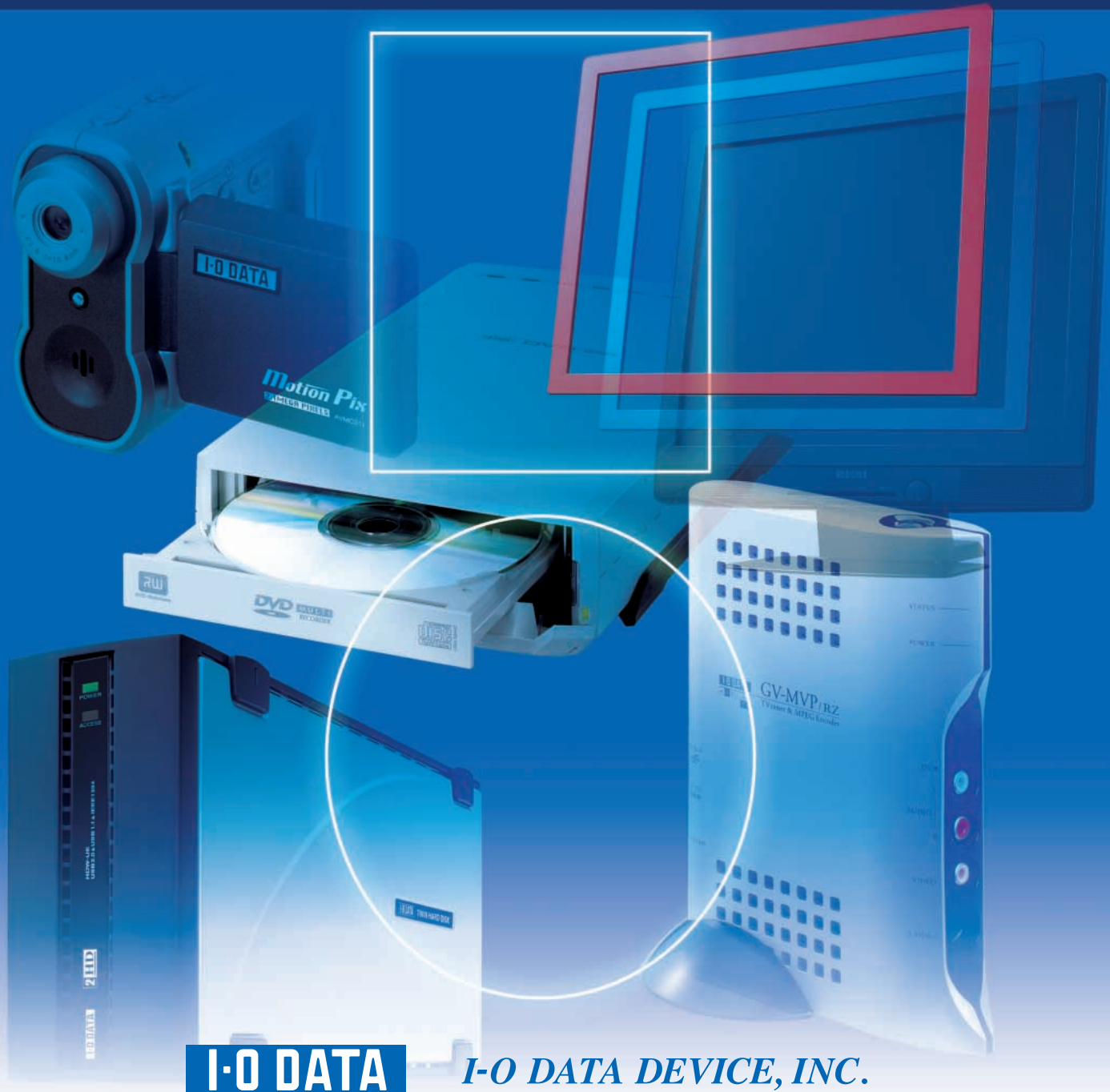


# The 28th term Business Report

From July 1, 2002 to June 30, 2003



**I-O DATA**

*I-O DATA DEVICE, INC.*

# Greetings to Our Shareholders

First, I would like to thank you for your special support to I-O DATA DEVICE, INC. I am pleased to have this opportunity to offer our shareholders my greetings and a few words.

We will report the outline of our sales for the 28th term (July 1, 2002 to June 30, 2003). We request your continued support, guidance, and encouragement as before.



*Akio Hosono.*

**Akio Hosono**, President  
September 2003

# The Outline of Our Sales

The world economy during the current term especially in some parts of Asia centering on China made good progress despite the considerable negative effects from SARS (new type of pneumonia) epidemic on the business environment. On the other hand, the stable personal consumption achieved with the government tax reduction and easy-money policies, which had sustained the U.S. economy, became less effective. Therefore the world economy began to show a noticeable tendency toward stagnation despite the short-term termination of the Iraq War that raised grave concerns. When the long-term stagnation of the European economy is taken into account, there is a lingering fear of the entire world economy moving toward a global recession rather than the hope of a full-scale recovery. For the Japanese economy, exports to the United States and Asia remained steady; however, private capital investment and personal spending, which still lacked dynamism, showed evidence of having reached their lowest levels. On the other hand, employment and income are decreasing, and the sluggish stock market coupled with declining land prices resulted in the negative appraisal of assets, which badly affected corporate management and personal property. Under these circumstances, the deflationary economy of Japan has yet to develop signs of improvement.

In the personal computer industry, during the 4th quarter of the latter half of the current term, signs of bright prospects were finally observed. For instance, the volume of shipments of personal computers exceeded that of the corresponding period of a year earlier for the first time in two years as a result of government promotion of the e-Japan initiative and IT investment tax incentive measures. For the entire term, however, as was reported by JEITA (Japan Electronic Information Technology Association) in July 2003, the volume of domestic shipments of personal computers during the term from July 2002 to June 2003 fell about 4% year-on-year, evidence of the overall sluggish performance for shipments of personal computers.

