



Interim Financial Review

(From Apr. 1, 2017 to Sep. 30, 2017)

Nov.20, 2017



Y.A.C. HOLDINGS Co., Ltd.

(Zip code: 6298)

<http://www.yac.co.jp>

A horizontal banner at the top of the slide contains several small images: a gold-colored mechanical part, a grid of solar panels, a view of the aurora borealis, a bright sun flare, a close-up of solar panels, and a person in a business suit.

▲ Notes regarding future prospect.

The prospects described in this document is based on the information we have as of the time this document is published, and the actual result may differ from such prospects due to various unexpected factors.

The semiconductor business which we are involved is the business that technical innovation speed is very fast and very competitive.

Agenda


- 1. Message from president and summary of the business.**
..... **Mr. Takefumi Momose, President.**

- 2. Outline of interim financial result ended Sep.30, 2017**
..... **Mr. Kazumasa Teramoto,**
Director & Managing Operating Officer

- 3. Forecast of financial result of this financial year ending**
Mar. 31, 2018. (Summary)
..... **Mr. Takefumi Momose, President**

- 4. Forecast of financial result of this financial year ending**
Mar. 31, 2018. (Detail)
..... **Mr. Yukio Soejima,**
Director & Managing Operating Officer.

- 5. Q&A**

A horizontal banner at the top of the slide contains several small images: a golden gear, a grid pattern, a sunset, a bright sun, solar panels, and a person in a suit.

1. Message from president & summary of the business ended Sep. 30, 2017.

..... **Mr. Takefumi Momose,
President.**

1. Summing up of business result ended Sep.30, 2017



- **Business resulted under the budget by delay of profitable items sales realization but new order received resulted well and we left full year budget untouched.**
- **Display related business.**
 - **Resulted as planned.**
- **Mechatronics related business.**
 - **Resulted under the budget by delay of sales realization**
 - **Y.A.C. elects Co., Ltd., which was consolidated from the later half of financial year, contributed from the beginning of this financial year.**
- **Cleaning & other related business.**
 - **We are reforming business operation carefully watching domestic demand.**

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2. Outline of financial result ended Sep. 30, 2017.

- **Mr. Kazumasa Teramoto,
Director & Managing Operating
Officer.**

2-1 Business result.



(Millions of yen)

	6 months ended Sep. 30, 2016.	6 months ended Sep. 30, 2017.	Increased(decreased) amount against previous corresponding period	Increased(decreased) percentage against previous corresponding period
Net sales	17,264	12,033	△5,231	△30.3%
Operating income (Operating income ratio)	584 (3.4%)	233 (1.9%)	△350	△60.0%
Ordinary income	338	310	△28	△8.3%
Profit for the period attributable to owners of parent.	263	151	△112	△42.6%
Profit per share (¥)	29.49	16.92	△12.57	—
R&D expenses.	209	280	70	33.7%
New capital investment.	109	326	217	198.6%
Depreciation	243	282	38	15.9%

For carrier tape manufacturing facilities and renovation of Oita factory.

2-2 Sales by business segment.



(Millions of Yen)

Display related business decreased compared to the previous financial year. Y.A.C. elects, which was consolidated from the latter half of the financial year, contributed from the beginning of this financial year.

	6 months ended Sep. 30, 2016.	6 months ended Sep. 30, 2017.	Increased(decreased) amount against previous corresponding period	Increased(decreased) percentage against previous corresponding period
Display related.	10,407	4,184	△6,223	△59.8%
Y.A.C. elects contributed from the starting time of this financial year.				
Mechatronics related.	6,120	7,220	1,099	18.0%
Cleaning and other business related.	736	629	△107	△14.6%
Total	17,264	12,033	△5,231	△30.3%

2-3 New order received and backlog ordered.

※Consolidated



Display related: China related business increased.

