Unaudited translation, provided for reference only

DISCO

November 11, 2009

Consolidated Financial Results for the Second Quarter of Fiscal Year 2009

Company name:	DISCO Corporation
Stock code number:	6146 (Tokyo Stock Exchange 1st Section)
URL:	http://www.disco.co.jp
Telephone number:	81-3-4590-1099

(Amounts are rounded down to the nearest million yen)

1. Consolidated Results of FY2009 2Q (April 1, 2009 though September 30, 2009)

1) Operating results (Accumulated)

	Six months ended		
	September 30, 2009	September 30, 2008	YoY(%)
Net sales	23,058	35,497	(35.0%)
Operating income	(179)	3,949	—
Ordinary income	(283)	4,066	—
Net income	(95)	2,659	—
Net income per share (yen)	(2.84)	78.36	—
Fully diluted net income per share (yen)	—	78.24	—

2) Financial position

	As of September 30, 2009	As of March 31, 2009
Total assets	112,233	123,925
Net assets	85,612	86,328
Equity ratio (%)	75.7%	69.2%
Net assets per share (yen)	2,528.74	2,552.54

(Reference) Equity (defined as shareholders' equity plus valuation and translation adjustments) :
84,977 million yen (as of September 30, 2009)
85,777 million yen (as of March 31, 2009)

2. Dividends

(yen)

	Fiscal Year 2009 Actual	Fiscal Year 2008	Fiscal Year 2009 Forecast
1Q-end dividend per share (yen)	—	—	
2Q-end dividend per share (yen)	10.00	10.00	
3Q-end dividend per share (yen)		—	—
Year-end dividend per share (yen)		10.00	10.00
Annual dividend per share (yen)		20.00	20.00

3. Earnings Forecasts of FY2009

(Millions of ye

	Year ending March 31, 2010	YoY (%)
Net sales	58,500	10.2
Operating income	3,200	—
Ordinary income	3,200	119.1
Net income	1,400	457.4
Net income per share (yen)	41.66	

Note: Revision of earnings forecast for during this period: Yes

4. Others

1) Important changes in subsidiaries: None
2) Use of simplified accounting method and special accounting policy for quarterly financial reporting: Yes
3) Changes in principles, procedures and display of accounting method concerning quarterly consolidated statement policies.
    1. Changes in accounting policies: None
    2. Other changes: None
4) Number of shares outstanding (common stock)
    ① Number of shares issued (include treasury stocks)
        As of September 30, 2009: 34,004,418 shares
        As of March 31, 2008: 34,004,418 shares
    ② Number of shares of treasury stock
        As of September 30, 2009: 399,646 shares
        As of March 31, 2008: 399,666 shares
    ③ Average number of shares (1Q)
        As of September 30, 2009: 33,604,761 shares
        As of September 30, 2008: 33,936,105 shares

Explanations on the appropriate use of earnings forecasts:

The performance forecasts and estimates stated in this Financial Review are based on certain assumptions judged to be reasonable at the present time in light of information currently available. Consequently, actual operating results may differ substantially from the projections in the Financial Review.

(Reference) Non-consolidated Earnings Forecasts of FY2009

(Millions of yen)

	Year ending March 31, 2010	YoY (%)
Net sales	47,000	16.2%
Operating incocme	1,700	—
Ordinary income	2,500	—
Net income	1,300	—
Net income per share (yen)	38.68	

Note: Revision of non-consolidated earnings forecast for during this period: Yes

Qualitative Information, Financial Statements, etc.

1. Qualitative information on consolidated operating results

1) Overview of business performance

World economic conditions in the first half of the current fiscal year (April 1, 2009–September 30, 2009) were characterized by uncertainty and extreme weakness in the first quarter, but by the second quarter there were signs of a gradual recovery as stimulatory and monetary easing measures implemented by governments in various countries began to yield benefits.

