

FY08 Summary of Financial Results (Consolidated)

May 8, 2009

Company Name **Wacom Co., Ltd.**

(Code Number: 6727 TSE1)

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1. FY08 Consolidated Financial Results (April 1, 2008 – March 31, 2009)

(1) Business Performance (Consolidated)

(rounded off to mY)

| | Sales | | Operating Profit | | Recurring Profit | | Net Profit | |
|------|--------|--------|------------------|---------|------------------|---------|------------|---------|
| | mY | % | mY | % | mY | % | mY | % |
| FY08 | 33,809 | (-8.0) | 4,311 | (-22.2) | 4,179 | (-25.1) | 2,579 | (-26.3) |
| FY07 | 36,739 | (27.6) | 5,539 | (21.3) | 5,581 | (20.3) | 3,501 | (22.7) |

| | Net Profit per Share Outstanding | | Net Profit per Diluted Share Outstanding | | Return on Equity (ROE) | Total Asset recurring profit ratio | Operating Profit Margin |
|------|----------------------------------|-----|--|-----|------------------------|------------------------------------|-------------------------|
| | Yen | Sen | Yen | Sen | % | % | % |
| FY08 | 6,213.93 | | 6,197.78 | | 14.2 | 15.2 | 12.8 |
| FY07 | 8,348.74 | | 8,304.38 | | 20.1 | 20.5 | 15.1 |

(2) Financial Position (Consolidated)

| | Total Assets | Net Assets | Equity Ratio | Net Assets per Share | |
|------|--------------|------------|--------------|----------------------|-----|
| | mY | mY | % | Yen | Sen |
| FY08 | 25,631 | 17,796 | 69.4 | 44,303.37 | |
| FY07 | 29,221 | 18,562 | 63.5 | 44,178.22 | |

(For Reference) Net Assets FY08 17,796mY FY07 18,562mY

(3) Consolidated Cash Flow

| | Operating Cash Flow | Investing Cash Flow | Financing Cash Flow | Cash & Cash Equivalent |
|------|---------------------|---------------------|---------------------|------------------------|
| | mY | mY | mY | mY |
| FY08 | 1,478 | -1,174 | -2,676 | 11,014 |
| FY07 | 3,461 | -1,539 | -511 | 13,577 |

2. Dividend

| (Record date) | Dividend Per Share | | | | | FY Amount of dividend | Payout ratio | Dividend on equity ratio |
|------------------|--------------------|---------|---------|-----------|----------|-----------------------|--------------|--------------------------|
| | 1Q | 2Q | 3Q | End of FY | FY Total | | | |
| | Yen Sen | Yen Sen | Yen Sen | Yen Sen | Yen Sen | mY | % | % |
| FY07 | - | - | - | 2,500.00 | 2,500.00 | 1,050 | 29.9 | 6.0 |
| FY08 | - | - | - | 3,000.00 | 3,000.00 | 1,205 | 48.3 | 6.8 |
| FY09 (estimates) | - | - | - | 3,000.00 | 3,000.00 | | 56.6 | |

Dividend per share at the end of FY07 consists of an ordinary dividend ¥2,000 and a special dividend ¥500.

3. Consolidated Business Forecasts of FY09 (April 1, 2009 – March 31, 2010)

| | Sales | | Operating Profit | | Recurring Profit | | Net Profit | | Net Profit per Share Outstanding | |
|--------------|--------|---------|------------------|---------|------------------|---------|------------|---------|----------------------------------|-----|
| | mY | % | mY | % | mY | % | mY | % | Yen | Sen |
| 2Q (FY09 1H) | 14,800 | (-20.4) | 600 | (-76.5) | 600 | (-76.3) | 360 | (-77.1) | 896.20 | |
| Full Year | 35,500 | (5.0) | 3,550 | (-17.7) | 3,500 | (-16.2) | 2,130 | (-17.4) | 5,302.52 | |

4. Other

- 1) Reclassification of significant subsidiaries during the period (Reclassification due to the change in scope of consolidation) : No
- 2) Changes in accounting principles, procedures and methods of presentation in consolidated financial statements (Changes in significant items that form the basis for preparing consolidated financial statements)
 - Changes resulting from revisions in accounting standards : Yes
 - Changes other than those 1) above : No
- 3) Numbers of shares outstanding (Common stock)
 - Number of shares outstanding at end of year (including treasury stock): 3/09: 421,696
3/08: 420,156
 - Number of treasury stock outstanding at end of year: 3/09: 20,000 3/08: -

* Forward-looking statements regarding future events and performance contained in this presentation are based on currently available information and involve risks and uncertainties. Please note that actual results could materially differ from those expressed or implied by the forward-looking statements in this presentation due to these risks and uncertainties.

[Qualitative news and financial statements]

〈Qualitative news for consolidated business performance〉

Wacom Group's business environment for FY08 (from April 1, 2008 to March 31, 2009) was satisfactory in the 1H with the highest sales and net profit as a 1H result in spite of a sudden rise in materials. On the other hand, the business environment for the 2H faced the drastic global economic drop of the century, due to the global recession, caused by the financial crisis in the US in addition to a rapid appreciation of the Japanese yen against other currencies.

