
Consolidated Financial Result Digest

FY10/11 Second Quarter

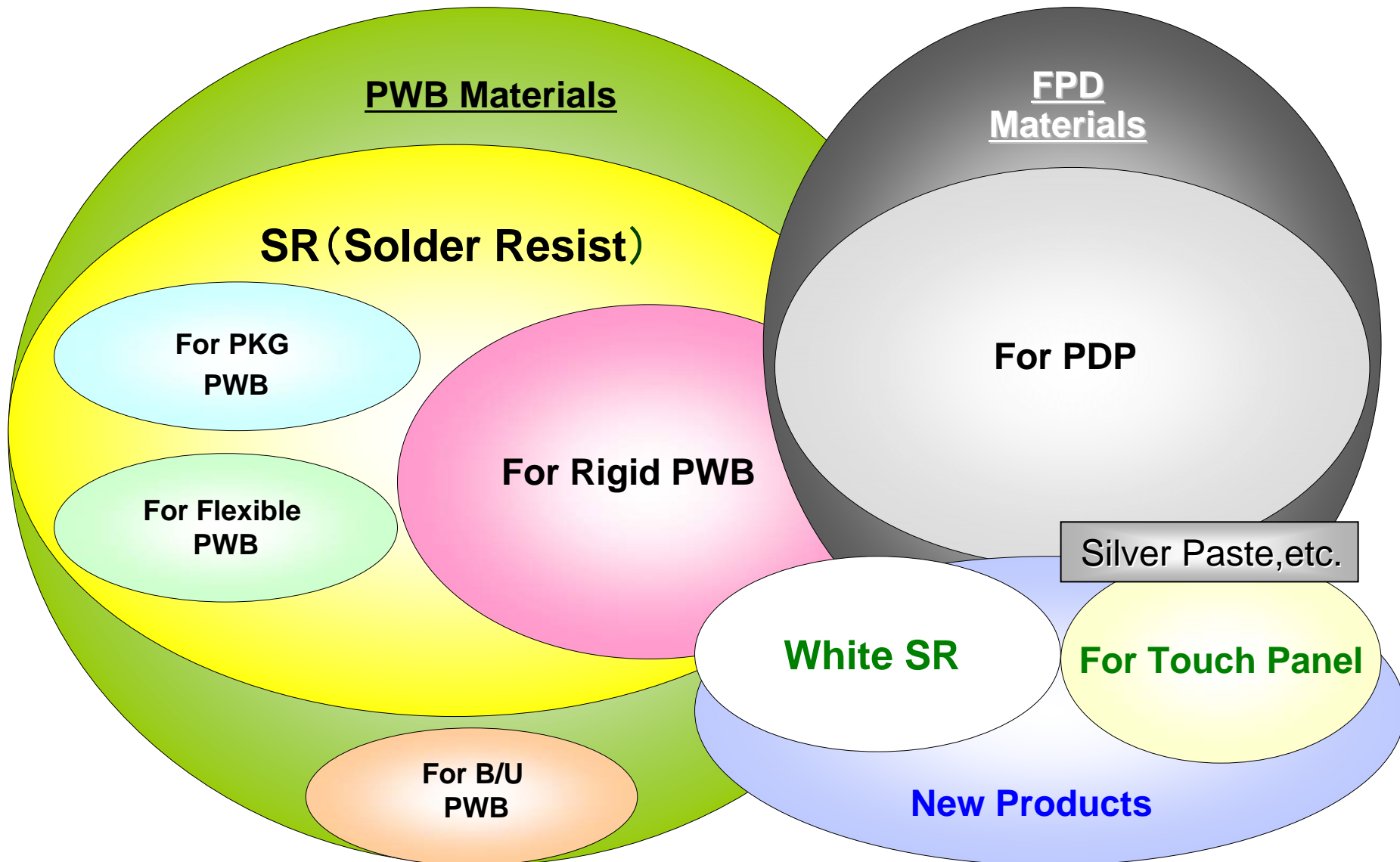
 **TAIYO HOLDINGS CO., LTD.**

November 17, 2010



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Classification



Terminology

Word	Implication
“PWB Materials” (Printed Wiring Board)	Chemical Products for Printed Wiring Boards
“FPD Materials” (Flat Panel Display)	Chemical Products for Flat Panel Display Panels
“PDP Materials” (Plasma Display Panel)	Chemical Products for Plasma Display Panels
“SR”	Solder Resist Ink or Solder Mask
“PKG Materials” (Package)	Chemical Products for IC Package Substrates

