



April 8, 2010

**Summary of Financial Results for the Second Quarter of Fiscal Year Ending August 31, 2010
(Six Months Ended February 28, 2010)**

Company name: NPC Incorporated Listing: Mothers of TSE
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 Scheduled date of filing of Quarterly Report: April 14, 2010
 Scheduled date of payment of dividend: None

(All amounts are rounded down to the nearest million yen)

**1. Consolidated Financial Results for the Six Months Ended February 28, 2010
(September 1, 2009 through February 28, 2010)**

(1) Consolidated results of operations (Percentages represent year-on-year changes)

	Sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended February 28, 2010	6,670	-28.7	738	-66.9	743	-66.5	465	-65.3
Six months ended February 28, 2009	9,353	-	2,232	-	2,221	-	1,341	-

	Net income per share	Diluted net income per share
	Yen	Yen
Six months ended February 28, 2010	26.01	25.06
Six months ended February 28, 2009	153.07	144.47

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of February 28, 2010	12,917	7,883	61.0	424.17
As of August 31, 2009	14,999	7,462	49.7	851.61

[Reference] Shareholders' equity (million yen): February 28, 2010: 7,883 August 31, 2009: 7,462

2. Dividends

(Record date)	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Aug. 31, 2009	-	0.00	-	8.00	8.00
Fiscal year ending Aug. 31, 2010	-	0.00	-	8.00	8.00
Fiscal year ending Aug. 31, 2010 (forecast)	-	-	-	4.00	4.00

[Note] Revision of dividend forecast during the period: None

**3. Consolidated Forecast for the Fiscal Year Ending August 31, 2010
(September 1, 2009 through August 31, 2010)**

(Percentages represent year-on-year changes)

	Sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	17,029	20.2	1,205	-54.1	1,253	-52.2	849	-46.1	46.57

[Note] Revision of consolidated forecast during the period: None

4. Others

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in changes in scope of consolidation): None

(2) Application of simplified accounting methods and special accounting methods in the preparation of quarterly consolidated financial statements: Yes

Note: Please refer to “Qualitative Information and Financial Statements, 4. Others” on page 6 for further information.

(3) Changes in accounting principles, procedures and presentation methods for preparation of quarterly consolidated financial statements

1) Changes caused by revision of accounting standards: None

2) Other changes: None

(4) Number of shares outstanding (common shares)

1) Number of shares outstanding (including treasury stock) at end of period

February 28, 2010: 18,585,120 shares

August 31, 2009: 8,762,560 shares

2) Number of treasury stock at the end of period

February 28, 2010: 146 shares

August 31, 2009: 73 shares

3) Average number of shares during the period

Six months ended February 28, 2010: 17,899,228 shares

Six months ended February 28 2009: 8,762,559 shares

* Cautionary statement with respect to forward-looking statements

1. Forecasts of future performance in these materials are based on assumptions judged to be valid and information currently available to the NPC Incorporated, hereinafter referred to as “the Company”. Actual results may differ significantly from these forecasts for a number of factors. Please refer to page 5 in the section “3. Qualitative information regarding consolidated forecast” for details on the above forecasts.

2. The stocks held by the shareholders recorded on August 31, 2009, were split according to a 2-for-1 ratio on September 1, 2009.

Qualitative Information and Financial Statements

1. Qualitative information regarding consolidated results of operations

During the six months ended February 28, 2010, although there were expectations towards economic recovery due to the government's economic stimulus policy and economic development in the emerging countries, personal consumption was sluggish resulting from severe employment and income situation, and capital expenditures also remained stagnant.

Under this operating climate, for the photovoltaic manufacturing equipment business, which is the core business of the NPC Group, there was further world-wide spread of photovoltaic systems resulting from lower system costs and global support policies for system installations.

