



FINANCIAL RESULTS
Q3 FY2006
(Aug. 2006 – Oct. 2006)

ACCESS Co., Ltd.
December 18, 2006

- **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.**

【Year-To-Date Results】

* Consolidated Net Sales JPY 16.0 Billion, Ordinary Loss JPY 13.0 Billion.

* HQ Net Sales JPY 9.8 Billion, Ordinary Income 0.4 Billion

- ◆ Net Sales:
NRE and Royalty revenue both turned out as planned.
- ◆ Ordinary Income/Loss:
Post lower results than planned, due to additional R&D costs, and also an increase in costs related to the acquisition of two overseas subsidiaries (Amortization of Intangible Assets in the US)

Consolidated Financial Highlights (3rd Quarter & YTD)



Consolidated

Companies subject to consolidation: 29 consolidated subsidiaries and 2 consolidated companies by equity method

(JPY Million)	FY06 Q3	FY05 Q3	YoY Change	FY06 YTD	FY05 9-months YTD	YoY Change	FY05 Total	% of FY05 Total
Net Sales	5,928	3,839	154.4%	16,086	9,880	162.8%	17,269	93.2%
Gross Profit	3,921	2,061	190.2%	10,590	5,626	188.2%	10,495	100.9%
SG&A Expense (Ordinary Expense – Non GAAP)	4,935	1,573	313.6%	12,500	4,131	302.6%	5,780	216.3%
Operating Income (Before Exceptional Expense)	1,014	488	-	1,910	1,494	-	4,714	-
SG&A Expense (Exceptional Expense – GAAP)	3,728	-	-	11,475	-	-	-	-
Operating Income (After Exceptional Expense)	4,743	488	-	13,386	1,494	-	4,714	-
Ordinary Income	4,509	416	-	13,013	1,459	-	4,604	-
Net Income	4,444	232	-	12,829	905	-	2,784	-

Results of Major Subsidiaries (YTD: Feb – Oct)



Consolidated

ASA: ACCESS Systems Americas, Inc. (former PalmSource, Inc.)

IPI: IP Infusion, Inc.

(JPY Million)	ACCESS	ASA	IPI	OTHER SUBS	Journal Entry Adjust	Goodwill / Intangible Assets Amortization	Consolidated Total
Net Sales	9,796	4,073	608	2,999	1,391	-	16,086
Gross Profit	5,471	3,609	409	1,740	641	-	10,590
SG&A Expense (Ordinary Expense – Non GAAP)	5,174	4,777	732	1,848	31	-	12,500
Operating Income (Before Exceptional Expense)	297	1,167	323	107	609	-	1,910
SG&A Expense (Exceptional Expense – GAAP)	-	2,560	745	-	-	8,169	11,475
Operating Income (After Exceptional Expense)	297	3,727	1,069	107	8,778	-	13,386
Ordinary Income	409	3,380	1,073	26	8,996	-	13,013
Net Income	167	2,974	1,092	14	8,915	-	12,829

Results of Major Subsidiaries (3rd Quarter: Aug – Oct)



Consolidated

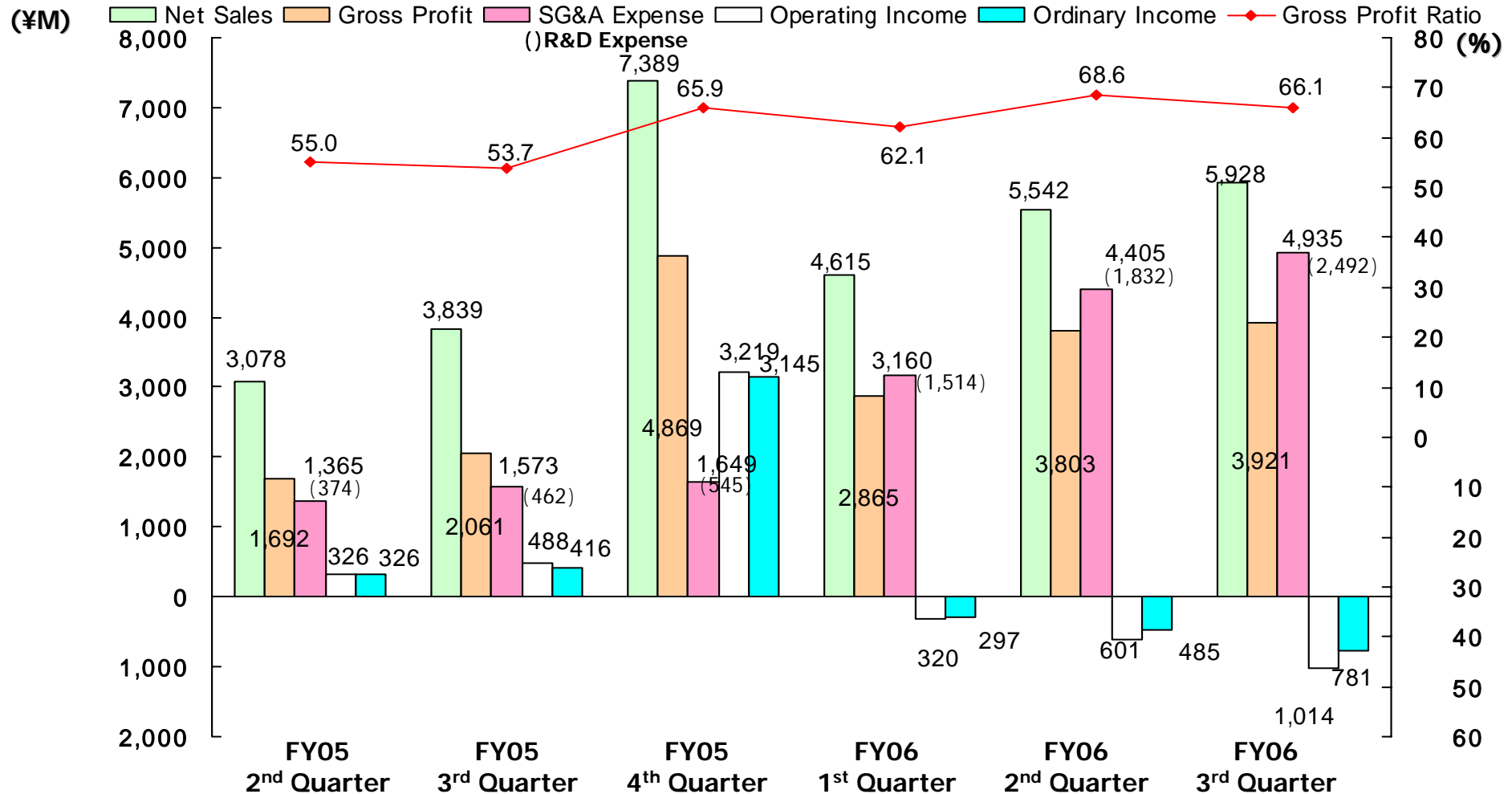
ASA: ACCESS Systems Americas, Inc. (former PalmSource, Inc.)
IPI: IP Infusion, Inc.

