



# **FY2010 Results Meeting**

**FY2010 : Year ended March 31, 2011**

**May 31, 2011**

**Ryosan Company, Limited**

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

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

**RYOSAN**

# Damages caused to the company by Eastern Japan Earthquake, and current situation with countermeasures

## 1. Human losses

⇒ There have been no human losses among the employees of our company or their families.

## 2. Impact on business infrastructure

### (1) Tokyo Headquarters area

⇒ Emergency task force headed by Naoto Mimatsu, President was established on 3/11.

Meetings to devise countermeasures were held from 8:00 every day.

Promoted unified management of information regarding the company issues, suppliers, and customers, and made sure the directions regarding the same are thorough.

### (2) Situation with physical distribution

⇒ Our company's distribution center base in East Japan is located in Kawasaki, but it was not affected by the earthquake in any way and is conducting operations as always.

### (3) Business bases

1. Sendai Sales Branch: ⇒ Lifeline stopped after the earthquake. Resumed operations at a temporary office (Tokyo) from 3/24.

Started conducting operations as always at the Sendai Sales Branch from 4/21.

2. Iwaki Sales Branch: ⇒ Lifeline stopped after the earthquake. Resumed operations at a temporary office (Tokyo) from 3/17.

# Measures regarding power saving, and reconstruction assistance

## 1. Measures regarding power saving (target set at about 15% reduction)

### (1) Measures conducted on the whole company basis

⇒ across-the-board nonworking days on 8/15, 16.

⇒ Cool biz enforced starting from 6/1.

### (2) Measures conducted at offices, such as in the headquarters area and the business bases

⇒ air-conditioning set at 28 degrees, 1/3 of the lighting limited, restrictions enforced on hot-water supply devices, etc.

## 2. Reconstruction assistance

(1) Contributions ⇒ contributed 10 million yen to the Japanese Red Cross Society.

⇒ 3 million yen contributed respectively to each of the municipalities of Sendai, Iwaki, and Hitachinaka, reaching the total of 9 million yen.

(2) Other ⇒ Supporting suppliers and customers as requested.

\*Measures (1) - (2) listed above were performed by 3/31.

# Overview of Consolidated results

Unit: ¥ 100 million

	FY2008		FY2009			FY2010				
		Of Total		Of Total	% Chg. YoY	1H	2H		Of Total	% Chg. YoY
Net sales	2,208	%	1,943	%	(12.0)%	1,065	1,096	2,161	%	+11.2%
Gross margin	196	8.9	168	8.7	(14.0)	99	90	190	8.8	+12.8
SG&A expenses	134	6.1	120	6.2	(10.3)	64	65	129	6.0	+7.2
Operating income	61	2.8	47	2.5	(22.1)	35	25	60	2.8	+27.0
Ordinary income	72	3.3	53	2.7	(26.9)	39	29	68	3.2	+29.6
Net income	39	1.8	28	1.5	(26.8)	25	15	41	1.9	+44.0
Earnings per share	¥111.83		¥83.21		(¥28.62)	¥73.74	¥46.11	¥119.85		+¥36.64

