

**Securities ID code:6859** 

## **ESPEC CORP.**

## Results Briefings of The Second Quarter of Fiscal Ending March 2011

November 25, 2010

www.espec.co.jp

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### Reference

## Segment Change

### Business segments were changed in April 2010 according to type of business.

Fiscal Year ended March, 2010

**Environmental Test Business** 

Environmental Test Chamber

After Service and Engineering

Commissioned Test and Facility Rental

**Electronic Device Business** 

- Semiconductor Equipment
- FPD Equipment

**Other Business** 

#### Environmental Engineering

New Business

Fiscal Year ending March, 2011

**Equipment Business** 

Environmental Test Chamber

Semiconductor Equipment

FPD Equipment

**Service Business** 

After Service and Engineering

Commissioned Test and Facility Rental

**Other Business** 

Environmental Engineering

New Business

#### Summary of ESPEC Business

## Individual Business Market / Use

		Main Products	Market	Use	Sales composition (2011/3 2Q)		
Equipme	<ul> <li>Temperature &amp; humidity chamber</li> <li>Walk-in type temperature &amp; humidity chamber</li> <li>Thermal shock chamber</li> <li>Vibration combined environmental test system</li> <li>HAST chamber</li> </ul>		<ul> <li>Semiconductor market</li> <li>FPD market</li> <li>Automobile market</li> <li>Communication market and others</li> </ul>	<ul> <li>For R &amp; D</li> <li>For credibility and evaluation</li> <li>X Partially used for production and inspection</li> </ul>			
Equipment Business	Semiconductor Equipment	<ul> <li>Burn-in system</li> <li>Semiconductor evaluation system</li> <li>Instrumentation system</li> </ul>	<ul> <li>Semiconductor market</li> <li>Automobile market</li> </ul>	<ul> <li>For production (inspection)</li> <li>Instrumentation system is for development and evaluation</li> </ul>	79%		
0	FPD Equipment	<ul> <li>Single processing system vertical clean oven</li> <li>Booth type burn-in system</li> </ul>	<ul> <li>LCD market</li> <li>PDP market and others</li> </ul>	<ul> <li>For production (Annealing, baking, drying)</li> </ul>			
Service	After Service and Engineering	<ul> <li>After service</li> <li>Construction around equipment</li> </ul>	Semiconductor     market				
ice Business	Commissioned Test and Facility Rental	Commissioned test      ·Resale     ·Equipment rental      ·Calibration	<ul> <li>FPD market</li> <li>Automobile market</li> <li>Communication market and others</li> </ul>	<ul> <li>For R &amp; D</li> <li>For credibility and evaluation</li> <li>Partially used for production and inspection</li> </ul>	18%		
Other Business	Environmental Protection Business	Protection Growth of forest, creation of waterfront, urban greening					
	New Business	Plant factory, developing and creating and c	ng new businesses as a majo	or source of profit			

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# Financial Results of the Second Quarter of Fiscal Ending March 2011

## Financial Highlights

Backed by the improvement in capital spending, the business results during the period under review show a drastic increase from the same period of the previous year.

#### Profit (Loss)

- The company revised its business results forecast for the full fiscal year upward in October, against the backdrop of the improvement in capital spending by its main customers.
- The improvement in the earnings of the Environmental Test Chamber Business and Semiconductor Equipment Business resulted in <u>a sharp increase in both sales and</u> the amount of orders received. As a result, the company restored profitability in all its profit categories.

#### **Balance Sheet and Cash Flow**

- Total assets increased by approx. 550 million yen, reflecting the increase in securities and other current assets.
- The company registered an increase in both net assets and total assets. As a result, the equity ratio dropped by 0.1 percentage point to 75.9%.
- Cash rose approx. 710 million yen, due to the increase in the operation cash flow and other factors.

#### **Dividends**

The company paid an interim dividend of 5 yen per share as planned at the beginning of the current fiscal year.

