

1Q FY2003 Financial Summary and Revision of FY2003 Financial Estimates

〔 1Q FY2003: April 1, 2002 - June 30, 2002 〕

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Vice President, Accounting Dept., CSS

August 2, 2002



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1Q FY2003 Financial Summary

Consolidated Financial Results

(Billions of Yen)	Three months ended June 30, 2001	Three months ended June 30, 2002	YOY
Net Sales	116.8	92.3	-21%
Gross Profit	38.2	26.0	-32%
Operating Income	0.6	-6.1	-
Ordinary Income	0.2	-6.7	-
I.B.I.T.	0.9	-6.3	-
Net Income	-3.5	-4.2	-

Consolidated subsidiaries: 29 (companies using equity method: none)



I.B.I.T. = Income Before Income Taxes

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1Q FY2003 Financial Summary

1QFY2003 vs. 1QFY2002

- **Net Sales --- Decreased by 24.5 billion yen (21% decrease)**
 - Decrease in net sales of Semiconductor Production Equipment division (22% decrease)
 - U.S.A. (55% decrease), Japan (33% decrease) Other (3.6 times increase)*
- **Gross Margin --- 32.7% → 28.2% (4.5 point decrease)**
 - Increase in modification charge for remodeling the products to be sold to other customers.
 - Strong pricing pressure
- **Operating Income --- Decreased by 6.7 billion yen to operating loss of 6.1 billion yen**
 - Lower gross profit (decreased by 12.2 billion yen)
 - Lower SG&A expenses (decreased by 5.5 billion yen)
 - Mainly decrease in personnel expenses and R&D expenses
- **Net Income --- Net loss of 3.5 billion yen (1Q FY2002)**
 - Net loss of 4.2 billion yen (1QFY2003)

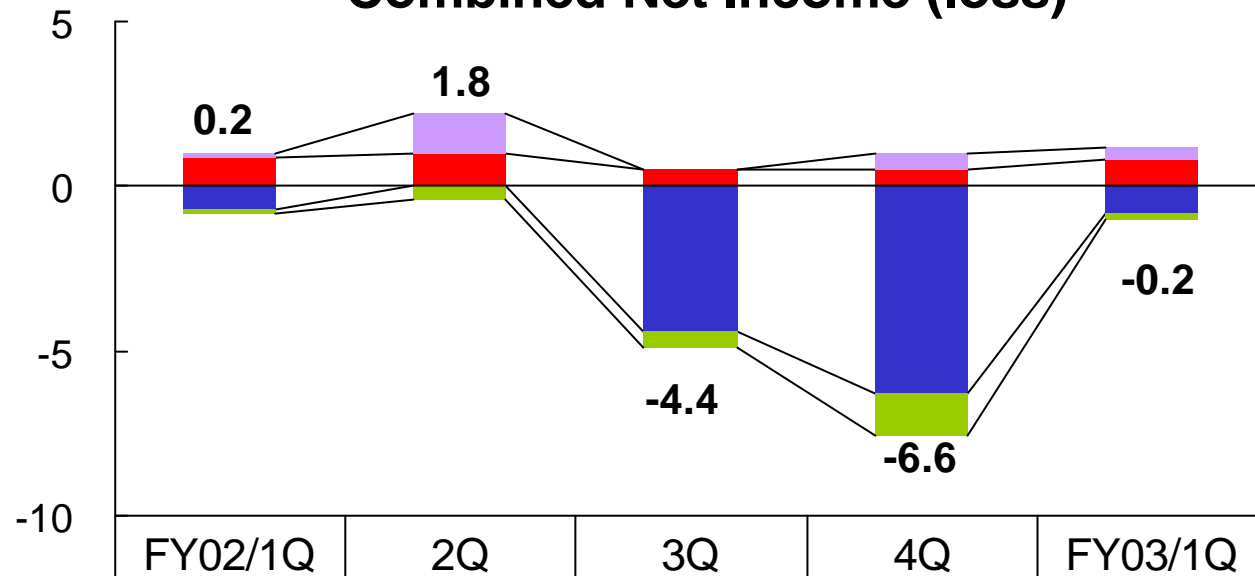


1Q FY2003 Financial Summary

Quarterly Earnings of Subsidiaries

(Billions of Yen)

Combined Net Income (loss)



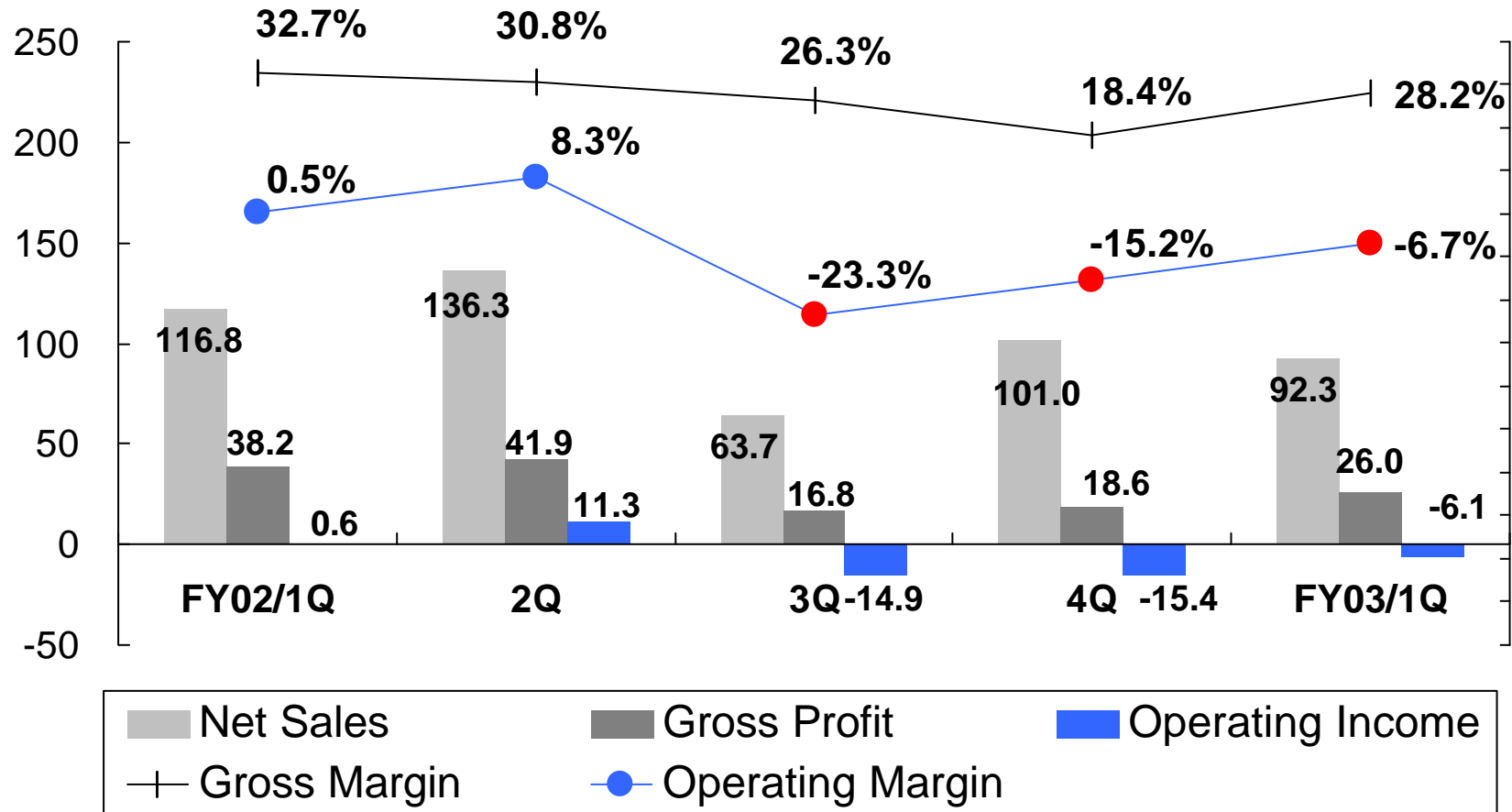
	FY02/1Q	2Q	3Q	4Q	FY03/1Q
Overseas Sales/Service	0.1	1.2	0.0	0.5	0.4
Domestic Service Related	0.9	1.0	0.5	0.5	0.8
Overseas Development and Manufacturing	-0.1	-0.4	-0.5	-1.3	-0.2
Domestic Development and Manufacturing	-0.7	0.0	-4.4	-6.3	-0.8


