

February 6, 2017

SCREEN Holdings Co., Ltd.
Tenjinkita-machi 1-1, Teranouchi-agaru 4-chome, Horikawa-dori,
Kamigyo-ku, Kyoto 602-8585, Japan

CONSOLIDATED FINANCIAL REPORT FOR THE THIRD QUARTER ENDED DECEMBER 31, 2016 [Japanese GAAP]

SCREEN Holdings Co., Ltd. is listed on the First Section of the Tokyo Stock Exchange with the securities code number 7735.
(URL <http://www.screen.co.jp/>)

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Figures have been rounded down to eliminate amounts less than one million yen, except per share figures.

PERFORMANCE FOR THE THIRD QUARTER ENDED DECEMBER 31, 2016 (APR. 1, 2016-DEC. 31, 2016)

(Millions of yen, except per share figures)

(Percentage are the rate of increase or decrease from the previous corresponding period.)

(1) Business Results

	Net Sales	Percentage Change	Operating Income	Percentage Change	Ordinary Income	Percentage Change
Nine months ended Dec. 31, 2016	¥210,015	14.9%	¥21,327	42.4%	¥20,788	40.9%
Nine months ended Dec. 31, 2015	182,841	12.6	14,978	47.8	14,755	57.3

Note: Comprehensive income

Nine months ended Dec. 31, 2016: ¥19,819 million (80.2 %)

Nine months ended Dec. 31, 2015: ¥10,995 million (-30.6 %)

	Profit Attributable to Owners of Parent	Percentage Change	Basic Earnings per Share (Yen)	Diluted Earnings per Share (Yen)
Nine months ended Dec. 31, 2016	¥16,337	36.5%	¥345.93	¥ -
Nine months ended Dec. 31, 2015	11,966	53.3	252.14	-

Note: The Company implemented a one-for-five consolidation of shares on its common stock on October 1, 2016. Basic earnings per share shown above are calculated based on the assumption that the consolidation of shares had been implemented at the beginning of the fiscal year ended March 31, 2016.

(2) Financial Position

	Total Assets	Net Assets	Equity Ratio (%)	Net Assets per Share of Capital Stock (Yen)
Dec. 31, 2016	¥307,115	¥136,727	44.5%	¥2,893.13
Mar. 31, 2016	270,093	120,288	44.3	2,533.41

Note: Equity

As of Dec. 31, 2016: ¥136,628 million

As of Mar. 31, 2016: ¥119,649 million

Note: The Company implemented a one-for-five consolidation of shares on its common stock on October 1, 2016. Net assets per share of capital stock shown above are calculated based on the assumption that the consolidation of shares had been implemented at the beginning of the fiscal year ended March 31, 2016.

CASH DIVIDENDS

	Cash Dividends per Share				
Record date	First Quarter-end	Second Quarter-end	Third Quarter-end	Year-end	Annual
Fiscal year ended Mar. 31, 2016	¥ -	¥ -	¥ -	¥12.00	¥12.00
Fiscal year ending Mar. 31, 2017	-	-	-		
Fiscal year ending Mar. 31, 2017 (Forecast)				75.00	75.00

Note: Revision of the latest forecast of cash dividends: Yes

Note: The Company implemented a one-for-five consolidation of shares on its common stock on October 1, 2016. The amount shown for the year-end dividend per share for the fiscal year ending March 31, 2017 (Forecast), is calculated factoring in the impact of the consolidation of shares.
For details, please refer to "Explanation for appropriate use of forecasts and other notes."

FORECAST OF BUSINESS RESULTS FOR FISCAL YEAR ENDING MARCH 31, 2017

(Millions of yen, except per share figures)

(Percentage are the rate of increase or decrease from the previous corresponding period.)

	Net Sales	Percentage Change	Operating Income	Percentage Change
Fiscal year ending Mar. 31, 2017	¥294,000	13.2%	¥31,000	31.6%

	Ordinary Income	Percentage Change	Profit Attributable to Owners of Parent	Percentage Change	Basic Earnings per Share (Yen)
Fiscal year ending Mar. 31, 2017	¥30,000	29.4%	¥24,500	30.2%	¥518.77

Note: Revision of the latest business forecast: Yes

Note: Basic earnings per share shown in the full-year forecasts of results for the fiscal year ending March 31, 2017, factors in the impact following the consolidation of shares.
For details, please refer to "Explanation for appropriate use of forecasts and other notes."

