

Summary of Interim Business Results for FY March 2007 (Consolidated)

Date: November 1, 2006

C o m p a n y	KEL Corporation	Registered on the JASDAQ
Stock Code	6919	Head office location: Tokyo
U R L	http://www.kel.jp/	
Representative	Kazuyoshi Takahashi	
C o n t a c t	Title of Executive Director and Administration Manager	
	Name Akio Yagasaki	T E L 042-374-5810
Date of the meeting of board of directors	November 1, 2006	
Application of US Accounting Standard	None	

1. Interim Business Results for FY September 2006 (April 1, 2006 - September 30, 2006)

(1) Results of Operations

(Note: Rounded down to ¥ Million)

	Net sales		Operating income		Ordinary income	
	¥ Million	%	¥ Million	%	¥ Million	%
Sept. 2006 Interim	4,502	(24.4)	553	(154.9)	564	(146.2)
Sept. 2005 Interim	3,619	(-8.2)	217	(-40.5)	229	(-37.6)
FY ended Mar. 2006	7,670		559		572	

	Net income		Net income per share		Diluted net income per share	
	¥ Million	%	¥		¥	
Sept. 2006 Interim	280	(116.1)	37.89		37.84	
Sept. 2005 Interim	130	(-37.4)	17.53		17.51	
FY ended Mar. 2006	323		40.50		40.37	

(Note) 1. Earnings/loss on investments in equity-method affiliates

First half ended September 2006: ¥ million,

First half ended September 2005: ¥ million,

Fiscal year ended March 2006: ¥ million

2. Average number of shares outstanding (consolidated)

First half ended September 2006: 7,415,625 shares,

First half ended September 2005: 7,419,067 shares,

Fiscal year ended March 2006: 7,417,989 shares

3. Changes in accounting principles applied: None

4. The percentages shown for net sales, operating income, ordinary income, and net income represent changes from the same period in the previous fiscal year.

(2) Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	¥ Million	¥ Millio n	%	¥
Sept. 2006 Interim	11,478	8,290	72.2	1,118.17
Sept. 2005 Interim	10,429	7,965	76.4	1,073.79
FY ended Mar. 2006	11,176	8,252	73.8	1,109.68

(Note) Number of shares outstanding (consolidated) at end of period:

First half ended September 2006: 7,414,700 shares

First half ended September 2005: 7,418,200 shares

Fiscal year ended March 2006: 7,415,900 shares

(3) Results of Cash Flows

	Net cash flows by operating activities	Net cash flows by investment activities	Net cash flows by financial activities	Balance of cash and cash equivalents at the end of year
	¥ Million	¥ Million	¥ Million	¥ Million
Sept. 2006 Interim	268	-363	85	883
Sept. 2005 Interim	679	-322	-312	979
FY ended Mar. 2006	1,342	-1,214	-174	894

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

Consolidated subsidiaries: 1

Unconsolidated subsidiaries accounted for under the equity method:

Affiliates accounted for under the equity method:

(5) Changes in the scope of consolidation and affiliates accounted for under the equity method

Consolidated subsidiaries: New: , Excluded:

Affiliates accounted for under the equity method: New: , Excluded:

2 . Forecast of Financial Performance in FY March 2007 (April 1, 2006 - March 31, 2007)

	Net sales	Ordinary income	Net income
	¥ Million	¥ Million	¥ Million
FY ending Mar. 2007	8,603	900	464

(Note) Forecast net income per share for the year: 62.58 yen

Caution regarding forward looking statements:

The above forecasts include future performance, assumption based on plans and forecasts. Actual results may differ significantly from the forecasts for a number of factors.