

Business Results & Forecast

The third quarter ended December 31, 2015

Feb. 8, 2016

SCREEN Holdings Co., Ltd.

Eiji Kakiuchi, President, COO

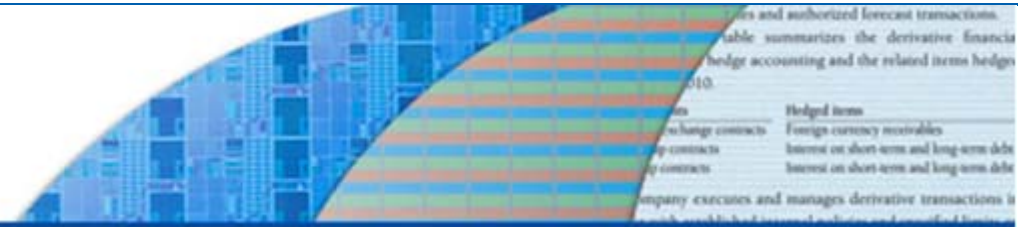
Cautionary statement with respect to these materials;

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. A ratio has been rounded off.



Agenda



1. FY2016 Q3 Business Results

2. Business Situation in 3 segments <SE, GP, FT>

3. Financial Situation

4. FY2016 Business Forecast

5. Our Latest Approaches

1. FY2016 Q3 Business Results

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FY2016 Q3 Business Results <Consolidated>

(Unit : Billions of JPY)

	FY2015					FY2016				Y/Y	
	Result					Result				Difference	
	Q1	Q2	Q3	Q3 total	Q4	Q1	Q2	Q3	Q3 total	3Q total	
Net sales	52.4	60.0	49.8	162.3	75.3	56.1	73.7	53.0	182.8	+20.5	+12.6%
SE	35.1	40.6	34.6	110.4	47.0	34.7	47.2	32.0	114.0	+3.5	+3.2%
GP	12.1	15.0	12.1	39.4	16.2	14.7	16.5	13.8	45.1	+5.7	+14.5%
Graphic Arts Equip. (GA)	10.2	12.7	10.4	33.3	13.3	12.6	14.0	12.4	39.2	+5.8	+17.6%
PCB Equip. (PE)	1.9	2.3	1.7	6.0	2.8	2.0	2.5	1.3	5.9	(0.1)	-2.4%
FT	4.9	4.0	2.8	11.8	11.9	6.3	9.6	6.9	22.8	+10.9	+92.7%
Other	0.1	0.1	0.1	0.5	0.1	0.3	0.2	0.2	0.7	+0.2	+43.5%
Operating income	2.2	4.4	3.3	10.1	7.0	3.2	7.5	4.1	14.9	+4.8	+47.8%
[to net sales ratio]	4.3%	7.5%	6.8%	6.2%	9.3%	5.9%	10.2%	7.9%	8.2%	-	2.0pt
SE	2.9	3.3	4.0	10.3	5.4	2.1	5.8	3.0	10.9	+0.6	+6.1%
GP	0.4	1.4	0.1	2.0	0.7	0.9	0.7	0.4	2.2	+0.1	+8.9%
FT	(0.4)	0.2	(0.8)	(1.0)	1.4	0.1	1.4	0.6	2.2	+3.3	-
Other & Adjustments	(0.6)	(0.5)	0.0	(1.1)	(0.5)	0.0	(0.4)	0.0	(0.4)	+0.7	-
Ordinary income	2.3	4.2	2.8	9.3	6.7	3.4	7.1	4.1	14.7	5.3	+57.3%
Profit attributable to owners of parent	1.5	3.1	3.1	7.8	4.3	2.2	6.2	3.4	11.9	4.1	+53.3%

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

FY2016 Q3 Business Results <Consolidated>

>>Year-on-year comparison

(Unit: Billions of JPY)

