

**Financial year ended Mar.31
2015**

Financial Announcement

May 18, 2015



Y.A.C. Co., Ltd

(Ticker symbol: 6298)

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



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1. President's Message & Summary of Business Results year ended Mar. 2015

.....Mr. Takefumi Momose, President



- **Increased sales and income compared to the previous year**
- **Industrial meter for electric power business and high definition heat treatment equipment for LCD dragged corporate results.**
- **Backlog ordered tremendously increased backed by energetic investment for medium & small LCD manufacturing equipment and industrial meter.**
- **Penetrated into high intensity big size LED lighting business. Establishing mass production system and finding a new market are required.**
- **Strengthen profitable corporate body by introducing group joint procurement.**

2. Outline of financial result year ended Mar.31, 2015.

- Mr. Kouji Koguma, Deputy General Manager,
Accounting Dept.**

2-1 Business Results.



Increased sales & income compared to previous year. Sales concentrated the 2nd half of year.

(Millions of ¥)

	Ended Mar.31, 2014	Ended Mar. 31, 2015	Increase/(Decrease) against previous year In amount	Increase/(decrease) against previous year in %
Net Sales	14,527	16,622	2,095	14.4%
Operating income (Operating income to sales)	427 (2.9%)	787 (4.7%)	359	84.2%
Ordinary income	546	966	420	76.8%
Net income	2,229	639	▲1,590	▲71.3%
Net income per share (¥)	250.00	71.72	—	—
R & D	237	301	63	26.7%
Amount of new capital investment	18	59	41	222.7%
Depreciations	266	329	63	23.7%

2-2 Net sales by business



Industrial metering equipment and telemetering controlling system and precision heat treatment business got a big increase.

(Millions of ¥)

	Ended Mar.31, 2014	Ended Mar.31, 2015	Increase/(Decrease) against previous year In amount	Increase/(decrease) against previous year in %
Hard disc related business	864	1,912	1,048	121.3%
LCD related business	8,698	5,873	-2,824	-32.5%
Semiconductor related business	667	609	-58	-8.8%
Voltaic related business	993	873	-120	-12.1%
FEL related business	2	2	0	2.0%
Precision heat treatment related business	923	2,923	2,000	216.6%
Industrial metering equipment and telemetering controlling system	952	3,101	2,149	225.7%
Cleaning related business	1,424	1,326	-98	-6.9%
Total	14,527	16,622	2,095	14.4%

2-3 New order received. (Including unofficial notice.)



LCD related and industrial metering equipment and telemetering controlling system related business went well. Totally 40% increased comparing to the previous year.

(Millions of ¥)

	Ended Mar.31, 2014	Ended Mar.31, 2015	Increase/(Decrease) against previous year In amount	Increase/(decrease) against previous year in %
Hard disc related business	853	1,651	798	93.6%
LCD related business	6,386	11,440	4,755	74.5%
Semiconductor related business	664	572	-91	-13.7%
Voltaic related business	989	826	-163	-16.5%
FEL related business	2	2	0	5.0%
Precision heat treatment related business	3,697	3,515	-182	-4.9%
Industrial metering equipment and telemetering controlling system	1,640	2,290	650	39.6%
Cleaning related business	1,424	1,863	439	30.8%
Total	15,658	21,860	6,203	39.6%

2-4 Backlog ordered. (Including unofficial notice.)



LCD related and industrial metering equipment and telemetering controlling system related business went well. Totally 40% increased comparing to the previous year.

(Millions of ¥)

	Ended Mar.31, 2014	Ended Mar.31, 2015	Increase/(Decrease) against previous year In amount	Increase/(decrease) against previous year in %
Hard disc related business	238	406	169	70.8%
LCD related business	3,459	8,685	5,226	151.1%
Semiconductor related business	25	255	230	920.4%
Voltaic related business	211	200	▲11	▲5.2%
FEL related business	0	0	—	—
Precision heat treatment related business	2,888	4,530	1,643	56.9%
Industrial metering equipment and telemetering controlling system	687	1,363	676	98.4%
Cleaning related business	—	277	277	—
Total	7,511	15,718	8,207	109.3%

