



Consolidated Financial Results for the First Quarter Ended September 30, 2015 (Japanese GAAP)

October 30, 2015

Company name: Lasertec Corporation
 Stock exchange listing: Tokyo Stock Exchange
 Code: 6920
 URL: <http://www.lasertec.co.jp/>
 Representative: Osamu Okabayashi
 Representative Director and President
 Contact for inquiries: Shu Uchiyama
 Managing Director and Chief Administrative Officer
 Phone: +81-45-478-7111
 Date of filing the securities report: November 11, 2015
 Preparation of supplementary materials for financial results: Yes
 Financial results briefing: No

(Figures less than a million yen are rounded down.)

1. Consolidated financial results for the three months ended September 30, 2015

(1) Consolidated operating results

(The percentage figures indicate changes from the previous fiscal year.)

	Net sales		Operating income(loss)		Ordinary income(loss)		Profit (loss) attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended September 30, 2015	1,722	(1.4)	(345)	--	(352)	--	(245)	--
September 30, 2014	1,747	80.0	86	--	132	--	82	--

(Note) Comprehensive income: Three months ended September 30, 2015: (461) million yen [--%]
 Three months ended September 30, 2014: 136 million yen [--%]

	Net income (loss) per share	Net income per share, fully diluted
	Yen	Yen
Three months ended September 30, 2015	(10.88)	--
September 30, 2014	3.66	3.65

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
September 30, 2015	22,471	18,512	82.3	820.17
June 30, 2015	23,621	20,011	84.6	886.66

(Reference) Equity: September 30, 2015: 18,490 million yen June 30, 2015: 19,989 million yen

2. Dividends

	Dividends per share				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended June 30, 2015	--	0.00	--	46.00	46.00
Fiscal year ending June 30, 2016	--				
Fiscal year ending June 30, 2016 (Forecast)		0.00	--	38.00	38.00

(Note) Revision to forecast of dividends since the last announcement: None

3. Forecast of consolidated financial results for the year ending June 30, 2016

(The percentage figures indicate changes from the same period of the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First 2Qs	5,300	(14.2)	450	(74.3)	450	(74.7)	250	(78.9)	11.09
Annual	15,800	4.0	3,700	(21.7)	3,700	(20.1)	2,400	(18.7)	106.45

(Note) Revision to forecast of financial results since the last announcement: None

※ Notes

(1) Significant changes of subsidiaries during the period (changes of specified subsidiaries accompanying changes in the scope of consolidation): None

Number of subsidiaries added to consolidation: None (Company names: --),

Number of subsidiaries excluded from consolidation: None (Company names: --)

(2) Application of special accounting procedures for compiling quarterly financial statements: None

(3) Changes in accounting policy, changes or restatement of accounting estimates

(a) Changes in accounting policy due to revision of accounting standards: Yes

(b) Changes in accounting policy other than (a): None

(c) Changes in accounting estimates: None

(d) Restatement due to revision: None

(Note) For details, please see **Statement concerning "Notes" on the summary**, (3) Changes in accounting policy and changes or restatement of accounting estimates, in page 3 of the attached Supplementary Material.

(4) Number of issued shares (common stock):

(Shares)

(a) Number of issued shares at the end of the period (including treasury stock)	September 30, 2015	23,571,600	June 30, 2015	23,571,600
(b) Number of treasury stock at the end of the period	September 30, 2015	1,026,800	June 30, 2015	1,026,800
(c) Average number of shares during the period ended	September 30, 2015	22,544,800	September 30, 2014	22,542,800

※ Disclosure regarding the status of auditing of this report

This summary of financial results and its related materials are not subject to auditing under the Financial Instruments and Exchange Act of Japan. As of the date of this report, auditing of the consolidated financial statements based on the Financial Instruments and Exchange Act has not been completed.

※ Cautionary statement for proper use of forecast of financial results and other special notes

The forecast of financial results provided in this summary and its related materials is based on information available to the management at the time of announcement and on assumptions it has judged to be reasonable. Lasertec makes no guarantees about achieving the forecast provided herein. Actual results may differ materially from the forecast due to various factors.

