

# Financial Results

## for 1st Quarter Fiscal 2005

July 26, 2005

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### Factors in 1<sup>st</sup> Quarter Results

Strong sales of DRAM in Taiwan

Strong sales of flash memory in Japan  
and South Korea

Greater production of MPUs for PCs

Strong sales of ICs for game consoles  
in Japan and Taiwan

Recovery of LCD driver ICs in Japan,  
Taiwan, and South Korea

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## Summary of Achievements

(In Billions of Yen)

	FY2004					FY2005	
	1Q	2Q	3Q	4Q	Full Year	1Q	Q on Q
<b>Orders</b>	77.6	47.5	45.8	56.4	227.4	60.8	7.8%
<b>Sales</b>	72.0	74.5	42.6	50.2	239.4	52.0	3.6%
Gross Profit	38.0	40.3	23.9	21.1	123.4	27.6	31.1%
Operating Income	22.4	23.0	7.9	7.3	60.7	11.7	59.7%
Income Before Tax	22.6	24.1	7.5	7.3	61.8	12.1	64.0%
Net Income	13.9	14.5	4.9	4.5	38.0	7.8	70.4%
<b>Backlog</b>	57.0	30.1	33.3	39.5	—	48.3	—

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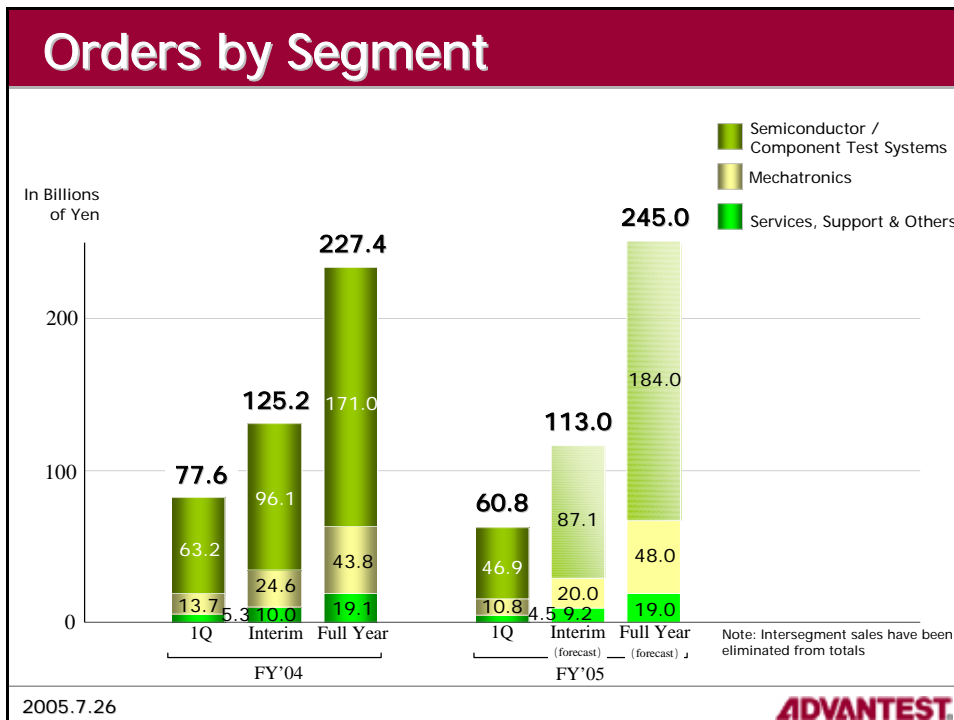
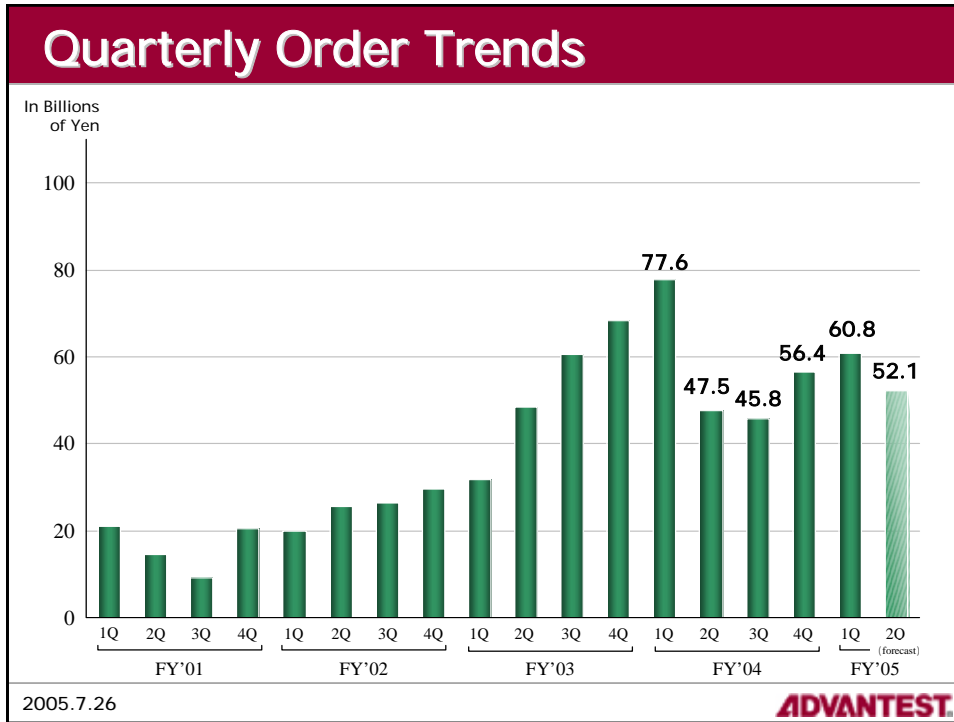
## Financial Forecast

