

Results Briefing for the first six months of the term ending June 30 2010

February 3rd, 2010

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Lasertec

1. Business Results for the first six months of the term ending June 30st, 2010.

2. Business Results Forecast for the term ending June 30st, 2010

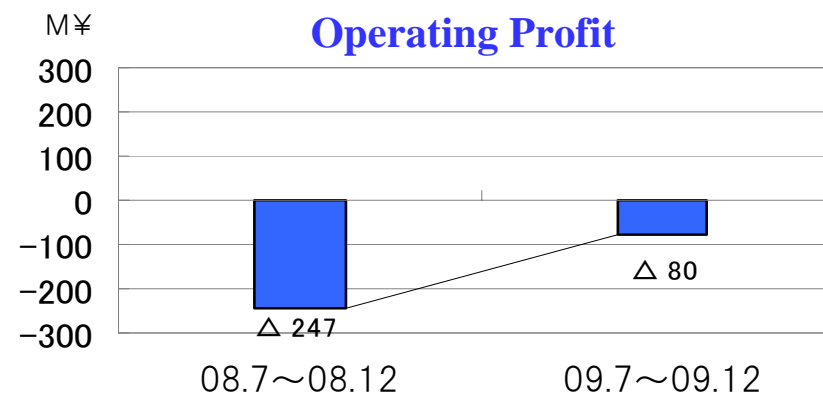
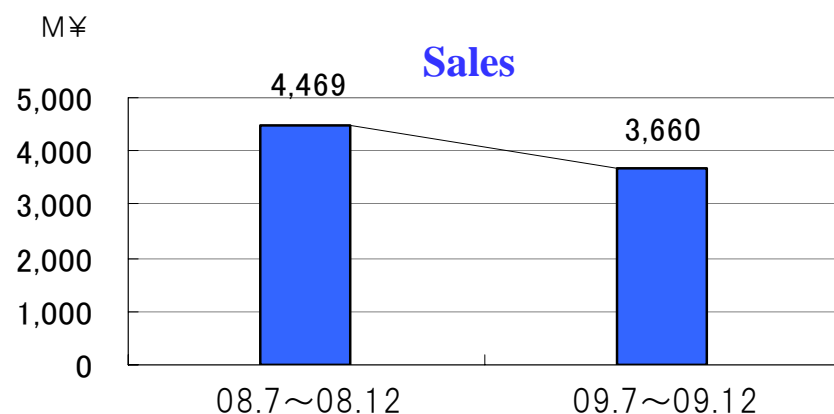
1. Business Results for the first six months of the term ending June 30st, 2010.

2. Business Results Forecast for the term ending June 30th, 2010

Progressed as planned toward enhanced profit performance, resulting in reduced deficit

(Consolidated / ¥ Million)

	Second quarter of the term ended June 2009		Second quarter of the term ending June 2010			
	Result	Ratio	Forecast (Dec25,2009)	Result	Ratio	Y/Y Ratio
Sales	4,469	100.0%	3,600	3,660	100.0%	△ 18.1%
Gross profit on sales	1,641	36.7%	-	1,270	34.7%	△ 22.6%
Selling and general administrative expenses	1,888	42.2%	-	1,351	36.9%	△ 28.5%
Operating income	△ 247	△ 5.5%	△ 230	△ 80	△ 2.2%	-
Ordinary income	△ 268	△ 6.0%	△ 210	△ 61	△ 1.7%	-
Net income	△ 303	△ 6.8%	△ 180	△ 96	△ 2.6%	-

