

Announcement of FY2010 Second Quarter Business Results (April 2009 to September 2009)

November 11th, 2009
Tokyo Seimitsu Co., Ltd
Kazuo Fujimori, President
Kunimasa Ota, CFO



Cautionary Statement with respect to Forward-Looking Statements

Disclaimer:

- ◆ This presentation data and the information which our representatives present verbally contain “forward-looking statements” that are based on current best available information and policies.
- ◆ There are various factors such as world economic conditions and semiconductor/automobile market conditions which will directly and indirectly impact the Company’s results in the future.
- ◆ As a result, future outcomes may differ from those projected in this presentation.



TOKYO SEMITSU CO.,LTD
**Announcement of FY2010 Second Quarter
Business Results**

Agenda

- 16:00** **Opening**
- 16:00 – 16:15** **Second Quarter Business Results
for FY2010**
Kunimasa Ohta, CFO
- 16:15 – 16:30** **Market Circumstances, FY2010 Full Year
Forecasts and Our Actions**
Kazuo Fujimori, President



FY2010 1st Half (April 2009 - Sept 2009)

Business Result

Unit: Billions of Yen

	FY2009		FY2010		
	1 st Half	2 nd Half	1 st Half	1H10/2H09	YoY(%) 1H10/1H09
Sales	31.8	13.9	11.5	△18%	△64%
Semiconductor	19.2	5.5	7.0	+26%	△64%
Metrology	12.6	8.4	4.5	△46%	△64%
Operating Income	2.1	△4.6	△2.0	-	-
Semiconductor	△0.6	△5.3	△2.1	-	-
<i>Operating Income Ratio</i>	-	-	-	-	-
Metrology	2.7	0.8	0.1	△86%	△95%
<i>Operating Income Ratio</i>	21%	9%	3%	-	-
Ordinary Income	2.6	△5.4	△2.4	-	-
Net Income	△0.2	△11.0	△3.8	-	-



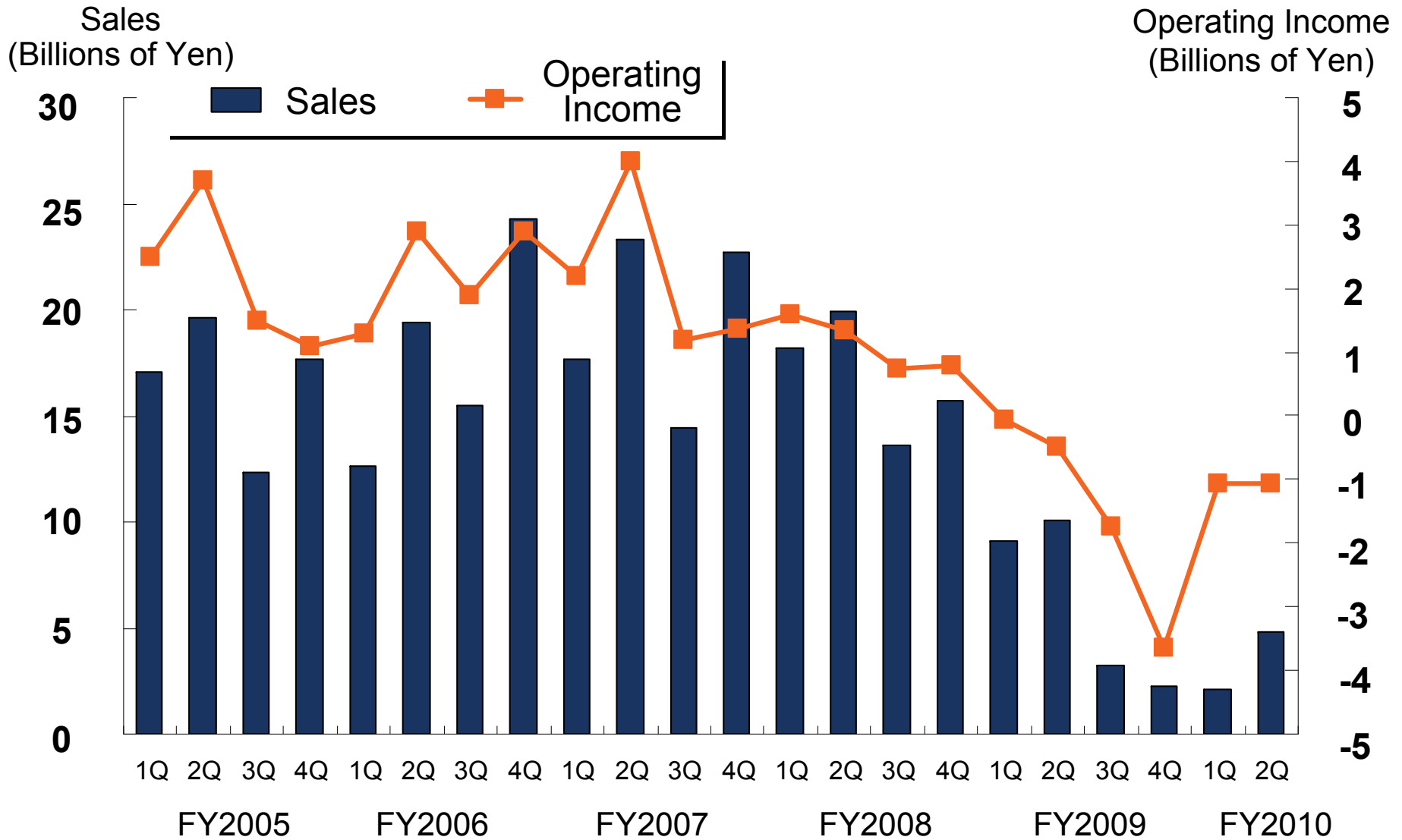
Quarterly-based Business Results

Unit: Billions of Yen

	FY2009				FY2010		
	1Q	2Q	3Q	4Q	1Q	2Q	QoQ(%)
Sales	14.9	16.9	7.8	6.1	4.2	7.3	+76%
Semiconductor	9.1	10.1	3.2	2.3	2.1	4.8	+128%
Metrology	5.8	6.8	4.6	3.8	2.0	2.5	+21%
Operating Income	1.2	0.9	△1.1	△3.5	△1.2	△0.8	-
Semiconductor	△0.1	△0.5	△1.7	△3.6	△1.1	△1.0	-
<i>Operating Income Ratio</i>	-	-	-	-	-	-	-
Metrology	1.3	1.4	0.6	0.1	△0.1	0.2	-
<i>Operating Income Ratio</i>	22%	21%	14%	4%	-	10%	-
Ordinary Income	1.7	0.8	△2.0	△3.3	△1.2	△1.2	-
Net Income	△0.6	0.4	△8.7	△2.3	△1.7	△2.1	-