The Japanese economy entered a recessionary phase for the first time in six years, due to a decrease of corporate investment in plant and equipment and sluggish consumer consumption as a result of the global financial crisis. In the US., an unprecedented deepening of the financial crisis led to the bankruptcies of several major financial institutions, which in turn caused a further reduction in consumer spending, a corresponding decline in corporate profit and a credit crunch. European countries were influenced by the global economic slowdown and as a result, the UK economy entered a recessionary phase for the first time in seventeen years. The EU area also experienced the first recession since the introduction of Euro currency, despite steady growth in Germany at the beginning of the period. The economy in Asia-Oceania countries showed a slowdown of growth due to the Sichuan earthquake in China and the global recession as well as rapid depreciations of Asian local currencies, despite steady economic growth in China and India.

Under the above conditions, the performance in 2H was lower compared to the previous fiscal year, due to a further reduction in consumer spending, a slowdown of corporate investment and the significant appreciation of the Japanese yen, although the Company made the greatest efforts in reducing spending and so on.

On the technology development side, the Company improved the capacitive touch screen technology inherited from TouchKO Corporation, which Wacom acquired in FY07, with its own IC development technologies for digital processing. As a result, the Company developed the high-accuracy, low-power capacitive touch screen technology for notebook PCs, and announced its intention to start providing sample products. Wacom also devoted itself to developing the multi-touch technology for Microsoft's next version of its OS, Windows7. This original, high-performance multi-touch sensor technology was announced at WinHEC (Windows Hardware Engineering Conference) in November, and sample products were provided. In new business development, Wacom developed and announced the launch of a professional DJ interface device, "nextbeat", to which its own capacitive touch technology is applied. The

product is scheduled for an initial release in Japan and Europe this summer. In March, the Company announced the Intuos4, the latest product of the company's main model Intuos series for the professional graphics field in four and a half years. The Intuos4, enjoys a high reputation for the new product design techniques, incorporating universal design and ergonomics, as well as for a design tool to offer high productivity to professional users.

In the ASEAN area, Wacom established a subsidiary in Taiwan and its logistic base in Singapore to enhance sales, marketing and customer service. The Company enjoyed a smooth start for compliance with the Financial Instruments and Exchange Law (J-SOX) from the beginning of FY08. For the purpose of intellectual property protection and strengthening, the Company filed patent infringement lawsuits against Hanwang Technology Corporation and entered into a comprehensive settlement agreement in April, 2008. Thanks to this settlement, the Company could devote itself to expanding its business opportunities in China on a continuous basis.

As a result, the consolidated FY08 business results ended in sales of ¥33.81bn (-8.0% YoY), OP ¥4.31bn (-22.0% YoY), recurring profit ¥4.18bn (-25.1% YoY), and net profit ¥2.58bn (-26.3% YoY).

(Business segment performance)

1) ESD business

The tablet business, also known as the core business of electronic systems and devices (ESD), as a whole, recorded lower sales compared to the previous fiscal year, due to the significant appreciation of the Japanese yen, despite its steady distribution throughout FY08. In the professional graphics segment, total sales decreased compared to FY07, due to the slowdown in sales of "Intuos3" in 2H, although the new product "Intuos4" was released and received a high evaluation in March. On the consumer tablet side, the "Bamboo™" series, which was released in the previous fiscal year, recorded a slight sales decrease despite the steady distribution achieved by constantly launching new products. As for LCD tablets, despite a sharp slowdown in corporate demand, sales kept to the same level and the volume increased considerably compared with the previous fiscal year, thanks to the introduction of a professional LCD tablet "Cintiq™ 12WX" released in FY07, and the favorable sales of a new product "DTU-1931". With regards to the components business, whose major customers are Tablet PC manufacturers, the Company's pen-sensor components experienced drastic changes in the business environment between 1H and 2H. Although the components sales of Tablet PCs for consumers expanded until 1H, its result for

the full business year decreased due to the global economic slowdown, the appreciation of the Japanese yen and the change of the competitive environment.

As a result, the ESD business FY08 sales ended at ¥33.06bn (-7.8% YoY), and operating profit ¥6.21bn (-22.0% YoY).

2) ECS business

The Engineering Collaborative Solutions (ECS) business released its latest product “ECAD / dioTM” Ver. 9.0 which was significantly improved in its operability and functionality in September as an electronic design segment of the CAD market. The business provided incentives for existing users to upgrade, and for other CAD product users to replace their existing software with “ECAD / dioTM”. In addition there was improvement of the Company’s website and domestic exhibitions. However, the sales remained at a lower level due to the remarkable decrease of corporate investments in 2H. For the PDM market, the business proposed new solutions and promoted software packages to existing users. However, the Company decided on the cessation of sales activities due to a remarkable sales decrease in FY08.

As a result, ECS business FY08 sales ended at ¥751mn (-16.3% YoY) and OP ¥49mn (-64.9% YoY),.