In the semiconductor industry, which is the main market for our core business, capital investment by manufacturers remained stagnant, but there was a significant improvement in plant operating rates as the inventory correction process began to wind down. The growing use of LEDs in backlighting systems for notebook PCs, LCD televisions and other products meanwhile led to an increase in capital investment as manufacturers expanded their production capacity for high-intensity LEDs.

The Disco Group worked to improve its earnings in this business environment by undertaking aggressive marketing activities, and by implementing a range of recession countermeasures, including furlough and cost controls. While inquiries about precision processing equipment were generally slow, expectations of demand growth pushed shipments of laser saws for use in LED production to a record high. This factor helped to underpin net sales. Sales of precision blades and wheels recovered to around 70% of their peak level, in step with an improvement in the operating rates in semiconductor and electronic component factories.

Net sales in the first half of the current fiscal year amounted to ¥23,058 million, or 35.0% below the result for the same period in the previous year. There was an operating loss of ¥179 million, an ordinary loss of ¥283 million, and a net loss of ¥95 million, compared with operating income of ¥3,949 million, ordinary income of ¥4,066 million and net income of ¥2,659 million in the first half of the previous year.

2) Results by business segment

a. Electronic industry products

Sales of precision cutting systems (mainly dicing saws) remained low in the first quarter. However, there was a dramatic recovery in the second quarter, thanks to a rapid increase in shipments of laser saws for use in LED manufacturing. Another positive factor was an improvement in memory prices, which was reflected in the resumption of capital investment by assembly houses and others. In contrast, shipments of precision grinding systems (mainly grinders) were slow, and the number of inquiries from wafer manufacturers remained extremely low. An improvement in customers' plant operating rates was reflected in a firm trend in shipments of precision blades and wheels. Unfortunately, the high value of the yen prevented sales revenues from rising above 70% of the peak level.

Net sales in the first half of the current fiscal year amounted to ¥22,401 million, a decline of 34.8% compared with the result for the first half of the previous year. Operating income was 80.0% lower at ¥1,081 million.

b. Industrial grinding products

In this segment, the Disco Group manufactures and sells industrial diamond tools for use in civil engineering, construction and various manufacturing industries, and general-purpose grindstones for use in the production of motor vehicles, electronic parts and other items.

Economic conditions remained challenging in the first half of the current fiscal year, and net sales were 42.4% lower than in the first half of the previous year at ¥622 million. There was an operating loss of ¥53 million, compared with operating income of ¥115 million in the first half of the previous year.

c. Other business

Activities in this segment consist of the development and sale of software and hardware for computer systems, including systems for manufacturers of semiconductor fabrication equipment.

At ¥34 million, net sales in the first half of the current fiscal year were 51.3% below the result for the first half of the previous year. As in the first half of the previous year, there was an operating loss of ¥55 million.

3) Results by geographical segment

a. Domestic segment

In addition to sales in Japan, this segment also encompasses sales through overseas agents (mainly in Taiwan and South Korea). Semiconductor manufacturers curbed their capital investment during the first half of the current fiscal year, but there was an increase in shipments of LED cutting systems, especially laser saws. Net sales were 28.1% below the result for the first half of the previous year at ¥15,404 million. Operating income was 94.0% lower at ¥254 million.

b. Overseas segment (Sales by North American, Asian and European subsidiaries)

Economic conditions remained challenging in the first half of the current fiscal year, and results were substantially below the figures for the first half of the previous year.

Net sales in North America totaled ¥1,379 million, a decline of 42.1% compared with the result for the first half of the previous year. Operating income amounted to ¥3 million, compared with a ¥57 million operating loss in the first half of the previous year. Net sales in Asia declined by 40.9% from the level in the first half of the previous year to ¥4,021 million, and operating income was 37.4% lower at ¥288 million. At ¥2,251 million, net sales in the European region were 54.0% below the level in the first half of the previous year. Operating income declined by 55.8% to ¥353 million.

