

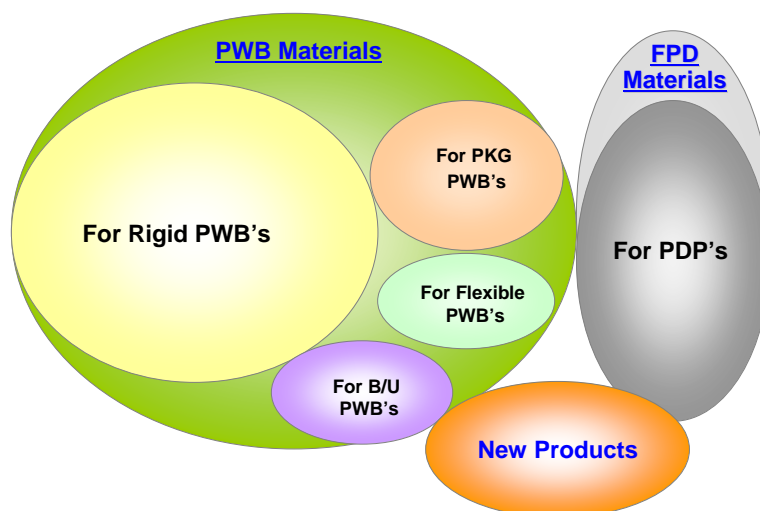
For the Fiscal Year Ended March 31, 2009 Financial Result Digest

TAIYO INK MFG. CO., LTD.
May 22, 2009

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Disclosure Classification



Glossary

To be a Company Full of Dreams
TAIYO INK MFG. CO., LTD.

Abbreviation	Meaning
“PWB Materials”	Chemical Products for Printed Wiring Boards
“FPD Materials”	Chemical Products for Flat Panel Display Panels
“PDP Materials”	Chemical Products for Plasma Display Panels
“SR”	Solder Resist Ink or Solder Mask
“LPI”	Liquid Photoimageable SR
“PKG Material”	Chemical Products for IC Package Substrates

To be a Company Full of Dreams
TAIYO INK MFG. CO., LTD.

Fiscal Year ended March 31, 2009
(FY 08/09)

FY 08/09

To be a Company Full of Dreams
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(JPY MM)

	FY 07/08	FY 08/09	Diff.	Change in %
Sales	45,338	32,614	(12,723)	(28.1%)
Cost of Sales	29,512	22,635	(6,877)	(23.3%)
Gross Profit	15,826	9,979	(5,846)	(36.9%)
SGA Expenses	6,930	6,647	(283)	(4.1%)
Ope. Income	8,896	3,332	(5,563)	(62.5%)
Ordinary Income	8,586	3,546	(5,039)	(58.7%)
Net Income	6,171	1,958	(4,213)	(68.3%)

<Ave. Exchange Rate>

(JPY)

USD	114.13	100.64	(13.49)	(11.8%)
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FY 08/09: "Exceptional" Items

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(JPY MM)	FY 08/09	
Sales	32,614	"Exceptional" Items – net : (1,700) <u>Profits : 1,300, Exp./Losses : (3,000)</u>
Cost of Sales	22,635	
Gross Profit	9,979	Loss on Valuation of Inventories : 71
SGA Expenses	6,647	Provision for Allowance for Bad Debts : 223
Operating Income	3,332	Foreign Exchange Losses : 91
Non-ope. Pro. & Loss	214	Settlement of Disputes : +552
Ordinary Income	3,546	Retirement of Non-current Assets : 357
Extra. Pro. & Loss	(1,089)	Loss on Valuation of Investment Securities : 224
Income Before Taxes	2,457	Withdrawal from Pension Fund : 1,029
Income Taxes	408	Reversal of Deferred Income Tax Liability : +720
Minority Interests	91	Non-recording of a Portion of Deferred Income Tax Assets : 957
Net Income	1,958	

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FY 08/09: Breakdown of Sales by Product Line

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- PKG and Build Up materials sales deteriorated.
- FPD materials sales continued slow since beginning of FY.

