

Business Results & Forecast

The Fiscal Year Ended March 31, 2018

May 8, 2018

*Cautionary statement with respect to these materials; The earnings forecasts contained in these materials and communicated verbally, are made in accordance with currently available information and rational assumptions. SCREEN Holdings does not promise that the forecasts or estimates will be accurate. Therefore, it should be noted that actual results could differ significantly due to a variety of factors.

*Figures have been rounded down to eliminate amounts less than 100 million JPY, except per share figures. A ratio has been rounded off.

SCREEN Holdings Co., Ltd.
President
Chief Executive Officer
Eiji Kakiuchi

▶▶ Key Points of FY2018 Business Results

- Operating results for the FY2018 included an increase in sales and profit for five consecutive years due to the strong performance of the SE business, with sales and profit marking a record high.
-In all business segments, FY2018 sales and profit increased YoY.
- In light of the strong results in the FY2018, we plan to increase dividends.
- The SE and FT segments maintained a high level of orders received in the 4Q.

Agenda

1. FY2018 Business Results



2. Business Situation in 4 Segments



3. Financial Situation



4. FY2019 Business Forecast



5. Recent Topics



1. FY2018 Business Results



2. Business Situation in 4 Segments



3. Financial Situation



4. FY2019 Business Forecast



5. Recent Topics



FY2018 Business Results (Consolidated)

(Billions of JPY)	FY2017					FY2018					Difference YoY	
	1Q	2Q	3Q	4Q	Full	1Q	2Q	3Q	4Q	Full	Full	
Net sales	62.2	73.8	73.8	90.2	300.2	72.9	80.8	70.3	115.2	339.3	39.1	13.0%
SE	41.2	50.3	50.6	63.7	206.0	46.5	53.2	45.5	81.8	227.1	21.0	10.2%
GA	9.6	12.4	10.4	13.2	45.8	10.8	13.9	11.8	16.8	53.4	7.5	16.5%
FT	9.3	8.6	10.8	9.3	38.1	12.9	9.9	9.1	13.2	45.2	7.1	18.8%
PE	1.8	2.1	1.6	3.3	8.9	2.3	3.3	3.4	2.9	12.1	3.2	36.7%
Other	0.1	0.2	0.3	0.5	1.2	0.2	0.3	0.4	0.3	1.3	0	3.1%
Operating income	5.1	7.0	9.1	12.4	33.7	7.3	9.5	6.8	18.9	42.7	8.9	26.7%
(to net sales ratio)	8.2%	9.6%	12.4%	13.7%	11.2%	10.1%	11.8%	9.8%	16.4%	12.6%	-	1.4pt
SE	4.3	6.0	8.0	10.8	29.3	6.4	8.1	5.6	16.0	36.3	6.9	23.8%
GA	(0.2)	0.8	0.1	0.7	1.4	0.1	1.0	0.3	1.4	3.0	1.5	108.0%
FT	1.2	0.5	1.1	1.4	4.3	1.1	0.7	0.4	2.2	4.5	0.1	4.5%
PE	0.1	0.1	0.1	0.2	0.7	0	0.3	0.6	(0)	1.0	0.2	34.8%
Other	(0.3)	(0.5)	(0.3)	(0.9)	(2.1)	(0.4)	(0.7)	(0.2)	(0.8)	(2.2)	(0)	-
Ordinary income	5.0	6.6	9.0	11.2	32.0	7.5	8.9	6.5	18.3	41.3	9.3	29.1%
Profit attributable to owners of parent	3.7	5.7	6.8	7.8	24.1	5.1	5.5	4.3	13.4	28.5	4.3	18.0%

*From April 2017, PE has been made a reportable segment.

SE: Semiconductor Equipment Business

GA: Graphic Arts Equipment Business

FT: Display Production Equipment and Coater Business

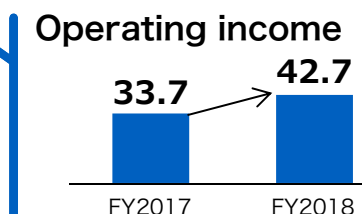
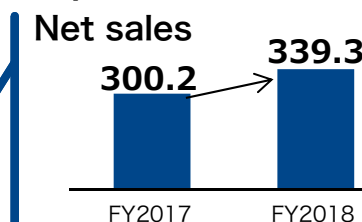
PE: PCB-related Equipment Business

FY2018 Business Results (Consolidated)

>>Comparison (YoY)

	FY2017	FY2018	Difference	
	Full	Full		
Net sales	300.2	339.3	39.1	13.0%
Operating income (to net sales ratio)	33.7 11.2%	42.7 12.6%	8.9 1.4pt	26.7%
Ordinary income	32.0	41.3	9.3	29.1%
Profit attributable to owners of parent	24.1	28.5	4.3	18.0%

Comparison (YoY)

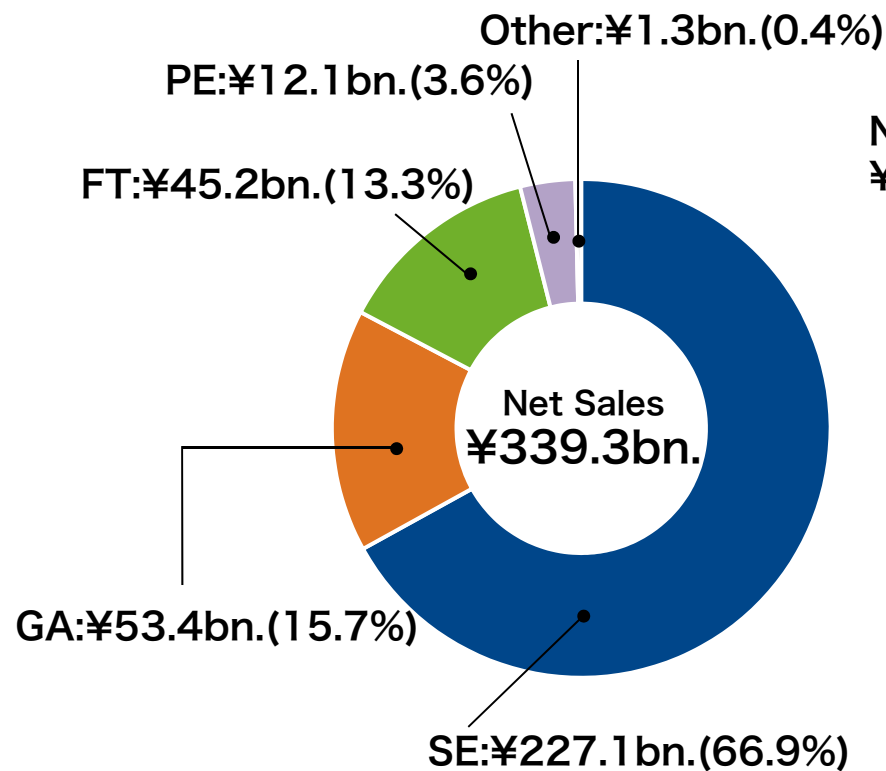


>>Comparison (QoQ)

