

Consolidated Financial Review For the First Quarter Ended September 30, 2007

November 12, 2007



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 Stock exchange listing: Jasdaq Securities Exchange, Inc.
 Code number: 6920
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For reference only: The accompanying financial statements have been prepared in accordance with accounting principles and practices generally accepted in Japan.

(Millions of yen, rounded down)

1. Consolidated financial highlights for the first quarter ended September 30, 2007

(1) Consolidated operating results

	Net sales		Operating income		Ordinary income	
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%
Sep. 30, 2007	2,916	(6.7)	525	(50.0)	528	(49.7)
Sep. 30, 2006	3,125	56.5	1,049	109.1	1,051	108.8
June 30, 2007	15,874	--	3,895	--	3,895	--

	Net income		Net income per share		Net income per share, fully diluted	
	(Millions of yen)	%	(Yen)		(Yen)	
Sep. 30, 2007	317	(49.2)	27.36		26.47	
Sep. 30, 2006	625	101.6	53.68		53.57	
June 30, 2007	2,375	---	203.84		194.26	

Notes: The percent figures indicate changes from the same period of the previous fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	(Millions of yen)	(Millions of yen)	%	(Yen)
Sep. 30, 2007	20,584	12,167	58.9	1,055.20
Sep. 30, 2006	16,603	11,228	67.6	963.79
June 30, 2007	21,840	13,048	59.5	1,115.18

2. Dividends

This company has not been paying dividends on the basis of ending date of the first quarter.

Regarding forecast of the dividends of this fiscal year ended June 30, 2008, this company keeps the same amount as announced on August 22, 2007.

(Record date)	Dividends per share		
	Interim	Year-end	Annual
	(Yen)	(Yen)	(Yen)
June. 30, 2007	-- --	60 00	60 00
June. 30, 2008	-- --	65 00	65 00

3. Consolidated operating estimates for the year ending June 30, 2008

Except for net income per share, this company has not changed the amount of forecasted as announced on August 22, 2007.

(7/1/07- 6/30/08)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Yen)
Interim	6,290	(21.1)	1,120	(42.6)	1,120	(42.8)	690	(41.2)	59.76
Annual	16,300	2.7	4,220	8.3	4,230	8.6	2,600	9.5	225.81

Notes: The percent figures indicate changes from the same period of the previous fiscal year.

4. Other information

1. Changes of scope of group companies in this fiscal year : None
2. The adoption of compendium method in accounting procedure : Yes
Regarding tax expenses for the quarterly book closing, the simplified method is applied.
3. Changes of accounting principles applied from the previous fiscal year : None

Note : For further details, please refer to the item "4.Other" on page 3 "【Qualitative information, financial statements and such】".

Cautionary statements with respect to forward-looking statements

This summary and its related materials contain forward-looking statements based on information available to the management at the time of this announcement and on premise that it has judged to be rational. Accordingly, actual results may differ materially from those projected by various factors.

【Qualitative information, financial statements and such】

1. Qualitative information regarding consolidated business achievement

In the semiconductor industry sector that constitutes the main market for the products of this company group, solid capital investment activity is continuing as a whole, although reexamination of capital investment is seen in some device field influenced by substantial price deterioration of DRAM and other devices alike. Meanwhile, FPD industry re-started capital investment, though cautiously, to new production lines in addition to already existing production line due to progress of inventory liquidation of LCD panels and more stabilized LCD panel prices.

Under such circumstances, this company executed development of new technologies and new products that meet customer needs and consolidated business achievement progressed basically as planned initially at the beginning of this term. Thus, consolidated sales volume amounted to 2,916 million yen (6.7% down from the same quarter of the last fiscal year), operating income amounted to 525 million yen (50% down from the same quarter of the last fiscal year), ordinary income amounted to 528 million yen (49.7% down from the same quarter of the last fiscal year) and net income amounted to 317 million yen (49.2 % down from the same quarter of the last fiscal year), for the first quarter of this fiscal year.

2. Qualitative information regarding consolidated financial condition

Total asset amounts to 20,584 million yen, a decrease by 1,256 million yen from the end of the last fiscal year. The main cause is decrease of current assets originating to decrease of cash and deposits.

Balance of liabilities decreased by 375 million yen from the end of the last fiscal year. The main cause is decrease of current liabilities originating to decrease of accrued income taxes and increase of advances received.

Net asset decreased by 880 million yen from the end of the last fiscal year. The main causes are decrease of retained earnings due to dividend payment, increase of treasury stock and such.

As a result of the information mentioned above, equity ratio is 58.9% (59.5% at the end of the last fiscal year).

3. Qualitative information regarding consolidated earnings forecast

Consolidated earnings for this first quarter progressed basically as planned. This company aims to accomplish business result as planned by vigorous development of new products and new customers and by effort to shorten acceptance period, even though some uncertainty is seen in the market, such as influence of substantial price drop of DRAM.

Accordingly, this company does not change the initial plan (announced on August 22, 2007) regarding interim and annual fiscal year consolidated forecast ,except for net income per share, for this term.

4. Other

The adoption of compendium method in accounting procedure

Regarding tax expenses for the quarterly book closing, the simplified method is applied.

