

July 29, 2019

SCREEN Holdings Co., Ltd.  
Tenjinkita-machi 1-1, Teranouchi-agaru 4-chome, Horikawa-dori,  
Kamigyo-ku, Kyoto 602-8585, Japan

## CONSOLIDATED FINANCIAL REPORT FOR THE FIRST QUARTER ENDED JUNE 30, 2019 [Japanese GAAP]

SCREEN Holdings Co., Ltd. is listed on the First Section of the Tokyo Stock Exchange with the securities code number 7735.  
(URL <https://www.screen.co.jp/en>)

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Date planned for the filing of the quarterly report: August 13, 2019  
Date of payment for cash dividends: —

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

### PERFORMANCE FOR THE FIRST QUARTER ENDED JUNE 30, 2019 (APR. 1, 2019-JUN. 30, 2019)

(Millions of yen, except per share figures)

(Percentage are the rate of increase or decrease from the previous corresponding period.)

#### (1) Business Results

	Net Sales	Percentage Change	Operating Income	Percentage Change	Ordinary Income	Percentage Change
<b>Three months ended Jun. 30, 2019</b>	<b>¥ 58,230</b>	<b>-19.7%</b>	<b>¥ (4,428)</b>	<b>— %</b>	<b>¥ (4,285)</b>	<b>— %</b>
Three months ended Jun. 30, 2018	72,541	-0.6	5,100	-30.9	5,108	-32.2

Note: Comprehensive income

Three months ended June. 30, 2019: ¥ (4,794) million (- %)  
Three months ended June. 30, 2018: ¥ 2,581 million (-67.4 %)

	Profit Attributable to Owners of Parent	Percentage Change	Basic Earnings per Share (Yen)	Diluted Earnings per Share (Yen)
<b>Three months ended Jun. 30, 2019</b>	<b>¥ (2,918)</b>	<b>— %</b>	<b>¥ (62.55)</b>	<b>¥ —</b>
Three months ended Jun. 30, 2018	3,566	-30.7	76.44	75.51

#### (2) Financial Position

	Total Assets	Net Assets	Equity Ratio (%)
<b>Jun. 30, 2019</b>	<b>¥373,484</b>	<b>¥170,200</b>	<b>45.5%</b>
Mar. 31, 2019	380,915	179,133	47.0

Note: Equity

As of Jun. 30, 2019: ¥ 169,977 million  
As of Mar. 31, 2019: ¥ 179,115 million

**CASH DIVIDENDS**

(Yen)

Record date	Cash Dividends per Share				
	First Quarter-end	Second Quarter-end	Third Quarter-end	Year-end	Annual
Fiscal year ended Mar. 31, 2019	¥ —	¥ —	¥ —	¥97.00	¥97.00
Fiscal year ending Mar. 31, 2020	—				
Fiscal year ending Mar. 31, 2020 (Forecast)		—	—	97.00	97.00

Note: Revision of the latest forecast of cash dividends: No

**FORECAST OF BUSINESS RESULTS FOR FISCAL YEAR ENDING MARCH 31, 2020**

(Millions of yen, except per share figures)

(Percentage are the rate of increase or decrease from the previous corresponding period.)

	Net Sales	Percentage Change	Operating Income	Percentage Change
Six months period ending Sept. 30, 2019	¥ 145,000	-14.7 %	¥ 0	-100.0 %
Fiscal year ending Mar. 31, 2020	324,000	-11.0	25,000	-15.7

	Ordinary Income	Percentage Change	Profit Attributable to Owners of Parent	Percentage Change	Basic Earnings per Share (Yen)
Six months period ending Sept. 30, 2019	¥ (500)	— %	¥ (500)	— %	¥ (10.72)
Fiscal year ending Mar. 31, 2020	22,500	-23.2	17,000	-5.9	364.33

