

FY2010 First Half Results Meeting

Results for the six months ended September 30, 2010

FY2010 : Year ending March 31, 2011

November 18, 2010

Ryosan Company, Limited

Code : 8140 / Stock listings: Tokyo Stock Exchange (First Section)

URL : <http://www.ryosan.co.jp/eng/>

RYOSAN

Notice

This presentation contains forward-looking statements regarding business performance, which may differ substantially from actual results, depending on certain risks and uncertainties, the most significant of which are listed below.

- Economic conditions in key markets (Japan and the rest of Asia), rapid changes in consumption patterns and supply-demand balance for products
- Sharp fluctuations in the ¥/\$ exchange rate
- Substantial fluctuation in prices in capital markets

Overview of Consolidated Results

Unit: ¥ 100 million

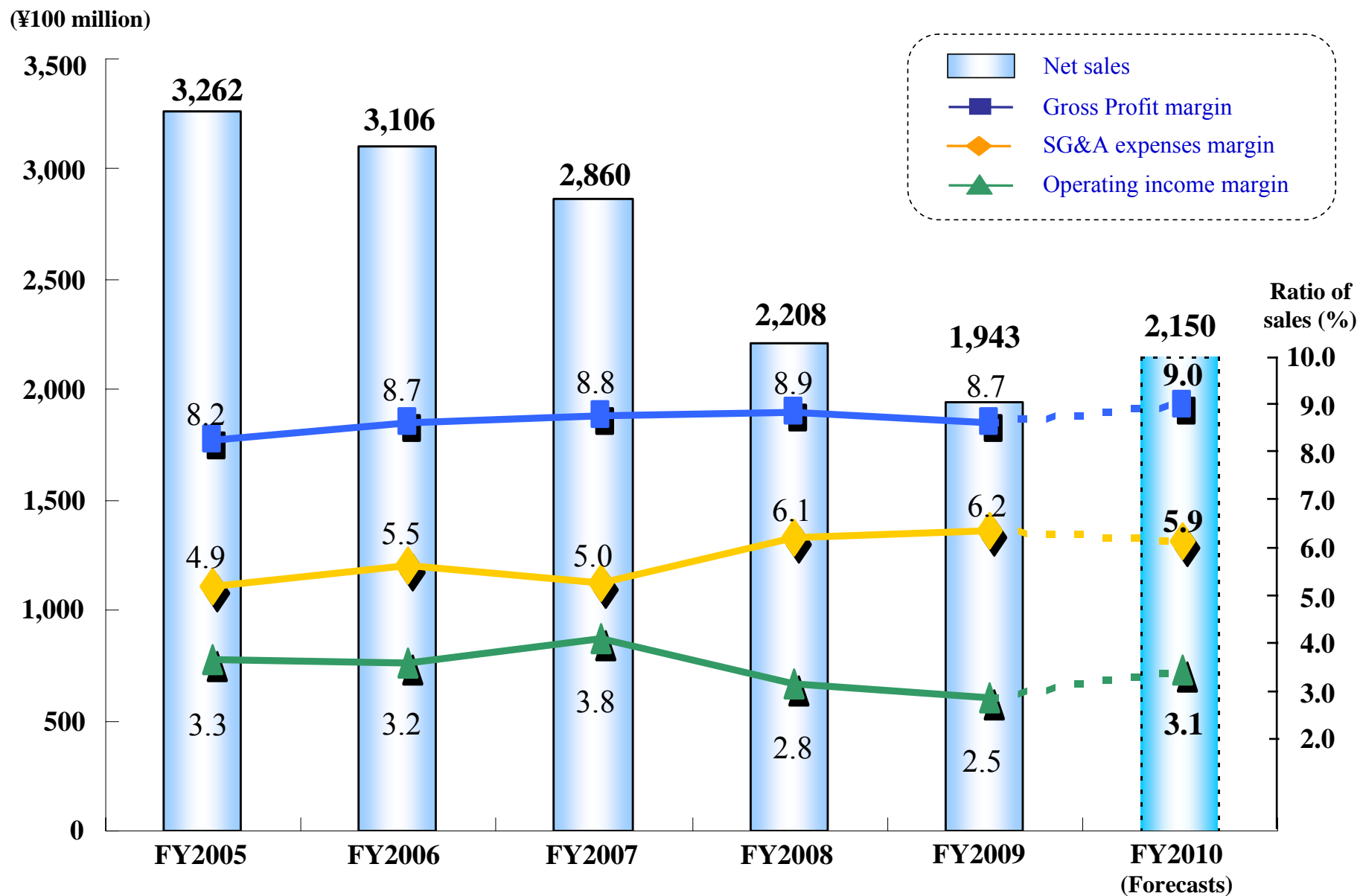
| | FY2009 | | | | FY2010 | | | | | | |
|----------------------|--------|--------|--------|----------|--------------|------------|----------------|------------|---------|----------|------------|
| | 1H | 2H | | Of Total | 1H (Results) | | 2H (Forecasts) | | | Of Total | % Chg. YoY |
| | | | | | | % Chg. YoY | | % Chg. YoY | | | |
| Net sales | 875 | 1,067 | 1,943 | % | 1,065 | +21.6% | 1,084 | +1.6% | 2,150 | % | +10.6% |
| Gross margin | 74 | 93 | 168 | 8.7 | 99 | +33.8 | 94 | +0.1 | 194 | 9.0 | +15.0 |
| SG&A expenses | 59 | 61 | 120 | 6.2 | 64 | +8.4 | 63 | +3.6 | 128 | 5.9 | +5.9 |
| Operating income | 15 | 32 | 47 | 2.5 | 35 | +131.4 | 30 | (6.5) | 66 | 3.1 | +37.9 |
| Ordinary income | 18 | 34 | 53 | 2.7 | 39 | +111.9 | 32 | (6.1) | 72 | 3.3 | +35.5 |
| Net income | 9 | 19 | 28 | 1.5 | 25 | +174.9 | 16 | (14.6) | 42 | 2.0 | +46.5 |
| Net income per share | ¥26.82 | ¥56.39 | ¥83.21 | | ¥73.74 | | ¥48.12 | | ¥121.86 | | + ¥38.65 |

