



BRIEF REPORT OF NON-CONSOLIDATED INTERIM FINANCIAL RESULTS
(Half year ended September 30, 2006)

October 31, 2006

Registered Company Name: **MINEBEA CO., LTD.** Common Stock Listings: Tokyo, Osaka and Nagoya
 Headquarters: Nagano-ken
 Code No: 6479
 (URL <http://www.minebea.co.jp>)
 Representative: Takayuki Yamagishi Representative Director, President and Chief Executive Officer
 Contact: Sakae Yashiro Managing Executive Officer, Deputy Chief of Administration Headquarters
 Board of Directors' Meeting for Tel. (03)5434-8611
 Non-consolidated Financial Results held on: October 31, 2006 Date of payment for dividends: None
 Unit Share Method: Yes (1 unit = 1,000 shares)

1. Business performance (April 1, 2006 through September 30, 2006)

(1) Results of Operations (Amounts less than one million yen have been omitted.)

	Net sales (millions of yen)	% Change	Operating income (millions of yen)	% Change	Ordinary income (millions of yen)	% Change
FY2007 Interim	114,170	21.2	4,375	-	4,946	6.7
FY2006 Interim	94,193	0.9	336	(63.3)	4,635	68.9
FY2006 Annual	206,831		3,075		10,236	

	Net income (millions of yen)	% Change	Net income per share (yen)
FY2007 Interim	2,544	48.5	6.38
FY2006 Interim	1,713	113.7	4.29
FY2006 Annual	(3,378)		(8.47)

(Notes) 1. Weighted average number of shares outstanding during the respective years: 399,047,140 shares at September 30, 2006
 399,060,228 shares at September 30, 2005
 399,056,975 shares at March 31, 2006

2. Changes in accounting method: None

3. The percentages of net sales, operating income, ordinary income and net income show variance against previous interim period.

(2) Financial Position

	Total assets (millions of yen)	Net assets (millions of yen)	Equity ratio (%)	Net assets per share (yen)
FY2007 Interim	358,196	178,755	49.9	447.96
FY2006 Interim	360,506	183,463	50.9	459.74
FY2006 Annual	357,560	179,669	50.2	450.24

(Notes) 1. Number of shares outstanding at end of term: 399,045,417 shares at September 30, 2006
 399,057,421 shares at September 30, 2005
 399,051,135 shares at March 31, 2006

2. Number of treasury stock at end of term: 122,278 shares at September 30, 2006
 110,274 shares at September 30, 2005
 116,560 shares at March 31, 2006

2. Prospect for current fiscal year (April 1, 2006 through March 31, 2007)

	Net sales (millions of yen)	Ordinary income (millions of yen)	Net income (millions of yen)
Annual	226,000	13,300	6,000

(Reference) Projected net income per share (Annual): 15.04 yen

3. Dividend performance

· Cash dividend

	Dividend per share (yen)		
	Interim term-end	Year-end	Year total
Year ended March 31, 2006	—	7.00	7.00
Interim term ended September 30, 2006 (Actual)	—	—	
Year ending March 31, 2007 (Forecast)	—	7.00	

(Notes) Dividends at the September 2006 interim term-end are broken down:-
Memorial dividend: None Special dividend: None

(Notes) The above-mentioned forecasts are based on the information available as of the date when this information is disclosed, as well as on the assumptions as of the disclosing date of this information related with unpredictable parameters that are probable to affect our future business performances in the end. In other words, our actual performances are likely to differ greatly from these estimates depending on various factors that will take shape from now on. As for the assumptions used for these forecasts and other related items, please refer to page six of the documents attached hereunder.

