Consolidated Financial Results for the Year Ended June 30, 2019 (Japanese GAAP)

August 7, 2019

Company name: Lasertec Corporation
Stock exchange listing: Tokyo Stock Exchange
Code number: 6920
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Date of ordinary general meeting of shareholders: September 27, 2019
Dividend payable date: September 30, 2019
Date of securities report filing: September 30, 2019
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, 2019

(1) Consolidated operating results

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

Fiscal year ended	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
June 30, 2019	28,769	35.4	7,941	39.7	7,834	37.3	5,933	35.9
June 30, 2018	21,252	23.0	5,685	16.0	5,706	14.9	4,366	23.5

(Note) Comprehensive income: Year ended June 30, 2019: 5,767 million yen [31.7%]
Year ended June 30, 2018: 4,378 million yen [14.6%]

Fiscal year ended	Net income 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, 2019	131.60	131.49	20.4	17.8	27.6
June 30, 2018	96.84	96.76	17.0	16.0	26.8

(Reference) Profit/loss on equity method: Year ended June 30, 2019: None Year ended June 30, 2018: None

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
June 30, 2019	50,055	31,107	62.1	689.44
June 30, 2018	38,121	27,053	70.9	599.52

(Reference) Equity: June 30, 2019: 31,086 million yen June 30, 2018: 27,032 million yen

(3) Consolidated cash flow position

Fiscal year ended	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
June 30, 2019	5,800	(994)	(1,715)	13,120
June 30, 2018	2,916	(684)	(1,805)	10,107

2. Dividends

Fiscal year ended	Dividend per share					Dividend payment (Total)	Dividend payout 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, 2018	--	12.00	--	22.00	34.00	1,533	35.1	6.0
June 30, 2019	--	16.00	--	31.00	47.00	2,119	35.7	7.3
June 30, 2020 (Forecast)	--	31.00	--	47.00	78.00		35.2	

3. Forecast of consolidated financial results for the year ending June 30, 2020

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

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First 2Qs	22,000	30.7	7,700	49.6	7,700	49.5	5,900	53.3	130.85
Annual	40,000	39.0	13,000	63.7	13,000	65.9	10,000	68.5	221.78

※ 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
① Changes in accounting policy due to revision of accounting standards: None
② Changes in accounting policy other than ①: None
③ Changes in accounting estimates: None
④ Restatement due to revision: None

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

(Shares)

① Number of issued shares at the end of the period (including treasury stock)	June 30, 2019	47,143,200	June 30, 2018	47,143,200
② Number of treasury shares at the end of the period	June 30, 2019	2,054,196	June 30, 2018	2,054,078
③ Average number of shares for the period	June 30, 2019	45,089,045	June 30, 2018	45,089,195

(Reference) Financial Results for the Year Ended June 30, 2019 (Non-Consolidated)

1. Financial results

(1) Operating results

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

Fiscal year ended	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
June 30, 2019	26,800	39.4	6,184	36.5	6,918	34.2	5,450	30.4
June 30, 2018	19,220	21.6	4,530	13.2	5,153	12.1	4,178	23.2

Fiscal year ended	Net income per share	Net income per share, fully diluted
	Yen	Yen
June 30, 2019	120.88	120.78
June 30, 2018	92.67	92.59

(2) Financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
June 30, 2019	48,206	29,185	60.5	646.81
June 30, 2018	36,503	25,541	69.9	565.99

(Reference) Equity: June 30, 2019: 29,164 million yen June 30, 2018: 25,519 million yen

※ **This report of financial results is not subject to auditing by certified public accountants.**

※ **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 report is based on information available to the company as of the date of announcement and on assumptions it has judged to be reasonable. We make 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 9, 2019. The presentation materials provided at this meeting will be available on our website.

