



Financial year of Mar.31, 2014

The 1st half year result

(The 1st and the 2nd quarter total)

Nov.22, 2013



Y.A.C. Co., Ltd.

(Ticker symbol: 6298)

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



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- 3. Business strategy and outlook of financial year Mar.31, 2014**
.....**Mr. Takefumi Momose**

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1. President's message & summing up of financial result

.....Mr. Takefumi Momose

1. Summing up of financial result

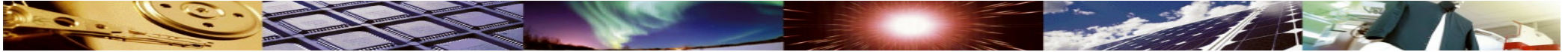


- Decreased income and profit against the previous corresponding period.
- Hard disk related business dropped sharply.
- Equipment for high precision panel business went well.

1. Remarkable Points of financial result



- Photovoltaic and semiconductor related business are on the right truck to recover.
- Cleaning related business strengthen overseas operation and went well.



2. Summary of the 1st half of financial year Mar.31, 2014

**.....Mr. Hiroshi Furuhashi, General manager
Accounting Department**

2-1. Business result



(Millions of yen)

	The 1 st half Mar. 31,2013 (consolidated)	The 1 st half Nmar.31,2014 (consolidated)	Changes from the 1 st half of previous year	Changes from the 1 st half of previous year (%)
Net sales	10,924	8,329	-2,594	-23.8%
Operating income (Operating income ratio)	360 (3.3%)	40 (0.5%)	-320	-88.8%
Ordinary income	292	82	-209	-71.7%
Net income	195	25	-170	-87.0%
Earning/Share (yen)	21.96	2.86	-19.10	—
R&D expenses	140	93	-47	-33.7%
Capital expenditure	55	22	-32	-58.7%
Depreciation expenses	132	123	-8	-6.4%

2-2. Sales by business unit



(Millions of yen)

	The 1 st half Mar. 31,2013 (consolidated)	The 1 st half Mar. 31,2014 (consolidated)	Changes from the 1 st half of previous year	Changes from the 1 st half of previous year (%)
Memory disk unit	1,936	298	-1,638	-84.6%
Flat panel unit	6,750	5,967	-782	-11.6%
Semi. unit	201	125	-76	-38.0%
Photovoltaic unit	507	374	-133	-26.2%
FEL unit	0	0	0	-52.1%
Precise heat treatment (YAC Denko)	1,003	957	-45	-4.5%
Cleaning unit	523	606	83	15.9%
Total	10,924	8,329	-2,594	-23.8%

2-3. New order received by business unit



(Millions of yen)

	The 1 st half Mar. 31,2013 (consolidated)	The 1 st half Mar. 31,2013 (consolidated)	Changes from the 1 st half of previous year	Changes from the 1 st half of previous year (%)
Memory disk unit	903	563	-340	-37.7%
Flat panel unit	3,977	1,792	-2,184	-54.9%
Semi. unit	250	211	-39	-15.9%
Photovoltaic unit	423	361	-61	-14.5%
FEL unit	0	0	0	-52.1%
Precise heat treatment (YAC Denko)	966	1,366	399	41.3%
Cleaning unit	523	606	83	15.9%
Total	7,046	4,901	-2,144	-30.4%

Amount of new received order on Cleaning System Business is the same amount as the sales amount. Because that Business Unit takes Make to Stock manufacturing system.

2-4. Backlogs by business unit



(Million of yen)

	The 1 st half Mar. 31,2013 (consolidated)	The 1 st half Mar. 31,2013 (consolidated)	Changes from the 1 st half of previous year	Changes from the 1 st half of previous year (%)
Memory disk unit	252	515	262	103.8%
Flat panel unit	3,455	1,593	-1,861	-53.9%
Semi. unit	64	114	50	78.7%
Photovoltaic unit	393	230	-162	-41.4%
FEL unit	0	0	0	—
Precise heat treatment (YAC Denko)	1,016	525	-490	-48.3%
Cleaning unit	0	0	0	—
Total	5,181	2,979	-2,202	-42.5%

