 | 10.4 | 33.3 | 2.6 |
| PCB Equip. (PE) | 1.5 | 1.9 | 1.6 | 5.1 | 3.0 | 1.9 | 2.3 | 1.7 | 6.0 | 0.8 |
| FT | 4.1 | 6.8 | 3.3 | 14.3 | 5.5 | 4.9 | 4.0 | 2.8 | 11.8 | (2.4) |
| Other | 0.1 | 0.2 | 0.2 | 0.6 | 0.2 | 0.1 | 0.1 | 0.1 | 0.5 | ▲0 |
| Operating income | 2.2 | 0.8 | 1.5 | 4.5 | 4.3 | 2.2 | 4.4 | 3.3 | 10.1 | 5.5 |
| SE | 2.1 | 0.7 | 1.8 | 4.7 | 3.9 | 2.9 | 3.3 | 4.0 | 10.3 | 5.5 |
| GP | 0.4 | 0.5 | 0.4 | 1.5 | 1.2 | 0.4 | 1.4 | 0.1 | 2.0 | 0.5 |
| FT | 0.1 | (0.1) | (0.2) | (0.2) | (0.1) | (0.4) | 0.2 | (0.8) | (1.0) | (0.8) |
| Other & Adjustments | (0.4) | (0.4) | (0.5) | (1.4) | (0.7) | (0.6) | (0.5) | 0.0 | (1.1) | 0.3 |
| Ordinary income | 2.2 | 0.3 | 1.4 | 4.0 | 4.3 | 2.3 | 4.2 | 2.8 | 9.3 | 5.2 |
| Net income | 1.6 | (0.1) | 0.6 | 2.2 | 3.1 | 1.5 | 3.1 | 3.1 | 7.8 | 5.5 |

*SE: Semiconductor solution business, GP: Graphic and precision solution business, FT: Finetech solution business

FY2015 3Q Business Results (Consolidated)

>>Year-on-year comparison

(Unit: Billions of JPY)

| | FY2014 3Q | | FY2015 3Q | | Difference (15/3 3Q - 14/3 3Q) | |
|------------------|--------------|--------|--------------|--------|-----------------------------------|--------|
| Net Sales | 52.1 | 100.0% | 49.8 | 100.0% | (2.2) | -4.4% |
| Operating Income | 1.5 | 2.9% | 3.3 | 6.8% | 1.8 | 122.2% |
| Ordinary Income | 1.4 | 2.8% | 2.8 | 5.7% | 1.3 | 92.9% |
| Net Income | 0.6 | 1.3% | 3.1 | 6.3% | 2.4 | 352.1% |

>>Comparison with the previous Quarter

(Unit: Billions of JPY)

| | FY2015 2Q | | FY2015 3Q | | Difference (15/3 3Q - 15/3 2Q) | |
|------------------|--------------|--------|--------------|--------|-----------------------------------|--------|
| Net Sales | 60.0 | 100.0% | 49.8 | 100.0% | (10.1) | -17.0% |
| Operating Income | 4.4 | 7.5% | 3.3 | 6.8% | (1.1) | -24.5% |
| Ordinary Income | 4.2 | 7.0% | 2.8 | 5.7% | (1.3) | -32.7% |
| Net Income | 3.1 | 5.2% | 3.1 | 6.3% | 0 | 1.2% |

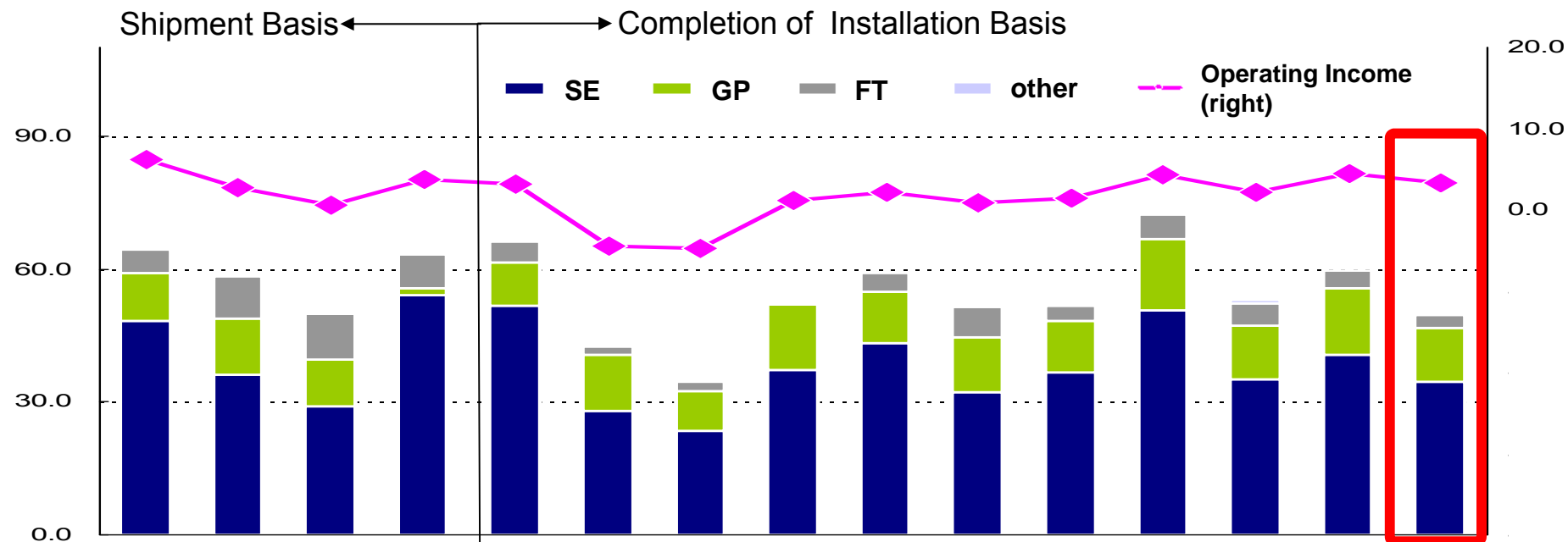
Quarterly Net Sales and Operating Income

