UYEMURA

May 14, 2010

Financial Results for the Fiscal Year Ended March 31, 2010

Company name:	**C. Uyemura & Co., Ltd.**	Listing: Second Section of the Osaka Securities Exchange	
Stock code:	4966	URL: http://www.uyemura.co.jp	
Representative:	Hiroya Uyemura, President		
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Scheduled date of the annual general meeting of shareholders: June 29, 2010
Scheduled date of filing of Annual Securities Report: June 29, 2010
Starting date of dividend payment: June 30, 2010

(All amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results (April 1, 2009 – March 31, 2010)

(1) Results of operations

(Percentages for sales, operating income and ordinary profit and net income represent year-over-year changes)

	Sales		Operating income		Ordinary profit		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended Mar. 31, 2010	32,306	(25.4)	4,167	(23.4)	4,298	(20.5)	2,631	(35.2)
Fiscal year ended Mar. 31, 2009	43,329	(24.4)	5,443	(26.9)	5,404	(25.1)	4,062	(5.7)

	Net income per share (basic)	Net income per share (diluted)	ROE	Ordinary profit to total assets	Operating income to sales
	Yen	Yen	%	%	%
Fiscal year ended Mar. 31, 2010	276.74	-	9.0	10.2	12.9
Fiscal year ended Mar. 31, 2009	412.19	-	14.0	12.1	12.6

Reference: Equity in earnings of unconsolidated subsidiaries Mar. 31, 2010: - million yen Mar. 31, 2009: - million yen

(2) Financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Mar. 31, 2010	42,612	31,158	69.2	3,146.17
As of Mar. 31, 2009	41,288	30,535	69.8	2,925.51

Reference: Shareholders' equity As of Mar. 31, 2010: 29,475 million yen As of Mar. 31, 2009: 28,829 million yen

(3) Cash flows

	Net cash provided by (used in)			Cash and cash equivalents at the end of period
	operating activities	investing activities	financing activities	
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended Mar. 31, 2010	3,716	(1,276)	(3,012)	12,569
Fiscal year ended Mar. 31, 2009	8,691	(4,156)	(1,501)	13,007

2. Dividends

	Dividend per share					Total dividends	Payout ratio (Consolidated)	Dividend on equity (Consolidated)
	1Q-end	2Q-end	3Q-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended Mar. 31, 2009	-	-	-	55.00	55.00	542	13.3	1.9
Fiscal year ended Mar. 31, 2010	-	-	-	55.00	55.00	515	19.9	1.8
Fiscal year ending Mar. 31, 2011 (forecast)	-	-	-	55.00	55.00		13.2	

3. Consolidated Forecast for the Fiscal Year Ending March 31, 2011 (April 1, 2010 – March 31, 2011)

(Percentages represent year-over-year changes)

	Sales		Operating income		Ordinary profit		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	18,550	33.3	2,820	97.7	2,870	101.2	2,000	104.0	213.47
Full year	37,220	15.2	5,780	38.7	6,060	41.0	3,910	48.6	417.34

4. Others

(1) Changes in consolidated subsidiaries during the period (changes in scope of consolidation): None

(2) Changes in accounting principles, procedures and presentation methods for preparation of consolidated financial statements

1) Changes caused by revision of accounting standards: None

2) Other changes: None

(3) Number of shares outstanding (common shares)

1) Number of shares outstanding at the end of period (including treasury stock)

As of Mar. 31, 2010: 9,878,040 shares As of Mar. 31, 2009: 9,878,040 shares

2) Number of treasury stock at the end of period

As of Mar. 31, 2010: 509,243 shares As of Mar. 31, 2009: 23,420 shares

Note: Please refer to "Per Share Data" on page 40 for the number of shares used in calculating net income per share (basic).

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results (April 1, 2009 – March 31, 2010)

(1) Results of operations (Percentages represent year-over-year changes)

	Sales		Operating income		Ordinary profit		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended Mar. 31, 2010	21,148	(17.2)	2,206	8.1	2,737	(8.0)	1,799	48.8
Fiscal year ended Mar. 31, 2009	25,537	(33.0)	2,041	(34.6)	2,973	(23.4)	1,209	(49.0)

	Net income per share (basic)	Net income per share (diluted)
	Yen	Yen
Fiscal year ended Mar. 31, 2010	189.21	-
Fiscal year ended Mar. 31, 2009	122.72	-

(2) Financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Mar. 31, 2010	26,639	19,693	73.9	2,102.07
As of Mar. 31, 2009	25,367	20,304	80.0	2,060.36

Reference: Shareholders' equity As of Mar. 31, 2010: 19,693 million yen As of Mar. 31, 2009: 20,304 million yen

2. Non-consolidated Forecast for the Fiscal Year Ending March 31, 2011 (April 1, 2010 – March 31, 2011)

(Percentages represent year-over-year changes)

	Sales		Operating income		Ordinary profit		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	11,110	16.3	1,018	13.4	1,024	21.1	584	(3.3)	62.33
Full year	22,270	5.3	2,155	(2.3)	3,037	11.0	1,762	(2.1)	188.07

***Cautionary statement with respect to forward-looking statements**

These materials contain forward-looking statements and statements of this nature based on information available at the time these materials were prepared. Therefore, these projections entail risks and uncertainties resulting from changes in the economic environment, the condition of competition and the exchange and interest rate fluctuation. Readers should be aware that actual results and events might differ substantially from these projections.
Please refer to "1. Business Performance" on pages 3-7 for further information.

1. Business Performance

(1) Analysis of Business Performance

Results Overview

1. Overall results

The Japanese economy in the current fiscal year passed the worst of the economic downturn caused by the simultaneous global recession since the fall of 2008 that stemmed from a series of bankruptcies of the U.S. financial institutions. However, the tough times continued as we observed deterioration of corporate earnings, decrease in capital investment and a weaker employment environment.

In this business environment, the Group cut costs and aggressively promoted sales in Japan and abroad, but the market environment remained harsh as companies in the electronic components industry, the Group's mainstay user base, continued to cut inventories and reduce capital investment.

As a result, consolidated sales in the current fiscal year were 32,306 million yen (down 25.4% year-over-year), operating income 4,167 million yen (down 23.4%), ordinary profit 4,298 million yen (down 20.5%), and net income 2,631 million yen (down 35.2%).

2. Overview of results by segment and region

1) Results by segment

a. Surface finishing materials business

The demand declined from the electronic components industry, which is our main customer base, as the financial crisis spreads into the real economy. Inventory cuts concluded and demand recovered in industrial sectors of the economy, but the business environment remained generally harsh.

Sales of plating chemicals, which accounts for a large proportion of overall sales, declined due to waning demand.

Sales of industrial chemicals and non-ferrous metals also decreased year-over-year due to lower demand.

As a result, sales in the surface finishing materials business decreased 23.1% year-over-year to 26,646 million yen, and operating income decreased 19.5% to 3,732 million yen.

b. Surface finishing machinery business

Companies have cut back on capital investments since the financial crisis spreads into the real economy, and the situation has become even more severe.

As a result, sales in the surface finishing machinery business decreased 45.2% year-over-year to 2,671 million yen while it recorded operating loss of 265 million yen (114 million yen loss in the previous fiscal year).

c. Real estate rental business

The occupancy rate was slightly decreased compared with the previous fiscal year, resulting in the decrease in both sales and operating income.

As a result, sales in the real estate rental business decreased 3.8% year-over-year to 773 million yen, and operating income decreased 8.8% to 415 million yen.

d. Other businesses

Demand for plating job has continued to decline and cost competition has remained intense, and conditions have become even more harsh.

As a result, sales in the other business segment decreased 24.3% year-over-year to 2,546 million yen, and operating income decreased 38.8% to 284 million yen.

(2) Results by region

a. Japan

Regarding our proprietary plating chemicals, we are observing an encouraging sign of recovery in demand for PWBs (printed wiring boards) related plating chemicals, which is driven by demand for MPU (microprocessing unit) related plating chemicals.

While sales for the plating chemicals saw a year-over-year decrease, operating income increased due primarily to reduction of raw materials cost and change in product mix.

In another earnings pillar of the surface finishing machinery business, competition for customer orders has got even tougher due to the customers curbing their capital expenditures.

Conditions for plating job shop in the domestic market remained increasingly severe due to lower demand and cost competition.

Sales in Japan decreased 16.9% year-over-year to 22,160 million yen, while operating income increased 11.2% to 2,176 million yen.

b. North America

Despite our aggressive marketing efforts with a focus on customers in the electronics industry, our business performance was negatively affected by the sluggish demand from the North American PWB industry.

Sales in North America decreased 32.0% year-over-year to 2,384 million yen, while it recorded operating loss of 20 million yen (27 million yen loss in the previous fiscal year).

c. Asia

Sales of plating chemicals for PWBs, which account for a large proportion of our overall sales, declined due to weakening demand from the electronic components industry and a drop in capacity utilization rates at the factories of mainstay customers in China and Taiwan.

Our consolidated subsidiary in Thailand, engaged in plating job shop, faced a harsh business environment due to slumping demand from automotive-related manufacturers though some signs of recovery were seen in the second half of the fiscal year.

Consequently, sales in Asia decreased 31.3% year-over-year to 12,327 million yen and operating income decreased 44.2% to 1,936 million yen.

Please note that sales or value transfers generated between each segment are included in the above results for segment and region.

Forecast for the Fiscal Year Ending March 31, 2011

Regarding the forecast of the next fiscal year, it is expected that the Japanese as well as the global economy will continue to be on the path towards the moderate recovery, and the business climate surrounding the user industry groups for the Company and its subsidiaries is also expected to follow the trend of recovery.

In response, we will aim for continued growth in the 21st century, we will utilize the collective strength of our group in order to promote a system that will enable us to take immediate proactive measures in response to business globalization, and we will improve our competitive position by emphasizing innovation at the factory level.

We will proactively engage in sales and marketing as well as technological development by focusing on strengthening development and sales capabilities for our core products, i.e. plating chemicals for PWBs (broadly defined as thin film wiring development technology) and for plating chemicals for newly targeted applications, establishing more globally oriented machinery business, and expanding our market share in China.

We are determined to expand our business and establish a long-term stable business platform through efficient resource utilization and swift decision-making. Additionally, we hope to contribute to a recycling society by aggressively developing and marketing eco-friendly products.

Through these measures, we forecast sales of 37,220 million yen (an increase of 15.2% year-over-year), operating income of 5,780 million yen (an increase of 38.7%), ordinary profit of 6,060 million yen (an increase of 41.0%), and net income of 3,910 million yen (an increase of 48.6%) for the fiscal year ending March 31, 2011.

(2) Analysis of Financial Position

Analysis of assets, liabilities, net assets and cash flows

Consolidated financial position (Thousands of yen)

	As of March 31, 2009	As of March 31, 2010	Differences
Total assets	41,288,236	42,612,930	1,324,694
Net assets	30,535,332	31,158,984	623,652
Equity ratio	69.8%	69.2%	-
Net assets per share (yen)	2,925.51	3,146.17	220.66

Consolidated cash flows (Thousands of yen)

Fiscal years ended	March 31, 2009	March 31, 20010	Differences
Net cash provided by operating activities	8,691,019	3,716,553	(4,974,465)
Net cash used in investing activities	(4,156,626)	(1,276,113)	2,880,513
Net cash used in financing activities	(1,501,893)	(3,012,021)	(1,510,128)
Effect of exchange rate changes on cash and cash equivalents	(977,996)	133,610	1,111,606
Increase (decrease) in cash and cash equivalents	2,054,502	(437,971)	(2,492,474)
Cash and cash equivalents at the end of period	13,007,605	12,569,633	(437,971)

1) Balance sheet position

Total assets increased 1,324 million yen from the end of the previous fiscal year to 42,612 million yen at the end of the current fiscal year. This was primarily attributable to a 2,073 million yen increase in notes and accounts receivable-trade, and a 251 million yen increase in investment securities. On the other hand, we posted a 483 million yen decrease in raw materials and supplies and a 320 million yen decrease in work in process.

