

1. Financial results for the first half of the year ending March 2017
2. Existing medium-term management plan
3. Restructuring plan
4. Forecast for the year ending March 2017



- To grow the business for the next 100 years, we targeted “sustainable growth with a portfolio of 6 businesses”
- We specifically aimed to strengthen current and develop growth businesses
  - For current businesses, we aimed to break-even on the Semiconductor Lithography Business and stabilize profits in the FPD Lithography and Imaging Products Businesses
  - For growth businesses, we aimed to develop the Microscope Solutions, Industrial Metrology and Medical Businesses
- The targets as a result of the above initiatives were net sales of ¥990 billion and operating income of ¥65 billion in FY2018/3
- The direction outlined in the existing medium-term management plan (announced in May 2015) was to be fixed for 3 years

# Existing medium-term management plan: current progress and problems



## Current Situation

- Limited progress in business portfolio transformation
  - Semiconductor Lithography Business is unable to break-even
  - Imaging Products Business is unable to achieve targets as market declines exceeded expectations
  - Growth businesses are growing slower than expected
- Difficult to achieve company-wide financial targets for 2018/3
- Various programs and initiatives for transformation are not progressing as expected

## Issues

- **The fundamental mindset and assumptions underlying the plan need to be revised**
  - Misread market trend and aimed to raise revenue and market share
  - Strategy and initiatives are misaligned with our business environment such as the shrinking market and increasing competition
- Continuing with existing plans could further undermine our ability to generate profits



**We acknowledge the issues of current targets and will  
discontinue the existing medium-term management plan**