Under these circumstances of stagnating consumption throughout the term and fierce marketing competition from

other companies, the figures of both sales and volume of our major products, such as extension memory boards, storage products, LCD, and other peripherals, excluding OEM products and goods, exceeded those of the previous term on a year-on-year basis. Furthermore, among all the products in the computer peripherals category, our particular products amalgamated with digitalized information appliances, such as miniaturized movie-cameras, hard-disk video recorders, MP3 players, and TV tuners for LCD, etc. and for which we had developed a challenging new business undertaking for several years, grew steadily in sales and quantity. Although amalgamated products are not our core products, they contributed to total sales, while we were creating a new market as a peripheral equipment maker.

I-O Net Inc., our consolidated subsidiary, completed its liquidation in December 2002.

Our current term business outline by division is as follows.

## **Extension Memory Board Division**

Though demand for personal computers remained stagnant as usual as ever, the sales of extension memory boards rose 21.8% from the previous year because DRAM volume per machine increased; DDR-type SDRAM that enables high-speed data processing replaced the conventional DRAM and is expected to be a mainstream from the yearend through the end of the current term; and the market of memory cards for digital cameras etc. and USB flash memory to be directly plugged into the USB ports of personal computers greatly expanded.

## **Storage Division**

In this division, we put up a poor fight in increasing sales and shipments of CD-ROM, CD-R/RW, and MO products owing to fierce market competition, falling unit prices of products, and changes in demand. However, DVD and hard disk products made good progress throughout the term as our particular products amalgamated with digitalized information appliances, which pushed up sales 20.6% year-on-year.

### **Peripheral Division**

Multimedia products, such as graphic boards, video-capture boards, etc., and extension boards, such as TV tuner boards and interface boards, etc., which have been our bread-and-butter products in the past, dropped both in sales and shipment quantity due to falling unit prices of the products and standardization of on-board functions. In addition, network products, which made good progress during the former half of the term, turned sluggish in the latter half of the term because of severe competition. However, sales of those products amalgamated with digitalized information appliances, such as LCD, hard disc video recorders, and miniaturized movie-cameras, etc. remained buoyant with an abundant lineup, which marked 13.2% increase year-on-year.

### **Custom Order Product Division**

Since we could not come up with a core product to replace TV tuner boards that had been sold as OEM products for major personal computer makers, the sales dropped 19.8% on a year-on-year basis.

### **Others**

Our core products, the sound blaster series, had a difficult time and sales ended 23.0% down year-on-year.

As a result, sales for the current term were 64,268 million yen (15.8% increase compared with the previous term), ordinary profit was 1,431 million yen (837 million yen loss in the previous term), and current net income was 1,084 million yen (1,624 million yen loss in the previous term). Moreover, consolidated sales were 65,029 million yen (15.6% increase compared with the previous term), consolidated ordinary profit was 1,602 million yen (906 million yen loss in the previous term), and consolidated current net income was 1,195 million yen (1,359 million yen loss in the previous term).

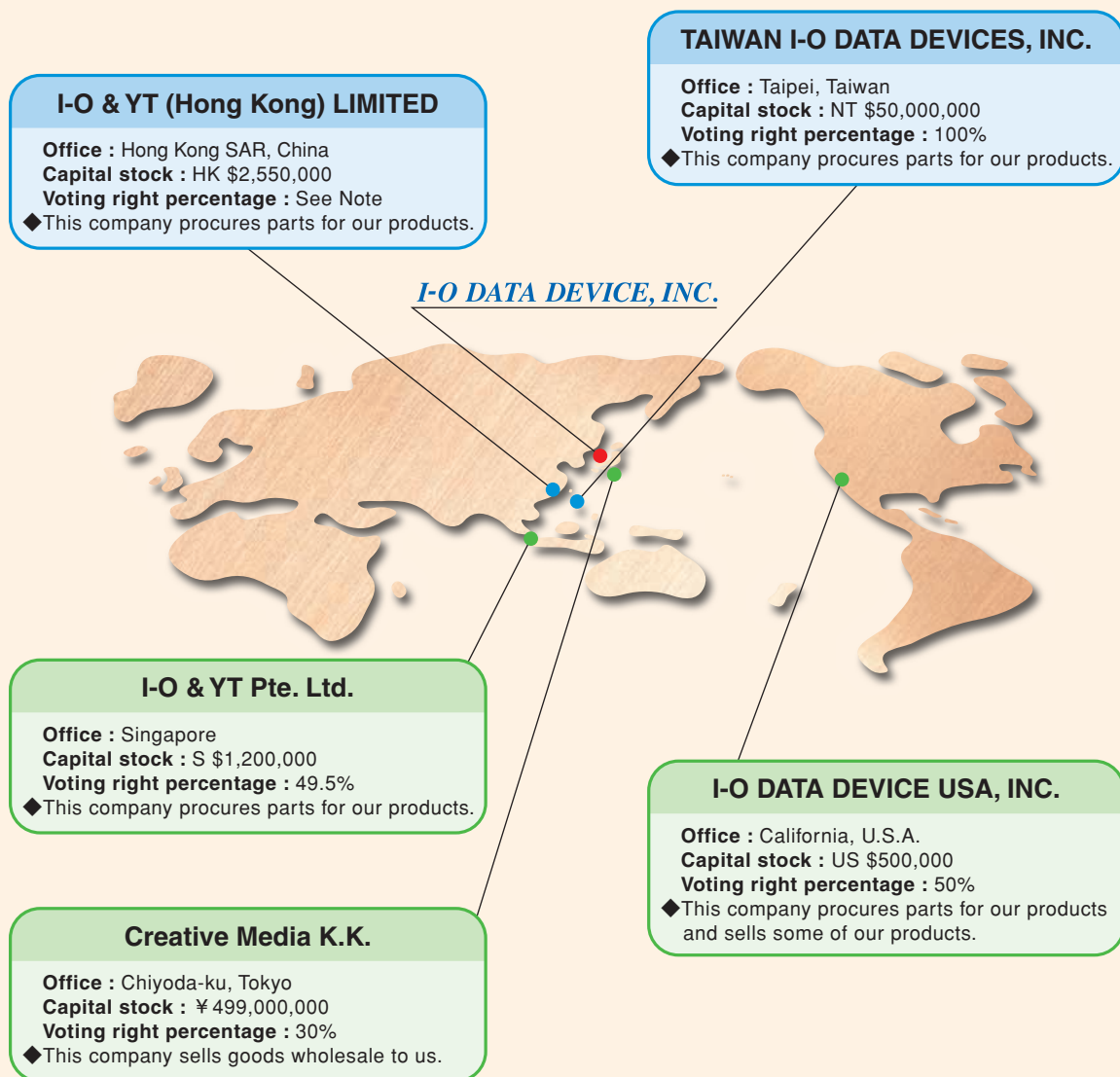
As for prospects for the future, it seems extremely difficult to conclude that the world economy will immediately recover from the deflationary trend and change for the better, even though our domestic economy has shown signs

