

## Non-Consolidated Financial Summary For the Six Months Ended September 30, 2006

November 14, 2006

Name of Listed Company: NOK Corporation

Stock code number: 7240

(URL <http://www.nok.co.jp>)

Representative:

Masato Tsuru, President

Contact Person:

Toshio Tominaga, General Manager, Planning Dept.

Listed exchanges: Tokyo

Location of Head Office: Tokyo

TEL (03) 3434-1736

Date of Board Meeting approving financial results for the first-half of FY 2006: November 14, 2006

Interim dividend system: existent

Commencement of interim dividends payment: December 8, 2006

System of trading unit of shares: adopted (one unit: 100 shares)

### 1. Non-consolidated financial results for the first half of FY 2006 (April 1, 2006 to September 30, 2006)

(1) Operating results (Fractions are rounded down to the nearest million yen.)

|                     | Sales       |       | Operating Income |        | Ordinary Profit |        |
|---------------------|-------------|-------|------------------|--------|-----------------|--------|
|                     | million yen | %     | million yen      | %      | million yen     | %      |
| 1st half of FY 2006 | 139,375     | 4.1   | 6,569            | 2.5    | 7,562           | (0.3)  |
| 1st half of FY 2005 | 133,844     | (4.5) | 6,407            | (23.9) | 7,583           | (14.6) |
| FY 2005             | 273,813     |       | 12,653           |        | 15,186          |        |

|                     | Net Income  |        | Net Income per Share |
|---------------------|-------------|--------|----------------------|
|                     | million yen | %      | yen                  |
| 1st half of FY 2006 | 5,610       | 15.4   | 32.42                |
| 1st half of FY 2005 | 4,859       | (35.2) | 28.08                |
| FY 2005             | 10,426      |        | 59.78                |

Notes: 1. Average outstanding shares: 173,067,171 in 1st half of FY 2006; 173,068,515 in 1st half of FY 2005; 173,068,298 in FY 2005

2. Change in accounting policies: No

3. Percentages shown in sales, operating income, ordinary profit and net income in tables above are percentages of change from comparable term of previous year.

### (2) Consolidated Financial Position

|                     | Total Assets | Net Assets  | Capital Ratio | Net Assets per Share |
|---------------------|--------------|-------------|---------------|----------------------|
|                     | million yen  | million yen | %             | yen                  |
| 1st half of FY 2006 | 260,251      | 130,621     | 50.2          | 754.75               |
| 1st half of FY 2005 | 242,998      | 118,100     | 48.6          | 682.39               |
| FY 2006             | 259,352      | 127,836     | 49.3          | 738.19               |

Notes: 1. Outstanding shares: 173,066,796 in 1st half of FY 2006; 173,068,300 in 1st half of FY 2005; 173,067,565 in FY 2005

2. Treasury stocks: 71,741 in 1st half of FY 2006; 70,237 in 1st half of FY 2005; 70,972 in FY 2005

### 2. Projection for FY 2006 (April 1, 2006 to March 31, 2007)

|        | Sales       | Ordinary Profit | Net Income  |
|--------|-------------|-----------------|-------------|
|        | million yen | million yen     | million yen |
| Annual | 253,000     | 15,400          | 10,000      |

(Reference) Forecasted net income per share (annual): 57.78 yen

### 3. Dividends

| • Cash dividend      | Dividends per Share (yen) |          |        |
|----------------------|---------------------------|----------|--------|
|                      | Interim                   | Year-end | Annual |
| FY 2005              | 8.00                      | 12.00    | 20.00  |
| FY 2006 (Actual)     | 10.00                     | -        | 20.00  |
| FY 2006 (Projection) | -                         | 10.00    |        |

\* Projections shown above are calculated based on the latest data available. Actual business results may differ significantly from those projections depending on various unforeseen factors. For further information about FY 2006 projections, please see page 8 of the attached information sheets.