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1. Overview of Operating Results and Others

(1) Overview of operating results

① Overview of this fiscal year (ended June 2019)

In the fiscal year ended June 30, 2019, the global economy remained robust throughout the period overall. However, the slowdown of growth became evident recently, as seen in such phenomena as the semiconductor memory market entering an adjustment phase, the decline of capital investment in China due to the tightening of monetary policy, and the spread of protectionist policies exemplified by the US-China trade friction

In the semiconductor industry, the primary market of our business, memory manufacturers restrained capital expenditures, but logic device manufacturers made investments to build production lines for leading-edge nodes to enable the further scaling of semiconductor devices. Major foundries engaged in capital investments to adopt next-generation extreme ultraviolet (EUV) lithography.

In the flat panel display (FPD) industry, another major market of our business, Chinese manufacturers made investments mainly for the production of generation 10.5 large panels. FPD mask suppliers also made investments to add production facilities for generation 10.5 masks.

Under these circumstances, our consolidated net sales in the fiscal year ended June 30, 2019 totaled 28,769 million yen (up 35.4% year-on-year).

By product segment, semiconductor-related products account for 19,762 million yen (up 27.5% year-on-year), other products for 4,409 million yen (up 144.6% year-on-year), and services for 4,597 million yen (up 16.3% year-on-year).

As for consolidated income for this period, we recorded an operating income of 7,941 million yen (up 39.7% year-on-year), an ordinary income of 7,834 million yen (up 37.3% year-on-year), and a 5,933 million-yen net income attributable to owners of parent (up 35.9% year-on-year).

② Forecast of the next fiscal year (ending June 2020)

In the next fiscal year, uncertainties will continue to exist due to concerns about trade friction, policy interest hikes, and geopolitical risks. However, we expect that the memory market adjustment will end, and that the global GDP growth rate will go higher, driven by strong domestic demand.

In the semiconductor industry, the primary market of our Group, we expect that major foundries will continue to make capital investments to construct production lines for leading-edge nodes including those for EUV lithography.

Under these circumstances, we forecast our consolidated results in the fiscal year ending June 2020 as follows: 40 billion yen in sales, 13 billion yen in operating income, 13 billion yen in ordinary income, and 10 billion yen in net income attributable to owners of parent.

(2) Overview of financial position

① Assets, Liabilities, and Net Assets

Total assets at the end of this fiscal year amounted to 50,055 million yen, an increase of 11,933 million yen from the end of the previous fiscal year, on a consolidated basis. This is mainly because of a 5,161 million yen increase in work in process, a 3,009 million yen increase in cash and deposits, and an 1,163 million yen increase in raw materials and supplies.

Liabilities at the end of this fiscal year amounted to 18,948 million yen, an increase of 7,879 million yen from the end of the previous fiscal year, on a consolidated basis. This is mainly because of a 4,916 million yen increase in advances received, a 1,164 million yen increase in other noncurrent liabilities, and an 828 million yen increase in income taxes payable.

Shareholders' equity at the end of this fiscal year amounted to 31,019 million yen, an increase of 4,220 million yen from the end of the previous fiscal year, on a consolidated basis. This is mainly because we earned a 5,933-million-yen net income attributable to owners of parent, whereas we paid 1,713 million yen in dividends.

Net assets, which consist of shareholders' equity, other accumulated comprehensive income, and

subscription rights to shares, amounted to 31,107 million yen. The equity ratio became 62.1%.

② Cash Flows

Cash and cash equivalents at the end of this fiscal year amounted to 13,120 million yen, an increase of 3,013 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.

Net cash provided by operating activities amounted to 5,800 million yen (up 98.9% from the previous fiscal year). This is mainly because the sum of cash receipts, such as 7,834 million yen in income before income taxes and minority interests and a 4,918 million yen increase in advances received, exceeded the sum of cash payments, such as a 6,348 million yen increase in inventories and 1,248 million yen spent for income taxes paid.

Net cash used in investing activities amounted to 994 million yen (up 45.4% from the previous fiscal year). This is mainly due to 897 million yen used for purchase of property, plant and equipment.

Net cash used in financing activities amounted to 1,715 million yen (down 5.0% from the previous fiscal year). This is mainly due to 1,713 million yen used for the payment of cash dividends.

