

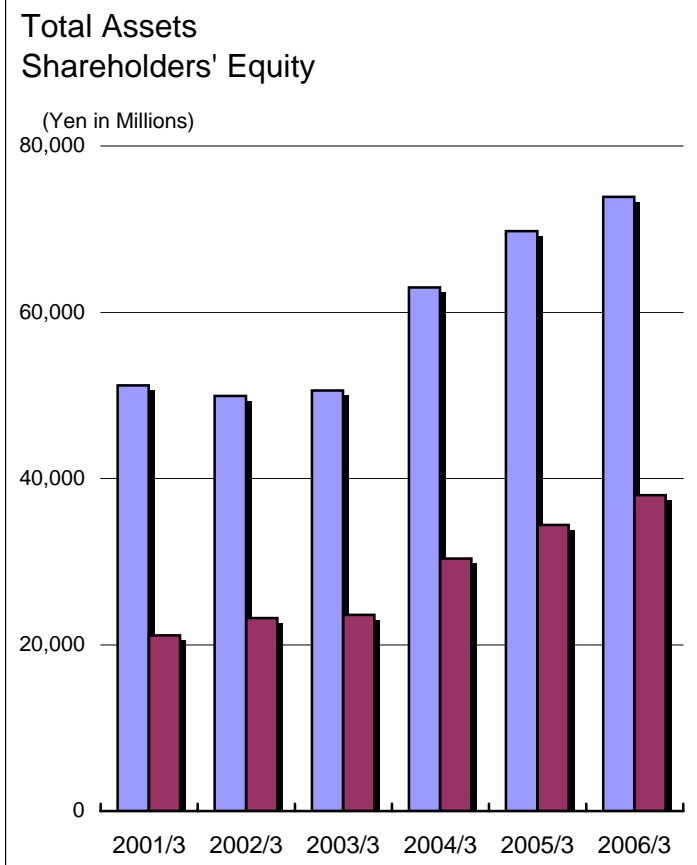
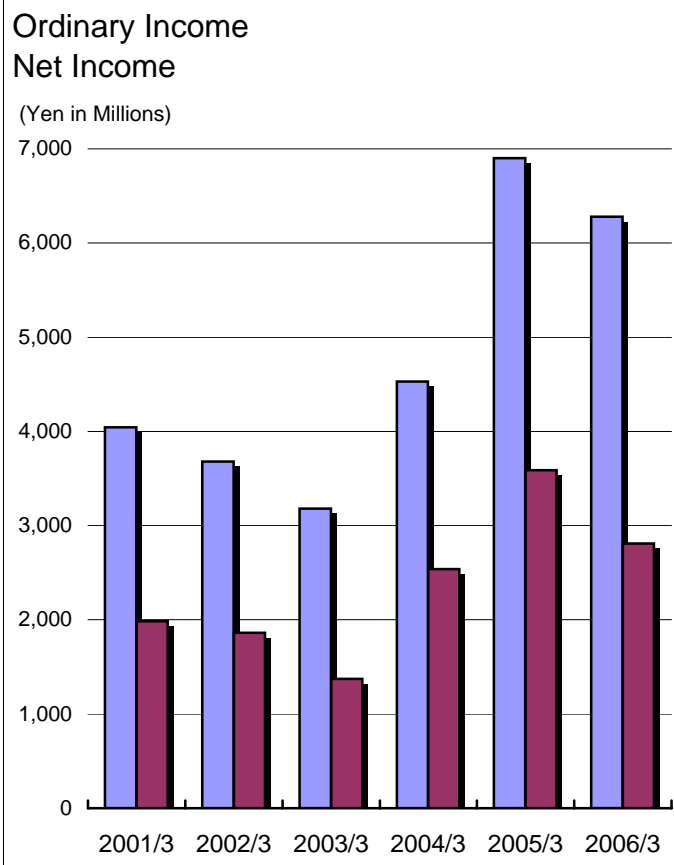
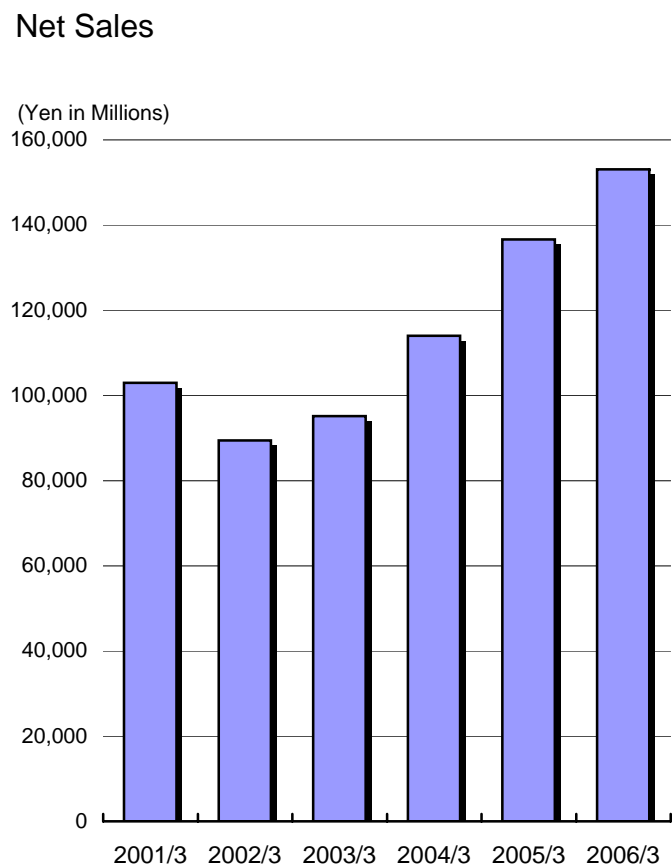


FACT BOOK

(Fiscal Year ended March 31, 2006)

KURODA ELECTRIC Co., Ltd.