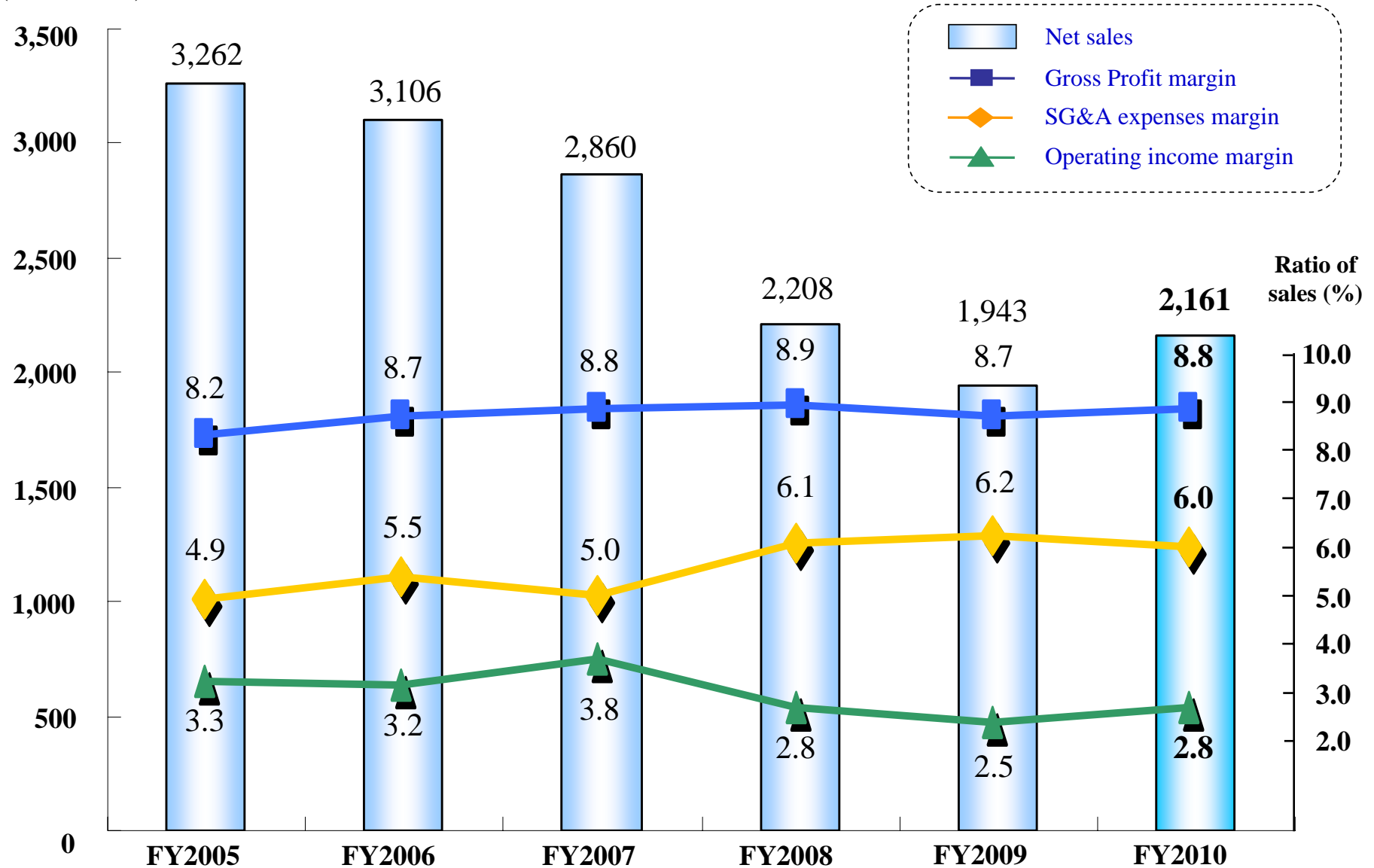
# Segment Information by Business Type

Unit: ¥ 100 million

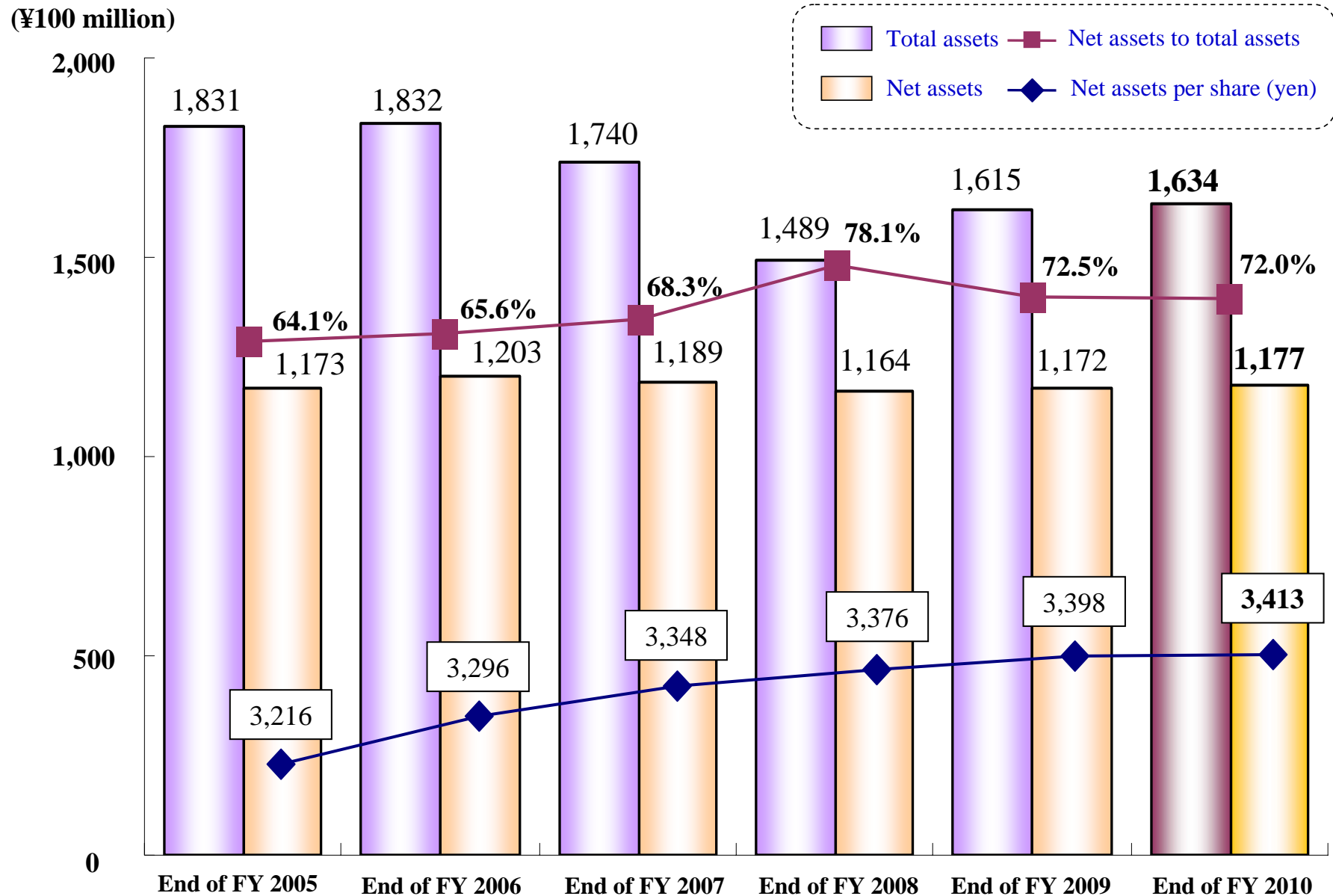
		FY2008		FY2009			FY2010		
			OP Margin		OP Margin	% Chg. YoY		OP Margin	% Chg. YoY
Semiconductors	Sales	1,169	%	1,015	%	(13.2)%	1,237	%	+21.9%
	Operating income	48	4.2	33	3.3	(31.9)	45	3.7	+37.8
Electronic Components	Sales	759		604		(20.4)	600		(0.7)
	Operating income	28	3.7	23	3.8	(17.9)	22	3.7	(3.1)
