



FY2007 3rd Quarter Financial Results

**ACCESS CO., LTD.
Dec. 14th 2007**

Disclaimer

- **Targets for operating results and other forward-looking statements contained in this presentation represent management's judgments based on information available at the time this presentation was prepared. Such statements embody a variety of uncertainties.**
- **Consequently, actual results may differ from these targets and forecasts. Investors are therefore cautioned not to make investment decisions based solely on these forward-looking statements.**

Consolidated

- Net Sales was short by JPY142 million, compared to the revised outlook.
- Gross Profit improved by JPY 521 million compared to the revised outlook, attributed by improved NRE Gross Profit Ratio.
- SG&A expense improved by JPY 418 million, compared to the revised outlook.
- As a result, Ordinary Profit improved by JPY1,100 million, compared to the revised outlook.

Non-Consolidated

- Net Sales improved by JPY 238 million, compared to the revised outlook.
- Gross Profit improved by JPY 727 million, attributed by improved NRE Gross Profit Ratio and increase in Royalty revenue.
- SG&A expense improved by JPY 370 million, compared to the revised outlook.
- As a result, Ordinary Profit improved by JPY1,045 million, compared to the revised outlook.

FY2007 Consolidated Financial Highlights

3rd Quarter (Outlook vs. Result)



(Unit: JPY Million, %)

<u>Consolidated</u>	vs Revised Outlook (2007/9/14)			vs Revised Outlook (2007/9/14)		
	Outlook	3 months Result	Change	Outlook	9 months Result	Change
Net Sales	5,842	5,699	142	18,461	18,318	142
NRE	2,373	2,065	308	7,372	7,064	308
Royalty	3,468	3,634	165	11,088	11,254	165
Gross Profit	3,597	4,119	521	10,660	11,181	521
(Gross Profit Ratio)	61.6%	72.3%	10.7%	57.7%	61.0%	3.3%
NRE	161	638	476	63	413	476
(Gross Profit Ratio)	6.8%	30.9%	24.1%	-0.9%	5.9%	6.7%
Royalty	3,436	3,481	44	10,723	10,768	44
(Gross Profit Ratio)	99.1%	95.8%	-3.3%	96.7%	95.7%	-1.0%
SG&A Expense(Ordinary)	3,750	3,332	418	12,057	11,639	418
R&D	1,400	1,338	61	5,463	5,402	61
Other	2,350	1,993	357	6,593	6,236	357
Operating Profit (non-GAAP)	152	786	939	1,396	457	939
SG&A Expense (Acquisition Related)	3,471	3,324	147	10,610	10,463	147
Operating Profit (GAAP)	3,624	2,537	1,086	12,007	10,920	1,086
Ordinary Profit	3,562	2,462	1,100	11,470	10,369	1,100
Extraordinary Expense	123	124	248	1,662	1,414	248
Net Profit	3,575	2,966	608	12,317	11,708	608

FY2007 Consolidated Financial Highlights

3rd Quarter (3 months, 9 months vs. FY2006)



(Unit: JPY Million, %)

Consolidated	FY2007 3Q	FY2006 3Q	Change	FY2007 1Q-3QTotal	FY2006 1Q-3QTotal	Change	FY2006 Total	Change %
Net Sales	5,699	5,928	229	18,318	16,086	2,231	26,102	70.2%
NRE	2,065	2,949	884	7,064	7,967	902	12,153	58.1%
Royalty	3,634	2,978	655	11,254	8,119	3,134	13,949	80.7%
Gross Profit	4,119	3,921	197	11,181	10,590	591	17,024	65.7%
(Gross Profit Ratio)	72.3%	66.1%	6.1%	61.0%	65.8%	-4.8%	65.2%	
NRE	638	913	275	413	2,931	2,518	3,585	11.5%
(Gross Profit Ratio)	30.9%	31.0%	-0.1%	5.9%	36.8%	-30.9%	29.5%	
Royalty	3,481	3,007	473	10,768	7,658	3,109	13,439	80.1%
(Gross Profit Ratio)	95.8%	100.0%	-4.2%	95.7%	94.3%	1.4%	96.3%	
SG&A Expense(Ordinary)	3,332	4,935	1,603	11,639	12,500	861	17,752	65.6%
R&D	1,338	2,492	1,153	5,402	5,838	435	8,443	64.0%
Other	1,993	2,443	449	6,236	6,662	425	9,308	67.0%
Operating Profit (non-GAAP)	786	1,014	1,801	457	1,910	1,453	727	62.8%
Ordinary Profit	3,324	3,728	404	10,463	11,475	1,012	15,139	69.1%
Extraordinary Expense	2,537	4,743	2,205	10,920	13,386	2,465	15,866	68.8%
Net Profit	2,462	4,509	2,047	10,369	13,013	2,643	15,252	68.0%
Extraordinary Expense	124	5	130	1,414	88	1,325	76	1844.4%
Net Profit	2,966	4,444	1,477	11,708	12,829	1,121	16,032	-73.0%

FY2007 Non-Consolidated Financial Highlights

3rd Quarter (Outlook vs. Result)



(Unit: JPY Million, %)

<u>Non-Consolidated</u>	vs Revised Outlook (2007/9/14)			vs Revised Outlook (2007/9/14)		
	FY2007 3Q Outlook	FY2007 3Q Result	Change	FY2007 9 months Outlook	FY2007 9 months Result	Change
Net Sales	3,274	3,512	238	10,590	10,828	238
NRE	1,505	1,344	160	4,851	4,690	160
Royalty	1,769	2,167	398	5,738	6,137	398
Gross Profit	1,739	2,466	727	4,843	5,570	727
(Gross Profit Ratio)	53.1%	70.2%	17.1%	45.7%	51.4%	5.7%
NRE	280	503	223	183	40	223
(Gross Profit Ratio)	18.6%	37.5%	18.9%	-3.8%	0.9%	4.6%
Royalty	1,459	1,962	503	5,026	5,529	503
(Gross Profit Ratio)	82.5%	90.5%	8.0%	87.6%	90.1%	2.5%
SG&A Expense(Ordinary)	1,945	1,574	370	5,393	5,022	370
R&D	996	763	232	2,796	2,564	232
Other	949	811	138	2,596	2,458	138
Operating Profit (non-GAAP)	206	891	1,097	550	547	1,097
Ordinary Profit	198	847	1,045	554	491	1,045
Extraordinary Expense	773	582	191	206	398	191
Net Profit	588	870	282	314	32	282

FY2007 Non-Consolidated Financial Highlights

3rd Quarter (3 months, 9 months vs. FY2006)



(Unit: JPY Million, %)

Consolidated	FY2007 3Q	FY2006 3Q	Change	FY2007 9 months Total	FY2006 9 months Total	Change	FY2006 Total	Change %
Net Sales	3,512	3,488	23	10,828	9,796	1,031	16,787	64.5%
NRE	1,344	2,255	911	4,690	5,970	1,279	9,255	50.7%
Royalty	2,167	1,233	934	6,137	3,826	2,311	7,532	81.5%
Gross Profit	2,466	1,843	623	5,570	5,471	98	9,677	57.6%
(Gross Profit Ratio)	70.2%	52.8%	17.4%	51.4%	55.9%	-4.4%	57.6%	
NRE	503	731	227	40	2,148	2,107	3,012	1.3%
(Gross Profit Ratio)	37.5%	32.4%	5.1%	0.9%	36.0%	-35.1%	32.5%	
Royalty	1,962	1,112	850	5,529	3,323	2,206	6,665	83.0%
(Gross Profit Ratio)	90.5%	90.2%	0.4%	90.1%	86.9%	3.2%	88.5%	
SG&A Expense(Ordinary)	1,574	2,204	629	5,022	5,174	151	7,466	67.3%
R&D	763	1,400	637	2,564	2,775	210	4,288	59.8%
Other	811	803	7	2,458	2,398	59	3,178	77.3%
Operating Profit (non-GAAP)	891	361	1,252	547	297	249	2,210	24.8%
Ordinary Profit	847	249	1,097	491	409	81	2,435	20.2%
Extraordinary Expense	582	34	616	398	73	324	138	286.6%
Net Profit	870	195	1,066	32	167	199	1,275	-2.5%

Cost Analysis of NRE (Non-Consolidated)



Quarterly NRE Sales and Gross Profit

(Unit: JPY Million, %)