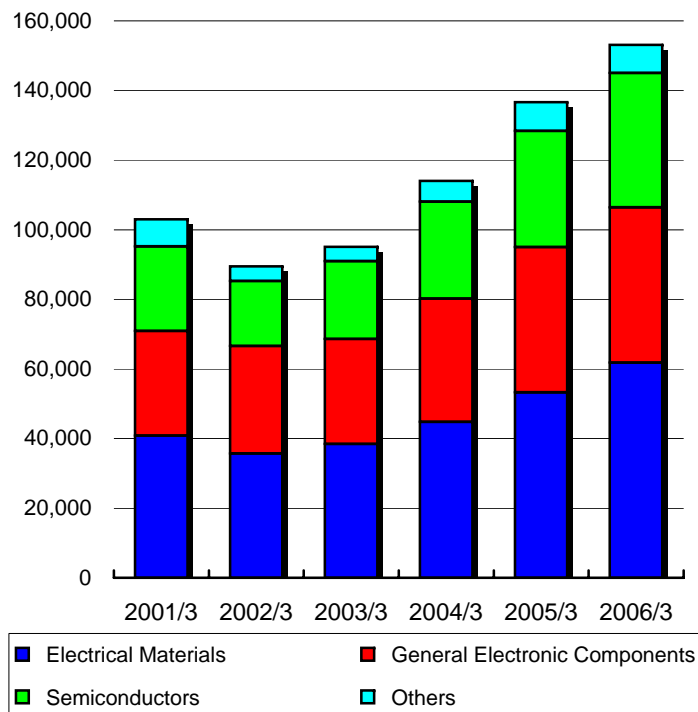
Consolidated Financial Highlights



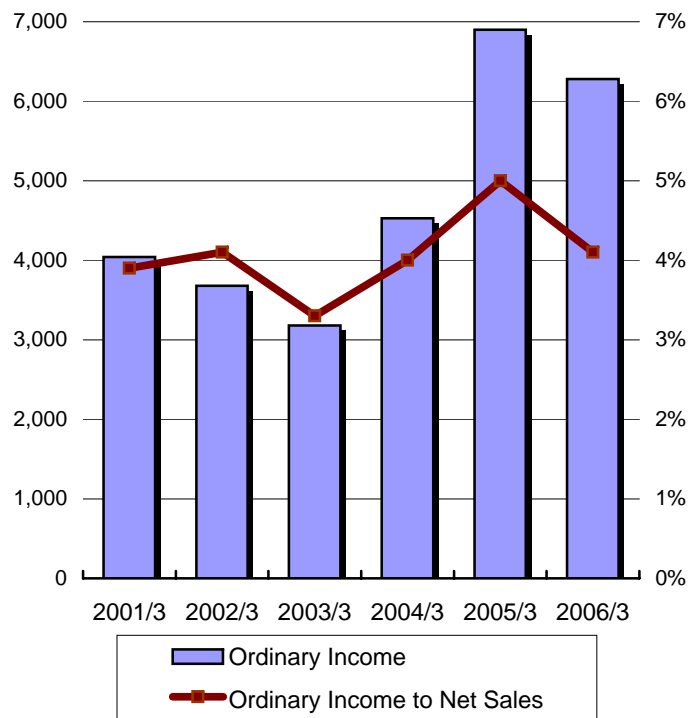
Fiscal Year Ended	(Yen in Millions)					
	2001/3	2002/3	2003/3	2004/3	2005/3	2006/3
Net Sales	102,967	89,438	95,119	114,027	136,619	153,072
Ordinary Income	4,042	3,681	3,180	4,529	6,900	6,281
Net Income	1,984	1,862	1,372	2,538	3,587	2,811
Total Assets	51,192	49,939	50,575	62,998	69,765	73,861
Shareholders' Equity	21,154	23,202	23,618	30,368	34,431	38,014

