

▶ All-in-one console/viewer/filing system
REGIUS Unitea
(Outside Japan: ImagePilot)



▶ X-ray image reader
REGIUS
MODEL 110

▶ Digital radiography
PLAUDR C30



Medical and Graphic Imaging

▶ High-quality halftone digital proofing system
Digital Konsensus Premium

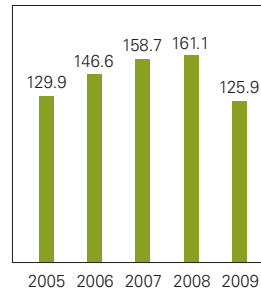


▶ On-demand printing system
Pagemaster Pro 6500N
(Outside Japan: LD-6501)



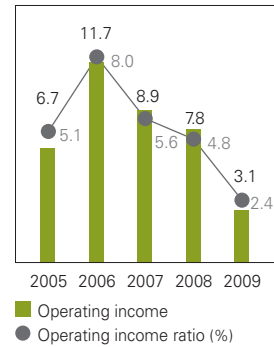
Net Sales

(Billions of Yen)



Operating Income and Operating Income Ratio

(Billions of Yen)



Overview

In the medical/healthcare field, we endeavored to expand sales of digital diagnostic imaging systems to small medical institutions.

We draw on a solid track record in radiographic image processing technologies to develop high-definition digital X-ray image reading equipment as the core of computed radiography systems we supply to hospitals and clinics. During the fiscal year, we focused on expanding sales of the compact *REGIUS Model 110* and peripheral systems, which serve the information technology needs of clinics and other small medical sites, winning acceptance worldwide. Unit sales of computed radiography systems thus increased.

In the graphic arts field, we concentrated on boosting sales of digital printing systems, including the *Pagemaster Pro 6500N* on-demand printing system. Revenues suffered, however, as many customers froze or postponed equipment purchases because of the recession.

Global demand for film in the medical/healthcare and graphic arts fields dropped even further in the fiscal year under review owing to digitization, causing unit sales of film to plunge. The yen's appreciation from the third quarter exacerbated the situation.

Segment sales therefore decreased 21.9%, to ¥125.9 billion. Operating income was down 60.3%, to ¥3.1 billion, as lower film sales overshadowed extensive cost-cutting efforts.

Outlook

In the year ahead, we will expand the installation base of diagnostic imaging systems to boost service business and thereby increase medical/healthcare business revenues. We will focus strategically on the *PLAUDR* series of digital radiography systems, introduced in October 2008, which can display high-definition diagnostic images just five seconds after capturing them.

In March 2009, we stopped manufacturing graphic arts film products in light of further advances in digital convergence, which has caused demand for these products to continue shrinking. We will gradually cease sales of these products.