



Interim Financial Review

(From Apr. 1, 2018 to Sep. 30, 2018)

Nov.27, 2018



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, 2018
..... Mr. Kazumasa Teramoto,
Director & Managing Operating Officer**
- 3. Forecast of financial result of this financial year ending
Mar. 31, 2019. (Summary)
..... Mr. Takefumi Momose, President**
- 4. Forecast of financial result of this financial year ending
Mar. 31, 2019. (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, 2018

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

- **Over all sales and income increased compared to the previous year by grasping strong market demand for display related and semiconductor related equipment.**
- **Display related business.**
 - Progressing revolution to profitable body.
- **Mechatronics related business.**
 - Business went well by grasping strong demand for semiconductor and electronic components.

- **Cleaning and other related business.**
 - **Strengthen overseas operation under the circumstances of shrinking domestic business but realization of sales delayed.**

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2. Outline of financial result ended Sep. 30, 2018.

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

2-1 Business results.



	6 months ended Sep. 30, 2017.	6 months ended Sep. 30, 2018.	Increased(decreased) amount against previous corresponding period	(Millions of Yen) Increased(decreased) percentage against previous corresponding period
Net sales	12,033	15,977	3,943	32.8%
Operating income (Operating income ratio)	233 (1.9%)	326 (2.0%)	92	39.7%
Ordinary income	310	428	118	38.2%
Profit for the period attributable to owners of parent.	151	161	10	6.7%
Profit per share(¥)	16.92	17.98	1.06	6.3%

R&D expenses.	280	227	△53	△19.0%
New capital investment	326	874	547	167.8%
Depreciation & amortization	282	289	7	2.5%

Increased by building of Fuji factory and acquiring new elects factory.

2-2 Sales by business.



Display related business sales tremendously increased by mainly annealing equipment went well. (Millions of ¥)

	6 months ended Sep. 30, 2017.	6 months ended Sep. 30, 2018.	Increased(decreased) amount against previous corresponding period	Increased(decreased) percentage against previous corresponding period
Display related.	4,184	7,790	3,606	86.2%
			Annealing business went well.	
Mechatronics related.	7,220	7,465	244	3.4%
Cleaning and other business related.	629	721	92	14.6%
Total	12,033	15,977	3,943	32.8%

2-3 New order received and backlog ordered. Consolidated



- Display related business was going to decline but mechatronics related increased.
- Backlog ordered increased with delay of display related sales realization and new order received increased mechatronics.

(Millions of ¥)

		6 months ended Sep. 30, 2017.	6 months ended Sep. 30, 2018.	Increased(decrease d) amount against previous corresponding period	Increased(decrease d) percentage against previous corresponding period
Display related	New order received	11,100	3,382	△7,717	△69.5%
	Backlog ordered	12,313	12,981	667	5.4%
Mechatronics related	New order received	8,706	9,501	795	9.1%
	Backlog ordered	5,922	7,539	1,617	27.3%
Total Excluding cleaning & other related business	New order received	19,806	12,884	△6,922	△34.9%
	Backlog ordered	18,236	20,521	2,284	12.5%