NOTES

- (1) Changes in significant consolidated subsidiaries (Changes in specified subsidiaries involving changes in scope of consolidation): No
New Company: Not applicable Exclusion: Not applicable
- (2) Application of accounting methods specific to the preparation of quarterly consolidated financial statements: Yes
Please refer to P.6 [Summary Information (Notes)] for more information.
- (3) Changes of accounting policies, changes in accounting estimates and retrospective restatement
 1. Changes of accounting policies accompanied by revision of accounting standard etc.: No
 2. Changes of accounting policies other than 1: No
 3. Changes in accounting estimates: No
 4. Retrospective restatement: No
- (4) Number of shares outstanding
 1. Number of shares outstanding as of end of period (including treasury stock)
As of Dec. 31, 2016: 50,794,866 shares As of Mar. 31, 2016: 50,794,866 shares
 2. Number of treasury stock as of end of period
As of Dec. 31, 2016: 3,569,872 shares As of Mar. 31, 2016: 3,566,169 shares
 3. Average number of shares outstanding
Nine months ended Dec. 31, 2016: 47,227,468 shares Nine months ended Dec. 31, 2015: 47,459,163 shares

Note: The Company implemented a one-for-five consolidation of shares on its common stock on October 1, 2016. The amounts shown for number of shares outstanding as of end of period, number of treasury stock as of end of period, and average number of shares outstanding are calculated based on the assumption that the consolidation of shares had been implemented at the beginning of the fiscal year ended March 31, 2016.

***Indication of quarterly review procedure implementation status**

This quarterly consolidated financial report is exempt from quarterly review procedure based upon the Financial Instruments and Exchange Law. It is under the review procedure process at the time of disclosure of this report.

***Explanation for appropriate use of forecasts and other notes**

- (1) SCREEN Holdings has revised our business forecast for the fiscal year ending March 31, 2017 that was previously announced on November 7, 2016, as noted in this financial report.
- (2) The forward-looking statements such as operational forecasts contained in this document are based on the information currently available to SCREEN Holdings and certain assumptions that are regarded as legitimate. SCREEN Holdings does not promise that the forecasts or estimates will be accurate. Large discrepancies may be seen in the actual results due to various factors. Please refer to P.5 “3. Qualitative information regarding consolidated business results forecasts” for the assumptions used and other notes.

(Outlook of consolidated business results forecast and dividends following the consolidation of shares)

With approval by the 75th ordinary general meeting of shareholders held on June 28, 2016, the Company implemented a one-for-five consolidation of shares on its common stock effective October 1, 2016. The outlook for consolidated business results forecast and dividends for the fiscal year ending March 31, 2017, calculated without factoring in the consolidation of shares, are as follows.

1. Consolidated business results forecast for the fiscal year ending March 31, 2017

Basic earnings per share

Full year: ¥ 103.75

2. Dividends forecast for the fiscal year ending March 31, 2017

Cash dividends per share

End of fiscal year: ¥ 15.00

[Qualitative Information, Financial Statements]

1. Qualitative information regarding the status of consolidated business results

During the first nine months of the fiscal year ending March 31, 2017 (April 1, 2016 to December 31, 2016), the global economy saw a gradual overall improvement despite signs of weakness in certain areas, such as concern caused by Britain's decision to leave the European Union and the downturn in the Chinese economy. The U.S. economy continued to recover, backed by improving employment and personal consumption as well as recovery in capital investment. European economies also saw ongoing gradual improvement, albeit somewhat less than robust, reflecting such factors as signs of reaching the ceiling of growth in employment. Meanwhile, the pace at which economic growth in China had been slowing moderated, due in part to the effects of government policies aimed at stable growth. Japan's economy saw gradual recovery, with improvement in employment and signs of pickup in capital investment and personal consumption.

With regard to the business conditions surrounding the SCREEN Group, in the semiconductor industry, capital investment in miniaturization by foundries picked up steam, reflecting strong demand for high-end smartphones and data centers for internet of things (IoT)-related big data processing. Capital investment among memory manufacturers was also firm, backed by demand for high-capacity data servers. In the FPD business field, investment in large-sized LCD panels perked up mainly in China, and investment in small- and medium-sized LCD panels increased in Japan.