(JPY MM)

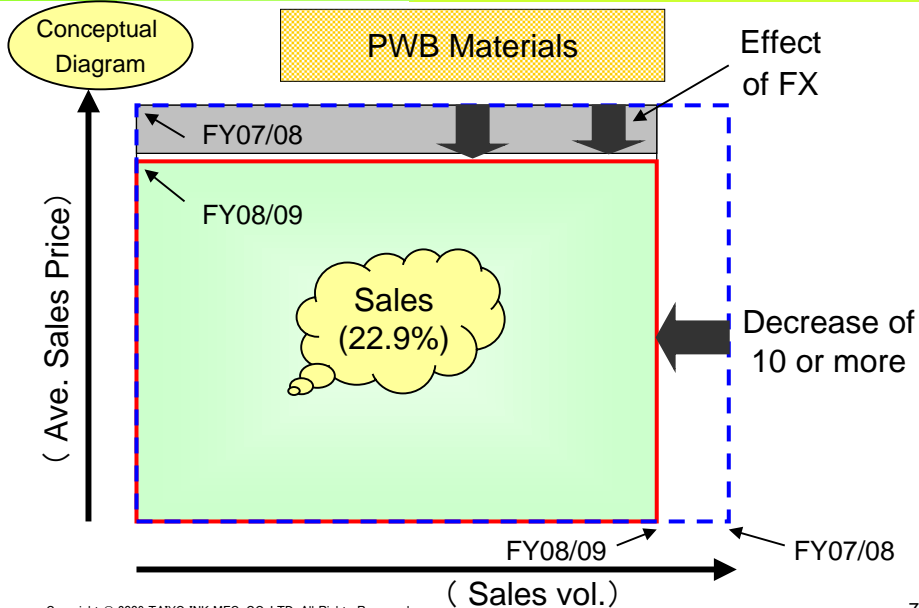
Product Line	FY 07/08	FY 08/09	Diff.	Change in %
Grand Total	45,338	32,614	(12,723)	(28.1%)
PWB Materials	33,604	25,919	(7,684)	(22.9%)
Rigid	25,392	19,911	(5,408)	(21.6%)
PKG & FPC	6,886	5,107	(1,778)	(25.8%)
Build Up	1,325	900	(424)	(32.1%)
FPD Materials	10,238	5,683	(4,555)	(44.5%)
Others	1,495	1,011	(484)	(32.4%)

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FY 08/09: Factors of Sales Difference vs. FY 07/08

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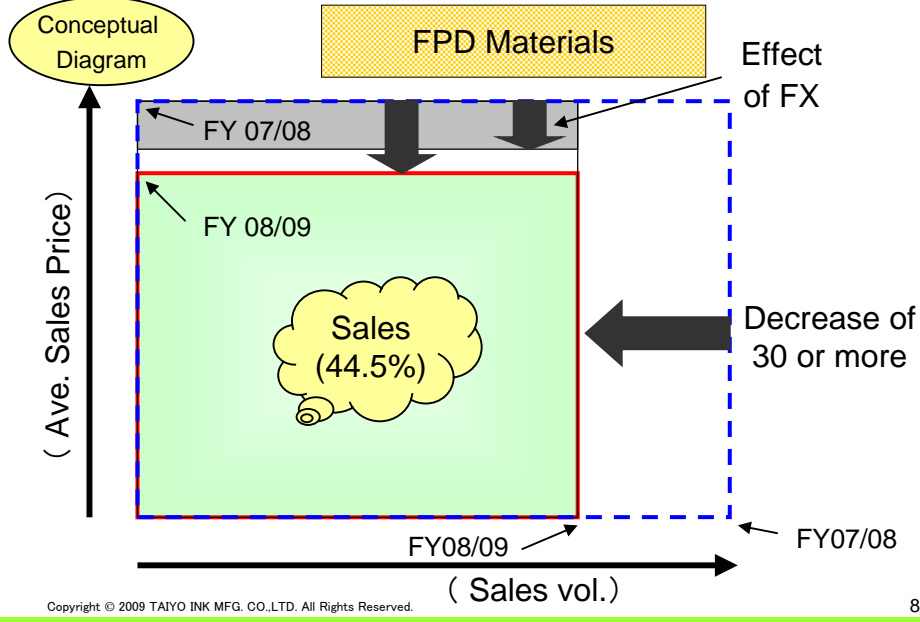


