



August 8, 2012

Consolidated Financial Results for the First Quarter of Fiscal Year 2012

Company name: DISCO Corporation
 Stock code number: 6146 (Tokyo Stock Exchange 1st Section)
 URL: <http://www.disco.co.jp>
 Telephone number: 81-3-4590-1099

(Amounts are rounded down to the nearest million yen)

1. Consolidated Results of FY20121Q (April 1, 2012 through June 30, 2012)

1) Operating results (Accumulated)

	Three months ended		
	June 30, 2011	June 30, 2012	YoY (%)
Netsales	24,907	24,152	(3.0)
Operating income	4,076	2,838	(30.4)
Ordinary income	4,155	3,024	(27.2)
Net income	2,513	1,972	(21.5)
Net income per share (yen)	74.62	58.54	-

2) Financial position

	As of March 31, 2012	As of June 30, 2012
Total assets	135,789	141,657
Net assets	102,536	103,410
Equity ratio (%)	74.5%	72.1%
Net assets per share (yen)	3,004.10	3,028.68

(Reference) Equity (defined as shareholders' equity plus valuation and translation adjustments):

102,067 million yen (as of June 30, 2012)
 101,230 million yen (as of March 31, 2012)

2. Dividends

	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2012 Forecast
1Q-end dividend per share (yen)	—	—	—
2Q-end dividend per share (yen)	29.00	—	36.00
3Q-end dividend per share (yen)	—	—	—
Year-end dividend per share (yen)	19.00	—	35.00
Annual dividend per share (yen)	48.00	—	71.00

3. Earnings Forecasts of FY2012

	(Millions of yen)			
	Six months ending September 30, 2012	YoY (%)	Year ending March 31, 2013	YoY (%)
Netsales	50,000	3.2	95,700	7.2
Operating income	7,200	4.3	13,600	27.6
Ordinary income	7,200	1.3	13,800	22.8
Net income	4,800	1.5	9,400	30.6
Net income per share (yen)	142.44	—	278.93	—

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4. Others

- 1) Important changes in subsidiaries: None
- 2) Changes in principles, procedures and display of accounting method concerning consolidated statements policies.
1. Changes in accounting policies: Yes
2. Other changes: None
- 3) Number of shares outstanding (common stock)
- ① Number of shares issued (including treasury stocks)
- As of June 30, 2012: 34,004,418 shares
- As of March 31, 2012: 34,004,418 shares
- ② Number of shares of treasury stock
- As of June 30, 2012: 304,046 shares
- As of March 31, 2012: 306,896 shares
- ③ Average number of shares
- As of March 31, 2012: 33,698,575 shares
- As of March 31, 2011: 33,683,091 shares

Explanations on the appropriate use of earnings forecasts:

The performance forecasts and estimates stated in this Financial Review are based on certain assumptions judged to be reasonable at the present time in light of information currently available. Consequently, actual operating results may differ substantially from the projections in the Financial Review.

(Reference) Non-consolidated Earnings Forecast of FY2012

(Million of yen)

	Six month ending September 30, 2012	YoY (%)	Year ending March 31, 2013	YoY (%)
Netsales	42,500	3.5	80,300	6.7
Operating income	4,900	3.0	8,400	22.3
Ordinary income	5,800	(3.5)	9,400	(3.6)
Net income	3,900	(9.1)	6,200	(9.9)
Net income per share (yen)	115.73	—	183.97	—

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5. Consolidated balance sheets

(Millions of yen)

	Asof March 31, 2012	Asof June 30, 2012
Assets		
Current assets		
Cash and deposits	15,170	20,837
Notes and accounts receivable-trade	27,074	26,083
Merchandise and finished goods	6,957	6,958
Work in process	8,424	9,762
Raw materials and supplies	10,382	10,784
Other	3,850	2,805
Allowance for doubtful accounts	(24)	(26)
Total current assets	<u>71,834</u>	<u>77,205</u>
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	29,558	30,805
Land	12,968	12,951
Other, net	12,663	11,601
Total property, plant and equipment	<u>55,189</u>	<u>55,358</u>
Intangible assets	690	1,004
Investments and other assets		
Other	8,266	8,204
Allowance for doubtful accounts	(203)	(126)
Total investments and other assets	<u>8,062</u>	<u>8,077</u>
Total noncurrent assets	<u>63,942</u>	<u>64,440</u>
Deferred assets	13	11
Total assets	<u>135,789</u>	<u>141,657</u>
Liabilities		
Current liabilities		
Notes and accounts payable-trade	10,780	8,211
Electronically recorded obligations-operating	—	7,715
Short-term loans payable	183	158
Current portion of long-term loans payable	249	248
Income taxes payable	521	1,097
Provision for bonuses	1,923	1,255
Other provision	388	275
Other	6,745	6,795
Total current liabilities	<u>20,792</u>	<u>25,757</u>
Noncurrent liabilities		
Convertible bond-type bonds with subscription rights to shares	10,000	10,000
Long-term loans payable	287	276
Provision for retirement benefits	1,559	1,624
Provision for directors' retirement benefits	58	35
Other	554	553
Total noncurrent liabilities	<u>12,460</u>	<u>12,490</u>
Total liabilities	<u>33,253</u>	<u>38,247</u>