of recovery in corporate profit and a brisk movement in some economic figures. There is still much concern about the climate of the U.S. economy faced with the problem of healing the wounds of the Iraq War. In addition, concerns remain about the potential impacts of the SARS (new type of pneumonia) problem on the buoyant Asian economy, especially in China after the conclusion of the epidemic.

Under these circumstances, we cannot expect the personal computer industry surrounding our cooperate group to recover in a short time to meet expanded equipment investment and personal consumption in response to the computerization of corporations, but rather we assume that the current demand environment will be continuously reflected in the market situation. However, we can expect more promotion of investment in computerization of public offices, educational institutions, and companies in the future through the e-Japan initiative and IT investment tax reduction proposed by the government.

Therefore, we expect the non-consolidated financial statement for the next full term to be 68,300 million yen in sales, 1,964 million yen in ordinary profit, and 1,455 million yen in net profit. The consolidated financial statement will be 69,200 million yen in sales, 2,160 million yen in ordinary profit, and 1,580 million yen in net profit for the term. Throughout our corporate group, we will carry out every policy to reduce expenses as well as to secure more sales and profits than ever. Thus, we are determined to further improve our corporate performance through step-by-step efforts for advancement in organizational structure with a management theme focusing on "Integrated systems of development, production, and sales" that we have long worked on so as to immediately meet new management/business environments that we may face both home and abroad.

# Status of Corporate Group



Note: TAIWAN I-O DATA DEVICES, INC. holds a 50% share and the remaining 50% belongs to I-O & YT Pte. Ltd.

# Consolidated Financial Statements

## Consolidated Balance Sheets

Item	Amount		Item	Amount	
	28th Term (As of June 30, 2003)	27th Term (As of June 30, 2002)		28th Term (As of June 30, 2003)	27th Term (As of June 30, 2002)
<b>ASSETS</b>			<b>LIABILITIES</b>		
<b>Current Assets</b>			<b>Current Liabilities</b>		
Cash and bank deposits	5,720,251	2,759,747	Notes and accounts payable-trade	8,480,576	9,748,265
Notes and accounts receivable-trade	12,486,373	13,136,401	Short-term borrowings	—	1,500,000
Inventories	4,334,406	7,414,070	Accrued income taxes	52,523	43,240
Deferred tax assets	364,870	431,817	Other	2,552,689	1,218,510
Other	1,542,463	1,030,213	<b>Total Current Liabilities</b>	<b>11,085,789</b>	<b>12,510,016</b>
Less: Allowance for doubtful accounts	(35,205)	(134,490)	<b>Long-term Liabilities</b>		
<b>Total Current Assets</b>	<b>24,413,161</b>	<b>24,637,760</b>	Reserve for retirement benefits	120,064	63,703
<b>Fixed Assets</b>			Reserve for directors' retirement allowances	129,080	130,657
Tangible fixed assets			Other	278,886	193,058
Buildings and structures	1,774,755	1,893,624	<b>Total Long-term Liabilities</b>	<b>528,031</b>	<b>387,418</b>
Land	3,204,955	3,204,955	<b>Total Liabilities</b>	<b>11,613,821</b>	<b>12,897,435</b>
Other	339,193	317,938	<b>MINORITY INTERESTS</b>		
<b>Total tangible fixed assets</b>	<b>5,318,904</b>	<b>5,416,518</b>	Minority interests	17,974	10,196
Intangible fixed assets	263,401	209,126	<b>SHAREHOLDERS' EQUITY</b>		
Investments and others			Capital stock	3,588,070	3,588,070
Investments in securities	700,170	432,223	Additional paid-in capital	4,308,653	4,308,653
Other	738,570	894,674	Retained earnings	12,149,142	11,107,763
Less: Allowance for doubtful accounts	(56,000)	(71,674)	Other gain or loss from securities revaluation	36,869	(17,529)
<b>Total investments and others</b>	<b>1,382,740</b>	<b>1,255,223</b>	Exchange adjustment	(45,606)	(86,460)
<b>Total Fixed Assets</b>	<b>6,965,047</b>	<b>6,880,868</b>	Treasury stock-at cost	(290,716)	(289,500)
<b>Total Assets</b>	<b>31,378,208</b>	<b>31,518,629</b>	<b>Total Shareholders' Equity</b>	<b>19,746,412</b>	<b>18,610,997</b>
			<b>Total Liabilities, Minority Interests, and Shareholders' Equity</b>	<b>31,378,208</b>	<b>31,518,629</b>

Notes:1

## Consolidated Statements of Income

(Thousands of yen)