4) Overseas sales (Total Group net sales to overseas customers)

Overseas sales amounted to ¥15,400 million. This is equivalent to 66.8% of total sales, an increase of 0.3 points from the 66.5% ratio recorded in the first half of the previous year. The total breaks down into ¥1,475 million in North America, ¥11,952 million in Asia and ¥1,972 million in Europe. These figures are 34.6%, 27.6% and 59.3% below the results for the same period in the previous year.

2. Qualitative information on consolidated financial positions

Total assets as of September 30, 2009 amounted to ¥112,233 million, a reduction of ¥11,691 million from the position as of March 31, 2009. This decline reflects a reduction in cash and deposits as a result of payments for the acquisition of tangible fixed assets, and the repayment of long-term debt.

Net assets amounted to ¥85,612 million, and the shareholders' equity ratio increased by 6.5 points from the position as of March 31, 2009 to 75.7%.

3. Qualitative information on forecasts for consolidated financial results

Although the economy remained weak, there were signs of recovery. In the semiconductor market, demand for facilities began to follow a recovery trend in some regions. The Disco Group benefited from strong demand, especially for LED cutting systems and certain types of assembly systems. For this reason, it was decided to amend the consolidated earnings forecasts announced on August 7, 2009 for the whole of the year ending March 31, 2010.

(Revision of consolidated business forecasts)

Forecasts for full period of fiscal year ending March 31, 2010
(April 1, 2009−March 31, 2010)

(Millions of yen)

	Previous forecast (A)	Revised forecast (B)	(B) - (A)	% change	(Ref.) Previous full year results
Net sales	51,000	58,500	7,500	14.7%	53,108
Operating incocme	1,000	3,200	2,200	220.0%	76
Ordinary income	700	3,200	2,500	357.1%	1,460
Net income	100	1,400	1,300	-	251
Net income per share (yen)	2.98	41.66		-	7.41

Forecasts for full period of fiscal year ending March 31, 2010

(April 1, 2009−March 31, 2010)

(Millions of yen)

	Previous forecast (A)	Revised forecast (B)	(B) - (A)	% change	(Ref.) Previous full year
Net sales	39,300	47,000	7,700	19.6%	40,458
Operating incocme	(200)	1,700	1,900	-	(1,783)
Ordinary income	400	2,500	2,100	525	225
Net income	100	1,300	1,200	-	(344)
Net income per share (yen)	2.98	38.68	-		(10.15)

4. Others

1) Material changes in subsidiaries during the period under review (changes in specific subsidiaries affecting the scope of consolidation)

None.

2) Use of simplified accounting methods and special accounting policy for quarterly consolidated financial statements

① Simplified accounting methods

1. Valuation of inventories
When evaluating inventories at the end of the second quarter of FY2009, the Company omitted procedures for taking a physical inventory and instead calculated inventories using a reasonable method based on the physical inventory taken at the end of the previous fiscal year.

2. Calculation of fixed asset depreciation
For assets depreciated using the declining-balance method, depreciation expenses applicable to the fiscal year are calculated on a pro-rata basis.

3. Calculation of income taxes, etc. and deferred tax assets and liabilities
When calculating the amounts of payments of income taxes, etc., only material items of addition, subtraction and tax deduction are taken into account. In assessing the recoverability of deferred tax assets, when it is considered that no significant change has taken place in the business environment, etc. and in temporary difference, etc. since the end of the previous fiscal year, the Company uses the earnings forecasts and tax planning figures that were used at the end of the previous fiscal year. If any significant change has taken place in the business environment, etc. or in temporary difference, etc. since the end of the previous fiscal year, the Company uses the earnings forecasts and tax planning figures that were used at the end of the previous fiscal year in which such significant change is reflected.

② Special accounting policy for quarterly consolidated financial statements

None.

3) Changes in accounting principles, procedures and display related to preparation of quarterly consolidated financial statements

None.