Mechatronics related:

(Millions of Yen)

		6 months ended Sep. 30, 2016.	6 months ended Sep. 30, 2017.	Increased(decrease d) amount against previous corresponding period	Increased(decrease d) percentage against previous corresponding period
Display related.	New order received	2,949	11,100	8,151	276.4%
	Backlog ordered	3,031	12,313	9,282	306.2%
Mechatronics related.	New order received	4,968	8,706	3,737	75.2%
	Backlog ordered	3,432	5,922	2,490	72.6%
Cleaning and other business related.(new order received = sales)	New order received	736	629	△107	△14.6%
	Backlog ordered	0	0	0	—
Total	New order received	8,654	20,435	11,781	136.1%
	Backlog ordered	6,463	18,236	11,772	182.2%

2-4 Historical figure of B/S

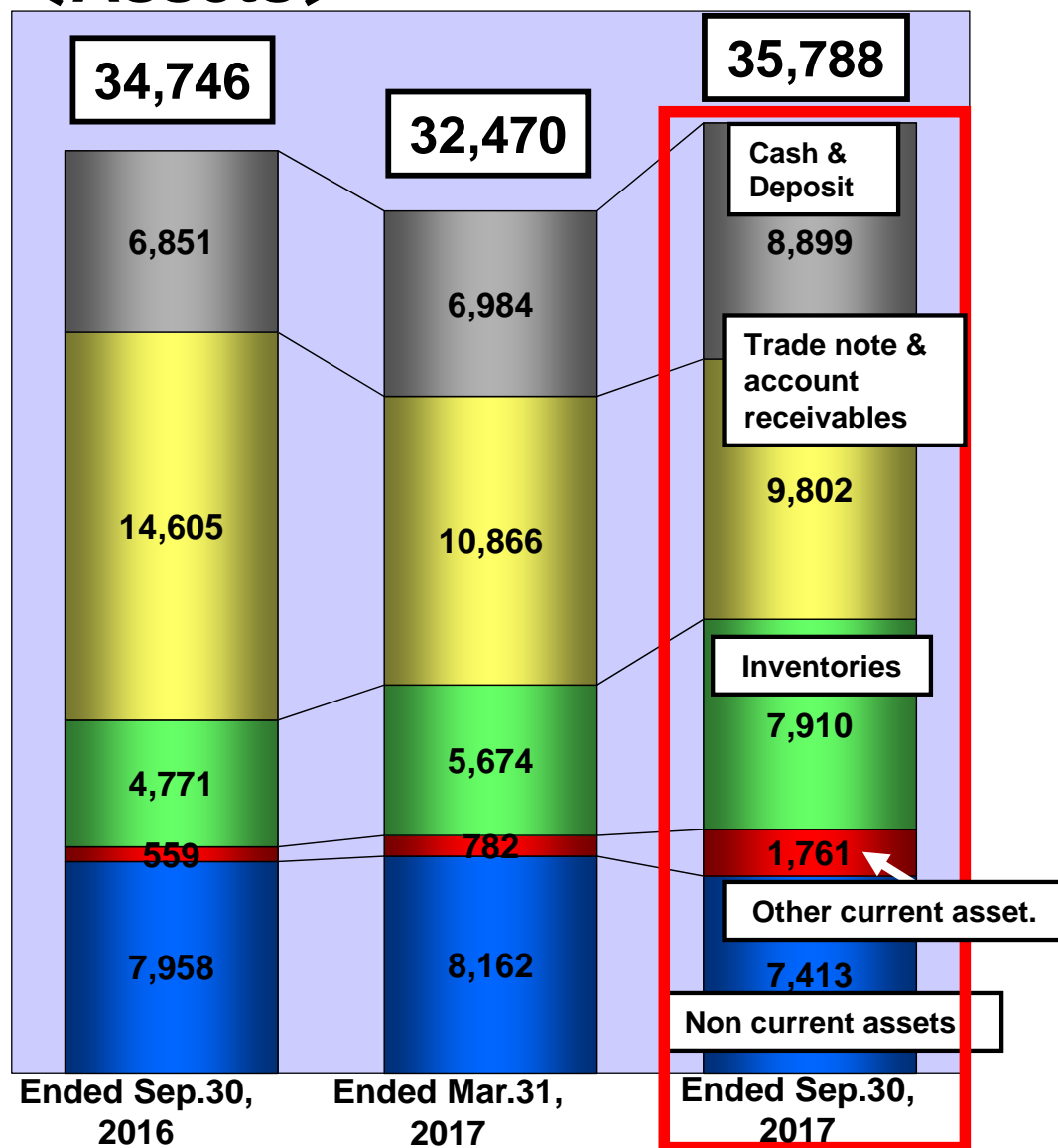


Inventory increased because of increase of backlog ordered. (Ended Sep. 30, 2017)

Sep. 30, 2017 was holiday, therefore cash & deposit and trade note & account payable increased. (Ended Sep. 30, 2017)

