Consolidated Financial Results for the Year Ended June 30, 2014 (Japanese GAAP)

August 8, 2014

Company name: Lasertec Corporation
Stock exchange listing: Tokyo Stock Exchange
Code number: 6920
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Date of general shareholders meeting: September 26, 2014
Date of dividend payable date: September 29, 2014
Date of filing the securities report: September 29, 2014
Preparation of supplementary materials for financial results: Yes
Financial results briefing: Yes (for analysts and institutional investors)

(Figures less than a million yen are rounded down.)

1. Consolidated financial results for the year ended June 30, 2014

(1) Consolidated operating results

(The percentage figures indicate changes from the previous fiscal year.)

	Net sales		Operating income(loss)		Ordinary income(loss)		Net income(loss)	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
June 30, 2014	13,607	19.4	3,097	44.1	3,161	24.6	1,969	22.3
June 30, 2013	11,397	(7.6)	2,149	(30.4)	2,536	(14.7)	1,610	(10.5)

(Note) Comprehensive income: Year ended June 30, 2014: 2,184 million yen [24.6%]
Year ended June 30, 2013: 1,753 million yen [0.6%]

	Net income(loss) per share	Net income per share, fully diluted	Return on shareholders' equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
	Yen	Yen	%	%	%
June 30, 2014	87.37	87.25	11.9	15.2	22.8
June 30, 2013	71.43	71.33	10.5	12.5	18.9

(Reference) Profit/loss on equity method: Year ended June 30, 2014: None Year ended June 30, 2013: None

(Note) Effective July 1, 2013, the company split its common stock 2 for 1 in accordance with the resolution of the Board of Directors dated May 27, 2013. The figures of "net income per share" and "net income per share, fully diluted" are calculated as if the stock split took place at the beginning of the previous fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
June 30, 2014	21,687	17,463	80.4	773.26
June 30, 2013	19,911	15,819	79.3	700.31

(Reference) Equity: June 30, 2014: 17,431 million yen June 30, 2013: 15,785 million yen

(Note) Effective July 1, 2013, the company split its common stock 2 for 1 in accordance with the resolution of the Board of Directors dated May 27, 2013. The figures of “net assets per share” are calculated as if the stock split took place at the beginning of the previous fiscal year.

(3) Consolidated cash flow position

	Cash flow from operating activities	Cash flow from investment activities	Cash flow from financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
June 30, 2014	3,909	(83)	(1,720)	6,120
June 30, 2013	602	(137)	(1,303)	3,967

2. Dividends

	Dividends per share					Dividend payment (Total)	Dividend ratio (Consolidated)	The ratio of dividend to shareholders' equity (Consolidated)
	End 1Q	End 2Q	End 3Q	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
June 30, 2013	—	0.00	—	48.00	48.00	540	33.6	3.5
June 30, 2014	—	0.00	—	27.00	27.00	608	30.9	3.7
June 30, 2015 (Forecast)	—	0.00	—	34.00	34.00		35.7	

(Notes) Effective July 1, 2013, the company split its common stock 2 for 1 in accordance with the resolution of the Board of Directors dated May 27, 2013. Since the effective date of the stock split was July 1, 2013, the company paid dividends of June 30, 2013, based on the number of shares outstanding prior to the stock split.

3. Forecast of consolidated financial results for the year ending June 30, 2015

(The percentage figures indicate changes from the same period of the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First 2Qs	5,600	2.3	500	(40.9)	500	(45.8)	300	(50.8)	13.31
Annual	15,000	10.2	3,200	3.3	3,200	1.2	2,150	9.2	95.37

※ Notes

(1) Significant changes of subsidiaries during the period (changes of specified subsidiaries accompanying changes in the scope of consolidation): None

Number of subsidiaries added to consolidation: None (Company names: N/A),
Number of subsidiaries excluded from consolidation: None (Company names: N/A)

(2) Changes in accounting policy, changes or restatement of accounting estimates
(a) Changes in accounting policy due to revision of accounting standards: None
(b) Changes in accounting policy other than (a): None
(c) Changes in accounting estimates: None
(d) Restatement due to revision: None

(3) Number of issued shares (common stock):

(Shares)

(a) Number of issued shares at the end of the period (including treasury stock)	June 30, 2014	23,571,600	June 30, 2013	23,571,600
(b) Number of treasury stock at the end of the period	June 30, 2014	1,028,800	June 30, 2013	1,030,800
(c) Average number of shares during the period	June 30, 2014	22,541,074	June 30, 2013	22,538,932

(Note) Effective July 1, 2013, the company split its common stock 2 for 1 in accordance with the resolution of the Board of Directors dated May 27, 2013. The number of issued shares at the end of the period (including treasury stock), the number of treasury stock at the end of the period, and the average number of shares during the period are calculated as if the stock split took place at the beginning of the previous fiscal year.