Note: Revision of the latest business forecast: Yes

**NOTES**

- (1) Changes in significant consolidated subsidiaries (Changes in specified subsidiaries involving changes in scope of consolidation): No  
New Company: Not applicable      Exclusion: Not applicable
- (2) Application of accounting methods specific to the preparation of quarterly consolidated financial statements: Yes  
Please refer to P.10 [Notes for quarterly consolidated financial statements – (Application of accounting methods specific to the preparation of quarterly consolidated financial statements)] for more information.
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
  1. Changes in accounting policies accompanied by revision of accounting standard etc.: Yes
  2. Changes in accounting policies other than 1: No
  3. Changes in accounting estimates: No
  4. Retrospective restatement: No
 Please refer to P.10 [Notes for quarterly consolidated financial statements – (Changes in accounting policies)] for more information.
- (4) Number of shares outstanding
  1. Number of shares outstanding as of end of period (including treasury stock)  
As of Jun. 30, 2019: 50,794,866 shares      As of Mar. 31, 2019: 50,794,866 shares
  2. Number of treasury stock as of end of period  
As of Jun. 30, 2019: 4,134,019 shares      As of Mar. 31, 2019: 4,136,788 shares
  3. Average number of shares outstanding  
Three months ended Jun. 30, 2019: 46,659,648 shares      Three months ended Jun. 30, 2018: 46,652,579 shares

\* This quarterly earnings report is exempt from the quarterly review procedure by certified public accountants or audit firm.

\* Explanation for appropriate use of forecasts and other notes

- (1) SCREEN Holdings has revised our business forecast for the fiscal year ending March 31, 2020 that was previously announced on May 8, 2019, as noted in this financial report.
- (2) The forward-looking statements such as operational forecasts contained in this document are based on the information currently available to SCREEN Holdings and certain assumptions that are regarded as legitimate. SCREEN Holdings does not promise that the forecasts or estimates will be accurate. Large discrepancies may be seen in the actual results due to various factors. Please refer to P.4 “3. Qualitative information regarding consolidated business results forecasts” for the assumptions used and other notes.

## [Qualitative Information, Financial Statements]

### 1. Qualitative information regarding the status of consolidated business results

During the first quarter of the fiscal year ending March 31, 2020 (the three-month period from April 1, 2019 to June 30, 2019), a growing number of economies around the world began to slow down mainly as companies displayed a more careful approach to capital investment in reaction to the increasingly unclear outlook arising from the continuing trade tensions between the United States and China as well as the anticipated exit of the U.K. from the European Union. The U.S. economy's expansion took on a more gradual pace due mainly to weaker production and capital investment despite firm consumer spending. In Europe, although the eurozone economy recovered, albeit gradually, the U.K. economy appeared to weaken due primarily to stagnant consumer spending and capital investment. In China, the economy gradually decelerated due primarily to an expected drop in imports and exports and lower growth in consumption. The Japanese economy continued to gradually recover backed mainly by consumer spending despite signs of weak exports and production.

With regard to the business conditions surrounding the SCREEN Group, in the semiconductor industry, overall capital investment significantly decreased year on year due to a continued restriction of capital investment by memory manufacturers amid stagnant demand for data centers and smartphones, despite firm leading-edge investment by logic chip makers and foundries. In the FPD business field, signs of restriction emerged for investment in small- to medium-sized displays for smartphones and investment in large-sized LCD panels, which had been firm.

Under these circumstances, the SCREEN Group posted consolidated net sales of ¥58,230 million for the first quarter of the fiscal year ending March 31, 2020, a decrease of ¥14,310 million (19.7%) from the corresponding period of the previous fiscal year. On the earnings front, as the result of a large decrease in sales and a rise in the variable cost ratio, operating loss totaled ¥4,428 million (compared with operating income of ¥5,100 million in the corresponding period of the previous fiscal year). Ordinary loss amounted to ¥4,285 million (compared with ordinary income of ¥5,108 million in the corresponding period of the previous fiscal year), and quarterly loss attributable to owners of parent totaled ¥2,918 million (compared with quarterly profit attributable to owners of the parent of ¥3,566 million in the corresponding period of the previous fiscal year).

Performance by reportable segment is explained below.

#### ***The Semiconductor Production Equipment (SPE) Business***

In the SPE business, sales to memory manufacturers declined year on year, despite an increase in sales to foundries and logic chip makers. By region, sales to North America and Taiwan rose, and those to China and South Korea declined. As a result, net sales in this segment amounted to ¥41,208 million, down 12.6% year on year. On the earnings front, operating loss in this segment came to ¥40 million (compared with operating income of ¥3,751 million in the corresponding period of the previous fiscal year), mainly reflecting the large decrease in sales and a rise in the variable cost ratio.

#### ***The Graphic Arts Equipment (GA) Business***

In the GA business, although sales of ink and other after-sales service were firm, sales of computer to plate (CTP) equipment and print on demand (POD) equipment decreased. As a result, net sales in this segment amounted to ¥9,821 million, down 14.3% year on year. On the earnings front, operating loss in this segment came to ¥224 million (compared with operating income of ¥229 million in the corresponding period of the previous fiscal year), mainly reflecting the decrease in net sales.

