



Terms of year 2009 March
Interim financial result
Explanatory meeting
(The summary of second quarter)

2008. November 25

YAC Co., Ltd.

(Ticker Symbol:6298)
<http://www.yac.co.jp>



Agenda

- 1. Greeting and company outline :**
President and Chief Executive Officer : Takefumi Momose
- 2. Interim financial result outline :**
Management Headquarters accounting Manager : Hiroshi Furuhashi
- 3. The estimated term of year 2009 March :**
President and Chief Executive Officer : Takefumi Momose
- 4. The 10th medium term of planning outline :**
President and Chief Executive Officer : Takefumi Momose
- 5. The survey of FEL Business :**
Managing Director : Yasuo Sato
- 6. Question and answers :**



Essential message of a day

- **Correspondence for becomes worse economic on present time.**
- **The fundamental 10th medium term planning.
(Term of year 2010 March to year 2012 March.)**
- **The survey of FEL new business.**



1. Company Outline



1-1. Basic information

(Day of 2008.Sept.30)

Company Name	Y. A. C. Co., Ltd.
Ticker Symbol	6298 (1st-sec. /TSE, Japan)
Establishment	1973. May
C . E . O .	Takefumi Momose
F a c i l i t i e s	Head Quarters: Akishima-Tokyo Sales Offices: Osaka, Oita, Akishima Tokyo, Hsinchu-Taiwan, Shanghai-China Factories: Akishima-Tokyo, Yamanashi, Kumamoto
Affiliated Companies	YAC Niigata Seiki Co., Ltd. (Niigata, Japan) HYAC Corporation (CA, USA) YAC Systems Singapore Pte Ltd (Singapore)
Paid-in Capital	¥2,756M
Business Areas	R&D, Designing, Manufacturing & Sales of Industrial Electronics Related Equipments & Industrial Cleaning Related Equipment
Financial Year	From April 1 to March 31



1-2. Major Products

Hard Disk Equipment Area

- Burnisher
- Wiping System
- Clean Conveyor

LCD Equipment Area

- Plasma Dry Etching System
- Plasma Dry Ashing System, Anneal System

Semiconductor Equipment Area

- Test Handler for Logic IC's

Cleaning Equipment Area

- Automatic Bagging Machine
- Shirts Pressing Machine
- Apparel Machine

FEL Equipment Area



Major Products

< Hard Disk Equipment Area >

Burnisher	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.
Clean Conveyor (for Hard Disk Factories)	The roller type clean conveyor system - 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)	The roller type clean conveyor system - 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)	The roller type clean conveyor system - Larger width and higher load bearing & transporting speed are required for transporting Glass. substrate cutting by panel size.



Burnisher



**Clean Conveyor
(for Hard Disk Factories)**



**Clean Conveyor
(for Semiconductor Factories)**



Major Products

< LCD 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.
Anneal System	Apply the Semi-conductive film on surface of the glass crystallization and impurities activation system.



Applicable Glass Substrate Sizes

G2
G4
G4.5
G5
G5.5
G6
G7
G7.5
G8

**G7 Plasma Dry Etching System
(3-chamber type)**



Major Products

< Semiconductor Equipment Area >

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.



IC Test Handler
(4-IC Parallel Testing, Ambient Type)



=New Model= IC Test Handler
(16-IC Parallel Testing)



Major Products

< Cleaning Equipment Area >

Shirt Pressing Machines (For Body)	The machine to press the body area of the shirt on the the dummy body by shutting in between 2 heat plates. (Options) Dual-Body Type, Single Body Type Auto Carry System. (The system to make automatic transferring to the hanger after finishing)
Pressing Machines (For Tuck & Sleeve)	The machine to press tuck & sleeve areas (Options) Dual type, Single Type.
Pressing Machines (For Collar & Cuffs)	The machine to press Collar & Cuffs areas (Options) Dual type, Single Type.
Bagging Machines	The machine to bag the finished items using plastic film cover. (Options) Hanger Type, Folder Type.
Apparel related Machines	Sponging Machine: to steam and press clothes for stability, Fusing Machine: to fuse clothes after cutting by parts, Pressing Machine: to press for smoothing down wrinkles.



**Shirt Pressing Machine
(For Body: Dual Type)**



**Bagging Machine
(Hanger Type)**



**Sponging Machine
(For Apparel)**



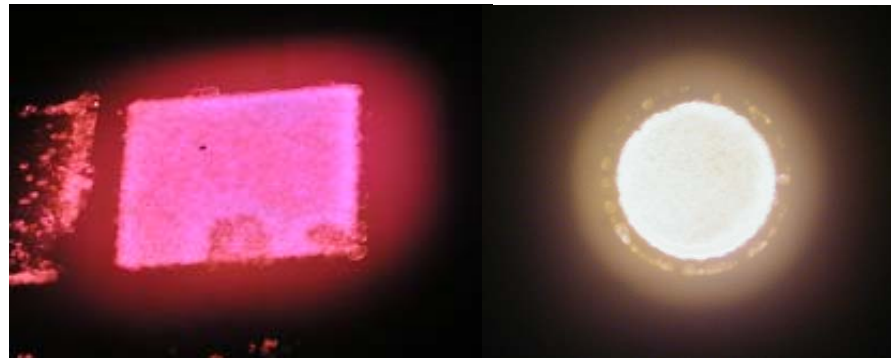
**Pressing Machine
(For Apparel)**



Major Products

< FEL Equipment Area >

Manufacturing of Nano-Diamond Thin Film	<p>The Electron Emitter using Nano-Diamond thin film for FEL (Field Emission Lamp)</p> <p>Feature: (Lamp use for Nano-diamond thin film.)</p> <ul style="list-style-type: none">• Different as previous fluoresce light, non toxic substance like mercury / lead.• Very high energy and environmentally efficiency compare with a LED lamp.• Long-Life cycle Lamp compare with fluoresce light.• Less generate heat compare with fluoresce light and LED.• Flexible control of light wave length and color mixture.
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radiation



2. Interim financial result



2-1 Highlight of financial Result (Consolidated)

(Million¥)