(Reference) Financial Results for the Year Ended June 30, 2014 (Non-Consolidated)

1. Financial results

(1) Operating results

(The percentage figures indicate changes from the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
June 30, 2014	12,890	20.0	2,479	24.2	2,708	3.2	1,683	(3.6)
June 30, 2013	10,739	(9.6)	1,995	(25.7)	2,623	(7.6)	1,745	(2.2)

	Net income per share	Net income per share, fully diluted
	Yen	Yen
June 30, 2014	74.67	74.58
June 30, 2013	77.44	77.33

(Note) Effective July 1, 2013, the company split its common stock 2 for 1 in accordance with the resolution of the Board of Directors dated May 27, 2013. The figures of "net income per share" and "net income per share, fully diluted" are calculated as if the stock split took place at the beginning of the previous fiscal year.

(2) Financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
June 30, 2014	21,126	16,619	78.5	735.84
June 30, 2013	19,357	15,305	78.9	677.52

(Reference) Equity: June 30, 2014: 16,587 million yen June 30, 2013: 15,271 million yen

(Note) Effective July 1, 2013, the company split its common stock 2 for 1 in accordance with the resolution of the Board of Directors dated May 27, 2013. The figures of "net assets per share" are calculated as if the stock split took place at the beginning of the previous fiscal year.

※ Disclosure regarding the status of auditing of this report

This summary of financial results and its related materials are not subject to auditing under the Financial Instruments and Exchange Act of Japan. As of the date of this report, auditing of the consolidated financial statements based on the Financial Instruments and Exchange Act has not been completed.

※ Cautionary statement for proper use of forecast of financial results and other special notes

(Cautions about forward-looking statements)
The forecast of financial results provided in this summary and its related materials is based on information available to the management at the time of announcement and on assumptions it has judged to be reasonable. Lasertec makes no guarantees about achieving the forecast provided herein. Actual results may differ materially from the forecast due to various factors.

(Availability of presentation materials of financial results)
Lasertec will make a presentation of financial results to analysts and institutional investors on August 12, 2014. The presentation materials provided at this meeting will be available on Lasertec's website.

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1. Analysis of Operating Results and Financial Position

(1) Analysis of operating results

① Outline of this fiscal year (ended June 2014)

During the fiscal year of this report, the U.S. economy saw faster consumer spending growth and lower unemployment rate with corporate earnings steadily growing. In Europe, there were signs of economic recovery while the risk of debt crisis subsided. On the other hand, there arose concerns about the prospect in China where economic growth was slowing down as well as in some emerging countries where there is a risk of political unrest boiling over and a fear of currency crisis.

The Japanese economy saw a gradual recovery driven mostly by consumer spending growth as consumer sentiment improved amid the trend of yen depreciation and stock market growth induced by easing of monetary policy and aggressive public spending by the government as well as by last minute spending sprees before consumption tax hike.

In the semiconductor industry, which is the main market of our products, the demand for smartphones and tablets continued to rise, thus driving steady growth of capital expenditures for new equipment to produce energy-efficient devices and to enable further miniaturization to achieve higher performance.

The business environment of other industries related to the remainder of our business is summarized as follows: in the FPD industry, we saw capital spending growth in small and medium-sized LCD panels; the market of lithium ion batteries was steadily growing thanks mainly to the demand for use in electric vehicles; and in the photovoltaic cell industry, the level of capital expenditures for new product lines remained low due to falling prices even though the number of solar cell installations was increasing worldwide.

Under the circumstances, our consolidated net sales for this consolidated fiscal year recorded 13,607 million yen, up 19.4% from the previous fiscal year. By product segment, semiconductor-related equipment accounted for 10,476 million yen (up 15.3%), other products for 1,377 million yen (up 77.6%) and services for 1,753 million yen (up 14.2%). Please note that we have combined the category of FPD-related systems and that of laser microscopes into the “other products” category. We have started providing our sales figures using this new category since the beginning of the fiscal year ended June 2014.

As for consolidated income for this fiscal year, we recorded an operating income of 3,097 million yen (up 44.1%), an ordinary income of 3,161 million yen (up 24.6%), and a net income of 1,969 million yen (up 22.3%).

② Forecast for the next fiscal year (ending June 2015)

The global economy is expected to go on a path of gradual recovery, particularly in the United States and Japan, but there are factors that increase uncertainties, such as economic slowdowns in emerging countries and geopolitical risks in some parts of the world.

In the semiconductor industry, our main market, we expect to see a high level of capital expenditures to meet the demand for smartphones and tablets in emerging countries.

Under the circumstances, we are aiming to increase sales by focusing on semiconductor-related businesses where we reinforce the existing product lineups and create new markets by launching new products. We expect our consolidated results in the fiscal year ending June 2015 to be 15,000 million yen in sales, 3,200 million yen in operating profit, 3,200 million yen in ordinary profit and 2,150 million yen in net profit.

(2) Analysis of financial position

① Assets, Liabilities, and Net Assets

Total assets at the end of this consolidated fiscal year amounted to 21,687 million yen, up 1,776 million yen from the end of the previous fiscal year. This is mainly because of an increase of 2,162 million yen in cash and deposits and an increase of 219 million yen in raw materials and supplies whereas notes and accounts receivable-trade decreased by 590 million yen and work-in process decreased by 126 million yen.