Electronic Equipment	Sales	213		276		+29.7	258		(6.5)
	Operating income	4	2.1	7	2.8	+74.1	9	3.5	+17.4
Ryosan Products (Heat sinks)	Sales	67		47		(29.7)	64		+37.2
	Operating income	5	7.7	3	8.4	(22.5)	4	7.5	+22.0
Unallocable Operating expenses		▲25	-	▲20	-	-	▲21	-	-
Consolidated	Sales	2,208	%	1,943	%	(12.0)%	2,161	%	+11.2%
	Operating income	61	2.8	47	2.5	(22.1)	60	2.8	+27.0

# Consolidated results Trend

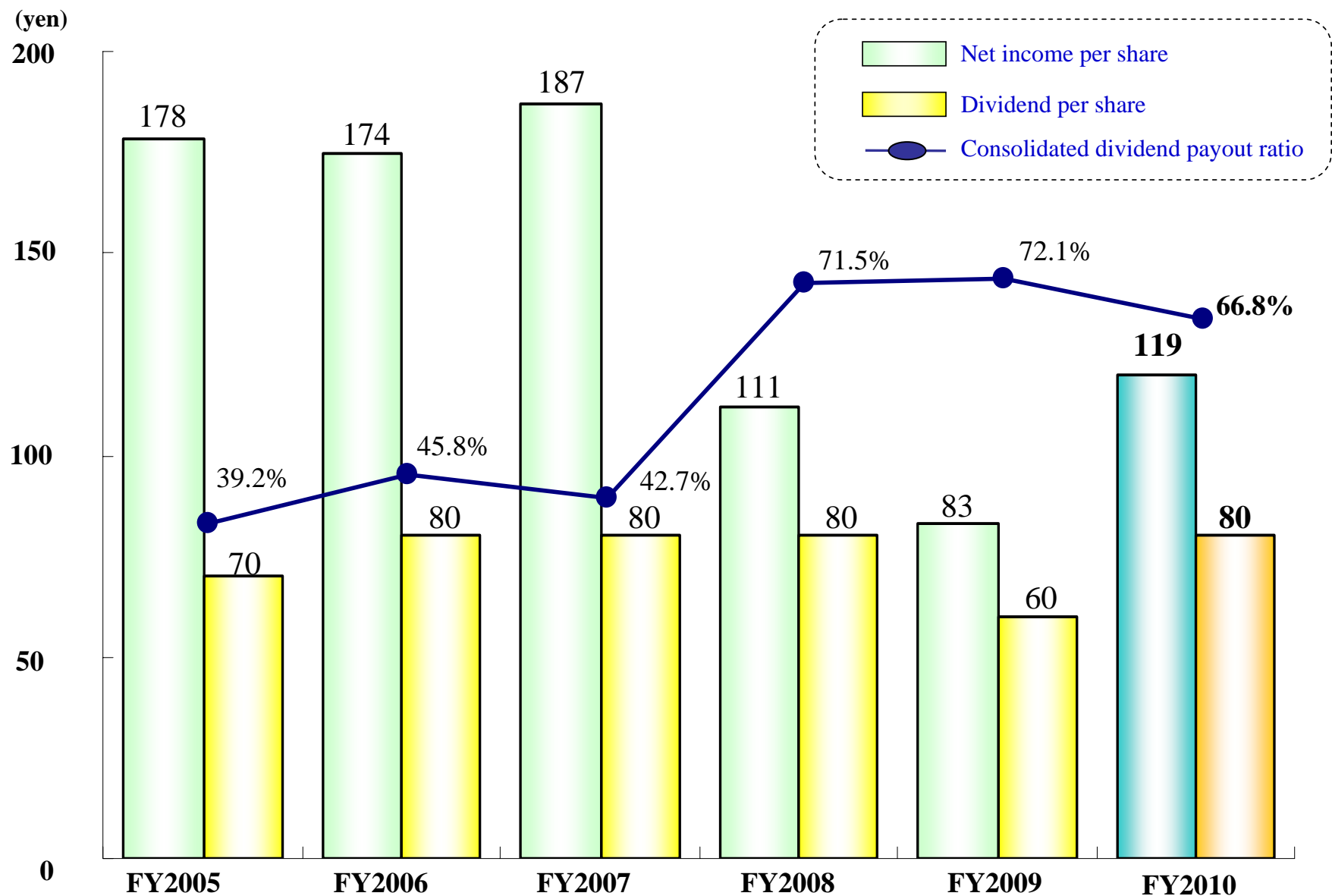
(¥100 million)



