

Special Report Engage our customers in considering

From the dialogue with our customers, we will identify their CSR requirements, including the creation of a and make use of such findings in our business activities.

Sharing spare parts information with our customers

The Customer Spare Parts Data Base (C-SPDB) is a Web-based system developed by Kokusai Semiconductor Equipment Corp. (KSEC) to meet customer requirements.

With an internet connection, customers can search KSEC C-SPDB from anywhere in the world, confirm the parts needed by image and part number, and check the inventories, prices and lead times of KSEC on a real-time basis.

Semiconductor-manufacturing equipment includes O-rings, controllers, a mass flow controller (MFC), and other spare parts that are abundant in varieties and much in demand, so that customers wishing to identify required parts to place orders quickly without mistake will wear out their nerves.

To alleviate such stress and allow our customers to identify parts to place their orders securely and reliably in any case, KSEC works to achieve an even more user-friendly system.

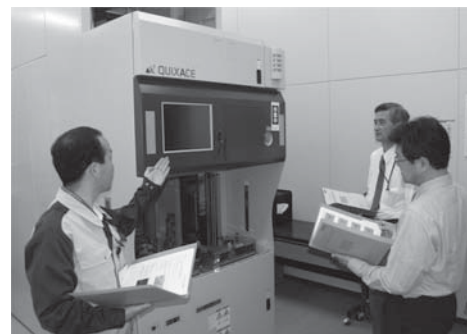
We remember to always listen to the requirements of our customers and engage in a dialogue with them and, for fiscal 2011, are prepared to develop search functions in relation to the data of equipment that we have already delivered in the past, thereby making a proposal on them.

We let our customers around the world know how to operate our equipment safely and securely.

Our Training Centers provide training on equipment operation so that our customers can safely and correctly operate our equipment, correctly perform necessary maintenance, and maintain high operation rates. Since many customers conduct their business globally, our training centers are established not only in Japan but also on the premises of our group companies in the USA and Asia. These facilities enable training by using training equipment based on real machinery and experienced instructors, and are thus highly evaluated by our customers in various locations.

Training is provided in three steps: self-teaching through e-learning (step 1), virtual operation training based on a simulation system (step 2), and practical training based on real machinery (step 3). Details of the curricula are combined,

thereby facilitating flexible training that meets the levels and requirements of our customers.



Practical training in front of real semiconductor manufacturing equipment (This is an image shot.)

Providing in-house receivers directly linked to safety and security for afflicted areas

The radio communication system for disaster preventive administration transmits disaster-prevention information, like administrative notices, weather and earthquake scale information, evacuation orders and alerts. It is from a master station installed at Disaster Control Headquarters (set up in municipal offices, etc.) to in-house receivers set up in individual houses and speaker receivers installed outdoors, thereby ensuring the safety and security of the local residents.

After this catastrophic earthquake, many municipalities requested the loaning of our products, because of the damages of the radio units for disaster prevention by tsunami and the requests to newly install an in-house receiver by some residents who had not had one.

In response to the requests, our Tohoku Area Operation and the Tohoku branch of Hitachi Kokusai Electric Services Inc. collected and organized the extent of damage, the degree of urgency, and other damage information about each municipality in cooperation with the local dealers, and Emergency Headquarters set up in the factory considered the contents of

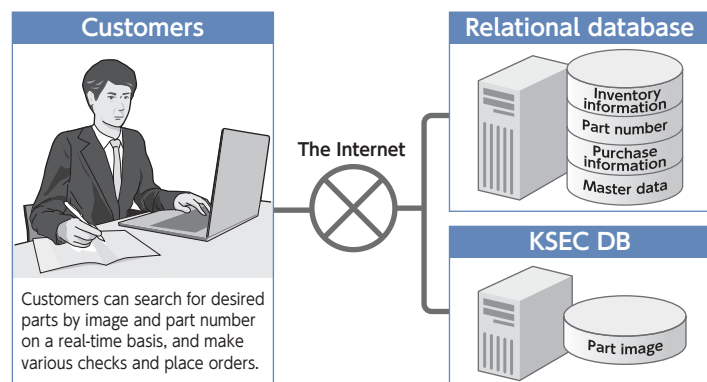
the requests. Then we provided our products in stock with the approval of the division's general manager. With only our stock, however, it was not enough to meet each request, so that we asked the other municipalities—our long-time customers—to lend us their spare in-house receivers. Then, the city of Azumino in Nagano Prefecture willingly lent us about 500 in-house receivers, Aisho-cho in Shiga Prefecture lent about 50 units, and Anan-cho in Nagano Prefecture lent about 20 units. Since all of these in-house receivers had already been used before, we cleaned and disinfected all units with alcohol, excluded the units in poor condition, and subjected them to operation checks at Koganei Works. As the result, we sent 470 in-house receivers to the afflicted areas.

