



The Financial Statement Briefing for the Year Ended March 31, 2007

May 2 , 2007

JASDAQ: 6467

NICHIDAI

<http://www.nichidai.jp/>

I .Business Characteristics

I . Business Characteristics

—Business Composition (Consolidated Net Sales for the Year Ended March 2007)—

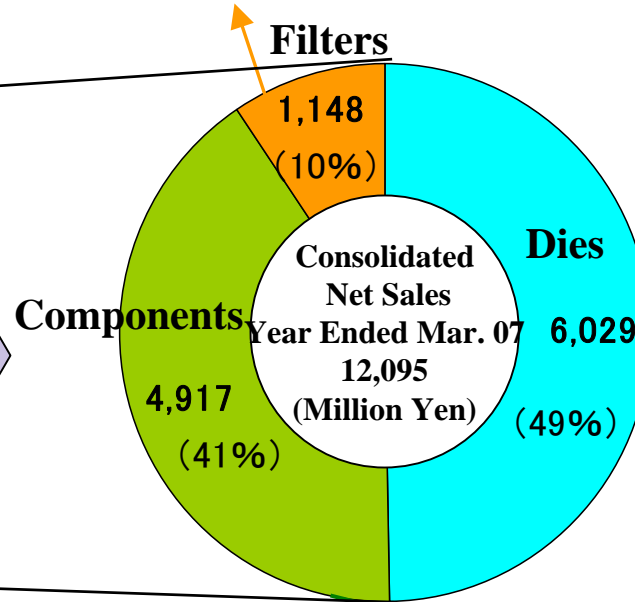
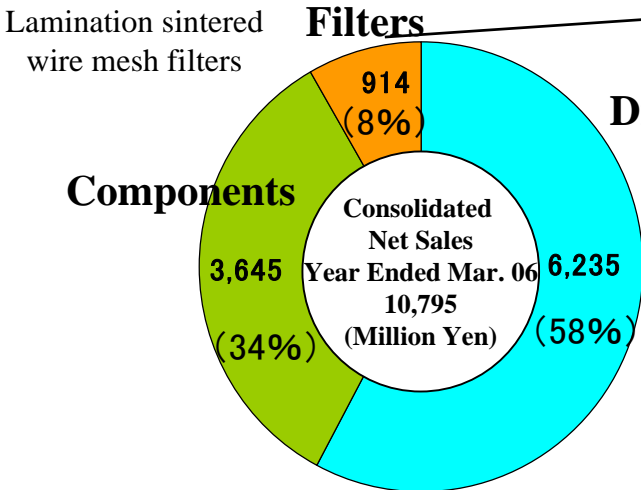


Lamination sintered wire mesh filters

Filtration for foods and pharmaceuticals. Lamination sintered wire mesh filters used in a broad area including chemical plant, nuclear plant, fuel system of rockets, etc.



Precision forging dies



Precision forging dies used mainly for forging car parts, such as gears for engine, transmission and driving mechanisms



Precision-forged scroll



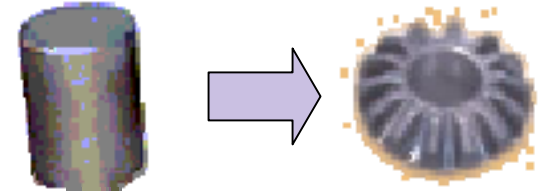
VG turbo charger part

- Assembly of VG turbo charger parts for diesel engine
- Precision-forged goods such as automobile parts and aluminum alloy air-conditioner parts

I . Business Characteristics — Characteristics of Forging Die Business—

Forging Die Business

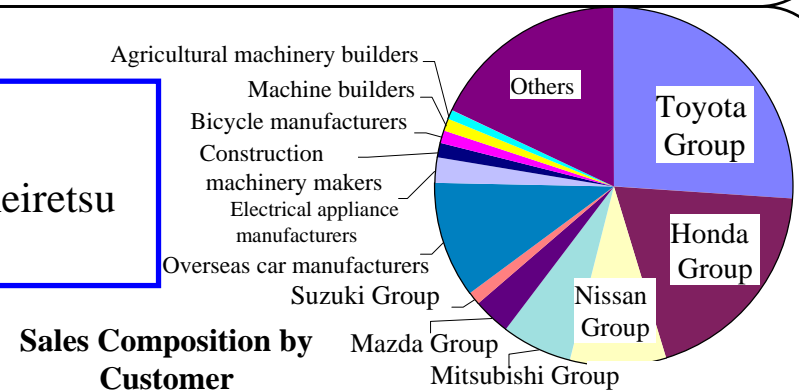
- ✓ Manufactures precision-forged (cool-forging, hot-forging) dies with the core technology of net-shape that enables forging components at ambient temperature without cutting.
- ✓ Provides total engineering, taking on not only making dies but from development to dedicating forging line.



Net-Shape

Customer

- ✓ 80% accounts for car-related industry.
- ✓ Doing business with all the domestic Keiretsu without depending on specific ones.



Competition

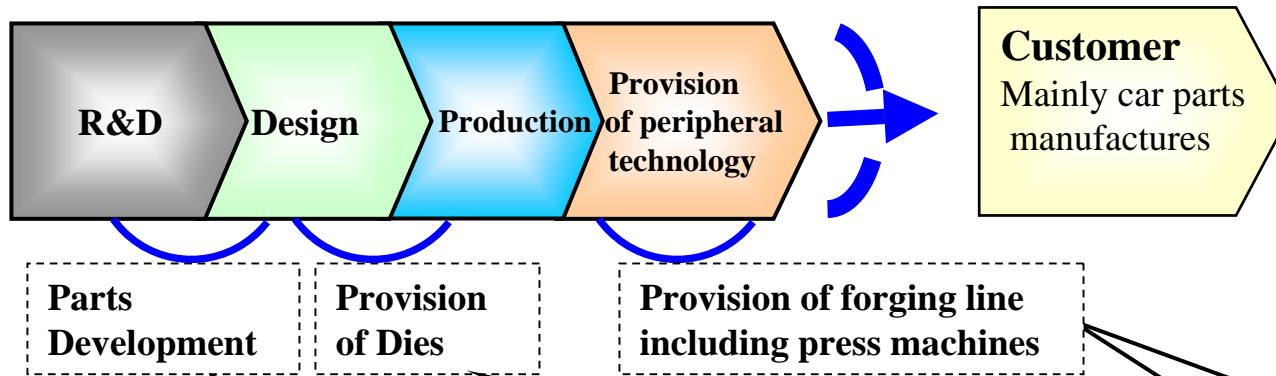
- ✓ Competing with domestic forging die manufacturers. Companies capable of providing total engineering are limited.
- ✓ Competing with cutting method. Lower material cost and better productivity than cutting.



Value Chain

■ Providing Total Engineering

In a broad range from R&D to providing peripheral technologies



Helical Gear

A type of gear in which the teeth are cut at a slanting angle, not parallel, to the axis. Used for manual transmission car parts etc.

Nichidai has obtained a joint patent for its forging method with an automobile parts manufacturer.



S-MAX System

A system which enables improved productivity using CAD/CAM and stable quality.

Processing program is sent online from design room to process site.

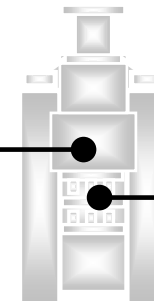


Provides peripheral equipments, such as press machines and die sets (internal design/production).

Press machines are included in “**Products**” of sales category.