# Trends in Consolidated Financial Position



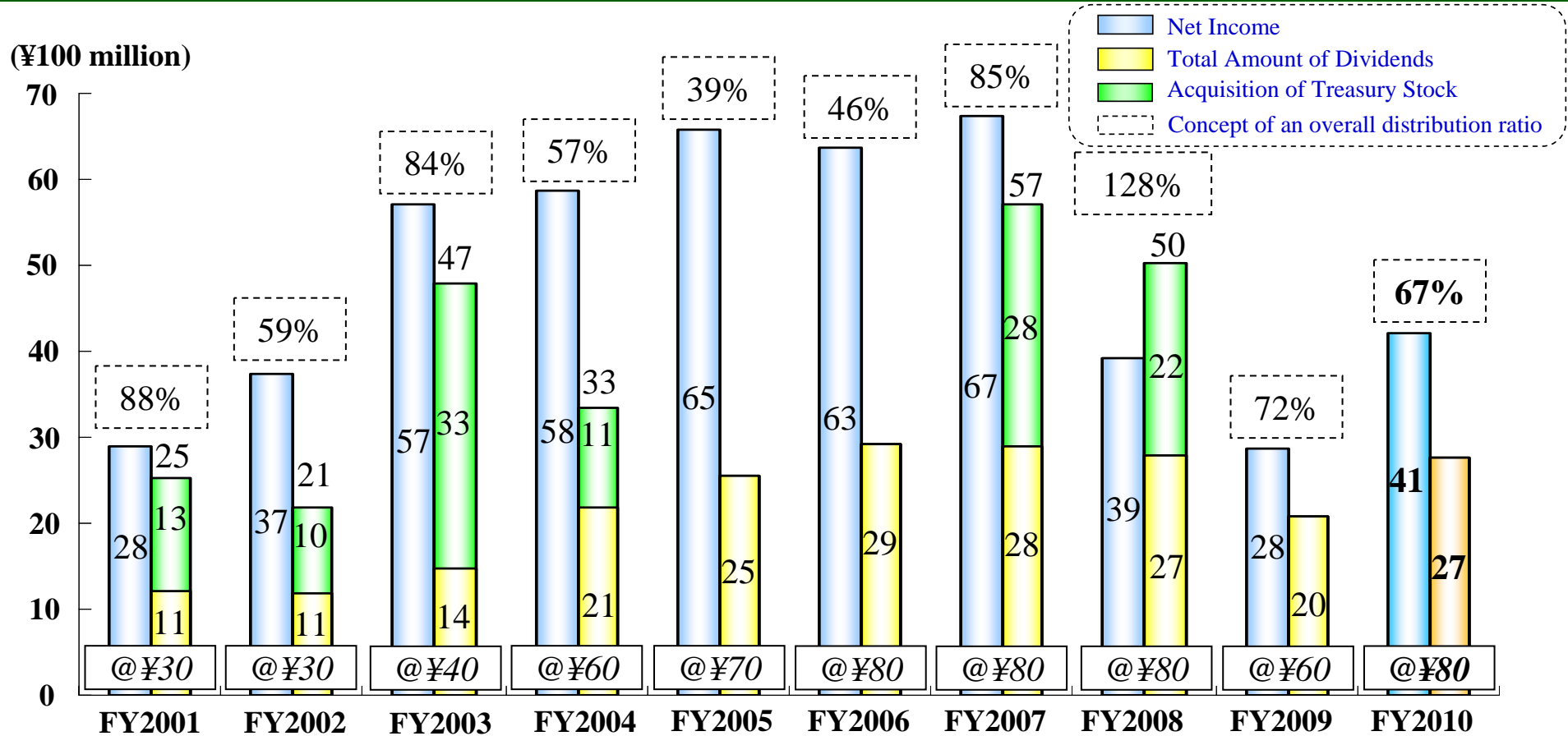
# Trend in net income and dividend per share





