

Financial results for the 35th term (ended March 31, 2006)

We announced on May 16, 2006 our consolidated and non-consolidated financial results for the 35th term ended March 31, 2006, as outlined in the attachment.

For further details, please visit our website or view “TDnet” (Timely Disclosure Network) on Tokyo Stock Exchange.

Outlook for the current term (ending March 31, 2007)

The current term is the final fiscal year of our three-year plan, which focuses on two new businesses, namely the Housing Sales Division and the Bottled Water Sales Division. The targets for the current term and the growth rate for three years are as follows:

- Consolidated net sales of 42,000 million yen (equivalent to 246% of actual net sales attained in the term ended March 31, 2004)
- Consolidated ordinary income of 2,600 million yen (equivalent to 217% of actual ordinary income in the term ended March 31, 2004)

Proceeding with the plan, we attained consolidated net sales of 33,556 million yen and consolidated ordinary income of 2,322 million yen in the preceding term, as shown in the attachment.

In the current term, to meet the targets stated above, we will be aiming for a consistent approach with our operations.

In the previous term, the Housing Sales Division enjoyed substantial progress with a 70.2% year-on-year increase in sales, to 16,200 million yen. We will be opening the Tokushima-Minami Branch, our 17th branch in July 2006. In the current term, we plan to increase net sales 43.1% over the results of last year, to 23,300 million yen. The balance of accepted orders of 751 house-units (worth nearly 11,300 million yen) was secured at the end of the previous term.

In the Bottled Water Sales Division, the number of contract customers exceeded 50,000 in our direct sales business at the end of the previous term, supported by the steady market penetration of our own brand, Crystal Clara. This further consolidated our position as one of the leading companies in the industry. In the current term, the Division will explore the market in the Chukyo area, centering on Nagoya, where we opened a new branch in April 2006. The Division will also be expanding its operations, including sales of production plants and materials to agents, with the goal of achieving its sales target of 4,500 million yen, a 34.2% increase from the previous term.

In the Rental Division, the dust control business will continue to generate stable profit as our mainstay business. The pest control device business anticipates growing demand as consumers become increasingly concerned about the environment and hygiene. To bolster sales, the Division will open new shops in Nagoya.

As in the previous term, the System Engineering Division will continue to focus on promoting sales of our mainstay technology product, the Grandpia System. With these initiatives, the Division anticipates that it will

achieve sales and income on par with those recorded in the previous year.

Based on the outlook of respective divisions described above, we forecast the following consolidated and non-consolidated results for the current term.

(Unit: Million yen)

Consolidated	Net sales	Operating income	Ordinary income	Net income
Term ending March 2007	42,000	2,600	2,600	1,400
Term ended March 2006	33,556	2,233	2,322	1,271
% Change	25.2%	16.4%	12.0%	10.1%

Non-consolidated	Net sales	Operating income	Ordinary income	Net income
Term ending March 2007	18,300	1,920	1,960	1,050
Term ended March 2006	16,990	1,813	1,902	958
% Change	7.7%	5.9%	3.0%	9.6%

Dividends

We have been paying dividends in accordance with our policy, which sets the payout ratio at 30% based on our non-consolidated business results. However, Tamakyu Home K.K., a consolidated subsidiary that engages in housing sales, achieved its target of regaining profitability in the term ended March 31, 2006. Consequently, we have changed our dividend policy so as to set a consolidated payout ratio at 30%.

As noted above, since we expect net income for the current term to reach 1,400 million yen, the estimated full-year dividend will be 46 yen per share (an interim dividend of 12 yen and a year-end dividend of 34 yen).

General Meeting of Shareholders

We will be holding our 35th General Meeting of Shareholders on Sunday, June 25, 2006. As we do every year, we chose this date to avoid the day on which a large number of companies hold their meetings. As a special benefit offered to our shareholders, we will be organizing the meeting as a “General Meeting of Shareholders Celebration Forum,” including a celebratory lecture and other events.

The details of the meeting are as follows.

Date: Sunday, June 25, 2006 at 10:00 a.m.

Venue: Meiji Jingu Kaikan Hall, 1-1 Yoyogi Kamizono-cho, Shibuya-ku, Tokyo

Celebratory events:

- (1) Celebratory lecture given by Tetsujo Otani, Deacon at Tokyo Branch Temple of Yakushi-ji Temple
- (2) Celebratory lecture given by Animal Hamaguchi, a former professional wrestler

Our General Meeting of Shareholders is open to non-shareholders especially invited by the chairman. If you would like to take part in the meeting or the event for reporting, please contact our President's Office by June 9 and we will send you an invitation letter. (Pursuant to the provisions of the Company Law, invitees are not eligible to comment or take part in the proceedings of the General Meeting of Shareholders.)

Cautionary Statement

Statements made in this release with respect to NAC's current plans, estimates, strategies and beliefs and other statements that are not historical facts are forward-looking statements about the future performance of NAC. These statements are based on management's assumptions and beliefs in light of the information currently available to it and therefore you should not place undue reliance on them. NAC cautions you that a number of important factors could cause actual results to differ materially from those discussed in the forward-looking statements.