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

	Year ended June 2016	Year ended June 2017	Year ended June 2018	Year ended June 2019
Equity ratio (%)	84.2	74.1	70.9	62.1
Equity ratio on market price basis (%)	108.2	213.4	369.0	384.6
Ratio of interest-bearing debts to cash flows (year)	--	--	--	--
Interest coverage ratio (times)	--	25,040.0	--	--

- 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 shares.
(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.
(Note 5) Because of retrospective changes due to the change in accounting policy, the figures of the fiscal year ended June 30, 2017 indicated above are the figures of retrospectively changed financial results.

(3) Basic policy concerning profit distribution in this fiscal year and the next

Our basic policy concerning profit distribution is to flexibly pay dividends based on performance while maintaining steady profit distribution to shareholders, with a consolidated dividend payout ratio of 35% being the guideline.

Our policy concerning retained earnings is to use them effectively for research and development of new technologies and products, for capital investment in line with business growth, and for hiring good talents in order to facilitate the further improvement of company quality and the establishment of a long-sustainable business foundation.

We changed our policy on dividend of surplus from the annual payout of a year-end dividend to the semiannual payout of interim and year-end dividends in order to increase the opportunities of profit distribution to shareholders. We started paying an interim dividend from the fiscal year ended June 30, 2018. Our articles of incorporation stipulate that we may, “by resolution of the Board of Directors, pay interim dividends to the shareholders or registered pledgees of shares appearing or recorded on the final Register of Shareholders as of December 31 of each year.” Interim dividends can be paid by the resolution of the Board of Directors, whereas year-end dividends are subject to the approval of shareholders at the general shareholder meeting.

Based on the policy described herein, we are planning to pay a year-end dividend of 31 yen per share for this fiscal year. The total amount of dividends for this fiscal year will be 47 yen per share including the already-paid interim dividend (16 yen per share).

In the next fiscal year, we plan to pay dividends of 78 yen per share (31 yen as interim dividend and 47 yen as year-end dividend) based on the current forecast of financial results. The estimated dividend payout ratio is 35.2% on a consolidated basis.

2. Status of our Group

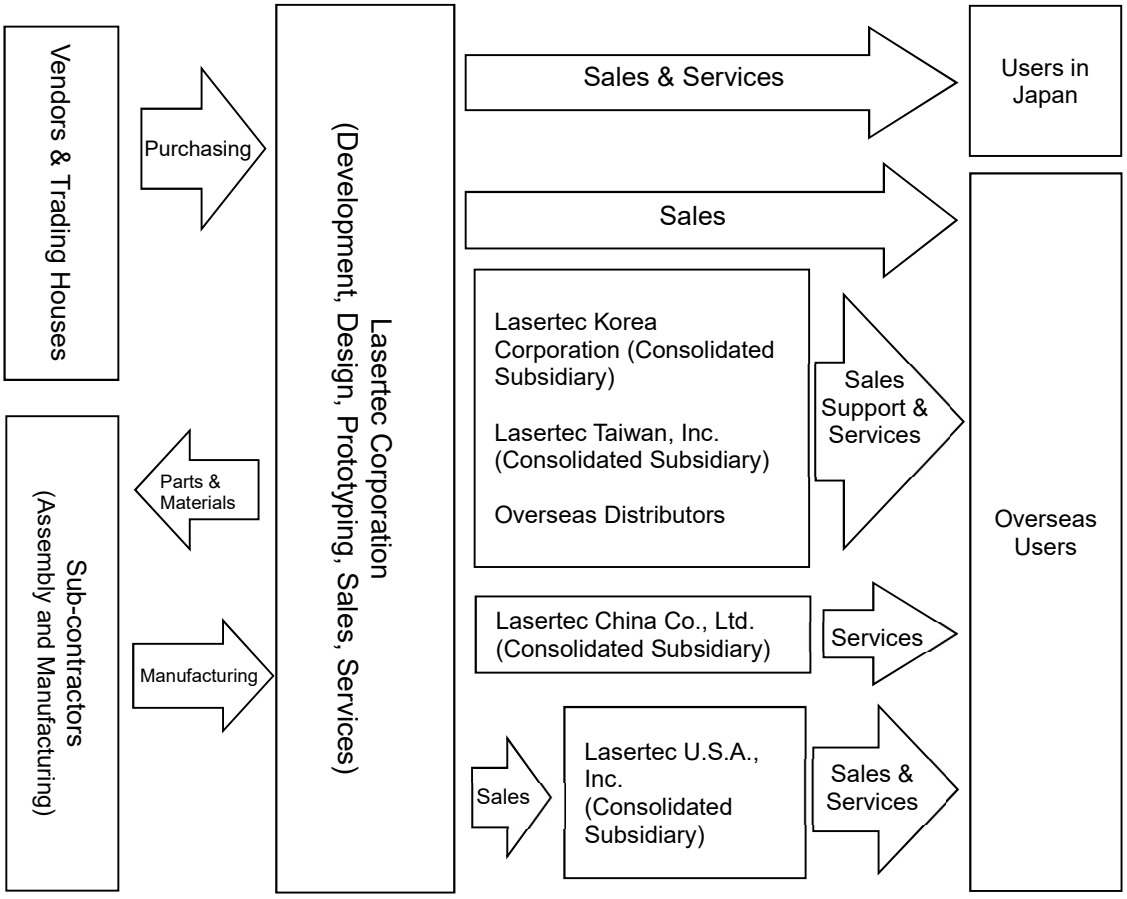
The business of our Group consists of a single segment that engages in the design, manufacture and sale of inspection and measurement equipment. Our operations are mainly categorized into design, manufacture, sales, and services for semiconductor-related products and other products.