Consolidated Financial Data

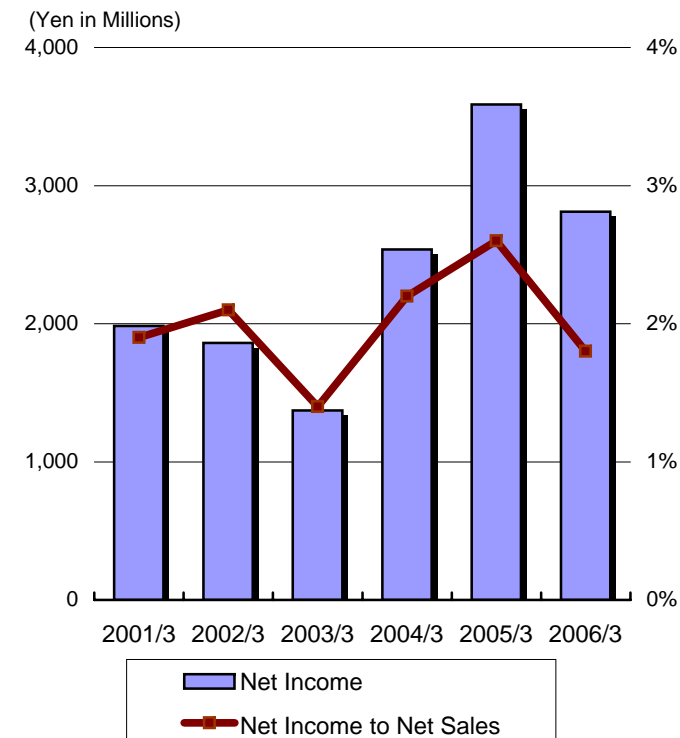
Net Sales



Ordinary Income Ordinary Income to Net Sales



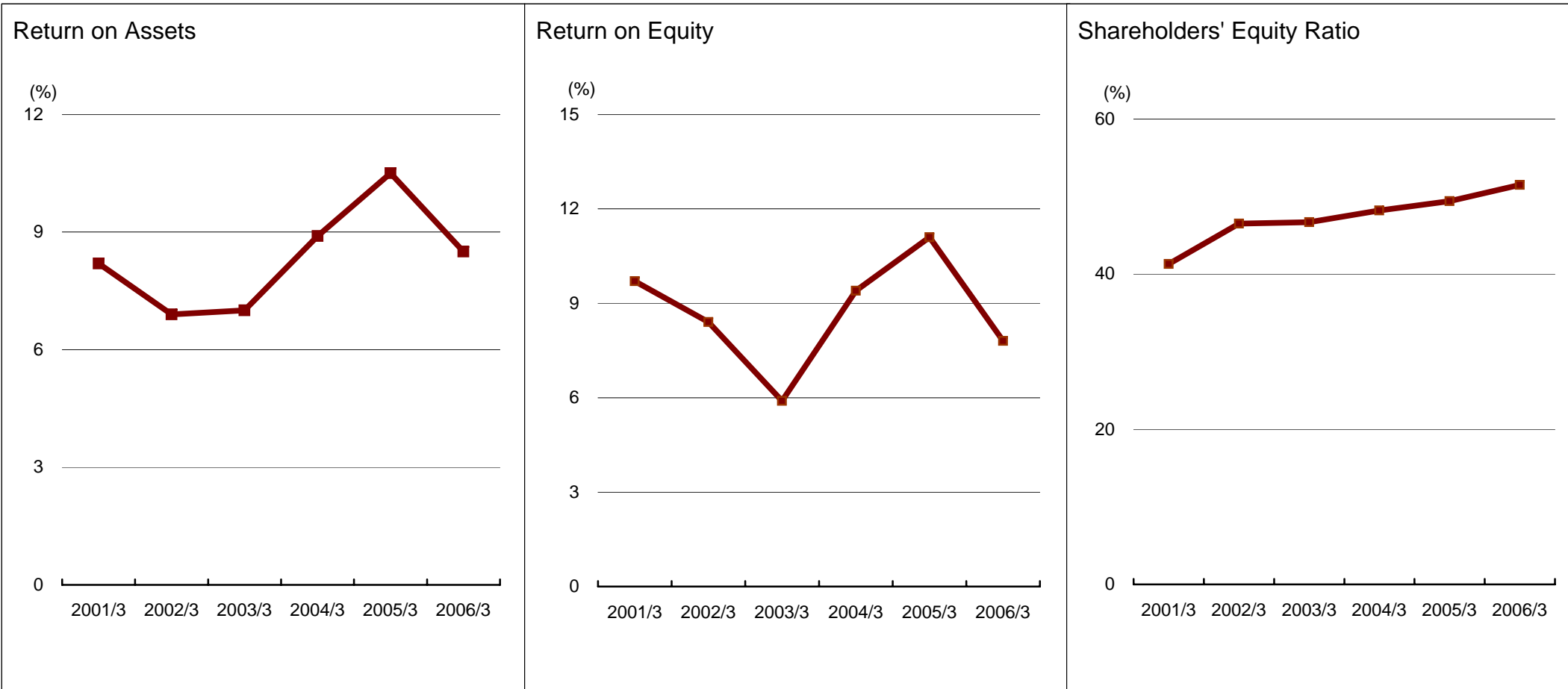
Net Income Net Income to Net Sales



(Yen in Millions)

Fiscal Year Ended	2001/3	2002/3	2003/3	2004/3	2005/3	2006/3
Net Sales	102,967	89,438	95,119	114,027	136,619	153,072
Electrical Materials	40,870	35,637	38,431	44,817	53,233	61,789
General Electronic Components	30,060	30,914	30,160	35,363	41,749	44,647
Semiconductors	24,253	18,660	22,377	27,841	33,343	38,595
Others	7,783	4,226	4,148	6,004	8,292	8,040
Ordinary Income	4,042	3,681	3,180	4,529	6,900	6,281
Ordinary Income to Net Sales	3.9%	4.1%	3.3%	4.0%	5.0%	4.1%
Net Income	1,984	1,862	1,372	2,538	3,587	2,811
Net Income to Net Sales	1.9%	2.1%	1.4%	2.2%	2.6%	1.8%

