

May 11, 2012

Consolidated Earnings Report for Fiscal 2011, Ended March 31, 2012

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Scheduled date of the Annual General Meeting of Shareholders June 22, 2012
 Scheduled payment date of for fiscal year-end dividend: June 6, 2012
 Scheduled filing date of the Annual Securities Report: June 25, 2012

(Millions of yen rounded down)

1. Consolidated results for the fiscal year ended March 31, 2012 (April 1, 2011 to March 31, 2012)

(1) Consolidated operating results

(% figures represent year-on-year increase or decrease)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal 2011	217,887	0.8	3,511	(42.2)	4,476	(35.0)	1,899	(54.0)
Fiscal 2010	216,154	11.2	6,078	27.0	6,883	29.6	4,130	44.0

(Note) Comprehensive income

FY2011:1,812 million yen (-43.0%)

FY2010:3,181 million yen (8.1%)

	Net income per share	Net income per share after dilution	Return on equity	Ordinary income to net assets	Operating income to net sales
	Yen	Yen	%	%	%
Fiscal 2011	55.90	—	1.6	2.7	1.6
Fiscal 2010	119.85	—	3.5	4.2	2.8

(Reference) Equity in earnings (losses) of non-consolidated subsidiaries and affiliates:

FY2011 — million yen,

FY2010 — million yen

(2) Consolidated financial position

	Total assets	Net assets	Net assets to total assets	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2012	167,079	115,691	69.2	3,457.13
March 31, 2011	163,479	117,780	72.0	3,413.87

(Reference) Shareholders equity:

March 31, 2012: 115,691 million yen,

March 31, 2011: 117,660 million yen

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal 2011	(8,356)	(936)	419	34,113
Fiscal 2010	(7,797)	(474)	929	43,239

2. Dividends

(Millions of yen rounded down unless otherwise stated)

(Record date)	Dividends per share (Yen)					Dividends (Full fiscal year)	Payout ratio (consolidated) %	Dividends to net assets ratio (consolidated) %
	End of 1Q	End of 2Q	End of 3Q	End of 4Q	Annual			
Fiscal 2010	—	40.00	—	40.00	80.00	2,757	66.8	2.3
Fiscal 2011	—	20.00	—	20.00	40.00	1,347	71.6	1.2
Fiscal 2012 (Forecast)	—	30.00	—	30.00	60.00		57.4	

3. Forecast of results for the fiscal year ending March 31, 2013 (April 1, 2012 to March 31, 2013)

(% figures for the full fiscal year represent year-on-year increase or decrease,
% figures for the interim period are the increase / (decrease) for the corresponding period of the previous fiscal year)

	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 period	110,000	2.8	1,900	20.7	2,300	9.7	1,500	32.5	44.82
Full Fiscal Year	225,000	3.3	4,600	31.0	5,400	20.6	3,500	84.3	104.59

※ Notes

(1) Transfer of major subsidiaries during term (transfer of specified subsidiaries in line with changes in the consolidated range): No

(2) Restatement of changes in accounting principles/changes and revisions in accounting estimate

1. Changes in accordance with revisions to accounting standards and related practices of accounting principles: No
2. Changes in items of accounting principles other than 1. above: No
3. Changes in accounting estimate: No
4. Restatement of revisions: No

(3) Number of shares issued and outstanding (Common stock)

1. Total number of shares issued and outstanding (including treasury stock) as of the period-end:

March 31, 2012: 34,500,000 shares

March 31, 2011: 34,500,000 shares

2. Total number of treasury stock as of the period-end:

March 31, 2012: 1,035,425 shares

March 31, 2011: 34,704 shares

3. Average number of shares outstanding during the period

March 31, 2012: 33,982,029 shares

March 31, 2011: 34,465,693 shares

(Reference) Overview of non-consolidated operating results

1. Non-consolidated results for the fiscal year ended March 31, 2012 (April 1, 2011 to March 31, 2012)

(1) Non-consolidated operating results

(% figures represent year-on-year increase or decrease)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal 2011	160,606	(0.3)	2,022	(40.0)	4,649	(11.3)	2,157	(31.9)
Fiscal 2010	161,035	6.2	3,368	16.1	5,239	11.9	3,168	17.3

	Net income per share	Net income per share after dilution
	Yen	Yen
Fiscal 2011	63.49	—
Fiscal 2010	91.94	—

(2) Non-consolidated financial position

	Total assets	Net assets	Net assets to total assets	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2012	142,909	106,687	74.7	3,188.08
March 31, 2011	141,931	108,269	76.3	3,141.41

(Reference) Shareholders equity:

March 31, 2012: 106,687 million yen,

March 31, 2011: 108,269 million yen

Presentation concerning implementation status of auditing procedures

Financial results for the fiscal year ending March 31, 2012 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 financial statements based on the Financial Instruments and Exchange Act had not been completed.

Caution with respect to forward-looking statements:

For the outlook for the next fiscal period, please refer to “1. Results of Operations (1) Analysis of Operating Results for Fiscal 2011 (Outlook for the Next Fiscal Period)” on page 3 of this document.