Liabilities at the end of this consolidated fiscal year amounted to 4,224 million yen, up 132 million yen from the end of the previous fiscal year. This is mainly because advances received increased by 1,151 million yen and income tax payable increased by 322 million yen whereas the current portion of long-term loans

payable decreased by 706 million yen, long-term loans payable decreased by 473 million yen and notes and accounts payable-trade decreased by 118 million yen.

Shareholders' equity at the end of this consolidated fiscal year amounted to 17,300 million yen, up 1,430 million yen from the end of the previous fiscal year. This is mainly because we earned a net profit of 1,969 million yen whereas we paid 540 million yen in dividends.

Net assets, which consist of shareholders' equity, other accumulated comprehensive income, and subscription rights to shares, amounted to 17,463 million yen. The equity ratio became 80.4%.

② Cash Flows

Cash and cash equivalents at the end of this fiscal year amounted to 6,120 million yen, up 2,152 million yen from the end of the previous fiscal year. Following is the status of cash flows and their contributing factors during this fiscal year.

In operating activities, 3,909 million yen was generated (up 548.4% from the previous fiscal year). This is mainly because the sum of cash receipt, such as 3,099 million yen in income before income taxes and minority interests, an increase of 1,150 million yen in advanced received and a decrease of 603 million yen in notes and accounts receivable-trade, exceeded the sum of cash payment, such as 761 million yen in income taxes paid and a decrease of 191 million yen in accounts payable-trade.

For investment activities, 83 million yen was used (down 39.2% from the previous fiscal year). This is mainly due to 71 million yen used for purchase of property, plant and equipment.

For financing activities, 1,720 million yen was used (up 32.0% from the previous financial year). This is mainly due to 1,179 million yen used for payment of long-term loans payable and 540 million yen used for cash dividends.

Indexes associated with cash flows for the past few years are provided below:

	Year ended June 2011	Year ended June 2012	Year ended June 2013	Year ended June 2014
Equity ratio (%)	64.2	71.0	79.3	80.4
Equity ratio on market price basis (%)	62.0	79.9	142.4	106.2
Ratio of interest-bearing debts to cash flows (year)	1.1	0.7	2.0	--
Interest coverage ratio (times)	101.1	60.8	30.1	374.1

- Equity ratio: Net assets divided by total assets
- Equity ratio on market price basis: Market capitalization divided by total assets
- Ratio of interest-bearing debts to cash flows: Interest-bearing debts divided by cash flows from operating activities
- Interest coverage ratio: Cash flows divided by paid interests

(Note 1) Each index is calculated based on consolidated financial results.

(Note 2) Market capitalization is calculated based on the total number of issued shares minus the number of treasury stock.

(Note 3) Cash flows denote the cash flows from operating activities on the consolidated statement of cash flows.

(Note 4) Interest-bearing debts denote all interest-bearing liabilities on the consolidated balance sheet.

(3) Basic policy concerning profit distribution and payment of dividends in this fiscal year and the next fiscal year.

Our basic policy concerning profit distribution is to maintain steady income distribution through flexibly adopted dividend schemes in accordance with operating results and to target at a dividend ratio of around 30% on a consolidated basis. We will strive to enhance our corporate health and performance so that we can keep our flexible dividend payments and maintain steady income distributions based on results.

We will use retained earnings for R&D investment in new technologies and products, capital investment in line with the pace of expansion, and investment in human resources so as to further improve our corporate health and to establish a solid foundation for a long-term sustainable growth.

For this fiscal year, we are planning to pay dividends of 27 yen per share.