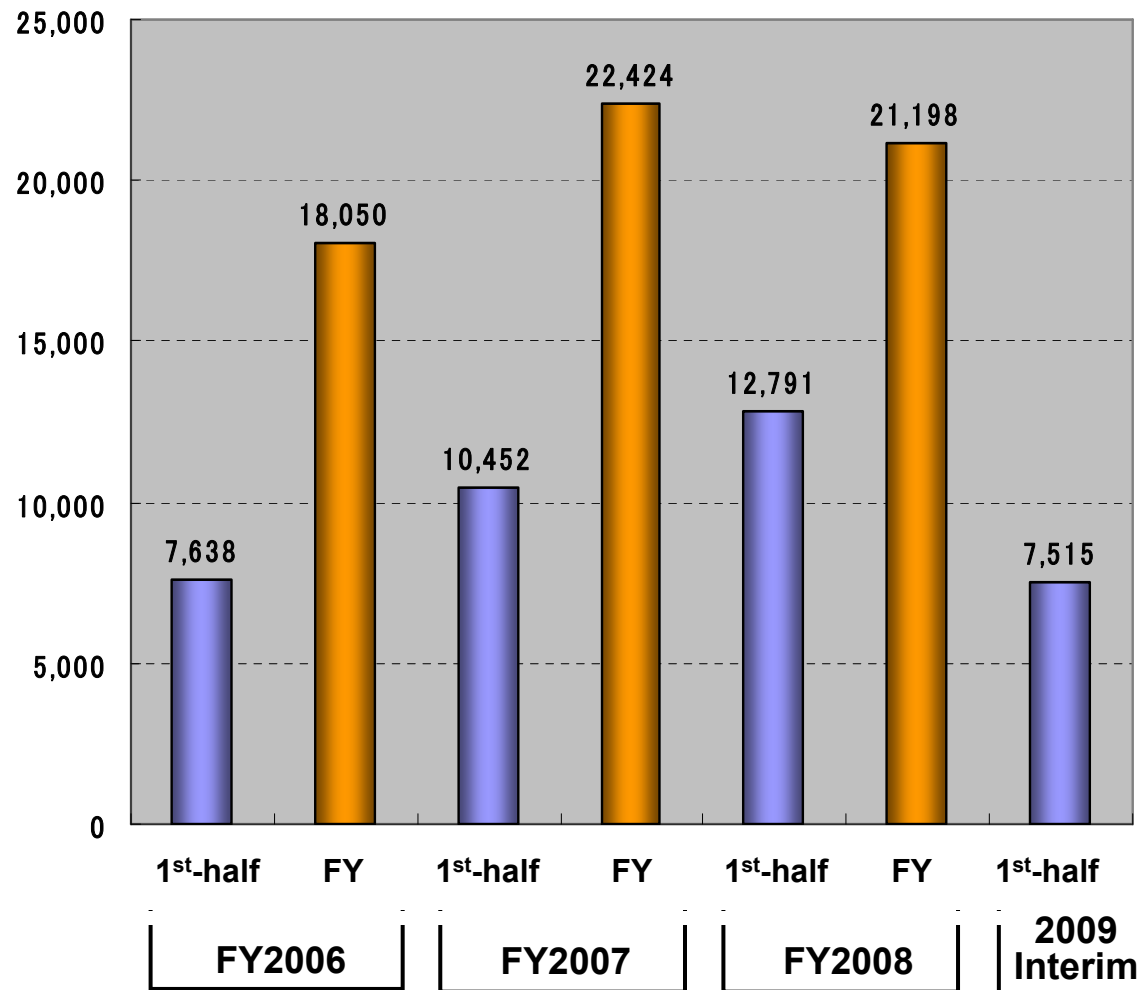
Items	2007March(actual)		2008March(actual)		2009March		Interim Change from last year	Interim Change from last year(%)
	Interim	FY	Interim	FY	Interim(Actual)	FY(forecast)		
Net Sales	10,452	22,424	12,791	21,198	7,515	13,500	▲5,276	▲41.2%
Memory Disk	5,048	9,899	4,383	7,040	1,663	3,000	▲2,720	▲62.1%
Plasma system	3,911	9,400	6,995	10,919	4,073	7,500	▲2,922	▲41.8%
Semiconductor	866	1,404	469	1,093	956	1,200	487	103.8%
Cleaning System	627	1,721	944	2,146	823	1,790	▲120	▲12.7%
FEL	—	—	—	—	0	10	0	—
Operating Income	1,709	3,676	1,597	2,295	530	640	▲1,067	▲66.8%
Ordinary income	1,694	3,584	1,586	2,372	563	650	▲1,023	▲64.5%
Net income	1,095	2,103	1,038	1,524	327	390	▲711	▲68.5%
Earning /Share	114.7	219.1	107.5	158.1	35.1	41.9	▲72.4	▲67.3%
Operating income Ratio	16.3%	16.4%	12.5%	10.8%	7.1%	4.7%	—	—
R & D expenses	93	237	136	287	153	—	17	12.5%
Capital expenditure	41	52	179	213	13	—	▲166	▲92.7%
Depreciation	79	160	67	148	87	—	20	29.9%



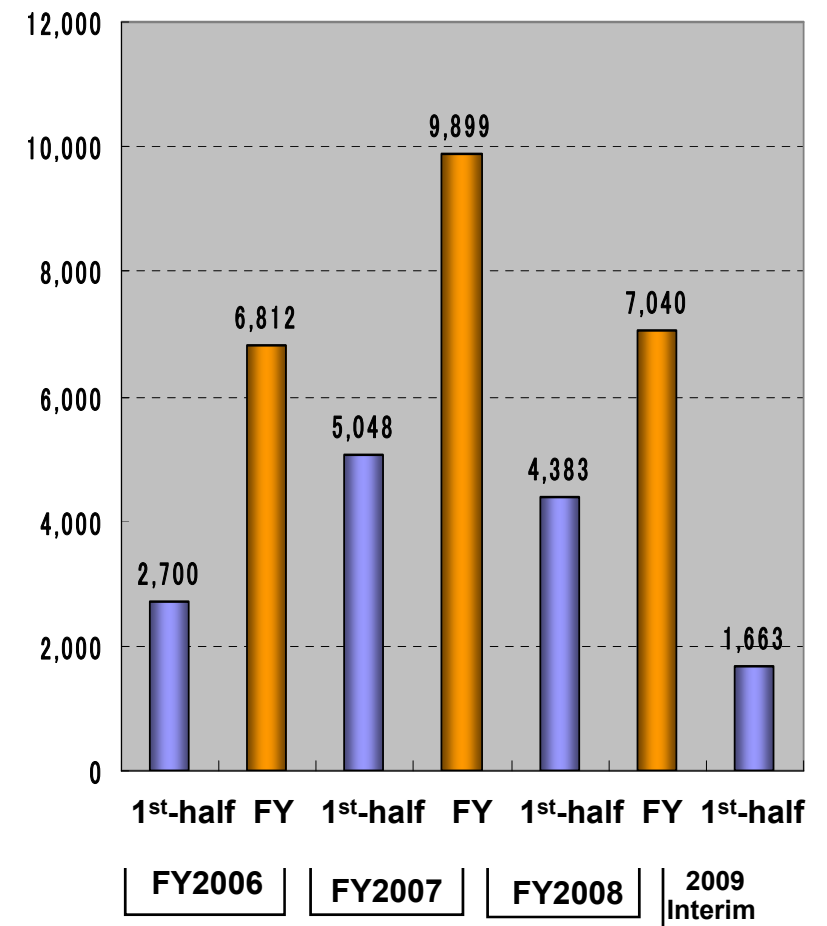
2-2 Sales by Business Unit (Consolidated)

(Million¥)