Liabilities increased 701 million yen to 11,453 million yen. This was primarily attributable to an 827 million yen increase in notes and accounts payable-trade. On the other hand, we posted a 157 million yen decrease in short-term loans payable.

Net assets increased 623 million yen to 31,158 million yen. This was primarily attributable to a 2,089 million yen increase in retained earnings, while we posted a 1,992 million yen decrease in acquisition of treasury stock.

As a result, equity ratio declined from 69.8% at the end of the previous fiscal year to 69.2%.

2) Cash flows

Cash and cash equivalents at the end of the current fiscal year decreased 437 million yen against the end of the previous fiscal year to 12,569 million yen.

A summary of cash flows is as follows:

(Cash flows from operating activities)

Net cash provided by operating activities was 3,716 million yen (8,691 million yen in the previous fiscal year). Positive factors included net income before income taxes and minority interests of 4,194 million yen, and depreciation and amortization of 1,307 million yen, while negative factors included a 1,991 million yen increase in notes and accounts receivable, and income taxes paid of 1,075 million yen.

(Cash flows from investing activities)

Net cash used in investing activities was 1,276 million yen (4,156 million yen in the previous fiscal year). This was mainly due to an increase in time deposits of 1,529 million yen and payment for acquisition of fixed assets of 526 million yen, while there were proceeds from withdrawal of time deposits of 910 million yen.

(Cash flows from financing activities)

Net cash used in financing activities was 3,012 million yen (1,501 million yen in the previous fiscal year). This was mainly due to payment of 1,992 million yen for acquisition of treasury stock, and cash dividends paid of 542 million yen.

The following table illustrates the movements of cash flow-related indices

Fiscal years ended	Mar. 31, 2006	Mar. 31,2007	Mar. 31,2008	Mar. 31,2009	Mar. 31,2010
Shareholders' equity ratio (%)	55.6	54.7	60.3	69.8	69.2
Shareholders' equity ratio based on market prices (%)	147.8	159.1	79.4	41.2	83.3
Cash flows to debt ratio (years)	0.4	0.8	0.4	0.2	0.3
Interest coverage ratio	74.8	35.7	59.4	110.3	84.2

Notes: Shareholders' equity ratio: Shareholders' equity / Total assets

Shareholders' equity ratio based on market prices: Market capitalization / Total assets

Cash flows to debt ratio: Interest-bearing liabilities / Operating cash flow

Interest coverage ratio: Operating cash flow / Interest payments

1. These indices are calculated on a consolidated basis.
2. Market capitalization: Closing price of stock on the balance sheet date x Number of shares outstanding (deduction treasury stock) at the end of the fiscal year on the balance sheet date.
3. Net cash provided by operating activities on the consolidated statements of cash flows is used as operating cash flow. Interest-bearing liabilities include all liabilities on the consolidated balance sheets that incur interest. Interests paid on the consolidated statements of cash flows is used as interest payments.

(3) Profit Allocation Policy and Dividends for the Current and Next Fiscal Years

As we recognize profit distribution to our shareholders as an important management issue, we will continue stable payment of dividends with the amount linked to operating results as our basic policy while striving to establish a solid management foundation and to increase return on shareholders' equity.

In accordance with the policy above, we plan to pay a year-end dividend of 55 yen per share in line with initial plan.

Regarding the dividend for the next fiscal year, we plan to pay a regular dividend of 55 yen per share, though it will be finally decided based on a comprehensive consideration of financial position and operating results.

(4) Business Risks

We list below those risks that could impact our group's business development. Note that future risks are based on management's judgment as of the end of the fiscal year under review.

1) Technological innovation

Our group's products are constantly impacted by technological innovation in demand industries. A reduction in the weight of surface finishing processes due to the development of new technologies, the adoption of new production methods, or the emergence of new competing products, could impact demand for our group's products.

2) Securing a stable supply of rare raw materials

Some of our group's products use rare raw materials to maintain an advantage over competitors. Our group's competitiveness would be impacted if production of these rare raw materials were to be halted due to a change in strategy at raw materials makers, or legal restrictions, and we were unable to find suitable substitutes.

3) Restrictions on certain raw materials use

The raw materials used in our products, or plating film applications using our group’s products, may be restricted by some companies or the government for environmental reasons. This would impact our product sales.

4) Surging materials prices

The prices of all kinds of materials, including raw materials, continue to rise due in large part to growth of the Chinese economy. We may not be able to increase prices to fully match sharp or long-term rises in the prices of mainstay raw materials used in our mainstay products, and this would impact the profitability of these products.

5) Foreign exchange rate fluctuation

Some of our group’s transactions, and assets and liabilities, are denominated in foreign currencies. Foreign exchange rate volatility could adversely impact our group’s earnings. We are trying to minimize foreign exchange risks by using forward foreign exchange contracts. However, it is not possible to completely eliminate foreign exchange risks.

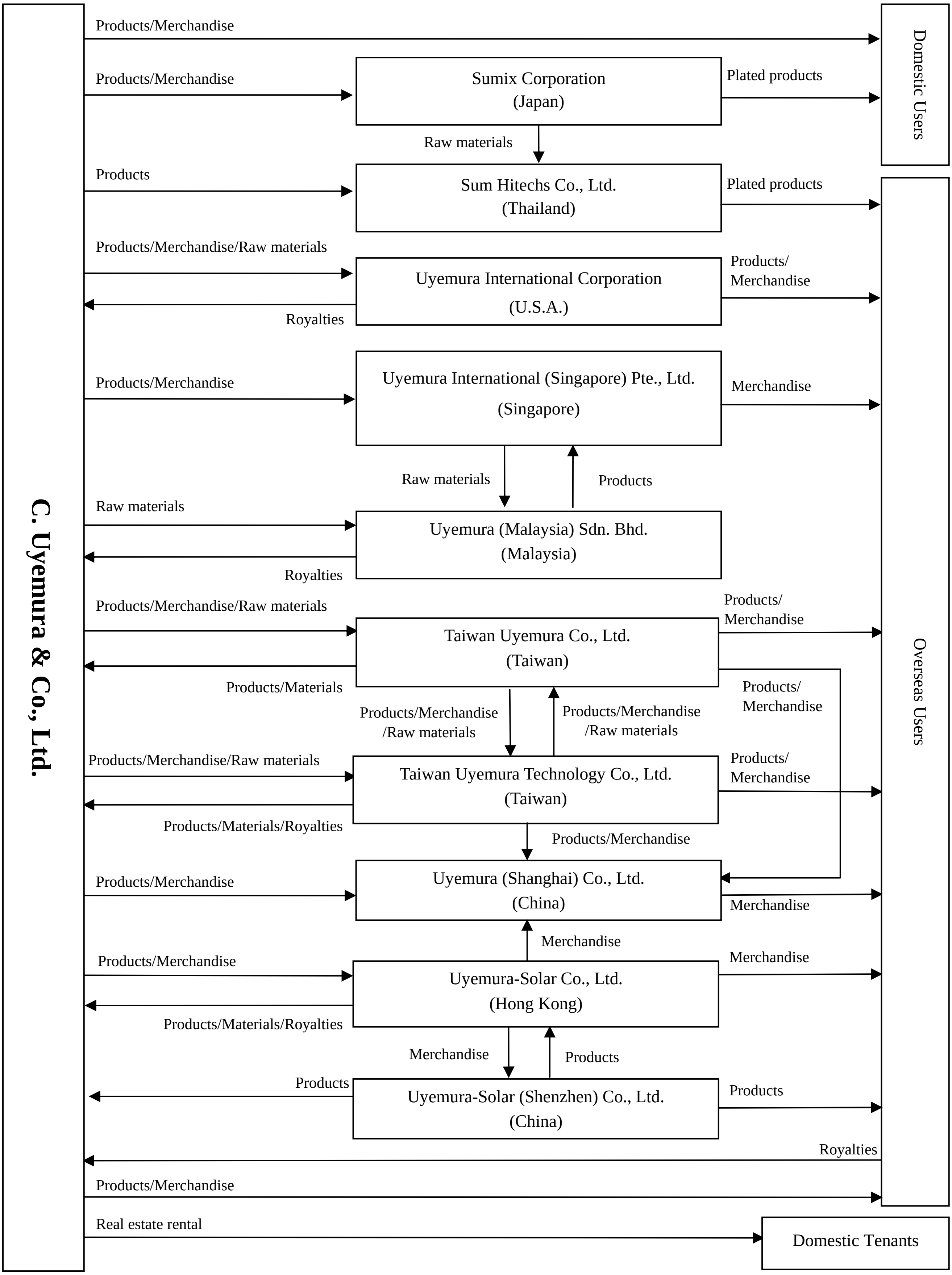
2. Corporate Group

Our group consists of C. Uyemura & Co., Ltd. and ten subsidiaries which are engaged primarily in the surface finishing materials business (manufacture and marketing of plating chemicals; procurement and marketing of industrial chemicals and non-ferrous metals), the surface finishing machinery business (manufacture and marketing of surface finishing machinery as well as procurement and marketing of surface finishing machinery), the real estate rental business, and other businesses (plating job shop and royalty revenues).

The nature of each business, the positioning of our company and related companies in each particular business, and segmentation of business by category are as follows.

Category	Major products and merchandise	Companies
Surface finishing materials business	Plating chemicals for aluminum magnetic disks Plating chemicals for PWBs (printed wiring boards) Industrial chemicals Non-ferrous metals, etc.	C. Uyemura & Co., Ltd. Uyemura International Corporation Uyemura International (Singapore) Pte., Ltd. Taiwan Uyemura Co., Ltd. Taiwan Uyemura Technology Co., Ltd. Uyemura (Malaysia) Sdn. Bhd. Uyemura-Solar Co., Ltd. Uyemura-Solar (Shenzhen) Co., Ltd. Uyemura (Shanghai) Co., Ltd. (Total 9 companies)
Surface finishing machinery business	Plating machinery for aluminum magnetic disks Plating machinery for PWBs, etc.	C. Uyemura & Co., Ltd. Uyemura International Corporation Uyemura International (Singapore) Pte., Ltd. Taiwan Uyemura Co., Ltd. Uyemura-Solar Co., Ltd. Uyemura-Solar (Shenzhen) Co., Ltd. Uyemura (Shanghai) Co., Ltd. (Total 7 companies)
Real estate rental business	Rental of office buildings and apartment houses	C. Uyemura & Co., Ltd. (Total 1 company)
Other businesses	Plating job shop Royalty revenues	C. Uyemura & Co., Ltd. Sumix Corporation Sum Hitechs Co., Ltd. (Total 3 companies)

The following chart depicts in visual form the business relationships outlined in the table above.


