



**Non-Consolidated Financial Statements
for the Nine Months Ended December 31, 2005**



February 3, 2006

Trade Name: Nihon Micro Coating Co., Ltd.
Stock Code: 5381 (URL <http://www.mipox.co.jp>)
Name and Title of Representative: Nobuyoshi Watanabe, President
Contact: Tokio Tonami, Managing Director Tel: (042)543-4711

1. Items pertaining to preparation of quarterly consolidated statements of income, etc.

Change in the use of concise accounting procedure: Yes or No

Change in the way of accounting procedure on the current business year: Yes or No

2. Financial Result for the Nine months Ended December 31, 2005

(1) Non-consolidated Operating Result

Amounts to nearest Million yen

	Net Sales		Operating Income		Ordinary Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months Ended						
December 31,2005	5,569	(29.3)	445	(39.3)	478	(36.5)
December 31,2004	7,874	()	735	()	753	()
(Reference)						
Year Ended March 31, 2005	10,248		996		1,070	

	Net Income		Net Income Per Share	Diluted Net Income Per Share
	Millions of yen	%	Yen	Yen
Three months Ended				
December 31,2005	295	(35.1)	28.84	28.83
December 31,2004	454	()	43.76	43.65
(Reference)				
Year Ended March 31, 2005	611		55.45	55.33

(Note) 1.Number of shares outstanding As of December 31,2005 10,231,368shares. As of March 31,2005 10,360,328shares
As of December 31,2004 10,382,906shares.

2.Percentages for net sales and operating income indicate change from previous year.

Non-consolidated basis net sales by application for the Nine months ended December 31, 2005 are as follows.

Sales by Applications (Unit: Million Yen)

	Net Sales	Composition(%)	Year-over-year basis(%)
Hard Disks	1,787	32.1	60.7
Coating Manufacturing Service	1,619	29.1	75.4
Silicon Wafers	840	15.1	88.0
Fiber Optics	505	9.1	120.0
LCD Panels	307	5.5	32.7
Magnetic Heads/FDs/VTs	296	5.3	123.7
Others	212	3.8	94.4
Total	5,569	100.0	70.7

(Note) Amount of sales is the total sales of current nine months

(2) Financial Position

	Total Assets	Shareholders' Equity	Shareholders' Equity Total Assets	Shareholders' Equity Per Share
	Millions of Yen	Millions of Yen	%	Yen
Three months Ended December 31, 2005	13,078	7,817	59.8	767.66
December 31, 2004	13,470	7,718	57.3	747.18
(Reference) Year Ended March 31, 2005	14,509	7,777	53.6	754.64

(Note) 1. Number of shares outstanding

As of December 31, 2005	10,183,922 shares
As of December 31, 2004	10,330,042 shares
As of March 31, 2005	10,257,462 shares

3. Forecasts of Non-consolidated financial result for the fiscal year ended March 31, 2006

(1). Revision of forecast of financial result for the fiscal year ended March 31, 2006 (Millions of Yen)

	Net Sales	Ordinary Income	Net Income
Present Forecast (A)	7,800	600	330
Previous Forecast (B) (August 1, 2005)	7,800	482	274
Increase and Decrease (A-B)	-	118	56
Rate of Change	-	24.5%	20.4%