Item	Amount	
	28th Term (Year ended June 30, 2003)	27th Term (Year ended June 30, 2002)
Net sales	65,029,782	56,252,395
Cost of sales	57,066,425	50,522,218
<b>Gross profit</b>	<b>7,963,357</b>	<b>5,730,176</b>
Selling, general and administrative expenses	6,342,608	6,251,262
<b>Operating income (loss)</b>	<b>1,620,748</b>	<b>(521,085)</b>
Non-operating income	175,240	170,987
Interest received	11,524	19,463
Purchase discount	105,788	96,510
Other	57,926	55,013
Non-operating expenses	193,330	556,077
Interest expense	3,998	3,333
Sales discount	90,621	106,686
Investment loss from the investment consortium	54,980	89,487
Investment loss on equity method	24,338	54,243
Foreign exchange loss	5,398	280,366
Other	13,993	21,959
<b>Ordinary income (loss)</b>	<b>1,602,657</b>	<b>(906,176)</b>
Extraordinary income	131,539	—
Reversal of allowance for doubtful accounts	110,072	—
Gain on sale of stocks of affiliated companies	21,467	—
Extraordinary loss	399,529	107,936
Loss on disposal of fixed assets	10,660	33,704
Loss on sale of fixed assets	153	—
Patent licensing fee	387,165	—
Loss on devaluation of investments in securities	—	22,264
Write-down of memberships	1,550	9,400
Other	—	42,567
<b>Income (Loss) before income taxes</b>	<b>1,334,668</b>	<b>(1,014,112)</b>
Income taxes-current	68,294	71,661
Income taxes-deferred	62,151	285,534
Minority interests	9,004	(11,657)
<b>Net income (loss)</b>	<b>1,195,217</b>	<b>(1,359,652)</b>

Notes:2

## Consolidated Statements of Cash Flow

(Thousands of yen)

Item	Amount	
	28th Term (Year ended June 30, 2003)	27th Term (Year ended June 30, 2002)
<b>Cash flows from operating activities:</b>		
Income (Loss) before income taxes	1,334,668	(1,014,112)
Depreciation and amortization	425,042	468,124
Decrease in reserve for directors' retirement allowances	(1,576)	(8,233)
Increase (Decrease) in allowance for doubtful accounts	(114,959)	63,543
Decrease in trade receivables	657,047	1,661,957
Decrease (Increase) in inventories	3,079,664	(1,720,622)
Decrease in trade payables	(1,269,325)	(1,716,566)
Others, net	890,941	(210,703)
<b>Subtotal</b>	<b>5,001,502</b>	<b>(2,476,614)</b>
Interest and dividends received	15,820	20,669
Interest paid	(3,559)	(3,736)
Income taxes paid	114,423	(582,410)
<b>Net cash used in operating activities</b>	<b>5,128,187</b>	<b>(3,042,092)</b>
<b>Cash flows from investing activities:</b>		
Acquisition of tangible and intangible fixed assets	(376,142)	(201,427)
Acquisition of investments in securities	(227,872)	(41,078)
Others, net	98,930	(15,582)
<b>Net cash used in investing activities</b>	<b>(505,083)</b>	<b>(258,088)</b>
<b>Cash flows from financing activities:</b>		
Net increase (decrease) in short-term borrowings	(1,495,000)	1,500,000
Cash dividends paid	(148,218)	(220,997)
Others, net	(1,216)	26,883
<b>Net cash provided by financing activities</b>	<b>(1,644,435)</b>	<b>1,305,885</b>
Effects of exchange rate changes on cash and cash equivalents	(18,163)	(45,101)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>2,960,504</b>	<b>(2,039,397)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>2,759,747</b>	<b>4,799,144</b>
<b>Cash and cash equivalents at end of year</b>	<b>5,720,251</b>	<b>2,759,747</b>

Notes:3

Notes:1	(Millions of yen)	
	28th Term (As of June 30, 2003)	27th Term (As of June 30, 2002)
1. Accumulated depreciation of tangible fixed assets	2,626	2,345
2. Investments in securities with regard to affiliated companies are as follows:		
Investments in securities (for shares of affiliated companies)	246	273

Notes:2	(Millions of yen)	
	28th Term (As of June 30, 2003)	27th Term (As of June 30, 2002)
1. Major expense items and amounts in selling, general and administrative expenses		
Advertising and general publicity expenses	646	640
Salaries, benefits and bonuses	1,831	1,803
Packing and freight charges	886	782
Research and development expense	1,109	1,023

Notes:3

1. Cash and cash equivalents at end of year agree with "Cash and bank deposits" stated in the consolidated balance sheets.



# Non-Consolidated Financial Statements

## Non-Consolidated Balance Sheets

Item	Amount		Item	Amount	
	28th Term (As of June 30, 2003)	27th Term (As of June 30, 2002)		28th Term (As of June 30, 2003)	27th Term (As of June 30, 2002)
<b>ASSETS</b>			<b>LIABILITIES</b>		
<b>Current Assets</b>			<b>Current Liabilities</b>		
Cash and bank deposits	5,050,045	1,851,871	Notes and accounts payable-trade	8,421,859	9,268,292
Notes and accounts receivable-trade	12,471,564	13,051,368	Short-term borrowings	—	1,500,000
Inventories	3,974,079	6,972,140	Accrued income taxes	20,000	10,000
Deferred tax assets	417,400	417,400	Other	2,529,657	1,195,545
Other	1,832,734	1,794,256	<b>Total Current Liabilities</b>	<b>10,971,516</b>	<b>11,973,837</b>
Less: Allowance for doubtful accounts	(103,000)	(453,486)	<b>Long-term Liabilities</b>		
<b>Total Current Assets</b>	<b>23,642,824</b>	<b>23,633,551</b>	Reserve for retirement benefits	120,064	63,703
<b>Fixed Assets</b>			Reserve for directors' retirement allowances	129,080	130,657
Tangible fixed assets			Other	213,935	164,167
Buildings and structures	1,773,954	1,893,309	<b>Total Long-term Liabilities</b>	<b>463,080</b>	<b>358,527</b>
Land	3,204,955	3,204,955	<b>Total Liabilities</b>	<b>11,434,596</b>	<b>12,332,365</b>
Other	337,220	314,802	<b>SHAREHOLDERS' EQUITY</b>		
<b>Total tangible fixed assets</b>	<b>5,316,129</b>	<b>5,413,067</b>	Capital stock	3,588,070	3,588,070
Intangible fixed assets	261,687	207,984	Additional paid-in capital	4,308,653	4,308,653
Investments and others			Retained earnings	11,663,006	10,732,389
Investments in securities	874,480	619,530	Other gain or loss from securities revaluation	36,869	(17,529)
Other	701,357	852,749	Treasury stock-at cost	(290,716)	(289,500)
Less: Allowance for doubtful accounts	(56,000)	(72,433)	<b>Total Shareholders' Equity</b>	<b>19,305,882</b>	<b>18,322,084</b>
<b>Total investments and others</b>	<b>1,519,838</b>	<b>1,399,846</b>	<b>Total Liabilities and Shareholders' Equity</b>	<b>30,740,479</b>	<b>30,654,450</b>
<b>Total Fixed Assets</b>	<b>7,097,655</b>	<b>7,020,898</b>			
<b>Total Assets</b>	<b>30,740,479</b>	<b>30,654,450</b>			