C. Uyemura & Co., Ltd.
Products/Merchandise
Domestic Users
Products/Merchandise
Sumix Corporation
(Japan)
Plated products
Raw materials
Products
Sum Hitechs Co., Ltd.
(Thailand)
Plated products
Products/Merchandise/Raw materials
Uyemura International Corporation
(U.S.A.)
Products/
Merchandise
Royalties
Products/Merchandise
Uyemura International (Singapore) Pte., Ltd.
(Singapore)
Merchandise
Raw materials
Products
Raw materials
Uyemura (Malaysia) Sdn. Bhd.
(Malaysia)
Royalties
Products/Merchandise/Raw materials
Taiwan Uyemura Co., Ltd.
(Taiwan)
Products/
Merchandise
Products/Materials
Products/Merchandise
/Raw materials
Products/Merchandise
/Raw materials
Products/
Merchandise
Products/Merchandise/Raw materials
Taiwan Uyemura Technology Co., Ltd.
(Taiwan)
Products/
Merchandise
Products/Materials/Royalties
Products/Merchandise
Products/Merchandise
Uyemura (Shanghai) Co., Ltd.
(China)
Merchandise
Merchandise
Products/Merchandise
Uyemura-Solar Co., Ltd.
(Hong Kong)
Merchandise
Products/Materials/Royalties
Merchandise
Products
Products
Uyemura-Solar (Shenzhen) Co., Ltd.
(China)
Products
Overseas Users
Royalties
Products/Merchandise
Real estate rental
Domestic Tenants

3. Management Policies

(1) Fundamental Management Policies

Our group aims to grow along with customers, and this is reflected in our slogan “Growing together with U,” which also emphasizes our intent to carry out a coordinated business strategy on a consolidated basis. To achieve this goal, we aim to leverage the comprehensive strength of our group by establishing a corporate structure that enables us to swiftly and efficiently meet our customers’ needs, and we provide total solutions both hard and soft through development of surface finishing technologies for the latest technology applications. Furthermore, through transparent management, it is an important policy of ours to contribute to society and return profits to shareholders.

(2) Management Benchmarks

Our group formulates a 3-year mid-term business plan, which is updated annually on a rolling basis.

The newly formulated 3-year mid-term plan has set the mid to long-term target of achieving a record-high ordinary profit of 8 billion yen or more for the fiscal year ending March 31, 2013 on a consolidated basis.

(3) Mid-Term to Long-Term Business Strategies

We aim for continued growth in the 21st century as a leading company in the surface finishing industry. With emphasis on ‘Selection, concentration, and speed’, we plan to aggressively develop new products, and increase our presence in new markets, particularly in China. Furthermore, we will work on reconstruction of the Central Research Laboratory, our technology development core.

In our business divisions such as chemicals, machinery, controllers, plating job and overseas business development, we will focus on improvement of our collective strength.

On the other hand, we will continue to make efforts to improve operational efficiency and thoroughly reduce costs in each business segment.

We plan to unify the entire Uyemura group, including consolidated subsidiaries, under one vision for the direction of our company, and to solve the various obstacles that lie before us.

(4) Challenges

The growing importance of plating technology is widely recognized in the cutting-edge technology sectors, the electronics industry and the industry sectors to support the automotive industry. As a member of companies in those industries, we have to offer plating chemicals, machinery, and controllers as processes and develop our business globally.

Under these circumstances, we are now working on following challenges.

1) Ensure thorough compliance
2) Ensure thorough safety and eco-friendliness
3) Put a better research and development environment in place to accelerate its progress
4) Implement the initiatives over the next ten and twenty years
5) Establish a total solutions business model
6) Improve synergies among group companies and divisions
7) Explore and examine new overseas manufacturing and sales bases with an eye to the future
8) Ensure a quick response to changes in business environment

(5) Other Important Management Items

Not applicable.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Thousands of yen)

	FY2009 (As of Mar. 31, 2009)	FY2010 (As of Mar. 31, 2010)
Assets		
Current assets		
Cash and deposits with banks	14,921,648	15,168,479
Notes and accounts receivable-trade	7,356,458	9,429,966
Marketable securities	33,461	24,253
Merchandise and finished goods	1,287,506	1,348,183
Work in process	954,686	633,867
Raw materials and supplies	1,273,139	789,254
Deferred tax assets	259,024	220,823
Other current assets	324,448	429,502
Allowance for doubtful accounts	(15,754)	(27,977)
Total current assets	26,394,618	28,016,355
Fixed assets		
Tangible fixed assets		
Buildings and structures	*1 13,875,126	*1 14,801,856
Accumulated depreciation	(6,853,347)	(7,391,166)
Buildings and structures, net	7,021,779	7,410,690
Machinery and vehicles	6,567,721	6,378,964
Accumulated depreciation	(4,689,950)	(4,791,625)
Machinery and vehicles, net	1,877,770	1,587,339
Land	*1 2,759,234	*1 2,797,777
Lease assets	17,892	18,018
Accumulated depreciation	(7,673)	(11,562)
Lease assets, net	10,219	6,455
Construction in progress	571,259	74,225
Other tangible fixed assets	2,720,661	2,770,150
Accumulated depreciation	(2,000,731)	(2,199,826)
Other tangible fixed assets, net	719,929	570,324
Total tangible fixed assets	12,960,193	12,446,812
Intangible assets	285,124	232,791
Investments and other assets		
Investment securities	632,151	883,932
Long-term loans receivable	11,026	20,359
Deferred tax assets	26,534	76,768
Long-term deposits with banks	600,000	600,000
Other investments and other assets	414,239	364,928
Allowance for doubtful accounts	(35,652)	(29,017)
Total investments and other assets	1,648,299	1,916,971
Total fixed assets	14,893,617	14,596,574
Total assets	41,288,236	42,612,930

(Thousands of yen)

	FY2009 (As of Mar. 31, 2009)	FY2010 (As of Mar. 31, 2010)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	3,938,728	4,766,346
Short-term loans payable	*1 1,000,401	*1 843,370
Current portion of long-term loans payable	*1 156,516	*1 100,352
Lease obligations	2,010	2,010
Income taxes payable	690,482	787,126
Accrued bonuses	147,739	142,254
Allowance for directors’ bonuses	54,500	53,800
Notes payable-facilities	234,208	364,478
Deferred tax liabilities	5,617	7,163
Other current liabilities	1,586,463	1,273,226
Total current liabilities	7,816,667	8,340,130
Long-term liabilities		
Long-term loans payable	*1 422,784	*1 326,050
Deposit received	618,863	611,774
Lease obligations	4,859	2,848
Deferred tax liabilities	1,524,602	1,787,115
Allowance for employees’ retirement benefits	191,709	198,414
Allowance for directors’ retirement benefits	136,647	136,877
Negative goodwill	-	11,753
Other long-term liabilities	36,769	38,982
Total long-term liabilities	2,936,236	3,113,815
Total liabilities	10,752,904	11,453,945
Net assets		
Shareholders’ equity		
Common stock	1,336,936	1,336,936
Capital surplus	1,644,653	1,644,653
Retained earnings	28,697,360	30,786,844
Treasury stock	(77,610)	(2,070,266)
Total shareholders’ equity	31,601,339	31,698,168
Valuation and translation adjustments		
Cumulative securities holding gain	98,119	252,431
Foreign currency translation adjustments	(2,869,671)	(2,474,799)
Total valuation and translation adjustments	(2,771,551)	(2,222,368)
Minority interests	1,705,544	1,683,184
Total net assets	30,535,332	31,158,984
Total liabilities and net assets	41,288,236	42,612,930

(2) Consolidated Statements of Income

(Thousands of yen)

	FY2009 (Apr. 1, 2008 – Mar. 31, 2009)		FY2010 (Apr. 1, 2009 – Mar. 31, 2010)	
Sales		43,329,119		32,306,959
Cost of goods sold	*1	30,125,734	*1	21,546,806
Gross profit		13,203,384		10,760,152
Selling, general and administrative expenses				
Packing and transportation		481,189		357,190
Provision of allowance for doubtful accounts		1,643		8,431
Salaries and wages		1,987,871		1,810,874
Bonuses		298,598		281,365
Provision of accrued bonuses		65,933		69,456
Provision of allowance for directors’ bonuses		54,500		53,800
Retirement benefit expenses		189,669		144,145
Provision for directors’ retirement benefits		17,226		18,230
Telecommunication and traveling expenses		355,183		267,540
Depreciation		516,731		383,665
Tax and public charges		96,350		83,148
R&D expenses	*2	1,531,443	*2	1,289,701
Others		2,163,325		1,825,100
Total selling, general and administrative expenses		7,759,665		6,592,650
Operating income		5,443,719		4,167,502
Non-operating income				
Interests received		131,436		56,668
Dividends received		17,798		13,114
Gains on valuable resources recovery		31,668		69,142
Technical guidance fee		13,378		4,248
Other non-operating income		84,546		157,755
Total non-operating income		278,829		300,930
Non-operating expenses				
Interests expense		73,575		42,658
Sales discounts		6,906		5,851
Exchange losses		164,017		61,330
Other non-operating expenses		73,178		59,853
Total non-operating expenses		317,677		169,695
Ordinary profit		5,404,871		4,298,737

(Thousands of yen)

	FY2009 (Apr. 1, 2008 – Mar. 31, 2009)	FY2010 (Apr. 1, 2009 – Mar. 31, 2010)
Extraordinary income		
Gains on sales of fixed assets	*3 12,842	*3 6,755
Gains on reversal of accumulated impairment loss	*4 2,108	-
Total extraordinary income	14,950	6,755
Extraordinary loss		
Losses on disposal and sales of fixed assets	*5 53,244	*5 72,323
Losses on valuation of investment securities	130,376	17,008
Impairment loss	*6 238,716	*6 21,388
Total extraordinary losses	422,337	110,719
Net income before income taxes and minority interests	4,997,485	4,194,772
Income taxes-current	1,279,350	1,161,352
Income taxes-deferred	(698,664)	146,206
Total income taxes	580,686	1,307,558
Minority interests in income	354,779	255,726
Net income	4,062,019	2,631,487

(3) Consolidated Statements of Change in Shareholders' Equity

(Thousands of yen)

	FY2009 (Apr. 1, 2008 – Mar. 31, 2009)	FY2010 (Apr. 1, 2009 – Mar. 31, 2010)
Shareholders' equity		
Common stock		
Balance at the end of previous period	1,336,936	1,336,936
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	1,336,936	1,336,936
Capital surplus		
Balance at the end of previous period	1,644,653	1,644,653
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	1,644,653	1,644,653
Retained earnings		
Balance at the end of previous period	25,662,052	28,697,360
Effect of changes in accounting policies applied to foreign subsidiaries	(484,690)	-
Changes of items during the period		
Dividends from surplus	(542,021)	(542,004)
Net income	4,062,019	2,631,487
Total changes of items during the period	3,519,997	2,089,483
Balance at the end of current period	28,697,360	30,786,844
Treasury stock		
Balance at the end of previous period	(76,442)	(77,610)
Changes of items during the period		
Purchase of treasury stock	(1,168)	(1,992,655)
Total changes of items during the period	(1,168)	(1,992,655)
Balance at the end of current period	(77,610)	(2,070,266)
Total shareholders' equity		
Balance at the end of previous period	28,567,200	31,601,339
Effect of changes in accounting policies applied to foreign subsidiaries	(484,690)	-
Changes of items during the period		
Dividends from surplus	(542,021)	(542,004)
Net income	4,062,019	2,631,487
Purchase of treasury stock	(1,168)	(1,992,655)
Total changes of items during the period	3,518,829	96,828
Balance at the end of current period	31,601,339	31,698,168

(Thousands of yen)

