

## First Quarter Results

On August 1, 2006, NAC Co., Ltd. announced its consolidated results for the first quarter of the fiscal year ending March 31, 2007, as in the annex.

## Summary of Consolidated

### Business Results for the First Quarter of Fiscal 2006

August 1, 2006

#### Consolidated Business Results

(Millions of yen, except per share amounts)

#### Three months ended June 30

	2005	2006	Change
Net sales	5,735	7,037	22.7%
Operating income	(159)	58	-
Ordinary income	(152)	76	-
Net income	(238)	(7)	-
Net income per share	(¥26.31)	(¥0.80)	

#### [Qualitative Information Regarding Results of Operations (Consolidated)]

Consolidated sales and profit for the first quarter under review were generally in line with plan. In the Rental Division, sales grew thanks to the introduction of new pest control devices, the effect of the expansion of business bases and to the stable sales of our mainstay dust control products.

In the System Engineering Division, sales have remained brisk as sales of know-how products to building contractors have exceeded our expectations.

The Housing Sales Division continued to post a sharp rise in sales reflecting the completion and delivery of 166 houses (compared with 112 houses in the first quarter of the previous fiscal year).

The Bottled Water Sales Division, which nearly reached the break-even point in the second half of the previous fiscal year, returned to the black due to an increase in the number of customers and the further development of agencies.

As indicated above, sales increased in all the divisions and all businesses remained steady.