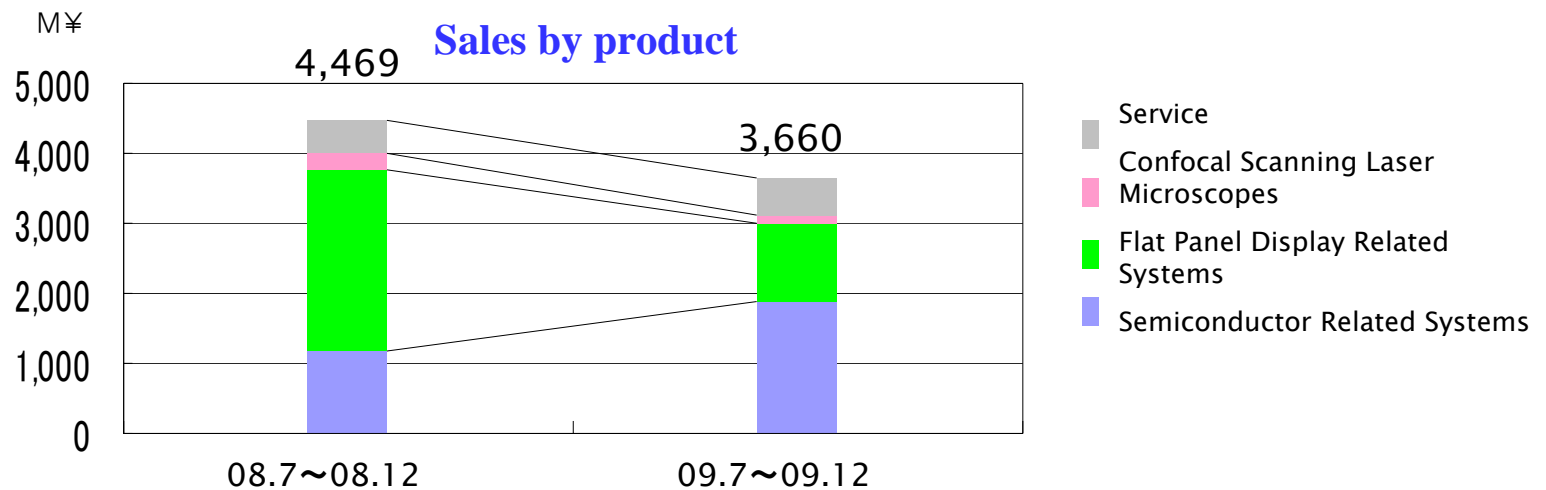


Sales by product

Sales of semiconductor related systems remarkably increased while sales of FPD related systems and microscope products decreased on y/y basis.

(Consolidated / ¥ Million)

	Second quarter of the term ended June 2009		Second quarter of the term ending June 2010		
	Result	Ratio	Result	Ratio	Y/Y Ratio
Semiconductor Related Systems	1,197	26.8%	1,905	52.0%	59.1%
Flat Panel Display Related Systems	2,559	57.3%	1,079	29.5%	△ 57.8%
Confocal Scanning Laser Microscopes	234	5.2%	154	4.2%	△ 34.2%
Service	478	10.7%	520	14.2%	8.8%
Total	4,469	100.0%	3,660	100.0%	△ 18.1%



Order entry and order backlog

The order entry of 6,300 million yen planned at the beginning of the term was not satisfied, but the amount increased by 61% y/y.

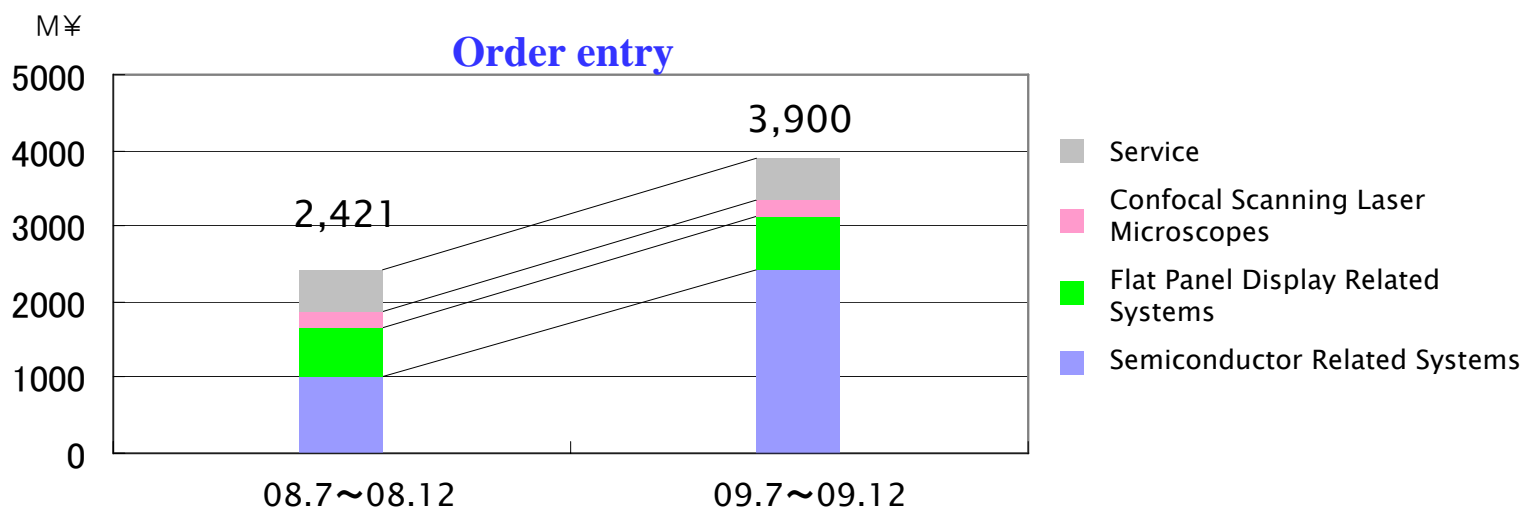
Order entry

	2Q of the term ended June 2009 Orders	Second quarter of the term ending June 2010 Orders	
	Result	Result	Y/Y Ratio
Semiconductor Related Systems	1,025	2,433	137.4%
Flat Panel Display Related Systems	635	704	10.9%
Confocal Scanning Laser Microscopes	224	211	△ 5.8%
Service	537	551	2.6%
Total	2,421	3,900	61.1%