Actuals FY 10/11 First Half & Forecast for FY 10/11

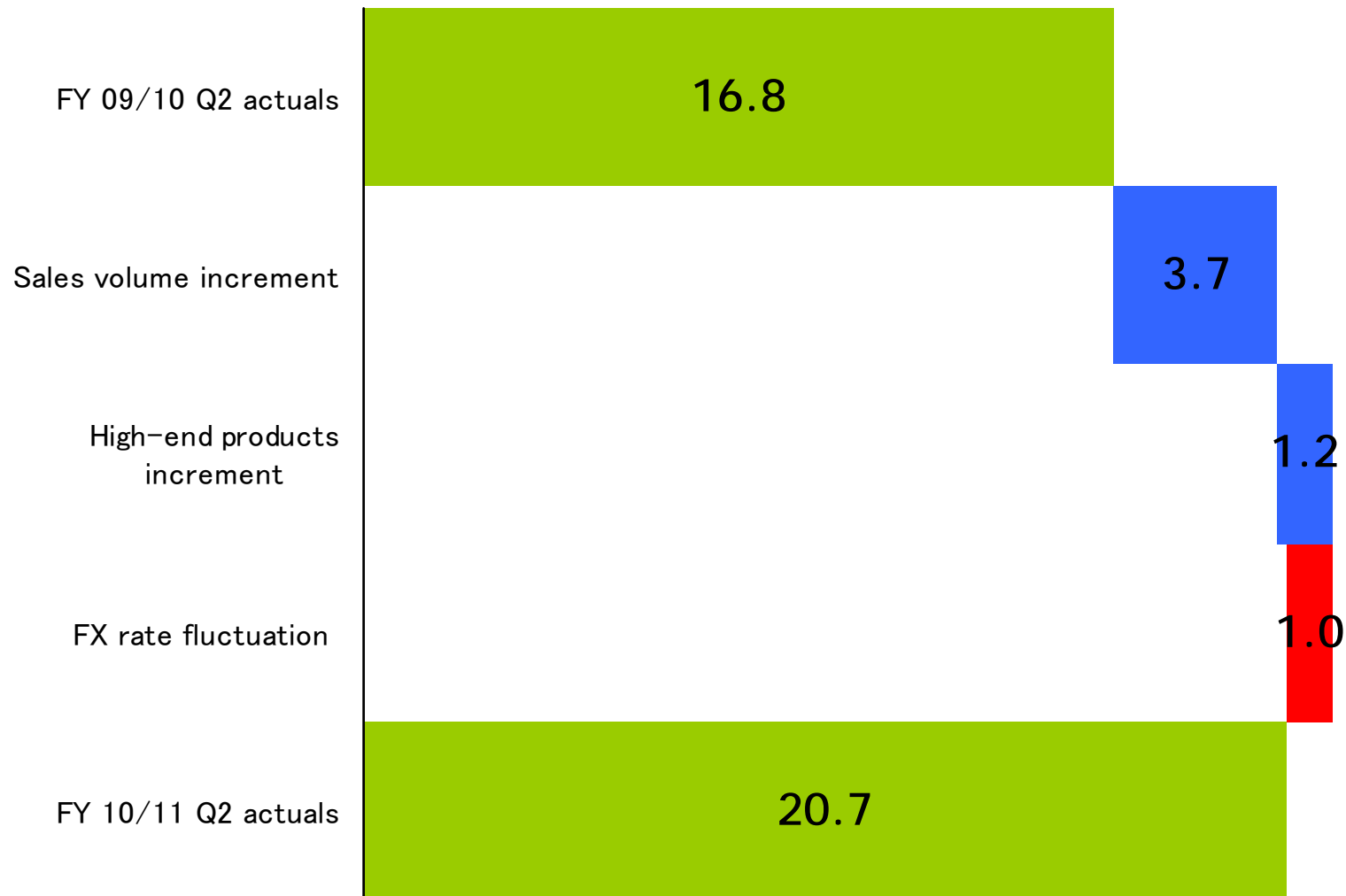
FY 10/11 Q2 (Actuals)