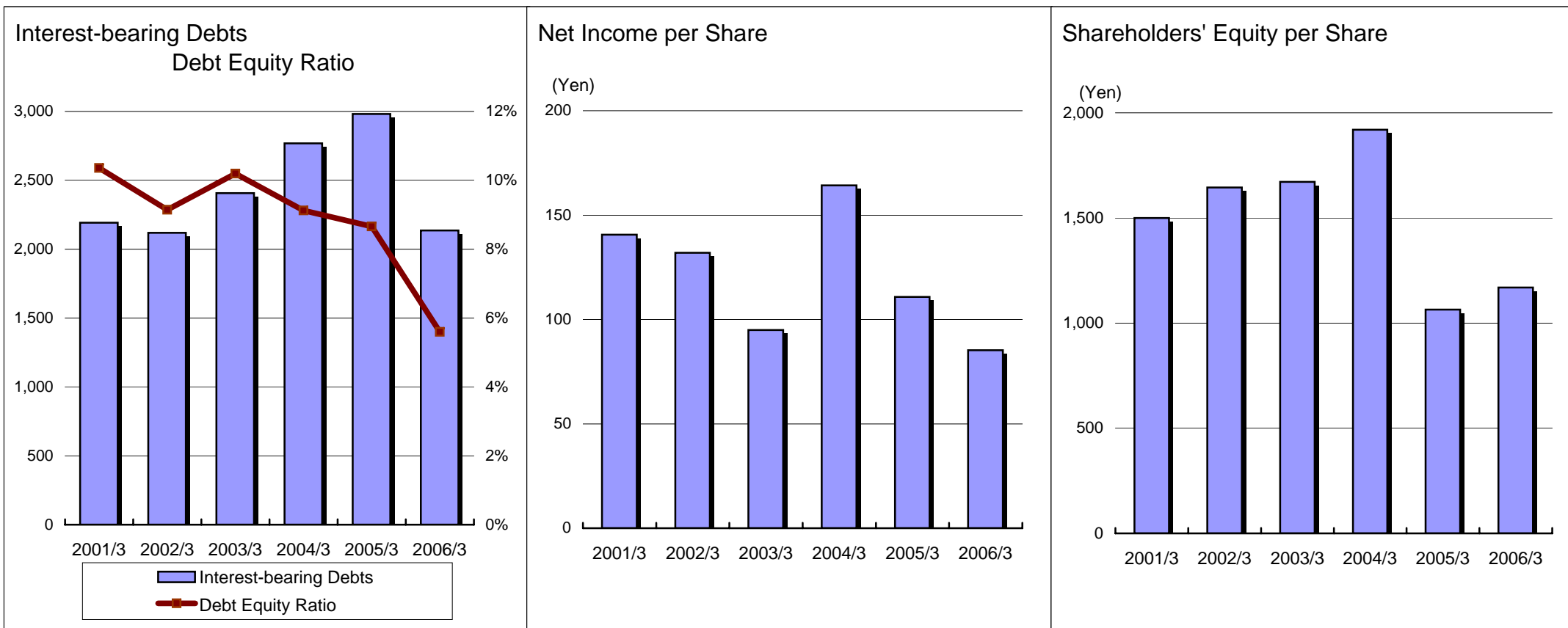
Consolidated Financial Data



Fiscal Year Ended	2001/3	2002/3	2003/3	2004/3	2005/3	2006/3	(%)
Return on Assets	8.2	6.9	7.0	8.9	10.5	8.5	
Return on Equity	9.7	8.4	5.9	9.4	11.1	7.8	
Shareholders' Equity Ratio	41.3	46.5	46.7	48.2	49.4	51.5	

Notes: Return on Assets = (Operating Income + Interest and Dividend Income) / Total Assets (Yearly Average) × 100
 Return on Equity = Net Income / Shareholders' Equity (Yearly Average) × 100

Consolidated Financial Data



Fiscal Year Ended		2001/3	2002/3	2003/3	2004/3	2005/3	2006/3
Interest-bearing Debts	(Yen in Millions)	2,192	2,119	2,406	2,769	2,981	2,135
Debt Equity Ratio		10.4%	9.1%	10.2%	9.1%	8.7%	5.6%
Net Income per Share	(Yen)	140.66	132.00	94.90	164.19	110.85	85.25
Shareholders' Equity per Share	(Yen)	1,499.57	1,644.73	1,672.15	1,919.25	1,064.55	1,168.94
Number of Shares Outstanding	(Shares)	14,107,220	14,107,220	14,107,220	15,807,220	32,310,840	32,481,063

- Notes;
- (1) Debt Equity Ratio = Interest-bearing Debts (Fiscal Year - End) / Shareholders' Equity (Fiscal Year - End) × 100
 - (2) Net Income per Share is based on the average Number of Shares Outstanding in the respective fiscal years and Shareholders' Equity per Share is based on the Number of Shares Outstanding at the end of the respective fiscal years. And from the fiscal year ended March 2003, Net Income & Shareholder's Equity per Share is calculated deducting treasury stock.
 - (3) The Company made a stock split (1:1.4) on November 19, 1999 and (1:2) on September 30, 2004. Net Income per Share is based on the assumption that the stock splits were made at the beginning of the respective terms.
 - (4) On March 6, 2000, August 6, 2003 and August 27, 2003, the number of common stock were increased by 300,000, 1,500,000 and 200,000 respectively.

Consolidated Balance Sheets

(Yen in Millions)

Fiscal Year Ended	2001/3	2002/3	2003/3	2004/3	2005/3	2006/3
Assets:						
Current Assets						
Cash and Cash Equivalents	5,824	9,391	5,302	7,448	8,538	9,352
Notes and Accounts Receivable, Trade	26,533	23,227	27,708	32,660	36,979	39,828
Marketable Securities	130	601	330	100	100	-
Inventories	6,180	4,475	5,155	7,955	8,084	8,588
Deferred Tax Assets	255	162	283	289	329	366
Other Current Assets	799	643	909	1,578	1,782	982
Allowance for Doubtful Accounts	-240	-158	-169	-102	-51	-70
Total Current Assets	39,483	38,342	39,520	49,929	55,763	59,047
Fixed Assets:						
Property, Plant and Equipment	8,210	8,352	8,030	8,398	9,332	9,419
Buildings and Structures	3,475	3,425	3,235	3,432	3,410	4,483
Machinery, Equipment and Vehicles	911	1,288	1,153	1,249	1,381	1,429
Land	2,779	3,079	3,024	3,051	3,163	2,801
Construction in progress	452	1	62	73	880	52
Other Tangible Fixed Assets	592	557	554	591	495	652
Intangible Assets	122	106	93	1,075	899	772
Goodwill on consolidation	-	-	-	995	773	552
Other Intangible Assets	122	106	93	80	125	219
Investments and Other Assets	3,374	3,138	2,930	3,594	3,770	4,622
Investments in Securities	2,217	2,115	1,575	2,315	2,228	2,483
Deferred Tax Assets	493	563	712	408	414	211
Other Long-term Investments	1,135	523	666	894	1,154	1,954
Allowance for Doubtful Accounts	-472	-64	-24	-23	-26	-27
Total Fixed Assets	11,708	11,597	11,054	13,068	14,002	14,814
Foreign Currency Translation Adjustments	-	-	-	-	-	-
Total Assets	51,192	49,939	50,575	62,998	69,765	73,861

Notes: (1) The Company applies Tax Allocation Accounting from fiscal year ended March 31, 2000.

