

**Financial Results for the Second Quarter of the Fiscal Year Ending March 31, 2010**  
**(Six Months Ended September 30, 2009)**

Company name: ROHTO Pharmaceutical Co., Ltd.                      Stock Exchange listing: TSE/OSE, First Section  
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 Scheduled date of filing of Quarterly Report: November 12, 2009  
 Scheduled date of dividend payment: December 10, 2009

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

**1. Consolidated Financial Results for the Six Months Ended September 30, 2009**  
**(April 1, 2009 – September 30, 2009)**

(1) Consolidated results of operations (Percentages represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended Sep. 30, 2009	52,554	1.7	5,259	17.8	5,450	20.7	3,100	12.7
Six months ended Sep. 30, 2008	51,665	-	4,464	-	4,515	-	2,751	-

	Net income per share	Diluted net income per share
	Yen	Yen
Six months ended Sep. 30, 2009	26.36	26.25
Six months ended Sep. 30, 2008	23.58	23.38

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of Sep. 30, 2009	114,899	70,522	60.8	594.10
As of Mar. 31, 2009	112,086	67,117	59.3	565.23

Reference: Shareholders' equity (Millions of yen):                      Sep. 30, 2009:                      69,871                      Mar. 31, 2009:                      66,476

**2. Dividends**

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Mar. 31, 2009	-	6.00	-	7.00	13.00
Fiscal year ending Mar. 31, 2010	-	7.00			
Fiscal year ending Mar. 31, 2010 (forecast)			-	7.00	14.00

Note: Revision of dividend forecast during the period: None

Breakdown of dividends for the second quarter of the fiscal year ending Mar. 31, 2010

Ordinary dividends: 6.00 yen                      Commemorative dividends: 1.00 yen (Commemorating a century of eye-drop sales)

**3. Consolidated Forecast for the Fiscal Year Ending March 31, 2010 (April 1, 2009 – March 31, 2010)**

(Percentages represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	111,000	0.4	11,600	(0.3)	11,500	1.3	7,200	17.3	61.22

Note: Revision of consolidated forecast during the period: None

**4. Others**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in change in scope of consolidation): None

(2) Application of simplified accounting methods and special accounting methods in the preparation of quarterly consolidated financial statements: Yes

Note: Please refer to “Qualitative Information and Financial Statements, 4. Others” on page 5 for further information.

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

1) Changes caused by revision of accounting standards: Yes

2) Other changes: None

Note: Please refer to “Qualitative Information and Financial Statements, 4. Others” on page 5 for further information.

(4) Number of outstanding shares (common shares)

1) Shares outstanding at end of period (including treasury stock):

Sep. 30, 2009: 117,907,528 shares Mar. 31, 2009: 117,907,528 shares

2) Treasury stock at end of period:

Sep. 30, 2009: 298,721 shares Mar. 31, 2009: 296,825 shares

3) Average number of shares outstanding during the period:

Six months ended Sep. 30, 2009: 117,609,807 shares Six months ended Sep. 30, 2008: 116,702,961 shares

\* Cautionary statement with respect to forward-looking statements

Please refer to “Qualitative Information and Financial Statements, 3. Qualitative information regarding consolidated forecast” on page 5 for further information concerning these forecasts.

**(Reference)****Non-consolidated Forecast for the Fiscal Year Ending March 31, 2010 (April 1, 2009 – March 31, 2010)**

(Percentages represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	71,000	0.1	9,500	(5.1)	9,800	(5.7)	5,900	9.7	50.17

Note: Revision of non-consolidated forecast during the period: Yes

## Qualitative Information and Financial Statements

### 1. Qualitative information regarding consolidated results of operations

#### 1) Overview

(Millions of yen)

	Net sales	Operating income	Ordinary income	Net income
Six months ended Sep. 30, 2008	51,665	4,464	4,515	2,751
<b>Six months ended Sep. 30, 2009</b>	<b>52,554</b>	<b>5,259</b>	<b>5,450</b>	<b>3,100</b>
YoY change (%)	1.7	17.8	20.7	12.7

The recession that has arisen from the global economic crisis and soaring yen caused a sense of uncertainty to pervade the Japanese economy in the first half of the current fiscal year, despite a rally in exports and production. Economic initiatives led to increased spending on consumer durables, but a full-scale recovery has yet to take place amid an increasingly harsh employment and earnings environment. In the global economy, China's growth rate is rising, driven by domestic demand, as economic stimulus policies take effect, while the U.S. and European economies remain flat.