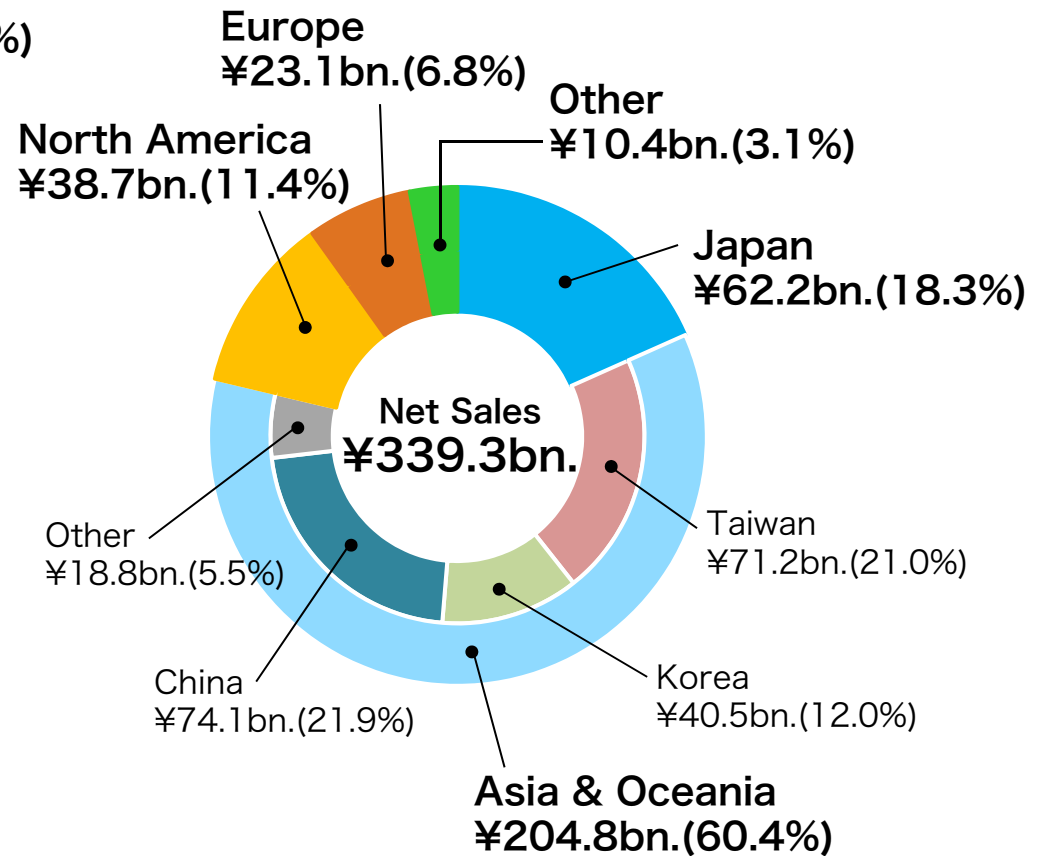
	FY2018	FY2018	Difference	
	3Q	4Q		
Net sales	70.3	115.2	44.8	63.8%
Operating income (to net sales ratio)	6.8 9.8%	18.9 16.4%	12.0 6.7pt	175.5%
Ordinary income	6.5	18.3	11.7	179.6%
Profit attributable to owners of parent	4.3	13.4	9.0	207.2%

FY2018 Business Results (Consolidated)

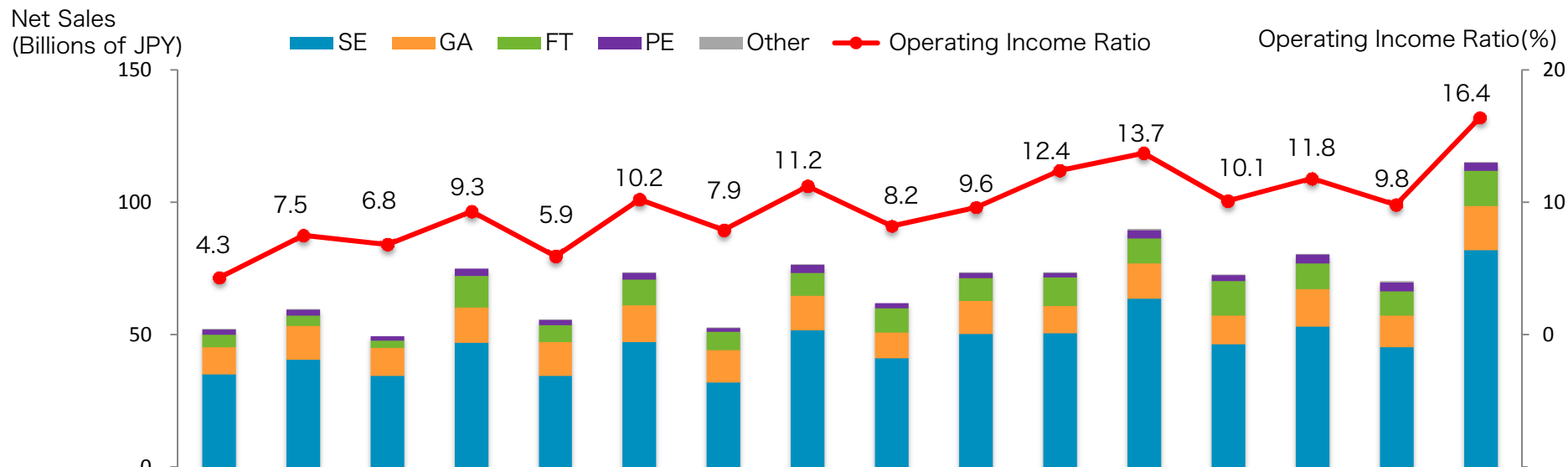
■ Sales by Segment



■ Sales by Region

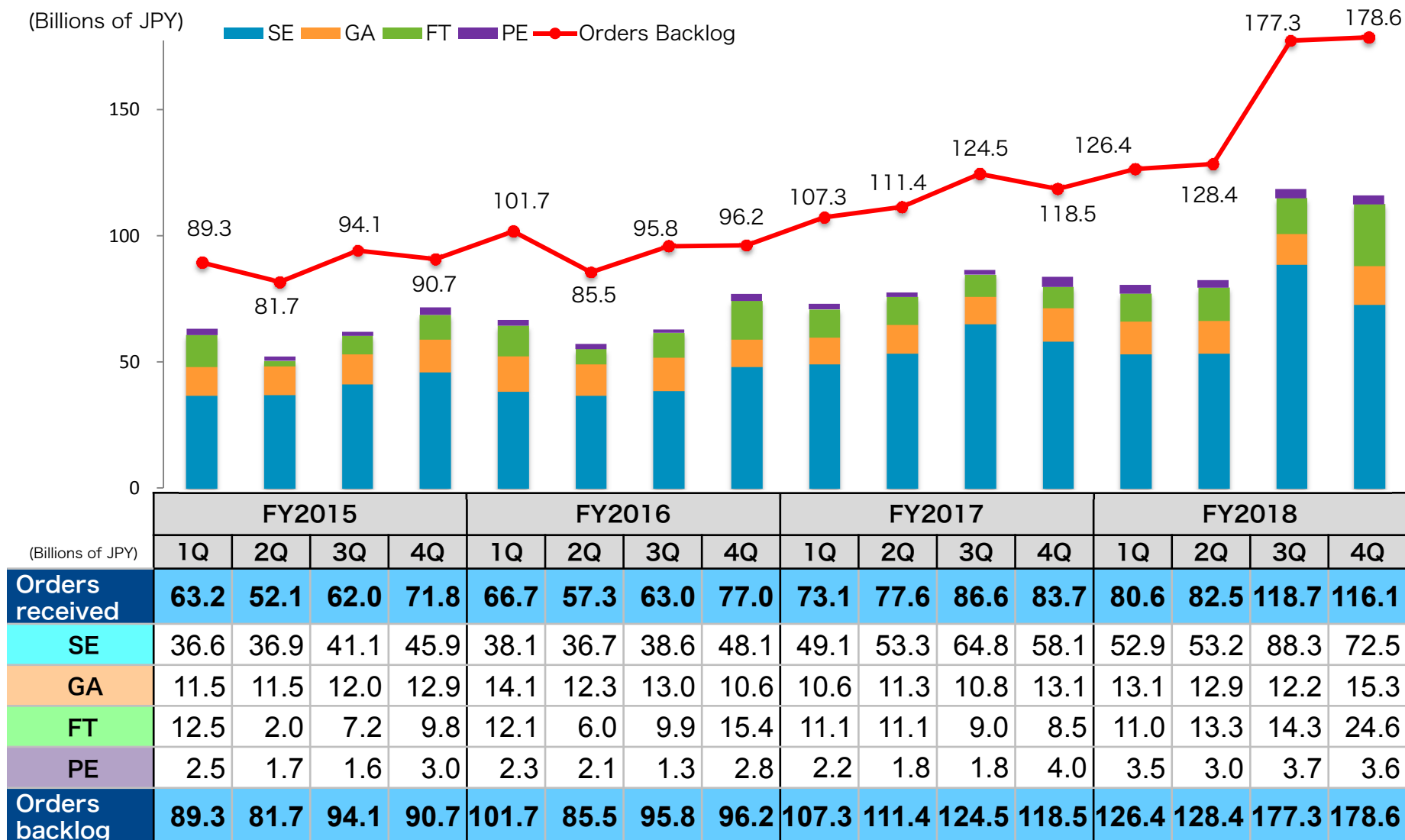


Quarterly Net Sales and Operating Income (Consolidated)



