Consolidated Financial Results for the Third Quarter Ended March 31, 2015 (Japanese GAAP)

April 30, 2015

Company name: Lasertec Corporation
Stock exchange listing: Tokyo Stock Exchange
Code: 6920
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Preparation of supplementary materials for financial results: Yes
Financial results briefing: No

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

1. Consolidated financial results for the nine months ended March 31, 2015

(1) Consolidated operating results

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

	Net sales		Operating income		Ordinary income		Net income	
Nine months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2015	11,052	60.1	3,247	435.6	3,166	395.7	1,990	450.5
March 31, 2014	6,901	(22.9)	606	(75.0)	638	(76.4)	361	(78.6)

(Note) Comprehensive income: Nine months ended March 31, 2015: 2,166 million yen [329.4%]
Nine months ended March 31, 2014: 504 million yen [-72.0%]

	Net income per share	Net income per share, fully diluted
Nine months ended	Yen	Yen
March 31, 2015	88.31	88.21
March 31, 2014	16.04	16.02

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
March 31, 2015	22,940	19,012	82.8	842.36
June 30, 2014	21,687	17,463	80.4	773.26

(Reference) Equity: March 31, 2015: 18,989 million yen June 30, 2014: 17,431 million yen

2. Dividends

	Dividends per share				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended June 30, 2014	--	0.00	--	27.00	27.00
Fiscal year ending June 30, 2015	--	0.00	--		
Fiscal year ending June 30, 2015 (Forecast)				38.00	38.00

(Note) Revision to forecast of dividends since the last announcement: None

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
Annual	15,000	10.2	3,800	22.7	3,800	20.2	2,400	21.9	106.46

(Note) Revision to forecast of financial results since the last announcement: None

※ 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: --),
Number of subsidiaries excluded from consolidation: None (Company names: --)

(2) Application of special accounting procedures for compiling quarterly financial statements: None

(3) 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

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

(Shares)

(a) Number of issued shares at the end of the period (including treasury stock)	March 31, 2015	23,571,600	June 30, 2014	23,571,600
(b) Number of treasury stock at the end of the period	March 31, 2015	1,028.800	June 30, 2014	1,028,800
(c) Average number of shares during the period ended	March 31, 2015	22,542,800	March 31, 2014	22,540,800

※ 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

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.

Contents of Supplementary Material

1. Qualitative information concerning this quarterly report ……2
(1) Qualitative information concerning consolidated results ……2
(2) Qualitative information concerning consolidated financial position ……2
(3) Qualitative information concerning forecast of consolidated financial results ……3

2. Statement concerning “Notes on the summary” ……3
(1) Significant changes of subsidiaries during the cumulative quarter ……3
(2) Application of special accounting procedures to the preparation of consolidated financial statements ……3
(3) Changes in accounting policy and changes or restatement of accounting estimates ……3

3. Consolidated financial statements……4
(1) Consolidated balance sheet ……4
(2) Consolidated statement of income and consolidated statement of comprehensive income……6
Consolidated statement of income (First nine months of the fiscal year) ……6
Consolidated statement of comprehensive income (First nine months of the fiscal year)……7
(3) Consolidated statement of cash flows ……8
(4) Notes on consolidated financial statements ……9
(Note on going concern)……9
(Note on significant changes in the amount of shareholders’ equity)……9

4. Supplementary information…… 10
(1) Production by category…… 10
(2) Orders and backlog by category…… 10
(3) Sales by category …… 10

1. Qualitative information concerning this quarterly report

(1) Qualitative information concerning consolidated results

During the nine-month period ended March 31, 2015, the US economy had robust recovery as seen in improving employment numbers and steady growth in consumer spending and housing market. In Europe, the European Central Bank introduced quantitative easing and, since then, we began to see signs of bottoming out, its deflation being contained and unemployment rates declining. On the other hand, however, it became evident that the pace of growth was slowing down in China and other emerging economies. The prospect of the global economy, therefore, remains uncertain overall.

As for the Japanese economy in this period, thanks to the effect of depreciation of yen and lower crude oil prices, corporate capital expenditures increased and employment numbers rose. Japan experienced a temporary slump after consumption tax hike, but it appeared to have entered a gradual recovery phase since then. It is now expected that pay increases will facilitate a more robust recovery of consumer spending.