Notes:4



# Appropriation of Retained Earnings

## Non-Consolidated Statements of Income

(Thousands of yen)

Item	Amount	
	28th Term (Year ended June 30, 2003)	27th Term (Year ended June 30, 2002)
Net sales	64,268,010	55,501,536
Cost of sales	56,796,639	50,309,095
Gross profit	7,471,370	5,192,441
Selling, general and administrative expenses	6,044,197	5,829,762
Operating income (loss)	1,427,172	(637,321)
Non-operating income	182,133	187,200
Interest received	17,194	35,261
Purchase discount	105,788	96,510
Other	59,150	55,428
Non-operating expenses	178,266	387,252
Interest expense	3,128	3,203
Sales discount	90,621	106,686
Investment loss from the investment consortium	54,980	89,487
Foreign exchange loss	24,151	168,685
Other	5,385	19,189
Ordinary income (loss)	1,431,039	(837,372)
Extraordinary income	60,787	—
Reversal of allowance for doubtful accounts	41,112	—
Gain on sale of stocks of affiliated companies	19,675	—
Extraordinary loss	397,937	264,249
Loss on disposal of fixed assets	9,068	32,670
Loss on sale of fixed assets	153	—
Patent licensing fee	387,165	—
Loss on devaluation of investments in securities	—	22,264
Write-down of memberships	1,550	9,400
Provision for reserve for investment loss	—	30,915
Loss on liquidation of subsidiaries	—	169,000
Income (Loss) before income taxes	1,093,889	(1,101,622)
Income taxes-current	14,845	18,296
Income taxes-deferred	(5,410)	504,783
Net income (loss)	1,084,454	(1,624,701)
Profit brought forward from the previous year	154,392	131,776
Reversal from legal reserve	215,515	—
Unappropriated retained earnings (deficit) for the year	1,454,362	(1,492,925)

Notes:5

(Yen)

Item	Amount	
	28th Term (Year ended June 30, 2003)	27th Term (Year ended June 30, 2002)
Unappropriated retained earnings (deficit) for the year	1,454,362,509	(1,492,925,265)
Reversal of reserve for fixed assets reduction	1,087,094	1,155,254
Reversal of special reserve	—	1,800,000,000
Total	1,455,449,603	308,229,989
Profit was appropriated as follows:		
Reserve for fixed assets reduction	4,631,381	—
Dividends	191,000,498 (¥13 per share)	146,937,760 (¥10 per share)
Bonuses to directors and corporate auditors (Of which, bonuses to corporate auditors)	11,100,000 (1,050,000)	6,900,000 (900,000)
Special reserve	1,000,000,000	—
Profit to be carried forward	248,717,724	154,392,229

Note: Calculation of the reserve for fixed assets reduction is based on the revised legal effective tax rate to be used for calculation of deferred tax liability.

Notes:4

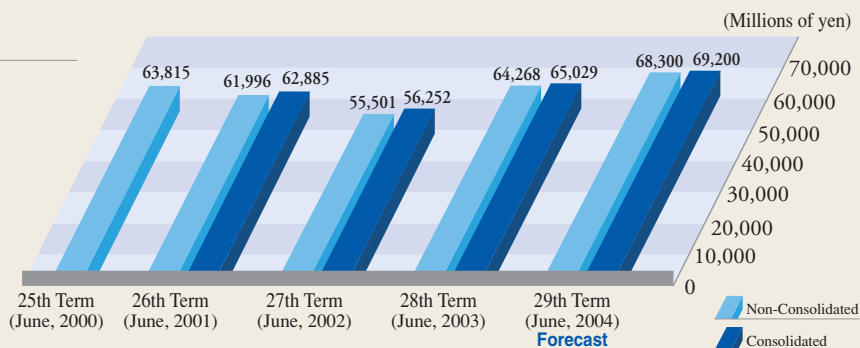
	28th Term (As of June 30, 2003)	27th Term (As of June 30, 2002)
1. Short-term receivable due from subsidiaries	¥316,039 thousand	¥1,036,754 thousand
Short-term payable due to subsidiaries	¥1,143,719 thousand	¥934,697 thousand
2. Accumulated depreciation of tangible fixed assets	¥2,619,745 thousand	¥2,342,634 thousand
3. Liabilities for guarantee		
TAIWAN I-O DATA DEVICES, INC.	¥817,064 thousand (US\$6,820 thousand)	¥950,893 thousand (—)
Those denominated in foreign currencies therein:	¥817,064 thousand (US\$6,820 thousand)	¥914,857 thousand (US\$7,655 thousand)
4. Dividend limitation	¥36,869 thousand	—
Amounts of net assets stipulated in the third paragraph of Article 124 of enforcement regulations of the Commercial Law		
5. Net income (loss) per share	¥73.05	(¥110.58)
From the current fiscal year on, "Accounting Principles Regarding Current Net Profit per Share" have been applied. If the current net profit per share were calculated under the same calculation method as the previous term, it would be 73.81 yen.		