	FY2015				FY2016				FY2017				FY2018			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Net sales	52.4	60.0	49.8	75.3	56.1	73.7	53.0	76.8	62.2	73.8	73.8	90.2	72.9	80.8	70.3	115.2
SE	35.1	40.6	34.6	47.0	34.7	47.2	32.0	51.7	41.2	50.3	50.6	63.7	46.5	53.2	45.5	81.8
GA	10.2	12.7	10.4	13.3	12.6	14.0	12.4	13.0	9.6	12.4	10.4	13.2	10.8	13.9	11.8	16.8
FT	4.9	4.0	2.8	11.9	6.3	9.6	6.9	8.7	9.3	8.6	10.8	9.3	12.9	9.9	9.1	13.2
PE	1.9	2.3	1.7	2.8	2.0	2.5	1.3	3.0	1.8	2.1	1.6	3.3	2.3	3.3	3.4	2.9
Other	0.1	0.1	0.1	0.1	0.3	0.2	0.2	0.2	0.1	0.2	0.3	0.5	0.2	0.3	0.4	0.3
Operating income	2.2	4.4	3.3	7.0	3.2	7.5	4.1	8.5	5.1	7.0	9.1	12.4	7.3	9.5	6.8	18.9
Operating income ratio(%)	4.3	7.5	6.8	9.3	5.9	10.2	7.9	11.2	8.2	9.6	12.4	13.7	10.1	11.8	9.8	16.4

Quarterly Orders Received and Orders Backlog (Consolidated)



1. FY2018 Business Results



2. Business Situation in 4 Segments



3. Financial Situation



4. FY2019 Business Forecast



5. Recent Topics

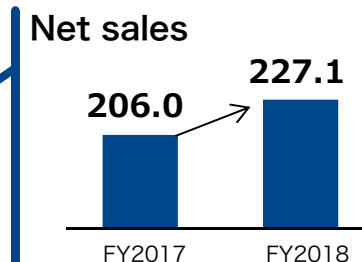


SE >> Business Environment

>>Comparison (YoY)

	FY2017	FY2018	Difference	
	Full	Full		
(Billions of JPY)				
Net sales	206.0	227.1	21.0	10.2%
Operating income (to net sales ratio)	29.3 14.2%	36.3 16.0%	6.9 1.8pt	23.8%

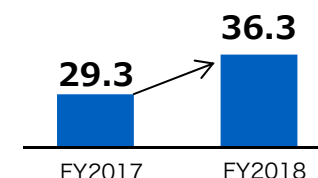
Comparison (YoY)



>>Comparison (QoQ)

	FY2018	FY2018	Difference	
	3Q	4Q		
(Billions of JPY)				
Net sales	45.5	81.8	36.3	79.9%
Operating income (to net sales ratio)	5.6 12.5%	16.0 19.6%	10.3 7.2pt	183.2%

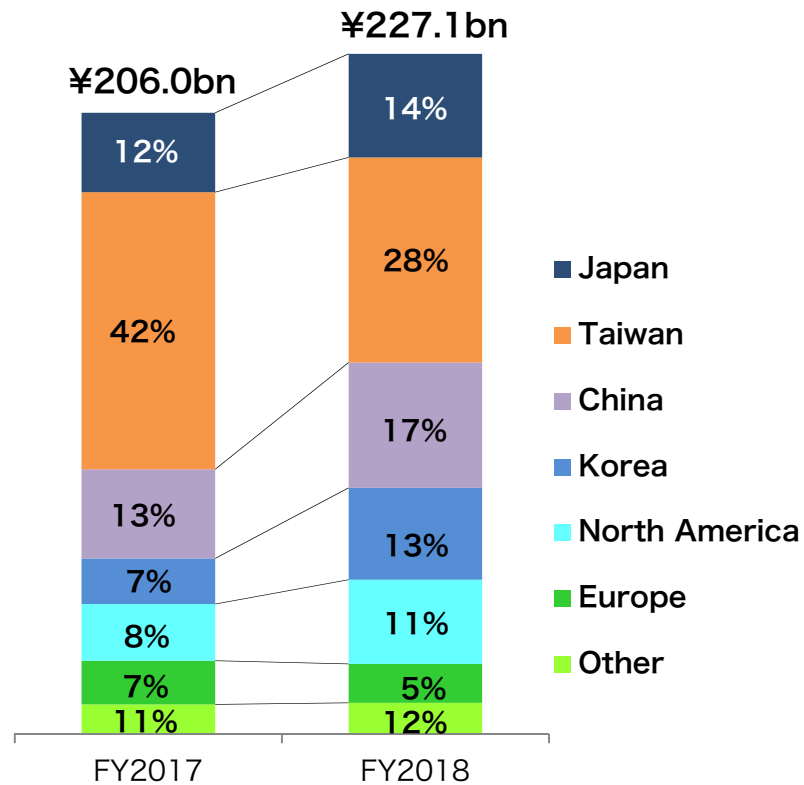
Operating income



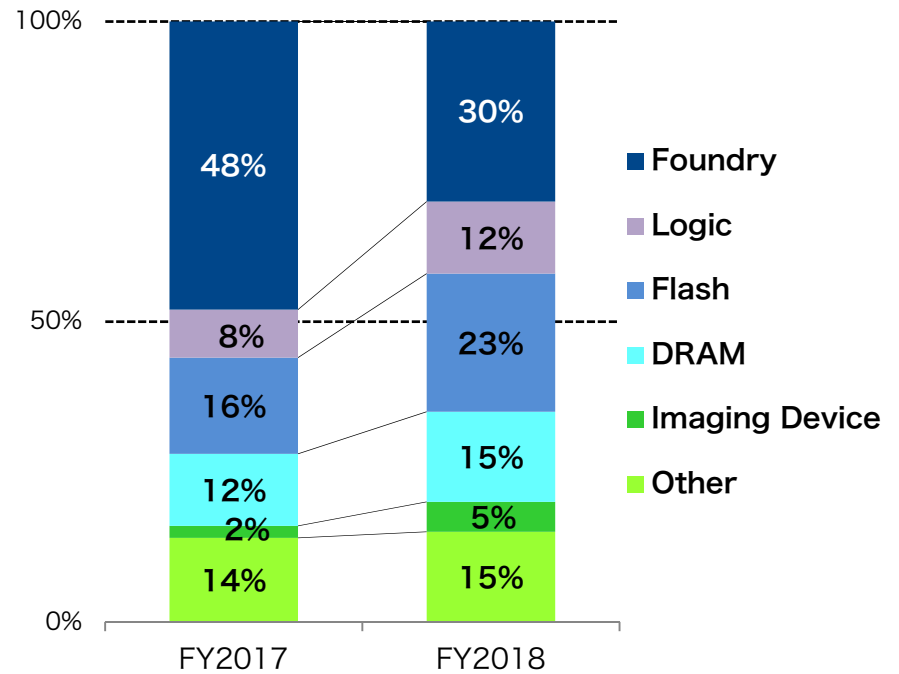
- Sales and profit increased YoY and QoQ. Full-year net sales and operating income marked a new record high. 4Q Sales (¥81.8 bn.) and 4Q profit (¥16.0 bn.) were the highest for a single quarter.
- Sales for the full year, although demand from foundries decreased, investment from memory and logic chip manufacturers remained strong. As for batch-type cleaning equipment, demand for FRONTIER lineup for 200 mm wafers expanded.

