

Trade Name: **Nihon Micro Coating Co., Ltd.**
 Stock Exchange: JQ Stock Code: 5381 (URL <http://www.mipox.co.jp>)
 Name and Title of Representative: Nobuyoshi Watanabe, President
 Contact: Tokio Tonami, Executive 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, 2006.

1. Financial Result for the Nine Months Ended December 31, 2006

	Net Sales		Operating Income		Ordinary Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended						
December 31, 2006	6,171	(10.8)	622	(39.6)	634	(32.6)
December 31, 2005	5,569	(29.3)	445	(39.3)	478	(36.5)
Year ended March 31, 2006	8,038		715		748	

Amounts to nearest Million yen

	Net Income		Net Income Per Share		Diluted Net Income Per Share	
	Millions of yen	%	Yen		Yen	
Nine months ended						
December 31, 2006	396	(34.4)	38. 95			
December 31, 2005	295	(35.1)	28. 84		28. 83	
Year ended March 31, 2006	455		42. 00		41. 99	

(Note) 1. Number of shares outstanding(Non-consolidated): During the Nine Months Ended December 31, 2006 10,182,553 shares
 During the Nine Months Ended December 31, 2005 10,231,368 shares
 During the One Year Ended March 31, 2006 10,216,265 shares

2. Percentages for Net Sales, Operating Income, Ordinary Income and Net Income indicate change from previous year.

Non-consolidated basis net sales by application for the Nine months ended December 31, 2006 are as follows.

Sales by Applications (Unit: Million Yen)

	Net Sales	Composition(%)	Year-over-year basis(%)
Coating Manufacturing Service	2,238	36.3	138.2
Hard Disks	1,593	25.8	89.1
Silicon Wafers	807	13.1	96.1
Fiber Optics	528	8.6	135.9
LCD Panels	507	8.2	119.8
Magnetic Related	238	3.9	80.5
Others	257	4.1	121.1
Total	6,171	100.0	110.8

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

(2) Financial Position

	Total Assets	Total Net Assets	Shareholders' Equity Ratio	Total Net Assets Per Share
	Millions of Yen	Millions of Yen	%	Yen
As of December 31, 2006	12,003	8,208	68.4	806. 15
As of December 31, 2005	13,078	7,818	59.8	767. 66
Year ended March 31, 2006	13,571	7,981	58.8	781. 27

(Note) Number of shares outstanding (Non-consolidated): As of December 31, 2006 10,182,282 shares
As of December 31, 2005 10,183,922 shares
As of March 31, 2006 10,182,862 shares

3. Forecasts of Non-Consolidated Financial Result for the Fiscal Year Ended March 31, 2007

	Net Sales	Ordinary Income	Net Income
Present Forecast (A)	8,200	776	442
Previous Forecast (B) (November 24 , 2006)	8,200	776	442
Increase and Decrease (A-B)	-	-	-
Rate of Change	-	-	-

(Reference) Expected net income per share: 43.44 yen

* Above estimates were based on the available information as of the day of publication of this report, so that actual results may be different from these figures due to the various factors afterwards.

Financial Statement for the Nine months Ended December 31, 2006

(1) Non-Consolidated Balance Sheet

(Unit: Thousand Yen)

	As of December 31, 2006		As of December 31, 2005		Increase and Decrease		As of March 31, 2006	
	Amount	%	Amount	%	Amount	%	Amount	%
(Assets)								
Current Assets								
1 Cash and Cash Equivalents	797,485		2,215,439		1,417,954		2,952,273	
2 Notes Receivable	484,099		740,230		256,131		161,224	
3 Accounts Receivable	2,581,982		2,406,561		175,421		2,832,980	
4 Inventories	1,315,087		663,583		651,503		691,648	
5 Advance	13,058		30,765		17,706		29,653	
6 Prepaid Expenses	29,778		28,997		780		42,176	
7 Deferred Tax Assets	50,386		69,101		18,714		93,572	
8 Other Accounts Receivable	28,641		159,625		130,984		52,674	
9 Others	9,041		87,316		78,275		8,819	
Doubtful Notes and Accounts	6,116		2,860		3,256		2,430	
Total Current Assets	5,303,444	44.2	6,398,761	48.9	1,095,316	17.1	6,862,595	50.6
Fixed Assets								
1 Tangible Fixed Assets								
(1) Buildings	2,713,360		2,888,858		175,498		2,856,951	
(2) Structures	77,872		91,983		14,110		87,337	
(3) Machinery and Equipment	352,610		303,984		48,626		294,318	
(4) Automotive Equipment	7,542		11,928		4,385		10,096	
(5) Tools	59,782		61,109		1,327		59,252	
(6) Land	1,444,289		1,444,289				1,444,289	
(7) Construction in Progress	56		27,272		27,216		18,463	
Total Tangible Fixed Assets	4,655,515	38.8	4,829,426	36.9	173,911	3.6	4,770,709	35.2
2 Intangible Fixed Assets								
(1) Patent Property	4,629		7,126		2,497		6,502	
(2) Software	228,425		20,074		208,351		21,589	
(3) Software in process Account							83,065	
(4) Telephone Rights	1,763		1,763				1,763	
Total Intangible Fixed Assets	234,818	1.9	28,964	0.3	205,854	710.7	112,920	0.8
3 Investments and Other Assets								
(1) Investment Securities	474,763		471,160		3,603		479,125	
(2) Investment in Affiliated Company	882,686		882,686				882,686	
(3) Long-term Prepaid Expenses	13,895		40,026		26,130		35,396	
(4) Deferred Tax Assets	217,615		209,025		8,589		209,418	
(5) Insurance Reserve Fund	162,637		162,637				16,637	
(6) Golf-Club Membership	24,143		19,143		5,000		19,143	
(7) Others	45,949		48,140		2,190		48,229	
Allowance for Doubtful Debts	11,497		11,682		185		11,497	
Total Investments and Other Assets	1,810,195	15.1	1,821,137	13.9	10,942	0.6	1,825,140	13.4
Total Fixed Assets	6,700,529	55.8	6,679,528	51.1	21,000	0.3	6,708,770	49.4
Total Assets	12,003,973	100.0	13,078,290	100.0	1,074,316	8.2	13,571,366	100.0