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FY 08/09: Factors of Sales Difference vs. FY 07/08

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FY 08/09: Breakdown of P/L by Quarter

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(JPY MM)

	Q1 (April/June 08)		Q2 (July/Sept. 08)		Q3 (Oct./Dec. 08)		Q4 (Jan./March 09)	
	Actual	Y on Y Change	Actual	Y on Y Change	Actual	Y on Y Change	Actual	Y on Y Change
Sales	10,096	(4.0%)	10,690	(10.6%)	6,276	(49.5%)	5,551	(46.8%)
(PWB+)	8,182	-	8,614	-	5,500	-	4,634	-
(FPD)	1,914	-	2,076	-	776	-	917	-
Operating Income	1,588	(32.7%)	1,780	(26.4%)	(93)	-	29	(97.8%)
Ordinary Income	1,946	(23.1%)	1,934	(17.8%)	(594)	-	232	(73.4%)
Net Income	1,185	(32.3%)	1,268	(28.8%)	(837)	-	342	(57.8%)

< Foreign Exchange Rate >

(JPY)

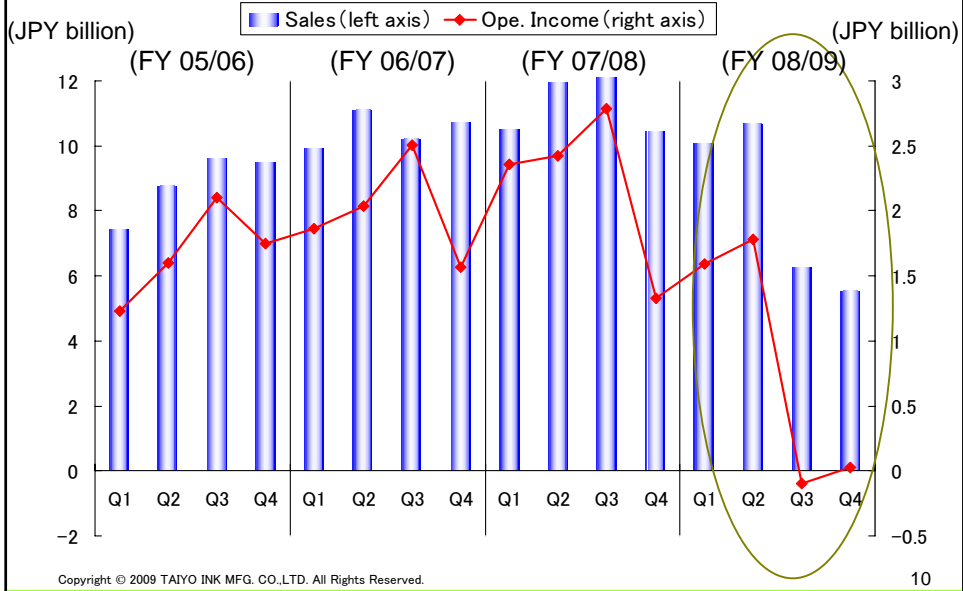
USD	104.1	(13.7%)	107.1	(8.4%)	95.0	(15.9%)	95.2	(8.2%)
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Quarterly Trend

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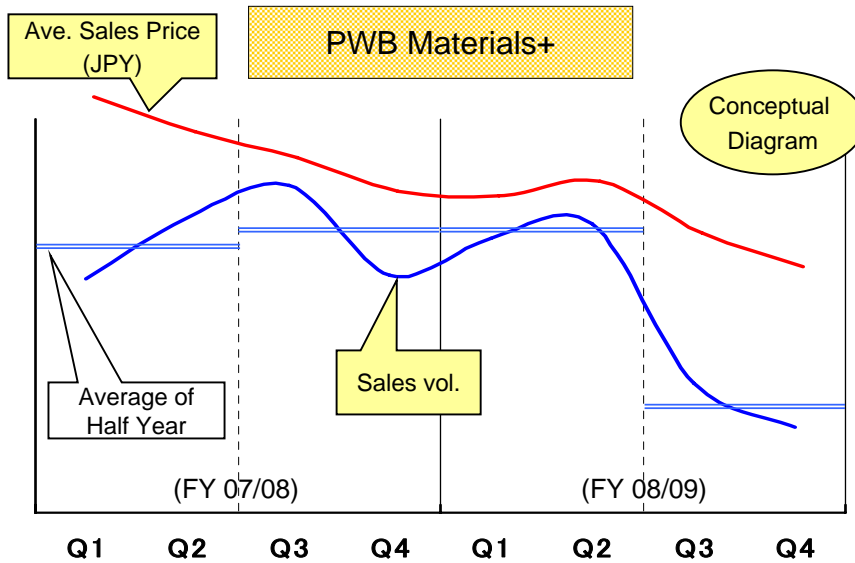