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1. Results of Operations

(1) Analysis of Operating Results for Fiscal 2011 (the Fiscal Year Ended March 31, 2012)

(Operating Results for Fiscal 2011)

1) Overview

In the fiscal year ended March 31, 2012, the global economy continued to remain in a serious condition due to European sovereign crisis and slowing economies in emerging countries including China, where the economy had been moving strong. The electronics industry, in which we are engaged in, faced a severe environment including a decline in demand for semiconductors and electronic components and a slowdown of production activities caused by impacts of a series of natural disasters.

To increase sales under such circumstances, the Ryosan Group has powerfully promoted growth strategies with our 8th Medium-Term Management Plan; “strengthening our approach to developing countries with rapid growth (China and India)”, “strengthening our business with globalizing Japanese customers” and “strengthening our presence in growth fields (car electronics, social infrastructure, etc.)”, and has also strived towards “improving profitability.”

As a result of the above, due to the contribution made by the expansion of commercial rights of the Renesas Electronics business, the Ryosan Group reported an increase in net sales of 217,887 million yen (up 0.8 % from the previous corresponding period) for the consolidated fiscal year under review. However, in terms of income, operating income came to 3,511 million yen (down 42.2%), ordinary income to 4,476 million yen (down 35.0%) due to an increase in business costs that were required in order to strengthen the Renesas Electronics business during its initial phase. Net income came to 1,899 million yen (down 54.0%) for results for fiscal year under review due to an increase in tax expenses resulting from a disposal of deferred tax assets following factors including promulgation of Revision of the Corporation Tax Act and Restoration Funding Bill.

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 in-vehicle electrical components, etc. increased, with net sales of 132,372 million yen (up 6.9% from the previous year), however, decreased in operating income of 2,402 million yen (down 47.6%).

b. Electronic Components

We sell display devices, power supplies and electromechanical components. In this consolidated fiscal year, sales of electromechanical components for game console, etc. decreased, with net sales of 55,403 million yen (down 7.7% from the previous year) and operating income of 1,805 million yen (down 19.7%).

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 24,658 million yen (down 4.6% from the previous year) and operating income of 878 million yen (down 3.2%).

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 flat screen TVs, etc. decreased, with net sales of 5,452 million yen (down 15.8% from the previous year) and operating income of 220 million yen (down 54.6%).

The aforementioned amounts do not include consumption and other taxes.

(Outlook for the Next Fiscal Period)

1) Projected Operating Results

Looking ahead, the US economy is predicted to gradually head for recovery; however, the uncertainty surrounding the global economy is most likely to remain due to factors including the Chinese economy, growing remarkably as a major player so far, beginning to show a decline in its rate of growth, weakened European economies with prolonged financial crisis, and sluggish Japanese economy led by the prolonged appreciation of the yen. 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: "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, 2013 are as follows:

	Millions of yen	YoY change [%]
Net sales	225,000	Increase 3.3
Operating income	4,600	Increase 31.0
Ordinary income	5,400	Increase 20.6
Net income	3,500	Increase 84.3

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 and digital cameras, etc. Sales in this segment are expected to come to 137,000 million yen (up 3.5% from the previous year), with an expected operating income of 3,700 million yen (up 54.0%).

b. Electronic Components

In the Electronic Components segment, Ryosan is projecting increased sales of display devices for digital cameras and electromechanical components for game console, etc. Sales in this segment are expected to come to 56,500 million yen (up 2.0% from the previous year), with an expected operating income of 2,000 million yen (up 10.8%).

c. Electronic Equipment

In the Electronic Equipment segment, Ryosan is projecting increased sales of system equipment for tablet PCs, etc. Sales in this segment are expected to come to 25,500 million yen (up 3.4% from the previous year), with an expected operating income of 900 million yen (up 2.5%).

d. Ryosan Products

Increased sales of heat sinks for FA equipment, etc. are projected in the Ryosan Products segment. As a result, segment sales are expected to come to 6,000 million yen (up 10.1% from the previous year), with an expected operating income of 500 million yen (up 127.3%).

* 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, 2012

a. Assets

Total assets as of March 31, 2012 stood at 167,079 million yen, an increase of 3,599 million yen compared with the end of the previous fiscal year. This was mainly due to a decrease of 9,126 million yen in cash and deposits, but an increase of 12,413 million yen in trade notes and accounts receivable.

b. Liabilities

Total liabilities increased by 5,689 million yen compared with March 31, 2011 to reach 51,388 million yen. This was primarily attributable to short-term loans payable in foreign currency increasing by 4,229 million yen etc.

c. Net Assets

Net assets decreased by 2,089 million yen compared with March 31, 2011 to reach 115,691 million yen. This was mainly due to acquisition of treasury stock of 1,720 million yen. The ratio of net assets to total assets fell from 72.0% at the end of the previous fiscal year to 69.2% as of March 31, 2012.

2) Status of Cash Flows

Cash and cash equivalents as of March 31, 2012 stood at 34,113 million yen; a decrease of 9,126 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, however net income before income taxes being 4,321 million yen, funds in total decreased by 8,356 million yen. This is due to accounts payable and inventories increasing by 12,427 million yen and 1,683 million yen respectively. Net cash provided by operating activities in the previous consolidated fiscal year was 7,797 million yen in outlays.

b. Cash Flows from Investing Activities

Net cash used by investing activities resulted in a total of 936 million yen in outlays due to outflows of 169 million yen for purchases of property, plant, and equipment and 332 million yen for purchases of intangible fixed assets, and additionally, of 303 million yen for a purchase of insurance funds. Net cash used in investing activities in the previous consolidated fiscal year was 474 million yen in outlays.

c. Cash Flows from Financing Activities

Regarding cash flow from financing activities in this consolidated fiscal year, however dividend paid and acquisition of treasury stock being 2,056 million yen and 1,720 million yen respectively, funds increased by 419 million yen due to an increase in short-term loans in foreign currency of 4,319 million yen etc. Net cash used in financing activities in the previous consolidated fiscal year resulted in positive 929 million yen.

