

Market Forecast Report
Semiconductor and FPD Manufacturing Equipment

[2015-2017 fiscal year]

Published in Jul. 8th, 2015

SEAJ

Semiconductor Equipment Association of Japan

[Overview]

This report provides a forecast trend for Semiconductor and FPD manufacturing equipment. The fully-considered results made in this forecast report are by the Semiconductor Research and Statistics sub-committee and the FPD Research and Statistics sub-committee of the Semiconductor Equipment Association of Japan (hereinafter called SEAJ, Chairman Mr. Kazuo Ushida), and as the result of market trend research from both the Board of Directors and auditors (total 19 companies) by SEAJ consensus.

Due to growth of the FPD manufacturing equipment market in addition to growth in the semiconductor manufacturing equipment market, we predicted overall sales of 1,810.5 billion yen for fiscal year 2015, an increase of 15.8 percent and the highest sales amount since the bankruptcy of Lehman Brothers. We predicted that both the semiconductor and FPD manufacturing equipment markets will decrease in fiscal year 2016 and sales will decrease 5.2 percent to 1,716.3 billion yen. As for fiscal year 2017, although the semiconductor manufacturing equipment market is expected to recover, a further decline is expected in the FPD manufacturing equipment market, so we have predicted that overall sales will increase 0.4 percent to 1,724.0 billion yen.

- (1) **Forecast period:** the fiscal year of 2015 to 2017 for three years
- (2) **Forecast items:** Japanese Equipment and Japanese Market for Semiconductor and Japanese Equipment for FPD manufacturing equipment
- (3) **Forecast Summary:**

[Forecast of Japanese Equipment Billings for Semiconductor Manufacturing Equipment]

We predicted sales of 1,455.7 billion yen, a 12.7 percent increase, for fiscal year 2015 reflecting the investment plans of memory manufacturers in addition to steady investment by logic manufacturers and foundries. For fiscal year 2016, we have predicted the market will be in adjustment phase after three consecutive years of growth and sales will decrease 4.7 percent to 1,386.6 billion yen. For fiscal year 2017, we have predicted that demand for equipment will recover due to mild growth for electronic devices and semiconductors and sales will increase 6.3 percent to 1,474.0 billion yen.

[Forecast of Japanese Market Billings for Semiconductor Manufacturing Equipment]

In addition to investments by memory manufacturers, investments by image sensor manufacturers, in particular, were anticipated in fiscal year 2015, so we predicted an increase of 20.1 percent to 600.8 billion yen for three consecutive years of high growth. We have predicted in fiscal year 2016 for equipment demand of 440.2 billion yen, a 26.7 percent decrease, and for fiscal year 2017, we have predicted equipment demand of 459.6 billion yen, an increase of 4.4 percent.