	FY2009 (Apr. 1, 2008 – Mar. 31, 2009)	FY2010 (Apr. 1, 2009 – Mar. 31, 2010)
Valuation and translation adjustments		
Cumulative securities holding gain		
Balance at the end of previous period	343,471	98,119
Changes of items during the period		
Net changes of items other than shareholders' equity	(245,352)	154,312
Total changes of items during the period	(245,352)	154,312
Balance at the end of current period	98,119	252,431
Foreign currency translation adjustments		
Balance at the end of previous period	251,403	(2,869,671)
Changes of items during the period		
Net changes of items other than shareholders' equity	(3,121,074)	394,871
Total changes of items during the period	(3,121,074)	394,871
Balance at the end of current period	(2,869,671)	(2,474,799)
Total valuation and translation adjustments		
Balance at the end of previous period	594,874	(2,771,551)
Changes of items during the period		
Net changes of items other than shareholders' equity	(3,366,426)	549,183
Total changes of items during the period	(3,366,426)	549,183
Balance at the end of current period	(2,771,551)	(2,222,368)
Minority interests		
Balance at the end of previous period	2,001,827	1,705,544
Changes of items during the period		
Net changes of items other than shareholders' equity	(296,283)	(22,359)
Total changes of items during the period	(296,283)	(22,359)
Balance at the end of current period	1,705,544	1,683,184
Total net assets		
Balance at the end of previous period	31,163,903	30,535,332
Effect of changes in accounting policies applied to foreign subsidiaries	(484,690)	-
Changes of items during the period		
Dividends from surplus	(542,021)	(542,004)
Net income	4,062,019	2,631,487
Purchase of treasury stock	(1,168)	(1,992,655)
Net changes of items other than shareholders' equity	(3,662,710)	526,824
Total changes of items during the period	(143,881)	623,652
Balance at the end of current period	30,535,332	31,158,984

(4) Consolidated Statements of Cash Flows

(Thousands of yen)

	FY2009 (Apr. 1, 2008 – Mar. 31, 2009)	FY2010 (Apr. 1, 2009 – Mar. 31, 2010)
Cash flows from operating activities		
Net income before income taxes and minority interests	4,997,485	4,194,772
Depreciation and amortization	1,555,344	1,307,648
Impairment loss	238,716	21,388
Increase (decrease) in allowance for doubtful accounts	1,643	8,431
Increase (decrease) in allowance for directors' bonuses	(17,400)	(700)
Increase (decrease) in allowance for employees' retirement benefits	(25,088)	5,593
Increase (decrease) in allowance for directors' retirement benefits	(7,304)	230
Interests and dividends received	(149,235)	(69,783)
Interest expense	73,575	42,658
Losses (gains) on valuation of marketable securities	11,254	(1,508)
Losses (gains) on valuation of investment securities	130,376	17,008
Losses (gains) on disposal and sales of fixed assets	40,402	65,567
Decrease (increase) in notes and accounts receivable	6,571,293	(1,991,804)
Decrease (increase) in inventories	(189,940)	789,030
Increase (decrease) in notes and accounts payable	(3,418,728)	812,976
Others	472,657	(437,469)
Subtotal	10,285,051	4,764,040
Interests and dividends received	148,331	72,081
Interests paid	(78,826)	(44,142)
Income taxes paid	(1,663,538)	(1,075,425)
Net cash provided by operating activities	8,691,019	3,716,553
Cash flows from investing activities		
Increase in time deposits	(2,512,398)	(1,529,854)
Proceeds from withdrawal of time deposits	276,374	910,043
Increase in long-term deposits with banks	-	(600,000)
Proceeds from withdrawal of long-term deposits with banks	-	600,000
Payment for acquisition of fixed assets	(1,887,301)	(526,761)
Proceeds from sales of fixed assets	37,551	24,662
Payment for acquisition of investment securities	(56,037)	(8,555)
Proceeds from redemption of investment securities	-	130
Payment for purchase of investments in subsidiaries	-	(148,119)
Payment for loans receivable	(21,780)	(32,093)
Proceeds from collection of loans receivable	19,833	24,656
Others	(12,867)	9,779
Net cash used in investing activities	(4,156,626)	(1,276,113)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(652,152)	(165,447)
Repayment for long-term loans payable	(208,782)	(158,436)
Payment for acquisition of treasury stock	(1,168)	(1,992,655)
Payment for acquisition of treasury stock of subsidiaries	-	(95,129)
Cash dividends paid	(542,021)	(542,004)
Payment for dividends to minority shareholders	(97,768)	(58,349)
Net cash used in financing activities	(1,501,893)	(3,012,021)
Effect of exchange rate changes on cash and cash equivalents	(977,996)	133,610
Increase (decrease) in cash and cash equivalents	2,054,502	(437,971)
Cash and cash equivalents at beginning of period	10,953,102	13,007,605
Cash and cash equivalents at end of period	*1 13,007,605	*1 12,569,633

Going Concern Assumption

Not applicable.

Basis for Presentation of the Consolidated Financial Statements

Item	FY2009 (Apr. 1, 2008 – Mar. 31, 2009)	FY2010 (Apr. 1, 2009 – Mar. 31, 2010)
1. Scope of consolidation	The number of consolidated subsidiaries: 10 Sumix Corporation Taiwan Uyemura Co., Ltd. Taiwan Uyemura Technology Co., Ltd. Uyemura International Corporation Uyemura (Shanghai) Co., Ltd. Sum Hitechs Co., Ltd. Uyemura (Malaysia) Sdn. Bhd. Uyemura International (Singapore) Pte., Ltd. Uyemura-Solar Co., Ltd. Uyemura-Solar (Shenzhen) Co., Ltd.	Same as on the left.
2. Application of equity method	The Company has no subsidiaries and affiliates accounted for by the equity method.	Same as on the left.
3. Closing date of consolidated subsidiaries	At the overseas subsidiaries' fiscal year end on December 31. Therefore, the financial statements of the overseas subsidiaries as of their closing date are used herein with necessary adjustments applied for consolidation purposes regarding the important transactions that have occurred between the said closing date, December 31 and the consolidation closing date, March 31.	Same as on the left.
4. Accounting standards (1) Valuation standards and method for major assets	1. Marketable securities 1) Trading securities Valued at the market price, cost of sales being determined by the moving average method. 2) Other securities Securities with market quotations Valued at the market price, using a market value at the end of the fiscal year, differences in valuation to be included in net assets, and cost of securities sold being determined by the moving average method. Securities without market quotations Valued at cost being determined by the moving average method. 2. Inventories 1) Merchandise Primarily valued at cost being determined by the periodic average method (the carrying value on the balance sheet is written down to reflect the effect of lower profit margins).	1. Marketable securities 1) Trading securities Same as on the left. 2) Other securities Securities with market quotations Same as on the left. Securities without market quotations Same as on the left. 2. Inventories 1) Merchandise Primarily valued at cost being determined by the periodic average method (the carrying value on the balance sheet is written down to reflect the effect of lower profit margins).

Item	FY2009 (Apr. 1, 2008 – Mar. 31, 2009)	FY2010 (Apr. 1, 2009 – Mar. 31, 2010)
	2) Finished products and work in process Plating chemicals Primarily valued at cost being determined by the periodic average method (the carrying value on the balance sheet is written down to reflect the effect of lower profit margins). Surface finishing machinery Primarily valued at cost being determined by the identified cost method (the carrying value on the balance sheet is written down to reflect the effect of lower profit margins). 3) Raw materials and supplies Primarily valued at cost being determined by the periodic average method (the carrying value on the balance sheet is written down to reflect the effect of lower profit margins). (Change in accounting policy) The Company has adopted "Accounting Standards for Measurement of Inventories" (Accounting Standards Board of Japan (ASBJ) Statement No. 9, July 5, 2006) from the current fiscal year. The effect of this change was to decrease operating income, ordinary profit and net income before income taxes and minority interests by 24,239,000 yen each. The impact on segment operations is shown in the Segment Information section.	2) Finished products and work in process Plating chemicals Primarily valued at cost being determined by the periodic average method (the carrying value on the balance sheet is written down to reflect the effect of lower profit margins). Surface finishing machinery Primarily valued at cost being determined by the identified cost method (the carrying value on the balance sheet is written down to reflect the effect of lower profit margins). 3) Raw materials and supplies Primarily valued at cost being determined by the periodic average method (the carrying value on the balance sheet is written down to reflect the effect of lower profit margins).
(2) Depreciation method for major depreciable assets	1) Tangible fixed assets (excluding lease assets) The declining balance method is used in the Company and its domestic consolidated subsidiaries, while the straight-line method is used in overseas subsidiaries. Useful life of principle assets is as follows. Buildings and structures: 15-50 years Machinery and vehicles: 5-10 years (Supplementary information) The Company and its domestic consolidated subsidiaries have changed the useful lives of machinery and vehicles, from previously-applied five to twelve years, to five to ten years in the current fiscal year. This change was made as a result of 2008 amendments of the Corporation Tax Law, and certain assets are calculated using a newly adopted method with revised useful lives. The effect of this change was to decrease operating income, ordinary profit and net income before income taxes and minority interests by 63,456,000 yen each. The impact on segment operations is shown in the Segment Information section.	1) Tangible fixed assets (excluding lease assets) The declining balance method is used in the Company and its domestic consolidated subsidiaries, while the straight-line method is used in overseas subsidiaries. Useful life of principle assets is as follows. Buildings and structures: 15-50 years Machinery and vehicles: 5-10 years

Item	FY2009 (Apr. 1, 2008 – Mar. 31, 2009)	FY2010 (Apr. 1, 2009 – Mar. 31, 2010)
	2) Lease assets Lease assets associated with finance lease transactions where there is no transfer of ownership The straight-line method with no residual value is applied with the lease period used as the useful life of the asset. For finance lease transaction where there is no transfer of ownership that started on or before March 31, 2008, the Company uses an accounting method that is based on the method used for ordinary lease transactions.	2) Lease assets Same as on the left.
(3) Recognition of major reserves	1) Allowance for doubtful accounts To prepare for credit losses on accounts receivable, allowances equal to the estimated amount of uncollectible receivables are accounted for based on historical write-off ratio for general receivables, and based on case-by-case determination of collectibility for bad receivables and claims in bankruptcy.	1) Allowance for doubtful accounts Same as on the left.
	2) Accrued bonuses In the Company and its domestic consolidated subsidiaries, to prepare for the payment of bonus to employees, an allowance is accounted for a portion accrued for the current fiscal year of the estimated amount of future payment.	2) Accrued bonuses Same as on the left.
	3) Allowance for directors' bonuses In the Company and its domestic consolidated subsidiaries, to prepare for the payment of bonus to directors, an allowance is accounted for the estimated bonus obligations in the current fiscal year.	3) Allowance for directors' bonuses Same as on the left.
	4) Allowance for employees' retirement benefits To provide for retirement benefits to employees, allowance for employees' retirement benefits is accounted in the amount deemed to have accrued at the end of the current fiscal year, based on the estimated retirement benefit obligations and plan assets at the end of the fiscal year. The actuarial difference is expensed in the following fiscal years using the straight-line method, based on the specified number of years (12 years) within the average length of remaining work period of employees.	4) Allowance for employees' retirement benefits Same as on the left.
	5) Allowance for directors' retirement benefits In the Company and its domestic consolidated subsidiaries, to prepare for the payment of retirement benefits to directors, allowances for the aggregate amount payable at the end of the fiscal year pursuant to the company's rules on directors' retirement benefits.	5) Allowance for directors' retirement benefits Same as on the left.