6. Interim Non-Consolidated Financial Statements and Notes

(1) Interim Non-Consolidated Balance Sheets

	As of September 30, 2005		As of September 30, 2006		Increase or (decrease) (2006–2005)	As of March 31, 2006	
	Millions of yen	% Comp.	Millions of yen	% Comp.	Millions of yen	Millions of yen	% Comp.
ASSETS							
Current assets	127,003	35.2	124,589	34.8	(2,413)	125,077	35.0
Cash and cash equivalents	17,194		10,624			9,773	
Notes receivable	3,708		4,389			4,306	
Accounts receivable	46,109		56,251			48,841	
Inventories	9,545		9,301			9,132	
Short-term loans receivable from affiliates	43,961		41,254			46,426	
Deferred tax assets	2,219		4,394			1,895	
Others	4,296		4,228			4,735	
Allowance for doubtful receivables	(31)		(5,854)			(35)	
Fixed assets	233,467	64.8	233,584	65.2	116	232,446	65.0
Tangible fixed assets	25,044		25,186			26,051	
Intangible fixed assets	3,454		3,118			3,225	
Investments and other assets	204,968		205,279			203,169	
Investments in securities	8,702		9,727			10,812	
Investments securities in affiliates	164,289		161,861			161,861	
Investments in partnerships with affiliates	32,406		32,406			32,406	
Long-term loans receivable from affiliates	575		541			553	
Deferred tax assets	4,646		388			3,173	
Others	940		794			904	
Allowance for doubtful receivables	(6,591)		(440)			(6,542)	
Deferred charges	35	0.0	23	0.0	(11)	36	0.0
Total Assets	360,506	100.0	358,196	100.0	(2,309)	357,560	100.0

	As of September 30, 2005		As of September 30, 2006		Increase or (decrease) (2006-2005)	As of March 31, 2006	
	Millions of	%	Millions of	%	Millions of	Millions of	%
	yen	Comp.	yen	Comp.	yen	yen	Comp.
LIABILITIES							
Current liabilities.....	92,727	25.7	99,880	27.9	7,152	98,237	27.5
Notes payable.....	4,662		3,947			3,400	
Accounts payable.....	27,128		36,248			32,265	
Short-term loans payable.....	48,600		38,100			43,600	
Current portion of long-term loans payable.....	1,000		7,000			6,000	
Current portion of bonds.....	—		3,000			3,000	
Current portion of bonds with warrant.....	4,000		—			—	
Accrued income taxes.....	356		578			868	
Accrued bonuses.....	1,941		2,074			1,953	
Allowance for business restructuring losses.....	—		4,946			3,546	
Others.....	5,038		3,984			3,602	
Long-term liabilities.....	84,315	23.4	79,561	22.2	(4,753)	79,654	22.3
Bonds.....	38,000		36,500			36,500	
Long-term loans payable.....	46,000		43,000			43,000	
Allowance for retirement benefits.....	277		—			104	
Allowance for retirement benefits to executive officers.....	37		61			49	
Total Liabilities.....	177,042	49.1	179,441	50.1	2,399	177,891	49.8

	As of September 30, 2005		As of September 30, 2006		Increase or (decrease) (2006-2005)	As of March 31, 2006	
	Millions of yen	% Comp.	Millions of yen	% Comp.		Millions of yen	Millions of yen
SHAREHOLDERS' EQUITY							
Common stock.....	68,258	18.9	—	—	—	68,258	19.1
Additional paid-in capital.....	94,756	26.3	—	—	—	94,756	26.5
Capital reserve.....	94,756		—			94,756	
Retained earnings.....	17,379	4.8	—	—	—	12,287	3.4
Earned surplus	2,085		—			2,085	
Voluntary reserve	11,500		—			11,500	
Unappropriated retained earnings (Undisposed retained deficit)	3,794		—			(1,297)	
Difference on revaluation of other marketable securities.....	3,126	0.9	—	—	—	4,428	1.2
Treasury stock	(58)	(0.0)	—	—	—	(61)	(0.0)
Total Shareholders' Equity.....	183,463	50.9	—	—	—	179,669	50.2
Total Liabilities and Shareholders' Equity	360,506	100.0	—	—	—	357,560	100.0
NET ASSETS							
Shareholders' equity.....	—	—	174,988	48.9	—	—	—
Common stock.....	—	—	68,258	19.1	—	—	—
Additional paid-in capital	—	—	94,756	26.4	—	—	—
Capital reserve.....	—		94,756			—	
Others.....	—		0			—	
Retained earnings.....	—	—	12,038	3.4	—	—	—
Earned surplus	—		2,085			—	
Others							
Reserve for general purpose	—		6,500			—	
Retained earnings carried forward.	—		3,453			—	
Treasury stock.....	—	—	(66)	(0.0)	—	—	—
Revaluation / Translation differences	—	—	3,767	1.0	—	—	—
Difference on revaluation of other marketable securities	—		3,767			—	
Total Net Assets	—	—	178,755	49.9	—	—	—
Total Liabilities and Net assets	—	—	358,196	100.0	—	—	—