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1Q FY2003 Financial Summary

Quarterly Net Sales & Profits

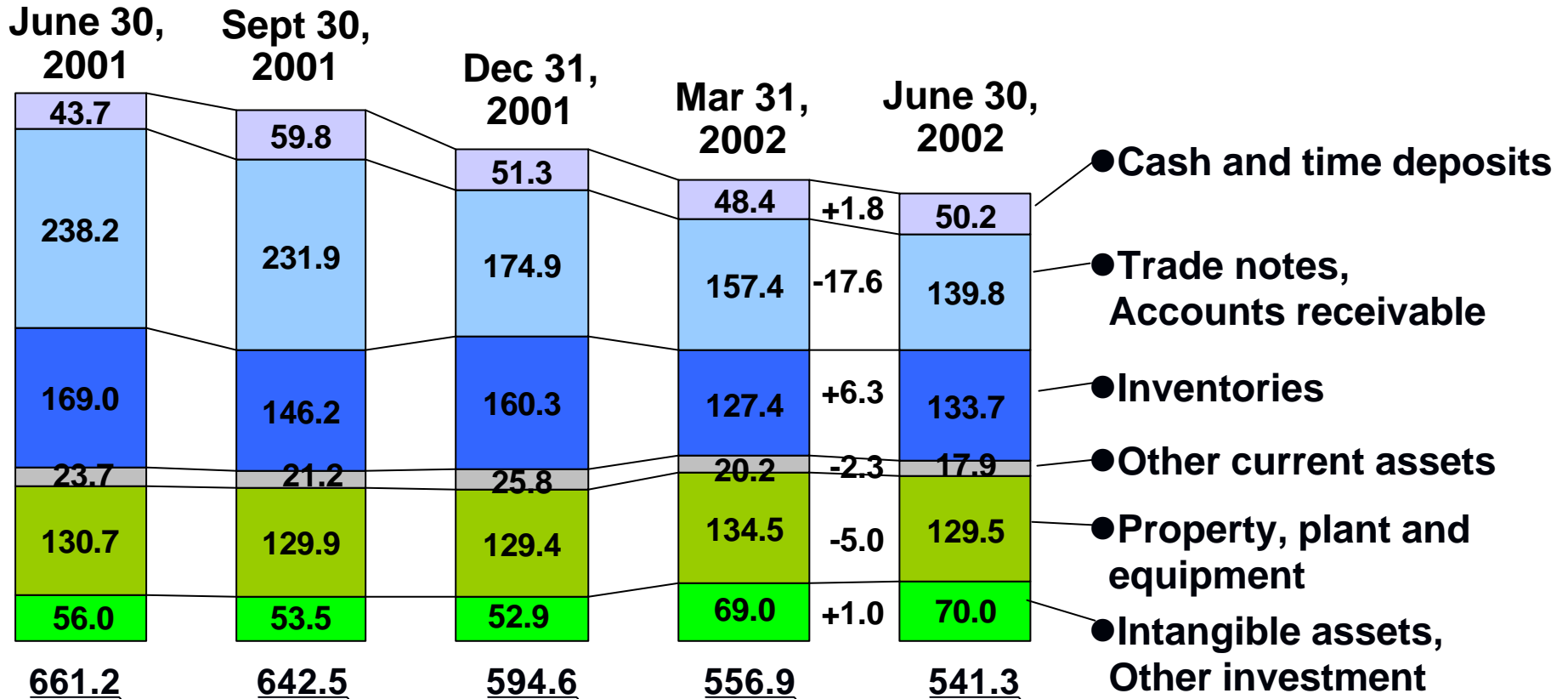
(Billions of Yen)



1Q FY2003 Financial Summary

Quarterly Assets

(Billions of Yen)



