

Consolidated Financial Review For the First Quarter Ended September 30, 2006



Company Name: Lasertec Corporation

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Stock exchange listing: Jasdaq Securities Exchange, Inc.

Code number: 6920

Representative Director: Yaichiro Watakabe, President

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For reference only: The accompanying financial statements have been prepared in accordance with accounting principles and practices generally accepted in Japan.

1. Basic Information on Quarterly Financial Statements

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|--|------|
| 1. The adoption of compendium method in accounting procedure | Yes |
| Regarding tax expenses for the quarterly book closing, the simplified method is applied. | |
| 2. Changes of accounting principles applied from the previous fiscal year | None |
| 3. Changes of scope of group companies from the previous fiscal year | None |

2. Consolidated Financial Highlights

(1) Consolidated operating results

(Fractional amounts are discarded)

	Net sales		Operating income		Ordinary income	
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%
Sep. 30, 2006	3,125	56.5	1,049	109.1	1,051	108.8
Sep. 30, 2005	1,997	54.1	502	136.9	503	132.8
June 30, 2006	12,033	20.7	2,963	55.0	3,060	58.7

	Net income		Net income per share	Net income per share, fully diluted
	(Millions of yen)	%	(Yen)	(Yen)
Sep. 30, 2006	625	101.6	53.68	53.57
Sep. 30, 2005	310	146.8	53.61	53.43
June 30, 2006	1,884	56.5	162.25	161.67

(Notes)

- Profit/loss on equity method:

Three months ending September 30, 2006:	None
Three months ending September 30, 2005:	None
Year ended June 30, 2006:	None
- Average number of shares of common stock during period:

September 30, 2006	11,650,751 shares
September 30, 2005	5,787,257 shares
June 30, 2006	11,615,755 shares
- The percentages for net sales, operating income, ordinary income and net income represent year-on-year increase or decrease.
- This company implemented share splitting by one to two, effective as of April 1 2006. Various numbers per share for the first quarter ended September 30 2005, assuming the share splitting was effected at the beginning of the previous fiscal year are below.

Net income per share	September 30, 2005	: 26.80 yen
Net income per share, fully diluted	September 30, 2005	: 26.71 yen

Qualitative information and such about progress status of operating results (consolidated)

Sales amount of both Semiconductor related systems and FPD related systems in the first quarter progressed steadily. The sales amount of systems of both categories is expected to continuously progress steadily also in the second quarter and the planned sales amount for interim period will be sufficiently attained. With regard to orders received, semiconductor related systems progressed steadily. However, orders received for FPD related systems are somewhat influenced by postponement of investment on the 7th generation substrates and further.

As a result, the total sales amount (consolidated) for the first quarter of the term 45th is as follows; Net sales 3,125 million yen, Ordinary income 1,051 million yen and Net income 625 million yen.

(2) Consolidated financial position

	Total assets	Shareholders' equity	Equity ratio	Net assets per share
	(Millions of yen)	(Millions of yen)	%	(Yen)
Sep. 30, 2006	16,603	11,228	67.6	963.79
Sep. 30, 2005	13,741	9,407	68.5	1,623.55
June 30, 2006	15,560	11,067	71.1	949.96

(Notes) Number of outstanding shares at end of period:

1. September 30, 2006 11,650,741 shares September 30, 2005 5,794,420 shares June 30, 2006 11,650,755 shares

4. This company implemented share splitting by one to two, effective as of April 1 2006. Net assets per share for the first quarter ended September 30 2005, assuming the share splitting was effected at the beginning of the previous fiscal year is below.

Net assets per share September 30, 2005 : 811.77 yen

Qualitative information and such about progress status of financial position (consolidated)

The gross asset of this company became 16,603 million yen, increase of 1,042 million yen from that at the end of last fiscal year ended June 30, 2006. The main reason for this increase is due to the increase of liquid asset such as notes and accounts receivable - trade and inventory asset.

The balance of debt increased by 881 million yen from that at the end of last fiscal year ended June 30, 2006. The main reason for this increase is due to the increase of floating debt such as increase of advances received.

The net assets increased by 161 million yen from that at the end of last fiscal year ended June 30, 2006. As a result of above, the net assets' ratio became 67.6 %. (71.1 % at the end of last fiscal year ended June 30, 2006)

3. Dividend within the first quarter

N.A.

4. Consolidated operating estimates for the year ending June 30, 2007

(7/1/06- 6/30/07)

	Net sales	Ordinary income	Net income
	(Millions of yen)	(Millions of yen)	(Millions of yen)
Annual	16,000	3,550	2,230

(N.b.) Estimated net income per share for the year ending June 30, 2007(annual): 191.44 ye

Qualitative information and such regarding business performance forecast

Business performance forecast at present is the same, without any change, as the one announced the previous time (August 23, 2006),

Consolidated balance sheets

(In thousands of yen)