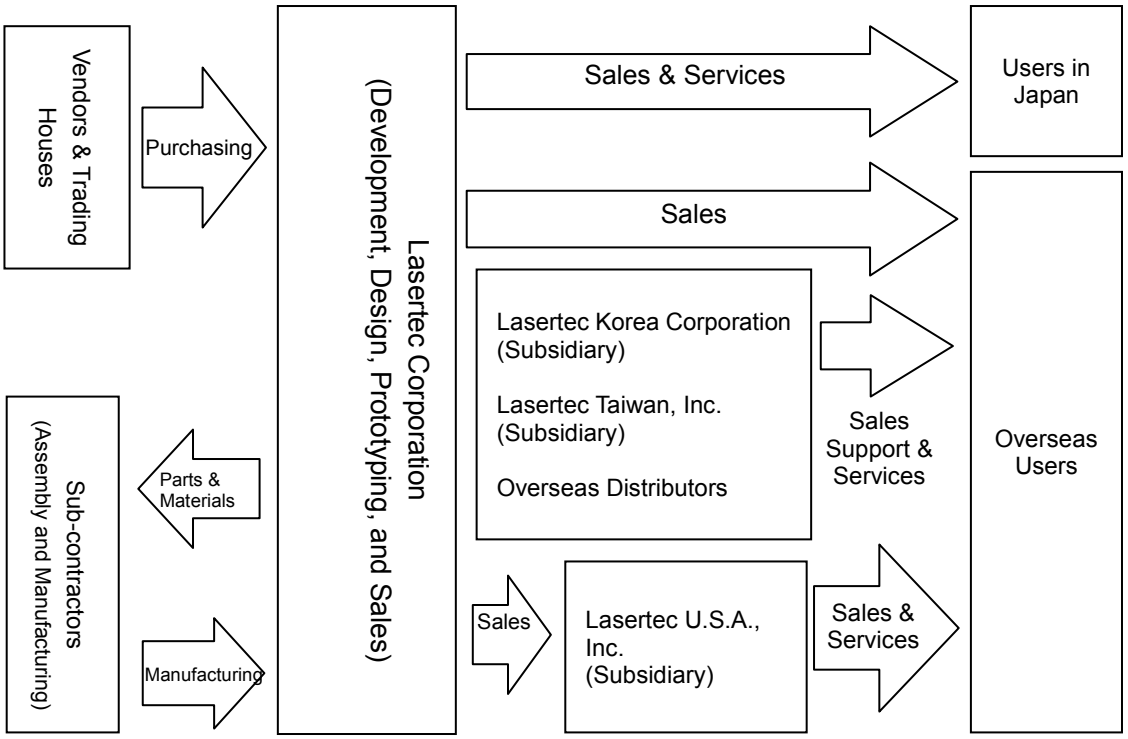
As for our dividend for the next fiscal year, we will revise our policy and target at a higher dividend ratio of 35%. In our forecast, the dividend for the next year, therefore, is expected to be 34 yen per share, resulting in a consolidated dividend ratio of 35.7%.

2. Status of our Group

The business of our Group consists of a single segment - design, manufacture and sale of inspection and measurement equipment – and it is sub-divided into the following operations: design, manufacture, sale and service of semiconductor-related equipment and other products.

Among the operations described above, design and manufacture of all the products fall into the responsibility of Lasertec Corporation. Sales of these products in Japan and other Asian countries are performed by Lasertec Corporation, whereas Lasertec U.S.A., Inc., our consolidated subsidiary, engages in sales activities in North America and Europe. As for service of the products, Lasertec Corporation is in charge of Japan and Asian countries except for Korea and Taiwan while Lasertec U.S.A., Inc. covers North America and Europe, Lasertec Korea Corporation, another consolidated subsidiary, is responsible for Korea, and Lasertec Taiwan, Inc., another consolidated subsidiary, is responsible for Taiwan.

Operations of Lasertec Corporation and its related parties are described below in a business flow chart.



3. Management Policy

(1) Basic management policy

We have been providing various inspection and measurement systems for semiconductor and FPD industries as well as for other advanced technology markets, guided by the company's founding philosophy, "Create unique solutions. Create new value." Holding this philosophy dear to our heart, we are striving to become a company that is "the first point of contact for our customers worldwide looking for solutions." Therefore, our mission is to provide solutions for our customers ahead of anyone else using our core technologies in applied optics in combination with advanced technologies in precision mechanics, electronics and software programming.

(2) Numerical target

It is the belief of our Group that the ultimate purpose of a business enterprise is to keep increasing its shareholder value. Through growth, we will strive to meet the expectations of all stakeholders including shareholders. The pace of innovations in the semiconductor industry, which is our main market, is fast. We therefore need to keep making R&D investments in most advanced technologies. We set our target of operating profit at 20% or more of our annual sales so that we can continue our investment for growth while maintaining a solid financial strength.

(3) Business strategy and challenges

We are in the middle of a 9-year New Medium-Term Business Plan, which started at the beginning of the fiscal year ended June 2010. The next fiscal year is the final year of Phase I of this mid-term business plan, during which we are trying to execute our growth strategy by creating new businesses and reinforcing our existing core businesses. During the next fiscal year, we are taking on the following challenges:

① Reinforcing core businesses
We will reinforce our core business by enhancing the performance of photomask inspection systems and by aggressively promoting mask blank inspection systems and large-size photomask inspection systems for flat panel displays.

② Creating new businesses
We will establish a new pillar of business in the area of semiconductor wafer inspection.

③ Reinforcement of business structure
- We will accelerate our effort to improve our business structure so that we can operate more efficiently in the global market.
- We will reinforce our sales force at our overseas subsidiaries.