(Summary) Quarterly consolidated balance sheets

(In thousands of yen, rounded down)

Years ended September 30;	Sep 30, 2006	%	Sep 30, 2007	%	June 30, 2007	%
(Assets)						
Current assets						
Cash and deposits	3,678,509		8,504,707		9,930,830	
Notes and accounts receivable – trade	4,007,575		4,330,998		4,358,933	
Marketable securities	100,521		300,682		300,508	
Inventories	5,949,491		3,827,300		3,833,953	
Deferred tax assets	103,499		101,150		226,036	
Others	594,821		630,882		187,129	
Allowance for doubtful accounts	(4,681)		(4,078)		(5,017)	
Total current assets	14,429,736	86.9	17,691,642	85.9	18,832,374	86.2
Long-term assets						
Tangible fixed assets						
Land	581,721		581,721		581,721	
Construction in process	1,242		760,000		760,000	
Others	658,553		669,491		674,932	
Total tangible fixed assets	1,241,516	7.5	2,011,212	9.8	2,016,653	9.3
Intangible fixed assets	1,851	0.0	1,852	0.0	1,861	0.0
Investments and other assets						
Investment securities	575,478		414,410		549,426	
Deposits for long-term	204,250		201,771		203,761	
Deferred tax assets	127,367		236,017		209,649	
Others	22,909		27,162		26,816	
Total Investments and other assets	930,005	5.6	879,362	4.3	989,654	4.5
Total long-term assets	2,173,374	13.1	2,892,427	14.1	3,008,169	13.8
Total assets	16,603,111	100.0	20,584,070	100.0	21,840,543	100.0

(In thousands of yen, rounded down)

Years ended September 30;	Sep 30, 2006	%	Sep 30, 2007	%	June 30, 2007	%
(Liabilities)						
Current liabilities						
Accounts payable – trade	821,628		383,865		307,569	
Accrued income taxes	393,872		93,175		1,132,231	
Advances received	3,172,586		1,583,476		1,124,881	
Reserve for bonuses	84,099		122,949		-	
Reserve for director's bonuses	48,000		15,816		135,600	
Reserve for product warranties	84,112		130,369		157,879	
Others	542,489		846,569		692,551	
Total current liabilities	5,146,787	31.0	3,176,221	15.4	3,550,713	16.3
Long-term liabilities						
Convertible bonds with warrant	-		5,000,000		5,000,000	
Accounts payable for long-term	77,400		60,400		77,400	
Deferred tax liabilities	-		-		887	
Reserve for employees' retirement benefits	149,948		179,964		163,436	
Total long-term liabilities	227,348	1.4	5,240,364	25.5	5,241,723	24.0
Total liabilities	5,374,136	32.4	8,416,586	40.9	8,792,436	40.3
(Net assets)						
Shareholders' Equity						
Capital stock	931,000	5.6	931,000	4.5	931,000	4.3
Capital surplus	1,080,360	6.5	1,080,360	5.3	1,080,360	5.0
Retained earnings	9,297,622	56.0	10,704,368	52.0	11,086,041	50.7
Less treasury stock, at cost	(173,946)	(1.0)	(619,506)	(3.0)	(168,848)	(0.8)
Total shareholders' equity	11,135,035	67.1	12,096,221	58.8	12,928,552	59.2
Revaluation						
Revaluation on other securities	38,155	0.2	13,037	0.1	33,091	0.1
Foreign currency translation adjustment	55,784	0.3	7,307	0.0	35,545	0.2
Total revaluation	93,939	0.5	20,344	0.1	68,636	0.3
Share subscription rights	-	-	50,917	0.2	50,917	0.2
Total net assets	11,228,974	67.6	12,167,483	59.1	13,048,106	59.7
Total liabilities and net assets	16,603,111	100.0	20,584,070	100.0	21,840,543	100.0

(Summary) Quarterly consolidated statements of income

(In thousands of yen, rounded down)

Years ended September 30;	Sep 30, 2006	%	Sep 30, 2007	%	June 30, 2007	%
Net sales	3,125,703	100.0	2,916,471	100.0	15,874,024	100.0
Cost of sales	1,347,455	43.1	1,433,268	49.1	8,614,003	54.3
Gross profit	1,778,248	56.9	1,483,202	50.9	7,260,021	45.7
Selling, general and administrative expenses	728,254	23.3	957,701	32.9	3,364,721	21.2
Operating income	1,049,984	33.6	525,501	18.0	3,895,300	24.5
Non-operating income						
Interest income	1,675		9,995		28,876	
Dividend income	50		-		1,936	
Return from matured insurance	-		4,918		-	
Income on sales of investment securities	-		-		2,785	
Exchange gain	279		-		-	
Others	571		1,263		2,168	
Total non-operating income	2,576	0.1	16,177	0.5	35,766	0.2
Non-operating expenses						
Interest expenses	75		-		87	
Bond issue cost	-		-		25,860	
Fee for purchasing treasury stock	-		2,383		-	
Loss on sales of investment securities	-		7,392		-	
Exchange loss	-		3,130		9,869	
Others	936		0		73	
Total non-operating expenses	1,012	0.1	12,906	0.4	35,891	0.2
Ordinary income	1,051,558	33.6	528,772	18.1	3,895,175	24.5
Extraordinary income						
Reversal of allowance for doubtful receivables	-		899		-	
Total extraordinary income	-	-	899	0.0	-	-
Extraordinary losses						
Loss on disposal of fixed assets	613		33		3,729	
Total extraordinary losses	613	0.0	33	0.0	3,729	0.0
Income before income taxes	1,050,945	33.6	529,639	18.1	3,891,446	24.5
Corporate, inhabitant and enterprise taxes	375,169	12.0	102,703	3.5	1,664,659	10.5
Deferred income taxes	50,356	1.6	109,325	3.7	(148,631)	(1.0)
Net income	625,419	20.0	317,610	10.9	2,375,417	15.0