SE >> Business Environment (Comparison YoY)

■ Sales by Region (Consolidated)

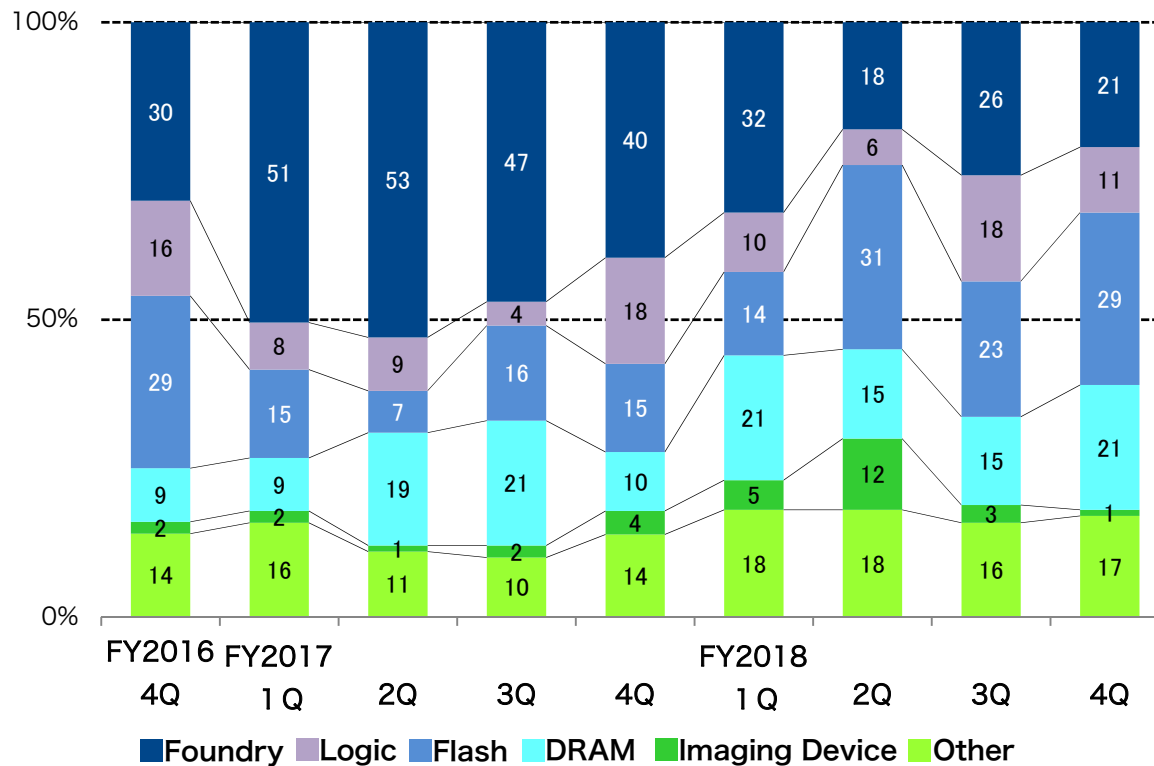


■ Sales by Application Device (Nonconsolidated)

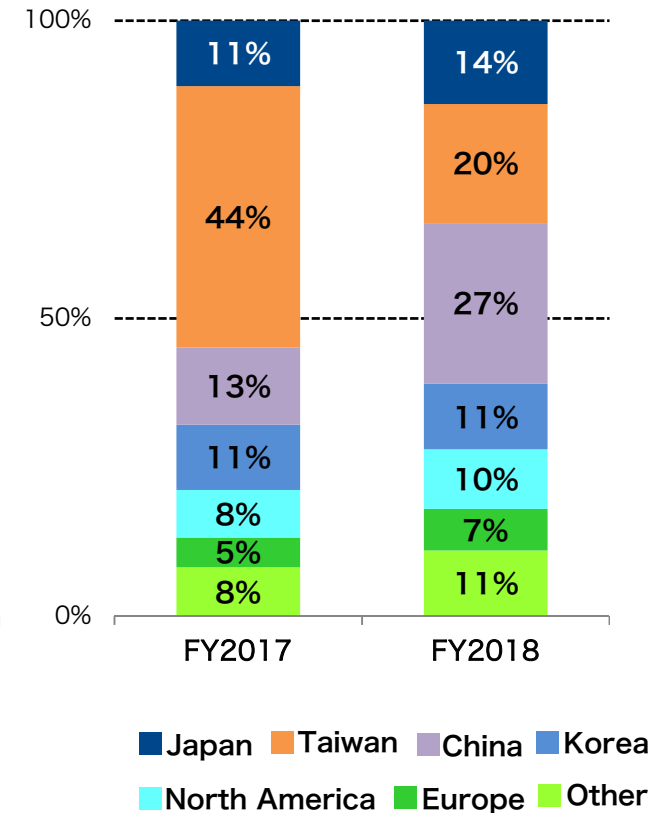


SE >> Orders Received Ratio (Nonconsolidated)

■ Quarterly by Application Device



■ Comparison (YoY) by Region



- Consolidated orders received in the 4Q totaled ¥72.5 bn. (the second highest on record)
- 1Q demand for memory will continue to drive results, and the high plateau situation will stay.

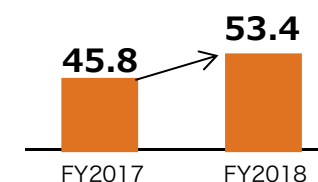
GA >> Business Environment

>>Comparison (YoY)

(Billions of JPY)	FY2017	FY2018	Difference	
	Full	Full		
Net sales	45.8	53.4	7.5	16.5%
Operating income (to net sales ratio)	1.4 3.2%	3.0 5.7%	1.5 2.5pt	108.0%

Comparison (YoY)

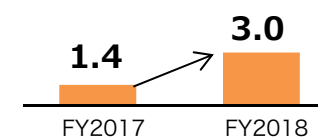
Net sales



>>Comparison (QoQ)

(Billions of JPY)	FY2018	FY2018	Difference	
	3Q	4Q		
Net sales	11.8	16.8	4.9	42.4%
Operating income (to net sales ratio)	0.3 3.1%	1.4 8.4%	1.0 5.4%	289.7%

Operating income



- Sales and profit increased YoY and QoQ.
 - Sales of POD equipment and ink expanded.