	1Q	2Q	1H	3Q		
				Outlook	Result	Change
NRE Net Sales	1,232	2,114	3,346	1,505	1,344	160
NRE Cost	1,441	2,368	3,810	1,225	840	384
NRE Gross Profit	209	253	463	280	503	223
NRE Gross Profit Ratio	-17.0%	-12.0%	-13.8%	18.6%	37.5%	18.9%

Extraordinary Cost (Factors of Low Gross Profit)

	1Q	2Q	1H	3Q		
				Outlook	Result	Change
S Project Cost	166	78	244	54	33	21
S Project Loss	439	142	582	-	-	-
Reserve for future loss	38	604	642	-	123	123
Work in Process Loss	62	-	62	-	47	47
Total	707	825	1,532	54	43	97

Gross Profit Ratio (Excluding Extraordinary Cost)

	1Q	2Q	1H	3Q		
				Outlook	Result	Change
NRE Net Sales	1,232	2,114	3,346	1,505	1,344	160
NRE Cost (Excl.Extraordinary Cost)	734	1,543	2,277	1,170	883	286
NRE Gross Profit (Excl.Extraordinary Cost)	498	571	1,069	334	460	126
NRE Gross Profit Ratio	40.4%	27.0%	31.9%	22.2%	34.3%	12.0%

Outlook: Cost of NRE (Non-Consolidated)



Quarterly NRE Sales and Gross Profit

(Unit: JPY Million, %)

	1Q	2Q	1H	3Q		
				Outlook	Result	Change
NRE Net Sales	1,232	2,114	3,346	1,505	1,344	160
NRE Cost						
Cost of Labor	622	641	1,264	676	673	2
Manufacturing Cost	266	547	814	305	39	265
Subcontract Cost	1,893	2,056	3,949	1,895	1,674	220
Sub Total	2,782	3,246	6,028	2,877	2,387	489
Beginning WIP balance	516	1,020	516	1,189	1,189	-
Ending WIP balance	1,020	1,189	1,189	2,240	2,077	162
Reclassification to R&D	836	709	1,545	600	659	59
Sub Total	1,441	2,368	3,810	1,225	840	384
NRE Gross Profit	209	253	463	280	503	223
NRE Gross Profit Ratio	-17.0%	-12.0%	-13.8%	18.6%	37.5%	18.9%

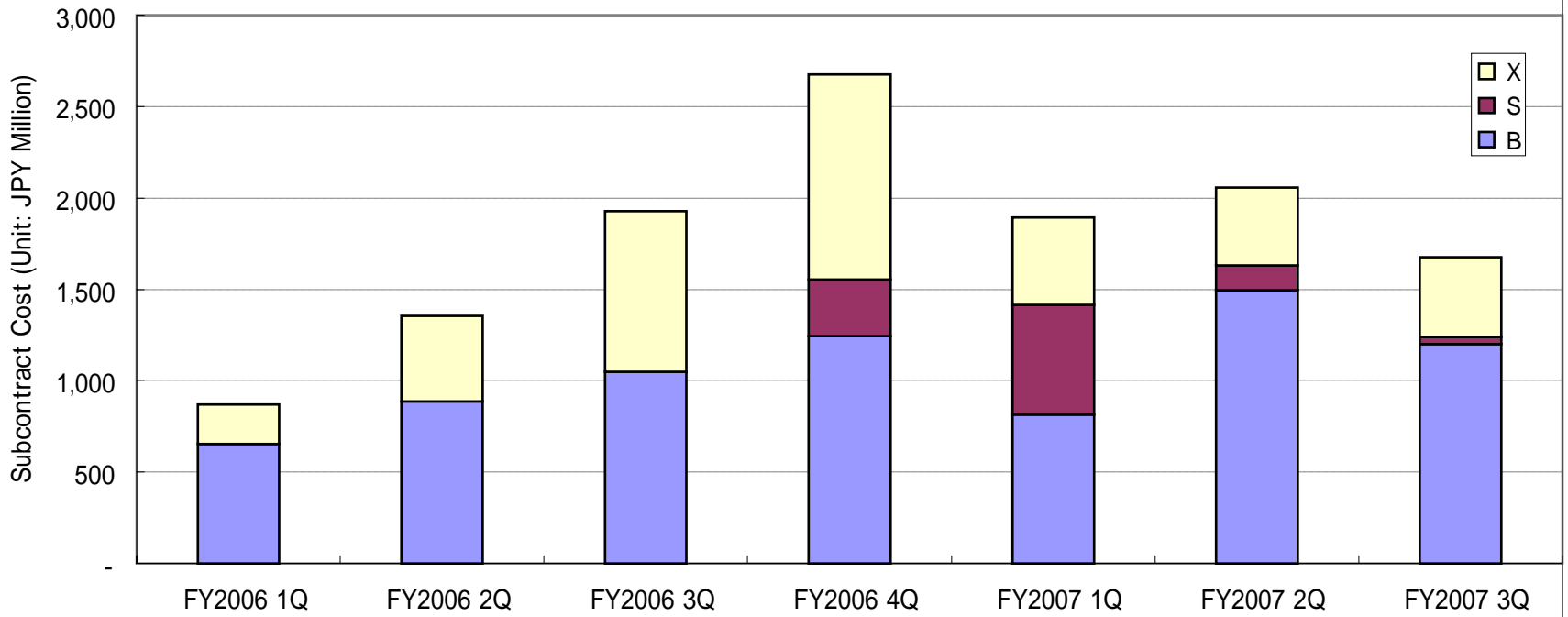
Quarterly Trend of Subcontract Cost (Non-Consolidated) - Project Type -



(JPY Million)

PJ Type	FY2006 1Q		FY2006 2Q		FY2006 3Q		FY2006 4Q		FY2007 1Q		FY2007 2Q		FY2007 3Q	
B	655	75.4%	885	65.4%	1,050	54.5%	1,244	46.5%	815	43.1%	1,496	72.7%	1,199	71.6%
S	-	0.0%	-	0.0%	-	0.0%	309	11.6%	599	31.7%	133	6.5%	38	2.3%
X	214	24.6%	468	34.6%	877	45.5%	1,124	42.0%	478	25.3%	427	20.8%	437	26.1%
Total	869	100.0%	1,354	100.0%	1,928	100.0%	2,678	100.0%	1,893	100.0%	2,056	100.0%	1,674	100.0%

Trend of Subcontract Cost, according to Project Type



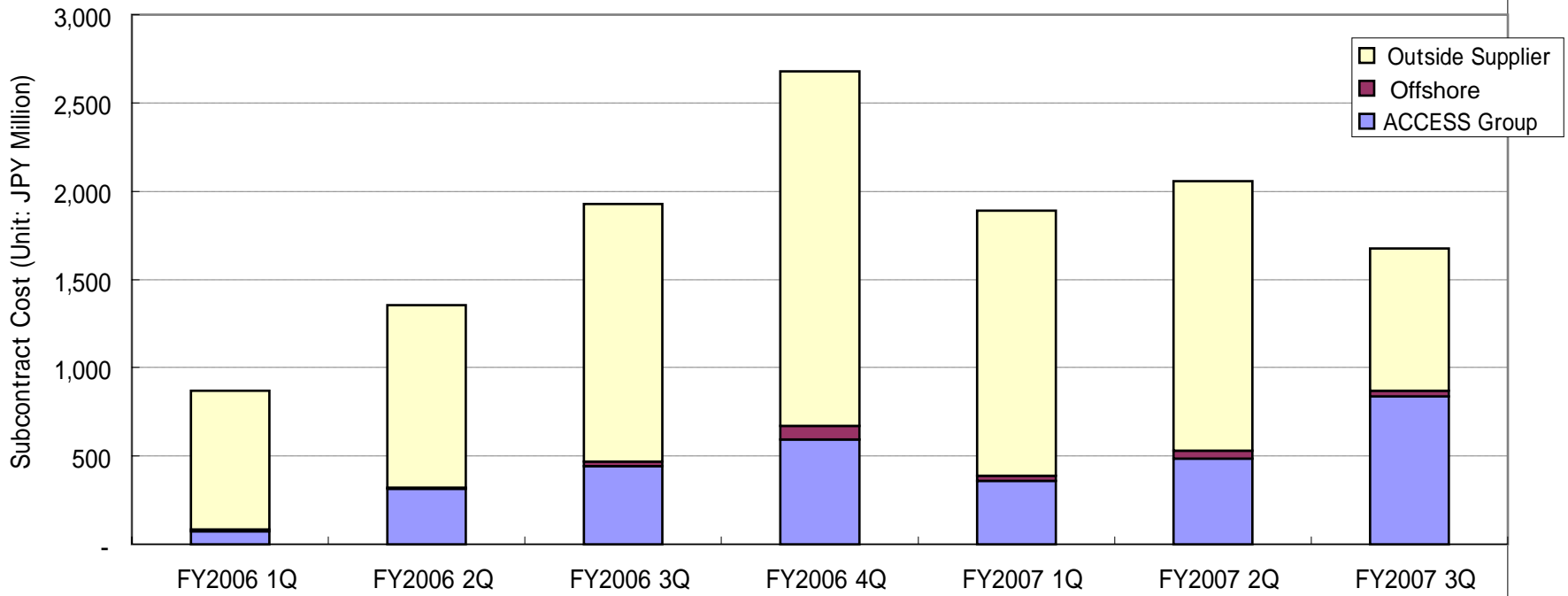
Quarterly Trend of Subcontract Cost (Non-Consolidated) - Vendor Type -