(JPY Million)	ACCESS	ASA	IPI	OTHER SUBS	Journal Entry Adjust	Goodwill / Intangible Assets Amortization	Consolidated Total
Net Sales	3,488	1,530	320	1,151	562	-	5,928
Gross Profit	1,843	1,377	253	619	172	-	3,921
SG&A Expense (Ordinary Expense – Non GAAP)	2,204	1,615	272	831	11	-	4,935
Operating Income (Before Exceptional Expense)	361	237	19	212	183	-	1,014
SG&A Expense (Exceptional Expense – GAAP)	-	829	115	-	-	2,784	3,728
Operating Income (After Exceptional Expense)	361	1,066	135	212	2,967	-	4,743
Ordinary Income	249	941	135	166	3,015	-	4,509
Net Income	195	957	143	186	2,961	-	4,444

Trend of Quarterly Sales, etc (Consolidated)



Consolidated



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

HQ Financial Highlights (3rd Quarter & YTD)

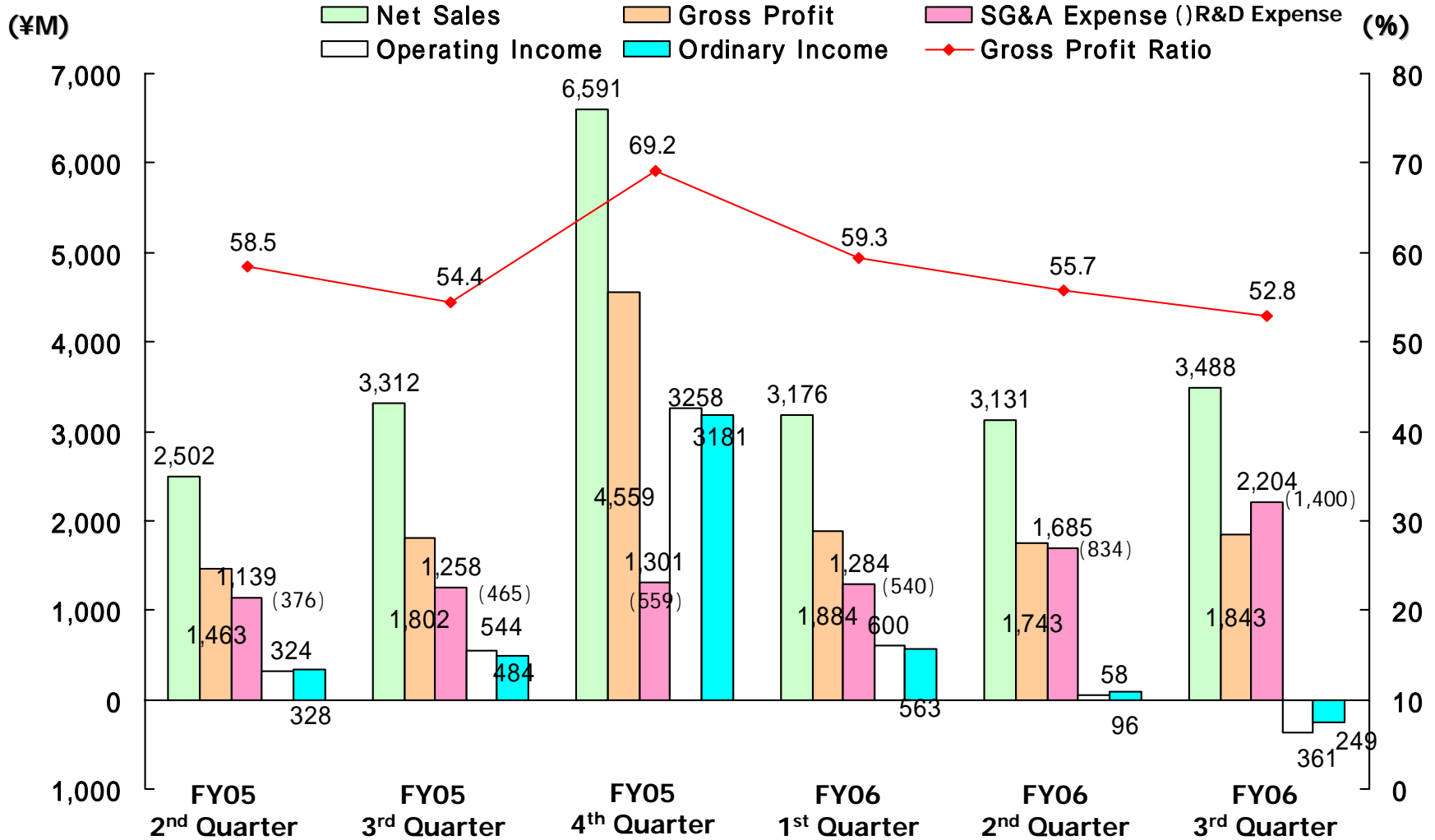


HQ Only

(JPY Million)	FY06 Q3 (current)	FY05 Q3 (previous)	YoY Change	FY06 YTD	FY05 9-months YTD	YoY Change	FY05 Total	% of FY05 Total
Net Sales	3,488	3,312	105.3%	9,796	8,217	119.2%	14,809	66.1%
Gross Profit	1,843	1,802	102.3%	5,471	4,917	111.3%	9,477	57.7%
Gross Profit Ratio	52.8%	54.4%	-	55.9%	59.8%	-	64.0%	-
SG&A Expense	2,204	1,258	175.2%	5,174	3,336	155.1%	4,637	111.6%
Operating Income	361	544	-	297	1,581	18.8%	4,839	6.2%
Ordinary Income	249	484	-	409	1,559	26.3%	4,740	8.6%
Net Income	195	327	-	167	943	17.8%	2,804	6.0%