Press machine



Die set

I. Business Characteristics -Overseas Operations of Forging Die Business-

■ South Korea/China

- ✓ Doing business mainly with local parts manufacturers
- ✓ Sales base in Shanghai, China



● NAC Kentucky Factory

Manufactures precision forging dies

■ North America

- ✓ NAC (NICHIDAI AMERICA CORPORATION) represents Nichidai's business.
- ✓ Selling products to both Japanese and American parts manufacturers



Ujitawara Factory
(Kyoto)

■ Thailand

- ✓ Japanese firms has aggressively set up operations. Nichidai's key customers are Japanese parts manufacturers.
- ✓ Sales representatives in Bangkok

■ India

- ✓ Dealing with local and European and American users. New investment/development projects are expected to increase.

■ ND non-consolidated, included in overseas sales ■ NAC

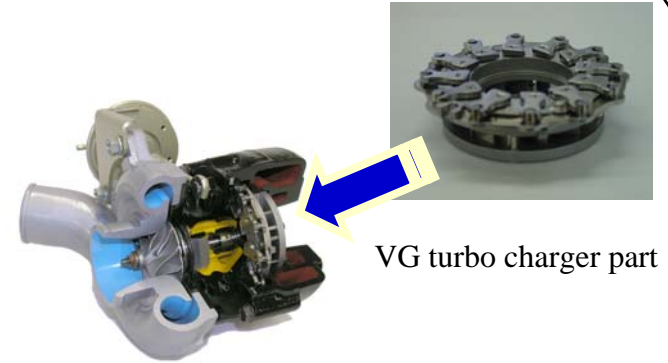
I. Business Characteristics

—Components Business: Characteristics of Assembly Division—

Assembly

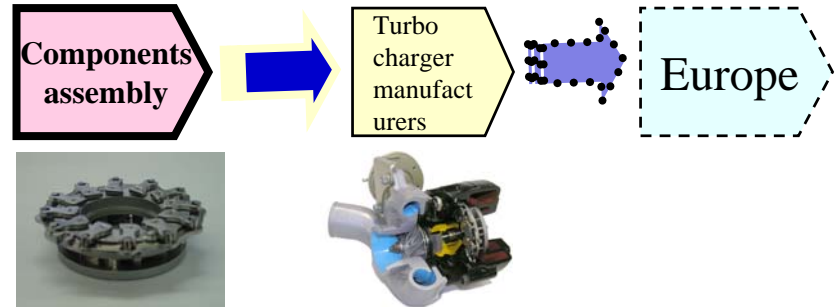
- ✓ Assembling **VG turbo charger parts** for diesel engine
- ✓ **VG turbo charger** contributes to reduce environmental impact substances, such as PM and NOx. There is a growing need because of intensifying regulations. (See the figure below for the mechanism.)

■ **Included in ND non-consolidated.**

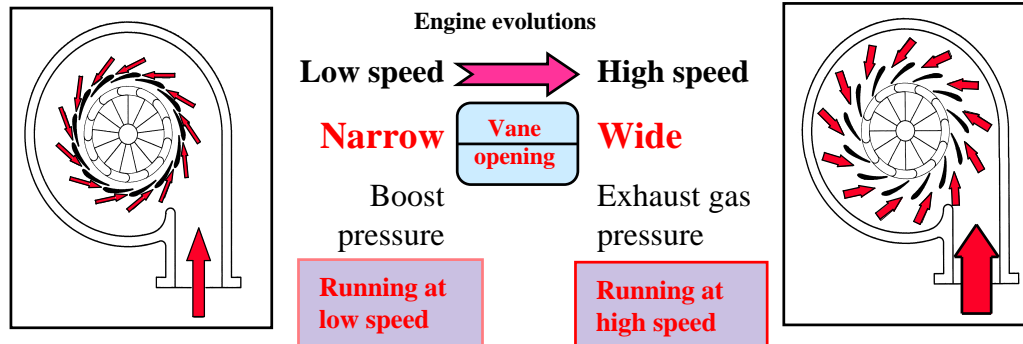


Customer

- ✓ Selling to turbo charger manufacturers.
- ✓ Loaded primarily onto diesel engine of passenger cars for European market



Mechanism of VG turbo charger Vane opens and closes according to the engine revolutions, controlling air volume.



I . Business Characteristics

—Components Business: Characteristics of Precision-Forged Goods Division—

Precision Forging

- ✓ Manufactures precision-forged goods in small and medium quantity using precision forging dies
- ✓ Key product is forged scroll for car air conditioner.



Precision-forged parts such as scroll for car air conditioner

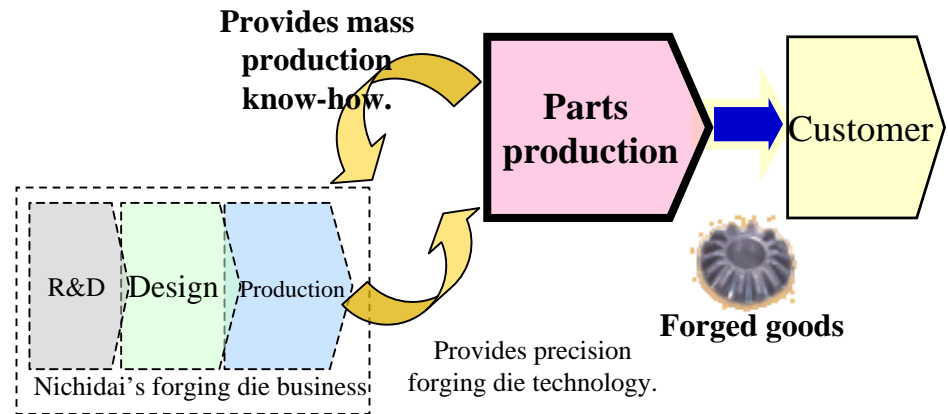
■ Included in ND non-consolidated.

Value Chain

- ✓ Operates business in consideration for synergy with forging die business.
- Utilizes accumulated forging die technology in die development.
- ✓ Constitutes total engineering of the forging die business.



Nichidai's press machines



I. Business Characteristics —Filter Business—

Filter

- ✓ Our lamination sintering technology enables fusion of stainless mesh wires. (For brief overview of production process, see below.)
- ✓ Distinct in mechanical strength, durability and heat resistance.
- ✓ Spinned off as NFC (Nichidai Filter Corporation) in 2004.



Cross-section of a filter

Customer

- ✓ Customers are in diverse industries including food, pharmaceutical and petrochemical.
- ✓ Recently, growth is prominent in filters for high-performance resin such as production equipment of film for liquid crystal.