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Quarterly Trend

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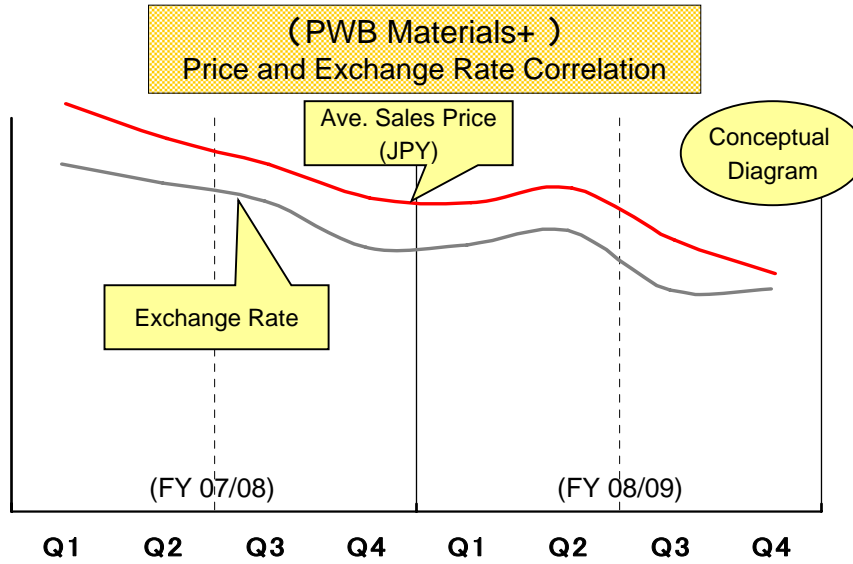


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Quarterly Trend

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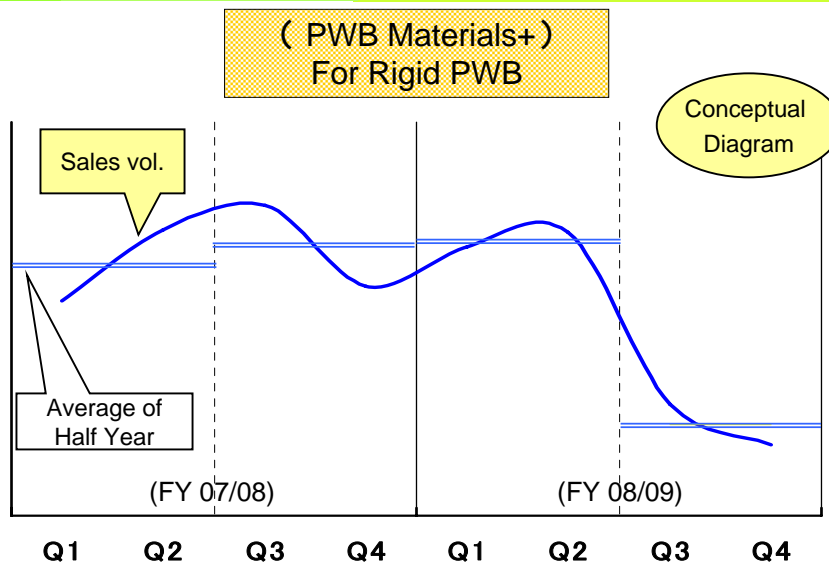