Trend of Quarterly Sales, etc (HQ)

HQ Only

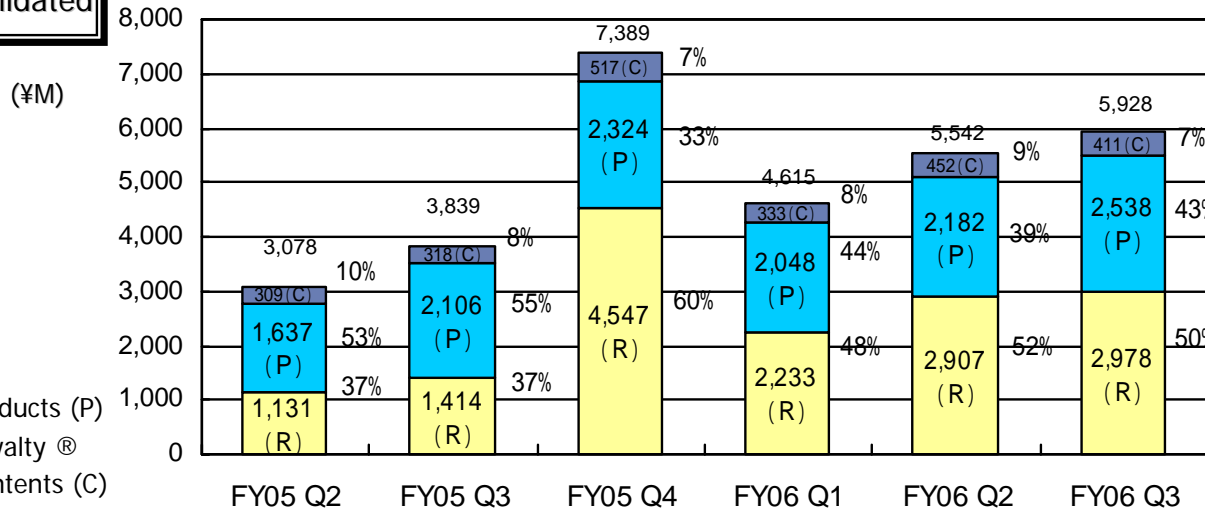


Trend of Sales & Gross Profit (Consolidated)

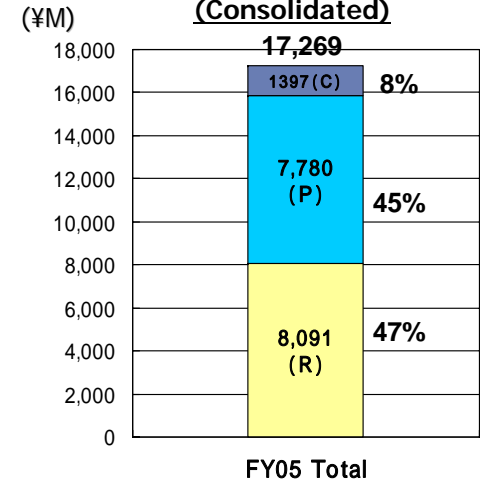


Consolidated

Sales Mix Ratio (Consolidated)



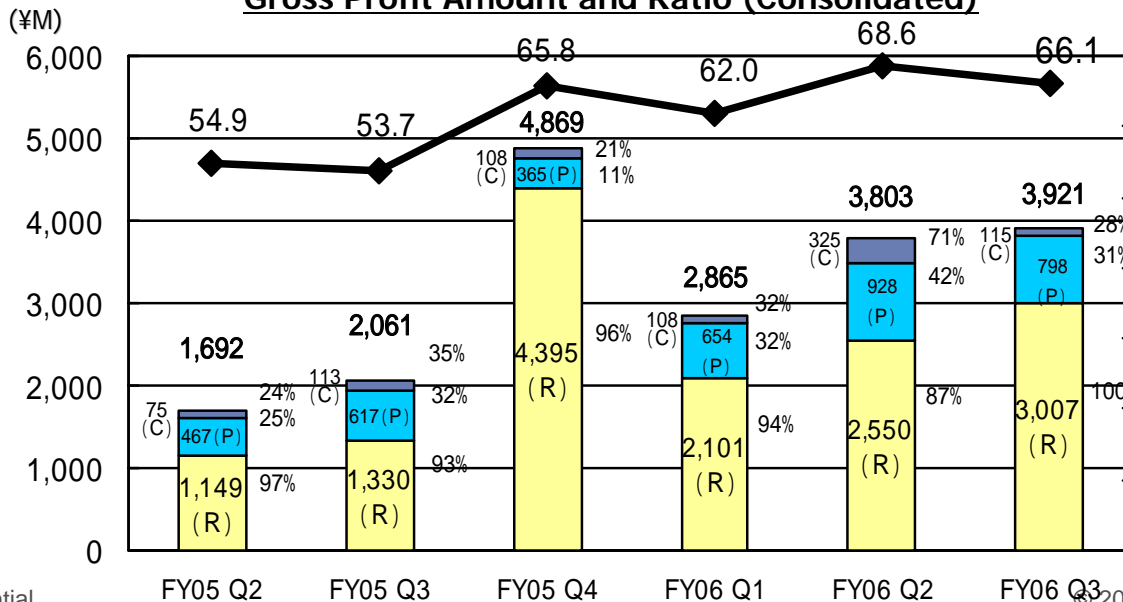
Sales Mix Ratio (Consolidated)



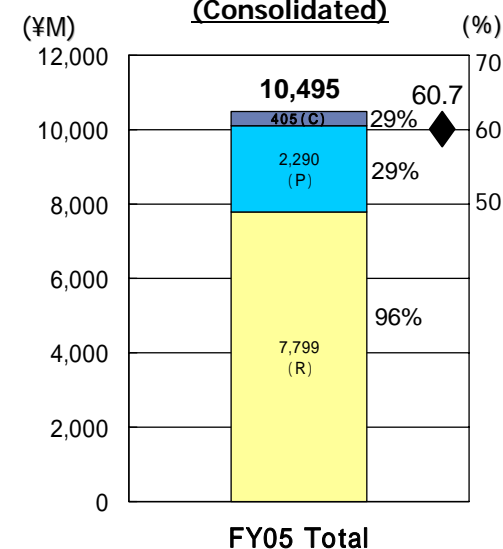
■ Products (P)
■ Royalty ®
■ Contents (C)

