

For Immediately Release

Consolidated Financial Statements

For the Second Quarter ended September 30, 2009

INNOTECH CORPORATION

Stock Listed: Tokyo Stock Exchange Section 2
 Code No.: 9880
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 President and CEO: Makoto Sumita
 U.S. Accounting Principle: Not adopted

1. Consolidated Financial Highlights for the Second Quarter ended September 30, 2009

(April 1, 2009 to September 30, 2009)

(1) Consolidated Operating Results

(% represents the change from the same period in the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
second quarter ended September 30, 2009	11,137	△34.1	134	△84.0	225	△73.4	△12	-
September 30, 2008	16,898	-	843	-	846	-	495	-

	EPS	EPS, Diluted
	yen	yen
second quarter ended September 30, 2009	△0.64	-
September 30, 2008	21.84	21.68

(2) Consolidated Financial Position

	Total Assets	Total Net Assets	Shareholders' Equity Ratio	BPS
	millions of yen	millions of yen	%	yen
As of September 30, 2009	29,130	21,391	72.5	1,145.91
March 31, 2009	32,230	22,232	68.2	1,088.20

(Reference) Shareholders' equity as of September 30, 2009: 21,129million yen; March 31, 2009: 21,975million yen

2.Dividends on Stock

	Dividends per Share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Annual
Fiscal year	yen	yen	yen	yen	yen
ended Mar. 31, 2009	-	8.00	-	12.00	20.00
ending Mar. 31, 2010	-	2.00			
ending Mar. 31, 2010(Forecast)			-	3.00	5.00

Note: Revision of dividend forecast for this period: None

3.Earnings Forecasts for the Fiscal Year ending March, 31(Consolidated)

(% represents the change from the same period in the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income	
	millions of yen	%	millions of yen	%	millions of yen	%
Fiscal year ending Mar. 31, 2010	23,500	△ 21.7	450	△ 63.4	500	△ 59.0

	Net Income		EPS
	millions of yen	%	yen
Fiscal year ending Mar. 31, 2010	110	△ 76.9	5.64

Note: Revision of consolidated earnings forecast for this period: Yes

4.Others

- (1) Important changes in subsidiaries (Changes on specific subsidiaries with changes in scope of consolidation):None
- (2) Use of simplified accounting method and special accounting policy for quarterly financial reporting: Yes
- (3) Changes in principles, procedures and display of accounting method concerning quarterly consolidated statement policies.

(Listed as changes in basis of presentation of consolidated financial statement)

① Changes in accounting policies: None

② Other changes: None

- (4) Number of shares outstanding (common stock)

① Total outstanding shares including treasury shares as of:

September 30, 2009	23,218,901 shares	March 31, 2009	23,218,901 shares
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② Outstanding treasury shares as of:

September 30, 2009	4,780,128 shares	March 31, 2009	3,024,228 shares
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③ Average outstanding shares for the second quarter ended:

September 30, 2009	19,507,699 shares	September 30, 2008	22,714,310 shares
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5. Revisions to Consolidated forecast (April 1, 2009 to March 31, 2010)

	Net Sales	Operating Income	Ordinary Income	Net Income	EPS
	millions of yen	millions of yen	millions of yen	millions of yen	yen
Previous Forecast(A)	24,500	450	500	110	5.45
Revised Forecast(B)	23,500	450	500	110	5.64
Difference(B-A)	△ 1,000	-	-	-	-
% Change	△ 4.1	-	-	-	-
March 31, 2009	30,018	1,230	1,218	475	21.84

(Reason for Revision)

Due to decrease of the number of consignment orders, sales will result in less than the previous forecast. Operating income, ordinary income, net income will not change.

(Reference) Non-consolidated forecast

Earnings Forecasts for the Fiscal Year ending March, 31(Non-Consolidated)

(% represents the change from the same period in the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income	
	millions of yen	%	millions of yen	%	millions of yen	%
Fiscal year ending Mar. 31, 2010	18,300	△ 23.0	220	△ 75.3	270	△ 71.1

	Net Income		EPS
	millions of yen	%	yen
Fiscal year ending Mar. 31, 2010	100	△ 72.2	5.13

Note: Revision of non-consolidated earnings forecast for this period: Yes

(Reason for Revision)

Due to delay of economic recovery, orders for EDA software and tester have decreased so that sales, operating income, ordinary income, net income will result in less than the previous forecast.

Consolidated Balance Sheets

(Thousands of Yen)

