

Presentation concerning implementation status of auditing procedures

Financial results for the fiscal year ending March 31, 2013 are not the subject of an auditing procedure based on the Financial Instruments and Exchange Act, and at the point in time when these financial results were disclosed, auditing procedures for consolidated financial statements are ongoing.

Caution with respect to forward-looking statements:

1. The forward-looking statements such as result forecasts in these materials are based on information available to us at this moment and on certain preconditions considered reasonable. We make no representations as to their future achievement. Therefore, the actual operating results and other achievements may differ significantly from such statements due to various future factors. For the preconditions of our forward-looking statements and matters to be noticed when using the forecast, please refer to page 2 in appendix "1. Analysis of Operating Results and Financial Condition (1) Analysis of Operating Results for Fiscal 2012".
2. We will host Security Analyst and Institutional Investor Conference on Wednesday, May 29, 2013. Presentation materials for results briefing for the conference will be posted on the company's homepage promptly after the conference.

○Table of contents of the appendix

1. Analysis of Operating Results and Financial Condition.....	2
(1)Analysis of Operating Results for Fiscal 2012.....	2
(2)Analysis of Financial Condition.....	4
(3)Basic Policy Regarding the Allocation of Profits/Dividends for Fiscal 2012 and Fiscal 2013.....	5
(4)Business Risks	5
2. The Ryosan Group	7
3. Management Policies	10
(1)Fundamental Management Policies	10
(2)Targeted Management Indicators	10
(3)Medium - and Long-term Management Strategies.....	10
(4)Issues to be Addressed	11
4. Consolidated Financial Statements	12
(1) Consolidated Balance Sheets	12
(2) Consolidated Statements of Income and Consolidated Comprehensive Statements of Income	14
(Consolidated Statements of Income).....	14
(Consolidated Comprehensive Statements of Income).....	15
(3) Consolidated Statements of Changes in Net Assets	16
(4) Consolidated Statements of Cash Flows	18
(5) Notes on Consolidated Financial Statements	19
(Notes Regarding Going Concern)	19
(Changes in Accounting Principles).....	19
(Notes on Consolidated Balance Sheets).....	19
(Notes on Consolidated Statements of Income).....	20
(Notes on Consolidated Comprehensive Statements of Income).....	20
(Tax-effect Accounting).....	21
(Segment Information).....	22
(Per Share Information).....	24
(Important Subsequent Events).....	24
5. Other	25
(1) Manufacturing, New orders and Sales	25
(2) Geographical Segment Information	25
(3) Changes of Directors.....	26

1. Analysis of Operating Results and Financial Condition

(1) Analysis of Operating Results for Fiscal 2012 (the Fiscal Year Ended March 31, 2013)

(Operating Results for Fiscal 2012)

1) Overview

In the fiscal year ended March 31, 2013, the global economy continued to remain sluggish due to the prolonged European sovereign debt crisis and the economic slowdown in emerging economies such as China. The electronics industry, in which we are engaged in, faced a severe business environment including an overall decline in demand especially in the latter half of the year, while enjoying robust business in products such as smartphones.

Under these circumstances, the Ryosan Group has worked on “reform of the management system”, “restructuring of the profit and financial structure” and “Promotion of globalization” while setting “the Company address renovation of management structure to survive in a changing external environment” as our basic stance of management for the fiscal year 2012.

As a result of the above, the Ryosan Group reported net sales of 206,534 million yen (down 5.2 % from the previous corresponding period) for the consolidated fiscal year under review. In terms of income, operating income came to 3,673 million yen (up 4.6%) due to reductions in expenses including selling, general and administrative expenses, while ordinary income came to 4,111 million yen (down 8.1%) due to an increase in non-operating expenses caused by the weak yen. Net income came to 2,814 million yen (up 48.2%) for results for fiscal year under review due to a decrease in tax expense related to income taxes-deferred resulting from the liquidation of CentrAct Corporation, our consolidated subsidiary.

2) Business Segment Information

a. Semiconductors

We sell memories, system LSIs and discrete semiconductors, and develop system LSIs. In this consolidated fiscal year, sales of system LSIs for FA equipment, etc. decreased, with net sales of 131,172 million yen (down 0.9% from the previous year), however, operating income came to 3,120 million yen (up 29.9%).

b. Electronic Components

We sell display devices, power supplies and electromechanical components. In this consolidated fiscal year, sales of display devices for information terminals, etc. decreased, with net sales of 51,008 million yen (down 7.9% from the previous year) and operating income of 1,723 million yen (down 4.5%).

c. Electronic Equipment

We sell systems equipment and facilities equipment. In this consolidated fiscal year, sales of system equipment for in-vehicle electrical components, etc. decreased, with net sales of 19,519 million yen (down 20.8% from the previous year), however, operating income came to 995 million yen (up 13.3%).

d. Ryosan Products

We produce and sell heat sinks (devices that dissipate the heat generated by semiconductors). In this consolidated fiscal year, sales of heat sinks for FA equipment, etc. decreased, with net sales of 4,833 million yen (down 11.3% from the previous year) and operating income of 210 million yen (down 4.7%).

The aforementioned amounts do not include consumption and other taxes.

(Outlook for the Next Fiscal Period)

1) Projected Operating Results

Looking ahead, the global economy as a whole is forecast to gradually move towards moderate recover, led by strong upturn in the US economy and bottoming out of the Chinese economy. However, the future outlook for a full-fledged economic recovery remains uncertain due to factors including the prolonged European sovereign debt crisis. Against the backdrop of this forecasted operating environment, the Ryosan Group will continue to promote and pursue two key initiatives of our 8th Medium-Term Management Plan in its final year: "Construction of a management structure strong enough to survive in the global age" and "Exploitation of emerging markets to support future growth."

On this basis, operating forecasts for the fiscal year ending March 31, 2014 are as follows:

	Millions of yen	YoY change [%]
Net sales	215,000	Increase 4.1
Operating income	4,600	Increase 25.2
Ordinary income	4,800	Increase 16.7
Net income	3,000	Increase 6.6

2) Projected Operating Results by Business Segment

a. Semiconductors

In the Semiconductors segment, Ryosan is projecting increased sales of system LSIs for in-vehicle electrical components, etc. Sales in this segment are expected to come to 138,000 million yen (up 5.2% from the previous year), with an expected operating income of 4,000 million yen (up 28.2%).

b. Electronic Components

In the Electronic Components segment, Ryosan is projecting increased sales of electromechanical components for game consoles, etc. Sales in this segment are expected to come to 53,000 million yen (up 3.9% from the previous year), with an expected operating income of 2,000 million yen (up 16.0%).

c. Electronic Equipment

In the Electronic Equipment segment, Ryosan is projecting decreased sales of system equipment for in-vehicle electrical components, etc. Sales in this segment are expected to come to 19,000 million yen (down 2.7% from the previous year), with an expected operating income of 850 million yen (down 14.6%).

d. Ryosan Products

Increased sales of heat sinks for FA equipment, etc., are projected in the Ryosan Products segments. As a result, segment sales are expected to come to 5,000 million yen (up 3.4% from the previous year), with an expected operating income of 350 million yen (up 66.3%).