Segment Information by Business Type

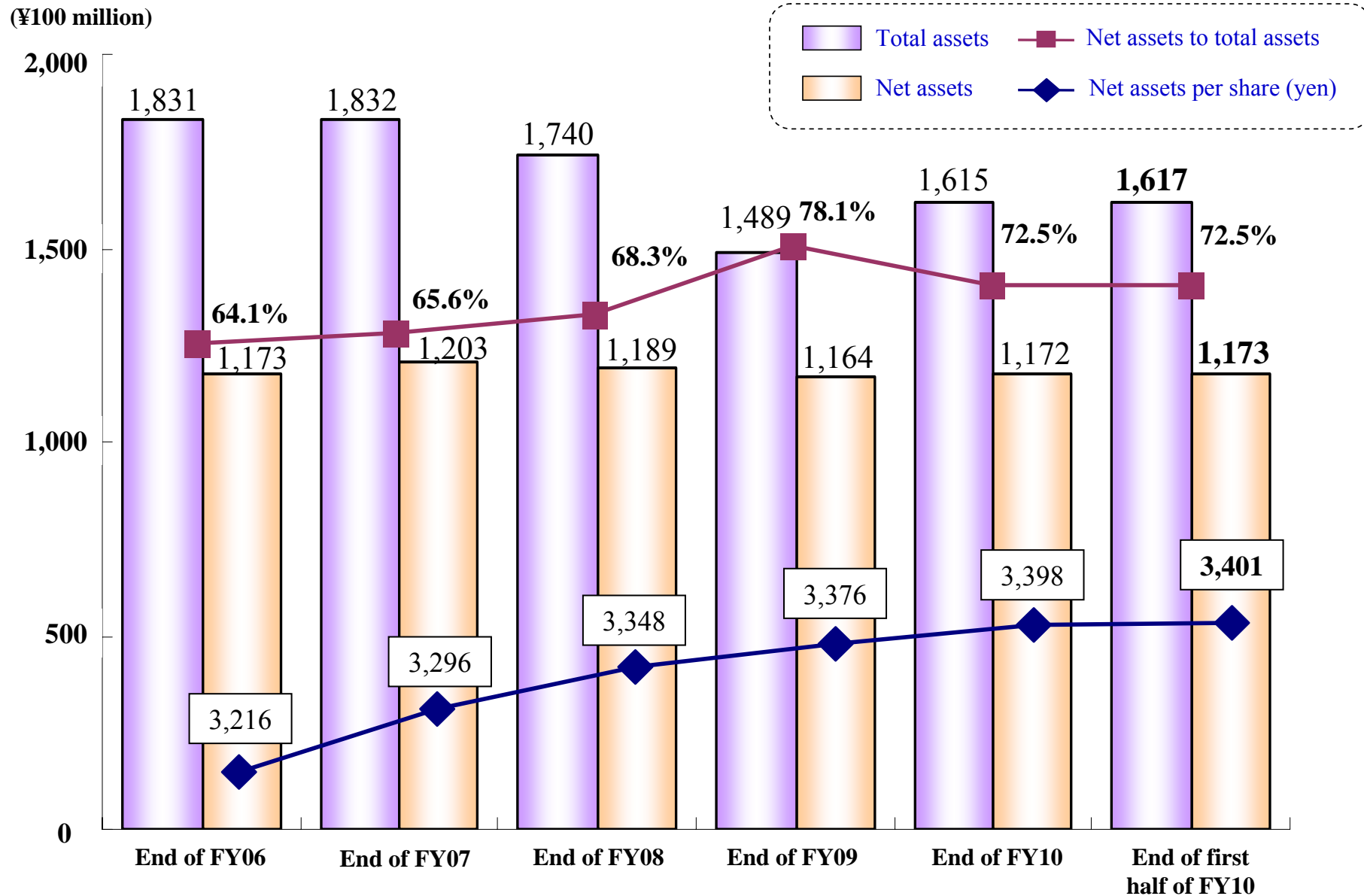
Unit: ¥ 100 million

| | | FY2009 | | | FY2010 | | | | | |
|--------------------------------|------------------|--------|-------|-------|--------------|------------|----------------|------------|-------|--------|
| | | 1H | 2H | | 1H (Results) | | 2H (Forecasts) | | | |
| | | | | | | % Chg. YoY | | % Chg. YoY | | |
| Semiconductors | Sales | 445 | 569 | 1,015 | 617 | +38.5% | 632 | +11.0% | 1,250 | +23.1% |
| | Operating income | 11 | 21 | 33 | 27 | +135.0 | 21 | +0.6 | 49 | +47.1 |
| Electronic Components | Sales | 293 | 310 | 604 | 301 | +2.5 | 305 | (1.6) | 607 | +0.4 |
| | Operating income | 9 | 13 | 23 | 12 | +29.4 | 10 | (23.0) | 23 | (0.7) |
| Electronic Equipment | Sales | 115 | 161 | 276 | 113 | (1.3) | 116 | (28.0) | 230 | (16.8) |
| | Operating income | 2 | 5 | 7 | 3 | +39.2 | 3 | (34.5) | 7 | (9.3) |
| Ryosan Products (Heat sinks) | Sales | 20 | 26 | 47 | 32 | +56.5 | 30 | +15.2 | 63 | +33.5 |
| | Operating income | 1 | 2 | 3 | 2 | +79.7 | 4 | +73.2 | 7 | +75.9 |
| Unallocable Operating expenses | | ▲10 | ▲10 | ▲20 | ▲10 | - | ▲10 | - | ▲20 | - |
| Consolidated | Sales | 875 | 1,067 | 1,943 | 1,065 | +21.6% | 1,084 | +1.6% | 2,150 | +10.6% |
| | Operating income | 15 | 32 | 47 | 35 | +131.4 | 30 | (6.5) | 66 | +37.9 |