Among the operations described above, Lasertec Corporation conducts the design and manufacture of semiconductor-related products and those of other products.

Sales operation in North America and Europe is executed by Lasertec U.S.A., Inc., a consolidated subsidiary. Lasertec Corporation conducts sales in Japan and Asia.

Lasertec USA, Inc. performs services in North America and Europe. Lasertec Korea Corporation, Lasertec Taiwan, Inc., and Lasertec China Co., Ltd., all of which are consolidated subsidiaries, provide services in Korea, Taiwan, and China, respectively. Lasertec Corporation provides services in Japan and the remaining Asian countries.

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



3. Basic Policy on Selection of Accounting Principles

We will continue to use the Japanese GAAP to compile consolidated financial statements for the time being to retain comparability with the results of previous fiscal years and those of other companies. With respect to the adoption of IFRS, we will carefully consider various factors in Japan and abroad and make a proper decision.

4. Consolidated Financial Statements

(1) Consolidated balance sheet

(In thousands of yen)

	Previous (As of June 30,2018)	Current (As of June 30,2019)
Assets		
Current assets		
Cash and deposits	10,176,394	13,185,860
Notes and accounts receivable-trade	3,820,832	4,313,818
Work in process	10,317,776	15,479,479
Raw materials and supplies	2,115,076	3,278,609
Other	2,963,243	3,589,280
Allowance for doubtful accounts	(5,473)	(5,990)
Total current assets	29,387,850	39,841,058
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	3,845,617	4,537,300
Accumulated depreciation	(1,974,371)	(2,079,646)
Buildings and structures, net	1,871,245	2,457,654
Machinery, equipment and vehicles	385,763	1,307,102
Accumulated depreciation	(224,755)	(277,071)
Machinery, equipment and vehicles, net	161,007	1,030,031
Tools, furniture and fixtures	1,593,379	1,797,709
Accumulated depreciation	(1,401,027)	(1,488,398)
Tools, furniture and fixtures, net	192,351	309,310
Leased assets	6,600	3,300
Accumulated depreciation	(5,500)	(110)
Leased assets, net	1,100	3,190
Land	4,254,773	4,254,773
Construction in progress	121,285	--
Total property, plant and equipment	6,601,764	8,054,960
Intangible assets	534,775	462,664
Investments and other assets		
Investment securities	610,827	478,373
Deferred tax assets	932,993	1,113,574
Other	53,743	105,135
Allowance for doubtful accounts	(162)	(95)
Total investments and other assets	1,597,401	1,696,987
Total noncurrent assets	8,733,941	10,214,612
Total assets	38,121,791	50,055,671