(Consolidated)

Net Sales

(Unit : Billions of JPY)

Operating Income

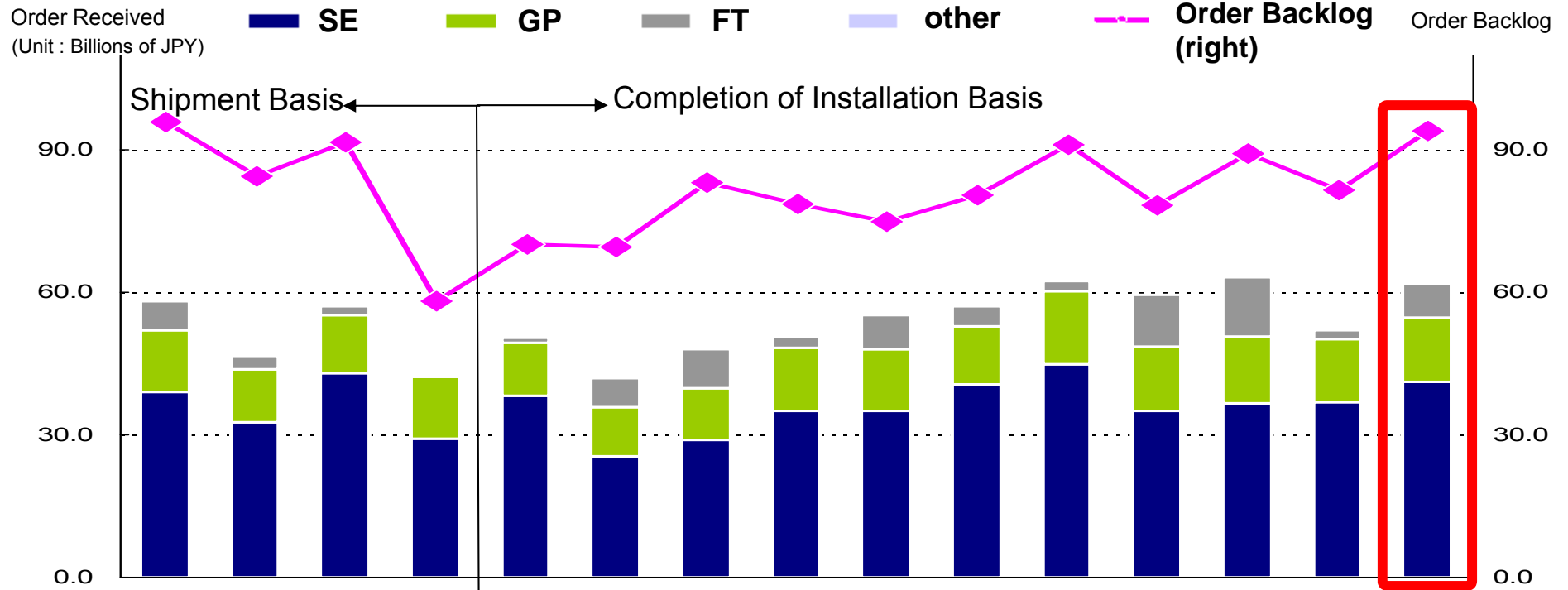


| Net Sales | FY2012 | | | | FY2013 | | | | FY2014 | | | | FY2015 | | |
|------------------|--------|------|------|------|--------|-------|-------|------|--------|------|------|------|--------|------|------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q |
| SE | 48.2 | 36.1 | 28.9 | 54.2 | 51.6 | 28.0 | 23.5 | 37.3 | 43.3 | 32.3 | 36.7 | 50.6 | 35.1 | 40.6 | 34.6 |
| GP | 11.0 | 12.8 | 10.6 | 14.6 | 9.9 | 12.5 | 9.0 | 14.7 | 11.6 | 12.4 | 11.7 | 16.2 | 12.1 | 15.0 | 12.1 |
| FT | 5.1 | 9.3 | 10.4 | 7.7 | 4.8 | 2.0 | 2.0 | 3.0 | 4.1 | 6.8 | 3.3 | 5.5 | 4.9 | 4.0 | 2.8 |
| Operating income | 6.2 | 2.7 | 0.6 | 3.8 | 3.1 | (4.4) | (4.8) | 1.2 | 2.2 | 0.8 | 1.5 | 4.3 | 2.2 | 4.4 | 3.3 |