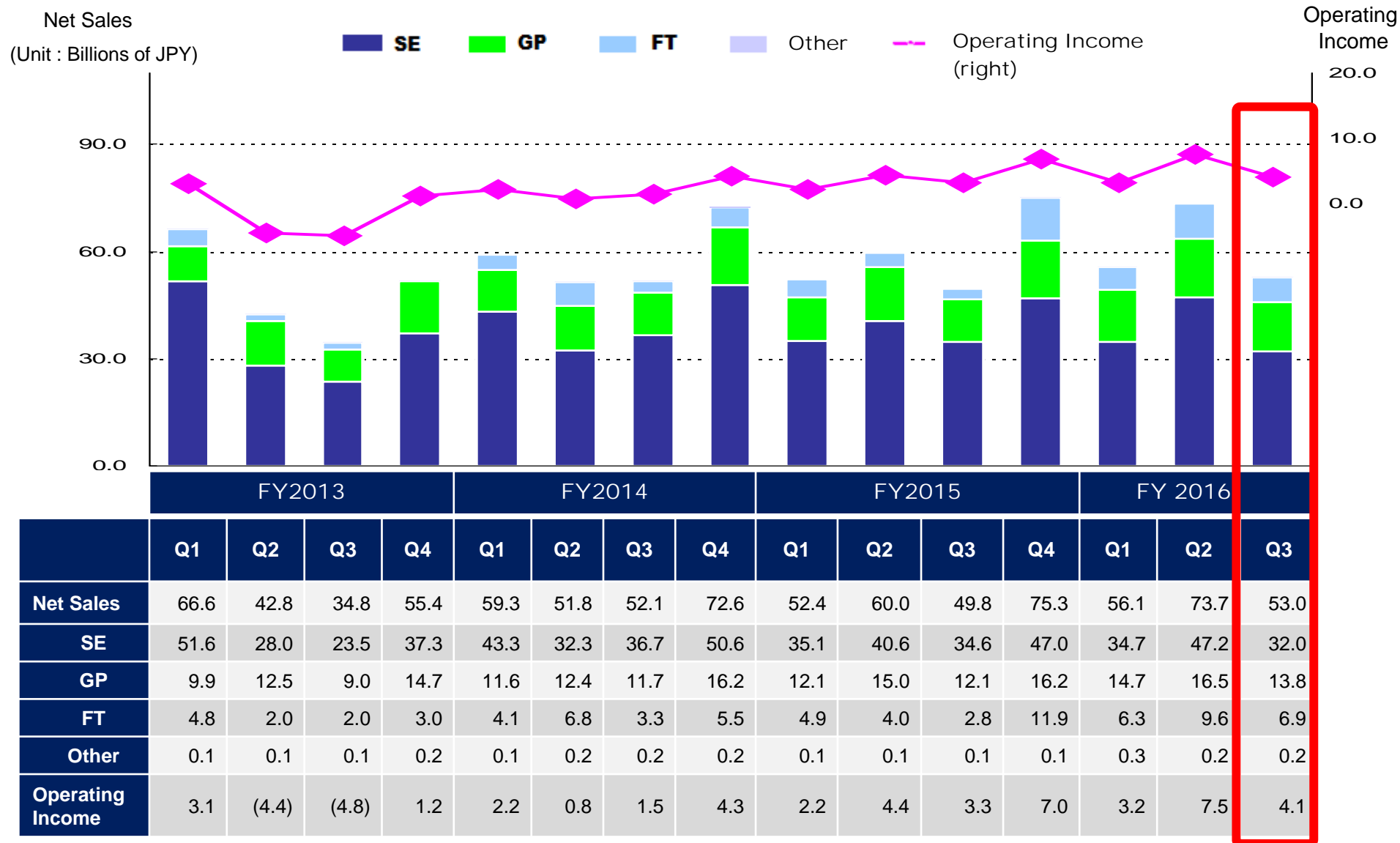
	FY2015 Q3		FY2016 Q3		Difference	
Net Sales	49.8	100.0%	53.0	100.0%	+3.1	+6.4%
Operating Income	3.3	6.8%	4.1	7.9%	+0.7	+22.7%
Ordinary Income	2.8	5.7%	4.1	7.8%	+1.3	+46.3%
Profit attributable to owners of parent	3.1	6.3%	3.4	6.6%	+0.3	+10.8%

>>Comparison with the previous Quarter

(Unit: Billions of JPY)

	FY2016 Q2		FY2016 Q3		Difference	
Net Sales	73.7	100.0%	53.0	100.0%	(20.7)	-28.1%
Operating Income	7.5	10.2%	4.1	7.9%	(3.3)	-44.5%
Ordinary Income	7.1	9.7%	4.1	7.8%	(3.0)	-42.4%
Profit attributable to owners of parent	6.2	8.4%	3.4	6.6%	(2.7)	-43.6%

