

Consolidated Financial Results for the First Quarter Ended September 30, 2009

October 30, 2009



Company Name: Lasertec Corporation
 Stock exchange listing: Jasdaq Securities Exchange, Inc.
 Code number: 6920 (URL <http://www.Lasertec.co.jp/>)
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 Expected date to file a quarterly report: November 13, 2009

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

(Million yen, rounded down)

1. Consolidated financial results for the first quarter ended September 30, 2009

(1) Consolidated operating results (Accumulated)

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

	Net sales		Operating income (loss)		Ordinary income (loss)	
	(Million yen)	%	(Million yen)	%	(Million yen)	%
September 30, 2009	751	(38.3)	(635)	--	(598)	--
September 30, 2008	1,217	--	(691)	--	(699)	--

	Net income (loss)		Net income (loss) per share		Net income per share, fully diluted	
	(Million yen)	%	(Yen)	(Yen)	(Yen)	(Yen)
September 30, 2009	(436)	--	(38.75)		--	
September 30, 2008	(453)	--	(40.26)		--	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	(Million yen)	(Million yen)	%	(Yen)
September 30, 2009	19,499	11,378	58.1	1,005.69
June 30, 2009	19,867	11,973	60.0	1,058.54

(For reference) Equity : September 30, 2009 : 11,327 million yen June 30, 2009 : 11,922 million yen

2. Dividends

	Dividends per share				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)
June 30, 2009	—	0.00	—	15.00	15.00
June 30, 2010	—				
June 30, 2010 (Forecasted)		0.00	—	15.00	15.00

Notes : Revision of forecasts of dividends for the fiscal year in this quarter : None

3. Consolidated operating forecasts for the year ending June 30, 2010

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

	Net sales		Operating income(loss)		Ordinary income(loss)		Net income(loss)		Net income(loss) per share	
	(Million yen)	%	(Million yen)	%	(Million yen)	%	(Million yen)	%	(Yen)	(Yen)
Interim	3,050	(31.8)	(780)	--	(800)	--	(510)	--	(45.28)	
Annual	9,700	4.7	430	--	370	--	200	--	17.75	

Notes : Revision of operating forecasts for the fiscal year in this quarter : None

4. Other information

(1) Changes in subsidiaries during the term under review (changes in specific subsidiaries involving changes in scope of consolidation)
: None

(2) Application of simplified accounting procedure and specific accounting procedure for preparation of quarterly consolidated financial report
: Yes

Notes : Please refer to "4. Others" in "Qualitative information, financial statements and such"

(3) Changes in accounting principles and procedures, and methods of presentation for preparation of quarterly consolidated financial statements

(a) Changes according to revision of accounting standards : None

(b) Other changes : None

(4) Number of shares (ordinary stock)

(a) Number of outstanding shares at end of period (including treasury stock)

September 30, 2009 : 11,785,800 shares June 30, 2009 : 11,785,800 shares

(b) Number of treasury stocks at end of period

September 30, 2009 : 522,727 shares June 30, 2009 : 522,727 shares

(c) Number of averaged shares in the fiscal period

September 30, 2009 : 11,263,073 shares September 30, 2008 : 11,263,172 shares

Cautionary statements with respect to forward-looking statements

This summary and its related materials contain forward-looking statements based on information available to the management at the time of this announcement and on premise that it has judged to be rational. Accordingly, actual results may differ materially from those projected by various factors. Please refer to "3. Qualitative information regarding consolidated business results forecast" in "Qualitative information, financial statements and such"

[Qualitative information, financial statements and such]

1. Qualitative information regarding consolidated business achievement

The global economy during the consolidated accounting period of this first quarter continuously suffered from gruesome situation originating to deterioration of actual economy in almost all the areas in the world excluding China where business recovery was seen even if it was limited.

Although the semiconductor industry that constitutes the main market for the products of this company also continued to restrain capital investments as a whole due to uncertainty in business prospects, capital investments for advanced technologies by the leading companies started to move and this company is looking at an indication of order entry recovery though it is not very active yet.