◆ Gross Profit Ratio (Overall)

Gross Profit Amount and Ratio (Consolidated)



Gross Profit Amount and Ratio (Consolidated)

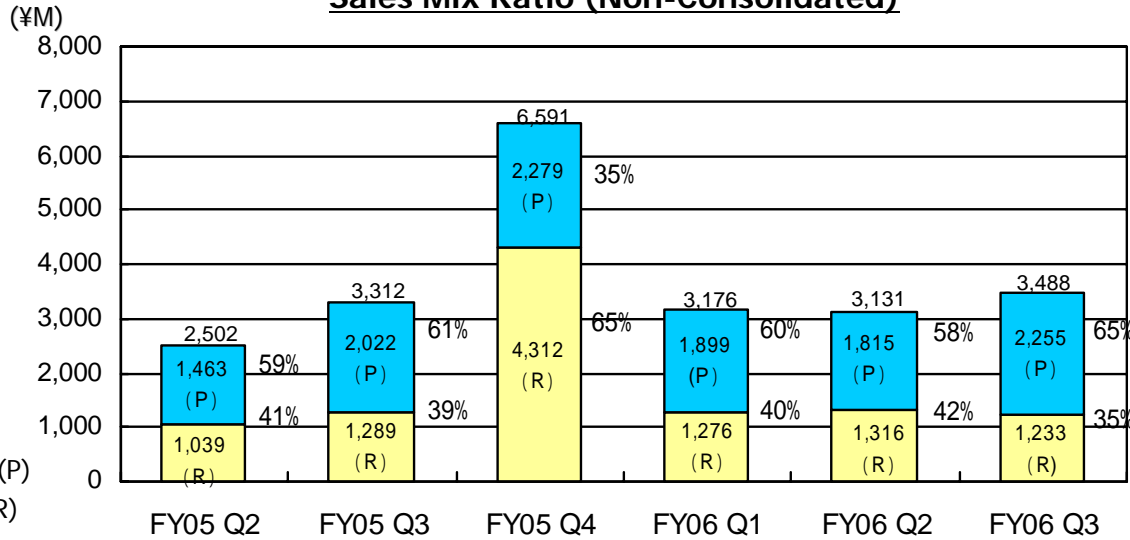


Trend of Sales & Gross Profit (HQ)

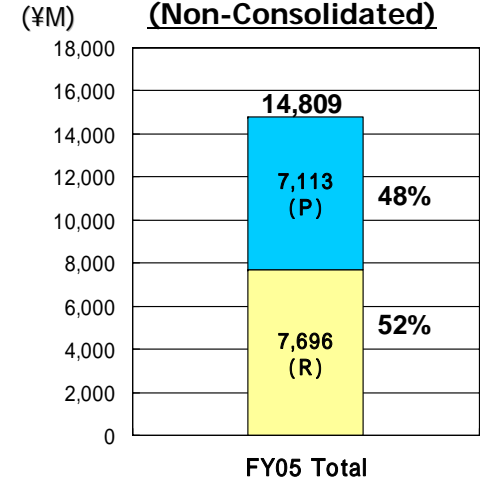


HQ Only

Sales Mix Ratio (Non-Consolidated)

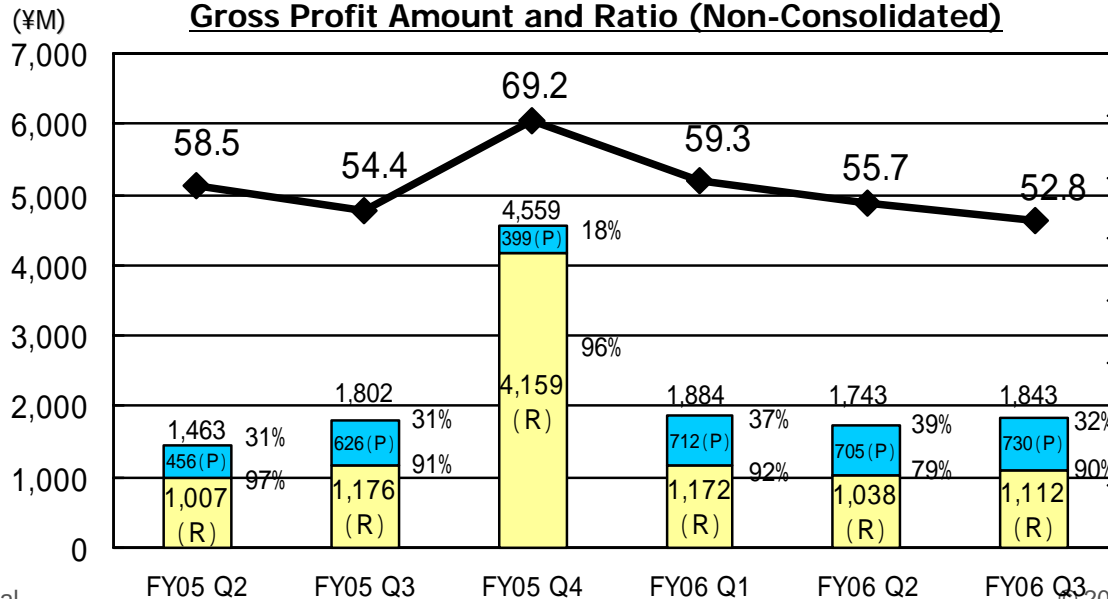


Sales Mix Ratio (Non-Consolidated)

