

# Financial Results

## The Fiscal Year ended on March 2010

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**Hirata**  
The Global Production Engineering Company

May 24, 2010



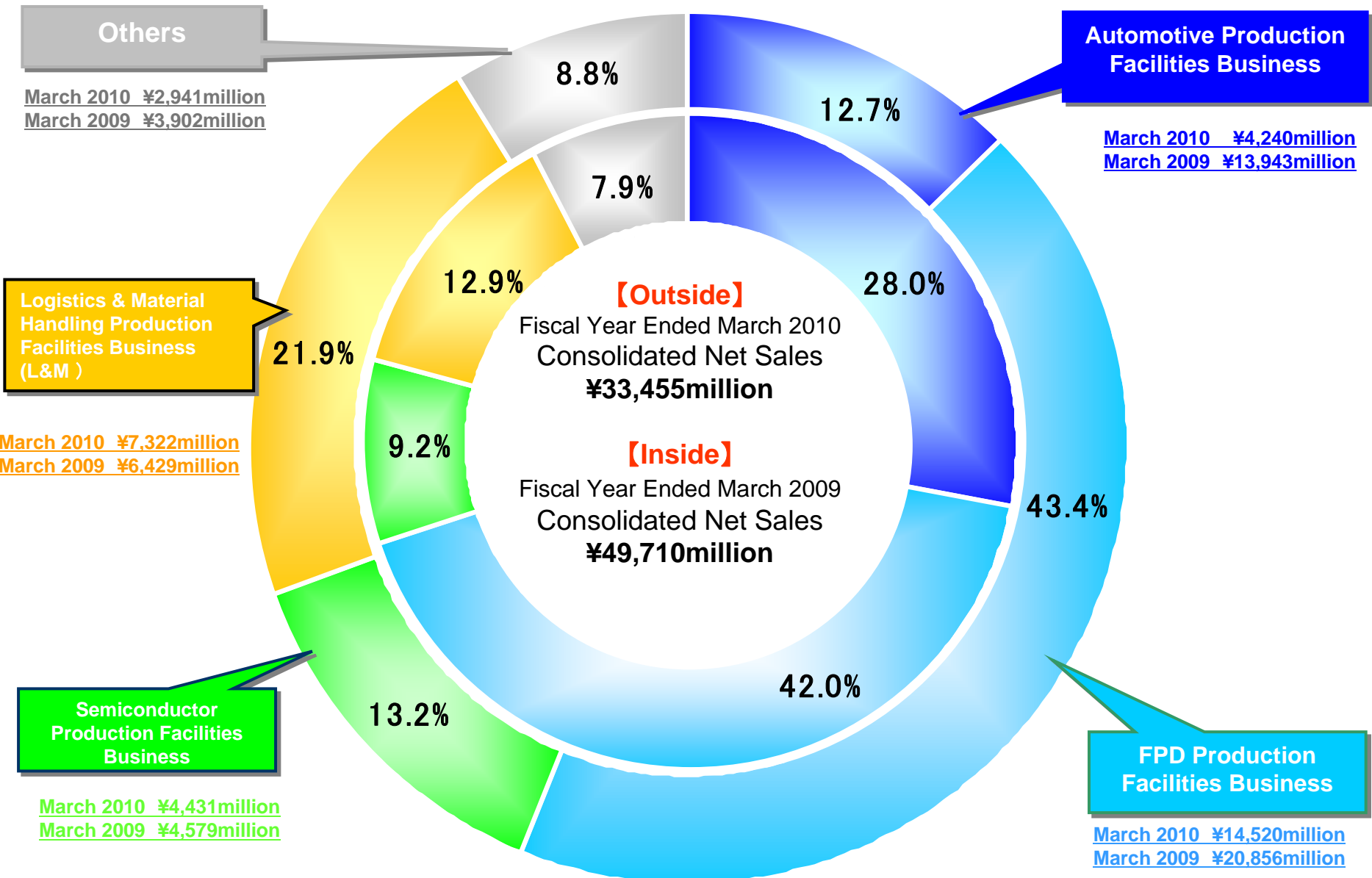
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# I Financial Results

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**The Fiscal Year ended on March 2010 (March 31, 2010)**

# I Financial Results Consolidated Net Sales by Business Unit



# I Financial Results Summary of Financial Results

## Overview

- Sales decreased due to a drop of capital spending by the deflation.
- Operating income and ordinary income recovered driven by the reduction of both variable and fixed cost by thoroughly reviewing our overall operation, however, net income resulted in low-level figures after reviewing estimate of deferred tax asset.

## Consolidated Financial Results

(¥ in millions)