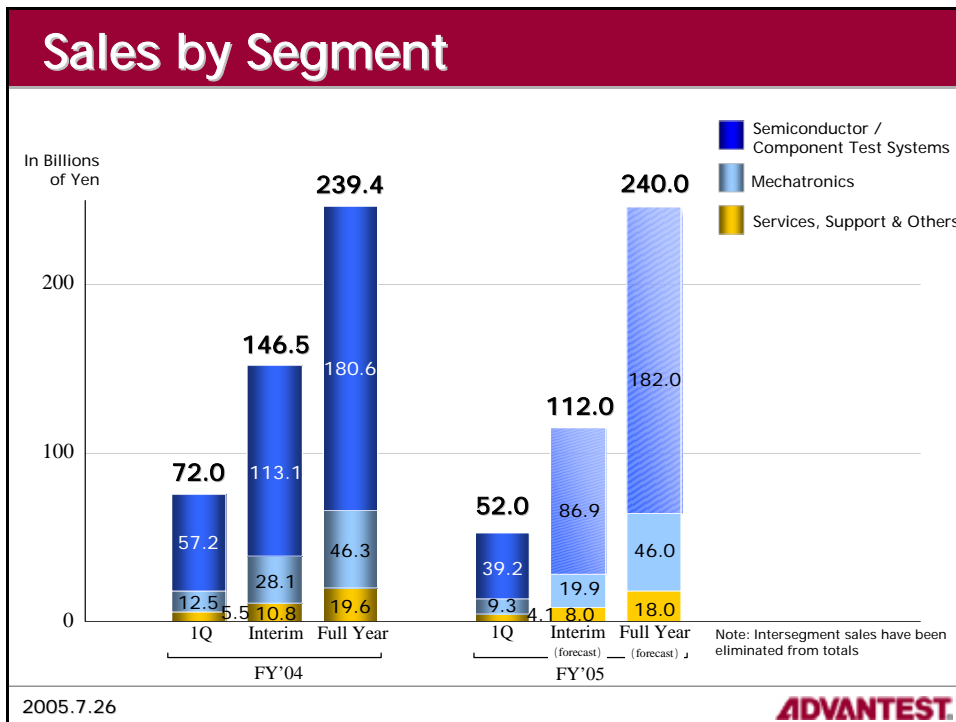
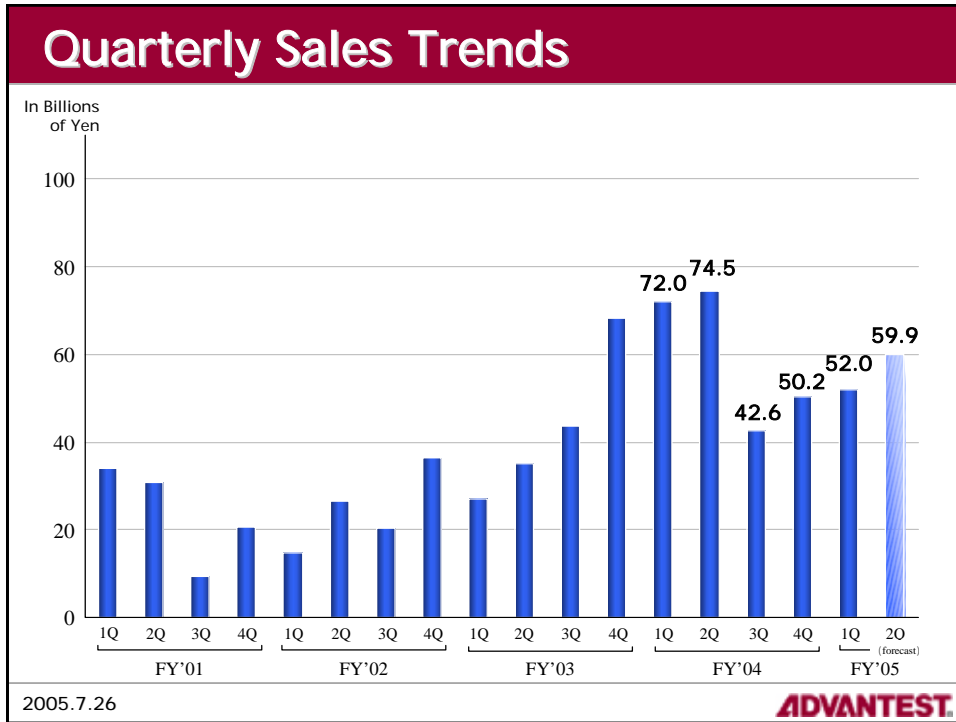
(In Billions of Yen)