In the semiconductor industry, our main business sector, logic foundries and memory manufacturers maintained a high level of capital expenditures for the production of advanced technology chips in an effort to make semiconductor devices more efficient by introducing smaller scaled designs.

A summary of other industries related to the remainder of our business is as follows: in the FPD industry, capital expenditures were made for the production of high definition panels to meet a high demand driven by strong smartphone sales; the market of lithium ion batteries was expanding and seeing a growth in R&D expenditures at the same time, and; in the photovoltaic cell industry, capital expenditures slightly increased in monetary basis but remained at an insignificant level.

Under the circumstances, our consolidated net sales in the nine-month period ended March 31, 2015, was 11,052 million yen, up 60.1% from the same period of the previous year.

Looking at the consolidated net sales by product segment, semiconductor-related systems accounted for 7,994 million yen (up 63.4% from the same period of the previous year), other products for 1,701 million yen (up 152.9%), and services for 1,357 million yen (up 1.6%).

As for consolidated income for the nine-month period of this quarterly report, we recorded an operating profit of 3,247 million yen (up 435.6% from the same period of the previous year), an ordinary profit of 3,166 million yen (up 395.7%), and a net profit of 1,990 million yen (up 450.5%).

(2) Qualitative information concerning consolidated financial position

① Financial position

Total assets at the end of the quarter amounted to 22,940 million yen, up 1,252 million yen from the end of the previous fiscal year. This is mainly due to a 2,229 million yen increase in notes and accounts receivable-trade whereas cash and deposits decreased by 656 million yen.

Liabilities at the end of the quarter amounted to 3,927 million yen, down 296 million yen from the end of the previous fiscal year. This is mainly due to a 765 million yen decrease in advances received and a 162 million yen decrease in income taxes payable whereas notes and accounts payable-trade increased by 552 million yen.

Net assets, which consist of shareholders' equity, accumulated other comprehensive income, and subscription right to shares, amounted to 19,012 million yen with capital-asset ratio of 82.8%.

② Cash flows

Cash and cash equivalents at the end of the quarter amounted to 5,458 million yen, down 661 million yen from the end of the previous fiscal year. Following is the status of cash flows and their contributing factors during the nine-month period.

For operating activities, 46 million yen was used (whereas 2,026 million yen was received in the same period of the previous year). This is mainly because the sum of cash payment such as a 2,142 million yen increase in notes and accounts receivable-trade, 1,209 million yen spent for income taxes paid and a 768 million yen decrease in advances received exceeded the sum of cash receipt such as 3,174 million yen in income before income taxes and minority interests, a 716 million yen increase in notes and accounts payable-trade and a 246 million yen increase in provision for bonuses.

For investment activities, 74 million yen was used (up 29.6% from the same period of the previous year). This is due to 46 million yen used for purchase of property, plant and equipment and 28 million yen used for purchase of intangible assets.

For financing activities, 611 million yen was used (down 42.9% from the same period of the previous year). This is mainly due to 608 million yen used for cash dividends paid.

(3) Qualitative information concerning forecast of consolidated financial results

We make no revision to our forecast of operating results for the full year ending June 30, 2015, which we announced on January 30, 2015.

2. Statement concerning “Notes” on the summary

(1) Significant changes of subsidiaries during the cumulative quarter
None

(2) Application of special accounting procedures to the preparation of consolidated financial statements
None

(3) Changes in accounting policy and changes or restatement of accounting estimates
None

3. Consolidated Financial Statements

(1) Consolidated balance sheet

(In thousands of yen)

	Previous (As of June 30, 2014)	Current (As of March 31, 2015)
Assets		
Current assets		
Cash and deposits	6,190,316	5,534,303
Notes and accounts receivable-trade	1,926,290	4,156,263
Work in process	3,566,295	3,641,151
Raw materials and supplies	713,541	734,454
Deferred tax assets	933,245	884,834
Other	980,376	687,105
Allowance for doubtful accounts	(6,226)	(3,217)
Total current assets	14,303,838	15,634,894
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	2,014,685	1,949,508
Machinery, equipment and vehicles, net	12,039	9,091
Tools, furniture and fixtures, net	216,192	238,969
Leased assets, net	6,380	5,390
Land	4,254,773	4,254,773
Construction in progress	8,014	--
Total property, plant and equipment	6,512,085	6,457,733
Intangible assets	591	28,690
Investments and other assets		
Investment securities	531,718	628,485
Long-term accounts receivable-other	220,002	146,668
Deferred tax assets	58,446	--
Other	61,375	44,444
Allowance for doubtful accounts	(228)	(212)
Total investments and other assets	871,313	819,385
Total noncurrent assets	7,383,990	7,305,809
Total assets	21,687,828	22,940,704