* The aforementioned forecasts are subjected to certain risks and uncertainties. Accordingly, actual results may differ materially from forecasts for a variety of factors.

* Principal among these factors is the following:

- Economic trends in the Ryosan Group's major markets (Japan, Asia and other markets); rapid changes in consumer trends and sudden shifts in supply and demand dynamics
- Significant fluctuations in the dollar/yen exchange rate
- Major shifts in capital markets.

(2) Analysis of Financial Condition

(Analysis of Assets, Liabilities, Net Assets and Cash Flows)

1) Status of Assets, Liabilities and Net Assets as of March 31, 2013

a. Assets

Total assets as of March 31, 2013 stood at 160,220 million yen, a decrease of 6,859 million yen compared with the end of the previous fiscal year. This was mainly due to an increase of 16,350 million yen in cash and deposits, but decreases of 13,021 million yen in trade notes and accounts receivable, 5,514 million yen in merchandise and finished products, and 3,000 million yen in long-term deposits.

b. Liabilities

Total liabilities decreased by 7,890 million yen compared with March 31, 2012 to reach 43,498 million yen. This was primarily attributable to a decrease of 8,288 million yen in trade accounts payable.

c. Net Assets

Net assets increased by 1,031 million yen compared with March 31, 2012 to reach 116,722 million yen. This was mainly due to increases of 2,814 million yen in net income and 1,721 million yen in foreign currency translation adjustments, while cash dividends paid came to 1,673 million yen and acquisition of treasury stock to 1,983 million yen. The ratio of net assets to total assets rose from 69.2% at the end of the previous fiscal year to 72.9% as of March 31, 2013.

2) Status of Cash Flows

Cash and cash equivalents as of March 31, 2013 stood at 50,463 million yen; an increase of 16,350 million yen compared with the end of the previous fiscal year.

a. Cash Flows from Operating Activities

Regarding cash flow from operating activities in this consolidated fiscal year, with net income before income taxes being 4,146 million yen, funds in total increased by 17,689 million yen. This is due to accounts payable, inventories, and accounts payable decreasing by 14,941 million yen, 6,319 million yen, and 9,244 million yen respectively. In the net cash provided by (used in) operating activities in the previous consolidated fiscal year, there was a decrease of funds by 8,356 million yen.

b. Cash Flows from Investing Activities

Regarding cash flow from investing activities in this consolidated fiscal year, there was an increase of funds by 2,485 million yen due mainly to withdrawal of time deposits. In the net cash provided by (used) in investing activities in the previous consolidated fiscal year, there was a decrease of funds by 936 million yen.

c. Cash Flows from Financing Activities

Regarding cash flow from financing activities in this consolidated fiscal year, with dividend paid and acquisition of treasury stock being 1,673 million yen and 1,983 million yen respectively, funds in total decreased by 4,483 million yen due to a decrease of 695 million yen in short-term loans in foreign currency. In the net cash provided by (used in) financing activities in the previous consolidated fiscal year, there was an increase of funds by 419 million yen.

(Reference) Trends in cash flow-related indicators

	Fiscal 2008	Fiscal 2009	Fiscal 2010	Fiscal 2011	Fiscal 2012
Net assets to total assets (%)	78.1	72.5	72.0	69.2	72.9
Net assets to total assets (%) (Market capitalization basis)	47.4	50.8	42.2	33.3	36.6
Cash flow to Interest-bearing Liabilities (Years)	0.3	0.9	–	–	0.7
Interest coverage ratio (Times)	107.3	101.4	–	–	96.4

Net assets to total assets: Net assets / Total assets

Net assets to total assets (Market capitalization basis): Market capitalization / Total assets

Cash flow to Interest-bearing liabilities: Interest-bearing liabilities / Cash flow

Interest coverage ratio: Cash flow / Interest expense

*All indicators have been calculated from consolidated financial figures.

*Market capitalization was calculated based on the number of shares issued and outstanding less treasury stock.

*Cash flow refers to cash flows from operating activities as shown on the consolidated statements of cash flows.

*Interest-bearing liabilities comprise all debt on which interest was paid in the liabilities section of the consolidated balance sheets. Interest expense represents interest paid as shown on the consolidated statements of cash flows.

(3) Basic Policy Regarding the Allocation of Profits / Dividends for Fiscal 2012 and Fiscal 2013

【Basic Policy Regarding the Allocation of Profits】

Ryosan recognizes that the return of profits to shareholders is an important business priority. At the same time, the Company works to increase consolidated basic net income per share. Accordingly, Ryosan's fundamental policy is to continue high dividend payout in profits returned to shareholders, and the Company is targeting a consolidated dividend payout ratio of 50% or more. With regard to purchasing of own shares, the Company plans to make decisions in an integrated manner, with consideration given to trends in consolidated results and other matters.

【Dividends for Fiscal 2012 and Fiscal 2013】

For the fiscal year ended March 31, 2013, Ryosan has declared a fiscal year-end ordinary dividend of ¥30 per share. Together with the interim ordinary dividend, the Company will make an ordinary dividend payment for the full fiscal year of ¥60 per share.

Ryosan is forecasting ordinary dividend payment of ¥60 per share in its full fiscal year for the fiscal year ending March 31, 2014 (an interim ordinary dividend of ¥30 per share and a fiscal year-end ordinary dividend of ¥30 per share).

(4) Business Risks

The Ryosan Group, its performance, share price, and financial position, are subject to a variety of potential risks, some of which are detailed briefly as follows.

Forward-looking statements contained in this section represent judgments of Ryosan Group's management based on information available as of the end of fiscal 2012 (March 31, 2013).

1) Sudden Changes in the Economic Environment

The Ryosan Group's consolidated revenues are derived from the level of demand generated by customers of device manufacturers. Against this backdrop, the Group's performance is necessarily impacted by changes in economic conditions in those countries and regions in which Ryosan's principal clients operate. As a result, Ryosan's performance and its financial position can be expected to deteriorate in the event of economic downturn and a resulting slowdown in demand in its principal markets, such as Japan, Asia and other regions.