(Reference) Trends in cash flow-related indicators

	Fiscal 2007	Fiscal 2008	Fiscal 2009	Fiscal 2010	Fiscal 2011
Net assets to total assets (%)	68.3	78.1	72.5	72.0	69.2
Net assets to total assets (%) (Market capitalization basis)	48.0	47.4	50.8	42.2	33.3
Cash flow to Interest-bearing Liabilities (Years)	0.5	0.3	0.9	–	–
Interest coverage ratio (Times)	37.4	107.3	101.4	–	–

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 2011 and Fiscal 2012

【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 2011 and Fiscal 2012】

For the fiscal year ended March 31, 2012, Ryosan has declared a fiscal year-end ordinary dividend of ¥20 per share. Together with the interim ordinary dividend, the Company will pay an ordinary dividend payment for the full fiscal year of ¥40 per share.

Given its anticipation of a recovery in consolidated earnings, Ryosan is forecasting an increase in its full fiscal year ordinary dividend payment to ¥60 per share for the fiscal year ending March 31, 2013. Ryosan is anticipating the payment of an interim ordinary dividend for fiscal 2012 of ¥30 per share, as well as fiscal year-end ordinary dividend payment 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 2011 (March 31, 2012).

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.

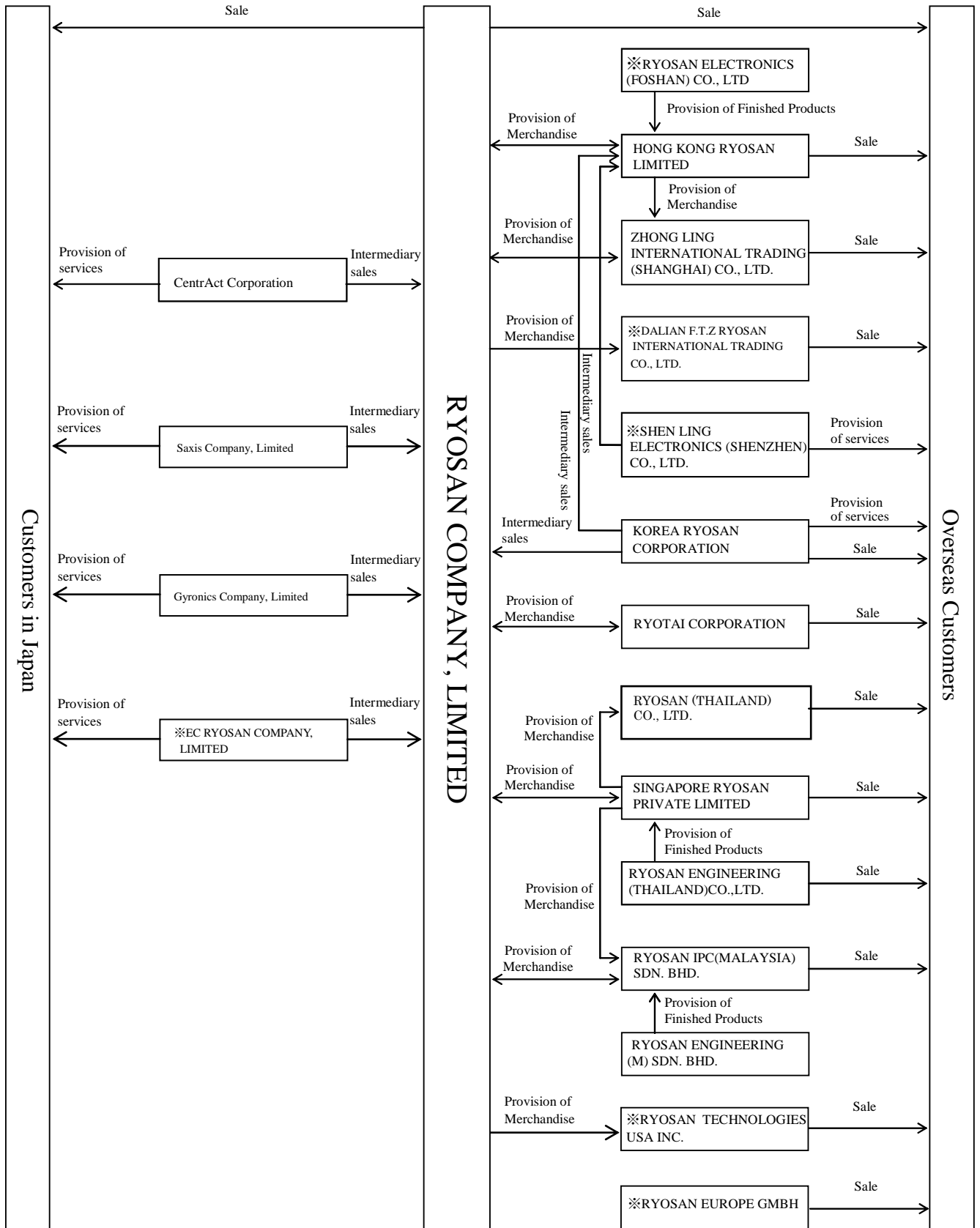
Segment	Main Products	Sales Companies	Development and Manufacturing Companies
Semiconductors	Memories System LSIs Discrete semiconductors	Ryosan Company, Limited CentrAct Corporation Saxis Company, Limited	
Electronic Components	Display devices Power supplies Electromechanical components	Gyronics Company,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