**[Reference]**

## Trends in Net Income, Total Amount of 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	-	-	119.0
Number of stocks (10,000 shares)	92.4	89.5	200.1	48.3	-	-	100.0	100.0	-	-	630.3

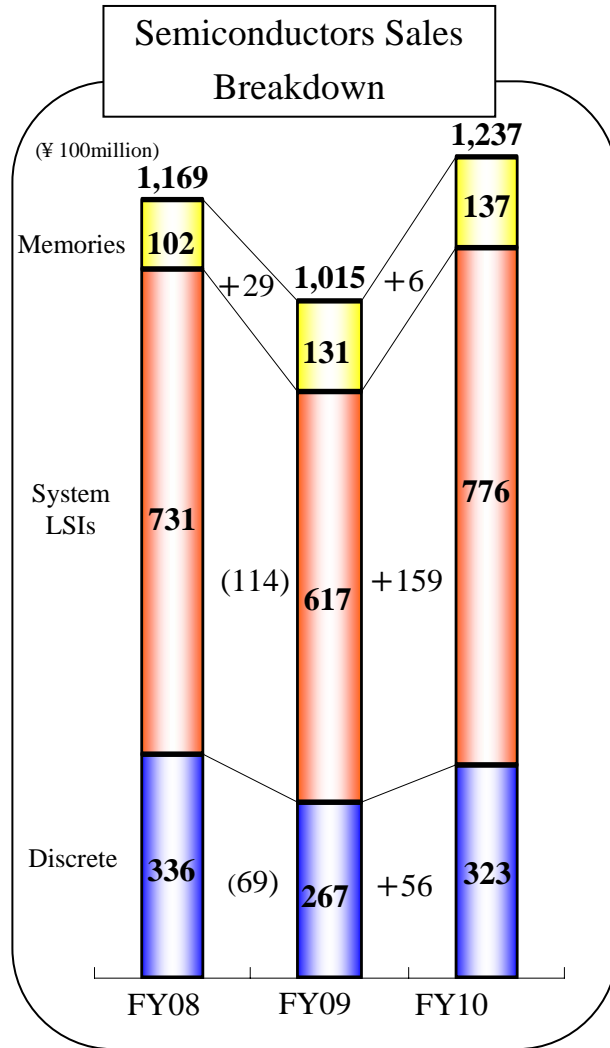
# Semiconductors Sales Breakdown (By Product)

Unit: ¥ 100 million

		FY2008		FY2009			FY2010		
			Of Total		Of Total	% Chg. YoY		Of Total	% Chg. YoY
Memories		<b>102</b>	<b>8.7</b> <sup>%</sup>	<b>131</b>	<b>12.9</b> <sup>%</sup>	<b>+ 28.4</b> <sup>%</sup>	<b>137</b>	<b>11.1</b> <sup>%</sup>	<b>+ 4.6</b> <sup>%</sup>
System LSIs	(Microcomputer)	273	23.4	269	26.5	(1.5)	334	27.0	+24.2
	(ASIC / ASSP)	458	39.2	348	34.3	(24.0)	442	35.7	+27.0
		<b>731</b>	<b>62.5</b>	<b>617</b>	<b>60.8</b>	<b>(15.6)</b>	<b>776</b>	<b>62.7</b>	<b>+ 25.8</b>
Discrete	(PMD) *	148	12.7	124	12.2	(16.2)	166	13.4	+33.9
	(Compound Semiconductor Devices)	108	9.2	94	9.3	(13.0)	104	8.4	+10.6
	(Others)	79	6.8	48	4.7	(39.2)	52	4.2	+8.3
		<b>336</b>	<b>28.7</b>	<b>267</b>	<b>26.3</b>	<b>(20.5)</b>	<b>323</b>	<b>26.1</b>	<b>+ 21.0</b>
<b>Total</b>		<b>1,169</b>		<b>1,015</b>		<b>(13.2)</b>	<b>1,237</b>		<b>+ 21.9</b>

\* PMD: Power Management Device

# Semiconductors Sales Breakdown (By Product)



## 《Result for fiscal 2010 (As compared with the last fiscal year)》

**[Memories]** While sales of DRAMs for cell phones as well as related products decreased, DRAMs for semiconductor test equipment as well as related products increased.