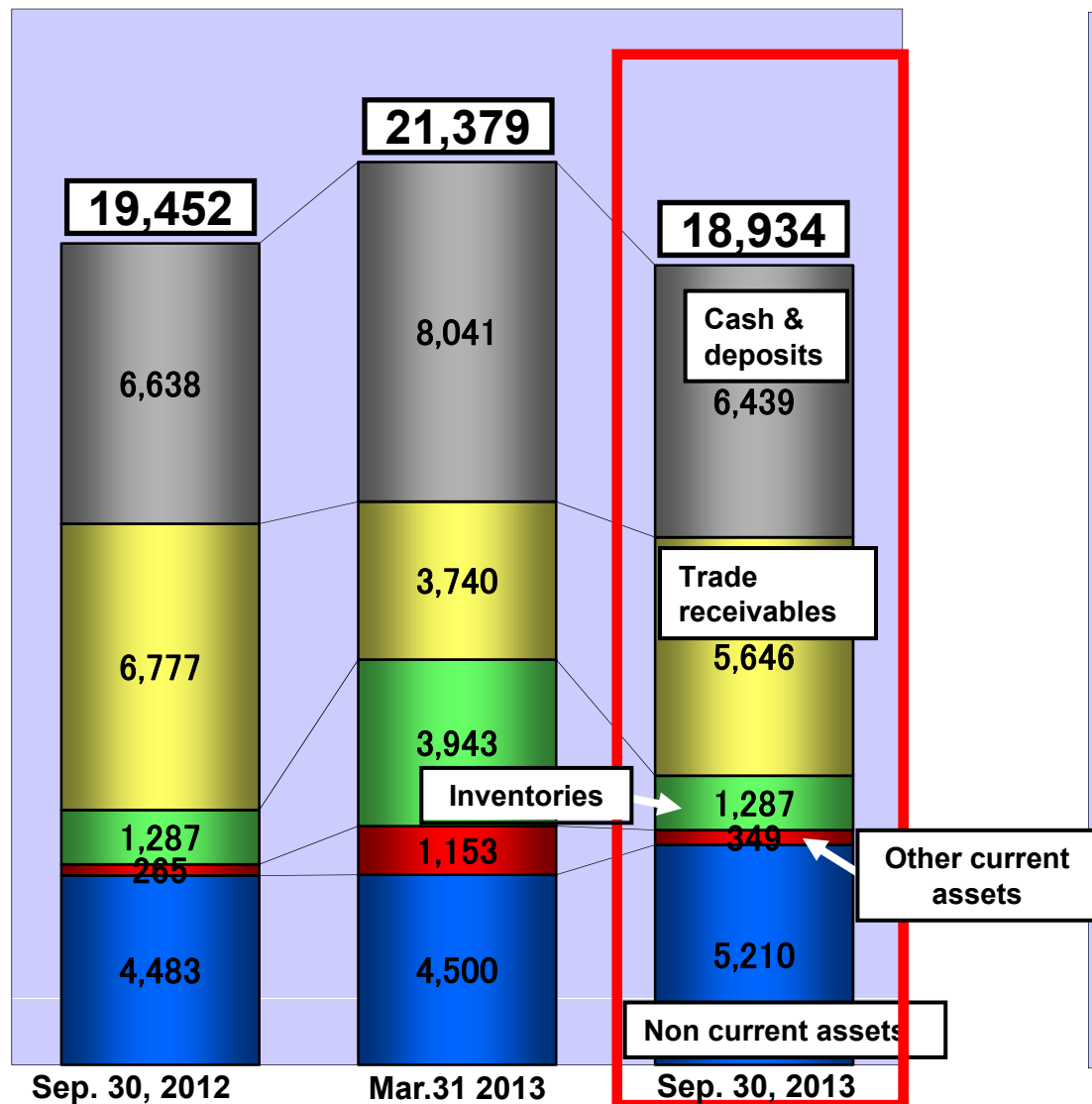
Amount of new received order on Cleaning System Business is the same amount as the sales amount. Because that Business Unit takes Make to Stock manufacturing system.