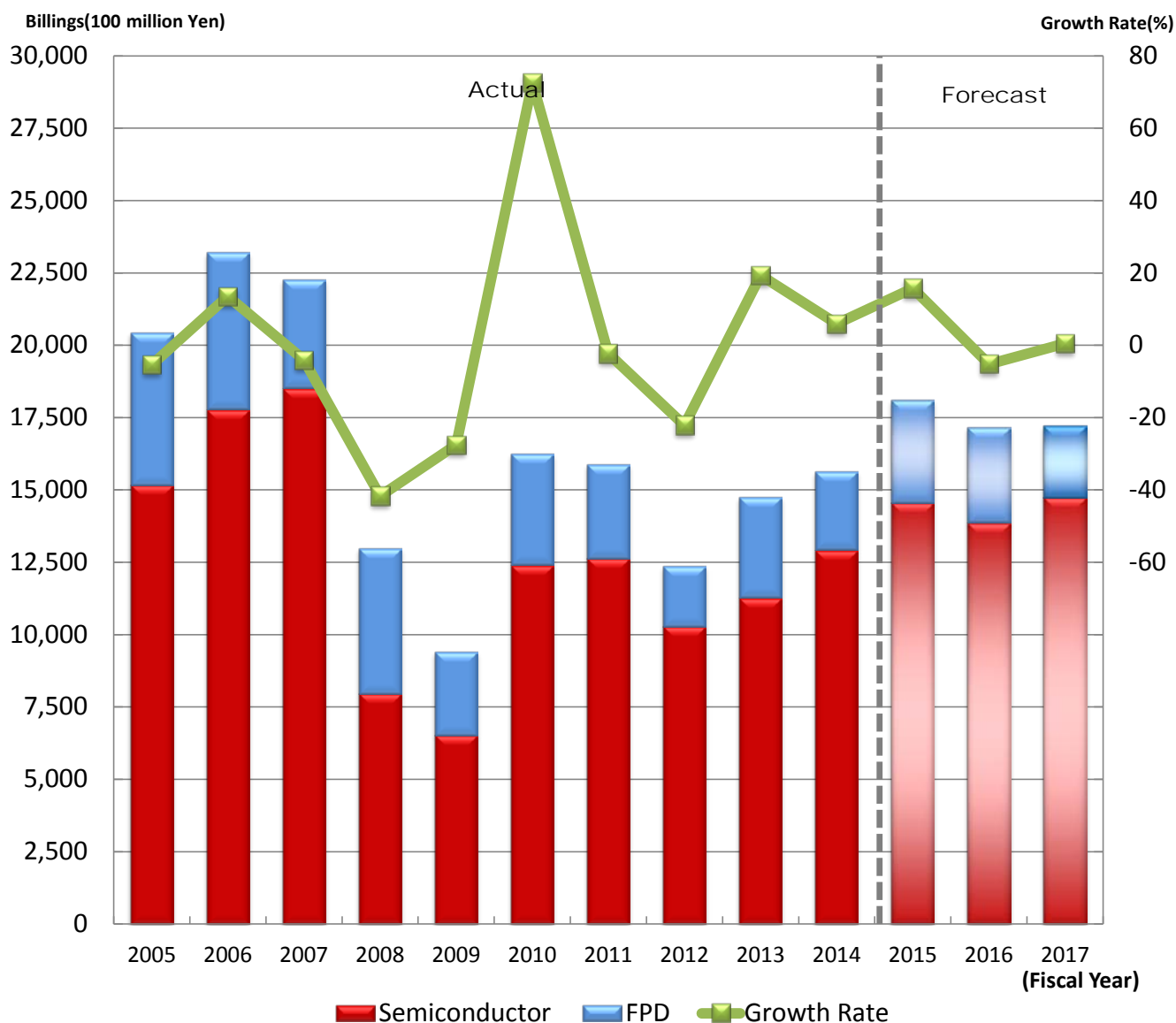
[Forecast of Japanese Equipment billings for FPD Manufacturing Equipment]

In fiscal year 2015, investments in China for large panels continued and from the second half of the year investments for small/mid-size panels began so we predicted a large expansion of sales to 354.8 billion yen, an increase of 30.6 percent. For fiscal year 2016, we have predicted that investments for small/mid-size panels will continue but investments in large panels are completed, sales will decrease 7.1 percent to 329.7 billion yen. For fiscal year 2017, we have predicted that investments for both large panels and small/mid-size panels will decrease at the same time, and sales will be 250 billion yen, a 24.2 percent decrease.

July 2015 Forecast for Semiconductor and FPD Manufacturing Equipment

■ 1. Semiconductor and FPD Manufacturing Equipment 【Forecast for Japanese Equipment Billing】

* "Japanese Equipment Billing " = Japanese manufacturers Domestic and Oversea Billing.



(CAGR : 2014-2017)

	Actual										Forecast			
Fiscal Year	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	CAGR
Semiconductor	15,169	17,778	18,510	7,954	6,528	12,415	12,637	10,284	11,278	12,921	14,557	13,866	14,740	3.3%
FPD	5,272	5,429	3,761	5,031	2,887	3,840	3,250	2,089	3,485	2,717	3,548	3,297	2,500	
Total (100 million yen)	20,441	23,206	22,271	12,985	9,415	16,255	15,887	12,373	14,763	15,638	18,105	17,163	17,240	
Growth Rate (%)	-5.3	13.5	-4.0	-41.7	-27.5	72.7	-2.3	-22.1	19.3	5.9	15.8	-5.2	0.4	

