

**Date : October 24, 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 fiscal year ending March 2007 (April 1, 2006 ~ March 31, 2007). The new forecasts replace the forecasts that were announced on July 26, 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)	4,241	403	200
Revised forecast (B)	4,503	565	281
Increase/decrease (B-A)	262	162	81
Percentage change (%)	6.2	40.2	40.5
(Reference) Previous results (Sept. 2005)	3,619	229	130

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

	Net sales	Ordinary income	Net income
Previous forecast (A)	8,341	738	383
Revised forecast (B)	8,603	900	464
Increase/decrease (B-A)	262	162	81
Percentage change (%)	3.1	22.0	21.1
(Reference) Previous results (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)	4,217	403	200
Revised forecast (B)	4,477	564	280
Increase/decrease (B-A)	260	161	80
Percentage change (%)	6.2	40.0	40.0
(Reference) Previous results (Sept. 2005)	3,580	221	122

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

(Yen in million)

	Net sales	Ordinary income	Net income
Previous forecast (A)	8,289	736	381
Revised forecast (B)	8,549	897	461
Increase/decrease (B-A)	260	161	80
Percentage change (%)	3.1	21.9	21.0
(Reference)	7,591	562	313
Previous results (Mar. 2006)			

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 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.*