* Amounts for FY2013 in SE and FT have been reclassified with amounts calculated applying retroactively completion of installation basis

Quarterly Orders Received and Order Backlog

(Consolidated)



| Orders Received | FY2012 | | | | FY2013 | | | | FY2014 | | | | FY2015 | | |
|-----------------|--------|------|------|------|--------|------|------|------|--------|------|------|------|--------|------|------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q | 4Q | 1Q | 2Q | 3Q |
| SE | 39.1 | 32.8 | 43.1 | 29.2 | 38.2 | 25.4 | 29.0 | 35.0 | 35.1 | 40.7 | 45.0 | 35.1 | 36.6 | 36.9 | 41.1 |
| GP | 12.9 | 11.1 | 12.1 | 13.1 | 11.2 | 10.5 | 10.8 | 13.4 | 12.9 | 12.2 | 15.3 | 13.4 | 14.1 | 13.2 | 13.7 |
| FT | 6.1 | 2.7 | 2.0 | 0.6 | 1.1 | 6.0 | 8.4 | 2.3 | 7.3 | 4.2 | 2.1 | 11.0 | 12.5 | 2.0 | 7.2 |
| Order Backlog | 96.0 | 84.4 | 91.7 | 58.1 | 70.1 | 69.5 | 83.1 | 78.7 | 75.0 | 80.6 | 91.2 | 78.4 | 89.3 | 81.7 | 94.1 |

* Amounts of order backlog for FY2013 in SE and FT have been reclassified with amounts calculated applying retroactively completion of installation basis

Business Environment <SE>

>>Year-on-year comparison

| (Unit: Billions of JPY) | FY2014 | | FY2015 | | Difference | |
|-------------------------|--------|--------|--------|--------|---------------------|--------|
| | 3Q | | 3Q | | (15/3 3Q - 14/3 3Q) | |
| Net Sales | 36.7 | 100.0% | 34.6 | 100.0% | (2.1) | -5.7% |
| Operating Income | 1.8 | 5.1% | 4.0 | 11.8% | 2.1 | 116.0% |

>>Comparison with the previous Quarter

| (Unit: Billions of JPY) | FY2015 | | FY2015 | | Difference | |
|-------------------------|--------|--------|--------|--------|---------------------|--------|
| | 2Q | | 3Q | | (15/3 3Q - 15/3 3Q) | |
| Net Sales | 40.6 | 100.0% | 34.6 | 100.0% | (5.9) | -14.7% |
| Operating Income | 3.3 | 8.2% | 4.0 | 11.8% | 0.7 | 21.9% |