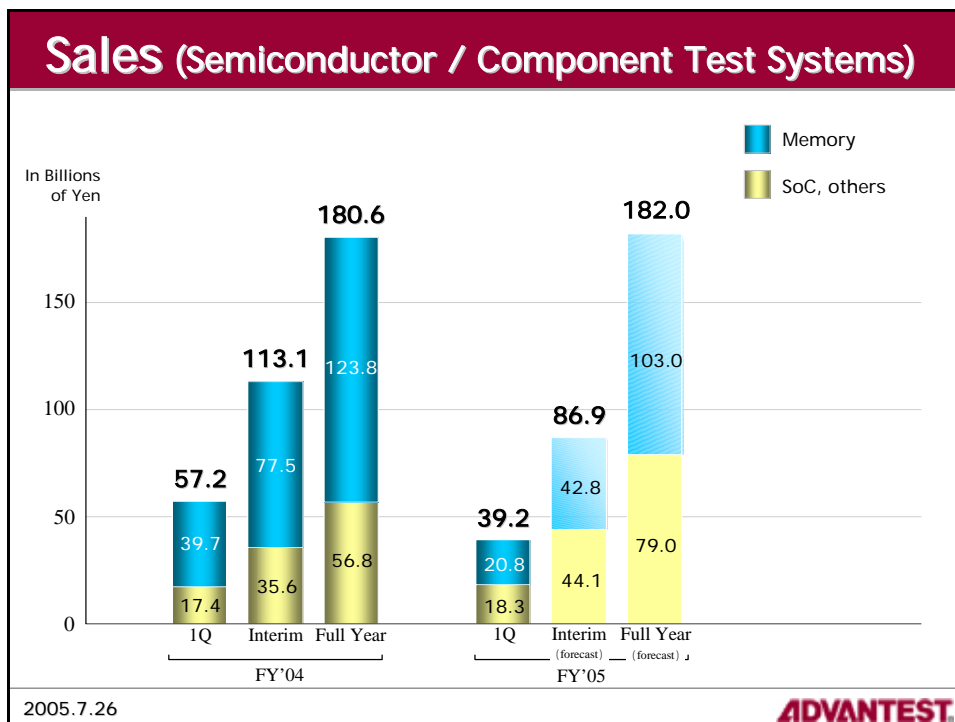
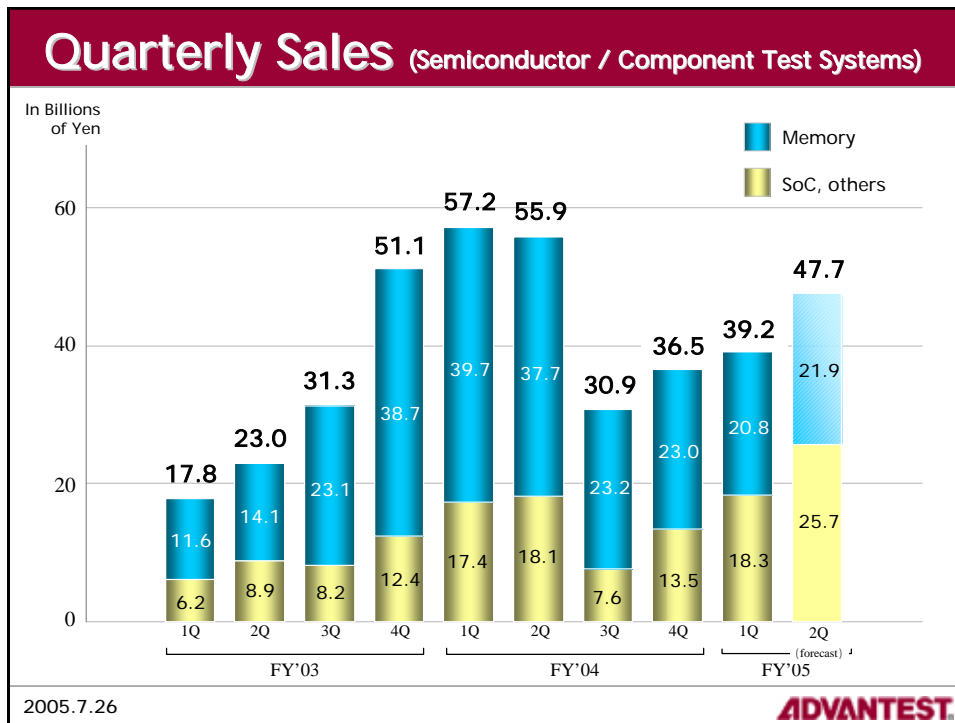
	FY2004		FY2005			
	Interim	Full Year	Interim (forecast)	Y on Y	Full Year (forecast)	Y on Y
<b>Orders</b>	125.2	227.4	113.0	-9.8%	245.0	7.7%
<b>Sales</b>	146.5	239.4	112.0	-23.6%	240.0	0.2%
Gross Profit	78.3	123.4	59.0	-24.7%	126.0	2.1%
Operating Income	45.4	60.7	25.0	-45.0%	60.0	-1.2%
Income Before Tax	46.8	61.8	25.0	-46.6%	60.0	-2.9%
Net Income	28.5	38.0	15.0	-47.5%	37.0	-2.8%
<b>Backlog</b>	30.1	39.5	40.5		44.5	