(2) Interim Non-Consolidated Statements of Income

	Half year ended September 30, 2005		Half year ended September 30, 2006		Increase or (decrease) (2006-2005)	Year ended March 31, 2006		
	Millions of	%	Millions of	%		Millions of	Millions of	%
	yen	Comp.	yen	Comp.		yen	yen	Comp.
Net sales.....	94,193	100.0	114,170	100.0	19,976	206,831	100.0	
Cost of sales.....	82,489	87.6	100,604	88.1	18,115	182,910	88.4	
Gross profit.....	11,704	12.4	13,565	11.9	1,861	23,920	11.6	
Selling, general and administrative expenses.....	11,368	12.0	9,190	8.1	(2,177)	20,844	10.1	
Operating income.....	336	0.4	4,375	3.8	4,038	3,075	1.5	
Other income.....	5,323	5.6	1,647	1.4	(3,675)	9,176	4.4	
Interest income.....	354		311			638		
Dividends income.....	4,556		1,007			7,759		
Rent income of fixed assets.....	120		83			212		
Others.....	291		244			566		
Other expenses.....	1,023	1.1	1,076	0.9	52	2,016	1.0	
Interest and discount charge.....	429		—			771		
Interest expenses.....	—		392			—		
Interest on bonds.....	386		370			740		
Foreign currency exchange loss.....	70		187			166		
Others.....	137		126			338		
Ordinary income.....	4,635	4.9	4,946	4.3	311	10,236	4.9	
Extraordinary income.....	596	0.6	489	0.4	(106)	1,157	0.6	
Gain on sales of fixed assets.....	103		195			477		
Gain on sales of investment securities ...	—		—			191		
Gain on the reversal of preemptive rights.....	447		—			447		
Reversal of allowance for doubtful receivables.....	45		293			41		
Extraordinary loss.....	2,267	2.4	1,571	1.3	(696)	11,479	5.5	
Loss on sales of fixed assets.....	0		13			12		
Loss on disposal of fixed assets.....	19		73			136		
Impairment loss.....	1,478		68			1,642		
Allowance for doubtful receivables.....	345		—			316		
Loss on revaluation of investments securities in affiliates.....	—		—			5,230		
Loss on liquidation of affiliates.....	—		—			49		
Loss on after-care of products.....	—		13			29		
Business restructuring loss.....	—		1,402			3,637		
Retirement benefits to directors and corporate auditors.....	423		—			423		
Income before income taxes (loss).....	2,964	3.1	3,864	3.4	900	(85)	(0.0)	
Income taxes (including enterprise tax).....	1,356		610			1,815		
Adjustment of income taxes.....	(106)		709			1,478		
Total income taxes.....	1,250	1.3	1,319	1.2	69	3,293	1.6	
Net income (loss).....	1,713	1.8	2,544	2.2	830	(3,378)	(1.6)	
Retained earnings brought forward from the previous period.....	2,081		—		—	2,081		
Loss on disposal of treasury stock.....	0		—		—	0		
Unappropriated retained earnings at end of interim period (Undisposed retained deficit at end of year).....	3,794		—		—	(1,297)		

(3) Interim Statement of Changes in Non-Consolidated Shareholders' Equity

For the current interim term (April 1, 2006 through September 30, 2006)

(Amount: millions of yen)

	Shareholders' equity							
	Common stock	Additional paid-in capital			Earned surplus	Retained earnings		
		Capital reserve	Others	Total Additional paid-in capital		Others		Total Retained earnings
						Reserve for general purpose	Retained earnings carried forward	
Balances at March 31, 2006	68,258	94,756	—	94,756	2,085	11,500	(1,297)	12,287
Changes								
Mobilization of general reserve						(5,000)	5,000	—
Cash dividend from retained earnings							(2,793)	(2,793)
Net income							2,544	2,544
Purchase of own shares								
Sales of own shares			0	0				
Changes (net) in non-shareholders' equity items								
Total changes	—	—	0	0	—	(5,000)	4,751	(248)
Balances at Sept. 30, 2006	68,258	94,756	0	94,756	2,085	6,500	3,453	12,038

	Shareholders' equity		Revaluation / Translation differences		Total net assets
	Treasury stock	Total Shareholders' equity	Difference on revaluation of other marketable securities	Total Revaluation / Translation differences	
Balances at March 31, 2006	(61)	175,240	4,428	4,428	179,669
Changes					
Mobilization of general reserve		—			—
Cash dividend from retained earnings		(2,793)			(2,793)
Net income		2,544			2,544
Purchase of own shares	(4)	(4)			(4)
Sales of own shares	0	0			0
Changes (net) in non-shareholders' equity items			(661)	(661)	(661)
Total changes	(4)	(252)	(661)	(661)	(914)
Balances at Sept. 30, 2006	(66)	174,988	3,767	3,767	178,755

(4) Basis of presenting interim non-consolidated financial statements

(a) Valuation basis and method of significant assets

(1) Marketable securities

Investments securities in
subsidiaries and affiliates:
Other marketable securities:

Stated at cost determined by the moving average method.