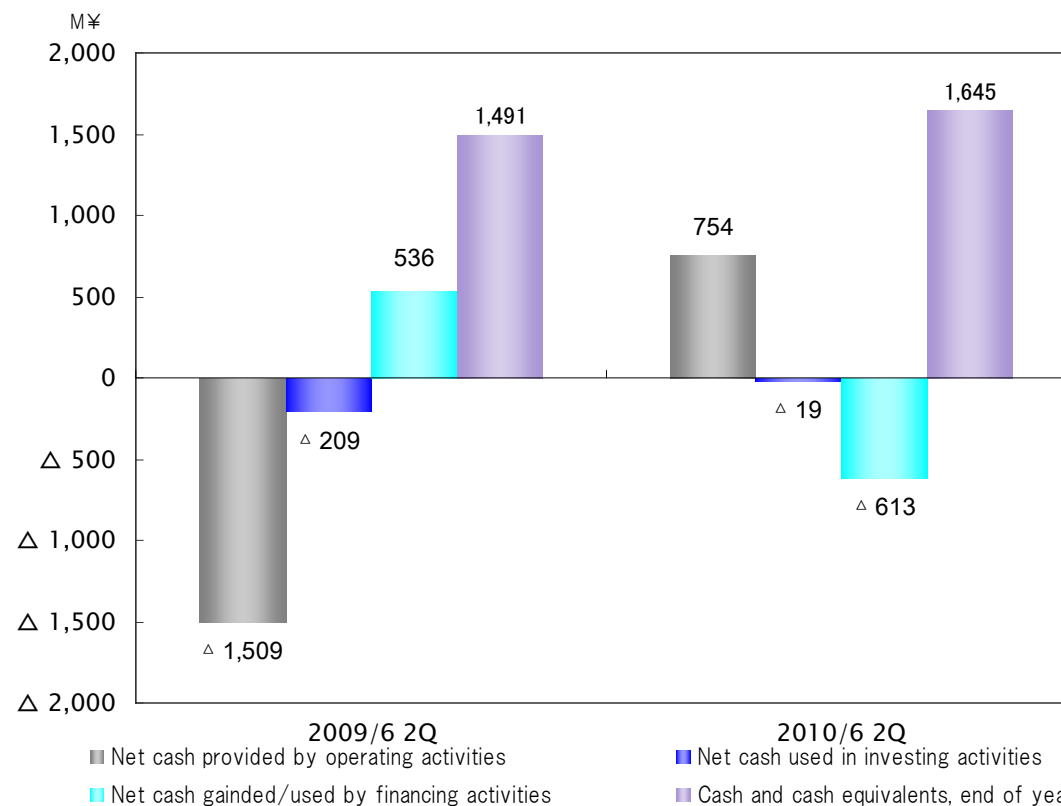
Back-Log

(Consolidated / ¥Million)

	2Q of the term ended June 2009 Orders	Second quarter of the term ending June 2010 Back-Log	
	Result	Result	Y/Y Ratio
Semiconductor Related Systems	1,543	2,042	32.3%
Flat Panel Display Related Systems	5,269	3,191	△ 39.4%
Confocal Scanning Laser Microscopes	167	103	△ 38.3%
Service	145	143	△ 1.4%
Total	7,124	5,481	△ 23.1%



Cash provided by operating activities is positive. Cash provided by financial activities is negative due to cancellation by bond repurchases.



[Major factors]

CF by operation: net loss before income tax (132), depreciation cost 176, decrease of accounts receivable 503 decrease of inventory 620, decrease of advances received (305), decrease of purchase debt (85), bond repayment loss (55)

CF by investment: purchase of tangible fixed assets(9), others (10)

CF by financing: short term loan 500, purchase deletion of bonds (944), dividend distribution (168)

[in million yen]

R&D expenditure, depreciation allowances and capital investment progressed as planned.