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

- 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 three 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 we are engaged, along with worldwide structural changes in economies and industries under way, a global competition has been intensified. Under such circumstances, 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 this environment, the Ryosan Group intends to take seriously the changes in business structures of each of our suppliers and clients and to quickly respond to those changes. In order for that, we understand that our urgent tasks include further promoting our long-held “Global Sales Network” and “Technical Support System” as well as working through “Renovation of Management Structure” and accomplishing “Improvement of Profit Structure and Financial Strength”.

The environment and market structure surrounding Ryosan Group has changed significantly due to the rise of emerging countries, including China. In response to this situation, the Company recognizes that in addition to accelerating overseas business with the Japanese companies that form the core of our business, it must also significantly increase our business with foreign companies. To this end, Ryosan intends to pursue an expansion of overseas business by building new sales bases in Germany and India while re-constructing sales bases in China.

In addition, in order to further strengthen our corporate governance, we intend to appoint directors from outside of our company and renovate our management structure.

In any case, the Ryosan 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, Ryosan 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, 2011 (As of March 31, 2011)	Fiscal Year Ended March 31, 2012 (As of March 31, 2012)
ASSETS		
Current assets		
Cash and deposits	43,240	34,114
Trade notes and accounts receivable	68,709	81,123
Merchandise and finished products	22,609	24,308
Work in process	129	147
Raw materials and stored goods	224	177
Accrued income	4,483	2,989
Deferred tax assets	400	276
Other current assets	288	1,109
Allowance for doubtful accounts	(63)	(93)
Total current assets	140,021	144,153
Fixed assets		
Property, plant and equipment		
Buildings and structures	10,752	10,715
Accumulated depreciation	(6,106)	(6,253)
Buildings and structures (net)	4,645	4,461
Land	8,126	8,121
Lease assets	615	603
Accumulated depreciation	(359)	(381)
Lease assets (net)	255	221
Other fixed assets	4,357	4,393
Accumulated depreciation	(3,702)	(3,872)
Other fixed assets (net)	654	520
Total property, plant and equipment	13,682	13,325
Intangible fixed assets	701	930
Investments and other assets		
Investment securities	3,156	3,084
Long-term deposits	3,000	3,000
Deferred tax assets	1,571	958
Other	2,447	2,719
Allowance for doubtful accounts	(975)	(957)
Allowance for loss on investments	(127)	(136)
Total Investments and other assets	9,072	8,669
Total fixed assets	23,457	22,925
Total assets	163,479	167,079

(Millions of yen)

	Fiscal Year Ended March 31, 2011 (As of March 31, 2011)	Fiscal Year Ended March 31, 2012 (As of March 31, 2012)
LIABILITIES		
Current liabilities		
Trade accounts payable	31,219	33,549
Short-term bank loans	7,621	11,850
Lease obligations	116	112
Other Payable	1,637	1,761
Accrued expenses	995	1,091
Accrued income taxes	1,402	338
Other current liabilities	107	193
Total current liabilities	43,100	48,896
Long-term liabilities		
Lease obligations	194	155
Employees' retirement benefits	2,327	2,275
Other long-term liabilities	76	60
Total long-term liabilities	2,597	2,491
Total liabilities	45,698	51,388
NET ASSETS		
Shareholder's equity		
Common stock	17,690	17,690
Additional paid-in capital	19,114	19,114
Retained earnings	83,606	83,449
Treasury stock	(85)	(1,806)
Total shareholders' equity	120,325	118,447
Other accumulated comprehensive incomes		
Net unrealized gain on other marketable securities	295	331
Gain (loss) on deferred hedges	(6)	2
Foreign currency translation adjustments	(2,954)	(3,090)
Total other accumulated comprehensive incomes	(2,665)	(2,756)
Minority interests	120	—
Total net assets	117,780	115,691
Total liabilities and net assets	163,479	167,079

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

(Millions of yen)