On the other hand, the FPD industry is still being cautious about new capital investments as was before though the rate of operation at FPD customers is rapidly recovering thanks to remarkable demand expansion based on political measures under slogans such as “Home appliances to people” and “Replace old ones with new ones” in the Chinese market.

Under such circumstances, the sales volume for the consolidated financial period of this first quarter amounted to 751 million yen (decrease by 38.3 % y/y).

When sales volume is viewed product by product, the semiconductor related systems amounted to 185 million yen (decrease by 1.9% y/y), the sales volume of FPD related systems amounted to 297 million yen (decrease by 55.5 % y/y) and the sales volume of laser microscopes amounted to 51 million yen (decrease by 46.2 % y/y). With regard to consolidated loss, operating loss amounted to 635 million yen (loss of 691 million yen at the same quarter last year), ordinary loss amounted to 598 million yen (loss of 699 million yen at the same quarter last year) and net loss for this quarter amounted to 436 million yen (loss of 453 million yen at the same quarter last year).

This company continues to make utmost efforts in shortening of delivery period and final acceptance period while continuing utmost efforts in reduction of fixed costs. At the same time, this company continues to promote activities to vigorously pursue such development of new products and new market fields as the one represented, for example, by PV cell conversion efficiency distribution measurement systems.

2. Qualitative information regarding consolidated financial condition

(1) Status of assets, liabilities and net assets

Total assets at the end of the consolidated financial period of this first quarter amounted to 19,499 million yen, decrease of 368 million yen from that at the end of the last consolidated fiscal year. Main cause for the decrease of the total assets is the decrease of notes and accounts receivable – trade by 1,088 million yen, though other in the current assets item increased by 337 million yen, deferred tax asset for noncurrent assets increased by 162 million yen, work in process increased by 110 million yen and cash and deposit increased by 108 million yen.

With regard to liabilities, the outstanding balance of liabilities at the end of consolidated financial period of this first quarter amounted to 8,121 million yen, an increase of 226 million yen from that at end of the last consolidated fiscal year. This is due to increase of short-term loans payable by 1,100 million yen and also increase of accounts payable-trade by 258 million yen, although bonds with subscription rights to shares decreased by 1,000 million yen and advances received decreased by 108 million yen.

With regard to shareholders' equity, the outstanding balance for the consolidated financial period of this first quarter amounted to 11,472 million yen, a decrease of 605 million yen from that at the end of the last consolidated fiscal year. This is due to net loss declaration of 436 million yen for this quarter and also due to surplus distribution of 168 million yen.

Total net assets, a sum of shareholders' equity, valuation and translation adjustments and such, and subscription rights to shares amounted to 11,378 million yen and equity ratio became 58.1 % (60.0% at the end of the last fiscal year).

(2) Status of cash flows

Cash and cash equivalents (hereinafter “funds”) at the end of consolidated financial period of this first quarter amounted to 1,641 million yen, an increase of 107 million yen from that at the end of the last consolidated fiscal year.

Cash flow status and its contributing factors during the consolidated financial period of this first quarter are as follows.

(Cash flows by operating activities)

Funds acquired by business operation amounted to 151 million yen (999 million yen spent at the same fiscal period last year). This is mainly due to the fact that the funds increasing factors such as decrease of accounts receivable-trade by 1,065 million yen, increase of notes and accounts payable by 258 million yen and such exceeded the funds decreasing factors such as net loss before income tax of 672 million yen, increase of accounts receivable-other by 302 million yen, increase in inventories by 109 million yen and such.

(Cash flows by investment activities)

Funds put to use by the result of investment activities amounted 12 million yen (decrease of 81.1 % y/y). This is mainly due to spending of 7 million yen for purchase of property, plant and equipment and such.

(Cash flows by financing activities)

Funds put to use by the result of financial activities amounted to 13 million yen (36 million yen acquired at the same fiscal period last year). This is mainly due to net increase in short-term loans payable by 1,100 million yen, redemption of bonds amounting to 944 million yen and cash dividends paid of 168 million yen.