Item	FY2009 (Apr. 1, 2008 – Mar. 31, 2009)	FY2010 (Apr. 1, 2009 – Mar. 31, 2010)
(4) Translation of the important assets or liabilities in foreign currency into Japanese currency	The monetary assets and liabilities in foreign currency are translated into Japanese currency based on the spot exchange rate as of the closing date of the current fiscal year, with the conversion difference to be accounted for as profit or loss. The assets and liabilities of overseas subsidiaries are translated into Japanese currency based on the spot exchange rate as of their closing date respectively, and revenue and expenses into Japanese currency based on the average conversion rate throughout the entire period, with the conversion difference to be accounted for so as to be included in foreign currency translation adjustments in the net assets.	Same as on the left.
(5) Accounting for hedges	The Company uses derivatives transactions such as forward foreign exchange contract to manage its exposures to fluctuations in foreign exchange related to forecasted transactions and obligation created by demand trading. The Company applies the deferred accounting method. Forward foreign exchange contracts, a hedge is accounted by the short-cut method if the hedging relationship meets certain criteria. The Company uses only derivative financial instruments that meet certain hedging criteria, so that hedge effectiveness is maintained.	Same as on the left.
(6) Other important principles for presentation of consolidated financial statements	1) Consumption taxes All amounts stated are exclusive of consumption taxes.	1) Consumption taxes Same as on the left.
5. Evaluation of assets and liabilities of consolidated subsidiaries	The market price method is adopted fully for the evaluation of assets and liabilities of consolidated subsidiaries.	Same as on the left.
6. Amortization of goodwill and negative goodwill	――――――	Equal amortization over five years is adopted for amortization of negative goodwill.
7. Definition of cash and cash equivalents in the consolidated statements of cash flows	Cash and cash equivalents in the consolidated statements of cash flows is composed of 1) cash on hand, 2) bank deposit payable on demand, and 3) short-term investments readily redeemable within six months from the acquisition that has little risk on changes in valuation.	Same as on the left.

Changes in Basis for Presentation of the Consolidated Financial Statements

FY2009 (Apr. 1, 2008 – Mar. 31, 2009)	FY2010 (Apr. 1, 2009 – Mar. 31, 2010)
(Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements) Effective from the current fiscal year, the Company has adopted “Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements” (PITF No. 18, May 17, 2006) and has made the necessary adjustments to the consolidated financial statements. The effect of this change was to decrease operating income by 56,951,000 yen, ordinary profit and net income before income taxes and minority interests by 58,867,000 yen each, and increase net income by 94,542,000 yen. In addition, retained earnings at the beginning of the fiscal year decreased by 484,690,000 yen. The impact on segment operations is shown in the Segment Information section.	————
(Accounting standards for lease transactions) In prior years, the Company accounted for finance lease transactions where there is no transfer of ownership as ordinary lease transactions for accounting purposes. However, effective from the current fiscal year, the Company has adopted “Accounting Standards for Lease Transactions” (ASBJ Statement No. 13: originally issued on June 17, 1993 by Section 1 of the Business Accounting Deliberation Counsel, and revised on March 30, 2007 by Accounting Standards Board of Japan) and “Guidance on Accounting Standards for Lease Transactions” (ASBJ Guidance No. 16: originally issued on January 18, 1994 by Accounting Standards Committee of the Japanese Institute of Certified Public Accountants, and revised on March 30, 2007 by Accounting Standards Board of Japan), and changed to an accounting method that is based on the method used for ordinary purchases and sales. For finance leases where there is no transfer of ownership that started prior to the fiscal year when these standards were first applied, the Company continues to use an accounting method that is based on the method used for ordinary lease transactions. The application of these standards does not have a material effect on earnings.	————

Reclassifications

FY2009 (Apr. 1, 2008 – Mar. 31, 2009)	FY2010 (Apr. 1, 2009 – Mar. 31, 2010)
(Consolidated Balance Sheets) With the adoption of "Cabinet Office Ordinance Partially Revising Regulation for Terminology, Forms and Preparation Methods of Financial Statements" (Cabinet Office Ordinance No. 50, August 7, 2008,) "Inventories" is reclassified and divided into "Merchandise and finished goods," "Work in process" and "Raw materials and supplies" in the current fiscal year. "Merchandise and finished goods," "Work in process" and "Raw materials and supplies" those included in "Inventories" were 2,007,508,000 yen, 872,074,000 yen and 1,198,031,000 yen, respectively in the previous fiscal year.	――――――

Notes to Consolidated Financial Statements

Notes to Consolidated Balance Sheets

(Thousands of yen)

FY2009 (As of Mar. 31, 2009)		FY2010 (As of Mar. 31, 2010)	
*1. Assets pledged as collateral and liabilities with collateral		*1. Assets pledged as collateral and liabilities with collateral	
Assets pledged as collateral		Assets pledged as collateral	
Buildings and structures	2,327,034	Buildings and structures	2,196,457
Land	47,200	Land	47,200
Total	2,374,234	Total	2,243,657
Liabilities with collateral		Liabilities with collateral	
Short-term loans payable	400,000	Short-term loans payable	400,000
Long-term loans payable (including current portion of long-term loans payable)	62,500	Long-term loans payable (including current portion of long-term loans payable)	49,000
Total	462,500	Total	449,000
2. Discounted notes receivable	23,116	2. Discounted notes receivable	18,174

Notes to Consolidated Statements of Income

(Thousands of yen)

<table>
<tr><th>FY2009
(Apr. 1, 2008 – Mar. 31, 2009)</th><th>FY2010
(Apr. 1, 2009 – Mar. 31, 2010)</th></tr>
<tr><td>*1. The ending inventory is the amount written down to reflect the effect of lower profit margins. The following loss on valuation of inventories is included in cost of sales.
24,239</td><td>*1. The ending inventory is the amount written down to reflect the effect of lower profit margins. The following loss on valuation of inventories is included in cost of sales.
42,290</td></tr>
<tr><td>*2. R&D expenses included in selling, general and administrative expenses
1,531,443</td><td>*2. R&D expenses included in selling, general and administrative expenses
1,289,701</td></tr>
<tr><td>*3. Gains on sales of fixed assets<table><tr><td>Buildings and structures</td><td>16</td></tr><tr><td>Machinery and vehicles</td><td>11,431</td></tr><tr><td>Land</td><td>1,394</td></tr><tr><td>Total</td><td>12,842</td></tr></table></td><td>*3. Gains on sales of fixed assets<table><tr><td>Machinery and vehicles</td><td>6,755</td></tr></table></td></tr>
<tr><td>*4 Gains on reversal of accumulated impairment loss
Based on the local GAAP that our foreign consolidated subsidiaries should follow, gains on reversal of accumulated impairment loss were recognized for building and structures, machinery and vehicles and other fixed assets.</td><td>4.
――――――</td></tr>
<tr><td>*5. Losses on disposal and sales of fixed assets<table><tr><td>Buildings and structures</td><td>11,013</td></tr><tr><td>Machinery and vehicles</td><td>3,680</td></tr><tr><td>Retirement cost</td><td>26,783</td></tr><tr><td>Others</td><td>11,766</td></tr><tr><td>Total</td><td>53,244</td></tr></table></td><td>*5. Losses on disposal and sales of fixed assets<table><tr><td>Buildings and structures</td><td>53,534</td></tr><tr><td>Machinery and vehicles</td><td>11,533</td></tr><tr><td>Retirement cost</td><td>2,652</td></tr><tr><td>Others</td><td>4,602</td></tr><tr><td>Total</td><td>72,323</td></tr></table></td></tr>
<tr><td>*6. Impairment loss
The Group recognized an impairment loss on the following groups of assets.<table><tr><th>Location</th><th>Use</th><th>Item</th></tr><tr><td>Kita-ku, Hamamatsu City</td><td>Business assets</td><td>Buildings and structures, machinery and vehicles, land, and others</td></tr><tr><td>Pathum Thani, Thailand</td><td>Business assets</td><td>Machinery and vehicles</td></tr><tr><td>Taoyuan County, Taiwan</td><td>Idle assets</td><td>Buildings and structures, machinery and vehicles, and others</td></tr></table>We group business assets according to office and idle assets according to each asset type.
For the current fiscal year, we wrote down the book value of the groups of assets that have reported operating losses on a consistent basis and that of the idle assets not in use for business to their recoverable amounts. The difference between the book value and the recoverable amounts was then accounted for as impairment loss of 238,716,000 yen and presented as an extraordinary loss. The amount of impairment loss consists of 33,157,000 yen for buildings and structures, 168,050,000 yen for machinery and vehicles, 32,222,000 yen for lands and 5,286,000 yen for others.
The recoverable amount of the groups of assets is measured at net selling price, while that of the lands is evaluated based on assessed value for fixed asset tax.</td><td>*6. Impairment loss
The Group recognized an impairment loss on the following groups of assets.<table><tr><th>Location</th><th>Use</th><th>Item</th></tr><tr><td>Moriguchi City, Osaka</td><td>Business assets</td><td>Machinery and vehicles, and others</td></tr><tr><td>Taoyuan County, Taiwan</td><td>Idle assets</td><td>Machinery and vehicles</td></tr></table>We group business assets according to office and idle assets according to each asset type.
For the current fiscal year, we wrote down the book value of the groups of assets that have reported operating losses on a consistent basis and that of the idle assets not in use for business to their recoverable amounts. The difference between the book value and the recoverable amounts was then accounted for as impairment loss of 21,388,000 yen and presented as an extraordinary loss. The amount of impairment loss consists of 20,465,000 yen for machinery and vehicles, and 922,000 yen for others.
The recoverable amount of the groups of assets is measured at net selling price.</td></tr>
</table>

Notes to Consolidated Statements of Changes in Shareholders' Equity

FY2009 (Apr. 1, 2008 – Mar. 31, 2009)

1. Types and total number of outstanding shares and treasury stock

	Number of shares as of Mar. 31, 2008 (Shares)	Increase (Shares)	Decrease (Shares)	Number of shares as of Mar. 31, 2009 (Shares)
Outstanding shares				
Common shares	9,878,040	-	-	9,878,040
Total	9,878,040	-	-	9,878,040
Treasury stock				
Common shares	23,101	319	-	23,420
Total	23,101	319	-	23,420

Note: The number of common shares of treasury stock was increased by 319 shares from purchase of odd-lot share.

2. Dividends

(1) Dividend payment

Resolution	Type of share	Total amount of dividend (Thousands of yen)	Dividend per share (Yen)	Record date	Effective date
Annual general meeting of shareholders on Jun. 27, 2008	Common shares	542,021	55	Mar. 31, 2008	Jun. 30, 2008

(2) Dividends with a record date in the current fiscal year but an effective date in the following fiscal year

Resolution	Type of share	Total amount of dividend (Thousands of yen)	Source of dividend	Dividend per share (Yen)	Record date	Effective date
Annual general meeting of shareholders on Jun. 26, 2009	Common shares	542,004	Retained earnings	55	Mar. 31, 2009	Jun. 29, 2009

FY2010 (Apr. 1, 2009 – Mar. 31, 2010)

1. Types and total number of outstanding shares and treasury stock

	Number of shares as of Mar. 31, 2009 (Shares)	Increase (Shares)	Decrease (Shares)	Number of shares as of Mar. 31, 2010 (Shares)
Outstanding shares				
Common shares	9,878,040	-	-	9,878,040
Total	9,878,040	-	-	9,878,040
Treasury stock				
Common shares	23,420	485,823	-	509,243
Total	23,420	485,823	-	509,243

Note: The number of common shares of treasury stock was increased by 485,823 shares due to the purchase of treasury stock based on the Board of Directors resolution (485,700 shares) and the purchase of odd-lot share (123 shares).