Contents of Supplementary Material

1. Qualitative information concerning this quarterly report	2
(1) Qualitative information concerning consolidated results	2
(2) Qualitative information concerning consolidated financial position	2
(3) Qualitative information concerning forecast of consolidated financial results	3
2. Statement concerning “Notes on the summary”	3
(1) Significant changes of subsidiaries during the cumulative quarter	3
(2) Application of special accounting procedures to the preparation of consolidated financial statements	3
(3) Changes in accounting policy and changes or restatement of accounting estimates	3
3. Consolidated financial statements	4
(1) Consolidated balance sheet	4
(2) Consolidated statement of income and consolidated statement of comprehensive income	6
Consolidated statement of income (First three months of the fiscal year)	6
Consolidated statement of comprehensive income (First three months of the fiscal year)	7
(3) Consolidated statement of cash flows	8
(4) Notes on consolidated financial statements	9
(Note on going concern)	9
(Note on significant changes in the amount of shareholders’ equity)	9
4. Supplementary information	10
(1) Production by category	10
(2) Orders by category	10
(3) Sales by category	10

1. Qualitative information concerning this quarterly report

(1) Qualitative information concerning consolidated results

During the three-month period ended September 30, 2015, the US economy continued having a robust growth and the European economy stayed on a recovery track. However, growing concerns about the slowdown of Chinese economy sent a shockwave through stock markets around the globe. Because of this and a sense of caution about an imminent US interest rate hike, the prospect of emerging economies remained uncertain.

As for the Japanese economy, a growth trend kept on, especially in corporate earnings results, during this period. Looking ahead, however, some were voicing concerns that slower Chinese economic growth might cause repercussions.

In the semiconductor industry, our main business sector, the market condition in this period was unfavorable overall. In the prospect of weakening smartphone sales, which had hitherto driven a strong market growth, it became more evident that foundries and DRAM manufacturers were revising their capital expenditure plans to a lower level.

A summary of other industries related to the remainder of our business is as follows: manufacturers in the FPD industry, except some in China, were becoming more cautious about making new capital investment as they felt that the current demand cycle had already peaked; and the lithium ion battery industry saw a slow but steady market growth.

Under the circumstances, our consolidated net sales in the three-month period ended September 30, 2015, was 1,722 million yen, down 1.4% from the same period of the previous year.

Looking at the consolidated net sales by product segment, semiconductor-related systems accounted for 923 million yen (up 850.6% from the same period of the previous year), other products for 247 million yen (down 79.7%), and services for 550 million yen (up 28.7%).

As for consolidated income for this quarterly period, we recorded an operating loss of 345 million yen (an operating profit of 86 million yen in the same period of the previous year), an ordinary loss of 352 million yen (an ordinary profit of 132 million yen in the same period of the previous year), and a 245 million yen loss attributable to owners of parent (a 82 million yen profit attributable to owners of parent in the same period of the previous year).

(2) Qualitative information concerning consolidated financial position

① Financial position

Total assets at the end of the quarter amounted to 22,471 million yen, down 1,150 million yen from the end of the previous fiscal year. This is mainly due to a 1,477 million yen decrease in cash and deposits whereas work in process increased by 397 million yen.

Liabilities at the end of the quarter amounted to 3,959 million yen, up 348 million yen from the end of the previous fiscal year. This is mainly due to a 1,425 million yen increase in advances received and a 140 million yen increase in provision for bonuses whereas income taxes payable decreased by 865 million yen, notes and accounts payable-trade decreased by 161 million yen and provision for directors' bonuses decreased by 151 million yen.

Net assets, which consist of shareholders' equity, accumulated other comprehensive income, and subscription right to shares, amounted to 18,512 million yen with capital-asset ratio of 82.3%.

② Cash flows

Cash and cash equivalents at the end of the quarter amounted to 5,066 million yen, down 1,470 million yen from the end of the previous fiscal year. Following is the status of cash flows and their contributing factors during the three-month period.

For operating activities, 337 million yen was used (down 81.7% from the same period of the previous year). This is mainly because the sum of cash payment such as 863 million yen spent for income taxes paid, a

555 million yen increase in inventories and 352 million yen in loss before income taxes exceeded the sum of cash receipt such as a 1,437 million yen increase in advances received.

For investment activities, 35 million yen was used (up 145.9% from the same period of the previous year). This is mainly due to 28 million yen used for purchase of property, plant and equipment.

For financing activities, 1,037 million yen was used (up 70.3% from the same period of the previous year). This is mainly due to 1,037 million yen used for cash dividends paid.

(3) Qualitative information concerning forecast of consolidated financial results

We make no revision to our forecast of operating results for the full year ending June 30, 2016, which we announced on August 7, 2015.

