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Notice of an Amendment to the Forecast of the Financial Results

Based on our recent earning trend, we hereby announce the following revisions to the Second quarter cumulative period of the year ending March 2011 and the full business year ending March 2011 (both made public on May 14, 2010).

1. About the earnings forecast revision

(1) The Second quarter cumulative period of the year ending March 2011 (April 1, 2010 through September 30, 2010)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
Previous forecast(A)	million yen 41,000	million yen 2,800	million yen 2,800	million yen 1,400	yen 74.59
This forecast(B)	million yen 43,300	million yen 4,000	million yen 4,000	million yen 2,400	yen 129.95
Fluctuation sum(B-A)	million yen +2,300	million yen +1,200	million yen +1,200	million yen +1,000	
Fluctuation rate	% +5.6	% +42.9	% +42.9	% +71.4	
(Ref) Second quarter cumulative period for previous FY	million yen 41,578	million yen 2,803	million yen 2,901	million yen 1,114	yen 58.56

(2) The full business year ending March 2011 (April 1, 2010 through March 31, 2011)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
Previous forecast(A)	million yen 89,500	million yen 7,000	million yen 7,000	million yen 3,500	yen 186.49
This forecast(B)	million yen 88,000	million yen 7,500	million yen 7,500	million yen 3,750	yen 203.05
Fluctuation sum(B-A)	million yen -1,500	million yen +500	million yen +500	million yen +250	
Fluctuation rate	% -1.7	% +7.1	% +7.1	% +7.1	
(Ref) Earnings for full business year of previous FY	million yen 88,147	million yen 6,999	million yen 7,006	million yen 3,498	Yen 186.40

2. Reasons for revisions

(1) The Second quarter cumulative period of the year ending March 2011 (April 1, 2010 through September 30, 2010)

The earnings forecast made public on May 14, 2010 anticipated net sales to drop due to, among other issues, saturation in demand for ventilators, blood cell counters and air sterilization and deodorization equipment, which had been in demand due to the prevalence of new type of influenza in the previous fiscal year; whereas, in fact, demand has grown further for ventilators in fiscal year 2010 because areas around Japan (mostly major cities) have tended to prepare themselves for another outbreak of new type of influenza.

Furthermore, successive launches of our proprietary products (electrocardiographs, patient monitoring equipment and therapeutic catheters, etc.) in fiscal year 2009 have extended earnings in the Second quarter cumulative period, and the business of renting medical equipment for home treatment, vascular screening systems and blood cell counters has strengthened.

In the area of cost, we have continued to reduce cost prices and cut overheads, and an event has occurred where part of the expenditure scheduled for the Second quarter cumulative period will now not be appropriated until the Third quarter onward; therefore, the estimated figures previously made public for consolidated operating income, consolidated ordinary income and consolidated net income have been revised upwards.

(2) The full business year ending March 2011 (April 1, 2010 through March 31, 2011)

As described above, mainly due to our proprietary products, the forecasts for earnings up to the Second quarter cumulative period have been revised upward, but there is a fear of demand recoil from the Third quarter onward when new product impact reaches saturation.

Besides stimulation of fresh demand for automated external defibrillators (AEDs), the replacement demand for AEDs more than five years old that was initially forecast is proving to be a doubtful outlook due to the recession.

Moreover, although only having a negligible impact on overall earnings, the termination of distribution agreement for intravascular ultrasound imagery diagnostic devices (announced on September 22, 2010) is expected to have an impact on equipment and catheter sales.

April of this year saw the first plus revision to medical payments in ten years, and with it expectations for improvement in the business environment of medical institutes have grown; however, we surmise that considerable time will be needed before improvements connect to facility investments. Regarding business trends in Japan, as ever, many aspects of the foreign exchange fluctuations and the economic situation are unclear, so we have forecast that the range of revision will be limited for earnings in the full business year.

Further, if earning forecasts need to be revised at a later date, we will swiftly make public that revision.

※ Note

The forecasted financial results described above are based on information available as of announcement release date. Actual results may differ from the results projected and presented hereby for a variety of reasons.