Under these circumstances, for the first nine months of the fiscal year ending March 31, 2017, the SCREEN Group posted consolidated net sales of ¥210,015 million, an increase of ¥27,173 million, or 14.9%, from the corresponding period of the previous fiscal year. On the earnings front, operating income totaled ¥21,327 million, up ¥6,349 million, or 42.4% year on year, reflecting the increase in net sales, despite the impact of the yen appreciation. Ordinary income amounted to ¥20,788 million, up ¥6,032 million, or 40.9% year on year. Profit attributable to owners of parent totaled ¥16,337 million, up ¥4,371 million, or 36.5%, compared with the corresponding period of the previous fiscal year.

Performance by reportable segment is explained below.

The Semiconductor Solutions (SE) Segment

In the SE segment, sales to foundries increased significantly year on year, while those to memory manufacturers were firm. By product, reflecting customers' investment in miniaturization, sales of single-wafer cleaning equipment rose considerably, and those of batch-type cleaning equipment were solid. By region, sales in Japan and the United States fell, but sales to Taiwan and China rose significantly. As a result net sales in this segment amounted to ¥142,338 million, up 24.8% year on year. Operating income in this segment came to ¥18,478 million, up 68.7% from the corresponding period of the previous fiscal year.

The Graphic and Precision Solutions (GP) Segment

In the GP segment, despite efforts to further penetrate the print on demand (POD) equipment market, the appreciation of the yen contributed to a decrease in overseas sales, and sales in Japan were lackluster, causing sales of graphic arts equipment to fall year on year. Sales of printed circuit board (PCB)-related equipment were flat year on year. As a result, net sales in this segment came to ¥38,134 million, down 15.6% year on year. Despite efforts to reduce variable costs, due to the significant impact of the decline in sales, this segment posted operating income of ¥1,140 million, down 49.4% compared with the same period of the previous fiscal year.

The Finetech Solutions (FT) Segment

In the FT segment, due to the effect of investment timing, sales of production equipment for large-sized LCD panels in China fell year on year, but sales of production equipment for small- and medium-sized panels for Japan and Taiwan increased. As a result, net sales in this segment amounted to ¥28,765 million, up 25.9% year on year. This segment posted operating income of ¥2,960 million, up 33.5% year on year.

2. Qualitative information regarding changes in consolidated financial position

Total assets as of December 31, 2016 stood at ¥307,115 million, an increase of ¥37,022 million, or 13.7%, compared with March 31, 2016. This was largely due to increases in cash and time deposits and inventories, despite a decrease in notes and accounts receivable - trade.

Total liabilities amounted to ¥170,388 million, up ¥20,583 million, or 13.7%, compared with the end of the previous fiscal year. This was mainly attributable to increases in trade payable and advances received, despite a decrease in interest-bearing debt. Interest-bearing debt decreased by ¥15,122 million, or 38.2%, from March 31, 2016 to ¥24,513 million, due in part to the redemption of bonds. Net interest-bearing debt, or interest-bearing debt minus cash and time deposits, decreased by ¥37,499 million compared with the previous fiscal year-end, to a net cash position of negative ¥30,234 million, due in part to the substantial incoming cash flows from operating activities.

Total net assets amounted to ¥136,727 million, up ¥16,438 million, or 13.7%, from March 31, 2016. This was mainly attributable to an increase in retained earnings due to the recording of profit attributable to owners of parent as well as an increase in valuation difference on available-for-sale securities, despite a decrease in foreign currency translation adjustment due to the appreciation of the yen.

As a result, the equity ratio as of December 31, 2016 stood at 44.5%.

Status of Cash Flows

The status of cash flows for the first nine months of the fiscal year ending March 31, 2017 is as follows.

Net cash provided by operating activities amounted to ¥45,787 million, a substantial improvement from the ¥13,577 million provided by operating activities in the first nine months of the previous fiscal year. This was because the decrease in trade receivable, increase in trade payable, increase in advances received, and other inflows were greater than such cash outflows as an increase in inventories.

Net cash used in investing activities amounted to ¥3,508 million, compared with ¥2,843 million used in investing activities in the first nine months of the previous fiscal year. This was attributable to the purchase of property, plant and equipment, such as equipment for R&D.

