



January 7, 2010

**Summary of Financial Results for the First Quarter of Fiscal Year Ending August 31, 2010  
(Three Months Ended November 30, 2009)**

Company name: NPC Incorporated Listing: Mothers of TSE  
 Stock code: 6255 URL: <http://www.npcgroup.net>  
 Representative: Yoshiroh Chikaki, President & CEO  
 Contact: Hisashi Sato, Director & General Manager, Research & Planning Department  
 Tel: +81-(0) 3-5615-5069  
 Scheduled date of filing of Quarterly Report: January 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 Three Months Ended November 30, 2009  
(September 1, 2009 through November 30, 2009)**

(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	%
Three months ended Nov. 30, 2009	4,320	-22.7	951	-39.0	959	-38.1	604	-35.3
Three months ended Nov. 30, 2008	5,585	-	1,560	-	1,549	-	934	-

	Net income per share	Diluted net income per share
	Yen	Yen
Three months ended Nov. 30, 2009	34.36	32.54
Three months ended Nov. 30, 2008	106.66	100.67

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of November 30, 2009	12,523	8,001	63.9	449.42
As of August 31, 2009	14,999	7,462	49.7	851.61

[Reference] Shareholders' equity (million yen): November 30, 2009: 8,001 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	-				
Fiscal year ending Aug. 31, 2010 (forecast)		0.00	-	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
1 <sup>st</sup> half year	7,172	-23.3	1,094	-51.0	1,201	-45.9	721	-46.2	41.15
Full year	15,803	11.6	2,108	-19.7	2,324	-11.4	1,394	-11.5	79.58

[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 5 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 the period

November 30, 2009:	17,805,120 shares	August 31, 2009:	8,762,560 shares
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2) Number of treasury stock at end of the period

November 30, 2009:	146 shares	August 31, 2009:	73 shares
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3) Average number of shares during the period (consolidated quarterly cumulative total period)

Three months ended Nov. 30, 2009:	17,589,589 shares	Three months ended Nov. 30 2008:	8,762,560 shares
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\* 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 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

In the first quarter of the fiscal year, while there were expectations towards economic recovery due to the government's economic stimulus policy, consumer spending was shifting at a weak note resulting from employment uncertainty, and capital expenditures remained stagnant.

Under this operating climate, for the photovoltaic manufacturing equipment business, which is the core business of the NPC Group, major module manufacturers who hold high technologies have been on the track of recovery from the end of last fiscal year, and there was further world-wide spread of photovoltaic systems due to higher investment return of photovoltaic projects resulting from lower system costs and effect from announcement and implementation of support policies for system installations in the Southern Europe, Eastern Europe, Asia and etc. In accordance with this change, inquiries for the Group were gradually increasing and orders have gradually recovered in the first quarter of this fiscal year.

In the vacuum packaging machine business, since the food industry, which is the Group's primary user segment, tended to shrink, the Group promoted special vacuum packaging machines for manufacturing vacuum insulation panel and etc. which were for areas other than the food industry.

Due to these activities, the first quarter consolidated net sales were 4,320 million yen, 77.3% of the same period of the previous year, operating income was 951 million yen, 61.0%, ordinary income was 959 million yen, 61.9%, and net income was 604 million yen, 64.7%.

Operating results by business segment were as follows.

#### (1) Photovoltaic manufacturing equipment business

The Group delivered some large orders earlier than planned by responding to customer's request of early delivery date, then some sales that had been planned for the second quarter were booked in the first quarter. As a result, sales amounted to 4,234 million yen, 77.0% of the same period of the previous year and operating income was 1,116 million yen, 64.6%.

#### (2) Vacuum packaging machine business

Although progress in selling machines to a more diverse range of customers was made, the decline in capital expenditures in the food industry resulted in sales of 86 million yen, 99.6% of the same period of the previous year, operating loss was 6 million yen compared with the operating loss of 13 million yen year earlier.

### 2. Qualitative information regarding consolidated financial position

#### (1) Assets, liabilities and net assets

At the end of the first quarter, assets decreased by 2,476 million yen to 12,523 million yen, compared with the previous fiscal year end. Major components are as follows.

##### 1) Assets

Current assets decreased by 2,476 million yen to 8,729 million yen. This was attributable mainly to decreases of 1,237 million yen in cash & deposits and of 1,181 million yen in work in process. Noncurrent assets were 3,793 million yen, same level as the previous year.