(In thousands of yen)

	Previous (As of June 30, 2018)	Current (As of June 30, 2019)
Liabilities		
Current liabilities		
Accounts payable-trade	1,392,704	1,843,695
Income taxes payable	604,912	1,433,588
Advances received	7,318,101	12,234,776
Provision for directors' bonuses	226,000	281,800
Provision for product warranties	321,032	327,991
Provision for quality compensation	--	230,344
Other	916,713	2,081,210
Total current liabilities	10,779,463	18,433,406
Noncurrent liabilities		
Net defined benefit liability	201,106	227,931
Asset retirement obligations	--	218,939
Other	87,677	67,888
Total noncurrent liabilities	288,783	514,758
Total liabilities	11,068,247	18,948,164
Net assets		
Shareholders' equity		
Capital stock	931,000	931,000
Capital surplus	1,080,360	1,080,360
Retained earnings	25,765,441	29,985,983
Treasury stock	(976,969)	(977,387)
Total shareholders' equity	26,799,832	31,019,955
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	314,205	221,898
Foreign currency translation adjustment	(81,991)	(155,846)
Total accumulated other comprehensive income	232,213	66,051
Subscription rights to shares	21,498	21,498
Total net assets	27,053,544	31,107,506
Total liabilities and net assets	38,121,791	50,055,671

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

(Consolidated statement of income)

(In thousands of yen)

	Previous (July 1, 2017 thru June 30, 2018)	Current (July 1, 2018 thru June 30, 2019)
Net sales	21,252,468	28,769,951
Cost of sales	9,251,155	12,853,152
Gross profit	12,001,312	15,916,799
Selling, general and administrative expenses	6,315,850	7,975,500
Operating income	5,685,461	7,941,298
Non-operating income		
Interest income	6,448	8,403
Dividend income	11,524	13,125
Rent income on noncurrent assets	1,963	2,556
Other	11,057	6,554
Total non-operating income	30,994	30,639
Non-operating expenses		
Loss on retirement of noncurrent assets	238	2,338
Foreign exchange losses	9,128	134,495
Other	554	615
Total non-operating expenses	9,921	137,449
Ordinary income	5,706,533	7,834,489
Income before income taxes	5,706,533	7,834,489
Income taxes-current	1,461,276	2,043,217
Income taxes-deferred	(121,070)	(142,655)
Total income taxes	1,340,206	1,900,562
Net income	4,366,327	5,933,926
Net income attributable to owners of parent	4,366,327	5,933,926

(Consolidated statement of comprehensive income)

(In thousands of yen)

	Previous (July 1, 2017 thru June 30, 2018)	Current (July 1, 2018 thru June 30, 2019)
Net income	4,366,327	5,933,926
Other comprehensive income		
Valuation difference on available-for-sale securities	19,029	(92,307)
Foreign currency translation adjustment	(7,113)	(73,854)
Total other comprehensive income	11,915	(166,161)
Comprehensive income	4,378,243	5,767,765
Comprehensive income attributable to owners of parent	4,378,243	5,767,765
Comprehensive income attributable to non-controlling interests	--	--

(3) Consolidated statement of shareholders' equity

(In thousands of yen)

	Previous (July 1, 2017 thru June 30, 2018)	Current (July 1, 2018 thru June 30, 2019)
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	23,202,683	25,765,441
Changes during the period		
Dividends of surplus	(1,803,569)	(1,713,385)
Net income	4,366,327	5,933,926
Purchase of treasury shares		
Total changes during the period	2,562,758	4,220,541
Balance at the end of the period	25,765,441	29,985,983
Treasury stock		
Balance at the beginning of the period	(976,494)	(976,969)
Changes during the period		
Purchase of treasury shares	(474)	(418)
Total changes during the period	(474)	(418)
Balance at the end of the period	(976,969)	(977,387)
Total shareholders' equity		
Balance at the beginning of the period	24,237,548	26,799,832
Changes during the period		
Dividends of surplus	(1,803,569)	(1,713,385)
Net income	4,366,327	5,933,926
Purchase of treasury shares	(474)	(418)
Total changes during the period	2,562,283	4,220,123
Balance at the end of the period	26,799,832	31,019,955