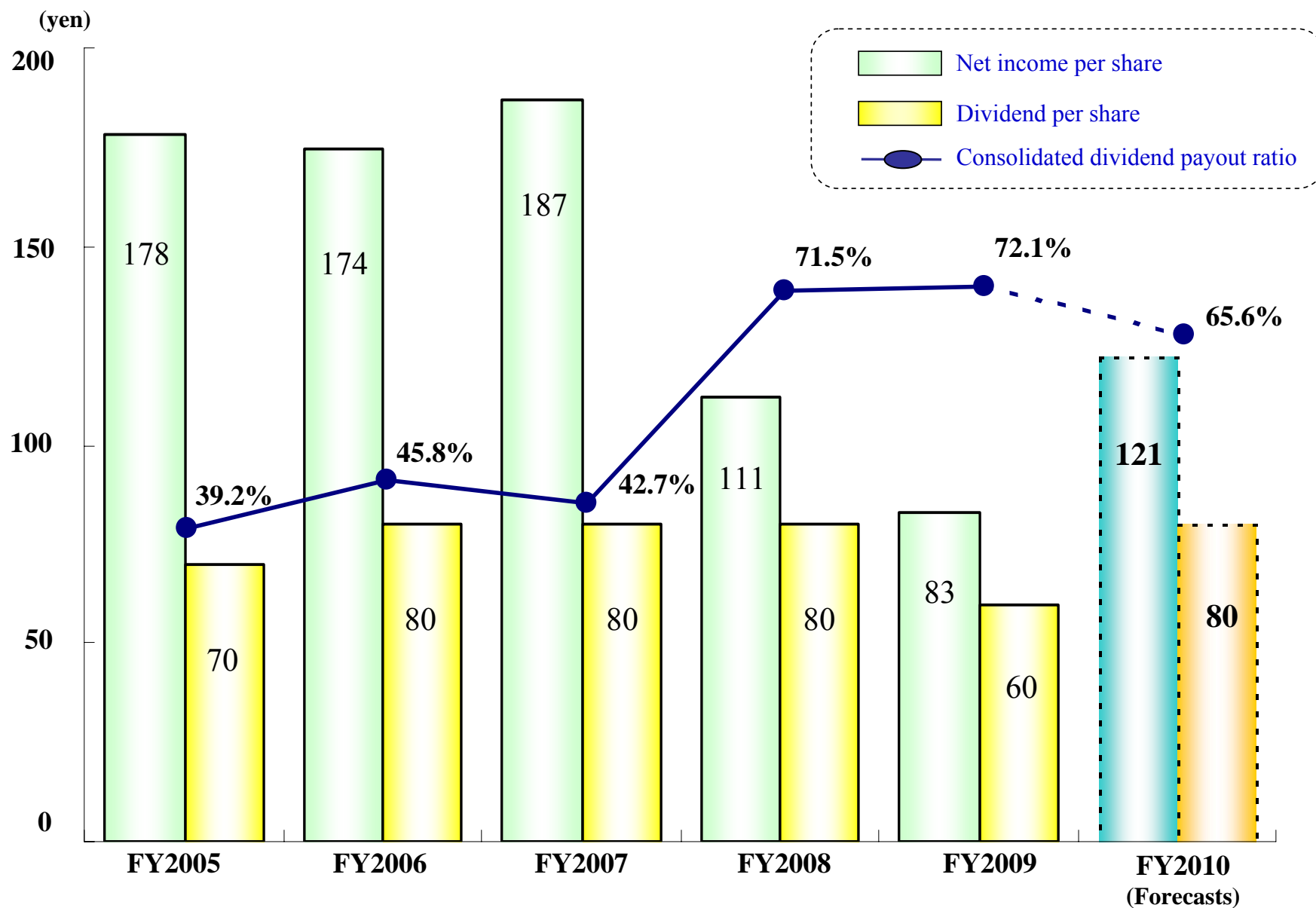
Consolidated Results Trend



Trend in Consolidated Financial Condition

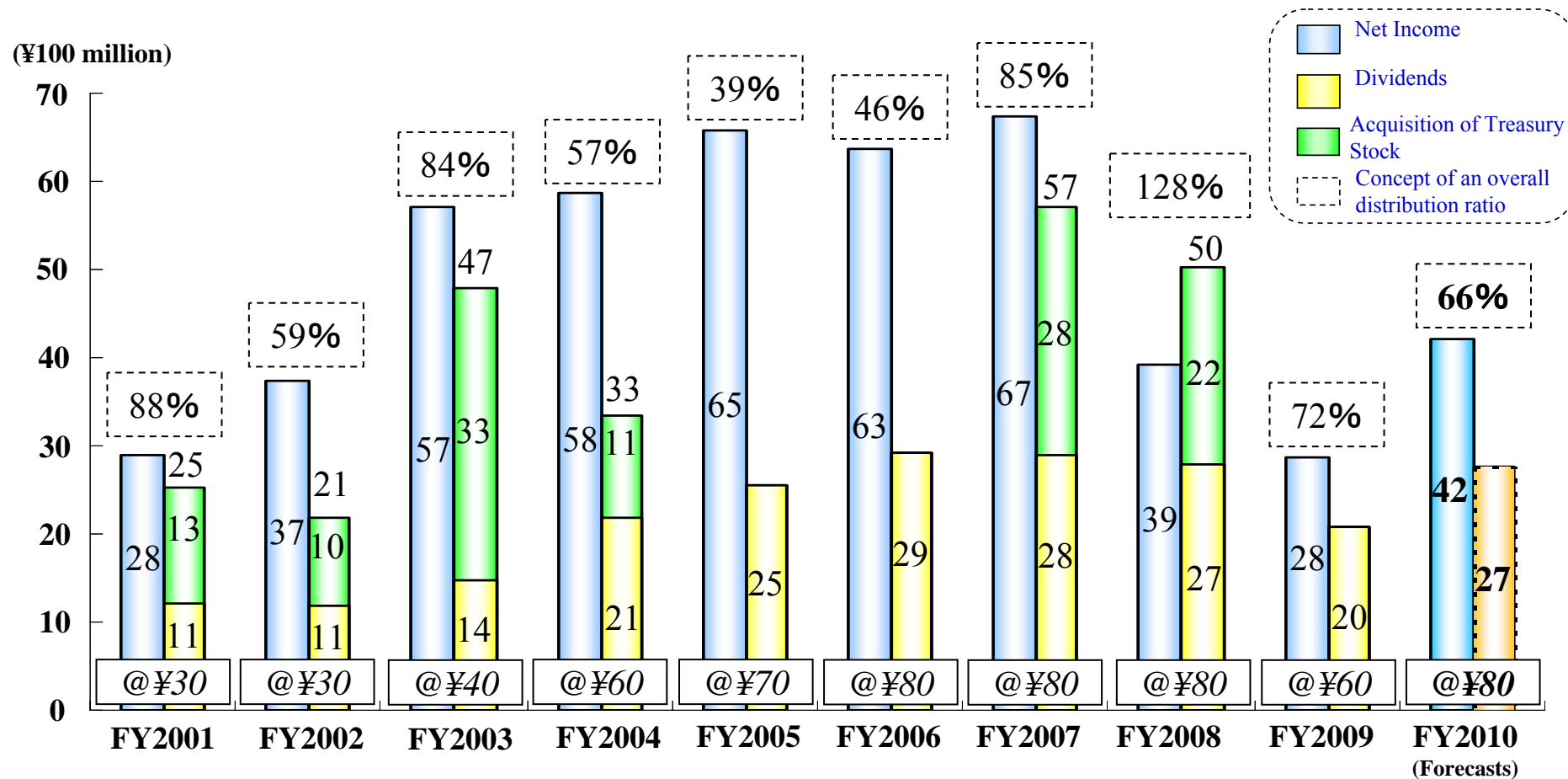


Trend in Net Income and Dividend per Share



【Reference】

Trends in Net Income, Dividends, and Acquisition of Treasury Stock



《Trends in Acquisition of Treasury Stock》

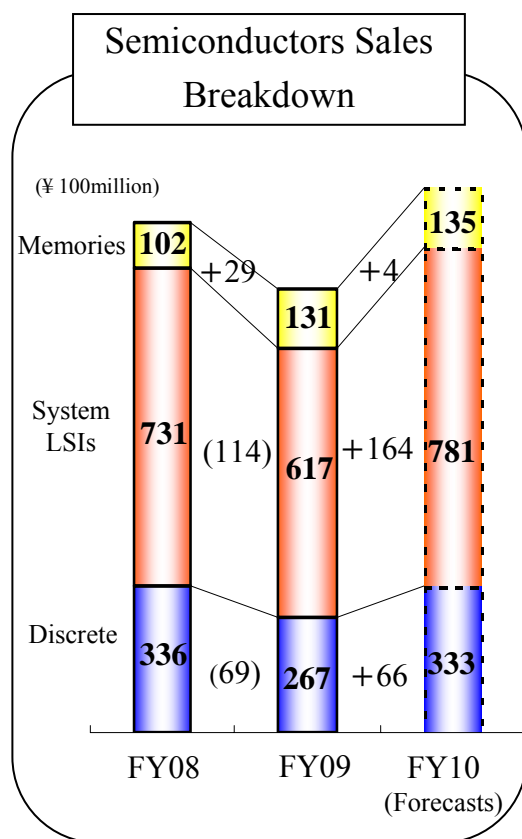
| | FY2001 | FY2002 | FY2003 | FY2004 | FY2005 | FY2006 | FY2007 | FY2008 | FY2009 | FY2010 | Total |
|-------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-------|
| Amount (100 million) | 13.2 | 10.1 | 33.1 | 11.3 | - | - | 28.8 | 22.5 | - | TBD | 119.0 |
| Number of stocks (10,000 shares) | 92.4 | 89.5 | 200.1 | 48.3 | - | - | 100.0 | 100.0 | - | TBD | 630.3 |

Semiconductors Sales Breakdown (By Product)

Unit: ¥ 100 million

| | | FY2009 | | | FY2010 | | | | | |