	Fiscal Year Ended Mar. 31, 2011 (Apr. 1, 2010 to Mar. 31, 2011)	Fiscal Year Ended Mar. 31, 2012 (Apr. 1, 2011 to Mar. 31, 2012)
Net sales	216,154	217,887
Cost of Sales	197,125	201,117
Gross Profit	19,028	16,769
Selling, general and administrative expenses		
Packing and freight expenses	686	717
Provision of allowance for doubtful accounts	—	11
Directors' remuneration	518	437
Employees' salaries	3,490	3,821
Bonuses	1,141	1,006
Retirement benefit expenses	386	432
Employee benefits	760	834
Depreciation and amortization	676	542
Others	5,287	5,453
Total selling, general and administrative expenses	12,949	13,258
Operating income	6,078	3,511
Non-operating income		
Interest income	107	93
Dividend income	153	274
Gain on foreign exchange	150	—
Commission fee	—	549
Proceeds from transfer of goodwill	219	—
Miscellaneous income	318	241
Total non-operating income	949	1,159
Non-operating expenses		
Interest expense	88	168
Loss on foreign exchange	—	8
Compensational expenses	39	—
Miscellaneous expenses	17	17
Total non-operating expenses	145	194
Ordinary income	6,883	4,476
Extraordinary gains		
Gain on sales of property, plant and equipment	1	—
Gain on reversal of allowance for doubtful accounts	162	—
Total extraordinary gains	164	—
Extraordinary losses		
Loss on sales and disposal of property, plant and equipment	7	7
Impairment loss	11	—
Loss on devaluation of investment securities	81	138
Provision of allowance for investment loss	37	9
Total extraordinary losses	138	155
Income before income taxes and minority interests	6,909	4,321
Income taxes-current	2,502	1,663
Income taxes-deferred	268	755
Total income taxes	2,771	2,419
Income before Minority interest in income	4,137	1,902
Minority interests in income	6	2
Net income	4,130	1,899

(Consolidated Comprehensive Statements of Income)

(Millions of yen)

	Fiscal Year Ended Mar. 31, 2011 (Apr. 1, 2010 to Mar. 31, 2011)	Fiscal Year Ended Mar. 31, 2012 (Apr. 1, 2011 to Mar. 31, 2012)
Income before Minority interest in income	4,137	1,902
Other comprehensive income		
Net unrealized gain on other marketable securities	(143)	35
Gain (loss) on deferred hedges	(13)	9
Foreign currency translation adjustments	(798)	(133)
Total other comprehensive income	(955)	(89)
Comprehensive Incomes	3,181	1,812
(Details)		
Comprehensive incomes relating to shareholders of parental company	3,178	1,808
Comprehensive incomes relating to minority shareholders	2	4

(3) Consolidated Statements of Changes in Net Assets

(Millions of yen)

	Fiscal Year Ended Mar. 31, 2011 (Apr. 1, 2010 to Mar. 31, 2011)	Fiscal Year Ended Mar. 31, 2012 (Apr. 1, 2011 to Mar. 31, 2012)
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	82,136	83,606
Increase (decrease) during the period		
Appropriation of earnings as cash dividends	(2,757)	(2,056)
Net income for the period	4,130	1,899
Change of scope of consolidation	96	—
Transfer to additional paid-in capital from retained earnings	(0)	—
Total increase (decrease) during the period	1,469	(157)
Balance as of the end of the period	83,606	83,449
Treasury stock		
Balance as of the beginning of the period	(83)	(85)
Increase (decrease) during the period		
Acquisition of treasury stock	(1)	(1,720)
Disposal of treasury stock	0	—
Total increase (decrease) during the period	(1)	(1,720)
Balance as of the end of the period	(85)	(1,806)
Total shareholders' equity		
Balance as of the beginning of the period	118,857	120,325
Increase (decrease) during the period		
Appropriation of earnings as cash dividends	(2,757)	(2,056)
Net income for the period	4,130	1,899
Acquisition of treasury stock	(1)	(1,720)
Disposal of treasury stock	0	—
Change of scope of consolidation	96	—
Transfer to additional paid-in capital from retained earnings	—	—
Total increase (decrease) during the period	1,468	(1,878)
Balance as of the end of the period	120,325	118,447

(Millions of yen)

	Fiscal Year Ended Mar. 31, 2011 (Apr. 1, 2010 to Mar. 31, 2011)	Fiscal Year Ended Mar. 31, 2012 (Apr. 1, 2011 to Mar. 31, 2012)
Other accumulated comprehensive incomes		
Net unrealized gain on other marketable securities		
Balance as of the beginning of the period	439	295
Increase (decrease) during the period		
Net changes in items excluding shareholders' equity during the period	(143)	35
Total increase (decrease) during the period	(143)	35
Balance as of the end of the period	295	331
Gain (loss) on deferred hedges		
Balance as of the beginning of the period	7	(6)
Increase (decrease) during the period		
Net changes in items excluding shareholders' equity during the period	(13)	9
Total increase (decrease) during the period	(13)	9
Balance as of the end of the period	(6)	2
Foreign currency translation adjustments		
Balance as of the beginning of the period	(2,160)	(2,954)
Increase (decrease) during the period		
Net changes in items excluding shareholders' equity during the period	(794)	(135)
Total increase (decrease) during the period	(794)	(135)
Balance as of the end of the period	(2,954)	(3,090)
Total other accumulated comprehensive incomes		
Balance as of the beginning of the period	(1,713)	(2,665)
Increase (decrease) during the period		
Net changes in items excluding shareholders' equity during the period	(951)	(90)
Total increase (decrease) during the period	(951)	(90)
Balance as of the end of the period	(2,665)	(2,756)
Minority interests		
Balance as of the beginning of the period	120	120
Increase (decrease) during the period		
Purchase of shares of consolidated subsidiaries	—	(103)
Net changes in items excluding shareholders' equity during the period	0	(17)
Total increase (decrease) during the period	0	(120)
Balance as of the end of the period	120	—
Total net assets		
Balance as of the beginning of the period	117,263	117,780
Increase (decrease) during the period		
Appropriation of earnings as cash dividends	(2,757)	(2,056)
Net income for the period	4,130	1,899
Acquisition of treasury stock	(1)	(1,720)
Disposal of treasury stock	0	—
Change of scope of consolidation	96	—
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	(951)	(107)
Increase (decrease) during the period	517	(2,089)
Balance as of the end of the previous period	117,780	115,691