2. Dividends

(1) Dividend payment

Resolution	Type of share	Total amount of dividend (Thousands of yen)	Dividend per share (Yen)	Record date	Effective date
Annual general meeting of shareholders on Jun. 26, 2009	Common shares	542,004	55	Mar. 31, 2009	Jun. 29, 2009

(2) Dividends with a record date in the current fiscal year but an effective date in the following fiscal year

Resolution	Type of share	Total amount of dividend (Thousands of yen)	Source of dividend	Dividend per share (Yen)	Record date	Effective date
Annual general meeting of shareholders on Jun. 29, 2010 (tentative)	Common shares	515,283	Retained earnings	55	Mar. 31, 2010	Jun. 30, 2010

Notes to Consolidated Statements of Cash Flows

(Thousands of yen)

FY2009 (Apr. 1, 2008 – Mar. 31, 2009)		FY2010 (Apr. 1, 2009 – Mar. 31, 2010)	
*1. Reconciliation of the balance of cash and cash equivalents at the end of the fiscal year and the amount of each period stated in the consolidated balance sheets		*1. Reconciliation of the balance of cash and cash equivalents at the end of the fiscal year and the amount of each period stated in the consolidated balance sheets	
	(As of Mar. 31, 2009)		(As of Mar. 31, 2010)
Cash and deposits with banks	14,921,648	Cash and deposits with banks	15,168,479
Time deposits maturing with deposit period of more than 6 months	(1,914,043)	Time deposits maturing with deposit period of more than 6 months	(2,598,846)
Cash and cash equivalents	13,007,605	Cash and cash equivalents	12,569,633

Lease Transactions

(Thousands of yen)

FY2009
(Apr. 1, 2008 – Mar. 31, 2009)

For finance lease transactions where there is no transfer of ownership that started prior to the fiscal year when accounting standards for lease transactions were first applied

(1) Acquisition costs, accumulated depreciation and the balance at the end of the fiscal year

	Acquisition costs	Accumulated depreciation	Year-end balance
Machinery and vehicles	53,315	41,068	12,246
(Tangible fixed assets) Other	163,709	63,080	100,629
Total	217,025	104,148	112,876

(2) Future lease payments as of the end of the fiscal year

Due within one year	38,764
Due after one year	75,895
Total	114,660

(3) Lease payments, reversal from lease asset impairment, depreciation, interest equivalent and impairment loss

Lease payments	47,496
Depreciation equivalents	45,534
Interest equivalent	3,113

(4) Method of calculating depreciation equivalents
Depreciation is based on the straight-line method, assuming the lease period to be the useful life and no residual value.

(5) Method of calculating interest equivalents
Interest represents the difference between the total lease payments and the acquisition cost equivalents, and is allocated for each fiscal year using the simple-interest method.

(Impairment loss)
There is no impairment loss on lease asset-impairment account.

1. Finance lease transaction
Finance leases where there is no transfer of ownership
1) Breakdown of lease assets
Tangible fixed assets
Other tangible fixed assets

2) The depreciation method of lease assets
As described in the section “Basis for Presentation of the Consolidated Financial Statements, 4. Accounting standards, (2) Depreciation method for major depreciable assets.”

2. Operating lease transactions
Future lease payments

Due within one year	14,367
Due after one year	23,324
Total	37,692

FY2010
(Apr. 1, 2009 – Mar. 31, 2010)

For finance lease transactions where there is no transfer of ownership that started prior to the fiscal year when accounting standards for lease transactions were first applied

(1) Acquisition costs, accumulated depreciation and the balance at the end of the fiscal year

	Acquisition costs	Accumulated depreciation	Year-end balance
Machinery and vehicles	53,400	48,290	5,110
(Tangible fixed assets) Other	155,846	86,823	69,022
Total	209,246	135,113	74,132

(2) Future lease payments as of the end of the fiscal year

Due within one year	34,090
Due after one year	41,834
Total	75,925

(3) Lease payments, reversal from lease asset impairment, depreciation, interest equivalent and impairment loss

Lease payments	40,849
Depreciation equivalents	38,961
Interest equivalent	2,236

(4) Method of calculating depreciation equivalents
Same as on the left.

(5) Method of calculating interest equivalents
Same as on the left.

(Impairment loss)
Same as on the left.

1. Finance lease transaction
Finance leases where there is no transfer of ownership
1) Breakdown of lease assets
Tangible fixed assets
Same as on the left.

2) The depreciation method of lease assets
Same as on the left.

2. Operating lease transactions
Future lease payments

Due within one year	14,385
Due after one year	9,717
Total	24,102

Marketable Securities

1. Securities for trade purposes (Thousands of yen)

	FY2009 (As of Mar. 31, 2009)		FY2010 (As of Mar. 31, 2010)	
	Carrying value	Unrealized gain (loss) included in profit/loss	Carrying value	Unrealized gain (loss) included in profit/loss
Shares	33,461	(11,254)	24,253	1,508

2. Other securities with market quotations (Thousands of yen)

	Type	FY2009 (As of Mar. 31, 2009)			FY2010 (As of Mar. 31, 2010)		
		Acquisition costs	Carrying value	Unrealized gain (loss)	Acquisition costs	Carrying value	Unrealized gain (loss)
Securities with carrying value exceeds acquisition costs	(1) Shares	289,384	497,559	208,174	381,176	805,316	424,140
	(2) Bonds						
	1) Government bonds, Municipal bonds, etc.	-	-	-	-	-	-
	2) Corporate bonds	-	-	-	-	-	-
	3) Others	-	-	-	-	-	-
	(3) Others	-	-	-	18,480	20,616	2,136
	Sub-total	289,384	497,559	208,174	399,656	825,932	426,276
Securities with carrying value not exceeding acquisition costs	(1) Shares	100,391	74,218	(26,172)	145	143	(2)
	(2) Bonds						
	1) Government bonds, Municipal bonds, etc.	-	-	-	-	-	-
	2) Corporate bonds	-	-	-	-	-	-
	3) Others	-	-	-	-	-	-
	(3) Others	63,835	47,316	(16,519)	45,225	44,703	(522)
	Sub-total	164,226	121,534	(42,691)	45,370	44,846	(524)
Total		453,610	619,093	165,482	445,026	870,778	425,752

Notes: Acquisition costs in the table represent book values after impairment.
Securities were written down at 130,376,000 yen in the previous fiscal year, 17,008,000 yen in the current fiscal year.
In the case of securities with market quotations as of the end of the fiscal year is 50% or more lower than their acquisition costs, the whole difference is impaired, and in the case of securities with market quotations as of the end of the fiscal year is 30 - 50% lower than their acquisition costs, the amount regarded as necessary is impaired, considering the possibility of recovery.

3. Sales of other securities during the fiscal year (Thousands of yen)

FY2009 (Apr. 1, 2008 – Mar. 31, 2009)			FY2010 (Apr. 1, 2009 – Mar. 31, 2010)		
Sales amount	Aggregate gain	Aggregate loss	Sales amount	Aggregate gain	Aggregate loss
-	-	-	-	-	-

4. Major securities without market quotations (Thousands of yen)

	FY2009 (As of Mar. 31, 2009)	FY2010 (As of Mar. 31, 2010)
	Carrying value	Carrying value
Other securities		
Unlisted shares	11,497	11,497
Unlisted foreign shares	1,560	1,656

Derivative Transactions

1. Matters concerning the transactions

FY2009 (Apr. 1, 2008 – Mar. 31, 2009)	FY2010 (Apr. 1, 2009 – Mar. 31, 2010)
(1) Types and purposes of the transactions The Company enters into forward foreign exchange contracts to avoid potential exchange rate fluctuation risks on foreign currency trade receivables and payables that will arise from its ongoing operations. Those transactions are principally accounted by the deferred accounting method. However, the Company applies designated fair value method in the forward foreign exchange contracts that meets certain criteria. The Company uses only derivative financial instruments that meet certain hedging criteria, so that hedge effectiveness is maintained.	(1) Types and purposes of the transactions Same as on the left.
(2) Transaction policy The Company has adopted a policy to use derivative transactions only for the purpose of avoiding risks associated with assets and liabilities that are exposed to market risks.	(2) Transaction policy Same as on the left.
(3) Risks associated with the transactions Derivative transactions generally involve market risks caused by fluctuations in foreign exchange rates or interest rates as well as credit risks arising from non-performance of contract by the counterparty. The Company assigns each forward foreign exchange contract to the relevant foreign currency denominated monetary assets and liabilities without delay. The Company recognizes there are little credit risks because all of our counterparties of derivative transactions are highly credit rated banks.	(3) Risks associated with the transactions Same as on the left.
(4) Management of risks associated with the transactions The derivative transactions are managed by the Accounting Department under the Management Control Division through regularly receiving a report from a department that is responsible for executing the transactions.	(4) Management of risks associated with the transactions Same as on the left.

2. Information on market values

FY2009 (As of Mar. 31, 2009)	FY2010 (As of Mar. 31, 2010)
Contract amount, market value and net valuation gain/loss on derivative positions Not applicable since the monetary assets in foreign currencies with forward foreign exchange contracts that meet certain criteria are accounted by the designated fair value method.	Contract amount, market value and net valuation gain/loss on derivative positions Same as on the left.

Retirement Benefit

1. Retirement benefit plans

<table>
<tr><th>FY2009
(Apr. 1, 2008 – Mar. 31, 2009)</th><th>FY2010
(Apr. 1, 2009 – Mar. 31, 2010)</th></tr>
<tr><td>The Company and its domestic consolidated subsidiaries adopt a tax-qualified pension plan of defined benefit plan entrusted to an outside third parity. Retirement lump sum plan is also applicable to certain employees. Other than those plans, Welfare Pension Fund is adopted, too. Also, some overseas consolidated subsidiaries have adopted a pension system that complies with their country’s social retirement benefit plan.
Following is the information regarding the multi-employer pension plan under which the amount to be contributed to pension assets is accounted for as retirement benefit expenses. The most recent date as of which funding status of the plan as a whole is available is March 31, 2008.

(1) Information regarding funding status of the plan as a whole
(As of Mar. 31, 2008)
1) Amount of plan assets 295,836 million yen
2) Amount of actuarially computed benefit obligation 385,503 million yen
3) Difference 1)-2) (89,666) million yen

(2) The percentage of contribution by the Company out of the total contribution to the plan
(As of Mar. 31, 2008)
0.77%

(3) Supplemental information
The difference shown in the above information (1) was caused by 44,663 million yen excess of actuarially computed value of plan assets over their fair value, present value of special contributions of 20,528 million yen and deficit carryforward of 24,474 million yen.
The 44,663 million yen excess of actuarially computed value of plan assets over their fair value is included in the difference because Osaka Yakugyo Employees’ Pension Fund, to which the Company contributes, adopts an actuarial method to value its plan assets.
The present value of special contributions represents the amount of expected cash inflows to amortize the past actuarial deficit over the future periods, and the Company has already made necessary fund arrangements for special contribution based on the contribution rate predetermined by the employees’ pension fund regulation.
The method of amortization under the plan is level annuity amortization over the remaining amortization period of 13 years. The Company accounted for the special contribution of 17,759,000 yen as expense in the consolidated financial statements for the previous fiscal year ended March 31, 2008.
The percentage shown in the above information (2) does not correspond to the actual percentage borne by the Company because the amount of special contribution is computed by multiplying the amount of standard salary at the time of contribution by the predetermined contribution rate.</td><td>The Company and its domestic consolidated subsidiaries adopt a tax-qualified pension plan of defined benefit plan entrusted to an outside third parity. Retirement lump sum plan is also applicable to certain employees. Other than those plans, Welfare Pension Fund is adopted, too. Also, some overseas consolidated subsidiaries have adopted a pension system that complies with their country’s social retirement benefit plan.
Following is the information regarding the multi-employer pension plan under which the amount to be contributed to pension assets is accounted for as retirement benefit expenses. The most recent date as of which funding status of the plan as a whole is available is March 31, 2009.

