



FINANCIAL STATEMENTS

From April 1, 2008

To March 31, 2009

Consolidated Subsidiaries

Domestic:

Makoto Industry Co., Ltd.

Edeclinsey System Co., Ltd.

Astro Co., Ltd.

Overseas:

Fuji America Corporation

Fuji Machine America Corporation

Fuji Machine Mfg. (Europe) GmbH

Fuji Machine China Co., Ltd.

Operation Results

(1) Analysis of operating results

① Outline of this fiscal year

The Japanese economy in the first half of this consolidated accounting term became even worsened as seen in the reduction of capital expenditures and sluggish consumer consumption because of deterioration of industrial atmosphere under the effect of high risen energy and raw material costs. The business environment in the latter half of the same term became very severe as the confusion of the financial market started from the financial crisis in U.S. seriously and rapidly affected on the practical economy throughout the world greatly deteriorating the Japanese economy.

Under such a severe environment mentioned in the above, we tried to realize high profitable management structure that enables continuous growth of the business promoting speedy management, steady expansion of the business when the demands recovered and untiring pursuit of new technology for the next generation and development of highly marketable products that meet customer needs without delay as well as reinforcement of sales and service systems and thorough pursuit of Q (quality), C (cost), D (delivery) and S (service) along with promotion of resolution of the environment and energy issues and increase of safety.

To be specific, we have tried to deepen “high precision, high speed mounting technology and precision machining engineering” which are our core competence, promote the development of highly marketable products that meet diversifying customer needs. Simultaneously, we have tried to improve product competitiveness by differentiation with other competitors inputting the new NXT II (Fuji Scalable Placement Platform) which is the highly improved version of the NXT, our main product, and the XPF-W (High Speed Multi-Purpose Mounter) that is equipped with the automatic replaceable mounting head for the first time in the world that may handle to the large substrates into the market. Speaking of the sales, we have tried to improve customer satisfaction and expand market penetration through the development of the markets of newly developing countries and new markets along with expansion of the sales to new customers by increase and improvement of the distributor network as well as reinforcement of the service support system offering customer solution by close and comprehensive contact with them. As for thing-making, we have tried to make thorough cost down to survive the price competition caused by sluggish demands through promotion of VE activities, standardization of design drawings and procured parts as well as reduction of indirect work. We have also tried to make most appropriate purchasing of parts and improve production efficiency to flexibly respond to the drastic production fluctuation. At the same time, we have tried to increase customer trust through pursuit of high quality and fosterage of human resources as well as transfer of skills that support thing-making. Speaking of intensification of corporate governance, we are properly operating the established internal control system to positively accomplish the corporate social responsibility for further improvement of corporate value. We have also tried to reduce our costs cutting remuneration of the board members and managers and adopting the lay-off system.

In the situation marked by these, we have achieved orders of 53,192 million yen (51.3% decrease against the previous term), sales of 69,485 million yen (34.9% decrease against the previous term), operating profits of 5,229 million yen (76.1% decrease against the previous term), and ordinary profits of 6,118 million yen (72.0% decrease against the previous term), with the net profits for this period reaching 1,001 million yen (92.3% decrease against the previous term).

Business results by segment

1) Electronics Assembly Equipment

The electronics market including the mobile phones, laptop computers and flat-screen TV was greatly affected by drastic decrease of their demands since the 2nd quarter and the effect of frozen or deferred capital investment plans by the major mobile phone manufacturers and major EMS (Electronics Manufacturing Service) firms which are our major customers. As a result of rapid decrease of orders from them, the amount of orders was 46,284 million yen (49.5% decrease against the previous term), the sales amount was 56,397 million yen (36.0% decrease against the previous term) and the operating profit was 10,201 million yen (57.7% decrease against the previous term).

2) Machine Tools

As the demand for capital investments has decreased due to the significant production adjustment of the automotive industry that is the major customer of our group in addition to the drastic suppression of capital investment as a whole industry in both of the domestic and overseas markets since the 3rd quarter, the amount of orders was 6,181 million yen (63.1% decrease against the previous term), the sales amount was 12,344 million yen (29.7% decrease against the previous term) and the operating loss was 3,045 million yen (the previous term: 504 million yen of operating loss).

② Outlook for the next fiscal year

We predict that the future of the economy in Japan and overseas countries will continue to be severe as the worldwide financial crisis is giving deep impact on the real economy of the whole world and the environment surrounding the business management.

The business for the electronics assembly equipment is predicted to be generally in the sluggish trend as suppression of the capital investment by the major mobile phone manufacturers and major EMS (Electronics Manufacturing Service) firms that are our major customers is suspected to continue under drastic decrease of the demand in the electronics market for final products such as mobile phones, laptop computers and flat-screen TV. Our group will try to improve the business profitability and expand the market share through promotion of the development of the differentiated products with price competitiveness without delay along with further reinforcement of the sales network and production reformation. The machine tools business is also predicted to be in the low level as the production adjustment of the automotive industry that is our major customer will continue because of their sales slump. We will try to promote profit improvement and stabilization of the business through the business restructuring. Our prediction of the consolidated and individual business achievements for the next term will be as follows:

The forecast through the next financial year of the consolidated account and non-consolidated business is as follows:

(Millions of yen)

Consolidated	Sales	Operating income	Ordinary income	Net income
Second quarter September 30, 2009	12,500	△6,900	△6,900	△7,000
Year ending March 31, 2010	29,000	△12,000	△12,000	△12,200
Non-consolidated	Sales	Operating income	Ordinary income	Net income
Second quarter September 30, 2009	11,000	△6,300	△6,300	△6,400
Year ending March 31, 2010	26,000	△11,000	△11,000	△11,200

(2) Analysis of financial condition

The total consolidated assets for this period, due to decrease in accounts receivable, were 123,657 million yen, which was 10,738 million yen less than the previous consolidated fiscal year. Additionally, our consolidated liabilities for this fiscal year totaled 26,496 million yen, which was 5,794 million yen less than the previous consolidated fiscal year due to decreases in accrued income tax.