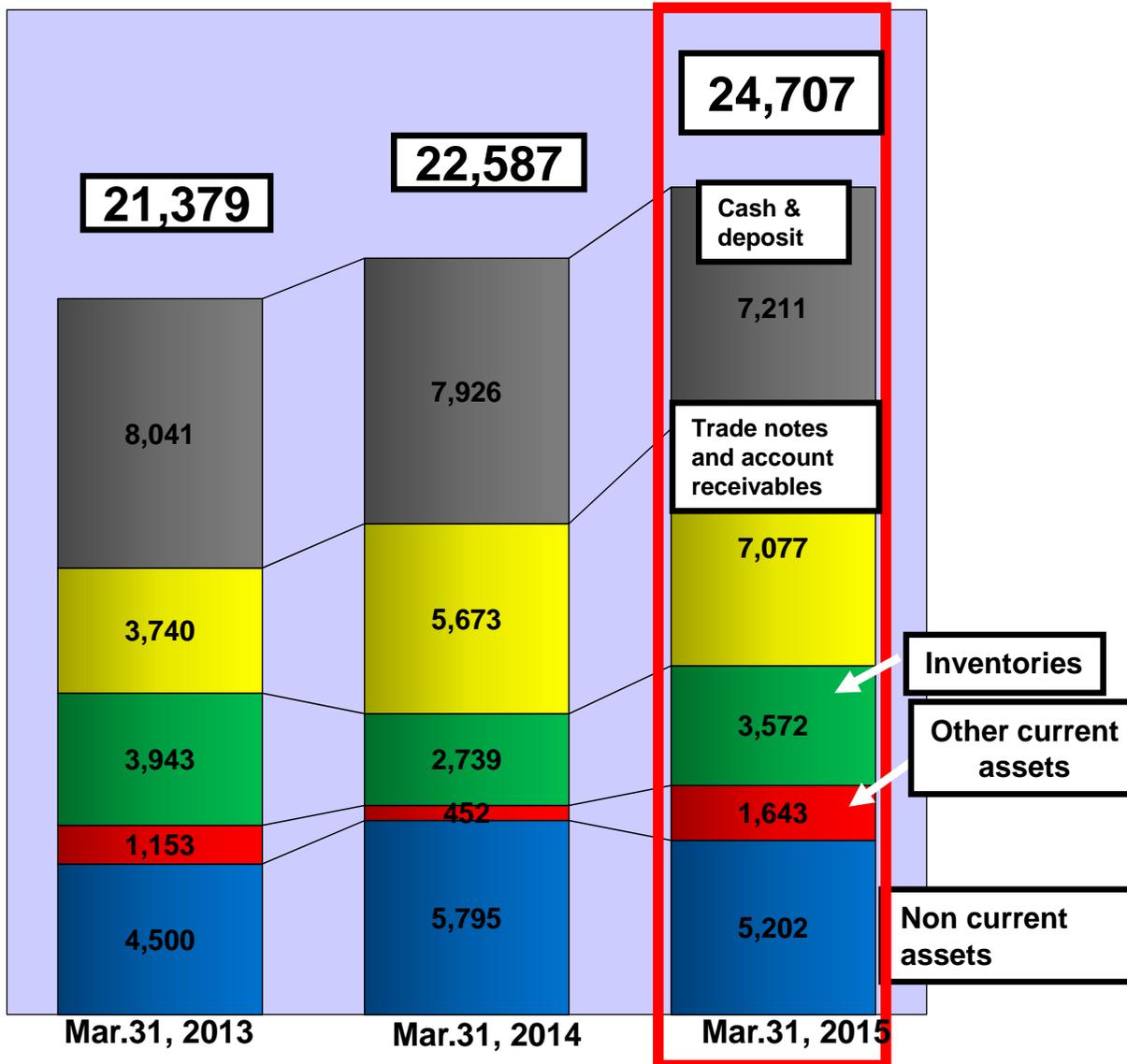
2-5 Historical figures of B/S



Sales concentrated in the 2nd half of year and trade receivables increased. Trade payables are increasing because of backlog ordered.