(Consolidated / ¥ Million)

	Second quarter of the term ended June 2009	Second quarter of the term ending June 2010		
	Result	Result	Ratio to sale amount	Y/Y Ratio
Research and development (R&D) costs	738	494	13.5%	△ 33.0%
Depreciation expense	242	176	4.8%	△ 27.1%
Capital expenditures	38	6	0.2%	△ 83.9%
Total Employees	239	235	—	△ 4

Speedy development of new products by regeneration of development system and relocation of resources

Development policy for this term

1) Reinforcement of existing field
(Development of the next generation system)

Commercialized in Sep. 2009

Most advanced photomask inspection system

X700 Series



Customer

Semiconductor device maker

2) Expansion to periphery of existing field

Commercialized in Nov. 2009

Haze Removal System

PROMHAZE



Customer

Semiconductor device maker

3) Accelerated development of new field

Commercialized in Sep. 2009

PV Cell Conversion Efficiency Distribution Measurement System

MP15/MP150



Customer

•PV Cell Maker
•Material Maker
•R&D Institute

Commercialized in Dec. 2009

SiC Wafer Inspection/Review System

WASAVI Series

SICA61



Customer

•Power Device Maker
•SiC Wafer Maker

(Makers in blue are newly developed customers)

1) Reinforcement of existing field: Development of and order entry promotion for the next generation systems responding to the most advanced needs

『The most advanced photomask inspection system: X700 Series』

Development background

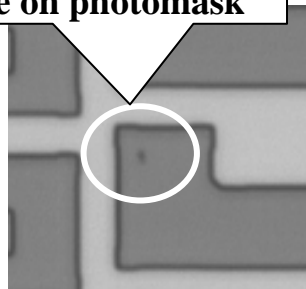
Finer and more complex patterns for devices
 70nm 57nm 45nm 32nm 28nm

New issue in the exposure process
 New issue in the ArF lithography process;
 Generation of 『particles with growth potential (Haze)』

**Necessity for an inspection system with higher sensitivity and performance;
 Developed the most advanced photomask inspection system 『MATRIX X700』**

High end version of [MATRICS X600 Series] highly acclaimed at mask inspection in semiconductor factories
 Implementation of remarkable sensitivity improvement and stability by a self-developed 213 nm laser as a new light source

Defect example on photomask



Maximum sensitivity: 25 nm
 (1/2,800 of human hair diameter)

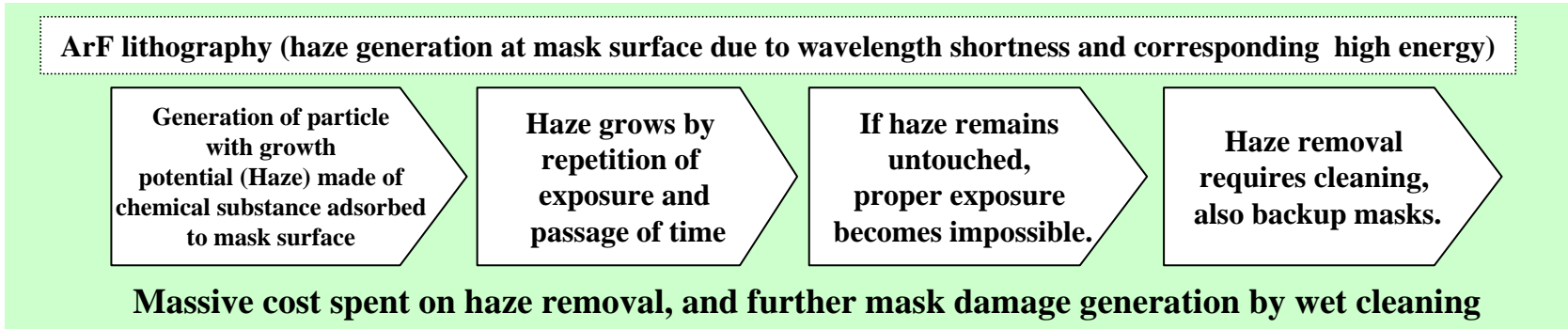
Series	Maximum Sensitivity
X600	40 nm
X700	25 nm