(Business Overview by Area)

1) Japan

For the ESD business, the professional pen tablet “Intuos” series released the new product “Intuos4” in March and enjoyed a high evaluation. Sales of the series maintained a slight increase compared to the previous fiscal year thanks to the pursuit of the corporate brand. The consumer pen tablet “Bamboo” series showed favorable sales growth owing to the enhancement of store-front decorations with corporate brand materials and appreciation for the release of the medium-size “Bamboo Comic” product, bundled with software for creating illustrations and comics. As for LCD tablets, “Cintiq” series received favorable appraisal, but overall sales showed slight decrease, due to slowing corporate investment demand influenced by the economic slowdown.

The components business recorded lower sales compared to the previous fiscal year. Please refer to the "Business segment performance" section above.

With regards to the ECS business, refer to the "Business segment performance" section above.

As a result, sales in Japan ended at ¥12.77bn (-5.9% YoY), and OP ¥5.35bn (-21.6% YoY).

2) U.S.

The U.S. market was greatly influenced by the U.S. dollar depreciation against the Japanese yen and the economic slowdown caused by the expansion of the financial crisis. Sales of the professional pen tablet “Intuos” series remained at a lower level compared with the previous fiscal year, due to buyer hesitation before the introduction of the new model, a further reduction in consumer spending, the bankruptcy of major sales channel partners and inventory adjustments at sales partners’ sites. The “Intuos4” released in March enjoyed a high evaluation. The consumer pen tablet “Bamboo” series showed only a slight sales decrease due to unfavorable foreign exchange rates, despite sales growth on a US dollar basis resulting from new channel development and efforts to strengthen the relationships with channel partners. As for LCD tablets, the graphics user base expanded, thanks to the new product “Cintiq 12WX” and the transition from professional pen tablets. However, sales decreased due to unfavorable foreign exchange rates despite positive sales growth on the US dollar basis.

Consequently, sales in the U.S. ended at ¥9.82bn (-11.0% YoY), and OP ¥356mn (49.9% YoY).

3) Europe

In Europe, sales of the professional pen tablet “Intuos” series showed a drop due to buyer hesitation before the introduction of the new model and a further reduction in consumer spending despite a slight increase in sales volume. The “Intuos4” released in March enjoyed a high evaluation. Despite sales growth on the Euro basis, resulting from strong efforts in building brand awareness and improving visibility through the exhibitions, sales of the consumer pen tablet “Bamboo” series showed a slight decrease due to unfavorable foreign exchange rates. As for LCD tablets, the “Cintiq” series became widespread in the graphics and digital photo retouching fields. A new product “Cintiq 12WX” also helped to spur sales of LCD tablets.

Accordingly, sales in Europe ended at ¥8.00bn (-5.4% YoY) and OP ¥353mn (-33.7% YoY).

4) Asia & Oceania

In the Asia & Oceania markets, sales of the professional pen tablet “Intuos” series did not achieve the business results of FY07 due to the rapid fluctuation in exchange rates and the economic slowdown in South Korea and Australia, in addition to the Sichuan earthquake and stagnated distribution due to the staging of the Olympics in China. Sales of the consumer pen tablet “BambooTM” series

also showed a drop, due to the same reasons. The LCD tablet market enjoyed wide expansion, mainly owing to strong sales of the “Cintiq” series. However, sales showed the same level as the previous year due to unfavorable foreign exchange rates.

South Korea was adversely affected by an economic slowdown and the rapid depreciation of their currency. Meanwhile, China, India and ASEAN countries, newly emerging markets, enjoyed sales growth.

Therefore, Asia & Oceania sales ended at ¥3,22bn (-12.6% YoY), and OP ¥44mn (-88.8% YoY).

〈Qualitative news for consolidated financial position〉

Total assets decreased by ¥3.59bn to ¥25.63bn in FY08 compared with the end of FY07. The main reasons were a ¥1.85bn decrease in cash and cash equivalents due to repurchase of own shares and a ¥0.94bn decrease in total of notes and accounts receivable and inventories.

Total liabilities decreased by ¥2.83bn to ¥7.83bn in FY08 compared with the end of FY07. The main reasons were a ¥1.82bn decrease in notes and accounts payable and a ¥748mn decrease in accrued income tax.

Total net assets decreased by ¥765mn to ¥17.80bn. The main reasons were a ¥1.85bn of repurchase of own shares, a ¥1.05bn payment of shareholders' dividends, and a 585mn decrease in foreign currency translation adjustments despite a ¥2.58bn increase in retained earnings.

Consolidated cash & cash equivalents for FY08 decreased by ¥2.56bn (+870mn YoY) to ¥11.01bn compared with the end of FY07.

(Cash Flow from Operating Activities)

Earned operating cash flow for FY08 was ¥1.48bn (+3.46bn YoY). The main reasons were ¥4.18bn of NPBT, an increase in ¥2.26bn of corporate tax paid.

(Cash Flow from Investing Activities)

Investing cash flow for FY08 was ¥1.17bn (-1.54bn YoY). The main reason was the purchase of fixed assets of ¥956mn.