Total Sales



Memory Disk Sales

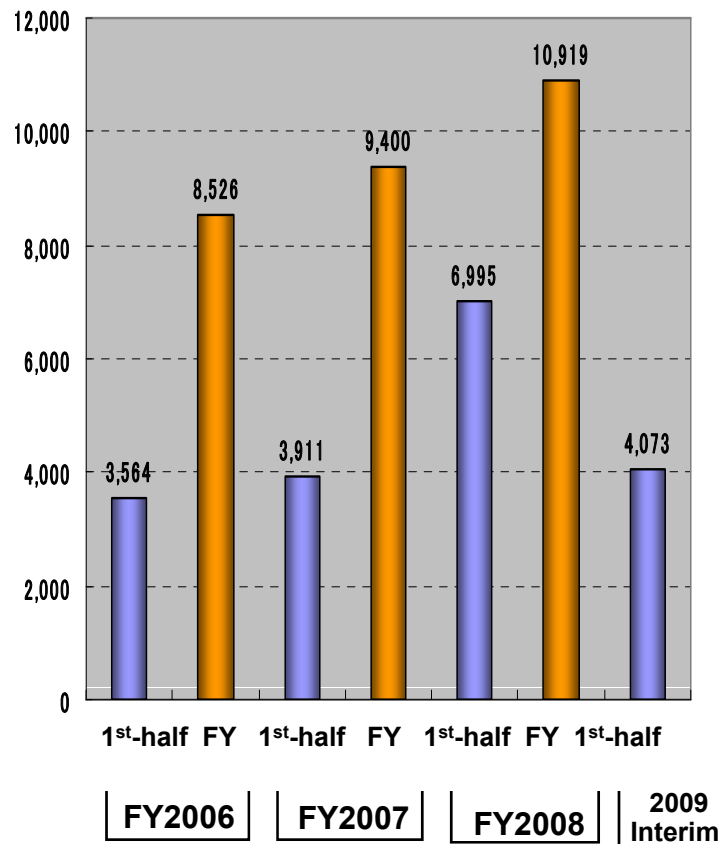




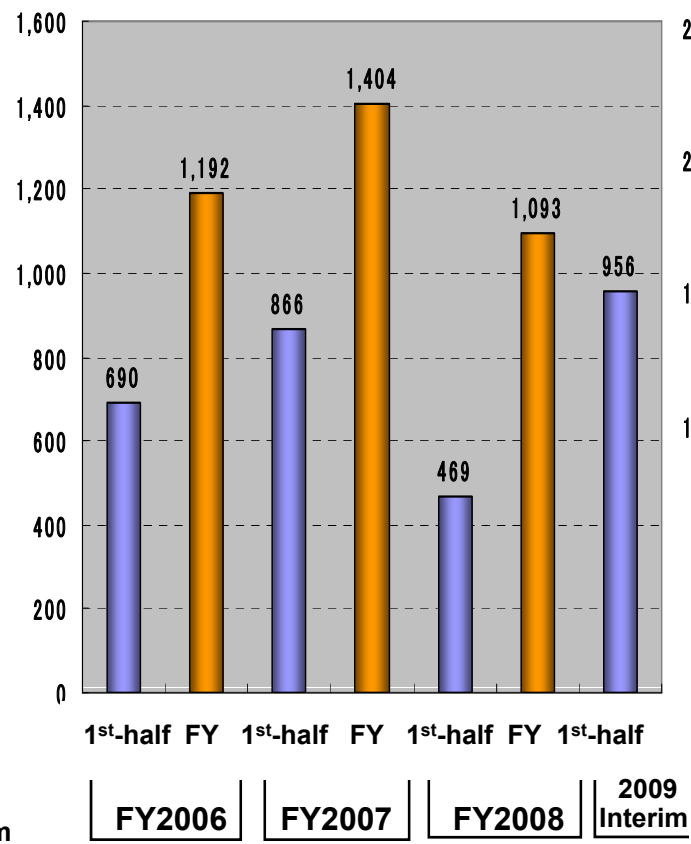
2-2 Sales by Business Unit (Consolidated)

(Million¥)

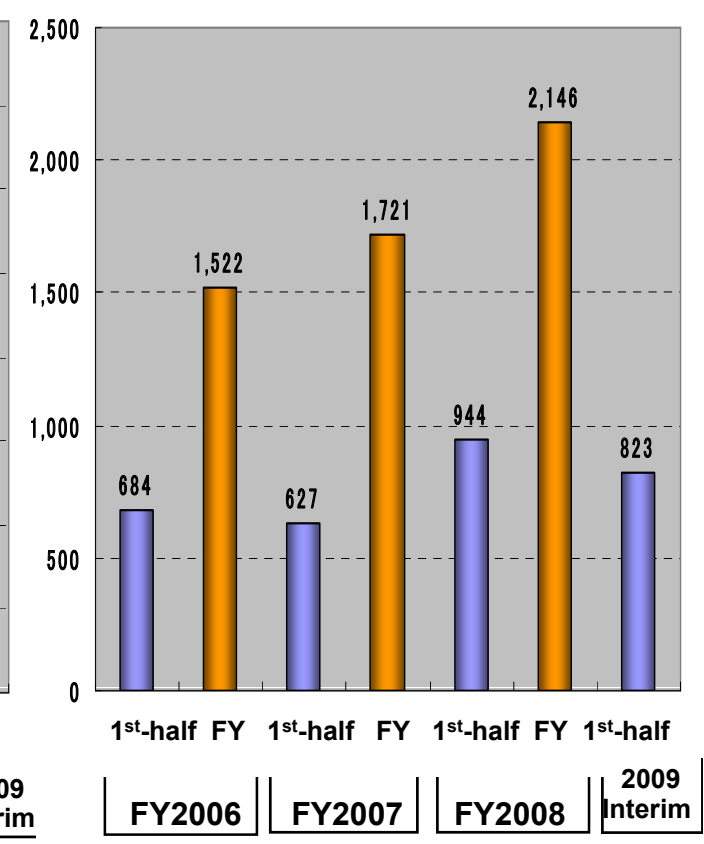
Plasma System



Semiconductor



Cleaning System





2-3 Amount of Received Orders by Business Unit (Consolidated) (Million¥)

Business Units	2007 Interim	2008 Interim	2009 Interim	Interim Change from last year	Interim Change from last year(%)
Memory Disk	5,782	3,330	1,491	▲1,839	▲55.2%
Plasma System	8,475	1,469	5,112	3,643	248.0%
Semiconductor	897	452	676	224	49.6%
FEL	—	—	0	—	—
Cleaning System	627	944	823	▲121	▲12.8%
Total	15,781	6,195	8,102	1,907	30.8%

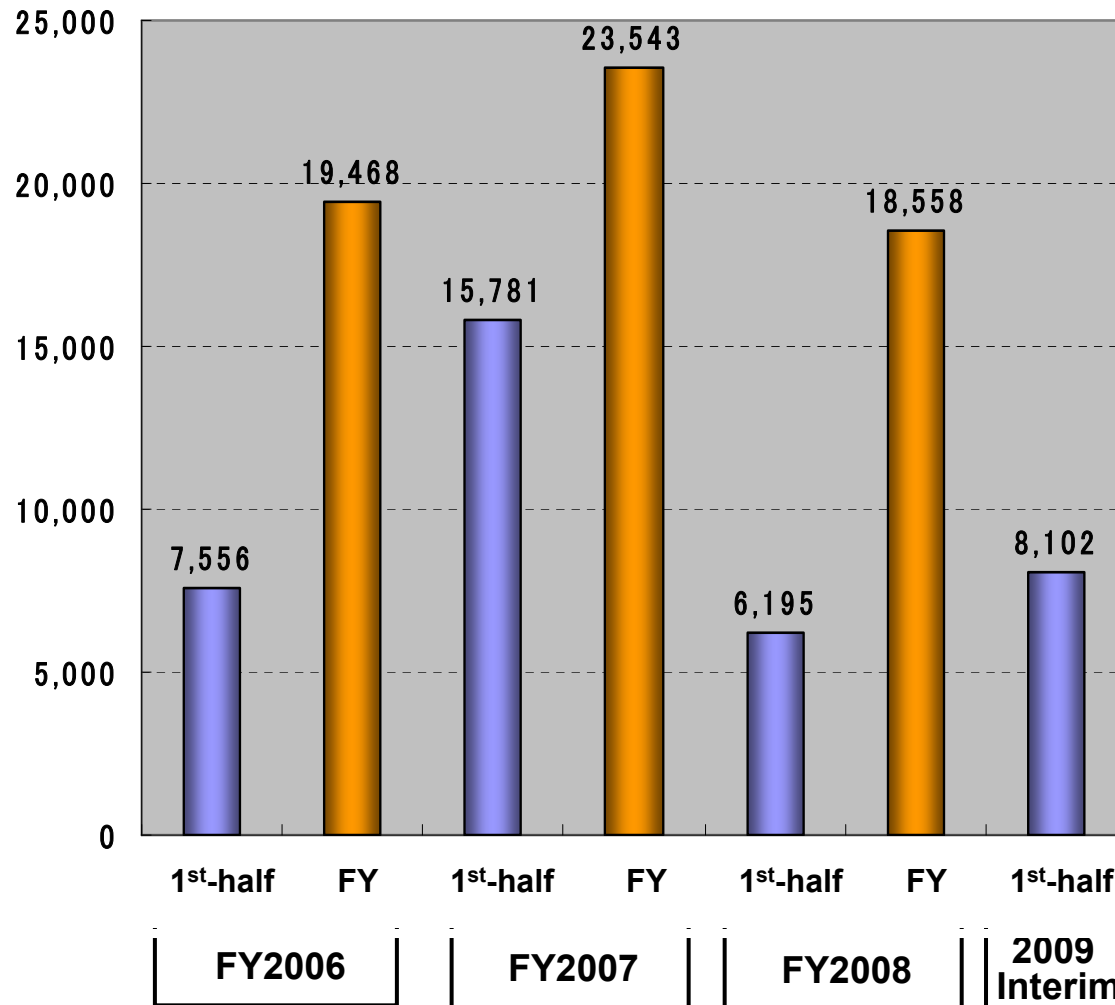
Note) Amounts of Received Order on Cleaning Related Segment is the same amounts as the amounts of Sales because that is carried on the planed production based on the sales plan.



