

For Immediately Release

Consolidated Financial Statements ended March 31, 2008

INNOTECH CORPORATION

Stock Listed: JASDAQ Securities Exchange
 Code No.: 9880
 URL: <http://www.innotech.co.jp>
 Headquarters: 3-17-6, Shinyokohama, Kouhoku-ku, Yokohama-shi 222-8580 JAPAN
 TEL: 81-45-474-9000 / FAX: 81-45-474-9089
 President and CEO: Makoto Sumita
 U.S. Accounting Principle: Not adopted

Highlights

(1) Consolidated Operating Results

Years ended March 31; Millions of yen	2008	change	2007	change
Net Sales	52,836	△ 8.8%	57,959	28.6%
Operating Income	3,332	2.0%	3,267	56.1%
Recurring Profit	3,237	5.4%	3,071	53.0%
Net Income	1,564	12.6%	1,390	81.3%
Net Income per Share(¥)	67.59	-	60.37	-
Net Income per Share, Diluted(¥)	67.21	-	59.79	-

(2) Consolidated Financial Position

Years ended March 31; Millions of yen	2008	2007
Total Assets	40,439	41,435
Shareholders' Equity	23,525	22,429
Shareholders' Equity Ratio (%)	57.6%	53.8%
Shareholders' Equity per Share (¥)	¥1,006.84	¥961.93

Note (1) Percentages shown for net sales, operating income, recurring profit and net income are the increase and decrease compared with the previous same term.

Consolidated Balance Sheets

Years ended March 31; Millions of yen

ASSETS:	2008	2007	Change	%
Current Assets:				
Cash and cash equivalents	3,134,442	2,660,288	474,154	17.8%
Notes and accounts receivable, trade	12,950,536	17,324,904	△ 4,374,368	△ 25.2%
Inventories	3,282,675	3,516,352	△ 233,677	△ 6.6%
Advances to suppliers	6,018,111	-	6,018,111	-
Deferred tax assets	168,822	298,841	△ 130,018	△ 43.5%
Other	500,862	2,151,981	△ 1,651,118	△ 76.7%
Allowance for doubtful accounts	△ 11,864	△ 8,524	△ 3,340	39.2%
	<u>26,043,585</u>	<u>25,943,842</u>	<u>99,742</u>	<u>0.4%</u>
Fixed Assets:				
Property, Plant and Equipment:				
Buildings and structures	5,137,615	5,334,712	△ 197,097	△ 3.7%
Land	5,702,397	5,702,397	-	0.0%
Other	278,777	378,561	△ 99,783	△ 26.4%
Intangible Assets:				
Consolidation adjustment account	798,130	976,563	△ 178,432	△ 18.3%
Other	258,843	275,908	△ 17,064	△ 6.2%
Investments and Other Assets:				
Investments in securities	1,006,221	1,865,864	△ 859,642	△ 46.1%
Other	1,407,692	1,179,471	228,220	19.3%
Allowance for doubtful accounts	△ 194,036	△ 221,666	27,630	△ 12.5%
	<u>14,395,642</u>	<u>15,491,813</u>	<u>△ 1,096,170</u>	<u>△ 7.1%</u>
Total assets	40,439,228	41,435,655	△ 996,427	△ 2.4%
LIABILITIES:				
Current Liabilities:				
Notes and accounts payable, trade	3,504,150	4,258,456	△ 754,306	△ 17.7%
Short-term borrowings	4,379,000	7,401,733	△ 3,022,733	△ 40.8%
Other	6,469,479	2,543,233	3,926,246	154.4%
	<u>14,352,631</u>	<u>14,203,424</u>	<u>149,207</u>	<u>1.1%</u>
Long-term Liabilities:				
Long-term debt	2,160,400	4,429,400	△ 2,269,000	△ 51.2%
Allowance for retirement and severance benefits	227,855	211,173	16,681	7.9%
Allowance for retirement benefits for directors	7,100	-	7,100	-
Other	165,555	161,955	3,600	2.2%
	<u>2,560,911</u>	<u>4,802,529</u>	<u>△ 2,241,618</u>	<u>△ 46.7%</u>
Total liabilities	16,913,542	19,005,953	△ 2,092,410	△ 11.0%
SHAREHOLDERS' EQUITY:				
Total shareholders' equity	23,525,685	22,429,702	1,095,982	4.9%
Total liabilities, minority interests and shareholders' equity	40,439,228	41,435,655	△ 996,427	△ 2.4%

Consolidated Statements of Income

Years ended March 31; Thousands of Yen	2008	2007	Change	%
Net Sales	52,836,234	57,959,903	△ 5,123,668	△ 8.8%
Cost of Goods Sold	44,271,778	49,640,106	△ 5,368,328	△ 10.8%
Gross Profit on Sales	8,564,456	8,319,796	244,659	2.9%
Selling, General and Administrative Expenses	5,232,451	5,052,140	180,311	3.6%
Operating Profit	3,332,004	3,267,656	64,347	2.0%
Total non-operating income	739,073	764,750	△ 25,676	△ 3.4%
Total non-operating expenses	833,236	961,399	△ 128,162	△ 13.3%
Ordinary Profit	3,237,841	3,071,007	166,833	5.4%
Total extraordinary gain	83,887	195,913	△ 112,025	△ 57.2%
Total extraordinary loss	412,827	802,380	△ 389,553	△ 48.5%
Income before Income Taxes	2,908,902	2,464,540	444,361	18.0%
Income taxes and Deferred income taxes	1,300,251	1,028,943	271,308	26.4%
Minority interest in income (losses) of consolidated subsidiaries	43,698	45,172	△ 1,473	△ 3.3%
Net income	1,564,951	1,390,424	174,527	12.6%