

Date : July 26, 2006**Revisions to Forecasts for the Fiscal Year Ending March 2007**

In view of the recent trends in operating results, KEL Corporation announced the following revisions to business forecasts for the year ending March 31, 2007 (April 1, 2006 ~ March 31, 2007). The new forecasts replace the forecasts that were announced on May 10, 2006 with the consolidated earnings release for the fiscal year ended March 31, 2006.

1. Revisions to consolidated business forecasts for the fiscal year ending March 2007**(1) Revisions to first-half forecasts (April 1, 2006 ~ September 30, 2006)****(Yen in million)**

	Net sales	Ordinary income	Net income
Previous forecast (A)	3,900	270	151
Revised forecast (B)	4,241	403	200
Increase/decrease (B-A)	341	133	49
Percentage change (%)	8.7	49.3	32.5
Reference Previous result (Sept. 2005)	3,619	229	130

(2) Revisions to fiscal year forecasts (April 1, 2006 ~ March 31, 2007)**(Yen in million)**

	Net sales	Ordinary income	Net income
Previous forecast (A)	8,000	657	370
Revised forecast (B)	8,341	738	383
Increase/decrease (B-A)	341	81	13
Percentage change (%)	4.3	12.3	3.5
Reference Previous result (Mar. 2006)	7,670	572	323

2. Revisions to non-consolidated business forecasts for the fiscal year ending March 2007**(1) Revisions to first half forecasts (April 1, 2006 ~ September 30, 2006)****(Yen in million)**

	Net sales	Ordinary income	Net income
Previous forecast (A)	3,850	261	146
Revised forecast (B)	4,217	403	200
Increase/decrease (B-A)	367	142	54
Percentage change (%)	9.5	54.4	37.0
Reference Previous result (Sept. 2005)	3,580	221	122

(2) Revisions to fiscal year forecasts (April 1, 2006 ~ March 31, 2007)

(Yen in million)

	Net sales	Ordinary income	Net income
Previous forecast (A)	7,900	627	353
Revised forecast (B)	8,289	736	381
Increase/decrease (B-A)	389	109	28
Percentage change (%)	4.9	17.4	7.9
Reference Previous result (Mar. 2006)	7,591	562	313

3. Reasons for revision

(1) First half

In the first half of the current fiscal year, orders received for the industrial equipment market underpinned by willingness to invest due to improvement in corporate performance were favorable. Moreover, KEL expects orders received for amusement equipment will recover. As a result of the above factors, sales and profit are expected to exceed the previous forecasts.

(2) Full fiscal year

In accordance with revisions to forecasts for the first half, the full fiscal year forecasts will be revised appropriately.

Cautionary statements

Above forecasts regarding future performance in these materials are based on information available at the time this report was prepared. Therefore, actual results may differ significantly from the forecasts for a number of factors.