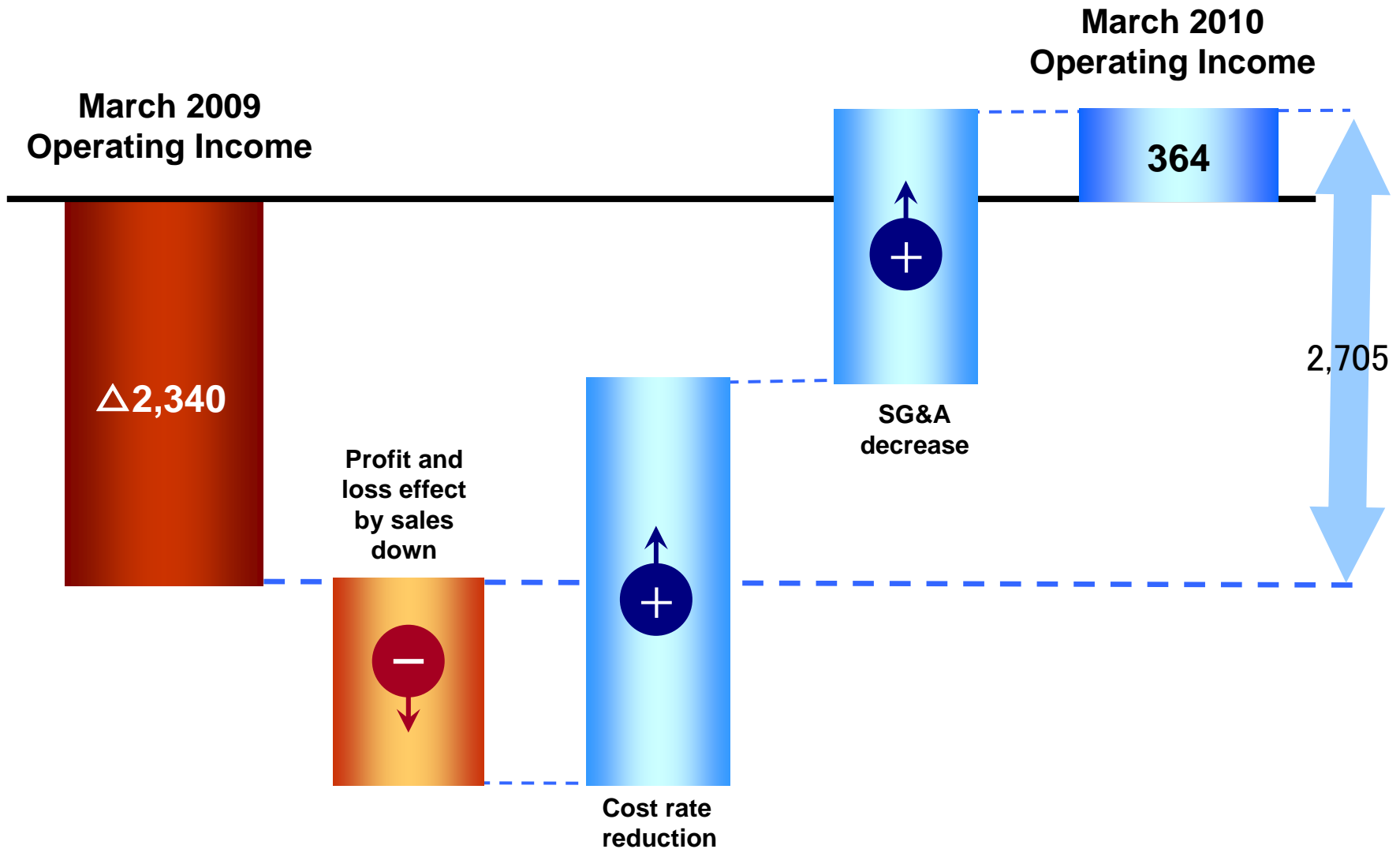
Item	FY 2009 Results	Forecasts for FY 2010		Results for FY 2010		
		Plan at the beginning	Amended Plan (Nov. 13, 2009)	Results	Achievement vs. plan at the beginning	Rate of Change
Sales	49,710	36,500	35,000	33,455	91.7%	△32.7%
Operating Income	△2,340	600	100	364	60.7%	—
Ordinary Income	△2,944	380	0	180	47.6%	—
Net Income	△2,945	415	300	43	10.6%	—

## Non-consolidated Financial Results

Item	FY 2009 Results	Non-consolidated estimate earnings		Results for FY March 2010		
		Plan at the beginning	Amended Plan (Nov. 13, 2009)	Results	Achievement vs. plan at the beginning	Rate of Change
Sales	40,830	29,000	28,000	27,074	93.4%	△33.7%
Operating Income	△2,906	550	200	475	86.5%	—
Ordinary Income	△3,387	350	100	321	91.8%	—
Net Income	△3,129	425	400	322	76.0%	—

# I Financial Results Factor Analysis on Changing Operating Income

(¥ in millions)



# I Financial Results Consolidated Net Sales by Business Unit

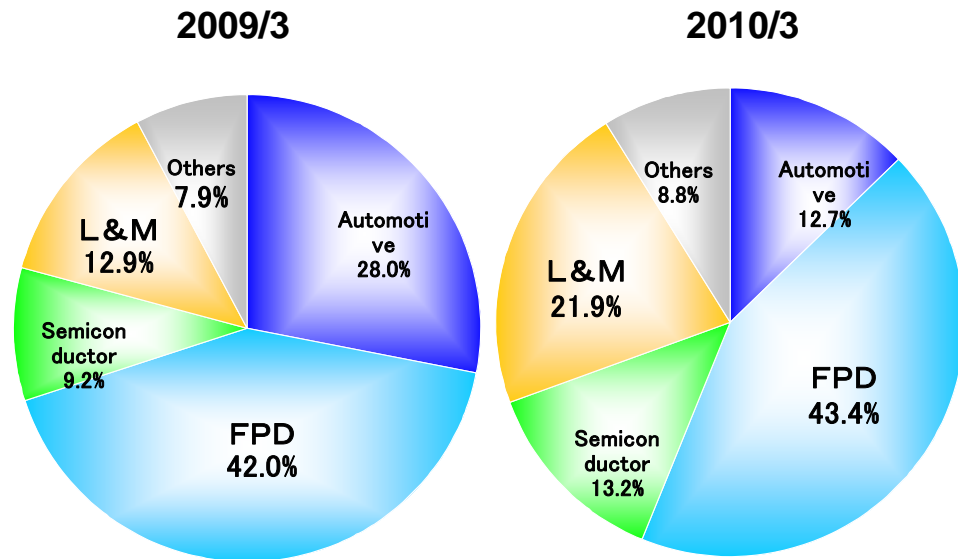
## ■ Automotive and FPD BU decreased sales largely, L&M BU increased sales.