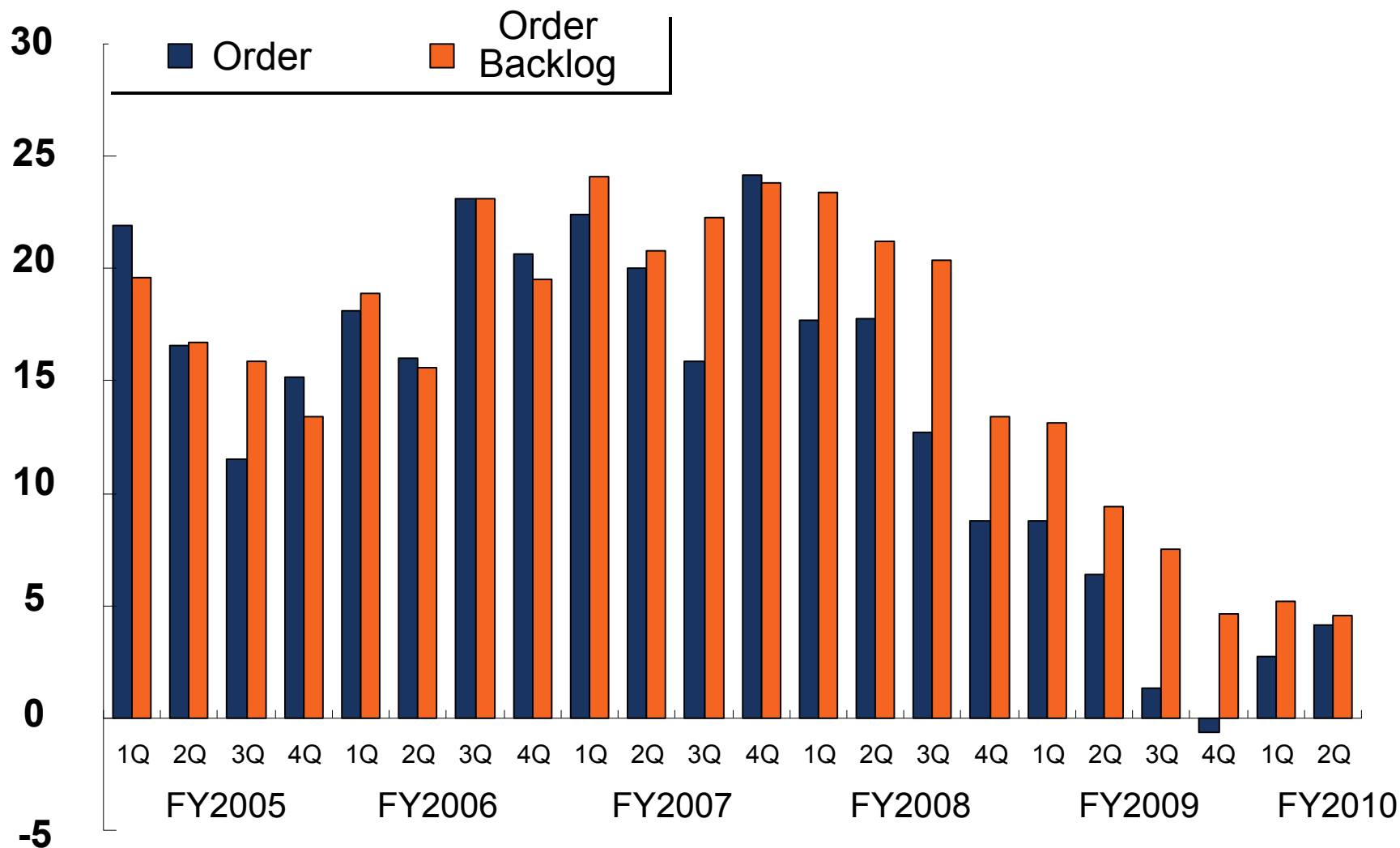
Trend of Semiconductor Business





Order Status of Semiconductor Business

(Billions of Yen)