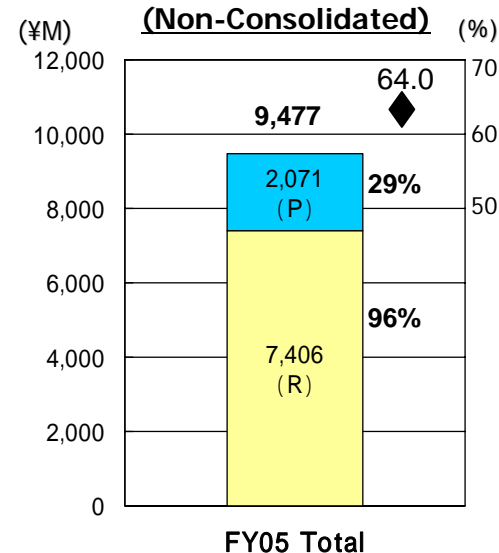


■ Products (P)
■ Royalty (R)
◆ Gross Profit Ratio (Overall)

Gross Profit Amount and Ratio (Non-Consolidated)



Gross Profit Amount and Ratio (Non-Consolidated)

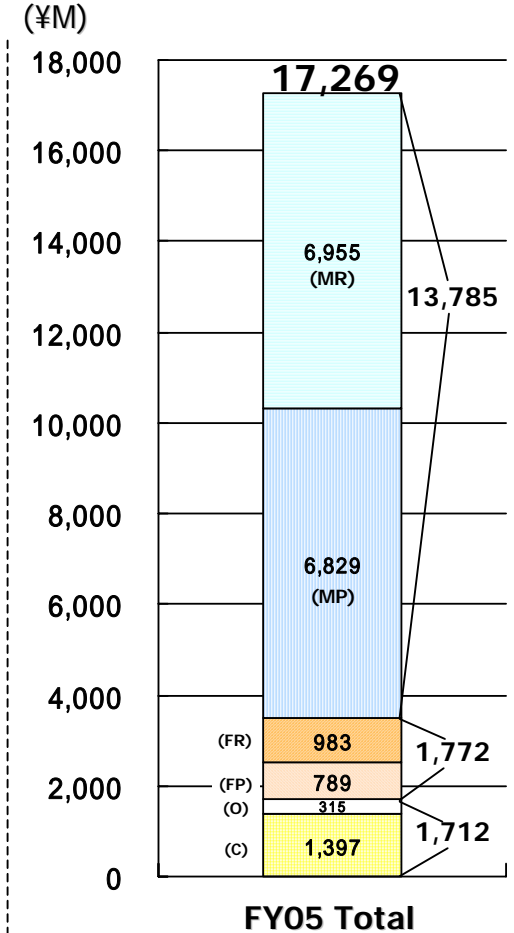
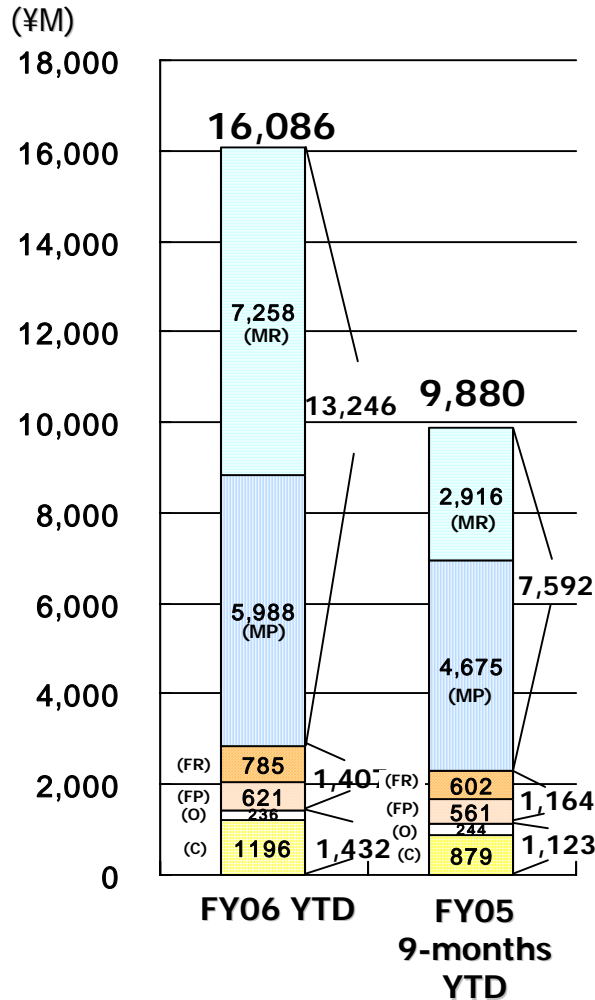
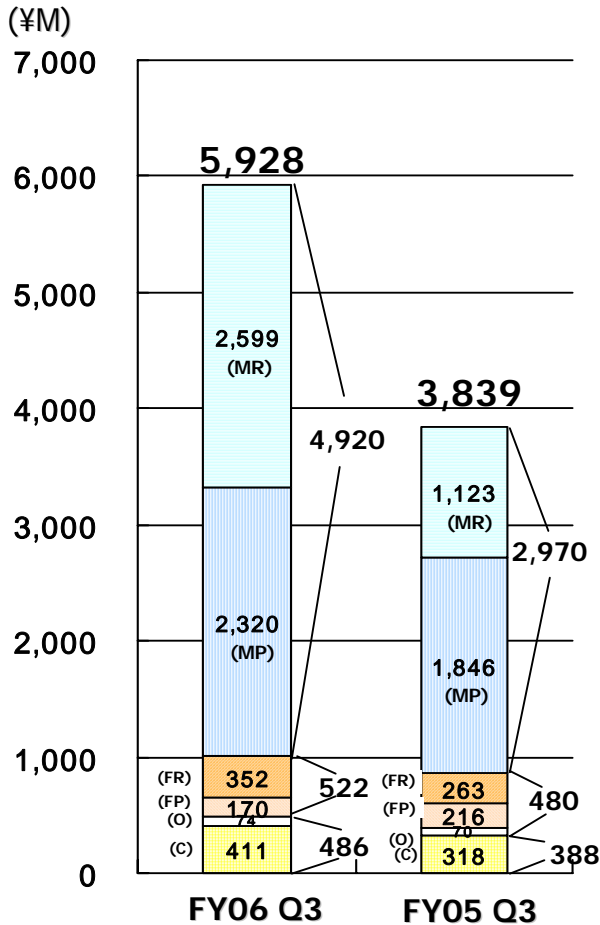


Breakdown of Sales (Consolidated: 3rd Quarter & YTD)