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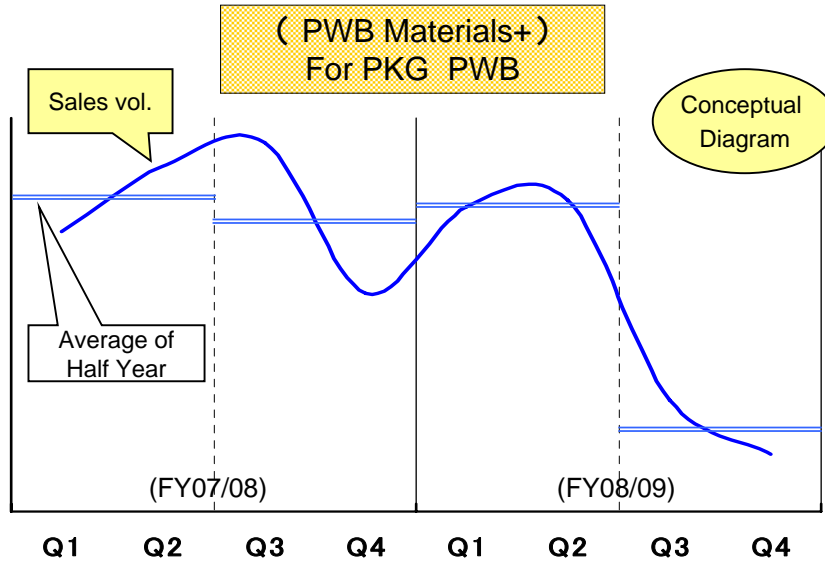


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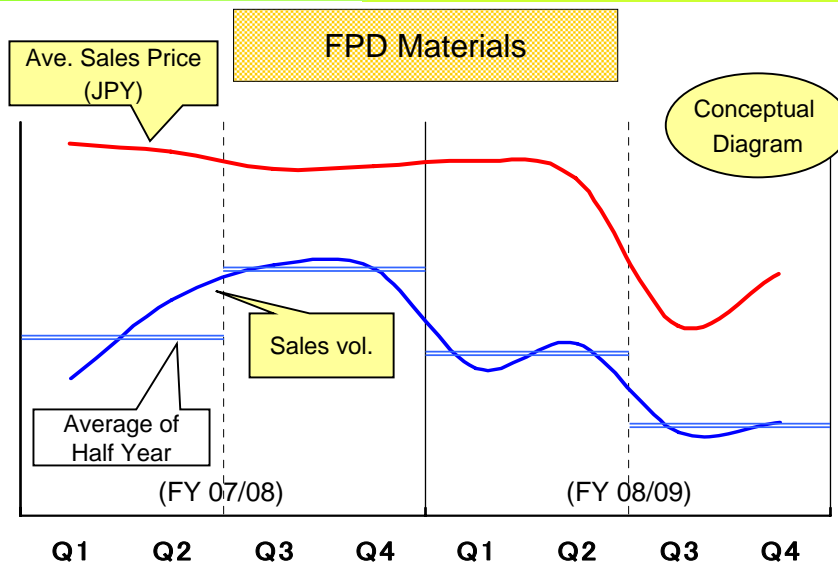


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Quarterly Trend

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FY 08/09: Decrease Factors in Sales

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	(JPY billion)
Sales	(12.7)
<hr/>	
▪ Sales of PWB Materials	
In China Market	(2.5)
In Other Areas	(5.6)
▪ Sales of FPD Materials	(4.6)
(Effect of FX Rate Fluctuation	(3.4))

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FY 08/09: Decrease Factors in Profit

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	(JPY billion)
Operating Income	(5.6)
<hr/>	
▪ Volume Decrease Effect	(3.6)
▪ Effect of Price Decline	(0.1)
▪ FX Rate Fluctuation	(2.1)
▪ Others	(0.2)

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FY 08/09: Summary

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(PWB materials)

- Sales volume drastically fell over Q3. Signs of the bottoming-out were seen in Q4.
- Demand for almost all product fields in all regions deteriorated.
- Ave. sales price in local currencies stable.

(FPD materials)

- Sales continued stagnated since beginning of FY.

(Profit)

- Operating Income dropped due to a sluggish sales and a stronger JPY.
- “Special costs” also led to significant decrease in Net Income.