(In thousands of yen)

	Previous (As of June 30, 2014)	Current (As of March 31, 2015)
Liabilities		
Current liabilities		
Notes and accounts payable – trade	655,796	1,208,233
Income taxes payable	753,058	590,622
Advances received	1,580,425	815,091
Provision for bonuses	--	246,016
Provision for directors' bonuses	126,000	113,718
Provision for product warranties	410,949	360,786
Other	471,049	380,277
Total current liabilities	3,997,281	3,714,745
Noncurrent liabilities		
Net defined benefit liability	198,047	179,485
Other	29,281	33,494
Total noncurrent liabilities	227,328	212,979
Total liabilities	4,224,609	3,927,725
Net assets		
Shareholders' equity		
Capital stock	931,000	931,000
Capital surplus	1,080,360	1,080,360
Retained earnings	16,267,648	17,649,722
Treasury stock	(978,041)	(978,041)
Total shareholders' equity	17,300,966	18,683,041
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	237,994	311,603
Foreign currency translation adjustment	(107,424)	(5,427)
Total accumulated other comprehensive income	130,569	306,175
Subscription rights to shares	31,682	23,761
Total net assets	17,463,218	19,012,978
Total liabilities and net assets	21,687,828	22,940,704

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

(Consolidated statement of income)

(In thousands of yen)

	Previous (July 1, 2013 thru March 31, 2014)	Current (July 1, 2014 thru March 31, 2015)
Net sales	6,901,984	11,052,997
Cost of sales	3,729,084	5,160,748
Gross profit	3,172,900	5,892,249
Selling, general and administrative expenses	2,566,677	2,645,129
Operating income	606,222	3,247,120
Non-operating income		
Interest income	2,226	2,451
Dividend income	2,204	2,774
Rent income on non-current assets	1,496	1,313
Foreign exchange gains	32,195	--
Other	2,994	2,283
Total non-operating income	41,116	8,823
Non-operating expenses		
Interest expenses	8,592	668
Foreign exchange losses	--	88,850
Other	7	62
Total non-operating expenses	8,599	89,581
Ordinary income	638,738	3,166,362
Extraordinary income		
Gain on reversal of subscription rights to shares	--	7,920
Total extraordinary income	--	7,920
Extraordinary losses		
Loss on valuation of investment securities	31,633	--
Total extraordinary losses	31,633	--
Income before income taxes and minority interests	607,104	3,174,282
Income taxes-current	249,186	1,088,310
Income taxes-deferred	(3,724)	95,242
Total income taxes	245,462	1,183,552
Income before minority interests	361,642	1,990,730
Net Income	361,642	1,990,730

(Consolidated statement of comprehensive income)

(In thousands of yen)

	Previous (July 1, 2013 thru March 31, 2014)	Current (July 1, 2014 thru March 31, 2015)
Income before minority interests	361,642	1,990,730
Other comprehensive income		
Valuation difference on available-for-sale securities	100,500	73,608
Foreign currency translation adjustment	42,376	101,997
Total other comprehensive income	142,876	175,605
Comprehensive income	504,519	2,166,336
Comprehensive income attributable to owners of the parent	504,519	2,166,336
Comprehensive income attributable to minority interests	--	--

(3)Consolidated statement of cash flows

(In thousands of yen)