Consolidated results

1. Consolidated Results for the term ended March 2006 (from April 1, 2005 to March 31, 2006)

(1) Consolidated financial results

	Net sales		Operating income		Ordinary income	
	Million yen	%	Million yen	%	Million yen	%
Term ended March 2006	33,556	36.0	2,233	35.0	2,322	23.7
Term ended March 2005	24,674	44.8	1,654	49.0	1,877	56.7

	Net income		Net income per share	Net income per share diluted	Return on equity	Ratio of ordinary income to total assets	Ratio of ordinary income to net sales
	Million yen	%	Yen	Yen	%	%	%
Term ended March 2006	1,271	32.7	136.22	–	14.8	15.8	6.9
Term ended March 2005	958	182.8	107.64	–	12.8	14.5	7.6

- Note
- Equity in earnings of affiliates and unconsolidated subsidiaries: term ended March 2006: – million yen, term ended March 2005: – million yen
 - Average outstanding shares during the term (consolidated): term ended March 2006: 9,056,428 shares, term ended March 2005: 8,655,866 shares
 - Change in accounting policies: Yes
 - Percentages shown for net sales, operating income, ordinary income and net income indicate the rate of increase or decrease compared to the previous year

(2) Consolidated financial conditions

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	Million yen	Million yen	%	Yen
Term ended March 2006	15,350	9,294	60.6	1,022.16
Term ended March 2005	14,088	7,908	56.1	903.05

Note: Number of total outstanding shares at term end (consolidated): term ended March 2006: 9,055,959 shares, term ended March 2005: 8,727,808 shares

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of year
	Million yen	Million yen	Million yen	Million yen
Term ended March 2006	2,168	(103)	(1,244)	3,459
Term ended March 2005	1,938	(1,054)	(78)	2,639

(4) Matters concerning scope of consolidation and the application of the equity method

Number of consolidated subsidiaries: 2, number of unconsolidated equity method companies: –, number of affiliated equity method companies: –

(5) Change in scope of consolidation and the application of the equity method

Number of newly consolidated companies: 1, number of companies excluded from consolidation: –, number of companies newly subject to the equity method: –, number of companies excluded from application of the equity method: –

2. Performance estimates for the term ending March 2007 (from April 1, 2006 to March 31, 2007)

	Net sales	Ordinary income	Net income
	Million yen	Million yen	Million yen
Interim	18,000	700	380
Full year	42,000	2,500	1,350

Reference: Estimated net income per share (Full year): 149.07 yen

* Forecasts of business results are prepared based on information available as of the date of announcement and includes various uncertain factors. The actual results may therefore differ from the projections.

Non-consolidated results

1. Results for the term ended March 2006 (from April 1, 2005 to March 31, 2006)

(1) Financial results

	Net sales		Operating income		Ordinary income	
	Million yen	%	Million yen	%	Million yen	%
Term ended March 2006	16,990	12.4	1,813	3.5	1,902	(4.4)
Term ended March 2005	15,118	18.1	1,751	27.4	1,988	34.6

	Net income		Net income per share	Net income per share diluted	Return on equity	Ratio of ordinary income to total assets	Ratio of ordinary income to net sales
	Million yen	%	Yen	Yen	%	%	%
Term ended March 2006	958	(10.6)	101.62	–	11.1	15.9	11.2
Term ended March 2005	1,071	68.8	120.73	–	13.6	17.1	13.2

- Note
1. Average outstanding shares during the term: term ended March 2006: 9,056,428 shares, term ended March 2005: 8,655,866 shares
 2. Change in accounting policies: None
 3. Percentages shown for net sales, operating income, ordinary income and net income indicate the rate of increase or decrease compared to the previous year

(2) Dividends

	Annual dividend per share			Total dividends (Annual)	Payout ratio	Dividends on equity
	Interim	Year-end				
	Yen	Yen	Yen	Million yen	%	%
Term ended March 2006	42.00	14.00	28.00	380	41.3	4.2
Term ended March 2005	36.00	17.00	19.00	312	29.8	3.8

- Note Breakdown of year-end dividends for the term ended March 31, 2006: Memorial dividends – yen, Special dividends – yen

(3) Financial conditions

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	Million yen	Million yen	%	Yen
Term ended March 2006	11,716	9,017	77.0	991.52
Term ended March 2005	12,219	8,276	67.7	945.19

- Note
1. Number of total outstanding shares at term end: term ended March 2006: 9,055,959 shares, term ended March 2005: 8,727,808 shares
 2. Number of treasury stocks at term end: term ended March 2006: 303,666 shares, term ended March 2005: 631,817 shares

2. Performance estimates for the term ending March 2007 (from April 1, 2006 to March 31, 2007)

	Net sales	Ordinary income	Net income	Annual dividend per share		
				Interim	Year-end	
	Million yen	Million yen	Million yen	Yen	Yen	Yen
Interim	8,800	740	400	12.00	–	–
Full year	18,300	1,860	970	–	32.00	44.00

Reference: Estimated net income per share (Full year): 107.11 yen

- * Forecasts of business results are prepared based on information available as of the date of announcement and includes various uncertain factors. The actual results may therefore differ from the projections. Dividend per share is calculated based on the consolidated payout ratio of 30% and is subject to change as actual results change.