(1) Information regarding funding status of the plan as a whole
(As of Mar. 31, 2009)
1) Amount of plan assets 217,352 million yen
2) Amount of actuarially computed benefit obligation 388,740 million yen
3) Difference 1)-2) (171,388) million yen

(2) The percentage of contribution by the Company out of the total contribution to the plan
(As of Mar. 31, 2009)
0.83%

(3) Supplemental information
The difference shown in the above information (1) was caused by 32,906 million yen excess of actuarially computed value of plan assets over their fair value, present value of special contributions of 19,476 million yen and deficit carryforward of 119,005 million yen.
The 32,906 million yen excess of actuarially computed value of plan assets over their fair value is included in the difference because Osaka Yakugyo Employees’ Pension Fund, to which the Company contributes, adopts an actuarial method to value its plan assets.
The present value of special contributions represents the amount of expected cash inflows to amortize the past actuarial deficit over the future periods, and the Company has already made necessary fund arrangements for special contribution based on the contribution rate predetermined by the employees’ pension fund regulation.
The method of amortization under the plan is level annuity amortization over the remaining amortization period of 13 years. The Company accounted for the special contribution of 18,661,000 yen as expense in the consolidated financial statements for the previous fiscal year ended March 31, 2009.
The percentage shown in the above information (2) does not correspond to the actual percentage borne by the Company because the amount of special contribution is computed by multiplying the amount of standard salary at the time of contribution by the predetermined contribution rate.</td></tr>
</table>

2. Retirement benefit obligations

(Thousands of yen)

	FY2009 (As of Mar. 31, 2009)	FY2010 (As of Mar. 31, 2010)
(1) Retirement benefit obligation	(1,672,999)	(1,682,420)
(2) Plan assets at fair value	1,255,222	1,323,655
(3) Retirement benefit obligation exceeds plan assets	(417,776)	(358,764)
(4) Unrecognized actuarial gain or loss	226,066	160,350
(5) Allowance for employees' retirement benefit obligation	(191,709)	(198,414)

3. Retirement benefit expenses

(Thousands of yen)

	FY2009 (Apr. 1, 2008 – Mar. 31, 2009)	FY2010 (Apr. 1, 2009 – Mar. 31, 2010)
Retirement benefit expenses		
(1) Service cost	142,199	140,134
(2) Interest cost	19,096	19,707
(3) Expected return on plan assets	(15,192)	(12,249)
(4) Amortization of actuarial differences	25,456	32,730
Total	171,560	180,323
(5) Contribution of Welfare Pension Fund	117,092	111,391
(6) Retirement benefit expenses	288,653	291,714

4. Assumptions used in accounting for the above plans

	FY2009 (As of Mar. 31, 2009)	FY2010 (As of Mar. 31, 2010)
(1) Distribution of estimated retirement benefit obligations	Straight-line	Straight-line
(2) Discount rate	1.5%	1.5%
(3) Expected return on assets	1.5%	1.2%
(4) Amortization of actuarial differences	12 years	12 years

Stock Options

Not applicable.

Deferred Income Taxes

(Thousands of yen)

FY2009 (As of Mar. 31, 2009)

1. Significant components of deferred tax assets and liabilities

Deferred tax assets	
Allowance for doubtful accounts	1,419
Accrued enterprise tax	34,795
Unrealized income	71,875
Accrued bonuses	60,136
Others	93,728
Total deferred tax assets (current)	261,955
Deficit carried forward	23,756
Allowance for employees' retirement benefits	68,197
Allowance for directors' retirement benefits	55,614
Investment securities	146,329
Others	121,222
Subtotal	415,120
Valuation allowance	(255,692)
Internal offset to deferred tax liabilities (non-current)	(132,893)
Total deferred tax assets (non-current)	26,534
Deferred tax liabilities	
Others	(8,548)
Total deferred tax liabilities (current)	(8,548)
Undistributed earnings of consolidated subsidiaries	(1,535,619)
Cumulative securities holding gain	(67,364)
Others	(54,512)
Subtotal	(1,657,496)
Internal offset to deferred tax assets (non-current)	132,893
Total deferred tax liabilities (non-current)	(1,524,602)

2. Significant components of differences between the statutory tax and effective tax rate

Statutory tax rate	40.6%
Adjustments	
Differences in tax rates at subsidiaries	(21.1)%
Tax exemption for foreign consolidated subsidiaries	(10.0)%
Foreign tax credit	(2.6)%
R&D tax credit	(2.0)%
Increase (decrease) in valuation allowance	4.8%
Others	1.9%
Effective tax rate	11.6%

FY2010 (As of Mar. 31, 2010)

1. Significant components of deferred tax assets and liabilities

Deferred tax assets	
Allowance for doubtful accounts	1,162
Accrued enterprise tax	42,690
Unrealized income	59,915
Accrued bonuses	57,895
Others	82,615
Subtotal	244,279
Valuation allowance	(21,411)
Internal offset to deferred tax liabilities (current)	(2,043)
Total deferred tax assets (current)	220,823
Deficit carried forward	64,910
Allowance for employees' retirement benefits	58,992
Allowance for directors' retirement benefits	55,711
Investment securities	150,440
Tangible fixed assets	160,209
Others	27,230
Subtotal	517,495
Valuation allowance	(273,145)
Internal offset to deferred tax liabilities (non-current)	(167,581)
Total deferred tax assets (non-current)	76,768
Deferred tax liabilities	
Others	(9,207)
Internal offset to deferred tax assets - current	2,043
Total deferred tax liabilities (current)	(7,163)
Undistributed earnings of consolidated subsidiaries	(1,734,153)
Cumulative securities holding gain	(173,322)
Others	(47,221)
Subtotal	(1,954,697)
Internal offset to deferred tax assets (non-current)	167,581
Total deferred tax liabilities (non-current)	(1,787,115)

2. Significant components of differences between the statutory tax and effective tax rate

Statutory tax rate	40.6%
Adjustments	
Differences in tax rates at subsidiaries	(9.2)%
Tax exemption for foreign consolidated subsidiaries	(6.3)%
Foreign tax credit	(2.7)%
R&D tax credit	(2.0)%
Increase (decrease) in valuation allowance	1.0%
Others	9.7%
Effective tax rate	31.1%

Investment and Rental Property

FY2010 (Apr. 1, 2009 – Mar. 31, 2010)

(1) The status of investment and rental property

The Company and some of its consolidated subsidiaries own office buildings for rent and apartment houses (including land) for rent.

(2) Fair value of investment and rental property

(Thousands of yen)

Carrying value			Fair value at the end of the current fiscal year
Balance at the end of the previous fiscal year	Differences	Balance at the end of the current fiscal year	
2,659,772	279,666	2,939,438	8,073,888

Notes: 1. The carrying value is the amount of acquisition costs, net of accumulated depreciation.

2. The fair value for major properties at the end of the current fiscal year is based on the amount determined by appraisal reports or inspection reports prepared by an independent, external real-estate appraiser.
However, if there has been no significant change in appraised amounts or indicators that are deemed to reflect the market price appropriately since the most recent date of appraisal, those appraised amounts or amounts adjusted in accordance with the indicators are used as the fair value.

Additional Information

“Accounting Standard for Disclosures about Fair Value of Investment and Rental Property” (ASBJ Statement No. 20, November 28, 2008) and “Guidance on Accounting Standard for Disclosures about Fair Value of Investment and Rental Property” (ASBJ Guidance No. 23, November 28, 2008) were applied effective from the current fiscal year.

Segment Information

a. Segment Information by Business Category

FY2009 (Apr. 1, 2008 – Mar. 31, 2009)

(Thousands of yen)

	Surface Finishing Materials	Surface Finishing Machinery	Real Estate Rental	Other Businesses	Total	Elimination or Corporate	Consolidated
I. Sales and operating income (loss) Sales (1) Sales to third parties	34,330,203	4,834,752	804,301	3,359,862	43,329,119	-	43,329,119
(2) Internal sales and transfers	307,610	37,523	-	2,833	347,967	(347,967)	-
Total	34,637,813	4,872,276	804,301	3,362,695	43,677,086	(347,967)	43,329,119
Operating expenses	30,004,110	4,986,705	347,992	2,897,558	38,236,367	(350,967)	37,885,399
Operating income (loss)	4,633,703	(114,429)	456,308	465,136	5,440,719	3,000	5,443,719
II. Assets, depreciation, impairment loss and capital expenditure Assets	22,026,360	4,304,006	2,460,626	2,641,502	31,432,496	9,855,740	41,288,236
Depreciation	1,001,847	117,546	144,180	291,770	1,555,344	-	1,555,344
Impairment loss	15,822	6,092	-	216,801	238,716	-	238,716
Capital expenditure	1,263,514	253,554	157,500	212,732	1,887,301	-	1,887,301

FY2010 (Apr. 1, 2009 – Mar. 31, 2010)

(Thousands of yen)

	Surface Finishing Materials	Surface Finishing Machinery	Real Estate Rental	Other Businesses	Total	Elimination or Corporate	Consolidated
I. Sales and operating income (loss) Sales (1) Sales to third parties	26,324,404	2,662,151	773,754	2,546,649	32,306,959	-	32,306,959
(2) Internal sales and transfers	322,051	9,542	-	-	331,594	(331,594)	-
Total	26,646,456	2,671,694	773,754	2,546,649	32,638,554	(331,594)	32,306,959
Operating expenses	22,914,172	2,937,277	357,762	2,261,839	28,471,052	(331,594)	28,139,457
Operating income (loss)	3,732,283	(265,582)	415,991	284,810	4,167,502	-	4,167,502
II. Assets, depreciation, impairment loss and capital expenditure Assets	24,132,290	3,693,009	2,636,507	2,972,307	33,434,115	9,178,815	42,612,930
Depreciation	881,036	79,453	137,261	209,897	1,307,648	-	1,307,648
Impairment loss	1,737	533	-	19,118	21,388	-	21,388
Capital expenditure	250,564	39,663	174,300	62,233	526,761	-	526,761

Notes: 1. Business categories are determined with the kinds and characteristics of products and merchandise taken into consideration.

2. Major products and merchandise in each business category

(1) Surface finishing materials: Plating chemicals for aluminum magnetic disks and PWBs, industrial chemicals and non-ferrous metals

(2) Surface finishing machinery: Plating machinery for aluminum magnetic disks and PWBs

(3) Real estate rental: Rental of office buildings and apartment houses

(4) Other businesses: Plating job shop, royalty revenues

3. Corporate assets included in “Elimination or Corporate” are 9,965,579,000 yen as of March 31, 2009, and 9,334,808,000 yen as of March 31, 2010, mainly composed of surplus funds (cash and deposits with banks), and long-term invested assets (investment securities).

4. Changes in accounting policies

FY2009

(1) Valuation of inventories

As described in “Basis for Presentation of the Consolidated Financial Statements, 4. (1) 2.,” the Company has adopted “Accounting Standards for Measurement of Inventories” (ASBJ Statement No. 9, July 5, 2006). Given this change, operating income of the Surface Finishing Materials business, the Surface Finishing Machinery business and the Other Businesses have decreased by 21,885,000 yen, 1,207,000 yen and 1,146,000 yen, respectively.

(2) Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements

As described in “Changes in Basis for Presentation of the Consolidated Financial Statements,” the Company has adopted “Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements” (Practical Issues Task Force (PITF) No. 18, May 17, 2006). Given this change, operating income of the Surface Finishing Materials business and the Surface Finishing Machinery business have decreased by 50,224,000 yen and 8,489,000 yen, respectively, and the Other Businesses increased by 1,762,000 yen.

FY2010

Not applicable.