## Comparative Balance Sheet

(million yen)

| Item  | Term | 1st half of this fiscal year<br>(As of September 30, 2006) |              | Previous fiscal year<br>(As of March 31, 2006) |              | Increase/<br>decrease<br>(from March 31, 2006) | 1st half of previous fiscal year<br>(As of September 30, 2005) |              |
|---|------|--|--------------|--|--------------|--|--|--------------|
|   |      | Amount   | %            | Amount   | %            |  | Amount   | %            |
| <b>Assets</b>                               |      |  |              |  |              |  |  |              |
| <b><u>Current assets:</u></b>               |      | <b><u>91,888</u></b>                                       | <b>35.3</b>  | <b><u>94,381</u></b>                           | <b>36.4</b>  | <b><u>(2,493)</u></b>                          | <b><u>91,316</u></b>   | <b>37.6</b>  |
| Cash and deposits                           |      | 2,684  |              | 3,295  |              | (610)  | 2,452  |              |
| Notes receivable                            |      | 13,936   |              | 15,667   |              | (1,731)  | 17,694   |              |
| Accounts receivable                         |      | 53,623   |              | 53,291   |              | 331  | 49,638   |              |
| Inventories                                 |      | 10,088   |              | 9,515  |              | 572  | 9,283  |              |
| Deferred tax assets                         |      | 2,743  |              | 2,743  |              | (0)  | 3,028  |              |
| Others                                      |      | 9,461  |              | 10,740   |              | (1,278)  | 10,347   |              |
| Reserve for doubtful debts                  |      | (648)  |              | (873)  |              | 224  | (1,127)  |              |
| <b><u>Fixed assets:</u></b>                 |      | <b><u>168,362</u></b>                                      | <b>64.7</b>  | <b><u>164,970</u></b>                          | <b>63.6</b>  | <b><u>3,392</u></b>                            | <b><u>151,682</u></b>  | <b>62.4</b>  |
| <b><u>Tangible fixed assets:</u></b>        |      | <b><u>44,848</u></b>                                       |              | <b><u>42,912</u></b>                           |              | <b><u>1,935</u></b>                            | <b><u>43,452</u></b>   |              |
| Buildings and structures                    |      | 14,608   |              | 14,909   |              | (301)  | 13,654   |              |
| Machinery and equipment                     |      | 16,862   |              | 16,036   |              | 825  | 14,908   |              |
| Others                                      |      | 13,378   |              | 11,966   |              | 1,411  | 14,889   |              |
| <b><u>Intangible fixed assets:</u></b>      |      | <b><u>64</u></b>   |              | <b><u>66</u></b>                               |              | <b><u>(1)</u></b>                              | <b><u>71</u></b>   |              |
| <b><u>Investments and other assets:</u></b> |      | <b><u>123,449</u></b>                                      |              | <b><u>121,991</u></b>                          |              | <b><u>1,458</u></b>                            | <b><u>108,158</u></b>  |              |
| Investment securities                       |      | 100,054  |              | 101,558  |              | (1,504)  | 86,515   |              |
| Long-term loans                             |      | 12,795   |              | 11,611   |              | 1,184  | 11,484   |              |
| Deferred tax assets                         |      | –  |              | –  |              | –  | 2,010  |              |
| Others                                      |      | 12,172   |              | 10,414   |              | 1,758  | 10,177   |              |
| Allowance for losses on investments         |      | (986)  |              | (986)  |              | –  | (1,183)  |              |
| Reserve for doubtful debts                  |      | (587)  |              | (607)  |              | 19   | (844)  |              |
| <b>Total Assets</b>                         |      | <b>260,251</b>   | <b>100.0</b> | <b>259,352</b>                                 | <b>100.0</b> | <b>899</b>                                     | <b>242,998</b>   | <b>100.0</b> |