Consolidated

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

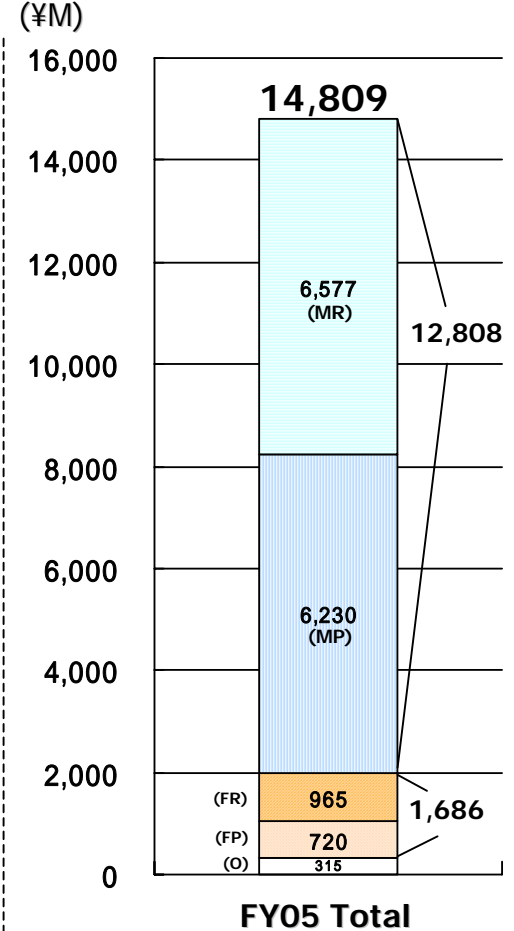
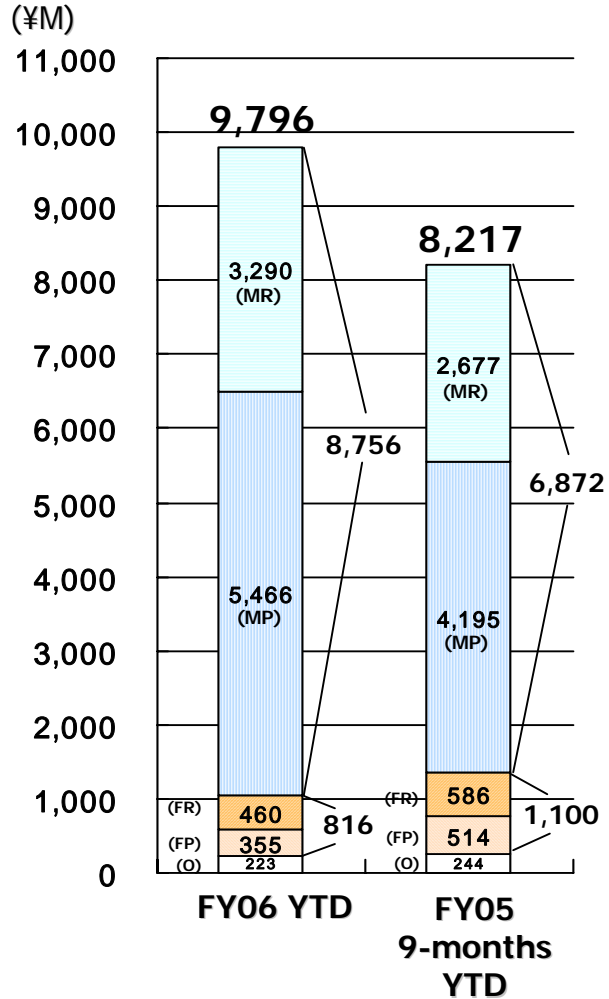
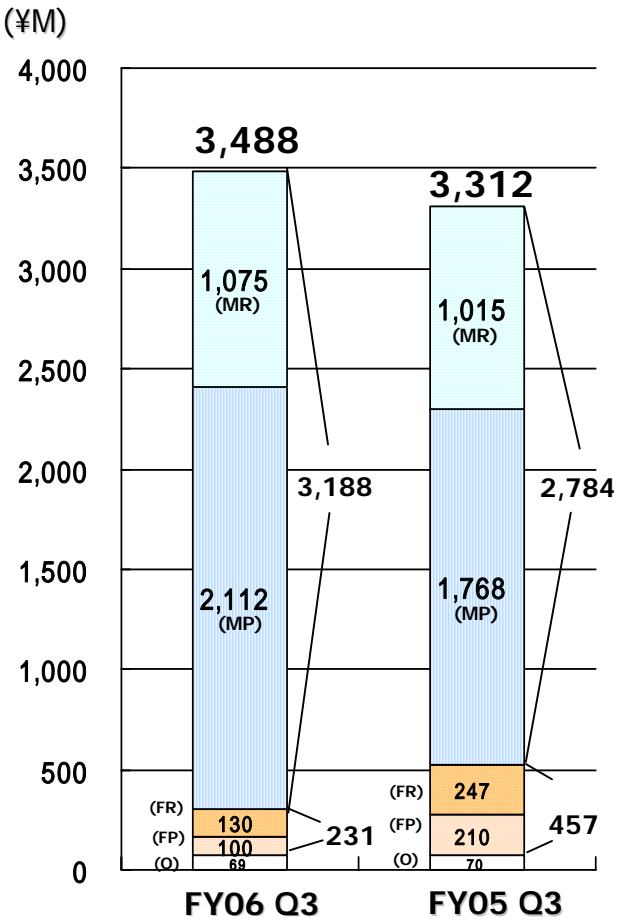


Breakdown of Sales (HQ: 3rd Quarter & YTD)