(JPY Million)

Placemen	FY2006 1Q		FY2006 2Q		FY2006 3Q		FY2006 4Q		FY2007 1Q		FY2007 2Q		FY2007 3Q	
Group	75	8.6%	316	23.4%	444	23.1%	594	22.2%	359	19.0%	485	23.6%	837	50.0%
Offshore	9	1.1%	5	0.4%	26	1.4%	77	2.9%	28	1.5%	44	2.2%	31	1.9%
Outside	785	90.3%	1,032	76.3%	1,457	75.6%	2,007	74.9%	1,504	79.5%	1,527	74.3%	806	48.1%
Total	869	100.0%	1,354	100.0%	1,928	100.0%	2,678	100.0%	1,893	100.0%	2,056	100.0%	1,674	100.0%

Trend of Subcontract Cost, according to Placement Type



(Unit: Thousand Shipment/ JPY Thousand yen)

		FY2006			FY2007			Total
		1H	2H	Total	1H	3Q	9 months	
Royalty Revenue	Shipment	887	3,193	4,081	4,917	3,176	8,093	12,175
	Sales	45,788	162,889	208,677	278,528	177,789	456,318	664,995
	ASP	¥52	¥51	¥51	¥57	¥56	¥56	¥55
Cost of S project		-	251,740	251,740	663,807	-	663,807	915,547
Profit (Sales - Cost)		45,788	88,851	43,063	385,278	177,789	207,489	250,552

- **Providing 1-seg (BML) browser and applications to major operators through umbrella agreement**
- **Average unit price over 50 JPY, only through 1-seg browser and applications**
- **Expecting to collect full return on investment on 1-seg related costs during FY2008 Q1 at the latest**

Balance Sheet (Summary)



(JPY Million)

	End of FY07 3Q		End of FY06 3Q		End of FY06	
	<u>Consoli</u>	<u>Non-Consoli</u>	<u>Consoli</u>	<u>Non-Consoli</u>	<u>Consoli</u>	<u>Non-Consoli</u>
. Current Assets						
Cash and Deposits	14,230	9,806	15,479	9,205	14,262	8,022
Account Recievables	4,518	3,569	5,665	3,781	9,815	7,260
Securities	5,890	75	6,002	971	8,501	983
Inventory	2,167	2,077	929	817	600	516
Other	2,079	1,590	2,392	3,872	2,190	1,695
. Fixed Assets						
Tangible Fixed Assets	1,335	527	1,415	587	1,392	554
Intangible Fixed Asset	10,264	3,378	24,072	364	20,621	356
(M&A related goodwill	(5,377)	-	(16,560)	-	(13,762)	-
Investment& other as	5,485	49,799	4,927	51,200	4,795	53,399
Total	<u>45,973</u>	<u>70,824</u>	<u>60,885</u>	<u>70,801</u>	<u>62,179</u>	<u>72,787</u>
. Current Liabilities	5,923	2,346	5,260	2,963	9,438	4,004
. Fixed Liabilities	422	285	689	420	636	326
. Total Equity	<u>39,626</u>	<u>68,193</u>	<u>54,935</u>	<u>67,417</u>	<u>52,104</u>	<u>68,456</u>
Total	<u>45,973</u>	<u>70,824</u>	<u>60,885</u>	<u>70,801</u>	<u>62,179</u>	<u>72,787</u>

Consolidated Cash Flow (Summary)



(JPY Million)	FY07 9Month Total	FY06 9Month Total	FY06 Total
I. Cash Flow from Operating Activities	598	4,389	3,225
II. Cash Flow from Investing Activities	1,793	6,482	6,906
III. Cash Flow from Financing Activities	494	195	416
IV. Increase in Cash and Cash Equivalents	2,198	10,655	9,630
V. Balance of Cash and Cash Equivalents at the beginning of the term	16,763	26,393	26,393
VI. Balance of Cash and Cash Equivalents at the end of the term	14,564	15,738	16,763

Revenue by transferring IP: JPY 761 M
Purchases of Investment Securities: JPY 1,992 M

Acquisition of IP Infusion, Inc.:
JPY5,822 M

Acquisition of IP Infusion, Inc.:
JPY5,822 M
Acquisition of ACCESS Seoul, Inc.:
JPY362 M

Net Income Before Tax : JPY 13,101 M
Elimination Amortization : JPY 11,051 M
Corporate Tax etc : JPY 1,993 M

Net Income Before Tax : JPY15,328 M
Amortization of Goodwill and
Tangible/Intangible Assets : JPY14,701 M
Increase in Account Receivables : JPY3,433 M

Appendix

Results of Major Subsidiaries (FY07 3rd Quarter: Feb-Oct)



ASA : ACCESS Systems Americas
 ASE : ACCESS Systems Europe
 ASC : ACCESS China
 AS : ACCESS Seoul
 IPI : IP Infusion

(JPY Million)	ACCESS	ASA	ASE	ASC	AS	IPI	Other Subs	Elimination	Goodwill Amortization	Consolidated Total
Net Sales	10,828	4,819	1,256	1,006	653	947	1,456	2,650	-	18,318
Gross Profit	5,570	4,357	497	82	12	758	295	366	-	11,181
SG&A Expense (Ordinary Expense)	5,022	4,434	605	411	54	804	753	446	-	11,639
Operating Income (Non-GAAP)	547	76	108	328	67	46	457	80	-	457
SG&A Expense (M&A Related Expense)	-	1,833	-	17	-	272	-	-	8,339	10,463
Operating Income (GAAP)	547	1,909	108	346	67	319	457	80	-	10,920
Ordinary Income	491	1,311	101	310	61	332	456	53	-	10,369
Net Income	32	1,779	36	310	61	346	477	324	-	11,708

Results of Major Subsidiaries (FY07 3Q: Aug-Oct)