2-4 Historical figure of B/S

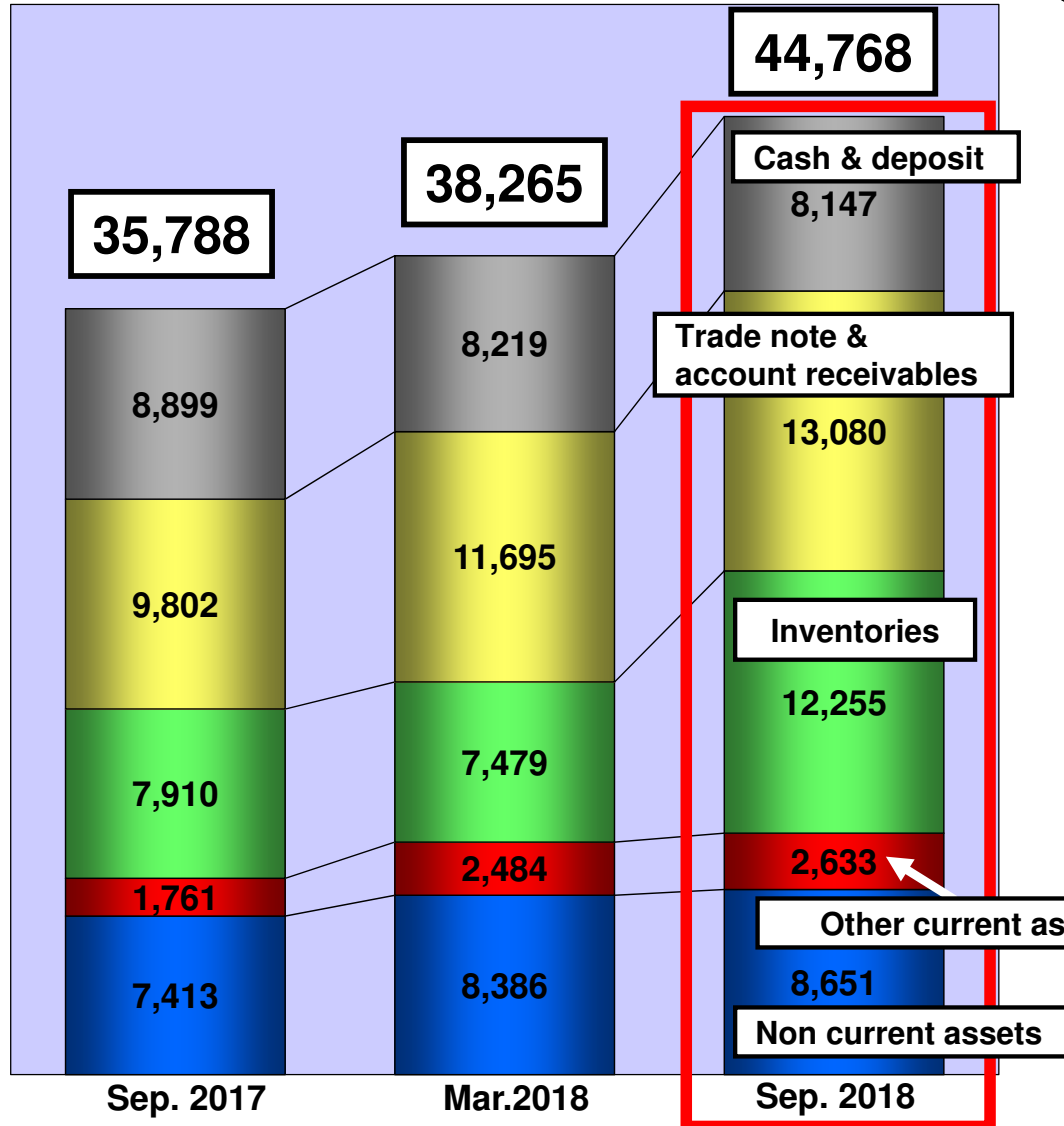


Inventory increased because of increase of backlog ordered.