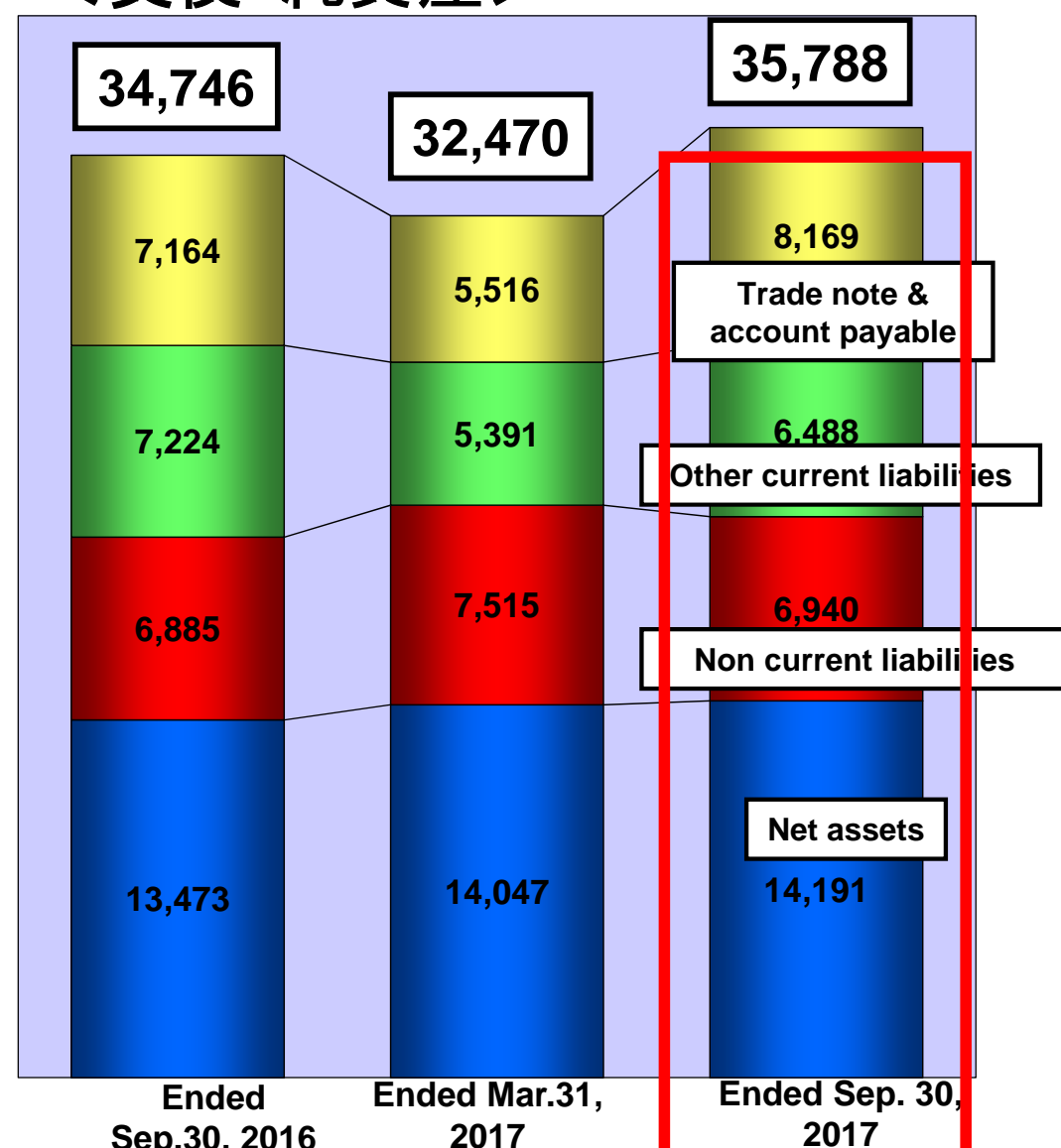
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(Millions of Yen)



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(Millions of Yen)



2-5 Summary of cash flow statement.