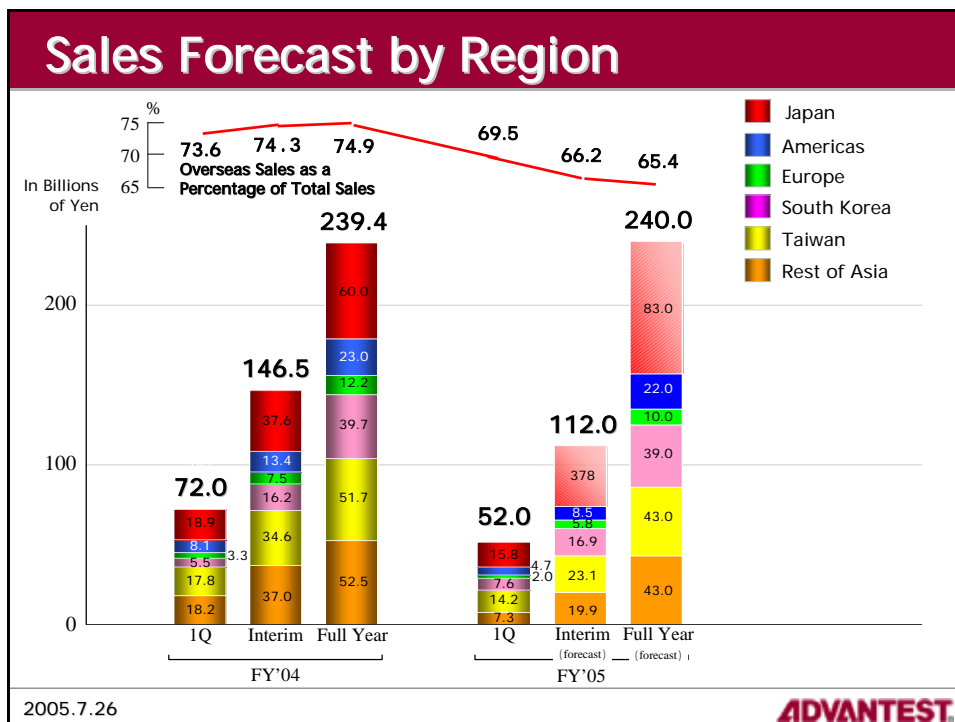
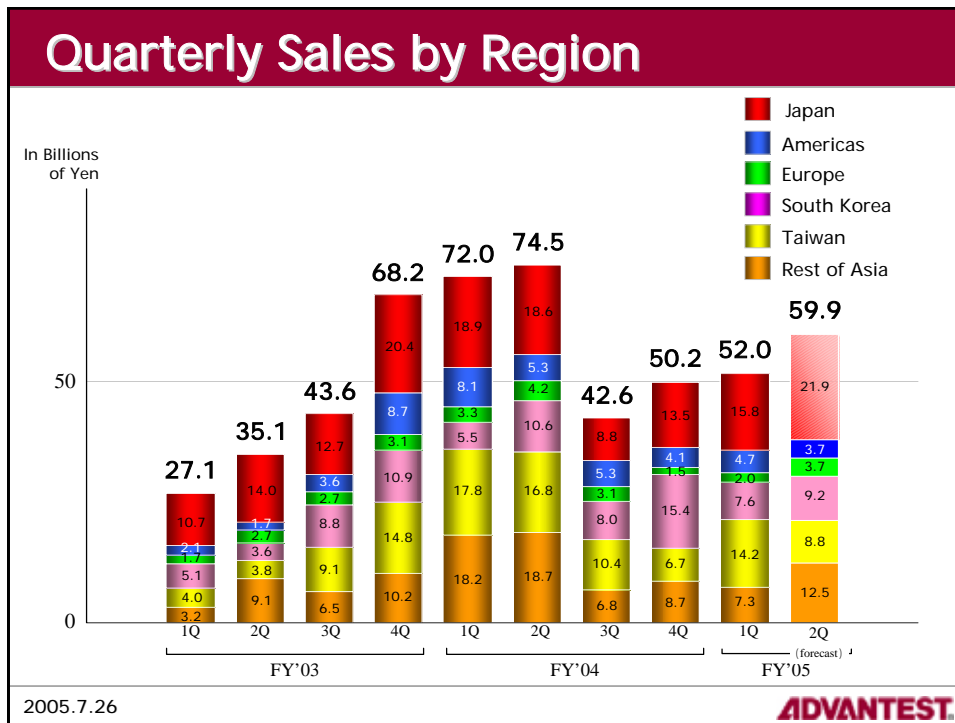
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