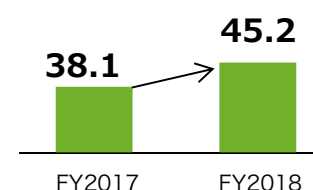
FT >> Business Environment

>>Comparison (YoY)

	(Billions of JPY)		Difference	
	FY2017 Full	FY2018 Full		
Net sales	38.1	45.2	7.1	18.8%
Operating income (to net sales ratio)	4.3 11.5%	4.5 10.1%	0.1 -1.4pt	4.5%

Comparison (YoY)

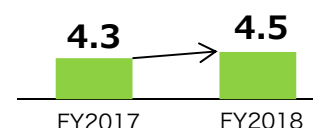
Net sales



>>Comparison (QoQ)

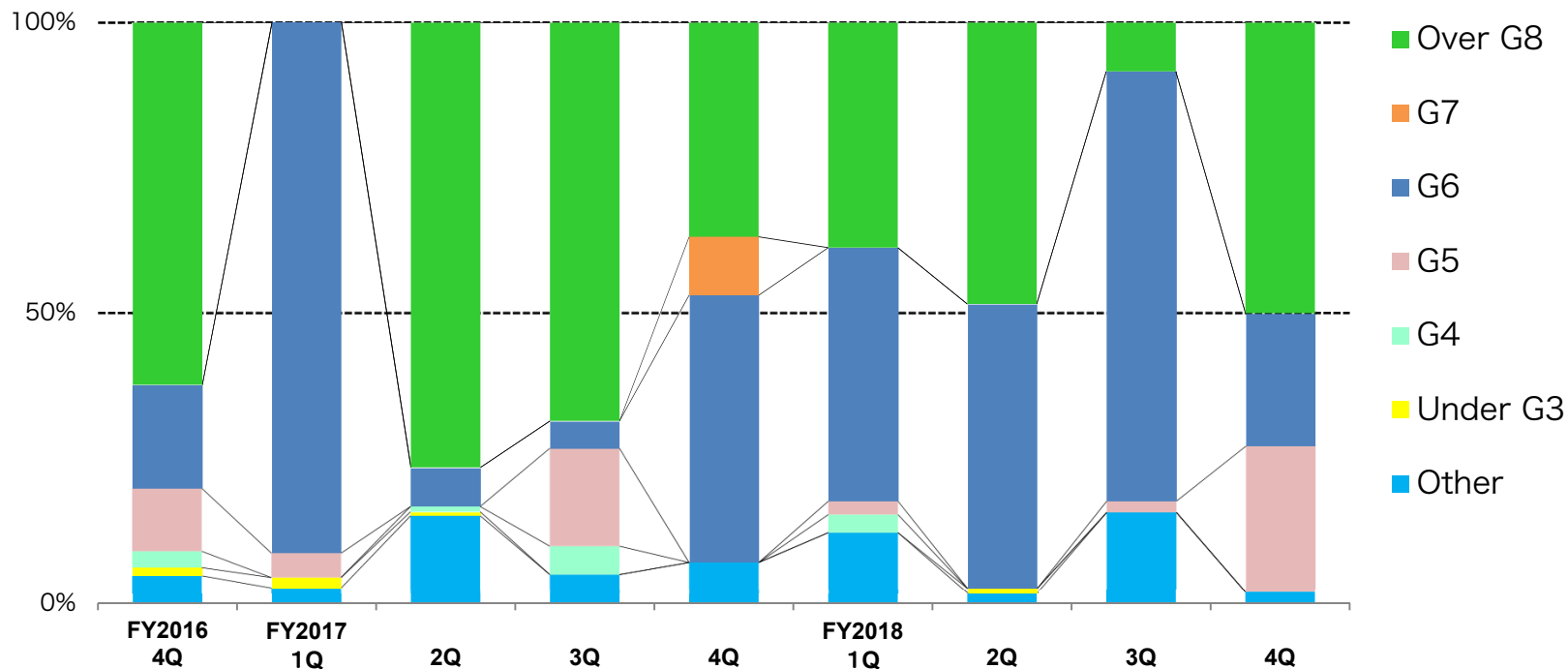
	(Billions of JPY)		Difference	
	FY2018 3Q	FY2018 4Q		
Net sales	9.1	13.2	4.1	45.7%
Operating income (to net sales ratio)	0.4 5.1%	2.2 16.9%	1.7 11.8pt	386.1%

Operating income



- Due to the strong market, sales and profit increased YoY and QoQ. Although fixed costs increased owing in part to the founding of SCREEN Laminotech Co., Ltd., the operating income ratio stayed above 10%.

FT >> Quarterly Orders Received by Generation (Nonconsolidated)



- Consolidated orders received in the 4Q (¥24.6 bn.) remained high, especially for large sized products.
- Although we expect a temp drop in the 1Q, we prospect orders received to recover from the 2Q onward.

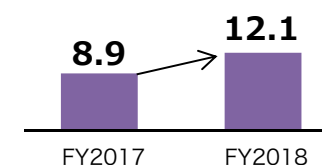
PE >> Business Environment

>>Comparison (YoY)

	FY2017	FY2018	Difference	
	Full	Full		
(Billions of JPY)				
Net sales	8.9	12.1	3.2	36.7%
Operating income (to net sales ratio)	0.7 8.4%	1.0 8.3%	0.2 -0.1pt	34.8%

Comparison (YoY)

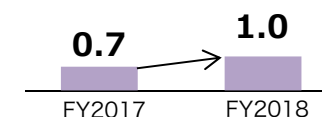
Net sales



>>Comparison (QoQ)

	FY2018	FY2018	Difference	
	3Q	4Q		
(Billions of JPY)				
Net sales	3.4	2.9	(0.5)	-15.1%
Operating income (to net sales ratio)	0.6 17.9%	(0) -0.1%	(0.6) -18.0pt	-100.4%

Operating income



- Due to the strong market, sales and profit increased YoY. Sales and profit decreased QoQ.
- This segment recorded its highest net sales, reaching ¥10.0 billion for the first time.

