

Financial Statement for the Three Months Ended June 30, 2009

August 14, 2009

Trade Name: **Nihon Micro Coating Co., Ltd.**

Stock Code: 5381

Name and Title of Representative: Jun Watanabe, President

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Quarterly Report Filing Date (as planned): August 14, 2009

Stock Exchange: JQ

(URL <http://www.mipox.co.jp>)

1. Summary of Consolidated Financial Results.

1. Financial Result for the Fiscal Year Ended June 30, 2009

(1) Consolidated Operating Result

Amounts to nearest Million yen

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2009	625	39.4	246		250		260	
June 30, 2008	1,032		179		161		117	

	Net Income Per Share		Net Income Per Share(diluted)	
			Yen	
June 30, 2009	25.	60		
June 30, 2008	11.	57		

(2) Consolidated Financial Position

	Total Assets	Total Net Assets	Shareholders' Equity Ratio	Total Net Assets Per Share
	Millions of Yen	Millions of Yen	%	Yen
June 30, 2009	7,519	4,802	63.8	471. 18
March 31, 2009	8,736	5,064	57.9	496. 91

(Note) Equity capital (Millions of Yen):

As of June 30, 2009 4,797 As of March 31, 2009 5,059

2. Dividends

	Dividends per share				
	First quarter end	Second quarter end	Third quarter end	Year end	Full year
	Yen	Yen	Yen	Millions of Yen	%
Fiscal Year ended March 31, 2009		0. 00		0.00	0.00
March 31, 2010					
March 31, 2010 (estimate)		0. 00		3.00	3.00

3. Financial forecasts for the Consolidated Fiscal Year Ending March 31, 2010

(%changes as compared with the previous fiscal year and the corresponding period of the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Net Income		Net Income Per Share	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen	
June 30, 2009	1,520	23.8	370		370		380		37. 32	
March 31, 2010	4,800	48.2	25		28		42		4.13	

(Note)Revision of forecast for dividends in the Second quarter: None

Notes: Request for appropriate use of the business outlook and other special remarks

(1)Some corrections have not been made to the documentation for the fiscal year concerning the Consolidated Financial Forecast announced on May 20, 2009.

(2) Forecasts are based on information available to the management at the time of an announcement. Forecasts contain a lot of the element of the uncertainty. Actual results may differ from the figures provided above due to changes in business conditions.

4.Others

(1)Change in important subsidiaries during the period (Changes in certain specified subsidiaries resulting in revised scope of consolidation): None

(2)Adoptions of simplified accounting methods and accounting methods particular to the presentation of quarterly financial statements: Yes

(3)Changes in accounting principles, presentation methods, etc., pertaining to preparation of consolidated financial statements

(Those to be stated as significant accounting policies)

1. Changes associated with revision in accounting standards: None

2. Others changes: None

(4)Shares outstanding

1. Numbers of shares outstanding (including treasury stock)

June 30, 2009	10,696,320	March 31,2009	10,696,320
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2. Numbers of treasury stock

June 30, 2009	514,948	March 31,2009	514,948
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3. Numbers of average shares outstanding (cumulative, consolidated at the end of the first quarter)

June 30, 2009	10,181,372	June 30, 2008	10,181,638
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Consolidated Financial Statement
(1) Consolidated Balance Sheet

(Thousands of yen)

	Q1 FY 2010 (As of June 30,2009)	FY 2009 (As of March 31,2009)
(Assets)		
Current Assets		
Cash and Cash Equivalents	1,564,056	2,800,583
Notes Receivable and Accounts Receivable	738,738	594,599
Merchandises and Finished Goods	156,834	190,129
Work in Progress	619,970	558,170
Raw Materials and Stored goods	108,540	206,914
Deferred Tax Assets	25,304	25,003
Others	100,186	91,332
Allowance for Bud Debt	23,349	23,421
Total Current Assets	3,290,280	4,443,313
Fixed Assets		
Tangible Fixed Assets		
Buildings and Structures	5,508,559	5,498,089
Equipment and Vehicles	1,580,039	1,558,386
Construction in Progress	3,290	23,635
Others	333,902	324,241
Accumulated Depreciation	4,654,181	4,572,931
Land	1,223,843	1,223,843
Total Tangible Fixed Assets	3,995,454	4,055,266
Intangible Fixed Assets		
Others	111,219	124,689
Total Intangible Fixed Assets	111,219	124,689
Investments and Other Assets		
Investment Securities	59,970	48,264
Deferred Tax Assets	546	987
Others	74,444	76,192
Allowance for Doubtful Debts	12,493	12,118
Total Investments and Other Assets	122,468	113,325
Total Fixed Assets	4,229,142	4,293,281
Total Assets	7,519,423	8,736,594

Consolidated Financial Statement
(1) Consolidated Balance Sheet

(Thousands of yen)