2) Contracts with Suppliers

The Ryosan Group has concluded agency agreements with several suppliers inside and outside Japan. We have maintained good business relations with them, but if it becomes difficult to continue these agreements due to the restructuring of suppliers' businesses, including M&A etc, and the revision of sales channel strategies, this may cause

adverse effects on the business performance and financial status of Ryosan Group.

3) Exchange Rate Fluctuation

The Ryosan Group engages in the manufacture and sale of products across a number of regions including Japan, Asia and other countries. In preparing consolidated financial statements, sales, expenses, assets and liabilities, denominated in foreign currencies are translated into yen as of the Company's balance sheet date. In principle, appreciation of the yen against major currencies impacts negatively on Ryosan's performance, while a weak yen impacts favorably. As a result, Ryosan's consolidated operating results and financial position are subject to fluctuations in foreign exchange rates.

4) Overseas Business Risk

The Ryosan Group does not operate in Japan alone. It also operates overseas, mainly in Asia. As a result it is exposed to the following risks. The materialization of any of the following risks could adversely affect the Ryosan Group's operating results and its financial position.

- a. Unforeseen changes in statutory and regulatory requirements and adverse changes in tax requirements
- b. Inadequate and insufficient local infrastructure in the countries in which the Ryosan Group operates
- c. Development of adverse political factors
- d. Social unrest arising out of war, acts of terrorism and other developments

5) Capital Market Volatility

As a part of its business activities the Ryosan Group holds shares in certain financial institutions, customers and suppliers, and is therefore susceptible to stock price fluctuations. Ryosan does not, however, adopt specific methods as a hedge against movements in stock prices. Accordingly, Ryosan's performance and financial position are subject to substantial changes in stock markets.

6) Liability for Retirement Benefits

Ryosan accounts for retirement benefit expenses and the liability for retirement benefits using certain assumptions and an expected rate of return applicable to the Group's pension plan assets for actuarial projections. In the event that the actual obligation differs from the projected obligation or there is a change in the assumptions leading to the calculation of the projected obligation, the difference in retirement benefit expenses and the liability for retirement benefits are accrued and amortized over a generally accepted period. As a result, any significant decline in the discount rate and expected rate of return applicable to the Group's pension plan assets can impact its performance and financial position.

7) Natural Disaster

The suspension of sales and production due to facility damage or power or water supply shortages caused by such natural disasters as earthquakes or typhoons or accidental disasters such as fire may adversely affect the business showings and financial standings of the Group. Also, if partners are damaged and the purchase and sale of merchandise is interrupted, the business showings of the Group may be adversely affected.

2. The Ryosan Group

The Ryosan Group comprises Ryosan Company, Limited (“Ryosan” or “the Company”), 12 consolidated subsidiaries and 8 non-consolidated subsidiaries.

Ryosan operates as a trading house that specializes in semiconductors, electronic components and electronic equipment, which it sells to manufacturers of electronic equipment and other customers both domestically and overseas. Ryosan also develops, manufactures and sells its own-brand products.

The following table provides an overview of industry segments and the activities of Ryosan and its consolidated subsidiaries.

Segment	Main Products	Sales Companies	Development and Manufacturing Companies
Semiconductors	Memories System LSIs Discrete semiconductors	Ryosan Company, Limited CentrAct Corporation Saxis Company, Limited	
Electronic Components	Display devices Power supplies electromechanical components	Gyronics Company, Limited HONG KONG RYOSAN LIMITED	
Electronic Equipment	Systems equipment Facilities equipment	ZHONG LING INTERNATIONAL TRADING (SHANGHAI) CO., LTD. SINGAPORE RYOSAN PRIVATE LIMITED	
Ryosan Products	Heat sinks (devices that dissipate the heat generated by semiconductors)	RYOTAI CORPORATION RYOSAN IPC (MALAYSIA) SDN. BHD. RYOSAN (THAILAND) CO., LTD. KOREA RYOSAN CORPORATION	Ryosan Company, Limited RYOSAN ENGINEERING (M) SDN.BHD. RYOSAN ENGINEERING (THAILAND) CO., LTD.

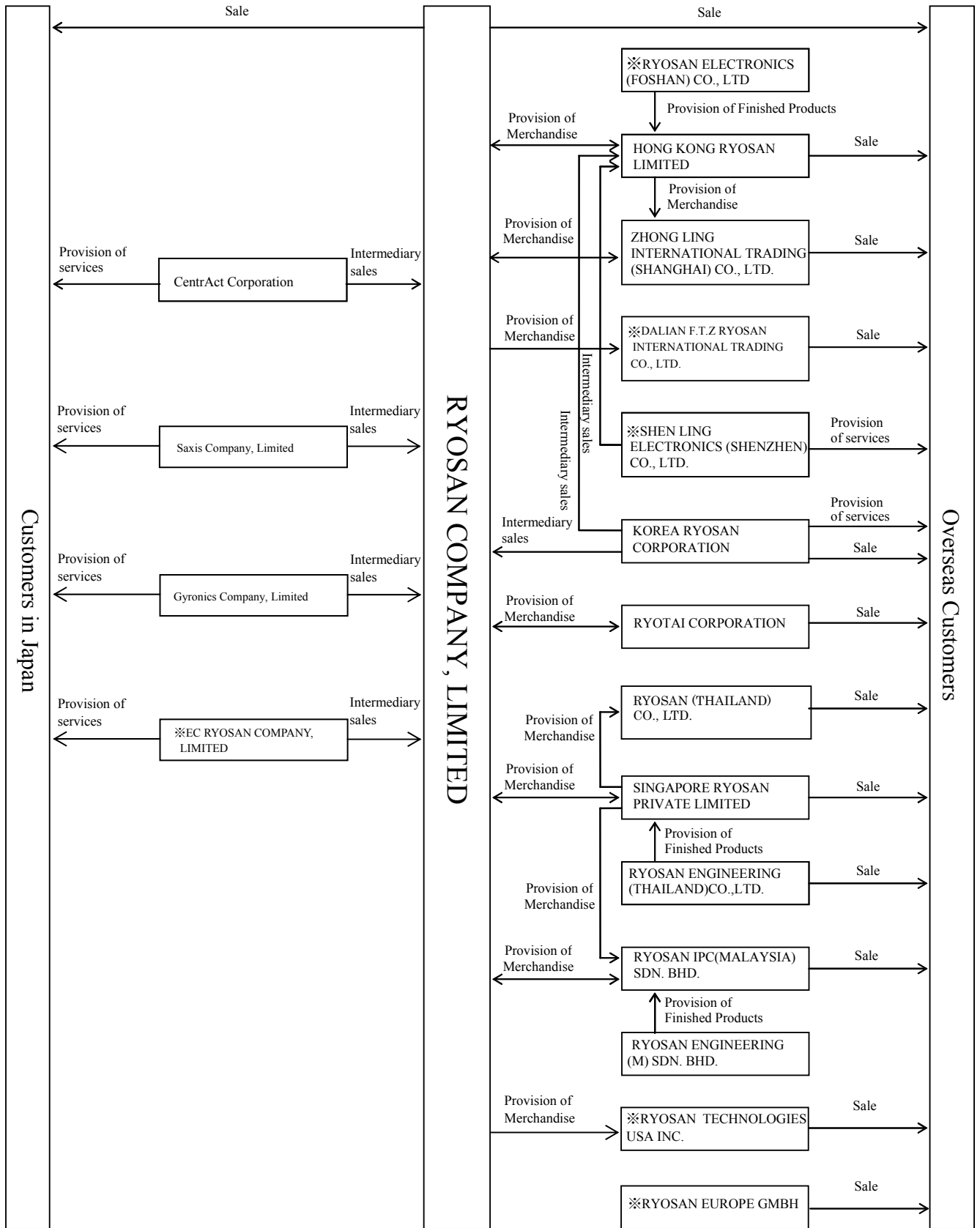
Note: CentrAct Corporation has been under the liquidation procedure following the dissolution as of March 31, 2013.