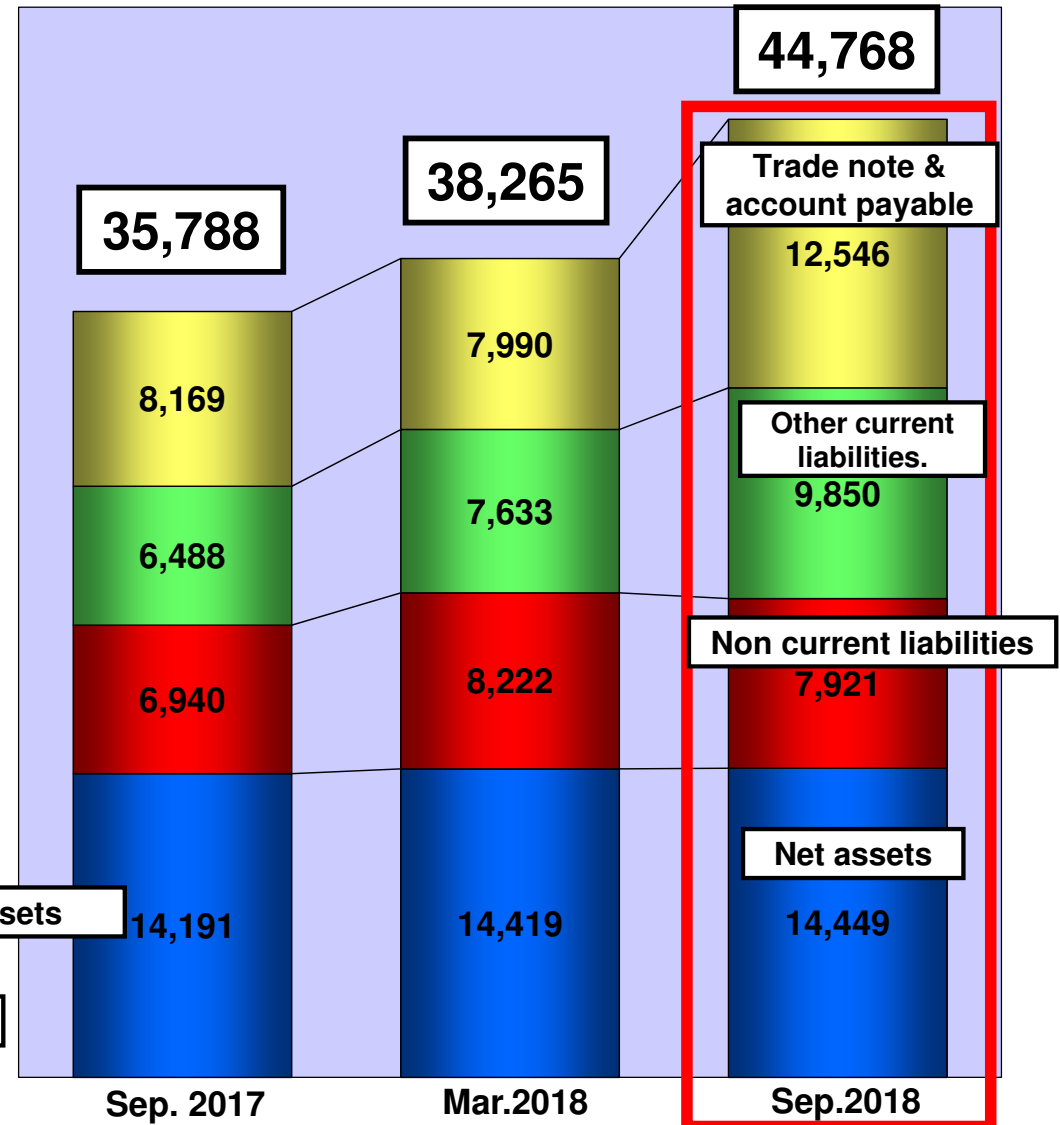
Cash & deposit and Trade note & account payables increased because the last business day of September fallen on bank holiday

< Assets >

(Millions of ¥)



< Liabilities & net assets > (Millions of ¥)



2-5 Summary of cash flow statement.



Cash flows from investment activities turned into black.

(Millions of ¥)

	6 months ended Sep. 30, 2017 (Consolidated)	12 months ended Mar. 31, 2018 (Consolidated)	6 month ended Sep. 30, 2018 (Consolidated)
CF from operating activities	2,245	1,598	109
CF from investment activities	△376	△1,808	137
CF from financial activities	50	1,450	98
Cash & cash equivalents at end of period	8,607	7,926	8,321



3. Forecast of consolidated financial result of 12 months ending Mar. 31, 2019.(Outline)

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

《Forecast of consolidated 12 months financial result ending Mar.31,2018》 (Apr.1, 2018 to Mar.31, 2019)

(Millions of ¥)

	Net Sales	Operating income	Ordinary income	Profit for period attributable to owners of parent.
Full year	36,000	1,800	1,600	800

《The most important item in the later part of financial year ending Mar.31, 2019 》

Full year operating income ¥1.8 Billion

<How to achieve>

In order to get each group company's good result proceeding strong and total management for resolving each problem issue.

3-2 All YAC's strategies to achieve.



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



- 1.Growth of employee's capacity
- 2.Expansion of employment
- 3.Improvement of employment conditions
- 4.Expansion of paying tax

■ Strategies present under going.

Strategies		Purpose
1.	Three to five years(50 th anniversary) management plan. Drafting future blue print 10 years after.	Making clear future target and all staff recognize.
2.	Proceeding C.C. Champion Ship. Establishing 3 corporate cultures.	①Cooperation & competition ②Establishing profitable body. ③All staff management
3.	Strengthen development work for new mass products.(Proceeding 19 items)	Quick expansion of business.
4.	Work style reform.	Improvement of productivity.
5.	All staff management.	①Participating planning of strategy and tactics. ②Proposing management innovations. ③All employee hold the same future target.
6.	Aggressive M&A activities.	Expansion of business size.
7.	Innovation of YAC Technologies.	Building up profitable body.