Years ended September 30;	Sep 30, 2005	%	Sep 30, 2006	%	June 30, 2006	%
(Assets)						
Current assets						
Cash and deposits	4,081,478		3,678,509		5,469,810	
Notes and accounts receivable – trade	2,730,171		4,007,575		1,781,684	
Marketable securities	100,352		100,521		100,457	
Inventories	4,668,310		5,949,491		5,445,352	
Deferred tax assets	98,380		103,499		159,459	
Others	145,292		594,821		332,919	
Allowance for doubtful accounts	(2,848)		(4,681)		(2,111)	
Total current assets	11,821,138	86.0	14,429,736	86.9	13,287,572	85.4
Long-term assets						
Tangible fixed assets						
Land	581,721		581,721		581,721	
Others	638,150		659,795		661,440	
Total tangible fixed assets	1,219,871	8.9	1,241,516	7.5	1,243,162	8.0
Intangible fixed assets	1,832	0.0	1,851	0.0	1,846	0.0
Investments and other assets						
Investment securities	285,236		575,478		590,813	
Long-term guarantee deposits	197,378		204,250		203,977	
Deferred tax assets	95,038		204,250,		114,819	
Others	120,669		127,367		118,401	
Total Investments and other assets	698,323	5.1	930,005	5.6	1,028,035	6.6
Total long-term assets	1,920,028	14.0	2,173,374	13.1	2,273,045	14.6
Total assets	13,741,166	100.0	16,603,111	100.0	15,560,617	100.0

(In thousands of yen)

Years ended September 30;	Sep 30, 2005	%	Sep 30, 2006	%	June 30, 2005	%
(Liabilities)						
Current liabilities						
Accounts payable – trade	382,455		821,628		507,926	
Accrued income taxes	120,642		393,872		866,219	
Advances received	2,805,351		3,172,586		2,170,870	
Reserve for bonuses	53,613		84,099		-	
Reserve for director's bonuses	-		48,000		116,300	
Reserve for product warranties	35,946		84,112		78,750	
Others	725,911		542,489		533,727	
Total current liabilities	4,123,920	30.0	5,146,787	31.0	4,273,793	27.5
Long-term liabilities						
Accounts payable for long-term	77,400		77,400		77,400	
Reserve for employees' retirement benefits	132,288		149,948		141,600	
Total long-term liabilities	209,688	1.5	227,348	1.4	219,000	1.4
Total liabilities	4,333,608	31.5	5,374,136	32.4	4,492,794	28.9
(Shareholders' equity)						
Capital stock	931,000	6.8	-	-	-	-
Capital surplus	1,080,360	7.9	-	-	-	-
Retained earnings	7,608,257	55.4	-	-	-	-
Revaluation on other securities	46,000	0.3	-	-	-	-
Foreign currency translation adjustments	(4,773)	(0.1)	-	-	-	-
Less treasury stock, at cost	(253,286)	(1.8)	-	-	-	-
Total shareholders' equity	9,407,557	68.5	-	-	-	-
Total liabilities and shareholders' equity	13,741,166	100.0	-	-	-	-
(Net Assets)						
Capital stock						
Capital stock	-	-	931,000	5.6	931,000	6.0
Capital surplus	-	-	1,080,360	6.5	1,080,360	6.9
Retained earnings	-	-	9,297,622	56.0	9,177,025	59.0
Less treasury stock, at cost	-	-	(173,946)	(1.0)	(173,899)	(1.1)
Total shareholders' equity	-	-	11,135,035	67.1	11,014,485	70.8
Revaluation						
Revaluation on other securities	-	-	38,155	0.2	47,308	0.3
Foreign currency translation adjustment	-	-	55,784	0.3	6,029	0.0
Total Revaluation	-	-	93,939	0.5	53,337	0.3
Total Net Assets	-	-	11,228,974	67.6	11,067,823	71.1
Total liabilities and net assets	-	-	16,603,111	100.0	15,560,617	100.0

Consolidated statements of income

(In thousands of yen)

Years ended September 30;	Sep 30, 2005	%	Sep 30, 2006	%	June 30, 2005	%
Net sales	1,997,722	100.0	3,125,703	100.0	12,033,090	100.0
Cost of sales	824,294	41.3	1,347,455	43.1	6,153,367	51.1
Gross profit	1,173,478	58.7	1,778,248	56.9	5,879,722	48.9
Selling, general and administrative expenses	671,220	33.6	728,254	23.3	2,916,574	24.3
Operating income	502,258	25.1	1,049,994	33.6	2,963,148	24.6
Non-operating income						
Interest income	422		1,675		4,554	
Dividend income	2,000		50		9,741	
Exchange gain	136		279		8,248	
Income from contract development	-		-		70,302	
Others	479		571		7,245	
Total non-operating income	3,038	0.2	2,576	0.1	100,091	0.8
Non-operating expenses						
Interest expenses	226		75		620	
Loss on sales of investment securities	810		-		810	
Others	531		936		1,008	
Total non-operating expenses	1,567	0.1	1,012	0.1	2,438	0.0
Ordinary income	503,729	25.2	1,051,558	33.6	3,060,801	25.4
Extraordinary income						
Gain on sales of fixed assets	-		-		1,039	
Reversal of allowance for doubtful receivables	812		-		1,556	
Total extraordinary income	812	0.1	-	-	2,595	0.0
Extraordinary losses						
Loss on disposal of fixed assets	503		613		11,986	
Loss on devaluation on investment securities	9,361		-		9,218	
Total extraordinary losses	9,864	0.5	613	0.0	21,205	0.1
Income before income taxes	494,677	24.8	1,050,945	33.6	3,042,191	25.3
Corporate, inhabitant and enterprise taxes	93,057	4.7	375,169	12.0	1,144,706	9.5
Deferred income taxes	91,332	4.6	50,356	1.6	12,777	0.1
Net income	310,287	15.5	625,419	20.0	1,884,708	15.7