##### 2) Liabilities

Liabilities decreased by 3,016 million yen to 4,521 million yen. Current liabilities decreased by 3,015 million yen to 4,508 million yen. This was attributable mainly to decreases of 1,543 million yen in advances received, of 859 million yen in notes and accounts payable-trade, and of 480 million yen in income taxes payable.

3) Net assets

Net assets increased by 539 million yen to 8,001 million yen, mainly because retained earnings increased by 534 million yen.

(2) Cash flows

Cash and cash equivalents at the end of the first quarter decreased by 1,217 million yen to 1,039 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 1,131 million yen compared with 1,062 million yen provided during the same period of the previous fiscal year. While income before income taxes and minority interests was 1,004 million yen and inventories decreased by 1,185 million yen during the period, advances received decreased by 1,543 million yen, notes and accounts payable-trade decreased by 858 million yen and income taxes paid was 836 million yen.

2) Investing activities

Net cash used in investing activities amounted to 36 million yen compared with the net cash used in investing activities of 2,022 million yen during the same period of the previous fiscal year. The main use of cash was 25 million yen for the purchase of property, plant and equipment.

3) Financing activities

Net cash used in financing activities amounted to 47 million yen compared with the net cash used in financing activities of 28 million yen during the same period of the previous fiscal year. Cash was used primarily for dividend payments of 56 million yen.

### 3. Qualitative information regarding consolidated forecast

For the fiscal year ending on August 31, 2010 (September 1, 2009 through August 31, 2010), since the backlogs are being transformed into sales as planned and orders are showing gradual recovery, the Group forecasts net sales of 15,803 million yen, 111.6% of the previous year. On the other hand, while cost competitions among the module manufacturers are a trend, there is also cost-down pressure for equipment manufacturers. The Group will continuously make effort for cost reduction by reducing a manufacturing cost and raising equipment performance, corresponding to the customers' needs. However, for this fiscal year, the Group assumes the market to temporarily enter a price-declining term, forecasting operating income of 2,108 million yen, 80.3% of the previous year, ordinary income of 2,324 million yen, 88.6%, and net income of 1,394 million yen, 88.5%.

This forecast is same as the forecast announced in the "Summary of Financial Results for the Fiscal Year Ended August 31, 2009" released on October 14, 2009, and there is no change for the first-half and full-year forecasts.

### 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 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 first 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

No reportable information.

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

No reportable information.

**Consolidated Financial Statement for the First Quarter of the Fiscal Year 2010**  
**(September 1, 2009 through November 30, 2009)**

**(1) Consolidated Balance Sheets**

**(Thousand yen)**

	As of November 30, 2009	As of August 31, 2009
Assets		
Current assets		
Cash and deposits	4,139,155	5,376,557
Notes and accounts receivable-trade	1,580,913	1,271,487
Merchandise and finished goods	105,764	93,531
Work in process	2,499,806	3,681,741
Raw materials and supplies	131,946	147,657
Deferred tax assets	159,917	187,839
Other	122,594	468,939
Allowance for doubtful accounts	-10,335	-21,315
Total current assets	8,729,763	11,206,439
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	1,943,937	1,939,514
Accumulated depreciation	-173,038	-150,471
Building and structures, net	1,770,898	1,789,042
Land	1,429,414	1,429,414
Other	419,014	408,087
Accumulated depreciation	-190,859	-173,970
Other, net	228,154	234,116
Total property, plant and equipment	3,428,468	3,452,573
Intangible assets	120,314	123,354
Investments and other assets		
Other	245,367	218,287
Allowance for doubtful accounts	-709	-702
Total investments and other assets	244,657	217,584
Total noncurrent assets	3,793,440	3,793,512
Total assets	12,523,204	14,999,952

	As of November 30, 2009	As of August 31, 2009
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable-trade	2,612,335	3,471,853
Income taxes payable	373,250	853,606
Advances received	1,046,147	2,589,798
Provision for loss on order received	131,150	110,023
Other	345,971	499,433
<b>Total current liabilities</b>	<b>4,508,855</b>	<b>7,524,716</b>
<b>Noncurrent liabilities</b>		
Deferred tax liabilities	12,434	13,011
<b>Total noncurrent liabilities</b>	<b>12,434</b>	<b>13,011</b>
<b>Total liabilities</b>	<b>4,521,289</b>	<b>7,537,727</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	2,162,482	2,158,002
Capital surplus	2,084,896	2,080,416
Retained earnings	3,783,971	3,249,748
Treasury stock	-321	-321
<b>Total shareholders' equity</b>	<b>8,031,028</b>	<b>7,487,845</b>
<b>Valuation and translation adjustments</b>		
Deferred gains or losses on hedges	1,951	105
Foreign currency translation adjustment	-31,065	-25,726
<b>Total valuation and translation adjustments</b>	<b>-29,114</b>	<b>-25,620</b>
<b>Total net assets</b>	<b>8,001,914</b>	<b>7,462,225</b>
<b>Total liabilities and net assets</b>	<b>12,523,204</b>	<b>14,999,952</b>