Information about Ryosan's principal non-consolidated subsidiaries is as follows:

(Non-consolidated subsidiaries)

Company Name	Business Activities
EC Ryosan Company, Limited	Commission sales of electronic components
RYOSAN TECHNOLOGIES USA INC.	Sales of semiconductors and electronic components
DALIAN F.T.Z. RYOSAN INTERNATIONAL TRADING CO., LTD.	Sales of semiconductors and electronic components
SHEN LING ELECTRONICS (SHENZHEN) CO., LTD.	Commission sales of semiconductors and electronic components
RYOSAN EUROPE GMBH	Sales of semiconductors and electronic components
RYOSAN ELECTRONICS (FOSHAN) CO., LTD.	Manufacture and sales of heat sinks

The Group's organization chart is provided as follows



Note: Companies identified with an asterisk are non-consolidated subsidiaries not accounted for by the equity method. All other companies are consolidated subsidiaries.

3. Management Policies

(1) Fundamental Management Policies

Since our establishment, we have always been highly conscious of the fact that the corporation is a public institution. In addition, we now no longer see ourselves simply as a trading company, but as an electronic systems coordinator, providing a vital link between our customers' needs and electronics technology. We aim to achieve consistent long-term growth by stressing this social consciousness and our new role as a systems coordinator.

Three functions are vital to fulfilling our ambition of becoming an electronics system coordinator—the Information Function (supplying data), the Solutions Function (supplying technology), and the Distribution Function (supplying logistics). By constantly enhancing these three functions, Ryosan will raise customer satisfaction and increase its existence value.

(2) Targeted Management Indicators

The Ryosan Group has adopted net income per share and consolidated dividend payout ratio as key management indicators. Guided by these benchmarks, the Company aims to secure financial soundness while at the same time pursuing further improvements in its corporate value.

In line with our 8th Medium-Term Management Plan, which covers the period from fiscal 2011 through to fiscal 2013, the Company aims to improve net income per share and has set itself the target of securing “consolidated dividend payout ratio of more than 50%”, “dividend on equity (DOE) of more than 2.5% (fiscal 2013)”.

(3) Medium- and Long-Term Management Strategies

The Ryosan Group is confronted with an operating environment characterized by increasingly intense globalization and rapid change. Against this backdrop, demands for the corporate sector to more adequately fulfill their corporate social responsibility (CSR) have also risen.

Under these circumstances, the Ryosan Group formulated its 8th Medium-Term Management Plan, which covered the period from fiscal 2011 through to fiscal 2013. In line with its ongoing “Basic Stance,” Ryosan continues to focus on the acceptance and evolution of global diversity as well as the pursuit of sound management under the growing uncertainty of the corporate environment.

To implement this basic stance, we will powerfully promote three kinds of basic strategies - Growth Strategies, Segment Strategies, and Infrastructure Strategies. The basic strategies are outlined below.

1. Growth Strategies

- Further strengthening of overseas semiconductor device businesses (added from fiscal 2013)
- Strengthening approach to developing countries of quick growth (China and India)
- Strengthening dealing with globalizing Japanese customers
- Strengthening exploitation in growing fields (car electronics, social infrastructure, etc.)

We will be committed to these four growth strategies.

2. Segment Strategies

- Strategy for semiconductor business
- Strategy for electronic components business
- Strategy for electronic equipment business
- Strategy for Ryosan Products business

We will strengthen these four segment strategies in terms of quality.

3. Infrastructure Strategies

- Strengthening business infrastructure (organization and system)
- Strengthening the cultivation of human resources
- Implementing financial strategies aimed to improve corporate value
- Improving information system
- Reinforcing management in terms of quality
- Strengthening Ryosan (RS) Culture

We will be committed to these six infrastructure strategies.

(4) Issues to be Addressed

In the electronics industry, in which the Ryosan Group is engaged, along with worldwide structural changes in economies and industries under way, a global competition has been intensified. The Group will continue to face a severe business environment. With especially Japanese electronics companies less competitive relative to foreign companies, the industry is actively reorganizing itself through movements including capital and business alliance as a matter of business survival and withdrawals from unprofitable businesses.

Under a highly-competitive and rapidly-changing environment like this, the Group intends to take appropriately the changes in business structures of each of our suppliers and clients and to quickly respond to those changes. Also, the Group will work through “Improvement of Profit Structure and Financial Strength” in order to accomplish “the Further Improvement of Management Structure”.

On the other hand, the Group recognizes a problem concerning sales growth. In response to this, the Group will strive to work on the growth strategy of “the Further Strengthening of Overseas Semiconductor Device Businesses”. Specifically, the Group will endeavor to develop new resources to ensure sustainable growth of the Group by launching “New Resource Development Project” as well as to take on the challenge again of expanding semiconductor device business overseas.