Contribute to order entry and sales of this term

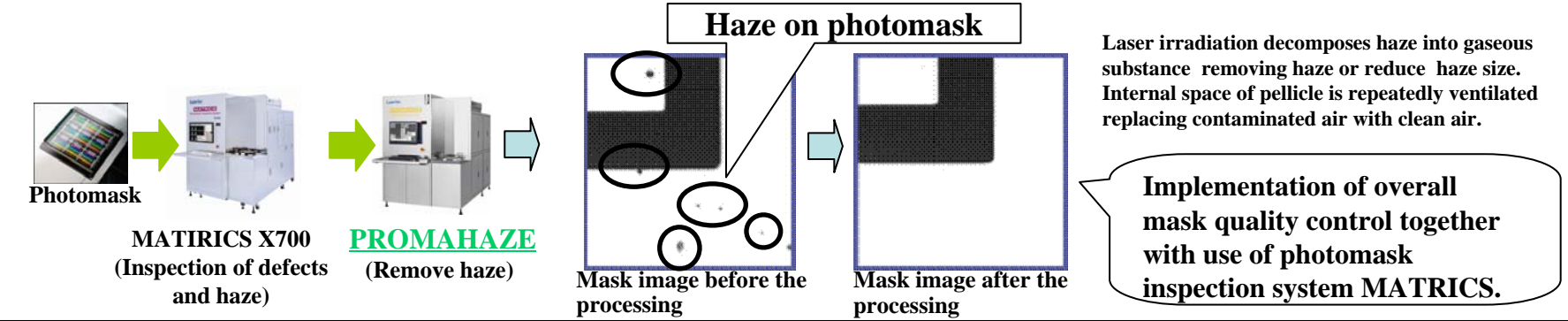
2) Expansion to periphery of existing field; swift response to the newest needs

『Photomask Haze Removal System PROMAHAZE』

Background of development



『PROMAHAZE』 swiftly and easily reduces haze size or removes haze, preventing deterioration of yield, which leads to implementation of efficient production of devices.



3) Accelerate development of new field; new business development aiming at next growths and entry to new markets

First of all, in this term, a new product is developed and commercialized in the market related to environment and clean device concept that is one of the most prospective fields from the viewpoint of environment concern and low power consumption. Pursuit for the market field that further contributes to the world will be continued for the future.



1. 『Desktop Type PV Cell Conversion Efficiency Distribution Measurement System MP15』

Background of development

In addition to the MP50, the first one of the series, released in May last year, a smaller version for R&D purpose was strongly desired in the market. Thus, we speedily developed MP15 within just 4 months. Order entry for a few systems including one from Research Center for Advanced Science and Technology, University of Tokyo

MP150

Furthermore, MP150 capable of measuring thin-film PV cell module (150 cm x 150 cm) is developed as the third version of the series and system demonstration has started this month.



3) Accelerate development of new field; new business development aiming at next growths and entry to new markets

2. 『SiC Wafer Inspection/Review System SICA61』

Background of development

Material (Si)
problems of
power device

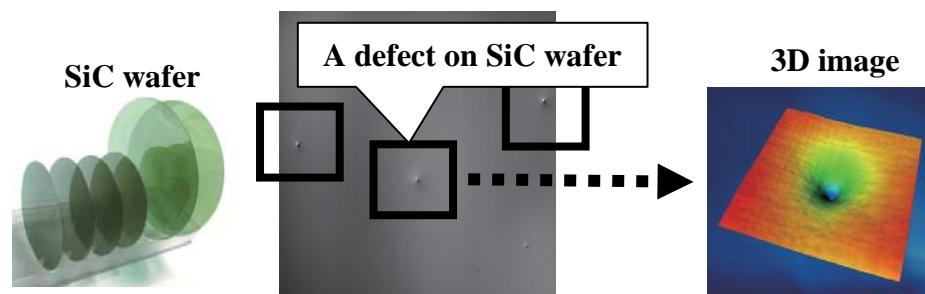
- Application of power conversion apparatuses utilizing power devices is expanding to various fields such as electric car, photovoltaic power plant and such and silicon, the material used in the device, shows large power loss and improvement of power conversion efficiency is strongly demanded, accordingly.

Problems of the
new material (SiC)

- SiC is attracting attention as a new material due to its thermal conductivity three times as high as that of Si and other excellent characteristics. However, it has been difficult to detect crystal defects by the conventional light scattering type inspection due to half-transparency of the SiC wafer and weak scattered light from defects.

A system 『SICA61』 that detects minute defects is developed by amalgamation of confocal optics and differential interference technology.

▪ The inspection needs described here was first introduced to our microscope group. This is one of the accomplishments brought about by amalgamation of expertise of the semiconductor group and microscope group, which occurred as a result of regroup/integration of the two groups. The development was decided in this term and the completed product is to be delivered 6 months after the release of the decision.



1. Business Results for the first six months of the term ending June 30st, 2010

2. Business Results Forecast for the term ending June 30st, 2010

□ Semiconductor related systems:

- Advanced device makers have already started capital investment on finer pattern technologies.
- DRAM/Flash Memory makers also resume capital investment on finer pattern technologies due to device price recovery and improvement of operation rate.

□ FPD related systems:

- Each panel maker in the FPD industry maintains factory operation rate high thanks to the effect of economic stimulus policies including the well known Chinese government policy “Home Appliances to People“.
- The next large-scale capital investment is expected to be effectuated mainly in China but actual schedule for that kind of activity and such are not known yet.