Securities with Market Value

Market value method based on market prices and other conditions at the end of the interim term. (The revaluation differences are accounted for based on the direct net assets method and the sales costs are calculated by the moving average method.)

Securities without Market Value

Non listed marketable securities are stated at cost determined by the moving average method.

(2) Inventories

Purchased goods: Stated at cost determined by the moving average method.
Finish goods: Stated at cost determined by the moving average method.
Raw materials: Stated at cost determined by the moving average method.
Work in process: Stated at cost determined by the moving average method for bearings, fasteners, and motors.
Stated at cost determined respectively for measuring equipment, special motors and special machinery components.
Supplies: Stated at cost determined by the moving average method.

(b) Depreciation

Tangible fixed assets:

Depreciation of tangible fixed assets is made on the declining balance method based on estimated useful lives of the assets.

Their major useful lives are as follows:

Buildings and structures	2 to 50 years
Machinery and equipment	2 to 15 years
Tools, furniture and fixtures	2 to 20 years

The depreciation method of depreciation assets whose acquisition values are not less than 100,000 yen and less than 200,000 yen has been changed to a method by which those assets are equally depreciated in lump sum for three years

Intangible fixed assets:

Depreciation of intangible fixed assets is made on the straight-line method.

The depreciation method of software (for internal use) is computed on the straight-line method based on our expected useful period (5 years).

(c) Allowances

Allowance for doubtful receivables:

In order to prepare against losses resulting from irrecoverable receivables, an allowance has been reserved in the amount required for estimated uncollectible receivables based on actual losses of trade receivables and on collectibility of specific receivables with loss possibilities.

Accrued bonuses:

To make preparations for the payment of bonuses to employees, accrued bonuses are shown based on the anticipated amounts of payment in the current term.

Allowance for bonuses to directors and corporate auditors:

To provide for payment of bonuses to directors and corporate auditors, the Company reported the burden for the current interim term.

(Change of accounting policies)

From the current interim term, the Company charges bonuses to directors and corporate auditors to expense as incurred under the Accounting Standards Board of Japan's Accounting Standard No. 4 for Directors' Bonus issued on November 29, 2005.

In the current interim term, the Company did not report estimates for the bonuses because of their estimation difficulty.

Allowance for retirement benefits:

To provide for payment of employee retirement benefits, the Company reported an interim allowance for retirement benefits or prepaid pension costs, based on estimated retirement benefit debts and pension assets at the end of the current term.

Over the five years from the following term after the differences accrue, the Company will charge differences in mathematical calculation to expenses in accordance with the straight-line method.

Allowance for retirement benefits to executive officers:

To provide for payment of retirement allowance to executive officers, the estimated amount to be required according to our internal regulations as of the end of the interim period of the current fiscal year is shown.

Allowance for business restructuring losses:

Based upon the decision of the structural reform plan for its PC keyboard business and other key businesses, the Company has reported the reasonably estimated amounts of expected that it is expected to incur in the future.

(d) Translation of foreign currency assets and liabilities

Translation of foreign currency assets and liabilities are into yen at the exchange rate on the interim period balance sheets date. The resulting exchange differences are accounted for as an exchange gain or loss.

(e) Accounting method of lease transactions

The accounting treatment for financial lease transactions other than those in which the ownership of leases is considered to be transferred to us, is in accordance with that for ordinary lease transactions.

(f) Accounting method of hedge transactions

The foreign currency-denominated monetary assets and liabilities that were hedged by forward exchange contracts are allocated to the periods.

Under the guidance of the company's financial department, forward exchange contracts have been made to hedge the risks of fluctuations in foreign exchange rates relating to export and import transactions and others.

In concluding forward foreign exchange contracts, those contracts with the corresponding amounts and dates are respectively allocated (to the debts) in accordance with the risk management policy. Therefore the correlation between claims/debts and forward foreign exchange contracts arising from foreign exchange rate fluctuations is fully secured, and this judgment is substituted for the judgment of effective hedge.

(g) Other significant accounting policies

Consumption taxes

Consumption tax and other related taxes are excluded from revenues and purchases of the Company.