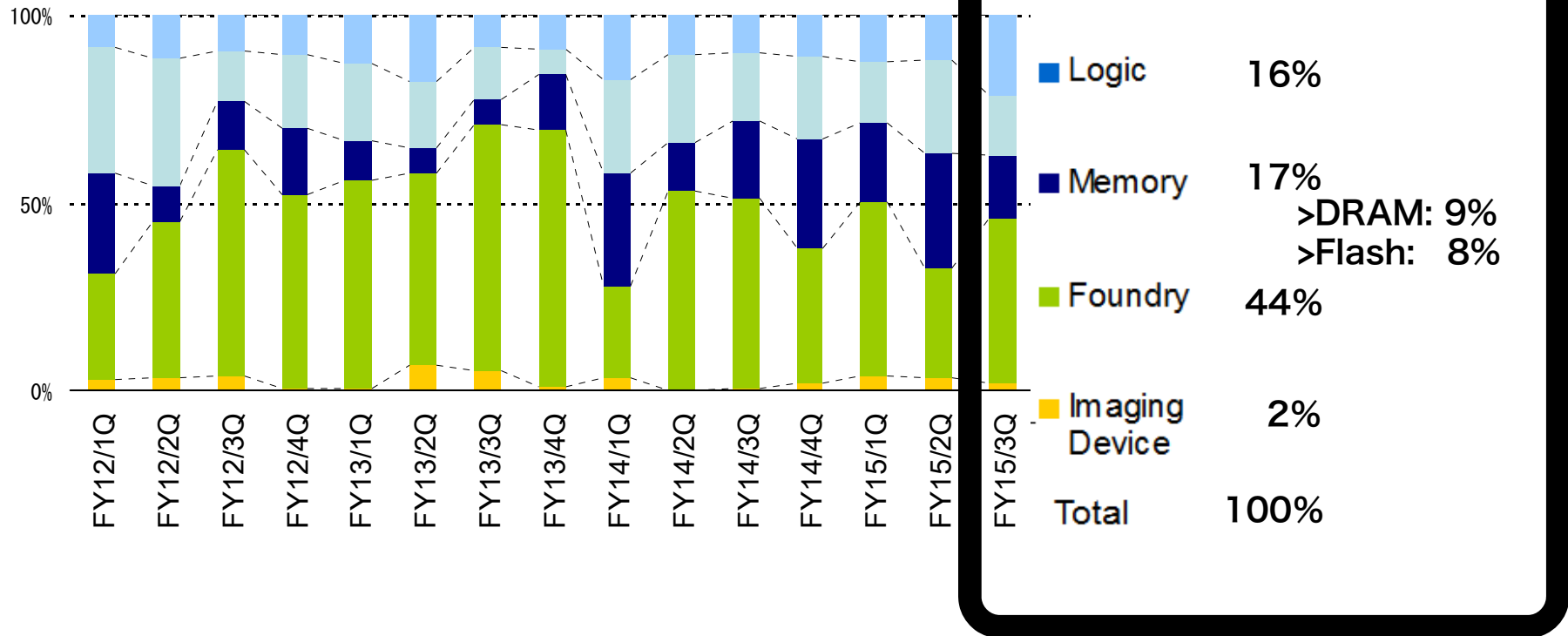
Topics>>

- Year-on-year / vs. Previous Q: Decreased sales and increased profit due to the improvement of variable cost ratio. 3Q operating income ratio rose to 11.8%.
- Orders received: Secured more than JPY 40 bn. orders while falling below Nov. forecast.
- Business environment: Investment steadily led by foundries. Memory makers are unlikely to slowdown significantly.

Quarterly Order Received Ratio by Device Application <SE>
(Nonconsolidated)

*3Q Order received (Consolidated) : JPY 41.1 bn.

>> Quarterly Order Received Ratio by Device Application
(Nonconsolidated)



>> FY2014 3Q orders by region
(Nonconsolidated)

*Parts are classified as Other from FY12/2Q



Business Environment <GP>

>>Year-on-year comparison

| (Unit: Billions of JPY) | FY2014 3Q | | FY2015 3Q | | Difference (15/3 3Q - 14/3 3Q) | |
|-------------------------|--------------|------|--------------|------|-----------------------------------|--------|
| | Net Sales | 11.7 | 100.0% | 12.1 | 100.0% | 0.4 |
| Operating Income | 0.4 | 4.2% | 0.1 | 1.3% | (0.3) | -68.6% |

>>Comparison with the previous Quarter

| (Unit: Billions of JPY) | FY2015 2Q | | FY2015 3Q | | Difference (15/3 3Q - 15/3 2Q) | |
|-------------------------|--------------|------|--------------|------|-----------------------------------|--------|
| | Net Sales | 15.0 | 100.0% | 12.1 | 100.0% | (2.8) |
| Operating Income | 1.4 | 9.7% | 0.1 | 1.3% | (1.3) | -89.5% |

Topics>>

- Sales: Increased by JPY 0.4 bn. 3Q year on year. For 9 months, increased by JPY 3.5 bn. (Previous fiscal year: JPY 35.8 bn. → Current fiscal year: JPY 39.4 bn.) CTP sales were firm in Japan. The effects of weakening yen had a positive impact.
- Operating income: Expect to increase again in 4Q while decreased compared with the previous Q (2Q).
- Business environment: MT: Expect an ongoing domestic demand for replacement of CTP over a few years. POD is relatively stable in North America and shows signs of recovery in Europe (Netherland, Belgium, and France, etc.).
PE: PCB production has been shifted to China and Southeast Asia.

Business Environment <FT>

>>Year-on-year comparison

| (Unit: Billions of JPY) | FY2014 3Q | | FY2015 3Q | | Difference (15/3 3Q - 14/3 3Q) | |
|-------------------------|--------------|-------|--------------|--------|-----------------------------------|-------|
| | Net Sales | 3.3 | 100.0% | 2.8 | 100.0% | (0.5) |
| Operating Income | (0.2) | -7.6% | (0.8) | -31.9% | (0.6) | - |

>>Comparison with the previous Quarter

| (Unit: Billions of JPY) | FY2015 2Q | | FY2015 3Q | | Difference (15/3 3Q - 15/3 2Q) | |
|-------------------------|--------------|------|--------------|--------|-----------------------------------|-------|
| | Net Sales | 4.0 | 100.0% | 2.8 | 100.0% | (1.2) |
| Operating Income | 0.2 | 5.3% | (0.8) | -31.9% | (1.1) | - |

