

June 23, 2009

To whom it may concern:

Company Name: DAINIPPON SCREEN MFG. CO., LTD.
Representative Director: Masahiro Hashimoto, President (COO)
(Code Number 7735; Tokyo Stock Exchange & Osaka Securities Exchange, First Section)
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SOKUDO Co., Ltd., Share Acquisition & Subsidiary Transition Announcement

Dainippon Screen Mfg. Co., Ltd., hereby announce that on June 23, 2009, our board of directors reached definitive agreement with Applied Materials, Inc., whereby Dainippon Screen Mfg. Co. acquired shares of SOKUDO Co., Ltd., that were previously held by Applied Materials, Inc. Following this stock acquisition the SOKUDO Co., Ltd., ownership structure will be 81.0% Dainippon Screen Mfg. and 19.0% Applied Materials (versus previous 52.0% Dainippon Screen Mfg. and 48.0% Applied Materials ratio). Hereafter SOKUDO Co., Ltd., will become a subsidiary company of Dainippon Screen Mfg. Co., Ltd.

1. Explanation of Share Acquisition

Three (3) years have passed since SOKUDO Joint Venture Company was established between Applied Materials, Inc. (California USA) and Dainippon Screen Mfg. Co., Ltd. (Kyoto, Japan). Initially formed by the Dainippon Screen Mfg. Co. semiconductor-related coat/develop equipment business unit spin-off and subsequent Applied Materials, Inc., business engagement and capital investment; SOKUDO Co. has since operated as a jointly managed business operation. During this term the strengths of both parent companies were brought together to complete development of a new product which was released 2009 April: "SOKUDO DUO," the world's first dual-track system realizes the highest productivity in next-generation photolithography coat/develop equipment.

Unfortunately, a global economic recession has had a negative impact on semiconductor equipment markets which are forecasted to remain in difficult conditions for the foreseeable future. As a result the SOKUDO global sales and service organization needs to be streamlined to be more efficient in this business environment. In conjunction with the release of a new product it is recognized that the company structure also requires flexibility with the market demand.

Given this situation both companies have agreed that the best avenue to improve business value and competitiveness of SOKUDO Co., Ltd., would be to reanalyze the scale of company operations and further outsource business functions which Dainippon Screen Mfg. is strong thereby enabling SOKUDO organization to move faster in response to market conditions. In the agreement Dainippon Screen Mfg. acquires shares from Applied Materials and transitions SOKUDO Co., Ltd., to be a subsidiary company.

2. SOKUDO Co., Ltd., Overview

(1)	Trade Name	SOKUDO Company, Limited		
(2)	Head Office Location	K-I Shijo Building, 88 Kankoboko-cho, Shijodori-Muromachi-Higashiiru Shimogyo-ku, Kyoto-shi 600-8009 Japan		
(3)	Representative Director	Tadahiro Suhara, Chief Executive Officer		
(4)	Principle Business	Development, manufacturing, sales and maintenance of semiconductor-related coat/develop track equipment		
(5)	Capital Amount	90 Million Yen		
(6)	Incorporation Date	2006 July 3		
(7)	Major Shareholders & Share Ratio	Dainippon Screen Mfg. Co., Ltd. 52.0% Applied Materials, Inc. 48.0%		
(8)	Relationship between this Company and Dainippon Screen Mfg.	Capital	The company is a joint venture between Dainippon Screen Mfg. Co. and Applied Materials where Dainippon Screen held 52.0% stock ownership.	
		Personnel	As of 2009 April 1, Dainippon Screen Mfg. Co. has assigned a part-time Representative Director, two part-time Director of Board members and a part-time Auditor to the company. In addition, 119 seconded-employees are also assigned to the company.	
		Business	Dainippon Screen Mfg. Co. has responsibility for the manufacturing of the semiconductor-related coat/develop track equipment.	
(9)	Company's Financial & Business Performance During Most Recent Three (3) Years [Unit: Millions of Japanese Yen]			
	Accounting Period Fiscal Year (FY) Ending	March 31, 2007 (9 months)	March 31, 2008	March 31, 2009
	Consolidated Net Assets	23,737	16,195	4,505
	Consolidated Gross Assets	38,551	28,608	12,952
	Consolidated Sales	23,144	22,555	12,264
	Consolidated Net Profit (Loss)	(1,975)	(7,602)	(11,687)

3. Applied Materials, Inc., (from which Company Stock is Acquired) Overview

(1)	Trade Name	Applied Materials, Inc.
(2)	Head Office Location	3050 Bowers Avenue, Santa Clara, California 95054 United States of America
(3)	Representative Director	Michael R. Splinter (Chairman of the Board, President and CEO)
(4)	Principle Business	Applied Materials provides Nanomanufacturing Technology™ solutions for the global semiconductor, flat panel display, solar and related industries, with a broad portfolio of innovative equipment, service and software products.
(5)	Incorporation Date	November 10, 1967
(6)	Total Stockholders' Equity	US\$7,095,899 Thousand (as of April 26, 2009)
(7)	Total Assets	US\$9,749,099 Thousand (as of April 26, 2009)
(8)	Major Shareholders and Shareholding Ratio	FMR LLC 15.0% (as of February 17, 2009) Capital World Investors 9.1% (as of February 13, 2009)
(9)	Relationship between this Company and Dainippon Screen Mfg.	There are no personnel or capital relations between Dainippon Screen Mfg. Co., Ltd. and Applied Materials, Inc.

4. Stock Acquisition Quantity and Common Stock Holdings Before/After Acquisition

(1)	Initial Common Stock Holdings Quantity	520 shares (Total ownership 52.0%)
(2)	Acquiring Stock Qty.	290 shares
(3)	Resulting Common Stock Holdings Qty.	810 shares (Total ownership 81.0%)

5. Significant Dates

(1)	Board of Directors Decision Date	2009 June 23
(2)	Company Stock Acquisition Date	2009 June 23

6. Consolidated Company Profit/Loss Impact & Future Prospects

Through stock acquisition the SOKUDO Co., Ltd., joint-venture business operation (equity share financial accounting method company) becomes a Dainippon Screen Mfg. subsidiary company. As a result, SOKUDO Co., and its 100% subsidiary SOKUDO USA, LLC are both to become a part of Dainippon Screen Mfg. consolidated statement. As a result of SOKUDO Co. becoming a consolidated subsidiary an estimated 5,200 million Japanese Yen extraordinary gain (margin profit and negative goodwill accrual benefit from incremental acquisition) will be applied in the accounting fiscal year ending March 2010 statement by accounting standards. The full accounting fiscal year ending March 2010 consolidated financial impact as result of SOKUDO Co., Ltd., becoming a subsidiary company and restructuring plan effects are currently being evaluated within Dainippon Screen Mfg. Further details will be released at soonest possible timing.