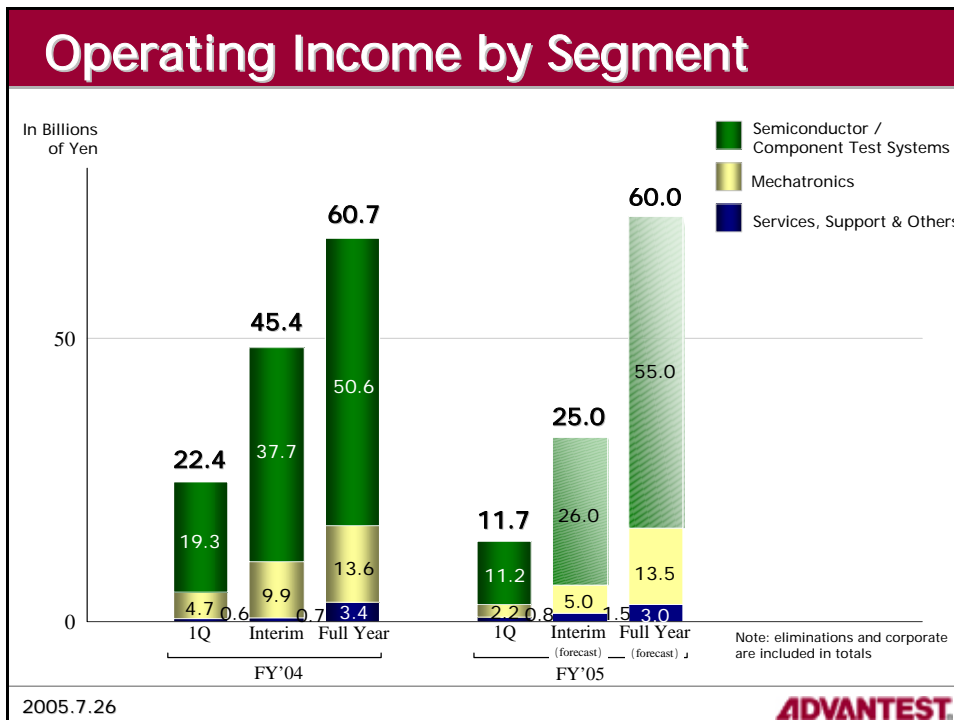
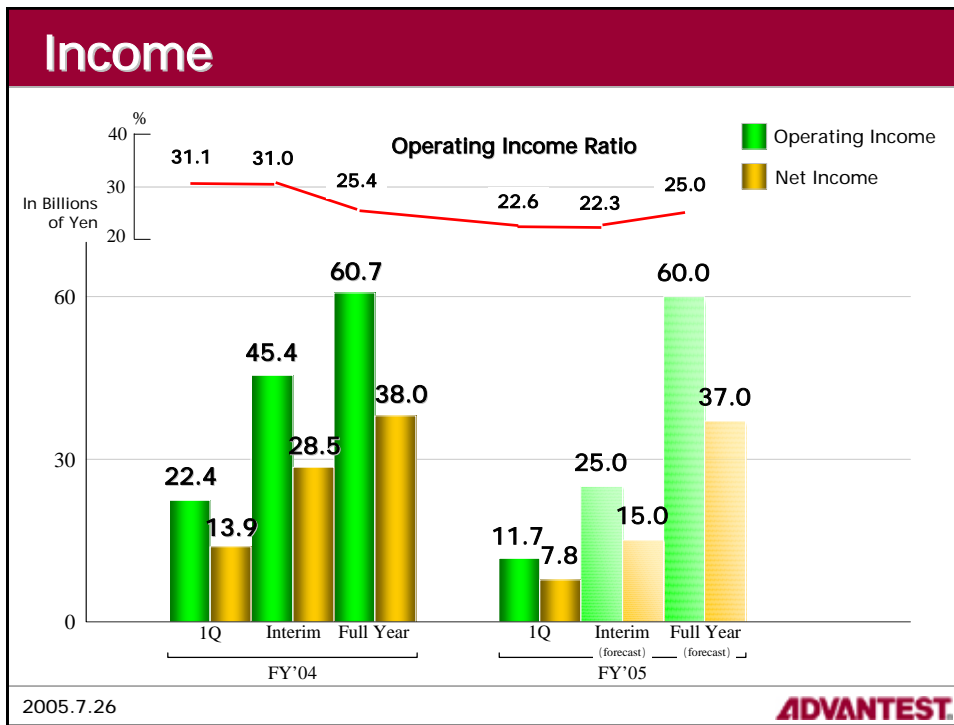
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## Balance Sheet