Semiconductor / Regional Sales

Overseas Sales

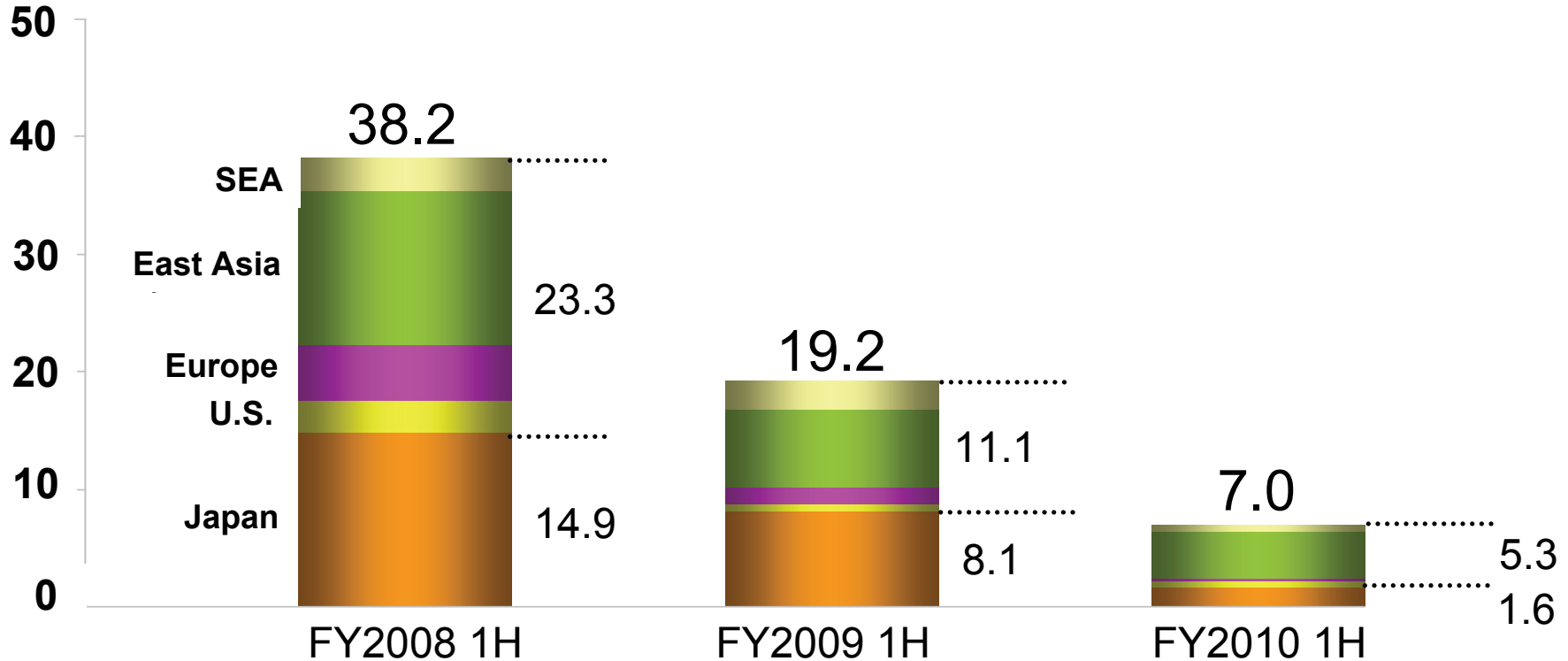
90%
80%
70%
60%
50%

61%

58%

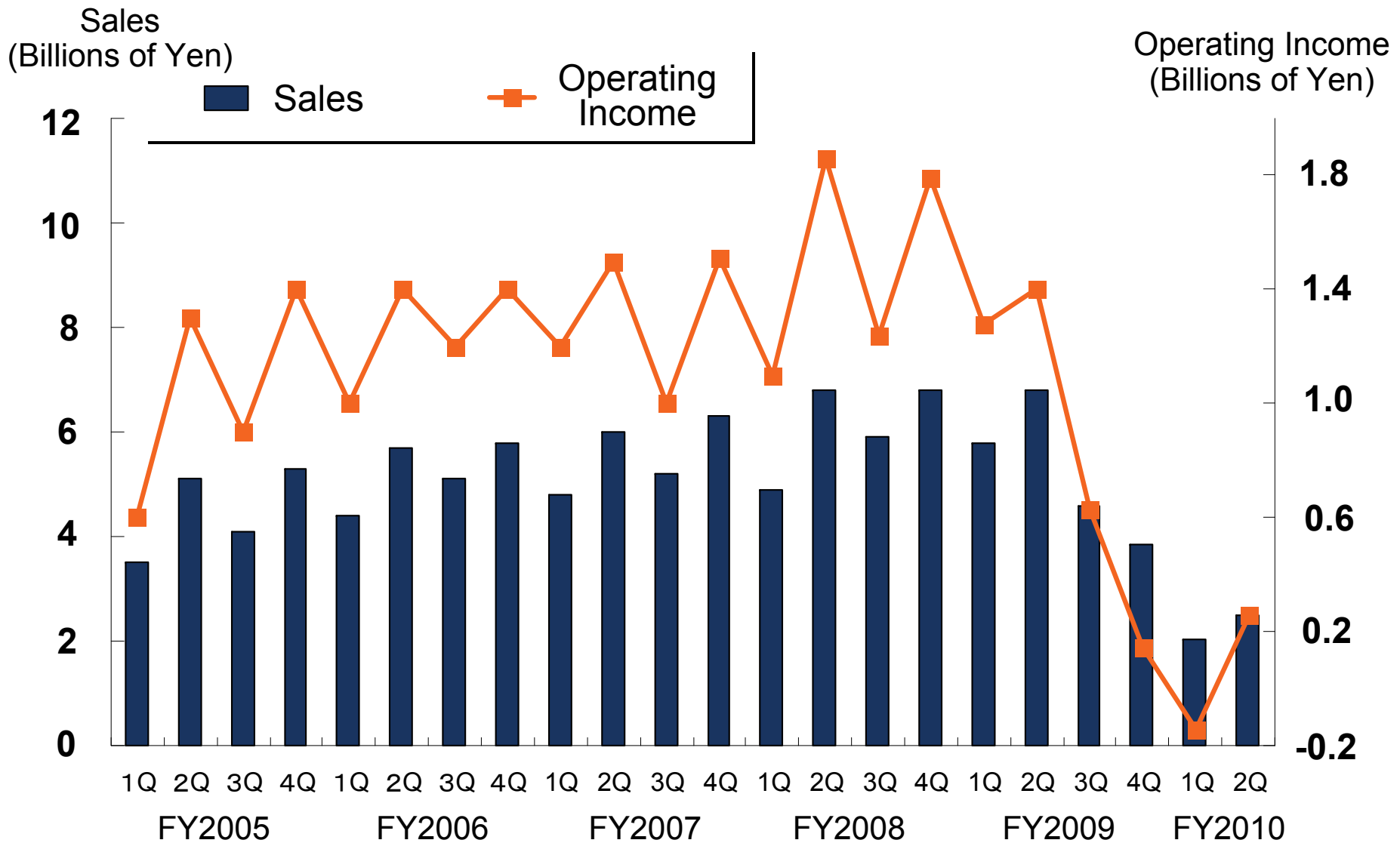
77%

(Billions of Yen)