(million yen)

| Item  | Term | 1st half of this fiscal year<br>(As of September 30, 2006) |             | Previous fiscal year<br>(As of March 31, 2006) |              | Increase/<br>decrease<br>(from<br>March 31,<br>2006) | 1st half of previous<br>fiscal year<br>(As of September<br>30, 2005) |              |
|---|------|--|-------------|--|--------------|--|--|--------------|
|   |      | Amount   | %           | Amount   | %            |  | Amount   | %            |
| <b>Liabilities</b>                                  |      |  |             |  |              |  |  |              |
| <b>Current liabilities:</b>                         |      | <b>80,538</b>  | <b>30.9</b> | <b>79,432</b>                                  | <b>30.6</b>  | <b>1,105</b>   | <b>72,159</b>  | <b>29.7</b>  |
| Accounts payable                                    |      | 28,356   |             | 29,670   |              | (1,313)  | 28,075   |              |
| Short-term borrowings                               |      | 21,387   |             | 18,690   |              | 2,696  | 14,814   |              |
| Other accounts payable and accrued expenses         |      | 6,934  |             | 7,977  |              | (1,042)  | 10,042   |              |
| Accrued income taxes                                |      | 2,593  |             | 4,732  |              | (2,139)  | 2,262  |              |
| Employees' deposits                                 |      | 12,521   |             | 12,508   |              | 12   | 12,537   |              |
| Reserve for bonus payments                          |      | 4,268  |             | 3,895  |              | 372  | 4,179  |              |
| Others  |      | 4,477  |             | 1,957  |              | 2,519  | 248  |              |
| <b>Fixed liabilities:</b>                           |      | <b>49,090</b>  | <b>18.9</b> | <b>52,082</b>                                  | <b>20.1</b>  | <b>(2,991)</b>                                       | <b>52,738</b>  | <b>21.7</b>  |
| Long-term borrowings                                |      | 8,632  |             | 10,892   |              | (2,259)  | 13,154   |              |
| Accrued tax liabilities                             |      | 1,912  |             | 1,932  |              | (20)   |  |              |
| Reserve for retirement benefits                     |      | 36,317   |             | 37,185   |              | (867)  | 37,739   |              |
| Reserve for retirement lump sum grant for directors |      | 472  |             | 437  |              | 35   | 400  |              |
| Others  |      | 1,755  |             | 1,634  |              | 121  | 1,444  |              |
| <b>Total liabilities</b>                            |      | <b>129,629</b>   | <b>49.8</b> | <b>131,515</b>                                 | <b>50.7</b>  | <b>(1,885)</b>                                       | <b>124,898</b>   | <b>51.4</b>  |
| <b>Shareholders' equity</b>                         |      |  |             |  |              |  |  |              |
| <b>Common stock</b>                                 |      | —  | —           | <b>23,335</b>                                  | <b>9.0</b>   | —  | <b>23,335</b>  | <b>9.6</b>   |
| <b>Legal capital reserve</b>                        |      | —  | —           | <b>20,397</b>                                  | <b>7.9</b>   | —  | <b>20,397</b>  | <b>8.4</b>   |
| Additional paid-in capital                          |      | —  | —           | 20,397   |              | —  | 20,397   |              |
| <b>Retained earnings</b>                            |      | —  | —           | <b>56,749</b>                                  | <b>21.9</b>  | —  | <b>52,567</b>  | <b>21.6</b>  |
| Profit reserve                                      |      | —  | —           | 2,983  |              | —  | 2,983  |              |
| Voluntary reserve                                   |      | —  | —           | 38,568   |              | —  | 38,568   |              |
| Unappropriated retained earnings                    |      | —  | —           | 15,196   |              | —  | 11,014   |              |
| <b>Net unrealized gain on other securities</b>      |      | —  | —           | <b>27,487</b>                                  | <b>10.6</b>  | —  | <b>21,930</b>  | <b>9.0</b>   |
| <b>Treasury stock</b>                               |      | —  | —           | <b>(133)</b>                                   | <b>(0.1)</b> | —  | <b>(130)</b>   | <b>(0.0)</b> |
| <b>Total shareholder's equity</b>                   |      | —  | —           | <b>127,836</b>                                 | <b>49.3</b>  | —  | <b>118,100</b>   | <b>48.6</b>  |
| <b>Total liabilities and shareholder's equity</b>   |      | —  | —           | <b>259,352</b>                                 | <b>100.0</b> | —  | <b>242,998</b>   | <b>100.0</b> |