Financial Results of the Second Quarter of Fiscal Ending March 2011

## Summary of Profits and Losses

	20	10/3	2010	/3 2Q	2011	/3 2Q	Rate of
(Millions of yen)		Composition		Composition		Composition	Change
Net sales	23, 775	100. 0	9, 433	100. 0	12, 916	100. 0	36.9%
Cost of Net Sales	17, 148	72. 1	7, 103	75. 3	8, 792	68. 1	23.8%
Gross profit	6, 626	27. 9	2, 330	24. 7	4, 124	31.9	77.0%
SG & A	7, 365	31. 0	3, 619	38.4	3, 574	27.7	▲1. 2%
Operating income (loss)	∆738	<b>∆3</b> . 1	∆1, 289	△13. 7	550	4. 3	-%
Non-operating income	270	1. 1	137	1. 5	184	1.4	34. 3%
Non-operating expenses	97	0.4	77	0. 8	54	0.4	△29. 9%
Ordinary income (loss)	∆565	△2. 4	Δ1, 229	<b>∆13</b> . 0	680	5. 3	-%
Extraordinary income	1	0. 0	5	0. 1	38	0. 3	660%
Extraordinary loss	953	4. 0	103	1. 1	62	0. 5	∆39. 8%
Income (loss) before income taxes and other adjustments	∆1, 517	∆6. 4	∆1, 327	∆14. 1	656	5. 1	-%
Quarterly net income (loss)	△2, 630	Δ11. 1	Δ1, 365	△14. 5	776	6. 0	-%

Sales increased by approx. 37% from the same period of the previous fiscal year. The successful implementation of the management rationalization measures during the previous period led to the improvement in the ratio of selling, general and administrative expenses to sales by approx. 10 percentage points. As a result, the company restored profitability.

Backed by the increased earnings in Environmental Test Chamber Business and Semiconductor Equipment Business, <u>the company's cost-to-sales ratio fell by 7.2 percentage points</u>.

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# Analysis per Segment of the Second Quarter of Fiscal Ending March 2011



Analysis per Segment of the Second Quarter of Fiscal Ending March 2011

## Equipment Business

	(million yen)	2011.	✓3 2Q Change from the First Plan	First Plan
	Environmental Test Chamber	10, 030	14. 0%	8, 800
Orders-	Semiconductor Equipment	1, 675	28. 8%	1, 300
Received	FPD Equipment	437	45. 7%	300
	Total	11, 996	15. 3%	10, 400
	Environmental Test Chamber	8, 274	8.4%	7, 630
Net Sales	Semiconductor Equipment	1, 449	20. 8%	1, 200
Net Sales	FPD Equipment	555	<b>∆7.</b> 5%	600
	Total	10, 284	9.4%	9, 400
	Environmental Test Chamber	445	122. 5%	200
Operating Income (loss)	Semiconductor Equipment	20	<b>∆60.</b> 0%	50
[Profit ratio (%)]	FPD Equipment	∆27	-%	∆50
	Total	433 [4. 2%]	116. 5%	200 [2. 1%]

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## Equipment Business

#### **Environmental Test Chamber**

- Design and production processes for customized products were reinforced, focusing on the energy market.
- Replacement demand for new energy-efficient models was stimulated among existing customers.
- Intensive sales promotion measures were taken in China and other emerging countries in Asia. New customer bases were developed in the Korean and Taiwanese markets.
- Sales of temperature and humidity chambers and thermal shock chambers increased, especially in the battery and electronic device and equipment markets.
- Both sales and the amount of orders received posted sharp increase, allowing the company to return to the black.

#### **Semiconductor Equipment**

- Burn-in systems posted a sharp increase in both sales and the amount of orders received. Sales of secondary battery evaluation systems by one of our subsidiaries also showed positive growth.
- Backed by the drastic increase in sales and the amount of orders received, the company restored profitability.