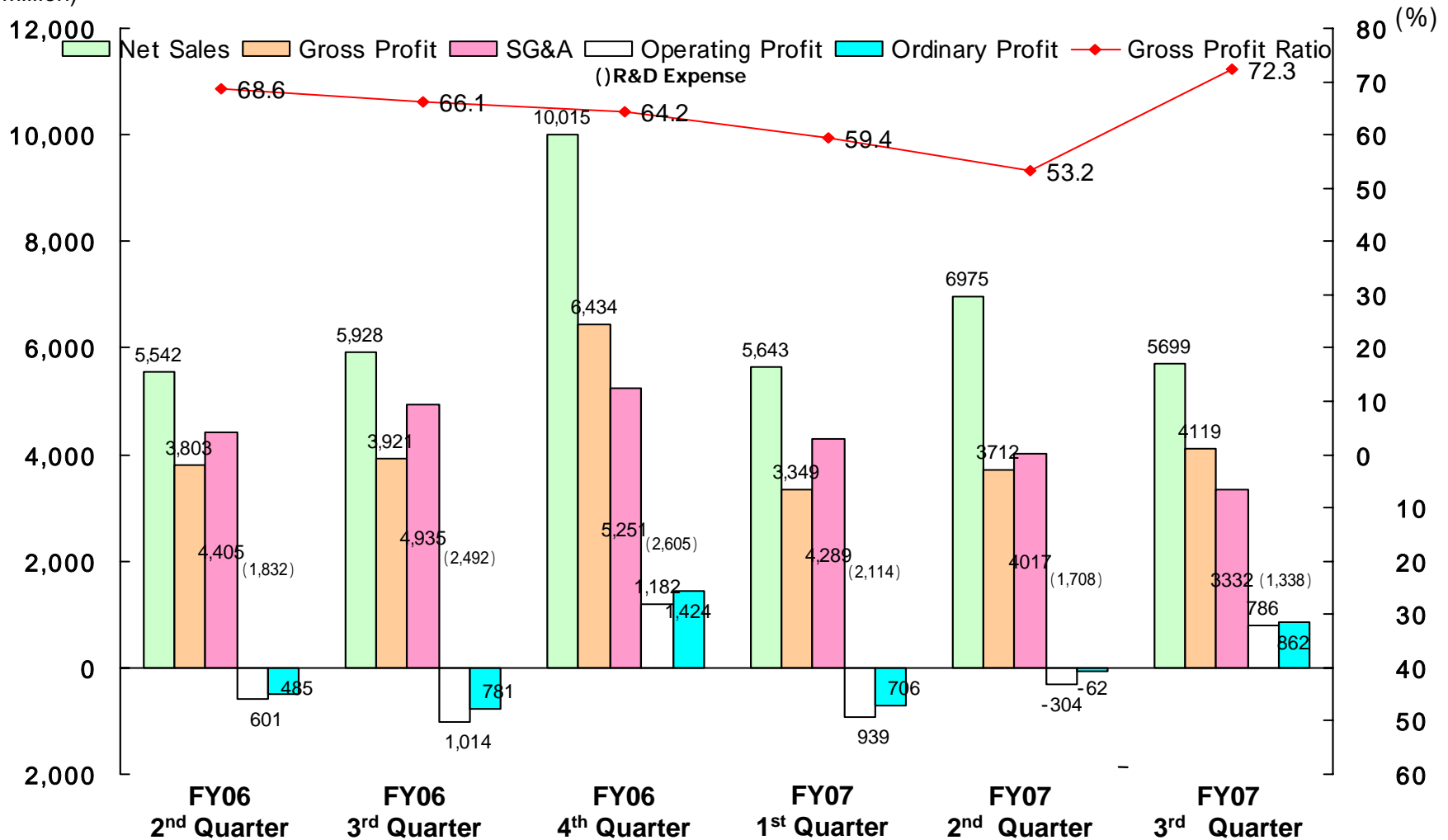
ASA : ACCESS Systems Americas
 ASE : ACCESS Systems Europe
 ASC : ACCESS China
 AS : ACCESS Seoul
 IPI : IP Infusion

(JPY Million)	ACCESS	ASA	ASE	ASC	AS	IPI	Other Subs	Elimination	Goodwill Amortization	Consolidated Total
Net Sales	3,512	1,472	682	380	235	201	413	1,198	-	5,699
Gross Profit	2,466	1,208	314	53	47	135	53	159	-	4,119
SG&A Expense (Ordinary Expense)	1,574	1,182	188	107	29	249	238	239	-	3,332
Operating Income (Non-GAAP)	891	26	125	53	18	114	185	79	-	786
SG&A Expense (M&A Related Expense)	-	465	-	4	-	78	-	-	2,776	3,324
Operating Income (GAAP)	891	439	125	57	18	193	185	79	-	2,537
Ordinary Income	847	286	128	70	21	197	180	52	-	2,462
Net Income	870	240	126	70	21	196	86	615	-	2,966

Trend of Quarterly Sales, etc (Consolidated)



(JPY Million)



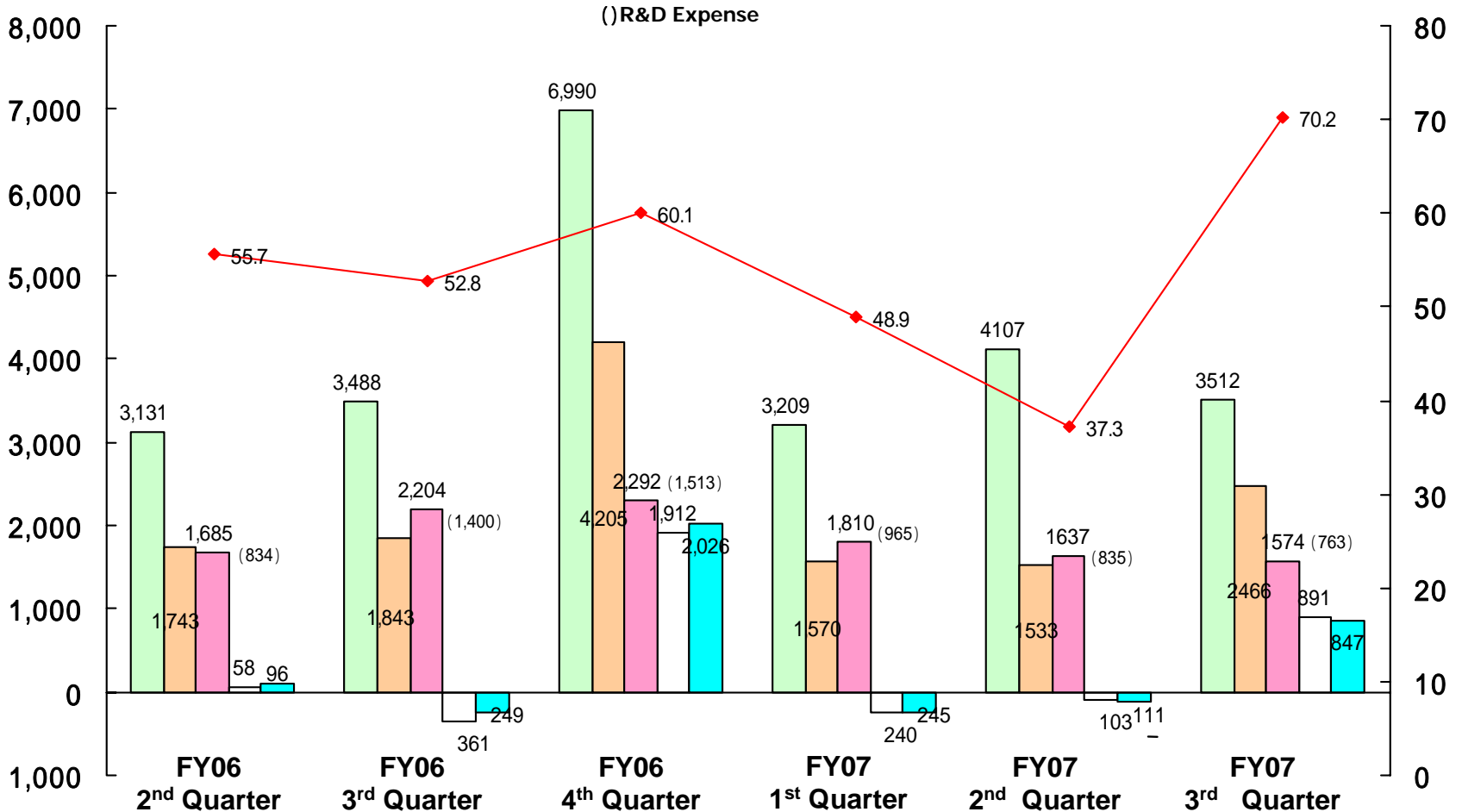
[For purpose of comparison, Goodwill Amortization expense is excluded]

Trend of Quarterly Sales, etc (Non-Consolidated)



(JPY Million)

■ Net Sales
 ■ Gross Profit
 ■ SG&A
 ■ Operating Profit
 ■ Ordinary Profit
 ◆ Gross Profit Ratio (%)

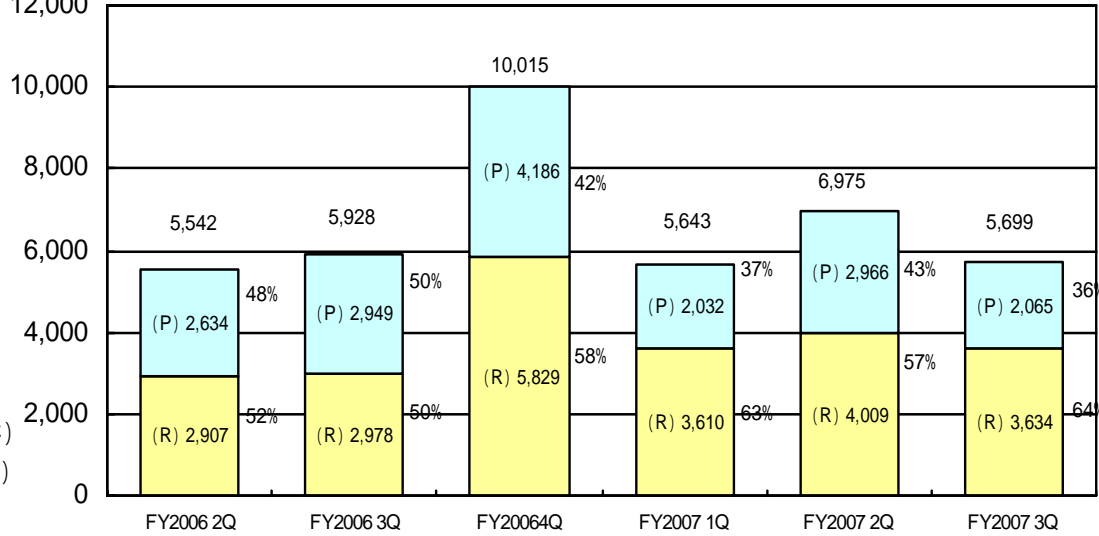


Trend of Sales & Gross Profit (Consolidated)



