

Securities Code No 6146

June 4, 2012

To: Shareholders

2-13-11 Omori-Kita, Ota-ku, Tokyo

DISCO CORPORATION

Kazuma Sekiya President and COO

Notice of the 73rd Ordinary General Meeting of Shareholders

We are pleased to announce our 73rd Ordinary General Meetings of Shareholders and cordially invite you to attend this meeting. Further information is provided below in detail.

In case that you are unable to attend the Meeting, you can exercise your voting rights in writing via the enclosed form. Please review the attached Reference Materials for the General Meeting of Shareholders, indicate your approval or disapproval for each proposal on the Form for the Exercise of Voting Rights, and return to us by the end of business (5:45 p.m.) on Monday, June 25, 2012

1. Date & Time: June 26, 2012 (Tuesday) 2:00 p.m.

2. Place: DISCO Corporation Headquarters/R&D Center, Building A
 Conference Room on the 8th Floor
 2-13-11 Omori-Kita, Ota-ku, Tokyo

3. Purposes of the Meeting

Matters to be reported:

1. Business report, consolidated financial statements, and the Audit Reports from the accounting auditor and the Board of Corporate Auditors on the Consolidated Financial Statements for the 73rd fiscal year (from April 1, 2011 to March 31, 2012)
2. Financial Statements for the 73rd fiscal year (from April 1, 2011 to March 31, 2012)

Matters to be resolved:

- Proposal 1 Appropriation of Retained Earnings
Proposal 2 Bonus payment to the board members

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- ⦿ The reception desk for the meeting will open at 1:00 p.m. on the day.
- ⦿ Please make sure to bring the enclosed voting form to the reception desk on the day of the meeting.
- ⦿ Exercise of voting rights can be made by proxy through the appointment of another shareholder eligible for voting rights, subject to the submission of documentation certifying this vote by proxy.
- ⦿ Notice of the meeting will also be provided on the DISCO website for your reference (<http://www.disco.co.jp/>).

If any parts of the reference materials for the general meeting of shareholders, business reports, financial statements and/or consolidated financial statements require modification or revision, notification of such will be made on the DISCO website.

Consolidated Balance Sheet

(As of March 31, 2012)

(in Millions of Yen)

Assets		Liabilities	
Items	Amount	Items	Amount
Current Assets	71,834	Current Liabilities	20,792
Cash and cash equivalents	15,170	Notes and accounts payable – trade	10,780
Notes and accounts receivable - trade	27,074	Short-term loans payable	183
Merchandise and finished goods	6,957	Long-term loans payable in one year	249
Work in progress	8,424	Accrued income taxes	521
Raw materials and supplies	10,382	Reserve for employee's bonuses	1,923
Deferred tax assets	1,431	Reserve for director's bonuses	150
Others	2,419	Allowances for warranties	238
Allowance for doubtful accounts	△24	Others	6,745
Fixed Assets	63,942	Noncurrent Liabilities	12460
Tangible Fixed Assets	55,189	Convertible bonds	10,000
Buildings and structures	29,558	Long-term loans payable	287
Machinery, vehicles and delivery equipment	8,345	Reserve for employee's retirement benefits	1,559
Tools, furniture and fixtures	706	Reserve for director's retirement allowance	58
Land	12,968	Asset retirement obligation	36
Construction in progress	3,611	Others	518
Intangible Fixed Assets	690	Total Liabilities	33,253
Investments and Other Assets	8,062	Net Assets	
Investment securities	1,331	Shareholders' Equity	103,204
Deferred tax assets	321	Capital stock	14,517
Long-term deposits	5,200	Capital surplus	15,651
Others	1,412	Retained earnings	73,858
Allowance for doubtful accounts	△203	Treasury stock	△823
Deferred Assets	13	Accumulated miscellaneous broad-based income	△1,974
Total Assets	135,789	Unrealized gain / loss on available-for-sale securities	5
		Foreign currency translation adjustment	△1,980
		Share acquisition rights	980
		Minority interests	325
		Total Net Assets	102,536
		Total Liabilities and Net Assets	135,789

Note: Figures are rounded down to the nearest million yen.