(Unit: Thousand Yen)

	As of December 31, 2006		As of December 31, 2005		Increase and Decrease		As of March 31, 2006	
	Amount	%	Amount	%	Amount	%	Amount	%
(Liabilities)								
Current Liabilities								
1 Notes and Accounts Payable	1,107,733		784,895		322,837		1,260,134	
2 Short-term Borrowings	750,000		1,550,000		800,000		1,550,000	
3 Current Portion of Long-term Borrowings	366,420		696,697		330,277		609,438	
4 Accrued Liabilities	138,139		238,483		100,343		327,768	
5 Accrued Expenses	41,275		49,147		7,872		57,712	
6 Income Taxes and Other Taxes Payable	95,500		90,000		5,500		204,500	
7 Advances	50,508		22,206		28,302		30,514	
8 Reserve for Employees' Bonus	60,000		127,500		67,500		130,000	
9 Others	12,856		170,580		157,724		253	
Total Current Liabilities	2,622,433	21.8	3,729,510	28.5	1,107,077	29.7	4,170,321	30.7
Fixed Liabilities								
1 Long-term Borrowings	662,411		1,028,831		366,420		912,564	
2 Reserve for Employees' Retirement Benefits	199,655		186,986		12,669		191,682	
3 Reserve for Directors' Retirement Benefits			315,217		315,217			
4 Accrued Directors' Retirement Benefits	311,050				311,050		315,217	
Total Fixed Liabilities	1,173,117	9.8	1,531,034	11.7	357,917	23.4	1,419,463	10.5
Total Liabilities	3,795,550	31.6	5,260,545	40.2	1,464,994	27.8	5,589,785	41.2
(Shareholders' Equity)								
Capital Stock								
			1,998,700	15.3			1,998,700	14.7
Capital Surplus								
1 Capital Appropriation			2,953,700				2,953,700	
Total Capital Surplus			2,953,700	22.6			2,953,700	21.8
Earned Surplus								
1 Earned Surplus Reserve			60,000				60,000	
2 Voluntary Reserve								
(1) Contingent Reserve			2,410,000				2,410,000	
3 Unappropriated Profits			797,418				957,402	
Total Earned Surplus			3,267,418	25.0			3,427,402	25.2
Revaluation of Other Investment Securities			77,470	0.6			82,194	0.6
Treasury Stock			479,544	3.7			480,415	3.5
Total Shareholders' Equity			7,817,744	59.8			7,981,580	58.8
Total Liabilities and Shareholders' Equity			13,078,290	100.0			13,571,366	100.0

(Unit: Thousand Yen)

	As of December 31, 2006		As of December 31, 2005		Increase and Decrease		As of March 31, 2006	
	Amount	%	Amount	%	Amount	%	Amount	%
(Net Assets)								
Shareholders' Equity								
1 Capital Stock	1,998,700	16.7						
2 Capital Surplus								
(1) Capital Appropriation	2,953,700							
Total Capital Surplus	2,953,700	24.6						
3 Earned Surplus								
(1) Earned Surplus Reserve	60,000							
(2) Other Earned Surplus								
Contingent reserve	2,510,000							
Unappropriated Profits	1,095,673							
Total Earned Surplus	3,665,673	30.5						
4 Treasury Stock	480,905	4.0						
Total Shareholders' Equity	8,137,168	67.8						
Valuation and Translation Adjustments								
1 Revaluation of Other Investment Securities	71,255							
Total Valuation and Translation Adjustments	71,255	0.6						
Total Net Assets	8,208,423	68.4						
Total Liabilities and Net Assets	12,003,973	100.0						