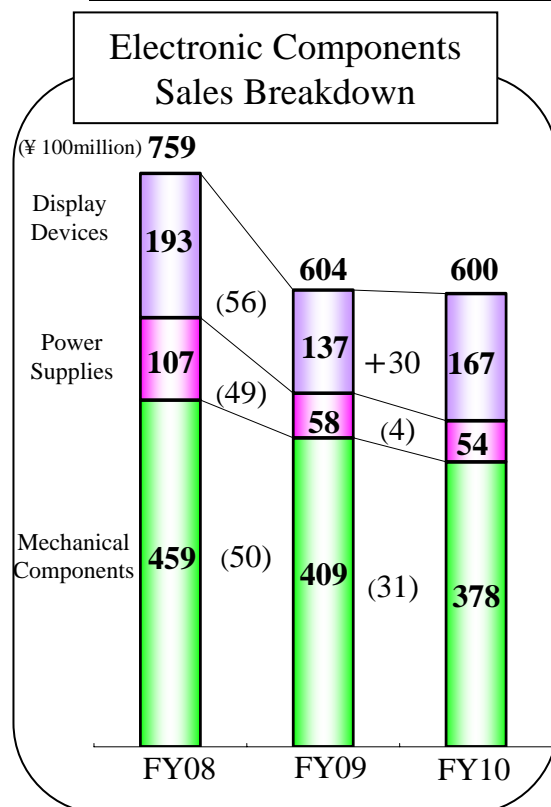
**[System LSIs]** Sales of system LSIs for car audios and flat TVs as well as related products increased.

**[Discrete]** Although driver ICs for LCDs as well as related products decreased, PMD for digital cameras as well as related products increased.

# Electronic Components Sales Breakdown (By product)

Unit: ¥ 100 million

	FY2008	FY2009		FY2010	
			% Chg. YoY		% Chg. YoY
Display Devices	193	137	(29.0)%	167	+ 21.9%
Power Supplies	107	58	(45.8)	54	(6.9)
Mechanical Components	459	409	(10.9)	378	(7.6)
Total	759	604	(20.4)	600	(0.7)



## 《Results for fiscal 2010 (As compared with the last fiscal year)》

**[Display Devices]** Sales of liquid crystal displays for digital cameras and printers as well as related products increased.

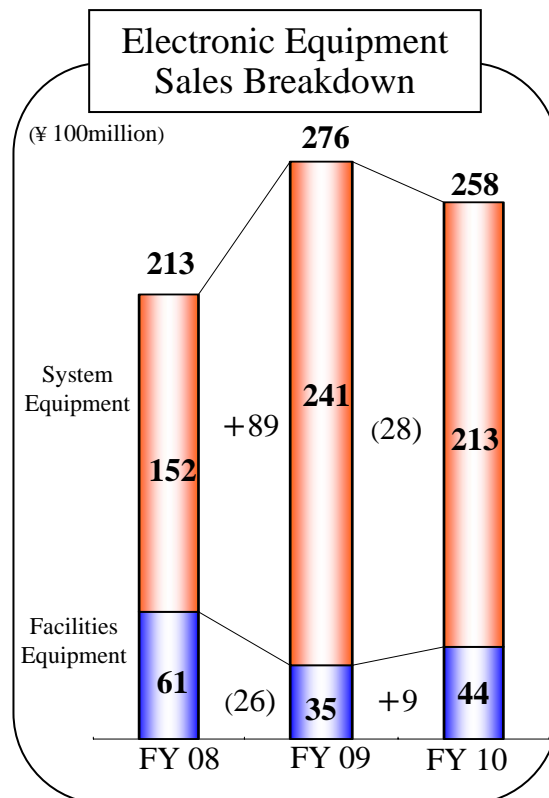
**[Power Supplies]** Although there was an increase in sales of electric power supplies for semiconductor test equipment as well as related products, sales of rechargeable batteries for digital cameras as well as related products decreased.

**[Mechanical Components]** Although sales of mechanical parts for in-vehicle electrical components as well as related products increased, sales of electromechanical components for game consoles as well as related products decreased.