□ New business field:

- Energy/environment related capital investment (mainly PV cell and power device markets) is expected to expand steadily for mid-term to long-term, though currently being in dull tone due to influence of recession.

□ Laser microscope field:

- Industrial microscope field suffers from market shrink in private and also in public institution sector and an uncertain market situation is expected to continue, accordingly.

- Carry out the plan set at the beginning of the term
- Take a strategic move for the next generation

Issues to be addressed

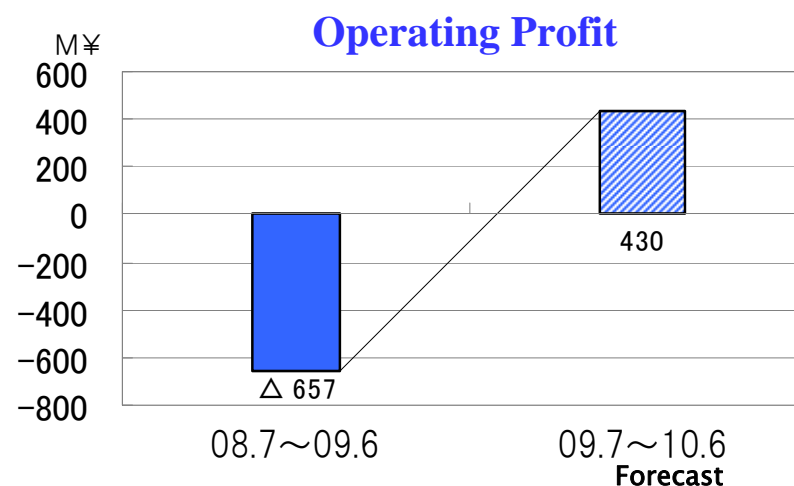
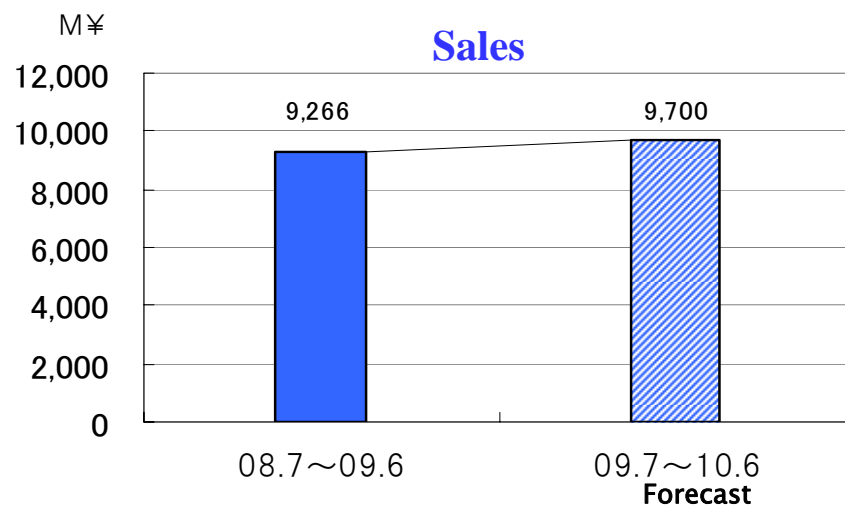
- Carry out the plan set at the beginning of the term
 - Focus on customers with strong motivation for capital investment
 - Pioneer new customers in the advanced fields. (PV, SiC and such)
 - Shorten turn-around time and start up the tool quickly
- Respond to market change and take a strategic move for the future
(Centralized the R&D structure in July 2009)
 - Intensify development by speedy and flexible resource allocation to priority products (advanced tools for next generation and new business fields)
 - Enhance marketing activities
 - Reinforce financial strength further

Business forecast for the term ending June 2010

**Seek a return to profitability toward the end of this term.
No change from the forecast at the beginning of this term**

(Consolidated / ¥ Million)

	Term ended June 2009		Term ending June 2010		
	Result	Ratio	Forecast (Feb1,2010)	Ratio	Y/Y Ratio
Sales	9,266	100.0%	9,700	100.0%	4.7%
Operating income	△ 657	△ 7.1%	430	4.4%	-
Ordinary income	△ 659	△ 7.1%	370	3.8%	-
Net income	△ 651	△ 7.0%	200	2.1%	-