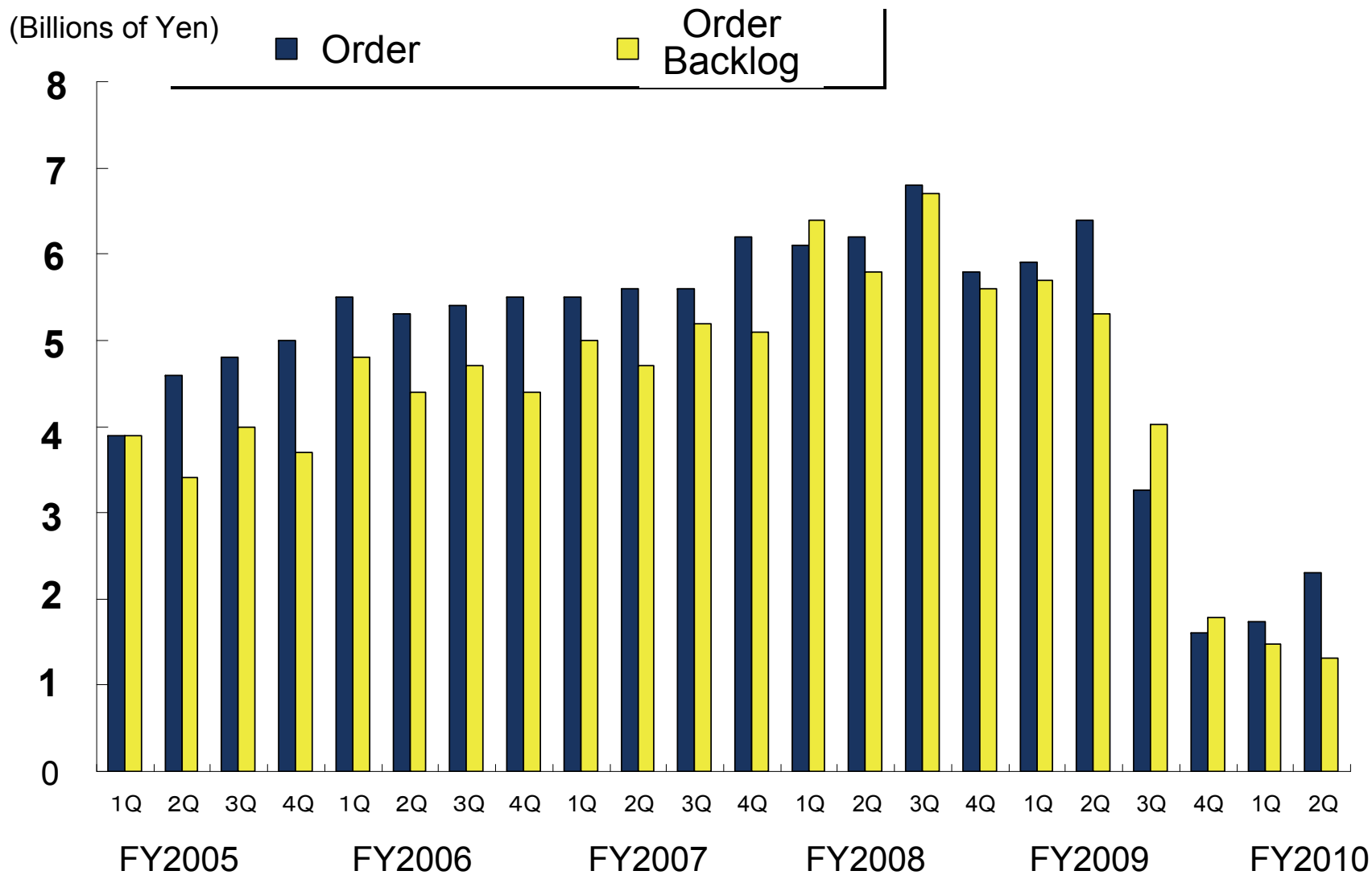


Trend of Metrology Business



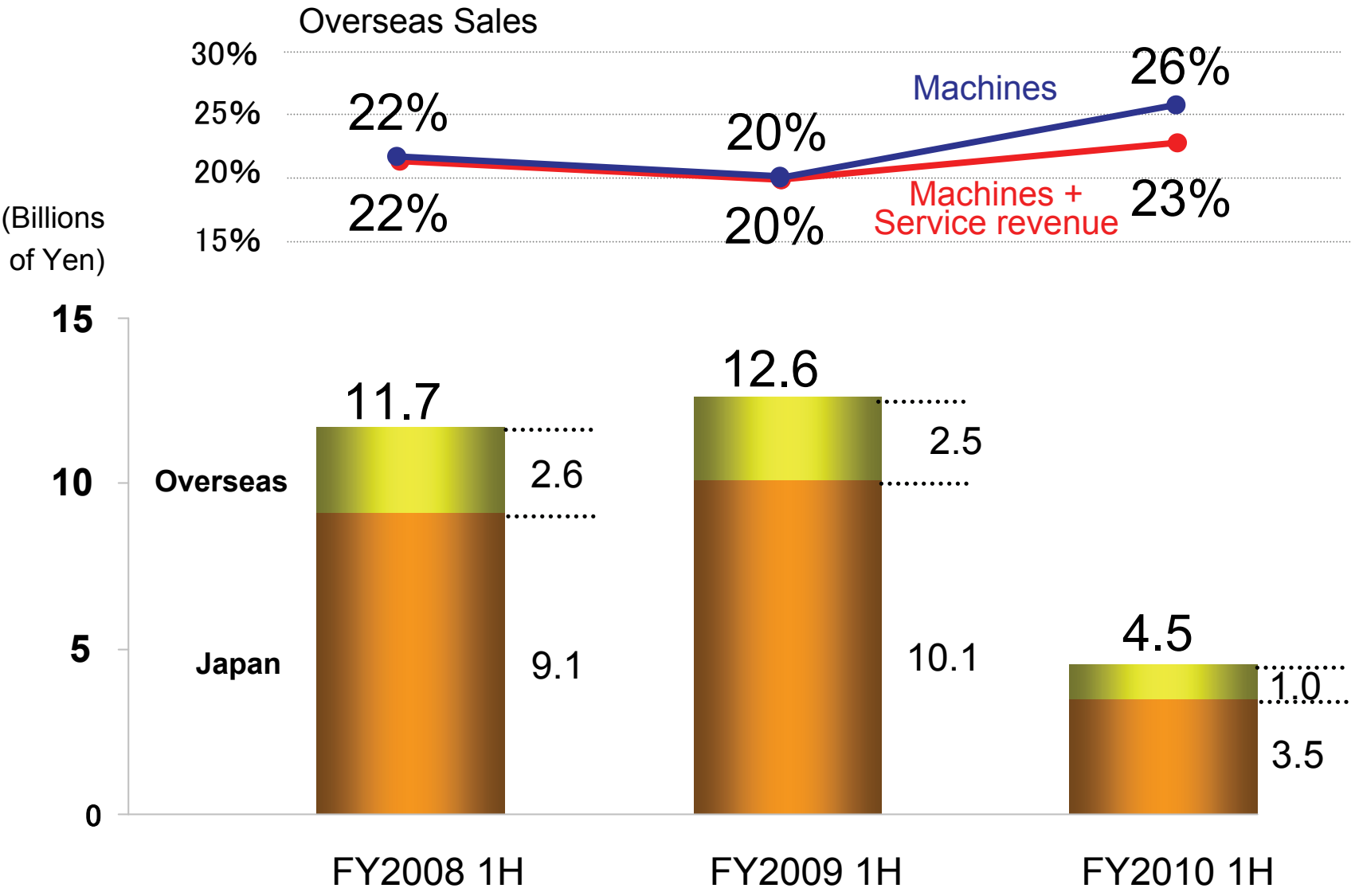


Order Status of Metrology Business





Metrology / Regional Sales





FY2010 1st Half (April 2009 - Sept 2009)