(Cash Flow from Financing Activities)

Financing cash flow for FY08 was ¥2.68bn (-511mn YoY). The main reasons were a repurchase of own shares of ¥1.85bn and a payment of shareholders' dividends of ¥1,05bn.

〈Qualitative news on the forecast of consolidated results〉

In FY2009 (from April 1, 2009 to March 31, 2010), Wacom forecasts that the global economy continues to remain unstable although some signals for the cyclical bottom resulting from the effect of large-scale economic packages appeared in every country. Regionally, the Company has severe constraints as follows: a decrease of corporate investments, a further reduction in consumer spending and a corresponding credit crunch in the U.S., the continuous influence of the financial crisis in EU, a slowdown of exports in Japan, and slowing economic growth in China.

Wacom continues to review its cost structure to secure management stability, positively promotes releases of new products, and develops new technologies for the development of new business and future growth. The Company assumes the average foreign exchange rates to be ¥95 per 1 U.S. dollar and ¥120 per 1 Euro in this fiscal year, and is expecting consolidated yearly sales of ¥35.50bn (+5.0% YoY), operating profit ¥3.55bn (-17.7% YoY), recurring profit ¥3.50bn (-16.2% YoY), and net profit ¥2.13bn (-17.4% YoY).

ESD business, in the professional graphics segment, released the new product “Inuos4” in March and promotes existing users’ replacements and new users’ buying in this fiscal period. On the consumer tablet side, the Company enhances “Bamboo” brand and positively expands sales in graphics and business markets owing to releases of new products. As for LCD tablets, new products will be released in addition to the “Cintiq” series for professional graphics tablet users in the graphics field. On the vertical market side, the Company expects a further growth thanks to promoting new products for the education field and marketing “SignPad”, which was developed for digital signature capture. The components business does not only provide pen sensor components but will start to deliver multi-touch sensor components, corresponding to the release of Microsoft’s next version of OS, Windows7. The business is also developing markets for touch sensors for e-book, POS devices, and industrial equipment outside the PC market. The Company has scheduled the launch of a professional DJ interface device, “nextbeat”, for its initial release in Japan and Europe this summer, and is developing the music business field.

The ECS business continues to develop the product series, and to enhance sales in an electronic design segment of the CAD market. The business provides incentives for other CAD product users to replace their existing software.

Wacom strives to improve visibility as a global brand, aggressively promotes products in every business field to achieve the mid-term plan, and continuously enhances global leadership.

On the technology development side, the Company continues to develop new products and technologies and strengthens the business base for sustainable growth. Global (SCM) Supply Chain Management and Quality Assurance systems, critical to support future growth and profit, are also structured and maintained continuously. Wacom continues structuring the next IT infrastructure in addition to strengthening compliance with the Financial Instruments and Exchange Law (J-SOX), promoting global branding, and developing new products as intensive projects.

〈Dividend payout policy and dividend at the end of FY〉

Wacom's dividend payout policy is to maintain stable payouts to ensure future business development and reinforce the financial base. The payout ratio is targeted to be more than 30% on a consolidated basis and increased in the long-term in order to attract global investment into the Company.

With regard to repurchase of own shares, it is not a regular payout policy like dividend but the Company makes a decision with the purpose of improving capital efficiency and ensuring a flexible capital strategy that is effective in variable business situations.

In accordance with the above policy the Wacom Board of Directors has decided to pay a dividend of ¥3,000 per share. As a result, the payout ratio is 48.3% at the end of FY08. Total payout ratio achieved 118.4% with the repurchase of own 20,000 shares for the first time by the Company from October to December in 2008.

The dividend for FY09 is estimated at ¥3,000 per share. As a result, the payout ratio will be 56.6% at the end of FY09. The Company gives priority to maintaining stable payouts over a decrease in profit forecast as the current severe business environment is temporary.

Trend of Consolidated Cash Flow Indicator (for Reference)

| | FY05 Full-term End | FY06 Full-term End | FY07 Full-term End | FY08 Full-term End |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| Total Shareholder's Equity Ratio (%) | 63.2 | 64.9 | 63.5 | 69.4 |
| Market Cap based Total Shareholder's Equity Ratio (%) | 457.1 | 547.7 | 303.4 | 161.7 |
| Debt Redemption(Yr) | 0.8 | 0.2 | 0.2 | 0.4 |
| Interest Coverage Ratio | 68.3 | 234.2 | 310.3 | 118.9 |

(Note) Total Shareholder's Equity Ratio: Total Shareholder's Equity / Total Assts
 Market Cap based Total Shareholder's Equity Ratio: Market Cap / Total Assets
 Debt Redemption Year: Interest-Bearing Debt / Operating Cash Flow
 (For mid-term end, operating cash flow is doubled for full year measurement.)
 Interest Coverage Ratio: Operating Cash Flow / Interest Payment

(Accompanying data)

Consolidated Balance Sheet (Summary), Consolidated Profit and Loss Statement (Summary),
 Consolidated Statement of Changes in Shareholder's Equity, Consolidated Cash Flow Statement
 (Summary), and Segment Information (Summary).