In accordance with this situation, the Group adopted a business policy of placing priority on obtaining orders to increase the Group's sales, even though profit margins would temporarily become slimmer. In addition, the Group received orders which required many technological developments from some of the customers. It is expected that the work on such orders sharpens the Group's competitive edge in the business near future and leads to the Group's stable income stream in a mid-and-long-term, though it temporarily drives up the manufacturing cost. Due to these activities, the recent amount of the Group's orders is growing at a pace exceeding the market recovery.

In the vacuum packaging machine business, since the food industry, which used to be the primary user segment of the business, tended to shrink, the Group promoted special vacuum packaging machines for manufacturing vacuum insulation panel and etc. to the industries other than the food industry.

Due to these activities, the consolidated net sales for the six months were 6,670 million yen, 71.3% of the same period of the previous year, operating income was 738 million yen, 33.1%, ordinary income was 743 million yen, 33.5%, and net income was 465 million yen, 34.7%.

Operating results by business segment were as follows.

(1) Photovoltaic manufacturing equipment business

Sales amounted to 6,408 million yen, 70.5% of the same period of the previous year. This was because some orders that had been planned to be booked as sales in the second quarter had been shifted to the third quarter or later. The lower sales amount compared with the forecast at the beginning of the year and 273 million yen of provision for loss on order received resulting from received orders which required many technological developments, led to an operating income of 1,029 million yen, 40.1%.

(2) Vacuum packaging machine business

Although there was a decline in capital expenditures in the food industry, the Group made progress in selling machines to a more diverse range of customers, resulting in sales of 261 million yen, 97.4% of the same period of the previous year. Furthermore, the effort of cutting the manufacturing cost resulted in operating income of 41 million yen, 388.8%.

2. Qualitative information regarding consolidated financial position

(1) Assets, liabilities and net assets

At the end of the second quarter, total assets decreased by 2,082 million yen, compared with the previous fiscal year end, to 12,917 million yen. Major components are as follows.

1) Assets

Current assets decreased by 2,087 million yen to 9,119 million yen. This was attributable mainly to decreases of 1,709 million yen in cash & deposits and of 274 million yen in work in process. Noncurrent assets increased by 4 million yen to 3,798 million yen.

2) Liabilities

Liabilities decreased by 2,503 million yen to 5,034 million yen. Current liabilities decreased by 2,502 million yen to 5,022 million yen. This was attributable mainly to decreases of 1,848 million yen in advances received and of 529 million yen in income taxes payable.

3) Net assets

Net assets increased by 421 million yen to 7,883 million yen, mainly because retained earnings increased by 395 million yen.

(2) Cash flows

Cash and cash equivalents, hereinafter referred to as “cash”, at the end of the second quarter decreased by 889 million yen to 1,366 million yen compared with the previous fiscal year end. Major components are as follows.

1) Operating activities

Net cash used in operating activities amounted to 1,552 million yen compared with a 1,565 million yen provided during the same period of the previous fiscal year. While income before income taxes and minority interests was 782 million yen and inventories decreased by 247 million yen, advances received decreased by 1,848 million yen and income taxes paid was 837 million yen.

2) Investing activities

Net cash provided by investing activities amounted to 709 million yen compared with a 3,311 million yen used during the same period of the previous fiscal year. This was attributable mainly to 819 million yen proceeds from withdrawal of time deposits.

3) Financing activities

Net cash used in financing activities amounted to 35 million yen compared with a 34 million yen used during the same period of the previous fiscal year. While proceeds from execution of stock options amounted to 33 million yen, dividend payments amounted to 69 million yen.

3. Qualitative information regarding consolidated forecast

As for the photovoltaic manufacturing equipment market, during the six months ended February 28, 2010, even though profit margins temporarily become slimmer, the Group adopted a business policy of placing priority on obtaining orders to increase the Group's sales. In addition, the Group received orders which require many technological developments from some of the customers. The Group expects that the work on such orders sharpens the Group's competitive edge in the business near future and leads to a stable income stream in a mid-and-long-term, though it temporarily drives up the manufacturing cost.