|   |                      |                     |   |   |   |   |   |
|---|----------------------|---------------------|---|---|---|---|---|
| <b>Net assets</b>                                     |                      |                     |   |   |   |   |   |
| <b>Shareholders' equity</b>                           | <b>103,800</b>       | <b>39.9</b>         | - | - | - | - | - |
| <u><b>Common stock</b></u>                            | <u><b>23,335</b></u> | <u><b>9.0</b></u>   | - | - | - | - | - |
| <u><b>Legal capital reserve</b></u>                   | <u><b>20,397</b></u> | <u><b>7.8</b></u>   | - | - | - | - | - |
| Additional paid-in capital                            | 20,397               |                     | - | - | - | - | - |
| <u><b>Retained earnings</b></u>                       | <u><b>60,203</b></u> | <u><b>23.1</b></u>  | - | - | - | - | - |
| Profit reserve  | 2,983                |                     | - | - | - | - | - |
| Other retained earnings                               | 57,219               |                     | - | - | - | - | - |
| Reserve for special depreciation                      | 71                   |                     | - | - | - | - | - |
| Reserve for reduction of fixed assets                 | 1,060                |                     | - | - | - | - | - |
| General reserve                                       | 43,100               |                     | - | - | - | - | - |
| Retained earnings brought forward                     | 12,988               |                     | - | - | - | - | - |
| <u><b>Treasury stock</b></u>                          | <u><b>(135)</b></u>  | <u><b>(0.0)</b></u> | - | - | - | - | - |
| Valuation and translation adjustments                 | 26,820               | 10.3                | - | - | - | - | - |
| <u><b>Net unrealized gain on other securities</b></u> | <u><b>26,820</b></u> |                     | - | - | - | - | - |
| <b>Total net assets</b>                               | <b>130,621</b>       | <b>50.2</b>         | - | - | - | - | - |
| <b>Total liabilities and net assets</b>               | <b>260,251</b>       | <b>100.0</b>        | - | - | - | - | - |

## Comparative Profit and Loss Statement

(million yen)

| Item  | Term | 1st half of this fiscal year<br>(April 1, 2006 to September 30, 2006) |            | 1st half of previous fiscal year<br>(April 1, 2005 to September 30, 2005) |            | Increase/<br>decrease from<br>previous<br>interim fiscal<br>year | Previous fiscal year (April 1, 2005 to March 31, 2006) |            |
|---|------|---|------------|---|------------|--|--|------------|
|   |      | Amount  | % of sales | Amount  | % of sales |  | Amount   | % of sales |
| Sales   |      | 139,375   | 100.0      | 133,844   | 100.0      | 5,530  | 273,813  | 100.0      |
| Cost of sales   |      | 116,960   | 83.9       | 111,182   | 83.1       | 5,778  | 229,469  | 83.8       |
| Selling, general, and administrative expenses                 |      | 15,845  | 11.4       | 16,255  | 12.1       | (410)  | 31,690   | 11.6       |
| Operating income  |      | 6,569   | 4.7        | 6,407   | 4.8        | 162  | 12,653   | 4.6        |
| <u>Non-operating profit:</u>                                  |      | <u>1,737</u>  |            | <u>1,823</u>  |            | <u>(86)</u>  | <u>3,945</u>   |            |
| Interest and dividends received                               |      | 971   |            | 1,024   |            | (53)   | 2,475  |            |
| Others  |      | 765   |            | 798   |            | (32)   | 1,469  |            |
| <u>Non-operating expenses:</u>                                |      | <u>744</u>  |            | <u>647</u>  |            | <u>96</u>  | <u>1,412</u>   |            |
| Interest paid   |      | 439   |            | 458   |            | (19)   | 916  |            |
| Others  |      | 305   |            | 188   |            | 116  | 495  |            |
| Ordinary profit   |      | 7,562   | 5.4        | 7,583   | 5.7        | (21)   | 15,186   | 5.5        |
| <u>Extraordinary profit:</u>                                  |      | <u>1,178</u>  |            | <u>474</u>  |            | <u>703</u>   | <u>2,041</u>   |            |
| Gain on sale of fixed assets                                  |      | 5   |            | 474   |            | (468)  | 477  |            |
| Gain on sale of investment securities                         |      | 931   |            | 0   |            | 931  | 1,035  |            |
| Gain on reversal of reserve for doubtful debts                |      | 240   |            | –   |            | 240  | 331  |            |
| Gain on reversal of reserve for valuation loss of investments |      | –   |            | –   |            | –  | 197  |            |
| <u>Extraordinary loss:</u>                                    |      | <u>73</u>   |            | <u>206</u>  |            | <u>(132)</u>   | <u>373</u>   |            |
| Loss on disposal of fixed assets                              |      | 70  |            | 203   |            | (132)  | 341  |            |
| Loss on impairment  |      | –   |            | 1   |            | (1)  | 3  |            |
| Others  |      | 3   |            | 2   |            | 0  | 28   |            |
| Income before income taxes                                    |      | 8,667   | 6.2        | 7,851   | 5.9        | 815  | 16,854   | 6.2        |
| Income taxes - current  |      | 2,630   |            | 2,280   |            | 350  | 5,210  |            |
| Income taxes - deferred                                       |      | 426   |            | 711   |            | (284)  | 1,218  |            |
| Net income  |      | 5,610   | 4.0        | 4,859   | 3.6        | 750  | 10,426   | 3.8        |
| Profits brought forward from the previous term                |      | –   |            | 6,154   |            | –  | 6,154  |            |
| Interim dividends   |      | –   |            | –   |            | –  | 1,384  |            |
| <b>Unappropriated retained earnings</b>                       |      | –   |            | <b>11,014</b>   |            | –  | <b>15,196</b>  |            |

