



October 26, 2006

**Revision of the Forecast of Financial Results and
Dividend Policy For the Year Ending March 31, 2007**

This is to announce that the Forecast for the Year ending March 31, 2007 (From April 1, 2006 to March 31, 2007), issued May 15, 2006, has been revised along with dividend policy as below.

1. Revision of Consolidated Forecast

(1) Revised Consolidated Forecast for the First Half ended September 30, 2006

(From April 1, 2006 to September 30, 2006)

(unit: 1 million yen)

	Net Sales	Ordinary Income	Net Income
Previous Forecast	¥360,000	¥25,000	¥15,000
Revised Forecast	¥377,000	¥37,000	¥23,000
Difference	¥17,000	¥12,000	¥8,000
Ratio	4.7%	48.0%	53.3%
Results for First Half of FY 2006	¥342,851	¥20,067	¥9,373

(2) Revised Consolidated Forecast for the Year ending March 31, 2007

(From April 1, 2006 to March 31, 2007)

(unit: 1 million yen)

	Net Sales	Ordinary Income	Net Income
Previous Forecast	¥780,000	¥62,000	¥37,000
Revised Forecast	¥797,000	¥74,000	¥45,000
Difference	¥17,000	¥12,000	¥8,000
Ratio	2.2%	19.4%	21.6%
Results FY 2006	¥730,943	¥43,496	¥28,944

2. Revision of Non-Consolidated Forecast

(1) Revised Non-Consolidated Forecast for the First Half ended September 30, 2006

(From April 1, 2006 to September 30, 2006)

(unit: 1 million yen)

	Net Sales	Ordinary Income	Net Income
Previous Forecast	¥280,000	¥19,000	¥12,000
Revised Forecast	¥289,000	¥31,900	¥21,200
Difference	¥9,000	¥12,900	¥9,200
Ratio	3.2%	67.9%	76.7%
Results for First Half of FY 2006	¥254,027	¥11,321	¥5,889

(2) Revised Non-Consolidated Forecast for the Year ending March 31, 2007

(From April 1, 2006 to March 31, 2007)

(unit: 1 million yen)

	Net Sales	Ordinary Income	Net Income
Previous Forecast	¥600,000	¥48,000	¥30,000
Revised Forecast	¥609,000	¥60,900	¥39,200
Difference	¥9,000	¥12,900	¥9,200
Ratio	1.5%	26.9%	30.7%
Results FY 2006	¥521,140	¥18,854	¥12,171

3. Background of Revision

For the First Half of the Year ended March 2007, our precision equipment business continued steady growth in sales of cutting-edge scanner, such as ArF immersion scanners, and also in sales of LCD scanners for larger panel.

In our imaging business, under highly competitive digital camera market environment, SLR cameras, such as D200 and D80, and interchangeable lenses also performed steady sales growth.

As a result of these elements combining with consecutive effort for cost reduction and favorable impact from foreign currency exchange rate, we expect substantial improvement in net sales, ordinary income and net income.

Because uncertain factors still exist in our business circumstance, the Forecast of the Second Half of the Year ending March 31, 2007, remains the same as previously issued, and we revise the Forecast of the Year ending March 31, 2007, reflecting only improvement in the first half of the year.

4. Dividend Policy for fiscal 2007

The Company plans to pay a interim dividend and a year-end dividend of 6.5 yen per share respectively, with annual dividend of 13 yen.

	Interim	Year-end dividend	Annual dividend
Previous Forecast (May 15, 2006)	5yen	5yen	10yen
Revised Forecast	6.5yen	6.5yen	13yen
(Ref) Fiscal 2006 (actual)	4yen	6yen	10yen