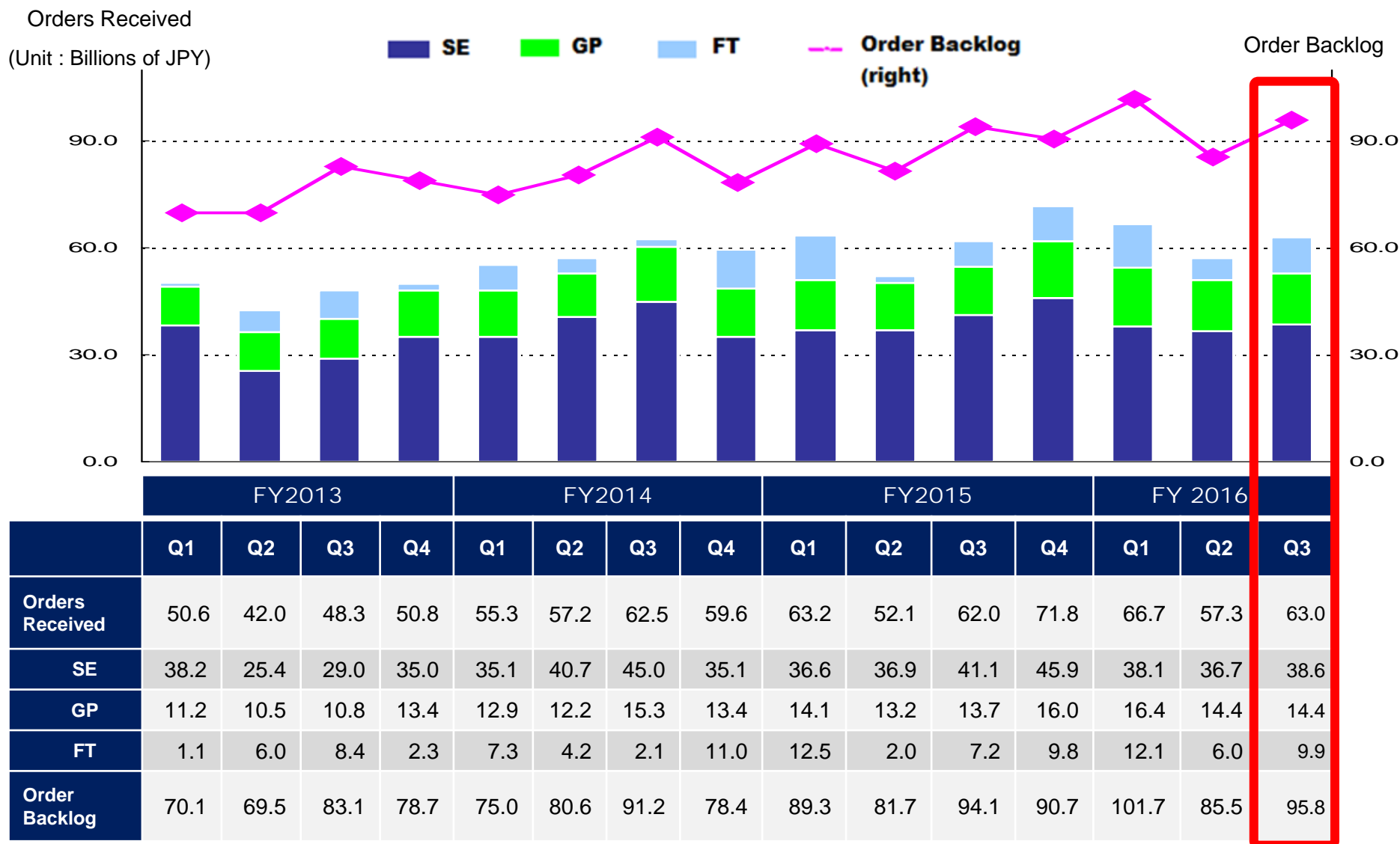
Quarterly Net Sales and Operating Income <Consolidated>



* 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>



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

1. FY2016 Q3 Business Results

2. Business Situation in 3 segments <SE, GP, FT>

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5. Our Latest Approaches

Business Environment <SE>

>>Year-on-year comparison

(Unit: Billions of JPY)	FY2015 Q3 total		FY2016 Q3 total		Difference	
Net Sales	110.4	100.0%	114.0	100.0%	+3.5	+3.2%
Operating Income	10.3	9.3%	10.9	9.6%	+0.6	+6.1%

(Unit: Billions of JPY)	FY2015 Q3		FY2016 Q3		Difference	
Net Sales	34.6	100.0%	32.0	100.0%	(2.6)	-7.6%
Operating Income	4.0	11.8%	3.0	9.5%	(1.0)	-25.5%

>>Comparison with the previous Quarter

(Unit: Billions of JPY)	FY2016 Q2		FY2016 Q3		Difference	
Net Sales	47.2	100.0%	32.0	100.0%	(15.2)	-32.2%
Operating Income	5.8	12.3%	3.0	9.5%	(2.7)	-47.7%

