



# Financial Report for FY 2006 (ending March 2007) (Non-Consolidated Report)

November 11, 2006

Corporate Name **Net One Systems Co., Ltd.** Tokyo Stock Exchange  
 Prefecture of headquarters Tokyo

Stock Code Number 7518  
 (URL <http://www.netone.co.jp>)  
 Representative: President & CEO Osamu Sawada  
 Inquiries: General Manager, Administrative Headquarters Tadashi Arima TEL (03) 5462-0800  
 Date of board meeting for interim period: November 11, 2006  
 Date of interim dividend payment start: November 30, 2006  
 Availability of single unit share system: No

## 1. Business Results for FY 2006 (April 1, 2006 to March 31, 2007)

### ( 1 ) Financial Results (unit: figures are rounded down to the nearest million yen)

	Sales		Operating profit		Ordinary profit	
	M yen	%	M yen	%	M yen	%
Six months ended September 2006	49,030	1.7	1,979	(47.9)	2,012	(48.1)
Six months ended September 2005	48,193	(14.3)	3,797	(2.0)	3,876	0.1
FY ended March 2006	105,508		6,759		6,855	

	Current interim net income		Current interim net income per share	
	M yen	%	yen	sen
Six months ended September 2006	1,155	(48.3)	2,094	93
Six months ended September 2005	2,234	(1.1)	4,050	81
FY ended March 2006	4,226		7,612	65

#### Footnote:

#### 1. Average number of shares:

Six months ended Sept. 2006: 551,688 shares

Six months ended Sept. 2005: 551,688 shares

Year ended Mar. 2006: 551,688 shares

#### 2. Changes in principle accounting policies: no

3. Percentage: Increase/Decrease against corresponding period of the previous year on sales, operating profit, ordinary profit, and net income

### ( 2 ) Financial position

	Total assets	Net assets	Net assets ratio to total assets	Net assets per share	
	Million Yen	Million Yen	%	Yen	Sen
Six months ended September 2006	78,297	61,732	78.8	111,896	62
Six months ended September 2005	77,374	59,356	76.7	107,591	34
FY ended March 2006	81,754	60,934	74.5	110,402	44

Footnote: 1. Number of issued shares at the end of the period

Six months ended September 2006	551,688 shares
Six months ended September 2005	551,688 shares
FY ended March 2006	551,688 shares
2. Treasury stocks at the end of the period:	
Six months ended September 2006	211 shares
Six months ended September 2005	211 shares
FY ended March 2006	211 shares

2 . Forecast for FY ending March 31, 2007 (April 1, 2006 to March 31, 2007)

	Sales	Ordinary profit	Current net income
	Million yen	Million yen	Million yen
FY	117,000	7,000	4,100

(Reference) Forecast current net income per share for FY ending Mar. 2007 7,431 yen 74 sen

3 . Dividends status

Cash dividends	Dividends per share		
	End of interim period	End of FY	Annual dividends
FY ending	750.00	750.00	1,500.00
FY ending Mar. 31, 2007 (actual)	750.00	-	1,500.00
FY ending Mar. 31, 2007 (scheduled)	-	750.00	

The above forecast is based on currently available information and the actual business performance may differ in relation to various factors. With regards to particulars related to above forecast, please refer to Operating Results and Financial Status (a) Operating Results (2) Forecast for the next term on page 8 of attached consolidated report.

# Financial Statements

## (1) Balance Sheet

(unit: figures are rounded down to the nearest million yen)

