

October 29, 2010

To whom it may concern:

Company Name: Dainippon Screen Mfg. Co., Ltd.
Representative: Masahiro Hashimoto, COO
Code No.: 7735
Stock Listings: First section of Tokyo Stock Exchange
and Osaka Securities Exchange
For Inquiries: Hirofumi Ota, General Manager,
Accounting Dept.
Phone +81-75- 414 - 7155

Notice: Change (Transfer) of Affiliated Company Accounted for by the Equity Method

This notification is to inform you that, by resolution at the Board of Directors' meeting of Dainippon Screen Mfg. Co., Ltd. (hereinafter referred to as "SCREEN") held on October 29, 2010, all stock that we hold in SEMES Co., Ltd. (hereinafter referred to as "SEMES"), an affiliated company accounted for by the equity method, is to be transferred to SAMSUNG ELECTRONICS CO., LTD. (hereinafter referred to as "SAMSUNG").

1. Reason for stock transfer

SEMES (previous name: DNS Korea Co., Ltd., Cheonan City, South Korea) was established in a joint venture with SAMSUNG in January of 1993 and, since then, has been involved in the manufacture and sales of semiconductor and FPD manufacturing equipment.

The present matter was based on the result by the agreement between SCREEN and SAMSUNG to dissolve the capital alliance with respect to SEMES and to transfer all of the outstanding shares of SEMES, held by SCREEN, to SAMSUNG. As a result, it officially ends the 18-year capital relationship between the two companies. Nevertheless, SAMSUNG, SCREEN and SEMES will continue to cooperate with each other in the areas of semiconductor and flat panel display, as well as a variety of other business areas, in order to further strengthen their business relationship.

2. Outline of affiliate company to which the change applies

(1) Company name	SEMES Co., Ltd
(2) Address	278, Moshi-ri, Jiksan-eup, Seobuk-gu, Cheonan City, Chungnam, South Korea
(3) Name (title) of representative	Sang-Kwon Nam (CEO)
(4) Business content	Manufacture and sales of semiconductor and FPD manufacturing equipment
(5) Capital	10 billion won
(6) Established	January 1993

(7)	Main stockholders and ratio of holdings	SAMSUNG ELECTRONICS CO., LTD. 63.87% Dainippon Screen Mfg. Co., Ltd. 21.75%	
(8)	Relationships between the Company (SEMES) and the listed company (SCREEN)	Capital	The listed company owns 21.75% of the issued shares of the Company.
		Personnel	Two employees of the listed company are concurrently serving as directors (part-time director and part-time auditor) in the Company.
		Business	The listed company provides technology and consigns the manufacturing of a portion of its products to the Company.

3. Outline of company receiving the stock transfer

(1)	Name	SAMSUNG ELECTRONICS CO., LTD.	
(2)	Address	Samsung Electronics Bldg. 1320-10, Seocho 2-dong, Seocho-gu, Seoul 137-857, South Korea	
(3)	Name (Title) of representative	Gee-Sung Choi (President & CEO)	
(4)	Business content	Development, manufacture, and sales of electronic parts for semiconductors and LC panels, and electrical parts for TVs and cellular phones, etc.	
(5)	Established	January 1969	
(6)	Net assets	73 trillion 54.2 billion won (as of December 31, 2009)	
(7)	Total assets	118 trillion 281.4 billion won (as of December 31, 2009)	
(8)	Relationships between the Company (SAMSUNG) and the listed company (SCREEN)	Capital	No pertinent relationships
		Personnel	No pertinent relationships
		Business	The listed company sells its products to a subsidiary(ies) of the Company.
		Other pertinent situations regarding related individuals	No pertinent relationships

4. Number of stocks being transferred and status of ownership before and after that transfer

(1)	Number of shares owned prior to transfer	435,000 shares (ratio of ownership: 21.75%)
(2)	Number of shares to be transferred	435,000 shares (value of transfer: 52.2 billion won [approx. 3.7 billion yen])
(3)	Number of shares owned after transfer	0 shares (ratio of ownership: ---%)

5. Schedule

(1) Board of Directors' resolution	October 29, 2010
(2) Stock transfer	October 29, 2010 (scheduled)

6. Influence on profit and loss and outlook for the future

Due to this stock transfer, profit on the sales of the affiliate stock of approx. 500 million yen (on a consolidated basis) is scheduled to be allocated as extraordinary profit for the third quarter of the fiscal year ending March 2011. Furthermore, as a result of this transfer, SEMES will no longer be a SCREEN-affiliated company.

The consolidated earnings forecast for the fiscal year ending March 2011, including effects from this transfer, is currently being closely examined and is scheduled to be disclosed at the announcement of the accounting report for the second quarter on November 8.

*The above yen figures are translated at the rate of 0.071 yen per 1 won.