Presentation:
Hiroshi Nakamura
Executive Officer,
Vice President, Corporate Administration Group
### Summary of Achievements

#### (In Billions of Yen)

<table>
<thead>
<tr>
<th></th>
<th>FY'07</th>
<th>FY'08</th>
<th></th>
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<tbody>
<tr>
<td></td>
<td>1Q</td>
<td>2Q</td>
<td>3Q</td>
</tr>
<tr>
<td>Orders</td>
<td>53.2</td>
<td>42.0</td>
<td>31.2</td>
</tr>
<tr>
<td>Sales</td>
<td>57.1</td>
<td>57.8</td>
<td>35.0</td>
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<tr>
<td>Operating Income</td>
<td>11.7</td>
<td>12.9</td>
<td>1.0</td>
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<tr>
<td>Non-operating Income</td>
<td>3.4</td>
<td>-0.6</td>
<td>1.0</td>
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<tr>
<td>Income before Tax</td>
<td>15.1</td>
<td>12.3</td>
<td>2.0</td>
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<tr>
<td>Net Income</td>
<td>9.9</td>
<td>7.0</td>
<td>3.0</td>
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<tr>
<td>Backlog</td>
<td>49.0</td>
<td>33.2</td>
<td>29.5</td>
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<table>
<thead>
<tr>
<th></th>
<th>1Q</th>
<th>2Q</th>
<th>3Q</th>
<th>Q on Q (%)</th>
<th>Y on Y (%)</th>
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</thead>
<tbody>
<tr>
<td>Orders</td>
<td>18.2</td>
<td>18.1</td>
<td>8.9</td>
<td>-51.3%</td>
<td>-71.7%</td>
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<tr>
<td>Sales</td>
<td>26.5</td>
<td>26.0</td>
<td>14.6</td>
<td>-44.0%</td>
<td>-58.3%</td>
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<tr>
<td>Operating Income</td>
<td>-1.8</td>
<td>-2.1</td>
<td>-11.6</td>
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<tr>
<td>Non-operating Income</td>
<td>1.5</td>
<td>-2.5</td>
<td>-1.5</td>
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<tr>
<td>Income before Tax</td>
<td>-0.3</td>
<td>-4.6</td>
<td>-13.1</td>
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<td></td>
</tr>
<tr>
<td>Net Income</td>
<td>-0.2</td>
<td>-2.7</td>
<td>-7.8</td>
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#### Summary of Results for the Third Quarter of Fiscal 2008

- **Orders**: 8.9 billion yen
- **Sales**: 14.6 billion yen

Orders, sales, and operating income all decreased significantly compared to the previous quarter.

- **Non-operating Loss**: 1.5 billion yen

**Main contributing factors:**

1. Losses linked to exchange rate fluctuations
2. Losses from impairment of investment securities
Orders by business segment:

○ Third quarter, fiscal 2008
  Orders by business segment:

○ Semiconductor and component test systems
  • 2.7 billion yen, a 76.1% drop from the previous quarter

    Memory test systems:
    Memory test systems for graphic DRAM and DDR3, which were solid through Q2, saw a sharp decrease.

    Non-memory test systems:
    Demand for T2000 products, including test modules for next-generation MPUs, dropped steeply.

○ Mechatronics
  • 1.7 billion yen, a 41.3% drop from the previous quarter
  Due to weak demand especially for back-end testers, orders for device interfaces and handlers saw a decrease.

○ Services, Support & Others
  • 4.6 billion yen, a 13% increase from the previous quarter
  Orders climbed slightly due to factors including the purchase of lease assets.
Third quarter, fiscal 2008
Sales by business segment:

- Sales of memory test systems fell 68.5% from the previous quarter.
  Main contributing factor:
  DRAM makers in South Korea and Taiwan suffered a sales decrease.

- Sales of non-memory test systems fell 55% from the previous quarter.
  Main contributing factors:
  1) For the T2000:
     a decrease in sales of next-generation MPUs and ICs for home electronics.

  2) For LCD driver IC test systems:
     a decrease in sales in Japan.

- Mechatronics
  Sales fell 60.9% from the previous quarter to 2.3 billion yen
  Main contributing factor:
  Sales of handlers and device interfaces were damaged by weak tester demand.
Third quarter, fiscal 2008

Sales by region:

- Regions where sales declined from the previous quarter:
  - Americas: 2.8 billion yen (47.2% down on quarter)
  - Rest of Asia: 2.2 billion yen (53.2% down on quarter)

  Declines were principally driven by weak T2000 sales (including test modules for next-generation MPUs).

  - South Korea: 1.4 billion yen (72.1% down on quarter)
  - Taiwan: 0.8 billion yen (74.8% down on quarter)

  This decline was principally due to reduced sales of DRAM test systems.
○ Third quarter, fiscal 2008
  Operating expenses:

○ Overall operating expenses:
  • 13.5 billion yen, down 1.7 billion yen from the previous quarter
    of which R&D expenses: 6.1 billion yen,
    down 0.7 billion yen from the previous quarter.

○ Operating loss:
  • 11.6 billion yen, compared to an operating loss of
    2.1 billion yen in the previous quarter.

Main contributing factor:
  1) Decline in sales

  2) Inventory write-down
Balance sheet, as of the end of December 2008

Assets:

- Total assets: 257.6 billion yen (down 24.5 billion yen from the end of September 2008)
- Cash and cash equivalents: 118.2 billion yen (down 32.5 billion yen from the end of September 2008)
- Short-term Investments: 17.3 billion yen (up 14.3 billion yen from the end of September 2008)
- Trade receivables: 12.6 billion yen (down 3.5 billion yen from the end of September 2008)
- Inventories: 16.2 billion yen (down 6.4 billion yen from the end of September 2008)

Declines were principally driven by inventory write-down.

- Capital expenditures in 3Q: 0.6 billion yen (compared to 1.8 billion yen in 2Q)
- Depreciation in 3Q: 2.3 billion yen (almost unchanged from 2Q)
○ Balance sheet, as of the end of December 2008

Liabilities and equity:

- **Trade accounts payable:**
  4.3 billion yen
  (down 3 billion yen from the end of September 2008)

- **Other current liabilities:**
  12.1 billion yen
  (down 2.8 billion yen from the end of September 2008)

- **Retained earnings and others:**
  156.7 billion yen
  (down 18.6 billion yen from the end of September 2008)

Of this decrease, 6.4 billion yen was a decrease in comprehensive income.
Third quarter, fiscal 2008

Cash flow (CF):

- Operating cash flow: expenditures of 7.2 billion yen, of which net loss of 7.8 billion yen this quarter

- Investing cash flow: expenditures of 16.3 billion yen, of which short-term investments: 15.4 billion yen

- Free cash flow: negative 23.5 billion yen
NOTE

- Prepared in accordance with US GAAP
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