#### ***The Display Production Equipment and Coater (FT) Business***

In the FT business, sales of production equipment for large-sized panels and small- and medium-sized both decreased year on year. As a result, net sales in this segment amounted to ¥4,815 million, down 53.6% year on year. On the earnings front, operating loss in this segment came to ¥3,562 million (compared with operating income of ¥907 million in the corresponding period of the previous fiscal year), mainly reflecting a decrease in sales and a rise in the variable cost ratio.

#### ***The PCB-Related Equipment (PE) Business***

In the PE business, sales of direct imaging equipment fell year on year. As a result of this, net sales in this segment amounted to ¥2,122 million, down 34.7% year on year. On the earnings front, operating loss in this segment came to ¥48 million (compared with operating income of ¥530 million in the corresponding period of the previous fiscal year), mainly reflecting the decrease in net sales.

## 2. Qualitative information regarding changes in consolidated financial position

Total assets as of June 30, 2019 stood at ¥373,484 million, a decrease of ¥7,430 million, or 2.0%, compared with March 31, 2019. This was largely due to a decrease in notes and accounts receivable including electronically recorded monetary claims, despite an increase in inventories and cash and time deposits.

Total liabilities amounted to ¥203,284 million, up ¥1,502 million, or 0.7%, compared with the end of the previous fiscal year. This was mainly attributable to an increase in short-term loans payable, despite a decrease in notes and accounts payable including electronically recorded obligations.

Total net assets amounted to ¥170,200 million, down ¥8,933 million, or 5.0%, from March 31, 2019. This was mainly attributable to payment of cash dividends and the recording of loss attributable to owners of parent.

As a result, the equity ratio as of June 30, 2019 stood at 45.5%.

### Status of Cash Flows

The status of cash flows for the first quarter of the fiscal year ending March 31, 2020 is as follows.

Net cash provided by operating activities amounted to ¥2,493 million, compared with ¥11,230 million provided by operating activities in the first quarter of the previous fiscal year. This was because the sum of a decrease in notes and accounts receivable including electronically recorded monetary claims, an increase in other current liabilities, and other inflows exceeded an increase in inventories, a decrease in notes and accounts payable including electronically recorded obligations, income taxes paid, and other outflows.

Net cash used in investing activities amounted to ¥5,243 million, compared with ¥6,180 million used in investing activities in the first quarter of the previous fiscal year. This was largely attributable to the purchase of property, plant and equipment, such as equipment for R&D.

Net cash provided by financing activities amounted to ¥7,537 million, compared with ¥24,900 million provided by financing activities in the first quarter of the previous fiscal year. This was mainly due to an increase in short-term loans payable, despite cash dividends paid.

As a result, cash and cash equivalents as of June 30, 2019, totaled ¥35,244 million, up ¥4,322 million from March 31, 2019.

## 3. Qualitative information regarding consolidated business results forecasts

SCREEN Holdings has revised its consolidated business forecast for the fiscal year ending March 31, 2020, from the previous forecast announced on May 8, 2019, as shown below. For details, please refer to today's "Notice: Business Forecast Revision for the Fiscal Year Ending March 31, 2020."

### Business forecast

Fiscal year ending March 31, 2020 (April 1, 2019 to March 31, 2020)

(Millions of yen)

	The first half ending Sept. 30, 2019	Fiscal year ending Mar. 31, 2020
Net Sales	¥ 145,000	¥ 324,000
SPE	105,000	219,000
GA	21,500	45,500
FT	13,000	46,000
PE	4,500	11,000
Other and Adjustments	1,000	2,500
Operating Income	0	25,000
Ordinary Income	(500)	22,500
Profit Attributable to Owners of Parent	(500)	17,000

Note: The aforementioned forecasts are based on foreign currency exchange rate estimates of US\$1.00 = ¥105 and EUR1.00 = ¥120.

Business forecasts are also made in accordance with currently available information and rational assumptions.

However, it should be noted that actual results could differ significantly due to a variety of factors.