1. FY2018 Business Results



2. Business Situation in 4 Segments



3. Financial Situation



4. FY2019 Business Forecast

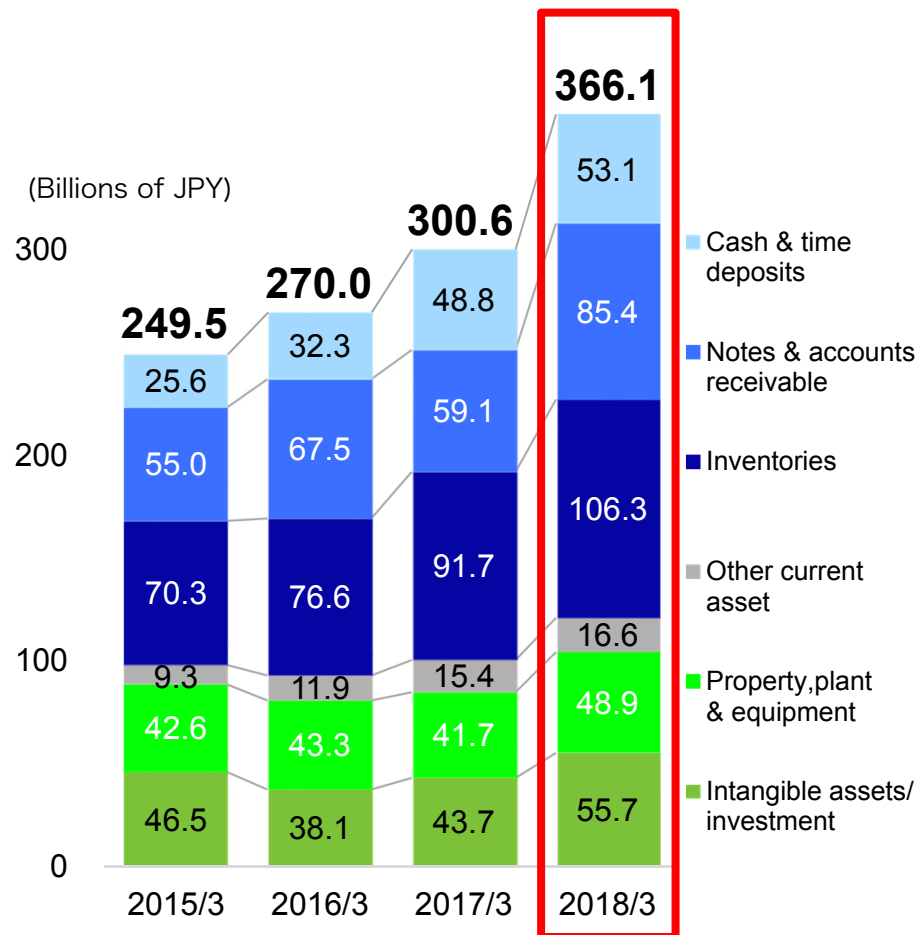


5. Recent Topics

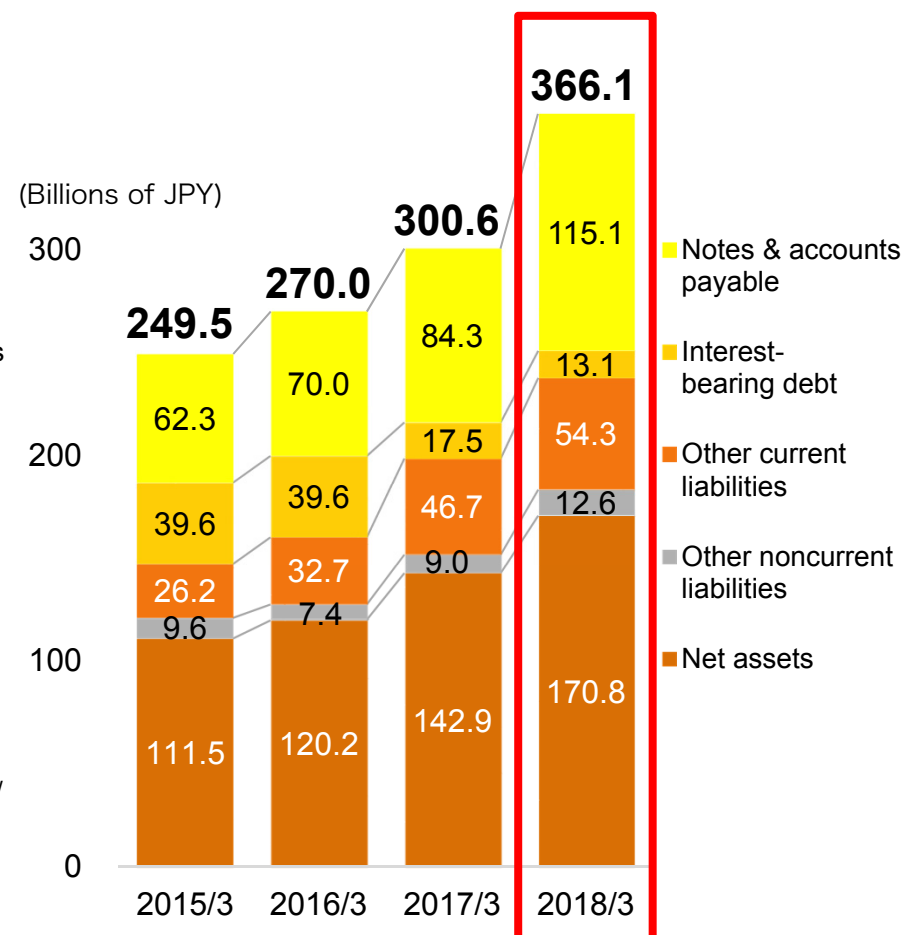


Trend in B/S (Consolidated)

>>Assets



>>Liabilities & Net Assets



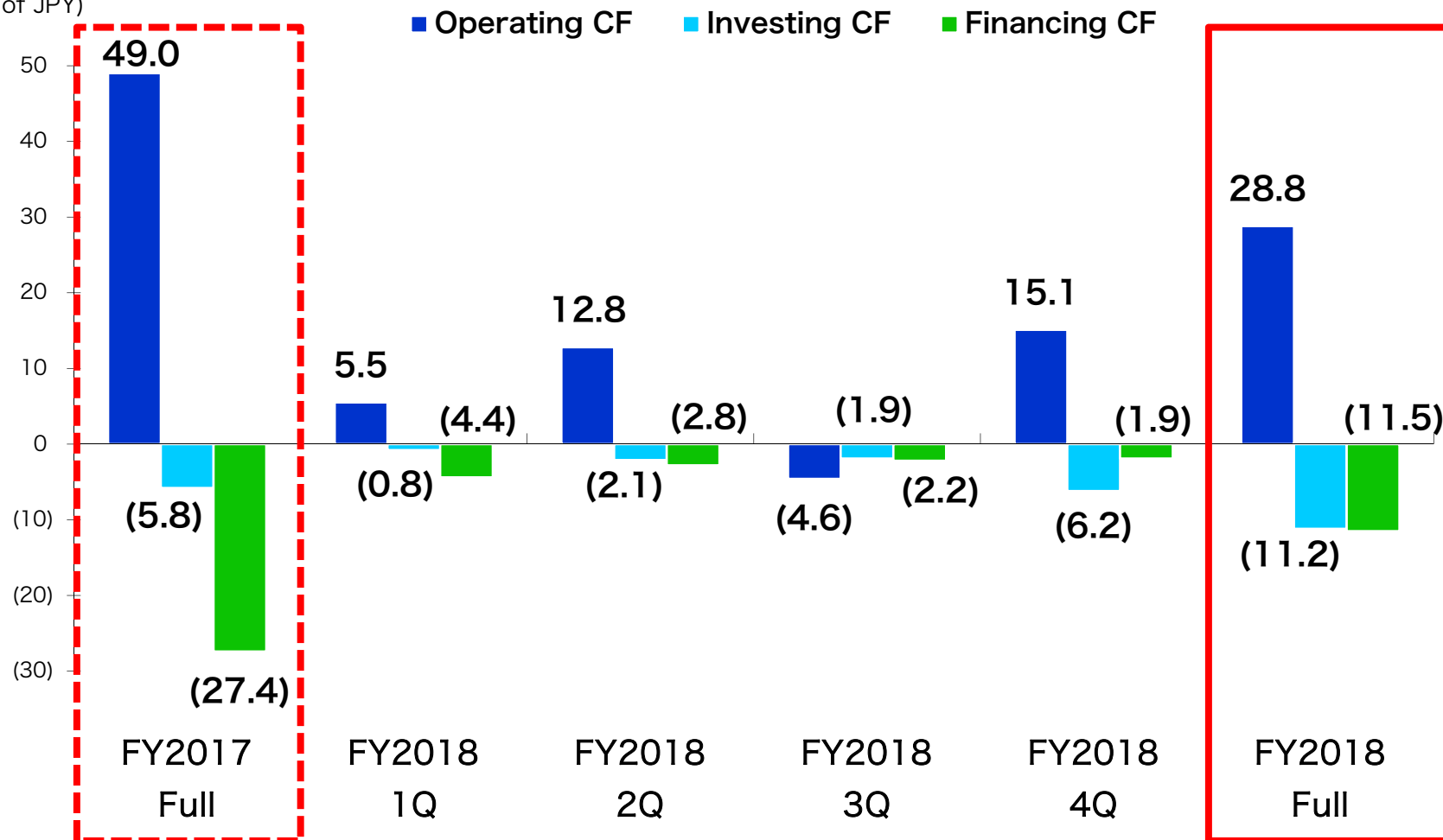
Equity Ratio : 47.5% (2017/3)



46.7% (2018/3)

Cash Flows (Consolidated)

(Billions of JPY)



>>FY2018 Free Cash Flow : ¥ 17.6 bn.

1. FY2018 Business Results



2. Business Situation in 4 Segments



3. Financial Situation



4. FY2019 Business Forecast



5. Recent Topics



Business Forecast for FY2019 (Consolidated)

*Forecast operating income by segment: approximate numbers per 0.5 bn.