(Reference) Expected net income per share: 32.40 yen

Financial Statement for the nine months ended December 31, 2006

(1) Summary of Non-Consolidated Balance Sheet

Item	Period	As of Dec 31, 2005	As of Dec 31, 2004	Increase and Decrease		As of March 31, 2005
		Amount	Amount	Amount	Rate of Change	Amount
(Assets)						
Current Assets						
1	Cash and Cash Equivalents	2,215,439	1,803,124	412,315		3,174,730
2	Notes Receivable	740,230	206,930	533,300		405,152
3	Accounts Receivable	2,406,561	3,743,762	1,337,200		2,881,892
4	Merchandise	22,660	61,440	38,780		123,935
5	Finished Goods	96,007	96,507	499		179,700
6	Semi-Finished Goods	158,835	162,610	3,775		184,646
7	Raw Materials	264,633	508,231	243,598		374,144
8	Work in Progress	94,278	46,276	48,002		75,361
9	Supplies	27,167	21,274	5,893		19,662
10	Prepaid Expenses	28,997	21,565	7,432		24,505
11	Deferred Tax Assets	69,101	93,841	24,740		135,217
12	Other Accounts Receivable	159,625	82,151	77,474		104,220
13	Others	118,081	10,812	107,268		16,489
	Doubtful Notes and Accounts	2,860	3,223	363		2,526
	Total Current Assets	6,398,761	6,855,305	456,544	6.7	7,697,133
Fixed Assets						
1	Tangible Fixed Assets					
(1)	Buildings	2,888,858	2,772,219	116,639		3,031,854
(2)	Structures	91,983	83,833	8,150		97,958
(3)	Machinery and Equipment	303,984	335,534	31,550		328,166
(4)	Automotive Equipment	11,928	15,213	3,285		13,755
(5)	Tools	61,109	65,856	4,747		67,185
(6)	Land	1,444,289	1,451,203	6,913		1,444,289
(7)	Construction in Progress	27,272	67,155	39,882		-
	Total Tangible Fixed Assets	4,829,426	4,791,105	38,411	0.8	4,983,210
2	Intangible Fixed Assets					
(1)	Patent Property	7,126	9,623	2,497		8,999
(2)	Software	20,074	18,697	1,377		18,246
(3)	Telephone Rights	1,763	1,724	38		1,763
	Total Intangible Fixed Assets	28,964	30,045	1,081	3.6	29,009
3	Investments and Other Assets					
(1)	Investment Securities	535,470	417,414	118,056		394,977
(2)	Investment in Affiliated Company	818,376	864,239	45,863		916,339
(3)	Long-term Prepaid Expenses	40,026	42,904	2,878		34,410
(4)	Deferred Tax Assets	209,025	237,236	28,210		239,375
(5)	Insurance Reserve Fund	162,637	175,410	12,772		157,851
(6)	Golf-Club Membership	19,143	35,773	16,630		29,643
(7)	Others	48,140	42,864	5,275		42,863
	Allowance for Doubtful Debts	11,682	21,506	9,824		15,239
	Total Investments and Other Assets	1,821,137	1,794,338	26,799	1.5	1,800,222
	Total Fixed Assets	6,679,528	6,615,400	64,128	1.0	6,812,441
	Total Assets	13,078,290	13,470,705	392,415	2.9	14,509,575

tem	Period	As of Dec 31,2005	As of Dec 31,2004	Increase and Decrease		As of March 31,2005
		Amount	Amount	Amount	Rate of Change	Amount
(Liabilities)						
Current Liabilities						
1	Accounts Payable	784,895	1,381,266	596,371		1,355,458
2	Short-term Borrowings	1,550,000	1,550,000	-		1,550,000
3	Current Position of Long-term Borrowings	696,697	559,712	136,985		753,712
4	Accrued Liabilities	238,483	373,599	135,116		461,264
5	Accrued Expenses	49,147	54,331	5,183		61,903
6	Income Taxes Payable	90,000	303,228	213,228		447,745
8	Advances	22,206	21,734	472		31,489
9	Reserve for Employees' Bonuses	127,500	146,261	18,761		145,000
10	Others	170,580	1,078	169,501		3,056
Total Current Liabilities		3,729,510	4,391,212	661,702	15.1	4,809,629
Fixed Liabilities						
1	Long-term Borrowings	1,028,831	884,049	144,782		1,438,664
2	Reserve for Employees' Retirement Benefits	186,986	161,803	25,182		168,323
3	Reserve for Directors' Retirement Benefits	315,217	315,217			315,217
Total Fixed Liabilities		1,531,034	1,361,070	169,964	12.5	1,922,205
Total Liabilities		5,260,545	5,752,282	491,737	8.5	6,731,835
(Shareholders' Equity)						
Capital Stock		1,998,700	1,998,700			1,998,700
Capital Surplus						
Capital Appropriation		2,953,700	2,953,700			2,953,700
Total Capital Surplus		2,953,700	2,953,700			2,953,700
Earned Surplus						
1	Earned Surplus Reserve	60,000	60,000			60,000
2	Voluntary Reserve					
(1)	Contingent Reserve	2,410,000	2,300,000	110,000		2,300,000
3	Unappropriated Profits	797,418	693,645	103,772		845,075
Total Earned Surplus		3,267,418	3,053,645	213,772	7.0	3,205,075
Revaluation of Investment Securities		77,470	44,939	32,531	72.4	41,355
Treasury Stock		479,544	332,562	146,982	44.2	421,090
Total Shareholders' Equity		7,817,744	7,718,422	99,321	1.3	7,777,740
Total Liabilities and Shareholders' Equity		13,078,290	13,470,705	392,415	2.9	14,509,575