**(2) Consolidated Statements of Income****(Thousand yen)**

	Three months ended November 30, 2008	Three months ended November 30, 2009
Net sales	5,585,770	4,320,487
Cost of sales	3,589,243	2,853,099
Gross profit	1,996,526	1,467,388
Selling, general and administrative expenses	436,196	516,031
Operating income	1,560,329	951,356
Non-operating income		
Interest income	3,153	4,302
Dividends income	2	-
Foreign exchange gains	-	1,319
Other	1,211	3,607
Total non-operating income	4,366	9,229
Non-operating expenses		
Interest expenses	165	-
Commission fee	-	1,344
Foreign exchange losses	14,084	-
Other	1,419	3
Total non-operating expenses	15,669	1,347
Ordinary income	1,549,026	959,238
Extraordinary income		
Reversal of allowance for doubtful accounts	6,284	10,590
Subsidy income	-	34,256
Total extraordinary income	6,284	44,846
Income before income taxes and minority interest	1,555,311	1,004,084
Income taxes-current	632,543	373,709
Income taxes-deferred	-11,857	26,053
Total income taxes	620,685	399,762
Net income	934,625	604,322

**(3) Consolidated Statements of Cash Flows****(Thousand yen)**

	Three months ended November 30, 2008	Three months ended November 30, 2009
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	1,555,311	1,004,084
Depreciation	32,708	48,254
Increase (decrease) in allowance for doubtful accounts	-2,048	-10,929
Increase (decrease) in provision for loss on order received	-4,898	21,127
Interest and dividends income	-3,155	-4,302
Interest expenses	165	-
Decrease (increase) in notes and accounts receivable-trade	-376,729	-310,612
Decrease (increase) in inventories	1,724,845	1,185,133
Increase (decrease) in notes and accounts payable-trade	-840,775	-858,742
Increase (decrease) in advances received	-451,475	-1,543,651
Other, net	-115,769	174,253
Subtotal	1,518,178	-295,384
Interest and dividends income received	3,239	531
Interest expenses paid	-165	-
Income taxes paid	-458,800	-836,506
Net cash provided by (used in) operating activities	1,062,451	-1,131,358
Net cash provided by (used in) investing activities		
Payments into time deposits	-1,603,012	-
Proceeds from withdrawal of time deposits	83,745	19,951
Purchase of property, plant and equipment	-466,798	-25,310
Purchase of intangible assets	-28,908	-4,212
Other, net	-7,410	-27,109
Net cash provided by (used in) investing activities	-2,022,384	-36,680
Net cash provided by (used in) financing activities		
Proceeds from exercise of stock option	-	8,960
Cash dividends paid	-28,422	-56,376
Net cash provided by (used in) financing activities	-28,422	-47,416
Effect of exchange rate change on cash and cash equivalents	-32,287	-1,993
Net increase (decrease) in cash and cash equivalents	-1,020,642	-1,217,450
Cash and cash equivalents at beginning of period	4,879,272	2,256,605
Cash and cash equivalents at end of period	3,858,629	1,039,155

**(4) Going Concern Assumption**

No reportable information.

**Segment Information****a. Operating segment information**

Three months ended November 30, 2008 (September 1, 2008 through November 30, 2008)

(Thousand yen)

	Photovoltaic manufacturing equipment	Vacuum packaging machines	Total	Elimination or corporate	Consolidated
Sales					
(1) External sales	5,499,319	86,450	5,585,770	-	5,585,770
(2) Inter-segment sales and transfers	-	-	-	-	-
Total	5,499,319	86,450	5,585,770	-	5,585,770
Operating income (loss)	1,728,379	-13,845	1,714,533	-154,203	1,560,329

[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 &amp; 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.