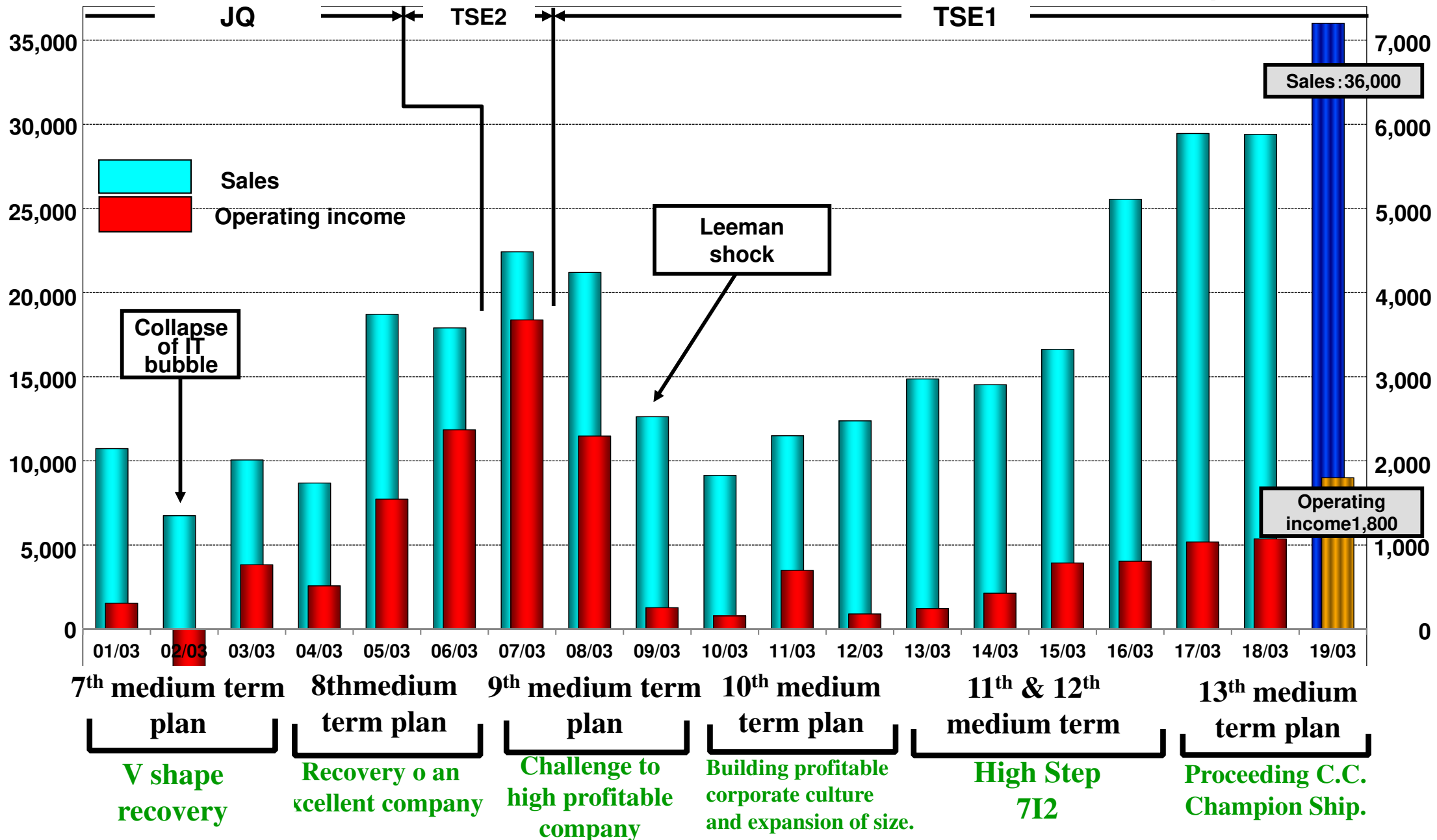
3-3


Past results & forecast of financial year ending Mar.31, 2019



Sales

(Millions of ¥) Operating income





4. Forecast of financial result of year ending Mar.31, 2019 (Detail)

••••••• Yukio Soejima,
Director & Managing Officer

4-1 Business atmosphere & Business chances



HDD Burnisher



Etching equipment
& Annealing
equipment



Laser annealing equipment
for SiC power devices

5G



Package cut for
optical
communication

Laser annealing equipment for IGBT
Ion milling for sensor.



Carrier tape

Taping machine and
selection machine for
discrete semiconductor.

4-2 Business forecast year ending Mar.31, 2019.