5. Additional information

FY2009

(Change in useful lives of tangible fixed assets)

As described in “Basis for Presentation of the Consolidated Financial Statements, 4. (2) 1.,” the Company and its domestic consolidated subsidiaries have changed calculation method of depreciation expense for certain machinery and vehicles with revised useful lives. Given this change, operating income of the Surface Finishing Materials business has decreased by 64,332,000 yen and the Other Businesses increased by 876,000 yen.

FY2010

Not applicable.

b. Geographical Segment Information

FY2009 (Apr. 1, 2008 – Mar. 31, 2009)

(Thousands of yen)

	Japan	North America	Asia	Total	Elimination or Corporate	Consolidated
I. Sales and operating income (loss)						
Sales						
(1) Sales to third parties	22,114,966	3,508,667	17,705,485	43,329,119	-	43,329,119
(2) Internal sales and transfers	4,567,240	138	250,809	4,818,187	(4,818,187)	-
Total	26,682,206	3,508,805	17,956,294	48,147,307	(4,818,187)	43,329,119
Operating expenses	24,724,491	3,535,821	14,484,209	42,744,522	(4,859,122)	37,885,399
Operating income (loss)	1,957,715	(27,015)	3,472,084	5,402,784	40,934	5,443,719
II. Assets	14,463,059	878,694	16,696,570	32,038,324	9,249,911	41,288,236

FY2010 (Apr. 1, 2009 – Mar. 31, 2010)

(Thousands of yen)

	Japan	North America	Asia	Total	Elimination or Corporate	Consolidated
I. Sales and operating income (loss)						
Sales						
(1) Sales to third parties	18,014,751	2,384,512	11,907,695	32,306,959	-	32,306,959
(2) Internal sales and transfers	4,145,672	30	419,994	4,565,697	(4,565,697)	-
Total	22,160,424	2,384,543	12,327,689	36,872,657	(4,565,697)	32,306,959
Operating expenses	19,983,676	2,404,965	10,390,994	32,779,636	(4,640,179)	28,139,457
Operating income (loss)	2,176,747	(20,422)	1,936,695	4,093,020	74,481	4,167,502
II. Assets	16,448,460	860,945	17,022,907	34,332,312	8,280,617	42,612,930

Notes: 1. Segmentation method of countries or regions and major countries or regions included in each segment

(1) Segmentation method: Based on geographical proximity

(2) Major countries or regions included in each segment

North America: USA

Asia: Taiwan, Singapore, Malaysia, China and Thailand

2. Corporate assets included in “Elimination or Corporate” are 9,965,579,000 yen as of March 31, 2009, and 9,334,808,000 yen as of March 31, 2010, mainly composed of surplus funds (cash and deposits with banks), and long-term invested assets (investment securities).

3. Changes in accounting policies

FY2009

(1) Valuation of inventories

As described in “Basis for Presentation of the Consolidated Financial Statements, 4. (1) 2.,” the Company has adopted “Accounting Standards for Measurement of Inventories” (ASBJ Statement No. 9, July 5, 2006). Given this change, operating income in Japan has decreased by 24,239,000 yen.

(2) Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements

As described in “Changes in Basis for Presentation of the Consolidated Financial Statements,” the Company has adopted “Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements” (PITF No. 18, May 17, 2006). Given this change, operating income in Asia has decreased by 56,951,000 yen.

FY2010

Not applicable.

4. Additional information

FY2009

(Change in useful lives of tangible fixed assets)

As described in “Basis for Presentation of the Consolidated Financial Statements, 4. (2) 1.,” the Company and its domestic consolidated subsidiaries have changed calculation method of depreciation expense for certain machinery and vehicles with revised useful lives. Given this change, operating income in Japan has decreased by 63,456,000 yen.

FY2010

Not applicable.

c. Overseas Sales

FY2009 (Apr. 1, 2008 – Mar. 31, 2009) (Thousands of yen)

	North America	Asia	Other regions	Total
Overseas sales	3,424,397	19,451,679	111,791	22,987,869
Consolidated sales	-	-	-	43,329,119
Share overseas sales in consolidated sales	7.9%	44.9%	0.3%	53.1%

FY2010 (Apr. 1, 2009 – Mar. 31, 2010) (Thousands of yen)

	North America	Asia	Other regions	Total
Overseas sales	2,384,512	14,105,248	96,163	16,585,925
Consolidated sales	-	-	-	32,306,959
Share overseas sales in consolidated sales	7.4%	43.6%	0.3%	51.3%

Notes: 1. Segmentation method of countries or regions and major countries or regions included in each segment

(1) Segmentation method: Based on geographical proximity

(2) Major countries or regions included in each segment

North America: USA

Asia: Taiwan, Singapore, China, Korea, Thailand, Philippines, Malaysia and Indonesia

Other regions: Germany and Australia

2. Overseas sales consist of sales, excluding internal sales in the Group, from outside Japan at the Company and its consolidated subsidiaries.

Related Party Information

FY2009 (Apr. 1, 2008 – Mar. 31, 2009)

(Additional information)

Effective from the current fiscal year, the Company has adopted “Accounting Standard for Related Party Disclosure” (ASBJ Statement No. 11, October 17, 2006) and the “Guidance on Accounting Standard for Related Party Disclosures” (ASBJ Guidance No. 13, October 17, 2006).

Due to this change, in addition to the current scope of disclosures, the Company has added the disclosure of information concerning transaction between the Company’s consolidated subsidiaries and related parties, directors of its significant consolidated subsidiaries and his immediate relatives.

Transaction with Related Parties

(1) Transaction between the Company and related parties

Directors of the Company and major individual shareholders, etc.

Type	Name	Address	Capital contribution (Thousand yen)	Business or occupation	Voting power	Relationships	Type of transaction	Transaction amount (Thousand yen)	Account	Year-end balance (Thousand yen)
Company, etc. with majority voting rights owned by director or his immediate relatives	Namihana Shokusan Co., Ltd.*3	Tennouji-ku Osaka	40,000	Casualty insurance service, real estate leasing, dividends, etc.	(Owned) Direct 15.41%	Casualty insurance, receipt of real estate leasing, concurrent directors	Payment of casualty insurance premium	92,336	Prepaid expenses	55,127
							Income from real estate leasing	881	Advances received	77
							Other	240	-	-

Notes: 1. Consumption tax has not been included in the above transaction amounts, but has been included in year-end balances.
2. Transaction conditions and policies regarding transaction conditions
Refer to market price.
3. Namihana Shokusan Co., Ltd. is a company wholly and directly owned by the Company’s director Hiroya Uyemura and his immediate relatives.

(2) Transaction between the Company’s consolidated subsidiaries and related parties

Directors of the significant consolidated subsidiaries and major individual shareholders, etc.

Type	Name	Address	Capital contribution (Thousand HK$)	Business or occupation	Voting power	Relationships	Type of transaction	Transaction amount (Thousand yen)	Account	Year-end balance (Thousand yen)
Significant consolidated subsidiaries, etc. with majority voting rights owned by director or his immediate relatives	Jing Mei Automotive Ltd. *3	Hong Kong	0	Manufacturing	-	Sales of merchandise, concurrent directors	Sales of merchandise	69,711	Accounts receivable	11,579
	Regent International (HK) Ltd. *3	Hong Kong	0	Manufacturing	-	Sales of merchandise, concurrent directors	Sales of merchandise	121,745	Accounts receivable	12,542

Notes: 1. The amounts above do not include consumption taxes.
2. Transaction conditions and policies regarding transaction conditions
Refer to market price.
3. Chan Wai Man Raymond, the director of the consolidated subsidiary Uyemura-Solar Co., Ltd., and his immediate relatives own the majority voting rights of these companies.

FY2010 (Apr. 1, 2009 – Mar. 31, 2010)

Transaction with Related Parties

(1) Transaction between the Company and related parties

Directors of the Company and major individual shareholders, etc.

Type	Name	Address	Capital contribution (Thousand yen)	Business or occupation	Voting power	Relationships	Type of transaction	Transaction amount (Thousand yen)	Account	Year-end balance (Thousand yen)
Company, etc. with majority voting rights owned by director or his immediate relatives	Namihana Shokusan Co., Ltd.*3	Tennouji-ku Osaka	40,000	Casualty insurance service, real estate leasing, dividends, etc.	(Owned) Direct 16.25%	Casualty insurance, receipt of real estate leasing, concurrent directors	Payment of casualty insurance premium	96,987	Prepaid expenses	62,239
							Income from real estate leasing	881	Advances received	77
							Other	240	-	-

Notes: 1. Consumption tax has not been included in the above transaction amounts, but has been included in year-end balances.
2. Transaction conditions and policies regarding transaction conditions
Refer to market price.
3. Namihana Shokusan Co., Ltd. is a company wholly and directly owned by the Company's director Hiroya Uyemura and his immediate relatives.

(2) Transaction between the Company's consolidated subsidiaries and related parties

Directors of the significant consolidated subsidiaries and major individual shareholders, etc.

Type	Name	Address	Capital contribution (Thousand HK$)	Business or occupation	Voting power	Relationships	Type of transaction	Transaction amount (Thousand yen)	Account	Year-end balance (Thousand yen)
Significant consolidated subsidiaries, etc. with majority voting rights owned by director or his immediate relatives	Jing Mei Automotive Ltd. *3	Hong Kong	1,000	Manufacturing	-	Sales of merchandise, concurrent directors	Sales of merchandise	62,937	Accounts receivable	20,788
	Regent International (HK) Ltd. *3	Hong Kong	0	Manufacturing	-	Sales of merchandise, concurrent directors	Sales of merchandise	80,083	Accounts receivable	26,434

Notes: 1. The amounts above do not include consumption taxes.
2. Transaction conditions and policies regarding transaction conditions
Refer to market price.
3. Chan Wai Man Raymond, the director of the consolidated subsidiary Uyemura-Solar Co., Ltd., and his immediate relatives own the majority voting rights of these companies.

Per Share Data

(Yen)

FY2009 (Apr. 1, 2008 – Mar. 31, 2009)	FY2010 (Apr. 1, 2009 – Mar. 31, 2010)
Net assets per share 2,925.51 Net income per share (basic) 412.19 Net income per share (diluted) is not disclosed since there is no diluting share for the current fiscal year.	Net assets per share 3,146.17 Net income per share (basic) 276.74 Net income per share (diluted) is not disclosed since there is no diluting share for the current fiscal year.

Note: Basis for calculation of net assets per share

(Thousands of yen)

	FY2009 (Apr. 1, 2008 – Mar. 31, 2009)	FY2010 (Apr. 1, 2009 – Mar. 31, 2010)
Total net assets on balance sheets	30,535,332	31,158,984
Deduction on total net assets	1,705,544	1,683,184
[Minority interests]	[1,705,544]	[1,683,184]
Net assets applicable to common stock	28,829,788	29,475,800
Number of shares outstanding (common stock)	9,878,040 shares	9,878,040 shares
Number of treasury stock (common stock)	23,420 shares	509,243 shares
Number of common stock used in calculation of net assets per share	9,854,620 shares	9,368,797 shares

Note: Basis for calculation of net income per share (basic)

(Thousands of yen)

	FY2009 (Apr. 1, 2008 – Mar. 31, 2009)	FY2010 (Apr. 1, 2009 – Mar. 31, 2010)
Net income	4,062,019	2,631,487
Amount not available to common shareholders	-	-
Net income applicable to common stock	4,062,019	2,631,487
Average number of shares outstanding during period	9,854,733 shares	9,508,757 shares

Material Subsequent Events

Not applicable.

Omission of Disclosure

Notes on financial instruments are not presented since the disclosure of this information is not significant in the context of the summary of financial results.

Note: This financial report is solely a translation of summary of Japanese "Kessan Tanshin" (including attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer English translation. All readers are recommended to refer to the original version in Japanese of the report for complete information.