(5) Change of accounting treatment

(Accounting standards for presentation of net assets in the balance sheet)

Since the current interim term, the Company has applied the Accounting Standards for Presentation of Net Assets in the Balance Sheet (Accounting Standards Board of Japan (ASBJ) Statement No. 5 issued on December 9, 2005 by the ASBJ). It has also applied the Implementation Guidance for the Accounting Standards for Presentation of Net Assets in the Balance Sheet (ASBJ Implementation Guidance No. 8 issued on December 9, 2005 by the ASBJ).

The amount corresponding to previous total shareholders' equity is 178,755 million yen.

Net assets in the balance sheet for the interim term are presented in accordance with provisions of the new Regulations concerning Interim Financial Statements after revision.

(6) Change of presentation

(Interim Non-consolidated Statements of Income)

Interest and discount charge in the previous interim term is classified as interest expenses in the current interim term.

(6) Notes

(Interim Non-Consolidated Balance Sheets)

As of September 30, 2005		As of September 30, 2006	
1. Accumulated depreciation of tangible fixed assets is 49,365 millions of yen.		1. Accumulated depreciation of tangible fixed assets is 49,442 millions of yen.	
2. Contingent liabilities <u>Millions of yen</u> The Company has provided the following companies with guarantees for their bank borrowings, etc.		2. Contingent liabilities <u>Millions of yen</u> The Company has provided the following companies with guarantees for their bank borrowings, etc.	
MINEBEA THAI LIMITED	7,807	SHANGHAI SHUN DING TECHNOLOGIES LTD.	6,481
(US\$'000)	9,000	(US\$'000)	31,830
BAHT'000	806,284	RMB'000	183,600
SF'000	557	MINEBEA THAI LIMITED	5,602
	4,522)	(US\$'000)	12,278
MINEBEA (HONG KONG) LIMITED	6,872	BAHT'000	63,825
(US\$'000)	54,490		3,954)
	705)	MINEBEA (HONG KONG) LIMITED	5,474
SHANGHAI SHUN DING TECHNOLOGIES LTD.	5,612	(US\$'000)	32,160
(US\$'000)	31,850		1,682)
RMB'000	143,500)	PELMEC INDUSTRIES (PTE.) LIMITED	2,330
PELMEC INDUSTRIES (PTE.) LIMITED	2,289	(US\$'000)	2,128
(US\$'000)	1,818	S\$'000	27,360
S\$'000	30,195	EUR'000	309)
EUR'000	455)	PELMEC THAI LIMITED	1,723
MINEBEA ELECTRONICS & HI-TECH COMPONENTS (SHANGHAI) LTD.	2,003	(BAHT'000)	229,666
(US\$'000)	17,200		1,001)
EUR'000	415)	NMB HI-TECH BEARINGS LIMITED	1,145
NMB MINEBEA-UK LTD	1,779	(US\$'000)	1,904
(US\$'000)	1,380	BAHT'000	3,116
STG'000	7,650		911)
EUR'000	740)	<u>Other 10 companies</u>	<u>2,946</u>
NMB HI-TECH BEARINGS LIMITED	1,676	Total	25,704
(US\$'000)	1,000		
BAHT'000	323,076		
	675)		
NMB THAI LIMITED	1,592		
(US\$'000)	4,000		
BAHT'000	21,725		
EUR'000	380		
	1,027)		
NMB PRECISION BALLS LIMITED	1,283		
(US\$'000)	4,200		
BAHT'000	273,722		
STG'000	280)		
PELMEC THAI LIMITED	1,007		
(US\$'000)	4,413		
BAHT'000	153,122		
S\$'000	71		
EUR'000	523		
	10)		
<u>Other 8 companies</u>	<u>2,815</u>		
Total	34,742		
(Foreign currency-denominated guarantees are translated into yen, for convenience only, at the approximate rate of exchange on Sept. 30, 2005.)		(Foreign currency-denominated guarantees are translated into yen, for convenience only, at the approximate rate of exchange on Sept. 30, 2006.)	