(2) Summary of Non-Consolidated Statement of Income

	Nine months ended Dec 31, 2005	Nine months ended Dec 31, 2004	Increase and Decrease		for Previous Fiscal Year (From
	(From April 1, 2005 to Dec 31, 2005)	(From April 1, 2004 to Dec 31, 2004)	Amount	Rate of Change	April 1, 2004 to March 31, 2005)
	Amount	Amount	Amount		Amount
Net Sales	5,569,233	7,874,315	2,305,082	29.3	10,248,512
Cost of Sales	3,507,401	5,558,447	2,051,045	36.9	7,111,225
Gross Profit	2,061,832	2,315,868	254,036	11.0	3,137,287
Selling and General Administrative Expenses	1,615,866	1,580,788	35,077	2.2	2,141,120
Operating Income	445,965	735,079	289,113	39.3	996,166
Non-Operating Income	71,089	52,791	18,298	34.7	121,199
1 Interest Income	338	2,636	2,298		2,840
2 Dividend Income	6,748	7,001	253		38,540
3 Rent Income	7,780	8,047	266		10,504
4 Foreign Exchange Gain	45,645	22,764	22,880		45,602
5 Miscellaneous Income	10,577	12,341	1,764		23,710
Non-Operating Expenses	38,349	34,568	3,781	10.9	46,943
1 Interest Expenses	35,761	32,712	3,048		43,499
2 Miscellaneous Losses	2,588	1,856	732		3,444
Ordinary Income	478,705	753,301	274,596	36.5	1,070,422
Extraordinary Gains	2,225	348	1,877	539.3	13,280
1 Gain on sale of Fixed Assets	1,073	348	725		348
2 Gain on Sale of Investment Securities					12,932
3 Gain on Sale of Golf-Club Membership	500		500		
4 Foreign Exchange Gain	652		652		
Extraordinary Losses	13,885	17,195	3,310	19.2	78,426
1 Loss on Sale of Fixed Assets	454		454		20,565
2 Loss on Disposal of Fixed Assets	5,011	4,718	292		5,126
3 Loss on Allowance for Doubtful Debts		1,113	1,113		21
4 Loss on Revaluation of Golf-Club Membership	595		595		955
5 Loss on Disposal of Inventories	7,824	11,363	3,539		25,735
6 Loss on Revaluation of Inventories					26,021
Net Income Before Tax	467,045	736,454	269,409	36.6	1,005,276
Income Taxes-Current	100,307	334,801	234,494	70.0	487,598
Income Taxes-Deferred	71,678	52,702	124,381	236.0	93,757
Net Income	295,059	454,355	159,295	35.1	611,436
Retained Earnings at the Beginning of the Period	503,183	253,763	249,419		253,763
Loss of Sale of Treasury Stock	824	14,473	13,649		20,124
Unappropriated Profits	797,418	693,645	103,772		845,075