As for the cash flow, consolidated cash and cash equivalents for this fiscal year were 48,561 million yen, which was 5,304 million yen more than the previous consolidated fiscal period. This was attributable to the total of increased cash flow from business operations and financing activities exceeding decreased cash flow from investment activities.

As for cash flow from business operations, cash which was obtained as a result of operations was 9,511 million yen. This was mainly attributable to positive factors such as increases in income before income tax and decreases in accounts receivable exceeding negative factors such as increases in payments of income taxes and decrease in trade payable.

As for cash flow from investing activities, cash which was used as a result of the activities was 6,446 million yen. This was attributable mainly from additions of tangible fixed assets.

As for cash flow from financing activities, cash which was obtained as a result of the activities was 2,732 million yen. This was principally due to issuance of bonds.

Furthermore, trends in the cash flow index were as follows:

	Consolidated Accounting Period (March 31 st 2005)	Consolidated Accounting Period (March 31 st 2006)	Consolidated Accounting Period (March 31 st 2007)	Consolidated Accounting Period (March 31 st 2008)	Consolidated Accounting Period (March 31 st 2009)
Shareholder's Equity Ratio (%)	67.6	69.9	73.6	76.0	78.6
Shareholder's Equity Ratio (based on market price) (%)	49.1	85.6	71.7	75.5	31.6
The number of years of debt redemption (Years)	3.7	3.7	0.8	0.6	1.9
Interest Coverage Ratio	32.7	35.7	99.0	125.7	65.3

Notes:

1. The indexes above are calculated using the following formulas:
Shareholders' Equity Ratio: shareholders' equity/total assets.
Shareholders' Equity Ratio (based on market price): total sum of the market price for stock/total assets.
The number of years of debt redemption: liabilities with interest/cash flow from operating activities.
Interest Coverage Ratio: cash flow from operating activities/interest payments
2. Each index is calculated according to the consolidated financial value.
3. The total sum of the market price for stock is calculated as the closing price of the end of term stocks × the number of stocks issued at the end of term (after deduction of treasury stocks).
4. "Cash flow from operating activities" refers to the cash flow from operating activities in the statement of consolidated cash flow. "Liabilities with interest" refers to all interest paying debts on the consolidated balance sheet. "Interest Payments" refers to the interest payments in the statement of consolidated cash flow.

(3) Basic policy for profit sharing & Dividends in the current and next fiscal years

As the basic policy for profit sharing, the Company is hoping to maintain stable dividend and continually return profits to customers while attempting to strengthen the management foundation with the aims to improve profitability and to achieve a good balance between profit distribution to shareholders and reinforcement of financial strengths.

The internal reserves are planned to be utilized to develop products in line with market needs and invest in the streamlining of facilities so that the business foundation will be improved and reinforced.

We would like to make the dividends at the end of this term as 10 yen per share taking the business environment and business achievement into consideration based on the basic policy of the distribution of profits. Therefore, the annual dividends per share of this term will be 30 yen including the interim dividends.

As for the dividends for the next term, we plan to be 10 yen per share for the interim and year end dividends respectively making 20 yen per share annually because the business environment will continue to be severe.

(4) Risk of business

Since no new risk has been revealed from the latest financial statement report (disclosed on May 15, 2008), disclosure of business risk is omitted.

Management Policies

(1) Basic management policy of the Company、 (2) Mid-and-long term management strategies of the Company

As there is no material change in the contents from the accounts settlement report of March 2007 (disclosed on May 15, 2007), its disclosure is omitted.

The applicable accounts settlement report may be found from the following URL.

(Fuji Machine Mfg.Co.,Ltd)

<http://www.fuji.co.jp/e/index.html>

(Nagoya Stock Exchange,Inc.)

<http://www.nse.or.jp/e/index.html>

(3) Issues we need to solve

The business environment surrounding our group is predicted very severe as the recovery of demands for our products would be not so easy due to suppression of capital investments based on drastic depression of the economy initiated by the confusion of the financial market that started from the financial crisis in U.S.A.

Under such a situation as mentioned in the above, we plan to promote the development of the differentiated products with price competitiveness without delay, pursue technology of the next generation and accelerate the development of new business aiming at the growing markets under a new challenging spirit. We will also plan to improve customer satisfaction and expand the market penetration through strengthening of the sales and service network both in Japan and overseas, to construct the production system that is able to cope with the drastic fluctuation of the production volume and improve our profitability by the cost reduction throughout the whole group. We also try to realize stabilization of the business profit structure and sustainable growth by selection and concentration of the management resources, and we try to positively accomplish the corporate social responsibility and continuously increase the corporate value by the internal control.