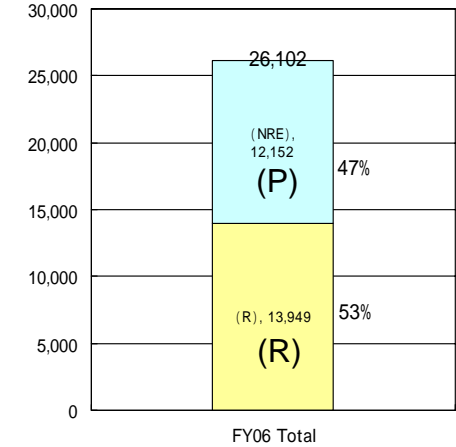
(JPY Million)

Sales Mix Ratio (Consolidated)



(JPY Million)

Sales Mix Ratio (Consolidated)

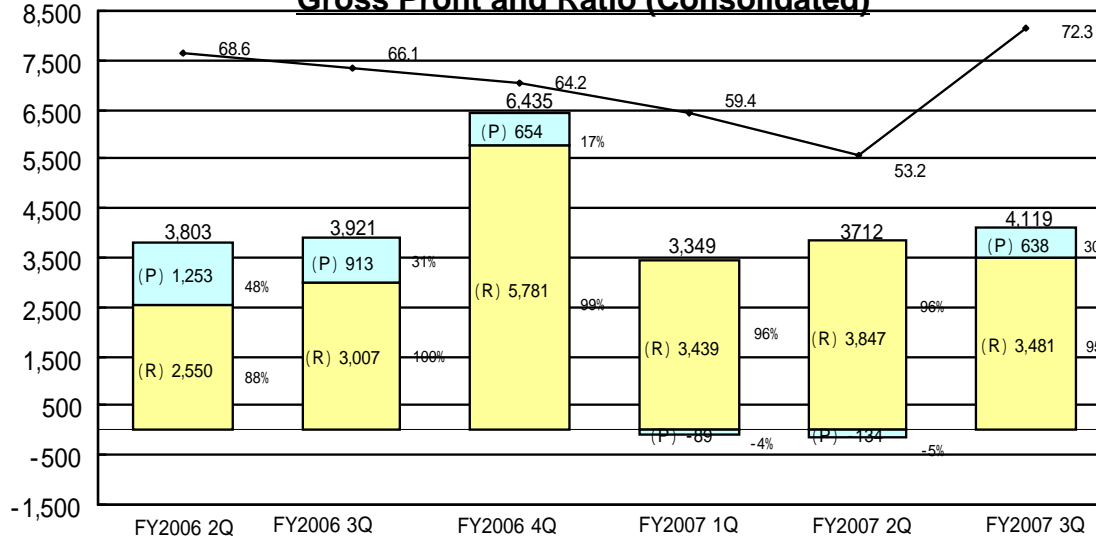


Contents (C)
Products (P)
Royalty (R)

Gross Profit Ratio (Overall)

Gross Profit and Ratio (Consolidated)

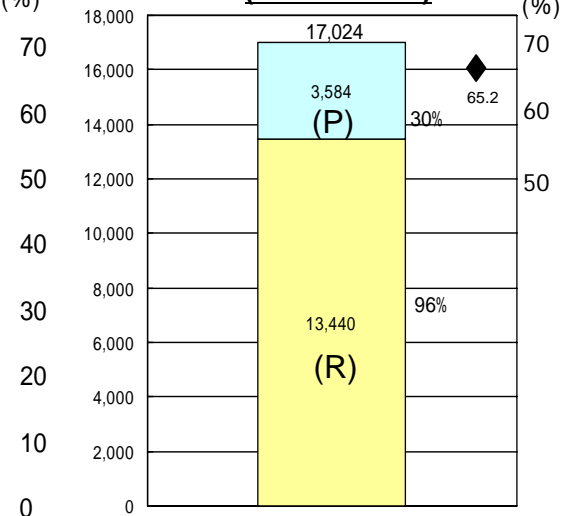
(JPY Million)



(JPY Million)

Gross Profit and Ratio (Consolidated)

(%)



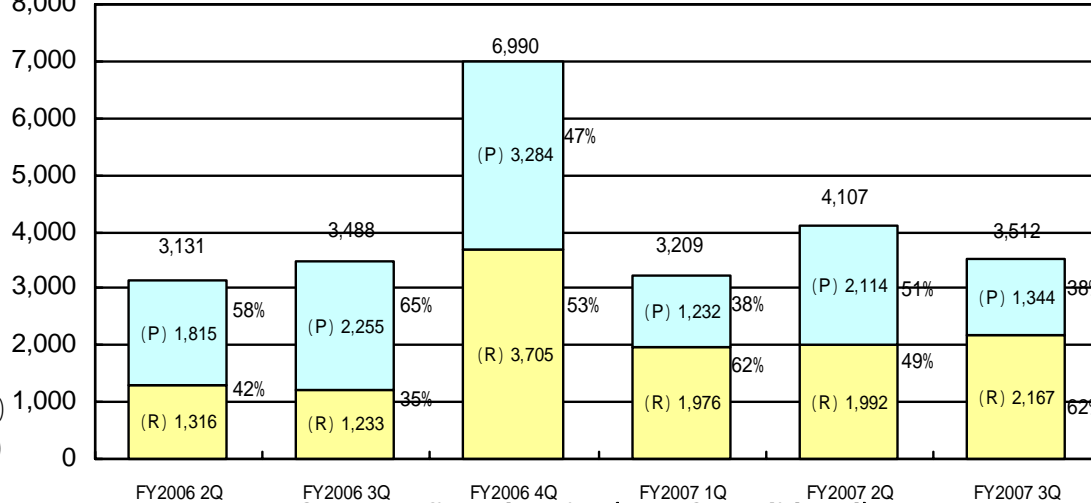
FY06

Trend of Sales & Gross Profit (Non-Consolidated)



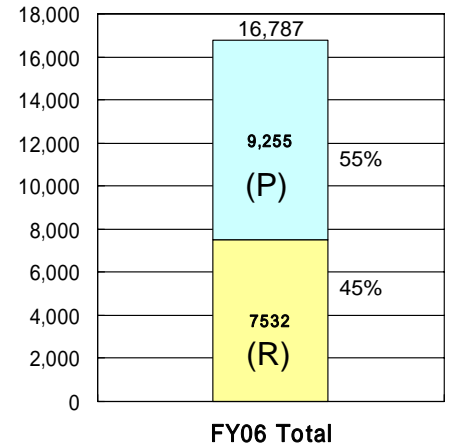
(JPY Million)

Sales Mix Ratio (Non-Consolidated)



(JPY Million)