In sending these in-house receivers, we considered the feelings of those who would actually use the units and attached a description to the receivers stating that the receivers were the reused and disinfected products provided by those municipalities

and responding to social issues

comfortable workplace,

■ Conceptual diagram of C-SPDB



Guest Voice

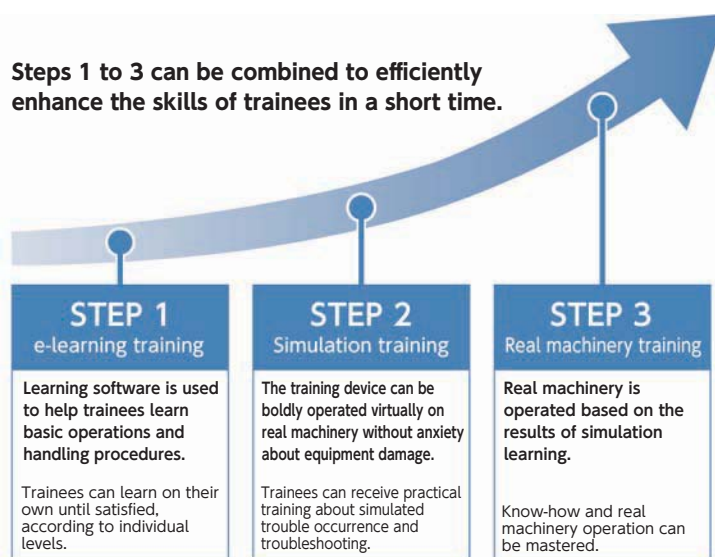


Ray McFarland
Purchasing & Materials
Manager
Kokusai Semiconductor
Equipment Corp.

I have received the following comments from customers:

"Our guys really appreciate this data base." "Excellent interface that I am using quite often to search parts. I like the option to search based on customer part number." (Company M)
"I have found it useful when searching for parts, getting a part number, looking it up and seeing if the picture resembles the part needed, or seeing if it is available nearby so that I can expect it in a few hours. Pictures, good idea!" (Company S)

Steps 1 to 3 can be combined to efficiently enhance the skills of trainees in a short time.



Guest Voice



Mr. Y
Manager of a leading
semiconductor
manufacturer in Asia
(at right in the photo)

I attended a training session designed specifically for equipment operation and maintenance. The instructors kindly and carefully answered my various questions, including those from the perspective of a shop-floor worker and those regarding function details. In particular, after hearing the explanations, I had a chance to make checks while actually operating the equipment, which proved to be a valuable experience not possible on the shop floor.



All provided in-house receivers were cleaned and disinfected with alcohol. After that, we tested the units on electricity and reception and entered the station data in them. (Sign for the shelf says: Great East Japan Earthquake, Equipment for Reconstruction Assistance, In-house Receiver SER-686, kindly provided by the city of Azumino)



Voice



Yoshihisa Sasaki
Tohoku Area Operation

Miharu-machi in Fukushima Prefecture received urgent requests from some residents to newly install in-house receivers because of concerns over the nuclear reactor accident, but municipal's stock of spare units was not enough to manage their requests. In response to our appeal, our customers quickly lent us some units, and we were able to supply additional units by the end of March. On the day the granted supplies arrived, the person responsible gave us a thank-you call: "When our stocks of emergency supplies hit bottom, we had no additional budget and were unable to follow the formalities for making arrangements, but you kindly offered us your assistance. We appreciate it very much."