Net cash used in financing activities amounted to ¥18,529 million, compared with ¥5,484 million provided by financing activities in the first nine months of the previous fiscal year. This was due in part to the redemption of bonds and cash dividends paid.

As a result, cash and cash equivalents as of December 31, 2016, totaled ¥52,951 million, up ¥22,795 million from March 31, 2016.

3. Qualitative information regarding consolidated business results forecasts

SCREEN Holdings has revised its consolidated business forecast for the fiscal year ending March 31, 2017, from the previous forecast announced on November 7, 2016, as shown below. The revision is largely attributable to the prospect that sales and profit in the SE segment will be higher than previously assumed, given the current state of orders received.

Business forecast

Fiscal year ending March 31, 2017 (April 1, 2016 to March 31, 2017)

(Millions of yen)

	Fiscal Year Ending Mar. 31, 2017
Net Sales	¥ 294,000
SE	200,500
GP	54,000
FT	38,000
Other and Adjustments	1,500
Operating Income	31,000
Ordinary Income	30,000
Profit Attributable to Owners of Parent	24,500

With the revision of business forecast, SCREEN Holdings has decided to revise the cash dividend forecast for the fiscal year ending March 31, 2017.

For details, please refer to today's "Notice: Dividend Forecast Revision."

Note: The aforementioned forecasts are based on foreign currency exchange rate estimates of US\$1.00 = ¥110 and EUR1.00 = ¥120.

Business forecasts are also made in accordance with currently available information and rational assumptions. However, it should be noted that actual results could differ significantly due to a variety of factors.

[Summary Information (Notes)]

1. Changes in significant consolidated subsidiaries:

None

2. Application of accounting methods specific to the preparation of quarterly consolidated financial statements:

Calculation of income taxes

Income tax amount is calculated principally by multiplying reasonably estimated annual effective tax rate through the third quarter ended December 31, 2016, with the effects of deferred taxes reflected, by the amount of year-to-date income before income taxes. When calculation using reasonably estimated annual effective tax rate causes irrational results, income tax amount is calculated based on the legal tax rate.

3. Changes of accounting policies, changes in accounting estimates and retrospective restatement:

None

4. Additional Information

(Application of Revised Implementation Guidance on Recoverability of Deferred Tax Assets)

Effective the first quarter of the fiscal year ending March 31, 2017, the “Revised Implementation Guidance on Recoverability of Deferred Tax Assets” (ASBJ Guidance No. 26, issued March 28, 2016) was adopted.

CONSOLIDATED BALANCE SHEETS

(Millions of yen)

	Mar. 31, 2016	Dec. 31, 2016
ASSETS		
Current assets:		
Cash and time deposits	¥ 32,371	¥ 54,748
Notes and accounts receivable - trade	65,017	53,268
Electronically recorded monetary claims - operating	2,570	3,456
Merchandise and finished goods	40,955	53,530
Work in process	28,657	33,505
Raw materials and supplies	7,020	7,891
Deferred tax assets	5,156	4,874
Other	7,562	9,159
Allowance for doubtful accounts	(789)	(529)
Total current assets	188,521	219,904
Non-current assets:		
Property, plant and equipment:		
Buildings and structures	53,578	52,526
Machinery, equipment and vehicles	38,624	40,717
Other	29,723	29,986
Accumulated depreciation	(78,548)	(80,244)
Total property, plant and equipment	43,378	42,986
Intangible assets:		
Other	2,394	2,457
Total intangible assets	2,394	2,457
Investments and other assets:		
Investment securities	28,539	34,114
Net defined benefit asset	4,279	4,622
Other	3,616	3,570
Allowance for doubtful accounts	(636)	(539)
Total investments and other assets	35,799	41,768
Total non-current assets	81,572	87,211
Total assets	270,093	307,115

CONSOLIDATED BALANCE SHEETS

(Millions of yen)