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal Year Ended Mar. 31, 2011 (Apr. 1, 2010 to Mar. 31, 2011)	Fiscal Year Ended Mar. 31, 2012 (Apr. 1, 2011 to Mar. 31, 2012)
Operating activities		
Income before income taxes	6,909	4,321
Depreciation and amortization	827	680
Impairment loss	11	—
Increase (decrease) in allowance for doubtful accounts	(167)	11
Increase (decrease) in employees' retirement benefits	93	(57)
Increase (decrease) in allowance for loss on investments	37	9
Interest and dividend income	(260)	(368)
Interest expense	88	168
(Gain) loss on sales and disposal of property, plant and equipment	6	7
(Gain) loss on devaluation of investment securities	81	138
Other income (loss)	(538)	(9)
(Increase) decrease in accounts receivable	(1,448)	(12,427)
(Increase) decrease in inventories	(8,345)	(1,683)
Increase (decrease) in accounts payable	(2,370)	2,417
Increase (decrease) in other assets and liabilities	(595)	940
Subtotal	(5,673)	(5,849)
Interest and dividends received	263	368
Interest paid	(83)	(169)
Income taxes (paid) refund	(2,303)	(2,705)
Net cash provided by operating activities	(7,797)	(8,356)
Investing activities		
Net decrease (increase) in time deposits	—	(0)
Purchases of property, plant and equipment	(255)	(169)
Proceeds from sale of property, plant and equipment	9	10
Purchases of intangible fixed assets	(223)	(332)
Purchases of investment securities	—	(57)
Proceeds of sale of investment securities	—	6
Purchase of affiliate company shares	—	(115)
Capital stock paid-in	(5)	(53)
Increase in loans	(1)	(25)
Proceeds from collection of loans	2	3
Purchase of insurance funds	—	(303)
Proceeds from cancellation of insurance funds	—	100
Net cash used in investing activities	(474)	(936)
Financing activities		
Increase (decrease) in short-term borrowings, net	3,780	4,319
Payment of refund of lease obligations	(90)	(115)
Repurchase of treasury stock	(1)	(1,720)
Proceeds from retirement of treasury stock	0	—
Cash dividends paid	(2,757)	(2,056)
Cash dividends paid to minority shareholders	(2)	(6)
Net cash used in financing activities	929	419
Effect of foreign currency translation adjustments on cash and cash equivalents	(291)	(253)
Net increase (decrease) in cash and cash equivalents	(7,633)	(9,126)
Cash and cash equivalents at the beginning of the period	50,458	43,239
Increase in cash and cash equivalents from newly consolidated subsidiary	414	—
Cash and cash equivalents at the end of the period	43,239	34,113

(5) Notes Regarding Going Concern

Not applicable.

(6) Changes in Accounting Procedures

Not applicable.

(7) Changes in Disclosure Method

(Notes on Consolidated Balance Sheets)

Changes in Presentation of Income Tax Refund Receivable

“Income Tax Refund Receivable” individually listed in the previous consolidated fiscal year is included in “Accrued Income” under Current Assets in the consolidated fiscal year under review due to its low significance in volume.

To reflect this change, the consolidated balance sheet for the previous consolidated fiscal year has been modified for recycling.

As a result, 10 million yen in “Income Tax Refund Receivable” listed in the consolidated balance sheet for the previous consolidated fiscal year is included in “Accrued Income”.

For the consolidated fiscal year under review, “Income Tax Refund Receivable” is 13 million yen.

Changes in Presentation of “Other Payable”

“Other Payable” was previously included in “Other Current Liabilities” under Current Liabilities in consolidated balance sheets. Due to a growing significance in volume, we decided to individually list it under “Other Payable” from the consolidated fiscal year under review.

To reflect this change, the consolidated balance sheet for the previous consolidated fiscal year has been modified for recycling.

As a result, 1,745 million yen listed in “Other Current Liabilities” under Current Liabilities in the consolidated balance sheet for the previous consolidated fiscal year are listed as “Other Payable” of 1,637 million yen and “Other Current Liabilities” of 107 million yen.

(8) Additional Information

For the accounting changes and error corrections implemented after the start of the consolidated fiscal year under review, the Accounting Standard for Accounting Changes and Error Corrections (ASBJ Accounting Standard No. 24, December 4, 2009) and the Accounting Standard for Changes and Error Corrections and its Implementation Guidance (ASBJ Accounting Standard No. 24, December 4, 2009) have been applied.