In this situation, the Rohto Group is planning to move into new fields with customer-oriented development of new products and marketing activities. In its existing sectors, the Group has endeavored to develop high value-added products and activate markets. As a result, first-half net sales and profits both exceeded initial projections.

Within Japan, *Hada (Skin) Labo* and other brands of beauty care products performed well, although the health care market struggled amid the deterioration of the domestic economy. Spring and summer products such as sunscreens sold slowly, affected by the unseasonal weather, while in contrast fall and winter products (some of them new) got off to a strong start. Overseas, exchange rate movements and other factors led to falling income in non-Asian regions. Overall, sales rose 1.7% year-on-year to 52,554 million yen.

Profits rose due to strong sales combined with efficient budgeting of selling and general administrative expenses. As a result, operating income rose 17.8% year-on-year to 5,259 million yen, ordinary income 20.7% to 5,450 million yen, and net income 12.7% to 3,100 million yen.

The sales summary by business segment is as follows.

#### 2) Results by business segment

(Millions of yen)

	Net sales			
	Six months ended Sep. 30, 2008	<b>Six months ended Sep. 30, 2009</b>	YoY change (Amount)	YoY change (%)
Eye Care Products	12,232	<b>12,308</b>	76	0.6
Skincare Products	29,299	<b>30,275</b>	975	3.3
Internal Medicines	7,495	<b>7,660</b>	165	2.2
Others	2,637	<b>2,309</b>	(328)	(12.5)
Total	51,665	<b>52,554</b>	888	1.7

#### Eye care products (eye drops, eyewash preparations, contact lens products, etc.)

In the core eye drop sectors, high value-added products such as the *Kaigan Shinsho* series performed steadily, although products for contact lens users and for middle-aged and senior customers, affected by an increasingly fierce price war, sold slowly. Hay fever products, such as *Rohto Alguard Contact* eye drops for use when wearing soft contact lenses (a first for Japan), also performed well, contributing to a rise in sales. The *C Cube* eyewash series (relaunched in April) and the *Rohto Lycee* eyewash for rinsing the eye while removing makeup (launched in September) stimulated potential demand and sold well. The overall market for contact lens care products diminished as the popularity of disposable lenses rose, but sales of *Rohto C Cube Softone*, relaunched in April, were maintained at the previous year's level.

Outside Japan, sales were firm despite the strong yen, due to such factors as the completion of the inventory adjustment in China. Total product sales in the eye care sector rose 0.6% year-on-year to 12,308 million yen.

#### **Skincare products (dermal medicines, lip balm, sunscreens, functional cosmetics, etc.)**

In Japan's beauty sector, the *Gokujuun* series focused on *Hada (Skin) Labo* and the *Shirojuun* series of skin lighteners proved popular. The *50-no-Megumi* skin lightener lotion *Yojuun-eki White*, launched in March, also proved popular and contributed to a rise in sales. Meanwhile, our spring and summer series of sunscreens and other products initially performed well thanks to warm weather at the start of the fiscal year, but a prolonged spell of inclement weather from June onward led sales to stagnate. The impact of the cool summer, however, led to a strong start in the fall and winter product category for products such as lip balm and hand cream.

Overseas, the harsh conditions continued amid deteriorating business confidence, especially in the U.S. and Europe, and the huge impact of exchange rate movements. Sales rose in Asia, however, secured by strong sales of the *Hada (Skin) Labo* and male cosmetic series in China. As a result of the above, total segment sales for skin care products rose 3.3% year-on-year to 30,275 million yen.

#### **Internal medicines (gastrointestinal medicines, cold remedies, traditional Chinese herbal medicines, supplements, etc.)**

Despite flat sales of gastrointestinal medicines, the *Wakansen* brand series of herbal medicines, created to be easy for the non-specialist to grasp, performed well, led by *Rohto Bofu-Tsusho-San* and *Rohto Boi-Ogi-To*, a new product launched in June. As a result, total sales for the internal medicine segment rose 2.2% year-on-year to reach 7,660 million yen.