	Mar. 31, 2016	Dec. 31, 2016
LIABILITIES		
Current liabilities:		
Notes and accounts payable - trade	¥ 59,523	¥ 22,865
Electronically recorded obligations - operating	10,536	71,251
Current portion of long-term loans payable	4,079	4,079
Current portion of bonds payable	13,600	—
Lease obligations	411	409
Income taxes payable	4,430	3,688
Notes payable - facilities	6	8
Electronically recorded obligations - facilities	1	4
Provision for bonuses	1,044	1,854
Provision for directors' bonuses	72	63
Provision for product warranties	4,564	5,253
Provision for loss on order received	2	168
Other	22,584	32,113
Total current liabilities	120,857	141,761
Non-current liabilities:		
Long-term loans payable	18,986	17,746
Lease obligations	2,559	2,278
Net defined benefit liability	737	703
Provision for directors' retirement benefits	103	130
Asset retirement obligations	48	48
Other	6,513	7,719
Total non-current liabilities	28,948	28,627
Total liabilities	149,805	170,388
NET ASSETS		
Shareholders' equity:		
Capital stock	54,044	54,044
Capital surplus	4,583	4,599
Retained earnings	71,602	85,105
Treasury stock	(13,272)	(13,296)
Total shareholders' equity	116,957	130,454
Accumulated other comprehensive income:		
Valuation difference on available-for-sale securities	8,364	12,664
Foreign currency translation adjustment	(3,911)	(5,008)
Remeasurements of defined benefit plans	(1,761)	(1,482)
Total accumulated other comprehensive income	2,692	6,174
Non-controlling interests	638	99
Total net assets	120,288	136,727
Total liabilities and net assets	270,093	307,115

CONSOLIDATED STATEMENTS OF INCOME

(Millions of yen)

	Apr.1, 2015 – Dec. 31, 2015	Apr.1, 2016 – Dec. 31, 2016
Net sales	¥ 182,841	¥ 210,015
Cost of sales	125,733	145,245
Gross profit	57,107	64,769
Selling, general and administrative expenses	42,129	43,442
Operating income	14,978	21,327
Non-operating income		
Interest income	59	30
Dividends income	524	495
Other	593	436
Total non-operating income	1,177	962
Non-operating expenses		
Interest expenses	804	617
Foreign exchange losses	6	137
Loss on retirement of non-current assets	295	337
Other	294	409
Total non-operating expenses	1,400	1,501
Ordinary income	14,755	20,788
Extraordinary income		
Gain on sales of investment securities	636	386
Total extraordinary income	636	386
Extraordinary loss		
Loss on sales of investment securities	13	0
Loss on valuation of investment securities	0	1
Total extraordinary loss	13	1
Income before income taxes	15,378	21,173
Income taxes	3,333	4,824
Profit	12,044	16,348
Profit attributable to non-controlling interests	78	11
Profit attributable to owners of parent	11,966	16,337

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Millions of yen)

	Apr.1, 2015 – Dec. 31, 2015	Apr.1, 2016 – Dec. 31, 2016
Profit	¥ 12,044	¥ 16,348
Other comprehensive income		
Valuation difference on available-for-sale securities	(331)	4,300
Foreign currency translation adjustment	(877)	(1,109)
Remeasurements of defined benefit plans	161	278
Total other comprehensive income	(1,048)	3,470
Comprehensive income	10,995	19,819
(Comprehensive income attributable to)		
Owners of parent	10,934	19,819
Non-controlling interests	61	(0)

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Millions of yen)

Apr.1, 2015 - Dec. 31, 2015

Apr.1, 2016 - Dec. 31, 2016

Cash flow from operating activities:

Income before income taxes	¥ 15,378	¥ 21,173
Depreciation and amortization	3,744	3,972
Loss (gain) on valuation of investment securities	0	1
Loss (gain) on sales of investment securities	(623)	(386)
Loss on retirement of non-current assets	295	337
Increase (decrease) in net defined benefit liability	(237)	(74)
Increase (decrease) in provision for bonuses	713	810
Increase (decrease) in provision for directors' bonuses	(74)	(9)
Increase (decrease) in provision for product warranties	(313)	681
Increase (decrease) in provision for loss on order received	(13)	165
Interest and dividends income	(584)	(525)
Interest expenses	804	617
Decrease (increase) in trade receivables	(408)	10,286
Decrease (increase) in inventories	(10,120)	(18,851)
Decrease (increase) in other current assets	(576)	(315)
Increase (decrease) in trade payables	7,506	24,626
Increase (decrease) in other current liabilities	2,506	10,414
Other, net	(9)	166
Subtotal	17,988	53,089
Interest and dividends income received	620	542
Interest expenses paid	(801)	(642)
Contribution in connection with the shift to a defined-contribution pension plan	-	(0)
Income taxes paid	(4,228)	(7,202)
Net cash provided by operating activities	13,577	45,787

