

## Unconsolidated Financial Results for the Fiscal Year Ended June 30, 2006

August 21, 2006

Listed Company: Zero Co., Ltd. Tokyo Stock Exchange (Second Section)  
 Code No: 9028 Location of the head office: Kanagawa  
 (URL <http://www.zero-nichiriku.co.jp/>)  
 Representative: Yoshi Iwashita, President  
 Contact for Inquiries: Takeo Kitamura, Corporate Officer, Tel: 045-502-1438  
 General Manager, Corporate Planning Department  
 Date of Board of Directors Meeting for the Settlement of Accounts: August 21, 2006  
 Date of Annual Shareholders' Meeting: September 28, 2006  
 Date to begin payment of dividend: September 29, 2006  
 Adoption of the unit share (tangenkabu) system: Yes (1 tangenkabu = 100 shares)

### 1. Financial Results for the Fiscal Year Ended June 30, 2006 (From July 1, 2005 to June 30, 2006)

(1) Results of operations (Figures less than one million yen are rounded.)

	Sales		Operating income		Ordinary income	
	Million yen	%	Million yen	%	Million yen	%
FY2005	48,993	-4.0	373	-61.0	522	-52.9
FY2004	51,033	4.7	955	90.5	1,110	79.4

	Net income		Net income per share -basic	Net income per share -diluted	Shareholder's equity net assets ratio	Total assets ordinary income ratio	Sales ordinary income ratio
	Million yen	%	yen	yen	%	%	%
FY2005	138	-69.1	8.02	7.76	1.4	2.0	1.1
FY2004	447	-37.7	83.79	-	4.4	4.4	2.2

(Note) ① Average number of outstanding shares during the period  
 FY2005 : 17,240,247 shares FY2004 : 5,338,314 shares  
 ② Effective the base date of May 31, 2006, share split has been implemented at a rate of three to one.  
 ③ Changes in accounting policy: No  
 ④ Percentages for sales, operating income, ordinary income, and net income are the rates of increase or decrease compared with the same period of previous year.

(3) Financial position (Figures less than one million yen are rounded.)

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
FY2005	25,363	10,020	39.5	572.01
FY2004	25,771	10,309	40.0	1,931.24

(Note) ① Number of issued and outstanding shares at the end of period:  
 FY2005 : 17,517,711 shares FY2004 : 5,338,314 shares  
 ② Number of treasury stock at the end of period:  
 FY2005: 531 shares FY2004 : None

## 2. Forecast for FY06 (July 1, 2006 through June 30, 2007)

	Sales	Ordinary income	Net income
	Million yen	Million yen	Million yen
For the first half of FY06	23,200	180	100
Full year of FY06	51,500	550	300

(Ref.) Forecast of net income per share (full year) 17.13 yen

(2) Dividends (Figures less than one million yen are rounded.)

Cash dividend	Dividend per share ( yen )			Total amount of dividend Million yen	Dividend ratio %	Dividend ratio of net assets %
	Interim	End of period	Full year			
FY04	–	–	–	–	–	–
FY05	10.00	4.00	14.0	127	92.9	1.2
Forecast of FY06	4.00	more than 4.00	more than 8.00			

Note) Effective the base date of May 31, 2006, share split has been implemented at a rate of three to one.

\*The above forecast is based on information available as of the date of release, and actual results may vary depending on various factors.

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