#### **Others (in-vitro test kits, hay fever products, etc.)**

Hay fever products sold well, helped by a rising demand for masks due to the spread of swine flu. Sales of ovulation prediction tests fell, however, affected by the revised Japanese Pharmaceutical Affairs Law, and the discontinued sale of the *Capilia* influenza test kit had a major impact. As a result, segment sales fell 12.5% year-on-year to 2,309 million yen.

## **2. Qualitative information regarding consolidated financial position**

Assets totaled 114,899 million yen at the end of the second quarter, 2,813 million yen more than at the end of the previous fiscal year. There was a decrease of 1,337 million yen in notes and accounts receivable-trade, but cash and deposits, merchandise and finished goods, raw materials and supplies, and investment securities increased by 961 million yen, 1,426 million yen, 757 million yen and 1,412 million yen respectively.

Liabilities decreased 592 million yen to 44,376 million yen. There were increases in notes and accounts payable-trade and accrued income taxes by 1,229 million yen and 628 million yen respectively, but other current liabilities decreased 2,853 million yen.

Net assets increased 3,405 million yen to 70,522 million yen, as retained earnings and valuation difference on available-for-sale securities increased 2,297 million yen and 925 million yen respectively.

**3. Qualitative information regarding consolidated forecast**

(Millions of yen)

	Net sales	Operating income	Ordinary income	Net income
Fiscal year ended Mar. 31, 2009	110,611	11,638	11,349	6,139
<b>Fiscal year ending Mar. 31, 2010</b>	<b>111,000</b>	<b>11,600</b>	<b>11,500</b>	<b>7,200</b>
YoY change (%)	0.4	(0.3)	1.3	17.3

The Rohto Group performed well in the first half amid a harsh environment, posting record sales, operating income, and ordinary income. The government's economic policies have acted as a brake against the sudden deterioration of the economy, but consumer spending and capital investment remain weak, and uncertainty continues to undermine business confidence.

The health care industry has been affected by such factors as the influence of exchange rates on overseas business and increasingly conservative customer lifestyles, leading consumers to curb spending. Despite these changes, the previously released full-year forecasts remain unchanged.

These forecasts are based on an exchange rate of 93 yen to the US dollar.

\* The forecasts above have been prepared based on information available at the time this report was prepared. Actual results of operations may differ from the forecasts depending on various factors.

**4. Others**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in change in scope of consolidation)

No reportable information.

(2) Application of simplified accounting methods and special accounting methods in the preparation of quarterly consolidated financial statements

1) Simplified accounting methods

Calculation method of depreciation expense for fixed assets

For assets subject to the declining balance method, depreciation for the period was calculated pro rata based on the amount for the full year.

2) Special accounting methods in the preparation of quarterly consolidated financial statements

Calculation of tax expense

Tax expense was calculated by first estimating the effective tax rate after the application of tax effect accounting with respect to income before income taxes and minority interests during the fiscal year, and multiplying that rate by the quarterly income before income taxes and minority interests.

Deferred income taxes were included and displayed with income taxes.

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

1) Changes caused by revision of accounting standards

The Company has adopted "Guidance on Determining a Subsidiary and an Affiliate" (Accounting Standards Board of Japan (ASBJ) Guidance No. 22, May 13, 2008) from the first quarter of the current fiscal year.

These changes have no effect on assets and profit/loss.

2) Other changes

No reportable information.

**5. Quarterly Consolidated Financial Statements****(1) Consolidated Balance Sheets**

(Millions of yen)

	Second quarter of FY3/10 (As of Sep. 30, 2009)	FY3/09 Summary (As of Mar. 31, 2009)
Assets		
Current assets		
Cash and deposits	7,113	6,151
Notes and accounts receivable-trade	26,554	27,891
Merchandise and finished goods	10,130	8,704
Work in process	1,149	1,096
Raw materials and supplies	5,302	4,545
Other	4,210	4,177
Allowance for doubtful accounts	(169)	(202)
Total current assets	54,291	52,364
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	16,267	16,276
Machinery, equipment and vehicles, net	6,568	7,005
Other	12,896	12,366
Total property, plant and equipment	35,732	35,649
Intangible fixed assets		
Goodwill	1,729	2,423
Other	1,314	1,302
Total intangible fixed assets	3,044	3,726
Investments and other assets		
Investment securities	18,103	16,691
Other	3,809	3,736
Allowance for doubtful accounts	(81)	(81)
Total investments and other assets	21,830	20,345
Total fixed assets	60,607	59,721
Total assets	114,899	112,086

