

Notice on the new business acquisition (change of a subsidiary company) and the start of new business by Tera Probe

Yokohama, Japan, June 17, 2011

It is hereby notified that Tera probe will inherit, from Casio Computer Co., Ltd. (henceforth "Casio"), all the issued shares of the new company which is going to inherit assets, liabilities, etc. of all the businesses mainly related to WLP(*1) business of Casio Micronics Co., Ltd. (Head Office: Ome-shi, Tokyo, Representative-Director President: Takeshi Wakabayashi hencefore "Casio Micronics"), which Casio established and is a consolidated subsidiary company of Casio (except for the borrowed indebtedness to Casio, etc.), and WLP business will be newly started.

1. Reason for Acquisition of Shares and Start of Business

Since the business start in 2005, Tera Probe has expanded its business achievements favorably by having made wafer test service in semiconductor manufacturing process as main business, and has achieved listing to Tokyo Stock Exchange Mothers in December, 2010.

On the other hand, since Casio Micronics has been addressing the technical development and the processing business of "wafer bump formation(*2)" since foundation.

In 2001 and afterwards, business expansion has been applied to the area of "WLP" (Wafer Level Package) which is the semiconductor package into which this bump technology was deployed.

In order to aim at enhancement and expansion of the turnkey business domain where a synergistic effect with a wafer test service business is highly expected as one of the new growth strategy domains, the WLP business of the Casio group in the top position of this industry will be inherited as a result of deliberation with Casio.

WLP business is considered to be the business expecting a rapid expansion, and will be applied mainly for electronic equipment in the small/thin size and low power consumption represented by a smart phone, tablet PC, etc., in which the high density package is highly required.

Moreover, it is possible to improve predominance further according to the following backgrounds, by such inherits of WLP business.

- Tera Probe is having full knowledge of the special feature of the Casio group's WLP business with easy seamless business deployment as an alliance partner from the past.

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- By succeeding the customers of Casio Micronics, expansion of the ordering opportunity not only in WLP associated business but in wafer test business is expectable.
- By turnkey solution through packaging to wafer test (final test), new customer development can be expected.
- It is possible to improve further predominance in WLP business by fully utilizing know-how with regard to management, technology and manufacturing, etc. of Tera Probe which has been cultivated in the semiconductor industry.

Tera Probe aims at further expansion of the business scale by acquisition of WLP business.

2. Method of Change

As of today, Tera Probe concluded the share purchase agreement with Casio to inherit all issued shares of the new company (henceforth “Teramikros, Inc.”: tentative name) to be established by Casio, which is going to inherit assets, liabilities, etc. regarding all the businesses of Casio Micronics, excluding some of assets and liabilities such as the borrowed indebtedness to Casio, by an absorption-type split (henceforth "The Acquisition of Shares").

3. Subsidiary Company to be transferred, and Outline of New Business (Scheduled)

(1)	Name	Teramikros Inc. (tentative name)	
(2)	Address	3-10-6, Imai, Ome-shi, Tokyo	
(3)	Title and Name of Representative	To be determined	
(4)	Type of Business	Research, development, manufacture or sales of semiconductor electronic devices	
(5)	Section in charge	To be determined	
(6)	Stated capital	To be determined	
(7)	Date of Establishment	July 20, 2011 (scheduled)	
(8)	A major stockholder and a ratio of shareholding	100% of Casio Computer Co., Ltd.	
(9)	The relation between the listed company and the company concerned	Capital relations	There is no applicable matter.
		Human relations	There is no applicable matter.
		Business relations	Tera Probe has the transactions on WLP packaging service consignment with Casio Micronics.

(10) The financial condition and business performance for recent three years these days of the company concerned.

Teramikros, Inc. (tentative name) is due to be established on July 20, 2011, and is going to inherit assets, liabilities, etc. regarding all the businesses of Casio Micronics, excluding some of assets and liabilities such as the borrowed indebtedness to Casio, by an absorption-type split. Therefore, there are no achievements (record of accomplishment) concerning the recent business year of Teramikros, Inc. (tentative name).

In addition, in the latest settlement (Business year ended March, 2011) of Casio Micronics, the sales are 6,053 million yen, the operating loss are 40 million yen, an ordinary loss are 88 million yen, current term net profit are 56 million yen, and, gross assets are 4,689 million yen. The total amount of asset and debt taken over to Teramikros, Inc. (tentative name) from Casio Micronics is respectively 4,689 million yen and 2,417 million yen. And the total amount of asset and debt inherited from Casio to Teramikros, Inc. (tentative name) is severally 47 million yen and 76 million yen (estimated amount based on the balance sheet as of March 31, 2011).

4. Outline of Counterpart of Acquisition of Shares

(1)	Name	Casio Computer Co., Ltd.	
(2)	Address	1-6-2, Hommachi, Shibuya-ku, Tokyo	
(3)	Name Title of A Representative	Kazuo Kashio Representative director president	
(4)	Type of Business	Development, sale of information equipments for individuals, such as calculators, electronic stationery, and clocks, and system devices, electronic devices, etc.	
(5)	Stated capital	48,592 million yen (as of march 31, 2011)	
(6)	Date of establishment	June 1, 1957	
(7)	Net assets	153,232 million yen (consolidated) (as of march 31, 2011)	
(8)	Gross assets	402,456 million yen (consolidated) (as of march 31, 2011)	
(9)	A major stockholder and a ratio of shareholding (as of march 31, 2011)	Japan Trustee Services Bank, Ltd.	15.96%
		The Master Trust Bank of Japan, Ltd.	5.82%
		Nippon Life Insurance Company	4.90%
		Casio Bros. Corp	3.58%
		Trust & Custody Services Bank, Ltd.	2.85%
(10)	The relation between the listed company and the company concerned	Capital relations	There is no applicable matter.
		Human relations	There is no applicable matter.
		Business relations	There is no applicable matter.
		The situation to connected person	There is no applicable matter.

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5. Acquisition Number of Shares, Acquisition Cost, and Situation of Shareholdings before and after Acquisition

(1)	Shareholdings before change	Zero (0) share (The number of voting rights: Zero (0)) (Possession rate:0%)
(2)	Acquisition number of shares	One (1) share (The number of voting rights: One (1)) (The rate to the number of stocks issued: 100%) (Acquisition-cost : 600 million yen)
(3)	Stockholdings after change	One (1) share (The number of voting rights: One (1)) (Possession rate:100%)

6. Scheduled Date

(1)	Resolution by the Board of Directors	June 17, 2011
(2)	Conclusion of the Stock Purchase Agreement	June 17, 2011
(3)	Date of Purchase	October 1, 2011 (scheduled)

7. Future Prospect

As for the influence on the earnings prospect term ended March, 2012, since it is under securitization and it will be announced immediately after final settlement.

(Reference) the consolidated earnings outlook of this term (Announced on May 11, 2011), and a first half consolidation track record

(millions in yen)

	Consolidated net sales	Consolidated operating income	Consolidated ordinary income	Consolidated net income
Forecast of consolidated earnings of FY2011 (ended March, 2012)	25,500	5,710	5,460	3,090
Result of consolidated earnings of FY2010 (ended March, 2011)	21,381	5,181	4,835	4,151

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(Glossary)

*1: WLP (Wafer Level Package)

The size of finished good becomes equivalent to the die size of LSI.

This technology is realized as the following process;

- The lower electrode substantially by re-wiring is formed on a wafer.
- The insulator layer passivation is performed after the above process.
- The dies on a wafer are separated into loose parts after all.

All those processes require high level of technology.

*2: Wafer Bump

It is the small electrode terminal formed on a wafer.

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