2-5. Historical figure of B/S



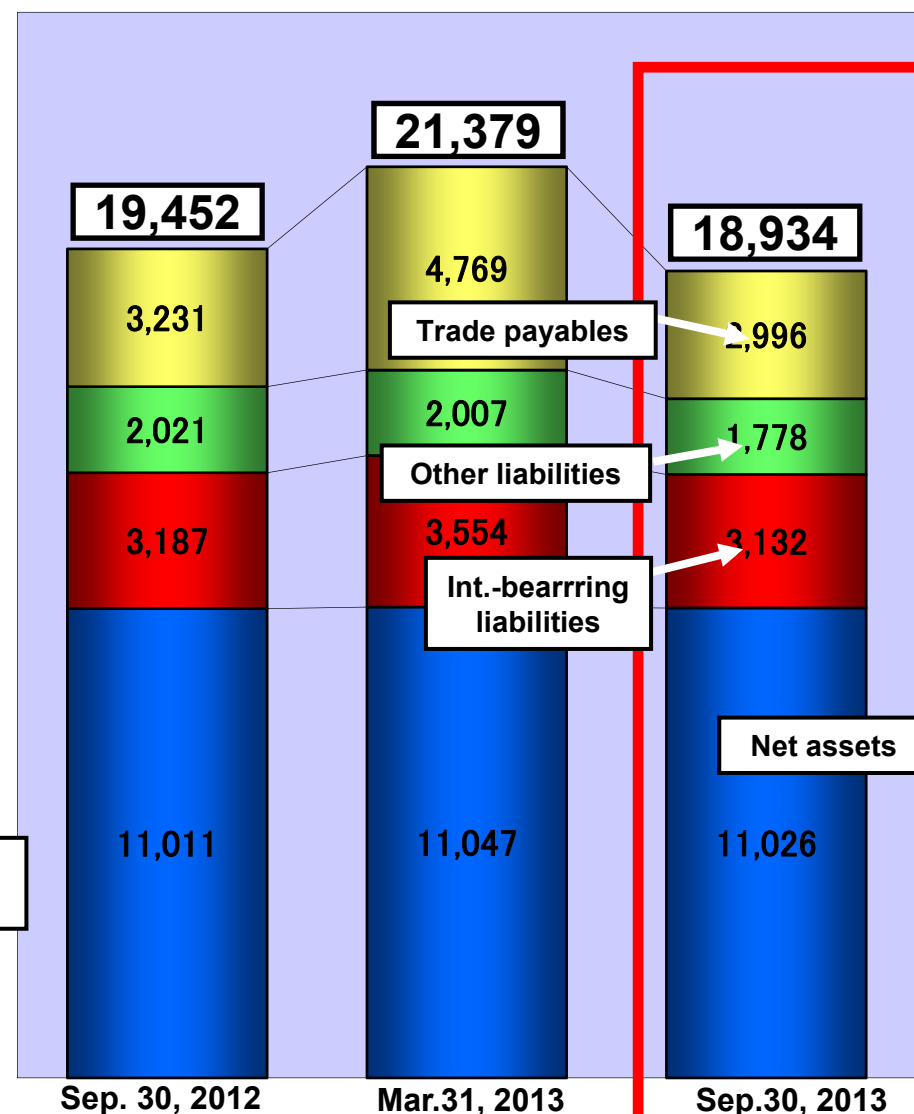
Assets

(Millions of yen)



Liabilities & net assets

(Million s of yen)

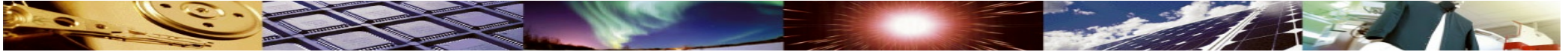


2-6. Summary of cash flows statements.



(Millions of yen)

	The 1 st half Mar. 31,2012 (consolidated)	The 1 st half Mar. 31,2013 (consolidated)	The 1 st half Mar. 31,2014 (consolidated)
CF from operating activities	467	-1,122	-856
CF from investment activities	462	-65	-830
CF from financial activities	-728	-876	-780
Cash & cash equivalents at end of period	6,675	6,540	6,390



3. Business strategy and outlook of financial year mar.31, 2014

.....Mr. Takefumi Momose, President



《Hard disk related business》

- Overall market may remain at the same level until 2015 but non Japanese will probably spend for new capital expenditure next year.
- Penetrating into substrate business.
- By using packaging technology and conveying technology and entering into other business fields.



《Flat panel related business》

- High precision panel such as 4K and 8K will change to large size from medium size mainly in P.R.C.
- Expanding process area moreover and to cover high precision process.
- Let dry etching equipment, wet etching equipment and annealing equipment for 8G make their debut.



《Semiconductor related business》

- Front –end related business will go well and back-end business is forecasted to recover from now on. Power semiconductor related business look like to have bottomed out.
- Expanding our business into logic semiconductor and power semiconductor markets by using mainly handler.
- Putting labor-saving equipment into module testing process.

《Photovoltaic related business》

- Demand for low price and high conversion ratio equipment will get much stronger and especially in Taiwan very active in order to provide high quality panel to Japan and the U.S.A..
- To strengthen sales promotion of equipment for higher conversion rate cell mainly in Asia.
- Introduce new equipment for wiring to market.