- Automotive BU : Sales down because of falloff in capital expenditures in North America and Japan. (Δ69.6%)
- FPD BU : Orders from domestic customers was as planned, but dropped from overseas(Δ30.4%)
- Semiconductor BU : Although the market head for recovery, sales slightly down(Δ3.2%)
- L&M BU : Sales up due to increase in demand of home electronics and tire manufacturing(+13.9%)

## Net Sales by Business Unit

¥ in millions

Business Unit	2009/3	2010/3	Change
Automotive	13,943	4,240	Δ69.6%
FPD	20,856	14,520	Δ30.4%
Semiconductor	4,579	4,431	Δ3.2%
L&M	6,429	7,322	+13.9%
Others	3,902	2,941	Δ24.6%
<b>Total</b>	<b>49,710</b>	<b>33,455</b>	<b>Δ32.7%</b>



# I Financial Results Consolidated Net Sales by Region

■ Both domestic and overseas sales dropped due to the stagnation of automotive related capital expenditures.

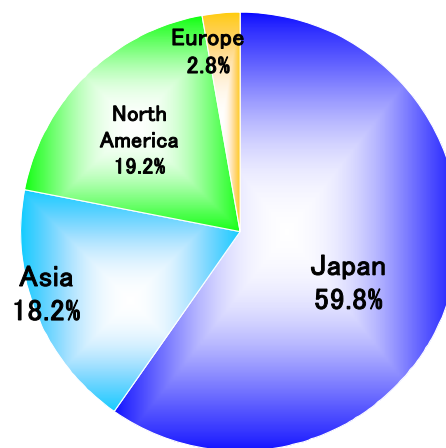
- Domestic : Domestic sales decreased due to the stagnation of automotive manufacturers. (Δ21.8%)
- Asia : As in domestic market, sales for Asia decreased due to a drop in capital investment of automotive and FPD related production equipments. (Δ62.2%)
- North America : Automotive related production equipment remained stagnant and sales decreased. (Δ33.6%)
- Europe : Sales decreased due to the stagnation of home electronics. (Δ69.0%)

## Net Sales by Region

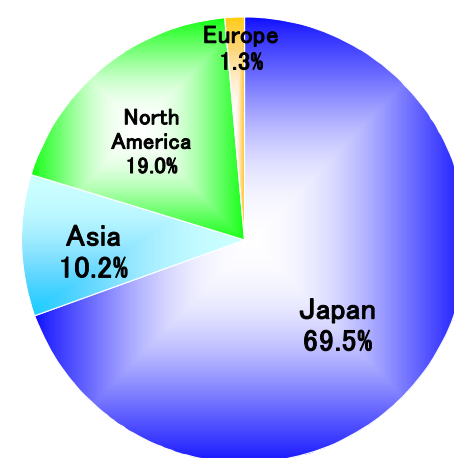
¥ in millions

Region	2009/3	2010/3	Change
Japan	29,746	23,267	Δ21.8%
Asia	9,022	3,409	Δ62.2%
North America	9,553	6,347	Δ33.6%
Europe	1,387	430	Δ69.0%
Others	0	—	—
<b>TOTAL</b>	<b>49,710</b>	<b>33,455</b>	<b>Δ32.7%</b>

2009/3



2010/3



# I Financial Results Consolidated Orders Received by Business Unit

■ Although automotive and FPD BUs remained in severe condition, semiconductor and L&M BUs started on a gradual recovery trend.

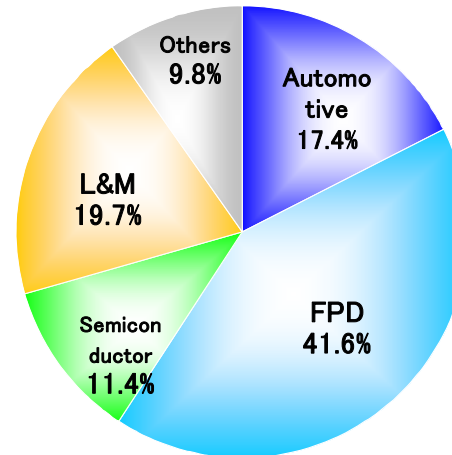
- Automotive BU : Decrease due to the impact of reducing capital investment and price declines. ( $\Delta 25.5\%$ )
- FPD BU : Decrease by the slowdown in domestic and Taiwan market. ( $\Delta 55.0\%$ )
- Semiconductor BU : Increase along with recovery trend of capital expenditures. ( $+11.9\%$ )
- L&M BU : Increase due to receiving orders of tire and home electronics related equipments. ( $+17.9\%$ )

## Orders Received by Business Unit

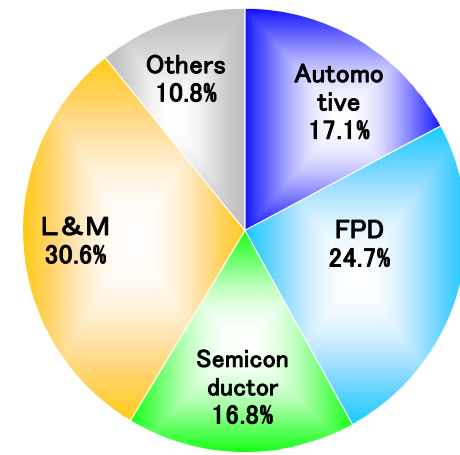
Unit: ¥ Million

Business Unit	2009/3	2010/3	Change
Automotive	6,367	4,743	$\Delta 25.5\%$
FPD	15,176	6,832	$\Delta 55.0\%$
Semiconductor	4,143	4,634	$+11.9\%$
L&M	7,164	8,449	$+17.9\%$
Others	3,580	2,991	$\Delta 16.5\%$
<b>Total</b>	<b>36,433</b>	<b>27,651</b>	<b><math>\Delta 24.1\%</math></b>

