



August 8, 2013

## Consolidated Financial Results for the First Quarter of Fiscal Year 2013

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 FY20131Q (April 1, 2013 through June 30, 2013)

#### 1) Operating results (Accumulated)

	Three months ended		
	June 30, 2012	June 30, 2013	YoY (%)
Netsales	24,152	27,405	13.5
Operating income	2,838	4,911	73.0
Ordinary income	3,024	4,823	59.5
Net income	1,972	3,172	60.8
Net income per share (yen)	58.54	94.07	-

#### 2) Financial position

	As of March 31, 2013	As of June 30, 2013
Total assets	155,667	165,054
Net assets	110,556	114,388
Equity ratio (%)	69.8%	68.1%

(Reference) Equity (defined as shareholders' equity plus valuation and translation adjustments):

112,329 million yen (as of June 30, 2013)  
 108,600 million yen (as of March 31, 2013)

### 2. Dividends

	Fiscal Year 2012	Fiscal Year 2013 Actual	Fiscal Year 2013 Forecast
1Q-end dividend per share (yen)	—	—	—
2Q-end dividend per share (yen)	40.00	—	51.00
3Q-end dividend per share (yen)	—	—	—
Year-end dividend per share (yen)	16.00	—	26.00
Annual dividend per share (yen)	56.00	—	77.00

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

### 3. Earnings Forecast of FY2013

	Six months ending September 30, 2013	YoY (%)	Year ending March 31, 2014	YoY (%)
Netsales	56,100	9.2	101,200	8.0
Operating income	10,300	37.4	15,200	31.0
Ordinary income	10,300	31.8	15,600	34.6
Net income	6,800	26.9	10,200	36.5
Net income per share (yen)	201.41	—	302.11	—

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

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**4. Others**

- 1) Important changes in subsidiaries: None
- 2) Changes in principles, procedures and display of accounting method concerning consolidated statements policies.
1. Changes in accounting policies: None
2. Other changes: None
- 3) Number of shares outstanding (common stock)
- ① Number of shares issued (including treasury stocks)
- |                      |                   |
|----------------------|-------------------|
| A of June 30, 2013:  | 34,004,418 shares |
| A of March 31, 2013: | 34,004,418 shares |
- ② Number of shares of treasury stock
- |                      |                |
|----------------------|----------------|
| A of June 30, 2013:  | 241,843 shares |
| A of March 31, 2013: | 297,543 shares |
- ③ Average number of shares
- |                     |                   |
|---------------------|-------------------|
| A of June 30, 2013: | 33,722,477 shares |
| A of June 30, 2012: | 33,698,575 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 Forecast of FY2013**

(Million of yen)

	Six month ending September 30, 2013	YoY (%)	Year ending March 31, 2013	YoY (%)
Netsales	46,400	4.4	83,400	6.2
Operating income	7,000	31.8	10,400	43.9
Ordinary income	9,500	54.2	13,100	41.5
Net income	6,700	58.9	9,000	43.9
Net income per share (yen)	198.44	—	266.57	—

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

**5. Consolidated quarterly balance sheets**

(Million of yen)

	Asof March 31, 2013	Asof June 30, 2013
<b>Assets</b>		
Current assets		
Cash and deposits	31,699	33,544
Notes and accounts receivable-trade	25,272	30,774
Merchandise and finished goods	7,641	7,674
Work in process	9,125	8,968
Raw materials and supplies	11,708	11,328
Other	4,156	3,354
Allowance for doubtful accounts	(48)	(88)
Total current assets	89,556	95,556
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	29,468	29,177
Land	13,021	13,041
Other, net	13,026	17,012
Total property, plant and equipment	55,515	59,231
Intangible assets	992	995
Investments and other assets		
Other	9,662	9,325
Allowance for doubtful accounts	(67)	(62)
Total investments and other assets	9,595	9,262
Total noncurrent assets	66,102	69,490
Deferred assets	8	7
Total assets	155,667	165,054
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable-trade	4,499	6,114
Electronically recorded obligations-operating	8,191	9,322
Short-term loans payable	250	211
Current portion of long-term loans payable	675	675
Income taxes payable	2,125	1,028
Provision for bonuses	2,035	1,684
Other provision	504	315
Other	5,614	9,988
Total current liabilities	23,896	29,341
Noncurrent liabilities		
Convertible bond-type bonds with subscription right shares	9,085	9,085
Long-term loans payable	9,674	9,655
Provision for retirement benefits	1,800	1,888
Provision for directors' retirement benefits	41	43
Other	613	651
Total noncurrent liabilities	21,214	21,323
Total liabilities	45,110	50,665