CONSOLIDATED BALANCE SHEETS

Fuji Machine Mfg. Co., Ltd. and subsidiaries

ASSETS	Millions of yen	
	2008	2009
Current assets		
Cash on hand and in bank	33,964	42,171
Notes and accounts receivable – trade	25,234	7,377
Marketable securities	10,000	7,300
Inventories	27,602	–
Merchandise	–	3,706
Work in process	–	7,736
Raw materials and supplies	–	18,101
Other inventories	–	49
Deferred taxes	3,125	529
Income taxes receivable	–	3,731
Other current assets	2,287	2,207
Less-Allowance for doubtful receivable	△ 14	△ 80
Total current assets	102,200	92,831
Fixed assets		
Property, plant and equipment:		
Building and structures	17,745	19,098
Accumulated depreciation	△ 9,626	△ 10,067
Buildings and structures, net	8,119	9,030
Machinery/equipment and vehicles	12,167	12,275
Accumulated depreciation	△ 8,847	△ 8,265
Machinery/equipment and vehicles, net	3,320	4,010
Tools, furniture and fixtures	5,861	5,806
Accumulated depreciation	△ 4,964	△ 4,978
Tools, furniture and fixtures, net	897	828
Land	4,107	4,272
Construction in progress	416	40
Total property, plant and equipment	16,860	18,181
Intangible assets:		
Software	1,529	2,106
Other intangible assets	20	21
Total intangible assets	1,550	2,128
Investments and other assets:		
Investment securities	12,734	8,890
Deferred taxes	522	1,195
Others	528	430
Total investments and other assets	13,785	10,516
Total fixed assets	32,196	30,826
Total assets	134,396	123,657

LIABILITIES AND NET ASSETS	Millions of yen	
	2008	2009
Liabilities		
Current liabilities:		
Notes and accounts payable	4,413	592
Return planned long-term borrowings for less than 1 year	5,114	3,000
Accrued income tax	5,905	58
Accrued warranty	1,960	1,504
Others	6,859	4,788
Total current liabilities	24,254	9,943
Long term liabilities:		
Bonds	5,000	15,000
Long-term borrowings	3,000	-
Accrued retirement benefits	36	1,552
Total long term liabilities	8,036	16,552
Total liabilities	32,290	26,496
Net assets		
Shareholders' equity		
Capital stock	5,878	5,878
Capital surplus	5,413	5,413
Earnings surplus	89,431	88,478
Treasury stock	△ 37	△ 41
Total shareholders' equity	100,687	99,729
Valuation and translation adjustments		
Unrealized gain on available for-sale securities, net of taxes	1,247	△ 2,196
Translation adjustment	171	△ 371
Total valuation and translation adjustments	1,418	△ 2,567
Total net assets	102,106	97,161
Total liabilities and net assets	134,396	123,657

CONSOLIDATED INCOME STATEMENT

Fuji Machine Mfg. Co., Ltd. and subsidiaries

	Millions of yen	
	2008	2009
Net sales	106,665	69,485
Cost of sales	67,070	48,055
Gross profit	39,595	21,430
Selling, general and administrative expenses	17,677	16,200
Operating Income	21,917	5,229
Non-operating revenue:		
Interest income	551	391
Dividends income	160	250
Rent income	-	229
Foreign exchange gains	-	409
Others	112	122
Non-operating expenses:		
Interest expense	178	167
Bond issuance cost	-	206
Commission fee	-	131
Exchange loss	533	-
Others	200	6
Ordinary Income	21,830	6,118
Extraordinary gain		
Gain on disposal of fixed assets	93	51
Reversal of allowance for doubtful accounts	0	-
Others	1	-
Extraordinary loss		
Loss on valuation of investments in securities	241	1,198
Loss on disposal of fixed assets	436	317
Loss on revision of retirement benefit plan	-	203
Others	40	7
Income before income taxes and minority interest	21,208	4,442
Income taxes:		
Corporate, inhabitant's and enterprise taxes	8,688	805
Adjustment for corporate taxes	△ 433	2,635
Net Income	12,953	1,001

CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY

Fuji Machine Mfg. Co., Ltd. and subsidiaries

Previous consolidated accounting period (April 1, 2007 to March 31, 2008)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital Surplus	Earnings surplus	Treasury stock	Total shareholders' equity
Balance at March 31,2007	5, 878	5, 413	78, 066	△ 30	89, 329
Increase(Decrease)during the term:					
Cash dividends	-	-	△ 1, 588	-	△ 1, 588
Net income	-	-	12, 953	-	12, 953
Acquisition of treasury stocks	-	-	-	△ 6	△ 6
Net increase(Decrease) during the term, except for items under Shareholders' equity	-	-	-	-	-
Total	-	-	11, 364	△ 6	11, 357
Balance at March 31,2008	5, 878	5, 413	89, 431	△ 37	100, 687

	Valuation and translation adjustments			Total net assets
	Unrealized gain on available for-sale securities, net of taxes	Translation adjustment	Total valuation and translation adjustments	
Balance at March 31,2007	4, 372	2, 375	6, 747	96, 077
Increase(Decrease)during the term:				
Cash dividends	-	-	-	△ 1, 588
Net income	-	-	-	12, 953
Acquisition of treasury stocks	-	-	-	△ 6
Net increase(Decrease) during the term, except for items under Shareholders' equity	△ 3, 125	△ 2, 203	△ 5, 329	△ 5, 329
Total	△ 3, 125	△ 2, 203	△ 5, 329	6, 028
Balance at March 31,2008	1, 247	171	1, 418	102, 106