(¥ millions)

	FY 09/10 Q2	FY 10/11 Q2	Diff.	Change in Expectation %	Aug.6
Sales	16,874	20,716	3,842	22.8%	19,500
Ope. Income	2,334	3,522	1,188	50.9%	3,000
Ordinary Income	2,124	3,422	1,298	61.1%	3,000
Net Income	1,007	2,232	1,225	121.6%	2,000
<Ave. Exchange Rate>					
USD	95.3	88.9	(6.4)	(6.7%)	89.6

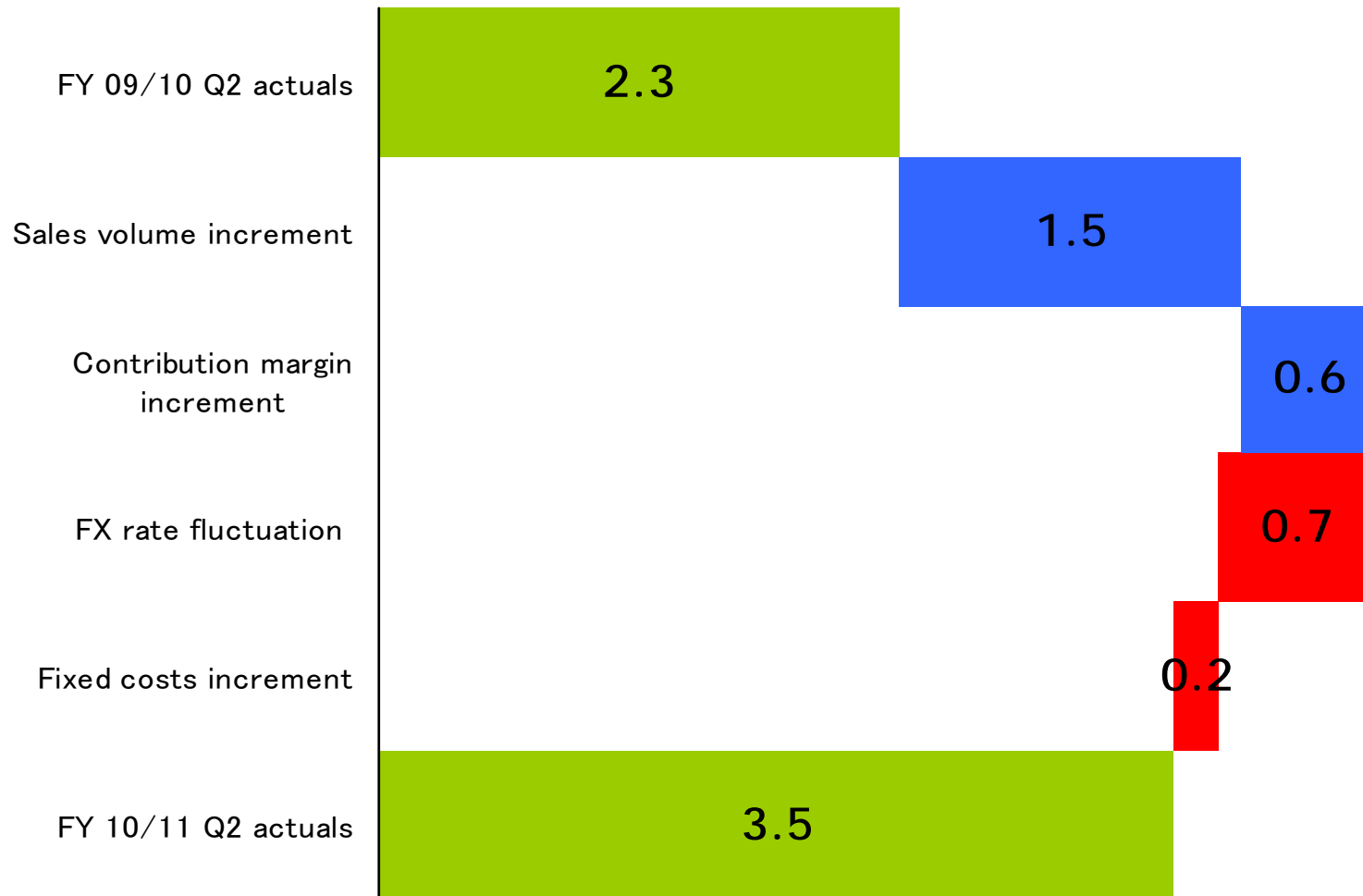
FY10/11 Q2 Factors of sales increase TAIYO HOLDINGS CO., LTD.