(2) From fiscal year ended March 31, 2001, securities are classified based on holding purpose. Marketable securities due within one year are recorded as Current Assets, and the others are reclassified as Investments in Securities in Fixed Assets. Reclassified amount is 2,094 million yen as for the fiscal year ended March 31, 2001.

(3) From fiscal year ended March 31, 2002, evaluation method for Marketable Securities changed from original cost convention with moving average to market value method based on the market prices at fiscal year end. This change caused Revaluation Surplus of Stocks and Bonds (-9 million yen) and Deferred Tax Assets (6 million yen).

Consolidated Statements of Cash Flows

(Yen in Millions)

Fiscal Year Ended	2004/3	2005/3	2006/3
1 Cash Flows from Operating Activities			
Income before Income Taxes	4,516	6,247	5,695
Depreciation and Amortization	951	930	1,114
Asset Impairment			429
Consolidation Adjustments	110	298	221
Increase (Decrease) in Allowance for Doubtful Accounts	-70	-7	19
Increase (Decrease) in Accrued Employee's Bonuses	32	49	79
Increase (Decrease) in Allowance for Employee Retirement Benefit	30	-67	-11
Decrease in Allowance for Directors' Retirement	-213	-6	-33
Interest and Dividends Income	-15	-24	-66
Interest Expenses	56	65	84
Foreign Exchange Gain or Loss	92	60	-134
Equity in Earnings (Losses) of Affiliates	-9	10	48
Gain on Sales of Investment Securities	-3	-134	-127
Loss on Devaluation of Investment Securities	13	-	-
Loss on Lawsuit	-	405	-
Increase (Decrease) in Trade Receivables	-4,934	-4,428	-1,962
Increase (Decrease) in Inventories	-2,911	-142	-241
Increase (Decrease) in Accrued sales Taxes	-456	75	216
Increase (Decrease) in Trade Payables	5,444	1,557	39
Bonuses to Directors	-34	-37	-42
Others	-877	34	184
Sub-total	1,723	4,900	5,514
Interest and Dividend Earned	17	24	64
Interest Paid	-53	-60	-74
Income Taxes Paid	-1,862	-2,117	-2,823
Net Cash Provided by Operating Activities	-174	2,747	2,680
2 Cash Flows from Investing Activities			
Proceeds from Redemption of Marketable Securities	230	-	-
Payments for Purchase of Tangible Fixed Assets	-1,134	-2,557	-1,607
Proceeds from Sale of Tangible Fixed Assets	100	248	981
Payments for Purchase of Investment Securities	-29	-402	-656
Proceeds from Sale of Investment Securities	10	366	1,105
Proceeds from Redemption of Investment Securities	100	-	-
Payments for Acquisition of Consolidated Subsidiaries	-1,303	-85	-
Payments for Establishment of Subsidiary	-	-	-592
Others	-38	-80	-234
Net Cash Provided by Investing Activities	-2,064	-2,510	-1,005
3 Cash Flows from Financing Activities			
Increase (Decrease) in Short-term Loan	450	258	-805
Proceeds from Long-term Loan	366	371	-
Repayment of Long-term Loan	-380	-400	-376
Payments for Purchase of treasury stock	-1	-3	-1
Proceeds from New Stocks Issued	4,559	1,094	281
Dividends Paid	-404	-446	-528
Net Cash Provided by Financing Activities	4,589	874	-1,431
4 Effect of Exchange Rate Changes on Cash	-254	-91	469
5 Net Increase (Decrease) in Cash	2,095	1,019	713
6 Cash at Beginning of Period	5,402	7,497	8,587
7 Net Increase in Cash by Newly Consolidation	-	70	-
8 Cash at End of Period	7,497	8,587	9,301

Consolidated Balance Sheets

(Yen in Millions)

Fiscal Year Ended	2001/3	2002/3	2003/3	2004/3	2005/3	2006/3
Liabilities:						
Current Liabilities:						
Notes and Accounts Payable, Trade	24,253	21,644	21,077	26,320	27,746	28,665
Short-term Loans	1,724	1,751	1,832	2,197	2,408	2,135
Accrued Income Taxes	1,357	527	1,113	1,111	1,522	1,423
Deferred Tax Liabilities	1	26	12	8	5	25
Accrued Bonuses	364	300	301	364	414	493
Other Current Liabilities	416	454	458	493	1,025	1,498
Total Current Liabilities	28,118	24,705	24,796	30,494	33,122	34,241
Long-term Liabilities:						
Long-term Loans	467	368	573	571	572	-
Deferred Tax Liabilities	-	104	114	119	174	223
Allowance for Employee Retirement Benefit	488	498	559	589	522	511
Allowance for Directors' Retirement	605	620	483	270	263	-
Other Long-term Liabilities	14	-	47	61	32	13
Total Long-term Liabilities	1,574	1,591	1,778	1,612	1,565	748
Total Liabilities	29,692	26,296	26,575	32,107	34,688	34,990
Minority Interests:						
Minority Interests in Consolidated Subsidiaries	344	441	381	521	645	857
Shareholders' Equity:						
Common Stock	3,441	3,441	3,441	5,721	6,268	6,409
Additional Paid-in Capital	3,663	3,663	3,663	5,943	6,490	6,631
Retained Earnings	14,487	15,992	16,946	19,045	22,090	24,268
Revaluation Surplus of Land	-	142	144	145	207	279
Revaluation Surplus of Stocks and Bonds	-	-9	-198	232	130	503
Foreign Currency Translation Adjustments	-438	-28	-372	-712	-745	-66
Treasury Stock	-0	-0	-6	-7	-10	-12
Total Shareholders' Equity	21,154	23,202	23,618	30,368	34,431	38,014
Total Liabilities, Minority Interests and Shareholders' Equity	51,192	49,939	50,575	62,998	69,765	73,861