Notes:5

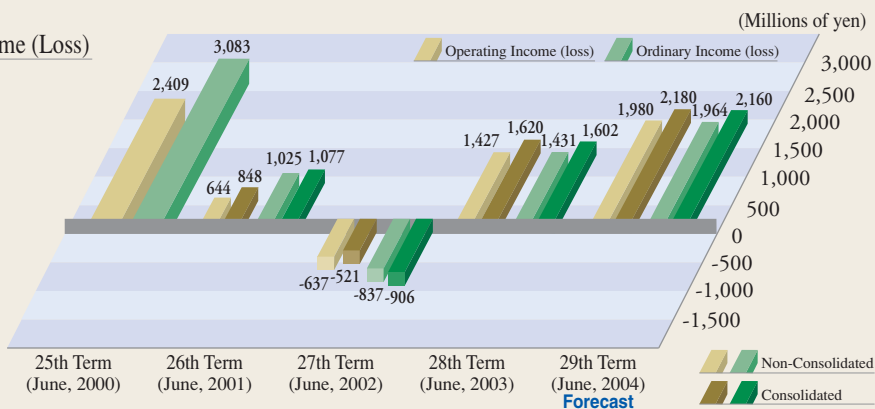
	28th Term (Year ended June 30, 2003)	27th Term (Year ended June 30, 2002)
1. Sales to subsidiaries	¥638,351 thousand	¥249,134 thousand
Purchases, etc. from subsidiaries	¥13,917,025 thousand	¥14,702,881 thousand
Non-operating transactions with subsidiaries	¥17,883 thousand	¥22,545 thousand
2. Research and development costs included in selling, general and administrative expenses	¥1,109,052 thousand	¥1,017,697 thousand