(Accompanying data)

1. Summary of Consolidated Balance Sheet

(Unit: '000 Yen, %)

| Subject | FY08 (as of Mar. 31, 2007) | FY07 (as of Mar. 31, 2008) |
|--|-------------------------------|-------------------------------|
| | Amount | Amount |
| (Assets) | | |
| Current Assets | | |
| 1. Cash and cash equivalents | 9,994,114 | 8,078,235 |
| 2. Notes and accounts receivable | 3,897,615 | 4,537,959 |
| 3. Securities | 1,520,000 | 5,500,000 |
| 4. Inventories | — | 3,373,683 |
| 5. Finished products | 2,164,512 | — |
| 6. Work in process | 162,442 | — |
| 7. Raw materials | 747,434 | — |
| 8. Deferred tax assets | 734,755 | 825,339 |
| 9. Others | 1,623,022 | 2,023,911 |
| 10. Allowance for doubtful accounts | -35,689 | -31,094 |
| Total Current Assets | 20,808,205 | 24,308,033 |
| Fixed Assets | | |
| 1. Tangible fixed assets | | |
| (1) Buildings and facilities (net amount) | 1,867,517 | 1,552,601 |
| (2) Machinery, equipment and vehicles (net amount) | 86,944 | 92,653 |
| (3) Tools and furniture (net amount) | 537,799 | — |
| (4) Land | 1,452,507 | 1,454,588 |
| (5) Construction in Progress | 25,390 | 28,804 |
| (6) Others (net amount) | — | 374,800 |
| Total tangible fixed assets | 3,970,157 | 3,503,446 |
| 2. Intangible fixed assets | | |
| (1) Goodwill | 110,098 | 180,021 |
| (2) Others | 538,427 | 563,954 |
| Total intangible fixed assets | 648,525 | 743,975 |
| 3. Investment and other assets | | |
| (1) Investment securities | 35,277 | 536,429 |
| (2) Deferred tax assets | 4,480 | 3,412 |
| (3) Others | 166,331 | 128,258 |
| (4) Allowance for doubtful accounts | -1,918 | -2,223 |
| Total investment and other assets | 204,170 | 665,876 |
| Total Fixed assets | 4,822,852 | 4,913,297 |
| Total Assets | 25,631,057 | 29,221,330 |

(Unit: '000 Yen, %)

| Subject | FY08 (as of Mar. 31, 2007) | FY07 (as of Mar. 31, 2008) |
|---|-------------------------------|-------------------------------|
| | Amount | Amount |
| (Liabilities) | | |
| Current Liabilities | | |
| 1. Notes and accounts payable | 3,895,717 | 5,717,425 |
| 2. Short-term debt | 600,000 | 600,000 |
| 3. Accrued income taxes | 414,881 | 1,163,242 |
| 4. Allowance for bonus payable | 343,537 | 475,189 |
| 5. Allowance for board members' bonus payable | — | 23,695 |
| 6. Others | 1,613,275 | 1,731,738 |
| Total Current Liabilities | 6,867,410 | 9,711,289 |
| Fixed Liabilities | | |
| 1. Deferred tax liabilities | 115,334 | 191,050 |
| 1. Accrued retirement benefits | 420,151 | 370,605 |
| 2. Reserve for retirement benefits for directors and corporate auditors | 429,227 | 379,343 |
| 3. Others | 2,448 | 7,301 |
| Total Fixed Liabilities | 967,160 | 948,299 |
| Total Liabilities | 7,834,570 | 10,659,588 |
| (Net Assets) | | |
| Shareholders' Equity | | |
| 1. Capital | 4,195,345 | 4,082,842 |
| 2. Additional paid-in capital | 4,036,759 | 3,924,258 |
| 3. Retained earnings | 12,297,513 | 10,853,924 |
| 4. Treasury stock | -1,848,486 | — |
| Total Shareholders' Equity | 18,681,131 | 18,861,024 |
| Evaluation & Exchange Conversion | | |
| 1. Foreign currency translation adjustments | -884,644 | -299,282 |
| Total Evaluation & Exchange Conversion | -884,644 | -299,282 |
| Total Net Assets | 17,796,487 | 18,561,742 |
| Total Liabilities & Net Assets | 25,631,057 | 29,221,330 |