Balance Sheet

(Billions of Yen)

Assets	Mar/E	Sep/E	Diff.	Liabilities	Mar/E	Sep/E	Diff.
	2009	2009			2009	2009	
Cash	17.6	10.8	△6.8	Accounts Payable	5.3	3.0	△2.3
Accounts Receivable	11.9	9.9	△2.0	Bond-Debt	14.6	9.7	△4.9
Inventories	18.0	14.6	△3.4	Other	5.0	2.6	△2.4
Other	2.8	1.3	△1.5	Total Current Liabilities	24.9	15.3	△9.6
Total Current Assets	50.3	36.6	△13.7	Total Fixed Liabilities	16.1	13.7	△2.4
Fixed Assets	31.5	29.9	△1.6	Total Liabilities	41.0	29.0	△12.0
Total Assets	81.8	66.5	△15.3	Net Assets	40.8	37.5	△3.4
				Total (Int. bearing debt)	81.8 (26.1)	66.5 (20.1)	△15.3 (△6.0)



FY2010 1st Half (April 2009 - Sept 2009)

Cash Flow

(Billions of Yen)		FY2008 1H	FY2009 1H	FY2010 1H
Opening Balance		16.8	15.7	176
From Operating Activities	Income before Tax, Interest & Depreciation	7.2	1.3	Δ 1.0
	(Receivables + Inventories) – Account Payable	1.9	3.0	3.1
	Tax Payment	Δ 3.5	Δ 2.0	Δ 0.1
	Allowance for employee retirements	0.0	0.1	Δ 1.2
	Others	Δ 1.1	Δ 0.1	Δ 1.3
	Total	4.5	2.3	Δ0.6
From Investing Activities		Δ 3.6	Δ 1.3	Δ 0.1
Free Cash Flow		0.9	1.0	Δ 0.7
From Financing Activities	Increase in Borrowings	Δ 1.8	1.7	Δ 6.2
	Dividend & other	Δ 1.0	Δ 1.6	Δ 0.0
	Total	Δ 2.8	0.1	Δ 6.2
Net Cash Increase		Δ 1.8	1.0	Δ 6.8
Closing Balance		15.1	16.6	10.8

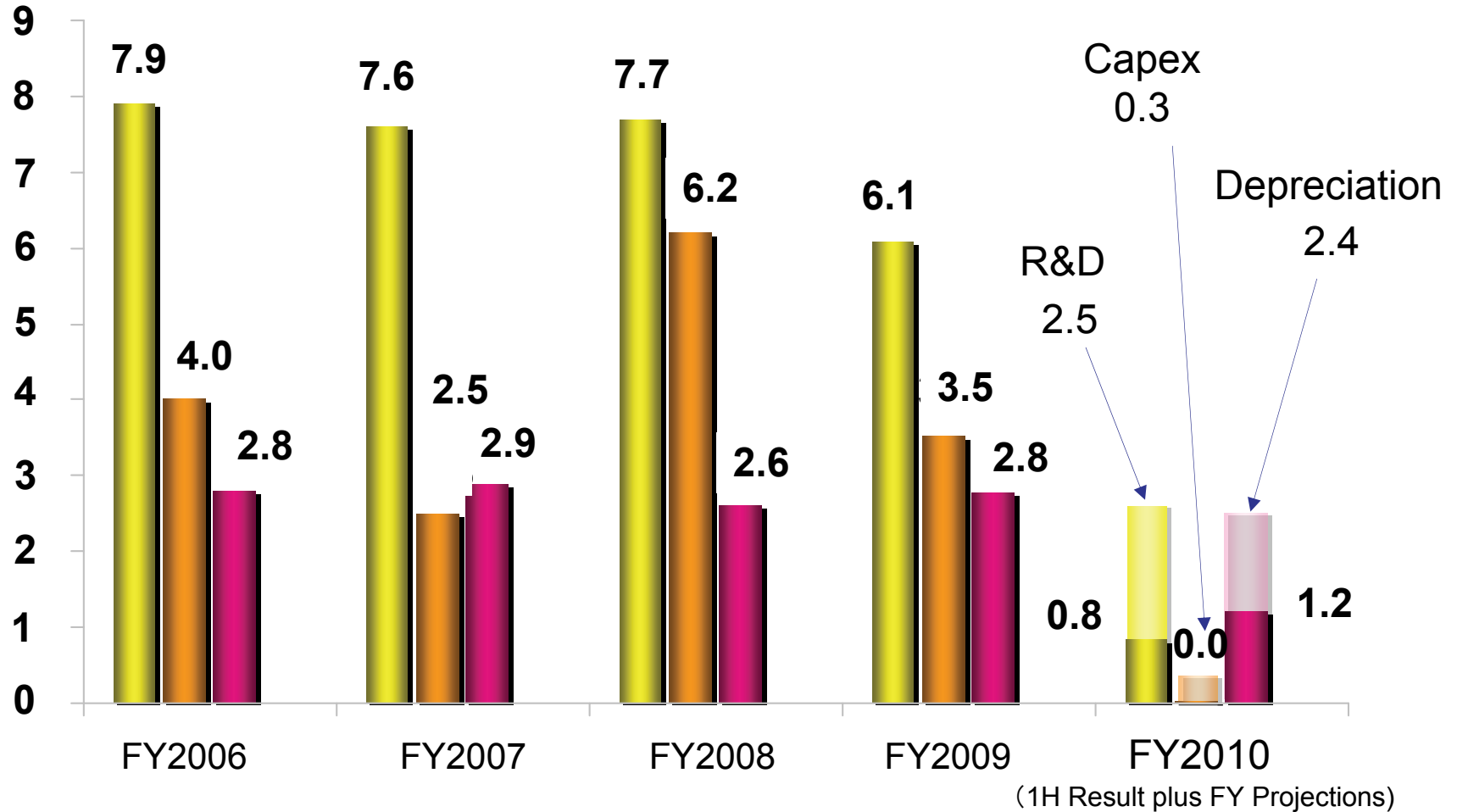
Number of Employees

	Mar/E 2008	Sep/E 2008	Mar/E 2009	Sep/E 2009
Total (Employees + Temporary Employees)	2,198	2,020	1,495	1,153