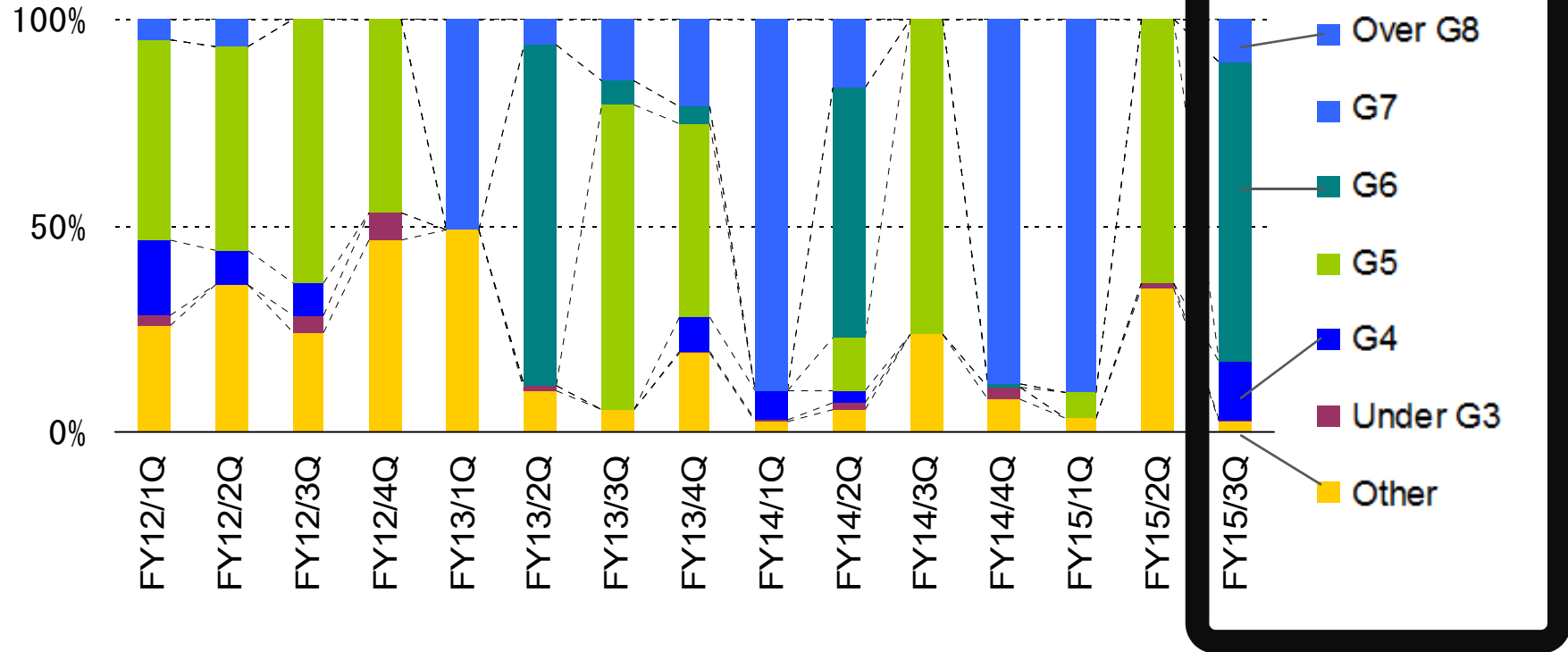
Topics>>

- Sales/profit: 3Q sales was the bottom of the current fiscal year. Production equipment for small- and medium-sized toward China was driving.
→ Expect a substantial recovery in 4Q (centered on production equipment for large-sized TV LCD panels toward China).
- Orders received: Operating profit deteriorated compared to the previous Q (2Q), due to sales decrease. Substantially increased compared to the previous Q (2Q) when taking a pause (within our assumption). Expect 4Q orders for small- and medium-sized (Taiwan, Japan).
- Business environment: Investment in China shows signs of a shift from large-sized panels to small- and medium-sized. Investment resumed in Taiwan.

Quarterly Order Received Ratio by Device Application <FT>
(Nonconsolidated)

*3Q Order received (Consolidated) : JPY 7.2 bn.

>> Quarterly Order Received Ratio by Device Application
(Nonconsolidated)



*Calculated by gross in FY12/4Q

>> FY2014 3Q orders by region
(Nonconsolidated)