Cash flow from investing activities:

Decrease (increase) in time deposits	(667)	302
Purchase of property, plant and equipment	(3,546)	(3,861)
Proceeds from sales of investment securities	1,750	1,070
Other, net	(379)	(1,020)
Net cash used in investing activities	(2,843)	(3,508)

Cash flow from financing activities:

Net increase (decrease) in short-term loans payable	10,000	-
Proceeds from long-term loans payable	-	1,000
Repayments of long-term loans payable	(2,039)	(2,239)
Repayments of finance lease obligations	(300)	(309)
Redemption of bonds	-	(13,600)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	-	(513)
Net decrease (increase) in treasury stock	(508)	(23)
Purchase of treasury shares of subsidiaries	-	(6)
Cash dividends paid	(1,661)	(2,833)
Dividends paid to non-controlling interests	(4)	(3)
Net cash provided by (used in) financing activities	5,484	(18,529)

Effect of exchange rate change on cash and cash equivalents	(166)	(954)
Net increase in cash and cash equivalents	16,051	22,795
Cash and cash equivalents at beginning of period	21,990	30,156
Cash and cash equivalents at end of period	38,042	52,951

SEGMENT INFORMATION**[Segment Information]**

Nine months ended Dec. 31, 2015

Net sales and income (loss) in reportable segment

(Millions of yen)

	Reportable segment *1				Other *2	Total	Adjustments *3	Consolidated *4
	SE	GP	FT	Total				
Sales								
(1)Sales to outside customers	¥ 114,048	¥ 45,151	¥ 22,846	¥ 182,046	¥ 794	¥ 182,841	¥ -	¥ 182,841
(2)Intersegment sales and transfers	0	24	0	25	8,247	8,273	(8,273)	-
Total	114,048	45,175	22,847	182,072	9,042	191,114	(8,273)	182,841
Segment income (loss)	10,955	2,252	2,217	15,425	(680)	14,744	233	14,978

Notes

*1 The SE segment develops and manufactures semiconductor production equipment and conducts sales and maintenance services. In the GP segment, graphic arts equipment and PCB related equipment are developed, manufactured, sold and maintained. The FT segment develops, manufactures and markets FPD production equipment and others, and it also conducts maintenance services.

*2 The "Other" category incorporates operations not included in reportable segments, including software development, planning and production of printed matter, logistics operations and other businesses.

*3 Segment operating income (loss) adjustment of ¥ 233 million is the Company's profit (loss) not attributable to reportable segment.

*4 Segment income (loss) is adjusted with operating income under consolidated statements of income.

Nine months ended Dec. 31, 2016

Net sales and income (loss) in reportable segment

(Millions of yen)

	Reportable segment *1				Other *2	Total	Adjustments *3	Consolidated *4
	SE	GP	FT	Total				
Sales								
(1)Sales to outside customers	¥ 142,230	¥ 38,087	¥ 28,755	¥ 209,073	¥ 941	¥ 210,015	¥ -	¥ 210,015
(2)Intersegment sales and transfers	107	47	9	164	9,327	9,492	(9,492)	-
Total	142,338	38,134	28,765	209,238	10,268	219,507	(9,492)	210,015
Segment income (loss)	18,478	1,140	2,960	22,579	(857)	21,721	(394)	21,327

Notes

*1 The SE segment develops and manufactures semiconductor production equipment and conducts sales and maintenance services. In the GP segment, graphic arts equipment and PCB related equipment are developed, manufactured, sold and maintained. The FT segment develops, manufactures and markets FPD production equipment and others, and it also conducts maintenance services.

*2 The "Other" category incorporates operations not included in reportable segments, including development, manufacturing and sales of equipment in life science business and other, software development, planning and production of printed matter and other businesses.

*3 Segment operating income (loss) adjustment of ¥ (394) million is the Company's profit (loss) not attributable to reportable segment.

*4 Segment income (loss) is adjusted with operating income under consolidated statements of income.

Consolidated Financial Highlights for the Third Quarter Ended December 31, 2016

(Figures less than one million yen have been omitted and other figures have been rounded.)