2009/3



2010/3





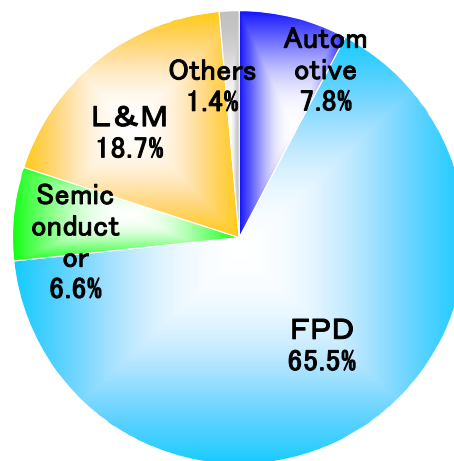
- Though business units other than FPD increased order backlog, the overall number decreased because of the falloff in demand from FPD customers.

### Order Backlog by Business Unit

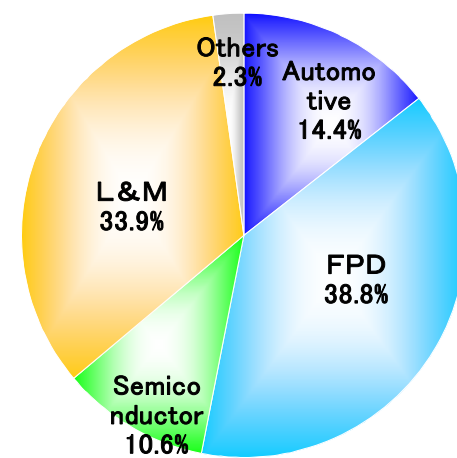
¥ in millions

Business Unit	2009/3	2010/3	Change
Automotive	1,580	2,084	+31.9%
FPD	13,322	5,634	△57.7%
Semiconductor	1,338	1,542	+15.2%
L&M	3,793	4,920	+29.7%
Others	286	335	+17.2%
<b>Total</b>	<b>20,321</b>	<b>14,517</b>	<b>△28.6%</b>

2009/3



2010/3



## II Topics

### “ Preferred Quality Supplier (PQS) Award” from Intel Corporation (March 2010)

#### Hirata received Intel Corporation’s PQS award in 2009

The PQS award is presented to suppliers which have strived for excellence and continuous improvement, and Hirata Corporation recognized for the significant contributions, providing Intel with material handling tools, deemed essential to Intel’s success. “We are very proud to have our efforts rewarded with our first PQS award in 2009. We pledge to continue delivering manufacturing equipment of the highest quality and greatest cost effectiveness to our customers. We will do our best to again earn this prestigious award” said Kozo Yoneda, president, Hirata Corporation.



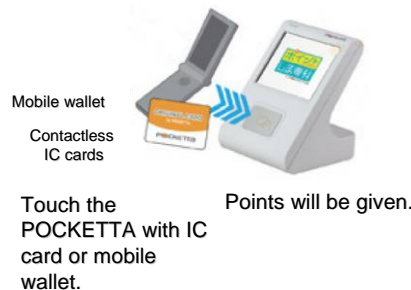
PQS Award  
Crystal Trophy in 2009

### Taihei Computer Co., Ltd started the service of next-generation promotional solution “POCKETTA” (April 2009)

Taihei Computer started to provide “POCKETTA” , an all-in-one promotional tool, installing such as points service.



#### Service Schematic



POCKETTA makes possible for contactless IC cards to be used as point cards with special terminals. Also, standard features include mobile communication equipment and a battery, therefore it can be used anywhere to conduct promotional activities. POCKETTA has been already used at “HARAJUKU STYLE COLLECTION” held in Tokyo in both 2009 and 2010 as stamp rally service. The company will strive to create a society that more people enjoy the benefits of point marketing.

### **Ⅲ Forecast for FY 2010**

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**The Fiscal Year ended on March 2011 (March 31, 2011)**