This consolidated accounting period (April 1, 2008 to March 31, 2009)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital Surplus	Earnings surplus	Treasury stock	Total shareholders' equity
Balance at March 31,2008	5, 878	5, 413	89, 431	△ 37	100, 687
Increase(Decrease)during the term:					
Cash dividends	-	-	△ 1, 955	-	△ 1, 955
Net income	-	-	1, 001	-	1, 001
Acquisition of treasury stocks	-	-	-	△ 4	△ 4
Net increase(Decrease) during the term, except for items under Shareholders' equity	-	-	-	-	-
Total	-	-	△ 953	△ 4	△ 958
Balance at March 31,2009	5, 878	5, 413	88, 478	△ 41	99, 729

	Valuation and translation adjustments			Total net assets
	Unrealized gain on available for-sale securities, net of taxes	Translation adjustment	Total valuation and translation adjustments	
Balance at March 31,2008	1, 247	171	1, 418	102, 106
Increase(Decrease)during the term:				
Cash dividends	-	-	-	△ 1, 955
Net income	-	-	-	1, 001
Acquisition of treasury stocks	-	-	-	△ 4
Net increase(Decrease) during the term, except for items under Shareholders' equity	△ 3, 444	△ 542	△ 3, 986	△ 3, 986
Total	△ 3, 444	△ 542	△ 3, 986	△ 4, 944
Balance at March 31,2009	△ 2, 196	△ 371	△ 2, 567	97, 161

CONSOLIDATED CASH FLOWS STATEMENT

Fuji Machine Mfg. Co., Ltd. and subsidiaries

	Millions of yen	
	2008	2009
Operating activities		
Income before income taxes and minority interest	21,208	4,442
Depreciation and amortization	3,132	2,568
Increase or decrease in accrued warranty	51	△ 446
Increase or decrease in accrued retirement benefits	△ 61	1,630
Interest and dividend income	△ 712	△ 641
Interest expense	178	167
Gain or loss on disposition of fixed assets	342	266
Gain or loss on valuation of investments in securities	241	1,198
Decrease in accounts receivable	880	17,747
Increase or decrease in inventories	3,253	△ 2,146
Increase or decrease in trade payable	1,583	△ 3,661
Others	357	△ 1,967
Sub total	30,457	19,159
Interest and dividend received	712	641
Interest paid	△ 180	△ 145
Payments of income taxes	△ 8,307	△ 10,144
Net cash provided by operating activities	22,682	9,511
Investing activities		
Additions of tangible and intangible fixed assets	△ 2,072	△ 4,771
Proceeds from sales of tangible and intangible fixed assets	364	68
Additions of investment securities	△ 4,449	△ 1,422
Investment in time deposit	△ 378	△ 395
Proceeds on maturity of time deposit	126	192
Expenditures for long-term prepaid expenses	△ 6	△ 128
Others	△ 3	11
Net cash used in investing activities	△ 6,421	△ 6,446
Financing activities		
Expenditures for return of long-term borrowings	△ 2,117	△ 5,104
Proceeds from issuance of bonds	-	9,795
Dividends paid	△ 1,587	△ 1,954
Others	△ 6	△ 4
Net cash (used in) provided by financing activities	△ 3,711	2,732
Effect of exchange rate changes on cash and cash equivalents	△ 1,538	△ 492
Increase in cash and cash equivalents	11,011	5,304
Cash and cash equivalents at beginning of year	32,245	43,256
Cash and cash equivalents at end of the period	43,256	48,561

EVENTS OR SITUATIONS THAT GIVE SIGNIFICANT DOUBTS FOR PREMISES OF A GOING CONCERN

None applicable.

IMPORTANT AND FUNDAMENTAL MATTERS FOR PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

(Changes of accounting policies)

- ① Application of accounting standard to measurement of inventories
We apply the “Accounting Standard for Measurement of Inventories” (Accounting Standard - ASBJ Statement No. 9 issued as of July 5, 2006) from this accounting term, and the measurement method was changed from the cost method to the lower-of-cost-or-market method (cut-down of the book value by downturn of profitability).
By this change, the operating profit, ordinary profit and net income before tax have decreased by 694 million yen respectively compared with the previous method.
Effects to the segment information are described on the applicable items.
- ② Application of Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements
Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements (ASBJ PITF No. 18 issued as of May 17, 2006) is applied from this accounting term, and corrections necessary for the consolidated accounting are made.
Effects to profit and loss by these changes are minor.

We have omitted disclosure of particulars other than those stated in the above, as they are not materially changed from the statements described in the latest financial statements (disclosed on May 15, 2008).

NOTES :**(Data relating to the calculation of fluctuations in consolidated stockholders' equity etc.)****Previous consolidated accounting period (April 1, 2007 - March 31, 2008)**

1. Matters relating to the kinds and total number of issued stocks & kinds and number of treasury stocks

	Stocks at the end of the previous consolidated fiscal year (Unit: 1,000 stocks)	Increased stocks in the current consolidated period (Unit: 1,000 stocks)	Decreased stocks in the current consolidated period (Unit: 1,000 stocks)	Stocks at the end of the current consolidated period (Unit: 1,000 stocks)
Issued stocks				
Common stocks	48,911	-	-	48,911
Total	48,911	-	-	48,911
Treasury stocks				
Common stocks (Note)	20	2	-	23
Total	20	2	-	23

(Note) The increase in the number of common treasury stocks, 2,000 stocks, was attributed to the purchase of odd stocks.

2. Matters related to subscription right for new shares

None applicable.