(2) Non-Consolidated Statements of Income

(Unit: Thousand Yen)

	Nine months ended December 31, 2006 (From April 1, 2006 to December 31, 2006)		Nine months ended December 31, 2005 (From April 1, 2005 to December 31, 2005)		Increase and Decrease		Condensed Non-Consolidated Statement of Income for Previous Fiscal Year (From April 1, 2005 to March 31, 2006)	
	Amount	%	Amount	%	Amount	%	Amount	%
Net Sales	6,171,729	100.0	5,569,233	100.0	602,495	10.8	8,038,187	100.0
Cost of Sales	3,929,515	63.7	3,507,401	63.0	422,113	12.0	5,131,889	63.8
Gross Profit	2,242,213	36.3	2,061,832	37.0	180,381	8.7	2,906,298	36.2
Selling and General Administrative Expenses	1,619,863	26.2	1,615,866	29.0	3,996	0.2	2,190,524	27.3
Operating Income	622,350	10.1	445,965	8.0	176,384	39.6	715,774	8.9
Non-Operating Income								
1 Interest Income	622		338		283		610	
2 Dividend Income	7,254		6,748		505		6,748	
3 Rent Income	6,752		7,780		1,027		10,777	
4 Foreign Currency Exchange Gain	20,549		45,645		25,096		48,315	
5 Others	10,244		10,577		332		14,840	
Total Non-Operating Income	45,422	0.7	71,089	1.3	25,667	36.1	81,292	1.0
Non-Operating Expenses								
1 Interest Expenses	27,790		35,761		7,970		46,292	
2 Others	5,360		2,588		2,771		2,059	
Total Non-Operating Expenses	33,151	0.5	38,349	0.7	5,198	13.6	48,352	0.6
Ordinary Income	634,621	10.3	478,705	8.6	155,915	32.6	748,714	9.3
Extraordinary Gains								
1 Gain on Doubtful Debts			652		652		933	
2 Gain on Sale of Fixed Assets			1,073		1,073		1,073	
3 Gain on Sale of Golf Club Membership			500		500		500	
Total Extraordinary Gains			2,225	0.0	2,225	100.0	2,506	0.0
Extraordinary Losses								
1 Loss on Sale of Fixed Assets			454		454		705	
2 Loss on Disposal of Fixed Assets	472		5,011		4,538		29,498	
3 Loss on Sale of Golf Club Membership			595		595		595	
4 Loss on Disposal of Obsolete Inventories			7,824		7,824		12,295	
Total Extraordinary Losses	472	0.0	13,885	0.2	13,412	96.6	43,093	0.5
Net Income Before Tax	634,148	10.3	467,045	8.4	167,103	35.8	708,128	8.8
Income Taxes-Current	195,004	3.2	100,307	1.8	94,697	94.4	209,511	2.6
Income Taxes-Deferred	42,495	0.7	71,678	1.3	29,182	40.7	43,572	0.5
Net Income	396,648	6.4	295,059	5.3	101,588	34.4	455,043	5.7
Retained Earnings at the Beginning of the Period			503,183				503,183	
Loss of Sale of Treasury Stock			824				824	
Unappropriated Profits			797,418				957,402	

(3) Non-Consolidated Statement of Changes in Shareholders' Equity

Nine months ended December 31, 2006 (From April 1, 2006 to December 31, 2006)

(Unit: Thousand Yen)

	Shareholders' Equity						
	Capital Stock	Capital Surplus	Earned Surplus			Treasury Stock	Total Shareholders' Equity
		Capital Appropriation	Earned Surplus Reserve	Other Earned Surplus			
				Contingent reserve	Unappropriated Profits		
Balance as of March 31,2006	1,998,700	2,953,700	60,000	2,410,000	957,402	480,415	7,899,386
Changes during the period							
Dividends of Retained Earnings					132,377		132,377
Director's Bonuses					26,000		26,000
Contingent reserve				100,000	100,000		
Net Income					396,648		396,648
Purchase of Treasury Stock						489	489
Sale of Treasury Stock							
Net Changes in Items other than Shareholders' Equity							
Total Changes during the period (Thousand Yen)				100,000	138,270	489	237,781
Balance as of December 31,2006 (Thousand Yen)	1,998,700	2,953,700	60,000	2,510,000	1,095,673	480,905	8,137,168

	Valuation and Translation Adjustments		Total Net Assets
	Revaluation of Other Investment Securities	Total Valuation and Translation Adjustments	
Balance as of March 31,2006	82,194	82,194	7,981,580
Changes during the period			
Dividends of Retained Earnings			132,377
Director's Bonuses			26,000
Contingent reserve			
Net Income			396,648
Purchase of Treasury Stock			489
Sale of Treasury Stock			
Net Changes in Items other than Shareholders' Equity	10,939	10,939	10,939
Total Changes during the period (Thousand Yen)	10,939	10,939	226,842
Balance as of December 31,2006 (Thousand Yen)	71,255	71,255	8,208,423