As of March 31, 2006	
1. Accumulated depreciation of tangible fixed assets is 49,208 millions of yen.	
2. Contingent liabilities <u>Millions of yen</u>	
The Company has provided the following companies with guarantees for their bank borrowings, etc.	
MINEBEA THAI LIMITED	7,797
(US\$'000	12,500
BAHT'000	481,641
EUR'000	242
SF'000	1,987
	4,660)
MINEBEA (HONG KONG) LIMITED	6,942
(US\$'000	50,800
	975)
SHANGHAI SHUN DING TECHNOLOGIES LTD.	
	5,835
(US\$'000	31,830
RMB'000	143,020)
PELMEC INDUSTRIES (PTE.) LIMITED	2,869
(US\$'000	2,220
S\$'000	35,540
EUR'000	205)
NMB THAI LIMITED	2,017
(US\$'000	6,700
BAHT'000	23,703
EUR'000	600
	1,072)
PELMEC THAI LIMITED	1,893
(BAHT'000	295,232
	1,001)
NMB HI-TECH BEARINGS LIMITED	1,709
(US\$'000	828
BAHT'000	274,319
	783)
<u>Other 12 companies</u>	<u>4,482</u>
Total	33,548
(Foreign currency-denominated guarantees are translated into yen, for convenience only, at the approximate rate of exchange on March 31, 2006.)	

As of September 30, 2005	As of September 30, 2006												
<p>3. Treatment of consumption taxes For presentation, consumption tax suspense payments offset against consumption tax suspense receipts are included in others of current assets as consumption taxes receivable.</p>	<p>3. Treatment of consumption taxes For presentation, consumption tax suspense payments offset against consumption tax suspense receipts are included in others of current assets as consumption taxes receivable.</p>												
<p>4. Commitment line contracts <u>Millions of yen</u> To ensure efficient procurement of operating funds, the Company has entered into commitment line contracts with financial institutions. Unused commitments at the end of the current fiscal year based on these contracts are as follows:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Total commitments</td> <td style="text-align: right;">7,000</td> </tr> <tr> <td><u>Used commitments</u></td> <td style="text-align: right;"><u>—</u></td> </tr> <tr> <td>Balance</td> <td style="text-align: right;">7,000</td> </tr> </table>	Total commitments	7,000	<u>Used commitments</u>	<u>—</u>	Balance	7,000	<p>4. Commitment line contracts <u>Millions of yen</u> To ensure efficient procurement of operating funds, the Company has entered into commitment line contracts with financial institutions. Unused commitments at the end of the current fiscal year based on these contracts are as follows:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Total commitments</td> <td style="text-align: right;">10,000</td> </tr> <tr> <td><u>Used commitments</u></td> <td style="text-align: right;"><u>—</u></td> </tr> <tr> <td>Balance</td> <td style="text-align: right;">10,000</td> </tr> </table>	Total commitments	10,000	<u>Used commitments</u>	<u>—</u>	Balance	10,000
Total commitments	7,000												
<u>Used commitments</u>	<u>—</u>												
Balance	7,000												
Total commitments	10,000												
<u>Used commitments</u>	<u>—</u>												
Balance	10,000												
<p>5. None</p>	<p>5. Matured notes at end of interim term Matured notes at the end of interim term are settled at the exchange date of notes. In the interim term under review, the end date of the term fell on a holiday of financial institutions, and due to this, the following matured notes are included in the interim balance.</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Notes receivable</td> <td style="text-align: right;">404 million yen</td> </tr> <tr> <td>Notes payable</td> <td style="text-align: right;">943 million yen</td> </tr> <tr> <td>Current liabilities-Others</td> <td></td> </tr> <tr> <td>(Notes payable for equipment)</td> <td style="text-align: right;">62 million yen</td> </tr> </table>	Notes receivable	404 million yen	Notes payable	943 million yen	Current liabilities-Others		(Notes payable for equipment)	62 million yen				
Notes receivable	404 million yen												
Notes payable	943 million yen												
Current liabilities-Others													
(Notes payable for equipment)	62 million yen												

As of March 31, 2006						
<p>3. None</p>						
<p>4. Commitment line contracts <u>Millions of yen</u> To ensure efficient procurement of operating funds, the Company has entered into commitment line contracts with financial institutions. Unused commitments at the end of the current fiscal year based on these contracts are as follows:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Total commitments</td> <td style="text-align: right;">10,000</td> </tr> <tr> <td><u>Used commitments</u></td> <td style="text-align: right;"><u>—</u></td> </tr> <tr> <td>Balance</td> <td style="text-align: right;">10,000</td> </tr> </table>	Total commitments	10,000	<u>Used commitments</u>	<u>—</u>	Balance	10,000
Total commitments	10,000					
<u>Used commitments</u>	<u>—</u>					
Balance	10,000					
<p>5. None</p>						

(Interim Non-consolidated Statements of Income)