Notes: (1) The Company applies Tax Allocation Accounting from fiscal year ended March 31, 2000.

(2) The Company applies new accounting standards for employee retirement benefits from fiscal year ended March 31, 2001.

(3) The Company applies the new consolidation rule on Shareholders' Equity from fiscal year ended March 31, 2003.

Consolidated Statements of Income

(Yen in Millions)

Fiscal Year Ended	2001/3	2002/3	2003/3	2004/3	2005/3	2006/3
Net Sales	102,967	89,438	95,119	114,027	136,619	153,072
Cost of Sales	91,077	78,573	84,275	100,231	119,341	135,403
Gross Profit	11,889	10,865	10,843	13,795	17,277	17,669
Selling, General and Administrative Expenses	7,946	7,435	7,369	8,749	10,342	11,663
Operating Income	3,943	3,429	3,474	5,045	6,935	6,006
Non-operating Income	414	562	262	298	268	480
Interest and Dividend Income	49	35	34	15	24	66
Other Non-operating Income	364	527	228	283	243	413
Non-operating Expenses	315	311	556	814	302	204
Interest Expenses	80	82	61	56	65	84
Other Non-operating Expenses	234	228	495	758	237	120
Ordinary Income	4,042	3,681	3,180	4,529	6,900	6,281
Extraordinary Income	454	-	-	-	303	259
Extraordinary Losses	552	129	141	13	957	845
Income before Income Taxes	3,944	3,551	3,038	4,516	6,247	5,695
Income Taxes	2,218	1,566	1,804	1,866	2,472	2,708
Income Taxes Adjustments	-278	57	-126	22	50	-9
Minority Interests	20	65	-11	88	136	185
Net Income	1,984	1,862	1,372	2,538	3,587	2,811

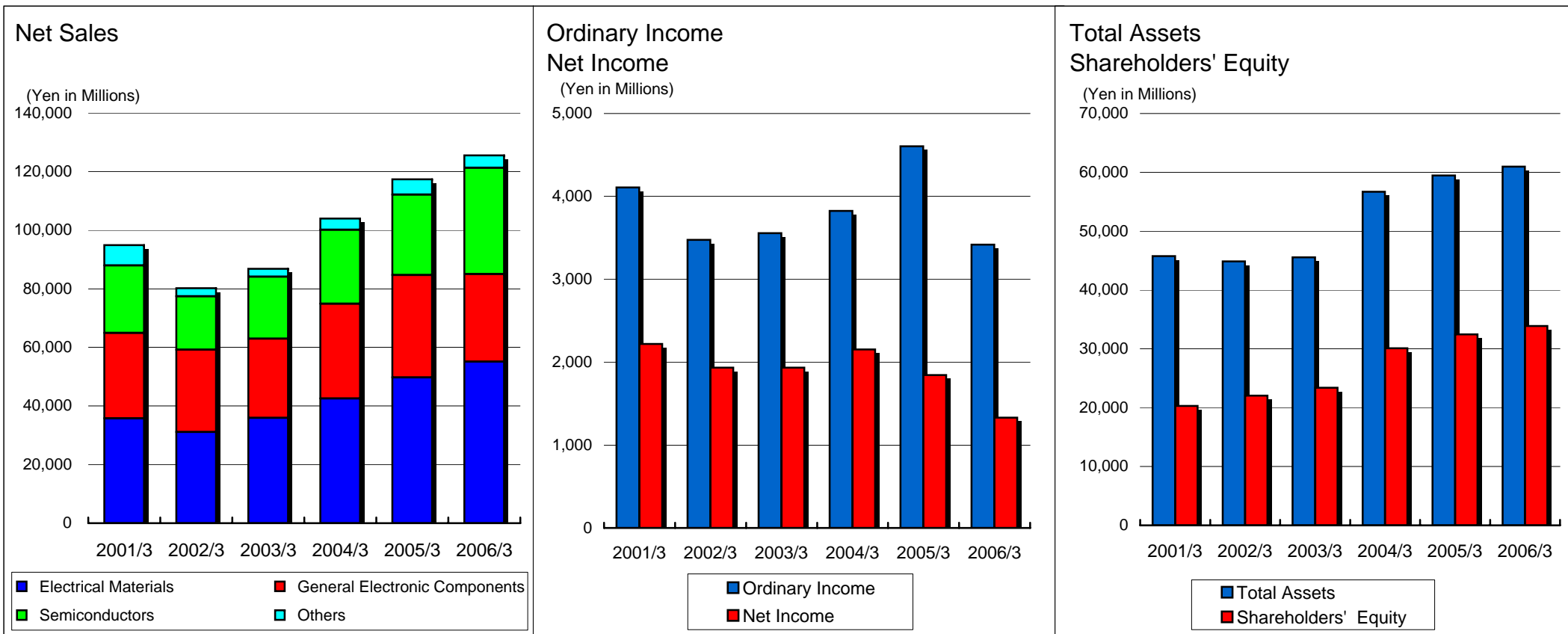
Notes: (1) The Company applies Tax Allocation Accounting from fiscal year ended March 31, 2000.