## Non-Consolidated Statement of Changes in Net Assets

1st half of FY 2006 (April 1, 2006 to September 30, 2006)

(million yen)

|  | Shareholders' Equity |                            |                             |                   |                                  |                                       |                 |                                    |         |                |         |
|--|----------------------|----------------------------|-----------------------------|-------------------|----------------------------------|---------------------------------------|-----------------|------------------------------------|---------|----------------|---------|
|  | Common stock         | Legal capital reserve      |                             | Retained earnings |                                  |                                       |                 |                                    |         | Treasury stock | Total   |
|  |                      | Additional paid-in capital | Total legal capital reserve | Profit reserve    | Other retained earnings          |                                       |                 |                                    | Total   |                |         |
|  |                      |                            |                             |                   | Reserve for special depreciation | Reserve for reduction of fixed assets | General reserve | Reserve for profit carried forward |         |                |         |
| Balance at beginning of the term   | 23,335               | 20,397                     | 20,397                      | 2,983             | 125                              | 843                                   | 37,600          | 15,196                             | 56,749  | (133)          | 100,349 |
| Changes during the term  |                      |                            |                             |                   |                                  |                                       |                 |                                    |         |                |         |
| Dividends from retained earnings   |                      |                            |                             |                   |                                  |                                       |                 | (2,076)                            | (2,076) |                | (2,076) |
| Bonus paid to directors from retained earnings                             |                      |                            |                             |                   |                                  |                                       |                 | (79)                               | (79)    |                | (79)    |
| Provision for reserve for special depreciation from retained earnings      |                      |                            |                             |                   | 2                                |                                       |                 | (2)                                | -       |                | -       |
| Reversal of reserve for special depreciation from retained earnings        |                      |                            |                             |                   | (35)                             |                                       |                 | 35                                 | -       |                | -       |
| Reversal of reserve for special depreciation                               |                      |                            |                             |                   | (21)                             |                                       |                 | 21                                 | -       |                | -       |
| Provision for reserve for reduction of fixed assets from retained earnings |                      |                            |                             |                   |                                  | 216                                   |                 | (216)                              | -       |                | -       |
| Provision for general reserve from retained earnings                       |                      |                            |                             |                   |                                  |                                       | 5,500           | (5,500)                            | -       |                | -       |
| Net income   |                      |                            |                             |                   |                                  |                                       |                 | 5,610                              | 5,610   |                | 5,610   |
| Purchase of treasury stock   |                      |                            |                             |                   |                                  |                                       |                 |                                    | -       | (2)            | (2)     |
| Net changes in Net Assets other than Shareholders' equity                  |                      |                            |                             |                   |                                  |                                       |                 |                                    |         |                |         |
| Total changes during the term  | -                    | -                          | -                           | -                 | (54)                             | 216                                   | 5,500           | (2,208)                            | 3,454   | (2)            | 3,451   |
| Balance at the end of the term   | 23,335               | 20,397                     | 20,397                      | 2,983             | 71                               | 1,060                                 | 43,100          | 12,988                             | 60,203  | (135)          | 103,800 |