Due to these activities, the recent amount of the Group's orders is growing at a pace exceeding the current recovery speed of the market. Therefore, the consolidated net sales for the full year are expected to be 17,029 million yen, 120.2% of the previous fiscal year. However, regarding the profits, since such orders under the business policy stated above are to be booked as sales, consolidated operating income is expected to be 1,205 million yen, 45.9%, ordinary income 1,253 million yen, 47.8%, and net income is to be 849 million yen, 53.9%.

This forecast is same as the forecast in the "Announcement on the Revision of Business Forecast" released on March 30, 2010. The details are as follows.

Full Year Forecast	(Million Yen)				
	Sales	Operating income	Ordinary income	Net income	Net income per share (yen)
Previous Forecast (A)	15,803	2,108	2,324	1,394	79.58
Revised Forecast(B)	17,029	1,205	1,253	849	46.57
Amount of increase/decrease (B-A)	1,226	-903	-1,071	-545	-
Change (%)	7.8	-42.8	-46.1	-39.1	-
[Reference] Full year of FY2009	14,164	2,626	2,623	1,575	179.84

[Notes] 1. The stocks held by the shareholders recorded on August 31, 2009, were split according to a 2-for-1 ratio on September 1, 2009. If we make retroactive adjustments reflecting the effect of the stock split, the consolidated net income per share for the full year of fiscal year ended August 31, 2009 will be 89.92 yen.

2. Since the numerical values described in this notification were prepared based on the information available as of the day when this notification was prepared, the actual results may differ from the above-mentioned numerical values depending on various factors afterwards.

4. Others

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in changes in scope of consolidation): None

(2) Application of simplified accounting methods and special accounting methods in the preparation of quarterly consolidated financial statements.

1) Simplified accounting methods

I. Calculation of depreciation expense for fixed assets

For assets subject to the declining balance method, depreciation was calculated on a pro rata basis according to the number of passed days of the year.

II. Method for estimating the uncollectible amount of general receivables

The uncollectible amount of general receivables was estimated using the historical write-off ratio at the end of the previous fiscal year as the ratio at the end of the second quarter of the current fiscal year, because the current write off ratio was found not to be significantly different from the ratio at the end of the previous fiscal year.

III. Valuation of inventories

Inventory write-down is based on the current net sales value of items on which profit margins have declined significantly.

2) Application of special accounting methods in the preparation of quarterly consolidated financial statements

None

(3) Changes in accounting principles, procedures and presentation methods for preparation of quarterly consolidated financial statements

None

5. Consolidated Financial Statement for the Second Quarter of the Fiscal Year 2010
(September 1, 2009 through February 28, 2010)

(1) Consolidated Balance Sheets

(Thousand yen)

	As of February 28, 2010	As of August 31, 2009
Assets		
Current assets		
Cash and deposits	3,666,981	5,376,557
Notes and accounts receivable-trade	1,361,173	1,271,487
Merchandise and finished goods	122,740	93,531
Work in process	3,407,505	3,681,741
Raw materials and supplies	141,242	147,657
Deferred tax assets	187,528	187,839
Other	241,660	468,939
Allowance for doubtful accounts	-9,500	-21,315
Total current assets	9,119,331	11,206,439
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	1,945,687	1,939,514
Accumulated depreciation	-195,695	-150,471
Building and structures, net	1,749,991	1,789,042
Land	1,429,414	1,429,414
Other	422,507	408,087
Accumulated depreciation	-207,616	-173,970
Other, net	214,891	234,116
Total property, plant and equipment	3,394,297	3,452,573
Intangible assets	115,432	123,354
Investments and other assets		
Other	289,478	218,287
Allowance for doubtful accounts	-709	-702
Total investments and other assets	288,768	217,584
Total noncurrent assets	3,798,499	3,793,512
Total assets	12,917,830	14,999,952