# Changes in Operating Results

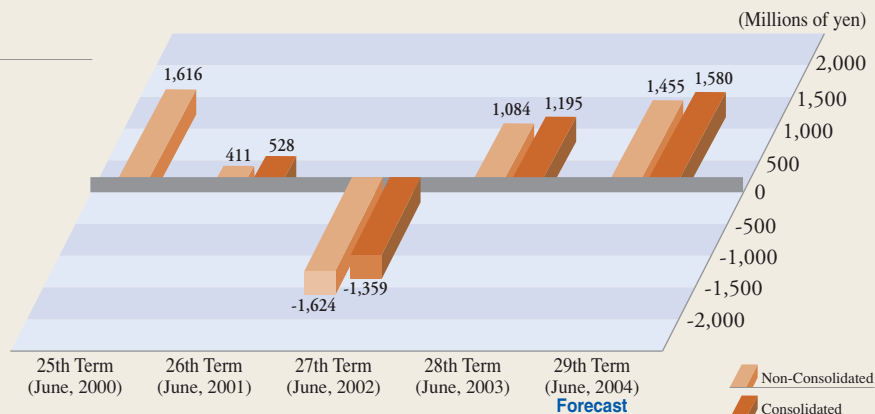
## Net Sales



## Operating Income (Loss), Ordinary Income (Loss)

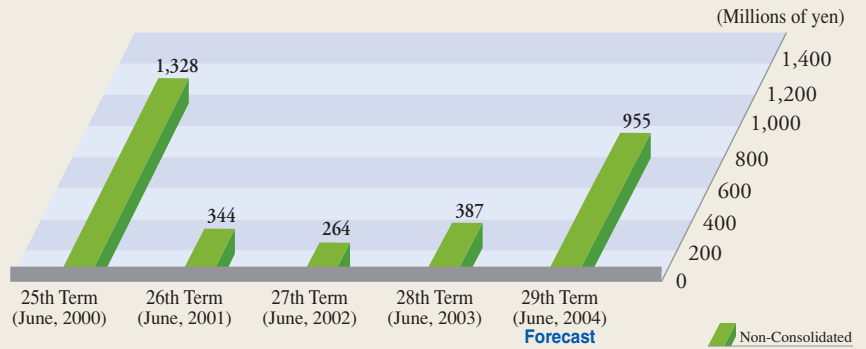


## Net Income (Loss)

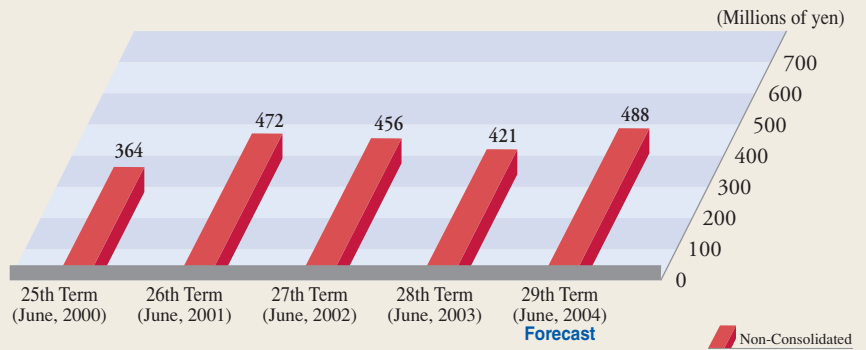


# Changes in Capital Investments, Depreciation and Research and Development

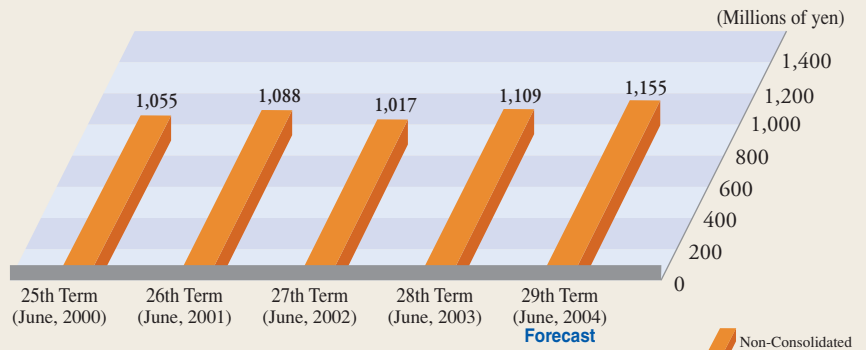
## Capital Investments



## Depreciation Expense

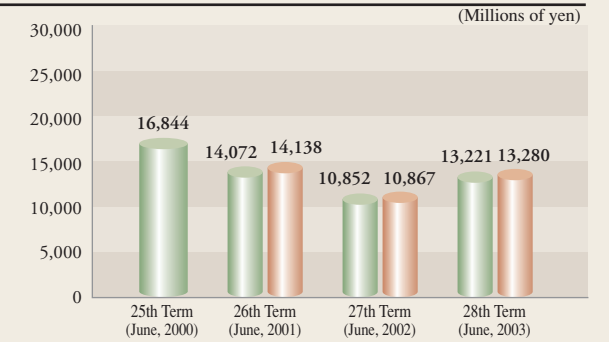
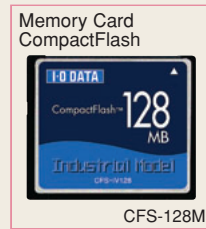
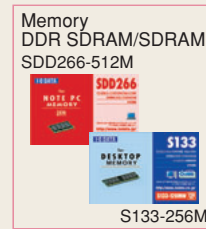


## Research and Development Costs

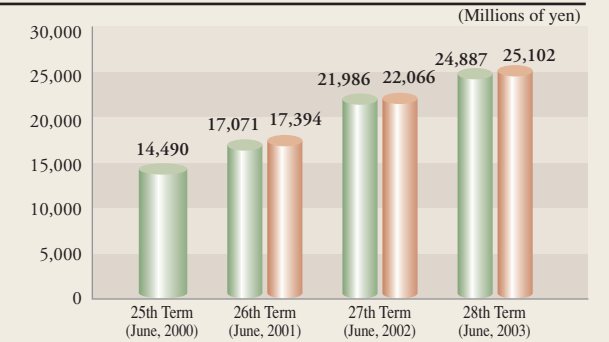
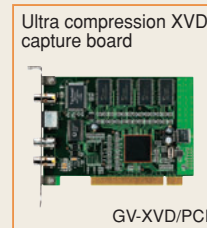


# Sales by Division

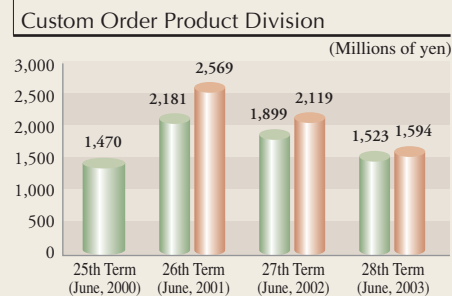
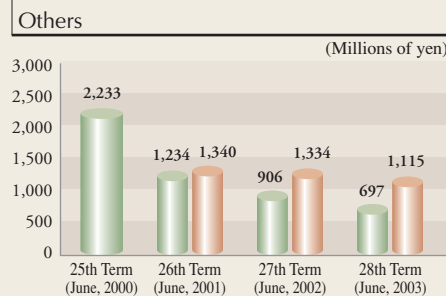
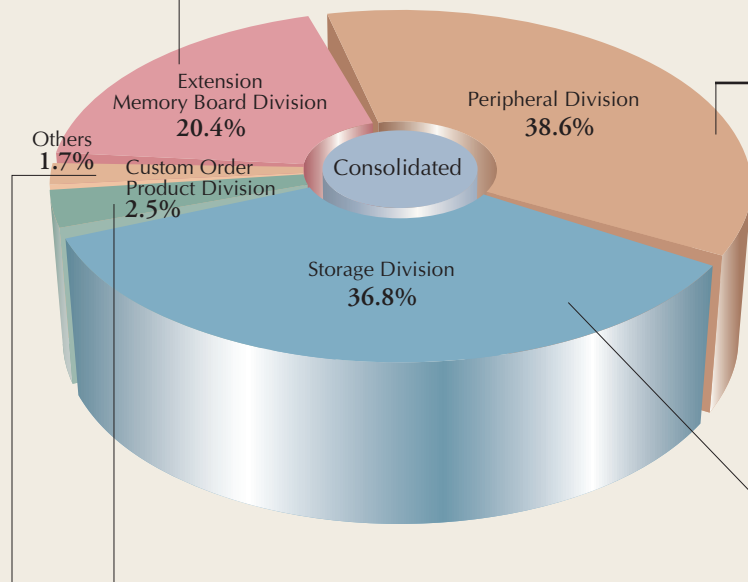
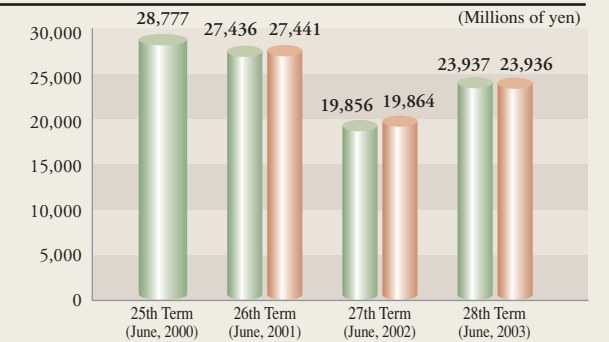
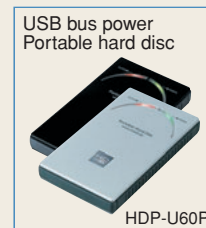
## Extension Memory Board Division



## Peripheral Division



## Storage Division



■ Non-Consolidated ■ Consolidated

■ Non-Consolidated ■ Consolidated

# Company Profile (As of June 30, 2003)



Head Office

## Board of Directors (As of September 25, 2003)

President	Akio Hosono
Executive Director	Nobuo Ikeda
Managing Director	Takeji Shimada
Director	Sakae Myokan
Director	Taku Tsuchida
Director	Masaaki Nakagawa
Director	Toru Nagano
Standing Statutory Auditor	Yoshio Hirabayashi
Statutory Auditor	Fumio Miyazaki
Statutory Auditor	Akira Mizutani
Statutory Auditor	Tsunehiro Kometani

Notes: All auditors are independent auditors and are pursuant to the provisions set forth in the first clause of Article 18 of Exception Act of the Commercial Law.