2. Consolidated Profit & Loss Statement

(Unit: '000 Yen, %)

| Subject | FY08 (Apr. 1, 2008 to Mar. 31, 2009) | FY07 (Apr. 1, 2007 to Mar. 31, 2008) |
|---|---|---|
| | Amount | Amount |
| Sales | 33,809,138 | 36,739,196 |
| Cost of Goods Sold | 17,047,974 | 18,098,841 |
| Gross Profit | 16,761,164 | 18,640,355 |
| Sales & General Administration Cost | 12,449,786 | 13,101,484 |
| Operating Profit | 4,311,378 | 5,538,871 |
| Non-operating Revenue | 112,740 | 191,347 |
| 1. Interest and dividend income | 85,102 | 159,069 |
| 2. Others | 27,638 | 32,278 |
| Non-operating Expense | 245,049 | 149,014 |
| 1. Interest cost | 12,375 | 12,291 |
| 2. Foreign exchange loss | 204,410 | 117,369 |
| 3. Others | 28,264 | 19,354 |
| Recurring Profit | 4,179,069 | 5,581,204 |
| Extraordinary Gain | 14,372 | 91,645 |
| 1. Gain on Sales of Property, Plant and Equipment | 155 | 108 |
| 2. Reversal of allowance for doubtful accounts | — | 91,537 |
| 3. Legal settlement received | 14,217 | — |
| Extraordinary Loss | 13,780 | 108,767 |
| 1. Loss on sales of fixed assets | 446 | 1,517 |
| 2. Loss on disposal of fixed assets | 13,334 | 11,759 |
| 3. Write-offs of investment securities | — | 20,000 |
| 4. Deferred Director's Retirement Allowance | — | 75,491 |
| Net Profit before Taxes and Other Adjustments | 4,179,661 | 5,564,082 |
| Income Tax, Inhabitant Tax and Enterprise Tax | 1,600,636 | 2,062,722 |
| Net Profit | 2,579,025 | 3,501,360 |

3. Consolidated Statement of Changes in Shareholder's Equity

FY07 (Apr. 1, 2007 to Mar. 31, 2008)

(Unit: '000 Yen)

| | Shareholders' Equity | | | |
|--|----------------------|-----------------|-------------------|----------------------------|
| | Capital Stock | Capital Surplus | Retained Earnings | Total Shareholders' Equity |
| Balance as of March 31, 2007 | 3,988,001 | 3,829,418 | 7,980,608 | 15,798,027 |
| Increase/decrease during the fiscal 2007 | | | | |
| Stock Issuance | 94,841 | 94,840 | | 189,681 |
| Distribution of Retained earnings | | | -628,044 | -628,044 |
| Net Profit | | | 3,501,360 | 3,501,360 |
| Net increase/decrease during the fiscal 2007 of non shareholders' equity items | | | | |
| Total increase/decrease during the fiscal 2007 | 94,841 | 94,840 | 2,873,316 | 3,062,997 |
| Balance as of March 31, 2008 | 4,082,842 | 3,924,258 | 10,853,924 | 18,861,024 |

| | Valuation and Translation Adjustments | | Total Net Assets |
|--|---|---|------------------|
| | Foreign Currency Transaction Adjustment | Total Valuation And Translation Adjustments | |
| Balance as of March 31, 2007 | 522,054 | 522,054 | 16,320,081 |
| Increase/decrease during the fiscal 2007 | | | |
| Stock Issuance | | | 189,681 |
| Distribution of Retained earnings | | | -628,044 |
| Net Profit | | | 3,501,360 |
| Net increase/decrease during the fiscal 2007 of non shareholders' equity items | -821,336 | -821,336 | -821,336 |
| Total increase/decrease during the fiscal 2007 | -821,336 | -821,336 | 2,241,661 |
| Balance as of March 31, 2008 | -299,282 | -299,282 | 18,561,742 |

FY08 (Apr. 1, 2008 to Mar. 31, 2009)

(Unit: '000 Yen)

| | Shareholders' Equity | | | | |
|--|----------------------|-----------------|-------------------|-----------------|----------------------------|
| | Capital Stock | Capital Surplus | Retained Earnings | Treasury Stocks | Total Shareholders' Equity |
| Balance as of March 31, 2008 | 4,082,842 | 3,924,258 | 10,853,924 | 0 | 18,861,024 |
| Changes of accounting principles in subsidiaries during the Fiscal 2008 | | | -29,344 | | -29,344 |
| Increase/decrease during the fiscal 2008 | | | | | |
| Stock Issuance | 112,503 | 112,501 | | | 225,004 |
| Distribution of Retained earnings | | | -1,050,390 | | -1,050,390 |
| Net Profit | | | 2,579,025 | | 2,579,025 |
| Increase/decrease due to the change in scope of consolidation during the fiscal 2008 | | | -55,702 | | -55,702 |
| Repurchase of own Shares | | | | -1,848,486 | -1,848,486 |
| Net increase/decrease during the fiscal 2008 of non shareholders' equity items | | | | | |
| Total increase/decrease during the fiscal 2008 | 112,503 | 112,501 | 1,472,933 | -1,848,486 | -150,549 |
| Balance as of March 31, 2009 | 4,195,345 | 4,036,759 | 12,297,513 | -1,848,486 | 18,681,131 |

| | Valuation and Translation Adjustments | | Total Net Assets |
|--|---|---|------------------|
| | Foreign Currency Transaction Adjustment | Total Valuation And Translation Adjustments | |
| Balance as of March 31, 2008 | -299,282 | -299,282 | 18,561,742 |
| Changes of accounting principles in subsidiaries during the Fiscal 2008 | | | -29,344 |
| Increase/ decrease during the fiscal 2008 | | | |
| Stock Issuance | | | 225,004 |
| Distribution of Retained earnings | | | -1,050,390 |
| Net Profit | | | 2,579,025 |
| Increase/decrease due to the change in scope of consolidation during the fiscal 2008 | | | -55,702 |
| Repurchase of own shares | | | -1,848,486 |
| Net increase/decrease during the fiscal 2008 of non shareholders' equity items | -585,362 | -585,362 | -585,362 |
| Total increase/ decrease during the fiscal 2008 | -585,362 | -585,362 | -735,911 |
| Balance as of March 31, 2009 | -884,644 | -884,644 | 17,796,487 |