4. Consolidated Financial Statements

(1) Consolidated balance sheet

(In thousands of yen)

	Previous (As of June 30,2013)	Current (As of June 30,2014)
Assets		
Current assets		
Cash and deposits	4,027,941	6,190,316
Notes and accounts receivable-trade	2,517,020	1,926,290
Work in process	3,692,425	3,566,295
Raw materials and supplies	494,111	713,541
Deferred tax assets	990,321	933,245
Other	797,075	980,376
Allowance for doubtful accounts	(49,161)	(6,226)
Total current assets	12,469,734	14,303,838
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	3,593,660	3,645,748
Accumulated depreciation	(1,463,041)	(1,631,062)
Buildings and structures, net	2,130,618	2,014,685
Machinery, equipment and vehicles	147,371	147,371
Accumulated depreciation	(131,030)	(135,332)
Machinery, equipment and vehicles, net	16,340	12,039
Tools, furniture and fixtures	838,243	939,415
Accumulated depreciation	(671,009)	(723,223)
Tools, furniture and fixtures, net	167,234	216,192
Leased assets	-	6,600
Accumulated depreciation	-	(220)
Leased assets, net	-	6,380
Land	4,254,773	4,254,773
Construction in progress	-	8,014
Total property, plant and equipment	6,568,967	6,512,085
Intangible assets	577	591
Investments and other assets		
Investment securities	359,901	531,718
Long-term accounts receivable-other	293,336	220,002
Deferred tax assets	137,816	58,446
Other	81,335	61,375
Allowance for doubtful accounts	(286)	(228)
Total investments and other assets	872,103	871,313
Total noncurrent assets	7,441,648	7,383,990
Total assets	19,911,383	21,687,828

(In thousands of yen)

	Previous (As of June 30, 2013)	Current (As of June 30, 2014)
Liabilities		
Current liabilities		
Accounts payable-trade	774,642	655,796
Current portion of long-term loans payable	706,000	-
Income taxes payable	430,767	753,058
Advances received	428,484	1,580,425
Provision for directors' bonuses	111,000	126,000
Provision for product warranties	360,959	410,949
Other	530,506	471,049
Total current liabilities	3,342,360	3,997,281
Noncurrent liabilities		
Long-term loans payable	473,000	-
Provision for retirement benefits	244,606	-
Net defined benefit liability	-	198,047
Other	31,887	29,281
Total noncurrent liabilities	749,493	227,328
Total liabilities	4,091,854	4,224,609
Net assets		
Shareholders' equity		
Capital stock	931,000	931,000
Capital surplus	1,080,360	1,080,360
Retained earnings	14,838,857	16,267,648
Treasury stock	(979,942)	(978,041)
Total shareholders' equity	15,870,274	17,300,966
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	66,499	237,994
Foreign currency translation adjustment	(151,190)	(107,424)
Total accumulated other comprehensive income	(84,690)	130,569
Subscription rights to shares	33,945	31,682
Total net assets	15,819,528	17,463,218
Total liabilities and net assets	19,911,383	21,687,828

(2) Consolidated statement of income and consolidated statement of comprehensive income

(Consolidated statement of income)

(In thousands of yen)

	Previous (July 1, 2012 thru June 30, 2013)	Current (July 1, 2013 thru June 30, 2014)
Net sales	11,397,278	13,607,129
Cost of sales	6,042,754	7,041,885
Gross profit	5,354,523	6,565,243
Selling, general and administrative expenses	3,205,164	3,467,750
Operating income	2,149,358	3,097,492
Non-operating income		
Interest income	4,805	4,108
Dividends income	3,252	4,963
Foreign exchange gains	372,638	59,161
Rent income on non-current assets	1,895	2,013
Other	25,275	3,885
Total non-operating income	407,867	74,131
Non-operating expenses		
Interest expenses	19,922	10,236
Other	675	7
Total non-operating expenses	20,597	10,243
Ordinary income	2,536,629	3,161,380
Extraordinary loss		
Loss on valuation of investment securities	-	61,584
Settlement package	45,000	-
Total extraordinary losses	45,000	61,584
Income before income taxes	2,491,629	3,099,796
Income taxes-current	1,007,958	1,053,938
Income taxes-deferred	(126,424)	76,450
Total income taxes	881,533	1,130,389
Income before minority interests	1,610,095	1,969,406
Net income	1,610,095	1,969,406

(Consolidated statement of comprehensive income)

(In thousands of yen)

	Previous (July 1, 2012 thru June 30, 2013)	Current (July 1, 2013 thru June 30, 2014)
Income before minority interests	1,610,095	1,969,406
Other comprehensive income		
Valuation difference on available-for-sale securities	56,640	171,495
Foreign currency translation adjustment	87,066	43,765
Total other comprehensive income	143,707	215,260
Comprehensive income	1,753,802	2,184,667
Comprehensive income attributable to owners of the parent	1,753,802	2,184,667
Comprehensive income attributable to minority interests	-	-

(3) Consolidated statement of shareholders' equity

(In thousands of yen)