In any case, the Group is committed to firmly raising its presence and value by overcoming these challenges and to ensure that the Group generates performance improvements that accurately reflect this value. In this manner, the Group places the utmost importance on addressing the expectations and needs of all stakeholders including shareholders.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	Fiscal Year Ended March 31, 2012 (As of March 31, 2012)	Fiscal Year Ended March 31, 2013 (As of March 31, 2013)
ASSETS		
Current assets		
Cash and deposits	34,114	50,464
Trade notes and accounts receivable	81,123	68,101
Merchandise and finished products	24,308	18,793
Work in process	147	141
Raw materials and stored goods	177	152
Accrued income	2,989	1,390
Deferred tax assets	276	514
Other current assets	1,109	243
Allowance for doubtful accounts	(93)	(106)
Total current assets	144,153	139,696
Fixed assets		
Property, plant and equipment		
Buildings and structures	10,715	10,576
Accumulated depreciation	(6,253)	(6,285)
Buildings and structures (net)	4,461	4,290
Land	8,121	8,121
Lease assets	603	829
Accumulated depreciation	(381)	(495)
Lease assets (net)	221	333
Other fixed assets	4,393	4,554
Accumulated depreciation	(3,872)	(4,028)
Other fixed assets (net)	520	526
Total property, plant and equipment	13,325	13,272
Intangible fixed assets	930	1,029
Investments and other assets		
Investment securities	3,084	3,286
Long-term deposits	3,000	—
Deferred tax assets	958	947
Other	2,719	3,132
Allowance for doubtful accounts	(957)	(1,045)
Allowance for loss on investments	(136)	(98)
Total Investments and other assets	8,669	6,222
Total fixed assets	22,925	20,524
Total assets	167,079	160,220

(Millions of yen)

	Fiscal Year Ended March 31, 2012 (As of March 31, 2012)	Fiscal Year Ended March 31, 2013 (As of March 31, 2013)
LIABILITIES		
Current liabilities		
Trade accounts payable	33,549	25,261
Short-term bank loans	11,850	12,850
Lease obligations	112	138
Other Payable	1,761	841
Accrued expenses	1,091	1,069
Accrued income taxes	338	689
Other current liabilities	193	178
Total current liabilities	48,896	41,028
Long-term liabilities		
Lease obligations	155	242
Employees' retirement benefits	2,275	2,149
Other long-term liabilities	60	76
Total long-term liabilities	2,491	2,469
Total liabilities	51,388	43,498
NET ASSETS		
Shareholder's equity		
Common stock	17,690	17,690
Additional paid-in capital	19,114	19,114
Retained earnings	83,449	84,590
Treasury stock	(1,806)	(3,789)
Total shareholders' equity	118,447	117,606
Other accumulated comprehensive incomes		
Net unrealized gain on other marketable securities	331	484
Gain (loss) on deferred hedges	2	0
Foreign currency translation adjustments	(3,090)	(1,368)
Total other accumulated comprehensive incomes	(2,756)	(883)
Minority interests		
	—	—
Total net assets	115,691	116,722
Total liabilities and net assets	167,079	160,220

(2) Consolidated Statements of Income and Consolidated Comprehensive Statements of Income
(Consolidated Statements of Income)

(Millions of yen)

	Fiscal Year Ended Mar. 31, 2012 (Apr. 1, 2011 to Mar. 31, 2012)	Fiscal Year Ended Mar. 31, 2013 (Apr. 1, 2012 to Mar. 31, 2013)
Net sales	217,887	206,534
Cost of Sales	201,117	189,868
Gross Profit	16,769	16,666
Selling, general and administrative expenses		
Packing and freight expenses	717	662
Provision of allowance for doubtful accounts	11	129
Directors' remuneration	437	412
Employees' salaries	3,821	3,694
Bonuses	1,006	928
Retirement benefit expenses	432	342
Employee benefits	834	816
Depreciation and amortization	542	524
Others	5,453	5,481
Total selling, general and administrative expenses	13,258	12,992
Operating income	3,511	3,673
Non-operating income		
Interest income	93	69
Dividend income	274	109
Commission fee	549	477
Miscellaneous income	241	224
Total non-operating income	1,159	881
Non-operating expenses		
Interest expense	168	180
Loss on foreign exchange	8	241
Miscellaneous expenses	17	21
Total non-operating expenses	194	443
Ordinary income	4,476	4,111
Extraordinary gains		
Gain on sales of property, plant and equipment	—	34
Gain on sales of investment securities	—	6
Reversal of allowance for investment loss	—	37
Total extraordinary gains	—	77
Extraordinary losses		
Loss on sales and disposal of property, plant and equipment	7	0
Impairment loss	—	3
Loss on devaluation of investment securities	138	35
Provision of allowance for investment loss	9	—
Loss on valuation of golf club membership	—	4
Total extraordinary losses	155	42
Income before income taxes and minority interests	4,321	4,146
Income taxes-current	1,663	1,625
Income taxes-deferred	755	(293)
Total income taxes	2,419	1,331
Income before Minority interest in income	1,902	2,814
Minority interests in income	2	—
Net income	1,899	2,814

(Consolidated Comprehensive Statements of Income)

(Millions of yen)

	Fiscal Year Ended Mar. 31, 2012 (Apr. 1, 2011 to Mar. 31, 2012)	Fiscal Year Ended Mar. 31, 2013 (Apr. 1, 2012 to Mar. 31, 2013)
Income before Minority interest in income	1,902	2,814
Other comprehensive income		
Net unrealized gain on other marketable securities	35	153
Gain (loss) on deferred hedges	9	(2)
Foreign currency translation adjustments	(133)	1,721
Total other comprehensive income	(89)	1,872
Comprehensive Incomes	1,812	4,687
(Details)		
Comprehensive incomes relating to shareholders of parental company	1,808	4,687
Comprehensive incomes relating to minority shareholders	4	—

(3) Consolidated Statements of Changes in Net Assets

(Millions of yen)