Consolidated Income Statement

From April 1, 2011
To March 31, 2012

(in Millions of yen)

Items	Amount	
Net Sales		89,241
Cost of Goods Sold		47,635
Gross profit on sales		41,606
Selling, general and administrative expenses		30,944
Operating Income		10,661
Non-Operating Income		
Interest income	51	
Amortization of negative goodwill	29	
Equity in earnings of affiliates	132	
Subsidy income	65	
Foreign exchange gains	208	
Others	238	726
Non-operating Expenses		
Interest expenses	26	
Sales discounts	24	
Depreciation allowance	78	
Others	20	150
Ordinary Income		11,237
Extraordinary Income		
Gain on sales of fixed assets	17	
Gain on reversal of subscription rights to shares	5	
Difference of in charge of retirement	13	
Others	0	38
Extraordinary Expenses		
Loss on sales and disposal of fixed assets	31	
Loss on sales of investment securities	13	
Special severance payments for early retired employees	52	
Factory transfer expenses	73	
Others	1	173
Income before income taxes and minority interests		11,102
Income taxes - current	3,227	
Income taxes - deferred	703	3,930
Income before minority shareholder loss / gain adjustment		7,171
Minority interests		△23
Net income		7,195

Note: Figures are rounded down to the nearest million yen.

Consolidated Statement of Changes in Net Assets

From April 1, 2011
To March 31, 2012

(in Millions of Yen)

Shareholders' equity	
Capital stock	
Balance at the beginning of current period	<u>14,517</u>
Balance at the end of the current period	<u>14,517</u>
Capital surplus	
Balance at the beginning of current period	15,644
Changes of items during the period	
Disposal of treasury stock	<u>6</u>
Total changes of items during the period	<u>6</u>
Balance at the end of the current period	<u>15,651</u>
Retained earnings	
Balance at the beginning of current period	68,988
Changes of items during the period	
Dividends	△2,324
Net income	<u>7,195</u>
Total changes of items during the period	<u>4,870</u>
Balance at the end of the current period	<u>73,858</u>
Treasury stock	
Balance at the beginning of current period	△862
Changes of items during the period	
Acquisition of treasury stock	△0
Disposal of treasury stock	<u>39</u>
Total changes of items during the period	<u>39</u>
Balance at the end of the current period	<u>△823</u>
Total shareholders' equity	
Balance at the beginning of current period	98,287
Changes of items during the period	
Dividends	△2,324
Net income	7,195
Share buyback	△0
Disposal of treasury stock	<u>46</u>
Total changes of items during the period	<u>4,917</u>
Balance at the end of the current period	<u>103,204</u>

(in Millions of Yen)

Accumulated miscellaneous broad-based income	
Unrealized gain or loss on available-for-sale securities	
Balance at the end of the prior	6
Changes of items during the period	
Change in non-shareholders' equity items during the current period (net)	<u>△0</u>
Total changes of items during the period	<u>△0</u>
Balance at the end of the current period	<u>5</u>
Foreign currency translation adjustment	
Balance at the beginning of current period	△1,654
Changes of items during the period	
Change in non-shareholders' equity items during the current period (net)	<u>△326</u>
Total changes of items during the period	<u>△326</u>
Balance at the end of the current period	<u>△1,980</u>
Accumulated miscellaneous broad-based income total	
Balance at the beginning of current period	△1,647
Changes of items during the period	
Change in non-shareholders' equity items during the current period (net)	<u>△326</u>
Total changes of items during the period	<u>△326</u>
Balance at the end of the current period	<u>△1,974</u>
Share acquisition rights	
Balance at the beginning of current period	767
Changes of items during the period	
Change in non-shareholders' equity items during the current period (net)	<u>213</u>
Total changes of items during the period	<u>213</u>
Balance at the end of the current period	<u>980</u>
Minority interests	
Balance at the beginning of current period	225
Changes of items during the period	
Change in non-shareholders' equity items during the current period (net)	<u>99</u>
Total changes of items during the period	<u>99</u>
Balance at the end of the current period	<u>325</u>
Total net assets	
Balance at the beginning of current period	97,633
Changes of items during the period	
Dividends	△2,324
Net income	7,195
Share buyback	△0
Disposal of treasury stock	46
Change in non-shareholders' equity items during the current period (net)	<u>△13</u>
Total changes of items during the period	<u>4,903</u>
Balance at the end of the current period	<u>102,536</u>

Note: Figures are rounded down to the nearest million yen.