3. Matters relating to dividends

(1) Amount of dividends paid

Resolution	Kind of stock	Dividend total (Unit: mil. yen)	Dividend per stock (Unit: yen)	Reference date	Effective date
Jun. 28, 2007 Annual Meeting of Shareholders	Common stock	611	12.50	Mar. 31, 2007	Jun. 29, 2007
Nov. 14, 2007 Board of Directors Meeting	Common stock	977	20.00	Sep. 30, 2007	Dec. 10, 2007

- (2) Of the dividends for which the reference dates fall upon this consolidated period, those which will become effective after the end of this period

Resolution	Kind of stock	Dividend total (Unit: mill. yen)	Dividend resource	Dividend per stock (Unit: yen)	Reference date	Effective date
Jun. 27, 2008 Annual Meeting of Shareholders	Common stock	977	Earnings surplus	20.00	Mar. 31, 2008	Jun. 30, 2008

Current consolidated accounting period (April 1, 2008 - March 31, 2009)

1. Matters relating to the kinds and total number of issued stocks & kinds and number of treasury stocks

	Stocks at the end of the previous consolidated fiscal year (Unit: 1,000 stocks)	Increased stocks in the current consolidated period (Unit: 1,000 stocks)	Decreased stocks in the current consolidated period (Unit: 1,000 stocks)	Stocks at the end of the current consolidated period (Unit: 1,000 stocks)
Issued stocks				
Common stocks	48,911	-	-	48,911
Total	48,911	-	-	48,911
Treasury stocks				
Common stocks (Note)	23	3	-	26
Total	23	3	-	26

(Note) The increase in the number of common treasury stocks, 3,000 stocks, was attributed to the purchase of odd stocks.

2. Matters related to subscription right for new shares

None applicable.

3. Matters relating to dividends

(1) Amount of dividends paid

Resolution	Kind of stock	Dividend total (Unit: mil. yen)	Dividend per stock (Unit: yen)	Reference date	Effective date
Jun. 27, 2008 Annual Meeting of Shareholders	Common stock	977	20.00	Mar. 31, 2008	Jun. 30, 2008
Nov. 11, 2008 Board of Directors Meeting	Common stock	977	20.00	Sep. 30, 2008	Dec. 10, 2008

(2) Of the dividends for which the reference dates fall upon this consolidated period, those which will become effective after the end of this period

Resolution	Kind of stock	Dividend total (Unit: mill. yen)	Dividend resource	Dividend per stock (Unit: yen)	Reference date	Effective date
Jun. 26, 2009 Annual Meeting of Shareholders	Common stock	488	Earnings surplus	10.00	Mar. 31, 2009	Jun. 29, 2009

(On consolidated cash flow statement)

The relation between the term-end balance of cash and cash-equivalents, and the sums of the items listed on the consolidated balance sheet

	(Millions of yen)	
	March 31, 2008	March 31, 2009
Cash and deposit accounts	33,964	42,171
Marketable securities (Negotiable Certificates of Deposit)	10,000	7,300
Time deposits whose deposit terms exceed three months	△ 707	△ 909
Cash and cash equivalents at end of the period	43,256	48,561

(On consolidated segment information)**a. Business segment information**

Previous consolidated accounting period (April 1, 2007 to March 31, 2008)

(Millions of yen)

	Electronics Assembly Equipment	Machine Tools	Others	Total	Elimination or all company	Consolidated
I. Sales and operating expenses						
Sales						
1. Sales to third parties	88,120	17,559	985	106,665	-	106,665
2. Interarea sales or transfers	0	-	1,537	1,538	△1,538	-
Total	88,121	17,559	2,523	108,204	△1,538	106,665
Operating expenses	64,007	18,063	2,354	84,425	322	84,748
Operating income or loss	24,114	△ 504	168	23,778	△1,861	21,917
II. Asset, depreciation and capital expenditure						
Asset	74,718	20,374	2,144	97,237	37,158	134,396
Depreciation	2,496	455	79	3,031	101	3,132
Capital expenditure	1,686	762	60	2,510	127	2,637

This consolidated accounting period (April 1, 2008 to March 31, 2009)

(Millions of yen)

	Electronics Assembly Equipment	Machine Tools	Others	Total	Elimination or all company	Consolidated
I. Sales and operating expenses						
Sales						
1. Sales to third parties	56,397	12,344	744	69,485	-	69,485
2. Interarea sales or transfers	0	-	1,247	1,247	△1,247	-
Total	56,397	12,344	1,991	70,733	△1,247	69,485
Operating expenses	46,195	15,390	1,893	63,480	776	64,256
Operating income or loss	10,201	△3,045	97	7,253	△2,024	5,229
II. Asset, depreciation and capital expenditure						
Asset	60,530	15,567	1,932	78,029	45,628	123,657
Depreciation	1,775	580	90	2,447	121	2,568
Capital expenditure	3,240	1,452	36	4,729	217	4,946

Notes: 1. Method of segmentation by type of business

Segmentation has been performed by the type and nature of the products.

2. Main products of each business unit.

(1) Electronics Assembly Equipment: SMT assembly machines

(2) Machine tools: Automatic lathe, Special-purpose machines

(3) Others : Control hardware, PCB Contract Manufacturing, Software development

3. Change of account processing method

(Accounting Standard for Measurement of Inventories)

As described in the column of ① of “Changes of accounting policies” in “Important and fundamental matters for preparation of consolidated financial statements”, the “Accounting Standard for Measurement of Inventories” (Accounting Standard - ASBJ Statement No. 9 issued as of July 5, 2006) has been adopted from this accounting term. By this change, the operating profit for the “Electronics Assembly Equipment Business” has decreased by 121 million yen and the operating loss for the “Machine Tools Business” has increased by 571 million yen.

