



## Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2006

June 7, 2006

Company: Keyware Solutions Inc.

Stock Exchange Listings: JASDAQ

Stock code: 3799

Headquarters registered in Tokyo

URL: <http://www.keyware.co.jp>

Representative director: Hiroshi Hattanda, president

Contact: Shigetoshi Yako, Head of Management Control Office

Tel: (03)5369-1118

Date of board approval of financial accounts: May 26, 2006

Parent company: none

Parent company's stake in the reporting entity: none

U.S. GAAP was not applied in the preparation of these financial statements.

1. Consolidated financial results for the fiscal year ended March 31, 2006 (April 1, 2005 – March 31, 2006)

(1) Consolidated operating results (Note: Amounts are rounded down to units of million yen.)

	Sales		Operating income		Ordinary income	
	¥million	%	¥million	%	¥million	%
FY ended March 31, 2006	18,522	(3.0)	655	(183.7)	731	(179.0)
FY ended March 2005	17,980	(-6.1)	231	(-70.2)	262	(-67.0)

	Net income		Net income per share	Diluted net income per share	Return on shareholders' equity	Ratio of ordinary income to total capital	Ratio of ordinary income to sales
	¥million	%	¥	¥	%	%	%
FY ended March 31, 2006	689	(183.2)	90.81	—	11.3	7.0	4.0
FY ended March 31, 2005	243	(-58.8)	32.17	—	4.3	2.6	1.5

Notes:

(i) Equity in earnings:

Fiscal year ended March 31, 2006: ¥146 million

Fiscal year ended March 31, 2005: ¥115 million

(ii) Average number of shares outstanding during the period (consolidated):

Fiscal year ended March 31, 2006: 7,560,000 shares

Fiscal year ended March 31, 2005: 7,560,000 shares

(iii) There have been no changes in accounting methods.

(iv) Percentage figures for sales, operating income, ordinary income, and net income for the period indicate changes from the prior fiscal year.

(v) Since the Company has issued no dilutive instruments, diluted net income per share is not stated.

(2) Consolidated financial position

	Total assets	Shareholders' equity	Equity ratio	Equity per share
	¥million	¥million	%	¥
FY ended March 31, 2006	10,339	6,361	61.5	840.34
FY ended March 31, 2005	9,921	5,748	58.0	759.61

Note: Number of shares outstanding as of the end of the period (consolidated):

Fiscal year ended March 31, 2006: 7,560,000 shares

Fiscal year ended March 31, 2005: 7,560,000 shares

(3) Consolidated cash flows

	Operating cash flows	Investing cash flows	Financing cash flows	Cash and cash equivalents at the end of the period
	¥million	¥million	¥million	¥million
FY ended March 31, 2006	1,009	-334	-655	709
FY ended March 31, 2005	2,369	147	-2,916	690

(4) Scope of consolidation and equity-method application

Number of consolidated subsidiaries: 5 companies

Number of equity-method non-consolidated subsidiaries: none

Number of equity-method affiliates: 1 company

(5) Change in the scope of consolidation and equity-method application

Companies newly included in consolidation: none

Companies excluded from consolidation: none

Companies newly included in equity-method consolidation: none

Companies excluded from equity-method consolidation: none

2. Projections for consolidated financial results for the fiscal year ending March 31, 2007

(April 1, 2006 – March 31, 2007)

	Sales	Ordinary income	Net income
	¥million	¥million	¥million
First-half	7,540	37	5
Full year	18,800	690	443

For reference: Projected net income per share (full year): ¥48.62

\*The above projections are based on information available as of the date of dissemination of this summary of consolidated financial results. Actual results may differ from forecasts due to various future factors.