(2) The Company applies new accounting standards for employee retirement benefits from fiscal year ended March 31, 2001. As a result of this change, 552 million yen additional retirement benefit liability was included in Extraordinary Loss and 454 million yen gain on revaluation of marketable securities which were transferred into Retirement benefit Trust was included in Extraordinary Income.

(3) The lawsuit loss 864 million yen is summed up to the extraordinary loss at the period on March, 2005.

(4) The Company and domestic consolidated subsidiaries apply Asset-Impairment Accounting from fiscal year ended March 31, 2006. No influence was given to the profit and loss in this period. An overseas consolidated subsidiary applied Asset-Impairment Accounting based on the local Accounting standard and posted 429 million yen loss in this period.

Non-consolidated Financial Highlights



(Yen in Millions)

Fiscal Year Ended	2001/3	2002/3	2003/3	2004/3	2005/3	2006/3
Net Sales	94,944	80,194	86,839	103,958	117,361	125,577
Electrical Materials	35,810	31,142	35,956	42,527	49,727	55,155
General Electronic Components	29,088	28,097	26,992	32,385	34,998	29,869
Semiconductors	23,044	18,164	21,220	25,238	27,443	36,245
Others	7,000	2,790	2,670	3,807	5,191	4,307
Ordinary Income	4,108	3,475	3,558	3,824	4,605	3,418
Net Income	2,220	1,935	1,935	2,155	1,844	1,331
Total Assets	45,771	44,867	45,574	56,700	59,458	60,981
Shareholders' Equity	20,314	22,030	23,373	30,083	32,445	33,877

Non-consolidated Balance Sheets

(Yen in Millions)

Fiscal Year Ended	2001/3	2002/3	2003/3	2004/3	2005/3	2006/3
Assets						
Current Assets:						
Cash and Cash Equivalents	4,386	7,121	2,727	4,002	3,923	3,992
Notes Receivable, Trade	4,195	3,170	2,833	3,586	2,824	2,595
Accounts Receivable, Trade	20,436	18,910	23,432	27,454	30,572	33,131
Marketable Securities	130	601	330	100	100	-
Merchandise	4,104	2,661	3,013	5,211	5,589	5,527
Deferred Tax Assets	199	116	251	245	229	248
Other Receivable	582	520	515	538	742	499
Sales Tax Receivable	-	-	-	663	740	304
Other Current Assets	159	78	302	159	258	174
Allowance for Doubtful Accounts	-115	-166	-179	-102	-51	-54
Total Current Assets	34,078	33,014	33,225	41,859	44,930	47,141
Fixed Assets:						
Property, Plant and Equipment	4,685	4,717	4,592	4,599	3,760	3,636
Buildings	1,706	1,624	1,553	1,575	1,270	1,217
Structures	50	48	43	40	34	32
Machinery and Equipment	272	197	150	127	76	36
Tools, Furniture and Fixtures	440	380	378	392	316	415
Land	2,215	2,466	2,466	2,463	2,061	1,935
Intangible Assets	77	58	53	40	90	184
Investments and Other Assets	6,928	7,077	7,702	10,200	10,677	10,018
Investments in Securities	2,042	1,967	1,527	2,178	2,170	2,468
Investments in Affiliates	3,782	3,782	4,405	6,416	6,945	5,534
Advances to Affiliates	231	511	610	574	689	98
Deferred Tax Assets	472	511	637	308	585	934
Other Long-term Investments	871	367	546	790	984	1,179
Allowance for Doubtful Accounts	-472	-64	-25	-67	-697	-197
Total Fixed Assets	11,692	11,853	12,348	14,841	14,527	13,840
Total Assets	45,771	44,867	45,574	56,700	59,458	60,981
Liabilities						
Current Liabilities:						
Notes Payable, Trade	11,272	9,581	8,248	10,753	4,806	3,305
Accounts Payable, Trade	11,283	11,144	11,414	13,550	19,759	21,284
Accrued Expenses	148	145	147	167	221	251
Accrued Income Taxes	1,241	375	909	840	870	804
Accrued Employee's Bonuses	338	273	275	290	330	370
Other Current Liabilities	79	95	62	54	99	394
Total Current Liabilities	24,363	21,615	21,057	25,656	26,086	26,409
Long-term Liabilities:						
Deferred Tax Liability	-	103	101	101	142	191
Allowance for Employee Retirement Benefit	488	498	559	588	520	502
Allowance for Directors' Retirement	605	620	483	270	263	-
Total Long-term Liabilities	1,093	1,221	1,143	960	926	694
Total Liabilities	25,456	22,837	22,200	26,617	27,012	27,103
Shareholders' Equity						
Common Stock	3,441	3,441	3,441	5,721	6,268	6,409
Additional Paid-in Capital	3,663	3,663	3,663	5,943	6,490	6,631
Retained Earnings	13,207	14,792	16,327	18,047	19,358	20,070
Revaluation Surplus of Land	-	142	144	145	207	279
Revaluation Surplus of Stocks and Bonds	-	-9	-198	232	130	497
Treasury Stock	-	-0	-5	-7	-10	-11
Total Shareholders' Equity	20,314	22,030	23,373	30,083	32,445	33,877
Total Liabilities and Shareholders' Equity	45,771	44,867	45,574	56,700	59,458	60,981

Notes: (1) The Company applies Tax Allocation Accounting from fiscal year ended March 31, 2000.

(2) From fiscal year ended March 31, 2001, securities are classified based on holding purpose. Marketable securities due within one year are recorded as Current Assets and the others are reclassified as Investments in Securities in Fixed Assets. Reclassified amount is 2,094 million yen as for the fiscal year ended March 31, 2001.