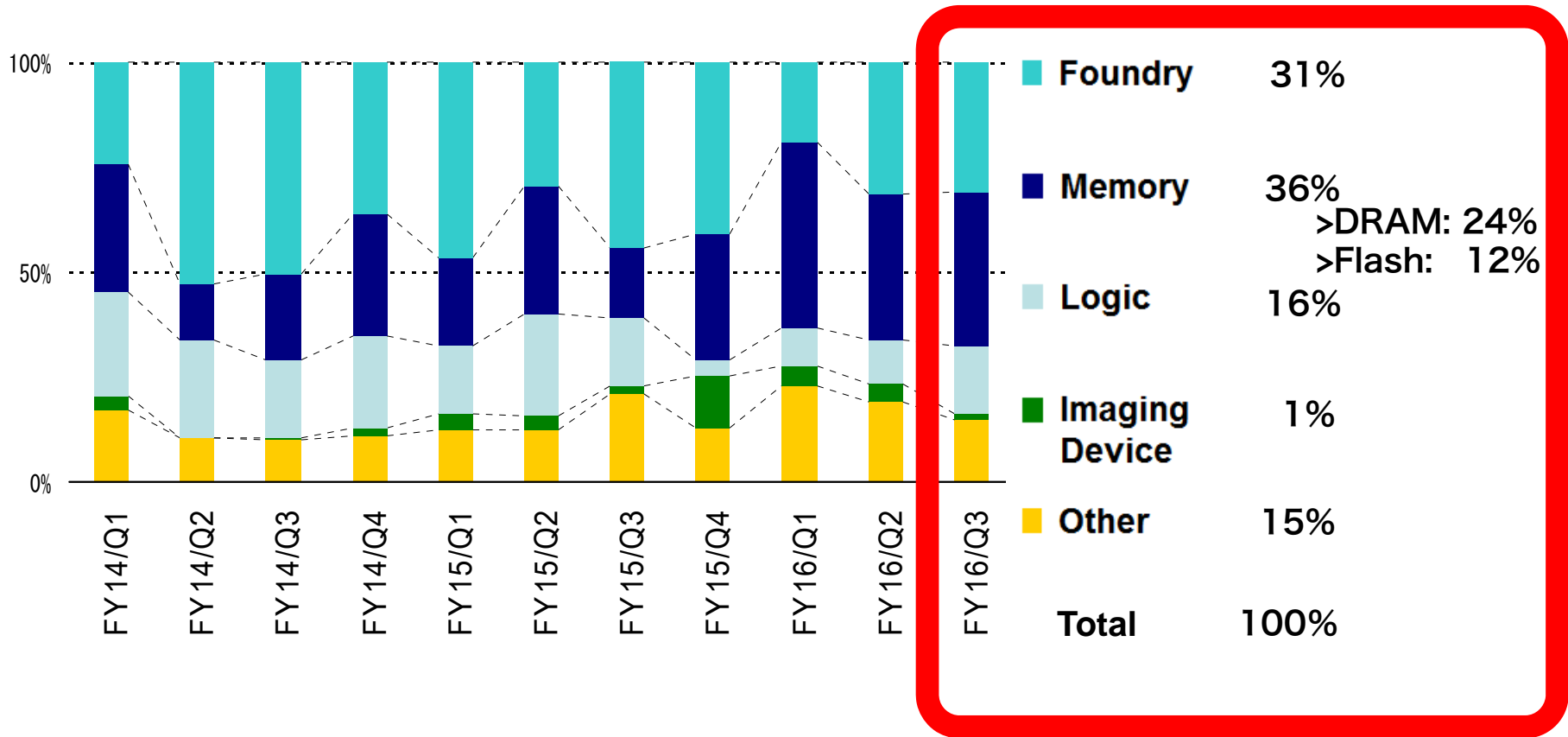
>>Topics

- For the nine months ended Dec. 31, 2015, sales to logic chip manufacturers significantly decreased and sales to foundries also fell, but sales to memory and imaging device manufacturers substantially increased year on year. By product, sales of mainstay SU-3200 slightly decreased, but sales of batch-type cleaning equipment and production equipment for sub-200mm wafers increased, resulting that both sales and profit increased. The Q4 orders received are expected to increase.

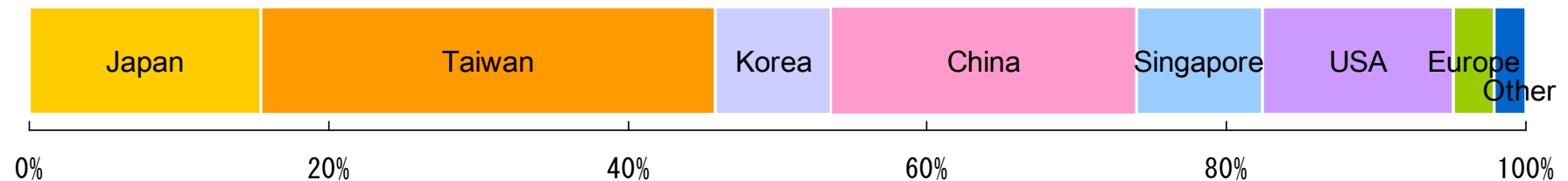
<SE> Quarterly Order Received Ratio by Device Application
<Nonconsolidated>

*Q3 Order received (consolidated): JPY 38.6 bn.

>>Quarterly Order Received Ratio by Device Application <Nonconsolidated>



>>FY2016 Q3 orders by region <Nonconsolidated>



Business Environment <GP>

>>Year-on-year comparison

(Unit: Billions of JPY)	FY2015 Q3 total		FY2016 Q3 total		Difference	
Net Sales	39.4	100.0%	45.1	100.0%	+5.7	+14.5%
Operating Income	2.0	5.2%	2.2	5.0%	+0.1	+8.9%

(Unit: Billions of JPY)	FY2015 Q3		FY2016 Q3		Difference	
Net Sales	12.1	100.0%	13.8	100.0%	+1.6	+13.3%
Operating Income	0.1	1.3%	0.4	3.4%	+0.3	+207.2%

>>Comparison with the previous Quarter

(Unit: Billions of JPY)	FY2016 Q2		FY2016 Q3		Difference	
Net Sales	16.5	100.0%	13.8	100.0%	(2.7)	-16.7%
Operating Income	0.7	4.8%	0.4	3.4%	(0.3)	-39.7%

>>Topics

- In the graphic arts business, due to efforts to further penetrate POD equipment market as well as the depreciation of the yen, sales increased year on year (for nine months). On the other hand, operating income remained at a slight increase year on year (for nine months) due in part to changes in product mix.
- As for POD equipment, we accelerate expansion into Chinese market. (Wins orders from group company of major Chinese publisher.)