HQ Only

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



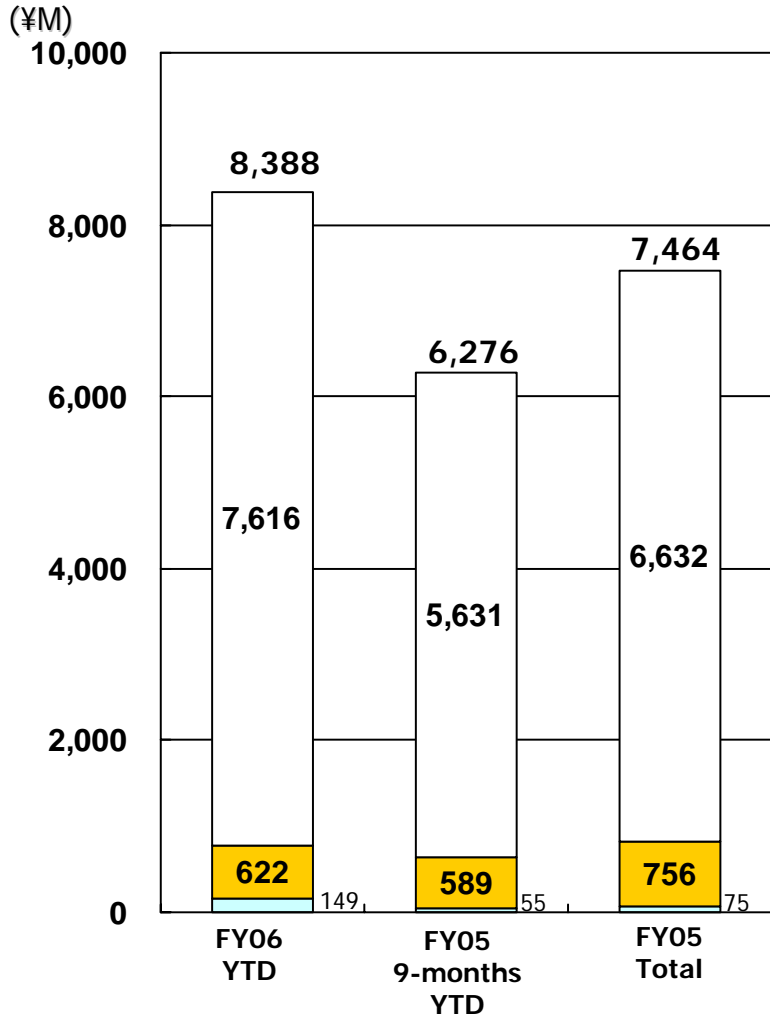
Orders for NRE Products (Consolidated)