#### **FPD Equipment**

The company registered an increase in sales and the amount of orders received by encouraging users of fifth- and sixth-generation systems to upgrade their systems to improve tact time. While this increase allowed the company to restore profit in the second quarter alone, the company still posted an operating loss in the cumulative total. Analysis per Segment of the Second Quarter of Fiscal Ending March 2011

### Service Business

	Daemeee	201		
	(million yen)		Change from the First Plan	First Plan
Oralana	After Service	1, 987	28. 2%	1, 550
Orders- Received	Commissioned Test	724	11.4%	650
	Total	2, 711	23. 2%	2, 200
	After Service	1, 691	9.1%	1, 550
Net sales	<b>Commissioned Test</b>	631	<b>∆2. 9%</b>	650
	Total	2, 322	5. 5%	2, 200
Operating	After Service	89	-%	∆70
income	<b>Commissioned Test</b>	43	-%	0
<b>(loss)</b> [Profit ratio (%)]	Total	147 [6. 3%]	-%	△70 [ <b>一%</b> ]

#### After Service and Engineering

The company posted an increase in both sales and the amount of orders received, backed by the growing demand for repairing products and upgrading existing models to reduce energy consumption, and also by the increase in electrical and other works following the relocation of facilities by customers.
While the hiring of additional service personnel resulted in an increase in personnel cost, profit remains almost unchanged thanks to successful cost reduction efforts.

#### Commissioned Test and Facility Rental

Both sales and the amount of orders received declined.

Operating profit largely increased, reflecting the improved capacity utilization ratio of testing facilities and reduced fixed costs.

## **Other Business**

	2011,		
(million yen)		Change from the First Plan	First Plan
Orders- Received	463	7.7%	430
Net Sales	381	<b>∆13.</b> 4%	440
<b>Operating Income</b> (loss) [Profit ratio (%)]	∆32 [−%]	-%	∆30 [ <b>−%</b> ]

#### Environmental Engineering, New Business

The sales of plant factories remained solid, as shown by the increase in the amount of orders received.
 The company posted a decline in sales and operating loss due to the unfavorable results of the forest and waterfront recovery sectors.

#### The Osaka Pavilion at the Shanghai Expo



The company offered technical assistance to a plant factory Osaka Prefecture University exhibited (design and production by Tsubakimoto Chain Co.)

Analysis per Segment of the Second Quarter of Fiscal Ending March 2011

### Top Users in Terms of Value of Sales by Segment

Non-consolidated \*Listed in alphabetical order

Environmental Test Chamber	Semiconductor Equipment
Canon Inc. (Japan)	DENSO CORPORATION (Japan)
Honda R&D Co., Ltd. (Japan)	Powertech Technology Inc. (Taiwan)
Mitsubishi Electric Corporation (Japan)	STK TECHNOLOGY CO., LTD. (Japan)
Panasonic Corporation (Japan)	FPD Equipment
Panasonic Corporation (Japan) SANYO Electric Co., Ltd. (Japan)	<b>FPD Equipment</b> Chimei Innolux Corporation (Taiwan)

Analysis per Segment of the Second Quarter of Fiscal Ending March 2011

### Breakdown of Sales by Market

#### Non-consolidated

#### Other markets

- Automobile market
- Flat panel display market
- Electronic device and equipment market
   Semiconductor market





## Sales by Region

#### Sales by Region



#### Regional sales composition ratio in segment



#### < Exchange rate (Non-consolidated) >

	2010⁄	´3 2Q	2011⁄3 2Q		
Currency Percentage of total		Internal rate Percentag of total		Internal rate	
U.S. dollar	18%	95	12%	95	
Euro	7%	130	6%	130	
Won	0%	0.06-0.07	1%	0.07	
Yen	75%	_	81%	_	

Sales growth rate (Y o Y change)

		Japan	Taiwan	China/Hong Kong	Korea	Europe/North America	Others
2011/3	2Q	33.6%	1124.7%	△3.2%	△2.6%	△0.4%	170.9%
2010/3	2Q	∆46.1%	∆93.7%	∆35.0%	∆43.7%	∆37.9%	∆67.9%

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## Progress of Key Strategy March 2011

## Management Policy

Establishing overwhelming business competitiveness through the concentration of cross-group synergy and innovation

**Key Strategies** 

Re-building domestic competitiveness through reform of "production, sales and technology" from a customer perspective

**Proactive development of overseas growth markets** 

Expansion of new business fields with a view to growth

Radical reform of the revenue base in order to restore profitability

### Re-building domestic competitiveness through reform of "production, sales and technology" from a customer perspective

<u>Developing new customers and markets, and restructuring the revenue</u> <u>base by enhancing strength in: production, sales, and technology</u>

Sales

Bring new value to customers by integrating customer contact channels.