Business Environment <FT>

>>Year-on-year comparison

(Unit: Billions of JPY)	FY2015 Q3 total		FY2016 Q3 total		Difference	
Net Sales	11.8	100.0%	22.8	100.0%	+10.9	+92.7%
Operating Income	(1.0)	-9.2%	2.2	9.7%	+3.3	-

(Unit: Billions of JPY)	FY2015 Q3		FY2016 Q3		Difference	
Net Sales	2.8	100.0%	6.9	100.0%	+4.1	+146.7%
Operating Income	(0.8)	-31.9%	0.6	9.2%	+1.5	-

>>Comparison with the previous Quarter

(Unit: Billions of JPY)	FY2016 Q2		FY2016 Q3		Difference	
Net Sales	9.6	100.0%	6.9	100.0%	(2.7)	-28.2%
Operating Income	1.4	14.6%	0.6	9.2%	(0.7)	-54.8%

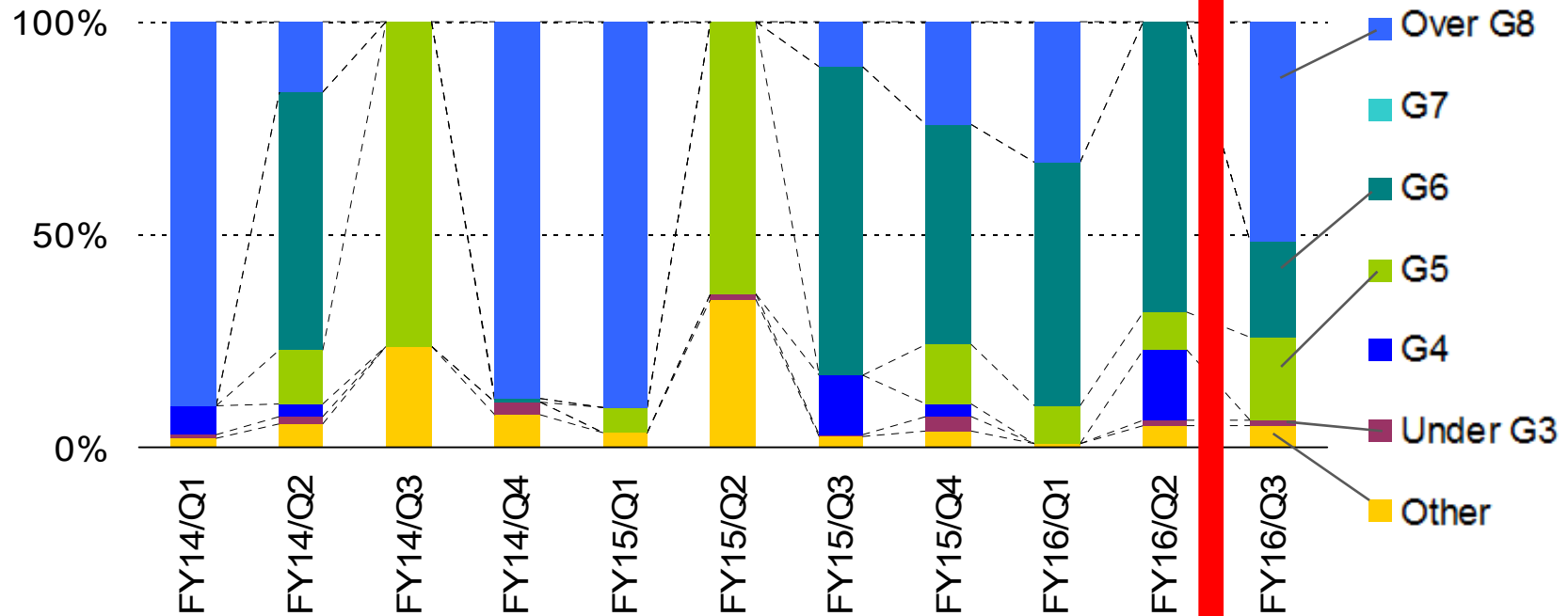
>>Topics

- Sales increased by 92.7% year on year (for nine months), reflecting the significant increase in sales of production equipment for large-sized television LCD panels in China and Taiwan. Sales increase brought about a rise in operating income. Order situation remains strong mainly in China.