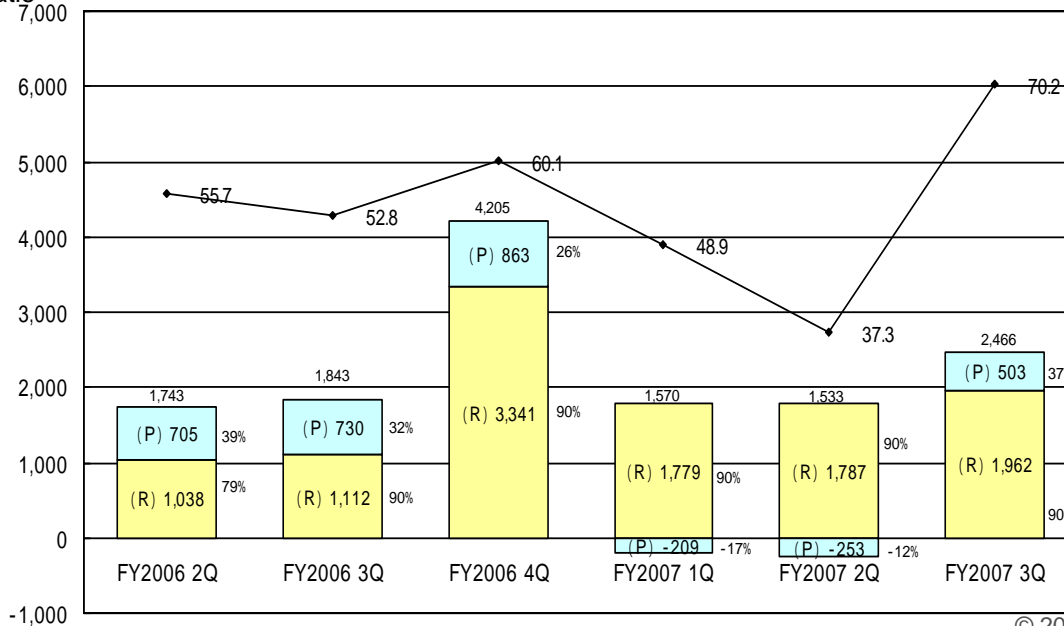
Sales Mix Ratio (Non-Consolidated)



- Contents (C)
- Products (P)
- Royalty (R)
- ◆ Gross Profit Ratio (Overall)

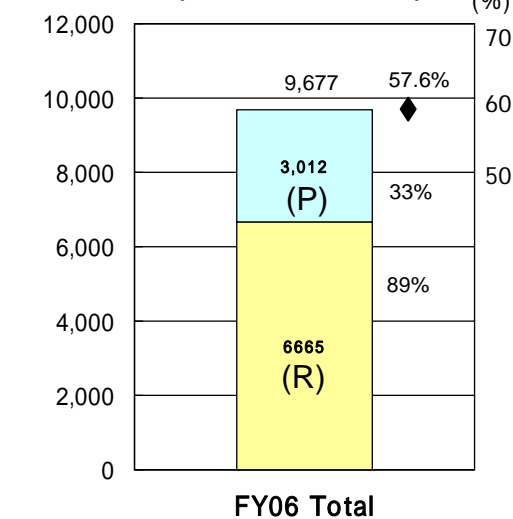
Gross Profit and Ratio (Non-Consolidated)

(JPY Million)

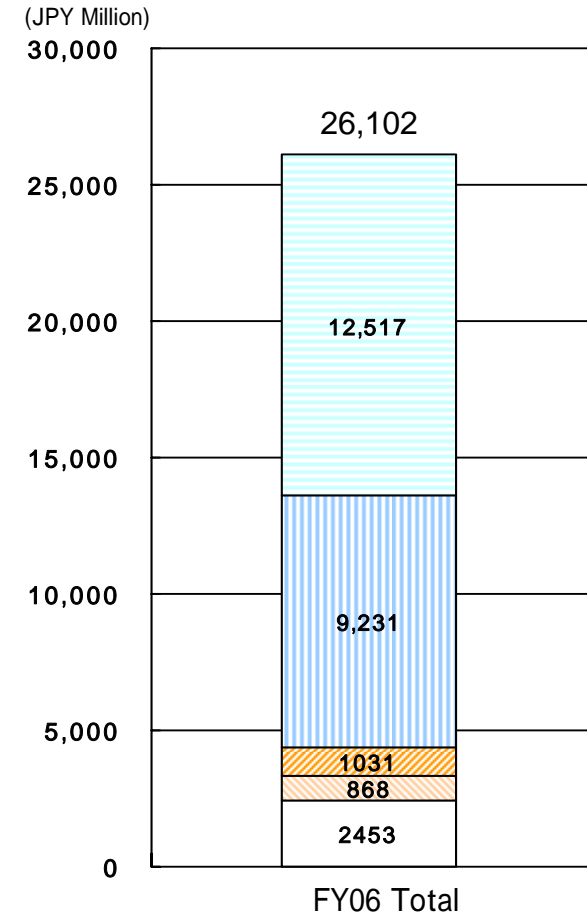
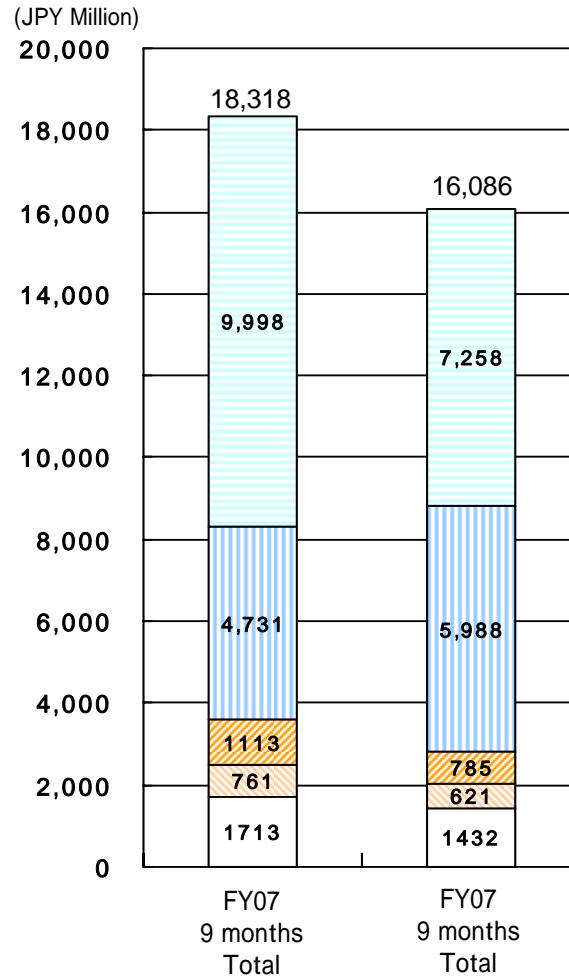
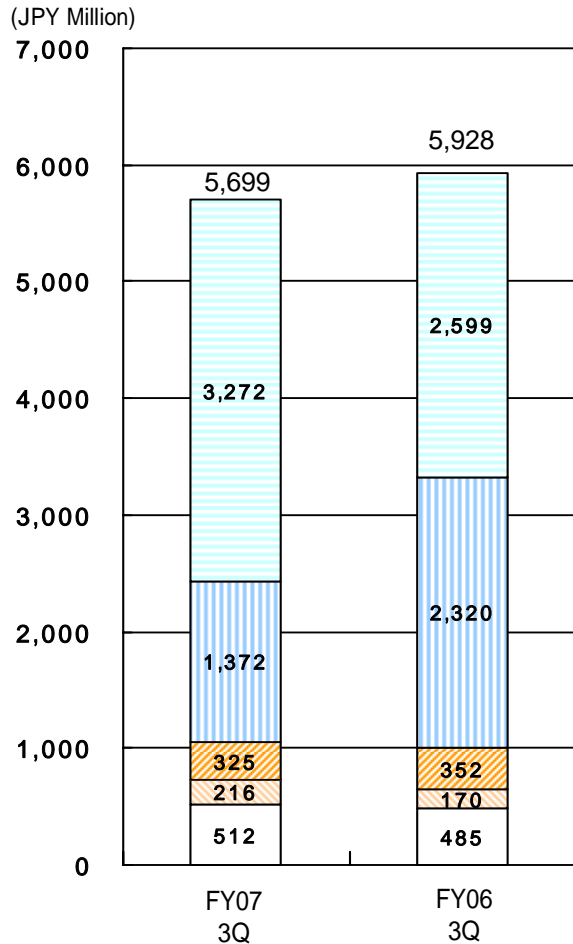


(%)

Gross Profit and Ratio (Non-Consolidated)