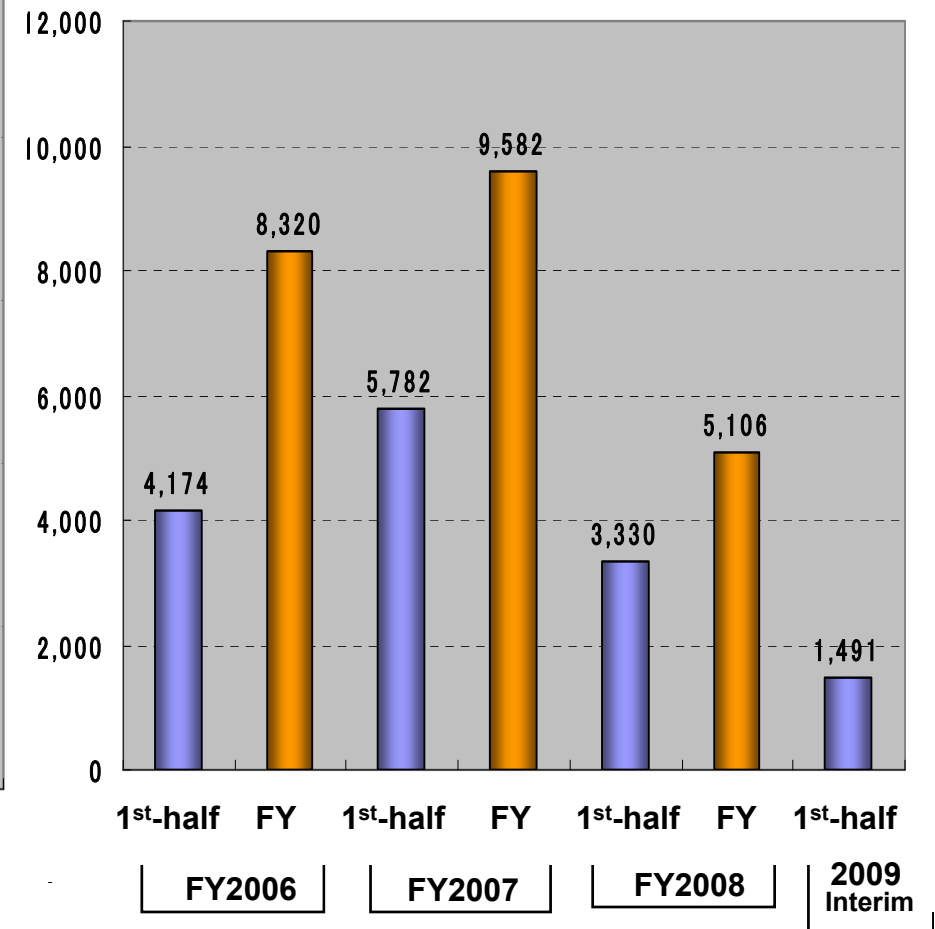
2-3 Amount of Received Orders by Unit (Consolidated)

(Million¥)

Total Orders



Memory Disk Orders

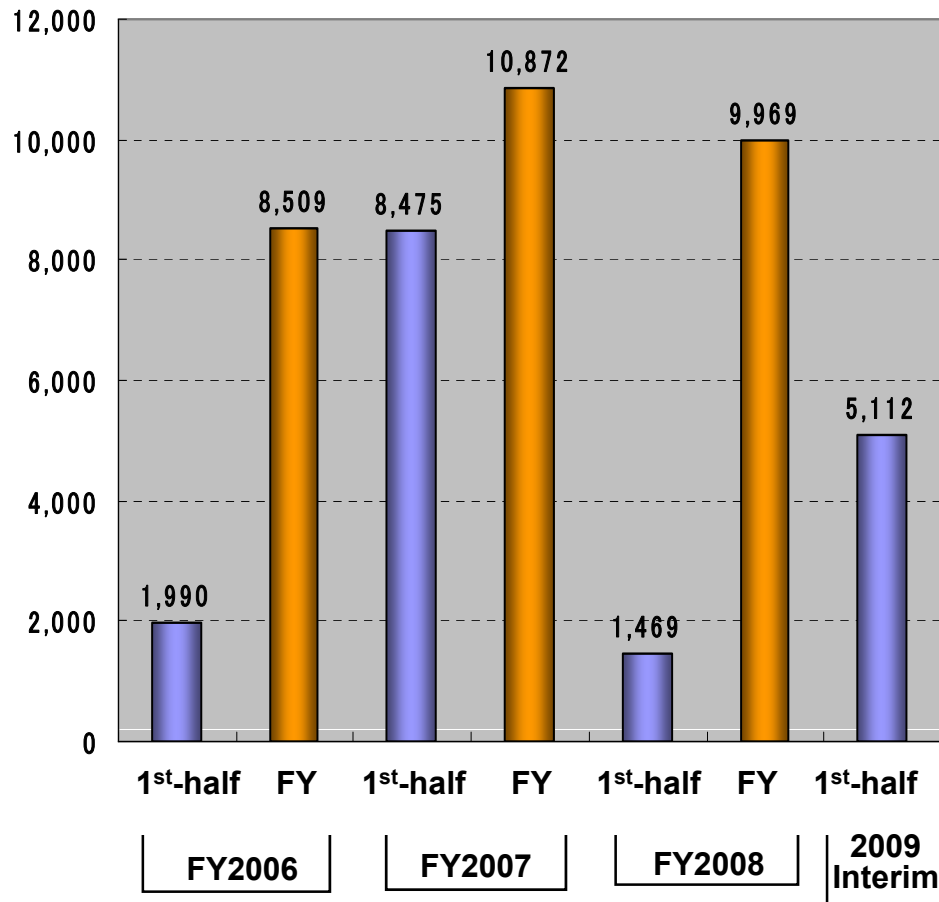




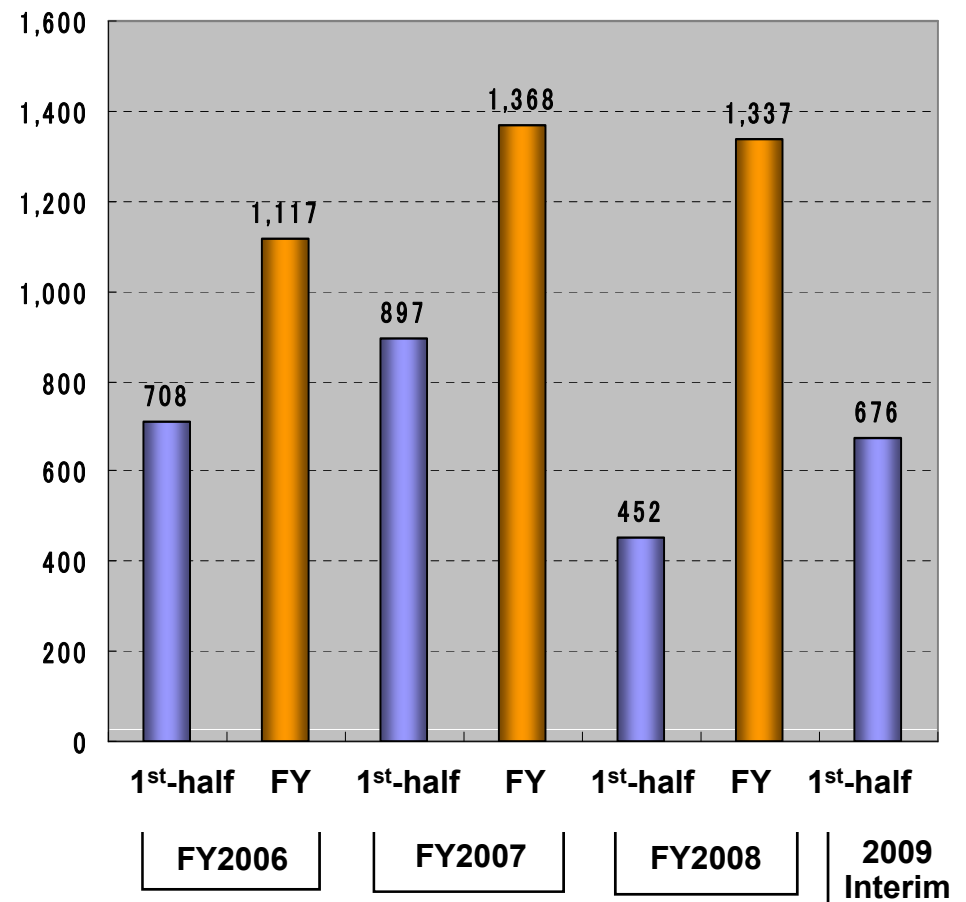
2-3 Amount of Received Orders by Unit (Consolidated)

(Million¥)

Plasma System



Semiconductor



Note) Amounts of Received Orders on Cleaning Related Segment is the same amounts as that of Sales .