	End of previous FY interim period (as of Sept. 30, 2005)		End of previous FY interim period (as of Sept. 30, 2006)		Previous FY Edited Balance Sheet (as of Mar. 31, 2006)	
	Amount	Ratio	Amount	Amount	Ratio	Amount
<b>ASSETS</b>		%		%		%
<b>Current assets</b>	<b>68,680</b>	<b>88.8</b>	<b>68,742</b>	<b>87.8</b>	<b>72,453</b>	<b>88.6</b>
Cash and deposits	14,882		16,474		14,175	
Notes receivable -trade	872		896		781	
Accounts receivable -trade	29,197		25,844		34,399	
Short-term investments	8,499		9,498		8,999	
Inventories	12,241		12,926		11,193	
Other current assets	3,091		3,103		2,904	
Allowance for doubtful accounts	(106)		(1)		(1)	
<b>Fixed assets</b>	<b>8,693</b>	<b>11.2</b>	<b>9,555</b>	<b>12.2</b>	<b>9,301</b>	<b>11.4</b>
<b>1. Tangible assets</b>	<b>3,466</b>	<b>4.5</b>	<b>4,262</b>	<b>5.5</b>	<b>3,852</b>	<b>4.7</b>
Furniture, fixtures and equipments	3,070		3,891		3,545	
Others	396		370		306	
<b>2. Intangible assets</b>	<b>1,573</b>	<b>2.0</b>	<b>1,357</b>	<b>1.7</b>	<b>1,443</b>	<b>1.8</b>
<b>3. Investment and other assets</b>	<b>3,653</b>	<b>4.7</b>	<b>3,935</b>	<b>5.0</b>	<b>4,005</b>	<b>4.9</b>
Long-term investments	1,466		1,695		1,535	
Other fixed assets	2,421		2,466		2,697	
Allowance for doubtful accounts	(233)		(226)		(226)	
<b>Total assets</b>	<b>77,374</b>	<b>100.0</b>	<b>78,297</b>	<b>100.0</b>	<b>81,754</b>	<b>100.0</b>

(unit: figures are rounded down to the nearest million yen)

	End of previous FY interim period (as of Sept. 30, 2005)		End of previous FY interim period (as of Sept. 30, 2006)		Previous FY Edited Balance Sheet (as of Mar. 31, 2006)	
	Amount	Ratio	Amount	Ratio	Ratio	Amount
<b>LIABILITIES</b>						
<b>Current liabilities</b>	<b>17,851</b>	<b>23.1</b>	<b>16,492</b>	<b>21.1</b>	<b>20,654</b>	<b>25.3</b>
Accounts payable-trade	11,899		9,721		15,160	
Accrued income taxes	1,599		844		1,011	
Advance received	2,648		4,100		2,298	
Allowance for bonuses	382		421		392	
Other current liabilities	1,322		1,405		1,792	
<b>Long term liabilities</b>	<b>165</b>	<b>0.2</b>	<b>73</b>	<b>0.1</b>	<b>165</b>	<b>0.2</b>
Long-term accrued expenses	165		73		165	
<b>TOTAL LIABILITIES</b>	<b>18,017</b>	<b>23.3</b>	<b>16,565</b>	<b>21.2</b>	<b>20,820</b>	<b>25.5</b>
<b>SHAREHOLDERS' EQUITY</b>						
<b>Capital stock</b>	<b>12,279</b>	<b>15.9</b>	-	-	<b>12,279</b>	<b>15.0</b>
<b>Additional paid-in capital</b>	<b>19,453</b>	<b>25.1</b>	-	-	<b>19,453</b>	<b>23.8</b>
Capital reserve	19,453		-	-	19,453	
<b>Accumulated Earnings</b>	<b>27,723</b>	<b>35.8</b>	-	-	<b>29,302</b>	<b>35.8</b>
Earned surplus reserve	86		-	-	86	
Unappropriated reserve	24,782		-	-	24,782	
Interim period (FY)	2,854		-	-	4,432	
Unappropriated profit						
<b>Difference from securities revaluation</b>	<b>(5)</b>	<b>(0.0)</b>	-	-	<b>(5)</b>	<b>(0.0)</b>
<b>Treasury stock</b>	<b>(94)</b>	<b>(0.1)</b>	-	-	<b>(94)</b>	<b>(0.1)</b>
<b>Total shareholders' equity</b>	<b>59,356</b>	<b>76.7</b>	-	-	<b>60,934</b>	<b>74.5</b>
<b>Total Liabilities, shareholders' equity</b>	<b>77,374</b>	<b>100.0</b>	-	-	<b>81,754</b>	<b>100.0</b>
<b>Net assets</b>						
<b>Shareholders' equity</b>	-	-	<b>61,655</b>	<b>78.7</b>	-	-
<b>1. Capital stock</b>	-	-	<b>12,279</b>	<b>15.7</b>	-	-
<b>2. Additional paid-in capital</b>	-	-	<b>19,453</b>	<b>24.8</b>	-	-
Capital Reserve	-		19,453		-	
<b>3. Accumulated earnings</b>	-	-	<b>30,016</b>	<b>38.3</b>	-	-
Earned surplus reserve	-		86		-	
Other accumulated earnings	-				-	
Reserve for extraordinary depreciation of IT equipment	-		7		-	
Other reserve	-		27,920		-	
Earned surplus carried Forward	-		2,002		-	
<b>4. Treasury stock</b>	-	-	<b>(94)</b>	<b>(0.1)</b>	-	-
<b>Revaluation and translation adjustments</b>	-	-	<b>76</b>	<b>0.1</b>	-	-
<b>1. Securities revaluation adjustment</b>	-	-	<b>(3)</b>	<b>(0.0)</b>	-	-
<b>2. Deferred charge from hedging instruments</b>	-	-	<b>80</b>	<b>0.1</b>	-	-
<b>Total net assets</b>	-	-	<b>61,732</b>	<b>78.8</b>	-	-
<b>Total liabilities and net assets</b>	-	-	<b>78,297</b>	<b>100.0</b>	-	-