5. Consolidated Financial Statement

5) Consolidated Balance Sheets (Unaudited)

(Millions of yen)

	As of September 30, 2009	As of March 31, 2009
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	18,986	33,418
Notes and accounts receivable—trade	14,563	10,963
Merchandise and finished goods	4,988	5,533
Work in process	5,100	5,138
Raw materials and supplies	6,752	8,106
Other	1,993	3,217
Allowance for doubtful receivalbes	(63)	(71)
Total current assets	**52,320**	**66,306**
FIXED ASSETS:		
Tangible fixed assets		
Building and structures (Net)	19,604	20,324
Land	12,784	12,787
Other (Net)	18,238	15,430
Total tangible assets	**628**	**48,542**
Non-tangible fixed assets	741	782
Investments and other assets		
Other	8,566	8,311
Allowance for doubtful accounts	(40)	(37)
Total investment and other assets	**8,526**	**8,274**
Total fixed assets	**59,895**	**57,598**
DEFERRED ASSETS:	**16**	**20**
TOTAL ASSETS	**112,233**	**123,925**

(Millions of yen)

	As of September 30, 2009	As of March 31, 2009
LIABILITIES		
CURRENT LIABILITIES:		
Notes and accounts payable—trade	5,516	3,602
Shot-term loans payable	1,075	1,072
Current portion of long-term loans payable	700	1,903
Current portion of bonds	300	300
Income taxes payable	201	214
Provision for bonuses	1,315	1,358
Other provision	92	117
Other	2,970	3,301
Total current liabilities	**12,172**	**11,871**
LONG-TERM LIABILITIES:		
Bonds payable	2,550	2,700
Long-term loans payable	10,550	21,747
Provision	673	536
Negative goodwill	164	209
Long-term liabilities	510	531
Total long-term liabilities	**14,448**	**25,725**
TOTAL LIABILITIES	**26,620**	**37,596**
NET ASSETS		
SHAREHOLDERS' EQUITY:		
Common stock	14,517	14,517
Additional paid-in capital	15,599	15,599
Retained earnings	56,911	57,342
Treasury stock	(1,071)	(1,071)
Total shareholders' equity	**85,956**	**86,388**
VALUATION AND TRANSLATION ADJUSTMENTS:		
Other securities valuation difference	2	0
Tanslation adjustments	(981)	(610)
Total valuation and translation adjustments	**(978)**	**(610)**
SHARE SUBSCRIPTION RIGHTS	**510**	**421**
MINORITY INTERESTS	124	130
TOTAL NET ASSETS	**85,612**	**86,328**
TOTAL LIABILITIES AND NET ASSETS	**112,233**	**123,925**

6) Consolidated Statements of Income

(Millions of yen)

	FY2008 2Q Accumulated	FY2009 2Q Accumulated
Net sales	**35,497**	**23,058**
Cost of sales	**18,000**	**12,609**
Gross profit	17,496	10,448
Selling, general & administrative expenses	13,546	10,628
Operating income (loss)	**3,949**	**(179)**
Non-operating income		
Interest income	-	28
Interest and dividend income	95	-
Amortization of negative goodwill	70	44
Equity in earnings of associated companies	25	5
Other	133	82
Total non-operating income	324	161
Non-operating expenses		
Interest expense	10	228
Foreign exchange loss	162	4
Others	34	32
Total non-operating expenses	207	265
Ordinary income (loss)	4,066	(283)
Extraordinary income		
Gain on prior period adjustments	53	
Gain on sales of noncurrent assets	7	0
Subsidy income for furlough	-	240
Others	1	7
Total extraordinary income	62	248
Extraordinary losses		
Loss on sales and retirement of noncurrent assets	417	28
Loss on valuation of investment securities	-	29
Special retirement expenses	-	91
Furlough expenses	-	178
Others	29	-
Total extraordinary losses	447	327
Income (loss) before income taxes and minority interest	**3,681**	**(362)**
Income taxes—Current	1,012	226
Income taxes—Deferred	19	(487)
Total income taxes	1,032	(260)
Minority interests in loss	(9)	(6)
Net income (loss)	**2,659**	**(95)**

7) Consolidated Statements of Cash Flows

(Millions of yen)