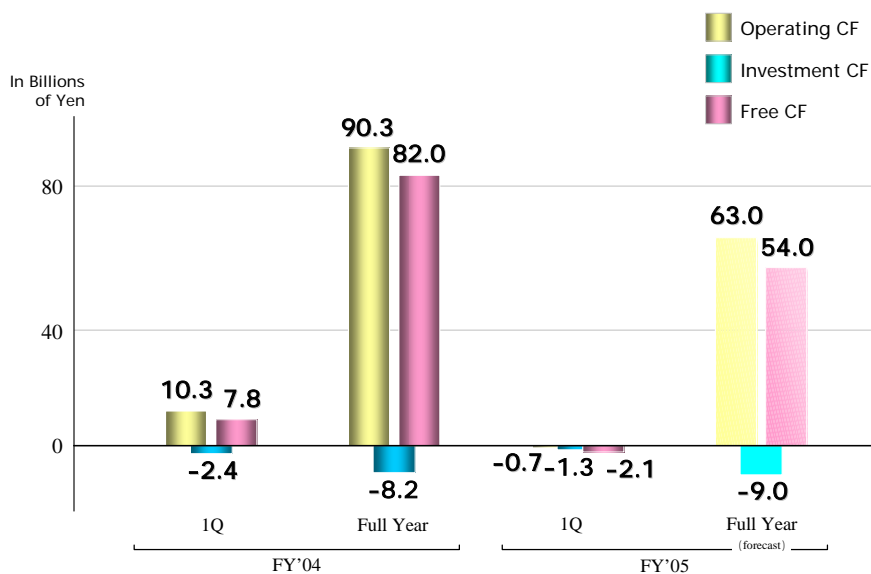
(in billions of yen)