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Forecast for Fiscal Year ending March 31, 2009
(FY 09/10)

Forecast for FY 09/10

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(JPY MM)

Article	FY 08/09 (Actual)	FY 09/10 (Projection)	Diff.	Change in %
Sales	32,614	30,000	(2,614)	(8.0%)
(PWB+)	26,931	25,000	(1,931)	(7.2%)
(FPD)	5,683	5,000	(683)	(12.0%)
Ope. Income	3,332	3,200	(132)	(4.0%)
Ordinary Income	3,546	3,300	(246)	(7.0%)
Net Income	1,958	2,000	42	2.1%

<Foreign Exchange Rate>

(JPY)

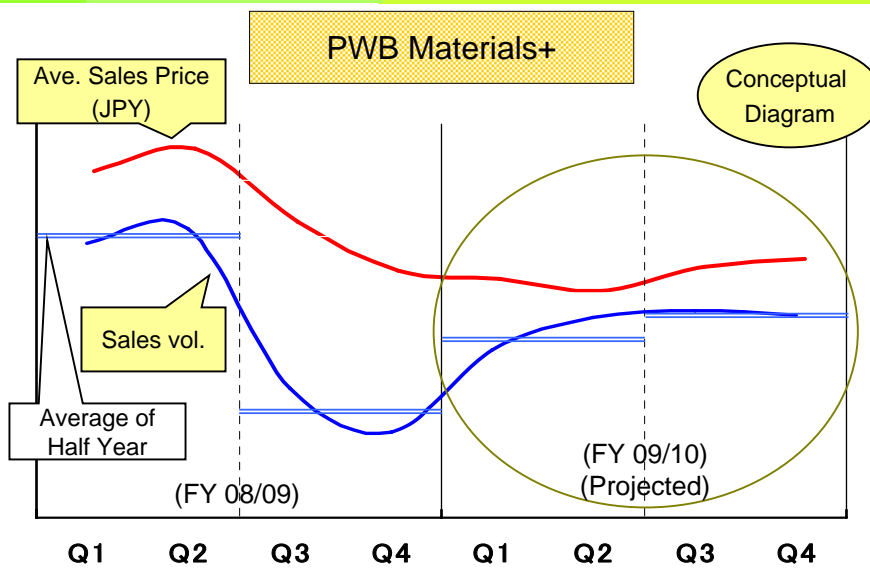
USD	100.64	95.00	(5.64)	(5.6%)
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Forecast by Quarter

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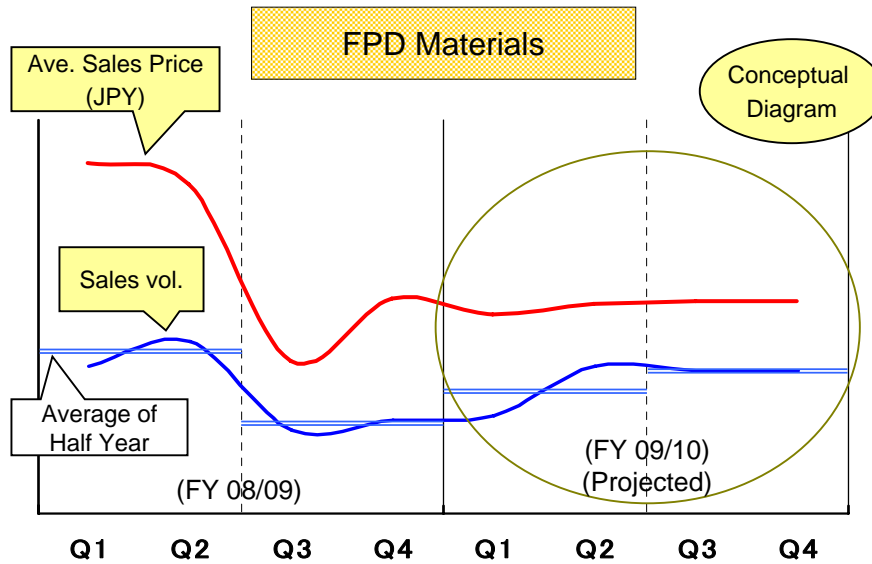


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Forecast by Quarter

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Forecast for FY 09/10 : Projected Decrease Factors in Sales