|  | Valuation and translation adjustments   |  | Total Net Assets |
|--|---|--|------------------|
|  | Net unrealized gain on other securities | Net gain on foreign exchange translation |                  |
| Balance at beginning of the term   | <b>27,487</b>                           | <b>27,487</b>                            | <b>127,836</b>   |
| Changes during the term  |   |  |                  |
| Dividends from retained earnings   |   |  | (2,076)          |
| Bonus paid to directors from retained earnings                             |   |  | (79)             |
| Provision for reserve for special depreciation from retained earnings      |   |  | –                |
| Reversal of reserve for special depreciation from retained earnings        |   |  | –                |
| Reversal of reserve for special depreciation                               |   |  | –                |
| Provision for reserve for reduction of fixed assets from retained earnings |   |  | –                |
| Provision for general reserve from retained earnings                       |   |  | –                |
| Net income   |   |  | 5,610            |
| Purchase of treasury stock   |   |  | (2)              |
| Net changes in Net Assets other than Shareholders' equity                  | (666)                                   | (666)                                    | (666)            |
| Total changes during the term  | <b>(666)</b>                            | <b>(666)</b>                             | <b>2,784</b>     |
| Balance at the end of the term   | <b>26,820</b>                           | <b>26,820</b>                            | <b>130,621</b>   |

## **Significant Accounting Policy for Preparation of the Non-Consolidated Interim Financial Statements**

1. Valuation and computation of securities
  - 1) Shares of subsidiaries and affiliates: Stated at moving average cost.
  - 2) Other securities:
    - Securities with market value: Market value as determined by the quoted price at the end of the interim fiscal year. (The difference between the carrying value and the market value is included in equity, and cost of securities sold is computed using the moving average method.)
    - Securities with no market value: Stated at moving average cost.
2. Valuation and computation of derivative transactions: Stated at market value.
3. Valuation and computation of inventories
  - 1) Finished goods and goods in process: Stated at cost using retail inventory method.
  - 2) Materials and supplies: Stated at cost using weighted-average cost method.
4. Depreciation of tangible fixed assets: Declining balance method.
5. Depreciation of intangible fixed assets: Straight-line method.
6. Accounting policies for principal allowances
  - 1) Reserve for doubtful debts: In providing for bad debts, the reserve for ordinary doubtful debts is stated based on the historical rate of default. For debts where recovery is doubtful, the amount regarded as irrecoverable is stated, taking into consideration the likelihood of recovery on an individual basis.
  - 2) Allowance for losses on investment: In providing for losses arising from significant decline in the share prices of related companies, the allowance is stated based on the real value at the end of the 1st half of this fiscal year.
  - 3) Reserve for bonus payments: To provide for employee bonus payments, estimated bonuses are provided based on prescribed calculation methods.
  - 4) Reserve for bonus payments for directors: To provide for bonus payments for directors, estimated bonuses are provided based on prescribed calculation methods.
  - 5) Reserve for retirement benefits: The Company makes provisions for retirement benefits based on projected retirement obligations and pension fund assets at the balance sheet date, and interim provisions are stated at the value as considered to be appropriate as of the end of the 1st half of this fiscal year.  
Past service liabilities are stated as expenses in the fiscal year when such liabilities are identified, and have been recognized by the straight-line method evenly over 10 years, a period not exceeding the expected average remaining working lives of the employees.  
Actuarial losses are stated as expenses in the year following the fiscal year when such losses are identified, and have been recognized by the straight-line method evenly over 10 years, a period not exceeding the expected average remaining working lives of the employees.
  - 6) Reserve for retirement lump sum grant for directors: To provide for the payment of retirement lump sum grant for directors, the Company makes allowances for the necessary amount based on internal rules.
7. Finance lease transactions other than those where the ownership of the leased assets are transferred to the lessee are treated according to the method used for ordinary loan transactions.
8. Amounts shown on financial statements are stated net of consumption tax and local consumption tax.