	As of February 28, 2010	As of August 31, 2009
Liabilities		
Current liabilities		
Notes and accounts payable-trade	3,273,847	3,471,853
Income taxes payable	324,099	853,606
Advances received	741,561	2,589,798
Provision for loss on order received	273,376	110,023
Other	409,761	499,433
Total current liabilities	5,022,646	7,524,716
Noncurrent liabilities		
Deferred tax liabilities	11,915	13,011
Total noncurrent liabilities	11,915	13,011
Total liabilities	5,034,561	7,537,727
Net assets		
Shareholders' equity		
Capital stock	2,174,962	2,158,002
Capital surplus	2,097,376	2,080,416
Retained earnings	3,645,227	3,249,748
Treasury stock	-321	-321
Total shareholders' equity	7,917,244	7,487,845
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	-116	-
Deferred gains or losses on hedges	6,868	105
Foreign currency translation adjustment	-40,727	-25,726
Total valuation and translation adjustments	-33,975	-25,620
Total net assets	7,883,268	7,462,225
Total liabilities and net assets	12,917,830	14,999,952

(2) Consolidated Statements of Income

(Thousand yen)

	Six months ended February 28, 2009	Six months ended February 28, 2010
Net sales	9,353,911	6,670,105
Cost of sales	6,163,043	4,856,744
Gross profit	3,190,868	1,813,361
Selling, general and administrative expenses	958,816	1,074,448
Operating income	2,232,051	738,912
Non-operating income		
Interest income	9,162	7,161
Dividends income	2	-
Other	11,008	6,250
Total non-operating income	20,173	13,411
Non-operating expenses		
Interest expenses	152	-
Commission fee	8,051	6,298
Foreign exchange losses	22,243	2,014
Other	58	90
Total non-operating expenses	30,505	8,402
Ordinary income	2,221,718	743,921
Extraordinary income		
Reversal of allowance for doubtful accounts	11,041	11,238
Subsidy income	-	34,256
Total extraordinary income	11,041	45,494
Extraordinary loss		
Special retirement expenses	-	6,600
Total extraordinary losses	-	6,600
Income before income taxes and minority interest	2,232,760	782,815
Income taxes-current	955,907	322,616
Income taxes-deferred	-64,467	-5,379
Total income taxes	891,440	317,237
Net income	1,341,320	465,578

(3) Consolidated Statements of Cash Flows

(Thousand yen)

	Six months ended February 28, 2009	Six months ended February 28, 2010
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	2,232,760	782,815
Depreciation	67,642	97,286
Increase (decrease) in allowance for doubtful accounts	-3,568	-11,576
Increase (decrease) in provision for loss on order received	17,745	163,353
Interest and dividends income	-9,164	-7,161
Interest expenses	152	-
Decrease (increase) in notes and accounts receivable-trade	-1,850	-92,427
Decrease (increase) in inventories	2,140,016	247,774
Increase (decrease) in notes and accounts payable-trade	-1,404,011	-196,013
Increase (decrease) in advances received	-1,291,490	-1,848,237
Other, net	274,461	146,439
Subtotal	2,022,692	-717,746
Interest and dividends income received	5,258	2,575
Interest expenses paid	-152	-
Income taxes paid	-462,760	-837,110
Net cash provided by (used in) operating activities	1,565,038	-1,552,280
Net cash provided by (used in) investing activities		
Payments into time deposits	-2,603,012	-
Proceeds from withdrawal of time deposits	126,342	819,951
Purchase of property, plant and equipment	-778,752	-28,453
Purchase of intangible assets	-39,810	-12,541
Other, net	-16,099	-69,514
Net cash provided by (used in) investing activities	-3,311,332	709,442
Net cash provided by (used in) financing activities		
Purchase of treasury stock	-94	-
Proceeds from exercise of stock option	-	33,920
Cash dividends paid	-34,589	-69,060
Net cash provided by (used in) financing activities	-34,684	-35,140
Effect of exchange rate change on cash and cash equivalents	-42,342	-11,645
Net increase (decrease) in cash and cash equivalents	-1,823,320	-889,624
Cash and cash equivalents at beginning of period	4,879,272	2,256,605
Cash and cash equivalents at end of period	3,055,951	1,366,981