2. Statement concerning “Notes” on the summary

(1) Significant changes of subsidiaries during the cumulative quarter

None

(2) Application of special accounting procedures to the preparation of consolidated financial statements

None

(3) Changes in accounting policy and changes or restatement of accounting estimates

(Changes in accounting policy)

(Adoption of accounting standard for business combination and others)

Starting this quarterly period, we adopt Accounting Standard for Business Combination (ASBJ Statement No. 21 dated September 13, 2013), Accounting Standard for Consolidated Financial Statements (ASBJ Statement No. 22 dated September 13, 2013) and Accounting Standard for Business Divestitures (ASBJ Statement No. 7 dated September 13, 2013), revising our terminology of statement for net income and others and introducing the term “non-controlling interests” to replace the term “minority interests.” To reflect this change, we have restated the consolidated statements for the first quarter of the previous fiscal year and the consolidated statements for the previous fiscal year in this report.

3. Consolidated Financial Statements**(1) Consolidated balance sheet**

	(In thousands of yen)	
	Previous (As of June 30, 2015)	Current (As of September 30, 2015)
Assets		
Current assets		
Cash and deposits	6,613,869	5,136,752
Notes and accounts receivable-trade	3,568,713	3,221,648
Work in process	3,669,905	4,067,328
Raw materials and supplies	793,023	936,163
Deferred tax assets	784,333	900,002
Other	872,981	1,092,758
Allowance for doubtful accounts	(3,820)	(3,630)
Total current assets	16,299,006	15,351,024
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	1,921,927	1,894,556
Machinery, equipment and vehicles, net	8,108	7,161
Tools, furniture and fixtures, net	249,630	238,812
Leased assets, net	5,060	4,730
Land	4,254,773	4,254,773
Total property, plant and equipment	6,439,500	6,400,034
Intangible assets	33,007	31,840
Investments and other assets		
Investment securities	657,745	422,336
Long-term accounts receivable-other	146,668	146,668
Deferred tax assets	--	78,970
Other	45,770	40,675
Allowance for doubtful accounts	(212)	(212)
Total investments and other assets	849,971	688,438
Total noncurrent assets	7,322,479	7,120,313
Total assets	23,621,486	22,471,337

	(In thousands of yen)	
	Previous	Current
	(As of June 30, 2015)	(As of September 30, 2015)
Liabilities		
Current liabilities		
Notes and accounts payable – trade	964,470	802,472
Income taxes payable	916,853	51,454
Advances received	668,153	2,093,641
Provision for bonuses	--	140,505
Provision for directors' bonuses	151,000	--
Provision for product warranties	228,545	183,047
Other	492,938	486,854
Total current liabilities	3,421,961	3,757,975
Noncurrent liabilities		
Net defined benefit liability	153,399	173,468
Other	34,999	27,822
Total noncurrent liabilities	188,398	201,290
Total liabilities	3,610,360	3,959,265
Net assets		
Shareholders' equity		
Capital stock	931,000	931,000
Capital surplus	1,080,360	1,080,360
Retained earnings	18,613,159	17,330,891
Treasury stock	(976,139)	(976,139)
Total shareholders' equity	19,648,379	18,366,111
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	335,907	172,742
Foreign currency translation adjustment	5,340	(48,280)
Total accumulated other comprehensive income	341,247	124,461
Subscription rights to shares	21,498	21,498
Total net assets	20,011,125	18,512,071
Total liabilities and net assets	23,621,486	22,471,337

(2) Consolidated statement of income and consolidated statement of comprehensive income

(Consolidated statement of income)

	(In thousands of yen)	
	Previous (July 1, 2014 thru September 30, 2014)	Current (July 1, 2015 thru September 30, 2015)
Net sales	1,747,178	1,722,152
Cost of sales	794,232	1,044,026
Gross profit	952,945	678,125
Selling, general and administrative expenses	866,076	1,023,868
Operating income(loss)	86,869	(345,743)
Non-operating income		
Interest income	404	544
Rent income on non-current assets	447	405
Foreign exchange gains	43,529	--
Other	1,598	1,480
Total non-operating income	45,980	2,430
Non-operating expenses		
Interest expenses	668	--
Loss on valuation of golf club membership	--	3,000
Foreign exchange losses	--	6,267
Other	49	0
Total non-operating expenses	717	9,267
Ordinary income(loss)	132,131	(352,579)
Income(loss) before income taxes	132,131	(352,579)
Income taxes-current	83,407	23,632
Income taxes-deferred	(33,714)	(131,005)
Total income taxes	49,693	(107,372)
Profit (loss)	82,438	(245,207)
Profit (loss) attributable to owners of parent	82,438	(245,207)

(Consolidated statement of comprehensive income)

	(In thousands of yen)	
	Previous (July 1, 2014 thru September 30, 2014)	Current (July 1, 2015 thru September 30, 2015)
Profit (loss)	82,438	(245,207)
Other comprehensive income		
Valuation difference on available-for-sale securities	3,700	(163,165)
Foreign currency translation adjustment	50,691	(53,620)
Total other comprehensive income	54,392	(216,785)
Comprehensive income	136,830	(461,993)
Comprehensive income attributable to owners of the parent	136,830	(461,993)
Comprehensive income attributable to non-controlling interests	--	--