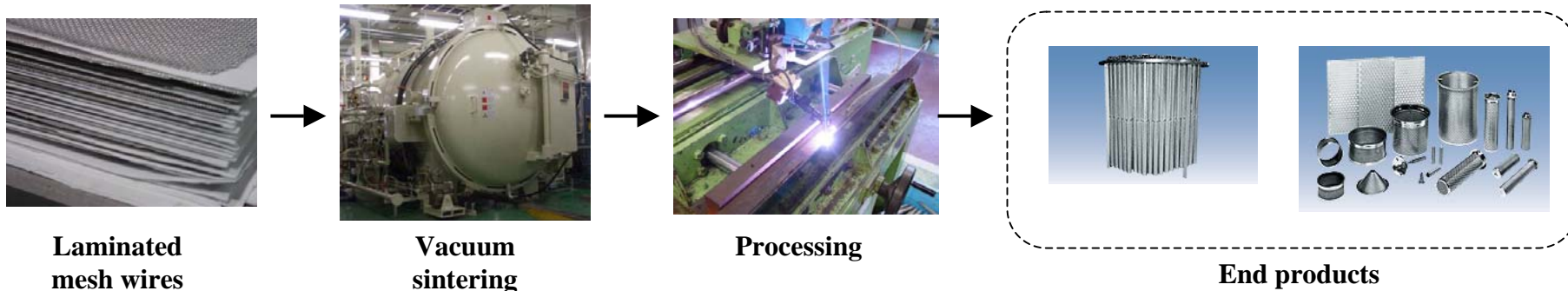


For pharmaceutical use



For high-performance resin

Brief overview of laminated wire mesh filter production process



Ⅱ . Financial Results

for the Year Ended March 31, 2007

II . Financial Results for the Year Ended March 31, 2007

— P/L: Sales and Profit—

Consolidated

Millions of Yen

		Results for the year ended March 2006	Interim forecast for the year ended March 2007 (announced in October)	Interim forecast for the year ended March 2007 (announced in March)	Results for the year ended March 2007	Growth Rate
Parent	Net Sales	9,758	10,640	10,550	10,619	8.8%
	Ordinary Income	803	940	870	883	10.0%
	Net Income	417	555	△ 315	△ 372	—
N F C	Net Sales	914	1,050	1,150	1,148	25.6%
	Ordinary Income	119	131	166	179	50.5%
N A C	Net Sales	498	618	618	622	24.9%
	Ordinary Income	△ 92	3	△ 62	△ 64	—
Consolidated	Net Sales	10,795	12,000	12,010	12,095	12.0%
	Gross income from sales	2,498	2,852	2,745	2,808	12.4%
	S.G&A. Expense	1,612	1,707	1,679	1,669	3.5%
	Operating income	885	1,145	1,066	1,139	28.7%
	Non-operating income	△ 82	△ 95	△ 96	△ 92	—
	Ordinary Income	802	1,050	970	1,046	30.4%
	Net Income	369	610	540	543	47.2%

* Rounded down to the nearest million yen. NFC stands for Nichidai Filter Corporation; NAC stands for NICHIDAI AMERICA CORPORATION.

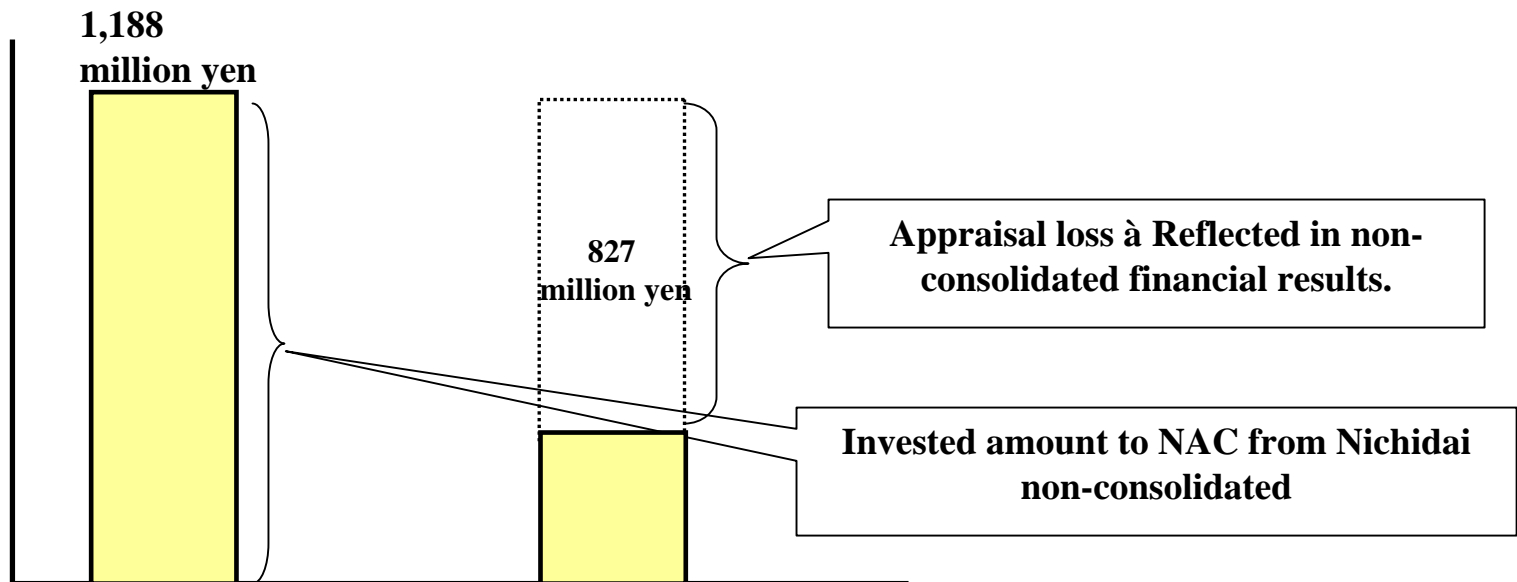
II. Results for the Year Ended March 2007

—Appraisal Loss on the Shares of Subsidiary—

Non-Consolidated

- ✓ Posted an appraisal loss on the shares of NAC, Nichidai's American subsidiary.
- ✓ Posted accumulated loss of 827 million yen up to 2006, because of difficulty in clearing accumulated loss by December, 2009.
- ✓ Will remain in the red throughout fiscal 2007 due to discontinuation of OEM products (Note), despite the start of mass production for Japanese parts manufacturers.
- ✓ Nichidai alone incurred net loss of 372 million yen as posted in non-consolidated financial results.
- ✓ Paid a full-year dividend of 20 yen as planned.

* Note OEM products: Products of manufactured at NAC for Nichidai's repeated order



Consolidated

Millions of Yen

	Results for the year ended March 2006	Forecast for the year ended March 2007 (announced in October)	Results for the year ended March 2007	Growth Rate
Domestic	5,353	5,150	4,861	△ 9.2%
Overseas	759	890	840	10.6%
NAC	498	618	622	24.9%
Consolidated elimination	(375)	(308)	(295)	△ 21.5%
Forging dies	6,235	6,350	6,029	△ 3.3%
(products)	(190)	(102)	(143)	△ 24.4%
Components	3,645	4,600	4,917	34.9%
Filters	914	1,050	1,148	25.6%
Consolidated	10,795	12,000	12,095	12.0%

➤ Due to decrease in new projects

➤ Due to sales growth for China, South Korea and Indian regions

➤ Increased sales both for Japanese and American users

➤ VG turbo charger parts: Despite sales decline in the second half year over the first half, achieved sales above the plan due primary to the increased models.

➤ Sales boosted substantially both in domestic and overseas markets.

* Rounded down to the nearest million yen.

Market Environment

Domestic production unit of domestic finished car manufactures increased over the year earlier, backed by export rise.

- Overseas production unit remains on the rise.
- Response to production hike and quality intensifying measures slowed down new development projects.

➤ Domestic

- ✓ Affected by inventory adjustment of users in the Chubu region in the first half year.
- ✓ Declining new parts development projects accompanied by declining demand in domestic forging die business

➤ China, South Korea

- ✓ Boosted sales to local parts manufacturers. Business went virtually as planned.