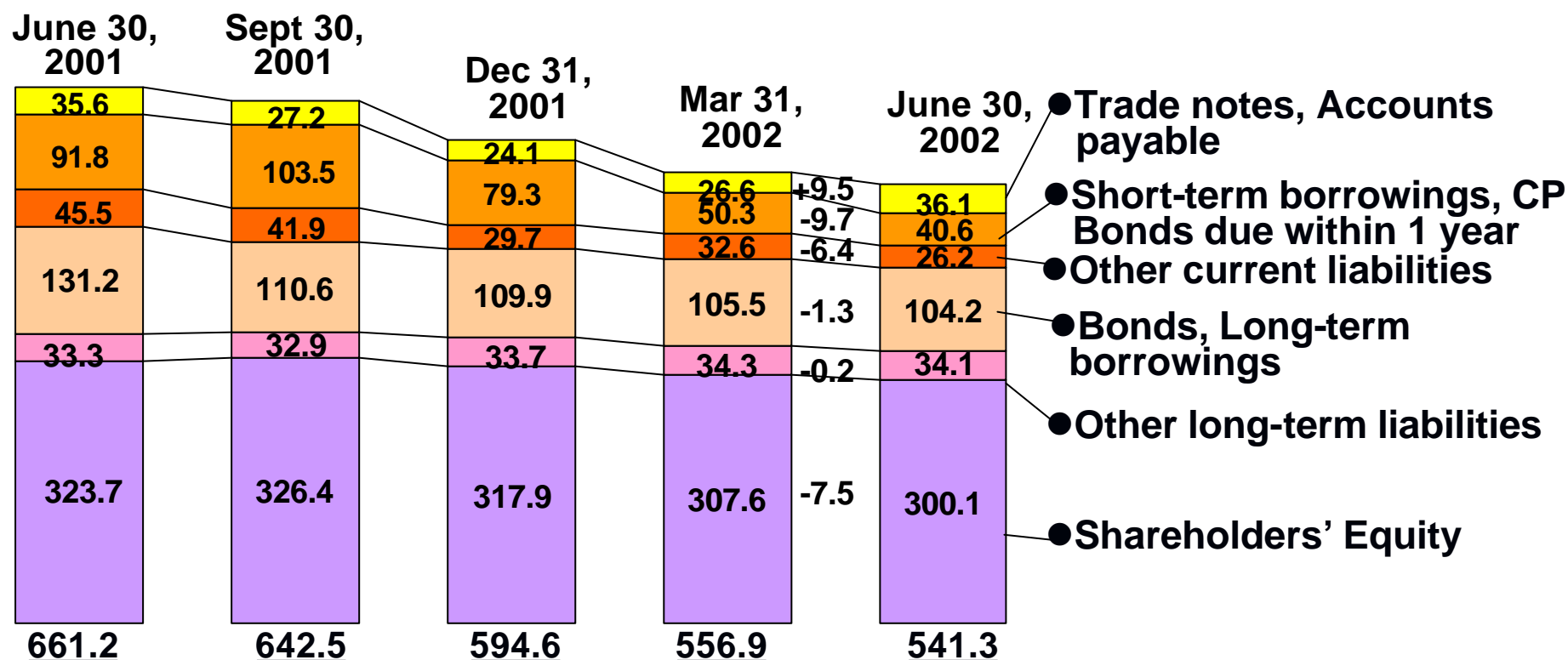
2002/3/31 vs. 2002/6/30

Trade Notes, accounts receivable	-17.6 Due to decrease in sales
Inventories	+6.3 Increase in work-in process goods due to recovery of orders



Quarterly Liabilities & Shareholders' Equity

(Billions of Yen)



2002/3/31 vs. 2002/6/30

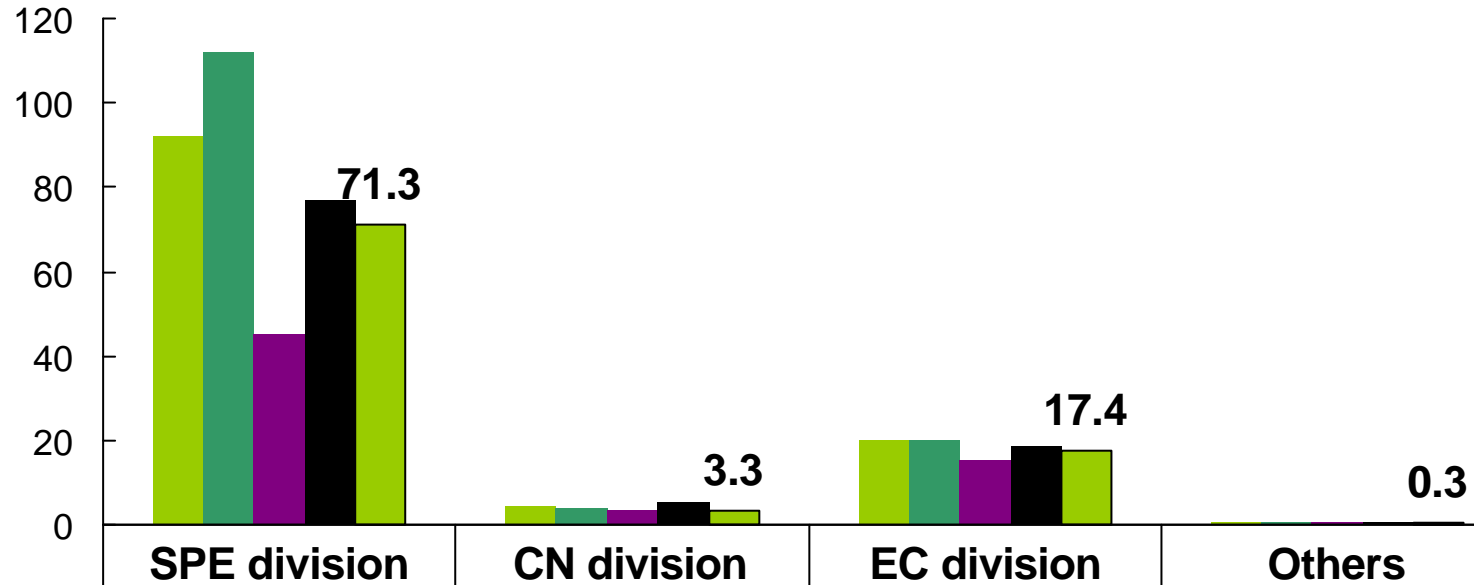
Trade notes & accounts payable	+9.5 Increase in procurement due to recovery of orders
Short term borrowings, CP, bonds due within 1 year	-9.7 Redemption of CP(-10.0)
Shareholders' equity	-7.5 Decrease in retained earnings(-4.8)



1Q FY2003 Financial Summary

Quarterly Net Sales by Division

(Billions of Yen)



	SPE division	CN division	EC division	Others	Total
1Q/FY02	91.9	4.4	20.1	0.4	116.8
2Q	112.0	4.0	19.9	0.4	136.3
3Q	44.9	3.3	15.2	0.3	63.7
4Q	76.9	5.3	18.4	0.3	101.0
1Q/FY03	71.3	3.3	17.4	0.3	92.3