**CONSOLIDATED BALANCE SHEETS**

(Millions of yen)

	Mar. 31, 2019	Jun. 30, 2019
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and time deposits	¥ 32,193	¥ 36,786
Notes and accounts receivable - trade	96,292	69,112
Electronically recorded monetary claims - operating	4,542	5,111
Merchandise and finished goods	61,861	68,170
Work in process	37,556	41,341
Raw materials and supplies	17,384	17,541
Other	14,102	16,295
Allowance for doubtful accounts	(669)	(640)
Total current assets	<u>263,264</u>	<u>253,719</u>
<b>Non-current assets:</b>		
<b>Property, plant and equipment:</b>		
Buildings and structures	59,622	59,977
Machinery, equipment and vehicles	47,779	48,300
Other	36,496	38,145
Accumulated depreciation	(82,500)	(83,707)
Total property, plant and equipment	<u>61,398</u>	<u>62,716</u>
<b>Intangible assets:</b>		
Other	6,886	6,771
Total intangible assets	<u>6,886</u>	<u>6,771</u>
<b>Investments and other assets:</b>		
Investment securities	37,083	35,921
Net defined benefit asset	5,363	5,479
Deferred tax assets	3,754	5,794
Other	3,360	3,276
Allowance for doubtful accounts	(195)	(194)
Total investments and other assets	<u>49,366</u>	<u>50,277</u>
Total non-current assets	<u>117,650</u>	<u>119,765</u>
<b>Total assets</b>	<u>380,915</u>	<u>373,484</u>

**CONSOLIDATED BALANCE SHEETS**

(Millions of yen)

	Mar. 31, 2019	Jun. 30, 2019
<b>LIABILITIES</b>		
<b>Current liabilities:</b>		
Notes and accounts payable - trade	¥ 28,151	¥ 24,423
Electronically recorded obligations - operating	66,379	58,146
Short-term loans payable	18,000	30,000
Current portion of long-term loans payable	1,504	1,504
Lease obligations	449	1,202
Income taxes payable	4,364	2,438
Notes payable - facilities	6	39
Electronically recorded obligations - facilities	13	12
Advances received	14,211	18,290
Provision for bonuses	2,618	98
Provision for directors' bonuses	154	31
Provision for product warranties	6,875	6,463
Provision for loss on order received	74	809
Other	18,047	18,522
Total current liabilities	<u>160,852</u>	<u>161,982</u>
<b>Non-current liabilities:</b>		
Convertible bond-type bonds with share acquisition rights	30,125	30,118
Long-term loans payable	3,723	3,723
Lease obligations	1,518	2,454
Net defined benefit liability	943	936
Provision for directors' retirement benefits	175	188
Provision for stock payment	33	26
Provision for management board incentive plan trust	39	28
Asset retirement obligations	66	66
Other	4,303	3,760
Total non-current liabilities	<u>40,929</u>	<u>41,301</u>
Total liabilities	<u>201,781</u>	<u>203,284</u>
<b>NET ASSETS</b>		
<b>Shareholders' equity:</b>		
Capital stock	54,044	54,044
Capital surplus	4,488	4,488
Retained earnings	130,274	122,986
Treasury stock	(18,044)	(18,023)
Total shareholders' equity	<u>170,763</u>	<u>163,495</u>
<b>Accumulated other comprehensive income:</b>		
Valuation difference on available-for-sale securities	14,319	13,489
Foreign currency translation adjustment	(5,345)	(6,476)
Remeasurements of defined benefit plans	(622)	(529)
Total accumulated other comprehensive income	<u>8,352</u>	<u>6,482</u>
<b>Non-controlling interests</b>	<u>17</u>	<u>222</u>
<b>Total net assets</b>	<u>179,133</u>	<u>170,200</u>
<b>Total liabilities and net assets</b>	<u>380,915</u>	<u>373,484</u>

**CONSOLIDATED STATEMENTS OF INCOME**

(Millions of yen)

	Apr.1, 2018 – Jun. 30, 2018	Apr.1, 2019 – Jun. 30, 2019
<b>Net sales</b>	¥ 72,541	¥ 58,230
<b>Cost of sales</b>	50,867	47,121
<b>Gross profit</b>	21,673	11,109
<b>Selling, general and administrative expenses</b>	16,573	15,538
<b>Operating income (loss)</b>	5,100	(4,428)
<b>Non-operating income</b>		
Interest income	20	19
Dividends income	264	307
Foreign exchange gains, net	146	—
Other	182	257
Total non-operating income	614	584
<b>Non-operating expenses</b>		
Interest expenses	125	137
Foreign exchange losses, net	—	115
Share of loss of entities accounted for using equity method	31	33
Loss on retirement of non-current assets	209	5
Other	239	147
Total non-operating expenses	605	441
<b>Ordinary income (loss)</b>	5,108	(4,285)
<b>Extraordinary income</b>		
Gain on sales of investment securities	444	—
Total extraordinary income	444	—
<b>Extraordinary loss</b>		
Loss on valuation of investment securities	—	14
Total extraordinary loss	—	14
<b>Income (loss) before income taxes</b>	5,553	(4,299)
<b>Income taxes</b>	1,987	(1,374)
<b>Profit (loss)</b>	3,566	(2,924)
<b>Loss attributable to non-controlling interests</b>	(0)	(6)
<b>Profit (loss) attributable to owners of parent</b>	3,566	(2,918)