➤ Thailand

- ✓ Sales saw sluggish growth due to quiet-down of special demand from setting up overseas operations of Japanese parts manufacturers, life-prolonging measures and the trend of local procurement.

➤ India

- ✓ New business development is underway, e.g. sales of die set recorded in the second half year.

➤ North America (NAC)

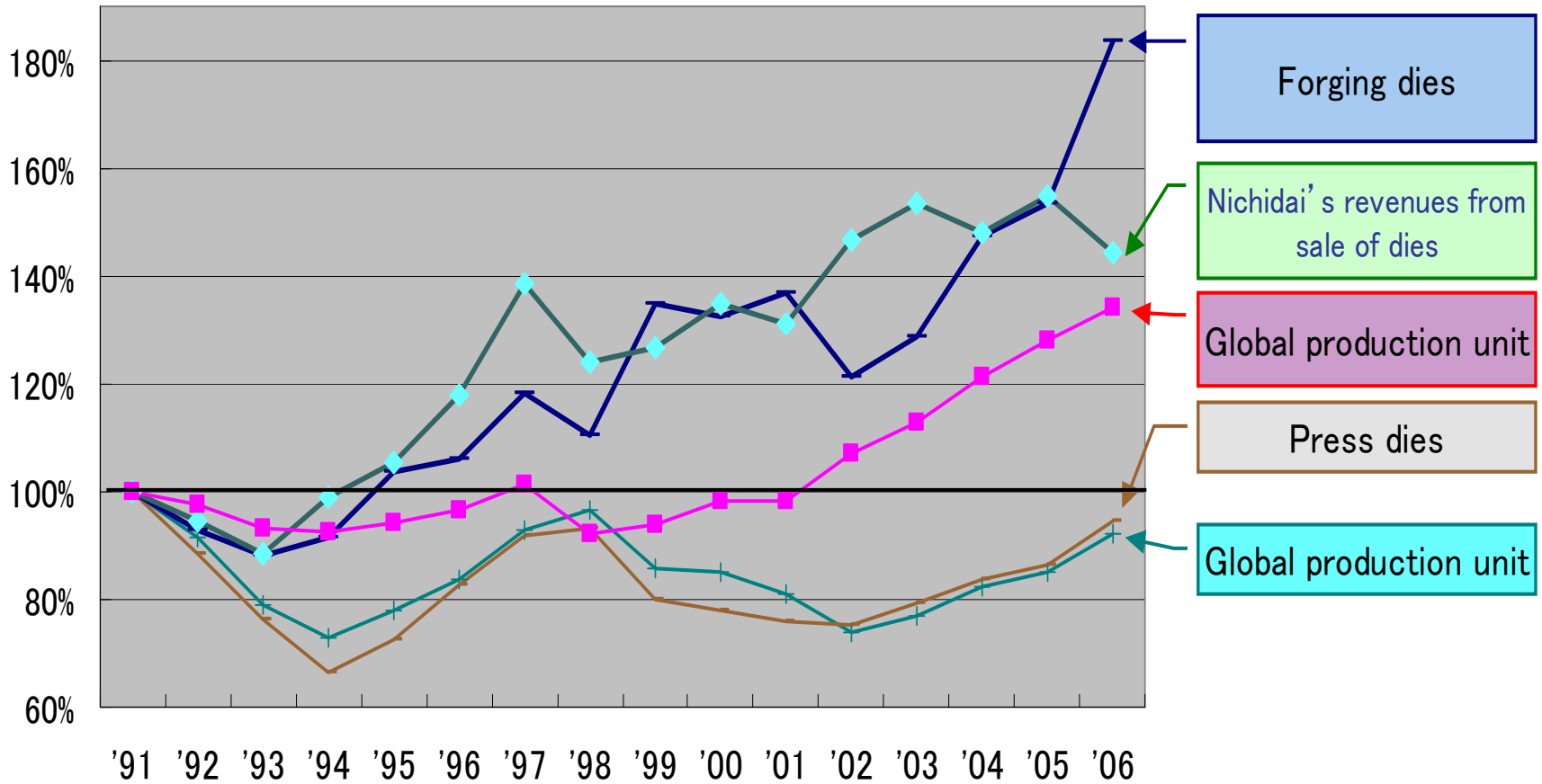
- ✓ Although sales to both Japanese and American manufacturers are on the increase, income is experiencing difficulty due to declining OEM production in the second half year.

II. Results for the Year Ended March 2007

—Expansion of Forging Die Market—

Non-Consolidated

Trend of the Indexes
 (Value of production by model, Revenues from sale of dies,
 Global production unit)
 (Based on the value of 1991 as 100)