- ◆ Hire 70 Temporary Employees from 2nd half, FY2010 to increase manufacturing capacity

R&D, Capex & Depreciation

(Billions of Yen)



◆ Semiconductor Production Equipment

- Semiconductor Industry's factory utilization improving
- Investment stance mix Positive/Conservative

◆ Metrology Equipment

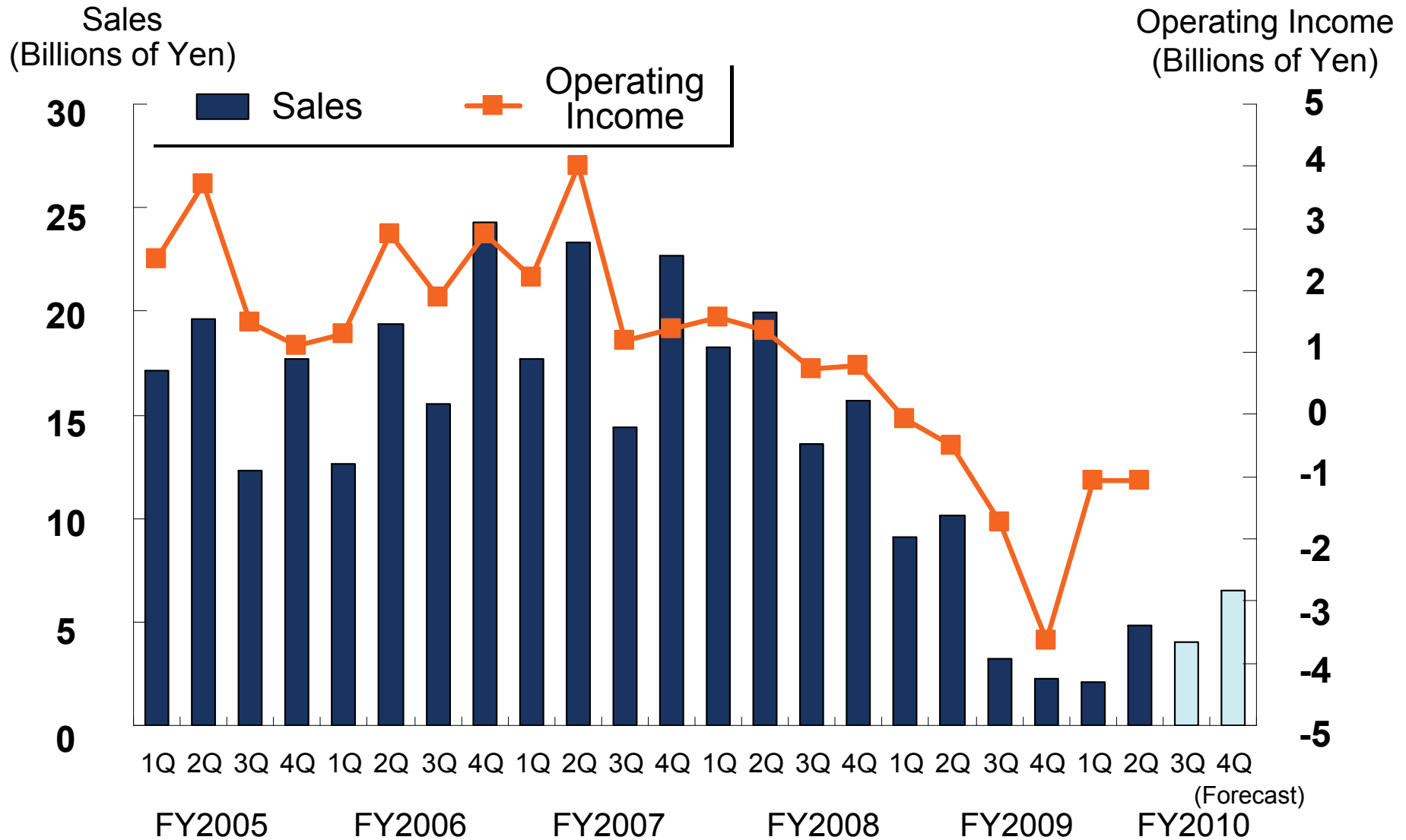
- Reduction in Auto industry's capital investments continuing
- Bottom is FY2010, need time for recovery in Japan
- Overseas market (China, India, South East Asia) is brisk

Forecast for FY2010

Billions of Yen	FY2009			FY2010			
	1 st Half	2 nd Half	Full Year	1 st Half	2 nd Half Forecast	Full Year Forecast	YoY (%)
Sales	31.8	13.9	45.7	11.5	15.5	27.0	△ 41%
Semiconductor	19.2	5.5	24.7	7.0	10.5	17.5	△ 29%
Metrology	12.6	8.4	21.0	4.5	5.0	9.5	△ 55%
Operating Income	2.1	△4.6	△2.5	△2.0	△0.3	△2.3	-
Ordinary Income	2.6	△5.4	△2.8	△2.4	△0.3	△2.7	-
Net Income	△0.2	△11.0	△11.2	△3.8	△0.5	△4.3	-
Dividend per share (Yen)	15 Yen	0 Yen	15 Yen	0 Yen	To be announced	To be announced	-