(Millions of yen)

	Second quarter of FY3/10 (As of Sep. 30, 2009)	FY3/09 Summary (As of Mar. 31, 2009)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable-trade	9,612	8,383
Short-term loans payable	4,269	4,252
Accrued income taxes	2,265	1,637
Reserve for bonuses	1,660	1,651
Reserve for directors' bonuses	15	30
Reserve for returned goods unsold	645	622
Reserve for rebates of sales	2,054	1,964
Other	14,326	17,180
<b>Total current liabilities</b>	<b>34,850</b>	<b>35,721</b>
<b>Non-current liabilities</b>		
Long-term loans payable	4,204	4,679
Reserve for retirement benefits	1,651	1,528
Reserve for directors' retirement benefits	93	92
Other	3,576	2,947
<b>Total non-current liabilities</b>	<b>9,526</b>	<b>9,247</b>
<b>Total liabilities</b>	<b>44,376</b>	<b>44,969</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	6,398	6,398
Capital surplus	5,517	5,517
Retained earnings	56,992	54,695
Treasury stock	(236)	(234)
<b>Total shareholders' equity</b>	<b>68,672</b>	<b>66,377</b>
<b>Valuation and translation adjustments</b>		
Valuation difference on available-for-sale securities	4,841	3,915
Deferred gains or losses on hedges	(8)	(12)
Translation adjustments	(3,634)	(3,803)
<b>Total valuation and translation adjustments</b>	<b>1,198</b>	<b>99</b>
Stock acquisition rights	593	593
Minority interests	57	46
<b>Total net assets</b>	<b>70,522</b>	<b>67,117</b>
<b>Total liabilities and net assets</b>	<b>114,899</b>	<b>112,086</b>

**(2) Consolidated Statements of Income**  
**(For the Six-month Period)**

(Millions of yen)

	First six month of FY3/09 (Apr. 1, 2008 – Sep. 30, 2008)	First six month of FY3/10 (Apr. 1, 2009 – Sep. 30, 2009)
Net sales	51,665	52,554
Cost of sales	21,474	22,334
Gross profit	30,191	30,219
Provision of reserve for returned goods unsold	80	23
Gross profit -net	30,110	30,196
Selling, general and administrative expenses	25,645	24,936
Operating income	4,464	5,259
Non-operating income		
Interest income	58	23
Dividend income	183	162
Foreign exchange gains	-	183
Equity in earnings of affiliates	-	16
Other	117	47
Total non-operating income	359	433
Non-operating expenses		
Interest expenses	237	193
Equity in losses of affiliates	0	-
Other	71	49
Total non-operating expenses	308	242
Ordinary income	4,515	5,450
Extraordinary income		
Reversal of allowance for doubtful accounts	31	28
Total extraordinary income	31	28
Extraordinary losses		
Loss on valuation of investment securities	26	284
Total extraordinary losses	26	284
Income before income taxes and minority interests	4,520	5,193
Income taxes	1,764	2,085
Minority interests in income	4	8
Net income	2,751	3,100



**(3) Consolidated Statements of Cash Flows**

(Millions of yen)

