

April 15, 2011

Dear Customers and DIGI family members,

On behalf of myself and the employees of Teraoka, I would like to express our sincere thanks and gratitude to all for your warm messages and support. The events of the March 11 earthquake caused major damage to the northeastern area of Japan and hardships for the people along the coast that were heavily damaged by the tsunami. Fortunately no employee of the Teraoka Group of companies was injured or lost and our operations are fully recovered.

The production floor of the Iwate factory where the earthquake hit severely was a mess. Thanks to the dedication and hard work of our employees, our production was recovered within 5 days after the event.

The situation at the nuclear power plant at Fukushima is still critical. Fortunately our Iwate factory is located 181km to the north of the Fukushima Power Plant which is well out of the radiation danger area. Still, I understand that some concerns have arisen from overseas customers about the possibility of radiation affecting our products. In order to respond to this concern, we have measured the radiation level at the Iwate factory on April 5.

We specifically checked radiation levels on a sample AW4600 wrapper. The resulting radiation value found was less than 0.1 μ Sv/hour (micro sievert per hour). This level is well within the normal background levels of radiation occurring naturally. Although there is no international standard or guideline for the acceptable radiation level found on industrial products, we are confident that there is no radiation risk associated with our Iwate produced machines, since the level of radiation found is within the range of exposure encountered in normal life. Just to be completely confident we plan to continually monitor the Fukushima situation and radiation levels at our Iwate plant.

Again, we appreciate all your prayers, encouragement and support given to us during the past month, which were really inspiring, and helped us a lot with our recovery. We are going strong with the support of our friends in the world, and I am confident that Japan will continue to face this difficult time with determination and strength and will be more successful in the future.

Sincerely,



Kazuharu Teraoka
President,
Teraoka Seiko Co., Ltd.