(4) Going concern assumption

None

(5) Segment Information

a. Operating segment information

Six months ended February 28, 2009 (September 1, 2008 through February 28, 2009)

(Thousand yen)

	Photovoltaic manufacturing equipment	Vacuum packaging machines	Total	Elimination or corporate	Consolidated
Sales					
(1) External sales	9,084,988	268,923	9,353,911	-	9,353,911
(2) Inter-segment sales and transfers	-	-	-	-	-
Total	9,084,988	268,923	9,353,911	-	9,353,911
Operating income	2,566,416	10,761	2,577,178	-345,126	2,232,051

[Notes] 1. Classification of operating segments

The segment information is presented on the basis of principal business segments.

- (1) Photovoltaic manufacturing equipment: Development, manufacture and sale of photovoltaic manufacturing equipment
 (2) Vacuum packaging machines: Development, manufacture and sale of vacuum packaging machines

2. Principal products by business segment

- (1) Photovoltaic manufacturing equipment: Cell tester, tabbing & stringing machine, module laminator, module tester, thin film module assembly line, and etc.
 (2) Vacuum packaging machines: Small desktop vacuum packaging machines, table vacuum packaging machines, roll-stock vacuum packaging machines, and etc.

Six months ended February 28, 2010 (September 1, 2009 through February 28, 2010)

(Thousand yen)

	Photovoltaic manufacturing equipment	Vacuum packaging machines	Total	Elimination or corporate	Consolidated
Sales					
(1) External sales	6,408,237	261,868	6,670,105	-	6,670,105
(2) Inter-segment sales and transfers	-	-	-	-	-
Total	6,408,237	261,868	6,670,105	-	6,670,105
Operating income	1,029,752	41,840	1,071,593	-332,680	738,912

[Notes] 1. Classification of operating segments

The segment information is presented on the basis of principal business segments.

- (1) Photovoltaic manufacturing equipment: Development, manufacture and sale of photovoltaic manufacturing equipment
 (2) Vacuum packaging machines: Development, manufacture and sale of vacuum packaging machines

2. Principal products by business segment

- (1) Photovoltaic manufacturing equipment: Cell tester, tabbing & stringing machine, module laminator, module tester, thin film module assembly line, and etc.
 (2) Vacuum packaging machines: Small desktop vacuum packaging machines, table vacuum packaging machines, roll-stock vacuum packaging machines, and etc.

b. Geographical segment information

Six months ended February 28, 2009 (September 1, 2008 through February 28, 2009) (Thousand yen)

	Japan	North America	Europe	Total	Elimination or corporate	Consolidated
Sales						
(1) External sales	9,220,026	73,067	60,818	9,353,911	-	9,353,911
(2) Inter-segment sales and transfers	130,513	123,858	125,990	380,362	-380,362	-
Total	9,350,539	196,926	186,808	9,734,274	-380,362	9,353,911
Operating income	2,449,439	88,151	31,186	2,568,777	-336,725	2,232,051

[Notes] 1. The geographic segmentation is decided primarily by geographic proximity.

2. Countries and regions outside Japan are broken down into the following geographical areas.

North America: USA

Europe: Germany

Six months ended February 28, 2010 (September 1, 2009 through February 28, 2010) (Thousand yen)

	Japan	North America	Europe	Total	Elimination or corporate	Consolidated
Sales						
(1) External sales	6,525,491	54,045	90,568	6,670,105	-	6,670,105
(2) Inter-segment sales and transfers	112,267	95,207	37,657	245,132	-245,132	-
Total	6,637,759	149,253	128,226	6,915,238	-245,132	6,670,105
Operating income (loss)	1,042,658	46,601	-9,517	1,079,742	-340,829	738,912

[Notes] 1. The geographic segmentation is decided primarily by geographic proximity.