2-4 Backlog Orders by Business Unit (Consolidated)

(Million¥)

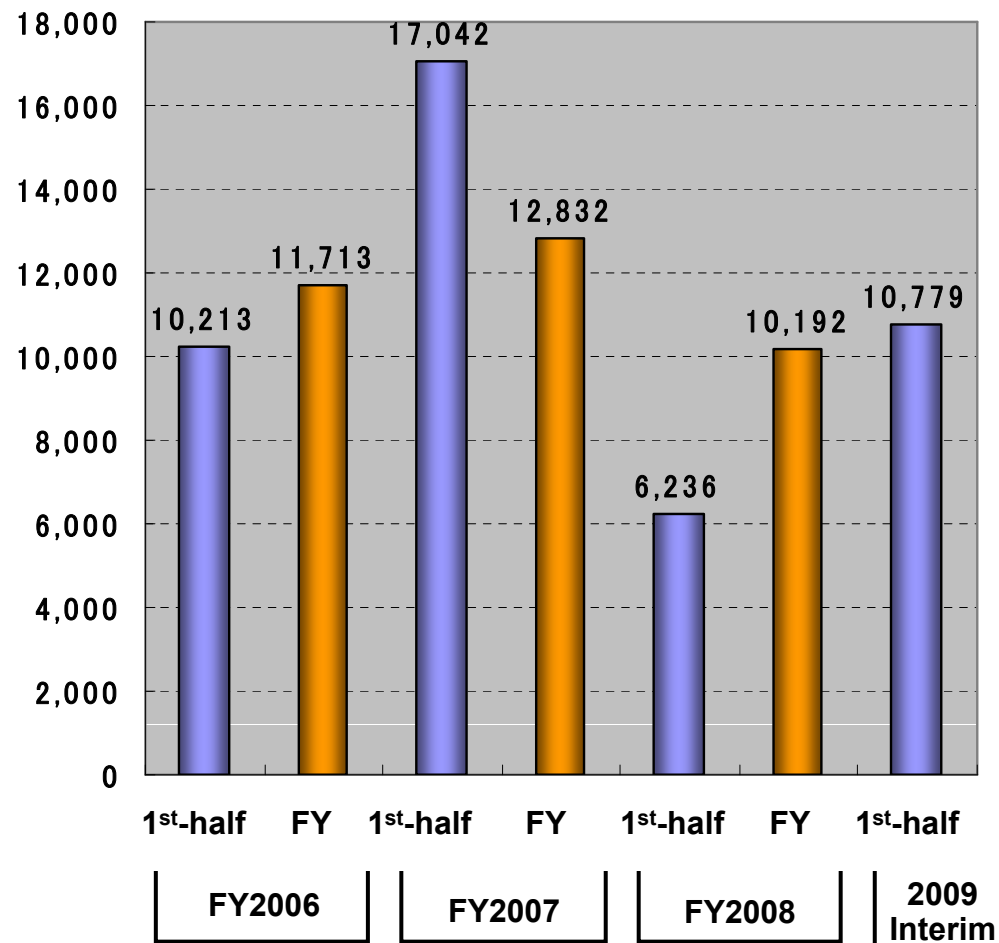
Business Units	2007 Interim	2008 Interim	2009 Interim	Change from last FY	Change from last FY(%)
Memory Disk	3,846	1,743	690	▲1,053	▲60.4%
Plasma System	12,971	4,353	9,967	5,614	129.0%
Semiconductor	225	140	121	▲19	▲13.6%
FEL	—	—	0	—	—
Cleaning System	—	—	—	—	—
Total	17,042	6,236	10,779	4,543	72.9%



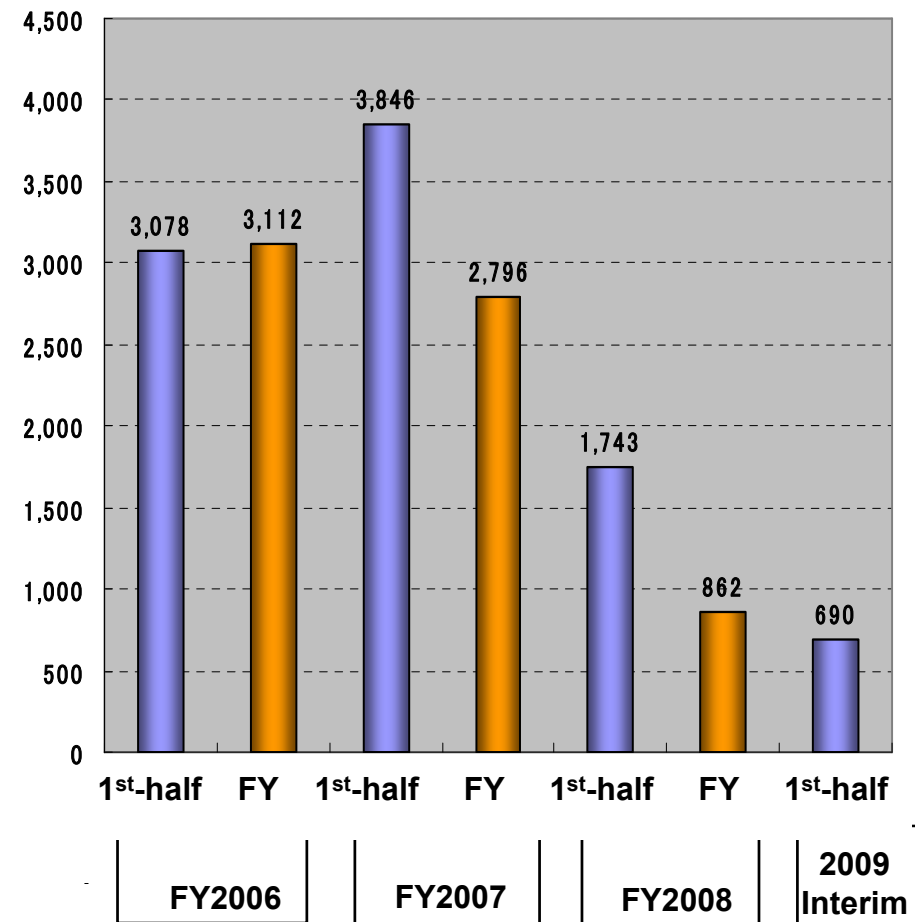
2-4 Backlog Orders by Business Unit (Consolidated)

(Million¥)