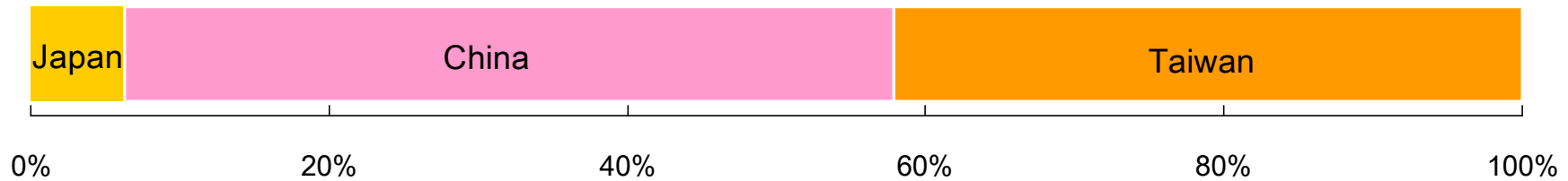
<FT> Quarterly Orders Received by Generation <Nonconsolidated>

* Q3 Order received (Consolidated) : JPY 9.9 bn.

>>Quarterly Orders Received by Generation <Nonconsolidated>



>>FY2016 Q3 orders by region <Nonconsolidated>



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Trend in B/S <Consolidated>

Assets

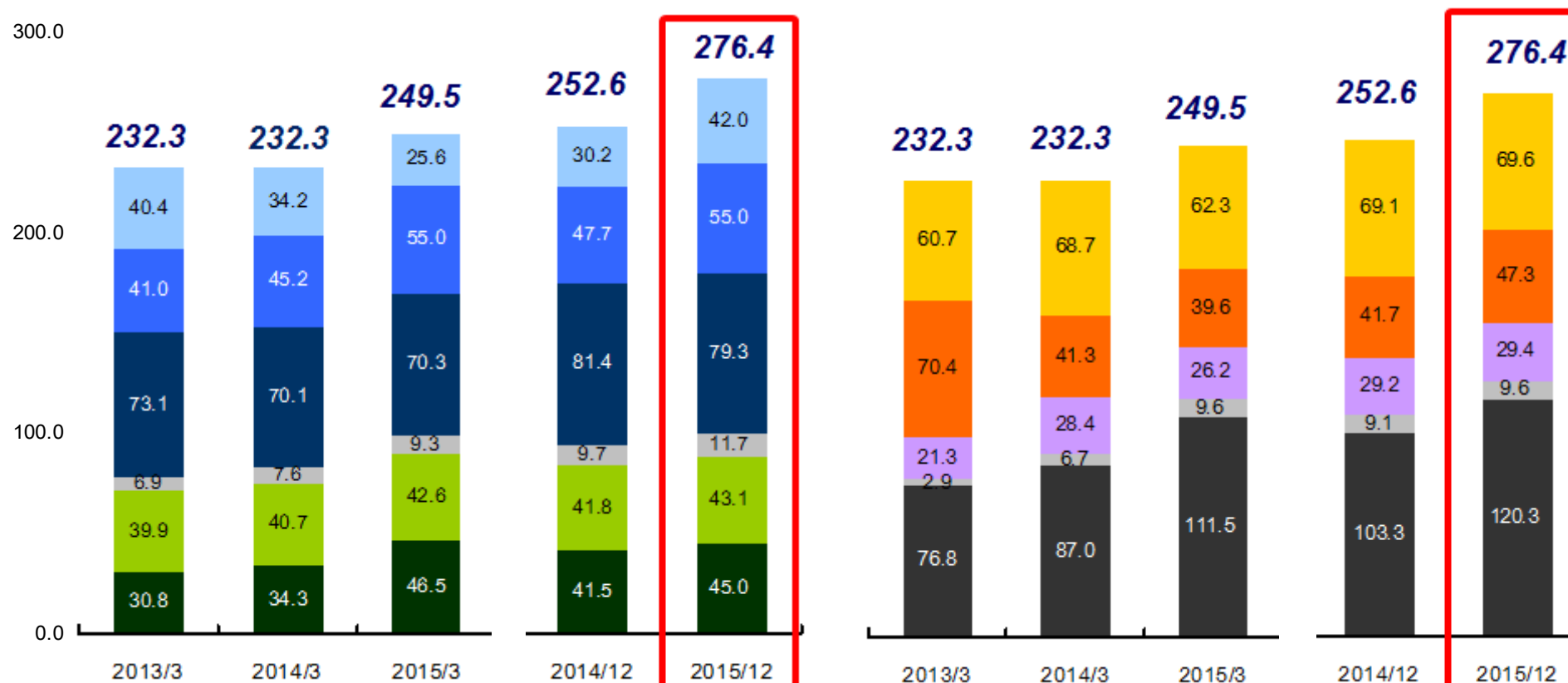
(Unit: Billions of JPY)