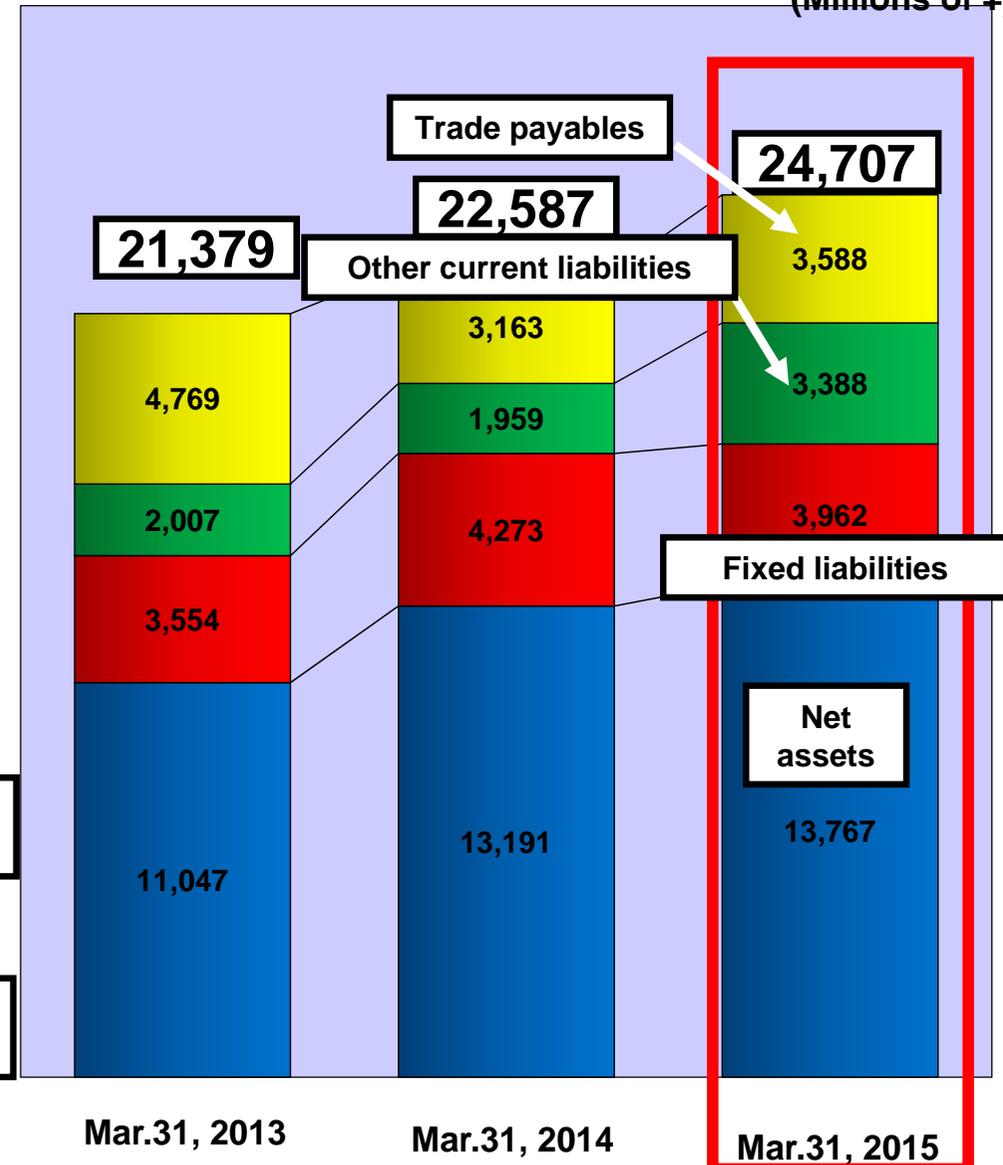
<Assets>

(Millions of ¥)



<Liabilities & net assets>

(Millions of ¥)



2-6 Summary of cash flows.



Sales concentrated in the 2nd half of year therefore big negative figure in cash flow from operating activities. Expected to recover in the following the 1st half of year. (Millions of ¥)
Cash and cash equivalents balances at end of period increased.

	Mar.31, 2013	Mar.31, 2014	Mar.31, 2015
Cash flows from operating activities.	622	-527	-1,106
Cash flows from investing activities.	-105	-379	686
Cash flows from financing activities.	-602	177	502
Cash and cash equivalent balance at end of period.	8,761	7,806	7,966

Big increase of trade receivables during Jan. to Mar.

Acquisition of foreign bond ¥800 mil. denominated bond

Redemption of foreign bond ¥1billion and investment in securities ¥100 mil.

Increased cash reserve for M6A and new business.



3. Group business plan for the year ending Mar.31, 2016

.....Mr. Takefumi Momose, President

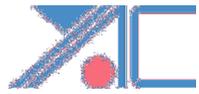


**Priority word for the year ending
Mar.31 2016.**

**Further contribution
to society**



- **Expansion of corporate size**
- **Establishing high profitable corporate body.**



■ Expansion of corporate body.

1. Expansion of present business.

- ◎ Increase the market share (by differentiation, M&A and alliances)
- ◎ Expand expendable supply business and maintenance service business.
- ◎ Increase the number of handling products (by new development, M&A and alliances)

2. Proceed into new business.

- ◎ Proceed into growing business. To utilize subsidies of national growing strategies.
- ◎ To fined out the products for mass production.

3. To mobilize total power of all YAC.

- ◎ Sales force, technology capability, R&D, manufacturing capacity purchasing power and administration know haw.
- ◎ Interexchange of human resources.



4. M&A and business alliances

- To establish profitable corporate body
 - ◎ New budget controlling system.
 - ◎ Early acceptance
 - ◎ Let 3E be zero.
 - ◎ Promotion of campaign KCS30
 - ◎ Delivery of finished products.
 - ◎ To destroy of difference of cost allocation.

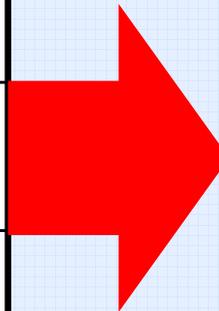
3-3 Reconstruction of business segment.



→ In order to execute new business strategies.

Previous

Segment	Business fields
Industrial electronics related business.	Hard disc related.
	LCD related.
	Semi. related
	Photovoltaic related.
	FEL related.
	Precision heat treatment related.
	Industrial metering and telemetering controlling system.
Cleaning and others business.	Cleaning related.



New

Segment	Business fields
Display manufacturing equipment related.	Plasma and wet etching equipment. for LCD.
	Heat treatment for high definition panel.
Mechatronics products related.	Hard disc related.
	Semi. Related.
	Photovoltaic related.
Other related business.	Cleaning related.
	Industrial metering and telemetering controlling system.
	Lamp and lighting/LED and FEL
	Precision heat treatment for automobile industry.



《Display related business.》

~LCD and OEL related business.~

- Unification of sales force such as dry etching equipment, wet etching equipment and annealing equipment mainly in P.R.C.
- To concentrate to sell equipment to big capital investments for medium and small size high definition panel.
- To accelerate to release a new products for IGZO to sell new products to P.R.C.