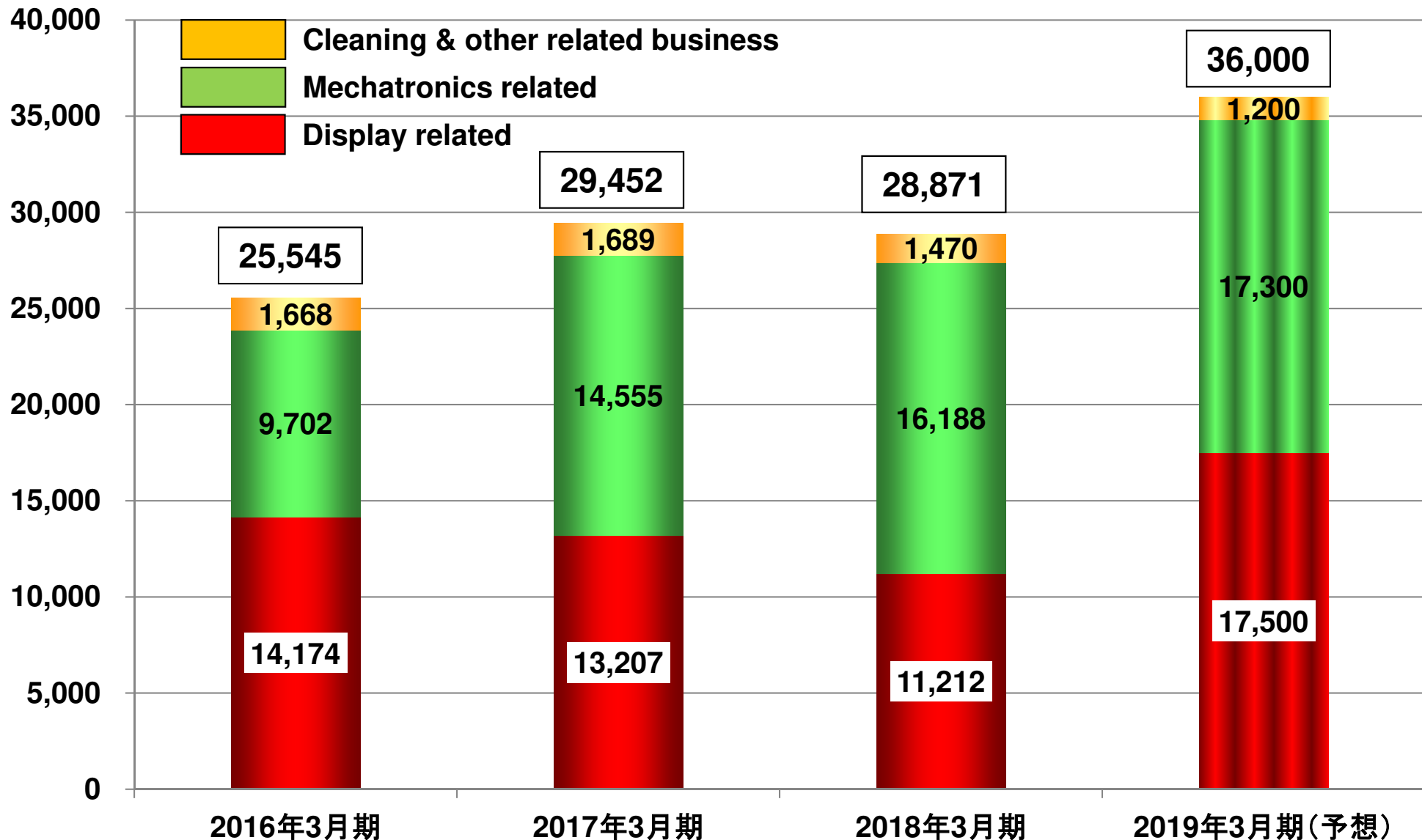
(Millions of ¥)

	12 months ended Mar.31, 2018. (Result)	12 months ending Mar.31, 2019 (Forecast)	Increased(decreased) amount against previous corresponding period	Increased(decreased) percentage against previous corresponding period sales
Net sales	28,871	36,000	7,128	24.7%
Operating income	1,074	1,800	725	67.5%
Ordinary income	955	1,600	644	67.5%
Profit for period attributable to owners of parent	403	800	396	98.1%
Profit per share.(¥)	45.13	88.63	—	—