(In thousands of yen)

	Previous (July 1, 2017 thru June 30, 2018)	Current (July 1, 2018 thru June 30, 2019)
Other comprehensive income		
Valuation difference on available-for-sale securities		
Balance at the beginning of the period	295,176	314,205
Changes during the period		
Net changes of items other than shareholders' equity	19,029	(92,307)
Total changes during the period	19,029	(92,307)
Balance at the end of the period	314,205	221,898
Foreign currency translation adjustment		
Balance at the beginning of the period	(74,878)	(81,991)
Changes during the period		
Net changes of items other than shareholders' equity	(7,113)	(73,854)
Total changes during the period	(7,113)	(73,854)
Balance at the end of the period	(81,991)	(155,846)
Total other comprehensive income		
Balance at the beginning of the period	220,298	232,213
Changes during the period		
Net changes of items other than shareholders' equity	11,915	(166,161)
Total changes during the period	11,915	(166,161)
Balance at the end of the period	232,213	66,051
Subscription rights to shares		
Balance at the beginning of the period	21,498	21,498
Changes during the period		
Net changes of items other than shareholders' equity	--	--
Total changes during the period	--	--
Balance at the end of the period	21,498	21,498
Total net assets		
Balance at the beginning of the period	24,479,345	27,053,544
Changes during the period		
Dividends of surplus	(1,803,569)	(1,713,385)
Net income	4,366,327	5,933,926
Purchase of treasury shares	(474)	(418)
Net changes of items other than shareholders' equity	11,915	(166,161)
Total changes during the period	2,574,199	4,053,961
Balance at the end of the period	27,053,544	31,107,506

(4) Consolidated statement of cash flows

(In thousands of yen)

	Previous (July 1, 2017 thru June 30, 2018)	Current (July 1, 2018 thru June 30, 2019)
Cash flows from operating activities		
Income before income taxes	5,706,533	7,834,489
Depreciation and amortization	558,285	499,561
Loss on retirement of non-current assets	238	2,338
Increase (decrease) in allowance for doubtful accounts	(584)	484
Increase (decrease) in provision for directors' bonuses	17,000	55,800
Increase (decrease) in provision for product warranties	31,382	7,307
Increase (decrease) in provision for quality compensation	--	230,344
Increase (decrease) in net defined benefit liability	13,135	27,998
Interest and dividend income	(17,972)	(21,528)
Foreign exchange losses (gains)	74	12,994
Decrease (increase) on notes and accounts receivable-trade	1,601,083	(517,732)
Decrease (increase) in inventories	(4,637,568)	(6,348,472)
Increase (decrease) in accounts payable-trade	(503,670)	(224,226)
Increase (decrease) in advances received	3,072,750	4,918,974
Other, net	(1,293,829)	549,267
Sub-total	4,546,859	7,027,600
Interest and dividend income received	17,880	21,570
Income taxes paid	(1,648,013)	(1,248,944)
Net cash provided by (used in) operating activities	2,916,726	5,800,225
Cash flows from investing activities		
Payments into time deposits	(69,930)	(68,600)
Proceeds from withdrawal of time deposits	69,930	68,600
Purchase of property, plant and equipment	(223,820)	(897,038)
Proceeds from sales of property, plant and equipment	--	1,800
Purchase of intangible assets	(460,544)	(52,823)
Payments for guarantee deposits	--	(46,735)
Net cash provided by (used in) investing activities	(684,364)	(994,798)
Cash flows from financing activities		
Cash dividends paid	(1,803,569)	(1,713,385)
Other, net	(1,900)	(1,725)
Net cash provided by (used in) financing activities	(1,805,469)	(1,715,110)
Effect of exchange rate change on cash and cash equivalents	(56,608)	(77,000)
Net increase (decrease) in cash and cash equivalents	370,284	3,013,316
Cash and cash equivalents at beginning of period	9,736,950	10,107,234
Cash and cash equivalents at end of period	10,107,234	13,120,550

(5) Notes to consolidated financial statements

(Note on going concern assumption)

None

(Reference)

(1) Production by category

Production by category for the fiscal year is as follows.