1. Enhance cost-competitiveness

2. Improve sales capability in both domestic and overseas

3. Enhance engineering capability

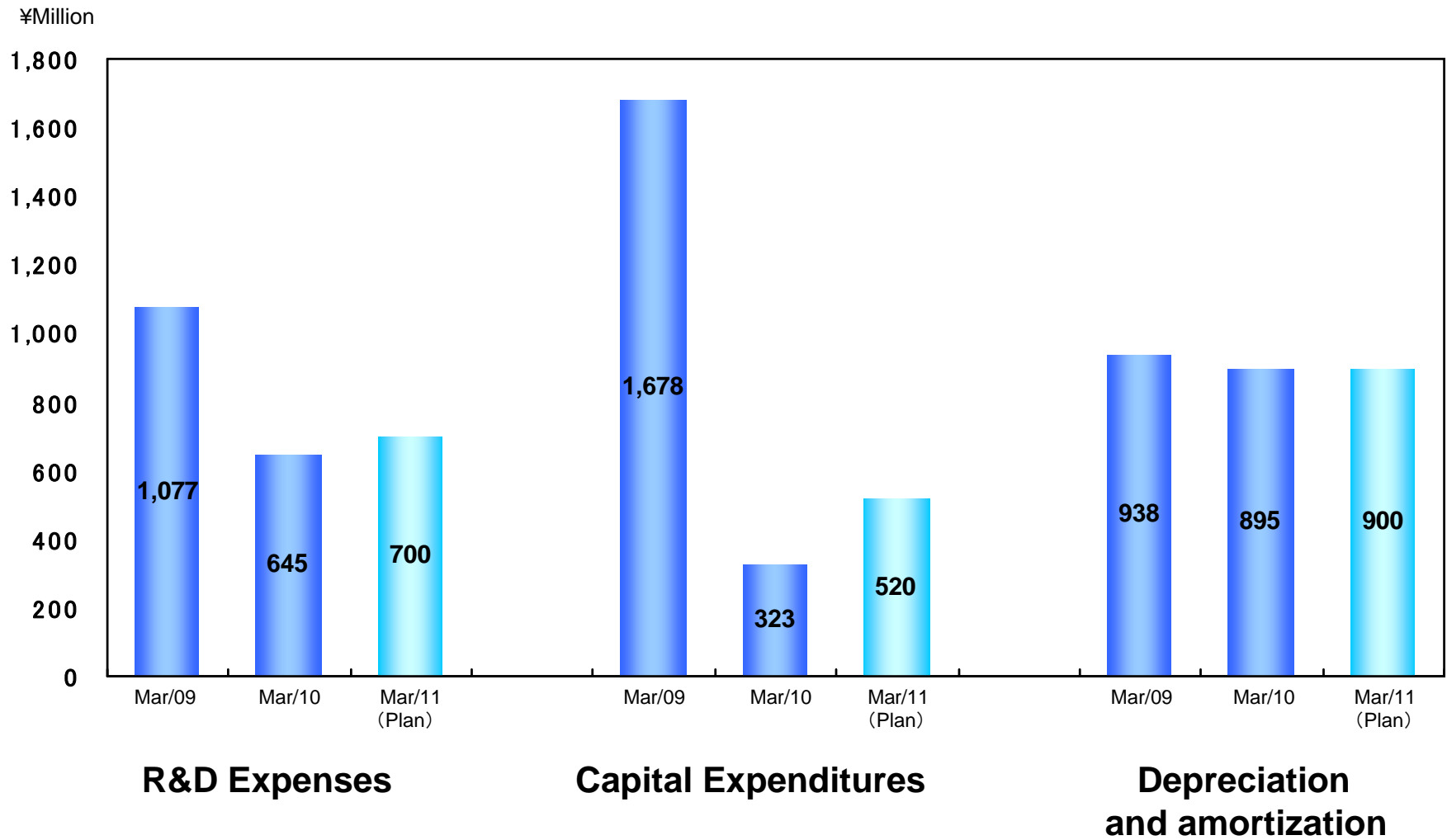
4. Accelerate the planning and development of products

# III Forecast for FY 2010 Earnings Forecast

(¥ in millions)

	March 2010 (Results)	March 2011(Forecast)			
		First Half Year	Second Half Year	Full Year	Rate of Change
<b>Sales</b>	33,455	17,000	17,000	34,000	+1.6%
Automotive	4,240			6,000	+41.5%
FPD	14,520			11,100	△23.6%
Semiconductor	4,431			4,500	+1.6%
L&M	7,322			8,600	+17.4%
Others	2,941			3,800	+29.2%
<b>Operating income (Ratio)</b>	<b>364(1.1)</b>	<b>100(0.6)</b>	<b>200(1.2)</b>	<b>300(0.9)</b>	<b>△17.7%</b>
<b>Ordinary income (Ratio)</b>	<b>180(0.5)</b>	—	<b>100(0.6)</b>	<b>100(0.3)</b>	<b>△44.7%</b>
<b>Net income (Ratio)</b>	<b>43(0.1)</b>	<b>100(0.6)</b>	<b>25(0.1)</b>	<b>125(0.4)</b>	<b>+184.7%</b>

# III Forecast for FY 2010 R&D Expenses, Capital Expenditures, Depreciation and amortization



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## **IV Reference Data**

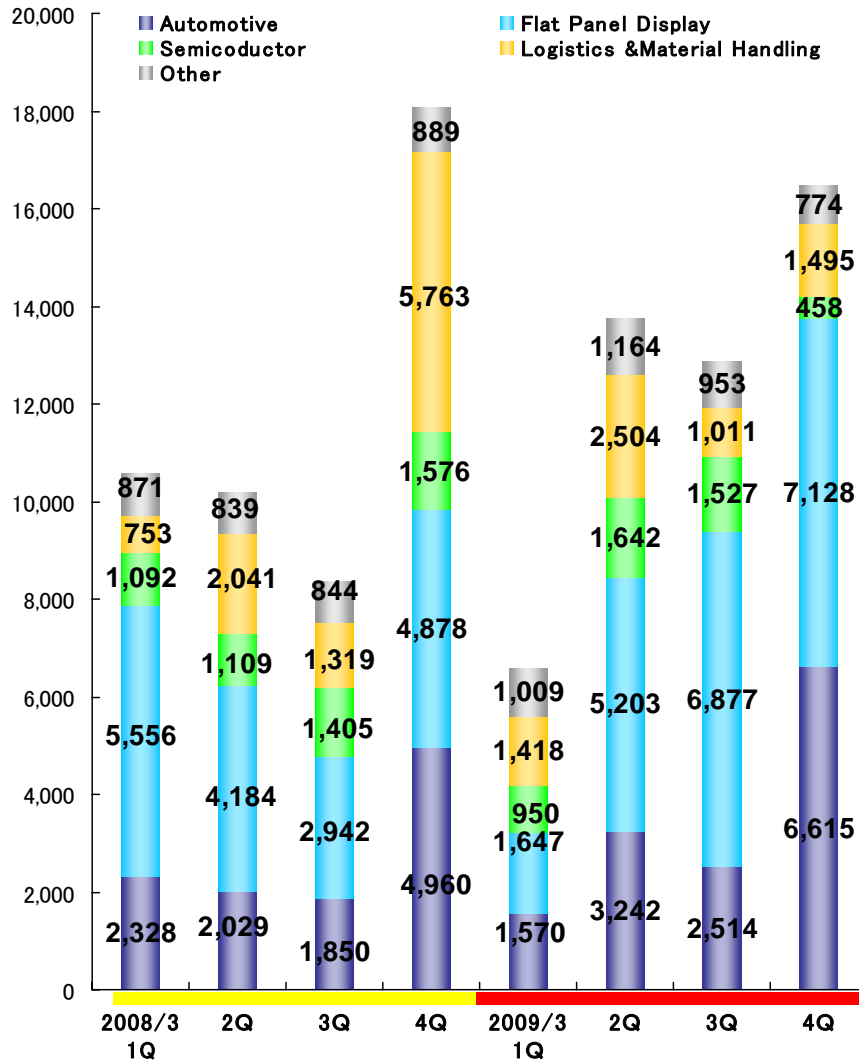
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**The Fiscal Year ended on March 2010 (March 31, 2010)**