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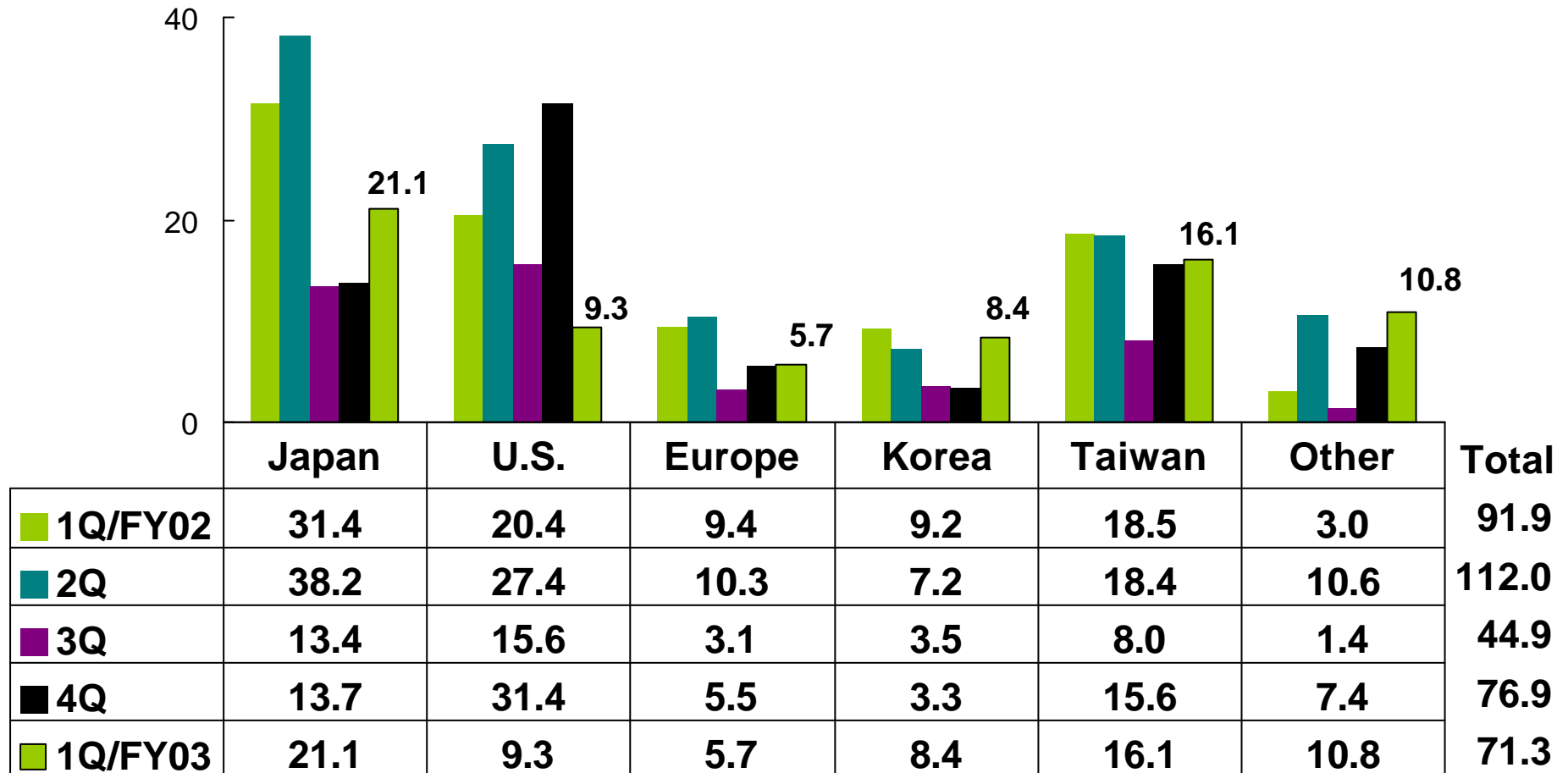
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1Q FY2003 Financial Summary

Quarterly SPE Sales by Region

(Billions of Yen)



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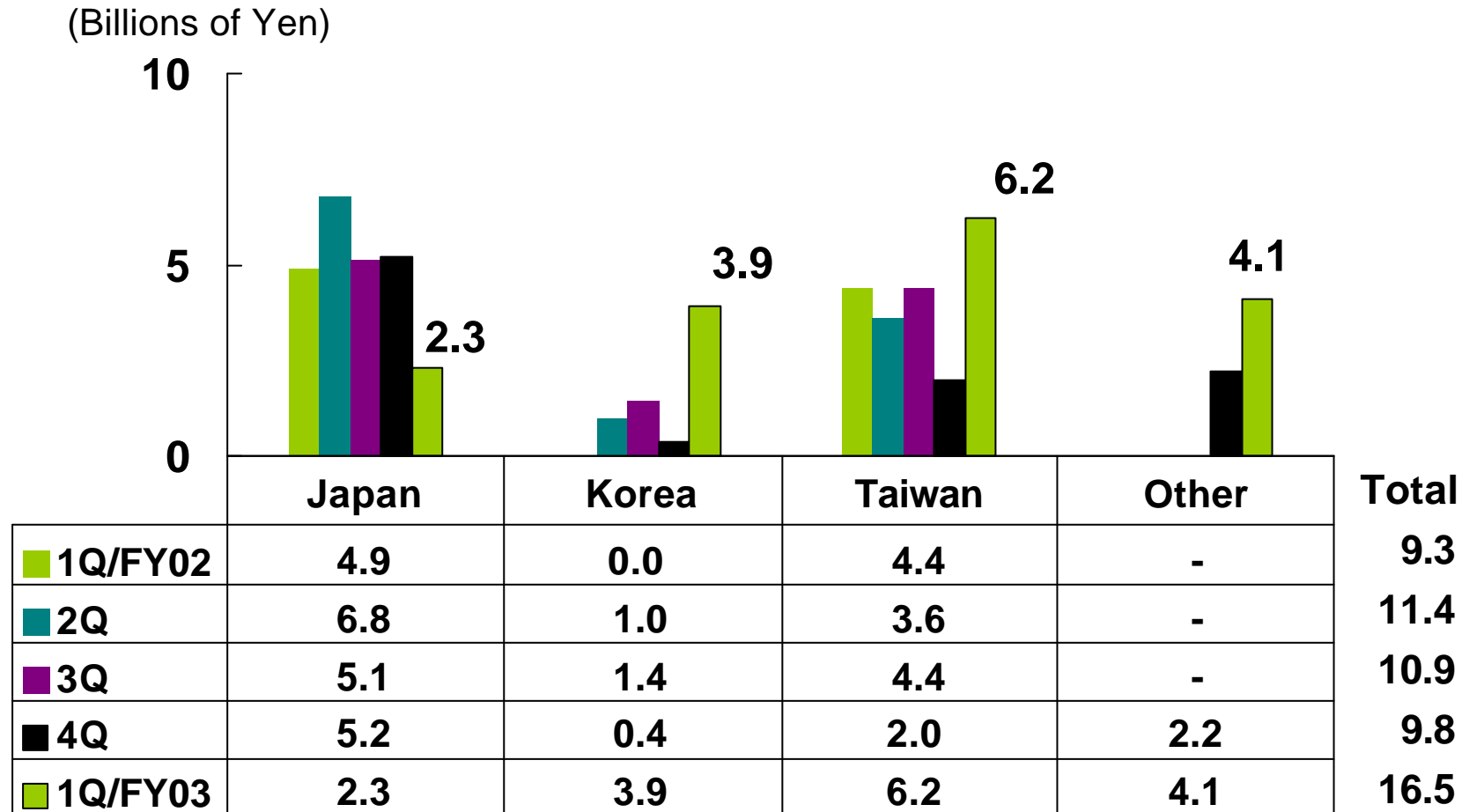
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1Q FY2003 Financial Summary