«Mechatronics related»

~Hard disc related.~

■ Expecting to new capital investment for next generations' HDD applicable to high density.

~Semiconductor related~

■ Continuously introducing new products such as razor annealing for growing power semiconductor.

~Photovoltaic~

■ Expanding sales of new process equipment for high efficiency solar cells.



《Other business.》 ①

~Cleaning related.~

- Targeting to get orders from linen supply business which will increase capacity for increasing foreign tourists.

- To spread business to U.S.A. and Europe including Asian area.

~Industrial metering telemetering controlling system.~

- Electricity industries damaged by disaster re started new capital investments.

- Expanding natural energy related clients base.



《Other business》 ②

~Lamp and lighting /FEL and LED~

■ **Big and high brightness LED lighting was included in products line.**

Accelerating to mass production system and finding market.

■ **Continuing development of lamp which is mercury lamp substitute.**

~Precision heat treatment for automobile industry.~

■ **Providing energy save and higher productivity equipment which reply to customers' requests.**

3-5 Business plan of the year ending Mar.31, 2016



(Millions of ¥)

	Ended mar.31, 2013 (Actual)	Ended Mar.31, 2014 (Actual)	Ended Mar.31, 2015 (Actual)	Ending Mar.31, 2016 (Forecast)		Increase/ (Decrease) against previous year In amount (Forecast)	Increase/ (Decrease) against previous year In % (Forecast)
				The 1 st half	Full year		
Net sales	14,868	14,527	16,622	10,000	23,500	6,877	41.4%
Operating income	245	427	787	460	1,200	412	52.4%
Ordinary income	309	546	966	500	1,250	283	29.3%
Net Income	191	2,229	639	300	750	110	17.2%
Net income per share	21.45	250.00	71.72	33.64	84.09	—	—

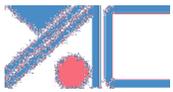
3-6 Sales plan by business



(Millions of ¥)

	Ended mar.31, 2013 (Actual)	Ended Mar.31, 2014 (Actual)	Ended Mar.31, 2015 (Actual)	Ending Mar.31, 2016 (Forecast)		Increase/ (Decrease) against previous year In amount (Forecast)	Increase/ (Decrease) against previous year In % (Forecast)
				The 1 st half	Full year		
Display manufacturing equipment related.	8,750		12,192	6,000	13,500	4,749	54.3%
Mechatronics products related.	3,313		1,847	2,000	5,000	1,686	50.9%
Others related business.	4,559		1,684	2,000	5,000	440	9.7%
Total	16,622		15,718	10,000	23,500	6,877	41.4%

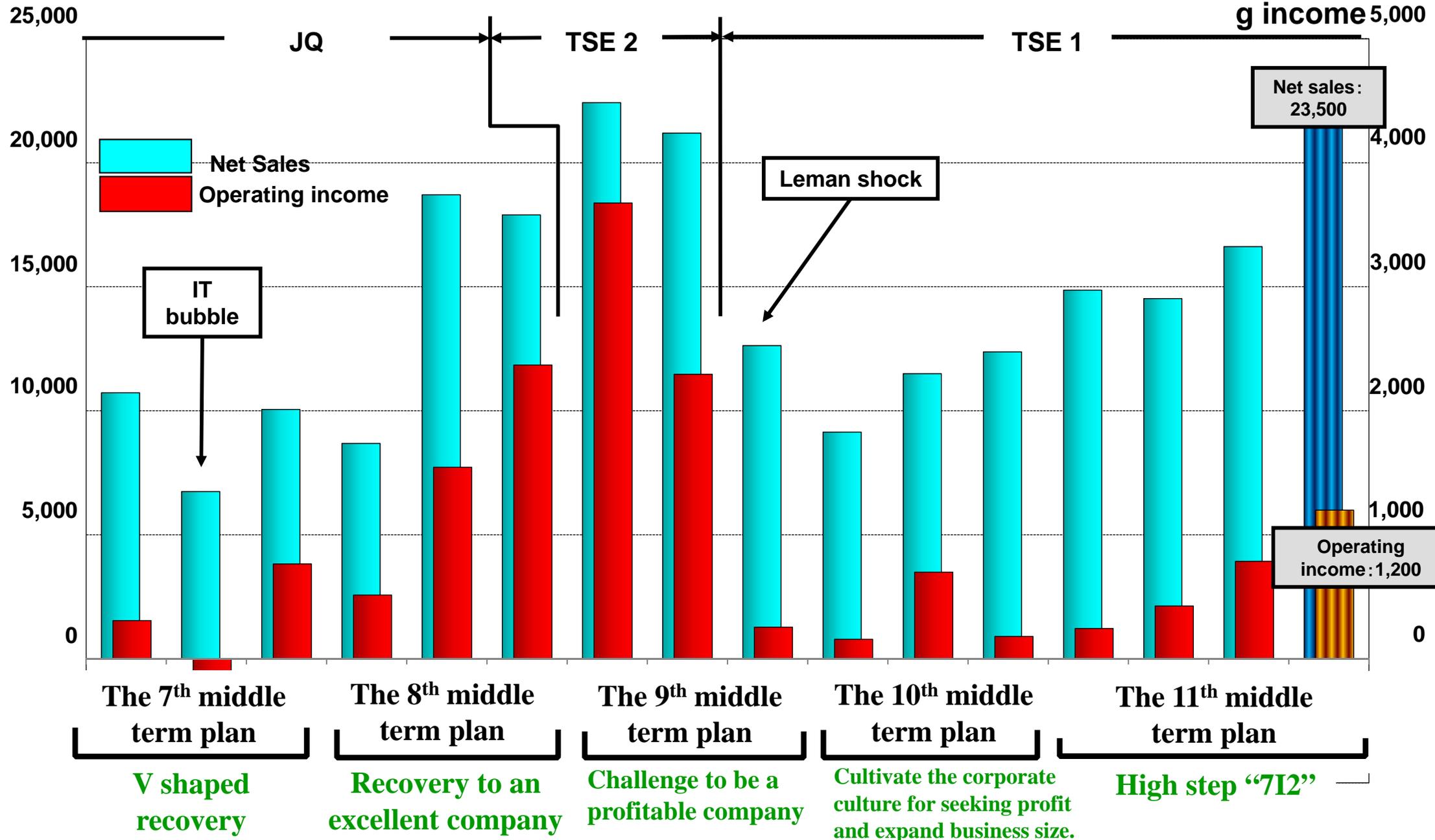
3-7 Past result and forecast of ending Mar.31, 2016