2. Countries and regions outside Japan are broken down into the following geographical areas.

North America: USA

Europe: Germany

c. Overseas sales

Six months ended February 28, 2009 (September 1, 2008 through February 28, 2009) (Thousand yen)

	Europe/Africa	Asia	Americas	Other	Total
1 Overseas sales	1,688,939	2,244,834	5,047,814	4,764	8,986,352
2 Consolidated sales	-	-	-	-	9,353,911
3 Share of overseas sales in consolidated sales (%)	18.1	24.0	54.0	0.0	96.1

[Notes] 1. The geographic segmentation is decided primarily by geographic proximity.

2. Countries and regions are broken down into the following geographical areas.

(1) Europe/Africa: Germany, France, Spain, Czech, Hungary, Netherlands, South Africa, and etc.

(2) Asia: China, South Korea, Taiwan, Thailand, India, Philippines, and etc.

(3) Americas: USA, Mexico, and etc.

3. Overseas sales include sales of the Company and its consolidated subsidiaries to customers in countries and areas outside Japan.

Six months ended February 28, 2010 (September 1, 2009 through February 28, 2010) (Thousand yen)

	Europe/Africa	Asia	Americas	Other	Total
1 Overseas sales	546,418	3,504,419	2,141,186	2,190	6,194,215
2 Consolidated sales	-	-	-	-	6,670,105
3 Share of overseas sales in consolidated sales (%)	8.2	52.6	32.1	0.0	92.9

[Notes] 1. The geographic segmentation is decided primarily by geographic proximity.

2. Countries and regions are broken down into the following geographical areas.

(1) Europe/Africa: Germany, France, Spain, Czech, Hungary, Netherlands, South Africa, and etc.

(2) Asia: China, South Korea, Taiwan, Thailand, India, Philippines, and etc.

(3) Americas: USA, Mexico, and etc.

3. Overseas sales include sales of the Company and its consolidated subsidiaries to customers in countries and areas outside Japan.

(6) Note in a case when there is a significant fluctuation in the amount of shareholders' equity
No reportable information.

6. Other Information

Production, Orders and Sales

(1) Production

Production amounts by business segment in the period are as follows. (Thousand yen)

Business segment	Six months ended February 28, 2010	Year-on-year ratio (%)
Photovoltaic manufacturing equipment	5,341,889	88.0
Vacuum packaging machines	368,613	141.5
Total	5,710,502	90.2

- [Notes] 1. The above amounts are calculated based on selling prices.
 2. The above amounts are exclusive of consumption taxes.
 3. Year-on-year ratio = Q1+Q2 Year 2010 / Q1+Q2 Year 2009

(2) Orders

Orders received by business segment in the period are as follows. (Six months ended February 28, 2010)

(Thousand yen)

Segment	Orders received	Year-on-year ratio (%)	Order backlog	Year-on-year ratio (%)
Photovoltaic manufacturing equipment	9,142,841	167.4	10,177,118	129.9
Vacuum packaging machines	376,467	127.9	161,687	233.5
Total	9,519,308	165.4	10,338,805	130.8

- [Note] 1. The above amounts are exclusive of consumption taxes.
 2. Year-on-year ratio = Q1+Q2 Year 2010 / Q1+Q2 Year 2009

(3) Sales

Sales by business segment in the period are as follows. (Thousand yen)

Segment	Six months ended February 28, 2010)	Year-on-year ratio (%)
Photovoltaic manufacturing equipment	6,408,237	70.5
Vacuum packaging machines	261,868	97.4
Total	6,670,105	71.3

- [Note] 1. The above amounts are exclusive of consumption taxes.
 2. Year-on-year ratio = Q1+Q2 Year 2010 / Q1+Q2 Year 2009