	Half year ended September 30, 2005	Half year ended September 30, 2006	Year ended March 31, 2006
1. Gain on sales of fixed assets	<u>Millions of yen</u>	<u>Millions of yen</u>	<u>Millions of yen</u>
Buildings	19	49	359
Machinery and equipment	81	144	107
Other	1	1	10
Total	103	195	477
2. Loss on sales of fixed assets	<u>Millions of yen</u>	<u>Millions of yen</u>	<u>Millions of yen</u>
Buildings	0	—	3
Machinery and equipment	0	11	9
Tools, furniture and fixtures	—	—	0
Land	0	—	0
Other	0	1	0
Total	0	13	12
3. Loss on disposal of fixed assets	<u>Millions of yen</u>	<u>Millions of yen</u>	<u>Millions of yen</u>
Buildings	8	44	34
Structures	—	0	6
Machinery and equipment	6	16	63
Tools, furniture and fixtures	5	11	31
Other	—	—	0
Total	19	73	136
4. Depreciation	<u>Millions of yen</u>	<u>Millions of yen</u>	<u>Millions of yen</u>
Tangible fixed assets	1,199	1,620	2,788
Intangible fixed assets	305	329	678
Investments and other assets— Other	23	6	47
Total	1,528	1,955	3,514

Half year ended September 30, 2005				Half year ended September 30, 2006			
5.Impairment loss Outline of the asset groups on which impairment losses were recognized (Amount: millions of yen)				5.Impairment loss Outline of the asset groups on which impairment losses were recognized (Amount: millions of yen)			
Use	Location	FY2006		Use	Location	FY2007	
		Class	Amount			Class	Amount
Idle assets	Five facilities-Former Kyoto,Ibaraki,Ichinoseki Kanegasaki plants and former Kanemori Co., Ltd.'s Hokuriku Branch (Hachiman City, Kyoto Pref., etc.)	Building	109	Idle assets	Four facilities-Former Kyoto,Ibaraki,Ichinoseki plants and Saku plant (Hachiman City, Kyoto Pref., etc.)	Building	30
		Land	1,369			Structures	11
		Total	1,478			Machinery and equipment	6
		Tools, furniture and fixtures	0				
		Land	20				
		Total	68				
<p>Asset grouping method Based on its business classification, the Company has grouped assets in the smallest units of its operating businesses, which generate almost independent cash flows.</p> <p>Reason for the recognition of impairment losses The above fixed assets (buildings, structures and land) impaired in the current interim accounting period are idle assets and have no future utilization plans. Due to this, the company recognized impairment losses on those assets.</p> <p>Calculation method of collectable amounts The collectable amounts of the assets are based on net sales proceeds. Their assessed values are calculated based on the standards for real estate appraisals.</p>				<p>Asset grouping method Based on its business classification, the Company has grouped assets in the smallest units of its operating businesses, which generate almost independent cash flows.</p> <p>Reason for the recognition of impairment losses The above fixed assets (buildings, structures and land, etc.) impaired in the current interim accounting period are idle assets and have no future utilization plans. Due to this, the company recognized impairment losses on those assets.</p> <p>Calculation method of collectable amounts The Company makes net sales proceed-based calculations and assessments mainly based on the standards for real estate appraisals.</p>			
6. None				<p>6.Business restructuring loss Millions of yen This loss is a provision based on the structural reform plan for the PC keyboard business, etc., which is broken down as follows: Estimated amount of support to affiliates related to business restructuring 1,402</p>			

Year ended March 31, 2006

5. Impairment loss

Outline of the asset groups on which impairment losses were recognized

(Amount: millions of yen)

Use	Location	FY2006	
		Class	Amount
Idle assets	Five facilities: Former Kyoto, Ibaraki, Ichinoseki Kanegasaki plants and former Kanemori Co., Ltd.'s Hokuriku Branch (Hachiman City, Kyoto Pref., etc.)	Building	132
		Land	1,509
		Total	1,642

Asset grouping method

Based on its business classification, the Company has grouped assets in the smallest units of its operating businesses, which generate almost independent cash flows.

Reason for the recognition of impairment losses

The above fixed assets (buildings, structures and land) impaired in the current accounting period are idle assets and have no future utilization plans. Due to this, the company recognized impairment losses on those assets.

Calculation method of collectable amounts

The collectable amounts of the assets are based on net sales proceeds. Their assessed values are calculated based on the standards for real estate appraisals.

6. Business restructuring loss

Millions of yen

This loss consists of the following allowances and amounts incurred for the current accounting period, based upon the structural reform plan for the PC keyboard business, etc.