- →To offer integrated solutions to customers, such as consulting for testing, commissioned tests, and after service, when selling products
  - To facilitate sales promotion using service personnel
- Promote an area-specific strategy by introducing the Area Management System (East Japan, the Tokyo Metropolitan Area, Central Japan and West Japan).
  To offer products and services that best meet region-specific customer needs

#### Technology and R&D

Launch high-quality products and services in the market earlier.

→To develop six new environmental test chamber models and one semiconductorrelated equipment model and to launch these new models on the market

#### Design and production

- Strengthen the customization capability by improving the design and production processes.
  - $\rightarrow$  To achieve numerical targets through attempts utilizing model cases to shorten the design period and reduce variable costs

# Product and Service Development: strengthening capability in technology and R&D(1)

Launch high-quality products and services in the market earlier

Product category	Product name	Market-launch time	Features
	Battery Charge-Discharge Tester	Launched in April	Employs a double-stack structure that requires less space for installation; available at low price
	High temperature and high humidity chamber: Eco model	Launched in June	Employs a heat-pipe cooling system that reduces energy consumption by up to about 70%
	Constant Climate Cabinet	Launched in June	Can be used in a 100V environment; suitable for a wide range of uses, e.g., in a laboratory
Environmental	Solid walk-in chamber	Orders accepted from August	Usable for testing solar panel standards
Test Chamber	Thermal Shock Chamber TSA series: Eco Type	Launched in September	Reduces energy consumption by up to 37% with the improved refrigeration circuit and automated optimization of precooling/preheating temperatures; available at a price 10% lower than conventional models
	Walk-in Type Temperature: Eco Type	Launched in November	Reduces energy consumption by about up to 30% with its proprietary lowest-frequency control technology
	Platinous series Eco Type	Scheduled to be launched next year	Reduces energy consumption with its latest refrigeration circuit and other innovations
Semiconductor Equipment	Burn-in System of customized user specifications	Orders accepted from April	Reduces the cost of repetitive products with customized user specifications
	Secondary Battery Evaluation System	To be launched in January	Reliability Evaluation system of the secondary battery
Communication networking products	Pattern Manager Web Manager	To be launched by the end of the current year	Makes test operation easier and the collection and analysis of test results more efficient
Commissioned Test	New menu	As necessary	Develop new menus that cater to customer needs and conduct joint research.

Management policy and Strategy March 2011

# Product and Service Development: strengthening capability in technology and R&D(2)

Customer need for products that consume less energy

Products differentiated in terms of energy efficiency and total price

High temperature and high humidity chamber Eco model



Power consumption is <u>reduced by about up</u> <u>to 70%</u> from the conventional model, thanks to the heat-pipe cooling system that does not use a refrigerator and therefore does not use CFC. Thermal Shock Chamber



Power consumption is <u>reduced by up to</u> <u>37%</u> from the conventional model, thanks to the improved refrigeration circuit and the automated optimization of precooling/preheating temperatures.

Management policy and Strategy March 2011

Product and Service Development: strengthening capability in technology and R&D(3)





This software makes test operation easier and enhances efficiency in collecting and analyzing test results.

range of uses within laboratories.

## Proactive development of overseas growth markets

#### Take positive action to develop business within the growth markets in China and other emerging economies in Asia, in order to increase revenue.

Enhancing corporate capabilities by reorganizing the formation of affiliated companies in China and other parts of Asia

- Ensure effective and efficient implementation of strategy by strengthening the control over affiliated companies in China and other parts of Asia using regional headquarters.
  - →A regional headquarters was established and its organizational structure and infrastructure was developed. Business strategy was formulated and other necessary preparations were made for the commencement of business.

#### Expanding the markets in China and the rest of Asia

- Take measures to dominate the Chinese market.
  - $\rightarrow$ A test center was opened in Suzhou in April.
    - ••••After six months, the test center is now at full operation.
    - Efforts are underway to develop new customers in Korea and Taiwan.
      - ••••The company is now doing business with 23 companies in Korea
        - and 11 companies in Taiwan.