	March 31, '04	March 31, '05	June 30, '05	Q on Q
Current Assets	255.7	223.9	235.0	11.1
(Cash & Cash Equivalent)	(101.1)	(120.9)	(117.6)	-3.3
(Accounts Receivable)	(76.1)	(56.7)	(64.1)	7.4
(Inventories)	(49.4)	(29.5)	(35.6)	6.1
Fixed & Other Assets	75.0	72.8	71.6	-1.1
<b>Total Assets</b>	<b>330.8</b>	<b>296.7</b>	<b>306.7</b>	<b>9.9</b>
Current Liabilities	66.6	73.9	76.9	2.9
Fixed & Other Liabilities	42.4	16.0	16.3	0.2
Shareholders' Equity	221.7	206.7	213.4	6.6
(% of total assets)	(67.0%)	(69.7%)	(69.6%)	
<b>Liabilities &amp; Equity</b>	<b>330.8</b>	<b>296.7</b>	<b>306.7</b>	<b>9.9</b>

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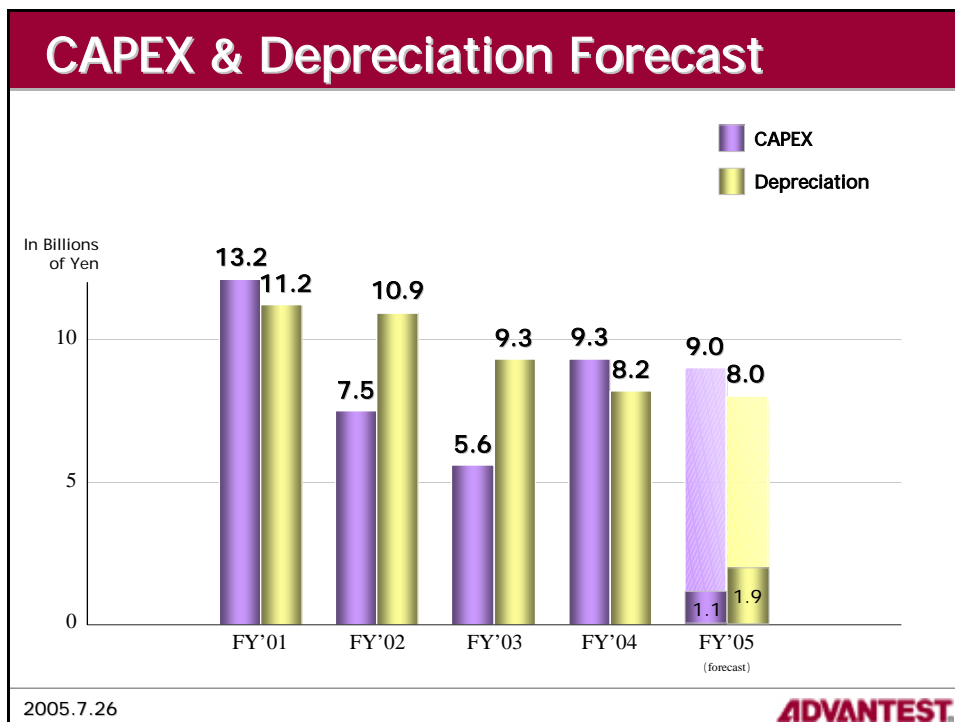
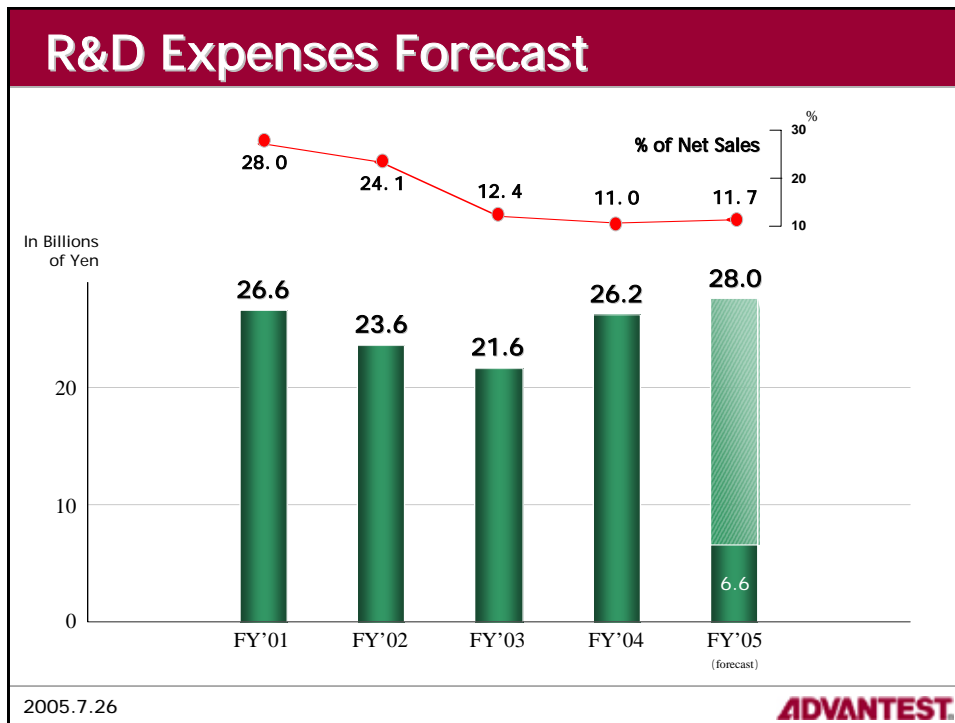
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## Cash Flow