	First six month of FY3/09 (Apr. 1, 2008 – Sep. 30, 2008)	First six month of FY3/10 (Apr. 1, 2009 – Sep. 30, 2009)
Cash flows from operating activities		
Income before income taxes and minority interests	4,520	5,193
Depreciation and amortization	2,043	2,241
Amortization of goodwill	718	667
Increase (decrease) in allowance for doubtful accounts	(31)	(27)
Increase (decrease) in reserve for bonuses	36	8
Increase (decrease) in reserve for directors' bonuses	(27)	(15)
Increase (decrease) in reserve for retirement benefits	(275)	84
Increase (decrease) in reserve for returned goods unsold	80	23
Increase (decrease) in reserve for rebates of sales	453	90
Loss (gain) on valuation of investment securities	26	284
Interest and dividend income	(241)	(185)
Interest expenses	237	193
Equity in (earnings) losses of affiliates	0	(16)
Decrease (increase) in notes and accounts receivable-trade	(1,488)	1,372
Decrease (increase) in inventories	(3,468)	(2,303)
Increase (decrease) in notes and accounts payable-trade	2,585	1,147
Other	(2,586)	(2,504)
Subtotal	2,583	6,255
Interest and dividends income received	229	178
Interest expenses paid	(240)	(193)
Income tax paid	(2,868)	(1,591)
Net cash provided by (used in) operating activities	(296)	4,648
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,811)	(2,396)
Purchase of intangible fixed assets	(38)	(295)
Purchase of investment securities	(407)	(132)
Other	(149)	39
Net cash used in investing activities	(3,406)	(2,786)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(600)	109
Proceeds from long-term loans payable	140	304
Repayment of long-term loans payable	(386)	(602)
Cash dividends paid	(695)	(823)
Other	(25)	(6)
Net cash used in financing activities	(1,566)	(1,018)
Effect of exchange rate changes on cash and cash equivalents	1	117
Increase (decrease) in cash and cash equivalents	(5,268)	961
Cash and cash equivalents at the beginning of period	9,709	6,051
Cash and cash equivalents at the end of period	4,440	7,012

**(4) Going Concern Assumption**

No reportable information.

**(5) Segment Information**

## 1. Operating segment information

(Millions of yen)

	First six months of FY3/09 (Apr. 1, 2008 – Sep. 30, 2008)						
	Eye care products	Skincare products	Internal medicines	Others	Total	Elimination or corporate	Consolidated
Net sales							
(1) External sales	12,232	29,299	7,495	2,637	51,665	-	51,665
(2) Inter-segment sales and transfers	-	-	-	-	-	-	-
Total	12,232	29,299	7,495	2,637	51,665	-	51,665
Operating income	3,322	2,091	225	171	5,812	( 1,347)	4,464

Notes: 1. Method of segmentation

The operating segment information is presented on the basis of the similarity of its products, in use of products and how they are manufactured.

## 2. Summary of operating segments

- (1) Eye care products: Eye drops, eyewash preparations, and contact lens products
- (2) Skincare products: Mentholatum, moisturizing antipruritics, lip balm, hand cream, acne treatments, sunscreens, and functional cosmetics
- (3) Internal medicines: Gastrointestinal medicines, liquid gastrointestinal medicines, cold remedies, traditional Chinese herbal medicines, and supplements
- (4) Others: In-vitro test kits, hay fever products, denture cleanser, and sanitary products

## 3. The Company and its domestic consolidated subsidiaries have adopted "Accounting Standards for Measurement of Inventories" (ASBJ Statement No. 9: Accounting Standards Board of Japan, July 5, 2006) and changed the measurement method from the current first quarter. Given this change, operating income of the Skincare products, Internal medicines and Others segments have decreased by 16 million yen, 13 million yen and 1 million yen respectively in the current first half.

In accordance with the adoption of this accounting standard, the Company and its domestic consolidated subsidiaries have changed the accounting for loss on disposal on inventories. Given this change, operating income of the Eye care products, Skincare products, Internal medicines and Others segments have decreased by 28 million yen, 110 million yen, 33 million yen and 8 million yen respectively in the current first half.

## 4. 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: Accounting Standards Board of Japan, May 17, 2006)" from the current first quarter. Given this change, operating income of the Skincare products segment has decreased by 812 million yen in the current first half.

## 5. The Company and its domestic consolidated subsidiaries have changed the useful lives of machinery and equipment effective from the current first quarter, as a result of reviewing asset utilization status in conjunction with the revision of Corporation Tax Law (Law for Partial Revision of Corporation Tax Law, etc., Law No. 23, April 30, 2008.) Given this change, operating income of the Eye care products, Skincare products, Internal medicines and Others segments have increased by 10 million yen, 19 million yen, 9 million yen and 6 million yen respectively in the current first half.