Total Backlog Orders



Memory Disk Backlog Orders

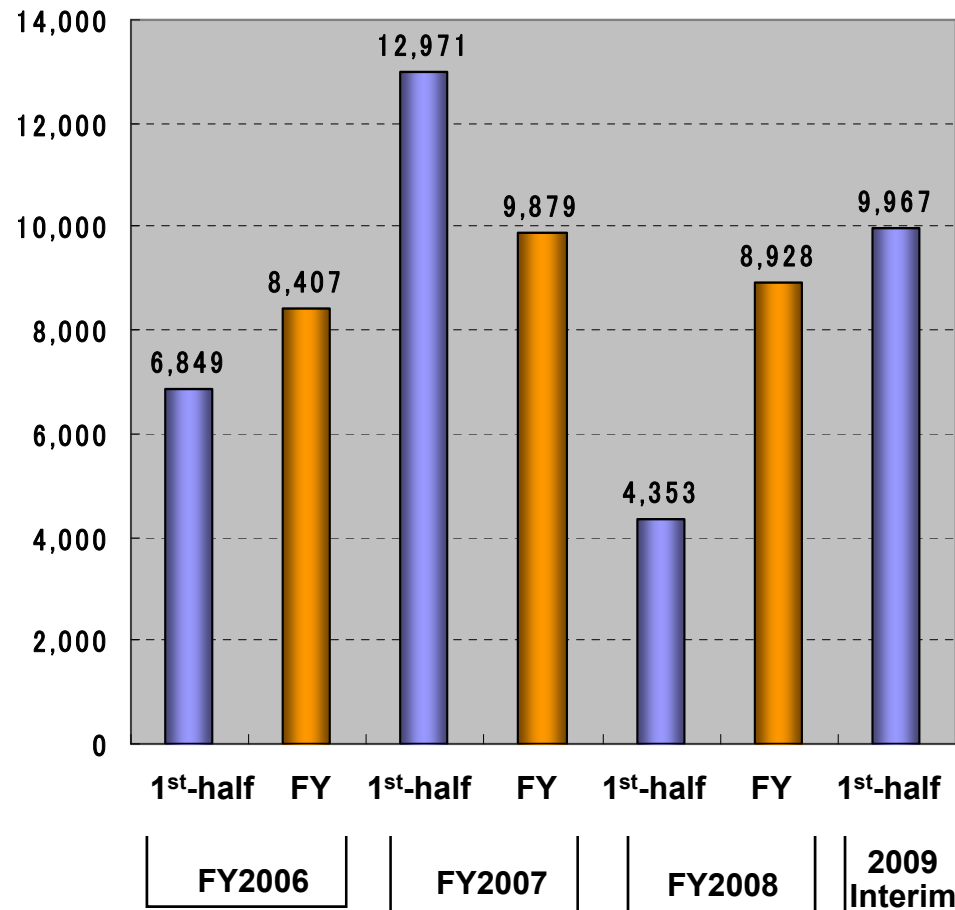




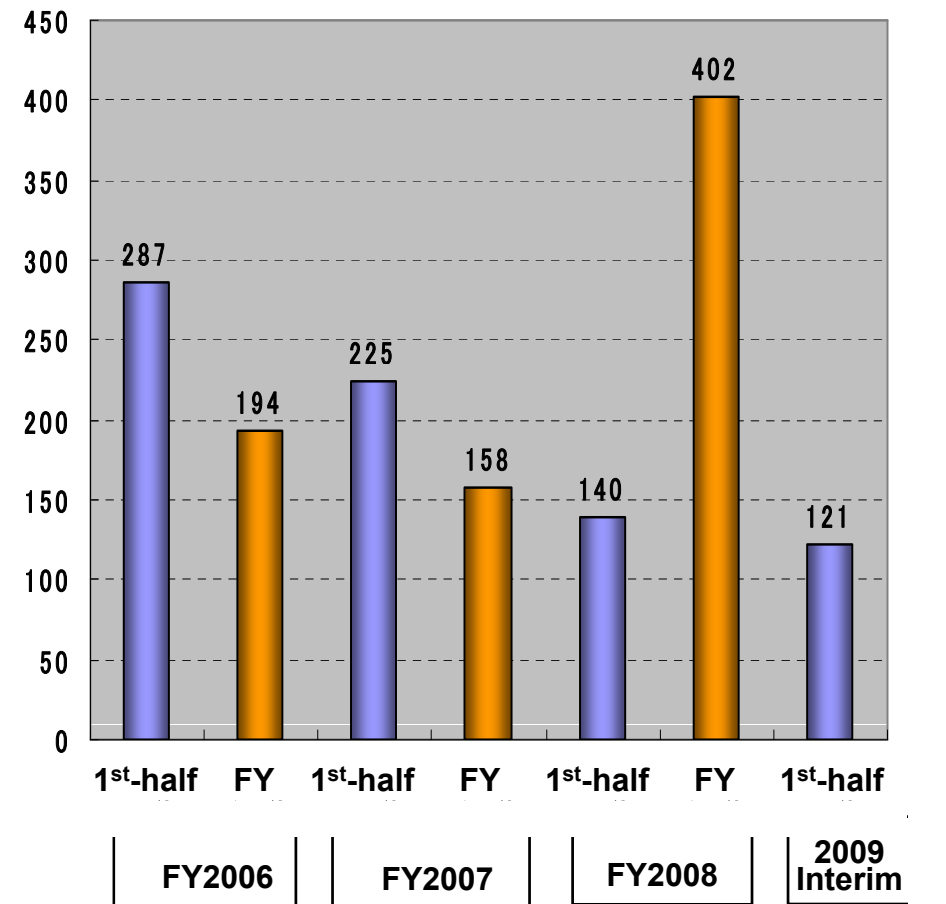
2-4 Backlog Orders by Business Unit (Consolidated)

(Million¥)

Plasma System



Semiconductor





2-5 Summary of Profit & Loss (Consolidated)

(Million¥)

Items	FY2006	FY2007	FY2008	2006 Interim	2007 Interim	2008 Interim	Change from last Interim
Net Sales	18,050	22,424	21,198	10,452	12,791	7,515	▲ 41.2
Cost of Sales	13,779	16,711	16,694	7,821	10,095	5,864	
Gross Profit	4,272	5,713	4,504	2,631	2,696	1,650	▲ 38.8
Sales & Administrative expenses	1,776	2,037	2,209	922	1,099	1,120	
Operating income	2,495	3,676	2,295	1,709	1,597	530	▲ 66.8
Non Operating Income	42	73	169	40	41	68	
Non Operating Expenses	136	166	92	55	52	35	
Ordinary Income	2,402	3,584	2,372	1,694	1,586	563	▲ 64.5
Extraordinary Gain	6	9	6	6	5	13	
Extraordinary Loss	94	118	3	9	0	0	
Income before Tax	2,314	3,475	2,375	1,691	1,591	576	▲ 63.8
Income Tax	808	1,372	851	596	553	250	
Net Income	1,505	2,103	1,524	1,095	1,038	327	▲ 68.5



2-6 Summary of Balance Sheet (Consolidated)

(Million¥)

Items	FY2006	FY2007	FY2008	2006 Interim	2007 Interim	2008 Interim	Change from last Interim
Current Assets	16,122	20,638	18,236	19,108	19,343	16,459	▲ 2,884
Cash & cash equivalents	4,727	5,360	4,625	4,765	4,468	5,724	1,256
Account receivables	7,122	7,471	9,218	8,257	9,538	6,513	▲ 3,025
Inventories	3,914	7,204	4,153	5,566	5,131	3,901	▲ 1,230
Others	359	603	240	520	206	321	115
Fixed Assets	2,744	2,970	3,166	3,072	3,440	3,119	▲ 321
Tangible fixed assets	2,494	2,661	2,828	2,712	2,806	2,813	7
Intangible fixed assets	14	110	100	74	104	95	▲ 9
Investments and others	236	199	238	286	530	211	▲ 319
Total Assets	18,866	23,608	21,402	22,180	22,783	19,578	▲ 3,205
Current liabilities	8,469	12,466	8,500	11,047	9,729	6,023	▲ 3,706
Accounts payables	5,856	9,199	4,133	8,348	6,854	4,215	▲ 2,639
Short-term liabilities	1,041	1,364	3,647	1,127	1,642	957	▲ 685
Short-term liabilities	1,572	1,903	720	1,572	1,233	851	▲ 382
Fixed liabilities	4,189	1,098	2,172	1,985	2,153	2,699	546
Long-term liabilities	3,808	610	1,622	1,508	1,435	2,134	699
Others	381	488	550	477	718	565	▲ 153
Total liabilities	12,658	13,564	10,672	13,032	11,882	8,722	▲ 3,160
Total Net Assets	6,208	10,044	10,730	9,148	10,901	10,856	▲ 45
Total Liabilities & Net Assets	18,866	23,608	21,402	22,180	22,783	19,578	▲ 3,205



2-7 Summary of Cash Flow Statement (Consolidated)

(Million¥)

Items	FY2006	FY2007	FY2008	2006 Interim	2007 Interim	2008 Interim
Pretax net profit of the current term	2,314	3,475	2,375	1,691	1,591	576
Depreciation	207	160	148	79	67	87
Change of Allowance for bad debts	17	9	25	12	9	▲6
Change of Receivables	▲182	127	▲2,392	▲859	▲2,635	2,800
Change of Inventory	▲1,072	▲3,235	2,912	▲1,579	2,048	198
Change of Stock debt	▲919	3,245	▲5,077	2,419	▲2,342	109
Corporation Tax Payment	▲405	▲1,503	▲1,226	▲923	▲662	▲247
Others	55	▲183	412	▲147	386	▲73
Cash Flow from operating activities	15	2,095	▲2,823	693	▲1,538	3,444
Cash Flow from Investing activities	418	▲91	▲306	▲85	▲266	▲5
Cash Flow from financing activities	1,653	▲1,401	2,582	▲595	959	▲2,363
Foreign currency translation difference in cash and equivalents	60	6	▲167	3	▲25	21
Net increase in cash and cash equivalents (decrease)	2,145	609	▲715	15	▲871	1,097
Cash and cash equivalents at the end of the period	4,727	5,336	4,621	4,742	4,465	5,718