# Expansion of new business fields with a view to growth

### Expand business into new growth markets/areas and develop new business themes.

Increasing sales of battery production equipment

- Develop and offer for sale new equipment for the production of secondary and solar batteries.
  - $\rightarrow$  About 90% of the sales target was achieved during the first half of the fiscal year under review.

Increase sales of evaluation devices for rechargeable potteries.

→The company was awarded an order for an Electrode dryer for PV cell(55 million yen) during the first half of the fiscal year under review.



Electrode dryer for PV cell

Promoting sales of plant factories and developing new services

- Strengthen sales promotion measures.
  - →ESPEC CORP's Plant Factory Department took over the responsibility to distribute plant factories in the second half of the fiscal year under review.
- Build an internal system to respond to overseas needs.

 $\rightarrow$  ESPEC MIC CORP., a subsidiary of ESPEC, undertakes the service

- Develop sales channels for plant factories, especially for container-type products and the "PLANTCELLAR".
  - →In the first half of the fiscal year under review, the company posted sales of 124 million yen, with a backlog reaching 112 million yen.

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Vegetable growing system "PLANTCELLAR"

# Radical reform of the revenue base in order to restore profitability

<u>Regain profitability by management rationalization and</u> <u>completing a drastic reform of the revenue base.</u>



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## Business Plan for the Second-half and Full-year Periods of the Fiscal Year Ending March 2011

# Business environment and measures to be taken in the second half of the fiscal year

## While the economic situation remains uncertain, the company's major customers are steadily improving performance.

#### **Negative factors**

- Prudence and the "selection and concentration" approach are still required for capital spending, which, however, continues to improve.
- Competition remains intense, affected by the shrinkage of both the domestic and overseas markets.
- Japan is losing international competitiveness due to the appreciation of the yen.

- The company will launch competitive products with differentiating features.
   The company will further reduce
- production costs.
- The company will consider and propose VE (value engineering) on a case-by-case basis to better cater to specific customer needs.

#### **Positive factors**

- The markets within the new energy and environment-related business are expanding.
- Demand for tests and test chambers is growing in overseas markets, especially in emerging countries.
- R&D investment, which remained stagnant, has begun to improve.
- The company will facilitate the development and market introduction of new products.
  The company will take positive measures to develop business in new areas and markets.

## Full Fiscal Year Plan March 2011

	2010⁄3		2011/3				
(million yen)	Full year (Result)	First half (Result)	Second half (Plan)	Full yea	r (Plan) Change from	First Plan	
	(NeSult)	(Rooart)			the First Plan		
Orders-received	22, 989	15, 101	14, 899	30, 000	11.1%	27, 000	
Net sales	23, 775	12, 916	16, 084	29, 000	7.4%	27, 000	
<b>Gross profit</b> [Profit ratio (%)]	6, 626 [27. 9%]	4, 124 [31. 9%]	5, 301 [33. 0%]	9, 425 [32. 5%]	8.3%	8, 700 [32. 2%]	
Operating income (loss) [Profit ratio (%)]	∆738 [−%]	550 [4. 3%]	450 [2. 8%]	1, 000 [3. 4%]	25. 0%	800 [3. 0%]	
Ordinary income (loss) [Profit ratio (%)]	∆565 [−%]	680 [5. 3%]	520 [3. 2%]	1, 200 [4. 1%]	41. 2%	850 [3. 1%]	
<b>Net income (loss)</b> [Profit ratio (%)]	∆2, 630 [−%]	776 [6. 0%]	424 [2. 6%]	1, 200 [4. 1%]	20. 0%	1, 000 [3. 7%]	
Capital Investment	317	114	286	400	17.6%	340	
Depreciation	866	371	389	760	0. 7%	755	
R&D Expense	870	519	591	1. 110	24. 7%	890	
Profit Per Share (yen)	∆110. 84	32. 70	17.87	50. 57	20.0%	42. 14	
Dividend (yen)	8	5	7	12	20. 0%	10	

## Equipment Business

#### **Environmental Test Chamber**

- Stimulate replacement demand among existing customers by launching energy-efficient models of major products.
- Expand business into non-electronics markets (especially the pharmaceutical market) and growing markets (especially the secondary battery market).
- Strengthen price competitiveness and increase earning capacity by reducing the production costs of customized products.
- Put special focus on markets in China and emerging countries in Asia.