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

(Millions of yen)

	Apr.1, 2018 – Jun. 30, 2018	Apr.1, 2019 – Jun. 30, 2019
<b>Profit (loss)</b>	¥ 3,566	¥ (2,924)
<b>Other comprehensive income</b>		
Valuation difference on available-for-sale securities	(959)	(830)
Foreign currency translation adjustment	(140)	(1,120)
Remeasurements of defined benefit plans	119	92
Share of other comprehensive income of entities accounted for using equity method	(5)	(10)
Total other comprehensive income	<u>(984)</u>	<u>(1,869)</u>
<b>Comprehensive income</b>	<u>2,581</u>	<u>(4,794)</u>
Comprehensive income attributable to:		
Owners of parent	2,585	(4,788)
Non-controlling interests	(3)	(5)

**CONSOLIDATED STATEMENTS OF CASH FLOWS**

(Millions of yen)

Apr.1, 2018 – Jun. 30,

Apr.1, 2019– Jun. 30, 2019

**Cash flow from operating activities:**

Income (loss) before income taxes	¥ 5,553	¥ (4,299)
Depreciation and amortization	1,567	2,149
Loss (gain) on valuation of investment securities	—	14
Loss (gain) on sales of investment securities	(444)	—
Loss on retirement of non-current assets	209	5
Share of loss (profit) of entities accounted for using equity method	31	33
Increase (decrease) in net defined benefit liability	(45)	68
Increase (decrease) in provision for bonuses	(3,599)	(2,519)
Increase (decrease) in provision for directors' bonuses	(177)	(123)
Increase (decrease) in provision for stock payment	(9)	(7)
Increase (decrease) in provision for management board incentive plan trust	(23)	(10)
Increase (decrease) in provision for product warranties	(14)	(398)
Increase (decrease) in provision for loss on order received	(19)	735
Interest and dividends income	(285)	(327)
Interest expenses	125	137
Decrease (increase) in notes and accounts receivable including electronically recorded monetary claims	21,631	26,396
Decrease (increase) in inventories	(19,218)	(10,993)
Decrease (increase) in other current assets	(204)	1,069
Increase (decrease) in notes and accounts payable including electronically recorded obligations	7,355	(10,253)
Increase (decrease) in other current liabilities	11,878	6,100
Other, net	(235)	379
Subtotal	24,073	8,159
Interest and dividends income received	289	320
Interest expenses paid	(123)	(139)
Contribution in connection with the shift to a defined-contribution pension plan	(1)	(1)
Income taxes paid	(13,007)	(5,844)
Net cash provided by (used in) operating activities	11,230	2,493

**Cash flow from investing activities:**

Decrease (increase) in time deposits	457	(332)
Purchase of property, plant and equipment	(4,479)	(4,624)
Purchase of intangible assets	(1,156)	(228)
Purchase of investment securities	(2,005)	(37)
Proceeds from sales of investment securities	864	—
Other, net	138	(20)
Net cash provided by (used in) investing activities	(6,180)	(5,243)

**Cash flow from financing activities:**

Net increase (decrease) in short-term loans payable	—	12,000
Repayments of lease obligations	(97)	(306)
Proceeds from issuance of convertible bond-type bonds with share acquisition rights	30,063	—
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(98)	—
Proceeds from share issuance to non-controlling shareholders	23	210
Net decrease (increase) in treasury stock	1	(0)
Cash dividends paid	(4,992)	(4,365)
Net cash provided by (used in) financing activities	24,900	7,537

**Effect of exchange rate change on cash and cash equivalents**

Effect of exchange rate change on cash and cash equivalents	44	(465)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>29,995</b>	<b>4,322</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>50,817</b>	<b>30,922</b>
<b>Cash and cash equivalents at end of period</b>	<b>80,812</b>	<b>35,244</b>

**[Notes for quarterly consolidated financial statements]**

(Note for going concern assumption)

Not Applicable

(Note for significant changes in the amount of shareholders' equity)

Not Applicable

(Application of accounting methods specific to the preparation of quarterly consolidated financial statements)

**Calculation of income taxes**

Income tax amount is calculated principally by multiplying reasonably estimated annual effective tax rate through the first quarter ended June 30, 2019, with the effects of deferred taxes reflected, by the amount of year-to-date income before income taxes. When calculation using reasonably estimated annual effective tax rate causes irrational results, income tax amount is calculated based on the legal tax rate.