## Outline

Name	I-O DATA DEVICE, INC.
Established	January 10, 1976
Capital	3,588.07 million yen
Business area	1. Development, manufacturing, and sales of electronic computer devices and peripherals 2. Development, manufacturing, and sales of software 3. Development, manufacturing, and sales of automatic control electronic devices 4. All businesses involved in the above
Employees	516

## Offices

Head Office and Factory	3-10 Sakurada-machi, Kanazawa, Ishikawa
Tokyo Office	17 Kanda-higashimatsushita-cho, Chiyoda-ku, Tokyo
Osaka Office	2-1-10 Minamisenba, Chuo-ku, Osaka, Osaka
Sapporo Office	4-1, Kitajunishi, Kita-ku, Sapporo, Hokkaido
Sendai Office	2-2-10 Tsutsujigaoka, Miyagino-ku, Sendai, Miyagi
Yokohama Office	3-18-5 Shinyokohama, Kohoku-ku, Yokohama, Kanagawa
Nagoya Office	1-4-12 Kamimaezu, Naka-ku, Nagoya, Aichi
Hiroshima Office	7-14 Hashimoto-cho, Naka-ku, Hiroshima, Hiroshima
Fukuoka Office	1-31 Tenya-machi, Hakata-ku, Fukuoka, Fukuoka
I-O PLAZA AKIBA	4-7-1 SotoKanda, Chiyoda-ku, Tokyo

# Status of Shares (As of June 30, 2003)

Total number of shares authorized to be issued by the Company	41,000,000
Total number of shares outstanding	14,839,349
Number of shares per unit	100
Number of shareholders at the term-end	11,181

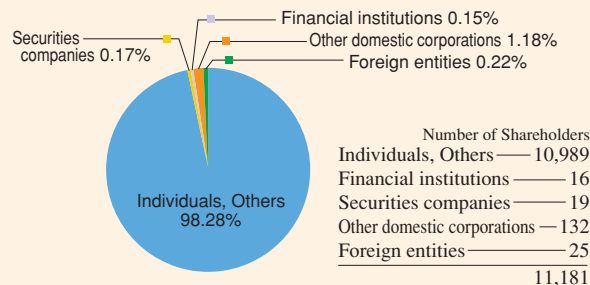
## Ten Major Shareholders

Names	Investment by these shareholders in the Company		Investment by the Company in these shareholders	
	Number of shares held	Voting right percentage	Number of shares held	Voting right percentage
Akio Hosono	4,510,811	30.76%	—	— %
Yukie Hosono	763,780	5.21	—	—
THE HOKKOKU BANK, LTD.	306,662	2.09	510,000	0.15
Kanazawa Ligament Co., Ltd.	269,675	1.84	—	—
Ireland Special JASDEC Lending Account	220,000	1.50	—	—
CA-IS BANK LUXEMBOURG-CLIENT ACCOUNT	211,000	1.44	—	—
The Mizuho Bank, Ltd.	153,331	1.05	—	—
The Master Trust Bank of Japan, Ltd. (Trust Account)	136,700	0.93	—	—
THE HOKKOKU CREDIT SERVICE CO., LTD.	81,400	0.56	—	—
CMBL S.A. RE MUTUAL FUNDS	75,000	0.51	—	—
CBLDN CTCL-TRUSTEE FOR INVESCO PP JAPANESE SMALLER CO FUND	75,000	0.51	—	—

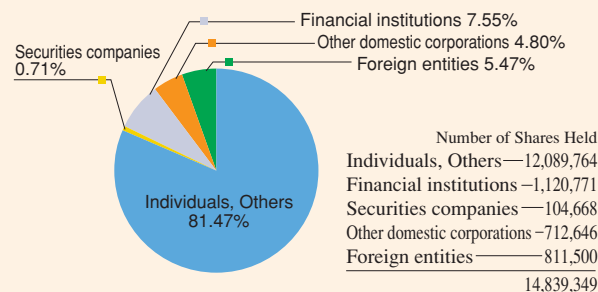
※Our own shares number 147,003.

## Distribution of Shares by Shareholder Type

Number of Shareholders (Percentage)



Number of Shares Held (Percentage)



## Information for Shareholders

**Closing Date of Accounts:** June 30

**Ordinary General Meeting of Shareholders:** Annually in September

**Record Date for Ordinary General Meeting of Shareholders:** June 30

Other record dates shall be set up and announced in advance when necessary.

**Listed Stock Exchange:** JASDAQ

(Japan Association of Securities Dealers Automated Quotations)

**Securities Code:** 6916

**Media of Public Notice:** Nihon Keizai Newspaper

However, information concerning the Balance Sheet and Income Statement pursuant to the provisions set forth in the third clause of Article 16 of Exception Act of the Commercial Law will be offered at <http://www.iodata.jp/kessankoukoku/>

**Stock Transfer Agent:** The Sumitomo Trust & Banking Co., Ltd.

4-5-33 Kitahama, Chuo-ku, Osaka

**Handling Office:** The Sumitomo Trust & Banking Co., Ltd. Stock Transfer Agency Department

4-5-33 Kitahama, Chuo-ku, Osaka

**Mailing Address:** The Sumitomo Trust & Banking Co., Ltd. Stock Transfer Agency Department

1-10 Nikko-cho, Fuchu, Tokyo 183-8701

**Calling Center:**

Requests for address change notification documents Tel : 0120-175-417

Other inquiries Tel : 0120-176-417

**Website:**

<http://www.sumitomotrust.co.jp/STA/retail/service/daiko/index.html>

**Service Offices:**

Head Office and domestic branch offices of The Sumitomo Trust & Banking Co., Ltd.

**I·O DATA**

***I-O DATA DEVICE, INC.***

3-10 Sakurada-machi, Kanazawa, Ishikawa, JAPAN  
<http://www.iodata.jp>