3. Summary of Consolidated Cash Flow Statement

(Unit: '000 Yen)

| | FY08 (Apr. 1, 2008 to Mar. 31, 2009) | FY07 (Apr. 1, 2007 to Mar. 31, 2008) |
|--|---|---|
| | Amount | Amount |
| Operating Cash Flow | | |
| Net profit before taxes and other adjustments | 4,179,661 | 5,564,082 |
| Depreciation | 664,439 | 518,500 |
| Increase in allowance for doubtful accounts (- represents decrease) | 14,254 | -107,147 |
| Increase in allowance for bonus payable (- represents decrease) | -125,070 | 5,599 |
| Increase in allowance for Director's bonus payable (- represents decrease) | -23,695 | -6,105 |
| Increase Reserve for Retirement Allowance (- represents decrease) | 48,912 | 43,175 |
| Increase Reserve for Director's Retirement Allowance (- represents decrease) | 57,382 | 126,428 |
| Interest and dividend income | -85,102 | -159,069 |
| Interest cost | 12,375 | 12,291 |
| Exchange Loss (- Gain) | -78,350 | 22,227 |
| Loss on Sale and Disposal of Fixed Assets | 13,625 | 13,168 |
| Loss on Write-down of Investment Securities | — | 20,000 |
| Decrease in notes and accounts receivable (- represents increase) | 737,805 | -618,776 |
| Decrease in inventory (- represents increase) | -36,483 | -1,539,455 |
| Increase in notes and accounts payable (- represents decrease) | -1,623,667 | 1,993,906 |
| Others | -84,487 | -120,962 |
| Subtotal | 3,671,599 | 5,767,862 |
| Interest and dividend received | 79,379 | 151,422 |
| Interest paid | -12,424 | -11,153 |
| Income tax paid | -2,260,908 | -2,447,508 |
| Operating Cash Flow | 1,477,646 | 3,460,623 |
| Investing Cash Flow | | |
| Payments for purchase of Tangible Assets | -955,752 | -414,760 |
| Payments for purchase of Intangible Assets | -200 | -6,389 |
| Payments for purchase of Software | -197,934 | -186,407 |
| Proceeds from Sale of Fixed assets | 7,479 | 3,111 |
| Payments for Purchase of Stock of subsidiary company | — | -420,216 |
| Payments for Purchase of Investment Securities | — | -500,000 |
| Deposit and Guarantee Money Paid | -50,325 | -28,121 |
| Deposit and Guarantee Money Received | 23,022 | 15,337 |
| Others | — | -1,123 |
| Investing Cash Flow | -1,173,710 | -1,538,568 |
| Financing Cash Flow | | |
| Payments for long-term debt | — | -70,000 |
| Proceeds from stock issuance | 222,293 | 186,915 |
| Payments for repurchase own shares | -1,852,061 | — |

| | | |
|--|------------|------------|
| Payments for shareholders' dividends | -1,046,500 | -627,869 |
| Financing Cash Flow | -2,676,268 | -510,954 |
| Effect of Exchange Rate Changes on Cash and Cash Equivalents | -190,748 | -541,060 |
| Net Increase in Cash and Cash Equivalents (- represents Decrease) | -2,563,080 | 870,041 |
| Cash and Cash Equivalents at beginning of term | 13,577,194 | 12,707,153 |
| Cash and Cash Equivalents at end of term | 11,014,114 | 13,577,194 |

4. Segment Information

[By Division]

FY07 (April 1, 2007 – March 31, 2008)

(Unit: '000 Yen)

| | ESD Business | ECS Business | Total | Internal Elimination | Consolidated |
|---|-----------------|-----------------|------------|-------------------------|--------------|
| I Sales | | | | | |
| (1) Sales towards external customers | 35,842,651 | 896,545 | 36,739,196 | — | 36,739,196 |
| (2) Sales between internal segments and internal transfer | — | — | — | — | — |
| Total | 35,842,651 | 896,545 | 36,739,196 | — | 36,739,196 |
| Operating Cost | 27,881,600 | 756,969 | 28,638,569 | 2,561,756 | 31,200,325 |
| Operating Profit | 7,961,051 | 139,576 | 8,100,627 | -2,561,756 | 5,538,871 |
| II Asset, Depreciation, Capital expenditure | | | | | |
| (1) Asset | 16,227,230 | 539,227 | 16,766,457 | 12,454,873 | 29,221,330 |
| (2) Capital expenditure | 403,617 | 38,082 | 441,699 | 76,801 | 518,500 |
| (3) Depreciation | 341,982 | 25,512 | 367,494 | 71,378 | 438,872 |