(Changes in accounting policies)

**Adoption of ASU 2014-09 "Revenue from Contracts with Customers"**

Certain overseas consolidated subsidiaries which apply U.S. GAAP adopted ASU 2014-09 "Revenue from Contracts with Customers" (May 28, 2014 (hereinafter "ASU 2014-09")) from the beginning of the first quarter of fiscal 2020.

With the application of ASU 2014-09, revenue is recognized to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which they expect to be entitled in exchanges for those goods or services. In adopting ASU 2014-09, in accordance with the transition provisions, the cumulative effect of applying this standard was recognized on the date of the start of adoption.

The effect of this change on quarterly financial statements is immaterial.

**Adoption of IFRS16 "Leases"**

Certain overseas consolidated subsidiaries which apply the International Financial Reporting Standards (IFRS) adopted IFRS16 "Leases" (January 13, 2016 (hereinafter "IFRS16")) from the beginning of the first quarter of fiscal 2020.

With the application of IFRS16, the lessee generally recognizes all leases as assets and liabilities. In adopting IFRS16, in accordance with the transition provisions, the cumulative effect of applying this standard was recognized on the date of the start of adoption.

The effect of this change on quarterly financial statements is immaterial.

**SEGMENT INFORMATION**

## [Segment Information]

## I First quarter ended Jun. 30, 2018

## Net sales and income (loss) in reportable segment

(Millions of yen)

	Reportable segment *1					Other *2	Total	Adjustments *3	Consolidated *4
	SPE	GA	FT	PE	Total				
Sales									
(1)Sales to outside customers	¥ 47,164	¥ 11,438	¥ 10,385	¥ 3,248	¥ 72,236	¥ 305	¥ 72,541	¥ —	¥ 72,541
(2)Intersegment sales and transfers	0	17	—	—	18	3,783	3,801	(3,801)	—
Total	47,164	11,455	10,385	3,248	72,254	4,088	76,342	(3,801)	72,541
Segment income (loss)	3,751	229	907	530	5,419	(282)	5,137	(36)	5,100

## Notes:

\*1.The SPE segment develops and manufactures semiconductor production equipment and conducts sales and maintenance services. In the GA segment, graphic arts equipment is developed, manufactured, sold and maintained. The FT segment develops, manufactures and markets display production equipment and coater equipment, and it also conducts maintenance services. In the PE segment, PCB related equipment is developed, manufactured, sold and maintained.

\*2.The “Other” category incorporates operations not included in reportable segments, including development, manufacturing and sales of equipment in life science business and other, software development, planning and production of printed matter and other businesses.

\*3.Segment income (loss) adjustment of ¥ (36) million is the Company’s profit (loss) not attributable to reportable segment.

\*4.Segment income (loss) is reconciled to the operating income in the consolidated statements of income.

## II First quarter ended Jun. 30, 2019

## Net sales and income (loss) in reportable segment

(Millions of yen)

	Reportable segment *1					Other *2	Total	Adjustments *3	Consolidated *4
	SPE	GA	FT	PE	Total				
Sales									
(1)Sales to outside customers	¥ 41,208	¥ 9,813	¥ 4,815	¥ 2,122	¥ 57,959	¥ 271	¥ 58,230	¥ —	¥ 58,230
(2)Intersegment sales and transfers	0	8	—	—	9	3,024	3,033	(3,033)	—
Total	41,208	9,821	4,815	2,122	57,968	3,295	61,264	(3,033)	58,230
Segment loss	(40)	(224)	(3,562)	(48)	(3,876)	(480)	(4,357)	(71)	(4,428)

## Notes:

\*1. The SPE segment develops and manufactures semiconductor production equipment and conducts sales and maintenance services. In the GA segment, graphic arts equipment is developed, manufactured, sold and maintained. The FT segment develops, manufactures and markets display production equipment and coater equipment, and it also conducts maintenance services. In the PE segment, PC related equipment is developed, manufactured, sold and maintained.