(JPY billion)



FY10/11 Q2 Factors of profit increase

(JPY billion)



□ PWB materials

- Recorded the highest volume (Consolidated, China, Korea, ASEAN).
- Sales volume increased about 22% year-on-year and China market increased about 30% year-on-year.
- Ave. Sales price fell due to a strong yen.

□ FPD materials

- Sales was steady in Korea and China.

Forecast for FY 10/11

(¥ millions)

	First Half	Financial Year				
	Actual	FY09/10	Expectation Aug. 6	Expectation Nov. 10	Progress	YoY
Sales	20,716	35,056	38,500	39,500	52.4%	112.7%
Ope.Income	3,522	4,843	5,500	5,500	64.0%	113.6%
Ordinary Income	3,422	4,787	5,500	5,500	62.2%	114.9%
Net Income	2,232	3,010	3,700	3,700	60.3%	122.9%
<Foreign Exchange Rate>						
USD	88.9	93.0	88.5	84.8	-	91.2%

Mid-term corporate strategy

Launch of Taiyo Holdings CO.,LTD on October 1, 2010

"For further growth"

- ❑ To Speed up decision making by the holding company system.
- ❑ To Formulate the new mid-term management plan.
- ❑ To practice the growth strategy in consideration for the future.

New mid-term management plan

(¥ millions)

	FY10/11 Forecast	FY12/13 Planning	Diff.	Extension rate
Sales	39,500	48,000	8,500	10.2%
PWB+	30,000	35,000	5,000	8.0%
FPD	8,000	9,000	1,000	6.1%
New product	1,500	4,000	2,500	63.3%
Ope. Income	5,500	7,700	2,200	18.3%
Ope. Income ratio	13.9%	16.0%	+2.1%	-