	Previous (July 1, 2012 thru June 30, 2013)	Current (July 1, 2013 thru June 30, 2014)
Shareholders' equity		
Capital stock		
Balance at the beginning of the period	931,000	931,000
Changes during the period		
Total changes during the period	-	-
Balance at the end of the period	931,000	931,000
Capital surplus		
Balance at the beginning of the period	1,080,360	1,080,360
Changes during the period		
Total changes during the period	-	-
Balance at the end of the period	1,080,360	1,080,360
Retained earnings		
Balance at the beginning of the period	13,940,437	14,838,857
Changes during the period		
Dividends from surplus	(597,278)	(540,979)
Net income	1,610,095	1,969,406
Change of scope of consolidation	(114,759)	-
Disposal of treasury stock	362	363
Total changes during the period	898,420	1,428,790
Balance at the end of the period	14,838,857	16,267,648
Treasury stock		
Balance at the beginning of the period	(981,843)	(979,942)
Changes during the period		
Disposal of treasury stock	1,901	1,901
Total changes during the period	1,901	1,901
Balance at the end of the period	(979,942)	(978,041)
Total shareholders' equity		
Balance at the beginning of the period	14,969,953	15,870,274
Changes during the period		
Dividends from surplus	(597,278)	(540,979)
Net income	1,610,095	1,969,406
Change of scope of consolidation	(114,759)	-
Disposal of treasury stock	2,264	2,265
Total changes during the period	900,321	1,430,692
Balance at the end of the period	15,870,274	17,300,966

(In thousands of yen)

	Previous (July 1, 2012 thru June 30, 2013)	Current (July 1, 2013 thru June 30, 2014)
Other comprehensive income		
Valuation difference on available-for-sale securities		
Balance at the beginning of the period	9,859	66,499
Changes during the period		
Net changes of items other than shareholders' equity	56,640	171,495
Total changes during the period	56,640	171,495
Balance at the end of the period	66,499	237,994
Foreign currency translation adjustment		
Balance at the beginning of the period	(238,257)	(151,190)
Changes during the period		
Net changes of items other than shareholders' equity	87,066	43,765
Total changes during the period	87,066	43,765
Balance at the end of the period	(151,190)	(107,424)
Total other comprehensive income		
Balance at the beginning of the period	(228,397)	(84,690)
Changes during the period		
Net changes of items other than shareholders' equity	143,707	215,260
Total changes during the period	143,707	215,260
Balance at the end of the period	(84,690)	130,569
Subscription rights to shares		
Balance at the beginning of the period	36,208	33,945
Changes during the period		
Net changes of items other than shareholders' equity	(2,263)	(2,263)
Total changes during the period	(2,263)	(2,263)
Balance at the end of the period	33,945	31,682
Total net assets		
Balance at the beginning of the period	14,777,763	15,819,528
Changes during the period		
Dividends from surplus	(597,278)	(540,979)
Net income	1,610,095	1,969,406
Change of scope of consolidation	(114,759)	-
Disposal of treasury stock	2,264	2,265
Net changes of items other than shareholders' equity	141,444	212,997
Total changes during the period	1,041,765	1,643,689
Balance at the end of the period	15,819,528	17,463,218

(4)Consolidated statement of cash flows

(In thousands of yen)

	Previous (July 1, 2012 thru June 30, 2013)	Current (July 1, 2013 thru June 30, 2014)
Cash flows from operating activities		
Income before income taxes	2,491,629	3,099,796
Depreciation and amortization	226,722	233,795
Increase (decrease) in allowance for doubtful accounts	(88,397)	(43,071)
Increase (decrease) in provision for directors' bonuses	(5,300)	15,000
Increase (decrease) in provision for product warranties	(9,703)	50,895
Increase (decrease) in provision for retirement benefits	(39,274)	(245,583)
Increase (decrease) in net defined benefit liability	-	198,047
Interest and dividends income	(8,058)	(9,071)
Interest expenses	19,922	10,236
Foreign exchange losses (gains)	(76,995)	(33,600)
Loss (gain) on valuation of investment securities	-	61,584
Decrease (increase) in long-term account receivable-other	73,334	73,334
Decrease (increase) on notes and accounts receivable-trade	556,301	603,626
Decrease (increase) in inventories	(46,273)	(80,926)
Increase (decrease) in accounts payable-trade	(291,196)	(191,622)
Increase (decrease) in advances received	(716,570)	1,150,106
Other, net	(38,557)	(219,324)
Sub-total	2,047,580	4,673,221
Interest and dividends received	8,195	8,712
Interest expenses paid	(20,021)	(10,450)
Income taxes paid	(1,432,822)	(761,966)
Net cash provided by (used in) operating activities	602,932	3,909,516
Cash flows from investment activities		
Purchase of property, plant and equipment	(122,522)	(71,249)
Other, net	(15,440)	(12,688)
Net cash provided by (used in) investment activities	(137,962)	(83,937)
Cash flows from financing activities		
Payment of long-term loans payable	(706,000)	(1,179,000)
Proceeds from sale of treasury stock	1	1
Cash dividends paid	(597,278)	(540,979)
Other, net	-	(220)
Net cash provided by (used in) financial activities	(1,303,277)	(1,720,198)
Effect of exchange rate change on cash and cash equivalents	118,555	47,193
Net increase (decrease) in cash and cash equivalents	(719,751)	2,152,574
Cash and cash equivalents at beginning of period	4,625,370	3,967,601
Net increase (decrease) in cash and cash equivalents due to change of scope of consolidation	61,982	-
Cash and cash equivalents at end of period	3,967,601	6,120,176

(Reference) Production, orders and sales

(1) Production by category

Production by category for the fiscal year is as follows.