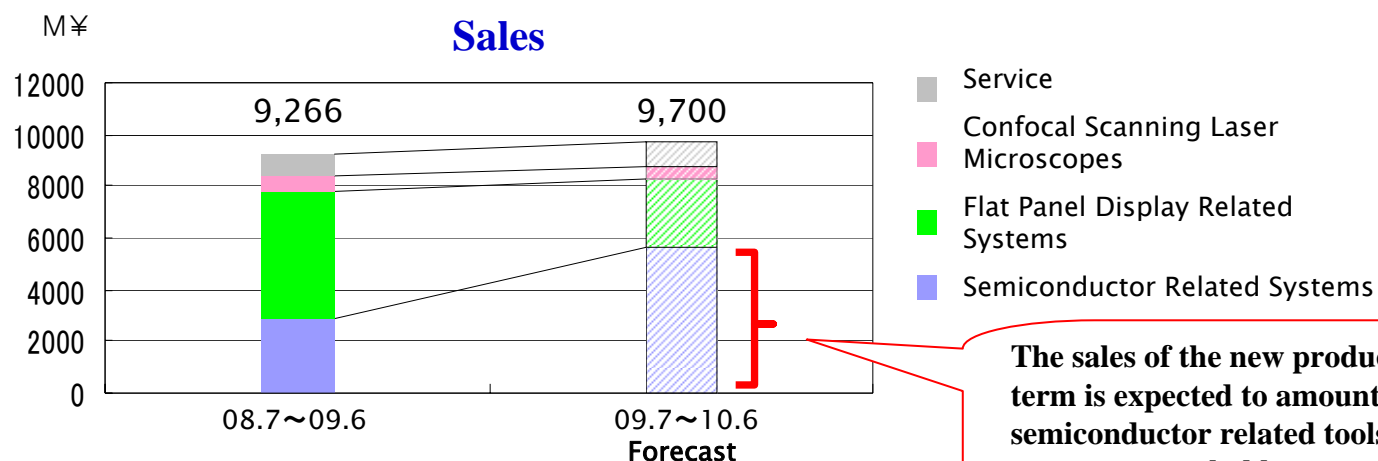


Sales forecast by product

Sales of semiconductor related tools doubled y/y. Meanwhile, sales of FPD related tools decreased by 47% y/y. New products developed in this term contributed to sales amount (especially X700)

(Consolidated / ¥ Million)

	Term ended June 2009		Term ending June 2010		
	Result	Ratio	Forecast (Feb1,2010)	Ratio	Y/Y Ratio
Semiconductor Related Systems	2,839	30.6%	5,680	58.6%	100.1%
Flat Panel Display Related Systems	4,919	53.1%	2,600	26.8%	△ 47.1%
Confocal Scanning Laser Microscopes	599	6.5%	460	4.7%	△ 23.2%
Service	908	9.8%	960	9.9%	5.7%
Total	9,266	100.0%	9,700	100.0%	4.7%



The sales of the new products developed in this term is expected to amount to 40% of the sales for semiconductor related tools, contributing to sales amount remarkably.

Order entry forecast by product

Target total order entry about double that of the previous term, for both semiconductor and FPD related tools.

Orders - Amount

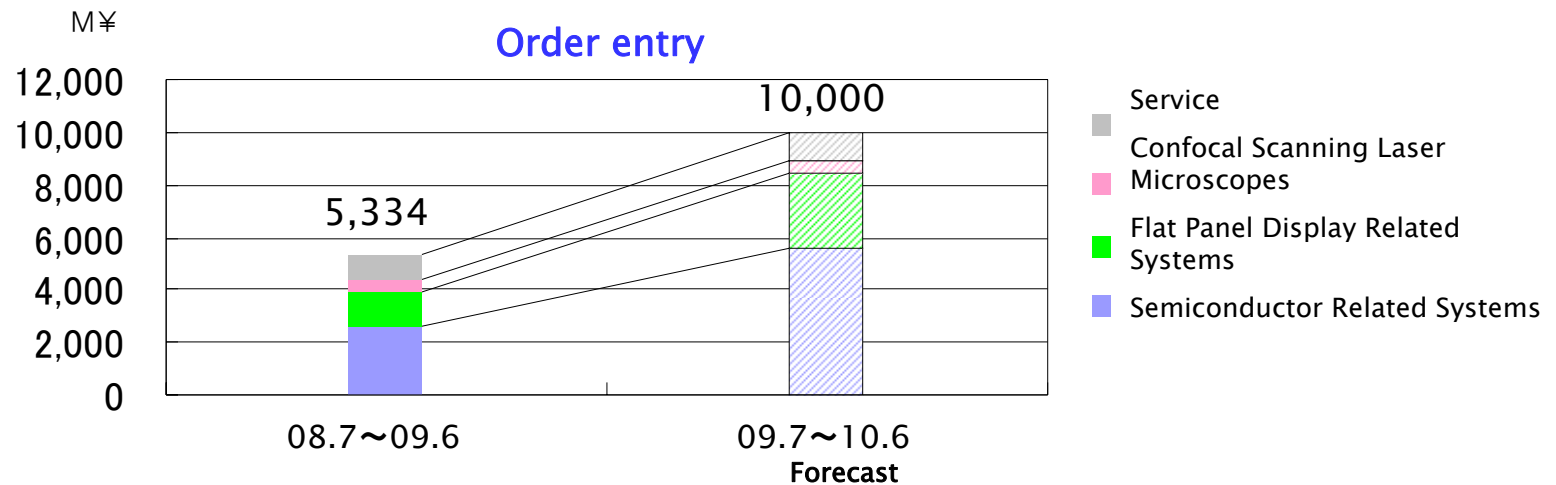
(Consolidated / ¥ Million)