|-------------|----------------------------------|--------|-----|-------|--------------|------------|----------------|--------------|-------|--------|
| | | 1H | 2H | | 1H (Results) | | 2H (Forecasts) | | | |
| | | | | | | % Chg. YoY | | % Chg. 1H/2H | | |
| Memories | | 47 | 83 | 131 | 77 | +63.8% | 57 | (26.0)% | 135 | +3.1% |
| System LSIs | (Microcomputer) | 116 | 152 | 269 | 161 | +38.8 | 167 | +3.7 | 329 | +22.3 |
| | (ASIC/ASSP) | 155 | 193 | 348 | 222 | +43.2 | 229 | +3.2 | 452 | +29.9 |
| | | 271 | 346 | 617 | 384 | +41.7 | 397 | +3.4 | 781 | +26.6 |
| Discrete | (LCD drivers ICs) | 15 | 15 | 30 | 11 | (26.7) | 7 | (36.4) | 19 | (36.7) |
| | (Compound Semiconductor Devices) | 45 | 48 | 94 | 54 | +20.0 | 56 | +3.7 | 111 | +18.1 |
| | (Others) | 67 | 76 | 143 | 89 | +32.8 | 113 | +27.0 | 202 | +41.3 |
| | | 127 | 139 | 267 | 155 | +22.0 | 177 | +14.2 | 333 | +24.7 |
| Total | | 445 | 569 | 1,015 | 617 | +38.5 | 632 | +2.4 | 1,250 | +23.1 |