# IV Reference Data Net Sales by Business Unit and Region (Quarterly Data)

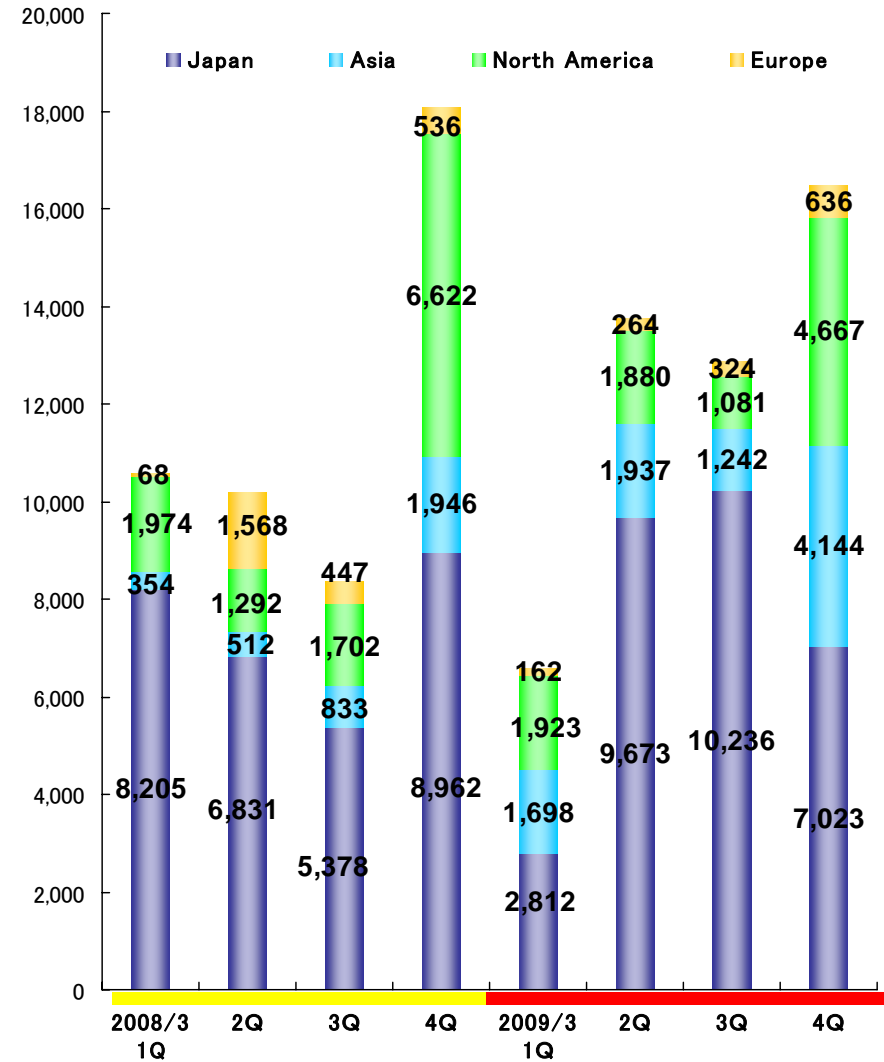
## Quarterly Net Sales by Business Unit

¥ in millions



## Quarterly Net Sales by Region

¥ in millions