Quarterly FPD Production Equipment Sales

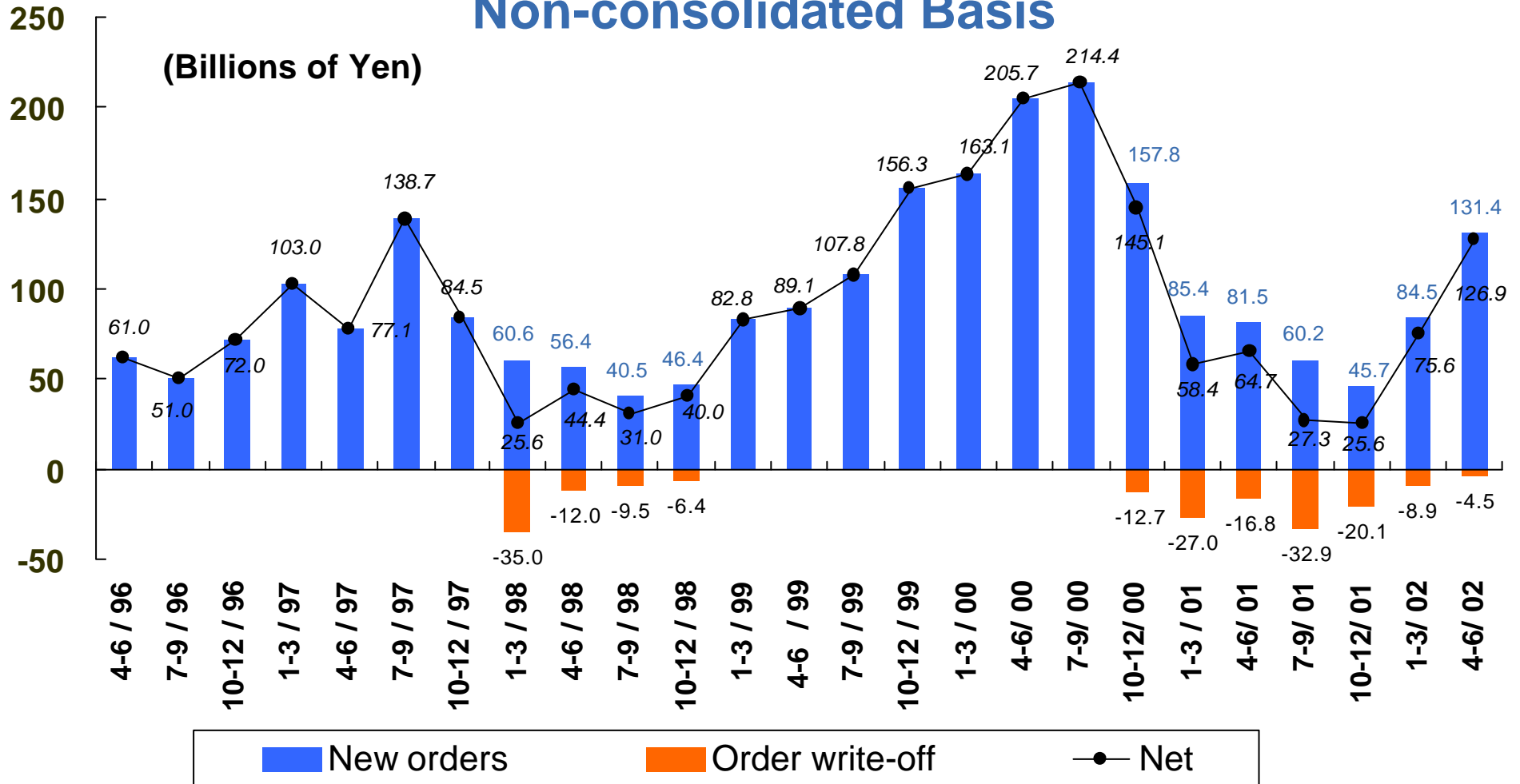
Non-consolidated Basis



1Q FY2003 Financial Summary

SPE Quarterly Order Trend

Non-consolidated Basis



Orders for FPD production equipment are included.



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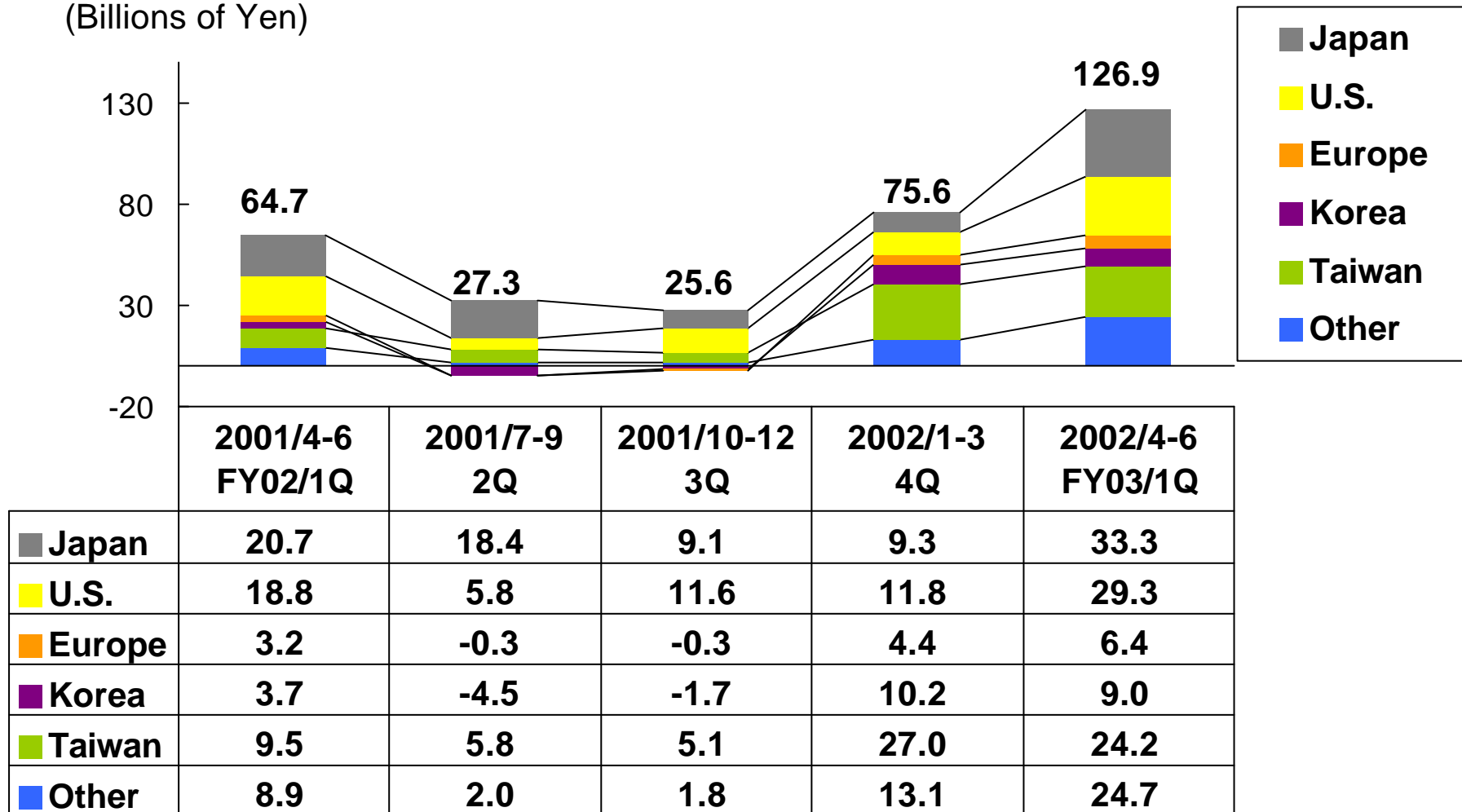