	Fiscal Year Ended Mar. 31, 2012 (Apr. 1, 2011 to Mar. 31, 2012)	Fiscal Year Ended Mar. 31, 2013 (Apr. 1, 2012 to Mar. 31, 2013)
Shareholders' equity		
Common stock		
Balance as of the end of the previous period	17,690	17,690
Increase (decrease) during the period		
Total increase (decrease) during the period	—	—
Balance as of the end of the period	17,690	17,690
Additional paid-in capital		
Balance as of the beginning of the period	19,114	19,114
Increase (decrease) during the period		
Disposal of treasury stock	—	(0)
Transfer to additional paid-in capital from retained earnings	—	0
Total increase (decrease) during the period	—	—
Balance as of the end of the period	19,114	19,114
Retained earnings		
Balance as of the beginning of the period	83,606	83,449
Increase (decrease) during the period		
Appropriation of earnings as cash dividends	(2,056)	(1,673)
Net income for the period	1,899	2,814
Transfer to additional paid-in capital from retained earnings	—	(0)
Total increase (decrease) during the period	(157)	1,141
Balance as of the end of the period	83,449	84,590
Treasury stock		
Balance as of the beginning of the period	(85)	(1,806)
Increase (decrease) during the period		
Acquisition of treasury stock	(1,720)	(1,983)
Disposal of treasury stock	—	0
Total increase (decrease) during the period	(1,720)	(1,983)
Balance as of the end of the period	(1,806)	(3,789)
Total shareholders' equity		
Balance as of the beginning of the period	120,325	118,447
Increase (decrease) during the period		
Appropriation of earnings as cash dividends	(2,056)	(1,673)
Net income for the period	1,899	2,814
Acquisition of treasury stock	(1,720)	(1,983)
Disposal of treasury stock	—	0
Transfer to additional paid-in capital from retained earnings	—	—
Total increase (decrease) during the period	(1,878)	(841)
Balance as of the end of the period	118,447	117,606

(Millions of yen)

	Fiscal Year Ended Mar. 31, 2012 (Apr. 1, 2011 to Mar. 31, 2012)	Fiscal Year Ended Mar. 31, 2013 (Apr. 1, 2012 to Mar. 31, 2013)
Other accumulated comprehensive incomes		
Net unrealized gain on other marketable securities		
Balance as of the beginning of the period	295	331
Increase (decrease) during the period		
Net changes in items excluding shareholders' equity during the period	35	153
Total increase (decrease) during the period	35	153
Balance as of the end of the period	331	484
Gain (loss) on deferred hedges		
Balance as of the beginning of the period	(6)	2
Increase (decrease) during the period		
Net changes in items excluding shareholders' equity during the period	9	(2)
Total increase (decrease) during the period	9	(2)
Balance as of the end of the period	2	0
Foreign currency translation adjustments		
Balance as of the beginning of the period	(2,954)	(3,090)
Increase (decrease) during the period		
Net changes in items excluding shareholders' equity during the period	(135)	1,721
Total increase (decrease) during the period	(135)	1,721
Balance as of the end of the period	(3,090)	(1,368)
Total other accumulated comprehensive incomes		
Balance as of the beginning of the period	(2,665)	(2,756)
Increase (decrease) during the period		
Net changes in items excluding shareholders' equity during the period	(90)	1,872
Total increase (decrease) during the period	(90)	1,872
Balance as of the end of the period	(2,756)	(883)
Minority interests		
Balance as of the beginning of the period	120	—
Increase (decrease) during the period		
Purchase of shares of consolidated subsidiaries	(103)	—
Net changes in items excluding shareholders' equity during the period	(17)	—
Total increase (decrease) during the period	(120)	—
Balance as of the end of the period	—	—
Total net assets		
Balance as of the beginning of the period	117,780	115,691
Increase (decrease) during the period		
Appropriation of earnings as cash dividends	(2,056)	(1,673)
Net income for the period	1,899	2,814
Acquisition of treasury stock	(1,720)	(1,983)
Disposal of treasury stock	—	0
Purchase of shares of consolidated subsidiaries	(103)	—
Transfer to additional paid-in capital from retained earnings	—	—
Net changes in items excluding shareholders' equity during the period	(107)	1,872
Increase (decrease) during the period	(2,089)	1,031
Balance as of the end of the previous period	115,691	116,722

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal Year Ended Mar. 31, 2012 (Apr. 1, 2011 to Mar. 31, 2012)	Fiscal Year Ended Mar. 31, 2013 (Apr. 1, 2012 to Mar. 31, 2013)
Operating activities		
Income before income taxes	4,321	4,146
Depreciation and amortization	680	644
Increase (decrease) in allowance for doubtful accounts	11	84
Increase (decrease) in employees' retirement benefits	(57)	(152)
Increase (decrease) in allowance for loss on investments	9	(37)
Interest and dividend income	(368)	(178)
Interest expense	168	180
(Gain) loss on sales and disposal of property, plant and equipment	7	(34)
(Gain) loss on sales of investment securities	—	(6)
(Gain) loss on devaluation of investment securities	138	35
Other (income) loss	(10)	1,306
(Increase) decrease in accounts receivable	(12,427)	14,941
(Increase) decrease in inventories	(1,683)	6,319
Increase (decrease) in accounts payable	2,417	(9,244)
Increase (decrease) in other assets and liabilities	940	983
Subtotal	(5,850)	18,989
Interest and dividends received	368	185
Interest paid	(169)	(183)
Income taxes (paid) refund	(2,705)	(1,302)
Net cash provided by (used in) operating activities	(8,356)	17,689
Investing activities		
Net decrease (increase) in time deposits	(0)	3,000
Purchases of property, plant and equipment	(169)	(214)
Proceeds from sale of property, plant and equipment	10	74
Purchases of intangible fixed assets	(332)	(153)
Purchases of investment securities	(57)	—
Proceeds of sale of investment securities	7	7
Purchase of affiliate company shares	(115)	—
Capital stock paid-in	(53)	(3)
Proceeds from sales of investments in capital	—	1
Increase in loans	(25)	(7)
Proceeds from collection of loans	3	8
Purchase of insurance funds	(303)	(427)
Proceeds from cancellation of insurance funds	100	201
Net cash provided by (used in) investing activities	(936)	2,485
Financing activities		
Increase (decrease) in short-term borrowings, net	4,319	(695)
Payment of refund of lease obligations	(115)	(131)
Repurchase of treasury stock	(1,720)	(1,983)
Proceeds from retirement of treasury stock	—	0
Cash dividends paid	(2,056)	(1,673)
Cash dividends paid to minority shareholders	(6)	—
Net cash provided by (used in) financing activities	419	(4,483)
Effect of foreign currency translation adjustments on cash and cash equivalents	(253)	658
Net increase (decrease) in cash and cash equivalents	(9,126)	16,350
Cash and cash equivalents at the beginning of the period	43,239	34,113
Cash and cash equivalents at the end of the period	34,113	50,463

(5) Notes on Consolidated Financial Statements**(Notes Regarding Going Concern)**

Not applicable.

(Changes in Accounting Principles)**(Change in depreciation method)**

The Company changed to the depreciation method based on the amended Corporation Tax Act due to amendments to the Corporation Tax Act for property, plant and equipment acquired on and after April 1, 2012.