Balance Sheet

(As of March 31, 2012)

(in Millions of Yen)

Assets		Liabilities	
Items	Amount	Items	Amount
Current Assets	59,841	Current Liabilities	18,026
Cash and cash equivalents	10,753	Notes payable - trade	4,093
Notes receivable - trade	330	Accounts payable - trade	5,751
Accounts receivable - trade	21,688	Accounts payable - other	4,761
Merchandise and finished goods	4,668	Accrued expenses	717
Work in progress	8,131	Accrued income taxes	3
Raw materials and supplies	9,758	Reserve for employee's bonuses	1,598
Deferred tax assets	1,034	Reserve for director's bonuses	150
Others	3,480	Allowances for warranties	133
Allowance for doubtful accounts	△2	Others	818
Fixed Assets	65,393	Noncurrent Liabilities	11,810
Tangible Fixed Assets	50,456	Convertible bonds	10,000
Buildings	28,272	Reserve for employees' retirement benefits	1,310
Structures	425	Asset retirement obligation	36
Machinery and equipment	6,436	Others	463
Vessels	7		
Vehicles and delivery equipment	48	Total Liabilities	29,836
Tools, furniture and fixtures	612		
Land	12,377	Net Assets	
Construction in progress	2,274	Shareholders' equity	94,425
Intangible Fixed Assets	415	Capital stock	14,517
Patents	112	Capital surplus	15,651
Software	200	Additional paid-in capital	15,599
Others	103	Other capital surplus	52
Investments and Other Assets	14,521	Retained earnings	65,079
Investment securities	327	Retained earnings reserve	594
Stocks of subsidiaries/affiliates	5,929	Other retained earnings	64,484
Investment in subsidiaries/affiliates	1,271	Reserve for reduction of replacement assets	4
Deferred tax assets	739	Reserve for reduction of government subsidies	2
Long-term deposits	5,200	Other reserves	16,970
Others	1,211	Retained earnings brought forward	47,507
Allowance for doubtful accounts	△157	Treasury stock	△823
Deferred Assets	13	Valuation / translation gains (losses)	5
		Unrealized gain or loss on available-for-sale securities	5
		Share acquisition rights	980
Total Assets	125,248	Total net assets	95,411
		Total Liabilities and Net Assets	125,248

Note: Figures are rounded down to the nearest million yen.

Income Statement

From April 1, 2011
To March 31, 2012

(in Millions of Yen)

Item	Amount	
Net sales		75,274
Cost of goods sold		42,017
Gross profit on sales		33,257
Selling, general and administrative expenses		26,388
Operating Income		6,869
Non-operating income		
Interest income	35	
Dividend income	2,830	
Subsidy income	65	
Others	239	3,171
Non-operating expenses		
Interest expenses	22	
Loss on changes in foreign exchange rates	124	
Depreciation allowance	94	
Others	46	287
Ordinary Income		9,753
Extraordinary income		
Gain on sales of fixed assets	15	
Gain on reversal of subscription rights to shares	5	21
Extraordinary expenses		
Loss on sales and disposal of fixed assets	27	
Loss on sales of investments in securities	13	
Special severance payments for early retired employees	49	
Factory transfer expenses	68	159
Income before income taxes		9,614
Income taxes - current	2,108	
Income taxes - deferred	621	2,729
Net Income		6,884

Note: Figures are rounded down to the nearest million yen.

Statement of Changes in Net Assets

From April 1, 2011

To March 31, 2012

(in Millions of Yen)

Shareholders' equity	
Capital stock	
Balance at the beginning of current period	14,517
Balance at the end of the current period	<u>14,517</u>
Capital surplus	
Additional paid-in capital	
Balance at the beginning of current period	15,599
Balance at the end of the current period	<u>15,599</u>
Other capital surplus	
Balance at the beginning of current period	45
Balance at the end of the current period	45
Disposal of treasury stock	<u>6</u>
Changes of items during the period	<u>6</u>
Balance at the end of the current period	<u>52</u>
Total capital surplus	
Balance at the beginning of current period	15,644
Changes of items during the period	0
Disposal of treasury stock	<u>6</u>
Total changes of items during the period	<u>6</u>
Balance at the end of the current period	<u>15,651</u>
Retained earnings	
Retained earnings reserve	
Balance at the beginning of current period	594
Balance at the end of the current period	<u>594</u>
Other retained earnings	
Reserve for reduction of replacement assets	
Balance at the beginning of current period	4
Changes of items during the period	0
Provision of reserve for reduction entry of replaced property	<u>0</u>
Reversal of reserve for reduction entry of replaced property	<u>△0</u>
Total changes of items during the period	<u>△0</u>
Balance at the end of the current period	<u>4</u>
Reserve for reduction of government subsidies	
Balance at the beginning of current period	2
Changes of items during the period	0
Provision of reserve for reduction of government subsidies	<u>0</u>
Reversal of reserve for reduction of government subsidies	<u>△0</u>
Total changes of items during the period	<u>0</u>
Balance at the end of the current period	<u>2</u>
Other reserves	
Balance at the beginning of current period	16,970
Changes of items during the period	<u>16,970</u>
Retained earnings brought forward	
Balance at the beginning of current period	42,946
Changes of items during the period	0
Provision of reserve for reduction entry of replaced property	<u>△0</u>
Provision of reserve for reduction of government subsidies	<u>△0</u>
Reversal of reserve for reduction entry of replaced property	<u>0</u>
Reversal of reserve for reduction of government subsidies	<u>0</u>
Dividends	<u>△2,324</u>
Net income	<u>6,884</u>
Total changes of items during the period	<u>4,560</u>
Balance at the end of the current period	<u>47,507</u>