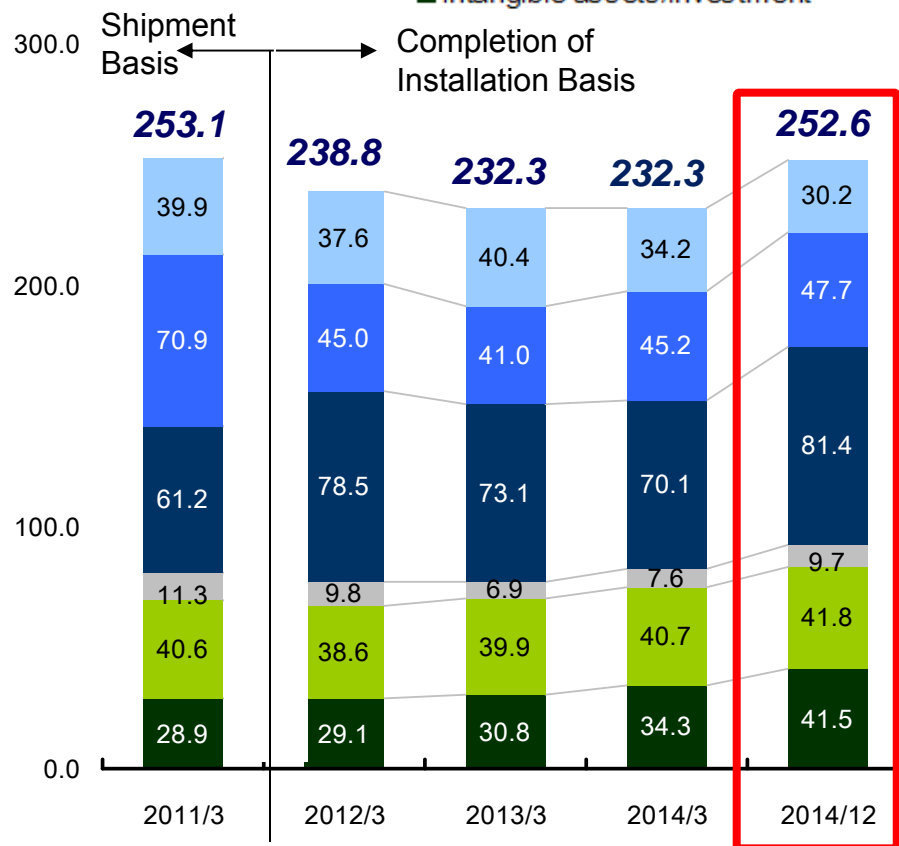


Trend in B/S (Consolidated)

Assets

(Unit: Billions of JPY)

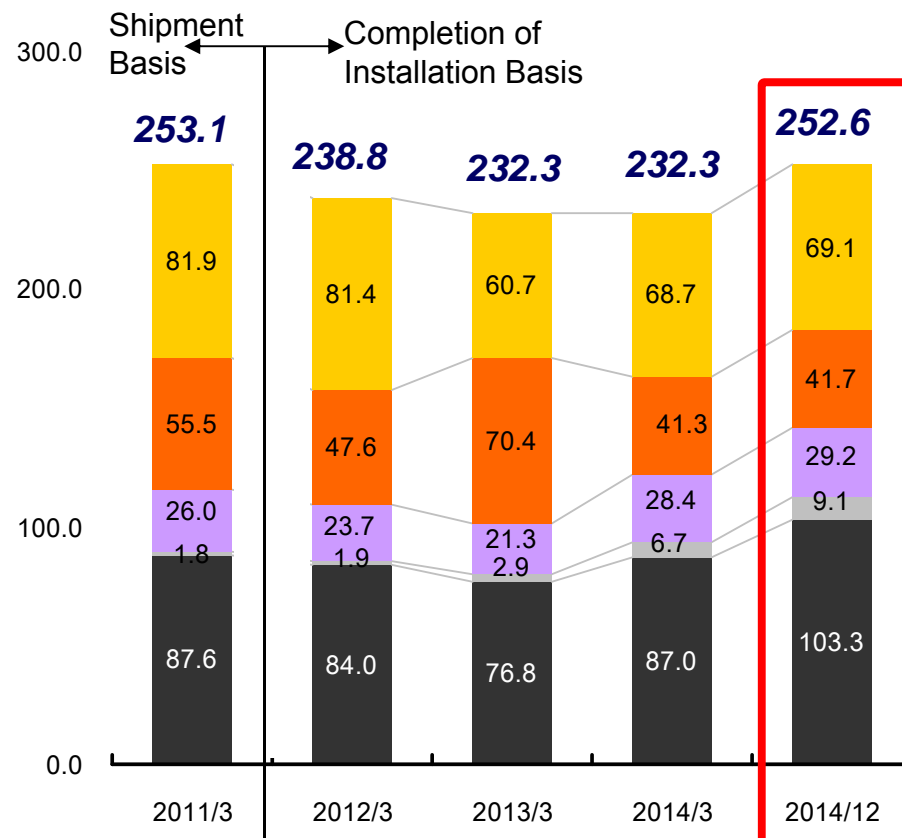
- Cash & time deposits
- Notes & accounts receivable
- Inventories
- Other current asset
- Property, plant & equipment
- Intangible assets/investment



Liabilities & Net Assets

(Unit: Billions of JPY)

- Notes & accounts payable
- Interest-bearing debt
- Other current liabilities
- Other noncurrent liabilities
- Net assets