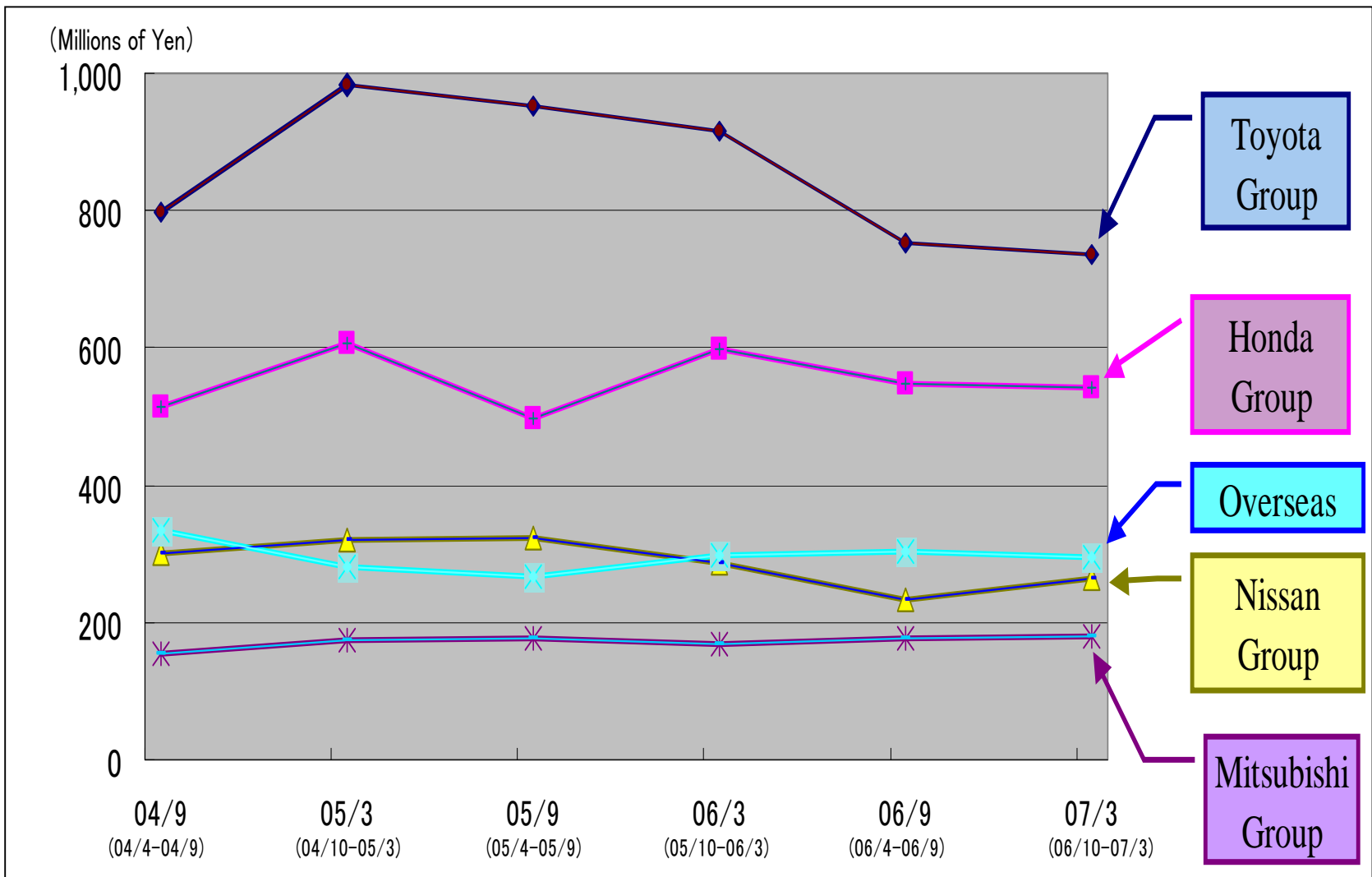


Source: Revenues from sale of dies = Industrial statistics (Data of 2005 and 2006 are Nichidai's forecast.) Global production unit = Japan Automobile Manufacturers Association (Total number of units produced at home and abroad by Japanese car manufactures.)

II. Results for the Year Ended March 2007

—Expansion of Forging Die Market—

Non-Consolidated



Market Environment

Intensified environmental regulations are increasing demand for turbo charger. To keep pace with that, turbo charger manufacturers continue to boost production.

➤ Assembly Division

✓ Despite the decline in the second half year resulting from delivery adjustment of VG turbo charger parts which contributed in the first half, sales were robust due partly to the launch of new model.

✓ Production was stable due to reinforced production and quality management. Income also surged remarkably.

➤ Precision Forging Division

✓ Sales increased from the year earlier due to contracted manufacturing in the second half year.

Market Environment

- Willingness for capital investment by industries remained active.
- Domestic investment in digital home appliances-related area, particularly production facilities of plastic film for LCD TVs.

- ✓ Sales grew substantially both in domestic and overseas markets.
- ✓ Especially, growth of filters for high-performance resin for film production made a great contribution.
- ✓ Sales of filters for oil drilling also recorded a marked growth.
- ✓ Sales of filters for food and general industry posted growth, too.
- ✓ Sales increased significantly in overseas markets, particularly in Taiwan, South Korean and other Asian regions.

II. Results for the Year Ended March 2007—Segment P/L—

Consolidated

Millions of Yen

	06/3			07/3		
	Net Sales	Operating Income	Profit Ratio	Net Sales	Operating Income	Profit Ratio
Dies	6,235	682	11.0%	6,029	510	8.5%
Components	3,645	78	2.2%	4,917	445	9.1%
Filters	914	124	13.6%	1,148	183	16.0%
Total	10,795	885	8.2%	12,095	1,139	9.4%

➤ Lower income is due to the drop in sales of domestic forging die business.

➤ Attributable to large-scale production hike of VG turbo charger parts and stable operation of production.

➤ Due to marked growth in sales.

* Rounded down to the nearest million yen.

II. Results for the Year Ended March 2007—Cost of Sales—

Consolidated

Millions of Yen

	06/3		07/3	
	Results	Percentage	Results	Percentage
Net Sales	10,795	100.0%	12,095	100.0%
Material cost	2,986	27.7%	3,376	27.9%
Purchase of products	708	6.6%	631	5.2%
Subcontract processing	1,342	12.4%	1,565	12.9%
Subsidiary material cost	349	3.2%	388	3.2%
Labor cost	2,028	18.8%	2,056	17.0%
Depreciation	483	4.5%	528	4.4%
Change in inventory	360	3.3%	13	0.1%
Others	758	7.0%	752	6.2%
Cost of sales	8,297	76.9%	9,286	76.8%
Gross income from sales	2,498	23.1%	2,808	23.2%

Increase in costs of material and subcontract processing

➤ due to higher sales of VG turbo charger parts

* Rounded down to the nearest million yen.

II . Results for the Year Ended March 2007

—Sales&General Administrative Expenses—

Consolidated

Millions of Yen

	06/3		07/3	
	Results	Percentage	Results	Percentage
Net sales	10,795	100.0%	12,095	100.0%
Packaging/Freight	135	1.3%	128	1.1%
Transportation	103	1.0%	112	0.9%
Labor cost	800	7.4%	806	6.7%
Dereciation	91	0.8%	88	0.7%
Rent	61	0.6%	60	0.5%
Others	420	3.9%	473	3.9%
S.G&A expence	1,612	14.9%	1,669	13.8%

* Rounded down to the nearest million yen.

Consolidated

Millions of Yen

	Results for the year ended March 2006	Results for the year ended March 2007	Change
Cash deposit	835	1,179	344
Notes receivable	734	700	△ 33
Accounts receivable	2,254	2,756	501
Inventory	1,218	1,285	66
Others	98	111	13
Allowance for bad debts	△ 39	△ 26	13
Total current assets	5,103	6,007	904
Tangible fixed assets	5,745	5,714	△ 30
Intangible fixed assets	57	50	△ 7
Investment and other assets	371	279	△ 91
Total fixed assets	6,174	6,044	△ 129
Total deferred assets	—	8	8
Total assets	11,277	12,060	783

Increase in accounts receivable

➤ due to higher sales of VG turbo charger parts

* Rounded down to the nearest million yen.

II. Results for the Year Ended March 2007

—B/S: Liabilities and Shareholders' Equity—

Consolidated

Millions of Yen

	Results for the year ended March 2006	Results for the year ended March 2007	Change
Accounts payable	654	655	0
Short-term debt	2,124	1,352	△ 772
Accrued income tax	166	288	122
Allowance for bonus payable	116	120	4
Current portion of bonds	20	2,020	2,000
Others	370	468	98
Total current liabilities	3,452	4,905	1,452
Bond payable	2,050	30	△ 2,020
Long-term debt	820	690	△ 129
Others	49	20	△ 29
Total fixed liabilities	2,920	741	△ 2,178
Total liabilities	6,372	5,646	△ 725
Shareholders' equity	860	1,429	568
Capital surplus	624	1,191	567
Retained surplus	3,429	3,757	327
Others	△ 9	△ 15	△ 5
Minority interest	—	50	50
Total net assets	4,904	6,413	1,509
Total liabilities and net assets	11,277	12,060	783

Corporate bond

➤ to be redeemed in November 2007

Increase in shareholders' equity and capital reserves

➤ - due to 1 million public stock offering of in July 2006

Increase in minority interest

➤ - due to establishment of a joint venture "THAI SINTERED MESH CO., LTD."

* Rounded down to the nearest million yen.

Consolidated

Millions of Yen

	06/3	07/3	Change
Cash flows from operating activities	398	799	400
Cash flows from operationg activities	△ 840	△ 399	441
Cash flows from financing activities	424	45	△ 379
Amount of decrease in cash and cash equivalents	△ 24	444	468
Cash and cash equivalents balance at beginning of year	410	385	△ 24
Cash and cash equivalents balance at end of year	385	829	444
FCF	△ 442	399	841

* Rounded down to the nearest million yen.