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	(JPY billion)
Sales	(2.6)
• Sales of PWB Materials	(1.9)
• Sales of FPD Materials	(0.7)
(Effect of FX Rate Fluctuation)	(1.3)

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Forecast for FY 09/10 : Projected Decrease Factors in Profit

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(JPY billion)

Operating Income	(0.1)
<hr/>	
▪ Effect of Price Decline	(0.4)
▪ FX Rate Fluctuation	(0.8)
▪ Decrease in Fixed Costs (excluding Effect of FX)	1.1

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Forecast for FY 09/10 : Projected Decrease in Fixed Costs

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(JPY MM)

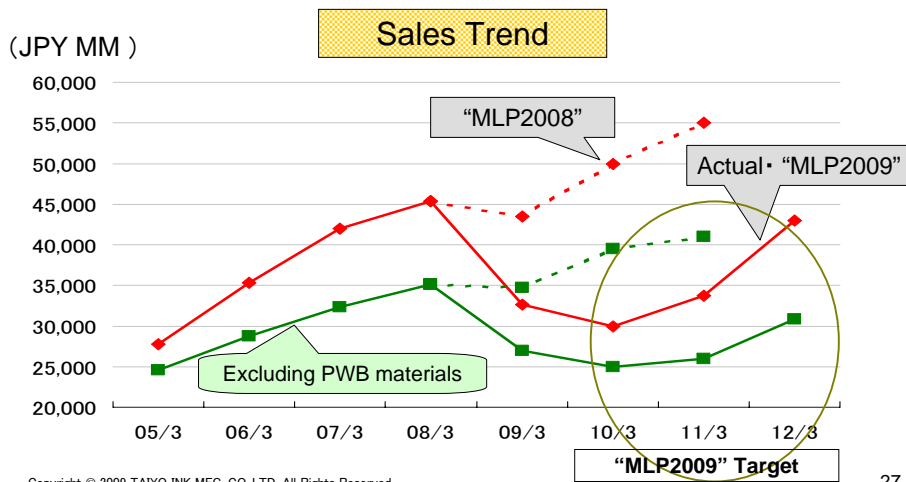
Company	Item	Amount
Taiyo Ink	Labor Costs	200
	Commissions and Consulting Fees	140
	Sales Promotion Expense, etc.	70
	Depreciation	50
	Advisory Fees	50
	Others	230
	Sub Total	740
Subsidiaries	Provision for Allowance for Bad Debts	220
	FX Rate Fluctuation	220
	Others	180
	Sub Total	620
Total		1,360

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Important Measures for “Further Growth”

Mid-to-Long range management Plan (“MLP2009”)



Mid-to-long range targets

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(JPY billion)	FY 08/09 Actual	FY 11/12 Targets
Sales	32.6	42.0
(PWB materials)	(25.9)	(28.2)
(FPD materials)	(5.6)	(12.0)
(New Products)	(0.3)	(1.0)
(Merchandise etc.)	(0.8)	(0.8)
Operating Income	3.3	6.0
Total Assets	40.9	42.0
Operating Income/Sales	10.2%	14.3%
R.O.E.	5.4%	12.0%
Total Assets Turnover	0.8 time/Yr	1.0 time/Yr

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Mid-to-Long range management Plan (“MLP2009”)

- The targets were revised downward. The Plan envisions a recovery to 40 billion yen level in sales in three years.
- All measures will be implemented for “Further Growth.” They are aimed to prepare for large strides in our business once the economy recovers.

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Measures to improve Group revenue

- Reduction in fixed costs, variable costs (including raw material cost).
- Capital expenditure on a selected basis.

Approach to each market

- Improvement of presence in China market, largest PWB market in the world.
- Pursuit of optimal production locations and supply channels.

Examples of New Area Products

- Solder Resist (for FC, White-color)
- Inner Layer Dielectrics
- Conductive Silver Paste (for Touch Panel, Solar Cell)
- UV Curable Resin for Cell Phone Key Plate
- Adhesive (for PET Resin, Photoimageable), etc.