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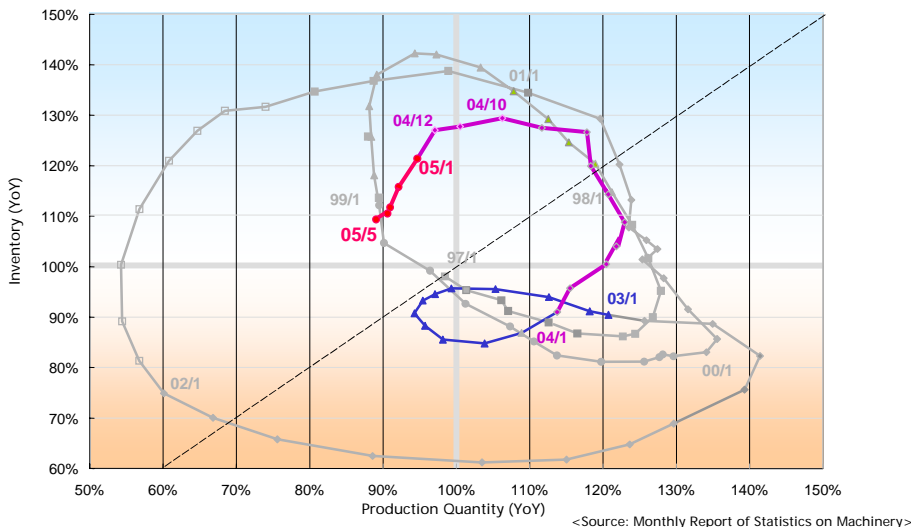
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# Forecast for Future Growth

## Progress in Inventory Adjustments







**Inventory Cycles in the Japanese Semiconductor Industry**  
(3-Month Moving Average)



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## Test System Demand: Factors Driving Future Growth

Memory Test Systems	<b>For DDR2 SDRAM</b>	<b>For NOR/NAND Flash</b>	
	 <p><b>Servers/Computers</b> (Taiwan, S. Korea, Japan)</p>	 <p><b>Mobile phones/Digital consumer electronics</b> (S. Korea, Japan, Taiwan)</p>	
SoC Test Systems	<b>T2000</b>	<b>For consumer device ICs</b>	<b>For LCD Driver ICs</b>
	 <p><b>Computers, Game Consoles</b> (Asia, Americas, Japan)</p>	 <p><b>Game consoles, Digital consumer electronics</b> (Japan)</p>	 <p><b>Mobile phones, Computer monitors</b> (Japan, Taiwan)</p>
			

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## New Memory Test Systems for Future Growth



**T5372**  
For DRAM/Flash memory



**T5588**  
For DDR2 SDRAM



**T5587**  
For MCPs

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**NOTE**

- Prepared in accordance with US GAAP
- Values in charts are rounded down and may not equal totals

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