3. The Group adopted the "Accounting Standard for Measurement of Inventories" (ASBJ Statement No. 9, issued July 5, 2006) from the first quarter ended November 30, 2008, as reported in the "Changes in accounting principles, procedures and presentation methods for preparation of quarterly consolidated financial statements". As a result, for raw materials and supplies, the Group has replaced the cost method based on monthly average cost with the cost method based on monthly average cost (a method in which for the balance sheets, book values are reduced when profit margins significantly decline). In addition, for the merchandise and finished goods, the Group has replaced the cost method based on cost accumulation with the cost method based on cost accumulation (a method in which for the balance sheets, book values are reduced when profit margins significantly decline).

Three months ended November 30, 2009 (September 1, 2009 through November 30, 2009)

(Thousand yen)

	Photovoltaic manufacturing equipment	Vacuum packaging machines	Total	Elimination or corporate	Consolidated
Sales					
(1) External sales	4,234,386	86,101	4,320,487	-	4,320,487
(2) Inter-segment sales and transfers	-	-	-	-	-
Total	4,234,386	86,101	4,320,487	-	4,320,487
Operating income (loss)	1,116,966	-6,839	1,110,127	-158,770	951,356

[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 &amp; 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**

Three months ended November 30, 2008 (September 1, 2008 through November 30, 2008)

(Thousand yen)

	Japan	North America	Europe	Total	Elimination or corporate	Consolidated
Sales						
(1) External sales	5,523,064	30,707	31,998	5,585,770	-	5,585,770
(2) Inter-segment sales and transfers	68,046	87,754	80,816	236,618	-236,618	-
Total	5,591,111	118,461	112,815	5,822,388	-236,618	5,585,770
Operating income (loss)	1,623,913	64,790	10,165	1,698,868	-138,539	1,560,329

[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

Three months ended November 30, 2009 (September 1, 2009 through November 30, 2009)

(Thousand yen)

	Japan	North America	Europe	Total	Elimination or corporate	Consolidated
Sales						
(1) External sales	4,247,932	16,119	56,435	4,320,487	-	4,320,487
(2) Inter-segment sales and transfers	52,552	83,725	14,087	150,365	-150,365	-
Total	4,300,485	99,844	70,522	4,470,852	-150,365	4,320,487
Operating income (loss)	1,065,336	58,995	-7,619	1,116,712	-165,355	951,356

[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**

Three months ended November 30, 2008 (September 1, 2008 through November 30, 2008)

(Thousand yen)

	Europe/Africa	Asia	Americas	Other	Total
1 Overseas sales	797,997	1,076,685	3,579,763	1,920	5,456,367
2 Consolidated sales	-	-	-	-	5,585,770
3 Share of overseas sales in consolidated sales (%)	14.3	19.3	64.1	0.0	97.7

[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 subsidiary to customers in countries and areas outside Japan.

Three months ended November 30, 2009 (September 1, 2009 through November 30, 2009)

(Thousand yen)

	Europe/Africa	Asia	Americas	Other	Total
1 Overseas sales	195,201	1,718,926	2,088,262	910	4,003,300
2 Consolidated sales	-	-	-	-	4,320,487
3 Share of overseas sales in consolidated sales (%)	4.5	39.8	48.3	0.0	92.7

[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 subsidiary to customers in countries and areas outside Japan.

**Other Information****Production, Orders and Sales****(1) Production**

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

Business segment	First quarter of the fiscal year 2010 (September. 1, 2009 – November 30, 2009)	Year-on-year ratio (%)
Photovoltaic manufacturing equipment	2,287,089	72.7
Vacuum packaging machines	186,694	160.1
Total	2,473,783	75.9

[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 Year 2010/ Q1 Year 2009

**(2) Orders**

Orders received by business segment in the period are as follows.

First quarter of the fiscal year 2010 (September 1, 2009 through November 30, 2009) (Thousand yen)

Segment	Orders received	Year-on-year (%)	Order backlog	Year-on-year ratio (%)
Photovoltaic manufacturing equipment	3,034,918	102.0	6,243,045	69.9
Vacuum packaging machines	240,633	151.7	201,620	174.0
Total	3,275,551	104.5	6,444,666	71.2

[Notes]1. The above amounts are exclusive of consumption taxes.

2. Year-on-year ratio = Q1 Year 2010/ Q1 Year 2009

**(3) Sales**

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

Segment	First quarter of the fiscal year 2010 (September. 1, 2009 – November 30, 2009)	Year-on-year ratio (%)
Photovoltaic manufacturing equipment	4,234,386	77.0
Vacuum packaging machines	86,101	99.6
Total	4,320,487	77.3

[Notes]1. The above amounts are exclusive of consumption taxes.

2. Year-on-year ratio = Q1 Year 2010/ Q1 Year 2009