## (2) Income statement

(unit: figures are rounded down to the nearest million yen)

	Previous FY Interim Period Apr. 1, 2005 to Sept. 30, 2005		Current FY Interim Period Apr. 1, 2006 to Sept. 30, 2006		Previous FY Edited Income Statement Apr. 1, 2005 to Mar. 31, 2006	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
		%		%		%
<b>Sales</b>	<b>48,193</b>	<b>100.0</b>	<b>49,030</b>	<b>100.0</b>	<b>105,508</b>	<b>100.0</b>
<b>Cost of goods sold</b>	<b>36,787</b>	<b>76.3</b>	<b>38,465</b>	<b>78.5</b>	<b>83,040</b>	<b>78.7</b>
<b>Gross profit on sales</b>	<b>11,405</b>	<b>23.7</b>	<b>10,565</b>	<b>21.5</b>	<b>22,468</b>	<b>21.3</b>
<b>Selling, general and administrative expense</b>	<b>7,608</b>	<b>15.8</b>	<b>8,586</b>	<b>17.5</b>	<b>15,708</b>	<b>14.9</b>
<b>Operating Profit</b>	<b>3,797</b>	<b>7.9</b>	<b>1,979</b>	<b>4.0</b>	<b>6,759</b>	<b>6.4</b>
<b>Non-Operating Income</b>	<b>92</b>	<b>0.2</b>	<b>58</b>	<b>0.1</b>	<b>116</b>	<b>0.1</b>
<b>V Non-Operating Expense</b>	<b>14</b>	<b>0.1</b>	<b>25</b>	<b>0.0</b>	<b>20</b>	<b>0.0</b>
<b>Ordinary profit</b>	<b>3,876</b>	<b>8.0</b>	<b>2,012</b>	<b>4.1</b>	<b>6,855</b>	<b>6.5</b>
<b>Extraordinary Profit</b>	<b>44</b>	<b>0.1</b>	<b>0</b>	<b>0.0</b>	<b>165</b>	<b>0.1</b>
<b>Extraordinary Loss</b>	<b>134</b>	<b>0.2</b>	<b>3</b>	<b>0.0</b>	<b>145</b>	<b>0.1</b>
<b>Income before income taxes</b>	<b>3,786</b>	<b>7.9</b>	<b>2,009</b>	<b>4.1</b>	<b>6,875</b>	<b>6.5</b>
<b>Income taxes current</b>	<b>1,469</b>	<b>3.1</b>	<b>712</b>	<b>1.4</b>	<b>2,759</b>	<b>2.6</b>
<b>Income taxes deferred</b>	<b>82</b>	<b>0.2</b>	<b>141</b>	<b>0.3</b>	<b>(110)</b>	<b>(0.1)</b>
<b>Current Net income</b>	<b>2,234</b>	<b>4.6</b>	<b>1,155</b>	<b>2.4</b>	<b>4,226</b>	<b>4.0</b>
Retained earnings at the beginning of the period	570		-		570	
Unappropriated profit carried forward of the merging company	49		-		49	
Interim period dividends	-		-		413	
Unappropriated net profit for the FY (interim period)	2,854		-		4,432	

### ( 3 ) Statements of Changes in Shareholders' Equity

Consolidated period ( April 1, 2006 to September 30, 2006 )

(unit: figures are rounded down to the nearest million yen)