Net Sales

(Millions of ¥)

Operating income





4. Presentation on high intensity LED lighting business.

- Mr. Takeshi Noguchi, Senior general manager, Lamp & Lighting Business Div.**



(Appendix)

Introduction of YAC

- 1. Basic information**
- 2. Special Features**
- 3. Global network**
- 4. Introduction of YAC group company**
- 5. Major products**

1. Basic Information



C o r p o r a t e N a m e	Y.A.C. Co., Ltd.
T i c k e r c o d e	6298 (TSE 1 st section)
E s t a b l i s h e d	May, 1973
R e p r e s e n t a t i v e	Takefumi Momose, President
O f f i c e s	Head Quarter:3-11-10 Musashino, Akishima, Tokyo Japan Sales Office :Osaka, Akishima, Shinchu (Taiwan) Factories :Akishima, Yamanashi, Kumamoto, Ohita
G r o u p C o m p a n i e s (c o n s o l i d a t e d)	Ohkura Electric Co., Ltd.(Sakato, saitama Pre.) YAC Denko Co., Ltd. (Ohme, Tokyo) YAC Niigataseiki Co., Ltd. (Myukou, Niigata Pre.) YAC DAStech, Inc.(Toda, Saitama Pre.) YAC Phoeton Corporation(Atsugi, Kanagawa Pre.) Y.A.C. Kokusaidennetsu Co., Ltd(Musashimurayama, Tokyo) HYAC Corporation (California, U.S.A.) YAC Systems Singapore Pte. Lt. (Singapore) YAC KOREA CO.,LTD (Republic of Korea) YAC (Shanghai) International Trade Co., Ltd. (Shanghai, PRC) Shaoxing YAC (Shanghai) Electronic Equipment Co., Ltd. (P.R.C.)
N o n C o n s o l i d a t e d	ND Material Co., Ltd. Kowa Electric Co., Ltd.
P a i d u p C a p i t a l	¥2,756million
M a j o r P r o d u c t s a n d s e r v i c e s	Developing, Drawing, Manufacturing & Selling of Electronics Related Equipment and Cleaning Systems
A c c o u n t C l o s i n g	March 31