1Q FY2003 Financial Summary

SPE Quarterly Orders by Region

Non-consolidated Basis

(Billions of Yen)



FY2003 Revision of Financial Estimates

(April 1, 2002 – March 31, 2003)



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FY2003 Revision of Financial Estimates

Consolidated Financial Forecast

(Billions of Yen)

	1st Half (5/10 announced)	1st Half (Revised)	Y/Y Change	Full Year (5/10 announced)	Full Year (Revised)	Y/Y Change
Net Sales	210.5	215.5	-15%	463.0	453.0	+8%
Operating Income	-7.0	-4.0	-	7.0	5.0	-
Ordinary Income	-8.0	-5.0	-	5.0	3.0	-
I.B.I.T.	-8.0	-5.0	-	5.0	3.0	-
Net Income	-4.8	-3.0	-	3.0	2.0	-

I.B.I.T. = Income Before Income Taxes



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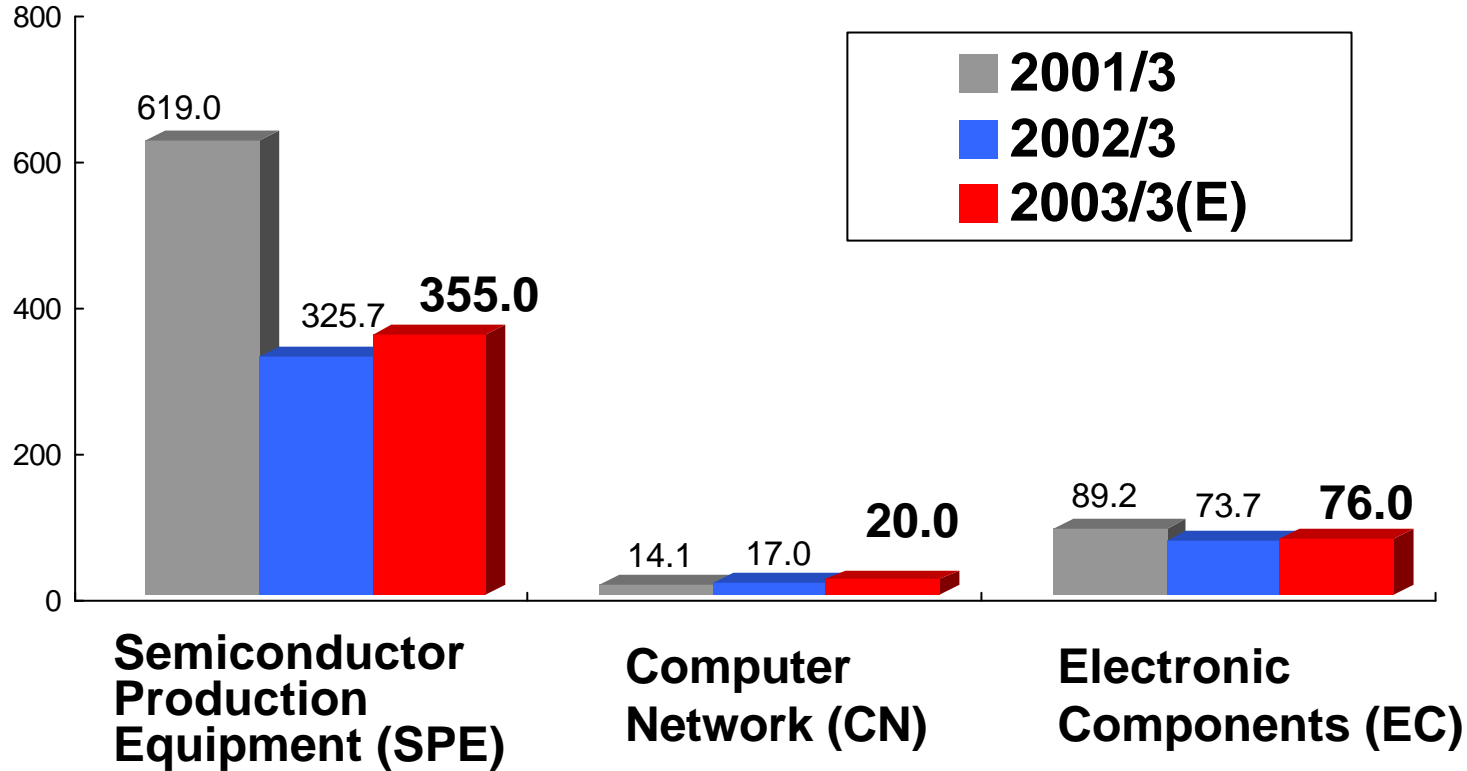
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Projected Net Sales by Division

(Billions of Yen)



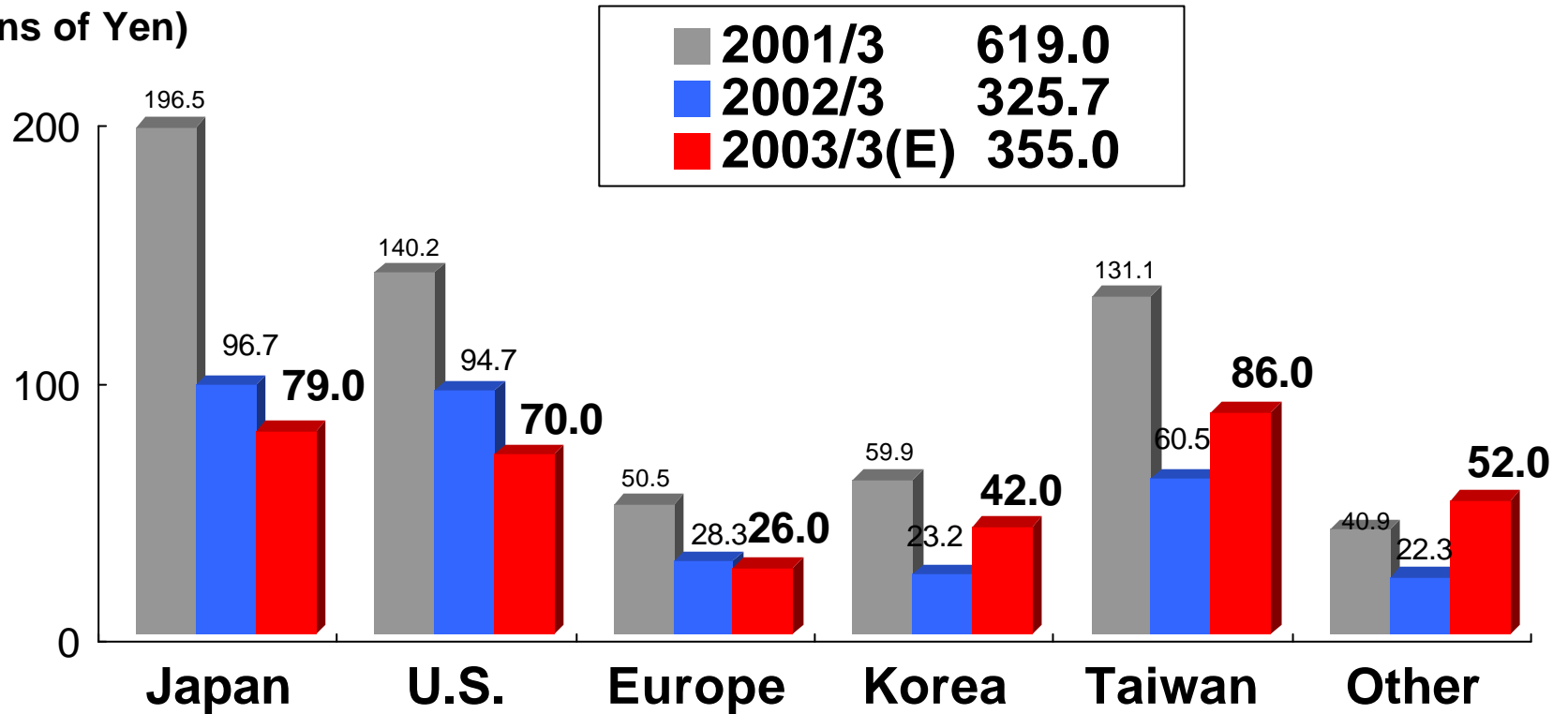
YoY Growth	+ 9%	+ 17%	+ 3%
Composition	78 %	4%	17%