(In thousands of yen)

Category	(July 1, 2013 thru June 30, 2014) Amount	Year-on-year comparison (%)
Finished goods		
Semiconductor related systems	11,642,923	162.7
Other products	1,424,062	155.3
Sub-total	13,066,986	161.9
Services	1,753,667	114.2
Total	14,820,654	154.3

(Notes)
1. Numbers shown above are based on sales prices.
2. Starting this fiscal year, we no longer use the two categories, “FPD-related systems” and “confocal laser microscopes,” and merge them into the “other products” category.
3. Consumption taxes are excluded.

(2) Orders by category

New orders and order backlog by category for the fiscal year are as follows.

(In thousands of yen)

Category	(July 1, 2013 thru June 30, 2014) Amount	Year-on-year comparison (%)	Outstanding	Year-on-year comparison (%)
Finished goods				
Semiconductor related systems	11,887,091	184.5	5,453,952	134.9
Other products	2,486,714	343.2	1,212,055	1,182.9
Sub-total	14,373,806	200.5	6,666,007	160.8
Services	1,815,995	113.7	310,393	125.1
Total	16,189,801	184.7	6,976,400	158.8

(Notes)
1. Numbers shown above are based on sales prices.
2. Starting this fiscal year, we no longer use the two categories, “FPD-related systems” and “confocal laser microscopes,” and merge them into the “other products” category.
3. Numbers reflect adjustment for cancellation and other changes.
4. Consumption taxes are excluded.

(3) Sales by category

Sales by category for the fiscal year are as follows.

(In thousands of yen)

Category	(July 1, 2013 thru June 30, 2014) Amount	Year-on-year comparison (%)
Finished goods		
Semiconductor related systems	10,476,341	115.3
Other products	1,377,120	177.6
Sub-total	11,853,461	120.2
Services	1,753,667	114.2
Total	13,607,129	119.4

(Note)

1. Starting this fiscal year, we no longer use the two categories, “FPD-related systems” and “confocal laser microscopes,” and merge them into the “other products” category.
2. Consumption taxes are excluded.

5. Non-consolidated financial statements

(1) Balance sheet (non-consolidated)

(In thousands of yen)

	Previous (As of June 30, 2013)	Current (As of June 30, 2014)
Assets		
Current assets		
Cash and deposits	3,165,643	5,569,039
Notes receivable-trade	215,556	167,742
Accounts receivable-trade	2,514,565	1,629,800
Work in process	3,695,844	3,571,022
Raw materials and supplies	446,783	669,522
Accounts receivable-other	622,916	695,112
Deferred tax assets	1,023,182	1,002,336
Other	138,455	307,396
Allowance for doubtful accounts	(48,674)	(5,804)
Total current assets	11,774,272	13,606,167
Noncurrent assets		
Property, plant, and equipment		
Buildings	2,110,701	1,998,573
Structures	16,996	14,254
Machinery and equipment	16,340	12,039
Tools, furniture and fixtures	161,594	207,937
Leased assets	-	6,380
Land	4,254,773	4,254,773
Total property, plant, and equipment	6,560,407	6,493,958
Intangible assets	494	494
Investments and other assets		
Investment securities	359,901	531,718
Stocks of subsidiaries and affiliates	147,729	147,729
Long-term accounts receivable-other	293,336	220,002
Deferred tax assets	162,102	88,789
Other	59,354	37,639
Allowance for doubtful accounts	(286)	(228)
Total investments and other assets	1,022,137	1,025,650
Total noncurrent assets	7,583,039	7,520,103
Total assets	19,357,312	21,126,270

(In thousands of yen)

	Previous (As of June 30, 2013)	Current (As of June 30, 2014)
Liabilities		
Current liabilities		
Accounts payable-trade	771,255	674,681
Current portion of long-term loans payable	706,000	-
Accounts payable-other	464,830	749,154
Income taxes payable	422,305	714,864
Advances received	400,891	1,560,967
Provision for directors' bonuses	111,000	126,000
Provision for product warranties	271,101	292,196
Other	161,448	168,860
Total current liabilities	3,308,831	4,286,725
Noncurrent liabilities		
Long-term loans payable	473,000	-
Provision for retirement benefits	238,589	191,445
Other	31,044	28,509
Total noncurrent liabilities	742,633	219,954
Total liabilities	4,051,465	4,506,679
Net Assets		
Shareholders' equity		
Capital stock	931,000	931,000
Capital surplus		
Legal capital surplus	1,080,360	1,080,360
Total capital surplus	1,080,360	1,080,360
Retained earnings		
Legal retained earnings	159,038	159,038
Other retained earnings		
General reserve	9,212,000	9,212,000
Retained earnings brought forward	4,802,946	5,945,557
Total retained earnings	14,173,984	15,316,595
Treasury stock	(979,942)	(978,041)
Total shareholders' equity	15,205,402	16,349,914
Valuation and translation adjustments		
Valuation difference on available-for-sale	66,499	237,994
Total valuation and translation adjustments	66,499	237,994
Subscription rights to shares	33,945	31,682
Total net assets	15,305,846	16,619,590
Total liabilities and net assets	19,357,312	21,126,270