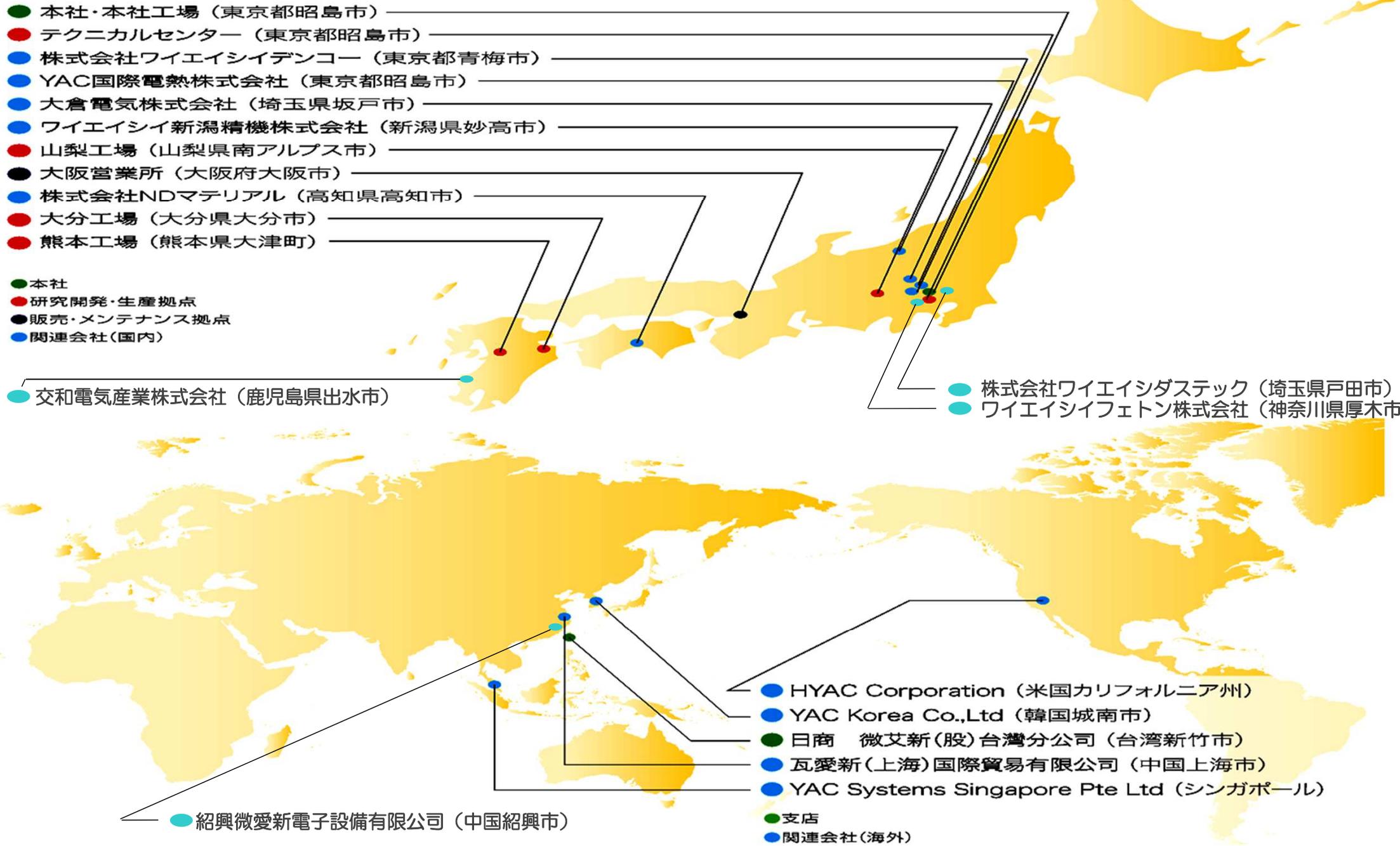
- **This year, adding 2 business and diversified in 10 fields.**
- **Fables management.**
- **Challenging for M&A, acquired 12 business during past 13 years.**
- **Global enterprise focusing Asia.**