	Shareholders' equity							Revaluation and translation adjustments	Total net assets
	Capital stock	Additional paid-in capital	Accumulated earnings			Treasury stocks	Total shareholders' equity		
			Capital reserve	Earned surplus reserve	Other accumulated earnings				
Balance at March 31, 2006	12,279	19,453	86	29,215	29,302	(94)	60,940	(5)	60,934
Changes during the period									
Dividends from accumulated earnings (footnote 3)				(413)	(413)		(413)		(413)
Executives bonuses (footnote 3)				(27)	(27)		(27)		(27)
Net income for the period				1,155	1,155		1,155		1,155
Changes (net) in items other than shareholders' equity								82	82
Total changes during the period	-	-	-	714	714	-	714	82	797
Balance as of Sept. 30, 2006	12,279	19,453	86	29,930	30,016	(94)	61,655	76	61,732

#### Footnote 1: Details of Other accumulated earnings

(unit: figures are rounded down to the nearest million yen)

	Reserve for Extraordinary Depreciation of IT equipment	Other reserve	Earned surplus carried forward	Total
Balance at March 31, 2006	12	24,770	4,432	29,215
Changes during the period				
Reversal of reserve for extraordinary depreciation of IT equipment	(4)		4	-
Addition to other reserve (footnote 3)		3,150	(3,150)	-
Dividends from accumulated earnings (footnote 3)			(413)	(413)
Executives bonuses (Footnote 3)			(27)	(27)
Interim period dividends			1,155	1,155
Balance at March 31, 2006	(4)	3,150	(2,430)	714
Changes during the period	7	27,920	2,002	29,930

#### Footnote 2: Details of Revaluation and translation adjustments

(unit: figures are rounded down to the nearest million yen)

	Securities Revaluation Adjustment	Deferred charge from hedging instruments	Total
Balance at March 31, 2006	(5)	-	(5)
Changes during the period			
Changes (net) in items other than shareholders' equity	1	80	82
Total changes during the period	1	80	82
Balance as of Sept. 30, 2006	(3)	80	76

Footnote 3: These are items under plan for appropriation of earnings in ordinary general meeting of shareholders held in June 2006.

# Significant matters for the basis of interim financial report

## **1. Valuation Standard and Valuation Method for Assets**

### (1) Securities

Securities of Subsidiaries and Affiliated Companies

Cost accounting method using moving average method

Other Securities

Securities with market value

Market value method based on market value on closing date (Accounting for difference in valuation is total direct casting equity method and for cost of products sold, moving average method is applied)

Securities without market value

Cost accounting method using moving average method or amortized cost method (straight line method)

### (2) Derivatives

Market Value

### (3) Inventory Assets

Merchandises

Cost accounting method using moving average method

Uncompleted Works

Cost accounting method using individual method

## **2. Accounting method for depreciation of fixed assets**

### (1) Buildings and structures

Fixed percentage method is applied, with an exception of lease assets which employs straight line method.

Significant asset lives are:

Buildings 3-26 years

Machinery, Tool, and Equipment 2-20 years

Assets Lease 6 years

### (2) Intangible Fixed Assets

Software for internal use

Straight line method based on corporate usability period (5 years)

Software for sale

Straight line method based on useful life (3 years)

### (3) Long Term Prepaid Expense

Average depreciation method

## **3. Accounting method for accrual of allowance**

### (1) Allowance for doubtful receivables

To prepare for loss from uncollectable receivables, for general uncollectable credits, calculation based on actual uncollectable rate is budgeted and for special receivables with higher uncertainty, probability of collectivity is considered on individual basis and uncollectable receivables are budgeted accordingly.

### (2) Allowance for bonus

Expenditure from payment of bonus to employees is recorded based on payment prospect.

## **4. Exchange standard for foreign currency assets and liabilities**

With regards to debts and credits in foreign currencies, the amount is calculated to yen using spot exchange rate as of the closing date of the interim period and difference from conversion is accrued as gain or loss.

## **5. Accounting method for lease transactions**

Except for lease products where ownerships is expected to transfer to the debtor, the accounting method for lease transactions in conformance with accounting policy of general lease transactions is applied.

## **6. Method for Hedge Accounting**

### (1) Hedge accounting method

Carry over hedge accounting is applied. As an exception, for Exchange Contract when requirements for allocation procedure are met, allocation procedure is applied.

