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Stock code 7241  
Exchange listings Tokyo and Nagoya First Sections  
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## **Futaba Industrial Reports Extraordinary Loss and Revises its Earnings Forecast for the Fiscal Year ended March 31, 2009**

Futaba Industrial Co., Ltd. announced today that it will record extraordinary losses for the fiscal year ended March 31, 2009 (April 1, 2008 – March 31, 2009) and has accordingly revised its full-year earnings forecasts announced on February 12, 2009. Details of the revisions follow.

### **1. Extraordinary losses**

In consolidated results, Futaba Industrial will record an impairment loss on subsidiaries' fixed assets of 7.5 billion yen. In non-consolidated financial results, Futaba Industrial will record a valuation loss on shares in subsidiaries of 11.3 billion yen and bad debt provisions of 5.4 billion yen associated with the subsidiaries.

### **2. Differences between revised and previous earnings forecasts**

(April 1, 2008 – March 31, 2009)

Revision of consolidated forecast (millions of yen)

	Sales	Operating income	Ordinary income	Net income	Net income per share (yen)
Previous forecast (A)	380,000	(15,000)	(18,000)	(26,000)	(371.64)
Revised forecast (B)	385,000	(15,500)	(20,000)	(33,500)	(478.83)
Difference (B – A)	5,000	(500)	(2,000)	(7,500)	(107.19)
Difference (%)	1.3	—	—	—	—
Reference: Fiscal year ended March 31, 2008	447,164	4,715	2,222	(12,622)	(180.74)

Non-consolidated (millions of yen)

	Sales	Operating income	Ordinary income	Net income	Net income per share (yen)
Previous forecast (A)	270,000	(17,000)	(17,500)	(18,000)	(257.29)
Revised forecast (B)	272,700	(19,000)	(19,800)	(36,700)	(524.57)
Difference (B – A)	2,700	(2,000)	(2,300)	(18,700)	(267.28)
Difference (%)	1.0	—	—	—	—
Reference: Fiscal year ended March 31, 2008	325,040	(3,092)	(3,964)	(15,715)	(224.70)

### 3. Reason for revision

Futaba Industrial expects consolidated and non-consolidated net sales to exceed its previous forecasts but believes that operating income and ordinary income will fall short of previous forecasts because non-consolidated variable costs will exceed projections. Consolidated net income will also be lower versus the previous forecast as Futaba Industrial will record an impairment loss on consolidated subsidiaries. On a non-consolidated basis, Futaba Industrial will record a valuation loss on shares in subsidiaries and bad debt provisions associated with subsidiaries. Due to these factors, Futaba Industrial revised its earnings forecasts as shown above.

Note: The above forecasts and other forward-looking statements are based on management's judgment and assumptions based on information currently available to management. Actual financial results may differ from those expressed or implied by forward-looking statements due to various factors.