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<b>Netassets</b>		
Shareholders'equity		
Capitalstock	14,517	14,517
Capitalsurplus	15,654	15,761
Retainedearnings	79,343	81,976
Treasurystock	(798)	(649)
<b>Totalshareholders'equity</b>	<b>108,716</b>	<b>111,605</b>
Accumulatedothercomprehensiveincome		
Valuationdifferenceonavailable-for-salesecuriti es	12	15
Foreigncurrencytranslationadjustment	(128)	707
<b>Totalaccumulatedothercomprehensiveincome</b>	<b>(116)</b>	<b>72 3</b>
Subscriptionrightstoshares	1,223	1,245
Minorityinterests	731	814
<b>Totalnetassets</b>	<b>110,556</b>	<b>114,388</b>
<b>Totalliabilitiesandnetassets</b>	<b>155,667</b>	<b>165,054</b>

**6. Consolidated quarterly statements of (comprehensive) income**

(Millions of yen)

	FY2012 1Q	FY2013 1Q
Netsales	24,152	27,405
Cost of sales	12,998	13,568
Gross profit	11,153	13,836
Selling, general and administrative expenses	8,315	8,925
Operating income	2,838	4,911
Non-operating income		
Interest income	9	13
Equity in earnings of affiliates	84	—
Royalty income	—	100
Foreign exchange gains	90	—
Other	33	40
Total non-operating income	217	154
Non-operating expenses		
Interest expenses	6	13
Sales discounts	5	7
Equity in losses of affiliates	—	3
Depreciation	16	15
Foreign exchange losses	—	196
Other	2	4
Total non-operating expenses	31	242
Ordinary income	3,024	4,823
Extraordinary income		
Gain on sales of noncurrent assets	1	0
Gain on reversal of subscription rights to shares	7	0
Other	0	—
Total extraordinary income	8	0
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	8	2
Special retirement expenses	9	5
Other	1	—
Total extraordinary losses	19	26
Income before income taxes and minority interests	3,013	4,797
Income taxes-current	874	983
Income taxes-deferred	175	578
Total income taxes	1,049	1,561
Income before minority interests	1,964	3,235
Minority interests in income (loss)	(8)	63
Net income	1,972	3,172
Minority interests in income (loss)	(8)	63
Income before minority interests	1,964	3,235
Other comprehensive income		
Valuation difference on available-for-sale securities	(2)	3
Foreign currency translation adjustment	(575)	796
Share of other comprehensive income of associates accounted for using equity method	72	65
Total other comprehensive income	(505)	864
Comprehensive income	1,459	4,100
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	1,471	4,012
Comprehensive income attributable to minority interests	(12)	87

**7. Consolidated quarterly statements of cash flows**

(Millions of yen)

	FY2012 1Q	FY2013 1Q
<b>Net cash provided by (used in) operating activities</b>		
Income before income taxes and minority interests	3,013	4,797
Depreciation and amortization	1,315	1,329
Equity in (earnings) losses of affiliates	(84)	3
Increase (decrease) in allowance for doubtful accounts	(71)	29
Increase (decrease) in provision for bonuses	(657)	(360)
Loss (gain) on sales and retirement of property, plant and equipment	7	21
Interest and dividends income	(12)	(16)
Interest expenses	6	13
Decrease (increase) in notes and accounts receivable - trade	641	(4,977)
Decrease (increase) in inventories	(1,891)	327
Increase (decrease) in notes and accounts payable - trade	5,553	2,717
Other, net	753	1,331
<b>Subtotal</b>	<b>8,573</b>	<b>5,218</b>
Interest and dividends income received	10	11
Interest expenses paid	(1)	(4)
Income taxes (paid) refund	(241)	(1,926)
<b>Net cash provided by (used in) operating activities</b>	<b>8,341</b>	<b>3,298</b>
<b>Net cash provided by (used in) investing activities</b>		
Purchase of property, plant and equipment	(1,700)	(961)
Proceeds from sales of property, plant and equipment	1	0
Purchase of investment securities	(40)	—
Proceeds from sales of investment securities	—	200
Net decrease (increase) in short-term loans receivable	(0)	(401)
Payments of long-term loans receivable	(20)	—
Collection of long-term loans receivable	2	2
Purchase of intangible assets	(104)	(52)
Payments into time deposits	—	(613)
Other, net	18	4
<b>Net cash provided by (used in) investing activities</b>	<b>(1,843)</b>	<b>(1,822)</b>
<b>Net cash provided by (used in) financing activities</b>		
Net increase (decrease) in short-term loans payable	(24)	(38)
Repayment of long-term loans payable	(12)	(19)
Purchase of treasury stock	(0)	(0)
Proceeds from sales of treasury stock	5	216
Cash dividends paid	(641)	(540)
Repayments to minority shareholders	—	(5)
<b>Net cash provided by (used in) financing activities</b>	<b>(673)</b>	<b>(387)</b>
Effect of exchange rate change on cash and cash equivalents	(153)	137
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>5,671</b>	<b>1,226</b>
Cash and cash equivalents at beginning of period	12,038	21,544
<b>Cash and cash equivalents at end of period</b>	<b>17,709</b>	<b>22,771</b>