3. The estimated term of year 2009 March



3-1 Basic Strategy of 9th. Mid-Term Plan

Characteristics of IT Related Businesses

1. High growing
2. Tough Competition
3. Highly Frequent Change (Innovation)
4. Market Deviation (Large)



**Ensuring of Stable Profit in
this market environment**

YAC's Basic Business Strategy

1. Challenge to be a High Profit Company	<ul style="list-style-type: none">▪ Strengthening of One and Only Technologies.▪ Thoroughness of Commitment System.▪ Thoroughness of Low-cost management.▪ Upsurge of motivation.
2. Preoccupy of Market needs	<ul style="list-style-type: none">▪ Preoccupy of Market needs by rigid relationship with customers.▪ Thoroughness of the product differentiation (Patent).▪ Fast reactions.▪ Secure the position as market leader & price leader and improvement of YAC Brand.
3. Fab-less Management (Industrial Electronics Area)	<ul style="list-style-type: none">▪ Management system mainly consist of sales, R&D, designing and after-sales services.▪ Minimizing of company management risks.
4. Substantial Support to Customers	<ul style="list-style-type: none">▪ Make intimate relationship with customers.▪ Promote to use YAC Parts and consuming items.
5. M&A, Alliance	<ul style="list-style-type: none">▪ Aim to enlarge our business and get synergy effect.
6. Global Management	<ul style="list-style-type: none">▪ Moving Ahead.
7. Environmental Activity	<ul style="list-style-type: none">▪ Promote Environment Technology.



3-3 Business Environment & Market Trend

< Hard disk Market >

- Needs of larger capacity HD is still in a high level demand of over 10 - 15% a year but the disorder of reforming in the world-wide HD Business is continued.
- Facilities for Next generation, High density media
- Estimate -60% Y-0-Y growth.

< LCD Market >

- Flat panel display market continues high growth in both Larger size and small size.
- Active TV replacement demand and continuous & aggressive capital investment in preparation to the full conversion to the digital terrestrial broadcasting in 2010, 2011 in Japan.
- Estimate -30% Y-0-Y growth.



3-3 Business Environment & Market Trend

< Semiconductor Market >

- The needs for Backend Process is in upward phase interim but strictly 2nd half.
- Estimate +10% Y-0-Y growth.

< Cleaning Market >

- Increase in Japan and Over seas market.
- Estimate -20% Y-0-Y growth.

< FEL Market >

- Provide the test samples.
- Contribute to sales during the next year.



3-3 Correspondence for becomes worsen economic on present time

- 1. Take measure to do worsening economic influenced ratio protection.**
 - 1) Top management courageous, ardor and sense of mission for business.**
 - 2) Whole employees shared sense of crisis.**
 - 3) Expanded order. (change the sales strategy, Alliance.)**
 - 4) Gross profit up. (Production, Vender/ supplier, design cost down.)**
 - 5) Management cost down. (Labor, expenses, investment cost down.)**

- 2. Take measure to execute step up an economic recovery .**
 - 1) Share up. (Differentiated market, Alliance, M&A.)**
 - 2) Increase sales equipment. (Development, Alliance, M&A.)**
 - 3) Magnify the Global policy.**
 - 4) Personnel training.**



3-4 Plan for whole FY 2009 (consolidated)

(Million¥)

Items	FY2006	FY2007	FY2008	FY2009 (Forecast)			Change from last FY (Forecast)	Change from last FY(%) (Forecast)
				1 st half (Result)	2 nd half (Forecast)	year (Forecast)		
Net Sales	18,050	22,424	21,198	7,515	5,985	13,500	▲7,698	▲36.3%
Operation Income	2,495	3,676	2,295	530	110	640	▲1,655	▲72.1%
Ordinary Income	2,402	3,584	2,372	563	87	650	▲1,722	▲72.6%
Net Income	1,505	2,103	1,524	327	63	390	▲1,134	▲74.4%
Earning/Share (Yen)	167.8	219.1	158.1	35.1	6.8	41.9	▲116.2	▲73.5%

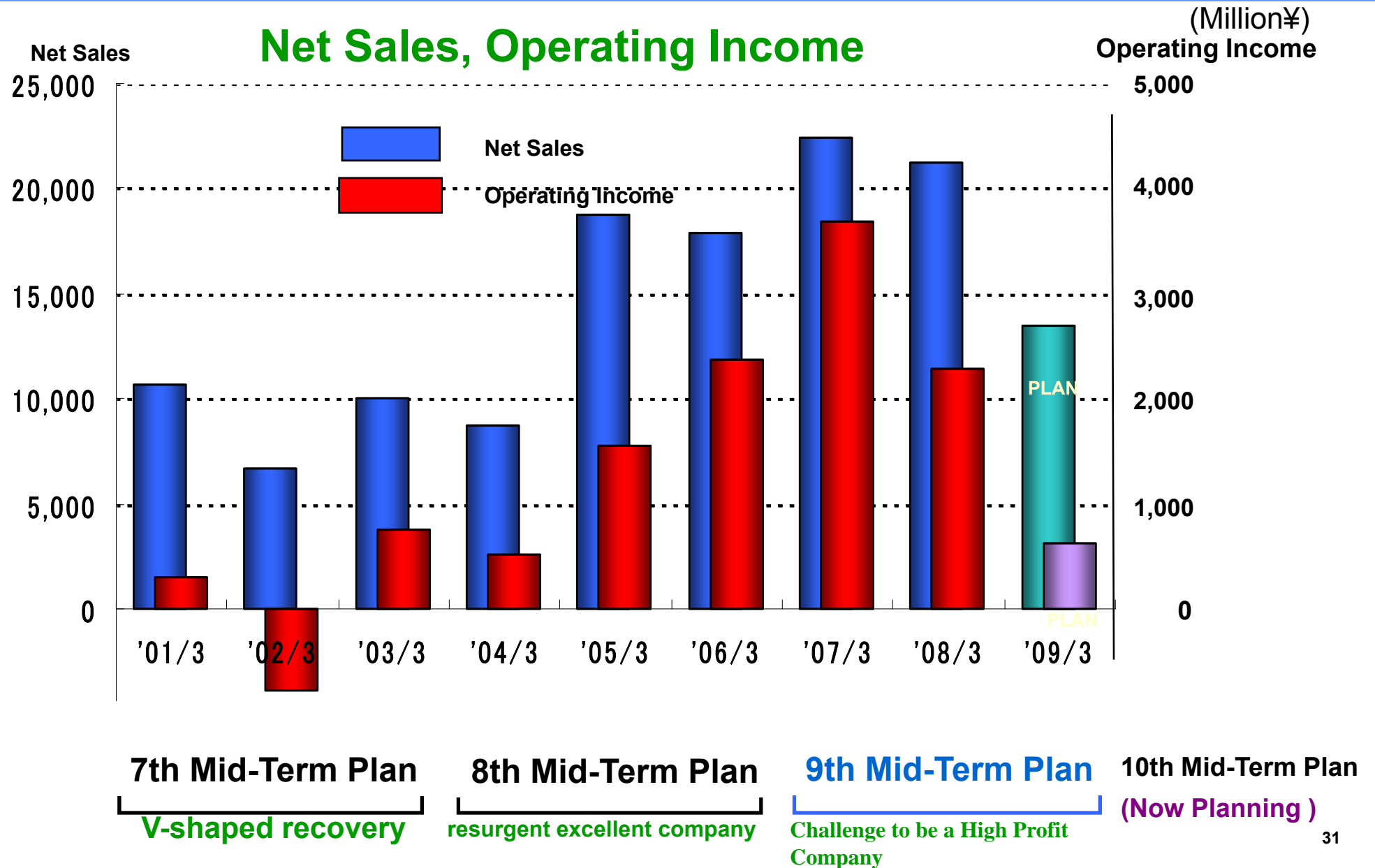


3-5 Sales Forecast by Business Unit (consolidated) (Million¥)