(3) Consolidated statement of cash flows

(In thousands of yen)

	Previous (July 1, 2014 thru September 30, 2014)	Current (July 1, 2015 thru September 30, 2015)
Cash flows from operating activities		
Income (loss) before income taxes	132,131	(352,579)
Depreciation and amortization	50,407	54,071
Increase (decrease) in allowance for doubtful accounts	(3,375)	(161)
Increase (decrease) in provision for bonuses	180,321	140,505
Increase (decrease) in provision for director's bonuses	(114,443)	(151,000)
Increase (decrease) in provision for product warranties	(94,653)	(45,668)
Increase (decrease) in net defined benefit liability	11,361	20,613
Interest and dividends income	(404)	(544)
Interest expenses	668	--
Foreign exchange losses (gains)	(25,614)	(1,355)
Loss on valuation of golf club memberships	--	3,000
Decrease (increase) in notes and accounts receivable-trade	(575,596)	331,062
Decrease (increase) in inventories	(811,012)	(555,273)
Increase (decrease) in notes and accounts payable-trade	162,354	(239,513)
Increase (decrease) in advances received	(84,670)	1,437,366
Other, net	57,340	(115,226)
Subtotal	(1,115,183)	525,296
Interest and dividends income received	703	583
Interest expenses paid	(668)	--
Income taxes paid	(725,197)	(863,537)
Net cash provided by (used in) operating activities	(1,840,345)	(337,657)
Cash flows from investment activities		
Purchase of property, plant and equipment	(14,592)	(28,365)
Purchase of intangible assets	--	(7,510)
Net cash provided by (used in) investment activities	(14,592)	(35,875)
Cash flows from financing activities		
Cash dividends paid	(608,655)	(1,037,060)
Other, net	(330)	(330)
Net cash provided by (used in) financing activities	(608,985)	(1,037,390)
Effect of exchange rate change on cash and cash equivalents	32,064	(60,032)
Net increase (decrease) in cash and cash equivalents	(2,431,858)	(1,470,956)
Cash and cash equivalents at beginning of period	6,120,176	6,537,289
Cash and cash equivalents at end of period	3,688,317	5,066,332

(4) Notes on consolidated financial statements

(Note on going concern)

None

(Note on significant changes in the amount of shareholders' equity)

None

4. Supplementary information

(1) Production by category

Production by category for the first three months of the fiscal year is as follows.

(In thousands of yen)			
(July 1, 2015 thru September 30, 2015)			
Category	Previous	Current	Year-on-year comparison (%)
Finished goods			
Semiconductor-related systems	1,145,428	1,791,117	156.4
Other products	1,044,217	1,063,987	101.9
Subtotal	2,189,645	2,855,105	130.4
Services	427,769	550,637	128.7
Total	2,617,415	3,405,742	130.1

(Notes)

1. Numbers shown above are based on sales prices.
2. Consumption taxes are excluded.

(2) Orders by category

Orders and backlog by category for the first three months of the fiscal year are as follows.

(In thousands of yen)						
(July 1, 2015 thru September 30, 2015)						
Category	Orders Previous	Orders Current	Year-on-year comparison (%)	Backlog Previous	Backlog Current	Year-on-year comparison (%)
Finished goods						
Semiconductor-related systems	1,778,337	2,389,683	134.4	7,135,110	8,884,380	124.5
Other products	201,854	527,882	261.5	191,679	2,682,180	1,399.3
Subtotal	1,980,191	2,917,565	147.3	7,326,789	11,566,560	157.9
Services	361,512	461,956	127.8	244,136	284,122	116.4
Total	2,341,703	3,379,522	144.3	7,570,925	11,850,682	156.5

(Notes)

1. Numbers shown above are based on sales prices.
2. Numbers reflect adjustment for cancellation and other changes.
3. Consumption taxes are excluded.

(3) Sales by category

Sales by category for the first three months of the fiscal year are as follows.

(In thousands of yen)			
(July 1, 2015 thru September 30, 2015)			
Category	Previous	Current	Year-on-year comparison (%)
Finished goods			
Semiconductor related systems	97,178	923,814	950.6
Other products	1,222,230	247,700	20.3
Subtotal	1,319,408	1,171,514	88.8
Services	427,769	550,637	128.7
Total	1,747,178	1,722,152	98.6

(Note) Consumption taxes are excluded.