Operating cash flow keeps positive figure more than 2 billion. (Millions of Yen)

	6 months ended Sep. 30, 2016 (Consolidated)	12 months ended Mar. 31, 2017 (Consolidated)	6 month ended Sep. 30, 2017 (Consolidated)
CF from operating activities	2,665	4,354	2,245
CF from investment activities	△1,038	△1,307	△376
CF from financial activities	△64	△1,463	50
Cash & cash equivalents at end of period	6,564	6,703	8,607



3. Forecast of consolidated financial result of 12 months ending Mar. 31, 2018.(Outline)

**..... Mr. Takefumi Momose,
President.**

«Forecast of consolidated 12 months financial result ending Mar.31, 2018»

(Apr.1, 2017 to Mar.31, 2018)

(Millions of Yen)

	Net Sales	Operating income	Ordinary income	Profit for period attributable to owners of parent.
Full year	35,000	2,000	1,500	1,000

«The most important item in the later part of financial year ending Mar.31, 2018 »

Achieving Yen 2 billion operating income without fail.

3-2 How to achieve the most important item.



■ To achieve Yen 2 billion operating income.

1. Executing increasing new order receive campaign. (Sep. 1, 2017 to Dec. 31, 2017)

- To increase the sales of this financial year
- To secure the backlog ordered for next financial year.

2. Achieving improvement of gross margin.

- To build profitable corporate body of Y.A.C. Technologies Co., Ltd.
- To execute perfect operation of new budget system.
- To ship completed products.
- To avoid miss production.

3-3 All YAC's strategies to achieve.



Strategies present under going.

Strategies	Purpose
1. Drawing up future blueprint next 10th years.	To make future target clear.
2. Operating Olympic Game.	To promote “cooperation and competition”
3. Reforming working style(Increasing productivity)	To increase efficiency and prevent waste of time.
4. Accelerating speed of developing new products.	To excavate new commercial products and differentiation.
5. Managing company by all employee.	To get motivation up.
6. Executing aggressive M&A.	To enlarge corporate size.



~In order to contribute much more to society~
Aiming to realize “Ultimate philosophy.

1.Growth of employee's capacity.

3.Improvement of employment conditions.

2.Expansion of employment.

4.Expansion of paying tax

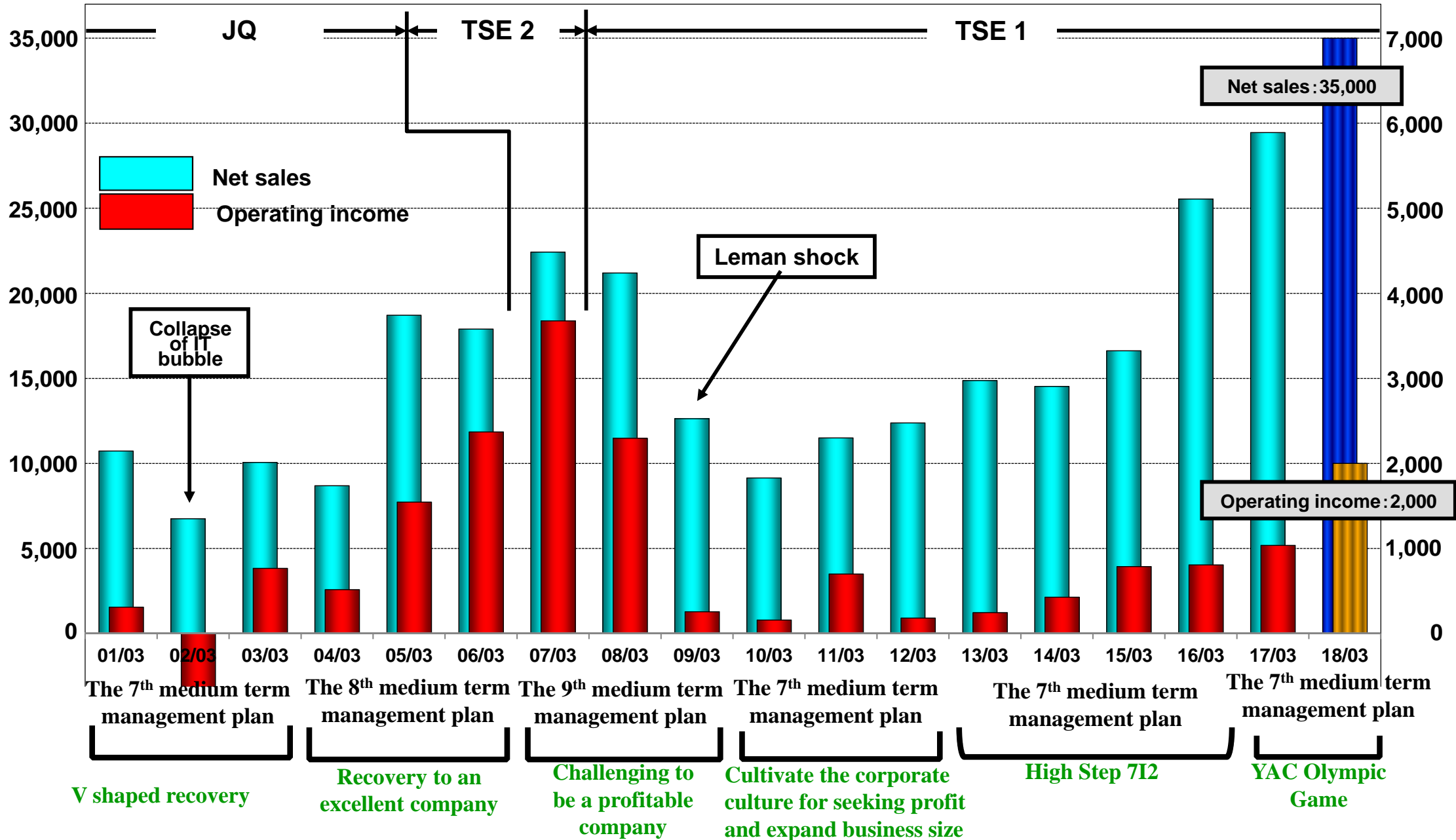
3-4 Past results & forecast of financial year ending Mar.31, 2018.