Semiconductors Sales Breakdown (By Product)



《 Results for the first half of fiscal 2010 (Year-on-year comparison) 》

[Memories] Sales of DRAMs for PCs and for semiconductor test equipment as well as related products increased.

[System LSIs] Sales of system LSIs for flat TVs and for cell phones and sales of microcomputers for car audios as well as related products increased.

[Discrete] Sales of general-purpose devices for DSCs and for TV tuners as well as related products increased.

《 Forecasts for the second half of fiscal 2010 (Comparison with first half results) 》

[Memories] Sales of DRAMs for memory modules as well as related products will increase, but DRAMs for PCs as well as related products will decrease.

[System LSIs] Sales of system LSIs for cell phones and microcomputers for car audios as well as related products will decrease, but system LSIs for DSCs as well as related products will increase.

[Discrete] Sales of driver ICs for LCDs as well as related products will decrease, but general-purpose devices for car audios and for DSCs as well as related products will increase.

Electronic Components Sales Breakdown (By product)

Unit: ¥ 100 million

| | FY2009 | | | FY2010 | | | | | |
|------------------------------|--------|-----|-----|--------------|------------|----------------|--------------|-----|--------|
| | 1H | 2H | | 1H (Results) | | 2H (Forecasts) | | | |
| | | | | | % Chg. YoY | | % Chg. 1H/2H | | |
| Display Devices | 66 | 71 | 137 | 79 | +19.7% | 87 | +10.1% | 166 | +21.2% |
| Power Supplies | 28 | 30 | 58 | 28 | 0.0 | 27 | (3.6) | 55 | (5.2) |
| Electromechanical Components | 199 | 209 | 409 | 193 | (3.0) | 190 | (1.6) | 384 | (6.1) |
| Total | 293 | 310 | 604 | 301 | +2.5 | 305 | +1.4 | 607 | +0.4 |

《 Results for the first half of fiscal 2010 (Year-on-year comparison) 》

[Display Devices] Sales of LCDs for DSCs and for FA equipment as well as related products increased.

[Power Supplies] Sales of power supplies for semiconductor test equipment as well as related products increased, but sales of batteries for DSCs as well as related products decreased.

[Electromechanical Components]

Sales of electromechanical components for automotive as well as related products increased, but sales of electromechanical components for game consoles as well as related products decreased.

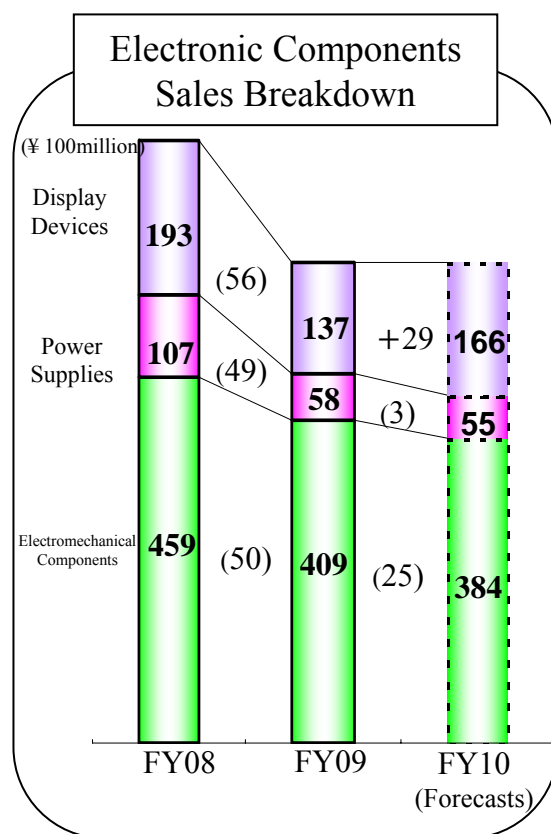
《 Forecasts for the second half of fiscal 2010 (Comparison with first half results) 》

[Display Devices] Sales of LCDs for DSCs and for tablet PCs as well as related products will increase.

[Power Supplies] Sales of power supplies for semiconductor test equipment as well as related products will increase, but sales of batteries for DSCs as well as related products will decrease.

[Electromechanical Components]

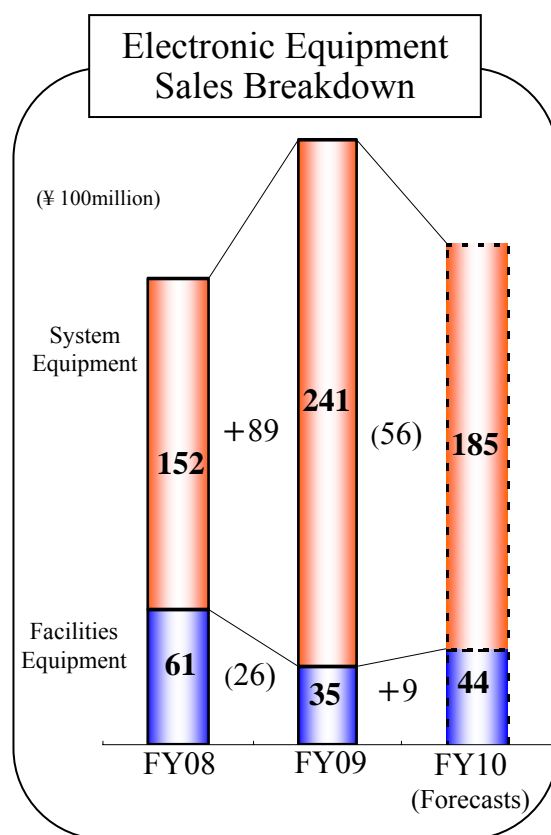
Sales of electromechanical components for cell phones as well as related products will increase, but sales of electromechanical components for game consoles as well as related products will decrease.