(In thousands of yen)

Category	(July 1, 2018 thru June 30, 2019)	
	Production	Year-on-year comparison (%)
Finished goods		
Semiconductor-related products	32,366,492	67.6
Other products	3,429,320	0.2
Sub-total	35,795,813	57.4
Services	4,597,977	16.3
Total	40,393,790	51.4

(Notes)
1. Numbers shown above are based on sales prices.
2. Consumption taxes are not included.

(2) Orders and backlog by category

Orders and backlog by category for the fiscal year are as follows.

(In thousands of yen)

Category	(July 1, 2018 thru June 30, 2019)		(June 30, 2019)	
	Orders	Year-on-year comparison (%)	Backlog	Year-on-year comparison (%)
Finished goods				
Semiconductor-related products	37,338,360	7.2	52,041,944	51.0
Other products	2,329,992	(40.4)	2,597,857	(44.5)
Sub-total	39,668,352	2.4	54,639,801	39.6
Services	4,781,304	15.4	921,098	24.8
Total	44,449,657	3.7	55,560,900	39.3

(Notes)
1. Numbers shown above are based on sales prices.
2. Orders reflect adjustment for cancellation and other changes.
3. Consumption taxes are not included.

(3) Sales by category

Sales by category for the fiscal year are as follows.

(In thousands of yen)

Category	(July 1, 2018 thru June 30, 2019)	
	Sales	Year-on-year comparison (%)
Finished goods		
Semiconductor-related products	19,762,689	27.5
Other products	4,409,284	144.6
Sub-total	24,171,973	39.7
Services	4,597,977	16.3
Total	28,769,951	35.4

(Note)
Consumption taxes are not included.

5. Non-Consolidated Financial Statements

(1) Balance sheet (non-consolidated)

(In thousands of yen)

	Previous (As of June 30, 2018)	Current (As of June 30, 2019)
Assets		
Current assets		
Cash and deposits	9,173,203	11,713,549
Notes receivable-trade	186,559	434,265
Accounts receivable-trade	3,036,021	3,472,038
Work in process	10,337,771	15,504,446
Raw materials and supplies	1,967,907	3,118,284
Accounts receivable-other	1,428,209	2,028,812
Other	1,487,921	1,485,039
Allowance for doubtful accounts	(3,404)	(4,628)
Total current assets	27,614,190	37,751,808
Noncurrent assets		
Property, plant, and equipment		
Buildings	1,849,108	2,441,888
Structures	12,868	11,148
Machinery, equipment and vehicles	160,907	1,029,973
Tools, furniture and fixtures	183,975	295,359
Leased assets	1,100	3,190
Land	4,254,773	4,254,773
Construction in progress	121,285	--
Total property, plant, and equipment	6,584,019	8,036,333
Intangible assets	534,679	462,574
Investments and other assets		
Investment securities	610,827	478,373
Stocks of subsidiaries and affiliates	147,729	147,729
Deferred tax assets	987,785	1,256,663
Other	24,850	73,532
Allowance for doubtful accounts	(162)	(95)
Total investments and other assets	1,771,030	1,956,203
Total noncurrent assets	8,889,729	10,455,111
Total assets	36,503,919	48,206,919

(In thousands of yen)

	Previous (As of June 30, 2018)	Current (As of June 30, 2019)
Liabilities		
Current liabilities		
Accounts payable-trade	1,439,626	1,882,366
Accounts payable-other	863,850	2,164,627
Income taxes payable	472,476	1,208,878
Advances received	7,196,291	12,236,277
Provision for directors' bonuses	226,000	281,800
Provision for product warranties	170,677	144,772
Provision for quality compensation	--	230,344
Other	305,451	357,590
Total current liabilities	10,674,373	18,506,656
Noncurrent liabilities		
Provision for retirement benefits	201,106	227,931
Asset retirement obligations	--	218,939
Other	87,096	67,796
Total noncurrent liabilities	288,202	514,666
Total liabilities	10,962,576	19,021,323
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	14,800,211	18,537,188
Total retained earnings	24,171,249	27,908,227
Treasury stock	(976,969)	(977,387)
Total shareholders' equity	25,205,639	28,942,199
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	314,205	221,898
Total valuation and translation adjustments	314,205	221,898
Subscription rights to shares	21,498	21,498
Total net assets	25,541,343	29,185,596
Total liabilities and net assets	36,503,919	48,206,919