Net sales

(Millions of yen)

Operating income





4.Forecast of financial result of year ending Mar.31, 2018 (Detail)

**..... Yukio Soejima,
Director & Managing Officer**

« Display related »

Business atmosphere	Priority strategies
Expanding demand for FPD.	<ul style="list-style-type: none"> ▪ Aiming to increase new order receive of 10.5 G related equipment. ▪ Aiming to expand market share of G 6
Expanding organic EL devices.	<ul style="list-style-type: none"> ▪ To develop high speed tact equipment for smart phone. ▪ To apply sealing membrane etching. ▪ To apply high value add etching equipment by using new plasma system.
	<ul style="list-style-type: none"> ▪ To apply flexible panel.
Expanding new technology market.	<ul style="list-style-type: none"> ▪ To apply quantum dot and micro LED.

4-1-2 Business atmosphere and priority strategies.

《Mechatronics related》

Business	Items	Atmosphere
Semi conduct or	Package revolution	·Increasing demand for carrier tape and machine.
	Power semiconductor Automobile.	·Increasing demand for appearance inspection equipment of Si GBT and Sic MOSSET and laser annealing equipment. ·Increasing demand of neodymium cutter and polisher for motor.
	IoT related.	·Increasing demand of etching equipment for sensor such as MEMS.
Medical	Dialyzer for overseas.	·Increasing demand because of increasing patient who dialyzer in developing countries.
Electric power	Renewable energy.	·Increasing demand for backward flow telemeter. ·Increasing demand for power monitoring equipment.