■ **Penetrating into device business.**

■ **All-in-one management with employee.**

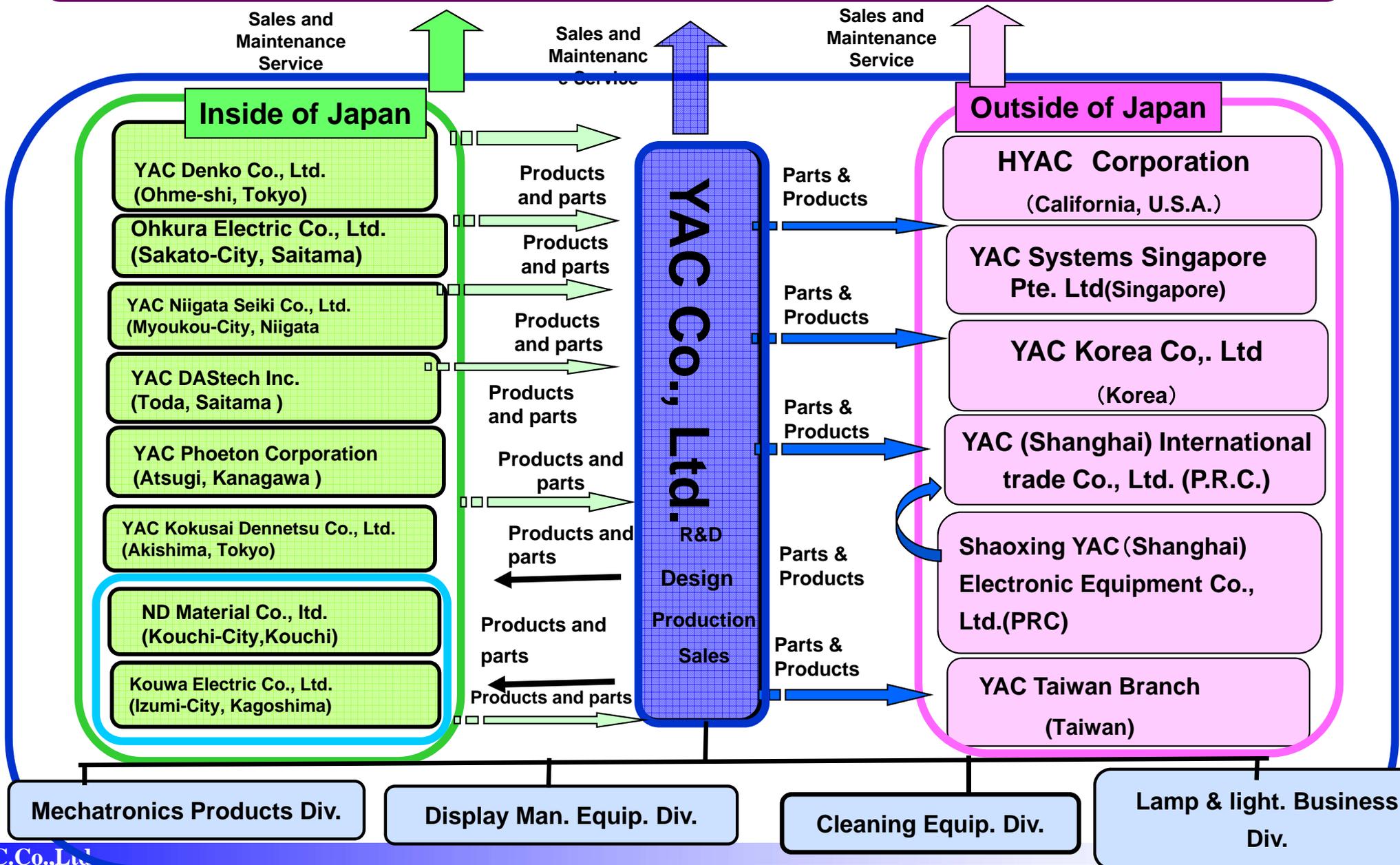
3 グローバルネットワーク



4. Functions of YAC and It's Group Companies



Clients domestic and outside of Japan



5-1 Flat Panel Display equipment area



Plasma Dry Etching System	<p>The equipment to generate the micro transistors which control the directions of liquid crystals in each cell. After eliminating of the area except hardened area by exposure, this equipment eliminates the exposed thin film by using plasma.</p>
Annealing	<p>Heat treatment equipment which improve the film quality. YHR series is RTA equipment indispensable to the highly minute panel production which targeted the future LTPS smart phone. This equipment keeps performance that suitable for mass production of highly minute panel, LTPS, and will further contribute to improvement of smart phone.</p>
Wet etching	<p>Wet etching equipment by using chemical liquid. This equipment is applicable for high definition processing such as IGZO, OLED and metal wiring for smart phone from medium and small size panel to large size panel.</p>



Plasma Dry Etching System

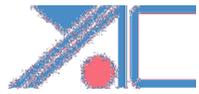


Annealing system



Wet etching equipment

5-2 Precise Heating Treatment Equipment .



<p>Heating equipment for Flat Panel Display (FTP)</p>	<p>Heating equipment for LCD panel manufacturing: MB/MS series Heating equipment for LCD and OLED panel manufacturing: MT series Hot plate type heating equipment for LCD panel manufacturing Decompression type drying equipment for LCD and OLED panel and Walking Beam type consecutive heating treatment furnace</p>
<p>Heating Furnace equipment for precision parts</p>	<p>Consecutive muffle kiln with mesh belt conveyor (Muffle), consecutive muffles kiln with mesh belt conveyor (Muffles) and various type of testing kiln for electronics parts.</p>
<p>Heater and other related equipment</p>	<p>Radiant pat heater (PD/GPD) Infrastructure unit (BD/SG) Infrastructure unit heater (PS/PU/PH/PM) another industrial heaters.</p>
<p>Heater for automobile parts</p>	<p>Furnace for automobile industry (High tension sheet steel tempering equipment) Furnace for molding and pre-heater for molding</p>



Annealing for IGZO,OLED



Various type of heater



Tempering equipment for high tension sheet steel
Roller-Hass type



Vertical heater

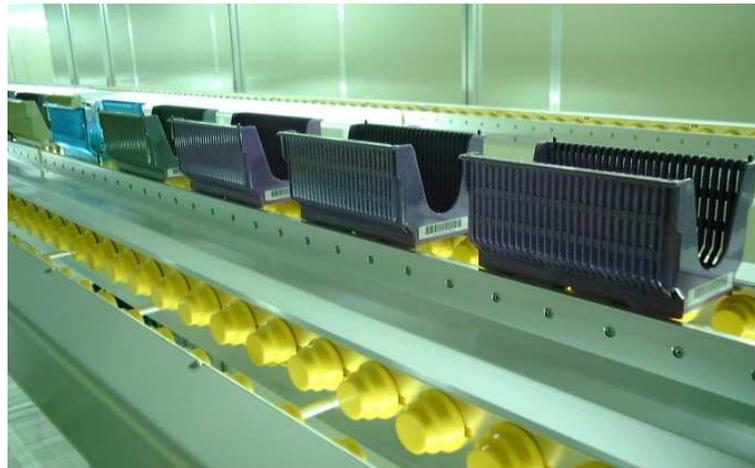
5-3 Hard Disk Equipment Area



Banisher	The disk surface precise polishing equipment to eliminate the nano-size projections on the disk surface after the process of magnetic film generating.
Wiping System	The equipment to remove particles on the disk surface and to equalize the lubricant agent after the process of magnetic film generating.
UV Curing	UV Curing Surface-reforming for Hard Disk
Clean Conveyor	For HD factory: Easier line designing by nodule concept. For Semi: Larger width and higher load bearing & transporting speed are achieved for 300mm wafer pot. For solar cell manufacturing: Grass substrate or 5 inch wafer cassette transporting. For LCD manufacturing equipment: Larger width and higher load bearing & transporting speed are required for transporting glass substrate.