FY2003 Revision of Financial Estimates

Projected SPE Sales by Region

(Billions of Yen)



YoY Growth	- 18%	- 26%	- 8%	+81%	+42%	+134%
Composition	22%	20%	7%	12%	24%	15%



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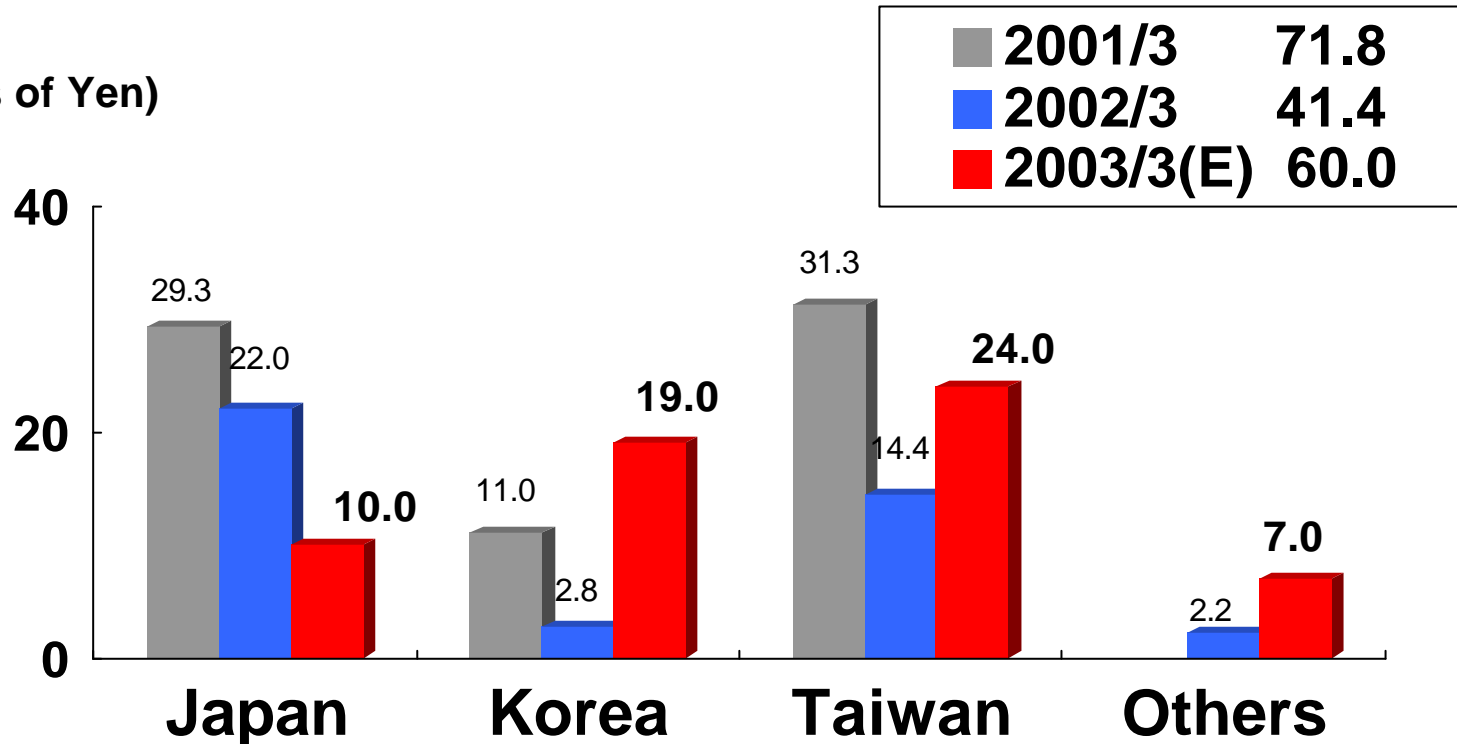


Projected FPD Production Equipment Sales

Non-consolidated

(remain the same)

(Billions of Yen)