	FY2008 2Q	FY2009 2Q
OPERATING ACTIVITIES		
Net income	3,681	(362)
Depreciation and amortization	1,970	2,458
Amortization of negative goodwill	(70)	(44)
Loss (gain) on valuation of investment securities	-	29
Equity in (earnings) losses of associated companies	(25)	(5)
Increase (decrease) in allowance for doubtful receivables	(2)	(1)
Increase (decrease) in provision for bonuses	51	(24)
Loss (gain) on sales and retirement of property, plant and equipmen	364	16
Interest and dividend income	(95)	(32)
interest expense paid	10	228
Decrease (increase) in notes and accounts receivable—trade	6,836	(3,777)
Decrease (increase) in inventories	755	1,635
Increase (decrease) in notes and accounts payable—trade	(5,579)	1,896
Other, net	(2,847)	1,790
Subtotal	5,050	3,806
Interest and dividends income received	100	20
interest expense paid	(10)	(117)
Income tax paid	(1,875)	388
Net cash provided by operating activities	3,264	4,097
INVESTING ACTIVITIES		
Purchase of short-term investment securities	(500)	-
Proceeds from redemption of securities	500	-
Purchases of property, plant and equipment	(8,018)	(5,423)
Proceeds from sales of property, plant and equipment	24	33
Purchase of investment securities	(312)	-
Purchases of intangible trade	(34)	(24)
Payments into time deposits	(200)	(9,400)
Others	(91)	21
Net cash used in investing activities	**(8,632)**	**(14,793)**
FINANCING ACTIVITIES		
Proceeds from long-term loans payable	21	-
Repayment of long-term loans payable	-	(12,402)
Redemption of bonds	-	(150)
Purchase of treasury stock	(0)	(0)
Cash dividend paid	(1,492)	(337)
Others	-	0
Net cash used in financing activities	(1,472)	12,889
Effect on exchange rate change on cash and cash equivalents	425	(247)
Net change in cash and cash equivalents	(6,414)	(23,832)
Cash and cash equivalents, beginning of year	18,062	33,418

4) Going concern assumption

None

5) Segment Information

A) Information by business segment

(Millions of yen)

	Six months ended September 30, 2008					
	Electronic industry product segment	Industrial grinding product segment	Other business segment	Total	Eliminations (Corporate)	Consolidated
Net sales to external customers	34,346	1,080	70	35,497	-	35,497
Intersegment net sales	-	23	61	85	(85)	-
Total net sales	34,346	1,104	131	5,582	(85)	35,497
Operating income	5,409	115	(55)	5,469	(1,519)	3,949

(Millions of yen)

	Six months ended September 30, 2009					
	Electronic industry product segment	Industrial grinding product segment	Other business segment	Total	Eliminations (Corporate)	Consolidated
Net sales to external customers	22,401	622	34	23,058	-	23,058
Intersegment net sales	-	15	44	60	(60)	-
Total net sales	22,401	638	78	23,118	(60)	23,058
Operating income	1,081	(53)	(55)	971	(1,151)	(179)

Note:

1. Method of classifying business: Products are classified mainly on the basis of market similarity.
2. Major products in each business segment:
   1) Electronic industry product segment: dicing saws, laser saws, grinders, polishers, dry etchers, surface planer, dicing blades, grinding wheels, dry polishing wheels and electronic parts.
   2) Industrial grinding products segment: industrial diamond wheels and cut-off wheels
   3) Other business segment: software

3. Changes in Accounting Policies

   Second quarter of previous fiscal year

   (Standard for evaluation of inventories)

   The Company has applied the “Accounting Standard for Measurement of Inventories” (Accounting Standard No. 9., July 5, 2006) since the first quarter of the current fiscal year. As a result of this change, operating income for the electronic industry products segment in the first half of the current fiscal year has been reduced by ¥74 million compared with the figure calculated using the previous method.