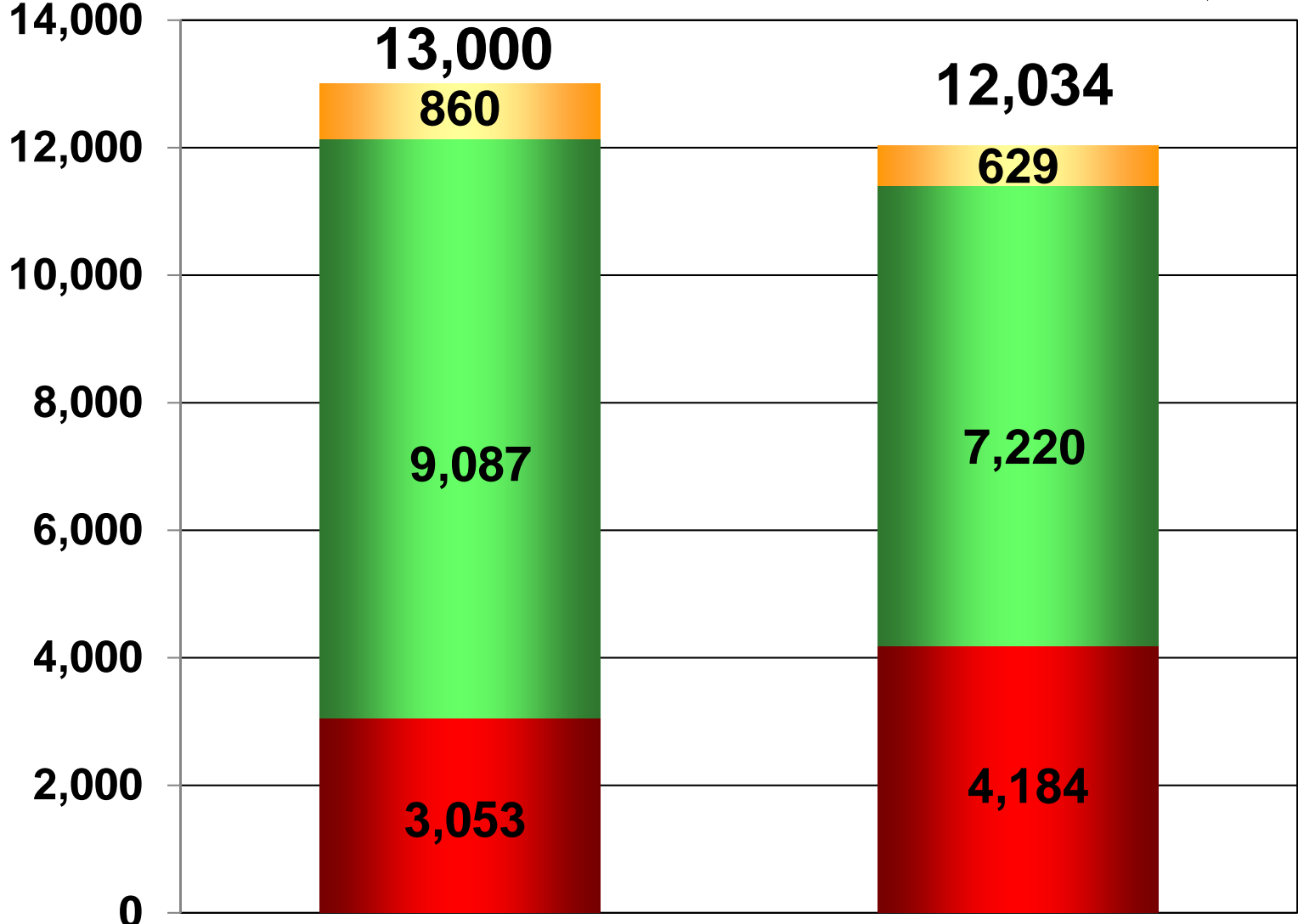
《Cleaning and other related business》




Business	Business atmosphere	Priority strategies
Cleaning	Matured domestic market.	Introducing new equipment in order to expand market share and making a specific strategy for each market. Executing aggressive M & A.
	Increasing demand in developing countries.	Executing Asian market strategy addition to North America and Europe
	Increasing inbound travelers.	Expanding linen related business.

4-2 Sales budget and results of the 1st half year ending Mar. 31, 2018.

Net sales

(Millions of Yen)



-  Cleaning and other business related
-  Mechatronics related
-  Display related

Budget of 6 months ended Sep.30, 2017.	Results of 6 months ended Sep. 30, 2017.
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4-3 Forecast of financial year ending Mar.31, 2018



(Millions of Yen)

	12 months ended Mar.31, 2017. (Result)	12 months ending (Forecast)	Increased(decreased) amount against previous corresponding period	Increased(decreased) percentage against previous corresponding period
Net sales	29,452	35,000	5,547	18.8%
Operating income	1,036	2,000	963	93.0%
Ordinary income	1,122	1,500	377	33.6%
Profit for period attributable to owners of parent	790	1,000	209	26.5%
Profit per share.(¥)	88.51	111.99	—	—

4-4 Sales forecast by business.