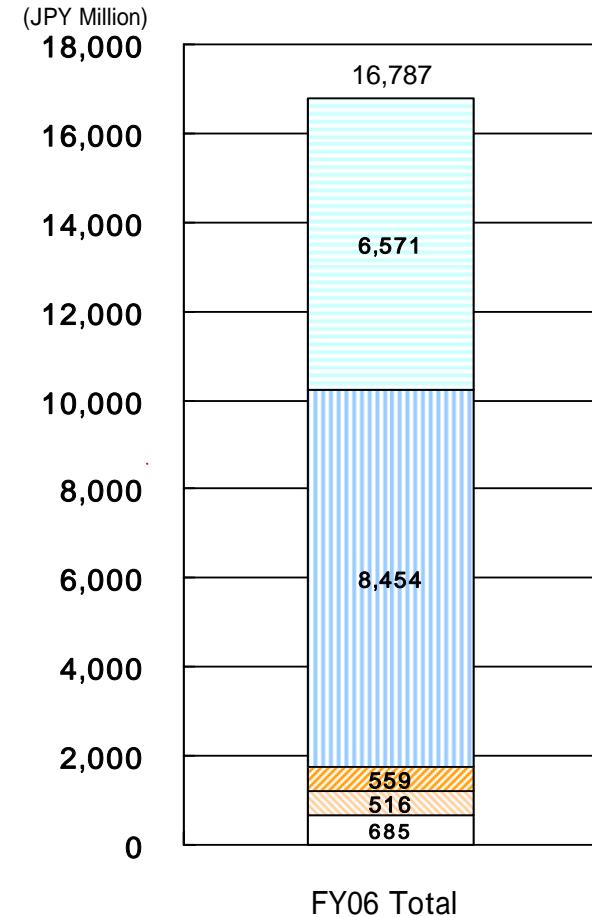
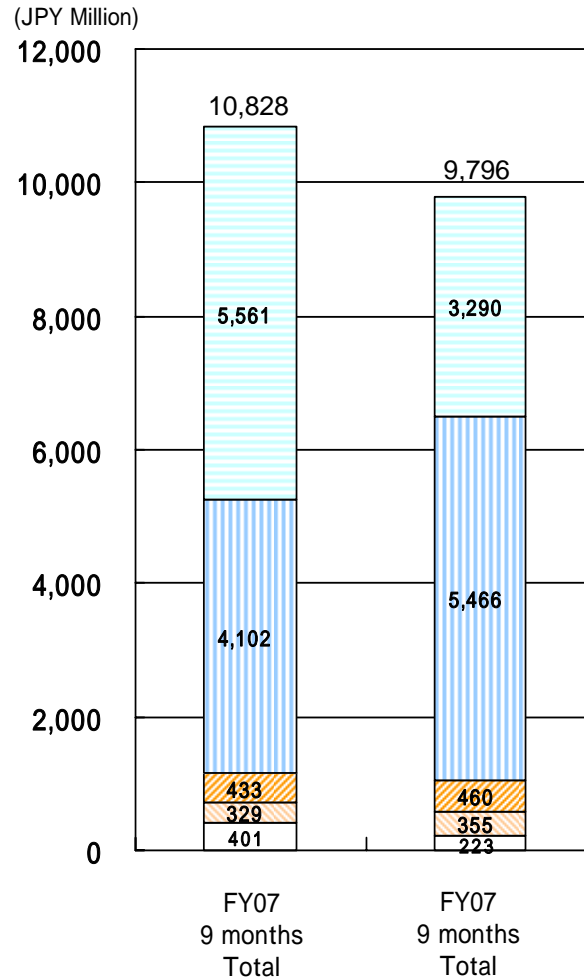
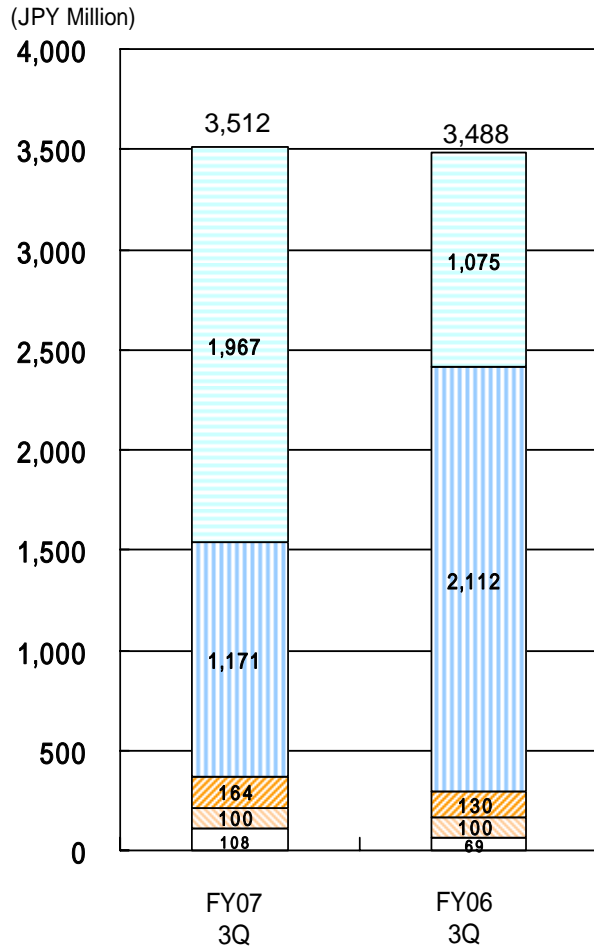
Breakdown of Sales (Consolidated)



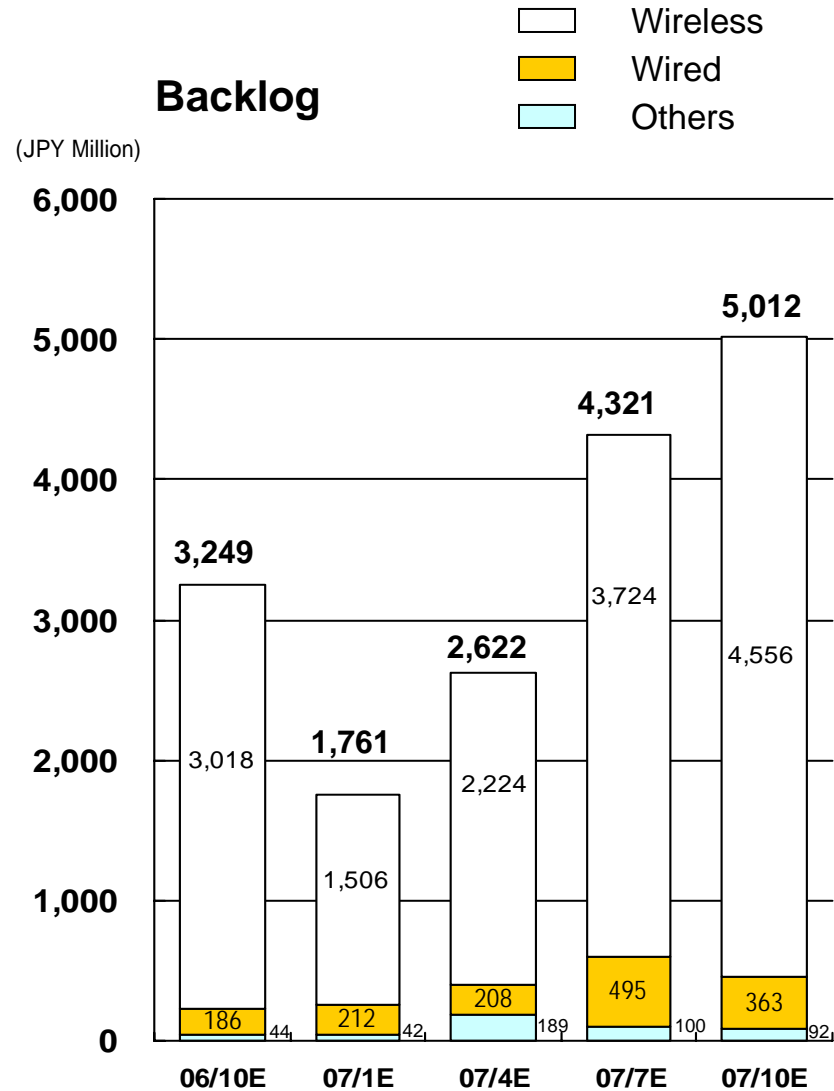
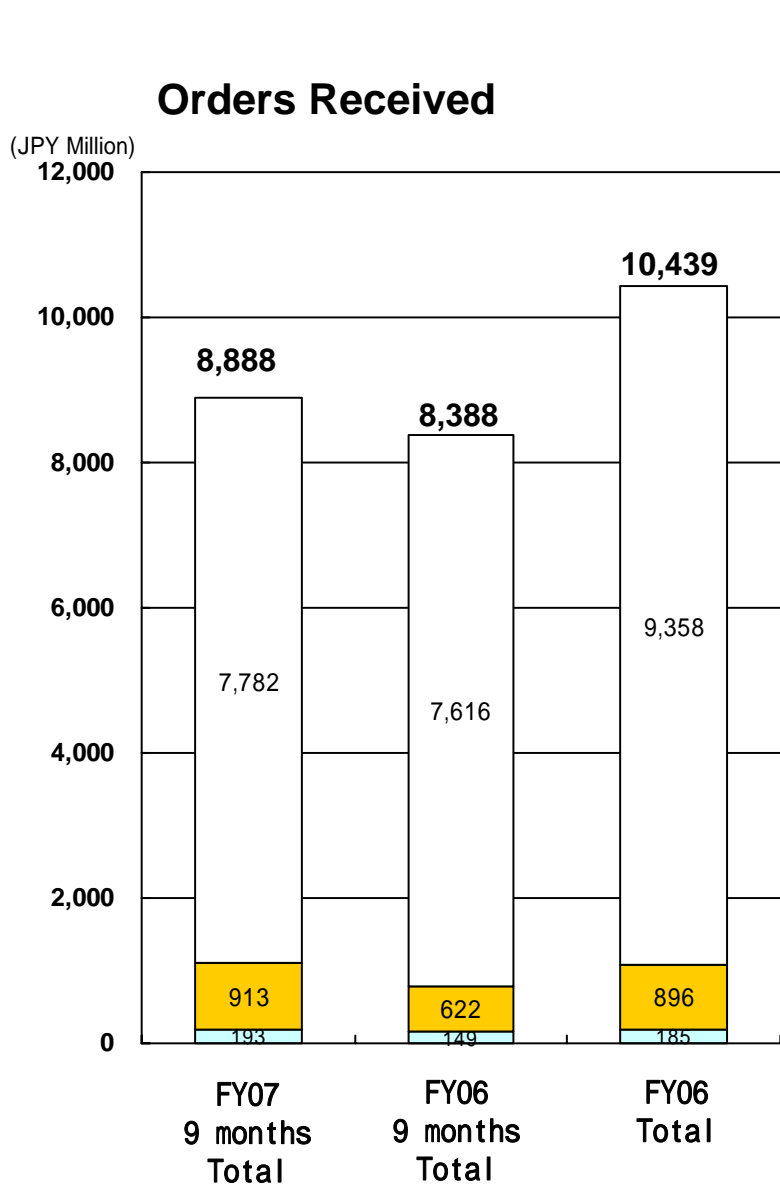
Breakdown of Sales (Non-Consolidated)