Banisher



Clean conveyor for hard disk



High speed clean conveyor for semiconductor

5-4 Photovoltaic equipment



PV (mono crystal and multi-crystalline) manufacturing equipment
Various heating related equipment

Whole line for Mono-crystal and Multi-crystalline type of solar cells with in-line system and batch system

Features

- Texturing Batch system and in-line system
- PSG(ISO) Batch type and in-line type equipment
- Circuit Printing Screen printer/Drying Oven
- Circuit forming Baking furnace
- Vertical glass substrate heater
- Thin film EVA heater
- Multi stage vertical diffusion furnace
 - Walking beam style continuous drying furnace
 - Tube diffusion furnace



Texturing

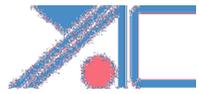


PSG/ISO



Curing/Annealing

5-5 Semiconductor manufacturing



<p>IC Test Handler (For logic IC)</p>	<p>The equipment to make automatic sorting based on the test result signal from the tester in the IC testing process. It also makes high or low temperature testing environment (-55 deg. C. to 155 deg. C.) as the occasion demands.</p>
<p>Wet etching and cleaning equipment</p>	<p>Wet etching equipment for semiconductor : Cleaning equipment, Resist removal and nitride. Peripheral equipment for semiconductor: Quarts tube cleaner, Stocker and chemical supply system.</p>
<p>Slicing and Dicing machine</p>	<p>Automatic θ-AXIS, having automatic alignment function</p>
<p>Razor</p>	<p>Razor anneal machine for IGBT and power semiconductor</p> <ul style="list-style-type: none"> ·Heat treated on only back side and no heat damage to surface. ·Controllable the anneal depth from 1 to 10 micro meter by 2 wavelengths razor anneal. ·High throughput was realized by combination of continuously oscillating razor and turn table.
<p>IPA vapor dryer</p>	<p>Is propylene alcohol vapor used dryer for semiconductor manufacturing final stage and remaining particles zero.</p>



Logic test handler



Quarts tube cleaner



Slicing & dicing machine
<Freeze & fixing cut>



Razor anneal machine for
IGBT & power
semiconductor



IPA vapor dryer

5-6 Cleaning system equipment



Dress shirt pressing machines	Pressing machine by using heated panel and hot air. Standard type of product functions are diversified into 3 unit such as for pressing collar & cuff, tuck & sleeve and body, but operating speed are rapid. We have another type of product which can press tuck & sleeve and body by one unit so called Body sleeve type.
Wool finishers	pressing equipment for jacket and pants
Bagging machines	The machine to bag automatically the finished item we have two type of machine, one is to bag items with dress hanger another is to bag by folding.
apparel equipment	We have various type of machines which are used in the production line of making apparel such as sponging machine, fusing machine and pressing machine



Bagging machine
(Dress hanger type)



Body-sleeve pressing machine for
dress shirts



Finisher for jacket

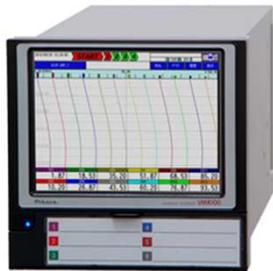


Finisher for pants

5-7 Industrial metering, telemetering and controlling equipment



Industrial metering equipment	Utilizing metering and controlling technology, we have been contributing to wide range industrial automation from recorder and data processing systems for atomic power plant, precise temperature controlling system to environmental analytical sensor.
Telemetering controlling equipment	We have been contributing to building of social infrastructures with providing information transmitter, distance controlling monitoring system, data processing system as well as precise electric power meter and modem in order to support huge and wide range network of electricity system, city gas providing system, water and sewerage system and railway system.
Semiconductor	We have been providing vertical and horizontal diffusion furnace, diffusion controlling system as well as furnace renewal service by using own metering , controlling and censing technology cultivated as industrial metering manufacturer.



Paperless recorder



Digital indicating controller

Programing controller



High bride controller



Pressure transmitter



IP-enabled information transmitter



IP-enabled information input output device



High precision transducer



Vertical diffusion furnace

Industrial metering equipment

Telemetering and controlling equipment

Semiconductor manufacturing equipment

5-8 Lighting & Lamp equipment



High brightness single flat LED lighting	Flood light: Sporting facilities, etc. High ceiling light: Gymnasium, factory, warehouse, big shopping facilities, etc. Special lighting: Fishing light, under water as well as ship board, agriculture light
Field emission lamp	Ultraviolet source: Generating ozone and sterilize by deep ultraviolet, UV-C.
ND emitter	Electron source for FEL, which is applicable for soft x- ray tube and electron beam.



High ceiling light



Flood light

Fishing light



Ultra violet source



Well, Today should be

a Fascinating and Prosperous Day, again!

Flexible High-Technology Company



Y.A.C. Co., Ltd.

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.