# Electronic Equipment Sales Breakdown (By product)

Unit: ¥ 100 million

	FY2008	FY2009		FY2010	
			% Chg. YoY		% Chg. YoY
System Equipment	152	241	+ 58.6%	213	(11.6)%
Facilities Equipment	61	35	(42.6)	44	+ 25.7
Total	213	276	+ 29.7	258	(6.5)



## 《Results for fiscal 2010 (As compared with the last fiscal year)》

**[System Equipment]** Sales of system devices for multifunction color printers as well as related products decreased.

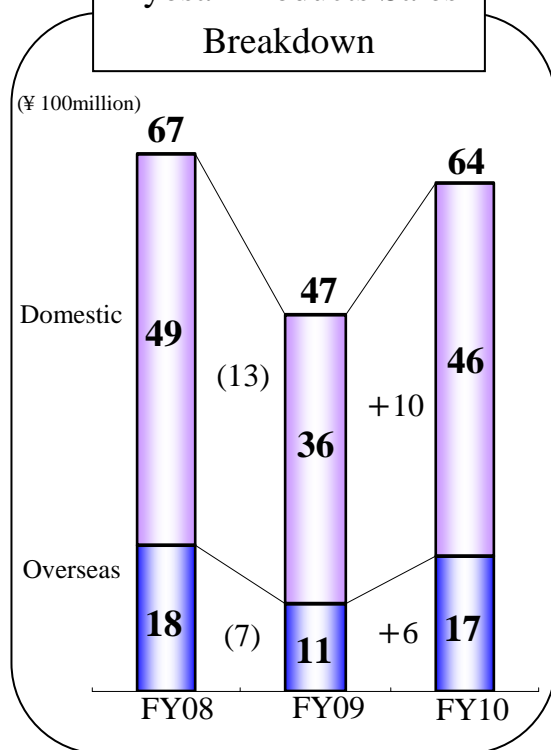
**[Facilities Equipment]** Sales of liquid crystal repair equipment products as well as related products decreased, but sales of sputtering equipments as well as related products increased.

# Ryosan Products Sales Breakdown (By area)

Unit: ¥ 100 million

	FY2008	FY2009		FY2010	
			% Chg. YoY		% Chg. YoY
Domestic	49	36	(26.5) <sup>%</sup>	46	+27.8 <sup>%</sup>
Overseas	18	11	(38.9)	17	+54.5
Total	67	47	(29.7)	64	+37.2

Ryosan Products Sales Breakdown



## 《Results for fiscal 2010 (As compared with the last fiscal year)》

**[Domestic]** Sales of heat sinks for FA equipment and major home appliances as well as related products increased.

**[Overseas]** Sales of heat sinks for flat TVs as well as related products increased.

# Overseas Sales Breakdown

Unit: ¥ 100 million

	FY2008		FY2009			FY2010		
		Of Total		Of Total	% Chg. YoY		Of Total	% Chg. YoY
Consolidated net sales	2,208	— %	1,943	— %	(12.0) %	2,161	— %	+11.2 %
Japan	1,368	62.0	1,282	66.0	(6.3)	1,423	65.8	+11.0
<b>Overseas</b>	<b>840</b>	<b>38.0</b>	<b>661</b>	<b>34.0</b>	<b>(21.3)</b>	<b>738</b>	<b>34.2</b>	<b>+11.6</b>
<b>(Chinese Bloc)</b>	<b>466</b>	<b>21.1</b>	<b>369</b>	<b>19.0</b>	<b>(20.8)</b>	<b>440</b>	<b>20.4</b>	<b>+19.2</b>

# Key Clients

## 《Top 40》

	Top 1-10	Top 11-20	Top 21-30	Top 31-40
<b>Clients</b> (alphabetical order)	Calsonic Kansei CASIO COMPUTER DENSO HITACHI Mitsubishi Electric NEC NIKON Panasonic PIONEER SHARP	ADVANTEST ALPS Electric Brother Industries Fuji Film Mamiya-OP NINTENDO OMRON SAMSUNG Group (K) Sumitomo Wiring Systems YAMAHA	ALPINE Clarion Fuji Xerox Furuno Electric JVC Sumitomo Electric Industries Taiyo Yuden TOSHIBA TEC YASKAWA Electric YAZAKI meter	Fujitsu Hyundai Motor Group (K) JRC KENWOOD Panasonic Electric Works SANYO Electric Stanley Electric TAKATA TDK TOSHIBA
<b>Percentage Sales of all clients</b>	(Top 10) 44%	(Top 20) 60%	(Top 30) 68%	(Top 40) 72%