«FEL(Fields emission lamp) related business»

- Commercialization of automobile lamp and UV lamp will be going.

《Precise heat treatment related business》

- Automobile parts are moving forward to weight saving type and IGZO panel will be mass-produced.
- Strengthening sales of hot press related equipment and annealing equipment.
- Expanding the sales of “Die Heater” for mold pre heater equipment market.

《Cleaning related business》

- Domestic market is matured but developing countries' market are glowing.
- Strengthening the sales to dust controlling market.
- Starting production and sales in P.R.C. and introduce a new product into Europe market.

**■ Sales : Remaining the same level
Income: Declining
against the previous corresponding period**

◎ Sharp drop down of memory disk business made corporate performance poor.

◎ But 2nd half year, customers capital expenditure is expected to be on the right track to recover and corporate performance will recover.

3-3 Outlook of financial result Mar.31, 2014



(Millions of yen)

	Apr.1,2012 to Mar.31,2013	Apr.1,2013 to Mar.31,2014 (forecasted)	Decrease increase from the previous year (forecasted)	Changes in % from the previous year (forecasted)
Net sales	14,868	15,000	132	0.9%
Operating income	245	200	-45	-18.6%
Ordinary income	309	230	-79	-25.6%
Net income	191	130	-61	-32.1%
Earning/Share(yen)	21.45	14.58	-6.87	—