(Millions of ¥)

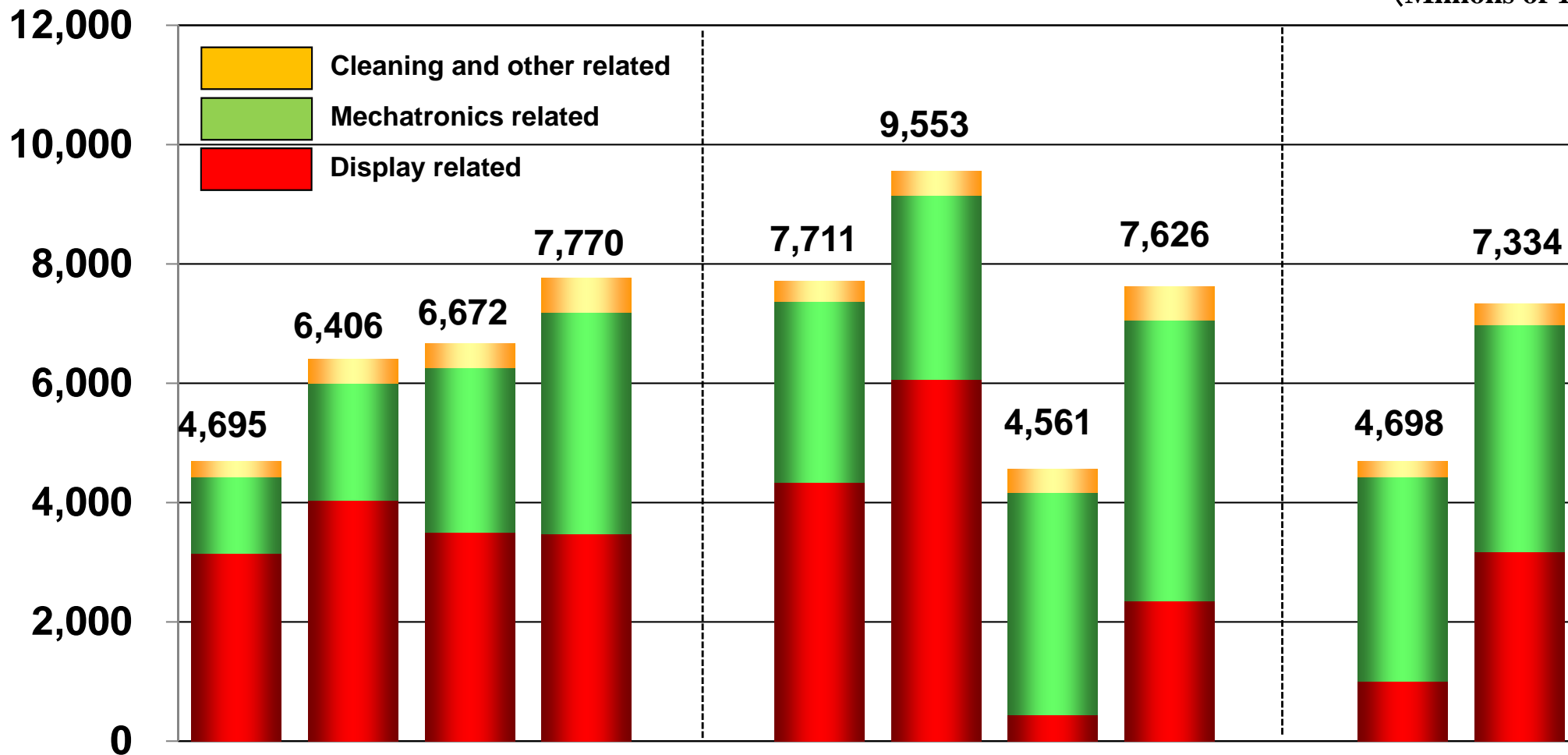
	12 months ended Mar.31, 2017. (Result)	12 months ending (Forecast)	Increased(decreased) amount against previous corresponding period	Increased(decreased) percentage against previous corresponding period
Display related	13,207	13,500	292	2.2%
Mechatronics related	14,555	19,300	4,744	32.6%
Cleaning and other business related	1,689	2,200	510	30.2%
Total	29,452	35,000	5,547	18.8%

4-5 Comparison of sales by quarter.