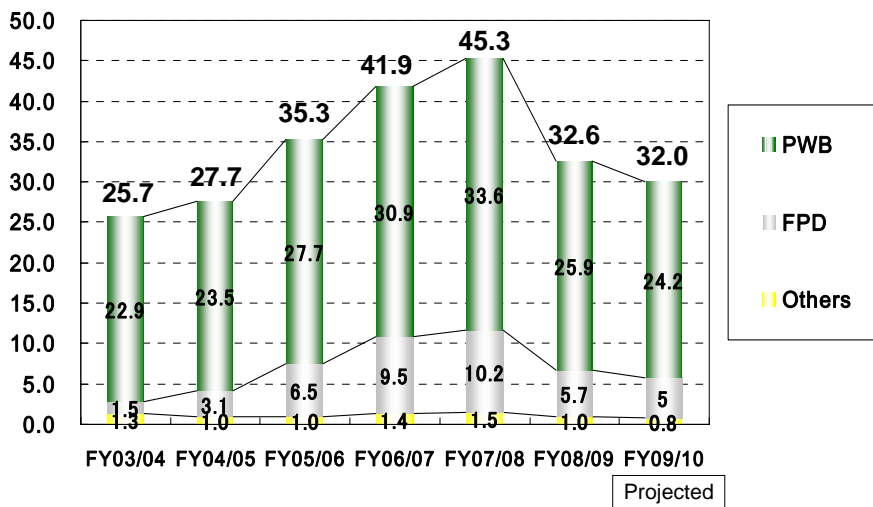
Dividend Policy

- Basic policy is maintained.
(DOE : “ 5 % or over p.a.” as a benchmark.)
- Ordinary dividend for FY 09/10 is expected same as for FY 08/09. (JPY90 per share)

Appendix

Forecast for FY 09/10 : Breakdown of Sales by Product Line

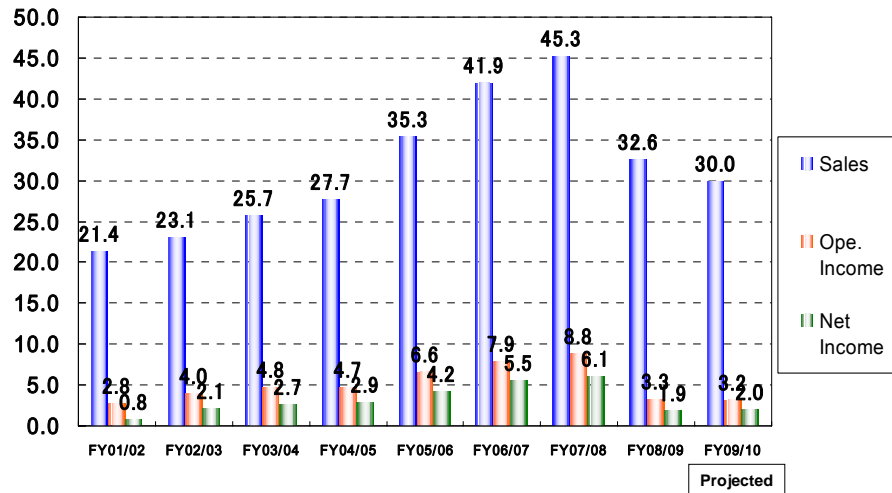
(JPY billion)



Financial Results by FY

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(JPY billion)



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Effect of FX Rate Fluctuation

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Article	Actual : FY08/09	Budgeted : FY09/10	Difference
B/S Conversion	JPY 98.23/USD	JPY 95.00/USD	(JPY 3.23) (3.3%)
P/L Conversion	JPY 100.64/USD	JPY 95.00/USD	(JPY 5.64) (5.6%)

Projected FY09/10 : (JPY MM)

Effect of Ave. JPY1 Change per USD	Consolidated	Impact on Sales	Impact on Ope. Profit
		Approx. 240	Approx. 140

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Capital Expenditure and Depreciation

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(JPY billion)

Article		FY05/06 Actual	FY06/07 Actual	FY07/08 Actual	FY08/09 Actual	FY09/10 Projected
Consolidated	Annual Cap. Ex.	0.9	1.1	1.2	1.3	0.4
	Annual Deprec.	1.7	1.6	1.5	1.4	1.3