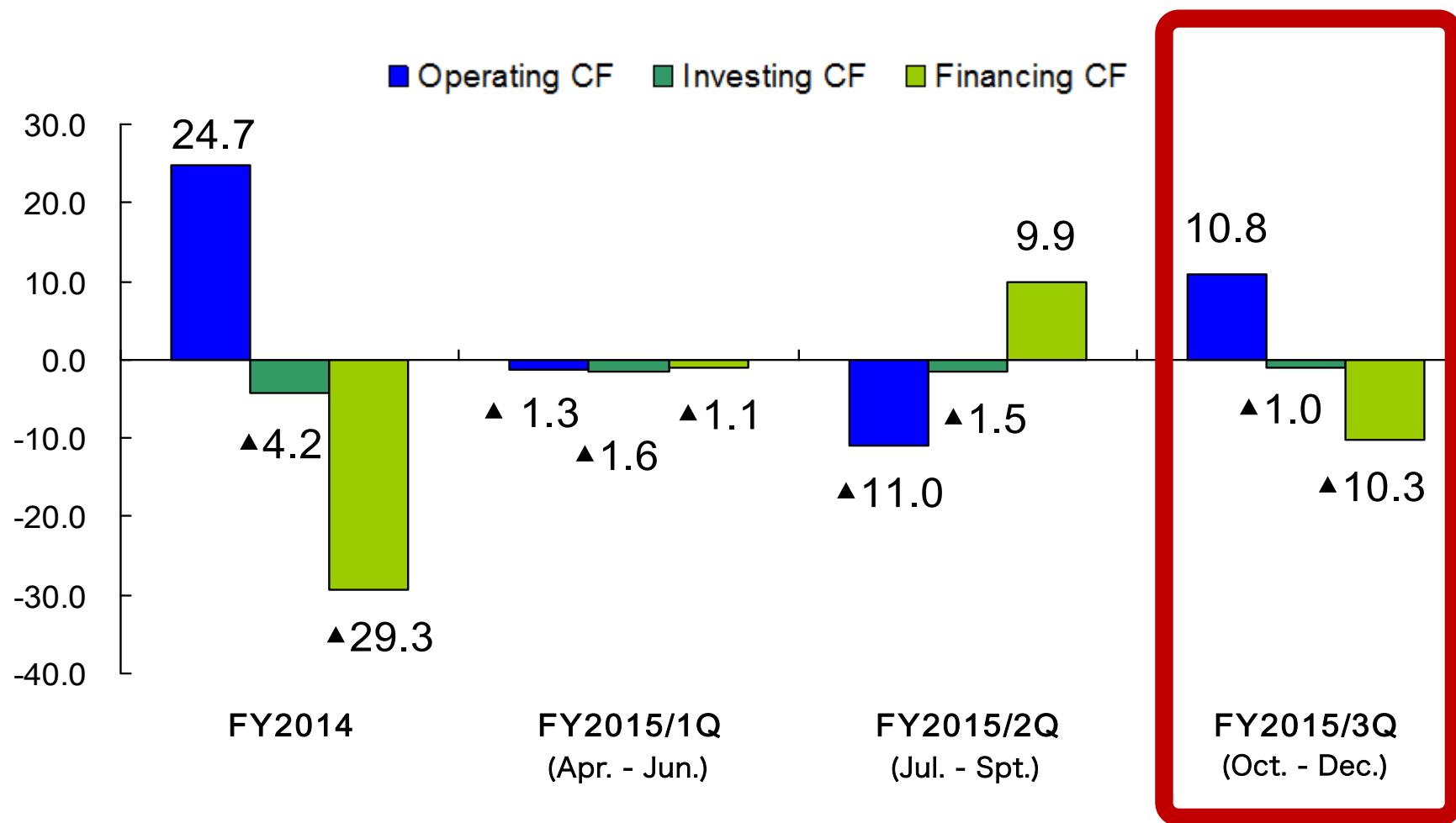
Equity Ratio 37.2% (2014/3) → 40.7% (2014/12)

* Amounts for 2012/3 and 2013/3 have been reclassified with amounts calculated applying retroactively completion of installation basis.

Cash Flows (Consolidated)