Ⅲ.Forecast for the Year Ending March 31,2008

III. Forecast for the Year Ended March 2008 —P/L:Sales and Profit—

Consolidated

Millions of Yen

		06/3 Results	07/3 Results	Growth rate	08/3 Forecast	Growth rate
		05/4-06/3	06/4-07/3		07/4-08/3	
Parent	Net sales	9,758	10,619	8.8%	10,900	2.6%
	Ordinary income	803	883	10.0%	1,000	13.2%
	Net income	417	△ 372	—	465	—
N F C	Net sales	914	1,148	25.6%	1,200	4.5%
	Ordinary income	119	179	50.5%	180	0.3%
N A C	Net sales	498	622	24.9%	600	△ 3.5%
	Ordinary income	△ 92	△ 64	—	△ 100	—
Consolidated	Net sales	10,795	12,095	12.0%	12,500	3.3%
	Gross income from sales	2,498	2,808	12.4%	2,956	5.3%
	S.G&A Expence	1,612	1,669	3.5%	1,776	6.4%
	Operating income	885	1,139	28.7%	1,180	3.6%
	Non-operating income	△ 82	△ 92	—	△ 100	—
	Ordinary income	802	1,046	30.4%	1,080	3.2%
	Net income	369	543	47.2%	570	5.0%

* Rounded down to the nearest million yen.

Consolidated

Millions of Yen

	07/3 Result	08/3 Forecast	Growth rate
Domestic	4,861	5,000	2.8%
Overseas	840	900	7.1%
NAC	622	600	△ 3.5%
Consolidated elimination	(295)	(200)	△ 32.2%
Dies	6,029	6,300	4.5%
(Products)	(143)	(100)	△ 30.5%
Components	4,917	5,000	1.7%
Filters	1,148	1,200	4.5%
Consolidated	12,095	12,500	3.3%

➤ Higher sales for Asian region are prospected.

➤ Sales will decrease by reduced OEM production.

➤ Sales will remain virtually at the same level as the year earlier.

➤ Sales will increase by filters for production facilities of high-performance film and by new products.

* Rounded down to the nearest million yen.

- Despite sluggish growth rate, global production unit of Japanese finished car manufacturers will remain on the increase, accelerating a global structure.
- Research & development focused on environment-related technologies will be advanced by Japanese manufacturers.

Challenges

➤ Domestic

- ✓ Keep up with the increase in parts production by primary users .
- ✓ Dig up new development projects.

➤ Overseas

- ✓ China and South Korea: Strengthen sales in response to the request from local manufacturers.
- ✓ Thailand and India: Respond to Japanese firms aggressively establishing their presence.

➤ NAC(North America)

- ✓ Get ready for the full-fledged parts production by Japanese manufacturers.

➤ R&D

- ✓ Review the structure of production management division and intensify shortening/management of delivery period.
- ✓ Promote proposal-oriented sales activities through strengthened marketing.
- ✓ Enhance manpower for overseas sales.
- ✓ Enhance collaboration in information sharing with domestic sales division.
- ✓ Intensify technical support to new overseas projects by sales technology division.
- ✓ Build up an autonomous production system in order to raise QCD.
- ✓ Set up new technological development division aiming for R&D reinforcement.

III. Forecast for the Year Ended March 2008

—Challenges for the Current Term: Components Business —

- Demand for diesel engine-related turbo will continue to rise.
- Production system with a global perspective needs to be established as the products are in high demand overseas.

Challenges

Assembly Division

- Advance cost reduction.
- Build up a new production system to cope with further production hike after the next fiscal year.

Precision Forging Division

- Contribute to technological development using precision forging technologies.

- ✓ Promote VA and VE.
- ✓ Examine self-manufacturing of components.
- ✓ Push ahead with a project for examining future overseas development.
- ✓ Strengthen cooperation with newly set up technological development division.

III. Forecast for the Year Ended March 2008

—Challenges for the Current Term: Filters Business —

- Investment in digital home appliances and other industries will continue.
- Demand for filters for oil drilling will rise in overseas markets.

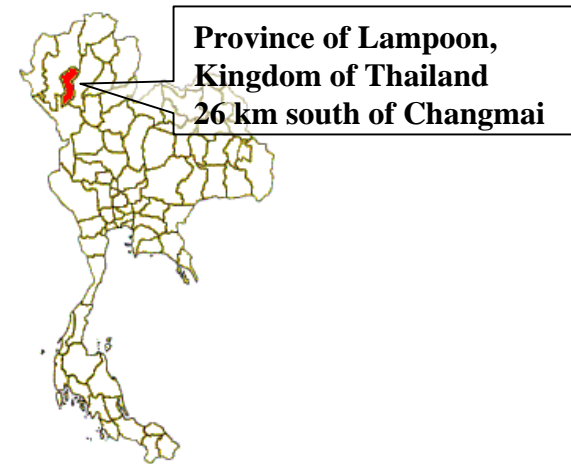
<i>Challenge</i>	
<ul style="list-style-type: none"> ➤ Develop new markets/products. 	<ul style="list-style-type: none"> ✓ Expand sales of filters for high-performance film production. ✓ Develop exhaust gas filter products.
<ul style="list-style-type: none"> ➤ Keep up with rising demand in overseas markets. 	<ul style="list-style-type: none"> ✓ Set up a joint venture in Thailand to cope with rising demand for filters for oil drilling.

III. Forecast for the Year Ended March 2008

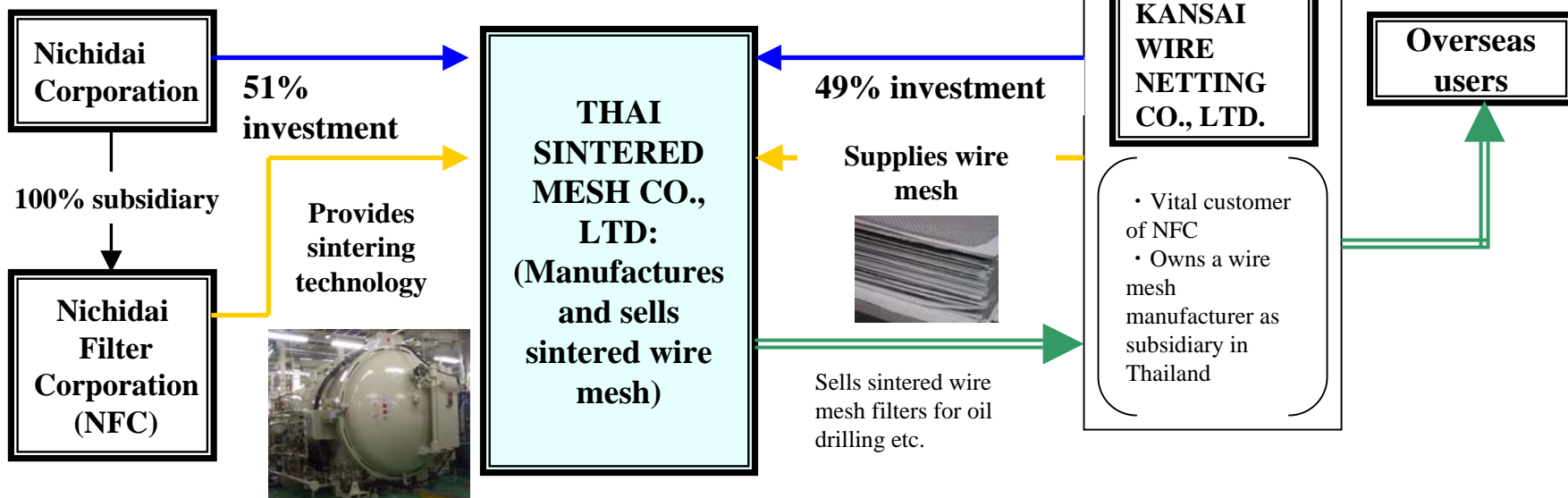
—Establishment of THAI SINTERED MESH CO., LTD.—

Overview of JV THAI SINTERED MESH CO., LTD:

- ✓ Representative: Masuo Hiraiwa (Director, Nichidai Corporation and President, Nichidai Filter Corporation)
 - ✓ Location: Province of Lampoon, Kingdom of Thailand
 - ✓ Capital: 90 million baht (to be paid in full by December 2007)
 - ✓ Shareholder composition: Nichidai Corporation 51%, Kansai Wire Netting Co., Ltd.49%
 - ✓ Date of Foundation: February 27, 2007
- * Scheduled to start construction of factory in May 2007, start operation in October 2007.
- Prospected annual sales are approx. 400 million yen.