## **Changes to the Significant Accounting Policy for Preparation of the Non-Consolidated Interim Financial Statements**

1. Accounting standard relating to bonus payments for directors

From this interim fiscal term, “Accounting Standard relating to Bonus Payments for Directors” (Corporate Accounting Standard No. 4, November 29, 2005) is applied. As a result of this change, operating income, ordinary profit and income before income taxes have each decreased by 39 million yen.

1. Accounting standard relating presentation of Net Assets on the Balance Sheet

From this interim fiscal term, “Accounting Standard relating to Presentation of Net Assets on the Balance Sheet” (Corporate Accounting Standard No. 5, December 9, 2005) and “Application Guidelines for Application of Accounting Standard, etc., relating to Presentation of Net Assets on the Balance Sheet” (Application Guidelines of Accounting Standard No. 8, December 9, 2005) are applied.

As a consequence, the amount equivalent to the total of the former Shareholders’ equity is 130,621 million yen.

## [Notes to Non-Consolidated Interim Financial Statements]

### (Non-Consolidated Interim Balance Sheet)

(million yen)

|   | 1st half of this fiscal year<br>(As of September 30, 2006) | 1st half of previous fiscal year<br>(As of September 30, 2005) | Previous fiscal year<br>(As of March 31, 2006) |
|---|--|--|--|
| Accumulated depreciation of tangible fixed assets | 83,211   | 80,994   | 82,632   |
| Balance of loan guarantee                         | 10   | 10   | 10   |
| Amount discounted on notes receivable             | 18,458   | 11,242   | 13,143   |
| Notes endorsed for payment                        | 228  | 1,410  | 1,233  |
| Unsettled transferred receivables                 | 1,011  | 729  | 749  |

### Notes matured at the end of the term

(million yen)

|                                       | 1st half of this fiscal year<br>(As of September 30, 2006) | 1st half of previous fiscal year<br>(As of September 30, 2005) | Previous fiscal year<br>(As of March 31, 2006) |
|---------------------------------------|--|--|--|
| Notes receivable                      | 180  | –  | –  |
| Amount discounted on notes receivable | 2,051  | –  | –  |
| Notes endorsed for payment            | 0  | –  | –  |

Note: Accounting of notes matured at the end of the term is recorded as of the clearing date.

### (Notes to Non-Consolidated Statement of Changes in Net Assets)

#### Matters relating to class and number of treasury stock

(in shares)

|              | Number of treasury stock<br>as of March 31, 2006 | Number of treasury stock<br>increased during the term | Number of treasury stock<br>decreased during the term | Number of treasury<br>stock as of September<br>30, 2006 |
|--------------|--|---|---|---|
| Common stock | <b>70,972</b>                                    | <b>769</b>  | –   | <b>71,741</b>   |

Note: The increase of 769 treasury stocks of common stock is attributable to the purchase of stocks constituting less than one trading unit.

### (Lease transactions)

Presentation of lease transactions is omitted as they are disclosed via EDINET (Electronic Disclosure for Investors' Network).

### (Securities)

#### Shares of subsidiaries and affiliates with market value

(million yen)

|                         |  | 1st half of this fiscal year<br>(As of September 30, 2006) | 1st half of previous fiscal year<br>(As of September 30, 2005) | Previous fiscal year<br>(As of March 31, 2006) |
|-------------------------|--|--|--|--|
| Shares of<br>affiliates | Non-consolidated interim<br>balance sheet amount | 4,511  | 2,875  | 4,511  |
|                         | Market value                                     | 13,843   | 10,688   | 16,390   |
|                         | Unrealized gains                                 | 9,331  | 7,812  | 11,878   |