(Billions of JPY)	FY2017	FY2018			FY2019			Difference YoY	
	Full	Result			Forecast				
	Result	1H	2H	Full	1H	2H	Full		
Net sales	300.2	153.8	185.5	339.3	176.0	208.0	384.0	44.6	13.2%
SE	206.0	99.8	127.3	227.1	115.5	144.5	260.0	32.8	14.4%
GA	45.8	24.8	28.6	53.4	27.0	29.0	56.0	2.5	4.8%
FT	38.1	22.8	22.3	45.2	25.0	25.0	50.0	4.7	10.5%
PE	8.9	5.7	6.4	12.1	7.0	7.0	14.0	1.8	14.8%
Other	1.2	0.5	0.7	1.3	1.5	2.5	4.0	2.6	202.1%
Operating income	33.7	16.9	25.8	42.7	21.0	32.0	53.0	10.2	24.0%
(to net sales ratio)	11.2%	11.0%	13.9%	12.6%	11.9%	15.4%	13.8%	-	1.2pt
SE	29.3	14.5	21.7	36.3	17.5*	27.5*	45.0*	-	-
GA	1.4	1.2	1.7	3.0	1.5*	2.5*	4.0*	-	-
FT	4.3	1.8	2.7	4.5	3.0*	2.5*	5.5*	-	-
PE	0.7	0.3	0.6	1.0	0.5*	0.5*	1.0*	-	-
Other	(2.1)	(1.1)	(1.0)	(2.2)	(1.5)*	(1.0)*	(2.5)*	-	-
Ordinary income	32.0	16.4	24.8	41.3	20.0	31.0	51.0	9.6	23.4%
Profit attributable to owners of parent	24.1	10.6	17.8	28.5	13.5	23.5	37.0	8.4	29.8%

Assumed Exchange Rate>> USD1 = ¥105 EUR1 = ¥130

» FY2019 Market Outlook and Initiatives

SE

- **SCREEN expects the annual value of the WFE (wafer fab equipment) market to reach more than USD 50bn., which will continue to grow.**

 - In growth markets, our major products did well, securing higher POR and creating new business domains.
- **Investment in DRAM will ramp up, including in miniaturization.**

 - In the cleaning equipment business, we will accelerate the switch to the SU-3300 of single wafer cleaning equipment with the aim of making it a global standard.
- **Foundries and logic : Investment in miniaturization (to 10nm >) is proceeding apace.**

 - We will enhance our ability to provide new device solutions with our differentiated LT-3100 of annealing equipment.
- **Chinese market: The market is set to enter a period of full-scale expansion.**

 - We aim to bolster growth from our superior position in all product categories.
- **After-sales service: Expansion will continue.**

 - We aim to expand this business amid strong growth.



Single wafer cleaning equipment SU-3300

GA

 We will shift to a high earnings structure.

- We will strengthen our earnings power by raising sales of POD equipment and expanding our after-sales businesses (ink and services).

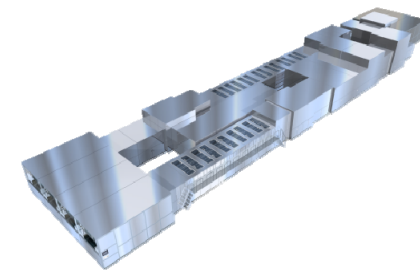


Digital printing equipment
Truepress Jet520NX

FT

 We aim to ensure the sustainability of our business portfolio and expand our business scale.

- In the display business, we will expand our product lineup, including for G10 products and above.
- In new business fields, we aim to expand sales and profits, including for polyimide (PI) coaters for flexible substrates and coater/dryers for lithium-ion batteries.



Coater/developer
SK Series

PE

□ Heighten our market presence by expanding sales.

- We aim to expand our sales and earnings by bolstering our product lineup of automotive inspection equipment and direct imaging equipment capable of high-speed processing for copper circuit patterning for high-performance HDI substrates.



Direct imaging equipment
Ledia 6

New Business: Move on to the sales growth phase

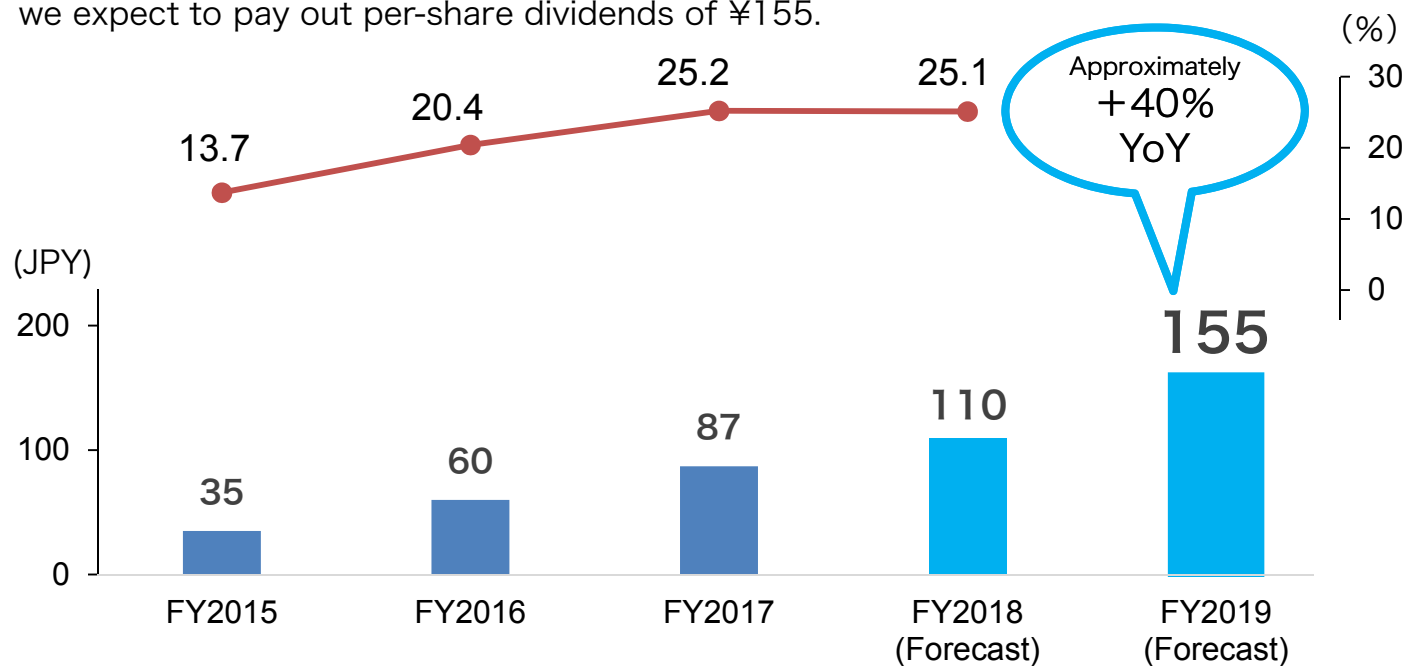
- We aim to raise sales and expand our product lineup while firming up our customer base.



Automated Forged parts inspection system
IM-3200

» Total Consolidated Shareholder Return Ratio : Aim for 25% or above

- We expect to increase per-share dividends by ¥110, in light of the strong results in the fiscal year ended March 31, 2018. * Forecasts announced in January: ¥100
- Taking into consideration results forecasts for the fiscal year ending March 31, 2019, we expect to pay out per-share dividends of ¥155.