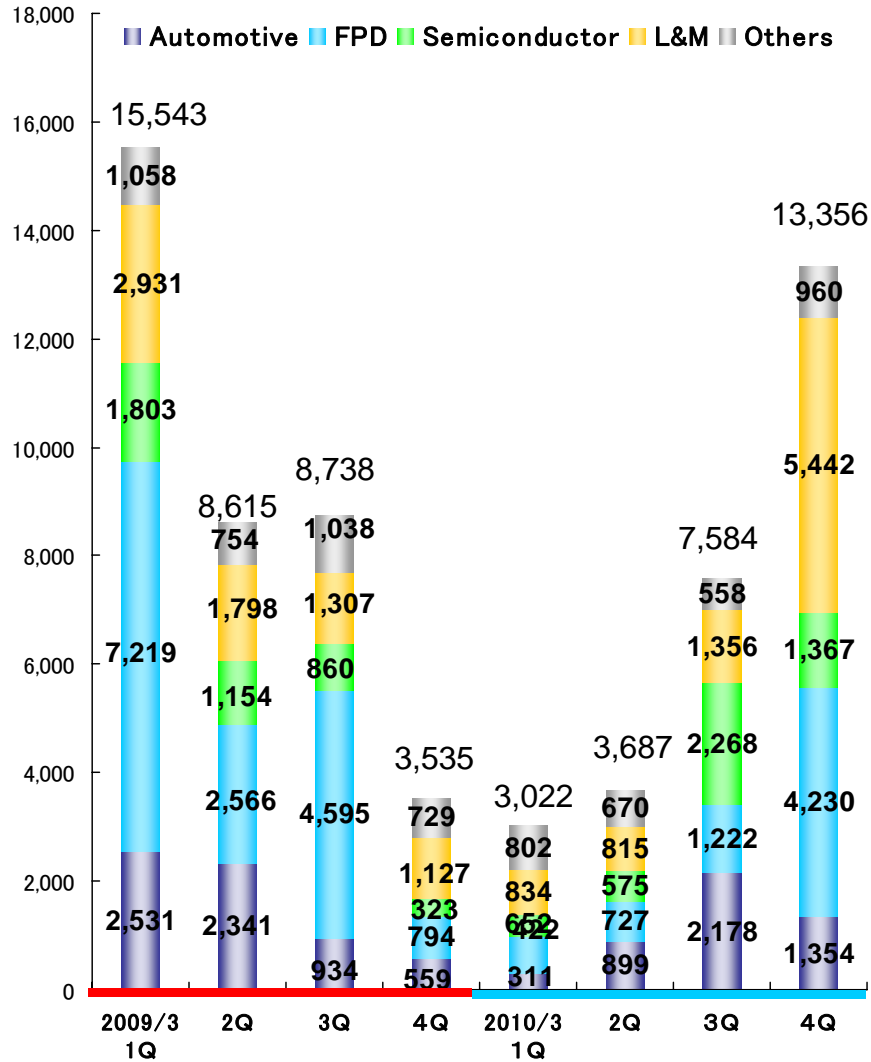




# IV Reference Data Orders Received and Order Backlog by Business Unit (Quarterly Data)

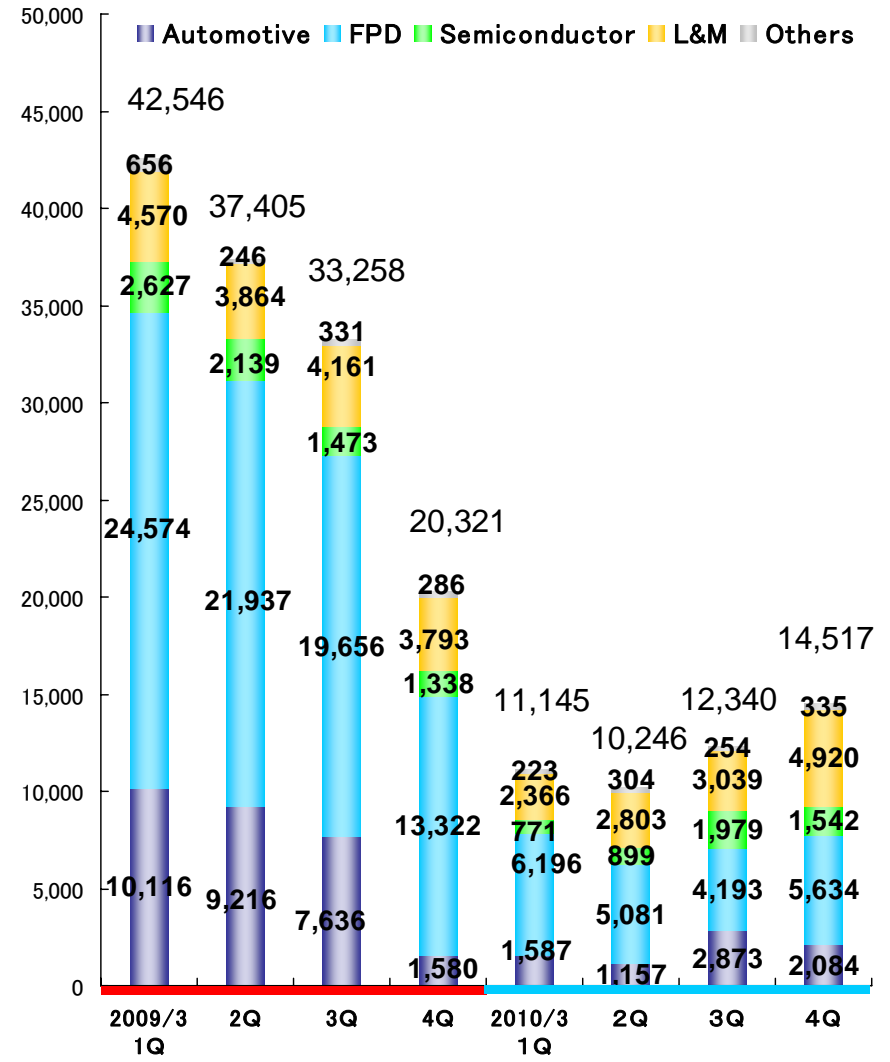
## Divisional Order received Transition by Quarter