(9) Notes on Consolidated Financial Statements

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

(Notes on Consolidated Balance Sheets)

	As of March 31, 2011	As of March 31, 2012
1. Accumulated depreciation of tangible fixed assets	10,169	10,507
2. Non-consolidated subsidiary and affiliated company shares and other		
- Investment securities (shares)	52	52
- Other (equity)	255	308
3. Assets pledged as collateral		
- Investment securities	61	58
4. Guarantee contingent liabilities		
The unpaid balance of debt financing provided to non-consolidated subsidiaries by financial institutions guaranteed by the Company	146	207
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	34,704 common shares	1,035,425 common shares

(Notes on Consolidated Statements of Income)

	Fiscal 2010 (April 1, 2010 to March 31, 2011)	Fiscal 2011 (April 1, 2011 to March 31, 2012)
1. Research and development expenditure included in selling, general and administrative expenses	615	498
2. Breakdown of gain on sales of property, plant and equipment		
- Other	1	—
3. Breakdown of loss on sales and disposal of property, plant and equipment		
- Loss on disposal of buildings and structures	0	2
- Other	7	5
Total	7	7

(Notes on Consolidated Comprehensive Statements of Income)

Fiscal 2011 (April 1, 2011 to March 31, 2012)

Adjustments from recycling and tax effects in Other

Comprehensive Income

Increase (decrease) during the period	(122) million yen
Adjustments from recycling	<u>138 million yen</u>
Before tax effects adjustments	15 million yen
Tax effect	<u>19 million yen</u>
Net unrealized gain on other marketable securities	<u>35 million yen</u>

Gain (loss) on deferred hedges

Increase (decrease) during the period	<u>9 million yen</u>
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Foreign currency translation adjustments

Increase (decrease) during the period	<u>(133) million yen</u>
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Total other comprehensive Income	<u>(89) million yen</u>
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(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 headquarter formulates 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, 2011

(April 1, 2010 to March 31, 2011)

(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	123,786	60,034	25,859	6,474	216,154	—	216,154
Internal sales between segments, or exchange	—	—	—	—	—	—	—
Total	123,786	60,034	25,859	6,474	216,154	—	216,154
Segment income (loss)	4,589	2,246	907	486	8,229	(2,150)	6,078

(Notes)

1. The adjustment of -2,150 million yen to segment earnings represents corporate expenses that are not allocated to each 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, 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 earnings represents corporate expenses that are not allocated to each 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.

[Related Information]

For the consolidated fiscal year ended March 31, 2011

(April 1, 2010 to March 31, 2011)

1. Information on Products and Services

As in the Reporting Segment

2. Information by region

(Sales)

(Millions of yen)

Japan	Asia	Total
142,332	73,821	216,154

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

(Property, plant and equipment)

(Millions of yen)

Japan	Asia	Total
13,302	379	13,682

3. Information on each important customer

Among the sales to the external customers, there are no sales to the specific customers that constitute more than 10% of the sales in the consolidated statements of income. Therefore, this information is not presented.

For the consolidated fiscal year ended March 31, 2012

(April 1, 2011 to March 31, 2012)

1. Information on Products and Services

As in the Reporting Segment

2. Information by region

(Sales)

(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.

(Property, plant and equipment)

(Millions of yen)

Japan	Asia	Total
12,951	374	13,325

3. Information on each important customer

(Millions of yen)

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

(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 2010	Fiscal 2011
	(Apr. 1, 2010 to Mar. 31, 2011)	(Apr. 1, 2011 to Mar. 31, 2012)
(Deferred tax assets)		
Loss on valuation of inventories	79	71
Amount exceeded amortization of software and other	265	98
Investment securities	274	174
Golf membership rights	126	110
Accrued bonuses	213	209
Employees' retirement benefits	940	743
Allowance for doubtful accounts	204	467
Loss brought forward of subsidiaries	159	238
Other	307	271
Sub-total deferred tax assets	2,572	2,385
Valuation reserve	(394)	(966)
Total deferred tax assets	2,177	1,418
(Deferred tax liabilities)		
Net unrealized gain on other marketable securities	(141)	(109)
Others	(83)	(91)
Total deferred tax liabilities	(224)	(201)
Total	1,953	1,217

Note: An amount of (18) million yen included in net deferred tax assets for the fiscal year ended March 31, 2011, 18 million yen is included in other long-term liabilities in the long-term liabilities of the Company's consolidated balance sheet.

An amount of (17) million yen included in net deferred tax assets for the fiscal year ended March 31, 2012, 1million yen is included in other current liabilities and 16 million yen in other long-term liabilities in the long-term liabilities, respectively, of the Company's consolidated balance sheet.

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

Fiscal 2010	Fiscal 2011	
(April 1, 2010 to March 31, 2011)	(April 1, 2011 to March 31, 2012)	(%)
Information on the difference between the statutory tax rate and the effective tax rate is not presented for the fiscal year since the difference between the statutory tax rate and the effective tax rate was less than 5/100 and therefore considered immaterial.	Effective tax rate (Adjustment)	40.7
	Items not included in calculations of losses (e.g. entertainment expenses)	4.7
	Items not included in gross profits (e.g. dividends)	(2.9)
	Equal percent residential tax	0.9
	Elimination of dividends received from consolidated subsidiaries	1.0
	Foreign withholding taxes	1.3
	Change in valuation allowance	8.5
	Difference in corporate tax rates from foreign subsidiaries	(3.3)
	Decrease in deferred tax assets at the end of period by changes in tax rates	3.5
	Other	1.6
	Contribution percentage of corporate and other taxes after tax effect accounting is applied	56.0

3. Effects by Changes in Corporate Tax Rates and Others

“Reform bill for partial revision of income tax law, etc. in response to the changing economic structure” (Bill No.114, 2011) and “Special measures to secure the funds to realize the restoration of the damages following the Great East Japan Earthquake” (Bill No. 117, 2011) were promulgated on December 2, 2011, and lowering of corporate tax rates and taxation of restoration surtax are implemented for the consolidated fiscal year starting April 1, 2012. As a result, the previous 40.7% effective tax rates used to calculate deferred tax assets and deferred tax liabilities will be 38.0 % for temporary differences expected to be eliminated during the fiscal years starting April 1, 2012 through April 1, 2014 and 35.6% for temporary differences to be eliminated for the fiscal years starting April 1, 2015 and after. With these changes in corporate tax rates, the deferred tax assets (the net balance of differed tax assets minus differed tax liabilities) decreased by 123 million yen, and net unrealized gain on marketable securities and income tax-deferred increased by 26 million yen and 150 million yen respectively.