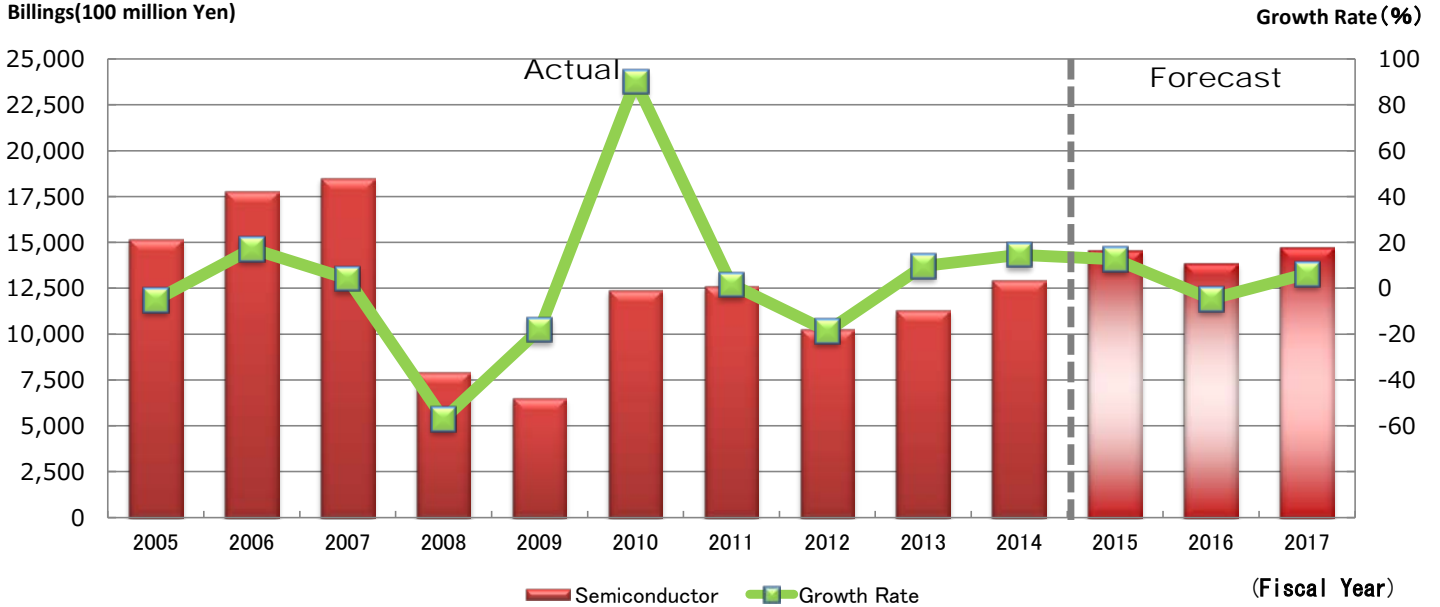
* Publication, duplication or assistance of such activities of this report without permission by SEAJ is prohibited.

July 2015 Forecast for Semiconductor Manufacturing Equipment

■ 2. Semiconductor Manufacturing Equipment 【Forecast for Japanese Equipment Billing】

* "Japanese Equipment Billing " = Japanese manufacturers Domestic and Oversea Billing.

Billings(100 million Yen)



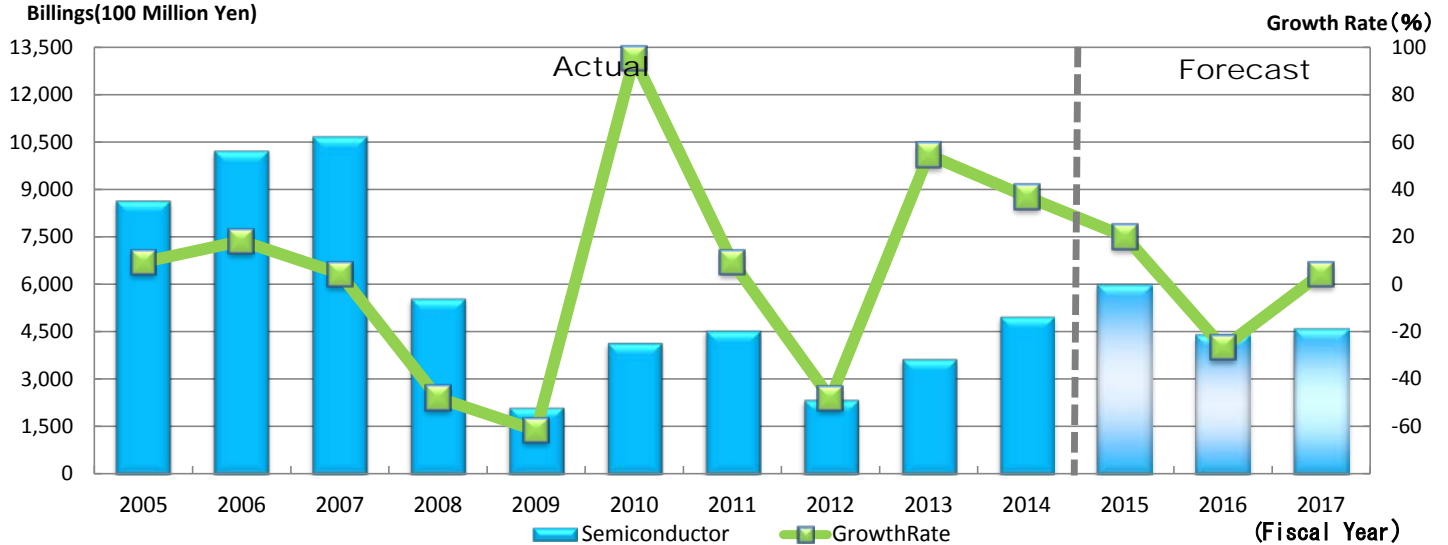
(CAGR : 2013-2016)

Fiscal Year	Actual										Forecast			CAGR
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	
Total (100 million yen)	15,169	17,778	18,510	7,954	6,528	12,415	12,637	10,284	11,278	12,921	14,557	13,866	14,740	
Growth Rate (%)	-5.1	17.2	4.1	-57.0	-17.9	90.2	1.8	-18.6	9.7	14.6	12.7	-4.7	6.3	4.5%

【Forecast for Japanese Market Billing】

* "Japanese Market Billing" = Domestic Billing of Japanese and Foreign manufacturers.