### (2) Hedge procedure and subject

Procedure: Exchange Contract

Subject to Hedge: Planned foreign currency transactions

### (3) Hedge policy

In accordance with the monetary limitation on transactions and transaction authority in corporate administrative provisions, risk hedge for currency fluctuation of foreign liabilities relating to business assets is applied.

### (4) Hedge efficiency valuation policy

For Exchange Contract which is considered to have high hedge efficiency, efficiency valuation has been omitted.

## **7. Other significant matters serving as the basis of creating Interim Financial Report**

Accounting Policy for consumption tax, etc.

Accounting method for consumption tax and local consumption tax used Pre-tax method.

With regards to current interim period, prepaid consumption tax, etc. and suspense receipt consumption tax have been offset and included under Others in Current Liabilities.

## Changes in significant matters related to the basis of creation of consolidated financial statements

### (Accounting policy for net assets in balance sheet)

From current interim period, the company adopted the “Accounting Standard for Presentation of Net Assets in Balance Sheet” (Corporate Accounting Standard No. 5, December 9, 2005) and the “Guidelines for Application of Accounting Standard for Presentation of Net Assets in the Balance Sheet” (Corporate Accounting Standard Guidelines No. 8, December 9, 2005).

Total assets as presented previously would amount to 61,651 M yen.

As of the current interim period, net assets in financial statements for interim periods have been presented according to the revised rules pertaining to financial statements for interim periods.

### Notable matters

#### ( Consolidated Interim Balance Sheet )

(unit: figures are rounded down to the nearest million yen)

End of previous consolidated interim period (as of Sept. 30, 2005)	End of current consolidated interim period (as of Sept. 30, 2006)	End of previous consolidated FY (as of Mar. 31, 2006)
Net depreciation of tangible fixed assets 6,570	Net depreciation of tangible fixed assets 7,987	Net depreciation of tangible fixed assets 7,261
Overdraft contract and loan commitment  In order to efficiently procure operating fund, overdraft contract and loan commitment has been signed with 6 company banks. End of term balance for unused credit is as follows. Maximum amount of the overdraft and loan commitment 29,200 Amount loaned - End balance 29,200	Overdraft contract and loan commitment  In order to efficiently procure operating fund, overdraft contract and loan commitment has been signed with 5 company banks. End of term balance for unused credit is as follows. Maximum amount of the overdraft and loan commitment 29,200 Amount loaned - End balance 29,200	Overdraft contract and loan commitment  In order to efficiently procure operating fund, overdraft contract and loan commitment has been signed with 5 company banks. End of term balance for unused credit is as follows. Maximum amount of the overdraft and loan commitment 29,200 Amount loaned - End balance 29,200

#### (Matters related to Interim Income Statement)

(unit: figures are rounded down to the nearest million yen)

Previous FY interim period (Apr. 1 2005 to Sept. 30, 2005)	Current FY interim period (Apr. 1, 2006 to Sept. 30, 2006)	Previous FY (Apr. 1, 2005 to Mar. 31, 2006)
<b>Significant Non-Operating Income</b>	<b>Significant Non-Operating Income</b>	<b>Significant Non-Operating Income</b>
Interest Earned 5	Interest Earned 4	Interest Earned 9
Interest from securities 1	Interest from securities 9	Interest from securities 2

Dividend earned Income from company's commissioned business to related companies Gain from currency Exchange Dividend from group insurance	1 6 20 19	Dividend earned Income from company's commissioned business to related companies Dividend from group insurance	1 3 28	Dividend earned Income from company's commissioned business to related companies Gain from currency Exchange Dividend from group insurance	1 10 22 19
<b>Significant Non-Operating Expense</b>		<b>Significant Non-Operating Expense</b>		<b>Significant Non-Operating Expense</b>	
Commitment Fee Operational spending loss	4 1	Loss from currency exchange Commitment fee Operational spending loss	16 4 4	Commitment fee Operational spending loss	9 2
<b>Significant Extraordinary Profit</b>		<b>Significant Extraordinary Profit</b>		<b>Significant Extraordinary Profit</b>	
Reversal from allowance for doubtful receivables Gain from sales of investment securities Gain from sales of related companys' stocks	0 0 39	Reversal from allowance for doubtful receivables	0	Reversal from allowance for doubtful receivables Gain from sales of fixed assets Gain from sales of investment securities Gain from sales of related companys' stocks	112 8 0 39
<b>Significant Extraordinary Loss</b>		<b>Significant Extraordinary Loss</b>		<b>Significant Extraordinary Loss</b>	
Loss from removal of tools, fixtures, and equipment Loss from removal of intangible fixed assets Impairment Loss	2 0 132	Loss from removal of tools, fixtures, and equipment	3	Loss from removal of tools, fixtures, and equipment Loss from removal of Intangible fixed assets Impairment loss Loss from revaluation of investment securities	11 0 132 1
Depreciation/ Amortization amount		Depreciation/ Amortization amount		Depreciation/ Amortization amount	