- Wireless / Royalty (MR)
- Wired / Royalty (FR)
- SDK, NRE and others / Royalty & Products (O)
- Wireless / Products (MP)
- Wired / Products (FP)



Orders for NRE Products (Consolidated)

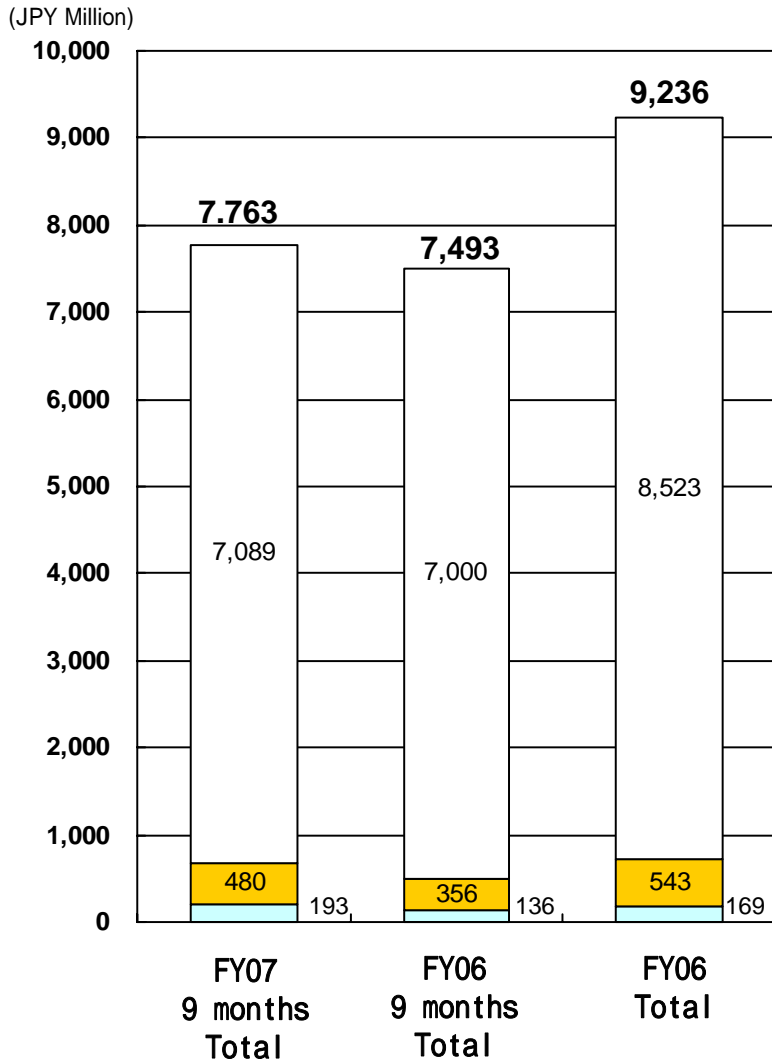


Orders for NRE Products (Non-Consolidated)

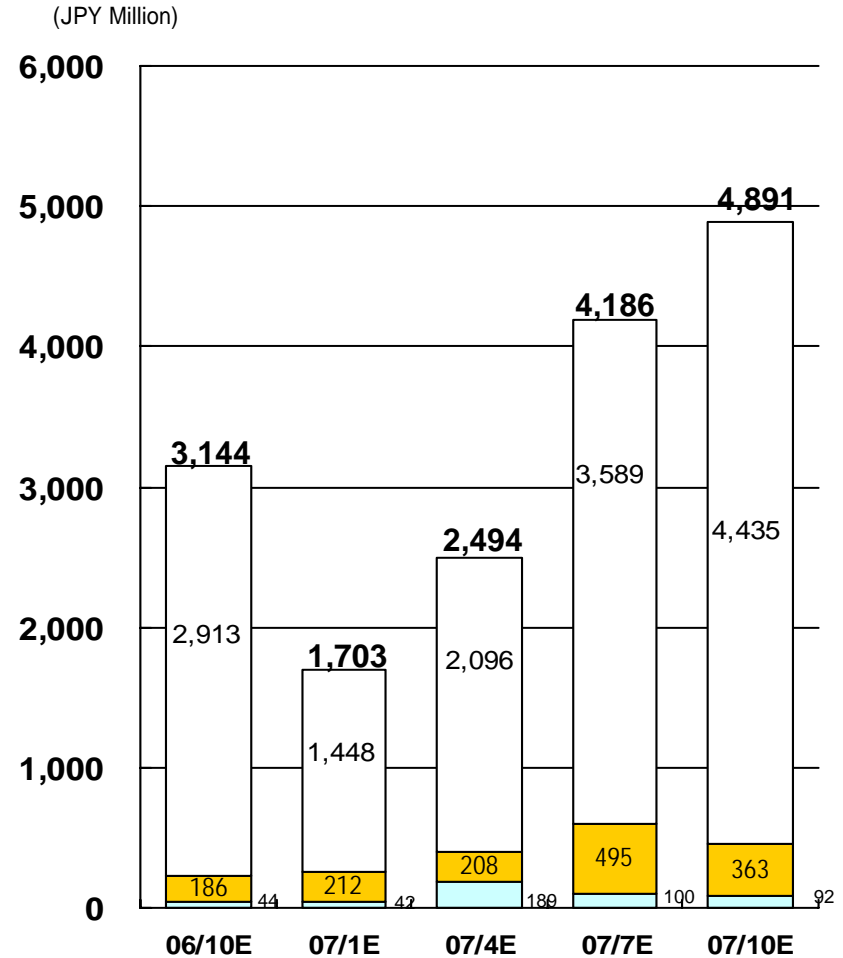


- Wireless
- Wired
- Others

Orders Received



Backlog



Headcount Trend (Consolidated)



(Unit: person)

Region \ Year	2006/07	2006/10	2007/01	2007/04	2007/07	2007/10
Japan	519	525	536	591	598	591
Asia (excluding Japan)	528	576	606	622	696	725
North America	267	279	275	198	190	182
Europe	110	117	123	134	137	135
Total	1,424	1,497	1,540	1,545	1,621	1633