	Term ended June 2009		Term ending June 2010	
	Result	Ratio	Forecast (Feb1,2010)	Y/Y Ratio
Semiconductor Related Systems	2,638	49.4%	5,530	109.6%
Flat Panel Display Related Systems	1,292	24.2%	2,870	122.1%
Confocal Scanning Laser Microscopes	467	8.8%	550	17.8%
Service	935	17.5%	1,050	12.3%
Total	5,334	100.0%	10,000	87.5%

Back-Log

(Consolidated / ¥ Million)

Term ended June 2009	Term ending June 2010	
	Forecast (Feb1,2010)	Y/Y Ratio
Result	Forecast	Ratio
1,514	1,364	△ 9.9%
3,567	3,837	7.6%
46	136	195.7%
113	203	79.6%
5,240	5,540	5.7%



Sales and order entry forecast by region

Expect sales increase in Korea and increase of order entry in all the regions.

(Consolidated / ¥Million)

Sales	Term ended June 2009		Term ending June 2010		
	Result	Ratio	Forecast (Feb1,2010)	Ratio	Y/Y Ratio
JAPAN	3,855	41.6%	3,950	40.7%	2.5%
TAIWAN	1,750	18.9%	940	9.7%	△46.3%
KOREA	1,572	17.0%	3,180	32.8%	102.3%
USA&ROW	2,089	22.5%	1,630	16.8%	△22.0%
TOTAL	9,266	100.0%	9,700	100.0%	4.7%

(Consolidated / ¥Million)

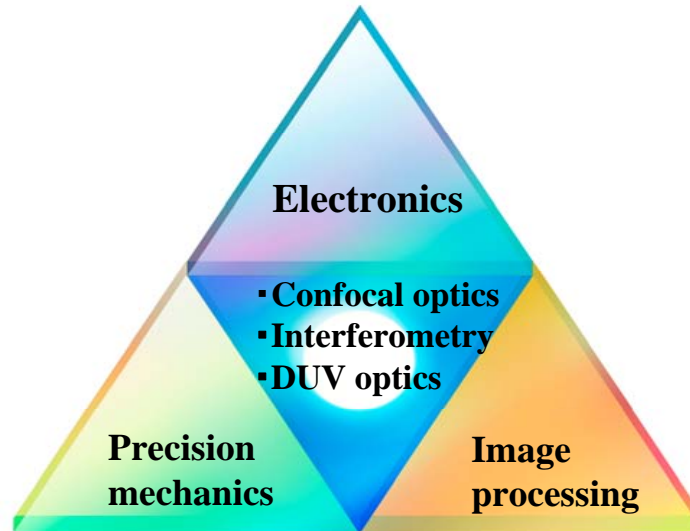
Order entry	Term ended June 2009		Term ending June 2010		
	Result	Ratio	Forecast (Feb1,2010)	Ratio	Y/Y Ratio
JAPAN	2,683	50.3%	2,810	28.1%	4.7%
TAIWAN	326	6.1%	1,360	13.6%	317.2%
KOREA	1,286	24.1%	2,820	28.2%	119.3%
USA&ROW	1,039	19.5%	3,010	30.1%	189.7%
TOTAL	5,334	100.0%	10,000	100.0%	87.5%

Continue vigorous investment on R&D and promote to establish a lean structure with cutback of fixed cost.

(Consolidated / ¥Million)

	Term ended June 2009	Term ending June 2010		
	Result	Forecast (Feb1,2010)	Ratio to sale amount	Y/Y Ratio
Research and development (R&D) cost	1,242	1,085	11.2%	△ 12.6%
Depreciation and amortization	471	361	3.7%	△ 23.3%
Capital expenditures	54	44	0.5%	△ 18.5%
Total Employees	240	230	-	-

**Results briefing for the first six months
of the term ending June 2010**



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The forecast contained herein is made based on information available on the day of its release and a certain assumption that is estimated to be rational, and actual business accomplishment and such may differ from the planned numbers on forecast due to various factors in the future.