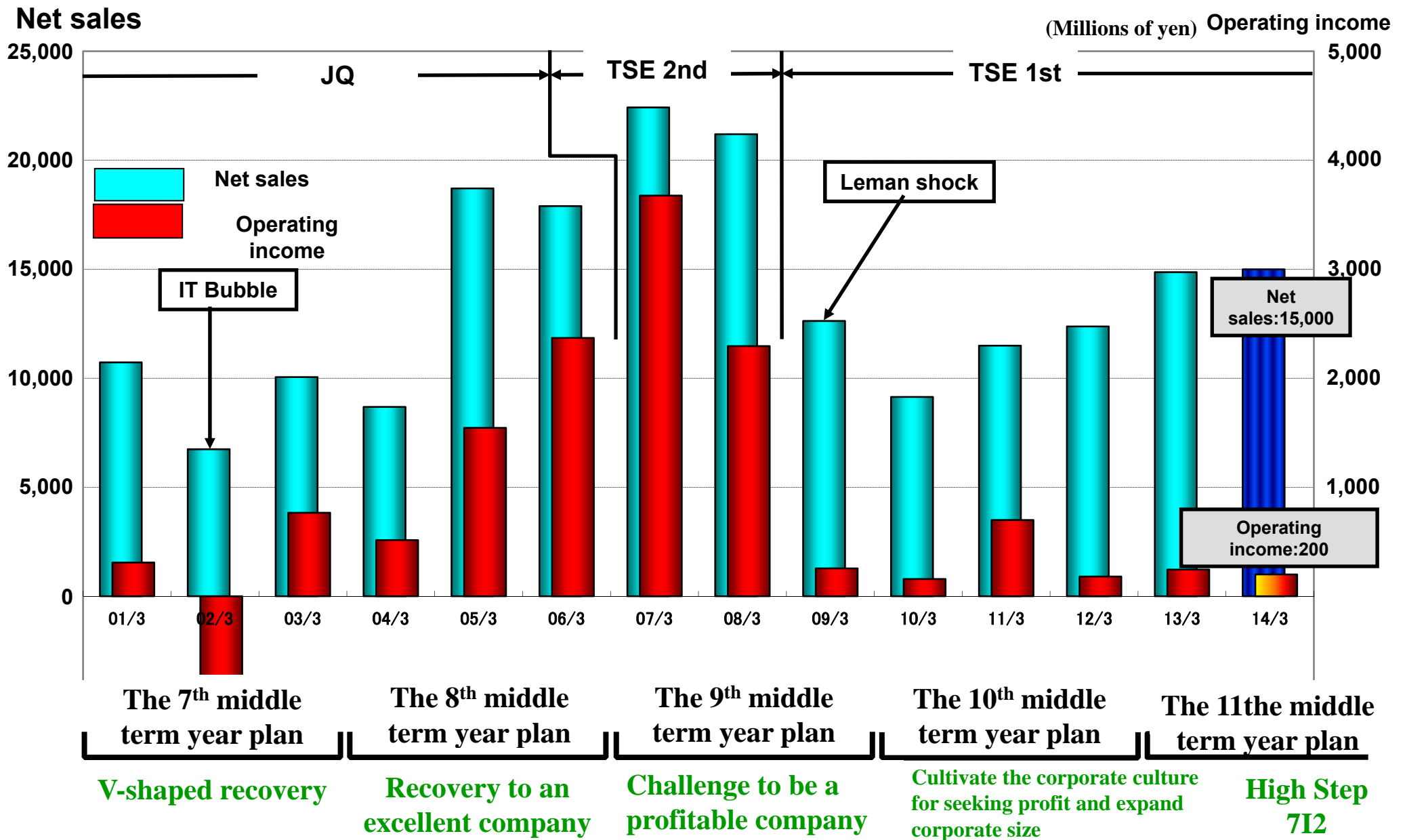
3-4 Sales plan by business unit



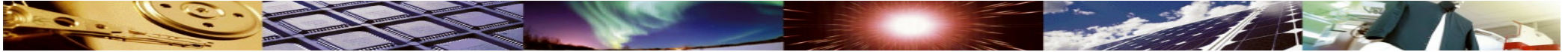
(Millions of yen)

	Mar.31,2013	Mar.31, 2014 (forecasted)	Decrease increase from the previous year (forecasted)	Changes in % from the previous year (forecasted)
Memory disk unit	2,812	900	-1,912	-68.0%
Flat panel unit	7,439	8,500	1,060	14.3%
Semi. unit	359	700	340	94.8%
Photovoltaic unit	949	1,300	350	36.9%
FEL unit	0	0	0	—
Precise heat treatment(YAC Denko)	2,009	2,100	90	4.5%
Cleaning unit	1,297	1,500	202	15.6%
Total	14,868	15,000	131	0.9%

3-5 Past result from Mar.31, 2001 and forecasted Mar.31, 2014.



- **Robot related business**
- **Battery related business**
- **Applying razor technology**
- **Applying plasma technology**
- **Medical and nursing equipment**



(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



Corporate Name	Y.A.C. Co., Ltd.
Ticker code	6298 (TSE 1 st section)
Established	May, 1973
Representative	Takefumi Momose, President
Offices	Head Quarter:3-11-10 Musashino, Akishima-Shi, Tokyo Japan Sales Office :Osaka, Akishima, Shinchu (Taiwan) Factories :Akishima,Yamanashi, Kumamoto, Ohita
Group Companies (consolidated)	YAC Denko Co., Ltd. (Ohme-Shi, Tokyo) YAC Niigataseiki Co., Ltd. (Myukou City, Niigata Pre.) Y.A.C. Kokusaidennetsu Co., Ltd(Akishima-Shi, 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)
Non Consolidated	ND Material Co., Ltd.
Paid up Capital	¥2,766 million
Major Products and services	Developing, Drawing, Manufacturing & Selling of Electronics Related Equipment and Cleaning Systems
Account Closing	March 31

2 Special Features of YAC Co., Ltd



- **Business Diversified in 7 Fields.**
- **Fables Management.**
- **Challenging for M&A and Alliances.**
- **Global Enterprise Focusing Asia.**
- **All-in-one Management with Employee.**
- **Strict Budget Control System**