	FY2016	FY2017	Difference		FY2016	FY2017
	9 months ended Dec. 31, 2015	9 months ended Dec. 31, 2016			12 months ended Mar.31, 2016	12 months ending Mar.31, 2017
	Result	Result	Amount	Percentage	Result	Forecast
Net sales	¥ 182,841	¥ 210,015	¥ 27,173	14.9 %	¥ 259,675	¥ 294,000
Operating income	14,978	21,327	6,349	42.4 %	23,557	31,000
[to net sales ratio]	8.2 %	10.2 %	2.0 pt	-	9.1 %	10.5 %
Ordinary income	14,755	20,788	6,032	40.9 %	23,178	30,000
[to net sales ratio]	8.1 %	9.9 %	1.8 pt	-	8.9 %	10.2 %
Profit attributable to owners of parent	11,966	16,337	4,371	36.5 %	18,815	24,500
[to net sales ratio]	6.5 %	7.8 %	1.2 pt	-	7.2 %	8.3 %
Total assets	276,490	307,115	* 37,022	13.7 %	270,093	-
Net assets	120,333	136,727	* 16,438	13.7 %	120,288	-
Equity	119,628	136,628	* 16,978	14.2 %	119,649	-
Equity ratio	43.3 %	44.5 %	* 0.2 pt	-	44.3 %	-
Net assets per share (yen)	2,526.53	2,893.13	* 359.72	14.2 %	2,533.41	-
Interest-bearing debt	47,356	24,513	* (15,122)	-38.2 %	39,636	-
Net interest-bearing debt	5,325	(30,234)	* (37,499)	-	7,264	-
Cash flows from operating activities	13,577	45,787	-	-	14,720	-
Cash flows from investing activities	(2,843)	(3,508)	-	-	(2,557)	-
Cash flows from financing activities	5,484	(18,529)	-	-	(2,845)	-
Depreciation and amortization	3,744	3,972	228	6.1 %	5,029	5,600
Capital expenditures	4,493	4,682	189	4.2 %	6,351	9,000
R&D expenses	11,237	12,708	1,471	13.1 %	15,166	17,500
Number of employees	5,144	5,377	* 195	3.8 %	5,182	-
Number of consolidated subsidiaries	46	53	* 3	-	50	-
[Domestic]	[23]	[27]	* [1]	-	[26]	-
[Overseas]	[23]	[26]	* [2]	-	[24]	-
Number of unconsolidated subsidiaries	-	1	* 1	-	-	-
[Number of unconsolidated subsidiaries accounted for by equity method]	[-]	[-]	* [-]	-	[-]	-

* show changes in amount from Mar. 31, 2016

Note: The Company implemented a one-for-five consolidation of shares on its common stock on October 1, 2016. Net assets per share shown above are calculated based on the assumption that the consolidation of shares had been implemented at the beginning of the fiscal year ended March 31, 2016.

Sales Breakdown by business segment (Consolidated)

(Millions of yen)