   (Interim treatment of accounts of foreign subsidiaries in the consolidated financial statements)

   The Company has applied the “Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements” (ASBJ PITF No.18, May 17, 2006) since the first quarter of the current fiscal year. This change has had no effect on income.

   (Application of “Accounting Standard for Lease Transactions”)

   In the past, the Company treated finance lease transactions that do not transfer ownership in accordance with the accounting method used for lease transactions, mutatis mutandis. However, since the fiscal year that started on April 1, 2008 it has been possible to apply the “Accounting Standard for Lease Transactions” (Accounting Standard No. 13, June 17, 1993, First Subcommittee of the Business Accounting Council, revised March 30, 2007) and the “Guidance on Accounting Standard for Lease Transactions” (Accounting Standards Board of Japan Guidance No. 16, January 18, 1994, (Accounting Practice Committee, Japanese Institute of Certified Public Accountants), revised March 30, 2007). The Company has accordingly applied these accounting standards, etc., from the first quarter of the current fiscal year, and lease transactions have been treated as normal purchase and sales transactions. The depreciation method used for finance lease transactions that do not transfer ownership is straight-line depreciation with a residual value of zero, using the period of the lease as the economic life of the item.

   Where the commencement date for a finance lease transaction that does not transfer ownership was before the first year in which the “Accounting Standard for Lease Transactions” was applied, the normal accounting method for lease transactions will continue to be applied.

   This change has had no effect on income.

4. Supplementary Information

   Second quarter of previous fiscal year

   (Change in economic life of tangible fixed assets)

Pursuant to the amendment of the Corporation Tax Act, the Company and its consolidated subsidiaries in Japan have changed the method used to estimate the economic life of fixed assets since the first quarter of the current fiscal year. As a result of this change, the amount of operating income for the electronic industry products segment in the first half of the current fiscal year has been reduced by ¥89 million compared with the amount as calculated using the previous method.

B) Information by geographic segment

(Millions of yen)

	Six months ended September 30, 2008						
	Japan	North America	Asia	Europe	Total	Elimintion (Corporate)	Consolidated
Net sales to external customers	21,411	2,384	6,807	4,893	35,497	-	35,497
Intersegment net sales	9,754	20	496	4	10,274	(10,274)	-
Total net sales	31,165	2,404	7,303	4,898	45,772	(10,274)	35,497
Operating income	4,260	(57)	460	800	5,463	(1,514)	3,949

(Millions of yen)

	Six months ended September 30, 2009						
	Japan	North America	Asia	Europe	Total	Elimintion (Corporate)	Consolidated
Net sales to external customers	15,404	1,379	4,021	2,251	23,058	-	23,058
Intersegment net sales	4,718	20	410	26	5,176	(5,176)	-
Total net sales	20,123	1,400	4,432	2,278	28,234	(5,176)	23,058
Operating income	254	3	288	353	900	(1,079)	(179)

Note:
1. National and regional categories are determined on the basis of geographic proximity.
2. Main countries and territories expect Japan are as follows;
   1) "North America" includes operations located primarily in the United States.
   2) "Asia" includes operations located primarily in Singapore, Malaysia, Thailand, China, Korea and Taiwan.
   3) "Europe" includes operations located primarily in Germany, France and the United Kingdom.

3. Changes in Accounting Policies
   Second quarter of previous fiscal year
   (Standard for evaluation of inventories)
   The Company has applied the "Accounting Standard for Measurement of Inventories" (Accounting Standard No. 9., July 5, 2006) since the first quarter of the current fiscal year. As a result of this change, operating income for the electronic industry products segment in the first half of the current fiscal year has been reduced by ¥74 million compared with the figure calculated using the previous method.

   (Interim treatment of accounts of foreign subsidiaries in the consolidated financial statements)
   The Company has applied the "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements" (ASBJ PITF No.18, May 17, 2006) since the first quarter of the current fiscal year. This change has had no effect on income.