#### **Semiconductor Equipment**

- Launch new models of the burn-in chamber (energy-efficient models) in the market and promote sales.
- Promote the sales of measurement evaluation systems, along with sales in the power device and eco device markets

#### **FPD Equipment**

Promote the sales of clean ovens for FPDs in the Taiwanese market.

Promote the sales of clean ovens to semiconductor and organic material manufacturers.

## Equipment Business

	(million yen)			2011⁄3		
			Second half (Plan)	Full year (Plan)		
		(Result)	nan (Fian)		Change from the First Plan	First Plan
	Environmental Test Chamber	10, 030	9, 770	19, 800	10. 3%	17, 950
Orders- Received	Semiconductor Equipment	1, 675	1, 525	3, 200	23. 1%	2, 600
Received	FPD Equipment	437	263	700	0. 0%	700
	Total	11, 996	11, 704	23, 700	11.8%	21, 200
	Environmental Test Chamber	8, 274	10, 326	18, 600	5.4%	17, 650
Net sales	Semiconductor Equipment	1, 449	1, 451	2, 900	16. 0%	2, 500
	FPD Equipment	555	845	1, 400	55.6%	900
	Total	10, 284	12, 616	22, 900	9.0%	21, 000
	Environmental Test Chamber	445	405	850	13.3%	750
Operating income	Semiconductor Equipment	20	30	50	<b>∆66. 7%</b>	150
(loss)	FPD Equipment	∆27	∆73	Δ100	-%	Δ150
[Profit ratio (%)]	Total	433 [4. 2%]	367 [2. 9%]	800 [3. 5%]	6. 7%	750 [3. 6%]

### Service Business

	(million yen)		2011/3					
			Second	Full ye	ar (Plan)			
		(Result)	half (Plan)		Change from the First Plan	First Plan		
	After Service	1, 987	1, 813	3, 800	7.0%	3, 550		
Orders- Received	Commissioned Test	724	676	1, 400	∆3. 4%	1, 450		
	Total	2, 711	2, 489	5, 200	4.0%	5, 000		
	After Service	1, 691	1, 909	3, 600	1.4%	3, 550		
Net sales	Commissioned Test	631	769	1, 400	∆3. 4%	1, 450		
	Total	2, 322	2, 678	5, 000	0. 0%	5, 000		
	After Service	89	61	150	650. 0%	20		
Operating income	Commissioned Test	43	7	50	66. 7%	30		
<b>(loss)</b> [Profit ratio (%)]	Total	147	53	200	300. 0%	50		
	iotai	[6. 3%]	[2.0%]	[4. 0%]		[1.0%]		

#### After Service and Engineering

Encourage users to sign a maintenance contract for new products and enhance maintenance service under the contract.

Promote the sales of communication networking products.

Reduce costs by liquidating inventories of parts and products and by cutting logistics costs.

#### **Commissioned Test and Facility Rental**

Develop and offer new test menus.

## **Other Business**

			2011⁄3		
(million yen)	First half	Second half	Full yea	ır (Plan)	
	(Result)	(Plan)		Change from the First Plan	
Orders- Received	463	737	1, 200	33. 3%	900
Net sales	381	819	1, 200	20. 0%	1, 000
<b>Operating</b> <b>income (loss)</b> [Profit ratio (%)]	∆32 [−%]	32 [3. 9%]	0 [ <b>-%</b> ]	-%	0 [-%]

#### Environmental Protection Business, New Business

- Promote the sales of plant factories in both domestic and overseas markets, establish the business system, and offer new services.
- Promote sales in the sectors of forest and waterfront recovery, and offer greening systems combined with urban greening products.

## Toward Sustained Growth and Development

### Become a company that has an impressive presence despite being small in size.

FY2008	FY2009	FY2010	FY2011
Restruct and pre forward Key the -Busine structu	d of emergency action turing of business base baration for next step through reform nes: s and revenue e reform tion for mid-term growth	overwhelming business competitiveness through the concentration of cross-group synergy and innovation	New mid- term management plan
These materials contain forward-looking statements, including the Company's present plans and forecasts of performance, that reflect the Company's plans and forecasts based on the information presently available. These forward-looking statements are not guarantees of future performance, and plans, forecasts, and performance are subject to change depending on future conditions and various other factors.