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

As described in the column of ② of “Changes of accounting policies” in “Important and fundamental matters for preparation of consolidated financial statements”, the “Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements” (ASBJ PITF No. 18 issued as of May 17, 2006) has been adopted from this accounting term. Effects to profit and loss by these changes are minor.

b. Geographical segment information

Previous consolidated accounting period (April 1, 2007 to March 31, 2008)

(Millions of yen)

	Japan	North America	Europe	Asia	Total	Elimination or all company	Consolidated
I. Sales and operating expenses							
Sales							
1. Sales to third parties	82,886	16,512	7,217	49	106,665	-	106,665
2. Interarea sales or transfers	17,791	42	100	5	17,939	△17,939	-
Total	100,677	16,555	7,317	55	124,605	△17,939	106,665
Operating expenses	78,345	15,753	6,587	67	100,754	△16,006	84,748
Operating income or loss	22,331	801	729	△ 12	23,850	△ 1,933	21,917
II. Asset	81,762	16,042	3,789	114	101,708	32,688	134,396

This consolidated accounting period (April 1, 2008 to March 31, 2009)

(Millions of yen)

	Japan	North America	Europe	Asia	Total	Elimination or all company	Consolidated
I. Sales and operating expenses							
Sales							
1. Sales to third parties	52,387	11,641	5,348	108	69,485	-	69,485
2. Interarea sales or transfers	11,617	24	47	132	11,821	△11,821	-
Total	64,004	11,666	5,396	240	81,307	△11,821	69,485
Operating expenses	57,584	11,715	4,923	243	74,467	△10,211	64,256
Operating income or loss	6,419	△ 49	472	△ 2	6,839	△ 1,610	5,229
II. Asset	62,985	13,622	2,810	202	79,621	44,036	123,657

1. Division by country or region based on geographical proximity.

2. Major countries or regions in each division

(1)North America: The United States of America

(2)Europe: Germany

(3)Asia: China

3. Change of account processing method

(Accounting Standard for Measurement of Inventories)

As described in the column of ① of “Changes of accounting policies” in “Important and fundamental matters for preparation of consolidated financial statements”, the “Accounting Standard for Measurement of Inventories” (Accounting Standard - ASBJ Statement No. 9 issued as of July 5, 2006) has been adopted from this accounting term. By this change, the operating profit has decreased by 607 million yen for the “Japan” and 71 million yen for the “North America” and 14 million yen for the “Europe” respectively compared with the previous method.

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

As described in the column of ② of “Changes of accounting policies” in “Important and fundamental matters for preparation of consolidated financial statements”, the “Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements” (ASBJ PITF No. 18 issued as of May 17, 2006) has been adopted from this accounting term. Effects to profit and loss by these changes are minor.

c. Overseas sales

Previous consolidated accounting period (April 1 2007 to March 31, 2008)

(Millions of yen)

	North America	Europe	Asia	Others	Total
I . Overseas sales	16, 139	11, 776	54, 909	5, 041	87, 865
II . Consolidated sales					106, 665
III . Ratio of overseas sales to consolidated sales(%)	15. 1	11. 1	51. 5	4. 7	82. 4

This consolidated accounting period (April 1 2008 to March 31, 2009)

(Millions of yen)

	North America	Europe	Asia	Others	Total
I . Overseas sales	12, 345	9, 618	29, 426	2, 601	53, 992
II . Consolidated sales					69, 485
III . Ratio of overseas sales to consolidated sales(%)	17. 8	13. 8	42. 4	3. 7	77. 7

Notes:

1. Division by country or region based on geographical proximity.
2. Major countries or regions in each division
 - (1) North America: The United States of America, Mexico, etc.
 - (2) Europe: Hungary, Germany, etc.
 - (3) Asia: China, Taiwan, etc.
 - (4) Other: Brazil, etc.
3. Overseas sales are the aggregation of sales outside of Japan by the parent company and its consolidated subsidiaries.

(Per share information)

Item	2008	2009
1. Net assets worth per share (Unit: yen)	2, 088. 56	1, 987. 55
2. Current net profits per share (Unit: yen)	264. 96	20. 49
3. Diluted current net profits per share	Not shown due to absence of residual shares.	Not shown due to absence of residual shares.
4. Bases for calculation of current net profits per share		
Current net profits as reflected in the consolidated profit and loss account (Unit: million yen)	12, 953	1, 001
Current net profits attributable to common shares (Unit: million yen)	12, 953	1, 001
Breakdown of the major amounts not attributable to common shares (Unit: million yen)	None applicable.	None applicable.
Average number of common shares during the year (Unit: stocks)	48, 889, 509	48, 886, 530

(Important subsequent events)

None applicable.

BALANCE SHEETS

Fuji Machine Mfg. Co., Ltd.