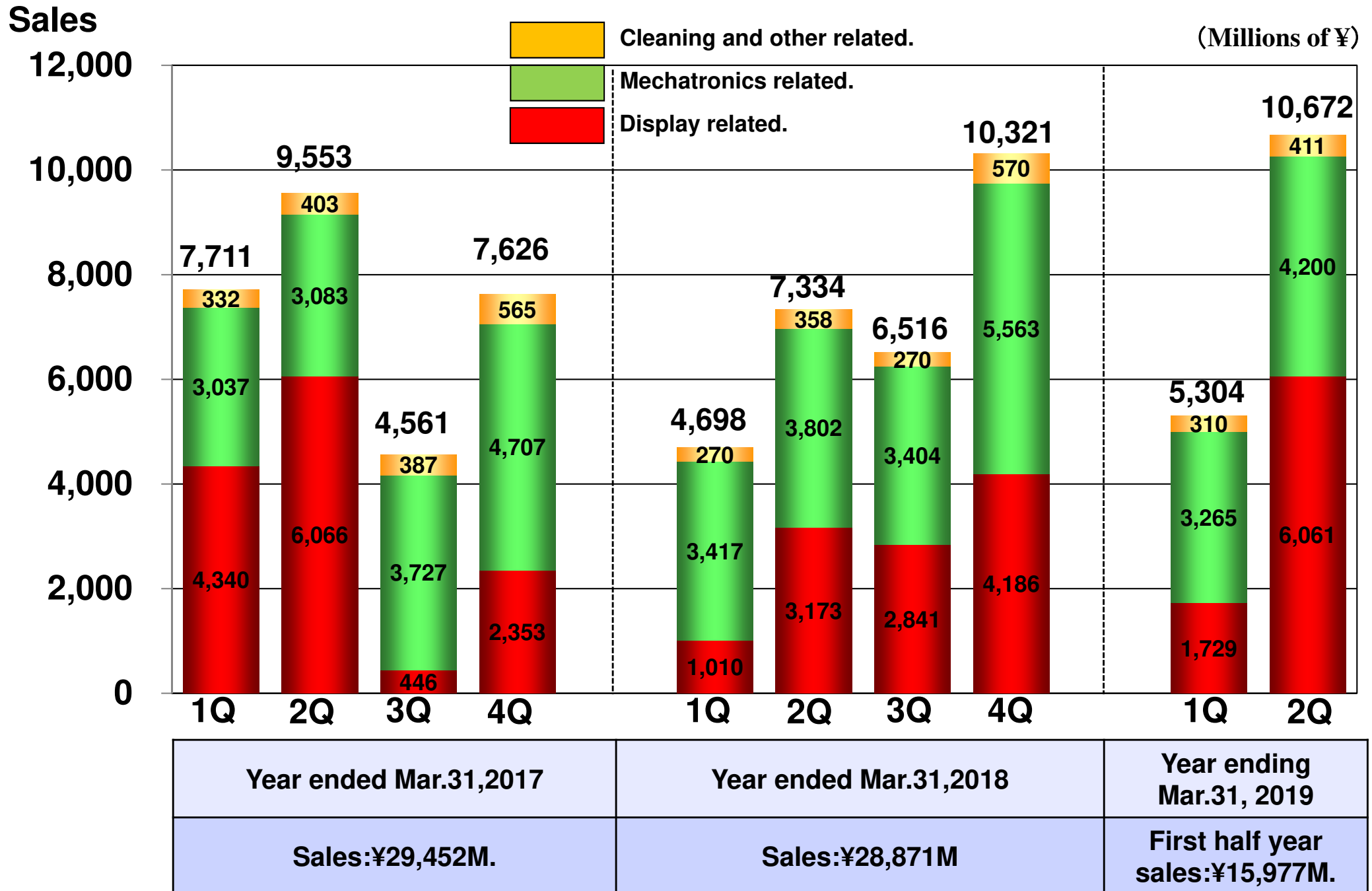
4-3 Sales results & forecast by business



(Millions of ¥)



