

May 11, 2011

Tera Probe, Inc.
(TSE Mothers, 6627)

Summary of Financial Statement of Fiscal Year 2010

(Less than one million yen are rounded down)

1. Consolidated Earnings Results for Fiscal Year 2010 (April 1, 2010 – March 31, 2011)

(1) Consolidated Earnings Result (% in year to year change)

	Net sales		Operating income		Ordinary income		Net income	
	yen in millions	%	yen in millions	%	yen in millions	%	yen in millions	%
FY2010	21,381	19.9	5,181	79.1	4,835	87.0	4,151	86.1
FY2009	17,836	-4.2	2,892	-	2,585	-	2,231	-

(Reference) Comprehensive income: 4,449 million yen (78.6%) for FY2010 and 2,491 million yen for FY2009

	Net income per share(basic)	Net income per share (diluted)	Return on equity	Ratio of ordinary income total assets	Ratio of operating income to net sales
	yen	yen	%	%	%
FY2010	509.44	-	20.1	11.6	24.2
FY2009	2,905.32	-	14.7	7.4	16.2

(2) Consolidated Financial Condition

	Total assets	Net assets	Equity ratio	Net assets per share
	yen in millions	yen in millions	%	yen
FY2010	50,325	26,557	49.5	2,681.80
FY2009	32,739	17,661	49.9	21,278.86

(Reference) Shareholders' Equity: 24,893 million yen as of March 31, 2011 and 16,342 million yen as of March 31, 2010

(Note) one to ten share splitting was carried out on May 28, 2010.

(3) Consolidated Cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalent at end of fiscal year
	yen in millions	yen in millions	yen in millions	yen in millions
FY2010	10,382	-8,503	2,532	7,211
FY2009	9,327	-807	-7,469	2,820

2. Dividends

	Dividends per share					Total annual dividends	Payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	End of first quarter	End of second quarter	End of third quarter	Year-end	Total			
	yen	yen	yen	yen	yen	yen in millions	%	%
FY2009	-	0.00	-	0.00	0.00	-	-	-
FY2010	-	0.00	-	0.00	0.00	-	-	-
Projection for FY2011	-	0.00	-	35.00	35.00	-	-	-

3. Forecasts of Consolidated Earnings for Fiscal Year 2011 (April 1,2011 – March 31 2012)

(% in change from the same period of previous year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	yen in millions	%	yen in millions	%	yen in millions	%	yen in millions	%	yen
First Half of FY2011	11,700	14.4	1,870	-22.5	1,740	-23.0	940	-41.3	101.27
Total of FY2011	25,500	19.3	5,710	10.2	5,460	12.9	3,090	-25.6	332.88

4. Others

- (1) Changes of important subsidiaries during the period (changes of specific subsidiaries in accordance with changes in the scope of consolidation): None
- (2) Changes in accounting principles, procedures, and the method of presentation associated with the preparation of the consolidated financial statements
- (i) Changed caused by revision of accounting standards: Yes
- (ii) Changes other than (i): None
- (3) Number of shares outstanding (common stock):
- (i) Number of shares outstanding at end of period (including treasury stock):
- As of March 31, 2011: 9,282,500
- As of March 31, 2010: 768,000
- (ii) Number of treasury stock at end of period:
- As of March 31, 2011: -
- As of March 31, 2010: -
- (iii) Average number of shares outstanding during the term
- Fiscal Year 2010: 8,149,056
- Fiscal Year 2009: 768,000

(Reference) Non-consolidated Financial Result for FY2010

R1. Consolidated Earnings Results for Fiscal Year 2010 (April 1, 2010 – March 31, 2011)

(1) Non-consolidated Earnings Result

(% in year to year change)

	Net sales		Operating income		Ordinary income		Net income	
	yen in millions	%	yen in millions	%	yen in millions	%	yen in millions	%
FY2010	18,144	14.6	4,215	76.3	3,874	86.0	3,801	84.2
FY2009	15,835	-11.5	2,391	-	2,082	-	2,063	-

	Net income per share(basic)	Net income per share (diluted)
	yen	yen
FY2010	466.45	-
FY2009	2,686.88	-

(2) Non-Consolidated Financial Condition

	Total assets	Net assets	Equity ratio	Net assets per share
	yen in millions	yen in millions	%	yen
FY2010	45,399	24,595	54.2	2,649.65
FY2009	30,970	16,347	52.8	21,285.94

(Reference) Shareholders' Equity: 24,595 million yen as of March 31, 2011 and 16,347 million yen as of March 31, 2010

(Note) one to ten share splitting was carried out on May 28, 2010.