The influences of this change on profit and loss are minimal.

(Notes on Consolidated Balance Sheets)

(Millions of yen, figures less than ¥1 million have been omitted, unless otherwise stated)

	As of March 31, 2012	As of March 31, 2013
1. Accumulated depreciation of property, plant and equipment	10,507	10,809
2. Non-consolidated subsidiary and affiliated company shares and other		
- Investment securities (shares)	52	52
- Other (equity)	308	308
3. Assets pledged as collateral		
- Investment securities	58	83
4. Guarantee contingent liabilities		
The unpaid balance of debt financing provided to non-consolidated subsidiaries by financial institutions guaranteed by the Company	207	490
5. Number of shares issued and outstanding	34,500,000 common shares	34,500,000 common shares
Number of treasury stock held by the Company	1,035,425 common shares	2,035,794 common shares

(Notes on Consolidated Statements of Income)

	Fiscal 2011 (April 1, 2011 to March 31, 2012)	Fiscal 2012 (April 1, 2012 to March 31, 2013)
1. Research and development expenditure included in selling, general and administrative expenses	498	623
2. Breakdown of gain on sales of property, plant and equipment		
- Land	—	31
- Other	—	2
Total	<u>—</u>	<u>34</u>
3. Breakdown of loss on sales of property, plant and equipment		
- Buildings and structures	2	—
- Other	5	0
Total	<u>7</u>	<u>0</u>

(Notes on Consolidated Comprehensive Statements of Income)**Adjustments from recycling and tax effects in other comprehensive income**

	Fiscal 2011 (April 1, 2011 to March 31, 2012)	Fiscal 2012 (April 1, 2012 to March 31, 2013)
Net unrealized gain on other marketable securities		
Increase (decrease) during the period:	(122)	202
Adjustments from recycling	138	35
Before tax effects adjustments	15	238
Tax effect	19	(84)
Net unrealized gain on other marketable securities	35	153
Gain (loss) on deferred hedges:		
Increase (decrease) during the period	13	(3)
Tax effect	(4)	1
Gain (loss) on deferred hedges	9	(2)
Foreign currency translation adjustments		
Increase (decrease) during the period	(133)	1,721
Total other comprehensive Income	<u>(89)</u>	<u>1,872</u>

(Tax-effect Accounting)

1. Breakdown of major causes of occurrence in deferred tax assets and deferred tax liabilities

(Millions of yen unless otherwise stated)

	Fiscal 2011 (As of March 31, 2012)	Fiscal 2012 (As of March 31, 2013)
Deferred tax assets		
Loss on valuation of inventories	71	135
Amortization of software and other	98	59
Investment securities	174	145
Golf membership rights	110	111
Accrued bonuses	209	199
Employees' retirement benefits	743	719
Allowance for doubtful accounts	467	323
Loss brought forward of subsidiaries	238	333
Other	271	360
Sub-total deferred tax assets	2,385	2,390
Valuation reserve	(966)	(611)
Total deferred tax assets	1,418	1,779
Deferred tax liabilities		
Net unrealized gain on other marketable securities	(109)	(152)
Other	(91)	(181)
Total deferred tax liabilities	(201)	(333)
Net deferred tax assets	1,217	1,445

Net deferred tax assets are included in the following items of the Company's consolidated balance sheet.

	Fiscal 2011 (As of March 31, 2012)	Fiscal 2012 (As of March 31, 2013)
Current assets — Deferred tax assets	276	514
Fixed assets — Deferred tax assets	958	947
Current liabilities — Other current liabilities	(1)	(0)
Long-term liabilities — Other long-term liabilities	(16)	(17)

2. Breakdown of major differences between the statutory tax rate and the effective tax rate after adoption of tax-effect accounting

	Fiscal 2011 (As of March 31, 2012)	Fiscal 2012 (As of March 31, 2013)	(%)
Effective tax rate (Adjustment)	40.7	Effective tax rate (Adjustment) 38.0	
Items not included in calculations of losses (e.g. entertainment expenses)	4.7	Items not included in calculations of losses (e.g. entertainment expenses) 3.6	
Items not included in gross profits (e.g. dividends)	(2.9)	Items not included in gross profits (e.g. dividends) (1.8)	
Equal percent residential tax	0.9	Equal percent residential tax 0.9	
Elimination of dividends received from consolidated subsidiaries	1.0	Elimination of dividends received from consolidated subsidiaries 1.1	
Foreign withholding taxes	1.3	Foreign withholding taxes 0.6	
Change in valuation allowance	8.5	Change in valuation allowance (5.5)	
Difference in corporate tax rates from foreign subsidiaries	(3.3)	Difference in corporate tax rates from foreign subsidiaries (6.9)	
Decrease in deferred tax assets at the end of period by changes in tax rates	3.5	Decrease in deferred tax assets at the end of period by changes in tax rates —	
Consolidated retained earnings	—	Consolidated retained earnings 2.1	
Other	1.6	Other —	
Contribution percentage of corporate and other taxes after tax effect accounting is applied	56.0	Contribution percentage of corporate and other taxes after tax effect accounting is applied 32.1	

(Segment Information)

(a) Segment Information

1. Overview of our Reporting Segments

Ryosan Group's reporting segments are created from financial information sorted by business segment, and the Chief Executive Officer periodically conducts performance evaluations.

Ryosan Group has set up business headquarters at our head office for each merchandises and products, and we expand our business activities by having each business headquarters formulate comprehensive strategies for the products that they handle, for both within Japan and overseas.

Therefore, with our business headquarters serving as our foundation, Ryosan Group has four reporting segments: "Semiconductors", "Electronic components", "Electronic equipment" and "Ryosan products".

Main products of each business segment are as follows:

Semiconductors:	Memories, system LSIs, discrete semiconductors
Electronic components:	Display devices, power supplies, electromechanical components
Electronic equipment:	Systems equipment, facilities equipment
Ryosan products:	Heat sinks (devices that dissipate the heat generated by semiconductors)

2. Information Concerning Sales and Income or Loss Amount by Reporting Segment

For the consolidated fiscal year ended March 31, 2012

(April 1, 2011 to March 31, 2012)

(Millions of yen, figures less than ¥1 million have been omitted)

	Reportable Segment					Adjusted amount	Consolidated income statement amount
	Semi-conductors	Electronic components	Electronic equipment	Ryosan products	Total		
Sales and operating income							
Sales:							
Sales to external Customers	132,372	55,403	24,658	5,452	217,887	—	217,887
Internal sales between segments, or exchange	—	—	—	—	—	—	—
Total	132,372	55,403	24,658	5,452	217,887	—	217,887
Segment income (loss)	2,402	1,805	878	220	5,306	(1,795)	3,511

Notes:

1. The adjustment of -1,795 million yen to segment income represents corporate expenses that are not allocated to each reportable segment. The corporate expenses are included in administrative expenses instead of reportable segment.
2. Segment income has been adjusted with operating income in consolidated statements of income.
3. Segment asset is not shown in this reporting segment as it is not subject to CEO's performance evaluation.

