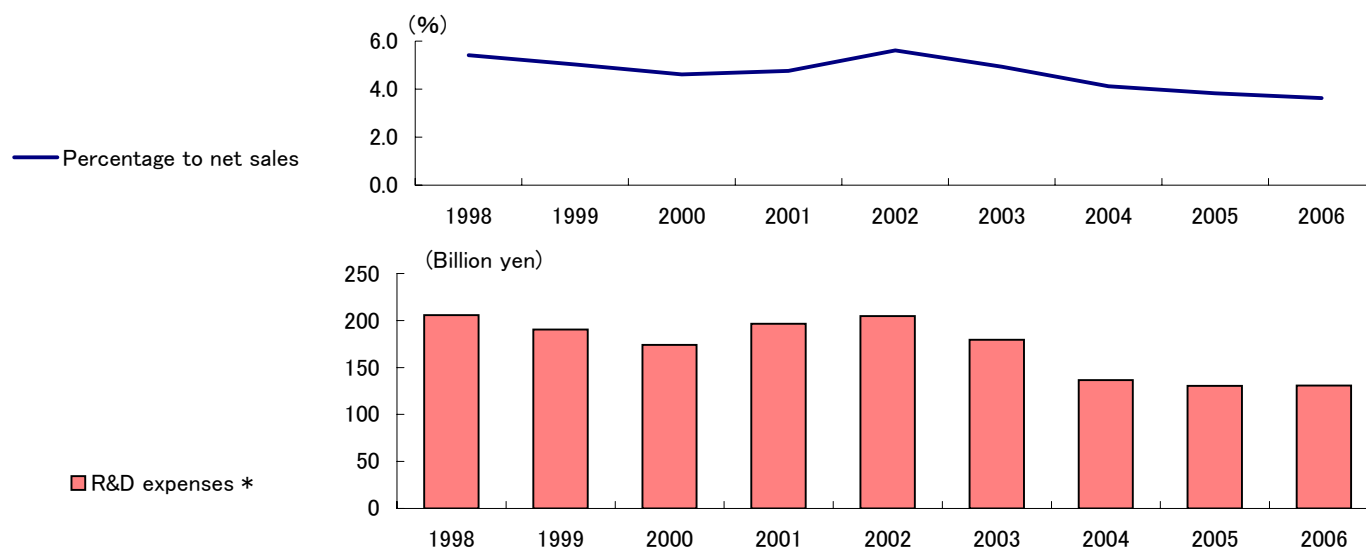
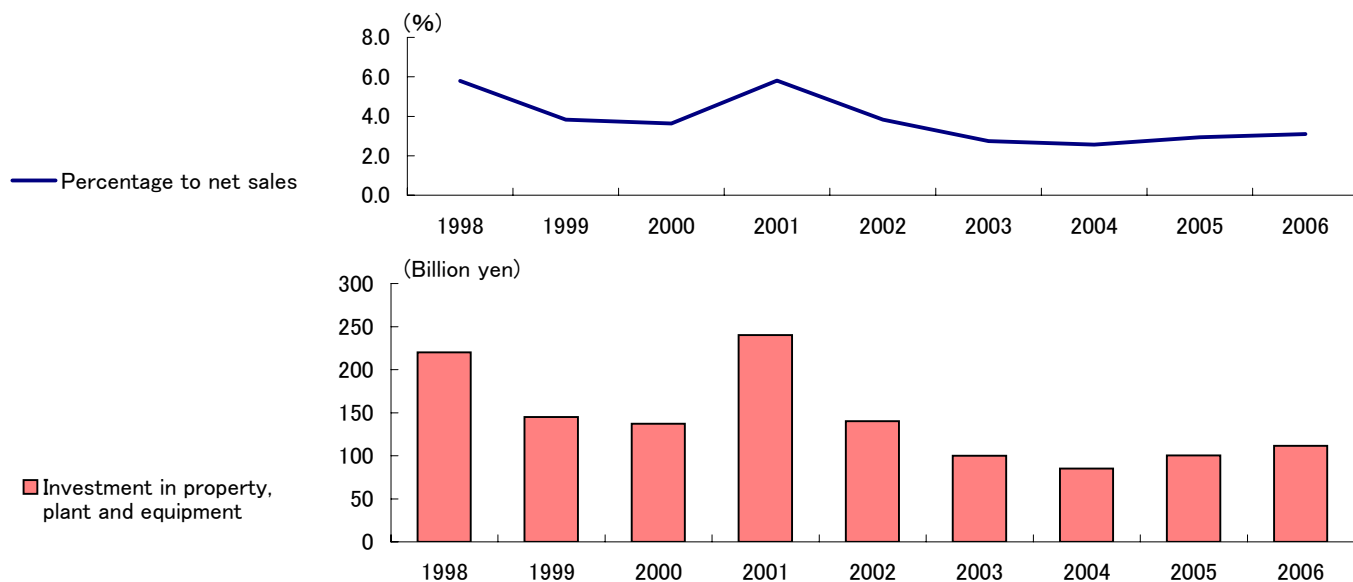


R&D EXPENSES AND INVESTMENT IN PROPERTY, PLANT AND EQUIPMENT

R&D Expenses



Investment in Property, Plant and Equipment



(Years ended March 31)

	1998	1999	2000	2001	2002	2003	2004	2005	2006
R&D expenses * (Million yen)	205,793	190,534	174,041	196,402	204,652	179,562	136,518	130,541	130,639
R&D expenses/net sales (%)	5.4	5.0	4.6	4.8	5.6	4.9	4.1	3.8	3.6

* In this table, certain costs mainly associated with experimentation and research, which are expended for specific purposes of improving quality of products, are included as component of "R&D expenses".
However, under our usual accounting practice (our financial statements resulting thereof as well) treats such costs as a constituent of cost of sales.

Investment in property, plant and equipment (Million yen)	220,000	145,000	137,000	240,000	140,000	100,000	85,000	100,300	111,700
Investment in property, plant and equipment/net sales (%)	5.8	3.8	3.6	5.8	3.8	2.7	2.6	2.9	3.1