(2) Statement of income (non-consolidated)

(In thousands of yen)

	Previous (July 1, 2017 thru June 30, 2018)	Current (July 1, 2018 thru June 30, 2019)
Net sales	19,220,234	26,800,493
Cost of sales	8,906,371	13,010,744
Gross profit	10,313,862	13,789,748
Selling, general and administrative expenses	5,782,874	7,605,115
Operating income	4,530,988	6,184,633
Non-operating income		
Interest income	1,866	2,474
Dividend income	682,364	844,272
Rent income on noncurrent assets	1,963	2,556
Other	8,050	5,908
Total non-operating income	694,245	855,212
Non-operating expenses		
Foreign exchange losses	70,561	119,205
Loss on retirement of noncurrent assets	175	1,799
Other	554	615
Total non-operating expenses	71,291	121,620
Ordinary income	5,153,941	6,918,225
Income before income taxes	5,153,941	6,918,225
Income taxes-current	1,087,382	1,696,592
Income taxes-deferred	(111,674)	(228,730)
Total income taxes	975,708	1,467,861
Net income	4,178,233	5,450,363

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

(In thousands of yen)

	Previous (July 1, 2017 thru June 30, 2018)	Current (July 1, 2018 thru June 30, 2019)
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	12,425,546	14,800,211
Changes during the period		
Dividends of surplus	(1,803,569)	(1,713,385)
Net income	4,178,233	5,450,363
Purchase of treasury shares		
Total changes during the period	2,374,664	3,736,977
Balance at the end of the period	14,800,211	18,537,188
Total retained earnings		
Balance at the beginning of the period	21,796,584	24,171,249
Changes during the period		
Dividends of surplus	(1,803,569)	(1,713,385)
Net income	4,178,233	5,450,363
Purchase of treasury shares		
Total changes during the period	2,374,664	3,736,977
Balance at the end of the period	24,171,249	27,908,227

(In thousands of yen)

	Previous (July 1, 2017 thru June 30, 2018)	Current (July 1, 2018 thru June 30, 2019)
Treasury stock		
Balance at the beginning of the period	(976,494)	(976,969)
Changes during the period		
Purchase of treasury shares	(474)	(418)
Total changes during the period	(474)	(418)
Balance at the end of the period	(976,969)	(977,387)
Total shareholders' equity		
Balance at the beginning of the period	22,831,450	25,205,639
Changes during the period		
Dividends of surplus	(1,803,569)	(1,713,385)
Net income	4,178,233	5,450,363
Purchase of treasury shares	(474)	(418)
Total changes during the period	2,374,189	3,736,559
Balance at the end of the period	25,205,639	28,942,199
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at the beginning of the period	295,176	314,205
Changes during the period		
Net changes of items other than shareholders' equity	19,029	(92,307)
Total changes during the period	19,029	(92,307)
Balance at the end of the period	314,205	221,898
Subscription rights to shares		
Balance at the beginning of the period	21,498	21,498
Changes during the period		
Net changes of items other than shareholders' equity	--	--
Total changes during the period	--	--
Balance at the end of the period	21,498	21,498
Total net assets		
Balance at the beginning of the period	23,148,125	25,541,343
Changes during the period		
Dividends of surplus	(1,803,569)	(1,713,385)
Net income	4,178,233	5,450,363
Purchase of treasury shares	(474)	(418)
Net changes of items other than shareholders' equity	19,029	(92,307)
Total changes during the period	2,393,218	3,644,252
Balance at the end of the period	25,541,343	29,185,596

(4) Notes to non-consolidated financial statements
(Note on going concern assumption)
None