Loss on disposal of fixed assets and inventories

related to business restructuring 620

Estimated amount of support to affiliates

related to business restructuring 3,016

Total 3,637

(Interim Statement of Changes in Non-consolidated Shareholders' Equity)
For the current interim term (April 1, 2006 through September 30, 2006)
Class and Number of Treasury Stock

	Shares at previous year-end (shares)	Increased shares during the interim term (shares)	Decreased shares during the interim term (shares)	Shares at interim term-end (shares)
Common stock (Notes)	116,560	6,735	1,017	122,278
Total	116,560	6,735	1,017	122,278

- (Notes) 1. The 6,735 share increase in the number of own shares of common stock reflects purchases of fractional shares.
2. The 1,017 share decrease in the number of own shares of common stock reflects requests for purchase of fractional shares.

(a) Relating to lease transactions

Millions of yen

	<u>Half year ended Sept.30, 2005</u>		<u>Half year ended Sept.30, 2006</u>		<u>Year ended March 31, 2006</u>				
(1) Equivalent of acquisition value of leased items, equivalent of total amount of depreciation, accumulated impairment loss equivalent, and equivalent of interim (year-end) closing balance:	Equivalent of acquisition value	Equivalent of total amount of depreciation	Equivalent of half year-end balance	Equivalent of acquisition value	Equivalent of total amount of depreciation	Equivalent of half year-end balance	Equivalent of acquisition value	Equivalent of total amount of depreciation	Equivalent of year-end balance
Vehicles	193	104	89	183	77	105	179	83	96
Tools, furniture and fixtures	1,923	940	983	1,954	1,074	879	1,893	998	894
Software	40	25	14	35	23	12	35	19	15
Total	2,157	1,070	1,087	2,172	1,175	997	2,107	1,101	1,006

Because of a low ratio of the interim (year-end) closing balance of unexpired lease expenses to a total amount of the interim (year-end) closing balance of tangible fixed assets, equivalent of acquisition value in the period under review has been calculated based on "Interest payment inclusive method."

(2) Equivalent of interim (year-end) closing balance of unexpired lease expenses:

within 1-year	482	458	472
over 1-year	604	539	534
Total	1,087	997	1,006

Because of a low ratio of the interim (year-end) closing balance of unexpired lease expenses to a total amount of the interim (year-end) closing balance of tangible fixed assets, equivalent of the interim (year-end) closing balance of unexpired lease expenses in the period under review has been calculated based on "Interest payment inclusive method".

(3) The amount of lease expenses, mobilization of lease asset impairment losses, equivalent of depreciation expenses and impairment loss:

Amount of lease expenses	280	276	559
Equivalent of depreciation expenses	280	276	559

(4) Method of computing equivalent of depreciation expenses:

Computation is based on straight line method with the lease term as a useful life and the residual value to be set at zero.

(Impairment loss) There were no impairment losses allocated to lease assets.

(b) Securities with Market Value

There are no subsidiaries or affiliates whose stocks have their current market value.

(7) Per Share Data

	Half year ended September 30, 2005	Half year ended September 30, 2006	Year ended March 31, 2006
Net assets per share (yen)	459.74	447.96	450.24
Interim net income per share (yen)	4.29	6.38	(8.47)
Fully diluted net income per share (yen)	Not stated due to no residual securities in existence that have dilutive effects.	Not stated due to no residual securities in existence.	Diluted net income per share is not stated due to a net loss per share reported, although residual securities exist.

(Note)1. The following are the basis for calculating net assets per share.

	Half year ended September 30, 2005	Half year ended September 30, 2006	Year ended March 31, 2006
Total net assets (millions of yen)	—	178,755	—
Deduction from total net assets (millions of yen)	—	—	—
Interim-end net assets related to common stock (millions of yen)	—	178,755	—
Interim-end common stock used for the calculation of net assets per share (shares)	—	399,045,417	—

2. The following are the basis for calculating net income or loss per share and diluted net income per share.

	Half year ended September 30, 2005	Half year ended September 30, 2006	Year ended March 31, 2006
Interim net income per share			
Interim net income in the non-consolidated statements of income (millions of yen)	1,713	2,544	(3,378)
Interim net income related to common stock (millions of yen)	1,713	2,544	(3,378)
Amount not available for common stock (millions of yen)	—	—	—
Average shares of common stock outstanding (shares)	399,060,228	399,047,140	399,056,975
Outline of the residual shares not included in the calculation of diluted net income per share due to no dilution effects (millions of yen)			
4th unsecured bonds with warrants attached (Face value)	4,000	—	—

(8) Subsequent event

There were no significant events subsequent to the half year ended September 30, 2006.