(in Millions of Yen)

Total retained earnings	
Balance at the beginning of current period	60,518
Changes of items during the period	
Provision of reserve for reduction entry of replaced property	-
Provision of reserve for reduction of government subsidies	-
Reversal of reserve for reduction entry of replaced property	-
Reversal of reserve for reduction of government subsidies	-
Dividends	△2,324
Net income	6,884
Total changes of items during the period	4,560
Balance at the end of the current period	65,079
Treasury stock	
Balance at the beginning of current period	△862
Changes of items during the period	
Acquisition of treasury stock	△0
Disposal of treasury stock	39
Total changes of items during the period	39
Balance at the end of the current period	△823
Total shareholders' equity	
Balance at the beginning of current period	89,818
Changes of items during the period	
Provision of reserve for reduction entry of replaced property	-
Provision of reserve for reduction of government subsidies	-
Reversal of reserve for reduction entry of replaced property	-
Reversal of reserve for reduction of government subsidies	-
Dividends	△2,324
Net income	6,884
Acquisition of treasury stock	△0
Disposal of treasury stock	46
Total changes of items during the period	4,606
Balance at the end of the current period	94,425
Valuation / translation gains (losses)	
Unrealized gain or loss on available-for-sale securities	
Balance at the beginning of current period	6
Changes of items during the period	
Change in non-shareholders' equity items during the current period (net)	△0
Total changes of items during the period	△0
Balance at the end of the current period	5
Share acquisition rights	
Balance at the beginning of current period	767
Changes of items during the period	
Change in non-shareholders' equity items during the current period (net)	213
Total changes of items during the period	213
Balance at the end of the current period	980
Total net assets	
Balance at the beginning of current period	90,592
Changes of items during the period	
Provision of reserve for reduction entry of replaced property	-
Provision of reserve for reduction of government subsidies	-
Reversal of reserve for reduction entry of replaced property	-
Reversal of reserve for reduction of government subsidies	-
Dividends	△2,324
Net income of the current period	6,884
Acquisition of treasury stock	△0
Disposal of treasury stock	46
Change in non-shareholders' equity items during the current period (net)	212
Total changes of items during the period	4,819
Balance at the end of the current period	95,411

Note: Figures are rounded down to the nearest million yen.

Reference Materials for the General Meeting of Shareholders

Proposal 1 Appropriation of Retained Earnings

It is proposed that the appropriation of retained earnings be as follows.

Matters related to the year-end dividend:

With respect to the dividend, the Company's fundamental policy is to pay dividends according to its business performance and to maintain an annual dividend level of at least ¥20 to ensure stable dividend payments even if its profitability is at a low level. Based on this fundamental policy, the Company proposes that the year-end dividend for the current year be ¥19 per share. (The annual amount will be ¥48 including the interim dividend).

The Company has a dividend policy to pay an additional dividend by using part of the excess of the balance of cash and cash equivalent over the budgeted funds necessary in the relevant year. As there was no such excess in the current fiscal year, however, no additional dividend will be provided.

- (i) Type of assets to be distributed
Cash.
- (ii) Matters on the allocation of assets to be distributed and the total amount thereof
¥19 per share of the Company's common stock
The total distribution is to be ¥640,252,918.
- (iii) Effective date of the dividend from retained earnings
It is proposed that the dividend become effective on June 27, 2012

Proposal 2 Bonus payment to the board members

It is proposed that the bonuses to the members of the Board of Directors be as follows taking the business performance for the current period into account.

The bonus to each member of the Board of Directors has been calculated by first determining a base amount per position and then by multiplying the base amount by a coefficient correlated with the single and consolidated recurring profit margin. It is proposed that for the bonuses to the members of the Board of Directors for the current period, the sum of ¥101,950,000 calculated through this method, by multiplying the base amount for the 4 of 5 Directors as of the end of the period (except the director in charge of the Company's subsidiary) by a coefficient correlated with the business performance for the current period, is to be paid. It is proposed, however, that the bonus to be paid to each Director be determined solely by the Board of Directors.