Tangible fixed assets	614	Tangible fixed assets	770	Tangible fixed assets	1,426
Intangible fixed assets	78	Intangible fixed assets	203	Intangible fixed assets	257

(unit: figures are rounded down to the nearest million yen)

Previous FY interim period (Apr. 1 2005 to Sept. 30, 2005)	Current FY interim period (Apr. 1, 2006 to Sept. 30, 2006)	Previous FY (Apr. 1, 2005 to Mar. 31, 2006)																
<p>Impairment loss</p> <p>During current interim period, Net One Systems Group has applied impairment loss to the following assets</p> <table border="1" data-bbox="154 472 571 580"> <thead> <tr> <th>Location</th> <th>Purpose</th> <th>Type</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>Suginami-Ku, Tokyo</td> <td>Rental parking lot</td> <td>Land</td> <td>132M yen</td> </tr> </tbody> </table> <p>As our group created cash flow through bundling all assets used for the purpose of network related business, asset is indicated as one group. However, for assets not used for the purpose of aforementioned business, they have been grouped based on individual items.</p> <p>Due to the material decrease in market price of the applicable asset, its book value was reduced to the recoverable amount and 132M yen decrease was recorded as impairment loss under extraordinary expense. The recoverable amount for the applicable asset was determined through net sales price derived through subtracting estimated disposal expense from appraisal value based on market transactions in surrounding areas.</p>	Location	Purpose	Type	Amount	Suginami-Ku, Tokyo	Rental parking lot	Land	132M yen	<p style="text-align: center;">_____</p>	<p>Impairment loss</p> <p>During current interim period, Net One Systems Group has applied impairment loss to the following assets</p> <table border="1" data-bbox="1023 434 1441 542"> <thead> <tr> <th>Location</th> <th>Purpose</th> <th>Type</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>Suginami-Ku, Tokyo</td> <td>Rental parking lot</td> <td>Land</td> <td>132M yen</td> </tr> </tbody> </table> <p>As our group created cash flow through bundling all assets used for the purpose of network related business, asset is indicated as one group. However, for assets not used for the purpose of aforementioned business, they have been grouped based on individual items.</p> <p>Due to the material decrease in market price of the applicable asset, its book value was reduced to the recoverable amount and 132M yen decrease was recorded as impairment loss under extraordinary expense. The recoverable amount for the applicable asset was determined through net sales price derived through subtracting estimated disposal expense from appraisal value based on market transactions in surrounding areas. The applicable asset was sold after Impairment Loss had been recorded. Thus an amount of 8M yen, the difference between its book value after impairment loss had been recorded and sale value, was recorded as gain on sales of fixed assets under extraordinary profit.</p>	Location	Purpose	Type	Amount	Suginami-Ku, Tokyo	Rental parking lot	Land	132M yen
Location	Purpose	Type	Amount															
Suginami-Ku, Tokyo	Rental parking lot	Land	132M yen															
Location	Purpose	Type	Amount															
Suginami-Ku, Tokyo	Rental parking lot	Land	132M yen															

## Statement of Change in Shareholders' Equity during interim period

Interim period (April 1, 2006 to September 30, 2006)

Items regarding types and number of treasury stocks

	Number of shares at the end of previous FY	Number of shares increased during the interim period	Number of shares decreased during the interim period	Number of shares at the end of the interim period
Common stocks	211	-	-	211
Total	211	-	-	211

### (Matters related to lease transactions)

As our company employs electronic disclosure system based on Securities Exchange Law Section 27, 30-6, description has been abbreviated.

### (Matters related to securities)

There are no subsidiaries or affiliated companies with marketable values during previous FY interim period (Apr. 1, 2005 to Sept. 30, 2005), current FY interim period (Apr. 1, 2006 to Sep. 30, 2006) or previous FY. (Apr. 1, 2005 to Mar. 31, 2006)