Billings(100 Million Yen)



(CAGR : 2014-2017)

Fiscal Year	Actual										Forecast			CAGR
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	
Total (100 million yen)	8,658	10,241	10,694	5,567	2,130	4,162	4,552	2,363	3,653	5,003	6,008	4,402	4,596	
Growth Rate (%)	9.3	18.3	4.4	-47.9	-61.7	95.4	9.4	-48.1	54.6	36.9	20.1	-26.7	4.4	-2.8%

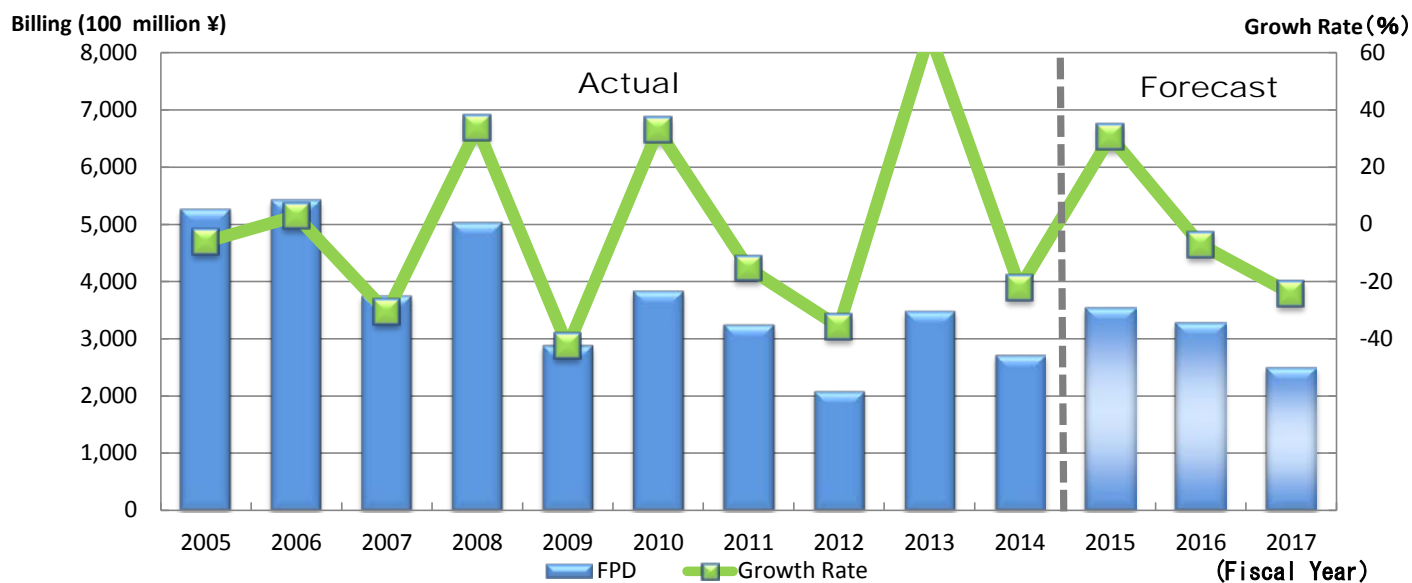
* Publication, duplication or assistance of such activities of this report without permission by SEAJ is prohibited.

July 2015 Forecast for Semiconductor and FPD Manufacturing Equipment

■3. FPD Manufacturing Equipment

【Forecast for Japanese Equipment Billing】

* "Japanese Equipment Billing " = Japanese manufacturers Domestic and Oversea Billing.



(CAGR : 2014-2017)

	Actual										Forecast			
Fiscal Year	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	CAGR
Total (100 million yen)	5,272	5,429	3,761	5,031	2,887	3,840	3,250	2,089	3,485	2,717	3,548	3,297	2,500	
Growth Rate (%)	-6.1	3.0	-30.7	33.8	-42.6	33.0	-15.4	-35.7	66.8	-22.0	30.6	-7.1	-24.2	-2.7%

* Publication, duplication or assistance of such activities of this report without permission by SEAJ is prohibited.