✓ Scheme of THAI SINTERED MESH CO., LTD:



III. Forecast for the Year Ended March 2008 —Cost of Sales—

Consolidated

Millions of Yen

	07/3		08/3	
	Results	Percentage	Forecast	Percentage
Net sales	12,095	100.0%	12,500	100.0%
Material cost	3,376	27.9%	3,438	27.5%
Purchase of products	631	5.2%	662	5.3%
Sbcontract processing	1,565	12.9%	1,538	12.3%
Subsidiary material cost	388	3.2%	399	3.2%
Labor cost	2,056	17.0%	2,210	17.7%
Depreciation	528	4.4%	538	4.3%
Change in inventory	13	0.1%	95	0.8%
Others	752	6.2%	854	6.8%
Cost of sales	9,286	76.8%	9,544	76.4%
Gross income from sales	2,808	23.2%	2,956	23.6%

* Rounded down to the nearest million yen.

III. Forecast for the Year Ended March 2008

—Sales and General Administrative Expenses —

Consolidated

Millions of Yen

	07/3		08/3	
	Results	Percentage	Forecast	Percentage
Net sales	12,095	100.0%	12,500	100.0%
Packaging/Freight	128	1.1%	138	1.1%
Transportation	112	0.9%	112	0.9%
Labor cost	806	6.7%	865	6.9%
Depreciation	88	0.7%	83	0.7%
Rent	60	0.5%	66	0.5%
Others	473	3.9%	512	4.1%
S.G&A expense	1,669	13.8%	1,776	14.2%

* Rounded down to the nearest million yen.

III. Forecast for the Year Ended March 2008

—Capital investment • Depreciation—

Millions of Yen

	Period	05/3	06/3	07/3	08/3
	Item	Results	Results	Results	Forecast
Non-consolidated	Capital investment	648	622	500	450
	Depreciation	470	513	545	540
Consolidated	Capital investment	688	680	581	700
	Depreciation	531	575	617	620

* Rounded down to the nearest million yen.

IV. Comparison with Medium-Term Management Plan

IV. Comparison with Medium-Term Management Plan

Consolidated

Millions of Yen

	Medium-Term Plan		Medium-Term Plan		Medium-Term Plan	
	06/3	Results	07/3	Results	08/3	Forecast
Net sales	10,400	10,795	11,500	12,095	12,700	12,500
Dies	6,400	6,235	6,900	6,029	7,300	6,300
Components	3,100	3,645	3,600	4,917	4,300	5,000
Filters	900	914	1,000	1,148	1,100	1,200
Ordinary income	1,000	802	1,250	1,046	1,420	1,080
Net income	475	369	700	543	820	570
Ordinary income to net sales	9.6%	7.4%	10.9%	8.7%	11.2%	8.6%

V. Challenges in Management Strategies

V. Challenges in Management Strategies

External Environment

- ✓ Accelerated overseas development of Japanese automobile and automobile parts manufacturers
- ✓ Stronger request for expanding production base overseas from customers

- ✓ Automobile manufacturers' advancing R&D efforts including environmental technologies

Challenges in Management Strategies

Advance global development of each business

Keep up with technological innovations

Pursue inter-business synergy

Strengthen internal control

Internal Environment

- ✓ Need of inter-business cooperation according to the changes in business composition

- ✓ Heightening requests for intensified management structure, e.g. enactment of J-SOX Law.

■ Forging Die Business

- Strengthen sales in Asian region
- NAC: Reinforce response to Japanese manufacturers who start full-scale production in North American region.



■ Filter Business

- Full production at THAI SINTERED MESH CO., LTD, a joint venture in Thailand

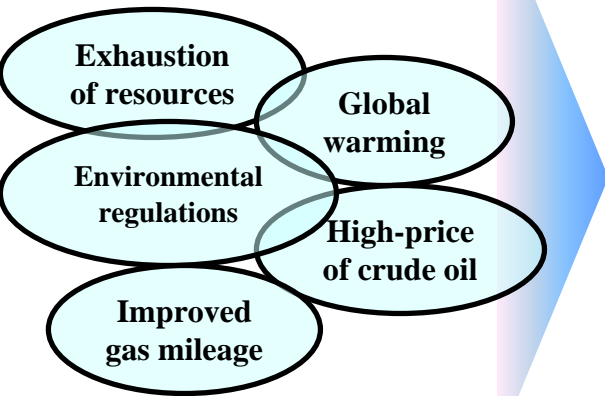
■ Components Business

- VG turbo charger parts
- Examine overseas production base to cope with future production hike.

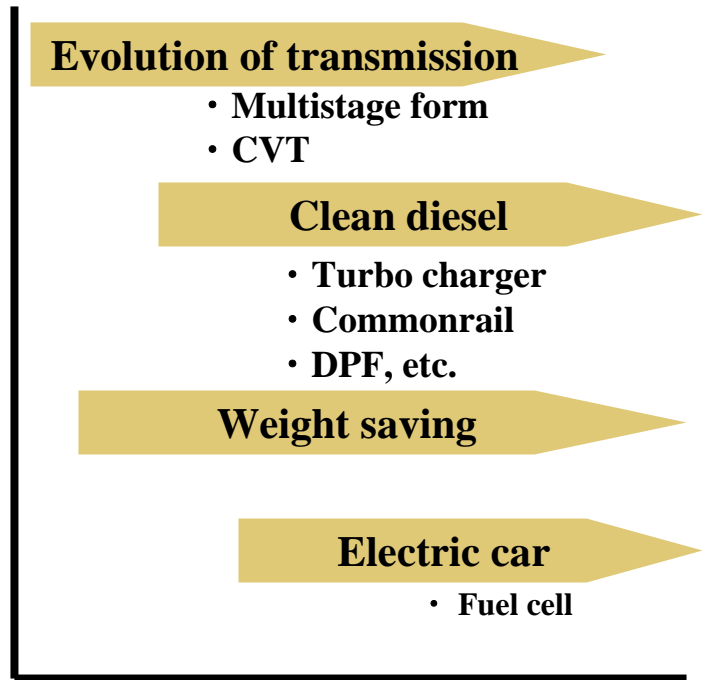
V. Challenges in Management Strategies

—Keeping up with Technological Innovation —

Background of increasing environmental awareness



Road map development



Influence on Nichidai



Now → Future

■ Forging Die Business

- Develop dies for diesel engine-related components
- Develop dies for transmission-related components
- Develop dies for electric car-related components

■ Components Business

- - Strengthen manufacture answering the needs for high quality from European automobile manufacturers

■ Filter Business

- Develop diesel engine-related exhaust gas filters
- Meet the rising demand for filters for oil drilling

V. Challenges in Management Strategies

—Pursuing Inter-Business Synergy —



■ Forging Die Business

Pursue synergy effect with Netshape technology at the core.