Electronic Equipment Sales Breakdown (By product)

Unit: ¥ 100 million

| | FY2009 | | | FY2010 | | | | | |
|----------------------|--------|-----|-----|--------------|------------|----------------|--------------|-----|---------|
| | 1H | 2H | | 1H (Results) | | 2H (Forecasts) | | | |
| | | | | | % Chg. YoY | | % Chg. 1H/2H | | |
| System Equipment | 103 | 137 | 241 | 97 | (5.8)% | 88 | (9.3)% | 185 | (23.2)% |
| Facilities Equipment | 12 | 23 | 35 | 16 | +33.3 | 27 | +68.8 | 44 | +25.7 |
| Total | 115 | 161 | 276 | 113 | (1.3) | 116 | +1.9 | 230 | (16.8) |



《 Results for the first half of fiscal 2010 (Year-on-year comparison) 》

[System Equipment] Sales of the system equipment for MFPs* as well as related products decreased.

[Facilities Equipment] The sales of the production equipment for liquid crystal panels as well as related products increased.

《 Forecasts for the second half of fiscal 2010 (Comparison with first half results) 》

[System Equipment] Sales of the system equipment for automotive and electric as well as related products will decrease.

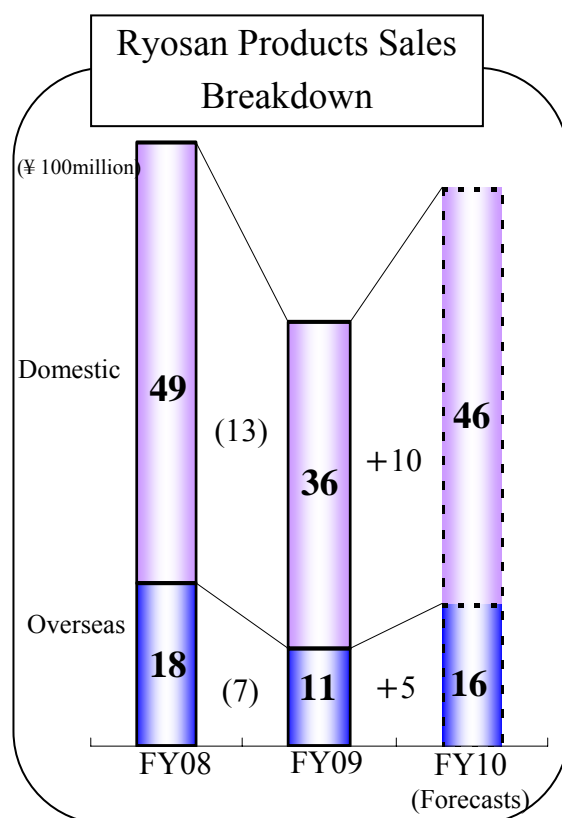
[Facilities Equipment] Sales of liquid crystal repair equipment as well as related products will increase.

*MFP: Multi-Functional Printer

Ryosan Products Sales Breakdown (By area)

Unit: ¥ 100 million

| | FY2009 | | | FY2010 | | | | | |
|----------|--------|------|------|--------------|------------|----------------|--------------|------|--------|
| | 1H | 2H | | 1H (Results) | | 2H (Forecasts) | | | |
| | | | | | % Chg. YoY | | % Chg. 1H/2H | | |
| Domestic | 15.1 | 20.8 | 36.0 | 24.2 | +60.3% | 22.3 | (7.9)% | 46.6 | +29.4% |
| Overseas | 5.7 | 5.4 | 11.2 | 8.4 | +47.4% | 7.9 | (6.0)% | 16.4 | +45.1% |
| Total | 20.8 | 26.3 | 47.2 | 32.6 | +56.5% | 30.3 | (7.3)% | 63.0 | +33.5% |



《 Results for the first half of fiscal 2010 (Year-on-year comparison) 》

[Domestic] Sales of heat sinks for FA equipment and for air-conditioners as well as related products increased.

[Overseas] Sales of heat sinks for flat TVs and for air-conditioners as well as related products increased.

《 Forecasts for the second half of fiscal 2010 (Comparison with first half results) 》

[Domestic] Sales of heat sinks for flat TVs as well as related products will increase, but sales of heat sinks for air-conditioners as well as related products will decrease.

[Overseas] Sales of heat sinks for flat TVs as well as related products will increase, but sales of heat sinks for air-conditioners as well as related products will decrease.

