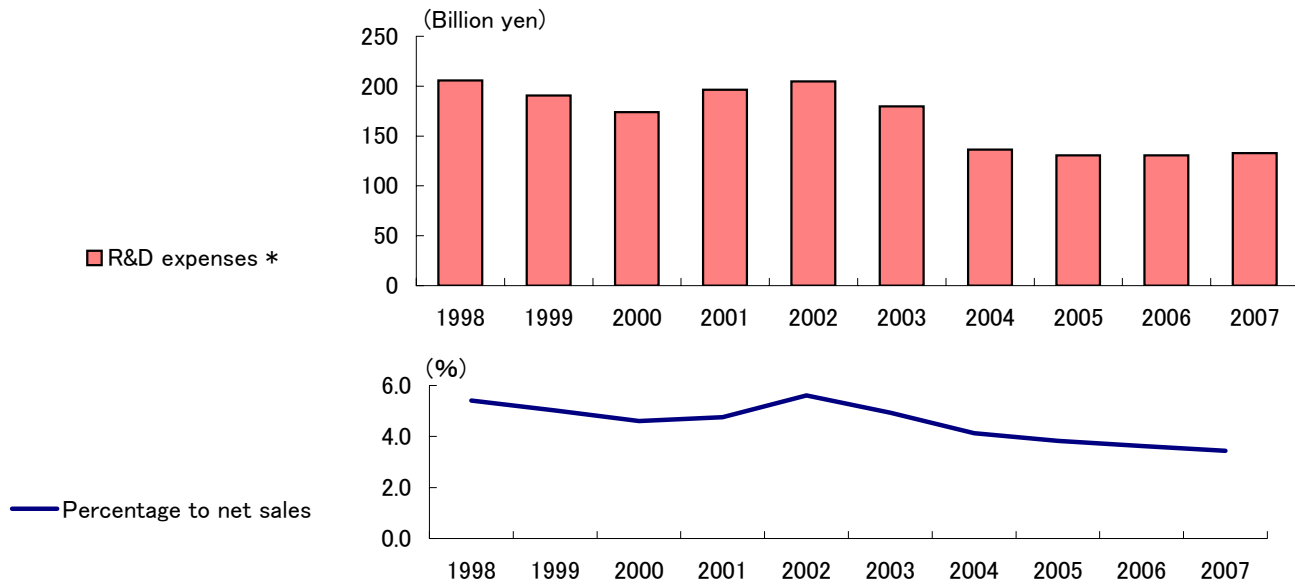
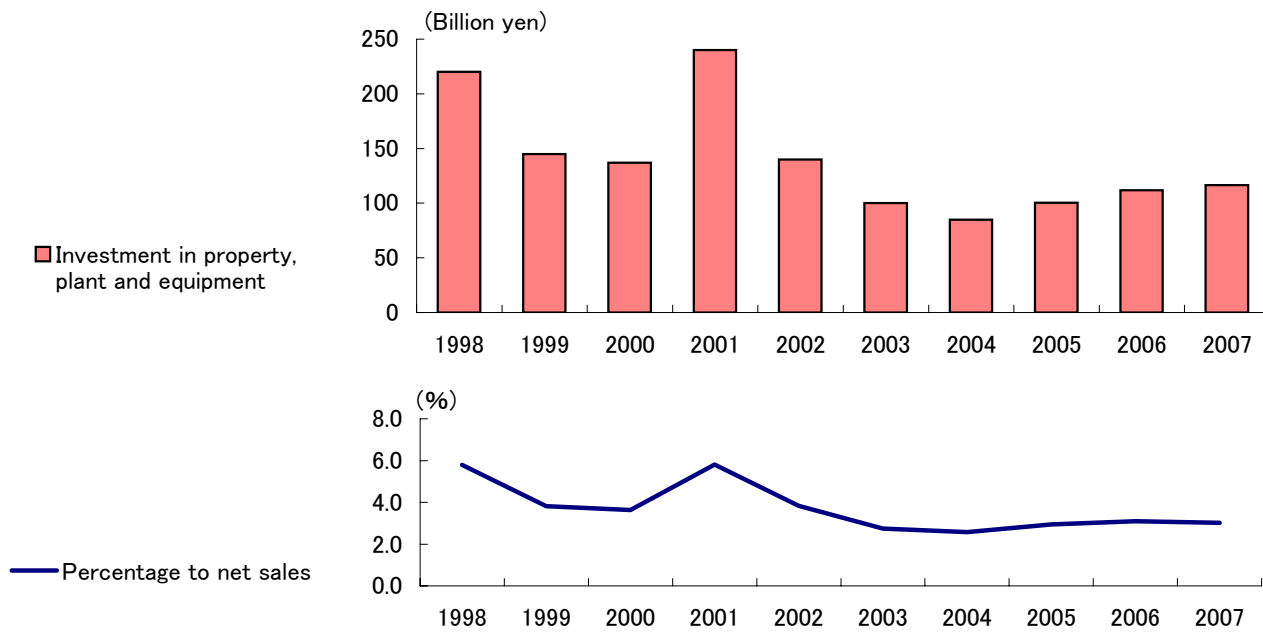


**R&D EXPENSES AND INVESTMENT IN PROPERTY, PLANT AND EQUIPMENT**

**R&D Expenses**



**Investment in Property, Plant and Equipment**



	(Million yen)									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
R&D expenses *	205,793	190,534	174,041	196,402	204,652	179,562	136,518	130,541	130,639	132,722
R&D expenses/net sales (%)	5.4	5.0	4.6	4.8	5.6	4.9	4.1	3.8	3.6	3.4

\* 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.

	(Million yen)									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Investment in property, plant and equipment	220,000	145,000	137,000	240,000	140,000	100,000	85,000	100,300	111,700	116,600
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	3.0