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Netassets		
Shareholders'equity		
Capitalstock	14,517	14,517
Capitalsurplus	15,651	15,650
Retainedearnings	73,858	75,191
Treasurystock	(823)	(816)
Totalshareholders'equity	<u>103,204</u>	<u>104,543</u>
Accumulatedothercomprehensive		
Valuationdifferenceonavailable-for-salesecurities	5	3
Foreigncurrencytranslation	(1,980)	(2,478)
Totalaccumulatedother comprehensiveincome	<u>(1,974)</u>	<u>(2,475)</u>
Subscriptionrightstoshares	980	1,029
Minorityinterests	325	312
Totalnetassets	<u>102,536</u>	<u>103,410</u>
<u>Totalliabilitiesandnetassets</u>	<u>135,789</u>	<u>141,657</u>

**6. Consolidated statements of
(comprehensive) income**

(Millionsofyen)

	FY2011 1Q	FY2012 1Q
Netsales	24,907	24,152
Costofsales	13,202	12,998
Grossprofit	11,705	11,153
Selling,generalandadministrative	7,629	8,315
Operatingincome	4,076	2,838
Non-operatingincome		
Interestincome	10	9
Amortizationofnegativegoodwill	22	—
Equityinearningsofaffiliates	44	84
Foreignexchange gains	4	90
Other	44	33
Totalnon-operatingincome	125	217
Non-operatingexpenses		
Interestexpenses	6	6
Salesdiscounts	6	5
Depreciation	32	16
Other	1	2
Totalnon-operatingexpenses	46	31
Ordinaryincome	4,155	3,024
Extraordinaryincome		
Gainonsalesofnoncurrentassets	15	1
Gainonreversalofsubscriptionrightsto shares	0	7
Other	—	0
Totalextraordinaryincome	15	8
Extraordinaryloss		
Lossonsalesandretirementof noncurrentassets	1	8
Specialretirementexpenses	5	9
Other	0	1
Totalextraordinarylosses	7	19
Incomebeforeincometaxesandminority interests	4,163	3,013
Incometaxes-current	831	874
Incometaxes-deferred	824	175
Totalincometaxes	1,655	1,049
Incomebeforeminorityinterests	2,508	1,964
Minorityinterestsinloss	(5)	(8)
Netincome	2,513	1,972
Minorityinterestsinloss	(5)	(8)
Incomebeforeminorityinterests	2,508	1,964
Othercomprehensiveincome		
Valuationdifferenceonavailable-for-sale securities	(0)	(2)
Foreigncurrencytranslationadjustment	(186)	(575)
Shareofothercomprehensiveincomeof associatesaccountedforusingequity method	—	72
Totalothercomprehensiveincome	(187)	(505)
Comprehensiveincome	2,321	1,459
Comprehensiveincomeattributableto Comprehensiveincomeattributableto ownersoftheparent	2,325	1,471
Comprehensiveincomeattributableto minorityinterests	(4)	(12)

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7. Consolidated statements of cash flows

(Million of yen)

	FY2011 1Q	FY2012 1Q
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	4,163	3,013
Depreciation and amortization	1,355	1,315
Amortization of negative goodwill	(22)	—
Equity in (earnings) losses of affiliates	(44)	(84)
Increase (decrease) in allowance for doubtful accounts	15	(71)
Increase (decrease) in provision for bonuses	(1,164)	(657)
Loss (gain) on sales and retirement of property, plant and equipment	(13)	7
Interest and dividends income	(13)	(12)
Interest expenses	6	6
Decrease (increase) in notes and accounts receivable-trade	105	641
Decrease (increase) in inventories	(1,154)	(1,891)
Increase (decrease) in notes and accounts payable-trade	1,389	5,553
Other, net	3,065	753
Subtotal	<u>7,688</u>	<u>8,573</u>
Interest and dividends income received	11	10
Interest expenses paid	(1)	(1)
Income taxes paid	(5,089)	(241)
Net cash provided by (used in) operating activities	<u>2,609</u>	<u>8,341</u>
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(2,010)	(1,700)
Proceeds from sales of property, plant and equipment	33	1
Purchase of investment securities	(754)	(40)
Purchase of intangible assets	(20)	(104)
Net decrease (increase) in short-term loans receivable	(1)	(0)
Payments of long-term loans receivable	—	(20)
Collection of long-term loans receivable	2	2
Proceeds from withdrawal of time	10	—
Other, net	(2)	18
Net cash provided by (used in) investing activities	<u>(2,743)</u>	<u>(1,843)</u>
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	—	(24)
Repayment of long-term loans payable	(12)	(12)
Purchase of treasury stock	—	(0)
Proceeds from sales of treasury stock	1	5
Cash dividends paid	(1,347)	(641)
Net cash provided by (used in) financing activities	<u>(1,359)</u>	<u>(673)</u>
Effect of exchange rate change on cash and cash equivalents	(227)	(153)
Net increase (decrease) in cash and cash equivalents	<u>(1,721)</u>	<u>5,671</u>
Cash and cash equivalents at beginning of period	19,830	12,038
Cash and cash equivalents at end of	<u>18,108</u>	<u>17,709</u>