	Second Quarter as of September 30 ,2009	Full year as of March 31 ,2009
ASSETS:		
Current Assets:		
Cash and deposits	3,136,859	2,823,324
Notes and accounts receivable-trade	5,770,727	6,783,955
Merchandise and finished goods	2,478,961	3,087,989
Advance payments-trade	4,270,541	5,042,181
Other	791,624	1,114,760
Allowance for doubtful accounts	△ 2,768	△ 1,455
Total current assets	16,445,944	18,850,756
Noncurrent Assets:		
Property, plant and equipment:		
Buildings and structures	7,961,766	8,001,333
Accumulated depreciation	△ 3,191,294	△ 3,133,334
Buildings and structures, net	4,770,471	4,867,999
Land	5,687,498	5,687,498
Other	690,062	686,581
Accumulated depreciation	△ 438,892	△ 417,606
Other, net	251,169	268,974
Total property, plant and equipment	10,709,140	10,824,472
Intangible Assets:		
Goodwill	530,532	619,731
Other	110,482	155,150
Total intangible assets	641,015	774,882
Investments and Other Assets:		
Investment securities	541,131	749,269
Other	964,291	1,202,402
Allowance for doubtful accounts	△ 171,424	△ 171,761
Total investments and other assets	1,333,998	1,779,910
Total noncurrent assets	12,684,153	13,379,265
Total assets	29,130,098	32,230,022
LIABILITIES:		
Current Liabilities:		
Notes and accounts payable-trade	1,289,410	2,107,035
Short-term loans payable	2,600,000	2,710,400
Income taxes payable	38,545	74,045
Provision for bonuses	27,280	-
Provision for directors' bonuses	1,700	-
Other	3,111,099	3,923,289
Total current liabilities	7,068,035	8,814,769
Noncurrent Liabilities:		
Long-term loans payable	200,000	750,000
Provision for retirement benefits	305,867	265,188
Provision for directors' retirement benefits	19,650	20,600
Other	144,838	147,181
Total noncurrent liabilities	670,355	1,182,970
Total liabilities	7,738,391	9,997,740
NET ASSETS:		
Shareholders' Equity:		
Capital stock	10,517,159	10,517,159
Capital surplus	9,295,713	9,295,713
Retained earnings	3,121,840	3,376,608
Treasury stock	△ 1,803,791	△ 1,070,148
Total shareholders' equity	21,130,922	22,119,333
Valuation and Translation Adjustments:		
Valuation difference on available-for-sale securities	28,885	36,351
Deferred gains or losses on hedges	8,030	△ 56,428
Foreign currency translation adjustment	△ 38,604	△ 123,362
Total valuation and translation adjustments	△ 1,688	△ 143,438
Subscription rights to shares	69,412	69,412
Minority interests	193,060	186,974
Total net assets	21,391,706	22,232,282
Total liabilities and net assets	29,130,098	32,230,022

Consolidated Statements of Income

(Thousands of Yen)

	Second Quarter From April 1 to September 30 ,2008	Second Quarter From April 1 to September 30 ,2009
Net sales	16,898,359	11,137,485
Cost of sales	13,486,409	8,845,287
Gross profit	3,411,949	2,292,197
Selling, general and administrative expenses	2,568,681	2,157,259
Operating income	843,267	134,938
Non-operating income		
Real estate rent	250,536	247,153
Other	80,198	55,199
Total Non-operating income	330,735	302,353
Non-operating expenses		
Interest expenses	46,882	-
Rent expenses on real estates	212,860	174,000
Other	68,189	37,881
Total non-operating expenses	327,931	211,882
Ordinary income	846,071	225,409
Extraordinary income		
Gain on sales of investment securities	-	29,289
Reversal of allowance for doubtful accounts	9,860	-
Other	1,661	-
Total extraordinary income	11,522	29,289
Extraordinary loss		
Loss on valuation of investment securities	16,851	135,988
Business structure improvement expenses	-	47,746
Loss on valuation of inventories	38,258	-
Other	4,261	13,462
Total extraordinary losses	59,371	197,197
Income before Income Taxes	798,223	57,501
Income taxes	280,405	63,051
Minority interests in income	21,840	6,881
Net income (loss)	495,976	△ 12,432

Consolidated Statements of Cash Flows

(Thousands of Yen)

	Second Quarter From April 1 to September 30 ,2008	Second Quarter From April 1 to September 30 ,2009
I Net cash provided by (used in) operating activities:		
Income before income taxes	798,223	57,501
Depreciation and amortization	202,929	179,021
Amortization of goodwill	89,199	89,199
Increase (decrease) in allowance for doubtful accounts	△ 9,860	1,054
Increase (decrease) in provision for retirement benefits	2,593	40,678
Interest and dividends income	△ 9,116	△ 6,021
Interest expenses	46,882	18,129
Decrease (increase) in notes and accounts receivable-trade	2,872,434	1,041,409
Decrease (increase) in inventories and advance payments	△ 471,761	1,336,301
Increase (decrease) in notes and accounts payable-trade	93,265	△ 857,922
Increase (decrease) in advances received	420,083	△ 566,563
Other, net	31,367	212,731
Subtotal	4,066,238	1,545,518
Interest and dividends income received	7,920	3,874
Interest expenses paid	△ 57,514	△ 19,348
Income taxes paid	△ 1,010,790	△ 76,273
Income taxes refund	-	518,970
Net cash provided by (used in) operating activities	3,005,853	1,972,742
II Net cash provided by (used in) investing activities:		
Purchase of property, plant and equipment	△ 38,303	△ 10,374
Purchase of investment securities	△ 116,596	-
Payments of short-term loans receivable	-	△ 79,928
Other, net	△ 16,456	50,293
Net cash provided by (used in) investing activities	△ 171,356	△ 40,008
III Net cash provided by (used in) financing activities:		
Net increase (decrease) in short-term loans payable	△ 1,502,720	100,000
Repayment of long-term loans payable	△ 1,435,800	△ 760,400
Purchase of treasury stock	△ 627,078	△ 735,573
Cash dividends paid	△ 230,844	△ 238,855
Cash dividends paid to minority shareholders	△ 1,810	△ 362
Other, net	△ 455	△ 1,871
Net cash provided by (used in) financing activities	△ 3,798,707	△ 1,637,062
Effect of exchange rate change on cash and cash equivalents	△ 72,402	17,862
Net increase (decrease) in cash and cash equivalents	△ 1,036,613	313,534
Cash and cash equivalents at beginning of period	3,134,442	2,823,324
Cash and cash equivalents at end of period	2,097,829	3,136,859