\*2. The “Other” category incorporates operations not included in reportable segments, including development, manufacturing and sales of equipment in life science business and inspection system for in-vehicle components, software development, planning and production of printed matter and other businesses.

\*3. Segment loss adjustment of ¥ (71) million is the Company’s profit (loss) not attributable to reportable segment.

\*4. Segment loss is reconciled to operating loss in the consolidated statements of income.

## Consolidated Financial Highlights for the First Quarter Ended June 30, 2019

(Figures less than one million yen have been omitted and other figures have been rounded.)

	FY2019	FY2020	Difference		FY2019	FY2020	
	3 months ended Jun. 30, 2018	3 months ended Jun. 30, 2019			12 months ended Mar.31, 2019	6 months ending Sept. 30, 2019	12 months ending Mar.31, 2020
	Result	Result	Amount	Percentage	Result	Forecast	Forecast
Net sales	¥ 72,541	¥ 58,230	¥ (14,310)	-19.7%	¥ 364,234	¥ 145,000	¥ 324,000
Operating income	5,100	(4,428)	(9,529)	—	29,645	0	25,000
[to net sales ratio]	7.0 %	-7.6 %	-14.6 pt	—	8.1 %	0.0 %	7.7 %
Ordinary income	5,108	(4,285)	(9,394)	—	29,279	(500)	22,500
[to net sales ratio]	7.0 %	-7.4 %	-14.4 pt	—	8.0 %	-0.3 %	6.9 %
Profit attributable to owners of parent	3,566	(2,918)	(6,484)	—	18,059	(500)	17,000
[to net sales ratio]	4.9 %	-5.0 %	-9.9 pt	—	5.0 %	-0.3 %	5.2 %
Total assets	402,922	373,484	* (7,430)	-2.0%	380,915	—	—
Net assets	168,250	170,200	* (8,933)	-5.0%	179,133	—	—
Equity	168,225	169,977	* (9,137)	-5.1%	179,115	—	—
Equity ratio	41.8 %	45.5 %	* -1.5 pt	—	47.0 %	—	—
Net assets per share of capital stock (Yen)	3,605.90	3,642.84	* (196.06)	-5.1%	3,838.90	—	—
Interest-bearing debt	43,215	69,002	* 13,681	24.7%	55,321	—	—
Net Interest-bearing debt	(39,419)	32,215	* 9,088	39.3%	23,127	—	—
Cash flows from operating activities	11,230	2,493	—	—	(37,534)	—	—
Cash flows from investing activities	(6,180)	(5,243)	—	—	(19,020)	—	—
Cash flows from financing activities	24,900	7,537	—	—	36,760	—	—
Depreciation and amortization	1,567	2,149	582	37.2%	6,883	4,500	10,000
Capital expenditures	5,305	1,646	(3,659)	-69.0%	24,088	4,500	11,000
R&D expenses	5,306	5,537	231	4.4%	22,825	11,000	22,000
Number of employees	6,078	6,185	* 86	1.4%	6,099	—	—
Number of consolidated subsidiaries	58	58	* 1	—	57	—	—
[Domestic]	[28]	[28]	* [1]	—	[27]	—	—
[Overseas]	[30]	[30]	* [-]	—	[30]	—	—
Number of non-consolidated subsidiaries	1	3	* —	—	3	—	—
[Number of non-consolidated subsidiaries accounted for by equity method]	[-]	[-]	* [-]	—	[-]	—	—
Number of affiliates	1	1	* —	—	1	—	—
[Number of affiliates accounted for by equity method]	[1]	[1]	* [-]	—	[1]	—	—

\* show changes from Mar. 31, 2019

Note: The number of consolidated subsidiaries changed as follows.

SCREEN DecoraPrint Co., Ltd.: Established as a 65%-owned consolidated subsidiary.

## Sales Breakdown (Consolidated)

(Millions of yen)