- 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

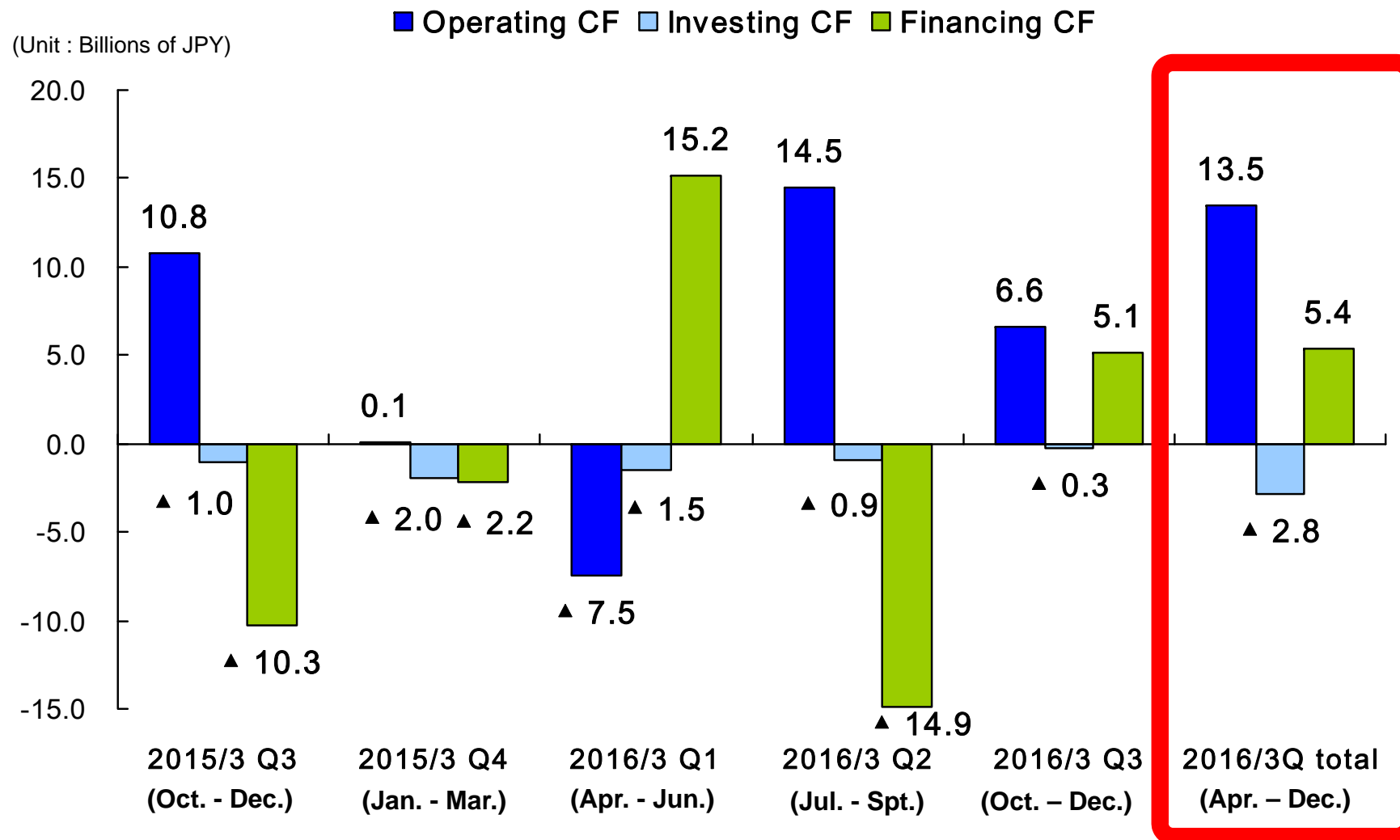


Equity Ratio 40.7% (2014/12) → 44.4% (2015/3) → 43.3% (2015/12)

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

Cash Flows <Consolidated>

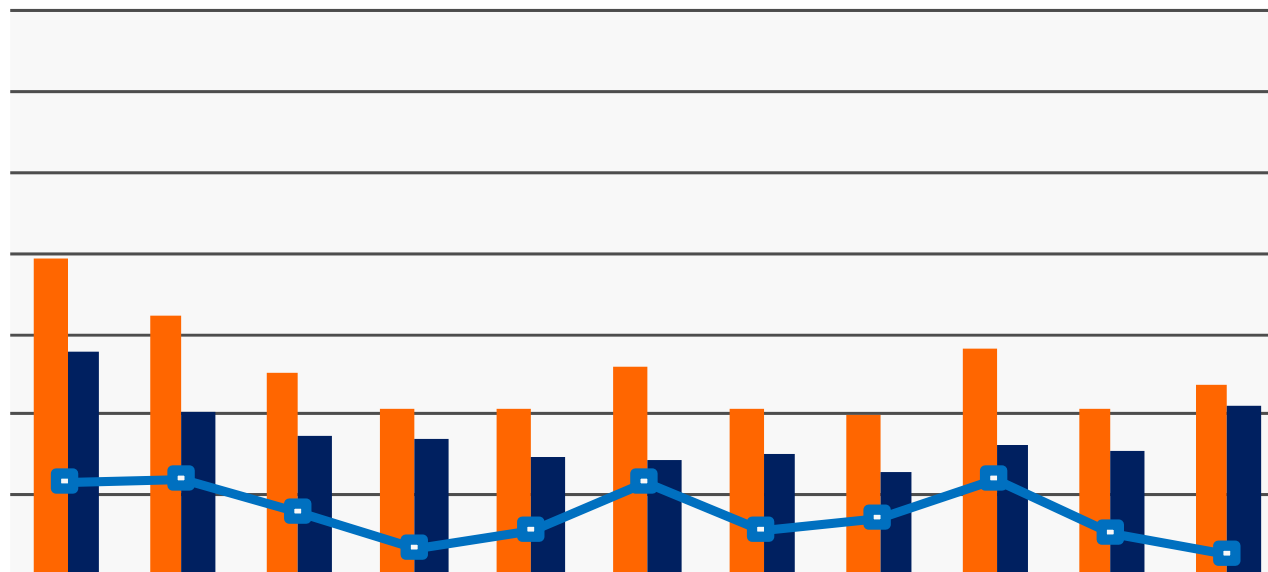
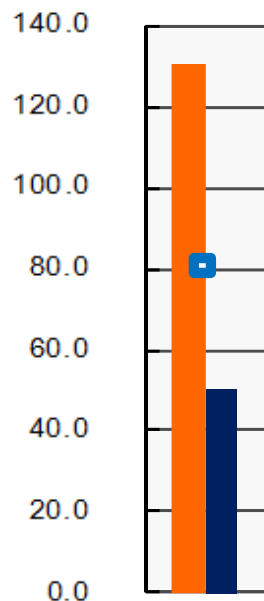
>>FY2016 Q3 Total Free Cash Flow: JPY 10.7 bn.