R2. Forecasts of Non-consolidated Earnings for Fiscal Year 2011 (April 1, 2011 – March 31 2012)

(% in change from the same period of previous year)

	Net sales		Operating income		Ordinary income		Net income
	yen in millions	%	yen in millions	%	yen in millions	%	yen
First Half of FY2011	9,910	15.7	1,330	-22.8	790	-44.2	85.11
Total of FY2011	21,700	19.6	4,430	14.3	2,690	-29.2	289.79

*Status of audit

- At the time of the announcement, the audit procedure of this consolidated financial statement based on Financial Instruments and Exchange Act is carrying out.

*Explanations and other special notes concerning the appropriate use of business performance forecasts

- The forward-looking statements such as result forecasts included in this document are based on the information available to the Company at the time of the announcement and on certain assumptions considered reasonable. Actual results may differ materially from what is expressed herein.

5. Business Performance

(1) Review on Business Performance

(i) Business Performance of This Fiscal Year

Although the economic environment of this fiscal year suffered from the Great East Japan Earthquake generated on March 11, 2011, generally, the economy of the newly emerging countries including China maintained good condition and drove the world economy.

CY2010 worldwide semiconductor market was expected to be the highest ever market size due to the substantial contribution of vigorous demand brought by newly emerging countries. Especially, mobile products such as a smart phone favorably urged the high sales growth in our memory as well as and system LSI business.

Under such situation, the financial performance of this fiscal year showed 21,381 million yen in sales (increased by 19.9% from FY2009), 5,181 million yen in operating income (increased by 79.1%), 4,835 million yen in ordinary income (increased by 87.0%) and 4,151 million yen in net income (increased by 86.1%) on consolidated basis.

The earnings by business segment are as follows. Those are not inclusive of the consolidation adjustment, the exchange rate adjustment or the indivisible expenses.

(ii) Memory Business

In the memory business, its sales increased mainly by turning into higher ratio of mobile RAM.

Since our test demand increased by higher ratio of mobile RAM as well as higher device densities particularly in the second half of this fiscal year, our company deployed the most advanced test equipment in Hiroshima Operation Center and fixed the system corresponding to the increase in test demand, while multiplying parallel test with probe card utilizing the know-how of our company and accelerating efficiency in laser processing.

Moreover, in TeraPower Technology, Inc., a consolidated subsidiary in Taiwan, in order to correspond to the increase in the test demand for memory products, has reinforced equipment in 3 locations. In addition, TeraPower Technology, Inc. is centralizing the holding equipment and facility to a newly acquired building and land so that higher efficiency can be attained.

In these results, the sales of the memory business of this fiscal year achieved to 19,618 million yen (increased by 19.3% from FY2009) at 7,119 million yen in operating income on consolidated basis.

(iii) System LSI business

In the system LSI business, our company has continued the sales and marketing activity as a focus area for a business scale expansion aiming at development in new customers and at full-scale wafer testing services for new products.

As this result, the revenue of test services of SoC, a CMOS image sensor, and analog products increased favorably.

Moreover, although the business scale of the break-even point could not be secured due to price pressure in a part logic products, the sales amount was increased sharply compared with the last fiscal year by gaining more stable business as above-mentioned.

In these results, the sales of the system LSI business of this fiscal year became a 1,782 million yen (increased by 31.5% from FY2009) at 872 million yen in operating loss on consolidated basis.

(2) The Prospect of Fiscal Year 2011

The Great East Japan Earthquake has affected even production in overseas. Although above mentioned uncertainty is unforeseen in fiscal year 2011, the economy is expected to grow steadily due to increase in demand of newly emerging countries and of energy-saving technologies, etc.

Worldwide semiconductor market is assumed 5% of growth for CY2011, and the group of our company believes our earnings will go favorably by continuous activities of development in new customers and new products while new full-scale test services in system LSI coming up and secured business in memory continuing.

In addition, although there is no direct influence on the group of our company by the Great East Japan Earthquake occurred on March 11, certain impact on customers is considered. These statements are based on the information available to the Company at the time of the announcement and on certain assumptions considered reasonable. Actual results may differ materially from what is expressed herein.