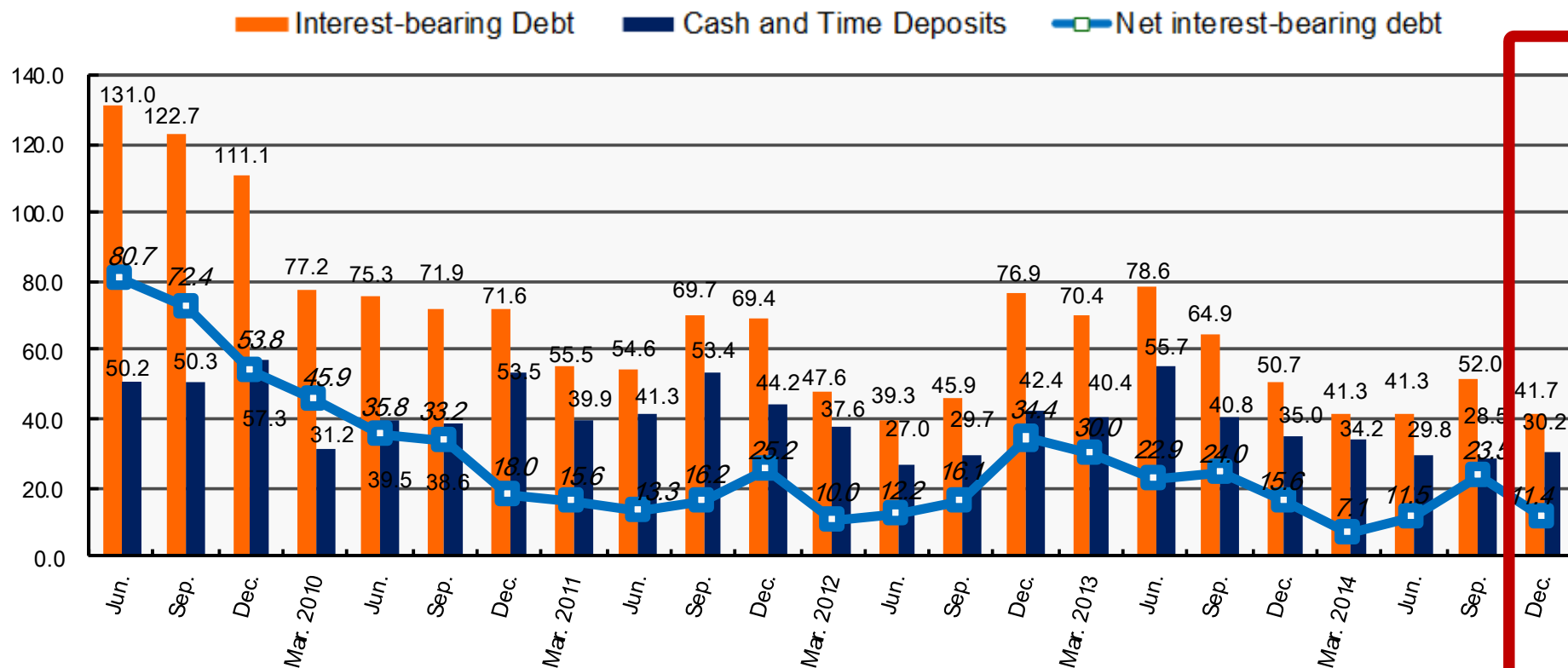
>> FY2015 3Q Total Free Cash Flow : JPY (5.8) bn.

(Unit : Billions of JPY)



Interest-bearing Debt (Consolidated)

(Unit: Billions of JPY)



>> FY2015 Dec. ■ Interest-bearing debt: JPY 41.7 bn.
 ■ Cash and time deposits: JPY 30.2 bn.
 ■ Net interest-bearing debt: JPY 11.4 bn.

Business Forecast for FY2015 (Consolidated)

(Unit : Billions of JPY)

| | FY2014 | FY2015 | | | | |
|-------------------------|--------|--------|-------------------|------------------|-------------------|------------------|
| | Full | 1st H | 2nd H Forecast | | Full Forecast | |
| | Result | Result | Forecast (Nov.10) | Forecast (Feb.9) | Forecast (Nov.10) | Forecast (Feb.9) |
| Net Sales | 235.9 | 112.4 | 129.5 | 125.5 | 242.0 | 238.0 |
| S E | 163.1 | 75.7 | 86.2 | 82.7 | 162.0 | 158.5 |
| G P* | 52.1 | 27.2 | 28.2 | 28.2 | 55.5 | 55.5 |
| F T* | 19.8 | 9.0 | 14.4 | 13.9 | 23.5 | 23.0 |
| O T | 0.8 | 0.3 | 0.6 | 0.6 | 1.0 | 1.0 |
| Operating income | 8.9 | 6.7 | 7.9 | 8.2 | 14.7 | 15.0 |
| [to net sales ratio] | 3.8% | 6.0% | 6.1% | 6.6% | 6.1% | 6.3% |
| Ordinary income | 8.3 | 6.5 | 7.6 | 7.6 | 14.2 | 14.2 |
| Net income | 5.4 | 4.6 | 6.5 | 6.5 | 11.2 | 11.2 |

·Assumed Exchange Rate (FY2015-4Q) >> USD1=110 yen, EUR1=135 yen

·Forecast of annual cash dividends for FY2015 >> JPY 5.00 per share (year-end cash dividend)

Unchanged from Nov. forecast

*Note) GP: Former "Media and Precision Technology (MP)" → Graphic and Precision Solutions (GP)

FT: Former "FPD Equipment (FE)" → Finetech Solutions (FT)

Overview

1. Improvement in profitability, year on year, for 9 months ended Dec. 31, 2014
2. Well-proceeded earnings structure reform
Improvement in SE operating income ratio
3. Strengthened financial standing
Improvement in equity ratio
4. Business forecast for FY2015 remains on par with the previous Nov. forecast.

➔ Under way to achieve Medium-term Management Plan

SCREEN

Fit your needs, Fit your future