Business Segment	FY2006	FY2007	FY2008	FY2009 (Forecast)			Change from last FY (Forecast)	Change from last FY(%) (Forecast)
				1 st half (Result)	2 nd half (Forecast)	Year (Forecast)		
Memory Disk	6,811	9,899	7,040	1,663	1,337	3,000	▲4,040	▲57.4%
Plasma system	8,525	9,400	10,919	4,073	3,427	7,500	▲3,419	▲31.3%
semiconductor	1,192	1,404	1,093	956	244	1,200	107	9.8%
Cleaning & Others	1,522	1,721	2,146	823	967	1,790	▲356	▲ 16.6%
FEL	—	—	—	0	10	10	10	—
Total	18,050	22,424	21,198	7,515	5,985	13,500	▲7,698	▲36.3%



3-6 Change of Business Performance & 9th Mid-Term Plan Consolidated





4. The 10th medium term of planning outline



4-1. The 10th medium term of planning outline

1. Basic management policy

- 1) Structuring a high profit company.**
- 2) Expand company.**
- 3) Solution type of R&D company.**
- 4) Market investigation.**
- 5) CSR management.**

2. Management aim

- 1) Extend sales.**
- 2) Sales profit.**



4-1. The 10th medium term of planning outline

3. Business strategy for attain management aim

- 1) Share up for main products.**
- 2) Increase sale production.**
- 3) Increase global development.**
- 4) Extend service enterprise.**

4. New product (development) on early commercial stage

5. Business magnify by M&A

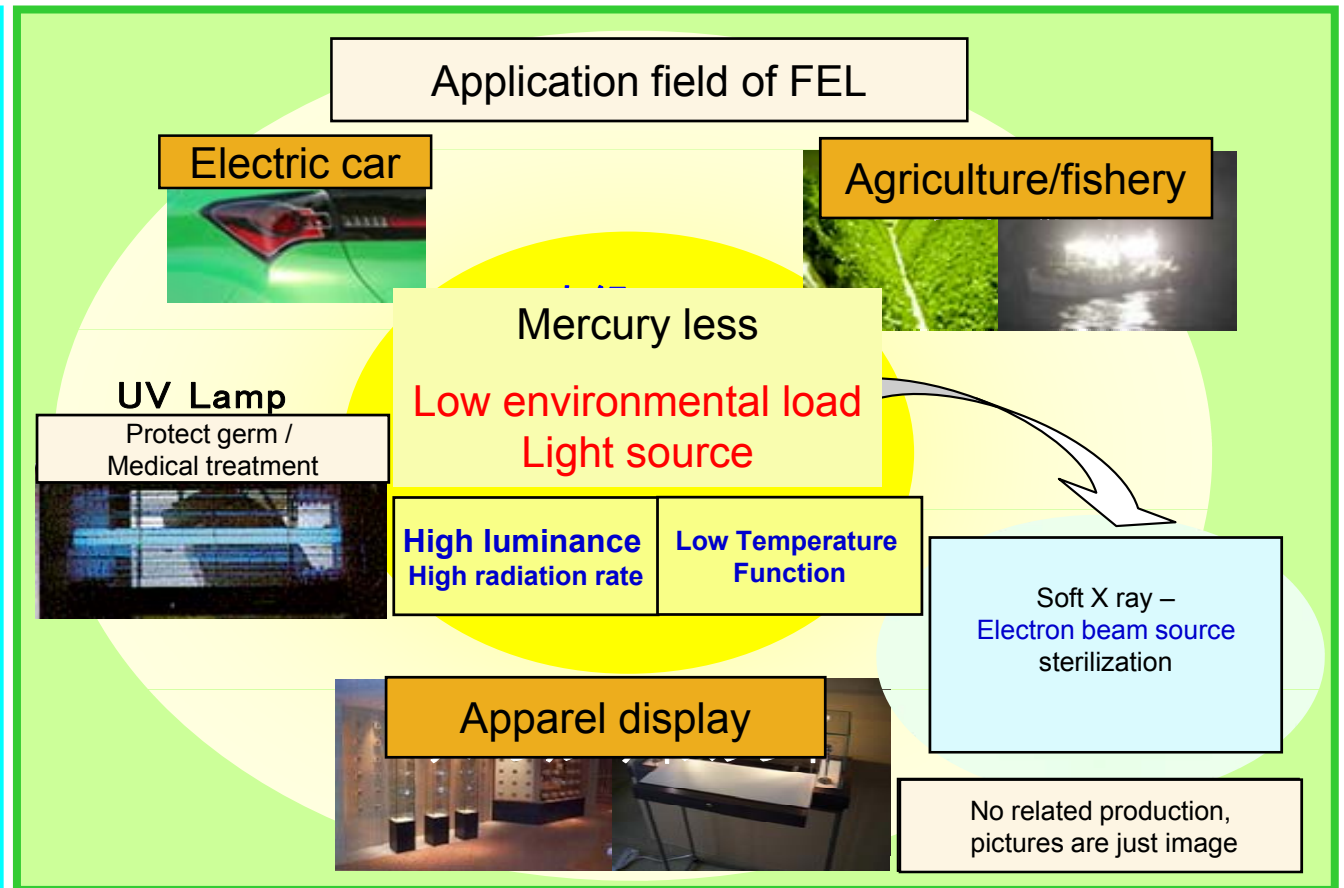


5. The survey of FEL Business

Feature and merit of FEL use for application field

Feature of FEL

1. Mercury less
→ Low environmental load
2. High luminance
• High radiation rate
→ Energy conservation
3. Cold temperature function
→ Cooling less



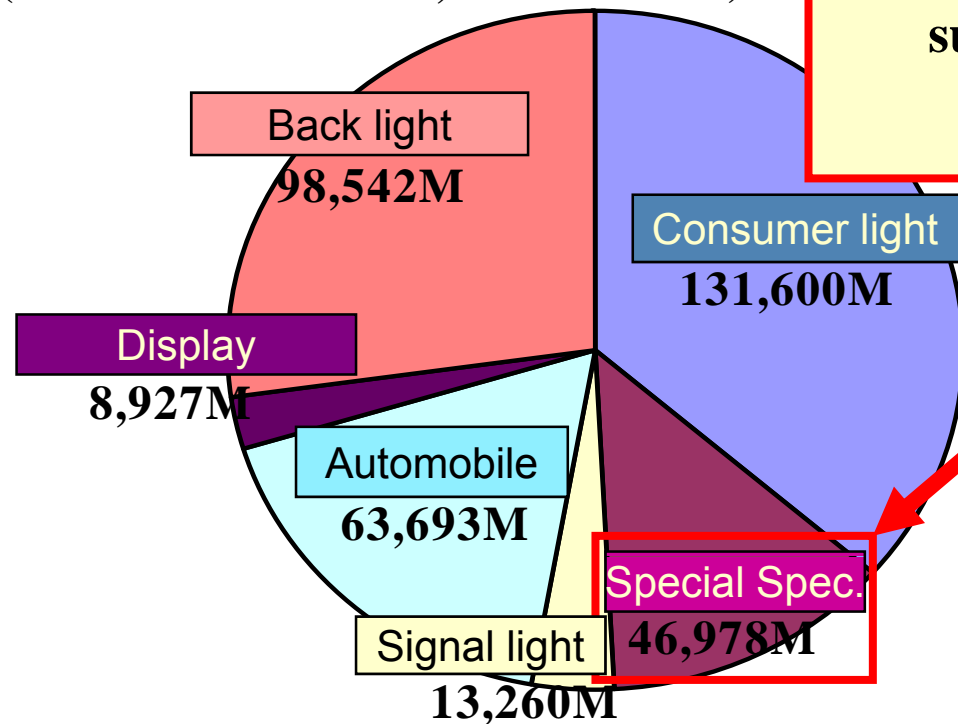


Lamp Market and ND-Emitter supply target

Lamp for application market

Year 2008 world wide market prospect

3,700 Billion Yen. (domestic statistics 363,000 million Yen)



Japan market

The 10th medium term of
planning target

Special specification Lamp
supply to the market

Have a 4% share



<<Caution>>

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 factor include an economic environment, product demand, materials cost, exchange rate, variable interest rate risk, but not only these subject to restriction.

Y. A. C. Co.,