(Millions of yen)

	First six months of FY3/10 (Apr. 1, 2009 – Sep. 30, 2009)						
	Eye care products	Skincare products	Internal medicines	Others	Total	Elimination or corporate	Consolidated
Net sales							
(1) External sales	12,308	30,275	7,660	2,309	52,554	-	52,554
(2) Inter-segment sales and transfers	-	-	-	-	-	-	-
Total	12,308	30,275	7,660	2,309	52,554	-	52,554
Operating income	3,387	2,858	478	12	6,736	( 1,477)	5,259

Notes: 1. Method of segmentation

The operating segment information is presented on the basis of the similarity of its products, in use of products and how they are manufactured.

2. Summary of operating segments

- (1) Eye care products: Eye drops, eyewash preparations, and contact lens products
- (2) Skincare products: Mentholatum, moisturizing antipruritics, lip balm, hand cream, acne treatments, sunscreens, and functional cosmetics
- (3) Internal medicines: Gastrointestinal medicines, liquid gastrointestinal medicines, cold remedies, traditional Chinese herbal medicines, and supplements
- (4) Others: In-vitro test kits, hay fever products, denture cleanser, and sanitary products

## 2. Geographical segment information

(Millions of yen)

	First six months of FY3/09 (Apr. 1, 2008 – Sep. 30, 2008)							
	Japan	North America	Europe	Asia	Others	Total	Elimination or corporate	Consolidated
Net sales								
(1) External sales	38,061	4,002	2,503	6,408	689	51,665	-	51,665
(2) Inter-segment sales and transfers	556	859	2	1,429	7	2,856	( 2,856)	-
Total	38,618	4,862	2,506	7,837	696	54,521	( 2,856)	51,665
Operating income (loss)	4,699	(975)	89	780	49	4,643	( 178)	4,464

Notes: 1. The classification of country or area is based on geographical proximity.

2. Major countries or areas outside Japan included in each segment

- (1) North America: USA, Canada
- (2) Europe: UK
- (3) Asia: China, Taiwan, Vietnam
- (4) Others: Australia

3. The Company and its domestic consolidated subsidiaries have adopted “Accounting Standards for Measurement of Inventories” (ASBJ Statement No. 9: Accounting Standards Board of Japan, July 5, 2006) and changed the measurement method from the current first quarter. Given this change, operating income of “Japan” has decreased by 31 million yen in the current first half.

In accordance with the adoption of this accounting standard, the Company and its domestic consolidated subsidiaries have changed the accounting for loss on disposal on inventories. Given this change, operating income of “Japan” has decreased by 180 million yen in the current first half.

4. The Company has adopted “Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements” (PITF No. 18: Accounting Standards Board of Japan, May 17, 2006)” from the current first quarter. Given this change, operating income of “North America” has decreased by 812 million yen in the current first half.

5. The Company and its domestic consolidated subsidiaries have changed the useful lives of machinery and equipment effective from the current first quarter, as a result of reviewing asset utilization status in conjunction with the revision of Corporation Tax Law (Law for Partial Revision of Corporation Tax Law, etc., Law No. 23, April 30, 2008.) Given this change, operating income of “Japan” has increased by 46 million yen in the current first half.

(Millions of yen)

	First six months of FY3/10 (Apr. 1, 2009 – Sep. 30, 2009)							
	Japan	North America	Europe	Asia	Others	Total	Elimination or corporate	Consolidated
Net sales								
(1) External sales	40,155	3,261	2,070	6,499	567	52,554	-	52,554
(2) Inter-segment sales and transfers	369	803	3	1,363	9	2,548	( 2,548)	-
Total	40,525	4,064	2,073	7,862	576	55,103	( 2,548)	52,554
Operating income (loss)	5,569	(782)	(31)	584	35	5,375	( 115)	5,259

Notes: 1. The classification of country or area is based on geographical proximity.

2. Major countries or areas outside Japan included in each segment

- (1) North America: USA, Canada
- (2) Europe: UK
- (3) Asia: China, Taiwan, Vietnam
- (4) Others: Australia

#### (6) Significant Changes in Shareholders' Equity

No reportable information.

*\* This financial report is solely a translation of "Kessan Tanshin" (in Japanese, including attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.*