Overseas Sales Breakdown

Unit: ¥ 100 million

| | FY2009 | | | | FY2010 | | | | | | |
|------------------------|--------|-------|-------|----------|--------------|------------|----------------|------------|-------|----------|------------|
| | 1H | 2H | | Of Total | 1H (Results) | | 2H (Forecasts) | | | Of Total | % Chg. YoY |
| | | | | | | % Chg. YoY | | % Chg. YoY | | | |
| Consolidated net sales | 875 | 1,067 | 1,943 | — | 1,065 | +21.6 | 1,084 | +1.6 | 2,150 | — | +10.6 |
| Japan | 575 | 706 | 1,282 | 66.0 | 693 | +20.4 | 716 | +1.4 | 1,410 | 65.6 | +10.0 |
| Asia (Excluding Japan) | 299 | 361 | 661 | 34.0 | 372 | +24.1 | 367 | +1.8 | 740 | 34.4 | +11.9 |
| (Chinese Bloc) | 159 | 210 | 369 | 19.0 | 210 | +32.1 | 219 | +4.3 | 430 | 20.0 | +16.5 |

Key Clients

《Top 40》

| | Top 1-10 | Top 11-20 | Top 21-30 | Top 31-40 |
|--|---|---|---|--|
| Clients (alphabetical order) | Calsonic Kansei DENSO Fuji Film HITACHI Mitsubishi Electric NEC NINTENDO Panasonic PIONEER SAMSUNG Group (K) | ADVANTEST ALPS Electric Brother Industries CASIO COMPUTER Fuji Xerox OMRON SHARP Sumitomo Wiring Systems YAMAHA YASKAWA Electric | ALPINE Clarion Furuno Electric JVC Mamiya-OP NIKON Sumitomo Electric Industries Taiyo Yuden TOSHIBA TEC YAZAKI meter | Fujitsu Hyundai Group (K) JRC KENWOOD Panasonic Electric Works SANYO Electric Stanley Electric TAKATA TDK TOSHIBA |
| Percentage Sales of all clients | (Top 10) 41% | (Top 20) 56% | (Top 30) 64% | (Top 40) 68% |

《Top 5 (by business)》

| Semiconductor | Electronic Equipment |
|--|--|
| Fuji Film HITACHI Mitsubishi Electric PIONEER SAMSUNG Group (K) | DENSO Fuji Xerox HITACHI NEC Panasonic |
| (Top 5) 35% | (Top 5) 68% |
| Electronic Components | Ryosan Product |
| Calsonic Kansei Mitsubishi Electric NEC NINTENDO Panasonic | DENSO FANUC HITACHI Mitsubishi Electric TOSHIBA |
| (Top 5) 29% | (Top 5) 38% |

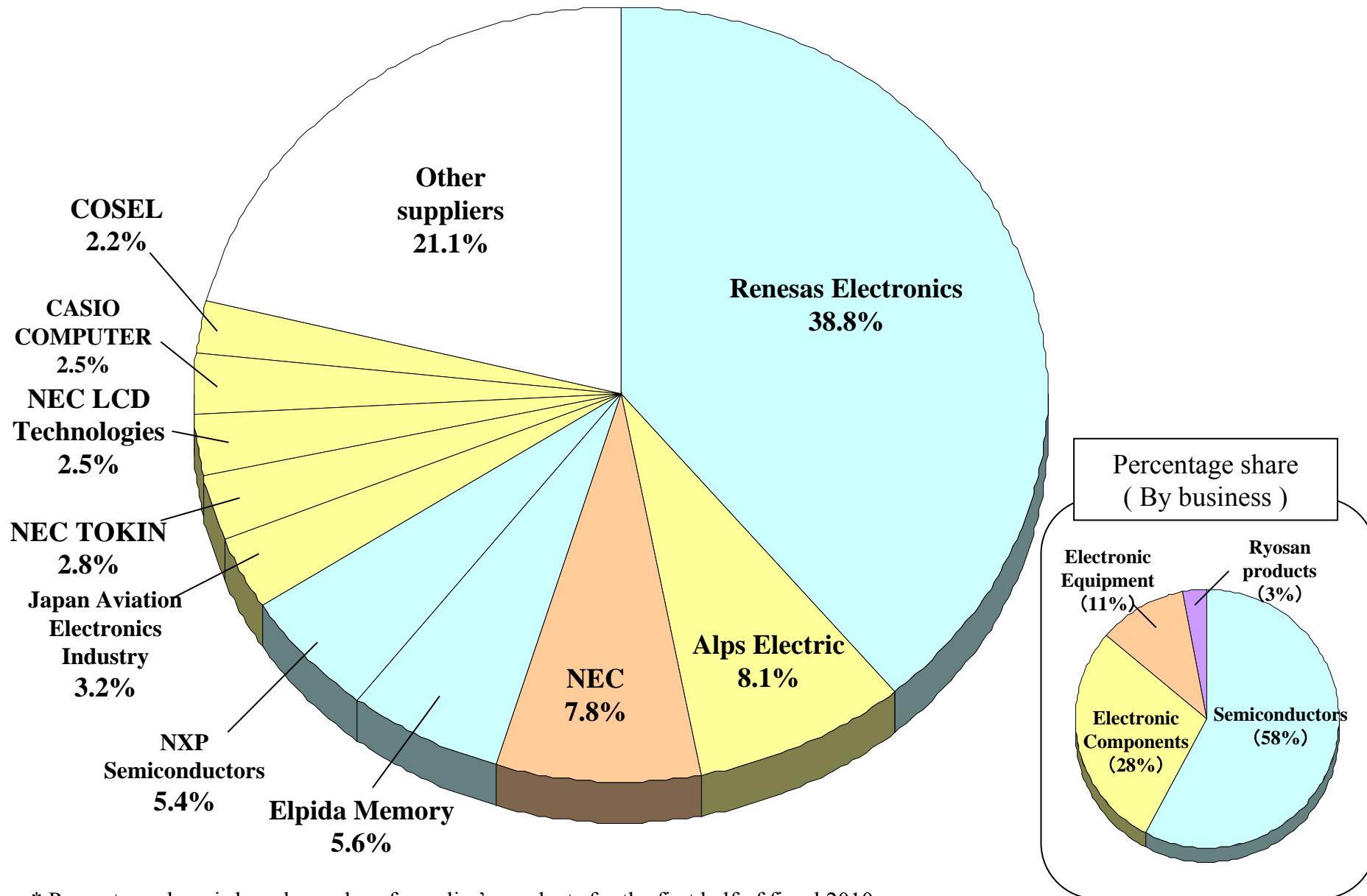
(alphabetical order)

* Rank and percentage share are based on results for first half of FY2010 .