FY08 (April 1, 2008 – March 31, 2009)

(Unit: '000 Yen)

| | ESD Business | ECS Business | Total | Internal Elimination | Consolidated |
|---|-----------------|-----------------|------------|-------------------------|--------------|
| I Sales | | | | | |
| (1) Sales towards external customers | 33,058,396 | 750,742 | 33,809,138 | — | 33,809,138 |
| (2) Sales between internal segments and internal transfer | — | — | — | — | — |
| Total | 33,058,396 | 750,742 | 33,809,138 | — | 33,809,138 |
| Operating Cost | 26,847,100 | 701,693 | 27,548,793 | 1,948,967 | 29,497,760 |
| Operating Profit | 6,211,296 | 49,049 | 6,260,345 | -1,948,967 | 4,311,378 |
| II Asset, Depreciation, Capital expenditure | | | | | |
| (1) Asset | 14,480,863 | 476,060 | 14,956,923 | 10,674,134 | 25,631,057 |
| (2) Capital expenditure | 513,311 | 45,177 | 558,488 | 105,951 | 664,439 |
| (3) Depreciation | 940,194 | 24,643 | 964,837 | 209,659 | 1,174,496 |

[By Area]

FY07 (April 1, 2007 – March 31, 2008)

(Unit: '000 Yen)

| | Japan | US | Europe | Asia & Oceania | Total | Internal Elimination | Consolidated |
|---|------------|------------|-----------|----------------------|------------|-------------------------|--------------|
| I Sales | | | | | | | |
| (1) Sales towards external customers | 13,569,637 | 11,029,962 | 8,448,701 | 3,690,896 | 36,739,196 | — | 36,739,196 |
| (2) Sales between internal segments and internal transfer | 16,936,515 | 212,874 | — | 24,158 | 17,173,547 | -17,173,547 | — |
| Total | 30,506,152 | 11,242,836 | 8,448,701 | 3,715,054 | 53,912,743 | -17,173,547 | 36,739,196 |
| Operating Cost | 23,677,708 | 10,531,834 | 7,916,478 | 3,321,545 | 45,447,565 | -14,247,240 | 31,200,325 |
| Operating Profit | 6,828,444 | 711,002 | 532,223 | 393,509 | 8,465,178 | -2,926,307 | 5,538,871 |
| II Asset | 10,711,737 | 5,364,589 | 3,744,090 | 1,521,749 | 21,342,165 | 7,879,165 | 29,221,330 |

FY08 (April 1, 2008 – March 31, 2009)

(Unit: '000 Yen)

| | Japan | US | Europe | Asia & Oceania | Total | Internal Elimination | Consolidated |
|---|------------|------------|-----------|----------------------|------------|-------------------------|--------------|
| I Sales | | | | | | | |
| (1) Sales towards external customers | 12,772,956 | 9,816,329 | 7,995,377 | 3,224,476 | 33,809,138 | — | 33,809,138 |
| (2) Sales between internal segments and internal transfer | 14,721,928 | 233,032 | — | 52,195 | 15,007,155 | -15,007,155 | — |
| Total | 27,494,884 | 10,049,361 | 7,995,377 | 3,276,671 | 48,816,293 | -15,007,155 | 33,809,138 |
| Operating Cost | 22,141,865 | 9,693,111 | 7,642,570 | 3,232,594 | 42,710,140 | -13,212,380 | 29,497,760 |
| Operating Profit | 5,353,019 | 356,250 | 352,807 | 44,077 | 6,106,153 | -1,794,775 | 4,311,378 |
| II Asset | 9,326,919 | 4,997,714 | 3,444,995 | 1,370,768 | 19,140,396 | 6,490,661 | 25,631,057 |

[Overseas Sales]

FY07 (April 1, 2007 – March 31, 2008)

(Unit: '000 Yen)

| | US | Europe | Asia & Oceania | Others | Total |
|-------------------|------------|-----------|----------------------|---------|------------|
| I Overseas Sales | 10,996,721 | 8,277,094 | 9,573,488 | 414,055 | 29,261,358 |
| II Overseas Sales | — | — | — | — | 36,739,196 |
| Ratio (%) | 29.9 | 22.5 | 26.1 | 1.1 | 79.6 |

FY08 (April 1, 2008 – March 31, 2009)

(Unit: '000 Yen)

| | US | Europe | Asia & Oceania | Others | Total |
|-------------------|-----------|-----------|----------------------|---------|------------|
| I Overseas Sales | 9,857,704 | 7,916,818 | 8,243,340 | 303,777 | 26,321,639 |
| II Overseas Sales | — | — | — | — | 33,809,138 |
| Ratio (%) | 29.2 | 23.4 | 24.4 | 0.9 | 77.9 |

U.S.: U.S. Canada

Europe: U.K. Germany, France, Netherland etc.

Asia & Oceania: South Korea, Taiwan, Australia, P. R. of China etc.

Others: Middle East, South America, Africa etc.