	INQUIRIES:
	ESPEC CORP. 3-5-6, Tenjinbashi, Kita-ku, Osaka 530-8550, Japan TEL: 81-6-6358-8820
	Keiji Oshima General Manager General Affairs & Personnel Department
	Yo Hirao Corporate Services Group General Affairs & Personnel Department
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# Reference



# **Company and Business Profile**

## Company Profile

Name	ESPEC CORP.
Head Office	3-5-6, Tenjinbashi, Kita-ku, Osaka
Represented By	Nobuyosh Shin
Established	July 25,1947
Incorporated	January 13,1954
Paid-up Capital	¥6,895Million
Shares Issued	23,781,394 Shares
Employees	1,301 (consolidated)
Main Business	Manufacture and Sales of Environmental Test Chamber, Semiconductor Equipment, FPD Equipment and Plant Factory. After Service, Commissioned Test and others.

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(As of September 30, 2010)

## **Global Network**



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## [Equipment Business] History of Environmental Test

#### What is Environmental Test

Test to analyze and evaluate effects of environmental factors such as temperature, humidity, pressure, and light on various industrial products like electronic components in order to ensure product quality.





## [Equipment Business] Usage Case with Semiconductor Equipment

### Screening

Used for inspection in the manufacture of semiconductor devices to ensure product reliability suitable for mass production



**Burn-in chamber** 

### Semiconductors Heat Ioad Ioad Ioad

**Elimination of latent early failures** 

### **Reliability Evaluation**

Used to evaluate basic failure patterns to ensure reliability in the development of new technologies



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## [Service Business]

#### After Service and Engineering

Preventive maintenance of products, maintenance service, and the upgrading/improvement

and installation/relocation of products

- Well-developed domestic and overseas networks
- Technical service available around-the-clock

### **Commissioned Test and Facility Rental**

Commissioning of testing, analysis, and evaluation; consulting; equipment rental; sales of used products; calibration of test equipment, etc.

The company has four commissioned test centers in Japan (Utsunomiya, Toyota, Kariya and Kobe).

- These centers are IECQ-approved independent testing laboratories that meet ISO/IEC17025 standards.

-The centers are also recognized as official calibration facilities under the Japan Calibration Service System (JCSS).



[Commissioned test center in Kobe]



[ Test conducted by a staff member]

# [Other Business]

#### **Forest Recovery**

Seedling-based forest recovery technology

Recovery of local forest by selecting species and planting out seedlings using potential natural vegetation data.





### Waterfront Recovery

 Bestmann plant-based waterfront recovery system
Reconstruction of natural environment, development of vegetative revetments, and water quality improvement using aquatic plants.





### **Urban Greening**

Unit greening system Provision of roof and wall greening systems that use moss to effectively alleviate heat island effect.





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### **Plant Factory**

#### Plant production and propagation system

Provision of various cultivation environments employing advanced environmental control technologies to control light, temperature, humidity, carbon dioxide, etc.





## [Other Business] Usage Case with plant factory

Plant factories are attracting greater attention against the backdrop

of the growing awareness of food safety/security among consumers and

because of concern over the increase of extreme weather,

which is considered a by-product of global warming.

### Vegetable growing system "PLANTCELLAR"

- This product employs a hydroponic culture system that grows vegetables in a cleaner environment without soil.
- Due to its compact size, this product fits comfortably into limited space within a restaurant or store.
- Vegetables of uniform quality can be easily grown even without specialized knowledge.



Control panel Stirring fan

#### Cultivation tray

- Vegetables are cultivated hydroponically through use of liquid fertilizers.
- This product can be also used for organic cultivation using a soil medium.Stirring fan
- Artificial lighting
- Fluorescent lamp + LED lighting (blue, red, white...)



Artificial lighting: Fluorescent lamp + LED lighting (red)

#### Vegetables that can be grown using the "PLANTCELLAR"

- -Leafy vegetables, such as leaf lettuce and Boston lettuce
- Herbs, such as basil and Italian parsley