## 《Top 5 (by business)》

Semiconductor	Electronic Equipment
ALPS Electric HITACHI Mitsubishi Electric PIONEER SHARP	DENSO Fuji Xerox HITACHI TDK Panasonic
( Top 5 ) 39%	( Top 5 ) 65%
Electronic Components	Ryosan Product
Calsonic Kansei Mitsubishi Electric NEC NINTENDO Panasonic	DENSO FANUC HITACHI Mitsubishi Electric Panasonic
( Top 5 ) 29%	( Top 5 ) 39%

(alphabetical order)

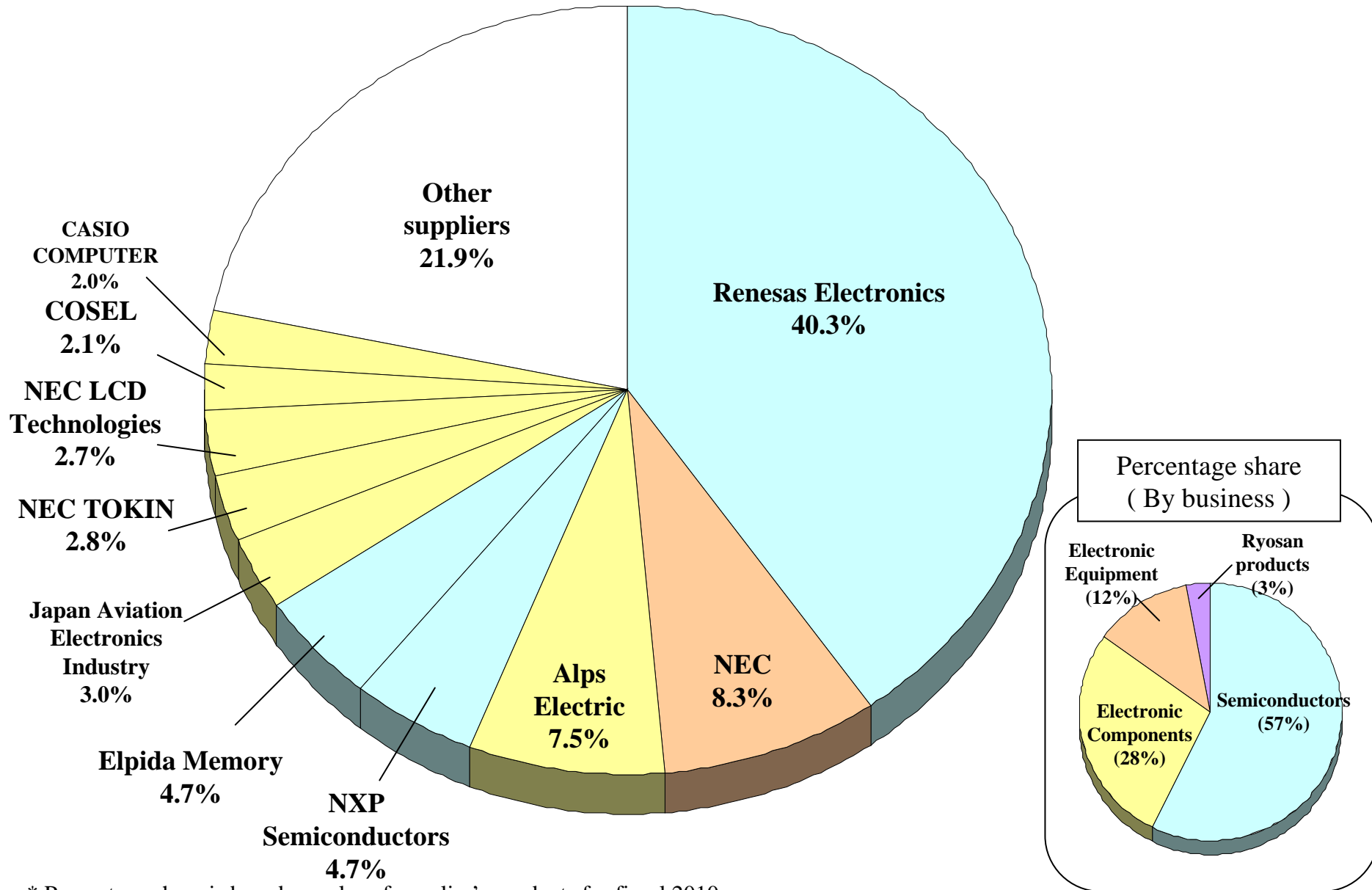
\* Rank and percentage share are based on results for FY2010.

\* K: Customer in Korea

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



# Main suppliers



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

## Earnings forecast for the 2011 fiscal year

Since the impact of the damage to our company group by the Eastern Japan Earthquake cannot be assessed at present, it is too early to make any accurate assumptions regarding the earnings forecast for the 2011 fiscal year.

We shall carefully observe the future trends and make a timely official announcement as soon as possible.