	Q1 FY 2010 (As of June 30,2009)	FY 2009 (As of March 31,2009)
(Liabilities)		
Current Liabilities		
Notes Receivable and Accounts Receivable	149,686	163,238
Short-term Borrowings	1,705,432	2,440,432
Accrued Income Taxes and Other Taxes	10,678	10,732
Reserve for Employees' Bonuses	28,710	19,372
Others	131,702	309,092
Total Current Liabilities	2,026,209	2,942,868
Fixed Liabilities		
Long-term Borrowings	463,636	538,744
Deferred Tax Liabilities	20,157	15,667
Reserve for Employees' Retirement Benefits	162,217	161,006
Others	44,869	14,077
Total Fixed Liabilities	690,880	729,495
Total Liabilities	2,717,089	3,672,363 ;
(Net Assets)		
Shareholders' Equity		
Capital Stock	1,998,700	1,998,700
Capital Surplus	2,953,700	2,953,700
Earned Surplus	312,361	572,970
Treasury Stock	481,299	481,299
Total Shareholders' Equity	4,783,461	5,044,070
Valuation and Foreign Currency Translation		
Revaluation of Other Investment Securities	20,596	13,654
Foreign Currency Translation Adjustments	6,769	1,461
Total Valuation and Foreign Currency Translation	13,827	15,115
New Stock Reservation Rights	5,044	5,044
Total Net Assets	4,802,333	5,064,231
Total Liabilities and Net Assets	7,519,423	8,736,594

(2) Consolidated Statement of Income
 FY 2010 (From April 1,2009 To June 30,2009)

(Thousands of yen)

	FY 2009 (From April 1,2008 To June 30,2009)	FY 2010 (From April 1,2009 To June 30,2009)
Net Sales	1,032,033	625,510
Cost of Sales	707,471	433,445
Gross Profit	324,561	192,064
Selling and General Administrative Expenses	504,212	438,306
Operating Income or Losses ()	179,650	246,242
Non-Operating Income		
Interest Income	1,864	404
Dividend Income	1,722	1,398
Rent Income	4,015	4,764
Foreign Currency Exchange Gain	21,145	
Subsidy Income		4,591
Others	3,537	2,685
Total Non-Operating Income	32,285	13,844
Non-Operating Expenses		
Interest Expenses	13,823	10,927
Foreign Currency Exchange Losses		4,833
Others	285	2,417
Total Non-Operating Expense	14,109	18,178
Ordinary Income or Losses ()	161,474	250,576
Extraordinary Gains		
Gain from Sales of Subsidiary	300,000	
Others	114	
Total Extraordinary Gains	300,114	
Extraordinary Losses		
Loss on Sale of Fixed Assets	1,213	
Loss on liquidation of business	-	1,882
Others	275	375
Total Extraordinary Losses	1,488	2,257
Net Income or Losses Before Tax()	137,150	252,834
Income Taxes-Current	23,225	8,519
Deferred Income Taxes	3,867	744
Total Income Taxes	19,358	7,775
Net Income or Losses ()	117,792	260,609

(3) Consolidated Statement of Cash Flows
 FY 2010 (From April 1, 2009 To June 30, 2009)

	(Thousands of yen)	
	FY 2009 (From April 1, 2008 To June 30, 2009)	FY 2010 (From April 1, 2009 To June 31, 2009)
Cash Flow from Operating Activities		
Net Income or Losses Before Taxes	137,150	252,834
Depreciation Expenses (Decrease ())	114,419	94,720
Increase/Decrease in Allowance for Employees Bonuses (Decrease ())	41,098	9,338
Increase/Decrease in Allowance for Employees' Retirement Benefits (Decrease ())	3,722	1,211
Interest and Dividends Income	3,586	1,802
Interest Expenses	13,823	10,927
Increase/Decrease in Accounts Receivable (Increase ())	319,372	144,138
Increase/Decrease in Inventories (Increase ())	21,769	69,870
Increase/Decrease in accounts payable (Decrease ())	186,603	13,552
Loss on sale of Affiliate company (Gain ())	300,000	
Other	35,551	13,784
Sub Total	125,615	240,043
Interest and Dividends Received	4,122	2,541
Interest Paid	14,425	14,926
Income Taxes Paid	11,454	5,457
Special Retirement Expenses Paid		143,216
Net Cash Provided by Operating Activities	103,858	401,102
Cash Flows from Investing Activities		
Proceeds from Time Deposits Refunds		200,000
Payments for Time Deposits	11,379	300
Proceeds from sale of Affiliate company	300,000	
Proceeds from Tangible Fixed Assets	93,613	
Payments for Tangible Fixed Assets	47,291	21,073
Proceeds from Sale of Business	283,697	
Other		1,747
Net Cash Provided by Investing Activities	618,640	180,373
Cash Flows from Financing Activities		
Repayments of Long-term Loans	92,939	110,108
Proceeds from Short-term Loans (Payment ())		700,000
Payments for Purchases of Treasury Stock	20	
Payments for Dividends	36,168	
Net Cash Provided by Financing Activities	129,127	810,108
Effect of Exchange Rate Changes on Cash and Equivalents	39,546	6,103
Increase/Decrease in Cash and Cash Equivalents (Decrease ())	632,917	1,036,939
Cash and Cash Equivalents at Beginning of Year	2,255,096	2,437,831
Cash and Cash Equivalents at Mid year Ending (Year Ending)	2,888,014	1,400,891