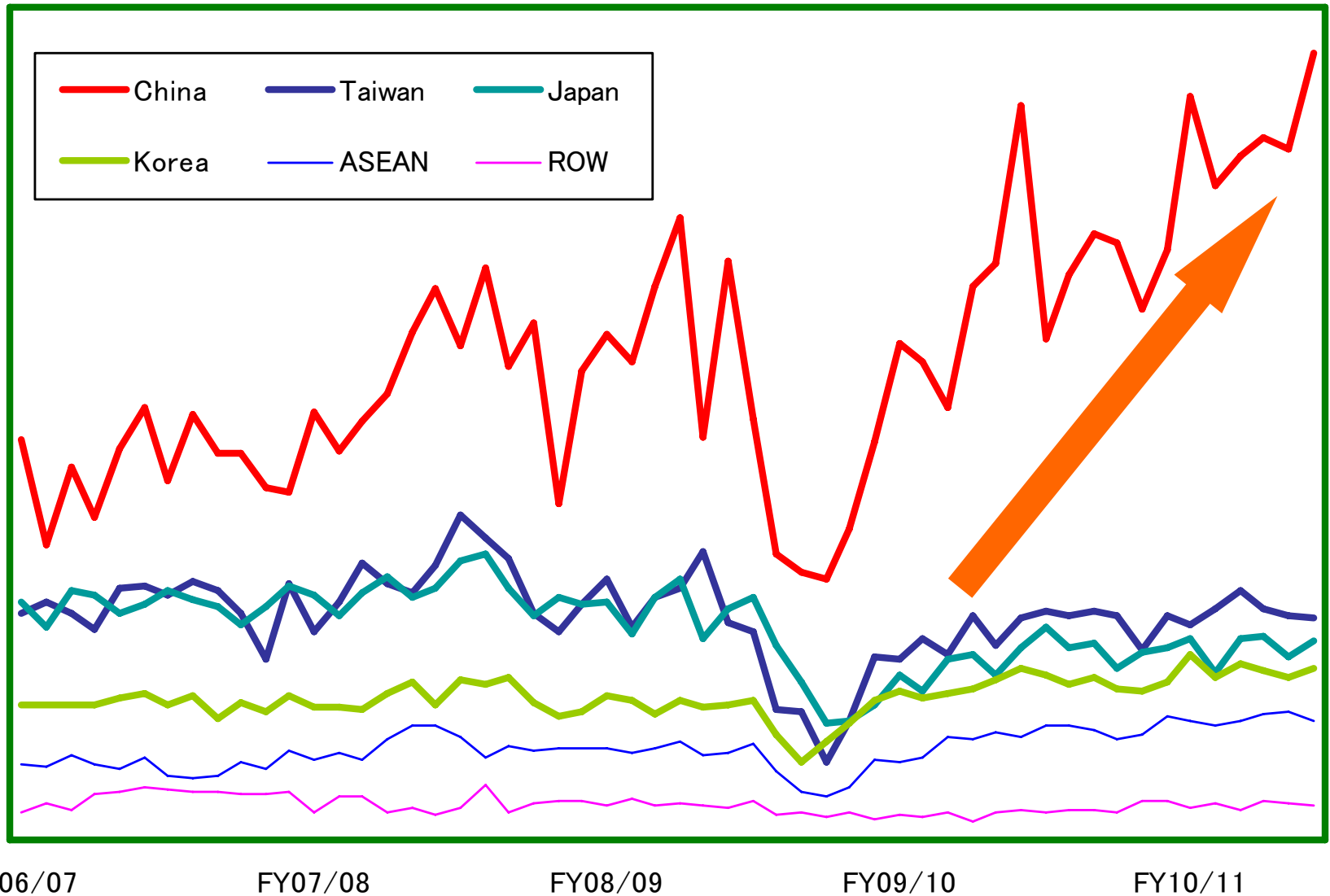
1.The strategy to
Chinese Market

2."Local production for
Local consumption"

3.New product
development strategy

4.Global personnel
strategy

Sales volume by districts



The strategy to Chinese Market

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- ❑ To develop and expand sales of the “Low price+ α ” products.
 - To increase market share in China.
 - To enhance competitive edge in low prices market.
 - ❑ Setting new production bases and sales office.
 - To Tackle Chinese market to manage expanding Chinese market.
 - To reinforce sales and technical support system especially for big customers.

"Local production for Local consumption"

- ❑ To Promote "Local production" and "Local sales".
 - To reinforce customer support.
 - To develop and sell the products which match to customer needs.
 - To shorten order lead time.
- ❑ To reinforce overseas procurement of raw materials and to promote self-manufacture.
 - Cost reduction
 - Measures for Exchange risk.

3.New product development strategy

- Focus on growth field.
- JPY 4 billions sales target on FY12/13.



Black SR



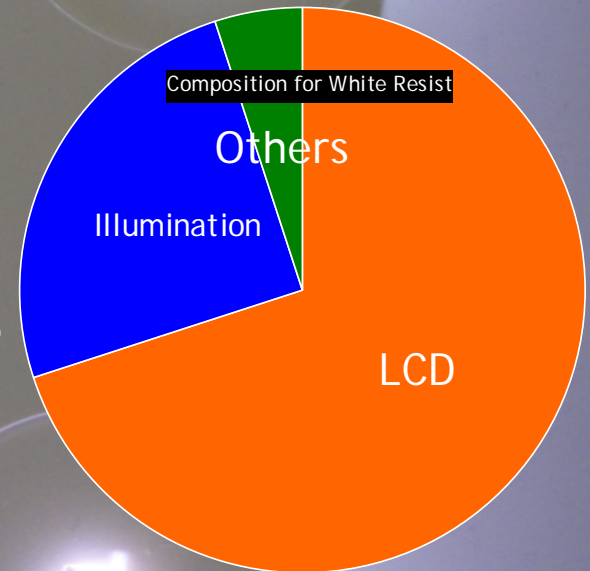
Carbon paste



Material for Touch Panel

Trend of White Resist

- ❑ Sale for FY10/11 are expected about JPY 500 million (JPY 300 million in First half)
- ❑ Having a 50% of the LCD market share (Our expectation)
- ❑ Market will Increase about 30% a year.



Global personnel strategy

- Utilize foreign local staff.
 - To enhance sales ability and technical knowledge of local staff.
- Training global personnel in HD.
- Hiring foreigners positively.