(3) From fiscal year ended March 31, 2001, other receivable was indicated separately from other current assets.

(4) From fiscal year ended March 31, 2001, treasury stock was indicated as a deductible account of Shareholders' Equity.

(5) From fiscal year ended March 31, 2002, evaluation method for Marketable Securities changed from original cost convention with moving average to market value method based on the market prices at fiscal year end. This change caused Revaluation Surplus of Stocks and Bonds (-9 million yen) and Deferred Tax Assets (6 million yen).

(6) The Company applies the new consolidation rule on Shareholders' Equity from fiscal year ended March 31, 2003.

Non-consolidated Statements of Income

(Yen in Millions)

Fiscal Year Ended	2001/3	2002/3	2003/3	2004/3	2005/3	2006/3
Net Sales	94,944	80,194	86,839	103,958	117,361	125,577
Cost of Sales	85,073	71,708	78,152	93,381	105,379	114,069
Gross Profit	9,871	8,485	8,686	10,577	11,981	11,507
Selling, General and Administrative Expenses	6,139	5,408	5,423	6,715	7,764	8,873
Operating Income	3,732	3,077	3,263	3,862	4,216	2,633
Non-operating Income	602	543	502	431	447	866
Interest and Dividend Income	49	55	57	41	48	462
Other Non-operating Income	553	487	445	390	399	404
Non-operating Expenses	227	144	207	468	59	82
Interest and Discount Expenses	6	0	0	0	0	0
Other Non-operating Expenses	220	144	207	468	59	82
Ordinary Income	4,108	3,475	3,558	3,824	4,605	3,418
Extraordinary Income	454	-	-	-	303	259
Extraordinary Loss	552	129	141	10	1,629	1,338
Income before Income Taxes	4,009	3,346	3,416	3,814	3,278	2,339
Income Taxes	2,060	1,360	1,605	1,630	1,580	1,579
Income Taxes Adjustments	-270	50	-123	28	-145	-570
Net Income	2,220	1,935	1,935	2,155	1,844	1,331
Unappropriated Retained Earnings Brought Forward	692	558	608	697	682	755
Effect of Changes to Income Tax Regulations	-	-	-	-	-	-
Disposition of Reserve for Reduction of fixed Assets	-	-	-	-	-	-
Disposition of Revaluation Surplus of Land	-	-	-	-	60	72
Interim Cash Dividends	141	169	183	221	224	259
Transfer to Legal Reserve for Interim Cash Dividends	14	-	-	-	-	-
Unappropriated Retained Earnings	2,758	2,324	2,360	2,630	2,242	1,755

Notes: (1) The Company applies Tax Allocation Accounting from fiscal year ended March 31, 2000.

(2) The Company applies new accounting standards for employee retirement benefits from fiscal year ended March 31, 2001.

As a result of this change, 552 million yen additional retirement benefit liability was included in Extraordinary Loss and 454 million yen gain on revaluation of marketable securities which were transferred into Retirement benefit Trust was included in Extraordinary Income.

(3) In fiscal year ended March 31, 2005, 864 million yen Loss on Lawsuit is included in Extraordinary Loss.

(4) 1,326 million yen, Loss on Devaluation of Affiliates Stocks was the major item in the Extraordinary Loss in fiscal year ended March 31, 2006.

Capital Flows

1947/3	Establishment of the Company (3,900 Shares, ¥50)
1948/7	Increase in Capital Stock (16,100 Shares, ¥50)
1949/11	Merger with NABESHIMA SEKIZAI KOGYO Co., Ltd. Merger Ratio 1:1 (20,000 Shares, ¥50)
1957/1	Paid-in Capital Allotment to Shareholders (60,000 Shares, ¥50)
1960/4	Paid-in Capital Allotment to Shareholders (60,000 Shares, ¥50)
1961/11	Stock Dividend (80,000 Shares, ¥50)
1962/11	Stock Dividend (60,000 Shares, ¥50)
1963/12	Paid-in Capital Allotment to Shareholders (180,000 Shares, ¥50)
1964/11	Stock Dividend (120,000 Shares, ¥50)
1967/11	Stock Dividend (150,000 Shares, ¥50)
1968/11	Stock Dividend (150,000 Shares, ¥50)
1973/11	Stock Dividend (180,000 Shares, ¥50)
1974/11	Stock Dividend (270,000 Shares, ¥50)
1977/9	Merger with KURODA KAGAKU Co., Ltd. Merger Ratio 1:10 (550,000 Shares, ¥50)
1992/8	Paid-in Capital Allotment to a Third Party (90,000 Shares, ¥270)
1993/9	Paid-in Capital Allotment to a Third Party (540,000 Shares, ¥1,250)
1994/4	Merger with KURODA BOEKI Co., Ltd. (Z.KURODA & Co., Ltd.) Merger Ratio 1:1 (44,100 Shares, ¥50)
1996/3	Stock Split (1→2.5, 3,861,150 Shares)
1996/10	Paid-in Capital Allotment by Public Offering (1,200,000 Shares)
1998/5	Stock Split (1→1.2, 1,527,050 Shares)
1999/3	Paid-in Capital Allotment by Public Offering (700,000 Shares)
1999/11	Stock Split (1→1.4, 3,944,920 Shares)
2000/3	Paid-in Capital Allotment by Public Offering (300,000 Shares)
2003/8	Paid-in Capital Allotment by Public Offering (1,500,000 Shares)
2003/8	Paid-in Capital Allotment to a Third Party (200,000 Shares, ¥2,682)
2004/9	Stock Split (1→2.0 16,007,720 Shares)