4-4 Comparison of sales by business & quarter

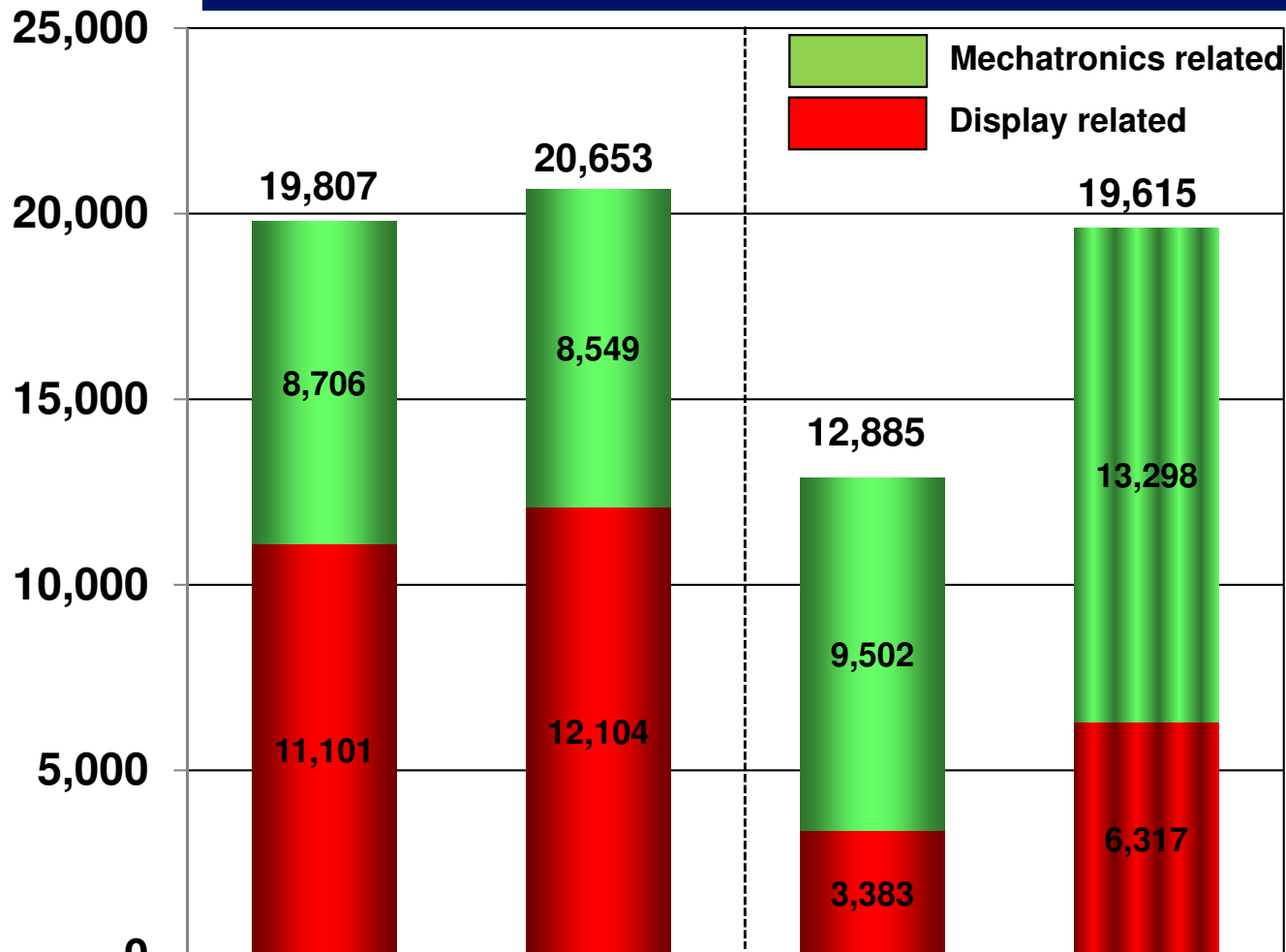


4-5 Comparison of new order received and backlog ordered by segment (Consolidated, excluding Cleaning & other related)