3 Global Network



● 本社・本社工場（東京都昭島市）

● テクニカルセンター（東京都昭島市）

● 株式会社ワイエイシイデンコー（東京都青梅市）

● YAC国際電熱株式会社（東京都昭島市）

● ワイエシイ新潟精機株式会社（新潟県妙高市）

● 山梨工場（山梨県南アルプス市）

● 大阪営業所（大阪府大阪市）

● 株式会社NDマテリアル（高知県高知市）

● 大分工場（大分県大分市）

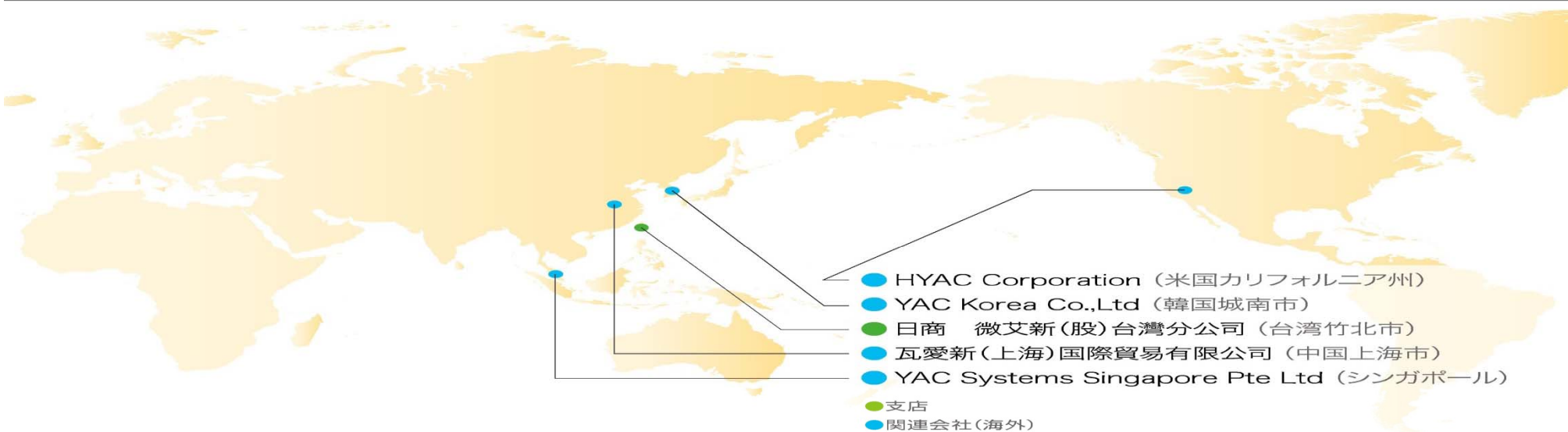
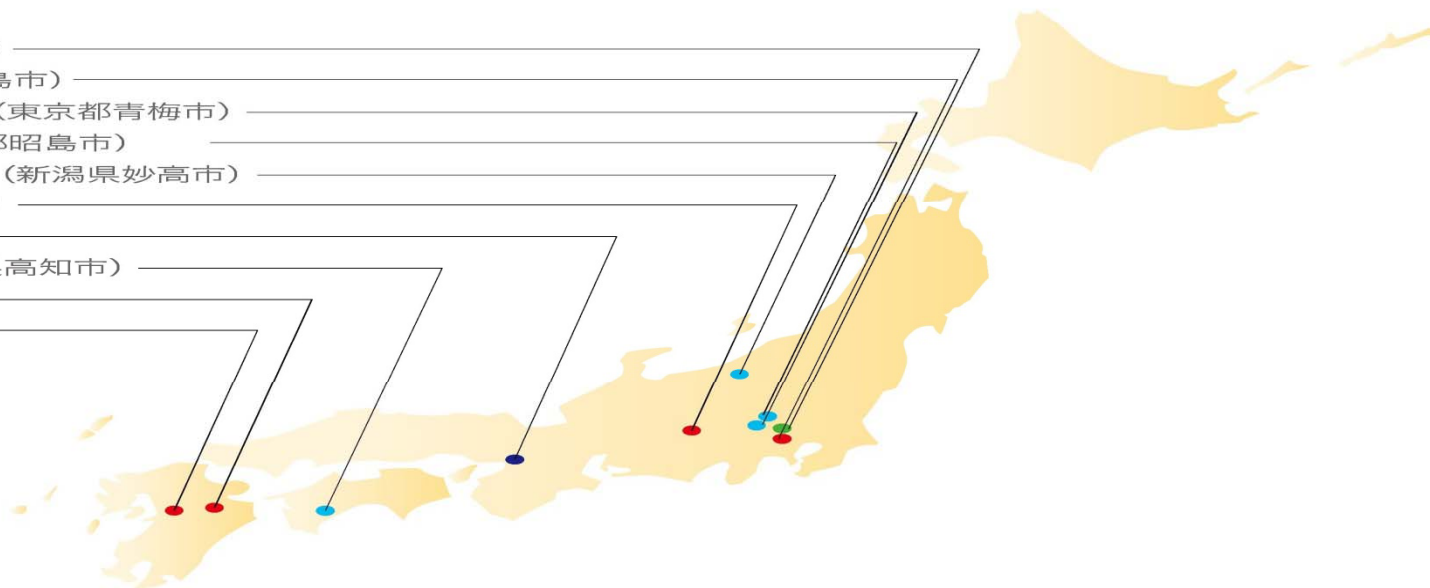
● 熊本工場（熊本県大津町）

● 本社

● 研究開発・生産拠点

● 販売・メンテナンス拠点

● 関連会社(国内)