		FY2016				FY2017					
		6 months ended	3 months ended	9 months ended	12 months ended	3 months ended	3 months ended	6 months ended	3 months ended	9 months ended	12 months ending
		Sept. 30, 2015	Dec. 31, 2015	Dec. 31, 2015	Mar.31, 2016	Jun. 30, 2016	Sept. 30, 2016	Sept. 30, 2016	Dec. 31, 2016	Dec. 31, 2016	Mar.31, 2017
		Result	Result	Result	Result	Result	Result	Result	Result	Result	Forecast
Semiconductor Solutions	Domestic	20,793	9,367	30,161	40,407	4,633	6,453	11,087	5,921	17,008	-
	Overseas	61,196	22,690	83,887	125,394	36,666	43,929	80,595	44,734	125,330	-
	Total	81,990	32,058	114,048	165,801	41,299	50,382	91,682	50,656	142,338	200,500
Graphic and Precision Solutions	Domestic	14,447	6,460	20,907	27,599	5,336	6,729	12,065	5,234	17,299	-
	Overseas	16,914	7,353	24,268	33,680	6,115	7,874	13,990	6,845	20,835	-
	Total	31,362	13,813	45,175	61,279	11,452	14,603	26,055	12,079	38,134	54,000
	Graphic Arts Equipment	Domestic	13,193	5,924	19,117	4,755	5,926	10,681	4,753	15,435	-
		Overseas	13,576	6,550	20,127	27,163	4,860	6,557	11,417	17,125	-
		Total	26,769	12,475	39,245	52,305	9,615	12,483	22,098	32,560	45,300
	PCB-related Equipment	Domestic	1,254	535	1,789	2,457	580	802	1,383	480	-
		Overseas	3,337	802	4,140	6,516	1,255	1,316	2,572	1,137	-
		Total	4,592	1,338	5,930	8,974	1,836	2,119	3,956	1,617	8,700
Finetech Solutions	Domestic	1,653	1,211	2,864	4,406	4,491	3,020	7,512	1,906	9,418	-
	Overseas	14,284	5,698	19,983	27,182	4,840	5,593	10,434	8,912	19,346	-
	Total	15,937	6,909	22,847	31,589	9,332	8,614	17,946	10,818	28,765	38,000
Other	Domestic	470	182	652	896	238	244	483	312	795	-
	Overseas	95	45	141	188	67	49	117	28	145	-
	Total	566	227	794	1,084	306	293	600	340	941	1,500
Intersegment sales	Domestic	(20)	(5)	(25)	(80)	(139)	(2)	(142)	(22)	(164)	-
	Overseas	-	-	-	-	-	-	-	-	-	-
	Total	(20)	(5)	(25)	(80)	(139)	(2)	(142)	(22)	(164)	-
Grand Total	Domestic	37,344	17,216	54,560	73,229	14,560	16,445	31,005	13,351	44,356	-
	Overseas	92,491	35,788	128,280	186,445	47,690	57,446	105,137	60,520	165,658	-
	Total	129,836	53,005	182,841	259,675	62,250	73,891	136,142	73,872	210,015	294,000
	Overseas Ratio	71.2%	67.5%	70.2%	71.8%	76.6%	77.7%	77.2%	81.9%	78.9%	-

Orders received & Order backlog by business segment (Consolidated)

(Millions of yen)

		FY2016				FY2017					
		3 months ended Dec. 31, 2015		3 months ended Mar. 31, 2016		3 months ended Jun. 30, 2016		3 months ended Sept. 30, 2016		3 months ended Dec. 31, 2016	
		Orders received	Order backlog	Orders received	Order backlog	Orders received	Order backlog	Orders received	Order backlog	Orders received	Order backlog
Semiconductor Solutions	Domestic	6,203	10,787	5,278	5,819	6,194	7,380	6,157	7,083	7,046	8,207
	Overseas	32,435	43,965	42,824	45,282	42,907	51,523	47,233	54,827	57,770	67,862
	Total	38,638	54,751	48,102	51,101	49,102	58,903	53,390	61,909	64,816	76,069
Graphic and Precision Solutions	Domestic	6,118	3,651	5,899	2,859	5,625	3,148	5,805	2,224	5,601	2,591
	Overseas	8,348	4,111	7,625	2,324	7,325	3,533	7,349	3,008	7,155	3,318
	Total	14,467	7,762	13,524	5,183	12,950	6,681	13,155	5,232	12,756	5,909
	Graphic Arts Equipment	Domestic	5,600	3,191	5,409	2,576	5,023	2,844	4,949	1,867	5,198
		Overseas	7,474	3,841	5,260	2,064	5,661	2,865	6,391	2,698	5,689
		Total	13,075	7,032	10,669	4,640	10,684	5,709	11,340	4,565	10,887
	PCB-related Equipment	Domestic	518	461	490	283	602	304	856	357	403
		Overseas	874	270	2,365	260	1,664	668	959	310	1,465
		Total	1,392	731	2,855	543	2,266	972	1,815	668	918
Finetech Solutions	Domestic	677	8,971	1,042	8,471	466	4,446	2,222	3,648	413	2,155
	Overseas	9,267	24,329	14,403	31,533	10,654	37,346	8,889	40,641	8,666	40,395
	Total	9,944	33,300	15,445	40,004	11,120	41,792	11,111	44,289	9,079	42,550
Grand Total	Domestic	12,999	23,409	12,219	17,148	12,286	14,973	14,185	12,955	13,060	12,953
	Overseas	50,050	72,405	64,853	79,139	60,886	92,402	63,471	98,476	73,590	111,574
	Total	63,049	95,814	77,072	96,287	73,172	107,375	77,656	111,431	86,651	124,528
	Overseas Ratio	79.4%	75.6%	84.1%	82.2%	83.2%	86.1%	81.7%	88.4%	84.9%	89.6%