ASSETS	Millions of yen	
	2008	2009
Current assets		
Cash on hand and in bank	20,348	29,396
Notes receivable	1,207	1,445
Accounts receivable	23,807	4,891
Marketable securities	10,000	7,300
Finished goods	2,197	-
Merchandise and finished goods	-	1,478
Raw materials	14,759	-
Work in process	7,296	7,681
Supplies	85	-
Raw materials and supplies	-	17,904
Prepaid expenses	83	73
Deferred taxes	2,254	-
Accounts receivable-other	1,582	1,474
Income taxes receivable	-	3,440
Other current assets	26	83
Allowance for doubtful accounts	-	△ 64
Total current assets	83,648	75,105
Fixed assets		
Property, plant and equipment:		
Building	14,157	15,378
Accumulated depreciation	△ 7,867	△ 8,210
Buildings, net	6,289	7,168
Structures	1,170	1,289
Accumulated depreciation	△ 870	△ 902
Structures, net	299	387
Machinery and equipment	10,953	10,991
Accumulated depreciation	△ 8,013	△ 7,358
Machinery and equipment, net	2,939	3,632
Vehicles	455	451
Accumulated depreciation	△ 345	△ 370
Vehicles, net	110	80
Tools, furniture and fixtures	5,094	5,094
Accumulated depreciation	△ 4,296	△ 4,357
Tools, furniture and fixtures, net	798	736
Land	3,221	3,221
Construction in progress	411	34
Total property, plant and equipment	14,071	15,262

BALANCE SHEETS

Fuji Machine Mfg. Co., Ltd.

ASSETS	Millions of yen	
	2008	2009
Intangible assets:		
Leasehold right	5	5
Software	1,514	2,087
Telephone subscription right	10	10
Other intangible assets	1	3
Total intangible assets	1,532	2,106
Investments, etc.:		
Investment securities	12,648	8,838
Investment in related parties	1,115	1,115
Sundry investments	46	39
Sundry investments in related parties	402	469
Long-term prepaid expenses	98	128
Deferred taxes	463	1,175
Other investments	179	66
Total investments	14,954	11,833
Total fixed assets	30,557	29,202
Total assets	114,206	104,307

LIABILITIES AND NET ASSETS	Millions of yen	
	2008	2009
Liabilities		
Current liabilities:		
Notes payable	26	-
Accounts payable-trade	4,406	426
Return planned long-term borrowings for less than 1 year	5,000	3,000
Accounts payable-other	942	949
Accrued expenses	2,677	1,790
Accrued income tax	5,410	-
Advances received	125	7
Deposits received	734	191
Accrued warranty	1,767	1,320
Equipment notes payable	203	327
Total current liabilities	21,293	8,012
Long term liabilities:		
Bonds	5,000	15,000
Long-term borrowings	3,000	-
Accrued retirement benefits	-	1,521
Others	15	16
Total long term liabilities	8,015	16,538
Total liabilities	29,309	24,551
Net assets		
Shareholders' equity		
Capital stock	5,878	5,878
Capital surplus:	5,413	5,413
Capital reserves	5,413	5,413
Earnings surplus:	72,383	70,701
Earnings reserve	1,450	1,450
Other earnings surplus:	70,933	69,251
General reserve	55,600	64,900
Carry over	15,333	4,351
Treasury stock	△ 37	△ 41
Total shareholders' equity	83,638	81,952
Valuation and translation adjustments		
Unrealized gain on available for-sale securities, net of taxes	1,258	△ 2,196
Total valuation and translation adjustments	1,258	△ 2,196
Total net assets	84,896	79,756
Total liabilities and net assets	114,206	104,307

INCOME STATEMENT

Fuji Machine Mfg. Co., Ltd.

	Millions of yen	
	2008	2009
Net sales	99,531	63,134
Cost of sales		
Beginning finished goods	1,617	2,197
Cost of products manufactured	67,153	45,414
Total	68,770	47,612
Ending finished goods	2,197	1,478
Cost of finished goods sold	66,573	46,133
Gross profit	32,958	17,000
Selling, general and administrative expenses		
Sales commission	31	14
Packing and transportation expenses	1,455	1,003
Advertising expenses	183	261
Provision of allowance for doubtful accounts	-	61
Bad debts expenses	27	-
Other selling expenses	134	89
Provision for product warranties	538	336
Directors' compensations	356	344
Employees' salaries and allowances	2,543	2,190
Traveling and transportation expenses	371	288
Depreciation	1,501	667
Research and development expenses	4,341	5,171
Other	1,684	2,061
Total selling, general and administrative expenses	13,169	12,490
Operating Income	19,789	4,510
Non-operating revenue:		
Interest income	82	125
Interest on securities	58	87
Dividends income	159	407
Rent income	57	266
Miscellaneous income	40	88
Non-operating expenses:		
Interest expenses	98	66
Interest on bonds	70	97
Bond issuance cost	-	206
Commission fee	-	131
Foreign exchange losses	638	308
Miscellaneous expenses	198	3
Ordinary Income	19,181	4,671

INCOME STATEMENT

Fuji Machine Mfg. Co., Ltd.