Net sales

(Millions of ¥)

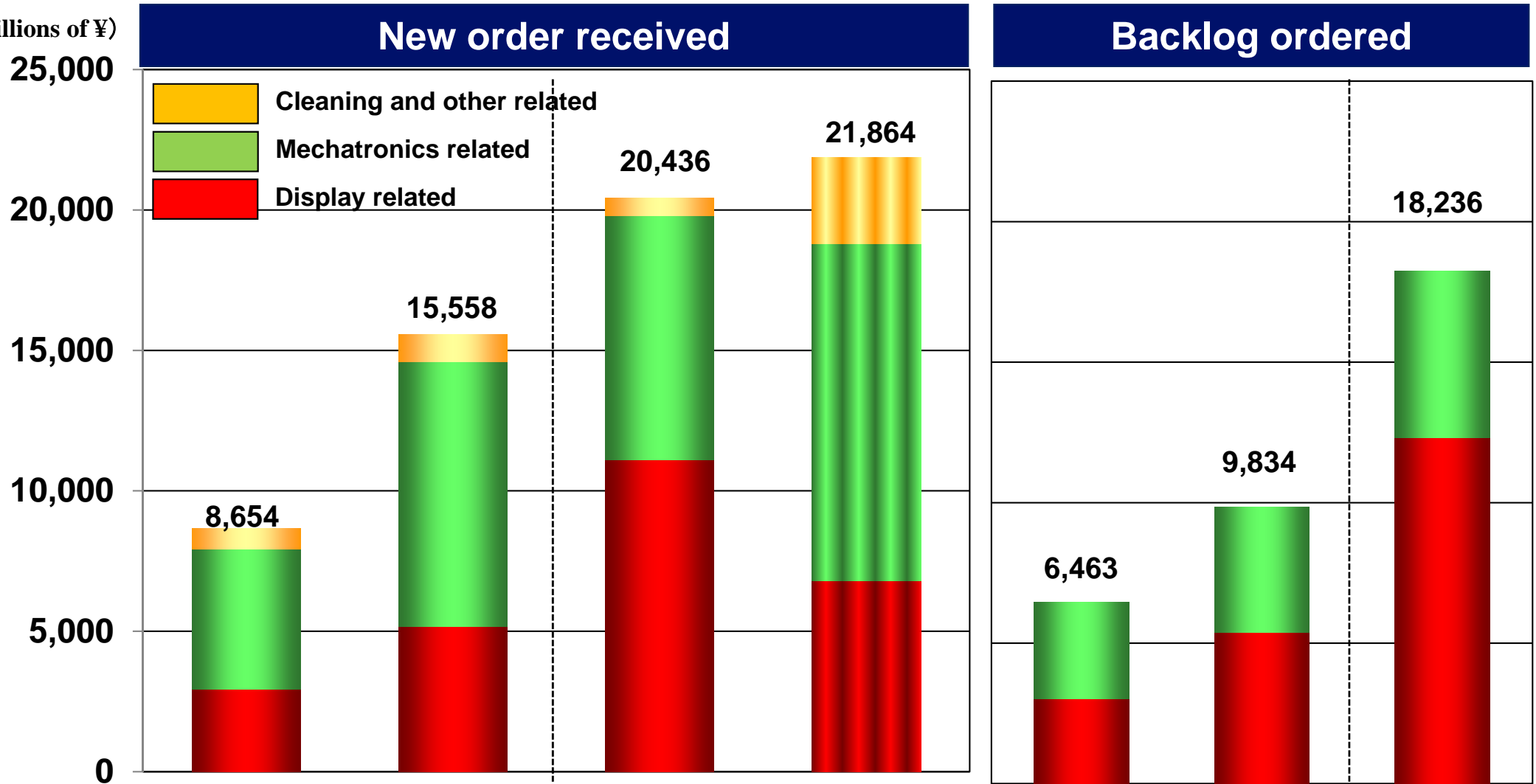


12 months ended Mar.31, 2016	12 months ended Mar.31, 2017	6 months ended Sep.30, 2017
Net sales : 25,545	Net sales : 29,452	Net sales : 12,033

4-6 Comparison of new order received and backlog ordered by segment.



(Millions of ¥)



The 1 st half	The 2 nd half	The 1 st half	The 2 nd half (forecast)
12 months ended Mar. 31, 2017		12 months ending Mar. 31, 2018	
New order received ¥ 24,212 million (Results)		New order received ¥ 42,300 million (Forecast)	

The 1 st half	The 2 nd half	The 1 st half
12 months ended Mar. 31, 2017		12 months ending Mar. 31, 2018.



*Well, Today should be
a Fascinating and Prosperous Day, again !*

Flexible High-Technology Company



Y.A.C. HOLDINGS Co., Ltd.

Amounts are rounded down to the nearest million yen.