Advance R&D utilizing in-house press machines

Examine self-manufacturing of components.
Utilize thickness addition method*

■ Precision Forging



Supply components from Precision Forging to Assembly.

■ Assembly



* Thickness addition molding

- ✓ A molding method to change thickness of material plate by applying pressure on the periphery.
- ✓ Enables plasticity processing from the original thickness of a material to required thickness.

Before forging

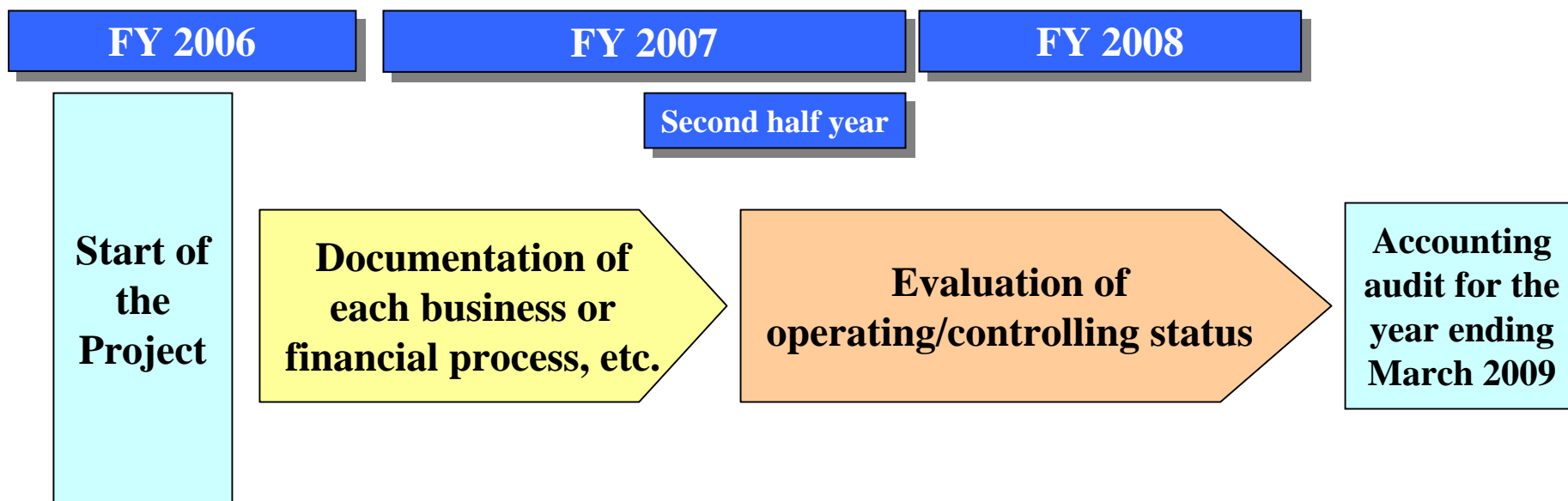


After forging



- A cross-cutting project for constructing internal control system started in November 2006.
- set a target period at the accounting audit for the year ending March 2009.
- Take an active role aiming for improving work, not just obligatorily abiding by the law.

✓ Schedule for Constructing Internal Control System

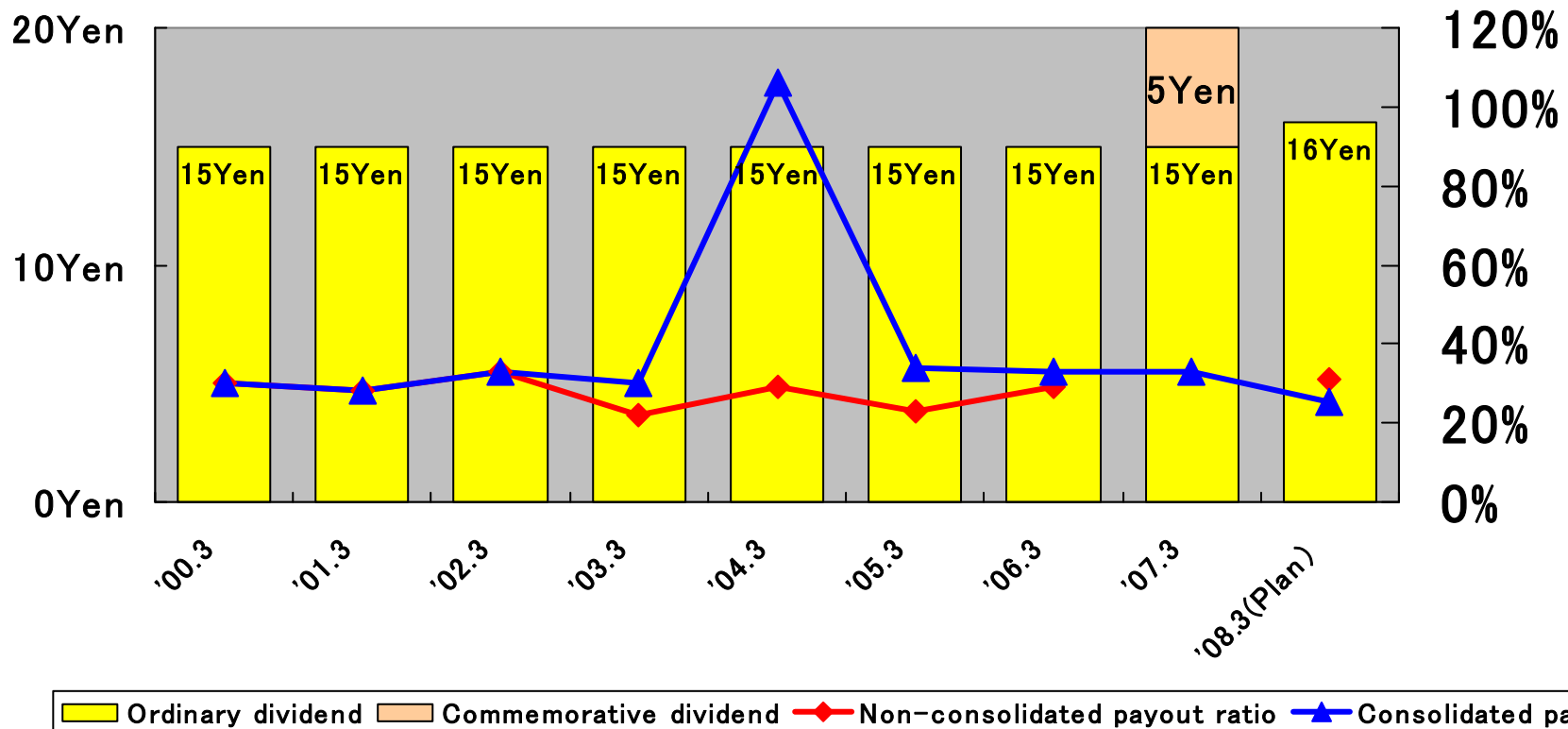


VI. Dividend Policy

Basic Principle of Dividend Policy

- ✓ Maintain stable dividend while securing required internal reserve.

~Dividend after the company went public~



Thank you very much
for the time you've given us today.

NICHIDAI

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