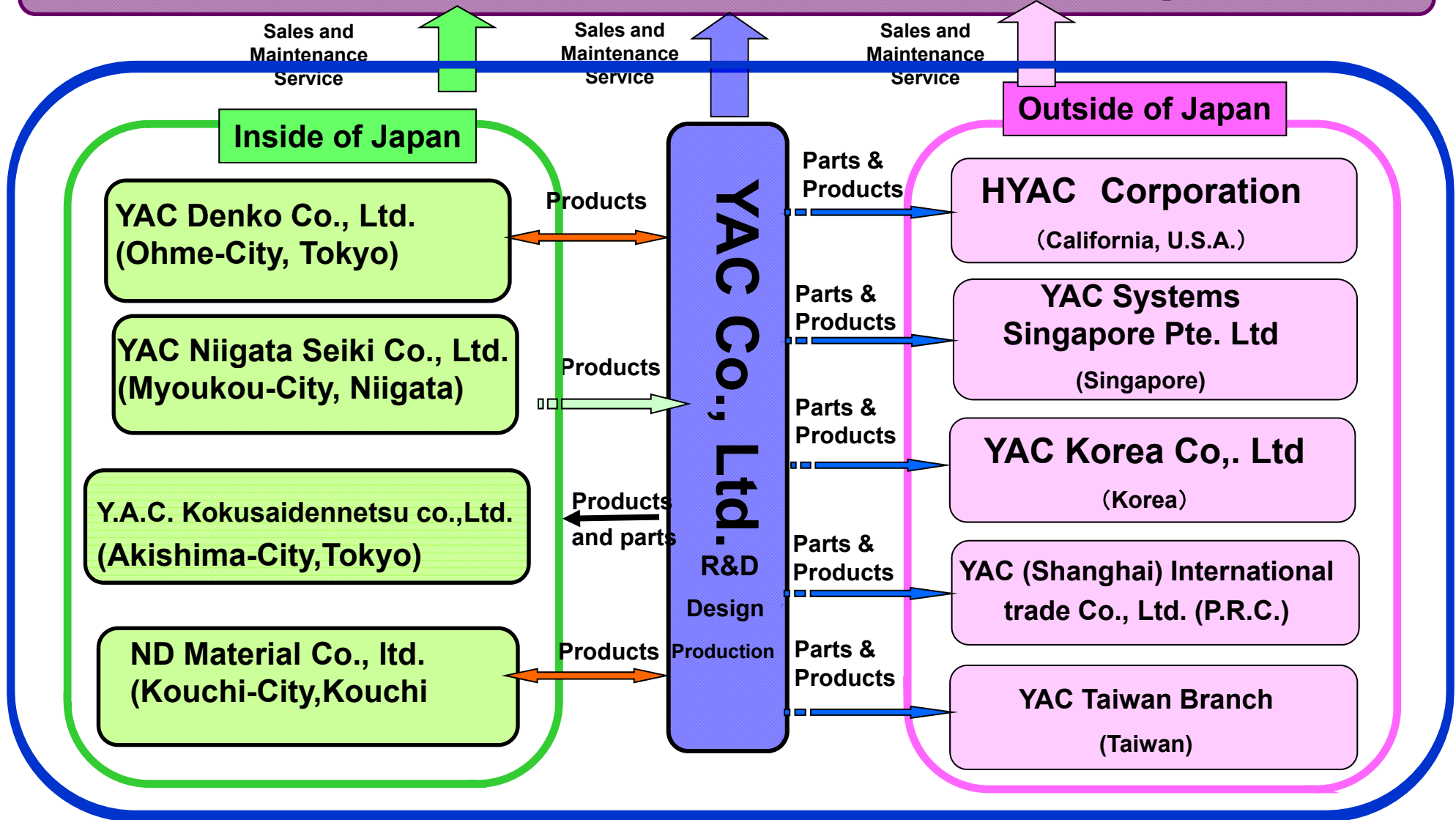


4

Functions of YAC and It's Group Companies



Clients domestic and outside of Japan



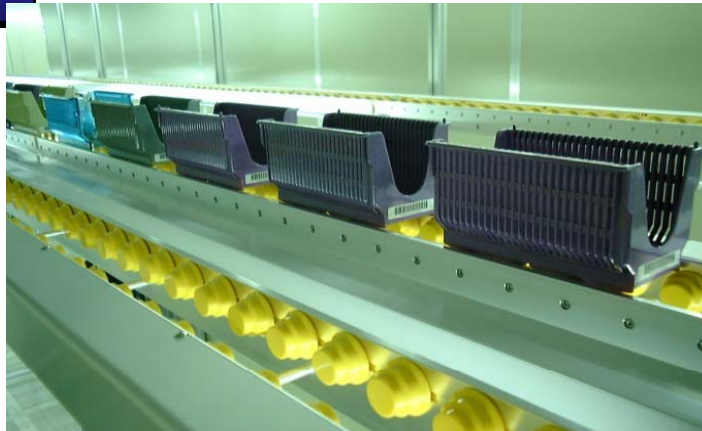
5-1 Memory disk Equipment Area



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 Hard Disk Factories)	<p>The roller type clean conveyor system</p> <ul style="list-style-type: none"> - Easier line designing by module concept - Higher transport efficiency than AGV or OHT by free loading and unloading as-needed.
Clean Conveyor (for Semiconductor , Solar cell Factories)	<p>The roller type clean conveyor system</p> <ul style="list-style-type: none"> - Larger width and higher load bearing & transporting speed are required. - Semiconductor: for 300mm wafer cassette transporting, - Solar cell :for Glass Substrate or 5inch wafer cassette transporting.
Clean Conveyor (for LCD Factories)	<p>The roller type clean conveyor system</p> <ul style="list-style-type: none"> - Larger width and higher load bearing & transporting speed are required for transporting Glass. substrate cutting by panel size.



Banisher



Clean conveyor for hard disk



High speed clean conveyor for semiconductor

5-2 Flat Panel Display equipment Area



Plasma Dry Etching System	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.
Annealing	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.
Desk top plasma ashing system (PACK)	YAC has developed the first batch type Ashing System using the plasma technology in Ashing process for semiconductors in Japan. Thereafter YAC has been offering manufacturing process technique, which is used in surface reforming and in the field of sterilization. The PACK series is the desk top model, which a pump and the RF Gen. are packable in an special rack.



Plasma Dry Etching System



Annealing system



Desk top plasma ashing
(Pack series)

5-3 Semiconductor Div. Products



IC Test Handler (For Logic ICs)	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.
Pogo pin exchange equipment	Labor save equipment which exchanges pogo pin automatically



**C912 : Capability of tri-temp testing and
the best for R&D**



Pogo pin exchange equipment



**A/H343 : Simultaneously testing of 4 units
Normal temperature to high temperature
Low vibrating and low dust**

5-3 Semiconductor related products



Semiconductor manufacturing equipment & related cleaning equipment

- Wet process.....Cleaning equipment, Resist removal, and nitride equipment