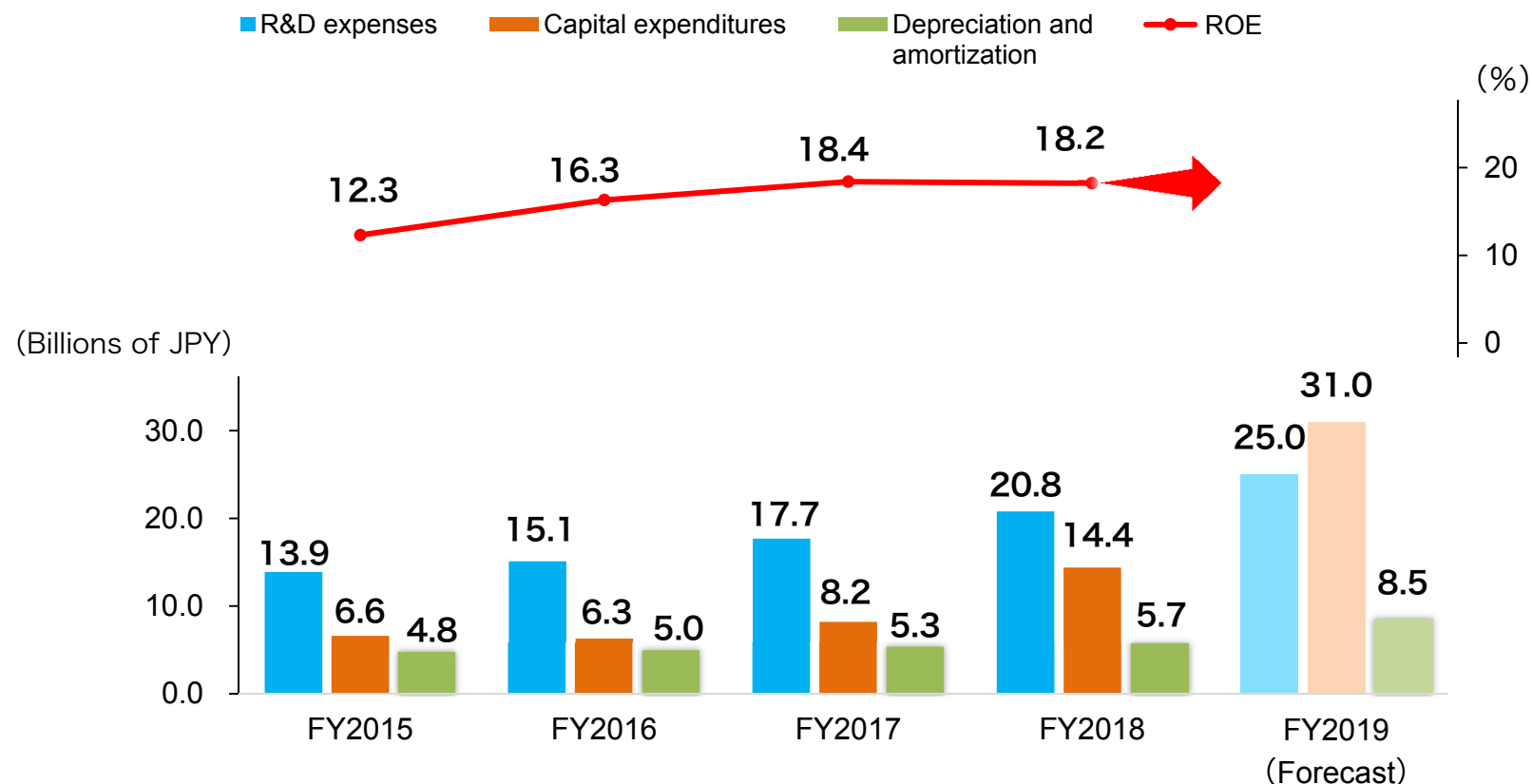


■ Cash dividend forecast -Left axis
 —●— Total consolidated shareholder return ratio -Right axis

*1 Cash dividends on FY2018 will be distributed to the upcoming 77th ordinary general meeting of shareholders scheduled on June 26, 2018.

*2 Dividend amounts shown above are calculated reflecting the share consolidation (a one-for-five consolidation) implemented on October 1, 2016.

» Growth Investment and ROE



■ Plan for FY2019

- R&D expenses: Targeting next-generation technology
- Capital expenditures: Expand production capacity with enhancing production efficiency for the SE and FT segments and invest in IT

Progress on Three-Year Medium-Term Management Plan “Challenge 2019”

➤➤ **First Year Starts off on a Good Note,**
achievable the target on Operating income
to net sales ratio one year ahead.

TARGETS

- 1 **Achieve fiscal year net sales of approximately ¥300 bn.**
Expand sales
- 2 **Achieve an operating income to net sales ratio of 13% or above in the final fiscal year of the plan**
Maintain and improve profitability
- 3 **Achieve ROE of approximately 15%**
Maintain and improve capital efficiency

FY2019 FORECAST

- **Net sales : ¥384bn.**
- Net sales exceeded ¥300 bn. for 3 consecutive years for the first time.
- **Operating income to net sales ratio : 13.8%**
- **ROE : 15% or above**

The above forward-looking numerical amounts are goals for organic growth.

1. FY2018 Business Results



2. Business Situation in 4 Segments



3. Financial Situation



4. FY2019 Business Forecast



5. Recent Topics



»» Recent Topics

HD>>

- Certified “Health and Productivity Management Organization Recognition Program 2018 - White 500 – “
- Joins One-Stop Bioresource Project in Kyoto University

SE>>

- Distribution and Support Agreement on Purion Ion Implant Platform to Japan Market with Axcelis Technologies, Massachusetts in US.
- Partners with Taiwan's National Tsing Hua University

GA>>

- Receives 2018 Technology Award from Japanese Society of Printing Science and Technology

FT>>

- We Plan to Build New Manufacturing Facility in Hikone for Display Production and Coating Equipment
 - Expand production capacity with enhancing production efficiency and profitability

ESG-Related Initiatives



World agreement "Goals for Sustainable Development" to 2030

The SCREEN Group recognizes significant similarities between its Corporate Philosophy and the UN's Sustainable Development Goals (SDGs). In line with this recognition, the Group places emphasis on and is proactively taking on the initiatives particular 6 High-Materiality Tasks listed below among 17 goals. The Group is thus helping to create a peaceful and prosperous society in which no one is left behind while supporting sustainable growth in regions around the globe.

>> 6 High-Materiality Tasks



4 QUALITY EDUCATION



8 DECENT WORK AND ECONOMIC GROWTH



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION



16 PEACE, JUSTICE AND STRONG INSTITUTIONS



17 PARTNERSHIPS FOR THE GOALS

- **Evaluation of the Board of Directors' Effectiveness**

- The results are posted on our website under IR information.

- **Strengthening of our engagement with shareholders and other investors**

- In September and February, we conducted surveys of investors and analysts regarding the Company's IR activities. The average of all scores was 4.3 out of 5. We will give serious consideration to the valuable opinions that everyone provided and aim to reflect them in management, such as by holding dialogues with voting rights holders and otherwise enhancing our engagement with investors going forward.

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IR / May 8, 2018

SCREEN Holdings Co., Ltd.

■ For Reference>> Changes in Main Index

(Billions of JPY)	FY2014	FY2015	FY2016	FY2017	FY2018
Net sales	235.9	237.6	259.6	300.2	339.3
Operating income	8.9	17.1	23.5	33.7	42.7
Operating income ratio (%)	3.8	7.2	9.1	11.2	12.6
Total assets	232.3	249.5	270.0	300.6	366.1
Equity	86.4	110.8	119.6	142.8	170.8
Equity ratio(%)	37.2	44.4	44.3	47.5	46.7
ROE(%)	6.7	12.3	16.3	18.4	18.2
Depreciation and amortization	4.1	4.8	5.0	5.3	5.7
Capital expenditures	4.5	6.6	6.3	8.2	14.4
R&D expenses	12.2	13.9	15.1	17.7	20.8
EPS (JPY)	114.15	255.35	396.75	511.96	608.62

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