

Notice of Revised Full-year Earnings Forecasts for the Fiscal Year Ending March 31, 2009

Taking into consideration recent trends in our business results, we have revised our previous earnings forecast for the fiscal year ending March 2009 that we announced on October 28, 2008 as indicated below.

Revisions to Full-year Earnings Forecasts for the Fiscal Year Ending March 2009 (Apr. 1, 2008 – Mar. 31, 2009)

(Consolidated)

(Millions of yen; %)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
Previous forecast (A)	940,000	94,000	90,000	48,000	224.40
Revised forecast (B)	781,000	50,000	46,000	20,000	93.52
Amount of change (B)-(A)	(159,000)	(44,000)	(44,000)	(28,000)	-
Percentage change (%)	(16.9)	(46.8)	(48.9)	(58.3)	-
For reference: Previous fiscal year results (Fiscal year ended March 31, 2008)	940,537	108,458	100,564	55,985	271.00

(Non-Consolidated)

(Millions of yen; %)

	Net sales	Operating income (loss)	Ordinary income	Net income	Net income per share
Previous forecast (A)	520,900	14,400	30,200	22,800	106.59
Revised forecast (B)	411,500	(4,400)	14,300	11,200	52.37
Amount of change (B)-(A)	(109,400)	(18,800)	(15,900)	(11,600)	-
Percentage change (%)	(21.0)	-	(52.6)	(50.9)	-
For reference: Previous fiscal year results (Fiscal year ended March 31, 2008)	479,922	33,971	44,258	30,942	149.78

<Reason for the revision>

(1) Consolidated Earnings for the Fiscal Year Ending March 2009 (April 1, 2008 to March 31, 2009)

From autumn 2008, the financial crisis originating in the United States also began having pronounced effects on the real economy globally, and the business environment surrounding the Company deteriorated rapidly.

Demand in Japan, the United States and Europe has fallen beyond our expectations, while demand in such emerging economies as China, Russia, India and Indonesia has continued to trend downward. As a result, net sales will significantly fall below our planned target. Additionally, the yen has strengthened not only against the U.S. dollar and the Euro but also against the currencies of other countries, and our earnings are expected to fall significantly below our previous forecast. Accordingly, as shown above, we are revising our consolidated earnings forecast for the fiscal year ending 2009.

At present, the HCM Group is rapidly promoting countermeasures that include quickly modifying production to adjust stocks, reducing raw material and other proportional costs, and curbing fixed costs.

(2) Non-consolidated Earnings for the Fiscal Year Ending March 2009 (April 1, 2008 to March 31, 2009)

For the same reasons as mentioned above for consolidated earnings, we are also revising our previous non-consolidated earnings forecast for the fiscal year ending March 2009 that we announced on October 28, 2008.

Note: The above performance forecasts were prepared on the basis of information available as of the date of this announcement. Various factors could cause actual results to differ from these forecasts.