		FY2019						FY2020		
		3 months ended	3 months ended	6 months ended	3 months ended	3 months ended	12 months ended	3 months ended	6 months ending	12 months ending
		Jun. 30, 2018	Sept. 30, 2018	Sept. 30, 2018	Dec. 31, 2018	Mar. 31, 2019	Mar.31, 2019	Jun. 30, 2019	Sept. 30, 2019	Mar.31, 2020
		Result	Result	Result	Result	Result	Result	Result	Forecast	Forecast
Semiconductor Production Equipment Business (SPE)	Domestic	7,114	11,441	18,556	11,769	13,542	43,866	7,416	—	—
	Overseas	40,050	54,275	94,326	46,480	67,839	208,646	33,792	—	—
	Total	47,164	65,717	112,882	58,249	81,381	252,513	41,208	105,000	219,000
Graphic Arts Equipment Business (GA)	Domestic	4,722	4,600	9,322	5,161	5,409	19,893	4,146	—	—
	Overseas	6,733	7,822	14,555	6,362	7,406	28,324	5,675	—	—
	Total	11,455	12,422	23,878	11,524	12,815	48,217	9,821	21,500	45,500
Display Production Equipment and Coater Business (FT)	Domestic	304	879	1,183	933	1,579	3,697	271	—	—
	Overseas	10,081	14,154	24,235	9,115	12,205	45,557	4,544	—	—
	Total	10,385	15,034	25,419	10,049	13,785	49,254	4,815	13,000	46,000
PCB-Related Equipment Business (PE)	Domestic	659	895	1,555	689	668	2,913	659	—	—
	Overseas	2,588	3,025	5,613	1,350	2,468	9,431	1,462	—	—
	Total	3,248	3,921	7,169	2,039	3,136	12,344	2,122	4,500	11,000
Other	Domestic	237	385	622	494	710	1,827	211	—	—
	Overseas	68	77	145	45	28	219	59	—	—
	Total	305	463	768	539	739	2,047	271	1,000	2,500
Intersegment sales	Domestic	(18)	(18)	(36)	(65)	(42)	(143)	(9)	—	—
	Overseas	—	—	—	—	—	—	—	—	—
	Total	(18)	(18)	(36)	(65)	(42)	(143)	(9)	—	—
Grand Total	Domestic	13,019	18,184	31,204	18,982	21,867	72,054	12,696	—	—
	Overseas	59,521	79,355	138,876	63,354	89,948	292,179	45,534	—	—
	Total	72,541	97,540	170,081	82,336	111,815	364,234	58,230	145,000	324,000
	Overseas Ratio	82.1%	81.4%	81.7%	76.9%	80.4%	80.2%	78.2%	—	—

## Orders received &amp; Order backlog (Consolidated)

(Millions of yen)

		FY2019								FY2020	
		3 months ended Jun. 30, 2018		3 months ended Sept. 30, 2018		3 months ended Dec. 31, 2018		3 months ended Mar. 31, 2019		3 months ended Jun. 30, 2019	
		Orders received	Order backlog	Orders received	Order backlog	Orders received	Order backlog	Orders received	Order backlog	Orders received	Order backlog
Semiconductor Production Equipment Business (SPE)	Domestic	12,988	21,732	11,018	21,309	8,341	17,881	8,373	12,712	11,178	16,475
	Overseas	37,670	92,136	47,020	84,881	58,020	96,421	43,004	71,587	48,844	86,639
	Total	50,659	113,868	58,039	106,191	66,361	114,303	51,377	84,300	60,023	103,114
Graphic Arts Equipment Business (GA)	Domestic	4,894	2,025	4,856	2,281	5,348	2,468	5,112	2,171	5,169	3,195
	Overseas	6,067	2,571	8,609	3,358	5,840	2,837	6,742	2,173	6,584	3,082
	Total	10,962	4,597	13,465	5,640	11,189	5,305	11,854	4,344	11,754	6,277
Display Production Equipment and Coater Business (FT)	Domestic	291	2,676	1,760	3,557	360	2,984	514	1,918	1,290	2,937
	Overseas	4,347	51,366	17,523	54,735	4,278	49,897	3,183	40,875	12,886	49,217
	Total	4,638	54,043	19,283	58,292	4,638	52,881	3,697	42,794	14,176	52,155
PCB-Related Equipment Business (PE)	Domestic	368	283	1,254	642	463	416	421	169	923	434
	Overseas	2,636	2,861	1,366	1,203	1,050	902	2,139	574	1,661	773
	Total	3,005	3,145	2,621	1,845	1,513	1,319	2,561	744	2,585	1,207
Grand Total	Domestic	18,543	26,718	18,890	27,790	14,513	23,750	14,421	16,973	18,563	23,042
	Overseas	50,721	148,936	74,519	144,178	69,189	150,059	55,070	115,210	69,976	139,712
	Total	69,265	175,654	93,409	171,969	83,703	173,810	69,491	132,183	88,540	162,754
	Overseas Ratio	73.2%	84.8%	79.8%	83.8%	82.7%	86.3%	79.2%	87.2%	79.0%	85.8%