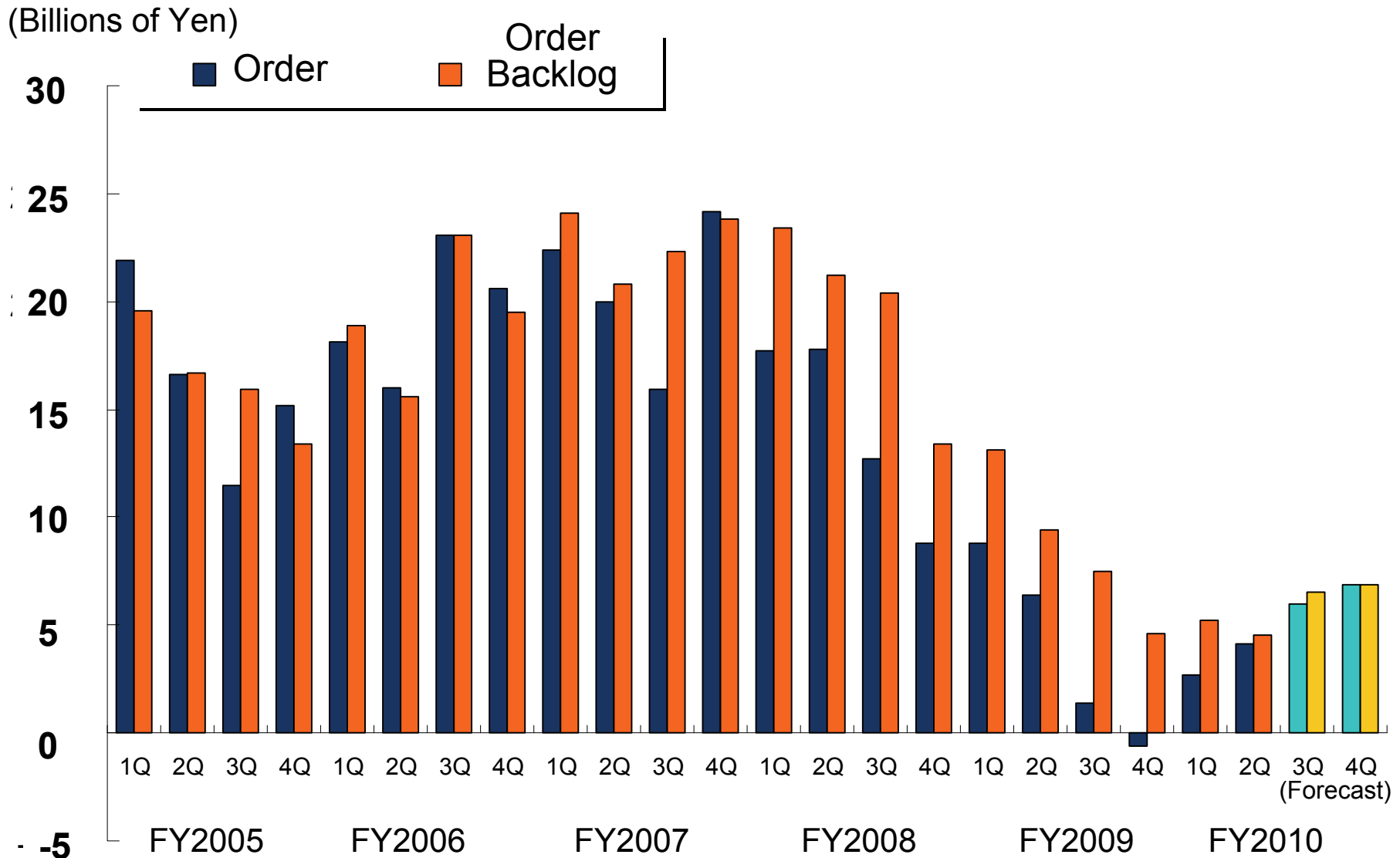


Trend of Semiconductor Business incl. Forecast



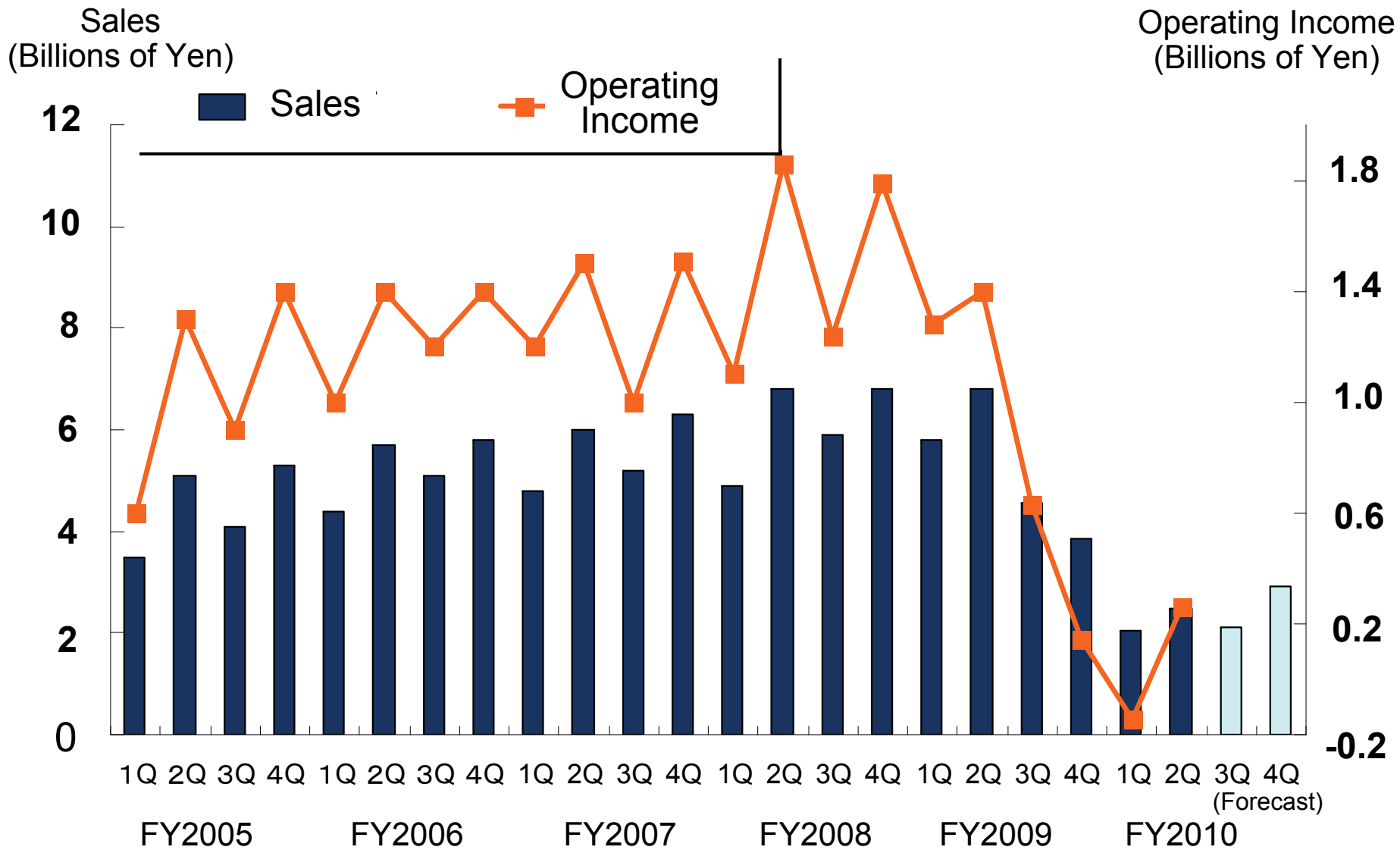


Order Status of Semiconductor Business incl. Forecast



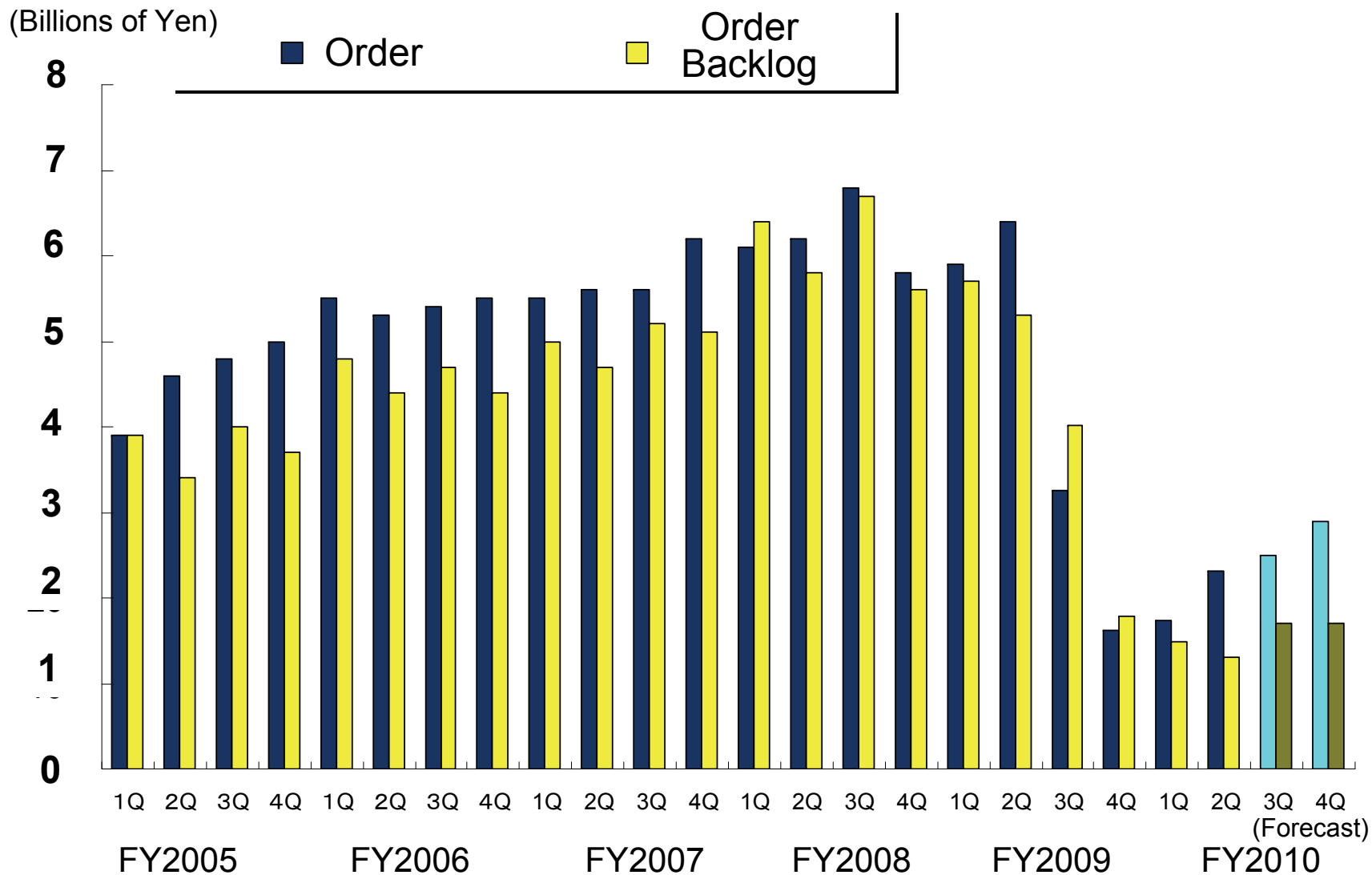


Trend of Metrology Business incl. Forecast





Order Status of Metrology Business incl. Forecast



Strategies for Upturn

◆ Be Profitable

- Organization for upturn, increase work efficiencies

◆ Bright-future product's R&D strategy

- Enhance product line-up to catch customer's needs

Organization for Upturn (1)

◆ Manufacturing Group Organization

- Increase production capacity including increase staff (part-time)
- Ready for build up of Mixed Production manufacturing operation

◆ Head Office Relocation

- Mitaka city (Tokyo) to Hachioji city (Tokyo)
- To maximize efficiency for administration

Organization for Upturn (2)

◆ Improve Inventory Turnover Ratio

(billions of yen or times)

	Mar/E 2007	Mar/E 2008	Mar/E 2009	Sep/E 2009	Mar/E/2010 (Projection)
Inventories	27.2	27.7	18.0	14.6	13.9
Inventory Turnover Ratio	4.3	3.3	1.4	2.0	3.1

* Inventory turnover ratio is based on each term's 3 month sales

◆ Enhance CR performance

- Unit parts standardization among products
- Enhancing Tech Group/Manufacturing Team relations



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