3. Qualitative information regarding consolidated business results forecast

Although everybody is concerned about prolonged recession of worldwide economy due to deterioration of actual economy for the coming future, indication of recovery is partly seen in the Asian region.

Semiconductor industry continues to be cautious about its capital investment. However, rather aggressive capital investment on development of advanced technologies is expected to be implemented mainly by leading companies in the industry. At the same time, FPD industry is in the process of solid recovery and capital investment implementation is anticipated to gradually get better, though actual capital investment is somewhat delayed for the moment.

The first quarter progressed almost as had been planned. Considering the current situation that the brighter side is in view even though severity remains, the consolidated business forecast announced the last time (August 10th, 2009) is not adjusted.

4. Others

- (1) There are no significant changes in subsidiaries during the term under review (changes in specific subsidiaries involving changes in scope of consolidation).
- (2) Application of simplified accounting procedure and specific accounting procedure for preparation of quarterly consolidated financial statements
(Calculation method of depreciation for noncurrent assets)
For noncurrent assets using the constant ratio depreciation calculation, depreciation was calculated by allocation of the depreciation amount corresponding to consolidated full account year.
- (3) There are no changes in accounting principles and procedures, and methods of presentation for preparation of quarterly consolidated financial statements.

5. Quarterly consolidated financial statements

(1) Quarterly consolidated balance sheets

	(Thousand yen)	
Three months ended September 30;	Current As of September 30, 2009	Previous (Summary) As of June 30, 2009
(Assets)		
Current assets		
Cash and deposits	1,679,698	1,571,244
Notes and accounts receivable – trade	3,301,092	4,389,770
Work in process	3,760,349	3,649,784
Raw materials and supplies	597,465	599,683
Deferred tax assets	422,018	359,959
Other	634,885	297,116
Allowance for doubtful accounts	(9,396)	(9,666)
Total current assets	10,386,113	10,857,893
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	2,834,432	2,894,589
Machinery, equipment and vehicles, net	50,404	53,828
Tools, furniture and fixtures, net	188,406	204,286
Land	4,254,773	4,254,773
Total property, plant and equipment	7,328,017	7,407,478
Intangible assets	568	567
Investments and other assets		
Investment securities	210,384	238,572
Long-term accounts and receivable-other	586,672	586,672
Deferred tax assets	708,958	546,126
Other	278,838	230,656
Total investments and other assets	1,784,853	1,602,027
Total noncurrent assets	9,113,439	9,010,073
Total assets	19,499,552	19,867,967

(Thousand yen)

Three months ended September 30;	Current As of September 30, 2009	Previous (summary) As of June 30, 2009
(Liabilities)		
Current liabilities		
Notes and accounts payable – trade	643,617	385,181
Short-term loans payable	2,200,000	1,100,000
Income taxes payable	14,164	10,962
Advances received	290,723	398,968
Provision for bonuses	93,198	—
Provision for product warranties	131,590	165,241
Other	399,483	496,175
Total current liabilities	3,772,776	2,556,530
Noncurrent liabilities		
Bonds with subscription rights to shares	4,000,000	5,000,000
Long-term accounts payable-other	60,400	60,400
Deferred tax liabilities	976	1,516
Provision for retirement benefits	287,304	276,086
Total noncurrent liabilities	4,348,680	5,338,003
Total liabilities	8,121,457	7,894,533
(Net assets)		
Shareholders' Equity		
Capital stock	931,000	931,000
Capital surplus	1,080,360	1,080,360
Retained earnings	10,455,314	11,060,761
Treasury stock	(993,964)	(993,964)
Total shareholders' equity	11,472,709	12,078,156
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	2,288	(25,534)
Foreign currency translation adjustment	(147,820)	(130,105)
Total valuation and translation adjustments	(145,532)	(155,640)
Subscription rights to shares	50,917	50,917
Total net assets	11,378,094	11,973,433
Total liabilities and net assets	19,499,552	19,867,967