Interest-bearing Debt <Consolidated>

(Unit: Billions of JPY)

Interest-bearing Debt Cash and Time Deposits Net interest-bearing debt



	FY 2010
	Jun.
Interest-bearing debt	131.0
Cash and time deposit	50.2
Net interest-bearing debt	80.7

	FY2014				FY2015				FY2016		
	Jun.	Sep.	Dec.	Mar.	Jun.	Sep.	Dec.	Mar.	Jun.	Sep.	Dec.
Interest-bearing debt	78.6	64.9	50.7	41.3	41.3	52.0	41.7	39.6	56.5	41.6	47.3
Cash and time deposit	55.7	40.8	35.0	34.2	29.8	28.5	30.2	25.6	32.7	30.9	42.0
Net interest-bearing debt	22.9	24.0	15.6	7.1	11.5	23.5	11.4	14.0	23.8	10.7	5.3

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Business Forecast for FY2016 <Consolidated>

(Unit : Billions of JPY)

	FY2015			FY2016				
	1st H	2nd H	Full	1st H	2nd H Forecast		Full Forecast	
	Result			Result	Nov. 9	Feb. 8	Nov. 9	Feb. 8
Net Sales	112.4	125.1	237.6	129.8	119.1	121.6	249.0	251.5
SE	75.7	81.6	157.4	81.9	76.0	78.0	158.0	160.0
GP	27.2	28.4	55.7	31.3	27.6	27.6	59.0	59.0
FT	9.0	14.7	23.7	15.9	15.0	15.5	31.0	31.5
Other	0.3	0.3	0.6	0.5	0.4	0.4	1.0	1.0
Operating income	6.7	10.4	17.1	10.8	8.6	9.6	19.5	20.5
[to net sales ratio]	6.0%	8.3%	7.2%	8.3%	7.3%	8.0%	7.8%	8.2%
Ordinary income	6.5	9.5	16.0	10.6	8.3	9.3	19.0	20.0
Profit attributable to owners of parent	4.6	7.4	12.1	8.4	6.0	7.0	14.5	15.5

*Assumed Exchange Rate>> USD 1=JPY 115, EUR 1=JPY 130

*Forecast of annual cash dividends for FY2016>> JPY 10.00 per share (year-end cash dividend)

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December 2015

SE business>>

- Receives “Excellent Performance Award” from TSMC for Clean & Track Equipment Achievements

- Launches SS-80EX Spin Scrubber Single Wafer Cleaning Equipment for 200 mm Semiconductor Wafers



New business>>

- In Life Science Business, Develops Ultra Precision Printing Equipment for Printed Electronics

- Launches Fully into Joint Research with RIKEN and Organ Technologies Inc. on Long Storage and Function Resuscitation of Excised Organ



Jan. to Feb. 2016



GP business>> Accelerates POD Business Expansion into Chinese Market, and Wins Orders from Group Company of Major Chinese Publisher



Group company>> SCREEN KUMAMOTO Co., Ltd. Begins Operation



Mashiki-machi,
Kumamoto



New business>> In Life Science Business, Acquires Manufacturer of Scientific Analysis Instruments for Drug Discovery Field Using iPS Cells

Summary

- 1. For the first nine months of the FY2016, both sales and profit increased year on year.
Each increased:
Sales by 13%, Operating income by 48%, Ordinary income by 57%,
Profit attributable to owners of parent by 53%**
- 2. As to business forecast for the FY2016, both sales and profit were upwardly revised from the previous November forecast.**
- 3. In the face of the final year of Medium-term Management Plan, we have been steadily proceeding and see our way to achieve the targets including an operating income to net sales of 10% or above and an equity ratio of 50% or above.**

SCREEN

Fit your needs, Fit your future