	Millions of yen	
	2008	2009
Extraordinary gain		
Gain on disposal of fixed assets	56	43
Extraordinary loss		
Loss on valuation of investments in securities	241	1,148
Loss on disposal of fixed assets	419	316
Loss on revision of retirement benefit plan	-	203
Others	19	7
Income before income taxes	18,558	3,039
Income taxes:		
Corporate, inhabitant's and enterprise taxes	7,810	497
Adjustment for corporate taxes	△ 487	2,268
Net Income	11,236	273

STATEMENT OF SHAREHOLDERS' EQUITY

Fuji Machine Mfg. Co., Ltd

Previous accounting period (April 1, 2007 to March 31, 2008)

(Millions of yen)

	Shareholders' equity							
	Capital stock	Capital surplus	Earnings surplus				Treasury stock	Total shareholders' equity
		Capital reserves	Earnings reserve	Other earnings surplus		Total earnings surplus		
				General reserve	Carry over			
Balance at March 31,2007	5, 878	5, 413	1, 450	46, 950	14, 335	62, 735	△ 30	73, 998
Increase(Decrease)during the term:								
Cash dividends	-	-	-	-	△ 1, 588	△ 1, 588	-	△ 1, 588
General reserve	-	-	-	8, 650	△ 8, 650	-	-	-
Net income	-	-	-	-	11, 236	11, 236	-	11, 236
Acquisition of treasury stocks	-	-	-	-	-	-	△ 6	△ 6
Net increase(Decrease) during the term, except for items under Shareholders' equity	-	-	-	-	-	-	-	-
Total	-	-	-	8, 650	997	9, 647	△ 6	9, 640
Balance at March 31,2008	5, 878	5, 413	1, 450	55, 600	15, 333	72, 383	△ 37	83, 638

	Valuation and translation adjustments	Total net assets
	Unrealized gain on available for-sale securities, net of taxes	
Balance at March 31,2007	4, 384	78, 383
Increase(Decrease)during the term:		
Cash dividends	-	△ 1, 588
General reserve	-	-
Net income	-	11, 236
Acquisition of treasury stocks	-	△ 6
Net increase(Decrease) during the term, except for items under Shareholders' equity	△ 3, 126	△ 3, 126
Total	△ 3, 126	6, 513
Balance at March 31,2008	1, 258	84, 896

This accounting period (April 1, 2008 to March 31, 2009)

(Millions of yen)

	Shareholders' equity							
	Capital stock	Capital surplus	Earnings surplus				Treasury stock	Total shareholders' equity
		Capital reserves	Earnings reserve	Other earnings surplus		Total earnings surplus		
				General reserve	Carry over			
Balance at March 31,2008	5, 878	5, 413	1, 450	55, 600	15, 333	72, 383	△ 37	83, 638
Increase(Decrease)during the term:								
Cash dividends	-	-	-	-	△ 1, 955	△ 1, 955	-	△ 1, 955
General reserve	-	-	-	9, 300	△ 9, 300	-	-	-
Net income	-	-	-	-	273	273	-	273
Acquisition of treasury stocks	-	-	-	-	-	-	△ 4	△ 4
Net increase(Decrease) during the term, except for items under Shareholders' equity	-	-	-	-	-	-	-	-
Total	-	-	-	9, 300	△10, 981	△ 1, 681	△ 4	△ 1, 686
Balance at March 31,2009	5, 878	5, 413	1, 450	64, 900	4, 351	70, 701	△ 41	81, 952

	Valuation and translation adjustments	Total net assets
	Unrealized gain on available for-sale securities, net of taxes	
Balance at March 31,2008	1, 258	84, 896
Increase(Decrease)during the term:		
Cash dividends	-	△ 1, 955
General reserve	-	-
Net income	-	273
Acquisition of treasury stocks	-	△ 4
Net increase(Decrease) during the term, except for items under Shareholders' equity	△ 3, 454	△ 3, 454
Total	△ 3, 454	△ 5, 140
Balance at March 31,2009	△ 2, 196	79, 756

EVENTS OR SITUATIONS THAT GIVE SIGNIFICANT DOUBTS FOR PREMISES OF A GOING CONCERN

None applicable.

EXECUTIVE CHANGES

It was resolved at the meeting of the board of directors held today, May 14, 2009 concerning the change of the board members as follows:

The change of the applicable board members will be officially decided at the general shareholders meeting to be held on June 26, 2009 and the meeting of the board of directors to be held following the shareholders meeting.

We would like to inform you that the change of the officers was also resolved at the meeting of the board of directors today. The change of the applicable officers will be officially decided at the meeting of the board of directors to be held on June 26, 2009.

1. Chairman and President

Masayoshi Ohara : Chairman

(Currently : President)

Nobuyuki Soga : President

(Currently : Managing Executive Officer)

2. Directors

① Board Members Nomination

Yukio Hahakabe : Director

(Currently : President of Makoto Industry Co., Ltd.)

② Board Members Scheduled for Retirement

Norio Nakano : Director

(Currently : General Manager of Purchasing Division
Title after Retirement : President of Makoto Industry Co., Ltd.)

3. Officers

① New Executives Nomination

Yukio Hahakabe : Executive Officer

(Currently : President of Makoto Industry Co., Ltd.)

Tadashi Takeuchi : Executive Officer

(Currently : Manager of Manufacturing Department)

② Executives Scheduled for Promotion

Masanori Aoki : Director, Senior Managing Executive Officer
(Currently : Director, Managing Executive Officer)

Masaki Kato : Director, Senior Managing Executive Officer
(Currently : Director, Managing Executive Officer)

Hiroo Ito : Director, Managing Executive Officer
(Currently : Director, Executive Officer)

Shintaro Murata : Senior Executive Officer
(Currently : Executive Officer)

Sumio Kadomatsu : Senior Executive Officer
(Currently : Executive Officer)

③ Executives Scheduled for Retirement

Gen Ogawa : Executive Officer

(Currently : C.O.O., Machine Tools Division
Title after Retirement : Strategic Advisor)

Toshihiko Ito : Executive Officer

(Currently : C.O.O., Electronics Assembly Equipment Division, Manager of
Manufacturing Control Department
Title after Retirement : Strategic Advisor)