(2) Accumulated consolidated quarterly statements of income
 (First quarter ended September 30, 2009)

	(Thousand yen)	
Three months ended September 30;	Previous (July 1, 2008~ September 30, 2008)	Current (July 1, 2009~ September 30, 2009)
Net sales	1,217,531	751,570
Cost of sales	894,695	705,117
Gross profit	322,835	46,452
Selling, general and administrative expenses	1,014,293	681,503
Operating loss	(691,457)	(635,051)
Non-operating income		
Interest income	4,173	728
Dividend income	876	—
Gain on redemption of the bond	—	55,250
Other	3,818	4,623
Total non-operating income	8,867	60,601
Non-operating expenses		
Interest expenses	993	3,278
Foreign exchange losses	15,220	20,278
Other	440	0
Total non-operating expenses	16,654	23,557
Ordinary loss	(699,244)	(598,006)
Extraordinary income		
Reversal of allowance for doubtful accounts	—	277
Total extraordinary income	—	277
Extraordinary losses		
Loss on disposal of noncurrent assets	270	262
Loss on valuation of investment securities	39,302	74,798
Total extraordinary losses	39,573	75,061
Loss before income taxes	(738,818)	(672,789)
Income taxes-current	4,466	9,149
Income taxes-deferred	(289,747)	(245,437)
Total income taxes	(285,280)	(236,288)
Net loss	(453,537)	(436,500)

(3) Quarterly consolidated statements of cash flows

	(Thousand yen)	
Three months ended September 30;	Previous (July 1, 2008~ September 30, 2008)	Current (July 1, 2009~ September 30, 2009)
Net cash provided by (used in) operating activities		
Income (loss) before income taxes	(738,818)	(672,789)
Depreciation and amortization	117,311	95,460
Increase (decrease) in allowance for doubtful accounts	4,461	(277)
Increase (decrease) in provision for bonuses	132,591	93,198
Increase(decrease) in directors' bonus	(116,600)	—
Increase (decrease) in provision for product warranties	(41,800)	(32,620)
Increase (decrease) in provision for retirement benefits	22,251	10,992
Interest and dividends income	(5,049)	(728)
Interest expenses	993	3,278
Foreign exchange losses (gains)	29,213	21,109
Gain on redemption of bonds	—	(55,250)
Loss (gain) on disposal of property, plant and equipment	270	262
Loss (gain) on valuation of investment securities	39,302	74,798
Decrease (increase) in notes and accounts receivable-trade	1,143,879	1,065,475
Decrease (increase) in inventories	(785,848)	(109,231)
Decrease (increase) in accounts receivable-other	—	(302,970)
Decrease (increase) in advances paid	(438,134)	—
Increase (decrease) in notes and accounts payable-trade	264,455	258,435
Increase (decrease) in advances received	53,056	(106,987)
Others, net	73,659	(183,778)
Sub-total	(244,805)	158,377
Interest and dividends income received	8,293	739
Interest expenses paid	(975)	(3,380)
Income taxes paid	(761,754)	(4,620)
Net cash provided by (used in) operating activities	(999,242)	151,115
Net cash provided by (used in) investment activities		
Purchase of property, plant and equipment	(20,829)	(7,489)
Purchase of investment securities	(29,932)	—
Other, net	(17,118)	(5,356)
Net cash provided by (used in) investment activities	(67,880)	(12,846)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	600,000	1,100,000
Redemption of bonds	—	(944,750)
Cash dividends paid	(563,158)	(168,946)
Net cash provided by (used in) financing activities	36,841	(13,696)
Effect of exchange rate change on cash and cash equivalents	(48,160)	(16,819)
Net increase (decrease) in cash and cash equivalents	(1,078,441)	107,753
Cash and cash equivalents at beginning of period	2,855,496	1,533,694
Cash and cash equivalents at end of period	1,777,054	1,641,448

(4) Notes for assumption for going concern : None

(5) Notes for significant changes in shareholders' equity : None