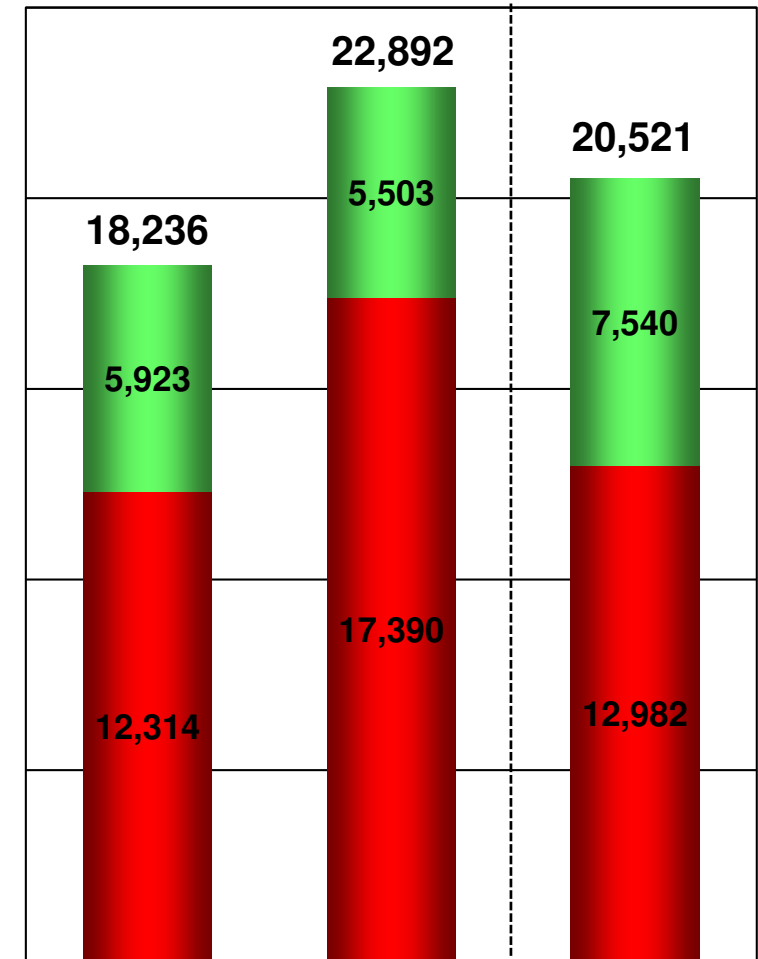
(Millions of ¥)

New order received



1st half	2nd half	1st half	2nd half forecast
Year ended Mar.31,2018		Year ending Mar.31,2019	
New order received ¥40,459 M.		New order received ¥32,500 M. forecast	

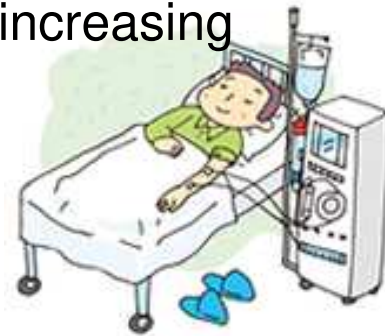
Backlog ordered



1st half	2nd half	上期
Year ended Mar.31, 2018		Year ending Mar.31, 2019

New factory of YAC ELEX.

- Closing 3 old factories such as Itami, Amagasaki and Higashi Osaka and concentrating to new Higashi Osaka factory with aiming cost deduction.
- This makes production capacity of dialysis double and available to apply for increasing demand.



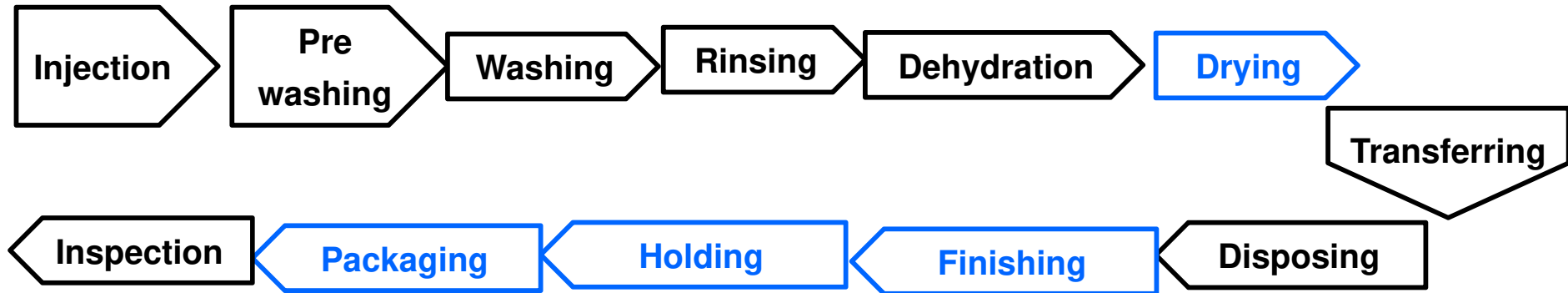
- Planning to start sale of new system which combine new own developed RFID writer with printer in order to apply for cashless system.



5-2 Topic 2



Starting Medical linen Project with state-run enterprise of P.R.C.



• Clean and pure factory is required because environmental regulation is changing in the P.R.C. New factories are expected to be built further more.



*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.