   (Application of "Accounting Standard for Lease Transactions")
   In the past, the Company treated finance lease transactions that do not transfer ownership in accordance with the accounting method used for lease transactions, mutatis mutandis. However, since the fiscal year that started on April 1, 2008 it has been possible to apply the "Accounting Standard for Lease Transactions" (Accounting Standard No. 13, June 17, 1993, First Subcommittee of the Business Accounting Council, revised March 30, 2007) and the "Guidance on Accounting Standard for Lease Transactions" (Accounting Standards Board of Japan Guidance No. 16, January 18, 1994, (Accounting Practice Committee, Japanese Institute of Certified Public Accountants), revised March 30, 2007). The Company has accordingly applied these accounting standards, etc., from the first quarter of the current fiscal year, and lease transactions have been treated as normal purchase and sales transactions. The depreciation method used for finance lease transactions that do not transfer ownership is straight-line depreciation with a residual value of zero, using the period of the lease as the economic life of the item.
   Where the commencement date for a finance lease transaction that does not transfer ownership was before the first year in which the "Accounting Standard for Lease Transactions" was applied, the normal accounting method for lease transactions will continue to be applied.
   This change has had no effect on income.

4. Supplementary Information
   Second quarter of previous fiscal year
   (Change in economic life of tangible fixed assets)
   Pursuant to the amendment of the Corporation Tax Act, the Company and its consolidated subsidiaries in Japan have changed the method used to estimate the economic life of fixed assets since the first quarter of the current fiscal year. As a result of this change, the amount of operating income for the electronic industry products segment in the first half of the current fiscal year has been reduced by ¥89 million compared with the amount as calculated using the previous method.

C) Overseas sales

(Millions of yen)

	Six months ended September 30, 2008			
	North America	Asia	Europe	Consolidated
Net sales to foreign customers	2,256	16,500	4,849	23,606
Consolidated Sales	-	-	-	35,497
Net sales to foreigh customers as a percentage of total net sales	6.3%	46.5%	13.7%	66.5%

(Millions of yen)

	Six months ended September 30, 2009			
	North America	Asia	Europe	Consolidated
Net sales to foreign customers	1,475	11,952	1,972	15,400
Consolidated Sales	-	-	-	23,058
Net sales to foreign customers as a percentafe of total net sales	6.4%	51.8%	8.6%	66.8%

Note:

1. National and regional categories are determined on the basis of geographic proximity.
2. Main countries and territories expect Japan are as follows;
   1) “North America” includes operations located primarily in the United States.
   2) “Asia” includes operations located primarily in Singapore, Malaysia, Thailand, China, Korea and Taiwan.
   3) “Europe” includes operations located primarily in Germany, France and the United Kingdom.
3. Foreign sales indicates net sales in countries and territories except Japan.

5) Notes on significant changes in shareholders’ equity

Not applicable.

6. Other Information

1) Production results

(Millions of yen)

	Six months ended September 30, 2009	YoY(%)
Electronic industry product segment	19,619	69.5
Industrial grinding product segment	328	57.1
Other business segment	78	59.8
Total	20,026	69.2

Note:
1. The amounts are based on sales prices before internal transfer between segments.
2. The amounts shown above do not include consumption taxes.

2) Orders and order backlog

(Millions of yen)

	Orders		Order backlog	
	Six months ended September 30,	YoY(%)	Six months ended September 30,	YoY(%)
Electronic industry product segment	24,062	74.2	5,147	73.2
Industrial grinding product segment	663	68.9	83	64.4
Other business segment	19	18.2	12	21.0
Total	24,745	73.9	5,243	72.6

Note:
1. Inter-segment transactions have been eliminated.
2. The amounts shown above do not include consumption taxes.

3) Sales results

(Millions of yen)

	Six months ended September 30, 2009	YoY(%)
Electronic industry product segment	22,401	65.2
Industrial grinding product segment	622	57.6
Other business segment	34	48.7
Total	23,058	65.0

Note:
1. Inter-segment transactions have been eliminated.
2. The amounts shown above do not include consumption taxes.