- Peripheral equipment for semiconductor.....Quarts tube cleaning equipment, Storage and Chemical supply unit
- Equipment for R&D.....Manual control equipment, Drought chamber and Scrubber
- Parts cleaning equipment.....Oil absorbent equipment



Quartz tube cleaning equipment



Manual control equipment



Quartz tube storage



5-4 Photovoltaic equipment



PV (mono crystal and multi-crystalline) manufacturing 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
- Diffusion Furnace ····· P-coating equipment/tube (batch) type/in-line equipment
- PSG(ISO) ····· Batch type and in-line type equipment
- Antireflection film forming ····· PECVD
- Circuit Printing ····· Screen printer/Drying Oven
- Circuit forming ····· Baking furnace
- Other related equipment



Texturing



PSG/ISO



Cleaning

5-5 FEL Div.



Manufacturing of nano-diamond thin film

We developed emitter which is coated by nano-diamond film on the surface of metallic materials

Features of FEL

- Different as previous fluoresce light, non toxic substance like mercury / lead.
- Compare with a LED lamp it is very high energy efficiency and does not require cooling.
- long life
- Flexible control of light wave length and color mixture. Less generate heat compare with fluoresce light and LED.



Prototype product



Prototype product



Emission photograph

5-6 Precise Heating Treatment Equipment (YAC Denko)



<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>PV related equipment</p>	<p>Vertical glass heating furnace, EVA bridge furnace for thin film type of solar cell, walking beam type continuous drying furnace and vertical multistage diffusion 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) and other 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

5-7 CS Div.



<p>Dress shirt pressing machines</p>	<p>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&sleeves 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 Bodysleeve type.</p>
<p>Wool finishers</p>	<p>pressing equipment for jacket and pants</p>
<p>Bagging machines</p>	<p>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.</p>
<p>apparel equipment</p>	<p>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</p>



Bagging machine
(Dress hanger type)



Body-sleeve pressing machine for
dress shirts



Finisher for jacket



Finisher for pants



**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.