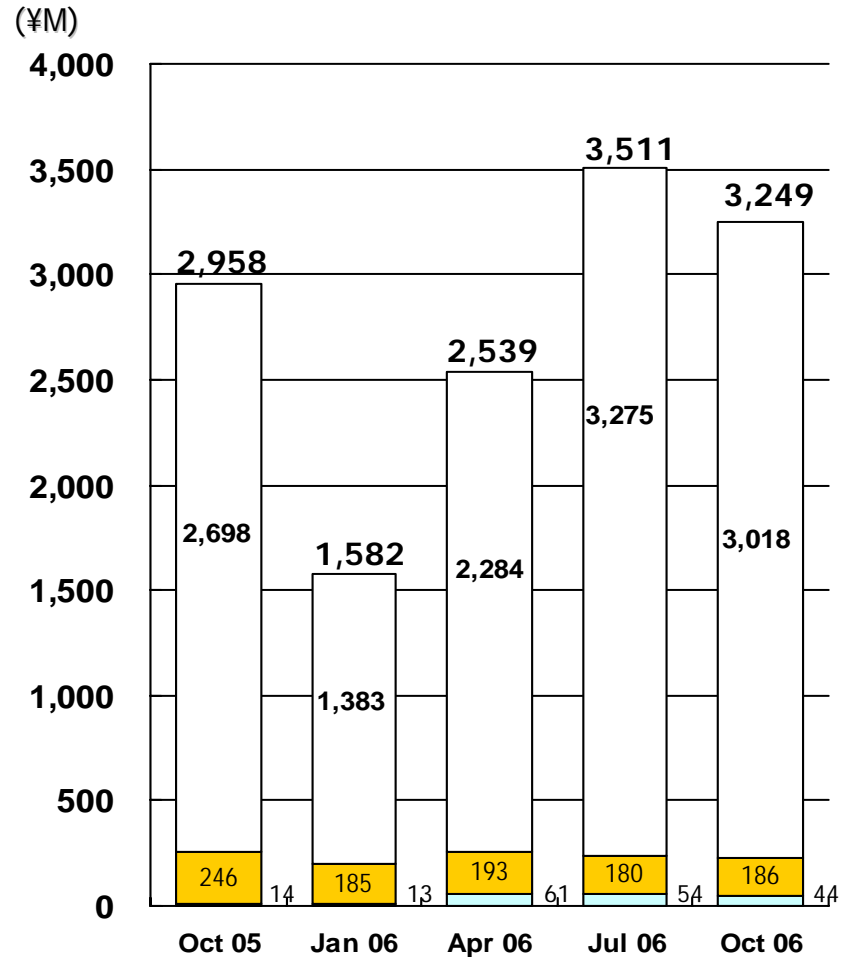
Consolidated

- Wireless
- Wired
- Others

Orders Received



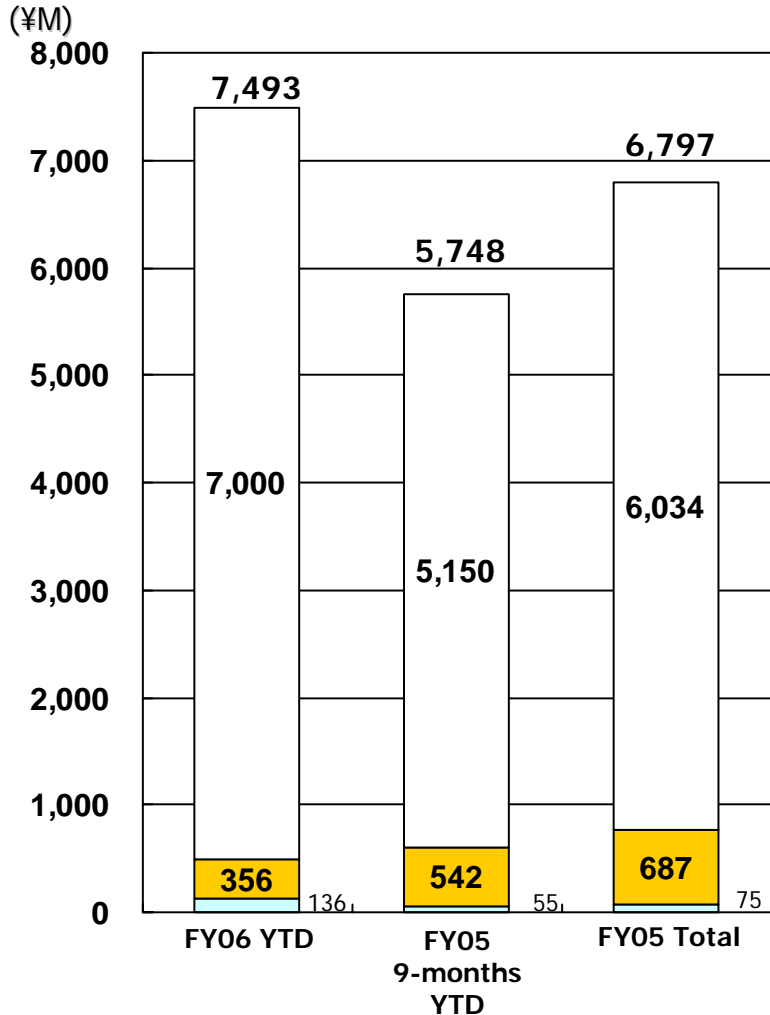
Backlog



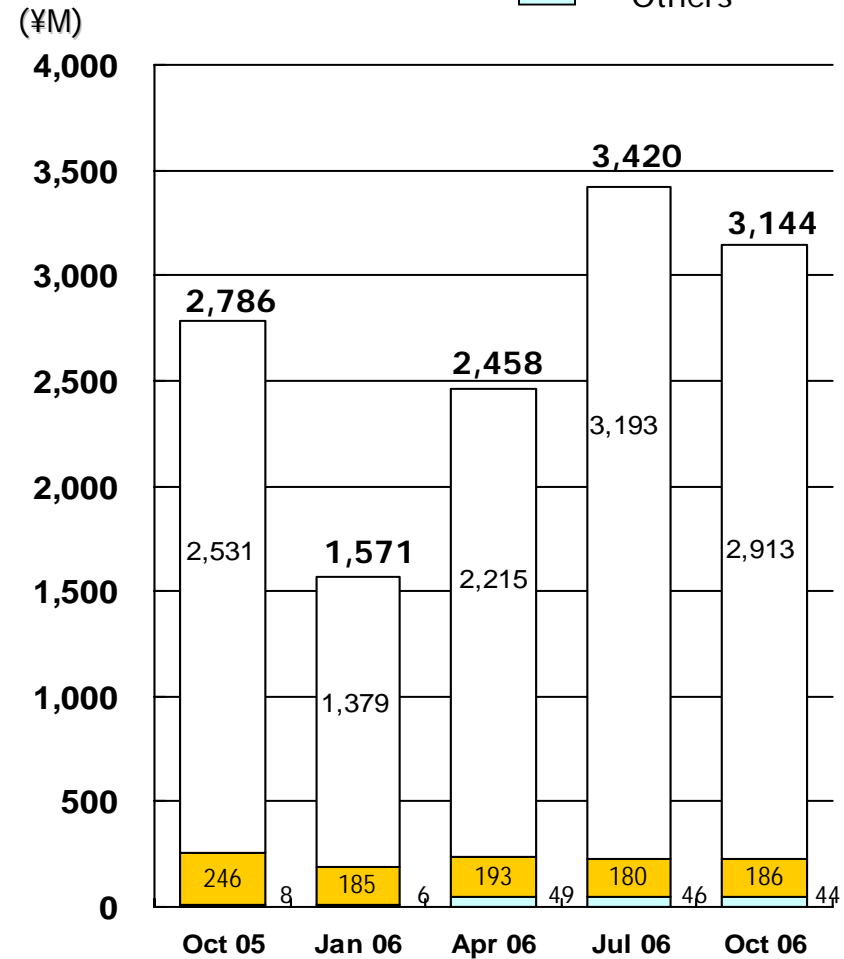
Orders for NRE Products (HQ)

HQ Only

Orders Received



Backlog



Wireless
Wired
Others

Headcount Trend (Consolidated)



Consolidated

(Unit: person)

Region \ Year	2005/07	2006/01	2006/07	2006/10
Japan	443	447	519	525
Asia (excluding Japan)	133	505	528	576
North America	35	218	267	279
Europe	47	95	110	117
Total	658	1,265	1,424	1,497

Consolidated Balance Sheet (Summary)



Consolidated

(JPY Million)	End of FY06 Q3	End of FY05 Q3	End of FY05
. Current Assets			
Cash and deposits	15,479	58,103	24,916
Account Receivables	5,665	3,154	6,419
Securities	6,002	156	6,925
Inventory	929	971	508
Other	2,392	633	1,911
. Fixed Assets			
Tangible Fixed Assets	1,415	813	1,444
Intangible Fixed Assets	24,072	517	28,174
Investments and Other Assets	4,927	1,076	5,263
Total	60,885	65,425	75,565
. Current Liabilities	5,260	2,578	6,117
. Fixed Liabilities	689	20,164	1,514
. Total Equity	54,935	42,682	67,934
Total	60,885	65,425	75,565

Consolidated Cash Flow (Summary)

Consolidated

(JPY Million)	FY06 Q1 ~ Q3	FY05 Q1 ~ Q3	FY05 Total
. Cash Flow from Operating Activities	4,389	1,301	4,526
II. Cash Flow from Investing Activities	6,482	1,352	36,966
III. Cash Flow from Financing Activities	195	50,313	52,150
IV. Increase in Cash and Cash Equivalents	10,655	50,293	19,772
V. Balance of Cash and Cash Equivalents at the beginning of the term	26,393	6,621	6,621
VI. Balance of Cash and Cash Equivalents at the end of the term	15,738	56,915	26,393

Net Income before Tax: ¥13,101 M
 Amortization of Goodwill and Tangible/Intangible Assets: ¥11,051 M
 Corporate Income Tax, etc: ¥1,993 M

Acquisition of IP Infusion, Inc.: ¥5,822 M

Net Income before Tax: ¥4,531 M

Cash flow from MPO (Multiple Public Offering) issuance: ¥37,000 M
 Cash flow from capital increase: ¥15,000 M

Acquisition of PalmSource, Inc. ¥35,534 M