For the consolidated fiscal year ended March 31, 2013

(April 1, 2012 to March 31, 2013)

(Millions of yen, figures less than ¥1 million have been omitted)

	Reportable Segment					Adjusted amount	Consolidated income statement amount
	Semi-conductors	Electronic components	Electronic equipment	Ryosan products	Total		
Sales and operating income							
Sales:							
Sales to external Customers	131,172	51,008	19,519	4,833	206,534	—	206,534
Internal sales between segments, or exchange	—	—	—	—	—	—	—
Total	131,172	51,008	19,519	4,833	206,534	—	206,534
Segment income (loss)	3,120	1,723	995	210	6,050	(2,376)	3,673

Notes:

1. The adjustment of -2,376 million yen to segment income represents corporate expenses that are not allocated to each reportable segment. The corporate expenses are included in administrative expenses instead of reportable segment.
2. Segment income has been adjusted with operating income in consolidated statements of income.
3. Segment asset is not shown in this reporting segment as it is not subject to CEO's performance evaluation.
4. Some parts of allocation method of adjustment expenses (corporate expenses) have been changed since the current consolidated fiscal year.

(b) Related Information

1. Information on products and services

As in the Reporting Segment

2. Information by region

(1) Sales

For the consolidated fiscal year ended March 31, 2012

(April 1, 2011 to March 31, 2012)

(Millions of yen)

Japan	Asia	Total
149,265	68,621	217,887

Note: Sales amounts are based on the customer's address and classified by country or region.

For the consolidated fiscal year ended March 31, 2013

(April 1, 2012 to March 31, 2013)

Japan	Asia	Total
131,264	75,270	206,534

Note: Sales amounts are based on the customer's address and classified by country or region.

(2) Property, plant and equipment

This information is not presented as the amount of Property, plant and equipment in Japan constitutes more than 90% of the total amount of Property, plant and equipment on the consolidated balance sheet.

3. Information on each important customer

For the consolidated fiscal year ended March 31, 2012

(April 1, 2011 to March 31, 2012)

(Millions of yen)

Customer Name	Net Sales	Related Segments
Mitsubishi Electric Corporation	31,303	Semiconductors, Electronic Components

For the consolidated fiscal year ended March 31, 2013

(April 1, 2012 to March 31, 2013)

Customer Name	Net Sales	Related Segments
Mitsubishi Electric Corporation	21,275	Semiconductors, Electronic Components

(Per Share Information)

	(Yen unless otherwise stated)	
	Fiscal 2011	Fiscal 2012
	<u>(April 1, 2011 to March 31, 2012)</u>	<u>(April 1, 2012 to March 31, 2013)</u>
1. Net assets per share	3,457.13	3,595.42
2. Net income per share	55.90	84.40

Note: Net income per share for the fiscal years ended March 31, 2012 and March 31, 2013 are calculated on the following basis:

	(Millions of yen unless otherwise stated)	
	Fiscal 2011	Fiscal 2012
	<u>(April 1, 2011 to March 31, 2012)</u>	<u>(April 1, 2012 to March 31, 2013)</u>
Net income	1,899	2,814
Net income applicable to common stock	1,899	2,814
Average number of shares for the period	33,982 thousand shares	33,349 thousand shares

(Important Subsequent Events)

Not applicable.

5. Other

(1) Manufacturing, New orders and Sales

1) Manufacturing

(Millions of yen, figures less than 1 million yen have been omitted)

	Fiscal 2011 (April 1, 2011 to March 31, 2012)	Fiscal 2012 (April 1, 2012 to March 31, 2013)
Heat sinks	4,406	3,966

2) New Orders

(Millions of yen, figures less than 1 million yen have been omitted)

	Fiscal 2011 (April 1, 2011 to March 31, 2012)	Fiscal 2012 (April 1, 2012 to March 31, 2013)
Semiconductors	132,982	127,633
Electronic components	53,876	50,237
Electronic equipment	21,772	19,032
Ryosan products	5,312	4,706
Total	213,944	201,640

(2) Geographical Segment Information

Fiscal 2011, the fiscal year ended March 31, 2012
(April 1, 2011 to March 31, 2012)

(Millions of yen, figures less than ¥1 million have been omitted)

	Japan	Asia	Total	Eliminations or corporate	Consolidated
Sales:					
Sales to external customers	153,560	64,326	217,887	—	217,887
Internal sales between segments, or exchange	7,046	1,249	8,295	(8,295)	—
Total	160,606	65,575	226,182	(8,295)	217,887
Segment income	2,445	722	3,167	343	3,511

Notes:

- Country and regional segments are classified on the basis of geographic proximity.
- Principal countries and regions:

Asia : Hong Kong, China, Taiwan, Thailand, Singapore and others

Fiscal 2012, the fiscal year ended March 31, 2013
(April 1, 2012 to March 31, 2013)

(Millions of yen, figures less than ¥1 million have been omitted)

	Japan	Asia	Total	Eliminations or corporate	Consolidated
Sales:					
Sales to external customers	139,884	66,649	206,534	—	206,534
Internal sales between segments, or exchange	5,134	442	5,577	(5,577)	—
Total	145,019	67,092	212,111	(5,577)	206,534
Segment income	1,636	1,710	3,346	326	3,673

Notes:

- Country and regional segments are classified on the basis of geographic proximity.
- Principal countries and regions:

Asia : Hong Kong, China, Taiwan, Thailand, Singapore and others

(3) Changes of Directors (As of June 21, 2013)

Director to be promoted

Name	New position	Current position
Hiroyuki Kurihara	Managing Director General Manager, Sales Administration Headquarters concurrently General Manager, 3rd Domestic Marketing and Sales Headquarters concurrently General Manager, 1st Semiconductor Business Headquarters	Director General Manager, 3rd Domestic Marketing and Sales Headquarters concurrently General Manager, 1st Semiconductor Business Headquarters concurrently General Manager, Sales Administration Headquarters