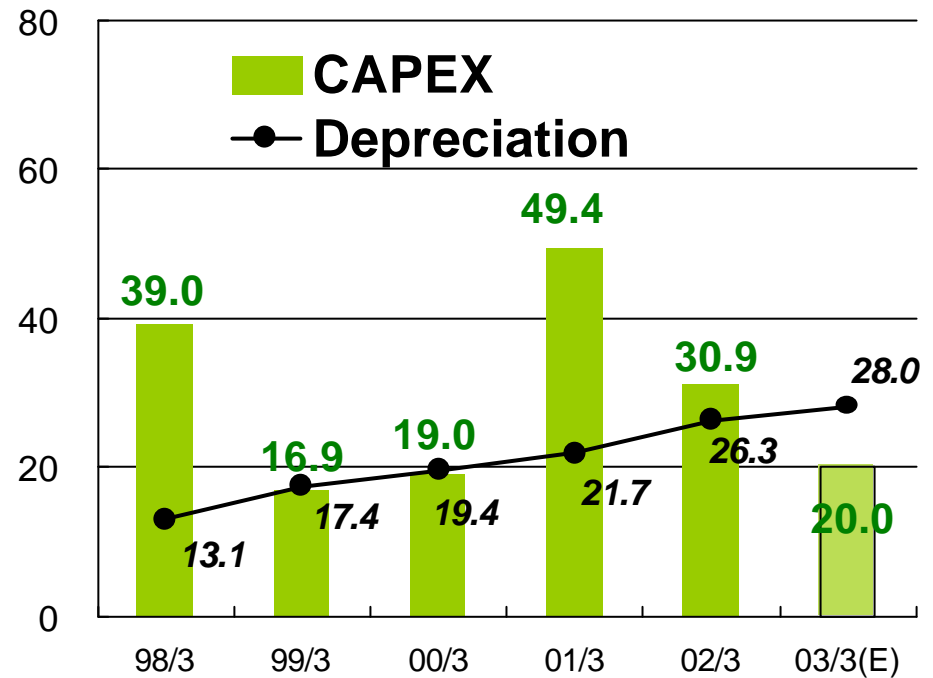
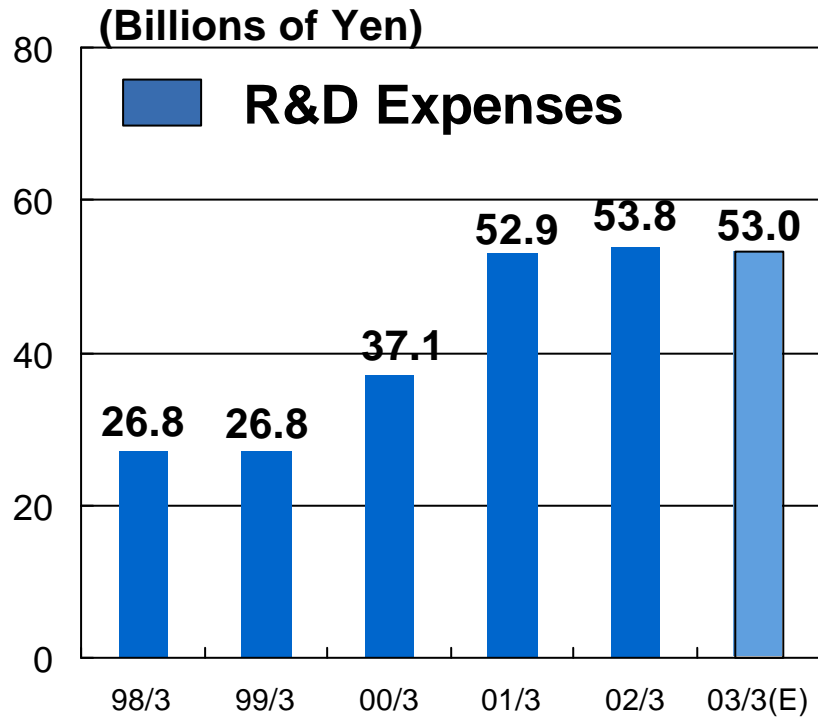
YOY Growth	- 55%	+578 %	+67 %	+218 %
Composition	17%	32%	40%	11%



FY2003 Revision of Financial Estimates

Projected R&D Expenses and Capital Expenditures

(remain the same)



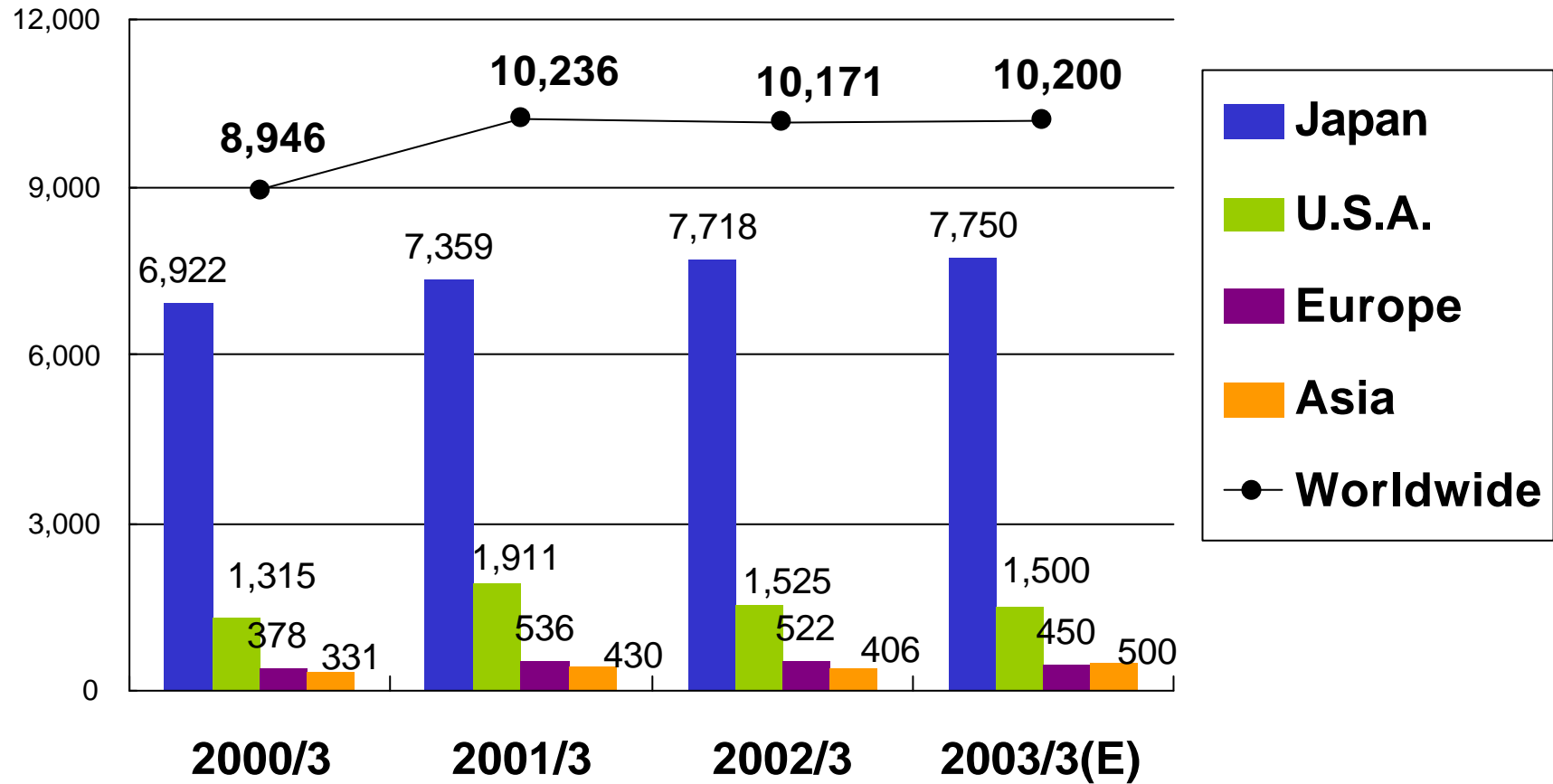
CAPEX for FY03(E)
 ■ Equipment for evaluation
 ■ IT related



FY2003 Revision of Financial Estimates

Projected Number of Employees

(remain the same)



The projections outlined in this presentation were created based on the best information available at the time they were created. The semiconductor production equipment industry is characterized by large and rapid technological change and fierce competition. There are also various factors such as world economic conditions and semiconductor market conditions which directly and indirectly impact the Company's results. As a result, future projections may differ from those in this presentation. The company makes announcements when changes are significant.