	Previous (July 1, 2013 thru March 31, 2014)	Current (July 1, 2014 thru March 31, 2015)
Cash flows from operating activities		
Income before income taxes and minority interests	607,104	3,174,282
Depreciation and amortization	168,537	164,166
Increase (decrease) in allowance for doubtful accounts	(23,064)	(3,060)
Increase (decrease) in provision for bonuses	216,613	246,016
Increase (decrease) in provision for director's bonuses	(88,970)	(12,282)
Increase (decrease) in provision for product warranties	(30,965)	(48,267)
Increase (decrease) in provision for retirement benefits	(23,414)	--
Increase (decrease) in net defined benefit liability	--	(19,122)
Interest and dividend income	(4,430)	(5,226)
Interest expenses	8,592	668
Foreign exchange losses (gains)	(38,542)	(71,641)
Loss (gain) on valuation of investment securities	31,633	--
Gain on reversal of subscription rights to shares	--	(7,920)
Decrease (increase) in notes and accounts receivable-trade	1,410,958	(2,142,610)
Decrease (increase) in inventories	(1,456,508)	(83,336)
Decrease (increase) in long-term accounts receivable-other	73,334	73,334
Increase (decrease) in notes and accounts payable-trade	313,603	716,607
Increase (decrease) in advances received	1,981,890	(768,945)
Other, net	(450,695)	(55,664)
Subtotal	2,695,677	1,156,998
Interest and dividend income received	5,042	6,219
Interest expenses paid	(8,671)	(668)
Income taxes paid	(665,626)	(1,209,106)
Net cash provided by (used in) operating activities	2,026,422	(46,556)
Cash flows from investment activities		
Purchase of property, plant and equipment	(45,036)	(46,072)
Purchase of intangible assets	--	(28,369)
Other, net	(12,419)	--
Net cash provided by (used in) investment activities	(57,456)	(74,442)
Cash flows from financing activities		
Repayments of long-term loans payable	(529,500)	--
Cash dividends paid	(540,979)	(608,655)
Other, net	--	(2,420)
Net cash provided by (used in) financing activities	(1,070,479)	(611,075)
Effect of exchange rate change on cash and cash equivalents	54,211	70,112
Net increase (decrease) in cash and cash equivalents	952,697	(661,962)
Cash and cash equivalents at beginning of period	3,967,601	6,120,176
Cash and cash equivalents at end of period	4,920,299	5,458,213

(4) Notes on consolidated financial statements

(Note on going concern)

None

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

None

4. Supplementary information

(1) Production by category

Production by category for the first nine months of the fiscal year is as follows.

(In thousands of yen)

	(July 1, 2014 thru March 31, 2015)		
Category	Previous	Current	Year-on-year comparison (%)
Finished goods			
Semiconductor-related systems	7,686,134	7,451,742	97.0
Other products	732,875	2,148,207	293.1
Subtotal	8,419,009	9,599,949	114.0
Services	1,336,316	1,357,438	101.6
Total	9,755,325	10,957,387	112.3

(Notes)
1. Numbers shown above are based on sales prices.
2. Consumption taxes are excluded.

(2) Orders and backlog by category

Orders and backlog by category for the first nine months of the fiscal year are as follows.

(In thousands of yen)

	(July 1, 2014 thru March 31, 2015)					
Category	Orders Previous	Orders Current	Year-on-year comparison (%)	Backlog Previous	Backlog Current	Year-on-year comparison (%)
Finished goods						
Semiconductor-related systems	8,354,920	7,971,344	95.4	7,505,285	5,431,282	72.4
Other products	1,198,049	4,034,443	336.8	627,679	3,544,952	564.8
Subtotal	9,552,970	12,005,787	125.7	8,132,964	8,976,235	110.4
Services	1,362,706	1,314,190	96.4	274,456	267,145	97.3
Total	10,915,677	13,319,978	122.0	8,407,421	9,243,380	109.9

(Notes)
1. Numbers shown above are based on sales prices.
2. Numbers reflect adjustment for cancellation and other changes.
3. Consumption taxes are excluded.

(3) Sales by category

Sales by category for the first nine months of the fiscal year are as follows.

(In thousands of yen)

	(July 1, 2014 thru March 31, 2015)		
Category	Previous	Current	Year-on-year comparison (%)
Finished goods			
Semiconductor related systems	4,892,837	7,994,013	163.4
Other products	672,831	1,701,546	252.9
Subtotal	5,565,668	9,695,559	174.2
Services	1,336,316	1,357,438	101.6
Total	6,901,984	11,052,997	160.1

(Note) Consumption taxes are excluded.