¥ in millions

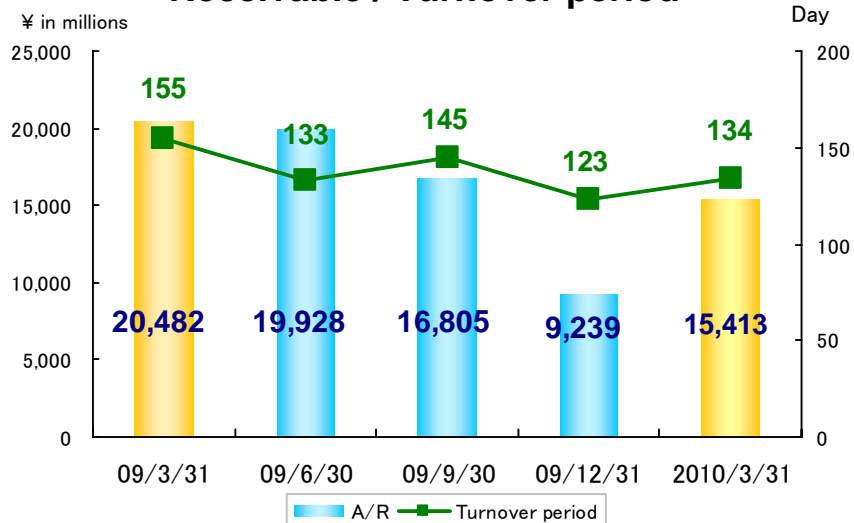


## Divisional Order Backlog Transition by Quarter

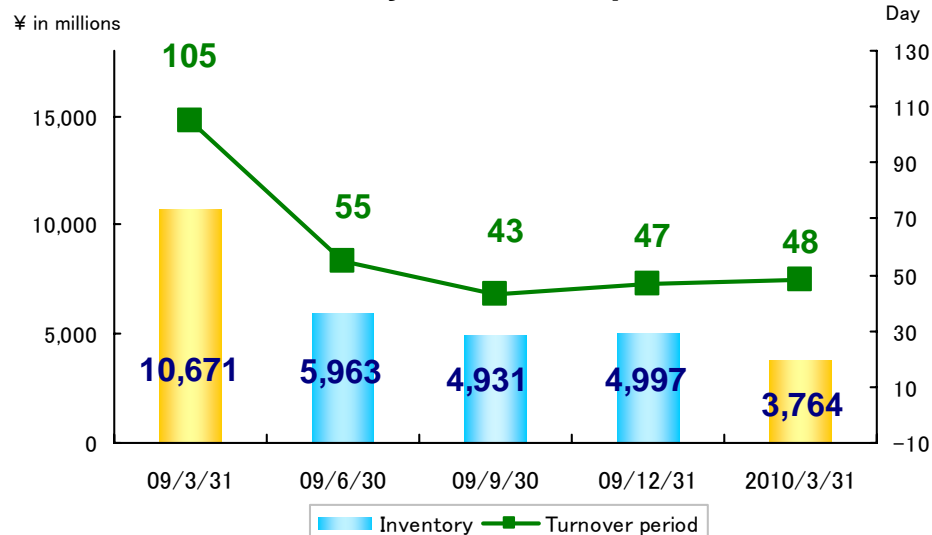
¥ in millions



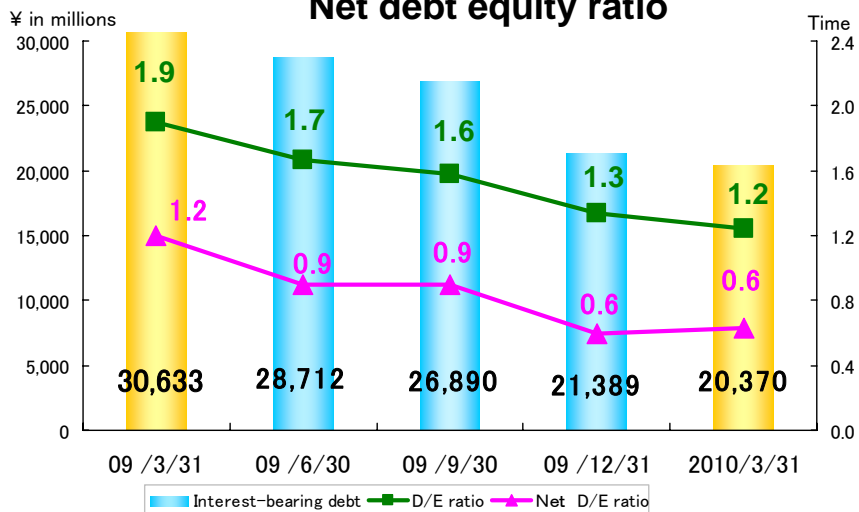
## Receivable / Turnover period



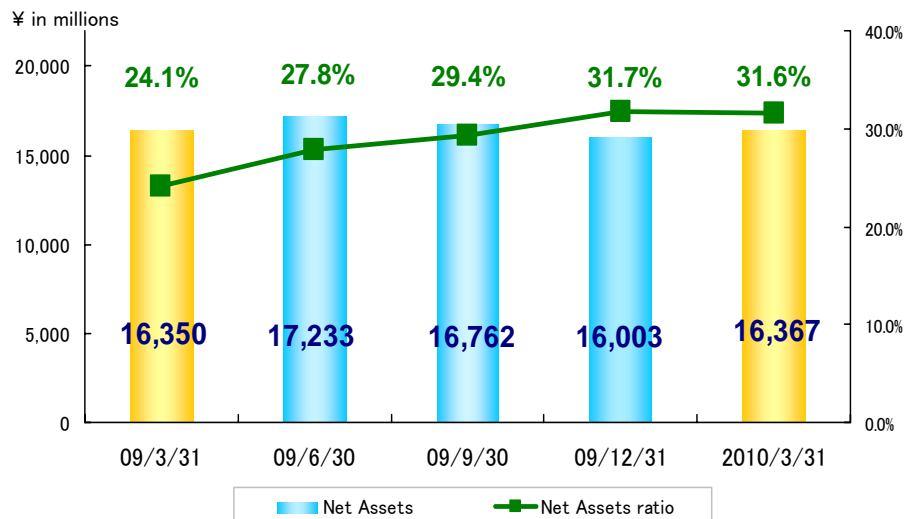
## Inventory / Turnover period



## Interest-bearing debt / Debt equity ratio / Net debt equity ratio



## Net assets / Net assets ratio



Note: Receivable turnover and inventory turnover have been calculated using of quarterly average amount.

Business forecasts and future outlook in this document are decided by our own based on information available when we created it, they may have some potential risks and uncertainty including economic trends, competitions with other companies, exchange rates. Please understand that the actual performance could be different drastically from mentioned or defined future forecasts by various factors such as changes in business environment.