* K: Customer in Korea

* The blue characters represent the clients for which our sales increased by over 30% from the previous term.

Main Suppliers

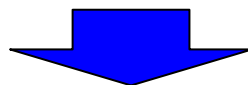


* Percentage share is based on sales of supplier's products for the first half of fiscal 2010.

State of Progress with Main Themes to be Addressed

Measures for “the new Renesas Electronics”

- ◆ Swift development of systems and expand businesses for the “Renesas Electronics business”



● Engaging in positive investment in sales offices, in line with business expansion

[Domestic]

- Expanding “1st Nagoya Sales Branch,” “Tsu Sales Branch,” “Kobe Sales Branch,” “Himeji Sales Branch” and “Okayama Sales Branch.”

[Overseas]

- Newly open a California office for Ryosan Technologies USA (July 2010).
- Planning to expand local subsidiaries in China.
- Now discussing concrete plans for establishing offices in Europe.

● Enhancing technical support capabilities, in line with product lineup expansions

- Generally acquired technical support capabilities for former Renesas Technology products. Begun to provide actual support since October.
- Gradually begun to do business with System Houses, external companies that have a strength in former Renesas Technology products.

State of Progress with Main Themes to be Addressed

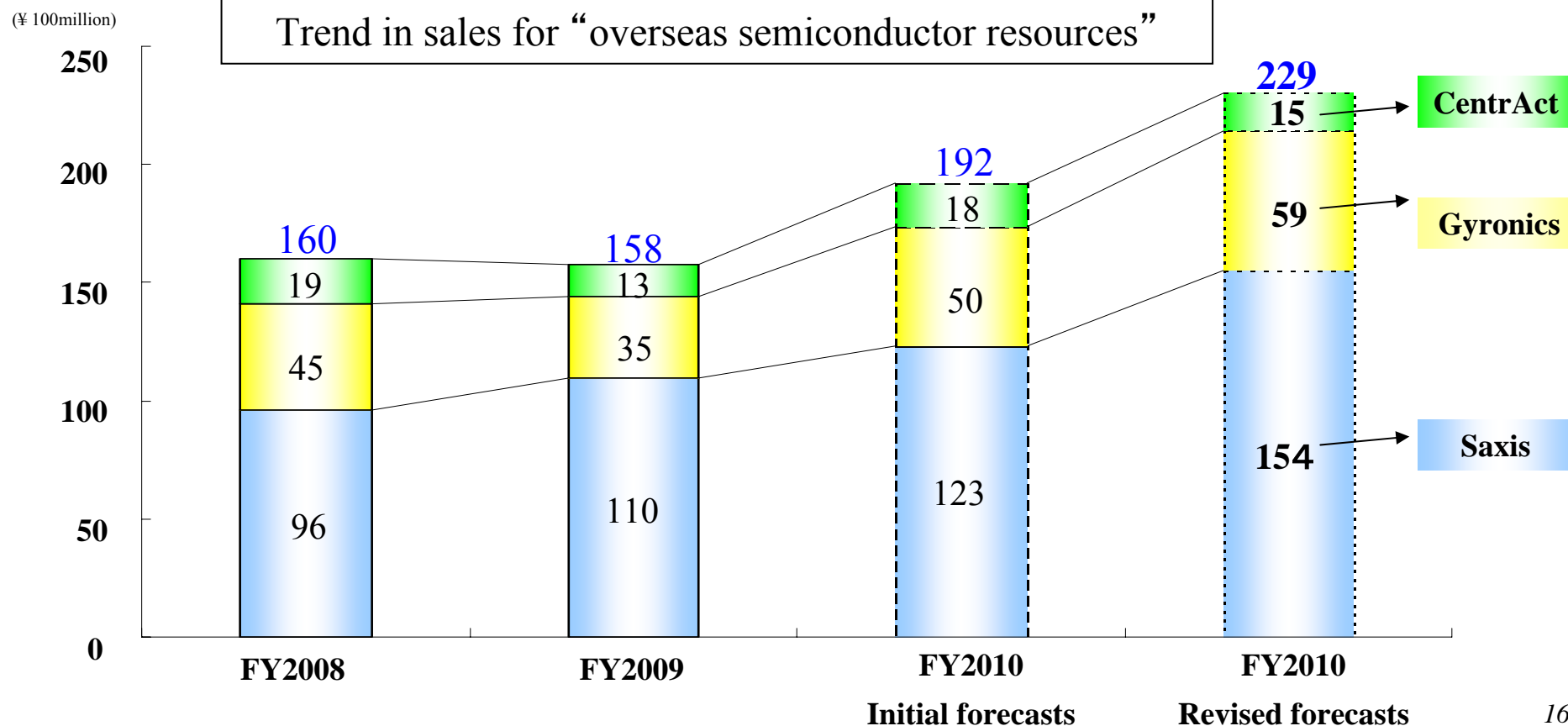
Business expansion for “overseas semiconductor resources”

● Saxis and Gyronics

⇒ These are on a growth path based primarily on NXP and Cypress businesses.

● CentrAct

⇒ Will require a little more time for structural issues to be solved.



State of Progress with Main Themes to be Addressed

Expansion of China Bloc (Hong Kong, China, Taiwan) and South Korea

● Local business within the China bloc: sluggish growth

⇒ There is sluggish growth in digital AV, but we are now launching an automotive products business.

We plan to reform our business infrastructure in order to adapt to changes.