(Per Share Information)

	(Yen unless otherwise stated)	
	Fiscal 2010 (April 1, 2010 to March 31, 2011)	Fiscal 2011 (April 1, 2011 to March 31, 2012)
1. Net assets per share	3,413.87	3,457.13
2. Net income per share	119.85	55.90

Notes:

1. Net income per share for the fiscal years ended March 31, 2008 and March 31, 2009 are calculated on the following basis:

	(Millions of yen unless otherwise stated)	
	Fiscal 2010 (April 1, 2010 to March 31, 2011)	Fiscal 2011 (April 1, 2011 to March 31, 2012)
Net income	4,130	1,899
Net income applicable to common stock	4,130	1,899
Average number of shares for the period	34,465 thousand shares	33,982 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 2010 (April 1, 2010 to March 31, 2011)	Fiscal 2011 (April 1, 2011 to March 31, 2012)
Heat sinks	5,409	4,406

2) New Orders

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

	Fiscal 2010 (April 1, 2010 to March 31, 2011)	Fiscal 2011 (April 1, 2011 to March 31, 2012)
Semiconductors	128,755	132,982
Electronic components	61,371	53,876
Electronic equipment	28,305	21,772
Ryosan products	6,616	5,312
Total	225,048	213,944

(2) Geographical Segment Information

Fiscal 2010, the fiscal year ended March 31, 2011

(April 1, 2010 to March 31, 2011)

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

	Japan	Asia	Total	Eliminations or corporate	Consolidated
I Sales and operating income					
Sales:					
(1) Sales to external Customers	150,473	65,680	216,154	—	216,154
(2) Internal sales between segments, or exchange	10,562	392	10,954	(10,954)	—
Total	161,035	66,072	227,108	(10,954)	216,154
Operating income	4,104	1,799	5,904	(174)	6,078

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 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
I Sales and operating income					
Sales:					
(1) Sales to external Customers	153,560	64,326	217,887	—	217,887
(2) 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
Operating 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

(3) Changes of Directors (As of June 22, 2012)

1. Directors to be retired

Name	New position	Current position
Harumitsu Seki	Auditor (Full-time)	Senior Managing Director General Manager, Finance and Accounting Headquarters
Isao Hayashi	Advisor	Managing Director General Manager, Electronic Components Business Headquarters
Itsuto Hamasaki	To be retired	Managing Director General Manager, Electronic Equipment Business Headquarters
Takeshi Honda	Auditor (Full-time)	Director General Manager, Administrative Headquarters

2. Newly-Appointed Director

Name	New position	Current position
Hidekazu Sano	Director General Manager, Finance and Accounting Headquarters (in charge of administration)	Dputy General Manager, Finance and Accounting Headquarters
Yasuo Yoshiizumi	Director General Manager, Electronic Equipment Business Headquarters	Dputy General Manager, Electronic Equipment Business Headquarters
Hiroyuki Kurihara	Director General Manager, 1st Semiconductor Business Headquarters concurrently General Manager, Sales Administration Headquarters	Dputy General Manager, 1st Semiconductor Business Headquarters concurrently Dputy General Manager, Sales Administration Headquarters
Kazunori Sato	Director General Manager, 2nd Semiconductor Business Hedquarters concurrently Dputy General Manager, Corporate Planning Headquarters	General Manager, 2nd Semiconductor Business Headquarters
Masaaki Komatsu	Director (outside)	Shiseido Company, Limited Corporate Adviser

3. Other personnel changes

Name	New position	Current position
Hiroshi Shibuya	Director General Manager, 2nd Domestic Marketing and Sales Headquarters	Managing Director General Manager, 1st Semiconductor Business Headquarters
Tsuyoshi Koyama	Director General Manager, Electronic Components Business Headquarters	Director General Manager, 2nd Domestic Marketing and Sales Headquarters
Koji Honma	Director General Manager, 1st Domestic Marketing and Sales Headquarters	Director General Manager, 1st Domestic Marketing and Sales Headquarters concurrently General Manager, Sales Administration Headquarters

4. Retiring Auditors

Name	New position	Current position
Naotsugu Kasuya	To be retired	Auditor (Full-time)
Yukio Tanaka	To be retired	Auditor (Full-time)
Tsuneo Sato	To be retired	Auditor

5. Candidates for Newly Appointed Auditors

Name	New position	Current position
Harumitsu Seki	Auditor (Full-time)	Senior Managing Director General Manager, Finance and Accounting Headquarters
Takeshi Honda	Auditor (Full-time)	Director General Manager, Administrative Headquarters
Toshiyuki Fujino	Auditor	Fujino Law Office Lawyer