(2)Statements of income (non-consolidated)

(In thousands of yen)

	Previous (July 1, 2012 thru June 30, 2013)	Current (July 1, 2013 thru June 30, 2014)
Net sales	10,739,896	12,890,023
Cost of sales	5,856,895	7,057,355
Gross profit	4,883,000	5,832,667
Selling, general and administrative expenses	2,887,347	3,353,631
Operating income	1,995,653	2,479,036
Non-operating income		
Interest income	1,592	1,614
Dividends income	269,945	189,477
Foreign exchange gains	350,824	44,023
Rent income on non-current assets	1,895	2,013
Other	24,641	2,152
Total non-operating income	648,899	239,281
Non-operating expenses		
Interest expenses	19,922	10,236
Other	675	7
Total non-operating expenses	20,597	10,243
Ordinary income	2,623,955	2,708,073
Extraordinary losses		
Loss on valuation of investment securities	-	61,584
Settlement package	45,000	-
Total extraordinary losses	45,000	61,584
Income before income taxes	2,578,955	2,646,489
Income taxes-current	951,870	931,010
Income taxes-deferred	(118,410)	32,252
Total income taxes	833,459	963,263
Net income	1,745,495	1,683,226

(3) Statement of shareholders' equity (non-consolidated)

(In thousands of yen)

	Previous (July 1, 2012 thru June 30, 2013)	Current (July 1, 2013 thru June 30, 2014)
Shareholders' equity		
Capital stock		
Balance at the beginning of the period	931,000	931,000
Changes during the period		
Total changes during the period	-	-
Balance at the end of the period	931,000	931,000
Capital surplus		
Balance at the beginning of the period	1,080,360	1,080,360
Changes during the period		
Total changes during the period	-	-
Balance at the end of the period	1,080,360	1,080,360
Retained earnings		
Legal retained earnings		
Balance at the beginning of the period	159,038	159,038
Changes during the period		
Total changes during the period	-	-
Balance at the end of the period	159,038	159,038
Other retained earnings		
General reserve		
Balance at the beginning of the period	9,212,000	9,212,000
Changes during the period		
Total changes during the period	-	-
Balance at the end of the period	9,212,000	9,212,000
Retained earnings brought forward		
Balance at the beginning of the period	3,654,366	4,802,946
Changes during the period		
Dividends from surplus	(597,278)	(540,979)
Net income	1,745,495	1,683,226
Disposal of treasury stock	362	363
Total changes during the period	1,148,580	1,142,610
Balance at the end of the period	4,802,946	5,945,557
Total retained earnings		
Balance at the beginning of the period	13,025,404	14,173,984
Changes during the period		
Dividends from surplus	(597,278)	(540,979)
Net income	1,745,495	1,683,226
Disposal of treasury stock	362	363
Total changes during the period	1,148,580	1,142,610
Balance at the end of the period	14,173,984	15,316,595

(In thousands of yen)

	Previous (July 1, 2012 thru June 30, 2013)	Current (July 1, 2013 thru June 30, 2014)
Treasury stock		
Balance at the beginning of the period	(981,843)	(979,942)
Changes during the period		
Disposal of treasury stock	1,901	1,901
Total changes during the period	1,901	1,901
Balance at the end of the period	(979,942)	(978,041)
Total shareholders' equity		
Balance at the beginning of the period	14,054,920	15,205,402
Changes during the period		
Dividends from surplus	(597,278)	(540,979)
Net income	1,745,495	1,683,226
Disposal of treasury stock	2,264	2,265
Total changes during the period	1,150,481	1,144,511
Balance at the end of the period	15,205,402	16,349,914
Valuation and translation adjustments		
Valuation difference on available-for-sale		
Balance at the beginning of the period	9,859	66,499
Changes during the period		
Net changes of items other than shareholders'	56,640	171,495
Total changes during the period	56,640	171,495
Balance at the end of the period	66,499	237,994
Subscription rights to shares		
Balance at the beginning of the period	36,208	33,945
Changes during the period		
Net changes of items other than shareholders'	(2,263)	(2,263)
Total changes during the period	(2,263)	(2,263)
Balance at the end of the period	33,945	31,682
Total net assets		
Balance at the beginning of the period	14,100,987	15,305,846
Changes during the period		
Dividends from surplus	(597,278)	(540,979)
Net income	1,745,495	1,683,226
Disposal of treasury stock	2,264	2,265
Net changes of items other than shareholders'	54,377	169,232
Total changes during the period	1,204,859	1,313,744
Balance at the end of the period	15,305,846	16,619,590